

**MEMO TO:** Finance, Administration, and Communications Committee

**FROM:** Malisa Files, Finance Director

**DATE:** March 24, 2020

**SUBJECT:** For Information Only: Monthly Financial Report

**I. RECOMMENDED ACTION**

For Information Only: Monthly Financial Report through February 2020

**II. DEPARTMENT CONTACTS**

Malisa Files, Finance Director 425-556-2166

**III. DESCRIPTION/BACKGROUND**

Each month the Finance Department reviews the prior month's financial performance and prepares highlights for the Council. Please note the monthly financial report as of the end of February does not show impacts from the COVID-19 outbreak as revenues tend to lag behind major events.

Finance, with the help of other department's staff, is in the process of gathering information and modeling the potential effect on revenues given these uncertain times. Keep in mind, Redmond has reserves for both economic and catastrophic events that total approximately \$13 million as well as other reserves we can use, if needed. Redmond's financial structure also has some built in resiliency that helps the City weather economic downturns. We have also asked employees to curtail any expenditures that are not related to critical services. The Finance Department will keep the Council up to date on any financial impacts of current events as more data becomes available.

Highlights in the February report include:

- General Fund revenues remain approximately 12% above targets due to one-time sales tax on construction.
  - Utility taxes remain below targets mostly due to the switch of a large customer to wholesale electricity.
  - Development revenues remain in line with expectations.
- General Fund expenditures are under projections by approximately 11%.
- Expenditures are in line with revenues in the Water/Wastewater Fund, however staff will continue to closely monitor the fund due to impacts from the weather in 2019.

**IV. PREVIOUS DISCUSSIONS HELD**

N/A

**V. IMPACT**

**A. Service/Delivery:**

N/A

**B. Fiscal Note:**

The February Monthly Financial Report covers the period from January 1, 2019 through February 29, 2020.

**VI. ALTERNATIVES TO STAFF RECOMMENDATION**

N/A

**VII. TIME CONSTRAINTS**

None

**VIII. LIST OF ATTACHMENTS**

Attachment A: February 2020 Monthly Financial Report