

**CITY OF FEDERAL WAY  
CITY COUNCIL  
AGENDA BILL**

**SUBJECT: SEPTEMBER 2016 MONTHLY FINANCIAL REPORT**

**POLICY QUESTION: Should the Council approve the September 2016 Monthly Financial Report?**

**COMMITTEE:** Finance, Economic Development and Regional Affairs Committee

**MEETING DATE:** October 25, 2016

**CATEGORY:**

- |   |  |  |
|---|--|--|
| <input checked="" type="checkbox"/> <b>Consent</b>    | <input type="checkbox"/> <b>Ordinance</b>  | <input type="checkbox"/> <b>Public Hearing</b> |
| <input type="checkbox"/> <b>City Council Business</b> | <input type="checkbox"/> <b>Resolution</b> | <input type="checkbox"/> <b>Other</b>          |

**STAFF REPORT BY:** Adé Ariwoola, Finance Director

**DEPT:** Finance

**Attachments:**

- September 2016 Monthly Financial Report

**Options Considered:**

- Approve the September 2016 Monthly Financial Report as presented
- Deny approval of the September 2016 Monthly Financial Report and provide direction to staff.

**MAYOR'S RECOMMENDATION: Mayor recommends approval of Option 1.**

**MAYOR APPROVAL:**

*J. Powell by A. Liden*  
Committee

*J. Powell by D. Williams*  
Council

**DIRECTOR APPROVAL:**

*[Signature]*  
Initial

**CHIEF OF STAFF:**

*Brian [Signature]*  
Committee

*Dawn [Signature]*  
Council

**COMMITTEE RECOMMENDATION:** *I move to forward approval of the September 2016 Monthly Financial Report to the November 01, 2016 consent agenda for approval.*

Dini Duclos  
Committee Chair

Martin Moore  
Committee Member

Susan Honda  
Committee Member

**PROPOSED COUNCIL MOTION:** *"I move approval of the September 2016 Monthly Financial Report."*

*(BELOW TO BE COMPLETED BY CITY CLERKS OFFICE)*

**COUNCIL ACTION:**

- APPROVED
- DENIED
- TABLED/DEFERRED/NO ACTION
- MOVED TO SECOND READING *(ordinances only)*

REVISED – 08/12/2010

**COUNCIL BILL #** \_\_\_\_\_

**1<sup>ST</sup> reading** \_\_\_\_\_

**Enactment reading** \_\_\_\_\_

**ORDINANCE #** \_\_\_\_\_

**RESOLUTION #** \_\_\_\_\_

The following are highlights of the September 2016 Monthly Financial Report. Detailed financial information can be found in the September 2016 Monthly Financial Report detail.

### Notable Areas

1. Sales Tax is above 2015 year-to-date actuals by \$612K or 6.9%.
2. Parks and General Recreation Fees is \$97K or 12.3% above 2016 year-to-date budget due to a positive turnout in senior and inclusion programs. Parks & Recreation expenditures are under 2016 year-to-date budget by \$8K or 0.3%.
3. Real estate excise tax is \$1.2M or 51.8% above 2015 year-to-date collections. This is primarily due to some large commercial sales such as Weyerhaeuser in the last few months. Other large commercial sales this year were Rainier Meadows apartments, the Landing at Dash Point apartments, Twin Lakes Shopping Center, Clarion Hotel, St. Francis Medical Center, The Lodge at Peasley Canyon Apartments, and The Reserve Apartments.
4. Dumas Bay Center is \$121K or 19.5% above 2015 year-to-date collections. There has been an increase in retreat rentals at the facility. Expenses have increased by \$83K or 14.4% above 2015 year-to-date expenses due to an increase in goods and services for the operation of the facility.

### General & Street Fund Summary

Revenues are above the year-to-date budget by \$788K or 3.2%. Sales Tax, State shared revenue, franchise fees, public works permits and fees, park & general recreation fees, and gambling tax revenues account for the majority of the increase. Property tax, leasehold tax, court revenue, probation revenue, and community development permits & fees are below year-to-date budget.

Total General & Street Fund expenditures are below year-to-date budget by \$471K or 1.5%. The following Departments are above their projected year-to-date budget: City Council, Law, and Police. City Council is over year-to-date budget by \$3K primarily due to not having enough budgeted under association dues. Law is over year-to-date budget by \$32K primarily to do an increase in private legal services for cases this year. Police is over year-to-date budget by \$97K primarily due an increase in overtime for extra patrol enforcement and investigations, and supplies for ammunition, uniforms, and equipment for police officers. Public Works is under year-to-date budget by \$362K primarily due to vacancy of positions within the year in the department, over projection of positions within the budget, and timing of contract payments.

**Property tax** is above 2015 year-to-date actual by \$88K or 1.5% and below 2016 year-to-date budget by \$14K or 0.2%, primarily due to timing differences.

**Sales tax** exceeds 2015 year-to-date actual by \$612K or 6.9% and also exceeds 2016 year-to-date budget by \$685K or 7.8%. Retail sales (increase of \$147K or 3.2%), services (increase of \$147K or 7.2%), information (increase of \$78K or 18.5%), and construction (increase of \$199K or 17.9%) account for the majority of the increase compared to year-to-date 2015.

Additionally, **criminal justice sales tax** collected county-wide also exceeds 2015 year-to-date actual by \$122K or 8.0% but lower than 2016 year-to-date budget by \$2K or 0.1%.

**Community Development permits and fees** are below the 2015 year-to-date actual by \$751K or 35.5% and below 2016 year-to-date budget by \$708K or 34.1%. The permits that primarily contribute to the decrease in 2016 under 2015 are Federal Way High School and Kitts Corner. Significant permit revenues received year-to-date include Uptown Square Apartments, Mirror Lake Village Senior Housing, and Church of Blessing.

**Court revenue** is below 2015 year-to-date actual by \$52K or 4.8% and below 2016 year-to-date budget by \$94K or 8.4%. The City is no longer receipting other probation fees previously received by an outside party in Court operations, due to the new probation division in Court that started in the month of May. In addition, the Court is also under year-to-date budget in traffic and non-parking infractions due to the reallocation of the traffic unit to assist patrol officers in the gun violence initiative.

**Probation revenue** is below 2016 year-to-date budget by 31K or 20.8%. We started receiving probation service revenue from the new probation division of the Municipal Court in May. Probation service is generating enough revenue to cover expenditures as planned.

**Park & General Recreation Fees** is above 2015 year-to-date actual by \$33K or 3.9% and above 2016 year-to-date budget by \$97K or 12.3%. Senior trips and tours and inclusion program revenues increased through the efforts of staff to market and promote the programs.

### Designated Operating Funds

Expenditures are below 2016 year-to-date budget by \$554K or 4.9% and are primarily due to timing of payments in Hotel/Motel Lodging Tax, Utility Tax Proposition 1, Traffic Safety, and Solid Waste & Recycling, and operational decreases in Surface Water Management due to vacancies of positions and timing of contract payments.

Utility tax revenues received YTD as reported on the monthly financial report totals \$7.8M and is \$279K or 3.7% above 2015 YTD actual and \$502K or 6.9% above 2016 YTD budget.

The following is the comparison of 2016 year-to-date actual to 2015 YTD actual utility taxes by category:

- Electricity – current YTD increase by \$283K or 9.5%
- Cable – current YTD increase by \$43K or 4.0%
- Phone – current YTD increase by \$14K or 2.6%
- Cellular – current YTD decrease by \$63K or 5.3%

**Real estate excise tax** 2016 YTD revenues of \$3.4M is above 2015 YTD actual by \$1.2M or 51.8% and is above the 2016 YTD budget by \$1.9M or 130.6%. There were 172 taxable residential sales for September (total sales \$48.4M / \$239K tax), and five commercial sales (total sales \$140.2M / \$694K tax). The Weyerhaeuser sale of \$70.5M accounted for \$349K of the \$3.4M tax received. Other large commercial sales this year were Rainier Meadows apartments (sale of \$16.9M, \$84K tax), the Landing at Dash Point apartments (sale of \$46.0M, \$264K tax), Twin Lakes Shopping Center (sale of \$10.2M, \$50K tax), Clarion Hotel (sale of \$8.95M, \$44K tax), St. Francis Medical Center (sale of \$14.5M, \$72K tax), The Reserve Apartments (sale of \$63.7M, \$315K tax), and The Lodge at Peasley Canyon Apartments (sale of \$70.2M, \$347K tax).

### **Federal Way Community Center**

2016 YTD operating revenues total \$1.4M, which is above the 2016 YTD budget by \$40K or 2.8% but below the 2015 YTD actual by \$5K or 0.4%. Revenues that fell behind YTD revenue projections were passes, youth athletic programs, childcare fees, and fitness classes. Revenues that have fallen behind 2015 YTD actuals are youth athletic programs, childcare fees, fitness classes, and rentals. Revenues that performed better than YTD projections were daily drop-ins, aquatic programs, and pool and facility rentals.

2016 YTD operating expenditures total \$1.6M, which is above the 2016 YTD budget by \$12K or 0.8% and above 2015 YTD actuals by \$38K or 2.4%. Compared to YTD budget: Utility costs are lower due to timing of payments and improved energy efficiency. This is offset by personnel costs and supplies that have increased due to increased service levels to meet higher demands, supply needs and inventories, and building repairs.

The 2016 YTD revenues over / (under) expenditures of (\$203K) is performing under the 2016 YTD budget of (\$231K) by \$27K, and is performing poorer than the 2015 YTD actual by (\$43K). To date, \$206K of operating subsidy has been used to keep the reserve fund balance at \$1.5M, compared to \$152K at this time last year. Therefore, the Federal Way Community Center is performing below 2015 actuals.

The fund balance is at its required level of \$1.5 million. The fund balance is set aside for equipment replacement, major building upgrades, and roof replacement of the Community Center Building.

### **Dumas Bay Centre**

2016 YTD operating revenues total \$738K, which is \$220K or 42.4% above the 2016 YTD budget, and above 2015 YTD actual by \$121K or 19.5%. The increase from YTD 2015 is due to an increase in rentals as a result of a marketing plan and Google AdWords campaign that started in 2011, and the return of rental groups.

