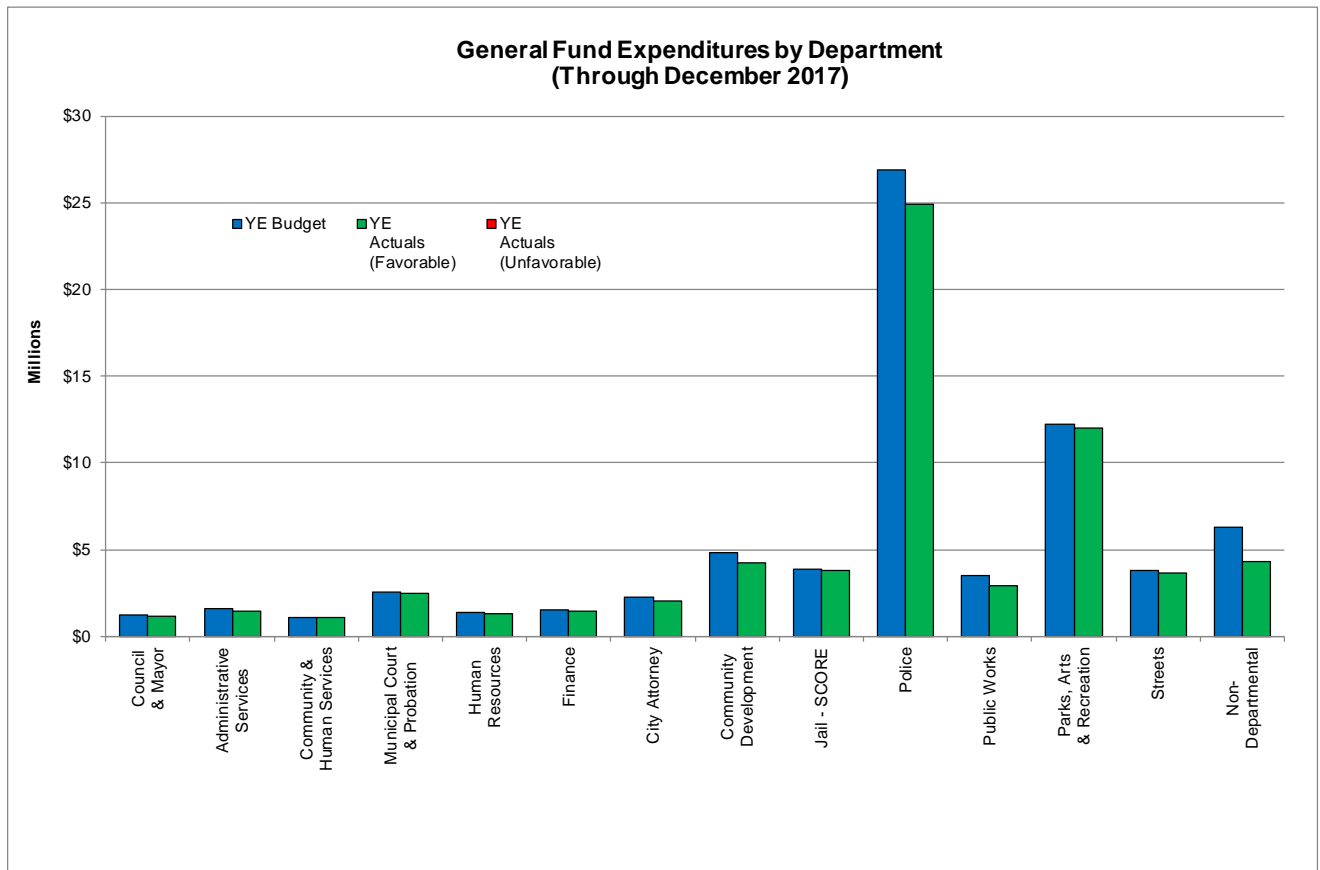
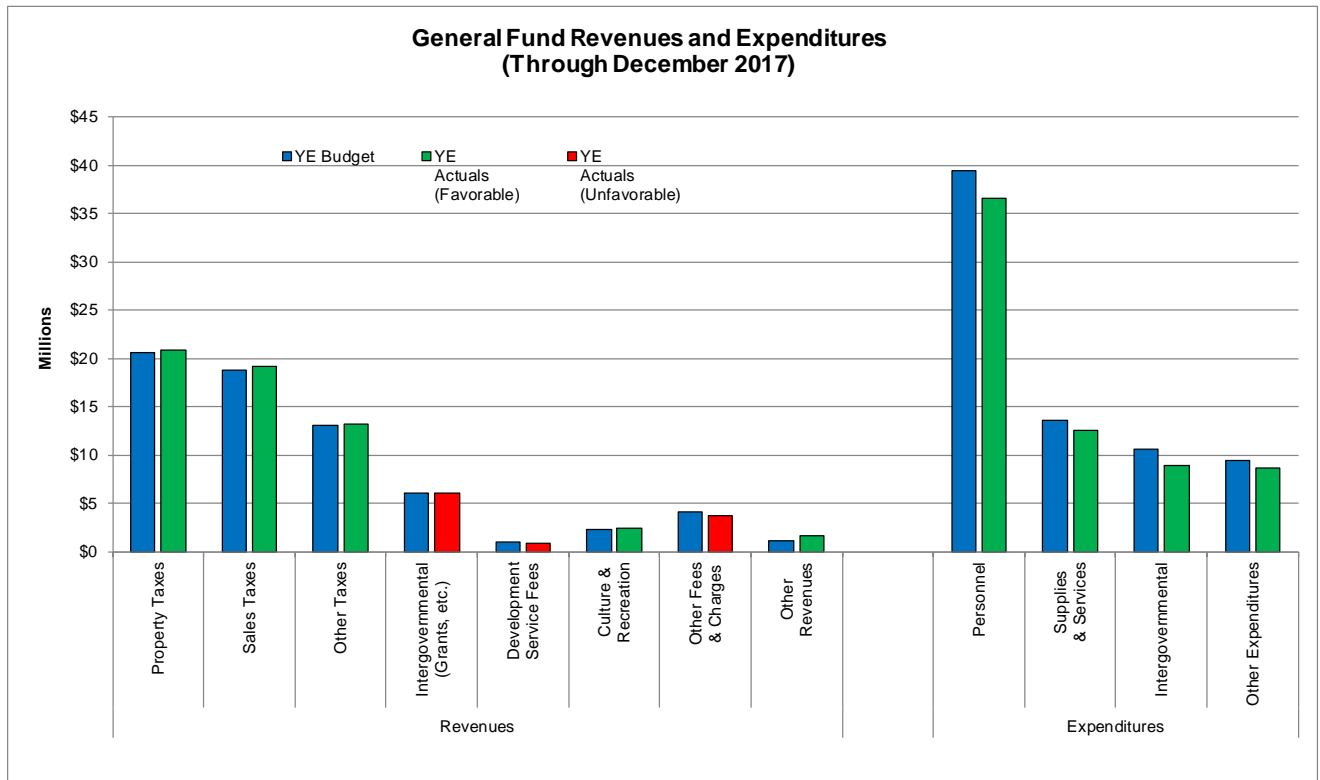




AGENDA BILL APPROVAL FORM

Agenda Subject: 4 th Quarter 2017 Financial Report		Date: February 13, 2018
Department: Finance	Attachments: Quarterly Financial Report	Budget Impact: \$0
Administrative Recommendation: For discussion only.		
Background Summary: 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 year to date through December 2017 status report based on financial data available as of February 5, 2018 for the period ending December 31, 2017 and sales tax information representing business activity that occurred through October 2017.		
		Staff: Coleman
Meeting Date: March 12, 2018		Item Number:

General Fund Summary



General Fund Summary of Sources and Uses	Page Ref	2017			2016	2017 YE Budget vs. Actual	
		Annual Budget	YE Budget	YE Actual	YE Actual	Favorable (Unfavorable) Amount	Percentage
Operating Revenues							
Property Tax	6	\$ 20,652,000	\$ 20,652,000	\$ 20,837,874	\$ 17,932,830	185,874	0.9 %
Sales Tax	7-8	14,746,000	14,746,000	14,949,407	14,628,045	203,407	1.4 %
Sales Tax - Pierce County Parks		75,000	75,000	95,750	89,495	20,750	27.7 %
Sales Tax - Annexation Credit		2,032,100	2,032,100	2,085,949	2,006,028	53,849	2.6 %
Criminal Justice Sales Tax		1,889,400	1,889,400	2,038,296	1,968,679	148,896	7.9 %
Brokered Natural Gas Tax		351,800	351,800	176,067	223,900	(175,733)	(50.0) %
City Utilities Tax	9-10	3,936,300	3,936,300	3,890,304	3,959,131	(45,996)	(1.2) %
Admissions Tax		317,000	317,000	422,280	378,760	105,280	33.2 %
Electric Tax	9-10	3,560,000	3,560,000	3,694,954	3,525,357	134,954	3.8 %
Natural Gas Tax	9-10	1,001,200	1,001,200	1,072,751	946,959	71,551	7.1 %
Cable Franchise Fee	11	971,500	971,500	1,009,432	977,736	37,932	3.9 %
Cable Utility Tax - New 2017	12	1,000,000	1,000,000	801,150	-	(198,850)	(19.9) %
Cable Franchise Fee - Capital		66,200	66,200	66,428	66,315	228	0.3 %
Telephone Tax	9-10	1,451,800	1,451,800	1,379,949	1,494,354	(71,851)	(4.9) %
Garbage Tax (external)	9-10	120,000	120,000	129,831	124,007	9,831	8.2 %
Leasehold Excise Tax		40,000	40,000	203,034	204,446	163,034	407.6 %
Gambling Excise Tax		300,300	300,300	324,309	494,472	24,009	8.0 %
Taxes sub-total		\$ 52,510,600	\$ 52,510,600	\$ 53,177,765	\$ 49,020,516	\$ 667,165	1.3 %
Business License Fees	12-13	\$ 222,100	\$ 222,100	\$ 163,347	\$ 224,876	(58,753)	(26.5) %
Building Permits	14	1,575,000	1,575,000	1,191,974	2,008,970	(383,026)	(24.3) %
Other Licenses & Permits		541,600	541,600	551,475	750,580	9,875	1.8 %
Intergovernmental (Grants, etc.)	15	6,129,110	6,129,110	6,104,610	5,737,079	(24,500)	(0.4) %
Charges for Services:	16-18						
General Government Services	16	60,700	60,700	72,710	76,218	12,010	19.8 %
Public Safety	16	875,700	875,700	887,535	638,440	11,835	1.4 %
Development Services Fees	17	1,007,600	1,007,600	906,687	1,046,249	(100,913)	(10.0) %
Culture and Recreation	18	2,319,680	2,319,680	2,375,807	2,316,824	56,127	2.4 %
Fines and Penalties	19-20	876,100	876,100	882,255	905,921	6,155	0.7 %
Fees/Charges/Fines sub-total		\$ 13,607,590	\$ 13,607,590	\$ 13,136,398	\$ 13,705,158	\$ (471,192)	(3.5) %
Interest and Investment Earnings	20-21	\$ 69,000	\$ 69,000	\$ 237,532	\$ 110,800	168,532	244.2 %
Rents and Leases	20-21	715,300	715,300	879,059	783,930	163,759	22.9 %
Contributions and Donations	20-21	35,000	35,000	47,926	32,435	12,926	36.9 %
Other Miscellaneous	20-21	232,500	232,500	308,578	286,520	76,078	32.7 %
Transfers In		79,000	79,000	79,000	217,482	0	0.0 %
Insurance Recoveries - Capital & Operating		25,000	25,000	134,103	83,737	109,103	436.4 %
Other Revenues sub-total		\$ 1,155,800	\$ 1,155,800	\$ 1,686,198	\$ 1,514,904	\$ 530,398	45.9 %
Total Operating Revenues		\$ 67,273,990	\$ 67,273,990	\$ 68,000,361	\$ 64,240,577	\$ 726,371	1.1 %
Operating Expenditures							
Council & Mayor		\$ 1,240,618	\$ 1,240,618	\$ 1,136,527	\$ 1,065,395	\$ 104,091	8.4 %
Administration		1,640,533	1,640,533	1,434,930	1,197,355	205,603	12.5 %
Community & Human Services		1,103,040	1,103,040	1,076,539	872,023	26,501	2.4 %
Municipal Court & Probation		2,577,954	2,577,954	2,465,944	2,242,473	112,010	4.3 %
Human Resources		1,409,871	1,409,871	1,279,436	1,283,702	130,435	9.3 %
Finance		1,500,893	1,500,893	1,433,788	1,169,633	67,105	4.5 %
City Attorney		2,279,653	2,279,653	2,038,930	1,883,009	240,723	10.6 %
Community Development		4,803,783	4,803,783	4,225,865	4,109,092	577,918	12.0 %
Jail - SCORE		3,878,150	3,878,150	3,794,872	4,019,473	83,278	2.1 %
Police		26,897,517	26,897,517	24,947,225	23,430,625	1,950,292	7.3 %
Public Works		3,547,418	3,547,418	2,957,741	2,945,815	589,677	16.6 %
Parks, Arts & Recreation		12,240,387	12,240,387	12,030,393	11,322,293	209,994	1.7 %
Streets		3,798,094	3,798,094	3,677,312	3,209,370	120,782	3.2 %
Non-Departmental		6,264,415	6,264,415	4,327,753	3,934,038	1,936,662	30.9 %
Total Operating Expenditures		\$ 73,182,326	\$ 73,182,326	\$ 66,827,255	\$ 62,684,298	\$ 6,355,071	8.7 %

Executive Summary

This Executive Summary provides an overview of the City's overall financial position for the fiscal period ending December 31, 2017, reflecting financial data available as of February 5, 2018.

General Fund:

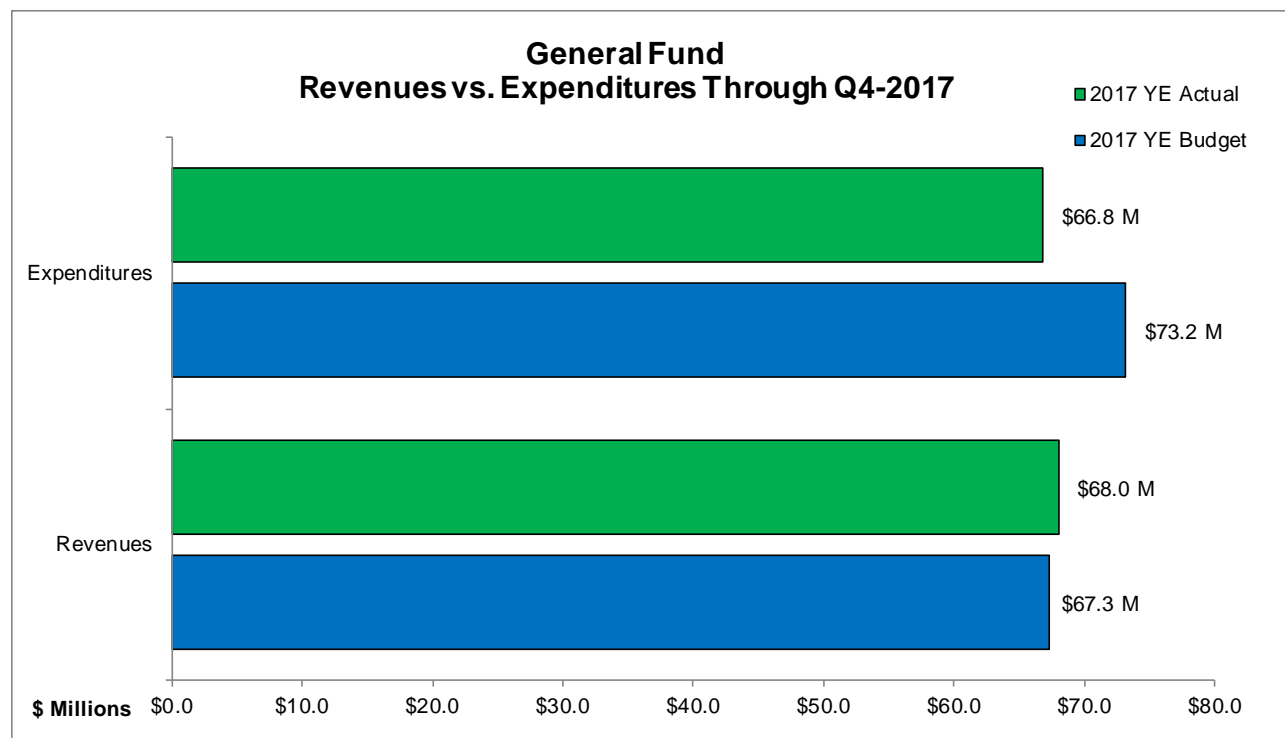
In 2017, General Fund revenues totaled \$68.0 million compared to a budget of \$67.3 million, and were \$3.8 million higher than revenues collected during 2016. Some notable variances to budget this year include:

- Property tax collections in 2017 totaled \$20.8 million, which was 0.9% or \$186,000 above budget expectations and exceeded 2016 collections by \$2.9 million, or 16.2%. This year-over-year increase in property tax collections was attributable to an increase in new construction and the use of banked capacity. **[page 6]**
- General Fund retail sales tax revenues totaled \$14.9 million, and exceeded budget by 1.4% or \$203,000, and exceeded 2016 collections by \$321,000 or 2.2%. The primary area of significant increase in sales activity compared to 2016 collections was seen in the automotive category. **[pages 7-8]**
- The other taxes category performed favorably to budget in 2017, with revenues totaling \$13.2 million compared to a budget of \$13.1 million. Electric tax and admission tax revenues collected in 2017 exceeded budget by \$135,000 and \$105,000, respectively. In addition, leasehold excise taxes collected were \$163,000 higher than budget. These revenues were somewhat offset by unfavorable variances in brokered natural gas tax revenues and telephone tax revenues of \$176,000 and \$72,000, respectively. Cable utility tax revenues were \$199,000 below budget through the fourth quarter, although this is just a timing issue whereby Q4-2017 cable tax revenues in the amount of \$267,000 were not received until January 2018. **[pages 9-12]**
- Building permit revenue collected in 2017 totaled \$1.2 million, compared to a budget of \$1.6 million. The volume of building permits issued in 2017 was 680, which represents a 20.0% decline over the number of permits issued in 2016. In addition, there was a 40.4% decline in the average valuation of the projects for which permits have been issued compared to valuations in 2016. **[page 14]**
- Development services revenues collected in 2017 were \$101,000, or 10.0%, unfavorable to budget. This variance was predominately due to plan check revenues not meeting budget expectations. **[page 17]**

Ending 2017 fund balances will not be finalized until approximately June 2017 pending final year-end adjustments and certification by the State Auditor's Office. Once the final ending 2017 fund balances are available, budgeted beginning 2018 fund balances will be reconciled and adjusted accordingly.

General Fund expenditures in 2017 totaled \$66.8 million compared to a budget of \$73.2 million, representing an 8.7% favorable variance to budget. All departments operated within their allocated budget in 2017.

General Fund expenditures in 2017 were \$4.1 million, or 6.6% higher than in 2016. Salary and benefit costs increased by \$2.5 million, or 7.2%, compared to 2016. This year-over-year increase was due primarily to an increase in Council approved FTEs (Full Time Equivalents) and increased costs associated with healthcare and pension benefits. In addition, interfund charges for services increased \$850,000, or 11.0%, compared to 2016. These increases were mostly seen in equipment repair and replacement expenditures for fleet vehicles.



