



CITY of TOLEDO

MICHAEL P. BELL, MAYOR

Department of Finance

June 17, 2013

TO: George Sarantou, Chairman, Finance, HR and IT Committee
Members of City Council Finance, HR and IT Committee

THROUGH: Michael P. Bell, Mayor

THROUGH: Stephen J. Herwat, Deputy Mayor - Operations

FROM: Patrick A. McLean, Director of Finance *PM*

SUBJECT: Monthly Reports to Finance, HR and IT Committee

Attached are financial reports as listed below:

- ✓ UTAX Tax Collections for January through May, reporting 2013 vs. 2012;
- ✓ Income Tax Collections for January through May for the top 75 taxpayers; and
- ✓ the General Fund Revenue Analysis for May 2013.

At first glance, tax collections for May in all three categories show a significant negative variance from last year. However, in both the Withholding and Business Net Profit categories, there are specific transactions which account for the majority of the negative variance and will reverse themselves in subsequent periods.

Of the \$763,783 negative variance in the Withholding category, about \$550,000 is identifiable as a single payment that was received in May of last year but not until June of this year. If not for this one specific timing issue, the negative variance for Withholding would be about \$200,000 for the month of May. This is more in line with the typical month to month fluctuations that we see in this category. If we would back out the \$550,000 timing transaction, the year-to-date variance would be about a negative \$356,000 or less than 1%.

Similarly in the Business Net Profits category, there is a single transaction of about \$900,000 that was received in May of last year but not in 2013. In 2012, this entire payment was refunded to the taxpayer in October, so there will be an offsetting positive variance in October of this year. If we back out the effect of this payment, the year-to-date variance in the Business Net Profits category would be positive by over \$400,000 or 4%.

The Individual Wage category is the only one where we have significant concern as to the growing year-to-date negative variance. We are taking steps to get as many accounts as possible into the collection and legal pipelines in hopes that we will see some improvement for the remainder of the year. While the overall year-to-date variance through May stands at a negative \$1.8 million, if we back out the previously mentioned timing issues for Withholding and Business Net Profits, we would only have a negative variance of about \$415,000 or less than 1%.

Unemployment rate information for the City of Toledo, Lucas County and the State of Ohio for May 2013 will not be available until Friday, June 21, 2013 (national/Ohio rates) and Tuesday, June 25, 2013 (city/county rates).

City of Toledo
UTAX Tax Collections
Cash Basis
For the Period January thru May
2013 vs. 2012

| | 2009 | 2010 | 2011 | 2012 | 2013 | Change | % Change |
|----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|----------------|
| Withholding | | | | | | | |
| January | 376,000.00 | 17,415.25 | 36,683.27 | 167,769.02 | 67,921.00 | (99,848.02) | -59.52% |
| February | 9,417,255.74 | 8,036,343.07 | 8,105,415.97 | 8,136,166.79 | 8,438,276.96 | 302,110.17 | 3.71% |
| March | 8,930,740.90 | 8,783,756.74 | 9,498,791.93 | 10,822,587.73 | 10,465,184.67 | (357,403.06) | -3.30% |
| April | 6,000,024.44 | 7,440,423.60 | 6,506,941.04 | 5,367,341.17 | 5,380,252.82 | 12,911.65 | 0.24% |
| May | 15,226,680.10 | 14,780,691.29 | 18,555,848.61 | 18,376,423.28 | 17,612,639.74 | (763,783.54) | -4.16% |
| Total | 39,950,701.18 | 39,058,629.95 | 42,703,680.82 | 42,870,287.99 | 41,964,275.19 | (906,012.80) | -2.11% |
| Business | | | | | | | |
| January | 1,067,857.45 | 450,270.69 | 1,105,643.35 | 1,386,491.13 | 1,953,649.43 | 567,158.30 | 40.91% |
| February | 715,168.37 | 1,126,734.18 | 577,496.78 | 1,447,576.91 | 714,358.60 | (733,218.31) | -50.65% |
| March | 469,982.00 | 830,366.05 | 1,010,046.27 | 1,021,495.69 | 825,202.95 | (196,292.74) | -19.22% |
| April | 3,265,163.30 | 2,647,863.09 | 3,002,253.51 | 4,448,944.06 | 5,365,630.08 | 916,686.02 | 20.60% |
| May | 1,036,114.13 | 1,081,401.49 | 2,264,871.20 | 2,077,787.12 | 1,064,098.10 | (1,013,689.02) | -48.79% |
| Total | 6,554,285.25 | 6,136,635.50 | 7,960,311.11 | 10,382,294.91 | 9,922,939.16 | (459,355.75) | -4.42% |
| Individual | | | | | | | |
| January | 533,591.59 | 372,110.95 | 757,792.42 | 692,853.46 | 686,855.01 | (5,998.45) | -0.87% |
| February | 480,414.24 | 603,617.35 | 616,580.55 | 798,486.00 | 578,988.60 | (219,497.40) | -27.49% |
| March | 644,881.10 | 625,386.75 | 846,994.47 | 729,547.77 | 516,776.75 | (212,771.02) | -29.16% |
| April | 1,658,379.31 | 1,145,468.00 | 1,199,503.26 | 1,324,687.82 | 1,872,693.97 | 548,006.15 | 41.37% |
| May | 534,093.23 | 1,139,350.29 | 1,284,934.95 | 1,346,917.63 | 736,577.67 | (610,339.96) | -45.31% |
| Total | 3,851,359.47 | 3,885,933.34 | 4,705,805.65 | 4,892,492.68 | 4,391,892.00 | (500,600.68) | -10.23% |
| Grand Total (Gross) | 50,356,345.90 | 49,081,198.79 | 55,369,797.58 | 58,145,075.58 | 56,279,106.35 | (1,865,969.23) | -3.21% |

