

**CITY OF FEDERAL WAY  
CITY COUNCIL  
AGENDA BILL**

**SUBJECT: DECEMBER 2015 MONTHLY FINANCIAL REPORT**

**POLICY QUESTION:** Should the Council approve the December 2015 Monthly Financial Report?

**COMMITTEE:** Finance, Economic Development and Regional Affairs Committee

**MEETING DATE:** February 23, 2016

**CATEGORY:**

- |   |  |  |
|---|--|--|
| <input checked="" type="checkbox"/> <b>Consent</b>    | <input type="checkbox"/> <b>Ordinance</b>  | <input type="checkbox"/> <b>Public Hearing</b> |
| <input type="checkbox"/> <b>City Council Business</b> | <input type="checkbox"/> <b>Resolution</b> | <input type="checkbox"/> <b>Other</b>          |

**STAFF REPORT BY:** Ade Ariwoola, Finance Director

**DEPT:** Finance

**Attachments:**

- December 2015 Monthly Financial Report

**Options Considered:**

- Approve the December 2015 Monthly Financial Report as presented
- Deny approval of the December 2015 Monthly Financial Report and provide direction to staff.

**MAYOR’S RECOMMENDATION:** Mayor recommends approval of Option 1.

**MAYOR APPROVAL:**

\_\_\_\_\_  
Committee                      Council

**DIRECTOR APPROVAL:**

\_\_\_\_\_  
Initial

**CHIEF OF STAFF:**

\_\_\_\_\_  
Committee                      Council

**COMMITTEE RECOMMENDATION:** *I move to forward approval of the December 2015 Monthly Financial Report to the March 01, 2016 consent agenda for approval.*

\_\_\_\_\_  
Committee Chair

\_\_\_\_\_  
Committee Member

\_\_\_\_\_  
Committee Member

**PROPOSED COUNCIL MOTION:** *“I move approval of the December 2015 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

<b>COUNCIL BILL #</b>	_____
1 <sup>ST</sup> reading	_____
Enactment reading	_____
<b>ORDINANCE #</b>	_____
<b>RESOLUTION #</b>	_____

The following are highlights of the December 2015 Monthly Financial Report. Detailed financial information can be found in the December 2015 Monthly Financial Report detail.

### Notable Areas

1. Public Works permits and fees is above 2015 annual budget by \$203K or 64.1% primarily due to prior inspections hours being charged against the deposit made by the developer.
2. Hotel/Motel lodging tax is \$34K or 14.8% above 2014 annual collections. With the economy getting better more visitors are staying in hotels.
3. Dumas Bay Center is \$116K or 18.1% above 2014 annual collections. There has been an increase in retreat rentals at the facility, and there was a 10% pricing increase for rental fees over 2014.

### General & Street Fund Summary

Revenues are above the annual budget by \$1.1M or 2.9% with all revenues on target or above annual budget except for property tax, court revenue, and interest earnings.

Total General & Street Fund expenditures are below annual budget by \$308K or 0.8%. The following Departments are above their projected annual budget: Jail, Police, and Parks and Recreation. Police is over annual budget by \$440K primarily due to an increase in billable overtime and regular operational overtime outside the budget amount. Jail is over annual budget by \$19K due to additional outside jail services for psychiatric care provided through King County and Providence Community which are outside the budget. Parks & Recreation is over annual budget by \$134K primarily due to additional instructor hours for classes and events, and an increase in repairs and maintenance and utility billings in Parks maintenance.

**Property tax** is above 2014 annual actual by \$72K or 0.7% and below 2015 annual budget by \$38K or 0.4%.

**Sales tax** exceeds 2014 annual actual by \$1.1M or 9.2% and also exceeds 2015 annual budget by \$335M or 2.6%. Retail sales (increase of \$389K or 6.1%), services (increase of \$214K or 7.6%), construction (increase of \$450K or 34.6%), and wholesaling (increase of \$17K or 3.4%) account for the majority of the increase compared to 2014 annual actuals.

Additionally, **criminal justice sales tax** collected county-wide also exceeds 2014 annual actual by \$181K or 8.5% and 2015 annual budget by \$46K or 2.0% which further indicates growth.

**Community Development permits and fees** are below the 2014 annual actual by \$361K or 11.8% and above 2015 annual budget by \$127K or 4.9%. Significant permit revenues received this year include Federal Way High School, Kitts Corner Apartments, Crestview West Apartments, Highpoint Apartments, and Christian Faith School. Permits that contributed to the increase in 2014 over 2015 were Wynstone East, Park 16 Apartments, Celebration Senior Living, Dicks Sporting Goods, and Progressive Claims Office.

**Court revenue** is above 2014 annual actual by \$71K or 5.2% and below 2015 annual budget by \$110K or 7.1%. The enhanced signage, lighting, and continued enforcement activity is the primary reason for the reduction.

**Park & General Recreation Fees** is above 2014 annual actual by \$20K or 2.0% and above 2015 annual budget by \$76K or 8.1%. Senior trips and tours revenue increased through the efforts of staff to market and promote the programs.

These changes are all in line with our financial projection and budget appropriation.

### **Designated Operating Funds**

Expenditures are below 2015 annual budget by \$1.2M or 7.6% and are primarily due to operational decreases in Traffic Safety and Surface Water Management, and lower than expected costs for the Arterial Street Overlay project.

**Utility tax** revenues received annually as reported on the monthly financial report totals \$11.8M and is \$232K or 1.9% below 2014 annual actual and \$505K or 4.5% above 2015 annual budget. The total budget was reduced in December to recognize the falling utility tax revenue.

The following is the comparison of 2015 annual actual to 2014 annual actual utility taxes by category:

Electricity – current annual increase by \$91K or 2.0%.

Gas – current annual decrease by \$120K or 7.5%

Cable – current annual increase by \$80K or 5.1%

Cellular – current annual decrease by \$347K or 15.1%

SWM – current annual increase by \$28K or 10.5%

**Real estate excise tax** 2015 annual revenues of \$3.0M is above 2014 annual actual by \$968K or 46.9% and is below the 2015 annual budget by \$69K or 2.2%. There were 115 taxable residential sales (total sales \$26.9M / \$135K tax), and four commercial sales (total sales \$39.3M / \$197K tax).

**Federal Way Community Center** continues to increase revenues while controlling expenditures.

2015 annual operating revenues total \$1.9M, which is below the 2015 annual budget by \$18K or 1.0% and above the 2014 annual actual by \$16K or 0.9%. Major revenue increases are in daily drop-ins, fitness classes, and rentals. Rentals were at capacity for the months of June, July and August.

2015 annual operating expenditures total \$2.2M, which is above the 2015 annual budget by \$9K or 0.4% and above 2014 annual actual by \$4K or 0.2%. Increases in personnel cost is due to increased service levels to meet higher demands. The increase in supplies is due to repairs and system replacements now that the facility is 9 years old, a major repair to roof top HVAC unit, pool pump, heat exchanger units, pool drain covers, and additional supplies for Splash Cafe. The decrease in utility costs is due to energy efficiency efforts, timing of payments, and generally warm weather this year.

The 2015 annual revenues over / (under) expenditures of (\$311K) is performing better than 2014 annual actual by \$12K. To date, \$397K of operating subsidy has been used to keep the reserve fund balance at \$1.5M. The City used \$302K in operating subsidy this time last year. Of the \$397K, \$159K is for major maintenance on the facility.

The ending fund balance for the end of this year is \$1.5M. The fund balance is set aside for equipment replacement, major building upgrades, and roof replacement of the Community Center Building.

**Dumas Bay Centre** is showing higher revenues annually of \$116K or 18.1% compared to 2014, and expenditures are over 2015 annual budget by \$17K or 2.1%.

2015 annual operating revenues total \$760K, which is \$63K or 9.0% above the 2015 annual budget, and above 2014 annual actual by \$116K or 18.1%. The increase from 2014 annual actual is due to an increase in rental activities as a result of the marketing plan that was commissioned in 2011, the Google AdWords campaign put into action from the marketing plan as well as securing the return of rental groups.

2015 annual operating expenses total \$786K, which is \$17K or 2.1% above the 2015 annual budget and \$57K above 2014 annual actual. The increase in expenses over 2014 annual actual is due to an increase in goods and services for the operation as well as the increase in rental activity for the year.

2015 annual revenues over/(under) expenditures of (\$25K) is above annual 2014 by \$59K.

The total fund balance of \$399K is for future general capital needs of the building. In accordance with City's reserve policy, the City plans to bring the fund balance to the required \$500K.

