



Monthly Financial Report - October 2018

FUND No.	FUND NAME	2017 ENDING FUND BALANCE	OCTOBER 2018 BEGINNING FUND BALANCE	OCTOBER 2018 REVENUES	OCTOBER 2017 REVENUES	OCTOBER 2018 EXPENSES	OCTOBER 2017 EXPENSES	OCTOBER 2018 ENDING FUND BALANCE	TARGET RESERVE
001	General Fund	\$ 15,215,654	\$ 15,812,154	\$ 3,731,482	\$ 3,621,444	\$ (1,272,465)	\$ (1,266,136)	\$ 18,271,172	\$ 5,272,000
101	Street Fund	\$ 852,718	\$ 431,079	\$ 276,641	\$ 258,744	\$ (141,974)	\$ (146,910)	\$ 565,746	N/A
103	REET Fund	\$ 56,801	\$ 1,080,574	\$ 263,299	\$ 189,034	\$ (128,337)	\$ (156,683)	\$ 1,215,536	N/A
104	Civic Impr. Fund	\$ 296,032	\$ 364,249	\$ 26,173	\$ 20,308	\$ (45,674)	\$ (20,596)	\$ 344,747	N/A
108	Affd. Housing Fund	\$ 159,176	\$ 256,926	\$ 3,375	\$ 101,125	\$ (1,125)	\$ (1,125)	\$ 259,176	N/A
301	Capital Const. Fund	\$ 4,361,129	\$ 5,521,302	\$ 21,513	\$ -	\$ (53,436)	\$ (962,278)	\$ 5,489,380	N/A
401	Water Fund	\$ 7,324,500	\$ 7,425,707	\$ 174,377	\$ 284,440	\$ (117,740)	\$ (95,294)	\$ 7,482,345	\$ 341,074
402	Sewer Fund	\$ 6,687,583	\$ 5,986,455	\$ 406,961	\$ 738,242	\$ (217,291)	\$ (202,148)	\$ 6,176,124	\$ 2,351,822
403	Storm Water Fund	\$ 1,217,817	\$ 1,343,263	\$ 873,863	\$ 739,804	\$ (269,124)	\$ (311,346)	\$ 1,948,002	\$ 800,875
407	Building Svcs. Fund	\$ 324,723	\$ 315,845	\$ 217,377	\$ 210,370	\$ (212,837)	\$ (193,062)	\$ 320,385	N/A

NOTES:

The City has adopted reserve policies for the General Fund (Fund 001) and the Water, Sewer, and Storm and Surface Water Funds (Fund 401, Fund 402, Fund 403, respectively). The General Fund reserve amount was taken from the 2017-2018 Adopted Budget. Utility reserve targets were calculated based on the policies in Section 6 of Resolution No. 2016-19. Operating expenses used in the calculation were taken from the 2017-2018 Adopted Budget, and capital assets used in the calculation were taken from the 2017 CAFR.

Monthly revenue and expense amounts may include non-cash transactions.

REPORT DATE: 11/30/2018



## MONTHLY FINANCIAL REPORT HIGHLIGHTS OCTOBER 2018

- **STREET FUND REVENUES:** Revenue in the Street Fund was \$17,000 higher in October 2018 compared to October 2017 because of a 7% increase in parking taxes received by the City. These are business and occupation taxes paid by private businesses operating commercial parking facilities on Bainbridge Island.
- **REET FUND REVENUES & EXPENSES:** REET revenue was \$74,000, or 39%, higher in October 2018 compared to October 2017. Transaction volume was only 2% higher in October 2018, meaning revenue increased because of the higher average selling price, which was 37% higher in October 2018. The selling price of the most expensive property in October 2018 was over \$3 million, and 17 properties in the \$1-3 million range sold during that month. Only seven properties in the \$1-3 million range sold in October 2017, and no selling price exceeded \$3 million.
- **CIVIC IMPROVEMENT FUND REVENUES & EXPENSES:** Civic Improvement Fund revenue includes sales tax collected from hotel and motel services, which was \$6,000, or 29%, higher in October 2018 compared to October 2017.

Expenses in the Civic Improvement Fund increased from \$20,000 in October 2017 to \$45,000 in October 2018. Differences in the timing of invoices received and reimbursed by the City for LTAC-approved community services funding were the reason for the change.

