



September Financial Update

CITY OF NAPERVILLE – September 15, 2020



Current Information

WILL COUNTY MITIGATIONS

- Additional measures went into effect on Aug. 26
- Rollback on indoor dining & bar service
- As of Sept. 10, mitigations will continue as case positivity rate still exceeds threshold

IMEA ELECTRIC COSTS

- Currently higher than budgeted
- Consumption down, fixed costs spread over lower number of kilowatt-hours
- No immediate action necessary; Council may be asked to address during '21 budget process

CARES ACT REIMBURSEMENT

- Request to Will County submitted September 8
- Included public safety, other payroll costs

State Sales Tax

- 6.4% below original projections
- Performing better than statewide year-over-year (-3.4% vs. -5.7%)

Home Rule Sales Tax

- 13% below original projections
- Performing better than statewide year-over-year (-12.5% vs. -15.5%)

State Income Tax

- 6% **above** original projections – delayed filing deadline

Motor Fuel Tax

- 7% below original projections

Local Use Tax

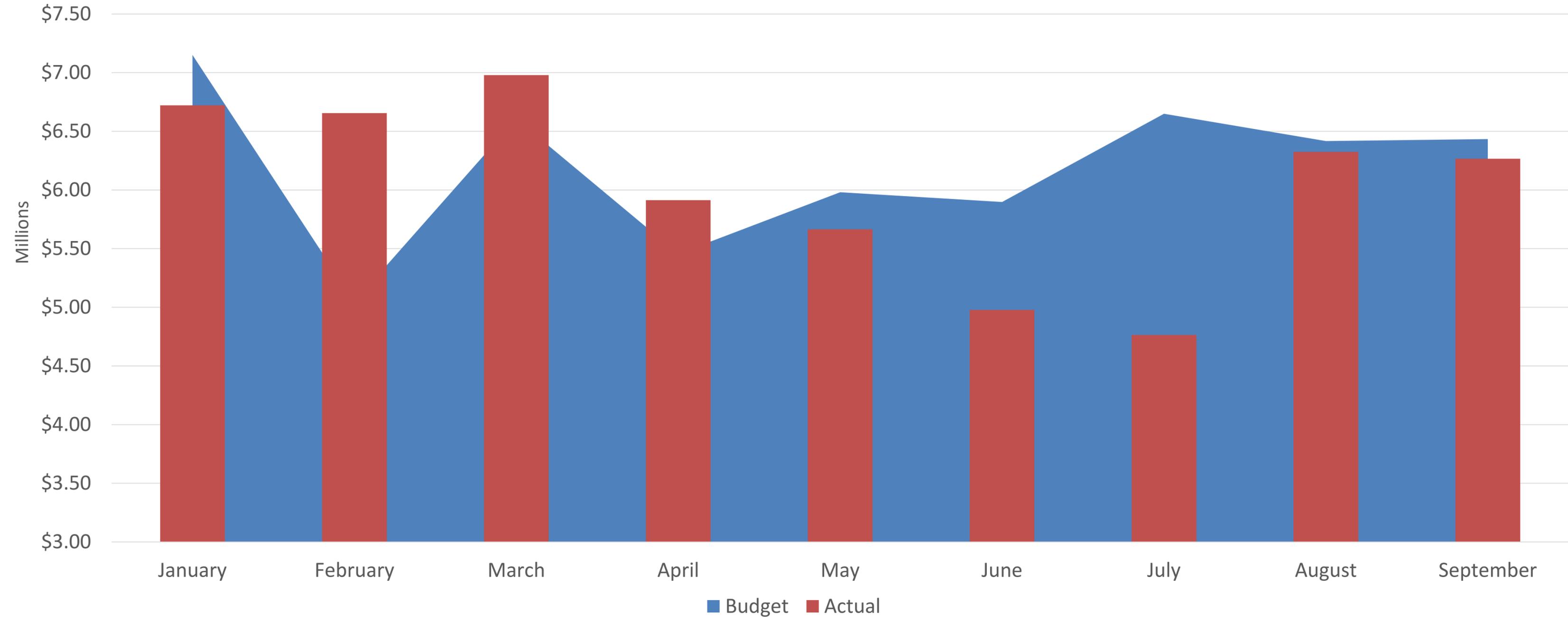
- 45% **above** original projections – increase in online sales