Street Funds:

The City's three street funds are special revenue funds wherein 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. In 2017, **Arterial Street Fund** revenues totaled \$8.4 million as compared to collections of \$4.2 million in 2016, while expenditures totaled \$9.7 million as compared to expenditures of \$6.8 million last year. [pages 24–25]

Local Street Fund revenues of \$2.8 million exceeded budget expectations through year-end by \$905,000 or 47.4%, due to higher than anticipated sales tax revenues from local construction projects; last year's collections through year-end totaled \$2.5 million. Expenditures were \$2.2 million as compared with \$2.1 million in 2016. [pages 26–27]

Lastly, the **Arterial Street Preservation Fund** revenues totaled \$3.9 million in 2017 as compared to \$2.1 million in 2016, while expenditures totaled \$5.0 million versus \$1.1 million in 2016. 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 28–29]

Enterprise Funds:

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

In 2017, the **Water Fund** experienced operating income before depreciation of \$5.7 million compared to \$4.7 million in 2016. This increase 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 year with operating income before depreciation of \$2.3 million versus \$2.1 million in 2016. The **Sewer-Metro Fund** operating revenues exceeded expenditures by \$421,000 as compared to \$297,000 in 2016. The **Stormwater Fund** ended the year with operating income before depreciation of \$2.6 million compared to \$2.7 million in 2016. The **Solid Waste Fund** ended 2017 with operating income of \$612,000, compared to \$889,000 in 2016. [pages 31–34]

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 had sufficient revenues to cover year-end expenditures. [page 35]

Investment Portfolio:

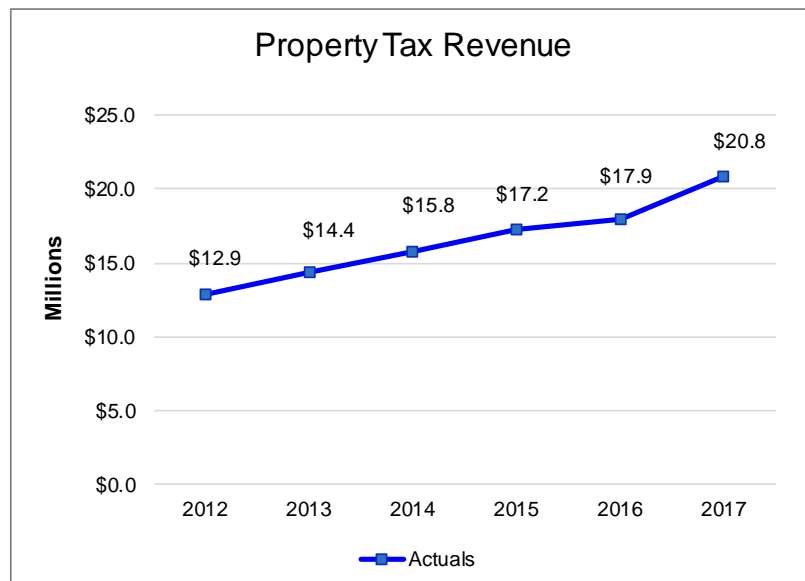
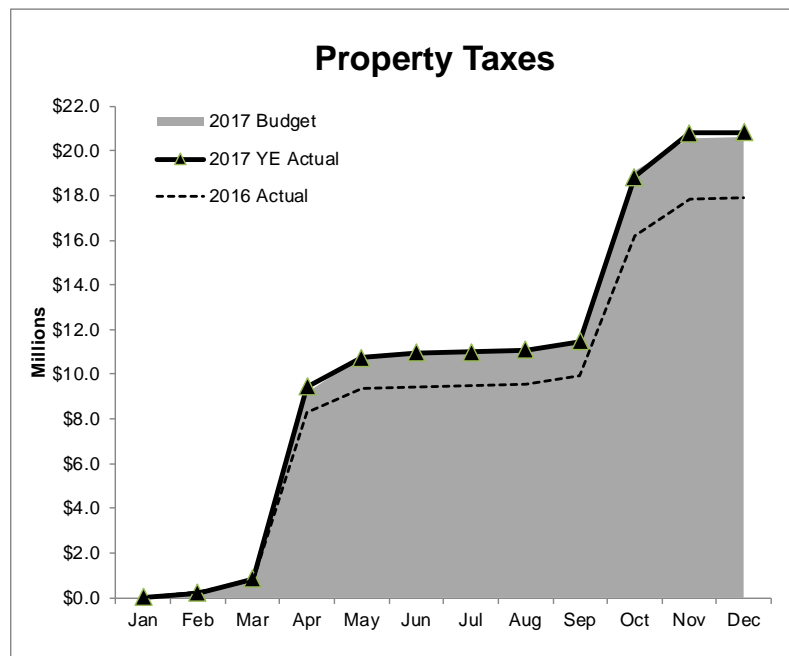
The City's total cash and investments at the end of 2017 totaled \$133.8 million, and compares to \$128.0 million at the end of 2016. [attachment]

General Fund

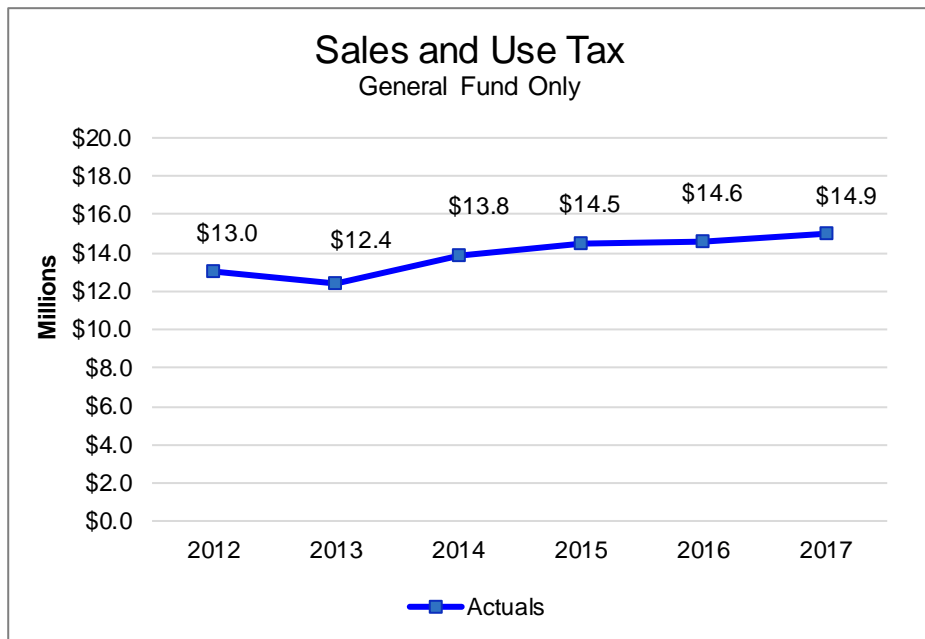
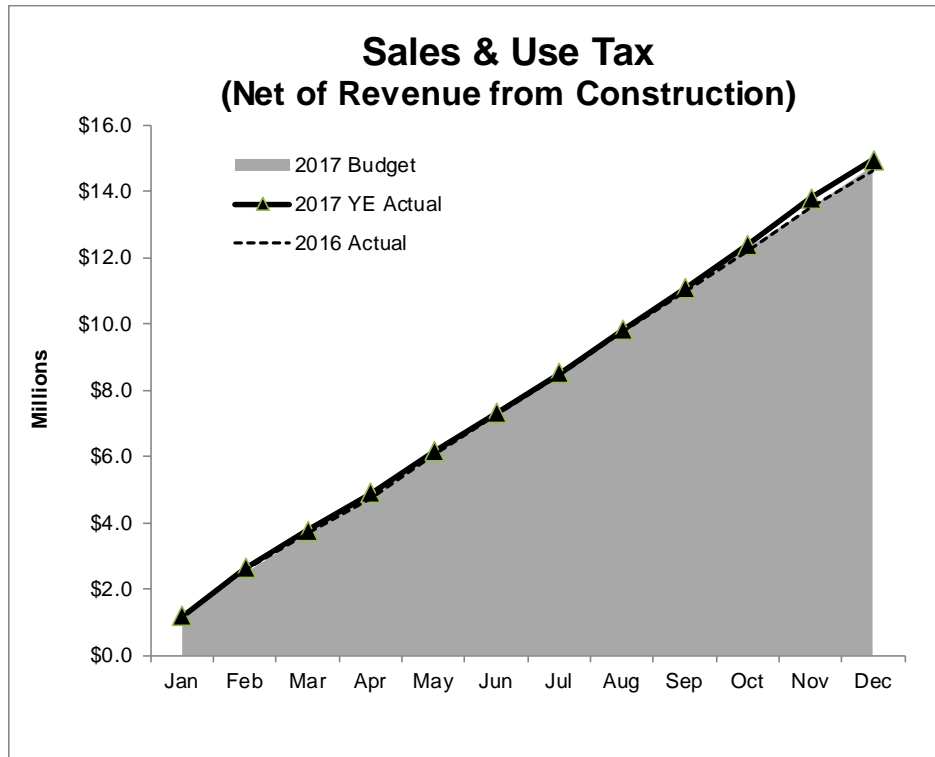
Revenues

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 in 2017 totaled \$20.8 and were \$186,000, or 0.9%, above budget expectations. Property tax revenue collected in 2017 exceeded collections in 2016 by \$2.9 million, or 16.2%. This year-over-year increase in property tax collections is attributable to an increase in new construction 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 in 2017 totaled \$17.6 million, of which \$14.9 million was distributed to the General Fund and \$2.6 million was distributed to the Local Street Fund (SOS) program as per financial policy. Total sales tax revenue distributions to the General Fund in 2017 exceeded budget expectations by \$203,000, or 1.4%.

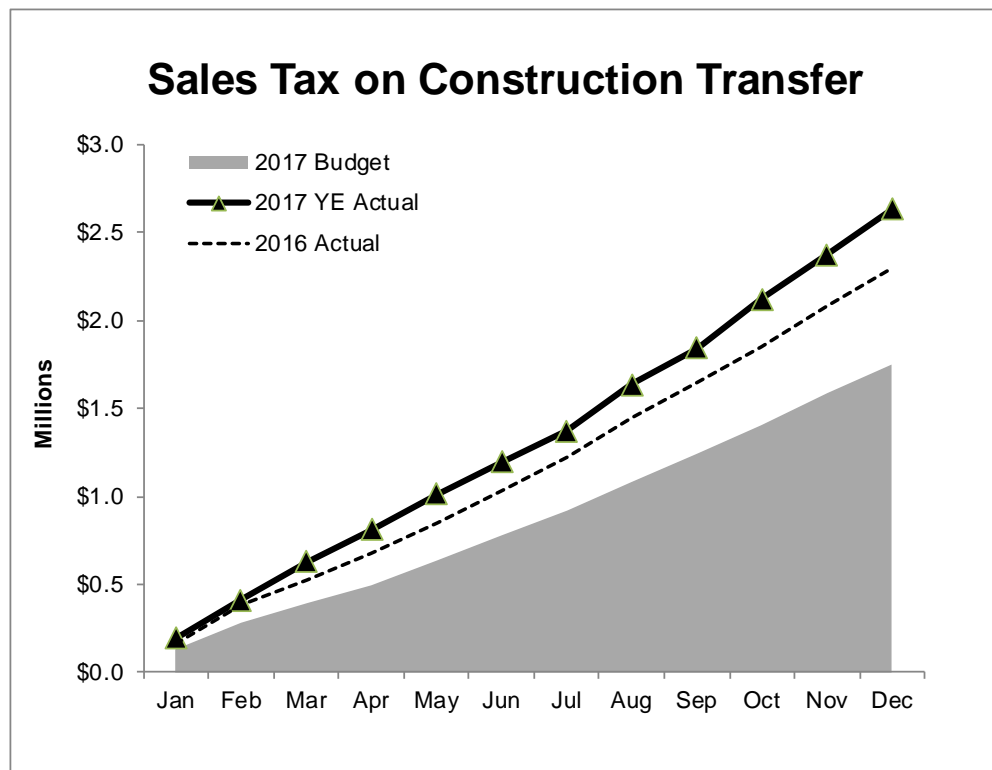


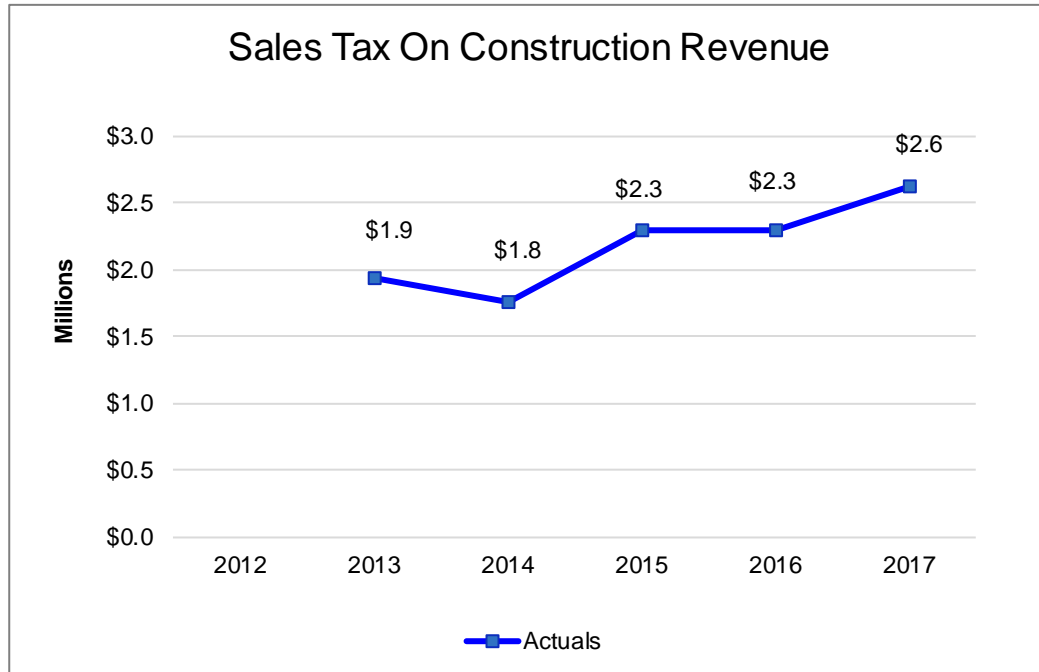
The following table breaks out the City's base sales taxes, excluding Pierce County Parks Sales Tax, Criminal Justice Sales Tax, and Annexation Credit Sales Tax, by major business sector.

Comparison of Sales Tax Collections by SIC Group Through December				
Component Group	2016 Actual	2017 Actual	Change from 2016	
			Amount	Percentage
Construction	\$ 2,292,280	\$ 2,632,107	\$ 339,827	14.8 %
Manufacturing	761,091	677,596	(83,495)	(11.0) %
Transportation & Warehousing	99,439	88,502	(10,937)	(11.0) %
Wholesale Trade	1,264,976	1,363,083	98,107	7.8 %
Automotive	3,659,497	3,971,531	312,034	8.5 %
Retail Trade	4,852,592	4,871,580	18,988	0.4 %
Services	3,926,336	3,911,740	(14,596)	(0.4) %
Miscellaneous	64,114	65,374	1,260	2.0 %
YE Total	\$ 16,920,325	\$ 17,581,514	\$ 661,189	3.9 %

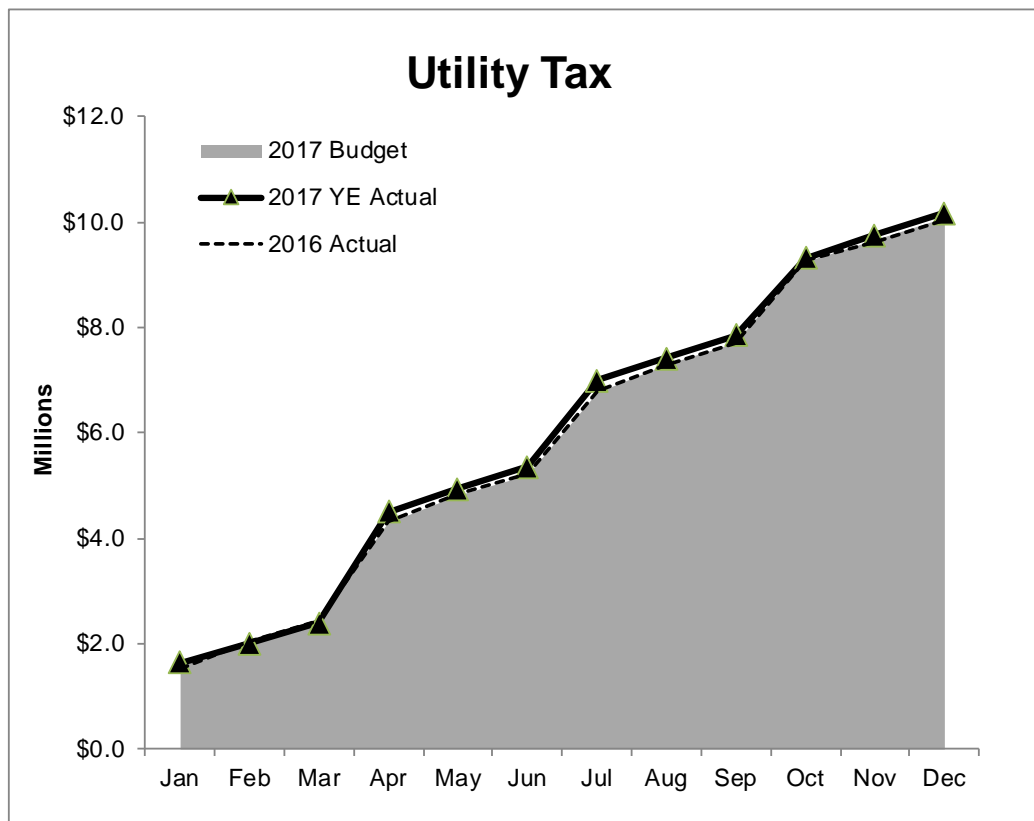
Total sales tax revenue collected in 2017 totaled \$17.6 million and exceeded prior year collections by \$661,000, or 3.9%. The business sectors showing the largest increase in revenues compared to last year were the construction, automotive, and wholesale trade categories.

Sales tax revenue on construction is transferred to the Local Street Fund (Fund 103) for local street repair and maintenance. In 2017, this totaled \$2.6 million, which was \$340,000 more than what was collected last year, and exceeds the 2017 budget by \$882,000.



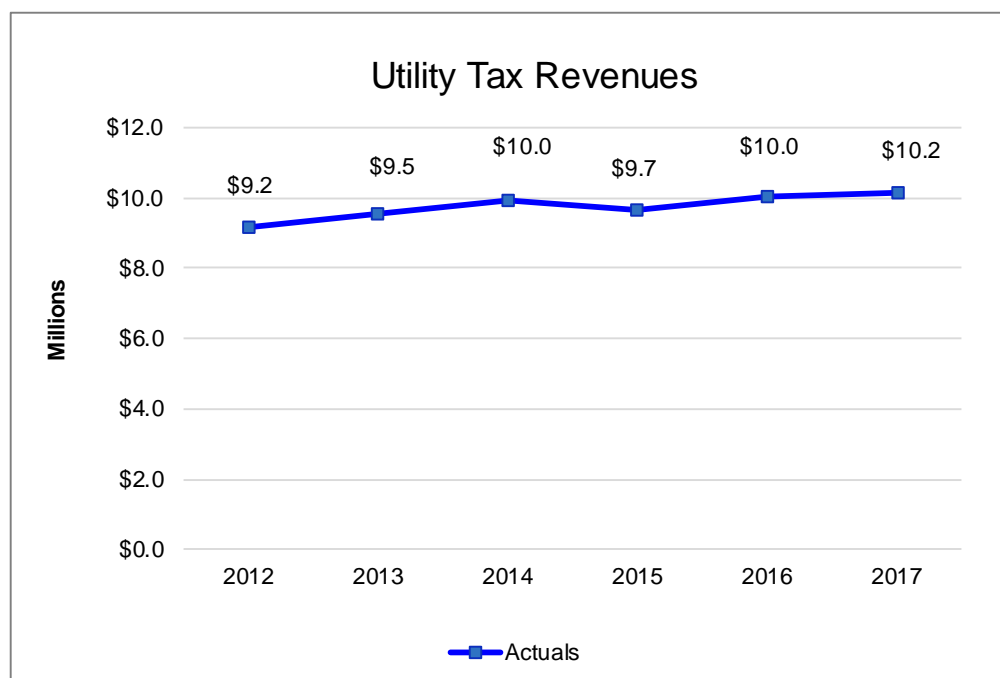


Utility Taxes consist of interfund taxes on City utilities (Water, Sewer, Storm and Solid Waste) and taxes on external utilities (Electric, Natural Gas, Telephone and Solid Waste). Utility taxes collected in 2017 totaled \$10.2 million and exceeded budget expectations by \$98,000, or 1.0%.

