COUNCIL MEETING DATE: June 05, 2018 **ITEM #:_____**

CITY OF FEDERAL WAY
CITY COUNCIL
AGENDA BILL

SUBJECT: APRIL 2018 MONTHLY FINANCIAL REPORT

POLICY QUESTION: Should the Council approve the April 2018 Monthly Financial Report?

COMMITTEE: Finance, Economic Development and Regional Affairs Committee **MEETING DATE:** May 22, 2018

CATEGORY:

☒ **Consent**	☐ **Ordinance**	☐ **Public Hearing**
☐ **City Council Business**	☐ **Resolution**	☐ **Other**

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

Attachments:

- April 2018 Monthly Financial Report

Options Considered:

1. Approve the April 2018 Monthly Financial Report as presented
2. Deny approval of the April 2018 Monthly Financial Report and provide direction to staff.

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

MAYOR APPROVAL: _____ Committee _____ Council **DIRECTOR APPROVAL:** _____ Initial

COMMITTEE RECOMMENDATION: *I move to forward approval of the April 2018 Monthly Financial Report to the June 05, 2018 consent agenda for approval.*

Committee Chair	Committee Member	Committee Member

PROPOSED COUNCIL MOTION: *"I move approval of the April 2018 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 #
1ST reading
Enactment reading
ORDINANCE #
RESOLUTION #

April 2018 Monthly Financial Report - Highlights

The following are highlights of the April 2018 Monthly Financial Report. Detailed financial information can be found in the April 2018 Monthly Financial Report detail. 2018 Budget was amended on May 15, 2018 and the changes will be reflected in the May 2018 report.

Notable Areas

1. Sales Tax is $33K or 0.9% below 2018 year-to-date budget, but above 2017 year-to-date actual by $176K or 5.1%.
2. Community Development Permits and Fees is $12K or 1.6% below 2018 year-to-date budget, and $27K or 3.5% below 2017 year-to-date actual. This is primarily due to less electrical permit applications issued in the first four months compared to last year.
3. Utility Tax is $273K or 8.9% above 2018 year-to-date budget, but $210K or 5.9% below 2017 year-to-date actual primarily due to less gas and electricity being used due to better weather this year compared to last year.
4. Dumas Bay Center revenue is $98K or 44.8% above 2018 year-to-date budget, but $13K or 3.9% below 2017 year-to-date collections. Rentals at the facility have slowed down compared to last year.

General & Street Fund Summary

Revenues are above the year-to-date budget by $256K or 2.1%. Property tax, criminal justice sales tax, admissions tax, State shared revenue, gambling tax, leasehold tax, Public Works permits and fees, business license revenue, parks & general recreation fees, and franchise fees revenue account for increase in revenues. Sales tax, court and probation revenue, passport fees, Community Development permits & fees, and police services revenue are below year-to-date budget. Business license fees are $37K or 35.2% above year-to-date budget, and admission tax is $18K or 26.6% above year-to-date budget. This is the first full year of the new fee schedule.

Total General & Street Fund expenditures are below year-to-date budget by $588K or 4.0%. Economic Development is over year-to-date budget by $4K due to temporary help for a Port of Seattle grant not yet budgeted. Public Works is under year-to-date budget by $110K primarily due to positions that are charged to capital projects outside the Street Fund. Jail is under year-to-date budget by $312K due to a delayed April invoice to be paid in May.

Property tax is above 2017 year-to-date actual by $1.1M or 31.6%, and above 2018 year-to-date budget by $180K or 4.1%. The increase over 2017 year-to-date is primarily due to the timing of when the City received tax payments from King County.

Sales tax is above 2017 year-to-date actual by $176K or 5.1%, but below 2018 year-to-date budget by $33K or 0.9%. Construction sales tax (decrease of $11K or 2.7%); Retail sales (increase of $113K or 6.5%); Services sales (increase of $76K or 9.8%); and Information (decrease of $14K or 7.7%) account for the majority of the net increase compared to year-to-date 2017.

Additionally, **criminal justice sales tax** collected county-wide is above 2017 year-to-date actual by $60K or 9.6%, and above year-to-date budget by $62K or 10.0%.

Community Development permits and fees are below the 2017 year-to-date actual by $27K or 3.5%, and below 2018 year-to-date budget by $12K or 1.6%.

Court revenue is below 2017 year-to-date actual by $65K or 15.0% and below 2018 year-to-date budget by $193K or 34.4%. The Court's traffic and non-parking infractions are below 2018 year-to-date budget due to the reallocation of the traffic unit to assist patrol officers in the gun violence initiative.

Probation revenue is below 2018 year-to-date budget by $31K or 26.1%, but above 2017 year-to-date actual by $3K or 4.1%. As of the end of April probation revenue is $18.9K less than expenditures, although the probation division was intended to be self-sufficient.

Admissions Tax was a new source of revenue in 2017. It is being paid monthly and as of the end of April we've collected $84K, $18K above the year-to-date budget of $67K, and $35k above year-to-date actual last year.

Business License Fees is above 2018 year-to-date budget by $37K or 35.2% and above 2017 year-to-date-actual by $58K or 68.4%. Businesses are renewing their business licenses for 2018 under the new fee structure.

Park & General Recreation Fees is above 2018 year-to-date budget by $68K or 29.6%, and above 2017 year-to-date-actual by $38K or 14.4%. This is due to an increase in participation in senior programs and trips, and an increase in registration for preschool.

Designated Operating Funds

Expenditures are below 2018 year-to-date budget by $31K or 0.7% and are primarily due to timing of payments in Arterial Street Overlay, Solid Waste & Recycling, Hotel/Motel Lodging Tax, Traffic Safety, and Utility Tax Prop 1.

Utility tax revenues received year-to-date as reported on the monthly financial report totals $3.3M and is $210K or 5.9% below 2017 year-to-date actual, but $273K or 8.9% above 2018 year-to-date budget.

The following is the comparison of 2018 year-to-date actual to 2017 year-to-date actual utility taxes by category:

Electricity – current YTD decrease by $42K or 2.6%
Gas – current YTD decrease by $113K or 15.8%
Cable – current YTD increase by $7K or 2.4%
Cellular – current YTD decrease by $38K or 11.3%

Real estate excise tax 2018 year-to-date revenues of $1.2M is below 2017 year-to-date actual by $463K or 28.5%, but above the 2018 year-to-date budget by $206K or 21.5%. There were 123 taxable residential sales (total sales $39.6M / $196K tax), and five commercial sales (total sales $39.6M / $196K tax). Three large commercial sales this year were JS Federal Way LLC Office Buildings (sale of $5.0M, $25K tax), West Point Apartments (sale of $35.0M, $173K tax) and Crystal Point Apartments (sale of $20.8M, $103K tax).

Federal Way Community Center

2018 year-to-date operating revenues total $645K, which is above the 2018 year-to-date budget by $2K or 0.4%, but below the 2017 year-to-date actual by $33K or 4.9%. Revenues that performed better than year-to-date projections were daily drop-ins, passes, youth athletic programs, and pool rentals. Revenues that fell behind year-to-date revenue projections were fitness classes, childcare fees, towel/equipment rentals, and facility rentals. Revenues that have fallen behind 2017 year-to-date actuals are daily drop-ins, aquatic programs, fitness classes, and facility rentals.

2018 year-to-date operating expenditures total $714K, which is above the 2018 year-to-date budget by $38K or 5.6% and above 2017 year-to-date actuals by $5K or 0.7%. Compared to year-to-date budget, personnel costs have increased due to higher minimum wage for part-time staff, and other services & charges are higher due to an increase in contracted repair and maintenance for the aging facility.

The 2018 year-to-date revenues over / (under) expenditures of ($69K) is performing lower than the 2018 year-to-date budget of ($34K) by $35K, and is performing lower than 2017 year-to-date actual by ($38K). Year-to-date, $74K of operating subsidy has been used to keep the reserve fund balance at $1.5M, compared to $20K at this time last year.

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

2018 year-to-date operating revenues total $317K, which is $98K or 44.8% above the 2018 year-to-date budget, but below 2017 year-to-date actual by $13K or 3.9%. Rentals at the facility have slowed down compared to last year.

2018 year-to-date operating expenses total $288K, which is $57K or 24.6% above the 2018 year-to-date budget, but $5K below 2017 year-to-date actual. The increase in expenses over year-to-date budget is due to an increase in goods and services for the operation as well as the increase in rental activity for the first four months.

2018 year-to-date revenues over/(under) expenditures of $29K is below 2017 year-to-date by $8K. Dumas Bay Centre has recovered 109.92% of operating expenditures compared to 112.55% last year.

