



1st Quarter Financial Report as of March 31, 2020



Introduction

The 1st Quarter 2020 financial report is presented herein. The intent of the financial report is to provide an overview of financial activity for the period of January 1, 2020 through March 31, 2020.



This page is intentionally left blank.

1st Quarter Financial Report

Table of Contents

Table of Contents	3
Operating Revenues.....	4
Operating Expenditures	6
Property Tax Levy.....	8
Local Sales Tax	10
Real Estate Excise Tax.....	12
Development Services Fees	13
State Shared Revenues.....	14
Vehicle Excise Tax	15
Utility Tax.....	15
Parks and Recreation	16
Lake Wilderness Golf Course	17
Public Safety.....	21
Budget vs. Actual Revenues and Transfers-In.....	22
Budget vs. Actual Expenditures and Transfers-Out.....	23
Budget vs. Actual for Revenues and Expenditures	24
Fund Balance Summary	25
Cash and Investments	26
Debt Service	27

Operating Revenues

Operating revenues for the first quarter are provided in the table below. A comparison of actual for three prior years, current year, and 2020 Budget to Actuals have been provided. Budget figures are for the full year whereas actuals are for January through March of each year. Additional details are provided below.

Operating Revenue	2017	2018	2019	2020		% of Budget	
	YTD	YTD	YTD	Budget	YTD	\$ Variance	Received
Property Tax	\$ 72,864	\$ 78,727	\$ 111,447	\$ 4,143,590	\$ 117,019	\$ (4,026,571)	3%
Sales Tax	250,654	261,905	255,547	3,899,520	311,396	(3,588,124)	8%
Criminal Justice Sales Tax	169,219	182,158	195,849	699,690	62,968	(636,722)	9%
Utility Tax - Electric	165,808	159,611	147,144	708,890	148,245	(560,645)	21%
Utility Tax - Natural Gas	144,739	117,316	99,260	359,690	116,942	(242,748)	33%
Utility Tax - Telecom	53,092	43,954	30,232	293,090	20,578	(272,512)	7%
Utility Tax - Cable TV	-	-	88	219,220	-	(219,220)	0%
Gambling Tax	240	-	(1,455)	29,140	-	(29,140)	0%
Leasehold Excise Tax	901	951	911	2,610	-	(2,610)	0%
Professional and Occupations Licenses	-	240	480	910	-	(910)	0%
Franchise Fees - Cable TV	-	0	-	379,210	-	(379,210)	0%
General Business Licenses	2,191	2,357	2,892	9,900	3,488	(6,412)	35%
Transient Sales Licenses	300	798	574	1,770	112	(1,658)	6%
Marijuana Excise Tax	-	26,170	12,426	40,090	11,808	(28,282)	29%
City Assistance/State of WA	-	-	-	-	-	-	n/a
Liquor Excise Tax	27,830	28,970	31,253	110,050	-	(110,050)	0%
Liquor Profits	52,342	51,586	51,531	183,820	52,541	(131,279)	29%
Sale of Maps & Publications	24	63	30	150	-	(150)	0%
Passport Filing Fees	3,500	3,375	4,200	9,910	2,485	(7,425)	25%
Investment Interest	9,148	13,942	51,839	82,260	17,662	(64,598)	21%
Miscellaneous	2,224	1,641	2,994	4,250	3,164	(1,086)	74%
Economic Development	-	3,635	(13,745)	22,000	-	(22,000)	0%
Risk Management	5,500	-	-	-	-	-	n/a
Community Development	290,623	248,885	219,378	1,162,370	558,286	(604,084)	48%
Public Safety	50,278	58,394	84,631	264,650	15,480	(249,170)	6%
Parks Maintenance	5,381	9,487	2,394	69,290	85	(69,205)	0%
Lake Wilderness Lodge	171,857	212,912	138,479	244,400	19,331	(225,070)	8%
Recreation	150,547	219,031	131,617	479,740	113,510	(366,230)	24%
Summit Park	-	-	-	-	11,759	11,759	n/a
Public Works Administration	53,695	54,946	23,845	146,920	24,965	(121,955)	17%
Public Works Maintenance	1,386	1,438	-	4,440	-	(4,440)	0%
Motor Vehicle Fuel Tax-City Streets	119,648	121,599	118,812	533,480	38,333	(495,147)	7%
Multimodal Transpo City	4,148	8,761	8,751	28,080	8,923	(19,157)	32%
MVA Transpo City	3,630	7,666	7,657	28,690	7,808	(20,882)	27%
Waste Reduction and Recycling	4,201	7,418	8,037	117,570	7,892	(109,678)	7%
Transfers	20,783	3,476	4,087	88,730	4,087	(84,643)	5%
TOTAL	\$ 1,836,751	\$ 1,931,412	\$ 1,731,184	\$ 14,368,120	\$ 1,678,866	\$ (12,689,254)	12%

Property Tax is budgeted to represent 29% of total operating revenue in 2020. April 30th and October 31st are the payment due dates for property owners, and the City receives the money one month after it is remitted. As of March 31, 2020, the city has collected 3% of the annual budget, which is a 5% increase over the same period in 2019.

Sales Tax budgeted as 27% of total annual operating revenue in 2020. Payments are *received* by the City two months after it is paid by consumers. At the end of the first quarter, eight percent of the annual budget has been received. The sales tax by month and by category are provided on Page 10.

Community Development required an accounting change in 2019 for the receipt and disbursement of school and fire impact fees. The City receives impact fee payments from developers as part of the permit process. Previously, the school and fire impact fees were recorded as a liability. The disbursement to Tahoma School District and the Maple Valley Fire & Life Safety reduced the same liability account.

Upon implementation of a new Governmental Accounting Standards Board (GASB) pronouncement, an accounting change was identified. School and fire impact fees are now recorded as revenue when received, and as an expenditure when paid. This accounting change skews the comparison for total revenue from the department. Greater detail is provided on Page 13 of the report.

Utility Taxes are imposed by the City include electric, natural gas, telecom and cable TV. Currently, the tax rates are at the maximum rate (6%) allowable without voter approval. Federal law prohibits the taxation of Internet services. The combined collected amount through the end of the year is \$285,765, which equals 18% of the annual budgeted amount.

Liquor Excise Tax and Liquor Profits are examples of State Shared Revenue. The distribution is based on a per capita basis with liquor profits computed on the associated licensing fees and the excise tax is calculated on actual liquor sales.

For 2020, the Liquor Profits revenue is consistent with amounts received in prior years. At the time of this report, no Liquor Excise Tax revenues have yet been received.

