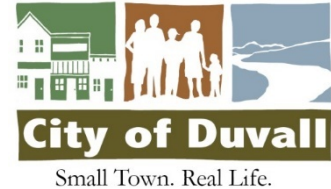


Date: June 28, 2021
To: Mayor Ockerlander
City Council
From: Finance



May 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, investments, and outstanding compensated absences.

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 \$26,051,021, which was \$4,169,933 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. In addition, \$900,037 was recently added to the beginning fund balance of the **Parks Capital Project Fund** to report park impact fee revenues held in an escrow account per a developer agreement. As agreed upon park improvements are made, the developer will draw down the escrow account and the City will report the amount as a capital expenditure.

There are also **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 May, **20.8% of the biennium** was complete. The City had received **19.4% of budgeted revenues** and had spent **13.8% 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	\$2,526,201	23.01%
Contingency Fund	\$2,657	\$703	26.45%
Special Revenue Funds	\$6,128,852	\$1,049,620	17.13%
Debt Service	\$974,914	\$121,815	12.49%
Capital Project Funds	\$4,842,235	\$451,135	9.32%
Utility Funds	\$16,388,207	\$3,519,566	21.48%
Internal Service Funds	\$1,861,824	\$312,184	16.77%
Total	\$41,176,465	\$7,981,223	19.38%

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	\$1,830,718	16.43%
Contingency Fund	\$0	\$0	0.00%
Special Revenue Funds	\$5,698,998	\$824,528	14.47%
Debt Service	\$974,914	\$57,247	5.87%
Capital Project Funds	\$4,644,225	\$150,350	3.24%
Utility Funds	\$15,632,311	\$2,262,905	14.48%
Internal Service Funds	\$1,786,943	\$390,908	21.88%
Total	\$39,879,644	\$5,516,656	13.83%

General Fund Revenues

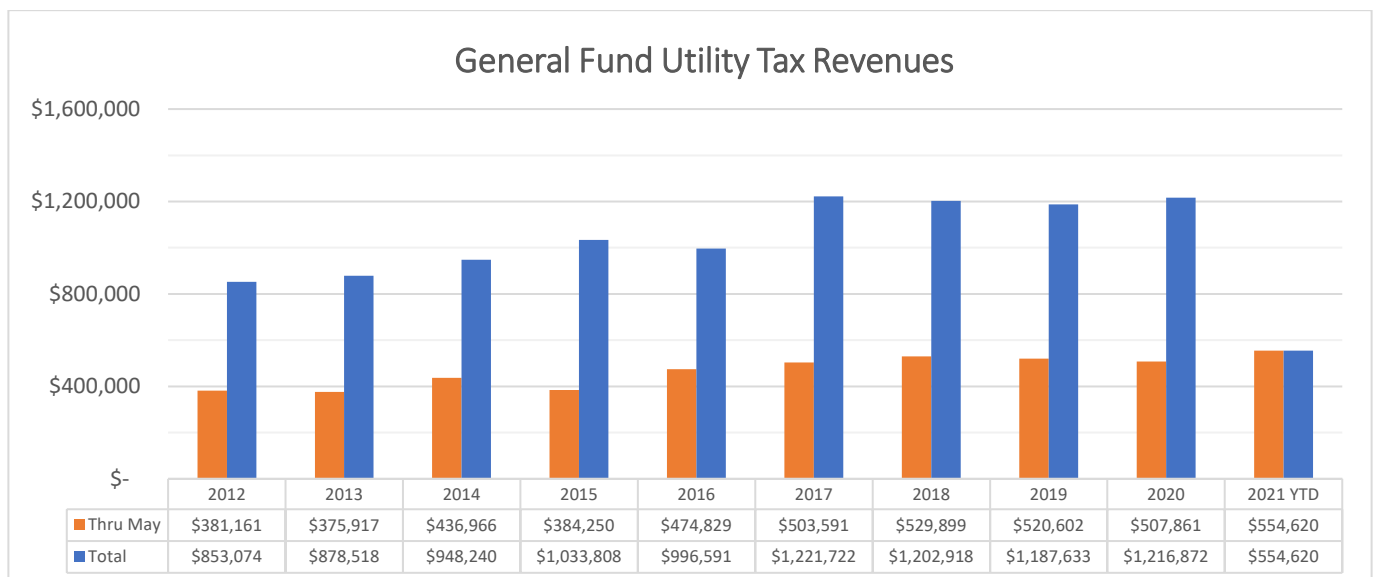
The City receives 82% of its General Fund revenues from **taxes**. As of the end of May 2021, **23.5%** of tax revenue budgeted in the General Fund had been received.

