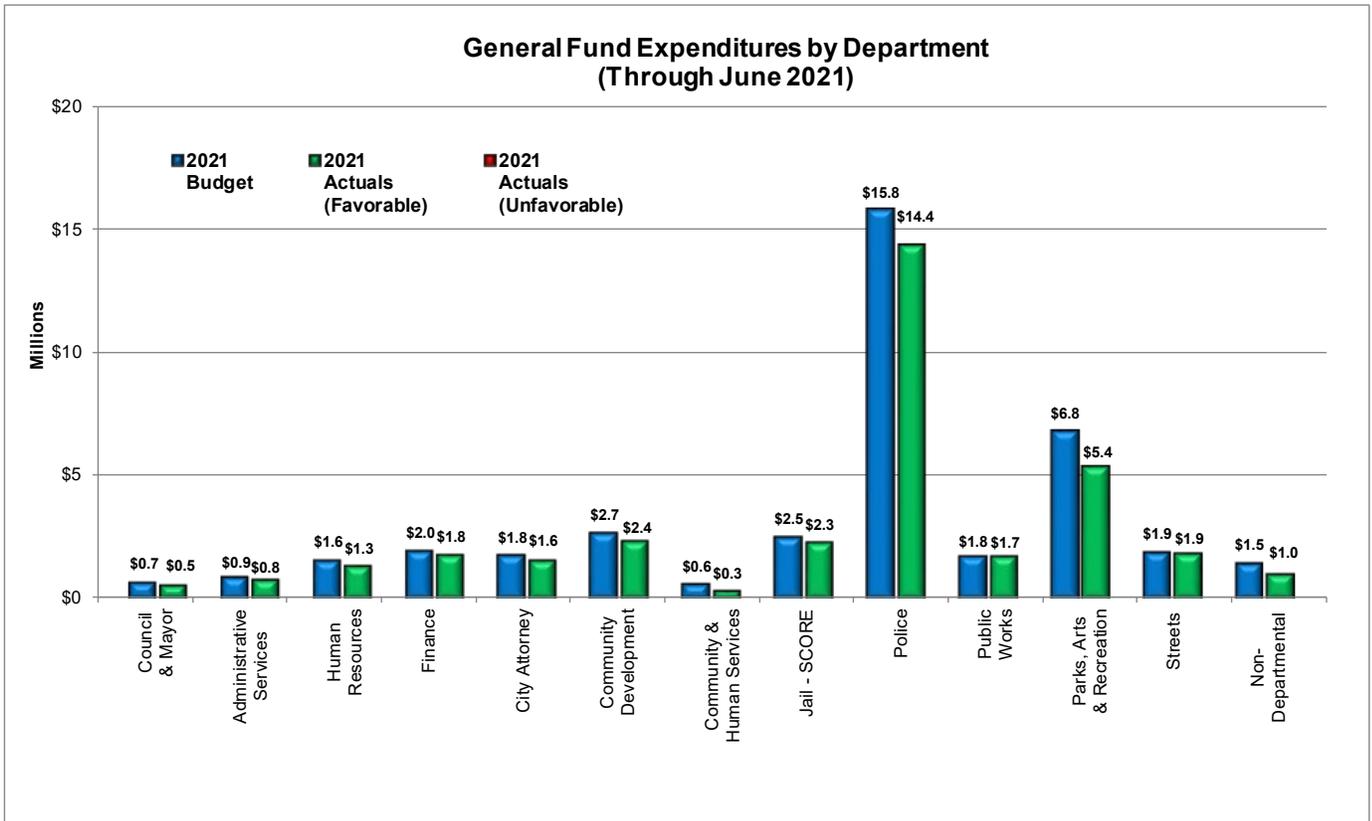
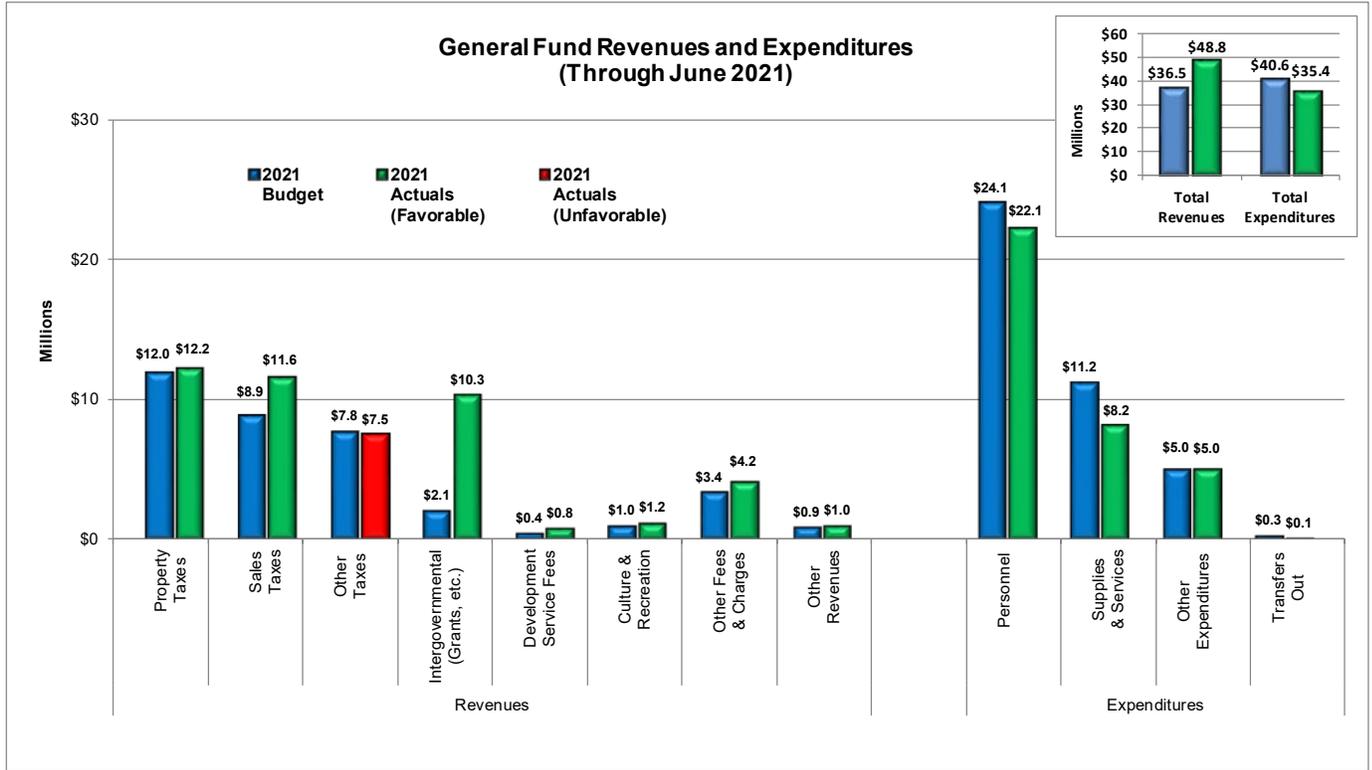




## AGENDA BILL APPROVAL FORM

<b>Agenda Subject:</b> Financial Report Through June 2021		<b>Date:</b> September 8, 2021
<b>Department:</b> Finance	<b>Attachments:</b> Financial Report through June	<b>Budget Impact:</b> \$0
<b>Administrative Recommendation:</b> For discussion only.		
<p><b>Background Summary:</b></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 June 2021 status report based on financial data available as of August 11, 2021. Sales tax information represents business activity that occurred through April 2021.</p>		
		<b>Staff:</b> Thomas
<b>Meeting Date:</b> September 27, 2021		<b>Item Number:</b>

General Fund Summary



General Fund Summary of Sources and Uses	Page Ref	2021			2020	2021 YTD Budget vs. Actual	
		Annual Budget	YTD Budget	YTD Actual	YTD Actual	Favorable (Unfavorable) Amount	Percentage
<b>Operating Revenues</b>							
Property Tax	6	\$ 22,842,300	\$ 11,970,400	\$ 12,212,669	\$ 11,668,417	\$ 242,269	2.0 %
Retail Sales Tax	3, 6-8	16,947,000	7,802,200	10,277,635	8,371,194	2,475,435	31.7 %
Affordable Housing Sales Tax Credit		123,700	61,850	59,038	59,145	(2,812)	(4.5) %
Sales Tax - Pierce County Parks		99,700	46,800	62,073	50,476	15,273	32.6 %
Criminal Justice Sales Tax		2,034,000	967,500	1,209,358	1,079,425	241,858	25.0 %
Brokered Natural Gas Tax		130,000	73,900	91,230	94,884	17,330	23.5 %
City Utilities Tax	3, 8-10	6,471,400	3,104,600	2,974,962	2,180,959	(129,638)	(4.2) %
Admissions Tax	10	320,000	160,002	39,724	166,532	(120,278)	(75.2) %
Electric Tax	8-10	3,723,200	2,043,500	1,979,127	2,281,940	(64,374)	(3.2) %
Natural Gas Tax	8-10	1,116,900	658,000	709,535	832,661	51,535	7.8 %
Cable Franchise Fee		876,900	438,450	456,138	452,191	17,688	4.0 %
Cable Utility Tax		960,000	480,000	481,359	576,902	1,359	0.3 %
Cable Franchise Fee - Capital		60,000	30,000	29,237	31,363	(763)	(2.5) %
Telephone Tax	8-10	765,400	377,100	372,126	535,213	(4,974)	(1.3) %
Solid Waste Tax (external)	8-10	112,500	56,280	109,922	96,518	53,642	95.3 %
Leasehold Excise Tax		210,000	185,000	199,047	184,562	14,047	7.6 %
Gambling Excise Tax	11	307,000	153,500	15,897	75,986	(137,603)	(89.6) %
<b>Taxes sub-total</b>		<b>\$ 57,100,000</b>	<b>\$ 28,609,082</b>	<b>\$ 31,279,075</b>	<b>\$ 28,738,370</b>	<b>\$ 2,669,993</b>	<b>9.3 %</b>
Business License Fees	11-12	\$ 385,400	\$ 136,600	\$ 124,247	\$ 134,580	\$ (12,353)	(9.0) %
Building Permits	12-13	858,400	330,700	725,180	334,542	394,480	119.3 %
Other Licenses & Permits	3	785,600	405,500	716,721	446,956	311,221	76.7 %
Intergovernmental (Grants, etc.)	14-15	4,435,120	2,067,295	10,344,584	2,843,082	8,277,289	400.4 %
Charges for Services:	15-17						
General Government Services	15	3,474,060	1,737,030	1,663,296	1,426,006	(73,734)	(4.2) %
Public Safety	15-16	929,900	464,950	689,130	594,800	224,180	48.2 %
Development Services Fees	15-16	896,100	449,800	790,126	546,598	340,326	75.7 %
Culture and Recreation	15-17	2,072,630	1,029,600	1,218,933	676,867	189,333	18.4 %
Fines and Penalties	17-18	722,200	372,800	250,177	357,399	(122,623)	(32.9) %
<b>Fees/Charges/Fines sub-total</b>		<b>\$ 14,559,410</b>	<b>\$ 6,994,275</b>	<b>\$ 16,522,394</b>	<b>\$ 7,360,830</b>	<b>\$ 9,528,119</b>	<b>136.2 %</b>
Interest and Investment Earnings	19	\$ 138,800	\$ 69,400	\$ 2,412	\$ 238,607	\$ (66,988)	(96.5) %
Rents and Leases	19	754,600	423,000	407,597	261,689	(15,403)	(3.6) %
Contributions and Donations	19	28,000	14,000	1,973	15,868	(12,027)	(85.9) %
Other Miscellaneous	19	217,800	127,231	136,764	122,154	9,533	7.5 %
Transfers In		162,000	162,000	162,000	2,081,527	0	0.0 %
Insurance Recoveries - Capital & Operating		100,000	87,500	269,284	45,568	181,784	207.8 %
<b>Other Revenues sub-total</b>		<b>\$ 1,401,200</b>	<b>\$ 883,131</b>	<b>\$ 980,030</b>	<b>\$ 2,765,413</b>	<b>\$ 96,899</b>	<b>11.0 %</b>
<b>Total Operating Revenues</b>		<b>\$ 73,060,610</b>	<b>\$ 36,486,488</b>	<b>\$ 48,781,499</b>	<b>\$ 38,864,612</b>	<b>\$ 12,295,010</b>	<b>33.7 %</b>
<b>Operating Expenditures</b>							
Council & Mayor		\$ 1,375,222	\$ 699,500	\$ 549,433	\$ 479,839	\$ 150,067	21.5 %
Administration		1,473,404	892,935	814,249	1,256,792	78,686	8.8 %
Human Resources		2,160,531	1,067,200	877,198	796,147	190,002	17.8 %
Municipal Court & Probation		3,160,261	539,231	452,887	442,236	86,344	16.0 %
Finance		3,833,612	1,953,500	1,783,560	1,563,871	169,940	8.7 %
City Attorney		3,568,313	1,777,400	1,595,729	1,192,459	181,671	10.2 %
Community Development		5,529,908	2,697,000	2,359,130	2,108,230	337,870	12.5 %
Community & Human Services (Comm Devel)		1,214,797	604,000	330,064	432,837	273,936	45.4 %
Jail - SCORE		5,021,600	2,510,800	2,282,550	2,282,550	228,250	9.1 %
Police		30,884,021	15,834,017	14,366,325	14,044,553	1,467,692	9.3 %
Public Works		3,409,062	1,766,800	1,720,035	1,884,597	46,765	2.6 %
Parks, Arts & Recreation		13,943,608	6,838,600	5,378,311	5,415,668	1,460,289	21.4 %
Streets		4,092,068	1,934,200	1,854,084	1,708,356	80,116	4.1 %
Non-Departmental		3,450,270	1,492,485	1,033,325	926,323	459,160	30.8 %
<b>Total Operating Expenditures</b>		<b>\$ 83,116,677</b>	<b>\$ 40,607,668</b>	<b>\$ 35,396,881</b>	<b>\$ 34,534,458</b>	<b>\$ 5,210,786</b>	<b>12.8 %</b>

## Executive Summary

This report provides an overview of the City's overall financial position for the fiscal period ending June 30, 2021, reflecting financial data available as of August 11, 2021.

### General Fund:

Due to the COVID-19 pandemic, some General Fund revenues are lower than the pre-pandemic levels due to the economic impact the pandemic has had at the local and regional level. In late March, both King and Pierce counties advanced to Phase III of the state's Healthy Washington Roadmap to Recovery plan. Phase III allowed businesses to have indoor dining occupancy up to 50%; retail, fitness and competitive sports at 50% occupancy; and indoor entertainment venues like theaters, concerts, museums, bowling alleys, cardrooms, zoos, etc. were allowed to reopen with restrictions. At the end of June, Washington state reopened under the Washington Ready plan. All industry sectors previously covered by the Roadmap to Recovery or the Safe Start plan (with limited exceptions) were allowed to return to usual capacity and operations. Therefore, at the end of the second quarter of 2021 there were additional changes in business occupancy allowances and most restrictions had been lifted.

Note: In 2020 to help close the revenue gap due to the COVID-19 pandemic, the City implemented several short-term policy changes in 2020. Effective January 1, 2021, all of those policy changes were discontinued.

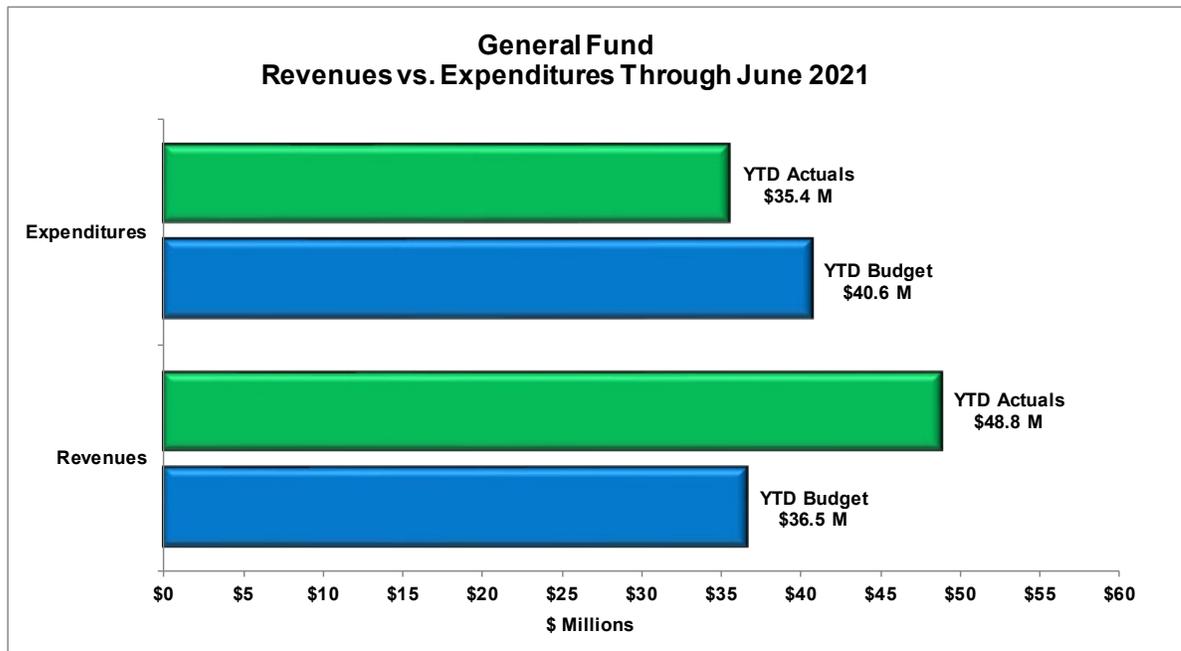
Overall, General Fund revenues collected through the first half of 2021 totaled \$48.8 million as compared to a budget of \$36.5 million.

### Notable variances to budget include:

- Retail Sales Tax: The sales tax report through June 2021 (which is provided as an attachment to this report) reflects amounts remitted to the City of Auburn based on sales from November 2020 through April 2021. Total sales tax revenue collected through June 2021 totaled \$10.3 million and was \$1.9 million, or 22.8%, more than what was collected through Q2-2020. Sales tax revenues collected through the first half of 2021 exceeded pre-pandemic levels. The most notable increases in revenues were seen in the automotive and retail trade categories, most likely due to pent up demand. **[pages 6-8]**
- In November 2020, City Council approved Ordinance No. 6801 which increased the City utility tax rate from 7.0% to 10.0% effective January 1, 2021. While 1.0% of utility tax revenue continues to support the Arterial Street Preservation Fund, this change increases General Fund tax revenues for Water, Sewer, Storm and Solid Waste services from the previous 6.0% to 9.0%. City utility tax revenues through Q2-2021 were \$130,000 unfavorable to budget although they were \$794,000 higher than the same period last year. **[pages 8-10]**
- Other Licenses and Permits: Revenues in this category primarily consist of excavation/construction permits, street and curb permits as well as plumbing permits. Through the second quarter of 2021, these revenues totaled \$717,000 and were \$311,000 favorable to budget. The majority of this favorability to budget was seen in excavation/construction permit revenues.

