
FINANCIAL SUMMARY

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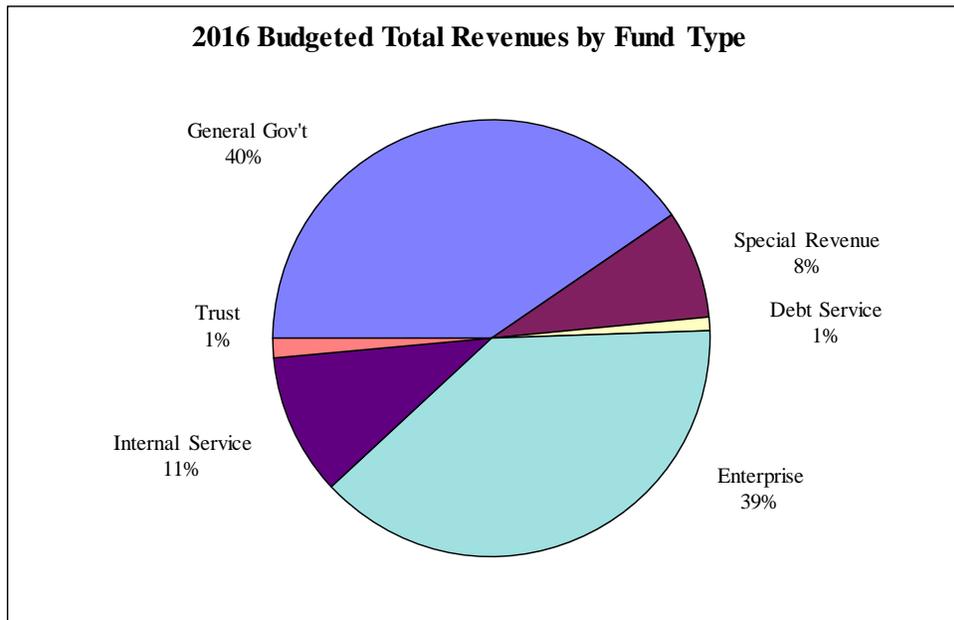
2016 OPERATING BUDGET BY FUND TYPE

	General Government	Special Revenue	Debt Service	Enterprise	Internal Service	Trust	Total
Funding Sources							
Beginning Fund Balance	\$ 25,500,000	\$ 66,870,578	\$ 21,303	\$ 32,220,731	\$ 15,792,880	\$ 44,748,168	\$ 185,153,660
General Property Taxes	34,835,748	6,237,928	-	-	-	-	41,073,676
Retail Sales and Use Taxes	26,720,567	1,958,895	-	18,370,706	-	-	47,050,168
Business Taxes	35,686,714	-	-	104,737	-	-	35,791,451
Other Taxes	5,821,893	4,736,000	-	-	-	-	10,557,893
Licenses & Permits	4,002,534	-	-	1,000	-	-	4,003,534
Intergovernmental Service Rev	4,926,134	2,783,908	-	3,291,849	-	282,104	11,283,995
Charges For Services	9,208,373	2,149,416	-	89,326,266	15,465,966	-	116,150,021
Fines & Forfeits	1,845,000	9,500	-	-	-	-	1,854,500
Miscellaneous Revenue	1,508,496	1,879,764	7,147	4,632,869	17,449,309	1,430,000	26,907,585
Other Financing Sources	2,670,984	5,455,382	3,140,575	5,823,560	4,500	2,838,765	19,933,766
Total Funding Sources	\$ 152,726,443	\$ 92,081,371	\$ 3,169,025	\$ 153,771,718	\$ 48,712,655	\$ 49,299,037	\$ 499,760,249
Uses of Funding Sources							
General Government Services	22,629,558	1,896,593	-	-	23,709,154	5,557,459	53,792,764
Security of Persons & Property	63,529,736	12,587,668	-	-	1,264,639	-	77,382,043
Utilities & Environment	-	-	-	58,283,319	-	-	58,283,319
Transportation	7,003,292	-	-	22,962,721	7,049,607	-	37,015,620
Economic Environment	5,797,377	2,290,157	-	-	-	-	8,087,534
Mental & Physical Health	1,088,094	77,830	-	-	-	-	1,165,924
Culture & Recreation	15,457,661	1,228,146	-	3,879,319	-	-	20,565,126
Debt Service	-	291,616	3,119,568	17,660,002	-	-	21,071,186
Capitalized Expenditures	1,190,532	6,256,043	-	5,920,083	1,061,218	-	14,427,876
Road & Street Construction	3,980,579	1,269,843	-	-	-	-	5,250,422
Other Financing Uses	6,549,614	7,944,527	41,007	13,138,081	50,000	-	27,723,229
Total Expenditures	\$ 127,226,443	\$ 33,842,423	\$ 3,160,575	\$ 121,843,525	\$ 33,134,618	\$ 5,557,459	\$ 324,765,043
Ending Fund Balance	\$ 25,500,000	\$ 58,238,948	\$ 8,450	\$ 31,928,193	\$ 15,578,037	\$ 43,741,578	\$ 174,995,206
Total Appropriation	\$ 152,726,443	\$ 92,081,371	\$ 3,169,025	\$ 153,771,718	\$ 48,712,655	\$ 49,299,037	\$ 499,760,249

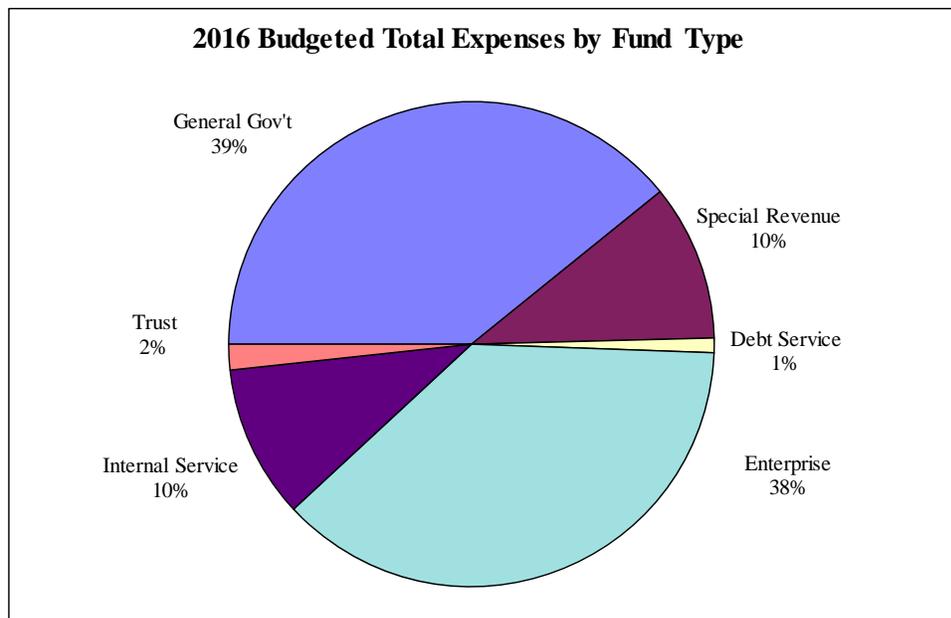
Note: The Beginning Fund Balances are estimates and therefore unaudited as of the printing of this document.

2016 OPERATING BUDGET BY FUND TYPE (Continued)

Total Revenues
\$314.6 Million



Total Expenses
\$324.8 Million



2016 OPERATING BUDGET BY FUND

	2016			2016	2016	2016
	Beginning	2016	2016			
	Fund	Revenues	Total	Expenses	Fund	Appropriation
	Balance		Resources		Balance	
GENERAL GOVERNMENT						
002 General Fund Revenues	22,820,875	106,223,187	129,044,062	-	-	-
001 City Council	-	-	-	606,686	-	606,686
003 Legal	-	-	-	4,217,390	-	4,217,390
004 Administration	-	-	-	1,833,622	-	1,833,622
005 Municipal Court	-	-	-	2,056,263	-	2,056,263
007 Labor Rel./ Human Resources	-	-	-	1,713,668	-	1,713,668
009 Gen Gov't Non-dept	-	-	-	21,054,931	25,500,000	46,554,931
010 Finance	-	-	-	2,141,092	-	2,141,092
015 Information Technology	-	-	-	2,036,042	-	2,036,042
021 Planning/Comm Development	-	-	-	1,835,942	-	1,835,942
022 Neighborhoods & Comm Svcs	-	-	-	413,239	-	413,239
024 Engineering / Public Services	-	-	-	6,077,513	-	6,077,513
026 Animal Services	-	-	-	1,473,053	-	1,473,053
027 Senior Center	-	-	-	545,080	-	545,080
031 Police	-	-	-	33,372,239	-	33,372,239
032 Fire	-	-	-	21,147,749	-	21,147,749
038 Facilities/Property Management	-	-	-	3,019,553	-	3,019,553
Total General Fund	22,820,875	106,223,187	129,044,062	103,544,062	25,500,000	129,044,062
101 Parks & Recreation	1,000,000	8,793,335	9,793,335	9,793,335	-	9,793,335
110 Library	600,000	4,561,843	5,161,843	5,161,843	-	5,161,843
112 Municipal Arts	75,000	840,191	915,191	915,191	-	915,191
114 Conference Center	4,125	947,467	951,592	951,592	-	951,592
115 General Govt Special Projects	-	-	-	-	-	-
119 Street Improvements	-	3,980,579	3,980,579	3,980,579	-	3,980,579
120 Streets	1,000,000	1,879,841	2,879,841	2,879,841	-	2,879,841
TOTAL GENERAL GOVERNMENT	25,500,000	127,226,443	152,726,443	127,226,443	25,500,000	152,726,443

2016 OPERATING BUDGET BY FUND (continued)

	2016 Beginning Fund Balance	2016 Revenues	2016 Total Resources	2016 Expenses	2016 Ending Fund Balance	2016 Total Approp- riation
126 Motor Vehicle/Equip Replacement	5,111,061	2,277,469	7,388,530	1,972,322	5,416,208	7,388,530
138 Hotel Motel Tax Fund	326,015	420,676	746,691	450,000	296,691	746,691
145 Cumulative Res/Real Prop. Acquis.	1,925,048	43,500	1,968,548	1,968,548	-	1,968,548
146 Property Management	2,375,417	1,293,140	3,668,557	1,982,693	1,685,864	3,668,557
148 Cumulative Reserve /Parks	2,334,027	44,050	2,378,077	559,779	1,818,298	2,378,077
149 Senior Center Reserve	457,930	85,966	543,896	77,830	466,066	543,896
151 Fund for Animals	422,418	74,700	497,118	90,000	407,118	497,118
152 Cumulative Reserve /Library	199,484	87,340	286,824	68,750	218,074	286,824
153 Emergency Medical Services	2,061,289	7,574,596	9,635,885	8,278,463	1,357,422	9,635,885
154 Real Estate Excise Tax Fund	2,843,314	1,818,584	4,661,898	584,281	4,077,617	4,661,898
156 Criminal Justice Fund	8,362,606	2,563,247	10,925,853	5,702,857	5,222,996	10,925,853
157 Traffic Mitigation	3,549,418	520,425	4,069,843	4,069,843	-	4,069,843
159 Transporatation Benefit District	412,230	1,202,500	1,614,730	1,200,000	414,730	1,614,730
160 Rainy Day Fund	4,118,945	125,000	4,243,945	-	4,243,945	4,243,945
162 Capital Reserve	17,041,348	4,686,798	21,728,146	4,636,900	17,091,246	21,728,146
197 CHIP Loan Program	15,330,028	1,426,372	16,756,400	1,233,727	15,522,673	16,756,400
198 Comm Develop. Block Grants	-	966,430	966,430	966,430	-	966,430
TOTAL SPECIAL REVENUE	66,870,578	25,210,793	92,081,371	33,842,423	58,238,948	92,081,371
210 Bond Redemption Fund	-	3,119,568	3,119,568	3,119,568	-	3,119,568
243 LID Guaranty Fund	7,243	21,207	28,450	20,000	8,450	28,450
299 LID Redemption	14,060	6,947	21,007	21,007	-	21,007
TOTAL DEBT SERVICE	21,303	3,147,722	3,169,025	3,160,575	8,450	3,169,025
401 Water/Sewer Utility	20,202,188	88,881,729	109,083,917	88,440,519	20,643,398	109,083,917
402 Solid Waste Utility	411,896	2,562,000	2,973,896	2,562,000	411,896	2,973,896
425 Transit	8,710,962	25,471,460	34,182,422	25,829,660	8,352,762	34,182,422
430 Everpark Garage	2,590,093	312,000	2,902,093	381,956	2,520,137	2,902,093
440 Golf	305,592	4,198,798	4,504,390	4,504,390	-	4,504,390
450 Sno River Reg Wtr Auth	-	30,000	30,000	30,000	-	30,000
451 Everett Tulilip Joint Water Line	-	95,000	95,000	95,000	-	95,000
TOTAL ENTERPRISE FUNDS	32,220,731	121,550,987	153,771,718	121,843,525	31,928,193	153,771,718
501 Motor Vehicle Division	839,944	7,099,607	7,939,551	7,099,607	839,944	7,939,551
503 Self-Insurance Fund	7,914,465	8,221,045	16,135,510	7,966,278	8,169,232	16,135,510
505 Computer Reserve Fund	1,248,745	2,254,855	3,503,600	2,753,574	750,026	3,503,600
507 Telecommunications Fund	448,473	1,274,248	1,722,721	1,264,639	458,082	1,722,721
508 Health Benefits Reserve	5,341,253	14,070,020	19,411,273	14,050,520	5,360,753	19,411,273
TOTAL INTERNAL SERVICE	15,792,880	32,919,775	48,712,655	33,134,618	15,578,037	48,712,655
637 Police Pension Fund	15,313,717	2,246,085	17,559,802	2,371,898	15,187,904	17,559,802
638 Fire Pension Fund	29,434,451	2,304,784	31,739,235	3,185,561	28,553,674	31,739,235
TOTAL TRUST FUNDS	44,748,168	4,550,869	49,299,037	5,557,459	43,741,578	49,299,037
TOTAL CITY BUDGET	185,153,660	314,606,589	499,760,249	324,765,043	174,995,206	499,760,249

Note: The Beginning Fund Balances are estimates and therefore unaudited as of the printing of this document.