## December 2015 Monthly Financial Report - Detail

GENERAL & STREET FUND SUMMARY	2014		2015		2015 Budget vs. Actual	
	Annual Budget	Annual Actual	Annual Budget	Annual Actual	Favorable/(Unfavorable)	
					\$	%
<b>Beginning Fund Balance</b>	\$ 16,240,295	\$ 16,240,295	\$ 13,264,105	\$ 13,264,105	n/a	n/a
<b>Revenues:</b>						
Property Taxes	10,077,000	10,233,416	10,342,770	10,305,144	(37,626)	-0.4%
Sales Tax	11,614,000	12,173,288	12,962,420	13,297,086	334,666	2.6%
Criminal Justice Sales Tax	1,913,000	2,138,405	2,273,430	2,319,124	45,694	2.0%
Gambling Taxes	145,000	176,068	155,000	178,118	23,118	14.9%
State Shared Revenue	2,171,000	2,355,979	2,483,000	2,559,940	76,940	3.1%
Leasehold Tax	6,000	6,693	6,000	6,104	104	1.7%
Court Revenue	1,431,000	1,370,107	1,551,550	1,441,207	(110,343)	-7.1%
CED Permits & Fees	2,100,577	3,059,772	2,572,000	2,698,841	126,841	4.9%
PW Permits & Fees	317,000	368,797	317,000	520,249	203,249	64.1%
Business License Fees	252,000	267,293	259,000	267,500	8,500	3.3%
Franchise Fees	1,041,000	1,070,983	1,050,000	1,113,436	63,436	6.0%
Passport Agency Fees	55,000	64,750	65,000	74,275	9,275	14.3%
Park & General Recreation Fees	937,000	992,680	937,000	1,012,820	75,820	8.1%
Police Services	765,000	1,058,716	984,000	1,124,278	140,278	14.3%
Admin/Cash Management Fees	520,314	520,314	375,896	375,896	0	0.0%
Interest Earnings	31,000	17,534	31,000	27,090	(3,910)	-12.6%
Miscellaneous/Other	219,000	332,703	278,600	400,978	122,378	43.9%
<b>Total Revenues</b>	<b>33,594,891</b>	<b>36,207,497</b>	<b>36,643,666</b>	<b>37,722,087</b>	<b>1,078,421</b>	<b>2.9%</b>
<b>Expenditures:</b>						
City Council	389,913	355,579	393,975	363,550	30,425	7.7%
Mayor's Office	1,287,346	1,336,396	1,511,439	1,511,600	(161)	0.0%
Community Development	2,863,861	2,697,364	2,296,033	2,222,664	73,369	3.2%
Economic Development	364,864	131,364	232,238	201,997	30,241	13.0%
Human Services	778,640	811,456	834,592	743,184	91,408	11.0%
Finance	999,938	962,916	908,534	883,629	24,905	2.7%
Human Resources	1,066,541	969,381	874,337	817,304	57,033	6.5%
Law	1,624,308	1,471,143	1,316,420	1,299,173	17,247	1.3%
Municipal Court	1,687,470	1,670,089	1,326,071	1,311,919	14,152	1.1%
Jail	4,159,831	4,004,632	4,436,614	4,455,713	(19,099)	-0.4%
Police	22,987,085	23,898,496	18,237,744	18,678,114	(440,370)	-2.4%
Parks & Recreation	4,213,996	3,960,905	3,548,663	3,682,473	(133,810)	-3.8%
Public Works	5,292,730	4,630,788	4,069,657	3,506,800	562,857	13.8%
<b>Total Expenditures</b>	<b>47,716,523</b>	<b>46,900,509</b>	<b>39,986,317</b>	<b>39,678,121</b>	<b>308,196</b>	<b>0.8%</b>
<b>Revenues over/(under) Expenditures</b>	<b>(14,121,632)</b>	<b>(10,693,012)</b>	<b>(3,342,651)</b>	<b>(1,956,034)</b>	<b>1,386,617</b>	<b>-41.5%</b>
<b>Other Sources:</b>						
Ongoing Transfers In:						
Red Light/School Zone for Comp Pln & Traffic	1,096,000	1,093,212	155,000	155,000	-	0.0%
Utility Tax for Designated Programs	1,343,000	1,140,135	498,000	248,818	(249,182)	-50.0%
Utility Tax for Operations	3,893,000	3,893,000	6,495,929	5,103,008	(1,392,921)	-21.4%
Utility Tax for Prop 1 Voter Package	2,980,187	2,931,304	-	-	-	n/a
One-Time Transfers In/Grants/Other	331,450	520,168	444,676	576,963	132,287	29.7%
<b>Total Other Financing Sources</b>	<b>9,643,637</b>	<b>9,577,819</b>	<b>7,593,605</b>	<b>6,083,789</b>	<b>(1,509,816)</b>	<b>-19.9%</b>
<b>Other Uses:</b>						
Contingency Reserve Funds	27,000	-	-	-	-	n/a
1-Time Transfers Out/Other/Unalloc IS	3,218,464	1,861,000	5,662,989	5,385,272	277,717	4.9%
<b>Total Other Financing Uses</b>	<b>3,245,464</b>	<b>1,861,000</b>	<b>5,662,989</b>	<b>5,385,272</b>	<b>277,717</b>	<b>4.9%</b>
<b>Total Ending Fund Balance</b>	<b>\$ 8,516,836</b>	<b>\$ 13,264,102</b>	<b>\$ 11,852,070</b>	<b>\$ 12,006,587</b>	<b>n/a</b>	<b>n/a</b>

DESIGNATED OPERATING FUNDS SUMMARY	2014		2015		2015 Budget vs. Actual Favorable/(Unfavorable)	
	Annual Budget	Annual Actual	Annual Budget	Annual Actual	\$	%
<b>Beginning Fund Balance</b>	<b>\$ 18,232,684</b>	<b>\$ 18,232,684</b>	<b>\$ 21,407,791</b>	<b>\$ 21,407,792</b>	<b>n/a</b>	<b>n/a</b>
<b>Revenues:</b>						
Utility Tax	9,711,581	9,308,402	8,735,934	9,129,221	393,287	4.5%
Utility Tax - Prop 1 Voter Package	2,840,419	2,720,475	2,555,856	2,667,329	111,474	4.4%
Hotel/Motel Lodging Tax	195,000	231,828	200,000	266,053	66,053	33.0%
Real Estate Excise Tax	1,800,000	2,062,722	3,100,000	3,031,159	(68,841)	-2.2%
Property Tax - King Co Expansion Levy	-	181,880	155,000	177,780	22,780	14.7%
State Shared Revenue	495,000	496,470	509,000	510,660	1,660	0.3%
Traffic Safety (Red Light/School Zone)	1,455,000	2,460,187	2,773,643	3,012,004	238,361	8.6%
Federal Way Community Center	1,643,500	1,851,260	1,885,500	1,867,493	(18,007)	-1.0%
Dumas Bay Centre Fund	635,251	644,049	697,251	760,332	63,081	9.0%
Surface Water Management Fees	3,456,000	3,462,003	3,820,000	3,871,256	51,256	1.3%
Refuse Collection Fees	287,517	305,742	302,517	300,983	(1,534)	-0.5%
Interest Earnings	15,300	106,674	11,800	39,838	28,038	237.6%
Miscellaneous/Other	27,768	27,881	27,768	48,554	20,786	74.9%
<b>Total Revenues</b>	<b>22,562,336</b>	<b>23,859,573</b>	<b>24,774,269</b>	<b>25,682,661</b>	<b>908,392</b>	<b>3.7%</b>
<b>Expenditures:</b>						
Arterial Streets Overlay Program	1,696,031	1,415,175	1,724,205	1,336,390	387,815	22.5%
Utility Tax Admin/Cash Mgmt Fees	48,000	48,000	-	-	-	n/a
Solid Waste & Recycling	499,412	461,717	501,031	478,807	22,224	4.4%
Hotel/Motel Lodging Tax	227,034	58,786	355,296	180,180	175,116	49.3%
Traffic Safety (Red Light/School Zone)	625,000	627,786	2,123,644	1,994,792	128,852	6.1%
Utility Tax Proposition 1	-	-	2,841,965	2,782,463	59,502	2.1%
Debt Service (Debt & Admin Fee)	1,995,392	1,985,446	1,039,573	1,005,479	34,094	3.3%
Federal Way Community Center	2,205,049	2,174,104	2,170,024	2,178,525	(8,501)	-0.4%
Performing Arts & Conf Ctr Operations	-	-	27,989	15,387	12,602	45.0%
Dumas Bay Centre Fund	695,146	728,379	769,243	785,763	(16,521)	-2.1%
Surface Water Management	3,940,196	3,132,984	3,810,626	3,434,780	375,846	9.9%
<b>Total Expenditures</b>	<b>11,931,259</b>	<b>10,632,377</b>	<b>15,363,596</b>	<b>14,192,567</b>	<b>1,171,029</b>	<b>7.6%</b>
<b>Revenues over/(under) Expenditures</b>	<b>10,631,077</b>	<b>13,227,196</b>	<b>9,410,673</b>	<b>11,490,094</b>	<b>2,079,421</b>	<b>22.1%</b>
<b>Other Sources:</b>						
Ongoing Transfers In:						
Utility Tax for DBC Oper/Reserves	112,000	112,000	233,659	233,659	-	0.0%
Utility Tax for FWCC Oper/Reserves	554,275	301,944	396,754	396,754	-	0.0%
Utility Tax for FWCC & SCORE Debt	-	25,169	2,437,240	2,402,722	(34,518)	-1.4%
Utility Tax for Arterial Streets Overlay	-	-	1,013,000	760,885	(252,115)	-24.9%
1-Time Transfers/Grants/Other	13,964,796	14,128,588	495,027	793,749	298,722	60.3%
<b>Total Other Sources</b>	<b>14,631,071</b>	<b>14,567,701</b>	<b>4,575,680</b>	<b>4,587,769</b>	<b>12,089</b>	<b>0.3%</b>
<b>Other Uses:</b>						
Ongoing Transfer Out:						
Traffic Safety (Red Light/School Zone)	1,141,725	1,138,937	-	-	-	n/a
Utility Tax to FWCC Oper/Reserves	554,275	301,944	396,754	396,754	-	0.0%
Utility Tax to FWCC & SCORE Debt	-	-	1,028,040	993,522	34,518	3.4%
Utility Tax to DBC Oper/Reserves	112,000	112,000	233,659	483,659	(250,000)	-107.0%
Utility Tax to Arterial Streets Overlay	-	-	1,013,000	760,885	252,115	24.9%
Utility Tax to Transportation Capital	-	-	-	-	-	n/a
Utility Tax to General/Street Oper	5,236,000	5,033,135	6,690,493	5,028,390	1,662,103	24.8%
Utility Tax to Prop 1 Voter Package	2,980,187	2,931,304	-	-	-	n/a
1-Time Transfers/Other/Unalloc IS	15,366,404	15,102,476	6,606,434	6,419,435	186,999	2.8%
<b>Total Other Uses</b>	<b>25,390,591</b>	<b>24,619,796</b>	<b>15,968,380</b>	<b>14,082,645</b>	<b>1,885,735</b>	<b>11.8%</b>
<b>Ending Fund Balance</b>						
Arterial Streets Overlay	1	308,702	100,000	298,388	n/a	n/a
Utility Tax (non-Prop 1)	2,615,082	2,710,592	2,029,152	4,120,012	n/a	n/a
Utility Tax - Prop 1 Voter Package	905,665	834,603	548,462	719,485	n/a	n/a
Solid Waste & Recycling	183,884	204,137	177,821	208,857	n/a	n/a
Hotel/Motel Lodging Tax	195,300	400,296	245,300	501,765	n/a	n/a
Federal Way Community Center	1,586,740	1,573,471	1,483,499	1,500,002	n/a	n/a
Traffic Safety Fund	2,492,758	3,500,514	3,241,744	3,614,117	n/a	n/a
Real Estate Excise Tax Fund	3,286,857	3,550,864	3,508,627	3,445,070	n/a	n/a
Performing Arts & Conf Ctr Operations	-	-	(1)	12,608	n/a	n/a
Paths & Trails	14,440	196,665	360,664	384,357	n/a	n/a
Strategic Reserve Fund	3,000,000	3,382,044	3,012,279	3,085,472	n/a	n/a
Parks Reserve Fund	-	-	250,000	250,000	n/a	n/a
Debt Service Fund	39,444	73,485	1,471,153	1,471,579	n/a	n/a
Surface Water Management	3,628,141	4,491,213	2,964,197	3,392,481	n/a	n/a
Dumas Bay Centre Fund	155,929	181,200	32,867	398,817	n/a	n/a
<b>Total Ending Fund Balance</b>	<b>\$ 18,104,238</b>	<b>\$ 21,407,787</b>	<b>\$ 19,425,764</b>	<b>\$ 23,403,009</b>	<b>n/a</b>	<b>n/a</b>