- Building permit revenues collected through June 2021 totaled \$725,000 and were \$394,000, or 119.3%, above budget. There were three significant commercial projects in the City that contributed to higher than anticipated revenues this year, including the replacement of two elementary schools. The total number of building permits issued through June 2021 totaled 252, which is 32 (14.5%) more than the number issued through Q2-2020. **[pages 12-13]**
- Intergovernmental revenues collected through the second quarter of 2021 totaled \$10.3 million and were \$8.3 million favorable to budget, primarily due to ARPA (American Rescue Plan Act) funds. ARPA is the latest in a series of COVID-19 related relief and economic stimulus packages established by the legislators. The City received \$7.4 million in ARPA money in May 2021. The majority of the favorable variance to budget in this category is due to this unbudgeted stimulus money. The ARPA spending plan is being presented to Council in September in Ordinance No. 6832. In addition, the City of Auburn was one of seven cities in the state of Washington that received temporary Streamlined Sales Tax Mitigation monies in 2021. The City of Auburn received an unbudgeted payment of \$1.0 million in June 2021. **[pages 14-15]**

General Fund expenditures through Q2-2021 totaled \$35.4 million compared to a budget of \$40.6 million, representing a 12.8% favorable variance to budget. All departments operated within their allocated quarterly budget through the second quarter of 2021.



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.

Through the second quarter of 2021, **Arterial Street Fund** revenues totaled \$605,000 as compared to collections of \$353,000 through June 2020, while expenditures totaled \$1.8 million as compared to expenditures of \$672,000 through the second quarter of 2020. **[pages 22–23]**

**Local Street Fund** revenues of \$297,000 compare to collections of \$1.0 million through June 2020. Expenditures in the first quarter were \$163,000 as compared with \$428,000 through the second quarter of 2020. **[pages 24–25]**

Lastly, **Arterial Street Preservation Fund** revenues totaled \$1.5 million through June 2021, while expenditures totaled \$1.5 million versus \$640,000 through last June. **[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.

The **Water Fund** ended the second quarter of 2021 with operating income of \$1.3 million, nearly identical to the same period last year. **[page 29]**

The **Sewer Fund** had operating income of \$509,000 through June 2021 versus \$631,000 in the same period of 2020. Increased consumption revenues and decreased debt service payments were offset by increased personnel costs and interfund utility taxes. **[page 30]**

Through June 2021 the **Stormwater Fund** had operating income of \$1.1 million compared to \$1.4 million through June of 2020; this variance is largely due to increased personnel costs, fleet and support costs, and interfund utility taxes. **[page 30]**

The **Solid Waste Fund** had operating income of \$8,000 through the second quarter compared to operating income of \$302,000 in the same period last year; higher service revenues were offset by increased payments to the City's primary solid waste vendor and interfund utility taxes. **[pages 30-31]**

The **Airport Fund** experienced operating income of \$194,000 through June 2021, compared to \$260,000 in the same period last year. This variance is largely attributable to fuel inventory purchases, as well as personnel, fleet and repairs and maintenance costs. **[page 32]**

The **Cemetery Fund** had operating income of \$271,000 through June 2021, compared with an operating loss of \$7,000 in the same period last year. This increase is largely attributable to increased sales revenues. **[page 32]**

#### Internal Service Funds:

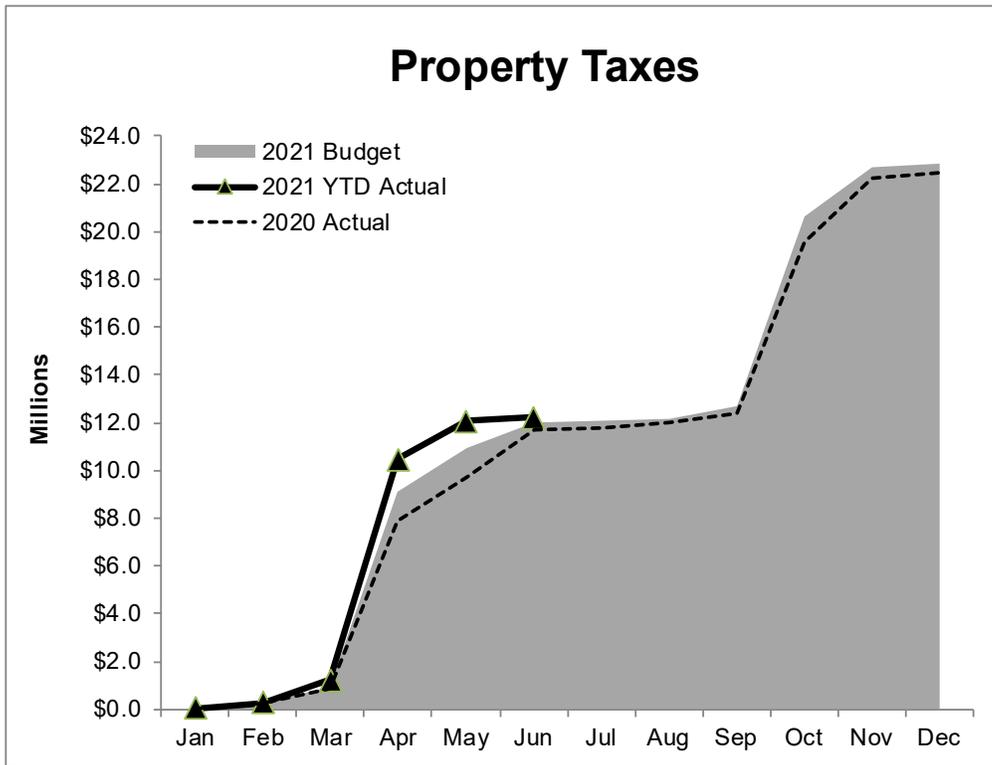
Internal service funds provide services to other City departments and include functions such as Insurance, Worker's Compensation, Facilities, Innovation & Technology, and Equipment Rental. No significant variances were reported in these funds in 2021. **[page 32]**

**General Fund**

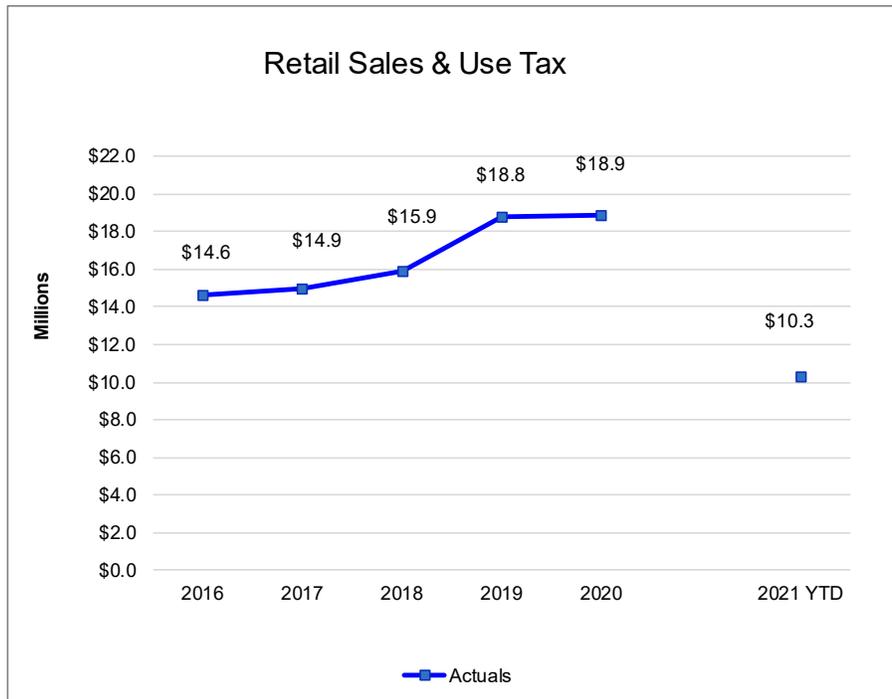
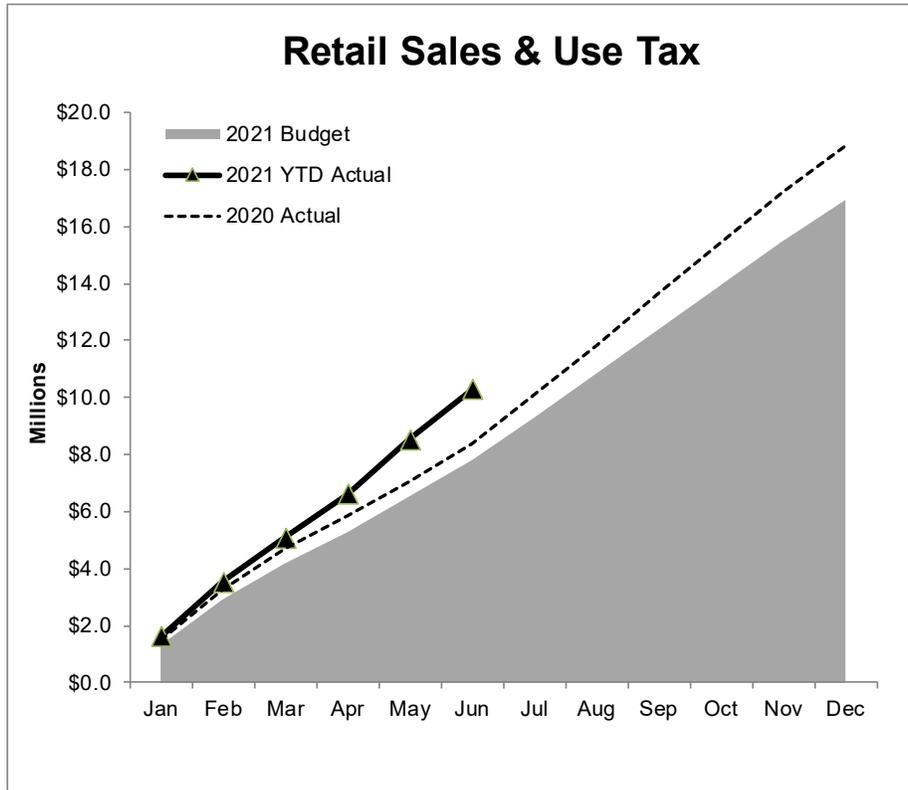
**Revenues**

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 through Q2-2021 totaled \$12.2 million and compares to a budget of \$12.0 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 through the first half of 2021 totaled \$10.3 million and reflects taxes remitted to the City of Auburn based on sales from November 2020 through April 2021. Due to the global pandemic, the 2021 retail sales tax revenue projection was reduced to account for expected business closures and/or occupancy restrictions combined with a slower economy due to higher than usual unemployment rates. Due to stronger than anticipated sales in several categories including automotive, retail trade and services, sales tax revenues collected through Q2-2021 were \$2.5 million, or 31.7%, higher than budget.



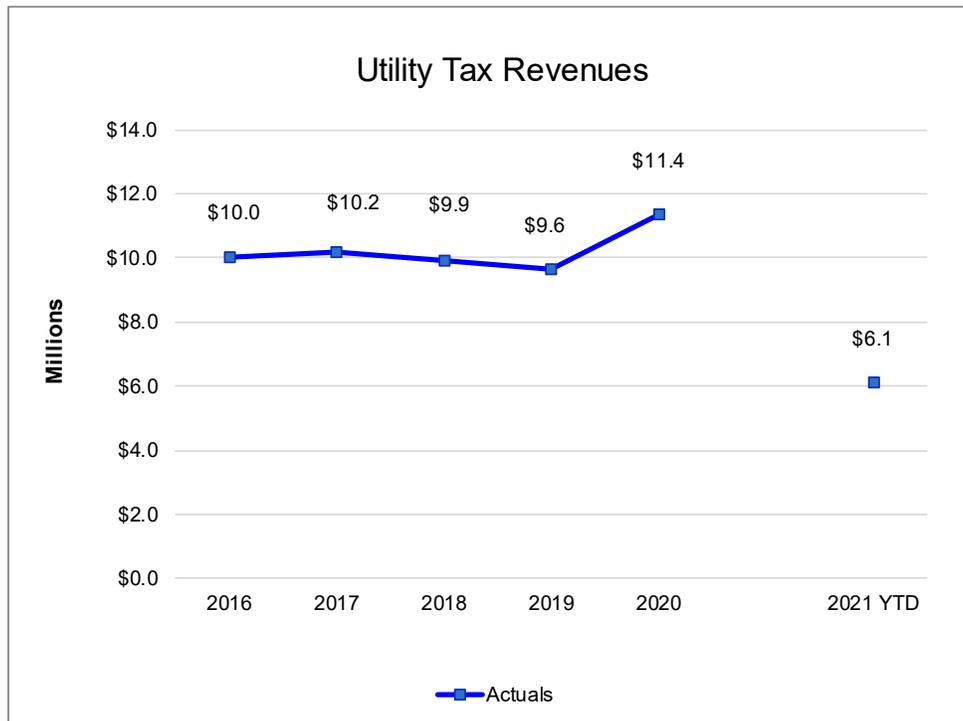
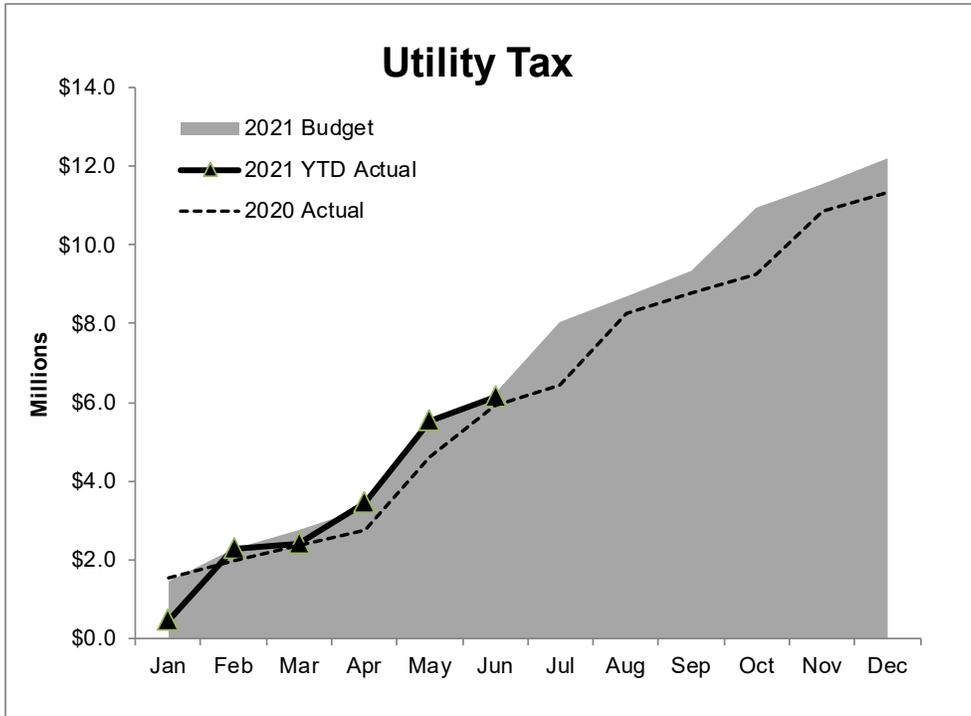
**Note:** The increase in sales tax revenue from 2018 to 2019 was primarily due to a policy change whereby sales tax on construction revenue stays in the General Fund starting in 2019. Of the year-over-year increase in sales tax revenue depicted in the graphic above from 2018 to 2019, \$2.2 million of 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 June				
Component Group	2020 Actual	2021 Actual	Change from 2020	
			Amount	Percentage
Construction	\$ 1,226,576	\$ 1,467,364	\$ 240,788	19.6 %
Manufacturing	177,927	176,838	(1,089)	(0.6) %
Transportation & Warehousing	53,860	181,775	127,915	237.5 %
Wholesale Trade	612,916	682,475	69,559	11.3 %
Automotive	1,564,519	2,186,225	621,706	39.7 %
Retail Trade	2,614,506	3,180,701	566,194	21.7 %
Services	1,993,221	2,314,579	321,358	16.1 %
Miscellaneous	127,667	168,429	40,762	31.9 %
YTD Total	\$ 8,371,194	\$ 10,358,386	\$ 1,987,192	23.7 %

Citywide retail sales tax revenue collected through Q2-2021 was \$2.0 million, or 23.7%, more than collections through Q2-2020. The business sectors that realized the greatest revenue increase year-over-year were in automotive and retail trade.

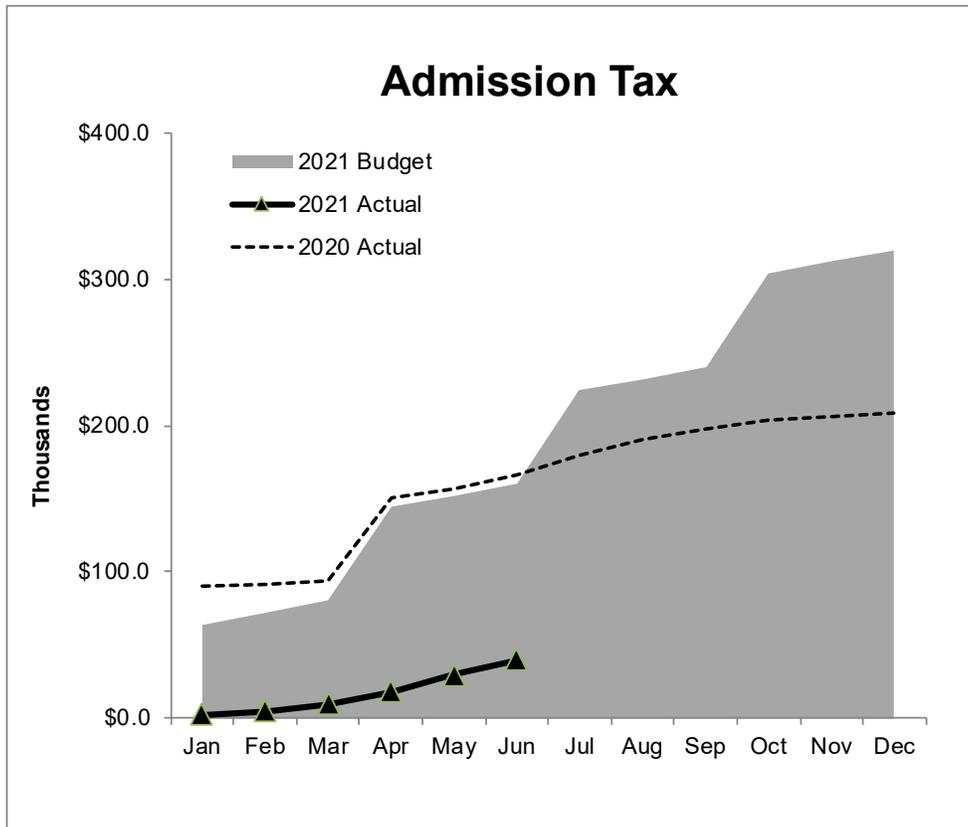
**Utility Taxes** consist of interfund taxes on City utilities (Water, Sewer, Storm and Solid Waste) and taxes on external utilities (Electric, Natural Gas, Telephone and Solid Waste). As noted on page 3 of this report, City Council increased the City utility tax rate from 7.0% to 10.0% effective in 2021. While 1.0% of this tax revenue continues to support the Arterial Street Preservation Fund, this change increases General Fund tax revenues for Water, Sewer, Storm and Solid Waste services from the previous 6.0% to 9.0%. This change is expected to provide an additional \$2.2 million in General Fund revenues in 2021.



