

LAKE STEVENS CITY 2019 YEAR END

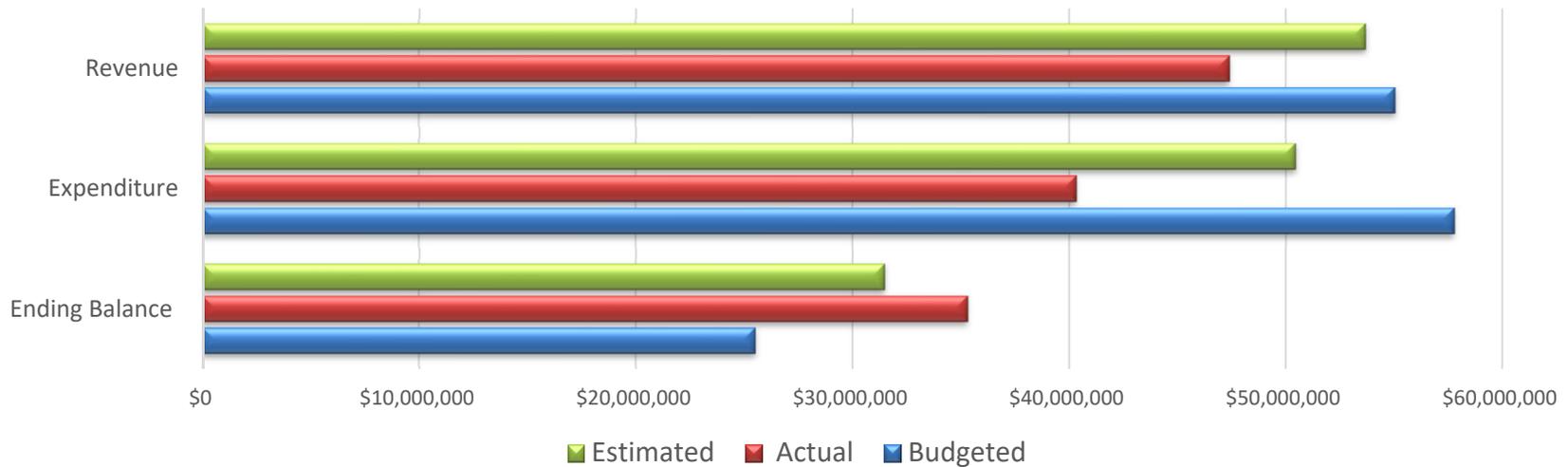
Financial Update



All Funds



All Funds - Budget vs. Actual and Estimated



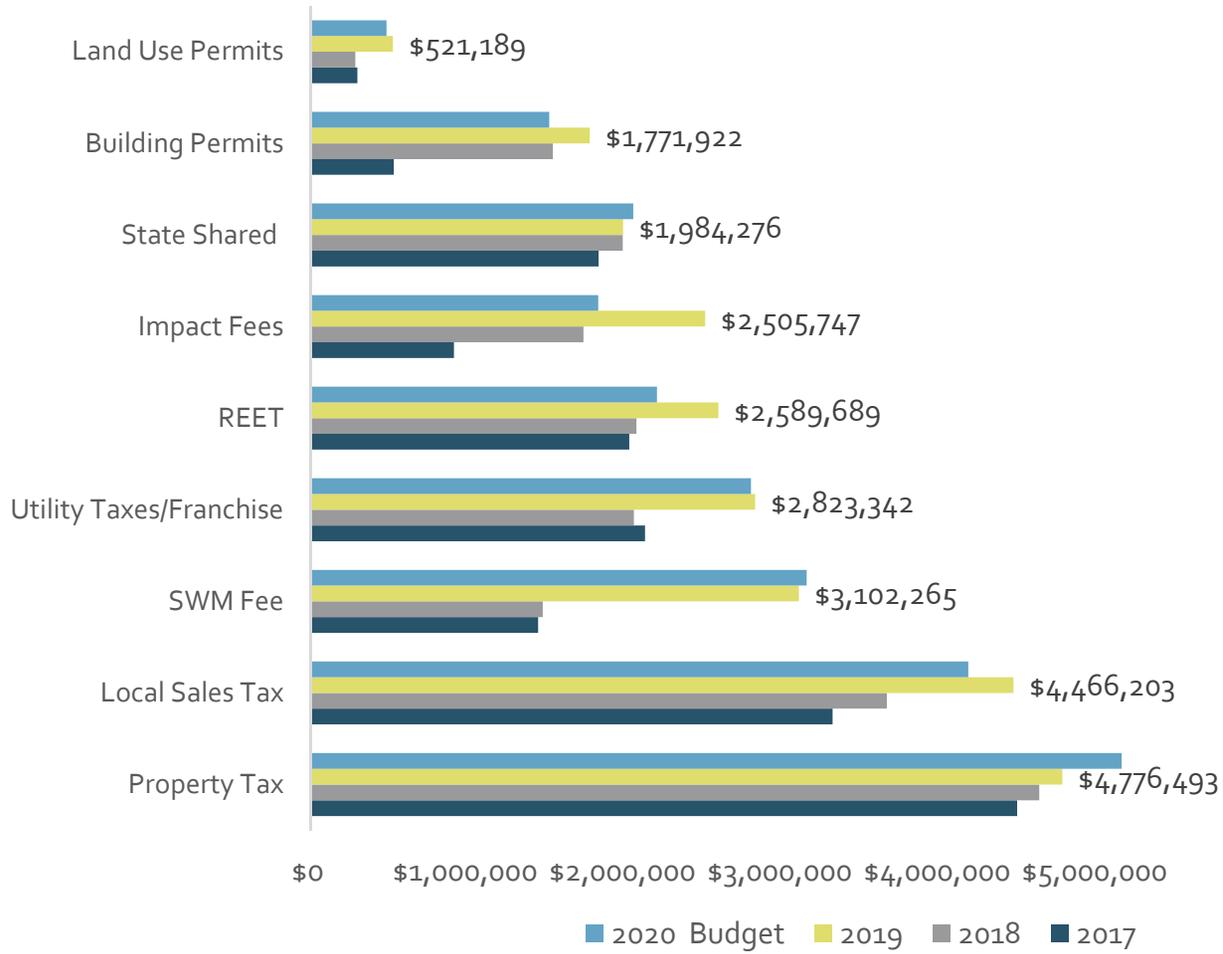
	Budgeted	Estimated	Actual	% BVA	% BV Estimate
Ending Balance	\$25,547,037	\$31,504,017	\$35,326,818	138%	123%
Expenditure	\$57,794,569	\$50,475,993	\$40,347,194	70%	87%
Revenue	\$55,074,886	\$53,713,289	\$47,407,292	86%	98%
Beginning Balance	\$28,266,720	\$28,266,720	\$28,266,720	100%	100%

Major Revenue Sources - Citywide



Revenue Source	Fund	Uses	2019 Budgeted	2019	2020 Budget
Property Tax	General 72%	Unrestricted	\$3,468,013	\$3,432,241	\$3,638,816
Local Sales & Use Tax	General/Reserve	Unrestricted	\$3,635,350	\$4,466,203	\$4,178,664
Utility Taxes/Franchise	General	Unrestricted	\$2,770,131	\$2,647,920	\$2,530,699
Criminal Justice – Sales/Use Tax	General	Some Restrictions	\$584,358	\$636,838	\$653,486
Liquor/DUI/State Shared	General	Some Restrictions	\$669,197	\$610,301	\$647,639
Building Permits	Permit	Restricted	\$1,500,000	\$1,771,922	\$1,515,000
Zoning & Subdivision (Plats)	Permit	Restricted	\$600,000	\$521,189	\$480,000
Property Tax	Street – 28%	Unrestricted	\$1,348,672	\$1,344,252	\$1,515,095
Utility Taxes	Street	Unrestricted	\$168,000	\$175,422	\$266,640
State Shared - MVFT	Street	Restricted to Fund Usage	\$724,595	\$737,137	\$747,939
Real Estate Excise Taxes	REET I&II	Restricted	\$1,700,000	\$2,589,689	\$2,200,000
Traffic Impact Fees	Developer Contribution	Restricted	\$1,210,560	\$1,140,660	\$807,338
Park Impact Fees	Park Mitigation	Restricted	\$800,000	\$1,365,087	\$1,019,277
Sewer Utility Agreement Fee	Sewer	Unrestricted	\$15,000	\$13,750	\$15,000
Surface Water Fees	Storm & Surface Water	Restricted to Fund Usage	\$3,477,107	\$3,102,265	\$3,151,300

