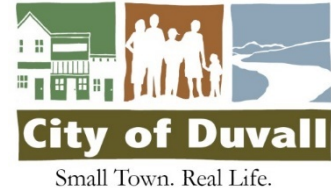


Date: September 7, 2021
To: Mayor Ockerlander
 City Council
From: Finance



July 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, outstanding compensated absences, and capital improvement projects.

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 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.

The City also started out the 2021/2022 biennium with **two new funds**; the **Building and Permitting Fund** and the **Facilities Capital Project Fund**. The beginning balance for the Building and Permitting Fund was 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. The City also created a new fund, the **American Rescue Plan Act Fund**, to track revenues received from the federal government to help mitigate the impact of the COVID pandemic and their use.

As of the end of July, **29% of the biennium** was complete. The City had received **30.8% of budgeted revenues** and had spent **19.8% of budgeted expenditures**. The tables below show biennium to date budgeted vs. actual revenues and expenditures by fund type.

Biennium to Date Revenue by Fund Type

Fund Type	2021/2022 Budgeted Revenue	2021/2022 BTD Revenue	% Received
General Fund	\$10,977,775	\$3,416,704	31.12%
Contingency Fund	\$2,657	\$796	29.95%
Special Revenue Funds	\$6,128,852	\$2,438,147	39.78%
Debt Service	\$974,914	\$243,629	24.99%
Capital Project Funds	\$4,842,235	\$981,697	20.27%
Utility Funds	\$16,388,207	\$5,040,164	30.75%
Internal Service Funds	\$1,861,824	\$558,616	30.00%
Total	\$41,176,465	\$12,679,753	30.79%

Biennium to Date Expenditures by Fund Type

Fund Type	2021/2022 Budgeted Expend.	2021/2022 BTD Expend.	% Spent
General Fund	\$11,142,253	\$2,760,184	24.77%
Contingency Fund	\$0	\$0	0.00%
Special Revenue Funds	\$5,698,998	\$1,118,570	19.63%
Debt Service	\$974,914	\$57,247	5.87%
Capital Project Funds	\$4,644,225	\$250,052	5.38%
Utility Funds	\$15,632,311	\$3,224,784	20.63%
Internal Service Funds	\$1,786,943	\$465,717	26.06%
Total	\$39,879,644	\$7,876,554	19.75%

General Fund Revenues

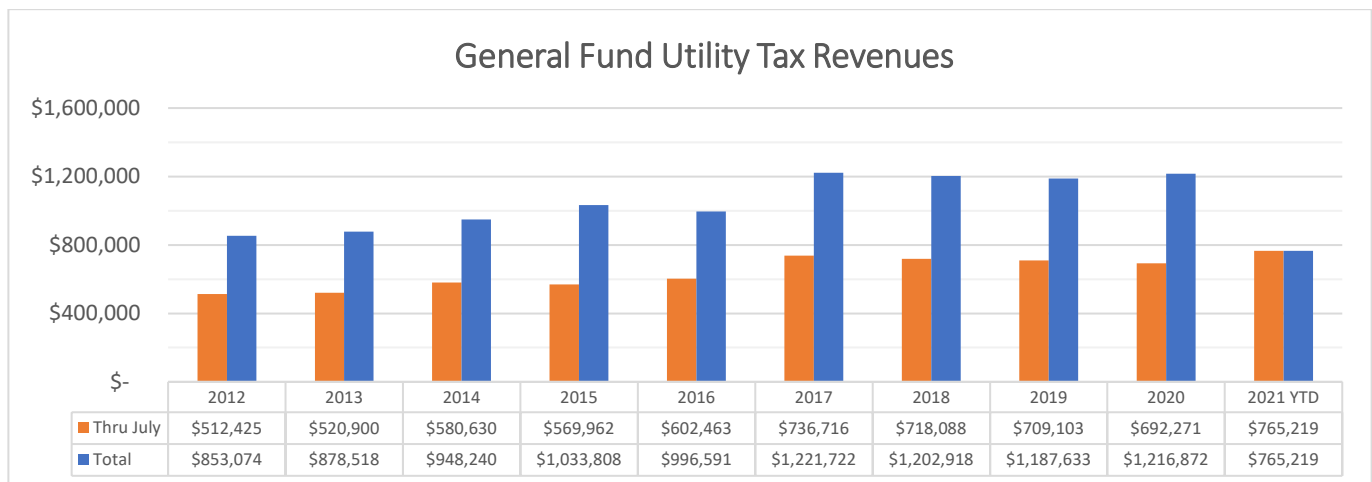
The City receives 82% of its General Fund revenues from **taxes**. As of the end of July 2021, **30.1%** of tax revenue budgeted in the General Fund had been received.

