



Small Town. Real Life.

**Date:** April 29, 2020  
**To:** Mayor Ockerlander and City Council  
**From:** Finance & Administration  
**Re:** March 2020 Financial Report

This monthly report is to provide Council with information on the City’s financial position as it navigates the COVID-19 outbreak. It will focus primarily on General Fund revenues and expenditures and in later reports will detail expenditures directly related to the outbreak.

As of the end of March 2020 (**62.5% of the biennium**), the City still has not felt the full impact of the COVID-19 virus. Biennium to date the City has received 63.13% of budgeted revenue and has spent 54.79% of budgeted expenditures. Below are two tables showing biennium to date revenue and biennium to date expenditures summarized by fund type.

**Biennial to Date Revenue Summary**

<b>Fund Types</b>	<b>2019-2020 Budgeted Revenue</b>	<b>2019-2020 BTD Revenue</b>	<b>% Received</b>
General Fund	11,308,519	6,791,497	60.06%
Contingency Fund	262,860	168,788	64.21%
Special Revenue Funds	2,057,904	1,133,656	55.09%
Debt Service	940,963	589,558	62.65%
Capital Project Funds	2,998,814	1,971,627	65.75%
Utility Funds	13,683,903	8,879,378	64.89%
Bond Redemption & Reserve	8,815	7,611	86.34%
Internal Service Funds	1,215,131	960,984	79.08%
<b>Totals</b>	<b>\$32,476,909</b>	<b>\$20,503,098</b>	<b>63.13%</b>

**Biennial to Date Expenditure Summary**

<b>Fund Types</b>	<b>2019-2020 Budgeted Expenditures</b>	<b>2019-2020 BTD Expenditures</b>	<b>% Spent</b>
General Fund	11,488,976	6,644,422	57.83%
Contingency Fund	-	-	0.00%
Special Revenue Funds	2,033,010	1,271,778	62.56%
Debt Service	940,963	475,520	50.54%
Capital Project Funds	956,497	567,861	59.37%
Utility Funds	13,973,625	6,971,002	49.89%
Bond Redemption & Reserve	2,300	400	17.39%
Internal Service Funds	1,313,394	894,180	68.08%
<b>Totals</b>	<b>\$ 30,708,764</b>	<b>\$ 16,825,162</b>	<b>54.79%</b>

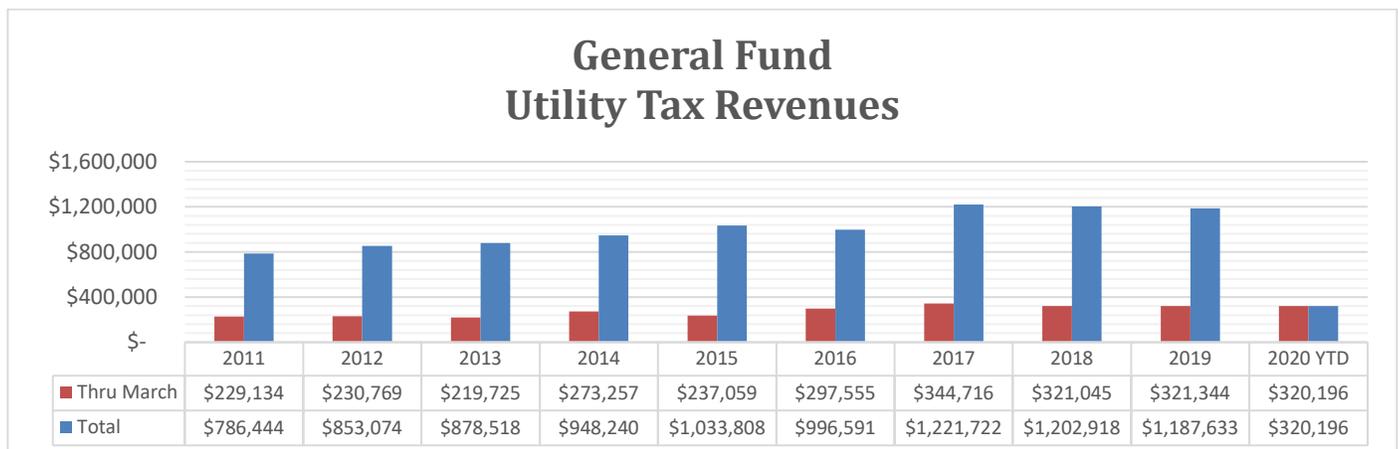
## General Fund Revenues

The City receives 72% of its General Fund revenues from **taxes**. As of the end of March 2020, 59.9% of budgeted tax revenue had been received. **Property tax** is the General Fund's largest and most reliable source of revenue. Most property tax payments are made in April/May or October/November. However, due to the COVID-19 outbreak, the King County has extended the April 30 property tax deadline to June 1 for those who pay the County directly, rather than through their mortgage, so the City will see an even flow of payments through June rather than the spike it usually sees in April. If property tax is removed from General Fund tax revenue, 65.4% of budgeted tax revenues have been received:

