

December 2019 Monthly Financial Report

CITY OF TACOMA
**BIENNIAL
BUDGET**
2019 - 2020

GENERAL FUND OVERVIEW

	2019 Budget	YTD Projection	YTD Actuals	YTD Variance (Unfavorable)/ Favorable	YTD % Variance (Unfavorable)/ Favorable
Revenues	\$ 247,926,062	\$ 247,926,062	\$ 246,971,416	\$ (954,645)	-0.4%
Expenditures	\$ 267,146,749	\$ 267,146,749	\$ 262,343,264	\$ 4,803,486	1.8%
Revenue Over Expenditure Variance (Fund Balance)	\$ (19,220,687)	\$ (19,220,687)	\$ (15,371,847)	\$ 3,848,840	

SUMMARY

Through December 2019, expenditures remained favorable and revenues had weaker returns, resulting in an overall \$3.8 million positive position.

REVENUE OVERVIEW

Through December, General Fund revenues were unfavorable by approximately \$955 thousand.

- *Property Taxes* (+\$571k)
 - Timing of payments
 - *Sales Taxes* (-\$2.5M)
 - Unfavorable construction, retail, real estate, arts & entertainment, and utilities
 - Offset by criminal justice
 - *Business Taxes* (-\$441k)
 - Unfavorable cell phone, telephone, natural gas, franchise fees, and use of tax credits
 - Offset by service, wholesaling, admission taxes, and retail services, and manufacturing
 - *Utility Taxes* (+\$133k)
 - Favorable Water and Environmental Services
 - Offset by Power and Rail
- Other Revenues*
- *Intergovernmental Revenues* (+\$712k)
 - Favorable PSE contributions, State liquor tax
 - *Other Taxes* (-\$192k)
 - Favorable leasehold taxes
 - *Miscellaneous Revenues* (+\$456k)
 - Interest earnings

EXPENDITURE OVERVIEW

Through December, General Fund expenditures were favorable by approximately \$4.8 million.

- *Community and Economic Development (CED)* (+\$188k)
 - External Contracts
- *Finance* (+\$591k)
 - Labor Savings
 - Professional Services Savings
- *Library* (+\$620k)
 - Labor Savings
 - Delay in microlibrary purchase
- *Municipal Court* (+\$374k)
 - Labor Savings
 - Professional Services Savings
- *Neighborhood & Community Services (NCS)* (+\$441k)
 - Labor Savings
 - Offset by shelter contracts
- *Planning & Development Services (PDS)* (+\$834k)
 - Labor Savings
 - Delay in initiative implementation
- *Police* (-\$1.1M)
 - Overtime
 - Offset by vacancy savings, lower fuel costs, and South Sound 911 contract
- *Public Works* (+\$316k)
 - Labor Savings
 - Delayed Maintenance Contracts
- *Non-Departmental* (+\$2.4M)
 - Retired Police & Fire Medical Expenses
 - Pierce County Jail Contract

Prepared By The Office of Management and Budget

Through December 31, 2019

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CITY OF TACOMA
**BIENNIAL
BUDGET**
2019 - 2020

GENERAL FUND REVENUE OVERVIEW

	Revenue Category	2019 Budget	YTD Projection	YTD Actuals	YTD Variance (Unfavorable)/ Favorable	YTD % Variance (Unfavorable)/ Favorable
1	Property Tax	\$ 60,465,879	\$ 60,465,879	\$ 61,036,990	\$ 571,111	0.9%
2	Sales Tax	59,073,034	59,073,034	56,557,103	(2,515,931)	-4.3%
3	Business Tax	52,714,759	52,714,759	52,273,395	(441,364)	-0.8%
4	Utility Tax	47,128,927	47,128,927	47,262,185	133,258	0.3%
<i>Other Revenues</i>						
5	Intergovernmental Revenues	11,877,802	11,877,802	12,589,306	711,505	6.0%
	Licenses & Permits	7,344,801	7,344,801	7,372,808	28,006	0.4%
	Charges for Services	3,823,939	3,823,939	3,784,803	(39,136)	-1.0%
6	Other Taxes	1,990,896	1,990,896	2,183,201	192,305	9.7%
	Fines & Forfeits	855,245	855,245	804,554	(50,691)	-5.9%
7	Miscellaneous Revenues	2,650,779	2,650,779	3,107,072	456,293	17.2%
Total		\$ 247,926,062	\$ 247,926,062	\$ 246,971,416	\$ (954,645)	-0.4%

Use of Fund Balance (Negative value denotes addition to cash)	\$ 19,220,687	\$ 19,220,687
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Total	\$ 267,146,749	\$ 267,146,749
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Analysis for revenue variances are provided for all line items in which the actual amount differs from the planned amount by at least 10.0% or \$100,000.