THREE YEAR BUDGET COMPARISON BY FUNCTION

	2014 Actual	Original	Original	2015 - 2016	
		2015 Budget	2016 Budget	\$ Change	% Change
Funding Sources					
Beginning Fund Balance	\$ 168,794,848	\$ 166,587,266	\$ 185,153,660	\$ 18,566,394	11.1%
General Property Taxes	39,114,444	40,406,533	41,073,676	667,143	1.7%
Retail Sales and Use Taxes	44,335,709	44,271,475	47,050,168	2,778,693	6.3%
Business Taxes	32,068,709	35,235,410	35,791,451	556,041	1.6%
Other Taxes	8,459,926	8,540,044	10,557,893	2,017,849	23.6%
Licenses & Permits	1,893,678	3,377,461	4,003,534	626,073	18.5%
Intergovernmental Revenue	10,603,919	11,840,896	11,283,995	(556,901)	-4.7%
Charges For Services	107,040,205	106,356,272	116,150,021	9,793,749	9.2%
Fines & Forfeits	1,941,344	1,859,100	1,854,500	(4,600)	-0.2%
Miscellaneous Revenue	35,987,222	26,852,608	26,907,585	54,977	0.2%
Other Financing Sources	71,450,717	72,590,324	19,933,766	(52,656,558)	-72.5%
Total Available Resources	\$ 521,690,721	\$ 517,917,389	\$ 499,760,249	\$ (18,157,140)	-3.5%
Expenditures					
General Government Services	\$ 49,258,237	\$ 51,384,775	\$ 53,792,764	2,407,989	4.7%
Security of Persons & Property	65,229,198	73,589,239	77,382,043	3,792,804	5.2%
Utilities & Environment	61,154,535	53,470,623	58,283,319	4,812,696	9.0%
Transportation	38,612,557	37,084,172	37,015,620	(68,552)	-0.2%
Economic Environment	6,421,105	7,122,640	8,087,534	964,894	13.5%
Mental & Physical Health	957,605	1,019,442	1,165,924	146,482	14.4%
Culture & Recreation	19,329,660	20,018,912	20,565,126	546,214	2.7%
Debt Service	18,022,156	21,869,412	21,071,186	(798,226)	-3.6%
Capitalized Expenditures	4,508,058	10,725,391	14,427,876	3,702,485	34.5%
Road & Street Construction	1,725,737	3,970,450	5,250,422	1,279,972	32.2%
Other Financing Uses	59,408,084	77,295,681	27,723,229	(49,572,452)	-64.1%
Total Expenditures	\$ 324,626,932	\$ 357,550,737	\$ 324,765,043	\$ (32,785,694)	-9.2%
Ending Fund Balance	\$ 197,063,789	\$ 160,366,652	\$ 174,995,206	\$ 14,628,554	9.1%

THREE YEAR COMPARISON BY FUND

	REVENUES			EXPENDITURES		
	Actual 2014	Original 2015 Budget	Original 2016 Budget	Actual 2014	Original 2015 Budget	Original 2016 Budget
002 General Fund	\$ 103,936,236	\$ 99,935,851	\$ 106,223,187	\$ 90,755,105	\$ 99,935,851	\$ 103,544,062
101 Parks & Recreation	5,870,003	9,634,280	8,793,335	8,580,518	9,634,280	9,793,335
110 Library	3,645,017	4,926,795	4,561,843	4,881,894	4,926,795	5,161,843
112 Municipal Arts	940,913	905,754	840,191	886,647	905,754	915,191
114 Conference Center	1,080,313	1,235,142	947,467	1,058,383	1,235,142	951,592
115 Special Projects	283,121	-	-	100,876	-	-
119 Street Improvements	1,986,168	3,653,115	3,980,579	2,166,831	3,653,115	3,980,579
120 Streets	1,922,065	2,628,443	1,879,841	2,209,233	2,628,443	2,879,841
TOTAL GENERAL GOVERNMENT	\$ 119,663,836	\$ 122,919,380	\$ 127,226,443	\$ 110,639,487	\$ 122,919,380	\$ 127,226,443
126 Motor Vehicle/Equip Replacement	1,529,921	1,960,226	2,277,469	1,779,021	1,380,562	1,972,322
138 Hotel Motel Tax Fund	355,435	395,221	420,676	420,079	435,000	450,000
144 Downtown Improvement Fund	33	45	-	-	2,782	-
145 Cumulative Res/Real Prop. Acquis.	102,131	44,500	43,500	68,075	2,057,475	1,968,548
146 Property Management	2,094,314	1,557,990	1,293,140	2,092,831	2,906,333	1,982,693
148 Cumulative Reserve /Parks	142,686	35,550	44,050	135,709	462,283	559,779
149 Senior Center Reserve	80,393	86,115	85,966	70,744	80,021	77,830
151 Fund for Animals	98,762	74,775	74,700	84,200	85,000	90,000
152 Cumulative Reserve /Library	75,230	48,570	87,340	54,980	53,000	68,750
153 Emergency Medical Services	7,281,192	7,525,523	7,574,596	6,402,185	7,972,141	8,278,463
154 Real Estate Excise Tax Fund	1,816,448	1,708,034	1,818,584	744,946	472,531	584,281
156 Criminal Justice Fund	3,338,235	3,149,528	2,563,247	2,563,054	3,555,290	5,702,857
157 Traffic Mitigation	1,024,217	238,000	520,425	1,039,634	2,114,553	4,069,843
159 Transportation Benefit District	-	-	1,202,500	-	-	1,200,000
160 Rainy Day Fund	130,863	-	125,000	-	-	-
162 Capital Reserve	3,227,923	2,947,601	4,686,798	3,718,872	3,469,683	4,636,900
197 CHIP Loan Program	702,243	1,582,828	1,426,372	430,907	541,201	1,233,727
198 Comm Develop. Block Grants	883,725	785,420	966,430	495,549	785,420	966,430
TOTAL SPECIAL REVENUE	\$ 22,883,751	\$ 22,139,926	\$ 25,210,793	\$ 20,100,786	\$ 26,373,275	\$ 33,842,423
210 Bond Redemption Fund	38,634,867	2,889,515	3,119,568	38,634,867	2,889,515	3,119,568
243 LID Guaranty Fund	30,268	5,500	21,207	25,000	10,000	20,000
299 LID Redemption	8,008	4,500	6,947	22,000	5,000	21,007
TOTAL DEBT SERVICE	\$ 38,673,143	\$ 2,899,515	\$ 3,147,722	\$ 38,681,867	\$ 2,904,515	\$ 3,160,575

Note: Revenues do not include Beginning Fund Balances. Expenditures do not include Ending Fund Balances.

THREE YEAR COMPARISON BY FUND (continued)

	REVENUES			EXPENDITURES		
	Actual 2014	Original 2015 Budget	Original 2016 Budget	Actual 2014	Original 2015 Budget	Original 2016 Budget
401 Water/Sewer Utility	\$ 101,612,660	\$ 137,885,048	\$ 88,881,729	\$ 88,825,961	\$ 137,399,579	\$ 88,440,519
402 Solid Waste Utility	3,160,580	2,458,500	2,562,000	1,283,668	2,458,500	2,562,000
425 Transit	21,849,893	22,128,682	25,471,460	24,894,530	23,350,639	25,829,660
430 Everpark Garage	405,305	321,000	312,000	274,131	338,357	381,956
440 Golf	3,906,569	4,231,062	4,198,798	4,312,427	4,231,062	4,504,390
450 Sno River Reg Wtr Auth	80,285	54,000	30,000	80,285	54,000	30,000
451 Everett Tulalip Joint Water Line	823,357	680,000	95,000	823,356	680,000	95,000
TOTAL ENTERPRISE FUNDS	\$ 131,838,649	\$ 167,758,292	\$ 121,550,987	\$ 120,494,358	\$ 168,512,137	\$ 121,843,525
501 Motor Vehicle Division	7,306,142	6,973,158	7,099,607	7,014,536	7,317,039	7,099,607
503 Self-Insurance Fund	9,918,864	7,039,224	8,221,045	8,783,779	7,827,408	7,966,278
505 Computer Reserve Fund	2,933,485	2,009,874	2,254,855	1,787,192	1,938,599	2,753,574
507 Telecommunications Fund	1,239,330	1,215,707	1,274,248	1,286,861	1,244,574	1,264,639
508 Health Benefits Reserve	14,066,006	14,056,780	14,070,020	12,166,932	13,210,000	14,050,520
TOTAL INTERNAL SERVICE	\$ 35,463,827	\$ 31,294,743	\$ 32,919,775	\$ 31,039,300	\$ 31,537,620	\$ 33,134,618
637 Police Pension Fund	1,438,393	2,184,239	2,246,085	1,294,412	2,272,845	2,371,898
638 Fire Pension Fund	2,934,276	2,134,028	2,304,784	2,376,718	3,030,965	3,185,561
TOTAL TRUST FUNDS	\$ 4,372,669	\$ 4,318,267	\$ 4,550,869	\$ 3,671,130	\$ 5,303,810	\$ 5,557,459
TOTAL CITY	\$ 352,895,875	\$ 351,330,123	\$ 314,606,589	\$ 324,626,928	\$ 357,550,737	\$ 324,765,043

Note: Revenues do not include Beginning Fund Balances. Expenditures do not include Ending Fund Balances.

TOTAL CITY BUDGET NET OF INTERFUND TRANSACTIONS

	2016 Original Budget	Interfund Transactions	2016 Budget Net of Interfund Transactions
Funding Sources			
Beginning Fund Balance	\$ 185,153,660	\$ -	\$ 185,153,660
General Property Taxes	\$ 41,073,676	-	\$ 41,073,676
Retail Sales and Use Taxes	47,050,168	-	47,050,168
Business Taxes	35,791,451	-	35,791,451
Other Taxes	10,557,893	(5,085,073)	5,472,820
Licenses & Permits	4,003,534	-	4,003,534
Intergovernmental Service Rev	11,283,995	-	11,283,995
Charges For Services	116,150,021	(16,091,814)	100,058,207
Fines & Forfeits	1,854,500	-	1,854,500
Miscellaneous Revenue	26,907,585	(3,790,922)	23,116,663
Other Financing Sources	19,933,766	(14,065,406)	5,868,360
Total Funding Sources	\$ 499,760,249	\$ (39,033,215)	\$ 460,727,034
Uses of Funding Sources			
General Government Services	\$ 53,792,764	\$ (6,094,038) (A)	\$ 47,698,726
Security of Persons & Property	77,382,043	(8,662,741)	68,719,302
Utilities & Environment	58,283,319	(10,367,567)	47,915,752
Transportation	37,015,620	(8,187,819)	28,827,801
Economic Environment	8,087,534	(577,853)	7,509,681
Mental & Physical Health	1,165,924	-	1,165,924
Culture & Recreation	20,565,126	(1,863,331)	18,701,795
Debt Service	21,071,186	-	21,071,186
Capitalized Expenditures	14,427,876	-	14,427,876
Road & Street Construction	5,250,422	-	5,250,422
Other Financing Uses/Transfers	27,723,229	(27,723,229)	-
Total Uses of Funding Sources	\$ 324,765,043	\$ (63,476,577)	\$ 261,288,466
Ending Fund Balance	\$ 174,995,206	\$ 24,443,362	\$ 199,438,568

(A) Includes all General Government interfund charges not broken out in budget.

Examples are insurance, telecommunications and vehicle replacement.

Interfund revenues do not equal interfund expenses because interfund expenses include transfers to Capital Project Funds, which are not part of the City of Everett annual operating budget. Each capital project budget is approved for the life of the project by a separate ordinance.

The table on the previous page presents the 2016 Total City Budget net of interfund transactions, which are exchanges between two City funds that show as a revenue to the receiving fund and as an expense to the paying fund. When interfund transactions are removed from the budget, the remaining amounts reflect budgeted revenues that are expected to come to the City from outside sources and budgeted expenditures that will flow out of the City.

Interfund transactions include:

- **Interfund services provided by Internal Service Funds** **\$13,017,950**
(Examples: Vehicle Maintenance, Insurance, Telecommunications, Data Processing, Vehicle Replacement)
- **Interfund services provided by other funds** **\$6,864,786**
(Examples: Criminal Justice, Legal Services, Labor Services, Engineering Services, Purchasing, Accounting)
- **Payment In Lieu of Tax** **\$5,085,073**
(Utilities & Transit payment to General Fund)
- **Interfund Transfers**
 - Transfers in **\$14,065,406**
 - Transfers out **\$27,723,229**
(Examples: Transfers from Special Revenue Funds to Debt Service funds, transfers from Special Revenue Funds to Capital Project funds.)

