



MEMORANDUM

TO: Rob Karlinsey, City Manager
FROM: Leticia Salcido, Finance Director
DATE: October 26, 2021
RE: September 2021 Financial Reports for the City of Kenmore, Washington

September 2021 financial information is presented for your review and delivery to the City Council. Attached you will find the following reports:

- General Fund Summary
- General Fund Revenue Graphs
- General Fund Expenditure Graphs
- Street Fund Summary
- Cash and Investment Report
- Investment Schedule and Portfolio Analysis
- Sales Tax Receipts by Business Type
- Retail Sales and Use Tax Distribution

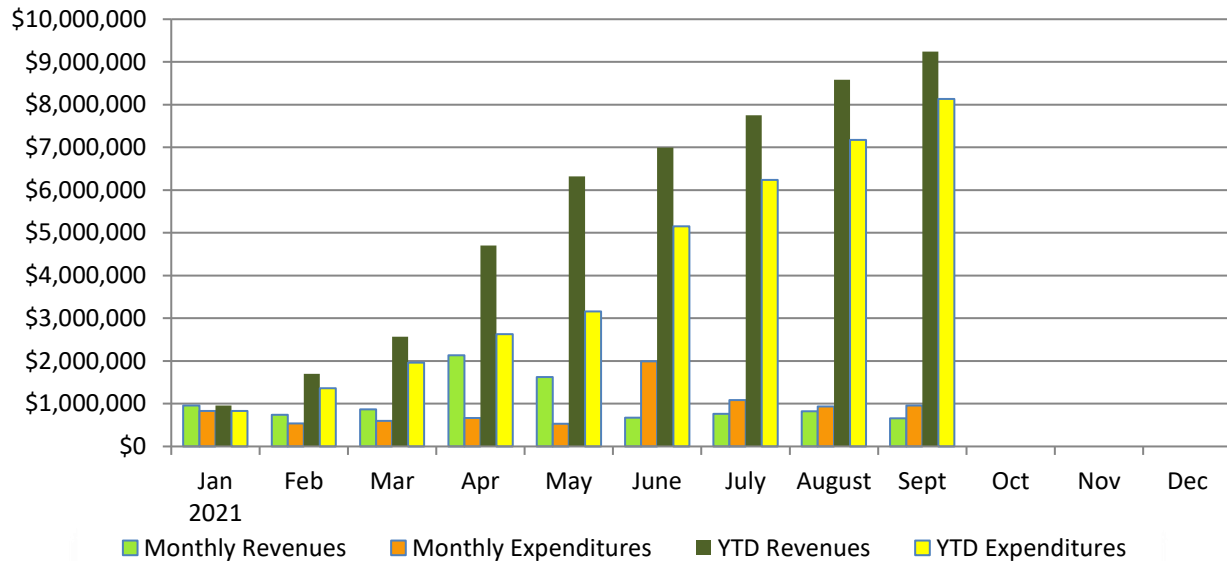
If you would like additional information or have any questions regarding the financial reports, please feel free to contact me.

GENERAL FUND

The first section of the monthly financial report is a review of the General Fund. This fund accounts for operational activities and includes all financial resources except those required or elected to be accounted for in another fund. Revenues include various taxes, per capita distributions from the State, fines and forfeitures, permits and licenses, and fees for service. In the context of the biennial budget, September is the ninth month (37%) of the 2021-2022 biennial budget period. For the month of September, expenditures exceeded revenues in the General Fund by \$299,818. Biennium to date, revenues exceed expenditures by \$1,104,762.

