

1st Quarter Financial Report As of March 31, 2018



Brainstorming at the For the Love of Maple Valley event

Introduction

The 1st Quarter 2018 financial report is presented herein. The intent of the financial report is to provide an overview of financial activity for the period of January 1, 2018 through March 31, 2018.



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1st Quarter Financial Report

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ONGOING OPERATING REVENUES

Overall, general government revenues meet budget estimates at the end of 1st Quarter. The table below lists all on-going revenues with a 2018 Budget to Actual Variance as well as the percent of budget received. Budgets are for the full year whereas actuals are for January through March of each year. Details of major variances are discussed following the table.

Operating Revenue	2015	2016	2017	2018		% of Budget Received
	YTD	YTD	YTD	Budget	YTD	
Property Tax	\$ 116,285	\$ 64,795	\$ 72,864	\$ 3,799,432	\$ 78,727	\$ (3,720,705) 2%
Sales Tax	713,099	226,569	250,654	2,913,630	\$ 261,905	(2,651,725) 9%
Criminal Justice Sales Tax	151,918	166,903	169,219	695,040	\$ 182,158	(512,882) 26%
Utility Tax - Electric	233,281	156,752	165,808	799,720	\$ 159,611	(640,109) 20%
Utility Tax - Natural Gas	223,962	111,110	144,739	459,670	\$ 117,316	(342,354) 26%
Utility Tax - Telecom	126,901	57,453	53,092	489,450	\$ 43,954	(445,496) 9%
Utility Tax - Cable TV	-	-	-	377,430	\$ -	(377,430) 0%
Gambling Tax	-	261	240	41,390	\$ -	(41,390) 0%
Leasehold Excise Tax	-	-	901	-	\$ 951	951 n/a
Professional and Occupations Licenses	-	-	-	980	\$ 240	(740) 24%
Franchise Fees - Cable TV	5,000	5,000	-	337,600	\$ 0	(337,600) 0%
General Business Licenses	1,810	1,887	2,191	8,120	\$ 2,357	(5,763) 29%
Transient Sales Licenses	510	524	300	1,770	\$ 798	(972) 45%
Animal License Sales Rebate	-	-	-	-	\$ -	- n/a
Marijuana Excise Tax	-	-	-	-	\$ 26,170	26,170 n/a
City Assistance/State of WA	23,234	19,230	-	79,330	\$ -	(79,330) 0%
Liquor Excise Tax	12,053	26,172	27,830	20,930	\$ 28,970	8,040 138%
Liquor Profits	53,092	53,322	52,342	223,510	\$ 51,586	(171,924) 23%
Sale of Maps & Publications	66	55	24	140	\$ 63	(77) 45%
IT Training Fee	-	-	-	13,360	\$ -	(13,360) 0%
Passport Filing Fees	3,325	3,625	3,500	13,680	\$ 3,375	(10,305) 25%
Non-Traffic Infraction Penalty	7,860	-	-	290	\$ -	(290) 0%
Investment Interest	7,033	9,011	9,148	50,680	\$ 13,942	(36,738) 28%
Miscellaneous	1,296	1,588	2,224	5,670	\$ 1,641	(4,029) 29%
Economic Development	-	-	-	-	\$ 3,635	3,635 n/a
Risk Management	-	-	5,500	-	\$ -	- n/a
Community Development	84,193	178,852	290,623	1,175,370	\$ 248,885	(926,485) 21%
Public Safety	51,393	53,200	50,278	315,280	\$ 58,394	(256,886) 19%
Parks Maintenance	7,820	4,230	5,381	30,650	\$ 9,487	(21,163) 31%
Lake Wilderness Lodge	29,063	137,354	171,857	316,000	\$ 212,912	(103,088) 67%
Recreation	130,703	158,090	150,547	523,420	\$ 219,031	(304,389) 42%
Public Works Administration	42,520	50,768	53,695	172,090	\$ 54,946	(117,144) 32%
Public Works Maintenance	900	353	1,386	3,600	\$ 1,438	(2,162) 40%
Motor Vehicle Fuel Tax-City Streets	117,734	121,081	119,648	514,730	\$ 121,599	(393,131) 24%
Multimodal Transpo City	-	-	4,148	28,640	\$ 8,761	(19,879) 31%
MVA Transpo City	-	5,983	3,630	18,540	\$ 7,666	(10,874) 41%
Waste Reduction and Recycling	10,541	5,011	4,201	100,330	\$ 7,418	(92,912) 7%
Lake Management	-	-	-	-	\$ -	- n/a
Transfers	6,330	4,989	20,783	75,430	\$ 3,476	(71,954) 5%
TOTAL	\$ 2,161,922	\$ 1,624,167	\$ 1,836,751	\$ 13,605,902	\$ 1,931,412	\$ (11,674,490) 14%

City Assistance through the State of Washington was budgeted at \$79K but the City did not receive any of this assistance in 2017 and none is anticipated in 2018.

Liquor Excise Tax, while significantly ahead of budget, is consistent with earnings through March of 2017.

Lake Wilderness Lodge revenue is trending at 42% higher than budgeted and is 24% higher in the 1st Quarter of 2018 than in 2017 due primarily to an increase in lodge rental revenue.

Waste Reduction & Recycling revenue is behind budget as of March 31, 2018 due to both a one month delay in the receipt of Solid Waste & Recycling Franchise Fees as well as the Washington State Department of Ecology Recycling Grant which hasn't yet been fully received by the City. Adjusted for the timing delay, Waste Reduction & Recycling revenue is trending at 8% behind budget.

Some revenues are received by the City one or two months after earned. Year-end adjustments are made to account for this lag; however, throughout the year, the following revenues may appear to be behind budget:

Property Tax is received by the City one month after it is remitted by property owners. Nearly 50% of the City's annual property tax revenue is typically received in April so property tax collections are on track with budget for 2017.

Sales Tax is *received* by the City two months after it is paid by consumers. Sales Tax *earned* through the 1st Quarter of 2017 was \$802K or 28% of budget.

Utility Taxes are received by the City one month after earned. As of the date of this report, actual revenues *earned* through March 31, 2018 are as follows: Electric, \$237K or 30% of budget; Natural Gas, \$178K or 39% of budget; Telecom, \$85K or 17% of budget; Cable TV, \$60K or 16% of budget.

Cable TV Franchise Fees are received by the City one month following the quarter in which they are earned. As of the date of this report, actual revenues *earned* through March 31, 2018 are \$87K or 26% of budget.

ONGOING OPERATING EXPENDITURES

Overall, operating expenditures are under budget through the end of the 1st Quarter. While actual expenditures recorded through March 2018 are at only 15% of the total 2018 budget, adjustments for timing indicate that General Fund expenditures are trending at 3% under budget. The table below lists all on-going operating expenditures with a 2018 Budget to Actual Variance as well as the percent of budget received. Budgets are for the full year whereas actuals are for January through March of each year. Details of major variances are discussed following the table.

