

CITY OF LIBERTY LAKE - MONTHLY FINANCIAL DASHBOARD

For General Fund (001) and Street Fund (110) - FINAL December 2020

Current financial assessment

Extreme Bad	Very Bad	Bad	High Concern	Concern	Mild Concern	Fair	Good	Very good	Excellent
Fundamental Fiscal Stress	Revise Budget	Long-Term Problems	Short-Term problems	Revenues Revised	Revenue Stress	Some Concern	Meeting Expectation	Exceeding Expectations	Greatly Exceeding Expectations
COUNCIL ACTION			ADMINISTRATIVE ACTION			NORMAL			

COVID 19 EFFECT ON FUTURE REVENUE SOURCES

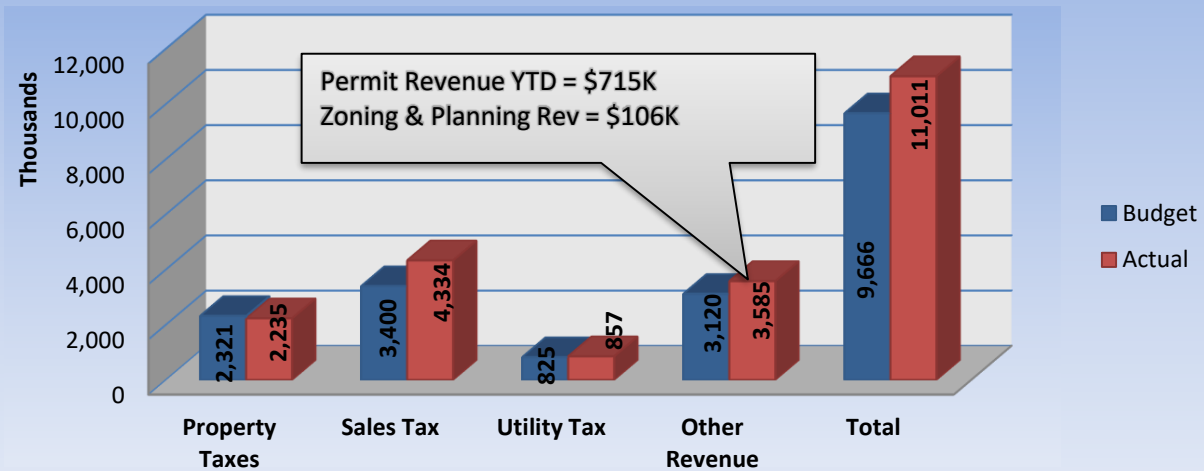
Key Indicators:

- YTD 2020 Sales Tax = \$4.33M, 2019 YTD = \$3.50M
- Total Revenue collected for 2020 = \$11,011,283
- Reserve Fund balance is \$1.3M
- Total Expenses for 2020 = \$8,235,758

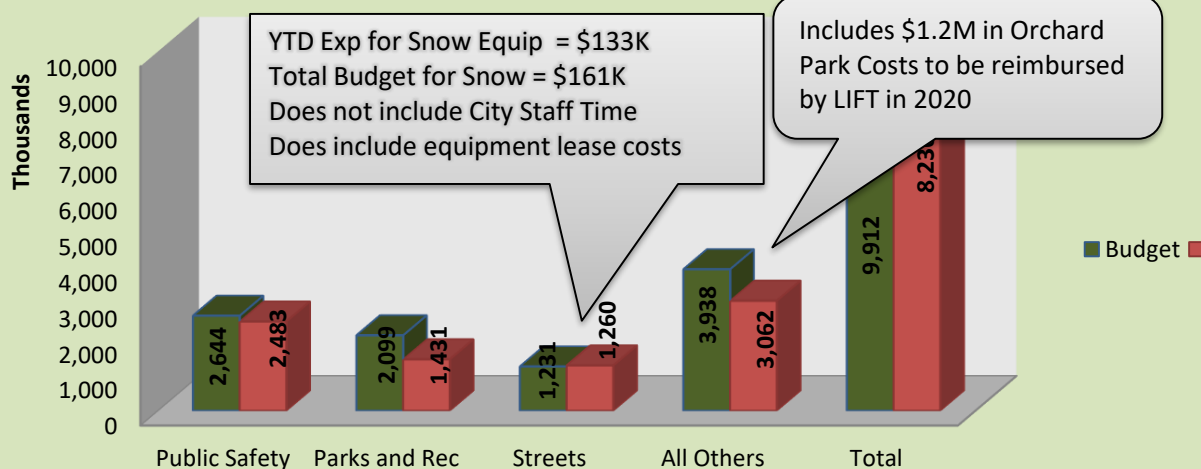
NOTE: \$870K collected from LIFT for Orchard Park