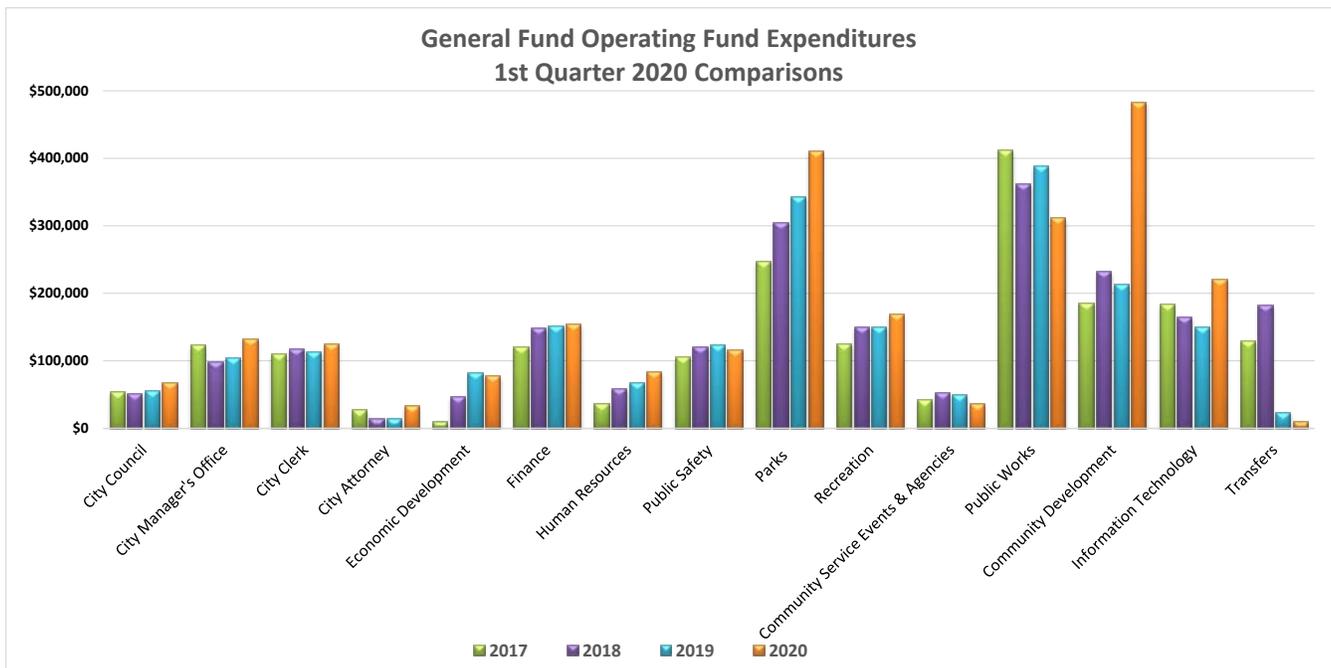
Operating Expenditures

Total operating expenditures through March 2020 equal 14.7% of the annual budget, and 20% higher compared to the same period in 2019. The table below lists all on-going operating expenditures with a 2020 Budget to Actual Variance as well as the percent of budget expended. The budget for operating expenditures represents the entire year whereas actuals are for January through March of each year. Details of major variances are discussed following the table.

Operating Expenditures	2017	2018	2019	2020		\$ Variance	% of Budget Expended
	YTD	YTD	YTD	Budget	YTD		
City Council	\$ 53,568	\$ 50,284	\$ 55,452	\$ 136,210	\$ 67,432	\$ (68,778)	50%
City Manager's Office	122,967	98,244	103,753	551,610	112,071	(439,539)	20%
City Clerk	106,001	114,244	111,138	570,540	122,778	(447,762)	22%
City Attorney	27,448	14,149	14,636	200,000	33,084	(166,916)	17%
Economic Development	9,278	46,358	81,463	363,180	77,836	(285,344)	21%
Finance	120,346	147,864	150,486	674,650	153,648	(521,002)	23%
Human Resources	35,923	58,269	67,837	363,390	84,121	(279,269)	23%
Community Development	184,758	232,267	212,688	1,249,320	483,256	(766,064)	39%
Public Safety	105,692	120,519	122,843	5,997,970	115,320	(5,882,650)	2%
Emergency Operations	3,226	3,105	2,177	16,830	1,586	(15,244)	9%
Parks Administration	95,377	104,524	110,234	465,630	109,691	(355,939)	24%
Parks Maintenance	70,953	75,272	105,870	791,620	164,037	(627,583)	21%
Lake Wilderness Lodge	81,154	123,963	127,022	562,440	137,032	(425,408)	24%
Recreation Administration	58,680	67,409	91,094	436,610	102,350	(334,260)	23%
Recreation Programs	65,767	81,369	59,078	455,080	66,009	(389,071)	15%
Summit Park	-	-	-	5,060	19,298	14,238	381%
Community Events	7,706	7,726	4,798	225,120	5,031	(220,089)	2%
Community Service Agencies	33,988	44,446	44,967	469,132	31,332	(437,800)	7%
Public Works Administration	139,761	119,107	109,996	452,450	80,252	(372,198)	18%
Public Works Maintenance	245,835	211,932	246,491	919,900	207,598	(712,302)	23%
Lake Management	3,345	3,476	4,087	77,700	3,968	(73,733)	5%
Waste Reduction & Recycling	23,334	26,663	26,968	69,240	20,060	(49,180)	29%
Information Technology	183,961	163,911	148,797	799,550	220,138	(579,412)	28%
Subtotal	1,779,068	1,915,103	2,001,876	15,853,232	2,417,927	(13,435,305)	15%
Transfers	129,305	181,686	23,437	564,030	9,964	(554,066)	2%
TOTAL	\$ 1,908,373	\$ 2,096,789	\$ 2,025,313	\$ 16,417,262	\$ 2,427,891	\$ (13,989,371)	15%

City Council expenditures include the annual dues to AWC of \$19,385, Sound Cities Association for \$17,445, and Puget Sound Regional Council for \$8,870. These payments distort the budget spending percentage in the table above for the first quarter. Council members also attended the AWC City Action Day in Olympia.

City Attorney expenditure include the payment for January and February 2020 services. While in 2019, only January 2020 services were paid in the first quarter. These are due to the timing difference between when services are provided and when invoices are received. However, as of the date of this report, expenditures incurred through March are 24% of the annual budget.



Property Tax Levy

The 2020 tax roll from King County lists local new construction valuation at almost \$143 million. When multiplied by the 2019 levy rate of \$0.95652 per \$1,000, the result is \$136,731 in new construction levy (\$142,946,433 x \$0.9562/1000). The 2020 levy rate is \$0.95187.

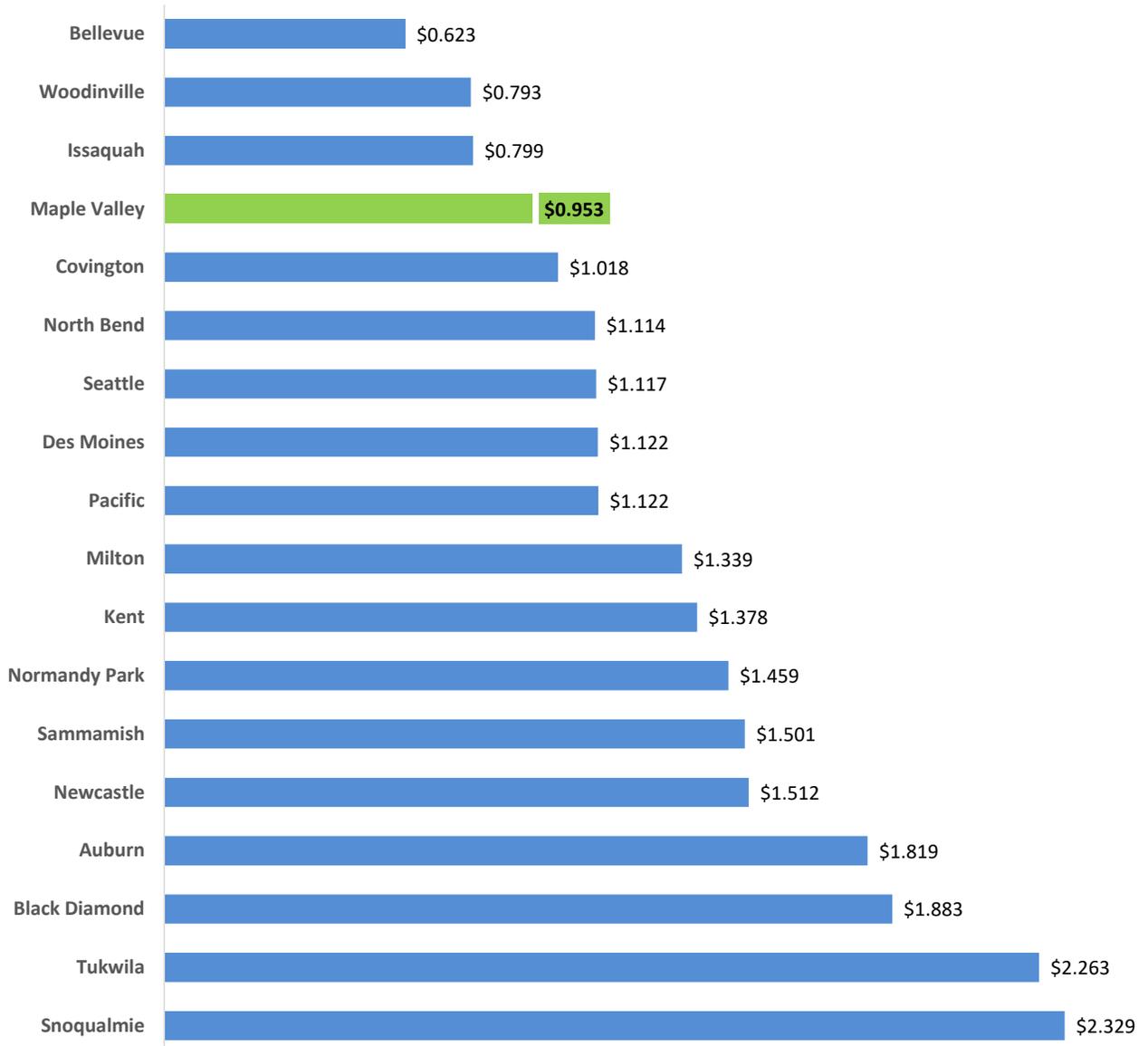
The City's property tax levy per \$1,000 of assessed value decreased in 2020 from \$0.95652 to \$0.95187. This is the result of higher growth in the City's total assessed valuation than the City's allowable property tax increase. The City's portion makes up only 9% of total property tax assessed in Maple Valley.