Operating Expenditures	2015	2016	2017	2018		% of Budget	
	YTD	YTD	YTD	Budget	YTD		\$ Variance
City Council	\$ 48,364	\$ 57,573	\$ 53,568	\$ 119,410	\$ 50,284	\$ (69,126)	42%
City Manager's Office	117,398	106,066	122,967	451,160	98,244	(352,916)	22%
City Clerk	113,095	111,547	106,001	578,710	114,244	(464,466)	20%
City Attorney	13,056	13,187	27,448	190,940	14,149	(176,791)	7%
Economic Development	5,616	5,000	9,278	188,980	46,358	(142,622)	25%
Finance	133,382	124,825	120,346	603,780	147,864	(455,916)	24%
Human Resources	27,899	28,817	35,923	239,340	58,269	(181,071)	24%
Community Development	214,564	163,173	184,758	1,015,180	232,267	(782,913)	23%
Public Safety	1,028,756	178,392	105,692	5,225,740	120,519	(5,105,221)	2%
Emergency Operations	377	2,481	3,226	15,500	3,105	(12,395)	20%
Parks Administration	63,405	62,861	95,377	480,700	104,524	(376,176)	22%
Parks Maintenance	63,574	73,513	70,953	466,670	75,272	(391,398)	16%
Lake Wilderness Lodge	87,179	80,599	81,154	520,690	123,963	(396,727)	24%
Recreation Administration	44,502	65,732	58,680	340,430	67,409	(273,021)	20%
Recreation Programs	36,073	72,192	65,767	482,230	81,369	(400,861)	17%
Community Events	11,314	6,110	7,706	154,440	7,726	(146,714)	5%
Community Service Agencies	39,270	36,123	33,988	371,500	44,446	(327,054)	12%
Public Works Administration	120,093	122,120	139,761	705,100	119,107	(585,993)	17%
Public Works Maintenance	157,880	156,077	245,835	872,760	211,932	(660,828)	24%
Lake Management	6,330	4,989	3,345	56,960	3,476	(53,484)	6%
Waste Reduction & Recycling	21,800	22,731	23,334	70,530	26,663	(43,867)	38%
Information Technology	186,752	172,975	183,961	834,350	163,911	(670,439)	20%
	2,540,678	1,667,082	1,779,068	13,985,100	1,915,103	(12,069,997)	14%
Transfers	11,568	96	129,305	315,121	181,686	(133,436)	58%
TOTAL	\$ 2,552,246	\$ 1,667,178	\$ 1,908,373	\$ 14,300,221	\$ 2,096,789	\$ (12,203,432)	15%

City Council expenditures are on track to be at or below budget. While 42% of the budget has been expended through the 1st Quarter, \$34K was for annual dues for the Association of Washington Cities and the Sound Cities Association. Adjusted for these items, City Council expenditures are trending 4% under budget.

City Attorney expenditures appear to be significantly under budget due to a lag between when services are provided and when invoices are received. However, as of the date of this report, expenditures incurred through March are trending at 2% under budget.

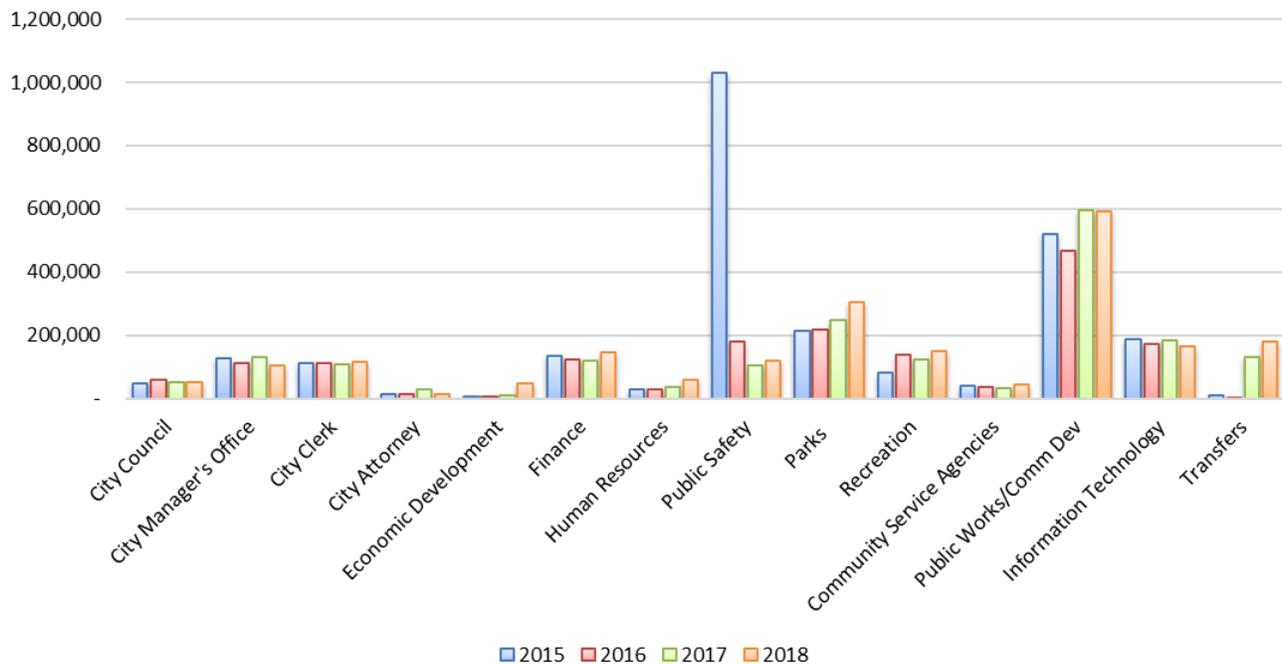
Public Safety expenditures appear to be under budget due to a lag between when KC Sheriff Services are performed and when invoices are received and paid. Including the cost of all KC Sheriff Services provided through March 31, 2018, Public Safety expenditures are trending 2% below budget.

Community Events expenditures are significantly under budget after the 1st Quarter due to the fact that the majority of these events occur during the summer months.

Lake Management expenditures are currently 19% under budget due to the timing of services which generally take place during the spring and summer months.

Waste Reduction & Recycling expenditures trending higher than budgeted due to the timing of the City’s annual clear air assessment. Adjusted expenditures are trending 6% under budget.

