



## City of Liberty Lake

# Quarterly Financial Report

First Quarter 2013

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### Overview

The Quarterly Financial Report provides a summary of budget-to-actual comparison of revenues and expenditures for each fund through the end of the most recently completed fiscal quarter. The report also provides end-of-year data including a summary budget-to-actual comparison of revenues and expenditures for the year. The information contained in this report is prepared on a cash basis. Please note that these numbers are still preliminary and adjustments may need to be made as the Financial Annual Report is prepared.

### General Fund / Streets Fund

#### Revenues

##### *First Quarter*

Revenue Collections at the end of the first quarter 2013 closely follow projections. For 2013, we have included the Street Fund into the following revenue table. For 2013, the Street Fund receives utility tax and motor vehicle fuel tax revenue.

Retail sales tax collection for the first quarter is increased by 5.5% compared to last year. Increases were in Construction and Wholesale Trade. The Sales Tax graph on the page 3 demonstrates how Sales Tax has performed over the last five years. The graphs on page 4 and page 5 compare 2013 to 2012 sales tax revenue by category. In March, there was a large "one-time" sale of a wholesale equipment that typically does not happen on a regular basis. This is why wholesale trade is 14% of the Sales Tax for 2013.

Of the \$5.569 million projected, \$1.825 million is in the form of property tax. Property tax revenues are typically received during the second and fourth quarters of the year.

Permitting revenue for the first three months is \$151K which is 61% of the anticipated budget for 2013. Note: this is revenue that the City collects first, and then performs the service for inspections.

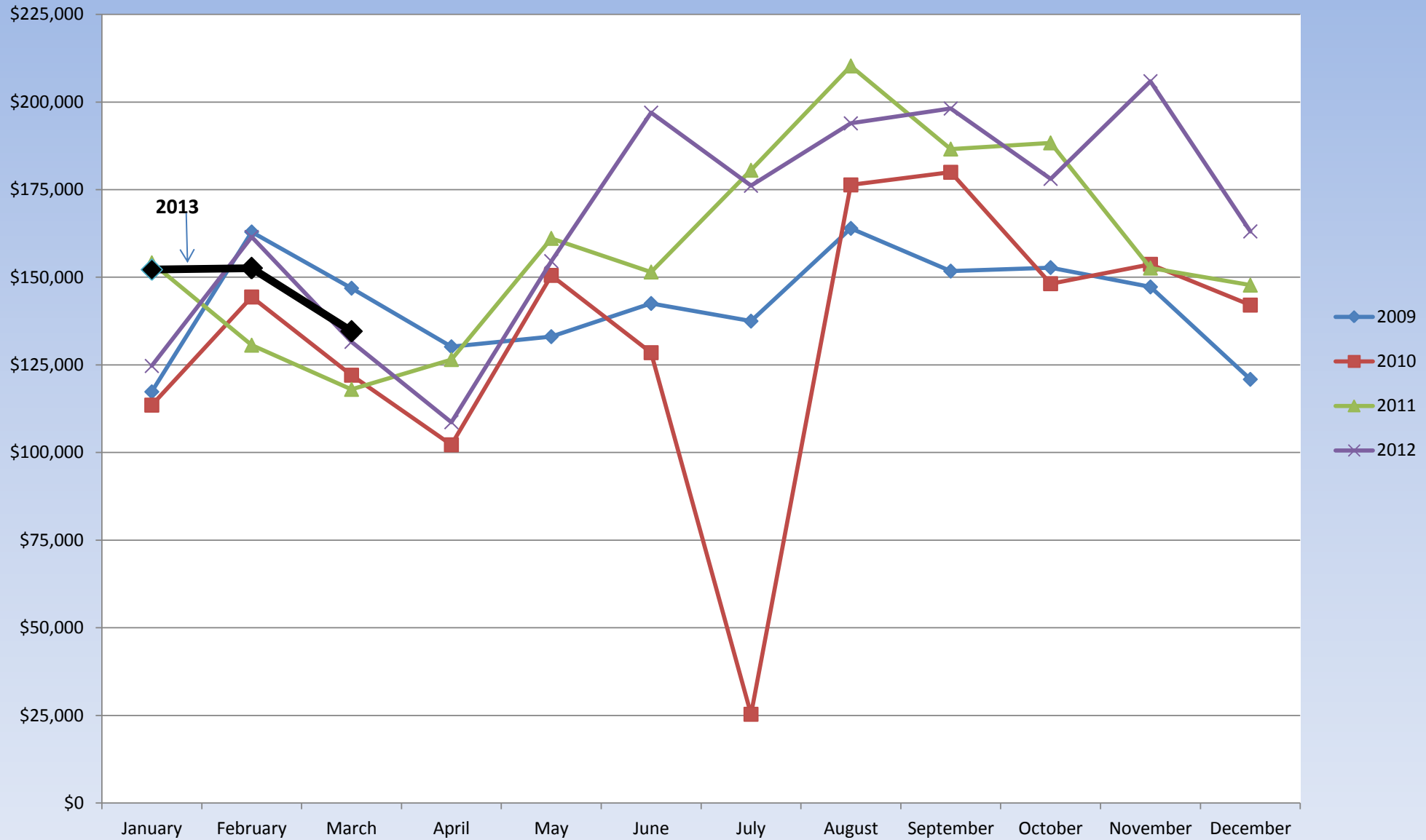
The City also received \$8k from Spokane County for overbilled Jail Services in the first quarter. This is recorded as miscellaneous revenue.

