



Memorandum

Date: 9/28/2021

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

File No. CM 21-490

Type: Committee Memo

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

FROM: Mayor Angela Birney

DEPARTMENT DIRECTOR CONTACT(S):

Finance	Chip Corder	425-556-2189
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TITLE:

Monthly Financial Report through August 2021

OVERVIEW STATEMENT:

Review the Monthly Financial Report from January 1, 2021 through August 31, 2021 which includes the budget adjustments adopted by ordinance on August 17, 2021.

☒ **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, 2021 and August 31, 2021.
- **Required:**
N/A
- **Council Request:**
N/A
- **Other Key Facts:**
N/A

OUTCOMES:

Key highlights from the Monthly Financial Report through August 2021 include:

General Fund

- Total revenues are 28.5%, or \$17.1 million, above target.
- Sales tax is 80.2%, or \$12.9 million, above target primarily due to the high level of development activity, which has generated \$10.5 million in one-time construction sales tax through August 2021.
- Utility taxes are 0.3%, or \$23,000, below target.
- License & permit fees are 28.3%, or \$2.3 million, above target primarily due to the high level of development activity.

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- Intergovernmental revenues are 25.0%, or \$2.6 million, above target primarily due to the American Rescue Act Plan (ARPA) allocation to the City.
- Total expenditures are 16.3%, or \$16.9 million, below target primarily due to position vacancies, the timing of one-time expenditures, and the budget adjustments adopted by ordinance on August 17, 2021 that impact 2022 or beyond (e.g., \$5.0 million in ARPA funding won't be spent until 2022, and most of the Police body-worn camera program funding is reserved for 2023-2025).

Other Funds

- *Recreation Activity Fund:* Total revenues are 24.7%, or \$209,000, above target primarily due to summer camps, field rentals, and donations.
- *Water/Wastewater M&O Fund:* Total revenues are 3.6%, or \$873,000, more than total expenditures. In particular, commercial water consumption is 10.2% above target, but is still well below the historical average prior to the pandemic.
- *Capital Investment Program:* Total expenditures are 23.3% of budget at the 33.3% point of the biennium.

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:

N/A

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**

COUNCIL REVIEW:

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
N/A	None proposed at this time	N/A

Time Constraints:

N/A

ANTICIPATED RESULT IF NOT APPROVED:

N/A

ATTACHMENTS:

Attachment A: August 2021 Monthly Financial Report