The year-to-date fund balance of $1.5M 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 in 2016 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 April are $295K and billing for the fire hydrants and streetlights is $393K. The billings for fire hydrants are quarterly, and streetlights are monthly. Revenue from the franchise agreement is received monthly.

GENERAL & STREET FUND SUMMARY	2017			2018			YTD Budget vs. Actual Favorable/(Unfavorable)	
	Annual Budget	Annual Actual	YTD Actual	Annual Budget	YTD Budget	YTD Actual	$	%
Beginning Fund Balance	**$ 11,616,781**	**$ 11,616,780**	**$ 11,616,780**	**$ 11,334,812**	**$ 11,290,682**	**$ 11,290,682**	**n/a**	**n/a**
Revenues:								
Property Taxes	10,512,200	10,507,571	3,439,169	10,617,400	4,345,194	4,525,188	179,994	4.1%
Sales Tax	14,053,989	14,199,460	3,435,845	15,089,973	3,645,258	3,612,314	(32,944)	-0.9%
Criminal Justice Sales Tax	2,508,271	2,616,306	625,318	2,605,768	622,799	685,245	62,446	10.0%
Admissions Tax	400,000	547,229	49,072	400,000	66,667	84,429	17,762	26.6%
Gambling Taxes	155,000	210,354	48,762	155,000	31,452	39,614	8,162	26.0%
State Shared Revenue	2,885,000	2,992,662	713,438	2,670,000	636,517	765,195	128,678	20.2%
Leasehold Tax	6,000	4,218	156	6,000	221	499	277	125.2%
Court Revenue	1,321,550	1,170,292	433,011	1,471,550	560,959	368,077	(192,883)	-34.4%
Probation Revenue	354,345	258,293	83,925	354,345	118,115	87,330	(30,785)	-26.1%
CD Permits & Fees	2,150,500	2,019,477	752,520	2,150,500	737,649	725,957	(11,692)	-1.6%
PW Permits & Fees	372,728	713,274	161,606	372,728	95,264	142,463	47,200	49.5%
Business License Fees	422,000	499,439	85,309	622,000	106,243	143,605	37,362	35.2%
Franchise Fees	1,143,721	1,206,428	309,483	1,174,830	301,377	300,047	(1,331)	-0.4%
Lakehaven Franchise Fees	848,580	873,773	311,371	848,580	282,860	294,917	12,057	4.3%
Passport Agency Fees	65,000	55,900	21,350	65,000	24,826	17,145	(7,681)	-30.9%
Park & General Recreation Fees	1,012,000	1,061,409	260,201	937,000	229,702	297,732	68,030	29.6%
Police Services	1,274,766	1,291,288	124,181	1,174,766	195,794	137,085	(58,709)	-30.0%
Admin/Cash Management Fees	375,896	375,896	125,299	375,896	125,299	125,299	0	0.0%
Interest Earnings	40,800	102,168	22,305	40,800	8,907	39,440	30,532	342.8%
Miscellaneous/Other/Grants	1,046,617	1,102,728	177,794	719,304	56,622	56,622	-	0.0%
Total Revenues	**40,948,963**	**41,808,165**	**11,180,114**	**41,851,440**	**12,191,725**	**12,448,202**	**256,477**	**2.1%**
Expenditures:								
City Council	397,177	379,370	191,745	403,154	210,446	209,824	622	0.3%
Mayor's Office	1,351,665	1,282,858	472,612	1,353,264	498,550	490,306	8,244	1.7%
Community Development	2,272,364	2,304,465	743,450	2,313,480	771,160	763,288	7,872	1.0%
Economic Development	260,129	248,298	68,840	237,565	79,188	83,036	(3,848)	-4.9%
Human Services	843,055	839,743	264,407	798,499	307,023	301,753	5,270	1.7%
Finance	959,590	947,144	277,517	971,822	323,941	303,363	20,578	6.4%
Human Resources/City Clerk	963,780	1,035,439	249,578	972,823	260,448	254,609	5,839	2.2%
Law	1,439,997	1,397,501	489,717	1,379,472	483,399	451,175	32,224	6.7%
Municipal Court	1,363,762	1,331,465	432,881	1,372,301	456,153	448,543	7,610	1.7%
Probation	330,413	318,194	97,381	341,580	113,860	106,256	7,604	6.7%
Jail	5,773,342	5,639,785	1,861,210	5,773,342	1,905,286	1,593,286	312,000	16.4%
Police	20,455,896	20,824,512	7,021,317	21,157,093	6,770,270	6,737,192	33,078	0.5%
Parks & Recreation	3,830,673	3,881,429	1,018,054	3,831,027	1,110,998	1,075,942	35,056	3.2%
Lakehaven Fire Hydrant/Street Light	955,947	947,809	366,772	955,947	398,311	392,717	5,594	1.4%
Public Works	4,034,744	3,603,345	975,298	4,056,476	1,097,945	987,946	109,999	10.0%
Total Expenditures	**45,232,534**	**44,981,357**	**14,530,779**	**45,917,845**	**14,786,978**	**14,199,236**	**587,742**	**4.0%**
Revenues over/(under) Expenditures	**(4,283,571)**	**(3,173,192)**	**(3,350,665)**	**(4,066,405)**	**(2,595,252)**	**(1,751,033)**	**844,219**	**32.5%**
Other Sources:								
Ongoing Transfers In:								
Traffic Safety for Operations	1,021,298	1,021,298	1,021,298	1,547,039	1,547,039	1,547,039	-	0.0%
Utility Tax for Designated Programs	408,091	85,776	-	368,000	-	-	-	n/a
Utility Tax for Operations	8,552,634	7,480,745	2,434,584	7,393,739	1,681,606	1,681,606	-	0.0%
Other Transfers In	1,250,485	1,129,382	1,129,382	1,042,033	-	-	-	n/a
Total Other Financing Sources	**11,232,508**	**9,717,201**	**4,585,264**	**10,350,811**	**3,228,645**	**3,228,645**	**-**	**0.0%**
Other Uses:								
Transfers Out/Other	1,366,579	1,197,909	8,536	2,065,429	20,000	20,000	-	0.0%
Non-Departmental Internal Service Charges	5,864,319	5,625,015	1,871,632	5,204,482	1,734,828	1,734,828	-	0.0%
Total Other Financing Uses	**7,230,898**	**6,822,924**	**1,880,168**	**7,269,911**	**1,754,828**	**1,754,828**	**-**	**0.0%**
Total Ending Fund Balance	**$ 11,334,820**	**$ 11,337,864**	**$ 10,971,210**	**$ 10,349,307**	**$ 10,169,246**	**$ 11,013,465**	**n/a**	**n/a**