The following table shows budgeted and actual revenues for first quarter 2013:

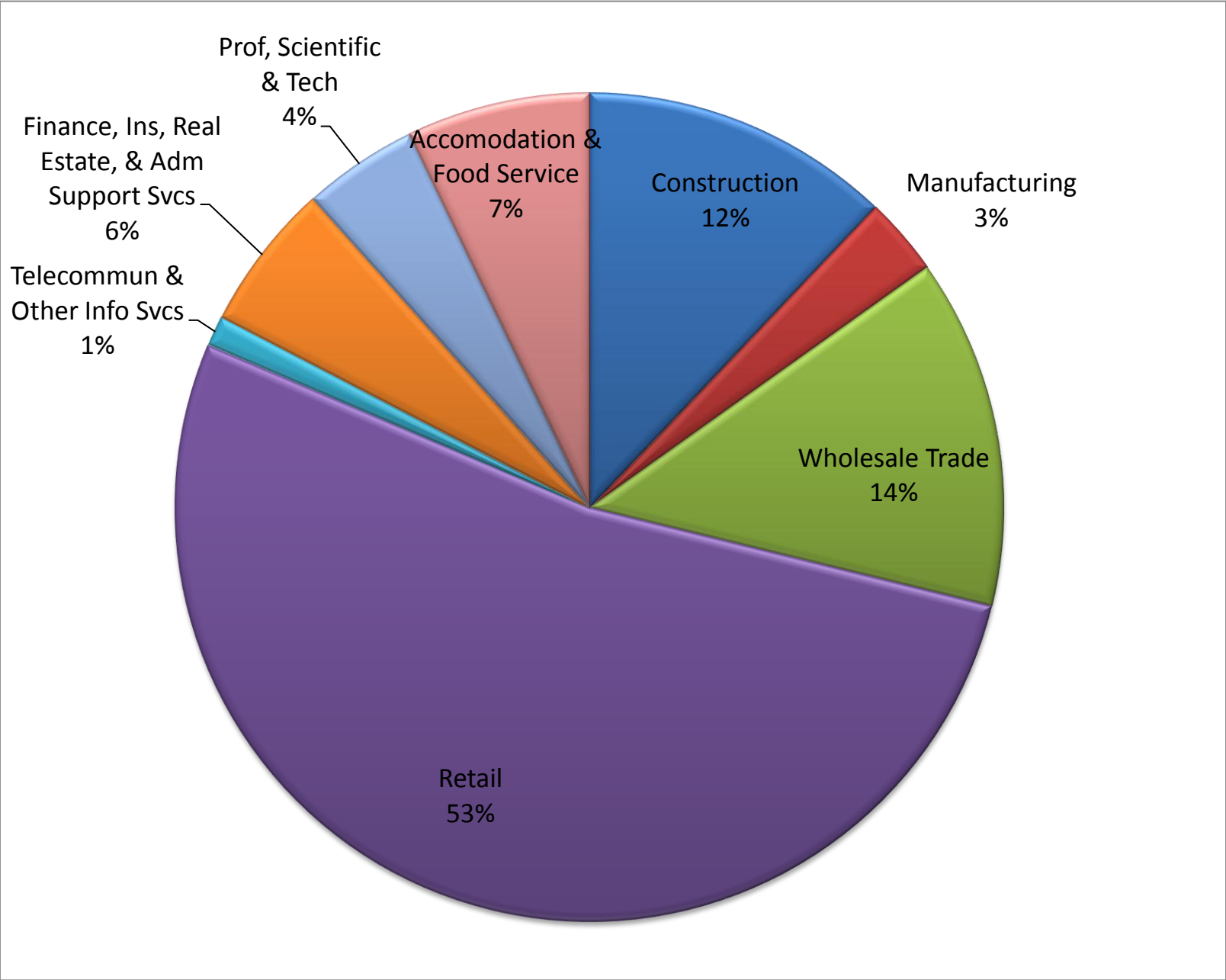
**GENERAL FUND/STREETS FUND: REVENUES**

Revenue Category	First Quarter Actual		Budgeted		% of Revenues Collected	
	01/01/12 - 03/31/12	01/01/13 - 03/31/13	2012	2013	2012	2013
Sales Tax	418,040	441,415	1,890,000	1,940,000	22%	23%
Property Tax	65,919	54,374	1,800,000	1,825,000	4%	3%
Other Taxes	45,110	49,176	236,250	249,500	19%	20%
Licenses and Permits	110,271	204,185	446,100	360,000	25%	57%
Intergovernmental Revenue	35,958	34,191	122,257	127,500	29%	27%
Charges for Services	7,981	33,993	88,050	79,995	9%	42%
Fines and Forfeitures	17,408	13,756	76,350	75,650	23%	18%
Miscellaneous Revenues	1,859	14,026	32,206	7,885	6%	178%
Utility Tax	364,221	177,300	825,000	662,000	44%	27%
Motor Vehicle Fuel Tax (Gas Tax)	36,531	38,227	153,000	153,000	24%	25%
<b>Subtotal</b>	<b>1,103,297</b>	<b>1,060,642</b>	<b>5,669,213</b>	<b>5,480,530</b>	<b>19%</b>	<b>19%</b>
Non Revenue Sources	18,721	13,918	91,815	88,915	20%	16%
<b>Total Revenues</b>	<b>1,122,018</b>	<b>1,074,560</b>	<b>5,761,028</b>	<b>5,569,445</b>	<b>19%</b>	<b>19%</b>