2016 BUDGET BY EXPENDITURE TYPE

Department	Salaries	Benefits	Supplies	Other Svcs & Charges	Intergov't Services	Capital Outlays	Debt Service	Interfund Svc/Chgs	Ending Fund Balance	TOTAL
001 City Council	275,509	174,234	4,000	152,943						606,686
003 Legal	1,547,381	555,190	15,750	2,099,069						4,217,390
004 Administration	1,012,872	322,695	24,900	470,305				2,850		1,833,622
005 Municipal Court	1,395,222	548,268	19,003	93,300				470		2,056,263
007 Labor Rel/Human Resources	1,198,502	421,216	17,900	75,050				1,000		1,713,668
009 Gen Gov't Non-Dept	(697,074)			4,683,456	12,337,718			4,730,831	25,500,000	46,554,931
010 Finance	1,496,174	540,164	28,700	64,054		6,000		6,000		2,141,092
015 Information Technology	1,392,350	550,180	7,320	84,092				2,100		2,036,042
021 Planning/Comm Develop	1,278,681	463,157	30,000	61,104				3,000		1,835,942
022 Neighborhoods/Comm Svcs	254,039	85,785	10,950	62,465						413,239
024 Engineering/Public Svcs	3,813,794	1,509,739	227,290	127,750				398,940		6,077,513
026 Animal Services	876,674	390,664	98,715	97,000				10,000		1,473,053
027 Senior Center	331,300	110,028	10,502	87,950				5,300		545,080
031 Police	24,917,992	6,799,796	418,000	410,851				825,600		33,372,239
032 Fire	15,915,627	4,400,072	346,399	385,909		34,966		64,776		21,147,749
038 Facilities/Property Mgmt	1,749,322	763,348	197,500	280,383				29,000		3,019,553
101 Parks & Recreation	5,357,953	2,108,693	410,700	1,090,889		483,500		341,600		9,793,335
110 Library	3,079,567	1,120,892	81,243	214,075		666,066				5,161,843
112 Municipal Arts	189,090	82,560	24,000	582,541				37,000		915,191
114 Conference Center			20,978	46,024	884,590					951,592
115 Special Projects										0
119 Street Improvements						3,980,579				3,980,579
120 Streets	1,843,069	831,260						205,512		2,879,841
126 Motor Veh/Equip Repl Res				250,000	231,322	1,491,000			5,416,208	7,388,530
138 Hotel/Motel Tax Fund				300,000	150,000				296,691	746,691
145 Cum Res/Real Prop Acq				18,600	61,400	1,888,548				1,968,548
146 Property Management			81,100	411,200		1,045,000		445,393	1,685,864	3,668,557
148 Cum Reserve/Parks				239,396		320,383			1,818,298	2,378,077
149 Senior Center Reserve			25,278	52,552					466,066	543,896
151 Fund for Animals			90,000						407,118	497,118
152 Cum Reserve/Library			5,000	33,750		30,000			218,074	286,824
153 Emergency Medical Svcs	5,118,742	1,384,909	359,337	282,325	451,544	259,312	7,335	414,959	1,357,422	9,635,885
154 Real Estate Excise Tax Fd					300,000		284,281		4,077,617	4,661,898
156 Criminal Justice			2,923,111	265,261	321,305	176,800		2,016,380	5,222,996	10,925,853
157 Traffic Mitigation					2,800,000	1,269,843				4,069,843
159 Transporatation Benefit Dist.					1,200,000				414,730	1,614,730
160 Rainy Day Fund									4,243,945	4,243,945
162 Capital Reserves					3,591,900	1,045,000			17,091,246	21,728,146
197 CHIP Loan Program	202,603	82,189	2,500	268,017	650,428			27,990	15,522,673	16,756,400
198 Comm Dev Block Grants	116,759	58,390	1,000	779,020				11,261		966,430
210 Bond Redemption Fund							3,119,568			3,119,568
243 LID Guaranty Fund					20,000				8,450	28,450
299 L. I. D. Redemption Fund					21,007					21,007
401 Water/Sewer Utility	17,932,543	7,048,110	4,529,900	13,334,975	19,199,100	2,380,000	16,182,389	7,833,502	20,643,398	109,083,917
402 Solid Waste Utility	73,064	22,203	10,700	189,660	1,113,081		1,143,730	9,562	411,896	2,973,896
425 Public Works - Transit	10,368,067	4,428,661	274,600	872,531	1,814,958	3,248,895		4,821,948	8,352,762	34,182,422
430 Everpark Garage			1,200	360,100				20,656	2,520,137	2,902,093
440 Golf	826,157	294,368	789,098	1,838,658		291,188	333,883	131,038		4,504,390
450 Sno. Rvr Reg. Water Auth.				30,000						30,000
451 Everett-Tulalip Joint Wtrline				95,000						95,000
501 Motor Vehicle Division	1,685,894	678,558	3,905,746	350,681	50,000			428,728	839,944	7,939,551
503 Self-Insurance Fund		1,528,488		6,437,790					8,169,232	16,135,510
505 Computer Reserve Fund			250,000	1,442,356		1,061,218			750,026	3,503,600
507 Telecommunication	257,629	99,948	71,748	793,962				41,352	458,082	1,722,721
508 Health Benefits Reserve		12,890,520	1,000	1,159,000					5,360,753	19,411,273
637 Police Pension		2,349,898	2,000	20,000					15,187,904	17,559,802
638 Fire Pension		3,165,561	2,000	18,000					28,553,674	31,739,235
TOTAL	103,809,502	55,809,744	15,319,168	41,012,044	45,198,353	19,678,298	21,071,186	22,866,748	174,995,206	499,760,249

GENERAL TAXING AUTHORITY

Taxes make up approximately 43% of the City's total revenue budget and approximately 81% of the General Government revenue budget.

Most of the City's tax rates are at the state statutory maximum. Increased capacity remains within the following: B & O, gambling, admissions and Payment in Lieu of Tax (PILOT) taxes. Cable and Garbage utility taxes are not statutorily limited. State legislation places a 1% annual revenue growth limitation on property taxes. Any additional property tax increase requires voter approval.

Major Tax Source	2016 Rate	2016 Budget	Maximum Rate	Remaining Taxing Capacity (Rate)	Remaining Taxing Capacity (in dollars)
Property Tax					
- Regular	\$2.584	\$34,835,748	N/A	N/A	N/A
- Special	\$0.463	\$6,237,928	N/A	N/A	N/A
Sales Tax					
- Regular	0.85%	\$26,025,167	0.85%	0.00%	\$0
- Criminal Justice (A)	0.10%	\$1,543,894	0.10%	0.00%	\$0
- Transit	0.60%	\$18,370,706	0.90%	0.30%	\$9,185,353
Business & Occupation Tax					
- Regular (E)	0.10%	\$22,607,760	0.20%	0.10%	\$22,607,760
Utility Tax					
- Telephone	6.00%	\$3,024,600	6.00%	0.00%	\$0
- Natural Gas	6.00%	\$1,482,203	6.00%	0.00%	\$0
- Electricity	6.00%	\$6,607,751	6.00%	0.00%	\$0
- Brokered Natural Gas	6.00%	\$695,400	6.00%	0.00%	\$0
- Cable	4.00%	\$896,000	(D)		
- Solid Waste/Garbage	4.00%	\$714,900	(D)		
Leasehold Tax	4.00%	\$429,250	4.00%	0.00%	\$0
Gambling Tax					
- Bingo & Raffles	3.50%	\$5,000	5.00%	1.50%	\$2,143
- Amusement Games	2.00%	\$570	2.00%	0.00%	\$0
- Punch Brds/Pull Tabs	4.00%	\$300,000	5.00%	1.00%	\$75,000
- Card Rooms (C)	10.00%	\$0	20.00%	10.00%	\$0
PILOT					
- Utilities (Water, Sewer, Stormwater)	6.00%	\$4,935,097	(B)	(B)	(B)
- Transit	6.00%	\$149,976	(B)	(B)	(B)
Cable TV Franchise Fee	5.00%	\$1,478,358	5.00%	0.00%	\$0
Admissions Tax					
- Golf	4.00%	\$104,737	5.00%	1.00%	\$26,184
- Other Amusement	5.00%	\$353,500	5.00%	0.00%	\$0
Hotel/Motel Tax	2.00%	\$415,000	2.00%	0.00%	\$0
Real Estate Excise Tax					
- 1st Quarter (CIP 2)	0.25%	\$1,768,000	0.25%	0.00%	\$0
- 2nd Quarter (CIP 3)	0.25%	\$1,768,000	0.25%	0.00%	\$0
Vehicle Registration Fee	\$20.00	\$1,200,000	\$20.00	0.00%	\$0

(A) City levies tax, County distributes

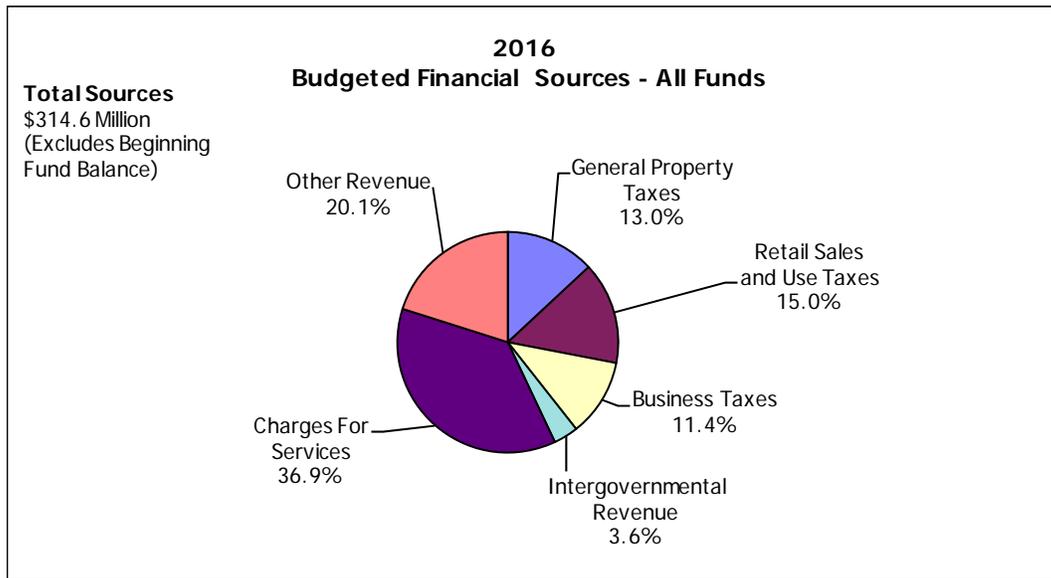
(B) Payment In Lieu of Tax (PILOT) rate determined by City Council

(C) Player funded banked card games taxed at 5%

(D) Not statutorily limited

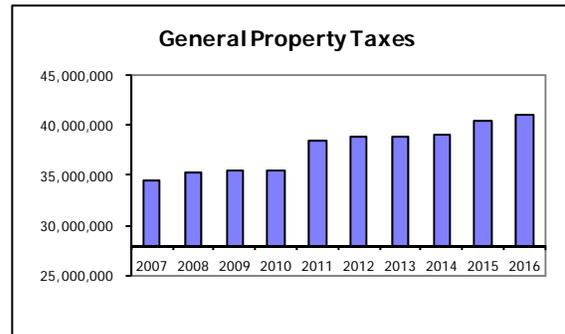
(E) Remaining capacity figure does not reflect reduction related to Boeing Agreement limiting rate to .10% until 2023

ANALYSIS OF SOURCES



General Property Taxes

		Amount	% Change
Actual	2007	34,447,362	5.0%
Actual	2008	35,210,826	2.2%
Actual	2009	35,409,255	0.6%
Actual	2010	35,395,579	0.0%
Actual	2011	38,373,048	8.4%
Actual	2012	38,767,680	1.0%
Actual	2013	38,937,697	0.4%
Actual	2014	39,114,444	0.5%
Budget	2015	40,406,533	3.3%
Budget	2016	41,073,676	1.7%



Property tax receipts represent approximately 13% of the City's total income for 2015. The large increases in 2007 and 2011, as shown above, were both due to annexations. The Snohomish County Treasurer collects property taxes levied in the City of Everett's five overlapping tax districts, which include the State, local schools, Snohomish County, City of Everett, and the Port of Everett. Several limitations control the growth of regular property tax levies and revenues:

Levy Rate Limitations

RCW 84.52.050 limits the aggregate of all regular tax levies by the state and all taxing districts to \$10 per \$1,000 of assessed value (AV). If the taxes of all districts collectively exceed this amount, a proportionate adjustment is applied until the total is reduced to the 1 percent limit.

RCW 84.52.043 limits the regular levy rate of a city to \$3.375 per \$1,000 of AV. **RCW 41.16.060** authorizes cities with LEOFF 1 Fire pension obligations to levy an additional \$0.225 per \$1,000 of AV. The City of Everett's maximum regular levy rate is \$3.60 per \$1,000 of AV.

Revenue Growth Limitations

Initiative 747 passed by the voters in November of 2001 limited the amount by which a taxing jurisdiction can increase the amount of its regular property tax levy to the lesser of the Implicit Price Deflator (IPD) or one percent, plus adjustments for new construction and annexations. Tax increases greater than one percent must be approved by the voters at an election held according to RCW 84.55.050. A simple majority vote is required.

In 2007, initiative 747 was found to be unconstitutional. However, the state legislature subsequently amended **RCW 84.55.005** and **RCW 84.55.0101** to limit property tax increases to one percent.

