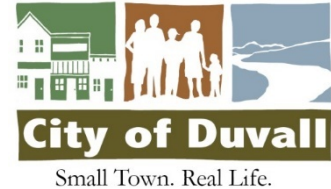


**Date:** April 29, 2021  
**To:** Mayor Ockerlander  
City Council  
**From:** Finance



### March 2021 Financial Report

This monthly report provides information on the City’s financial position. It focuses primarily on General Fund revenues and expenditures, but also touches on other revenues that may be impacted by an economic slowdown. Each quarter this report will provide additional information on the City’s debt, reserve balances and investments.

The City started the 2021/2022 biennium off with higher **beginning fund balances** than estimated in the 2021/2022 Biennial Budget. Actual beginning fund balances totaled \$25,150,983, which was \$3,269,896 more than the \$21,881,087 estimated. This is due in part to the significant number of permits that were processed in November and December of 2020 but were expected in 2021. As a result, building and permitting and other development related revenues may be adjusted downwards as part of the mid-biennium budget adjustment process.

There are **two new funds** for the 2021/2022 biennium, the **Building and Permitting Fund** and the **Facilities Capital Project Fund**. The beginning balance for the Building and Permitting Fund is derived from like revenues and expenditures reported in the General Fund during the 2019/2020 biennium. For comparison purposes, those revenues and expenditures have been pulled out of the 2020 General Fund and are shown as 2020 Building and Permitting revenues and expenditures. In addition, **school impact fees**, which are collected by the City and remitted to the School District, were previously held in a deposit fund, which is not part of the City’s budget. They are now reported in the Building and Permitting Fund, so 2020 school impact fee revenues and expenditures will also be reported in the Building and Permitting Fund for trending purposes.

As of the end of March, **12.5% of the biennium** was complete. The City has received **11.62% of budgeted revenues** and has spent **8.84% of budgeted expenditures**.

The tables below show biennium to date budgeted vs. actual revenues and expenditures by fund type.

**Table 1: Biennium to Date (BTD) Revenue by Fund Type**

Fund Type	2021/2022 Budgeted Revenue	2021/2022 BTD Revenue	% Received
General Fund	\$10,977,775	\$1,101,384	10.03%
Contingency Fund	\$2,657	\$358	13.49%
Special Revenue Funds	\$6,128,852	\$623,386	10.17%
Debt Service	\$974,914	\$121,815	12.49%
Capital Project Funds	\$4,842,235	\$128,243	2.65%
Utility Funds	\$16,388,207	\$2,496,260	15.23%
Internal Service Funds	\$1,861,824	\$311,708	16.74%
<b>Total</b>	<b>\$41,176,465</b>	<b>\$4,783,154</b>	<b>11.62%</b>

**Table 2: Biennium to Date (BTD) Expenditures by Fund Type**

Fund Type	2021/2022 Budgeted Expenditures	2021/2022 BTD Expenditures	% Spent
General Fund	\$11,142,253	\$1,223,130	10.98%
Contingency Fund	\$0	\$0	0.00%
Special Revenue Funds	\$5,698,998	\$632,491	11.10%
Debt Service	\$974,914	\$0	0.00%
Capital Project Funds	\$4,644,225	\$150,350	3.24%
Utility Funds	\$15,632,311	\$1,407,820	9.01%
Internal Service Funds	\$1,786,943	\$110,853	6.20%
<b>Total</b>	<b>\$39,879,644</b>	<b>\$3,524,645</b>	<b>8.84%</b>

## General Fund Revenues

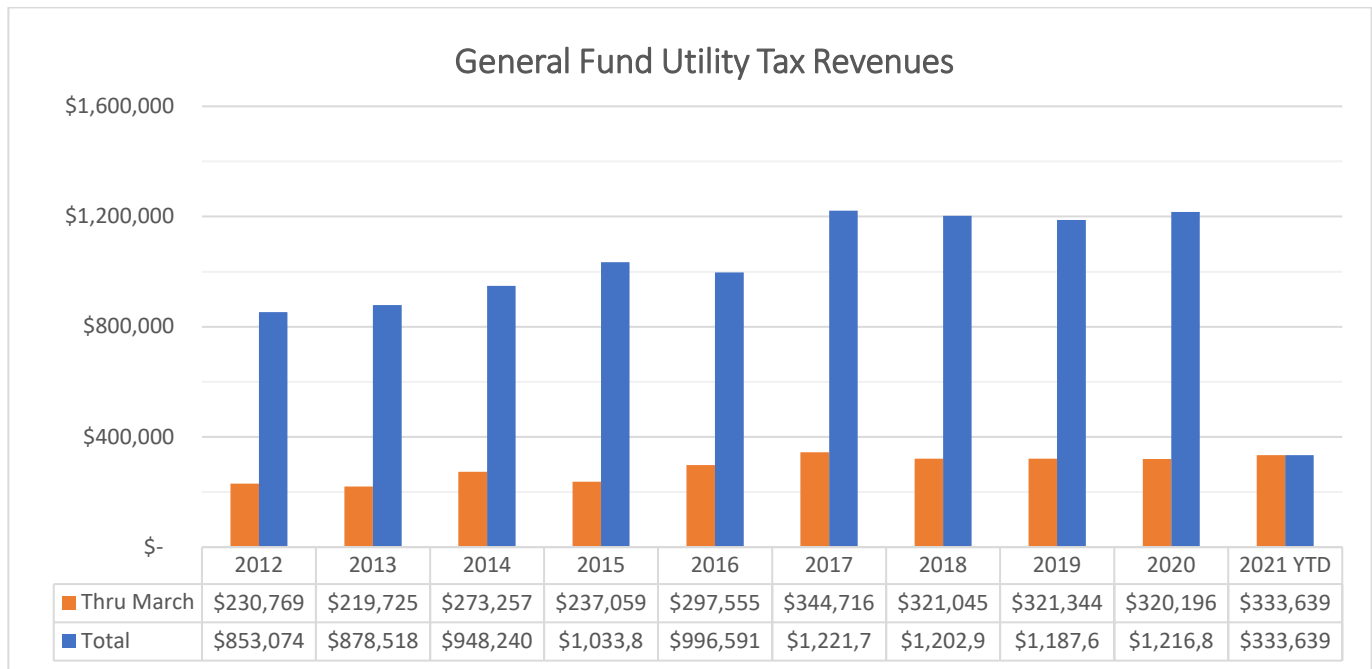
The City receives 82% of its General Fund revenues from **taxes**. As of the end of March 2021, 9.3% of tax revenue budgeted in the General Fund had been received.