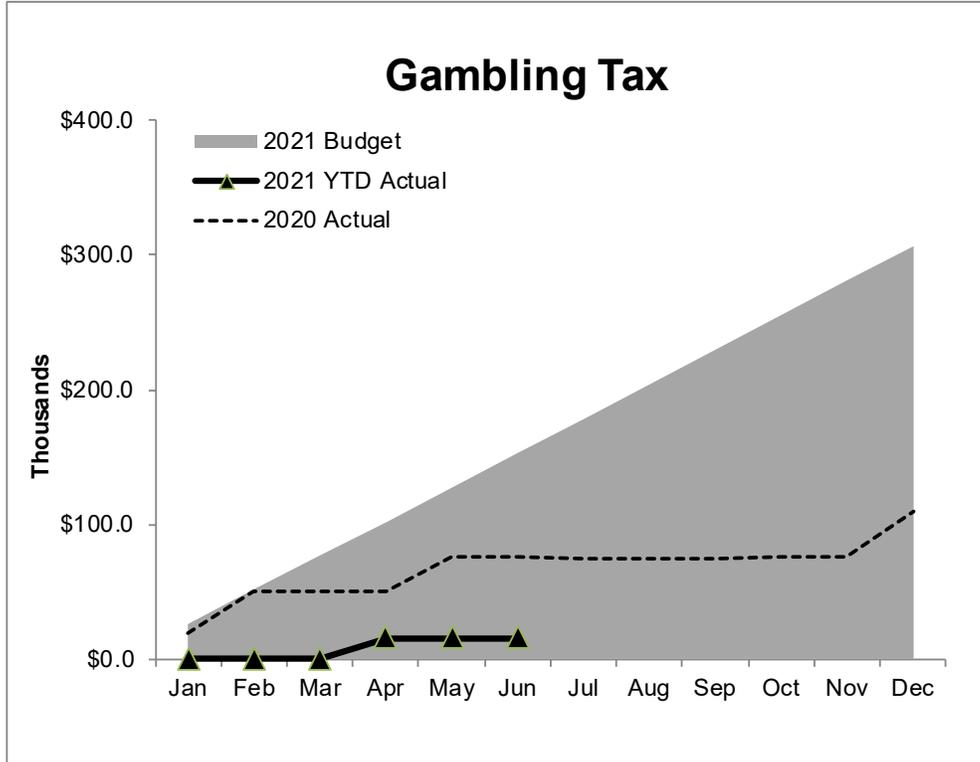
The table below demonstrates the various utility tax revenues and show actuals compared to budget.

Utility Tax by Type Through June 2021							
Utility Tax Type	2020 YTD Actual	2021 YTD Budget	2021 YTD Actual	2021 vs. 2020 Actual		2021 vs. Budget	
				Amount	Percentage	Amount	Percentage
City Interfund Utility Taxes	\$ 2,180,959	\$ 3,104,600	\$ 2,974,962	\$ 794,003	36.4 %	\$ (129,638)	(4.2) %
Electric	2,281,940	2,043,500	1,979,127	(302,814)	(13.3) %	(64,374)	(3.2) %
Natural Gas	832,661	658,000	709,535	(123,126)	(14.8) %	51,535	7.8 %
Telephone	535,213	377,100	372,126	(163,087)	(30.5) %	(4,974)	(1.3) %
Solid Waste (external)	96,518	56,280	109,922	13,404	13.9 %	53,642	95.3 %
YTD Total	\$ 5,927,291	\$ 6,239,480	\$ 6,145,671	\$ 218,380	3.7 %	\$ (93,809)	(1.5) %

An **Admission Tax** of 5.0% is placed on charges for general admission, season tickets, cover charges, etc. Admission tax revenues collected through June 2021 totaled \$40,000 and were \$120,000 unfavorable to budget. Due to COVID-19, some entertainment style businesses had not reopened until the second quarter of 2021. The primary remitter of admission tax to the City of Auburn is the Auburn Regal Cinema at the Outlet Collection mall. The theater was closed during the first quarter of this year, and it is expected that admission revenues for Q2-2021 will be remitted to the City in Q3-2021. Revenues collected in this category during the first half of the year were predominately from admissions taxes collected from the Auburn Golf Course.

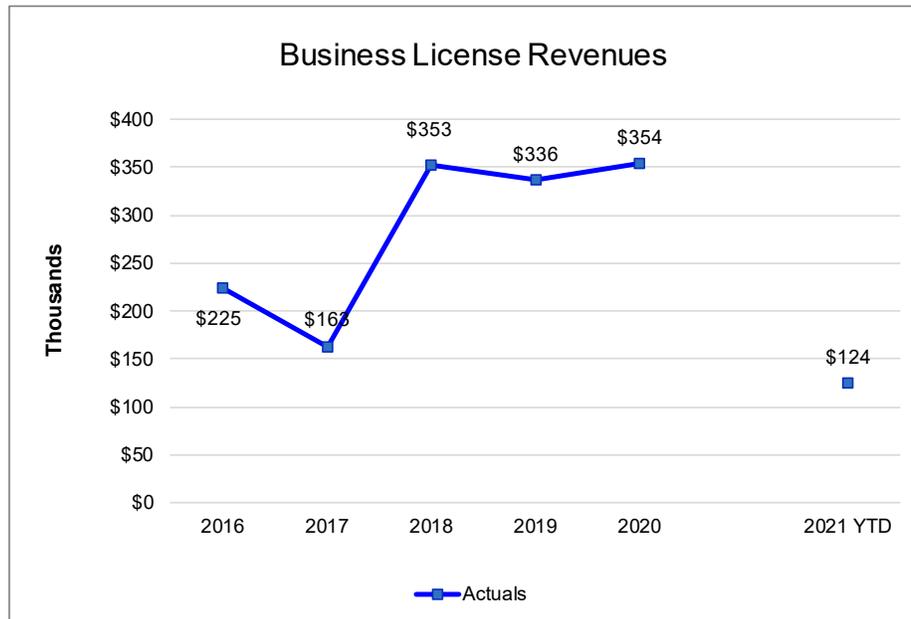
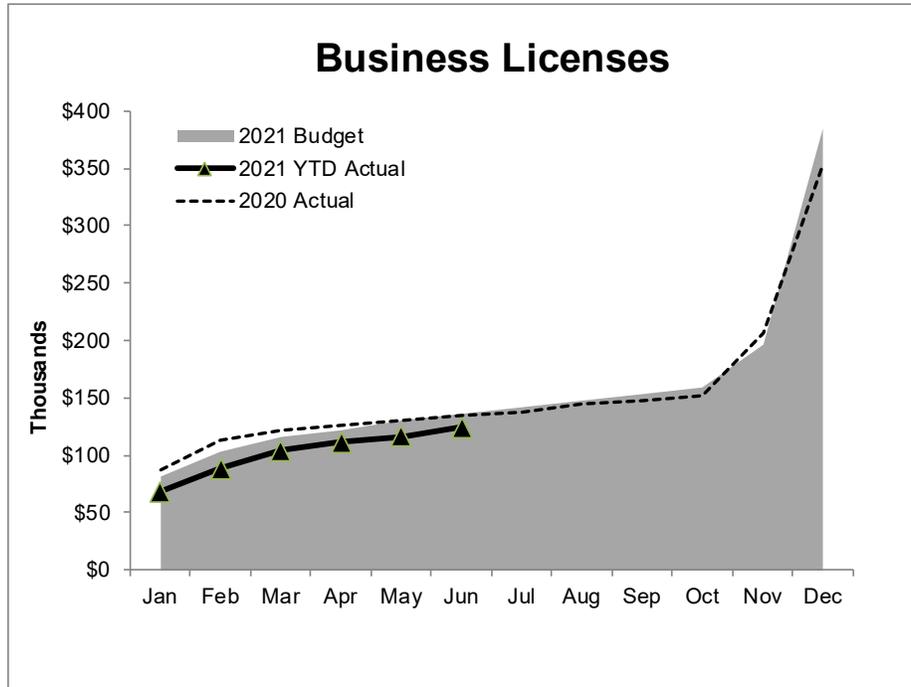


**Gambling Tax** applies to all card games, punch board games, pull tabs, bingo games, raffles and amusement games played within City limits. Due to COVID-19 occupancy limitations, some of these establishments had not opened up for business until the later part of Q1-2021 and many opened at a reduced capacity. While capacity limitations were lifted effective June 30, 2021, the effects on gambling activity in the City will become evident in Q3-2021.



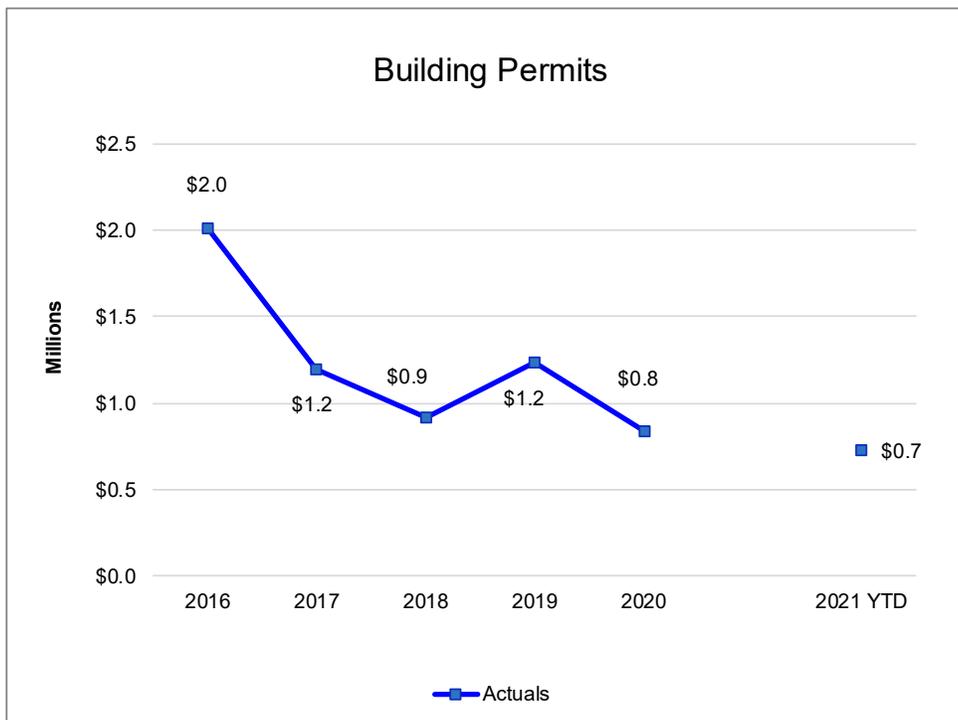
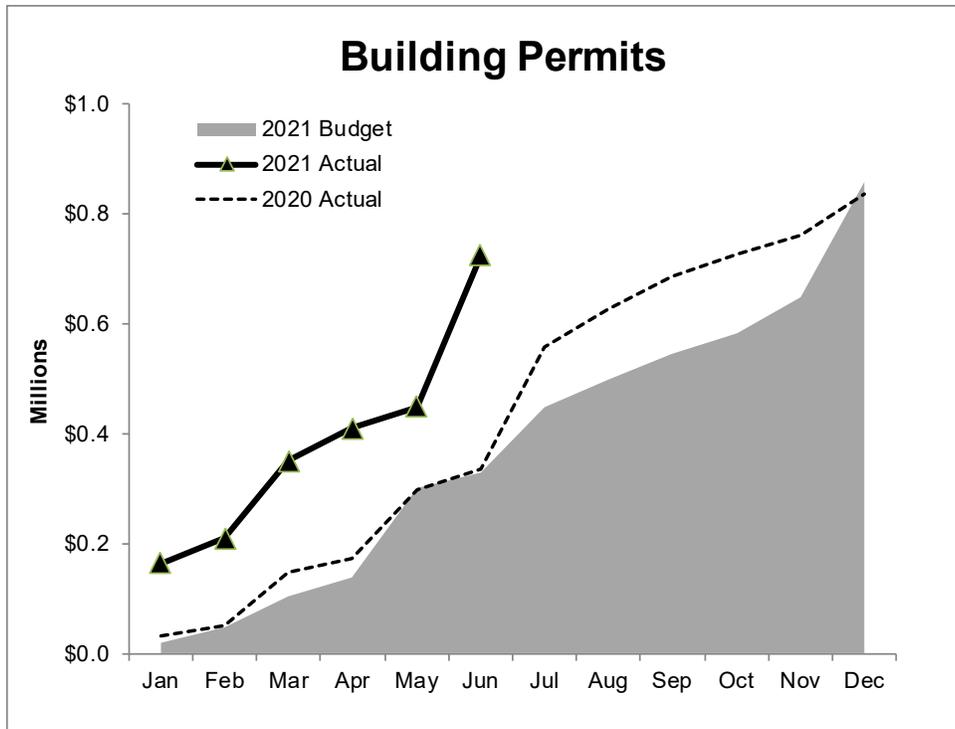
**Licenses and Permits** include business licenses, building permits, plumbing, electric and other licenses and permit fees. Building permit fees and business licenses make up approximately 70% of the annual budgeted revenue in this category.

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 in January in the current year. Business license revenues collected through Q2-2021 totaled \$124,000 and were \$12,000, or 9.0%, unfavorable to budget.



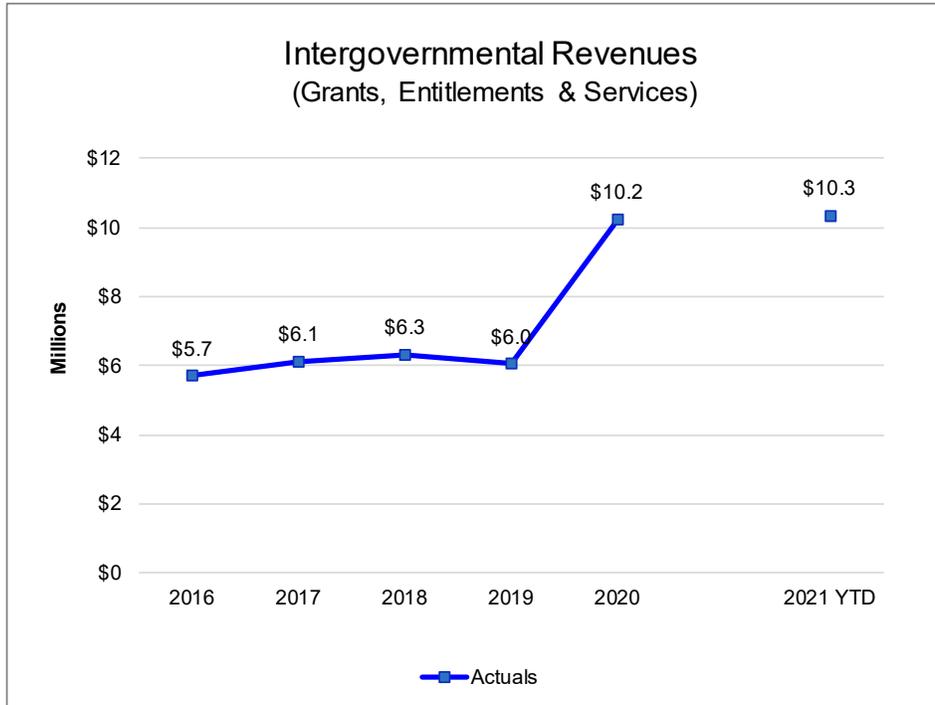
**Building Permit** revenues collected through June 2021 totaled \$725,000 and were \$394,000 favorable to budget. A total of 252 building permits were issued through Q2-2021 compared to 220 in Q2-2020, representing a 14.5% increase. Of the building permit revenues collected through June, 63% were attributable to commercial projects and the remaining 37% were predominately single family housing permits.

Major projects providing building permit revenues in the second quarter of 2021 include the Lea Hill Elementary School replacement project, the Chinook Elementary School replacement project and several single family houses in North Ridgeview Estates, the Huntington Woods and Forest Glen housing developments.



**Intergovernmental revenues** include grants and stimulus monies (direct and indirect federal, state and local), revenue from the Muckleshoot Indian Tribe (MIT) compact as well as state shared revenues. Collections through Q2-2021 totaled \$10.3 million and were \$8.3 million favorable to budget expectations. Most of the favorable variance to budget was due primarily to the unbudgeted receipt of the American Rescue Plan Act (ARPA) stimulus funds. ARPA is the latest in a series of COVID-related relief and economic stimulus packages established by the legislators. The City received \$7.4 million in ARPA money in May 2021 a. The ARPA spending plan is being presented to Council in September via Ordinance No. 6832. In addition, the City of Auburn was one of seven cities in the state of Washington that received temporary Streamlined Sales Tax Mitigation monies in 2021. The City of Auburn received an unbudgeted payment of \$1.0 million in June 2021.