12-31-2020 General Fund Cash Balance = \$6,133,223 (per policy minimum balance is \$1,835,000)

General Fund/Streets Revenue thru 12-31-2020



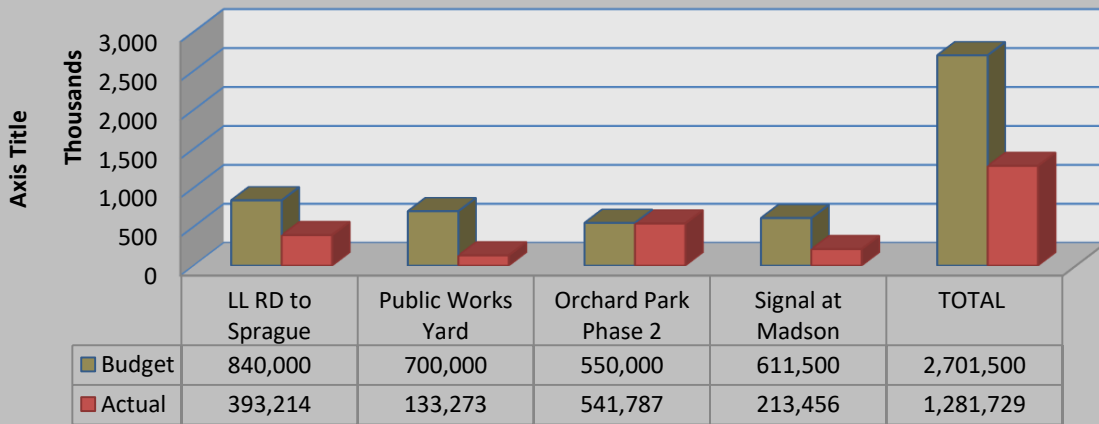
General Fund/Streets Expenses thru 12-31-2020



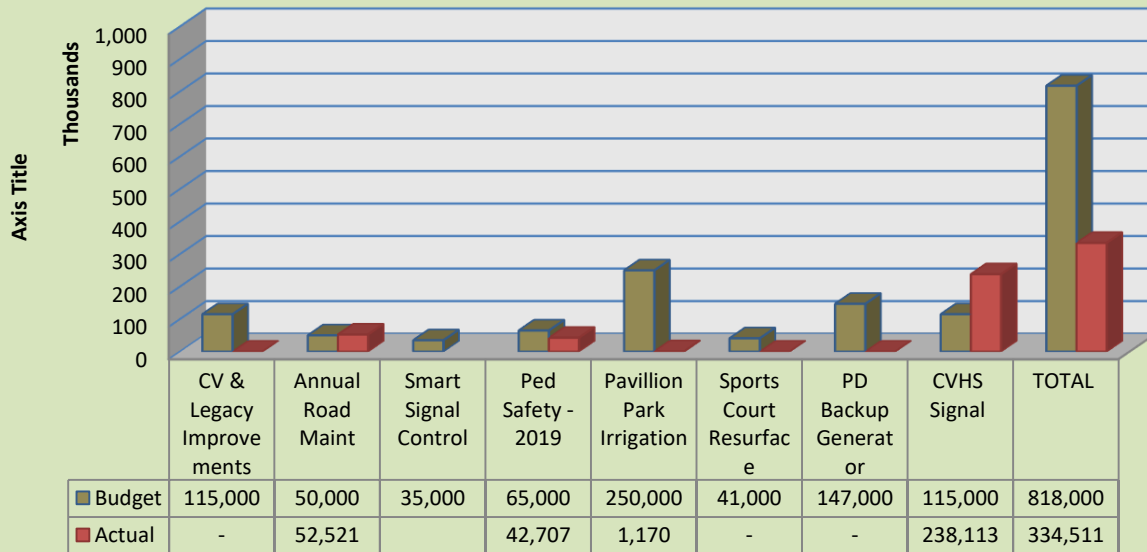
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City Projects