### General Fund Tax Revenue

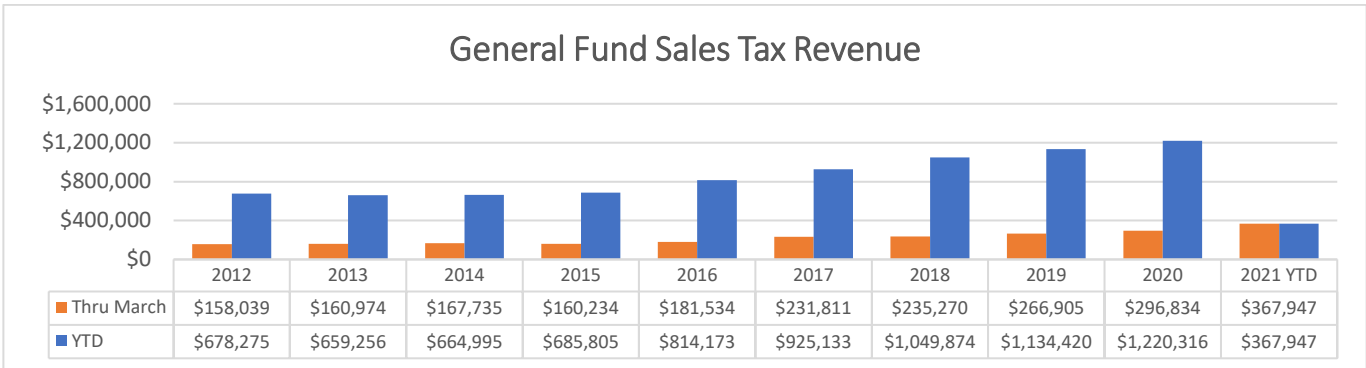
	2021/2022				Thru March	Thru March	% Δ
	Budget	Actual	Remaining	% Collected	2020	2021	
Real & Personal Property Taxes	\$2,670,068	\$54,410	\$2,615,658	2.0%	\$47,377	\$54,410	15%
Property Taxes - Levy Lid Lift	\$810,435	\$15,954	\$794,481	2.0%	\$13,892	\$15,954	15%
<b>Total GF Property Tax</b>	<b>\$3,480,503</b>	<b>\$70,364</b>	<b>\$3,410,140</b>	<b>2.0%</b>	<b>\$61,269</b>	<b>\$70,364</b>	<b>15%</b>
Local Retail Sales & Use Taxes	\$1,859,184	\$283,420	\$1,575,765	15.2%	\$221,838	\$283,420	28%
Sales Tax from Construction	\$644,254	\$84,527	\$559,727	13.1%	\$74,996	\$84,527	13%
Affordable Housing Sales Tax	\$18,000	\$3,165	\$14,835	17.6%	\$0	\$3,165	
Sales Tax-Crim Justice-LOCAL	\$494,983	\$60,144	\$434,839	12.2%	\$62,043	\$60,144	-3%
Business Tax - Electricity	\$540,000	\$85,745	\$454,255	15.9%	\$80,429	\$85,745	7%
Interfund Utility Tax - Water	\$446,376	\$43,784	\$402,592	9.8%	\$42,695	\$43,784	3%
Business Tax - Natural Gas	\$232,162	\$51,415	\$180,748	22.1%	\$50,587	\$51,415	2%
Interfund Utility Tax - Sewer	\$553,298	\$66,938	\$486,360	12.1%	\$64,560	\$66,938	4%
Business Tax - Garbage	\$239,366	\$31,584	\$207,782	13.2%	\$30,353	\$31,584	4%
Business Tax - TV Cable	\$102,754	\$13,928	\$88,826	13.6%	\$9,672	\$13,928	44%
Business Tax - Telephone	\$210,866	\$19,104	\$191,763	9.1%	\$21,919	\$19,104	-13%
Interfund Utility Tax - Storm	\$172,118	\$21,142	\$150,976	12.3%	\$19,981	\$21,142	6%
Gambling Tax	\$33,500	\$0	\$33,500	0.0%	\$6,081	\$0	-100%
Leasehold Excise Tax	\$4,337	\$583	\$3,754	13.4%	\$140	\$583	316%
<b>Total GF Tax w/o Property Tax</b>	<b>\$5,551,200</b>	<b>\$765,478</b>	<b>\$4,785,722</b>	<b>13.8%</b>	<b>\$685,295</b>	<b>\$765,478</b>	<b>12%</b>
<b>Total GF Tax Revenue</b>	<b>\$9,031,703</b>	<b>\$835,842</b>	<b>\$8,195,861</b>	<b>9.3%</b>	<b>\$746,564</b>	<b>\$835,842</b>	<b>12%</b>

**Property tax** is the General Fund's largest and most reliable source of revenue. Property taxes are due in two payments with April 30<sup>th</sup> and November 2<sup>nd</sup> deadlines, so payments received in the first three months of the year are typically low.

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 and fluctuate from year to year. Biennium to date, the City has collected 13.36%, or \$333,639 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 March receipts were from sales incurred in January. Sales tax received in March 2021 was **21.2%**, or **\$19,475**, higher than same month in 2020.



The City’s largest source of sales tax revenue comes from **retail trade**, which increased by 38.5%, or \$11,686, in March compared to the same month in 2020. The City’s second largest source of sales tax revenue comes from **construction**, which increased by 35.6%, or \$8,079, compared to March of 2020. The **Admin & Support of Waste Management & Remedial Services** category, which includes cloud-based services and landscaping, increased by 18.1%, or \$1,301, in March of 2021, compared to March in the prior year. Sales tax from **accommodation and food services** decreased by 2.8%, or \$255, compared to the same month in the prior year.

The amounts in the table below show year to date sales tax revenue compared to the same period in the prior year and do not have the administrative fee charged by the Department of Revenue removed, whereas the amounts in the chart above are net of the fee.

Jan - Mar 2020 vs. Jan - Mar 2021 Sales Tax by NAICS Category

NAICS_Code_Name	Thru March 2020	Thru March 2021	Δ	Δ%
Retail Trade	\$ 109,298	\$ 150,802	\$41,504	38.0%
Construction	\$ 75,746	\$ 85,381	\$ 9,634	12.7%
Admin & Support of Waste Mgmt & Remedial Svcs	\$ 24,249	\$ 33,208	\$ 8,959	36.9%
Accommodation & Food Services	\$ 28,805	\$ 27,038	\$ (1,767)	-6.1%
Wholesale Trade	\$ 12,230	\$ 19,397	\$ 7,168	58.6%
Information/Communication	\$ 12,682	\$ 14,921	\$ 2,239	17.7%
Manufacturing	\$ 5,209	\$ 9,197	\$ 3,988	76.5%
Professional, Scientific, & Technical Svcs	\$ 6,815	\$ 8,848	\$ 2,033	29.8%
Other Services (except Public Administration)	\$ 7,863	\$ 5,877	\$ (1,986)	-25.3%
Miscellaneous	\$ 2,284	\$ 5,489	\$ 3,205	140.3%
Real Estate & Rental & Leasing	\$ 4,206	\$ 3,968	\$ (238)	-5.7%
Finance	\$ 3,964	\$ 3,342	\$ (622)	-15.7%
Educational Services	\$ 1,536	\$ 1,460	\$ (76)	-5.0%
Arts, Entertainment, & Recreation	\$ 1,922	\$ 872	\$ (1,050)	-54.6%
Utilities	\$ 1,007	\$ 412	\$ (595)	-59.1%
Health Care & Social Assistance	\$ 309	\$ 309	\$ 0	0.1%
Agriculture, Forestry, Fishing & Hunting	\$ 1,019	\$ 285	\$ (734)	-72.0%
Transportation & Warehousing	\$ 253	\$ 260	\$ 8	3.0%
Management of Companies & Enterprises	\$ 21	\$ 16	\$ (4)	-20.0%
Mining		\$ 5	\$ 5	
Public Administration	\$ 7	\$ 5	\$ (3)	-36.6%
<b>Total</b>	<b>\$ 299,424</b>	<b>\$ 371,091</b>	<b>\$71,667</b>	<b>23.9%</b>