Intergovernmental Revenues (Grants, Entitlements & Services)							
Through June 2021							
Revenue	2020	2021	2021	2021 vs. 2020 Actual		2021 vs. Budget	
	YTD Actual	YTD Budget	YTD Actual	Amount	% Change	Amount	% Change
Federal Grants	\$ 99,893	\$ 29,270	\$ 27,924	\$ (71,969)	(72.0) %	\$ (1,346)	(4.6) %
State Grants	108,581	7,500	22,992	(85,589)	(78.8) %	15,492	206.6 %
Interlocal Grants	198,876	157,120	63,567	(135,309)	0.0 %	(93,553)	(59.5) %
Muckleshoot Casino Services	319,588	462,500	385,997	66,409	20.8 %	(76,503)	(16.5) %
Federal Assistance	0	0	7,375,616	7,375,616	NA %	7,375,616	N/A %
State Shared Revenues:							
Streamlined Sales Tax	494,830	0	1,000,158	505,328	102.1 %	1,000,158	N/A %
Motor Vehicle Fuel Tax	711,924	496,800	498,377	(213,547)	(30.0) %	1,577	0.3 %
Criminal Justice - High Crime	109,513	106,100	117,734	8,221	7.5 %	11,634	11.0 %
Criminal Justice - Population	12,388	13,000	13,036	648	5.2 %	36	0.3 %
Criminal Justice - Special Prog.	44,466	47,400	46,536	2,070	4.7 %	(864)	(1.8) %
Marijuana Excise Tax	89,421	91,800	82,009	(7,412)	(8.3) %	(9,791)	(10.7) %
State DUI	5,361	5,900	6,434	1,073	20.0 %	534	9.0 %
Fire Insurance Tax	85,819	87,500	98,371	12,552	14.6 %	10,871	12.4 %
Liquor Excise	234,428	237,405	282,049	47,621	20.3 %	44,644	18.8 %
Liquor Profit	327,993	325,000	323,785	(4,208)	(1.3) %	(1,215)	(0.4) %
Total State Shared:	2,116,143	1,410,905	2,468,489	352,346	16.7 %	1,057,584	75.0 %
YTD Total	\$ 2,843,082	\$ 2,067,295	\$ 10,344,584	\$ 7,501,502	263.9 %	\$ 8,277,289	400.4 %



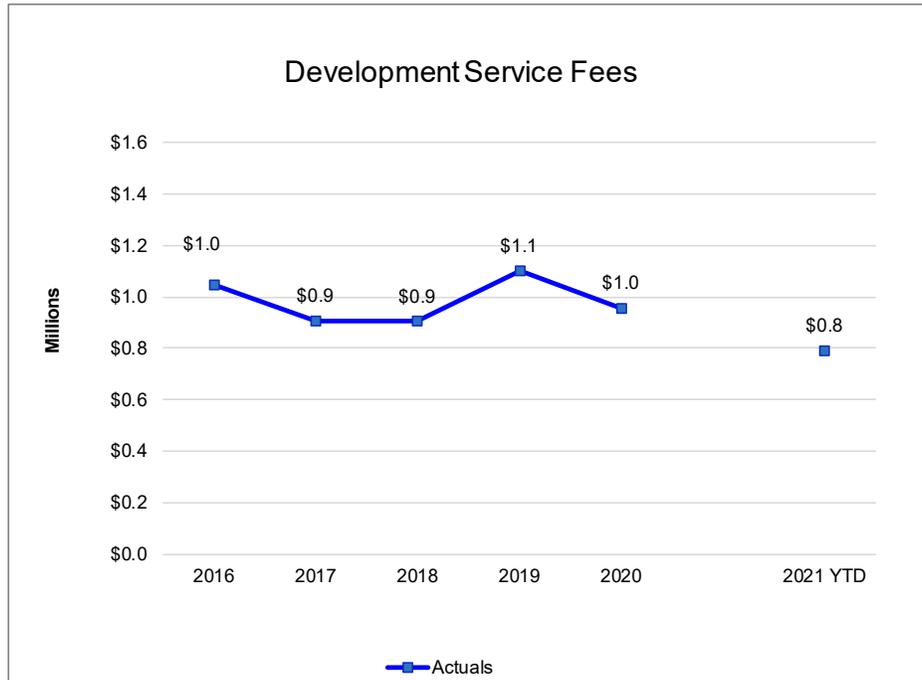
**Charges for Services** consist of general governmental service charges, public safety charges, development service fees, and culture and recreation fees. Total charges for services collected through June 2021 totaled \$4.4 million and were \$680,000, or 18.5%, more than budgeted.

Charges for Services by Type Through June 2021							
Revenue	2020 YTD Actual	2021 YTD Budget	2021 YTD Actual	2021 vs. 2020 Actual		2021 vs. Budget	
				Amount	Percentage	Amount	Percentage
General Government	\$ 1,426,006	\$ 1,737,030	\$ 1,663,296	\$ 237,289	16.6 %	\$ (73,734)	(4.2) %
Public Safety	594,800	464,950	689,130	94,330	15.9 %	224,180	48.2 %
Development Services	546,598	449,800	790,126	243,528	44.6 %	340,326	75.7 %
Culture & Recreation	676,867	1,029,600	1,218,933	542,066	80.1 %	189,333	18.4 %
<b>YTD Total</b>	<b>\$ 3,244,271</b>	<b>\$ 3,681,380</b>	<b>\$ 4,361,484</b>	<b>\$ 1,117,213</b>	<b>34.4 %</b>	<b>\$ 680,104</b>	<b>18.5 %</b>

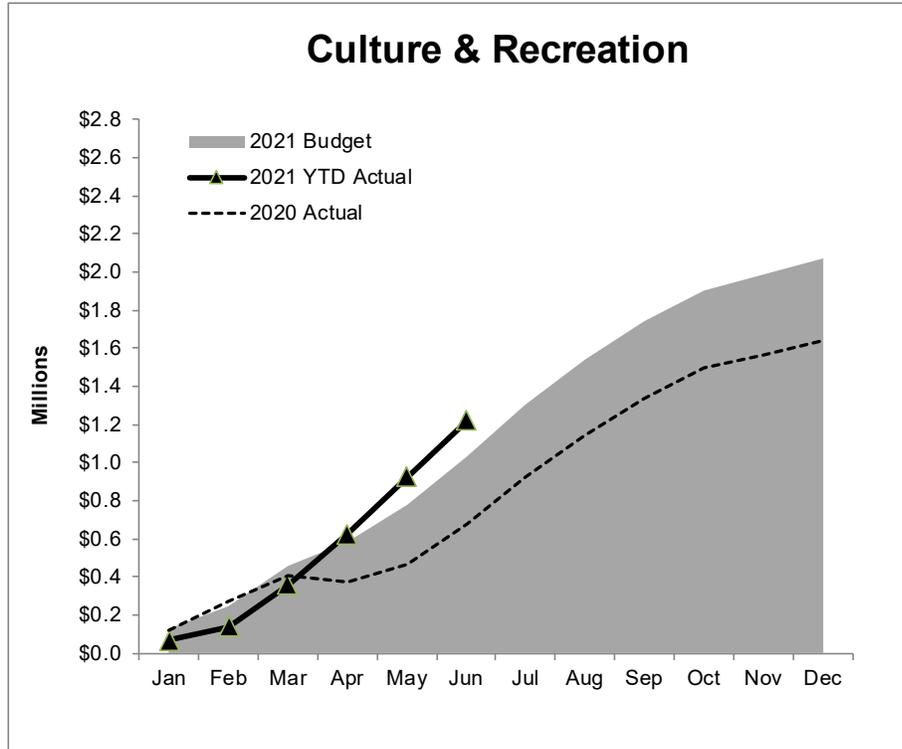
The General Government revenue category primarily includes the interfund assessment for the salary and benefit costs for support departments (Finance, Human Resources and the Legal Department). Salary and benefit costs for these support departments are charged to the respective General Fund home department and a portion of those costs is recouped from other funds via interfund charges. General Government revenues also include revenues for passport services, reimbursement from cities participating in the South King Housing and Homelessness Partners (SKHHP) as well as transportation projects. The majority of the unfavorable variance to budget through Q2-2021 is primarily due to a transportation project that has been discontinued and won't result in revenues this year.

Public safety revenues mostly consist of revenues for law enforcement services, which are 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. Public safety revenues collected through Q2-2021 totaled \$689,000 and were \$224,000 favorable to budget primarily due to stronger than anticipated requests for extra duty security services.

Development services fee collections consist primarily of plan check fees, facility extension charges, and zoning and subdivision fees. Through Q2-2021, development service fees collected totaled \$790,000 and were \$340,000 favorable to budget expectations. The favorable variance to budget was seen primarily in plan check revenues which generated \$394,000 in revenue through the second half of the year and compare to \$260,000 collected through the first half of 2020. Plan check revenues in Q2-2021 included both Lea Hill and Chinook Elementary School replacement projects and numerous other commercial and residential projects including North Ridgeview Estates and the Forest Glen housing development.

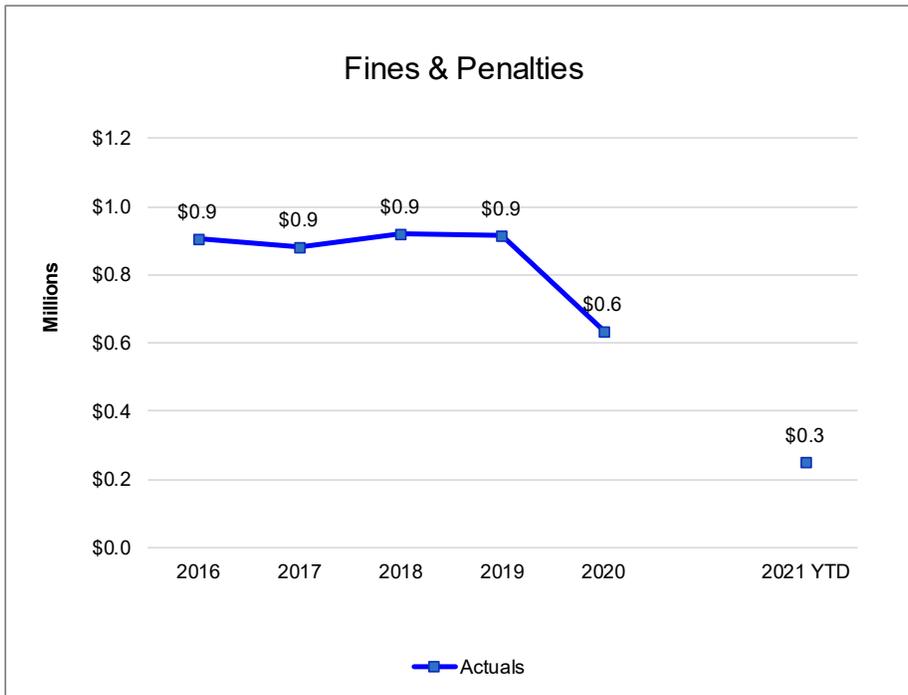
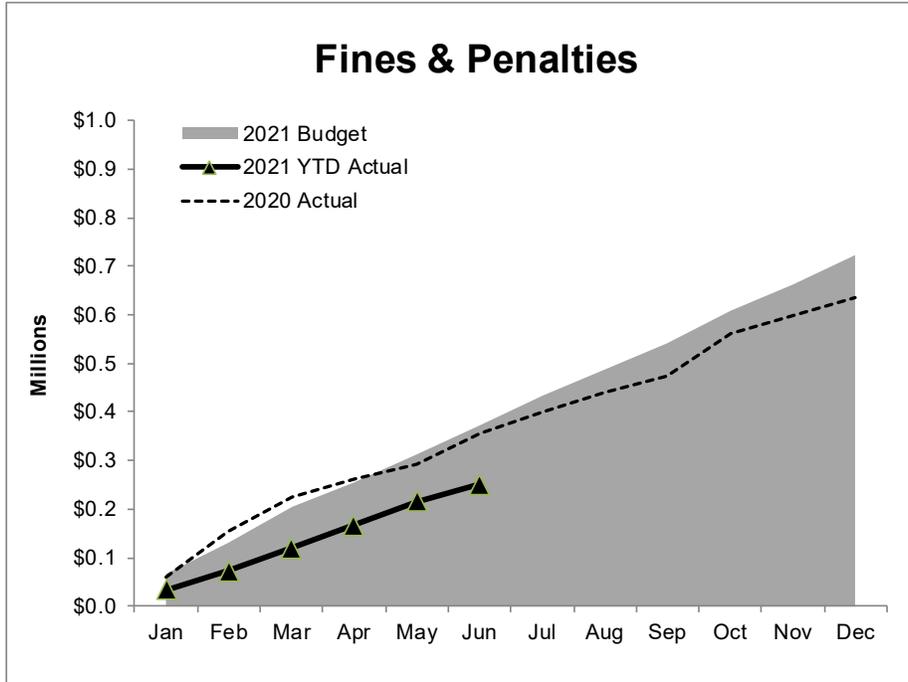


The majority of culture and recreation revenues are derived from greens fees and pro shop sales at the Auburn Golf Course, recreational classes, ticket sales at the Auburn Avenue Theater, senior programs and special events. Due to COVID-19, many of these activities continued to be suspended or are significantly modified through Q2-2021, During this period, 72% of culture and recreation revenues collected were from greens fees and pro shop sales at the Auburn Golf Course.



**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 through Q2-2021 totaled \$250,000 compared to a budget of \$373,000, and were 32.9% below budget expectations primarily due to lower than budgeted collections in civil infraction penalties and parking infractions.

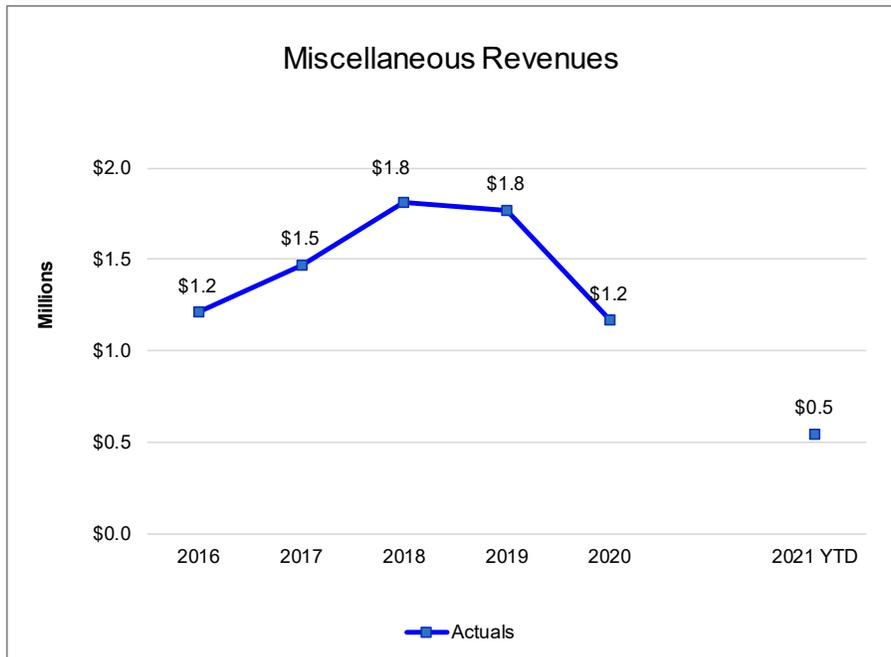
Fines & Penalties by Type Through June 2021							
Month	2020 YTD Actual	2021 YTD Budget	2021 YTD Actual	2021 vs. 2020 Actual		2021 vs. Budget	
				Amount	Percentage	Amount	Percentage
Civil Penalties	\$ 21,492	\$ 12,600	\$ 19,338	\$ (2,153)	(10.0) %	\$ 6,738	53.5 %
Civil Infraction Penalties	146,383	216,000	121,003	(25,379)	(17.3) %	(94,997)	(44.0) %
Redflex Photo Enforcement	334	0	2,020	1,686	504.6 %	2,020	N/A %
Parking Infractions	40,161	65,500	26,966	(13,195)	(32.9) %	(38,534)	(58.8) %
Criminal Traffic Misdemeanor	9,741	20,100	19,964	10,222	104.9 %	(136)	(0.7) %
Criminal Non-Traffic Fines	11,306	17,500	9,816	(1,490)	(13.2) %	(7,684)	(43.9) %
Criminal Costs	9,498	6,200	14,340	4,842	51.0 %	8,140	131.3 %
Non-Court Fines & Penalties	118,484	34,900	36,729	(81,755)	(69.0) %	1,829	5.2 %
<b>YTD Total</b>	<b>\$ 357,399</b>	<b>\$ 372,800</b>	<b>\$ 250,177</b>	<b>\$ (107,223)</b>	<b>(30.0) %</b>	<b>\$ (122,623)</b>	<b>(32.9) %</b>



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

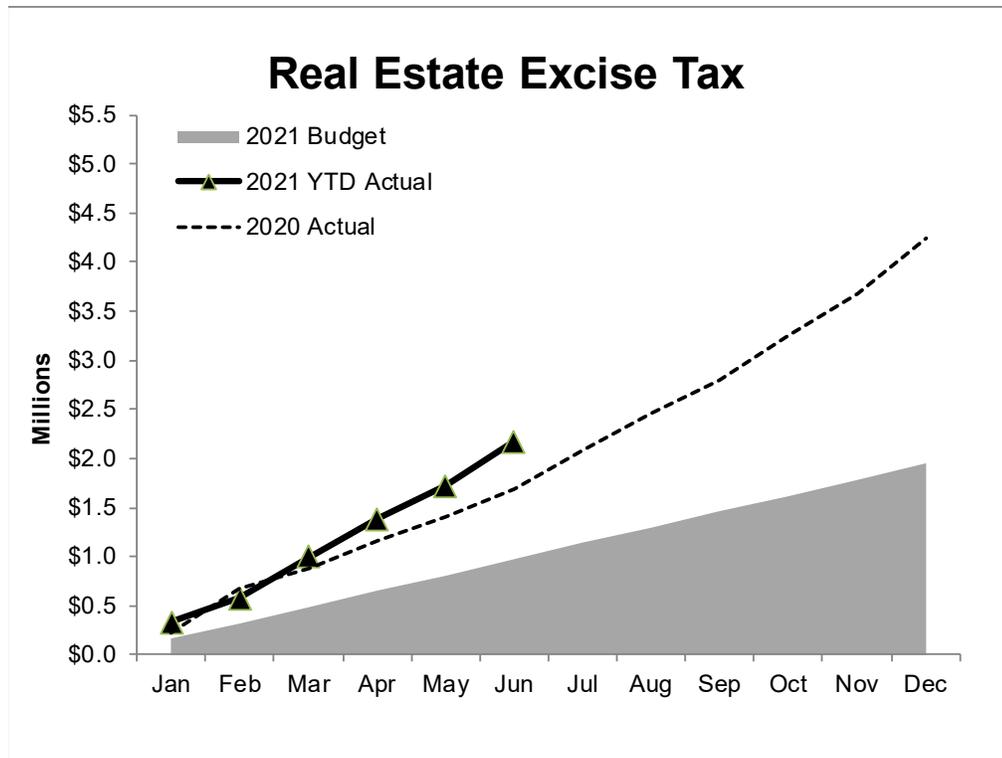
Miscellaneous Revenues by Type Through June 2021							
Month	2020 YTD Actual	2021 YTD Budget	2021 YTD Actual	2021 vs. 2020		2021 vs. Budget	
				Amount	Percentage	Amount	Percentage
Interest & Investments	\$ 238,607	\$ 69,400	\$ 2,412	\$ (236,195)	(99.0) %	\$ (66,988)	(96.5) %
Rents & Leases	261,689	423,000	407,597	145,908	55.8 %	(15,403)	(3.6) %
Contributions & Donations	15,868	14,000	1,973	(13,895)	(87.6) %	(12,027)	(85.9) %
Other Miscellaneous Revenue	122,154	127,231	136,764	14,611	12.0 %	9,533	7.5 %
YTD Total	\$ 638,318	\$ 633,631	\$ 548,746	\$ (89,571)	(14.0) %	\$ (84,885)	(13.4) %