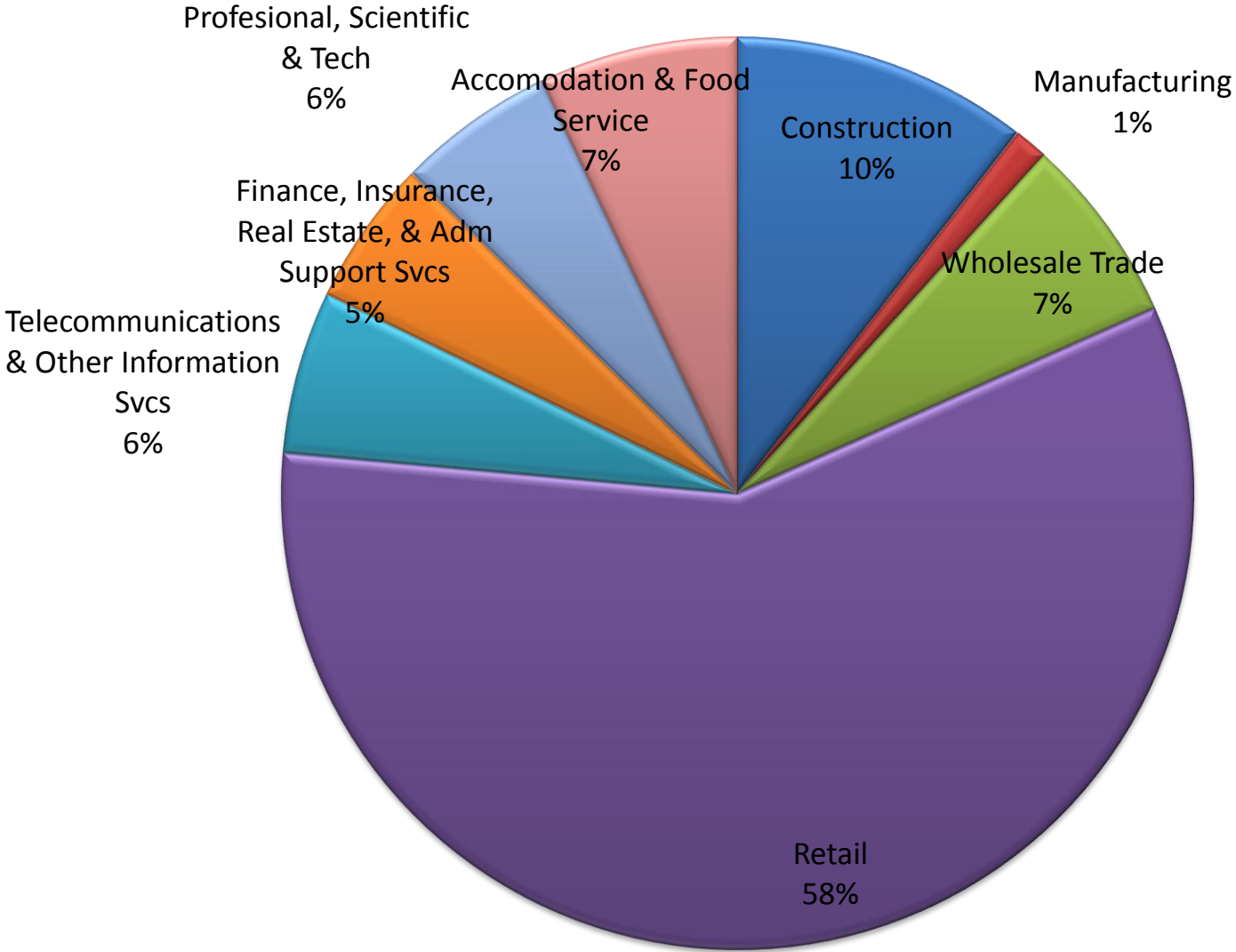
# Sales Tax - 2009 thru 2013



**2013 1st Quarter Sales Tax = \$441,415**



**YTD 2012 Sales Tax Total \$1,992,104**



## General Fund Expenditures

The following table shows budgeted and actual expenditures for first quarter 2013. Typically, expenses are lower in the 1st Quarter as compared to the rest of the year in Parks, Recreation, and Streets.

### General Fund: Expenditures

Expenditure Category	First Quarter Actual		Budget		% Expended Through First Quarter	
	01/01/12 - 03/31/12	01/01/13 - 03/31/13	2012	2013	2012	2013
General Government Services	138,358	48,683	2,599,178	379,574	5%	13%
Legislative	14,130	5,835	49,683	41,845	28%	14%
Municipal Court	6,131	29,446	130,000	120,000	5%	25%
Executive	33,492	47,574	206,383	205,231	16%	23%
Legal	10,000	10,000	60,000	60,000	17%	17%
Finance & Administrative Services	115,581	123,351	563,154	625,669	21%	20%
Law Enforcement	322,685	363,963	1,432,281	1,588,169	23%	23%
Planning and Building Services	74,726	74,873	404,247	322,964	18%	23%
Library	82,150	97,435	380,121	415,680	22%	23%
Recreation & Youth Programs	12,050	23,779	105,099	137,998	11%	17%
Parks	51,160	65,869	349,644	517,125	15%	13%
<b>Street Fund</b>	129,971	111,237	1,184,005	815,630	11%	14%
<b>Subtotal</b>	<b>990,435</b>	<b>1,002,047</b>	<b>7,463,795</b>	<b>5,229,885</b>	<b>13%</b>	<b>19%</b>
Non Expenditures	30	-	80,650	81,250	0%	0%
<b>Total Expenditures</b>	<b>990,465</b>	<b>1,002,047</b>	<b>7,544,445</b>	<b>5,311,135</b>	<b>13%</b>	<b>19%</b>

