



Memorandum

Date: 11/24/2020

Meeting of: Committee of the Whole - Finance, Administration, and Communications

File No. CM 20-336

Type: Committee Memo

TO: Committee of the Whole - Finance, Administration, and Communications

FROM: Mayor Angela Birney

DEPARTMENT DIRECTOR CONTACT(S):

Finance	Malisa Files	425-556-2166
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TITLE:

Monthly Financial Report through October 2020

OVERVIEW STATEMENT:

Review the Monthly Financial Report from January 1, 2019 through October 31, 2020 and the COVID Expense Tracking report. The October Financial Report continues to show the impacts of the pandemic mainly in ongoing revenue. However, one-time revenue from construction projects remains steady.

☒ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☒ **Receive Information**

☐ **Provide Direction**

☐ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
Review of the City's finances between January 1, 2019 and October 31, 2020.
- **Required:**
N/A
- **Council Request:**
N/A
- **Other Key Facts:**
N/A

OUTCOMES:

Each month the Finance Department reviews the previous month's financial performance. Some highlights from the October Monthly Report, include:

General Fund

- Revenue collections are over targets by approximately 8% or \$13 million.
- One-time sales tax on construction continues to be the revenue driver. Sales tax has exceeded targets by approximately 42% or \$17.4 million.

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- Property taxes are on target for the year. Property taxes are collected twice per year. The City expects the next collection in November.
- Utility taxes are below budgeted projections, consistent with past months, due to the purchase of wholesale electricity by a large customer and the vacancy of commercial buildings because of COVID 19.
- Miscellaneous revenue is showing increased collections due to the sale of investments.
- Expenditures are below budget by approximately 10.4% or \$20 million due to the curtailment of non-critical expenditures and the hiring freeze

Other Funds

- The Recreation Activity Fund has been drawn down to zero due to the lack of allowed recreational activity.
- The utility funds remain on target.
- Expenditures in the CIP remain low at 45%.

COVID Expenses

- As of October 25, 2020, direct COVID expenses totaled \$490,769 (see Attachment A). A total of 75% of these costs will be reimbursable by FEMA.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
N/A
- **Outreach Methods and Results:**
N/A
- **Feedback Summary:**
N/A

BUDGET IMPACT:

Total Cost:

N/A

Approved in current biennial budget:

☐ Yes

☐ No

☒ N/A

Budget Offer Number:

N/A

Budget Priority:

Responsible Government

Other budget impacts or additional costs:

☐ Yes

☐ No

☒ N/A

If yes, explain:

N/A

Funding source(s):

N/A

Budget/Funding Constraints:

N/A

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☐ **Additional budget details attached**

ANTICIPATED RESULT IF NOT APPROVED:

N/A

ATTACHMENTS:

Attachment A: Monthly Financial Report Ending September 30, 2020

Attachment B: COVID Expense Tracking Report