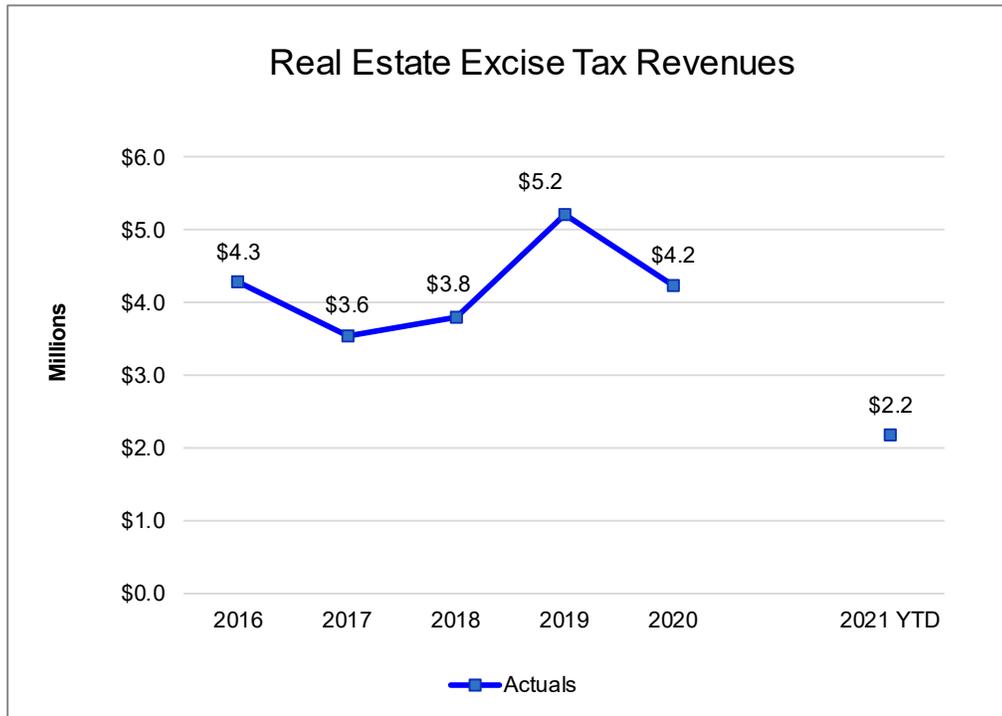
Revenues collected through Q2-2021 in this category totaled \$549,000 and were below budget expectations by \$85,000, or 13.4%. The majority of the unfavorable variance to budget was in the interest and investments category. While the 2021 budget took into account a reduced state pool interest rate, the actual rate in 2021 thus far is considerably lower than anticipated. The average state pool investment earnings rate through June 2021 was 0.11% as compared to an average rate of 1.1% through June 2020. Note that, starting in April 2020, the City implemented a temporary policy change whereby the majority of interest earnings for most funds were diverted to the General Fund. While this policy is no longer in place, it is important to be aware of the policy when comparing 2021 interest earnings to 2020 interest earnings.



**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 through Q2-2021 totaled \$2.2 million, exceeding budget expectations by \$1.2 million. Sales activity in the second quarter of 2021 included the sale of numerous commercial businesses including the sale of a warehouse, several multi-family complexes, and the sale of numerous single family homes.

Real Estate Excise Tax Revenues							
June 2021							
Month	2020 Actual	2021 Budget	2021 Actual	2021 vs. 2020		2021 vs. Budget	
				Amount	Percentage	Amount	Percentage
Jan	\$ 214,936	\$ 162,000	\$ 328,140	\$ 113,204	52.7 %	\$ 166,140	102.6 %
Feb	455,986	162,000	244,189	(211,797)	(46.4) %	82,189	50.7 %
Mar	214,029	162,000	423,532	209,502	97.9 %	261,532	161.4 %
Apr	273,949	162,000	385,966	112,017	40.9 %	223,966	138.3 %
May	245,815	162,000	339,074	93,259	37.9 %	177,074	109.3 %
Jun	288,495	162,000	447,063	158,568	55.0 %	285,063	176.0 %
Jul	392,753	162,000					
Aug	368,252	162,000					
Sep	346,819	162,000					
Oct	444,623	162,000					
Nov	439,428	162,000					
Dec	554,308	162,500					
YTD Total	\$ 1,693,211	\$ 972,000	\$ 2,167,965	\$ 474,754	28.0 %	\$ 1,195,965	123.0 %





**Street Funds**

This section provides a financial overview of the City’s three street funds for the period ending June 30, 2021. The City’s street funds are the Arterial Street Fund (Fund 102), the Local Street Fund (Fund 103), and the Arterial Street Preservation Fund (Fund 105).

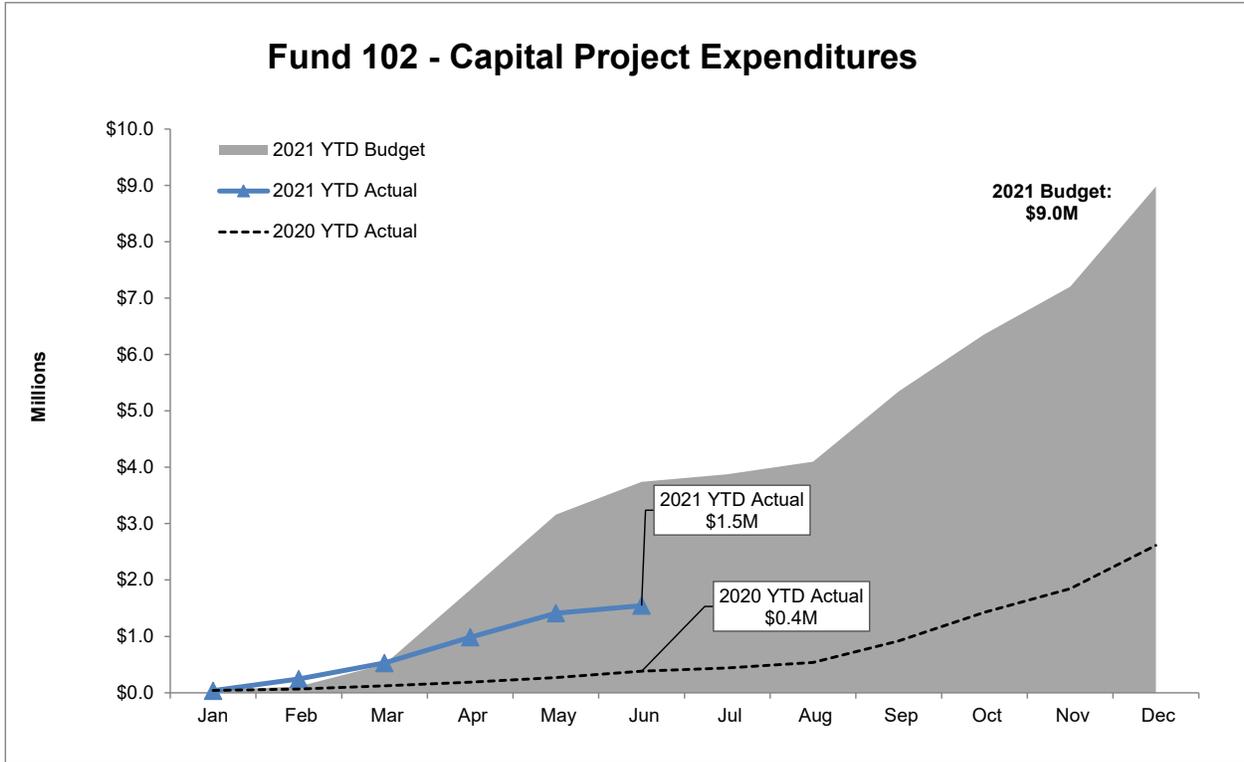
**Fund 102 – Arterial Street Fund**

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 June 30, 2021 there were 19 separate street projects budgeted in this fund.

As of June 2021, revenues collected totaled \$605,000 as compared to collections of \$353,000 through June 2020. Total expenditures through June were \$1.8 million compared to \$672,000 in the same period last year. 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: June 2021	2021			2020	2021 YTD Budget vs. Actual	
	2021 Budget	2021 YTD Budget	2021 YTD Actual	2020 YTD Actual	Favorable (Unfavorable) Amount	Percentage
<b>Revenues</b>						
Federal Grants	\$ 3,299,508	\$ 594,974	\$ 9,479	\$ -	\$ (585,496)	(98.4) %
State And Local Grants	419,980	-	-	-	-	
Motor Vehicle Fuel and Multimodal Taxes	620,000	310,000	266,820	55,701	(43,180)	(13.9) %
Miscellaneous Revenue	500,000	250,000	43,000	14,469	(207,000)	(82.8) %
Operating Transfer In	2,787,315	1,108,233	284,837	275,185	(823,396)	(74.3) %
Investment Income	6,200	4,733	510	7,660	(4,222)	(89.2) %
<b>Total Revenues</b>	<b>\$ 7,633,003</b>	<b>\$ 2,267,941</b>	<b>\$ 604,646</b>	<b>\$ 353,016</b>	<b>\$ (1,663,294)</b>	<b>(73.3) %</b>
<b>Expenditures</b>						
Salary and Benefits	\$ 350,000	\$ 164,200	\$ 276,653	\$ 252,935	\$ (112,453)	(68.5) %
Capital Outlay	8,627,598	2,528,437	1,268,128	127,773	1,260,309	49.8 %
Subtotal - Capital Project Expenditures	8,977,598	2,692,636	1,544,780	380,708	1,147,856	42.6 %
Services and Charges	180,000	36,440	40,263	43,456	(3,823)	(10.5) %
Interfund Payments for Services	69,050	34,525	34,525	40,050	(0)	(0.0) %
Debt Service Principal and Interest	206,900	206,900	206,733	207,428	167	0.1 %
<b>Total Expenditures</b>	<b>\$ 9,433,548</b>	<b>\$ 2,970,502</b>	<b>\$ 1,826,302</b>	<b>\$ 671,642</b>	<b>\$ 1,144,200</b>	<b>38.5 %</b>
<b>Net Change in Fund Balance</b>	<b>\$ (1,800,545)</b>	<b>\$ (702,561)</b>	<b>\$ (1,221,656)</b>	<b>\$ (318,626)</b>	<b>\$ (519,095)</b>	<b>73.9 %</b>

Beg. Fund Balance, January 2021	\$ 2,162,854
Net Change in Fund Balance, June 2021	(1,221,656)
<b>Ending Fund Balance, June 2021</b>	<b>\$ 941,198</b>
2021 Budgeted Ending Fund Balance	\$ 362,309



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 2021 portion of each project’s budget and year-to-date expenditures.

<b>Fund 102 - Arterial Street</b>			
<b>Capital Projects Status *</b>			
<b>Name</b>	<b>2021 Budget</b>	<b>YTD Actual</b>	<b>Remaining</b>
AWS Improvements - Hemlock St SE to Poplar St SE	\$2.1M	\$0.0M	\$2.1M
Signal Replacement at Auburn Way N. and 1st St. NE	\$1.1M	\$0.1M	\$1.0M
F Street SE Non-Motorized Improvements	\$1.4M	\$0.9M	\$0.5M
All Other Projects (16 Others Budgeted)	\$4.4M	\$0.5M	\$3.9M
<b>Total</b>	<b>\$9.0M</b>	<b>\$1.5M</b>	<b>\$7.4M</b>

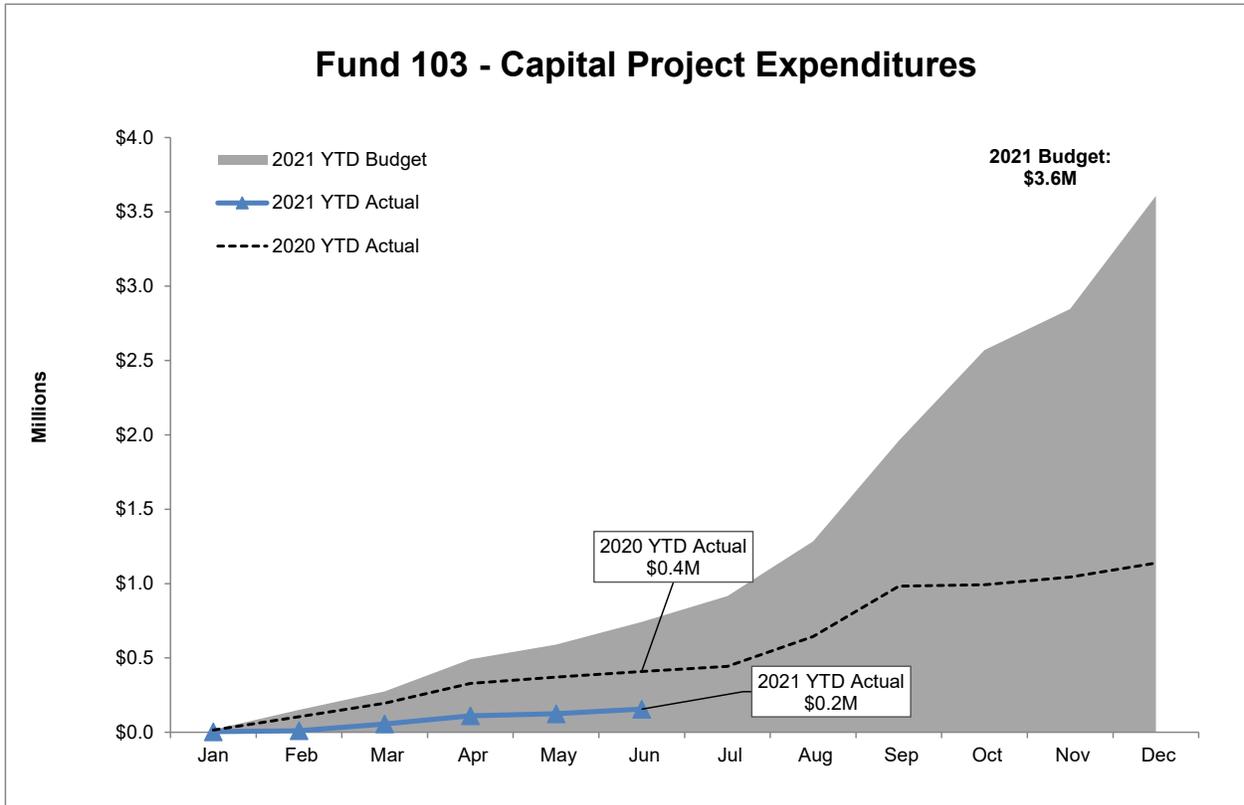
\*Components may not sum to total due to rounding.

**Fund 103 – Local Street Fund**

The Local Street Fund is a special revenue fund used for local street repair. The fund is currently funded by interfund transfers on a project-reimbursement basis; in 2019 and 2020, it was funded at a specific annual amount by real estate excise tax (REET 2). Expenditures through June 2021 were \$163,000 and compare to expenditures of \$428,000 through the second quarter of 2020. 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: June 2021	2021			2020	2021 YTD Budget vs. Actual	
	2021 Budget	2021 YTD Budget	2021 YTD Actual	2020 YTD Actual	Favorable (Unfavorable) Amount	Percentage
<b>Revenues</b>						
Operating Transfer In	2,350,000	519,274	\$ 294,956	1,025,000	(224,317)	(43.2) %
Interest Earnings	10,600	8,161	\$ 1,698	10,301	(6,463)	(79.2) %
<b>Total Revenues</b>	<b>\$ 2,360,600</b>	<b>\$ 527,434</b>	<b>\$ 296,655</b>	<b>\$ 1,035,301</b>	<b>\$ (230,780)</b>	<b>(43.8) %</b>
<b>Expenditures</b>						
Capital Salary and Benefits	235,000	-	54,294	64,224	(54,294)	
Capital Outlay	3,372,269	582,929	101,828	345,253	481,101	82.5 %
Subtotal - Capital Project Expenditures	3,607,269	582,929	156,122	409,478	426,807	73.2 %
Admin Salary and Benefits	-	-	-	9,998	\$ -	
Admin Services and Charges	700	438	-	361	438	100.0 %
Interfund Payments for Services	13,250	6,625	6,625	7,800	(0)	(0.0) %
<b>Total Expenditures</b>	<b>\$ 3,621,219</b>	<b>\$ 589,992</b>	<b>\$ 162,747</b>	<b>\$ 427,637</b>	<b>\$ 427,245</b>	<b>72.4 %</b>
<b>Net Change in Fund Balance</b>	<b>\$ (1,260,619)</b>	<b>\$ (62,558)</b>	<b>\$ 133,907</b>	<b>\$ 607,664</b>	<b>\$ 196,465</b>	<b>314.1 %</b>

Beg. Fund Balance, January 2021	\$ 2,579,047
Net Change in Fund Balance, June 2021	133,907
<b>Ending Fund Balance, June 2021</b>	<b>\$ 2,712,954</b>
2021 Budgeted Ending Fund Balance	\$ 1,318,428



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 2021 portion of each project’s budget and year-to-date expenditures.

<b>Fund 103 - Local Street</b>			
<b>Capital Projects Status*</b>			
<b>Name</b>	<b>2021 Budget</b>	<b>YTD Actual</b>	<b>Remaining</b>
2021 Local Street Preservation	\$3.0M	\$0.1M	\$2.9M
2019 Local Street Reconstruction	\$0.4M	\$0.0M	\$0.4M
All Other Projects (2 Others Budgeted)	\$0.2M	\$0.0M	\$0.1M
<b>Total</b>	<b>\$3.6M</b>	<b>\$0.2M</b>	<b>\$3.5M</b>

\*Components may not sum to total due to rounding.

