



# City of Kenmore, Washington

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## Memorandum

Date: November 21, 2023

To: Rob Karlinsey, City Manager

From: Melinda Merrell, Finance Director

Regarding: November 2023 Financial Reports for the City of Kenmore, Washington

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**November 2023** 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

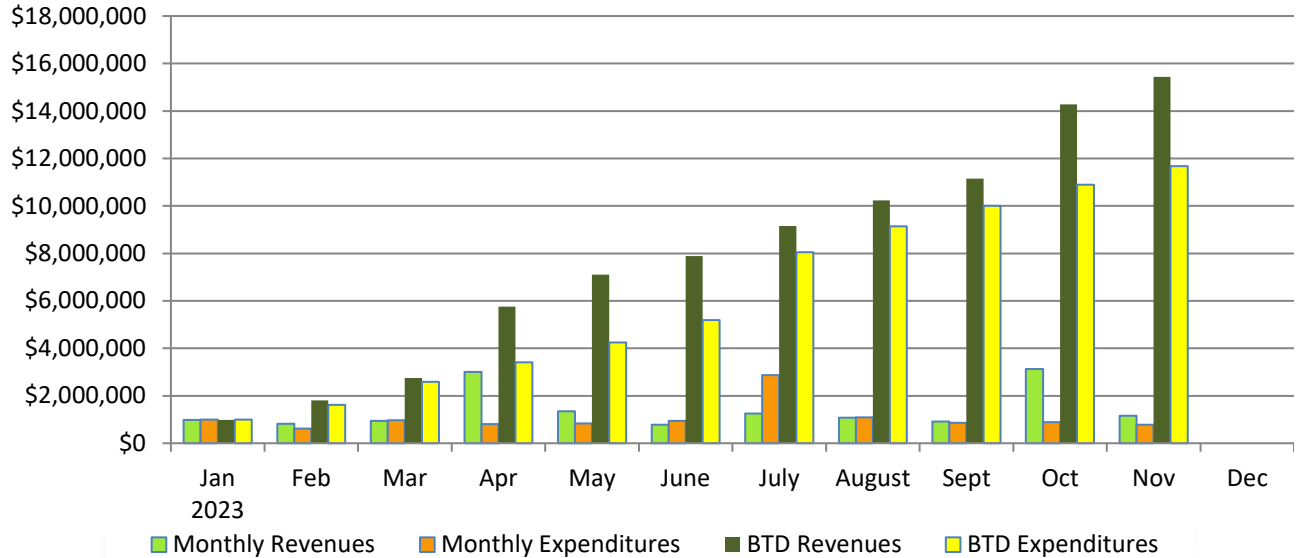
If you would like additional information or have any questions regarding the financial reports, please feel free to contact me.

### 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, November is the eleventh month (46%) of the 2023-2024 biennial budget period. For the month of November, revenues exceeded expenditures in the General Fund by \$385,041. Biennium to date, revenues exceed expenditures by \$3,763,833.

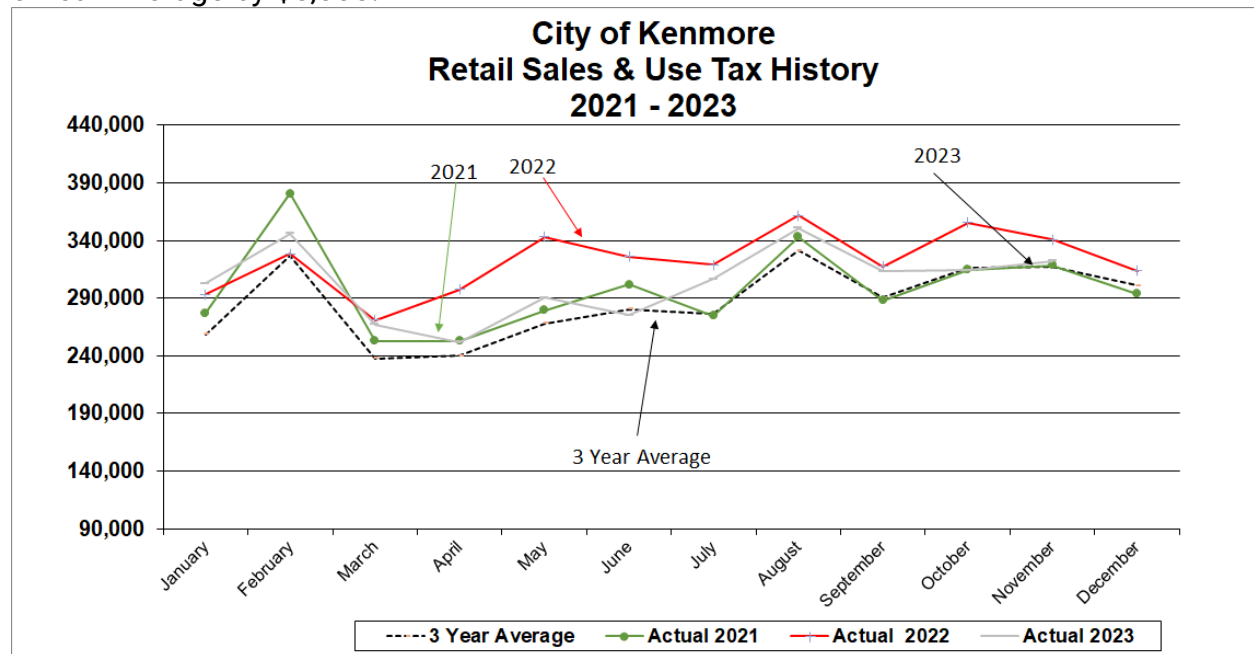
The following chart illustrates the monthly revenue and expenditure activity in the General Fund through November 2023.

