



City of Liberty Lake

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Quarterly Financial Report

First Quarter 2010

April 13, 2010

Overview

The Quarterly Financial Report provides a summary budget to actual comparison of revenues and expenditures for each fund through the end of the most recently completed fiscal quarter. The information contained in this report is prepared on a cash basis.

General Fund

Revenues

Revenue collections at the end of first quarter closely followed projections, however, General Fund Total Revenues decreased by 2% from first quarter 2009. This can be attributed to a decline in sales tax revenue, as well as a decline in intergovernmental revenue. Retail sales tax declined 11% for first quarter compared to last year. General Fund revenues totaled \$658,635, or 13.79% of the total General Fund budget for the year.

The City received information from Spokane County during first quarter that \$115,375 or 7% of the City's regular property tax levy will be dedicated to the Tax Increment Financing (TIF) district located north of I-90. Calculations are performed by the Spokane County Treasurer's Office in January. The City does not receive the full increase in property tax revenue resulting from new construction and improvements in the TIF district. For this area, 75% of property taxes above the 2006 baseline are dedicated to the

TIF fund managed by Spokane County. Budget adjustments to compensate for TIF will need to be made on the expenditure side in the amount of \$115,375 to ensure a balanced budget at the end of the year.

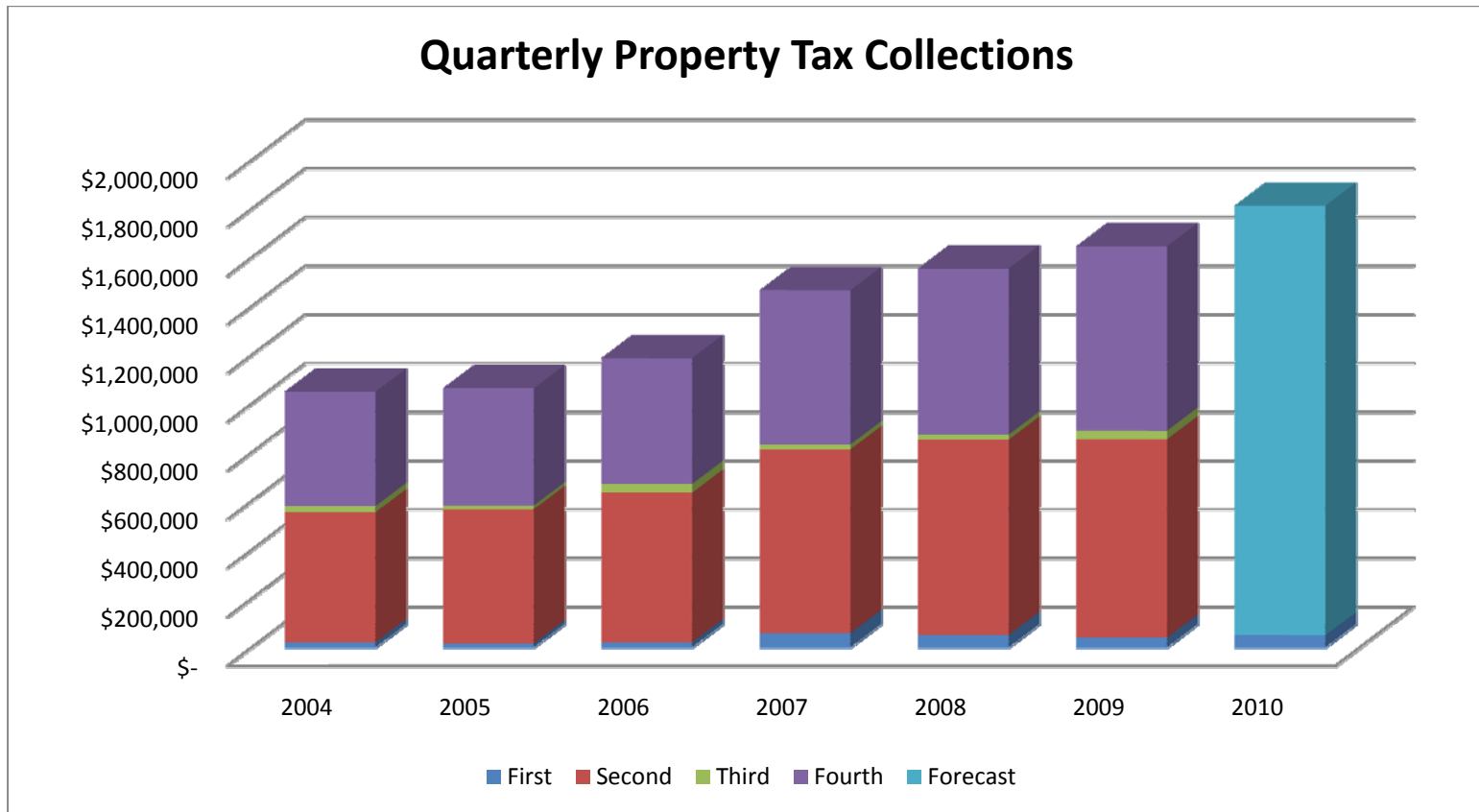
On a positive note, the City experienced an increase in revenues related to building activities in the first quarter compared to first quarter 2009. The City collected \$67,474 in building permit fees for first quarter which represented 45% of the budget. The following table shows budgeted and actual revenues from January 1 through March 31, 2009 and 2010. The table also shows the percentage of revenues utilized through March.