VARIANCE NOTES

- Property Tax** - Variance due to timing of payments (+\$571k).
- Sales Tax** - Unfavorable variance due to weaker returns in construction (-\$1.2M), retail (-\$471k), real estate services (-\$430k), Arts & Entertainment (-\$277k), and utilities (-\$940k). Utilities is down due to a one-time refund issued by the State to a local utility. Criminal Justice dedicated sales taxes are also up (+\$161k) year to date.
- Business Tax** - Unfavorable variance due to weaker returns in cell phone (-\$928k), telephone (-\$318k), natural gas (-\$422k), franchise fees (-\$96k) and greater than anticipated use of tax credits (-\$538k), offset by higher than expected returns in Service (+\$423k), Wholesaling (+\$515k), Admission Taxes (+\$341k), Retail Services (+\$494k), and Manufacturing (+\$168k).
- Utility Tax** - Favorable variance due to higher than expected gross earnings taxes from Water (+\$92k), and Environmental Services (+\$459k), but offset by lower than expected Power (-\$408k) and Rail (-\$110k).
- Intergovernmental Revenues** - Favorable variance due to unbudgeted but anticipated contributions from PSE (+\$500k) and higher than expected liquor taxes from the state (+\$229k).
- Other Taxes** - Favorable variance due to greater than expected leasehold taxes (+\$148k)
- Miscellaneous Revenues** - Variance due to interest earnings (+\$261k), and miscellaneous contributions (+\$76k).

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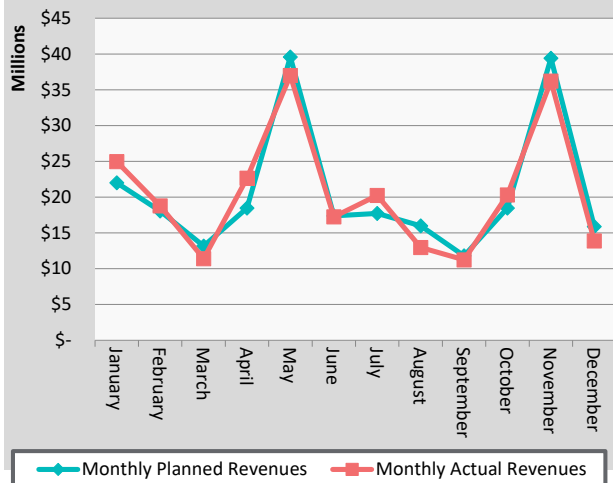
Through December 31, 2019

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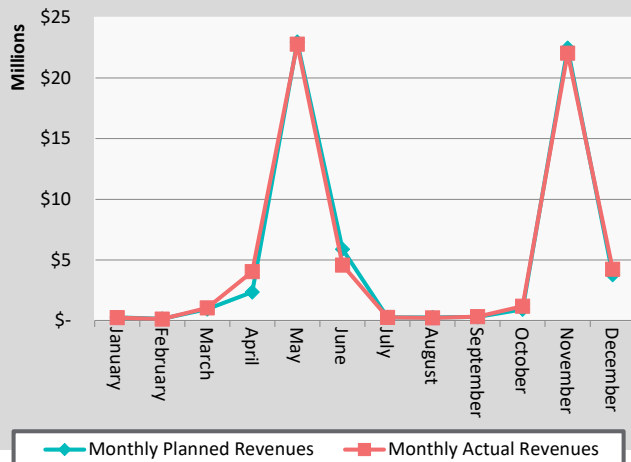
GENERAL FUND REVENUES

ALL REVENUE SOURCES



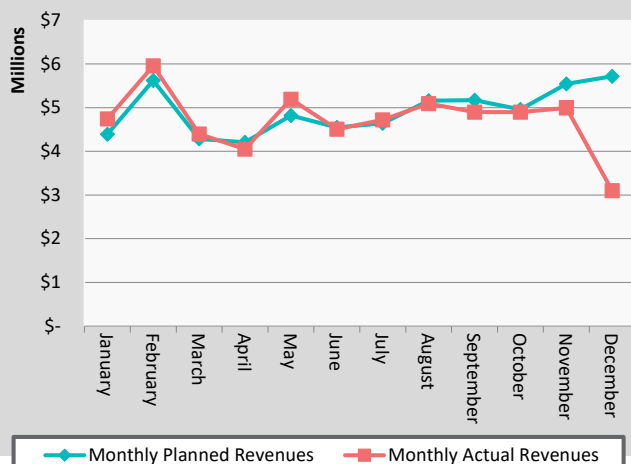
	Monthly Planned Revenues	Monthly Actual Revenues	Variance
January	\$ 22,010,791	\$ 24,974,353	\$ 2,963,562
February	18,069,504	18,791,415	721,911
March	13,171,514	11,411,927	(1,759,586)
April	18,458,849	22,647,694	4,188,845
May	39,592,931	36,995,935	(2,596,996)
June	17,378,151	17,245,673	(132,478)
July	17,712,716	20,243,852	2,531,137
August	15,993,299	12,970,985	(3,022,314)
September	11,799,061	11,241,636	(557,424)
October	18,460,893	20,318,470	1,857,577
November	39,397,263	36,235,275	(3,161,988)
December	15,881,090	13,894,200	(1,986,890)
2019 Total	\$ 247,926,062	\$ 246,971,416	\$ (954,645)