2016 Levy

The 2016 budget for regular property tax revenue, which includes both the regular levy and the voter approved Emergency Medical Services levy, is \$41,073,676 - a 1.7% increase over the 2015 budget. The 1.7% growth includes the 1.0% annual increase allowed by state law and 0.7% derived from new construction and changes in state assessed properties. Monies collected in 2016 for the regular and EMS levies are forecast to be \$34,835,748 and \$6,237,928, respectively.

Levy rates are calculated as follows:

$$\text{Total Levy Amount} \div [\text{Total City Assessed Valuation} \div \$1,000]$$

In 2015, the City's aggregate levy rate is forecast to be:

$$\$41,073,676 \div [\$13,478,377,600 \div \$1,000] = \$3.0474$$

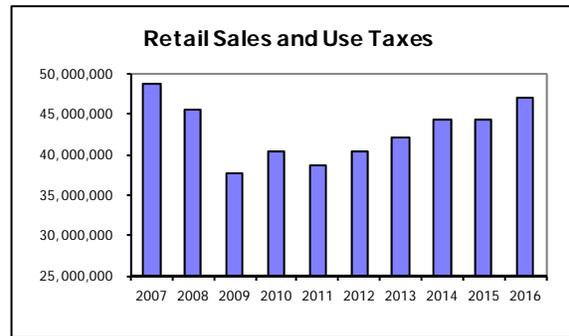
The aggregate levy rate consists of:

Regular Levy	\$2.584
EMS Levy	<u>0.463</u>
TOTAL Levy	\$3.047

In April 2010, the voters approved a levy lift to increase the EMS levy rate to the maximum permissible rate of \$0.50 per \$1,000 of assessed valuation. This increased EMS property taxes by more than \$1.7 million from 2010 to 2011. In 2012 and 2013 EMS property taxes decreased by \$571,000 and \$520,000, respectively, as the assessed value reduction combined with the 50 cent levy rate limit forced down the amount available to levy. With the subsequent increase in assessed value for 2014, 2015, and 2016 taxes, the City has been able to restore the voter approved EMS levy that was temporarily suppressed during the downturn.

Sales and Use Taxes

		Amount	% Change
Actual	2007	48,709,565	4.4%
Actual	2008	45,448,180	-6.7%
Actual	2009	37,663,491	-17.1%
Actual	2010	40,467,386	7.4%
Actual	2011	38,619,687	-4.6%
Actual	2012	40,343,977	4.5%
Actual	2013	41,977,010	4.0%
Actual	2014	44,335,709	5.6%
Budget	2015	44,271,475	-0.1%
Budget	2016	47,050,168	6.3%



Sales and use tax receipts represent approximately 15% of the City's total budgeted income for 2016. The following table breaks down the rate into individual taxing entities. The bolded lines are those that the City of Everett receives from sales within the City of Everett limits. The Everett Transit and Criminal Justice portions of the sales tax were voter-approved.

Sales Tax Allocation %

State of Washington	6.50%
City of Everett	0.85%
Snohomish County	0.15%
Everett Transit	0.60%
Criminal Justice	0.10%
Snoh Co Mental Health	0.10%
<u>Sound Transit (RTA)</u>	<u>0.90%</u>
 Total	 9.20%

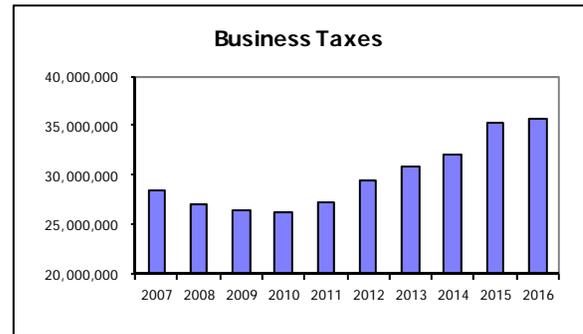
Lodging tax is also included in this revenue category. The City of Everett imposes a 2% state hotel/motel tax on lodging fees.

Both the sales and lodging taxes are collected by the state and remitted to the City on a monthly basis.

Sales tax grew at a robust 25.3% from 2005 to 2007. Factors that contributed to growth include increased employment, population growth, inflation, annexations, and construction projects. Spikes in sales tax collected on construction projects are viewed as one-time revenues that do not increase the City's underlying retail sales tax base. During the great recession, total City sales tax collections dropped 22% or \$11.0 million. Retail sales collections bottomed out in late 2009 and began to pick up in 2010, albeit off of a lower base. After a small downturn in 2011, we began to see activity increase again in 2012. We have budgeted for a growth of 6.3% for 2016 based on signs of economic recovery (increased employment, construction projects, and business tax receipts).

Business and Utility Taxes

		Amount	% Change
Actual	2007	28,464,074	12.9%
Actual	2008	27,129,553	-4.7%
Actual	2009	26,427,057	-2.6%
Actual	2010	26,181,296	-0.9%
Actual	2011	27,197,558	3.9%
Actual	2012	29,431,084	8.2%
Actual	2013	30,804,722	4.7%
Actual	2014	32,068,709	4.1%
Budget	2015	35,235,410	9.9%
Budget	2016	35,791,451	1.6%



Business and utility taxes represent approximately 11.4% of the City's total income for 2016.

The City imposes and collects Business and Occupation taxes on all business activity within its jurisdiction. RCW 35.21.710 limits the B & O tax to a rate of 0.20% (\$2.00 per \$1,000 of gross business receipts). Everett's rate is 0.10% (\$1.00 per \$1,000). RCW 35.21.706 requires that any action taken to increase B & O tax must include referendum provisions, allowing a public vote to recall changes to the rate.

The B & O tax is subject to a degree of volatility due, in large part, to world airline market conditions and the cyclical nature of this industry. Everett follows projected aircraft sales and delivery schedules closely and continues to incorporate currently published announcements into its forecasting model. As part of the Boeing tax incentive package signed in December 2003, the City of Everett agreed to a reduction in its B & O tax rate for the portion of annual manufacturing gross receipts greater than \$6 billion, growing to \$7 billion in 2010, and now \$8 billion. For those receipts, the B & O tax rate is reduced from 0.10% to 0.025%. This agreement went into effect on January 1, 2006.

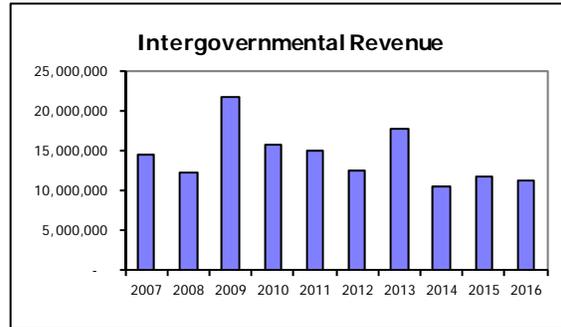
Overall, B & O taxes are budgeted to grow 1.6% in 2016, off of a large 9.9% increase budgeted for 2015. Factors influencing this growth rate include an expected increase in the aerospace industry, an increase in audit recoveries, and a general economic recovery within the City of Everett.

The City imposes utility taxes upon gross revenues of the local natural gas, telephone, electric, garbage and cable companies and a cable franchise fee on cable companies. These companies do not pay the regular business and occupation tax. Utility Taxes and Cable Franchise fees, as a revenue category, are forecast to be 3.9% lower than the amount budgeted for 2015. The majority of this decrease can be attributed to lower climate and conservation driven consumption. The 2.0% utility tax on garbage and cable utilities will increase to 4% on January 1, 2016.

The City imposes a 4% admissions tax on Golf, and a 5% admissions tax on other amusements. Beginning in 2006, the City stopped charging admissions tax on all events at the Everett Events Center to avoid overlapping with the Everett Public Facilities District 5% admissions tax. Golf and other amusement admissions taxes are forecast to grow by 1.0% in 2016.

Intergovernmental Revenue

		Amount	% Change
Actual	2007	14,394,858	24.2%
Actual	2008	12,280,650	-14.7%
Actual	2009	21,726,084	76.9%
Actual	2010	15,663,949	-27.9%
Actual	2011	15,065,075	-3.8%
Actual	2012	12,404,886	-17.7%
Actual	2013	17,773,113	43.3%
Actual	2014	10,603,919	-40.3%
Budget	2015	11,840,896	11.7%
Budget	2016	11,283,995	-4.7%



Intergovernmental revenue receipts represent approximately 3.6% of the City's total income for 2016.

The City of Everett regularly seeks state and federal grants to aid in funding various projects or services. Because of the unpredictability associated with grant availability from year to year, we budget only for grant monies that we know, with some certainty, the City will receive in the coming year. Transportation related grants again dominate the field in 2016, with FTA grants providing funding for buses, para-transit vehicles and vehicle technology. Other large grants include Community Development Block Grants and Community Housing Improvement Program (CHIP) grants.

State shared revenues consist of liquor board profits, liquor excise taxes, and unrestricted gas taxes. The 2016 budget amounts for state shared revenues are based on published estimates from the Municipal Services and Research Center of Washington.

Liquor board profits are derived from license fees that the State Liquor Control Board collects from distributors and retailers, and are distributed to the cities and counties based on population. In 2012, the citizens of Washington State voted to privatize liquor sales. At that time, the state passed legislation that provided for an additional \$10 million distribution to local governments to be used to enhance public safety programs and permanently diverted all growth in liquor board profits to the state. Therefore, 2016 liquor board profits are expected to remain relatively flat from 2015 to 2016.

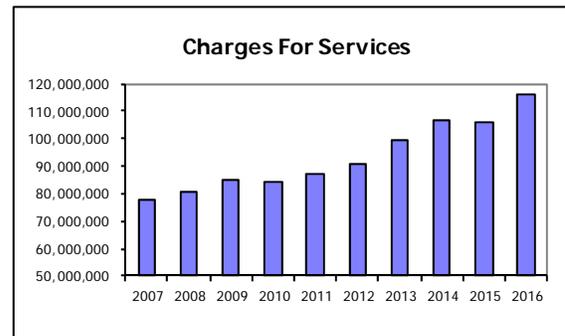
The state imposes liquor excise taxes on liquor and wine sales, with distribution based on population. In 2012, the state passed legislation that provided for the state to retain all liquor excise taxes for their FY 2013 and permanently divert \$10 million annually from local distribution thereafter. The State's 2013–2015 budget also contained a provision that increased the state's share of liquor taxes from 65% to 77.5%, which reduced the amount distributed to the cities. The 2015 liquor excise tax budget was \$200,400. In 2015, the legislature returned the percentage distribution to earlier provisions. For 2016, liquor excise taxes are budgeted at \$468,694.

Two percent of the liquor excise tax and liquor board profit distributions must be used on alcoholism programs.

Lastly, the state imposes gas taxes on sales within the state and distributes the proceeds based upon population. As a result of state legislation in 2015, there will be an increase in the motor vehicle fuel tax of 11.9 cents. The tax will increase over the next two years with the first increase beginning August 1, 2015 and the second increase effective July 1, 2016. The resulting revenues from the motor vehicle fuel tax increase are being shared with cities and counties based upon a set allocation provided in the bill. The estimated gas tax revenue for 2016 is \$2,282,106, which represents a six percent increase over the 2015 budget.

Charges for Goods and Services

		Amount	% Change
Actual	2007	77,819,805	3.6%
Actual	2008	80,725,449	3.7%
Actual	2009	84,754,711	5.0%
Actual	2010	84,065,813	-0.8%
Actual	2011	86,994,964	3.5%
Actual	2012	90,884,939	4.5%
Actual	2013	99,476,351	9.5%
Actual	2014	107,040,205	7.6%
Budget	2015	106,356,272	-0.6%
Budget	2016	116,150,021	9.2%



Charges for Goods and Services represent approximately 36.9% of the City's total income for 2016. This revenue source is comprised of fees charged for providing specialized services that are distinct from general services funded from general taxation. Charges for Goods and Services include probation fees; plan check fees; animal shelter fees; swimming and golf fees and other recreational programs; traffic mitigation; water, sewer, and storm drainage fees; solid waste and recycling fees; transit fares and interdepartmental services. A large percentage (70.8%) of this revenue category is attributable to water, sewer, and storm drainage fees.

Water, sewer and storm drainage fees are expected to grow by 11.2% from 2015 to 2016 due to a rate increase and activity growth. Other notable categories include fees and charges related to the Animal Shelter which are budgeted to increase by 9.3% due to an increase in the per animal fee charged to city partners, and Economic Environment fees (SEPA Environmental Checklist, Plan Checks) which are forecast to grow by 72% over the 2015 budget due to increased construction activity.

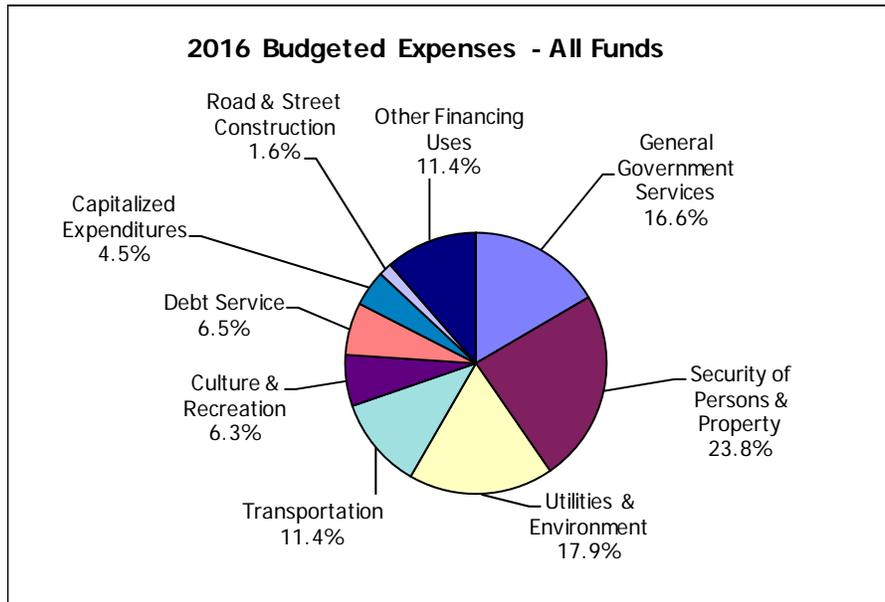
Other Revenue

The "Other Revenue" category of the budget comprises \$63.2 million or 20.1% of the budget for 2016.