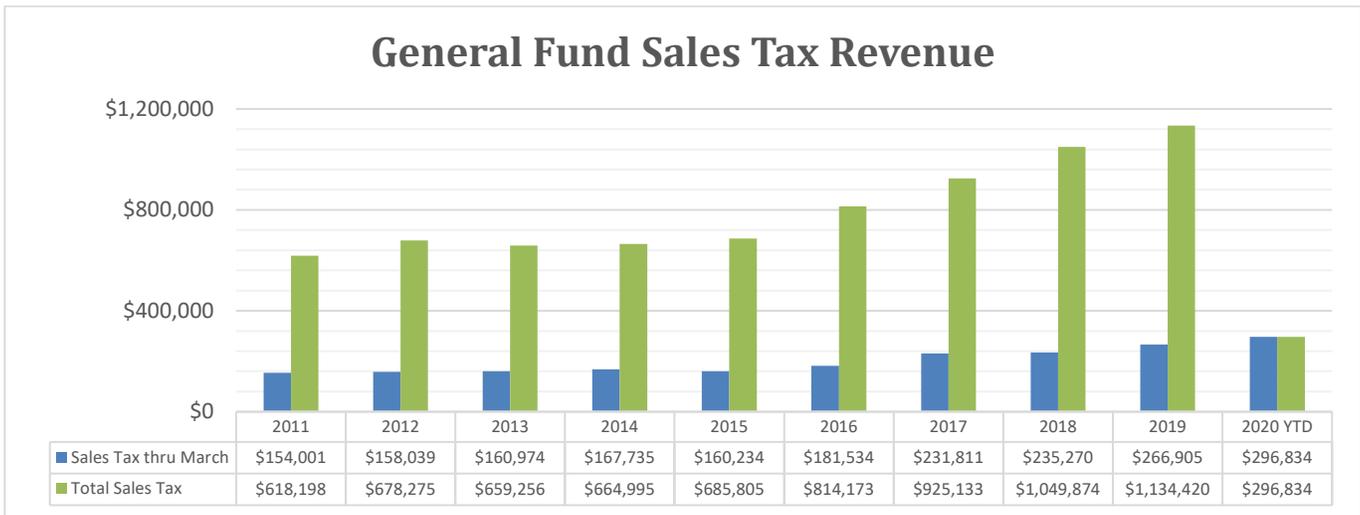
### General Fund Tax Revenue

					Thru	Thru	% Δ
	Budget	Actual	Remaining	% Collected	March 2019	March 2020	
Property Taxes - Levy Lid Lift	\$738,080	\$381,839	\$370,133	51.7%	\$0	\$13,892	
Real & Personal Property Taxes	\$2,451,561	\$1,250,327	\$1,231,975	51.0%	\$50,038	\$47,377	-5%
<b>Total GF Property Tax</b>	<b>\$3,189,641</b>	<b>\$1,632,166</b>	<b>\$1,602,108</b>	<b>51.2%</b>	<b>\$50,038</b>	<b>\$61,269</b>	<b>22%</b>
Local Retail Sales & Use Taxes	\$2,049,950	\$1,431,255	\$618,695	69.8%	\$266,905	\$296,834	11%
Sales Tax-Crim Justice-LOCAL	\$399,930	\$302,326	\$97,604	75.6%	\$59,305	\$62,043	5%
Business Tax - Electricity	\$555,000	\$349,200	\$205,800	62.9%	\$81,042	\$80,429	-1%
Interfund Utility Tax - Water	\$423,000	\$238,395	\$184,605	56.4%	\$40,392	\$42,695	6%
Business Tax - Natural Gas	\$303,000	\$165,506	\$137,494	54.6%	\$42,995	\$50,587	18%
Interfund Utility Tax - Sewer	\$494,000	\$316,128	\$177,872	64.0%	\$62,042	\$64,560	4%
Business Tax - Garbage	\$205,000	\$144,833	\$60,167	70.7%	\$29,592	\$30,353	3%
Business Tax - TV Cable	\$125,000	\$69,582	\$55,418	55.7%	\$16,080	\$9,672	-40%
Business Tax - Telephone	\$260,000	\$126,486	\$133,514	48.6%	\$29,996	\$21,919	-27%
Interfund Utility Tax - Storm	\$153,500	\$97,699	\$55,801	63.6%	\$19,206	\$19,981	4%
Gambling Tax	\$12,400	\$18,099	-\$5,699	146.0%	\$2,329	\$6,081	161%
Leasehold Excise Tax	\$2,000	\$834	\$1,166	41.7%	\$187	\$140	-25%
<b>Total GF Tax w/o Property Tax</b>	<b>\$4,982,780</b>	<b>\$3,260,344</b>	<b>\$1,722,436</b>	<b>65.4%</b>	<b>\$650,071</b>	<b>\$685,295</b>	<b>5%</b>
<b>Total GF Tax Revenue</b>	<b>\$8,172,421</b>	<b>\$4,892,510</b>	<b>\$3,324,544</b>	<b>59.9%</b>	<b>\$700,108</b>	<b>\$746,564</b>	<b>7%</b>

The General Fund's second largest source of revenue is **utility tax**. Revenue from utility tax is generally stable, but taxes on natural gas, electricity and water are affected by weather. Biennium to date, the City has collected 59.9%, or \$1,507.830, of budgeted utility tax.



**Sales tax** is the General Fund’s third largest source of revenue. The City receives sales tax revenue two months after it is collected by businesses, so the economic impact of the COVID-19 outbreak won’t be seen until April or May of 2020. Below is a chart that shows total sales tax collected as of March each year and year to date.



The City’s largest source of sales tax revenue comes from **retail trade**. Retail trade includes grocery, which is a category that should see a boost from the COVID-19 outbreak and may offset some of the loss of tax revenue from other retail stores. **Construction** is the City’s second largest source of sales tax and will be closely monitored during the outbreak. **Accommodation and food services**, which includes restaurants and bars, is the third largest source of sales tax revenue in the City and along with construction, may be the category that is most impacted by the COVID-19 outbreak.