**Sales Tax**

Compared to annual 2014 actual, sales tax revenues are up by \$1.1M or 9.2%. Compared to 2015 budget, annual sales tax revenues went up by \$335K or 2.6%. There is usually a two month lag in sales tax revenue. The sales tax reported for December 2015 is paid in February 2015.

LOCAL RETAIL SALES TAX REVENUES							
Annual 2015							
Month	2014 Actual	2015		Favorable/(Unfavorable)			
				Change from 2014		2015 Actual vs Budget	
		Budget	Actual	\$	%	\$	%
Jan	\$ -	-	-	-	-	-	-
Feb	1,193,962	1,271,360	1,353,180	159,218	13.3%	81,820	6.4%
Mar	885,403	942,799	912,804	27,401	3.1%	(29,995)	-3.2%
Apr	878,261	935,194	952,455	74,194	8.4%	17,261	1.8%
May	995,299	1,059,819	1,088,938	93,639	9.4%	29,119	2.7%
Jun	928,710	988,914	1,044,900	116,190	12.5%	55,987	5.7%
Jul	980,780	1,044,359	1,092,791	112,011	11.4%	48,432	4.6%
Aug	1,127,275	1,200,351	1,254,134	126,859	11.3%	53,784	4.5%
Sep	1,062,818	1,131,715	1,144,483	81,665	7.7%	12,768	1.1%
Oct	1,042,609	1,110,196	1,123,740	81,131	7.8%	13,544	1.2%
Nov	1,082,321	1,152,482	1,137,158	54,838	5.1%	(15,324)	-1.3%
Dec	1,995,852	2,125,233	2,192,502	196,650	9.9%	67,269	3.2%
<b>YTD Total</b>	<b>\$ 12,173,288</b>	<b>\$ 12,962,420</b>	<b>\$ 13,297,086</b>	<b>\$ 1,123,797</b>	<b>9.2%</b>	<b>\$ 334,666</b>	<b>2.6%</b>
<b>Annual Total</b>	<b>\$ 12,173,288</b>	<b>\$ 12,962,420</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>

COMPARISON OF SALES TAX COLLECTIONS BY SIC GROUP					
Component Group	2014 Actual	2015 Actual	Favorable/(Unfavorable) Change from 2014		Explanation
			\$	%	
Retail Trade	\$ 6,328,324	\$ 6,717,150	\$ 388,826	6.1%	Up \$413K - Motor Vehicle & Parts Dealer, Building Material & Garden, Clothing and Accessories, Sporting Goods, Health & Personal Care, Hobby, Books, Food & Beverage Stores, Gasoline Stations, Nonstore retailers  Down \$25K - Miscellaneous Retailers, Electronics & Appliances
Services	2,804,987	3,019,060	214,073	7.6%	Up \$224K - Administrative & Support Services, Nursing and Residential Care, Amusement, Gambling, Food Services & Drinking Places, Repair & Maintenance, Personal & Laundry Services, Religious, Grantmaking, Civic, Accommodation, Ambulatory Services, Hospital  Down \$10K - Professional/Scientific/Tech, Company Management, Educational Services, Social Assistance, Performing Arts
Construct	1,298,476	1,747,941	449,465	34.6%	Up \$473K - Construction of Buildings, Specialty Trade Down \$24K - Heavy & Civil Construction
Wholesaling	500,994	518,276	17,282	3.4%	Up \$17K - Wholesale Trade, Durable & Nondurable goods
Transp/Utility	4,286	6,368	2,082	48.6%	
Information	616,360	648,418	32,058	5.2%	Up \$32K - Internet Service Providers, Publishing Industries, Telecommunications, Other Information Services
Manufacturing	124,721	126,616	1,896	1.5%	Up \$16K Food Manufacturing, Nonmetallic Mineral Products, Fabricated Metal Products, Computer & Electronic Products, & Miscellaneous Manufacturing  Down \$14K - Wood Product Manufacturing, Furniture & Related products, Electric Equipment, Printing & Related Support
Government	173,783	154,001	(19,782)	-11.4%	Up \$8K - Executive Legislative  Down \$28K - Nonclassifiable establishments, Economic Programs Admin, Justice, Public Order, Safety
Fin/Insurance/Real Estate	299,779	297,657	(2,122)	-0.7%	Up \$22K - Credit Intermediation, Securities, Commodities, Rental & Leasing Services  Down \$24K - Insurance Carriers and Related, Real Estate
Other	21,580	61,598	40,018	185.4%	
	<b>\$ 12,173,288</b>	<b>\$ 13,297,086</b>	<b>\$ 1,123,797</b>	<b>9.2%</b>	

SALES TAX COMPARISON by AREA					
Annual 2015					
Location	2014	2015	Favorable/(Unfavorable)		Explanation
			Chg from 2014		
			\$	%	
<b>YTD Total Sales Tax</b>	<b>\$ 12,173,288</b>	<b>\$ 13,297,086</b>	<b>\$ 1,123,797</b>	<b>9.2%</b>	
S 348th Retail Block	1,195,413	1,665,580	470,166	39.3%	Up \$492K Retail Automotive/Gas, Retail Building Materials, Retail General Merchandise Down \$22K Retail Eating and Drinking, Electronics & Appliances
The Commons	932,081	1,097,349	165,268	17.7%	Up \$175K Misc Retail Trade, Retail Eating & Drinking, Retail Apparel Down \$10K Communications, Retail General Merchandise
S 312th to S 316th	743,862	782,830	38,968	5.2%	Up \$39K Retail General Merchandise, Automotive Gas, Automotive Repair
Pavilion Center	442,457	443,525	1,067	0.2%	General Increase
Hotels & Motels	207,047	261,136	54,089	26.1%	General Increase
FW Crossings	433,336	400,162	(33,174)	-7.7%	Up \$9K Retail Eating & Drinking, Furnitures & Fixtures, Electronics & Appliances Down \$42K Retail Miscellaneous Stores
Gateway Center	218,015	179,731	(38,283)	-17.6%	Down \$38K Telecommunications

**Utility Tax (Total 7.75%)**

The utility taxes annually is \$232K or 1.9% below 2014 annual actual and \$505K or 4.5% above 2015 budget. There is usually a two month lag in utility tax revenue. The utility tax reported for December 2015 is paid in February 2015.

UTILITY TAXES							
Annual 2015							
Month	2014 Actual	2015		Favorable/(Unfavorable)			
		Budget	Actual	Change from 2014		2015 Actual vs Budget	
				\$ Var	% Var	\$ Var	% Var
Jan	\$ 811	\$ 762	\$ 777	\$ (34)	-4.1%	\$ 15	2.0%
Feb	884,440	830,922	787,079	(97,361)	-11.0%	(43,842)	-5.3%
Mar	1,452,712	1,364,807	1,316,552	(136,160)	-9.4%	(48,255)	-3.5%
Apr	465,766	437,582	499,858	34,092	7.3%	62,276	14.2%
May	1,153,008	1,083,239	1,038,174	(114,834)	-10.0%	(45,065)	-4.2%
Jun	1,503,495	1,412,517	1,390,369	(113,125)	-7.5%	(22,147)	-1.6%
Jul	424,413	398,731	411,807	(12,606)	-3.0%	13,076	3.3%
Aug	910,816	855,701	896,076	(14,739)	-1.6%	40,375	4.7%
Sept	833,039	782,631	872,972	39,933	4.8%	90,341	11.5%
Oct	1,195,292	1,122,963	1,270,562	75,270	6.3%	147,598	13.1%
Nov	566,222	531,959	557,086	(9,136)	-1.6%	25,127	4.7%
Dec	2,657,803	2,496,976	2,771,145	113,342	4.3%	274,169	11.0%
<b>YTD Subtotal</b>	<b>\$ 12,047,815</b>	<b>\$ 11,318,790</b>	<b>\$ 11,812,459</b>	<b>\$ (235,357)</b>	<b>-2.0%</b>	<b>\$ 493,669</b>	<b>4.4%</b>
Rebate	(18,938)	(27,000)	(15,908)	3,030	0.0%	11,092	-41.1%
<b>YTD Total</b>	<b>\$ 12,028,877</b>	<b>\$ 11,291,790</b>	<b>\$ 11,796,551</b>	<b>\$ (232,326)</b>	<b>-1.9%</b>	<b>\$ 504,761</b>	<b>4.5%</b>
<b>Annual Total</b>	<b>\$ 12,028,877</b>	<b>\$ 11,291,790</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>

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 1<sup>st</sup> and closes April 30<sup>th</sup> of each year. The City has processed 132 rebates at a total cost of \$16K annually in 2015. The City processed 156 rebates at a total cost of \$18,938 annually in 2014.

