

June 2018 Financial Dashboard Highlights

July 23, 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, December 12, 2017 and June 19, 2018. The actual revenues and expenditures summarized reflect results through June 30, 2018.

Total General Fund revenues received through June were \$52.7 million, 55.7 percent of budget, and 6.0 percent higher than 2017 after excluding the proceeds from the sale of 505 Market.

- Sales tax revenues through June were \$11,246,907, 6.1 percent higher than 2017, and 56.1 percent of budget. Contracting provided the majority of the growth with \$300,052 or 14.0 percent higher collections than last year. Contracting contributed 46.2 percent of total sales tax revenue growth through June 2018. General Merchandise, Miscellaneous Retail and Other Retail combined contributed \$277,961 in year-to-date growth, with increasing revenues in General Merchandise, Clothing, Building, Garden and Electronics. The year over year increase is also a result of the adoption of the Marketplace Fairness Act beginning in January 2018. Combined the growth in Contracting and these retail sectors contributed 89.0 percent of the year over year growth. These figures reflect business activity through April 2018 due to the two-month lag in the receipt of funds from the Department of Revenue.
- Utility tax receipts were \$7.5 million through the end of June 2018, 50.6 percent of the annual budget and 3.8 percent less than 2017. The decline from 2017 was mainly caused by lower gas, telephone and cable receipts.
- Business license revenues through June are \$2,162,021 which represents 66.6 percent of the budget. They are above June 2017 receipts by \$206,825, or 10.6 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 June were \$8,066,538 and are at 97.2 percent of budget, halfway through the year. This is 47.7 percent above June 2017.
 - Building revenues through June 2018 were \$5,393,702, 113.7 percent of the annual budget and 64.9 percent above June 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 June 2018 were \$1,807,987, 93.2 percent of the annual budget and 43.0 percent above May 2017.
 - Year-to-date Planning revenues through June 2018 were \$495,035, 56.1 percent of the annual budget, and 12.5 percent less than in 2017 due to high revenues from Process IIA and III Reviews.
 - Fire Development revenues through June 2018 are \$204,051, 71.4 percent of the annual budget and 2.2 percent higher than 2017.
- Gas tax revenues through June 2018 were \$902,780, 47.8 percent of the annual budget and 5.8 percent higher than 2017.

Total General Fund expenditures were 48.9 percent of budget through the end of June, \$327,064 lower than the first half of 2017.

- General Fund salaries and benefits were \$32.1 million, 48 percent of the annual budget, and 3.5 percent higher than spending through June 2017. The increase is due to cost-of-living adjustments, increased health benefit costs and additional one-time staffing, partially offset by two years of retroactive pay for fire employees that was recorded in February 2017.
- General Fund expenditures are lower than 2017 primarily due to transferring \$3.0 million more to the CIP in 2017 for fire station funding. This was partially offset by \$850,000 being spent in 2018 for the women's shelter and a payment of \$415,000 for the housing trust fund occurring in the first half of 2018 that occurred in the second half of 2017.
- Fire suppression overtime expenditures were \$627,932 through June, 77.6 percent of the annual budget and 9.9 percent more than last year. The fire department has experienced the following 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 June were \$203,850 in 2018, 41.2 percent of budget and 6.6 percent lower than in 2017. The June 2018 payment wasn't posted until July, and had this payment been processed, contract jail expenditures would have been 47.3 percent of budget and 3.8 percent lower than 2017.
- Fuel costs through June were at \$240,613, 43.5 percent of budget and \$27,106, or 28.2 percent higher than through June 2017. This increase is primarily due to higher fuel prices and also due, to a lesser degree to increased consumption.

Attachments: June Dashboard

City of Kirkland Budget Dashboard for: **June**
 Annual Budget Status as of **6/30/2018** (Note 1)
 Percent of Year Complete **50.00%**

Date Completed 7/23/2018

	2018 Budget	Year-to-Date Actual	% Received/ % Expended	Status		Notes
				Current Month	Last Month	
General Fund						
Total Revenues	94,688,786	52,742,736	55.7%			
Total Expenditures	99,804,455	48,818,525	48.9%			

Key Indicators (All Funds)

<i>Revenues</i>					
Sales Tax	20,031,035	11,246,907	56.1%		
Utility Taxes	14,857,345	7,510,703	50.6%		
Business License Fees	3,244,927	2,162,021	66.6%		
Development Fees	8,302,662	8,066,538	97.2%		
Gas Tax	1,890,142	902,780	47.8%		
<i>Expenditures</i>					
GF Salaries/Benefits	66,892,779	32,117,563	48.0%		
Fire Suppression Overtime	809,424	627,932	77.6%		
Contract Jail Costs	494,425	203,850	41.2%		
Fuel Costs	553,261	240,613	43.5%		

Excludes Fire Suppression Overtime
 Primary driver of suppression overtime is backfill to maintain daily minimum staffing levels

47.3%

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).