



INTRODUCTION

The Financial Status Report provides a summary budget to actual comparison of revenues and expenditures for the General Fund and all other funds through the end of the most recently completed fiscal quarter. Budget adjustments are identified along with a budget amending ordinance.

This report is comprised of the following four sections:

- General Fund
- Utility Funds
- All Other Funds
- Budget Adjustments

It should be noted that, where significant, revenues are recognized when earned, regardless of when cash is received, and expenditures are recognized when a liability has been incurred or when resources have been transferred to another fund. Finally, beginning fund balance represents net excess resources from a prior year that have been appropriated to fund budgeted expenditures in the current year.

APRIL 7, 2020

FOURTH QUARTER 2019 FINANCIAL STATUS REPORT

**Total General Fund 2019
Resources Budget
\$32.3 million**

***General Fund Actual
Resources at Year-end
\$32.4 million (100%)***

**Total General Fund 2019
Expenditure Budget
\$32.4 million**

***General Fund Actual
Expenditures at Year-end
\$31.3 million (96%)***

**Contingency Fund
Balance at Year-end
\$4.1 million**

Quarterly Financial Status Report

GENERAL FUND

Revenues

Overall, General Fund revenues met budget estimates at the end of the fourth quarter. The table below lists the 2019 revenue budget, year to date actuals and a percentage of budget received. Prior year actuals are included for comparison. Additional detail regarding primary general fund revenues and material variances from the amended budget is provided below the table.

GENERAL FUND: Revenues As of December 31, 2019

Revenue Category	Prior Year to Date 12/31/2018*	2019 Original Budget	2019 Budget as Amended	Year to Date 12/31/2019	% Δ of Budget
Property Tax	\$ 12,201,258	\$ 12,454,555	\$ 12,454,555	\$ 12,522,800	0.5%
General Sales Tax (0.85%)	4,516,573	4,401,736	4,401,736	4,495,695	2.1%
Utility Taxes	4,315,500	4,190,106	4,190,106	4,022,878	-4.2%
License, Permit & Zoning Fees	3,235,877	3,697,847	3,757,847	3,154,372	-19.1%
Recreation Program Fees	1,628,034	1,604,300	1,577,400	1,745,534	9.6%
EMS Levy & Charges for Service	1,316,446	1,363,488	1,384,092	1,413,502	2.1%
Intergovernmental Revenues	1,200,660	1,166,215	1,228,336	1,221,234	-0.6%
Criminal Justice Sales Tax (0.10%)	735,037	728,206	728,206	761,428	4.4%
B&O Tax	679,037	642,884	642,884	842,007	23.6%
Utility Overhead Charges	468,814	453,876	453,876	418,950	-8.3%
Court Fines	315,959	346,604	346,604	263,083	-31.7%
CIP Administration	266,912	275,765	275,765	249,809	-10.4%
Misc General Government	446,517	226,700	266,700	426,285	37.4%
Investment Interest	31,363	25,604	25,604	266,029	90.4%
Transfer from Contingency Fund	1,051,692	1,035,704	607,920	607,920	0.0%
Total Revenues	\$ 32,409,680	\$ 32,613,590	\$ 32,341,631	\$ 32,411,526	0.2%
Beginning Fund Balance	1,844,480	-	176,053	176,053	0.0%
Total Resources	\$ 34,254,160	\$ 32,613,590	\$ 32,517,684	\$ 32,587,579	0.2%

* The 2018 actuals include the Beautification Fund, which was combined with the General Fund in 2019.

Property tax at 0.5 percent over budget is as expected for annual collections. The small overage as compared to budget is due to collections of prior year levy receivables.

General sales tax is 2.1 percent over budget at the end of the fourth quarter. Construction continues to be the largest component of sales tax revenue. The following table compares sales tax revenue by business sector through the fourth quarter of the year for 2018 and 2019.