2020 Jan - Mar vs. 2019 Jan - Mar Sales Tax by NAICS Category

NAICS Code Name	Thru Mar 2019	Thru Mar 2020	Δ	Δ%
Retail Trade	\$ 95,406	\$ 109,298	\$ 13,892	14.6%
Construction	\$ 62,430	\$ 75,746	\$ 13,316	21.3%
Accommodation & Food Services	\$ 27,529	\$ 28,805	\$ 1,276	4.6%
Admin & Support of Waste Mgmt & Remedial Svcs	\$ 18,411	\$ 24,249	\$ 5,838	31.7%
Information/Communication	\$ 11,727	\$ 12,682	\$ 955	8.1%
Wholesale Trade	\$ 10,018	\$ 12,230	\$ 2,212	22.1%
Other Services (except Public Administration)	\$ 8,737	\$ 7,863	\$ (874)	-10.0%
Professional, Scientific, & Technical Svcs	\$ 6,672	\$ 6,815	\$ 143	2.1%
Manufacturing	\$ 8,252	\$ 5,209	\$ (3,043)	-36.9%
Real Estate & Rental & Leasing	\$ 2,976	\$ 4,206	\$ 1,230	41.3%
Finance	\$ 3,365	\$ 3,964	\$ 599	17.8%
Miscellaneous	\$ 5,584	\$ 2,284	\$ (3,300)	-59.1%
Arts, Entertainment, & Recreation	\$ 5,537	\$ 1,922	\$ (3,616)	-65.3%
Educational Services	\$ 576	\$ 1,536	\$ 960	166.7%
Agriculture, Forestry, Fishing & Hunting	\$ 285	\$ 1,019	\$ 733	257.0%
Utilities	\$ 899	\$ 1,007	\$ 108	12.0%
Health Care & Social Assistance	\$ 683	\$ 309	\$ (374)	-54.8%
Transportation & Warehousing	\$ 67	\$ 253	\$ 185	276.5%
Management of Companies & Enterprises	\$ 5	\$ 21	\$ 16	348.0%
Public Administration	\$ 10	\$ 7	\$ (3)	-26.3%
Mining	\$ 2	\$ -	\$ (2)	-100.0%
<b>Total</b>	<b>\$ 269,172</b>	<b>\$ 299,424</b>	<b>\$ 30,253</b>	<b>11.2%</b>
Total without Construction	\$ 206,741	\$ 223,678	\$ 16,937	8.2%

8% of budgeted General Fund revenue comes from **licenses and permits**. At the end of March 2020, the City had received 63.3% of budgeted revenue. Garbage franchise fees are lower than prior year to date due to the timing of payments and should rebound in April:

**General Fund Licensing and Permit Revenue**

					Thru	Thru	% Δ
	Budget	Actual	Remaining	% Collected	March 2019	March 2020	
Fireworks Permits	\$400	\$200	\$200	50.0%	\$0	\$0	
Fire Permits-Operational/Other	\$5,250	\$0	\$5,250	0.0%	\$0	\$0	
Special Events Permits	\$2,000	\$1,325	\$675	66.3%	\$150	\$75	-50%
Franchise Fees - Cable TV	\$86,000	\$52,892	\$33,108	61.5%	\$11,594	\$9,475	-18%
Franchise Fees - Garbage	\$268,000	\$168,490	\$99,510	62.9%	\$35,768	\$23,156	-35%
Business Licenses & Permits	\$84,000	\$48,937	\$38,849	58.3%	\$11,425	\$11,014	-4%
Building Permit Fees	\$469,480	\$315,527	\$179,683	67.2%	\$29,199	\$76,360	162%
Permit Fee IT Surcharge	\$74,000	\$38,787	\$38,672	52.4%	\$5,077	\$10,280	102%
Concealed Weapons Permit Fees	\$3,500	\$2,007	\$1,493	57.3%	\$660	\$261	-60%
<b>Total GF Licenses &amp; Permits</b>	<b>\$992,630</b>	<b>\$628,165</b>	<b>\$397,440</b>	<b>63.3%</b>	<b>\$93,873</b>	<b>\$130,621</b>	<b>39%</b>

Revenue from **charges for services** is 6.8% of the General Fund budget. As of the end of March, the City had received 80.3% of budgeted charges for services. In March of 2020, the City changed the way it collected plan check fees, requiring partial payment with permit submittal, which is reflected in the 211% increase over prior year:

**General Fund Charges for Services Revenue**

					Thru	Thru	% Δ
	Budget	Actual	Remaining	% Collected	March 2019	March 2020	
Admin Fee-School/Rd/Park Imp	\$7,350	\$3,315	\$4,295	45%	\$195	\$975	400%
Admin Fee - Cell Tower Leases	\$5,950	\$8,327	-\$2,266	140%	\$0	\$482	
Sale of Maps & Publications	\$200	\$106	\$94	53%	\$0	\$0	
Engineering Fees & Charges	\$140,000	\$157,921	-\$9,917	113%	\$28,223	\$34,771	23%
Admin Fee - Alcohol Use App	\$0	\$100	-\$100		\$0	\$25	
Law Enforcement Services	\$0	\$862	-\$340		\$0	\$522	
RSD School Officer	\$80,000	\$42,588	\$37,412	53%	\$0	\$0	
Bldg Inspection Fees	\$3,000	\$3,175	\$167	106%	\$167	\$759	356%
Planning Deposits	\$0	\$3,000	-\$1,683		\$0	-\$1,823	
Zoning, Subdivision, Dvlp Fees	\$120,000	\$210,640	-\$3,000		\$64,273	\$38,532	-40%
Fire Plan Review & Inspections	\$60,000	\$5,059	-\$72,471	8%	\$293	\$357	22%
Plan Check Fees	\$325,000	\$168,221	\$54,941	52%	\$13,207	\$41,050	211%
Stage Sponsorship Fees	\$0	\$5,000	\$171,005		\$0	\$0	
Summerstage Sponsor Fees	\$30,000	\$11,461	-\$5,000		\$1,666	\$0	-100%
Animal Control & Shelter Services	\$0	\$0	\$18,539		\$0	\$0	
<b>Total GF Charges for Services</b>	<b>\$771,500</b>	<b>\$619,774</b>	<b>\$191,677</b>	<b>80.3%</b>	<b>\$108,023</b>	<b>\$115,651</b>	<b>7.1%</b>

