



Financial Report 2nd Quarter of 2012

Presented by
Administrative Services Department
September 10, 2012



Purpose

- Review the Financial Results of the 1st Half of 2012
 - General Fund Revenues and Expenditures
 - Other Funds
- Early Look at 3rd Qtr Revenue Data
- Informational - No Action Required By Council

General Fund

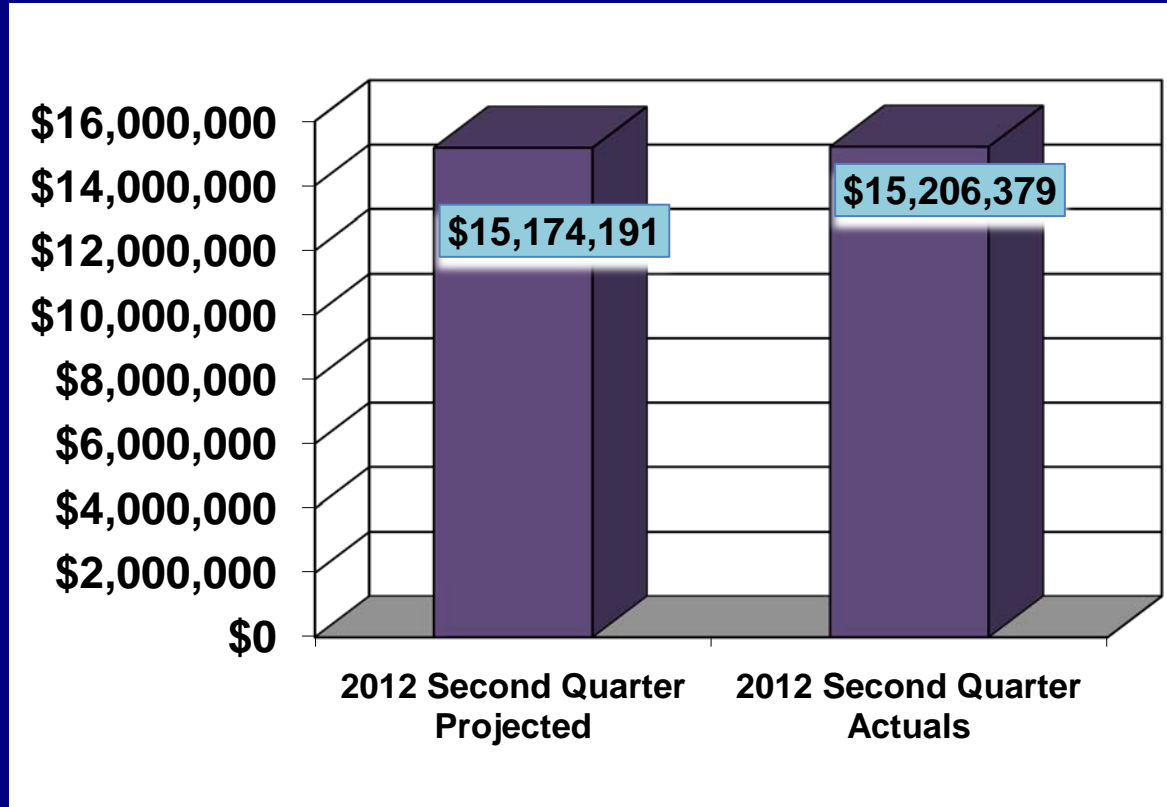
2nd Quarter Results

- Revenue: \$15,206,379 (\$32,188, or 0.2% above revised projections)
- Expenditures: \$10,099,204 (\$208,581, or 2.0% below revised projections)
 - If billings for the King County Police Services contract through April were received on time, expenditures would have been \$13,429,208.

General Fund Revenue

2nd Quarter Results

- **\$32,188 or 0.2% Above Revised Projections**
- **Offsetting reasons for revised projections**



General Fund Revenue

2nd Quarter Results

Favorable Variances from Projections

- Sales Tax = \$2,686,899; Up \$56,451 or 2.2%
- Utility Tax/Franchise Fees:
 - Cable = \$547,409; Up \$20,283 or 3.9%
 - Water = \$192,919; Up \$10,483 or 5.8%
- Development Revenue = \$835,817; Up \$130,458 or 18.5%

General Fund Revenue

2nd Quarter Results

Unfavorable Variances from Projections

- Property Tax = \$5,302,387; Down \$15,932 or 0.3%
- Local Criminal Justice Sales Tax = \$522,019; Down \$8,075 or 1.5%
- Utility Tax/Franchise Fees:
 - Natural Gas = \$546,156; Down \$59,912 or 9.9%
 - Telecommunications = \$540,906; Down \$30,380 or 5.3%