Revenues – Major Sources



- Property taxes are the largest revenue source making up 10% of citywide revenues.
- Sales Tax is the 2nd largest revenue at 9%
- Building Permits, REET, and Park Mitigation Fees ended the year significantly above budget due to growth within the city
- Land Use Permits and Traffic Mitigation increased over prior year, yet less than budgeted

Sales Tax Trend by Classification



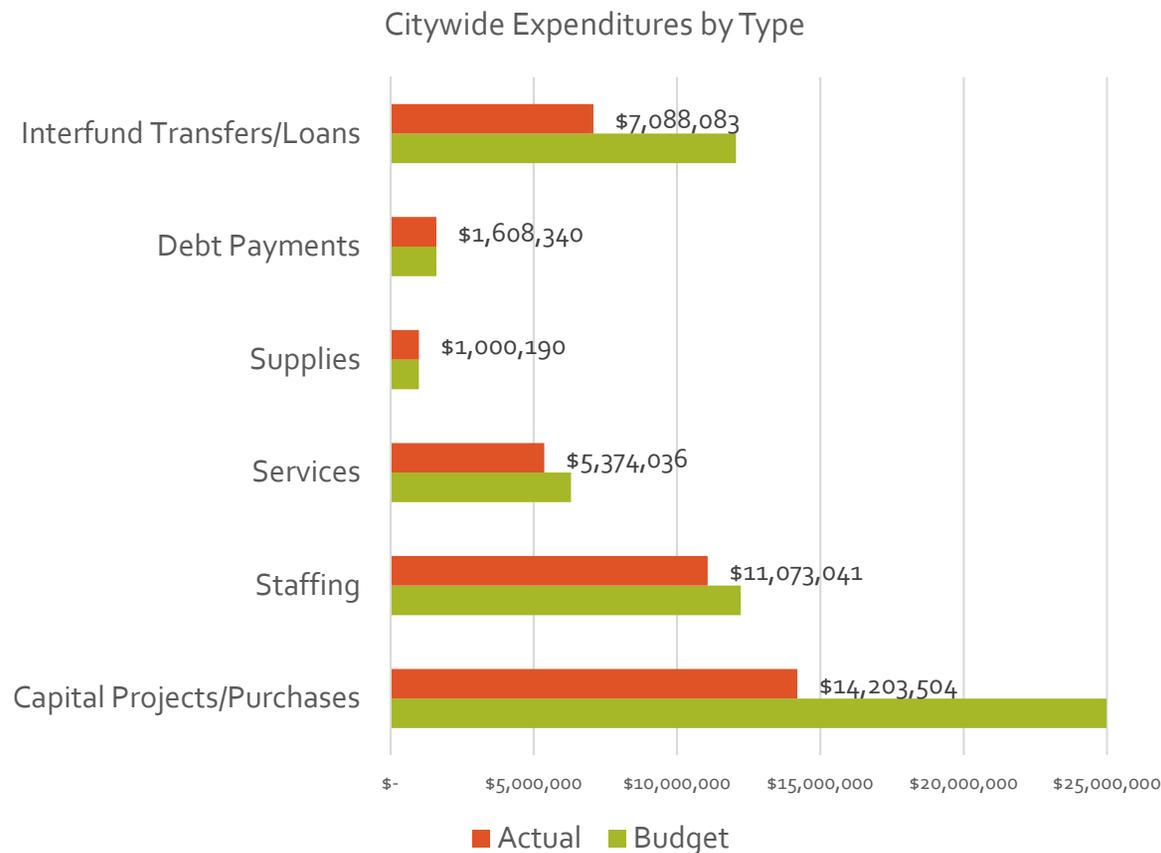
NAICS SUBCODE	Sum Reported 2017	Sum Reported 2018	Sum Reported 2019	% Change 2018 - 2019	NAICS % of Total
11Agriculture, Forestry, Fishing & Hunting	\$1,243	\$1,061	\$892	-15.9%	0.0%
21Mining, Quarrying, and Oil and Gas Extraction	\$39	\$50	\$581	1058.4%	0.0%
22Utilities	\$1,088	\$2,871	\$719	-75.0%	0.0%
23Construction	\$909,490	\$944,539	\$1,374,011	45.5%	30.8%
31Manufacturing - food/clothing	\$3,584	\$4,754	\$6,235	31.2%	0.1%
32Manufacturing - wood/paper/chemicals/plastics/Furniture	\$43,870	\$28,100	\$42,139	50.0%	0.9%
33Manufact - ironwork/RR/Steel/Equipment/countertops	\$19,279	\$20,040	\$27,007	34.8%	0.6%
42Wholesale Trade - medical/diamonds/cork/athletic	\$100,629	\$115,424	\$116,726	1.1%	2.6%
44Retail Trade	\$789,787	\$871,720	\$955,581	9.6%	21.4%
45Retail Trade	\$546,014	\$645,328	\$753,269	16.7%	16.9%
48Transportation and Warehousing	\$3,432	\$4,848	\$4,502	-7.1%	0.1%
