



CITY OF BLAINE

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To: City Council
From: Jeff Lazenby, Finance Director
Date: July 13, 2020
Subject: Budget Update

This budget update is a summary of utility account information, furlough savings, and CARES Act funding. I will give a full mid-year financial report at the July 27th Council meeting.

Utility Accounts

As of June 30, 2020, 322 utility customer accounts had outstanding balances. For comparison to 2019 and 2018, see the table below:

Number of Utility Accounts with Outstanding Balances					
Account Type	June 2018	June 2019	June 2020	Change from Prior Year	% Change from Prior Year
Residential	180	181	298	117	65%
Commercial	9	12	24	12	100%
Total	189	193	322	129	67%

The total balance of all outstanding accounts is as follows:

Total Balance of All Outstanding Accounts as of June 30			
	2018	2019	2020
Total Balance	\$ 57,280	\$40,255	\$218,456

A notable point is that commercial accounts owe 58% of the total 2020 outstanding balance.

As I wrote in previous memos, Governor Inslee extended his emergency order prohibiting utility disconnections and the charging of utility late fees until July 28, 2020,

or until termination of the State of Emergency. The Governor’s order applies a prohibition on disconnections and late fees automatically and does not require the customer to show evidence of need.

The order also calls for utilities to provide long-term payment plans to all customers with outstanding balances. The order “does not relieve utility customers from the obligation to pay for utility services.”¹

Furloughs

Total furlough savings to date are \$68,758. More furloughs are scheduled through July and August. The following is a breakdown of the savings to date.

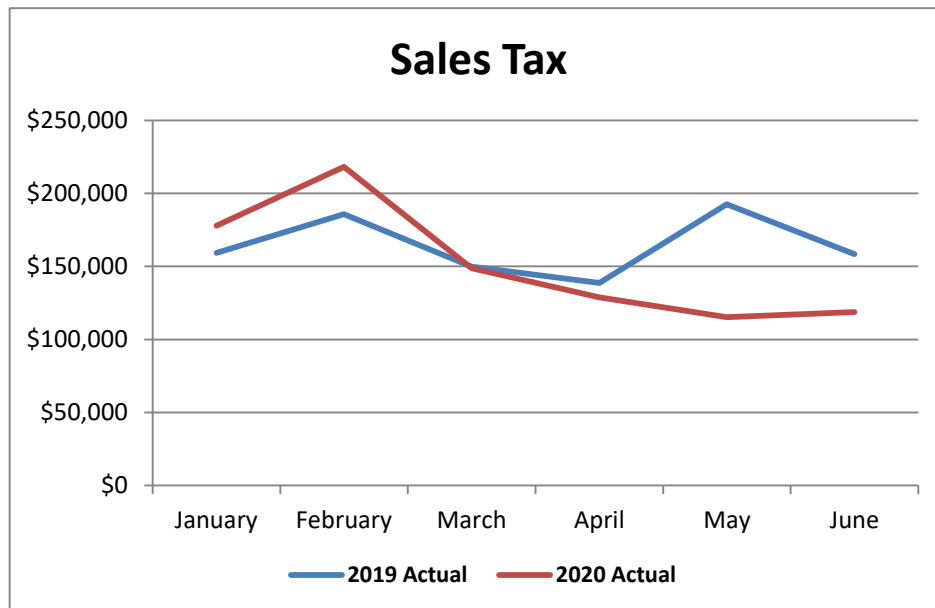
Fund	Furlough Savings
General Fund	\$27,627
All Other Funds	\$41,131
Total	\$68,758

CARES Act Funding

The City’s allocation of CARES Act funding is \$162,750. Staff has estimated that \$152,000 of the allocation will be spent on COVID-19 related expenses, leaving \$10,000 for contribution to the County’s pandemic response programs.

Tax Revenue

The following charts show revenue collected through the end of June for sales tax, lodging tax, and penny per gallon gas tax.



¹ COVID-19 Utility Customer Support Program Guidance