2016 YTD operating expenses total \$660K, which is \$119K or 22.1% above the 2016 YTD budget and \$83K above 2015 YTD actual. The increase in expenses over YTD 2016 is due to an increase in goods and services for the operation as well as the increase in rental activity for the first nine months.

2016 YTD revenues over/(under) expenditures of \$78K is above 2015 YTD by \$38K. Dumas Bay Centre has recovered 111.86% of operating expenditures compared to 107.01% last year.

The YTD fund balance of \$780K is a reserve for future general capital needs of the building. These funds are set aside for equipment replacement, major building upgrades, and roof replacement of the center.

### **Lakehaven Utility District**

The City signed an agreement with Lakehaven early this year for a 3.6% franchise fee, and in exchange the City will pay for the fire hydrant maintenance and street lights that were initially paid for by Lakehaven and charged to the citizens. The franchise fees received thru September are \$283K and billing for the fire hydrants and streetlights is \$182K. The billings for fire hydrants are quarterly, and streetlights are monthly. Revenue from the franchise agreement is received monthly.

## September 2016 Monthly Financial Report - Detail

GENERAL & STREET FUND SUMMARY	2015			2016			YTD Budget vs. Actual	
	Annual Budget	Annual Actual	YTD Actual	Annual Budget	YTD Budget	YTD Actual	Favorable/(Unfavorable)	
							\$	%
<b>Beginning Fund Balance</b>	\$ 13,264,105	\$ 13,264,105	\$ 13,264,105	\$ 12,006,584	\$ 12,006,584	\$ 12,006,584	n/a	n/a
<b>Revenues:</b>								
Property Taxes	10,342,770	10,305,144	5,835,559	10,486,454	5,938,231	5,923,732	(14,499)	-0.2%
Sales Tax	12,962,420	13,297,086	8,843,685	13,221,293	8,770,563	9,455,574	685,012	7.8%
Criminal Justice Sales Tax	2,273,430	2,319,124	1,529,084	2,507,007	1,652,962	1,651,085	(1,877)	-0.1%
Gambling Taxes	155,000	178,118	107,029	155,000	96,723	114,949	18,226	18.8%
State Shared Revenue	2,483,000	2,559,940	1,591,284	2,483,000	1,543,457	1,829,647	286,190	18.5%
Leasehold Tax	6,000	6,104	5,023	6,000	4,938	2,800	(2,138)	-43.3%
Court Revenue	1,551,550	1,441,207	1,077,209	1,471,550	1,119,008	1,025,116	(93,892)	-8.4%
Probation Revenue	-	-	-	354,345	147,644	116,954	(30,690)	-20.8%
CD Permits & Fees	2,572,000	2,698,841	2,115,684	2,572,000	2,072,933	1,365,044	(707,889)	-34.1%
PW Permits & Fees	317,000	520,249	222,259	317,000	198,171	268,050	69,879	35.3%
Business License Fees	259,000	267,500	102,860	259,000	99,591	100,433	841	0.8%
Franchise Fees	1,050,000	1,113,436	832,326	1,050,000	784,906	871,904	86,999	11.1%
Lakehaven Franchise Fees	-	-	-	-	-	282,860	282,860	n/a
Passport Agency Fees	65,000	74,275	60,150	65,000	52,639	54,575	1,936	3.7%
Park & General Recreation Fees	937,000	1,012,820	856,093	937,000	792,006	889,314	97,308	12.3%
Police Services	984,000	1,124,278	690,248	1,174,766	721,245	727,344	6,099	0.8%
Admin/Cash Management Fees	375,896	375,896	281,922	375,896	281,922	281,922	0	0.0%
Interest Earnings	31,000	27,090	18,368	31,000	21,019	39,729	18,710	89.0%
Miscellaneous/Other/Grants	723,276	977,941	576,015	803,002	472,974	557,953	84,979	18.0%
<b>Total Revenues</b>	<b>37,088,342</b>	<b>38,299,050</b>	<b>24,744,797</b>	<b>38,269,313</b>	<b>24,770,931</b>	<b>25,558,984</b>	<b>788,053</b>	<b>3.2%</b>
<b>Expenditures:</b>								
City Council	393,975	363,550	309,772	378,928	311,176	314,512	(3,336)	-1.1%
Mayor's Office	1,511,439	1,511,600	958,244	1,355,288	1,061,397	1,054,500	6,897	0.6%
Community Development	2,296,033	2,222,664	1,646,478	2,335,518	1,721,510	1,600,562	120,948	7.0%
Economic Development	232,238	201,997	151,876	349,430	262,727	209,919	52,808	20.1%
Human Services	834,592	743,184	508,574	897,464	614,151	523,066	91,085	14.8%
Finance	908,534	883,629	688,864	941,111	721,267	670,502	50,765	7.0%
Human Resources	874,337	817,304	480,428	982,708	577,656	569,978	7,678	1.3%
Law	1,316,420	1,299,173	950,324	1,316,670	987,503	1,019,308	(31,806)	-3.2%
Municipal Court	1,326,071	1,311,919	983,236	1,365,125	1,023,844	1,004,772	19,071	1.9%
Probation	-	-	-	354,345	147,644	119,375	28,268	19.1%
Jail	4,436,614	4,455,713	3,347,830	5,518,134	4,138,601	4,100,189	38,412	0.9%
Police	18,237,744	18,678,114	14,055,346	19,352,740	14,706,690	14,803,932	(97,242)	-0.7%
Parks & Recreation	3,548,663	3,682,473	2,749,938	3,798,675	2,921,452	2,913,593	7,859	0.3%
Lakehaven Fire Hydrant/Street Light	-	-	-	-	-	182,267	(182,267)	n/a
Public Works	4,069,657	3,506,800	2,570,218	3,869,332	2,677,578	2,315,348	362,230	13.5%
<b>Total Expenditures</b>	<b>39,986,317</b>	<b>39,678,121</b>	<b>29,401,128</b>	<b>42,815,468</b>	<b>31,873,194</b>	<b>31,401,823</b>	<b>471,371</b>	<b>1.5%</b>
<b>Revenues over/(under) Expenditures</b>	<b>(2,897,975)</b>	<b>(1,379,071)</b>	<b>(4,656,331)</b>	<b>(4,546,155)</b>	<b>(7,102,263)</b>	<b>(5,842,839)</b>	<b>1,259,424</b>	<b>-17.7%</b>
<b>Other Sources:</b>								
Ongoing Transfers In:								
Traffic Safety for Operations	155,000	155,000	155,000	1,780,609	1,780,609	1,780,609	-	0.0%
Utility Tax for Designated Programs	498,000	248,818	30,000	498,000	-	-	-	n/a
Utility Tax for Operations	6,495,929	5,103,008	4,779,572	7,813,661	6,673,270	6,673,270	-	0.0%
<b>Total Other Financing Sources</b>	<b>7,148,929</b>	<b>5,506,826</b>	<b>4,964,572</b>	<b>10,092,270</b>	<b>8,453,879</b>	<b>8,453,879</b>	<b>-</b>	<b>0.0%</b>
<b>Other Uses:</b>								
1-Time Transfers Out/Other	127,988	127,988	101,504	2,727,481	962,628	962,628	-	0.0%
Non-Departmental Internal Service Charges	5,662,989	5,257,284	3,970,835	5,308,130	4,154,994	4,154,994	-	0.0%
<b>Total Other Financing Uses</b>	<b>5,790,977</b>	<b>5,385,272</b>	<b>4,072,339</b>	<b>8,035,611</b>	<b>5,117,622</b>	<b>5,117,622</b>	<b>-</b>	<b>0.0%</b>
<b>Total Ending Fund Balance</b>	<b>\$ 11,724,082</b>	<b>\$ 12,006,587</b>	<b>\$ 9,500,006</b>	<b>\$ 9,517,088</b>	<b>\$ 8,240,577</b>	<b>\$ 9,500,001</b>	<b>n/a</b>	<b>n/a</b>