General Fund Tax Revenue

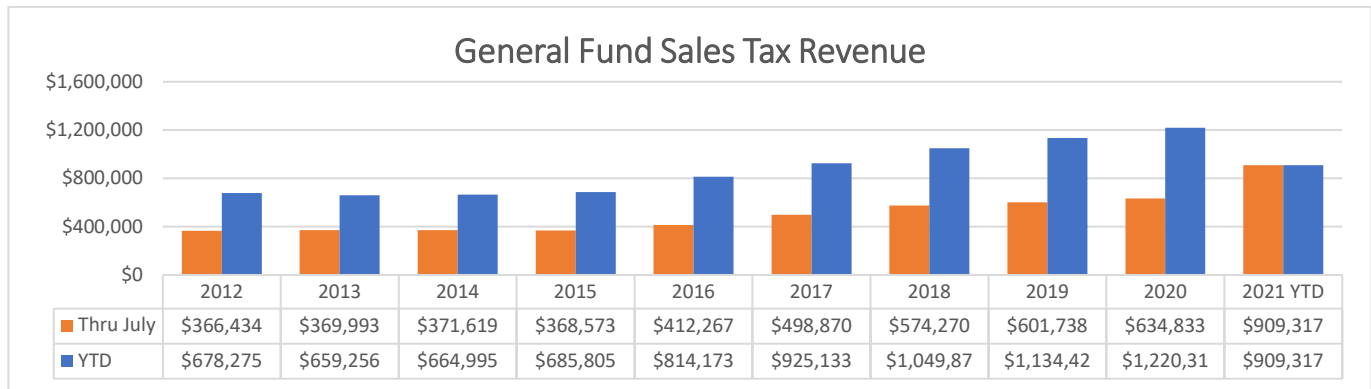
	2021/2022				%	Thru July 2020	Thru July 2021	% Δ
	Budget	Actual	Remaining	Collected				
Real & Personal Property Taxes	\$2,670,068	\$687,933	\$1,982,135	25.8%	\$652,848	\$687,933	5%	
Property Taxes - Levy Lid Lift	\$810,435	\$200,188	\$610,247	24.7%	\$188,446	\$200,188	6%	
Total GF Property Tax	\$3,480,503	\$888,121	\$2,592,382	25.5%	\$841,294	\$888,121	6%	
Local Retail Sales & Use Taxes	\$1,859,184	\$642,134	\$1,217,051	34.5%	\$502,536	\$642,134	28%	
Sales Tax from Construction	\$644,254	\$267,184	\$377,071	41.5%	\$132,297	\$267,184	102%	
Affordable Housing Sales Tax	\$18,000	\$4,458	\$13,542	24.8%	\$806	\$4,458	453%	
Sales Tax-Crim Justice-LOCAL	\$494,983	\$142,999	\$351,985	28.9%	\$126,954	\$142,999	13%	
Business Tax - Electricity	\$540,000	\$182,662	\$357,338	33.8%	\$167,295	\$182,662	9%	
Interfund Utility Tax - Water	\$446,376	\$129,810	\$316,567	29.1%	\$87,436	\$129,810	48%	
Business Tax - Natural Gas	\$232,162	\$101,677	\$130,485	43.8%	\$95,587	\$101,677	6%	
Interfund Utility Tax - Sewer	\$553,298	\$157,780	\$395,518	28.5%	\$129,796	\$157,780	22%	
Business Tax - Garbage	\$239,366	\$71,836	\$167,530	30.0%	\$79,950	\$71,836	-10%	
Business Tax - TV Cable	\$102,754	\$31,479	\$71,275	30.6%	\$34,358	\$31,479	-8%	
Business Tax - Telephone	\$210,866	\$40,182	\$170,684	19.1%	\$57,593	\$40,182	-30%	
Interfund Utility Tax - Storm	\$172,118	\$49,794	\$122,324	28.9%	\$40,256	\$49,794	24%	
Gambling Tax	\$33,500	\$9,007	\$24,493	26.9%	\$12,840	\$9,007	-30%	
Leasehold Excise Tax	\$4,337	\$1,151	\$3,186	26.5%	\$280	\$1,151	311%	
Total GF Tax w/o Property Tax	\$5,551,200	\$1,832,151	\$3,719,049	33.0%	\$1,467,985	\$1,832,151	25%	
Total GF Tax Revenue	\$9,031,703	\$2,720,272	\$6,311,431	30.1%	\$2,309,279	\$2,720,272	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. **25.5%** of the property tax budgeted for the biennium has been collected, which is slightly more than expected.

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 **30.1%, or \$765,219**, 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 June receipts were from sales incurred in April. The City has received approximately **36.3%** of its budgeted sales tax. Year to date sales tax is **43.2%, or \$274,484** higher than the same period in 2020.



July sales tax was **26.6%, or \$30,110**, more than July of 2020. Most of the increase was from **construction sales tax**, which increased 154.5%, or \$31,901, over July 2020, which was low due to a slowdown in construction during the pandemic. July sales tax from **retail trade** was down 3.4%, or \$1,770, compared to July of 2020, which was high due to pandemic spending. Sales tax from **accommodation and food services** was up 21.4%, or \$2,102, over July of 2020.

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. Year to date through July 2019 has been added for comparison purposes.

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

NAICS_Code_Name	Thru July 2019	Thru July 2020	Thru July 2021	Δ 2020 to 2021	Δ%
Retail Trade	\$ 210,564	\$ 263,565	\$ 339,778	\$ 76,213	28.9%
Construction	\$ 151,636	\$ 133,633	\$ 269,882	\$ 136,249	102.0%
Accommodation & Food Services	\$ 66,904	\$ 58,991	\$ 69,476	\$ 10,485	17.8%
Admin & Support of Waste Mgmt & Remedial Svcs	\$ 38,448	\$ 51,657	\$ 66,964	\$ 15,308	29.6%
Wholesale Trade	\$ 25,762	\$ 25,326	\$ 39,630	\$ 14,304	56.5%
Information/Communication	\$ 25,259	\$ 29,504	\$ 31,725	\$ 2,221	7.5%
Manufacturing	\$ 16,075	\$ 11,868	\$ 22,715	\$ 10,848	91.4%
Professional, Scientific, & Technical Svcs	\$ 12,559	\$ 14,391	\$ 20,967	\$ 6,576	45.7%
Miscellaneous	\$ 12,056	\$ 8,278	\$ 15,106	\$ 6,828	82.5%
Other Services (except Public Administration)	\$ 18,465	\$ 15,720	\$ 14,801	\$ (919)	-5.8%
Finance	\$ 8,400	\$ 8,095	\$ 9,120	\$ 1,025	12.7%
Real Estate & Rental & Leasing	\$ 7,676	\$ 8,435	\$ 8,596	\$ 161	1.9%
Educational Services	\$ 1,656	\$ 2,907	\$ 2,184	\$ (723)	-24.9%
Arts, Entertainment, & Recreation	\$ 7,866	\$ 3,633	\$ 1,932	\$ (1,700)	-46.8%
Transportation & Warehousing	\$ 120	\$ 516	\$ 1,439	\$ 923	179.0%
Utilities	\$ 1,795	\$ 1,805	\$ 1,425	\$ (379)	-21.0%
Health Care & Social Assistance	\$ 924	\$ 529	\$ 767	\$ 238	44.9%
Agriculture, Forestry, Fishing & Hunting	\$ 531	\$ 1,274	\$ 710	\$ (564)	-44.3%
Public Administration	\$ 101	\$ 11	\$ 455	\$ 445	4164.4%
Management of Companies & Enterprises	\$ 5	\$ 31	\$ 42	\$ 11	36.0%
Mining	\$ 19	\$ 21	\$ 34	\$ 13	59.4%
Total	\$ 606,822	\$ 640,189	\$ 917,750	\$ 277,561	43.4%
Total without Construction	\$ 455,186	\$ 506,556	\$ 647,868	\$ 141,312	27.9%

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 **29.9%** of its budgeted General Fund license and permit revenue. **Garbage franchise fees** are lower in 2020 due to receiving two payments to taxes. This was corrected in September of 2020.