PROPERTY TAX



	Monthly Planned Revenues	Monthly Actual Revenues	Variance
January	\$ 242,549	\$ 226,494	\$ (16,054)
February	137,185	120,148	(17,036)
March	930,866	1,033,330	102,464
April	2,332,609	4,033,347	1,700,738
May	22,981,589	22,804,053	(177,535)
June	5,867,938	4,572,315	(1,295,623)
July	260,522	255,339	(5,183)
August	242,979	207,879	(35,099)
September	301,352	315,694	14,342
October	912,239	1,180,067	267,829
November	22,481,609	22,064,783	(416,825)
December	3,774,447	4,223,540	449,093
2019 Total	\$ 60,465,879	\$ 61,036,990	\$ 571,111

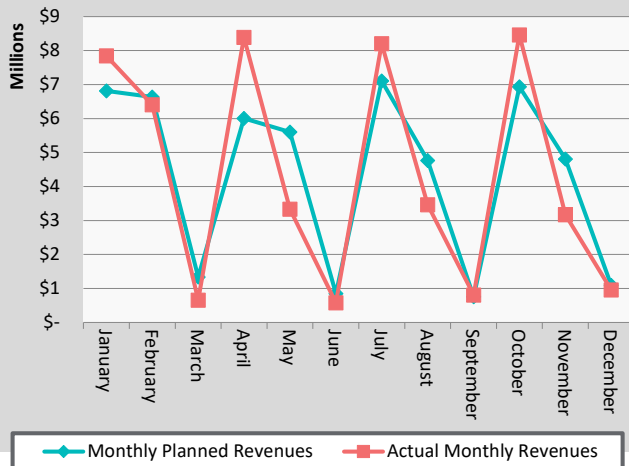
SALES TAX



	Monthly Planned Revenues	Monthly Actual Revenues	Variance
January	\$ 4,393,391	\$ 4,740,226	\$ 346,835
February	5,621,611	5,956,641	335,030
March	4,286,798	4,400,035	113,237
April	4,206,487	4,052,915	(153,572)
May	4,822,939	5,194,622	371,683
June	4,545,552	4,510,400	(35,152)
July	4,641,920	4,720,179	78,259
August	5,159,836	5,093,643	(66,193)
September	5,169,543	4,897,485	(272,058)
October	4,959,586	4,897,974	(61,612)
November	5,547,295	4,995,666	(551,629)
December	5,718,076	3,097,317	(2,620,759)
2019 Total	\$ 59,073,034	\$ 56,557,103	\$ (2,515,931)

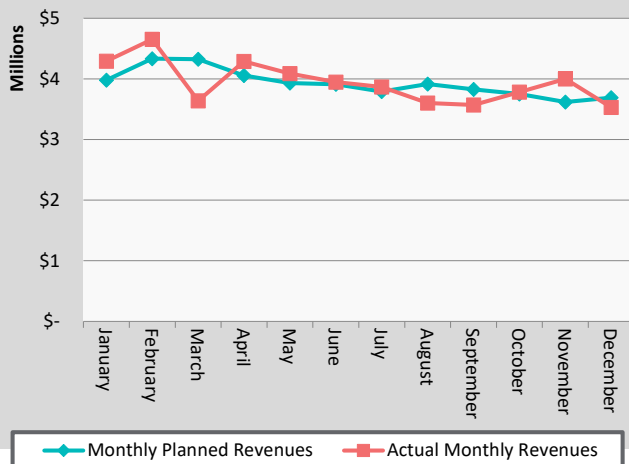
GENERAL FUND REVENUES

BUSINESS TAX



	Monthly Planned Revenues	Actual Monthly Revenues	Variance
January	\$ 6,815,174	\$ 7,842,395	\$ 1,027,221
February	6,633,616	6,405,102	(228,514)
March	1,338,773	658,305	(680,469)
April	6,004,368	8,390,683	2,386,315
May	5,606,463	3,334,807	(2,271,656)
June	850,669	578,811	(271,858)
July	7,107,918	8,202,957	1,095,039
August	4,763,795	3,463,174	(1,300,621)
September	755,648	809,071	53,422
October	6,936,796	8,461,038	1,524,241
November	4,810,181	3,166,649	(1,643,531)
December	1,091,357	960,404	(130,953)
2019 Total	\$ 52,714,759	\$ 52,273,395	\$ (441,364)

