

Financial Report 1st Quarter of 2007

Presented by Finance
Department

May 14, 2007



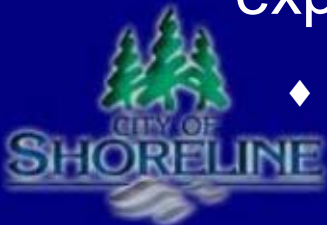
Purpose

- Review financial status of the three primary operating funds of the City after the first quarter of 2007
- Provide an update on any significant financial data that has occurred since the end of the first quarter
- Informational - No Action Required By Council



Overview

- Street Fund
 - ◆ Actual Revenues 3.13% above projected revenues
 - ◆ Right-of-Way Fees
 - ◆ Actual Expenditures 10.78% below projected expenditures
 - ◆ Billings from King County for maintenance and street lights received after end of 1st quarter
- Surface Water Utility Fund
 - ◆ Actual Revenues 3.73% above projected revenues
 - ◆ Actual Expenditures 39.64% below projected expenditures
 - ◆ Primarily related to capital projects



General Fund Highlights

- Revenues 4.99% or \$183,516 above projections
 - Sales Tax above projections by 3.75% or \$39,579
 - Utility Tax & Franchise Fees above projections by 4.18% or \$30,009
 - Natural Gas and Telephone collections greater than projected
 - Water Franchise and Cable Franchise payment not received during 1st quarter
 - Park/Recreation fee revenue above projections by 6.61% or \$15,898
 - Permit revenue above projections by 11.12% or \$43,179