This year winter was warmer than normal and required less use of gas for heating, reducing the total utility charge and taxes on it. The revenue on phone and cellular phones are lower than 2014.

UTILITY TAXES - by Type				
Annual 2015				
Utility Type	2014 Actual	2015 Actual	Favorable/(Unfavorable) Change from 2014	
			\$	%
Electric	\$ 4,524,344	\$ 4,615,272	\$ 90,928	2.0%
Gas	1,607,781	1,487,742	(120,039)	-7.5%
Solid Waste	883,011	916,726	33,715	3.8%
Cable	1,577,634	1,658,024	80,390	5.1%
Phone	893,526	891,543	(1,983)	-0.2%
Cellular	2,288,480	1,941,783	(346,697)	-15.1%
Pager	835	682	(153)	-18.3%
SWM	272,205	300,686	28,481	10.5%
Tax Rebate	(18,938)	(15,908)	3,030	0.0%
<b>YTD Total</b>	<b>\$ 12,028,877</b>	<b>\$ 11,796,551</b>	<b>\$ (232,326)</b>	<b>-1.9%</b>

**Proposition 1 Voter-Approved Utility Tax**

2015 Annual Prop 1 expenditures total \$2.8M or 97.9% of the \$2.8M annual budget. Current life-to-date Prop 1 Utility tax collections total \$25.5M and expenditures total \$24.8M.

PROP 1	2014		2015		Life To Date
	Budget	Actual	Budget	Actual	
<b>Beginning Balance:</b>	1,045,433	1,045,433	1,002,600	834,603	n/a
<b>OPERATING REVENUES</b>					
January	191	183	172	175	1,604,024
February	208,518	199,712	187,628	177,728	2,091,460
March	371,467	328,032	308,182	297,286	2,632,952
April	248,693	105,173	98,809	112,871	2,172,231
May	255,523	260,357	244,602	234,426	2,246,125
June	219,573	339,499	318,955	314,071	2,311,397
July	198,005	95,835	90,036	93,050	1,759,997
August	111,064	205,668	193,223	202,390	1,831,316
September	308,291	188,106	176,723	197,173	1,667,067
October	140,770	269,905	253,572	286,955	2,168,937
November	189,027	127,857	120,120	125,844	1,704,254
December	589,297	600,149	563,833	625,376	3,353,143
<b>Total Prop 1 Revenues:</b>	<b>2,840,419</b>	<b>2,720,474</b>	<b>2,555,856</b>	<b>2,667,345</b>	<b>25,542,900</b>
<b>OPERATING EXPENDITURES</b>					
<i>Public Safety Improvement Positions &amp; Costs:</i>					
Police Services (includes 1 Records Specialist, 8 Patrol Officers, 4 Detectives, 1 Lieutenant, & 4 Traffic Officers)	2,322,522	2,293,555	2,214,883	2,193,288	18,553,385
Court Services (includes .50 Judge, 1 Court Clerk, and Pro Tem Pay, Public Defender contract, 1.5 Prosecutors)	392,683	384,718	371,090	364,464	3,129,642
<b>Total Public Safety Improvement Costs</b>	<b>2,715,205</b>	<b>2,678,273</b>	<b>2,585,973</b>	<b>2,557,752</b>	<b>21,683,027</b>
<i>Community Safety Program Costs:</i>					
1 Code Enforcement Officer	-	-	101,268	77,971	396,828
1 Code Enforcement Assistant City Attorney	69,341	57,124	58,052	51,997	526,985
1 Parks Maintenance Worker I & Security	113,555	115,482	96,672	94,744	889,885
<b>Total Community Safety Improvement Costs</b>	<b>182,896</b>	<b>172,607</b>	<b>255,992</b>	<b>224,712</b>	<b>1,813,698</b>
Indirect Support - HR Analyst	44,586	42,924	-	-	291,695
SafeCity M&O	37,500	37,501	-	-	245,929
<b>Subtotal Ongoing Expenditures</b>	<b>82,086</b>	<b>80,425</b>	<b>-</b>	<b>-</b>	<b>537,624</b>
SafeCity Startup	-	-	-	-	189,066
Other Transfer - Prop 1 OT for Police	-	-	-	-	600,000
<b>Subtotal Other Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>789,066</b>
<b>Total Prop 1 Expenditures:</b>	<b>2,980,187</b>	<b>2,931,305</b>	<b>2,841,965</b>	<b>2,782,464</b>	<b>24,823,416</b>
<b>Total Ending Fund Balance:</b>	<b>\$ 905,665</b>	<b>\$ 834,603</b>	<b>\$ 716,491</b>	<b>\$ 719,485</b>	<b>\$ 719,485</b>

### Real Estate Excise Tax

Compared to 2014 annual actuals, collections are up \$968K or 46.9%. December's receipt of \$333K is above December 2014's actual by \$59K or 21.6% and below December 2015's projections by \$220K or 39.8%.

December 2015 activities include 214 real estate transactions, of which 95 were tax exempt. There were 115 taxable residential sales (total sales \$26.9M / \$135K tax), and four commercial sales (total sales \$39.3M / \$197K tax).

REAL ESTATE EXCISE TAX REVENUES							
Annual 2015							
Month	2014 Actual	2015		Favorable/(Unfavorable)			
		Budget	Actual	Change from 2014		2015 Actual vs Budget	
				\$	%	\$	%
Jan	\$ 80,758	\$ 124,504	\$ 155,922	\$ 75,165	93.1%	\$ 31,418	25.2%
Feb	73,759	103,117	150,860	77,101	104.5%	47,743	46.3%
Mar	115,740	224,101	331,315	215,575	186.3%	107,214	47.8%
Apr	111,351	168,284	148,984	37,633	33.8%	(19,300)	-11.5%
May	443,295	381,454	302,118	(141,177)	-31.8%	(79,336)	-20.8%
Jun	123,166	295,428	345,929	222,764	180.9%	50,501	17.1%
Jul	238,862	308,302	302,572	63,710	26.7%	(5,730)	-1.9%
Aug	183,011	228,662	324,637	141,626	77.4%	95,975	42.0%
Sep	115,931	190,036	199,688	83,757	72.2%	9,652	5.1%
Oct	164,375	241,721	246,044	81,669	49.7%	4,322	1.8%
Nov	138,305	280,914	189,651	51,346	37.1%	(91,264)	-32.5%
Dec	274,168	553,476	333,438	59,270	21.6%	(220,038)	-39.8%
<b>YTD Total</b>	<b>2,062,721</b>	<b>3,100,000</b>	<b>3,031,159</b>	<b>968,438</b>	<b>46.9%</b>	<b>(68,841)</b>	<b>-2.2%</b>
<b>Annual Total</b>	<b>\$ 2,062,721</b>	<b>\$ 3,100,000</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>

### Hotel/Motel Lodging Tax

Hotel/Motel lodging tax received annually in 2015 is \$266K and is above 2014's annual collections by \$34K or 14.8%. 2015 annual receipts are above annual projections by \$66K or 33.0%. The lodging tax reported for December 2015 is paid in February 2015.

HOTEL/MOTEL LODGING TAX REVENUES							
Annual 2015							
Month	2014 Actual	2015		Favorable/(Unfavorable)			
		Budget	Actual	Change from 2014		2015 Actual vs Budget	
				\$	%	\$	%
Jan	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
Feb	12,812	11,053	15,336	2,524	19.7%	4,283	38.8%
Mar	13,343	11,511	13,489	146	1.1%	1,978	17.2%
Apr	16,006	13,897	16,825	819	5.1%	2,927	21.1%
May	18,548	16,001	19,890	1,342	7.2%	3,888	24.3%
Jun	15,361	13,163	17,024	1,663	10.8%	3,861	29.3%
Jul	17,341	14,961	21,320	3,979	22.9%	6,360	42.5%
Aug	24,493	21,131	34,569	10,076	41.1%	13,439	63.6%
Sept	29,629	25,561	34,823	5,194	17.5%	9,262	36.2%
Oct	31,115	26,843	33,195	2,079	6.7%	6,351	23.7%
Nov	21,655	18,682	24,271	2,615	12.1%	5,588	29.9%
Dec	31,525	27,197	35,312	3,787	12.0%	8,115	29.8%
<b>YTD Total</b>	<b>\$ 231,828</b>	<b>\$ 200,000</b>	<b>\$ 266,052</b>	<b>\$ 34,225</b>	<b>14.8%</b>	<b>\$ 66,052</b>	<b>33.0%</b>
<b>Annual Total</b>	<b>\$ 231,828</b>	<b>\$ 200,000</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>

### Permit Activity

Building, planning, and zoning permit activities are below 2014's annual activity by \$361K or 11.8%. Compared to annual budget, permit activity is up \$127K or 4.9%.

The permits for this year's construction were primarily paid for last year.