General Fund Tax Revenue

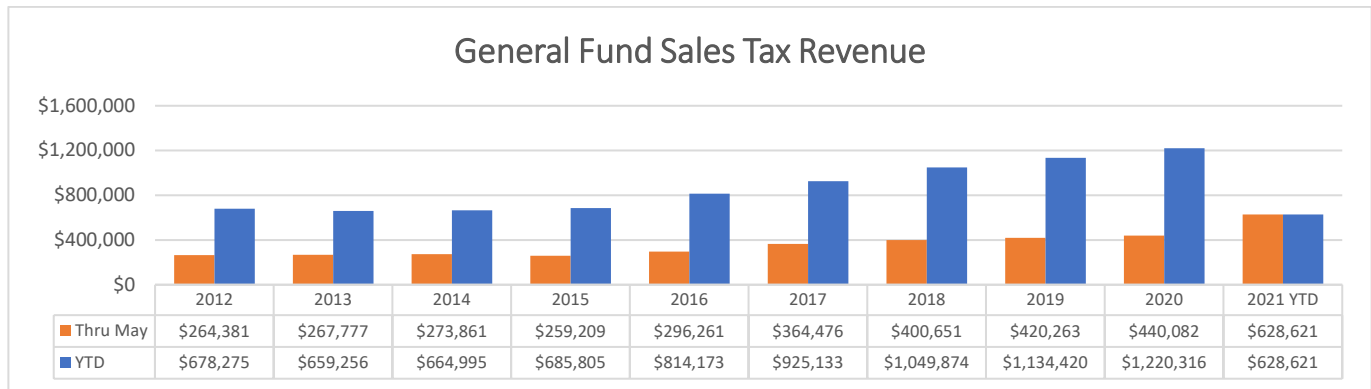
	2021/2022				%	Thru May 2020	Thru May 2021	% Δ
	Budget	Actual	Remaining	Collected				
Real & Personal Property Taxes	\$2,670,068	\$817,881	\$1,852,187	30.6%	\$730,250	\$817,881	12%	
Property Taxes - Levy Lid Lift	\$810,435	\$15,954	\$794,481	2.0%	\$13,892	\$15,954	15%	
Total GF Property Tax	\$3,480,503	\$833,835	\$2,646,668	24.0%	\$744,142	\$833,835	12%	
Local Retail Sales & Use Taxes	\$1,859,184	\$456,587	\$1,402,597	24.6%	\$341,562	\$456,587	34%	
Sales Tax from Construction	\$644,254	\$172,034	\$472,221	26.7%	\$98,520	\$172,034	75%	
Affordable Housing Sales Tax	\$18,000	\$3,253	\$14,747	18.1%	\$0	\$3,253		
Sales Tax-Crim Justice-LOCAL	\$494,983	\$100,096	\$394,888	20.2%	\$92,776	\$100,096	8%	
Business Tax - Electricity	\$540,000	\$140,957	\$399,043	26.1%	\$105,376	\$140,957	34%	
Interfund Utility Tax - Water	\$446,376	\$77,370	\$369,006	17.3%	\$71,381	\$77,370	8%	
Business Tax - Natural Gas	\$232,162	\$85,091	\$147,071	36.7%	\$66,696	\$85,091	28%	
Interfund Utility Tax - Sewer	\$553,298	\$112,125	\$441,173	20.3%	\$108,044	\$112,125	4%	
Business Tax - Garbage	\$239,366	\$51,578	\$187,788	21.5%	\$61,012	\$51,578	-15%	
Business Tax - TV Cable	\$102,754	\$22,913	\$79,841	22.3%	\$19,963	\$22,913	15%	
Business Tax - Telephone	\$210,866	\$29,177	\$181,689	13.8%	\$41,908	\$29,177	-30%	
Interfund Utility Tax - Storm	\$172,118	\$35,409	\$136,709	20.6%	\$33,482	\$35,409	6%	
Gambling Tax	\$33,500	\$5,143	\$28,357	15.4%	\$12,840	\$5,143	-60%	
Leasehold Excise Tax	\$4,337	\$1,149	\$3,188	26.5%	\$140	\$1,149	720%	
Total GF Tax w/o Property Tax	\$5,551,200	\$1,292,881	\$4,258,319	23.3%	\$1,053,700	\$1,292,881	23%	
Total GF Tax Revenue	\$9,031,703	\$2,126,716	\$6,904,987	23.5%	\$1,797,841	\$2,126,716	18%	

Property tax is the General Fund's largest and most reliable source of revenue. Property taxes are due in two payments with April 30th and November 2nd deadlines. In 2020, King County extended the April property tax deadline to June 1st, to help property owners who paid the County directly, rather than through a mortgage, mitigate the economic impacts of the COVID-19 outbreak. Although the City received the bulk of the first half of 2020 property tax on time, some payments were delayed, which is why there is a 12% increase in property tax revenue over 2020. The gap between 2020 and 2021 will decrease in June.

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 **22%, or \$554,620**, of budgeted utility tax. Significant fluctuations of utility tax from May 2020 to May 2021 in the different categories above are due to the timing of receipts.



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 May receipts were from sales incurred in March. The City has received approximately **25%** of its budgeted sales tax and year to date sales tax in May of 2021 is **43%, or \$188,539**, higher than the same period in 2020.



May of 2020 was the first month the City saw a reduction in sales tax due to the economic impacts of COVID-19. In May of 2020 **sales tax from construction** decreased by 45% over May of 2019 and **accommodation & food services** decreased by 47.5%. **Sales tax from retail trade**, in contrast, increased by 24% over May of 2019, as residents stocked up on supplies. Despite the increase in May of 2020, **retail trade** was the highest source of sales tax in May of 2021, increasing 40.4%, or \$14,760, over May of 2020. Sales tax from **construction** was 250.8%, or \$31,508, more than May of 2020, and **accommodation and food services**, the City’s third highest source of sales tax in May, increased by 96.4%, or \$5,361.

