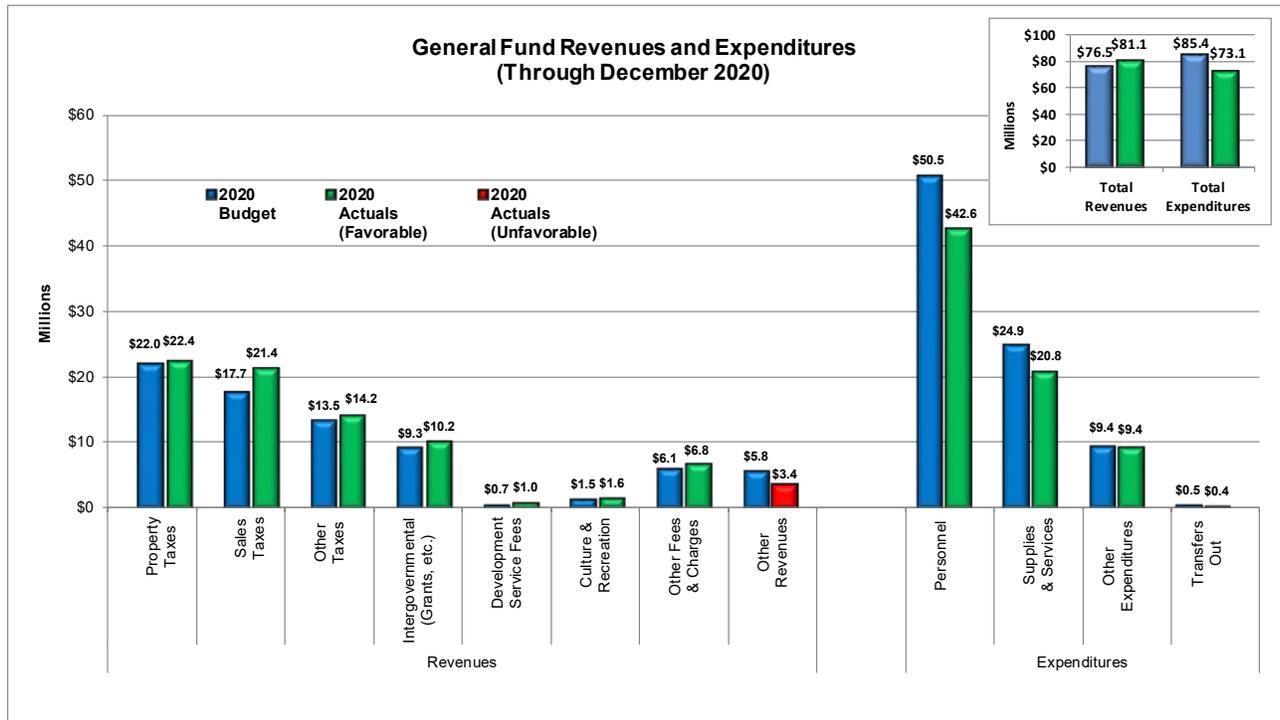
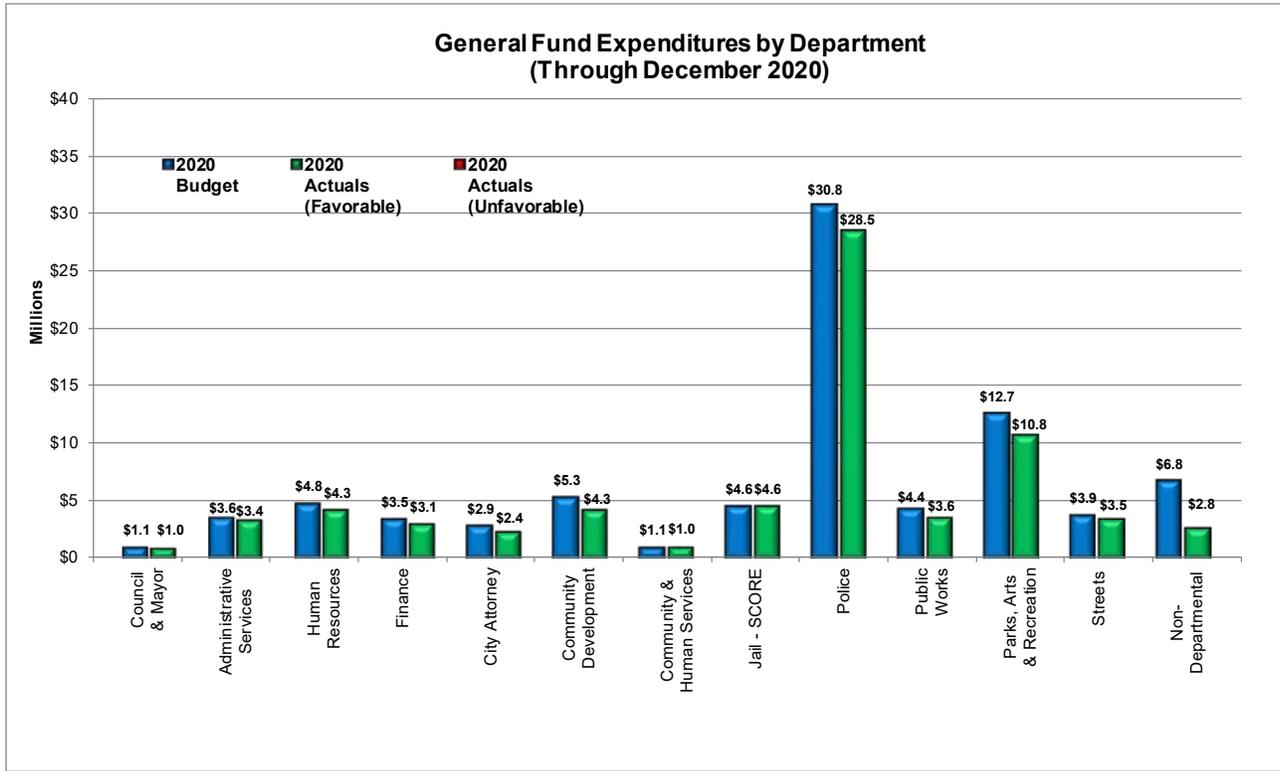




AGENDA BILL APPROVAL FORM

Agenda Subject: Financial Report Through December 2020		Date: February 23, 2021
Department: Finance	Attachments: Financial Report through December	Budget Impact: \$0
Administrative Recommendation: For discussion only.		
<p>Background Summary:</p> <p>The financial report summarizes the general state of Citywide financial affairs and highlights significant items or trends that the City Council should be aware of. The attachment provides the year-to-date through December 31, 2020 status report based on financial data available as of January 28, 2021. Sales tax information represents business activity that occurred November 2019 - October 2020.</p>		
		Staff: Thomas
Meeting Date: March 8, 2021		Item Number:

General Fund Summary



General Fund Summary of Sources and Uses	Page Ref	2020			2019	2020 YE Budget vs. Actual	
		Annual Budget	YE Budget	YE Actual	YE Actual	Favorable (Unfavorable) Amount	Percentage
Operating Revenues							
Property Tax	7	\$ 22,000,000	\$ 22,000,000	\$ 22,445,340	\$ 21,907,038	\$ 445,340	2.0 %
Retail Sales Tax	8-9	15,576,200	15,576,200	18,855,889	18,766,215	3,279,689	21.1 %
Affordable Housing Sales Tax Credit		150,000	150,000	149,445	98	(555)	(0.4) %
Sales Tax - Pierce County Parks		110,800	110,800	111,038	110,860	238	0.2 %
Sales Tax - Annexation Credit		-	-	-	373,279	0	N/A
Criminal Justice Sales Tax		1,910,000	1,910,000	2,265,134	2,415,647	355,134	18.6 %
Brokered Natural Gas Tax		131,000	131,000	151,369	225,847	20,369	15.5 %
City Utilities Tax	9-10	4,521,700	4,521,700	4,540,292	4,103,107	18,592	0.4 %
Admissions Tax	10-11	252,800	252,800	209,091	444,678	(43,709)	(17.3) %
Electric Tax	9-10	4,024,400	4,024,400	4,206,456	3,535,407	182,056	4.5 %
Natural Gas Tax	9-10	1,201,900	1,201,900	1,254,700	927,187	52,800	4.4 %
Cable Franchise Fee		904,000	904,000	902,977	923,506	(1,023)	(0.1) %
Cable Utility Tax		1,135,100	1,135,100	1,149,682	974,747	14,582	1.3 %
Cable Franchise Fee - Capital		65,000	65,000	61,346	64,263	(3,654)	(5.6) %
Telephone Tax	9-10	981,900	981,900	1,122,804	935,324	140,904	14.4 %
Solid Waste Tax (external)	9-10	154,600	154,600	231,046	148,706	76,446	49.4 %
Leasehold Excise Tax		51,000	51,000	224,090	211,916	173,090	339.4 %
Gambling Excise Tax	11	82,100	82,100	109,986	374,082	27,886	34.0 %
Taxes sub-total		\$ 53,252,500	\$ 53,252,500	\$ 57,990,683	\$ 56,441,907	\$ 4,738,183	8.9 %
Business License Fees	12	\$ 328,000	\$ 328,000	\$ 353,802	\$ 336,359	\$ 25,802	7.9 %
Building Permits	13	720,000	720,000	835,588	1,232,743	115,588	16.1 %
Other Licenses & Permits		551,300	551,300	897,189	1,074,402	345,889	62.7 %
Intergovernmental (Grants, etc.)	14-15	9,274,170	9,274,170	10,223,904	6,038,639	949,734	10.2 %
Charges for Services:	15-17						
General Government Services	15	2,823,620	2,823,620	2,971,348	2,636,527	147,728	5.2 %
Public Safety	15-16	964,000	964,000	1,109,581	1,213,112	145,581	15.1 %
Development Services Fees	15-16	650,000	650,000	955,824	1,098,969	305,824	47.0 %
Culture and Recreation	15, 17	1,512,380	1,512,380	1,638,185	2,600,103	125,805	8.3 %
Fines and Penalties	17-18	668,500	668,500	635,209	914,240	(33,291)	(5.0) %
Fees/Charges/Fines sub-total		\$ 17,491,970	\$ 17,491,970	\$ 19,620,631	\$ 17,145,093	\$ 2,128,661	12.2 %
Interest and Investment Earnings	19	\$ 700,700	\$ 700,700	\$ 506,385	\$ 406,802	\$ (194,315)	(27.7) %
Rents and Leases	19	517,600	517,600	432,432	938,457	(85,168)	(16.5) %
Contributions and Donations	19	46,200	46,200	30,945	41,321	(15,255)	(33.0) %
Other Miscellaneous	19	230,800	230,800	200,414	386,132	(30,386)	(13.2) %
Transfers In		4,081,527	4,081,527	2,081,527	120,456	(2,000,000)	(49.0) %
Insurance Recoveries - Capital & Operating		179,250	179,250	189,322	127,895	10,072	5.6 %
Other Revenues sub-total		\$ 5,756,077	\$ 5,756,077	\$ 3,441,025	\$ 2,021,063	\$ (2,315,052)	(40.2) %
Total Operating Revenues		\$ 76,500,547	\$ 76,500,547	\$ 81,052,339	\$ 75,608,062	\$ 4,551,792	6.0 %
Operating Expenditures							
Council & Mayor		\$ 1,057,296	\$ 1,057,296	\$ 950,412.30	\$ 1,009,480	\$ 106,884	10.1 %
Administration		3,578,081	3,578,081	3,408,641	2,429,605	169,440	4.7 %
Human Resources		1,767,704	1,767,704	1,598,724	1,530,153	168,980	9.6 %
Municipal Court & Probation		3,074,111	3,074,111	2,675,734	3,003,011	398,377	13.0 %
Finance		3,518,178	3,518,178	3,086,689	3,339,183	431,489	12.3 %
City Attorney		2,894,572	2,894,572	2,360,532	2,566,977	534,040	18.4 %
Community Development		5,349,088	5,349,088	4,294,915	4,072,172	1,054,173	19.7 %
Community & Human Services (Comm Devel)		1,055,484	1,055,484	992,927	1,030,651	62,557	5.9 %
Jail - SCORE		4,601,000	4,601,000	4,565,099	4,962,413	35,901	0.8 %
Police		30,763,024	30,763,024	28,456,544	28,234,921	2,306,480	7.5 %
Public Works		4,426,341	4,426,341	3,628,787	3,729,378	797,554	18.0 %
Parks, Arts & Recreation		12,673,216	12,673,216	10,770,987	12,576,009	1,902,229	15.0 %
Streets		3,858,677	3,858,677	3,546,286	3,638,316	312,391	8.1 %
Non-Departmental		6,811,133	6,811,133	2,750,054	1,919,610	4,061,079	59.6 %
Total Operating Expenditures		\$ 85,427,905	\$ 85,427,905	\$ 73,086,331	\$ 74,041,879	\$ 12,341,574	14.4 %

Executive Summary

This report provides an overview of the City's overall financial position for the fiscal period ending December 31, 2020, reflecting financial data available as of January 28, 2021.

General Fund:

Due to the COVID-19 pandemic, many General Fund revenues declined due to the Governor's "Stay Home, Stay Healthy" order that effectively closed all non-essential businesses in March 2020. While King County had since progressed to Phase 2, reopening in mid-2020, by November the Governor had enacted additional restrictions based on the increased rate of COVID-19 infections. Therefore, revenues through the end of 2020 were still being unfavorably impacted compared to what would be considered normal activity. The revenue categories that were primarily impacted by the pandemic included admission tax, gambling tax, culture and recreation, and rents and leases. In light of the economic impacts of COVID-19, the City adjusted some General Fund revenue budgets downward to reflect new expectations for 2020. At the same time, the City also implemented expenditure reductions with the goal of closing the expected revenue gap. These expenditure reductions are reflected in this financial report in both the budget and actuals. In 2020, General Fund revenues totaled \$81.1 million and were \$4.6 million, or 6.0% favorable to the revised budget expectations.

The City estimates that the annual revenue loss to the General Fund in 2020 due to COVID-19 was between \$6.0 million and \$9.0 million. To help close the revenue gap, the City implemented the following policy changes in mid-2020; together, these changes accounted for incremental revenue to the General Fund in the amount of \$2.7 million.

Policy Changes due to COVID-19:

- Diverted interest earnings for most funds to the General Fund for 2020 (retroactive to April). The incremental revenue to the General Fund as a result of this policy change was an additional \$263,000 in revenue.
- No longer allocated a portion of Motor Vehicle Fuel Tax (MVFT) monies to the Arterial Street Fund for 2020 and, therefore, that portion of revenues from the state remained in the General Fund. The funding source in 2020 for the Arterial Street Fund was replaced with real estate excise tax (REET) monies. This policy change was made retroactive to January, and the incremental revenue in 2020 to the General Fund as a result of this policy change was approximately \$464,000.
- Retained all utility tax revenues entirely in the General Fund for 2020 and replaced this funding source for the Arterial Street Preservation Fund with REET funds. This policy change, which was also made retroactive to January, resulted in incremental revenue to the General Fund of \$2.0 million.

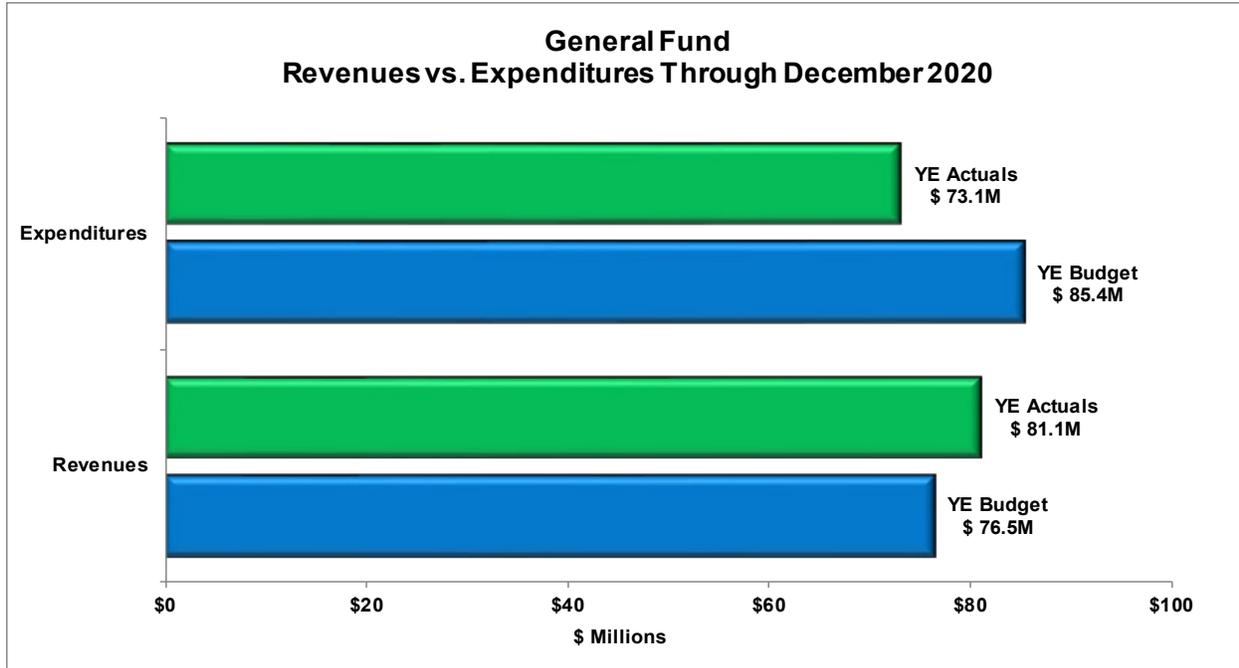
Notable variances to budget include:

- Retail Sales Tax: The sales tax report through December 2020 (which is provided as an attachment to this report) reflects amounts remitted to the City of Auburn based on sales from November 2019 through October 2020. Revenue losses compared to the year prior were seen in several categories, most notably in the manufacturing, automotive, and services sectors. While sales tax revenues were down in some areas, there were some categories that exceeded expectations; most notable among these was the construction category, which increased by \$876,000 in 2020 compared to 2019. While it was expected that retail sales tax dollars would be considerably lower than 2019 due to COVID-19, 2020 actuals were \$90,000, or 0.5% higher than the year prior. **[pages 8-9]**

- Building permit revenues in 2020 totaled \$836,000 and were \$116,000, or 16.1%, above budget, although this revenue source ended the year nearly \$400,000 less than revenues that were collected in 2019. While the “Stay Home, Stay Healthy” order did impact building permit revenues, there were three significant commercial projects in the City that contributed to higher than anticipated revenues this year: the replacement of Pioneer Elementary School and construction of Auburn Elementary School #16 and the Bridge Point Warehouse. 475 building permits were issued in 2020, which was 13.6% less than the number of permits issued in 2019. **[page 13]**
- Culture and recreation revenues collected in 2020 totaled \$1.6 million and were \$962,000 less than what was collected in 2019. These reduced revenues were a direct result of the COVID-19 pandemic whereby the City of Auburn essentially closed the majority of all Parks, Arts and Recreation activities and services in March. While some activities resumed later in the year, these were generally at a reduced capacity; other activities continued to be on hold, delayed, or canceled to comply with the Governor’s guidance for Washington’s Safe Start phased reopening plan. **[pages 15, 17]**
- The 2020 budget anticipated the need to transfer \$4.0 million from the Cumulative Reserve Fund but, due to significant underspends in 2020, only \$2.0 million of the \$4.0 million transfer was needed.