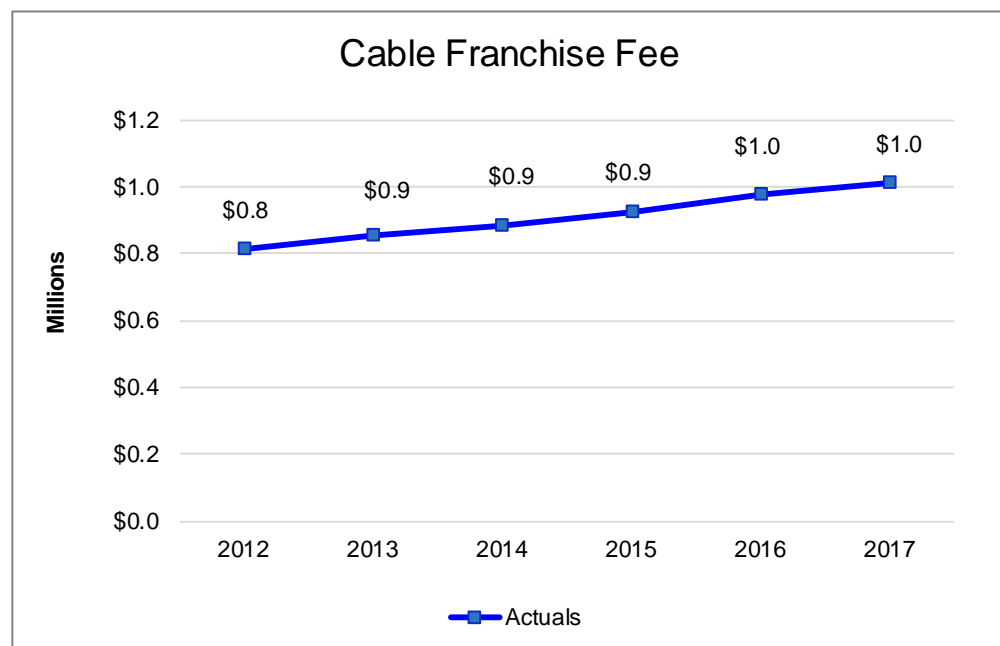
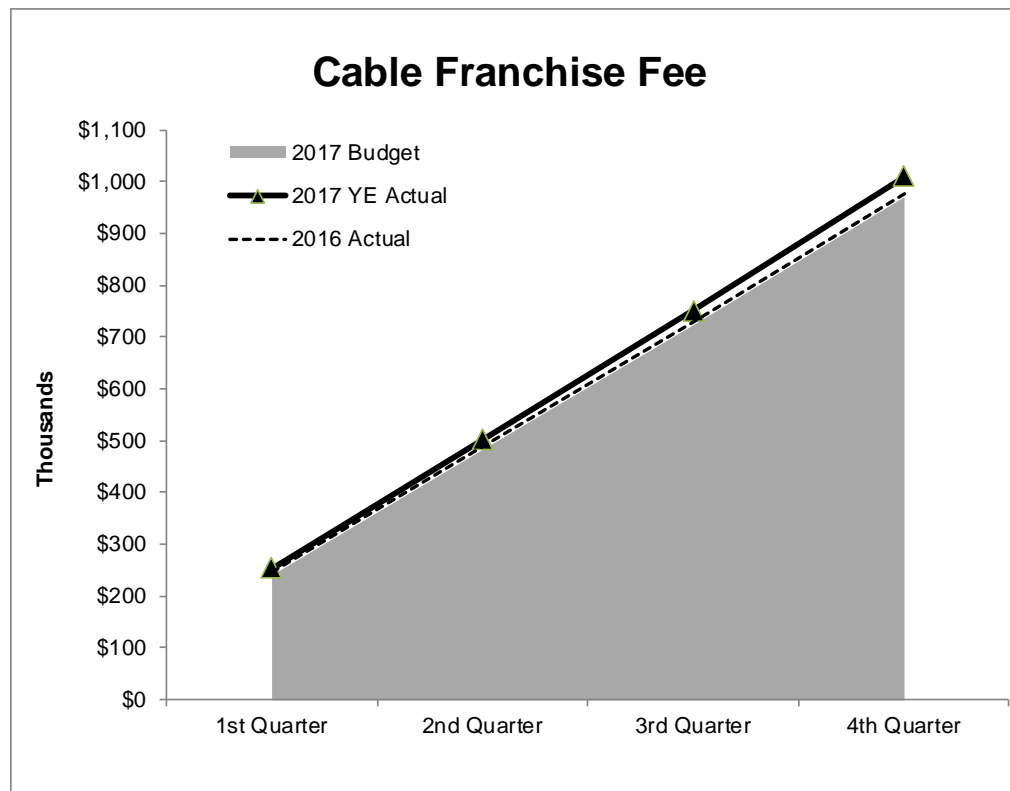


Favorable variances in electric and natural gas revenues offset lower collections in telephone utility taxes and City utility taxes.

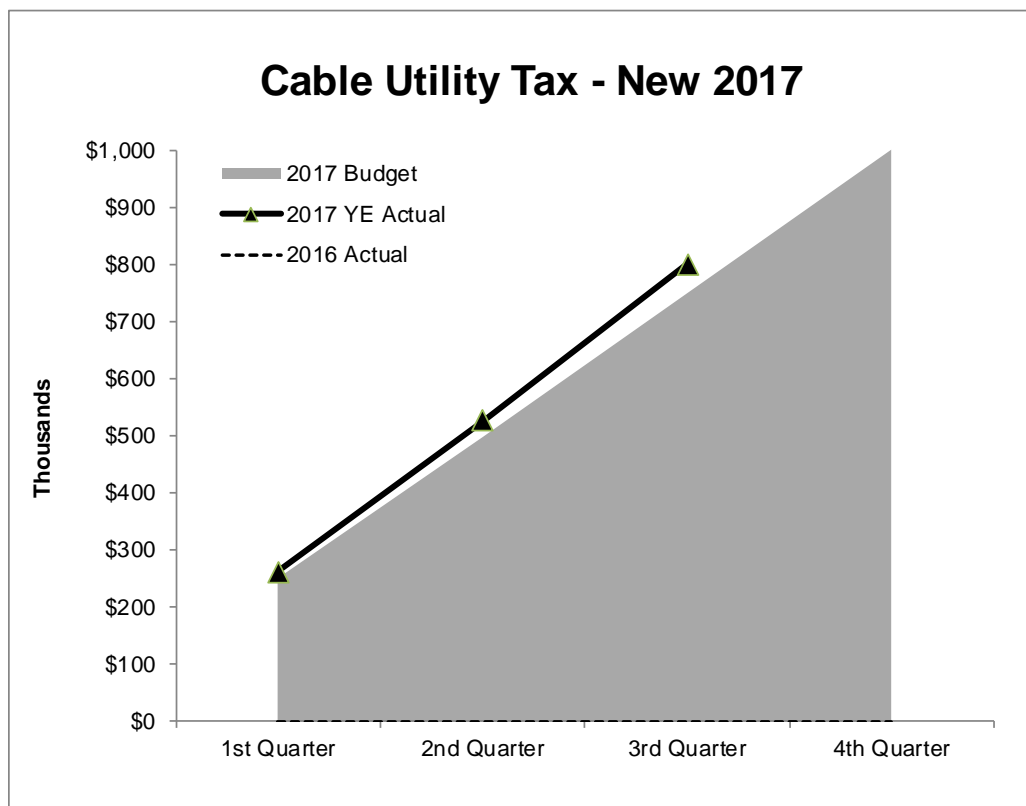
Utility Tax by Type Through December 2017							
Utility Tax Type	2016 YE Actual	2017 YE Budget	2017 YE Actual	2017 vs. 2016 Actual		2017 vs. Budget	
				Amount	Percentage	Amount	Percentage
City Interfund Utility Taxes	\$ 3,959,131	\$ 3,936,300	\$ 3,890,304	\$ (68,827)	(1.7) %	\$ (45,996)	(1.2) %
Electric	3,525,357	3,560,000	3,694,954	169,596	4.8 %	134,954	3.8 %
Natural Gas	946,959	1,001,200	1,072,751	125,791	13.3 %	71,551	7.1 %
Telephone	1,494,354	1,451,800	1,379,949	(114,405)	(7.7) %	(71,851)	(4.9) %
Solid Waste (external)	124,007	120,000	129,831	5,824	4.7 %	9,831	8.2 %
YE Total	\$ 10,049,809	\$ 10,069,300	\$ 10,167,789	\$ 117,980	1.2 %	\$ 98,489	1.0 %



Cable Franchise Fees, which are collected quarterly, totaled \$1.0 million and exceeded budget by \$38,000, or 3.9%.

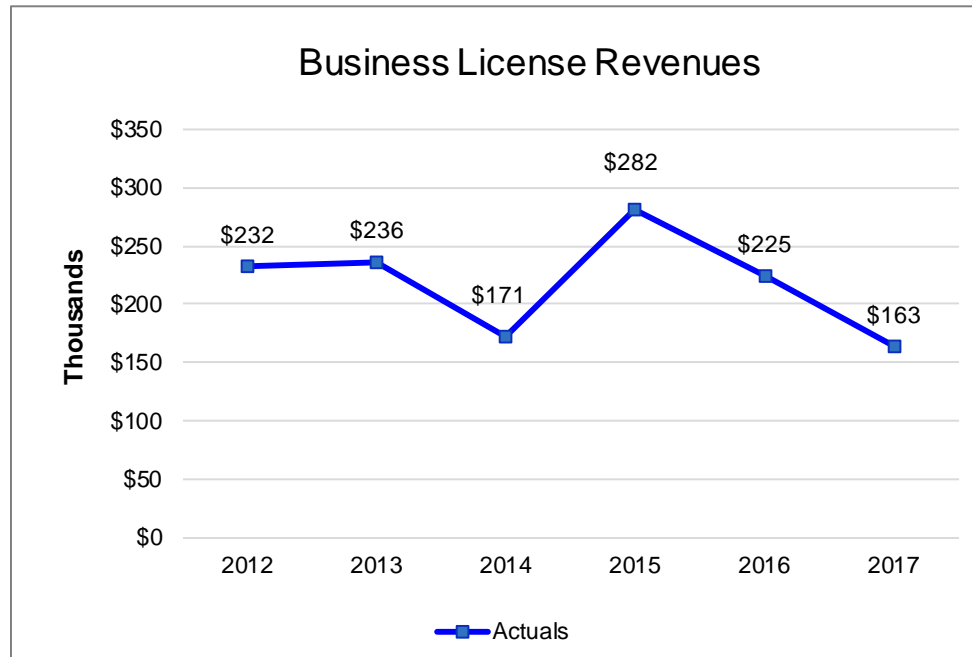
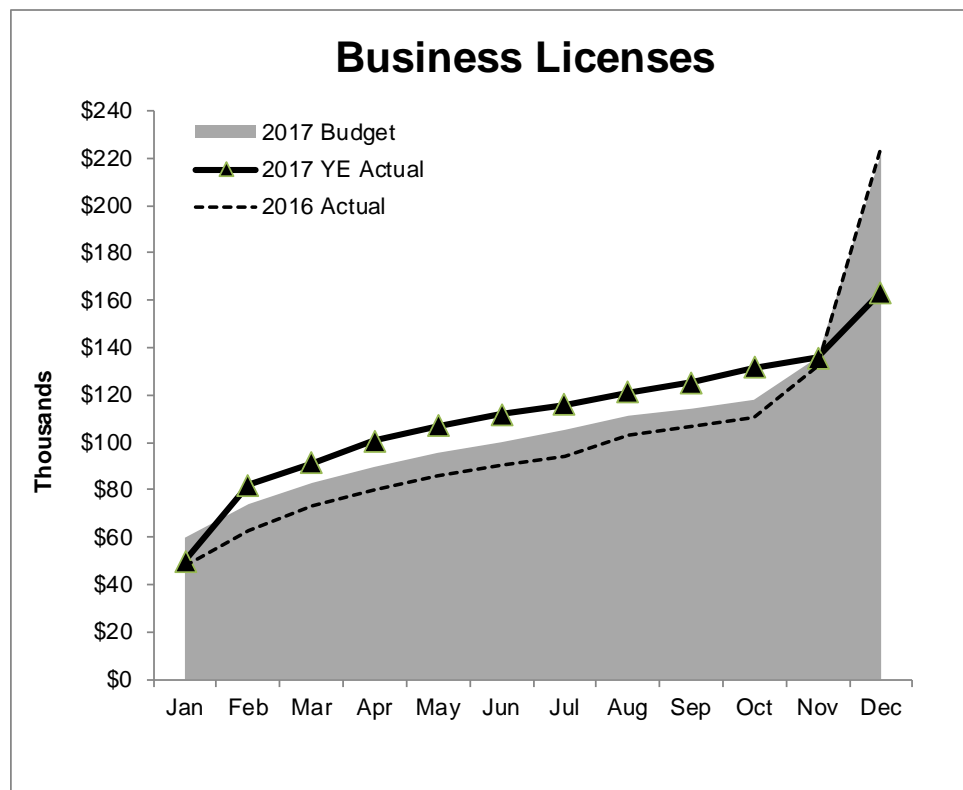


Cable Utility Tax (New in 2017). In September 2016, City Council approved Ordinance No. 6620, which increased the Cable Utility Tax from 1.0% to 6.0%, with the entirety of the new tax amount benefitting the General Fund. This tax became effective on January 1, 2017 and is collected quarterly. Although this revenue stream appears to be unfavorable to budget through the end of 2017, this is just a timing issue whereas the revenues generated for October through December 2017 in the amount of \$267,000 was collected in January 2018. Including the payment received in January 2018, the distributions totaled \$1,068,000 and exceeded the budget expectation of \$1,000,000 by 6.8%.



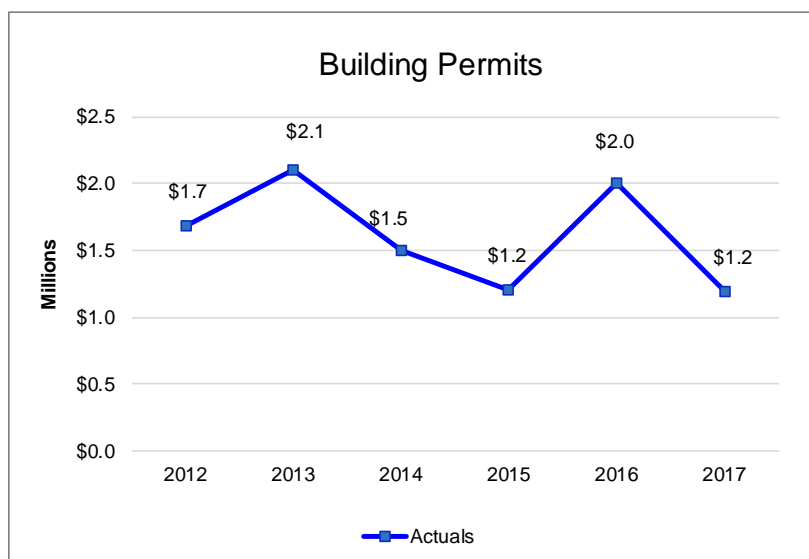
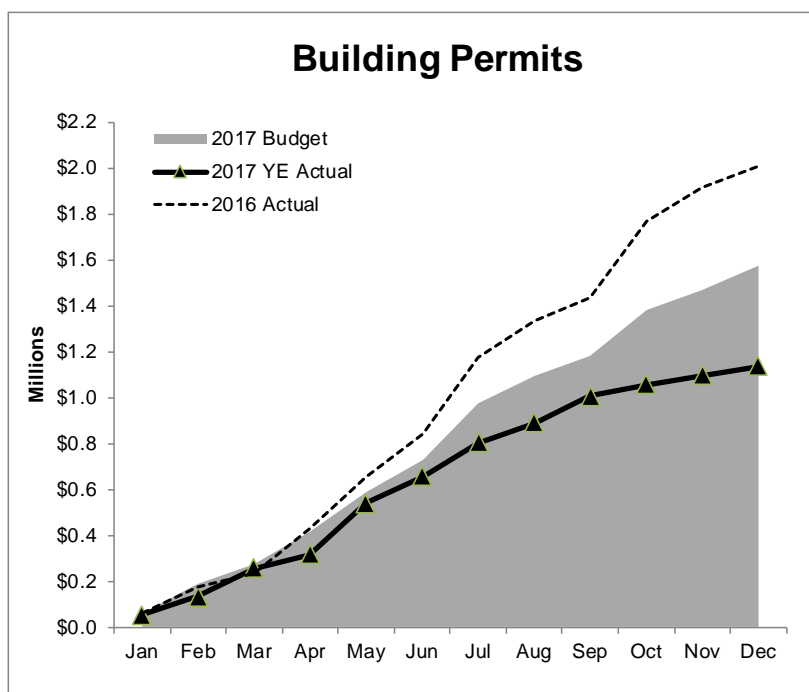
Licenses and Permits include business licenses, building permits, plumbing, electric and other licenses and permit fees. Building permit fees and business licenses make up about 70% of the annual budgeted revenue in this category.

Business license revenues collected in 2017 totaled \$163,000, compared to a budget of \$222,000. While this appears to be an unfavorable variance to budget, it is actually a timing issue where the majority of business owners paid their 2018 business license fees in January 2018.



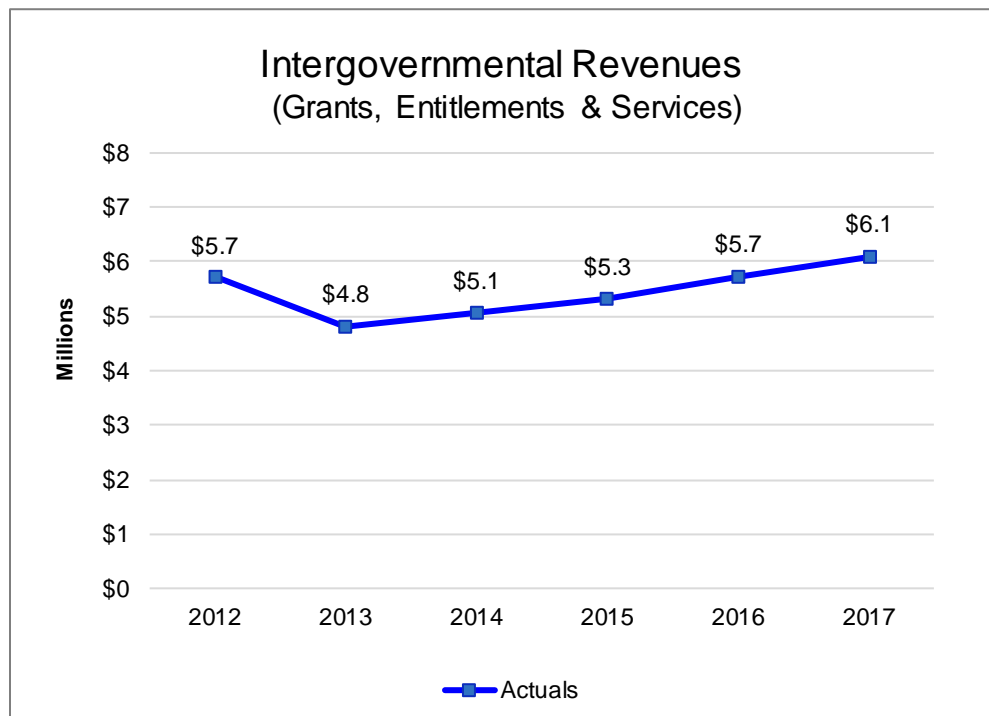
Building permit revenues collected in 2017 totaled \$1.2 million compared to 2016 collections of \$2.0 million. This year-over-year decline in building permit revenues is due to the combination of a lower number of building permits issued and a decrease in the average valuation of each project. Total permits sold in 2017 was 680 as compared with 850 sold in 2016, representing a 20.0% reduction. In addition, the average construction value per permit issued declined by 40.4%, which indicates that there weren't as many large projects permitted in 2017. Of the permit revenues collected in 2017, 39% was attributable to commercial projects and the remaining 61% was predominately single family housing permits.

Major projects contributing to permit revenues in 2017 include Boeing, North Auburn Logistics, the Holiday Inn Express, LA Fitness, and Dave & Buster's as well as numerous single family housing permits – most notably in Canyon Creek and Calla Crest.



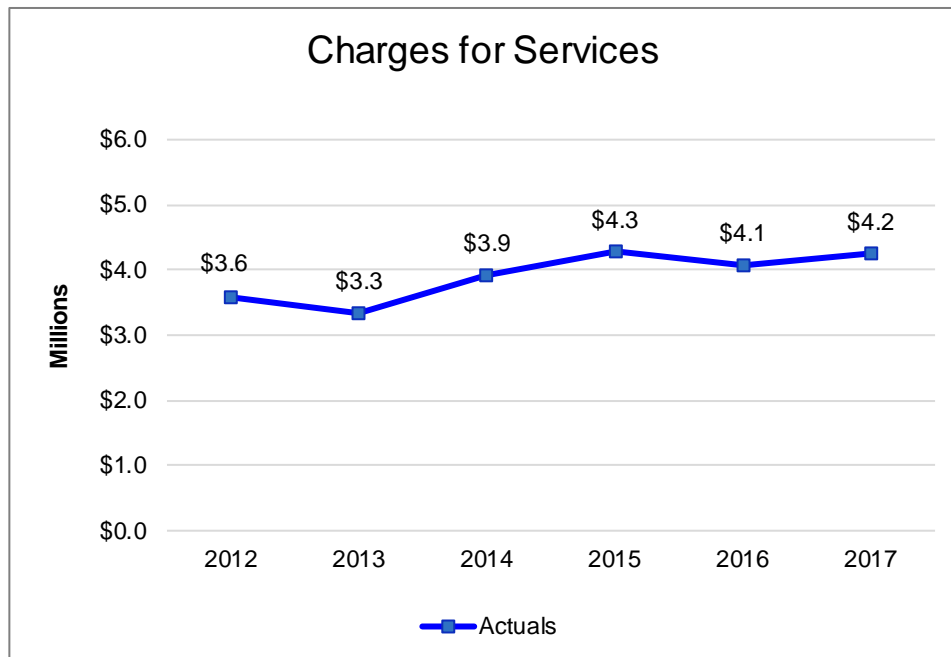
Intergovernmental revenues include grants (direct and indirect Federal, state and local), compact revenue from the Muckleshoot Indian Tribe (MIT), intergovernmental service revenues, and state shared revenues. Collections in 2017 totaled \$6.1 million and ended the year \$25,000, or 0.4%, under budget. Favorable variances in revenues collected from the Muckleshoot Casino services reimbursement and Criminal Justice High Crime revenues were somewhat offset by reduced revenues collected in Federal grants. Federal grant reimbursements in 2017 were significantly lower than budget expectations primarily due to the delayed hiring of the police officers who are to be partially funded by the Federal COPS (Community Oriented Policing Services) grant.