DESIGNATED OPERATING FUNDS SUMMARY	2017			2018			YTD Budget vs. Actual Favorable/(Unfavorable)	
	Annual Budget	Annual Actual	YTD Actual	Annual Budget	YTD Budget	YTD Actual	$	%
Beginning Fund Balance	**$ 23,269,747**	**$ 23,269,748**	**$ 23,269,748**	**$ 21,667,421**	**$ 24,510,261**	**$ 24,510,261**	**n/a**	**n/a**
Revenues:								
Utility Tax	9,487,075	9,617,406	2,716,017	8,912,924	2,361,496	2,587,263	225,767	9.6%
Utility Tax - Prop 1 Voter Package	2,694,833	2,808,569	835,881	2,659,001	707,522	755,015	47,493	6.7%
Hotel/Motel Lodging Tax	225,000	301,603	53,760	225,000	40,682	57,456	16,775	41.2%
Real Estate Excise Tax	4,301,594	4,226,335	1,626,161	3,200,000	956,855	1,162,731	205,876	21.5%
Property Tax - King Co Expansion Levy	160,000	178,704	-	160,000	-	-	-	n/a
State Shared Revenue	511,410	545,741	121,131	513,273	113,924	130,283	16,359	14.4%
Traffic Safety (Red Light/School Zone)	3,336,874	3,519,019	1,039,896	3,137,000	927,007	1,152,421	225,414	24.3%
Federal Way Community Center	1,807,769	1,884,803	678,506	1,806,500	642,663	645,036	2,373	0.4%
Dumas Bay Centre Fund	966,103	955,858	329,513	635,251	218,684	316,571	97,887	44.8%
Performing Arts & Event Ctr Operations	415,117	300,563	-	1,073,217	178,870	106,641	(72,229)	-40.4%
Surface Water Management Fees	3,958,500	4,015,535	1,303,597	4,017,878	1,304,357	1,721,710	417,353	32.0%
Refuse Collection Fees	304,517	309,642	102,880	304,517	101,177	105,573	4,396	4.3%
Interest Earnings	36,129	204,723	38,127	13,200	2,458	70,507	68,049	2768.1%
Miscellaneous/Other/Grants/Contribution from SCORE	1,549,928	569,875	28,657	2,028,310	17,969	17,969	-	0.0%
Total Revenues	**29,754,849**	**29,438,377**	**8,874,127**	**28,686,071**	**7,573,665**	**8,829,178**	**1,255,513**	**16.6%**
Expenditures:								
Arterial Streets Overlay Program	1,954,091	1,796,366	40,640	1,517,272	34,326	20,347	13,979	40.7%
Solid Waste & Recycling	481,121	425,900	124,949	504,818	148,102	132,412	15,690	10.6%
Hotel/Motel Lodging Tax	224,700	76,257	11,038	224,700	32,525	6,042	26,483	81.4%
Traffic Safety (Red Light/School Zone)	2,397,348	2,280,338	725,499	2,296,443	765,481	666,450	99,031	12.9%
Utility Tax Proposition 1	2,998,943	2,954,833	973,058	3,074,938	1,012,610	978,885	33,725	3.3%
Debt Service (Debt & Admin Fee)	10,084,279	9,201,280	-	1,747,863	-	-	-	n/a
Federal Way Community Center	2,287,455	2,346,868	709,343	2,244,429	676,292	714,276	(37,984)	-5.6%
Performing Arts & Event Ctr Operations	1,196,162	1,195,466	102,125	986,820	370,058	509,315	(139,258)	-37.6%
Dumas Bay Centre Fund	969,713	962,166	292,782	749,995	231,054	287,990	(56,936)	-24.6%
Surface Water Management	4,081,414	3,701,560	934,645	3,956,110	1,153,865	1,078,095	75,770	6.6%
Total Expenditures	**26,675,226**	**24,941,035**	**3,914,079**	**17,303,388**	**4,424,313**	**4,393,813**	**30,500**	**0.7%**
Revenues over/(under) Expenditures	**3,079,623**	**4,497,342**	**4,960,048**	**11,382,683**	**3,149,352**	**4,435,365**	**1,286,013**	**40.8%**
Other Sources:								
Ongoing Transfers In:								
Utility Tax for DBC Oper/Reserves	112,000	442,000	-	112,000	-	-	-	n/a
Utility Tax/GF for FWCC Oper/Reserves	470,686	452,677	19,939	447,930	74,008	74,008	-	0.0%
Utility Tax/Gen. Fund/REET for Debt	2,013,023	2,937,023	-	813,473	813,473	813,473	-	0.0%
General Fund for Parks Reserve	-	120,289	-	-	-	-	-	n/a
REET for Arterial Streets Overlay	1,013,000	1,013,000	-	1,013,000	1,013,000	1,013,000	-	0.0%
REET for Parks Reserve	500,000	500,000	-	-	-	-	-	n/a
REET for DBC Capital Reserves	500,000	500,000	-	-	-	-	-	n/a
Refunding - Refinance of Target Property	6,000,000	6,000,000	-	-	-	-	-	n/a
Utility Tax/GF for PAEC/Proc. from Sale of TP/Misc.	2,681,283	2,663,131	-	597,255	181,317	181,317	-	0.0%
Total Other Sources	**13,289,992**	**14,628,120**	**19,939**	**2,983,658**	**2,081,798**	**2,081,798**	**-**	**0.0%**
Other Uses:								
Ongoing Transfer Out:								
Traffic Safety (Red Light/School Zone)	1,226,298	1,226,298	1,226,298	1,547,039	1,547,039	1,547,039	-	0.0%
Utility Tax to PAEC Oper	580,703	580,703	-	181,317	181,317	181,317	-	0.0%
Utility Tax to FWCC Oper/Reserves	470,686	441,593	19,939	447,930	74,008	74,008	-	0.0%
Utility Tax to DBC Oper/Reserves	112,000	442,000	-	112,000	-	-	-	n/a
Utility Tax to Arterial Streets Overlay	-	-	-	-	-	-	-	n/a
Utillity Tax to General/Street Oper/Dbt	8,960,725	7,566,521	2,434,584	7,761,739	1,681,606	1,681,606	-	0.0%
Utility Tax to PAEC CIP Fund	-	500,000	-	-	-	-	-	n/a
Utility Tax to Bulding Fund	-	475,331	-	-	-	-	-	n/a
Utility Tax to Municipal Facilities CIP Fund	-	250,000	-	-	-	-	-	n/a
REET to Arterial Streets Overlay	1,013,000	1,013,000	-	1,013,000	1,013,000	1,013,000	-	0.0%
REET to Parks Reserve Fund	500,000	500,000	-	-	-	-	-	n/a
REET to Debt Service	2,013,023	2,013,023	-	813,473	813,473	813,473	-	0.0%
REET to DBC Capital Reserves	500,000	500,000	-	-	-	-	-	n/a
REET to IT Fund for PAEC	109,338	109,338	-	-	-	-	-	n/a
Transfers/Other/Unalloc IS	2,486,171	2,253,057	1,915,148	3,272,938	304,307	304,307	-	0.0%
Total Other Uses	**17,971,944**	**17,870,864**	**5,595,969**	**15,149,436**	**5,614,750**	**5,614,750**	**-**	**0.0%**
Ending Fund Balance								
Arterial Streets Overlay	135,971	372,918	341,171	135,970	-	1,492,415	n/a	n/a
Utility Tax (non-Prop 1)	1,500,000	1,707,128	2,757,116	1,500,000	-	2,360,106	n/a	n/a
Utility Tax - Prop 1 Voter Package	1,312,771	1,282,903	1,121,878	1,312,773	-	1,060,920	n/a	n/a
Solid Waste & Recycling	126,305	195,841	155,379	52,604	-	175,473	n/a	n/a
Hotel/Motel Lodging Tax	738,375	969,202	781,463	739,375	-	1,022,228	n/a	n/a
Federal Way Community Center	1,500,000	1,500,001	1,503,737	1,500,001	-	1,501,515	n/a	n/a
Traffic Safety Fund	2,268,007	2,582,118	1,643,895	1,565,025	-	1,523,628	n/a	n/a
Real Estate Excise Tax Fund	3,210,266	3,168,624	4,679,040	2,670,793	-	2,207,673	n/a	n/a
Performing Arts & Event Ctr Operations	(1)	555	75,459	267,714	-	(209,473)	n/a	n/a
Paths & Trails	737,722	762,705	572,030	906,722	-	766,359	n/a	n/a
Strategic Reserve Fund	3,021,716	3,046,170	3,027,298	3,021,716	-	3,046,550	n/a	n/a
Parks Reserve Fund	1,123,846	1,250,000	754,042	1,123,846	-	1,252,462	n/a	n/a
Debt Service Fund	3,210,299	4,113,797	2,513,148	3,210,299	-	4,932,533	n/a	n/a
Surface Water Management	1,699,082	2,061,447	2,042,993	1,801,172	-	2,746,432	n/a	n/a
Dumas Bay Centre Fund	1,083,059	1,510,937	685,119	1,076,316	-	1,533,857	n/a	n/a
Total Ending Fund Balance	**$ 21,667,418**	**$ 24,524,349**	**$ 22,653,767**	**$ 20,884,326**	**$ -**	**$ 25,412,675**	**n/a**	**n/a**

Sales Tax

Compared to year-to-date 2017 actual, sales tax revenues are up by $176K or 5.1%. Compared to 2018 year-to-date budget, year-to-date sales tax revenues are below by $33K or 0.9%. There is usually a two month lag in sales tax revenue. The sales tax collected for February 2018 is paid to the City in April 2018.