**Fund 105 – Arterial Street Preservation Fund**

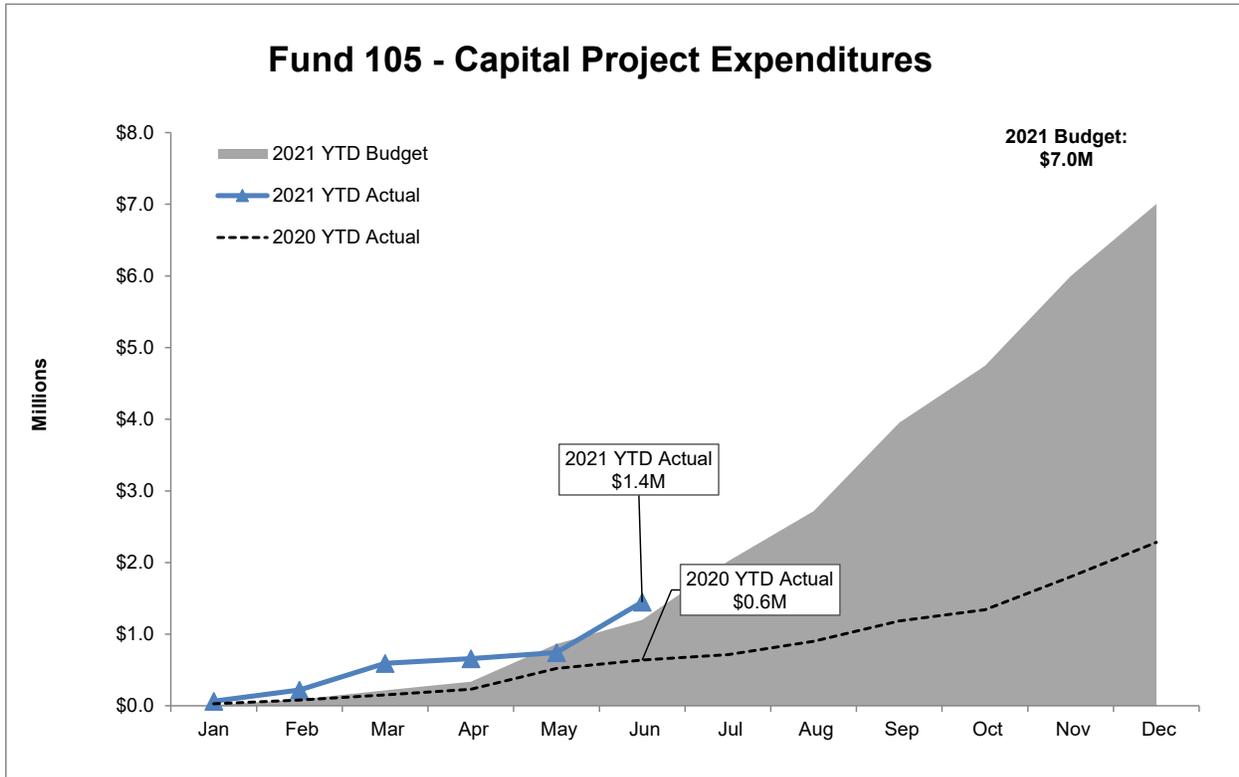
The Arterial Street Preservation Fund is a special revenue fund that is primarily funded by a 1.0% utility tax that was adopted by Council in 2008; these utility tax revenues are restricted for arterial street repair and preservation projects. In 2020, due to COVID-19 impacts, the funding source was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

Major projects budgeted within the Arterial Street Preservation Fund in 2021 include Lakeland Hills Way Preservation, Auburn Way North Preservation Phase 2 (8<sup>th</sup> St SE to 22<sup>nd</sup>) and Auburn Way North Preservation Phase 3 (4<sup>th</sup> St SE to 8<sup>th</sup> St). Through June 2021, revenues totaled \$1.5 million, which is significantly higher than the same period in 2020. This is primarily due to the change in funding source, which resulted in artificially low revenues in the fund through the second quarter of 2020. Revenues and expenditures also fluctuate due to the timing associated with construction projects and their subsequent cost reimbursements from grants and transfers-in.

Expenditures through June 2021 totaled \$1.5 million as compared to \$640,000 through June 2020. 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: June 2021	2021			2020	2021 YTD Budget vs. Actual	
	2021	2021 YTD	2021 YTD	2020 YTD	Favorable (Unfavorable)	
	Budget	Budget	Actual	Actual	Amount	Percentage
<b>Revenues</b>						
City Utility Tax	\$ 725,100	\$ 352,411	\$ 330,551	\$ 0	\$ (21,860)	(6.2) %
Electric Utility Tax	744,600	410,018	395,825	0	(14,193)	(3.5) %
Natural Gas Utility Tax	223,400	152,078	141,907	-	(10,171)	(6.7) %
Cable TV Tax	175,400	88,516	96,272	(0)	7,756	8.8 %
Telephone Utility Tax	153,100	78,818	74,425	0	(4,393)	(5.6) %
Garbage Utility Tax (External Haulers)	18,800	9,052	18,320	-	9,268	102.4 %
Grants	2,691,022	309,488	11,111	9,514	(298,377)	(96.4) %
Operating Transfer In	437,946	62,564	437,946	76,449	375,382	600.0 %
Interest Earnings	12,400	6,200	1,439	7,297	(4,761)	(76.8) %
<b>Total Revenues</b>	<b>\$ 5,181,768</b>	<b>\$ 1,469,145</b>	<b>\$ 1,507,796</b>	<b>\$ 93,260</b>	<b>\$ 38,651</b>	<b>2.6 %</b>
<b>Expenditures</b>						
Salary and Benefits	\$ 188,000	\$ 90,150	\$ 285,053	\$ 289,253	\$ (194,904)	(216.2) %
Capital Outlay	6,817,541	1,026,559	1,163,113	350,179	(136,554)	(13.3) %
Subtotal - Capital Project Expenditures	7,005,541	1,116,708	1,448,166	639,432	(331,458)	(29.7) %
Services and Charges	51,000	16,214	4,708	985	11,506	71.0 %
Operating Transfer Out	50,000	25,000	50,000	-	(25,000)	(100.0) %
<b>Total Expenditures</b>	<b>\$ 7,106,541</b>	<b>\$ 1,157,923</b>	<b>\$ 1,502,874</b>	<b>\$ 640,416</b>	<b>\$ (344,951)</b>	<b>(29.8) %</b>
<b>Net Change in Fund Balance</b>	<b>\$ (1,924,773)</b>	<b>\$ 311,222</b>	<b>\$ 4,922</b>	<b>\$ (547,156)</b>	<b>\$ (306,300)</b>	<b>(98.4) %</b>

Beg. Fund Balance, January 2021	\$ 3,438,877
Net Change in Fund Balance, June 2021	4,922
<b>Ending Fund Balance, June 2021</b>	<b>\$ 3,443,799</b>
2021 Budgeted Ending Fund Balance	\$ 1,514,104



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 2021 portion of each project’s budget and year-to-date expenditures.

<b>Fund 105 - Arterial Street Preservation</b>			
<b>Capital Projects Status*</b>			
<b>Name</b>	<b>2021 Budget</b>	<b>YTD Actual</b>	<b>Remaining</b>
Lakeland Hills Way Preservation	\$1.5M	\$0.1M	\$1.4M
AWN Preservation Phase 2 - 8th St SE to 22nd	\$1.2M	\$0.3M	\$0.9M
AWN Preservation Phase 3 - 4th St SE to 8th St	\$1.0M	\$0.4M	\$0.6M
All Other Projects (11 Others Budgeted)	\$3.3M	\$0.7M	\$2.6M
<b>Total</b>	<b>\$7.0M</b>	<b>\$1.4M</b>	<b>\$5.6M</b>

\*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.

Through June 2021, the City received \$1.5 million in mitigation and impact revenues, largely driven by commercial transportation impact fees paid for by two large warehouses. Revenues through June exceeded annual budgeted revenues, while expenditures through June were minimal due to the timing of multiple capital projects funded by mitigation and/or impact fee revenues.

Fund 124 - Mitigation Fees Summary of Sources and Uses	BUDGET			YTD ACTUALS		
	Report Period Through:					
	Revenues	Expenditures	Ending Fund Balance	Revenues	Expenditures	Ending Fund Balance
Transportation Impact Fees	\$ 818,000	\$ 2,637,315	\$ 5,392,899	\$ 1,260,192	\$ 234,837	\$ 8,809,912
Traffic Mitigation Fees	-	100,000	23,687	-	-	137,806
Fire Impact Fees	148,300	550,000	147,189	92,540	550,000	122,770
Fire Mitigation Fees	-	-	81	-	-	81
Parks Impact Fees	158,500	2,473,622	2,789,203	178,500	227,655	5,489,625
Parks Mitigation Fees	-	-	349,371	-	-	186,352
School Impact Admin Fees	5,600	-	94,251	3,176	-	92,392
Wetland Mitigation Fees	-	36,600	30,981	-	-	72,872
Interest and Investment Income	87,160	-	87,160	7,522	-	7,522
Fees in Lieu of Improvements	-	-	27,020	-	-	27,128
Permit Processing Fees	-	44,200	(44,200)	-	-	-
<b>Total</b>	<b>\$ 1,217,560</b>	<b>\$ 5,841,737</b>	<b>\$ 8,897,642</b>	<b>\$ 1,541,930</b>	<b>\$ 1,012,492</b>	<b>\$ 14,946,460</b>

Beginning Fund Balance, January 2021	\$ 14,417,022
Net Change in Fund Balance, June 2021	529,438
<b>Estimated Ending Fund Balance, June 2021</b>	<b>\$ 14,946,460</b>
2021 Budgeted Ending Fund Balance	\$ 8,897,642

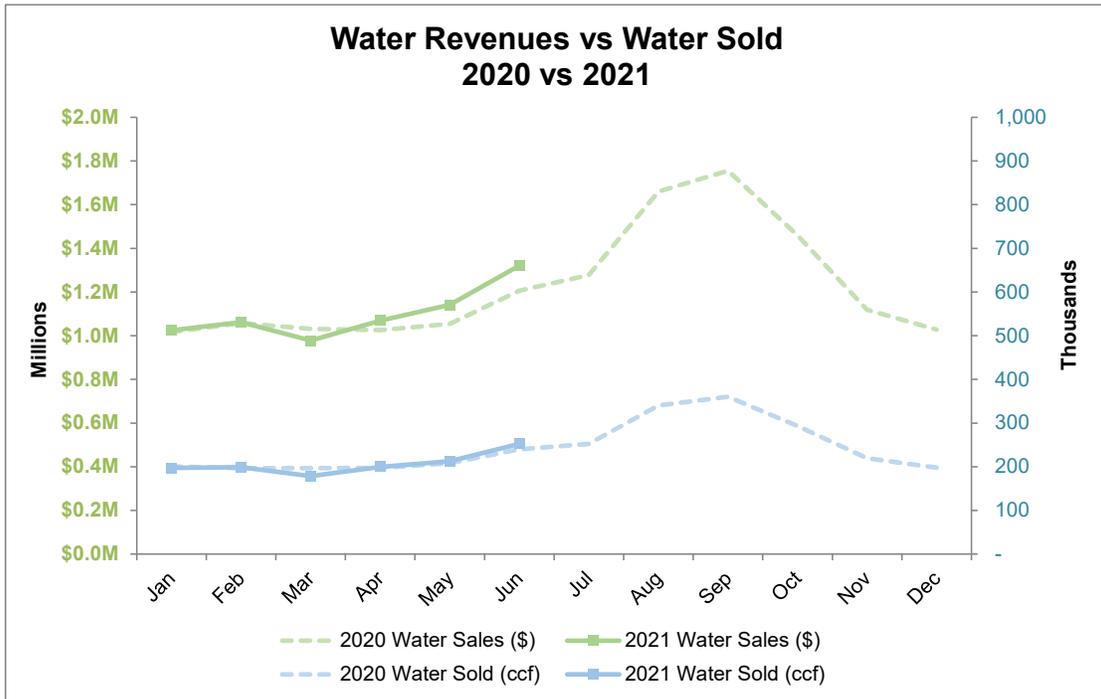
**Enterprise Funds**

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.

Through June 2021 the **Water Utility** had operating income of \$1.3 million (operating revenues less operating expenditures), nearly identical to the same period last year. Water Fund operating revenues were \$175,000 or 2.7% higher than 2020; the majority of this variance was due to stronger performance in water sales revenue, offset slightly by lower interest and other earnings. Operating expenditures increased by \$202,000 due to higher personnel costs and an increase of the City utility interfund tax rate from 7% to 10%. These increases were partially offset by lower year-to-date debt service interest payments.

Billable water consumption through June 2021 totaled 1.2 million hundred cubic feet (ccf), nearly identical to the same period last year. Decreases in consumption for manufacturing, commercial and wholesale accounts were offset by increases in irrigation, multifamily and single-family accounts. COVID-19 mitigation efforts likely contributed to the decrease in commercial and manufacturing consumption.

There is also 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.



Through June 2021, the **Sewer Utility** finished with operating income of \$509,000 as compared to \$631,000 through June 2020. Operating revenues were up \$91,000 or 2.7% from last year due to stronger performance in charges for City sewer service. Operating expenses were up \$213,000 due to increased personnel costs and an increase in the City interfund utility tax rate. These increases more than offset a decrease in year-to-date debt service payments.

Year-to-date billable consumption by volume was up 1.4 million ccf, or 1.9% from Q2-2020 due to increases in commercial consumption, which was previously impacted by severe COVID-19 mitigation efforts that have been relaxed (but not eliminated) in 2021.

Through the second quarter of 2021, the **Stormwater Utility** had operating income of \$1.1 million compared with \$1.4 million in the same period last year. Operating revenues were up \$90,000 compared to 2020 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 up \$335,000 from the second quarter of 2020, contributing to the lower operating income noted above. This variance was mainly due to increased personnel costs, fleet and support charges, and interfund the utility tax rate increase.

Through June 2021, the **Solid Waste Utility** Fund had \$8.0 million in both operating revenues and expenditures. In 2020, both revenues and expenditures were low compared to prior years, with 2021 returning to expected levels of service. Operating revenues have increased by \$454,000 compared to the same period last year, while operating expenditures have increased by \$748,000.

The majority of both the revenue and expenditure increase is attributable to a higher volume of services provided compared to the previous year, resulting in increased service revenues and corresponding expenditures. In particular, the main contributors to the expenditure increase were payments to the City's primary solid waste vendor and increased interfund utility taxes.

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. Through the second quarter of 2021, Waste Management serviced 15,593 customers (79% of customers) and Republic Services serviced 4,186 customers (21% of customers).

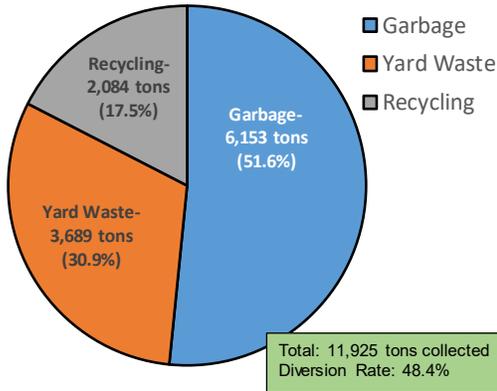
The current mix of solid waste customer account types (rounded) is:

- 89.6% Residential
- 8.0% Commercial
- 2.4% Multifamily

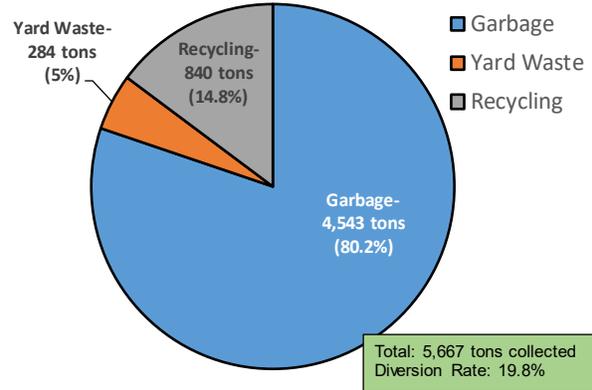
The "diversion rate" is a measure of how much generated waste is not sent to the landfill; i.e., waste that is either recycled or collected yard waste. Through June 2021, the total diversion rate was 27.9%, which represents a total of 9,680 tons of waste that was diverted from landfills.

**2021 Tons Collected and Diversion Rates**

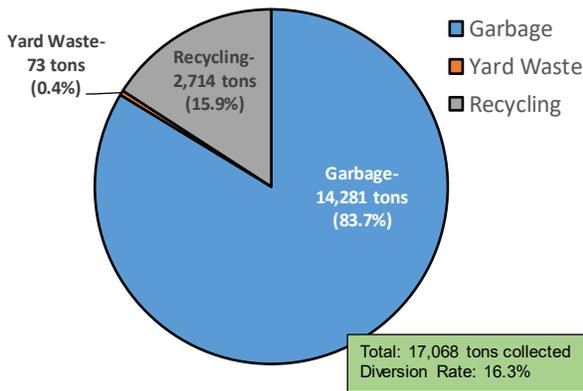
**YTD through Q2 2021  
Residential Waste Stream**



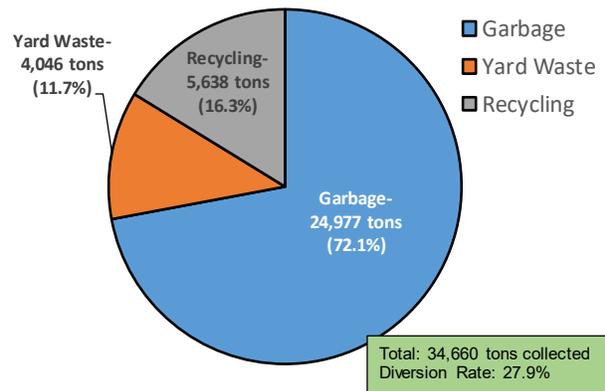
**YTD through Q2 2021  
Multifamily Waste Stream**



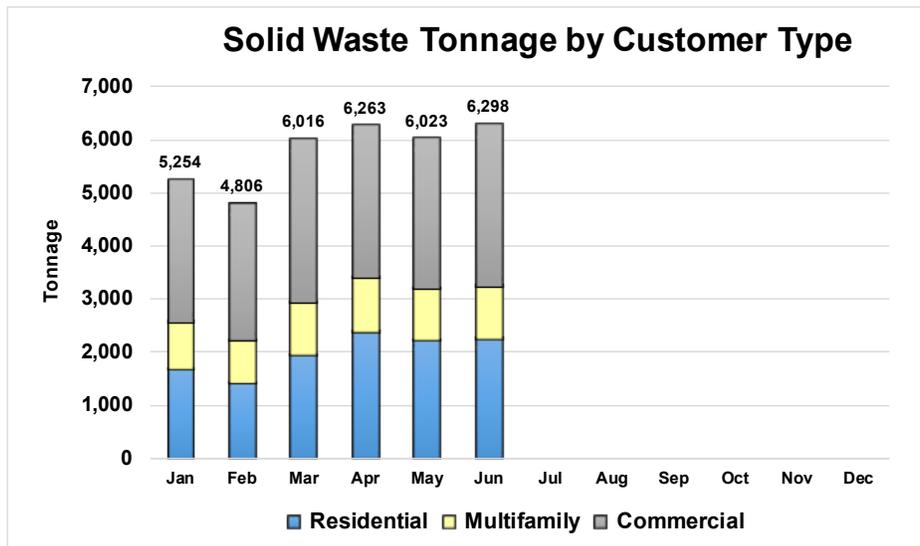
**YTD through Q2 2021  
Commercial Waste Stream**