Property Tax Levy Per \$1000 AV	2013	2014	2015	2016	2017	2018	2019	2020
Direct Regular and Special								
City of Maple Valley	\$ 1.55	\$ 1.47	\$ 1.25	\$ 1.19	\$ 1.13	\$ 1.04	\$ 0.96	\$ 0.95
Overlapping Regular and Special								
State School Fund	\$ 2.57	\$ 2.47	\$ 2.29	\$ 2.17	\$ 2.03	\$ 2.92	\$ 2.63	\$ 3.03
King County General	1.54	1.52	1.35	1.48	1.38	1.32	1.22	1.24
Port of Seattle	0.23	0.22	0.19	0.17	0.15	0.14	0.12	0.12
Emergency Medical Services	0.30	0.34	0.30	0.28	0.26	0.24	0.22	0.27
Ferry District	-	-	-	-	-	-	-	-
King County Flood District Special Levy	0.13	0.15	0.14	0.13	0.12	0.11	0.10	0.09
Rural Library	0.57	0.56	0.50	0.48	0.45	0.41	0.37	0.36
Tahoma School District Special Levy	3.95	3.73	3.26	3.12	3.00	2.84	1.98	1.45
Tahoma School District Bond & Bldg	2.30	3.48	2.91	3.05	2.83	2.57	1.49	1.94
Fire District #43	1.74	1.86	1.94	1.68	1.31	1.56	1.51	1.55
Sub Total Overlapping	\$ 13.33	\$ 14.33	\$ 12.88	\$ 12.56	\$ 11.54	\$ 12.10	\$ 9.64	\$ 10.04
Total Property Tax Levy	\$ 14.88	\$ 15.80	\$ 14.13	\$ 13.75	\$ 12.67	\$ 13.14	\$ 10.60	\$ 10.99

The City's levy portion equals \$0.09 of a dollar for property owners.



The chart below shows how the City of Maple Valley levy rate compares to other cities and towns within King County. The amounts shown are for the Regular Levy Rates in 2020 and do not include other levy types, such as excess LID lift or G.O. Bonds.



Local Sales Tax Revenue

The City's Retail Sales & Use Tax revenue represents 18.5% of total operating revenue for the first quarter of 2020. In comparison to the prior year, the revenue has grown 4% over the same period in 2019. The taxable sales have increased \$3.9 million in just one year, and \$8.2 million since 2017.

Local Sales Tax Revenue Monthly Comparison

Month	2017 Actual	2018 Actual	2019 Actual	2020 Actual
January	\$ 250,654	\$ 264,424	\$ 257,943	\$ 313,320
February	246,559	234,143	247,608	247,217
March	277,651	308,255	305,700	283,610
Total	\$ 774,864	\$ 806,822	\$ 811,251	\$ 844,147
Taxable Sales	\$92,081,283	\$95,879,026	\$96,405,348	\$100,314,557

Sales Tax by Category is provided by Microflex TaxTools

*The discrepancy between Operating Revenues (Pg. 3) and the data presented on this page reflects the allocation of sales tax to the Lake Wilderness Golf Course Fund as well as the 2- month lag between sales tax being earned and remitted. The totals on this page are known remittances as of the date of this report and are inclusive of the General Fund and Lake Wilderness Golf Course Fund portions.

Local Sales Tax Revenue By Category

Category	2017	2018	2019	2020
Retail Trade	\$ 268,078	\$ 294,769	\$ 320,004	\$ 338,082
Services	37,329	39,490	44,539	36,427
Construction	219,576	193,937	145,486	183,699
Accommodation & Food Svc	93,061	102,632	105,240	81,805
Information	32,981	36,149	34,227	37,686
Arts, Recreation & Entertainment	8,463	8,570	8,988	5,390
Admin, Supp, Waste Mgt, Remediatio	18,653	36,906	55,161	51,672
Transp/Utilities/Warehousing	3,129	5,273	4,777	1,523
Wholesaling	33,073	38,500	42,489	59,460
Manufacturing	19,442	11,639	9,679	10,040
Other	3,017	14,639	16,178	16,250
Finance/Insurance/Real Estate	23,892	20,526	23,446	20,883
Public Administration	14,170	3,792	1,037	1,230
Total	\$ 774,864	\$ 806,822	\$ 811,251	\$ 844,147

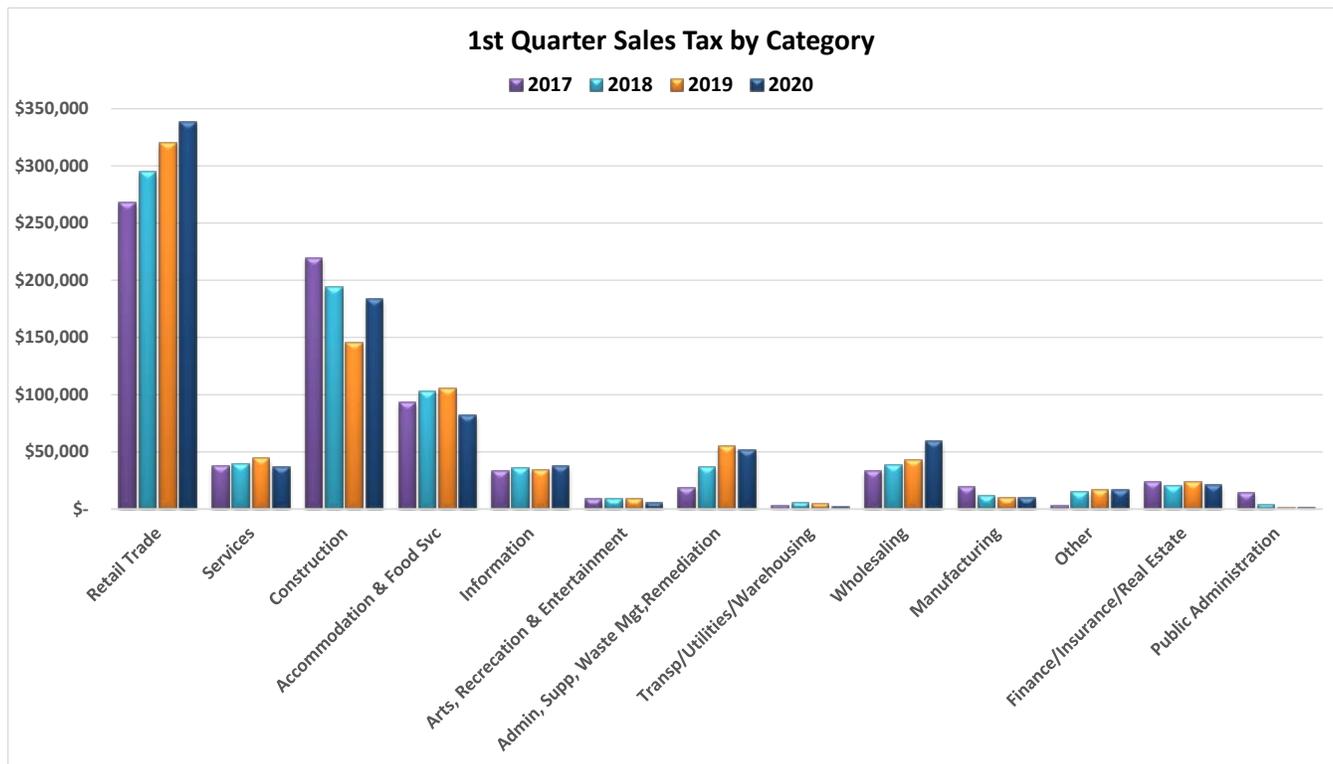
Sales Tax by Category is provided by Microflex TaxTools