General Fund Operating Fund Expenditures
1st Quarter 2018 Comparisons

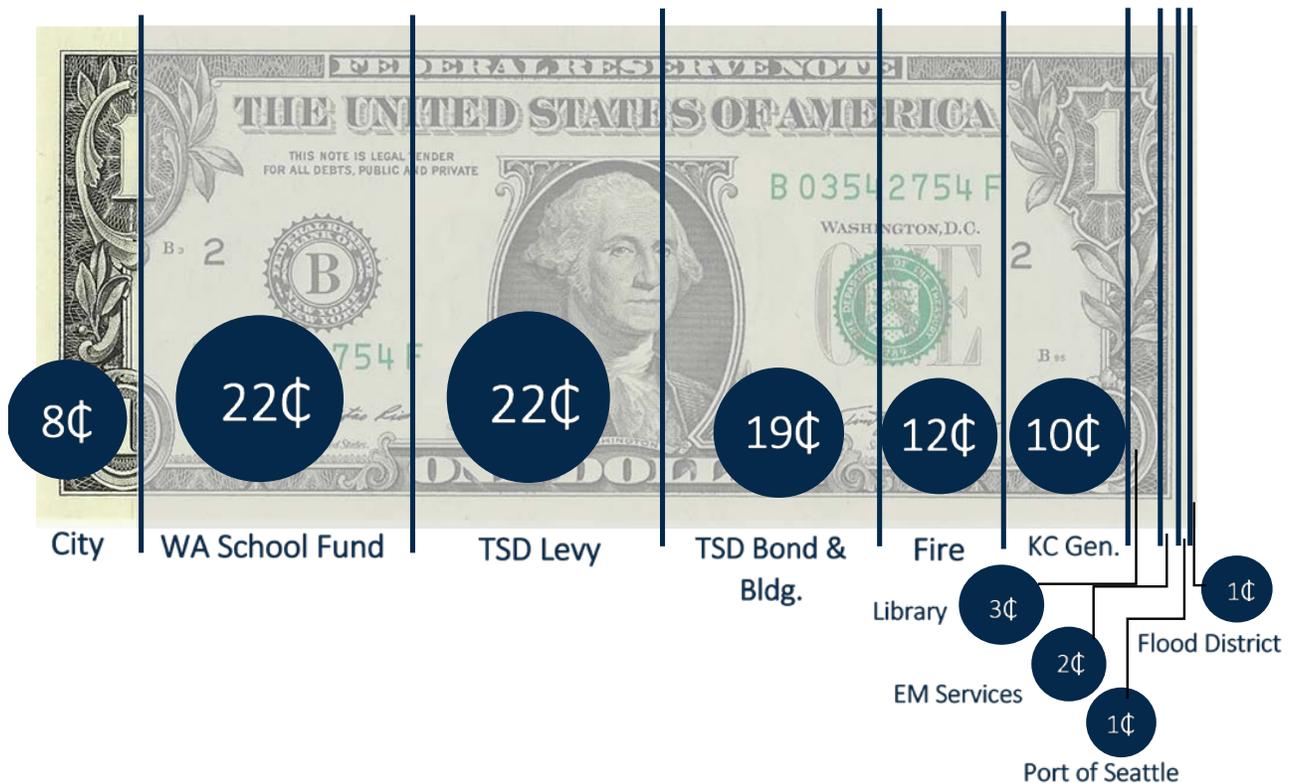


Property Tax Levy

The City's property tax levy per \$1,000 of assessed value decreased in 2018 from \$1.13 to \$1.04. This is because the City's total assessed valuation is increasing at a higher rate than the City's allowable property tax increase. The City's portion makes up only 8% of total property tax assessed in Maple Valley.

Property Tax Levy Per \$1000 AV

	2013	2014	2015	2016	2017	2018
Direct Regular and Special						
City of Maple Valley	1.55	1.47	1.25	1.19	1.13	1.04
Overlapping Regular and Special						
State School Fund	\$ 2.57	\$ 2.47	\$ 2.29	\$ 2.17	\$ 2.03	\$ 2.92
King County General	\$ 1.54	\$ 1.52	\$ 1.35	\$ 1.48	\$ 1.38	\$ 1.32
Port of Seattle	\$ 0.23	\$ 0.22	\$ 0.19	\$ 0.17	\$ 0.15	\$ 0.14
Emergency Medical Services	\$ 0.30	\$ 0.34	\$ 0.30	\$ 0.28	\$ 0.26	\$ 0.24
Ferry District	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
King County Flood District Special Levy	\$ 0.13	\$ 0.15	\$ 0.14	\$ 0.13	\$ 0.12	\$ 0.11
Rural Library	\$ 0.57	\$ 0.56	\$ 0.50	\$ 0.48	\$ 0.45	\$ 0.41
Tahoma School District Special Levy	\$ 3.95	\$ 3.73	\$ 3.26	\$ 3.12	\$ 3.00	\$ 2.84
Tahoma School District Bond & Bldg	\$ 2.30	\$ 3.48	\$ 2.91	\$ 3.05	\$ 2.83	\$ 2.57
Fire District #43	\$ 1.74	\$ 1.86	\$ 1.94	\$ 1.68	\$ 1.31	\$ 1.56
Sub Total Overlapping	\$ 13.33	\$ 14.33	\$ 12.88	\$ 12.56	\$ 11.54	\$ 12.10
Total Property Tax Levy	\$ 14.88	\$ 15.80	\$ 14.13	\$ 13.75	\$ 12.67	\$ 13.14



Local Sales Tax Revenue

Monthly Comparison

The City's Retail Sales & Use Tax revenue was \$32K or 4% higher in the 1st Quarter of 2018 than in the 1st Quarter of 2017 due primarily to a \$27K or 10% increase in retail trade sales tax and an \$18K or 98% increase in administrative, support, and waste management sales tax.

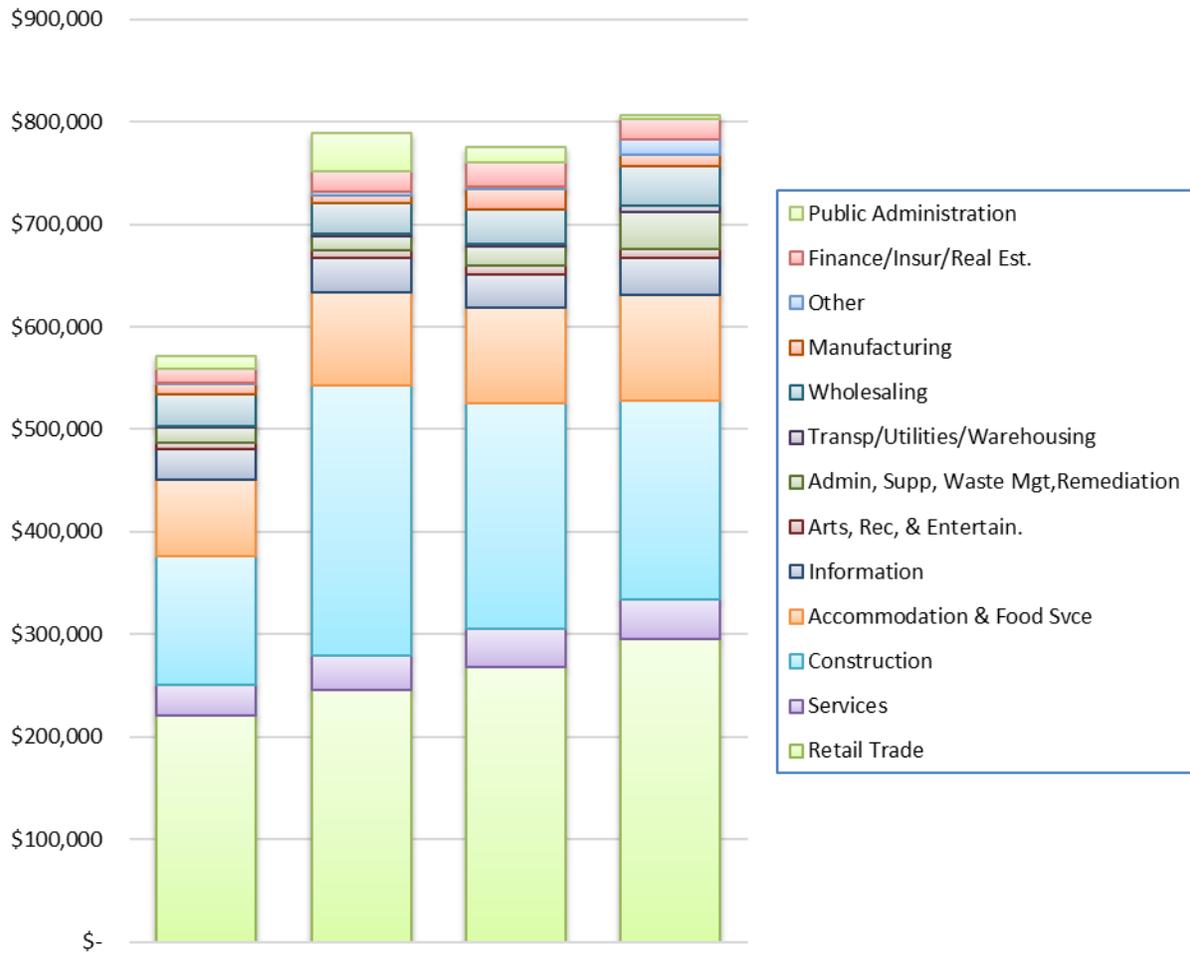
Local Sales Tax Revenue Monthly Comparison				
Month	2015 Actual	2016 Actual	2017 Actual	2018 Actual
January	\$ 183,519	\$ 226,569	\$ 250,654	\$ 264,424
February	184,632	253,954	246,559	234,143
March	203,507	308,119	277,651	308,255
Total	\$ 571,658	\$ 788,642	\$ 774,864	\$ 806,822 *
Taxable Sales	\$ 67,933,214	\$ 93,718,542	\$ 92,081,283	\$ 95,879,026