LOCAL RETAIL SALES TAX REVENUES
YTD April

Month	2017 Actual	2018 Budget	2018 Actual	Favorable/(Unfavorable) Change from 2017 $	Change from 2017 %	YTD Actual vs Budget $	YTD Actual vs Budget %
Jan	$ -	-	-	-	-	-	-
Feb	1,427,326	1,506,931	1,502,207	74,881	5.2%	(4,724)	-0.3%
Mar	1,023,938	1,061,083	1,084,522	60,583	5.9%	23,438	2.2%
Apr	984,581	1,077,244	1,025,585	41,005	4.2%	(51,659)	-4.8%
May	1,251,616	1,261,412	-	-	-	-	-
Jun	1,020,631	1,160,088	-	-	-	-	-
Jul	1,113,539	1,226,063	-	-	-	-	-
Aug	1,288,291	1,393,801	-	-	-	-	-
Sep	1,210,774	1,301,747	-	-	-	-	-
Oct	1,221,028	1,304,521	-	-	-	-	-
Nov	1,346,048	1,346,067	-	-	-	-	-
Dec	2,311,688	2,451,016	-	-	-	-	-
YTD Total	**$ 3,435,845**	**$ 3,645,258**	**$ 3,612,314**	**$ 176,469**	**5.1%**	**$ (32,944)**	**-0.9%**
Annual Total	**$ 14,199,460**	**$ 15,089,973**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**

COMPARISON OF SALES TAX COLLECTIONS BY SIC GROUP

Component Group	2017 Actual	2018 Actual	Favorable/(Unfavorable) Change from 2017 $	Change from 2017 %	Explanation
Retail Trade	$ 1,748,672	$ 1,861,714	$ 113,042	6.5%	Up $116K - Motor Vehicle & Parts Dealer, Food and Beverage Stores, Building Material and Garden, Health and Personal Care Stores, Clothing and Accessories, Gasoline Stations, and Furniture & Home Furnishings, Misc. Store Retailers, Electronics and Appliances, General Merchandise Stores Down $3K - Sporting Goods, Hobby, Books, Nonstor retailers
Services	772,584	848,406	75,822	9.8%	Up $79K - Waste Management Remediation, Ambulatory Services, Performing Arts, Spectator Sports, Food Services, Drinking Places, Repair & Maintenance, Administrative & Support Services, Nursing & Residential Care, Accomodation, Hospitals, Personal and Laundry Services Down $3K - Educational Services, Religious, Grantmaking, Civic
Construct	417,273	405,993	(11,281)	-2.7%	Up $18K - Sprecialty Trade Down $29K - Heavy & Civil Construction, Construction of Buildings
Wholesaling	144,020	145,792	1,772	1.2%	Up $8K - Wholesale Trade Durable goods Down $7K - Wholesale Trade Nondurable goods
Transp/Utility	1,240	1,043	(197)	-15.9%	General Decrease
Information	184,358	170,173	(14,185)	-7.7%	Down $14K - Publishing Industries, Motion Picture, Sound Record, Other Information Services, Internet Service Providers, Telecommunications
Manufacturing	23,484	26,555	3,071	13.1%	Up $6K Food Manufacturing, Beverage Products, Wood Product Manufacturing, Paper Manufacturing, Printing and Related Support, Chemical Manufacturing, Primary Metal Manufacturing, Machinery Manufacturing, & Computer & Electronic Products Down $3K - Textile Product Mills, Petroleum & Coal Products, Nonmetallic Mineral Products, Fabricated Metal Manufacturing, Appliances, Furniture & Related Products, & Misc. Manufacturing, Plastic & Rubber Products
Government	49,437	45,023	(4,413)	-8.9%	Up $6K - Nonclassifiable Establishments Down $10K Executive, Legislative, Other, Economic Programs Admin
Fin/Insurance /Real Estate	85,135	99,471	14,337	16.8%	Up $14K - Credit Intermediation, Real Estate, Insurance Carriers and Related, Rental & Leasing Services
Other	9,643	8,144	(1,499)	-15.5%	General Decrease
YTD Total	**$ 3,435,845**	**$ 3,612,314**	**$ 176,469**	**5.1%**	

SALES TAX COMPARISON by AREA Year-to-date thru April 2018					
			Favorable/(Unfavorable) Chg from 2017		
Location	2017	2018	$	%	Explanation
YTD Total Sales Tax	**$ 3,435,845**	**$ 3,612,314**	**$ 176,469**	**5.1%**	
S 348th Retail Block	511,222	495,514	(15,708)	-3.1%	Up $5K - Retail Building Materials Down $21K - Retail Automative/Gas, Furniture & Fixtures, Electronics & Appliances, Retail Eating & Drinking, Retail General Merchandise, and Retail Misc Store
The Commons	307,407	315,907	8,500	2.8%	Up $17K Retail Eating & Drinking, Retail Apparel & Accessories, Retail Electronics & Appliances, & Retail General Merchandise Down $8K Misc Retail Trade
S 312th to S 316th	199,370	192,187	(7,183)	-3.6%	Down $7K Retail General Merchandise, Retail Food Stores, Retail Trade
Pavilion Center	120,483	131,721	11,238	9.3%	Up $13K Retail Food Stores, Retail Eating & Drinking, Retail Apparel & Accessories, Electronics & Appliances Down $2K Miscelleneous Retail Trade
Hotels & Motels	54,414	53,611	(803)	-1.5%	General Decrease
Gateway Center	50,695	54,862	4,167	8.2%	Up $4K Telecommunications

Utility Tax (Total 7.75%)

The utility taxes year-to-date is $210K or 5.9% below 2017 year-to-date actual, but $273K or 8.9% above 2018 year-to-date budget. There is usually a two month lag in utility tax revenue. The utility tax collected by utility companies for February 2018 is paid to the City in April 2018.

UTILITY TAXES Year-to-date thru April							
				Favorable/(Unfavorable)			
	2017	2018		Change from 2017		YTD Actual vs Budget	
Month	Actual	Budget	Actual	$ Var	% Var	$ Var	% Var
Jan	$ 464	$ 622	$ 915	$ 451	97.1%	$ 293	47.1%
Feb	1,147,843	994,179	1,084,736	(63,107)	-5.5%	90,557	9.1%
Mar	1,242,665	1,159,548	1,147,253	(95,412)	-7.7%	(12,295)	-1.1%
Apr	1,164,062	930,097	1,110,736	(53,327)	-4.6%	180,639	19.4%
May	1,214,103	873,094	-	-	-	-	-
Jun	896,598	1,138,627	-	-	-	-	-
Jul	900,058	723,435	-	-	-	-	-
Aug	380,887	517,384	-	-	-	-	-
Sept	1,317,904	1,155,696	-	-	-	-	-
Oct	1,007,614	1,029,427	-	-	-	-	-
Nov	879,697	729,792	-	-	-	-	-
Dec	2,286,053	2,340,025	-	-	-	-	-
YTD Subtotal	**$ 3,555,034**	**$ 3,084,445**	**$ 3,343,639**	**$ (211,395)**	**-5.9%**	**$ 259,194**	**8.4%**
Rebate	(3,136)	(15,427)	(1,361)	1,775	0.0%	14,066	-91.2%
YTD Total	**$ 3,551,898**	**$ 3,069,018**	**$ 3,342,278**	**$ (209,620)**	**-5.9%**	**$ 273,260**	**8.9%**
Annual Total	**$ 12,425,975**	**$ 11,571,925**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**

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 1st and closes April 30th 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. The City processed 115 rebates at a total cost of $12K in 2017. The City processed 8 rebates at a total cost of $1K year-to-date in 2018. Additional rebates will be processed for the May report.

UTILITY TAXES - by Type Year-to-date thru April				
Utility Type	2017 Actual	2018 Actual	Favorable/(Unfavorable) Change from 2017 $	%
Electric	$ 1,635,111	$ 1,592,939	$ (42,172)	-2.6%
Gas	714,185	601,106	(113,079)	-15.8%
Solid Waste	253,233	265,340	12,107	4.8%
Cable	296,249	303,408	7,159	2.4%
Phone	175,127	134,528	(40,599)	-23.2%
Cellular	334,386	296,530	(37,856)	-11.3%
Pager	46	12	(35)	n/a
SWM	146,697	149,776	3,079	2.1%
Tax Rebate	(3,136)	(1,361)	1,775	0.0%
YTD Total	**$ 3,551,898**	**$ 3,342,278**	**$ (209,620)**	**-5.9%**

Proposition 1 Voter-Approved Utility Tax

2018 Year-to-date Prop 1 expenditures total $0.98M or 31.8% of the $3.1M annual budget. Current life-to-date Prop 1 Utility tax collections and transfer in total $32.6M and expenditures total $31.6M.