General Fund: Revenues

Revenue Category	First Quarter Actuals		Projected		YTD % Collected	
	01/01/09 - 03/31/09	01/01/10 - 03/31/10	2009	2010	2009	2010
Sales Tax	\$ 428,088	\$ 380,525	\$ 1,854,000	\$ 1,752,079	23.09%	30.44%
Property Tax	\$ 39,971	\$ 49,659	\$ 1,762,712	\$ 1,813,405	2.27%	2.74%
Other Taxes	\$ 42,770	\$ 43,548	\$ 193,500	\$ 207,104	22.10%	21.03%
Licenses and Permits	\$ 54,305	\$ 104,968	\$ 380,160	\$ 227,350	14.28%	46.17%
Intergovernmental Revenue	\$ 74,420	\$ 38,192	\$ 672,100	\$ 602,664	11.07%	6.34%
Charges for Services	\$ 9,271	\$ 22,880	\$ 123,800	\$ 91,300	7.49%	25.06%
Fines and Forfeitures	\$ 16,954	\$ 16,522	\$ 64,000	\$ 65,000	26.49%	25.42%
Miscellaneous Revenues	\$ 5,538	\$ 2,340	\$ 52,400	\$ 16,600	10.57%	14.10%
Total Revenues	\$ 671,316	\$ 658,635	\$ 5,102,672	\$ 4,775,502	13.16%	13.79%
Non Revenue Sources	\$ 20,515	\$ 17,314	\$ 67,050	\$ 65,750	30.60%	26.33%
January Beginning Fund Balance	\$ 1,404,188	\$ 1,305,372	\$ 1,249,892	\$ 1,250,000	112.34%	104.43%
Total Resources	\$ 2,096,019	\$ 1,981,321	\$ 6,419,614	\$ 6,091,252	32.65%	32.53%

- *Taxes.* This category reflects the collection of sales and use taxes; property taxes; public safety; admissions taxes; and leasehold excise taxes.

Of the \$3.7 million projected, \$1.8 million is in the form of property tax. Property tax revenues are typically received during the second and fourth quarters of the year. For first quarter 2010 the City collected 2.74% of the property taxes projected. Total property tax collections through the first quarter of 2010 were \$49,659. The table below reflects quarterly property tax collections from 2004 to 2010.



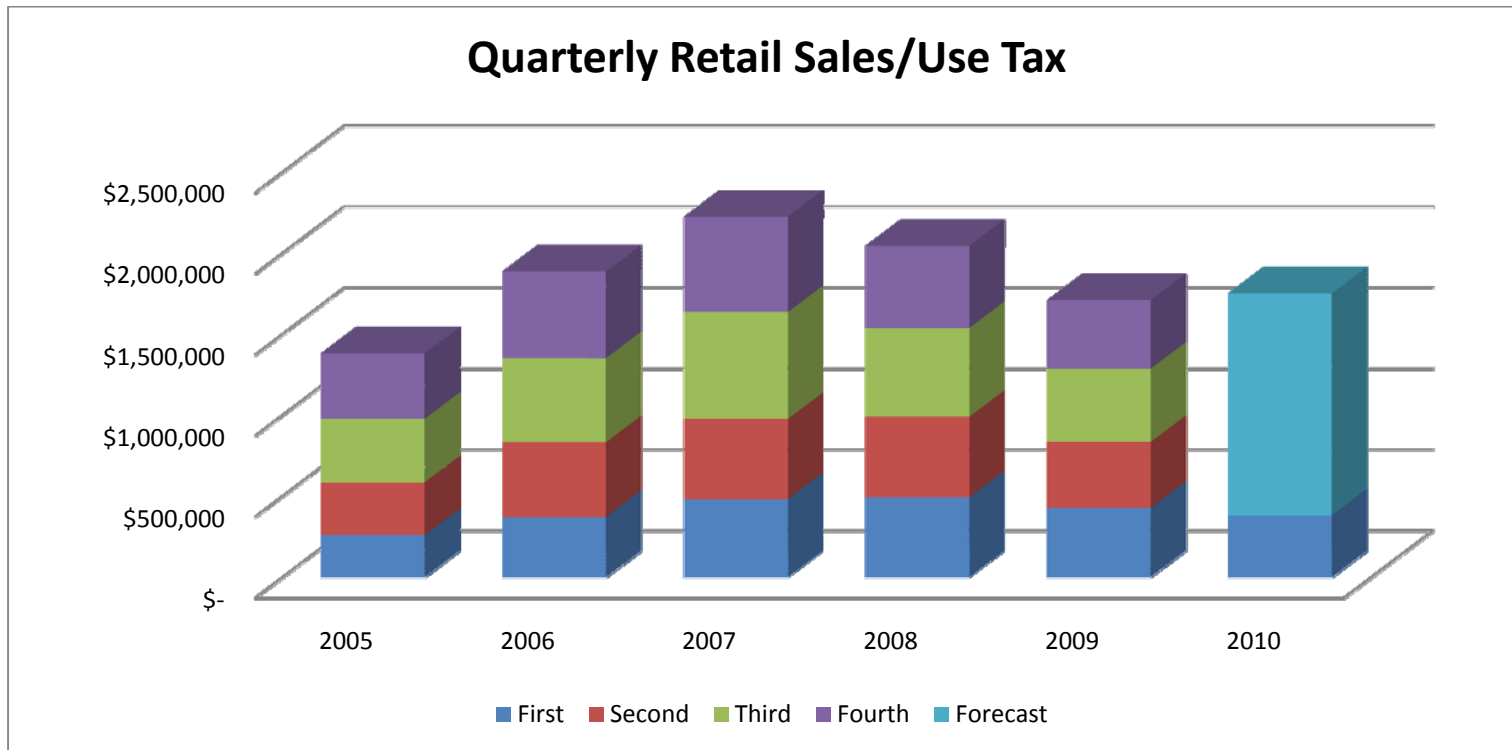
The City continued to experience a decline in retail sales tax revenue for first quarter 2010. The City experienced an 11% percent decline in retail sales and use tax for first quarter 2010 compared to first quarter 2009. Comparing 2009 with 2010 sales tax collections, the City experienced losses in most sectors including construction, manufacturing, and wholesale trade. The City experienced a 3% increase in the retail sector which accounts for approximately 50% of all sales and use tax revenue collected. This is the first quarterly increase in retail sales tax revenue since first quarter 2008.