**YTD through Q2 2021  
Total Waste Stream**



Of the total tonnage collected through June 2021, 34% was from residential customers, 16% from multifamily customers, and 49% from commercial customers, as shown below:

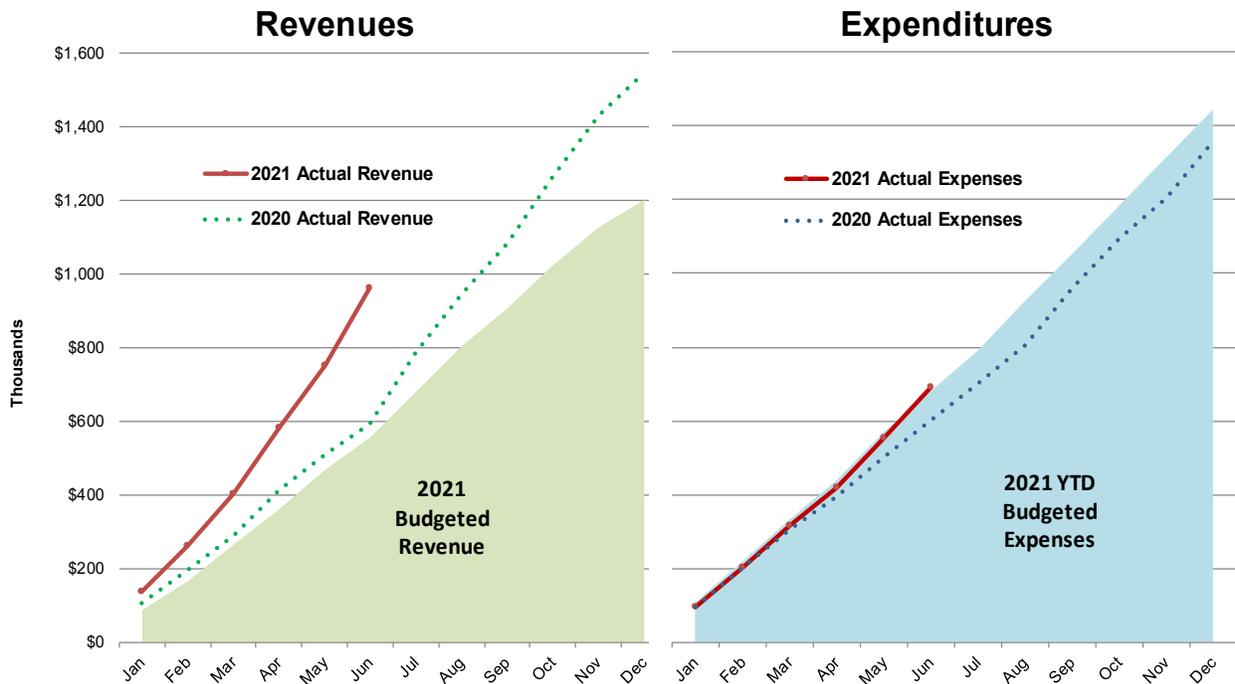


Through June 2021, the **Airport Fund** had operating income of \$194,000 as compared with operating income of \$260,000 through the second quarter of 2020. Operating revenues in the Airport Fund were \$79,000 more than the same period last year, largely due to increased revenue for property leases and aviation fuel sales.

Operating expenditures in the Airport Fund were \$145,000 more than in the first half of last year. Much of this variance consisted of fuel inventory expenses but also included increased personnel costs, repairs and maintenance, and fleet costs.

Through the second quarter of 2021, the **Cemetery Fund** realized net operating income of \$271,000 as compared with an operating loss of \$7,000 through June 2020. Total sales revenues were up \$370,000, or 62.5%, from the first half of 2020 due to significant increases in lot sales, markers, and openings and closings. Operating expenditures were up \$89,000 or 14.8% from last year due mostly to inventory and grounds maintenance purchases.

**CEMETERY**  
**Cumulative Revenues and Expenditures**  
**2021 Budget vs. Actual**



**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](mailto:jdthomas@auburnwa.gov).

**City of Auburn  
Investment Portfolio Summary  
June 30, 2021**

Investment Type	Purchase Date	Book Value	Maturity Date	Yield to Maturity
State Investment Pool	Various	\$ 140,763,591	Various	0.08%
KeyBank Money Market	Various	19,129,924	Various	0.01%
Pacific Premier Bank Interest Acct	Various	10,546,473	Various	0.09%
FHLB	1/17/2020	10,383,580	12/9/2022	1.56%
FHLMC	11/20/2020	5,004,250	11/6/2023	2.38%
Total Cash & Investments		<b>\$ 185,827,818</b>		<b>0.215%</b>

Investment Mix	% of Total	Summary	
State Investment Pool	75.7%	Current 6-month treasury rate	0.05%
Key Bank Money Market	10.3%	Current State Pool rate	0.08%
Pacific Premier Bank Interest Acct	5.7%	KeyBank Money Market	0.01%
FHLB	5.6%	Pacific Premier Interest Acct	0.09%
FHLMC	2.7%		
	<b>100.0%</b>		

**SALES TAX SUMMARY**  
**JUNE 2021 SALES TAX DISTRIBUTIONS (FOR APRIL 2021 RETAIL ACTIVITY)**

NAICS	CONSTRUCTION	2020 Annual Total (Nov '19-Oct '20)	2020 YTD (Nov '19-Apr '20)	2021 YTD (Nov '20-Apr '21)	YTD % Diff
236	Construction of Buildings	2,000,382	785,422	921,180	17.3%
237	Heavy and Civil Construction	184,377	89,478	98,712	10.3%
238	Specialty Trade Contractors	883,406	351,677	447,472	27.2%
<b>TOTAL CONSTRUCTION</b>		<b>\$ 3,068,164</b>	<b>\$ 1,226,576</b>	<b>\$ 1,467,364</b>	<b>19.6%</b>
<i>Overall Change from Previous Year</i>				<b>\$ 240,788</b>	

NAICS	MANUFACTURING	2020 Annual Total (Nov '19-Oct '20)	2020 YTD (Nov '19-Apr '20)	2021 YTD (Nov '20-Apr '21)	YTD % Diff
311	Food Manufacturing	10,332	4,789	4,529	-5.4%
312	Beverage and Tobacco Products	11,872	6,049	6,880	13.7%
313	Textile Mills	1,178	770	415	-46.1%
314	Textile Product Mills	2,390	1,281	1,509	17.8%
315	Apparel Manufacturing	1,301	508	962	89.5%
316	Leather and Allied Products	488	153	237	54.8%
321	Wood Product Manufacturing	14,670	5,920	7,057	19.2%
322	Paper Manufacturing	4,028	1,603	2,083	29.9%
323	Printing and Related Support	37,260	19,001	20,189	6.2%
324	Petroleum and Coal Products	1,404	1,386	5	-99.6%
325	Chemical Manufacturing	10,595	5,250	5,071	-3.4%
326	Plastics and Rubber Products	7,322	3,311	3,807	15.0%
327	Nonmetallic Mineral Products	16,154	5,120	8,551	67.0%
331	Primary Metal Manufacturing	62,321	19,728	8,348	-57.7%
332	Fabricated Metal Product Manuf	34,205	11,001	14,789	34.4%
333	Machinery Manufacturing	22,168	9,004	9,789	8.7%
334	Computer and Electronic Product	8,232	2,696	10,008	271.2%
335	Electric Equipment, Appliances	8,276	3,603	592	-83.6%
336	Transportation Equipment Man	92,399	55,846	50,688	-9.2%
337	Furniture and Related Products	10,109	4,856	6,990	43.9%
339	Miscellaneous Manufacturing	32,935	16,052	14,341	-10.7%
<b>TOTAL MANUFACTURING</b>		<b>\$ 389,637</b>	<b>\$ 177,927</b>	<b>\$ 176,838</b>	<b>-0.6%</b>
<i>Overall Change from Previous Year</i>				<b>\$ (1,089)</b>	

NAICS	TRANSPORTATION AND WAREHOUSING	2020 Annual Total (Nov '19-Oct '20)	2020 YTD (Nov '19-Apr '20)	2021 YTD (Nov '20-Apr '21)	YTD % Diff
481	Air Transportation	0	0	0	N/A
482	Rail Transportation	14,421	8,670	8,150	-6.0%
483	Water Transportation	0	0	0	N/A
484	Truck Transportation	22,499	12,838	12,799	-0.3%
485	Transit and Ground Passengers	9	0	0	N/A
488	Transportation Support	79,945	25,952	23,185	-10.7%
491	Postal Service	676	355	405	14.2%
492	Couriers and Messengers	69,993	92	131,485	142122.8%
493	Warehousing and Storage	9,647	5,953	5,750	-3.4%
<b>TOTAL TRANSPORTATION</b>		<b>\$ 197,189</b>	<b>\$ 53,860</b>	<b>\$ 181,775</b>	<b>237.5%</b>
<i>Overall Change from Previous Year</i>				<b>\$ 127,915</b>	

NAICS	WHOLESALE TRADE	2020 Annual Total (Nov '19-Oct '20)	2020 YTD (Nov '19-Apr '20)	2021 YTD (Nov '20-Apr '21)	YTD % Diff
423	Wholesale Trade, Durable Goods	1,027,727	471,652	522,795	10.8%
424	Wholesale Trade, Nondurable	303,860	135,032	148,581	10.0%
425	Wholesale Electronic Markets	14,684	6,232	11,099	78.1%
<b>TOTAL WHOLESALE</b>		<b>\$ 1,346,271</b>	<b>\$ 612,916</b>	<b>\$ 682,475</b>	<b>11.3%</b>
<i>Overall Change from Previous Year</i>				<b>\$ 69,559</b>	

NAICS	AUTOMOTIVE	2020 Annual Total (Nov '19-Oct '20)	2020 YTD (Nov '19-Apr '20)	2021 YTD (Nov '20-Apr '21)	YTD % Diff
441	Motor Vehicle and Parts Dealer	3,594,307	1,457,483	2,062,292	41.5%
447	Gasoline Stations	232,674	107,036	123,933	15.8%
<b>TOTAL AUTOMOTIVE</b>		<b>\$ 3,826,981</b>	<b>\$ 1,564,519</b>	<b>\$ 2,186,225</b>	<b>39.7%</b>
<i>Overall Change from Previous Year</i>				<b>\$ 621,706</b>	

NAICS	RETAIL TRADE	2020 Annual Total (Nov '19-Oct '20)	2020 YTD (Nov '19-Apr '20)	2021 YTD (Nov '20-Apr '21)	YTD % Diff
442	Furniture and Home Furnishings	209,308	91,192	142,223	56.0%
443	Electronics and Appliances	300,343	140,848	161,230	14.5%
444	Building Material and Garden	751,040	308,153	377,933	22.6%
445	Food and Beverage Stores	450,577	220,899	228,770	3.6%
446	Health and Personal Care Store	348,418	183,983	195,648	6.3%
448	Clothing and Accessories	872,671	471,920	541,691	14.8%
451	Sporting Goods, Hobby, Books	239,744	119,861	162,191	35.3%
452	General Merchandise Stores	878,021	438,347	476,664	8.7%
453	Miscellaneous Store Retailers	1,178,104	514,606	741,050	44.0%
454	Nonstore Retailers	271,309	124,698	153,302	22.9%
<b>TOTAL RETAIL TRADE</b>		<b>\$ 5,499,535</b>	<b>\$ 2,614,506</b>	<b>\$ 3,180,701</b>	<b>21.7%</b>
<i>Overall Change from Previous Year</i>				<b>\$ 566,194</b>	

NAICS	SERVICES	2020 Annual Total (Nov '19-Oct '20)	2020 YTD (Nov '19-Apr '20)	2021 YTD (Nov '20-Apr '21)	YTD % Diff
51*	Information	684,732	325,976	377,003	15.7%
52*	Finance and Insurance	177,847	71,120	79,057	11.2%
53*	Real Estate, Rental, Leasing	368,873	182,763	225,469	23.4%
541	Professional, Scientific, Tech	394,150 a	176,931	211,650	19.6%
551	Company Management	66	21	19	-8.4%
56*	Admin. Supp., Remed Svcs	651,469	281,434	406,876	44.6%
611	Educational Services	40,410	16,692	18,529	11.0%
62*	Health Care Social Assistance	110,693	51,998	54,247	4.3%
71*	Arts and Entertainment	50,412	35,684	19,617	-45.0%
72*	Accommodation and Food Svcs	1,204,980	594,621	623,271	4.8%
81*	Other Services	534,972	255,139	297,358	16.5%
92*	Public Administration	1,620	843	1,483	76.0%
<b>TOTAL SERVICES</b>		<b>\$ 4,220,223</b>	<b>\$ 1,993,221</b>	<b>\$ 2,314,579</b>	<b>16.1%</b>
<i>Overall Change from Previous Year</i>				<b>\$ 321,358</b>	

NAICS	MISCELLANEOUS	2020 Annual Total (Nov '19-Oct '20)	2020 YTD (Nov '19-Apr '20)	2021 YTD (Nov '20-Apr '21)	YTD % Diff
000	Unknown	0	0	0	N/A
111-115	Agriculture, Forestry, Fishing	5,367	2,935	4,488	52.9%
211-221	Mining & Utilities	28,831	8,756	16,447	87.8%
999	Unclassifiable Establishments	273,689	115,977	147,494	27.2%
<b>TOTAL SERVICES</b>		<b>\$ 307,887</b>	<b>\$ 127,667</b>	<b>\$ 168,429</b>	<b>31.9%</b>
<i>Overall Change from Previous Year</i>				<b>\$ 40,762</b>	

NAICS	GRAND TOTAL	2020 Annual Total (Nov '19-Oct '20)	2020 YTD (Nov '19-Apr '20)	2021 YTD (Nov '20-Apr '21)	YTD % Diff
<b>GRAND TOTAL</b>		<b>\$ 18,855,888</b>	<b>\$ 8,371,194</b>	<b>\$ 10,358,386</b>	<b>23.7%</b>
<i>Overall Change from Previous Year</i>				<b>\$ 1,987,192</b>	

**Total June 2021 Sales Tax Distributions** **\$ 1,815,220**

**Percent Change from June 2020** **38.0%**

**Comparisons:**

**June 2020** **\$ 1,315,118**

**June 2019** **\$ 1,504,125**

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

a. WA State Department of Revenue adjustment to sales tax returns for July 2020 Reporting (adjustment: \$18,706).