BUILDING & LAND USE PERMITS AND FEES (CD)							
Annual 2015							
Month	2014 Actual	2015		Change from 2014		Favorable/(Unfavorable)	
		Budget	Actual	Change from 2014		2015 Actual vs Budget	
				\$	%	\$	%
Jan	124,209	177,173	100,841	(23,368)	-18.8%	(76,332)	-43.1%
Feb	97,873	148,781	512,848	414,974	424.0%	364,066	244.7%
Mar	316,207	266,903	167,455	(148,752)	-47.0%	(99,448)	-37.3%
Apr	285,407	221,867	322,691	37,284	13.1%	100,823	45.4%
May	492,934	275,919	193,125	(299,809)	-60.8%	(82,794)	-30.0%
Jun	393,869	330,940	126,129	(267,741)	-68.0%	(204,811)	-61.9%
Jul	279,842	190,173	307,392	27,550	9.8%	117,220	61.6%
Aug	334,299	271,066	151,296	(183,003)	-54.7%	(119,770)	-44.2%
Sept	254,523	196,954	233,908	(20,615)	-8.1%	36,954	18.8%
Oct	185,981	169,946	300,673	114,692	61.7%	130,728	76.9%
Nov	141,806	150,035	87,568	(54,238)	-38.2%	(62,467)	-41.6%
Dec	152,822	172,244	194,915	42,094	27.5%	22,671	13.2%
<b>YTD Total</b>	<b>\$ 3,059,772</b>	<b>\$ 2,572,000</b>	<b>\$ 2,698,841</b>	<b>\$ (360,931)</b>	<b>-11.8%</b>	<b>\$ 126,841</b>	<b>4.9%</b>
<b>Annual Total</b>	<b>\$ 3,059,772</b>	<b>\$ 2,572,000</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>

## Police Department

The total overtime budget of \$844K consists of \$767K for City overtime and \$76K for billable time.

Compared to 2015 annual budget, City's portion of overtime is \$60K or 7.9% above annual projections.

Compared to 2014 actuals, City's portion of overtime is below by 28K or 3.2%. Including the increase in billable overtime, total overtime decreased by \$22K or 2.0% over the same time last year.

The December combined overtime decrease of \$6K below 2014 year-to-date actual is due to a decrease in training and shift call-in expenditures.

PD Overtime by Type Annual 2015				
Type	2014 Actual	2015 Actual	(Favorable)/Unfavorable Change from 2014	
			\$	%
Training	\$ 23,304	\$ 14,733	\$ (8,571)	-36.8%
Court	37,552	34,718	(2,834)	-7.5%
Field Oper	705,692	697,462	(8,230)	-1.2%
Other	88,495	80,613	(7,882)	-8.9%
<b>City Portion</b>	<b>855,044</b>	<b>827,526</b>	<b>(27,518)</b>	<b>-3.2%</b>
Contract/Grant	243,970	245,233	1,263	0.5%
Traffic School	20,137	24,451	4,314	21.4%
<b>Billable</b>	<b>264,107</b>	<b>269,684</b>	<b>5,577</b>	<b>2.1%</b>
<b>YTD Total</b>	<b>\$ 1,119,151</b>	<b>\$ 1,097,210</b>	<b>\$ (21,940)</b>	<b>-2.0%</b>

PD Overtime by Month Annual 2015							
Month	2014 Actual	2015		(Favorable)/Unfavorable Change from 2014 2015 Actual vs Budget			
		Budget	Actual	\$	%	\$	%
Jan	\$ 69,247	\$ 63,491	\$ 92,125	\$ 22,878	33.0%	\$ 28,634	45.1%
Feb	63,022	62,595	61,090	(1,931)	-3.1%	(1,504)	-2.4%
Mar	63,508	59,691	61,169	(2,339)	-3.7%	1,478	2.5%
Apr	70,836	61,840	55,955	(14,881)	-21.0%	(5,885)	-9.5%
May	123,628	65,892	84,365	(39,263)	-31.8%	18,472	28.0%
Jun	54,966	53,453	81,812	26,846	48.8%	28,359	53.1%
Jul	117,348	79,157	90,427	(26,921)	-22.9%	11,270	14.2%
Aug	44,461	58,901	73,713	29,252	65.8%	14,812	25.1%
Sep	60,145	62,559	55,110	(5,036)	-8.4%	(7,449)	-11.9%
Oct	54,038	77,178	54,986	949	1.8%	(22,191)	-28.8%
Nov	75,138	54,228	64,356	(10,781)	-14.3%	10,128	18.7%
Dec	58,708	68,171	52,418	(6,289)	-10.7%	(15,752)	-23.1%
<b>City Portion</b>	<b>855,044</b>	<b>767,155</b>	<b>827,526</b>	<b>(27,518)</b>	<b>-3.2%</b>	<b>60,371</b>	<b>7.9%</b>
Billable	264,107	76,403	269,684	5,577	2.1%	193,281	253.0%
<b>YTD Total</b>	<b>\$ 1,119,151</b>	<b>\$ 843,558</b>	<b>\$ 1,097,210</b>	<b>\$ (21,940)</b>	<b>-2.0%</b>	<b>\$ 253,652</b>	<b>30.1%</b>
Billable	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
<b>Annual Total</b>	<b>n/a</b>	<b>\$ 843,558</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>

## Jail Services

The total jail budget is \$4.44M and it is for SCORE Jail maintenance & operation assessments and alternative programs. Debt service is being paid for by SCORE reserves in 2015.

At the original 2007 projections, the Average Daily Population (ADP) was projected at 60 in-mates, which was the 3<sup>rd</sup> highest, out of the seven member cities. In 2015 based on 2014 activity, ADP is projected at 93 in-mates. In 2012, the budgeted ADP for Federal Way was 60, but actual ADP was never below 65, and at one point ADP was above 105. In 2013, the budgeted ADP for Federal Way was 90 ADP, but actual ADP was never below 75, and at its height ADP was about 90. In 2014, the budgeted ADP was 95, and year-to-date the ADP at its highest point was 95, and at its lowest was just above 75 ADP. When ADP increases, the jail costs increase. Renton which was once the highest in 2007, is now second behind Federal Way.

Other jail & alternative programs are provided by King County and Providence Community for psychiatric care. As of the end of December the City spent \$179K on these services that are not currently being provided by SCORE.

Jail and Alternatives to Confinement			
	2014	2015	
	Annual Actual	Annual Budget	Annual Actual
SCORE	\$ 3,852,676	\$ 4,276,614	\$ 4,276,614
Other Jail & Alternative Programs	151,957	160,000	179,099
<b>Subtotal M&amp;O</b>	<b>4,004,633</b>	<b>4,436,614</b>	<b>4,455,713</b>
Subtotal Debt Service	941,823	-	-
<b>Total</b>	<b>\$ 4,946,456</b>	<b>\$ 4,436,614</b>	<b>\$ 4,455,713</b>

**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.

Currently there are a total of 14 cameras at 11 locations (8 of these cameras are red light and 6 are in the school zones). The original 4 red light cameras were activated in October 2008 and an additional 4 cameras were activated February 2010. The original 4 school zone cameras were activated February 2010 and an additional 2 cameras were activated December 2010.

Red Light Photo/School Zone Enforcement									
Month	2014			2015				Variance Favorable/(Unfavorable)	
	Gross Revenue	Payments to ATS	Net Revenue	Gross Revenue	Payments to ATS	Salaries & Wages & Crt Security	Net Revenue	\$ Variance	% Variance
Jan	\$ 237,957	\$ (53,038)	\$ 184,920	\$ 214,295	\$ (52,250)	\$ (116,987)	\$ 45,058	\$ (139,861)	-75.6%
Feb	165,840	(52,999)	112,841	276,824	(52,250)	(118,560)	106,014	(6,827)	-6.1%
Mar	142,210	(51,500)	90,710	182,243	(23,750)	(129,774)	28,719	(61,991)	-68.3%
Apr	217,687	(52,250)	165,437	301,461	(52,250)	(124,961)	124,251	(41,187)	-24.9%
May	236,325	(52,250)	184,075	194,639	(52,250)	(117,371)	25,018	(159,057)	-86.4%
Jun	188,911	(52,250)	136,661	297,654	(52,250)	(126,832)	118,572	(18,090)	-13.2%
Jul	216,469	(52,250)	164,219	304,709	(38,000)	(119,867)	146,841	(17,378)	-10.6%
Aug	150,826	(52,250)	98,576	184,396	(38,000)	(124,907)	21,490	(77,086)	-78.2%
Sep	158,498	(52,250)	106,248	222,403	(52,250)	(120,472)	49,681	(56,567)	-53.2%
Oct	293,834	(52,250)	241,584	258,671	(52,250)	(120,482)	85,939	(155,645)	-64.4%
Nov	193,494	(52,250)	141,244	290,816	(52,250)	(132,281)	106,284	(34,959)	-24.8%
Dec	258,137	(52,250)	205,887	283,892	-	(124,547)	159,345	(46,542)	-22.6%
<b>YTD Total</b>	<b>\$ 2,460,189</b>	<b>\$ (627,787)</b>	<b>\$ 1,832,402</b>	<b>\$ 3,012,004</b>	<b>\$ (517,750)</b>	<b>\$ (1,477,043)</b>	<b>\$ 1,017,211</b>	<b>\$ (815,191)</b>	<b>-44.5%</b>
<b>Annual Total</b>	<b>\$ 2,460,189</b>	<b>\$ (627,787)</b>	<b>\$ 1,832,402</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
<b>Annual Budget</b>	<b>n/a</b>	<b>n/a</b>	<b>830,000</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>-</b>	<b>n/a</b>	<b>n/a</b>

**Court**

Court revenues are \$71K or 5.2% above 2014 annual actuals and \$110K or 7.1% below 2015 annual budget.

