

# **2<sup>nd</sup> Quarter 2016 Financials**

*City Council Study Session*

*August 2<sup>nd</sup>, 2016*

# 2<sup>nd</sup> Quarter 2016 Financial Presentation

- General Fund
  - 2015-2016 Finances through June 30, 2016
- General Fund-Supported Funds
  - 2015-2016 Finances through June 30, 2016

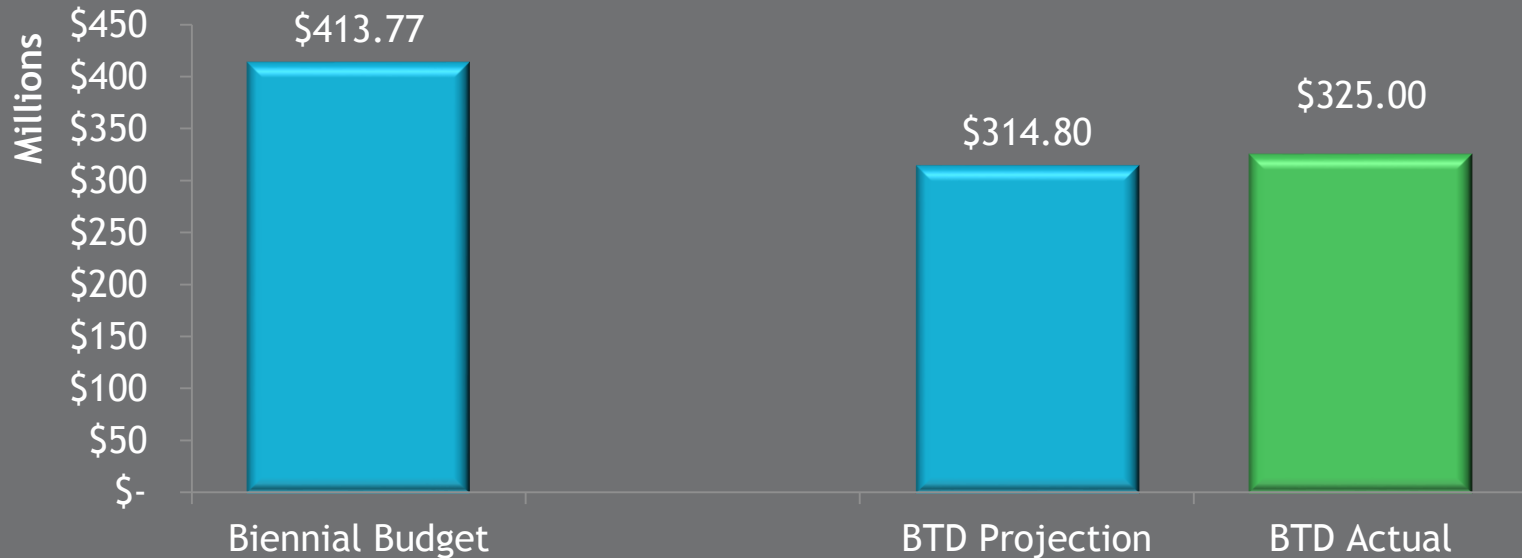


# 2016 General Fund Update

- General Fund balance through June are approximately \$18.2 M better than planned budget
  - \$10.2 M more in revenues
    - Largely due to increases in taxes (Property, Sales, Business), and revenue increases
  - \$8.0 M less in expenditures
    - Less expenditures than planned due to vacancies, police and fire pensions, and less spending than planned on external contracts and city assessments.