- **CAPITAL CONSTRUCTION FUND REVENUES & EXPENSES:** Revenue in the Capital Construction Fund totaled to \$21,000 in October 2018, while it received no revenue in October 2017. Variances in the quantity and timing of State and Federal grant funding were the reason for this fluctuation.  
  
Expenses in the Capital Construction Fund were \$900,000, or 95%, lower in October 2018 compared to October 2017 due to differences in the timing and volume of expenses for capital projects. Large expenses in October 2018 included a \$40,000 professional services payment for the Police and Municipal Court Building project.
- **WATER FUND REVENUES & EXPENSES:** Revenue in the Water Fund was \$110,000, or 39%, lower in October 2018 compared to October 2017. While water sales revenue was 7% higher in October 2018, that increase was offset by a \$113,000, or 93%, decrease in revenue from connection fees. Connection fee revenue fluctuates by the permitting stage and number of construction projects taking place on the Island.  
  
Expenses in the Water Fund were \$22,000, or 24%, higher in October 2018 compared to October 2017. Expenses included \$3,000 for professional services for the water and sewer rate study, and \$10,000 for professional services for the water modeling contract update.
- **SEWER FUND REVENUES & EXPENSES:** Revenue in the Sewer Fund was \$330,000, or 45%, lower in October 2018 compared to October 2017 due to a 97% decrease in connection fee

revenue. Like water connection fees, sewer connection fee revenue varies depending on development activity.

Expenses in the Sewer Fund were \$15,000, or 7%, higher in October 2018 compared to October 2017 due to variations in the timing of invoices and the number of material shipments sent to the City's biosolids waste disposal vendor.

- **SSWM FUND REVENUES & EXPENSES:** Revenue in the SSWM Fund was \$134,000, or 18%, higher in October 2018 compared to October 2017. A 9% rate increase in 2018, combined with variances in the timing of SSWM fee receipts, were reasons for the change.

Expenses in the SSWM Fund were \$42,000, or 14%, lower in October 2018 compared to October 2017 due to lower capital construction spending. October 2018 capital construction expenses included the payment of a \$93,000 construction invoice for the Winslow WWay Ravine outfall project.

- **BUILDING SERVICES FUND REVENUES:** Revenue in the B&DS Fund was \$7,000, or 3%, higher in October 2018 compared to October 2017. Excluding transfers in from the General Fund to maintain a minimum target fund balance, however, revenue in October 2018 was \$97,000, or 46%, lower. Contributing factors:
  - Zoning and subdivision fee revenue was \$16,000, or 69%, lower in October 2018 compared to October 2017. Processing of submissions handed in prior to the ongoing development moratorium generated the \$7,000 of revenue in October 2018. Overall, year-to-date 2018 zoning and subdivision fee revenue was 54% lower compared to the same timeframe in 2017.
  - Revenue from building permits was \$49,000, or 53%, lower in October 2018 compared to October 2017. Transaction volume in October 2018 was only 6% higher compared to volume in October 2017, indicating variances in the complexity and nature of permits processed, and corresponding fee amounts, were reasons for the difference.
  - Revenue from plan checking fees was \$21,000, or 44%, lower in October 2018 compared to October 2017. Transaction volume and the average fee amount were respectively 17% and 33% lower in October 2018, indicating the specifics of the review process and dependent fee amounts had a stronger impact on revenue than volume did.

REVENUE TYPE	OCTOBER 2017 TOTAL	OCTOBER 2018 TOTAL	INCREASE (DECREASE)	% CHANGE
DEV EXTENSION AGR 3% FEE	6,215	10,483	4,269	69%
OTHER PLANNING/DEVELOPMENT FEE	10,149	9,661	(488)	-5%
PLAN CHECKING FEES	49,732	27,971	(21,762)	-44%
PLAN'G REVIEW OF BLDG PERMITS	14,990	8,255	(6,735)	-45%
FIRE MARSHALL PLAN REVIEW	10,000	4,800	(5,200)	-52%
BUILDING PERMITS	94,313	44,458	(49,855)	-53%
TRANSP IMPACT ADM FEE	1,047	331	(716)	-68%
ZONING & SUBDIVISION FEES	23,679	7,268	(16,411)	-69%