COURT REVENUE Annual 2015					COURT REVENUE Annual 2015							
	2014 Actual	2015 Actual	Favorable/(Unfavorable) Change from 2014		Month	2014 Actual	2015		Favorable/(Unfavorable)			
			\$	%			Budget	Actual	Change from 2014	2015 Actual vs Budget		
								\$	%	\$	%	
Civil Penalties	\$ 18,096	\$ 18,434	\$ 338	1.9%	January	\$ 109,519	\$ 123,805	\$ 96,176	\$ (13,344)	-12.2%	\$ (27,629)	-22.3%
Traffic & Non-Parking	750,365	772,830	22,465	3.0%	February	116,497	131,692	122,939	6,442	5.5%	(8,753)	-6.6%
Parking Infractions	22,007	28,801	6,794	30.9%	March	129,654	146,566	115,886	(13,769)	-10.6%	(30,680)	-20.9%
DUI & Other Misd	105,529	98,768	(6,761)	-6.4%	April	147,229	166,432	155,815	8,587	5.8%	(10,617)	-6.4%
Criminal Traffic Misd	341	157	(185)	-54.1%	May	93,923	106,174	86,042	(7,881)	-8.4%	(20,132)	-19.0%
Criminal Costs	106,143	119,805	13,663	12.9%	June	96,695	109,308	96,600	(95)	-0.1%	(12,707)	-11.6%
Interest / Other / Misc	126,284	160,599	34,315	27.2%	July	115,118	130,133	120,208	5,090	4.4%	(9,925)	-7.6%
Criminal Conv Fees	59,105	54,545	(4,560)	-7.7%	August	97,223	109,904	100,761	3,538	3.6%	(9,143)	-8.3%
Shared Court Costs	45,008	43,742	(1,266)	-2.8%	September	95,064	107,464	137,137	42,073	44.3%	29,673	27.6%
Services & Charges	68,877	73,381	4,505	6.5%	October	115,331	130,374	118,682	3,351	2.9%	(11,692)	-9.0%
<b>Subtotal</b>	<b>\$ 1,301,755</b>	<b>\$ 1,371,063</b>	<b>\$ 69,308</b>	<b>5.3%</b>	November	80,622	91,138	113,776	33,154	41.1%	22,638	24.8%
Probation Services	68,350	70,144	1,794	2.6%	December	104,880	118,560	107,042	2,161	2.1%	(11,519)	-9.7%
<b>YTD Total</b>	<b>\$ 1,370,105</b>	<b>\$ 1,441,207</b>	<b>\$ 71,102</b>	<b>5.2%</b>	Probation	68,350	80,000	70,144	1,794	2.6%	(9,856)	-12.3%
						<b>\$ 1,370,105</b>	<b>\$ 1,551,550</b>	<b>\$ 1,441,207</b>	<b>\$ 71,102</b>	<b>5.2%</b>	<b>\$(110,343)</b>	<b>-7.1%</b>
						Probation	0	-	n/a	n/a	n/a	n/a
						<b>Annual</b>	<b>\$ 1,370,105</b>	<b>\$ 1,551,550</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>

## 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 12/31/2015	2014		2015		2015 Budget vs Actual	
	Budget	Annual Actual	Budget	Annual Actual	Favorable/(Unfavorable)	
					\$	%
<b>Beginning Fund Balance</b>	\$ 1,597,512	\$ 1,597,512	\$ 1,573,469	\$ 1,573,469	n/a	n/a
<b>Operating Revenues:</b>						
Daily Drop-ins	\$ 310,000	\$ 322,506	\$ 345,000	\$ 335,930	\$ (9,070)	-2.6%
Passes	770,000	806,926	786,000	776,278	(9,722)	-1.2%
City Employee Membership Program	31,000	31,272	31,000	32,327	1,327	4.3%
Youth Athletic Programs	45,000	52,129	45,000	51,639	6,639	14.8%
Aquatics Programs-Lessons/Classes	126,000	146,722	156,000	146,896	(9,104)	-5.8%
Childcare Fees	9,000	6,296	9,000	3,091	(5,909)	-65.7%
Fitness Classes/Fitness Training	105,000	142,504	161,000	157,620	(3,380)	-2.1%
Towel/equipment Rentals	4,000	3,076	4,000	3,156	(844)	-21.1%
Pool Rentals/Competitive-Lap Lanes	16,000	19,999	16,000	22,978	6,978	43.6%
Rentals	195,000	221,578	240,000	241,140	1,140	0.5%
Merchandise Sales	7,500	9,486	7,500	10,020	2,520	33.6%
Concessions/Vending	-	62,069	60,000	61,418	1,418	2.4%
Interest Earnings/Other Misc	-	1,698	-	(0)	(0)	n/a
General Park/Rec - Facility use charge	25,000	25,000	25,000	25,000	-	0.0%
<b>Total Operating Revenues</b>	<b>1,643,500</b>	<b>1,851,260</b>	<b>1,885,500</b>	<b>1,867,493</b>	<b>(18,007)</b>	<b>-1.0%</b>
<b>Operating Expenditures:</b>						
Personnel Costs	1,368,880	1,402,491	1,404,524	1,419,625	(15,101)	-1.1%
Supplies	142,500	220,507	175,500	241,639	(66,139)	-37.7%
Other Services & Charges	172,500	150,869	209,500	203,268	6,232	3.0%
Utility Cost	385,000	263,664	360,000	309,977	50,023	13.9%
Intergovernmental	20,500	25,444	20,500	4,016	16,484	80.4%
Internal Service Charges	115,669	111,129	-	-	-	n/a
<b>Total Operating Expenditures</b>	<b>2,205,049</b>	<b>2,174,104</b>	<b>2,170,024</b>	<b>2,178,525</b>	<b>(8,501)</b>	<b>-0.4%</b>
<b>Revenues Over / (Under) Expenditures</b>	<b>(561,549)</b>	<b>(322,844)</b>	<b>(284,524)</b>	<b>(311,032)</b>	<b>26,509</b>	<b>-9.3%</b>
<b>Recovery Ratio</b>	<b>74.5%</b>	<b>85.2%</b>	<b>86.9%</b>	<b>85.7%</b>	<b>n/a</b>	<b>.</b>
<b>Other Sources :</b>						
Utility Tax - Reserves	-	-	-	-	-	n/a
Utility Tax - Operations	554,275	301,944	396,754	396,754	-	n/a
Grant/Other Contribution	-	-	-	-	-	n/a
<b>Total Other Sources</b>	<b>554,275</b>	<b>301,944</b>	<b>396,754</b>	<b>396,754</b>	<b>-</b>	<b>n/a</b>
<b>Other Uses:</b>						
Capital/Use of Reserves/Grants	3,500	3,140	202,200	159,190	43,010	n/a
<b>Total Other Uses</b>	<b>3,500</b>	<b>3,140</b>	<b>202,200</b>	<b>159,190</b>	<b>43,010</b>	<b>n/a</b>
<b>Net Income</b>	<b>(10,774)</b>	<b>(24,041)</b>	<b>(89,970)</b>	<b>(73,469)</b>	<b>16,501</b>	<b>-18.3%</b>
<b>Ending Fund Balance</b>	<b>\$ 1,586,738</b>	<b>\$ 1,573,471</b>	<b>\$ 1,483,499</b>	<b>\$ 1,500,001</b>	<b>\$ 16,502</b>	<b>1.1%</b>

The operating revenue budget includes \$1.86M in user fees/program revenues, \$397K contribution from utility tax for operations, and \$25K use charge from General Fund Recreation for use of the facility.

Annual operating revenues total \$1.9M which is \$18K or 1.0% below the 2015 annual budget, but above 2014 annual by \$16K or 0.9%. In comparison to 2015's annual budget and 2014 annual actual:

- Daily Drop-in revenues** are \$9K or 2.6% below the projected revenue, but above 2014 annual actual by \$13K or 4.2%. This increase is due to above average attendance during weekends, local school breaks and holidays. Also, many local and regional schools are choosing to do their year-end field trips and celebrations at the Community Center, driving up drop-in group sales for the year. Warmer weather in June, July, and August has helped drive daily admissions revenues. Despite having the leisure pool closed for the entire month of September for repairs, daily drop-in sales stayed strong. The leisure pool was also closed for the entire month of September for major repairs.
- Pass revenues** are \$9K or 2.6% below the projected revenue, and below 2014 annual actual by \$31K or 3.9%. The decrease is due to no longer selling the 3-month and 6-month passes and lower than normal membership sales in the fall quarter. Refunds totaling nearly \$5K were also issued as a result of the discontinued multi-visit pass. Most of these passes were considered "inactive" but were giving an inaccurate account of "active" passes. With more people on monthly auto deduction or auto pay we foresee more gradual but regular payments for passes. Also more senior citizens are converting from regular membership to Silver Sneakers program, and therefore fitness class revenues are increasing.

