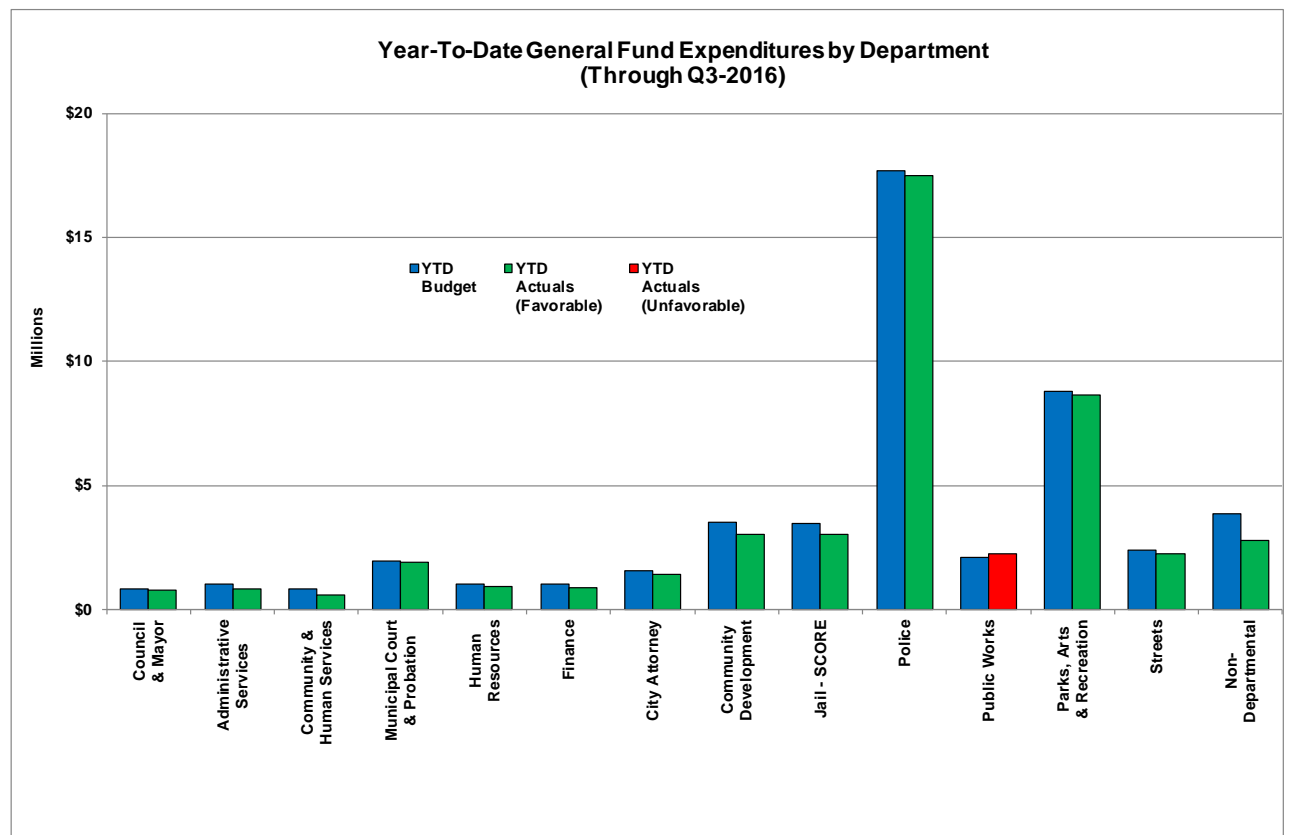