2020 ending fund balances will not be finalized until approximately June 2021 pending year-end adjustments and certification by the State Auditor’s Office. Once the final ending 2020 fund balances are available, budgeted beginning 2021 fund balances will be reconciled and adjusted accordingly.

2020 General Fund expenditures totaled \$73.1 million compared to a revised budget of \$85.4 million; this represents a \$12.3 million, or 14.4%, favorable variance to budget. All departments operated within their allocated budget in 2020. Salary and benefit costs were underspent by \$8.0 million. In addition, in the services and charges category was underspent by \$3.7 million, predominately in professional services and miscellaneous expenditures. Due to the significant impact the COVID-19 pandemic had on the General Fund, the City implemented several mitigation strategies to close the gap for the projected revenue shortfall. These strategies included employee furloughs, hiring freezes on sixteen positions, voluntary early retirements, temporary benefit cuts, temporary lay-offs of temporary and seasonal employees, participation in the Shared Work Program for employees whose workload had slowed down, and specific departmental expenditure reductions in the areas of travel, training, and some service contracts. These expenditure cuts are reflected in the expenditures reported here.



Street Funds:

The City’s three street funds are special revenue funds wherein the revenue sources and expenditures are legally restricted. These funds are used for street capital construction projects, as well as local and arterial street repair and preservation projects. Historically, the majority of expenditures in all three street funds occur during the second half of the year when weather conditions are optimal for pavement construction. Variances in budget and actuals between years are generally due to the schedule and level of activity on projects in the fund, and the timing of grant reimbursements and other funding.

In 2020, **Arterial Street Fund** revenues totaled \$2.6 million as compared to collections of \$1.9 million in 2019, while expenditures totaled \$3.1 million as compared to expenditures of \$2.0 million in 2019. [pages 22–23]

Local Street Fund revenues of \$1.9 million are in line with budget expectations and only \$61,000 below collections in 2019. Expenditures in 2020 were \$1.1 million as compared with \$2.2 million in 2019. [pages 24–25]

Lastly, **Arterial Street Preservation Fund** revenues totaled \$3.1 million in 2020, approximately \$511,000 higher than 2019. Expenditures totaled \$2.3 million versus \$3.9 million last year. [pages 26–27]

Enterprise Funds:

The City's enterprise funds account for operations with revenues primarily provided from user fees, charges or contracts for services.

All City utilities transitioned from bimonthly to monthly usage billing starting in January 2019. Additionally, a new utility fee schedule also went into effect in January 2019.

The **Water Fund** ended 2020 with operating income of \$5.5 million year-to-date, compared to \$6.2 million last year. **[page 29]**

The **Sewer Fund** finished 2020 with operating income of \$1.9 million versus \$2.7 million in 2019. This variance is largely due to a one-time refund from the Department of Revenue last year, as well as lower commercial consumption volumes. **[page 30]**

In 2020 the **Stormwater Fund** had operating income of \$3.3 million compared to \$2.0 million in 2019, largely due to the rate increase implemented in January. **[page 30]**

The **Solid Waste Fund** finished 2020 with year-to-date operating loss of \$114,000 compared to operating income of \$200,000 last year. **[pages 30-31]**

The **Airport Fund** experienced operating income of \$604,000 in 2020, compared to \$476,000 in 2019. This variance is largely attributable to the purchase and sale of aviation fuel, an activity that was not previously directly managed by the City, as well as increased revenue from property leases and rents. **[page 32]**

The **Cemetery Fund** had operating income of \$229,000 in 2020, compared to \$107,000 in 2019. This increase is largely attributable to increased revenues from lot sales. **[page 32]**

Internal Service Funds:

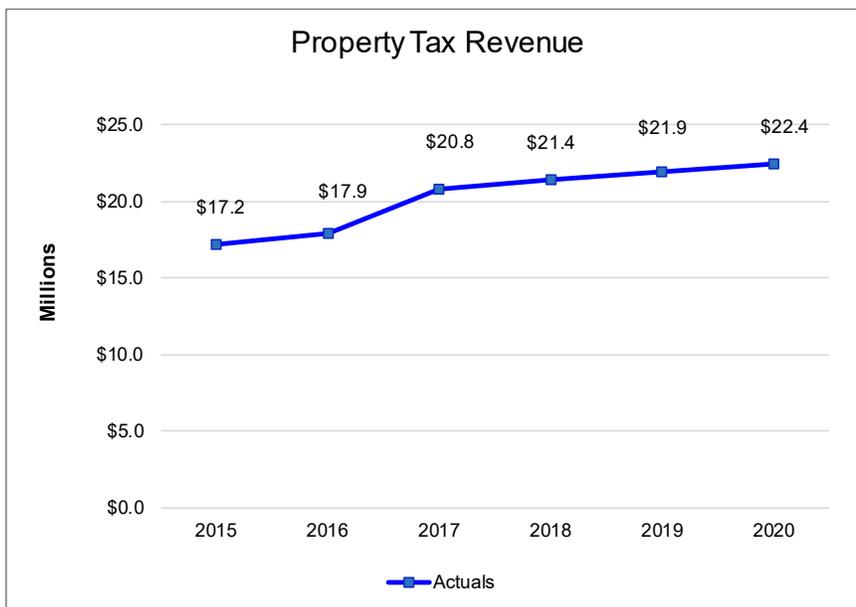
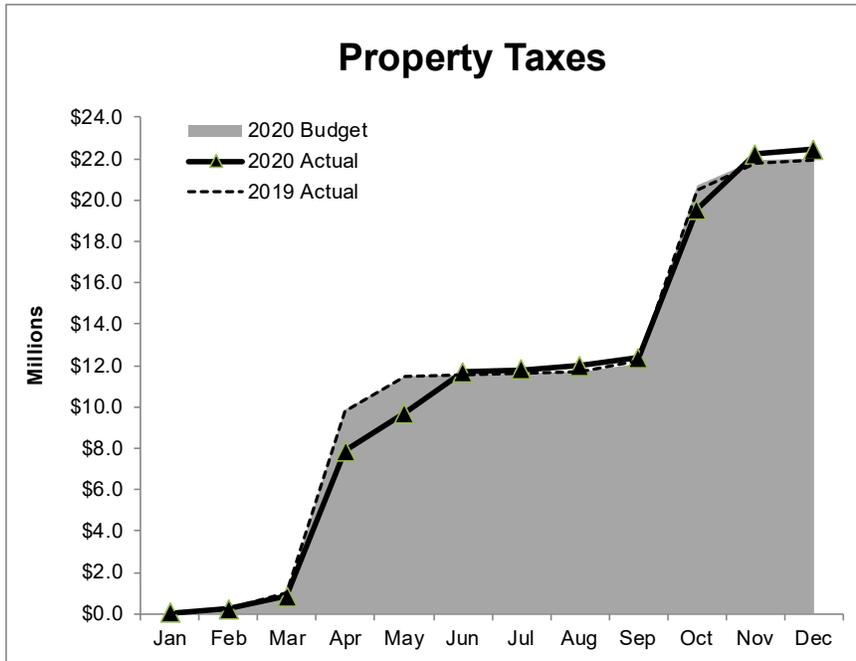
Internal service funds provide services to other City departments and include functions such as Insurance, Worker's Compensation, Facilities, Innovation & Technology, and Equipment Rental. No significant variances were reported in these funds in 2020. **[page 33]**

General Fund

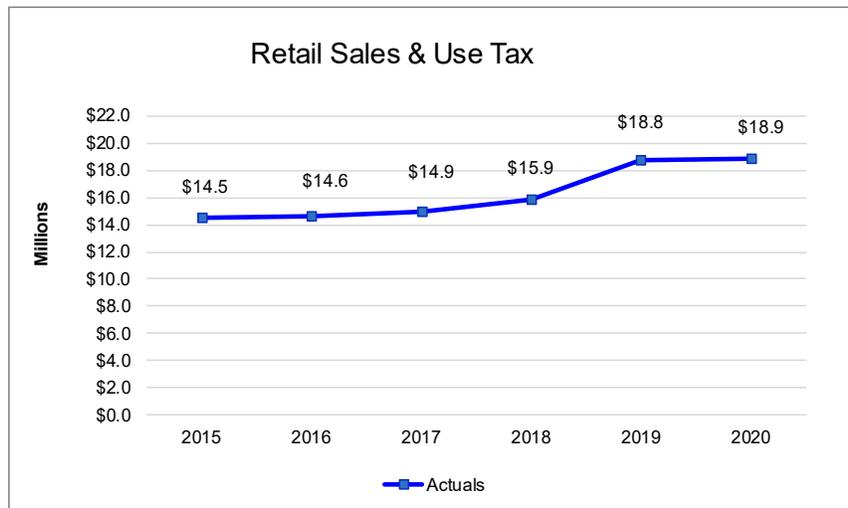
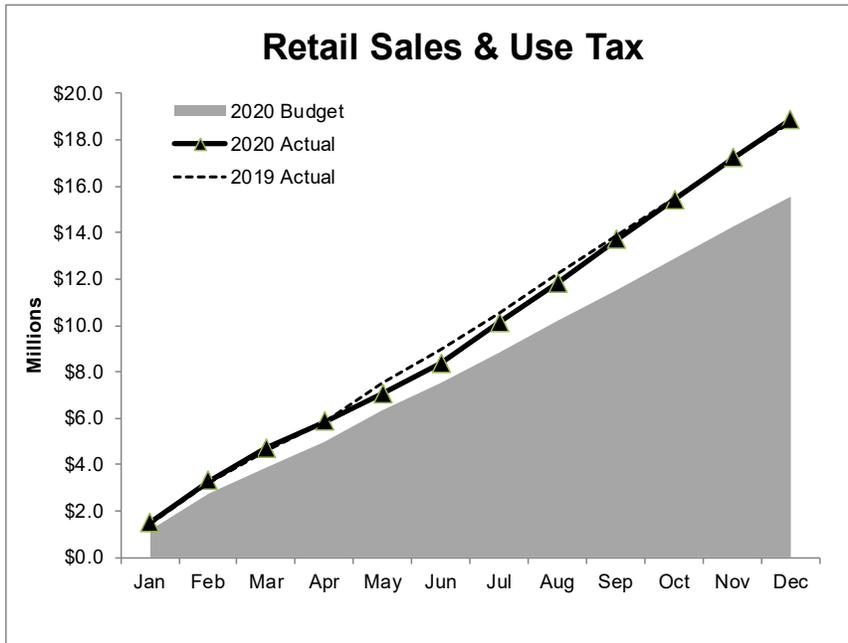
Revenues

The combined total of property, sales/use, utility, gambling, and admissions taxes provides over 70% of all resources supporting general governmental activities. The following section provides additional information on these sources.

Property Tax collections in 2020 totaled \$22.4 million and compare to a budget of \$22.0 million. As depicted in the graphic below, the majority of property taxes are collected during the months of April and October, coinciding with the due dates for the County property tax billings. The COVID-19 pandemic had minimal, if any, impact to property tax revenues.



Retail Sales Tax collections in 2020 reflect taxes remitted to the City of Auburn based on sales from November 2019 through October 2020, including several months where non-essential business were closed as part of the “Stay Home, Stay Healthy” order and some businesses occupancy was restricted to 25% or 50%. As a result, sales tax revenues in many categories were lower than sales taxes collected during the same period in 2019. Conversely, sales tax revenues collected in the construction category increased in 2020 by \$876,000 compared to 2019 due primarily to the construction of two elementary schools, Legacy Plaza, the Bridge Point Warehouse, and several single-family homes. In a 2020 budget amendment, the budget for retail sales tax revenues was reduced by \$3.3 million to reflect revised expectations but actual impacts were less than anticipated. Overall, 2020 retail sales taxes collected totaled \$18.9 million and were \$90,000 higher than collections in 2019, exceeding budget expectations by \$3.3 million.



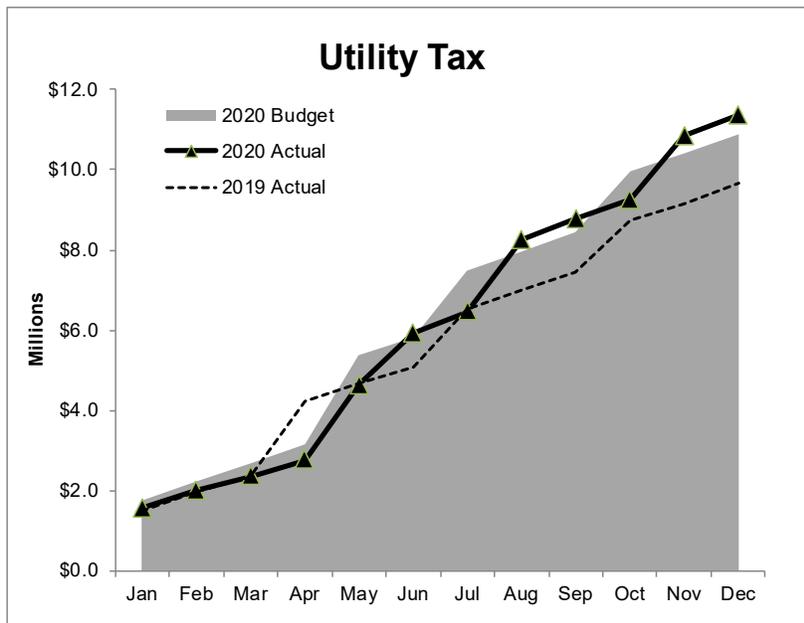
Note: The increase in sales tax revenue from 2018 to 2019 was primarily due to a policy change whereby sales tax on construction revenue stays in the General Fund starting in 2019. Of the year-over-year increase in sales tax revenue depicted in the graphic above from 2018 to 2019, \$2.2 million of the \$2.9 million increase was due to this policy change.

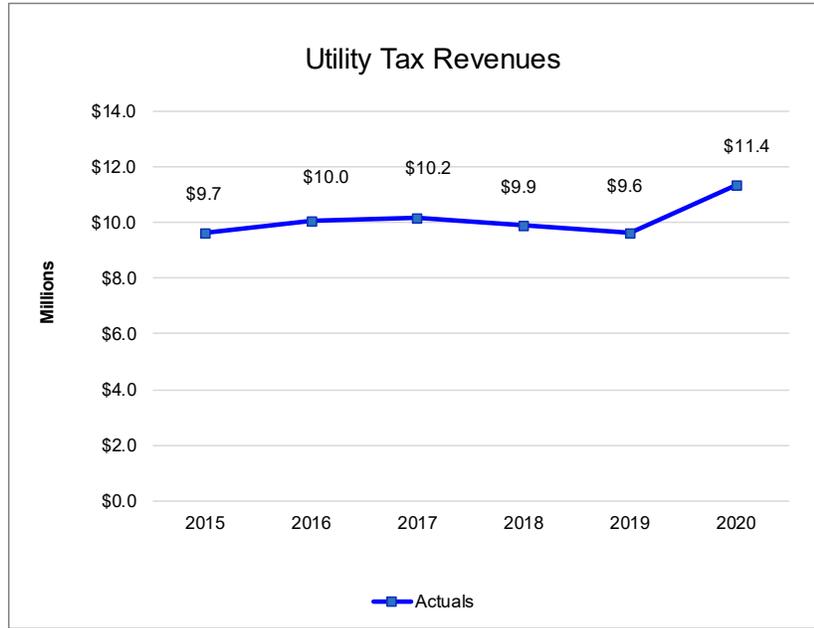
The following table breaks out the City’s retail sales taxes by major business sector.

Comparison of Retail Sales Tax Collections by Group				
Through December				
Component Group	2019 Actual	2020 Actual	Change from 2019	
			Amount	Percentage
Construction	\$ 2,192,555	\$ 3,068,164	\$ 875,610	39.9 %
Manufacturing	820,898	389,637	\$ (431,261)	(52.5) %
Transportation & Warehousing	88,710	197,189	\$ 108,479	122.3 %
Wholesale Trade	1,496,015	1,346,271	\$ (149,743)	(10.0) %
Automotive	4,069,263	3,826,981	\$ (242,282)	(6.0) %
Retail Trade	5,436,454	5,499,535	\$ 63,081	1.2 %
Services	4,445,147	4,220,223	\$ (224,924)	(5.1) %
Miscellaneous	264,505	307,887	\$ 43,382	16.4 %
YE Total	\$ 18,813,547	\$ 18,855,888	\$ 42,341	0.2 %

Citywide retail sales tax revenue collected in 2020 were \$42,000, or 0.2%, more than revenues collected in 2019. While most business sectors generated less revenue, the construction category collected significantly more revenue in 2020 than the year prior.

Utility Taxes consist of interfund taxes on City utilities (Water, Sewer, Storm and Solid Waste) and taxes on external utilities (Electric, Natural Gas, Telephone and Solid Waste). Due to the fiscal impact of the COVID-19 pandemic, the City of Auburn implemented a temporary policy change regarding how these utility tax revenues were recorded. Historically, these revenues have been split between the General Fund and the Arterial Street Preservation Fund. Effective in 2020 only and retroactive to January, the City retained 100% of the utility tax revenues in the General Fund. This policy change resulted in an additional \$2.0 million in revenues in the General Fund in 2020 to fund ongoing operations.

