



FINANCE & ECONOMIC DEVELOPMENT COMMITTEE
TUESDAY, NOVEMBER 23, 2021
8:30 A.M.
REMOTE ATTENDANCE

The Finance & Economic Development Committee meeting will be conducted remotely, not in person. However, you may view the meeting by watching live through Zoom (<https://us02web.zoom.us/j/86098715499>).

NEW: Watch live or as a recording on YouTube (<https://youtu.be/6qd5WtJDWzI>).

The public may also listen to the meeting via telephone by dialing toll-free: **(888) 788-0099** or **(877) 853-5247** – when prompted, enter Webinar ID: **860 9871 5499** press # (participant ID not required)

RESERVE DESIGNATION DISCUSSION

TROY WOO, FINANCE DIRECTOR
(STAFF REPORT)

2021 THIRD QUARTER FINANCIAL REPORT

TROY WOO, FINANCE DIRECTOR
(STAFF REPORT)



FINANCE AND ECONOMIC DEVELOPMENT COMMITTEE

November 23, 2021

SUBJECT: Reserve Designations Discussion

RECOMMENDATION: Review proposed committed reserve designations.

STAFF CONTACT: Scott Spence, City Manager ^{SS}
Troy Woo, Finance Director ^{TW}

ORIGINATED BY: Troy Woo, Finance Department

ATTACHMENTS: 1. [Ordinance No. 1575 \(current reserve designations\)](#)

FISCAL NOTE:

PRIOR REVIEW:

BACKGROUND:

The Governmental Accounting Standards Board (GASB) issued Statement No. 54 during February 2009. The City Council has taken action to commit certain fund balances as needed since the implementation date. Since the current designations were adopted: (1) there are additional fund balances available for the City Council to designate, (2) some designations have been expended as intended, and (3) new priorities have been identified. It is appropriate for the City Council to affirm past fund balance/reserve designations and to establish new fund balance/reserve designations.

GASB Statement No. 54 provides the following classifications for fund balances:

- **Nonspendable**
 - This classification includes fund balances that are not in a spendable form, such as inventories, long-term receivables, and property held for resale. Fund balances that are legally or contractually required to remain intact, such as a corpus of a permanent fund, are also included in this classification.

- **Restricted**
 - Restricted fund balances include resources that are constrained for a specific purpose by external parties, constitutional provisions, and enabling legislation. Contractual agreements and bond covenants are examples of external parties that could require constraints that would be considered restricted fund balances.
- **Committed**
 - Committed fund balances include resources that are constrained by the highest level of decision making authority of a government. For the City of Lacey, the highest level is the City Council.
- **Assigned**
 - Amounts that are intended to be used for a specific purpose would be considered assigned fund balance. The intent is expressed by the governing body, a subcommittee, or an official authorized by the governing body.
- **Unassigned**
 - Unassigned fund balances are available for any purpose. All remaining fund balances will automatically be classified as unassigned.

The fund balances that will be reported as nonspendable and restricted are classified automatically by the nature of the fund balance, so City Council action is not required to classify fund balances as nonspendable or restricted.

Authorization to classify fund balances as committed is limited to the City Council as the governing board. To classify fund balances as committed, the City Council must take formal action. The City Council has full discretion regarding the committed fund balances, but the action must meet specific purpose criteria standards. Committing fund balance to a specific project such as the replacement of a building meets the criteria, but a generic rainy day (stabilization) reserve does not meet the criteria. To meet the specific purpose criteria the formal action needs to identify and describe with sufficient detail the specific circumstances under which a need for restriction occurs. For example, a City Council formal action that constrains \$1 million for a rainy day fund to be used only in an emergency is not allowed to be reported as a committed fund balance. This action does not provide sufficient detail to determine what would constitute an emergency. In addition, the following rules apply to committed fund balances:

- A committed fund balance constraint imposed by the City Council can only be changed or removed by the same formal action.
- In order to be reported on the face of the annual financial statements, the constraints must be adopted prior to the end of the fiscal year to be reported.
- The adoption of the budget document does not qualify as formal action to constrain the resources, because the budget authorization is only for one year.

Assigned fund balances include amounts that are *intended* to be used for specific purposes. This intent can be expressed by the City Council, a City Council Committee, or an official authorized by the governing body such as the City Manager. The residual amounts in governmental funds other than the General Fund are considered assigned. Governmental funds include the General, special revenue, capital, debt service, and special assessment funds. For example, the residual fund balance in the Street Fund (special revenue) will be considered assigned for street and transportation purposes.

The City Council previously authorized the City Manager and City Finance Director to assign funds based on the intent expressed by the City Council. Staff recommends the same provision be included in the next ordinance.

Unassigned fund balances include all the remaining fund balances. Unassigned fund balances can be used for any purpose and typically are only reported in the General Fund.