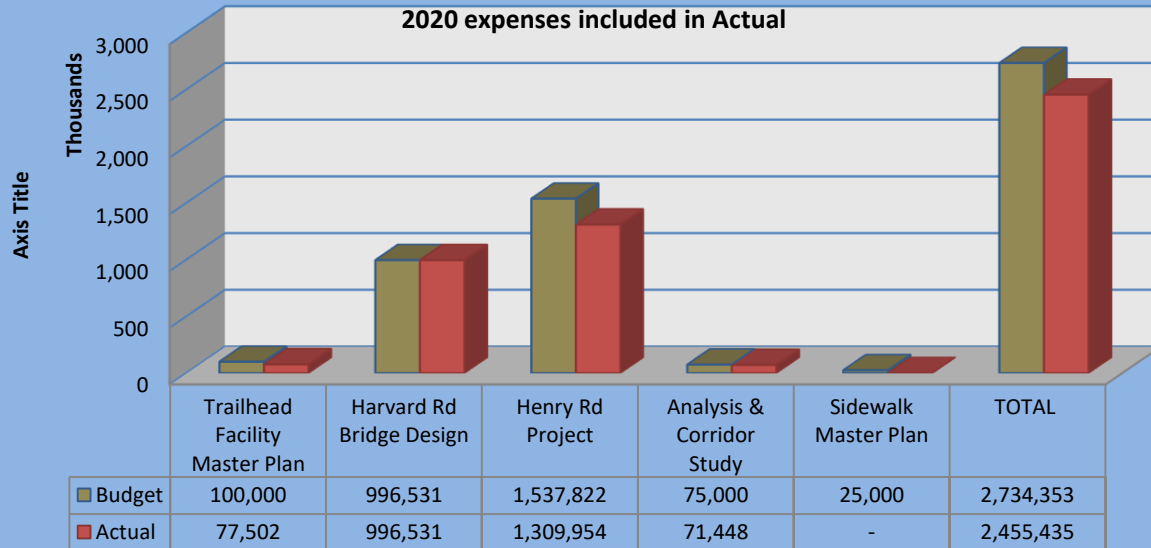
City Projects over \$500K thru 12-31-2020



City Projects under \$500K thru 12-31-2020



2020 expenses included in Actual



City of Liberty Lake

2020 Cash Summary By Fund

The following table lists the cash balances at the end of December 31, 2020.

FUND	FUND #	2020 Beginning Cash Balance	2020 Actual Revenue	2020 Actual Expenditures	12/31/2020 ACTUAL Cash Balance
General Fund + Street Fund	001 & 110	\$3,254,070	11,011,283	8,235,758	6,029,595
Parks & Art Fund	111	\$18,023	7,372	8,549	16,847
Tourism Promotion Fund	115	\$33,086	53,663	31,344	55,405
Tourism Promotion Capital Fund	116	\$159,520	34,914	-	194,434
Tourism Promotion Area Fund	117	\$20,744	74,280	78,440	16,584
Restricted Reserve Fund	120	\$1,292,708	9,345	-	1,302,053
City Land LTGO Bond Fund	214	\$0	80,413	80,413	-
REET 1 Capital Projects Fund	310	\$39,346	1,955,747	1,446,721	548,372
REET 2 Capital Projects Fund	311	\$237,811	1,957,170	236,334	1,958,647
Street Capital Projects Fund	312	\$93,909	732,603	463,401	363,112
Orchard Park Capital Fund	314	\$11,078	95,524	106,188	413
Harvard Road Bridge Widening	318	\$317,128	1,265	299,725	18,667
Henry Road Overpass	319	\$0	1,344,934	1,309,954	34,980
Harvard Road Mitigation Fund	320	\$181,972	489,081	610,302	60,751
Library Capital Fund	330	\$94,918	627	-	95,545
Municipal Facilities Fund	331	\$341,120	2,115	67,843	275,392
Police Capital Fund	334	\$60,367	397	3,253	57,511
Community Messaging Fund	335	\$90,945	603	-	91,547
Underground Utility Fund	336	\$103,530	686	-	104,216
Building Contingency Fund	337	\$137,538	912	-	138,450
Stormwater Utility Fund	410	\$128,726	78,293	72,697	134,322
Aquifer Protection Fund	411	\$243,795	51,208	26,033	268,970
Golf Course	420	\$167,216	743,328	558,452	352,092
Unemployment Fund	501	\$0	5,498	5,498	-
Medical Reimbursement Fund	502	\$147,726	15,920	32,614	131,032
		\$7,175,275	\$ 18,747,182	\$ 13,673,519	\$ 12,248,938

Description of Other Funds

Hotel/Motel Tax (Tourism Promotion Fund)- The Hotel/Motel Tax is derived from the sale or charge made for the furnishing of lodging by any hotel, motel, rooming house, tourist court, or trailer camp within the city limits of Liberty Lake for less than 30 consecutive days. In Spokane County, there must be 40 or more units for the tax to apply. The City levies a special excise tax of two percent.

Hotel/Motel Tax (Tourism Capital Fund)- The additional 1.3% Hotel/Motel Tax is derived from the sale or charge made for the furnishing of lodging by any hotel, motel, rooming house, tourist court, or trailer camp within the city limits of Liberty Lake for less than 30 consecutive days. In Spokane County, there must be 40 or more units for the tax to apply. This fund is intended to be used towards Tourism Capital projects. Created in 2016.

