

END-OF-YEAR FINANCIAL UPDATE

20 24



CITY OF NAPERVILLE, ILLINOIS

03.04.2025

TONIGHT'S DISCUSSION

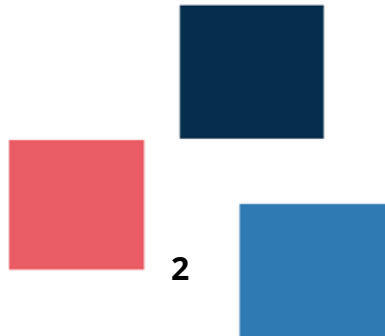
2024 BUDGET SUMMARY

- Preliminary, unaudited overview of the 2024 budget outcomes

REVENUE & EXPENDITURE SUMMARY

- Economic conditions that impacted revenue and expenses

LOOKING AHEAD TO 2025



Key Takeaways

The City's overall financial outcomes in 2024 were positive, even with the moderation in revenue growth.

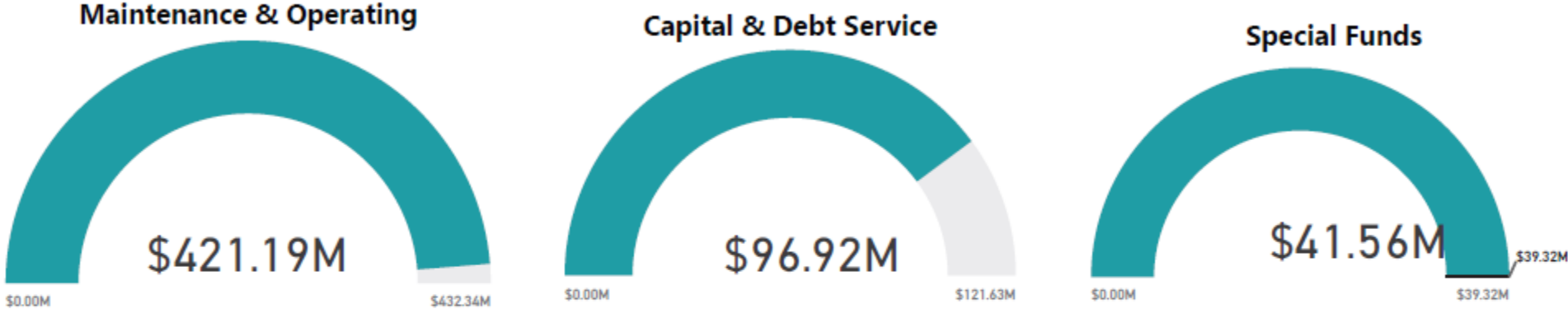
We saw increased year-over-year spending due to more capital projects being executed compared to 2023 and higher personnel costs.

Financial issues noted during the 2025 budget workshops remain relevant in Q1 of 2025 and continue to be monitored.