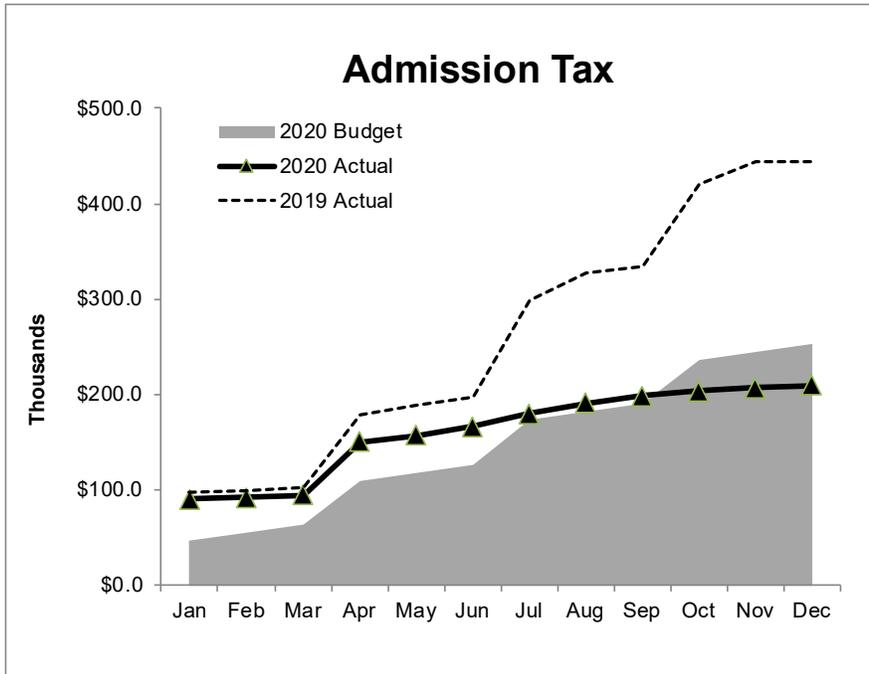




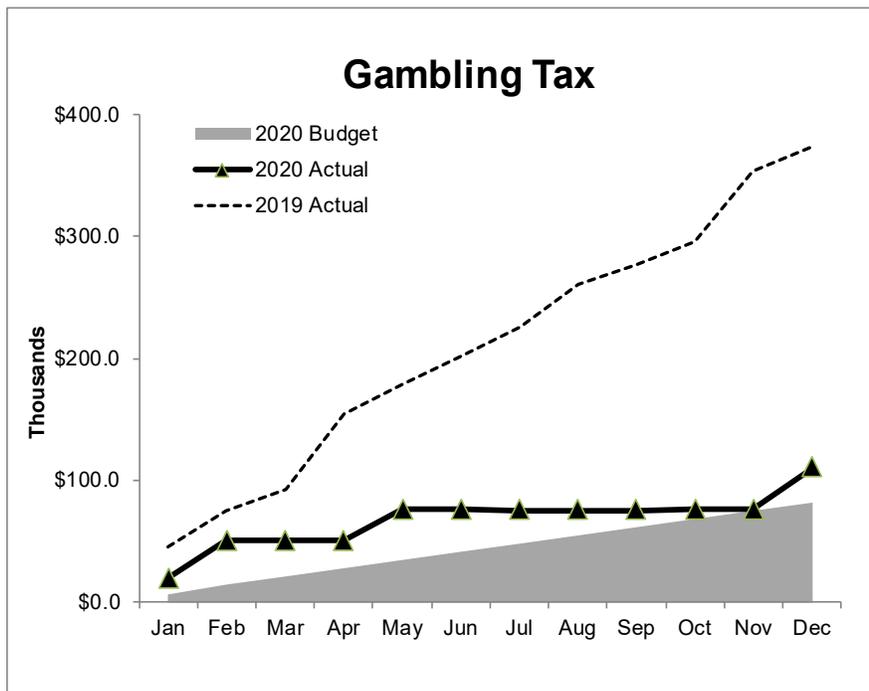
The table below demonstrates the various utility tax revenues and show actuals compared to budget.

Utility Tax by Type Through December 2020							
Utility Tax Type	2019 YE Actual	2020 YE Budget	2020 YE Actual	2020 vs. 2019 Actual		2020 vs. Budget	
				Amount	Percentage	Amount	Percentage
City Interfund Utility Taxes	\$ 4,103,107	\$ 4,521,700	\$ 4,540,292	\$ 437,185	10.7 %	\$ 18,592	0.4 %
Electric	3,535,407	4,024,400	4,206,456	671,049	19.0 %	182,056	4.5 %
Natural Gas	927,187	1,201,900	1,254,700	327,513	35.3 %	52,800	4.4 %
Telephone	935,324	981,900	1,122,804	187,480	20.0 %	140,904	14.4 %
Solid Waste (external)	148,706	154,600	231,046	82,340	55.4 %	76,446	49.4 %
YE Total	\$ 9,649,730	\$ 10,884,500	\$ 11,355,297	\$ 1,705,567	17.7 %	\$ 470,797	4.3 %

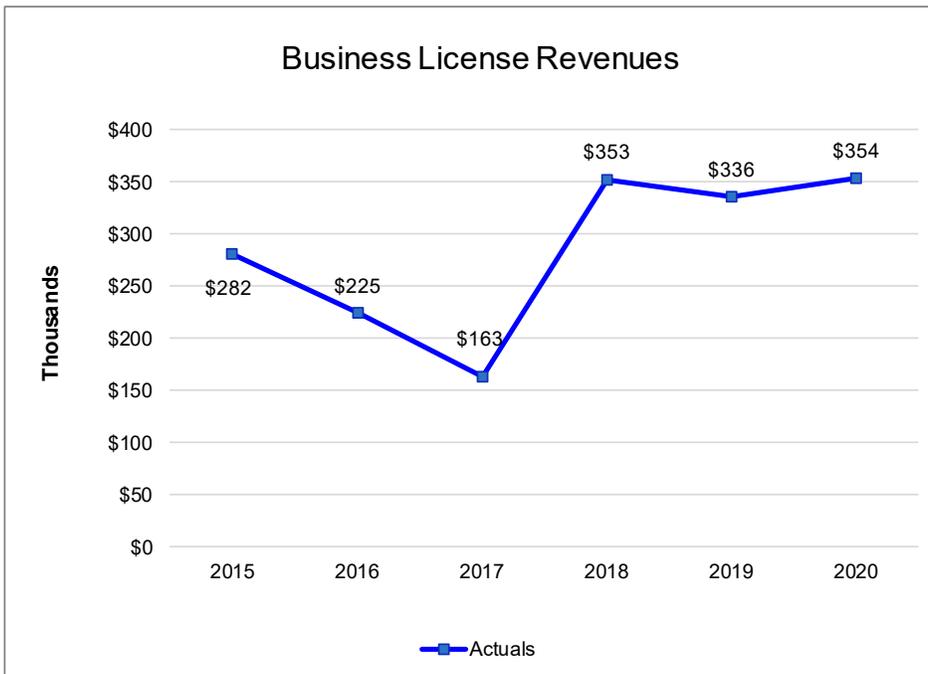
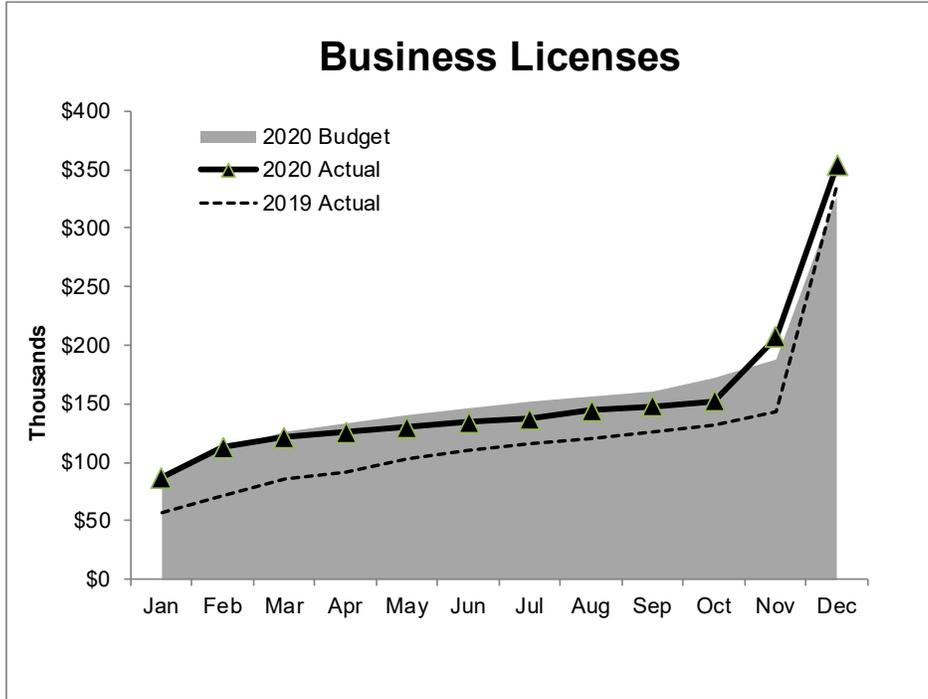
An **Admission Tax** of 5.0% is placed on charges for general admission, season tickets, cover charges, etc. Admission tax revenues collected in 2020 totaled \$209,000 and compare to \$445,000 collected last year. While there are only a handful of businesses that qualify to remit these taxes to the City, 75% of the tax revenue in this category is typically generated from Auburn Regal Theater located at the Outlet Collection mall. Due to the Governor’s orders relating to COVID-19, all of these revenues ceased from April through December and will be limited for some period in 2021. Beyond the initial shutdown in March, the Governor allowed golf courses to reopen within certain limitations and the Auburn Golf Course reopened in early May. Revenues in this category collected beginning in May were almost exclusively from admissions tax collected from the golf course.



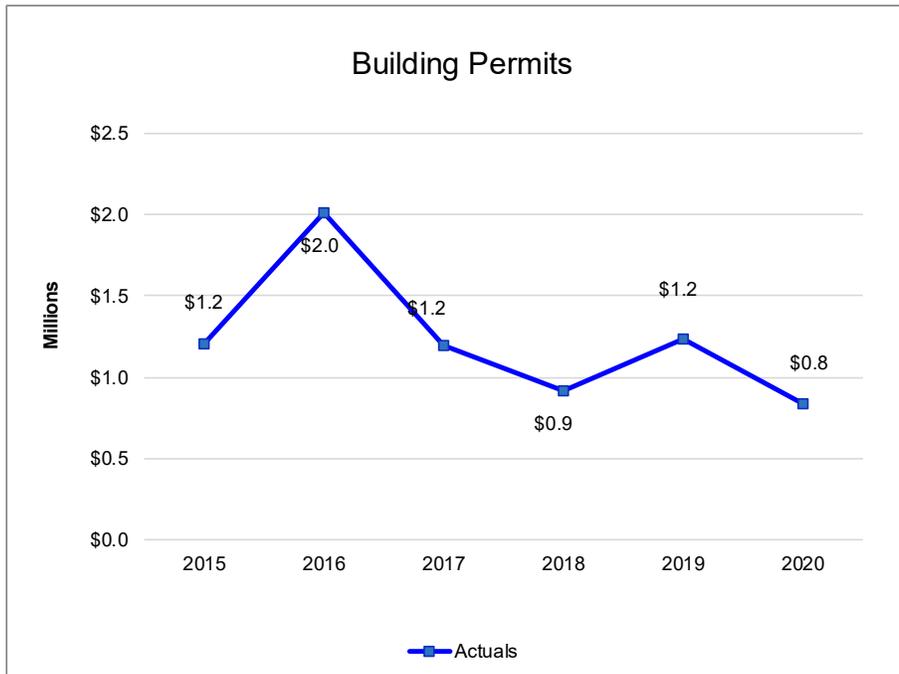
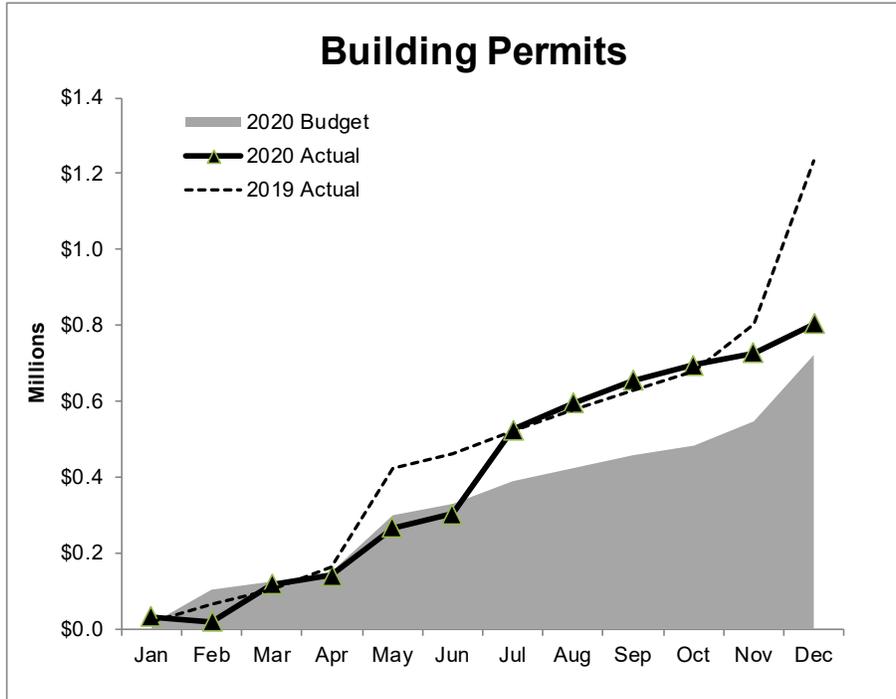
Gambling Tax applies to all card games, punch board games, pull tabs, bingo games, raffles and amusement games played within City limits. Due to the Governor’s orders relating to COVID-19, these entertainment style activities were mostly on hold during the year. Therefore, revenues generated from gambling taxes in 2020 were significantly lower than normal. As depicted in the graphic below, revenues collected in 2020 totaled \$110,000, which was \$264,000 less than collections in 2019.



The City charges an annual fee of \$100 for a Business License for each business that is located within the City. The City typically sends out the renewals for the following year around December of each year. Therefore, the majority of these revenues are collected in December for the following year or January in the current year. Business license revenues collected in 2020 totaled \$354,000 and were \$26,000, or 7.9%, favorable to budget.



Building Permit revenues collected in 2020 totaled \$836,000 and ended the year \$116,000, or 16.1%, favorable to budget, which had been reduced by \$350,000 to adjust for expected fiscal impacts related to COVID-19. While these revenues were affected by COVID-19 due to the fact that construction was temporarily halted, there were several large projects that contributed to the higher revenues collected. Some of these projects include the replacement of Pioneer Elementary School, Auburn Elementary School #16, and the Bridge Point Warehouse.



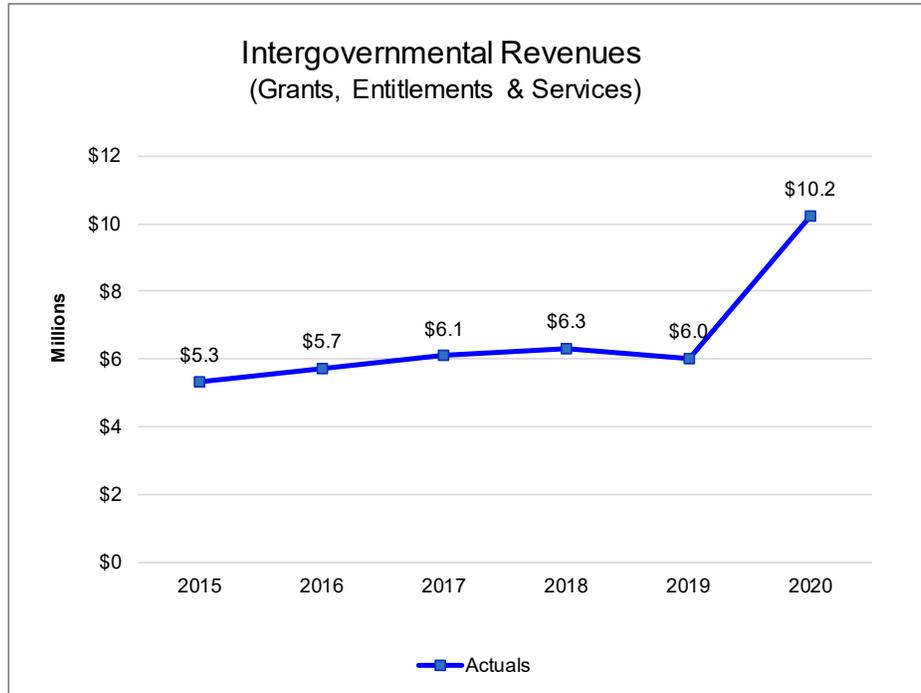
Intergovernmental revenues include grants (direct and indirect federal, state and local), revenue from the Muckleshoot Indian Tribe (MIT) compact as well as state shared revenues. Collections in 2020 totaled \$10.2 million and were \$950,000 above budget expectations. The majority of the favorable variance to budget was seen in the contributions from Muckleshoot Casino for services related to police calls for service, court related prosecutions, and street maintenance.

Total intergovernmental revenues collected in 2020 was \$4.2 million higher than collections in 2019. The primary contributor of the increase in year-over-year revenues was seen in the Federal grant revenues. Due to the COVID-19 pandemic, the City of Auburn received \$3.8 million in CARES Act (Coronavirus Aid, Relief, and Economic Security Act) funding which was used to meet expenditures for public safety dedicated to mitigating or responding to the COVID-19 public health emergency.

Due to COVID-19 and the “Stay Home, Stay Healthy” order, many people drastically reduced their driving patterns and therefore fuel consumption was low compared to historical usage. To mitigate the revenue loss, the City of Auburn implemented a policy change for 2020 (retroactive to January) where motor vehicle fuel tax revenues (MVFT) that had historically benefitted the Arterial Street Fund were retained in the General Fund. The policy change resulted in an additional \$464,000 in MVFT monies in the General Fund.

Streamlined Sales Tax (SST) revenue is a state shared revenue that was granted in 2008 as a way for cities to offset the negative fiscal impact of the Streamlined Sales and Use Tax Agreement, also known as ‘destination sourcing’. The City of Auburn expected to receive these monies through Q2-2021. In the state’s effort to close its revenue gap due to COVID-19, the state announced in April it was discontinuing any SST distributions after Q2-2020. This loss of revenue represented a loss of \$460,000 to the City of Auburn in 2020. The City of Auburn received the final remittance from the state in June 2020, which totaled \$250,000.

Intergovernmental Revenues (Grants, Entitlements & Services)							
Through December 2020							
Revenue	2019 YE Actual	2020 YE Budget	2020 YE Actual	2020 vs. 2019 Actual		2020 vs. Budget	
				Amount	% Change	Amount	% Change
Federal Grants	\$ 315,319	\$ 4,184,910	\$ 4,098,926	\$ 3,783,607	1199.9 %	\$ (85,984)	(2.1) %
State Grants	216,442	230,000	155,813	(60,629)	(28.0) %	(74,187)	(32.3) %
Interlocal Grants	130,972	498,800	468,349	337,377	0.0 %	(30,451)	(6.1) %
Muckleshoot Casino Services	1,228,007	845,200	1,721,249	493,243	40.2 %	876,049	103.6 %
State Shared Revenues:							
Streamlined Sales Tax	1,279,860	490,000	494,830	(785,031)	(61.3) %	4,830	1.0 %
Motor Vehicle Fuel Tax	1,162,578	1,417,400	1,498,329	335,750	28.9 %	80,929	5.7 %
Criminal Justice - High Crime	224,094	200,000	228,428	4,334	1.9 %	28,428	14.2 %
Criminal Justice - Population	24,165	22,800	25,601	1,436	5.9 %	2,801	12.3 %
Criminal Justice - Special Prog.	86,942	84,000	91,623	4,682	5.4 %	7,623	9.1 %
Marijuana Excise Tax	180,727	135,000	172,010	(8,717)	(4.8) %	37,010	27.4 %
State DUI	11,233	11,600	11,878	645	5.7 %	278	2.4 %
Fire Insurance Tax	80,386	78,900	85,819	5,433	6.8 %	6,919	8.8 %
Liquor Excise	440,761	410,060	515,087	74,326	16.9 %	105,027	25.6 %
Liquor Profit	657,153	665,500	655,964	(1,189)	(0.2) %	(9,536)	(1.4) %
Total State Shared:	4,147,900	3,515,260	3,779,568	(368,332)	(8.9) %	264,308	7.5 %
YE Total	\$ 6,038,639	\$ 9,274,170	\$ 10,223,904	\$ 4,185,265	69.3 %	\$ 949,734	10.2 %



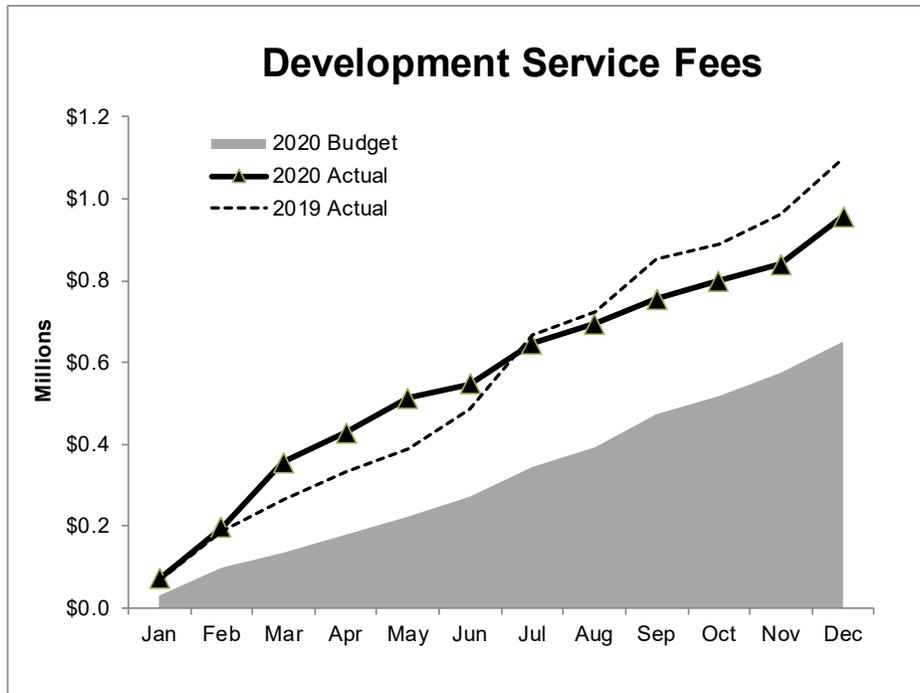
Charges for Services consist of general governmental service charges, public safety charges, development service fees, and culture and recreation fees. Total charges for services collected in 2020 totaled \$6.7 million and were \$874,000, or 11.6%, less than revenues collected in 2019.