49Transportation and Warehousing	\$729	\$1,940	\$605	-68.8%	0.0%
51Information	\$180,114	\$175,111	\$188,700	7.8%	4.2%
52Finance and Insurance	\$27,816	\$32,795	\$29,837	-9.0%	0.7%
53Real Estate and Rental and Leasing	\$38,403	\$44,068	\$46,717	6.0%	1.0%
54Professional, Scientific, and Technical Services	\$45,942	\$48,956	\$67,622	38.1%	1.5%
55Management of Companies and Enterprises	\$14	\$8	\$7	-19.5%	0.0%
56Admin & Support; Waste Mgmt; Remediation Srvs	\$75,095	\$145,739	\$204,966	40.6%	4.6%
61Educational Services	\$10,973	\$7,818	\$6,580	-15.8%	0.1%
62Health Care and Social Assistance	\$4,792	\$4,398	\$4,977	13.2%	0.1%
71Arts, Entertainment, and Recreation	\$19,161	\$19,108	\$17,944	-6.1%	0.4%
72Accommodation and Food Services	\$363,228	\$393,672	\$453,410	15.2%	10.2%
81Other Services (except Public Administration)	\$67,066	\$72,671	\$82,753	13.9%	1.9%
92Public Administration	\$63,794	\$60,012	\$294	-99.5%	0.0%
99???	\$467	\$16,395	\$80,130	388.7%	1.8%
Total of NAICS by Period	\$3,316,047	\$3,661,429	\$4,466,204	22.0%	100.0%

Budget vs. Actual Expenditures



\$40,347,194 total
Expenditures
(70% of budget)

Citywide Expenditures by Type



Capital Outlays are 35% of expenditures. \$7.3 in project budgets rolled into 2020.

Salaries, Benefits & OT together make up 27% of the total citywide expenditures.