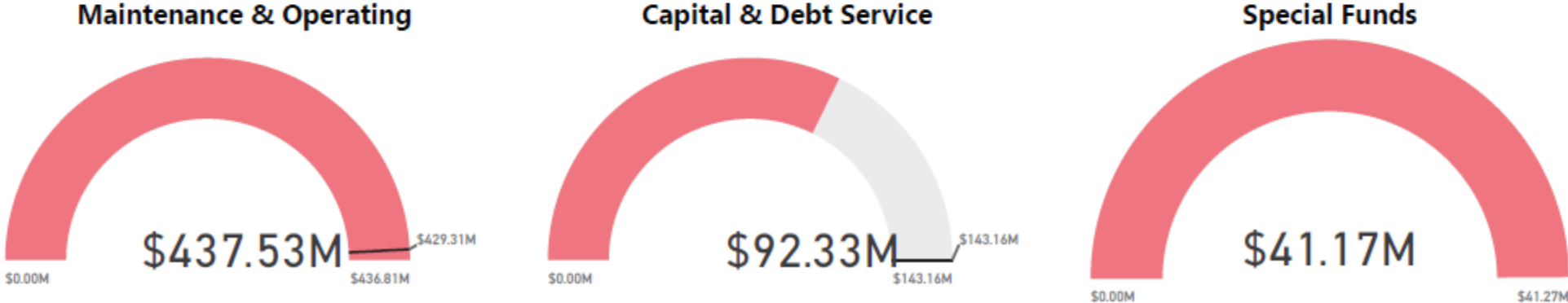


2024 Budget Summary

Revenues



Expenses



Major Operating Funds

	Beginning Balance	Revenues	Expenses	Margin	Ending Balance
General Fund	63.35	158.14	152.98	5.16	68.50
Electric Fund	18.85	146.58	158.25	(11.67)	7.19
Water Fund	3.05	77.70	79.56	(1.86)	1.19

\$ in millions

General Fund cash balances continued to grow

- Estimated \$5.2 million cash balance added to fund

Electric Fund cash balance continue to decline

- Lower revenues and higher expenses resulted in operating loss of \$11.7M

Water Fund cash balance declined slightly but is offset by Water capital reserve

- Water Capital Fund ended 2024 with an estimated \$13.76M cash balance



2024 Revenue Summary

Category	Source	2024 Budget	2024 Actual	Comparison to 2023
State Shared	Sales tax*	\$47.4	\$48.4	↑ 2.7%
	Income tax	\$25.1	\$25.4	↑ 6.3%
	State Motor Fuel Tax	\$6.8	\$7.2	↑ 5.9%
Service Charges	Electric	\$142.5	\$141.3	↑ 1.3%
	Water/Wastewater	\$76.8	\$76.5	↑ 3.6%
	Ambulance fees	\$9.5	\$8.3	↓ 4.7%
Local Taxes	Food & beverage	\$7.4	\$7.3	↑ 3.5%
	HRST*	\$19.7	\$19.7	↑ 1.0%
	Hotel/motel *	\$3.8	\$3.6	↓ 2.4%
	Local Gas	\$2.4	\$2.4	-
	Real estate transfer	\$4.5	\$4.8	↑ 19.5%
Other Revenues	Commuter parking	\$0.9	\$1.2	↑ 68.8%
	Building permits	\$1.3	\$2.2	↑ 56.0%
	Investment Income	\$5.0	\$8.5	↓ 19.7%

\$ in millions

*Gross revenue prior to development incentive rebates

2024 Expense Summary

Category	Source	2024 Budget	2024 Actual	Comparison to 2023
Salaries & Wages	Regular pay	\$110.2	\$110.3	↑ 4.9%
	Overtime pay	\$10.7	\$10.6	↑ 24.2%
Healthcare Claims	Medical	\$12.4	\$14.2	↑ 11.3%
	Dental	\$1.1	\$1.0	↓ 3.4%
	Pharmacy	\$3.6	\$2.9	↑ 5.2%
Purchased Items	Purchased electric	\$103.5	\$109.9	↑ 6.1%
	Purchased water	\$30.1	\$27.7	↓ 3.0%
	Other items	\$24.2	\$19.6	↑ 10.8%
Purchased Services	Architect/Engineer	\$13.1	\$6.0	↑ 48.9%
	Operational services	\$10.7	\$9.6	↑ 4.5%
	Software/Hardware	\$8.8	\$8.1	↑ 2.7%
Capital Outlay	Capital outlay	\$133.4	\$87.9	↑ 21.2%

\$ in millions

Staff continues to monitor financial considerations.



EMPLOYEE COMPENSATION

Evaluating results of the compensation study and public safety collective bargaining



GROCERY TAX ELIMINATION

Staff gathering impact data to present to FAB in April, City Council in early summer



CAPITAL PROJECTS

Ongoing assessment of current and future project costs



ECONOMIC POLICIES

Monitoring at state and federal levels



QUESTIONS?