City of Toledo
Income Tax Collections Cash Basis
For the periods January thru May for the Top 75 Taxpayers

| Rank | 2012 | 2013 | Difference | % Change | | | |
|--|--|---|--|--|---|--|------------------------------|
| 1-10 | 13,097,674.00 | 12,438,048.00 | (659,626.00) | -5.04% | | | |
| 11-20 | 3,977,756.00 | 3,976,760.00 | (996.00) | -0.03% | | | |
| 21-30 | 2,345,186.00 | 2,018,568.00 | (326,618.00) | -13.93% | | | |
| 31-40 | 1,117,116.00 | 1,252,319.00 | 135,203.00 | 12.10% | | | |
| 41-50 | 1,045,890.00 | 1,097,670.00 | 51,780.00 | 4.95% | | | |
| 51-60 | 721,530.00 | 765,176.00 | 43,646.00 | 6.05% | | | |
| 61-70 | 761,902.00 | 822,062.00 | 60,160.00 | 7.90% | | | |
| 71-75 | 373,363.00 | 339,050.00 | (34,313.00) | -9.19% | | | |
| Total | 23,440,417.00 | 22,709,653.00 | (730,764.00) | -3.12% | | | |
| Rank 1-10 | Rank 11-20 | Rank 21-30 | Rank 31-40 | Rank 41-50 | Rank 51-60 | Rank 61-70 | Rank 71-75 |
| Mfg. Hospital Government Non-Profit | Mfg Hospital Government Service Non-Profit | Mfg Service Grocery Non-Profit Hospital | Mfg. Banking Service Retail Transportation | Mfg. Banking Non-Profit Service | Mfg. Service Technology Non-Profit | Mfg. Retail Service Non-Profit Banking | Service Banking Retail |

City of Toledo through 41.7% of budget period
 2013 General Fund Revenue Analysis
 June 12, 2013