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2018-2019 Sales Tax Revenue by Business Sector

Business Sector	Year to Date 12/31/2018	Year to Date 12/31/2019	Increase / (Decrease)	% of Total	
				2018	2019
Construction	\$ 1,862,159	\$ 1,693,870	(\$168,289)	41.2%	37.7%
Retail & Wholesale Trade	1,238,378	1,325,069	\$86,691	27.4%	29.5%
Admin & Support Services	329,725	354,493	\$24,768	7.3%	7.9%
Food Services	226,626	245,392	\$18,766	5.0%	5.5%
Telecommunications	153,646	146,470	(\$7,176)	3.4%	3.3%
Finance/Insurance/Real Estate	144,462	164,771	\$20,309	3.2%	3.7%
Professional, Scientific & Tech Services	135,756	163,336	\$27,580	3.0%	3.6%
All Other Sectors	425,822	402,293	(\$23,529)	9.4%	8.9%
Total	\$ 4,516,573	\$ 4,495,695	(\$20,879)	100.0%	100.0%

Utility taxes are 4.2 percent below budget at the end of the fourth quarter primarily due to the utility tax on electricity and gas as well as the downward trend in the cellular utility tax. Electric and gas utility tax revenues are down due to PSE lowering residential energy rates and the effects of weather on heating and cooling needs. The decrease in cellular utility tax reflects the continued downward trend resulting from a highly competitive business environment, the popularity of texting over talking, and the exclusion of data plans from utility taxes.

License, permit, and zoning fees are 19 percent below budget at the end of the fourth quarter. This revenue category includes fees related to development, business licenses, and a cable franchise. Business License revenues ended the year 67 percent over budget. Total collections for business licenses increased 25 percent over the prior year, primarily a result of moving to the State Business Licensing Service (BLS) in the third quarter.

Franchise fees and parking permit fees were within budget projections. Development permit and zoning fees are below budget with revenue collections at 79 percent of budget at year-end. While development fees are significantly below budget for 2019 it should be noted that total development revenues are only \$110,680 less than 2018 totals.

Recreation program fees are 9.6 percent over budget at year-end. Revenue for the Mercer Island Community and Events Center (MICEC) exceeded budget expectations by 6 percent, bringing in just short of \$800,000 in support of MICEC operating costs. Park and field facility rental fees netted \$228,000 for the general fund, or 16% over budgeted revenues. Recreation revenues, including program donations, exceeded budget by \$74,000, or 12 percent, as compared to budget.

Intergovernmental revenues are -0.6 percent under budget at the end of the third quarter. The major revenue sources in this category include State shared taxes, hazardous waste grants, the I-90 corridor landscape maintenance revenue from the Washington State Department of Transportation, state vessel registration fees received through King County, marine patrol services contract revenue from the City of Renton, and support for the School Resource Officer received from the Mercer Island School District. All are within budget estimates at year-end.

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Business & occupation (B&O) tax is 23.6 percent over budget year-end. Total revenue exceeded budget estimates by \$199,000. This increase correlates with the increase in the number of business licenses issued for the year, likely the result of moving to the State BLS for administering business licenses.

Court fines are 32 percent under budget at year-end. Revenues continue to fall below budget due to a decrease in court filings in 2019 as compared to 2018. Court filings are generated by Police citations.

General Government includes site leases, reimbursements from Washington Labor & Industries for time loss and various small donations. Site leases exceeded budget by \$27,000, or 14 percent. Labor and industries reimbursement are not budgeted and totaled \$116,700 for the year.

Interest Earnings are budgeted in the General Fund as an estimate of earnings tied to the balance of the reserve for LEOFF 1 long term care. Per current policy excess interest earnings are distributed to the Contingency Fund to meet contingency reserve funding goals.

In 2019 the Contingency Fund balance reached the current funding goal of 12.5 percent of General Fund budgeted expenditures. Excess interest earnings were held in the General Fund in accordance with current policy.

All other revenues are within expected norms through the third quarter of the year.

Expenditures

Overall, General Fund expenditures are within budget estimates at year-end. The table below lists the 2019 expenditure budget by department, year to date actuals and a percentage of budget spent. Prior year actuals are presented for comparative purposes. The budget and actual amounts are for the full calendar year. Additional detail of material variances from the amended budget are discussed following the table.