PROP 1	2017		2018		Life
	Budget	Actual	Budget	Actual	To Date
Beginning Balance:	1,290,233	1,290,233	1,312,772	1,281,109	n/a
OPERATING REVENUES					
January	164	590	143	1,044	1,605,778
February	230,339	273,162	228,049	245,715	2,868,032
March	276,063	273,982	265,982	260,042	3,418,146
April	208,536	290,101	213,349	251,895	2,968,609
May	186,396	241,509	200,274	-	2,553,209
June	296,037	202,971	261,183	-	2,861,691
July	162,614	203,820	165,944	-	2,156,393
August	136,562	86,595	118,680	-	2,018,595
September	269,026	298,172	265,098	-	2,264,333
October	252,455	228,164	236,134	-	2,637,849
November	166,222	199,237	167,403	-	2,071,615
December	574,203	518,486	536,764	-	4,388,505
Total Prop 1 Revenues:	**2,758,616**	**2,816,790**	**2,659,001**	**758,696**	**31,812,754**
Transfer in from Utility Tax Fund	**262,865**	**130,713**	**415,938**	**-**	**833,735**
OPERATING EXPENDITURES *Public Safety Improvement Positions & Costs:*					
Police Services (includes 1 Records Specialist, 16 Police Officers, & 2 Lieutenants)	2,361,295	2,353,123	2,408,182	778,329	23,955,473
Court Services (includes .50 Judge, 1 Court Clerk, and Pro Tem Pay, Public Defender contract, 1.5 Prosecutors)	377,810	357,423	398,488	132,667	3,958,450
Total Public Safety Improvement Costs	**2,739,105**	**2,710,546**	**2,806,670**	**910,995**	**27,913,923**
Community Safety Program Costs:					
1 Code Enforcement Officer	96,308	82,945	100,652	31,146	558,687
.5 Assistant City Attorney	63,193	50,683	66,033	-	639,112
1 Parks Maintenance Worker I & Security	100,337	110,659	101,583	36,743	1,145,362
Total Community Safety Improvement Costs	**259,838**	**244,286**	**268,268**	**67,889**	**2,343,161**
Indirect Support - HR Analyst	-	-	-	-	291,695
SafeCity M&O	-	-	-	-	245,929
Subtotal Ongoing Expenditures	**-**	**-**	**-**	**-**	**537,624**
SafeCity Startup	-	-	-	-	189,066
Other Transfer - Prop 1 OT for Police	-	-	-	-	600,000
Subtotal Other Expenditures	**-**	**-**	**-**	**-**	**789,066**
Total Prop 1 Expenditures:	**2,998,943**	**2,954,833**	**3,074,938**	**978,884**	**31,583,774**
Total Ending Fund Balance:	**$ 1,312,771**	**$ 1,282,903**	**$ 1,312,773**	**$ 1,060,920**	**$ 1,062,715**

Real Estate Excise Tax

Compared to 2017 year-to-date actuals, collections are below by $463K or 28.5%. April's receipt of $534K is above April 2017's actual by $312K or 140.7%, and above April 2018's projections by $376K or 238.8%.

April 2018 activities include 194 real estate transactions, of which 66 or 34.0% were tax exempt. There were 123 taxable residential sales (total sales $39.6M / $196K tax), and five commercial sales (total sale $60.6M / $300K tax).

REAL ESTATE EXCISE TAX REVENUES
Year-to-date thru April

Month	2017 Actual	2018 Budget	2018 Actual	Favorable/(Unfavorable) Change from 2017 $	Change from 2017 %	YTD Actual vs Budget $	YTD Actual vs Budget %
Jan	$ 239,882	$ 199,885	$ 201,603	$ (38,279)	-16.0%	$ 1,718	0.9%
Feb	194,677	224,635	176,339	(18,338)	-9.4%	(48,296)	-21.5%
Mar	969,730	374,735	250,809	(718,921)	-74.1%	(123,925)	-33.1%
Apr	221,872	157,601	533,980	312,108	140.7%	376,379	238.8%
May	385,350	231,954	-	-	-	-	-
Jun	384,086	270,418	-	-	-	-	-
Jul	352,290	252,029	-	-	-	-	-
Aug	333,709	242,156	-	-	-	-	-
Sep	301,674	366,682	-	-	-	-	-
Oct	248,500	378,608	-	-	-	-	-
Nov	315,762	280,132	-	-	-	-	-
Dec	278,806	221,165	-	-	-	-	-
YTD Total	**1,626,161**	**956,855**	**1,162,731**	**(463,430)**	**-28.5%**	**205,876**	**21.5%**
Annual Total	**$ 4,226,336**	**$ 3,200,000**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**

Hotel/Motel Lodging Tax

Hotel/Motel lodging tax received year-to-date in 2018 is $57K and is above 2017's year-to-date collections by $4K or 6.9%. 2018 year-to-date receipts are above year-to-date projections by $17K or 41.2%. The lodging tax collected for February 2018 is paid to the City in April 2018.

HOTEL/MOTEL LODGING TAX REVENUES
Year-to-date thru April

Month	2017 Actual	2018 Budget	2018 Actual	Favorable/(Unfavorable) Change from 2017 $	Change from 2017 %	YTD Actual vs Budget $	YTD Actual vs Budget %
Jan	$ -	$ -	$ -	$ -	-	$ -	-
Feb	15,621	11,947	16,916	1,295	8.3%	4,969	41.6%
Mar	16,835	12,626	18,162	1,326	7.9%	5,535	43.8%
Apr	21,304	16,108	22,378	1,075	5.0%	6,270	38.9%
May	24,629	17,945	-	-	-	-	-
Jun	20,733	15,514	-	-	-	-	-
Jul	25,010	18,390	-	-	-	-	-
Aug	33,813	24,798	-	-	-	-	-
Sept	37,288	27,473	-	-	-	-	-
Oct	37,094	28,560	-	-	-	-	-
Nov	27,262	20,851	-	-	-	-	-
Dec	42,012	30,788	-	-	-	-	-
YTD Total	**$ 53,760**	**$ 40,682**	**$ 57,456**	**$ 3,696**	**6.9%**	**$ 16,775**	**41.2%**
Annual Total	**$ 301,603**	**$ 225,000**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**

Permit Activity

Building, planning, and zoning permit activities are below 2017's year-to-date activity by $27K or 3.5%. Compared to year-to-date budget, permit activity is below by $12K or 1.6%. The decrease from 2017 is primarily due to less electrical permit applications issued in the first two months.

BUILDING & LAND USE PERMITS AND FEES (CD)
Year-to-date thru April

Month	2017 Actual	2018 Budget	2018 Actual	Change from 2017 $	Change from 2017 %	Favorable/(Unfavorable) YTD Actual vs Budget $	YTD Actual vs Budget %
Jan	129,155	122,858	99,186	(29,969)	-23.2%	(23,672)	-19.3%
Feb	263,513	204,380	242,990	(20,523)	-7.8%	38,610	18.9%
Mar	181,914	206,351	197,746	15,832	8.7%	(8,605)	-4.2%
Apr	177,937	204,060	186,035	8,098	4.6%	(18,025)	-8.8%
May	168,947	207,154	-	-	-	-	-
Jun	170,808	232,485	-	-	-	-	-
Jul	169,319	181,878	-	-	-	-	-
Aug	237,017	184,318	-	-	-	-	-
Sept	126,431	186,792	-	-	-	-	-
Oct	156,223	172,075	-	-	-	-	-
Nov	129,014	117,241	-	-	-	-	-
Dec	109,199	130,910	-	-	-	-	-
YTD Total	**$ 752,520**	**$ 737,649**	**$ 725,957**	**$ (26,563)**	**-3.5%**	**$ (11,692)**	**-1.6%**
Annual Total	**$ 2,019,477**	**$ 2,451,500**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**

Police Department

The total overtime budget of $1.0M consists of $767K for City overtime and $239K for billable time.

Compared to 2018 year-to-date budget, City's portion of overtime is $35K or 14.0% above year-to-date projections.

Compared to year-to-date 2017 actuals, City's portion of overtime is below by $111K or 28.3%. Including the decrease in billable overtime, total overtime decreased by $116K or 26.2% below the same time last year.

The April overtime decrease of $18K below 2017 year-to-date actual is primarily due to a decrease in shift call-in and special events. The gun violence emphasis operations continued in April. This special emphasis operations is also part of our 2017 COPS Hiring grant and should continue into the Spring of 2018. We are conducting extra enforcement patrols to ensure the safety and security of our citizens.

.