General Fund Licensing and Permit Revenue

	2021/2022				%	Thru July*	Thru July	% Δ
	Budget	Actual	Remaining	Collected				
Fireworks Permits	\$400	\$100	\$300	25.0%		\$100	\$100	0%
Special Events Permits	\$1,500	\$575	\$925	38.3%		\$25	\$575	2200%
Franchise Fees - Garbage	\$280,000	\$84,732	\$195,268	30.3%		\$69,577	\$84,732	22%
Franchise Fees - Cable TV	\$86,000	\$26,689	\$59,311	31.0%		\$27,445	\$26,689	-3%
Business Licenses & Permits	\$85,000	\$23,742	\$61,258	27.9%		\$22,028	\$23,742	8%
Permit Fee IT Surcharge	\$84,160	\$24,817	\$59,343	29.5%		\$28,245	\$24,817	-12%
Concealed Weapons Permits	\$3,540	\$875	\$2,665	24.7%		\$243	\$875	260%
Total GF Licenses & Permits	\$540,600	\$161,530	\$379,070	29.9%		\$147,662	\$161,530	9%

*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 of the end of July 2021, the City had received **42.5%** of budgeted General Fund charges for services revenue. 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. The City collects **planning deposits**, which are posted to the correct revenue line item once the service has been provided by the City. The negative balance through July 2021 is due to moving deposits received by the City in 2020 to the correct revenue line item.

General Fund Charges for Services Revenue

	2021/2022				%	Thru July*	Thru July	% Δ
	Budget	Actual	Remaining	Collected				
Admin Fee - Cell Tower Leases	\$5,921	\$4,008	\$1,913	68%		\$928	\$4,008	332%
Accounting Services	\$0	\$25	-\$25			\$0	\$25	
Sale of Maps & Publications	\$200	\$18	\$182	9%		\$7	\$18	135%
Engineering Fees & Charges	\$180,000	\$72,379	\$107,621	40%		\$62,627	\$72,379	16%
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	\$42,300	\$37,700	53%		\$40,000	\$42,300	6%
Law Enforcement Services	\$0	\$415	-\$415			\$983	\$415	-58%
Animal Control & Shelter Servi	\$52,000	\$0	\$52,000	0%		\$0	\$0	
Zoning, Subdivision, Dvlp Fees	\$90,000	\$93,672	-\$3,672	104%		\$59,517	\$93,672	57%
Planning Deposits	\$0	-\$4,403	\$4,403			\$31,677	-\$4,403	-114%
Land Use Permitting Fees	\$140,000	\$0	\$140,000	0%		\$0	\$0	
Summerstage Sponsor Fees	\$20,000	\$6,000	\$14,000	30%		\$250	\$6,000	2300%
Stage Sponsorship Fees	\$2,500	\$0	\$2,500	0%		\$0	\$0	
Total GF Charges for Services	\$570,621	\$242,412	\$328,209	42.5%		\$196,013	\$242,412	23.7%

General Fund Revenue Summary and Expenditure Overview

General Fund Revenue Summary

As of the end of July, the City had received **31%** of its budgeted General Fund revenue. **Miscellaneous revenues** were higher in 2020 compared to 2021, due to an Association of Washington Cities rebate for its Workers Comp Retro Program. **Intergovernmental revenues** are higher in 2021 due in part to \$31,950 state appropriation to offset costs related to recent police legislation. General Fund revenues from taxes, licenses and permits and charges for services are discussed on the preceding pages.

General Fund Revenues	2021/2022		07/31/2021	Thru July		
	Budget	BTD Actual	BTD %	2020*	Thru July 2021	% Δ
Beginning Fund Balance	\$2,180,537	\$2,724,136	125%			
Taxes	\$9,031,703	\$2,720,272	30%	\$2,309,279	\$2,720,272	18%
Licenses & Permits	540,600	161,530	30%	147,662	161,530	9%
Intergov. Revenues	342,863	155,356	45%	98,431	155,356	58%
Charges for Goods & Serv.	570,621	242,412	42%	196,013	242,412	24%
Fines & Penalties	65,000	8,417	13%	8,622	8,417	-2%
Miscellaneous Revenues	56,852	14,658	26%	48,380	14,658	-70%
Other	370,136	113,959	31%	94,163	114,059	21%
Total Revenues	\$10,977,775	\$3,416,604	31%	\$2,902,550	\$3,416,704	17.7%

General Fund Expenditure Summary

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 Expenditures by Dept.	2021/2022		07/31/2021	Thru July		
	Budget	BTD Actual	BTD %	2020*	Thru July 2021	% Δ
Legislative	\$341,548	\$74,151	22%	\$51,122	\$74,151	45%
Executive	401,796	84,587	21%	35,986	84,587	135%
Community Events	183,588	31,438	17%	26,480	31,438	19%
Finance Dept.	945,337	212,476	22%	163,041	212,476	30%
Planning Dept.	918,941	252,715	28%	226,966	252,715	11%
Police Dept.	5,716,453	1,405,185	25%	1,377,205	1,405,185	2%
Economic Development	24,000	-	0%	-	-	
Recycling Dept.	48,500	655	1%	529	655	24%
Civil Service	15,500	14,456	93%	3,608	14,456	301%
Parks Dept.	859,791	213,161	25%	156,328	213,161	36%
Cultural Commission	39,287	5,494	14%	4,957	5,494	11%
City Mitigation Projects	8,000	-	0%	4,297	-	-100%
Engineering Dept.	523,979	148,441	28%	120,159	148,441	24%
Emergency Response	37,200	15,116	41%	64,778	15,116	-77%
Legal	308,145	109,937	36%	103,973	109,937	6%
Non-Departmental	770,188	192,371	25%	372,290	192,371	-48%
Total Expenditures	\$11,142,253	\$2,760,184	25%	\$2,711,718	\$2,760,184	2%

