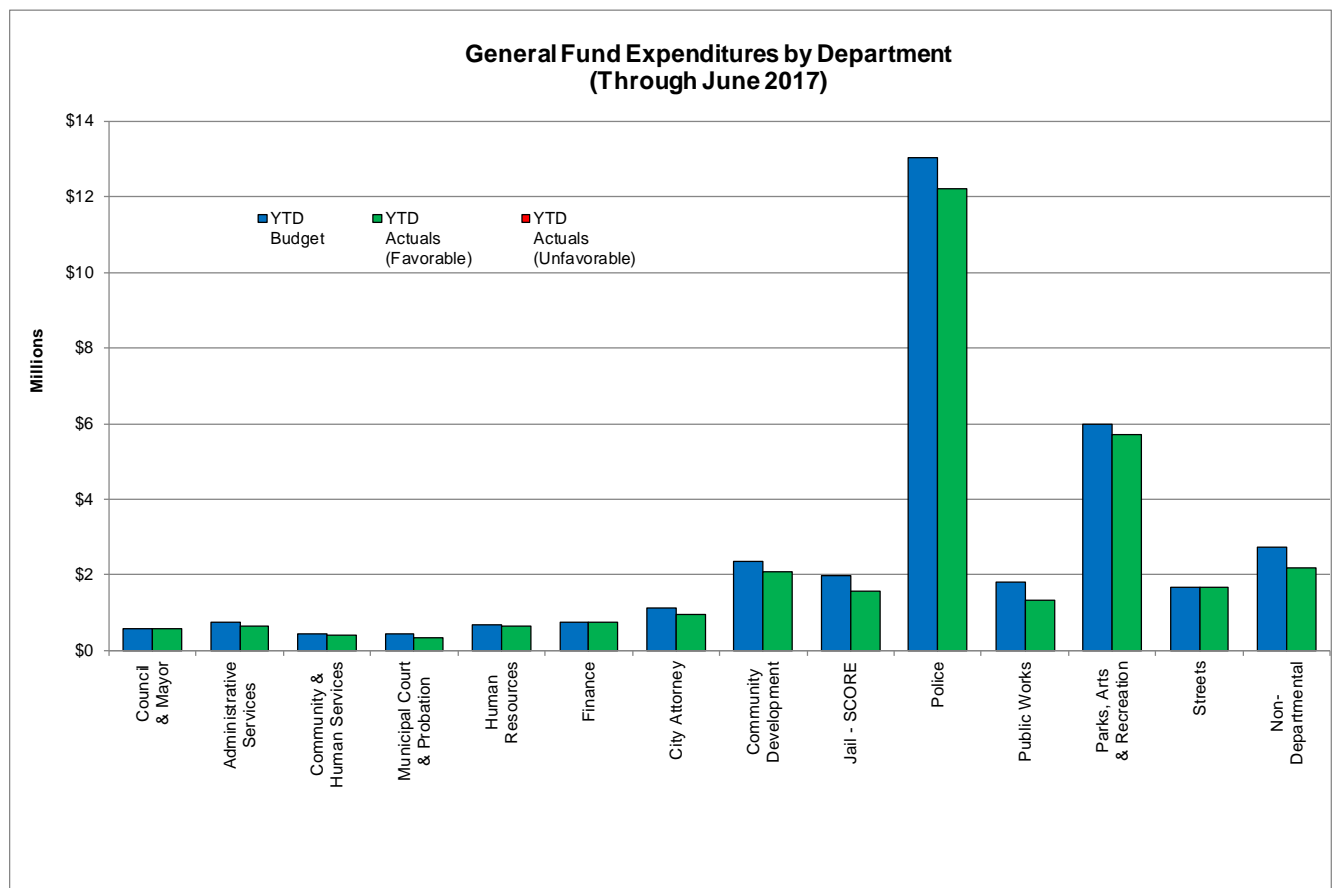
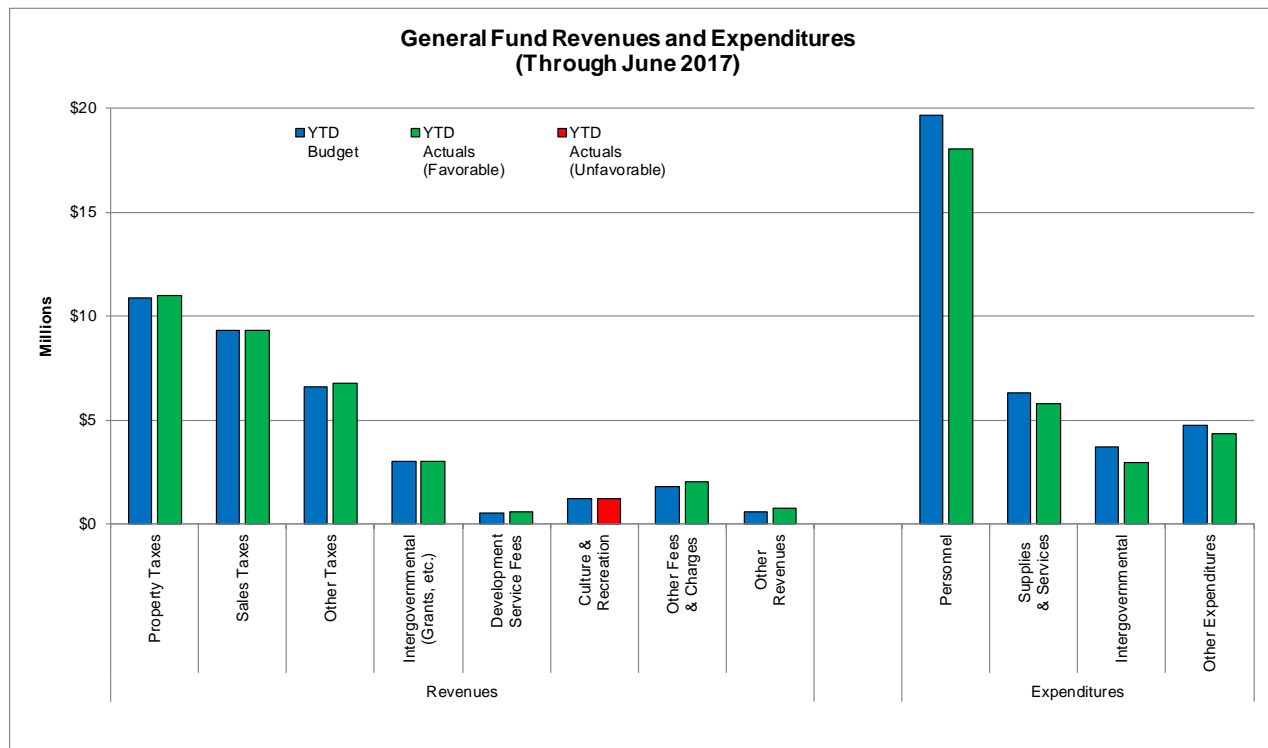




## AGENDA BILL APPROVAL FORM

<b>Agenda Subject:</b> 2 <sup>nd</sup> Quarter 2017 Financial Report		<b>Date:</b> August 14, 2017
<b>Department:</b> Finance	<b>Attachments:</b> Quarterly Financial Report	<b>Budget Impact:</b> \$0
<b>Administrative Recommendation:</b> For discussion only.		
<b>Background Summary:</b>  The quarterly financial report summarizes the general state of Citywide financial affairs and highlights significant items or trends that the City Council should be aware of. The attachment provides the second quarter 2017 status report based on financial data available as of July 25, 2017 for the period ending June 30, 2017 and sales tax information representing business activity that occurred through April 2017.		
		<b>Staff:</b> Coleman
<b>Meeting Date:</b> August 14, 2017		<b>Item Number:</b>

## General Fund Summary



General Fund Summary of Sources and Uses	Page Ref	2017			2016	2017 YTD Budget vs. Actual	
		Annual Budget	YTD Budget	YTD Actual	YTD Actual	Favorable (Unfavorable) Amount	Percentage
<b>Operating Revenues</b>							
Property Tax	6	\$ 20,652,000	\$ 10,893,100	\$ 10,964,115	\$ 9,448,363	\$ 71,015	0.7 %
Sales Tax	7-9	14,746,000	7,372,800	7,296,187	7,258,400	(76,613)	(1.0) %
Sales Tax - Pierce County Parks		75,000	35,600	46,279	43,056	10,679	30.0 %
Sales Tax - Annexation Credit		2,032,100	987,500	1,006,644	988,193	19,144	1.9 %
Criminal Justice Sales Tax		1,889,400	902,200	977,844	945,829	75,644	8.4 %
Brokered Natural Gas Tax		351,800	228,400	102,635	160,140	(125,765)	(55.1) %
City Utilities Tax	10	3,671,300	1,718,300	1,855,464	1,838,188	137,164	8.0 %
Admissions Tax		317,000	120,200	193,423	142,414	73,223	60.9 %
Electric Tax	10	3,560,000	1,877,500	1,998,132	1,915,419	120,632	6.4 %
Natural Gas Tax	10	1,001,200	669,300	727,262	644,107	57,962	8.7 %
Cable Franchise Fee	11	971,500	480,800	502,006	487,057	21,206	4.4 %
Cable Utility Tax - New 2017	12	1,000,000	500,000	262,899	-	(237,101)	(47.4) %
Cable Franchise Fee - Capital		66,200	33,100	33,353	33,238	253	0.8 %
Telephone Tax	10	1,451,800	754,000	711,186	767,726	(42,814)	(5.7) %
Garbage Tax (external)	10	120,000	60,000	63,427	61,778	3,427	5.7 %
Leasehold Excise Tax		40,000	23,200	174,508	179,245	151,308	652.2 %
Gambling Excise Tax		300,300	150,200	175,858	309,615	25,658	17.1 %
<b>Taxes sub-total</b>		<b>\$ 52,245,600</b>	<b>\$ 26,806,200</b>	<b>\$ 27,091,221</b>	<b>\$ 25,222,768</b>	<b>\$ 285,021</b>	<b>1.1 %</b>
Business License Fees	12-13	\$ 222,100	\$ 100,100	\$ 111,944	\$ 90,502	\$ 11,844	11.8 %
Building Permits	14	1,575,000	726,800	713,925	840,170	(12,875)	(1.8) %
Other Licenses & Permits		541,600	225,300	282,774	285,523	57,474	25.5 %
Intergovernmental (Grants, etc.)	15	6,123,910	3,043,883	3,046,274	2,648,748	2,390	0.1 %
Charges for Services:	16-19						
General Government Services	16	60,700	35,000	41,494	46,237	6,494	18.6 %
Public Safety	16	585,700	277,850	474,227	342,281	196,377	70.7 %
Development Services Fees	17	1,007,600	548,200	599,939	615,814	51,739	9.4 %
Culture and Recreation	18	2,319,680	1,245,000	1,229,849	1,251,074	(15,151)	(1.2) %
Fines and Penalties	19-20	876,100	448,900	443,925	449,907	(4,975)	(1.1) %
<b>Fees/Charges/Fines sub-total</b>		<b>\$ 13,312,390</b>	<b>\$ 6,651,033</b>	<b>\$ 6,944,351</b>	<b>\$ 6,570,256</b>	<b>\$ 293,318</b>	<b>4.4 %</b>
Interest and Investment Earnings	20-21	\$ 69,000	\$ 32,000	\$ 96,597	\$ 54,747	\$ 64,597	201.9 %
Rents and Leases	20-21	715,300	318,600	447,860	373,158	129,260	40.6 %
Contributions and Donations	20-21	35,000	15,800	20,545	11,818	4,745	30.0 %
Other Miscellaneous	20-21	227,500	118,100	123,142	160,111	5,042	4.3 %
Transfers In		84,000	76,500	76,500	99,000	0	0.0 %
Insurance Recoveries - Capital & Operating		25,000	12,495	20,086	37,572	7,591	60.8 %
<b>Other Revenues sub-total</b>		<b>\$ 1,155,800</b>	<b>\$ 573,495</b>	<b>\$ 784,730</b>	<b>\$ 736,406</b>	<b>\$ 211,235</b>	<b>36.8 %</b>
<b>Total Operating Revenues</b>		<b>\$ 66,713,790</b>	<b>\$ 34,030,728</b>	<b>\$ 34,820,302</b>	<b>\$ 32,529,429</b>	<b>\$ 789,574</b>	<b>2.3 %</b>
<b>Operating Expenditures</b>							
Council & Mayor		\$ 1,171,418	\$ 568,000	\$ 562,892	\$ 495,405	\$ 5,108	0.9 %
Administration		1,527,533	763,800	663,014	548,073	100,786	13.2 %
Community & Human Services		1,103,040	453,900	405,631	438,403	48,269	10.6 %
Municipal Court & Probation		2,502,954	459,977	336,192	314,914	123,785	26.9 %
Human Resources		1,409,871	678,100	647,849	612,047	30,251	4.5 %
Finance		1,500,893	761,400	739,290	589,442	22,110	2.9 %
City Attorney		2,279,653	1,114,400	972,793	937,549	141,607	12.7 %
Community Development		4,798,583	2,369,700	2,087,341	2,027,342	282,359	11.9 %
Jail - SCORE	4	3,953,150	1,976,575	1,581,197	2,009,736	395,378	20.0 %
Police		26,652,517	13,043,700	12,217,562	11,463,766	826,138	6.3 %
Public Works		3,547,418	1,813,500	1,330,320	1,518,788	483,180	26.6 %
Parks, Arts & Recreation		12,235,387	5,971,100	5,714,750	5,452,246	256,350	4.3 %
Streets		3,798,094	1,689,800	1,684,953	1,447,978	4,847	0.3 %
Non-Departmental		6,398,215	2,722,967	2,203,572	1,313,029	519,395	19.1 %
<b>Total Operating Expenditures</b>		<b>\$ 72,878,726</b>	<b>\$ 34,386,919</b>	<b>\$ 31,147,357</b>	<b>\$ 29,168,718</b>	<b>\$ 3,239,562</b>	<b>9.4 %</b>

**Executive Summary**

This Executive Summary provides an overview of the City's overall financial position for the fiscal period ending June 30, 2017, reflecting financial data available as of July 25, 2017.

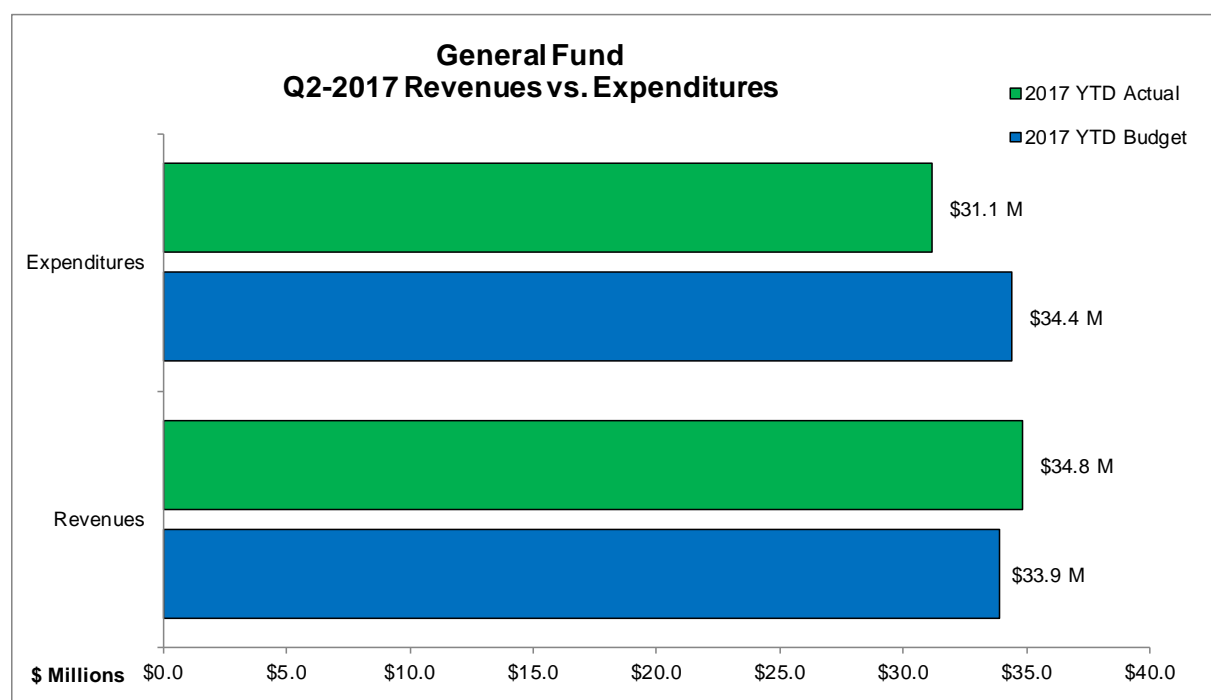
**General Fund:**

Through June 2017, General Fund revenues totaled \$34.8 million compared to a budget of \$34.0 million, and were \$790,000 (2.3%) higher than budget expectations. Some notable variances to budget year-to-date include:

- Property tax collections through Q2-2017 totaled \$11.0 million, which was 0.7% or \$71,000 above budget expectations and exceeded collections through Q2-2016 by \$1.5 million, or 16.0%. This year-over-year increase in property tax collections is attributable to an increase in assessed valuation and the use of banked capacity. **[page 6]**
- General Fund retail sales tax revenues totaled \$7.3 million, and exceeded collections through Q2-2016 by \$38,000, or 0.5%. The primary area of significant increase in sales activity compared to collections through Q2-2016 was in the automotive category; this was offset by reductions in the services category. **[pages 7-8]**
- The other taxes category performed favorably through Q2-2017, with revenues totaling \$6.8 million compared to a budget of \$6.6 million. City utility tax revenues exceeded budget by \$137,000, or 8.0%. Electric and natural gas revenues collected through June exceeded budget by \$121,000 and \$58,000 respectively. In addition, leasehold excise taxes collected were \$151,000 above budget due to a \$146,000 tax receipt for the Emerald Downs property, which is tribally owned. Through this reporting period, cable utility tax revenues were \$237,000 below budget, although this is just a timing issue where the Q2-2017 revenues associated with the cable utility tax (about \$265,000) were not received until July 2017. **[pages 9-12]**
- Building permit revenue collected through Q2-2017 totaled \$714,000 compared to a year-to-date budget of \$727,000. **[page 14]**
- Public safety revenues collected through Q2-2017 totaled \$474,000 compared to a budget of \$278,000. Revenues collected through the first half of 2017 were \$132,000 higher than what was collected through the first half of 2016. This increased revenue is due to additional contracted Police Officer extra duty security services (which are reimbursed by the hiring contractor) compared to the same period last year. **[page 16]**
- Development services fee revenues collected through June 2017 totaled \$600,000, and ended the quarter \$52,000, or 9.4%, higher than budget expectations. This was predominately due to higher than budgeted revenues collected year-to-date for plan check activity. **[page 17]**
- Rents and leases revenues ended the period \$129,000 higher than budget. This favorable variance is due to a combination of factors, including increased rentals of City-owned facilities such as the new Community and Events Center as well as increased deposits held for rentals. Also, effective in 2017, the City increased inventory of parking spaces, some of which were rented on a 12-month term. **[pages 20-21]**

General Fund expenditures through the first half of 2017 totaled \$31.1 million compared to a year-to-date budget of \$34.4 million, representing a 9.4% favorable variance. All of the General Fund departments operated within their allocated budget through June 2017. The year to date actuals for SCORE do not include the June payment of \$316,000, which was paid in August; this reduces the apparent favorable year to date variance from \$395,000 to \$79,000.

Year-to-date General Fund expenditures ended the period \$2.0 million, or 6.8% higher than expenditures through Q2-2016. Of the \$2.0 million increase compared to the first half of 2016, \$1.2 million is related to higher costs for salary and benefits. Several factors contributed to the increase in costs, including an increase in employee salaries due to COLA (cost of living allowance) and labor contracts with predefined COLAs; an increase in the cost of providing medical benefits to employees; and employee retirement payouts. The remaining year-over-year increase is primarily seen in interfund expenditures for fleet and IT, which have increased compared to 2016.



#### Street Funds:

The City's three street funds are special revenue funds where the revenue sources and expenditures are legally restricted. These funds are used for street capital construction projects, local street repair and arterial street repair and preservation projects. Through Q2-2017, **Arterial Street Fund** revenues totaled \$2.8 million as compared to collections of \$1.2 million through Q2-2016; expenditures totaled \$3.5 million as compared to expenditures of \$1.5 million through Q2-2016. **Local Street Fund** revenues exceeded budget expectations thus far this year by \$430,000, or 46.4%, due to higher than anticipated sales tax revenues from local construction projects; last year's collections through Q2 totaled \$1.2 million. Expenditures were \$210,000 as compared with \$276,000 through Q2-2016. Lastly, the **Arterial Street Preservation Fund** revenues totaled \$1.2 million as compared to \$1.1 million through Q2-2016, while expenditures totaled \$830,000 versus \$356,000 through this time last year. Historically, the majority of expenditures in all three street funds occur during the second half of the year when weather conditions are optimal for pavement construction. **[pages 24–29]**

Enterprise Funds:

The City's seven enterprise funds account for operations with revenues primarily provided from user fees, charges or contracts for services.