Significant items in Other Revenue include:

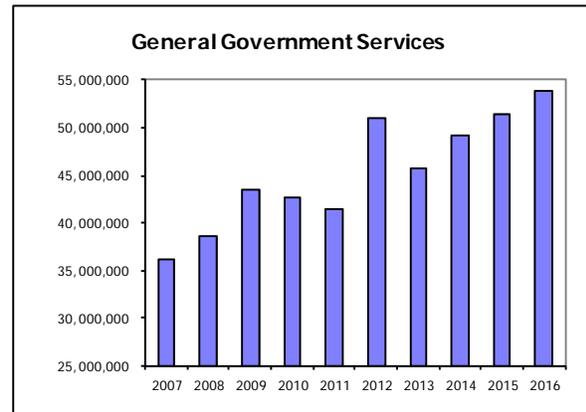
- Interest earnings - \$4.3 million
- Rents and lease income - \$4.2 million
- Business licenses & permits - \$2.0 million
- Transfers In - \$14.1 million
- Fines and forfeits - \$1.9 million
- Real estate excise tax - \$3.5 million
- Miscellaneous revenue - \$14.6 million.

ANALYSIS OF USES



General Government Services

		Amount	% Change
Actual	2007	36,198,239	3.7%
Actual	2008	38,617,246	6.7%
Actual	2009	43,555,665	12.8%
Actual	2010	42,625,668	-2.1%
Actual	2011	41,538,359	-2.6%
Actual	2012	51,050,085	22.9%
Actual	2013	45,795,463	-10.3%
Actual	2014	49,258,237	7.6%
Budget	2015	51,384,775	4.3%
Budget	2016	53,792,764	4.7%



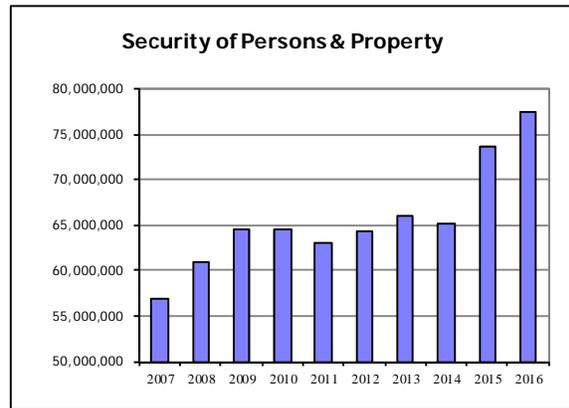
General Government Services include Legislative, Judicial, Executive, Financial and Records Services, Legal, Personnel, Employee Benefit Programs and Central Services. Employee Benefit Programs comprise 40% of this category.

The large increase from 2011 to 2012 in General Government Services was due primarily to the pre-funding of 2013 insurance premiums in 2012.

The 4.7% increase from 2015 to 2016 includes: \$1,000,000 to establish an annual contribution to CIP 1, \$1,000,000 for the new Streets Initiative Program, and cost of living adjustments ranging from 3.0% to 4.5%.

Security of Persons and Property

		Amount	% Change
Actual	2007	56,885,145	7.8%
Actual	2008	60,933,453	7.1%
Actual	2009	64,449,610	5.8%
Actual	2010	64,481,960	0.1%
Actual	2011	63,138,335	-2.1%
Actual	2012	64,394,883	2.0%
Actual	2013	66,028,204	2.5%
Actual	2014	65,229,198	-1.2%
Budget	2015	73,589,239	12.8%
Budget	2016	77,382,043	5.2%

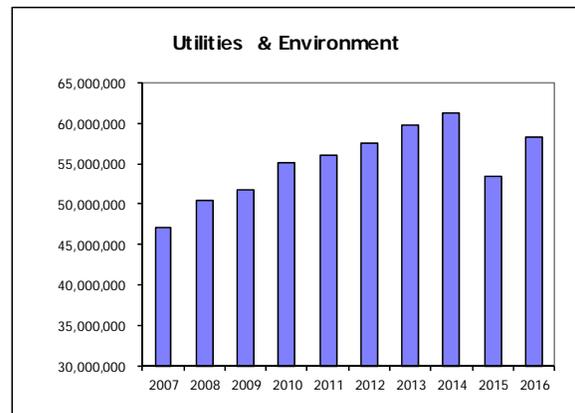


Security of Persons and Property includes Law Enforcement (48.6%); Fire Control (27.5%), Communications (6.5%), Emergency Medical Services (10.1%), Detention & Corrections (4.7%), and Protective Inspections (2.6%). With the exception of Communications, labor makes up the majority of costs in this category. Between 2006 and 2012, the City added 4 non-uniform and 20 uniform staff to the Police department. In that same time frame, the City added an Emergency Operations Center Director to the Fire department and concluded its agreement for paramedic services with another city, which allowed the department to reduce its paramedic FTE count by five through attrition.

The 2015 and 2016 budgets contemplate fully staffed police and fire departments. In 2014, the departments averaged a combined 27 vacant positions per month-primarily in the police department. These vacancies held down expenditures in 2014 and is a contributing factor to the 12.8% increase from the 2014 actual expenditures to the 2015 budgeted expenditures. The largest factor, however, is the settlement of the Police Officers Association contract in 2015. This settlement included COLAs for 2014 and 2015 – neither of which were included in prior year budgets. The 2016 budget also includes cost of living adjustments (COLAs) ranging from 3.0% to 4.5%.

Utilities and Environment

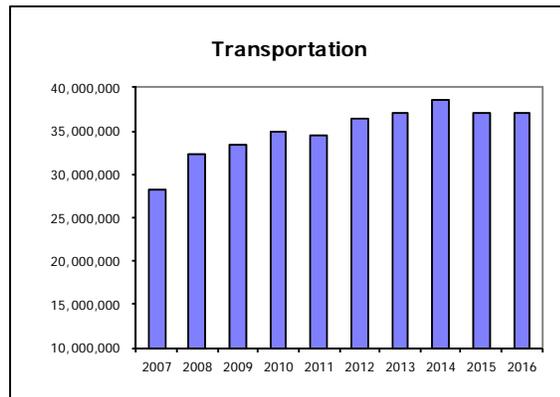
		Amount	% Change
Actual	2007	47,139,549	-7.4%
Actual	2008	50,419,894	7.0%
Actual	2009	51,683,124	2.5%
Actual	2010	55,012,035	6.4%
Actual	2011	56,004,882	1.8%
Actual	2012	57,441,579	2.6%
Actual	2013	59,807,450	4.1%
Actual	2014	61,154,535	2.3%
Budget	2015	53,470,623	-12.6%
Budget	2016	58,283,319	9.0%



The City of Everett's Water/Sewer Utility makes up 99% of this category. Water operations include the distribution and filtration of water for the citizens of Everett as well as sales to other water systems in Snohomish County. Sewer operations include collection and treatment of sewage and surface water management. The large decrease from 2014 to 2015 is due in large part to depreciation expense which is accounted for in actuals but not budgeted for. The 8.8% increase from 2015 to 2016 is due primarily to rising labor costs, including the addition of 1.0 FTE, and an increase in maintenance projects.

Transportation

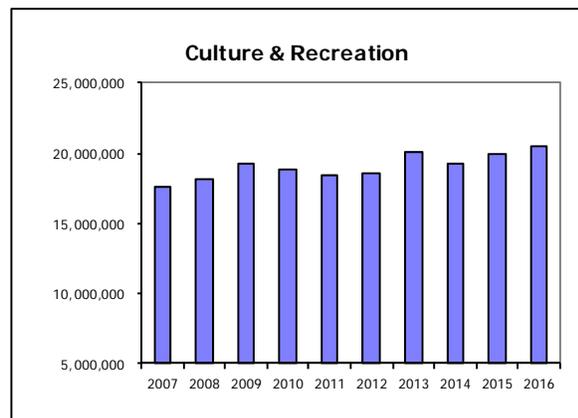
		Amount	% Change
Actual	2007	28,322,211	12.7%
Actual	2008	32,260,383	13.9%
Actual	2009	33,434,945	3.6%
Actual	2010	35,008,421	4.7%
Actual	2011	34,527,810	-1.4%
Actual	2012	36,484,038	5.7%
Actual	2013	37,089,219	1.7%
Actual	2014	38,612,557	4.1%
Budget	2015	37,084,172	-4.0%
Budget	2016	37,015,620	-0.2%



Everett Transit comprises about 61% of the Transportation expenditures. Road and Street Maintenance, the Motor Vehicle Division, and the EverPark Garage make up the balance in this category. Just over 20.0 FTEs were added to the Transit Department between 2006 and 2010 to provide for expanded service. The decrease from 2014 to 2015 was due primarily to reductions in grant related expenditures. Increases in labor costs for 2016 are offset by reductions in maintenance projects, resulting in a net decrease of 0.2% for the 2016 budget.

Culture and Recreation

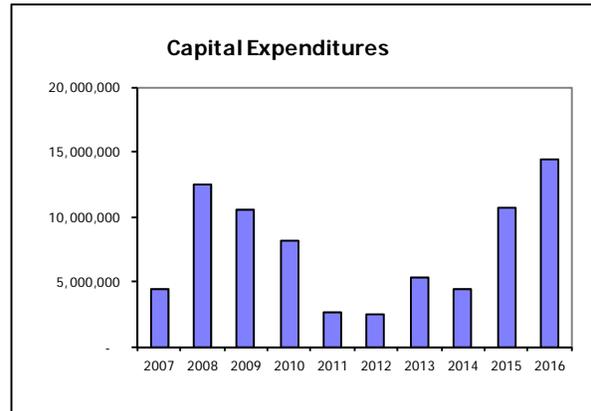
		Amount	% Change
Actual	2007	17,591,772	6.4%
Actual	2008	18,098,768	2.9%
Actual	2009	19,261,365	6.4%
Actual	2010	18,879,108	-2.0%
Actual	2011	18,424,690	-2.4%
Actual	2012	18,569,976	0.8%
Actual	2013	20,101,418	8.2%
Actual	2014	19,329,660	-3.8%
Budget	2015	20,018,912	3.6%
Budget	2016	20,565,126	2.7%



Culture and Recreation is comprised of Parks and Recreation (49%), Library services (23%), Golf (19%), Municipal Arts (4%), Conference Center (3%), and Hotel Motel tax-funded expenditures (2%). The change from 2012 to 2013 of 8.2% was due to vacant positions in 2012 that were filled in 2013. Between 2014 and 2015, a total of 7.60 FTEs were eliminated from the budget (three Park's positions in 2014, two Park's positions in 2015, and 2.60 Library positions in 2015). These eliminations offset the increase in labor costs, including the addition of benefits for eighteen Park and Golf day laborers due to the new Affordable Care Act requirements, a 2% increase to the Park's maintenance and operations budget, the restoration of \$100,000 to the Park's capital projects budget, and annual increases to the Library's book budget.

Capital Expenditures

		Amount	% Change
Actual	2007	4,523,860	30.4%
Actual	2008	12,501,854	176.4%
Actual	2009	10,561,975	-15.5%
Actual	2010	8,210,361	-22.3%
Actual	2011	2,653,234	-67.7%
Actual	2012	2,537,452	-4.4%
Actual	2013	5,351,895	110.9%
Actual	2014	4,508,058	-15.8%
Budget	2015	10,725,391	137.9%
Budget	2016	14,427,876	34.5%

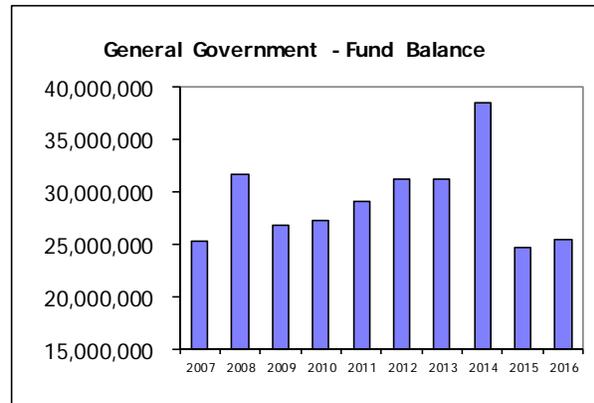


Capital expenditures can vary greatly between years due to the timing of capital projects and the availability of funding sources to pay for capital projects/assets. 2011 and 2012 were particularly low due in large part to the recession. Please see the Capital and Debt section of the budget for details on capital expenditures.