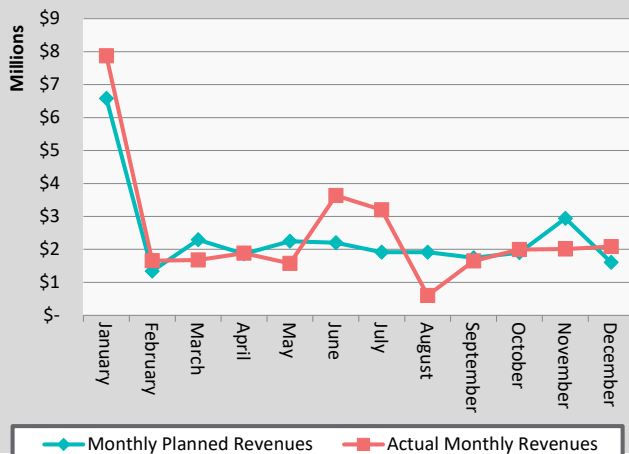
UTILITY/GROSS EARNINGS TAX



	Monthly Planned Revenues	Actual Monthly Revenues	Variance
January	\$ 3,980,992	\$ 4,290,826	\$ 309,834
February	4,334,715	4,652,372	317,657
March	4,324,419	3,640,187	(684,232)
April	4,054,653	4,287,238	232,585
May	3,931,559	4,089,233	157,674
June	3,912,182	3,948,883	36,702
July	3,790,282	3,866,154	75,873
August	3,913,798	3,602,756	(311,042)
September	3,828,955	3,571,861	(257,094)
October	3,749,685	3,781,262	31,578
November	3,618,769	4,000,753	381,984
December	3,688,918	3,530,659	(158,259)
2019 Total	\$ 47,128,927	\$ 47,262,185	\$ 133,258

OTHER REVENUES

(Intergovernmental, Licenses & Permits, Charges for Service, Fines & Forfeits, and Miscellaneous Revenues)



	Monthly Planned Revenues	Actual Monthly Revenues	Variance
January	\$ 6,578,685	\$ 7,874,412	\$ 1,295,726
February	1,342,377	1,657,152	314,775
March	2,290,658	1,680,071	(610,587)
April	1,860,732	1,883,511	22,779
May	2,250,381	1,573,219	(677,161)
June	2,201,811	3,635,264	1,433,453
July	1,912,074	3,199,223	1,287,149
August	1,912,891	603,534	(1,309,358)
September	1,743,563	1,647,526	(96,037)
October	1,902,588	1,998,129	95,541
November	2,939,409	2,007,423	(931,986)
December	1,608,293	2,082,281	473,987
2019 Total	\$ 28,543,463	\$ 29,841,744	\$ 1,298,281

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GENERAL FUND EXPENDITURE OVERVIEW

	Department	2019 Budget	YTD Projection	YTD Actuals	YTD Variance (Unfavorable)/ Favorable	YTD % Variance (Unfavorable)/ Favorable
	City Attorney's Office	\$ 2,689,104	\$ 2,689,104	\$ 2,644,453	\$ 44,652	1.7%
	City Manager's Office	481,272	481,272	456,105	25,168	5.2%
1	Community & Economic Development	3,603,291	3,603,291	3,415,313	187,978	5.2%
2	Finance	4,445,052	4,445,052	3,854,494	590,558	13.3%
	Fire	63,320,954	63,320,954	63,271,363	49,591	0.1%
3	Library	14,804,439	14,804,439	14,184,424	620,015	4.2%
4	Municipal Court	4,082,714	4,082,714	3,707,773	374,940	9.2%
5	Neighborhood & Community Services	13,142,189	13,142,189	12,701,144	441,045	3.4%
6	Planning & Development Services	2,546,334	2,546,334	1,712,154	834,180	32.8%
7	Police	86,475,430	86,475,430	87,578,889	(1,103,459)	-1.3%
8	Public Works	2,885,381	2,885,381	2,569,877	315,504	10.9%
	Tacoma Venues and Events	1,189,179	1,189,179	1,191,717	(2,539)	-0.2%
9	Non-Departmental	67,481,409	67,481,409	65,055,557	2,425,852	3.6%
	Total Expenditures	\$ 267,146,749	\$ 267,146,749	\$ 262,343,264	\$ 4,803,486	1.8%

Analysis for expenditure variances are provided for all departments in which the actual amount differs from the planned amount by at least \$100,000.