Staff will present suggested committed fund balance designations to the Finance and Economic Development Committee on November 23, 2021, and will receive any direction for changes before the full City Council discussion scheduled for December 2, 2021. The intent is for the City Council to adopt a new reserve designation ordinance prior to December 31, 2021.

ADVANTAGES:

1. Review and adoption of the ordinance will help ensure the City's financial reporting remains compliant with GASB Standards and Generally Accepted Accounting Principles (GAAP).
2. The City's Annual Financial Report (AFR) will more accurately reflect the City Council's vision and intent.
3. Periodic reviews by the City Council will better align fund balances with the annual priorities included and long-term goal and vision of the City and will ensure the City Council's commitments are still valid.

DISADVANTAGES:

1. City Council imposed fund balance constraints, which are considered committed fund balances, will require formal action to change or remove the constraint. This could create additional procedures throughout the budget process.

ORDINANCE NO. 1575

CITY OF LACEY

AN ORDINANCE ESTABLISHING FUND BALANCE DESIGNATIONS AS PROVIDED BY GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NO. 54 AND APPROVING A SUMMARY FOR PUBLICATION.

WHEREAS, the Governmental Accounting Standards Board (“GASB”) Statement No. 54 establishes the standard for governmental fund balance reporting and governmental fund balance type definitions, and

WHEREAS, fund balance measures the net financial resources that are available for future expenditures, and

WHEREAS, the City Council finds it beneficial to designate certain fund balances as Committed for specific purposes or projects and that the City Manager or Finance Director be authorized to designate certain other fund balances as Assigned for a specific purpose,

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LACEY, WASHINGTON, as follows:

Section 1. Ordinance No. 1559, an ordinance of the City of Lacey, Washington, establishing fund balance designations as provided by Governmental Accounting Standards Board Statement No. 54, is hereby rescinded.

Section 2. The fund balances of the City of Lacey designated in this Ordinance are committed for the specific purpose indicated. Amendments or modifications of the committed fund balances set forth herein shall require formal action by the City Council.

Section 3. The City Council authorizes the City Manager or City Finance Director to categorize other fund balances as assigned in order to carry out the intent of the City Council.

Section 4. The following portions of its December 31, 2019 governmental fund balances are considered committed:

Fund 001 (Current Expense):

- \$ 200,000 is committed for Insurance Deductibles
- \$ 3,000,000 is committed for Budget Policy
- \$ 8,000,000 is committed for Gateway Project
- \$ 1,000,000 is committed for City Hall Facility
- \$ 926,042 is committed for Future Pension Contribution Increases
- \$ 1,500,000 is committed for Strategic Investment
- \$ 500,000 is committed for 5700 Pacific Property Improvements
- \$ 4,100,000 is committed for Police Station Facility

- \$ 2,000,000 is committed for Succession Planning (Police)
- \$ 250,000 is committed for Trail System (Bike/Pedestrian Plan)
- \$ 300,000 is committed for College Street Pedestrian Crossing
- \$ 250,000 is committed for Strategic Facility Plan City Hall & Operation Center
- \$ 1,200,000 is committed for Public Safety Enhancements
- \$ 200,000 is committed for Security Cameras
- \$ 714,286 is committed for Water Quality Assurance (Septic to Sewer)
- \$ 1,300,000 is committed for Parks & Recreation Comprehensive Plan Priorities
- \$ 800,000 is committed for Regional Athletic Complex Operations & Maint.
- \$ 200,000 is committed for Energy Conservation Projects (CR2 Plan)
- \$ 593,574 is committed for Limited-Term Employee Program

Fund 003 (Criminal Justice):

- \$ 1,400,000 is committed for Future Police Station Improvements

Fund 005 (Community Buildings):

- \$ 67,500 is committed for Furniture and Equipment Replacement
- \$ 500,000 is committed for Community Buildings Repairs

Fund 007 (Regional Athletic Complex M&O):

- \$ 375,000 is committed for Regional Athletic Complex Field Replacement

Fund 101 (City Streets):

- \$ 350,000 is committed for Street Buildings Repair/Replacement
- \$ 400,000 is committed for Transportation Equipment and Improvements
- \$ 500,000 is committed for College Street Pedestrian Crossing

Fund 302 (Capital Equipment):

- \$ 500,000 is committed for Capital Equipment Replacement
- \$ 385,000 is committed for Park Facilities Repair/Replacement
- \$ 1,500,000 is committed for Regional Athletic Complex Field Replacement
- \$ 150,000 is committed for Park Security Cameras
- \$ 500,000 is committed for IMS Communications Repair/Replace/Extension

Fund 301 (Building Improvement):

- \$ 226,156 is committed for Public Art
- \$ 1,137,500 is committed for City Facility Repair/Replacement
- \$ 300,000 is committed for Parks & Recreation Comprehensive Plan Priorities
- \$ 1,500,000 is committed for Capital Facilities Plan Projects
- \$ 100,000 is committed for Senior Center Repairs/Replacement

Fund 303 (Parks and Open Space):

- \$ 45,635 is committed for Parks & Recreation Comprehensive Plan Priorities

Fund 307 (Regional Athletic Complex Capital):

- \$ 500,000 is committed for Regional Athletic Complex Lifecycle Replacements
- \$ 125,000 is committed for Regional Athletic Complex Parking Lot Design

Section 5. Corrections. The City Clerk and the codifiers of this ordinance are authorized to make necessary corrections to this ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 6. The summary attached hereto is hereby approved for publication.