DESIGNATED OPERATING FUNDS SUMMARY	2015			2016			YTD Budget vs. Actual Favorable/(Unfavorable)	
	Annual Budget	Annual Actual	YTD Actual	Annual Budget	YTD Budget	YTD Actual	\$	%
<b>Beginning Fund Balance</b>	<b>\$ 21,407,791</b>	<b>\$ 21,407,792</b>	<b>\$ 21,407,792</b>	<b>\$ 23,403,005</b>	<b>\$ 23,403,010</b>	<b>\$ 23,403,010</b>	n/a	n/a
<b>Revenues:</b>								
Utility Tax	8,735,934	9,129,221	5,900,245	8,905,924	5,653,772	6,041,587	387,815	6.9%
Utility Tax - Prop 1 Voter Package	2,555,856	2,667,329	1,628,892	2,597,824	1,652,043	1,766,285	114,242	6.9%
Hotel/Motel Lodging Tax	200,000	266,053	173,276	200,000	128,870	181,135	52,265	40.6%
Real Estate Excise Tax	3,100,000	3,031,159	2,262,026	2,100,054	1,489,002	3,433,985	1,944,983	130.6%
Property Tax - King Co Expansion Levy	155,000	177,780	99,558	160,000	93,759	93,759	-	0.0%
State Shared Revenue	509,000	510,660	334,533	509,000	333,445	345,657	12,212	3.7%
Traffic Safety (Red Light/School Zone)	2,773,643	3,012,004	2,178,625	2,418,746	1,749,513	2,376,911	627,398	35.9%
Federal Way Community Center	1,885,500	1,867,493	1,441,613	1,818,500	1,396,547	1,436,296	39,750	2.8%
Dumas Bay Centre Fund	697,251	760,332	617,424	635,251	518,243	738,052	219,809	42.4%
Surface Water Management Fees	3,820,000	3,871,256	2,209,840	3,900,000	2,226,248	2,266,153	39,904	1.8%
Refuse Collection Fees	302,517	300,983	225,881	304,517	228,533	227,788	(745)	-0.3%
Interest Earnings	11,800	39,838	19,079	11,800	58,753	58,753	-	0.0%
Miscellaneous/Other/Grants	240,807	310,314	160,440	257,578	142,174	142,174	-	0.0%
<b>Total Revenues</b>	<b>24,987,308</b>	<b>25,944,421</b>	<b>17,251,431</b>	<b>23,819,194</b>	<b>15,670,903</b>	<b>19,108,537</b>	<b>3,437,634</b>	<b>21.9%</b>
<b>Expenditures:</b>								
Arterial Streets Overlay Program	1,724,205	1,336,390	1,324,110	1,713,886	1,618,884	1,618,884	-	0.0%
Solid Waste & Recycling	501,031	478,807	355,947	464,622	345,402	340,768	4,634	1.3%
Hotel/Motel Lodging Tax	355,296	180,180	134,353	200,300	149,356	18,895	130,461	87.3%
Traffic Safety (Red Light/School Zone)	2,123,644	1,994,792	1,512,982	2,184,228	1,656,663	1,583,661	73,001	4.4%
Utility Tax Proposition 1	2,841,965	2,782,463	2,072,939	2,931,340	2,183,853	2,044,320	139,533	6.4%
Debt Service (Debt & Admin Fee)	1,039,573	1,005,479	182,286	812,123	147,232	171,061	(23,829)	-16.2%
Federal Way Community Center	2,170,024	2,178,525	1,601,745	2,215,641	1,627,245	1,639,547	(12,302)	-0.8%
Performing Arts & Conf Ctr Operations	27,989	15,387	4,519	412,135	152,374	152,374	-	0.0%
Dumas Bay Centre Fund	769,243	785,763	576,983	736,999	540,398	659,794	(119,396)	-22.1%
Surface Water Management	3,810,626	3,434,780	2,608,683	3,912,789	2,971,726	2,609,999	361,727	12.2%
<b>Total Expenditures</b>	<b>15,363,596</b>	<b>14,192,567</b>	<b>10,374,547</b>	<b>15,584,063</b>	<b>11,393,133</b>	<b>10,839,304</b>	<b>553,829</b>	<b>4.9%</b>
<b>Revenues over/(under) Expenditures</b>	<b>9,623,712</b>	<b>11,751,855</b>	<b>6,876,884</b>	<b>8,235,131</b>	<b>4,277,770</b>	<b>8,269,233</b>	<b>3,991,463</b>	<b>93.3%</b>
<b>Other Sources:</b>								
Ongoing Transfers In:								
Utility Tax for DBC Oper/Reserves	233,659	483,659	233,659	112,000	112,000	112,000	-	0.0%
Utility Tax for FWCC Oper/Reserves	396,754	396,754	151,925	380,000	158,802	158,802	-	0.0%
Utility Tax for FWCC Debt	810,773	810,773	177,886	812,123	449,666	449,666	-	0.0%
Utility Tax for Arterial Streets Overlay	1,013,000	760,885	760,885	1,013,000	1,013,000	1,013,000	-	0.0%
1-Time Transfers	1,908,455	1,873,937	813,240	4,086,344	3,259,398	3,259,398	-	0.0%
<b>Total Other Sources</b>	<b>4,362,641</b>	<b>4,326,008</b>	<b>2,137,595</b>	<b>6,403,467</b>	<b>4,992,866</b>	<b>4,992,866</b>	<b>-</b>	<b>0.0%</b>
<b>Other Uses:</b>								
Ongoing Transfer Out:								
Traffic Safety (Red Light/School Zone)	-	-	-	1,990,609	1,990,609	1,990,609	-	0.0%
Utility Tax to PAEC Oper	-	-	-	376,805	132,587	132,587	-	0.0%
Utility Tax to FWCC Oper/Reserves	396,754	396,754	151,925	380,000	158,802	158,802	-	0.0%
Utility Tax to FWCC Debt	810,773	810,773	177,886	812,123	812,123	812,123	-	0.0%
Utility Tax to DBC Oper/Reserves	233,659	483,659	233,659	112,000	112,000	112,000	-	0.0%
Utility Tax to Arterial Streets Overlay	1,013,000	760,885	760,885	1,013,000	1,013,000	1,013,000	-	0.0%
Utility Tax to General/Street Oper	6,690,493	5,028,390	4,809,572	7,331,661	5,673,274	5,673,274	-	0.0%
1-Time Transfers/Other/Unalloc IS	6,823,701	6,602,184	5,219,083	8,095,351	6,637,405	6,637,405	-	0.0%
<b>Total Other Uses</b>	<b>15,968,380</b>	<b>14,082,645</b>	<b>11,353,010</b>	<b>20,111,549</b>	<b>16,529,800</b>	<b>16,529,800</b>	<b>-</b>	<b>0.0%</b>
<b>Ending Fund Balance</b>								
Arterial Streets Overlay	100,000	298,388	100,001	100,000	-	59,028	n/a	n/a
Utility Tax (non-Prop 1)	2,029,152	4,120,012	1,722,584	1,842,718	-	1,499,996	n/a	n/a
Utility Tax - Prop 1 Voter Package	548,462	719,485	465,661	1,027,462	-	1,080,997	n/a	n/a
Solid Waste & Recycling	177,821	208,857	174,761	175,352	-	165,299	n/a	n/a
Hotel/Motel Lodging Tax	245,300	501,765	454,609	501,765	-	665,614	n/a	n/a
Federal Way Community Center	1,483,499	1,500,002	1,500,000	1,516,500	-	1,499,998	n/a	n/a
Traffic Safety Fund	3,241,744	3,614,117	3,584,336	1,858,026	-	2,425,008	n/a	n/a
Real Estate Excise Tax Fund	3,508,627	3,445,070	3,725,750	2,000,000	-	3,343,401	n/a	n/a
Performing Arts & Conf Ctr Operations	(1)	12,608	5,486	(1)	-	0	n/a	n/a
Paths & Trails	360,664	384,357	302,707	553,356	-	485,781	n/a	n/a
Strategic Reserve Fund	3,012,279	3,085,472	3,220,866	3,418,340	-	3,392,303	n/a	n/a
Parks Reserve Fund	250,000	250,000	-	750,000	-	751,873	n/a	n/a
Debt Service Fund	1,471,153	1,471,579	868,870	2,499,999	-	2,784,518	n/a	n/a
Surface Water Management	2,964,197	3,392,481	2,551,721	1,082,868	-	1,201,506	n/a	n/a
Dumas Bay Centre Fund	32,867	398,817	391,913	603,669	-	779,986	n/a	n/a
<b>Total Ending Fund Balance</b>	<b>\$ 19,425,764</b>	<b>\$ 23,403,010</b>	<b>\$ 19,069,263</b>	<b>\$ 17,930,054</b>	<b>\$ -</b>	<b>\$ 20,135,308</b>	<b>n/a</b>	<b>n/a</b>

**Sales Tax**

Compared to year-to-date September 2015 actual, sales tax revenues are up by \$87K or 7.6%. Compared to 2016 year-to-date budget, year-to-date sales tax revenues went up by \$685K or 7.8%. There is usually a two month lag in sales tax revenue. The sales tax collected for July 2016 is paid to the City in September 2016.

LOCAL RETAIL SALES TAX REVENUES							
YTD September							
Month	2015 Actual	2016		Favorable/(Unfavorable)			
		Budget	Actual	Change from 2015		YTD Actual vs Budget	
				\$	%	\$	%
Jan	\$ -	-	-	-	-	-	-
Feb	1,353,180	1,322,183	1,407,385	54,205	4.0%	85,202	6.4%
Mar	912,804	933,423	967,408	54,604	6.0%	33,986	3.6%
Apr	952,455	950,298	1,031,972	79,517	8.3%	81,675	8.6%
May	1,088,938	1,081,896	1,169,154	80,217	7.4%	87,258	8.1%
Jun	1,044,900	1,024,472	1,148,897	103,997	10.0%	124,425	12.1%
Jul	1,092,791	1,076,360	1,191,650	98,859	9.0%	115,290	10.7%
Aug	1,254,134	1,236,154	1,308,122	53,987	4.3%	71,967	5.8%
Sep	1,144,483	1,145,777	1,230,986	86,503	7.6%	85,209	7.4%
Oct	1,123,740	1,124,519	-	-	-	-	-
Nov	1,137,158	1,152,099	-	-	-	-	-
Dec	2,192,502	2,174,112	-	-	-	-	-
<b>YTD Total</b>	<b>\$ 8,843,685</b>	<b>\$ 8,770,563</b>	<b>\$ 9,455,574</b>	<b>\$ 611,889</b>	<b>6.9%</b>	<b>\$ 685,012</b>	<b>7.8%</b>
<b>Annual Total</b>	<b>\$ 13,297,086</b>	<b>\$ 13,221,293</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>

COMPARISON OF SALES TAX COLLECTIONS BY SIC GROUP					
Component Group	2015 YTD September	2016 YTD September	Favorable/(Unfavorable) Change from 2015		Explanation
			\$	%	
Retail Trade	\$ 4,510,246	\$ 4,656,822	\$ 146,576	3.2%	Up \$190K - Motor Vehicle & Parts Dealer, Furniture and Home Furnishings, Electronics and Appliances, Building Material and Garden, Health and Personal Care Stores, Clothing and Accessories, General Merchandise Stores, Sporting Goods, Hobby, Books and Nonstore Retailers  Down \$43K - Food and Beverage Stores, Gasoline Stations, and Miscellaneous Retailers
Services	2,030,316	2,176,919	146,603	7.2%	Up \$185K - Professional, Scientific, Tech, Administrative & Support Services, Educational Services, Waste Management Remediation, Accomodation, Food Services & Drinking Places, Repair & Maintenance & Personal Laundry Services, Hospitals, Religious, Grantmaking, Civic  Down \$38K - Nursing & Residential Care, Amusement, Gambling
Construct	1,112,174	1,311,011	198,838	17.9%	Up \$199K - Construction of Buildings, Heavy & Civil Construction, Specialty Trade
Wholesaling	358,212	320,741	(37,471)	-10.5%	Up \$10K - Wholesale Trade, Nondurable goods Down \$47K - Wholesale Trade, Durable goods
Transp/Utility	3,394	2,398	(996)	-29.3%	General Decrease
Information	420,950	498,638	77,688	18.5%	Up \$78K - Internet Service Providers, Publishing Industries, Telecommunications, Other Information Services, Motion Picture, Sound Record
Manufacturing	80,235	87,352	7,117	8.9%	Up \$17K Wood Product Manufacturing, Printing & Related Support, Nonmetallic Mineral Products, Computer & Electronic Products, Machinery Manufacturing  Down \$10K - Food Manufacturing, Textile Mills, Apparel Manufacturing, Chemical Manufacturing, Fabricated Metal Manufacturing, Furniture & Related Products
Government	105,624	122,677	17,053	16.1%	Up \$31K - Economic Programs Admin, Justice, Public Order, Safety  Down \$14K - Executive, Legislative, Other
Fin/Insurance /Real Estate	192,710	222,884	30,175	15.7%	Up \$33K - Real Estate, Credit Intermediation, Rental & Leasing Services, Insurance Carriers and Related  Down \$3K - Securities, Commodities, Other
Other	29,825	56,131	26,306	88.2%	General Increase
	<b>\$ 8,843,685</b>	<b>\$ 9,455,574</b>	<b>\$ 611,889</b>	<b>6.9%</b>	