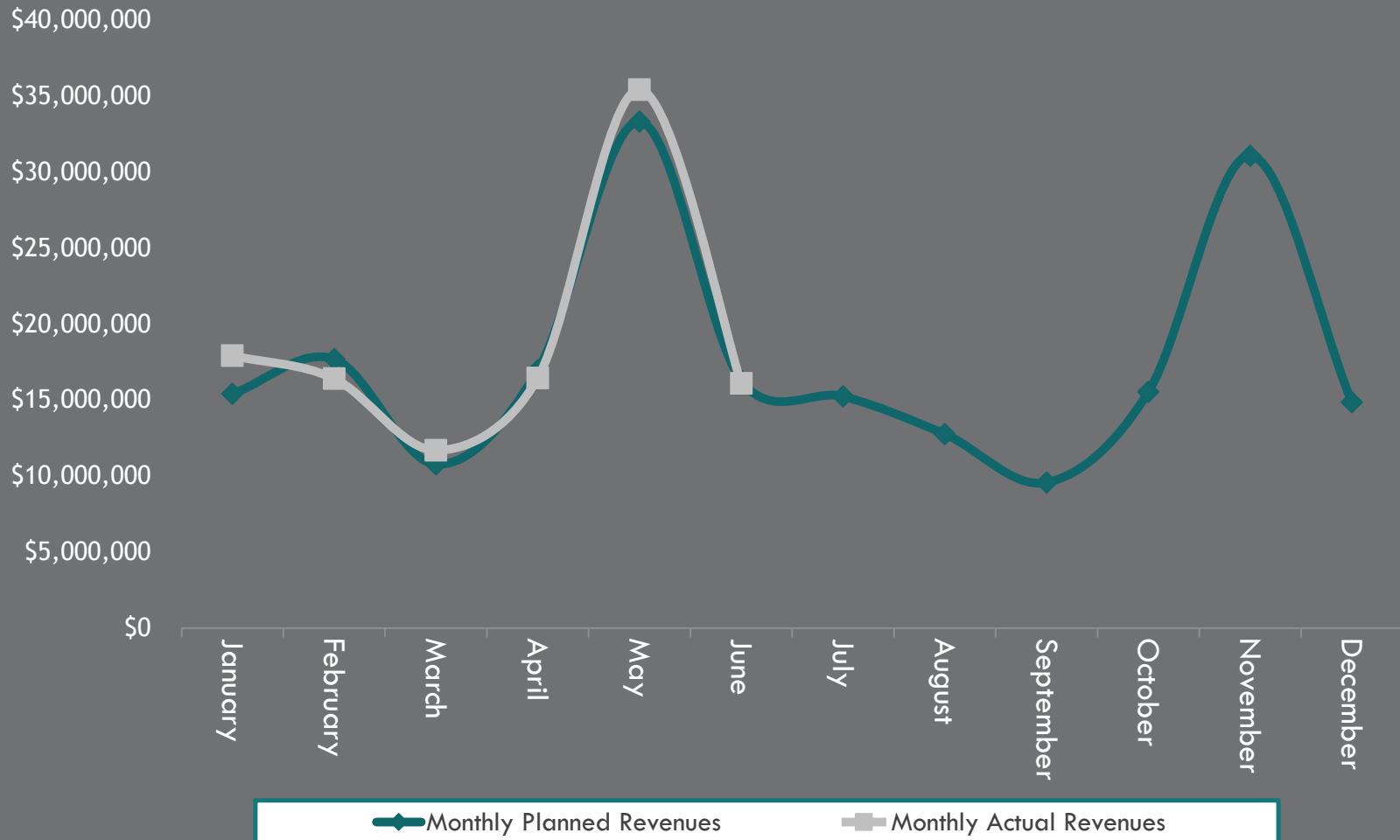
## **General Fund Revenues**

# General Fund Revenues (Millions)



General Fund Revenues (Millions)				
2015-2016 Budget	BTD Projection	BTD Actuals	Variance	% Variance from Target
\$413.77	\$314.80	\$325.00	\$10.20	3.2%

