



MEMORANDUM

DATE: March 23, 2021
TO: City Manager
FROM: Anita Fuller, Finance Director
SUBJECT: Finance Department Staff Report

STAFF REPORT

Statistics March:

Payroll run: 1 (2nd payroll in progress at time of report)
Cash Receipts: \$1,027,084.86
All Payments: \$ 878,316.80 (includes \$93,040.57 for 1 payroll)
CARES Funding Received: \$3,404,480.51
CARES Funding Spent: \$2,931,696.68
CARES Funding Encumbered: \$472,783.83

Important deadlines:

March 15: Property Tax Assessment Notice mailed out
April 15: Property tax appeals due from taxpayers
May 15: Allowable time for tax assessor to respond to appeals
15th of each month utility payments due; last day of month utility bills created and sent

Due to the global Pandemic the Finance office is closed to foot traffic. Staff were available to take payments by phone, mail and the drop box at the front door to support social distancing.

Calls from tax payers with questions are being received from the assessment notices mailed.

Audit work progress

Remaining audit items are:

- Capital Asset Schedule
- Capital project planning fund 7140
- JE required for apartment rented for contractors
- Budget Revision Support
- Landfill cell status

Proposed Budget timeline

- April 1, 2021 Introduce FY21 Budget Revision
- By April 28, 2021 complete FY22 Budget review
- May 6, 2021 Adopt FY21 Budget Revision
- May 6, 2021 Introduce FY22 Budget
- June 3, 2021 Adopt FY22 Budget
- June 3, 2021 present resolution to set the mill rate

February 2021 Revenue and Expense Narrative (66% target)

Sales tax reporting is lower than projected. Alcohol, transient and gaming taxes are reduced by 8-10%. Tobacco tax is still reporting higher and helping offset the other tax reports.

Real property tax will be adjusted during the FY21 budget revision by \$260,000. All other revenue areas are reporting strong.

Utility revenue is as expected. Landfill revenue continues to be high at 88% of the budgeted revenue. Port revenue is down and will require FY21 budget revisions. Senior Center revenue is greatly reduced due to COVID-19 causing the building closure. Although some revenue in the grants is delayed revenue continues to be consistent.

Transfers are high for the Senior Center and the Harbor as a result of reduced revenue

Expenditures are reflecting low in several areas as a result of CARES funding supporting budgeting emergency wages. This will assist the overall concern of reduced revenue that will impact our budget.

Both the debt services for the school bond and the ambulance reserve fund reflect high, but are expected and will even out by the end of the year.

Ongoing investigation is required to answer the concern for the high expenses of the Water Improvement capital project.

Denied Service Notice Warning

On March 19, 2021 a 30 day notice was mailed out to all delinquent accounts that has a balance that is more than 30 days late and more than \$100 on utilities and accounts receivable. All current promissory note holders did not receive a notice. Those delinquencies not cured by April 19, 2021 will be placed on the Denied City Service list.