Intergovernmental Revenues (Grants, Entitlements & Services)							
Through December 2017							
Revenue	2016	2017	2017	2017 vs. 2016 Actual		2017 vs. Budget	
	YE Actual	YE Budget	YE Actual	Amount	% Change	Amount	% Change
Federal Grants	\$ 294,006	\$ 630,715	\$ 241,952	\$ (52,055)	(17.7) %	\$ (388,763)	(61.6) %
State Grants	162,692	184,295	189,238	26,546	16.3 %	4,943	2.7 %
Interlocal Grants	45,973	107,000	96,322	50,349	0.0 %	(10,678)	(10.0) %
Muckleshoot Casino Services	668,629	650,000	855,302	186,673	27.9 %	205,302	31.6 %
Intergovernmental Service	17,304	0	0	(17,304)	(100.0) %	0	N/A %
State Shared Revenues:							
Streamlined Sales Tax	1,924,487	1,907,700	1,908,971	(15,515)	(0.8) %	1,271	0.1 %
Motor Vehicle Fuel Tax	1,121,112	1,221,400	1,153,061	31,949	2.8 %	(68,339)	(5.6) %
Criminal Justice - High Crime	285,202	192,000	391,027	105,825	37.1 %	199,027	103.7 %
Criminal Justice - Population	20,807	24,000	21,787	979	4.7 %	(2,213)	(9.2) %
Criminal Justice - Special Prog.	75,865	80,000	79,077	3,212	4.2 %	(923)	(1.2) %
Marijuana Revenues	29,420	34,000	56,069	26,648	90.6 %	22,069	64.9 %
State DUI	11,779	12,000	11,678	(100)	(0.9) %	(322)	(2.7) %
Fire Insurance Tax	76,569	75,000	78,078	1,509	2.0 %	3,078	4.1 %
Liquor Excise	352,467	360,000	371,440	18,973	5.4 %	11,440	3.2 %
Liquor Profit	650,766	651,000	650,607	(159)	(0.0) %	(393)	(0.1) %
Total State Shared:	4,548,474	4,557,100	4,721,796	173,321	3.8 %	164,696	3.6 %
YE Total	\$ 5,737,079	\$ 6,129,110	\$ 6,104,610	\$ 367,530	6.4 %	\$ (24,500)	(0.4) %



Charges for Services consist of general governmental service charges, public safety charges, development service fees, and cultural & recreation fees. Overall, charges for services collected in 2017 totaled \$4.2 million, which was \$165,000 higher than revenues collected in 2016, and \$21,000, or 0.5%, unfavorable to budget in 2017.

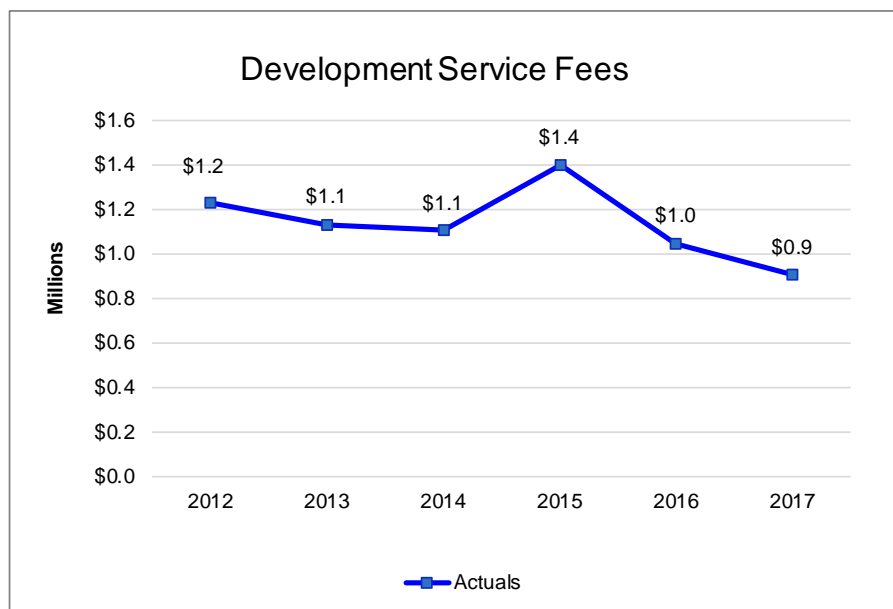
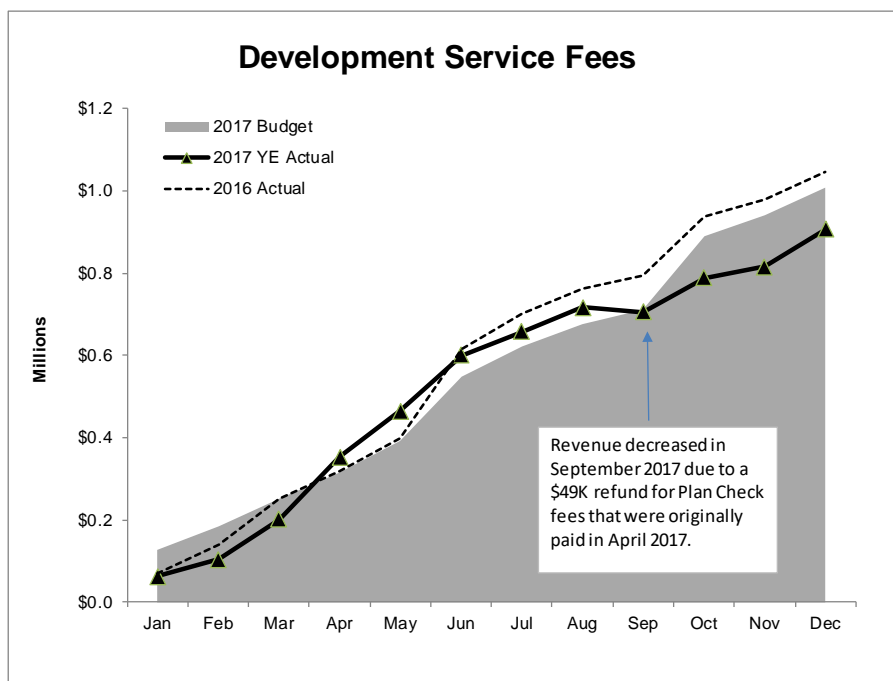
Charges for Services by Type Through December 2017							
Revenue	2016 YE Actual	2017 YE Budget	2017 YE Actual	2017 vs. 2016 Actual		2017 vs. Budget	
				Amount	Percentage	Amount	Percentage
General Government	\$ 76,218	\$ 60,700	\$ 72,710	\$ (3,508)	(4.6) %	\$ 12,010	19.8 %
Public Safety	638,440	875,700	887,535	249,094	39.0 %	11,835	1.4 %
Development Services	1,046,249	1,007,600	906,687	(139,563)	(13.3) %	(100,913)	(10.0) %
Culture & Recreation	2,316,824	2,319,680	2,375,807	58,983	2.5 %	56,127	2.4 %
YE Total	\$ 4,077,733	\$ 4,263,680	\$ 4,242,738	\$ 165,005	4.0 %	\$ (20,942)	(0.5) %



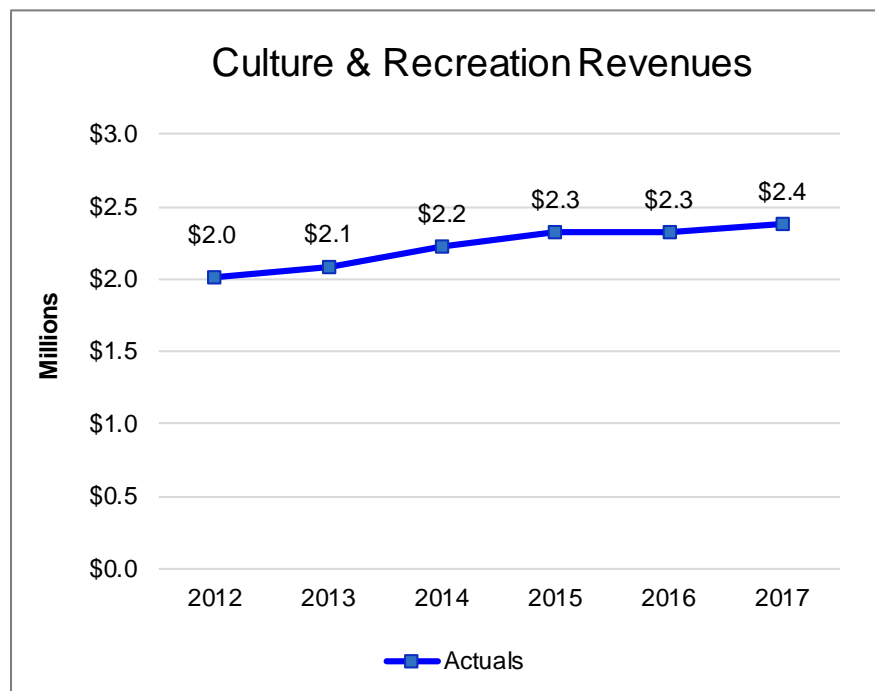
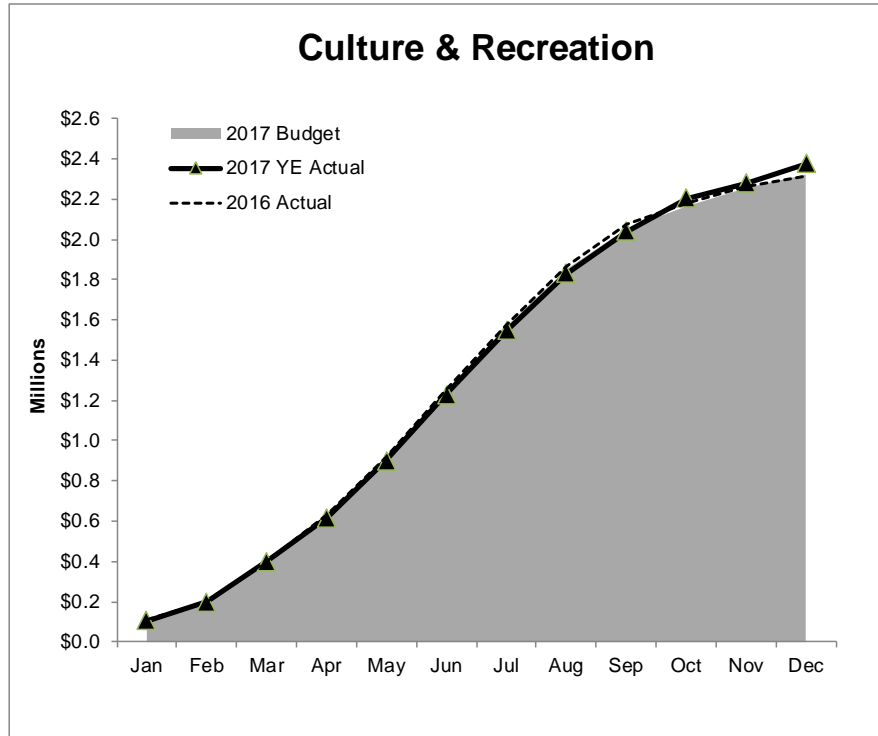
General governmental charges for service collected in 2017 totaled \$73,000 compared to a budget of \$61,000. The favorability to budget was mostly seen in passport services.

Public safety revenues consist of revenues generated for police officer extra duty security services – where officers are contracted for and reimbursement is made by the hiring contractor – as well as revenues generated for reimbursement from the Muckleshoot Indian Tribe (MIT) for a full-time dedicated police officer and associated expenditures. These revenues also include monies collected from the Auburn School District and the Criminal Justice Training Commission (CJTC) for services rendered. Public safety revenues collected in 2017 totaled \$888,000 compared to a budget of \$876,000. Revenues collected in 2017 were \$249,000 or 39.0% higher than the revenues collected in 2016, predominately due to the reimbursement for services from the CJTC for a full time police officer who is on loan from the City, as well as increased revenues collected for extra duty security services due to a 27% increase in billable hours.

Development services fee collections, which primarily consist of plan check fees, totaled \$907,000 and ended the year \$101,000, or 10.0%, lower than budget expectations. Total plan check fees collected in 2017 totaled \$664,000, compared to a budget of \$800,000 and compares with \$759,000 collected in 2016. Plan check revenues collected in 2017 were from numerous commercial and residential projects, including the Hudson Distribution Center, the Auburn School District, Boeing, the Tru by Hilton hotel, as well as numerous housing plans including Calla Crest and Hazelview. Of the \$664,000 in plan check revenues collected in 2017, 55% was attributable to commercial projects in the City and the remaining 45% was predominately single family housing projects.

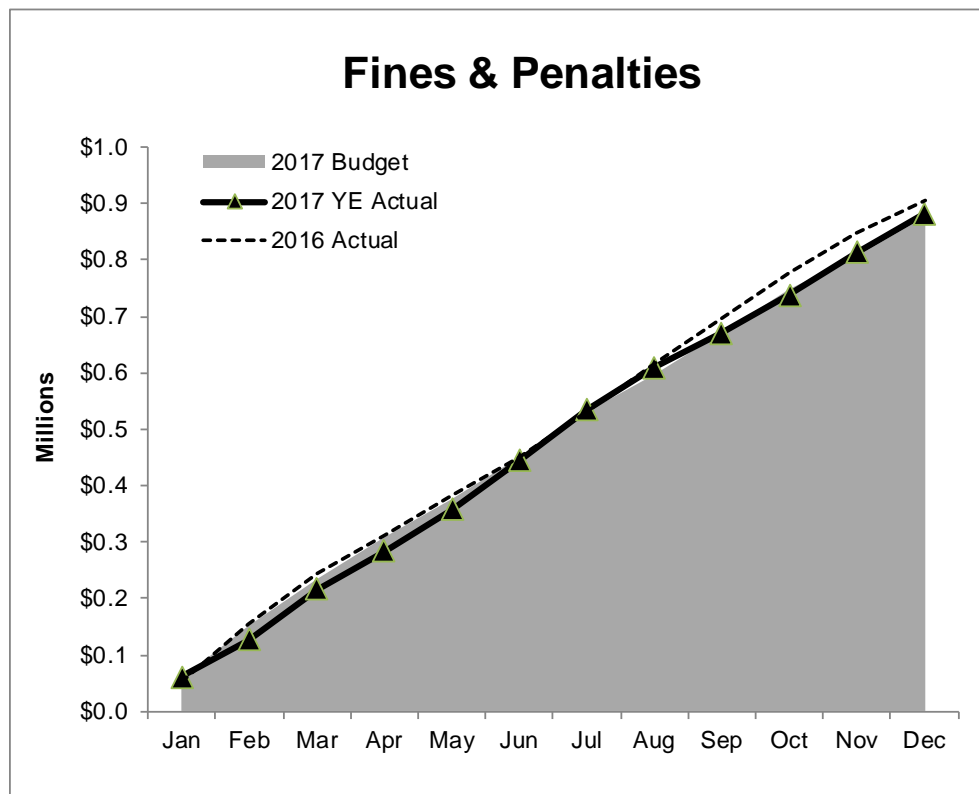


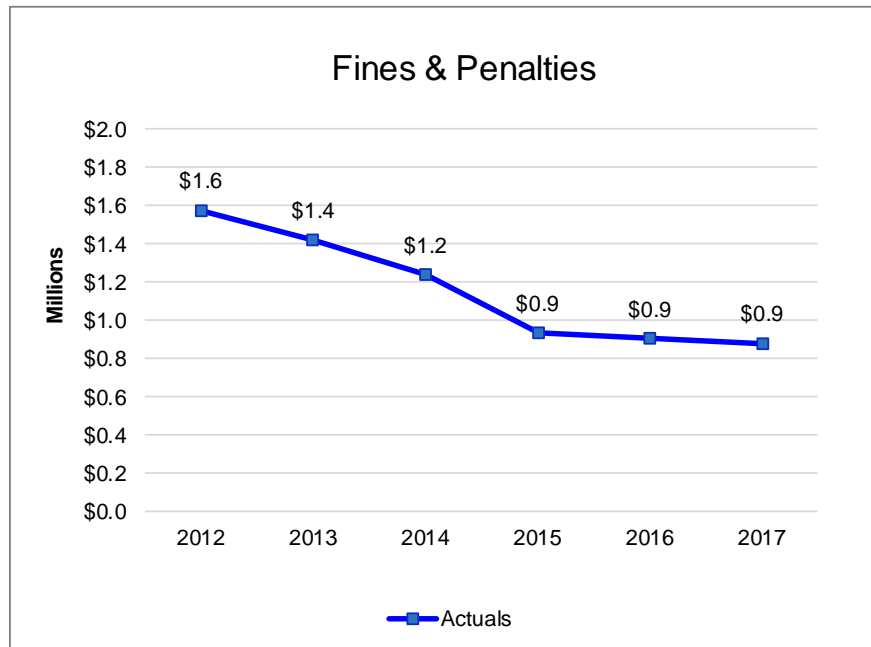
Culture and recreation revenues collected in 2017 totaled \$2.4 million, and exceeded budget by \$56,000, or 2.4%. Collections in 2017 increased by \$59,000, or 2.5%, compared to collections in 2016 primarily due to an increase in revenues collected for theater tickets sales and increased revenues collected for recreational classes. The majority of the culture and recreation 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 in 2017 totaled \$882,000, compared to a budget of \$876,000. Revenues collected in 2017 were slightly lower than 2016 primarily due to reduced collections in civil infraction penalties, criminal non-traffic fines, and non-court fines and penalties.

Fines & Penalties by Type Through December 2017							
Month	2016 YE Actual	2017 YE Budget	2017 YE Actual	2017 vs. 2016 Actual		2017 vs. Budget	
				Amount	Percentage	Amount	Percentage
Civil Penalties	\$ 23,763	\$ 12,000	\$ 28,346	\$ 4,583	19.3 %	\$ 16,346	136.2 %
Civil Infraction Penalties	470,118	467,900	457,818	(12,300)	(2.6) %	(10,082)	(2.2) %
Redflex Photo Enforcement	15,433	0	10,773	(4,660)	(30.2) %	10,773	N/A %
Parking Infractions	130,567	145,300	148,260	17,693	13.6 %	2,960	2.0 %
Criminal Traffic Misdemeanor	58,885	51,000	73,578	14,692	25.0 %	22,578	44.3 %
Criminal Non-Traffic Fines	47,125	43,500	31,077	(16,048)	(34.1) %	(12,423)	(28.6) %
Criminal Costs	60,366	42,000	46,394	(13,972)	(23.1) %	4,394	10.5 %
Non-Court Fines & Penalties	99,662	114,400	86,009	(13,653)	(13.7) %	(28,391)	(24.8) %
YE Total	\$ 905,921	\$ 876,100	\$ 882,255	\$ (23,667)	(2.6) %	\$ 6,155	0.7 %





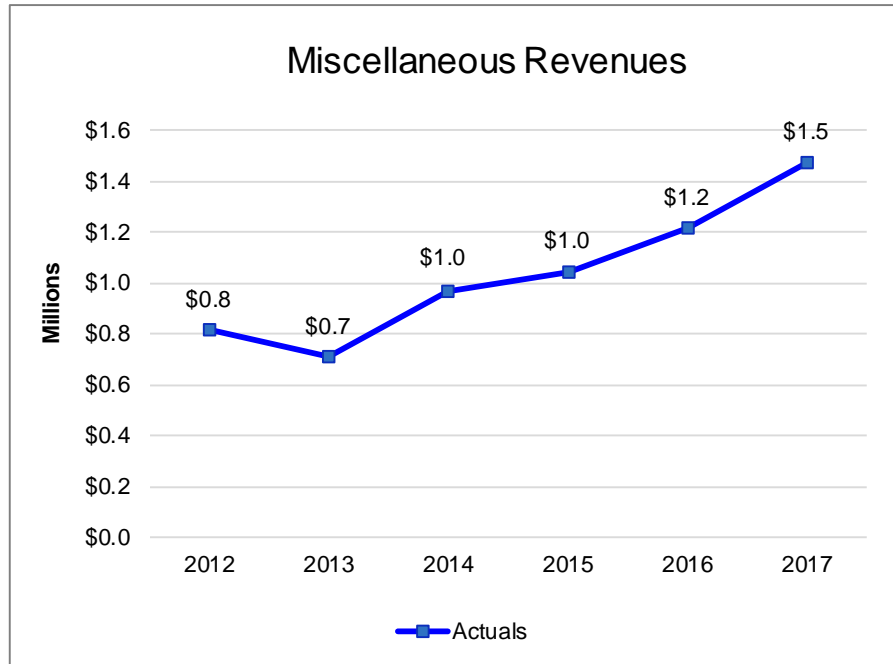
Miscellaneous revenues consist of investment earnings, income from facility rentals, contributions & donations, and other income including the quarterly purchasing card (P-card) rebate monies. Revenues collected in this category in 2017 totaled \$1.5 million and exceeded budget by \$421,000, or 40.1%, largely due to higher interest earnings and rents and leases.

