Legislation Text

File #: CM 21-490, **Version:** 1

TO: Committee of the Whole - Finance, Administration, and Communications
FROM: Mayor Angela Birney
DEPARTMENT DIRECTOR CONTACT(S):

Finance	Chip Corder	425-556-2189

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.
- Intergovernmental revenues are 25.0%, or $2.6 million, above target primarily due to the American Rescue Plan

Act (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

☐ **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