At the end of Q2-2017, the **Water Fund** experienced operating income before depreciation of \$2.4 million compared to \$2.1 million in Q2-2016. This variance is largely due to lower expenditures in 2017 compared to 2016, during which the City purchased water from the City of Tacoma. The **Sewer Fund** ended the quarter with operating income before depreciation of \$1.3 million versus \$1.2 million in Q2-2016. The **Sewer-Metro Fund** operating expenditures exceeded revenues by \$165,000 as compared to \$192,000 in Q2-2016. This is generally a byproduct of King County's billing process, which uses statistics averaged over prior periods to determine charges to the City; operating revenues were \$440,000 higher than Q2-2016 and in line with budget predictions. Lastly, the **Stormwater Fund** ended the quarter with operating income before depreciation of \$1.7 million compared to \$1.5 million through Q2-2016. **[pages 31–32]**

Internal Service Funds:

Internal service funds provide services to other City departments and include functions such as Insurance, Worker's Compensation, Facilities, Innovation and Technology, and Equipment Rental. All funds have sufficient revenues to cover year-end expenditures. **[page 33]**

Investment Portfolio:

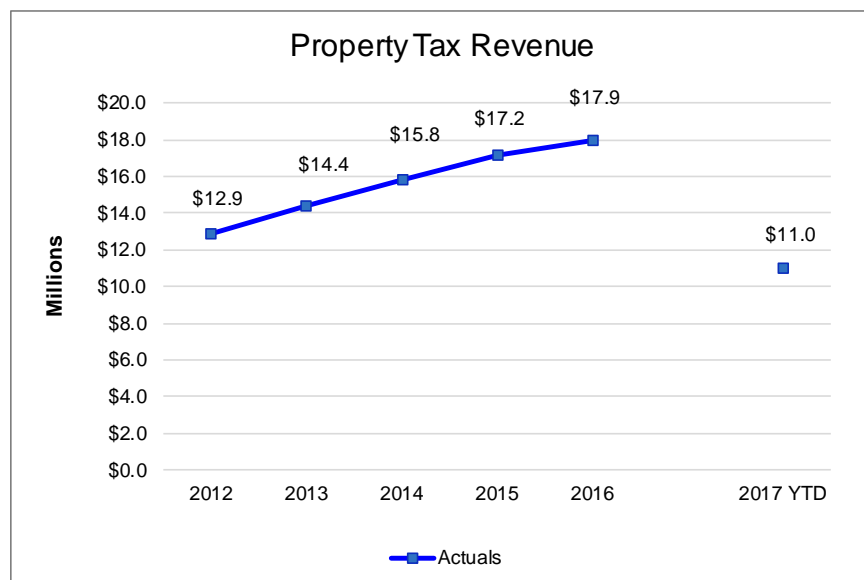
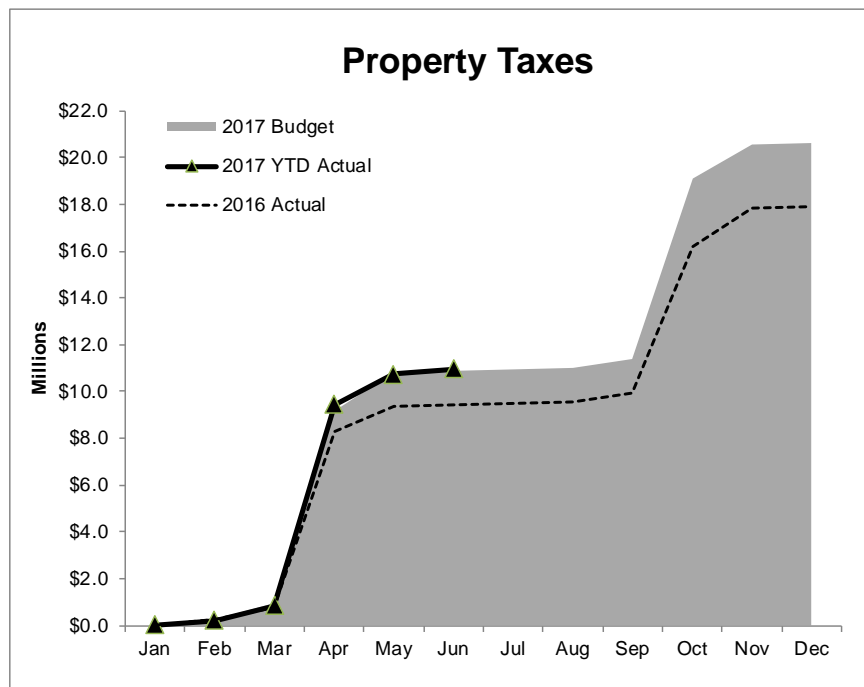
The City's total cash and investments at the end of the second quarter of 2017 totaled \$135.8 million, compared to \$127.5 million at the end of the first quarter of 2017. **[attachment]**

## General Fund

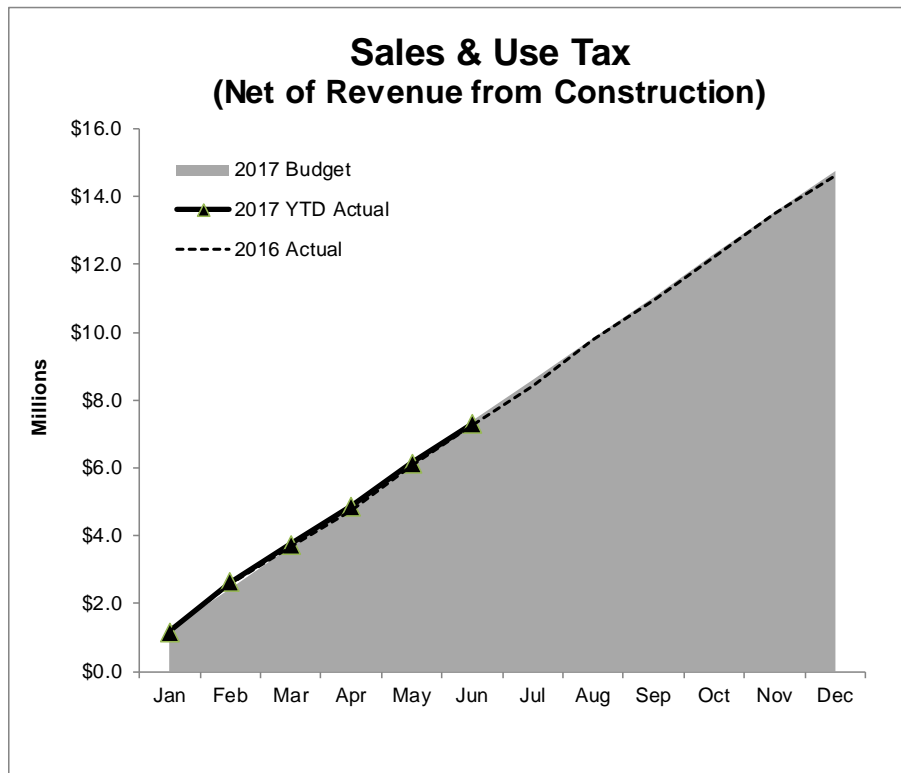
### Revenues

The combined total of property, sales/use, utility, gambling, and admissions taxes provides approximately 80% of all resources supporting general governmental activities. The following section provides additional information on these sources.

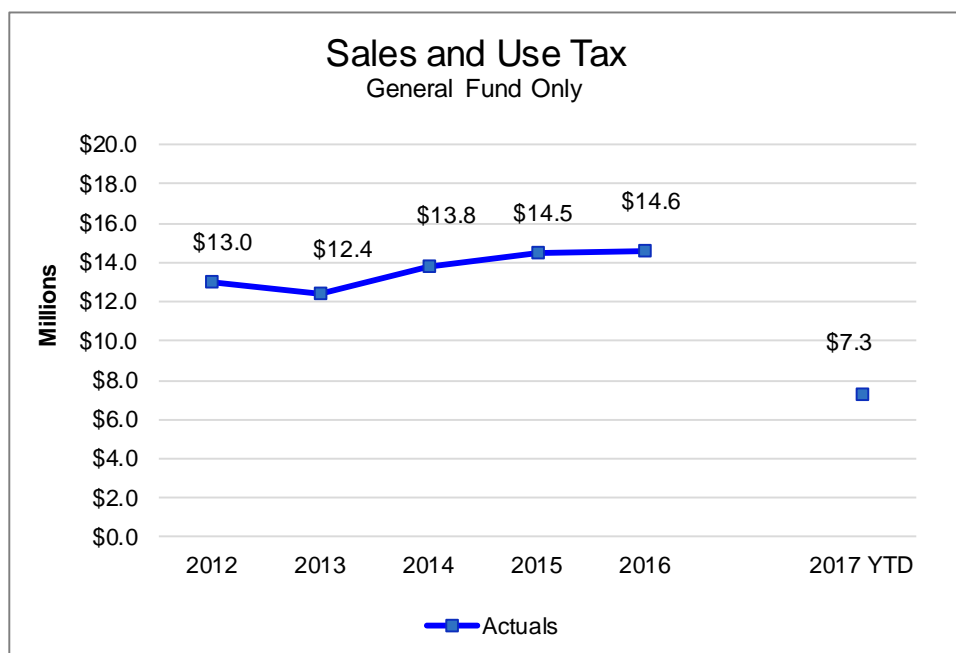
**Property Tax** collections through Q2-2017 totaled \$11.0 million, which is 0.7% or \$71,000 above budget expectations. Property tax collections through Q2-2017 exceeded amounts through the same period last year by \$1.5 million, or 16.0%. This year-over-year increase is attributable to an increase in assessed valuation and the use of banked capacity. The majority of property taxes are collected during the months of April and October, coinciding with the due dates for the County property tax billings.



**Sales tax** collections through Q2-2017 totaled \$8.5 million, of which \$7.3 million was distributed to the General Fund and \$1.2 million was distributed to the Local Street Fund (SOS) program.\* Total sales tax revenue distributions to the General Fund through Q2-2017 exceeded collections through Q2-2016 by \$38,000, or 0.5%.



\* Beginning in 2013, Local Street Fund (Fund 103) street repairs have been funded from sales taxes on construction. The total amount transferred through Q2-2017 was \$1,196,893. The graphic above presents sales taxes under the current policy.



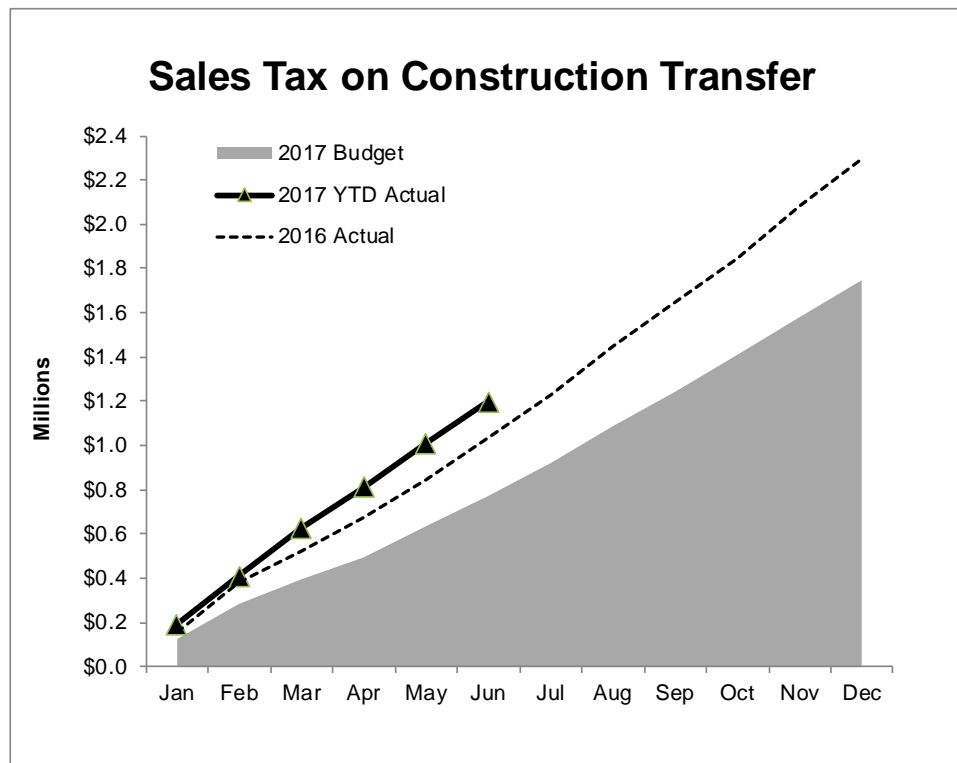


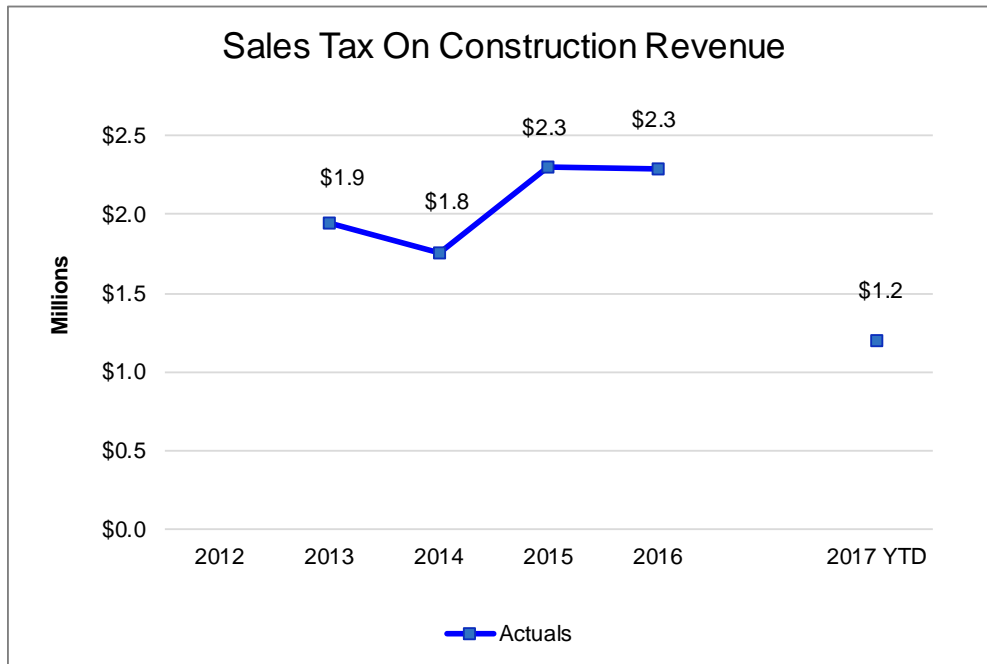
The following table breaks out the City's base sales taxes, excluding Criminal Justice and Annexation Credit Sales Tax, by major business sector.

Comparison of Sales Tax Collections by SIC Group				
Through June				
Component Group	2016 Actual	2017 Actual	Change from 2016	
			Amount	Percentage
Construction	\$ 1,033,228	\$ 1,196,893	\$ 163,665	15.8 %
Manufacturing	419,006	374,489	(44,517)	(10.6) %
Transportation & Warehousing	46,904	47,245	341	0.7 %
Wholesale Trade	603,496	641,660	38,164	6.3 %
Automotive	1,780,400	1,899,945	119,545	6.7 %
Retail Trade	2,436,545	2,426,714	(9,831)	(0.4) %
Services	1,993,662	1,866,349	(127,314)	(6.4) %
Miscellaneous	(21,614)	39,785	61,399	(284.1) %
YTD Total	\$ 8,291,628	\$ 8,493,080	\$ 201,452	2.4 %

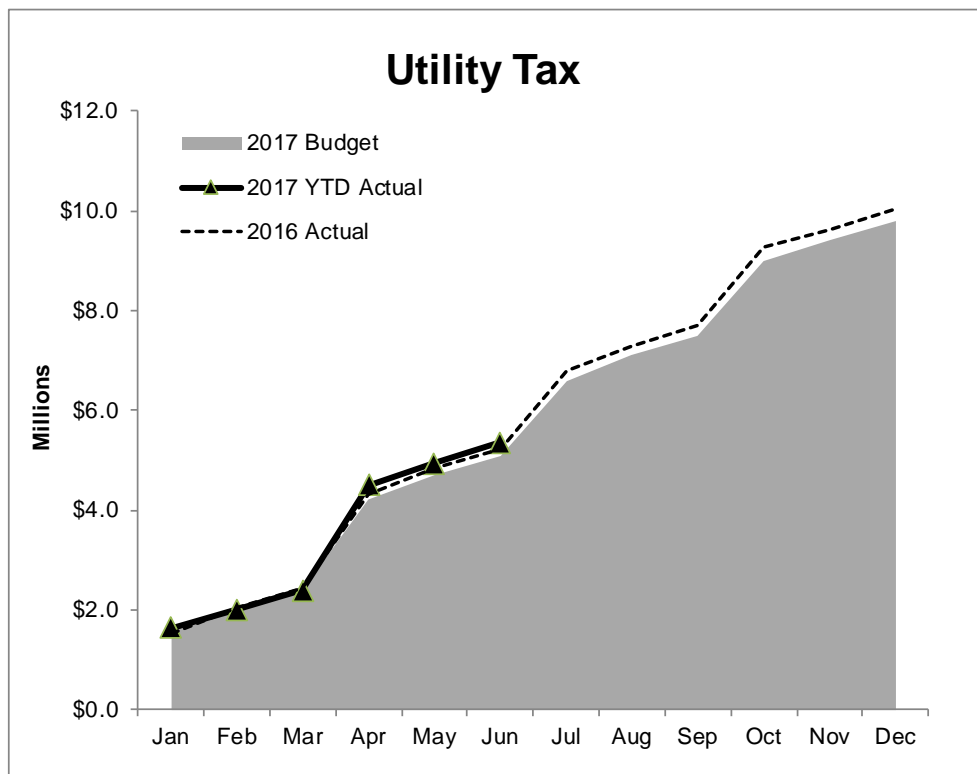
Total sales tax revenue collected in Q2-2017 exceeded prior year collections by \$201,000, or 2.4%. The business sector showing the largest increase in General Fund revenues compared to last year was in the construction and automotive categories.

Sales tax revenue on construction, which is transferred to the Local Street Fund (Fund 103) for local street repair and maintenance, totaled \$1,196,893, which is \$164,000 more than what was collected through Q2-2016 and is \$423,000 higher than budget.



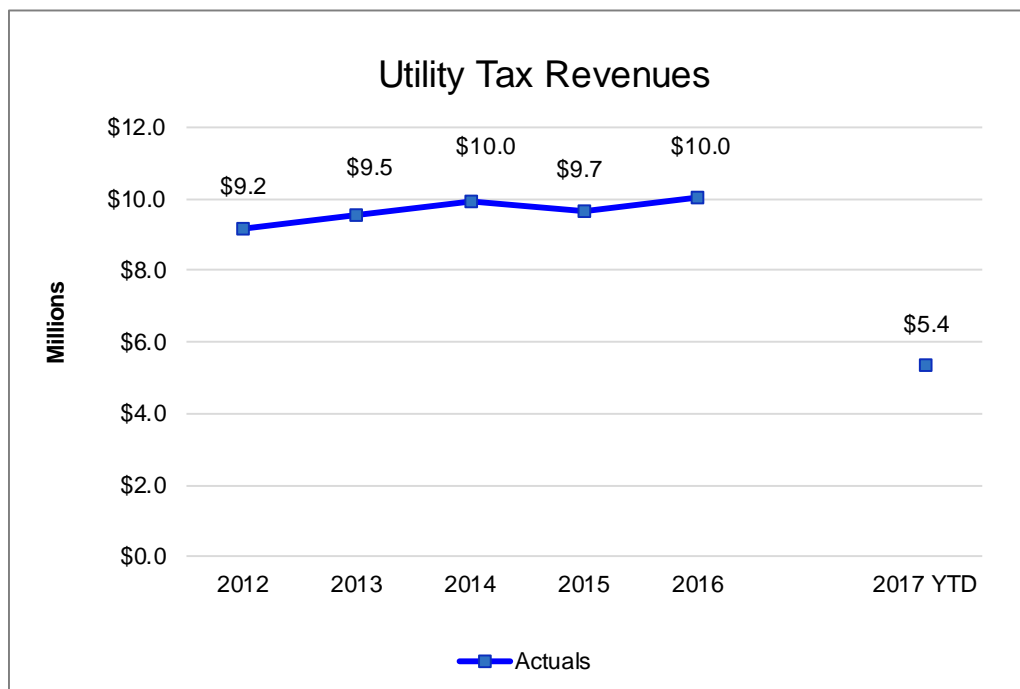


**Utility Taxes** consist of interfund taxes on City utilities (Water, Sewer, Storm and Solid Waste) and taxes on external utilities (Electric, Natural Gas, Telephone and Solid Waste). Utility taxes collected through Q2-2017 totaled \$5.4 million and exceeded year-to-date budget by \$276,000, or 5.4%. Some utilities, such as Water, have cyclical revenue streams due mainly to weather; this results in cyclical receipts of the associated utility taxes.