Local Sales Tax Revenue By Category				
Category	2015	2016	2017	2018
Retail Trade	\$ 220,466	\$ 245,299	\$ 268,078	\$ 294,769
Services	30,487	33,962	37,329	39,490
Construction	124,828	263,617	219,576	193,937
Accommodation & Food	74,980	90,498	93,061	102,632
Information	29,802	33,718	32,981	36,149
Arts, Rec, & Entertain.	6,257	7,112	8,463	8,570
Admin, Supp, Waste Mgt	14,574	13,623	18,653	36,906
Transp/Utilities/Wareho	1,817	2,465	3,129	5,273
Wholesaling	30,701	30,245	33,073	38,500
Manufacturing	10,256	7,738	19,442	11,639
Other	1,414	3,114	3,017	14,639
Finance/Insur/Real Est.	13,724	19,714	23,892	20,526
Public Administration	12,352	37,537	14,170	3,792
Total	\$ 571,658	\$ 788,642	\$ 774,864	\$ 806,822 *

Sales Tax by Category is provided by Microflex TaxTools

*The discrepancy between Operating Revenues (Pg. 3) and the data presented on this page reflects the allocation of sales tax to the Lake Wilderness Golf Course Fund as well as the 2 month lag between sales tax being earned and remitted. The totals on this page are known remittances as of the date of this report and are inclusive of the General Fund and Lake Wilderness Golf Course Fund portions.

Sales Tax by Category



Real Estate Excise Tax

The City levies a 0.50% Real Estate Excise Tax on all sales of real estate. This 0.50% is broken up into the First 0.25% (REET 1) and the Second 0.25% (REET 2). These two revenue sources face different spending restrictions per RCW 82.46.010 and RCW 82.46.035.

Total REET 1 and REET 2 revenue from January through March of each year are included in the table below.

Month	2015 YTD	2016 YTD	2017 YTD	2018 YTD
January	\$ 88,085	\$ 87,761	\$ 78,094	\$ 84,372
February	80,374	71,659	107,110	162,723
March	107,857	115,913	143,388	166,475
Total	\$ 276,315	\$ 275,333	\$ 328,592	\$ 413,570
Taxable Sales	55,263,050	55,066,632	65,718,400	82,713,940

REET revenue is received by the City in the second month after it is paid by the consumer. The preceding table presents REET revenue in the month it was *earned*. REET is 26% higher through March 2018 than through March 2017. While there were thirteen fewer homes sold during this time frame, the average selling price of new and existing single family residential (SFR) homes increased \$80K or 20%.

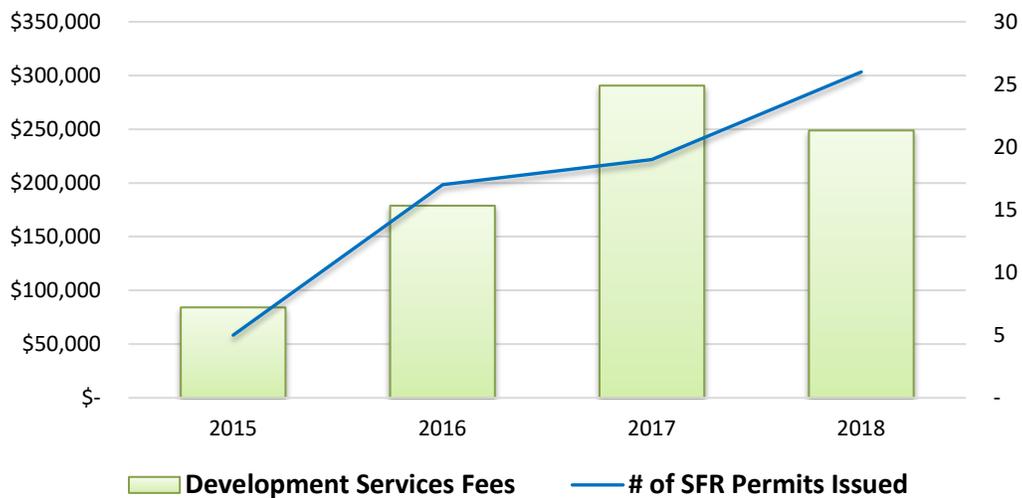


Development Services Fees

Community Development revenue is made up of various Development Services Fees. Planning, Building, and Fire Marshal fees are trending at 4% behind budget and 14% lower than in the 1st Quarter of 2017. While the number of SFR permits issued increased by 37% compared to the 1st Quarter of 2017, plan review fees decreased \$77K which indicates that the City may issue fewer SFR permits in 2018 than in 2017. This decrease has been anticipated as the high level of residential development experienced the past few years cannot be maintained in future years due to limited space within the City.

	2015 YTD	2016 YTD	2017 YTD	2018		\$ Variance	% of Budget Received
				Budget	YTD		
Planning Fees	\$ 26,200	\$ 16,406	\$ 29,149	\$ 70,820	\$ 12,676	\$ (58,144)	18%
Building Fees	51,328	151,876	248,852	1,062,090	220,319	\$ (841,771)	21%
Fire Marshall	6,665	10,570	12,623	42,460	15,890	\$ (26,570)	37%
TOTAL	\$ 84,193	\$ 178,852	\$ 290,623	\$ 1,175,370	\$ 248,885	\$ (926,485)	21%