ANALYSIS OF FUND BALANCE

General Government – Fund Balance

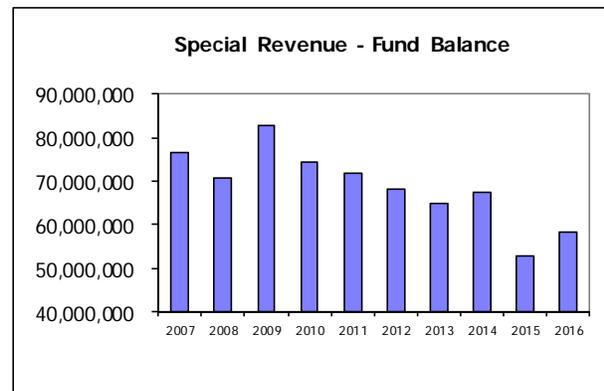
		Amount	% Change
Actual	2007	25,317,216	6.8%
Actual	2008	31,674,468	25.1%
Actual	2009	26,885,848	-15.1%
Actual	2010	27,264,821	1.4%
Actual	2011	29,201,798	7.1%
Actual	2012	31,286,509	7.1%
Actual	2013	31,253,855	-0.1%
Actual	2014	38,607,166	23.5%
Budget	2015	24,700,000	-36.0%
Budget	2016	25,500,000	3.2%



In 2004, the City Council adopted a fund balance policy retaining a reserve balance equal to 20% of operating revenues. For years ending 2005 through 2007, the City targeted the 20% reserve and transferred excess funds to pension and CIP reserve accounts. For years ending 2008 through 2014, the City chose to retain the surplus in the general fund as a contingency against potential revenue shortfalls, labor contract settlements, and known potential liabilities (landslides). 2015 and 2016 were budgeted to end the year at the 20% target.

Special Revenues – Fund Balance

		Amount	% Change
Actual	2007	76,578,433	1.1%
Actual	2008	70,644,767	-7.7%
Actual	2009	82,691,496	17.1%
Actual	2010	74,256,811	-10.2%
Actual	2011	71,758,656	-3.4%
Actual	2012	68,144,230	-5.0%
Actual	2013	64,712,085	-5.0%
Actual	2014	67,452,183	4.2%
Budget	2015	52,879,560	-21.6%
Budget	2016	58,238,948	10.1%

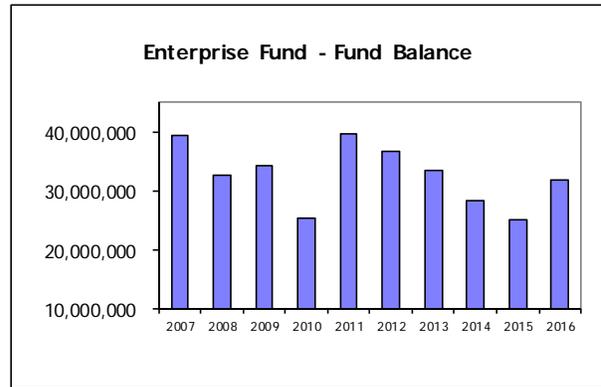


Special Revenues Funds are generally used to account for revenues that are to be spent for specific purposes or projects, such as capital projects, street improvements, and Emergency Medical Services operations. Often a project is budgeted for but then deferred or only partially completed by year-end, which can create dramatic changes in fund balance from one year to the next.

The decreases in fund balances in 2010 through 2013 were due to the compounding factor of declining revenues during the recession and the continued use of existing funds to make annual debt service payments on the conference center bonds and the bonds related to property purchased for the events center, as well as funding several major projects including the Downtown Plaza, the new Municipal Court Building, the 41st Street round about, the Fire Administration Building seismic retrofit, and the Broadway bridge replacement. The 2014 fund balance grew as a result of revenues coming in over budget. Special Revenue fund balances were budgeted to decline in 2015 due to planned capital projects. The 2016 fund balance is budgeted to increase by 10.1% as a result of increasing revenues not yet planned for expenditure.

Enterprise Fund – Fund Balance

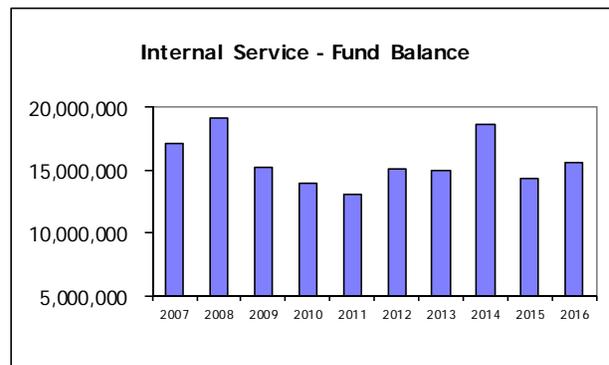
		Amount	% Change
Actual	2007	39,270,351	38.0%
Actual	2008	32,543,021	-17.1%
Actual	2009	34,128,646	4.9%
Actual	2010	25,454,746	-25.4%
Actual	2011	39,653,755	55.8%
Actual	2012	36,710,133	-7.4%
Actual	2013	33,509,351	-8.7%
Actual	2014	28,199,213	-15.8%
Budget	2015	25,031,516	-11.2%
Budget	2016	31,928,195	27.6%



The two largest enterprise funds are the Utilities and Transit funds. Changes in Fund Balance between 2011 and 2015 are due primarily to the issuance of water and sewer revenue bonds and the subsequent use of the bond proceeds. In addition, the Transit Department fund balance decreased by roughly \$1.8 million in 2013 due to planned capital outlay. The 2016 fund balance is budgeted to increase by 27.6% due to utility rate increases along with a reduction in capital outlay spending by the Utilities fund.

Internal Service – Fund Balance

		Amount	% Change
Actual	2007	17,091,883	16.2%
Actual	2008	19,109,423	11.8%
Actual	2009	15,247,883	-20.2%
Actual	2010	13,999,942	-8.2%
Actual	2011	13,106,914	-6.4%
Actual	2012	15,089,986	15.1%
Actual	2013	14,973,460	-0.8%
Actual	2014	18,641,899	24.5%
Budget	2015	14,359,205	-23.0%
Budget	2016	15,578,037	8.5%



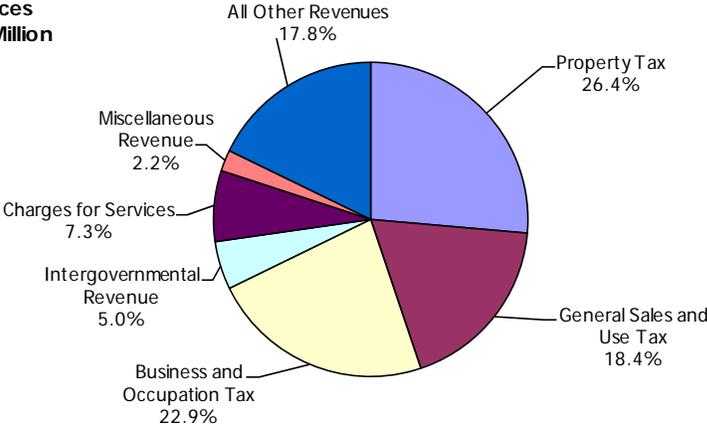
The Internal Service Funds combined fund balances tend to fluctuate quite a bit year to year due to the nature of the funds. For example, in 2009 both the Self Insurance Fund and the Employee Health Benefit Reserve Fund experienced abnormally high claims which brought the fund balances down \$2.8 million and \$1.4 million, respectively. The Employee Health Benefit Reserve fund continued to experience higher than expected medical claims and health care costs in 2010 which caused the fund balance to decrease another \$2.8 million. Additional contributions to the Self Insurance Fund in 2010 increased that fund's balance by \$1.8 million.

Funding rates for the Employee Benefits Reserve fund were increased by 25% for 2013 and an additional 16.5% in 2014 to accommodate high claims and rebuild the fund's Incurred But Not Reported and Claims Contingency reserves to the mandated levels. The budget for 2016 anticipates that the fund balance will be restored to the required legal amount. Overall, the Internal Service Funds combined fund balance is budgeted to increase by 8.5% in 2016 as the City restores balances back to recommended levels.

FINANCIAL SOURCES & USES GOVERNMENTAL FUNDS

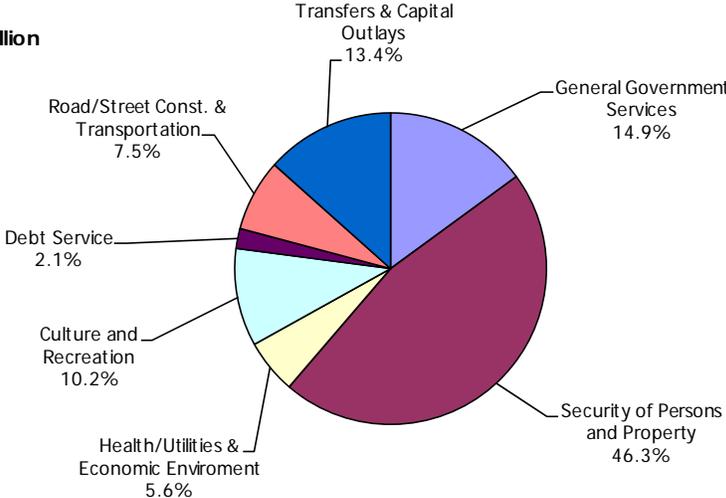
2016 Budgeted Financial Sources - Governmental Funds

Total Sources
\$155.6 Million



2016 Budgeted Uses - Governmental Funds

Total Uses
\$164.2 Million



Summary of Financial Sources and Uses Governmental Funds Page 1 of 2

	GENERAL GOVERNMENT OPERATIONS			SPECIAL REVENUE FUNDS		
	2014 Actuals	2015 Amended Budget	2016 Adopted Budget	2014 Actuals	2015 Amended Budget	2016 Adopted Budget
Financial Sources						
Property Tax	\$ 33,418,709	\$ 34,225,178	\$ 34,835,748	\$ 5,699,289	\$ 6,181,355	\$ 6,237,928
General Sales and Use Tax	24,799,872	25,211,278	26,720,567	1,917,209	1,779,341	1,958,894
Business and Occupation Tax	31,309,681	35,128,584	35,686,714	-	-	-
Other Taxes	5,015,922	5,211,702	5,821,893	3,444,007	3,928,342	4,736,000
Licenses and Permits	1,893,011	3,376,461	4,002,534	-	-	-
Intergovernmental Revenue	5,250,824	5,239,511	4,926,134	2,181,674	3,125,934	2,783,908
Charges for Goods and Services	10,409,946	9,332,183	9,208,373	2,601,496	1,905,218	2,149,416
Fines and Forfeits	1,932,027	1,850,350	1,845,000	9,330	8,750	9,500
Miscellaneous Revenue	1,701,014	1,557,609	1,508,496	4,087,632	2,442,295	1,879,765
Other Financing Sources	2,261,792	2,667,351	2,670,984	2,900,249	3,528,322	5,455,382
Total Financial Sources	\$ 117,992,798	\$ 123,800,207	\$ 127,226,443	\$ 22,840,886	\$ 22,899,557	\$ 25,210,793
Uses of Financial Sources						
General Government Services	\$ 21,862,926	\$ 24,105,890	\$ 22,629,558	\$ 1,418,542	\$ 1,640,496	\$ 1,896,593
Security of Persons & Property	55,780,356	62,696,838	63,529,736	8,161,981	12,671,950	12,587,668
Utilities & Environment	-	-	-	238	-	-
Transportation	6,479,364	6,843,176	7,003,292	-	-	-
Economic Environment	5,280,562	6,250,782	5,797,377	1,211,287	1,491,642	2,364,067
Mental & Physical Health	886,861	957,094	1,088,094	-	-	-
Culture & Recreation	14,283,780	15,411,102	15,457,661	870,836	1,846,027	1,228,146
Debt Service	-	-	-	231,598	179,866	291,616
Capitalized Expenditures	867,420	1,302,794	1,190,532	2,815,059	7,243,102	6,259,963
Road & Street Construction	1,725,736	5,175,028	3,980,579	-	317,335	1,269,843
Other Financing Uses	3,472,482	13,311,252	6,549,614	5,391,247	10,246,475	7,944,527
Total Uses of Financial Sources	\$ 110,639,487	\$ 136,053,956	\$ 127,226,443	\$ 20,100,788	\$ 35,636,893	\$ 33,842,423
Net Increase (Decrease) in Fund Balance	\$ 7,353,311	\$ (12,253,749)	\$ -	\$ 2,740,098	\$ (12,737,336)	\$ (8,631,630)
Fund Balance January 1	31,253,855	36,838,249	25,500,000	64,712,085	63,566,876	66,870,578
Fund Balance December 31	\$ 38,607,166	\$ 24,584,500	\$ 25,500,000	\$ 67,452,183	\$ 50,829,540	\$ 58,238,948

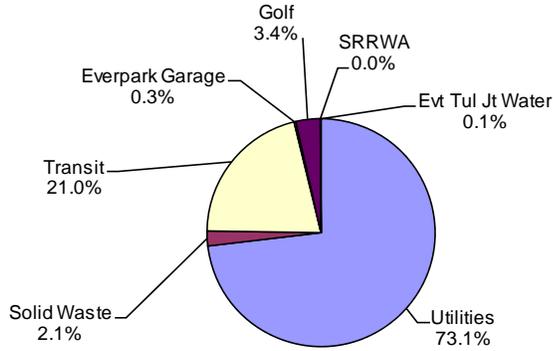
Summary of Financial Sources and Uses
Governmental Funds
 Page 2 of 2