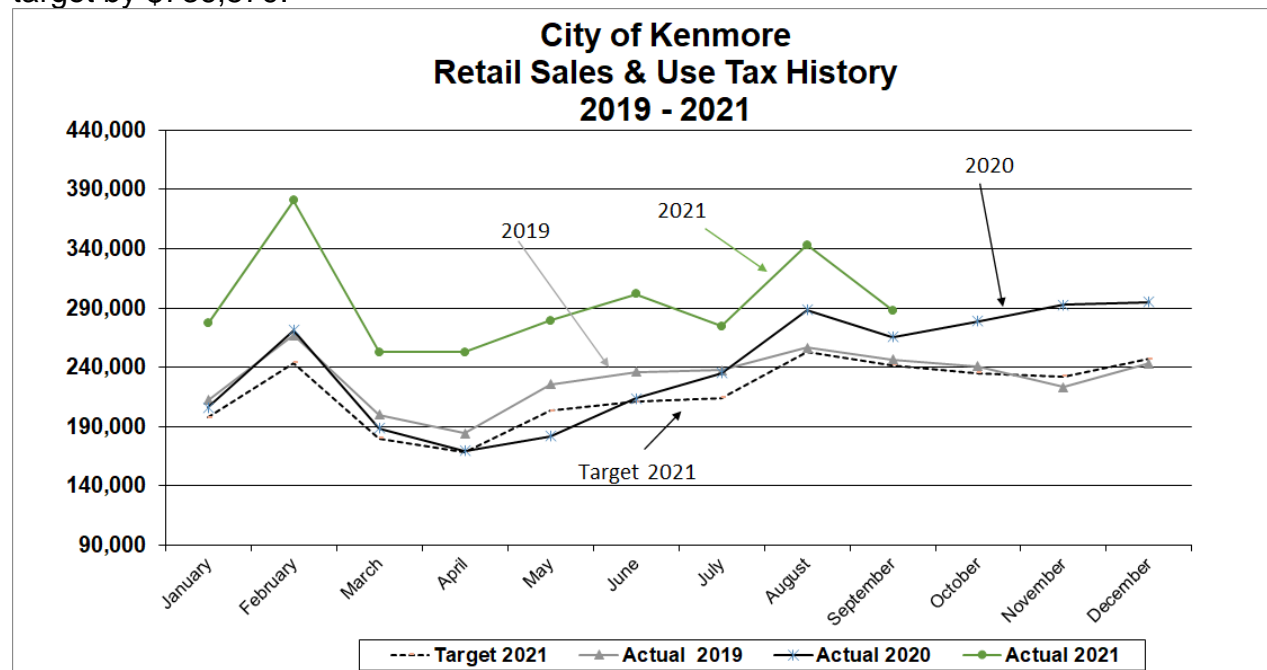
The following chart illustrates the monthly revenue and expenditure activity in the General Fund through September 2021.