Approximately 5% of budgeted General Fund revenue comes from **licenses and permits**. As noted in the beginning of this report, building and permitting revenues have been moved to the new Building and Permitting Fund for the 2021/2022 biennium. To date, the City has received **12.9%** of its budgeted General Fund license and permit revenue.

**General Fund Licensing and Permit Revenue**

	2021/2022				Thru		
	Budget	Actual	Remaining	% Collected	March* 2020	Thru March 2021	% Δ
Fireworks Permits	\$400	\$0	\$400	0.0%	\$0	\$0	
Fire Permits-Operational/Other	\$0	\$0	\$0		\$0	\$0	
Special Events Permits	\$1,500	\$250	\$1,250	16.7%	\$75	\$250	233%
Franchise Fees - Garbage	\$280,000	\$35,862	\$244,138	12.8%	\$23,156	\$35,862	55%
Franchise Fees - Cable TV	\$86,000	\$9,191	\$76,809	10.7%	\$9,475	\$9,191	-3%
Business Licenses & Permits	\$85,000	\$10,959	\$74,041	12.9%	\$11,014	\$10,959	0%
Permit Fee IT Surcharge	\$84,160	\$13,103	\$71,057	15.6%	\$10,280	\$13,103	27%
Concealed Weapons Permits	\$3,540	\$437	\$3,103	12.3%	\$261	\$437	67%
<b>Total GF Licenses &amp; Permits</b>	<b>\$540,600</b>	<b>\$69,801</b>	<b>\$470,799</b>	<b>12.9%</b>	<b>\$54,261</b>	<b>\$69,801</b>	<b>29%</b>

*\*Building and permitting revenues are no longer reported in the General Fund and have been pulled out for trending purposes*

Revenue from **charges for services** also accounts for approximately 5% of the General Fund budget. As part of its new contract with the City’s waste management provider, the City received \$28,000 in January 2021 for **purchased services** that had not been budgeted. A corresponding expenditure for the consulting services related to the waste management request for proposal and contract was paid in February. As of the end of March, the City had received **15.6%** of its budgeted charges for services revenue.

**General Fund Charges for Services Revenue**

	2021/2022				Thru		
	Budget	Actual	Remaining	% Collected	March* 2020	Thru March 2021	% Δ
Admin Fee - Cell Tower Leases	\$5,921	\$684	\$5,237	12%	\$482	\$684	42%
Accounting Services	\$0	\$25	-\$25		\$0	\$25	
Sale of Maps & Publications	\$200	\$6	\$194	3%	\$0	\$6	
Engineering Fees & Charges	\$180,000	\$32,478	\$147,522	18%	\$34,771	\$32,478	-7%
Admin Fee - Alcohol Use App	\$0	\$0	\$0		\$25	\$0	-100%
Purchasing Services	\$0	\$28,000	-\$28,000		\$0	\$28,000	
RSD School Officer	\$80,000	\$0	\$80,000	0%	\$0	\$0	
Law Enforcement Services	\$0	\$415	-\$415		\$522	\$415	
Animal Control & Shelter Servi	\$52,000	\$0	\$52,000	0%	\$0	\$0	
Zoning, Subdivision, Dvlp Fees	\$90,000	\$34,759	\$55,241	39%	\$38,532	\$34,759	-10%
Planning Deposits	\$0	-\$7,604	\$7,604		-\$1,823	-\$7,604	317%
Land Use Permitting Fees	\$140,000	\$0	\$140,000	0%	\$0	\$0	
Summerstage Sponsor Fees	\$20,000	\$0	\$20,000	0%	\$0	\$0	
Stage Sponsorship Fees	\$2,500	\$0	\$2,500	0%	\$0	\$0	
<b>Total GF Charges for Services</b>	<b>\$570,621</b>	<b>\$88,762</b>	<b>\$481,859</b>	<b>15.6%</b>	<b>\$72,509</b>	<b>\$88,762</b>	<b>22.4%</b>

## General Fund Revenue Summary and Expenditure Overview

As of the end of March, the City had received **10%** of its budgeted General Fund revenue. **Miscellaneous revenues** are higher in 2020 compared to 2021, due to an Association of Washington Cities rebate for its Workers Comp Retro Program. General Fund revenues from taxes, licenses and permits and charges for services are discussed on the preceding pages.

### General Fund Revenue Summary

General Fund Revenues	2021/2022	03/31/2021		Thru March.		
	Budget	BTD Actual	BTD %	2020*	Thru March. 2021	% Δ
Beginning Fund Balance	\$2,180,537	\$2,724,192	125%			
Taxes	\$9,031,703	\$835,842	9%	\$746,564	\$835,842	12%
Licenses & Permits	540,600	69,801	13%	54,261	69,801	29%
Intergov. Revenues	342,863	42,664	12%	41,230	42,664	3%
Charges for Goods & Serv.	570,621	88,762	16%	72,509	88,762	22%
Fines & Penalties	65,000	3,467	5%	5,320	3,467	-35%
Miscellaneous Revenues	56,852	3,868	7%	41,072	3,868	-91%
Other	370,136	56,979	15%	45,456	56,979	25%
<b>Total Revenues</b>	<b>\$10,977,775</b>	<b>\$1,101,384</b>	<b>10%</b>	<b>\$1,006,412</b>	<b>\$1,101,384</b>	<b>9.4%</b>

See below for the breakout of General Fund expenditures by department and category and the following page for more detail on some of the major variances compared to the same period in the prior year.