PASSED BY THE CITY COUNCIL OF THE CITY OF LACEY, WASHINGTON, at a regularly called meeting thereof, held this 17th day of December, 2020.

CITY COUNCIL



Mayor

Attest:



City Clerk

Approved as to form:



City Attorney

SUMMARY FOR PUBLICATION

ORDINANCE NO. 1575

CITY OF LACEY

The City Council of the City of Lacey, Washington, passed on December 17, 2020, Ordinance No. 1575 entitled **“AN ORDINANCE ESTABLISHING FUND BALANCE DESIGNATIONS AS PROVIDED BY GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NO. 54 AND APPROVING A SUMMARY FOR PUBLICATION.”**

The main points of the Ordinance are described as follows:

1. The Ordinance rescinds Ordinance No. 1559.
2. The Ordinance restricts amendments or modifications of committed fund balances to formal action by the City Council.
3. The Ordinance authorizes the City Manager and Finance Director to categorize fund balances as assigned.
4. The Ordinance commits portions of governmental fund balances.
5. The Ordinance approves this Summary for Publication.

A copy of the full text of this ordinance will be mailed without charge to any person requesting the same from the City of Lacey.

Published: December 21, 2020



**FINANCE & ECONOMIC
DEVELOPMENT COMMITTEE**
November 23, 2021

SUBJECT: 2021 Third Quarter Financial Report

RECOMMENDATION: Review Third Quarter Financial Report

STAFF CONTACT: Scott Spence, City Manager ^{SS}
Troy Woo, Finance Director ^{TW}

ORIGINATED BY: Troy Woo, Finance Department

ATTACHMENTS: 1. [Revenue and Expenditure Reports for the Quarter Ending September 30, 2021](#)

FISCAL NOTE:

PRIOR REVIEW: None

BACKGROUND:

The 2021 third quarter financial report has been completed. The report focuses on the General Fund. The revenue and expenditure summaries are attached.

GENERAL FUND EXPENDITURES

As of September 30, 2021, total General Fund Expenditures were \$36,006,265 or 64.6 percent of the adopted 2021 Budget. This is a total decrease of \$1,862,467 or 4.9 percent compared to the third quarter 2020 total expenditure level. Expenditures at September 30, 2020, were 62.6 percent of the total 2020 General Fund Budget. The decrease is a result of one-time 2020 expenditures related to the distribution of CARES Act fund to support the citizens and businesses of Lacey and lower levels of capital purchases and transfers. The cost of labor in the General Fund increased \$936,604 due to a combination of filling vacant positions and inflationary increases.

Although all third quarter expenditure categories show variances from the previous year, only the most significant or noteworthy variances are described below.

- Contracted Services expenditures decreased \$178,797. This is mainly the result of lower district court, public defender, and jail services costs due delays as a result of the COVID-19 public health emergency.
- The City Manager and Human Resources Department expenditures have increased \$199,370 and \$184,349, respectively, due to being more fully staffed in 2021 compared to 2020. In addition, Human Resources' professional services has increased \$76,513 due to recruitments and the need for legal services relating to tax changes and legislative interpretation and implementation.
- The Social Services Department's third quarter expenditures have increased \$1,582,104. The primary reason is related to building improvements at the Lacey Veterans Services Hub (+\$1,619,030).
- The Police Department's third quarter expenditures increased \$243,804 compared to last year. Salaries and benefits increased \$163,809 and internal service fund rentals increased \$185,583 compared to 2020.
- The Parks Maintenance Department is reporting a \$391,774 increase. Salaries and benefits increased \$110,880 due to the backfilling of a previously frozen Journey Level Maintenance Technician. An increase of \$221,278 was recorded in the Lacey Water Utility expenditure budget line. This increase is overstated due to a billing error. \$205,033 will be reversed bringing the year-to-date expenditures more in line with the budget.
- Community and Economic Development decreased \$207,116 due to a portion (\$184,050) of the CARES Act distributions expensed from this department during 2020.
- Transfer out had a total decrease of \$2,986,845. Transfers have decreased due to the reduction of planned capital transfers and the 2020 one-time transfers related to the distribution of the Small Business Stabilization Fund and CARES Act assistance.
- The Community Buildings Fund decreased \$538,450 through the third quarter. The increase is due to the 2020 Community Center HVAC system replacement project.
- The Street Fund experienced a \$353,432 increase. The routine summer street maintenance and right-of-way maintenance returned after being paused in 2020 due to the COVID-19 public health emergency. Also, professional services increased \$88,662 due to the Avonlea sidewalk replacement project.