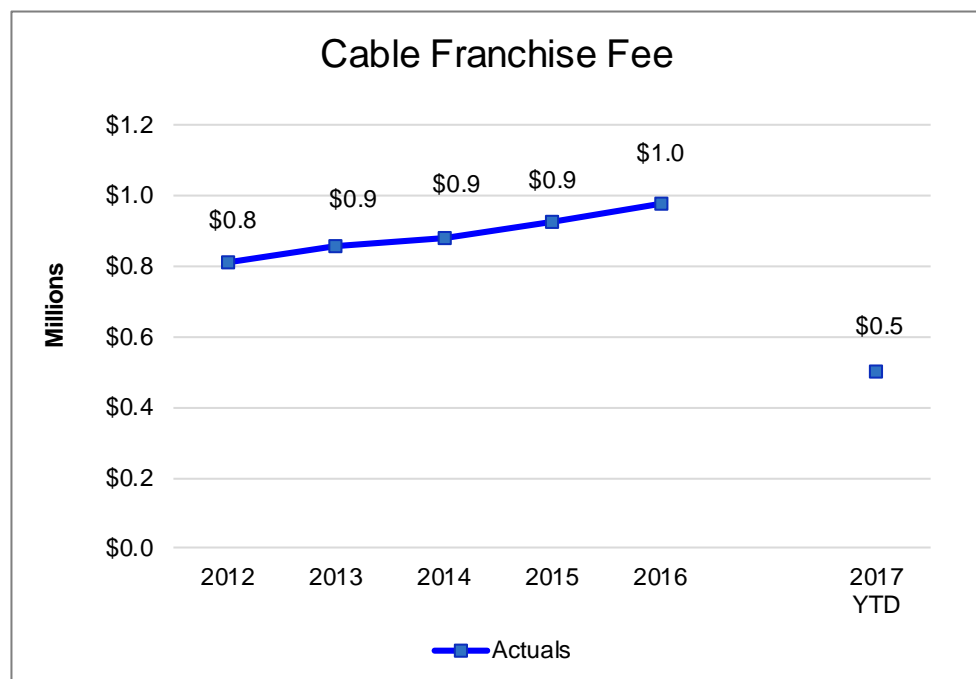
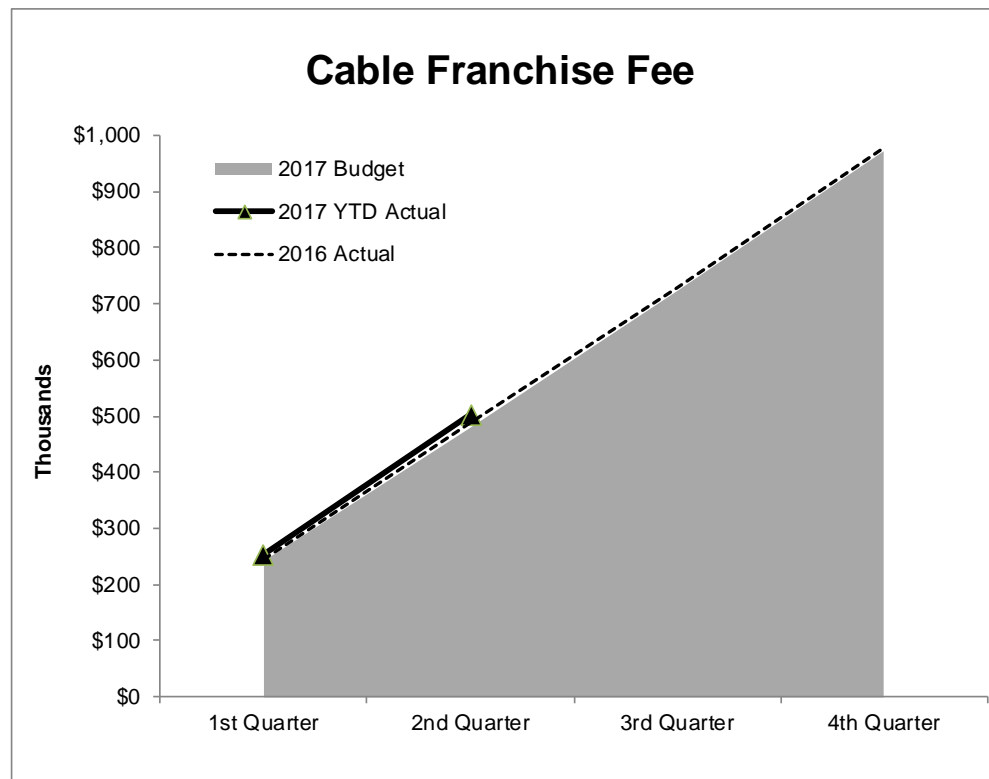


Favorable variances in City interfund utility tax, electric tax, natural gas, and solid waste tax revenues offset lower than expected collections for telecommunications.

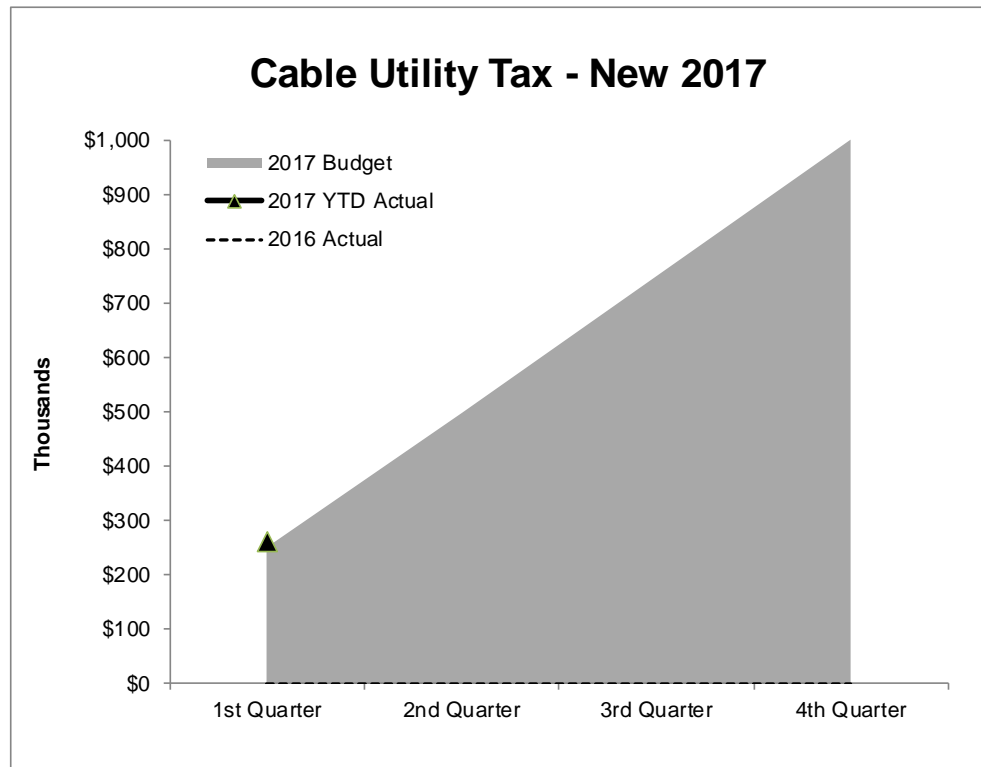
Utility Tax by Type Through June 2017							
Utility Tax Type	2016 YTD Actual	2017 YTD Budget	2017 YTD Actual	2017 vs. 2016 Actual		2017 vs. Budget	
				Amount	Percentage	Amount	Percentage
City Interfund Utility Taxes	\$ 1,838,188	\$ 1,718,300	\$ 1,855,464	\$ 17,276	0.9 %	\$ 137,164	8.0 %
Electric	1,915,419	1,877,500	1,998,132	82,713	4.3 %	120,632	6.4 %
Natural Gas	644,107	669,300	727,262	83,155	12.9 %	57,962	8.7 %
Telephone	767,726	754,000	711,186	(56,540)	(7.4) %	(42,814)	(5.7) %
Solid Waste (external)	61,778	60,000	63,427	1,650	2.7 %	3,427	5.7 %
YTD Total	\$ 5,227,218	\$ 5,079,100	\$ 5,355,471	\$ 128,254	2.5 %	\$ 276,371	5.4 %



**Cable Franchise Fees**, which are collected quarterly, totaled \$502,000 and exceeded budget by \$21,000, or 4.4%.

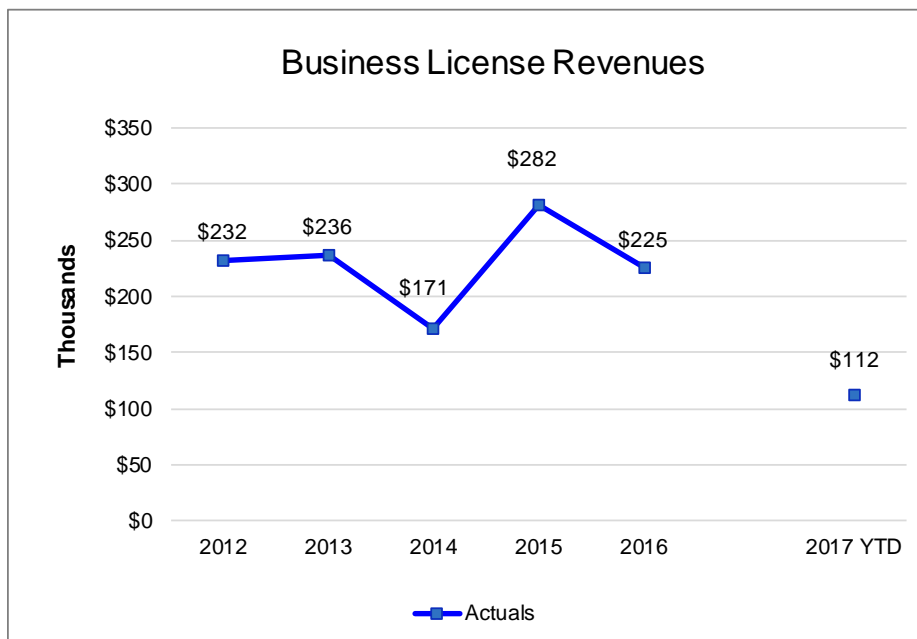
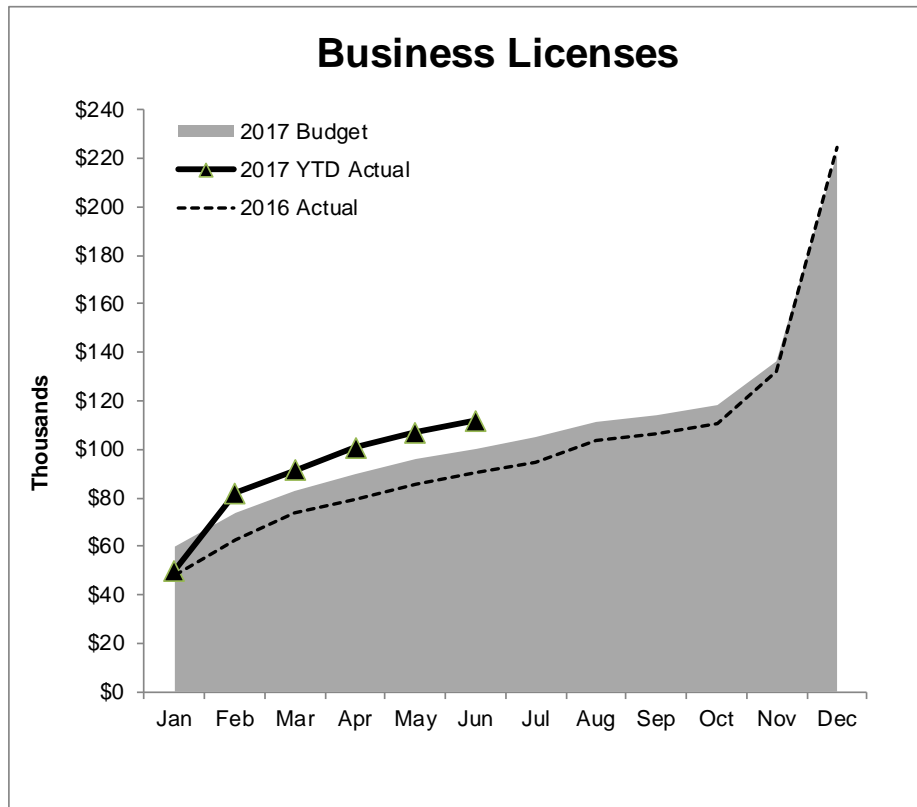


**Cable Utility Tax (New in 2017).** In September 2016, City Council approved Ordinance No. 6620, which increased the Cable Utility Tax from 1.0% to 6.0%, with the entirety of the new tax amount benefitting the General Fund. This tax became effective on January 1, 2017 and is collected quarterly. Although this revenue stream appears to be unfavorable to budget through Q2-2017, this is just a timing issue whereas the revenues for April through June 2017 (approximately \$265,000) were collected in July 2017. Both the Q1 and Q2 distributions, totaling \$528,000, exceeded the budget expectation of \$250,000 per quarter.



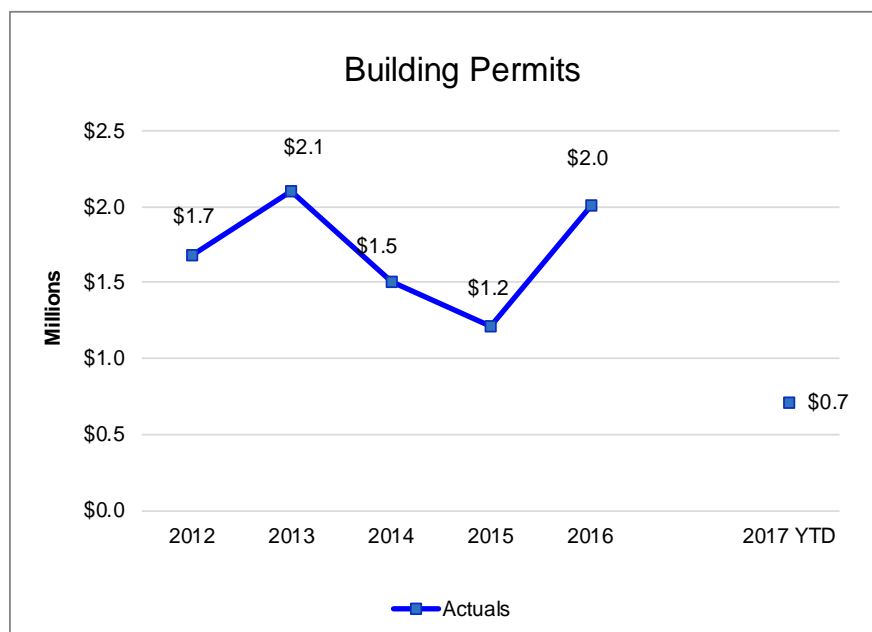
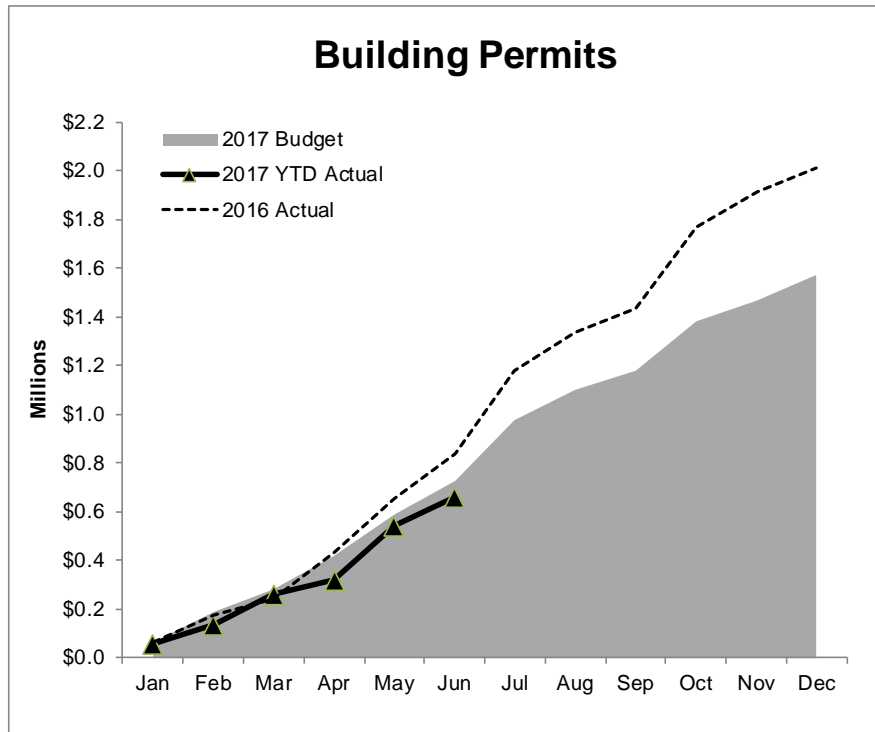
**Licenses and Permits** include business licenses, building permits, plumbing, electric and other licenses and permit fees. Building permit fees and business licenses make up about 70% of the annual budgeted revenue in this category.

Business license revenues collected through June 2017 totaled \$112,000, compared to a budget of \$100,000. The first graphic on the following page reflects the timing of payments by business owners, where the majority of business license payments are typically collected during the first two months of the year and the last month of the year.



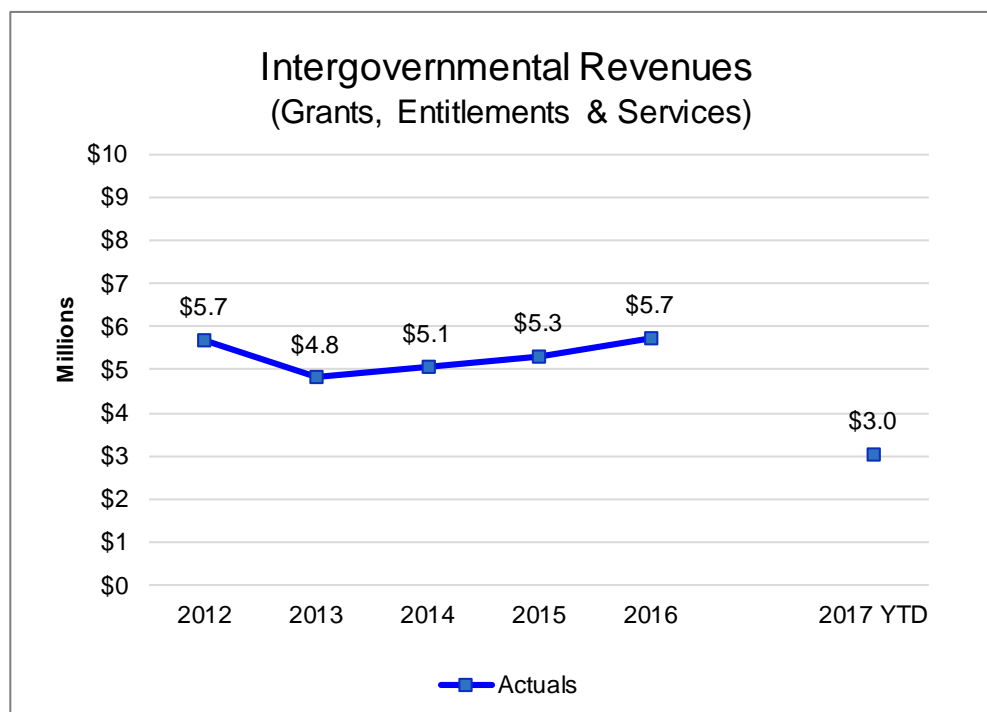
Building permit revenues collected through June totaled \$714,000, compared to a year-to-date budget of \$727,000. Through Q2-2017, a total of 398 building permits were issued compared to 436 building permits issued through Q2-2016.

Major projects contributing to the revenues this quarter include building permits for Boeing, tenant improvements at the Outlet Collection for the new Dave and Buster's restaurant, and numerous single family housing permits - most notably in Canyon Creek, Calla Crest, Wyncrest and Hazelview. Of the \$400,000 in building permit revenues collected in Q2-2017, 34% was attributable to commercial projects in the City and the remaining 66% was predominately single family housing permits.