Charges for Services by Type Through December 2020							
Revenue	2019 YE Actual	2020 YE Budget	2020 YE Actual	2020 vs. 2019 Actual		2020 vs. Budget	
				Amount	Percentage	Amount	Percentage
General Government	\$ 2,636,527	\$ 2,823,620	\$ 2,971,348	\$ 334,822	12.7 %	\$ 147,728	5.2 %
Public Safety	1,213,112	964,000	1,109,581	(103,531)	(8.5) %	145,581	15.1 %
Development Services	1,098,969	650,000	955,824	(143,145)	(13.0) %	305,824	47.0 %
Culture & Recreation	2,600,103	1,512,380	1,638,185	(961,917)	(37.0) %	125,805	8.3 %
YE Total	\$ 7,548,710	\$ 5,950,000	\$ 6,674,939	\$ (873,772)	(11.6) %	\$ 724,939	12.2 %

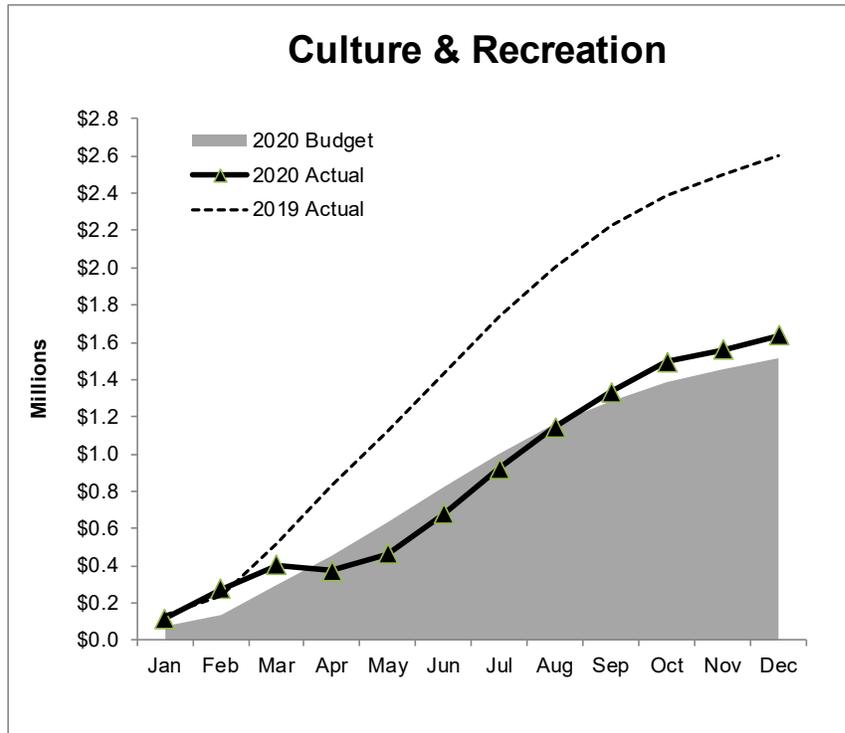
The General Government revenue category primarily includes the interfund assessment for the salary and benefit costs for support departments (Finance, Human Resources and the Legal Department). Salary and benefit costs for these support departments are charged to the respective General Fund home department and the offsetting revenues for that support personnel is recouped from other funds into the General Fund.

Public safety revenues mostly consist of revenues for law enforcement services. Law enforcement services include revenues received for extra duty security services, whereby police officers are contracted for and reimbursement is made by the hiring agency. This category also includes reimbursements from the Muckleshoot Indian Tribe (MIT) for a full-time dedicated police officer and associated expenditures as well as monies collected from the Auburn School District and the Criminal Justice Training Commission (CJTC) for services rendered. Law enforcement service revenues collected in 2020 totaled \$1.1 million and were \$179,000, or 19.8%, favorable to budget expectations. Revenues collected in 2020 were lower than collections in 2019 as some businesses who utilize these services did not require security services due to business closures.

Development services fee collections consist primarily of plan check fees, facility extension charges, and zoning and subdivision fees. In 2020, development service fees totaled \$956,000, and were \$306,000 favorable to budget expectations. The favorable variance to budget was seen primarily in facility extension charges, which generated \$468,000 in revenue in 2020. Part of this favorable variance was due to a sizable change in the fee schedule for this service. Plan check revenues collected in 2020 totaled \$375,000 and were approximately \$245,000 less than amounts collected in 2019. Plan check revenues included numerous commercial and residential projects including Auburn Elementary School #16, the replacement of Pioneer Elementary School, Legacy Plaza, projects at Boeing, and the Copper Gate Apartments as well as single family residential projects such as the Forest Glen and Pulte Homes developments.

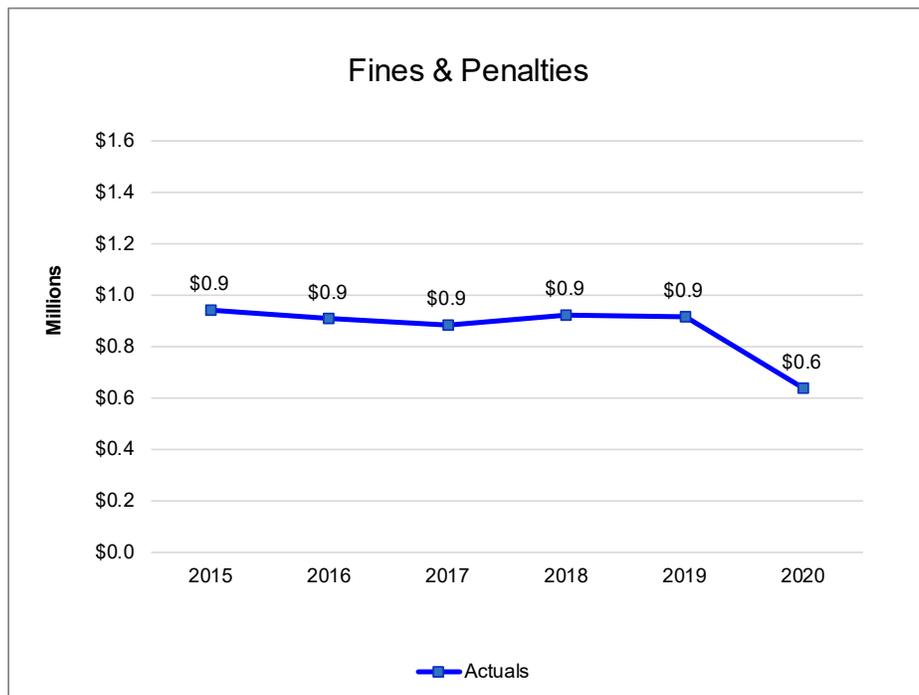
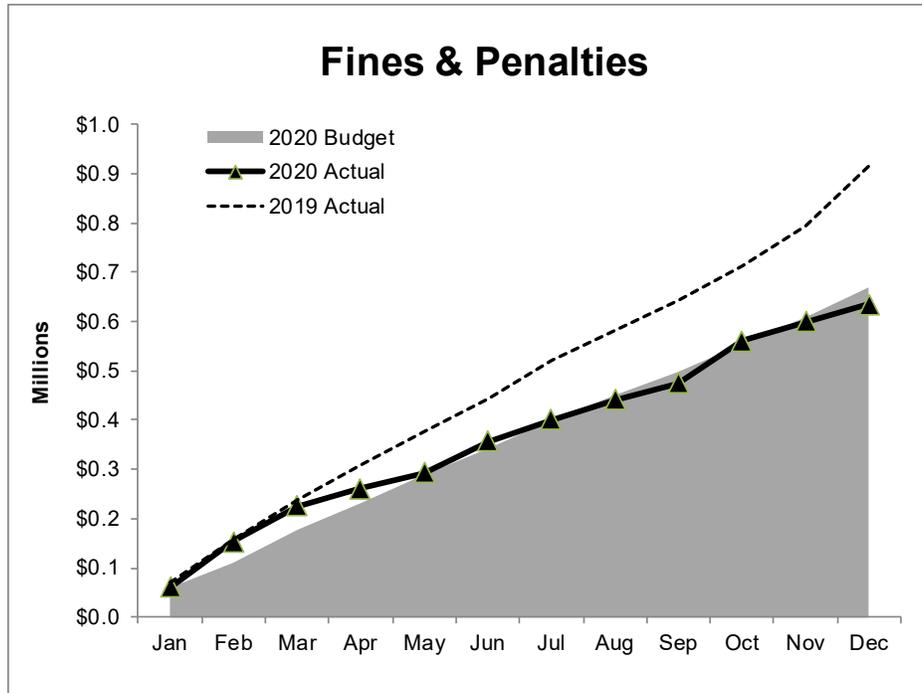


The majority of culture and recreation revenues are derived from greens fees and pro shop sales at the Auburn Golf Course, recreational classes, ticket sales at the Auburn Avenue Theater, senior programs and special events. Due to COVID-19, all of these activities were suspended in March. Effective May 2020, the Auburn Golf Course reopened with restrictions but there were numerous other culture and recreation activities that continued to be suspended or were significantly modified through the end of 2020. Therefore, culture and recreation revenues collected in 2020 totaled \$1.6 million as compared to \$2.6 million collected last year, which represents a 37.0% reduction in revenues.



Fines & Penalties include civil penalties (such as code compliance fines), parking and traffic infraction penalties, criminal fines (including criminal traffic, criminal non-traffic and other criminal offenses) as well as non-court fines such as false alarm fines. Total revenues collected in 2020 totaled \$635,000 compared to a budget of \$669,000 and were 5.0% below budget expectations.

Fines & Penalties by Type Through December 2020							
Month	2019 YE Actual	2020 YE Budget	2020 YE Actual	2020 vs. 2019 Actual		2020 vs. Budget	
				Amount	Percentage	Amount	Percentage
Civil Penalties	\$ 93,531	\$ 15,000	\$ 22,436	\$ (71,095)	(76.0) %	\$ 7,436	49.6 %
Civil Infraction Penalties	426,138	349,900	270,885	(155,252)	(36.4) %	(79,015)	(22.6) %
Redflex Photo Enforcement	3,296	0	1,411	(1,885)	(57.2) %	1,411	N/A %
Parking Infractions	126,452	69,800	69,073	(57,379)	(45.4) %	(727)	(1.0) %
Criminal Traffic Misdemeanor	36,927	57,400	26,197	(10,730)	(29.1) %	(31,203)	(54.4) %
Criminal Non-Traffic Fines	58,052	43,600	23,752	(34,300)	(59.1) %	(19,848)	(45.5) %
Criminal Costs	17,944	46,900	19,547	1,602	8.9 %	(27,353)	(58.3) %
Non-Court Fines & Penalties	151,900	85,900	201,907	50,007	32.9 %	116,007	135.0 %
YE Total	\$ 914,240	\$ 668,500	\$ 635,209	\$ (279,031)	(30.5) %	\$ (33,291)	(5.0) %

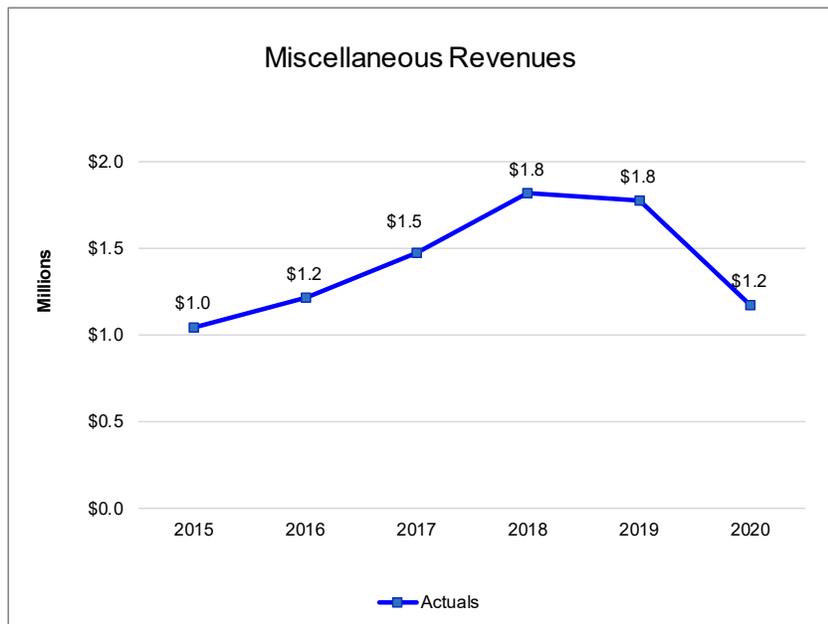


Miscellaneous Revenues consist of investment earnings, income from facility rentals, revenue collected on golf cart rentals at the Auburn Golf Course, contributions and donations, and other income including the quarterly purchasing card (P-card) rebate monies.

Miscellaneous Revenues by Type Through December 2020							
Month	2019 YE Actual	2020 YE Budget	2020 YE Actual	2020 vs. 2019		2020 vs. Budget	
				Amount	Percentage	Amount	Percentage
Interest & Investments	\$ 406,802	\$ 700,700	\$ 506,385	\$ 99,584	24.5 %	\$ (194,315)	(27.7) %
Rents & Leases	938,457	517,600	432,432	(506,025)	(53.9) %	(85,168)	(16.5) %
Contributions & Donations	41,321	46,200	30,945	(10,376)	(25.1) %	(15,255)	(33.0) %
Other Miscellaneous Revenue	386,132	230,800	200,414	(185,718)	(48.1) %	(30,386)	(13.2) %
YE Total	\$ 1,772,712	\$ 1,495,300	\$ 1,170,176	\$ (602,535)	(34.0) %	\$ (325,124)	(21.7) %

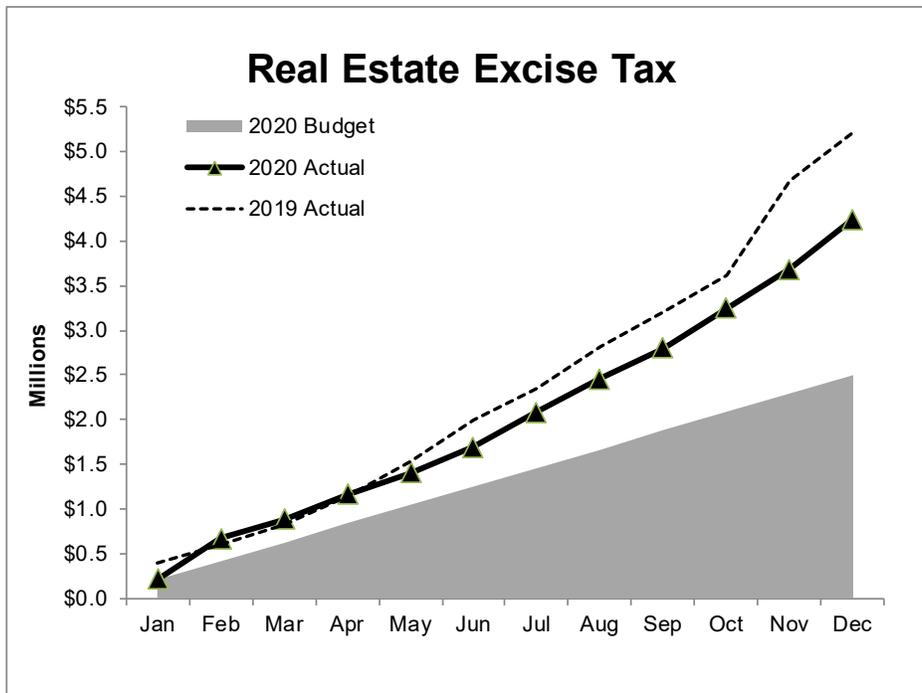
Revenues collected in 2020 in this category totaled \$1.2 million and were under budget expectations by \$325,000, or 21.7%. The majority of the unfavorable variance to budget was in the interest and investments category. As noted earlier, the City implemented a temporary policy change in 2020 where the majority of interest earnings for most funds were diverted to the General Fund (retroactive to April 2020). The incremental revenue to the General Fund as a result of this policy change was an additional \$263,000 in revenue. While the budget was increased to reflect this policy change, there was an unfavorable variance to budget primarily due to the drastic decline in the State Investment Pool Interest rate, which started out at the beginning of 2020 at 1.7%, but which declined each month and was as low as 0.16% in December.