- The Capital Equipment Fund decreased \$1,473,948. This decrease is primarily attributed to one-time 2020 expenditures (\$1,070,000) and transfers (\$510,400) relating to the CARES Act economic development support.

Additional details are provided in the attached expenditure summaries for the General Fund departments and other funds.

GENERAL FUND REVENUES

As of September 30, 2021, total General Fund Revenues were \$42,865,769 or 76.9 percent of the adopted budget. Last year at this same time, revenues were 66.1 percent of budget. Third quarter General Fund revenues increased \$2,888,125 compared to the previous year. Tax collections have been higher than budgeted and receipt of the first tranche (\$3.43 million) of the American Rescue Plan Act are the primary reasons for the third quarter increase to revenues.

- Through September 2021, \$3,864,737 of property taxes have been collected. This is equal to 53.3 percent of the annual property tax budget. This is an increase of \$379,275 compared to the previous year. The 2021 property tax collections are expected to increase due to a combination of the one percent increase, new construction credit, and refund levy.
- 2021 sales tax receipts totaled \$11,483,677 at the end of September. This is \$1,370,939 or 13.6 percent higher than last year. Please note that sales tax receipts from two of the nine months collected will be accrued back to 2020 when the sales activity actually took place. The following table shows the year-to-date top 20 sales tax sources.

	<u>Year-To-Date</u>			<u>Last 12 Months</u>
	<u>This Year</u>	<u>Last Year</u>	<u>% Chg</u>	
General Merchandise Stores	\$ 1,868,270	\$ 1,683,579	11.0	\$ 2,399,501
Construction of Buildings	1,014,809	1,489,137	(31.9)	1,479,560
Food Services and Drinking Places	940,915	815,458	15.4	1,223,115
Building Material and Garden Equipment and Supplies	813,444	712,210	14.2	1,062,088
Miscellaneous Store Retailers	806,511	601,681	34.0	1,036,907
Specialty Trade Contractors	650,136	520,094	25.0	927,334
Merchant Wholesalers, Durable Goods	712,902	451,346	58.0	846,777
Motor Vehicle and Parts Dealers	445,502	347,539	28.2	574,097
Administrative and Support Services	362,905	291,885	24.3	481,260
Professional, Scientific, and Technical Services	368,262	261,943	40.6	454,785
Electronics and Appliance Stores	348,964	277,365	25.8	449,550
Sporting Goods, Hobby, Musical Instrument, and Books	325,207	269,705	20.6	433,168
Clothing and Clothing Accessories Stores	278,724	192,497	44.8	358,518
Health and Personal Care Stores	252,089	190,571	32.3	317,712
Food and Beverage Stores	219,683	214,289	2.5	290,077
Repair and Maintenance	209,334	210,597	(0.6)	289,050
Telecommunications	189,474	181,694	4.3	247,107
Nonstore Retailers	175,928	143,189	22.9	229,816
Furniture and Home Furnishings Stores	163,063	135,591	20.3	219,462
Rental and Leasing Services	147,492	159,076	(7.3)	199,138
	<u>\$ 10,293,616</u>	<u>\$ 9,149,447</u>		<u>\$ 13,519,019</u>

The top 20 sources provide 90.4 percent of all sales tax. The “Construction of Buildings” category is experiencing significant decline (-31.9 percent) following a multi-year period of very strong growth due to commercial and industrial activity in northeast and central Lacey. The City’s largest sales tax category, “General Merchandise Stores”, experienced a mid-year 11.0 percent increase compared to 2020. Nearly all of the top 20 categories are experiencing growth consistent with a recovering local economy. However, the impacts of the Federal stimulus, Federal financial assistance, and pent up demand are not easily separated from the sustainable revenue increases.

- The General Fund business & occupation (B&O) tax third quarter revenues total \$2,178,225 or 104.0 percent of revised budget estimate. B&O tax collections have increased \$346,808. B&O tax collections have nearly the same basis as sales tax, so B&O taxes should follow the same trend curve.
- Utility tax collections for the third quarter were \$370,380 higher than the previous year. Electricity and City-owned utilities generated the most significant increases. Utility tax from electricity and City-owned utilities increased \$204,354 and \$242,312, respectively, compared to the previous year. Telephone Utility Tax was \$144,250 lower than the previous year. It is assumed that households continue to eliminate land line phones due to broader use of cellular phones, which reduces overall consumption. In addition, larger portions of cell phone bills are related to data, which is exempt from local utility taxes. Also, the implementation of a recent accounting standard, which changed the accounting of bundled contracts, continue to contribute to the declines.
- Admissions tax decreased \$39,976, but the reported variance doesn’t tell the true story. This variance is a compared to 2020’s collections, which were severely impacted by the public health restrictions. Compared to third quarter 2019, the decrease is 140,363. So far in 2021, admissions tax is being collected at 15.0 of the pre-pandemic levels.
- Third quarter gambling taxes are \$59,587. Similar to admissions tax, the 2021-2020 variance is lower than when compared to pre-pandemic levels. So far in 2021, admissions tax is being collected at 72.0 percent of the pre-pandemic levels.
- \$1,356,368 of non-business license (includes building, mechanical, plumbing, and electrical permits fees) revenues have been collected. This is \$79,594 lower than the previous year. This decrease follows a 2020 year-end decrease of \$1,083,814. Through the third quarter, building permit fees are experiencing the largest decrease (\$115,387). Building permit fees are an indication of future new construction, so at this point in time it appears construction will continue to slow.