**Intergovernmental revenues** include grants (direct and indirect Federal, state and local), compact revenue from the Muckleshoot Indian Tribe (MIT), intergovernmental service revenues, and state shared revenues. Collections through Q2-2017 totaled \$3.0 million and were \$2,000, or 0.1% higher than budget. Favorable variances in Criminal Justice High Crime revenues and Muckleshoot Casino Service reimbursement are offset by the reduced Federal grant revenues received year-to-date. Federal grant reimbursements to date are significantly lower than budget expectations primarily due to delayed hiring of the Police Officers who are to be partially funded by the Federal COPS grant.

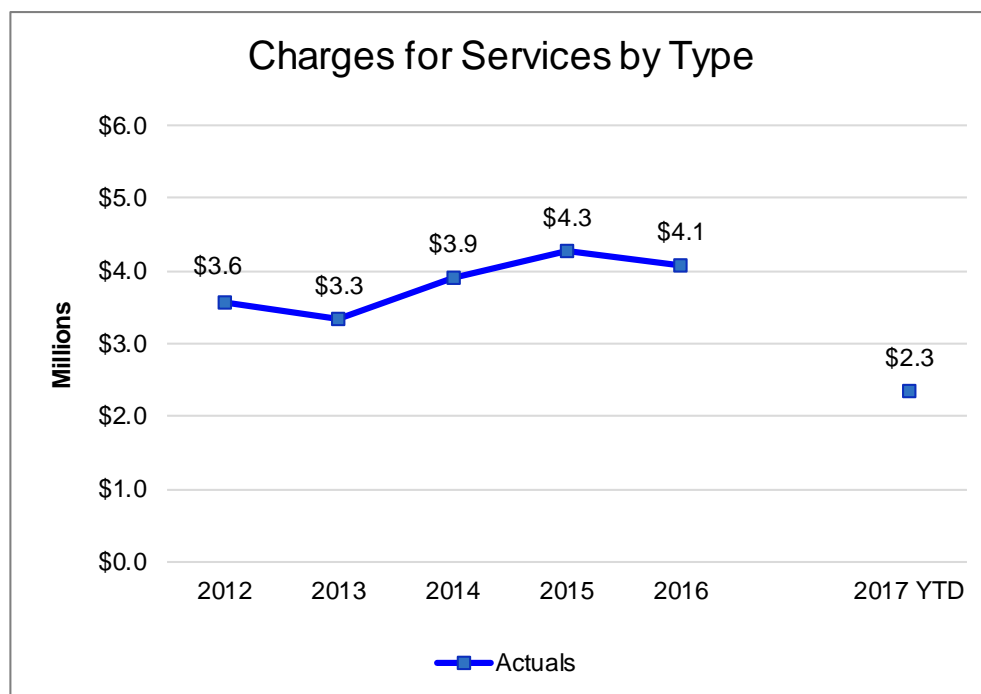
Intergovernmental Revenues (Grants, Entitlements & Services)							
Through June 2017							
Revenue	2016	2017	2017	2017 vs. 2016 Actual		2017 vs. Budget	
	YTD Actual	YTD Budget	YTD Actual	Amount	% Change	Amount	% Change
Federal Grants	\$ 95,083	\$ 175,900	\$ 72,562	\$ (22,521)	(23.7) %	\$ (103,338)	(58.7) %
State Grants	80,896	87,900	70,234	(10,662)	(13.2) %	(17,666)	(20.1) %
Interlocal Grants	2,500	65,000	65,000	62,500	0.0 %	0	0.0 %
Muckleshoot Casino Services	324,419	331,333	399,837	75,418	23.2 %	68,504	20.7 %
Intergovernmental Service	0	0	0	0	N/A %	0	N/A %
State Shared Revenues:							
Streamlined Sales Tax	962,037	953,850	952,157	(9,880)	(1.0) %	(1,693)	(0.2) %
Motor Vehicle Fuel Tax	538,381	579,800	533,050	(5,331)	(1.0) %	(46,750)	(8.1) %
Criminal Justice - High Crime	0	192,000	286,498	286,498	N/A %	94,498	49.2 %
Criminal Justice - Population	10,151	11,800	10,658	507	5.0 %	(1,142)	(9.7) %
Criminal Justice - Special Prog.	37,115	39,200	38,776	1,661	4.5 %	(424)	(1.1) %
Marijuana Enforcement	9,757	17,000	19,665	9,908	101.6 %	2,665	15.7 %
State DUI	5,907	6,000	5,877	(31)	(0.5) %	(123)	(2.1) %
Fire Insurance Tax	76,569	75,000	78,078	1,509	N/A %	3,078	4.1 %
Liquor Excise	180,280	183,600	188,473	8,194	4.5 %	4,873	2.7 %
Liquor Profit	325,653	325,500	325,408	(245)	(0.1) %	(92)	(0.0) %
Total State Shared:	2,145,849	2,383,750	2,438,640	292,790	13.6 %	54,890	2.3 %
YTD Total	\$ 2,648,748	\$ 3,043,883	\$ 3,046,274	\$ 397,526	15.0 %	\$ 2,390	0.1 %





**Charges for Services** consist of general governmental service charges, public safety charges, development service fees, and cultural & recreation fees. Overall, charges for services collected through June 2017 totaled \$2.3 million compared to a budget of \$2.1 million, representing a favorable variance of \$239,000, or 11.4%.

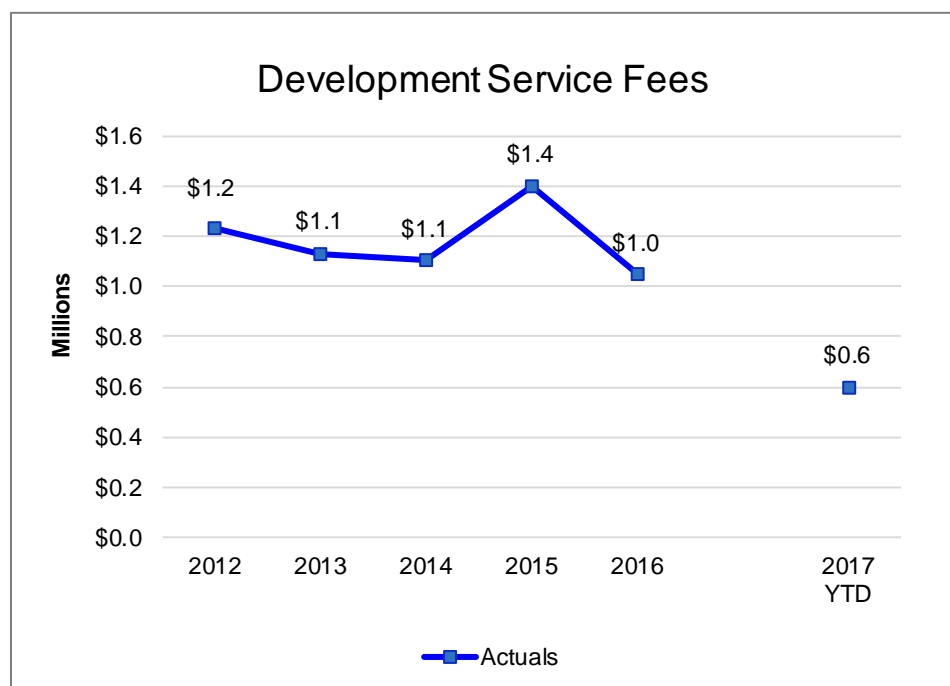
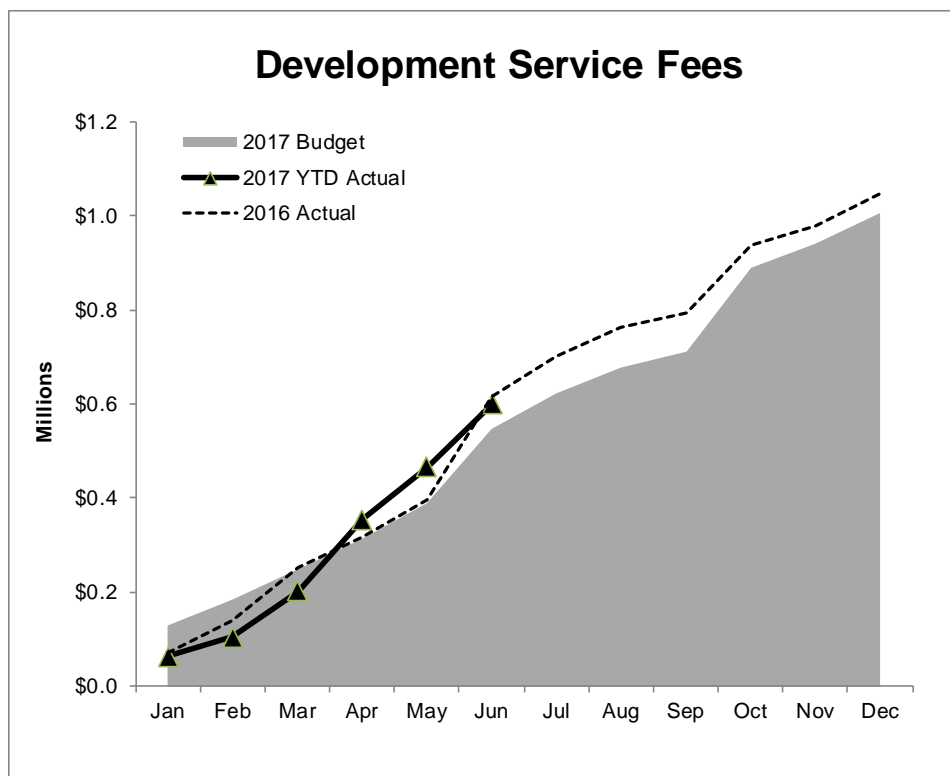
Charges for Services by Type Through June 2017							
Revenue	2016 YTD Actual	2017 YTD Budget	2017 YTD Actual	2017 vs. 2016 Actual		2017 vs. Budget	
				Amount	Percentage	Amount	Percentage
General Government	\$ 46,237	\$ 35,000	\$ 41,494	\$ (4,743)	(10.3) %	\$ 6,494	18.6 %
Public Safety	342,281	277,850	474,227	131,946	38.5 %	196,377	70.7 %
Development Services	615,814	548,200	599,939	(15,875)	(2.6) %	51,739	9.4 %
Culture & Recreation	1,251,074	1,245,000	1,229,849	(21,224)	(1.7) %	(15,151)	(1.2) %
YTD Total	\$ 2,255,406	\$ 2,106,050	\$ 2,345,509	\$ 90,103	4.0 %	\$ 239,459	11.4 %



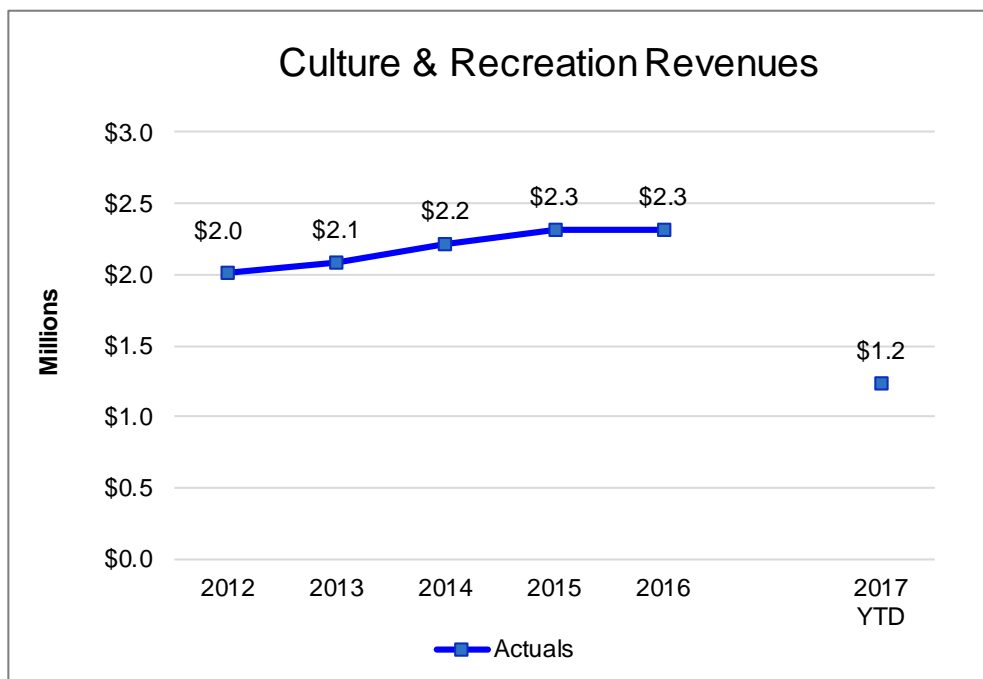
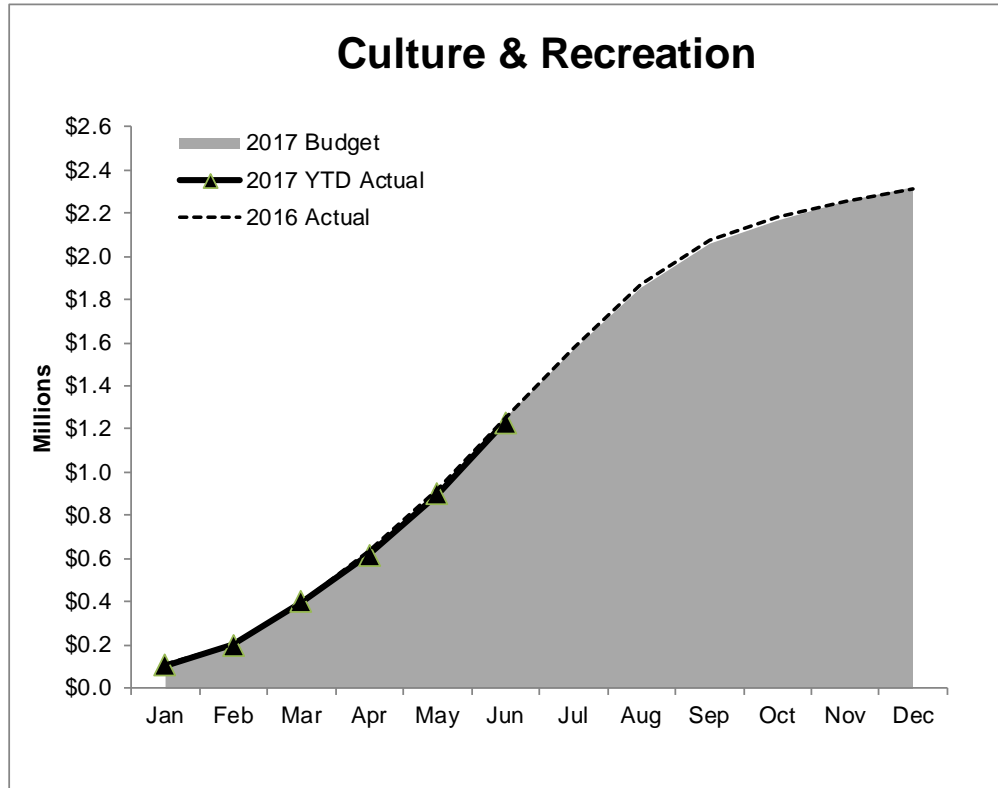
General governmental revenues collected through June 2017 totaled \$41,000, compared to a budget of \$35,000.

Public safety revenues consist of revenues generated for Police Officer extra duty overtime, where officers are contracted for services and reimbursement is made by the hiring contractor. This also includes revenues generated for reimbursement from the Muckleshoot Indian Tribe (MIT) for a full-time dedicated Police Officer and associated expenditures. Public safety revenues collected through Q2-2017 totaled \$474,000 compared to a budget of \$278,000. Revenues collected through the first half of 2017 were \$132,000 higher than what was collected through Q2-2016 predominately due to additional contracted Police Officer extra duty security services (which are reimbursed by the hiring contractor) compared to the same period last year.

Development services fee collections, which primarily consist of plan check fees, totaled \$600,000 and ended the quarter \$52,000, or 9.4%, higher than budget expectations. Plan check revenues collected through Q2-2017 totaled \$464,000 as compared with \$453,000 collected the same period last year. Plan check revenues collected in Q2-2017 were primarily from commercial projects, including a large distribution center on 287<sup>th</sup> Street, Multicare tenant improvements, and Boeing. In addition, several single family housing plans were reviewed – most notably in the Calla Crest and Hazelview housing developments.

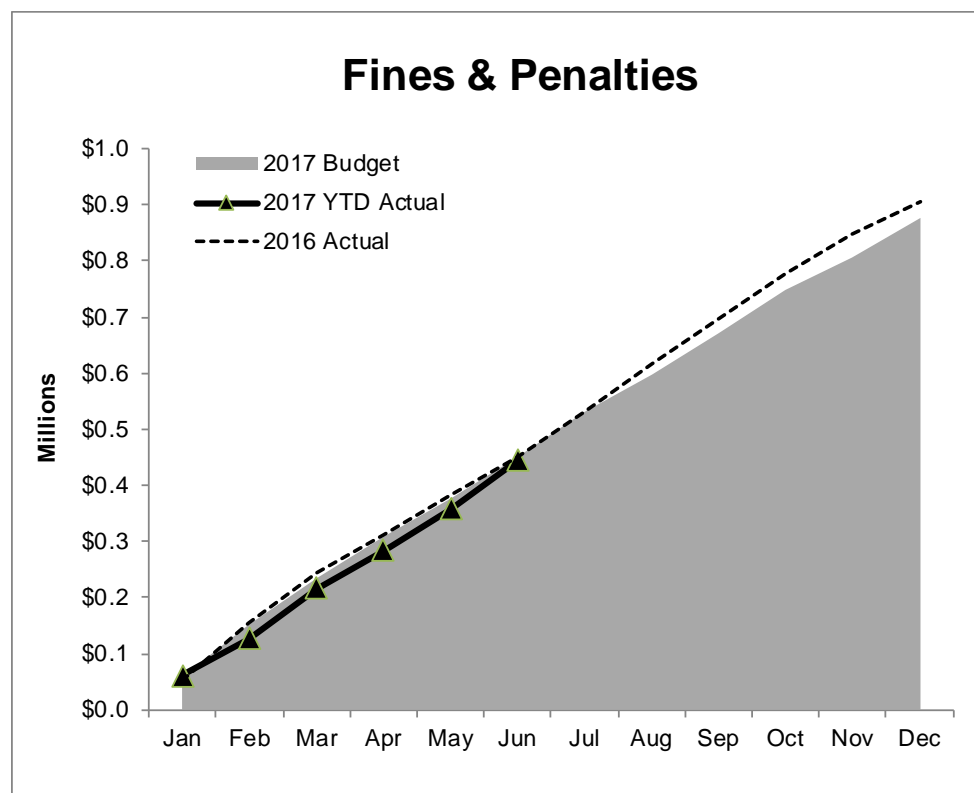


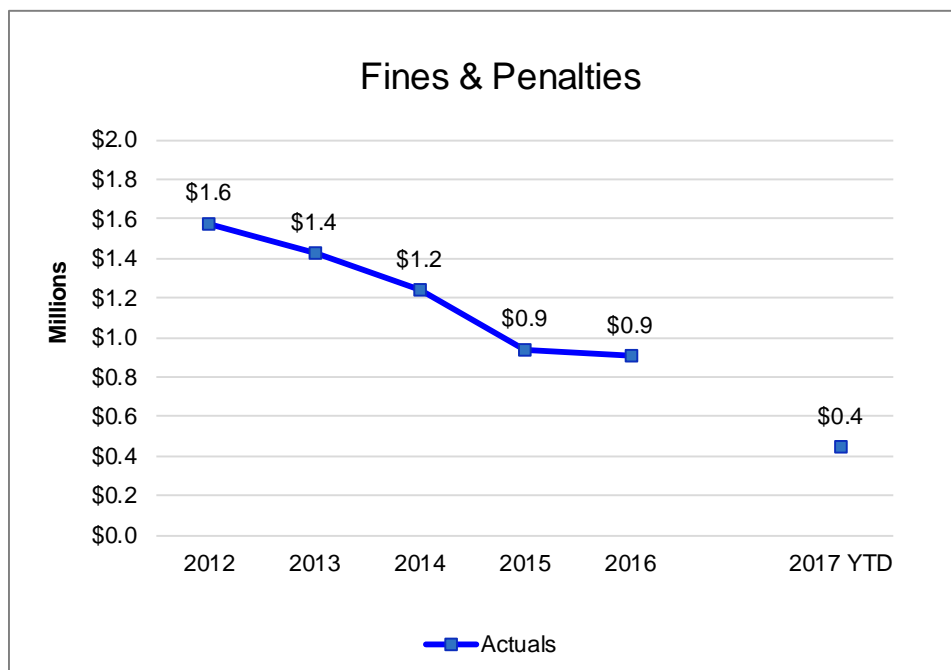
Culture and recreation revenues collected through Q2-2017 totaled \$1.2 million, and are \$15,000 (or 1.2%) below budget expectations. The majority of these revenues are derived from greens fees and pro shop sales at the Auburn Golf Course, recreational classes, athletic league fees, and special events.