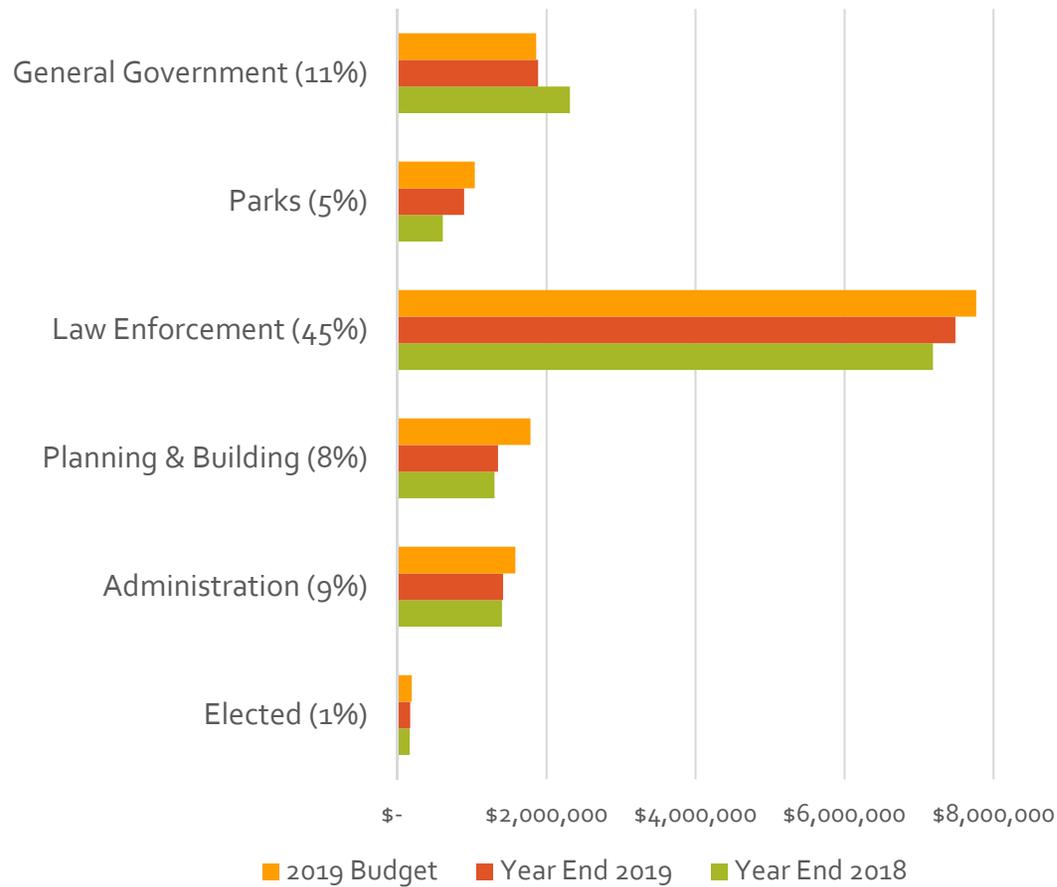
Interfund Transfers out equal interfund transfers in on the revenue side.

Interfund Loans

- Loan between funds for specific uses, for a set period of time
- If loan is made from restricted funds, interest must be paid back
- Resolution 1994-15 and 2010-8 Allows the Finance Director to make interfund loans as needed.
 - Quarterly reporting to Council on status of loans is required

Borrowing Fund	Lending Fund	Balance 1/1/2019	New Loans	Repayments	Balance 12/31/2019	Reason for Loan
310 - 20th Street SE Corridor CP	001 - General Fund	\$25,000	\$0	\$25,000	\$0	Loan to fund 310 for sales related expenses will be reimbursed in 2019 when properties sell. Repaid loan 3/31/19 - no interest required
305 - Downtown Redevelopment	002 - GF Reserve	\$0	\$2,100,201	\$813,893	\$1,286,308	Loan for Downtown Redevelopment - Reimbursements from Department of Commerce Grant. (Partial grant funds received) No Interest required
305 - Downtown Redevelopment	002- GF Reserve		\$949,799		\$949,799	Available Budgeted Loan for Downtown Redevelopment to be reimbursed by DOC Grant funds. No interest required