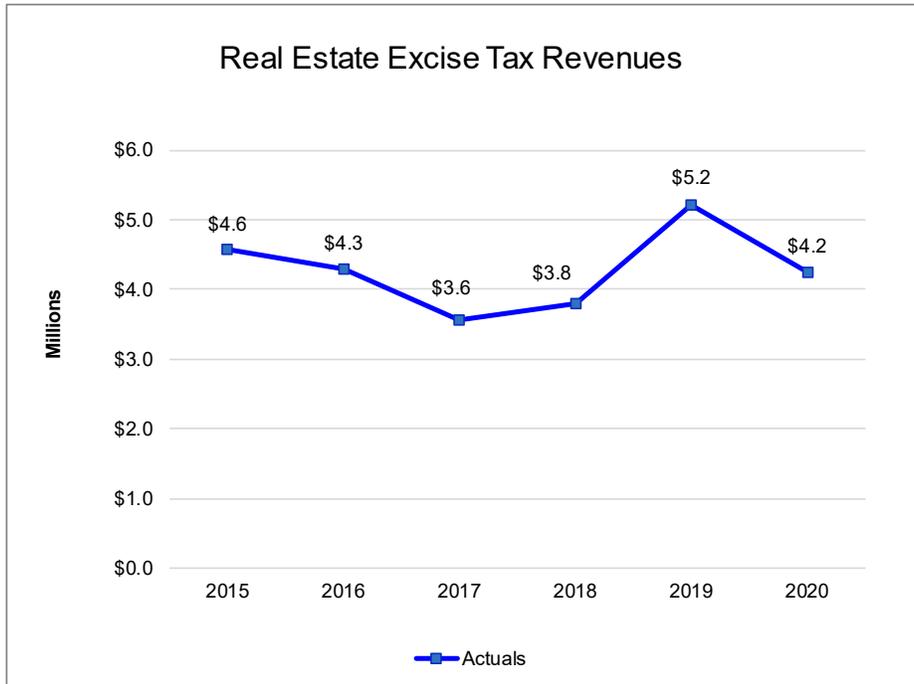
The rents and leases revenue category is primarily rental revenue generated from campsites and park shelters, rentals of the athletic fields, and rentals of meeting and event rooms as well as golf cart rentals, parking spot rentals, and lease rental revenue from the restaurant located at the Golf Course. Due to COVID-19, facility rental revenue abruptly halted in March as all of the facilities closed. While some rental activity since resumed, there continued to be significant restrictions on rentals for the year. Rent and lease revenue collected in 2020 was \$506,000, or 53.9%, less than was collected in 2019.



Real Estate Excise Tax (REET) revenue is received into the Capital Improvement Projects Fund and is used for governmental capital projects. REET revenue represents taxes on the sale of both commercial properties and single-family residences. REET revenues collected in 2020 totaled \$4.2 million, exceeding budget expectations by \$1.7 million. Sales activity in 2020 included the sale of several warehouses, several office complexes, as well as numerous retail businesses, multi-family complexes, single family homes, and several parcels of vacant land.

Real Estate Excise Tax Revenues							
December 2020							
Month	2019 Actual	2020 Budget	2020 Actual	2020 vs. 2019		2020 vs. Budget	
				Amount	Percentage	Amount	Percentage
Jan	\$ 387,084	\$ 208,500	\$ 214,936	\$ (172,147)	(44.5) %	\$ 6,436	3.1 %
Feb	208,857	208,500	455,986	247,129	118.3 %	247,486	118.7 %
Mar	232,233	208,500	214,029	(18,204)	(7.8) %	5,529	2.7 %
Apr	318,475	208,500	273,949	(44,526)	(14.0) %	65,449	31.4 %
May	375,246	208,500	245,815	(129,431)	(34.5) %	37,315	17.9 %
Jun	481,934	208,500	288,495	(193,440)	(40.1) %	79,995	38.4 %
Jul	352,378	208,500	392,753	40,375	11.5 %	184,253	88.4 %
Aug	452,068	208,500	368,252	(83,815)	(18.5) %	159,752	76.6 %
Sep	400,173	208,500	346,819	(53,354)	(13.3) %	138,319	66.3 %
Oct	414,124	208,500	444,623	30,500	7.4 %	236,123	113.2 %
Nov	1,046,103	208,500	439,428	(606,675)	(58.0) %	230,928	110.8 %
Dec	553,301	208,900	554,308	1,007	0.2 %	345,408	165.3 %
YE Total	\$ 5,221,975	\$ 2,502,400	\$ 4,239,394	\$ (982,581)	(18.8) %	\$ 1,736,994	69.4 %





Street Funds

This section provides a financial overview of the City’s three street funds for the period ending December 31, 2020. The City’s three street funds include the Arterial Street Fund (Fund 102), the Local Street Fund (Fund 103), and the Arterial Street Preservation Fund (Fund 105).

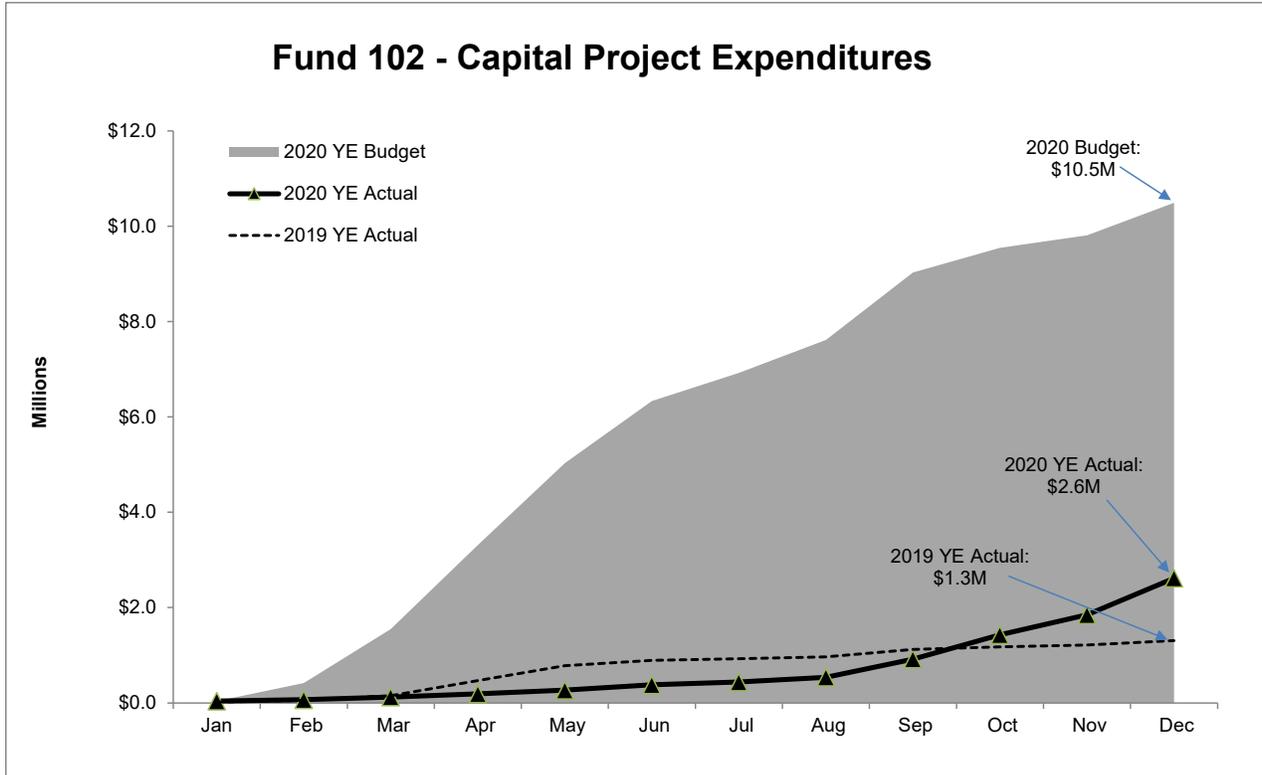
Fund 102 – Arterial Street Fund

The Arterial Street Fund is a special revenue fund that is funded by transportation grants, traffic impact fees, a portion of the City’s gas tax receipts, Public Works Trust Fund loans, developer contributions, and other sources. As of December 31, 2020 there were 25 separate street projects budgeted in this fund.

In 2020, revenues collected totaled \$2.6 million as compared to collections of \$1.9 million in 2019. Total expenditures in 2020 were \$3.1 million as compared to \$2.0 million expended in 2019. Variances in revenues and expenditures are largely due to the timing of capital expenditures and any subsequent reimbursement via grants and/or operating transfers. Expenditure timing is generally determined by the current phase of each individual capital project; expenditures tend to increase as projects move from design phase into construction.

Fund 102 - Arterial Street Summary of Sources and Uses Report Period: December 2020	2020			2019	2020 YE Budget vs. Actual	
	2020 Budget	2020 YE Budget	2020 YE Actual	2019 YE Actual	Favorable (Unfavorable)	
					Amount	Percentage
Revenues						
Federal Grants	\$ 5,535,770	\$ 5,535,770	\$ 292,049	\$ 589,081	\$ (5,243,721)	(94.7) %
State And Local Grants	730,000	730,000	30,020	-	(699,980)	(95.9) %
Motor Vehicle Fuel and Multimodal Taxes	197,000	197,000	111,399	641,601	(85,601)	(43.5) %
Developer Contributions	-	-	-	-	-	
Miscellaneous Revenue	-	-	194,065	-	194,065	
Other Governmental Agencies	-	280,000	-	-	(280,000)	(100.0) %
Operating Transfer In	3,370,194	3,370,194	1,953,492	609,065	(1,416,702)	(42.0) %
Investment Income	11,600	11,600	7,660	42,766	(3,940)	(34.0) %
Total Revenues	\$ 9,844,564	\$ 10,124,564	\$ 2,588,685	\$ 1,882,513	\$ (7,535,879)	(74.4) %
Expenditures						
Salary and Benefits	\$ 397,000	\$ 397,000	\$ 531,846	\$ 314,620	\$ (134,846)	(34.0) %
Capital Outlay	10,096,046	10,096,046	2,083,399	991,035	8,012,647	79.4 %
Subtotal - Capital Project Expenditures	10,493,046	10,493,046	2,615,245	1,305,655	7,877,801	75.1 %
Services and Charges	400,000	400,000	173,854	286,713	226,146	56.5 %
Interfund Payments for Services	80,100	80,100	80,100	78,100	-	0.0 %
Debt Service Principal and Interest	207,600	207,600	207,428	208,122	172	0.1 %
Operating Transfer Out	-	-	-	143,196	-	
Total Expenditures	\$ 11,180,746	\$ 11,180,746	\$ 3,076,626	\$ 2,021,785	\$ 8,104,120	72.5 %
Net Change in Fund Balance	\$ (1,336,182)	\$ (1,056,182)	\$ (487,941)	\$ (139,273)	\$ 568,241	53.8 %

Beg. Fund Balance, January 2020	\$ 1,970,223
Net Change in Fund Balance, December 2020	(487,941)
Ending Fund Balance, December 2020	\$ 1,482,282
2020 Budgeted Ending Fund Balance	\$ 634,041



The table below presents the status of the projects with the most significant budget impact on the fund. Many capital projects are budgeted over multiple years; what is displayed below is the 2020 portion of each project’s budget and year-to-date expenditures.

Fund 102 - Arterial Street			
Capital Projects Status *			
Name	2020 Budget	YTD Actual	Remaining
F Street SE Non-Motorized Improvements	\$2.9M	\$1.3M	\$1.6M
AWS Improvements - Hemlock St SE to Poplar St SE	\$2.2M	\$0.1M	\$2.1M
Lea Hill Safe Routes to Schools	\$1.4M	\$0.0M	\$1.4M
All Other Projects (22 Others Budgeted)	\$3.9M	\$1.1M	\$2.8M
Total	\$10.5M	\$2.6M	\$7.9M

*Components may not sum to total due to rounding.

Note: The Lea Hill Safe Routes to Schools project was originally programmed assuming grant funding that has not yet been received in the competitive process.

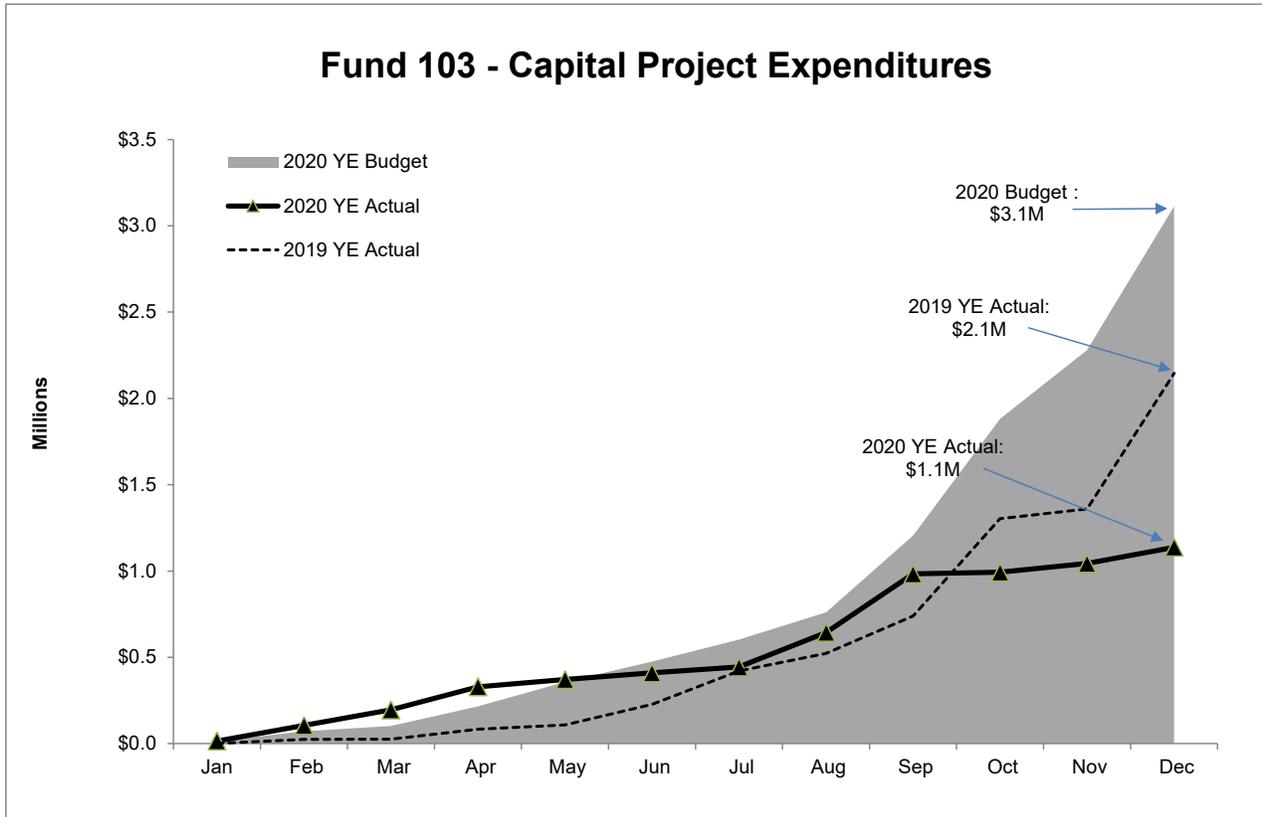
Fund 103 – Local Street Fund

The Local Street Fund is a special revenue fund used for local street preservation. Effective January 1, 2019 through 2020 this fund is funded at a specific annual amount by real estate excise tax (REET 2) whereas, previously, the funding source was sales tax on construction. Expenditures in 2020 were \$1.9 million and compare to expenditures of \$2.0 million in 2019. Highlighted in the table below and shown in the following graph are the fund’s total expenditures related to capital projects.

Fund 103 - Local Street Fund Summary of Sources and Uses Report Period: December 2020	2020			2019	2020 YE Budget vs. Actual	
	2020 Budget	2020 YE Budget	2020 YE Actual	2019 YE Actual	Favorable (Unfavorable) Amount	Percentage
Revenues						
Sales Tax on Construction	\$ -	\$ -	\$ -	\$ -	\$ -	
Operating Transfer In	1,900,000	1,900,000	\$ 1,900,000	1,900,000	-	0.0 %
Interest Earnings	-	-	\$ 10,301	71,732	10,301	
Total Revenues	\$ 1,900,000	\$ 1,900,000	\$ 1,910,301	\$ 1,971,732	\$ 10,301	0.5 %
Expenditures						
Capital Salary and Benefits	162,391	162,391	120,657	99,810	41,734	25.7 %
Capital Services and Charges						
Capital Outlay	2,950,143	2,950,143	1,016,935	2,046,645	1,933,208	65.5 %
Subtotal - Capital Project Expenditures	3,112,534	3,112,534	1,137,592	2,146,456	1,974,942	63.5 %
Admin Salary and Benefits	-	-	19,745	18,438	\$ (19,745)	
Admin Services and Charges	700	700	361	22,787	339	48.5 %
Interfund Payments for Services	15,600	15,600	15,600	15,200	-	0.0 %
Operating Transfer Out	-	-	-	-	-	
Total Expenditures	\$ 3,128,834	\$ 3,128,834	\$ 1,173,297	\$ 2,202,880	\$ 1,955,537	62.5 %

Net Change in Fund Balance	\$ (1,228,834)	\$ (1,228,834)	\$ 737,004	\$ (231,148)	\$ 1,965,838	160.0 %
-----------------------------------	-----------------------	-----------------------	-------------------	---------------------	---------------------	----------------

Beg. Fund Balance, January 2020	\$ 2,550,612
Net Change in Fund Balance, December 2020	737,004
Ending Fund Balance, December 2020	\$ 3,287,616
2020 Budgeted Ending Fund Balance	\$ 1,321,778



The table below presents the status of the projects with the most significant budget impact on the fund. Many capital projects are budgeted over multiple years; what is displayed below is the 2020 portion of each project’s budget and year-to-date expenditures.

Fund 103 - Local Street			
Capital Projects Status*			
Name	2020 Budget	YTD Actual	Remaining
2021 Local Street Preservation	\$1.7M	\$0.1M	\$1.5M
2020 Local Street Reconstruction	\$0.8M	\$0.7M	\$0.0M
2019 Local Street Reconstruction	\$0.7M	\$0.3M	\$0.4M
All Other Projects (2 Others Budgeted)	\$0.0M	\$0.0M	\$0.0M
Total	\$3.1M	\$1.1M	\$2.0M

*Components may not sum to total due to rounding.

Fund 105 – Arterial Street Preservation Fund

The Arterial Street Preservation Fund is a special revenue fund that is primarily funded by a 1.0% utility tax that was adopted by Council in 2008; these utility tax revenues are restricted for arterial street repair and preservation projects. In 2020, due to COVID-19 impacts, the funding source will be transfers-in of REET 2 revenues and the 1.0% utility tax will be retained in the General Fund.