Sales tax collections fluctuate from quarter to quarter due to seasonal activity. The City typically receives more sales tax revenue in the second half of the year. The following table compares 2010 to 2009 sales tax revenue for first quarter and includes a breakdown by business sector.

FIRST QUARTER RETAIL SALES AND USE TAX

Business Sector	Revenue (Jan - Mar)		% Change	% of Total	
	2009	2010		2009	2010
Construction	\$ 58,221	\$ 35,373	-39%	14%	9%
Manufacturing	\$ 18,314	\$ 14,978	-18%	4%	4%
Wholesale Trade	\$ 60,217	\$ 31,390	-48%	14%	8%
Retail	\$ 202,587	\$ 208,602	3%	47%	55%
Telecommunications & Other Information Services	\$ 16,380	\$ 17,487	7%	4%	5%
Finance, Insurance, Real Estate, & Administrative Support Services	\$ 38,335	\$ 25,695	-33%	9%	7%
Accommodation and Food Service	\$ 23,117	\$ 24,976	8%	5%	7%
All Other Sectors	\$ 9,994	\$ 21,468	115%	2%	6%
Total	\$ 427,165	\$ 379,969	-11%	100%	100%

The following chart displays the quarterly retail sales and use tax collected since 2004. Growth in taxable retail sales over the past several years has been fueled by new construction and real estate related sectors, which had significant growth between 2005 and 2007, however growth has slowed significantly following the economic downturn.



Business Sector Descriptions

Construction: The construction industry is divided into three major segments. The *construction of building* segment includes contractors, usually called general contractors, who build residential, industrial, commercial, and other buildings. *Heavy and civil engineering construction contractors* build sewers, roads, highways, bridges, tunnels, and other projects. *Specialty trade contractors* perform specialized activities related to construction such as carpentry, painting, plumbing, and electrical work.

Manufacturing: The establishments in these industries produce a variety of goods, some of which are sold to the consumer, while others are sold as inputs to the manufacture of other products. Goods manufactured include computers and electronics, cabinets, machinery and parts to name a few.

Wholesale Trade: When consumers purchase goods, they usually buy them from a retail establishment, such as a supermarket, department store, gas station, or Internet site. When businesses, government agencies, or institutions, such as universities or hospitals, need to purchase goods, they normally buy them from wholesale trade establishments. Retail establishments purchase goods for resale to consumers, but other establishments purchase equipment, motor vehicles, office supplies, or any other items for their own use. Customers of wholesale trade firms buy goods for use in making other products, as in the case of a bicycle manufacturer that purchases steel tubing, wire cables, and paint. Customers also may purchase items for use in the course of daily operations, as when a corporation buys office furniture, paper clips, or computers.

Retail: In the retail industry goods or commodities are sold usually in small quantities directly to consumers. Retailing includes the Internet, specialty stores, department stores, supermarkets, as well as auto, boat and RV dealers.

Telecommunications & Other Information Services: The telecommunications industry delivers voice communications, data, graphics, television, and video at ever increasing speeds and in an increasing number of ways. Whereas wireline telephone communication was once the primary service of the industry, wireless communication services, Internet service, and cable and satellite program distribution make up an increasing share of the industry.

Finance and Insurance, Real Estate, & Administrative and Support Services: This category is very diverse. Under finance and insurance it can include such subcategories as credit intermediation, securities and commodity contracts, funds, trusts and other financial services. Real estate could include general real estate and leasing services. Administrative and support includes general administrative and support services, as well as waste management and remediation services.

Accommodation and Food Service: This industry includes all types of lodging. While many provide simply a place to spend the night, others cater to longer stays by providing food service, recreational activities, and meeting rooms. Food services and drinking places

may be the world's most widespread and familiar industry. These establishments include all types of restaurants, from fast-food eateries to formal dining establishments.

All Other Sectors: This category represents sectors not represented by those listed above. In terms of sales and use tax revenue, this category represents a small percentage of the overall revenue collected. All other sectors could include mining, utilities, transportation and warehousing, educational services, ambulatory health care services, and unclassifiable.

