

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



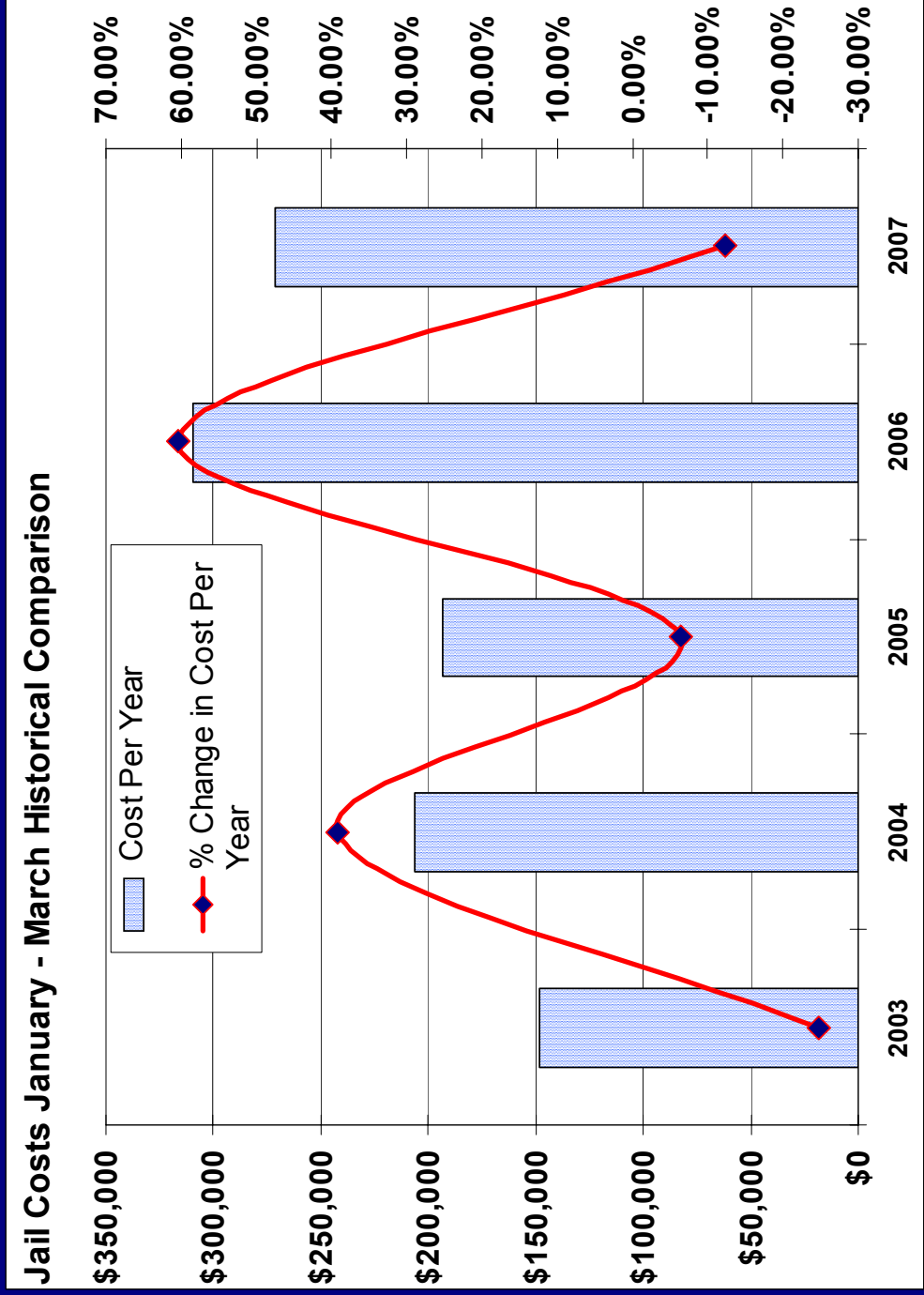
- Permit revenue above projections by 11.12% or \$43,179