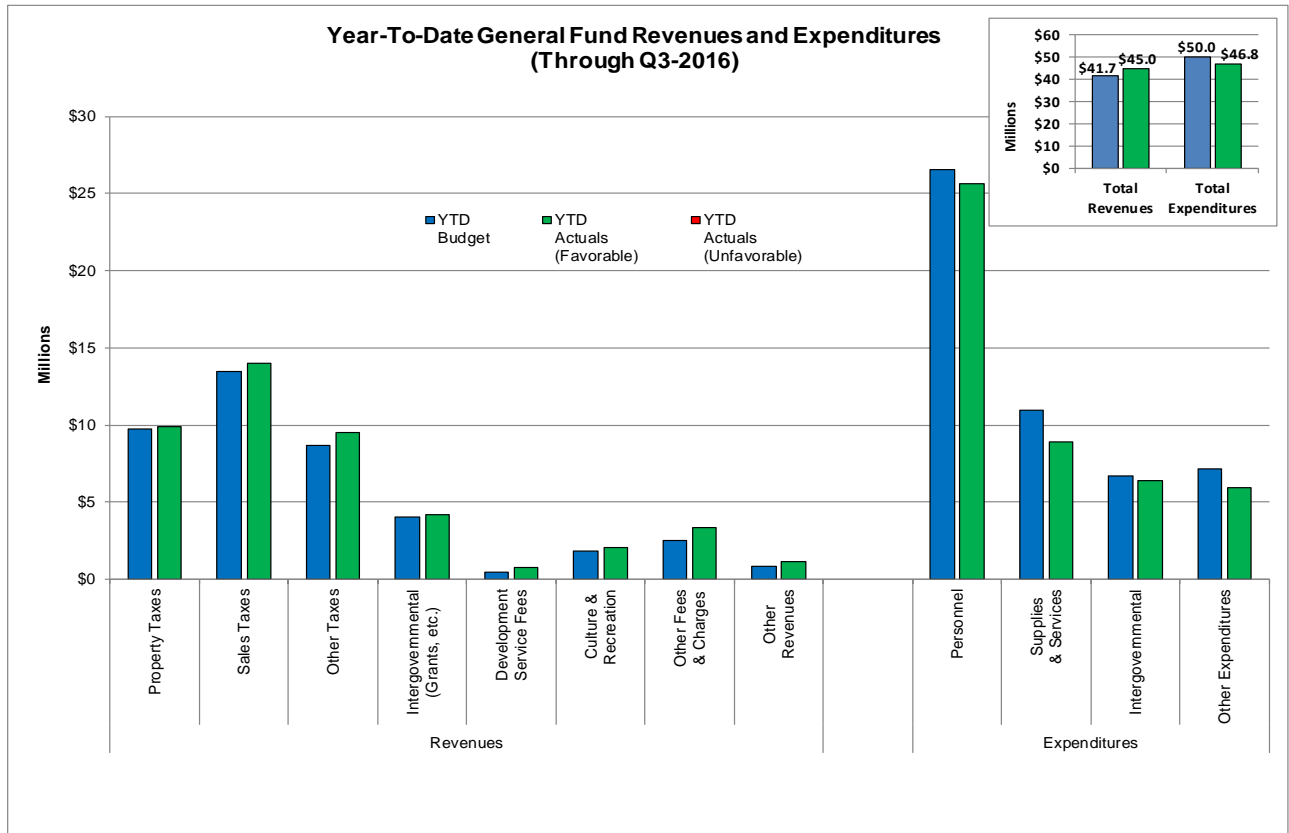