- *Licenses and Permits.* This revenue source reflects the collection of business licenses; solicitor licenses; cable franchise fees; building permits; and state building code surcharges. Building permit fees and cable franchise fees constitute 93% of the revenue in this category. The City received 65 new business license applications for first quarter.
- *Intergovernmental.* Intergovernmental revenues are grants, entitlements, shared revenues and payments for goods and services provided by one government to another. Revenues in this category include state-distributed money to be used for criminal justice purposes; state distributed revenue to counties and cities for the cost of implementation of the DUI and other criminal justice statutes; state-distributed taxes on liquor sold at state liquor stores and agencies and on other retail sales of wine; state distributed mitigation payments as part of streamline sales tax; and lastly, state distribution of license and permit fees, penalties, forfeitures, and other income received by the Liquor Control Board.
- *Charges for Services.* Charges for Services are revenues generated from the rendering of services for a fee. Charges for services will vary from month to month due to the seasonal activities that take place throughout the year.
- *Fines and Forfeits.* Fines and forfeits revenues are received from traffic fines and infractions. The City collected over the projected amount for the year in this category. Fines and forfeitures vary from month to month due to seasonal fluctuation.
- *Miscellaneous Revenues.* This category represents revenues derived from sources not otherwise provided for in other accounts. Miscellaneous revenues primarily reflect interest earned on investments; donations; and private grants awarded to the City.

Expenditures

Comparing total actual to total budgeted expenditures through the first quarter, the General Fund was 13.72% of the budget which does not include non-expenditures (WA State Court Remittances) and Ending Balance. Expenditures for first quarter totaled \$689,737. The following table shows budgeted and actual expenditures through March 31, 2009 and 2010. An ending balance of \$1,291,584 has been maintained through the end of March for cash flow purposes.

General Fund: Expenditures

Expenditure Category	First Quarter Actuals		Budget		YTD % Expensed	
	01/01/09 - 03/31/09	01/01/10 - 03/31/10	2009 Amended	2010	2009	2010
General Government Services	\$ 160,082	\$ 176,605	\$ 1,711,170	\$ 1,851,155	9.36%	9.54%
Legislative	\$ 15,375	\$ 10,387	\$ 92,851	\$ 75,801	16.56%	13.70%
Municipal Court	\$ 29,723	\$ 5,322	\$ 148,000	\$ 152,440	20.08%	3.49%
Executive	\$ 3,161	\$ 4,579	\$ 69,011	\$ 64,311	4.58%	7.12%
Legal	\$ 8,000	\$ 8,422	\$ 48,500	\$ 48,000	16.49%	17.55%
Administrative Services	\$ 103,908	\$ 101,331	\$ 529,308	\$ 545,618	19.63%	18.57%
Law Enforcement	\$ 274,582	\$ 270,219	\$ 1,140,656	\$ 1,184,596	24.07%	22.81%
Planning and Community Development	\$ 98,511	\$ 79,350	\$ 439,802	\$ 351,593	22.40%	22.57%
Park, Recreation & Youth Programs	\$ 8,625	\$ 9,430	\$ 123,800	\$ 84,527	6.97%	11.16%
Parks	\$ 21,309	\$ 24,094	\$ 852,702	\$ 669,022	2.50%	3.60%
Subtotal	\$ 723,275	\$ 689,737	\$ 5,155,800	\$ 5,027,063	14.03%	13.72%
WA State Court Remittances	\$ -	\$ -	\$ 76,100	\$ 64,750	0.00%	0.00%
Total Expenditures	\$ 723,275	\$ 689,737	\$ 5,231,900	\$ 5,091,813	13.82%	13.55%
Ending Balance on March 31st	\$ 1,425,569	\$ 1,291,584	\$ 1,187,714	\$ 999,439	120.03%	129.23%

Other Fund Revenues

The majority of revenue collections in other funds were on track for the first quarter. Most funds in this category receive revenue through internal transfers from the General Fund including Library, Street Light Utility, Street, Restricted Reserve, Debt Service, Street Capital, Library Capital, and Unemployment. Gas tax revenues in the Street Fund increased 8% when compared to first quarter 2009. This tax is tied to the number of gallons sold, not the price per gallon. The gas tax is collected at the state level and distributed to cities based on percent of population as compared with the State. REET revenues increased 71% from first quarter 2009.