	DEBT SERVICE FUNDS			TOTAL GOVERNMENTAL FUNDS		
	2014 Actuals	2015 Amended Budget	2016 Adopted Budget	2014 Actuals	2015 Amended Budget	2016 Adopted Budget
Financial Sources						
Property Tax	\$ -	\$ -	\$ -	\$ 39,117,998	\$ 40,406,533	\$ 41,073,676
General Sales and Use Tax	-	-	-	26,717,081	26,990,619	28,679,461
Business and Occupation Tax	-	-	-	31,309,681	35,128,584	35,686,714
Other Taxes	-	-	-	8,459,929	9,140,044	10,557,893
Licenses and Permits	-	-	-	1,893,011	3,376,461	4,002,534
Intergovernmental Revenue	-	-	-	7,432,498	8,365,445	7,710,042
Charges for Goods and Services	-	-	-	13,011,442	11,237,401	11,357,789
Fines and Forfeits	-	-	-	1,941,357	1,859,100	1,854,500
Miscellaneous Revenue	16,277	5,500	7,147	5,804,923	4,005,404	3,395,408
Other Financing Sources	38,656,867	2,894,015	3,140,575	43,818,908	9,089,688	11,266,941
Total Financial Sources	\$ 38,673,144	\$ 2,899,515	\$ 3,147,722	\$ 179,506,828	\$ 149,599,279	\$ 155,584,958
Uses of Financial Sources						
General Government Services	\$ -	\$ -	\$ -	\$ 23,281,468	\$ 25,746,386	\$ 24,526,151
Security of Persons & Property	-	-	-	63,942,337	75,368,788	76,117,404
Utilities & Environment	-	-	-	238	-	-
Transportation	-	-	-	6,479,364	6,843,176	7,003,292
Economic Environment	-	-	-	6,491,849	7,742,424	8,161,444
Mental & Physical Health	-	-	-	886,861	957,094	1,088,094
Culture & Recreation	-	-	-	15,154,616	17,257,129	16,685,807
Debt Service	10,967,975	2,889,515	3,119,568	11,199,573	3,069,381	3,411,184
Capitalized Expenditures	-	-	-	3,682,479	8,545,896	7,450,495
Road & Street Construction	-	-	-	1,725,736	5,492,363	5,250,422
Other Financing Uses	27,713,893	15,000	41,007	36,577,622	23,572,727	14,535,148
Total Uses of Financial Sources	\$ 38,681,868	\$ 2,904,515	\$ 3,160,575	\$ 169,422,143	\$ 174,595,364	\$ 164,229,441
Net Increase (Decrease) in Fund Balance	\$ (8,724)	\$ (5,000)	\$ (12,853)	10,084,685	(24,996,085)	(8,644,483)
Fund Balance January 1	32,280	13,003	21,303	95,998,220	100,418,128	92,391,881
Fund Balance December 31	\$ 23,556	\$ 8,003	\$ 8,450	\$ 106,082,905	\$ 75,422,043	\$ 83,747,398

FINANCIAL SOURCES AND USES ENTERPRISE FUNDS

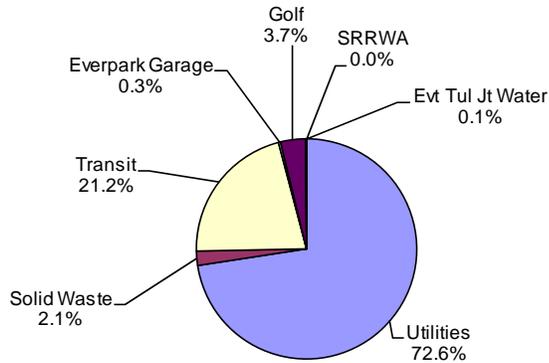
2016 Budgeted Financial Sources - Enterprise Funds

Total Sources
\$121.6 Million



2016 Budgeted Uses - Enterprise Funds

Total Uses
\$121.8 Million



Summary of Financial Sources and Uses Enterprise Funds Page 1 of 4

	UTILITIES			SOLID WASTE FUND		
	2014 Actuals	2015 Amended Budget	2016 Adopted Budget	2014 Actuals	2015 Amended Budget	2016 Adopted Budget
Financial Sources						
Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Taxes	-	-	-	-	-	-
Licenses and Permits	660	1,000	1,000	-	-	-
Intergovernmental Revenues	143,032	1,136,468	700,000	69,164	150,000	150,000
Charges for Services	70,262,307	74,038,635	82,587,521	2,333,831	2,300,000	2,400,000
Miscellaneous Revenue	4,334,803	2,708,945	5,593,208	23,244	8,500	12,000
Other Financing Sources	-	60,000,000	-	-	-	-
Total Financial Sources	\$ 74,740,802	\$ 137,885,048	\$ 88,881,729	\$ 2,426,239	\$ 2,458,500	\$ 2,562,000
Uses of Financial Sources						
Personnel Services	\$ 20,913,132	\$ 24,462,948	\$ 24,980,653	\$ 61,947	\$ 93,904	\$ 95,267
Supplies	3,998,117	4,334,525	4,529,900	15,799	26,500	10,700
Professional Services	7,298,387	10,994,325	13,334,975	445,541	164,200	189,660
Intergovernmental Charges	27,281,240	71,136,149	19,199,100	376,928	977,640	1,113,081
Interfund Service Charges	9,460,766	7,126,784	7,833,502	60,466	13,756	9,562
Capital Outlays	(1,337)	2,060,000	2,380,000	-	-	-
Debt Service Principal	4,932,500	7,808,634	9,650,977	1,000,000	1,000,000	1,000,000
Debt Service Interest	6,485,003	9,476,214	6,531,412	143,730	182,500	143,730
Total Uses of Financial Sources	\$ 80,367,808	\$ 137,399,579	\$ 88,440,519	\$ 2,104,411	\$ 2,458,500	\$ 2,562,000
Net Increase (Decrease) in Fund Balance	\$ (5,627,006)	\$ 485,469	\$ 441,210	\$ 321,828	\$ -	\$ -
Fund Balance January 1	21,840,013	14,538,517	20,202,188	409,785	757,671	411,896
Fund Balance December 31	\$ 16,213,007	\$ 15,023,986	\$ 20,643,398	\$ 731,613	\$ 757,671	\$ 411,896

Summary of Financial Sources and Uses Enterprise Funds Page 2 of 4

	TRANSIT FUND			EVERPARK GARAGE		
	2014 Actuals	2015 Amended Budget	2016 Adopted Budget	2014 Actuals	2015 Amended Budget	2016 Adopted Budget
Financial Sources						
Sales Tax	\$ 17,315,413	\$ 17,280,856	\$ 18,370,706	\$ -	\$ -	\$ -
Other Taxes	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-
Intergovernmental Revenues	1,543,307	2,289,998	2,316,849	-	-	-
Charges for Services	1,611,443	1,739,691	1,650,686	-	-	-
Miscellaneous Revenue	1,379,729	1,009,872	3,133,221	325,742	321,000	312,000
Other Financing Sources	-	-	-	-	-	-
Total Financial Sources	\$ 21,849,892	\$ 22,320,417	\$ 25,471,462	\$ 325,742	\$ 321,000	\$ 312,000
Uses of Financial Sources						
Personnel Services	\$ 12,789,755	\$ 13,949,622	\$ 14,796,728	\$ -	\$ -	\$ -
Supplies	105,337	136,868	274,600	1,355	1,200	1,200
Professional Services	1,287,678	1,324,131	872,531	214,417	320,909	360,100
Intergovernmental Charges	1,733,312	1,744,366	1,814,958	-	-	-
Interfund Service Charges	5,833,589	5,724,592	4,821,948	15,432	16,248	20,656
Capital Outlays	129,723	766,666	3,248,895	-	-	-
Debt Service Principal	-	-	-	-	-	-
Debt Service Interest	-	-	-	-	-	-
Total Uses of Financial Sources	\$ 21,879,394	\$ 23,646,245	\$ 25,829,660	\$ 231,204	\$ 338,357	\$ 381,956
Net Increase (Decrease) in Fund Balance	\$ (29,502)	\$ (1,325,828)	\$ (358,198)	\$ 94,538	\$ (17,357)	\$ (69,956)
Fund Balance January 1	8,527,534	8,010,217	8,710,962	2,511,912	2,582,827	2,590,093
Fund Balance December 31	\$ 8,498,032	\$ 6,684,389	\$ 8,352,764	\$ 2,606,450	\$ 2,565,470	\$ 2,520,137

Summary of Financial Sources and Uses
Enterprise Funds
Page 3 of 4

	GOLF			SRRWA		
	2014 Actuals	2015 Amended Budget	2016 Adopted Budget	2014 Actuals	2015 Amended Budget	2016 Adopted Budget
Financial Sources						
Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Taxes	96,429	106,826	104,737	-	-	-
Licenses and Permits	-	-	-	-	-	-
Intergovernmental Revenues	-	-	-	-	54,000	30,000
Charges for Services	2,497,551	2,740,301	2,688,059	-	-	-
Miscellaneous Revenue	1,291,164	1,383,935	1,406,002	80,285	-	-
Other Financing Sources	3,800	-	-	-	-	-
Total Financial Sources	\$ 3,888,944	\$ 4,231,062	\$ 4,198,798	\$ 80,285	\$ 54,000	\$ 30,000
Uses of Financial Sources						
Personnel Services	\$ 1,068,083	\$ 1,072,985	\$ 1,120,525	\$ -	\$ -	\$ -
Supplies	704,211	744,674	789,098	-	-	-
Professional Services	1,389,976	1,822,034	1,838,658	80,285	54,000	30,000
Intergovernmental Charges	-	-	-	-	-	-
Interfund Service Charges	144,359	117,382	131,878	-	-	-
Capital Outlays	325,294	141,304	290,348	-	-	-
Debt Service Principal	190,000	190,000	195,000	-	-	-
Debt Service Interest	137,017	142,683	138,883	-	-	-
Total Uses of Financial Sources	\$ 3,958,940	\$ 4,231,062	\$ 4,504,390	\$ 80,285	\$ 54,000	\$ 30,000
Net Increase (Decrease) in Fund Balance	\$ (69,996)	\$ -	\$ (305,592)	\$ -	\$ -	\$ -
Fund Balance January 1	220,107	-	305,592	-	-	-
Fund Balance December 31	\$ 150,111	\$ -	\$ -	\$ -	\$ -	\$ -

Summary of Financial Sources and Uses Enterprise Funds

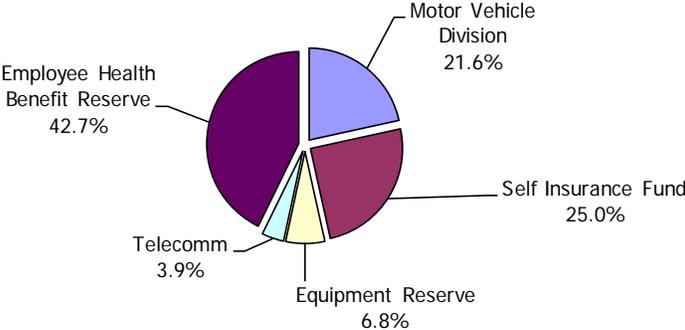
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	EVERETT TULALIP JOINT WATERLINE			TOTAL ENTERPRISE FUNDS		
	2014 Actuals	2015 Amended Budget	2016 Adopted Budget	2014 Actuals	2015 Amended Budget	2016 Adopted Budget
Financial Sources						
Sales Tax	\$ -	\$ -	\$ -	\$ 17,315,413	\$ 17,280,856	\$ 18,370,706
Other Taxes	-	-	-	96,429	106,826	104,737
Licenses and Permits	-	-	-	660	1,000	1,000
Intergovernmental Revenues	823,357	680,000	95,000	2,578,860	4,310,466	3,291,849
Charges for Services	-	-	-	76,705,132	80,818,627	89,326,266
Miscellaneous Revenue	-	-	-	7,434,967	5,432,252	10,456,431
Other Financing Sources	-	-	-	3,800	60,000,000	-
Total Financial Sources	\$ 823,357	\$ 680,000	\$ 95,000	\$ 104,135,261	\$ 167,950,027	\$ 121,550,989
Uses of Financial Sources						
Personnel Services	\$ -	\$ -	\$ -	\$ 34,832,917	\$ 39,579,459	\$ 40,993,173
Supplies	-	-	-	4,824,819	5,243,767	5,605,498
Professional Services	823,356	680,000	95,000	11,539,640	15,359,599	16,720,924
Intergovernmental Charges	-	-	-	29,391,480	73,858,155	22,127,139
Interfund Service Charges	-	-	-	15,514,612	12,998,762	12,817,546
Capital Outlays	-	-	-	453,680	2,967,970	5,919,243
Debt Service Principal	-	-	-	6,122,500	8,998,634	10,845,977
Debt Service Interest	-	-	-	6,765,750	9,801,397	6,814,025
Total Uses of Financial Sources	\$ 823,356	\$ 680,000	\$ 95,000	\$ 109,445,398	\$ 168,807,743	\$ 121,843,525
Net Increase (Decrease) in Fund Balance	\$ 1	\$ -	\$ -	\$ (5,310,137)	\$ (857,716)	\$ (292,536)
Fund Balance January 1	-	-	-	33,509,351	25,889,232	32,220,731
Fund Balance December 31	\$ 1	\$ -	\$ -	\$ 28,199,213	\$ 25,031,516	\$ 31,928,195