**Fines & Penalties** include traffic and parking infraction penalties, criminal fines (including criminal traffic, criminal non traffic and other criminal offenses) as well as non-court fines such as false alarm fines. Total revenues collected through Q2-2017 totaled \$444,000 and were \$5,000, or 1.1%, less than budget.

Fines & Penalties by Type Through June 2017							
Month	2016 YTD Actual	2017 YTD Budget	2017 YTD Actual	2017 vs. 2016 Actual		2017 vs. Budget	
				Amount	Percentage	Amount	Percentage
Civil Penalties	\$ 5,151	\$ 6,200	\$ 4,578	\$ (573)	(11.1) %	\$ (1,622)	(26.2) %
Civil Infraction Penalties	235,442	246,600	253,216	17,774	7.5 %	6,616	2.7 %
Redflex Photo Enforcement	10,849	0	6,063	(4,786)	(44.1) %	6,063	N/A %
Parking Infractions	70,624	74,000	74,384	3,760	5.3 %	384	0.5 %
Criminal Traffic Misdemeanor	24,757	23,200	28,366	3,609	14.6 %	5,166	22.3 %
Criminal Non-Traffic Fines	22,156	21,000	13,824	(8,332)	(37.6) %	(7,176)	(34.2) %
Criminal Costs	29,751	22,400	25,204	(4,547)	(15.3) %	2,804	12.5 %
Non-Court Fines & Penalties	51,178	55,500	38,292	(12,886)	(25.2) %	(17,208)	(31.0) %
YTD Total	\$ 449,907	\$ 448,900	\$ 443,925	\$ (5,981)	(1.3) %	\$ (4,975)	(1.1) %

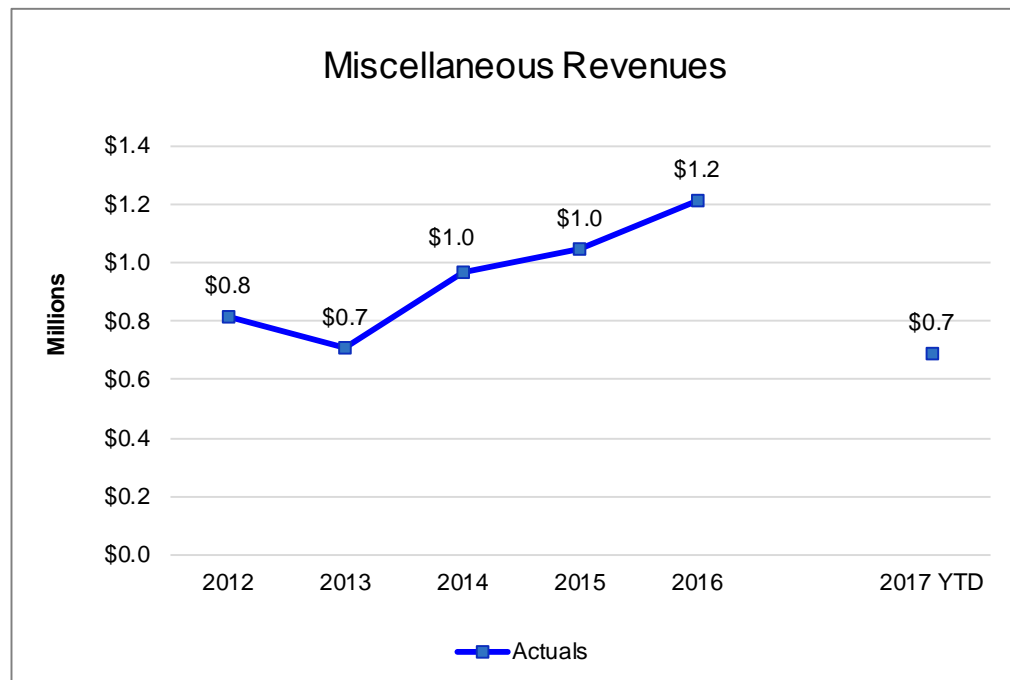




**Miscellaneous revenues** consist of investment earnings, income from facility rentals, contributions & donations, and other miscellaneous income including the quarterly purchasing card (P-card) rebate monies. Total revenues collected in this category through Q2-2017 totaled \$688,000 and exceeded budget expectations by \$204,000.

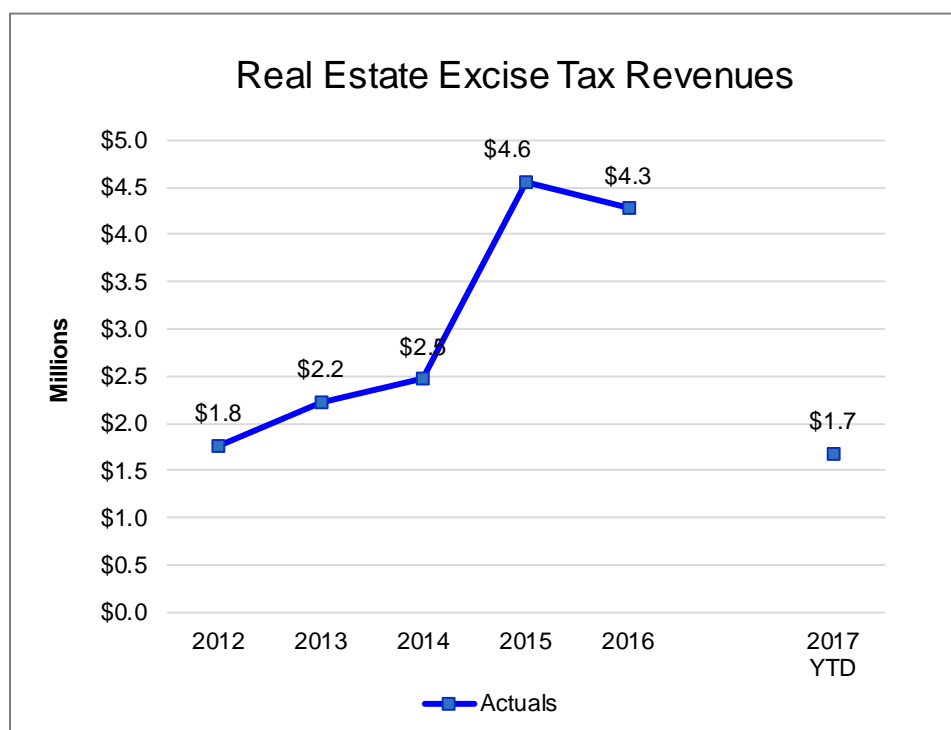
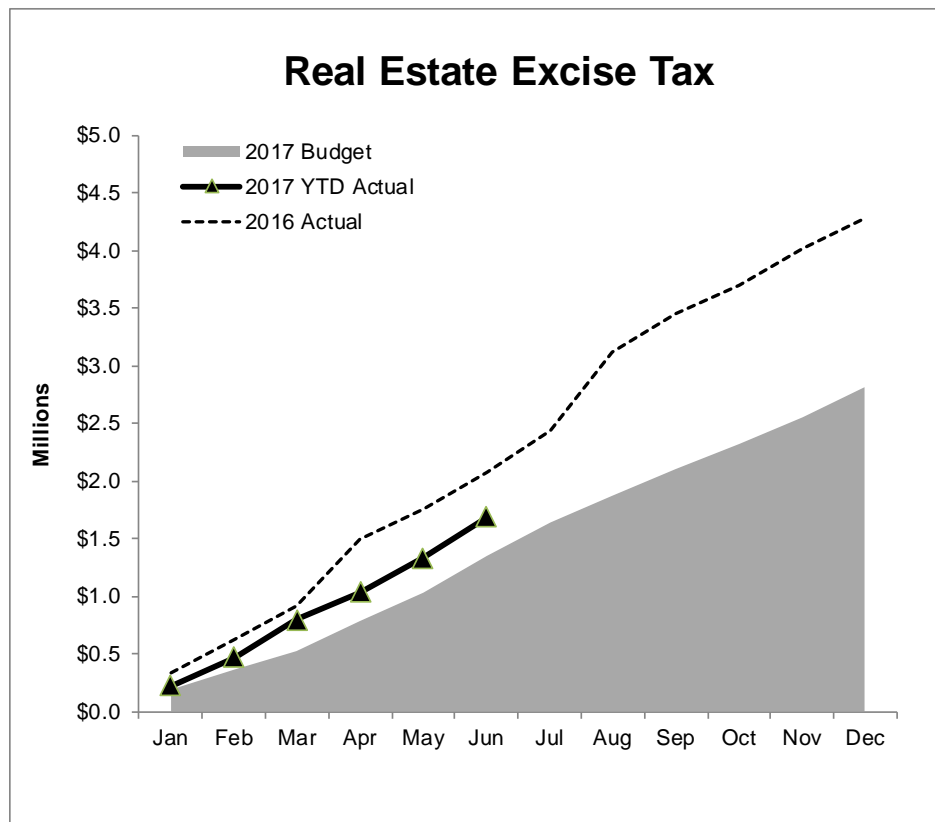
Rents and leases revenue through June 2017 totaled \$448,000 compared to prior year actuals of \$373,000. The majority of the year-over-year increase was seen in miscellaneous parks unearned revenue. Due to an increase in facility rentals, the miscellaneous parks unearned revenue (deposits) through Q2-2017 increased by \$52,000 compared to collections through Q2-2016. In addition, facilities rental revenue realized a \$28,000 year-over-year increase due primarily to the opening of the new Community and Events Center. Lastly, because additional inventory of parking spaces were added in 2017, parking revenues collected year-to-date through June increased by \$12,000 compared to collections through June 2016.

Miscellaneous Revenues by Type Through June 2017							
Month	2016 YTD Actual	2017 YTD Budget	2017 YTD Actual	2017 vs. 2016		2017 vs. Budget	
				Amount	Percentage	Amount	Percentage
Interest & Investments	\$ 54,747	\$ 32,000	\$ 96,597	\$ 41,850	76.4 %	\$ 64,597	201.9 %
Rents & Leases	373,158	318,600	447,860	74,702	20.0 %	129,260	40.6 %
Contributions & Donations	11,818	15,800	20,545	8,727	73.8 %	4,745	30.0 %
Other Miscellaneous Revenue	160,111	118,100	123,142	(36,969)	(23.1) %	5,042	4.3 %
YTD Total	\$ 599,833	\$ 484,500	\$ 688,144	\$ 88,310	14.7 %	\$ 203,644	42.0 %



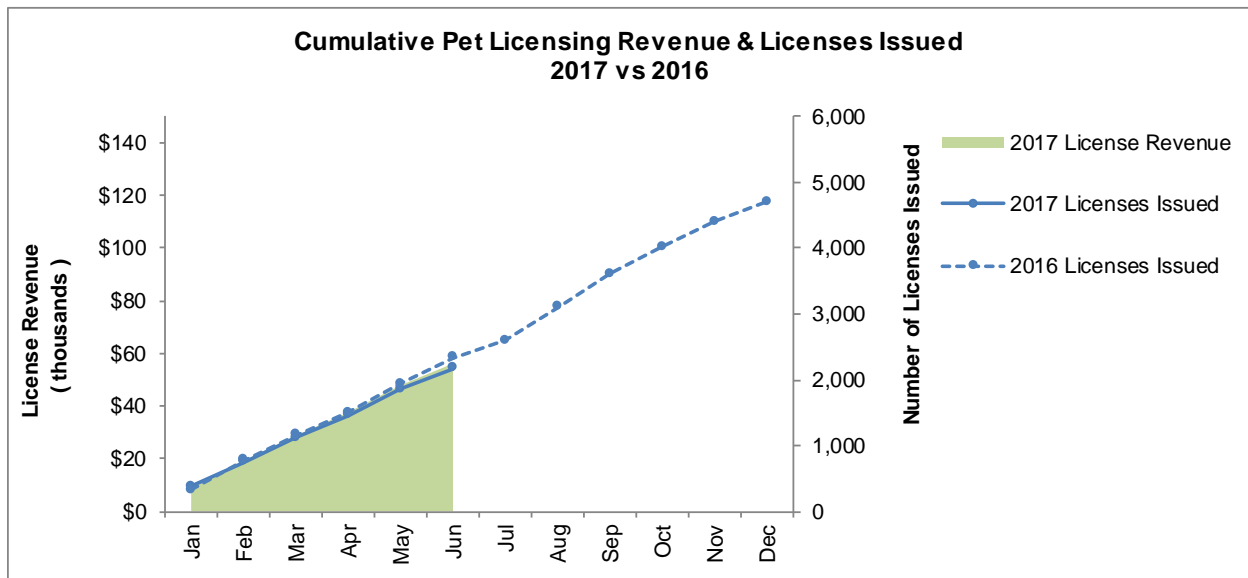
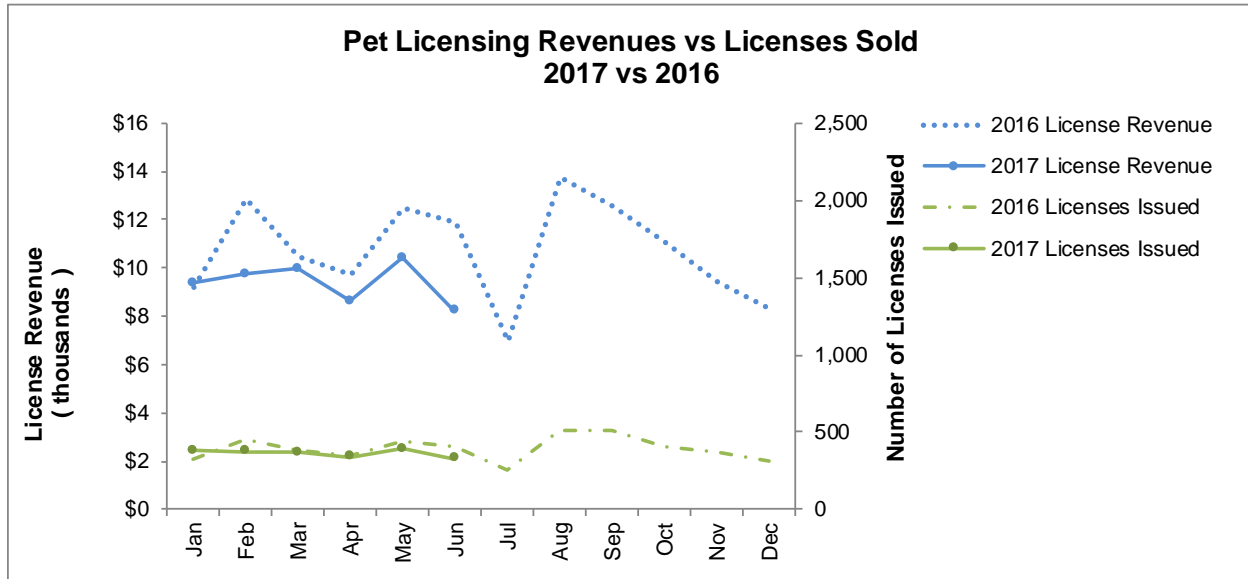
**Real Estate Excise Tax (REET)** revenue is receipted into the Capital Improvement Projects Fund and is used for governmental capital projects. REET revenues collected through Q2-2017 totaled \$1.7 million, and exceeds budget expectations by \$337,000. Real estate sales in the City of Auburn in Q2-2017 represent the sale of both commercial properties and numerous single family residences. The commercial sales include the sale of a hotel, vacant land, retail buildings and a warehouse building.

Real Estate Excise Tax Revenues							
June 2017							
Month	2016 Actual	2017 Budget	2017 Actual	2017 vs. 2016		2017 vs. Budget	
				Amount	Percentage	Amount	Percentage
Jan	\$ 339,594	\$ 192,600	\$ 224,044	\$ (115,550)	(34.0) %	\$ 31,444	16.3 %
Feb	286,943	166,800	249,683	(37,261)	(13.0) %	82,883	49.7 %
Mar	293,361	170,800	326,044	32,683	11.1 %	155,244	90.9 %
Apr	574,925	254,200	234,480	(340,445)	(59.2) %	(19,720)	(7.8) %
May	255,078	249,000	299,251	44,173	17.3 %	50,251	20.2 %
Jun	329,081	317,200	353,807	24,727	7.5 %	36,607	11.5 %
Jul	360,857						
Aug	673,012						
Sep	338,340						
Oct	249,714						
Nov	321,895						
Dec	262,543						
YTD Total	\$ 2,078,982	\$ 1,350,600	\$ 1,687,310	\$ (391,673)	(18.8) %	\$ 336,710	24.9 %
Annual Total	\$ 4,285,344	\$ 2,810,000					



## Pet Licensing

Through Q2-2017, 2,178 pet licenses were sold, resulting in \$56,315 in revenue. Through Q2-2016, 2,342 licenses were sold, resulting in \$66,645 in revenue.





## Street Funds

This section provides a financial overview of the City's three street funds for the quarter ending June 30, 2017. The City's three street funds include the Arterial Street Fund (Fund 102), the Local Street Fund (Fund 103), and the Arterial Street Preservation Fund (Fund 105). The capital project expenditures in these funds are budgeted primarily based on historical actual revenue and expenditure distributions for the prior six years.

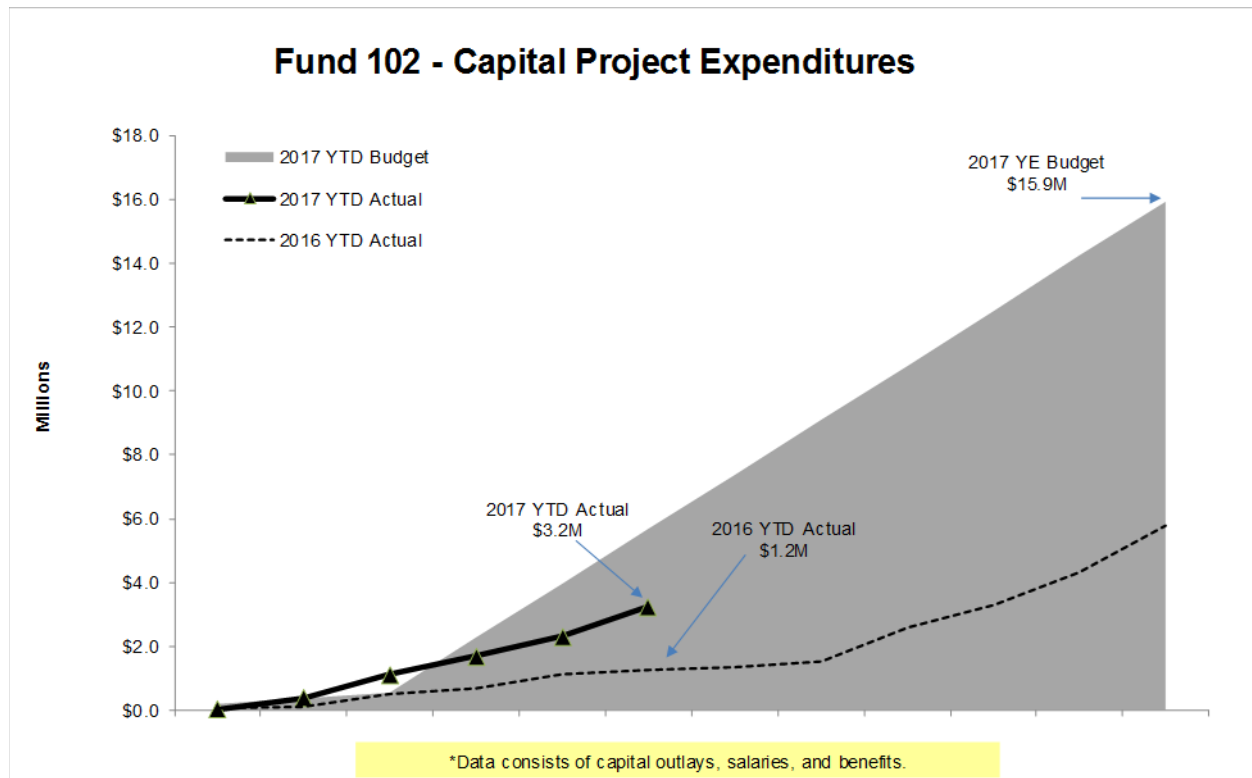
### Fund 102 – Arterial Street Fund

The Arterial Street Fund is a Special Revenue Fund that is funded by transportation grants, traffic impact fees, a portion of the City's gas tax receipts, Public Works Trust Fund loans, developer contributions, and other sources. As of June 30, 2017 there were 28 separate street projects budgeted in this fund for 2017. Budget Amendment No. 1, adopted April 3, 2017, added or increased funding for several major projects in this fund, increasing budgeted revenues and expenditures significantly.