General Fund Revenue

2nd Quarter Results

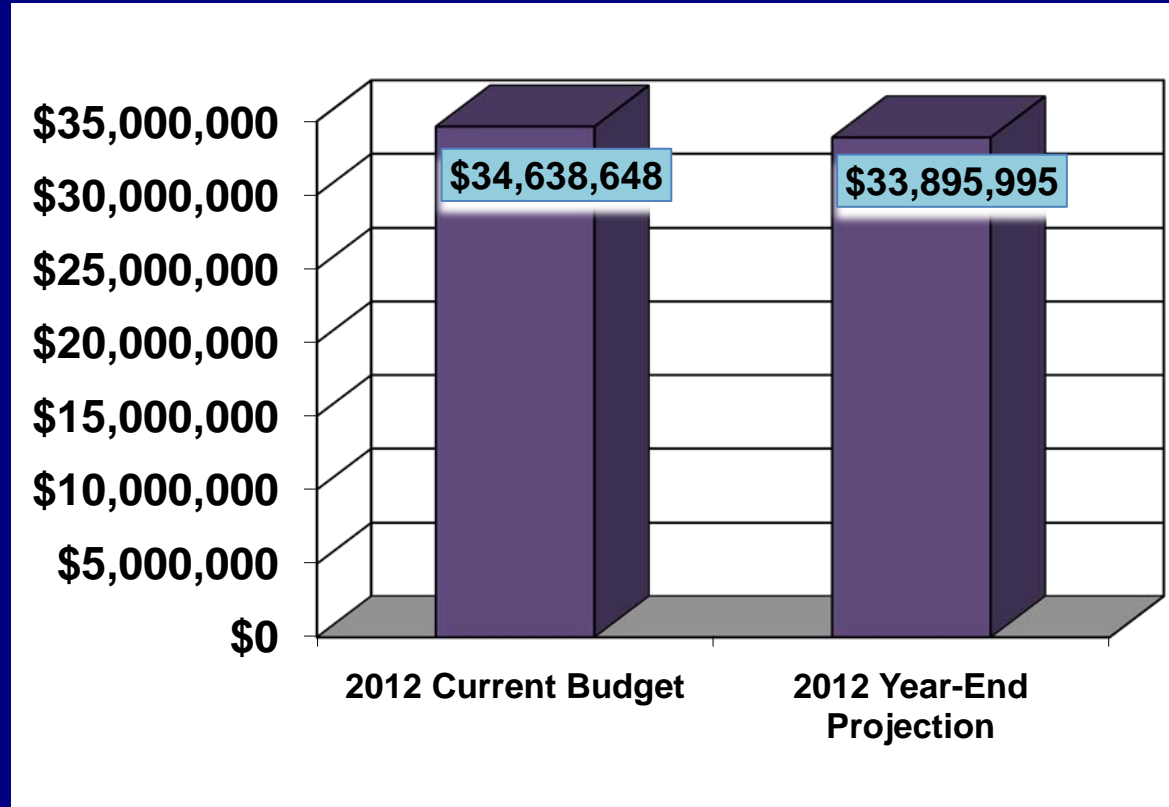
Unfavorable Variances from Projections

- SCL Contract Payment = \$731,220; Down \$45,478 or 5.9%
- Gambling Tax Revenue = \$561,297; Down \$22,607 or 3.9%

General Fund Revenue

Revised Year-End Projections

- **\$742,653 or 2.1% Lower**
- **Offsetting reasons for revised projections**



General Fund Revenue

Revised Year-End Projections

- Increased from Adopted Budget
 - Sales Tax: +\$198,582 or 3.2%
 - Development Revenue: +\$464,265 or 55.7%
 - Intergovernmental Revenue: +\$109,260 or 12.6%
 - Grant Revenue: +\$113,989 or 40.6%
 - Miscellaneous Revenue: +\$35,955 or 10.1%

General Fund Revenue

Revised Year-End Projections

- Development Permit revenue through June exceeds the 2012 Adopted Budget estimate.
- Projections:
 - Increased from \$833,125 (Adopted Budget) to \$1,297,390 (due to one-time projects)
 - 2012 2nd Quarter Projection \$705,359
 - 2012 2nd Quarter Actual \$835,817