VARIANCE NOTES

- 1 **Community & Economic Development** - Favorable variance due to delay in public/private development contracts (+\$198k).
- 2 **Finance** - Favorable variance due to vacancy savings (+\$248k), professional services savings (+\$132), and delayed software license and maintenance payments (+\$95k).
- 3 **Library** - Favorable variance due to delay in hiring (+\$88k), a timing of purchasing one microlibrary (+\$508k).
- 4 **Municipal Court** - Favorable variance due to personnel savings (+\$178k), underspending in professional services (+\$120k), and delays in front desk renovation project (+\$89k).
- 5 **Neighborhood & Community Services** - Favorable variance due to vacancy savings (+\$583k), offset by unplanned shelter contracts (-\$105k).
- 6 **Planning & Development Services** - Favorable variance due to vacancy savings (+\$125k) and a delay in implementation of Citywide initiatives (+\$408k) such as the Pacific Avenue Corridor Study, as well as the Tideflats Subarea Plan (+\$208k).
- 7 **Police** - Unfavorable variance due to higher than anticipated overtime (-\$3.1M) and personal time off cash outs/ severance (-\$275k), offset by vacancy savings (+\$530k), secondary labor (+\$935k), lower than anticipated fuel costs (+\$308k), and South Sound 911 contract (+\$325k).
- 8 **Public Works** - Favorable variance due to personnel savings (+\$240k) and delayed maintenance contracts (+\$84k).
- 9 **Non-Departmental** - Favorable variance due to lower than expected contributions to retirement funds and other personnel savings (+\$1.4M), and timing of jail contract payment (+\$0.8M).

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OTHER FUNDS OVERVIEW (REVENUE AND EXPENSE)

	Fund	2019 Budget	YTD Projection	YTD Actuals	YTD Variance (Unfavorable)/ Favorable	YTD % Variance (Unfavorable)/ Favorable
SPECIAL REVENUE FUNDS						
1	2015 Voted Streets Initiative Fund					
	Revenues	21,828,035	21,828,035	22,279,122	451,086	2.1%
	Expenditures	21,828,035	21,828,035	19,519,222	2,308,813	10.6%
2	PW Street Operations & Engineering					
	Revenues	27,167,704	27,167,704	26,907,455	(260,248)	(1.0%)
	Expenditures	27,866,829	27,866,829	25,877,616	1,989,213	7.1%
3	TFD Emergency Medical Services					
	Revenues	23,270,930	23,270,930	30,007,852	6,736,922	28.9%
	Expenditures	19,334,688	19,334,688	18,710,428	624,260	3.2%
4	Municipal Cable TV					
	Revenues	3,553,925	3,553,925	3,569,067	15,142	0.4%
	Expenditures	3,528,388	3,528,388	2,294,310	1,234,078	35.0%
5	Traffic Enforcement, Engineering & Education					
	Revenues	3,639,182	3,639,182	3,816,452	177,270	4.9%
	Expenditures	3,631,504	3,631,504	3,494,121	137,383	3.8%
6	Mental Health & Chemical Dependency					
	Revenues	6,133,448	6,133,448	6,138,583	5,135	0.1%
	Expenditures	7,354,351	7,354,351	6,254,452	1,099,898	15.0%
	Real Estate Excise Tax					
	Revenues	7,748,334	7,748,334	11,519,422	3,771,088	48.7%
	* Expenses are not reported here due to the variability of project expenses vs. monthly plans. Please see the most recent Capital Project Update Report for up-to-date spending on capital projects.					
7	Tacoma Creates					
	Revenues	3,693,870	3,693,870	4,684,511	990,641	26.8%
	Expenditures	5,042,429	5,042,429	783,614	4,258,815	84.5%
ENTERPRISE FUNDS						
8	Permit Services					
	Revenues	17,087,614	17,087,614	16,629,571	(458,043)	(2.7%)
	Expenditures	17,405,115	17,405,115	14,153,791	3,251,324	18.7%
9	PW Parking Operations					
	Revenues	7,950,310	7,950,310	7,564,728	(385,582)	(4.8%)
	Expenditures	7,796,211	7,796,211	7,723,629	72,582	0.9%
10	TVE Convention Center					
	Revenues	12,466,875	12,466,875	12,957,408	490,533	3.9%
	Expenditures	12,727,549	12,727,549	11,318,341	1,409,208	11.1%
	TVE Cheney Stadium					
	Revenues	1,617,089	1,617,089	1,715,281	98,192	6.1%
	Expenditures	1,489,475	1,489,475	1,504,792	(15,317)	(1.0%)
11	TVE Tacoma Dome					
	Revenues	12,651,321	12,651,321	16,786,538	4,135,216	32.7%
	Expenditures	12,682,761	12,682,761	12,823,124	(140,364)	(1.1%)
12	TVE Theaters					
	Revenues	3,897,081	3,897,081	13,476,505	9,579,424	245.8%
	Expenditures	3,884,403	3,884,403	3,969,821	(85,418)	(2.2%)