For the first time since pandemic-related impacts began being reported, Naperville outperformed statewide average declines

State Revenues

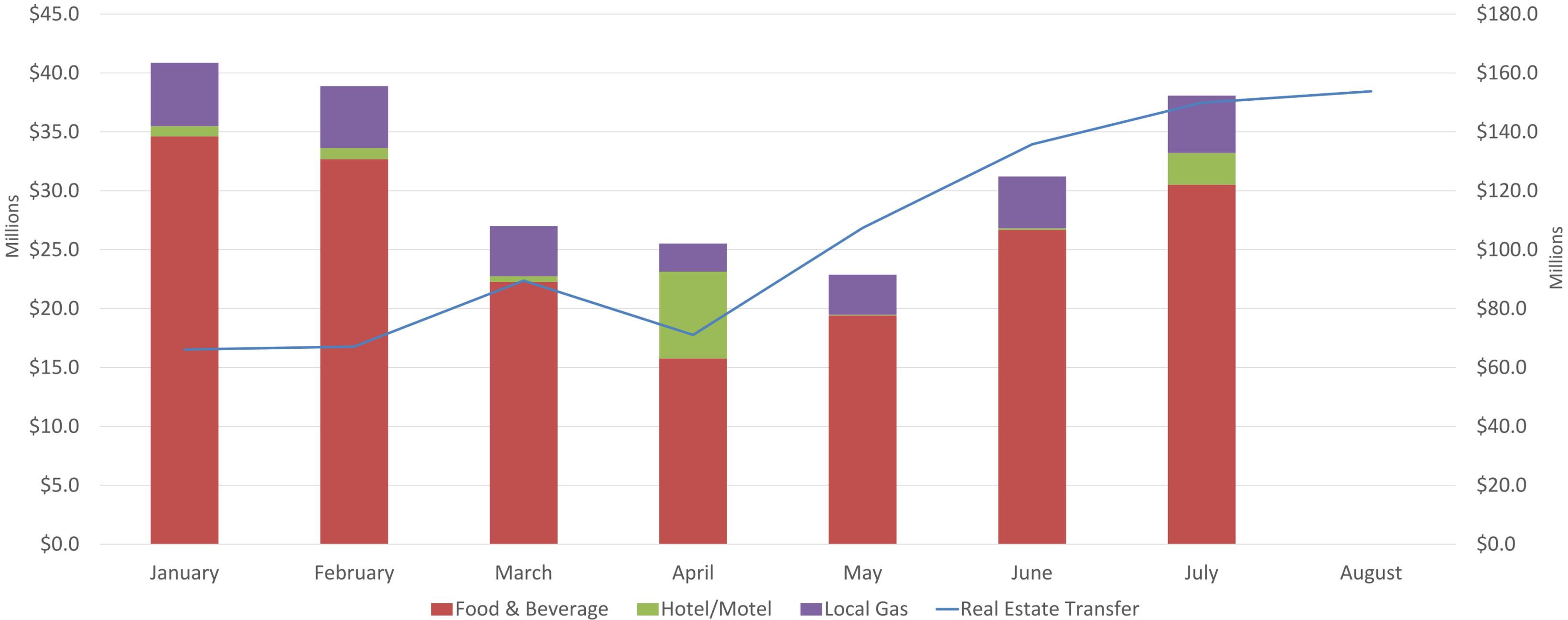
YTD State Shared Revenues



- Sales tax revenues improved significantly
- Major state revenues 12% below YTD projections through September
- Will look at October figures to determine if upward trend is establishing

State Revenues

Taxable Sales by Reporting Period



- Food & beverage taxes continue recovery, up 12% from June
- Residential real estate outperforming, commercial real estate lagging
- Property tax aligns with previous years, 90% collection to date

Local Revenues

Areas of Risk - Revenues

Hotel/Motel



Business/leisure travel continues to be limited

Food & Beverage



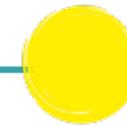
Sales improving, Will County mitigations may impact