General Fund Expenditures by Cat.	2021/2022		07/31/2021	Thru July		
	Budget	BTD Actual	BTD %	2020*	Thru July 2021	% Δ
Salaries and Wages	\$ 4,768,000	\$ 1,298,476	27%	\$ 1,266,665	\$ 1,298,476	3%
Personnel Benefits	1,846,300	435,691	24%	467,431	435,691	-7%
Supplies	196,297	42,045	21%	100,796	42,045	-58%
Services	3,550,468	791,601	22%	639,546	791,601	24%
Transfers Out/Deposits	770,188	192,371	25%	237,281	192,371	-19%
Capital Outlays	11,000	-	0%	-	-	
Total Expenditures	\$11,142,253	\$2,760,184	25%	\$2,711,718	\$2,760,184	2%
Revenue minus Expenditures	-\$164,478	\$656,420		\$190,832	\$656,520	
Ending Fund Balance	\$2,016,059	\$3,380,556	168%			

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

General Fund Expenditures by Department

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** continue to be 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** were higher in 2020 than in 2021 due to the City purchasing personal protection equipment in 2020 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. **Transfers out** are lower in 2021 due to a decrease in operating transfers to the Street and Big Rock funds.

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 four new housing permits in July 2021, compared to eight in July 2020. In total, 36 new housing permits have been issued in 2021, compared to 46 for the same period in 2020.

Building and Permitting Fund Budget vs Actual

Revenues	2021/2022			Thru July 2020*	Thru July 2021	% Δ
	Budget	7/31/2021	BTD %			
Beginning Fund Balance	\$ 615,435	\$ 1,171,216	190%			
Building Permit Fees	\$ 825,643	\$ 197,389	24%	\$ 234,811	\$ 197,389	-16%
Admin Fee-School/Rd/Park Imp	11,245	2,275	20%	2,990	2,275	-24%
Bldg. Inspection Fees	8,500	737	9%	1,185	737	-38%
Plan Check Fees	537,551	107,119	20%	168,659	107,119	-36%
Plan Check - Consultant Review	-	1,950		4,810	1,950	-59%
Fire Plan Review & Inspections	69,500	23,042	33%	1,657	23,042	1291%
School Impact Fees**	2,422,000	355,585	15%	473,844	355,585	-25%
Interest on Investments	-	1,775			1,775	
Miscellaneous Revenue	-	-			-	
Total Revenues	\$ 3,874,438	\$ 689,872	18%	\$ 887,955	\$ 689,872	-22.3%

Expenditures by Category	2021/2022			Thru July 2020*	Thru July 2021	% Δ
	Budget	7/31/2021	BTD %			
Salaries and Wages	\$ 563,000	\$ 155,643	28%	\$ 131,544	\$ 155,643	18%
Personnel Benefits	247,000	63,974	26%	55,984	63,974	14%
Supplies	10,586	3,054	29%	1,808	3,054	69%
Services	317,923	43,442	14%	19,460	43,442	123%
School Impact Fee Distribution**	2,422,000	452,175	19%	386,623	452,175	17%
Transfers Out/Deposits	48,886	15,512	32%	-	15,512	
Capital Outlays	33,000	-	0%		-	
Total Expenditures	\$ 3,642,395	\$ 733,800	20%	\$ 595,420	\$ 733,800	23%
Revenue minus Expenditures	\$ 232,043	\$ (43,928)		\$ 292,536	\$ (43,928)	

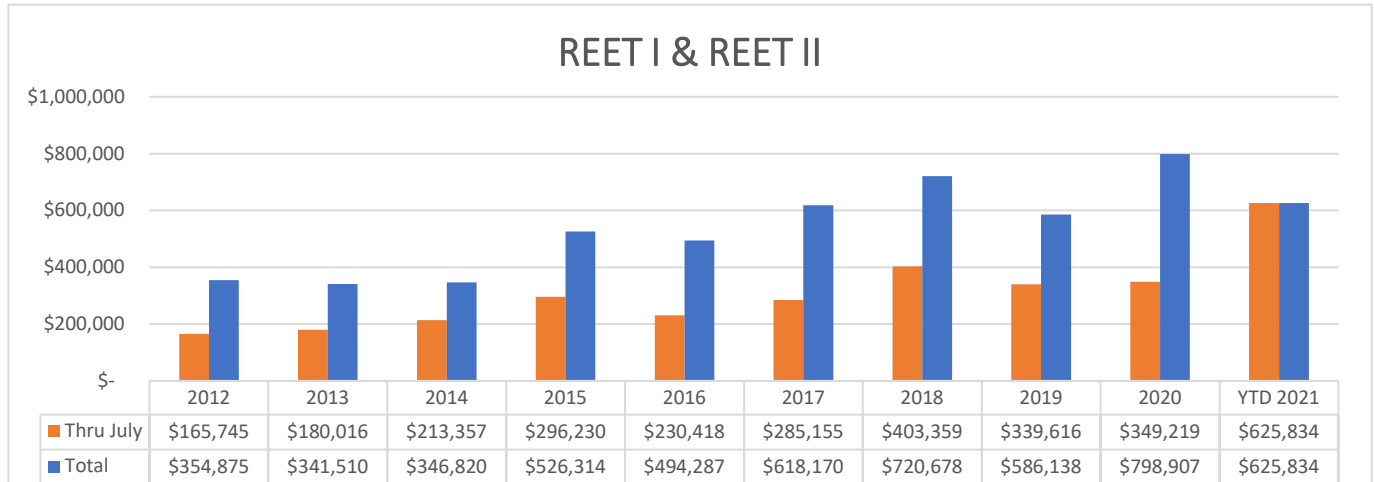
Ending Fund Balance	\$ 847,478	\$ 1,127,288	133%			
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*2020 Building and permitting revenues and expenditures have been pulled out the General Fund and are shown here for trending purposes