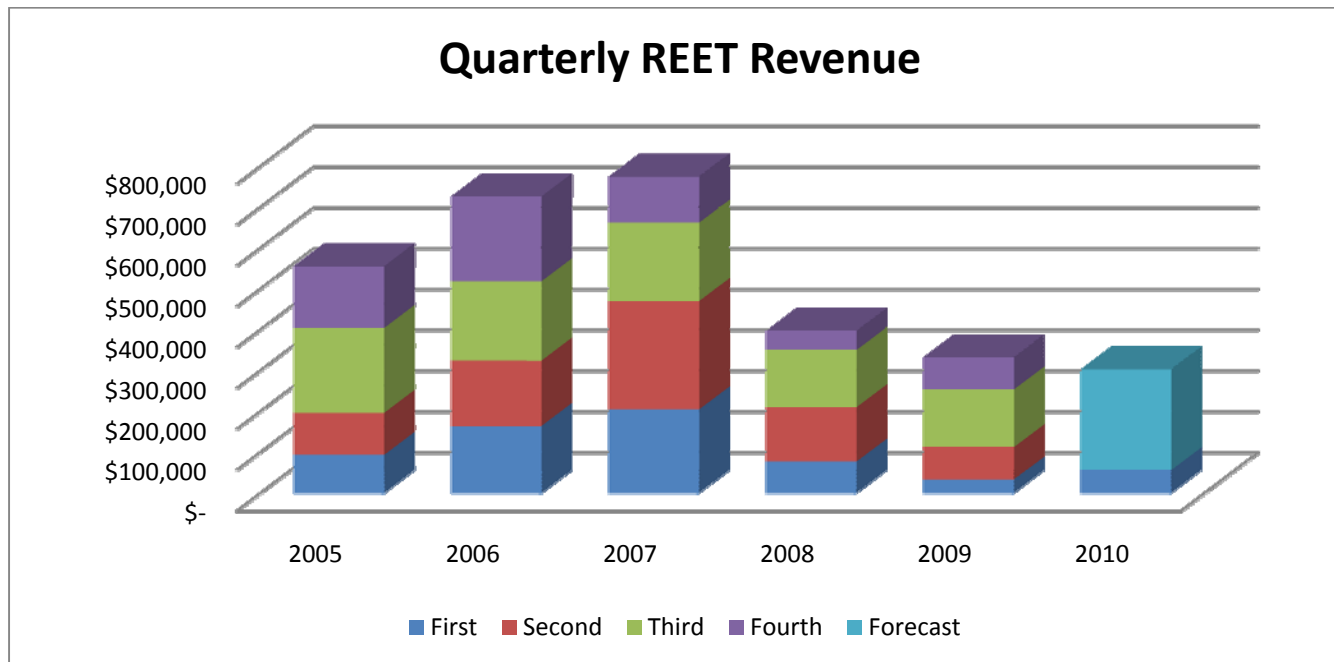
Revenue Category	First Quarter Actuals		Projected		YTD % Collected	
	01/01/09 - 03/31/09	01/01/10 - 03/31/10	2009	2010	2009	2010
Municipal Library	\$ 102,255	\$ 64,806	\$ 481,008	\$ 489,303	21.26%	13.24%
Street Light Utility Fund	\$ 3,742	\$ 1,960	\$ 20,000	\$ 25,000	18.71%	7.84%
Street Fund	\$ 35,422	\$ 89,325	\$ 556,553	\$ 851,147	6.36%	10.49%
Tourism Promotion Fund	\$ 5,217	\$ 4,765	\$ 41,485	\$ 36,970	12.57%	12.89%
Tourism Promotion Area Fund	\$ 2,845	\$ 3,149	\$ 28,921	\$ 22,274	9.84%	14.14%
Restricted Reserve Fund	\$ 344	\$ 499	\$ 63,092	\$ 8,000	0.55%	6.24%
G.O. Bond Debt Service	\$ -	\$ -	\$ 63,108	\$ 67,203	0.00%	0.00%
LTGO Redemption Note	\$ 42,003	\$ 42,003	\$ 168,402	\$ 168,112	24.94%	24.99%
City Land LTGO Loan	\$ -	\$ -	\$ 162,439	\$ 161,520	0.00%	0.00%
Capital Projects Fund	\$ 16,662	\$ 29,053	\$ 208,041	\$ 151,000	8.01%	19.24%
Special Capital Projects Fund	\$ 16,630	\$ 26,686	\$ 208,050	\$ 151,000	7.99%	17.67%
Street Capital Projects Fund	\$ 1,176	\$ 312	\$ 193,900	\$ 177,808	0.61%	0.18%
Outlet Trail Project	\$ 25	\$ 6	\$ 180	\$ 75	13.68%	8.57%
Pedestrian/Bicycle Bridge Fund	\$ 15	\$ 4	\$ 132	\$ 50	11.39%	7.12%
Harvard Road Mitigation Fund	\$ 3,492	\$ 32,577	\$ 171,514	\$ 32,600	2.04%	99.93%
Library Capital Fund	\$ -	\$ 2	\$ -	\$ 106,936		0.00%
City Hall LTGO Loan	\$ -	\$ -	\$ 108,086	\$ 108,086	0.00%	0.00%
Stormwater Utility Fund	\$ 2,329	\$ 2,741	\$ 52,868	\$ 53,919	4.41%	5.08%
Golf Course	\$ 41,332	\$ 77,440	\$ 566,086	\$ 407,800	7.30%	18.99%
Unemployment Fund	\$ 32	\$ 7	\$ 7,878	\$ 39,100	0.40%	0.02%
Total Revenues	\$ 273,520	\$ 375,336	\$ 3,101,743	\$ 3,057,903	8.82%	12.27%
January Beginning Fund Balance	\$ 3,074,010	\$ 3,525,059	\$ 2,794,778	\$ 3,132,031	109.99%	112.55%
Total Resources	\$ 3,347,529	\$ 3,900,395	\$ 5,896,521	\$ 6,189,934	56.77%	63.01%

- *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 \$1.00 per night of stay for 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 for 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 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.

REET collections have declined significantly since 2007, however, REET revenue has increased over the previous year for the last two consecutive quarters. First quarter REET revenues increased 71% in 2010 compared to 2009. The chart below demonstrates quarterly fluctuations in REET collections since 2005.



