

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.

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



## **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 \$0.375 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.

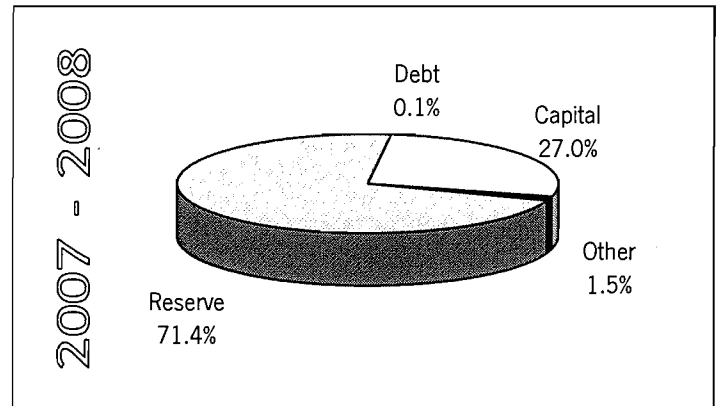
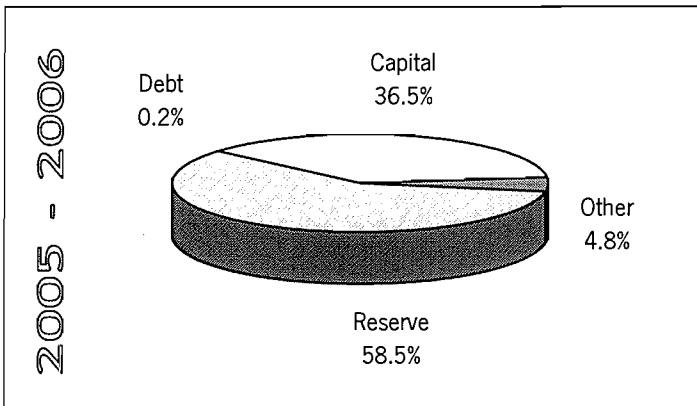
The **Tour Dock Fund** was created to receive rental fees associated with use of the tour dock in Marina Park. Fees must be used for maintenance and repair of the dock and for repaying a Port District loan used to finance construction of the dock.

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.

## 2005-2006 BUDGET SUMMARY: BY PURPOSE

Fund	2005-2006 Budget	Budget by Purpose			
		Reserve	Debt	Capital	Other
152 Contingency	2,357,321	1,954,992	0	0	402,329
154 Cemetery Improvement	493,195	415,699	65,496	12,000	0
156 Impact Fees	3,456,512	1,534,612	0	1,921,900	0
157 Park & Municipal Reserve	10,862,759	9,475,731	0	263,945	1,123,083
158 Off-Street Parking Reserve	84,564	69,564	15,000	0	0
159 Tour Dock	210,913	160,953	0	0	49,960
170 Street Improvement	3,091,247	258,411	0	2,832,836	0
188 Grant Control Fund	437,001	177,121	0	161,380	98,500
190 Excise Tax Capital Improvement	14,018,435	6,435,458	0	7,582,977	0
<b>Total Special Revenue Funds</b>	<b>35,011,947</b>	<b>20,482,541</b>	<b>80,496</b>	<b>12,775,038</b>	<b>1,673,872</b>

## 2007-2008 BUDGET SUMMARY: BY PURPOSE

Fund	2007-2008 Budget	Budget by Purpose			
		Reserve	Debt	Capital	Other
152 Contingency	3,193,826	3,193,826	0	0	0
154 Cemetery Improvement	550,473	476,401	62,072	12,000	0
156 Impact Fees	4,002,831	2,904,231	0	1,098,600	0
157 Park & Municipal Reserve	11,426,772	10,722,989	0	153,500	550,283
158 Off-Street Parking Reserve	69,564	29,564	0	0	40,000
159 Tour Dock	93,211	73,211	0	0	20,000
170 Street Improvement	2,600,998	1,121,498	0	1,479,500	0
188 Grant Control Fund	285,873	225,873	0	0	60,000
190 Excise Tax Capital Improvement	21,888,649	12,741,576	0	9,147,073	0
<b>Total Special Revenue Funds</b>	<b>44,112,197</b>	<b>31,489,169</b>	<b>62,072</b>	<b>11,890,673</b>	<b>670,283</b>