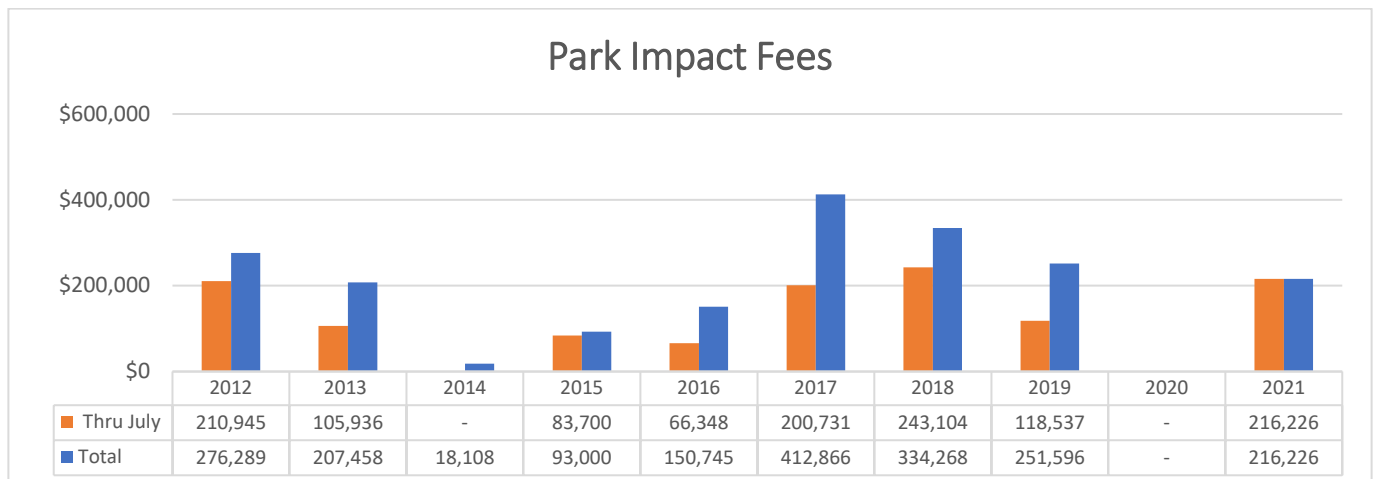
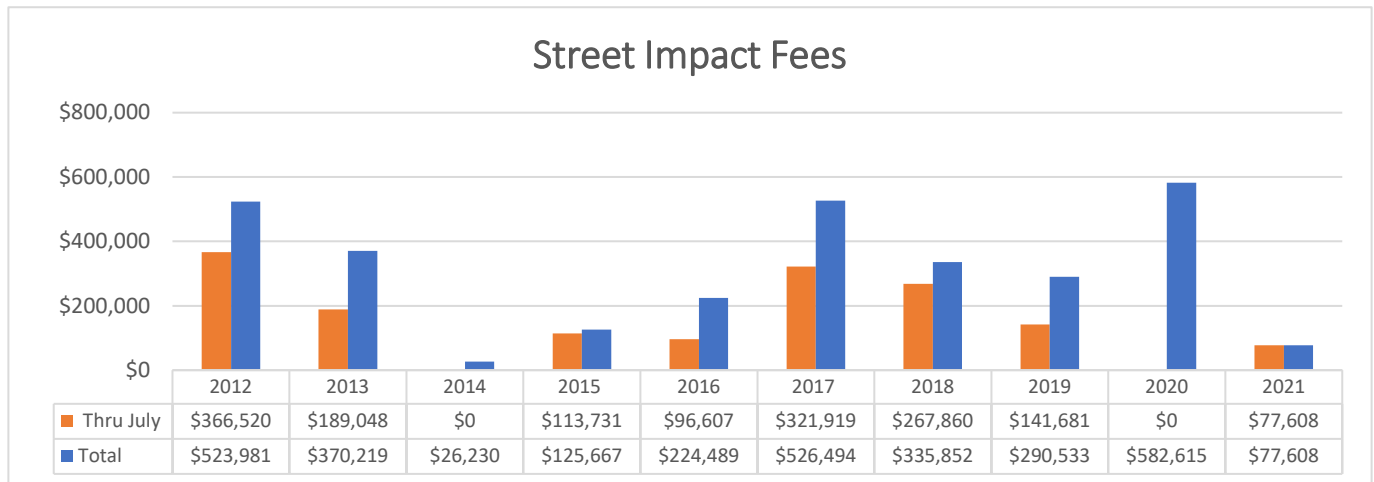
** 2020 School Impact Fees were reported in the 633 Deposit Fund in 2020 and are shown here for trending purposes

Capital Funds

The City received \$123,251 in **Real Estate Excise Tax (REET)** in July from the sale of 31 units. This is higher than the 24.7 unit July average for the prior nine years. The average sales price of a unit sold in July 2020 was \$662,198 compared to the \$803,199 July 2021 average unit sales price.