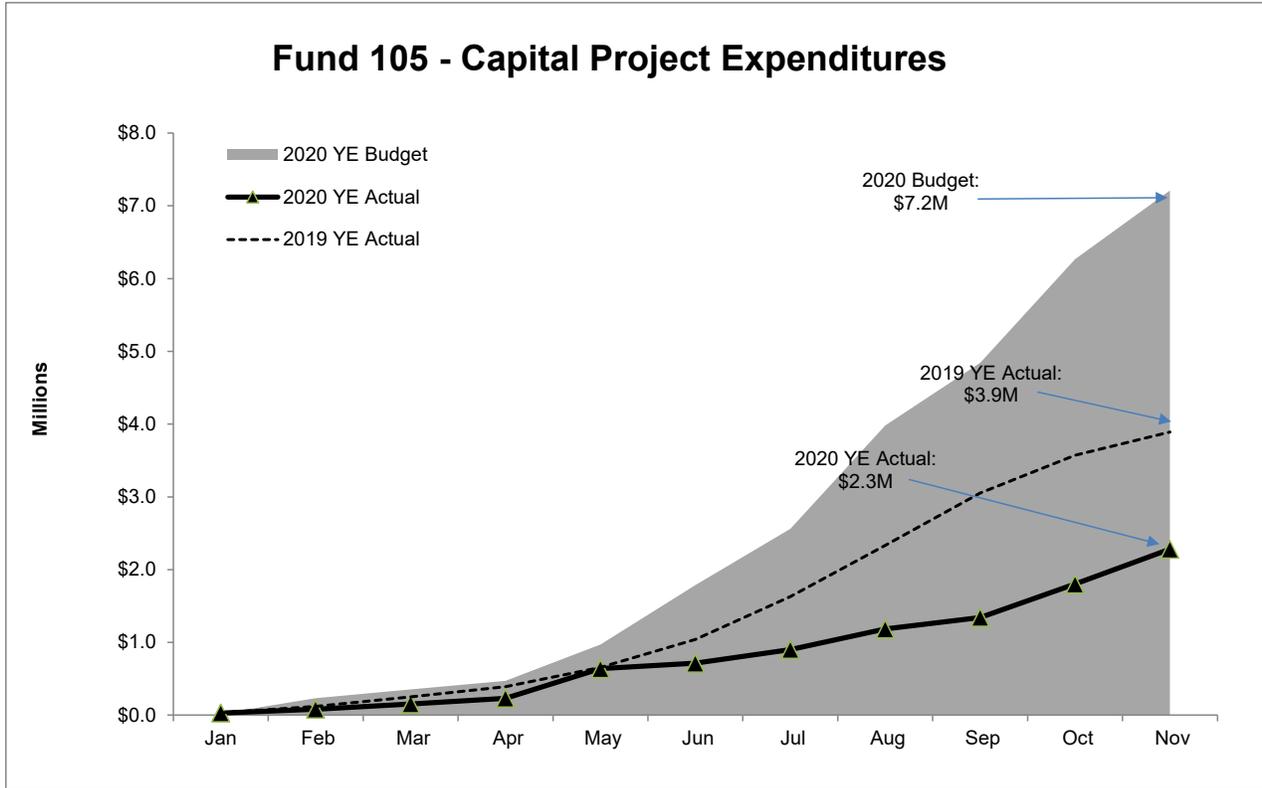
Major projects budgeted within the Arterial Street Preservation Fund in 2020 include Auburn Way North Preservation (Phase 2), Auburn Way North Preservation (Phase 3) and 2020 Arterial Street Preservation. In 2020 revenues totaled \$3.1 million, which is approximately \$511,000 lower than in 2019. This is primarily due to the change in funding source, and also the timing associated with construction projects and their subsequent cost reimbursements from grants and transfers-in.

Expenditures in 2020 were \$2.3 million as compared to \$3.9 million through in 2019. Historically, the majority of this fund’s expenditures occur in the second half of each year due to the weather sensitivity of pavement construction (this work needs to be done primarily in the summer and early fall). Highlighted in the table below and shown in the following graph are the fund’s total expenditures related to capital projects.

Fund 105 - Arterial Street Preservation Summary of Sources and Uses Report Period: December 2020	2020			2019	2020 YE Budget vs. Actual	
	2020 Budget	2020 YE Budget	2020 YE Actual	2019 YE Actual	Favorable (Unfavorable) Amount	Percentage
Revenues						
City Utility Tax	\$ 66,900	\$ 66,900	\$ -	\$ 683,851	\$ (66,900)	(100.0) %
Electric Utility Tax	69,900	69,900	-	707,081	(69,900)	(100.0) %
Natural Gas Utility Tax	19,800	19,800	-	185,437	(19,800)	(100.0) %
Cable TV Tax	18,800	18,800	-	194,949	(18,800)	(100.0) %
Telephone Utility Tax	16,100	16,100	-	187,065	(16,100)	(100.0) %
Garbage Utility Tax (External Haulers)	2,200	2,200	-	24,784	(2,200)	(100.0) %
Grants	3,880,589	3,880,589	741,557	833,586	(3,139,032)	(80.9) %
Permits	-	-	168,887	-	168,887	
Developer Mitigation Fees	-	-	-	79,343	-	
Operating Transfer In	2,618,020	2,618,020	2,142,224	632,659	(475,796)	(18.2) %
Interest Earnings	13,000	13,000	7,297	41,765	(5,703)	(43.9) %
Total Revenues	\$ 6,705,309	\$ 6,705,309	\$ 3,059,965	\$ 3,570,522	\$ (3,645,344)	(54.4) %
Expenditures						
Salary and Benefits	\$ 306,000	\$ 306,000	\$ 546,715	\$ 557,262	\$ (240,715)	(78.7) %
Capital Outlay	6,903,224	6,903,224	1,734,348	3,336,071	5,168,876	74.9 %
Subtotal - Capital Project Expenditures	7,209,224	7,209,224	2,281,063	3,893,333	4,928,161	68.4 %
Services and Charges	-	-	985	76,809	(985)	
Operating Transfer Out	-	-	-	-	-	
Total Expenditures	\$ 7,209,224	\$ 7,209,224	\$ 2,282,047	\$ 3,970,142	\$ 4,927,177	68.3 %

Net Change in Fund Balance	\$ (503,915)	\$ (503,915)	\$ 777,918	\$ (399,620)	\$ 1,281,833	254.4 %
-----------------------------------	---------------------	---------------------	-------------------	---------------------	---------------------	----------------

Beg. Fund Balance, January 2020	\$ 2,041,919
Net Change in Fund Balance, December 2020	777,918
Ending Fund Balance, December 2020	\$ 2,819,837
2020 Budgeted Ending Fund Balance	\$ 1,538,004



The table below presents the status of the projects with the most significant budget impact on the fund. Many capital projects are budgeted over multiple years; what is displayed below is the 2020 portion of each project’s budget and year-to-date expenditures.

Fund 105 - Arterial Street Preservation			
Capital Projects Status*			
Name	2020 Budget	YTD Actual	Remaining
AWN Preservation Phase 3	\$1.8M	\$0.9M	\$1.0M
AWN Preservation Phase 2	\$1.5M	\$0.3M	\$1.2M
2020 Arterial Street Preservation	\$0.9M	\$0.3M	\$0.6M
All Other Projects (13 Others Budgeted)	\$3.0M	\$0.8M	\$2.2M
Total	\$7.2M	\$2.3M	\$4.9M

*Components may not sum to total due to rounding.

Fund 124 – Mitigation Fees

The Mitigation Fees Fund is a special revenue fund funded from revenues from fees for new development that are assessed at the time applications are received for development activity. These revenues are used to address costs associated with City growth.

The fund houses two types of revenues: mitigation fees and impact fees. Mitigation fees are variable charges collected as a result of State Environmental Policy Act (SEPA) reviews and the City’s determination that a project must pay additional fees to compensate for a unique effect that it has on the community. Impact fees are set charges collected automatically for a variety of projects. These fees are adopted annually by the City Council based on projects anticipated in the Capital Facilities Plan over the next six years.

The City received \$2.0 million in revenues in in 2020, which exceeded total revenue budgeted for the year. With the exception of interest and investment income, each revenue category exceeded its annual budgeted amount. Expenditures were significantly below budget due to the timing of capital projects funded by mitigation and/or impact fee revenues.

Fund 124 - Mitigation Fees Summary of Sources and Uses Report Period Through: December 2020	BUDGET			YE Actuals		
	Revenues	Expenditures	Ending Fund Balance	Revenues	Expenditures	Ending Fund Balance
Transportation Impact Fees	\$ 800,000	\$ 2,952,194	\$ 5,541,320	\$ 1,325,856	\$ 1,530,492	\$ 7,488,878
Traffic Mitigation Fees	-	-	123,687	13,622	-	137,309
Fire Impact Fees	100,000	75,000	473,889	129,526	-	578,415
Fire Mitigation Fees	-	-	81	-	-	81
Parks Impact Fees	200,000	2,121,728	3,382,966	301,000	344,017	5,261,677
Parks Mitigation Fees	-	300,000	49,371	129,591	300,000	178,962
School Impact Admin Fees	2,000	-	86,251	4,625	-	88,876
Wetland Mitigation Fees	-	5,000	67,581	-	-	72,581
Interest and Investment Income	204,700	-	204,700	57,118	-	57,118
Fees in Lieu of Improvements	-	-	27,020	-	-	27,020
Operating Transfers-In	-	-	-	-	-	-
Total	\$ 1,306,700	\$ 5,453,922	\$ 9,956,866	\$ 1,961,338	\$ 2,174,509	\$ 13,890,917

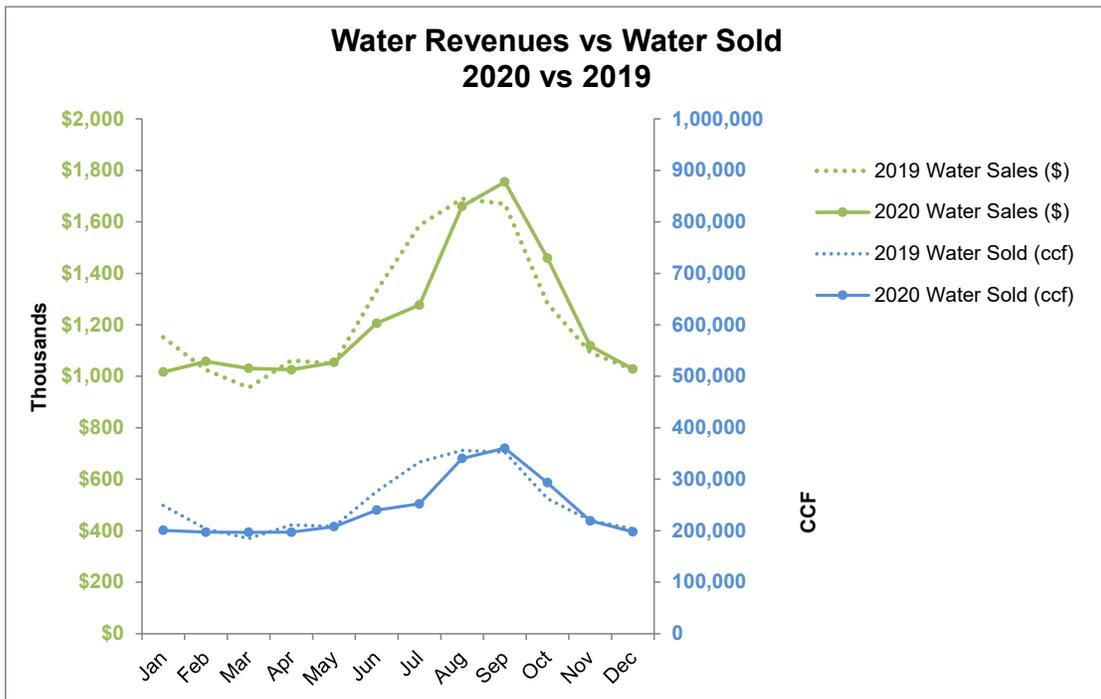
Beginning Fund Balance, January 2020	\$ 14,104,088
Net Change in Fund Balance, December 2020	(213,171)
Ending Fund Balance, December 2020	\$ 13,890,917
2020 Budgeted Ending Fund Balance	\$ 9,956,866

Enterprise Funds

Detailed income and expense statements for Enterprise and Internal Service funds can be found in an attachment at the end of this report. The attachment provides operating and – as applicable – capital fund reports for these funds showing budget, actuals, and variances. Operating funds house all the operating costs along with debt service and financing obligations. Capital funds show costs associated with capital acquisition and construction. Both the operating and capital funds have a working capital balance. This approach isolates those funds available for capital and cash flow needs for daily operations, and project managers will know exactly how much working capital is available for current and planned projects.

In 2020 the **Water Utility** had operating income of \$5.5 million as compared to \$6.2 million in 2019. Total Water Fund operating revenues were \$617,000 lower than 2019; the majority of this variance was due to weaker performance in water sales. Increases in residential sales revenue were more than offset by decreases in most other categories, particularly commercial, manufacturing, and schools. Also contributing to the reduced operating income was a significant decrease in interest earnings from 2019 to 2020. Operating expenditures in 2020 were materially the same as in 2019.

Water sales by volume in 2020 totaled 2.9 million hundred cubic feet (ccf) as compared to 3.1 million ccf in 2019, a decrease of 5.2%. Consumption was lower each month in 2020 compared to 2019 with the exception of the March, September and October billings for the prior months' consumption. Total consumption decreased across all non-residential categories, resulting in the lowest consumption in a five-year period. This is in line with a trend of decreased year-over-year consumption on a *per account* basis due largely to conservation efforts and appliance efficiency improvements, which are anticipated in the Utilities Comprehensive Plan. COVID-19 mitigation efforts contributed significantly to the decrease in commercial and manufacturing consumption, as many businesses were required to close or operate at reduced capacity.



In 2020, the **Sewer Utility** finished with operating income of \$1.9 million as compared to \$2.7 million in 2019. Last year, the fund received a one-time \$203,000 refund from the Department of Revenue for an overpayment of excise tax; this significantly increased revenues in 2019. Consumption by volume in 2020 was down 10.8% from 2019 due to reductions in commercial consumption, which was exacerbated by COVID-19 mitigation efforts. This resulted in a decrease of \$259,000 in sewer service revenue.

Operating expenditures in the Sewer Utility were 1.8% higher than 2019, due mainly to increases in interfund allocations, debt service payments and service charges.

In 2020, the **Stormwater Utility** had operating income of \$3.3 million compared with \$3.0 million in 2019. Operating revenues were up \$107,000 compared to 2019 mainly due to charges for City storm service. As most Stormwater Utility charges are based on a flat rate, COVID-19 did not have a significant effect on service revenue.

Operating expenditures in the Stormwater Utility were down \$191,000 from 2019, contributing to the higher operating income noted above. This variance was mainly due to lower expenses for services.

In 2020 the **Solid Waste Utility** Fund had \$15.5 million in operating revenues, compared to \$15.6 million in operating expenditures. The City of Auburn's Solid Waste services are outsourced to Waste Management and to Republic Services, who manages the contract for the annexed areas.

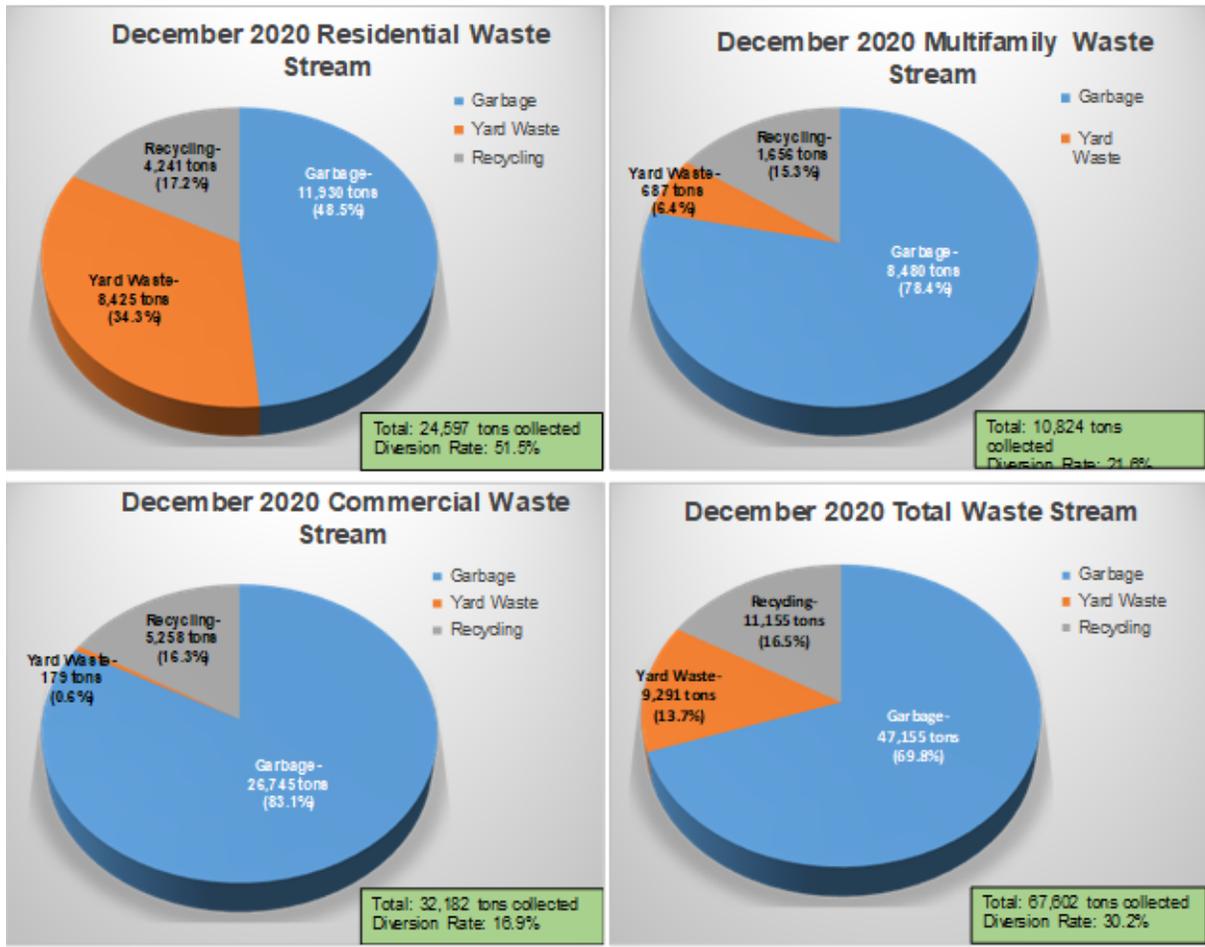
In 2020, Waste Management serviced 15,586 customers (79% of customers) and Republic Services serviced 4,180 customers (21% of customers).

The current mix of solid waste customer account types is:

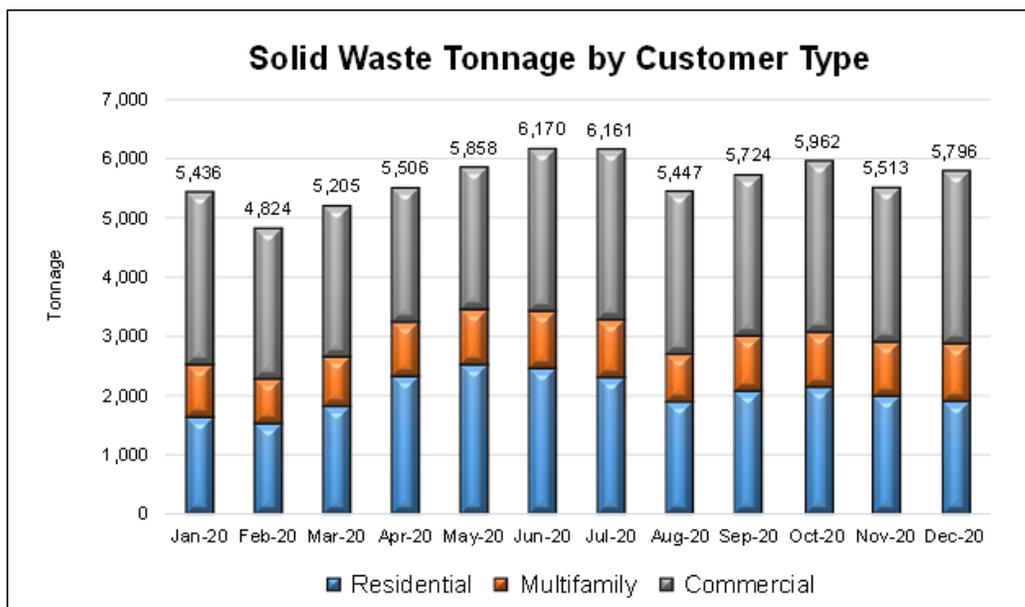
- 89.6% Residential
- 7.9% Commercial
- 2.4% Multifamily

The "diversion rate" is a measure of how much generated waste is not sent to the landfill; i.e., waste that is either recycled or collected yard waste. In 2020, the total diversion rate was 30.2%, which represents a total of 24,600 tons of waste that was diverted from landfills.