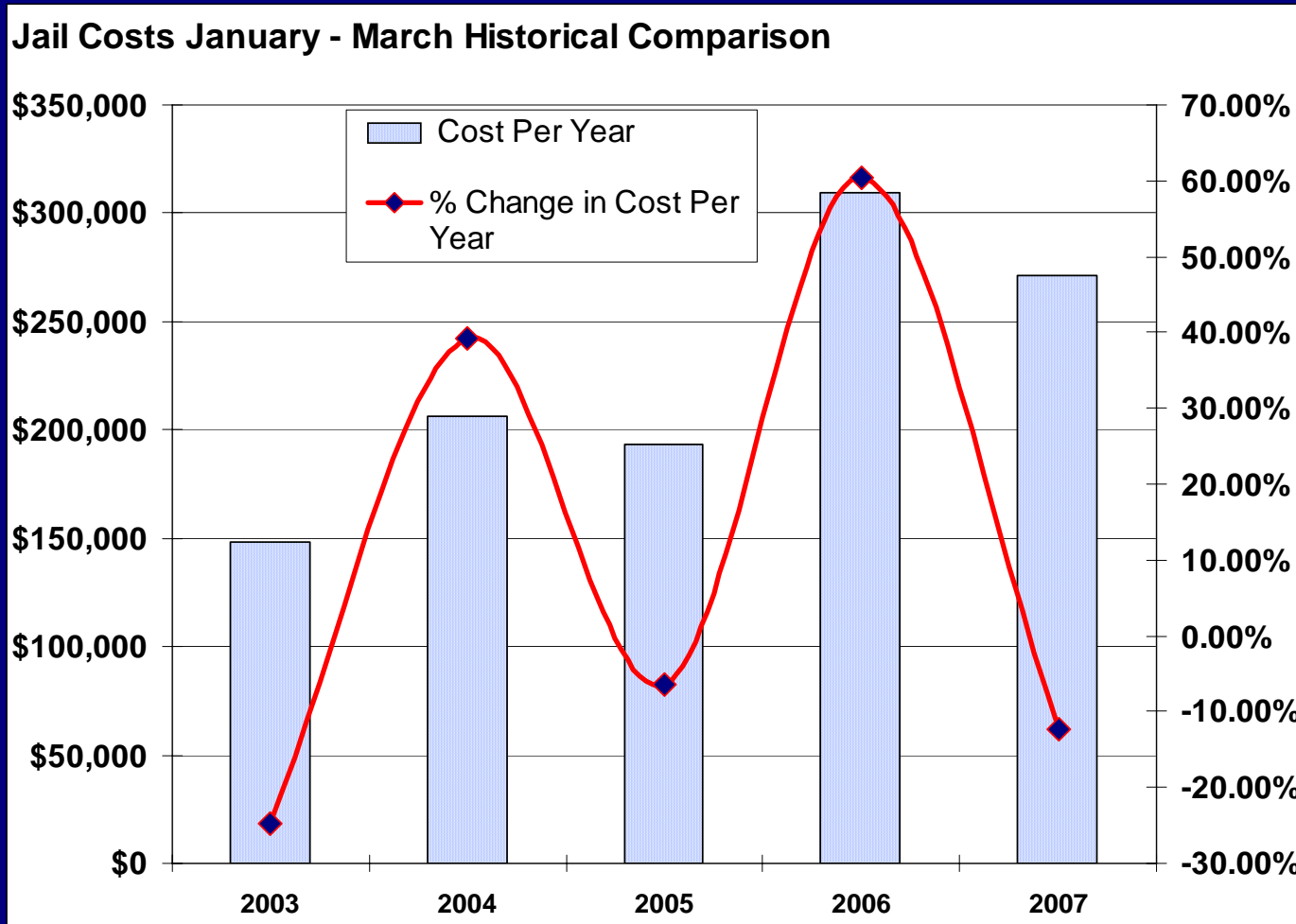


General Fund Highlights

- Expenditures 2.98% or \$134,777 below projections
 - Contracted services under projections as a result of billings not received during first quarter
 - i.e., King County Services
 - Difficult to project trends based on first quarter activity