Miscellaneous Revenues by Type Through December 2017							
Month	2016 YE Actual	2017 YE Budget	2017 YE Actual	2017 vs. 2016		2017 vs. Budget	
				Amount	Percentage	Amount	Percentage
Interest & Investments	\$ 110,800	\$ 69,000	\$ 237,532	\$ 126,732	114.4 %	\$ 168,532	244.2 %
Rents & Leases	783,930	715,300	879,059	95,129	12.1 %	163,759	22.9 %
Contributions & Donations	32,435	35,000	47,926	15,491	47.8 %	12,926	36.9 %
Other Miscellaneous Revenue	286,520	232,500	308,578	22,058	7.7 %	76,078	32.7 %
YE Total	\$ 1,213,685	\$ 1,051,800	\$ 1,473,095	\$ 259,410	21.4 %	\$ 421,295	40.1 %

Interest and investments revenues collected in 2017 were \$169,000 higher than budget expectations primarily due to the fact that the State Investment Pool interest rate was substantially higher in 2017 than 2016.

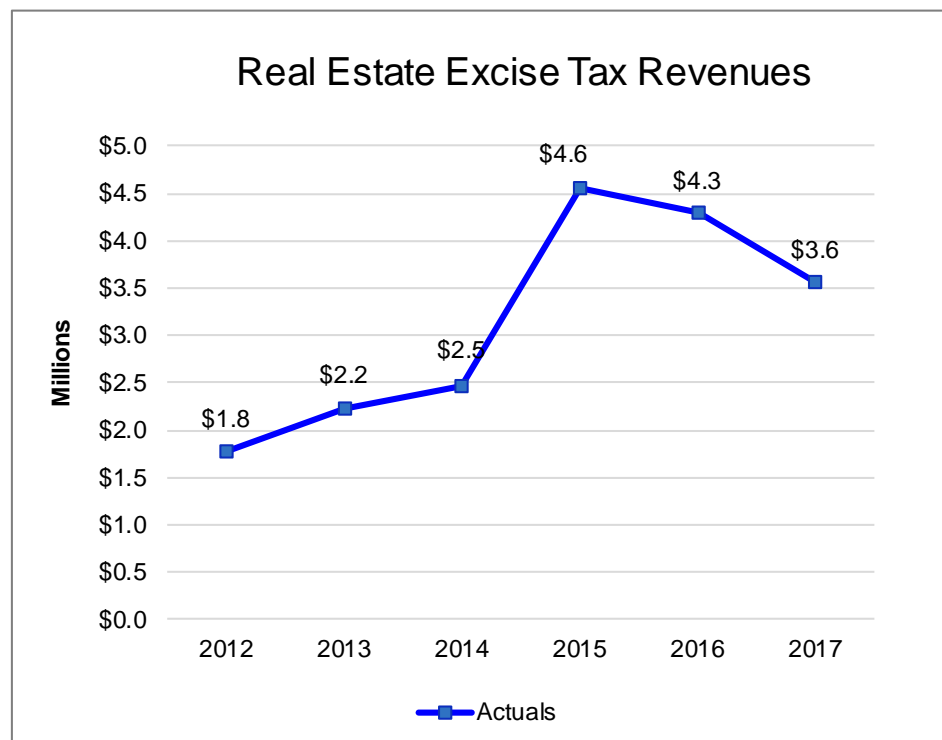
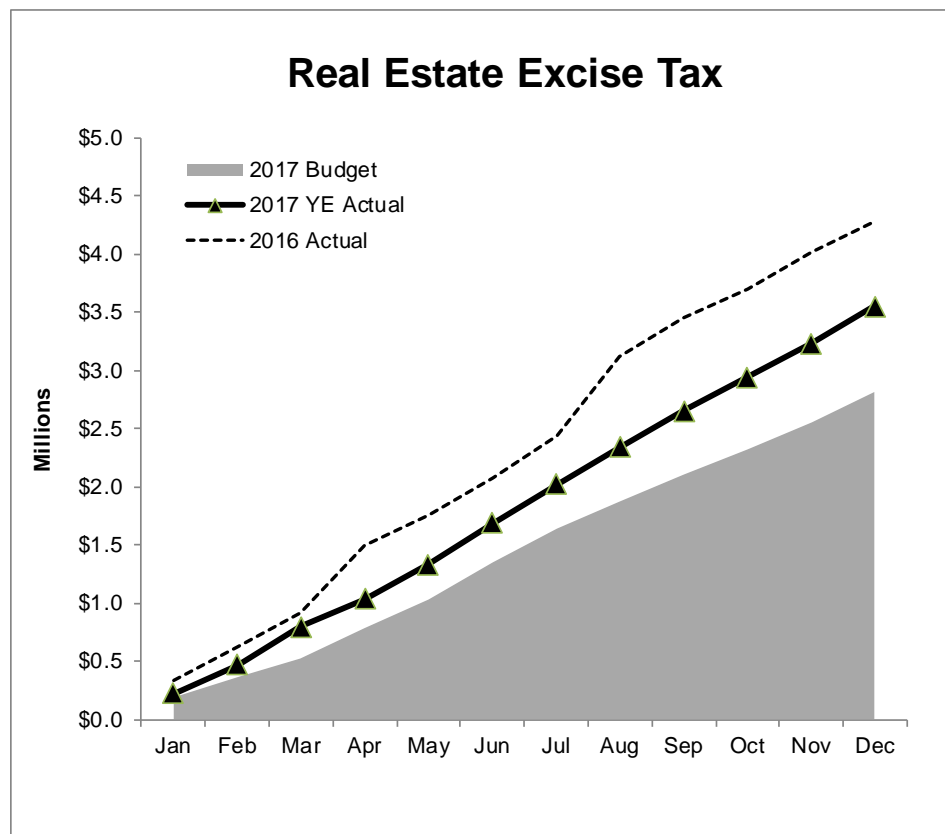
Rents and leases revenues in 2017 exceeded budget expectations by \$164,000 primarily due to higher than anticipated revenues from facilities rentals and parking space rentals. Facility rental revenue realized a \$42,000 year-over-year increase due primarily to the opening of the new Community and Events Center in mid-2016, therefore only generating a half-year's revenue in 2016 versus a full year in 2017. In 2017, additional inventory of parking spaces were added; therefore, parking permit revenues collected in 2017 were \$22,000 higher than collections in 2016.

Lastly, other miscellaneous revenues exceeded budget expectations by \$76,000 predominately due to unbudgeted code violation revenues collected, which amounted to \$57,000 in 2017.



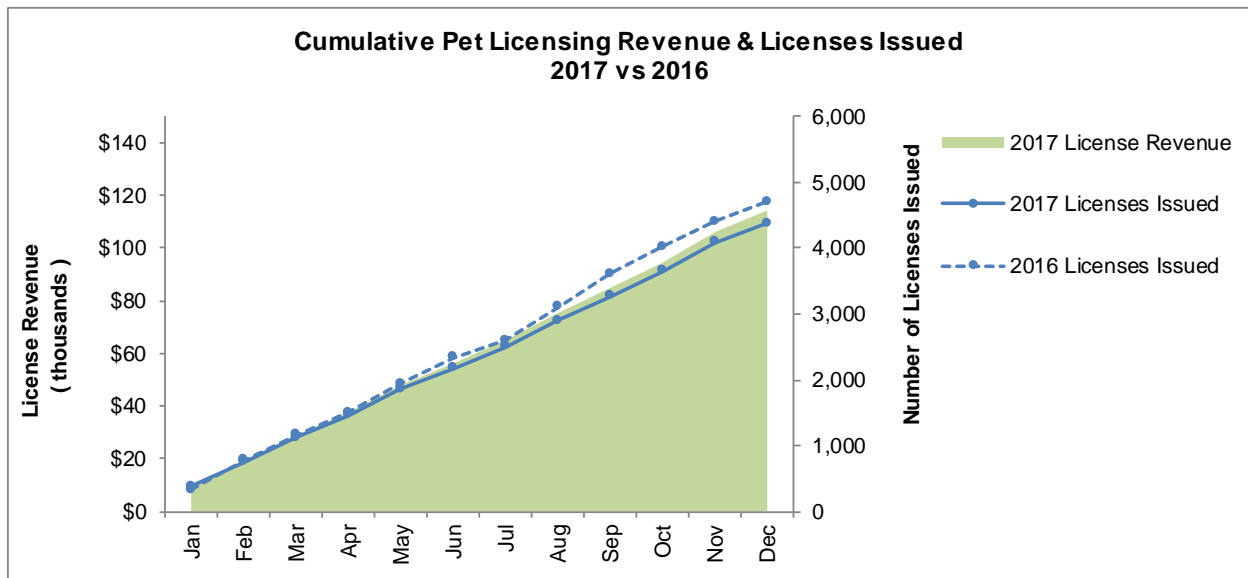
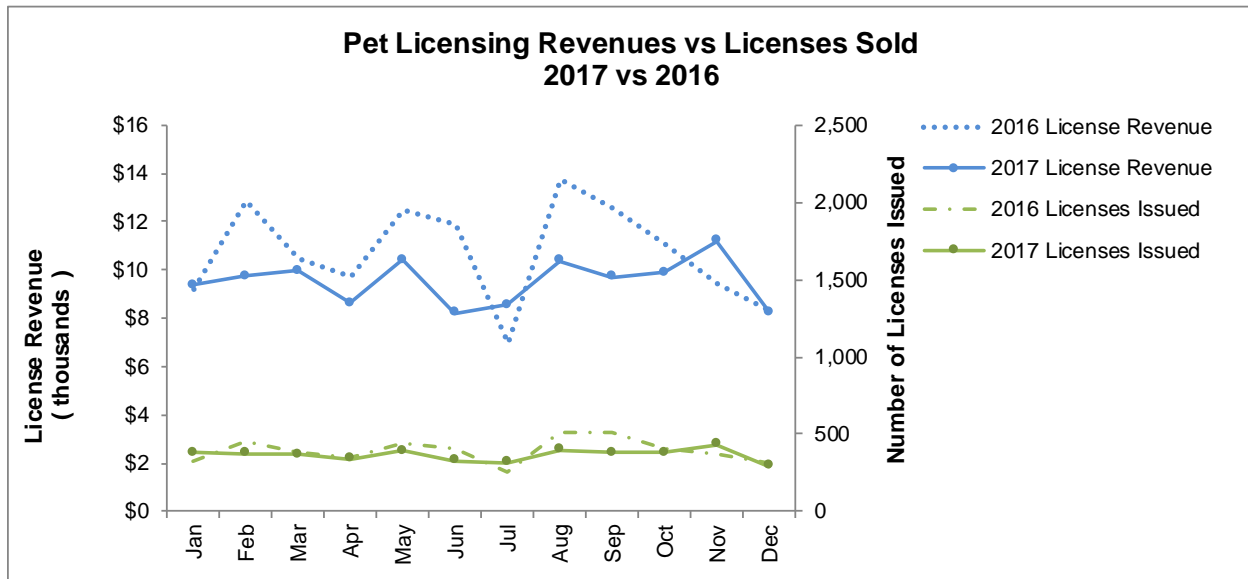
Real Estate Excise Tax (REET) revenue is receipted into the Capital Improvement Projects Fund and is used for governmental capital projects. REET revenues collected in 2017 totaled \$3.6 million and exceeded budget expectations by \$744,000, or 26.5%. Real estate sales include the sale of both commercial properties and numerous single family residences. Commercial sales in 2017 included the sale of multiple hotels, two auto dealerships, several apartment complexes as well as several retail, industrial and warehouse properties. Real estate excise tax receipts were down for a second consecutive year from a high in 2015 that included the sale of several very large businesses including the Outlet Collection and the Lakeland Town Center.

Real Estate Excise Tax Revenues							
December 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	294,200	330,707	(30,150)	(8.4) %	36,507	12.4 %
Aug	673,012	221,000	325,936	(347,076)	(51.6) %	104,936	47.5 %
Sep	338,340	234,800	309,422	(28,918)	(8.5) %	74,622	31.8 %
Oct	249,714	226,300	286,675	36,961	14.8 %	60,375	26.7 %
Nov	321,895	230,200	289,045	(32,850)	(10.2) %	58,845	25.6 %
Dec	262,543	252,900	325,309	62,766	23.9 %	72,409	28.6 %
YE Total	\$ 4,285,344	\$ 2,810,000	\$ 3,554,404	\$ (730,940)	(17.1) %	\$ 744,404	26.5 %



Pet Licensing

In 2017, 4,378 pet licenses were sold, resulting in \$114,265 in revenue. In 2016, 4,706 licenses were sold, resulting in \$128,680 in revenue.



Street Funds

This section provides a financial overview of the City's three street funds for the year ending December 31, 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).

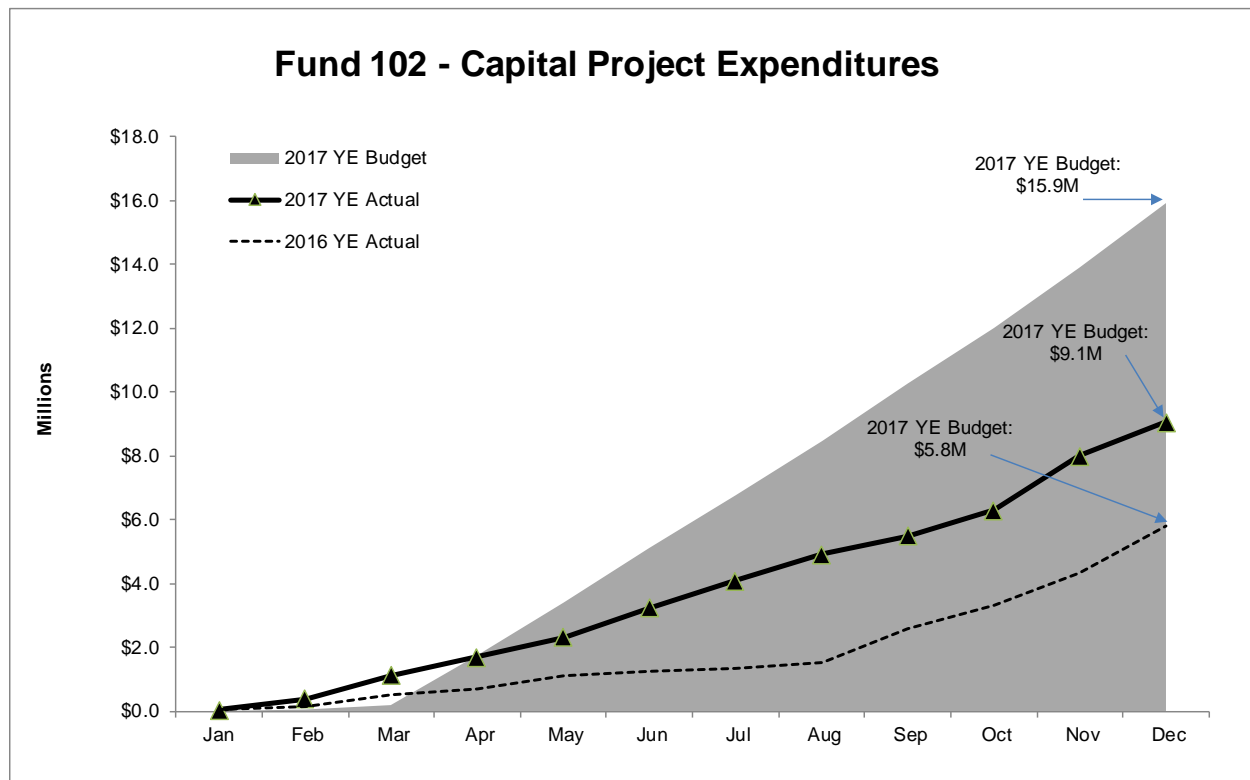
Fund 102 – Arterial Street Fund

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 December 31, 2017 there were 28 separate street projects budgeted in this fund.

During 2017, revenues collected totaled \$8.4 million as compared with collections of \$4.2 million in 2016. This variance is largely due to the timing of capital expenditures and their subsequent reimbursement via federal grants. Total expenditures in 2017 were \$9.7 million and compare to \$6.3 million spent in 2016. The increase from 2016 to 2017 is based on increased construction activity as budgeted multi-year projects move from the design phase to the construction phase, where most expenditures occur.

Fund 102 - Arterial Street Summary of Sources and Uses Report Period: December 2017	2017			2016	2017 YE Budget vs. Actual	
	Annual Budget	YE Budget	YE Actual	YE Actual	Favorable (Unfavorable)	
					Amount	Percentage
Revenues						
Federal Grants	\$ 7,054,082	\$ 7,054,082	\$ 2,991,037	\$ 580,492	\$ (4,063,045)	(57.6) %
State Grants	2,995,210	2,995,210	2,339,312	1,193,710	(655,898)	(21.9) %
Motor Vehicle Fuel and Multimodal Taxes	583,000	583,000	590,141	580,220	7,141	1.2 %
Developer Contributions	809,221	809,221	369,382	510,383	(439,839)	(54.4) %
Miscellaneous Revenue	466,191	466,191	-	64,862	(466,191)	(100.0) %
Other Governmental Agencies	-	-	-	-	-	
Public Works Trust Fund Loans	-	-	-	-	-	
Operating Transfer In	3,420,622	3,420,622	2,092,291	1,295,215	(1,328,331)	(38.8) %
Investment Income	2,600	2,600	11,173	6,484	8,573	329.7 %
Total Revenues	\$ 15,330,926	\$ 15,330,926	\$ 8,393,335	\$ 4,231,365	\$ (6,937,591)	(45.3) %
Expenditures						
Salary and Benefits	\$ 285,000	\$ 285,000	\$ 618,410	\$ 490,836	\$ (333,410)	(117.0) %
Capital Outlay	15,658,112	15,658,112	8,452,526	5,302,678	7,205,586	46.0 %
Subtotal - Capital Project Expenditures	15,943,112	15,943,112	9,070,936	5,793,514	6,872,176	43.1 %
Services and Charges	285,000	285,000	329,980	224,507	(44,980)	(15.8) %
Interfund Payments for Services	76,681	76,681	76,680	74,556	1	0.0 %
Debt Service Principal and Interest	209,511	209,511	209,511	210,205	0	0.0 %
Operating Transfer Out	15,046	15,046	7,015	-	8,031	53.4 %
Total Expenditures	\$ 16,529,350	\$ 16,529,350	\$ 9,694,122	\$ 6,302,783	\$ 6,835,228	41.4 %
Net Change in Fund Balance	\$ (1,198,424)	\$ (1,198,424)	\$ (1,300,786)	\$ (2,071,418)	\$ (102,362)	8.5 %

Beg. Fund Balance, January 2017	\$ 2,655,913
Net Change in Fund Balance, December 2017	(1,300,786)
Ending Fund Balance, December 2017	\$ 1,355,127
2017 Budgeted Ending Fund Balance	\$ 1,457,489



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	YE Actual	Remaining
W. Main St Multimodal Corridor & ITS Imp	\$1.6M	\$1.3M	\$0.2M
S. 277th St Corridor Improvements	\$4.3M	\$3.9M	\$0.5M
AWS Corridor Safety Imp. -- Muckleshoot Pl.	\$3.3M	\$2.6M	\$0.7M
All Other Projects (25 Others Budgeted)	\$6.8M	\$1.3M	\$5.5M
Total	\$15.9M	\$9.1M	\$6.9M

*Components may not sum to total due to rounding.

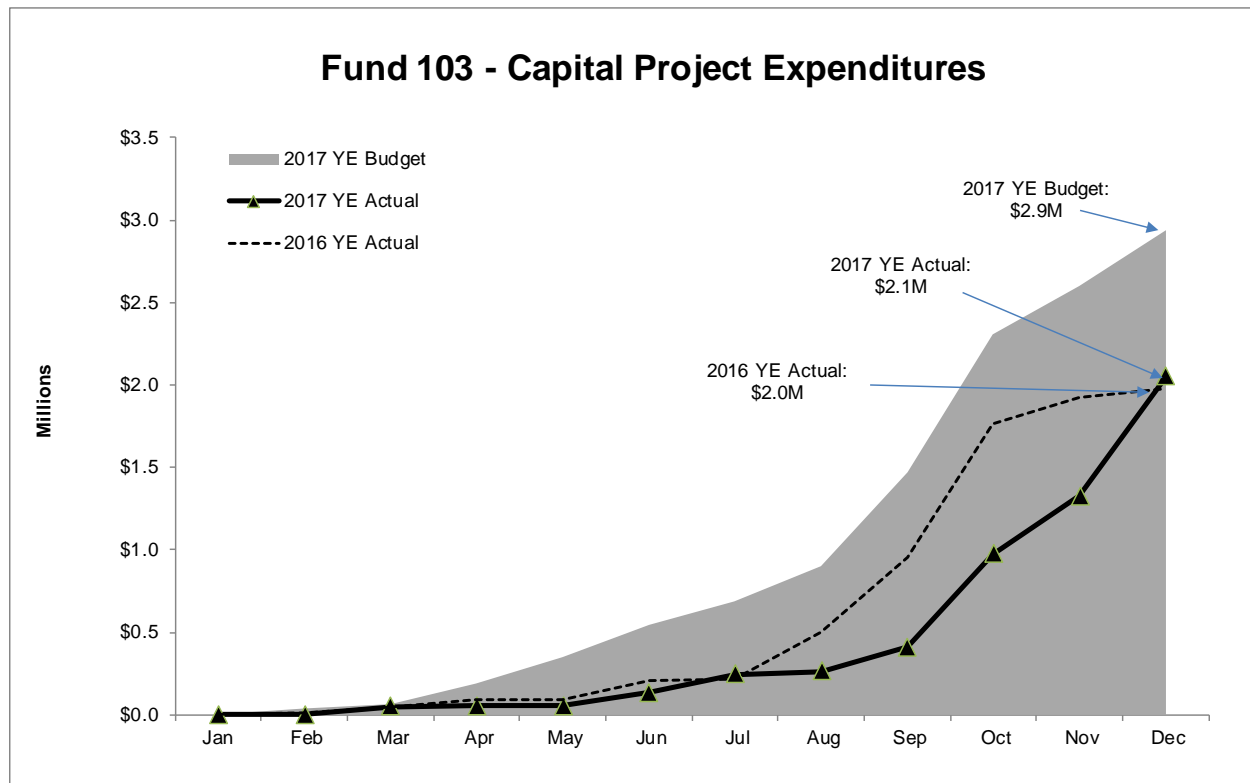
Notes:

- W. Main St. Multimodal Corridor & ITS Improvements is complete.
- S 277th Street Corridor Improvements is nearing completion but will continue into 2018.
- AWS Corridor Safety Improvements is nearing completion but will continue into 2018.
- Of the remaining projects in this fund: nine are in construction, two are partnership projects with other entities that were delayed until 2018 due to the construction schedule of the other agencies, and one is a grant-funded project that was delayed by Puget Sound Regional Council until 2019. These represent approximately \$4.9M of the remaining projects.