**CITY OF KIRKLAND**  
**CHANGE IN FUND BALANCE (Beginning 2005 to Ending 2008)**  
**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>2005 Actual Beginning Fund Balance</b>	<b>2,357,321</b>	<b>361,195</b>	<b>2,113,012</b>	<b>9,056,966</b>
<i>Reserved</i>	<i>2,357,321</i>	<i>361,195</i>	<i>2,113,012</i>	<i>9,056,966</i>
<i>Unreserved Working Capital</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Plus: 2005-06 Estimated Revenues	860,798	131,250	1,940,191	3,440,382
Less: 2005-06 Estimated Expenditures	149,293	73,972	1,662,972	1,758,576
<b>2005-06 Estimated Ending Fund Balance</b>	<b>3,068,826</b>	<b>418,473</b>	<b>2,390,231</b>	<b>10,738,772</b>
Less: Funding for Carryovers to 2007	0	0	0	0
<b>2007 Budgeted Beginning Fund Balance</b>	<b>3,068,826</b>	<b>418,473</b>	<b>2,390,231</b>	<b>10,738,772</b>
Plus: 2007-08 Budgeted Revenues	125,000	132,000	1,612,600	688,000
Less: 2007-08 Budgeted Expenditures	0	74,072	1,098,600	703,783
<b>2008 Budgeted Ending Fund Balance</b>	<b>3,193,826</b>	<b>476,401</b>	<b>2,904,231</b>	<b>10,722,989</b>
<i>Reserved</i>	<i>3,193,826</i>	<i>476,401</i>	<i>2,904,231</i>	<i>10,722,989</i>
<i>Unreserved Working Capital</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>Change in Fund Balance: Beginning 2005 to Ending 2008</b>	<b>836,505</b>	<b>115,206</b>	<b>791,219</b>	<b>1,666,023</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>84,564</b>	<b>152,913</b>	<b>1,847,447</b>	<b>209,641</b>	<b>8,418,435</b>	<b>24,601,494</b>
<i>84,564</i>	<i>152,913</i>	<i>1,252,447</i>	<i>0</i>	<i>5,786,235</i>	<i>21,164,653</i>
<i>0</i>	<i>0</i>	<i>595,000</i>	<i>209,641</i>	<i>2,632,200</i>	<i>3,436,841</i>
<i>0</i>	<i>52,298</i>	<i>1,111,816</i>	<i>176,263</i>	<i>13,346,076</i>	<b>21,059,074</b>
<i>15,000</i>	<i>162,000</i>	<i>1,934,265</i>	<i>160,031</i>	<i>6,586,863</i>	<b>12,502,972</b>
<b>69,564</b>	<b>43,211</b>	<b>1,024,998</b>	<b>225,873</b>	<b>15,177,648</b>	<b>33,157,596</b>
<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<b>0</b>
<b>69,564</b>	<b>43,211</b>	<b>1,024,998</b>	<b>225,873</b>	<b>15,177,648</b>	<b>33,157,596</b>
<i>0</i>	<i>50,000</i>	<i>1,576,000</i>	<i>60,000</i>	<i>6,711,000</i>	<b>10,954,600</b>
<i>40,000</i>	<i>20,000</i>	<i>1,479,500</i>	<i>60,000</i>	<i>9,147,073</i>	<b>12,623,028</b>
<b>29,564</b>	<b>73,211</b>	<b>1,121,498</b>	<b>225,873</b>	<b>12,741,575</b>	<b>31,489,168</b>
<i>29,564</i>	<i>73,211</i>	<i>326,498</i>	<i>0</i>	<i>10,106,575</i>	<i>27,833,295</i>
<i>0</i>	<i>0</i>	<i>795,000</i>	<i>225,873</i>	<i>2,635,000</i>	<i>3,655,873</i>
<b>(55,000)</b>	<b>(79,702)</b>	<b>(725,949)</b>	<b>16,232</b>	<b>4,323,140</b>	<b>6,887,674</b>