Figures through May 31, 2013

| Acct. Code | Description | 2013 Approved Budget | 2013 Collections Finance Dept | % of total budget |
|--|--------------------------|-----------------------|-------------------------------|-------------------|
| 6010 | Withheld Income Tax | 137,157,648.00 | 41,964,275.00 | 30.6% |
| 6030 | Business Income Tax | 18,423,869.00 | 9,922,939.00 | 53.9% |
| 6050 | Individual Income Tax | 8,297,932.00 | 4,391,892.00 | 52.9% |
| Income Tax Subtotal | | 163,879,449.00 | 56,279,106.00 | 34.3% |
| 6110 | Real Est/Util Tax | 9,096,154.00 | 4,069,551.00 | 44.7% |
| 6115 | Real Est/ Pol & Fire | 1,732,601.00 | 819,088.00 | 47.3% |
| 6210 | Estate Tax | 650,000.00 | 2,076,842.00 | 319.5% |
| 6135-6140 | Pers Prop Tax Reimb | 68,000.00 | 15,618.00 | 23.0% |
| 6280-6290 | JEDZ Income | 1,020,000.00 | 294,519.00 | 28.9% |
| 6310 | Local Govt County | 6,922,876.00 | 2,643,529.00 | 38.2% |
| 6320 | Local Govt State | 1,007,500.00 | 598,314.00 | 59.4% |
| 6200 | Other Taxes | 460,000.00 | 24,559.00 | 5.3% |
| Other Tax Subtotal | | 20,957,131.00 | 10,542,020.00 | 50.3% |
| 6400 | Permits | 1,716,847.00 | 706,969.00 | 41.2% |
| 6500-6600- | | | | |
| 6700 | Licenses / Fees | 6,905,835.00 | 1,895,294.00 | 27.4% |
| 6650 | Internet Sweepstake Café | 75,000.00 | 35,400.00 | 47.2% |
| 6800 | Court Costs / Fees | 3,932,993.00 | 1,629,188.00 | 41.4% |
| 6842 | Red light camera revenue | 4,200,000.00 | 1,191,963.00 | 28.4% |
| 6900 | Other Fees exclude EMS | 882,384.00 | 230,826.00 | 26.2% |
| 6925 | EMS Fees | 3,287,667.00 | 1,768,778.00 | 53.8% |
| 7000 | Other Fees / Charges | 4,267,593.00 | 343,351.00 | 8.0% |
| 7050 | Refuse Collection Fee | 8,900,000.00 | 3,701,179.00 | 41.6% |
| 8000 | Other Revenue | 17,530,621.00 | 967,900.00 | 5.5% |
| 8990 | Casino Revenue | 4,950,000.00 | 1,395,511.00 | 28.2% |
| 8920 | Sale of Fixed Assets | 87,000.00 | 0.00 | 0.0% |
| 0020 | Utility Admin Fee | 2,995,000.00 | 1,226,897.00 | 41.0% |
| License Fees / Other Revenue Subtotal | | 59,730,940.00 | 15,093,256.00 | 25.3% |
| TOTAL 2012 GENERAL FUND REVENUE | | 244,567,520.00 | 81,914,382.00 | 33.5% |

City of Toledo - General Fund

Expenditure Summary for 5 months ending 5/31/2013

41.7% of year

| | 2012 Budget | 2013 Budget | 2013 Commitments & Actuals | Percent Expended |
|-----------------------------------|----------------|----------------|----------------------------------|---------------------|
| Labor | \$ 96,439,731 | \$ 101,176,934 | \$ 42,042,534 | 41.6% |
| Police Overtime | 2,924,560 | 2,650,000 | 1,110,067 | 41.9% |
| Fire Overtime | 2,000,000 | 2,000,000 | 1,377,319 | 68.9% |
| All Other Depts. | 254,611 | 268,698 | 86,596 | 32.2% |
| Subtotal Overtime | 5,179,171 | 4,918,698 | 2,573,982 | 52.3% |
| Pension | 23,829,864 | 21,607,553 | 9,138,423 | 42.3% |
| Employment Taxes & Medical | 23,744,905 | 25,973,035 | 10,580,239 | 40.7% |
| Other labor expenses | 1,288,780 | 1,288,022 | 870,258 | 67.6% |
| Labor Total | 150,482,450 | 154,964,242 | 65,205,436 | 42.1% |
| Supplies | 3,552,032 | 3,756,488 | 1,891,895 | 50.4% |
| Services | 47,025,366 | 49,035,022 | 21,120,226 | 43.1% |
| Capital | 50,944 | 6,721 | 5,348 | 79.6% |
| Debt Service / Operating Transfer | 37,765,965 | 36,720,047 | 15,329,270 | 41.7% |
| | 88,394,307 | 89,518,278 | 38,346,738 | 42.8% |
| Total | \$ 238,876,758 | \$ 244,482,520 | 103,552,175 | 42.4% |