Through June 30, 2017, revenues collected totaled \$2.8 million and compare to collections of \$1.2 million through Q2-2016. This variance is largely due to the timing of capital expenditures and their subsequent reimbursement via federal grants. Total expenditures through Q2-2017 were \$3.5 million and compare to \$1.5 million spent through the same period last year. The increase from YTD 2016 to 2017 is based on increased construction activity, as highlighted in the table below and the associated graph .

Fund 102 - Arterial Street  Summary of Sources and Uses  Report Period: June 2017	2017			2016	2017 YTD Budget vs. Actual	
	Annual Budget	YTD Budget	YTD Actual	YTD Actual	Favorable (Unfavorable)	
					Amount	Percentage
<b>Revenues</b>						
Federal Grants	\$ 7,054,082	\$ 2,256,780	\$ 1,842,767	\$ 47,465	\$ (414,014)	(18.3) %
State Grants	2,995,210	998,403	190,278	99,350	(808,126)	(80.9) %
Motor Vehicle Fuel and Multimodal Taxes	583,000	281,097	265,954	290,906	(15,143)	(5.4) %
Developer Contributions	809,221	286,407	46,233	-	(240,174)	(83.9) %
Miscellaneous Revenue	466,191	155,397	-	64,862	(155,397)	(100.0) %
Other Governmental Agencies	-	-	-	-	-	
Public Works Trust Fund Loans	-	-	-	-	-	
Operating Transfer In	3,420,622	1,368,499	470,254	712,702	(898,245)	(65.6) %
Investment Income	2,600	1,438	4,723	3,132	3,285	228.4 %
<b>Total Revenues</b>	<b>\$ 15,330,926</b>	<b>\$ 5,348,022</b>	<b>\$ 2,820,209</b>	<b>\$ 1,218,417</b>	<b>\$ (2,527,812)</b>	<b>(47.3) %</b>
<b>Expenditures</b>						
Salary and Benefits	\$ 285,000	\$ 133,685	\$ 354,273	\$ 235,491	\$ (220,588)	(165.0) %
Capital Outlay	15,658,112	4,966,161	2,885,700	1,012,136	2,080,461	41.9 %
Subtotal - Capital Project Expenditures	15,943,112	5,099,846	3,239,973	1,247,626	1,859,873	36.5 %
Services and Charges	285,000	80,577	36,068	30,036	44,509	55.2 %
Interfund Payments for Services	76,681	38,341	38,340	37,278	1	0.0 %
Debt Service Principal and Interest	209,511	209,511	209,511	210,205	0	0.0 %
Operating Transfer Out	15,046	5,792	6,139	-	(347)	(6.0) %
<b>Total Expenditures</b>	<b>\$ 16,529,350</b>	<b>\$ 5,434,067</b>	<b>\$ 3,530,031</b>	<b>\$ 1,525,145</b>	<b>\$ 1,904,036</b>	<b>35.0 %</b>
<b>Net Change in Fund Balance</b>	<b>\$ (1,198,424)</b>	<b>\$ (86,046)</b>	<b>\$ (709,822)</b>	<b>\$ (306,728)</b>	<b>\$ (623,776)</b>	<b>724.9 %</b>

Beg. Fund Balance, January 2017	\$ 2,529,388
Net Change in Fund Balance, June 2017	(709,822)
<b>Ending Fund Balance, June 2017</b>	<b>\$ 1,819,566</b>
2017 Budgeted Ending Fund Balance	\$ 1,330,964



This table presents the status of the projects with the most significant impacts on this fund:

Fund 102 - Arterial Street			
Capital Projects Status			
Name	Annual Budget	YTD Actual	Remaining
W. Main St Multimodal Corridor & ITS Imp	\$1.6M	\$1.2M	\$0.3M
S. 277th St Corridor Improvements	\$4.3M	\$0.5M	\$3.9M
AWS Corridor Safety Imp. -- Muckleshoot PI.	\$3.3M	\$0.9M	\$2.4M
All Other Projects (25 Others Budgeted)	\$6.8M	\$0.6M	\$6.1M
<i>Total</i>	\$15.9M	\$3.2M	\$12.7M

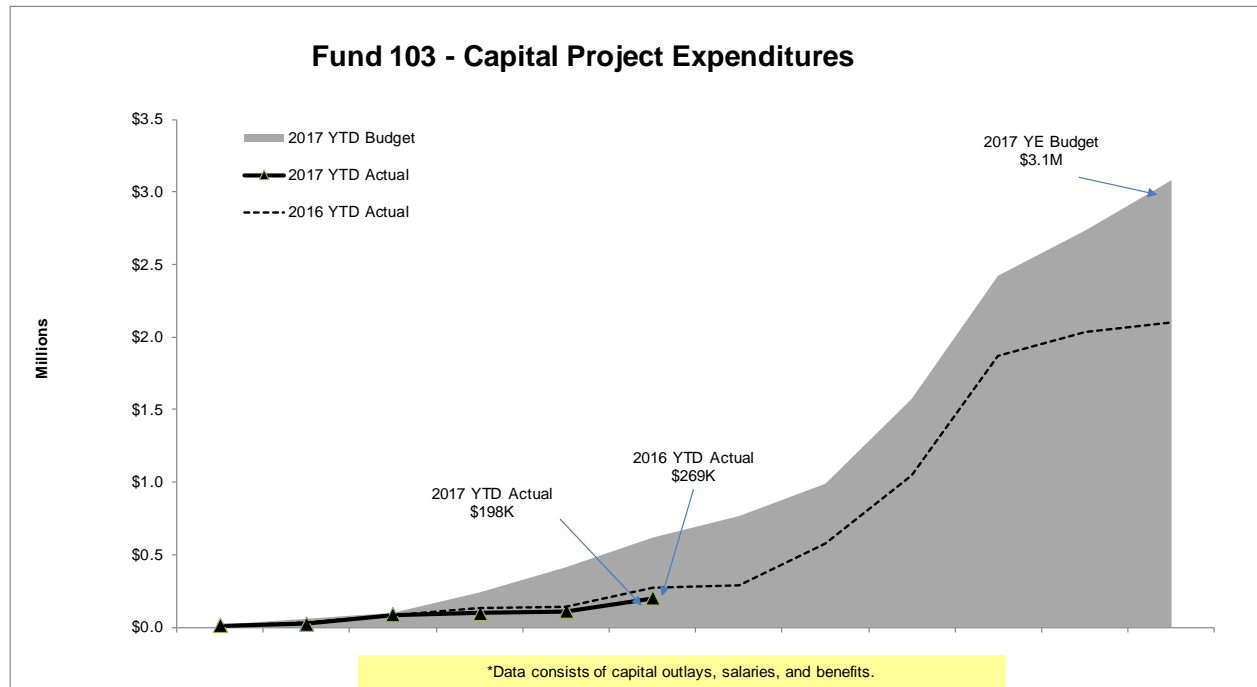
**Notes:**

- W. Main St. Multimodal Corridor & ITS Improvements is nearing completion.
- S 277<sup>th</sup> Street Corridor and AWS Corridor Safety Improvement projects are currently under construction.

## Fund 103 – Local Street Fund

The Local Street Fund is a Special Revenue Fund where the revenue from sales taxes on construction are used for local street preservation. Through Q2-2017 the revenues in this fund totaled \$1.4 million, exceeding budget expectations by \$430,000 due to higher than anticipated sales tax revenues from local construction projects. This compares to collections of \$1.2 million through Q2-2016. Total expenditures through Q2 were \$210,000 and compare to expenditures of \$276,000 through Q2-2016. Historically, well over half of this fund's annual expenditures occur in the final four months of each year due to the weather sensitivity of pavement construction (this work needs to be done primarily in the summer and early fall). Highlighted in the table below and the following graph are the subset of the fund's total expenditures related to capital projects.

Fund 103 - Local Street Fund  Summary of Sources and Uses  Report Period: June 2017	2017			2016	2017 YTD Budget vs. Actual	
	Annual Budget	YTD Budget	YTD Actual	YTD Actual	Favorable (Unfavorable)	
					Amount	Percentage
<b>Revenues</b>						
Sales Tax on Construction	\$ 1,750,000	\$ 774,167	\$ 1,196,893	\$ 1,033,228	\$ 422,726	54.6 %
Operating Transfer In	150,000	150,000	150,000	150,000	-	0.0 %
Interest Earnings	9,100	4,175	11,881	5,246	7,706	184.6 %
<b>Total Revenues</b>	<b>\$ 1,909,100</b>	<b>\$ 928,342</b>	<b>\$ 1,358,774</b>	<b>\$ 1,188,474</b>	<b>\$ 430,432</b>	<b>46.4 %</b>
<b>Expenditures</b>						
Salary and Benefits	\$ 148,568	\$ 67,925	\$ 64,852	\$ 59,636	\$ 3,073	4.5 %
Capital Outlay	2,933,969	546,148	133,420	209,596	412,728	75.6 %
Subtotal - Capital Project Expenditures	3,082,537	614,073	198,272	269,233	415,801	67.7 %
Services and Charges	25,680	8,674	294	407	8,379	96.6 %
Interfund Payments for Services	11,925	5,963	5,958	6,120	5	0.1 %
Operating Transfer Out	11,051	3,795	5,700	-	(1,905)	(50.2)
<b>Total Expenditures</b>	<b>\$ 3,131,193</b>	<b>\$ 632,504</b>	<b>\$ 210,224</b>	<b>\$ 275,760</b>	<b>\$ 422,280</b>	<b>66.8 %</b>
<b>Net Change in Fund Balance</b>	<b>\$ (1,222,093)</b>	<b>\$ 295,838</b>	<b>\$ 1,148,550</b>	<b>\$ 912,714</b>	<b>\$ 852,712</b>	<b>288.2 %</b>
Beg. Fund Balance, January 2017	\$ 2,115,236					
Net Change in Fund Balance, June 2017	1,148,550					
<b>Ending Fund Balance, June 2017</b>	<b>\$ 3,263,786</b>					
2017 Budgeted Ending Fund Balance	\$ 893,143					



This table presents the status of the projects with the most significant impacts on this fund:

Fund 103 - Local Street			
Capital Projects Status			
Name	Annual Budget	YTD Actual	Remaining
2016 Local Street Pavement Reconst.	\$0.07M	\$0.06M	\$0.0M
2017 Local St. Reconst. & Preservation	\$2.87M	\$0.1M	\$2.8M
<i>Total</i>	\$2.9M	\$0.13M	\$2.8M

**Notes:**

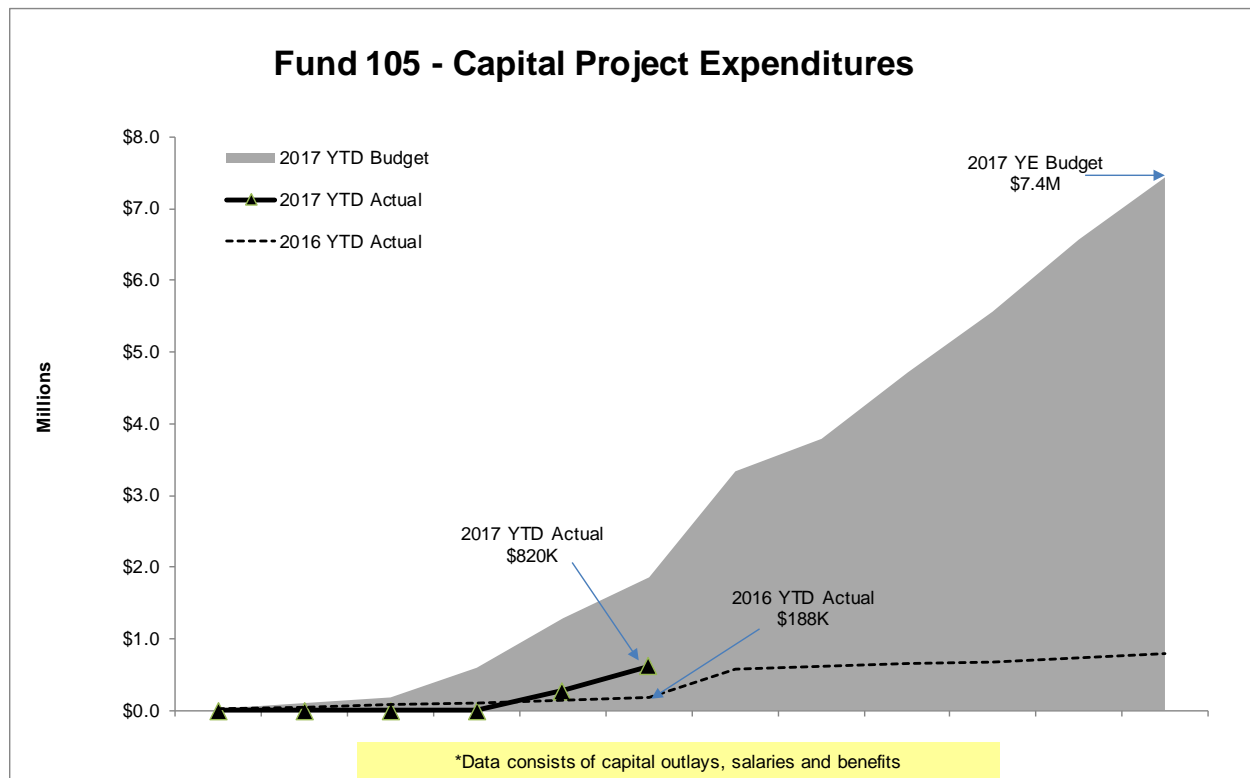
- 2016 Local Street Reconstruction Project received Final Acceptance by the City Council on April 17, 2017 and is now complete.
- 2017 Local Street Reconstruction Project was awarded for construction by the City Council on July 3, 2017 and is currently under construction.

**Fund 105 – Arterial Street Preservation Fund**

The Arterial Street Preservation Fund is a Special Revenue Fund which is primarily funded by a 1.0% utility tax that was adopted by Council in 2008; these utility tax revenues are restricted for arterial street repair and preservation projects. Major projects budgeted within the Arterial Street Preservation Fund in 2017 include 15<sup>th</sup> Street NE/NW Preservation, Auburn Way North Preservation, and the B Street NW Reconstruction project. Through Q2-2017 revenues totaled \$1.2 million and compare to collections of \$1.1 million through Q2-2016.

Total expenditures through Q2-2017 were \$831,000, which compares to expenditures of \$354,000 through Q2-2016. Historically, the majority of this fund's expenditures occur in the second half of each year due to the weather sensitivity of pavement construction (this work needs to be done primarily in the summer and early fall). Highlighted in the table below and the following graph are the subset of the fund's total expenditures related to capital projects.

Fund 105 - Arterial Street Preservation  Summary of Sources and Uses  Report Period: June 2017	2017			2016	2017 YTD Budget vs. Actual	
	Annual Budget *	YTD Budget *	YTD Actual	YTD Actual	Favorable (Unfavorable) Amount	Percentage
<b>Revenues</b>						
City Utility Tax	\$ 632,300	\$ 296,025	\$ 309,244	\$ 306,365	\$ 13,218	4.5 %
Electric Utility Tax	712,000	388,074	399,626	383,084	11,552	3.0 %
Natural Gas Utility Tax	200,200	134,313	145,452	128,821	11,139	8.3 %
Cable TV Tax	194,300	96,130	103,788	98,361	7,658	8.0 %
Telephone Utility Tax	290,400	150,735	142,237	153,545	(8,498)	(5.6) %
Garbage Utility Tax (External Haulers)	19,400	9,700	10,571	10,296	871	9.0 %
Grants	2,354,398	317,433	25,065	-	(292,368)	(92.1) %
Developer Mitigation Fees	-	-	-	-	-	-
Operating Transfer In	431,750	193,917	14,647	-	(179,269)	(92.4) %
Interest Earnings	4,900	2,450	12,531	4,121	10,081	411.5 %
<b>Total Revenues</b>	<b>\$ 4,839,648</b>	<b>\$ 1,588,777</b>	<b>\$ 1,163,162</b>	<b>\$ 1,084,593</b>	<b>\$ (425,615)</b>	<b>(26.8) %</b>
<b>Expenditures</b>						
Salary and Benefits	\$ 368,000	\$ 138,678	\$ 199,979	\$ 142,976	\$ (61,301)	(44.2) %
Capital Outlay	7,071,019	1,726,933	620,468	45,323	1,106,465	64.1 %
Subtotal - Capital Project Expenditures	7,439,019	1,865,611	820,447	188,299	1,045,164	56.0 %
Supplies	-	-	-	-	-	-
Services and Charges	-	-	-	-	-	-
Operating Transfer Out	56,535	18,845	10,197	165,226	8,648	45.9 %
<b>Total Expenditures</b>	<b>\$ 7,495,554</b>	<b>\$ 1,884,456</b>	<b>\$ 830,644</b>	<b>\$ 353,525</b>	<b>\$ 1,053,812</b>	<b>55.9 %</b>
<b>Net Change in Fund Balance</b>	<b>\$ (2,655,906)</b>	<b>\$ (295,679)</b>	<b>\$ 332,518</b>	<b>\$ 731,068</b>	<b>\$ 628,197</b>	<b>(212.5) %</b>
Beg. Fund Balance, January 2017	\$ 3,221,914					
Net Change in Fund Balance, June 2017	332,518					
Ending Fund Balance, June 2017	\$ 3,554,432					
2017 Budgeted Ending Fund Balance	\$ 566,008					



This table presents the status of the projects with the most significant impacts on the fund:

Fund 105 - Arterial Street Preservation			
Capital Projects Status			
Name	Annual Budget	YTD Actual	Remaining
15th St NE/NW Preservation	\$1.5M	\$0.01M	\$1.5M
Auburn Way North Preservation	\$1.7M	\$0.64M	\$1.1M
B Street NW Reconstruction	\$2.7M	\$0.02M	\$2.7M
All Other Projects (4 Others Budgeted)	\$1.4M	\$0.1M	\$1.3M
<i>Total</i>	\$7.4M	\$0.8M	\$6.6M

**Notes:**

- Auburn Way North Preservation is nearing completion.
- B Street NW Reconstruction was awarded for construction by the City Council on June 19, 2017 and is currently under construction.
- 15<sup>th</sup> Street NE/NW Preservation project construction will be delayed until 2018 due to the Puget Sound Regional Council's (PSRC's) modification of the Grant's obligation year to FFY2018. This revision was part of a region wide effort to address federal grant funding restrictions for FY 2017, 2018, 2019 and 2020.

**Fund 124 – Mitigation Fees**

The Mitigation Fees Fund is a Special Revenue Fund funded from revenue from new development, which is assessed at the time applications are received for development activity. These funds are used to mitigate costs associated with City growth. Through Q2-2017, revenues were above budget expectations, at 66.8% of the annual budgeted amount. Expenditures were well below budget due to the timing of capital projects funded by these revenues, which historically occur during the second half of the year when conditions are more favorable for construction.

Fund 124 - Mitigation Fees Summary of Sources and Uses Report Period Through: June 2017	YTD ACTUALS			BUDGET		
	Revenues	Expenditures	Ending Fund Balance	Revenues	Expenditures	Ending Fund Balance
Transportation Impact Fees	\$ 610,108	\$ 451,856	\$ 5,312,547	\$ 800,000	\$ 3,264,472	\$ 919,205
Transportation Mitigation Fees	72,337	-	336,614	-	30,000	134,550
Fire Impact Fees	109,789	-	409,600	100,000	50,000	350,000
Fire Mitigation Fees	-	-	81	-	-	81
Parks Impact Fees	441,076	100,000	5,147,510	600,000	545,000	1,205,000
Parks Mitigation Fees	-	-	331,327	-	-	330,300
School Impact Admin Fees	5,914	-	52,834	12,000	-	105,115
Wetland Mitigation Fees	-	-	68,835	-	31,570	37,030
Interest and Investment Income	43,870	-	43,870	8,200	-	8,200
Fees in Lieu of Improvements	-	-	122,525	-	-	-
Operating Transfers	-	-	-	400,000	-	400,000
Total	\$ 1,283,093	\$ 551,856	\$ 11,825,743	\$ 1,920,200	\$ 3,921,042	\$ 3,489,481

Beginning Fund Balance, January 2017	\$ 5,490,323
Net Change in Fund Balance, June 2017	731,238
Ending Fund Balance, June 2017	\$ 6,221,561
2017 Budgeted Ending Fund Balance	\$ 3,489,481

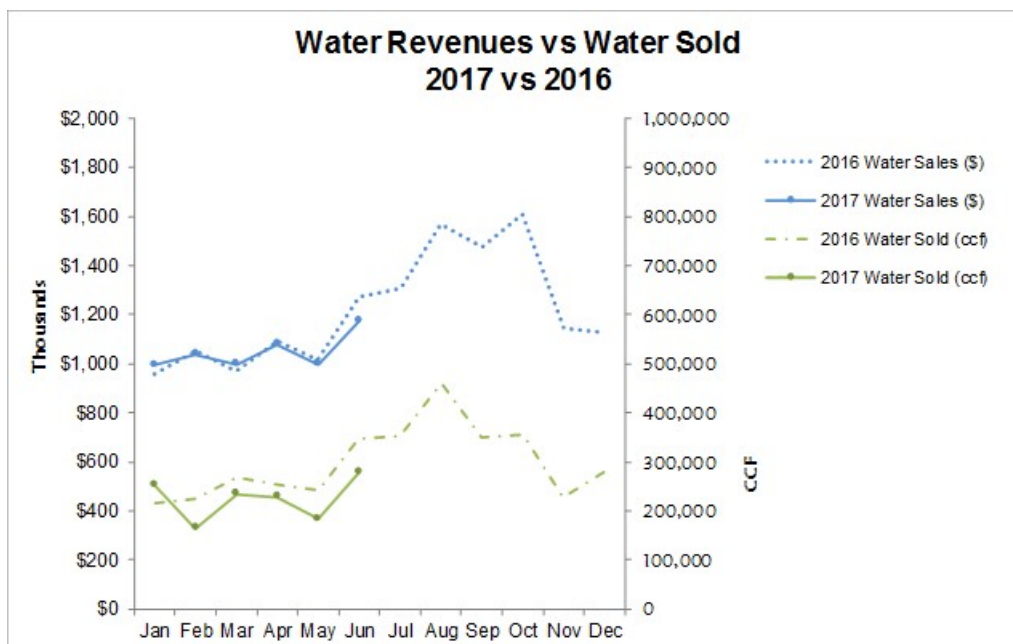
## Enterprise Funds

Detailed income and expense statements for Enterprise and Internal Service funds can be found in the Appendices at the end of this report. The format changed in Q1-2016 and, in lieu of a working capital statement, there are now operating and, as applicable, capital fund reports for these funds showing budget, actuals, and variances. Operating funds house all the operating costs along with debt service and financing obligations. Capital funds show costs associated with capital acquisition and construction. Both the operating and capital funds have a working capital balance. This approach isolates those funds available for capital and cash flow needs for daily operations, and project managers will know exactly how much working capital is available for current and planned projects.