Development Services Fees
1st Quarter Comparison

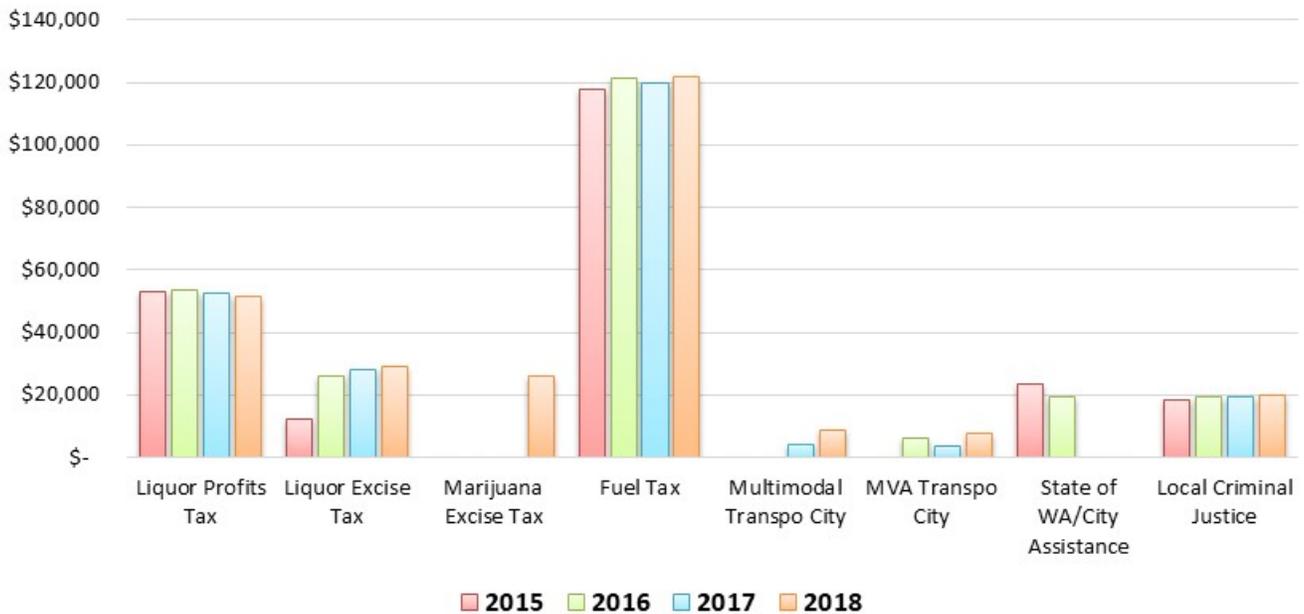


State Shared Revenues

State Shared Revenues are trending at 3% ahead of budget and 17% higher than the 1st Quarter of 2017. Liquor Excise Tax is already higher than budgeted but is comparable to what was received during the same period in 2017. The City began receiving a quarterly remittance of the Marijuana Excise Tax in September of 2017, so while no direct 1st Quarter comparison can be made, the 1st Quarter 2018 remittance is 174% higher than the total amount received in 2017.

Category	2015	2016	2017	2018		% of Budget Received	
	YTD	YTD	YTD	Budget	YTD		\$ Variance
Liquor Profits Tax	\$ 53,092	\$ 53,322	\$ 52,342	\$ 223,510	\$ 51,586	\$ (171,924)	23%
Liquor Excise Tax	12,053	26,172	27,830	20,930	28,970	8,040	138%
Marijuana Excise Tax	-	-	-	-	26,170	26,170	n/a
Motor Vehicle Fuel Tax	117,734	121,081	119,648	514,730	121,599	(393,131)	24%
Multimodal Transpo City	-	-	4,148	28,640	8,761	(19,879)	31%
MVA Transpo City	-	5,983	3,630	18,540	7,666	(10,874)	41%
State of WA/City Assistance	23,234	19,230	-	79,330	-	(79,330)	0%
Local Criminal Justice	18,510	19,174	19,502	70,500	19,987	(50,514)	28%
Total	\$ 224,624	\$ 244,961	\$ 227,101	\$ 956,180	\$ 264,738	\$ (691,442)	28%

State Shared Revenues 1st Quarter Comparison



Vehicle Excise Tax

The City's Vehicle Excise Tax was levied by the Transportation Benefit District (TBD) which was legally absorbed into the City in December 2015. The following chart details total Vehicle Excise Taxes *earned* from January through March 2018 regardless of when the revenue was remitted to the City. Vehicle Excise Tax is trending at 8% ahead of budget for 2018.

Vehicle Excise Taxes

Month	2015 YTD	2016 YTD	2017 YTD	2018 YTD
January	27,562	\$ 27,720	30,571	33,482
February	27,067	32,333	25,166	28,314
March	33,898	36,452	38,056	41,255
TOTAL	\$ 88,526	\$ 96,505	\$ 93,792	\$ 103,051

Utility Tax

Utility Taxes are received by the City one month after they are earned. Utility Taxes *earned* as of March 31, 2018 are: Electric, \$237K or 30% of budget; Natural Gas, \$178K or 39% of budget; Telecom, \$85K or 17% of budget; Cable TV, \$60K or 16% of budget. The following table shows utility taxes *received* by the City as of March 31, 2018.

Category	2015	2016	2017	2018		\$ Variance	% of Budget Received
	YTD	YTD	YTD	Budget	YTD		
Electric	233,281	156,752	165,808	799,720	159,611	(640,109)	20%
Gas	223,962	111,110	144,739	459,670	117,316	(342,354)	26%
Telecom	126,901	57,453	53,092	489,450	43,954	(445,496)	9%
Cable TV	-	-	-	377,430	-	(377,430)	0%
TOTAL	584,143	325,315		\$2,126,270	\$ 320,881	\$(1,805,389)	15%

Parks and Recreation

The Parks and Recreation Department is doing better than budgeted in both revenues and expenditures through the 1st Quarter of 2018. Lake Wilderness Lodge revenue is 24% higher than in the 1st Quarter of 2017. The noticeable increase in 1st Quarter Recreation Fees is due primarily to a change in accounting in which revenues received in 2017 for programs occurring in 2018 are recognized as revenue in 2018; this more accurately matches revenues with related expenditures. Adjusted for this accounting change, recreation revenue is still 15% ahead of budget and 6% higher than the 1st Quarter of 2017. Lake Wilderness Lodge rental revenue is 67% of budget at the end of the 1st Quarter of 2018 due to the fact that event rentals are paid for in advance. Total Parks and Recreation program expenditures are trending at 7% under budget, though this variance is expected to shrink as summer events and recreation programs commence.

	2015 YTD	2016 YTD	2017 YTD	2018 Budget	2018 YTD	\$ Variance	% of Budget Rcvd./Expd.
<u>Program Revenues</u>							
Recreation Fees	\$ 116,725	\$ 137,915	\$ 132,381	\$ 441,330	\$ 201,934	\$ (239,396)	46%
LW Lodge	29,063	137,354	171,857	316,000	212,522	(103,478)	67%
Rental Revenue	7,820	4,030	4,681	57,040	9,036	(48,004)	16%
Donations/Grants/Misc	13,978	20,175	18,166	55,310	17,097	(38,213)	31%
Parks Maintenance	-	200	700	390	841	451	216%
Total Program Revenues	\$ 167,585	\$ 299,673	\$ 327,785	\$ 870,070	\$ 441,429	\$ (428,641)	51%
<u>Program Expenditures</u>							
Parks Administration	\$ 63,405	\$ 62,861	\$ 95,377	\$ 480,700	\$ 104,524	\$ (376,176)	22%
Parks Maintenance	63,574	73,513	70,953	466,670	75,272	(391,398)	16%
Lake Wilderness Lodge	87,179	80,599	81,154	520,690	123,963	(396,727)	24%
Recreation Administration	44,502	65,732	58,680	340,430	67,409	(273,021)	20%
Beach Services	3,694	6,091	1,083	114,790	5,717	(109,073)	5%
Adult Sports	14,113	7,892	13,350	58,680	13,208	(45,472)	23%
Adult Classes	5,864	5,793	6,563	36,710	7,281	(29,429)	20%
Youth Sports	3,562	38,140	38,945	93,950	46,592	(47,358)	50%
Youth Classes	5,199	10,626	2,598	100,480	4,990	(95,490)	5%
Day Camp	2,739	3,613	3,229	77,620	3,581	(74,039)	5%
Parent's Night Out	902	37	-	-	-	-	n/a
Special Events	11,314	6,110	7,706	154,440	7,726	(146,714)	5%
Community Grants/Programs	39,270	36,123	33,988	371,500	44,446	(327,054)	12%
Total Program Expenditures	\$ 345,316	\$ 397,130	\$ 413,625	\$ 2,816,660	\$ 504,710	\$ (2,311,950)	18%

Lake Wilderness Golf Course

As of March 31, 2018 the Lake Wilderness Golf Course shows expenditures exceeding revenues by \$26,615. However, revenues are 6% higher than during the same period in 2017 and are expected to pick up during the spring and summer months of 2018. While expenditures through the 1st Quarter are 23% higher than in the previous year, they are trending at only 14% of total budget.