SALES TAX COMPARISON by AREA					
YTD September 2016					
Location	2015	2016	Favorable/(Unfavorable) Chg from 2015		Explanation
			\$	%	
<b>YTD Total Sales Tax</b>	<b>\$ 8,843,685</b>	<b>\$ 9,455,574</b>	<b>\$ 611,889</b>	<b>6.9%</b>	
S 348th Retail Block	1,405,220	1,457,171	51,950	3.7%	Up \$117K Retail Automotive/Gas, Retail Building Materials, Retail General Merchandise, Furniture & Fixtures, Retail Eating & Drinking  Down \$65K Retail Miscellaneous Stores, Retail Electronics & Appliances
The Commons	746,021	758,746	12,726	1.7%	Up \$44K Misc Retail Trade  Down \$31K Retail Apparel & Accessories, Retail Eating & Drinking, Retail Electronics & Appliances
S 312th to S 316th	515,906	523,017	7,110	1.4%	Up \$10K Retail General Merchandise, Retail Eating & Drinking, Misc Retail Trade  Down \$3K Retail Automotive/Gas
Pavilion Center	293,964	302,759	8,795	3.0%	Up \$9K Electronics and Appliances, Retail Food Stores, & Retail Eating & Drinking
Hotels & Motels	173,795	179,658	5,863	3.4%	General Increase
Gateway Center	108,543	139,534	30,991	28.6%	Up \$35K Telecommunications, Food/Beverage Stores, Health & Personal Care Stores  Down \$4K Motion Picture/Sound

**Utility Tax (Total 7.75%)**

The utility taxes year-to-date is \$279K or 3.7% above 2015 year-to-date actual and \$502K or 6.9% above 2016 year-to-date budget. There is usually a two month lag in utility tax revenue. The utility tax collected by utility companies for July 2016 is paid to the City in September 2016.

UTILITY TAXES							
Year-to-date thru September							
Month	2015 Actual	2016		Favorable/(Unfavorable)			
		Budget	Actual	Change from 2015		YTD Actual vs Budget	
				\$ Var	% Var	\$ Var	% Var
Jan	\$ 777	\$ 767	\$ 535	\$ (242)	-31.2%	\$ (233)	-30.3%
Feb	962,766	892,683	1,140,130	177,364	18.4%	247,446	27.7%
Mar	1,055,119	1,211,938	1,111,608	56,488	5.4%	(100,330)	-8.3%
Apr	1,073,824	744,024	1,125,890	52,066	4.8%	381,866	51.3%
May	326,129	714,810	289,114	(37,015)	-11.3%	(425,696)	-59.6%
Jun	1,524,811	1,463,463	1,536,627	11,816	0.8%	73,164	5.0%
Jul	774,995	579,627	851,015	76,020	9.8%	271,388	46.8%
Aug	456,814	660,923	444,239	(12,575)	-2.8%	(216,683)	-32.8%
Sept	1,369,810	1,064,552	1,322,964	(46,846)	-3.4%	258,412	24.3%
Oct	939,183	1,031,509	-	-	-	-	-
Nov	557,086	542,851	-	-	-	-	-
Dec	2,771,145	2,623,600	-	-	-	-	-
<b>YTD Subtotal</b>	<b>\$ 7,545,045</b>	<b>\$ 7,332,788</b>	<b>\$ 7,822,121</b>	<b>\$ 277,076</b>	<b>3.7%</b>	<b>\$ 489,334</b>	<b>6.7%</b>
Rebate	(15,908)	(26,972)	(14,249)	1,659	0.0%	12,724	-47.2%
<b>YTD Total</b>	<b>\$ 7,529,137</b>	<b>\$ 7,305,815</b>	<b>\$ 7,807,873</b>	<b>\$ 278,735</b>	<b>3.7%</b>	<b>\$ 502,058</b>	<b>6.9%</b>
<b>Annual Total</b>	<b>\$ 11,796,551</b>	<b>\$ 11,503,748</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>

The City of Federal Way provides a utility tax rebate for qualifying individuals that have paid for Utility bills within the City of Federal Way, who are 65 years or older, disabled/unable to work, and qualify as low income during the affected calendar year. This is an annual program that opens January 1<sup>st</sup> and closes April 30<sup>th</sup> of each year. The City processed 156 rebates at a total cost of \$16K in 2015. The City processed 132 rebates at a total cost of \$14K in 2016. This year we posted notice at Wal-Mart, Community Center, and City Hall.

UTILITY TAXES - by Type				
Year-to-date thru September				
Utility Type	2015 Actual	2016 Actual	Favorable/(Unfavorable) Change from 2015	
			\$	%
Electric	\$ 2,992,284	\$ 3,275,669	\$ 283,386	9.5%
Gas	952,904	935,922	(16,982)	-1.8%
Solid Waste	609,801	622,295	12,494	2.0%
Cable	1,094,313	1,137,544	43,231	4.0%
Phone	524,934	538,609	13,676	2.6%
Cellular	1,196,445	1,133,580	(62,865)	-5.3%
Pager	409	187	(222)	n/a
SWM	173,956	178,315	4,358	2.5%
Tax Rebate	(15,908)	(14,249)	1,659	0.0%
<b>YTD Total</b>	<b>\$ 7,529,137</b>	<b>\$ 7,807,873</b>	<b>\$ 278,735</b>	<b>3.7%</b>

**Proposition 1 Voter-Approved Utility Tax**

2016 Year-to-date Prop 1 expenditures total \$2.0M or 69.7% of the \$2.9M annual budget. Current life-to-date Prop 1 Utility tax collections total \$27.9M and expenditures total \$26.9M.

PROP 1	2015		2016		Life To Date
	Budget	Actual	Budget	Actual	
<b>Beginning Balance:</b>	834,603	834,603	719,485	719,485	n/a
<b>OPERATING REVENUES</b>					
January	172	175	173	121	1,604,144
February	187,628	177,728	201,117	257,695	2,349,155
March	308,182	297,286	273,044	251,171	2,884,123
April	98,809	112,871	167,625	254,383	2,426,614
May	244,602	234,426	161,043	65,574	2,311,699
June	318,955	314,071	329,711	347,323	2,658,720
July	90,036	93,050	130,587	192,576	1,952,573
August	193,223	202,390	148,903	100,684	1,932,000
September	176,723	197,173	239,839	299,094	1,966,161
October	253,572	286,955	232,394	-	2,168,937
November	120,120	125,844	122,302	-	1,704,254
December	563,833	625,376	591,085	-	3,353,143
<b>Total Prop 1 Revenues:</b>	<b>2,555,856</b>	<b>2,667,345</b>	<b>2,597,824</b>	<b>1,768,622</b>	<b>27,311,522</b>
<b>Transfer in from Utility Tax Fund</b>			<b>641,494</b>	<b>637,210</b>	<b>637,210</b>
<b>OPERATING EXPENDITURES</b>					
<i>Public Safety Improvement Positions &amp; Costs:</i>					
Police Services (includes 1 Records Specialist, 16 Police Officers, & 2 Lieutenants)	2,214,883	2,193,288	2,286,294	1,664,232	20,217,617
Court Services (includes .50 Judge, 1 Court Clerk, and Pro Tem Pay, Public Defender contract, 1.5 Prosecutors)	371,090	364,464	378,690	210,965	3,340,607
<b>Total Public Safety Improvement Costs</b>	<b>2,585,973</b>	<b>2,557,752</b>	<b>2,664,984</b>	<b>1,875,197</b>	<b>23,558,224</b>
<i>Community Safety Program Costs:</i>					
1 Code Enforcement Officer	101,268	77,971	107,497	47,768	444,596
.5 Assistant City Attorney	58,052	51,997	61,391	41,551	568,537
1 Parks Maintenance Worker I & Security	96,672	94,744	97,469	79,804	969,689
<b>Total Community Safety Improvement Costs</b>	<b>255,992</b>	<b>224,712</b>	<b>266,356</b>	<b>169,123</b>	<b>1,982,822</b>
Indirect Support - HR Analyst	-	-	-	-	291,695
SafeCity M&O	-	-	-	-	245,929
<b>Subtotal Ongoing Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>537,624</b>
SafeCity Startup	-	-	-	-	189,066
Other Transfer - Prop 1 OT for Police	-	-	-	-	600,000
<b>Subtotal Other Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>789,066</b>
<b>Total Prop 1 Expenditures:</b>	<b>2,841,965</b>	<b>2,782,464</b>	<b>2,931,340</b>	<b>2,044,320</b>	<b>26,867,736</b>
<b>Total Ending Fund Balance:</b>	<b>\$ 548,494</b>	<b>\$ 719,485</b>	<b>\$ 1,027,463</b>	<b>\$ 1,080,996</b>	<b>\$ 1,080,996</b>

### Real Estate Excise Tax

Compared to 2015 year-to-date actuals, collections are up \$1.2M or 51.8%. September's receipt of \$934K is above September 2015's actual by \$734K or 367.5% and above September 2016's projections by \$801K or 603.3%.