### General Fund Expenditure Summary

General Fund Expenditures by Dept.	2021/2022	03/31/2021		Thru March.		
	Budget	BTD Actual	BTD %	2020*	Thru March. 2021	% Δ
Legislative	\$341,548	\$21,801	\$0	\$26,105	\$21,801	-16%
Executive	401,796	52,851	13%	14,767	52,851	258%
Community Events	183,588	13,949	8%	(20)	13,949	70656%
Finance Dept.	945,337	96,470	10%	74,055	96,470	30%
Planning Dept.	918,941	92,656	10%	100,445	92,656	-8%
Police Dept.	5,716,453	624,562	11%	598,561	624,562	4%
Economic Development	24,000	-	0%	-	-	
Recycling Dept.	48,500	330	1%	158	330	108%
Civil Service	15,500	5,263	34%	1,026	5,263	413%
Parks Dept.	859,791	90,299	11%	78,326	90,299	15%
Cultural Commission	39,287	2,929	7%	2,605	2,929	12%
City Mitigation Projects	8,000	-	0%	4,297	-	-100%
Engineering Dept.	523,979	74,672	14%	44,789	74,672	67%
Emergency Response	37,200	5,772	16%	847	5,772	581%
Legal	308,145	45,391	15%	20,991	45,391	116%
Non-Departmental	770,188	96,186	12%	225,082	96,186	-57%
<b>Total Expenditures</b>	<b>\$11,142,253</b>	<b>\$1,223,130</b>	<b>11%</b>	<b>\$1,192,038</b>	<b>\$1,223,130</b>	<b>3%</b>

General Fund Expenditures by Category	2021/2022	03/31/2021		Thru March.		
	Budget	BTD Actual	BTD %	2020*	Thru March. 2021	% Δ
Salaries and Wages	\$ 4,768,000	\$ 540,706	11%	\$ 527,899	\$ 540,706	2%
Personnel Benefits	1,846,300	182,495	10%	200,079	182,495	-9%
Supplies	196,297	9,498	5%	24,271	9,498	-61%
Services	3,550,468	394,246	11%	322,304	394,246	22%
Transfers Out/Deposits	770,188	96,186	12%	117,485	96,186	
Capital Outlays	11,000	-	0%	-	-	
<b>Total Expenditures</b>	<b>\$11,142,253</b>	<b>\$1,223,130</b>	<b>11%</b>	<b>\$1,192,038</b>	<b>\$1,223,130</b>	<b>3%</b>
<b>Revenue minus Expenditures</b>	<b>-\$164,478</b>	<b>-\$121,746</b>		<b>-\$185,626</b>	<b>-\$121,746</b>	
<b>Ending Fund Balance</b>	<b>\$2,016,059</b>	<b>\$2,602,445</b>	<b>129%</b>			

\*Building and permitting revenues and expenditures have been pulled out for trending purposes

**General Fund Expenditures by Department**

**Legislative** expenditures are higher in 2020 than in 2021 due to the payment of 2019 voter registration fees in early 2020. **Executive** expenditures are higher in 2021 from consultant waste management request for proposal and contract negotiation services, which has a corresponding revenue. **Community Event** expenditures are higher in March of 2021 due to a 2020 payment for SummerStage services and Q1 internal service charges for facilities and equipment. Overall, expenditures for many departments are higher in 2021 than in 2020 due to the way the City is allocating cost of insurance, internal service charges, and some licenses and subscriptions. Prior to 2021, many of these costs were reported as “non-departmental” and allocated to funds outside of the General Fund. In 2021, these costs are allocated to the appropriate department, regardless of the fund.

**General Fund Expenditures by Category**

Year to date **Personnel Benefits** are lower in 2021 than in 2020 due to several vacant police officer positions that are currently being filled by officers working overtime. Year to date **Services** are higher in 2021 than in 2020 due to \$28,000 for waste management proposal and contract services, and an increase in the cost of internal services for equipment replacement.

**Building and Permitting Fund Revenue Summary and Expenditure Overview**

As noted previously, the Building and Permitting Fund is new to the 2021/2022 biennium, so 2020 building and permitting revenue and expenditures have been pulled out of the General Fund and the Deposit Fund (a non-budgeted fund) for trending purposes.

The City issued two new housing permits in March 2021, compared to four in March 2020. In total, 25 new housing permits have been issued in 2021, compared to 15 for the same period in 2020.

**Building and Permitting Fund Budget vs Actual**

Revenues	2021/2022	03/31/2021		Thru March	Thru March	% Δ
	Budget	BTD Actual	BTD %	2020*	2021	
Beginning Fund Balance	\$ 615,435	\$ 1,171,216	190%			
Building Permit Fees	\$ 825,643	\$ 123,458	15%	\$ 76,360	\$ 123,458	62%
Admin Fee-School/Rd/Park Imp	11,245	1,625	14%	975	1,625	67%
Bldg. Inspection Fees	8,500	476	6%	759	476	-37%
Plan Check Fees	537,551	65,672	12%	41,050	65,672	60%
Plan Check - Consultant Review	-	1,950		-	1,950	#DIV/0!
Fire Plan Review & Inspections	69,500	8,258	12%	357	8,258	2213%
School Impact Fees**	2,422,000	248,187	10%	107,001	248,187	132%
Interest on Investments	-	835			835	
Miscellaneous Revenue	-				-	
<b>Total Revenues</b>	<b>\$ 3,874,438</b>	<b>\$ 450,460</b>	<b>12%</b>	<b>\$ 226,502</b>	<b>\$ 450,460</b>	<b>98.9%</b>

Expenditures by Category	2021/2022	03/31/2021	BTD %	Thru March	Thru March	% Δ
Salaries and Wages	\$ 563,000	\$ 64,982	12%	\$ 55,124	\$ 64,982	18%
Personnel Benefits	247,000	27,184	11%	23,756	\$ 27,184	14%
Supplies	10,586	1,751	17%	1,108	\$ 1,751	58%
Services	317,923	27,417	9%	21,413	\$ 27,417	28%
School Impact Fee Distribution**	2,422,000	353,733	15%	56,049	\$ 353,733	531%
Transfers Out/Deposits	48,886	7,756	16%		\$ 7,756	
Capital Outlays	33,000	-	0%		\$ -	
<b>Total Expenditures</b>	<b>\$ 3,642,395</b>	<b>\$ 482,823</b>	<b>13%</b>	<b>\$ 157,450</b>	<b>\$ 482,823</b>	<b>207%</b>
<b>Revenue minus Expenditures</b>	<b>\$ 232,043</b>	<b>\$ (32,363)</b>		<b>\$ 69,052</b>	<b>\$ (32,363)</b>	