Quarterly Financial Status Report

GENERAL FUND: Expenditures by Department As of December 31, 2019

General Fund Department	Year to Date 12/31/2018*	2019 Original Budget	2019 Budget as Amended	Year to Date 12/31/2019	% Δ of Budget
City Attorney's Office	\$ 745,708	\$ 783,463	\$ 799,770	\$ 702,650	-13.8%
City Council	61,991	60,030	59,331	51,210	-15.9%
City Manager's Office	1,060,553	1,114,758	1,107,616	1,122,978	1.4%
Community Planning & Development	3,292,148	3,375,199	3,382,805	3,330,313	-1.6%
Finance	944,747	969,080	970,990	900,095	-7.9%
Fire	6,468,760	6,625,396	6,647,831	6,892,086	3.5%
Human Resources	621,270	634,417	630,721	628,577	-0.3%
Information & Geographic Services	125,642	129,985	129,985	132,730	2.1%
Municipal Court	425,748	479,765	476,239	437,031	-9.0%
Non-Departmental	1,534,092	2,250,392	2,291,200	1,742,606	-31.5%
Parks & Recreation	5,687,323	5,995,915	5,796,636	5,426,561	-6.8%
Police	7,071,284	7,412,861	7,392,776	7,319,427	-1.0%
Public Works	1,819,792	1,911,645	1,912,172	1,730,207	-10.5%
Total Expenditures	\$ 29,859,058	\$ 31,742,906	\$ 31,598,072	\$ 30,416,471	-3.9%
Interfund Transfers	3,850,431	762,200	823,128	834,128	1%
Total Expenditures + Interfund Transfers	\$ 33,709,489	\$ 32,505,106	\$ 32,421,200	\$ 31,250,599	-4%

* The 2018 actuals include the Beautification Fund, which was combined with the General Fund in 2019.

In reviewing expenditures by department, the following are noteworthy:

The City Managers Office is over budget by 1 percent, or \$15,000. This is the result of \$176,000 election costs compared to a budget of \$127,000. For each election cycle the City is responsible for voter registration costs, shared cost of the voter's pamphlet, and a shared cost of the overall election. Total election costs charged to 2019 include 1) 2018 general election costs, billed by King County in February and April of 2019; and 2) the primary election held in August 2019 billed by King County in December of 2019.

The Fire Department exceeded its 2019 budget by 4 percent, or \$244,300 due to higher than expected salary and overtime costs as a result of: 1) one firefighter vacancy; 2) two firefighters on FMLA leave; 3) one firefighter on extended medical leave (duty-related injury); 4) contract settlement of the Fire collective bargaining agreement which included market adjustments; and 5) backfilling for a Battalion Chief, who temporarily served as Interim Fire Marshal until a permanent Fire Marshal was hired.

Non-Departmental ends the year 31.5 percent under budget. The following contractual services have been deferred and are included in the request to carry-forward remaining budget into 2020 ; 1) the ADA Transition plan (\$250,000 budget remaining) is slated to begin in 2020; 2) fiscal sustainability planning and support (\$38,400 remaining); and 3) continuation of the organizational efficiency assessments (\$89,650 budget remaining).

All other expenditures are within expected norms through the end of the fourth quarter.

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Fund Balance

The General Fund's 2019 year-end balance amounts to \$6.9 million. It represents the fund's working capital (i.e. current assets less current liabilities) and includes the following restricted and unrestricted amounts.

Fund Balance Composition, 12/31/19	Amount
LEOFF I long-term care reserve	1,635,403
Compensated absences reserve	1,051,055
Deferred development fee revenue	306,947
Inventory of supplies	120,857
Deferred recreation fee revenue	113,778
Expenditure carryovers to 2020 budget	407,105
DSG technology fee reserve	90,333
JAG reserve	79,437
Customer deposits	113,147
Petty cash	2,550
Subtotal (restricted)	3,920,612
2019 Available Working Capital	3,038,247
Total	6,958,859

The 2019 available fund balance in the General Fund equals \$3.04 million and includes:

- \$790,798 unappropriated surplus from 2017. Due to Council approved deficit spending reductions, the \$790,798 in one-time funding was used to balance the 2020 budget is no longer required.
- \$1,319,221 unappropriated surplus from 2018. Total General Fund surplus in 2018 was \$1,432,149, of that \$112,928 was appropriated for soil remediation work, the remaining balance remains unappropriated.
- \$928,228 surplus for year-end 2019, net of operating budget carry-forwards.

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UTILITY FUNDS

At year-end all three utility funds are within expected norms for operating revenues and expenditures.