September 2016 activities include 282 real estate transactions, of which 105 were tax exempt. There were 172 taxable residential sales (total sales \$48.4M / \$239K tax), and five commercial sales (total sales \$140.2M / \$694K tax).

REAL ESTATE EXCISE TAX REVENUES							
Year-to-date thru September							
Month	2015 Actual	2016		Favorable/(Unfavorable)			
		Budget	Actual	Change from 2015		YTD Actual vs Budget	
				\$	%	\$	%
Jan	\$ 155,922	\$ 88,891	\$ 386,409	\$ 230,486	147.8%	\$ 297,517	334.7%
Feb	150,860	85,803	533,534	382,674	253.7%	447,730	521.8%
Mar	331,315	190,440	165,413	(165,903)	-50.1%	(25,027)	-13.1%
Apr	148,984	108,153	245,886	96,902	65.0%	137,734	127.4%
May	302,118	263,063	220,243	(81,875)	-27.1%	(42,820)	-16.3%
Jun	345,929	200,619	328,219	(17,711)	-5.1%	127,599	63.6%
Jul	302,572	228,712	331,410	28,838	9.5%	102,698	44.9%
Aug	324,637	190,573	289,291	(35,346)	-10.9%	98,718	51.8%
Sep	199,688	132,748	933,582	733,894	367.5%	800,834	603.3%
Oct	246,044	154,515	-	-	-	-	-
Nov	189,651	152,587	-	-	-	-	-
Dec	333,438	303,951	-	-	-	-	-
<b>YTD Total</b>	<b>2,262,026</b>	<b>1,489,002</b>	<b>3,433,985</b>	<b>1,171,959</b>	<b>51.8%</b>	<b>1,944,983</b>	<b>130.6%</b>
<b>Annual Total</b>	<b>\$ 3,031,159</b>	<b>\$ 2,100,054</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>

### Hotel/Motel Lodging Tax

Hotel/Motel lodging tax received year-to-date in 2016 is \$181K and is above 2015's year-to-date collections by \$8K or 4.5%. 2016 year-to-date receipts are above year-to-date projections by \$52K or 40.6%. The lodging tax collected for July 2016 is paid to the City in September 2016.

HOTEL/MOTEL LODGING TAX REVENUES							
Year-to-date thru September							
Month	2015 Actual	2016		Favorable/(Unfavorable)			
		Budget	Actual	Change from 2015		2016 Actual vs Budget	
				\$	%	\$	%
Jan	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
Feb	15,336	11,307	15,431	95	0.6%	4,124	36.5%
Mar	13,489	10,778	15,983	2,494	18.5%	5,205	48.3%
Apr	16,825	13,230	20,565	3,741	22.2%	7,336	55.5%
May	19,890	15,441	22,013	2,123	10.7%	6,572	42.6%
Jun	17,024	12,968	19,591	2,567	15.1%	6,623	51.1%
Jul	21,320	15,530	22,788	1,468	6.9%	7,258	46.7%
Aug	34,569	23,726	30,642	(3,927)	-11.4%	6,916	29.2%
Sept	34,823	25,890	34,121	(702)	-2.0%	8,231	31.8%
Oct	33,195	25,833	-	-	-	-	-
Nov	24,271	18,448	-	-	-	-	-
Dec	35,312	26,848	-	-	-	-	-
<b>YTD Total</b>	<b>\$ 173,276</b>	<b>\$ 128,870</b>	<b>\$ 181,135</b>	<b>\$ 7,859</b>	<b>4.5%</b>	<b>\$ 52,265</b>	<b>40.6%</b>
<b>Annual Total</b>	<b>\$ 266,052</b>	<b>\$ 200,000</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>

### Permit Activity

Building, planning, and zoning permit activities are below 2015's year-to-date activity by \$751K or 35.5%. Compared to year-to-date budget, permit activity is below by \$708K or 34.1%.

The permits that have primarily contributed to the decrease are the Federal Way High School and Kitts Corner permits.

BUILDING & LAND USE PERMITS AND FEES (CD)							
Year-to-date thru September							
Month	2015 Actual	2016		Change from 2015		Favorable/(Unfavorable)	
		Budget	Actual	2016 Actual vs Budget			
				\$	%	\$	%
Jan	100,841	161,244	186,036	85,195	84.5%	24,793	15.4%
Feb	512,848	237,487	89,756	(423,092)	-82.5%	(147,731)	-62.2%
Mar	167,455	236,108	155,317	(12,138)	-7.2%	(80,791)	-34.2%
Apr	322,691	243,715	132,987	(189,703)	-58.8%	(110,728)	-45.4%
May	193,125	253,998	142,079	(51,046)	-26.4%	(111,920)	-44.1%
Jun	126,129	283,552	162,842	36,713	29.1%	(120,710)	-42.6%
Jul	307,392	212,887	109,407	(197,985)	-64.4%	(103,480)	-48.6%
Aug	151,296	236,423	112,635	(38,661)	-25.6%	(123,788)	-52.4%
Sept	233,908	207,518	273,985	40,077	17.1%	66,467	32.0%
Oct	300,673	205,686	-	-	-	-	-
Nov	87,568	122,133	-	-	-	-	-
Dec	194,915	171,248	-	-	-	-	-
<b>YTD Total</b>	<b>\$ 2,115,684</b>	<b>\$ 2,072,933</b>	<b>\$ 1,365,044</b>	<b>\$ (750,640)</b>	<b>-35.5%</b>	<b>\$ (707,889)</b>	<b>-34.1%</b>
<b>Annual Total</b>	<b>\$ 2,698,841</b>	<b>\$ 2,572,000</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>

**Police Department**

The total overtime budget of \$949K consists of \$767K for City overtime and \$182K for billable time.

Compared to 2016 year-to-date budget, City's portion of overtime is \$205K or 35.6% above year-to-date projections.

Compared to year-to-date 2015 actuals, City's portion of overtime is above by \$125K or 18.8%. Including the decrease in billable overtime, total overtime increased by \$56K or 6.7% over the same time last year.

The September overtime increase of \$56K above 2015 year-to-date actual is due to on-going gun violence emphasis operations. The Police Department is conducting extra enforcement patrols to ensure the safety and security of the citizens and plans to continue with these operations into the winter months. Another factor is due to the investigational processes associated with several recent homicide investigations.

PD Overtime by Type Year-to-date thru September				
Type	2015 Actual	2016 Actual	(Favorable)/Unfavorable Change from 2015	
			\$	%
Training	\$ 11,833	\$ 20,369	\$ 8,535	72.1%
Court	22,243	37,566	15,323	68.9%
Field Oper	561,295	648,813	87,519	15.6%
Other	60,394	74,237	13,843	22.9%
<b>City Portion</b>	<b>655,765</b>	<b>780,985</b>	<b>125,220</b>	<b>19.1%</b>
Contract/Grant	162,953	94,731	(68,222)	-41.9%
Traffic School	18,363	17,151	(1,212)	-6.6%
<b>Billable</b>	<b>181,316</b>	<b>111,882</b>	<b>(69,434)</b>	<b>-38.3%</b>
<b>YTD Total</b>	<b>\$ 837,081</b>	<b>\$ 892,867</b>	<b>\$ 55,785</b>	<b>6.7%</b>

PD Overtime by Month Year-to-date thru September							
Month	2015 Actual	2016		(Favorable)/Unfavorable			
		Budget	Actual	Change from 2015		2016 Actual vs Budget	
				\$	%	\$	%
Jan	\$ 92,125	\$ 67,712	\$ 70,394	\$ (21,731)	-23.6%	\$ 2,683	4.0%
Feb	61,090	63,817	92,574	31,484	51.5%	28,757	45.1%
Mar	61,169	56,049	64,708	3,540	5.8%	8,660	15.5%
Apr	55,955	58,564	76,909	20,954	37.4%	18,345	31.3%
May	84,365	69,262	100,057	15,693	18.6%	30,796	44.5%
Jun	81,812	58,773	95,848	14,036	17.2%	37,075	63.1%
Jul	90,427	81,613	102,254	11,827	13.1%	20,641	25.3%
Aug	73,713	58,298	67,044	(6,669)	-9.0%	8,746	15.0%
Sep	55,110	61,969	111,196	56,086	101.8%	49,226	79.4%
Oct	54,986	71,191	-	-	-	-	-
Nov	64,356	55,726	-	-	-	-	-
Dec	52,418	64,183	-	-	-	-	-
<b>City Portion</b>	<b>655,765</b>	<b>576,056</b>	<b>780,985</b>	<b>125,220</b>	<b>18.8%</b>	<b>204,929</b>	<b>35.6%</b>
Billable	181,316	130,669	111,882	(69,434)	-38.3%	(18,787)	-14.4%
<b>YTD Total</b>	<b>\$ 837,081</b>	<b>\$ 706,725</b>	<b>\$ 892,867</b>	<b>\$ 55,785</b>	<b>6.7%</b>	<b>\$186,142</b>	<b>26.3%</b>
Billable	\$ -	\$ 51,116	\$ -	\$ -	-	\$ -	-
<b>Annual Total</b>		<b>\$ 948,940</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>

**Jail Services**

The total jail budget is \$5.52M and it is for SCORE Jail maintenance & operation assessments and alternative programs. Debt service is being paid for by SCORE reserves in 2016.

At the original 2007 projections, the Average Daily Population (ADP) was projected at 60 in-mates, which was the 3<sup>rd</sup> highest, out of the seven member cities. In 2015 based on 2014 activity, ADP was projected at 93 in-mates. In 2012, the budgeted ADP for Federal Way was 60, but actual ADP was never below 65, and at one point ADP was above 105. In 2013, the budgeted ADP for Federal Way was 90 ADP, but actual ADP was never below 75, and at its height ADP was about 90. In 2014, the budgeted ADP was 95, and year-to-date the ADP at its highest point was 95, and at its lowest was just above 75 ADP. When ADP increases, the jail costs increase. Renton which was once the highest in 2007, is now second behind Federal Way. In 2016, the budgeted ADP is 105 and our ADP in September was 82. In 2015, the September ADP was 82.