Budget Amendment #6, adopted in July 2016, moved working capital from the operating funds to the capital funds along with all the other beginning fund balance adjustments. System development revenues previously credited to the operating funds are now directed to the corresponding capital funds.

Through Q2-2017, the **Water Utility** had operating income before depreciation of \$2.4 million as compared with \$1.9 million through Q2-2016. The increase in operating income is largely due to lower expenditures in 2017 compared to 2016, during which the City purchased regional water from the City of Tacoma while four of the City's six major production wells were being rehabilitated. Currently, with four wells and two springs providing the City's water supply and the remaining two wells anticipated to return to service in early fall, minimal regional water purchases are anticipated for 2017.

Water sales through Q2-2017 totaled 1.3 million hundred cubic feet (ccf), compared to 1.6 million ccf in 2016, representing a 13.8% decrease due to lower water consumption. This is part of a general trend of decreased year-over-year water consumption per account due largely to conservation efforts and appliance efficiency improvements. Additionally, the City has not provided water to Water District #111 since its contract was renegotiated. Revenues ended the quarter in line with budget expectations.



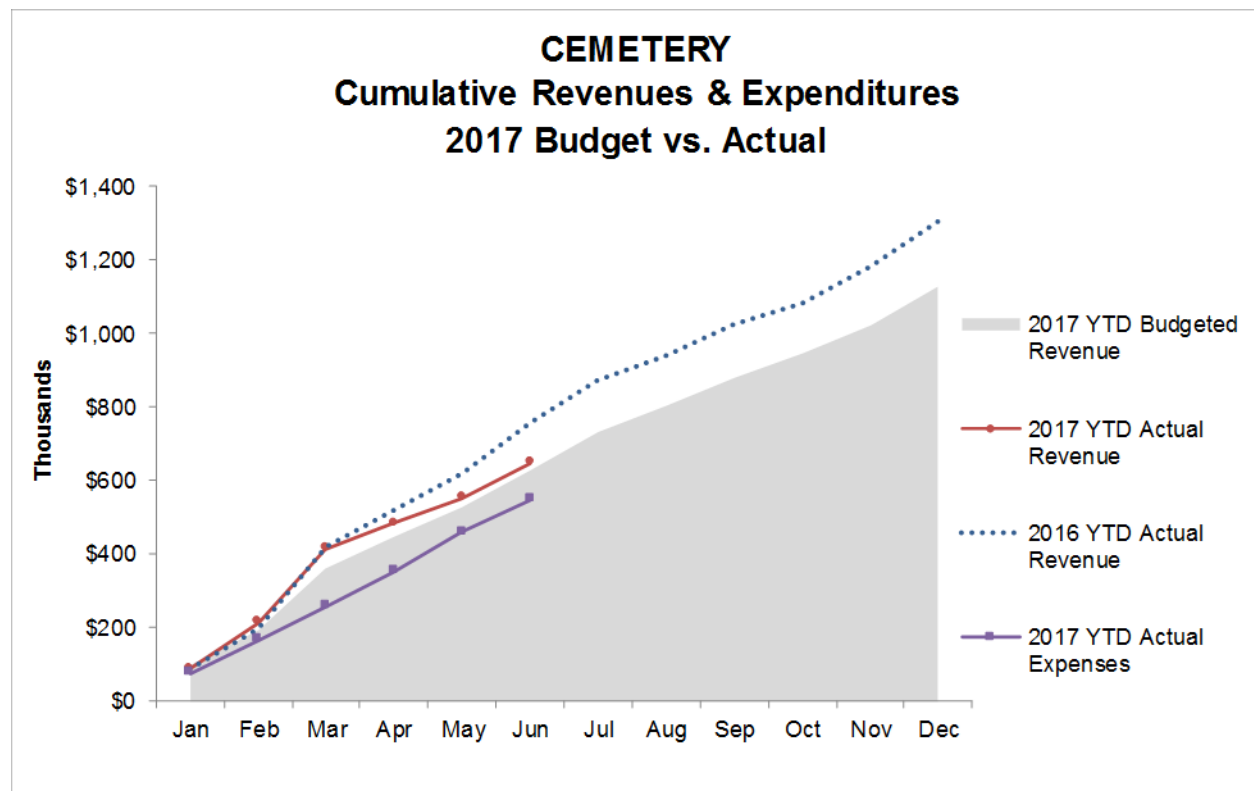


The **Sewer Utility** finished Q2-2017 with operating income before depreciation of \$1.3 million, approximately \$100,000 greater than Q2-2016 due primarily to higher service revenues in 2017.

The **Sewer-Metro Utility** ended the second quarter with operating income before depreciation of \$165,000, as compared with \$192,000 in Q1-2016. Variances in this fund are largely due to King County's internal billing process, by which King County bills the City a flat rate each quarter based on the number of customers and consumption volume averaged over prior quarters. Therefore, Sewer-Metro generally experiences a loss early in the year when revenues trend low, and income later in the year when revenues trend higher. The Sewer-Metro Utility is expected to end the year with operating income, consistent with prior years.

The **Stormwater Utility** ended Q2-2017 with operating income before depreciation of \$1.7 million, compared with \$1.5 million through Q2-2016. The difference is largely due to higher service revenues in 2017.

The **Cemetery Fund** ended Q2-2017 with an operating income of \$100,000 as compared with an operating income of \$178,000 in through Q2-2016. This variance is mainly due to lower revenue from lot sales, which at \$235,000 year-to-date are above average, but low compared to the previous two years, which were exceptional (\$299,00 through Q2-2016).



**Internal Service Funds**

Operating expenditures within the **Insurance** Fund represent the premium cost pool that will be allocated monthly to other City funds over the course of 2017. As a result, this balance will gradually diminish each month throughout the year.

No significant variances are reported in the **Worker's Compensation, Facilities, Innovation & Technology**, or **Equipment Rental** Funds.

**Contact Information**

This report is prepared by the Finance Department. Additional financial information can also be viewed at our website: <http://www.auburnwa.gov/>. For any questions about this report please contact Shelley Coleman at [scoleman@auburnwa.gov](mailto:scoleman@auburnwa.gov).

**City of Auburn**  
**Investment Portfolio Summary**  
**June 30, 2017**

Investment Type	Purchase Date	Purchase Price	Maturity Date	Yield to Maturity
State Investment Pool	Various	\$ 128,494,910	Various	0.98%
KeyBank Money Market	Various	6,043,749	Various	0.02%
FNMA	3/11/2016	998,844	2/22/2019	1.20%
LAKUTL	9/25/2013	235,919	11/1/2017	1.90%
Total Cash & Investments		<u>\$ 135,773,423</u>		<u>0.940%</u>

Investment Mix	% of Total	Summary	
State Investment Pool	94.6%	Current 6-month treasury rate	1.11%
KeyBank Money Market	4.5%	Current State Pool rate	0.98%
US Treasury	0.0%	KeyBank Money Market	0.02%
FNMA	0.7%		
LAKUTL	0.2%		
	<u>100.0%</u>		

SALES TAX SUMMARY

JUNE 2017 SALES TAX DISTRIBUTIONS (FOR APRIL 2017 RETAIL ACTIVITY)

NAICS		2016 Annual Total (Nov '15-Oct '16)	2016 YTD (Nov '15-Apr '16)	2017 YTD (Nov '16-Apr '17)	YTD % Diff
236	Construction of Buildings	1,139,466	515,670	673,927	30.7%
237	Heavy and Civil Construction	309,344	117,032	87,476	-25.3%
238	Specialty Trade Contractors	843,470	400,526	435,490	8.7%
TOTAL CONSTRUCTION		\$ 2,292,280	\$ 1,033,228	\$ 1,196,893	15.8%
Overall Change from Previous Year				\$ 163,665	

NAICS		2016 Annual Total (Nov '15-Oct '16)	2016 YTD (Nov '15-Apr '16)	2017 YTD (Nov '16-Apr '17)	YTD % Diff
311	Food Manufacturing	3,278	1,679	2,777	65.4%
312	Beverage and Tobacco Products	9,601	4,902	3,557	-27.4%
313	Textile Mills	415	176	93	-47.6%
314	Textile Product Mills	3,554	1,800	658	-63.4%
315	Apparel Manufacturing	155	135	81	-40.4%
316	Leather and Allied Products	38	18	25	38.2%
321	Wood Product Manufacturing	58,391	29,583	7,934	-73.2%
322	Paper Manufacturing	8,047	3,892	8,455	117.3%
323	Printing and Related Support	52,610	24,551	26,574	8.2%
324	Petroleum and Coal Products	2,145	1,706	339	-80.1%
325	Chemical Manufacturing	10,183	3,283	8,548	160.4%
326	Plastics and Rubber Products	8,168	4,274	3,884	-9.1%
327	Nonmetallic Mineral Products	17,429	7,350	7,728	5.1%
331	Primary Metal Manufacturing	442	183	496	170.3%
332	Fabricated Metal Product Manuf	29,409	15,642	17,694	13.1%
333	Machinery Manufacturing	16,461	7,468	7,961	6.6%
334	Computer and Electronic Product	10,780	4,790	10,763	124.7%
335	Electric Equipment, Appliances	445	296	449	51.6%
336	Transportation Equipment Man	471,441	274,212	242,605	-11.5%
337	Furniture and Related Products	18,661	8,586	10,555	22.9%
339	Miscellaneous Manufacturing	39,437	24,478	13,312	-45.6%
TOTAL MANUFACTURING		\$ 761,091	\$ 419,006	\$ 374,489	-10.6%
Overall Change from Previous Year				\$ (44,517)	

NAICS		2016 Annual Total (Nov '15-Oct '16)	2016 YTD (Nov '15-Apr '16)	2017 YTD (Nov '16-Apr '17)	YTD % Diff
481	Air Transportation	1	1	2	61.8%
482	Rail Transportation	24,331	5,932	18,157	206.1%
484	Truck Transportation	7,067	1,844	1,884	2.2%
485	Transit and Ground Passengers	114	24	-3,390	-14345.5%
488	Transportation Support	52,828	30,745	23,404	-23.9%
491	Postal Service	274	141	149	5.8%
492	Couriers and Messengers	301	191	524	173.5%
493	Warehousing and Storage	14,523	8,026	6,516	-18.8%
TOTAL TRANSPORTATION		\$ 99,439	\$ 46,904	\$ 47,245	0.7%
Overall Change from Previous Year				\$ 341	

NAICS		2016 Annual Total (Nov '15-Oct '16)	2016 YTD (Nov '15-Apr '16)	2017 YTD (Nov '16-Apr '17)	YTD % Diff
423	Wholesale Trade, Durable Goods	981,820	466,543	509,344	9.2%
424	Wholesale Trade, Nondurable	281,166	135,871	129,173	-4.9%
425	Wholesale Electronic Markets	1,991	1,082	3,143	190.6%
TOTAL WHOLESALE		\$ 1,264,976	\$ 603,496	\$ 641,660	6.3%
Overall Change from Previous Year				\$ 38,164	

NAICS		2016 Annual Total (Nov '15-Oct '16)	2016 YTD (Nov '15-Apr '16)	2017 YTD (Nov '16-Apr '17)	YTD % Diff
441	Motor Vehicle and Parts Dealer	3,409,019	1,664,133	1,771,383	6.4%
447	Gasoline Stations	250,478	116,267	128,562	10.6%
TOTAL AUTOMOTIVE		\$ 3,659,497	\$ 1,780,400	\$ 1,899,945	6.7%
Overall Change from Previous Year				\$ 119,545	

NAICS		2016 Annual Total (Nov '15-Oct '16)	2016 YTD (Nov '15-Apr '16)	2017 YTD (Nov '16-Apr '17)	YTD % Diff
442	Furniture and Home Furnishings	185,234	83,307 c	100,407	20.5%
443	Electronics and Appliances	220,553	124,066	104,146	-16.1%
444	Building Material and Garden	579,076	269,473	259,705	-3.6%
445	Food and Beverage Stores	397,177	189,338 a	181,069	-4.4%
446	Health and Personal Care Store	284,191	128,769	184,781	43.5%
448	Clothing and Accessories	1,136,431	570,439	551,953 d	-3.2%
451	Sporting Goods, Hobby, Books	237,555	124,081	103,093	-16.9%
452	General Merchandise Stores	1,017,905	541,376	521,330	-3.7%
453	Miscellaneous Store Retailers	473,398	246,150	237,153	-3.7%
454	Nonstore Retailers	321,071	159,546	183,077	14.7%
TOTAL RETAIL TRADE		\$ 4,852,592	\$ 2,436,545	\$ 2,426,714	-0.4%
Overall Change from Previous Year				\$ (9,831)	

NAICS		2016 Annual Total (Nov '15-Oct '16)	2016 YTD (Nov '15-Apr '16)	2017 YTD (Nov '16-Apr '17)	YTD % Diff
51*	Information	630,158	302,035	331,192	9.7%
52*	Finance and Insurance	110,728	53,595	58,155	8.5%
53*	Real Estate, Rental, Leasing	358,628	180,254	173,046	-4.0%
541	Professional, Scientific, Tech	237,656	120,212	121,951	1.4%
551	Company Management	330	170	12	-93.2%
56*	Admin. Supp., Remed Svcs	328,453	180,907	136,466	-24.6%
611	Educational Services	50,026	23,226	25,448	9.6%
62*	Health Care Social Assistance	91,643	46,740	40,364	-13.6%
71*	Arts and Entertainment	156,301	95,282	41,752	-56.2%
72*	Accommodation and Food Svcs	1,217,734	576,727	602,715	4.5%
81*	Other Services	646,579	383,885	261,725	-31.8%
92*	Public Administration	141,806	74,336	73,523	-1.1%
TOTAL SERVICES		\$ 3,970,042	\$ 2,037,369	\$ 1,866,349	-8.4%
Overall Change from Previous Year				\$ (171,020)	

NAICS		2016 Annual Total (Nov '15-Oct '16)	2016 YTD (Nov '15-Apr '16)	2017 YTD (Nov '16-Apr '17)	YTD % Diff
000	Unknown	0	0	0	N/A
111-115	Agriculture, Forestry, Fishing	5,534	2,805	2,953	5.3%
211-221	Mining & Utilities	29,410	11,944	10,901	-8.7%
999	Unclassifiable Establishments	32,161	-32,039 b	25,932	-180.9%
TOTAL SERVICES		\$ 67,105	\$ (17,289)	\$ 39,785	-330.1%
Overall Change from Previous Year				\$ 57,075	

GRAND TOTAL	16,967,023	8,339,659	8,493,080	
Overall Change from Previous Year			153,421	1.8%

Total June 2017 Sales Tax Distributions	\$ 1,323,690
Dollar Decrease from June 2016	\$ (52,534)
Percent Decrease from June 2016	-3.8%

Comparisons:	
June 2016	\$ 1,376,224
June 2015	\$ 1,290,721

Includes Adjustments in excess of +/- \$10,000.

a. WA State Dept of Revenue audit adjustment to sales tax returns for period of November 2015 (adjustment: \$10,572).

b. WA State Dept of Revenue audit adjustment to sales tax returns for period of April 2016 (adjustment: - \$52,898).

c. WA State Dept of Revenue audit adjustment to sales tax returns for period of May 2016 (adjustment: - \$16,496).

d. WA State Dept of Revenue audit adjustment to sales tax returns for period of April 2017 (adjustment: - \$29,746).