Other Funds Continued on Next Page

OTHER FUNDS OVERVIEW (REVENUE AND EXPENSE)

	Fund	2019 Budget	YTD Projection	YTD Actuals	YTD Variance (Unfavorable)/ Favorable	YTD % Variance (Unfavorable)/ Favorable
13	ES Solid Waste					
	Revenues	71,870,099	71,870,099	74,776,506	2,906,407	4.0%
	Expenditures	82,539,513	82,539,513	71,146,333	11,393,179	13.8%
14	ES Wastewater					
	Revenues	82,689,000	82,689,000	84,616,752	1,927,752	2.3%
	Expenditures	109,046,001	109,046,001	88,824,210	20,221,790	18.5%
15	ES Surface Water					
	Revenues	40,487,406	40,487,406	41,746,583	1,259,177	3.1%
	Expenditures	53,344,047	53,344,047	40,194,198	13,149,849	24.7%
INTERNAL SERVICE FUNDS						
16	PW Fleet Equipment Rental					
	Revenues	13,752,787	13,752,787	14,698,073	945,286	6.9%
	Expenditures	16,135,065	16,135,065	12,516,230	3,618,835	22.4%
17	Radio Communications					
	Revenues	2,837,839	2,837,839	3,161,315	323,476	11.4%
	Expenditures	2,844,949	2,844,949	2,519,225	325,724	11.4%
18	Municipal Building Acquisition & Operations					
	Revenues	5,649,843	5,649,843	5,890,667	240,824	4.3%
	Expenditures	6,496,234	6,496,234	5,449,739	1,046,494	16.1%

Note: In instances where revenues for the biennium do not match expenditures, cash balance is being utilized.
General Fund Supported Funds shaded grey.

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OTHER FUNDS OVERVIEW (REVENUE AND EXPENSE)