Other jail & alternative programs are provided by King County and Providence Community for psychiatric care. As of the end of July the City spent \$81,588 on these services that are not currently being provided by SCORE.

Jail and Alternatives to Confinement				
	2015	2016		
	Annual Actual	Annual Budget	YTD Budget	YTD Actual
SCORE	\$ 4,276,614	\$ 5,358,134	\$ 4,018,601	\$ 4,018,601
Other Jail & Alternative Programs	179,099	160,000	120,000	81,588
<b>Subtotal M&amp;O</b>	<b>4,455,713</b>	<b>5,518,134</b>	<b>4,138,601</b>	<b>4,100,189</b>
Subtotal Debt Service	-	-	-	-
<b>Total</b>	<b>\$ 4,455,713</b>	<b>\$ 5,518,134</b>	<b>\$ 4,138,601</b>	<b>\$ 4,100,189</b>

### Traffic Safety - Red Light / School Zone

Traffic Safety Red light & school zone enforcement revenues are accounted for in the Traffic Safety Fund to be used for, but not limited to, prevention, education, and enforcement efforts related to traffic safety and compliance with traffic control devices within the City, including maintenance and operations costs. Traffic Safety Fund pays for 1 Lieutenant, 7 Police Officers, 3 City Traffic positions, Municipal Court security services, red light photo services, Valleycomm emergency communication services, and School Zone Enhancements capital improvement projects.

Red Light Photo/School Zone Enforcement										
Month	2015				2016				Variance Favorable/(Unfavorable)	
	Gross Revenue	Payments to ATS	Salaries & Wages & Crt Security	Net Revenue	Gross Revenue	Payments to ATS	Salaries & Wages & Crt Security	Net Revenue	\$ Variance	% Variance
Jan	\$ 214,295	\$ (52,250)	\$ (116,987)	\$ 45,058	\$ 245,938	\$ (52,250)	\$ (114,179)	\$ 79,509	\$ 34,450	76.5%
Feb	276,824	(52,250)	(118,560)	106,014	276,364	(52,250)	(124,988)	99,126	(6,888)	-6.5%
Mar	182,243	(23,750)	(129,774)	28,719	349,149	(52,250)	(120,513)	176,386	147,667	514.2%
Apr	301,461	(52,250)	(124,961)	124,251	286,440	(52,250)	(145,902)	88,289	(35,962)	-28.9%
May	194,639	(52,250)	(117,371)	25,018	257,204	(52,250)	(125,100)	79,854	54,836	219.2%
Jun	297,654	(52,250)	(126,832)	118,572	328,029	(52,250)	(124,785)	150,995	32,423	27.3%
Jul	304,709	(38,000)	(119,867)	146,841	228,331	(52,250)	(127,330)	48,750	(98,091)	-66.8%
Aug	184,396	(38,000)	(124,907)	21,490	226,793	(38,000)	(132,477)	56,315	34,826	162.1%
Sep	222,403	(52,250)	(120,472)	49,681	178,663	(38,000)	(126,636)	14,027	(35,654)	-71.8%
Oct	258,671	(52,250)	(120,482)	85,939	-	-	-	-	-	-
Nov	290,816	(52,250)	(132,281)	106,284	-	-	-	-	-	-
Dec	283,892	-	(124,547)	159,345	-	-	-	-	-	-
<b>YTD Total</b>	<b>\$ 2,178,625</b>	<b>\$ (413,250)</b>	<b>\$ (1,099,732)</b>	<b>\$ 665,643</b>	<b>\$ 2,376,911</b>	<b>\$ (441,750)</b>	<b>\$ (1,141,911)</b>	<b>\$ 793,250</b>	<b>\$ 127,608</b>	<b>7.0%</b>
<b>Annual Total</b>	<b>\$ 3,012,004</b>	<b>\$ (517,750)</b>	<b>\$ (1,477,043)</b>	<b>\$ 1,017,211</b>	<b>\$ 2,376,911</b>	<b>\$ (441,750)</b>	<b>\$ (1,141,911)</b>	<b>\$ 793,250</b>	<b>\$ 127,608</b>	<b>n/a</b>
<b>Annual Budget</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>-</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>-</b>	<b>n/a</b>	<b>n/a</b>

### Court

Court operation and probation service revenues are \$65K or 6.0% above 2015 year-to-date actuals and \$125K or 9.8% below 2016 year-to-date budget.

COURT REVENUE Year-to-date thru September				
	2015 Actual	2016 Actual	Favorable/(Unfavorable) Change from 2015	
			\$	%
Civil Penalties	\$ 12,901	\$ 10,772	\$ (2,128)	-16.5%
Traffic & Non-Parking	588,621	543,377	(45,244)	-7.7%
Parking Infractions	20,742	17,607	(3,136)	-15.1%
DUI & Other Misd	76,478	77,466	988	1.3%
Criminal Traffic Misd	120	141	21	17.4%
Criminal Costs	92,676	62,874	(29,802)	-32.2%
Interest / Other / Misc	109,380	159,977	50,597	46.3%
Criminal Conv Fees	42,438	38,203	(4,235)	-10.0%
Shared Court Costs	32,778	36,183	3,405	10.4%
Services & Charges	55,431	54,648	(782)	-1.4%
<b>Subtotal</b>	<b>\$ 1,031,564</b>	<b>\$ 1,001,248</b>	<b>\$ (30,316)</b>	<b>-2.9%</b>
Probation Fees	45,645	23,869	(21,777)	-47.7%
Probation Services	-	116,954	-	-
<b>YTD Total</b>	<b>\$ 1,077,209</b>	<b>\$ 1,142,070</b>	<b>\$ 64,861</b>	<b>6.0%</b>

COURT REVENUE Year-to-date thru September							
Month	2015 Actual	2016		Favorable/(Unfavorable) Change from 2015		2016 Actual vs Budget	
		Budget	Actual	\$	%	\$	%
January	\$ 96,176	\$ 113,248	\$ 130,939	\$ 34,763	36.1%	\$ 17,691	15.6%
February	122,939	131,824	118,776	(4,163)	-3.4%	(13,048)	-9.9%
March	115,886	135,185	137,358	21,472	18.5%	2,173	1.6%
April	155,815	166,844	123,674	(32,141)	-20.6%	(43,170)	-25.9%
May	86,042	99,082	103,444	17,402	20.2%	4,362	4.4%
June	96,600	106,421	97,231	(630)	-0.7%	(9,190)	-8.6%
July	120,208	129,561	77,227	(42,982)	-35.8%	(52,335)	-40.4%
August	100,761	109,002	112,190	11,429	11.3%	3,188	2.9%
September	137,137	127,841	100,410	(36,727)	-26.8%	(27,431)	-21.5%
October	118,682	128,838	-	-	-	-	-
November	113,776	107,028	-	-	-	-	-
December	107,042	116,676	-	-	-	-	-
Probation Fees	45,645	-	23,869	(21,777)	-47.7%	23,869	16.2%
Probation Services	-	147,644	116,954	116,954	n/a	(30,690)	-20.8%
<b>YTD Total</b>	<b>\$ 1,077,209</b>	<b>\$ 1,266,652</b>	<b>\$ 1,142,070</b>	<b>\$ 64,861</b>	<b>6.0%</b>	<b>\$(124,582)</b>	<b>-9.8%</b>
Probation Fees	24,499	-	n/a	n/a	n/a	n/a	n/a
Probation Services	-	206,701	n/a	n/a	n/a	n/a	n/a
<b>Annual</b>	<b>\$ 1,441,207</b>	<b>\$ 1,825,895</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>

## Federal Way Community Center

The Federal Way Community Center Fund was established as a special revenue fund supported by user fees and utility tax transfer.