REVENUES	2015	2016	2017	2018		\$ Variance	% of Budget Received
	YTD	YTD	YTD	Budget	YTD		
Administration							
Investment Interest	19	(54)	(61)	20	(42)	(62)	-208%
Cash Adjustments	(286)	3	(54)	50	(41)	(91)	-82%
Miscellaneous	-	-	-	-	84	84	n/a
Total Administration	(266)	(52)	(115)	70	2	(68)	3%
Course Operations							
Golf Green Fees	74,026	100,769	78,454	565,460	86,583	(478,877)	15%
Golf Pro-Shop Merch. Sales	8,390	11,362	6,346	77,090	6,960	(70,130)	9%
Golf Lessons	23,861	-	-	-	-	-	n/a
Golf Clubs & Cart Rentals	-	17,388	11,544	179,750	16,755	(162,995)	9%
Total Course Operations	106,276	129,519	96,345	822,300	110,298	(712,002)	13%
Restaurant Operations							
Food Sales	19,404	14,819	8,161	108,500	7,167	(101,333)	7%
Beverage Sales	32,388	20,706	17,835	194,640	10,425	(184,215)	5%
Restaurant Rental	1,144	842	1,381	4,520	928	(3,592)	21%
Total Restaurant Operations	52,936	36,367	27,377	307,660	18,520	(289,140)	6%
City Revenues							
Sales Tax	-	-	-	-	2,548	2,548	n/a
Transfers-In from General Fund							
Transfers - In from General Fund	-	-	-	-	-	-	n/a
Total City Revenues	-	-	-	-	2,548	2,548	0%
Total Revenues	158,946	165,834	123,606	1,130,030	131,368	(998,662)	12%

Total Lake Wilderness Golf Course revenues were \$7,762 higher in the 1st Quarter of 2018 than in the 1st Quarter of 2017. Increases in Golf Greens Fees of \$8,129 or 10% and Golf Clubs/Cart Rentals of \$5,211 or 45% were offset by a decrease in Restaurant Operation revenue of \$8,857 or 32%.

EXPENDITURES	2015	2016	2017	2018		% of Budget	
	Actual	Actual	Actual	Budget	Actual	\$ Variance	Expended
City Paid Expenditures							
Salaries & Wages	-	802	561	3,830	473	(3,357)	12%
Benefits	-	298	201	1,340	104	(1,236)	8%
Office & Operating Supp.	136	-	-	330	-	(330)	0%
Other Professional Services	-	-	-	-	-	-	-
Management Services	23,877	23,877	23,877	99,460	23,877	(75,583)	24%
Banking Services	4,720	2,186	2,136	28,490	2,163	(26,327)	8%
Cost Alloc. - Finance	1,187	-	-	-	-	-	n/a
Cost Alloc. - Parks Admin	157	-	-	-	-	-	n/a
Taxes & Assessments	398	307	156	6,770	184	(6,586)	3%
Equipment Replacement	3,357	4,163	716	2,870	716	(2,154)	25%
Property Insurance	8,128	5,868	-	6,120	5,948	(172)	97%
Fire & Life Safety Services	-	-	-	170	-	(170)	0%
Total City Paid Exp.	41,961	37,501	27,647	149,380	33,465	(115,915)	22%
Administration							
Office & Operating Supp.	574	2,171	2,169	6,630	514	(6,116)	8%
Small Tools & Minor Equip.	760	-	-	5,100	51	(5,049)	1%
Books & Minor Software	-	-	-	-	121	121	n/a
Advertising	344	545	514	8,160	1,712	(6,448)	21%
Other Professional Services	1,586	3,064	-	9,130	701	(8,429)	8%
Management Services	92	-	-	120	-	(120)	0%
Contracted Staff	4,268	4,479	4,463	20,810	3,234	(17,576)	16%
Payroll & Personnel Services	515	-	-	880	871	(9)	99%
Cleaning Services	-	-	-	-	60	60	n/a
Security Services	3,085	1,682	763	6,180	855	(5,325)	14%
Banking Services	75	129	134	570	131	(439)	23%
Software Maint. & Support	-	-	-	-	2,137	2,137	n/a
Telephone	1,418	1,430	2,113	7,650	590	(7,060)	8%
Internet	-	-	1,786	-	714	714	n/a
Postage	-	-	-	10	-	(10)	0%
Travel	182	272	189	1,020	76	(944)	7%
Rentals and Leases	-	-	-	-	588	588	n/a
Liability Insurance	2,100	-	-	7,590	-	(7,590)	0%
Property Insurance	-	1,966	2,528	3,060	2,541	(519)	83%
Utility Services	103	14,510	5,471	30,600	14,320	(16,280)	47%
Cable TV	414	424	435	1,480	549	(931)	37%
Repairs & Maintenance	567	260	1,083	2,450	-	(2,450)	0%
Dues, Subscriptions & Member:	509	57	500	2,010	953	(1,057)	47%
Licenses & Permits	620	2,912	2,961	4,040	1,995	(2,045)	49%
Background Checks	-	-	-	-	-	-	n/a
Registration & Training	-	675	55	710	300	(410)	42%
Other Miscellaneous	583	(110)	115	3,570	249	(3,321)	7%
Other Intergov'tl Licenses	-	-	-	-	947	947	n/a
Total Administration	17,794	34,465	25,279	121,770	34,209	(87,561)	28%