PD Overtime by Type
Year-to-date thru April

Type	2017 Actual	2018 Actual	(Favorable)/Unfavorable Change from 2017 $	%
Training	$ 8,566	$ 18,284	$ 9,717	113.4%
Court	18,277	10,927	(7,350)	-40.2%
Field Oper	328,432	205,624	(122,808)	-37.4%
Other	37,092	46,623	9,531	25.7%
City Portion	**392,367**	**281,457**	**(110,910)**	**-28.3%**
Contract/Grant	43,376	42,689	(687)	-1.6%
Traffic School	7,719	3,285	(4,434)	-57.4%
Billable	**51,095**	**45,973**	**(5,122)**	**-10.0%**
YTD Total	**$ 443,462**	**$ 327,430**	**$ (116,032)**	**-26.2%**

PD Overtime by Month
Year-to-date thru April

Month	2017 Actual	2018 Budget	2018 Actual	(Favorable)/Unfavorable Change from 2017 $	Change from 2017 %	YTD Actual vs Budget $	YTD Actual vs Budget %
Jan	$ 122,631	$ 72,754	$ 53,234	$ (69,397)	-56.6%	$ (19,520)	-26.8%
Feb	98,168	64,253	67,751	(30,417)	-31.0%	3,498	5.4%
Mar	79,041	52,283	86,114	7,073	8.9%	33,831	64.7%
Apr	92,527	57,507	74,357	(18,170)	-19.6%	16,850	29.3%
May	95,128	71,325	-	-	-	-	-
Jun	70,796	63,392	-	-	-	-	-
Jul	115,193	78,552	-	-	-	-	-
Aug	76,602	55,458	-	-	-	-	-
Sep	72,675	60,974	-	-	-	-	-
Oct	87,163	74,781	-	-	-	-	-
Nov	103,306	65,064	-	-	-	-	-
Dec	76,871	50,812	-	-	-	-	-
City Portion	392,367	246,797	281,457	(110,910)	-28.3%	34,660	14.0%
Billable	51,095	79,500	45,973	(5,122)	-10.0%	(33,527)	-42.2%
YTD Total	**$ 443,462**	**$ 326,297**	**$ 327,430**	**$ (116,032)**	**-26.2%**	**$ 1,133**	**0.3%**
Billable	$ 135,820	$ 159,000	$ -	$ -	-	$ -	-
Annual Total	**$ 1,277,015**	**$1,005,655**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**

Jail Services

The total jail budget is $5.77M and it is for SCORE Jail maintenance & operation assessments and alternative programs. Debt service is being paid for by SCORE reserves in 2018.

At the original 2007 projections, the Average Daily Population (ADP) was projected at 60 in-mates, which was the 3rd highest, out of the seven member cities. Renton which was once the highest in 2007, is now second behind Federal Way. In 2017, the budgeted ADP was 90 and the April ADP was 67. In 2018, the budgeted ADP is 80 and the April ADP was 53.

Other jail & alternative programs are provided by King County and Providence Community for psychiatric care. As of the end of April the City spent $21K on these services that are not currently being provided by SCORE.

Jail and Alternatives to Confinement

	2017 Annual Actual	2018 Annual Budget	2018 YTD Budget	2018 YTD Actual
SCORE	$ 5,525,619	$ 5,613,342	$ 1,871,114	$ 1,572,743
Other Jail & Alternative Programs	114,167	160,000	53,333	20,542
Total	**$ 5,639,786**	**$ 5,773,342**	**$ 1,924,447**	**$ 1,593,285**

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. April's invoice will be paid in May due to a delay of receiving an invoice and a credit ATS owes the City.

Red Light Photo/School Zone Enforcement										
	2017				2018				Variance Favorable/(Unfavorable)	
Month	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	$ 249,111	$ (52,250)	$ (127,162)	$ 69,699	$ 330,395	$ -	$ (127,126)	$ 203,269	$ 133,571	191.6%
Feb	265,506	(52,250)	(125,795)	87,461	248,325	(61,750)	(142,169)	44,406	(43,055)	-49.2%
Mar	326,873	(52,250)	(132,300)	142,323	292,775	(61,750)	(127,957)	103,069	(39,254)	-27.6%
Apr	198,406	(52,250)	(131,242)	14,914	280,926	-	(145,699)	135,226	120,312	806.7%
May	331,657	(52,250)	(127,666)	151,741	-	-	-	-	(151,741)	-100.0%
Jun	368,587	(52,250)	(131,821)	184,515	-	-	-	-	(184,515)	-100.0%
Jul	413,397	(52,250)	(135,216)	225,931	-	-	-	-	(225,931)	-100.0%
Aug	230,451	(23,750)	(132,511)	74,190	-	-	-	-	(74,190)	-100.0%
Sep	177,636	(52,250)	(134,195)	(8,809)	-	-	-	-	8,809	-100.0%
Oct	368,761	(52,250)	(131,379)	185,133	-	-	-	-	(185,133)	-100.0%
Nov	378,172	(52,250)	(136,741)	189,181	-	-	-	-	(189,181)	-100.0%
Dec	210,462	(52,250)	(235,809)	(77,597)	-	-	-	-	77,597	-100.0%
YTD Total	**$1,039,896**	**$ (209,000)**	**$ (516,499)**	**$ 314,397**	**$1,152,421**	**$ (123,500)**	**$ (542,951)**	**$ 485,971**	**$ 171,574**	**54.6%**
Annual Total	**$3,519,019**	**$ (598,500)**	**$ (1,681,838)**	**$1,238,681**	**$1,152,421**	**$ (123,500)**	**$ (542,951)**	**$ 485,971**	**$ (752,710)**	**n/a**

Court

Court operation and probation service revenues are $62K or 11.9% below 2017 year-to-date actuals and $224K or 32.9% below 2018 year-to-date budget.

COURT REVENUE Year-to-date thru April				
			Favorable/(Unfavorable) Change from 2017	
	2017 Actual	2018 Actual	$	%
Civil Penalties	$ 4,284	$ 3,007	$ (1,276)	-29.8%
Traffic & Non-Parking	252,040	210,819	(41,221)	-16.4%
Parking Infractions	4,992	7,065	2,073	41.5%
DUI & Other Misd	50,587	34,984	(15,603)	-30.8%
Criminal Traffic Misd	-	563	563	n/a
Criminal Costs	30,627	18,568	(12,059)	-39.4%
Interest / Other / Misc	42,933	37,109	(5,825)	-13.6%
Criminal Conv Fees	15,573	15,733	159	1.0%
Shared Court Costs	11,139	22,050	10,911	98.0%
Services & Charges	20,836	18,119	(2,716)	-13.0%
Subtotal	**$ 433,011**	**$ 368,017**	**$ (64,994)**	**-15.0%**
Probation Fees	-	60	60	n/a
Probation Services	83,925	87,330	3,405	4.1%
YTD Total	**$ 516,936**	**$ 455,407**	**$ (61,529)**	**-11.9%**

COURT REVENUE Year-to-date thru April							
				Favorable/(Unfavorable)			
	2017	2018		Change from 2017		YTD Actual vs Budget	
Month	Actual	Budget	Actual	$	%	$	%
January	$ 97,998	$ 76,976	$ 85,884	$ (12,114)	-12.4%	$ 8,907	11.6%
February	114,358	192,081	87,754	(26,604)	-23.3%	(104,326)	-54.3%
March	130,881	147,748	112,829	(18,052)	-13.8%	(34,919)	-23.6%
April	89,774	144,154	81,550	-	0.0%	(62,605)	-43.4%
May	100,579	111,569	-	-	-	-	-
June	88,609	108,636	-	-	-	-	-
July	100,689	114,673	-	-	-	-	-
August	105,348	122,429	-	-	-	-	-
September	94,067	127,554	-	-	-	-	-
October	85,319	110,376	-	-	-	-	-
November	89,276	114,686	-	-	-	-	-
December	73,395	100,667	-	-	-	-	-
Probation Fees	-	-	60	60	n/a	60	n/a
Probation Services	83,925	118,115	87,330	3,405	n/a	(30,785)	-26.1%
YTD Total	**$ 516,936**	**$ 679,074**	**$ 455,407**	**$ (61,529)**	**-11.9%**	**$(223,668)**	**-32.9%**
Probation Services	174,368	236,230	n/a	n/a	n/a	n/a	n/a
Annual	**$ 1,428,585**	**$ 1,825,895**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**