**General Fund Expenditures**

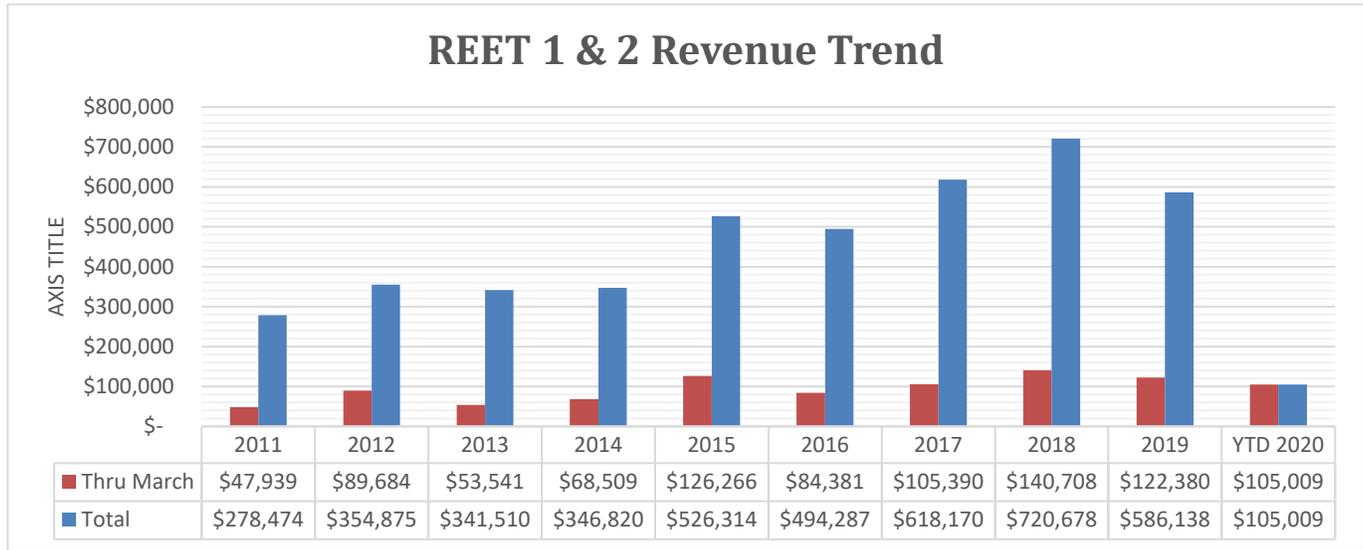
The City has spent 57% of budgeted biennial General Fund expenditures as of March 31,2020. Please note that December 2018 benefits were reported in January of 2019, so 2019 benefits are reported as \$33,776 higher than actual in the General Fund, and \$61,148 higher than actual in all funds combined. See the following page for breakout by department and category.