Federal Way Community Center as of 09/30/2016	2015			2016			YTD Budget vs Actual Favorable/(Unfavorable)	
	Budget	Annual Actual	YTD Actual	Budget	YTD Budget	YTD Actual	\$	%
<b>Beginning Fund Balance</b>	\$ 1,573,469	\$ 1,573,469	\$ 1,573,469	\$ 1,500,000	\$ 1,500,000	\$ 1,500,001	n/a	n/a
<b>Operating Revenues:</b>								
Daily Drop-ins	\$ 345,000	\$ 335,930	\$ 269,299	\$ 310,000	\$ 248,512	\$ 280,244	\$ 31,732	12.8%
Passes	786,000	776,278	577,714	850,000	632,579	601,188	(31,391)	-5.0%
City Employee Membership Program	31,000	32,327	20,296	31,000	19,463	25,425	5,963	30.6%
Youth Athletic Programs	45,000	51,639	43,022	45,000	37,491	35,362	(2,129)	-5.7%
Aquatics Programs-Lessons/Classes	156,000	146,896	123,126	136,000	113,993	128,204	14,212	12.5%
Childcare Fees	9,000	3,091	2,983	9,000	5,400	812	(4,588)	-85.0%
Fitness Classes/Fitness Training	161,000	157,620	124,877	130,000	102,994	96,869	(6,125)	-5.9%
Towel/equipment Rentals	4,000	3,156	2,443	4,000	3,096	2,490	(606)	-19.6%
Pool Rentals/Competitive-Lap Lanes	16,000	22,978	17,944	16,000	12,494	16,224	3,729	29.8%
Rentals	240,000	241,140	184,940	195,000	149,554	172,040	22,487	15.0%
Merchandise Sales	7,500	10,020	8,532	7,500	6,386	8,485	2,099	32.9%
Concessions/Vending	60,000	61,418	47,688	60,000	46,587	50,955	4,367	9.4%
Interest Earnings/Other Misc	-	(0)	(0)	-	-	0	0	n/a
General Park/Rec - Facility use charge	25,000	25,000	18,750	25,000	17,997	17,997	-	0.0%
<b>Total Operating Revenues</b>	<b>1,885,500</b>	<b>1,867,493</b>	<b>1,441,613</b>	<b>1,818,500</b>	<b>1,396,547</b>	<b>1,436,296</b>	<b>39,750</b>	<b>2.8%</b>
<b>Operating Expenditures:</b>								
Personnel Costs	1,404,524	1,419,625	1,073,603	1,447,141	1,094,411	1,145,156	(50,744)	-4.6%
Supplies	175,500	241,639	173,448	165,500	118,796	164,734	(45,938)	-38.7%
Other Services & Charges	209,500	203,268	128,907	222,500	141,103	118,994	22,109	15.7%
Utility Cost	360,000	309,977	221,771	360,000	257,560	207,092	50,468	19.6%
Intergovernmental	20,500	4,016	4,016	20,500	15,375	3,572	11,803	76.8%
<b>Total Operating Expenditures</b>	<b>2,170,024</b>	<b>2,178,525</b>	<b>1,601,745</b>	<b>2,215,641</b>	<b>1,627,245</b>	<b>1,639,547</b>	<b>(12,302)</b>	<b>-0.8%</b>
<b>Revenues Over / (Under) Expenditures</b>	<b>(284,524)</b>	<b>(311,032)</b>	<b>(160,132)</b>	<b>(397,141)</b>	<b>(230,699)</b>	<b>(203,251)</b>	<b>(27,448)</b>	<b>-11.9%</b>
<b>Recovery Ratio</b>	<b>86.9%</b>	<b>85.7%</b>	<b>90.0%</b>	<b>82.1%</b>	<b>85.8%</b>	<b>87.6%</b>	<b>n/a</b>	<b>.</b>
Transfer In from General Fund	-	-	-	55,641	47,399	47,399	-	0.0%
Utility Tax - Operations	396,754	396,754	151,925	380,000	158,802	158,802	-	0.0%
<b>Total Other Sources</b>	<b>396,754</b>	<b>396,754</b>	<b>151,925</b>	<b>435,641</b>	<b>206,201</b>	<b>206,201</b>	<b>-</b>	<b>0.0%</b>
<b>Other Uses:</b>								
Capital/Use of Reserves/Grants	202,200	159,190	65,263	22,000	2,951	2,951	2,951	n/a
<b>Total Other Uses</b>	<b>202,200</b>	<b>159,190</b>	<b>65,263</b>	<b>22,000</b>	<b>2,951</b>	<b>2,951</b>	<b>2,951</b>	<b>n/a</b>
<b>Net Income</b>	<b>(89,970)</b>	<b>(73,469)</b>	<b>(73,470)</b>	<b>16,500</b>	<b>(27,449)</b>	<b>(1)</b>	<b>27,448</b>	<b>n/a</b>
<b>Ending Fund Balance</b>	<b>\$ 1,483,499</b>	<b>\$ 1,500,001</b>	<b>\$ 1,500,000</b>	<b>\$ 1,516,500</b>	<b>\$ 1,472,551</b>	<b>\$ 1,500,000</b>	<b>\$ 27,448</b>	<b>1.9%</b>

The operating revenue budget includes \$1.79M in user fees/program revenues, \$380K contribution from utility tax for operations, \$56K contribution from General Fund for operations, and \$25K use charge from General Fund Recreation for use of the facility.

Year-to-date operating revenues total \$1.4M which is \$40K or 2.8% above the 2016 year-to-date budget. In comparison to 2016's year-to-date budget:

- **Daily Drop-in revenues** are \$32K or 12.8% above the projected revenue. Daily admission revenues continue to be strong due mostly to increased gymnasium and pool use throughout the year. We have also seen an increase in large groups visits throughout the year, primarily from neighboring camps or neighboring youth programs, primarily to use the pools.
- **Pass revenues** are \$31K or 5.0% below the projected revenue, but above 2015 YTD by \$23K. Membership sales are a little bit slower than usual for the year, but the facility is making up ground in daily admission sales.
- **Aquatic Programs** are \$14K or 12.5% above the projected revenue. Swim lesson enrollment is very good with nearly all classes full and classes being added to accommodate more participants on the waiting list.
- **Child Care Revenues** are \$5K below expected levels. Staff is looking into the pricing model for areas of improvement.
- **Fitness Classes** are \$6K or 5.9% below the projected revenue. The decrease is mostly due to timing, and will raise to anticipated revenues with the continued success of small group training, specialty classes, and Silver Sneakers. We currently have a Personal Trainer shortage that is attributing to lower Fitness Class Revenues, and we are advertising in hopes to gain 2-3 new Personal Trainers.

- **Pool Rentals** are \$4K or 29.8% above the projected revenue. The increase is due to increased participation in local swim clubs. Increased participation in local clubs means increased lane rentals at the FWCC lap pool.
- **Rental Revenues** are up \$22K or 15.0% above the projected revenue. Rental revenues are up mostly due to continued growth in meeting and rental bookings. Birthday party enrollment and special event rentals remain popular.

Year-to-date operating expenditures total \$1.6M which is \$12K or 0.8% above the year-to-date budget. Federal Way Community Center has recovered 87.6% of operating expenditures compared to the year-to-date budgeted recovery ratio of 85.8%. In comparison to 2016's year-to-date budget and 2015's year-to-date actual respectively:

- **Personnel Costs** increased by \$51K or 4.6% compared to budget, and increased by \$72K or 6.2% compared to prior year actual. The increase is due to increased service levels to meet higher customer service demands. Service Attendants have been added for safety and to improve operations in the gymnasium, locker rooms, rentals, and special events.
- **Supplies** are \$46K or 38.7% higher than projected budget, and \$9K or 5.3% lower compared to prior year actual. The increase compared to budget is due to increased spending on household supplies. Also, there have been increased expenditures due to repair and maintenance of the building, which includes repair parts and building materials.
- **Other Services & Charges** are \$22K or 15.7% below the projected spending and \$10K or 8.3% below compared to prior year actual. Compared to projected spending, personal training expenditures are down, as well as contracted repair and maintenance. Staff has maintained efforts in completing most repairs in-house.
- **Utility Costs** are \$50K or 19.6% below the projected spending and \$15K or 6.6% below compared to prior year actual due to facility staffing efforts to improve energy efficiencies in the building, and timing of payments.

#### Dumas Bay Centre

Dumas Bay Centre Fund year-to-date revenue of \$738K is \$220K or 42.4% above 2016 year-to-date budget and \$121K or 19.5% above year-to-date 2015.

Year-to-date operating expenses total \$660K, which is \$119K or 22.1% above 2016 year-to-date budget of \$541K. Dumas Bay Centre has recovered 111.86% of operating expenditures compared to 107.01% last year.

Dumas Bay Centre Fund as of 09/30/2016	2015			2016			YTD Budget vs Actual	
	Budget	Annual Actual	YTD Actual	Budget	YTD Budget	YTD Actual	Favorable/(Unfavorable) \$	%
<b>Beginning Fund Balance</b>	\$ 181,200	\$ 181,201	\$ 181,201	\$ 398,817	\$ 398,817	\$ 398,816	n/a	n/a
<b>Operating Revenues:</b>								
In-House Food Services	299,000	318,491	259,736	275,000	224,268	310,143	85,875	38.3%
Dumas Bay Retreat Center	398,251	438,237	357,614	360,251	293,975	403,506	109,530	37.3%
Knutzen Family Theatre	-	3,605	75	-	-	24,404	24,404	n/a
<b>Total Operating Revenues</b>	<b>697,251</b>	<b>760,332</b>	<b>617,424</b>	<b>635,251</b>	<b>518,243</b>	<b>738,052</b>	<b>219,809</b>	<b>42.4%</b>
<b>Operating Expenses:</b>								
In-House Food Services	266,107	282,033	212,220	242,182	182,233	249,079	(66,846)	-36.7%
Dumas Bay Retreat Center	419,735	423,998	308,934	411,417	299,767	332,981	(33,213)	-11.1%
Knutzen Family Theatre	83,400	79,732	55,829	83,400	58,398	77,734	(19,337)	-33.1%
<b>Total Operating Expenses</b>	<b>769,243</b>	<b>785,763</b>	<b>576,983</b>	<b>736,999</b>	<b>540,398</b>	<b>659,794</b>	<b>(119,396)</b>	<b>-22.1%</b>
<b>Revenues Over/(Under) Expenses</b>	<b>(71,992)</b>	<b>(25,432)</b>	<b>40,441</b>	<b>(101,748)</b>	<b>(22,155)</b>	<b>78,259</b>	<b>100,413</b>	<b>-453.2%</b>
<b>Recovery Ratio</b>	<b>90.64%</b>	<b>96.76%</b>	<b>107.01%</b>	<b>86.19%</b>	<b>95.90%</b>	<b>111.86%</b>	<b>n/a</b>	<b>n/a</b>
Transfer In Gen Fund - Pump Station M&O	4,000	4,000	4,000	4,000	4,000	4,000	-	n/a
Transfer in Real Estate Excise Tax	-	-	-	210,000	210,000	210,000	-	n/a
Transfer In Utility Tax	233,659	483,659	233,659	112,000	112,000	112,000	-	n/a
<b>Total Other Sources</b>	<b>237,659</b>	<b>487,659</b>	<b>237,659</b>	<b>326,000</b>	<b>326,000</b>	<b>326,000</b>	<b>-</b>	<b>n/a</b>
Pump Station M&O	4,000	1,207	980	4,000	3,249	1,153	2,096	65%
Repairs & Maintenance	310,000	243,405	66,408	15,400	15,400	21,935	(6,535)	n/a
<b>Total Other Uses</b>	<b>314,000</b>	<b>244,612</b>	<b>67,388</b>	<b>19,400</b>	<b>18,649</b>	<b>23,088</b>	<b>(4,439)</b>	<b>-24%</b>
<b>Net Income</b>	<b>(148,333)</b>	<b>217,616</b>	<b>210,712</b>	<b>204,852</b>	<b>285,196</b>	<b>381,171</b>	<b>95,974</b>	<b>33.7%</b>
<b>Ending Fund Balance</b>	<b>\$ 32,867</b>	<b>\$ 398,816</b>	<b>\$ 391,913</b>	<b>\$ 603,669</b>	<b>\$ 684,013</b>	<b>\$ 779,987</b>	<b>\$ 95,974</b>	<b>14.0%</b>

**Self-Insured Health Insurance Fund**

Self-Insured Health Insurance Fund year-to-date contributed revenue is \$4.3M. Currently the revenue is generated from the employee paid contribution (range from \$32 to \$128 per employee per month) and the employer paid contribution (range from \$640 to \$1,798 per employee), varying depending on number of dependents. Self-Insured Health Insurance Fund year-to-date expenditures are \$3.9M for prescription services, medical services, stop loss, professional services, and wellness program. The ending fund balance for the program is \$2.1M.