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

NAICS_Code_Name	Thru May 2020	Thru May 2021	Δ	Δ%
Retail Trade	\$ 173,212	\$ 241,135	\$ 67,923	39.2%
Construction	\$ 99,515	\$ 173,771	\$ 74,256	74.6%
Admin & Support of Waste Mgmt & Remedial Svcs	\$ 35,915	\$ 49,411	\$ 13,496	37.6%
Accommodation & Food Services	\$ 41,217	\$ 46,320	\$ 5,103	12.4%
Wholesale Trade	\$ 18,319	\$ 30,573	\$ 12,254	66.9%
Information/Communication	\$ 20,910	\$ 23,487	\$ 2,577	12.3%
Manufacturing	\$ 7,764	\$ 15,565	\$ 7,801	100.5%
Professional, Scientific, & Technical Svcs	\$ 9,424	\$ 14,588	\$ 5,164	54.8%
Other Services (except Public Administration)	\$ 11,667	\$ 10,462	\$ (1,206)	-10.3%
Miscellaneous	\$ 6,224	\$ 9,641	\$ 3,417	54.9%
Real Estate & Rental & Leasing	\$ 6,282	\$ 6,288	\$ 6	0.1%
Finance	\$ 6,055	\$ 6,266	\$ 211	3.5%
Educational Services	\$ 2,028	\$ 1,967	\$ (60)	-3.0%
Arts, Entertainment, & Recreation	\$ 2,005	\$ 1,963	\$ (41)	-2.1%
Utilities	\$ 1,360	\$ 844	\$ (517)	-38.0%
Transportation & Warehousing	\$ 346	\$ 744	\$ 398	115.0%
Health Care & Social Assistance	\$ 426	\$ 564	\$ 138	32.4%
Agriculture, Forestry, Fishing & Hunting	\$ 1,122	\$ 555	\$ (567)	-50.5%
Mining	\$ 21	\$ 34	\$ 13	59.4%
Management of Companies & Enterprises	\$ 24	\$ 32	\$ 7	29.1%
Public Administration	\$ 9	\$ 9	\$ (0)	
Total	\$ 443,845	\$ 634,218	\$ 190,373	42.9%
Total without Construction	\$ 344,330	\$ 460,447	\$ 116,118	33.7%

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 **21.3%** of its budgeted General Fund license and permit revenue. Revenue from garbage franchise fees appears higher through May 2021 due to the timing of receipts.

	2021/2022				Thru May*		
	Budget	Actual	Remaining	% Collected	2020	Thru May 2021	% Δ
Fireworks Permits	\$400	\$100	\$300	25.0%	\$0	\$100	
Special Events Permits	\$1,500	\$350	\$1,150	23.3%	\$75	\$350	367%
Franchise Fees - Garbage	\$280,000	\$60,151	\$219,849	21.5%	\$46,366	\$60,151	30%
Franchise Fees - Cable TV	\$86,000	\$18,359	\$67,641	21.3%	\$18,749	\$18,359	-2%
Business Licenses & Permits	\$85,000	\$17,123	\$67,877	20.1%	\$16,647	\$17,123	3%
Permit Fee IT Surcharge	\$84,160	\$18,297	\$65,862	21.7%	\$16,707	\$18,297	10%
Concealed Weapons Permits	\$3,540	\$689	\$2,851	19.5%	\$243	\$689	184%
Total GF Licenses & Permits	\$540,600	\$115,070	\$425,530	21.3%	\$98,787	\$115,070	16%

*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 May, the City had received **24.6%** of its budgeted charges for services revenue.

General Fund Charges for Services Revenue

	2021/2022				Thru May*		
	Budget	Actual	Remaining	% Collected	2020	Thru May 2021	% Δ
Admin Fee - Cell Tower Leases	\$5,921	\$2,642	\$3,280	45%	\$814	\$2,642	225%
Accounting Services	\$0	\$25	-\$25		\$0	\$25	
Sale of Maps & Publications	\$200	\$10	\$190	5%	\$7	\$10	
Engineering Fees & Charges	\$180,000	\$48,173	\$131,827	27%	\$54,080	\$48,173	-11%
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	\$56,783	\$33,217	63%	\$43,448	\$56,783	31%
Planning Deposits	\$0	\$4,391	-\$4,391		\$8,177	\$4,391	-46%
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	
Total GF Charges for Services	\$570,621	\$140,438	\$430,183	24.6%	\$107,073	\$140,438	31.2%

General Fund Revenue Summary and Expenditure Overview

As of the end of May, the City had received **23%** 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	05/31/2021		Thru May		
	Budget	BTD Actual	BTD %	2020*	Thru May 2021	% Δ
Beginning Fund Balance	\$2,180,537	\$2,724,136	125%			
Taxes	\$9,031,703	\$2,126,716	24%	\$1,797,841	\$2,126,716	18%
Licenses & Permits	540,600	115,070	21%	98,787	115,070	16%
Intergov. Revenues	342,863	69,999	20%	57,467	69,999	22%
Charges for Goods & Serv.	570,621	140,438	25%	107,073	140,438	31%
Fines & Penalties	65,000	5,416	8%	7,177	5,416	-25%
Miscellaneous Revenues	56,852	11,582	20%	46,271	11,582	-75%
Other	370,136	56,979	15%	47,706	56,979	19%
Total Revenues	\$10,977,775	\$2,526,201	23%	\$2,162,322	\$2,526,201	16.8%