163 single-family residential, multi-family residential, commercial, and industrial building permits were issued as of October 31. The value of these permits was \$90.6 million. Straight-line projections predict a 2021 year-end permit issuance value of \$108.7 million, which is lower than the 2020 year-end value of \$125.8 million and the

2019 year-end value of \$293.7 million. It appears 2021 will end consistent with the current downward trend of development activity.

- Economic Environment/Plan Checking fees increased \$173,805. Plan check fees increased \$156,828. These fees are another indicator of future development and construction.
- Parks and Recreation revenues increased \$152,979. However, 2020's Parks and Recreation revenues were severely impacted by the COVID-19 public health emergency. Comparing this quarter's revenues to third quarter 2019, Parks and Recreation revenues are \$420,886 lower, so still significantly below the pre-pandemic activity levels.
- Interest earnings decreased \$322,959 through the third quarter. Overnight earnings rates continue to be near zero. The City's September 2021 overnight earnings rate was 0.09 percent.

UTILITY FUNDS

Third quarter 2021 operating expenditures for the City's utilities were consistent with the projections. The Water Utility Maintenance and Operations Fund expenditures were \$582,334 or 4.9 percent lower in 2021 largely due to a \$613,846 lower annual transfer to the Water Capital Fund. Wastewater Utility Maintenance and Operations Fund expenditures were \$460,551 or 3.7 percent higher in 2021. The primary reason is higher LOTT collections and remittance (+\$594,024). The Stormwater Maintenance and Operations Fund expenditures increased \$736,648 or 28.7 percent compared to the previous year due to higher capital transfers of \$676,311.

Operating revenues for the utilities are meeting projections and consistent with approved rate increases and customer growth. Total water revenues were \$67,597 higher than third quarter of 2020. Through September 2021, water sales were \$1.2 million higher than the 2020 water sales. Rate increases and growth were the primary reasons for higher water revenues. The main difference between 2021 and 2020 water revenues is the timing of the fire protection transfer (budget amount is equal to \$844,949), which has yet to occur in 2021. Wastewater total revenues were \$818,522 higher than the previous year. Wastewater sales through the third quarter were \$250,623 higher than 2020 and LOTT sales were \$600,417 higher than 2020 through third quarter. Stormwater revenues were \$187,744 higher than 2020. Stormwater sales increased \$185,174.

CONCLUSION AND FORECAST

Although Washington State and Lacey are seeing the positive impacts of the fully reopened economy under the Washington Ready Plan, there are areas that have yet to return to pre-pandemic activity levels. Sales tax, which is the most evident indicator of the health of the local economy, is exceeding expectations. Nearly all of the top sales tax categories are experiencing a strong recovery. What remains to be seen is whether the increases are

sustainable. At the same time, revenue sources such as admission taxes, gambling taxes, and interest income decreased as expected.

Until COVID-19 is eradicated, it will continue to cast a degree of economic uncertainty. At the present time, the impacts of the expiring extra unemployment benefits, eviction moratorium expiration, and utility delinquent collections moratorium expiration are not clear.

The results of the third quarter financial report do not warrant any departure from the conservative revenue projections for 2022. Lacey's conservative budget approach has provided financial flexibility and success in the past. This conservative approach has greatly assisted the City's ability to maintain service levels throughout the COVID-19 public health emergency.