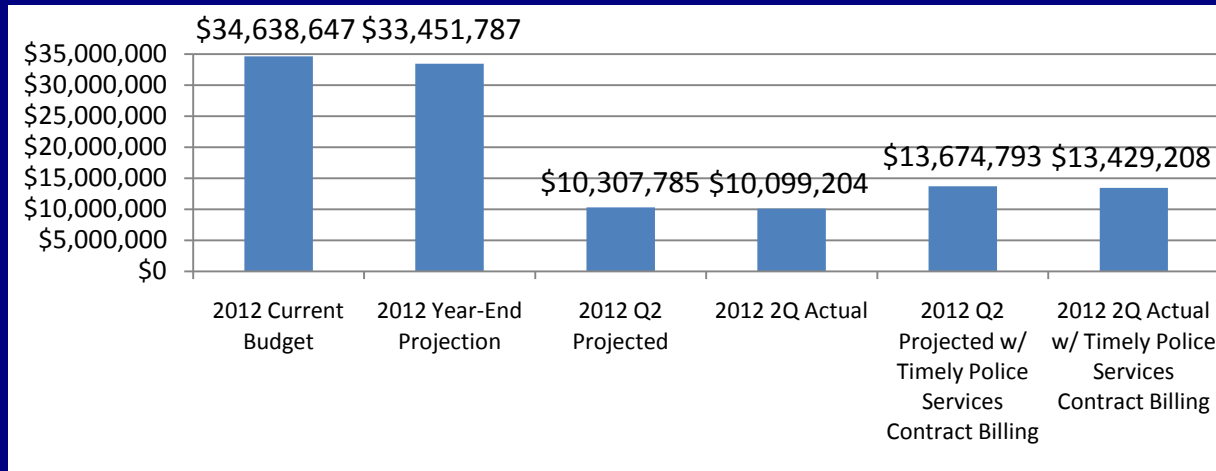
General Fund Revenue

Revised Year-End Projections

- Lowered from Adopted Budget
 - Seattle City Light Contract: -\$54,014 or 2.9%
 - Gambling Tax Revenue: -\$74,212 or 4.1%
 - Park Revenue: -\$18,088 or 1.3%
 - Fines and Licenses: -\$7,347 or 0.8%
 - Interest Income: -\$51,329 or 54.6%

General Fund Expenditures

- Projected year-end savings of \$1,186,860
 - Contingency Budget - \$805,000
 - Net Savings = \$381,860
- YTD activity is \$208,581, or 2.0%, Below Projections



Other Funds

(\$ Amounts in Thousands)

Fund	2012 Current Budget	2012 Year-End Projection	2012 2 nd Quarter Projected	2012 2 nd Quarter Actual	Variance from 2 nd Quarter Projected
Street Fund:					
Revenue	\$2,208	\$2,012	\$979	\$975	-\$4 or -0.44%
Expenditures	\$2,208	\$2,167	\$1,071	\$986	-\$85 or -7.97%
Surface Water Utility Fund:					
Revenue	\$5,515	\$3,922	\$1,813	\$1,812	-\$1, or -0.07%
Expenditures	\$5,515	\$5,382	\$1,717	\$1,799	+\$81 or +4.74%

Other Funds

(\$ Amounts in Thousands)

Fund	2012 Current Budget	2012 Year-End Projection	2012 2 nd Quarter Projected	2012 2 nd Quarter Actual	Variance from 2 nd Quarter Projected
General Capital Fund:					
Revenue	\$3,217	\$733	\$336	\$350	\$14, or 4.19%
Expenditures	\$3,217	\$2,580	\$478	\$460	-\$17 or -3.69%
Roads Capital Fund:					
Revenue	\$14,701	\$13,838	\$4,965	\$5,049	\$84, or 1.70%
Expenditures	\$14,701	\$15,562	\$6,326	\$5,981	-\$345 or -5.46%

Real Estate Excise Tax (REET)

2nd Quarter Results

- Number of transactions up by 93, with a total value that is \$25.35 million, or 29.24%, more than those for 2011.
- The mixture of transactions is different:
 - More high-value single family home transactions in 2011.
 - More high-value commercial transactions in 2012.

2nd Quarter Results Summary

- Operating Budget
 - Revenues: Favorable Variance of 0.21% above projections
 - Expenditure: Favorable Variance of 2.02% below projections

3rd Qtr – Early Look

- Sales Tax for Activity through June
 - Up from 2011 by \$354,986 or 10.2%
 - Above Revised 2012 Projection by \$111,148, or 3.0%
- Development Revenue through August 2012
 - Totals \$1,079,796
 - \$217,594 from Year End Projection of \$1,297,390

3rd Qtr – Early Look

- REET through August 2012
 - Everything is up from same period in 2011...
 - No. of Transactions: ...by 123 or 36.7%
 - Total Sales Value: ...by \$29.5 million or 23.5%
 - Revenue Collections: ...by \$146,349 or 23.3%
 - Actual collections above 2012 Adopted Budget projection by \$73,902 or 10.5%

Comments