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

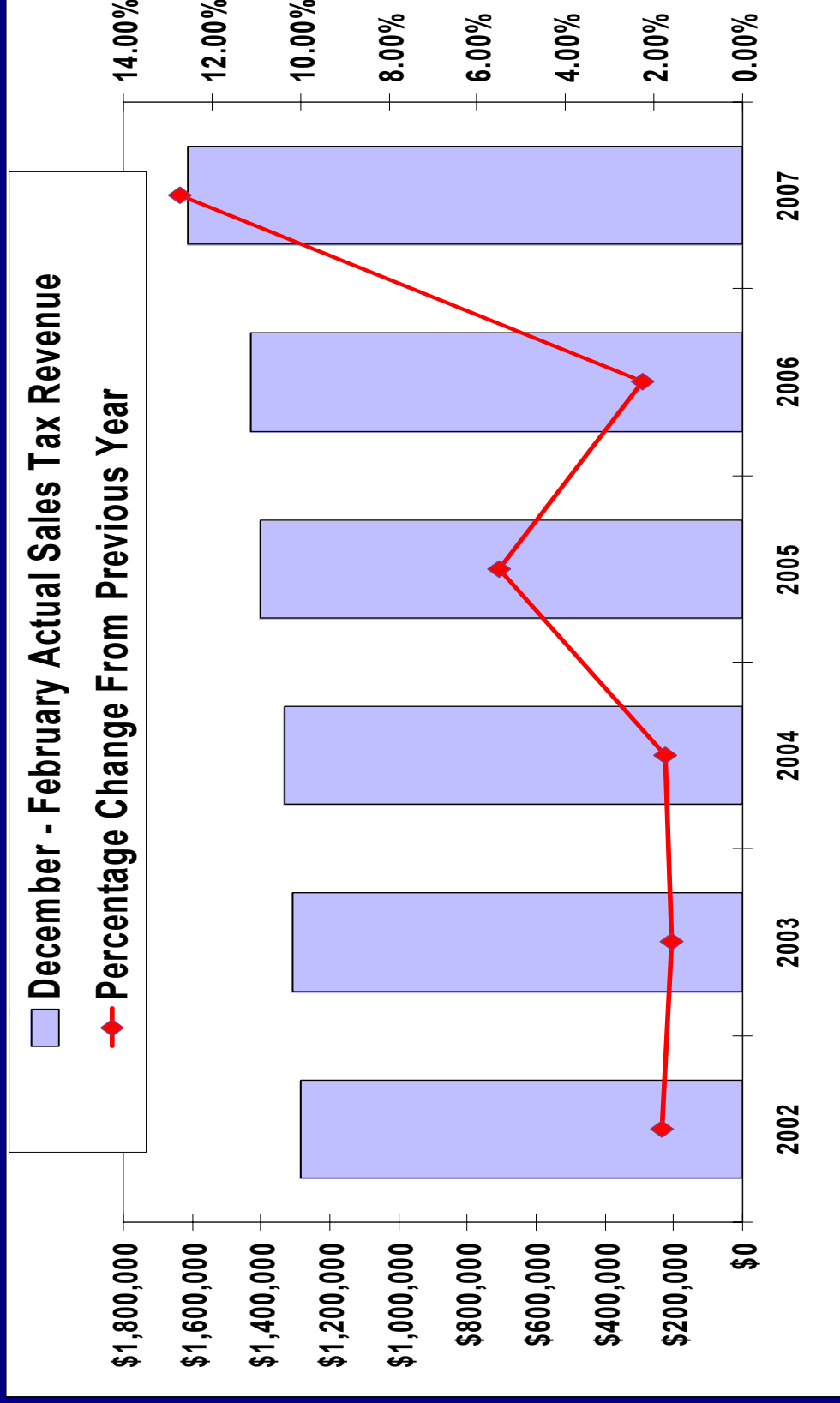


First Quarter Jail Cost Comparison 2003-2007



- *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

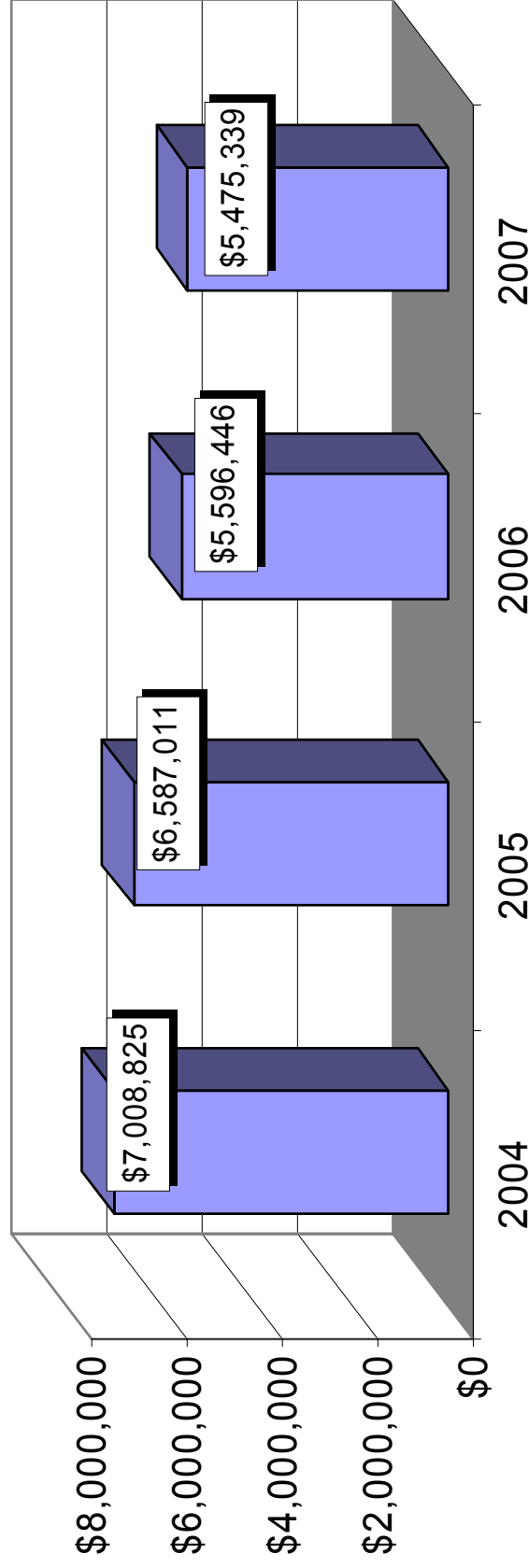
Business Sector Analysis December - February