City of Lacey
 Monthly Revenue Summary
 September 2021

Revenues: <u>General Fund</u>	2020 Amended Budget	YTD 9/30/2020 YTD Actual	2020 YTD % of Budget	2021 Amended Budget	YTD 9/30/2021 YTD Actual	2021 YTD % of Budget	2021-2020 YTD Variance
Taxes:							
Property	\$ 6,693,326	\$ 3,485,462	52.1%	\$ 7,247,499	\$ 3,864,737	53.3%	\$ 379,275
Sales	8,254,723	10,112,738	122.5%	10,881,375	11,483,677	105.5%	1,370,939
Business & Occupation	1,830,846	1,831,417	100.0%	2,095,279	2,178,225	104.0%	346,808
Admissions	112,500	64,797	57.6%	112,500	24,821	22.1%	(39,976)
Utility - Electric	2,314,531	1,749,700	75.6%	2,333,333	1,954,054	83.7%	204,354
Utility - Natural Gas	664,116	647,182	97.5%	831,002	688,515	82.9%	41,333
Utility - Solid Waste	534,683	323,842	60.6%	400,724	351,073	87.6%	27,231
Utility - Telephone	848,053	560,270	66.1%	682,617	416,020	60.9%	(144,250)
Utility - Water/Sewer/Storm	3,396,016	2,518,381	74.2%	3,100,727	2,760,692	89.0%	242,312
Excise - Forest/Leasehold	25,000	14,905	59.6%	20,000	18,726	93.6%	3,821
Gambling	220,100	202,125	91.8%	239,136	142,538	59.6%	(59,587)
Total Taxes	\$ 24,893,894	\$ 21,510,818	86.41%	\$ 27,944,192	\$ 23,883,078	85.47%	\$ 2,372,260
Penalties & Interest	\$ 250	\$ 982	393.0%	\$ 250	\$ 1,261	504.3%	\$ 278
Franchises	616,044	510,242	82.8%	626,963	519,176	82.8%	8,934
Licenses & Permits	1,478,703	1,435,963	97.1%	1,749,200	1,356,368	77.5%	(79,594)
Inter-Governmental:							
Criminal Justice	\$ -	\$ -		\$ -	\$ 23,651		\$ 23,651
Traffic Safety	5,000	-		-	-		-
Liquor Excise	286,599	335,827	117.2%	299,471	269,980	90.2%	(65,847)
Liquor Profits	388,114	205,772	53.0%	417,989	313,589	75.0%	107,816
Other State Entitlements	57,935	58,616	101.2%	59,259	66,745	112.6%	8,129
Inter-Gov. Service Charges	266,055	95,905	36.0%	126,055	97,025	77.0%	1,120
Other Grants	3,549,100	85,138	2.4%	1,092,006	3,820,646	349.9%	3,735,508
Total Inter-Governmental	\$ 4,552,803	\$ 781,258	17.16%	\$ 1,994,780	\$ 4,591,635	230.18%	\$ 3,810,376
Service Charges:							
General Government	\$ 52,100	\$ 19,106	36.7%	\$ 51,750	\$ 13,116	25.3%	\$ (5,990)
Security of Persons/Property	5,500	198,244	3604.4%	181,500	140,828	77.6%	(57,416)
Economic Environment/Plan Checking	339,500	456,487	134.5%	579,500	630,291	108.8%	173,805
Culture and Recreation	525,112	196,794	37.5%	542,912	349,772	64.4%	152,979
Total Service Charges	\$ 922,212	\$ 870,629	94.41%	\$ 1,355,662	\$ 1,134,007	83.65%	\$ 263,377
Interfund Charges:							
Engineering Services	\$ 3,146,045	\$ 2,365,708	75.2%	\$ 3,180,046	\$ 2,245,966	70.6%	\$ (119,742)
Park Maintenance	469,049	281,592	60.0%	481,975	410,940	85.3%	129,349
Water Resources	2,149,628	1,372,186	63.8%	1,940,619	1,167,947	60.2%	(204,239)
Other Interfund Charges	1,234,455	925,839	75.0%	1,383,954	1,037,970	75.0%	112,131
Total Interfund Charges	\$ 6,999,177	\$ 4,945,324	70.66%	\$ 6,986,594	\$ 4,862,823	69.60%	\$ (82,501)
Violations	\$ 250,000	\$ 129,997	52.0%	\$ 250,000	\$ 111,772	44.7%	\$ (18,225)
Interest Earnings	157,622	280,318	177.8%	255,050	(42,641)	-16.7%	(322,959)
Other Miscellaneous	37,050	52,048	140.5%	23,576	308,918	1310.3%	256,870
Contributions	556,000	25,514	4.6%	576,000	95,853	16.6%	70,339
Financing	-	-		-	-		-
Transfers	558,900	558,900	100.0%	48,500	48,500	100.0%	(510,400)
Beginning Cash	8,103,276	-		4,769,461	-		-
Total Current Expense Fund Revenues	\$ 49,125,931	\$ 31,101,992	63.31%	\$ 46,580,228	\$ 36,870,748	79.16%	\$ 5,768,757
Criminal Justice Fund	\$ 724,856	\$ 862,924	119.0%	\$ 1,487,168	\$ 1,023,318	68.8%	\$ 160,394
Community Buildings Fund	1,404,336	1,247,338	88.8%	685,570	399,731	58.3%	(847,607)
Regional Athletic Complex Fund	951,441	687,570	72.3%	1,173,087	1,078,436	91.9%	390,867
Street Fund	3,864,837	3,657,055	94.6%	3,906,339	3,472,336	88.9%	(184,719)
Capital Equipment Fund	4,401,387	2,420,765	55.0%	1,928,195	21,199	1.1%	(2,399,566)
Total General Fund Revenues	\$ 60,472,788	\$ 39,977,644	66.11%	\$ 55,760,587	\$ 42,865,769	76.87%	\$ 2,888,125