*The discrepancy between Operating Revenues (Pg. 3) and the data presented on this page reflects the allocation of sales tax to the Lake Wilderness Golf Course Fund as well as the 2 month lag between sales tax being earned and remitted. The totals on this page are known remittances as of the date of this report and are inclusive of the General Fund and Lake Wilderness Golf Course Fund portions.

The table of local sales tax revenue by category indicates retail sales, construction, information and wholesaling experienced increases over the first quarter of 2019. Wholesaling category had an increase in tax revenue of \$16,971 or 40% when comparing the first quarter of 2019 and 2020. Construction grew 26%, information by \$10%, and retail trade by 6% over the same period.

Accommodation/food service has experienced a steady increase between 2017 and 2019; but the results between 2019's first quarter and 2020's is a decline of 22%. The categories of service and art/recreation/entertainment show the same pattern but the decline is 18% and 40%, respectively.

The graph below provides a four-year comparison of first quarter revenue for all sales tax categories presented in the table. Retail trade, construction, and accommodation/food service are consistently the top three categories of sales tax revenue.



Real Estate Excise Tax

The City levies a 0.50% Real Estate Excise Tax on all real estate sale transactions. This 0.50% is broken up into the First 0.25% (REET 1) and the Second 0.25% (REET 2). These two revenue sources face different spending restrictions per RCW 82.46.010 and RCW 82.46.035.

The combined total (REET 1 and REET 2) revenue from January through March of each year are included in the table below.

Month	2017 YTD	2018 YTD	2019 YTD	2020 YTD
January	\$ 78,094	\$ 84,372	\$ 104,002	\$ 129,781
February	107,110	162,723	127,649	230,622
March	143,388	166,475	116,894	108,416
Total	<u>\$ 328,592</u>	<u>\$ 413,570</u>	<u>\$ 348,545</u>	<u>\$ 468,819</u>
Taxable Sales	65,718,400	82,713,940	69,708,990	93,763,800

REET revenue is received by the City in the second month after it is paid by the consumer. The preceding table presents REET revenue in the month it was *earned*. Through March 2020, REET is 35% higher when compared to the same period in 2019. In 2020, there were 146 real estate sales transactions that occurred in the third quarter, 136 transactions involved single family residents (SFRs) and one large commercial sale occurred in March. Of the SFR transactions, 52 were for new homes and 84 for existing homes. The average selling price of all SFRs has increased 16% over the 2019 first quarter YTD average.

YTD Average Sale Price

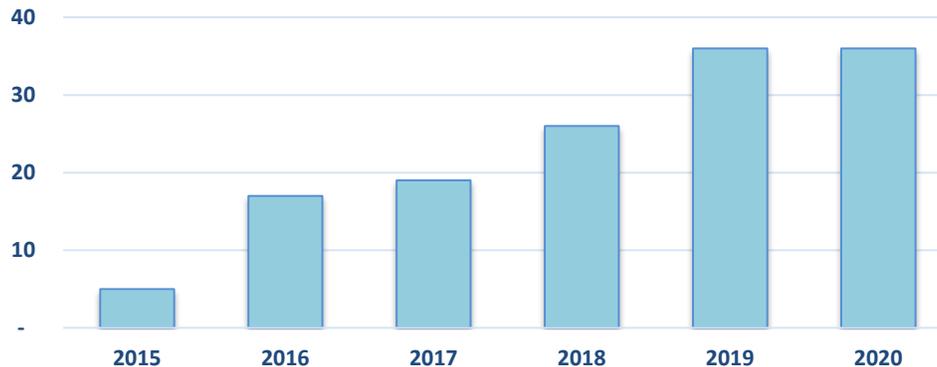


Development Services Fees

Community Development revenue is comprised of various Development Services Fees. The planning, building, Fire Marshal and Impact fees are shown in the table below. At the time of this report, no budget amendments have been completed for the revenue or expenditures of impact fees. As of March 31, 2020, 21% of the budgeted revenue (subtotal line) has been received which reflect a 13% increase over 2019's first quarter revenue.

Revenue Category	2017	2018	2019	2020		\$ Variance	% of Budget Received
	YTD	YTD	YTD	Budget	YTD		
Planning Fees	\$ 29,149	\$ 12,676	\$ 10,200	\$ 54,310	\$ 12,375	\$ (41,935)	23%
Building Fees	248,852	220,319	198,033	1,050,590	228,840	(821,750)	22%
Fire Marshall	12,623	15,890	11,145	57,470	7,565	(49,905)	13%
Subtotal	290,623	248,885	219,378	1,162,370	248,780	(913,590)	21%
Impact Fees				-	309,506	309,506	n/a
TOTAL	\$ 290,623	\$ 248,885	\$ 219,378	\$ 1,162,370	\$ 558,286	\$ (604,084)	48%

SFR Building Permits Issued in 1st Quarter

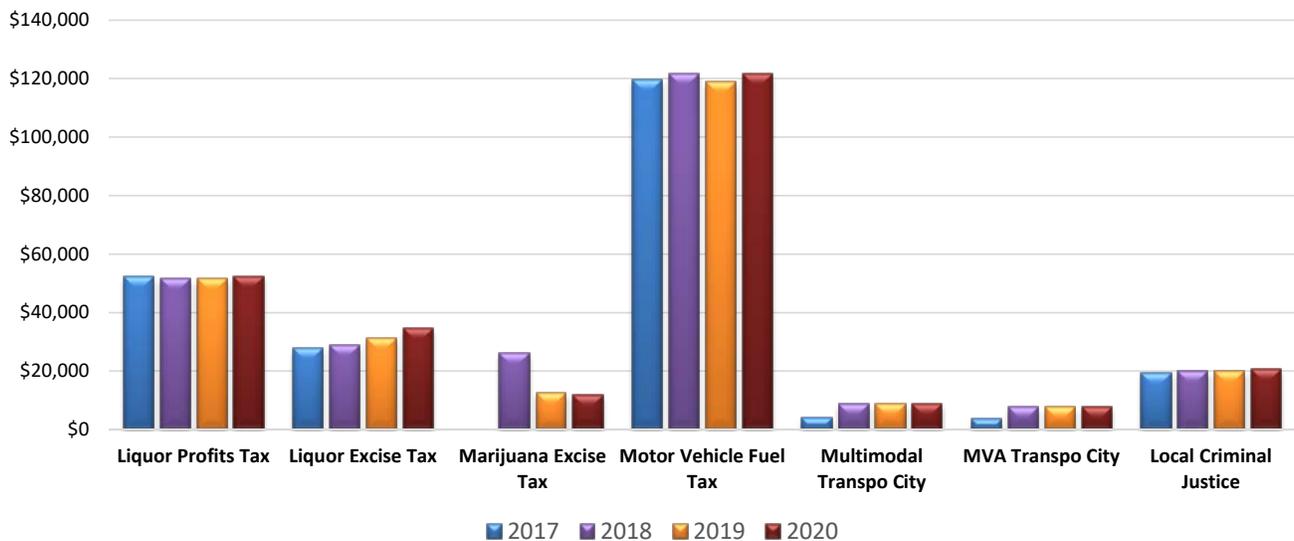


State Shared Revenues

State Shared Revenues have both monthly and quarterly revenue distributions. The table below shows revenue for the first quarter of 2020 compared to the budget and prior years. Revenues received in first quarter of 2020 are 3.2% above the 2019 quarterly figures, and 26% of the 2020 budgeted revenue.