**General Fund Budget vs Actual**

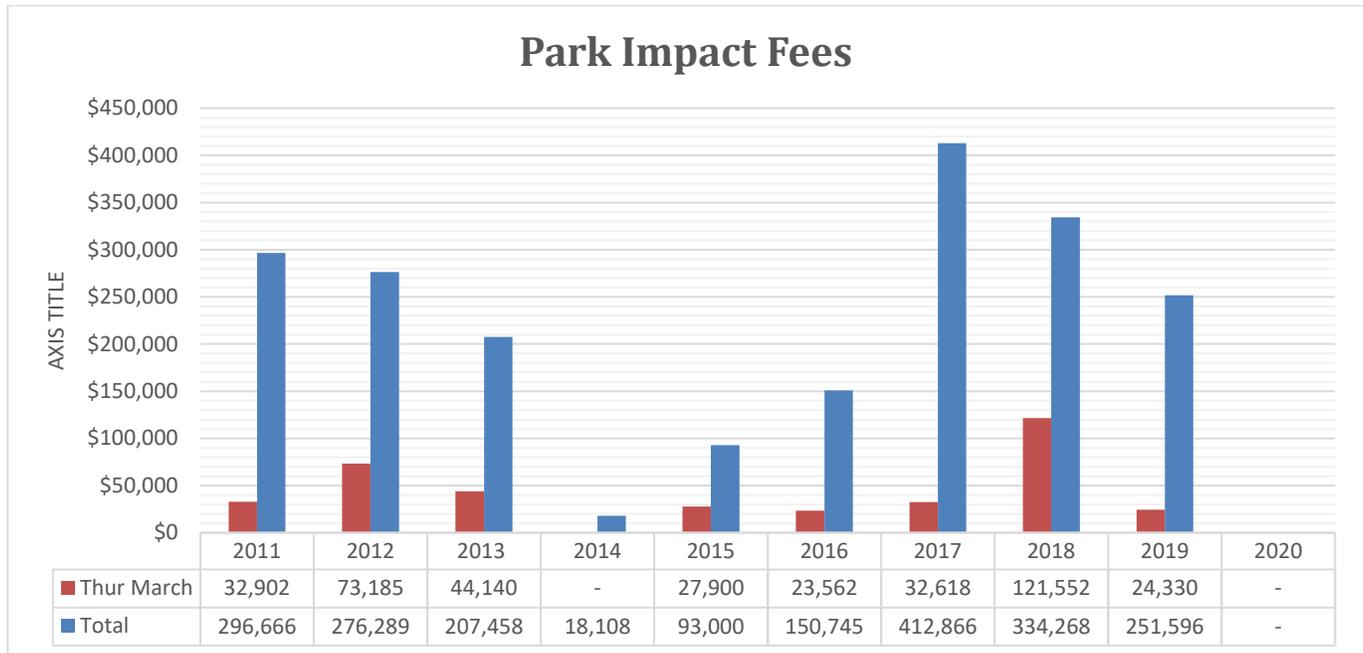
	2019-2020			03/31/2020			Thru	Thru	% Δ
	Budget	BTD Actual	BTD %	March	March	2019	2020		
<b>Revenues</b>									
Beginning Fund Balance	\$ 2,132,480	\$ 2,132,480	100%						
Taxes	\$ 8,172,421	4,892,510	60%	700,108	746,564			7%	
Licenses & Permits	\$ 992,630	628,165	63%	93,873	130,621			39%	
Intergov. Revenues	\$ 383,557	219,021	57%	31,140	41,230			32%	
Charges for Goods & Serv.	\$ 771,500	619,774	80%	108,023	115,651			7%	
Fines & Penalties	\$ 106,900	42,560	40%	9,488	5,320			-44%	
Miscellaneous Revenues	\$ 117,941	143,762	122%	19,584	41,072			110%	
Other	\$ 763,570	245,706	32%	45,700	45,456			-1%	
<b>Total Revenues</b>	<b>\$ 11,308,519</b>	<b>\$ 6,791,497</b>	<b>60%</b>	<b>\$ 1,007,916</b>	<b>\$ 1,125,913</b>			<b>12%</b>	
<b>Total w/ Beg Fund Balance</b>	<b>\$ 13,440,999</b>	<b>\$ 8,923,977</b>							
				<b>Thru</b>	<b>Thru</b>				
				<b>March</b>	<b>March</b>				
				<b>2019</b>	<b>2020</b>				
<b>Expenditures by Dept.</b>									
Legislative	\$ 214,050	\$ 109,743	51%	\$ 31,873	\$ 26,105			-18%	
Executive	209,450	126,348	60%	42,517	14,767			-65%	
Community Events	61,650	9,271	15%	61	(20)			-132%	
Finance Dept.	691,870	401,863	58%	98,692	74,055			-25%	
Planning Dept.	807,348	553,734	69%	146,581	100,445			-31%	
Building Dept.	619,345	375,993	61%	60,368	101,401			68%	
Police Dept.	5,564,213	3,136,828	56%	603,416	620,512			3%	
Economic Development	26,000	11,483	44%	-	-				
Recycling Dept.	45,202	22,697	50%	217	158			-27%	
Civil Service	13,100	8,587	66%	1,191	1,026			-14%	
Parks Dept.	743,597	398,229	54%	86,210	78,326			-9%	
Cultural Commission	80,400	40,935	51%	3,404	2,605			-23%	
City Mitigation Projects	12,000	7,593	63%	240	4,297			1690%	
Engineering Dept.	431,261	251,728	58%	42,282	44,789			6%	
Fire	65,250	12,752	20%	-	-				
Non-Departmental	1,904,240	1,176,640	62%	250,587	246,921			-1%	
<b>Total Expenditures</b>	<b>\$ 11,488,976</b>	<b>\$ 6,644,422</b>	<b>58%</b>	<b>\$ 1,367,640</b>	<b>\$ 1,315,391</b>			<b>-4%</b>	
<b>Ending Fund Balance</b>	<b>\$ 1,952,023</b>	<b>\$ 2,279,555</b>							
<b>Total Exp. &amp; End Fund Balance</b>	<b>\$ 13,440,999</b>	<b>\$ 8,923,977</b>							
				<b>Thru</b>	<b>Thru</b>				
				<b>March</b>	<b>March</b>				
				<b>2019</b>	<b>2020</b>				
<b>Expenditures by Category</b>									
Salaries and Wages	\$ 4,986,099	\$ 2,833,987	57%	\$ 589,172	\$ 583,023			-1%	
Personnel Benefits	2,072,507	1,102,235	53%	263,984	223,836			-15%	
Supplies	251,830	107,663	43%	12,035	25,379			111%	
Services	3,224,157	1,992,110	62%	384,964	365,668			-5%	
Transfers Out	939,883	587,427	63%	117,485	117,485			0%	
Capital Outlays	14,500	21,000	145%	0	0			0%	
<b>Total Expenditures</b>	<b>\$ 11,488,976</b>	<b>\$ 6,644,422</b>	<b>58%</b>	<b>\$ 1,367,640</b>	<b>\$ 1,315,391</b>			<b>-4%</b>	
<b>Ending Fund Balance</b>	<b>\$ 1,952,023</b>	<b>\$ 2,279,555</b>							
<b>Total Exp. &amp; End Fund Balance</b>	<b>\$ 13,440,999</b>	<b>\$ 8,923,977</b>							
<b>Rev. less Exp as of 03/31/2020</b>	<b>\$ (180,457)</b>	<b>\$ 147,075</b>		<b>\$ (359,724)</b>	<b>\$ (189,477)</b>				

### Capital Funds

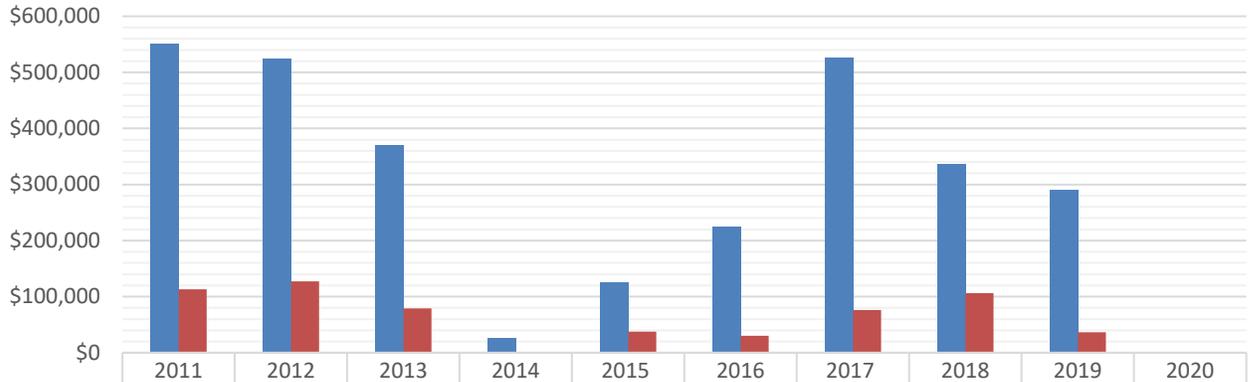
The City has collected \$691,147 in **Real Estate Excise Tax (REET)** revenue as of March 2020, which is 62.2% of the \$1,111,500 budgeted for the biennium. \$24,634 was collected in March 2020.