	2015	2016	2017	2018		% of Budget	
	Actual	Actual	Actual	Budget	Actual	\$ Variance	Expended
Course Operations							
Office & Operating Supp.	3,016	8,922	3,500	69,480	10,056	(59,424)	14%
Fuel Consumed	1,271	2,532	1,620	20,550	2,523	(18,027)	12%
Inventory Supplies-Merch.	1,624	9,460	2,250	52,450	5,018	(47,432)	10%
Small Tools & Minor Equip.	991	1,616	508	6,620	5,182	(1,438)	78%
Advertising	91	-	-	120	-	(120)	0%
Other Professional Services	-	-	-	-	109	109	n/a
Contracted Staff-Pro Shop	18,869	23,220	18,321	135,870	18,428	(117,442)	14%
Contracted Staff-Course	20,343	31,534	23,044	185,200	26,437	(158,763)	14%
Travel	-	-	-	-	-	-	-
Rentals & Leases	2,668	317	382	47,880	824	(47,056)	2%
Liability Insurance	-	-	-	-	-	-	-
Utility Services	7,424	-	1,999	17,920	-	(17,920)	0%
Repairs & Maintenance	-	3,991	(440)	4,580	270	(4,310)	6%
Dues & Subscriptions	-	-	-	-	-	-	-
Other Miscellaneous	-	5,736	283	11,270	-	(11,270)	0%
Total Course Operations	56,298	87,329	51,468	551,940	68,846	(483,094)	12%
Restaurant							
Office & Operating Supp.	3,018	2,317	978	29,730	1,727	(28,003)	6%
Inventory Supplies-Food	6,580	6,381	3,950	48,460	3,254	(45,206)	7%
Inventory Supp. - Beverages	6,365	7,472	3,647	59,220	2,082	(57,138)	4%
Small Tools & Minor Equip.	308	226	283	9,720	174	(9,546)	2%
Books & Minor Software	-	-	-	-	-	-	n/a
Contracted Staff	13,442	19,463	12,355	108,760	11,359	(97,401)	10%
Cleaning Services	-	-	-	-	-	-	-
Rentals & Leases	1,274	1,232	1,214	8,030	1,837	(6,193)	23%
Utility Services	-	-	1,093	2,590	-	(2,590)	0%
Repairs & Maintenance	1,735	1,929	771	10,600	1,030	(9,570)	10%
Other Miscellaneous	-	-	-	220	-	(220)	0%
Total Restaurant	32,724	39,020	24,292	277,330	21,463	(255,867)	8%
Restaurants Improvements							
WIP-Construction	-	-	-	10,000	-	(10,000)	0%
Course Improvements							
WIP-Construction	-	-	-	15,000	-	(15,000)	0%
Total Expenditures	148,776	198,315	128,687	1,125,420	157,982	(967,438)	14%
Revenue Over Expenditures	10,170	(32,481)	(5,081)	4,610	(26,615)	(31,225)	n/a

Lake Wilderness Golf Course Expenditures through the 1st Quarter of 2018 were \$29,295 higher than in the 1st Quarter of 2017. \$17,378 of the increase was for Course Operations, \$8,930 was for Administration, and \$5,818 was for City Paid expenditures.

Public Safety

Public Safety includes the Police Department, Emergency Operations Center/Emergency Preparedness, Municipal Court, and Jail.

While Public Safety revenues are trending 6% below budget, 1st Quarter revenues do not include any of the anticipated grant revenue nor any portion of the Tahoma School District reimbursement for the contracted School Resource Officer. Adjusted for these items, Public Safety revenue is approximately 4% ahead of budget.

As of March 31, 2018 the City has not yet been billed for the first three months of Police Services through King County. Adjusted for that expense, Police Operations expenditures are trending at 2% under budget.

	2015	2016	2017	2018		\$ Variance	% of Budget Rec./Expd.
	YTD	YTD	YTD	Budget	YTD		
Revenues							
Grants and Contributions	\$ 6,605	\$ 1,675	\$ -	\$ 30,030	\$ -	\$ (30,030)	0%
Criminal Justice Contract Svcs.	10,052	10,463	10,606	38,170	10,909	\$ (27,261)	29%
Criminal Justice - Special Prog.	5,811	6,077	6,237	21,270	6,392	\$ (14,878)	30%
Criminal Justice Low Population	1,582	1,662	1,714	6,260	1,765	\$ (4,496)	28%
Criminal Justice - DUI	1,065	972	945	4,800	920	\$ (3,880)	19%
Impound Fees	2,000	3,400	3,200	9,380	3,100	\$ (6,280)	33%
False Alarm Fees	325	450	125	770	250	\$ (520)	32%
Municipal Court	23,954	28,501	27,450	105,410	35,057	\$ (70,353)	33%
TSD School Resource Officer	-	-	-	97,850	-	\$ (97,850)	0%
Donations/Miscellaneous	-	-	-	1,340	-	\$ (1,340)	0%
Total Revenues	\$ 51,393	\$ 53,200	\$ 50,278	\$ 315,280	\$ 58,394	\$ (256,886)	19%
Expenditures							
Police Operations	\$ 947,712	\$ 105,460	\$ 27,794	\$ 4,658,240	\$ 30,117	\$ (4,628,123)	1%
Police Training	814	-	-	2,550	-	\$ (2,550)	0%
Police Facility	13,172	17,478	17,765	53,840	13,112	\$ (40,728)	24%
Police Special Programs	1,866	145	93	47,790	4,465	\$ (43,325)	9%
Jail	19,225	24,286	13,620	135,380	25,859	\$ (109,521)	19%
Municipal Court	48,117	32,729	50,942	335,240	50,936	\$ (284,304)	15%
Emergency Preparedness	3,169	5,816	5,857	36,660	5,109	\$ (31,551)	14%
Total Expenditures	\$ 1,034,075	\$ 185,914	\$ 116,070	\$ 5,269,700	\$ 129,597	\$ (5,140,103)	2%
Revenues Under Expenditures	\$ (982,682)	\$ (132,714)	\$ (65,793)	\$ (4,954,420)	\$ (71,203)	\$ 4,883,217	1%