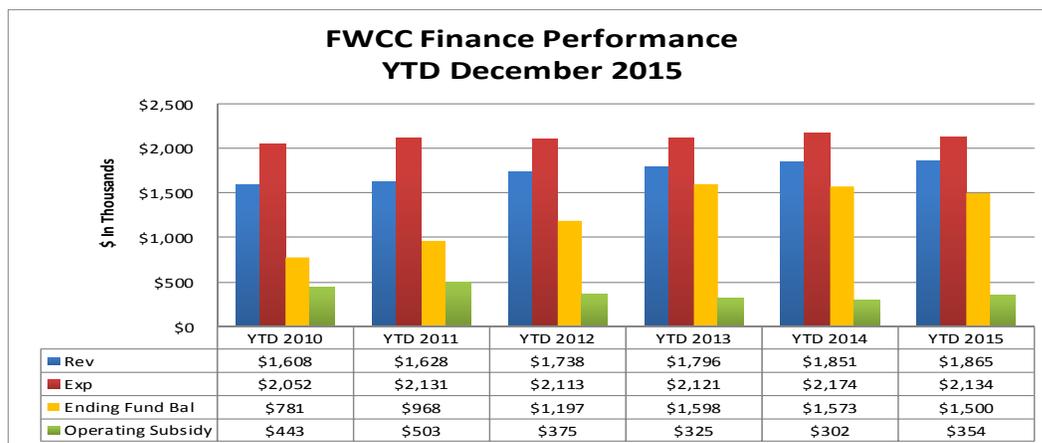
- **Youth Athletic Programs** are \$7K or 14.8% above the projected revenue, and below 2014 annual actual by \$490 or less than 1.0%. The increase is due to strong enrollment in Kidz Love Soccer, Basketball Skills, and Passholder P.E.
- **Aquatic Programs** are \$9K or 5.8% below the projected revenue, and above 2014 annual actual by \$174 or less than 1.0%. Swim lesson enrollment is very good with nearly all classes full and classes being added to accommodate more participants on the waiting list.
- **Child Care Revenues** are \$6K below expected levels, and below 2014 annual actual by \$3K. Customers are not using child care as much as they used to.
- **Fitness Classes** are \$3K or 2.1% below the projected revenue, and above 2014 annual actual by \$15K or 10.6%. The increase is due to high enrollment in Personal Training Programs and Silver Sneakers.
- **Pool Rentals/Competitive Lap Lanes** are up \$7K or 43.6% above the projected revenue, and above 2014 annual actual by \$3K or 14.9%. The increase is mainly due to local swim clubs and swim teams now using the center more. Competitive teams are also requesting additional lap swim time at the Community Center due to event conflicts at the King County Aquatic Center.
- **Rental Revenues** are up \$1K or 0.5% above the projected revenue, and above 2014 annual actual by \$20K or 8.8%. Rental revenues for 2015 are higher due to a fast start at the beginning of the year. The biggest impact has been in meeting rentals, where daily and on-going rental business increased and stayed strong all year long. Also, booking in all other areas; special events; birthday parties and gym rentals are all higher than 2014. June, July, and August rentals were at 100% capacity for special events.
- **Concessions/Vending** is up \$1K compared to 2014 revenue. The increase is due to the Splash Café opening in February 2014 of last year.

Annual operating expenditures total \$2.2M which is \$9K or 0.4% above the annual operating budget. Federal Way Community Center has recovered 85.7% (85.2% last year) of operating expenditures compared to the annual budgeted recovery ratio of 86.9% (74.5% last year). In comparison to 2015's annual budget:

- **Personnel Costs** increased by \$15K or 1.1% (\$34K or 2.5% last year). The increase is due to increased service levels to meet higher demands from membership and daily visitor usage. We are also contributing more payroll dollars to the personnel budget with the addition of FWCC Manager, and promotion of FWCC Supervisor.
- **Supplies** are \$66K or 37.7% (\$78K or 54.7% last year) higher than projected. Budgeted repairs and system replacements have been a bit higher than normal. The Community Center is now 9 years old, so some of this is anticipated. Major repairs and/or replacements of pool grates, roof top HVAC unit, pool pump, and heat exchanger units increased supply spending. Pool drain cover replacement occurred due to a new 2015 Health Code Requirement. Increased supply needs for Splash Café operations are also driving up supply expenditures. Most major repairs and part replacements are done in-house, leading to savings in services and charges.
- **Other Services & Charges** are \$6K or 3.0% (\$22K or 12.5% last year) below the projected spending due to staffing efforts to handle most major repairs in-house versus using contracted services.
- **Utility Costs** are \$50K or 13.9% (\$121K or 31.5% last year) below the projected spending due to Facility staffing efforts to improve energy efficiencies in the building, timing of payments, and warmer weather also contributed.

Since 2011 the annual support from Utility tax has been declining from \$503K in 2011 to \$397K in 2015. Of the \$397K, \$159K is for major maintenance on the facility.

The chart below provides a history of year-to-date revenues, expenditures and utility tax operating subsidy.



**Dumas Bay Centre**

Dumas Bay Centre Fund annual revenue of \$760K is \$63K or 9.0% above 2015 budget and \$116K or 18.1% above annual 2014.

Annual operating expenses total \$786K, which is \$17K or 2.1% above 2015 budget of \$769K. Ending fund balance for Dumas Bay Centre Fund is a positive \$399K with a policy requirement of \$500K.

Dumas Bay Centre Fund as of 12/31/2015	2014		2015		YTD Budget vs Actual	
	Budget	Annual Actual	Budget	Annual Actual	Favorable/(Unfavorable) \$	%
<b>Beginning Fund Balance</b>	\$ 212,979	\$ 212,979	\$ 181,200	\$ 181,201	n/a	n/a
<b>Operating Revenues:</b>						
In-House Food Services	275,000	269,423	299,000	318,491	19,491	6.5%
Dumas Bay Retreat Center	360,251	374,625	398,251	438,237	39,986	10.0%
Knutzen Family Theatre	-	-	-	3,605	3,605	n/a
<b>Total Operating Revenues</b>	<b>635,251</b>	<b>644,049</b>	<b>697,251</b>	<b>760,332</b>	<b>63,081</b>	<b>9.0%</b>
<b>Operating Expenses:</b>						
In-House Food Services	244,822	256,842	266,107	282,033	(15,926)	-6.0%
Dumas Bay Retreat Center	365,243	394,574	419,735	423,998	(4,263)	-1.0%
Knutzen Family Theatre	85,080	76,963	83,400	79,732	3,668	4.4%
<b>Total Operating Expenses</b>	<b>695,146</b>	<b>728,379</b>	<b>769,243</b>	<b>785,763</b>	<b>(16,521)</b>	<b>-2.1%</b>
<b>Revenues Over/(Under) Expenses</b>	<b>(59,895)</b>	<b>(84,331)</b>	<b>(71,992)</b>	<b>(25,432)</b>	<b>46,560</b>	<b>-64.7%</b>
<b>Recovery Ratio</b>	<b>91.38%</b>	<b>88.42%</b>	<b>90.64%</b>	<b>96.76%</b>	<b>n/a</b>	<b>n/a</b>
Transfer In Gen Fund - Pump Station	-	-	-	-	-	n/a
Transfer In Gen Fund - Pump Station M&O	4,000	4,000	4,000	4,000	-	0.0%
Transfer In Utility Tax	112,000	112,000	233,659	483,659	250,000	107.0%
<b>Total Other Sources</b>	<b>116,000</b>	<b>116,000</b>	<b>237,659</b>	<b>487,659</b>	<b>250,000</b>	<b>n/a</b>
Marketing Study & Implementation	-	-	-	-	-	n/a
Pump Station M&O	4,000	-	4,000	1,207	2,793	n/a
Repairs & Maintenance	109,153	63,448	310,000	243,405	66,595	21.5%
<b>Total Other Uses</b>	<b>113,153</b>	<b>63,448</b>	<b>314,000</b>	<b>244,612</b>	<b>69,388</b>	<b>0</b>
<b>Net Income</b>	<b>(57,048)</b>	<b>(31,778)</b>	<b>(148,333)</b>	<b>217,616</b>	<b>365,948</b>	<b>-246.7%</b>
<b>Ending Fund Balance</b>	<b>\$ 155,931</b>	<b>\$ 181,201</b>	<b>\$ 32,867</b>	<b>\$ 398,816</b>	<b>\$ 365,949</b>	<b>1113.4%</b>

### Self-Insured Health Insurance Fund

Self-Insured Health Insurance Fund annual contributed revenue is \$4.5M. Currently the revenue is generated from the employee paid contribution (range from \$32 to \$128 per employee per month) and the employer paid contribution (range from \$640 to \$1,798 per employee), varying depending on number of dependents. Self-Insured Health Insurance Fund annual expenditures are \$3.8M for prescription services, medical services, stop loss, professional services, and wellness program. The ending fund balance for the program is \$1.7M.

Self Insured Health Insurance Fund - 2015										
Description	2014 Annual Actual	2015 Adjusted Bdgt	Jan-June	Jul	Aug	Sept	Oct	Nov	Dec	Annual Total
Health Insurance Premium - Employer Contribution Revenue	3,958,828	4,196,691	1,998,187	339,355	346,204	338,613	336,704	338,290	336,968	4,034,322
Health Insurance Premium - Employee Contribution Revenue	214,481	-	106,825	17,947	18,392	17,975	17,884	17,975	18,213	215,210
Health Insurance Premium - COBRA	4,812	8,529	-	1,919	1,279	640	640	-	1,279	5,757
Stop Loss Recovery Revenue	-	194,000	139,431	-	-	54,428	33,545	-	-	227,404
Interest Earnings	431	1,500	818	151	146	192	203	198	315	2,022
<b>Total Revenue and Transfer In</b>	<b>4,178,552</b>	<b>4,400,720</b>	<b>2,245,261</b>	<b>359,371</b>	<b>366,021</b>	<b>411,848</b>	<b>388,976</b>	<b>356,463</b>	<b>356,775</b>	<b>4,484,714</b>
Prescription Services	498,763	572,375	295,502	49,228	42,597	41,955	42,281	41,505	59,320	572,387
Medical Services	1,982,077	2,411,118	1,173,464	269,188	133,125	232,563	241,741	167,439	241,989	2,459,508
Health Insurance - Stop Loss	366,348	361,134	205,627	-	65,223	-	32,319	31,836	31,559	366,564
Professional Services & Other	299,610	353,531	190,683	5,214	53,526	15,725	28,610	32,797	49,967	376,521
<b>Total Expenditures for Self Insured Health</b>	<b>3,146,799</b>	<b>3,698,158</b>	<b>1,865,276</b>	<b>323,630</b>	<b>294,470</b>	<b>290,242</b>	<b>344,950</b>	<b>273,576</b>	<b>382,835</b>	<b>3,774,980</b>
<b>Excess of Revenues over Expenditures</b>	<b>1,031,753</b>	<b>702,562</b>	<b>379,985</b>	<b>35,741</b>	<b>71,551</b>	<b>121,606</b>	<b>44,025</b>	<b>82,886</b>	<b>(26,060)</b>	<b>709,734</b>

The City will maintain a reserve in the amount not less than 16 weeks of budgeted expenses (\$0.985 million) as recommended by our consultant. We have spent \$3.8M annually in 2015, with an ending fund balance in the fund of \$1.7M.