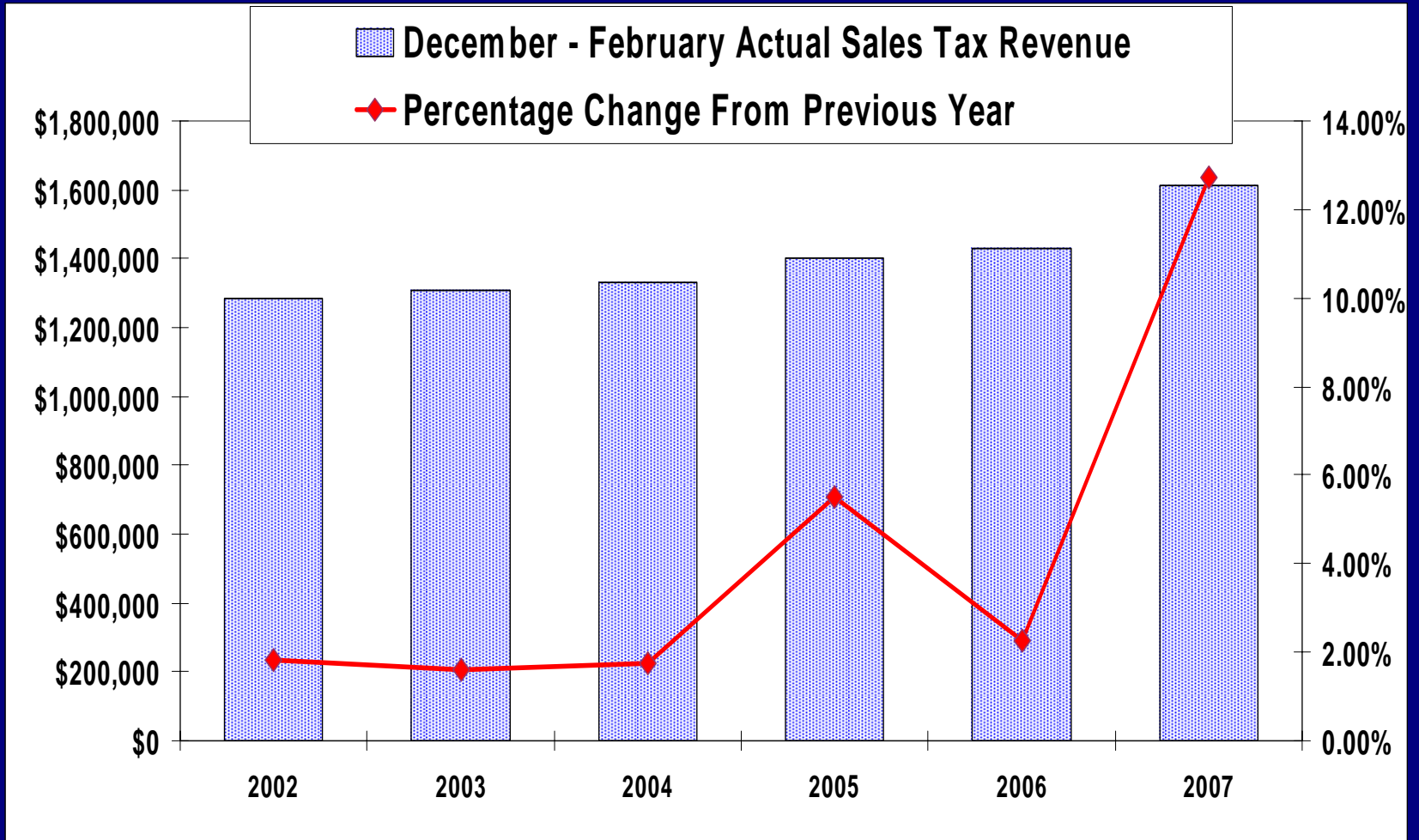


First Quarter Jail Cost Comparison 2003-2007



First three months of 2007 less than first three months of 2006 because jail usage is lower

Update on Sales Tax Revenue



Sales tax revenue collections for 2007 are ahead of 2006 collections by 12%

Update on Sales Tax Information

Business Sector Analysis December - February

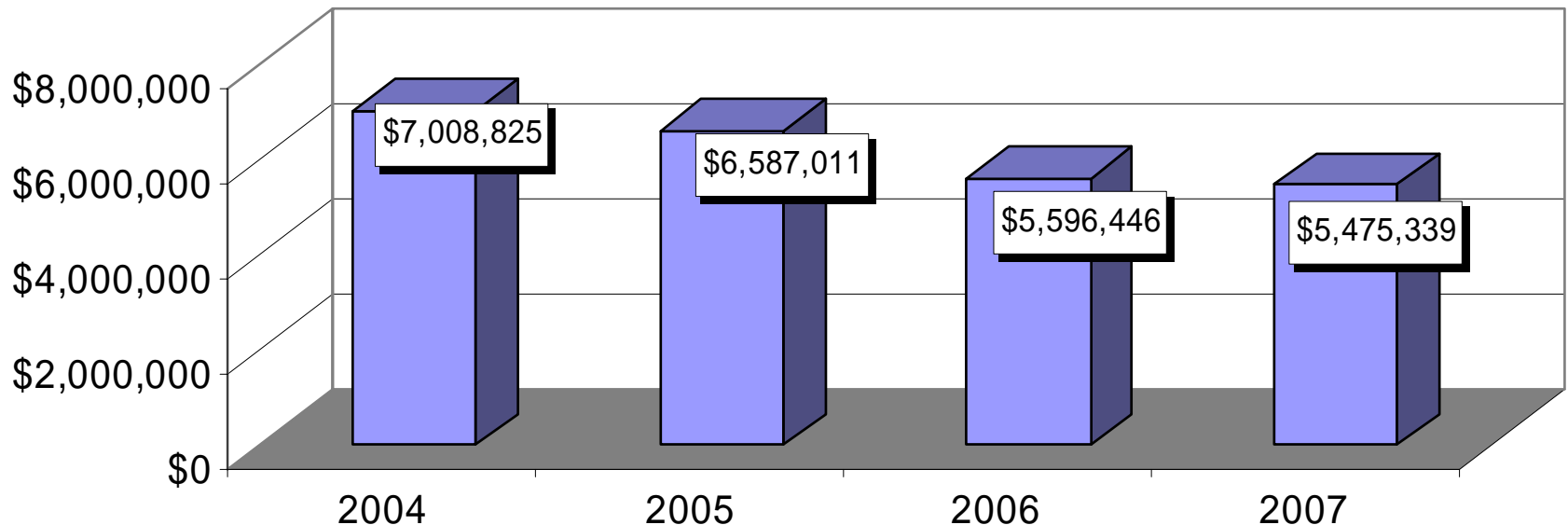
Business Sector	2005	2006	2007	\$\$ Variance 2007 v. 2006	% Change
Retail Trade	\$727,099	\$751,559	\$794,660	\$43,101	5.73%
Construction	\$150,861	\$143,786	\$282,239	\$138,453	96.29%
Automotive Sales	\$211,038	\$204,052	\$183,787	-\$20,265	-9.93%
Accommodation & Food Services	\$83,824	\$83,299	\$90,533	\$7,234	8.68%
All Other	\$228,538	\$248,859	\$262,483	\$13,624	5.47%
Total	\$1,401,360	\$1,431,555	\$1,613,701	\$182,146	12.72%