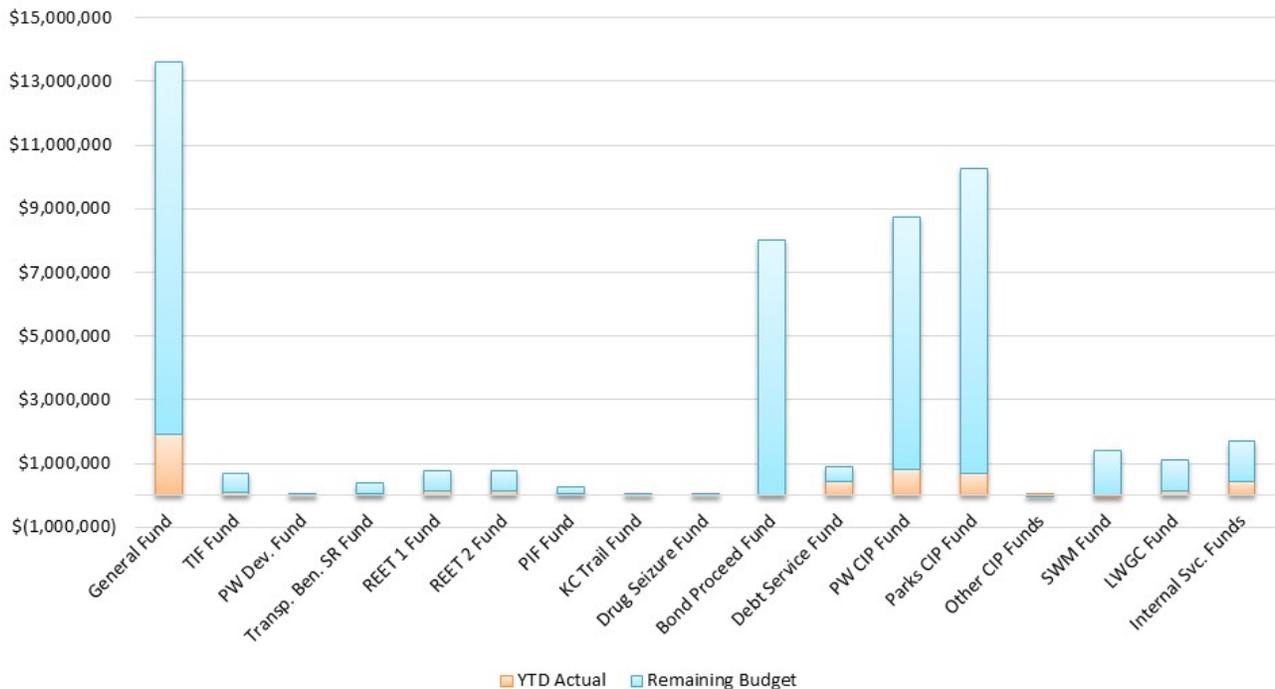
Budget vs. Actual

Budget vs Actual Revenue & Transfers-In by Fund

As of March 31, 2018

Fund	Budget	YTD Actual	Remaining Budget
General Fund	\$ 13,605,902	\$ 1,931,412	\$ 11,674,490
Transportation Impact Fee Fund	694,630	116,655	577,975
PW Development Fund	1,800	532	1,268
Transportation Benefit SR Fund	382,600	62,951	319,649
REET 1 Fund (Transportation)	786,930	128,400	658,530
REET 2 Fund (Parks)	771,680	127,811	643,869
Parks Impact Fee fund	251,670	72,546	179,124
King County Trail & Open Space Fund	22,490	639	21,851
Drug Seizures Fund	10,320	2,520	7,800
Bond Proceed Fund	8,000,000	-	8,000,000
Debt Service Fund	890,157	445,079	445,079
Public Works CIP Fund	8,736,500	831,780	7,904,720
Parks CIP Fund	10,275,000	706,394	9,568,606
Other CIP Funds	-	33,125	(33,125)
Surface Water Management	1,382,530	(37,003)	1,419,533
Lake Wilderness Golf Course Fund	1,130,030	131,368	998,662
Internal Service Funds	1,727,750	443,225	1,284,525
Total	\$ 48,669,989	\$ 4,997,434	\$ 43,672,555

Revenue & Transfers-In by Fund

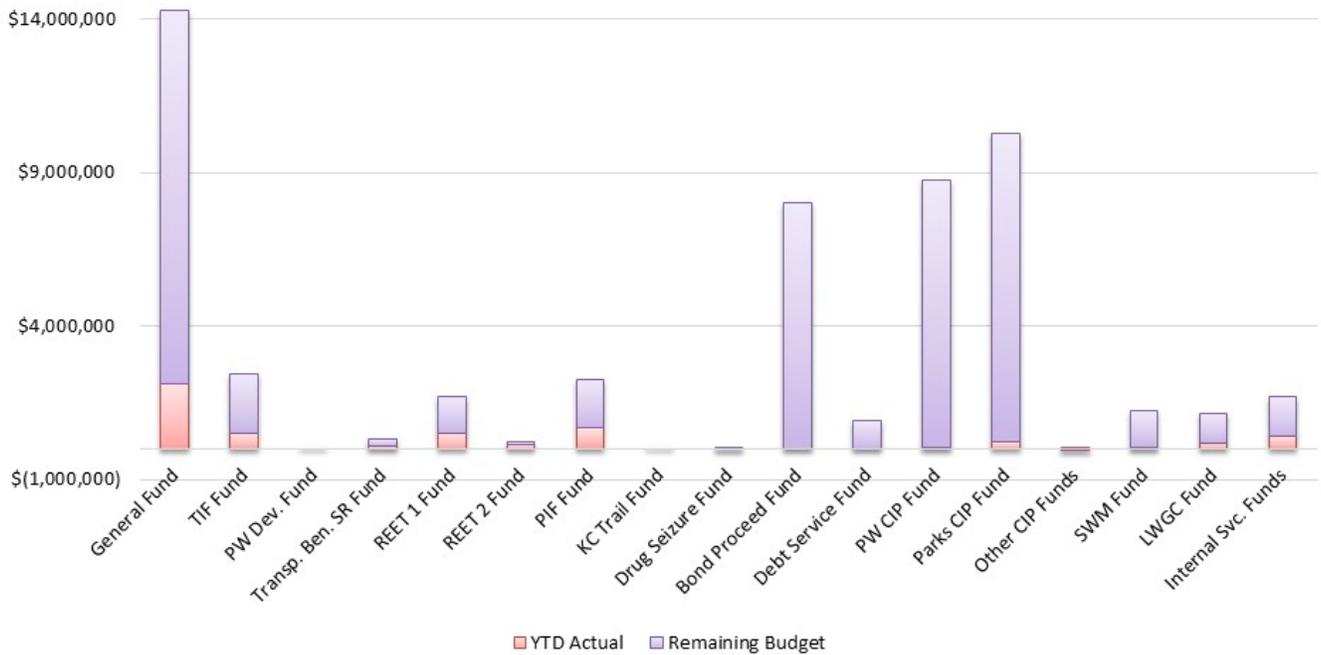


Budget vs Actual Expenditures & Transfers-Out by Fund

As of March 31, 2018

Fund	Budget	YTD Actual	Remaining Budget
General Fund	\$ 14,300,221	\$ 2,096,789	\$ 12,203,432
Transportation Impact Fee Fund	2,416,458	494,522	1,921,936
PW Development Fund	-	-	-
Transportation Benefit SR Fund	300,420	75,000	225,420
REET 1 Fund (Transportation)	1,694,804	515,425	1,179,380
REET 2 Fund (Parks)	207,774	124,379	83,395
Parks Impact Fee fund	2,262,500	685,903	1,576,598
King County Trail & Open Space Fund	-	-	-
Drug Seizures Fund	8,730	7,500	1,230
Bond Proceed Fund	8,000,000	-	8,000,000
Debt Service Fund	890,158	-	890,158
Public Works CIP Fund	8,736,500	26,753	8,709,747
Parks CIP Fund	10,275,000	237,030	10,037,970
Other CIP Funds	-	1,000	(1,000)
Surface Water Management	1,251,580	54,574	1,197,006
Lake Wilderness Golf Course Fund	1,125,420	157,982	967,438
Internal Service Funds	1,674,690	420,126	1,254,564
Total	\$ 53,144,255	\$ 4,896,982	\$ 48,247,273

Expenditures & Transfers-Out by Fund



Fund Balance Summary

Ending Fund Balance
As of March 31, 2018

Fund	Beginning Fund Balance	Revenues & Transfers-In	Expenditures & Transfers-Out	Ending Fund Balance
General Fund	\$ 5,491,168	\$ 1,931,412	\$ 2,096,789	\$ 5,325,791
Transportation Impact Fee Fund	4,094,973	116,655	494,522	3,717,106
PW Development Fund	62,529	532	-	63,060
Transportation Benefit SR Fund	737,644	62,951	75,000	725,595
REET 1 Fund (Transportation)	2,949,850	128,400	515,425	2,562,826
REET 2 Fund (Parks)	2,746,149	127,811	124,379	2,749,581
Parks Impact Fee Fund	2,318,710	72,546	685,903	1,705,354
King County Trail & Open Space Fund	405,744	639	-	406,383
Drug Seizures Fund	93,290	2,520	7,500	88,310
Bond Proceed Fund	-	-	-	-
Debt Service Fund	-	445,079	-	445,079
Public Works CIP Fund	556,196	831,780	26,753	1,361,223
Parks CIP Fund	(167,998)	706,394	237,030	301,367
Other CIP Funds	31,775	33,125	1,000	63,900
Surface Water Management	3,686,267	(37,003)	54,574	3,594,690
Lake Wilderness Golf Course Fund	28,205	131,368	157,982	1,591
Internal Service Funds*	643,722	443,225	420,126	666,821
Total	\$ 23,678,225	\$ 4,997,434	\$ 4,896,982	\$ 23,778,677

*Ending Fund Balance primarily consists of equipment replacement reserves.

Ending Fund Balance by Fund