General Fund Summary



September 2016 Financial Report

General Fund Summary of Sources and Uses	Page Ref	2016			2015	2016 YTD Budget vs. Actual	
		Annual Budget	YTD Budget	YTD Actual	YTD Actual	Favorable (Unfavorable) Amount	Percentage
Operating Revenues							
Property Tax	5	\$ 17,733,500	\$ 9,763,600	\$ 9,920,666	\$ 9,500,023	\$ 157,066	1.6 %
Sales Tax	6	14,572,000	10,793,100	11,036,028	10,850,092	242,928	2.3 %
Sales Tax - Annexation Credit		1,912,000	1,411,100	1,500,373	1,469,642	89,273	6.3 %
Criminal Justice Sales Tax		1,747,000	1,288,300	1,454,287	1,341,552	165,987	12.9 %
Brokered Natural Gas Tax		282,000	226,500	177,005	195,126	(49,495)	(21.9) %
City Utilities Tax	8	3,521,200	2,618,300	2,901,188	2,712,038	282,888	10.8 %
Admissions Tax		333,600	257,800	269,321	278,210	11,521	4.5 %
Electric Tax	8	3,297,700	2,511,200	2,733,513	2,393,107	222,313	8.9 %
Natural Gas Tax	8	852,000	754,800	833,093	878,683	78,293	10.4 %
Cable TV Franchise Fee	9	906,700	678,500	728,136	689,428	49,636	7.3 %
Cable TV Franchise Fee - Capital		64,000	48,000	49,877	53,921	1,877	3.9 %
Telephone Tax	8	1,620,000	1,233,600	1,144,823	1,271,170	(88,777)	(7.2) %
Garbage Tax (external)	8	106,000	79,470	92,985	84,177	13,515	17.0 %
Leasehold Excise Tax		33,000	23,200	191,475	45,968	168,275	725.3 %
Gambling Excise Tax		334,400	276,800	403,771	147,986	126,971	45.9 %
Taxes sub-total		\$ 47,315,100	\$ 31,964,270	\$ 33,436,540	\$ 31,911,123	\$ 1,472,270	4.6 %
Business License Fees	11	\$ 221,000	\$ 127,700	\$ 106,657	\$ 154,096	\$ (21,044)	(16.5) %
Building Permits	10	1,190,000	938,800	1,432,215	977,631	493,415	52.6 %
Other Licenses & Permits		533,600	382,200	582,773	434,921	200,573	52.5 %
Intergovernmental (Grants, etc.)	12	5,627,893	4,073,903	4,179,792	3,929,887	105,889	2.6 %
Charges for Services:							
General Government Services	13	67,200	49,300	61,991	60,462	12,691	25.7 %
Public Safety	13	520,300	395,678	453,345	396,978	57,666	14.6 %
Development Services Fees	14	680,600	501,600	794,082	933,627	292,482	58.3 %
Culture and Recreation	15	2,105,080	1,810,600	2,076,505	2,030,266	265,905	14.7 %
Fines and Forfeits	16	796,180	613,000	696,072	711,380	83,072	13.6 %
Fees/Charges/Fines sub-total		\$ 11,741,853	\$ 8,892,781	\$ 10,383,431	\$ 9,629,247	\$ 1,490,650	16.8 %
Interest and Other Earnings	17	\$ 35,200	\$ 26,000	\$ 81,161	\$ 32,834	\$ 55,161	212.2 %
Rents, Leases and Concessions	17	630,600	508,600	645,327	574,287	136,727	26.9 %
Contributions and Donations	17	32,000	25,100	26,883	31,947	1,783	7.1 %
Other Miscellaneous	17	157,800	117,900	228,553	159,007	110,653	93.9 %
Transfers In		220,926	139,000	139,112	76,000	112	0.1 %
Insurance Recoveries - Capital & Operating		25,000	18,743	58,094	131,404	39,352	210.0 %
Other Revenues sub-total		\$ 1,101,526	\$ 835,343	\$ 1,179,131	\$ 1,005,479	\$ 343,789	41.2 %
Total Operating Revenues		\$ 60,158,479	\$ 41,692,393	\$ 44,999,102	\$ 42,545,850	\$ 3,306,709	7.9 %
Operating Expenditures							
Council & Mayor		\$ 1,085,833	\$ 810,500	\$ 802,274	\$ 662,611	\$ 8,226	1.0 %
Administration		1,350,722	1,013,400	831,249	746,156	182,151	18.0 %
Community & Human Services		1,329,547	819,200	577,608	644,041	241,592	29.5 %
Municipal Court & Probation		2,355,889	1,974,000	1,892,377	1,888,511	81,623	4.1 %
Human Resources		1,406,554	1,016,200	930,960	793,308	85,240	8.4 %
Finance		1,300,773	1,029,500	898,832	975,764	130,668	12.7 %
City Attorney		2,194,830	1,568,500	1,410,070	1,370,421	158,430	10.1 %
Community Development		4,731,841	3,507,500	3,014,962	2,868,071	492,538	14.0 %
Jail - SCORE		5,583,542	3,485,746	3,014,605	2,744,147	471,141	13.5 %
Police		23,794,252	17,687,100	17,490,649	16,388,842	196,451	1.1 %
Public Works		2,809,335	2,090,900	2,262,105	1,975,023	(171,205)	(8.2) %
Parks, Arts & Recreation		11,584,205	8,768,200	8,627,328	8,320,497	140,872	1.6 %
Streets		3,466,563	2,389,100	2,256,727	2,044,555	132,373	5.5 %
Non-Departmental		5,539,627	3,862,413	2,783,240	4,145,992	1,079,173	27.9 %
Total Operating Expenditures		\$ 68,533,514	\$ 50,022,259	\$ 46,792,985	\$ 45,567,941	\$ 3,229,273	6.5 %