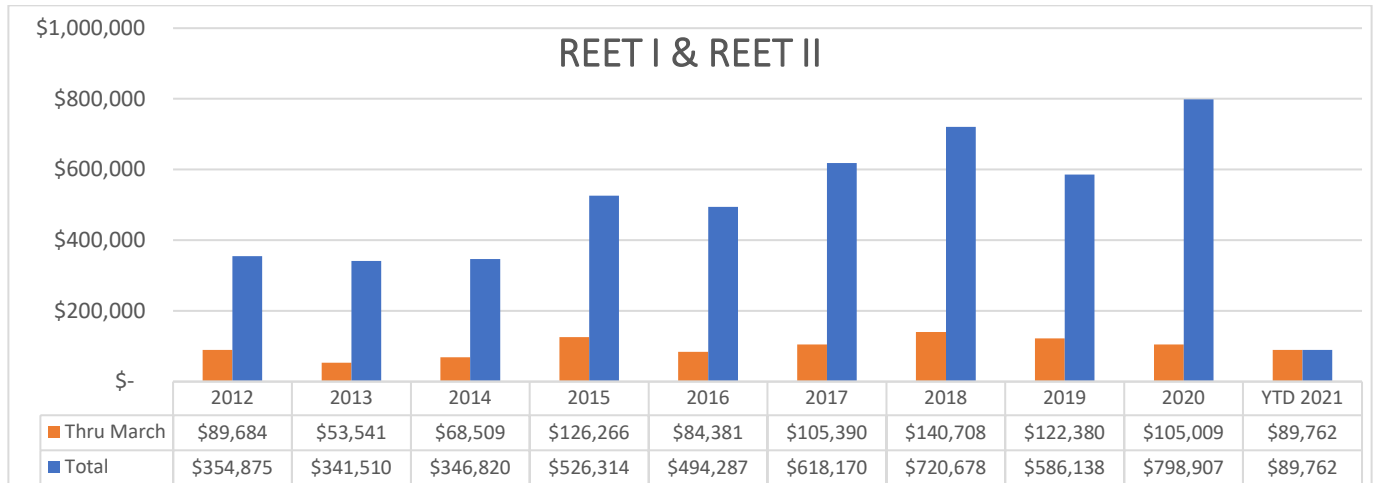
Ending Fund Balance	2021/2022	03/31/2021	BTD %
	<b>\$ 847,478</b>	<b>\$ 1,138,853</b>	<b>134%</b>

\*2020 Building and permitting revenues and expenditures have been pulled out the General Fund and are shown here for trending purposes

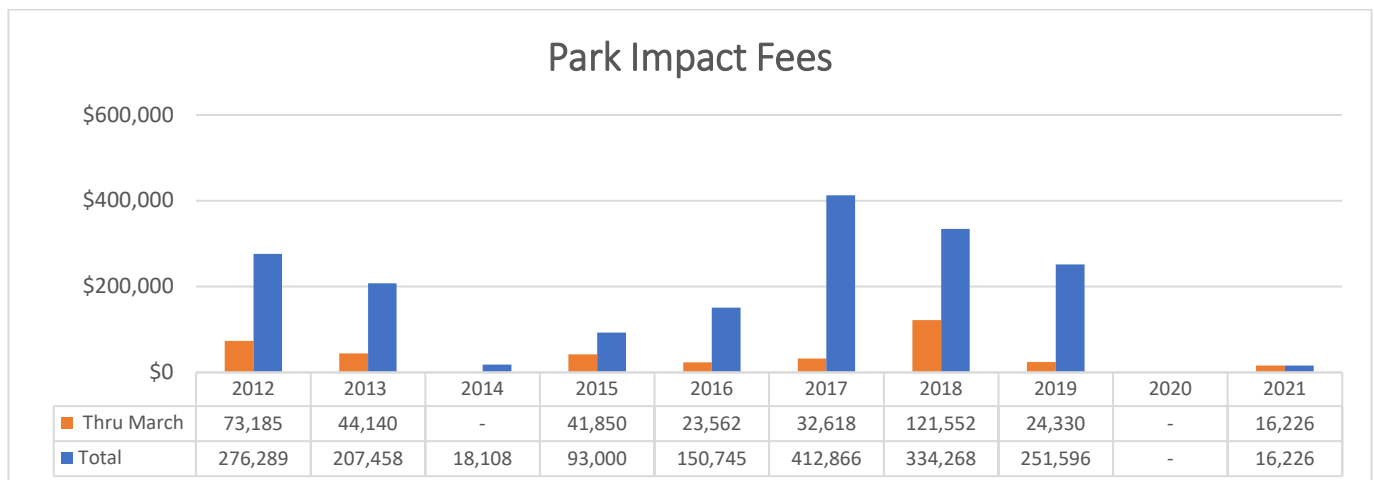
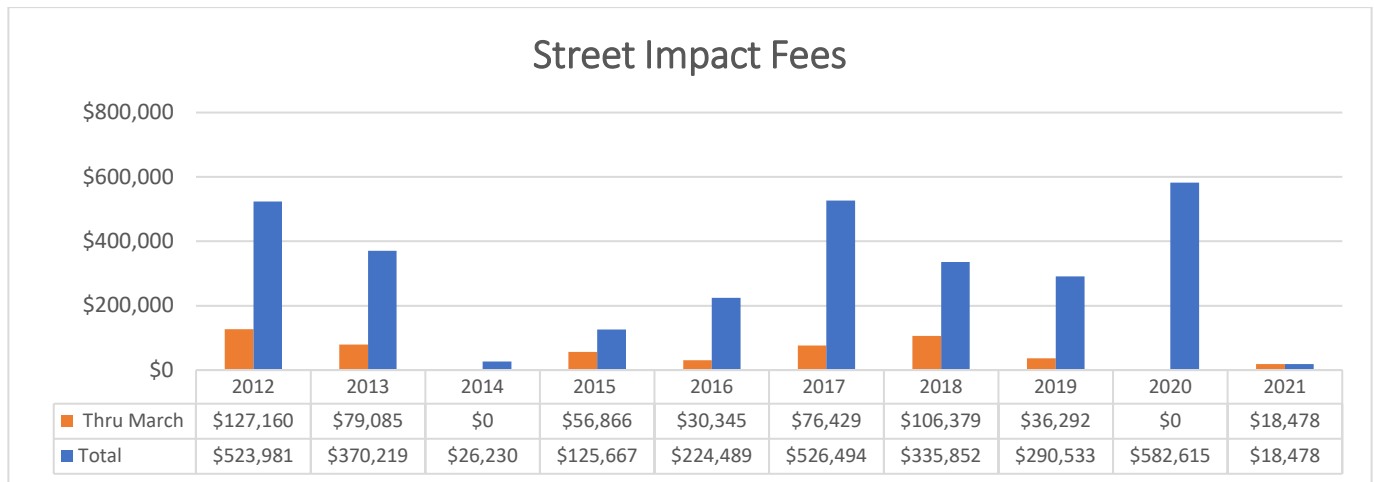
\*\* 2020 School Impact Fees were reported in the 633 Deposit Fund in 2020 and are shown here for trending purposes

## Capital Funds

The City received \$31,503 in **Real Estate Excise Tax (REET)** in March from the sale of 11 units. This is lower than the March average for the prior six years of 20 units, as the area is still experiencing a lack of housing inventory. The average sales price of a unit sold in March 2020 was \$497,665 compared to the \$570,296 of an average sales price of a unit sold in March 2021.



The first **Street and Park Impact fees** of 2021 were collected in March: \$18,478 in Street Impact Fees and \$16,226 in Park Impact Fees from the issuance of two new housing permits.