City of Toledo - General Fund
Expenditure Summary for 5 months ending 5/31/2013

41.7% of year

| Cost Center | Cost Center Name | 2012 Budget | 2013 Budget | 2013 Commitments & Actuals | Percent Expended |
|-------------|---------------------------|-----------------------|-----------------------|----------------------------|------------------|
| 10100 | CITY COUNCIL | \$ 1,332,367 | \$ 1,511,865 | \$ 526,692 | 34.8% |
| 10200 | OFFICE OF THE MAYOR | 728,241 | 828,896 | 348,489 | 42.0% |
| 10300 | AUDITOR | 113,551 | 117,656 | 50,774 | 43.2% |
| 10400 | PLANNING COMMISSION | 445,043 | 524,063 | 215,880 | 41.2% |
| 10500 | BOARD OF COMM RELATION | 102,405 | 103,489 | 39,997 | 37.9% |
| 10700 | AFF ACTION/CON COMPLIANCE | 352,242 | 459,098 | 180,985 | 39.4% |
| 10800 | MUNICIPAL COURT JUDGES | 7,834,930 | 8,332,414 | 3,289,518 | 39.5% |
| 10900 | CLERK OF MUNICIPAL | 5,732,793 | 5,850,654 | 2,308,646 | 39.5% |
| 12000 | LAW | 2,802,822 | 2,967,275 | 1,181,045 | 39.8% |
| 13000 | YOUTH COMMISSION | 117,350 | 160,015 | 76,538 | 47.8% |
| 16200 | HOUSING DIVISION | 199,305 | 82,602 | 33,818 | 40.9% |
| 16400 | ECONOMIC DEVELOPMENT | 1,179,013 | 1,356,384 | 294,423 | 21.7% |
| 16500 | REAL ESTATE | 42,168 | 30,222 | 6,952 | 23.0% |
| 17100 | HUMAN RESOURCES | 1,910,033 | 1,849,514 | 591,433 | 32.0% |
| 11100 | FINANCIAL ANALYSIS | 554,989 | 616,685 | 211,632 | 34.3% |
| 14100 | FINANCE ADMINISTRATION | 437,724 | 514,656 | 185,388 | 36.0% |
| 14200 | TREASURY | 397,063 | 469,423 | 157,134 | 33.5% |
| 14400 | TAXATION | 2,114,836 | 2,163,978 | 776,960 | 35.9% |
| 14600 | ACCOUNTS | 1,670,170 | 1,805,070 | 723,529 | 40.1% |
| 14700 | FINANCE ERP | 802,703 | 600,735 | 216,460 | 36.0% |
| 14800 | DEBT MANAGEMENT | 3,663,496 | 749,424 | 372,797 | 49.7% |
| 17700 | PURCHASING AND SUPPLIES | 490,262 | 548,898 | 219,263 | 39.9% |
| | FINANCE | 10,121,243 | 7,468,869 | 2,863,164 | 38.3% |
| 23100 | STREETS BRIDGES | 39,557 | 40,231 | 16,706 | 41.5% |
| 24100 | REFUSE COLLECTION | 4,462,115 | 4,397,507 | 1,572,175 | 35.8% |
| 24500 | WASTE DISPOSAL | 236,517 | 346,484 | 122,123 | 35.2% |
| 26100 | FACILITY OPERATIONS | 109,252 | 82,104 | 25,728 | 31.3% |
| 60100 | NATURAL RESOURCES ADMIN | 1,291,654 | 1,498,872 | 670,629 | 44.7% |
| 60300 | RECREATION | 2,012,823 | 2,010,532 | 1,063,769 | 52.9% |
| 60500 | PARKS & FORESTRY | 37,483 | 688,706 | 419,134 | 60.9% |
| 60600 | NBA | 8,189,401 | 9,064,436 | 3,890,265 | 42.9% |
| | PUBLIC SERVICE | | | | |
| 34000 | WATER DISTRIBUTION | - | 96,424 | 9,437 | 9.8% |
| 35000 | ENGINEERING SERVICES | 99,893 | 110,426 | 51,388 | 46.5% |
| 38000 | ENVIRONMENTAL SERVICES | 159,732 | 203,788 | 107,555 | 52.8% |
| | UTILITIES | 256,625 | 410,638 | 168,380 | 41.0% |
| 51000 | SAFETY ADMIN | 11,227,172 | 13,026,224 | 6,036,057 | 46.3% |
| 52000 | POLICE | 73,636,999 | 75,526,776 | 32,203,714 | 42.6% |
| 53000 | FIRE | 60,462,362 | 61,908,578 | 26,782,549 | 43.3% |
| | PUBLIC SAFETY | 145,326,533 | 150,460,577 | 65,022,320 | 43.2% |
| 56300 | BUILDING INSPECTION | 1,813,264 | 1,698,397 | 898,721 | 52.9% |
| 56400 | CODE ENFORCEMENT | 1,064,331 | 639,809 | 288,278 | 45.1% |
| | INSPECTION | 2,877,595 | 2,338,206 | 1,186,999 | 50.8% |
| 11200 | GENERAL FUND UTILITIES | 3,370,814 | 2,939,955 | 1,225,025 | 41.7% |
| 89800 | GEN'L NON-DEPT SERVICES | 45,844,285 | 47,623,690 | 20,050,835 | 42.1% |
| | Total General Fund | \$ 238,876,758 | \$ 244,482,520 | \$ 103,552,175 | 42.4% |