Update on Gambling Tax Revenue

First Quarter Activity

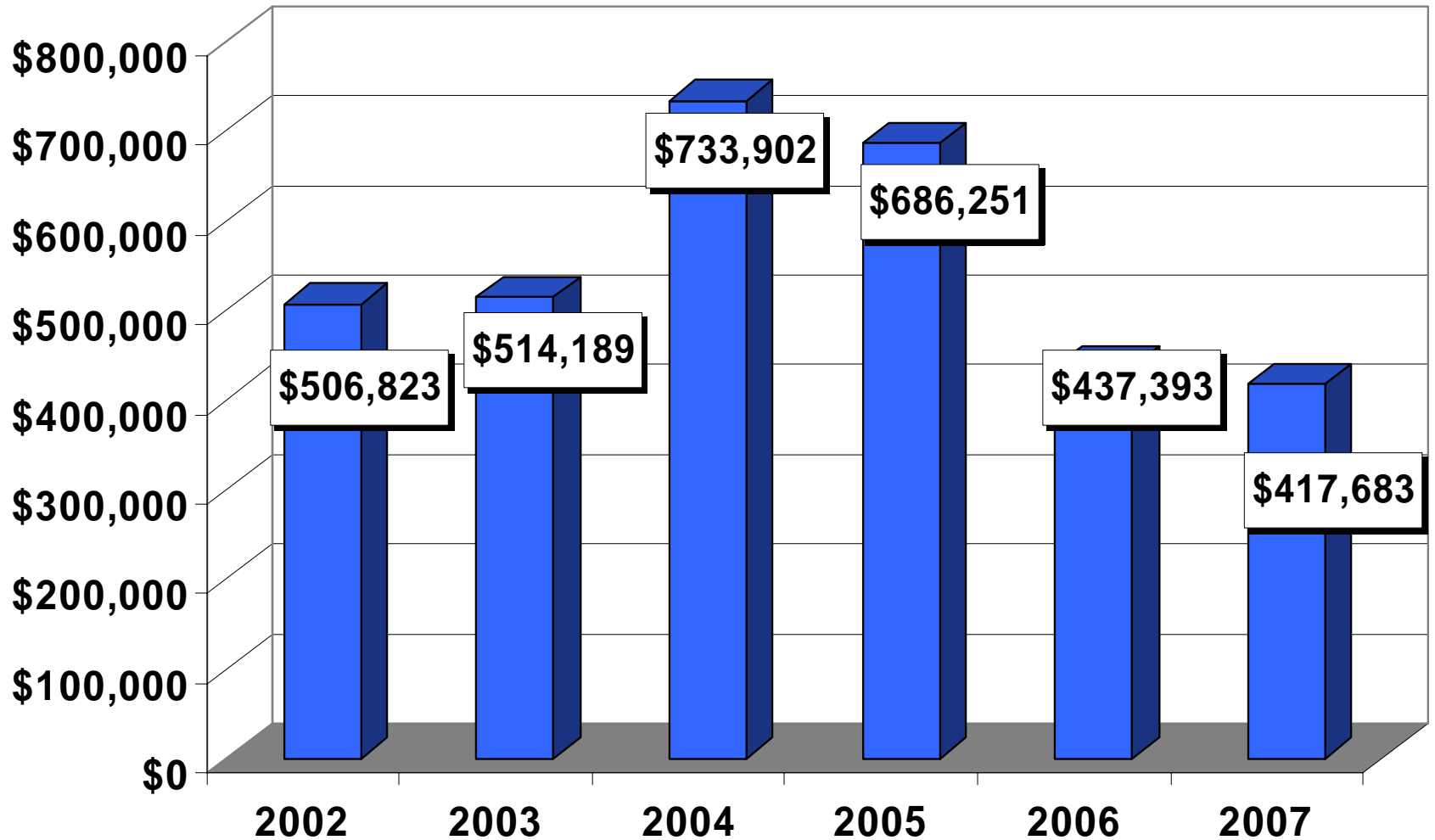
- Projected to receive \$438,300, actual revenue equaled \$417,683
 - Card game revenue down by \$9,830 or 2.5%
 - Pull tab revenue down by \$10,755 or 22.8%.