## 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. As a result, revenues at the beginning of the year trend higher than other months. To date, revenue for utility **charges for services** is higher than the shown percentages below, but **interest revenue** in the first quarter of 2020 was significantly higher than the first quarter of 2021 and has closed the gap. **Storm Drainage Fund** revenues are higher in 2021 due to a National Pollution Discharge Elimination System grant from the Washington State Department of Ecology.

January through March **Water Fund expenditures** are higher in 2021 than in 2020 due to the timing of City of Seattle water purchases and utility tax payments, and a budgeted transfer to the Water Capital Projects Fund. **Sewer Fund** expenditures are higher in 2021 due to carryover expenditures from the 2020 Wastewater Treatment Plant Reuse Water Pump Skid Replacement Project. **Storm Drainage** expenditures are higher in 2021 due to the timing of utility tax payments and a change in the way the City's annual insurance payment is allocated to departments.

### Utility Fund Budget to Actual Revenues and Expenditures

	2021/2022				Thru March		
	Budget	Actual	Remaining	% Collected	2020	2021	% Δ
<b>Water Fund</b>							
Revenue	\$4,604,153	\$623,582	\$3,980,571	13.5%	\$618,704	\$623,582	1%
Expenditures	\$5,032,021	\$549,156	\$4,482,866	10.9%	\$387,639	\$549,156	42%
<b>Sewer Fund</b>							
Revenue	\$5,556,604	\$915,497	\$4,641,107	16.5%	\$875,241	\$915,497	5%
Expenditures	\$4,361,725	\$583,511	\$3,778,214	13.4%	\$495,182	\$583,511	18%
<b>Storm Drainage Fund</b>							
Revenue	\$1,777,423	\$309,307	\$1,468,116	17.4%	\$275,004	\$309,307	12%
Expenditures	\$1,912,172	\$206,317	\$1,705,855	10.8%	\$171,001	\$206,317	21%

## Utility Past Due

On March 18, 2020, Governor Inslee called on all public utilities to suspend water shut offs and to waive late fees on utilities until the end of COVID-19 State of Emergency or 11:59 PM on July 28, 2020, whichever occurs first. The Governor's Office is still working on guidance for utilities to develop COVID-19 customer support programs once the suspension is lifted.

Below is a table that shows effects of the suspension on past due utility accounts as of March 31, 2021, compared to the end of March of 2019 and 2020.

	60 to 90 Days Past Due		90 to 120 Days Past Due		Over 120 Days Past Due	
	Total Amount	# of Accounts	Total Amount	# of Accounts	Total Amount	# of Accounts
<b>2019</b>	\$1,676	27	\$706	14	\$693	4
<b>2020</b>	\$4,569	53	\$355	16	\$6,289	13
<b>2021</b>	\$15,261	131	\$9,777	85	\$31,629	66



**Ending Fund Balance**

At the end of March 2021, the City had an ending fund balance of \$26,409,492, an increase of \$1,258,509 over its beginning fund balance.

**CITY OF DUVALL  
2021-2022 REVENUE AND EXPENDITURE SUMMARY  
Biennium to Date as of March 31, 2021**

Fund	Description	Actual Beginning Fund Balance	Revenues	Expenditures	Fund Balance	Net Change		
001	General Fund	\$ 2,724,136	\$ 1,101,384	\$ 1,223,130	\$ 2,602,390	\$ (121,746)	-(121,388)	General Fund
002	Contingency Fund	553,937	358	-	554,295	358		
101	Street Fund	194,239	53,683	123,783	124,139	(70,100)	-(9,105)	Special Revenue Funds
102	Transportation Benefit District	174,891	85,983	-	260,875	85,983		
104	Building and Permitting Fund	1,171,216	450,460	482,823	1,138,853	(32,363)		
106	Big Rock Ball Park Maintenance	125,566	33,233	25,885	132,914	7,348		
107	Sensitive Areas Mitigation Fund	40,593	26	-	40,619	26		
206	2016 LTGO - Main St Debt Svc	21,501	121,815	-	143,315	121,815	-121,815	Debt Svc Fund
303	Facilities CIP Fund	-	-	-	-	-	-(22,108)	Capital Project Funds
304	Real Estate Excise Tax Fund 1	1,523,820	45,885	15,173	1,554,532	30,712		
305	Real Estate Excise Tax Fund 2	1,356,702	45,776	84,747	1,317,732	(38,971)		
306	Main Street Improvement	545,051	352	714	544,689	(362)		
307	Street CIP Fund	1,444,492	19,414	29,232	1,434,674	(9,818)		
308	Parks CIP Fund	912,789	16,815	20,484	909,119	(3,669)		
401	Water Fund	3,542,199	623,582	549,156	3,616,626	74,426	4,088,439	Proprietary Funds
402	Sewer Fund	3,498,513	915,497	583,511	3,830,500	331,986		
404	Storm Drainage Fund	958,719	309,307	206,317	1,061,708	102,990		
407	Water CIP Fund	2,547,828	315,869	48,435	2,815,262	267,434		
408	Sewer CIP Fund	2,464,299	296,776	18,070	2,743,004	278,705		
409	Storm Drainage CIP Fund	570,895	35,230	2,332	603,793	32,898		
501	Equipment Fund	400,287	88,771	26,562	462,497	62,210	-200,855	Internal Service Funds
502	IT Fund	227,917	117,006	19,887	325,035	97,118		
503	Building Maintenance Fund	151,394	105,931	64,404	192,921	41,527		
<b>TOTAL</b>		<b>\$ 25,150,983</b>	<b>\$ 4,783,154</b>	<b>\$ 3,524,645</b>	<b>\$ 26,409,492</b>	<b>\$ 1,258,509</b>		

$$\underbrace{\qquad\qquad\qquad}_{\$ 29,934,136} = \underbrace{\qquad\qquad\qquad}_{\$ 29,934,136}$$

## Revenues

As of the end of March 2021, approximately 12% of budgeted 2021/2022 biennial revenues had been collected. Significant increases over the prior year in the **Building and Permitting Fund** and the **Water, Sewer and Storm Drainage CIP** funds are due to the variance of 15 new housing permits issued year to date in 2020 vs. the 25 issued in 2021.