Revenue Category	2017	2018	2019	2020		\$ Variance	% of Budget Received
	YTD	YTD	YTD	Budget	YTD		
Liquor Profits Tax	\$ 52,342	\$ 51,586	\$ 51,531	\$ 183,820	\$ 52,541	\$(131,279)	29%
Liquor Excise Tax	27,830	28,970	31,253	110,050	34,728	(75,322)	32%
Marijuana Excise Tax	-	26,170	12,426	40,090	11,808	(28,282)	29%
Motor Vehicle Fuel Tax	119,648	121,599	118,812	533,480	121,813	(411,667)	23%
Multimodal Transpo City	4,148	8,761	8,751	28,080	8,923	(19,157)	32%
MVA Transpo City	3,630	7,666	7,657	28,690	7,808	(20,882)	27%
Local Criminal Justice	19,502	19,987	19,987	70,500	20,808	(49,692)	30%
Total	\$ 227,101	\$ 264,738	\$ 250,416	\$ 994,710	\$ 258,429	\$(736,281)	26%

State Shared Revenues 1st Quarter Comparison



Vehicle Excise Tax

Initiative 976 was passed in the 2019 general election and reduced vehicle taxes and fees to \$30, eliminated the 0.3% sales tax on vehicle purchases, and removed the authority for transportation benefit districts to impose a vehicle fee. Legal battles over the ballot language and unconstitutionality have kept the initiatives on hold. It was upheld by a King County judge, and on April 30, 2020, the Washington State Supreme Court has agreed to hear the case. Due to the uncertainty of the outcome of the court case, the revenues received are being held and are not included in this report.

Utility Tax

Utility Taxes are received by the City one month after they are earned. Utility Taxes received as of March 31, 2020 are 3.3% above the prior year. Gas tax revenue saw the highest increase (18%) between the first quarter of 2020 and 2019, electric tax had a slight increase (1%), and telecom was 32% lower. Overall, the utility taxes are at 18% of budget projections.

Category	2017	2018	2019	2020		\$ Variance	% of Budget Received
	YTD	YTD	YTD	Budget	YTD		
Electric	165,808	159,611	147,144	708,890	148,245	(560,645)	21%
Gas	144,739	117,316	99,260	359,690	116,942	(242,748)	33%
Telecom	53,092	43,954	30,232	293,090	20,578	(272,512)	7%
Cable TV	-	-	88	219,220	-	(219,220)	0%
TOTAL	363,638	320,881	276,724	\$ 1,580,890	\$ 285,765	\$(1,295,125)	18%

Parks and Recreation

The emergency declaration by Mayor Sean P. Kelly in response to the COVID-19 outbreak, closed park facilities, and banned recreation programs and community events. As a reminder, the recreational software, PerfectMind, was implemented in 2019 and reports revenue when it is earned. Under normal circumstances, there would be one year of comparative data based on the accrual accounting method. Yet, the COVID-19 pandemic does not provide for an accurate comparison of financial data.

The table below shows program revenues year-to-date compared to budget projections and prior year first quarter actuals. Overall, the 2020 first quarter revenue equals 18% of budget projections, and is 56% below the same time period in 2019. The revenue generated from Lake Wilderness Lodge rentals is down 86%. Summit Park generated almost \$11,800 in field and field light rentals.

The Parks and Recreation expenditures equal nearly \$635,000 through March 31, 2020. This represents 19% of the annual budget. Expenditures for Summit Park are above the annual budget project. Property insurance, \$15,206, and utility services, \$3,517, are the majority of expenditures for Summit Park.

Parks and Recreation

	2017	2018	2019	2020		\$ Variance	% of Budget Rcvd./Expd.
	YTD	YTD	YTD	Budget	YTD		
<u>Program Revenues</u>							
Recreation Fees	\$ 132,381	\$ 201,934	\$ 124,641	\$ 389,180	\$ 105,884	\$ (283,296)	27%
LW Lodge	171,857	212,522	138,479	244,400	19,331	(225,070)	8%
Rental Revenue	4,681	9,036	-	93,990	-	(93,990)	0%
Donations/Grants/Misc	18,166	55,310	65,870	65,410	7,627	(57,783)	12%
Parks Maintenance	700	841	-	450	85	(365)	19%
Summit Park	-	-	-	-	11,759	11,759	n/a
Total Program Revenues	\$ 327,785	\$ 479,642	\$ 328,989	\$ 793,430	\$ 144,685	\$ (648,745)	18%
<u>Program Expenditures</u>							
Parks Administration	\$ 95,377	\$ 104,524	\$ 110,234	\$ 465,630	\$ 109,691	\$ (355,939)	24%
Parks Maintenance	70,953	75,272	105,870	791,620	164,037	(627,583)	21%
Lake Wilderness Lodge	81,154	123,963	127,022	562,440	137,032	(425,408)	24%
Recreation Administration	58,680	67,409	91,094	436,610	102,350	(334,260)	23%
Beach Services	1,083	5,717	4,539	119,420	6,617	(112,803)	6%
Adult Sports	13,350	13,208	4,564	40,810	6,877	(33,933)	17%
Adult Classes	6,563	7,281	2,278	34,840	4,832	(30,008)	14%
Youth Sports	38,945	46,592	38,386	88,140	41,713	(46,427)	47%
Youth Classes	2,598	4,990	6,307	85,190	3,334	(81,856)	4%
Day Camp	3,229	3,581	3,003	86,680	2,635	(84,045)	3%
Summit Park	-	-	-	5,060	19,298	14,238	381%
Special Events	-	-	-	225,120	5,031	(220,089)	2%
Community Grants/Programs	41,694	44,446	44,967	469,132	31,332	(437,800)	7%
Total Program Expenditures	\$ 413,625	\$ 496,983	\$ 538,263	\$ 3,410,692	\$ 634,780	\$ (2,775,912)	19%

Lake Wilderness Golf Course

In 2019, the City selected a new management company, CourseCo, for the Lake Wilderness Golf Course. The revenues by category are provided historically and for the current year with a comparison to the 2020 budget. Of total revenue generated in the first quarter, course operations represent 83%, restaurant operations are 16%, and administration and sales tax equal 2%.