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 04/30/2018	2017			2018			YTD Budget vs Actual Favorable/(Unfavorable)	
	Budget	Annual Actual	YTD Actual	Budget	YTD Budget	YTD Actual	$	%
Beginning Fund Balance	**$ 1,516,500**	**$ 1,516,500**	**$ 1,516,500**	**$ 1,500,000**	**$ 1,500,000**	**$ 1,497,086**	**n/a**	**n/a**
Operating Revenues:								
Daily Drop-ins	$ 333,319	$ 385,438	$ 153,968	$ 310,000	$ 123,834	$ 139,143	$ 15,309	12.4%
Passes	780,000	794,504	266,315	850,000	284,918	300,405	15,488	5.4%
City Employee Membership Program	30,000	33,960	10,036	31,000	9,161	10,557	1,395	15.2%
Youth Athletic Programs	45,000	47,530	20,405	45,000	19,318	21,844	2,525	13.1%
Aquatics Programs-Lessons/Classes	140,000	145,844	42,810	140,000	41,094	40,708	(386)	-0.9%
Childcare Fees	1,000	1,064	611	3,000	1,723	413	(1,310)	-76.0%
Fitness Classes/Fitness Training	135,000	137,299	50,205	130,000	47,536	23,139	(24,397)	-51.3%
Towel/equipment Rentals	4,000	1,844	689	4,000	1,495	781	(714)	-47.7%
Pool Rentals/Competitive-Lap Lanes	24,013	30,533	10,975	19,000	6,830	13,085	6,255	91.6%
Rentals	247,437	238,282	97,036	207,000	84,297	68,078	(16,219)	-19.2%
Merchandise Sales	7,500	7,756	2,713	7,500	2,624	2,809	186	7.1%
Concessions/Vending	60,500	60,749	20,080	60,000	19,833	20,782	949	4.8%
Interest Earnings/Other Misc	-	0	2,661	-	-	3,293	3,293	n/a
Total Operating Revenues	**1,807,769**	**1,884,803**	**678,506**	**1,806,500**	**642,663**	**645,036**	**2,373**	**0.4%**
Operating Expenditures:								
Personnel Costs	1,670,695	1,634,759	540,977	1,528,929	509,643	539,925	(30,282)	-5.9%
Supplies	192,250	231,869	65,892	184,000	52,289	51,208	1,081	2.1%
Other Services & Charges	131,300	160,188	20,615	181,000	23,293	36,249	(12,956)	-55.6%
Utility Cost	287,700	315,870	80,422	330,000	84,020	85,939	(1,920)	-2.3%
Intergovernmental	5,510	4,182	1,438	20,500	7,048	956	6,092	86.4%
Total Operating Expenditures	**2,287,455**	**2,346,868**	**709,343**	**2,244,429**	**676,292**	**714,276**	**(37,984)**	**-5.6%**
Revenues Over / (Under) Expenditures	**(479,686)**	**(462,065)**	**(30,837)**	**(437,929)**	**(33,630)**	**(69,240)**	**35,610**	**-105.9%**
Recovery Ratio	**79.0%**	**80.3%**	**95.7%**	**80.5%**	**95.0%**	**90.3%**	**n/a**	**n/a**
Transfer In from General Fund	-	11,084	-	-	-	-	-	n/a
Utility Tax - Operations	470,686	441,593	19,939	447,930	74,008	74,008	-	0.0%
Total Other Sources	**470,686**	**452,677**	**19,939**	**447,930**	**74,008**	**74,008**	**-**	**0.0%**
Other Uses:								
Capital/Use of Reserves/Grants	7,500	7,111	1,865	10,000	340	340	-	0.0%
Total Other Uses	**7,500**	**7,111**	**1,865**	**10,000**	**340**	**340**	**-**	**0.0%**
Net Income	**(16,500)**	**(16,499)**	**(12,763)**	**1**	**40,039**	**4,428**	**(35,610)**	**-88.9%**
Ending Fund Balance	**$ 1,500,000**	**$ 1,500,001**	**$ 1,503,737**	**$ 1,500,001**	**$ 1,540,039**	**$ 1,501,514**	**$ (38,525)**	**-2.5%**

The operating revenue budget includes $1.81M in user fees/program revenues, and $448K contribution from utility tax for operation.

Year-to-date operating revenues total $645K which is $2K or 0.4% above the 2018 year-to-date budget. In comparison to 2018's year-to-date budget:

- **Daily Drop-in revenues** are $15K or 12.4% above the projected revenue, but $15K or 9.6% below last year. The purple waterslide was closed for the first few months due to repair, but has re-opened, promoting increased use of the leisure pool.
- **Pass Revenues** are $15K or 5.4% above the projected revenue. The increase is due to continued customer retention and service efforts. Silver Sneakers and other subsidized memberships have been re-distributed toward pass revenues, and reduced the fitness class revenues.
- **Fitness Classes** are $24K or 51.3% below the projected revenue. Revenue from Silver Sneakers and other subsidized memberships has been re-distributed to more accurately reflect the revenue in pass revenues. Personal training and small group training revenues are down as popularity of these programs are on a decline.
- **Pool Rentals** are $6K or 91.6% 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. Specialty uses, like one-on-one swimming instruction, or triathlon training have also created a need for lane rentals.

- **Rental Revenues** are down $16K or 19.2% below the projected revenue. Birthday party rentals were down in the first part of the year due to the purple waterslide being under repair. Overall, the rate of rental bookings have fallen behind prior years.

Year-to-date operating expenditures total $714K which is $38K or 5.6% above the year-to-date budget. Federal Way Community Center has recovered 90.3% of operating expenditures compared to the year-to-date budgeted recovery ratio of 95.0%.

- **Personnel Costs** are above by $30K or 5.9% compared to budget, and on target compared to prior year actual. Service Attendants have been added for safety and to improve operations in the gymnasium, locker rooms, rentals, and special events. These service additions were considered essential for improving customer and staff security, safety, and overall experience. Also, there has been an increase in pay for part-time employees due to the minimum wage increase to $11.00.

- **Supplies** are $1K or 2.1% below the projected budget. Supply costs are slightly below projected budget due to savings on pool chemicals. Pool chemical use can be quite costly in a busy pool but thanks to our new and improved pool filter media, chemical use is down well below normal.

- **Other Services & Charges** are $13K or 55.6% above the projected spending. The increase is due to significant contracted repair and replacement projects that have occurred during the first part of the year; including slide structure repair and other maintenance projects. Staff will continue efforts to handle repairs in-house whenever feasible to reduce expenditures.

- **Utility Costs** are $2K or 2.3% above the projected spending, and $5K above compared to prior year actual due to higher electricity costs.

Dumas Bay Centre

Dumas Bay Centre Fund year-to-date revenue of $317K is $98K or 44.8% above 2018 year-to-date budget, but $13K or 3.9% below year-to-date 2017 actual.

Year-to-date operating expenses total $288K, which is $57K or 24.6% above 2018 year-to-date budget of $231K. Dumas Bay Centre has recovered 109.92% of operating expenditures compared to 112.55% last year.

Dumas Bay Centre Fund as of 04/30/2018	2017			2018			YTD Budget vs Actual	
	Budget	Annual Actual	YTD Actual	Budget	YTD Budget	YTD Actual	Favorable/(Unfavorable) $	%
Beginning Fund Balance	$ 648,669	$ 648,669	$ 648,669	$ 1,083,060	$ 1,083,060	$ 1,509,243	n/a	n/a
Operating Revenues:								
In-House Food Services	420,190	417,777	140,401	275,000	92,419	141,524	49,105	53.1%
Dumas Bay Retreat Center	545,913	523,706	183,555	360,251	126,265	174,049	47,784	37.8%
Knutzen Family Theatre	-	14,376	5,557	-	-	998	998	n/a
Total Operating Revenues	**966,103**	**955,858**	**329,513**	**635,251**	**218,684**	**316,571**	**97,887**	**44.8%**
Operating Expenses:								
In-House Food Services	384,939	375,885	102,970	239,997	65,745	109,842	(44,097)	-67.1%
Dumas Bay Retreat Center	477,175	478,615	156,623	426,598	139,600	146,323	(6,723)	-4.8%
Knutzen Family Theatre	107,599	107,666	33,189	83,400	25,709	31,825	(6,116)	-23.8%
Total Operating Expenses	**969,713**	**962,166**	**292,782**	**749,995**	**231,054**	**287,990**	**(56,936)**	**-24.6%**
Revenues Over/(Under) Expenses	**(3,610)**	**(6,308)**	**36,731**	**(114,744)**	**(12,370)**	**28,581**	**40,951**	**-331.0%**
Recovery Ratio	**99.63%**	**99.34%**	**112.55%**	**84.70%**	**94.65%**	**109.92%**	**n/a**	**n/a**
Transfer in Real Estate Excise Tax	500,000	500,000	-	-	-	-	-	n/a
Transfer In Utility Tax	112,000	442,000	-	112,000	-	-	-	n/a
Total Other Sources	**612,000**	**942,000**	**-**	**112,000**	**-**	**-**	**-**	n/a
Pump Station M&O	4,000	783	283	4,000	4,000	67	3,933	98%
Repairs & Maintenance	170,000	72,644	-	-	-	3,900	(3,900)	n/a
Total Other Uses	**174,000**	**73,427**	**283**	**4,000**	**4,000**	**3,967**	**33**	**1%**
Net Income	**434,390**	**862,265**	**36,448**	**(6,744)**	**(16,370)**	**24,614**	**40,984**	**-250.4%**
Ending Fund Balance	**$ 1,083,059**	**$ 1,510,934**	**$ 685,117**	**$ 1,076,316**	**$ 1,066,690**	**$ 1,533,857**	**$ 467,167**	**43.8%**

Self-Insured Health Insurance Fund

Self-Insured Health Insurance Fund year-to-date contributed revenue is $1.5M. Currently the revenue is generated from the employee paid contribution (range from $34 to $141 per employee per month) and the employer paid contribution (range from $666 to $1,973 per employee), varying depending on number of dependents. Self-Insured Health Insurance Fund year-to-date expenditures are $1.4M for prescription services, medical services, stop loss, professional services, and wellness program. The ending fund balance for the program is $2.7M.