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	05/31/2021		Thru May		
	Budget	BTD Actual	BTD %	2020*	Thru May 2021	% Δ
Legislative	\$341,548	\$31,062	\$0	\$36,547	\$31,062	-15%
Executive	401,796	65,538	16%	27,213	65,538	141%
Community Events	183,588	13,949	8%	21,980	13,949	-37%
Finance Dept.	945,337	152,378	16%	114,196	152,378	33%
Planning Dept.	918,941	163,519	18%	162,925	163,519	0%
Police Dept.	5,716,453	953,818	17%	989,301	953,818	-4%
Economic Development	24,000	-	0%	-	-	
Recycling Dept.	48,500	483	1%	227	483	113%
Civil Service	15,500	12,202	79%	2,811	12,202	334%
Parks Dept.	859,791	138,665	16%	118,305	138,665	17%
Cultural Commission	39,287	4,144	11%	3,713	4,144	12%
City Mitigation Projects	8,000	-	0%	4,297	-	-100%
Engineering Dept.	523,979	102,231	20%	83,588	102,231	22%
Emergency Response	37,200	9,219	25%	41,580	9,219	-78%
Legal	308,145	87,324	28%	25,188	87,324	247%
Non-Departmental	770,188	96,186	12%	233,636	96,186	-59%
Total Expenditures	\$11,142,253	\$1,830,718	16%	\$1,865,508	\$1,830,718	-2%

General Fund Expenditures by Categor	2021/2022	05/31/2021		Thru May		
	Budget	BTD Actual	BTD %	2020*	Thru May 2021	% Δ
Salaries and Wages	\$ 4,768,000	\$ 906,596	19%	\$ 885,574	\$ 906,596	2%
Personnel Benefits	1,846,300	299,565	16%	331,764	299,565	-10%
Supplies	196,297	17,983	9%	64,246	17,983	-72%
Services	3,550,468	510,389	14%	465,180	510,389	10%
Transfers Out/Deposits	770,188	96,186	12%	118,745	96,186	-19%
Capital Outlays	11,000	-	0%	-	-	
Total Expenditures	\$11,142,253	\$1,830,718	16%	\$1,865,508	\$1,830,718	-2%
Revenue minus Expenditures	-\$164,478	\$695,483		\$296,814	\$695,483	
Ending Fund Balance	\$2,016,059	\$3,419,619	170%			

*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 were higher in May 2020 due to \$22,000 distributed in **human service grants** to help mitigate the impact of COVID-19. **Emergency response** expenditures were also higher in 2020 due to supplies and services purchased to mitigate the impact of COVID-19.

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 **supplies** are higher in 2020 than in 2021 due to the City purchasing personal protection equipment to mitigate the impact of COVID-19. 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 May 2021, compared to four in May 2020. In total, 28 new housing permits have been issued in 2021, compared to 25 for the same period in 2020.

Building and Permitting Fund Budget vs Actual

Revenues	2021/2022			Thru May 2020*	Thru May 2021	% Δ
	Budget	5/31/2021	BTD %			
Beginning Fund Balance	\$ 615,435	\$ 1,171,216	190%			
Building Permit Fees	\$ 825,643	\$ 154,606	19%	\$ 129,031	\$ 154,606	20%
Admin Fee-School/Rd/Park Imp	11,245	1,755	16%	1,625	1,755	8%
Bldg. Inspection Fees	8,500	737	9%	1,099	737	-33%
Plan Check Fees	537,551	83,489	16%	83,503	83,489	0%
Plan Check - Consultant Review	-	1,950		4,000	1,950	-51%
Fire Plan Review & Inspections	69,500	14,578	21%	357	14,578	3984%
School Impact Fees**	2,422,000	276,049	11%	234,381	276,049	18%
Interest on Investments	-	1,523			1,523	
Miscellaneous Revenue	-	-			-	
Total Revenues	\$ 3,874,438	\$ 534,688	14%	\$ 453,996	\$ 534,688	17.8%

Expenditures by Category	2021/2022			Thru May 2020*	Thru May 2021	% Δ
	Budget	5/31/2021	BTD %			
Salaries and Wages	\$ 563,000	\$ 113,325	20%	\$ 94,062	\$ 113,325	20%
Personnel Benefits	247,000	43,268	18%	39,997	43,268	8%
Supplies	10,586	2,223	21%	1,403	2,223	58%
Services	317,923	29,132	9%	23,831	29,132	22%
School Impact Fee Distribution**	2,422,000	384,545	16%	183,429	384,545	110%
Transfers Out/Deposits	48,886	7,756	16%	-	7,756	
Capital Outlays	33,000	-	0%		-	
Total Expenditures	\$ 3,642,395	\$ 580,248	16%	\$ 342,722	\$ 580,248	69%
Revenue minus Expenditures	\$ 232,043	\$ (45,561)		\$ 111,274	\$ (45,561)	