State Sales & Motor Fuel



Continue to monitor for trends and evolving consumer habits

State Income



Unemployment declined to 11.3%

Commuter Parking Fees



Continued less commuter rail traffic as people telework or avoid public transit



High

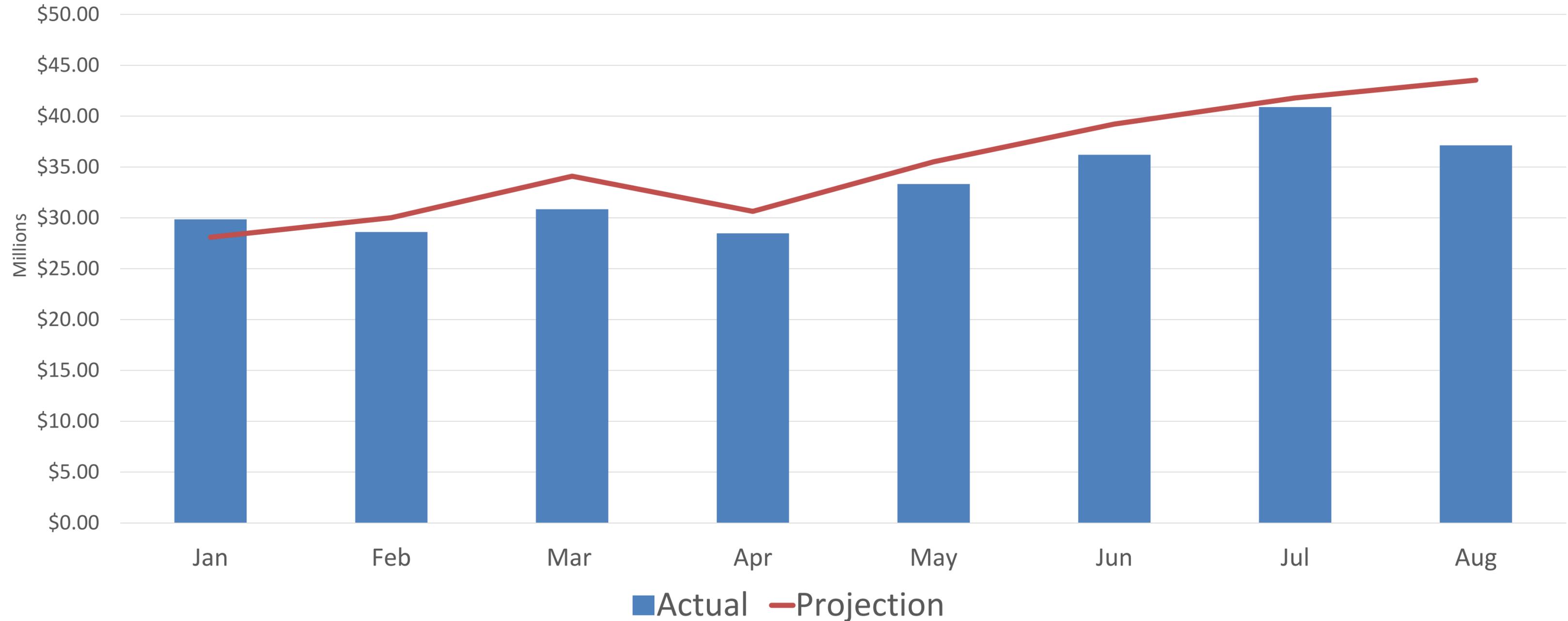


Medium



Low

YTD Expenses



- \$17M below projections overall, relates to capital expense timing
- Below budget: purchased electric/water, insurance benefits/claims
- Notable reductions: operational services, parts, fuel, education/training

Expenses



2021 Budget Timeline

Oct. 16



Draft 2021
Budget Issued

Oct. 26



Budget
Workshop #1

Nov. 9



Budget
Workshop #2

Nov. 23



Budget
Workshop #3

Dec. 1



Budget
Approval

Dec. 15



Tax Levy
Approval

An aerial photograph of a city, likely Columbus, Ohio, showing a river, a road, and various buildings. The image is partially obscured by a teal overlay on the left side.

Next Steps

2021 BUDGET DEVELOPMENT

OCTOBER DEBT ISSUANCE

- **ORDINANCE ON OCT. 6 AGENDA**

QUESTIONS?