VARIANCE NOTES

- 1 2015 Voted Streets Initiative Fund** - Revenue: Favorable variance due to investment earnings (+\$317k) and higher than anticipated property tax (+\$138k) and natural gas tax (+\$122k), partially offset by lower than anticipated utility taxes (-\$101k). Expense: Favorable variance due to the timing of street maintenance work packages and capital project contributions (+\$2.3M).
- 2 PW Street Operations & Engineering** - Revenue: Unfavorable variance due to timing of contracted maintenance in grant-funded projects (-\$569k), offset by higher than expected revenues in utility taxes (+\$426k). Expense: Favorable variance due to personnel savings from vacant positions and increased charges to capital projects (+\$0.9M), pending maintenance projects (+\$0.3M), and savings in street maintenance (+\$1.2M) due to weather, which is partially offset by unplanned spending for 2019 emergency responses (-\$1.2M).
- 3 TFD Emergency Medical Services** - Revenue: Favorable variance due to improved Ground Emergency Medical Transportation (GEMT) revenue (+\$5.7M) and increased transports from planned numbers (+\$799k). Expense: Favorable variance due to lower than expected payment to WA Health Care Authority (+\$1.1M), offset by increased Fleet maintenance costs and prior year postings (-\$494k).
- 4 Municipal Cable TV** - Expense: Favorable variance due delays in civic engagement and legal services contracts (+\$262k), operating supplies (+\$35k), and capital projects (+\$245k), and internal service cost correction (+\$531k).
- 5 Traffic Enforcement, Engineering & Education** - Revenue: Favorable variance due to higher than expected revenues from speed camera infractions (+\$941k), partially offset by lower than expected revenues from red light cameras (-\$390k), traffic infractions (-\$72k), and lower transfer from the General Fund (-\$343k). Expense: Favorable variance due to personnel savings (+\$126k).
- 6 Mental Health & Chemical Dependency** - Expense: Favorable variance due to delays in external contracts in Homelessness & Household stability services, Stability Site, and social wellness contracts (+\$1.6M).
- 7 Tacoma Creates** - Revenue: Favorable variance due to higher Tacoma Creates Sales Tax than planned (+\$991k). Expense: Favorable variance due to delay in professional services (+\$3.0M) and external contracts (+\$1.1M).
- 8 Permit Services** - Revenue: Unfavorable variance due to lower than anticipated Permit Pre-Application Fees (-\$419k), Building Permit Inspection Fees (-\$438k), Building Permits (-\$1.5M), and Right of Way permits (-\$1.1M) which are partially offset by Private Work Orders (+\$1.2M), Site Development Fees (+\$600k) and Land Use Fees (+\$620k). Expense: Favorable variance due to delays in initiatives (+\$3.6M) such as the 3rd floor remodel, the Accela/SAP Integration project, the environmental training & mapping program, as well as the tenant improvement and expedited review service, offset by increased personnel costs (-\$400k).
- 9 PW Parking Operations** - Revenue: Unfavorable variance due to less than planned enforcement revenues from parking enforcement officer vacancies (-\$536k), partially offset by higher than anticipated parking revenues from the Convention Center (+\$123k) and interest earnings (+\$134k).
- 10 TVE Convention Center** - Revenue: Favorable variance due to extra event activity resulting in higher rent (+\$238k) and fee collections (+\$208k). Expense: Favorable variance driven by underspending in external contract services (+\$833k) and non-capital equipment purchases (+\$700k).
- 11 TVE Tacoma Dome** - Revenue: Favorable (+\$4.1M) due to event activity above plan. Favorable sources include concessions (+\$822k), ticketing (+\$551k), rent (+\$695k), admission tax (+\$920k), and facility fees (+\$419k). Expense: Unfavorable variance due to event expenses exceeding budget (-\$980k), offset primarily by a delayed payment to the Dome Renovation Project (+\$850k).
- 12 TVE Theaters** - Revenue: Favorable variance due to transfers for the Pantages renovation project (+\$1.0M), and accounting treatment of assets (+\$8.7M).
- 13 ES Solid Waste** - Revenue: Favorable variance due to higher than planned disposal revenue (+\$1.3M), commercial garbage and recycling (+\$1.2M), and investment earnings (+\$1.0M), offset by lower than planned residential collection revenues (-\$406k) and wholesale revenues (-\$197k). Expense: Unfavorable variance in operating expenses due to expected increase in recycling costs and tiered costs for landfill tonnage (-\$3.0M), offset by delayed capital spending. Favorable variance in capital expenses (+\$14.4M) due to the timing of capital construction projects & procurement delays.
- 14 ES Wastewater** - Revenues: Favorable variance due to higher than planned interest income (+\$1.2M), unplanned contributions (+\$451k), increased commercial revenues (+\$761k), and increased interlocal revenues (+\$889k), offset by lower than planned residential (-\$1.0M) and other miscellaneous revenues (-\$400K). Expense: Favorable variance in operating expenses due personnel savings (+\$1.4M), external contracts (+\$685k), and professional services savings (+\$314k), offset by (-\$180k) in miscellaneous fixed cost expenses. Favorable variance in capital expenses due projects getting delayed into 2020, including the Energy Management project (+\$3.0M) due to contract negotiations with PSE, and other miscellaneous project delays (+\$2.0M). Other variances are related to common construction impacts: seasonal, prioritizing emergent needs, and schedule changes.
- 15 ES Surface Water** - Revenues: Favorable variance due to transfer from Public Works for partnership projects (+\$760k), earlier than planned grant contributions from WA Department of Ecology (+\$587k), higher than planned residential (+\$131k) and commercial revenues (+\$272k) and interest income (+\$817k), offset by delayed timing of state grant revenue (-\$1.3M). Expenses: Favorable variance in operating expenses due to miscellaneous savings across cost centers and cost categories. Favorable variance in capital expenses due to a delay in the Jefferson/Hood Street Interception and Outfall project (+\$6.5M), currently expected to move into 2020 and beyond. Other variances are related to common construction impacts: seasonal, prioritizing emergent needs, and schedule changes.

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CITY OF TACOMA
**BIENNIAL
BUDGET**
2019 - 2020

OTHER FUNDS OVERVIEW (REVENUE AND EXPENSE)

- 16 PW Fleet Equipment Rental** - Revenue: Favorable variance due to timing of vehicle purchases (+\$945k). Revenues have been collected for several vehicles that are on order but not yet purchased. Expense: Favorable variance due to several vehicles having been ordered but not yet received (+\$3.6M). This underspend will go away when the vehicles are received.
- 17 Radio Communications** - Revenue: Favorable variance due to added subscribers (+\$198k) and interest revenue (+\$117k). Expense: Favorable variance due to delayed capital project (+\$960k), partially offset by capitalization of 2018 project (-\$224k).
- 18 Municipal Building Acquisition & Operations** - Revenue: Favorable variance due to revenue from executing outside contracted maintenance work (+\$182k) and interest earnings (+\$52k). Expense: Favorable variance due to delay in executing outside contracted maintenance work (+\$1M).