Fund 103 – Local Street Fund

The Local Street Fund is a special revenue fund where the revenues from sales taxes on construction are used for local street repair. During 2017 the revenues in this fund totaled \$2.8 million, exceeding budget expectations by \$905,000 due to higher than anticipated sales tax revenues from local construction projects. This also compares to collections of \$2.5 million in 2016. Total expenditures in 2017 were \$2.2 million and compare to expenditures of \$2.1 million in 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 shown in the following graph are the fund's total expenditures related to capital projects.

Fund 103 - Local Street Fund Summary of Sources and Uses Report Period: December 2017	2017			2016	2017 YE Budget vs. Actual	
	Annual	YE	YE	YE	Favorable (Unfavorable)	
	Budget	Budget	Actual	Actual	Amount	Percentage
Revenues						
Sales Tax on Construction	\$ 1,750,000	\$ 1,750,000	\$ 2,632,107	\$ 2,292,280	\$ 882,107	50.4 %
Operating Transfer In	150,000	150,000	150,000	150,000	-	0.0 %
Interest Earnings	9,100	9,100	32,475	11,532	23,375	256.9 %
Total Revenues	\$ 1,909,100	\$ 1,909,100	\$ 2,814,582	\$ 2,453,812	\$ 905,482	47.4 %
Expenditures						
Salary and Benefits	\$ 148,568	\$ 148,568	\$ 124,325	\$ 122,298	\$ 24,243	16.3 %
Capital Project Expenditures	2,933,969	2,933,969	2,050,006	1,974,528	883,963	30.1 %
Services and Charges	25,680	25,680	23,703	708	1,977	7.7 %
Interfund Payments for Services	11,925	11,925	11,916	12,240	9	0.1 %
Operating Transfer Out	11,051	11,051	5,825	-	5,226	47.3 %
Total Expenditures	\$ 3,131,193	\$ 3,131,193	\$ 2,215,775	\$ 2,109,775	\$ 915,418	29.2 %
Net Change in Fund Balance	\$ (1,222,093)	\$ (1,222,093)	\$ 598,807	\$ 344,037	\$ 1,820,900	(149.0) %
Beg. Fund Balance, January 2017	\$ 2,424,727					
Net Change in Fund Balance, December 2017	598,807					
Ending Fund Balance, December 2017	\$ 3,023,534					
2017 Budgeted Ending Fund Balance	\$ 1,202,634					



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	YE Actual	Remaining
2018 Local Street Pavement Reconstruction	\$0.1M	\$0.03M	\$0.07M
2017 Local St. Reconst. & Preservation	\$2.77M	\$1.95M	\$0.82M
All Other Projects (1 Other Budgeted)	\$0.07M	\$0.07M	\$0.0M
Total	\$2.9M	\$2.1M	\$0.9M

*Components may not sum to total due to rounding.

Notes:

- 2016 Local Street Reconstruction Project received Final Acceptance by the City Council on April 17, 2017 and is complete.
- 2017 Local Street Reconstruction Project was awarded for construction by the City Council on July 3, 2017 and is under construction but will continue into 2018 due to weather limitations.

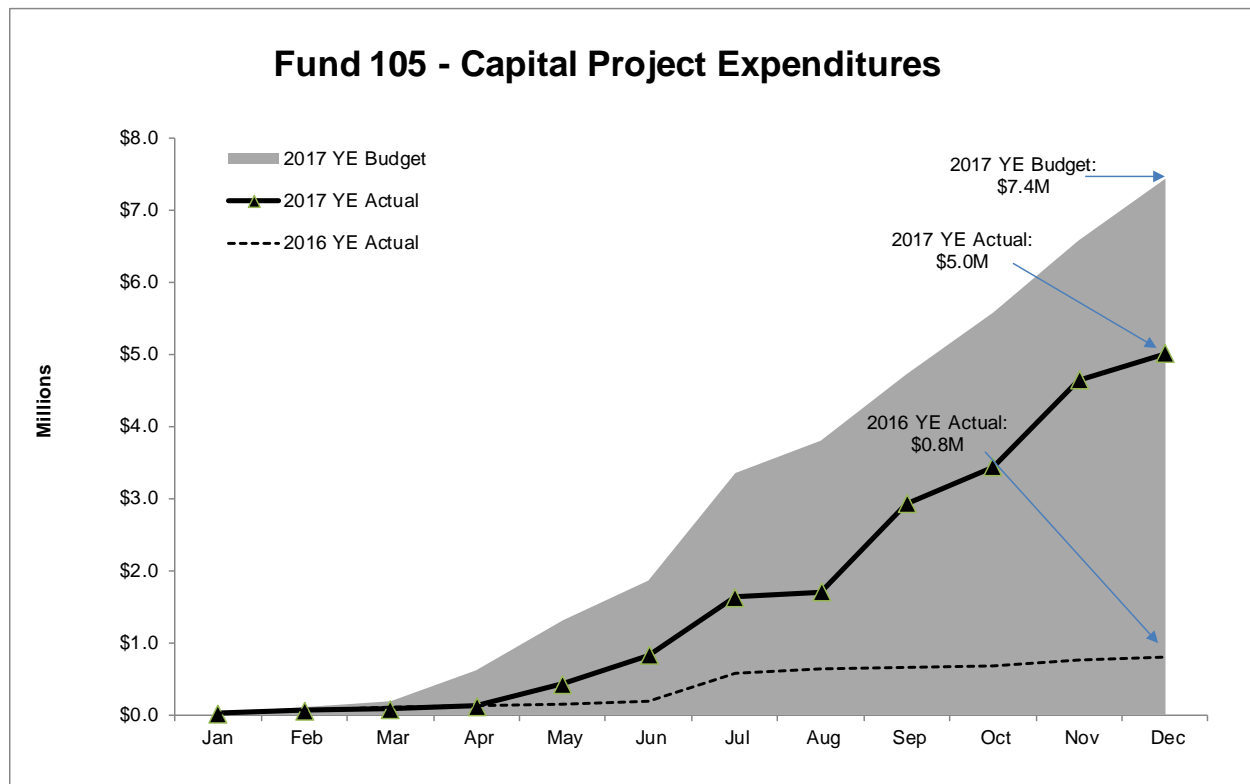
Fund 105 – Arterial Street Preservation Fund

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 15th Street NE/NW Preservation, Auburn Way North Preservation, and the B Street NW Reconstruction project. During 2017, revenues totaled \$3.9 million and compare to collections of \$2.1 million in 2016.

Total 2017 expenditures were \$5.0 million, which compares to expenditures of \$1.1 million in 2016. This increase is due to projects carried forward from the prior year that were under construction in 2017. 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 shown in the following graph are the fund's total expenditures related to capital projects.

Fund 105 - Arterial Street Preservation Summary of Sources and Uses Report Period: December 2017	2017			2016	2017 YE Budget vs. Actual	
	Annual Budget	YE Budget	YE Actual	YE Actual	Favorable (Unfavorable)	
					Amount	Percentage
Revenues						
City Utility Tax	\$ 632,300	\$ 632,300	\$ 648,384	\$ 659,855	\$ 16,084	2.5 %
Electric Utility Tax	712,000	712,000	738,991	705,071	26,991	3.8 %
Natural Gas Utility Tax	200,200	200,200	214,550	189,392	14,350	7.2 %
Cable TV Tax	194,300	194,300	211,438	197,497	17,138	8.8 %
Telephone Utility Tax	290,400	290,400	275,990	298,871	(14,410)	(5.0) %
Garbage Utility Tax (External Haulers)	19,400	19,400	21,639	20,668	2,239	11.5 %
Grants	2,354,398	2,354,398	1,550,008	37,979	(804,390)	(34.2) %
Developer Mitigation Fees	-	-	-	-	-	
Operating Transfer In	431,750	431,750	194,915	18,250	(236,835)	(54.9) %
Interest Earnings	4,900	4,900	25,483	9,858	20,583	420.1 %
Total Revenues	\$ 4,839,648	\$ 4,839,648	\$ 3,881,397	\$ 2,137,442	\$ (958,251)	(19.8) %
Expenditures						
Salary and Benefits	\$ 368,000	\$ 368,000	\$ 391,456	\$ 286,880	\$ (23,456)	(6.4) %
Capital Outlay	7,071,019	7,071,019	4,617,054	508,281	2,453,965	34.7 %
Subtotal - Capital Project Expenditures	7,439,019	7,439,019	5,008,510	795,161	2,430,509	32.7 %
Supplies	-	-	-	-	-	
Services and Charges	-	-	-	62,500	-	
Operating Transfer Out	56,535	56,535	14,389	195,636	42,146	74.5 %
Total Expenditures	\$ 7,495,554	\$ 7,495,554	\$ 5,022,898	\$ 1,053,297	\$ 2,472,656	33.0 %
Net Change in Fund Balance	\$ (2,655,906)	\$ (2,655,906)	\$ (1,141,501)	\$ 1,084,145	\$ 1,514,405	(57.0) %

Beg. Fund Balance, January 2017	\$ 3,269,631
Net Change in Fund Balance, December 2017	(1,141,501)
Ending Fund Balance, December 2017	\$ 2,128,130
2017 Budgeted Ending Fund Balance	\$ 613,725



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	YE Actual	Remaining
15th St NE/NW Preservation	\$1.5M	\$0.09M	\$1.5M
Auburn Way North Preservation	\$1.7M	\$1.7M	\$0.0M
B Street NW Reconstruction	\$2.7M	\$1.9M	\$0.8M
All Other Projects (4 Others Budgeted)	\$1.4M	\$1.3M	\$0.1M
Total	\$7.4M	\$5.0M	\$2.4M

*Components may not sum to total due to rounding.

Notes:

- Auburn Way North Preservation is complete.
- B Street NW Reconstruction was awarded for construction by the City Council on June 19, 2017 and is nearing completion with minor work continuing into 2018.
- 15th Street NE/NW Preservation project construction was delayed until 2018 due to the Puget Sound Regional Council's (PSRC's) modification of the Grant's obligation year to FY 2018. This revision was part of a region wide effort to address federal grant funding restrictions for FY 2017, 2018, 2019 and 2020, and means that funds cannot be expended until 2018.

Fund 124 – Mitigation Fees

The Mitigation Fees Fund is a special revenue fund funded from revenues from new development, which are assessed at the time applications are received for development activity. These funds are used to mitigate costs associated with City growth. In 2017, revenues were above budget expectations, at 37.0% above the annual budgeted amount. Projects contributing substantially to these revenues include North Auburn Logistics and Holiday Inn Express. Expenditures were below budget due to the timing of capital projects funded by these revenues.

Fund 124 - Mitigation Fees						
Summary of Sources and Uses				BUDGET		
Report Period Through:						
December 2017						
	YE Actuals		Ending			Ending
	Revenues	Expenditures	Fund Balance	Revenues	Expenditures	Fund Balance
Transportation Impact Fees	\$ 1,757,765	\$ 1,882,222	\$ 5,029,838	\$ 800,000	\$ 3,145,526	\$ 2,808,769
Transportation Mitigation Fees	67,877	101,307	230,848	-	148,946	115,331
Fire Impact Fees	181,528	400,000	81,339	170,000	400,000	69,811
Fire Mitigation Fees	-	-	81	-	-	81
Parks Impact Fees	598,576	116,036	5,288,973	600,000	612,000	4,794,434
Parks Mitigation Fees	-	-	331,327	-	-	331,327
School Impact Admin Fees	8,396	-	55,316	12,000	-	58,920
Wetland Mitigation Fees	-	-	68,835	-	31,570	37,265
Interest and Investment Income	112,605	-	112,605	8,200	-	8,200
Fees in Lieu of Improvements	-	-	122,525	-	-	122,525
Operating Transfers	-	-	-	400,000	-	400,000
Total	\$ 2,726,746	\$ 2,499,564	\$ 11,321,687	\$ 1,990,200	\$ 4,338,042	\$ 8,746,663

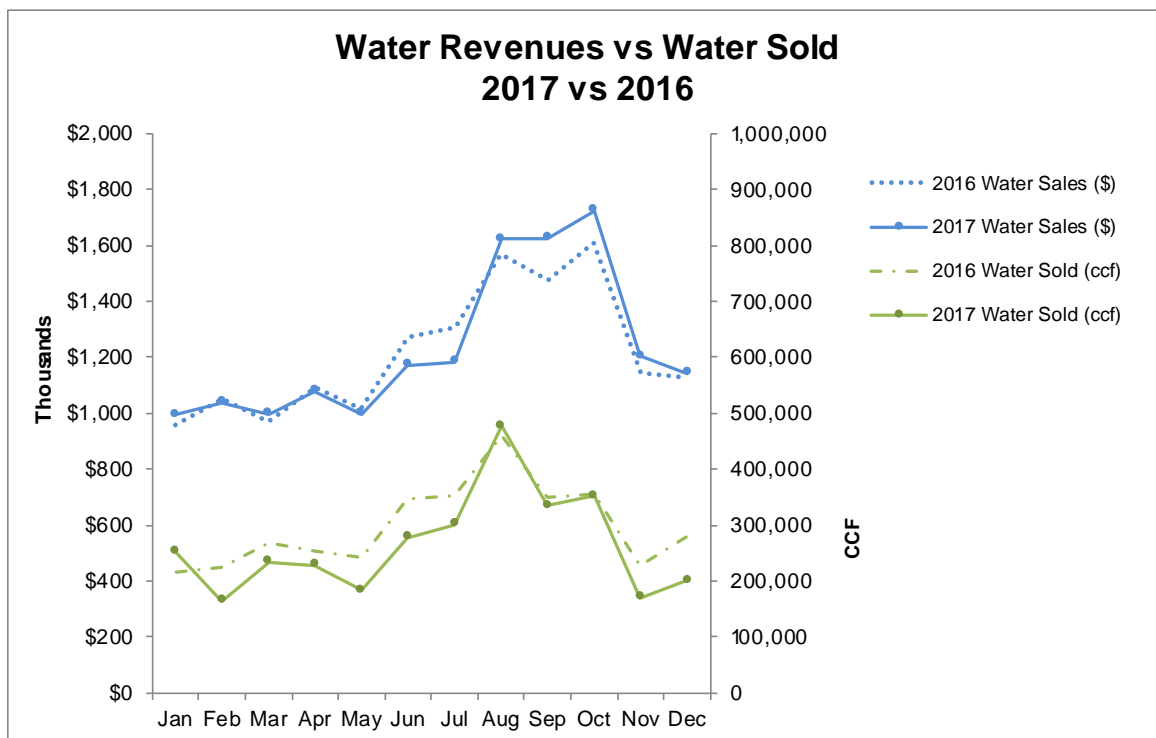
Beginning Fund Balance, January 2017	\$ 11,094,505
Net Change in Fund Balance, December 2017	227,182
Ending Fund Balance, December 2017	\$ 11,321,687
2017 Budgeted Ending Fund Balance	\$ 8,746,663

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 appendices provide 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.

In 2017, the **Water Utility** had operating income before depreciation of \$5.7 million as compared with \$4.7 million in 2016. Revenues ended the year slightly ahead of budget expectations. 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. Regional water purchases in 2017 were minimal.

Water sales by volume during 2017 totaled 3.2 million hundred cubic feet (ccf), compared to 3.6 million ccf in 2016, representing a 14.9% 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; last year, sales to Water District #111 represented 11.3% of total water sales by volume.



The **Sewer Utility** finished 2017 with operating income before depreciation of \$2.3 million as compared to operating income of \$2.1 million in 2016 due primarily to higher service revenues in 2017.

The **Sewer-Metro Utility** ended 2017 with operating income before depreciation of \$421,000, as compared with \$297,000 in 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, the Sewer-Metro Utility generally experiences a loss early in the year when revenues trend low, and income later in the year when revenues trend higher. This increase is due to higher revenues from service charges.

The **Stormwater Utility** ended 2017 with operating income before depreciation of \$2.6 million, compared with \$2.7 million in 2016.

Through December 2017, the **Solid Waste Utility** Fund had \$15.1 million in operating revenues, compared to \$14.5 million in operating expenditures, resulting in an increase in Working Capital of \$0.6 million.

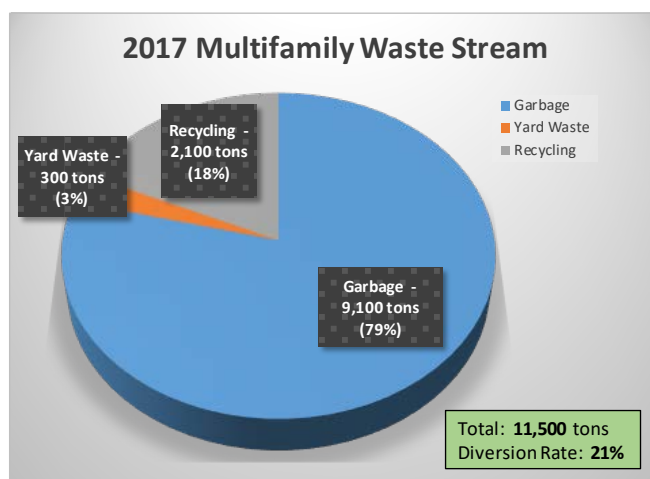
The City of Auburn's Solid Waste services are outsourced to Waste Management and to Republic Services, who manages the contract for the annexed areas. As of December 2017, Waste Management serviced 15,551 customers (80% of customers) and Republic Services serviced 4,009 customers (20% of customers).

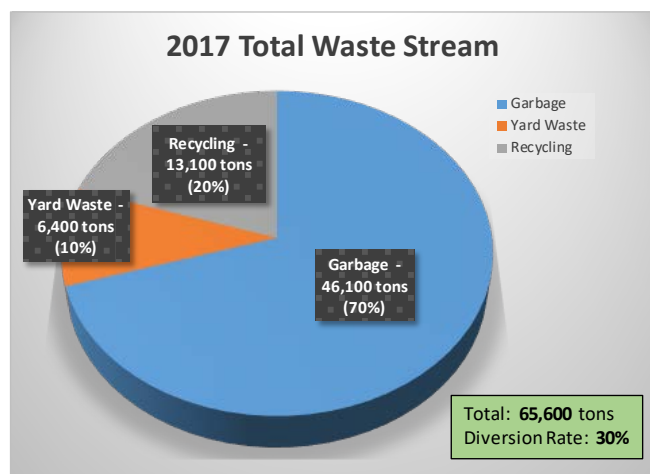
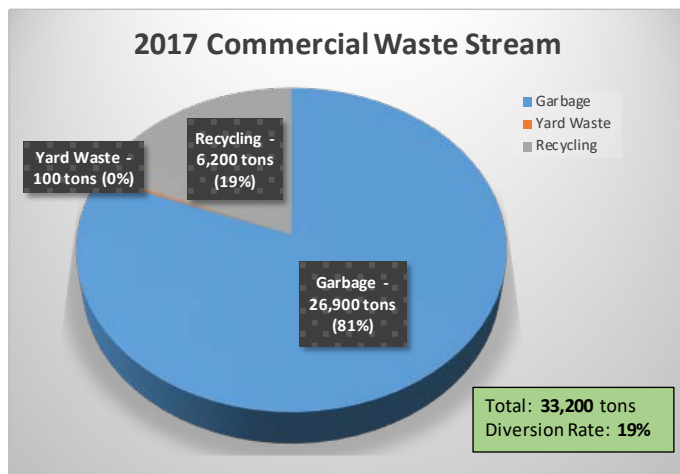
The current mix of customer account types is:

- 89% Residential
- 8% Commercial
- 3% Multifamily

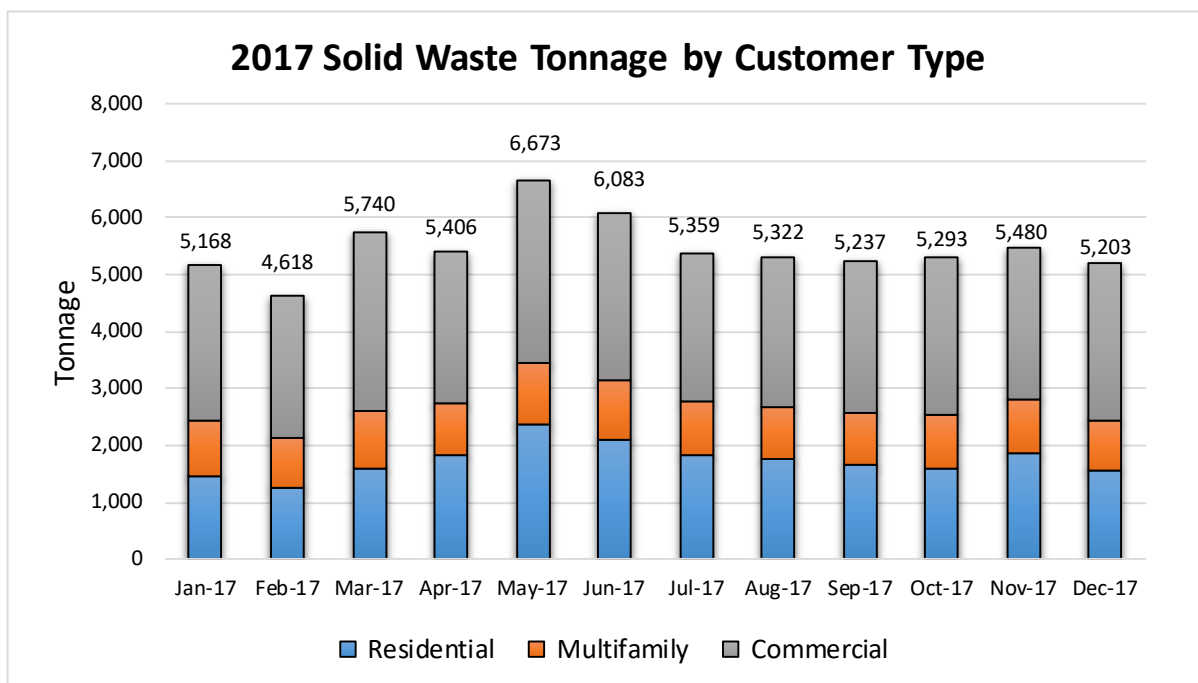
The "diversion rate" is a measure of how much generated waste is not sent to the landfill; i.e., waste that is either recycled or collected yard waste. In 2017, the total diversion rate was 30%, which represents a total of 19,500 tons of waste that was diverted from landfills.

