

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 \$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 or purposes (such as litigation expenses) and then drawn upon as needed. This fund also holds the 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 for the Rainy Day Reserve is 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, 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.

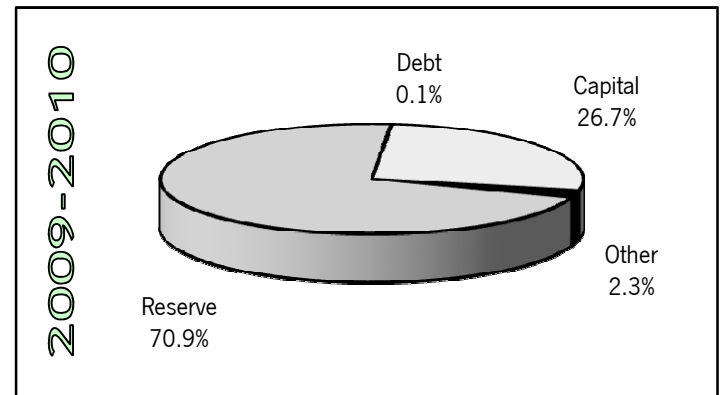
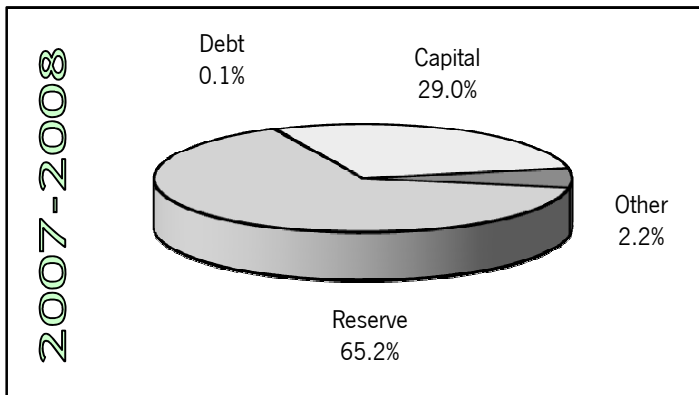
The **Tour Dock Fund** was created to receive rental fees associated with use of the tour dock in Marina Park. Fees must be used for maintenance and repair of the dock.

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.

2007-2008 BUDGET SUMMARY: BY PURPOSE

Fund	2007-2008 Budget	Budget by Purpose			
		Reserve	Debt	Capital	Other
152 Contingency	2,940,790	2,324,515	0	0	616,275
154 Cemetery Improvement	549,500	475,428	62,072	12,000	0
156 Impact Fees	3,709,937	2,611,337	0	1,098,600	0
157 Park & Municipal Reserve	12,804,743	10,947,436	0	0	1,857,307
158 Off-Street Parking Reserve	69,564	29,564	0	0	40,000
159 Tour Dock	99,235	79,235	0	0	20,000
170 Street Improvement	3,222,265	1,372,370	0	1,849,895	0
188 Grant Control Fund	285,835	225,835	0	0	60,000
190 Excise Tax Capital Improvement	22,091,056	11,772,654	0	10,318,402	0
Total Special Revenue Funds	45,772,925	29,838,374	62,072	13,278,897	2,593,582

2009-2010 BUDGET SUMMARY: BY PURPOSE

Fund	2009-2010 Budget	Budget by Purpose			
		Reserve	Debt	Capital	Other
152 Contingency	2,324,515	2,324,515	0	0	0
154 Cemetery Improvement	598,528	523,405	63,123	12,000	0
156 Impact Fees	7,165,555	3,667,387	0	3,498,168	0
157 Park & Municipal Reserve	10,050,552	9,047,911	0	0	1,002,641
158 Off-Street Parking Reserve	217,610	204,410	0	0	13,200
159 Tour Dock	122,675	70,175	0	0	52,500
170 Street Improvement	2,613,576	994,576	0	1,619,000	0
188 Grant Control Fund	216,458	216,458	0	0	0
190 Excise Tax Capital Improvement	24,039,092	16,504,512	0	7,534,580	0
Total Special Revenue Funds	47,348,561	33,553,349	63,123	12,663,748	1,068,341

CITY OF KIRKLAND
CHANGE IN FUND BALANCE (Beginning 2007 to Ending 2010)
GENERAL GOVERNMENT NON-OPERATING
SPECIAL REVENUE FUNDS

	Contingency	Cemetery Improvement	Impact Fees	Park & Municipal Reserve
2007 Actual Beginning Fund Balance	2,815,790	417,500	2,097,337	12,003,198
<i>Reserved</i>	<i>2,815,790</i>	<i>417,500</i>	<i>2,097,337</i>	<i>12,003,198</i>
<i>Unreserved Working Capital</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Plus: 2007-08 Estimated Revenues	125,000	118,451	3,210,250	1,211,423
Less: 2007-08 Estimated Expenditures	616,275	67,023	3,115,550	4,059,469
2007-08 Estimated Ending Fund Balance	2,324,515	468,928	2,192,037	9,155,152
Less: Funding for Carryovers to 2009	0	0	0	0
2009 Budgeted Beginning Fund Balance	2,324,515	468,928	2,192,037	9,155,152
Plus: 2009-10 Budgeted Revenues	0	129,600	4,973,518	895,400
Less: 2009-10 Budgeted Expenditures	0	75,123	3,498,168	1,002,641
2010 Budgeted Ending Fund Balance	2,324,515	523,405	3,667,387	9,047,911
<i>Reserved</i>	<i>2,324,515</i>	<i>523,405</i>	<i>3,667,387</i>	<i>9,047,911</i>
<i>Unreserved Working Capital</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Change in Fund Balance: Beginning 2007 to Ending 2010	(491,275)	105,905	1,570,050	(2,955,287)

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.

Off-Street Parking Reserve	Tour Dock	Street Improvement	Grant Control	Excise Tax Capital Improvement	Total
69,564	49,235	1,646,265	225,835	15,380,056	34,704,780
<i>69,564</i>	<i>49,235</i>	<i>1,051,265</i>	<i>0</i>	<i>11,880,056</i>	<i>30,383,945</i>
<i>0</i>	<i>0</i>	<i>595,000</i>	<i>225,835</i>	<i>3,500,000</i>	<i>4,320,835</i>
0	62,250	1,577,000	104,035	11,507,422	17,915,831
25,954	59,810	2,228,689	113,412	10,250,786	20,536,968
43,610	51,675	994,576	216,458	16,636,692	32,083,643
0	0	0	0	0	0
43,610	51,675	994,576	216,458	16,636,692	32,083,643
174,000	71,000	1,619,000	0	7,402,400	15,264,918
13,200	52,500	1,619,000	0	7,534,580	13,795,212
204,410	70,175	994,576	216,458	16,504,512	33,553,349
<i>204,410</i>	<i>70,175</i>	<i>179,576</i>	<i>0</i>	<i>13,152,512</i>	<i>29,169,891</i>
<i>0</i>	<i>0</i>	<i>815,000</i>	<i>216,458</i>	<i>3,352,000</i>	<i>4,383,458</i>
134,846	20,940	(651,689)	(9,377)	1,124,456	(1,151,431)