Gross Card Room Gambling Receipts 2004 -2007



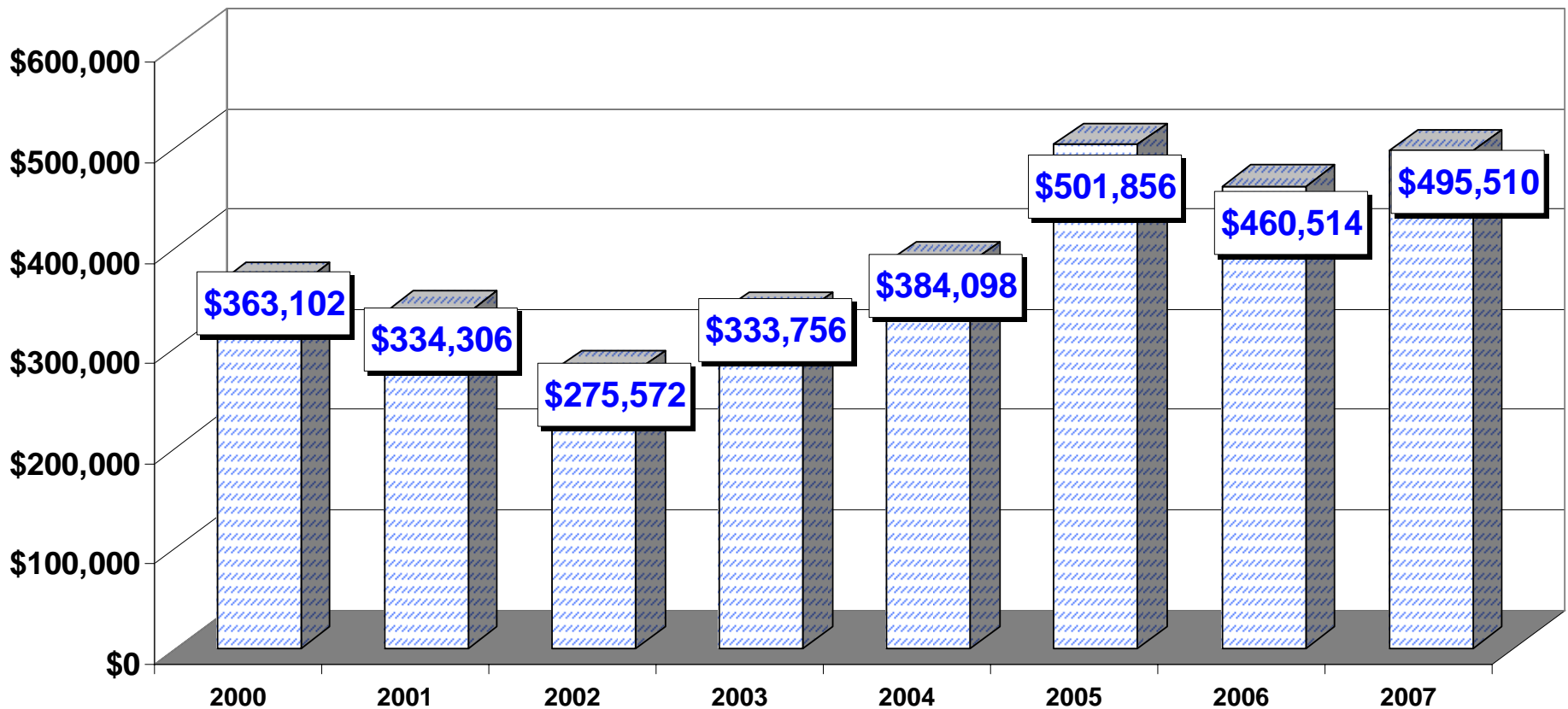
Gambling Tax Revenue

Historical Look at the First Quarter Gambling Revenue Totals 2002 - 2007



Real Estate Excise Tax First Quarter Collections

**Total REET Collections (General Capital & Roads Capital)
January - March From 2000 - 2007**



Summary

- General Fund Highlights
 - Revenues are tracking slightly ahead of projections
 - Continue to monitor sources of sales tax
 - Monitor 2nd quarter of gambling tax receipts
 - Expenditures are slightly under projections
- Real Estate Excise Tax Revenues
 - First quarter collections ahead of 2006
 - Continue to monitor monthly real estate sales activity

