

May 2018 Financial Dashboard Highlights

June 29, 2018

The dashboard report reflects the 2018 share of the biennial budget adopted by the City Council on December 13, 2016 and amended on June 20, 2017 and December 12, 2017. The actual revenues and expenditures summarized reflect results through May 31, 2018, 41.67 percent of the year's budget.

Total General Fund revenues received through May were \$46 million, 49 percent of budget, and 5.8 percent higher than 2017 after accounting for the sale of 505 Market.

- Sales tax revenues through May are 5.8 percent higher than 2017, and 47.4 percent of budget. Contracting saw the majority of the growth with \$226,514 or 12.6 percent more collections than last year. Contracting by itself contributed 44 percent of total sales tax revenue growth through May 2018. Other Retail was the second largest growth category, contributing \$112,958 to year-to-date growth, with increasing revenues predominantly in Clothing, Electronics, and Building & Garden. Finally, General Merchandise/Miscellaneous Retail was the third highest contributor, with \$111,009 more than May 2017 due largely to the impact of the Marketplace Fairness Act. These figures reflect business activity through March 2018 due to the two-month lag in the receipt of funds from the Department of Revenue.
- Utility tax receipts were \$6.5 million at the end of May 2018, 44.1 percent of the annual budget. This is almost 3 percent less than 2017. The drop was mainly caused by the warmer winter weather this year and lower telephone and cable taxes, as consumers continue to drop landlines and opt for internet-based alternatives.
- Business license revenues through May are \$1,873,465, which represents 57.7 percent of the budget. They are above May 2017 receipts by \$196,263, or 11.7 percent. The increase was largely due to the business license database reconciliation against data from the Department of Revenue as part of the transition to the state Business Licensing Service. The increase is from the formerly unlicensed businesses who are now licensed for Kirkland, including back payments where applicable.
- Development fee revenues through the end of May were \$6,065,880 and are at 74.3 percent of budget. This is 33.5 percent above May 2017.
 - Building revenues through May 2018 were \$4,088,676, 80.4 percent of the annual budget and 44.1 percent above May 2017. The increase is driven by large development projects in the City, including Kirkland Urban, The Village at Totem Lake, Juanita High School, and a number of multifamily residential developments.
 - Engineering revenues through May 2018 were \$1,386,733, 71.6 percent of the annual budget and 36.4 percent above May 2017. Strong collections in May came from a few large projects, particularly storm water and public improvements.
 - Year-to-date Planning revenues through May 2018 were \$430,753, 48.9 percent of the annual budget, and 17.4 percent less than in 2017 due to high revenues from Process Reviews in regards to the development at The Village at Totem Lake in 2017.
- Gas tax revenues through May 2018 were \$726,804, which is 38.5 percent of the annual budget and 4.4 percent higher than 2017.

Total General Fund expenditures were 40.7 percent of budget through the end of May.

- General Fund salaries and benefits were \$26.5 million, which is 40 percent of the annual budget, or 2.6 percent higher than spending through May 2017. The increase is due to cost-of-living adjustments and increased health benefit costs, partially offset by two years of retroactive pay for fire employees that was recorded in February 2017.
- Fire suppression overtime expenditures were \$506,354 through May, 63.4 percent of the annual budget and 9.2 percent more than last year. Despite the ongoing lower amounts through April 2018 compared to April 2017, the fire department experienced a combinations of factors that required overtime to meet minimum staffing, including:
 - Three firefighters on disability;
 - Three firefighter departures in May; and,
 - Vacations planned during leave bidding in January.
- Contract jail expenditures through May were \$194,372 in 2018, 6.6 percent lower than in 2017, continuing the trend from prior months.
- Fuel costs through May were at \$178,268, 32.2 percent of budget and \$27,106, or 17.9 percent higher than through May 2017. This increase is due to a combination of increasing usage as well as higher fuel costs.

Attachments: May Dashboard

City of Kirkland Budget Dashboard for: **May**
 Annual Budget Status as of **5/31/2018** (Note 1) update
 Percent of Year Complete **41.67%**

Date Completed 6/20/2018

	2018 Budget	Year-to-Date Actual	% Received/ % Expended	Status		Notes
				Current Month	Last Month	
General Fund						
Total Revenues	93,430,130	45,826,502	49.0%			
Total Expenditures	98,179,733	39,969,541	40.7%			

Key Indicators (All Funds)

<i>Revenues</i>						
Sales Tax	19,925,537	9,453,889	47.4%			
Utility Taxes	14,857,345	6,552,823	44.1%			
Business License Fees	3,244,927	1,873,465	57.7%			
Development Fees	8,163,190	6,065,880	74.3%			
Gas Tax	1,890,142	726,804	38.5%			
<i>Expenditures</i>						
GF Salaries/Benefits	66,363,555	26,564,039	40.0%			Excludes Fire Suppression Overtime
Fire Suppression Overtime	798,049	506,354	63.4%			Primary driver of suppression overtime is backfill to maintain daily minimum staffing levels
Contract Jail Costs	494,425	194,372	39.3%			
Fuel Costs	553,261	178,268	32.2%			

Status Key

Revenue is at least 5% higher than expected or expenditure is at least 5% lower than expected
 Revenue/expenditure is within expected range (5% buffer)
 WATCH - Revenue/expenditure outside expected range (5% lower Revenue) (5% higher Expenditure)



Note 1 - Report shows annual values during the second year of the biennium (2018).