Revenues:	2020	YTD	2020	2021	YTD	2021	2021-2020
<u>Other Funds</u>	<u>Amended</u>	<u>9/30/2020</u>	<u>YTD % of</u>	<u>Amended</u>	<u>9/30/2021</u>	<u>YTD % of</u>	<u>YTD</u>
	<u>Budget</u>	<u>YTD Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>YTD Actual</u>	<u>Budget</u>	<u>Variance</u>
Arterial Street Fund	\$ 10,136,027	\$ 5,708,414	56.3%	\$ 8,948,046	\$ 4,262,154	47.6%	\$ (1,446,261)
Transportation Improvement Fund	2,989,152	2,390,969	80.0%	4,641,086	2,780,563	59.9%	389,593
Lodging Tax	274,812	262,045	95.4%	403,500	321,769	79.7%	59,724
Community Block Grant	267	10,394	3892.7%	170	5,468	3216.7%	(4,925)
Hicks Lake Management District	47,136	30,982	65.7%	46,581	29,805	64.0%	(1,176)
General Obligation Bond	1,712,639	1,195,974	69.8%	1,718,174	1,204,340	70.1%	8,366
LID Debt	102,629	61,288	59.7%	79,593	15,234	19.1%	(46,054)
Building Improvement	2,080,240	250,033	12.0%	1,070,182	595,339	55.6%	345,306
Parks & Open Space	991,376	407,455	41.1%	294,589	16,057	5.5%	(391,398)
Regional Athletic Complex Capital	2,428,749	1,143,420	47.1%	1,567,452	1,197,048	76.4%	53,628
Water Utility	14,439,696	12,247,631	84.8%	14,312,811	12,315,228	86.0%	67,597
Wastewater Utility	18,199,769	13,733,854	75.5%	19,256,764	14,552,376	75.6%	818,522
Stormwater Utility	3,883,510	3,141,865	80.9%	4,339,476	3,329,609	76.7%	187,744
Reclaimed Water	1,313	670	51.0%	645	(122)	-19.0%	(792)
Water Capital	23,158,388	8,716,793	37.6%	37,108,336	8,100,672	21.8%	(616,121)
Wastewater Capital	16,602,006	2,057,935	12.4%	14,231,549	2,734,346	19.2%	676,411
Stormwater Capital	959,055	908,020	94.7%	1,649,556	1,486,362	90.1%	578,342
Reclaimed Water Capital	25,510	13,018	51.0%	12,540	(2,376)	-18.9%	(15,395)
Water Debt Service	4,034,285	513,812	12.7%	4,426,190	501,426	11.3%	(12,386)
Wastewater Debt Service	2,494,812	19,609	0.8%	2,643,369	15,282	0.6%	(4,327)
Stormwater Debt Service	1,752,286	102,195	5.8%	2,101,867	101,680	4.8%	(515)
Equipment Rental	3,767,841	2,445,854	64.9%	3,404,103	2,502,786	73.5%	56,931
Information Management	2,020,632	1,397,763	69.2%	2,448,779	1,756,730	71.7%	358,967
Total Revenues	\$ 172,574,918	\$ 96,737,638	56.06%	\$ 180,465,945	\$ 100,687,543	55.79%	\$ 3,949,905