OPERATING & CAPITAL FUNDS				ENTERPRISE FUNDS											
Cash Basis through June 2017				WATER			SEWER			SEWER METRO			STORM		
				Budget	YTD Actual	Variance	Budget	YTD Actual	Variance	Budget	YTD Actual	Variance	Budget	YTD Actual	Variance
OPERATING FUND:															
OPERATING REVENUES															
Charges For Service				14,730,511	6,279,820	(8,450,691)	8,102,441	4,334,863	(3,767,578)	17,237,490	8,808,387	(8,429,103)	9,242,676	4,889,583	(4,353,093)
Grants				-	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings				10,000	36,671	26,671	20,000	13,312	(6,688)	1,000	3,658	2,658	15,000	8,865	(6,135)
Operating Transfers				-	-	-	-	-	-	-	-	-	-	-	-
Rents, Leases, Concessions, & Other				212,939	105,418	(107,521)	72,849	44,353	(28,496)	-	-	-	60,951	41,180	(19,771)
TOTAL OPERATING REVENUES				14,953,450	6,421,909	(8,531,541)	8,195,290	4,392,528	(3,802,762)	17,238,490	8,812,045	(8,426,445)	9,318,627	4,939,627	(4,379,000)
OPERATING EXPENSES															
Salaries & Wages				2,688,501	1,288,359	1,400,142	1,742,176	888,995	853,181	-	-	-	2,500,996	1,288,455	1,212,541
Benefits				1,314,301	608,571	705,730	842,110	406,226	435,884	-	-	-	1,233,452	603,125	630,327
Supplies				334,444	111,797	222,647	136,750	43,292	93,458	-	-	-	94,750	33,617	61,133
Other Service Charges				4,959,380	1,248,901	3,710,479	2,867,890	1,224,097	1,643,793	-	-	-	1,733,290	639,659	1,093,631
Intergovernmental Services (Less Transfers Out)				-	-	-	403,332	2,210	401,122	-	-	-	583,312	-	583,312
Waste Management Payments <span>see Note</span>				-	-	-	-	-	-	-	-	-	-	-	-
Sewer Metro Services				-	-	-	-	-	-	17,294,700	8,647,013	8,647,687	-	-	-
Debt Service Interest				1,345,282	72,728	1,272,554	276,483	13,335	263,148	-	-	-	361,418	-	361,418
Net Change Restricted Assets				-	-	-	-	-	-	-	-	-	-	-	-
Interfund Operating Rentals & Supplies				1,422,716	711,401	711,315	1,039,865	521,739	518,126	-	-	-	1,441,066	721,567	719,499
TOTAL OPERATING EXPENSES				12,064,624	4,041,756	8,022,868	7,308,606	3,099,893	4,208,713	17,294,700	8,647,013	8,647,687	7,948,284	3,286,422	4,661,862
OPERATING REVENUES LESS EXPENSES BEFORE DEPRECIATION (*)				2,888,826	2,380,153	(508,673)	886,684	1,292,635	405,951	(56,210)	165,032	221,242	1,370,343	1,653,205	282,862
Transfer to Capital Subfund				1,000,000	-	1,000,000	1,000,000	-	-	-	-	-	1,400,000	-	-
Other Operating Transfers				331,166	56,865	274,301	393,832	38,704	355,128	-	-	-	500,312	131,526	368,786
Debt Service Principal				1,732,527	624,107	1,108,420	541,127	288,262	252,865	-	-	-	413,162	-	413,162
Net Change in Restricted Net Assets				-	964,064	964,064	-	131,232	131,232	-	-	-	-	985,630	985,630
BEGINNING WORKING CAPITAL - January 1, 2017				4,745,398	7,977,666	3,232,268	1,821,037	2,810,410	989,373	2,374,705	2,672,022	297,317	2,132,662	2,005,792	(126,870)
ENDING WORKING CAPITAL - June 30, 2017				4,570,531	8,712,783	4,142,252	772,762	3,644,847	2,872,085	2,318,495	2,837,054	518,559	1,189,531	2,541,840	1,352,309
NET CHANGE IN WORKING CAPITAL (see Note)				(174,867)	735,117	909,984	(1,048,275)	834,437	1,882,712	(56,210)	165,032	221,242	(943,131)	536,048	1,479,179
CAPITAL FUND:															
CAPITAL REVENUES															
Interest Revenue				-	7,873	7,873	-	47,917	47,917	-	-	-	-	49,851	49,851
Grants				175,000	-	(175,000)	-	-	-	-	-	-	-	-	-
Contributions				-	-	-	-	-	-	-	-	-	-	-	-
Other Non-Operating Revenue				-	-	-	-	-	-	-	-	-	-	-	-
Gain (Loss) On Sale Of Fixed Assets				-	-	-	-	-	-	-	-	-	-	-	-
Increase In Contributions - System Development				1,000,000	287,024	(712,976)	500,000	165,214	(334,786)	-	-	-	500,000	237,994	(262,006)
Interfund Revenues				-	-	-	-	-	-	-	-	-	-	-	-
Increase In Contributions - FAA				-	-	-	-	-	-	-	-	-	-	-	-
Proceeds of Debt Activity				5,402,159	6,808	(5,395,351)	-	-	-	-	-	-	-	-	-
Transfers In from Operating Sub-Fund				1,000,000	-	(1,000,000)	1,000,000	-	(1,000,000)	-	-	-	1,400,000	-	(1,400,000)
Transfer In from Other Funds				200,000	-	(200,000)	-	-	-	-	-	-	-	-	-
Other Sources				-	-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL REVENUES				7,777,159	301,705	(7,475,454)	1,500,000	213,131	(1,286,869)	-	-	-	1,900,000	287,845	(1,612,155)
CAPITAL EXPENSES															
Other Non-Operating Expense				-	(572,557)	572,557	-	-	-	-	-	-	-	(800,501)	800,501
Increase In Fixed Assets - Salaries				382,143	88,935	293,208	86,429	32,085	54,344	-	-	-	152,143	94,487	57,657
Increase In Fixed Assets - Benefits				152,857	40,047	112,810	34,571	14,643	19,928	-	-	-	60,857	41,834	19,023
Increase In Fixed Assets - Services				-	4,107	(4,107)	-	2,324	(2,324)	-	-	-	-	-	-
Increase In Fixed Assets - Site Improvements				-	18,287	(18,287)	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Equipment				-	-	-	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Construction				10,544,977	1,496,788	9,048,189	2,686,218	240,298	2,445,920	-	-	-	3,906,304	1,057,298	2,849,007
Increase In Fixed Assets - Other				-	-	-	-	-	-	-	-	-	-	3,135	(3,135)
Operating Transfers Out				50,000	50,000	-	50,000	50,000	-	-	-	-	156,000	50,000	106,000
TOTAL CAPITAL EXPENSES				11,129,977	1,125,608	10,004,369	2,857,218	339,350	2,517,868	-	-	-	4,275,304	446,252	3,829,052
BEGINNING WORKING CAPITAL - January 1, 2017				4,013,871	1,936,373	(2,077,498)	9,178,437	12,710,295	3,531,858	-	-	-	12,722,447	13,379,700	657,253
ENDING WORKING CAPITAL - June 30, 2017				661,053	1,112,470	451,417	7,821,219	12,584,076	4,762,857	-	-	-	10,347,143	13,221,293	2,874,150
NET CHANGE IN WORKING CAPITAL (see Note)				(3,352,818)	(823,903)	2,528,915	(1,357,218)	(126,220)	1,230,998	-	-	-	(2,375,304)	(158,407)	2,216,897
Total Change in Working Capital				(3,527,685)	(88,786)	3,438,899	(2,405,493)	708,218	3,113,711	(56,210)	165,032	221,242	(3,318,435)	377,641	3,696,076

Working Capital = Current Assets  
minus Current Liabilities

OPERATING & CAPITAL FUNDS	ENTERPRISE FUNDS									INTERNAL SERVICE FUNDS		
Cash Basis through June 2017	SOLID WASTE			AIRPORT			CEMETERY			INSURANCE		
	Budget	YTD Actual	Variance	Budget	YTD Actual	Variance	Budget	YTD Actual	Variance	Budget	YTD Actual	Variance
OPERATING FUND:												
OPERATING REVENUES												
Charges For Service	14,816,200	7,323,558	(7,492,642)	807,800	429,482	(378,318)	927,500	645,218	(282,282)	-	-	-
Grants	87,300	5,452	(81,848)	-	-	-	-	-	-	-	-	-
Interest Earnings	9,000	15,963	6,963	2,500	2,305	(195)	800	1,609	809	1,500	2,561	1,061
Operating Transfers							200,000	-	(200,000)	670,715	335,358	(335,358)
Rents, Leases, Concessions, & Other	-	-	-	3,000	4,401	1,401	-	-	-	-	-	-
TOTAL OPERATING REVENUES	14,912,500	7,344,973	(7,567,527)	813,300	436,188	(377,112)	1,128,300	646,827	(481,473)	672,215	337,918	(334,297)
OPERATING EXPENSES												
Salaries & Wages	325,910	160,993	164,917	-	-	-	475,628	240,566	235,062	-	-	-
Benefits	147,414	71,325	76,089	-	-	-	258,734	125,302	133,432	225,750	33,831	191,919
Supplies	36,542	973	35,569	2,500	-	2,500	221,700	113,654	108,046	-	-	-
Other Service Charges	1,576,565	714,204	862,361	484,950	234,658	250,292	156,750	43,128	113,622	4,230	544,164	(539,934)
Intergovernmental Services (Less Transfers Out)	363,600	91,202	272,398	-	-	-	1,332	147	1,185	-	-	-
Waste Management Payments <b>see Note</b>	11,975,500	4,866,458	7,109,042									
Sewer Metro Services												
Debt Service Interest	-	-	-	24,357	4,860	19,497	(0)	-	(0)	-	-	-
Net Change Restricted Assets				39,942	19,914	20,028						
Interfund Operating Rentals & Supplies	111,587	55,794	55,793	1,400	702	698	47,833	23,916	23,917	-	-	-
TOTAL OPERATING EXPENSES	14,537,118	5,960,950	8,576,168	553,149	260,134	293,015	1,161,977	546,712	615,265	229,980	577,995	(348,015)
OPERATING REVENUES LESS EXPENSES BEFORE DEPRECIATION (*)	375,382	1,384,024	1,008,642	260,151	176,054	(84,097)	(33,677)	100,115	133,792	442,235	(240,077)	(682,312)
Transfer to Capital Subfund												
Other Operating Transfers	-	-	-	-	-	-	1,332	147	1,185			
Debt Service Principal				165,000	-	165,000	-	-	-			
Net Change in Restricted Net Assets				-	(10,513)	(10,513)	-	-	-			
BEGINNING WORKING CAPITAL - January 1, 2017	3,849,877	4,411,853	561,976	188,565	236,649	48,084	277,586	293,829	16,243	1,312,689	1,385,685	72,996
ENDING WORKING CAPITAL - June 30, 2017	4,225,259	5,795,876	1,570,617	283,716	423,216	139,500	243,909	393,944	150,035	1,754,924	1,145,608	(609,316)
NET CHANGE IN WORKING CAPITAL (see Note)	375,382	1,384,024	1,008,642	95,151	186,567	91,416	(33,677)	100,115	133,792	442,235	(240,077)	(682,312)
CAPITAL FUND:		<b>see Note</b>										
CAPITAL REVENUES												
Interest Revenue				-	1,400	1,400	-	952	952			
Grants												
Contributions				16,667	-	(16,667)	-	-	-			
Other Non-Operating Revenue				-	-	-	-	-	-			
Gain (Loss) On Sale Of Fixed Assets				-	-	-	-	-	-			
Increase In Contributions - System Development				-	-	-	-	-	-			
Interfund Revenues				-	-	-	-	-	-			
Increase In Contributions - FAA				300,000	-	(300,000)	-	-	-			
Proceeds of Debt Activity				-	-	-	-	-	-			
Transfers In from Operating Sub-Fund				275,000	255,608	(19,392)	-	-	-			
Transfer In from Other Funds												
Other Sources				-	-	-	-	-	-			
TOTAL CAPITAL REVENUES				591,667	257,008	(334,659)	-	952	952			
CAPITAL EXPENSES												
Other Non-Operating Expense				-	-	-	-	-	-			
Increase In Fixed Assets - Salaries				21,429	-	21,429	-	-	-			
Increase In Fixed Assets - Benefits				8,571	-	8,571	-	-	-			
Increase In Fixed Assets - Services				-	-	-	-	-	-			
Increase In Fixed Assets - Site Improvements							-	-	-			
Increase In Fixed Assets - Equipment												
Increase In Fixed Assets - Construction				608,334	275,035	333,299	-	-	-			
Increase In Fixed Assets - Other												
Operating Transfers Out				-	-	-	-	-	-			
TOTAL CAPITAL EXPENSES				638,334	275,035	363,299	-	-	-			
BEGINNING WORKING CAPITAL - January 1, 2017				158,410	360,602	202,192	157,301	256,633	99,332			
ENDING WORKING CAPITAL - June 30, 2017				111,743	342,575	230,832	157,301	257,585	100,284			
NET CHANGE IN WORKING CAPITAL (see Note)				(46,667)	(18,027)	28,640	-	952	952			
Total Change in Working Capital	375,382	1,384,024		48,484	168,540	120,056	(33,677)	101,067	134,744	442,235	(240,077)	(682,312)

Working Capital = Current Assets  
minus Current Liabilities

Note: Working capital balance only includes five Waste Management payments due to the timing of June's payment (\$988,974), which will be made in July.



OPERATING & CAPITAL FUNDS				INTERNAL SERVICE FUNDS								
Cash Basis through June 2017	WORKER'S COMPENSATION			FACILITIES			INNOVATION & TECHNOLOGY			EQUIPMENT RENTAL		
	YTD			YTD			YTD			YTD		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
OPERATING FUND:												
OPERATING REVENUES												
Charges For Service	961,300	470,617	(490,683)	3,453,700	1,739,997	(1,713,703)	6,038,376	3,019,520	(3,018,856)	2,263,102	1,141,471	(1,121,631)
Grants		-	-	-	-	-		-	-		-	-
Interest Earnings	2,600	4,624	2,024	8,800	8,147	(653)	5,000	4,888	(112)	-	10,626	10,626
Operating Transfers							579,916	108,729	(471,187)	720,000	100,000	(620,000)
Rents, Leases, Concessions, & Other	93,000	1,742	(91,258)	-	36,816	36,816	-	-	-	-	107,785	107,785
TOTAL OPERATING REVENUES	1,056,900	476,983	(579,917)	3,462,500	1,784,959	(1,677,541)	6,623,292	3,133,136	(3,490,156)	2,983,102	1,359,882	(1,623,220)
OPERATING EXPENSES												
Salaries & Wages	76,324	38,396	37,928	655,000	309,658	345,342	1,822,981	894,909	928,072	681,943	287,693	394,250
Benefits	364,638	44,471	320,167	358,001	164,832	193,169	817,418	383,194	434,224	349,650	145,445	204,205
Supplies	-	-	-	150,220	58,958	91,262	508,250	170,284	337,966	1,074,000	380,194	693,806
Other Service Charges	492,915	154,902	338,013	1,818,387	619,281	1,199,106	2,809,630	1,407,980	1,401,650	427,580	173,946	253,634
Intergovernmental Services (Less Transfers Out)	-	-	-	-	-	-	-	-	-	-	-	-
Waste Management Payments <span>see Note</span>												
Sewer Metro Services												
Debt Service Interest	-	-	-	-	-	-	-	-	-	3,843	2,077	1,766
Net Change Restricted Assets												
Interfund Operating Rentals & Supplies	-	-	-	140,784	70,392	70,392	191,031	95,508	95,523	231,152	115,676	115,476
TOTAL OPERATING EXPENSES	933,877	237,769	696,108	3,122,392	1,223,121	1,899,271	6,149,310	2,951,875	3,197,435	2,768,168	1,105,032	1,663,136
OPERATING REVENUES LESS EXPENSES BEFORE DEPRECIATION (*)	123,023	239,214	116,191	340,108	561,838	221,730	473,982	181,262	(292,720)	214,934	254,850	39,916
Transfer to Capital Subfund												
Other Operating Transfers							400	400	-	-	-	-
Debt Service Principal										40,297	20,043	20,254
Net Change in Restricted Net Assets							-	-	-	-	(36,241)	(36,241)
BEGINNING WORKING CAPITAL - January 1, 2017	787,022	1,097,368	310,346	1,762,019	1,853,016	90,997	295,416	1,064,713	769,297	2,268,495	2,749,240	480,745
ENDING WORKING CAPITAL - June 30, 2017	910,045	1,336,581	426,536	2,102,127	2,414,854	312,727	768,998	1,245,574	476,576	2,443,132	3,020,288	577,156
NET CHANGE IN WORKING CAPITAL (see Note)	123,023	239,214	116,191	340,108	561,838	221,730	473,582	180,862	(292,720)	174,637	271,048	96,411
CAPITAL FUND:												
CAPITAL REVENUES												
Interest Revenue							-	7,975	7,975	-	11,819	11,819
Grants												
Contributions							-	-	-	-	-	-
Other Non-Operating Revenue							-	-	-	-	-	-
Gain (Loss) On Sale Of Fixed Assets							-	-	-	-	-	-
Increase In Contributions - System Development							-	-	-	-	-	-
Interfund Revenues							-	-	-	1,703,631	851,814	(851,817)
Increase In Contributions - FAA							-	-	-	-	-	-
Proceeds of Debt Activity							-	-	-	-	-	-
Transfers In from Operating Sub-Fund							-	52,202	52,202	-	-	-
Transfer In from Other Funds							169,232	-	(169,232)	390,927	65,129	(325,798)
Other Sources							-	-	-	-	-	-
TOTAL CAPITAL REVENUES							169,232	60,177	(109,055)	2,094,558	928,762	(1,165,796)
CAPITAL EXPENSES												
Other Non-Operating Expense							-	-	-	-	-	-
Increase In Fixed Assets - Salaries							-	1,548	(1,548)	-	-	-
Increase In Fixed Assets - Benefits							-	565	(565)	-	-	-
Increase In Fixed Assets - Services							-	-	-	-	-	-
Increase In Fixed Assets - Site Improvements										-	-	-
Increase In Fixed Assets - Equipment							-	302,186	(302,186)	1,961,665	862,140	1,099,525
Increase In Fixed Assets - Construction								16,814	(16,814)	710,000	-	710,000
Increase In Fixed Assets - Other										-	-	-
Operating Transfers Out							-	-	-	-	-	-
TOTAL CAPITAL EXPENSES							-	321,113	(321,113)	2,671,665	862,140	1,809,525
BEGINNING WORKING CAPITAL - January 1, 2017							1,925,983	2,319,577	393,594	1,761,822	3,020,402	1,258,580
ENDING WORKING CAPITAL - June 30, 2017							2,095,215	2,058,641	(36,574)	1,184,715	3,087,024	1,902,309
NET CHANGE IN WORKING CAPITAL (see Note)							169,232	(260,936)	(430,168)	(577,107)	66,622	643,729
Total Change in Working Capital	123,023	239,214	116,191	340,108	561,838	221,730	642,814	(80,074)	(722,888)	(402,470)	337,670	740,140

Working Capital = Current Assets  
minus Current Liabilities

The following table provides an analysis of each of the City's Enterprise and Internal Service funds - showing 2017 revenues and expenditures by fund through June and includes the Fund Balance in the associated Capital Sub-Fund.

FUND BALANCE	ENTERPRISE FUNDS							INTERNAL SERVICE FUNDS				
	WATER	SEWER	SEWER METRO	STORM	SOLID WASTE	AIRPORT	CEMETERY	INSURANCE	WORKER'S COMPENSATION	FACILITIES	INNOVATION & TECHNOLOGY	EQUIPMENT RENTAL
OPERATING REVENUES												
Charges For Services	\$ 6,279,820	\$ 4,334,863	\$ -	\$ 4,889,583	\$ 7,323,558	\$ 25,432	\$ 645,218	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Charges For Services	-	-	-	-	-	-	-	-	472,358	1,687,098	2,985,513	1,993,285
Sewer Metro Services Revenue	-	-	8,808,387	-	-	-	-	-	-	-	-	-
Rents, Leases, Concessions & Other	-	-	-	-	-	404,050	-	-	-	52,899	34,006	-
TOTAL OPERATING REVENUES	\$ 6,279,820	\$ 4,334,863	\$ 8,808,387	\$ 4,889,583	\$ 7,323,558	\$ 429,482	\$ 645,218	\$ -	\$ 472,358	\$ 1,739,997	\$ 3,019,520	\$ 1,993,285
OPERATING EXPENSES												
Administration & Other	\$ 2,245,806	\$ 2,262,240	\$ -	\$ 1,685,007	\$ 850,295	\$ 30,846	\$ 164,548	\$ 577,995	\$ -	\$ -	\$ -	\$ 413,027
Operations & Maintenance	1,723,222	826,643	8,647,013	1,604,551	5,110,655	204,513	382,017	-	237,769	1,223,121	2,951,875	689,928
Depreciation & Amortization	1,642,014	1,103,538	-	947,932	9,410	232,447	25,382	-	-	-	382,067	548,369
TOTAL OPERATING EXPENSES	\$ 5,611,042	\$ 4,192,421	\$ 8,647,013	\$ 4,237,490	\$ 5,970,360	\$ 467,807	\$ 571,947	\$ 577,995	\$ 237,769	\$ 1,223,121	\$ 3,333,942	\$ 1,651,324
OPERATING INCOME (LOSS)	\$ 668,778	\$ 142,443	\$ 161,374	\$ 652,093	\$ 1,353,198	\$ (38,325)	\$ 73,271	\$ (577,995)	\$ 234,589	\$ 516,875	\$ (314,423)	\$ 341,960
NON-OPERATING REVENUES & EXPENSES												
Interest Revenue	\$ 44,544	\$ 61,229	\$ 3,658	\$ 58,716	\$ 15,963	\$ 3,705	\$ 2,561	\$ 2,561	\$ 4,624	\$ 8,147	\$ 12,863	\$ 22,445
Other Non-Operating Revenue	105,418	37,461	-	41,180	5,452	4,401	-	-	-	36,816	-	105,840
Gain (Loss) On Sale Of Fixed Assets	-	-	-	-	-	-	-	-	-	-	-	1,946
Other Non-Operating Expense	(72,728)	(63,335)	-	-	-	(4,860)	-	-	-	-	-	(2,077)
TOTAL NON-OPERATING REVENUES & EXPENSES	\$ 77,234	\$ 35,355	\$ 3,658	\$ 99,896	\$ 21,416	\$ 3,246	\$ 2,561	\$ 2,561	\$ 4,624	\$ 44,963	\$ 12,863	\$ 128,153
INCOME (LOSS) BEFORE CONTRIBUTIONS & TRANSFERS	\$ 746,012	\$ 177,798	\$ 165,032	\$ 751,989	\$ 1,374,614	\$ (35,079)	\$ 75,832	\$ (575,434)	\$ 239,214	\$ 561,838	\$ (301,560)	\$ 470,114
Contributions	\$ 287,024	\$ 172,105	\$ -	\$ 237,994	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers In	-	-	-	-	-	255,608	-	335,358	-	-	160,931	165,129
Transfers Out	(106,865)	(38,704)	-	(181,526)	-	-	(147)	-	-	(403,518)	(400)	-
TOTAL CONTRIBUTIONS & TRANSFERS	\$ 180,159	\$ 133,401	\$ -	\$ 56,468	\$ -	\$ 255,608	\$ (147)	\$ 335,358	\$ -	\$ (403,518)	\$ 160,531	\$ 165,129
CHANGE IN FUND BALANCE	\$ 926,171	\$ 311,199	\$ 165,032	\$ 808,456	\$ 1,374,614	\$ 220,529	\$ 75,685	\$ (240,077)	\$ 239,214	\$ 158,320	\$ (141,029)	\$ 635,242
BEGINNING FUND BALANCE - January 1, 2017	\$ 75,751,705	\$ 81,919,221	\$ 2,672,022	\$ 64,010,652	\$ 4,245,695	\$ 9,514,116	\$ 1,374,410	\$ 1,385,685	\$ 1,064,528	\$ 1,530,324	\$ 4,291,351	\$ 10,920,413
ENDING FUND BALANCE - June 30, 2017	\$ 76,677,877	\$ 82,230,420	\$ 2,837,054	\$ 64,819,109	\$ 5,620,309	\$ 9,734,645	\$ 1,450,095	\$ 1,145,608	\$ 1,303,741	\$ 1,688,644	\$ 4,150,323	\$ 11,555,656