### CITY OF DUVALL 2021-2022 BUDGET vs ACTUAL - REVENUES

		Biennium to Date as of March 31, 2021							
Fund	Description	2021/2022	BTD		BTD %	Thru March	Thru March	% Δ	\$ Δ
		Budget	BTD Actual	Difference	Collected	2020*	2021		
001	General Fund	\$ 10,977,775	\$ 1,101,384	\$ 9,876,391	10%	\$ 1,006,412	\$ 1,101,384	9%	\$ 94,972
002	Contingency Fund	2,657	358	2,299	13%	34,389	358	-99%	(34,031)
101	Street Fund	1,072,537	53,683	1,018,854	5%	88,784	53,683	-40%	(35,101)
102	Transportation Benefit District	808,977	85,983	722,994	11%	-	85,983		85,983
104	Building and Permitting Fund	3,874,438	450,460	3,423,978	12%	226,502	450,460	99%	223,958
106	Big Rock Ball Park Maintenance	372,608	33,233	339,375	9%	24,079	33,233	38%	9,154
107	Sensitive Areas Mitigation Fund	292	26	265	9%	246	26	-89%	(220)
206	2016 LTGO - Main St Debt Svc	974,914	121,815	853,099	12%	117,620	121,815	4%	4,194
303	Facilities CIP Fund	870,000	-	870,000	0%	-	-		-
304	Real Estate Excise Tax Fund 1	791,423	45,885	745,539	6%	60,214	45,885	-24%	(14,330)
305	Real Estate Excise Tax Fund 2	790,035	45,776	744,258	6%	59,041	45,776	-22%	(13,265)
306	Main Street Improvement	8,395	352	8,042	4%	7,089	352	-95%	(6,737)
307	Street CIP Fund	1,775,532	19,414	1,756,118	1%	18,351	19,414	6%	1,063
308	Parks CIP Fund	606,851	16,815	590,035	3%	6,210	16,815	171%	10,605
401	Water Fund	4,604,153	623,582	3,980,571	14%	618,704	623,582	1%	4,878
402	Sewer Fund	5,556,604	915,497	4,641,107	16%	876,735	915,497	4%	38,762
404	Storm Drainage Fund	1,777,423	309,307	1,468,116	17%	275,004	309,307	12%	34,303
407	Water CIP Fund	1,986,356	315,869	1,670,487	16%	153,414	315,869	106%	162,455
408	Sewer CIP Fund	2,131,361	296,776	1,834,585	14%	181,405	296,776	64%	115,370
409	Storm Drainage CIP Fund	332,311	35,230	297,081	11%	22,794	35,230	55%	12,436
501	Equipment Fund	702,108	88,771	613,337	13%	49,340	88,771	80%	39,431
502	IT Fund	923,238	117,006	806,232	13%	71,858	117,006	63%	45,147
503	Building Maintenance Fund	236,478	105,931	130,547	45%	34,185	105,931	210%	71,746
<b>TOTAL</b>		<b>\$ 41,176,465</b>	<b>\$ 4,783,154</b>	<b>\$ 36,393,311</b>	<b>12%</b>	<b>\$ 3,932,379</b>	<b>\$ 4,783,154</b>	<b>22%</b>	<b>\$ 850,775</b>

*\*Building and permitting revenues have been pulled out of the General Fund and are shown in the new Building and Permitting Fund for trending purposes.*

*Revenue from School Impact fees, which is now reported in the Building and Permit Fund, has been pulled out of the Deposit Fund for 2020 and shown for trending purposes.*

## Expenditures

As of the end of March 2021, the City had expended 9% of its budgeted biennial expenditures. Year to date expenditures through March 2020 were higher than in March 2021 in the **Street Fund** due to the Batten Road and LED Streetlight Conversion projects. Year to date **Building and Permitting Fund** expenditures are higher in 2021 than in 2020 due to impact fee payments to the School District. **Real Estate Excise Tax II** expenditures are higher than in 2020 due to a transfer for the Depot Deck Replacement Project.

### CITY OF DUVALL 2021-2022 BUDGET vs ACTUAL - EXPENDITURES

		Biennium to Date as of March 31, 2021				Thru March	Thru March		
Fund	Description	2021/2022 Budget	BTD Actual	BTD Difference	BTD % Spent	2020*	2021	% Δ	\$ Δ
001	General Fund	\$ 11,142,253	\$ 1,223,130	\$ 9,919,123	11%	1,192,038	1,223,130	3%	\$ 31,092
002	Contingency Fund	-	-	-		-	-		\$ -
101	Street Fund	1,144,077	123,783	1,020,294	11%	240,483	123,783	-49%	\$ (116,700)
102	Transportation Benefit District	573,000	-	573,000	0%	-	-		\$ -
104	Building and Permitting Fund	3,642,395	482,823	3,159,572	13%	157,450	482,823	207%	\$ 325,373
106	Big Rock Ball Park Maintenance	308,326	25,885	282,441	8%	28,755	25,885	-10%	\$ (2,870)
107	Sensitive Areas Mitigation Fund	31,200	-	31,200	0%	-	-		\$ -
206	2016 LTGO - Main St Debt Svc	974,914	-	974,914	0%	-	-		\$ -
303	Facilities CIP Fund	870,000	-	870,000	0%	-	-		\$ -
304	Real Estate Excise Tax Fund 1	451,482	15,173	436,309	3%	20,374	15,173	-26%	\$ (5,201)
305	Real Estate Excise Tax Fund 2	678,982	84,747	594,235	12%	20,490	84,747	314%	\$ 64,257
306	Main Street Improvement	544,000	714	543,286	0%	4,891	714	-85%	\$ (4,177)
307	Street CIP Fund	1,720,778	29,232	1,691,546	2%	44,582	29,232	-34%	\$ (15,350)
308	Parks CIP Fund	378,982	20,484	358,498	5%	-	20,484		\$ 20,484
401	Water Fund	5,032,021	549,156	4,482,866	11%	387,639	549,156	42%	\$ 161,517
402	Sewer Fund	4,361,725	583,511	3,778,214	13%	495,182	583,511	18%	\$ 88,329
404	Storm Drainage Fund	1,912,172	206,317	1,705,855	11%	171,001	206,317	21%	\$ 35,316
407	Water CIP Fund	2,634,311	48,435	2,585,877	2%	32,933	48,435	47%	\$ 15,501
408	Sewer CIP Fund	1,332,799	18,070	1,314,729	1%	2,648	18,070	583%	\$ 15,423
409	Storm Drainage CIP Fund	359,282	2,332	356,951	1%	311	2,332	649%	\$ 2,020
501	Equipment Fund	558,465	26,562	531,903	5%	48,720	26,562	-45%	\$ (22,159)
502	IT Fund	992,273	19,887	972,385	2%	44,062	19,887	-55%	\$ (24,175)
503	Building Maintenance Fund	236,205	64,404	171,801	27%	15,972	64,404	303%	\$ 48,432
<b>TOTAL</b>		<b>\$ 39,879,644</b>	<b>\$ 3,524,645</b>	<b>\$ 36,354,999</b>	<b>9%</b>	<b>\$ 2,907,530</b>	<b>\$ 3,524,645</b>	<b>21.2%</b>	<b>\$ 617,114</b>

*\*Building and permitting expenditures have been pulled out of the General Fund and are shown in the new Building and Permitting Fund for trending purposes*

*Remittances of School Impact fees to the School District are now reported in the Building and Permit Fund, and been pulled out of the Deposit Fund for 2020 for trending purposes.*

The City's long-term debt outstanding balances are shown in the table below. Limited-Term General Obligation (LTGO) Bonds interest payments are due twice annually, on the 1<sup>st</sup> of June and December, and the principal amount is due once a year on December 1<sup>st</sup>.