### Performing Arts & Event Center (PAEC)

Performing Arts & Event Center (PAEC) annual revenue, beginning balance, and transfer in is \$9.6M. This does not include all revenue sources expected for the project. Since adoption of the project, PAEC expenditures total \$4.6M.

308 Performing Arts & Event Center (PAEC)	Annual 2014	2015 Adjusted Budget	Annual 2015
<b>Beginning Balance</b>	-	<b>8,383,571</b>	<b>8,383,571</b>
Transfer In - LIFT & Utility tax & REET from Completed projects	4,209,763	455,133	455,133
Transfer In - Real Estate Excise Tax	525,000	-	-
Transfer In - Utility Tax	5,210,000	-	-
Private Contribution	-	1,000,000	754,579
Interest	3,115	13,000	11,629
<b>Total Beg Bal, Revenue &amp; Transfer In</b>	<b>9,947,878</b>	<b>9,851,704</b>	<b>9,604,912</b>
Expenditures	-	2,892,335	-
Other Temporary Help	3,776	-	-
Land Redevelopment Analysis and Land Use Application	76,675	-	-
Lloyd Enterprises Demolition	120,689	-	-
JZ Works Naming Rights	32,000	-	16,260
Lorax Partners Design Development	1,331,167	-	270,248
Garco Construction	-	-	790,583
LMN Architects Project Design	-	-	1,572,809
Parametrix Surveying Services	-	-	459
HDR Engineering	-	-	54,430
Recording of document	-	-	170
Steinway & Sons Piano	-	-	104,408
Supplies & Meeting Expenditures	-	-	517
Water billings	-	-	4,986
Permits	-	-	25,942
On-Call Plan Review/Inspection Services	-	-	1,824
Legal Notices & Bond Set	-	-	1,325
PAEC Director Search	-	-	22,204
PAEC Director Salaries & Wages	-	-	120,968
<b>Total Expenditures</b>	<b>1,564,307</b>	<b>2,892,335</b>	<b>2,987,135</b>
<b>Total PAEC Balance</b>	<b>8,383,571</b>	<b>6,959,369</b>	<b>6,617,777</b>

### Downtown Square Park

Downtown square park remaining budget is \$925K. Total annual expenditures for the project total \$660K. Since adoption of the project, Downtown square park expenditures total \$1.0M.

303 Downtown Square Park	Annual 2014	2015 Adjusted Budget	Annual 2015
Beginning Balance	140,000	1,585,000	1,585,000
Transfer in - Real Estate Excise Tax	2,698,751	-	-
<b>Total Beginning Balance &amp; Transfer In</b>	<b>2,838,751</b>	<b>1,585,000</b>	<b>1,585,000</b>
Downtown Square Park Expenditures	346,324	1,585,000	660,231
<b>Total Expenditures</b>	<b>346,324</b>	<b>1,585,000</b>	<b>660,231</b>
<b>Total Downtown Square Park Balance</b>	<b>2,492,427</b>	<b>-</b>	<b>924,769</b>

## FUND ACTIVITY SUMMARY

Fund #/Fund Name	Begin Balance 1/1/2015	YTD Revenue	YTD Expenditure	YTD Net Income/(loss)	Ending Balance 12/31/2015*	Required Fund Balance
<b>001/101 General/Street Fund</b>	<b>\$ 13,264,105</b>	<b>\$ 45,341,600</b>	<b>\$ 46,599,118</b>	<b>\$ (1,257,518)</b>	<b>\$ 12,006,587</b>	<b>\$ 9,500,000</b>
<i>Special Revenue Funds:</i>						
102 Arterial Street	308,705	1,326,073	1,336,391	(10,318)	298,387	100,000
103 Utility Tax (*)	2,710,594	9,134,090	7,724,672	1,409,418	4,120,012	1,500,000
106 Solid Waste & Recycling	204,135	483,529	478,807	4,722	208,857	-
107 Special Contracts/Studies Fund	435,062	86,011	62,717	23,294	458,356	-
109 Hotel/Motel Lodging Tax	400,296	281,650	180,180	101,469	501,765	200,000
110 2% for the Arts	293	-	-	-	293	-
111 Federal Way Community Center	1,573,469	2,264,247	2,337,715	(73,469)	1,500,001	1,500,000
112 Traffic Safety Fund	3,500,515	3,017,165	2,903,563	113,602	3,614,117	1,500,000
113 Real Estate Excise Tax Fund	3,550,864	3,036,443	3,142,237	(105,795)	3,445,070	2,000,000
114 Prop 1 Utility Tax	834,603	2,667,345	2,782,464	(115,118)	719,485	1,000,000
115 Performing Arts & Conferenc Ctr Operations	-	27,995	15,387	12,607	12,607	-
119 CDBG	48,926	625,082	633,564	(8,482)	40,444	-
120 Path & Trails	196,664	187,692	-	187,692	384,357	-
188 Strategic Reserve Fund	3,382,044	4,593	301,164	(296,571)	3,085,473	3,000,000
189 Parks Reserve Fund	-	250,000	-	250,000	250,000	750,000
<b>Subtotal Special Revenue Funds</b>	<b>17,146,170</b>	<b>23,391,914</b>	<b>21,898,863</b>	<b>1,493,052</b>	<b>18,639,221</b>	<b>11,550,000</b>
<b>201 Debt Service Fund</b>	<b>73,486</b>	<b>2,403,572</b>	<b>1,005,480</b>	<b>1,398,092</b>	<b>1,471,579</b>	<b>\$2,500,000</b>
<i>Capital Project Funds:</i>						
301 Downtown Redevelopment	333,060	1,311,811	533,852	777,959	1,111,019	-
302 Municipal Facilities	199,943	100,274	246,985	(146,711)	53,232	-
303 Parks	4,713,424	649,683	2,046,826	(1,397,143)	3,316,281	-
304 Surface Water Management	2,511,316	1,652,777	847,091	805,686	3,317,003	-
306 Transportation	8,211,839	6,738,164	6,941,396	(203,231)	8,008,608	-
307 Capital Project Reserve Fund	480,167	673	-	673	480,840	480,000
308 PAEC Capital Fund	8,383,571	1,221,341	2,987,135	(1,765,794)	6,617,777	-
<b>Subtotal Capital Project Funds</b>	<b>24,833,320</b>	<b>11,674,724</b>	<b>13,603,284</b>	<b>(1,928,560)</b>	<b>22,904,760</b>	<b>480,000</b>
<i>Enterprise Funds:</i>						
401 Surface Water Management	4,491,216	3,938,044	5,036,776	(1,098,732)	3,392,484	690,000
402 Dumas Bay Centre Fund	181,201	1,247,991	1,030,375	217,616	398,816	500,000
<b>Subtotal Enterprise Funds</b>	<b>4,672,417</b>	<b>5,186,035</b>	<b>6,067,152</b>	<b>(881,116)</b>	<b>3,791,301</b>	<b>1,190,000</b>
<i>Internal Service Funds</i>						
501 Risk Management	1,346,299	969,876	1,340,877	(371,001)	975,298	1,200,000**
502 Information Systems	3,939,001	2,002,905	2,134,233	(131,327)	3,807,674	3,939,001
503 Mail & Duplication	218,850	133,192	159,903	(26,711)	192,139	218,850
504 Fleet & Equipment	6,463,398	2,189,135	2,654,866	(465,732)	5,997,666	6,463,398
505 Buildings & Furnishings	1,825,372	449,707	397,255	52,452	1,877,824	2,000,000
506 Health Self Insurance Fund	1,031,753	4,484,714	3,774,980	709,734	1,741,487	\$970,000***
507 Unemployment Insurance Fund	1,912,291	260,210	41,202	219,008	2,131,299	250,000
<b>Subtotal Internal Service Funds</b>	<b>16,736,963</b>	<b>10,489,739</b>	<b>10,503,316</b>	<b>(13,577)</b>	<b>16,723,387</b>	<b>15,041,249</b>
<b>Total All Funds</b>	<b>\$ 76,726,461</b>	<b>\$ 98,487,584</b>	<b>\$ 99,677,212</b>	<b>\$ (1,189,628)</b>	<b>\$ 75,536,834</b>	<b>\$ 40,261,249</b>

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

\*\*The Prop 1 Utility Tax Fund will maintain a cash flow reserve in an amount equal to \$1.0M. The current fund balance is \$0.72M due to less utility tax received from gas due to a warmer winter than normal.

\*\*\*The Parks Reserve Fund will maintain a reserve of not less than \$0.75M for equipment replacement, turf replacement, and other major upgrades to the City's Park System. The current fund balance is \$0.25M, and a \$0.50M transfer is budgeted in 2016.

\*\*\*\*The Dumas Bay Centre Fund will maintain a minimum of \$0.50M in a reserve for future capital needs of the building. The current fund balance is \$0.40M, and a \$0.21M reserve transfer is budgeted for this fund in 2016.

\*\*\*\*\*The Risk Management Fund will maintain a reserve in an amount of not less than one year's expenditure from the prior year or \$1.2M. The current fund balance is \$975K and is due to some larger claims during the year.

\*\*\*\*\*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.