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GENERAL GOVERNMENT INTERNAL SERVICE FUND OVERVIEW

	Department	2019 Budget	YTD Projection	YTD Actuals	YTD Variance (Unfavorable)/ Favorable	YTD % Variance (Unfavorable)/ Favorable
1	City Attorney's Office	\$ 6,645,251	\$ 6,645,251	\$ 6,503,316	\$ 141,935	2.1%
2	City Council	1,589,350	1,589,350	1,431,626	157,724	9.9%
3	City Manager's Office	4,616,128	4,616,128	4,286,275	329,854	7.1%
	Environmental Services	620,020	620,020	620,320	(300)	0.0%
4	Finance	11,699,740	11,699,740	10,475,046	1,224,694	10.5%
5	Fire	361,516	361,516	272,109	89,407	24.7%
	Hearing Examiner	442,840	442,840	429,564	13,275	3.0%
6	Human Resources	7,538,364	7,538,364	7,096,752	441,612	5.9%
7	Information Technology	31,892,166	31,892,166	26,094,141	5,798,025	18.2%
	Total Expenditures	\$ 65,405,375	\$ 65,405,375	\$ 57,209,149	\$ 8,196,225	12.5%

Analysis for expenditure variances are provided for all departments in which the actual amount differs from the planned amount by at least \$100,000.

VARIANCE NOTES

- City Attorney's Office** - Favorable variance is due to less than anticipated spending for legal services (+\$31k), professional services (+\$61k), and external contracts (+\$40k).
- City Council** - Favorable variance due to delayed hiring (+\$126k) and delayed contracts (+\$34k).
- City Manager's Office** - Favorable variance due to delays in external contracts (+\$47k), association dues for Government Relations (+\$78k), and professional development in Office of Equity and Human Rights (+\$109k).
- Finance** - Favorable variance due to vacancy savings (+\$881k) and delayed billings related to first floor remodel (+\$277k).
- Fire** - Favorable variance due to delay in hiring Emergency Management Officer (+\$74k).
- Human Resources** - Favorable variance due to vacancy savings (+\$99k), delays in external contracts such as Class and Comp and the Workforce Equity Study (+\$193k), and savings in software licenses and maintenance (+\$64k).
- Information Technology** - Favorable variance due to personnel savings (+\$1.7M), timing of professional services contract payments (+\$1.9M), timing of licensing payments for Microsoft and Tacoma Information Management System (+\$1.8M), and delays in phone purchases (+\$461k).

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BENEFIT FUNDS OVERVIEW (REVENUE AND EXPENSE)

Fund	2019/2020 Biennial Budget	BTD Actuals	Actual % of 2-Year Budget
Benefit Funds			
1 Third Party Liability / Self Insurance			
Revenues	\$9,838,600	\$7,315,217	74.4%
Expenditures	\$8,613,671	\$3,310,261	38.4%
2 Unemployment			
Revenues	\$1,267,200	\$622,428	49.1%
Expenditures	\$1,030,000	\$336,267	32.6%
3 Worker's Compensation			
Revenues	\$15,365,000	\$7,050,838	45.9%
Expenditures	\$15,362,264	\$5,652,105	36.8%
4 Health Care Labor Management			
Revenues	\$136,617,822	\$65,640,811	48.0%
Expenditures	\$146,710,893	\$72,891,789	49.7%
5 Dental Care Management			
Revenues	\$10,755,630	\$5,694,353	52.9%
Expenditures	\$10,754,194	\$5,674,416	52.8%

FUND NOTES

- Third Party Liability / Self Insurance** - Revenues are on target with projections with an additional \$2.4M due to transfer for Walmart claim. Expenses are under budget due to lower than expected claims (+\$761k).
- Unemployment** - Revenues are on target with projections. Expenses are under budget due to lower than expected claims (+\$169k)
- Worker's Compensation** - Revenues are lower than anticipated (-\$619k) primarily due to vacancies within the City. Expenses are lower than expected due to lower than expected claims (+\$2.0M), offset by taxes higher than planned (-\$100k).
- Health Care Labor Management** - Revenues are lower than expected due to vacancies (-\$3.4M), partially offset by charges for services (+\$652k). Expenses are on target with planned.
- Dental Care Management** - Revenues are higher than budgeted due to the actual mix of the two dental plans offered as compared to the breakdown of how they were budgeted (+\$345k). Expenses are higher than budgeted due to the actual mix of the two dental plans offered as compared to the breakdown of how they were budgeted (-\$325k).

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