The City did not collect any **Street or Park Impact Fees** in the first quarter of 2020 due to developer constructed park and street improvements. Biennium to date, 90% of the \$281,089 budgeted Park Impact Fees and 22% of the \$1,336,912 budgeted Street Impact Fees have been collected.



## Street Impact Fees



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total	550,713	523,981	370,219	26,230	125,667	224,489	526,494	335,852	290,533	-
Thru March	\$112,963	\$127,160	\$79,085	\$-	\$37,385	\$30,344	\$76,429	\$106,379	\$36,292	-

### Utility Funds

Revenue from utility billing is reported on an accrual basis until the year end, when an adjusting entry is made to remove revenue that has been billed in December but will be received in January.

- 58.5%, or \$2,726,360, of budgeted **Water Fund** operating revenue was billed by the end of March 2020, and 57.2%, or \$2,516,671, of budgeted expenditures was spent.
- 68.7%, or \$3,441,546, of budgeted **Sewer Fund** operating revenue was billed by the end of March 2020, and 57.4%, or \$2,952,315, of budgeted expenditures was spent.
- 69.9%, or \$1,088,554, of budgeted **Storm Drainage Fund** operating revenue was billed by the end of March 2020, and 60.6%, or \$925,535, of budgeted expenditures was spent.

### Utility Fund Budget to Actual Revenues and Expenditures

	Budget	Actual	Remaining	% Collected	Thru March 2019	Thru March 2020	% Δ
<b>Water Fund</b>							
Revenue	\$4,661,304	\$2,726,360	\$1,934,944	58.5%	\$577,387	\$618,704	7%
Expenditures	\$4,400,657	\$2,516,671	\$1,883,986	57.2%	\$419,425	\$368,938	-12%
<b>Sewer Fund</b>							
Revenue	\$5,010,894	\$3,441,546	\$1,569,348	68.7%	\$835,366	\$875,241	5%
Expenditures	\$5,140,196	\$2,952,315	\$2,187,881	57.4%	\$565,039	\$443,677	-21%
<b>Storm Drainage Fund</b>							
Revenue	\$1,557,860	\$1,088,554	\$469,306	69.9%	\$258,310	\$275,004	6%
Expenditures	\$1,527,970	\$925,535	\$602,435	60.6%	\$196,910	\$159,960	-19%

**Ending Fund Balance**

At the end of March 2020, the City had an ending fund balance of \$20,160,159, which is \$3,677,936 more than the beginning biennial fund balance, as shown in the table below, and \$1,909,791 higher than budgeted. Budget to actual expenditures and revenues for each fund can be found on the following two pages.

**CITY OF DUVALL  
2019-2020 REVENUE AND EXPENDITURE SUMMARY**

Biennium to Date as of March 31, 2020

Fund	Description	Beginning Fund Balance	Revenues	Expenditures	Ending Fund Balance	Net Change		
001	General Fund	\$ 2,132,480	\$ 6,791,497	\$ 6,644,422	\$ 2,279,555	\$ 147,075	315,863	General Fund
002	Contingency Fund	231,954	168,788	-	400,741	168,788		
101	Street Fund	177,846	947,549	1,126,999	(1,604)	(179,450)	(138,122)	Special Revenue Funds
106	Big Rock Ball Park Maintenance	35,150	185,077	144,779	75,448	40,298		
107	Sensitive Areas Mitigation Fund	39,407	1,029	-	40,437	1,029		
206	2016 LTGO - Main St Debt Svc	19,866	589,558	475,520	133,904	114,038	114,038	Debt Svc Fd
304	Real Estate Excise Tax Fund 1	990,664	375,184	103,577	1,262,271	271,607	1,403,767	Capital Project Funds
305	Real Estate Excise Tax Fund 2	810,389	370,326	111,104	1,069,611	259,222		
306	Main Street Improvement	1,188,870	30,431	59,079	1,160,222	(28,648)		
307	Street CIP Fund	589,810	709,186	136,427	1,162,568	572,759		
308	Parks CIP Fund	690,840	486,501	157,674	1,019,667	328,827		
401	Water Fund	3,314,348	2,726,360	2,533,258	3,507,451	193,102	1,915,587	Proprietary Funds
402	Sewer Fund	2,462,035	3,441,546	2,976,381	2,927,200	465,165		
404	Storm Drainage Fund	775,113	1,088,554	936,380	927,287	152,175		
407	Water CIP Fund	1,315,436	630,051	176,938	1,768,550	453,114		
408	Sewer CIP Fund	502,693	769,656	345,626	926,724	424,031		
409	Storm Drainage CIP Fund	113,978	223,210	2,420	334,768	220,790		
410	Bond Redemption Fund	19,940	905	-	20,844	905		
411	Bond Reserve Fund	267,873	6,706	400	274,180	6,306		
501	Equipment Fund	464,099	432,137	454,389	441,847	(22,252)	66,803	Internal Service Funds
502	IT Fund	190,939	358,537	295,647	253,828	62,889		
503	Building Maintenance Fund	148,495	170,310	144,144	174,661	26,166		
<b>TOTAL</b>		<b>\$ 16,482,223</b>	<b>\$ 20,503,098</b>	<b>\$ 16,825,162</b>	<b>\$ 20,160,159</b>	<b>\$ 3,677,936</b>		