General Fund Expenditures by Department



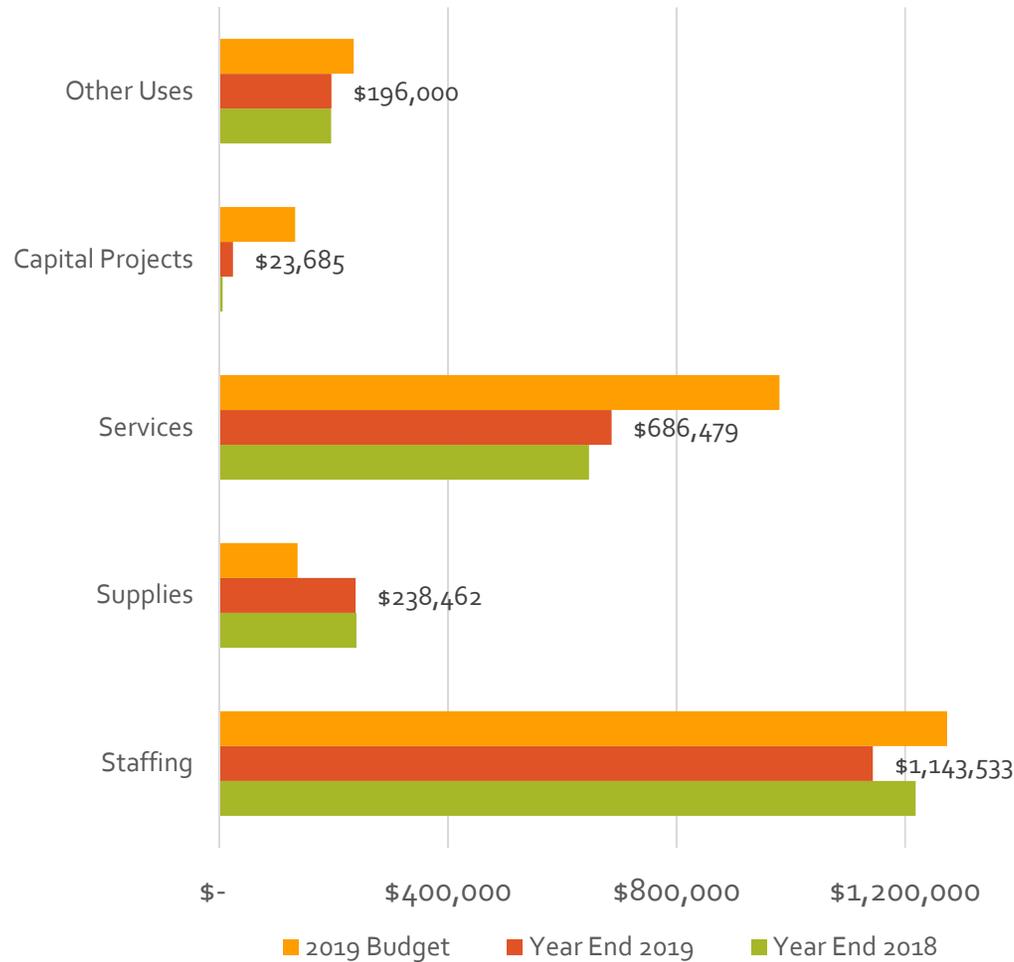
\$14,227,748
 Year End General Fund Expenditures
 (10% under budget)

Driving Factors holding departments under budget:

- Capital Projects
- Staffing Levels

2018 General Government Expenditures included property purchases

Street Fund Expenditures



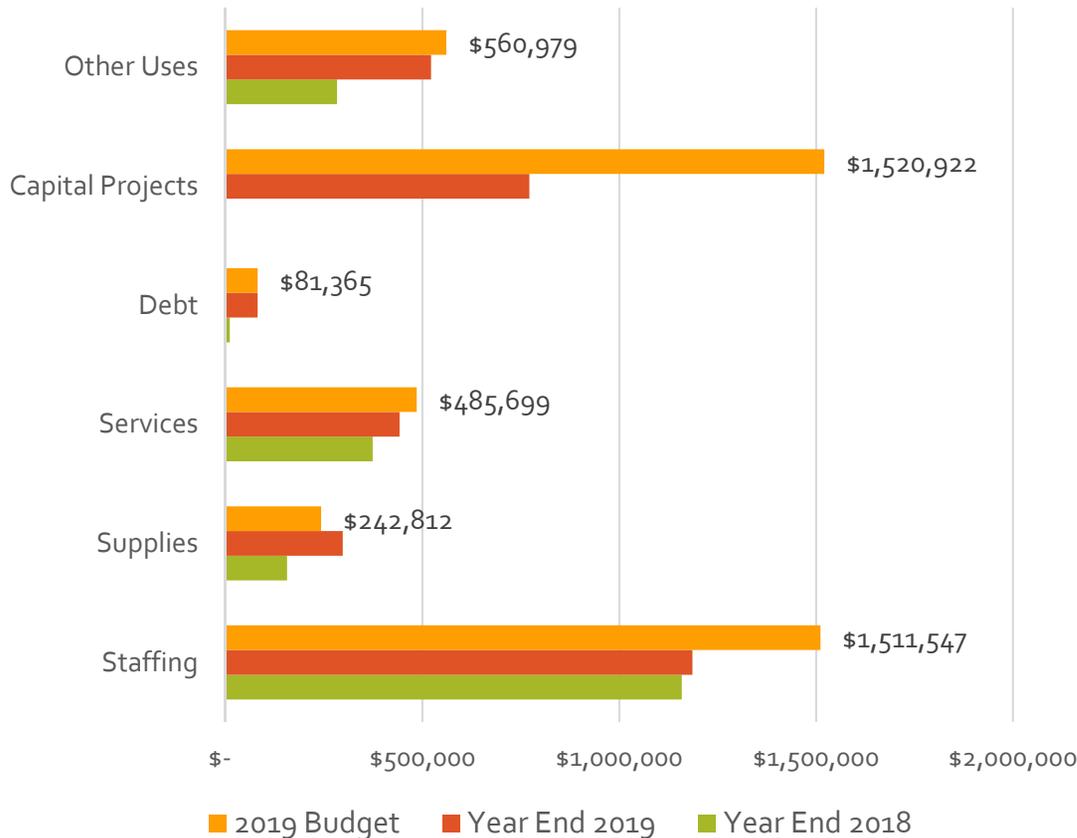
\$2,288,159
Year End Street Fund
Expenditures

(17% under budget)

Services were significantly under budget as the pavement preservation /overlay project bid came in less than anticipated and Striping did not occur in 2019.

The PW Shop Remodel capital project has been rolled into the 2020 budget.

Storm Water Fund Expenditures



\$3,301,303 Year End Storm Fund Expenditures (25% under budget)

- Multiple Capital Projects and Purchases were rolled into the 2020 budget.
- Staffing was significantly under budget due to vacant positions.