City of Kenmore, Washington  
Monthly Financial Report  
November 2023

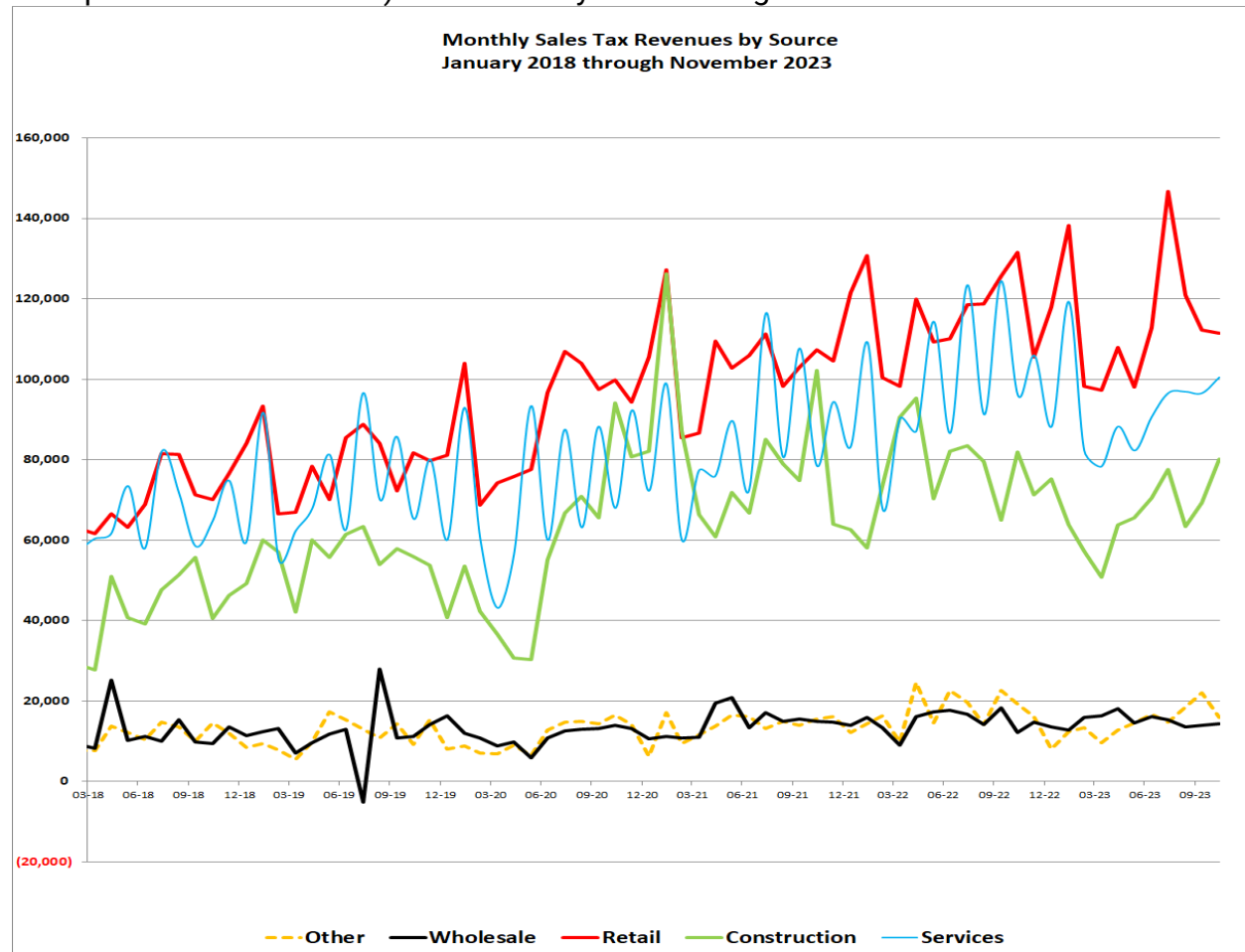


Total **revenues** for the month were **\$1,161,894**. Biennium to date revenues were \$15,432,858 which is 46.8% of the amended budgeted revenues of \$32,967,258. Primary sources of revenue for the month included \$498,993 in property taxes, \$85,819 in development fees & permits, \$322,326 in retail sales and use taxes, \$23,993 in intergovernmental & grants, and \$172,369 in utility taxes.