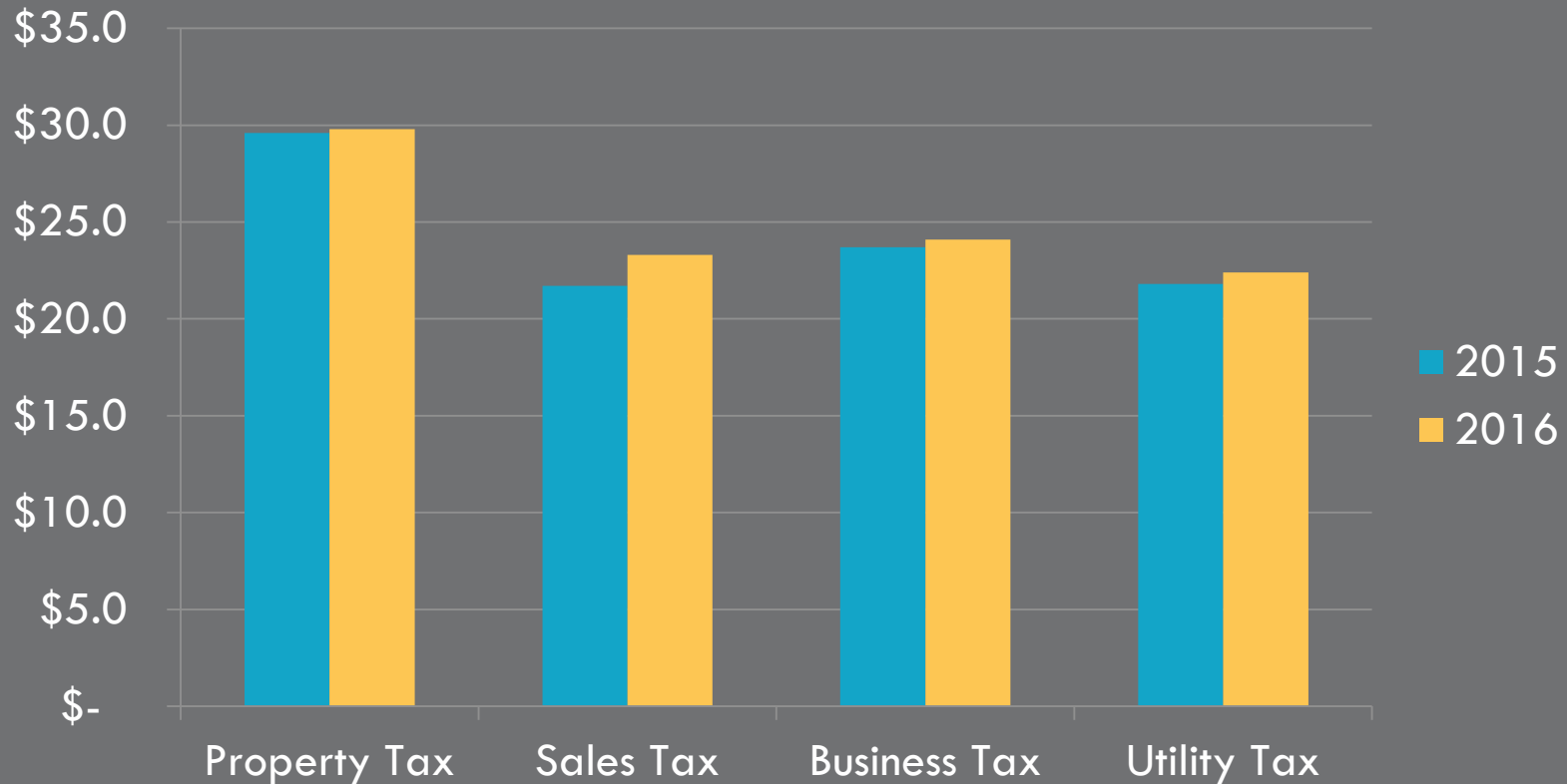
# 2016 General Fund Revenues – All Sources (Millions)



# General Fund Revenue Variance (Millions)

Revenue Source	BTD 2 <sup>nd</sup> Q 2016 Plan	BTD 2 <sup>nd</sup> Q 2016 Actual	Variance
Property Tax	\$83.5	\$84.8	\$1.3
Business Tax	68.9	70.4	1.5
Utility Tax	63.9	63.9	-
Sales Tax	66.8	69.1	2.3
Other Revenue	31.7	36.8	5.1
<b>Total</b>	<b>314.8</b>	<b>325.0</b>	<b>\$10.2</b>