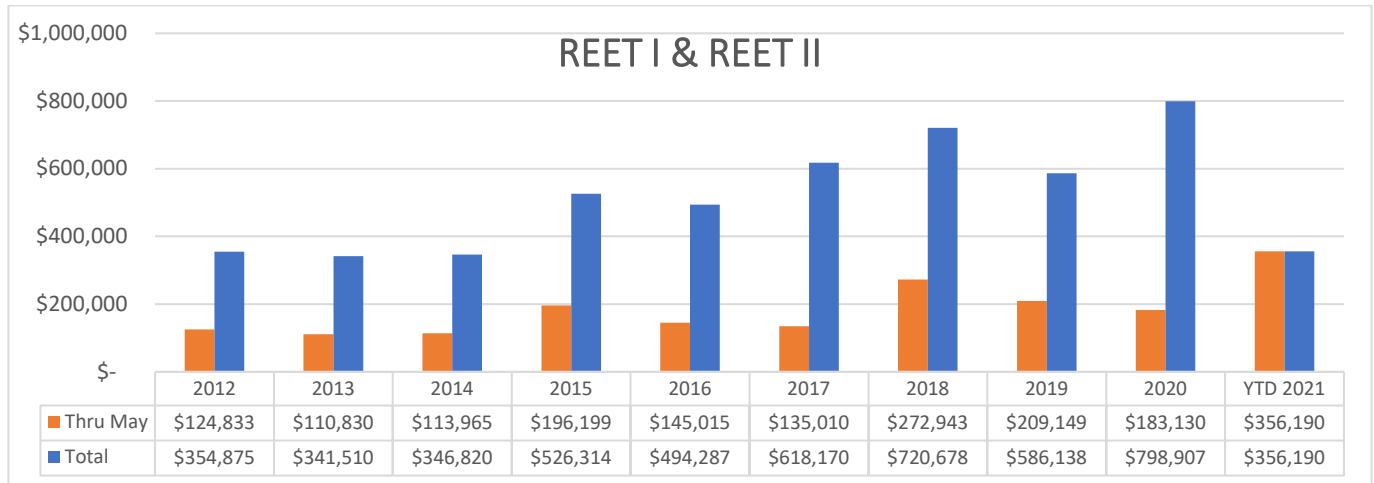
Ending Fund Balance	2021/2022 Budget	5/31/2021	BTD %
	\$ 847,478	\$ 1,125,655	133%

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

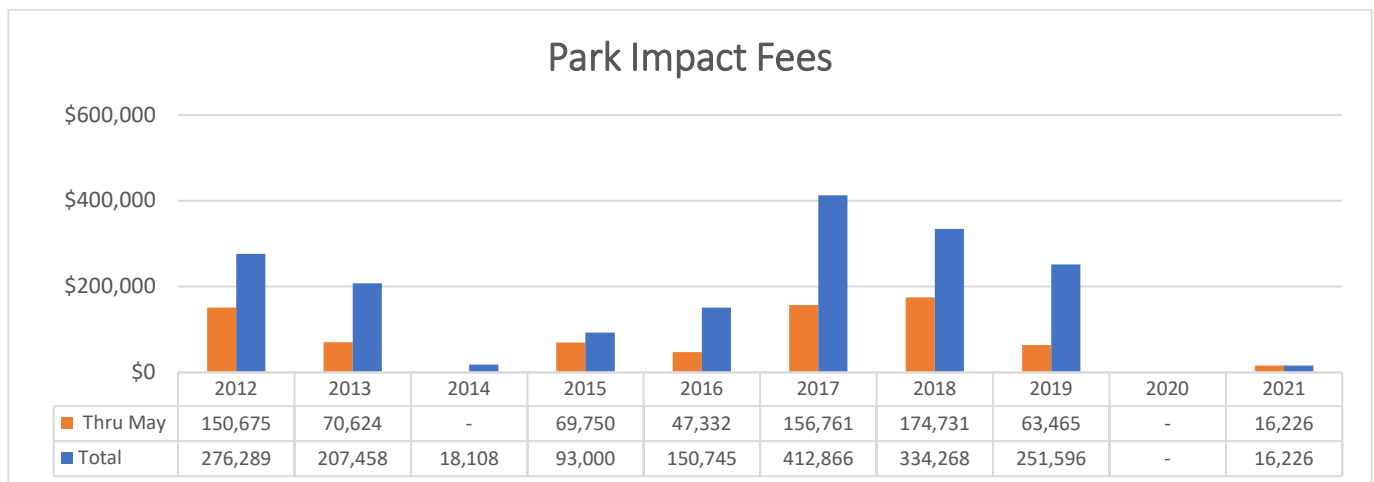
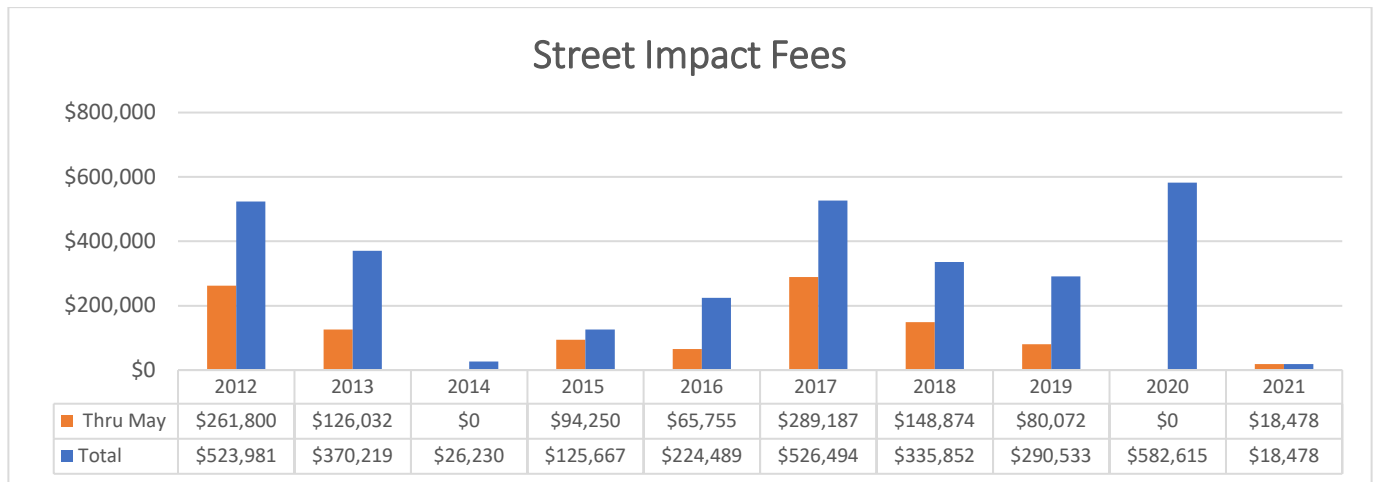
** 2020 School Impact Fees were reported in the 633 Deposit Fund in 2020 and are shown here for trending purposes