## Other Fund Revenues & Expenditures

### OTHER FUND: REVENUES

FUND	Actual YTD			2013 Budget		
	Revenue	Expenditures	Net Rev over/(under) Exp	Revenue	Expenditures	Net Rev over/(under) Exp
<i>General Fund + Streets Fund</i>	1,074,560	1,002,047	72,513	5,569,445	5,311,135	258,310
Hotel/Motel Tourism Fund	5,786	3,000	2,786	40,200	75,000	(34,800)
Tourism Promotion Area Fund	7,489	-	7,489	50,015	50,000	15
Restricted Reserve Fund	90	48	42	1,200	300	900
LTGO Redemption Note	42,003	42,003	-	168,112	168,112	-
City Land LTGO Bond Fund	-	-	-	161,521	161,521	-
City Hall LTGO Bond Fund	199	-	199	-	108,086	(108,086)
REET 1 Capital Projects Fund	63,860	-	63,860	140,900	425,000	(284,100)
REET 2 Capital Projects Fund	63,834	1,457	62,378	140,900	560,000	(419,100)
Street Capital Fund	459	-	459	2,101,900	2,100,000	1,900
Townsquare Capital Fund	-	-	-	850,000	850,000	-
Trail Capital Project	263,345	-	263,345	-	280,000	(280,000)
Harvard Road Mitigation Fund	24,628	9,533	15,095	979,100	1,563,319	(584,219)
Library Capital Fund	47	754	(706)	13,460	54,000	(40,540)
Police Capital Fund	56	-	56	50	-	50
City Hall LTGO Bond Fund	-	-	-	-	-	-
Stormwater Utility Fund	1,224	3,607	(2,382)	62,350	62,250	100
Golf Course	68,844	64,452	4,392	405,341	431,553	(26,212)
Unemployment Fund	-	-	-	28,780	28,780	-
<b>Total Revenues</b>	<b>1,616,425</b>	<b>1,126,899</b>	<b>489,526</b>	<b>10,713,274</b>	<b>12,229,056</b>	<b>(1,515,782)</b>

## Description of Other Funds

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*Hotel/Motel Tax (Tourism Promotion Fund)*- The Hotel/Motel Tax is derived from the sale or charge made for the furnishing of lodging by any hotel, motel, rooming house, tourist court, or trailer camp within the city limits of Liberty Lake for less than 30 consecutive days. In Spokane County, there must be 40 or more units for the tax to apply. The City levies a special excise tax of two percent.

*Tourism Promotion Area (Tourism Promotion Area Fund)*- The City established a tourism promotion area (TPA) that encompasses the entire City of Liberty Lake and has authorized lodging charges within the established area. Lodging businesses in the TPA that have 40 or more units must collect the lodging charge from persons who purchase lodging. The City receives \$2.00 per night of stay from lodging businesses with 40 or more units with lodging revenues exceeding five hundred thousand dollars during the preceding calendar year. The City receives \$.50 per night of stay from lodging businesses with 40 or more units with lodging revenues below five hundred thousand dollars during the preceding calendar year.

*Restricted Reserve Fund*- The Restricted Reserve Fund is generally maintained at 15% of the General Fund's projected or actual, if known, operating revenues for the fiscal year. Policies for management and use of the Restricted Reserve Fund are laid out in City of Liberty Lake Ordinance No. 107-D.

*REET (Capital Projects Fund & Special Capital Projects Fund)*- Real Estate Excise Tax (REET) of one-quarter of one percent of the selling price is imposed on each sale of property in the City of Liberty Lake. The tax is deposited into the Capital Projects Fund and is restricted to fund any capital purpose identified in a capital improvement plan and local capital improvements including those listed in RCW 35.43.040.

