



**Monthly Financial Report - February 2018**

FUND No.	FUND NAME	2017 ENDING FUND BALANCE	FEBRUARY 2018 BEGINNING FUND BALANCE	FEBRUARY 2018 REVENUES	FEBRUARY 2017 REVENUES	FEBRUARY 2018 EXPENSES	FEBRUARY 2017 EXPENSES	FEBRUARY 2018 ENDING FUND BALANCE	TARGET RESERVE
001	General Fund	\$ 14,901,549	\$ 13,494,976	\$ 1,515,985	\$ 1,300,426	\$ (1,213,961)	\$ (1,155,094)	\$ 13,797,000	\$ 5,191,000
101	Street Fund	\$ 891,141	\$ 888,499	\$ 271,916	\$ 227,109	\$ (174,870)	\$ (166,805)	\$ 985,546	N/A
103	REET Fund	\$ 56,279	\$ (54,068)	\$ 155,365	\$ 163,752	\$ -	\$ (137,200)	\$ 101,297	N/A
104	Civic Impr. Fund	\$ 292,950	\$ 304,799	\$ 35,509	\$ 32,797	\$ -	\$ -	\$ 340,308	N/A
108	Affd. Housing Fund	\$ 159,176	\$ 159,176	\$ -	\$ -	\$ -	\$ -	\$ 159,176	N/A
301	Capital Const. Fund	\$ 4,454,046	\$ 6,521,483	\$ -	\$ 234,122	\$ (315,160)	\$ 136,112	\$ 6,206,323	N/A
401	Water Fund	\$ 7,268,167	\$ 7,207,905	\$ 229,114	\$ 125,270	\$ (100,572)	\$ (79,719)	\$ 7,336,448	\$ 341,491
402	Sewer Fund	\$ 6,629,634	\$ 6,484,827	\$ 510,387	\$ 406,310	\$ (193,726)	\$ (229,697)	\$ 6,801,487	\$ 2,204,801
403	Storm Water Fund	\$ 1,211,603	\$ 1,109,181	\$ 53,836	\$ 49,953	\$ (98,771)	\$ (132,112)	\$ 1,064,246	\$ 797,307
407	Building Svcs. Fund	\$ 323,643	\$ 323,627	\$ 203,514	\$ 195,271	\$ (202,523)	\$ (187,240)	\$ 324,618	N/A

**NOTES:**

The City has adopted reserve policies for the General Fund (Fund 001) and the Water, Sewer, and Storm and Surface Water Funds (Fund 401, Fund 402, Fund 403, respectively). The General Fund reserve amount was taken from the 2017-2018 Adpoted Budget. Utility reserve targets were calculated based on the policies in Section 6 of Resolution No. 2016-19. Operating expenses used in the calculation were taken from the 2017-2018 Adopted Budget, and capital assets used in the calculation were taken from the 2016 CAFR.

Monthly revenue and expense amounts may include non-cash transactions.

December 2017 ending fund balances are not finalized and are subject to change through April 2018.

REPORT DATE: 3/30/2018



## **Monthly Financial Report Highlights February 2018**

- **REPORT TIMING & AVAILABILITY:** The CAFR is an audited annual financial report produced by the City and typically finalized in April of the year following its reporting period. Producing the CAFR requires finance department staff to record several transactions affecting year end account balances. Transactions can be posted to the City's financial system as late as April, creating a challenge in monthly financial reporting because year-end account balances often change from one month to the next. The finance department strives to keep financial reporting timely and relevant, and we have decided to continue to release monthly reports throughout the period during which the CAFR is being produced with the caveat that prior year ending fund balances may change until the CAFR is finalized. Due to competing staff priorities, old reports will not be updated retroactively and re-released even if changes in ending fund balance occur. Please refer to the most recent monthly report for the latest data. Monthly financial reports are published to the City's website and are available at the following URL:

<http://www.bainbridgewa.gov/213/Budget-Financial-Reports>

- **RESERVE LEVELS:** The City's financial policies contain provisions for contingency reserves in four of the funds included in this report: The General Fund, Water, Sewer, and Storm Water Funds. The utility fund reserve amounts are calculated using data published in the CAFR and will therefore be recalculated for 2018 in April or May. General Fund, Water, and Sewer Fund balances are significantly higher than their reserve requirements. The Storm Water Fund exceeds its reserve requirement by ~\$270,000, which by percent of fund balance is much lower than the other three funds.
- **REET FUND BALANCE:** The REET Fund had a negative fund balance of ~\$54,000 at the beginning of February 2018. The finance department has established a target minimum fund balance of \$35,000 for REET, which is calculated monthly and maintained by transfers from the General Fund if necessary. The unusual timing of a transfer from REET to the G.O Bond (debt service) Fund resulted in a miscalculation of the REET ending fund balance target for January. This was corrected in February and the REET ending fund balance is currently \$101,297.
- **CAPITAL CONSTRUCTION FUND EXPENSES:** Expenses in the Capital Construction Fund totaled \$315,160 in February. The largest contributing expense was the payment of a ~\$281,000 construction invoice for the Waterfront Park Dock Improvement project.