Capital Funds

The City received \$168,988 in **Real Estate Excise Tax (REET)** in May from the sale of 44 units in April. This is higher than the average for the prior six years of 19.5 units. The average sales price of a unit sold in April 2020 was \$655,280 compared to the \$775,886 average sales price of a unit sold in April 2021.

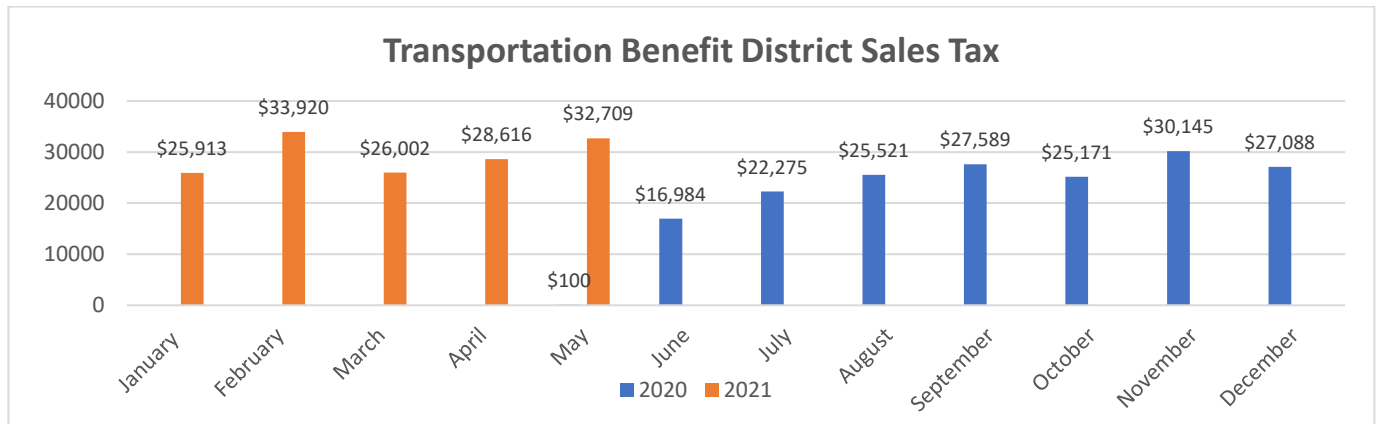


The City did not receive any **Street and Park Impact fees** in May. Biennium to date, the City has collected \$18,478 in Street Impact Fees and \$16,226 in Park Impact Fees from the issuance of two new housing permits.



Transportation Benefit District

Effective April of 2020, the City imposed a voter approved 0.2% sales tax to fund transportation operations and maintenance related projects. The City started receiving the tax in May of 2020. The graph below will show the tax trend by month until enough data is available to trend by year. Biennium to date, the City has received \$147,159, or 25%, of budgeted Transportation Benefit District sales tax.



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.

January through May **Water Fund expenditures** are higher in 2021 than in 2020 due to the reallocation of Public Works maintenance work, the timing of utility tax payments, and a budgeted transfer to the Water Capital Projects Fund. **Sewer Fund** expenditures are higher in 2021 due to the timing of utility tax payments and 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 Budget	Actual	Remaining	% Collected	Thru May 2020	Thru May 2021	% Δ
Water Fund							
Revenue	\$4,604,153	\$965,629	\$3,638,524	21.0%	\$934,474	\$965,629	3%
Expenditures	\$5,032,021	\$785,184	\$4,246,837	15.6%	\$620,931	\$785,184	26%
Sewer Fund						\$0	
Revenue	\$5,556,604	\$1,369,737	\$4,186,867	24.7%	\$1,315,806	\$1,369,737	4%
Expenditures	\$4,361,725	\$906,996	\$3,454,729	20.8%	\$767,698	\$906,996	18%
Storm Drainage Fund						\$0	
Revenue	\$1,777,423	\$452,602	\$1,324,821	25.5%	\$426,672	\$452,602	6%
Expenditures	\$1,912,172	\$305,138	\$1,607,034	16.0%	\$261,015	\$305,138	17%