Other Fund Expenditures

Other fund expenditures typically followed the historic spending pattern. Comparing total actual to total budgeted expenditures through the first quarter, Other Fund Expenditures were 10% of the budget which does not include Ending Fund Balance.

Expenditure Category	First Quarter Actuals		Budget		YTD % Expensed	
	01/01/09 - 03/31/09	01/01/10 - 03/31/10	2009 Amended	2010	2009	2010
Municipal Library	\$ 107,878	\$ 94,134	\$ 456,174	\$ 450,137	23.65%	20.91%
Street Light Utility Fund	\$ 3,742	\$ 1,959	\$ 20,000	\$ 25,000	18.71%	7.84%
Street Fund	\$ 102,466	\$ 85,525	\$ 688,518	\$ 896,682	14.88%	9.54%
Tourism Promotion Fund	\$ -	\$ -	\$ 60,000	\$ 60,000	0.00%	0.00%
Tourism Promotion Area Fund	\$ -	\$ -	\$ 28,921	\$ 22,274	0.00%	0.00%
Restricted Reserve Fund	\$ -	\$ 160	\$ -	\$ 1,200		13.33%
G.O. Bond Debt Service	\$ -	\$ -	\$ 63,108	\$ 67,203	0.00%	0.00%
LTGO Redemption Note	\$ 42,003	\$ 42,003	\$ 168,402	\$ 168,112	24.94%	24.99%
City LL Land LTGO Bond Fund	\$ -	\$ -	\$ 162,439	\$ 161,520	0.00%	0.00%
Capital Projects Fund	\$ 76,622	\$ -	\$ 212,920	\$ 172,920	35.99%	0.00%
Special Capital Projects Fund	\$ 60,007	\$ -	\$ 212,920	\$ 172,920	28.18%	0.00%
Street Capital Projects Fund	\$ -	\$ -	\$ -	\$ -		
Outlet Trail Project	\$ -	\$ -	\$ 9,790	\$ -	0.00%	
Pedestrian/Bicycle Bridge Fund	\$ -	\$ -	\$ 5,446	\$ -	0.00%	
Harvard Road Mitigation Fund	\$ -	\$ -	\$ -	\$ -		
Municipal Library Capital Fund	\$ -	\$ -	\$ -	\$ -		
City Hall LTGO Bond Fund	\$ -	\$ -	\$ 108,086	\$ 108,086	0.00%	0.00%
Stormwater Utility Fund	\$ 1,935	\$ 1,935	\$ 54,000	\$ 55,000	3.58%	3.52%
Golf Course	\$ 64,681	\$ 68,428	\$ 492,956	\$ 446,702	13.12%	15.32%
Unemployment Fund	\$ 951	\$ 3,342	\$ 4,000	\$ 39,000	23.79%	8.57%
Total Expenditures	\$ 460,285	\$ 297,486	\$ 2,747,680	\$ 2,846,756	16.75%	10.45%
Ending Fund Balance on March 31st	\$ 2,887,244	\$ 3,602,178	\$ 3,144,463	\$ 3,343,178	91.82%	107.75%

Investment Summary

All investments of the City of Liberty Lake are made in compliance with Federal and State laws and in accordance with applicable legal interpretation. Primary objectives of the City of Liberty Lake investment activities are as follows:

1. **Safety**: Investments of the City are undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.
2. **Liquidity**: The City's investments remain sufficiently liquid to enable the City to meet all operating requirements that might be reasonably anticipated.
3. **Return on Investment**: The City's investments are designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the City's investment risk constraints and cash flow characteristics.

Investments on 03/31/2010

- Total Invested: \$4,525,043.21
- Total Interest Earnings for First Quarter 2010: \$2,589.13

Investment	Percent of Total Investments	Yield
Washington State Local Government Investment Pool (LGIP)	100%	.22%

Economic Report

National

- Economic activity has continued to strengthen and the labor market is stabilizing. Household spending is expanding at a moderate rate but remains constrained by high unemployment, modest income growth, lower housing wealth, and tight credit. Business spending on equipment and software has risen significantly. However, investment in nonresidential structures is declining, housing starts have been flat at a depressed level, and employers remain reluctant to add to payrolls. While bank lending continues to contract, financial market conditions remain supportive of economic growth. Although the pace of economic recovery is likely to be moderate for a time, the Federal Open Market Committee anticipates a gradual return to higher levels of resource utilization in a context of price stability.¹
- The Conference Board tracks economic indicators in ten different areas to assess the health of the economy and to gauge the direction of economic development. The cumulative product of the ten indicators is called the U.S. Leading Index. The U.S. Leading Index increased 0.1 percent in February and it has risen for the past eleven months. The interest rate spread and real money supply made the largest positive contributions to the index this month, more than offsetting the large negative contributions from average weekly hours in manufacturing and stock prices. The strengths among the leading indicators have remained very widespread in recent months, with all ten components increasing over the past six months.²

¹ Federal Reserve Press Release, Board of Governors of the Federal Reserve System, March 16, 2010, <http://www.federalreserve.gov/newsevents/press/monetary/20100316a.htm>

² The Conference Board Leading Economic Index (LEI) for the United States, The Conference Board, March 18, 2010, http://www.conference-board.org/pdf_free/economics/bci/mcouch.pdf

