

Special Revenue Funds are established to account for specific resources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

---

**GENERAL GOVERNMENT  
NON-OPERATING SPECIAL REVENUE FUNDS**



**CITY OF KIRKLAND**

**GENERAL GOVERNMENT NON-OPERATING  
SPECIAL REVENUE FUNDS**

Special Revenue Funds are used to account for revenues that are dedicated for specific purposes either through statute or Council policy. The following Special Revenue Funds are part of the non-operating budget.

The **Contingency Fund** is provided for by state law and allows for the accumulation of resources up to \$.375 per \$1,000 of assessed valuation for emergency uses.

The **Cemetery Improvement Fund** receives a percentage of the revenue from the sale of plots at the City cemetery which is set aside for minor capital improvements and the maintenance of the cemetery after all plots are sold.

The **Park and Municipal Reserve Fund** is actually an accumulation of many smaller reserves used for the planning, acquisition, construction, maintenance, and repair of park and other municipal facilities and property. Monies are accumulated over a period of time for specific projects (such as the library parking structure) or purposes (such as litigation expenses) and then drawn upon as needed. This fund also has a General Operating Reserve established by the Council in 1989. In 2003 a portion of this reserve (also known as the Rainy Day Reserve) was segregated to establish a Revenue Stabilization Reserve. This reserve will address temporary revenue losses due to economic cycles or other time-limited causes. The target of the Rainy Day Reserve was decreased from twelve percent to five percent of the operating fund budgets (excluding utility and internal service funds). The target for the Revenue Stabilization Reserve is set at ten percent of the General Fund revenue sources subject to economic or other temporary influences that create volatility (e.g. sales tax, development fees and utility taxes).

The **Impact Fee Fund** accounts for road and park impact fees initiated in 1999. Impact fees, and the interest earned on them, are deposited in this fund and transferred out to the capital projects funds to pay for road and park capacity projects approved in the Capital Improvement Program (CIP).

The **Off-Street Parking Reserve Fund** was created to receive payments made by downtown businesses in lieu of providing on-site parking. Accumulated funds must be used for the acquisition, design, construction, development, financing, maintenance, and operation of off-site parking facilities in the Central Business District.

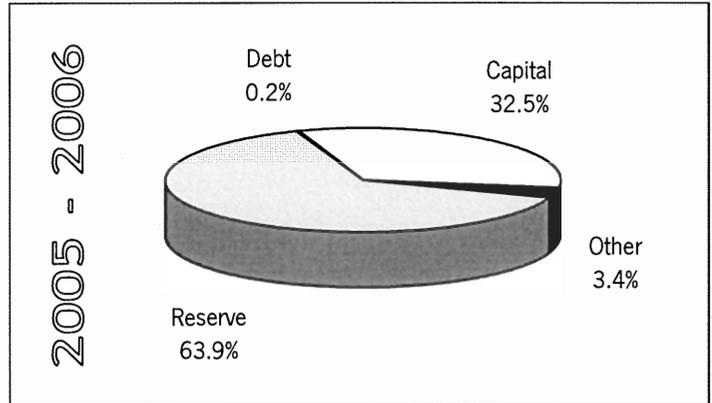
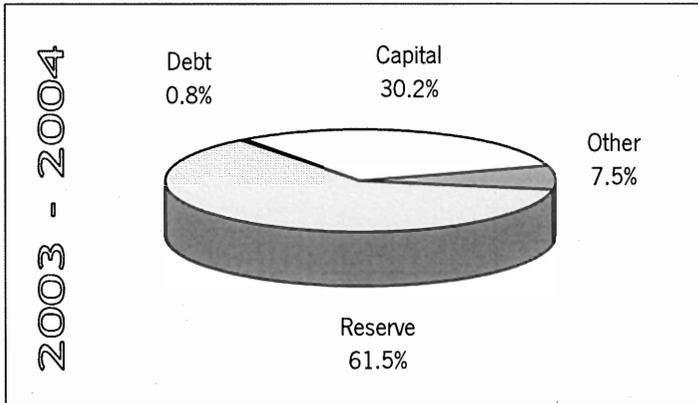
The **Tour Dock Fund** was created to receive rental fees associated with use of the tour dock in Marina Park. Fees must be used for maintenance and repair of the dock and for repaying a Port District loan used to finance construction of the dock.