A summary of sales tax revenues received in **November** is attached. These receipts are based on **September** sales activity. The chart below gives a historical perspective of monthly sales tax receipts over the last several years. The black dotted 3 Year Average line is a monthly average of actual receipts during 2020, 2021, and 2022. The gray line represents 2023 actual receipts by month, which are \$18,522 below 2022 and above the 3 Year Average by \$5,038.



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 November 2023.

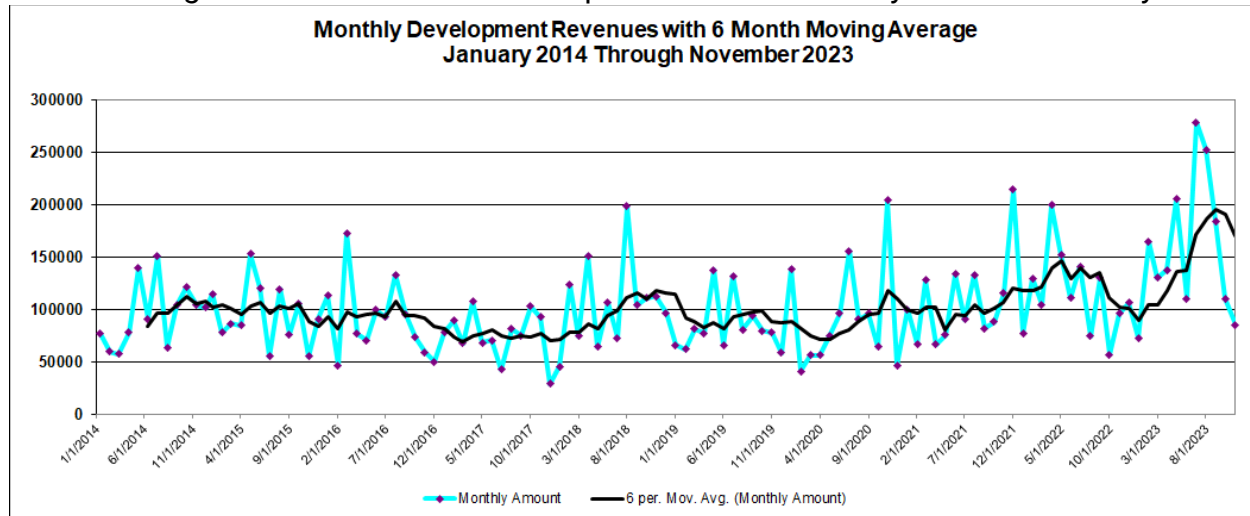


In November, the top 506 sales tax remitters, accounting for 85% or \$272,617 of total remittances, were reviewed for internet sales activity.

Of the \$272,617 of sales tax remitted by these companies in November, \$62,750 (23% of the total) was generated from internet-based companies. Below is a chart that illustrates the amount of internet-based sales tax in the major segments that include it:

	Top Sales Tax Remitters in November	Internet Based Companies	% of Total Internet Sales Tax Collected
Retail Trade	\$88,647	\$44,045	50%
Information	11,240	2,948	26%
Services	75,077	14,523	19%
Wholesale	10,592	1,234	12%
Other	87,061	0	0%
	<b>\$272,617</b>	<b>\$62,750</b>	

The following chart illustrates the development revenue activity over the last 10 years.



**November 2023 expenditures** were **\$776,853**. Biennium to date expenditures were \$11,669,024 which is 35% of the amended biennial budget expenditures of \$32,736,301.

City cash, \$24,377,582, and long-term investments, \$6,498,747, at the end of November, totaled \$30,876,329. Proposition 1 levy funds and ARPA Recovery Funds are included in this cash balance.

### **OTHER FUNDS**

Total non-General Fund revenues for the month were \$1,672,692 and total non-General Fund expenditures were \$2,196,666.

In the **Street Fund**, expenses are outpacing revenues year to date as transfers from the General Fund and Transportation Benefit District have not yet been recorded. Overall, expenses are slightly lower than expected at 36% for the biennium vs the 46% target.

In November, the **Transportation Capital Fund** had expenditures in the amount of \$89,123 on pedestrian safety projects & street maintenance. The fund received \$609,010 in grant reimbursements during the month.

The **Real Estate Excise Tax Fund** received \$80,554 of real estate excise taxes (REET) in November from sales activity that occurred in October. Eighteen (18) transactions were reported.

The **Park Impact Fee Fund** received \$25,956 in revenues during the month.

In November, there were \$67,576 in revenues for the **Transportation Impact Fee Fund**.

In November, the **Walkways & Waterways Debt Service Fund** collected \$82,779 in property taxes related to the Prop 1 Bond for a biennium to date total revenue of \$1,052,731.

The **KAPE Fund** received \$76,930 in photo enforcement infraction revenue during the month.

The **Transportation Benefit District Fund** received \$57,994 in vehicle license fees during the month.

### **SUMMARY**

This concludes the financial report for the City of Kenmore as of **November 30, 2023**. I appreciate your feedback and encourage you to contact me if you have any questions prior to the City Council meeting.