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

Update on Gambling Tax Revenue

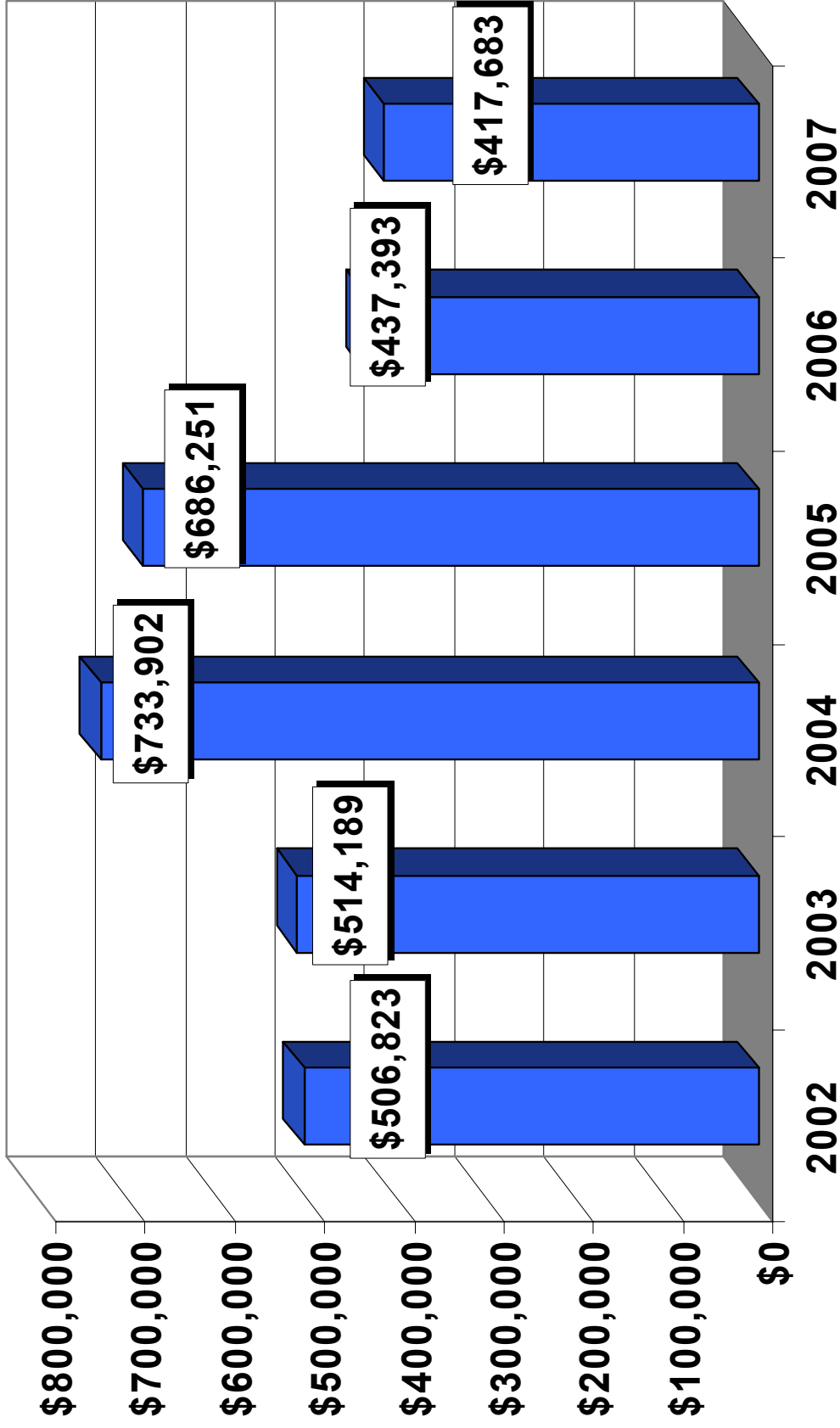
First Quarter Activity