Revenues

The table below lists the 2019 revenue budget, year-to-date actuals, and a percentage of budget received. Prior year actuals are presented for comparative purposes. The budget and actual amounts are for the full calendar year. Additional detail of major variances is discussed following the table.

UTILITY FUND: Revenues As of December 31, 2019

Revenue Category	Prior Year to Date 12/31/2018	2019 Original Budget	2019 Budget as Amended	Year to Date 12/31/2019	% Δ of Budget
Operating Revenues					
Water Utility	8,851,683	7,487,136	7,487,136	8,659,973	13.5%
Sewer Utility	9,461,329	9,781,136	9,781,136	9,845,534	0.7%
Storm Water Utility	2,011,972	2,042,990	2,045,529	2,056,051	0.5%
Interest Earnings					
Water Utility	192,114	211,100	211,100	348,755	39.5%
Sewer Utility	85,557	80,162	80,162	150,611	46.8%
Storm Water Utility	68,765	57,600	57,600	120,098	52.0%
Total Revenues	\$ 20,671,421	\$ 19,660,124	\$ 19,662,663	\$ 21,181,022	7.2%

Water utility operating revenues (i.e., water utility customer charges) are 13.5 percent over budget through year-end. Water rate modeling is based on a wet to moderate weather year. 2010 water usage patterns serve as the basis in the current rate model. In years when water use exceeds this amount, additional revenue is generated. 2019 water consumption totals exceeded the 2010 base year estimates but were lower than the most recent 10-year average.

Interest earnings for all three utility funds exceeded budget expectations due to higher than expected return on investments.

Expenditures

The table below lists the 2019 expenditure budget by utility fund and category, year to date actuals and a percentage of budget spent. Prior year actuals are presented for comparative purposes. The budget and actual amounts are for the full year. Additional detail of major variances is discussed following the table.

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UTILITY FUND: Expenditures As of December 31, 2019

Category	Year to Date 9/30/2018	2019 Original Budget	2019 Budget as Amended	Year to Date 9/30/2019	% Δ of Budget
Operating Expenditures					
Water Utility	4,803,462	5,023,302	5,023,302	4,657,632	-7.9%
Sewer Utility	6,715,108	7,283,954	7,283,954	6,943,169	-4.9%
Storm Water Utility	1,376,099	1,427,932	1,430,471	1,276,421	-12.1%
Capital Projects					
Water Utility	1,784,172	4,425,040	4,834,986	1,811,454	-166.9%
Sewer Utility	1,262,282	1,979,499	2,796,523	1,228,585	-127.6%
Storm Water Utility	605,712	1,252,631	1,763,090	568,175	-210.3%
Debt Service					
Water Utility	110,309	109,425	109,425	106,140	-3.1%
Sewer Utility	1,047,572	1,046,897	1,046,897	1,023,173	-2.3%
Storm Water Utility	-	-	-	-	N/A
Total Expenditures	\$ 17,704,716	\$ 22,548,680	\$24,288,648	\$ 17,614,749	-37.9%

Operating expenditures ended the year below budget primarily due to:

- Position vacancies resulted in four new hires in the first half of 2019 at a lower cost than budgeted.
- Savings in contract repair and maintenance services totaling \$363,000, or 49.4 percent of budget estimates, for all three funds.
- A 4.6 percent savings (\$92,000) on water purchased for resale from Seattle Public Utilities.
- Savings totaling 19.5 percent, or \$85,000, in utility services including power, gas, telephone and garbage services across all three funds.

Capital projects continue to be below budget projections in 2019.

Project	2019 Expenditure Budget	2019 Actuals
Booster Chlorination Station	\$1,160,000	\$79,228
Meter Replacement	\$662,000	\$78,377
Pump Station Generator & Pump Replacements	\$665,371	\$363,248
Pump Station 23, 24 & 25 Capacity Improvements	\$370,000	\$0
General Sewer System Improvements	\$300,000	\$0
Sub-Basin 6 Drainage System	\$220,000	\$0
Drainage System Pipe Replacement	\$130,000	\$0
Storm Pipe System Extension	\$130,000	\$0

Unspent budget allocation for the utility capital program is a direct result of staff spending a significant amount of time on the pre-construction phases of the SCADA System Upgrade, Meter Replacement, and Booster Chlorination Station projects, delaying work on other 2019 capital projects.