2017 Solid Waste Diversion Rates:

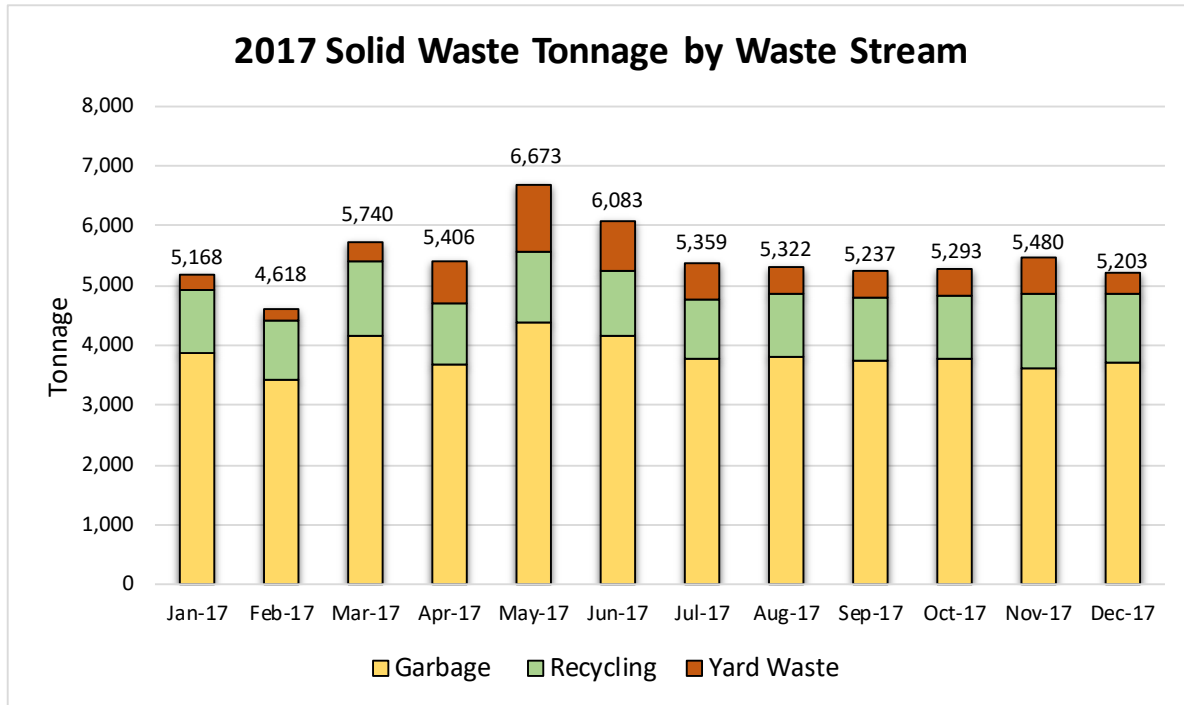




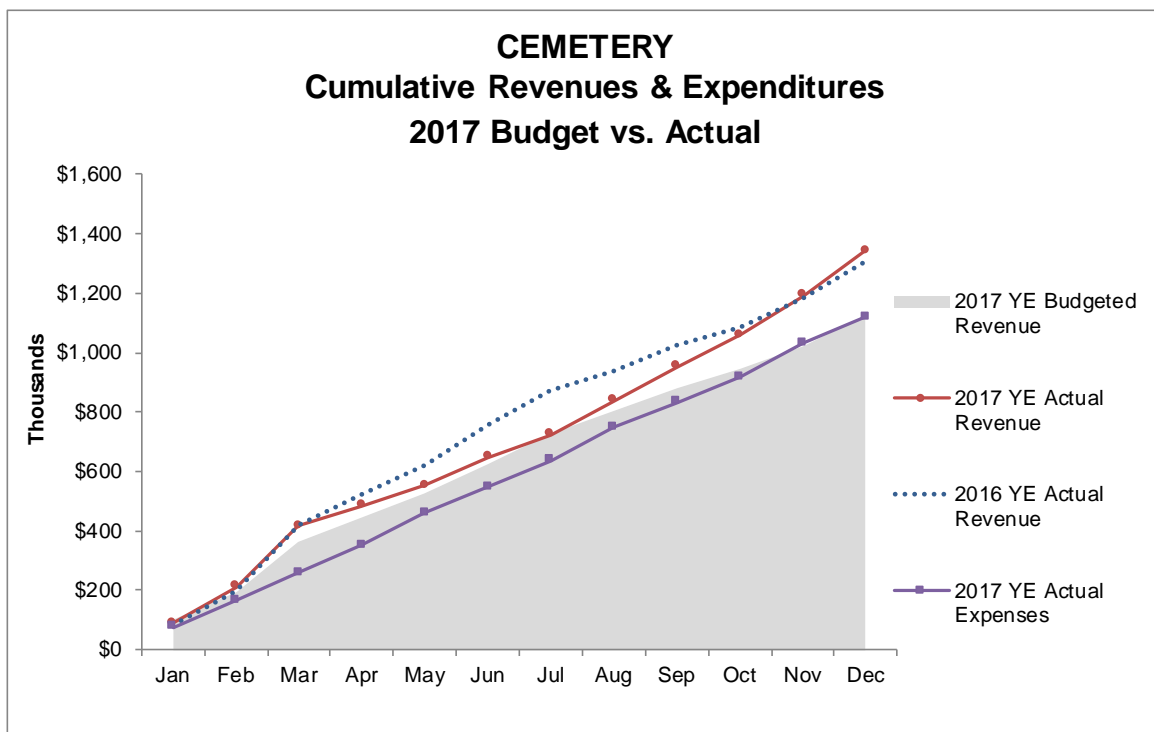
Of the total tonnage collected in 2017, 51% was collected from commercial customers, 32% was collected from residential customers, and 18% was collected from multifamily customers, as shown in the following graph.



Of the total tonnage collected in 2017, 70% was garbage, 20% was recyclables, and 10% was yard waste, as shown in the following graph.



The **Cemetery Fund** ended 2017 with an operating income of \$223,000 as compared with an operating income of \$188,000 in 2016. This variance is mainly due to slightly increased sales revenue and slightly lower expenditures for supplies.



Internal Service Funds

No significant variances are reported in the **Insurance, 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.

**City of Auburn
Investment Portfolio Summary
December 31, 2017**

Investment Type	Purchase Date	Purchase Price	Maturity Date	Yield to Maturity
State Investment Pool	Various	\$ 116,427,623	Various	1.28%
KeyBank Money Market	Various	6,332,600	Various	0.02%
OpusBank Public Interest Acct	Various	10,020,030	Various	1.36%
FNMA	3/11/2016	998,844	2/22/2019	1.20%
Total Cash & Investments		\$ 133,779,097		1.223%

Investment Mix	% of Total	Summary	
State Investment Pool	87.0%	Current 6-month treasury rate	1.50%
KeyBank Money Market	4.7%	Current State Pool rate	1.28%
OpusBank Public Interest Acct	7.5%	KeyBank Money Market	0.02%
FNMA	0.7%	OpusBank Public Interest Acct	1.36%
	100.0%	Blended Auburn rate	1.22%

SALES TAX SUMMARY											
DECEMBER 2017 SALES TAX DISTRIBUTIONS (FOR OCTOBER 2017 RETAIL ACTIVITY)											
CONSTRUCTION		2016 Annual Total (Nov '15-Oct '16)	2016 YE (Nov '15-Oct '16)	2017 YE (Nov '16-Oct '17)	YE % Diff	AUTOMOTIVE		2016 Annual Total (Nov '15-Oct '16)	2016 YE (Nov '15-Oct '16)	2017 YE (Nov '16-Oct '17)	YE % Diff
236	Construction of Buildings	1,139,466	1,139,466	1,503,231	31.9%	441	Motor Vehicle and Parts Dealer	3,409,019	3,409,019	3,703,385	e 8.6%
237	Heavy and Civil Construction	309,344	309,344	209,928	-32.1%	447	Gasoline Stations	250,478	250,478	268,146	7.1%
238	Specialty Trade Contractors	843,470	843,470	918,947	8.9%	TOTAL AUTOMOTIVE		\$ 3,659,497	\$ 3,659,497	\$ 3,971,531	8.5%
TOTAL CONSTRUCTION		\$ 2,292,280	\$ 2,292,280	\$ 2,632,107	14.8%	Overall Change from Previous Year				\$ 312,034	
Overall Change from Previous Year				\$ 339,827							
MANUFACTURING		2016 Annual Total (Nov '15-Oct '16)	2016 YE (Nov '15-Oct '16)	2017 YE (Nov '16-Oct '17)	YE % Diff	RETAIL TRADE		2016 Annual Total (Nov '15-Oct '16)	2016 YE (Nov '15-Oct '16)	2017 YE (Nov '16-Oct '17)	YE % Diff
311	Food Manufacturing	3,278	3,278	4,642	41.6%	442	Furniture and Home Furnishings	185,234	185,234	197,226	c 6.5%
312	Beverage and Tobacco Products	9,601	9,601	7,842	-18.3%	443	Electronics and Appliances	220,553	220,553	211,036	-4.3%
313	Textile Mills	415	415	264	-36.5%	444	Building Material and Garden	579,076	579,076	580,347	0.2%
314	Textile Product Mills	3,554	3,554	1,501	-57.8%	445	Food and Beverage Stores	397,177	397,177	368,971	a -7.1%
315	Apparel Manufacturing	155	155	227	46.6%	446	Health and Personal Care Store	284,191	284,191	368,699	29.7%
316	Leather and Allied Products	38	38	46	20.6%	448	Clothing and Accessories	1,136,431	1,136,431	1,118,980	d -1.5%
321	Wood Product Manufacturing	58,391	58,391	16,528	-71.7%	451	Sporting Goods, Hobby, Books	237,555	237,555	199,717	-15.9%
322	Paper Manufacturing	8,047	8,047	15,254	89.6%	452	General Merchandise Stores	1,017,905	1,017,905	992,858	-2.5%
323	Printing and Related Support	52,610	52,610	54,391	3.4%	453	Miscellaneous Store Retailers	473,398	473,398	463,719	-2.0%
324	Petroleum and Coal Products	2,145	2,145	1,040	-51.5%	454	Nonstore Retailers	321,071	321,071	370,027	15.2%
325	Chemical Manufacturing	10,183	10,183	15,982	56.9%	TOTAL RETAIL TRADE		\$ 4,852,592	\$ 4,852,592	\$ 4,871,580	0.4%
326	Plastics and Rubber Products	8,168	8,168	8,856	8.4%	Overall Change from Previous Year				\$ 18,988	
327	Nonmetallic Mineral Products	17,429	17,429	17,749	1.8%						
331	Primary Metal Manufacturing	442	442	818	85.1%	SERVICES		2016 Annual Total (Nov '15-Oct '16)	2016 YE (Nov '15-Oct '16)	2017 YE (Nov '16-Oct '17)	YE % Diff
332	Fabricated Metal Product Manuf	29,409	29,409	28,618	-2.7%	51*	Information	630,158	630,158	662,460	5.1%
333	Machinery Manufacturing	16,461	16,461	18,216	10.7%	52*	Finance and Insurance	110,728	110,728	122,200	10.4%
334	Computer and Electronic Product	10,780	10,780	32,957	205.7%	53*	Real Estate, Rental, Leasing	358,628	358,628	367,828	2.6%
335	Electric Equipment, Appliances	445	445	1,103	147.9%	541	Professional, Scientific, Tech	237,656	237,656	238,617	0.4%
336	Transportation Equipment Man	471,441	471,441	385,842	-18.2%	551	Company Management	330	330	13	-96.1%
337	Furniture and Related Products	18,661	18,661	34,157	83.0%	56*	Admin. Supp., Remed Svcs	328,453	328,453	276,380	-15.9%
339	Miscellaneous Manufacturing	39,437	39,437	31,567	-20.0%	611	Educational Services	50,026	50,026	55,506	11.0%
TOTAL MANUFACTURING		\$ 761,091	\$ 761,091	\$ 677,596	-11.0%	62*	Health Care Social Assistance	91,643	91,643	74,678	-18.5%
Overall Change from Previous Year				\$ (83,495)		71*	Arts and Entertainment	156,301	156,301	109,577	-29.9%
						72*	Accommodation and Food Svcs	1,217,734	1,217,734	1,276,310	4.8%
						81*	Other Services	646,579	646,579	546,059	-15.5%
						92*	Public Administration	141,806	141,806	182,112	28.4%
						TOTAL SERVICES		\$ 3,970,042	\$ 3,970,042	\$ 3,911,740	-1.5%
						Overall Change from Previous Year				\$ (58,302)	
TRANSPORTATION AND WAREHOUSING		2016 Annual Total (Nov '15-Oct '16)	2016 YE (Nov '15-Oct '16)	2017 YE (Nov '16-Oct '17)	YE % Diff	MISCELLANEOUS		2016 Annual Total (Nov '15-Oct '16)	2016 YE (Nov '15-Oct '16)	2017 YE (Nov '16-Oct '17)	YE % Diff
481	Air Transportation	1	1	2	61.8%	000	Unknown	0	0	0	N/A
482	Rail Transportation	24,331	24,331	20,972	-13.8%	111-115	Agriculture, Forestry, Fishing	5,534	5,534	6,486	17.2%
484	Truck Transportation	7,067	7,067	4,014	-43.2%	211-221	Mining & Utilities	29,410	29,410	26,023	-11.5%
485	Transit and Ground Passengers	114	114	-3,390	-3076.1%	999	Unclassifiable Establishments	32,161	32,161	32,865	2.2%
488	Transportation Support	52,828	52,828	51,246	-3.0%	TOTAL SERVICES		\$ 67,105	\$ 67,105	\$ 65,374	-2.6%
491	Postal Service	274	274	274	0.0%	Overall Change from Previous Year				\$ (1,731)	
492	Couriers and Messengers	301	301	1,859	518.5%						
493	Warehousing and Storage	14,523	14,523	13,526	-6.9%						
TOTAL TRANSPORTATION		\$ 99,439	\$ 99,439	\$ 88,502	-11.0%						
Overall Change from Previous Year				\$ (10,937)							
WHOLESALE TRADE		2016 Annual Total (Nov '15-Oct '16)	2016 YE (Nov '15-Oct '16)	2017 YE (Nov '16-Oct '17)	YE % Diff	GRAND TOTAL		\$ 16,967,023	\$ 16,967,023	\$ 17,581,514	
423	Wholesale Trade, Durable Goods	981,820	981,820	1,080,558	10.1%	Overall Change from Previous Year				\$ 614,491	3.6%
424	Wholesale Trade, Nondurable	281,166	281,166	278,097	-1.1%						
425	Wholesale Electronic Markets	1,991	1,991	4,428	122.4%						
TOTAL WHOLESALE		\$ 1,264,976	\$ 1,264,976	\$ 1,363,083	7.8%						
Overall Change from Previous Year				\$ 98,107							

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).
- e. WA State Dept of Revenue audit adjustment to sales tax returns for period of October 2017 (adjustment: \$36,668).

Total December 2017 Sales Tax Distributions	\$	1,428,780
Dollar Increase from December 2016	\$	76,553
Percent Increase from December 2016		5.7%
Comparisons:		
December 2016	\$	1,352,227
December 2015	\$	1,377,398

OPERATING & CAPITAL FUNDS				ENTERPRISE FUNDS											
Cash Basis through December 2017				WATER			SEWER			SEWER METRO			STORM		
				YE			YE			YE			YE		
				Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
OPERATING FUND:															
OPERATING REVENUES															
Charges For Service				14,730,511	14,781,300	50,789	8,102,441	8,667,587	565,146	17,237,490	17,703,367	465,877	9,242,676	9,766,428	523,752
Grants						-			-			-			-
Interest Earnings				10,000	82,223	72,223	20,000	33,522	13,522	1,000	10,721	9,721	15,000	26,219	11,219
Rents, Leases, Concessions, & Other				212,939	246,896	33,957	72,849	73,739	890	-	-	-	60,951	78,397	17,446
TOTAL OPERATING REVENUES				14,953,450	15,110,419	156,969	8,195,290	8,774,849	579,559	17,238,490	17,714,088	475,598	9,318,627	9,871,044	552,417
OPERATING EXPENSES															
Salaries & Wages				2,688,501	2,622,309	66,192	1,742,176	1,713,165	29,011	-	-	-	2,500,996	2,549,112	(48,116)
Benefits				1,314,301	1,232,638	81,663	842,110	799,993	42,117	-	-	-	1,233,452	1,208,249	25,203
Supplies				334,444	289,182	45,262	116,750	80,398	36,352	-	-	-	94,750	59,412	35,338
Other Service Charges				5,096,580	2,986,248	2,110,332	2,951,890	2,584,553	367,337	-	147	(147)	1,778,290	1,547,734	230,556
Intergovernmental Services (Less Transfers Out)							9,500	3,663	5,837				83,000	62,848	20,152
Waste Management Payments															
Sewer Metro Services										17,359,700	17,292,837	66,863			
Debt Service Interest				1,345,282	856,805	488,477	276,483	276,483	0	-	-	-	361,418	361,417	1
Interfund Loan Repayment						-			-						-
Net Change Restricted Assets															
Interfund Operating Rentals & Supplies				1,422,716	1,422,819	(103)	1,039,865	1,041,678	(1,813)	-	-	-	1,441,066	1,442,839	(1,773)
TOTAL OPERATING EXPENSES				12,201,824	9,410,000	2,791,824	6,978,774	6,499,935	478,839	17,359,700	17,292,983	66,717	7,492,972	7,231,612	261,360
OPERATING REVENUES LESS EXPENSES BEFORE DEPRECIATION				2,751,626	5,700,419	2,948,793	1,216,516	2,274,914	1,058,398	(121,210)	421,105	542,315	1,825,655	2,639,432	813,777
NON-OPERATING REVENUES															
Operating Transfers-in															
NON-OPERATING EXPENSES															
Transfer to Capital Subfund				2,500,000	2,500,000	-	1,000,000	800,000	200,000				1,400,000	300,000	1,100,000
Other Operating Transfers-out				336,966	143,862	193,104	399,632	112,839	286,793				506,112	216,047	290,065
Debt Service Principal				1,799,827	1,468,080	331,747	541,127	541,127	0				413,162	413,162	-
Net Change in Restricted Net Assets				-	5,691,021	5,691,021	-	518,591	518,591				-	1,586,244	1,586,244
Interfund Loan Repayment															
BEGINNING WORKING CAPITAL - January 1, 2017				7,977,666	7,977,666	-	2,810,410	2,810,410	-	2,672,022	2,672,022	-	2,005,792	2,005,792	-
ENDING WORKING CAPITAL - December 31, 2017				6,092,499	3,875,122	(2,217,377)	2,086,167	3,112,766	1,026,599	2,550,812	3,093,127	542,315	1,512,173	2,129,770	617,598
NET CHANGE IN WORKING CAPITAL (see Note)				(1,885,167)	(4,102,544)	(2,217,377)	(724,243)	302,356	1,026,599	(121,210)	421,105	542,315	(493,619)	123,979	617,598
CAPITAL FUND:															
CAPITAL REVENUES															
Interest Revenue				-	22,342	22,342	-	120,323	120,323				-	125,514	125,514
Grants				175,000	5,400	(169,600)							-	-	-
Contributions						-	-	-	-				-	-	-
Other Non-Operating Revenue				-	4,072,557	4,072,557	-	-	-				-	800,501	800,501
Gain (Loss) On Sale Of Fixed Assets				-	-	-	-	-	-				-	-	-
Increase In Contributions - System Development				1,000,000	597,556	(402,444)	500,000	458,574	(41,426)				500,000	817,846	317,846
Interfund Revenues				-	-	-	-	-	-				-	-	-
Increase In Contributions - FAA				-	-	-	-	-	-				-	-	-
Proceeds of Debt Activity				5,402,159	70,798	(5,331,361)	-	-	-				-	-	-
Transfers In from Operating Sub-Fund				2,500,000	2,500,000	-	1,000,000	800,000	(200,000)				1,400,000	300,000	(1,100,000)
Transfer In from Other Funds				200,000	-	(200,000)	-	-	-				-	-	-
Other Sources				-	-	-	-	22,500	22,500				-	-	-
TOTAL CAPITAL REVENUES				9,277,159	7,268,652	(2,008,507)	1,500,000	1,401,397	(98,603)				1,900,000	2,043,861	143,861
CAPITAL EXPENSES															
Other Non-Operating Expense				-	-	-	-	-	-				-	-	-
Increase In Fixed Assets - Salaries				382,143	167,840	214,303	86,429	50,500	35,929				152,143	164,788	(12,645)
Increase In Fixed Assets - Benefits				152,857	76,798	76,059	34,571	23,739	10,832				60,857	74,002	(13,145)
Increase In Fixed Assets - Services				-	8,357	(8,357)	-	8,005	(8,005)				-	13,918	(13,918)
Increase In Fixed Assets - Site Improvements				-	54,768	(54,768)	-	-	-				-	-	-
Increase In Fixed Assets - Equipment				20,000	19,955	45	40,000	19,955	20,045				20,000	19,955	45
Increase In Fixed Assets - Construction				10,524,977	7,136,458	3,388,519	2,647,218	1,478,761	1,168,457				4,229,504	1,767,092	2,462,412
Operating Transfers Out				50,000	50,000	-	50,000	50,000	-				156,000	156,000	-
TOTAL CAPITAL EXPENSES				11,129,977	7,514,177	3,615,800	2,858,218	1,630,960	1,227,258				4,618,504	2,195,757	2,422,747
BEGINNING WORKING CAPITAL - January 1, 2017				1,936,373	1,936,373	-	12,710,295	12,710,295	-				13,379,700	13,379,700	-
ENDING WORKING CAPITAL - December 31, 2017				83,555	1,690,848	1,607,293	11,352,077	12,480,733	1,128,655				10,661,196	13,227,804	2,566,608
NET CHANGE IN WORKING CAPITAL (see Note)				(1,852,818)	(245,525)	1,607,293	(1,358,218)	(229,563)	1,128,655				(2,718,504)	(151,896)	2,566,608
Total Change in Working Capital				(3,737,985)	(4,348,069)	(610,084)	(2,082,461)	72,793	2,155,254	(121,210)	421,105	542,315	(3,212,123)	(27,917)	3,184,206
(*) Depreciation				3,140,000	3,269,581		2,315,000	2,199,711		-	-		2,080,000	1,885,931	
Working Capital = Current Assets minus Current Liabilities															