Executive Summary

This Executive Summary provides an overview of the City's overall financial position for the fiscal period ending September 30, 2016, reflecting financial data available as of October 28, 2016.

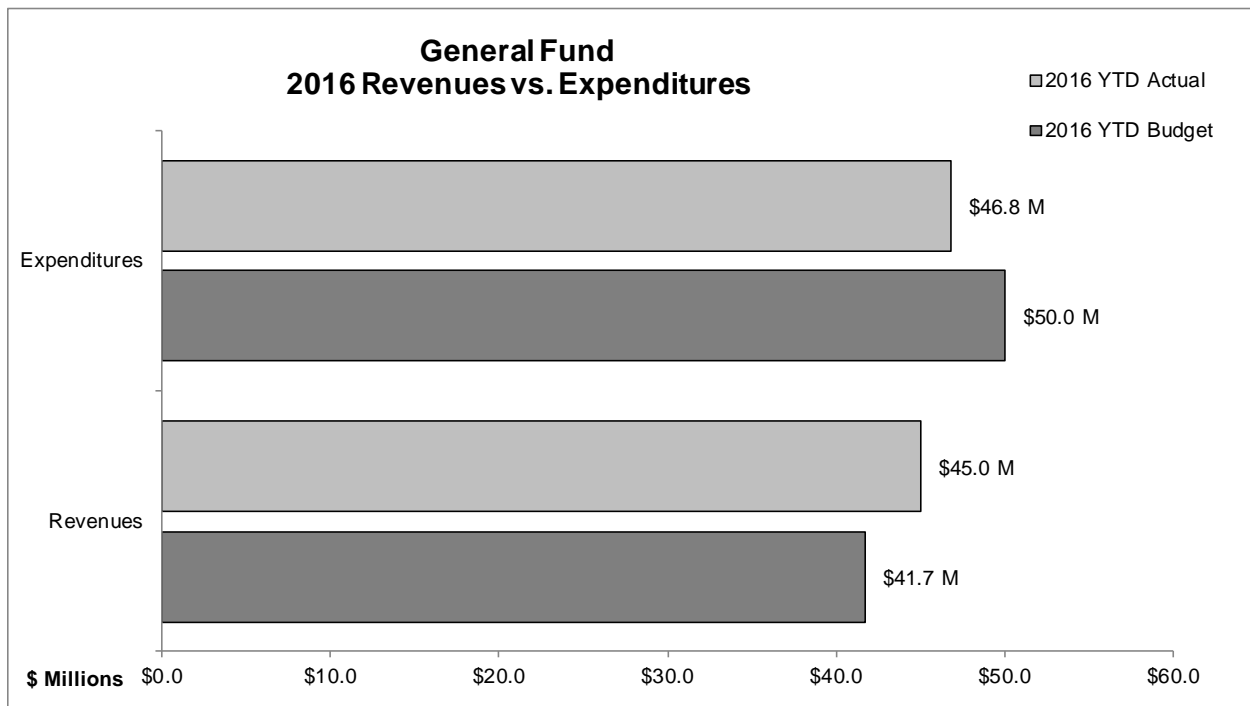
Through September 2016, General Fund revenues totaled \$45.0 million compared to a budget of \$41.7 million, and were \$2.5 million higher than the revenues collected during the same period in 2015. Some notable variances to budget year-to-date include:

- Property tax collections through Q3-2016 totaled \$9.9 million, which is 1.6% or \$157,000 above budget expectations and exceed collections in the same period last year by \$421,000, or 4.4%. The majority of property tax revenues are collected during the months of April and October, coinciding with the due dates for the County property tax billings. **[page 5]**
- General Fund retail sales tax revenues totaled \$11.0 million, exceeding budget by 2.3% or \$243,000, and exceeding 2015 collections by \$186,000. The primary area of significant increase in sales activity compared to 2015 was the services category. **[page 6]** Collections in criminal justice sales tax revenues exceeded budget by \$166,000, or 12.9%.
- The Other Taxes category performed better than budget through Q3-2016. City utility tax revenues exceeded budget by \$283,000 or 10.8%, predominately due to higher than budgeted capital system development revenues collected in the Water, Sewer and Storm funds. Electric and natural gas tax revenues collected through September exceeded budget by \$222,000 and \$78,000, respectively. These revenues were somewhat offset by an unfavorable variance in telephone tax collections of \$89,000. **[page 8]** Year-to-date collections of leasehold excise taxes were \$168,000 favorable to budget due to an unbudgeted payment for the Emerald Downs property which is tribally owned. Gambling excise tax revenues exceeded budget by \$127,000 primarily due to the timing of payments: the City's main remitter of card game taxes paid 6 months worth of taxes from 2015 in the current year.
- Building permit revenue through Q3-2016 exceeded budget by \$493,000, and already exceeds year-end budget expectations. This was predominately due to a higher than anticipated volume of building permits as well as multiple large commercial building permits issued. **[page 10]**
- Other licenses and permit revenues exceeded budget expectations by \$201,000 primarily due to higher than anticipated revenue collected for plumbing permits. This increase in revenues was a result of increased construction activity within the City. One project in particular that contributed to this influx of revenue is the permitting for the Promenade Apartment Project on 312th Street.
- Development services fees revenues collected year-to-date exceeded budget expectations by \$292,000, or 58.3%. This is predominately due to higher than anticipated revenues collected for plan check services related to multiple single family and commercial construction projects within the City. **[page 14]**

- Culture and recreation revenues exceeded year-to-date budget by \$266,000, and exceeded revenues collected the same period in 2015 by \$46,000, or 2.3%. Revenue sources that were significantly above budget include golf course and special events revenues. **[page 15]**
- Year-to-date rents, leases and concession revenues were \$137,000 or 26.9% above budget, and were \$71,000 more than collected the same period in 2015. This favorable variance is attributed to higher than anticipated revenues collected for City owned facility rentals and parking lot fees. **[page 17]**

General Fund expenditures through the third quarter of 2016 totaled \$46.8 million compared to a budget of \$50.0 million, representing a 6.5% favorable variance to budget. All departments operated within their allocated budget through Q3-2016 with the exception of the Public Works department. This department is running over budget YTD through September by \$171,000, or 8.2%. The variance to budget is seen in salary and benefit expenditures, as project engineers are charging more of their time to general fund projects versus transportation and utility projects.

Year-to-date through September General Fund expenditures are \$1.2 million, or 2.7%, higher than the same period last year. Salary and benefit costs increased by \$1.4 million, or 5.7% compared to the same period in 2015. This year-over-year increase is due primarily to an increase in Council approved FTEs (Full Time Equivalents) and increased costs associated with healthcare and pension benefits. In addition, charges for services paid to Valley Communications for 911 services have increased year-over-year by \$406,000, or 20.0%. These increased expenditures were somewhat offset by a reduction in intergovernmental expenditures by \$915,000 as compared to the same period in 2015.



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 Q3-2016 totaled \$9,921,000, which is 1.6% or \$157,000 above budget expectations. Property tax collections through Q3-2016 exceeded collections for the same period last year by \$421,000, or 4.4%. The majority of property tax revenues are collected during the months of April and October, coinciding with the due dates for the County property tax billings.