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 May 31, 2021, compared to the end of May 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
2019	\$850	22	\$121	3	\$495	1
2020	\$7,095	67	\$4,637	44	\$7,566	23
2021	\$13,342	111	\$10,203	87	\$36,969	62

Ending Fund Balance

At the end of May 2021, the City had an ending fund balance of \$28,515,587, an increase of \$2,464,567 over its beginning fund balance. Please note that the beginning fund balance of the **Parks CIP** fund has been increased by \$900,037 to show the December 2020 balance of an escrow account with park impact fee revenue the City holds per a developer agreement. If agreed upon park improvements are made, the developer will draw down the escrow account and the City will report the withdrawal as a Parks CIP Fund expenditure.

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

Fund	Description	Actual Beginning		Expenditures	Fund Balance	Net Change		
		Fund Balance	Revenues					
001	General Fund	\$ 2,724,136	\$ 2,526,201	\$ 1,830,718	\$ 3,419,619	\$ 695,483	696,186	General Fund
002	Contingency Fund	553,937	703	-	554,640	703		
101	Street Fund	194,239	271,905	202,854	263,290	69,051	225,092	Special Revenue Funds
102	Transportation Benefit District	174,891	147,490	-	322,381	147,490		
104	Building and Permitting Fund	1,171,216	534,688	580,248	1,125,655	(45,561)		
106	Big Rock Ball Park Maintenance	125,566	95,486	41,425	179,627	54,061		
107	Sensitive Areas Mitigation Fund	40,593	52	-	40,644	52		
206	2016 LTGO - Main St Debt Svc	21,501	121,815	57,247	86,068	64,568	64,568	Debt Svc Fund
303	Facilities CIP Fund	-	-	-	-	-	300,785	Capital Project Funds
304	Real Estate Excise Tax Fund 1	1,523,820	180,195	15,173	1,688,843	165,022		
305	Real Estate Excise Tax Fund 2	1,356,702	179,940	84,747	1,451,895	95,193		
306	Main Street Improvement	545,051	691	714	545,027	(23)		
307	Street CIP Fund	1,444,492	20,314	29,232	1,435,574	(8,918)		
308	Parks CIP Fund *	1,812,825	69,995	20,484	1,862,336	49,510		
401	Water Fund	3,542,199	965,629	785,184	3,722,644	180,445	1,256,661	Proprietary Funds
402	Sewer Fund	3,498,513	1,369,737	906,996	3,961,254	462,741		
404	Storm Drainage Fund	958,719	452,602	305,138	1,106,182	147,464		
407	Water CIP Fund	2,547,828	370,793	76,503	2,842,117	294,289		
408	Sewer CIP Fund	2,464,299	322,377	186,603	2,600,073	135,774		
409	Storm Drainage CIP Fund	570,895	38,429	2,480	606,844	35,949		
501	Equipment Fund	400,287	89,050	89,671	399,666	(621)	(78,724)	Internal Service Funds
502	IT Fund	227,917	117,102	195,487	149,532	(78,385)		
503	Building Maintenance Fund	151,394	106,031	105,750	151,676	282		
TOTAL		\$ 26,051,020	\$ 7,981,223	\$ 5,516,656	\$ 28,515,587	\$ 2,464,567		
		\$ 34,032,243		= \$ 34,032,243				

Revenues

As of the end of May 2021, approximately **19%** of budgeted 2021/2022 biennial revenues had been collected. The cause for significant changes in revenues to most funds can be found on the preceding pages. An increase in 2021 year to date revenues over 2020 in the **Big Rock Ball Fields Fund** is due to 50% of park levy proceeds being receipted in the Fund for the first time. The increase in the **Parks CIP Fund** is due to the timing of park levy receipts. The increase in the **Water CIP Fund** is due to a budgeted transfer from the Water Operating Fund. The increase in the **Building Maintenance Fund** is from a transfer in to pay for the carryover 2020 Depot Deck Replacement Project.