The **Street Improvement Fund** accumulates resources for street-related capital projects. Dedicated funding sources include \$270,000 per year in sales tax revenue and state distributions of the half-cent motor vehicle fuel tax. The motor vehicle fuel tax is legally restricted for the funding of street improvements, whereas the \$270,000 in sales tax revenue is set by Council policy. Resources are transferred out of the Street Improvement Fund to the capital projects funds as needed for current year projects. The remainder is held in reserve for future year projects.

The **Grant Control Fund** was established to meet the special accounting requirements associated with grants. This fund accounts for grant revenues and related expenditures for non-CIP grant projects.

The **Excise Tax Capital Improvement Fund** was created to account for revenue from both the first and second quarter percent real estate excise tax. Excise tax revenue must be used for capital projects within the categories authorized by state law including streets, sidewalks, traffic improvements, parks, fire protection facilities, and other public facilities as specified by statute. The second quarter percent real estate excise tax, adopted by the City Council in October 1996, is dedicated to transportation-related CIP projects. Funds are transferred out of the Excise Tax Capital Improvement Fund to the capital projects funds and allocated via the CIP funding process.

**CITY OF KIRKLAND  
GENERAL GOVERNMENT NON-OPERATING  
SPECIAL REVENUE FUNDS**



Special revenue funds are used to account for revenues that are dedicated for specific purposes either through statute or Council policy. Some of the special revenue funds contain reserves which are used to accumulate resources for future projects, expenses, or contingencies. The following special revenue funds are part of the non-operating budget.

**2003-2004 BUDGET SUMMARY: BY PURPOSE**

Fund	2003-2004 Budget	Budget by Purpose			
		Reserve	Debt	Capital	Other
152 Contingency	2,583,257	2,372,671	0	0	210,586
154 Cemetery Improvement	448,255	361,458	74,497	12,000	300
156 Impact Fees	2,248,755	1,558,755	0	690,000	0
157 Park & Municipal Reserve	10,659,216	8,480,016	0	10,000	2,169,200
158 Off-Street Parking Reserve	280,784	92,784	188,000	0	0
159 Tour Dock	208,185	147,938	0	0	60,247
170 Street Improvement	4,693,481	1,714,481	0	2,979,000	0
188 Grant Control Fund	495,329	176,524	0	129,500	189,305
190 Excise Tax Capital Improvement	13,192,173	6,516,785	0	6,675,388	0
<b>Total Special Revenue Funds</b>	<b>34,809,435</b>	<b>21,421,412</b>	<b>262,497</b>	<b>10,495,888</b>	<b>2,629,638</b>

**2005-2006 BUDGET SUMMARY: BY PURPOSE**

Fund	2005-2006 Budget	Budget by Purpose			
		Reserve	Debt	Capital	Other
152 Contingency	2,352,671	2,115,677	0	0	236,994
154 Cemetery Improvement	488,958	411,462	65,496	12,000	0
156 Impact Fees	2,810,455	1,536,455	0	1,274,000	0
157 Park & Municipal Reserve	9,081,118	8,398,912	0	7,160	675,046
158 Off-Street Parking Reserve	84,564	69,564	15,000	0	0
159 Tour Dock	205,538	155,578	0	0	49,960
170 Street Improvement	4,760,059	2,601,759	0	2,158,300	0
188 Grant Control Fund	369,047	206,667	0	0	162,380
190 Excise Tax Capital Improvement	13,508,785	6,023,408	0	7,485,377	0
<b>Total Special Revenue Funds</b>	<b>33,661,195</b>	<b>21,519,482</b>	<b>80,496</b>	<b>10,936,837</b>	<b>1,124,380</b>

**CITY OF KIRKLAND**  
**CHANGE IN FUND BALANCE (Beginning 2004 to Ending 2006)**  
**GENERAL GOVERNMENT NON-OPERATING**  
**SPECIAL REVENUE FUNDS**