- 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%.



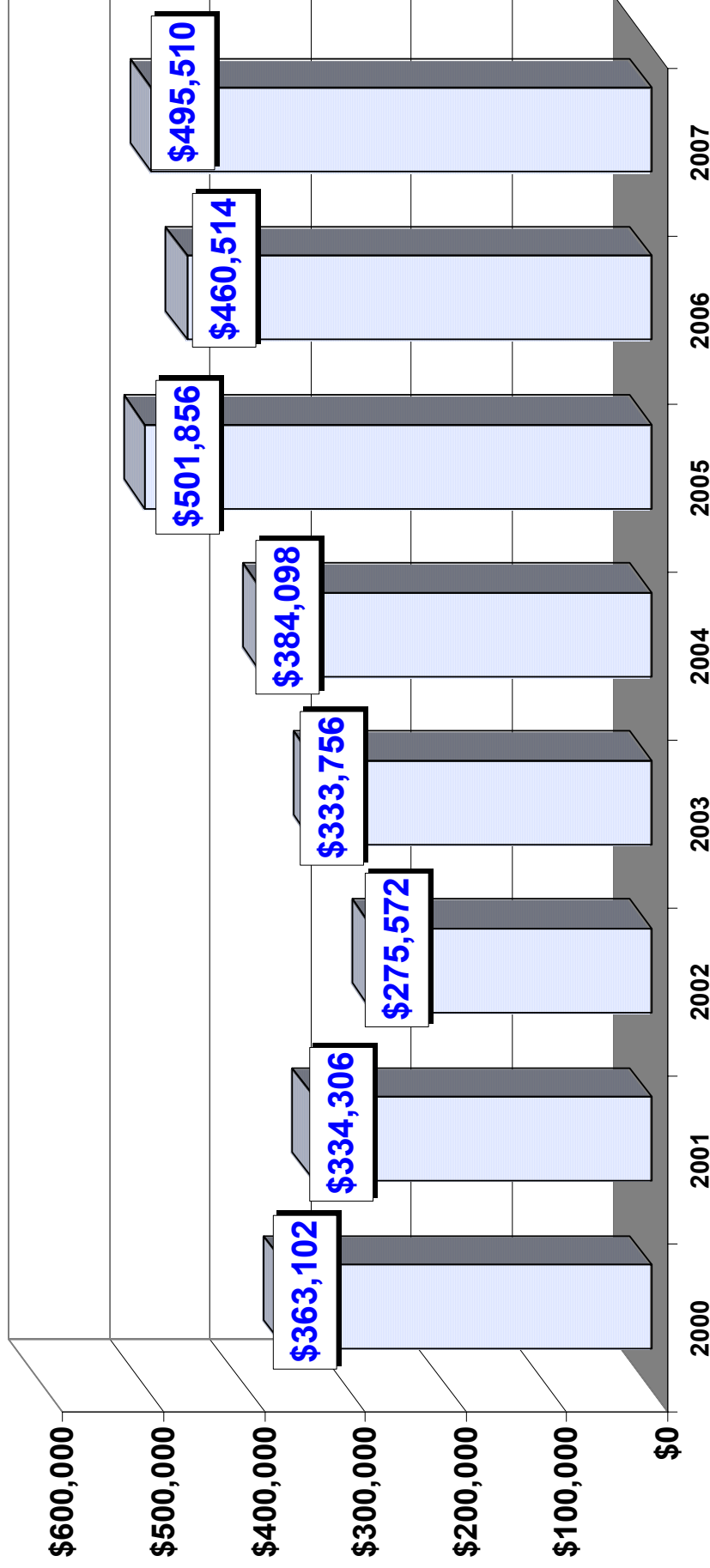
Gambling Tax Revenue

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