State and Local Economy

- Employment and housing declined in February following huge increases in January. Washington's seasonally adjusted payroll employment declined 8,300. Housing permits also pulled back to a seasonally adjusted annual rate (SAAR) of 20,200 units in February from 23,900 in January. The Economic and Revenue Forecast Council believes this decline in housing permits is due to the volatile multi-family segment. Single-family permits rose in February to their highest level since June 2008.³
- The Washington index of leading economic indicators posted its first decline in February following ten consecutive increases. This does not suggest a change in trend; however, it takes at least three consecutive declines to signal a downturn. One of the reasons the leading indicators fell in February was an increase in the number of initial claims for unemployment insurance.⁴
- Employment during 2010 is expected to be affected by the hiring of temporary Census workers which will add thousands of new jobs through May and then subtract thousands through the rest of the year. Excluding the temporary Census jobs, employment growth is expected to start out very slow, only 0.1% in the first quarter, rising to over 2% in the second half of 2010, and then to over 3% during 2011.⁵
- Consumer spending appears to be coming back. Washington new car and truck registrations in March 2010 were up 9.5% over March 2009.⁶
- The Outlook for manufacturing remains positive. The national Association of Purchasing Managers Western Washington Index has now been above 50 for the last eight months. Values above 50 indicate expansion while values below 50 indicate contraction. Exports are growing as economies around the world continue to expand.⁷

³Economic and Revenue Update, Washington State Economic and Revenue Forecast Council, April 12, 2010, <http://www.erfc.wa.gov/publications/documents/apr10.pdf>

⁴Economic and Revenue Update, Washington State Economic and Revenue Forecast Council, April 12, 2010, <http://www.erfc.wa.gov/publications/documents/apr10.pdf>

⁵Economic and Revenue Update, Washington State Economic and Revenue Forecast Council, April 12, 2010, <http://www.erfc.wa.gov/publications/documents/apr10.pdf>

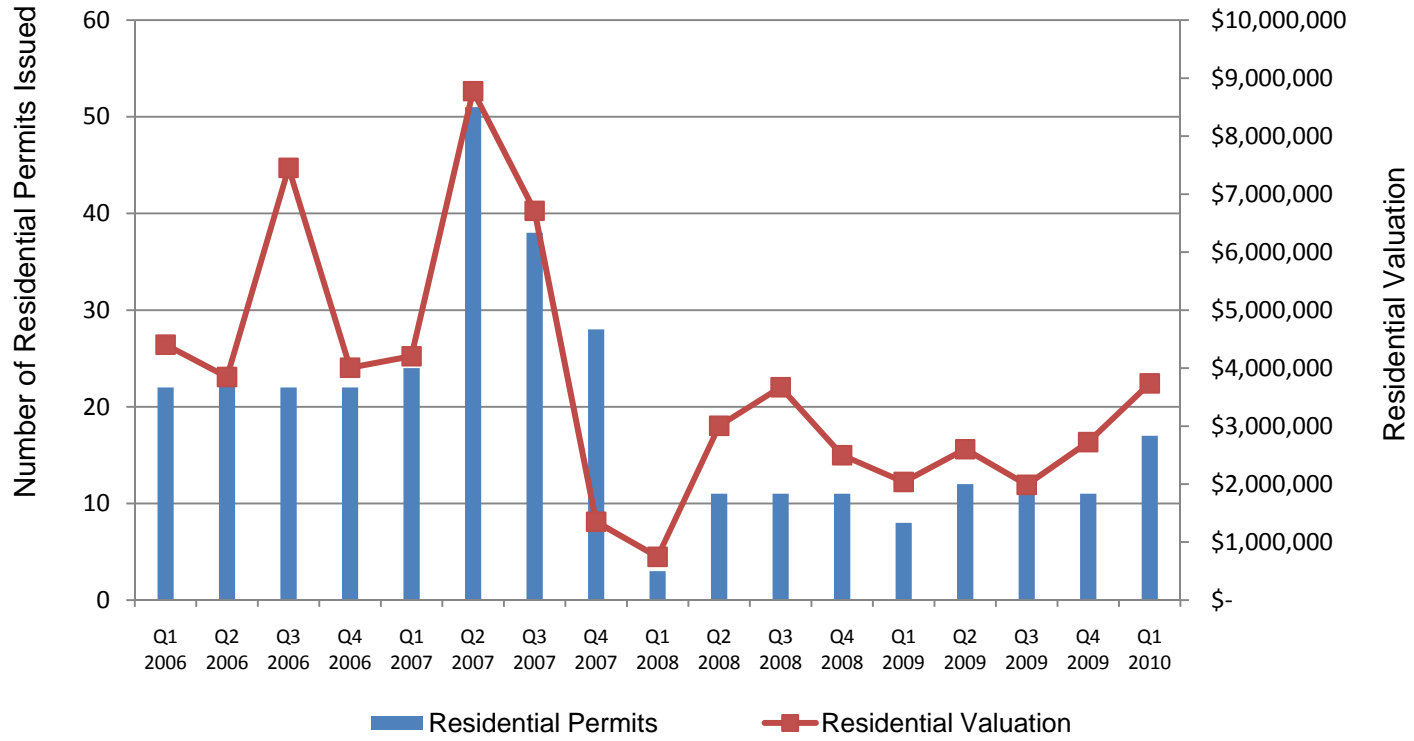
⁶Economic and Revenue Update, Washington State Economic and Revenue Forecast Council, April 12, 2010, <http://www.erfc.wa.gov/publications/documents/apr10.pdf>

⁷Economic and Revenue Update, Washington State Economic and Revenue Forecast Council, April 12, 2010, <http://www.erfc.wa.gov/publications/documents/apr10.pdf>

- Liberty Lake continues to experience quarterly declines in sales tax revenue. Sales tax declined 11% for first quarter 2010 when compared to first quarter 2009. The City has not experienced a quarterly increase in sales tax revenue since second quarter 2008.