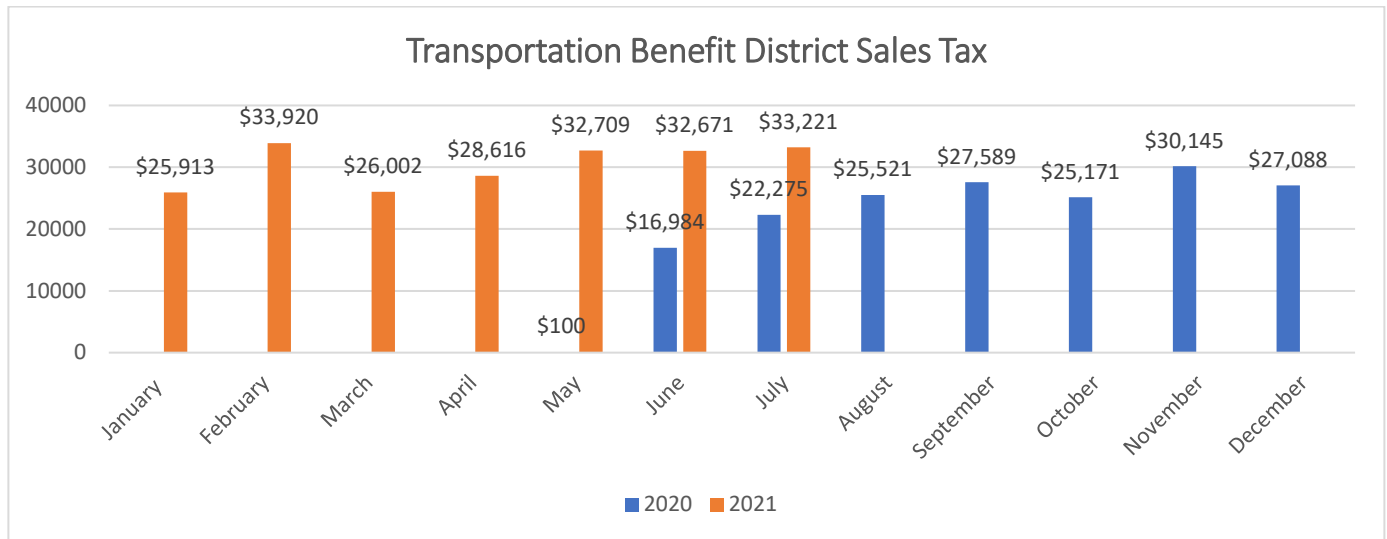


Biennium to date, the City has collected \$ 77,608 in Street Impact Fees from the issuance of two new housing permits and one commercial permit, and \$216,226 in Park Impact Fees from the issuance of two new housing permits and a \$200,000 deposit to an escrow account that will be reduced when agreed upon developer improvements are made.



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 \$213,052, or 36.2%, 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.

Water Fund

As of July 2021, the City had received **32.5%** of its budgeted **Water Fund revenue**. Year to date **Water Fund expenditures** are higher in 2021 than in 2022 due to the reallocation of Public Works maintenance work (salaries and benefits), the timing of City of Seattle water purchases (supplies), City utility tax payments (services), and a budgeted transfer to the Water Capital Projects Fund (transfers out/deposits).

Water Fund	2021/2022				Actual % of Budget	Thru July 2020	Thru July 2021	% Δ
	Budget	Actual	Remaining					
Revenue								
Water Charges	\$4,463,762	\$1,463,057	\$3,000,704	32.8%	\$1,240,506	\$1,463,057	18%	
Water Hook-Up Fees	\$44,000	\$19,843	\$24,158	45.1%	\$24,650	\$19,843	-20%	
Water Billing Late Fees	\$72,000	\$0	\$72,000	0.0%	\$9,663	\$0	-100%	
Other - Interest & Misc.	\$24,392	\$14,290	\$10,102	58.6%	\$34,893	\$14,290	-59%	
Total Water Revenue	\$4,604,153	\$1,497,190	\$3,106,963	32.5%	\$1,309,713	\$1,497,190	14.3%	
Expenditures								
Salaries and Wages	\$1,085,000	\$307,787	\$777,213	28.4%	\$261,148	\$307,787	18%	
Personnel Benefits	\$515,000	\$132,839	\$382,161	25.8%	\$110,907	\$132,839	20%	
Supplies	\$1,354,379	\$275,010	\$1,079,369	20.3%	\$202,026	\$275,010	36%	
Services	\$1,357,230	\$328,407	\$1,028,824	24.2%	\$262,667	\$328,407	25%	
Transfers Out/Deposits	\$500,412	\$231,283	\$269,129	46.2%	\$25,957	\$231,283	791%	
Capital Outlays	\$220,000	\$4,355	\$215,645	2.0%	\$13,658	\$4,355	-68%	
Total Water Expenditures	\$5,032,021	\$1,279,681	\$3,752,340	25.4%	\$876,362	\$1,279,681	46.0%	

Sewer Fund

As of July 2021, the City had received **33.1%** of budgeted **Sewer Fund revenue**. **Sewer Fund expenditures** are higher in 2021 due to the timing of utility tax payments (services) and carryover expenditures from the 2020 Wastewater Treatment Plant Reuse Water Pump Skid Replacement Project (capital outlays).

	2021/2022		Remaining	Actual % of Budget	Thru July 2020	Thru July 2021	% Δ
	Budget	Actual					
Sewer Fund Revenue							
Sewer Charges	\$5,532,978	\$1,819,686	\$3,713,292	32.9%	\$1,728,865	\$1,819,686	5%
Side Sewer Connection Fees	\$4,000	\$1,800	\$2,200	45.0%	\$2,350	\$1,800	-23%
Other - Interest & Misc.	\$19,626	\$16,444	\$3,182	83.8%	\$23,660	\$16,444	-30%
Total Sewer Revenue	\$5,556,604	\$1,837,930	\$3,718,674	33.1%	\$1,754,874	\$1,837,930	4.7%
Expenditures							
Salaries and Wages	\$1,241,000	\$355,021	\$885,979	28.6%	\$343,661	\$355,021	3%
Personnel Benefits	\$531,000	\$140,560	\$390,440	26.5%	\$139,337	\$140,560	1%
Supplies	\$144,903	\$21,504	\$123,399	14.8%	\$28,142	\$21,504	-24%
Services	\$1,858,950	\$523,441	\$1,335,509	28.2%	\$487,219	\$523,441	7%
Transfers Out/Deposits	\$105,872	\$31,209	\$74,663	29.5%	\$34,754	\$31,209	-10%
Capital Outlays	\$480,000	\$120,406	\$359,594	25.1%	\$42,085	\$120,406	186%
Total Sewer Expenditures	\$4,361,725	\$1,192,140	\$3,169,585	27.3%	\$1,075,197	\$1,192,140	10.9%

Storm Drainage Fund

As of July 2021, the City had received **33.6%** of budgeted **Storm Drainage Fund revenues**. **Storm Drainage Fund service 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 (both reported under services).