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Furthermore, expenditures are trailing due to project schedules within the biennium. As a result of the Pandemic, many projects planned for fiscal year 2020 will be addressed in the next biennium. For example, a request for proposals was issued for the Water Meter Replacement project. Though the City received nine responses and was set to begin evaluation with a pilot project in Q2 2020, the project is now delayed. With the Pandemic, staff are directed not to shut off water, a critical step in replacing and testing new meters. Focus has shifted to ensure there are no disruptions to clean and safe drinking water provision.

Construction is underway for the pump station generator and pump replacements with completion scheduled this year. Other projects, such as the general sewer improvements and storm pipe system extension, are being scoped for construction in 2020.

The SCADA System Upgrade is in the design phase. Progress has slowed due to the Pandemic, staff vacancies, and system complexities. The SCADA system supports both water and sewer operations. Design is expected to continue into 2020.

Fund Balance

Fund balances as of December 31, 2019, excluding fixed assets, for the Utility Funds are detailed below:

Water Utility Fund Balance	Amount
Available fund balance	13,282,720
Operating reserve	1,267,783
Capital reserve	583,719
Operating expenditure carryovers to 2020 budget	145,000
Total	15,279,222

Sewer Utility Fund Balance	Amount
Available fund balance	3,593,065
Sewer lake line reserve	1,250,000
Operating expenditure carryovers to 2020 budget	49,500
Operating reserve	651,231
Capital reserve	522,993
Total	6,066,789

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Storm Water Utility Fund Balance	Amount
Available fund balance	4,233,540
Budgeted fund balance - 2020 budget	445,677
Operating reserve	82,908
Basin improvement reserve	52,896
Total	4,815,021

ALL OTHER FUNDS

Revenues

The table below lists the 2019 revenue budget, year-end actuals and a percentage of budget received. Prior year actuals are presented for comparative purposes. The budget and actual amounts are for the full year.

All Other Funds: Revenues As of December 31, 2019

Fund Name	Year to Date 12/31/2018	2019 Original Budget	2019 Budget as Amended	Year to Date 12/31/2019	% Δ of Budget
Self Insurance Claim	0	10,000	10,000	-	N/A
Youth Services Endowment	5,324	3,500	3,500	7,373	52.5%
Street	3,856,802	2,916,000	3,132,315	2,721,305	-15.1%
Contingency	1,586,213	320,574	320,574	348,404	8.0%
1% for the Arts	30,222	19,000	19,000	18,403	-3.2%
Youth & Family Services	2,943,695	2,808,476	3,092,074	3,106,656	0.5%
Bond Redemption (Voted)	-	-	-	-	
Bond Redemption (Non-Voted)	848,040	841,800	841,800	841,800	0.0%
Town Center Parking Facilities	2,531,560	-	637,416	1,129,152	43.5%
Capital Improvement	4,396,896	3,486,850	3,520,891	2,656,824	-32.5%
Technology & Equipment	465,508	475,500	537,500	436,951	-23.0%
Capital Reserve	-	-	-	-	
Equipment Rental	1,529,378	1,344,601	1,497,000	1,639,625	8.7%
Computer Equipment	1,073,698	1,207,852	1,046,755	1,042,776	-0.4%
Firemen's Pension	74,344	71,822	71,822	82,125	12.5%

Street Fund revenues ended the year 15 percent under budget due to the following:

- Transportation Benefit District and Multi-Modal State shared revenues are under budget a combined 17.3 percent, or \$70,800, due to the impacts of I-976. Distributions of these revenues subsequent to the passage of I-976 are being deferred and are excluded from revenue totals.
- Real Estate Excise Tax (REET) collections were 4 percent under budget for the year. Budgeted revenue estimates were based on 425 annual property sales with an average sale price of \$1.619 million. Actual sales volume was 414 with an average sale price of \$1.621 million.

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- Sound Transit Traffic/Safety Enhancements grant funds estimated at \$216,300 was not collected.
- Reimbursement for Sound Transit Mitigation projects equaled \$164,300 compared to a budget of \$250,000. This revenue is based on cost reimbursement. Amounts under budget are offset by corresponding savings in the project expenditures actuals.