City of Kenmore, Washington
Monthly Financial Report
September 2021

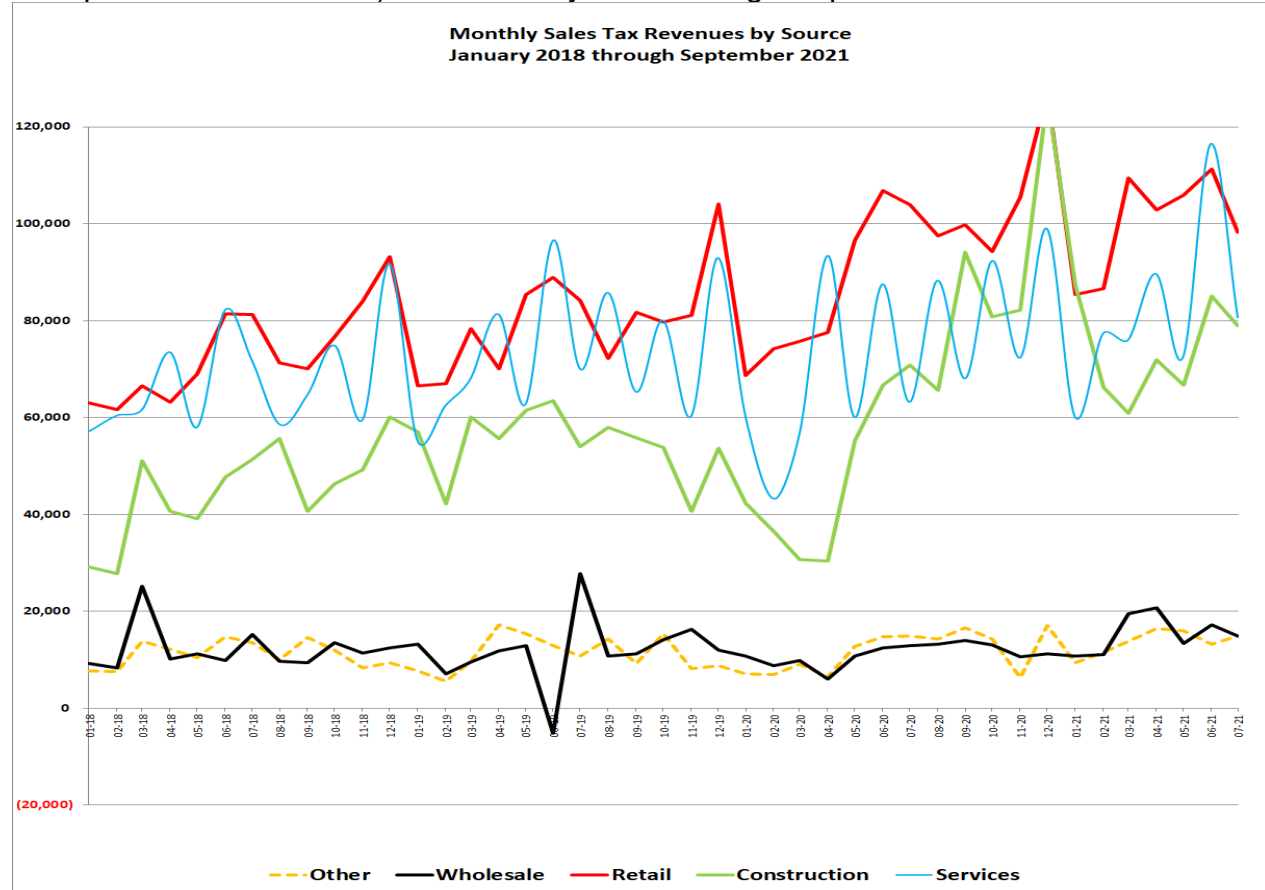


Total **revenues** for the month were **\$660,642**. Biennium to date revenues are \$9,241,539 which is 34% of the budgeted revenues of \$27,067,770. Primary sources of revenue for the month included property taxes in the amount of \$92,650, development fees & permits in the amount of \$81,918, retail sales and use taxes in the amount of \$287,846, intergovernment & grants in the amount of \$135,249, and utility taxes in the amount of \$61,445.

A summary of sales tax revenues received in **September** is attached. These receipts are based on **July** sales activity. The chart below gives a historical perspective of monthly sales tax receipts over the last several years. The black dotted Target 2021 line is a monthly average of actual receipts during 2018, 2019, and 2020. The green line represents 2021 actual receipts, which are \$628,538 above 2020 and ahead of the 2021 target by \$736,579.



The following chart illustrates the historical trends of sales tax receipts from the major segments: construction, retail, wholesale, other (agriculture, services, manufacturing, transportation and utilities) from January 2018 through September 2021.