The golf course was also closed by the COVID-19 emergency declaration. The revenues amounts are:

REVENUES	2017	2018	2019	2020		% of Budget	
	YTD	YTD	YTD	Budget	YTD	\$ Variance	Received
Administration							
Investment Interest	\$ (61)	\$ (42)	\$ 105	\$ 20	\$ 70	\$ 50	350%
Cash Adjustments	(54)	(41)	98	50	(797)	(847)	-1593%
Miscellaneous	-	84	51	-	-	-	n/a
Total Administration	(115)	2	254	70	(727)	(797)	-1038%
Course Operations							
Golf Green Fees	78,454	86,583	61,975	565,460	88,835	(476,625)	16%
Golf Pro-Shop Merch. Sales	6,346	6,960	6,626	77,090	6,852	(70,238)	9%
Golf Lessons	-	-	-	630	-	(630)	n/a
Golf Clubs & Cart Rentals	11,544	16,755	19,633	244,160	21,246	(222,914)	9%
Total Course Operations	96,345	110,298	88,234	887,340	116,933	(770,407)	13%
Restaurant Operations							
Food Sales	8,161	7,167	9,623	108,500	7,286	(101,214)	7%
Beverage Sales	17,835	10,425	14,060	194,640	13,488	(181,152)	7%
Restaurant Rental	1,381	928	1,650	6,140	1,407	(4,734)	23%
Total Restaurant Operations	27,377	18,520	25,333	309,280	22,181	(287,099)	7%
City Revenues							
Sales Tax	-	2,548	2,396	30,600	2,937	(27,663)	n/a
Transfers-In from General Fund							
Transfer - In from General Fund	-	-	-	50,000	-	(50,000)	n/a
Transfer - In from Bond Proceeds	-	-	-	500,000	-	-	-
Total City Revenues	-	2,548	2,396	580,600	2,937	(77,663)	0%
Total Revenues	123,606	131,368	116,217	1,777,290	141,324	(1,635,966)	8%

EXPENDITURES	2017	2018	2019	2020		% of Budget	
	Actual	Actual	Actual	Budget	YTD	\$ Variance	Expended
City Paid Expenditures							
Salaries & Wages	561	473	417	2,980	950	(2,030)	32%
Benefits	201	104	171	1,000	353	(647)	35%
Office & Operating Supp.	-	-	-	190	-	(190)	0%
Other Professional Services	-	-	-	-	-	-	n/a
Management Services	23,877	23,877	28,600	95,510	29,172	(66,338)	31%
Banking Services	2,136	2,163	2,192	35,520	2,924	(32,596)	8%
Cost Alloc. - Finance	-	-	-	-	-	-	n/a
Cost Alloc. - Parks Admin	-	-	-	-	-	-	n/a
Taxes & Assessments	156	184	191	9,530	2,481	(7,049)	26%
Equipment Replacement	716	716	-	16,210	6,689	(9,521)	41%
Property Insurance	-	5,948	5,878	6,410	7,402	992	115%
Utility Services	-	-	-	-	585	585	n/a
Fire & Life Safety Services	-	-	-	100	100	-	100%
Total City Paid Exp.	27,647	33,465	37,449	167,450	50,657	(116,793)	30%
Administration							
Office & Operating Supp.	2,169	514	34	6,200	756	(5,444)	12%
Small Tools & Minor Equip.	-	51	-	1,300	796	(504)	61%
Books & Minor Software	-	121	-	520	-	(520)	0%
Advertising	514	1,712	-	7,610	1,845	(5,765)	24%
Other Professional Services	-	701	-	-	1,525	1,525	n/a
Management Services	-	-	-	-	-	-	n/a
Contracted Staff	4,463	3,234	4,434	19,370	14,504	(4,866)	75%
Payroll & Personnel Services	-	871	-	2,060	-	(2,060)	0%
Cleaning Services	-	60	120	1,140	-	(1,140)	0%
Security Services	763	855	476	4,160	1,424	(2,736)	34%
Banking Services	134	131	540	430	-	(430)	0%
Software Maint. & Support	-	2,137	1,704	4,580	999	(3,581)	22%
Telephone	2,113	590	271	5,800	159	(5,641)	3%
Internet	1,786	714	307	2,880	493	(2,387)	17%
Postage	-	-	-	40	-	(40)	0%
Travel	189	76	18	680	-	(680)	0%
Rentals and Leases	-	588	-	1,880	-	(1,880)	0%
Liability Insurance	-	-	2,777	-	5,161	5,161	n/a
Property Insurance	2,528	2,541	-	11,430	-	(11,430)	0%
Utility Services	5,471	14,320	7,049	27,060	6,930	(20,130)	26%
Cable TV	435	549	182	2,160	572	(1,588)	26%
Repairs & Maintenance	1,083	-	-	1,670	-	(1,670)	0%
Dues, Subscriptions & Membersh	500	500	-	1,090	1,350	260	124%
Licenses & Permits	2,961	1,995	-	2,920	-	(2,920)	0%
Background Checks	-	-	-	240	-	(240)	0%
Registration & Training	55	300	-	150	44	(106)	29%
Other Miscellaneous	115	249	-	4,200	-	(4,200)	0%
Other Intergov'tl Licenses	-	947	-	20	-	(20)	0%
Total Administration	25,279	33,756	17,912	109,590	36,559	(73,031)	33%

The total expenditures for the Lake Wilderness Gold Course as of March 31, 2020 are nearly fifty three percent (53%) higher than the same period in 2019, and only eight percent (15%) of the annual budget.

EXPENDITURES	2017	2018	2019	2020		% of Budget	
	Actual	Actual	Actual	Budget	YTD	\$ Variance	Expended
Course Operations							
Office & Operating Supp.	3,500	10,056	2,759	74,430	5,063	(69,367)	7%
Fuel Consumed	1,620	2,523	488	24,680	1,597	(23,083)	6%
Inventory Supplies-Merch.	2,250	5,018	740	58,490	2,553	(55,937)	4%
Small Tools & Minor Equip.	508	5,182	28	21,290	1,542	(19,748)	7%
Advertising	-	-	-	-	-	-	n/a
Other Professional Services	-	109	480	3,780	-	(3,780)	0%
Contracted Staff-Pro Shop	18,321	18,428	5,331	161,810	11,607	(150,203)	7%
Contracted Staff-Course	23,044	26,437	7,595	214,340	23,902	(190,438)	11%
Travel	-	-	-	-	-	-	n/a
Rentals & Leases	382	824	389	36,820	5,813	(31,007)	16%
Liability Insurance	-	-	-	-	-	-	n/a
Utility Services	1,999	-	-	7,380	128	(7,252)	2%
Repairs & Maintenance	(440)	270	15	4,940	2,866	(2,074)	58%
Registration & Training	-	-	-	-	45	45	n/a
Other Miscellaneous	283	-	-	340	-	(340)	0%
Total Course Operations	51,468	68,846	17,825	608,300	55,117	(553,183)	9%
Restaurant							
Office & Operating Supp.	978	1,727	221	8,830	619	(8,211)	7%
Inventory Supplies-Food	3,950	3,254	1,735	44,660	2,768	(41,892)	6%
Inventory Supp. - Beverages	3,647	2,082	4,309	47,090	2,636	(44,454)	6%
Small Tools & Minor Equip.	283	174	-	770	(151)	(921)	-20%
Books & Minor Software	-	-	-	150	-	(150)	0%
Contracted Staff	12,355	11,359	3,700	103,020	14,721	(88,299)	14%
Cleaning Services	-	-	-	800	-	-	0%
Rentals & Leases	1,214	1,837	4,346	8,020	1,289	(6,731)	16%
Utility Services	1,093	-	-	3,610	-	(3,610)	0%
Repairs & Maintenance	771	1,030	249	4,190	251	(3,939)	6%
Other Miscellaneous	-	-	5	-	-	-	n/a
Total Restaurant	24,292	21,463	14,566	221,140	22,132	(198,208)	10%
Restaurants Improvements							
WIP-Construction	-	-	-	-	-	-	n/a
Course Improvements							
WIP-Construction	-	-	-	-	-	-	n/a
Total Expenditures	128,687	157,530	87,752	1,106,480	164,465	(941,215)	15%
Revenue Over Expenditures	(5,081)	(26,162)	28,465	670,810	(23,141)	(693,951)	n/a