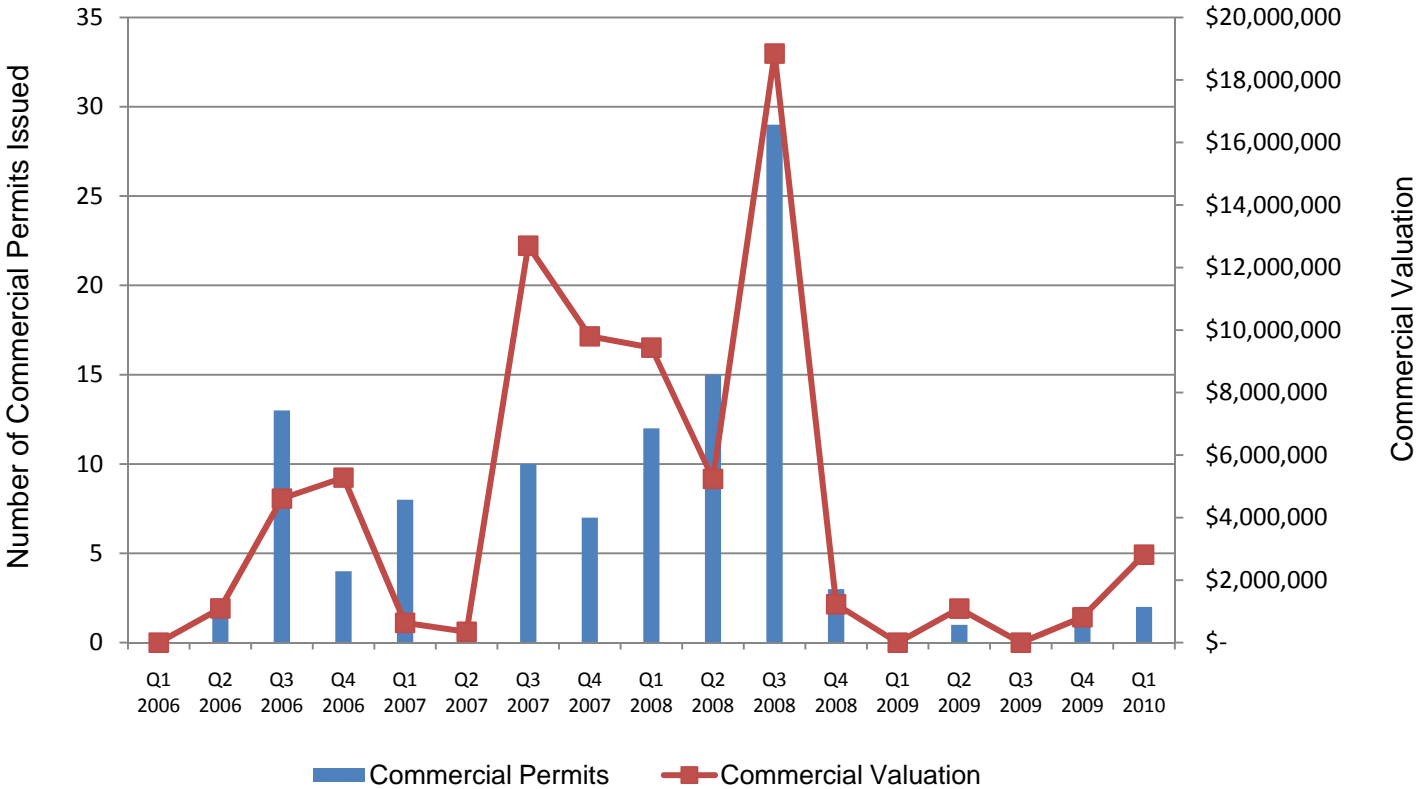
- Single family home building permits continued to increase in first quarter 2010. There were 17 residential building permits issued in 2010 compared to 8 issued in first quarter 2009. The total residential construction valuations for first quarter 2010 have increased 83% from first quarter 2009. The chart below reflects quarterly residential permits and valuation since 2006. Residential building activity fluctuates from quarter to quarter due to seasonal activity.

Quarterly Residential Permits and Valuation



➤ Commercial permits are up from first quarter 2009. Two commercial permits were issued for first quarter 2010. There were no commercial permits issued in first quarter 2009. Commercial valuation totaled \$2,815,586 for first quarter 2010. The chart below represents quarterly commercial permits and valuation since 2006. Commercial building activity fluctuates from quarter to quarter due to seasonal activity.

Quarterly Commercial Permits and Valuation



Summary

For more information. This summary is based on detailed information produced by the City's Administrative Services. If you would like additional information, or have any questions about the report, please call Jessica Platt, Administrative Services Manager at 755-6702.