

2013-2014 Biennial Budget 2nd Quarter 2013 Financial Report

Presented by Tad Wille, Budget Officer
City Council Study Session
July 30, 2013

2nd Quarter 2013 Financial Report

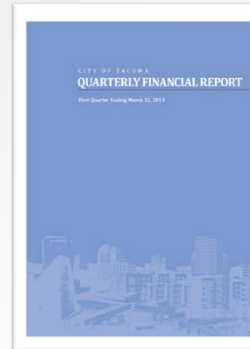
- Update on General Fund and General Fund-Supported Funds' Finances for 2013-2014 Biennium through 2nd Quarter 2013



Purpose of Financial Reporting

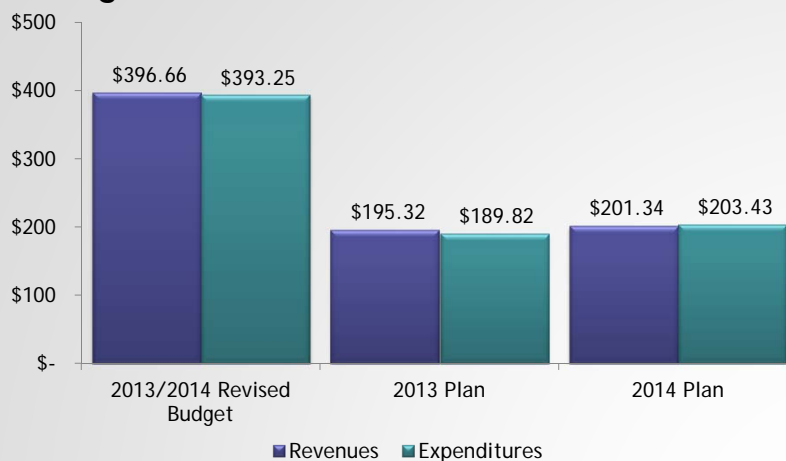
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- Provide a consistent format for City Council and Residents to:
 - Comprehensively view General Government's financial performance compared to projections
 - Increase transparency and accountability



2013-2014 General Fund Revised Budget (Millions)

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General Fund Update

- General Fund net financial result through 2Q approximately \$7.92 M better than planned budget
 - \$3.63 M more in revenues
 - Favorable trends in Property Taxes, Sales Taxes, Business Taxes and Business & Licenses Permit revenues.
 - \$4.29 M less in expenditures
 - Positive expenditure variance largely due to Police Department jail cost savings, Police and Fire Pension medical expenses lower than anticipated, as well as deferred or delayed expense payments to be realized later in 2013.

General Fund Revenues

General Fund Revenues (Millions)

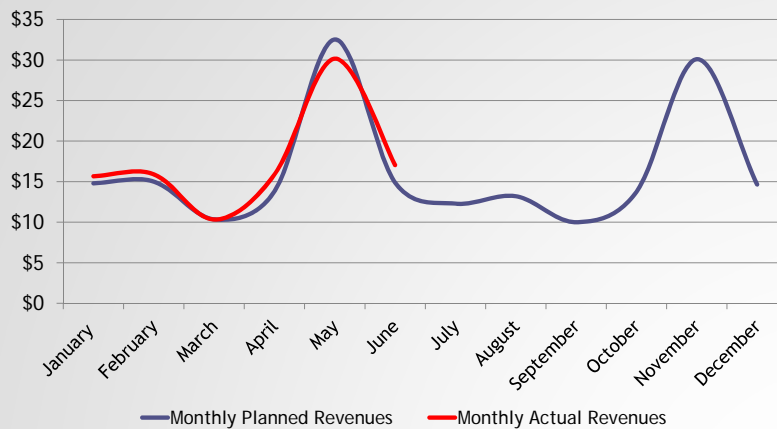
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General Fund Revenues (Millions)					
2013-2014 Budget	2013 Planned	2Q Planned	2Q Actual	Variance	% Variance from Target
\$396.66	\$195.32	\$101.34	\$104.97	\$3.63	3.6%

2013 General Fund Revenues - All Sources by Month (Millions)

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General Fund Revenue Variance (Millions)

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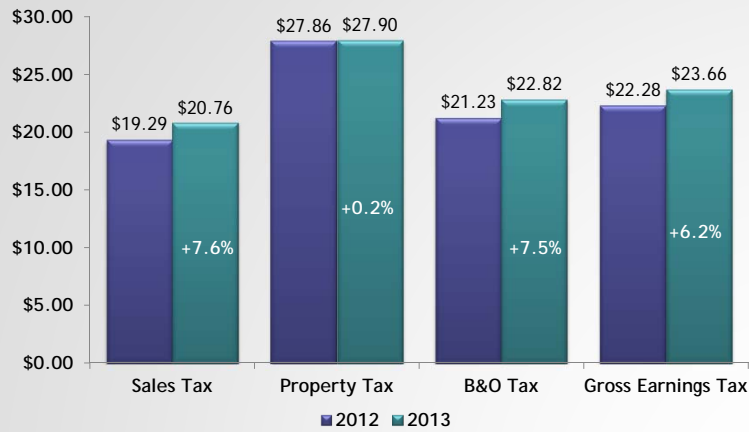
Revenue Source	Thru 2Q Plan	Thru 2Q Actual	Variance
Business Taxes	\$20.97	\$22.82	\$1.85
Sales Taxes	\$19.98	\$20.76	\$0.78
Utility Taxes	\$23.42	\$23.66	\$0.24
Property Taxes	\$27.30	\$27.90	\$0.60
Other Revenue	\$9.67	\$9.84	\$0.16
Total	\$101.34	\$104.98	\$3.63

Revenue Variance Detail

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- **\$3.63 M more than planned revenues:**
 - \$1.85 M in Business Taxes
 - Retailing up year-over-year by 13%, largely due to construction activity and motor vehicle sales
 - \$780 K in Sales Taxes
 - Favorable due to increased retail sales and construction
 - \$240 K in Utility Taxes
 - Favorable Rail revenues
 - \$600 K in Property Taxes
 - Timely property tax payments
 - \$160 K in Other Revenues
 - Favorable Business and License permits

General Fund YTD Taxes Revenue 2012 v. 2013 (Millions)



General Fund Expenditures

General Fund Expenditures (Millions)

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General Fund Expenditures (Millions)					
2013-2014 Budget	2013 Planned	2Q Planned	2Q Actual	Variance	% Variance from Target
\$393.25	\$189.82	\$90.27	\$85.98	\$4.29	4.7%

General Fund Expenditure Variance (Millions)

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Department	Thru 2Q Plan	Thru 2Q Actual	Variance
Police	\$34.40	\$33.02	\$1.38
Fire	\$21.32	\$20.70	\$0.62
Non Departmental	\$12.91	\$11.82	\$1.10
Other Departments	\$21.64	\$20.44	\$1.19
Total	\$90.27	\$85.98	\$4.29

Expenditure Variance Detail

- \$4.29 M less than planned expenditures:
 - \$1.38 M from Police Department
 - \$933 K in Jail & LESA cost savings, \$170 K from vacancy savings and \$143 K from lower than anticipated assessments
 - \$620 K from Fire Department
 - \$401 K in vacancies and OT savings, \$154 K in deferred maintenance & operations, \$56 K in reduced fuel costs
 - \$1.10 M from Non Departmental
 - Lower than anticipated medical claims from retired LEOFF I Police and Firefighters
 - \$1.19 M from Other Departments
 - Vacancies, deferred costs, and miscellaneous savings

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