Youth & Family Services Fund: Total revenues are 100 percent of budget at the close of the year. Excluding revenue budget for two federal grant programs totaling \$87.2 thousand, regular operating revenues exceed budget amounts by 3.4% overall. Family counseling fee collections were 114.9 percent of budget, or \$57.5 thousand higher than budget estimates. Gross revenues for the Thrift Shop were 2.2 percent, or \$43.5 thousand, over budgeted amounts. Emergency assistance donations were 34.1 percent, or \$67 thousand higher than budget estimates.

Town Center Parking Facilities fund revenues include interfund transfers from the Contingency fund totaling \$637,400, an interfund transfer from the general fund in the amount of \$11,000 and a payment from BP Arco reimbursing due diligence costs.

Capital Improvement Fund revenues are at 75 percent of budget at year-end. Drivers for the variance from budget include:

- Zero collections of a \$617,000 grant from the King County Flood Control District. Grant funds tie to a Stormwater/Park Improvement project at Lincoln Landing to improve the stormwater outfall and in turn improve the shoreline, shoreline habitat, and water quality. The Project has been delayed due to permitting issues given the complex the project's location. Staff is working on design modifications that meet the various permitting requirements.
- Zero collections of a \$100,000 mitigation reimbursement from Sound Transit. Funds tie to three projects. First, the PBF-I/90 trail crossing at West Mercer Way currently under design, slated for completion in 2020 with construction anticipated in 2021. Staff has also been working on design for speed feedback signage near West Mercer Elementary school. Additionally, the N/S Bike Route project design and the PBF-trail crossing at Sunset Highway are also tied to Sound Transit reimbursements.
- Real Estate Excise Tax (REET) collections at 96 percent of budget for the year. Budget estimates based on annual sales of 425 with an average sale price of \$1.62 million. Actual sales volume was 414 with an average sale price of \$1.62 million.

Equipment Rental Fund. Total revenues 10 percent over budget at year-end due to receipt of WCIA reimbursements related to soil remediation on the Honeywell property.

Expenditures

The table below lists the 2019 expenditures budget by fund, year to date actuals and a percentage of budget spent. Prior year actuals are presented for comparative purposes. The budget and actual amounts are for the full year. Additional detail of major variances is discussed following the table.

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As of December 31, 2019

Fund Name	Year to Date 12/31/2018	2019 Original Budget	2019 Budget as Amended	Year to Date 12/31/2019	% Δ of Budget
Self Insurance Claim		10,000	10,000	-	N/A
Youth Services Endowment	-	3,500	3,500	3,500	0.0%
Street	3,074,215	3,567,588	3,868,015	2,991,222	-29.3%
Contingency	-	1,035,704	1,673,120	1,245,336	-34.4%
1% for the Arts	58,472	15,000	28,521	14,056	-102.9%
Youth & Family Services	2,069,482	2,870,274	3,267,332	2,968,983	-10.0%
Bond Redemption (Voted)	-	-	-	-	
Bond Redemption (Non-Voted)	39,020	841,800	841,800	841,800	0.0%
Town Center Parking Facilities	-	139,930	2,813,138	2,454,262	-14.6%
Capital Improvement	4,485,117	3,041,056	3,918,846	1,820,976	-115.2%
Technology & Equipment	523,638	640,000	807,965	340,874	-137.0%
Capital Reserve	-	-	-	-	
Equipment Rental	1,636,643	1,537,942	1,915,695	1,094,266	-75.1%
Computer Equipment	727,627	1,196,047	1,034,950	909,653	-13.8%
Firemen's Pension	60,567	89,000	89,000	84,671	-5.1%

Youth and Family Services Fund ended 2019 at 91 percent of budget at year-end. Excluding underspent budget appropriated for a grant program that needs to be carried forward to 2020, the fund is at 93 percent of budget.

Capital Improvement and Technology and Equipment. Both capital funds are under budget expectations for the first half of the biennial budget. Staff vacancies continue to impact the ability to complete planned project work. Staff is working to improve capital program policies to yield more efficient and effective use of the City's limited financial and human capital resources. Staff is also exploring alternative means to execute capital projects.

