



INFORMATIONAL MEMORANDUM

TO: Finance & Governance Committee
CC: Mayor McLeod
FROM: Tony Cullerton, Interim Finance Director
DATE: August 26, 2024
SUBJECT: July 2024 General Fund Expenditure Report

SUMMARY

The July 2024 General Fund Financial Report provides the City Council with a comprehensive overview of departmental expenditures and highlights significant financial items. This report is a high-level summary of the departmental financial performance based on data available as of August 1st, 2024, for the period ending July 31st, 2024.

Expenditures

General Fund departmental expenditures were \$42.8 million through July, which is \$3.8 million under the allocated budget of \$46.7 million. Department 20, responsible for fund transfers, reported \$2.7 million in year-to-date activity. Overall, the General Fund activity as of the end of July was \$45.6 million, which is \$3.6 million under budget.

Allocated Budget

As of the end of July, three departments ended the month over their allocated budget. The **Mayor's Office** is slightly over their allocated budget by 34k. The increase is attributed to a predetermined separation payout. The increase in **Fire** has been previously reported and may be resolved through a budget amendment. The overage in **Non-Departmental** is due to costs associated with Asylee expenditures.

% Expended

The end of July represents 58% of the year completed. Two departments have YTD expenditures that exceed 58% of their annual budget. Both **Fire** and the **Mayor's Office** have been previously explained.

2024 Compared to 2023

When comparing expenditures to the previous year, three departments reported increased spending over the same period last year that was both greater than \$50,000 and 5%. **Finance** reported an increase of \$452,361 and 23.8% over the prior year. The increase is due to Insurance Liability and Software Implementation costs. **Municipal Court** reported an increase of \$68k and 7% over the prior year. The bulk of the increase is due to adding a revenue backed FTE for photo enforcement. **Fire** reported an increase of \$1,043,337 and 9% over the prior year. The increase pertains to Contracted Services and Insurance Liabilities. These are all prior budgeted and approved expenditures.

Departmental Variances

Year to Date Department Expenditures Through July 2024:

DEPARTMENT	BUDGET		ACTUAL			Allocated Budget vs Actual OVER/(UNDER)	% Expended	\$ Change	% Change
	2024 Annual	2024 Allocated	2022	2023	2024				
	2023/2024								
City Council	393,067	229,289	202,311	217,668	200,000	(29,289)	50.9%	(17,667)	-8.1%
Mayor's Office	2,405,513	1,423,329	1,235,167	1,347,304	1,456,949	33,620	60.6%	109,645	8.1%
Administrative Services	5,621,624	3,251,718	2,766,320	4,063,889	2,864,107	(387,611)	50.9%	(1,199,782)	-29.5%
Finance Department	4,625,307	3,020,222	2,028,578	1,963,516	2,415,877	(604,345)	52.2%	452,361	23.0%
Rec Dept / Parks Maint	5,808,439	3,452,943	2,620,798	2,860,884	2,776,079	(676,865)	47.8%	(84,805)	-3.0%
Community Dev	5,063,237	2,953,555	2,428,165	2,578,041	2,382,238	(571,317)	47.0%	(195,803)	-7.6%
Municipal Court	1,859,399	1,084,649	900,092	950,924	1,019,348	(65,301)	54.8%	68,425	7.2%
Police Department	24,212,875	14,323,474	10,763,926	12,233,245	12,688,963	(1,634,511)	52.4%	455,718	3.7%
Fire Department	15,605,441	11,582,861	8,536,635	11,446,485	12,489,822	906,961	80.0%	1,043,337	9.1%
PW Dept / Street Maint	8,002,142	5,323,303	4,475,160	4,630,421	4,586,570	(736,733)	57.3%	(43,851)	-0.9%
Subtotal	73,597,044	46,645,344	35,957,150	42,292,376	42,879,954	(3,765,390)	58.3%	587,578	1.4%
Non Departmental	5,865,345	2,472,172	2,683,765	3,032,566	2,676,508	204,335	45.6%	(356,058)	N/A
Total Expenditures	79,462,388	49,117,516	38,640,915	45,324,942	45,556,461	(3,561,055)	57.3%	231,520	0.5%
						% of Year	58.0%		

General Fund by Category

The City adopts a biennial budget by fund, as mandated by ordinance. This level of reporting is essential for external authoritative oversight, such as the Washington State Auditor's office. It is also utilized for debt issuance and by other stakeholders. For managerial reporting and internal use, the City reports activity at the departmental level, providing detailed information to support decision-making within the City and by those charged with governance.

Allocated Budget

Services is the only category that is over in their allocated budget. Increases to **Professional Services** is a combination of Contracted Services and Insurance Liability. **Technology Services** is slightly over in their allocated budget but only tracking \$2,391 (0.3%) above the same period last year. The increase in **Repairs and Maintenance** is largely attributed to Fleet Operations & Maintenance.

% Expended

% expended increases are to **Professional Services** and **Repairs and Maintenance**. The specific drivers to the increases have been detailed above.

\$ Change 2023 / 2024

Professional Development is the only category that has not been previously explained. The increase is \$40k over the same period last year. The increase is heavily weighted by PD training.