Fund	2019	2019	2019		2019	2019	2019		2019
	Budgeted Revenue	Revenue Collected	% of Budget Collected		Budgeted Expenditures	2019 Expended	% of Budget Expended		Cash & Investments
General Funds:									
General Funds	\$12,159,656	\$12,593,641	103.6%		\$14,227,749	\$13,210,930	92.9%		\$4,243,389
Council Contingency	\$3,795,927	\$2,178,967	57.4%		\$4,559,910	\$2,115,158	46.4%		\$3,989,907
Permit Fund	\$2,100,000	\$2,293,111	109.2%		\$800,000	\$954,471	119.3%		\$2,316,321
SPECIAL REVENUE FUNDS:									
Street	\$2,343,027	\$2,413,885	103.0%		\$2,758,350	\$2,288,159	83.0%		\$2,365,201
Street Reserve	\$24	\$0	0.0%		\$0	\$1,576	0.0%		\$0
Drug Seizure & Forfeiture	\$55,654	\$47,665	85.6%		\$66,998	\$22,469	33.5%		\$68,890
Municipal Arts	\$10,310	\$453	4.4%		\$20,963	\$0	0.0%		\$21,169
DEBT SERVICE FUNDS:									
LTGO 2008A Bond	\$344,905	\$344,605	99.9%		\$344,905	\$344,605	99.9%		\$0
LTGO 2010 Bond	\$0	\$0	0.0%		\$0	\$0	0.0%		\$0
2015 LTGO Bond (REF)	\$97,221	\$97,221	100.0%		\$97,221	\$97,221	100.0%		\$0
CAPITAL PROJECT FUNDS:									
Cap Project-Developer Contributions	\$3,217,629	\$1,972,236	61.3%		\$4,974,609	\$2,035,627	40.9%		\$3,324,124
Park Mitigation Fund	\$1,368,821	\$1,584,026	115.7%		\$2,495,612	\$2,391,421	95.8%		\$456,638
Real Estate Excise Tax I	\$885,254	\$1,371,625	154.9%		\$1,102,144	\$577,160	52.4%		\$3,932,841
Real Estate Excise Tax II	\$2,769,244	\$1,435,923	51.9%		\$5,393,754	\$1,183,127	21.9%		\$4,660,907
Downtown Redevelopment	\$8,403,445	\$4,130,660	49.2%		\$8,665,070	\$4,391,404	50.7%		\$881
Facility Capital Project Fund	\$9,106,562	\$9,125,147	100.2%		\$5,102,531	\$4,826,351	94.6%		\$4,298,796
Sidewalk Capital Project	\$481,284	\$484,311	100.6%		\$526,055	\$457,876	87.0%		\$873,349
20th Street SE Corridor CP	\$833,105	\$842,216	101.1%		\$41,378	\$68,572	165.7%		\$783,842
ENTERPRISE FUNDS:									
Sewer	\$1,059,098	\$1,061,417	100.2%		\$1,128,137	\$1,102,433	97.7%		\$226,854
Storm & Surface Water	\$3,591,620	\$3,241,765	90.3%		\$3,493,459	\$2,514,960	72.0%		\$1,661,352
Storm Water Caital	\$848,500	\$848,500	100.0%		\$848,500	\$724,978	85.4%		\$123,522
Storm Water Debt Service	\$61,365	\$61,365	0.0%		\$61,365	\$61,365	100.0%		\$0
INTERNAL SERVICE FUNDS:									
Unemployment	\$1,018	\$1,327	130.4%		\$40,000	\$14,895	37.2%		\$52,599
Capital Equipment - Computer	\$325,502	\$272,711	83.8%		\$364,063	\$268,646	73.8%		\$165,955
Capital Equipment - Vehicle Rplacement	\$10,303	\$10,518	102.1%		\$0	\$0			\$30,833
Capital Equipment - Police	\$218,290	\$234,267	107.3%		\$197,725	\$199,247	100.8%		\$272,090
Capital Equipment - PW	\$414,319	\$417,135	100.7%		\$290,110	\$174,141	60.0%		\$1,028,687
Aerator Equipment Replacement	\$20,000	\$20,758	103.8%		\$38,000	\$30,300	79.7%		\$102,225
FIDUCIARY FUNDS:									
Refundable Deposits	\$101,000	\$27,374	27.1%		\$101,000	\$10,582	10.5%		\$29,952
Treasurer's Trust	\$451,804	\$294,461	65.2%		\$454,100	\$279,520	61.6%		\$17,238
Total All Funds	\$55,074,886	\$47,407,292	86%		\$58,193,708	\$40,347,194	69%		\$35,047,562