2020 Tons Collected and Diversion Rates



Of the total tonnage collected in 2020, 37% was from residential customers, 16% from multifamily customers, and 47% from commercial customers, as shown in the following graph:

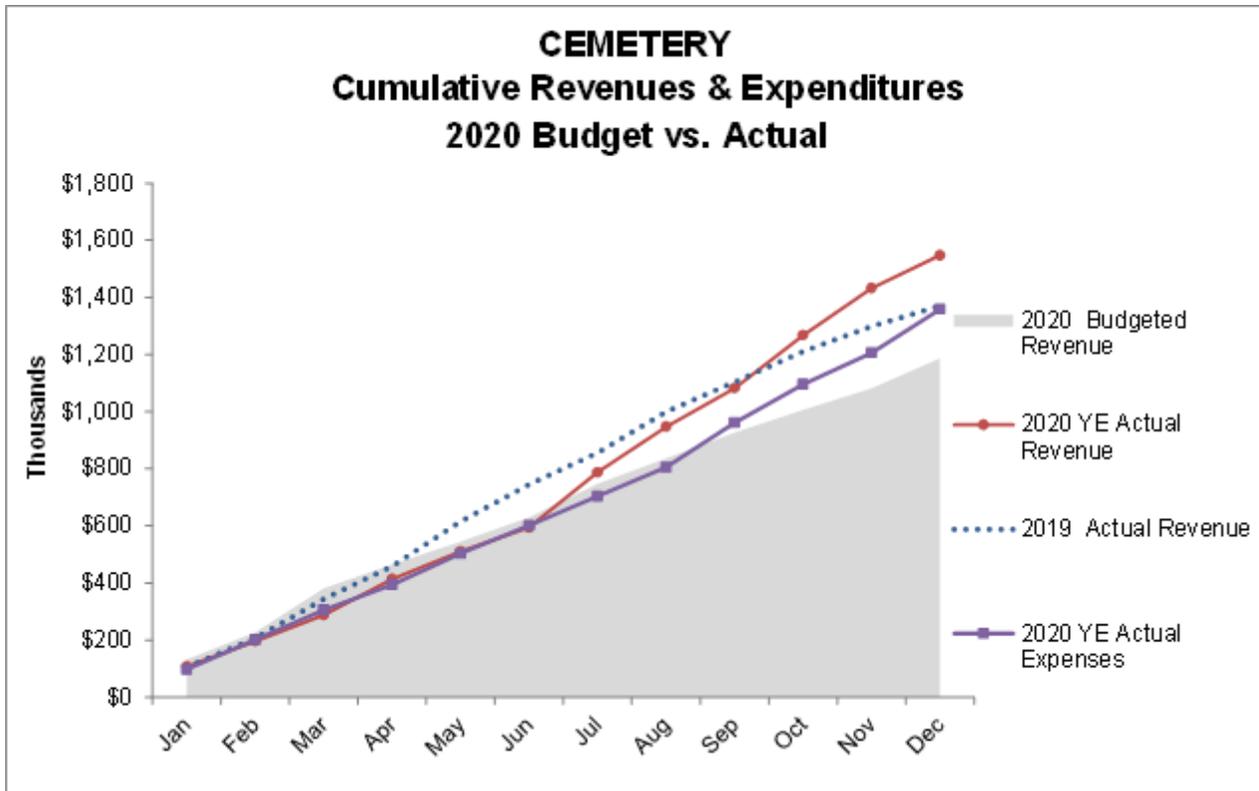


In January 2019, the **Auburn Municipal Airport** transitioned from contracted management services through a third-party management company, Airport Management Group (AMG), to management of the Airport by City staff.

In 2020, the Airport Fund had operating income of \$604,000 as compared with operating income of \$476,000 in 2019. Operating revenues in the Airport Fund were \$71,000 more than the same period last year, largely due to increased revenue for property leases and tie down and hangar rents.

Operating expenditures in the Airport Fund were \$57,000 less than last year. Much of this variance consisted of payroll expenditures, which decreased due to a vacant position at the Airport. Other notable decreases include expenditures on operating supplies and small tools and equipment.

In 2020, the **Cemetery Fund** experienced operating income of \$229,000 as compared with an operating income of \$107,000 in 2019. Total sales revenue was up \$175,000, or 12.8% from 2019, due mainly to significant increases in lot sales revenue. Other significant contributing factors were increased revenues for openings and closings, as well as sales of liners. Operating expenditures were up \$53,000 or 4.2% from last year due largely to increased expenditures for inventory purchases and interfund charges.



Internal Service Funds

Operating expenditures within the **Insurance** Fund represent the premium cost pool that will be allocated monthly to other City funds over the course of the year. As a result, the expenditure balance gradually diminishes each month throughout the year.

No significant variances are reported in the **Workers' Compensation, Facilities, Innovation & Technology**, or **Equipment Rental** Funds.

Contact Information

This report is prepared by the Finance Department. Additional financial information can also be viewed at our website: <http://www.auburnwa.gov/>. For any questions about this report please contact Jamie Thomas at jdthomas@auburnwa.gov.

**City of Auburn
Investment Portfolio Summary
December 31, 2020**

Investment Type	Purchase Date	Book Value	Maturity Date	Yield to Maturity
State Investment Pool	Various	\$ 125,692,297	Various	0.16%
KeyBank Money Market	Various	20,465,622	Various	0.01%
Pacific Premier Bank Interest Acct	Various	10,539,569	Various	0.17%
FFCB	8/27/2018	2,025,600	2/23/2021	2.70%
RFCSP	2/19/2019	5,146,514	1/15/2021	2.52%
FHLB	1/17/2020	5,044,370	12/9/2022	1.56%
FHLMC	11/20/2020	5,001,765	11/6/2023	2.38%
Total Cash & Investments		<u><u>\$ 173,915,737</u></u>		<u><u>0.344%</u></u>

Investment Mix	% of Total	Summary	
State Investment Pool	72.3%	Current 6-month treasury rate	0.09%
Key Bank Money Market	11.8%	Current State Pool rate	0.16%
Pacific Premier Bank Interest Acct	6.1%	KeyBank Money Market	0.01%
FHLB	2.9%	Pacific Premier Interest Acct	0.17%
FFCB	1.2%	Blended Auburn rate	0.34%
RFCSP	3.0%		
FHLMC	2.9%		
	<u><u>100.0%</u></u>		

SALES TAX SUMMARY
DECEMBER 2020 SALES TAX DISTRIBUTIONS (FOR OCTOBER 2020 RETAIL ACTIVITY)

NAICS	CONSTRUCTION	2019 Annual Total (Nov '18-Oct '19)	2019 YTD (Nov '18-Oct '19)	2020 YTD (Nov '19 - Oct '20)	YTD % Diff
236	Construction of Buildings	1,219,472	1,219,472	2,000,382	64.0%
237	Heavy and Civil Construction	132,101	132,101	184,377	39.6%
238	Specialty Trade Contractors	840,982	840,982	883,406	5.0%
TOTAL CONSTRUCTION		\$ 2,192,555	\$ 2,192,555	\$ 3,068,164	39.9%
<i>Overall Change from Previous Year</i>				\$ 875,610	

NAICS	MANUFACTURING	2019 Annual Total (Nov '18-Oct '19)	2019 YTD (Nov '18-Oct '19)	2020 YTD (Nov '19 - Oct '20)	YTD % Diff
311	Food Manufacturing	9,140	9,140	10,332	13.0%
312	Beverage and Tobacco Products	12,690	12,690	11,872	-6.4%
313	Textile Mills	326	326	1,178	260.8%
314	Textile Product Mills	2,965	2,965	2,390	-19.4%
315	Apparel Manufacturing	767	767	1,301	69.6%
316	Leather and Allied Products	307	307	488	58.9%
321	Wood Product Manufacturing	13,028	13,028	14,670	12.6%
322	Paper Manufacturing	10,180	10,180	4,028	-60.4%
323	Printing and Related Support	46,449	46,449	37,260	-19.8%
324	Petroleum and Coal Products	8,499	8,499	1,404	-83.5%
325	Chemical Manufacturing	11,220	11,220	10,595	-5.6%
326	Plastics and Rubber Products	7,666	7,666	7,322	-4.5%
327	Nonmetallic Mineral Products	19,762	19,762	16,154	-18.3%
331	Primary Metal Manufacturing	48,894	48,894	62,321	27.5%
332	Fabricated Metal Product Manuf	29,751	29,751	34,205	15.0%
333	Machinery Manufacturing	21,356	21,356	22,168	3.8%
334	Computer and Electronic Product	8,921	8,921	8,232	-7.7%
335	Electric Equipment, Appliances	1,213	1,213	8,276	582.0%
336	Transportation Equipment Man	510,518	510,518	92,399	-81.9%
337	Furniture and Related Products	17,907	17,907	10,109	-43.5%
339	Miscellaneous Manufacturing	39,336	39,336	32,935	-16.3%
TOTAL MANUFACTURING		\$ 820,898	\$ 820,898	\$ 389,637	-52.5%
<i>Overall Change from Previous Year</i>				\$ (431,261)	

NAICS	TRANSPORTATION AND WAREHOUSING	2019 Annual Total (Nov '18-Oct '19)	2019 YTD (Nov '18-Oct '19)	2020 YTD (Nov '19 - Oct '20)	YTD % Diff
481	Air Transportation	0	0	0	N/A
482	Rail Transportation	22,935	22,935	14,421	-37.1%
483	Water Transportation	0	0	0	N/A
484	Truck Transportation	17,265	17,265	22,499	30.3%
485	Transit and Ground Passengers	27	27	9	-67.3%
488	Transportation Support	37,253	37,253	79,945	114.6%
491	Postal Service	727	727	676	-7.1%
492	Couriers and Messengers	285	285	69,993	24424.5%
493	Warehousing and Storage	10,217	10,217	9,647	-5.6%
TOTAL TRANSPORTATION		\$ 88,710	\$ 88,710	\$ 197,189	122.3%
<i>Overall Change from Previous Year</i>				\$ 108,479	

NAICS	WHOLESALE TRADE	2019 Annual Total (Nov '18-Oct '19)	2019 YTD (Nov '18-Oct '19)	2020 YTD (Nov '19 - Oct '20)	YTD % Diff
423	Wholesale Trade, Durable Goods	1,169,244	1,169,244	1,027,727	-12.1%
424	Wholesale Trade, Nondurable	316,221	316,221	303,860	-3.9%
425	Wholesale Electronic Markets	10,550	10,550	14,684	39.2%
TOTAL WHOLESALE		\$ 1,496,015	\$ 1,496,015	\$ 1,346,271	-10.0%
<i>Overall Change from Previous Year</i>				\$ (149,743)	

NAICS	AUTOMOTIVE	2019 Annual Total (Nov '18-Oct '19)	2019 YTD (Nov '18-Oct '19)	2020 YTD (Nov '19 - Oct '20)	YTD % Diff
441	Motor Vehicle and Parts Dealer	3,809,399	3,809,399	3,594,307	-5.6%
447	Gasoline Stations	259,864	259,864	232,674	-10.5%
TOTAL AUTOMOTIVE		\$ 4,069,263	\$ 4,069,263	\$ 3,826,981	-6.0%
<i>Overall Change from Previous Year</i>				\$ (242,282)	

NAICS	RETAIL TRADE	2019 Annual Total (Nov '18-Oct '19)	2019 YTD (Nov '18-Oct '19)	2020 YTD (Nov '19 - Oct '20)	YTD % Diff
442	Furniture and Home Furnishings	221,841	221,841	209,308	-5.6%
443	Electronics and Appliances	277,403	277,403	300,343	8.3%
444	Building Material and Garden	651,706	651,706	751,040	15.2%
445	Food and Beverage Stores	406,230	406,230	450,577	10.9%
446	Health and Personal Care Store	426,130	426,130	348,418	-18.2%
448	Clothing and Accessories	1,236,033	1,236,033	872,671	-29.4%
451	Sporting Goods, Hobby, Books	254,383	254,383	239,744	-5.8%
452	General Merchandise Stores	818,123	818,123	878,021	7.3%
453	Miscellaneous Store Retailers	917,046	917,046	1,178,104	28.5%
454	Nonstore Retailers	227,559	227,559	271,309	19.2%
TOTAL RETAIL TRADE		\$ 5,436,454	\$ 5,436,454	\$ 5,499,535	1.2%
<i>Overall Change from Previous Year</i>				\$ 63,081	

NAICS	SERVICES	2019 Annual Total (Nov '18-Oct '19)	2019 YTD (Nov '18-Oct '19)	2020 YTD (Nov '19 - Oct '20)	YTD % Diff
51*	Information	667,861	667,861	684,732	2.5%
52*	Finance and Insurance	138,176	138,176	177,847	28.7%
53*	Real Estate, Rental, Leasing	434,301	434,301	368,873	-15.1%
541	Professional, Scientific, Tech	344,043	344,043	394,150	14.6%
551	Company Management	1,147	1,147	66	-94.3%
56*	Admin. Supp., Remed Svcs	522,491	522,491	651,469	24.7%
611	Educational Services	45,995	45,995	40,410	-12.1%
62*	Health Care Social Assistance	93,305	93,305	110,693	18.6%
71*	Arts and Entertainment	119,538	119,538	50,412	-57.8%
72*	Accommodation and Food Svcs	1,469,344	1,469,344	1,204,980	-18.0%
81*	Other Services	606,743	606,743	534,972	-11.8%
92*	Public Administration	2,204	2,204	1,920	-26.5%
TOTAL SERVICES		\$ 4,445,147	\$ 4,445,147	\$ 4,220,223	-5.1%
<i>Overall Change from Previous Year</i>				\$ (224,924)	

NAICS	MISCELLANEOUS	2019 Annual Total (Nov '18-Oct '19)	2019 YTD (Nov '18-Oct '19)	2020 YTD (Nov '19 - Oct '20)	YTD % Diff
000	Unknown	0	0	0	N/A
111-115	Agriculture, Forestry, Fishing	4,807	4,807	5,367	11.7%
211-221	Mining & Utilities	29,481	29,481	28,831	-2.2%
999	Unclassifiable Establishments	230,217	230,217	273,689	18.9%
TOTAL SERVICES		\$ 264,505	\$ 264,505	\$ 307,887	16.4%
<i>Overall Change from Previous Year</i>				\$ 43,382	

NAICS	GRAND TOTAL	2019 Annual Total (Nov '18-Oct '19)	2019 YTD (Nov '18-Oct '19)	2020 YTD (Nov '19 - Oct '20)	YTD % Diff
GRAND TOTAL		\$ 18,813,547	\$ 18,813,547	\$ 18,855,888	
<i>Overall Change from Previous Year</i>				\$ 42,341	0.2%

Total December 2020 Sales Tax Distributions	\$ 1,652,954
Percent Increase from December 2019	3.5%
Comparisons:	
December 2019	\$ 1,597,077
December 2018	\$ 1,506,629

Includes Adjustments in excess of +/- \$10,000.

- a. WA State Department of Revenue audit adjustment to sales tax returns for February 2019 Reporting (adjustment: \$14,165).
- b. WA State Department of Revenue audit adjustment to sales tax returns for August 2019 Reporting (adjustment: \$10,411).
- c. WA State Department of Revenue adjustment to sales tax returns for July 2020 Reporting (adjustment: \$18,706).