Equipment Rental Fund: Total expenditures are 57 percent of budget at the close of the year. Capital replacement of fleet vehicles and equipment are on schedule. Maintenance and operating costs are at 100 percent of budget at year-end as fuel and vehicle maintenance costs continue to be monitored closely. This fund also includes professional services costs associated with soil remediation which are at 48 percent of budget at year-end.

All other variances are within expected norms through the third quarter of the year.

Fund Balance

The composition of the fund balance as of December 31, 2019 in each of these other funds is detailed below.

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Fund / Fund Balance Composition, 12/31/19	Amount
Self Insurance	
Available fund balance	109,750
Youth Services Endowment	
Endowment principal reserve	285,856
Available fund balance	4,669
Total	290,525
Street	
Available fund balance	3,131,403
Budgeted fund balance -2020 budget	68,098
Working capital	200,000
Transportation impact fee reserve	250,748
Town Center street reserve	99,684
Total	3,749,933
Contingency	
Budgeted fund balance (2019-2020 budget)	4,129,165
Total	4,129,165
1% for the Arts	
Available fund balance	163,116
Expenditure carryovers to 2020 budget	14,465
Total	177,581
Youth & Family Services	
Available fund balance	301,848
Working capital	75,000
Expenditure carryovers to 2020 budget	52,621
Budgeted fund balance - 2020 budget	177,053
Total	606,522
Equipment Rental	
Vehicle replacement reserve	2,504,194
2020 vehicle replacements	655,000
Fire apparatus replacement sinking fund	531,335
800 MHz radio replacement reserve	398,442
Operating reserve	100,000
Total	4,188,971

Fund / Fund Balance Composition, 12/31/19	Amount
Bond Redemption--Voted	
Available fund balance	18,943
Bond Redemption--Non Voted	
Debt service reserve	5,038
Town Center Parking Facilities	
Available fund balance	850,612
Capital Improvement	
CIP Commitments	2,493,541
Freeman Landing reserve	329,891
Turf field replacement sinking fund	1,158,546
Working capital	250,000
Park impact fee reserve	150,306
King County Parks levy reserve	44,208
RCO property reserve	28,400
Total	4,454,892
Technology & Equipment	
MICEC equipment replacement sinking fund	130,867
Police car camera replacement sinking fund	25,710
Working capital	50,000
State seizure funds (criminal justice)	41,345
Federal seizure funds (criminal justice)	23,336
Available fund balance	330,626
Total	601,884
Capital Reserve	
Capital reserve	169,999
Total	169,999
Computer Equipment	
Computer replacement reserve	223,318
2020 computer replacements	279,000
Total	502,318
Firemen's Pension	
Budgeted fund balance (2020 budget)	22,178
Total	876,437

Quarterly Financial Status Report

BUDGET ADJUSTMENTS

In the interest of administrative needs, a budget amending ordinance is prepared and submitted to the Council quarterly along with the Financial Status Report. Budget adjustments are divided into three groups:

- 1) those previously approved by the Council but not formally adopted via a budget amending ordinance;
- 2) new requests which typically encompass financial housekeeping items, minor requests, and unanticipated expenditures that the City had to incur and was unable to absorb within the authorized budget; and
- 3) carryover requests which consist of unspent budget from the prior year to the current year. These are typically included in the fourth quarter financial status report for the second year of the biennium. Council approval is required when unspent budget is moved from the prior biennium to the current biennium, not when unspent budget is being moved within the biennium and within the same fund.

Budget adjustments previously approved but not formally adopted via a budget amending ordinance by the Council are summarized in the table below.

Fund	Department	Description	Agenda Bill	Budget Year	Amount	Funding Source
Fleet Fund	Public Works	Hydraulic Driven Drop-In sander upgrade.	AB 5662	2020	\$ 32,917	Unappropriated fund balance
Youth & Family Services Fund	YFS	Restore 0.50 FTE Geriatric Specialist for 2020	AB 5641	2020	\$ 54,624	MIYFS Foundation Donation
Youth & Family Services Fund	YFS	Appropriate HB 1406 revenues to Emergency Assistance Program for housing and rent assistance.	City Manager recommendation	2020	\$ 37,373	Affordable and Supportive Housing State Shared Tax (HB1406 Revenue)

New requests not approved or formally adopted by the Council are summarized in the table below.