	<b>Contingency</b>	<b>Cemetery Improvement</b>	<b>Impact Fees</b>	<b>Park &amp; Municipal Reserve</b>
<b>2004 Actual Beginning Fund Balance</b>	<b>2,523,257</b>	<b>338,206</b>	<b>1,487,255</b>	<b>9,669,785</b>
<i>Reserved</i>	<i>2,523,257</i>	<i>338,206</i>	<i>1,487,255</i>	<i>9,669,785</i>
<i>Unreserved Working Capital</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Plus: 2004 Estimated Revenues	0	60,000	579,700	163,012
Less: 2004 Estimated Expenditures	170,586	41,248	600,000	923,079
<b>2004 Estimated Ending Fund Balance</b>	<b>2,352,671</b>	<b>356,958</b>	<b>1,466,955</b>	<b>8,909,718</b>
Less: Funding for Carryovers to 2005	0	0	0	0
<b>2005 Budgeted Beginning Fund Balance</b>	<b>2,352,671</b>	<b>356,958</b>	<b>1,466,955</b>	<b>8,909,718</b>
Plus: 2005 Budgeted Revenues	0	66,000	670,000	85,700
Less: 2005 Budgeted Expenditures	0	41,748	637,400	107,153
Plus: 2006 Budgeted Revenues	0	66,000	673,500	85,700
Less: 2006 Budgeted Expenditures	236,994	35,748	636,600	99,310
<b>2006 Budgeted Ending Fund Balance</b>	<b>2,115,677</b>	<b>411,462</b>	<b>1,536,455</b>	<b>8,874,655</b>
<i>Reserved</i>	<i>2,115,677</i>	<i>411,462</i>	<i>1,536,455</i>	<i>8,874,655</i>
<i>Unreserved Working Capital</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>Change in Fund Balance: Beginning 2004 to Ending 2006</b>	<b>(407,580)</b>	<b>73,256</b>	<b>49,200</b>	<b>(795,130)</b>

**Notes:**

The increases in fund balance of these special revenue funds reflect the building or replenishment of a reserve; whereas, the decreases in fund balance reflect the planned use of a reserve.

<b>Off-Street Parking Reserve</b>	<b>Tour Dock</b>	<b>Street Improvement</b>	<b>Grant Control</b>	<b>Excise Tax Capital Improvement</b>	<b>Total</b>
<b>280,784</b>	<b>145,418</b>	<b>2,627,867</b>	<b>146,741</b>	<b>7,529,564</b>	<b>24,748,877</b>
<i>280,784</i>	<i>145,418</i>	<i>2,032,867</i>	<i>0</i>	<i>4,894,564</i>	<i>21,372,136</i>
<i>0</i>	<i>0</i>	<i>595,000</i>	<i>146,741</i>	<i>2,635,000</i>	<i>3,376,741</i>
<i>(8,220)</i>	<i>27,000</i>	<i>615,892</i>	<i>261,877</i>	<i>4,200,000</i>	<b>5,899,261</b>
<i>188,000</i>	<i>24,880</i>	<i>1,485,000</i>	<i>169,431</i>	<i>3,820,779</i>	<b>7,423,003</b>
<b>84,564</b>	<b>147,538</b>	<b>1,758,759</b>	<b>239,187</b>	<b>7,908,785</b>	<b>23,225,135</b>
<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<b>0</b>
<b>84,564</b>	<b>147,538</b>	<b>1,758,759</b>	<b>239,187</b>	<b>7,908,785</b>	<b>23,225,135</b>
<i>0</i>	<i>29,000</i>	<i>1,364,360</i>	<i>64,930</i>	<i>2,800,000</i>	<b>5,079,990</b>
<i>15,000</i>	<i>24,980</i>	<i>1,563,300</i>	<i>97,450</i>	<i>3,566,769</i>	<b>6,053,800</b>
<i>0</i>	<i>29,000</i>	<i>1,636,940</i>	<i>64,930</i>	<i>2,800,000</i>	<b>5,356,070</b>
<i>0</i>	<i>24,980</i>	<i>595,000</i>	<i>64,930</i>	<i>3,918,608</i>	<b>5,612,170</b>
<b>69,564</b>	<b>155,578</b>	<b>2,601,759</b>	<b>206,667</b>	<b>6,023,408</b>	<b>21,995,225</b>
<i>69,564</i>	<i>155,578</i>	<i>2,006,759</i>	<i>0</i>	<i>3,388,408</i>	<i>18,558,558</i>
<i>0</i>	<i>0</i>	<i>595,000</i>	<i>206,667</i>	<i>2,635,000</i>	<i>3,436,667</i>
<b>(211,220)</b>	<b>10,160</b>	<b>(26,108)</b>	<b>59,926</b>	<b>(1,506,156)</b>	<b>(2,753,652)</b>