EXPENDITURES	2017	2018	2019	2020		% of Budget	
	Actual	Actual	Actual	Budget	YTD	\$ Variance	Expended
Course Operations							
Office & Operating Supp.	3,500	10,056	2,759	74,430	5,063	(69,367)	7%
Fuel Consumed	1,620	2,523	488	24,680	1,597	(23,083)	6%
Inventory Supplies-Merch.	2,250	5,018	740	58,490	2,553	(55,937)	4%
Small Tools & Minor Equip.	508	5,182	28	21,290	1,542	(19,748)	7%
Advertising	-	-	-	-	-	-	n/a
Other Professional Services	-	109	480	3,780	-	(3,780)	0%
Contracted Staff-Pro Shop	18,321	18,428	5,331	161,810	11,607	(150,203)	7%
Contracted Staff-Course	23,044	26,437	7,595	214,340	23,902	(190,438)	11%
Travel	-	-	-	-	-	-	n/a
Rentals & Leases	382	824	389	36,820	5,813	(31,007)	16%
Liability Insurance	-	-	-	-	-	-	n/a
Utility Services	1,999	-	-	7,380	128	(7,252)	2%
Repairs & Maintenance	(440)	270	15	4,940	2,866	(2,074)	58%
Registration & Training	-	-	-	-	45	45	n/a
Other Miscellaneous	283	-	-	340	-	(340)	0%
Total Course Operations	51,468	68,846	17,825	608,300	55,117	(553,183)	9%
Restaurant							
Office & Operating Supp.	978	1,727	221	8,830	619	(8,211)	7%
Inventory Supplies-Food	3,950	3,254	1,735	44,660	2,768	(41,892)	6%
Inventory Supp. - Beverages	3,647	2,082	4,309	47,090	2,636	(44,454)	6%
Small Tools & Minor Equip.	283	174	-	770	(151)	(921)	-20%
Books & Minor Software	-	-	-	150	-	(150)	0%
Contracted Staff	12,355	11,359	3,700	103,020	14,721	(88,299)	14%
Cleaning Services	-	-	-	800	-	-	0%
Rentals & Leases	1,214	1,837	4,346	8,020	1,289	(6,731)	16%
Utility Services	1,093	-	-	3,610	-	(3,610)	0%
Repairs & Maintenance	771	1,030	249	4,190	251	(3,939)	6%
Other Miscellaneous	-	-	5	-	-	-	n/a
Total Restaurant	24,292	21,463	14,566	221,140	22,132	(198,208)	10%
Restaurants Improvements							
WIP-Construction	-	-	-	-	-	-	n/a
Course Improvements							
WIP-Construction	-	-	-	-	-	-	n/a
Total Expenditures	128,687	157,530	87,752	1,106,480	164,465	(941,215)	15%
Revenue Over Expenditures	(5,081)	(26,162)	28,465	670,810	(23,141)	(693,951)	n/a

Public Safety

Public Safety includes the Police Department, Emergency Operations Center/Emergency Preparedness, Municipal Court, and Jail.

Public Safety revenues are trending at 25% of the annual budget and includes the contracted School Resource Officer for Tahoma School District. First quarter revenues do not include any of the anticipated grant revenue.

As of March 31, 2020 the City has not yet been billed for the first three months of Police Services through King County; therefore, the expenditures are totaling just two percent (2%) of budget. In comparison with the prior year, which also did not include the first quarter police services, expenditures are just four percent (4%) higher than the prior year.

	2016	2017	2018	2019		\$ Variance	% of Budget Rec./Expd.
	YTD	YTD	YTD	Budget	YTD		
Revenues							
Grants and Contributions	\$ 1,675	\$ -	\$ -	\$ 22,030	\$ 381	\$ (21,649)	2%
Criminal Justice Contract Svcs.	10,463	10,606	10,909	47,420	11,394	(36,026)	24%
Criminal Justice - Special Prog.	6,077	6,237	6,392	27,790	6,651	(21,139)	24%
Criminal Justice Low Populatio	1,662	1,714	1,765	7,520	1,844	(5,676)	25%
Criminal Justice - DUI	972	945	920	3,920	919	(3,001)	23%
Impound Fees	3,400	3,200	3,100	10,490	1,600	(8,890)	15%
False Alarm Fees	450	125	250	820	1,050	230	128%
Municipal Court	28,501	27,450	35,057	121,940	28,929	(93,011)	24%
TSD School Resource Officer	-	-	-	100,300	31,862	(68,438)	32%
Donations/Miscellaneous	-	-	-	1,030	-	(1,030)	0%
Total Revenues	\$ 53,200	\$ 50,278	\$ 58,394	\$ 343,260	\$ 84,631	\$ (258,629)	25%
Expenditures							
Police Operations	\$ 105,460	\$ 27,794	\$ 30,117	\$ 4,924,240	\$ 26,232	\$ (4,898,008)	1%
Police Training	-	-	-	5,000	-	(5,000)	0%
Police Facility	17,478	17,765	13,112	53,110	13,211	(39,899)	25%
Police Special Programs	145	93	2,015	75,410	5,488	(69,922)	7%
Jail	24,286	13,620	25,859	120,080	30,888	(89,192)	26%
Municipal Court	32,729	50,942	50,936	340,480	50,028	(290,452)	15%
Emergency Preparedness	5,816	5,857	5,109	43,260	6,012	(37,248)	14%
Total Expenditures	\$ 185,914	\$ 116,070	\$ 127,147	\$ 5,561,580	\$ 131,858	\$ (5,429,722)	2%
Revenues Under Expenditures	\$ (132,714)	\$ (65,793)	\$ (68,753)	\$ (5,218,320)	\$ (47,228)	\$ 5,171,092	1%

Budget vs. Actual

Budget vs Actual Revenue & Transfers-In by Fund

As of March 31, 2020

Fund	Budget	YTD Actual	Remaining Budget
General Fund	\$ 14,569,245	\$ 1,678,866	\$ 12,890,379
Transportation Impact Fee Fund	692,820	80,422	612,398
PW Development Fund	136,510	935	135,575
Transportation Benefit SR Fund	433,420	35,596	397,824
REET 1 Fund (Transportation)	1,008,480	73,015	935,465
REET 2 Fund (Parks)	993,230	67,452	925,778
Parks Impact Fee fund	258,840	83,696	175,144
King County Trail & Open Space Fund	54,540	966	53,574
Drug Seizures Fund	5,980	202	5,778
Bond Proceed Fund	4,000,000	-	4,000,000
Debt Service Fund	1,179,970	-	1,179,970
Public Works CIP Fund	3,770,860	271,191	3,499,669
Parks CIP Fund	225,970	19,356	206,614
Other CIP Funds	1,736,940	57,918	1,679,022
Surface Water Management	1,813,310	2,808	1,810,502
Lake Wilderness Golf Course Fund	1,777,290	141,324	1,635,966
Internal Service Funds	1,828,060	595,778	1,232,282
Total	\$ 34,485,465	\$ 3,109,526	\$ 31,375,939

Budget vs Actual Expenditures & Transfers-Out by Fund

As of March 31, 2020

Fund	Budget	YTD Actual	Remaining Budget
General Fund	\$ 16,601,202	\$ 2,427,891	\$ 14,173,311
Transportation Impact Fee Fund	743,990	28,017	715,973
PW Development Fund	136,510	2,156	134,354
Transportation Benefit SR Fund	843,530	93,727	749,803
REET 1 Fund (Transportation)	1,697,520	210,834	1,486,686
REET 2 Fund (Parks)	1,236,800	38,351	1,198,449
Parks Impact Fee fund	74,560	-	74,560
King County Trail & Open Space Fund	-	-	-
Drug Seizures Fund	33,370	1,377	31,993
Bond Proceed Fund	500,000	-	500,000
Debt Service Fund	1,179,970	-	1,179,970
Public Works CIP Fund	3,632,700	308,786	3,323,914
Parks CIP Fund	225,970	20,758	205,212
Other CIP Funds	1,736,940	57,918	1,679,022
Surface Water Management	3,217,020	329,225	2,887,795
Lake Wilderness Golf Course Fund	1,606,480	164,465	1,442,015
Internal Service Funds	1,962,980	581,740	1,381,240
Total	\$ 35,429,542	\$ 4,265,244	\$ 31,164,298