In November of 2019, the City took out a State of Washington Local Program loan to purchase a dump truck. Interest payments are due twice annually on June 1<sup>st</sup> and December 1<sup>st</sup>, and a principal payment is due annually on June 1<sup>st</sup>.

Both principal and interest payments for the Wastewater Treatment Plant (WWTP) construction loan are due twice annually, on June 30<sup>th</sup> and December 30<sup>th</sup>.

**CITY OF DUVALL  
Debt Service as of 03/31/2021**

**2017 General Obligation Bonds**

Description	Date of Final Payment	Principal	Interest	Total	Remaining 2021/2022 Payment	Remaining 2021/2022 Funding Source(s)			
						Property Tax Levy	REET I	REET II	Street Impact Fees
Big Rock Ball Field	12/1/2025	\$1,055,000	\$80,303	\$1,135,303	\$452,559	\$452,559			
Main Street Project	12/1/2031	\$2,320,000	\$361,424	\$2,681,424	\$485,930		\$161,977	\$161,977	\$161,977

**State of WA Local Program**

Description	Date of Final Payment	Principal	Interest	Total	Remaining 2021/2022 Payment	Remaining 2021/2022 Funding Source(s)
						Internal Service Charges to Fund 501
Dump Truck Purchase	6/1/2029	\$131,627	\$31,750	\$163,377	\$36,425	\$36,425

**Utility Revenue Debt**

Utility Revenue Debt	Date of Final Payment	Principal	Interest	Total	Remaining 2021/2022 Payment	Remaining 2021/2022 Funding Source(s)
						Sewer General Facility Charges
SRF WWTP Construction Loan	6/30/2025	\$1,486,832	\$18,667	\$1,505,498	\$681,534	\$ 681,534

## Reserve Balance Requirements

Reserve balance requirements are shown in the table above. Amounts budgeted are for the two-year biennium, amounts required are as of January 1, 2021. All 2021 required reserve balances have been met.

Fund #	Fund Description	Budgeted	Required	Ending Fund Balance	Notes
001	General Fund	\$880,794	\$893,103	\$2,602,445	17% per Resolution 04-04 Internally Restricted
001	Disaster Relief	25,000	25,000		Established by City Council
001	Internal Restricted- Other	22,408	22,412		Drug Enforcement & Mitigation
002	Contingency	494,814	574,104	554,295	<b>Maximum</b> allowed is 37.5% of Assessed Value (AV) - \$1,530,945,148 in 2021
106	Big Rock Ball Park Fund	126,000	63,011	132,920	Resolution 18-16 - 50% of ballfield revenue held for turf replacement
401	Water Utility	749,132	704,912	3,616,687	Resolution 04-04. Increased by CPI-U every Jan. 1
402	Sewer Utility	998,844	996,149	583,511	Resolution 04-04. Increased by CPI-U every Jan. 1
402	Sewer Utility, DOE Loan	335,000	335,000		Annual loan payment in reserve.
404	Storm Drain	312,139	308,501	603,793	Resolution 04-04. Increased by CPI-U every Jan. 1
501	Equipment Fund	200,000	200,000	371,867	Resolution 04-04 - flat amount in reserve
	<b>Total</b>	<b>\$4,144,130</b>	<b>\$ 4,122,192</b>	<b>\$8,465,519</b>	

## City of Duvall Investments

At the end of March 31, 2021, the City held the following investments:

Description	Amount	March Interest Rate	% of Total
Washington Federal Public Funds Account	\$824,405	0.10%	3%
State Local Government Investment Pool (LGIP)	\$15,591,603	0.11%	63%
Pacific Premier – Public Interest Checking	\$4,995,157	0.14%	20%
Government Securities	\$3,297,703	Variable/2.25%	13%
<b>Total</b>	<b>\$24,708,868</b>		<b>100%</b>

Interest rates continued to decline during the first quarter of 2021. LGIP interest rates fell from 0.16% to 0.11%. The City's public interest checking account with Pacific Premier Bank (formerly Opus Bank) decreased from 0.17% to 0.14% and the City's public funds savings account with Washington Federal held at 0.10%.

One bond for \$1 million was called in February, a year earlier than its maturity date. The proceeds were transferred to the City's LGIP account. The City holds the following government securities:

Investment	Purchase Date	Cost	Coupon Rate	Maturity Date
Federal Farm Credit Bank - 3133EJF61	Oct. 2019	\$2,300,000	Floating	Oct. 2021
Federal National Mortgage Assoc. - 3135GOV59	April 2019	\$997,703	2.25%	April 2022

The City earned \$16,713 in investment interest January 1 through March 31, 2021.

The City continues to look for investment opportunities with the primary objectives of safety, liquidity and yield. As of March 31, 2021, the City's total cash balance was as follows:

Description	Amount
Investments	\$24,708,868
Checking Account*	\$1,273,946
Drug Seizure Account	\$9,859
<b>Total</b>	<b>\$25,992,673</b>

\*General ledger checking balance

### Accrued Payroll Liabilities as of 3/31/2021

Below are the hours and dollar value of outstanding accrued leave. The dollar value below is simply the value of accrued hours without benefits and does not consider the maximum payouts per category allowed by DMC or bargaining unit.

#### Outstanding Comp Time Earned

Department	Hours	Dollar Value
Finance and Admin	22.25	\$671
Community Development	122.62	\$4,229
Engineering	98.74	\$4,423
Police	239.63	\$9,596
Public Works Maintenance	272.60	\$9,651
Wastewater Treatment Plant	0.25	\$12
<b>Totals</b>	<b>756.09</b>	<b>\$28,581</b>

#### Outstanding Banked Holiday

Department	Hours	Dollar Value
Finance and Admin	39	\$1,241
Community Development	7	\$327
Engineering	0	\$0
Police	0	\$0
Public Works Maintenance	0	\$0
Wastewater Treatment Plant	0	\$0
<b>Totals</b>	<b>46</b>	<b>\$1,568</b>

#### Outstanding Vacation Hours

Department	Hours	Dollar Value
Finance and Admin	678.06	\$24,251
Directors	905.97	\$58,588
Community Development	705.13	\$27,619
Engineering	983.59	\$44,233
Police	2,284.71	\$99,352
Public Works Maintenance	1,238.23	\$45,316
Wastewater Treatment Plant	624.98	\$26,284
<b>Totals</b>	<b>7,420.67</b>	<b>\$325,644</b>

#### Outstanding Sick Hours

Department	Hours	Dollar Value*	Amount
Finance and Admin	794.94	\$6,408	\$25,632
Directors	886.91	\$14,268	\$57,071
Community Development	1,161.57	\$11,357	\$45,428
Engineering	1,443.74	\$16,894	\$67,576
Police	3,529.77	\$39,163	\$156,651
Public Works Maintenance	1,882.26	\$17,856	\$71,425
Wastewater Treatment Plant	1,275.83	\$13,832	\$55,330
<b>Totals</b>	<b>10,975.02</b>	<b>\$119,778</b>	<b>\$479,113</b>

\*Sick leave is paid out at 25%