There is an additional one-quarter of one percent on real estate sales within the city limits. According to state law, cities planning under GMA (Growth Management Act) have the authority to levy a second quarter percent tax (REET 2). Funds from REET 2 are placed in a Special Capital Project Fund and used solely for financing capital projects as specified in a capital facilities plan element of the comprehensive plan.

*Street Capital/Library Capital /Police Capital Funds*- These are unreserved dollars set aside for Capital Projects

*Harvard Road Mitigation Fund* - Mitigation fees collected for road improvements. Funds are to be used on the Harvard/Mission Round-a-bout in 2013.

*Trail Project Capital Fund* - Project is to complete the trail connection along Sprague Ave.

*Townsquare Capital Fund* - City is matching REET \$ for an RCO grant on this City Project.

*Stormwater Utility Fund* - City collects money from Citizens to maintain its stormwater system.

*Golf Course Fund* - This is an Enterprise Fund where fees are charged to external users for services.

*G.O. & LTGO Bond/Note Funds*- Debt service funds that track bond and note payments. Revenue for these funds are typically interfund transfers.



## City of Liberty Lake 2013 Cash Summary By Fund

The following table lists what the Cash Balances are in each fund at the end of March 31, 2013.

FUND	2012 Ending Fund Balance	2013 1st Qrt Rev	2013 1st Qrt Expenditures	3-31-2013 Ending Cash Balance
<i>General Fund + Street Fund</i>	2,505,690	1,074,560	1,002,047	2,578,204
Tourism Promotion Fund	85,612	5,786	3,000	88,398
Tourism Promotion Area Fund	2	7,489	-	7,491
Restricted Reserve Fund	1,208,439	90	48	1,208,481
LTGO Redemption Note	700,000	42,003	42,003	700,000
City Land LTGO Bond Fund	-	-	-	-
REET 1 Capital Projects Fund	621,812	63,860	-	685,672
REET 2 Capital Projects Fund	563,507	63,834	1,457	625,885
Street Capital Projects Fund	1,059,151	459	-	1,059,610
Townsquare Capital Fund	-	-	-	-
Trail Capital Project	-	263,345	-	263,345
Harvard Road Mitigation Fund	579,667	24,628	9,533	594,762
Library Capital Fund	115,737	47	754	115,031
Police Capital Fund	130,000	56	-	130,056
Stormwater Utility Fund	193,364	1,224	3,607	190,982
Golf Course	90,869	68,844	64,452	95,262
Unemployment Fund	-	-	-	-
	<b>\$ 7,853,852</b>	<b>\$ 1,616,228</b>	<b>\$ 1,126,899</b>	<b>\$ 8,343,177</b>

**CITY OF LIBERTY LAKE**

**SUMMARY OF GOLF COURSE FUND - MARCH 31, 2013**

	Budget	Actual
Pro Shop Sales	25,000.00	7,229.23
Season Passes	12,000.00	11,081.70
Green Fees	165,000.00	15,058.74
Lessons	15,000.00	610.00
Driving Range	60,000.00	17,341.31
Golf Cart Trail Fees	2,000.00	460.92
School Driving Range Fees	1,500.00	735.98
Restaurant	38,400.00	5,143.00
Golf Cart	25,000.00	714.84
Misc	5,710.00	506.70
Non Revenue	55,731.00	9,961.58
<b>Total Revenue</b>	<b>405,341.00</b>	<b>68,844.00</b>
Salaries/Benefits	169,761.00	30,651.28
Supplies	101,950.00	20,384.16
Services	63,211.00	10,421.51
Non Expenditures	47,131.00	2,994.65
<b>Operations</b>	<b>382,053.00</b>	<b>64,451.60</b>
Unemployment	2,500.00	-
Capital	47,000.00	-
Debt Service	-	-
Capital and Debt	<b>49,500.00</b>	-
<b>Total Expenditures</b>	<b>431,553.00</b>	<b>64,451.60</b>