Fund Balance Summary

Budget vs Actual Expenditures & Transfers-Out by Fund

As of March 31, 2020

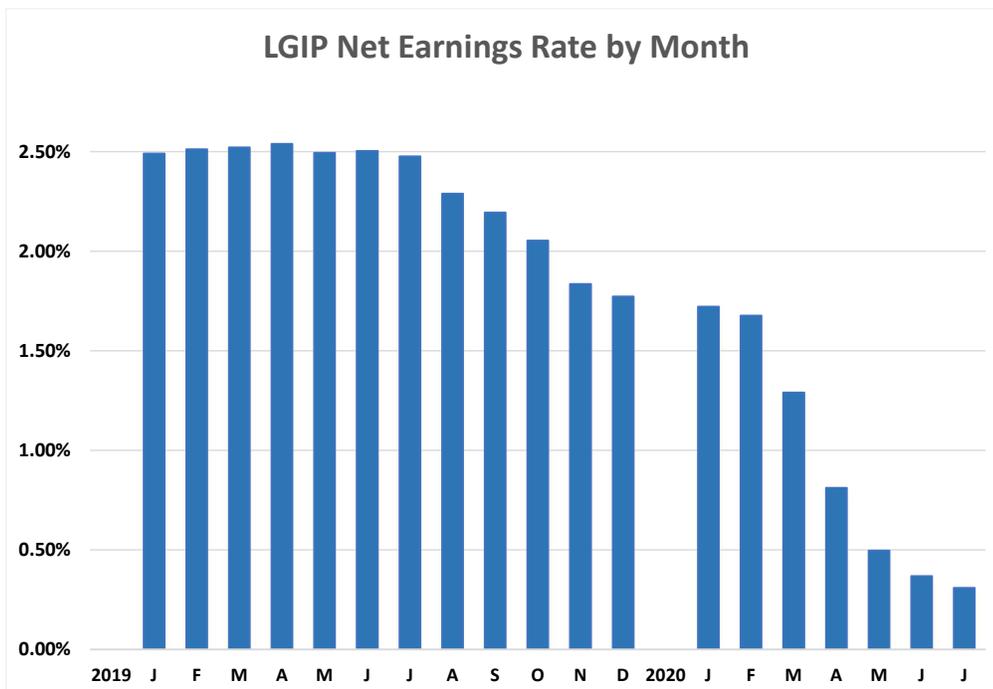
Fund	Budget	YTD Actual	Remaining Budget
General Fund	\$ 16,601,202	\$ 2,427,891	\$ 14,173,311
Transportation Impact Fee Fund	743,990	28,017	715,973
PW Development Fund	136,510	2,156	134,354
Transportation Benefit SR Fund	843,530	93,727	749,803
REET 1 Fund (Transportation)	1,697,520	210,834	1,486,686
REET 2 Fund (Parks)	1,236,800	38,351	1,198,449
Parks Impact Fee fund	74,560	-	74,560
King County Trail & Open Space Fund	-	-	-
Drug Seizures Fund	33,370	1,377	31,993
Bond Proceed Fund	500,000	-	500,000
Debt Service Fund	1,179,970	-	1,179,970
Public Works CIP Fund	3,632,700	308,786	3,323,914
Parks CIP Fund	225,970	20,758	205,212
Other CIP Funds	1,736,940	57,918	1,679,022
Surface Water Management	3,217,020	329,225	2,887,795
Lake Wilderness Golf Course Fund	1,606,480	164,465	1,442,015
Internal Service Funds	1,962,980	581,740	1,381,240
Total	\$ 35,429,542	\$ 4,265,244	\$ 31,164,298

Cash and Investments

Total cash and investments as of March 31, 2020 were \$18,000,798. This balance consists of two categories: (1) Cash and Cash Equivalent, and (2) Investments. Cash and Cash Equivalents include imprest funds (petty cash, change funds, and cash held with vendors) as well as the City’s general checking account. Investments at the Local Government Investment Pool (LGIP) are considered to be cash equivalents due to the high liquidity of the funds. The City’s investment portfolio consists of one investment in securities with maturity date in 2021.

	Interest Rate	Beginning Balance 1/1/2020	Receipts and Investments Purchased	Disbursements and Investments Sold/Matured	Change in Fair Value	Ending Balance 3/31/2020
Cash & Cash Equivalents						
Petty Cash/Imprest Funds		\$ 13,000	\$ -	\$ -	\$ -	\$ 13,000
Checking Account		4,921,747	3,974,178	(6,354,360)	-	2,541,565
LGIP	1.29%	12,581,045	1,639,926	-	-	14,220,971
Subtotal: Cash & Cash Equivalents		17,515,792	5,614,104	(6,354,360)	-	16,775,536
Investments at Market Value						
Maturity	Description					
11/26/2021	Federal Home Loan Bank	1.65%	1,225,262	-	-	1,225,262
	Subtotal: Investments		1,225,262	-	-	1,225,262
	Total Cash & Investments	\$ 18,741,054	\$ 5,614,104	\$ (6,354,360)	\$ -	\$ 18,000,798

The graph below shows the monthly LGIP net earnings rate since the beginning of 2019. The decline between January and March 2020 is 0.43%.



Debt Service

As of March 31, 2020, the City's long-term debt balance consists of the following:

- two State infrastructure loans
- one refunding general obligation bond, and
- two Councilmanic general obligation bonds.

The infrastructure loans funded two capital projects, T06 (SR 169 – SR 516 to SE 264th St) and T16 (SR 516 & 2285th Ave Intersection). The maturity for these loans is 2024. The 2015 refunding general obligation bond was used to purchase the Legacy site and will be paid off next year. The two Councilmanic general obligation bonds have funded Parks capital projects. The bonds issued in 2014 supported the construction of Ravensdale Park, and the 2018 bonds financed Summit Park construction. The debt service payments are funded through a combination of General Fund, Real Estate Excise Tax, and Transportation Impact Fee Funds. The payment schedule for each long-term debt is provided below along with a combined schedule.

State Infrastructure Loan 0.5%				State Infrastructure Loan 0.5%			
2005 Loan - SR 516 - Witte to 228th				2005 Loan - SR 169 - SR 516 to 264th			
Year	Principal	Interest	Balance	Principal	Interest	Balance	
2020	\$ 75,356	\$ 1,884	\$ 301,423	\$ 109,265	\$ 2,732	\$ 437,061	
2021	75,356	1,507	226,067	109,265	2,185	327,796	
2022	75,356	1,130	150,712	109,265	1,639	218,530	
2023	75,356	754	75,356	109,265	1,093	109,265	
2024	75,356	377	-	109,265	546	-	
2023-24	-	-	-	-	-	-	
	\$ 376,779	\$ 5,652	\$ 382,430	\$ 546,326	\$ 8,195	\$ 554,521	

Year	2014 Councilmanic GO Bonds			2015 Refunding GO Bonds			2018 Councilmanic GO Bonds		
	Principal	Interest	Balance	Principal	Interest	Balance	Principal	Interest	Balance
2020	\$ 165,000	\$ 15,525	\$ 510,000	\$ 500,000	\$ 20,000	\$ -	\$ 150,000	\$ 140,200	\$ 3,510,000
2021	165,000	11,730	345,000				155,000	135,700	3,355,000
2022	170,000	7,935	175,000				155,000	131,050	3,200,000
2023	175,000	4,025	-				160,000	126,400	3,040,000
2024	-	-	-				165,000	121,600	2,875,000
2025-37	-	-	-				2,875,000	866,400	-
	\$ 675,000	\$ 39,215	\$ 714,215	\$ 500,000	\$ 20,000	\$ 520,000	\$ 3,660,000	\$ 1,521,350	\$ 5,181,350

Total Debt Service Requirements			
Year	Principal	Interest	Total
2020	\$ 999,621	\$ 180,341	\$ 1,179,961
2021	504,621	151,122	655,743
2022	509,621	141,754	651,375
2023	519,621	132,271	651,892
2024	349,621	122,523	472,144
2025-37	2,875,000	866,400	3,741,400
Total	\$ 5,758,105	\$ 1,594,412	\$ 7,352,516