City of Lacey
Monthly Expenditure Summary
September 2021

Expenditures:	2020	YTD	2020	2021	YTD	2021	2021-2020
General Fund	Amended	9/30/2021	YTD % of	Amended	9/30/2021	YTD % of	YTD
	Budget	Actual	Budget	Budget	Actual	Budget	Variance
	2020						
City Council	\$ 432,877	\$ 260,541	60.2%	\$ 546,767	\$ 294,197	53.8%	\$ 33,656
Contracted Services	2,605,557	1,362,295	52.3%	2,829,292	1,183,498	41.8%	(178,797)
City Manager	504,776	303,966	60.2%	781,882	503,336	64.4%	199,370
Human Resources	1,351,299	726,962	53.8%	1,361,190	911,311	66.9%	184,349
Social Services	3,631,867	765,098	21.1%	2,626,585	2,347,202	89.4%	1,582,104
Public Affairs/City Clerk	1,056,851	698,549	66.1%	935,671	666,185	71.2%	(32,364)
Finance	1,416,440	1,000,780	70.7%	1,411,780	1,023,098	72.5%	22,318
Legal & Judicial	673,087	498,716	74.1%	705,289	462,382	65.6%	(36,334)
Common Facilities Overhead	1,537,359	1,155,094	75.1%	1,591,989	1,194,872	75.1%	39,777
Police	11,564,500	7,734,741	66.9%	12,068,954	7,978,546	66.1%	243,804
Public Works - Support SVC	120,389	81,326	67.6%	147,203	92,774	63.0%	11,448
Public Works - Engineering	3,832,054	2,795,936	73.0%	3,947,610	2,695,108	68.3%	(100,827)
Public Works - Parks Maint.	3,031,942	2,133,908	70.4%	3,284,057	2,525,682	76.9%	391,774
Public Works - Facilities Maint.	652,786	413,895	63.4%	745,834	426,394	57.2%	12,499
Planning & Community Dev.	3,220,516	2,165,196	67.2%	3,689,481	1,958,080	53.1%	(207,116)
Public Works - Water Resources	1,549,454	1,052,177	67.9%	1,543,672	1,064,833	69.0%	12,656
Parks & Recreation	3,074,343	1,516,261	49.3%	3,312,846	1,478,926	44.6%	(37,335)
Transfers Out	8,869,834	6,244,331	70.4%	5,050,126	3,257,486	64.5%	(2,986,845)
Total Current Expense Fund:	\$ 49,125,931	\$ 30,909,773	62.92%	\$46,580,228	\$ 30,063,908	64.54%	\$ (845,865)
Criminal Justice Fund	\$ 724,856	\$ 526,925	72.7%	\$ 1,487,168	\$ 1,070,428	72.0%	\$ 543,503
Community Buildings Fund	1,404,336	920,946	65.6%	685,570	382,496	55.8%	(538,450)
Regional Athletic Complex	951,441	734,474	77.2%	1,173,087	833,334	71.0%	98,860
Street Fund	3,864,837	2,484,436	64.3%	3,906,339	2,837,868	72.6%	353,432
Capital Equipment Fund	4,401,387	2,292,179	52.1%	1,928,195	818,231	42.4%	(1,473,948)
Total General Fund Expenditures	\$ 60,472,788	\$ 37,868,733	62.62%	\$ 55,760,587	\$ 36,006,265	64.57%	\$ (1,862,467)
Expenditures:							
Other Funds							
Arterial Street Fund	\$ 10,136,027	\$ 3,291,636	32.5%	\$ 8,948,046	\$ 3,306,309	37.0%	\$ 14,673
Transportation Improvement	2,989,152	1,523,110	51.0%	4,641,086	2,383,988	51.4%	860,877
Lodging Tax	274,812	185,183	67.4%	403,500	309,260	76.6%	124,077
Community Block Grant	267	-	0.0%	170	-	0.0%	-
Hicks Lake Management District	47,136	8	0.0%	46,581	437	0.9%	430
General Obligation Bond	1,712,639	146,675	8.6%	1,718,174	124,900	7.3%	(21,775)
LID Debt	102,629	-	0.0%	79,593	-	0.0%	-
Building Improvement	2,080,240	989,652	47.6%	1,070,182	563,509	52.7%	(426,143)
Parks & Open Space	991,376	397,565	40.1%	294,589	185,170	62.9%	(212,394)
Regional Athletic Complex Capital	2,428,749	1,362,774	56.1%	1,567,452	585,939	37.4%	(776,835)
Water Utility	14,439,696	11,878,553	82.3%	14,312,811	11,296,219	78.9%	(582,334)
Wastewater Utility	18,199,769	12,456,447	68.4%	19,256,764	12,916,998	67.1%	460,551
Stormwater Utility	3,883,510	2,569,023	66.2%	4,339,476	3,305,671	76.2%	736,648
Reclaimed Water	1,313	-	0.0%	645	-	0.0%	-
Water Capital	23,158,388	5,310,712	22.9%	37,108,336	11,928,889	32.1%	6,618,178
Wastewater Capital	16,602,006	3,656,782	22.0%	14,231,549	4,787,995	33.6%	1,131,213
Stormwater Capital	959,055	306,764	32.0%	1,649,556	226,073	13.7%	(80,691)
Reclaimed Water Capital	25,510	-	0.0%	12,540	-	0.0%	-
Water Debt Service	4,034,285	123,942	3.1%	4,426,190	119,513	2.7%	(4,429)
Wastewater Debt Service	2,494,812	46,959	1.9%	2,643,369	27,341	1.0%	(19,619)
Stormwater Debt Service	1,752,286	20,946	1.2%	2,101,867	20,050	1.0%	(896)
Equipment Rental	3,767,841	2,190,199	58.1%	3,404,103	851,263	25.0%	(1,338,935)
Information Management	2,020,632	1,359,772	67.3%	2,448,779	1,414,367	57.8%	54,596
Total Expenditures	\$ 172,574,918	\$ 85,685,433	49.65%	\$ 180,465,945	\$ 90,360,158	50.07%	\$ 4,674,724