$$\$ 36,985,322 = \$ 36,985,322$$

**CITY OF DUVALL**  
**2019-2020 BUDGET vs ACTUAL - REVENUES**  
Biennium to date as of 03/31/2020

Fund	Description	Budget	BTD Actual	BTD Difference	BTD % Collected	Thru March 2019	Thru March 2020	% Δ
001	General Fund	\$ 11,308,519	\$ 6,791,497	\$ 4,517,022	60%	\$ 1,007,916	\$ 1,125,913	12%
002	Contingency Fund	262,860	168,788	94,072	64%	33,369	34,389	3%
101	Street Fund	1,688,459	947,549	740,910	56%	72,701	88,784	22%
106	Big Rock Ball Park Maintenance	368,474	185,077	183,397	50%	16,951	24,079	42%
107	Sensitive Areas Mitigation Fund	971	1,029	(58)	106%	194	246	27%
206	2016 LTGO - Main St Debt Svc	940,963	589,558	351,405	63%	117,620	117,620	
304	Real Estate Excise Tax Fund 1	577,910	375,184	202,726	65%	66,244	60,214	-9%
305	Real Estate Excise Tax Fund 2	573,370	370,326	203,044	65%	65,359	59,041	-10%
306	Main Street Improvement	29,227	30,431	(1,204)	104%	5,824	7,089	22%
307	Street CIP Fund	1,352,867	709,186	643,681	52%	132,884	18,351	-86%
308	Parks CIP Fund	465,441	486,501	(21,060)	105%	27,230	6,210	-77%
401	Water Fund	4,661,304	2,726,360	1,934,944	58%	577,387	618,704	7%
402	Sewer Fund	5,010,894	3,441,546	1,569,348	69%	835,366	875,241	5%
404	Storm Drainage Fund	1,557,860	1,088,554	469,306	70%	258,310	275,004	6%
407	Water CIP Fund	985,981	630,051	355,930	64%	75,100	153,414	104%
408	Sewer CIP Fund	1,206,629	769,656	436,973	64%	50,397	181,405	260%
409	Storm Drainage CIP Fund	261,235	223,210	38,025	85%	6,159	22,794	270%
410	Bond Redemption Fund	2,216	905	1,311	41%	200	106	-47%
411	Bond Reserve Fund	6,599	6,706	(107)	102%	1,316	1,388	6%
501	Equipment Fund	377,465	432,137	(54,672)	114%	60,677	49,340	-19%
502	IT Fund	568,785	358,537	210,248	63%	71,668	71,858	0%
503	Building Maintenance Fund	268,881	170,310	98,571	63%	24,622	34,185	39%
<b>TOTAL</b>		<b>\$ 32,476,910</b>	<b>\$ 20,503,098</b>	<b>\$ 11,973,812</b>	<b>63%</b>	<b>\$ 3,507,493</b>	<b>\$ 3,825,378</b>	<b>9%</b>

**CITY OF DUVALL**  
**2019-2020 BUDGET vs ACTUAL - EXPENDITURES**

Biennium to date as of 03/31/2020

Fund	Description	Budget	BTD Actual	BTD Difference	BTD % Spent	Thru March 2019	Thru March 2020	% Δ
001	General Fund	\$ 11,488,976	\$ 6,644,422	\$ 4,844,554	58%	1,367,640	1,315,391	-4%
002	Contingency Fund	-	-	-	-	-	-	
101	Street Fund	1,740,811	1,126,999	613,812	65%	144,174	240,483	67%
106	Big Rock Ball Park Maintenance	260,999	144,779	116,220	55%	22,856	28,755	26%
107	Sensitive Areas Mitigation Fund	31,200	-	31,200	0%	-	-	
206	2016 LTGO - Main St Debt Svc	940,963	475,520	465,443	51%	-	-	
304	Real Estate Excise Tax Fund 1	162,994	103,577	59,417	64%	22,080	20,374	-8%
305	Real Estate Excise Tax Fund 2	172,994	111,104	61,890	64%	27,237	20,490	-25%
306	Main Street Improvement	207,000	59,079	147,921	29%	5,734	4,891	-15%
307	Street CIP Fund	242,994	136,427	106,567	56%	28,296	44,582	58%
308	Parks CIP Fund	170,516	157,674	12,841	92%	118,890	-	-100%
401	Water Fund	4,400,657	2,533,258	1,867,400	58%	419,425	385,526	-8%
402	Sewer Fund	5,140,196	2,976,381	2,163,815	58%	565,039	467,743	-17%
404	Storm Drainage Fund	1,527,970	936,380	591,590	61%	196,910	170,804	-13%
407	Water CIP Fund	1,558,450	176,938	1,381,512	11%	49,707	32,933	-34%
408	Sewer CIP Fund	1,346,352	345,626	1,000,727	26%	347	2,648	663%
409	Storm Drainage CIP Fund	-	2,420	(2,420)	-	30	311	944%
410	Bond Redemption Fund	1,500	-	1,500	0%	-	-	
411	Bond Reserve Fund	800	400	400	50%	100	-	
501	Equipment Fund	537,722	454,389	83,333	85%	16,093	48,720	203%
502	IT Fund	534,544	295,647	238,897	55%	25,663	44,062	72%
503	Building Maintenance Fund	241,128	144,144	96,984	60%	20,884	15,097	-28%
<b>TOTAL</b>		<b>\$ 30,708,766</b>	<b>\$ 16,825,162</b>	<b>\$ 13,883,603</b>	<b>55%</b>	<b>\$ 3,031,104</b>	<b>\$ 2,842,809</b>	<b>-6.2%</b>

**CITY OF DUVALL**  
**Debt Service as of 03/31/2020**

**2017 General Obligation Bonds**

Description	Date of Final Payment	Principal	Interest	Total	Remaining 2020 Payment
Big Rock Ball Field	12/1/2025	\$1,250,000	\$111,428	\$1,361,428	\$226,125
Main Street Project	12/1/2031	\$2,500,000	\$423,674	\$2,923,674	\$242,250

**Remaining 2020 Funding Source(s)**

Property Tax Levy	REET I	REET II	Street Impact Fees
\$225,991	\$81,497	\$81,497	\$81,497

**State of WA Local Program**

Description	Date of Final Payment	Principal	Interest	Total	Remaining 2020 Payment
Dump Truck Purchase	6/1/2029	\$139,824	\$38,536	\$178,360	\$14,984

**Remaining 2020 Funding Source(s)**

Internal Service Charges to Fund 501
\$14,984

**Utility Revenue Debt**

Utility Revenue Debt	Date of Final Payment	Principal	Interest	Total	Remaining 2020 Payment
SRF WWTP Construction Loan	6/30/2025	\$1,812,721	\$27,333	\$1,840,054	\$334,555

**Remaining 2020 Funding Source(s)**

Sewer General Facility Charges
\$ 334,555

The City's long-term debt outstanding balances are shown in the table above. Limited-Term General Obligation (LTGO) Bonds interest payments are due twice annually, on the 1st of June and December, and the principal amount is due once a year on December 1. The City will pay \$226,125 in debt payments related to the Big Rock Ball Field and \$242,250 in payments related to the Main Street Project in 2020.