Fund	Department	Description	Budget Year	Amount	Funding Source
Capital Improvement	Parks & Recreation	Lincoln Landing Design Services	2020	\$ 26,680	King County Flood Control Grant
General Fund	Fire	Ground Emergency Medical Transportation (GEMT) Cost Reporting Services	2020	\$ 7,500	WA Health Care Authority Reimbursements

A budget amending ordinance is attached as Exhibit 2. Two summary listings of the originally adopted 2019-2020 Budget (expenditures only), broken down by year, and all subsequent amendments, including Exhibit 2, are presented below.

Quarterly Financial Status Report

2019 Budget Adjustment Summary Expenditures by Fund

Fund Type / Fund Name	Original 2019 Budget	2019 Budget Adjustments				Amended 2019 Budget
		ORD 19-08 2018 Carryovers 5/7/2019	ORD 19-09 Q1 2019 FSR 5/21/2019	ORD 19-12 Q2 2019 FSR 9/3/2019	ORD 19-17 Q3 2019 FSR 11/19/2019	
General Purpose Funds:						
General	32,505,106	117,246	(281,756)	40,604	40,000	32,421,200
Self-Insurance	10,000					10,000
Youth Services Endowment	3,500					3,500
Special Revenue Funds:						
Street*	3,567,588	306,315				3,873,903
Contingency	1,035,704	304,838		269,523	63,055	1,673,120
1% for the Arts	15,000	13,521				28,521
Youth & Family Services	2,870,274	131,570	51,460	126,878	87,150	3,267,332
Debt Service Funds:						
Bond Redemption (Voted)	-					-
Bond Redemption (Non-Voted)	841,800					841,800
Capital Projects Funds:						
Town Center Parking Facilities*	139,930	2,340,630		269,523	63,055	2,813,138
Capital Improvement*	3,041,056	877,790				3,918,846
Technology & Equipment*	640,000	167,965				807,965
Capital Reserve*	-					-
Enterprise Funds:						
Water*	9,557,767	242,285	17,831			9,817,883
Sewer*	10,310,350	807,728	9,296			11,127,374
Stormwater*	2,680,563	500,654	12,344		50,000	3,243,561
Internal Service Funds:						
Equipment Rental*	1,537,942	225,354	152,399			1,915,695
Computer Equipment*	1,196,047			(161,097)		1,034,950
Trust Funds:						
Firemen's Pension	89,000					89,000
Total	70,041,627	6,035,896	(38,426)	545,431	303,260	76,887,788

* Capital Improvement Program (CIP) projects are accounted for in these funds.

Quarterly Financial Status Report

2020 Budget Adjustment Summary Expenditures by Fund

Fund Type / Fund Name	Original 2020 Budget	2020 Budget Adjustments				Amended 2020 Budget
		ORD 19-09 Q1 2019 FSR 5/21/2019	ORD 19-12 Q2 2019 FSR 9/3/2019	ORD 19-17 Q3 2019 FSR 11/19/2019	ORD 20-05 Q4 2019 FSR 4/7/2020	
General Purpose Funds:						
General	32,741,117	(861,130)		20,000	23,732	31,923,719
Self-Insurance	10,000					10,000
Youth Services Endowment	3,500					3,500
Special Revenue Funds:						
Street*	3,210,098		100,000			3,310,098
Contingency	-					-
1% for the Arts	15,000					15,000
Youth & Family Services	2,844,145	(7,947)		348,600	75,764	3,260,562
Debt Service Funds:						
Bond Redemption (Voted)	-					-
Bond Redemption (Non-Voted)	839,700					839,700
Capital Projects Funds:						
Town Center Parking Facilities*	-					-
Capital Improvement*	2,549,045				26,680	2,575,725
Technology & Equipment*	287,000					287,000
Capital Reserve*	-					-
Enterprise Funds:						
Water*	11,797,813					11,797,813
Sewer*	12,081,909					12,081,909
Stormwater*	2,601,762					2,601,762
Internal Service Funds:						
Equipment Rental*	1,649,995				32,917	1,682,912
Computer Equipment*	1,339,994		(174,523)			1,165,471
Trust Funds:						
Firemen's Pension	94,000					94,000
Total	72,065,078	(869,077)	(74,523)	368,600	159,093	71,649,171

* Capital Improvement Program (CIP) projects are accounted for in these funds.