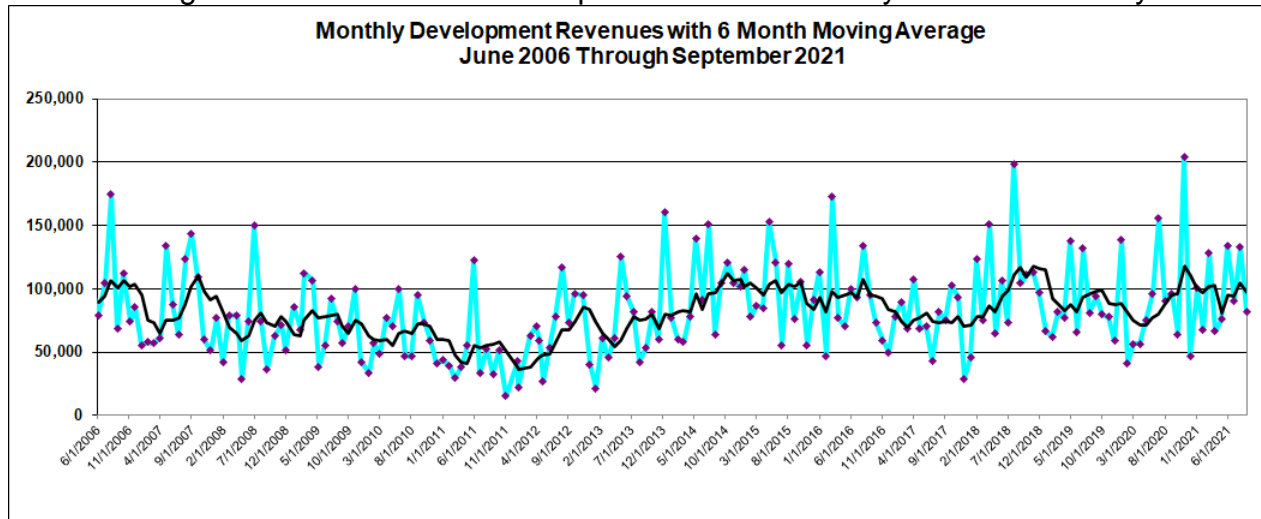


In September, the top 506 sales tax remitters, accounting for 89% or \$255,067 of total remittances, were reviewed for internet sales activity.

Of the \$255,067 of sales tax remitted by these companies in September, \$56,523 (22% of the total) was generated from internet-based companies. Below is a chart that illustrates the amount of internet based sale tax in the major segments that include it:

	Total Sales Tax Remitted in September	Internet Based Companies	% of Total Internet Sales Tax Collected
Retail Trade	\$78,459	\$40,107	51%
Information	7,134	2,125	30%
Services	64,406	13,251	21%
Wholesale	11,440	1,040	9%
Other	93,628	0	0%
	\$255,067	\$56,523	

The following chart illustrates the development revenue activity over the last 15 years.



September 2021 expenditures were **\$960,460**. Biennium to date expenditures are \$8,136,778, which is 30% of the biennial budget expenditures of \$27,067,770.

Total City cash (\$30,563,448) and long-term investments (\$6,068,350), at the end of September, totaled \$36,631,798. Proposition 1 levy funds and ARPA Recovery Funds are included in this cash balance.

Total non-General Fund revenues were \$12,675,508 and total non-General Fund expenditures were \$1,673,019.

In the **Street Fund** revenue from gas tax distributions were \$44,624. \$40,631 was expended for maintenance and operations during the month.

In the **Transportation Capital Fund**, there were expenditures in the amount of \$838,925 on pedestrian safety projects & street maintenance. The fund received \$2,004,753 in project grant reimbursements during the month.

The **Sammamish Bridge Replacement Fund** had \$106,069 in expenditures during the month. The fund received \$18,921 in bridge grant reimbursements during the month.

The **W&W Bond Project Fund** received \$10,077,873 during the month from the second sale of the Walkways & Waterways municipal bonds.

The **Park Impact Fee** fund received \$15,540 in revenues during the month.

There were \$40,459 in revenues for the **Transportation Impact Fee** fund during the month.

The **Real Estate Excise Tax** Fund received \$233,744 of real estate excise taxes (REET) in September from sales activity that occurred in August. 47 transactions were reported during the month. The 2021 year to date revenue is higher than the 2020 revenue by \$649,576.

The **Park Capital** fund had \$302,347 in Park improvement expenditures during the month.

The **Walkways & Waterways Debt Service** Fund collected \$13,133 in property taxes related to the Prop 1 Bond for a biennium to date total revenue of \$433,456.

The **Transportation Benefit District** Fund received \$33,957 in vehicle license fees during the month.

SUMMARY

This concludes the financial report for the City of Kenmore as of **September 30, 2021**. I appreciate your feedback and encourage you to contact me if you have any questions prior to the City Council meeting.