In November of 2019, the City took out a State of Washington Local Program loan in 2019 to purchase a dump truck. Interest payments are due twice annually on June 1 and December 1, and a principal payment is due annually on June 1. The City will make \$14,984 in debt payments for its dump truck loan in 2020.

Both principal and interest payments for the Wastewater Treatment Plant (WWTP) construction loan are due twice annually, on June 30 and December 30. The City will pay \$334,555 in payments related to its WWTP loan in 2020.

## Reserve Balance Requirements

Fund #	Fund Description	Budgeted	Required	Notes
001	General Fund	\$ 832,615	\$ 893,103	17% per Resolution 04-04 Internally
001	Disaster Relief	25,000	25,000	Established by City Council
001	Internal Restricted- Other	22,408	22,412	Drug Enforcement & Art
001	Future City Facility	400,000	400,000	
002	Contingency	494,814	549,930	<b>Maximum</b> allowed is 37.5% of Assessed Value (AV) - \$1,466,479,816 in 2020
106	Big Rock Ball Park Fund	126,000	50,891	Resolution 18-16 - 50% of ballfield revenue held for turf replacement
401	Water Utility	749,132	698,625	Resolution 04-04. Increased by CPI-U
402	Sewer Utility	998,844	987,263	Resolution 04-04. Increased by CPI-U
402	Sewer Utility, DOE Loan	335,000	335,000	Annual Loan Amount
404	Storm Drain	312,139	305,749	Resolution 04-04. Increased by CPI-U
501	Equipment Fund	200,000	200,000	Resolution 04-04 - flat amount in reserve
<b>Total Restricted Funds</b>		<b>\$ 4,495,952</b>	<b>\$ 4,467,973</b>	

Reserve balance requirements are shown in the table above. Amounts budgeted are for the two-year biennium, amounts required are for 2020. All 2020 required reserve balances are being met.

In accordance with the requirements of Governmental Accounting Standards Board Statement No.54, Fund Balance Reporting and Governmental Fund Type Definitions, some internally designated reserves (including the 17% reserve established by Resolution 04-04) will be reported as unreserved in the annual financial statements.

## City of Duvall Investments

At the end of the first quarter of 2020, the City held the following investments:

### City Investments as of March 31, 2020

Description	Amount	March Interest Rate	% of Total
Bank of America Money Market	\$118,549	0.02%	1%
State Local Government Investment Pool (LGIP)	\$8,545,617	1.29%	48%
Opus Bank – Public Interest Checking	\$4,979,095	1.83%	28%
Government Securities	\$4,297,703	1.6% -2.25%	24%
<b>Total</b>	<b>\$17,940,963</b>		<b>100.00%</b>

Interest rates declined in the first quarter of 2020 and will continue to decline as the Federal Government cuts interest rates in hopes of stimulating the economy. LGIP interest rates fell from 1.77% to 1.29% from the 4<sup>th</sup> quarter of 2019 to the end of March 2020, while the City's public interest checking account with Opus Bank continued to earn at a rate of 1.83%. Since it is easy to move funds to checking from both accounts, the City will look at moving more funds from the LGIP to its Opus account in April.

The City has selected a new bank, Washington Federal, for its checking account services. The Bank of America Money Market account, which earns at a low rate, will be closed, and a new Public Funds Savings Account will be opened for when interest rates increase. Until then, the bulk of the City’s investments will be held in its Opus Public Interest account and the LGIP.

During the first quarter of 2020, one of the City’s bonds matured and four of the City’s bonds with more favorable rates were called. \$1 million in Federal Farm Credit Bank bonds were purchased with a coupon rate of 1.6%, the remaining proceeds were transferred to the LGIP.

**1st Quarter Investment Activity**

Investment	Activity	Date	Cost	Coupon Rate	Maturity
Federal Home Loan Mortgage - 3136G4PJ6	Called	1/13/2020	\$1,000,000	1.85	10/13/2020
Federal Home Loan Mortgage - 3135G0S46	Maturity	1/27/2020	\$999,148	1.65	1/27/2020
Federal Farm Credit Bank - 3133ELMD3	Purchase	2/10/2020	(\$1,000,000)	1.6	2/10/2023
Federal Farm Credit Bank - 3133EHNBS	Called	2/12/2020	\$1,000,662	1.87	6/14/2021
Federal Farm Credit Bank - 3133EF3R6	Called	2/21/2020	\$993,800	1.6	1/19/2021
Federal Home Loan Mortgage - 3130ABPV2	Called	3/30/2020	\$1,000,855	1.69	6/29/2020

The City earned \$470,695 in interest through March 31, 2020. This represents 120% of the 2019-2020 interest revenue budget of \$392,106. The City continues to look for investment opportunities with the primary objectives of safety, liquidity and yield. At March 31, 2020, the City’s total cash balance was as follows:

Description	Amount
<b>Investments</b>	\$17,940,963
<b>Checking Account*</b>	\$1,848,579
<b>Local Program Funds</b>	\$69,361
<b>Drug Seizure Account</b>	\$10,412
<b>Total</b>	<b>\$19,869,315</b>

\*General ledger checking balance – includes one called bond of which \$1 million transferred to the LGIP in April