OPERATING & CAPITAL FUNDS	ENTERPRISE FUNDS									INTERNAL SERVICE FUNDS		
Cash Basis through December 2017	SOLID WASTE			AIRPORT			CEMETERY			INSURANCE		
	YE			YE			YE			YE		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
OPERATING FUND:												
OPERATING REVENUES												
Charges For Service	15,316,200	15,067,667	(248,533)	826,800	874,790	47,990	927,500	1,336,570	409,070	-	-	-
Grants	87,300	25,120	(62,180)	-	-	-	-	-	-	-	-	-
Interest Earnings	9,000	41,712	32,712	2,500	6,451	3,951	800	4,323	3,523	1,500	11,646	10,146
Rents, Leases, Concessions, & Other	-	441	441	3,000	9,932	6,932	-	-	-	-	-	-
TOTAL OPERATING REVENUES	15,412,500	15,134,940	(277,560)	832,300	891,173	58,873	928,300	1,340,894	412,594	1,500	11,646	10,146
OPERATING EXPENSES												
Salaries & Wages	325,910	326,131	(221)	-	-	-	475,628	470,184	5,444	-	-	-
Benefits	147,414	146,021	1,393	-	-	-	258,734	250,268	8,466	225,750	54,502	171,248
Supplies	27,542	5,520	22,022	2,500	435	2,066	221,700	209,208	12,492	-	-	-
Other Service Charges	1,645,565	1,519,615	125,950	484,950	482,003	2,947	156,750	140,684	16,066	4,230	(1,956)	6,186
Intergovernmental Services (Less Transfers Out)	363,600	366,065	(2,465)	-	-	-	-	-	-	-	-	-
Waste Management Payments	12,475,500	12,048,375	427,125	-	-	-	-	-	-	-	-	-
Sewer Metro Services	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Interest	-	-	-	24,357	9,841	14,516	(0)	-	(0)	-	-	-
Interfund Loan Repayment	-	-	-	-	-	-	-	-	-	-	-	-
Net Change Restricted Assets	-	-	-	-	-	-	-	-	-	-	-	-
Interfund Operating Rentals & Supplies	111,587	111,588	(1)	1,400	1,404	(4)	47,833	47,832	1	-	-	-
TOTAL OPERATING EXPENSES	15,097,118	14,523,314	573,804	513,207	493,682	19,525	1,160,645	1,118,176	42,469	229,980	52,546	177,434
OPERATING REVENUES LESS EXPENSES BEFORE DEPRECIATION	315,382	611,626	296,244	319,093	397,490	78,397	(232,345)	222,717	455,062	(228,480)	(40,899)	187,581
NON-OPERATING REVENUES												
Operating Transfers-in	-	-	-	-	-	-	200,000	-	(200,000)	670,715	670,715	-
NON-OPERATING EXPENSES												
Transfer to Capital Subfund	-	-	-	-	-	-	-	-	-	-	-	-
Other Operating Transfers-out	-	-	-	-	-	-	1,332	397	935	-	-	-
Debt Service Principal	-	-	-	165,000	171,023	(6,023)	-	-	-	-	-	-
Net Change in Restricted Net Assets	-	-	-	-	(169,681)	(169,681)	-	-	-	-	-	-
Interfund Loan Repayment	-	-	-	39,942	39,900	42	-	-	-	-	-	-
BEGINNING WORKING CAPITAL - January 1, 2017	4,411,853	4,411,853	-	236,649	236,649	-	293,829	293,829	-	1,385,685	1,385,685	-
ENDING WORKING CAPITAL - December 31, 2017	4,727,235	5,023,479	296,244	350,800	592,898	242,098	260,152	516,149	255,997	1,827,920	2,015,500	187,581
NET CHANGE IN WORKING CAPITAL (see Note)	315,382	611,626	296,244	114,151	356,249	242,098	(33,677)	222,320	255,997	442,235	629,816	187,581
CAPITAL FUND:												
CAPITAL REVENUES												
Interest Revenue	-	-	-	-	3,378	3,378	-	2,404	2,404	-	-	-
Grants	-	-	-	-	-	-	-	-	-	-	-	-
Contributions	-	-	-	17,167	529	(16,638)	-	-	-	-	-	-
Other Non-Operating Revenue	-	-	-	-	-	-	-	-	-	-	-	-
Gain (Loss) On Sale Of Fixed Assets	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Contributions - System Development	-	-	-	-	-	-	-	-	-	-	-	-
Interfund Revenues	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Contributions - FAA	-	-	-	310,900	5,642	(305,258)	-	-	-	-	-	-
Proceeds of Debt Activity	-	-	-	-	-	-	-	-	-	-	-	-
Transfers In from Operating Sub-Fund	-	-	-	-	-	-	-	-	-	-	-	-
Transfer In from Other Funds	-	-	-	275,000	274,937	(63)	-	-	-	-	-	-
Other Sources	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL REVENUES	-	-	-	603,067	284,486	(318,581)	-	2,404	2,404	-	-	-
CAPITAL EXPENSES												
Other Non-Operating Expense	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Salaries	-	-	-	21,429	14	21,415	-	-	-	-	-	-
Increase In Fixed Assets - Benefits	-	-	-	8,571	7	8,564	-	-	-	-	-	-
Increase In Fixed Assets - Services	-	-	-	-	46	(46)	-	-	-	-	-	-
Increase In Fixed Assets - Site Improvements	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Construction	-	-	-	729,034	348,776	380,258	-	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENSES	-	-	-	759,034	348,843	410,191	-	-	-	-	-	-
BEGINNING WORKING CAPITAL - January 1, 2017	-	-	-	360,602	360,602	-	256,633	256,633	-	-	-	-
ENDING WORKING CAPITAL - December 31, 2017	-	-	-	204,635	296,245	91,610	256,633	259,037	2,404	-	-	-
NET CHANGE IN WORKING CAPITAL (see Note)	-	-	-	(155,967)	(64,357)	91,610	-	2,404	2,404	-	-	-
Total Change in Working Capital	315,382	611,626		(41,816)	291,892	333,708	(33,677)	224,724	258,401	442,235	629,816	187,581
(*) Depreciation	19,000	18,819		468,000	462,843		50,500	47,383		-	-	
Working Capital = Current Assets minus Current Liabilities												

OPERATING & CAPITAL FUNDS				INTERNAL SERVICE FUNDS											
Cash Basis through December 2017				WORKER'S COMPENSATION			FACILITIES			INNOVATION & TECHNOLOGY			EQUIPMENT RENTAL		
				Budget	YE Actual	Variance	Budget	YE Actual	Variance	Budget	YE Actual	Variance	Budget	YE Actual	Variance
OPERATING FUND:															
OPERATING REVENUES															
Charges For Service				961,300	935,127	(26,173)	3,453,700	3,485,034	31,334	6,038,376	6,065,744	27,368	2,263,102	2,281,867	18,765
Grants				-	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings				2,600	13,175	10,575	8,800	19,817	11,017	5,000	14,170	9,170	-	27,787	27,787
Rents, Leases, Concessions, & Other				93,000	6,522	(86,478)	-	57,928	57,928	-	-	-	-	100,621	100,621
TOTAL OPERATING REVENUES				1,056,900	954,823	(102,077)	3,462,500	3,562,779	100,279	6,043,376	6,079,914	36,538	2,263,102	2,410,275	147,173
OPERATING EXPENSES															
Salaries & Wages				76,324	73,291	3,033	655,000	624,384	30,616	1,822,981	1,817,194	5,787	681,943	581,087	100,856
Benefits				362,638	122,180	240,458	358,001	338,027	19,974	817,418	780,508	36,910	349,650	295,408	54,242
Supplies				-	-	-	150,220	132,230	17,990	508,250	506,972	1,278	1,074,000	752,592	321,408
Other Service Charges				494,915	231,601	263,314	1,818,387	1,484,323	334,064	2,882,325	2,324,104	558,221	427,580	417,524	10,056
Intergovernmental Services (Less Transfers Out)				-	-	-	-	-	-	-	-	-	-	-	-
Waste Management Payments				-	-	-	-	-	-	-	-	-	-	-	-
Sewer Metro Services				-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Interest				-	-	-	-	-	-	-	-	-	3,843	3,581	262
Interfund Loan Repayment				-	-	-	-	-	-	-	-	-	-	-	-
Net Change Restricted Assets				-	-	-	-	-	-	-	-	-	-	-	-
Interfund Operating Rentals & Supplies				-	-	-	140,784	140,784	-	191,031	191,016	15	231,152	231,447	(295)
TOTAL OPERATING EXPENSES				933,877	427,071	506,806	3,122,392	2,719,748	402,644	6,222,005	5,619,794	602,211	2,768,168	2,281,638	486,530
OPERATING REVENUES LESS EXPENSES BEFORE DEPRECIATION				123,023	527,752	404,729	340,108	843,031	502,923	(178,629)	460,120	638,749	(505,066)	128,637	633,703
NON-OPERATING REVENUES															
Operating Transfers-in				-	-	-	-	-	-	662,611	279,724	(382,887)	100,000	100,000	-
NON-OPERATING EXPENSES															
Transfer to Capital Subfund				-	-	-	-	-	-	400	400	-	-	-	-
Other Operating Transfers-out				-	-	-	961,452	888,503	72,949	-	-	-	-	-	-
Debt Service Principal				-	-	-	-	-	-	-	-	-	-	-	-
Net Change in Restricted Net Assets				-	-	-	-	-	-	-	-	-	(173,155)	(173,155)	-
Interfund Loan Repayment				-	-	-	-	-	-	-	-	-	-	-	-
BEGINNING WORKING CAPITAL - January 1, 2017				1,097,368	1,097,368	-	1,853,016	1,853,016	-	1,064,713	1,064,713	-	2,749,240	2,749,240	-
ENDING WORKING CAPITAL - December 31, 2017				1,220,391	1,625,120	404,729	1,231,672	1,807,545	575,873	1,548,295	1,804,157	255,862	2,344,174	3,151,032	806,858
NET CHANGE IN WORKING CAPITAL (see Note)				123,023	527,752	404,729	(621,344)	(45,471)	575,873	483,582	739,444	255,862	(405,066)	401,792	806,858
CAPITAL FUND:															
CAPITAL REVENUES															
Interest Revenue				-	-	-	-	-	-	-	18,996	18,996	-	30,156	30,156
Grants				-	-	-	-	-	-	-	-	-	-	-	-
Contributions				-	-	-	-	-	-	-	-	-	-	-	-
Other Non-Operating Revenue				-	-	-	-	-	-	-	-	-	-	-	-
Gain (Loss) On Sale Of Fixed Assets				-	-	-	-	-	-	-	-	-	-	-	-
Increase In Contributions - System Development				-	-	-	-	-	-	-	-	-	-	-	-
Interfund Revenues				-	-	-	-	-	-	-	-	-	1,703,631	1,703,628	(3)
Increase In Contributions - FAA				-	-	-	-	-	-	-	-	-	-	-	-
Proceeds of Debt Activity				-	-	-	-	-	-	-	-	-	-	-	-
Transfers In from Operating Sub-Fund				-	-	-	-	-	-	-	-	-	-	-	-
Transfer In from Other Funds				-	-	-	-	-	-	96,537	88,570	(7,967)	1,010,927	372,032	(638,895)
Other Sources				-	-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL REVENUES				-	-	-	-	-	-	96,537	107,566	11,029	2,714,558	2,105,816	(608,742)
CAPITAL EXPENSES															
Other Non-Operating Expense				-	-	-	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Salaries				-	-	-	-	-	-	-	1,983	(1,983)	-	-	-
Increase In Fixed Assets - Benefits				-	-	-	-	-	-	-	728	(728)	-	-	-
Increase In Fixed Assets - Services				-	-	-	-	-	-	-	263	(263)	-	413	(413)
Increase In Fixed Assets - Site Improvements				-	-	-	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Equipment				-	-	-	-	-	-	779,437	469,273	310,164	1,961,665	1,662,097	299,568
Increase In Fixed Assets - Construction				-	-	-	-	-	-	163,000	61,710	101,290	710,000	9,900	700,100
Operating Transfers Out				-	-	-	-	-	-	55,900	55,900	-	-	-	-
TOTAL CAPITAL EXPENSES				-	-	-	-	-	-	998,337	589,857	408,480	2,671,665	1,672,410	999,255
BEGINNING WORKING CAPITAL - January 1, 2017				-	-	-	-	-	-	2,319,577	2,319,577	-	3,020,402	3,020,402	-
ENDING WORKING CAPITAL - December 31, 2017				-	-	-	-	-	-	1,417,777	1,837,285	419,509	3,063,295	3,453,808	390,513
NET CHANGE IN WORKING CAPITAL (see Note)				-	-	-	-	-	-	(901,800)	(482,291)	419,509	42,893	433,406	390,513
Total Change in Working Capital				123,023	527,752	404,729	(621,344)	(45,471)	575,873	(418,218)	257,153	675,371	(362,173)	835,198	1,197,371
(*) Depreciation				-	-	-	-	-	-	701,000	680,431	-	985,000	1,182,134	-
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 December 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	\$ 14,781,300	\$ 8,667,587	\$ -	\$ 9,766,428	\$ 15,067,667	\$ 70,750	\$ 1,336,570	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Charges For Services	-	-	-	-	-	-	-	-	941,648	3,374,196	5,973,720	3,985,495
Sewer Metro Services Revenue	-	-	17,703,367	-	-	-	-	-	-	-	-	-
Rents, Leases, Concessions & Other	-	-	-	-	-	804,040	-	-	-	110,838	92,023	-
TOTAL OPERATING REVENUES	\$ 14,781,300	\$ 8,667,587	\$ 17,703,367	\$ 9,766,428	\$ 15,067,667	\$ 874,790	\$ 1,336,570	\$ -	\$ 941,648	\$ 3,485,034	\$ 6,065,744	\$ 3,985,495
OPERATING EXPENSES												
Administration & Other	\$ 4,803,489	\$ 4,535,047	\$ 147	\$ 3,517,353	\$ 1,773,467	\$ 71,307	\$ 329,242	\$ 52,546	\$ -	\$ -	\$ 263	\$ 839,667
Operations & Maintenance	3,750,012	1,696,409	17,292,837	3,366,760	12,749,847	412,580	788,934	-	427,071	2,719,748	5,619,794	1,438,804
Depreciation & Amortization	3,269,581	2,199,711	-	1,885,931	18,819	462,843	47,383	-	-	-	680,431	1,182,134
TOTAL OPERATING EXPENSES	\$ 11,823,082	\$ 8,431,167	\$ 17,292,983	\$ 8,770,044	\$ 14,542,133	\$ 946,731	\$ 1,165,559	\$ 52,546	\$ 427,071	\$ 2,719,748	\$ 6,300,488	\$ 3,460,605
OPERATING INCOME (LOSS)	\$ 2,958,219	\$ 236,420	\$ 410,384	\$ 996,384	\$ 525,533	\$ (71,941)	\$ 171,012	\$ (52,546)	\$ 514,577	\$ 765,286	\$ (234,745)	\$ 524,890
NON-OPERATING REVENUES & EXPENSES												
Interest Revenue	\$ 104,565	\$ 153,845	\$ 10,721	\$ 151,733	\$ 41,712	\$ 9,829	\$ 6,727	\$ 11,646	\$ 13,175	\$ 19,817	\$ 33,166	\$ 57,943
Other Non-Operating Revenue	252,296	73,739	-	78,397	25,561	16,102	-	-	-	57,928	-	84,109
Gain (Loss) On Sale Of Fixed Assets	-	-	-	-	-	-	-	-	-	-	-	16,512
Other Non-Operating Expense*	(856,805)	(276,483)	-	(361,417)	-	(9,841)	-	-	-	-	-	(3,581)
TOTAL NON-OPERATING REVENUES & EXPENSES	\$ (499,945)	\$ (48,899)	\$ 10,721	\$ (131,287)	\$ 67,274	\$ 16,090	\$ 6,727	\$ 11,646	\$ 13,175	\$ 77,745	\$ 33,166	\$ 154,984
INCOME (LOSS) BEFORE CONTRIBUTIONS & TRANSFERS	\$ 2,458,274	\$ 187,521	\$ 421,105	\$ 865,097	\$ 592,807	\$ (55,851)	\$ 177,739	\$ (40,899)	\$ 527,752	\$ 843,031	\$ (201,579)	\$ 679,874
Contributions	\$ 597,556	\$ 458,574	\$ -	\$ 817,846	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers In	2,500,000	800,000	-	300,000	-	274,937	-	670,715	-	-	368,294	472,032
Transfers Out	(2,693,862)	(962,839)	-	(672,047)	-	-	(397)	-	-	(888,503)	(56,300)	-
TOTAL CONTRIBUTIONS & TRANSFERS	\$ 403,694	\$ 295,735	\$ -	\$ 445,799	\$ -	\$ 274,937	\$ (397)	\$ 670,715	\$ -	\$ (888,503)	\$ 311,994	\$ 472,032
CHANGE IN FUND BALANCE	\$ 2,861,967	\$ 483,256	\$ 421,105	\$ 1,310,896	\$ 592,807	\$ 219,087	\$ 177,342	\$ 629,816	\$ 527,752	\$ (45,471)	\$ 110,415	\$ 1,151,906
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 - December 31, 2017	\$ 78,613,672	\$ 82,402,477	\$ 3,093,127	\$ 65,321,548	\$ 4,838,503	\$ 9,733,202	\$ 1,551,752	\$ 2,015,500	\$ 1,592,280	\$ 1,484,853	\$ 4,401,766	\$ 12,072,319

*Note: This report includes actuals through December 2017, with the exception of Water, Sewer, and Storm which includes the Debt Service Interest Payments that will be made in Period 13.