Tourism Promotion Area (Tourism Promotion Area Fund)- The City established a tourism promotion area (TPA) that encompasses the entire City of Liberty Lake and has authorized lodging charges within the established area. Lodging businesses in the TPA that have 40 or more units must collect the lodging charge from persons who purchase lodging. The City receives \$2.00 per night of stay from lodging businesses with 40 or more units with lodging revenues exceeding five hundred thousand dollars during the preceding calendar year. The City receives \$.50 per night of stay from lodging businesses with 40 or more units with lodging revenues below five hundred thousand dollars during the preceding calendar year.

Restricted Reserve Fund- The Restricted Reserve Fund is generally maintained at 15% of the General Fund's projected or actual, if known, operating revenues for the fiscal year. Policies for management and use of the Restricted Reserve Fund are outlined in City of Liberty Lake Ordinance No. 107-D.

REET (Capital Projects Fund & Special Capital Projects Fund)- Real Estate Excise Tax (REET) of one-quarter of one percent of the selling price is imposed on each sale of property in the City of Liberty Lake. The tax is deposited into the Capital Projects Fund and is restricted to fund any capital purpose identified in a capital improvement plan and local capital improvements including those listed in RCW 35.43.040.

There is an additional one-quarter of one percent on real estate sales within the city limits. According to state law, cities planning under GMA (Growth Management Act) have the authority to levy a second quarter percent tax (REET 2). Funds from REET 2 are placed in a Special Capital Project Fund and used solely for financing capital projects as specified in a capital facilities plan element of the comprehensive plan.

Street Capital/Library Capital /Police Capital/Municipal Facilities/Community Messaging/Underground Utilities/ Building Contingency Funds- These are unreserved dollars set aside for Capital Projects

Parks & Art Fund - These are unreserved dollars set aside for specific park/art projects

Harvard Road Mitigation Fund - Mitigation fees collected for road improvements.

Orchard Park Capital Fund - Project is slated to start in 2018 with funding coming from REET and General Fund and to be reimbursed by

Harvard Road Bridge Widening Fund - City received \$800K from WSDOT for the design of this project. Total desing estimate is \$980K. Additional dollars came from Streets Capital Fund.

Henry Road Overpass Fund - City entered into an agreement with WSDOT to design, acquire ROW, and partially fund the Henry Road Overpass. The project is eligible to be reimbursed by LIFT.

Stormwater Utility Fund - City collects money from property owners to maintain its stormwater system. Ordinance #88A.

Aquifer Protection Fund - City collects money from property owners to protect the Aquifer. Ordinance #208.

Golf Course Fund - This is an Enterprise Fund where fees are charged to external users for services.

LTGO Bond/Note Fund- Debt service funds that track bond and note payments. Revenue for these funds are typically interfund transfers.

Medical Reimbursement Fund - Fund is used to cover employee medical expenses after employee deductible has been meant.

Notes to December 2020 Dashboard

1. Dashboard
 - a. The indicator arrow is “greatly exceeding expectations”. The City has exceeded its original 2020 budget expectations.
 - b. Sales Tax is 23% higher than this time last year
 - i. New Construction for High School big factor - \$368K
 - ii. Close out of Middle School = \$142K
 - iii. Auto and RV Sales much higher than expected
 - iv. Strong online sales and local retail sales
 - c. Total Revenue (\$11M) include \$870K from LIFT reimbursement on Orchard Park.
 - i. Expenses \$570K less than this time last year
2. Sales Tax – December data based on September Sales.
 - a. Separated sales tax into separate categories – Compare 2019 to 2020
 - i. Auto
 1. City assumed that auto sales would drop because of COVID however data shows a 10% increase over last year. In just the last six months, auto sales are 30% higher than same period in 2019.
 2. May 2020 includes correction for company not in Liberty Lake and certain businesses not filing in May due to DOR extension.
 - ii. RV
 1. Assumption was 90% reduction from June thru August; however, sales tax is 4% higher than this time last year.
 - iii. Construction
 1. Includes the High School & Middle School. Even without these, construction sales tax has been strong.
 - iv. Food Establishments – includes coffee
 1. Assumption was 75% reduction for the summer months due to COVID.
 2. Actual reduction YTD is 9.3%
 - v. Other Retail
 1. Up almost 31% from last year. Online sales saw significant increases.
3. Other Taxes
 - a. REET Funds – Collected 157% of Budget as of 12-31-2020.
 - b. Golf Course is 128% of budget 2020 revenue. Note that the Course was closed for the entire month of April.
 - c. City has started to receive Marijuana Excise Tax distribution. The City collected \$11,861 YTD. City is forecasting an annual collection of \$13,000 in 2021 for this excise tax distribution. Based on actual sales, I believe that actual collection will be \$23,000 in 2021. Note: City also collects sales tax for marijuana sales.
4. Additional Info:
 - i. City will continue to monitor sales tax and building permits. If either revenue source sees decreases, staff will notify Mayor and City Council
 - ii. City spent \$305K of CARES dollars.