CITY OF DUVALL 2021-2022 BUDGET vs ACTUAL - REVENUES

		Biennium to Date as of May 31, 2021								
Fund	Description	2021/2022	BTD		BTD %	Thru May	Thru May	% Δ	\$ Δ	
		Budget	BTD Actual	Difference	Collected	2020*	2021			
001	General Fund	\$ 10,977,775	\$ 2,526,201	\$ 8,451,574	23%	\$ 2,162,322	\$ 2,526,201	17%	\$ 363,879	
002	Contingency Fund	2,657	703	1,954	26%	35,102	703	-98%	(34,399)	
101	Street Fund	1,072,537	271,905	800,632	25%	280,285	271,905	-3%	(8,380)	
102	Transportation Benefit District	808,977	147,490	661,488	18%	100	147,490		147,389	
104	Building and Permitting Fund	3,874,438	534,688	3,339,751	14%	453,996	534,688	18%	80,692	
106	Big Rock Ball Park Maintenance	372,608	95,486	277,123	26%	25,997	95,486	267%	69,489	
107	Sensitive Areas Mitigation Fund	292	52	240	18%	318	52	-84%	(267)	
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	180,195	611,228	23%	101,550	180,195	77%	78,645	
305	Real Estate Excise Tax Fund 2	790,035	179,940	610,094	23%	100,034	179,940	80%	79,906	
306	Main Street Improvement	8,395	691	7,704	8%	9,153	691	-92%	(8,462)	
307	Street CIP Fund	1,775,532	20,314	1,755,218	1%	20,415	20,314	0%	(101)	
308	Parks CIP Fund	606,851	69,995	536,856	12%	8,024	69,995	772%	61,971	
401	Water Fund	4,604,153	965,629	3,638,524	21%	934,474	965,629	3%	31,155	
402	Sewer Fund	5,556,604	1,369,737	4,186,867	25%	1,317,300	1,369,737	4%	52,437	
404	Storm Drainage Fund	1,777,423	452,602	1,324,821	25%	426,672	452,602	6%	25,930	
407	Water CIP Fund	1,986,356	370,793	1,615,563	19%	246,187	370,793	51%	124,605	
408	Sewer CIP Fund	2,131,361	322,377	1,808,984	15%	300,734	322,377	7%	21,643	
409	Storm Drainage CIP Fund	332,311	38,429	293,882	12%	37,286	38,429	3%	1,143	
501	Equipment Fund	702,108	89,050	613,058	13%	50,074	89,050	78%	38,977	
502	IT Fund	923,238	117,102	806,136	13%	72,285	117,102	62%	44,817	
503	Building Maintenance Fund	236,478	106,031	130,447	45%	34,479	106,031	208%	71,552	
TOTAL		\$ 41,176,465	\$ 7,981,223	\$ 33,195,241	19%	\$ 6,734,408	\$ 7,981,223	19%	\$ 1,246,815	

**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 May 2021, the City had expended **14%** of its budgeted biennial expenditures. Year to date expenditures through May 2020 were higher than in May 2021 in the **Street Fund** due to the Batten Road and LED Streetlight Conversion projects. Year to date expenditures were higher year to date in 2021 compared to 2020 due to the following: in the **Building and Permitting Fund**, impact fee payments to the School District. In the **Sewer CIP Fund**, the timing of the interest and principal payment for the Wastewater Treatment Plant loan. In the **IT Fund**, the first payment for implementation of the City's new financial and permitting software, and in the **Building Maintenance Fund**, expenditures related to the 2020 carryover Depot Deck Replacement Project.

CITY OF DUVALL 2021-2022 BUDGET vs ACTUAL - EXPENDITURES

		Biennium to Date as of May 31, 2021							
Fund	Description	2021/2022			BTD %	Thru May	Thru May		
		Budget	BTD Actual	BTD Difference	Spent	2020*	2021	% Δ	\$ Δ
001	General Fund	\$ 11,142,253	\$ 1,830,718	\$ 9,311,535	16%	1,865,508	1,830,718	-2%	\$ (34,791)
002	Contingency Fund	-	-	-		-	-		\$ -
101	Street Fund	1,144,077	202,854	941,223	18%	436,595	202,854	-54%	\$ (233,741)
102	Transportation Benefit District	573,000	-	573,000	0%	-	-		\$ -
104	Building and Permitting Fund	3,642,395	580,248	3,062,147	16%	342,722	580,248		\$ 237,526
106	Big Rock Ball Park Maintenance	308,326	41,425	266,901	13%	39,343	41,425	5%	\$ 2,082
107	Sensitive Areas Mitigation Fund	31,200	-	31,200	0%	-	-		\$ -
206	2016 LTGO - Main St Debt Svc	974,914	57,247	917,667	6%	58,201	57,247		\$ (955)
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%	5,783	714	-88%	\$ (5,070)
307	Street CIP Fund	1,720,778	29,232	1,691,546	2%	56,831	29,232	-49%	\$ (27,599)
308	Parks CIP Fund	378,982	20,484	358,498	5%	-	20,484		\$ 20,484
401	Water Fund	5,032,021	785,184	4,246,837	16%	620,931	785,184	26%	\$ 164,253
402	Sewer Fund	4,361,725	906,996	3,454,729	21%	767,698	906,996	18%	\$ 139,298
404	Storm Drainage Fund	1,912,172	305,138	1,607,034	16%	261,015	305,138	17%	\$ 44,123
407	Water CIP Fund	2,634,311	76,503	2,557,808	3%	71,169	76,503	7%	\$ 5,335
408	Sewer CIP Fund	1,332,799	186,603	1,146,196	14%	4,411	186,603	4131%	\$ 182,192
409	Storm Drainage CIP Fund	359,282	2,480	356,802	1%	520	2,480	377%	\$ 1,960
501	Equipment Fund	558,465	89,671	468,794	16%	148,640	89,671	-40%	\$ (58,969)
502	IT Fund	992,273	195,487	796,785	20%	66,066	195,487	196%	\$ 129,421
503	Building Maintenance Fund	236,205	105,750	130,456	45%	30,929	105,750	242%	\$ 74,821
TOTAL		\$ 39,879,644	\$ 5,516,656	\$ 34,362,988	14%	\$ 4,817,226	\$ 5,516,656	14.5%	\$ 699,430

**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.