OPERATING & CAPITAL FUNDS	ENTERPRISE FUNDS											
	WATER			SEWER			SEWER METRO			STORM		
	Budget	YTD Actual	Variance	Budget	YTD Actual	Variance	Budget	YTD Actual	Variance	Budget	YTD Actual	Variance
<b>Through June 2021</b>												
<b>OPERATING FUND:</b>												
OPERATING REVENUES												
Charges For Service	16,311,200	6,686,727	(9,624,473)	9,601,630	4,366,666	(5,234,964)	20,319,350	8,813,561	(11,505,789)	10,607,050	5,257,189	(5,349,861)
Grants	-	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings	113,100	11,048	(102,052)	69,100	4,257	(64,843)	16,600	196	(16,404)	79,100	5,110	(73,990)
Rents, Leases, Concessions, & Other	30,000	(1,406)	(31,406)	-	510	510	-	-	-	-	1,034	1,034
<b>TOTAL OPERATING REVENUES</b>	<b>16,454,300</b>	<b>6,696,368</b>	<b>(9,757,932)</b>	<b>9,670,730</b>	<b>4,371,433</b>	<b>(5,299,297)</b>	<b>20,335,950</b>	<b>8,813,757</b>	<b>(11,522,193)</b>	<b>10,686,150</b>	<b>5,263,333</b>	<b>(5,422,817)</b>
OPERATING EXPENSES												
Salaries & Wages	2,866,306	1,252,818	1,613,488	1,709,833	771,490	938,343	-	-	-	2,669,368	1,266,133	1,403,235
Benefits	1,503,001	634,861	868,140	892,805	386,172	506,633	-	-	-	1,400,208	643,777	756,431
Supplies	359,850	147,644	212,206	163,050	52,488	110,562	-	-	-	82,050	41,020	41,030
Other Service Charges	4,724,100	1,606,113	3,117,987	3,224,700	1,778,207	1,446,493	20,331,250	8,659,289	11,671,961	2,135,830	988,620	1,147,210
Intergovernmental Services (Less Transfers Out)	-	-	-	-	-	-	-	-	-	-	-	-
Waste Management Payments <b>See note</b>	-	-	-	-	-	-	-	-	-	-	-	-
Sewer Metro Services	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Interest	809,200	794,323	14,877	105,900	80,207	25,693	-	-	-	187,000	124,203	62,797
Interfund Operating Rentals & Supplies	1,937,400	973,156	964,244	1,578,600	793,756	784,844	-	-	-	2,096,200	1,051,071	1,045,129
<b>TOTAL OPERATING EXPENSES</b>	<b>12,199,857</b>	<b>5,408,915</b>	<b>6,790,942</b>	<b>7,674,888</b>	<b>3,862,320</b>	<b>3,812,568</b>	<b>20,331,250</b>	<b>8,659,289</b>	<b>11,671,961</b>	<b>8,570,656</b>	<b>4,114,823</b>	<b>4,455,833</b>
<b>OPERATING REVENUES LESS EXPENSES BEFORE DEPRECIATION</b>	<b>4,254,443</b>	<b>1,287,453</b>	<b>(2,966,990)</b>	<b>1,995,842</b>	<b>509,113</b>	<b>(1,486,729)</b>	<b>4,700</b>	<b>154,468</b>	<b>149,768</b>	<b>2,115,494</b>	<b>1,148,510</b>	<b>(966,984)</b>
NON-OPERATING REVENUES												
Operating Transfers-in	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental Loan	2,695,000	-	2,695,000	-	-	-	-	-	-	-	-	-
Other Non-Operating Revenues	-	-	-	-	-	-	-	-	-	-	-	-
Revenue Bond Proceeds	-	-	-	-	-	-	-	-	-	-	-	-
NON-OPERATING EXPENSES												
Transfer to Capital Subfund	12,243,610	790,943	11,452,667	-	-	-	-	-	-	-	-	-
Other Operating Transfers-out	430,666	101,697	328,969	405,667	83,470	322,197	-	-	-	467,167	148,357	318,810
Debt Service Principal	1,816,200	441,739	1,374,461	449,300	288,262	161,038	-	-	-	350,900	-	350,900
Net Change in Restricted Net Assets	-	(270,865)	(270,865)	-	-	-	-	-	-	-	-	-
Interfund Loan Repayment	-	-	-	-	-	-	-	-	-	-	-	-
Other Non-Operating Expenses	-	-	-	-	-	-	-	-	-	-	-	-
BEGINNING WORKING CAPITAL - January 1, 2021	17,088,517	17,088,517	-	7,837,981	7,837,981	-	2,066,136	2,066,136	-	8,943,194	8,943,194	-
ENDING WORKING CAPITAL - June 30, 2021	9,547,484	17,312,456	7,764,972	8,978,856	7,975,361	(1,003,495)	2,070,836	2,220,604	149,768	10,240,621	9,943,347	(297,274)
NET CHANGE IN WORKING CAPITAL (see Note)	(7,541,033)	223,939	7,764,972	1,140,875	137,380	(1,003,495)	4,700	154,468	149,768	1,297,427	1,000,153	(297,274)
<b>CAPITAL FUND:</b>												
CAPITAL REVENUES												
Interest Revenue	10,900	189	(10,711)	75,600	25,736	(49,864)	-	-	-	68,800	6,101	(62,699)
Grants	-	-	-	-	-	-	-	-	-	255,970	-	(255,970)
Contributions	-	-	-	-	-	-	-	-	-	-	-	-
Other Non-Operating Revenue	-	(1,003)	(1,003)	-	-	-	-	-	-	-	-	-
Increase In Contributions - System Development	960,200	340,481	(619,719)	686,800	207,451	(479,349)	-	-	-	514,100	612,435	98,335
Interfund Revenues	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Contributions - FAA	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds of Debt Activity	-	-	-	-	-	-	-	-	-	-	-	-
Transfers In from Operating Sub-Fund	12,243,610	790,943	(11,452,667)	-	-	-	-	-	-	-	-	-
Transfer In from Other Funds	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL REVENUES</b>	<b>13,214,710</b>	<b>1,130,609</b>	<b>(12,084,101)</b>	<b>762,400</b>	<b>233,186</b>	<b>(529,214)</b>				<b>838,870</b>	<b>618,536</b>	<b>(220,334)</b>
CAPITAL EXPENSES												
Other Non-Operating Expense	-	-	-	-	415,699	(415,699)	-	-	-	-	-	-
Increase In Fixed Assets - Salaries	535,700	127,114	408,586	85,700	68,364	17,336	-	-	-	321,400	66,419	254,981
Increase In Fixed Assets - Benefits	214,300	59,409	154,891	34,300	32,257	2,043	-	-	-	128,600	31,872	96,728
Increase In Fixed Assets - Services	21,800	-	21,800	16,600	-	16,600	-	-	-	12,600	-	12,600
Increase In Fixed Assets - Site Improvements	-	23,018	(23,018)	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Construction	15,840,929	2,170,304	13,670,625	5,878,154	486,080	5,392,074	-	-	-	4,912,411	189,036	4,723,375
Operating Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENSES</b>	<b>16,612,729</b>	<b>2,379,843</b>	<b>14,232,886</b>	<b>6,014,754</b>	<b>1,002,401</b>	<b>5,012,353</b>				<b>5,375,011</b>	<b>287,327</b>	<b>5,087,684</b>
BEGINNING WORKING CAPITAL - January 1, 2021	5,230,458	5,230,458	-	13,377,511	13,377,511	-	-	-	-	11,249,276	11,249,276	-
ENDING WORKING CAPITAL - June 30, 2021	1,832,439	3,981,224	2,148,785	8,125,157	12,608,296	4,483,139	-	-	-	6,713,135	11,580,485	4,867,350
NET CHANGE IN WORKING CAPITAL (see Note)	(3,398,019)	(1,249,234)	2,148,785	(5,252,354)	(769,215)	4,483,139	-	-	-	(4,536,141)	331,209	4,867,350
<b>Total Change in Working Capital</b>	<b>(10,939,052)</b>	<b>(1,025,295)</b>	<b>9,913,757</b>	<b>(4,111,479)</b>	<b>(631,834)</b>	<b>3,479,645</b>	<b>4,700</b>	<b>154,468</b>	<b>149,768</b>	<b>(3,238,714)</b>	<b>1,331,362</b>	<b>4,570,076</b>
(*) Depreciation	4,083,600	1,939,760		2,415,000	1,196,076		-	-		2,229,800	1,082,455	

Working Capital = Current Assets  
minus Current Liabilities

OPERATING & CAPITAL FUNDS	ENTERPRISE FUNDS									INTERNAL SERVICE FUNDS		
	SOLID WASTE			AIRPORT			CEMETERY			INSURANCE		
	Budget	YTD Actual	Variance	Budget	YTD Actual	Variance	Budget	YTD Actual	Variance	Budget	YTD Actual	Variance
<b>Through June 2021</b>												
<b>OPERATING FUND:</b>												
OPERATING REVENUES												
Charges For Service	16,669,900	7,974,936	(8,694,964)	1,458,000	768,149	(689,851)	1,199,000	961,212	(237,788)	-	-	-
Grants	60,000	338	(59,663)	-	2,500	2,500	-	-	-	-	-	-
Interest Earnings	45,600	2,420	(43,180)	12,800	622	(12,178)	4,600	603	(3,997)	12,800	261	(12,539)
Rents, Leases, Concessions, & Other	-	-	-	4,000	2,431	(1,569)	-	-	-	-	-	-
<b>TOTAL OPERATING REVENUES</b>	<b>16,775,500</b>	<b>7,977,694</b>	<b>(8,797,806)</b>	<b>1,474,800</b>	<b>773,702</b>	<b>(701,098)</b>	<b>1,203,600</b>	<b>961,815</b>	<b>(241,785)</b>	<b>12,800</b>	<b>261</b>	<b>(12,539)</b>
OPERATING EXPENSES												
Salaries & Wages	68,100	25,619	42,481	249,471	121,359	128,112	495,692	241,228	254,464	-	-	-
Benefits	12,900	4,056	8,844	119,725	59,896	59,829	271,278	128,880	142,398	175,000	74,632	100,368
Supplies	48,200	858	47,342	362,000	190,405	171,595	261,700	191,949	69,751	-	-	-
Other Service Charges	2,785,230	1,142,083	1,643,147	267,800	152,745	115,055	157,200	48,427	108,773	37,900	777,909	(740,009)
Intergovernmental Services (Less Transfers Out)	-	-	-	-	-	-	-	-	-	-	-	-
Waste Management Payments <b>See note</b>	13,485,300	6,479,038	7,006,262	-	-	-	-	-	-	-	-	-
Sewer Metro Services <b>See note below</b>	-	-	-	251,400	-	251,400	-	-	-	-	-	-
Debt Service Interest	-	-	-	110,600	55,300	55,300	158,950	80,069	78,881	-	-	-
Interfund Operating Rentals & Supplies	632,100	317,535	314,565	-	-	-	-	-	-	-	-	-
<b>TOTAL OPERATING EXPENSES</b>	<b>17,031,830</b>	<b>7,969,189</b>	<b>9,062,641</b>	<b>1,360,996</b>	<b>579,705</b>	<b>781,291</b>	<b>1,344,820</b>	<b>690,552</b>	<b>654,268</b>	<b>212,900</b>	<b>852,541</b>	<b>(639,641)</b>
<b>OPERATING REVENUES LESS EXPENSES BEFORE DEPRECIATION</b>	<b>(256,330)</b>	<b>8,505</b>	<b>264,835</b>	<b>113,804</b>	<b>193,997</b>	<b>80,193</b>	<b>(141,220)</b>	<b>271,263</b>	<b>412,483</b>	<b>(200,100)</b>	<b>(852,280)</b>	<b>(652,180)</b>
NON-OPERATING REVENUES												
Operating Transfers-in	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental Loan	-	-	-	-	-	-	-	-	-	-	-	-
Other Non-Operating Revenues	-	-	-	-	-	-	-	-	-	-	-	-
Revenue Bond Proceeds	-	-	-	3,810,900	-	3,810,900	-	-	-	-	-	-
NON-OPERATING EXPENSES												
Transfer to Capital Subfund	-	-	-	3,000,000	50,560	-	-	-	-	-	-	-
Other Operating Transfers-out	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Principal	-	-	-	126,700	-	126,700	-	-	-	-	-	-
Net Change in Restricted Net Assets	-	-	-	-	7,000	7,000	-	-	-	-	-	-
Interfund Loan Repayment	-	-	-	-	-	-	-	-	-	-	-	-
Other Non-Operating Expenses	-	-	-	-	-	-	-	-	-	-	-	-
BEGINNING WORKING CAPITAL - January 1, 2021	5,753,618	5,753,618	-	810,777	810,777	-	505,802	505,802	-	1,741,353	1,741,353	-
ENDING WORKING CAPITAL - June 30, 2021	5,497,288	5,762,123	264,835	1,608,781	947,214	(661,567)	364,582	777,065	412,483	1,541,253	889,073	(652,180)
NET CHANGE IN WORKING CAPITAL (see Note)	(256,330)	8,505	264,835	798,004	136,437	(661,567)	(141,220)	271,263	412,483	(200,100)	(852,280)	(652,180)
<b>CAPITAL FUND:</b>												
CAPITAL REVENUES												
Interest Revenue	-	-	-	200	53	(147)	800	4	(796)	-	-	-
Grants	-	-	-	-	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-	-	-	-	-	-
Other Non-Operating Revenue	-	-	-	-	1,899	1,899	-	-	-	-	-	-
Increase In Contributions - System Development	-	-	-	-	-	-	-	-	-	-	-	-
Interfund Revenues	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Contributions - FAA	-	-	-	13,500	-	(13,500)	-	-	-	-	-	-
Proceeds of Debt Activity	-	-	-	-	-	-	-	-	-	-	-	-
Transfers In from Operating Sub-Fund	-	-	-	3,000,000	50,560	(2,949,440)	-	-	-	-	-	-
Transfer In from Other Funds	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL REVENUES</b>				<b>3,013,700</b>	<b>52,512</b>	<b>(2,961,188)</b>	<b>800</b>	<b>4</b>	<b>(796)</b>			
CAPITAL EXPENSES												
Other Non-Operating Expense	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Salaries	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Benefits	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Services	100	-	100	100	-	100	100	-	100	-	-	-
Increase In Fixed Assets - Site Improvements	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Construction	-	-	-	2,949,210	52,982	2,896,228	55,673	-	55,673	-	-	-
Operating Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENSES</b>				<b>2,949,310</b>	<b>52,982</b>	<b>2,896,328</b>	<b>55,773</b>	<b>-</b>	<b>55,773</b>			
BEGINNING WORKING CAPITAL - January 1, 2021	-	-	-	64,767	64,767	-	64,656	64,656	-	-	-	-
ENDING WORKING CAPITAL - June 30, 2021	-	-	-	129,157	64,297	(64,860)	9,683	64,660	54,977	-	-	-
NET CHANGE IN WORKING CAPITAL (see Note)	-	-	-	64,390	(470)	(64,860)	(54,973)	4	54,977	-	-	-
<b>Total Change in Working Capital</b>	<b>(256,330)</b>	<b>8,505</b>		<b>862,394</b>	<b>135,967</b>	<b>(726,427)</b>	<b>(196,193)</b>	<b>271,267</b>	<b>467,460</b>	<b>(200,100)</b>	<b>(852,280)</b>	<b>(652,180)</b>

(\*) Depreciation

20,000

-

434,700

333,606

32,200

19,522

-

-

Working Capital = Current Assets  
minus Current Liabilities

Note: Includes June's Waste Management  
payment (\$1,176,725), which will be made in July.

OPERATING & CAPITAL FUNDS	INTERNAL SERVICE FUNDS												
	Through June 2021	WORKER'S COMPENSATION			FACILITIES			INNOVATION & TECHNOLOGY			EQUIPMENT RENTAL		
		Budget	YTD Actual	Variance	Budget	YTD Actual	Variance	Budget	YTD Actual	Variance	Budget	YTD Actual	Variance
<b>OPERATING FUND:</b>													
OPERATING REVENUES													
Charges For Service	1,104,400	545,603	(558,797)	3,705,100	1,841,065	(1,864,035)	6,653,150	3,323,334	(3,329,816)	2,290,400	1,145,200	(1,145,200)	
Grants	-	-	-	-	-	-	-	-	-	-	-	-	
Interest Earnings	20,000	1,721	(18,279)	8,000	818	(7,182)	21,600	1,629	(19,971)	16,400	1,221	(15,179)	
Rents, Leases, Concessions, & Other	15,000	6,129	(8,871)	-	-	-	-	-	-	-	192,405	192,405	
<b>TOTAL OPERATING REVENUES</b>	<b>1,139,400</b>	<b>553,453</b>	<b>(585,947)</b>	<b>3,713,100</b>	<b>1,841,883</b>	<b>(1,871,217)</b>	<b>6,674,750</b>	<b>3,324,963</b>	<b>(3,349,787)</b>	<b>2,306,800</b>	<b>1,338,826</b>	<b>(967,974)</b>	
OPERATING EXPENSES													
Salaries & Wages	-	-	-	819,855	379,743	440,112	2,209,075	1,051,542	1,157,533	691,161	333,821	357,340	
Benefits	250,000	111,536	138,464	452,466	199,370	253,096	1,099,145	476,609	622,536	357,276	176,453	180,823	
Supplies	-	-	-	140,200	36,447	103,753	420,650	100,627	320,023	1,153,840	375,207	778,633	
Other Service Charges	461,100	225,699	235,401	1,643,300	508,264	1,135,036	3,007,800	1,630,394	1,377,406	570,050	194,854	375,196	
Intergovernmental Services (Less Transfers Out)	-	-	-	-	-	-	-	-	-	-	-	-	
Waste Management Payments <b>See note</b>	-	-	-	-	-	-	-	-	-	-	-	-	
Sewer Metro Services	-	-	-	-	-	-	-	-	-	-	-	-	
Debt Service Interest	-	-	-	-	-	-	-	-	-	-	-	-	
Interfund Operating Rentals & Supplies	159,700	79,850	79,850	227,900	113,950	113,950	276,850	138,425	138,425	343,750	172,469	171,281	
<b>TOTAL OPERATING EXPENSES</b>	<b>870,800</b>	<b>417,085</b>	<b>453,715</b>	<b>3,283,721</b>	<b>1,237,773</b>	<b>2,045,948</b>	<b>7,013,520</b>	<b>3,397,598</b>	<b>3,615,922</b>	<b>3,116,077</b>	<b>1,252,804</b>	<b>1,863,273</b>	
<b>OPERATING REVENUES LESS EXPENSES BEFORE DEPRECIATION</b>	<b>268,600</b>	<b>136,368</b>	<b>(132,232)</b>	<b>429,379</b>	<b>604,110</b>	<b>174,731</b>	<b>(338,770)</b>	<b>(72,635)</b>	<b>266,135</b>	<b>(809,277)</b>	<b>86,022</b>	<b>895,299</b>	
NON-OPERATING REVENUES													
Operating Transfers-in				235,600	35,982	(199,618)	50,000	36,454	(13,546)	-	-	-	
Intergovernmental Loan													
Other Non-Operating Revenues													
Revenue Bond Proceeds													
NON-OPERATING EXPENSES													
Transfer to Capital Subfund							500,000	-	500,000				
Other Operating Transfers-out				1,028,070	19,240	1,008,830	-	-	-	22,000	22,000	-	
Debt Service Principal													
Net Change in Restricted Net Assets													
Interfund Loan Repayment													
Other Non-Operating Expenses								49,840	(49,840)				
BEGINNING WORKING CAPITAL - January 1, 2021	2,382,027	2,382,027	-	986,936	986,936	-	2,738,407	2,738,407	-	2,384,056	2,384,056	-	
ENDING WORKING CAPITAL - June 30, 2021	2,650,627	2,518,395	(132,232)	623,845	1,607,788	983,943	1,949,637	2,702,226	752,589	1,552,779	2,448,078	895,299	
NET CHANGE IN WORKING CAPITAL (see Note)	268,600	136,368	(132,232)	(363,091)	620,852	983,943	(788,770)	(36,181)	752,589	(831,277)	64,022	895,299	
<b>CAPITAL FUND:</b>													
CAPITAL REVENUES													
Interest Revenue							4,700	381	(4,319)	45,600	2,320	(43,280)	
Grants													
Contributions													
Other Non-Operating Revenue													
Increase In Contributions - System Development													
Interfund Revenues										1,975,900	987,950	(987,950)	
Increase In Contributions - FAA													
Proceeds of Debt Activity													
Transfers In from Operating Sub-Fund							500,000	-	(500,000)				
Transfer In from Other Funds							75,000	-	(75,000)	1,142,520	7,300	(1,135,220)	
<b>TOTAL CAPITAL REVENUES</b>							<b>579,700</b>	<b>381</b>	<b>(579,319)</b>	<b>3,164,020</b>	<b>997,570</b>	<b>(2,166,450)</b>	
CAPITAL EXPENSES													
Other Non-Operating Expense													
Increase In Fixed Assets - Salaries										63,900	4,892	59,008	
Increase In Fixed Assets - Benefits										26,100	2,409	23,691	
Increase In Fixed Assets - Services							200	0	200	700	-	700	
Increase In Fixed Assets - Site Improvements													
Increase In Fixed Assets - Equipment							792,985	(44)	793,029	3,708,790	986,395	2,722,395	
Increase In Fixed Assets - Construction							25,000	-	25,000	1,140,000	-	1,140,000	
Operating Transfers Out													
<b>TOTAL CAPITAL EXPENSES</b>							<b>818,185</b>	<b>(44)</b>	<b>818,229</b>	<b>4,939,490</b>	<b>993,695</b>	<b>3,945,795</b>	
BEGINNING WORKING CAPITAL - January 1, 2021							874,299	874,299	-	5,415,699	5,415,699	-	
ENDING WORKING CAPITAL - June 30, 2021							635,814	874,724	238,910	3,640,229	5,419,574	1,779,345	
NET CHANGE IN WORKING CAPITAL (see Note)							(238,485)	425	238,910	(1,775,470)	3,875	1,779,345	
<b>Total Change in Working Capital</b>	<b>268,600</b>	<b>136,368</b>	<b>(132,232)</b>	<b>(363,091)</b>	<b>620,852</b>	<b>983,943</b>	<b>(1,027,255)</b>	<b>(35,756)</b>	<b>991,499</b>	<b>(2,606,747)</b>	<b>67,896</b>	<b>2,674,643</b>	

(\*) Depreciation

Working Capital = Current Assets  
minus Current Liabilities