Self Insured Health Insurance Fund - 2018							
Description	**2017 Annual Actual**	**2018 Adjusted Bdgt**	**Jan**	**Feb**	**Mar**	**Apr**	**YTD Actual**
Beginning Fund Balance	**2,020,467**	**2,148,266**	**2,553,940**	**-**	**(3,802)**	**-**	**2,550,138**
Health Insurance Premium - Employer Contribution Revenue	4,238,581	4,050,000	360,810	358,329	358,301	361,206	1,438,646
Health Insurance Premium - Employee Contribution Revenue	216,562	150,000	17,870	17,516	17,517	17,455	70,359
Health Insurance Premium - COBRA	10,026	-	668	-	-	-	668
Stop Loss Recovery Revenue	306,963	-	(238,697)	238,697	-	-	-
Interest Earnings	13,247	3,500	1,853	1,835	2,091	2,315	8,094
Total Revenue and Transfer In	**4,785,379**	**4,203,500**	**142,504**	**616,377**	**377,910**	**380,976**	**1,517,768**
Prescription Services	461,723	642,308	46,156	26,103	51,263	194,500	318,022
Medical Services	2,944,877	2,705,709	109,428	299,172	243,523	59,148	711,270
Health Insurance - Stop Loss	464,184	405,257	50,819	55,628	52,945	53,215	212,606
Professional Services & Other	384,922	426,726	24,767	34,026	32,889	23,032	114,714
Total Expenditures for Self Insured Health	**4,255,707**	**4,180,000**	**231,170**	**414,928**	**380,620**	**329,894**	**1,356,612**
Ending Fund Balance	**2,550,138**	**2,171,766**	**2,465,274**	**201,449**	**(6,512)**	**51,083**	**2,711,294**

The City will maintain a reserve in the amount not less than 16 weeks of budgeted expenses ($1.29 million) as recommended by our consultant. We have spent $1.4M year-to-date in 2018, with an ending fund balance in the fund of $2.7M.

Performing Arts & Event Center Operations (PAEC)

Performing Arts & Event Center Operations (PAEC) year-to-date revenue and beginning balance, and transfer in is $0.30M. Year-to-date operating expenditures total $0.51M out of a total budget of $0.99M. Year-to-date, $0.18M of operating subsidy has been used and the PAEC Fund has a negative fund balance of $209K primarily due to lower operating revenue anticipated and higher expenditures than planned.

115 Performing Arts & Event Center Operations (PAEC)	**Annual 2017**	**2018 Adjusted Budget**	**YTD April Actual**
Beginning Balance	**177,413**	**-**	**477**
Ticketing Sales/Admissions Fees	124,278	221,968	28,832
Theatre/Event Rentals	27,824	437,599	5,806
Concessions	1,291	88,650	-
Advertiasing	-	55,000	-
Contributed Revenue - Private Sources	8,507	270,000	72,002
Transfer in from Utility Tax/General Fund	694,703	181,317	181,317
Investment Interest/NMTC Interest	162,006	-	11,407
Total Beg Bal, Revenue & Transfer In	**1,196,021**	**1,254,534**	**299,842**
Personnel Services	487,179	577,054	167,930
Personnel Benefits	167,073	177,350	48,705
Supplies	23,466	6,350	4,783
Other Services & Charges	496,326	185,485	286,739
Intergovernmental Services	1,221	-	1,158
Capital Outlays	1,155	-	-
Interfund Services	19,045	40,581	-
Total Expenditures	**1,195,466**	**986,820**	**509,315**
Total PAEC Operation Balance	**555**	**267,714**	**(209,473)**

FUND ACTIVITY SUMMARY

Fund #/Fund Name	Begin Balance 1/1/2018	YTD Revenue	YTD Expenditure	YTD Net Income/(loss)	Ending Balance 04/30/2018*	Required Fund Balance
001/101 General/Street Fund	**$ 11,290,682**	**$ 16,214,578**	**$ 16,491,795**	**$ (277,216)**	**$ 11,013,465**	**$9,500,000****
Special Revenue Funds:						
102 Arterial Street	372,721	1,140,040	20,347	1,119,693	1,492,414	$100,000
103 Utility Tax (*)	1,703,359	2,593,678	1,936,931	656,747	2,360,106	1,500,000
106 Solid Waste & Recycling	195,581	112,304	132,412	(20,108)	175,474	-
107 Special Contracts/Studies Fund	608,002	18,522	-	18,522	626,524	-
109 Hotel/Motel Lodging Tax	967,746	60,525	6,041	54,484	1,022,229	200,000
110 2% for the Arts	-	-	-	-	-	-
111 Federal Way Community Center	1,497,086	719,044	714,616	4,428	1,501,514	1,500,000
112 Traffic Safety Fund	2,578,153	1,158,964	2,213,490	(1,054,526)	1,523,627	1,200,000****
113 Real Estate Excise Tax Fund	3,161,852	1,172,294	2,126,473	(954,179)	2,207,673	2,000,000
114 Prop 1 Utility Tax	1,281,109	758,696	978,884	(220,189)	1,060,920	1,000,000
115 Performing Arts & Event Ctr Operations	477	299,365	509,315	(209,950)	(209,473)	0***
119 CDBG	39,874	184,846	143,422	41,424	81,298	-
120 Path & Trails	761,546	4,812	-	4,812	766,359	-
188 Strategic Reserve Fund	3,043,979	2,571	-	2,571	3,046,550	3,000,000
189 Parks Reserve Fund	1,248,647	3,815	-	3,815	1,252,462	1,125,000****
Subtotal Special Revenue Funds	**17,460,131**	**8,229,476**	**8,781,931**	**(552,456)**	**16,907,675**	**$11,625,000**
201 Debt Service Fund	**4,106,222**	**826,312**	**-**	**826,312**	**4,932,533**	**$0**
Capital Project Funds:						
301 Downtown Redevelopment	901,814	60,838	5,393	55,445	957,259	-
302 Municipal Facilities	279,730	683	-	683	280,413	-
303 Parks	2,097,428	315,316	14,630	300,686	2,398,114	-
304 Surface Water Management	3,555,912	11,085	135,845	(124,761)	3,431,151	-
306 Transportation	10,025,118	(439,377)	2,472,268	(2,911,645)	7,113,473	-
307 Capital Project Reserve Fund	355,610	1,113	-	1,113	356,723	-
308 PAEC Capital Fund	(8,124,951)	8,139,357	14,405	8,124,952	1	-
Subtotal Capital Project Funds	**9,090,661**	**8,089,014**	**2,642,541**	**5,446,473**	**14,537,134**	**-**
Enterprise Funds:						
401 Surface Water Management	2,082,541	1,741,986	1,078,096	663,890	2,746,431	690,000
402 Dumas Bay Centre Fund	1,509,243	316,571	291,957	24,614	1,533,857	1,500,000****
Subtotal Enterprise Funds	**3,591,784**	**2,058,557**	**1,370,053**	**688,504**	**4,280,288**	**2,190,000**
Internal Service Funds						
501 Risk Management	1,573,589	392,954	659,603	(266,649)	1,306,940	1,200,000
502 Information Systems	3,620,350	734,777	819,000	(84,224)	3,536,126	-
503 Mail & Duplication	176,703	40,369	29,001	11,368	188,070	-
504 Fleet & Equipment	7,071,466	609,544	352,892	256,652	7,328,117	-
505 Buildings & Furnishings	2,492,330	203,454	155,520	47,934	2,540,264	2,000,000
506 Health Self Insurance Fund	2,550,138	1,517,768	1,356,612	161,156	2,711,294	$0*****
507 Unemployment Insurance Fund	359,328	1,125	40,258	(39,134)	320,194	250,000
Subtotal Internal Service Funds	**17,843,903**	**3,499,989**	**3,412,886**	**87,102**	**17,931,005**	**3,450,000**
Total All Funds	**$ 63,383,382**	**$ 38,917,926**	**$ 32,699,207**	**$ 6,218,719**	**$ 69,602,101**	

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

*** The General and Street Fund required fund balance is $9.5M and the current ending fund balance as of 4/30/2018 is $11,013,465.*

****The Performing Arts and Event Center Fund has a negative fund balance of $209K primarily due to timing of revenue received versus payments going out.*

*****The fund balances were increased in January of 2018.*

******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.*