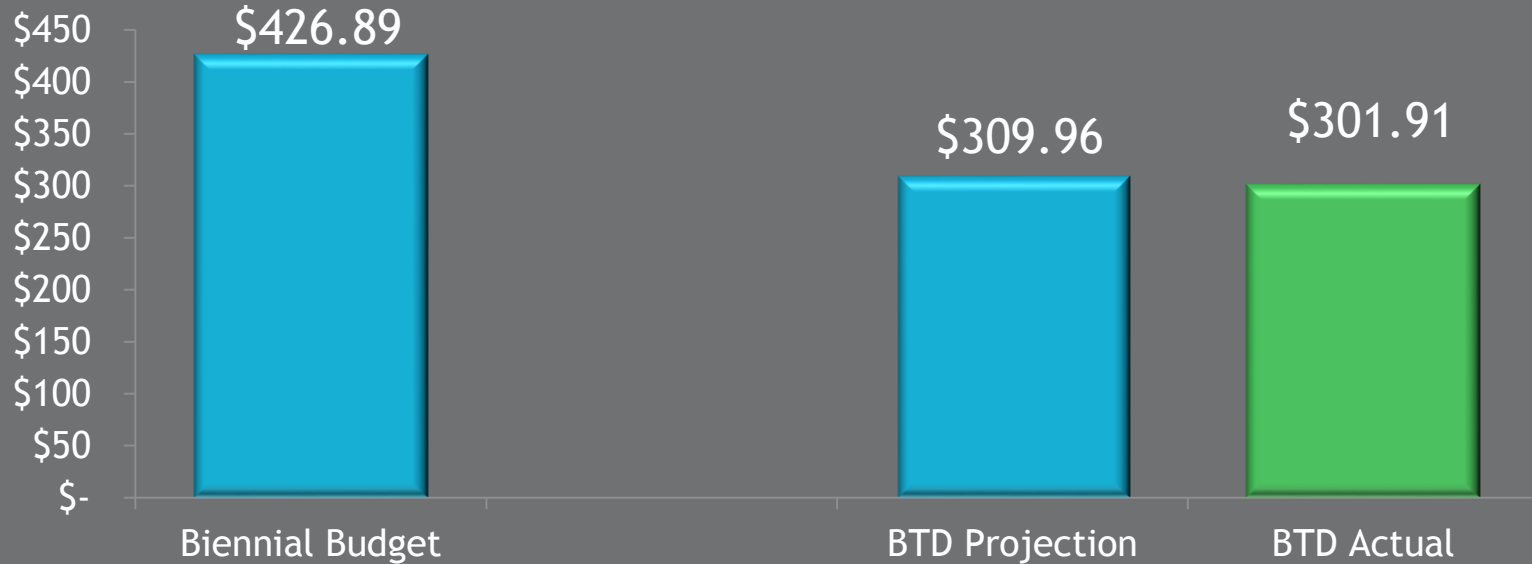
# General Fund Tax Revenue thru June 2015 v. 2016 (Millions)





# General Fund Expenditures

# General Fund Expenditures (Millions)



General Fund Expenditures (Millions)				
2015-2016 Budget	BTD Projection	BTD Actual	Variance	% Variance from Target
<b>\$426.89</b>	<b>\$309.96</b>	<b>\$301.91</b>	<b>\$8.05</b>	<b>2.6%</b>

# General Fund Expenditure Variance (Millions)

Department	BTD 2 <sup>nd</sup> Q 2016 Plan	BTD 2 <sup>nd</sup> Q 2016 Actual	Variance
Neigh & Comm Svcs	\$15.3	\$13.5	\$1.8
Police	110.0	106.3	3.7
Fire	72.1	73.7	-1.6
Non Departmental	44.8	43.4	1.4
Other Departments	67.8	65.0	2.7
<b>Total</b>	<b>310.0</b>	<b>301.9</b>	<b>8.0</b>

# Expenditure Variance Detail

- \$8.0 M below budget plan:
  - -\$1.56 M – Fire Department
    - Increased overtime and retroactive Union wages
  - \$1.75 M – Neighborhood and Community Services
    - Labor savings and vacancies and delayed external contract expenses
  - \$3.64 M – Police Department
    - \$1.2 M Vacancies and labor contracts
    - \$1 M Fuel savings
    - \$1.2 M Delayed jail payments
  - \$1.41 M – Non Departmental
    - \$944 k Police and Fire pension savings
    - \$523 k Metro Parks M&O and Transportation expenses
  - \$2.76M – Other Departments
    - Vacancies, deferred costs, and miscellaneous savings