	2021/2022		Remaining	Actual % of Budget	Thru July 2020	Thru July 2021	% Δ
	Budget	Actual					
Storm Drainage Fund Revenue							
Storm Drainage Fees	\$1,721,182	\$575,242	\$1,145,940	33.4%	\$538,558	\$575,242	7%
Storm Drainage Inspection	\$0	\$0	\$0		\$3,500	\$0	
WS DOE NPDES Permit Grant	\$50,000	\$19,950	\$30,050	39.9%	\$14,740	\$19,950	35%
Other - Interest & Misc.	\$6,241	\$1,487	\$4,754	23.8%	\$7,394	\$1,487	-80%
Total Storm Revenue	\$1,777,423	\$596,679	\$1,180,744	33.6%	\$564,192	\$596,679	5.8%
Expenditures							
Salaries and Wages	\$674,000	\$188,025	\$485,975	27.9%	\$178,148	\$188,025	6%
Personnel Benefits	\$304,000	\$76,797	\$227,203	25.3%	\$75,718	\$76,797	1%
Supplies	\$17,766	\$7,717	\$10,050	43.4%	\$5,667	\$7,717	36%
Services	\$772,975	\$159,170	\$613,805	20.6%	\$107,112	\$159,170	49%
Transfers Out/Deposits	\$63,431	\$19,603	\$43,828	30.9%	\$17,256	\$19,603	14%
Capital Outlays	\$80,000	\$0	\$80,000	0.0%	\$0	\$0	
Total Storm Expenditures	\$1,912,172	\$451,312	\$1,460,860	23.6%	\$383,900	\$451,312	17.6%

Utility Past Due

On March 18, 2020, Governor Inslee mandated that all public utilities suspend water shut offs and waive late fees on utilities. The suspension will be lifted on September 30, 2021. In response, Council has approved the use of \$47,000 of the City's American Rescue Plan Act funds to help residents who have been negatively impacted by the COVID 19 pandemic with their utility bills. The City will also offer residents who are behind on utility payments a 12-month payment plan. Below is a table that shows effects of the suspension on past due utility accounts as of July 31, 2021, compared to the end of July 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	\$697	22	\$221	2	\$760	2
2020	\$10,384	90	\$5,247	49	\$11,594	33
2021	\$14,717	115	\$10,037	81	\$44,559	63

Ending Fund Balance

At the end of July 2021, the City had an ending fund balance of \$30,854,218, an increase of \$4,803,199 over its beginning fund balance. This includes revenue from the new **American Rescue Plan Act**, of which the first half of the City's allocation was received in June. Also, note that the beginning fund balance of the **Parks CIP** fund was 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 July 31, 2021

Fund	Description	Actual Beginning		Expenditures	Fund Balance	Net Change		
		Fund Balance	Revenues					
001	General Fund	\$ 2,724,136	\$ 3,416,704	\$ 2,760,184	\$ 3,380,656	\$ 656,520	} 657,316	General Fund
002	Contingency Fund	553,937	796	-	554,733	796		
101	Street Fund	194,239	271,881	296,764	169,356	(24,883)	} 1,319,577	Special Revenue Funds
102	Transportation Benefit District	174,891	213,461	24,872	363,481	188,589		
104	Building and Permitting Fund	1,171,216	689,872	733,800	1,127,288	(43,928)		
105	American Rescue Plan Act	-	1,131,526	238	1,131,288	1,131,288		
106	Big Rock Ball Park Maintenance	125,566	131,347	62,895	194,017	68,451		
107	Sensitive Areas Mitigation Fund	40,593	61	-	40,653	61	} 186,382	Debt Svc Fund
206	2016 LTGO - Main St Debt Svc	21,501	243,629	57,247	207,883	186,382		
303	Facilities CIP Fund	-	-	-	-	-	} 731,646	Capital Project Funds
304	Real Estate Excise Tax Fund 1	1,523,820	315,416	30,346	1,808,890	285,070		
305	Real Estate Excise Tax Fund 2	1,356,702	315,108	99,920	1,571,890	215,188		
306	Main Street Improvement	545,051	804	39,184	506,670	(38,380)		
307	Street CIP Fund	1,444,492	79,776	44,405	1,479,862	35,370		
308	Parks CIP Fund *	1,812,825	270,595	36,197	2,047,223	234,398	} 1,815,380	Proprietary Funds
401	Water Fund	3,542,199	1,497,190	1,279,681	3,759,709	217,509		
402	Sewer Fund	3,498,513	1,837,930	1,192,140	4,144,303	645,789		
404	Storm Drainage Fund	958,719	596,679	451,312	1,104,086	145,367		
407	Water CIP Fund	2,547,828	618,997	110,799	3,056,026	508,199		
408	Sewer CIP Fund	2,464,299	433,540	188,120	2,709,719	245,420		
409	Storm Drainage CIP Fund	570,895	55,828	2,733	623,991	53,095		
501	Equipment Fund	400,287	182,262	113,302	469,247	68,960	} 92,898	Internal Service Funds
502	IT Fund	227,917	234,013	211,586	250,344	22,427		
503	Building Maintenance Fund	151,394	142,341	140,829	152,906	1,512		
TOTAL		\$ 26,051,020	\$ 12,679,753	\$ 7,876,554	\$ 30,854,218	\$ 4,803,199		

Revenues

As of the end of July 2021, approximately **31%** 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. Other changes are as follows: the decrease in 2021 **Street Fund** revenue is due to grant revenue received in 2020 for the LED Streetlight Conversion Project. An increase in 2021 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 to the **Parks CIP Fund** is due to a \$200,000 park impact fee deposit into a developer/City escrow account, to be spent down as improvements are made. The increase in the **Water CIP Fund** is due to a budgeted transfer from the **Water Operating Fund**. Increases in revenue in the **Internal Services Funds** (500 Funds) over 2020 are mainly due to an increase in the amount charged to each department for internal services.