General Fund
City of Tukwila
General Fund Expenditures

Year-to-Date as of July 31, 2024

	BUDGET		ACTUAL			COMPARISON OF RESULTS			
	2023	2023	2021	2022	2023	Actual Budget	%	Change	
	Annual	Allocated				vs Allocated	Expended		
						OVER/(UNDER)	\$ 2023/2024	%	
							2023/2024		
Salaries	28,083,897	16,382,273	17,350,565	13,361,526	13,176,654	(3,205,619)	46.9%	(184,872)	(1.4%)
Extra Labor	794,977	463,737	238,047	311,848	291,633	(172,104)	36.7%	(20,215)	(6.5%)
Overtime	797,180	465,022	1,540,832	883,227	858,013	392,991	107.6%	(25,214)	(2.9%)
Holiday Pay	250,000	145,833	84,116	71,993	92,983	(52,850)	37.2%	20,989	N/A
FICA	2,299,308	1,341,263	1,125,063	1,104,715	1,079,149	(262,114)	46.9%	(25,565)	(2.3%)
Pension-LEOFF	690,494	433,622	615,396	386,793	301,737	(131,885)	43.7%	(85,057)	(22.0%)
Pension-PERS/PSERS	1,877,476	1,095,194	848,140	868,043	766,451	(328,743)	40.8%	(101,591)	(11.7%)
Industrial Insurance	616,066	359,371	427,734	238,146	222,907	(136,465)	36.2%	(15,240)	(6.4%)
Medical & Dental	5,818,916	3,394,367	4,275,551	3,126,126	2,966,394	(427,973)	51.0%	(159,732)	(5.1%)
Unemployment	0	0	15,108	2,076	8,957	8,957	-	6,881	N/A
Uniform/Clothing	33,504	19,544	1,511	1,064	2,495	(17,049)	7.4%	1,432	N/A
Total Salaries & Benefits	41,261,818	24,100,226	26,522,064	20,355,557	19,767,373	(4,332,853)	47.9%	(588,184)	(2.9%)
Supplies	640,401	373,567	154,883	248,197	263,993	(109,574)	41.2%	\$15,796	6.4%
Repairs & Maint Supplies	420,705	245,411	196,721	233,822	343,424	98,013	81.6%	\$109,602	46.9%
Resale Supplies	2,580	1,505	93	0	2,247	742	87.1%	\$2,247	-
Small Tools	228,078	133,046	35,566	50,102	145,650	12,604	63.9%	\$95,548	190.7%
Technology Supplies	112,364	65,545	17,871	261,961	31,675	(33,870)	28.2%	(\$230,286)	(87.9%)
Fleet Supplies	7,260	4,235	3,217	4,074	3,997	(238)	55.1%	(\$77)	(1.9%)
Total Supplies	1,411,387	823,309	408,351	798,156	790,986	(32,324)	56.0%	(\$7,171)	(0.9%)
Professional Services	23,292,740	16,758,207	4,270,174	15,881,717	18,057,538	1,299,332	77.5%	\$2,175,821	13.7%
Communications	468,177	273,103	250,995	249,179	251,776	(21,327)	53.8%	\$2,597	1.0%
Professional Dev	532,851	336,105	205,016	281,080	321,736	(14,369)	60.4%	\$40,657	14.5%
Advertising	66,716	38,918	4,764	11,862	18,148	(20,770)	27.2%	\$6,285	N/A
Rentals	319,003	186,085	210,259	542,317	125,658	(60,427)	39.4%	(\$416,658)	(76.8%)
Technology Services	1,081,907	623,550	429,235	689,788	692,179	68,629	64.0%	\$2,391	0.3%
Utilities	2,387,484	1,903,781	1,739,694	1,802,396	1,769,817	(133,963)	74.1%	(\$32,578)	(1.8%)
Repairs & Maint Svs.	1,483,739	865,514	1,290,732	815,260	1,017,272	151,757	68.6%	\$202,011	24.8%
Miscellaneous	701,220	409,045	347,916	274,403	238,898	(170,147)	34.1%	(\$35,505)	(12.9%)
Total Services	30,333,839	21,394,308	8,748,785	20,548,002	22,493,022	1,098,714	74.2%	1,945,020	9.5%
Capital Outlay-Land	0	0	0	0	0	0	-	0	-
Other Improvements	0	0	0	0	0	0	-	0	-
Machinery & Equipment	590,000	327,500	277,951	1,082,062	225,891	(101,609)	38.3%	(856,171)	N/A
Construction Projects	0	0	0	0	0				
Total Capital Outlay	590,000	327,500	277,951	1,082,062	225,891	(101,609)	38.3%	(856,171)	N/A
Transfers Out	5,865,345	2,472,172	2,683,765	2,541,164	2,279,189	(192,983)	38.9%	(261,975)	N/A
Total Non Operating Expenses	5,865,345	2,472,172	2,683,765	2,541,164	2,279,189	(192,983)	38.9%	(261,975)	N/A
Total Expenditures	79,462,389	49,117,516	38,640,915	45,324,942	45,556,461	(3,561,055)	57.3%	231,520	0.5%
						% of Year	58.0%		

Riverton Park United Methodist Church Response (RPUMC)

Total costs to date are slightly over \$740,000. These expenditures are a combination of consulting services/contracts, employee time, and services/supplies. Contracts include fencing and tenting. Consulting is for media prep and long-term strategy. The total contract amount is currently \$752,950. Of that total, \$481,818 has been spent, leaving a remaining encumbered amount of \$271,132.

Total Costs (Snapshot)

SNAPSHOT				
Object	2023 \$	2024 \$	Total	%
Consulting	88,864	195,412	284,277	38.4%
Contracts	18,734	240,063	258,797	35.0%
Salaries/Benefits	106,670	55,080	161,750	21.8%
Services	0	528	528	0.1%
Supplies	0	2,533	2,533	0.3%
Cleaning & Janitorial	<u>0</u>	<u>32,511</u>	<u>32,511</u>	4.4%
Subtotal	214,267	526,128	740,395	100.0%
Encumbered			271,132	
Grand Total			1,011,527	