# **General Fund Supported Funds**

# General Fund Supported Funds

- Streets Operations & Engineering
- Traffic Enforcement
- Permit Services
- Parking
- Public Assembly Facilities
  - Convention Center
  - Cheney Stadium
  - Tacoma Dome

# Street Operations & Engineering Fund (Millions)

	Thru June Projection	Thru June Actual	Variance Favorable / (Unfavorable)
Revenues	\$27.5	\$27.9	\$0.4
Expenditures	27.4	26.5	0.9

- Revenues favorable due to reimbursements and Motor Vehicle Fuel Taxes
- Expenditures favorable due to savings in labor, equipment, fleet and fuel



# Traffic Enforcement Fund (Millions)

	Thru June Projection	Thru June Actual	Variance Favorable / (Unfavorable)
Revenues	\$4.38	\$4.20	\$(0.18)
Expenditures	4.88	4.42	0.46

- Revenues below budget due to lower than anticipated fines and forfeitures revenue
- Expenditures favorable due to personnel vacancy savings and rent savings





# Permit Services Fund Budgeted Revenues (Millions)

	Thru June Projection	Thru June Actual	Variance Favorable / (Unfavorable)
Revenues	\$13.48	\$13.62	\$0.14
Expenditures	14.23	13.54	0.69

- Revenues favorable due to inspection fees for several high value projects
- Expenditure favorable due to personnel savings



# Parking Fund Budgeted Revenues (Millions)

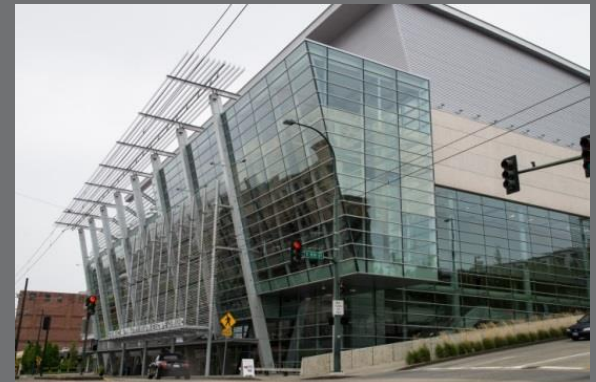
	Thru June Projection	Thru June Actual	Variance Favorable / (Unfavorable)
Revenues	\$10.79	\$11.19	\$0.4
Expenditures	10.54	9.58	0.96

- Revenues favorable due to higher than expected parking revenues
- Expenditures favorable due to labor savings and multiple delayed projects

# PAF Convention Center (Millions)

	Thru June Projection	Thru June Actual	Variance Favorable / (Unfavorable)
Revenues	\$11.79	\$12.25	\$0.46
Expenditures	11.67	11.54	0.13

- Revenues favorable due to asset sale, restaurant service revenue, and Performing Arts District contribution
- Expenditures favorable due to vacancy savings in personnel



# PAF Cheney Stadium (Millions)

	Thru June Projection	Thru June Actual	Variance Favorable / (Unfavorable)
Revenues	\$2.10	\$2.42	\$0.32
Expenditures	2.18	2.10	0.08

- Revenues favorable due to additional grant from Cheney Foundation, timing of rent revenue and transfer from the General Fund
- Expenses on target with plan



# PAF Tacoma Dome (Millions)

	Thru June Projection	Thru June Actual	Variance Favorable / (Unfavorable)
Revenues	\$11.19	\$12.53	\$1.34
Expenditures	10.13	11.46	(1.33)

- The variance for revenue and expenses is due to 2015 changes in accounting
- The budget is being adjusted to reflect the changes in practice and will be reflected in the July report

# Summary

# Budget/Finance Condition Summary

- Overall through June 2016, revenue collections were above budget plan and expenditures were below budget plan
- Budget Office, Finance, and City Manager's Office will continue to analyze revenue and expenditure trends each month

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