CITY OF DUVALL 2021-2022 BUDGET vs ACTUAL - REVENUES

		Biennium to Date as of July 31, 2021							
Fund	Description	2021/2022 Budget	BTD Actual	BTD Difference	BTD % Collected	Thru July 2020*	Thru July 2021	% Δ	\$ Δ
001	General Fund	\$ 10,977,775	\$ 3,416,704	\$ 7,561,071	31%	\$ 2,902,550	\$ 3,416,704	18%	\$ 514,154
002	Contingency Fund	2,657	796	1,861	30%	67,465	796	-99%	(66,669)
101	Street Fund	1,072,537	271,881	800,656	25%	476,012	271,881	-43%	(204,132)
102	Transportation Benefit District	808,977	213,461	595,516	26%	39,360	213,461	442%	174,101
104	Building and Permitting Fund	3,874,438	689,872	3,184,566	18%	597,540	689,872	15%	92,332
105	American Rescue Plan Act	-	1,131,526	(1,131,526)		-	1,131,526		1,131,526
106	Big Rock Ball Park Maintenance	372,608	131,347	241,262	35%	43,234	131,347	204%	88,113
107	Sensitive Areas Mitigation Fund	292	61	231	21%	339	61	-82%	(279)
206	2016 LTGO - Main St Debt Svc	974,914	243,629	731,285	25%	235,241	243,629	4%	8,388
303	Facilities CIP Fund	870,000	-	870,000	0%	-	-		-
304	Real Estate Excise Tax Fund 1	791,423	315,416	476,008	40%	185,293	315,416	70%	130,123
305	Real Estate Excise Tax Fund 2	790,035	315,108	474,927	40%	183,676	315,108	72%	131,431
306	Main Street Improvement	8,395	804	7,591	10%	9,759	804	-92%	(8,955)
307	Street CIP Fund	1,775,532	79,776	1,695,756	4%	21,009	79,776	280%	58,766
308	Parks CIP Fund	606,851	270,595	336,256	45%	110,357	270,595	145%	160,238
401	Water Fund	4,604,153	1,497,190	3,106,963	33%	1,309,713	1,497,190	14%	187,477
402	Sewer Fund	5,556,604	1,837,930	3,718,674	33%	1,756,368	1,837,930	5%	81,561
404	Storm Drainage Fund	1,777,423	596,679	1,180,744	34%	564,192	596,679	6%	32,487
407	Water CIP Fund	1,986,356	618,997	1,367,359	31%	430,101	618,997	44%	188,897
408	Sewer CIP Fund	2,131,361	433,540	1,697,821	20%	561,280	433,540	-23%	(127,741)
409	Storm Drainage CIP Fund	332,311	55,828	276,482	17%	66,629	55,828	-16%	(10,801)
501	Equipment Fund	702,108	182,262	519,846	26%	95,908	182,262	90%	86,354
502	IT Fund	923,238	234,013	689,225	25%	143,039	234,013	64%	90,973
503	Building Maintenance Fund	236,478	142,341	94,137	60%	95,383	142,341	49%	46,958
TOTAL		\$ 41,176,465	\$ 12,679,753	\$ 28,496,711	31%	\$ 9,894,450	\$12,679,753	28%	\$ 2,785,303

**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 July 2021, the City had expended **20%** of its budgeted biennial expenditures. The cause for significant changes in expenditures to most funds can be found on the preceding pages. Other changes are as follows: in the **Street Fund**, the decrease in 2021 is due to the 2020 Batten Road and LED Streetlight Conversion projects. The decrease in 2021 in the **Water CIP Fund** is due to the 2020 Kennedy Watermain Project. In the **IT Fund**, the 2021 increase is due to the first payment for implementation of the City's new financial and permitting software.

CITY OF DUVALL 2021-2022 BUDGET vs ACTUAL - EXPENDITURES

		Biennium to Date as of July 31, 2021							
Fund	Description	2021/2022 Budget	BTD Actual	BTD Difference	BTD % Spent	Thru July 2020*	Thru July 2021	% Δ	\$ Δ
001	General Fund	\$ 11,142,253	\$ 2,760,184	\$ 8,382,069	25%	2,711,718	2,760,184	2%	\$ 48,467
002	Contingency Fund	-	-	-		-	-		\$ -
101	Street Fund	1,144,077	296,764	847,313	26%	522,707	296,764	-43%	\$ (225,943)
102	Transportation Benefit District	573,000	24,872	548,128	4%	-	24,872		\$ 24,872
104	Building and Permitting Fund	3,642,395	733,800	2,908,595	20%	392,226	733,800	87%	\$ 341,574
105	American Rescue Plan Act	-	238			-	238		\$ -
106	Big Rock Ball Park Maintenance	308,326	62,895	245,431	20%	57,896	62,895	9%	\$ 4,999
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	-2%	\$ (955)
303	Facilities CIP Fund	870,000	-	870,000	0%	-	-		\$ -
304	Real Estate Excise Tax Fund 1	451,482	30,346	421,136	7%	40,749	30,346	-26%	\$ (10,403)
305	Real Estate Excise Tax Fund 2	678,982	99,920	579,062	15%	40,865	99,920	145%	\$ 59,055
306	Main Street Improvement	544,000	39,184	504,816	7%	7,997	39,184	390%	\$ 31,187
307	Street CIP Fund	1,720,778	44,405	1,676,373	3%	79,693	44,405	-44%	\$ (35,288)
308	Parks CIP Fund	378,982	36,197	342,785	10%	-	36,197		\$ 36,197
401	Water Fund	5,032,021	1,279,681	3,752,341	25%	876,362	1,279,681	46%	\$ 403,318
402	Sewer Fund	4,361,725	1,192,140	3,169,585	27%	1,075,197	1,192,140	11%	\$ 116,944
404	Storm Drainage Fund	1,912,172	451,312	1,460,860	24%	383,900	451,312	18%	\$ 67,412
407	Water CIP Fund	2,634,311	110,799	2,523,513	4%	334,798	110,799	-67%	\$ (224,000)
408	Sewer CIP Fund	1,332,799	188,120	1,144,679	14%	175,391	188,120	7%	\$ 12,729
409	Storm Drainage CIP Fund	359,282	2,733	356,550	1%	933	2,733	193%	\$ 1,800
501	Equipment Fund	558,465	113,302	445,163	20%	151,790	113,302	-25%	\$ (38,488)
502	IT Fund	992,273	211,586	780,687	21%	102,441	211,586	107%	\$ 109,145
503	Building Maintenance Fund	236,205	140,829	95,376	60%	105,717	140,829	33%	\$ 35,113
TOTAL		\$ 39,879,644	\$ 7,876,554	\$ 32,003,328	20%	\$ 7,118,579	\$ 7,876,554	10.6%	\$ 757,975

**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.