Self Insured Health Insurance Fund - 2016							
Description	2015 Annual Actual	2016 Adjusted Bdgt	Jan-June	Jul	Aug	Sept	YTD Total
<b>Beginning Fund Balance</b>	<b>1,031,753</b>	<b>1,741,487</b>	-	-	-	-	<b>1,741,488</b>
Health Insurance Premium - Employer Contribution Revenue	4,034,322	3,972,820	2,024,247	332,358	335,774	334,992	3,027,371
Health Insurance Premium - Employee Contribution Revenue	215,210	223,871	108,296	17,765	17,934	18,028	162,023
Health Insurance Premium - COBRA	5,757	8,529	3,838	640	640	640	5,757
Stop Loss Recovery Revenue	227,404	-	903,328	11,263	145,063	-	1,059,654
Interest Earnings	2,022	1,500	3,482	659	700	760	5,602
<b>Total Revenue and Transfer In</b>	<b>4,484,714</b>	<b>4,206,720</b>	<b>3,043,191</b>	<b>362,685</b>	<b>500,111</b>	<b>354,420</b>	<b>4,260,408</b>
Prescription Services	572,387	572,375	307,344	42,398	41,347	40,089	431,178
Medical Services	2,459,508	2,411,118	2,079,660	314,044	195,873	350,744	2,940,320
Health Insurance - Stop Loss	366,564	361,134	226,446	-	63,922	-	290,368
Professional Services & Other	376,521	353,752	187,687	7,610	49,515	25,896	270,508
<b>Total Expenditures for Self Insured Health</b>	<b>3,774,980</b>	<b>3,698,379</b>	<b>2,801,137</b>	<b>364,052</b>	<b>350,656</b>	<b>416,530</b>	<b>3,932,374</b>
<b>Ending Fund Balance</b>	<b>1,741,488</b>	<b>2,249,828</b>	<b>242,054</b>	<b>(1,367)</b>	<b>149,456</b>	<b>(62,110)</b>	<b>2,069,521</b>

The City will maintain a reserve in the amount not less than 16 weeks of budgeted expenses (\$0.985 million) as recommended by our consultant. We have spent \$3.9M year-to-date in 2016, with an ending fund balance in the fund of \$2.1M.

**Performing Arts & Event Center (PAEC)**

Performing Arts & Event Center (PAEC) year-to-date revenue, beginning balance, and transfer in is \$15.3M. This does not include all revenue sources expected for the project. Since adoption of the project, PAEC expenditures total \$11.8M.

308 Performing Arts & Event Center (PAEC)	2016 Adjusted Budget	YTD 2016
<b>Beginning Balance</b>	<b>6,617,777</b>	<b>6,617,777</b>
Transfer In - LIFT & Utility tax & REET from Completed projects	-	-
Transfer In - Real Estate Excise Tax	-	-
Transfer In - Utility Tax	-	-
Federal Grants - CDBG Section 108	3,000,000	2,630,000
State Grants	4,000,000	3,900,000
Local Grants - 4 Culture 1	2,000,000	2,000,000
Local Grants - 4 Culture 2	-	10,000
Private Contribution	-	113,710
Interest	13,000	17,178
<b>Total Beg Bal, Revenue &amp; Transfer In</b>	<b>15,630,777</b>	<b>15,288,665</b>
Expenditures	15,630,777	-
Lorax Partners Design Development & Management	-	263,998
Garco Construction	-	6,525,207
LMN Architects Project Design	-	389,602
HDR Engineering	-	34,922
Water billings and Utilities	-	3,247
On-Call Plan Review /Inspection Services	-	44,345
2% for the Arts	-	8,525
Signage Design	-	9,467
PAEC Director Salaries & Wages	-	13,702
<b>Total Expenditures</b>	<b>15,630,777</b>	<b>7,293,015</b>
<b>Total PAEC Balance</b>	<b>-</b>	<b>7,995,650</b>

## FUND ACTIVITY SUMMARY

Fund #/Fund Name	Begin Balance 1/1/2016	YTD Revenue	YTD Expenditure	YTD Net Income/(loss)	Ending Balance 09/30/2016*	Required Fund Balance
<b>001/101 General/Street Fund</b>	<b>\$ 12,006,587</b>	<b>\$ 35,381,096</b>	<b>\$ 37,887,682</b>	<b>\$ (2,506,586)</b>	<b>\$ 9,500,000</b>	<b>\$ 9,500,000</b>
<i>Special Revenue Funds:</i>						
102 Arterial Street	298,387	1,379,525	1,618,882	(239,358)	59,029	100,000**
103 Utility Tax(*)	4,120,012	6,251,494	8,871,506	(2,620,012)	1,500,000	1,500,000
106 Solid Waste & Recycling	208,857	297,210	340,766	(43,557)	165,300	-
107 Special Contracts/Studies Fund	458,356	61,229	8,254	52,975	511,331	-
109 Hotel/Motel Lodging Tax	501,765	182,744	18,894	163,850	665,615	200,000
110 2% for the Arts	293	-	-	-	293	-
111 Federal Way Community Center	1,500,001	1,642,497	1,642,498	(1)	1,500,000	1,500,000
112 Traffic Safety Fund	3,614,117	2,385,162	3,574,270	(1,189,108)	2,425,009	1,500,000
113 Real Estate Excise Tax Fund	3,445,070	3,443,454	3,545,123	(101,669)	3,343,401	2,000,000
114 Prop 1 Utility Tax	719,485	2,405,832	2,044,320	361,511	1,080,996	1,000,000
115 Performing Arts & Conferenc Ctr Operations	12,607	139,767	152,374	(12,607)	0	-
119 CDBG	40,444	42,036	174,330	(132,294)	(91,850)	-
120 Path & Trails	384,357	101,424	-	101,424	485,780	-
188 Strategic Reserve Fund	3,085,473	503,349	196,518	306,831	3,392,304	3,000,000
189 Parks Reserve Fund	250,000	501,873	-	501,873	751,873	750,000
<b>Subtotal Special Revenue Funds</b>	<b>18,639,221</b>	<b>19,337,595</b>	<b>22,187,736</b>	<b>(2,850,142)</b>	<b>15,789,079</b>	<b>11,450,000</b>
<b>201 Debt Service Fund</b>	<b>1,471,579</b>	<b>1,484,000</b>	<b>171,061</b>	<b>1,312,939</b>	<b>2,784,517</b>	<b>\$2,500,000</b>
<i>Capital Project Funds:</i>						
301 Downtown Redevelopment	1,111,019	662,556	62,353	600,203	1,711,222	-
302 Municipal Facilities	53,232	219	-	219	53,451	-
303 Parks	3,316,281	339,840	1,470,825	(1,130,985)	2,185,295	-
304 Surface Water Management	3,317,003	1,912,887	690,215	1,222,672	4,539,674	-
306 Transportation	8,008,608	5,832,475	7,426,994	(1,594,518)	6,414,090	-
307 Capital Project Reserve Fund	480,840	1,377	-	1,377	482,218	-
308 PAEC Capital Fund	6,617,777	8,670,888	7,293,015	1,377,872	7,995,650	-
<b>Subtotal Capital Project Funds</b>	<b>22,904,760</b>	<b>17,420,242</b>	<b>16,943,402</b>	<b>476,840</b>	<b>23,381,600</b>	<b>-</b>
<i>Enterprise Funds:</i>						
401 Surface Water Management	3,392,484	2,319,021	4,510,001	(2,190,980)	1,201,504	690,000
402 Dumas Bay Centre Fund	398,816	1,064,052	682,882	381,171	779,987	500,000
<b>Subtotal Enterprise Funds</b>	<b>3,791,301</b>	<b>3,383,073</b>	<b>5,192,883</b>	<b>(1,809,810)</b>	<b>1,981,491</b>	<b>1,190,000</b>
<i>Internal Service Funds</i>						
501 Risk Management	975,298	766,511	758,148	8,363	983,661	1,200,000***
502 Information Systems	3,807,674	1,834,657	1,406,890	427,767	4,235,441	-
503 Mail & Duplication	192,139	96,914	73,678	23,236	215,374	-
504 Fleet & Equipment	5,997,666	1,750,359	1,510,254	240,105	6,237,771	-
505 Buildings & Furnishings	1,877,824	431,160	290,139	141,021	2,018,845	2,000,000
506 Health Self Insurance Fund	1,741,487	4,260,408	3,932,374	328,033	2,069,520	970,000****
507 Unemployment Insurance Fund	2,131,299	203,772	1,014,584	(810,811)	1,320,487	250,000
<b>Subtotal Internal Service Funds</b>	<b>16,723,387</b>	<b>9,343,781</b>	<b>8,986,067</b>	<b>357,714</b>	<b>17,081,100</b>	<b>4,420,000</b>
<b>Total All Funds</b>	<b>\$ 75,536,834</b>	<b>\$ 86,349,787</b>	<b>\$ 91,368,833</b>	<b>\$ (5,019,046)</b>	<b>\$ 70,517,788</b>	<b>\$ 29,060,000</b>

\*The Fund balance prior to any adjustments or depreciation.

\*\* The Arterial Street Overlay Fund will maintain an emergency reserve fund of not less than \$0.10 million for unexpected natural disasters that affect our infrastructure, pending the receipt of available grants or other resources, to restore our road infrastructure to its original condition. The fund balance for this fund is currently \$0.06 million and is due to timing of motor vehicle fuel tax received in the fund.

\*\*\* The Risk Management Fund will maintain a reserve in an amount of not less than one year's expenditure from the prior year or \$1.2M. The current fund balance is \$984K and is due to some larger claims during the year.

\*\*\*\* The Health Self Insurance Fund will maintain a reserve in an amount not less than 16 weeks of budgeted expenses as recommended by our consultant.