OPERATING & CAPITAL FUNDS	ENTERPRISE FUNDS												
	Through December 2020	WATER			SEWER			SEWER METRO			STORM		
		Budget	YE Actual	Variance	Budget	YE Actual	Variance	Budget	YE Actual	Variance	Budget	YE Actual	Variance
OPERATING FUND:													
OPERATING REVENUES													
Charges For Service	14,778,400	14,832,494	54,094	8,554,200	8,562,111	7,911	17,259,700	16,833,185	(426,515)	10,328,200	10,278,852	(49,348)	
Grants	-	-	-	-	-	-	-	-	-	-	50,000	50,000	
Interest Earnings	-	49,530	49,530	-	28,473	28,473	-	2,959	2,959	-	29,248	29,248	
Rents, Leases, Concessions, & Other	187,000	148,433	(38,567)	69,000	36,167	(32,833)	-	-	-	56,000	47,373	(8,627)	
TOTAL OPERATING REVENUES	14,965,400	15,030,457	65,057	8,623,200	8,626,751	3,551	17,259,700	16,836,143	(423,557)	10,384,200	10,405,473	21,273	
OPERATING EXPENSES													
Salaries & Wages	2,522,053	2,390,321	131,732	1,511,111	1,441,451	69,660	-	-	-	2,574,037	2,352,640	221,397	
Benefits	1,446,108	1,184,417	261,691	846,106	703,718	142,389	-	-	-	1,437,619	1,186,046	251,573	
Supplies	364,244	296,678	67,566	164,550	84,872	79,678	-	-	-	75,050	64,811	10,239	
Other Service Charges	4,435,767	2,961,274	1,474,493	3,534,100	2,851,349	682,751	18,397,800	17,352,594	1,045,206	2,070,740	1,399,520	671,220	
Intergovernmental Services (Less Transfers Out)	-	-	-	-	-	-	-	-	-	-	-	-	
Waste Management Payments	-	-	-	-	-	-	-	-	-	-	-	-	
Sewer Metro Services	-	-	-	-	-	-	-	-	-	-	-	-	
Debt Service Interest	1,064,200	863,864	200,336	293,900	197,873	96,027	-	-	-	346,700	287,434	59,266	
Interfund Operating Rentals & Supplies	1,844,067	1,853,014	(8,947)	1,443,267	1,451,856	(8,589)	-	-	-	1,838,700	1,846,931	(8,231)	
TOTAL OPERATING EXPENSES	11,676,439	9,549,568	2,126,871	7,793,034	6,731,119	1,061,915	18,397,800	17,352,594	1,045,206	8,342,846	7,137,382	1,205,464	
OPERATING REVENUES LESS EXPENSES BEFORE DEPRECIATION	3,288,961	5,480,889	2,191,928	830,166	1,895,632	1,065,466	(1,138,100)	(516,451)	621,649	2,041,354	3,268,091	1,226,737	
NON-OPERATING REVENUES													
Operating Transfers-in	-	-	-	-	-	-	-	-	-	-	-	-	
Intergovernmental Loan	3,095,821	116,582	2,979,239	-	-	-	-	-	-	-	-	-	
Other Non-Operating Revenues	-	-	-	-	-	-	-	-	-	-	-	-	
Revenue Bond Proceeds	15,719,900	15,729,824	(9,924)	-	-	-	-	-	-	-	-	-	
NON-OPERATING EXPENSES													
Transfer to Capital Subfund	17,385,692	6,484,733	10,900,959	-	-	-	-	-	-	-	-	-	
Other Operating Transfers-out	390,308	57,311	332,997	315,681	13,399	302,282	-	-	-	391,081	87,399	303,682	
Debt Service Principal	1,638,200	2,227,831	(589,631)	596,700	862,567	(265,867)	-	-	-	470,100	693,765	(223,665)	
Net Change in Restricted Net Assets	-	1,881,592	1,881,592	-	17,811	17,811	-	-	-	-	4,646	4,646	
Interfund Loan Repayment	-	-	-	-	-	-	-	-	-	-	-	-	
Other Non-Operating Expenses	-	-	-	-	-	-	-	-	-	-	-	-	
BEGINNING WORKING CAPITAL - January 1, 2020	11,913,106	11,913,106	-	7,216,765	7,216,765	-	3,445,836	3,445,836	-	7,198,290	7,198,290	-	
ENDING WORKING CAPITAL - December 31, 2020	14,603,588	22,588,935	7,985,347	7,134,550	8,218,620	1,084,070	2,307,736	2,929,385	621,649	8,378,463	9,680,571	1,302,108	
NET CHANGE IN WORKING CAPITAL (see Note)	2,690,482	10,675,829	7,985,347	(82,215)	1,001,855	1,084,070	(1,138,100)	(516,451)	621,649	1,180,173	2,482,281	1,302,108	
CAPITAL FUND:													
CAPITAL REVENUES													
Interest Revenue	4,300	279	(4,021)	34,700	107,572	72,872	-	-	-	34,700	50,643	15,943	
Grants	-	-	-	-	-	-	-	-	-	174,120	4,575	(169,545)	
Contributions	-	-	-	-	-	-	-	-	-	-	-	-	
Other Non-Operating Revenue	-	40,750	40,750	-	388,408	388,408	-	-	-	-	16,493	16,493	
Increase In Contributions - System Development	960,200	669,802	(290,398)	670,500	216,134	(454,366)	-	-	-	501,800	575,136	73,336	
Interfund Revenues	-	-	-	-	-	-	-	-	-	-	-	-	
Increase In Contributions - FAA	-	-	-	-	-	-	-	-	-	-	-	-	
Proceeds of Debt Activity	-	-	-	-	-	-	-	-	-	-	-	-	
Transfers In from Operating Sub-Fund	17,385,692	6,484,733	(10,900,959)	-	-	-	-	-	-	-	-	-	
Transfer In from Other Funds	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL CAPITAL REVENUES	18,350,192	7,195,563	(11,154,629)	705,200	712,114	6,914				710,620	646,847	(63,773)	
CAPITAL EXPENSES													
Other Non-Operating Expense	-	395,386	(395,386)	-	-	-	-	-	-	-	-	-	
Increase In Fixed Assets - Salaries	353,600	290,293	63,307	78,600	86,647	(8,047)	-	-	-	130,000	105,938	24,062	
Increase In Fixed Assets - Benefits	141,400	136,780	4,620	31,400	44,456	(13,056)	-	-	-	52,000	48,725	3,275	
Increase In Fixed Assets - Services	400	8	392	2,000	382	1,618	-	-	-	2,000	570	1,430	
Increase In Fixed Assets - Site Improvements	122,000	53,746	68,254	-	-	-	-	-	-	-	-	-	
Increase In Fixed Assets - Equipment	-	-	-	-	-	-	-	-	-	9,500	9,497	3	
Increase In Fixed Assets - Construction	16,545,553	6,070,218	10,475,335	3,903,942	830,680	3,073,262	-	-	-	2,263,293	421,353	1,841,940	
Operating Transfers Out	50,000	50,000	-	50,000	50,000	-	-	-	-	50,000	50,000	-	
TOTAL CAPITAL EXPENSES	17,212,953	6,996,430	10,216,523	4,065,942	1,012,166	3,053,776				2,506,793	636,083	1,870,710	
BEGINNING WORKING CAPITAL - January 1, 2020	81,079	81,079	-	13,300,157	13,300,157	-	-	-	-	11,809,735	11,809,735	-	
ENDING WORKING CAPITAL - December 31, 2020	1,218,318	280,212	(938,106)	9,939,415	13,000,105	3,060,690	-	-	-	10,013,562	11,820,499	1,806,937	
NET CHANGE IN WORKING CAPITAL (see Note)	1,137,239	199,133	(938,106)	(3,360,742)	(300,052)	3,060,690	-	-	-	(1,796,173)	10,764	1,806,937	
Total Change in Working Capital	3,827,721	10,874,962	7,047,241	(3,442,957)	701,802	4,144,759	(1,138,100)	(516,451)	621,649	(616,000)	2,493,045	3,109,045	
(*) Depreciation	3,829,600	3,774,956		2,450,100	2,337,347		-	-		2,315,100	2,120,788		

Working Capital = Current Assets
minus Current Liabilities

OPERATING & CAPITAL FUNDS	ENTERPRISE FUNDS									INTERNAL SERVICE FUNDS		
	SOLID WASTE			AIRPORT			CEMETERY			INSURANCE		
	Budget	YE Actual	Variance	Budget	YE Actual	Variance	Budget	YE Actual	Variance	Budget	YE Actual	Variance
Through December 2020												
OPERATING FUND:												
OPERATING REVENUES												
Charges For Service	16,068,500	15,443,215	(625,285)	1,378,000	1,428,976	50,976	1,086,000	1,542,097	456,097	-	-	-
Grants	88,600	73,900	(14,700)	70,000	69,000	(1,000)	-	-	-	-	-	-
Interest Earnings	42,400	19,417	(22,983)	7,800	5,471	(2,329)	1,000	3,287	2,287	10,000	2,757	(7,243)
Rents, Leases, Concessions, & Other	-	-	-	6,100	14,593	8,493	-	100	100	-	-	-
TOTAL OPERATING REVENUES	16,199,500	15,536,532	(662,968)	1,461,900	1,518,039	56,139	1,087,000	1,545,483	458,483	10,000	2,757	(7,243)
OPERATING EXPENSES												
Salaries & Wages	-	-	-	232,843	214,016	18,827	473,497	447,200	26,297	-	-	-
Benefits	-	-	-	167,008	106,253	60,755	291,646	251,180	40,466	175,000	58,727	116,273
Supplies	53,400	25,238	28,162	307,000	337,904	(30,904)	221,700	272,676	(50,976)	-	-	-
Other Service Charges	2,499,675	2,872,693	(373,018)	213,800	209,350	4,450	157,400	149,198	8,202	5,600	135,004	(129,404)
Intergovernmental Services (Less Transfers Out)	-	-	-	-	-	-	-	-	-	-	-	-
Waste Management Payments	13,485,300	12,104,160	1,381,140	-	-	-	-	-	-	-	-	-
Sewer Metro Services	-	-	-	100	34	66	-	-	-	-	-	-
Debt Service Interest	-	-	-	-	-	-	-	-	-	-	-	-
Interfund Operating Rentals & Supplies	642,300	648,338	(6,038)	46,100	46,100	(0)	196,000	196,349	(349)	-	-	-
TOTAL OPERATING EXPENSES	16,680,675	15,650,429	1,030,246	966,851	913,657	53,194	1,340,243	1,316,603	23,640	180,600	193,731	(13,131)
OPERATING REVENUES LESS EXPENSES BEFORE DEPRECIATION	(481,175)	(113,896)	367,279	495,049	604,382	109,333	(253,243)	228,880	482,123	(170,600)	(190,974)	(20,374)
NON-OPERATING REVENUES												
Operating Transfers-in	-	-	-	-	-	-	100,000	-	(100,000)	-	-	-
Intergovernmental Loan	-	-	-	-	-	-	-	-	-	-	-	-
Other Non-Operating Revenues	-	-	-	-	-	-	-	2,199	2,199	-	-	-
Revenue Bond Proceeds	-	-	-	-	-	-	-	-	-	-	-	-
NON-OPERATING EXPENSES												
Transfer to Capital Subfund	-	-	-	355,400	220,386	135,014	100,000	42,500	57,500	-	-	-
Other Operating Transfers-out	22,877	11,662	11,215	-	-	-	-	-	-	-	-	-
Debt Service Principal	-	-	-	-	-	-	-	-	-	-	-	-
Net Change in Restricted Net Assets	-	-	-	-	(91,804)	(91,804)	-	(1,851)	(1,851)	-	-	-
Interfund Loan Repayment	-	-	-	12,200	11,627	573	-	-	-	-	-	-
Other Non-Operating Expenses	-	-	-	-	-	-	-	-	-	-	-	-
BEGINNING WORKING CAPITAL - January 1, 2020	5,936,695	5,936,695	-	634,377	634,377	-	822,045	822,045	-	1,921,953	1,921,953	-
ENDING WORKING CAPITAL - December 31, 2020	5,432,643	5,811,137	378,494	761,826	1,098,551	336,725	568,802	1,012,475	443,673	1,751,353	1,730,979	(20,374)
NET CHANGE IN WORKING CAPITAL (see Note)	(504,052)	(125,558)	378,494	127,449	464,174	336,725	(253,243)	190,430	443,673	(170,600)	(190,974)	(20,374)
CAPITAL FUND:												
CAPITAL REVENUES												
Interest Revenue	-	-	-	200	1,696	1,496	-	989	989	-	-	-
Grants	-	-	-	-	-	-	-	-	-	-	-	-
Contributions	-	-	-	165,000	52,000	(113,000)	-	-	-	-	-	-
Other Non-Operating Revenue	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Contributions - System Development	-	-	-	-	-	-	-	-	-	-	-	-
Interfund Revenues	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Contributions - FAA	-	-	-	3,812,598	2,784,718	(1,027,880)	-	-	-	-	-	-
Proceeds of Debt Activity	-	-	-	-	-	-	-	-	-	-	-	-
Transfers In from Operating Sub-Fund	-	-	-	355,400	220,386	(135,014)	100,000	42,500	(57,500)	-	-	-
Transfer In from Other Funds	-	-	-	-	-	-	55,400	55,400	-	-	-	-
TOTAL CAPITAL REVENUES	-	-	-	4,333,198	3,058,801	(1,274,397)	155,400	98,889	(56,511)	-	-	-
CAPITAL EXPENSES												
Other Non-Operating Expense	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Salaries	-	-	-	4,300	76	4,224	-	4,139	(4,139)	-	-	-
Increase In Fixed Assets - Benefits	-	-	-	1,700	24	1,676	-	2,151	(2,151)	-	-	-
Increase In Fixed Assets - Services	-	-	-	100	-	100	100	16	84	-	-	-
Increase In Fixed Assets - Site Improvements	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Construction	-	-	-	4,650,290	3,393,878	1,256,412	405,400	343,383	62,017	-	-	-
Operating Transfers Out	-	-	-	25,000	-	25,000	-	-	-	-	-	-
TOTAL CAPITAL EXPENSES	-	-	-	4,681,390	3,393,979	1,287,411	405,500	349,688	55,812	-	-	-
BEGINNING WORKING CAPITAL - January 1, 2020	-	-	-	429,841	429,841	-	258,983	258,983	-	-	-	-
ENDING WORKING CAPITAL - December 31, 2020	-	-	-	81,649	94,663	13,014	8,883	8,184	(699)	-	-	-
NET CHANGE IN WORKING CAPITAL (see Note)	-	-	-	(348,192)	(335,178)	13,014	(250,100)	(250,799)	(699)	-	-	-
Total Change in Working Capital	(504,052)	(125,558)	378,494	(220,743)	128,996	349,739	(503,343)	(60,368)	442,975	(170,600)	(190,974)	(20,374)

(*) Depreciation

21,100

9,410

519,700

427,175

45,000

23,891

-

-

Working Capital = Current Assets
minus Current Liabilities

OPERATING & CAPITAL FUNDS	INTERNAL SERVICE FUNDS												
	Through December 2020	WORKER'S COMPENSATION			FACILITIES			INNOVATION & TECHNOLOGY			EQUIPMENT RENTAL		
		Budget	YE Actual	Variance	Budget	YE Actual	Variance	Budget	YE Actual	Variance	Budget	YE Actual	Variance
OPERATING FUND:													
OPERATING REVENUES													
Charges For Service	1,150,500	1,013,606	(136,894)	3,490,600	3,546,479	55,879	6,587,500	6,636,091	48,591	2,085,395	2,009,306	(76,089)	
Grants	-	-	-	-	-	-	-	-	-	-	-	-	
Interest Earnings	26,600	10,918	(15,682)	10,100	5,943	(4,157)	-	10,704	10,704	-	10,572	10,572	
Rents, Leases, Concessions, & Other	50,000	8,623	(41,377)	-	11,982	11,982	-	2,696	2,696	-	120,225	120,225	
TOTAL OPERATING REVENUES	1,227,100	1,033,147	(193,953)	3,500,700	3,564,403	63,703	6,587,500	6,649,492	61,992	2,085,395	2,140,103	54,708	
OPERATING EXPENSES													
Salaries & Wages	-	-	-	786,793	771,049	15,744	2,009,816	2,017,950	(8,134)	563,879	656,449	(92,570)	
Benefits	250,000	91,396	158,604	444,389	391,208	53,181	1,112,945	905,880	207,065	327,656	307,865	19,791	
Supplies	-	-	-	140,220	74,987	65,233	460,150	213,860	246,290	941,200	856,705	84,495	
Other Service Charges	455,315	242,881	212,434	1,884,560	1,300,013	584,547	2,830,900	2,451,511	379,389	511,100	432,316	78,784	
Intergovernmental Services (Less Transfers Out)	-	-	-	-	-	-	-	-	-	-	-	-	
Waste Management Payments	-	-	-	-	-	-	-	-	-	-	-	-	
Sewer Metro Services	-	-	-	-	-	-	-	-	-	1,500	257	1,243	
Debt Service Interest	-	-	-	-	-	-	-	-	-	304,000	305,313	(1,313)	
Interfund Operating Rentals & Supplies	128,100	128,100	-	161,400	161,400	0	185,900	185,900	0	-	-	-	
TOTAL OPERATING EXPENSES	833,415	462,376	371,039	3,417,362	2,698,657	718,705	6,599,711	5,775,100	824,611	2,649,335	2,558,903	90,432	
OPERATING REVENUES LESS EXPENSES BEFORE DEPRECIATION	393,685	570,771	177,086	83,338	865,746	782,408	(12,211)	874,392	886,603	(563,940)	(418,800)	145,140	
NON-OPERATING REVENUES													
Operating Transfers-in	-	-	-	250,000	41,832	(208,168)	269,953	91,941	(178,012)	7,000	-	(7,000)	
Intergovernmental Loan	-	-	-	-	-	-	-	-	-	-	-	-	
Other Non-Operating Revenues	-	-	-	-	-	-	-	-	-	-	-	-	
Revenue Bond Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	
NON-OPERATING EXPENSES													
Transfer to Capital Subfund	-	-	-	-	-	-	500,000	-	500,000	-	-	-	
Other Operating Transfers-out	-	-	-	698,700	679,176	19,524	-	-	-	-	-	-	
Debt Service Principal	-	-	-	-	-	-	-	-	-	-	-	-	
Net Change in Restricted Net Assets	-	-	-	-	-	-	-	-	-	-	(56,664)	(56,664)	
Interfund Loan Repayment	-	-	-	-	-	-	-	-	-	-	-	-	
Other Non-Operating Expenses	-	-	-	-	-	-	-	49,840	(49,840)	-	-	-	
BEGINNING WORKING CAPITAL - January 1, 2020	1,877,627	1,877,627	-	1,315,496	1,315,496	-	2,522,898	2,522,898	-	2,956,770	2,956,770	-	
ENDING WORKING CAPITAL - December 31, 2020	2,271,312	2,448,398	177,086	950,134	1,543,898	593,764	2,280,640	3,489,231	1,208,591	2,399,830	2,594,634	194,804	
NET CHANGE IN WORKING CAPITAL (see Note)	393,685	570,771	177,086	(365,362)	228,402	593,764	(242,258)	966,333	1,208,591	(556,940)	(362,136)	194,804	
CAPITAL FUND:													
CAPITAL REVENUES													
Interest Revenue	-	-	-	-	-	-	-	5,027	5,027	-	17,724	17,724	
Grants	-	-	-	-	-	-	-	-	-	133,700	133,728	28	
Contributions	-	-	-	-	-	-	-	-	-	-	-	-	
Other Non-Operating Revenue	-	-	-	-	-	-	-	7,405	7,405	-	12,782	12,782	
Increase In Contributions - System Development	-	-	-	-	-	-	-	-	-	-	-	-	
Interfund Revenues	-	-	-	-	-	-	-	-	-	1,585,105	1,661,194	76,089	
Increase In Contributions - FAA	-	-	-	-	-	-	-	-	-	-	-	-	
Proceeds of Debt Activity	-	-	-	-	-	-	-	-	-	-	-	-	
Transfers In from Operating Sub-Fund	-	-	-	-	-	-	500,000	-	(500,000)	-	-	-	
Transfer In from Other Funds	-	-	-	-	-	-	25,000	23,222	(1,778)	868,600	-	(868,600)	
TOTAL CAPITAL REVENUES							525,000	35,654	(489,346)	2,587,405	1,825,428	(761,977)	
CAPITAL EXPENSES													
Other Non-Operating Expense	-	-	-	-	-	-	-	-	-	-	-	-	
Increase In Fixed Assets - Salaries	-	-	-	-	-	-	-	-	-	-	-	-	
Increase In Fixed Assets - Benefits	-	-	-	-	-	-	-	-	-	-	-	-	
Increase In Fixed Assets - Services	-	-	-	-	-	-	300	61	239	500	309	191	
Increase In Fixed Assets - Site Improvements	-	-	-	-	-	-	-	-	-	-	-	-	
Increase In Fixed Assets - Equipment	-	-	-	-	-	-	1,186,527	742,323	444,204	2,941,150	1,629,845	1,311,305	
Increase In Fixed Assets - Construction	-	-	-	-	-	-	-	-	-	1,140,000	-	1,140,000	
Operating Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL CAPITAL EXPENSES							1,186,827	742,383	444,444	4,081,650	1,630,153	2,451,497	
BEGINNING WORKING CAPITAL - January 1, 2020							1,445,614	1,445,614	-	4,419,304	4,419,304	-	
ENDING WORKING CAPITAL - December 31, 2020							783,787	738,885	(44,902)	2,925,059	4,614,578	1,689,519	
NET CHANGE IN WORKING CAPITAL (see Note)							(661,827)	(706,729)	(44,902)	(1,494,245)	195,274	1,689,519	
Total Change in Working Capital	393,685	570,771	177,086	(365,362)	228,402	593,764	(904,085)	259,604	1,163,689	(2,051,185)	(166,862)	1,884,323	

(*) Depreciation

Working Capital = Current Assets
minus Current Liabilities