FINANCIAL SOURCES AND USES INTERNAL SERVICE FUNDS

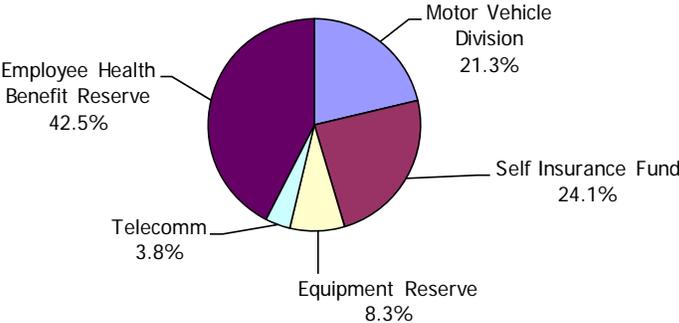
2016 Budgeted Sources - Internal Service Funds

Total Sources
\$32.9 Million



2016 Budgeted Uses - Internal Service Funds

Total Uses
\$33.1 Million



Financial Sources and Uses Internal Service Funds Page 1 of 3

	MOTOR VEHICLE DIVISION			SELF INSURANCE FUND		
	2014 Actuals	2015 Amended Budget	2016 Adopted Budget	2014 Actuals	2015 Amended Budget	2016 Adopted Budget
Financial Sources						
Interfund Charges for Services	\$ 7,045,588	\$ 6,862,750	\$ 6,915,982	\$ 9,248,317	\$ 7,588,660	\$ 8,039,928
Miscellaneous Revenue	124,011	105,670	179,125	302,464	215,108	181,117
Disposition of Fixed Assets	932	4,738	4,500	-	-	-
Total Financial Sources	\$ 7,306,142	\$ 6,973,158	\$ 7,099,607	\$ 9,550,781	\$ 7,803,768	\$ 8,221,045
Uses of Financial Sources						
Personnel Services	\$ 2,138,357	\$ 2,198,340	\$ 2,364,452	\$ 2,158,858	\$ 1,481,695	\$ 1,528,488
Supplies	4,148,390	4,277,489	3,905,746	-	-	-
Professional Services	349,611	319,704	350,681	6,943,250	7,110,257	6,437,790
Interfund Service Charges	306,106	471,506	428,728	-	-	-
Capital Outlays	135,611	-	-	-	-	-
Total Uses of Financial Sources	\$ 7,078,075	\$ 7,267,039	\$ 7,049,607	\$ 9,102,108	\$ 8,591,952	\$ 7,966,278
Net Increase (Decrease) in Fund Balance	\$ 228,067	\$ (293,881)	\$ 50,000	\$ 448,673	\$ (788,184)	\$ 254,767
Fund Balance January 1	884,410	806,027	839,944	11,288,874	8,916,685	7,914,465
Fund Balance December 31	\$ 1,062,473	\$ 462,146	\$ 839,944	\$ 11,737,547	\$ 8,128,501	\$ 8,169,232

Financial Sources and Uses Internal Service Funds Page 2 of 3

	COMPUTER RESERVE			TELECOMMUNICATIONS		
	2014 Actuals	2015 Amended Budget	2016 Adopted Budget	2014 Actuals	2015 Amended Budget	2016 Adopted Budget
Financial Sources						
Interfund Charges for Services	\$ 2,502,968	\$ 2,002,489	\$ 2,246,255	\$ 1,209,036	\$ 1,199,707	\$ 1,258,248
Miscellaneous Revenue	12,416	7,385	8,600	13,674	16,000	16,000
Disposition of Fixed Assets	-	-	-	-	-	-
Total Financial Sources	\$ 2,515,384	\$ 2,009,874	\$ 2,254,855	\$ 1,222,710	\$ 1,215,707	\$ 1,274,248
Uses of Financial Sources						
Personnel Services	\$ -	\$ -	\$ -	\$ 320,034	\$ 347,035	\$ 357,577
Supplies	216,260	250,000	250,000	27,352	80,838	71,748
Professional Services	913,196	1,088,599	1,442,356	773,514	790,891	793,962
Interfund Service Charges	-	-	-	67,659	41,052	41,352
Capital Outlays	409,949	1,136,222	1,061,218	36,158	-	-
Total Uses of Financial Sources	\$ 1,539,405	\$ 2,474,821	\$ 2,753,574	\$ 1,224,717	\$ 1,259,816	\$ 1,264,639
Net Increase (Decrease) in Fund Balance	\$ 975,979	\$ (464,947)	\$ (498,719)	\$ (2,007)	\$ (44,109)	\$ 9,609
Fund Balance January 1	117,086	705,302	1,248,745	494,589	461,468	448,473
Fund Balance December 31	\$ 1,093,065	\$ 240,355	\$ 750,026	\$ 492,582	\$ 417,359	\$ 458,082

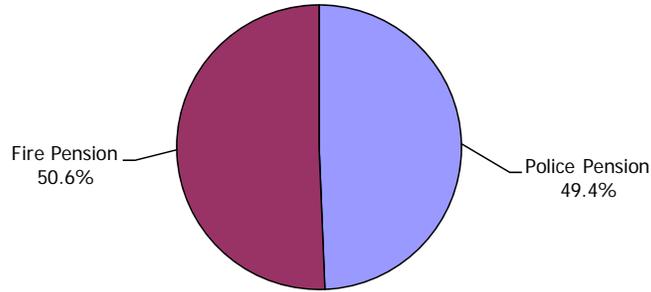
Financial Sources and Uses Internal Service Funds Page 3 of 3

	EMPLOYEE HEALTH BENEFITS RES			TOTAL INTERNAL SERVICE FUNDS		
	2014 Actuals	2015 Amended Budget	2016 Adopted Budget	2014 Actuals	2015 Amended Budget	2016 Adopted Budget
Financial Sources						
Interfund Charges for Services	\$ 13,662,739	\$ 13,990,780	\$ 14,004,020	\$ 33,668,648	\$ 31,644,386	\$ 32,464,433
Miscellaneous Revenue	338,531	66,000	66,000	791,096	410,163	450,842
Disposition of Fixed Assets	-	-	-	932	4,738	4,500
Total Financial Sources	\$ 14,001,270	\$ 14,056,780	\$ 14,070,020	\$ 34,596,287	\$ 32,059,287	\$ 32,919,775
Uses of Financial Sources						
Personnel Services	\$ 10,881,981	\$ 12,000,000	\$ 12,890,520	\$ 15,499,230	\$ 16,027,070	\$ 17,141,037
Supplies	-	1,000	1,000	4,392,002	4,609,327	4,228,494
Professional Services	1,051,558	1,209,000	1,159,000	10,031,129	10,518,451	10,183,789
Interfund Service Charges	-	-	-	373,765	512,558	470,080
Capital Outlays	-	-	-	581,718	1,136,222	1,061,218
Total Uses of Financial Sources	\$ 11,933,539	\$ 13,210,000	\$ 14,050,520	\$ 30,877,844	\$ 32,803,628	\$ 33,084,618
Net Increase (Decrease) in Fund Balance	\$ 2,067,731	\$ 846,780	\$ 19,500	\$ 3,718,443	\$ (744,341)	\$ (164,843)
Fund Balance January 1	2,188,501	4,264,064	5,341,253	14,973,460	15,153,546	15,792,880
Fund Balance December 31	\$ 4,256,232	\$ 5,110,844	\$ 5,360,753	\$ 18,641,899	\$ 14,359,205	\$ 15,578,037

FINANCIAL SOURCES AND USES TRUST FUNDS

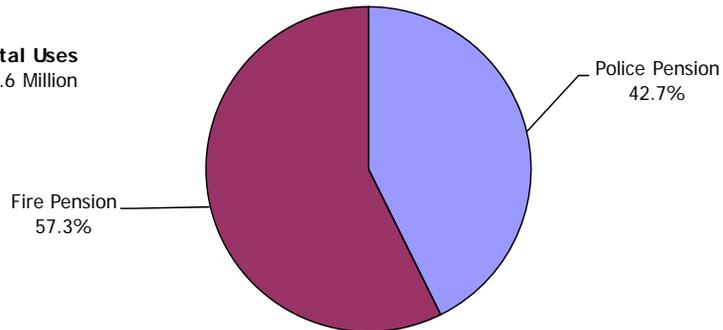
2016 Budgeted Sources - Trust Funds

Total Sources
\$4.6 Million



2016 Budgeted Uses - Trust Funds

Total Uses
\$5.6 Million



Summary of Financial Sources and Uses
Trust Funds
Page 1 of 2

	POLICE PENSION			FIRE PENSION		
	2014 Actuals	2015 Amended Budget	2016 Adopted Budget	2014 Actuals	2015 Amended Budget	2016 Adopted Budget
Financial Sources						
Intergovernmental Revenue	\$ -	\$ -	\$ -	\$ 221,846	\$ 220,000	\$ 227,104
Miscellaneous Revenue	295,507	535,000	535,000	473,701	950,000	950,000
Operating Transfers In	-	1,649,239	1,711,085		964,028	1,127,680
Total Financial Sources	\$ 295,507	\$ 2,184,239	\$ 2,246,085	\$ 695,547	\$ 2,134,028	\$ 2,304,784
Uses of Financial Sources						
Personnel Services	\$ 1,276,776	\$ 2,250,845	\$ 2,349,898	\$ 2,356,790	\$ 3,010,965	\$ 3,165,561
Supplies	-	2,000	2,000		2,000	2,000
Other Services & Charges	17,637	20,000	20,000	19,928	18,000	18,000
Total Uses of Financial Sources	\$ 1,294,413	\$ 2,272,845	\$ 2,371,898	\$ 2,376,718	\$ 3,030,965	\$ 3,185,561
Net Increase (Decrease) in Fund Balance	\$ (998,906)	\$ (88,606)	\$ (125,813)	\$ (1,681,171)	\$ (896,937)	\$ (880,777)
Fund Balance January 1	16,687,705	14,848,837	15,313,717	31,051,594	29,525,074	29,434,451
Fund Balance December 31	\$ 15,688,799	\$ 14,760,231	\$ 15,187,904	\$ 29,370,423	\$ 28,628,137	\$ 28,553,674

Summary of Financial Sources and Uses

Trust Funds

Page 2 of 2

TOTAL TRUST FUNDS		
2014	2015	2016
Actuals	Amended Budget	Adopted Budget

Financial Sources

Intergovernmental Revenue	\$	221,846	\$	220,000	\$	227,104
Miscellaneous Revenue		769,208		1,485,000		1,485,000
Operating Transfers In		-		2,613,267		2,838,765

Total Financial Sources

	\$	991,054	\$	4,318,267	\$	4,550,869
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Uses of Financial Sources

Personnel Services	\$	3,633,566	\$	5,261,810	\$	5,515,459
Supplies		-		4,000		4,000
Other Services & Charges		37,565		38,000		38,000

Total Uses of Financial Sources

	\$	3,671,131	\$	5,303,810	\$	5,557,459
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Net Increase (Decrease)
in Fund Balance

	\$	(2,680,077)	\$	(985,543)	\$	(1,006,590)
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Fund Balance January 1

		47,739,299		44,373,911		44,748,168
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Fund Balance December 31

	\$	45,059,222	\$	43,388,368	\$	43,741,578
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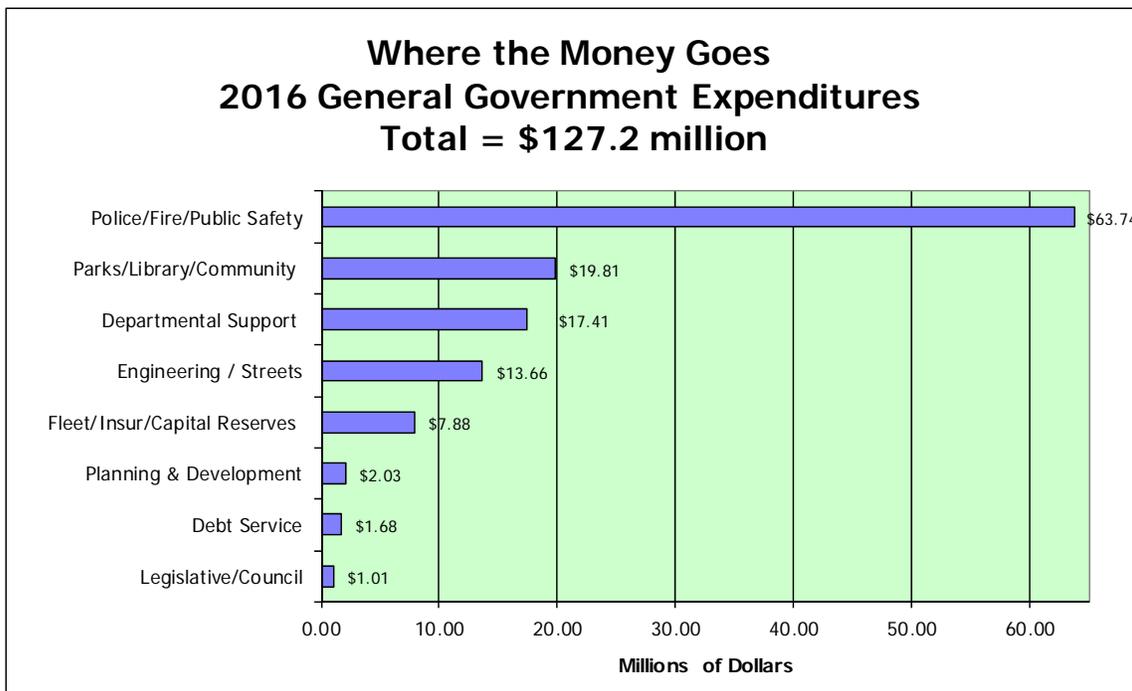
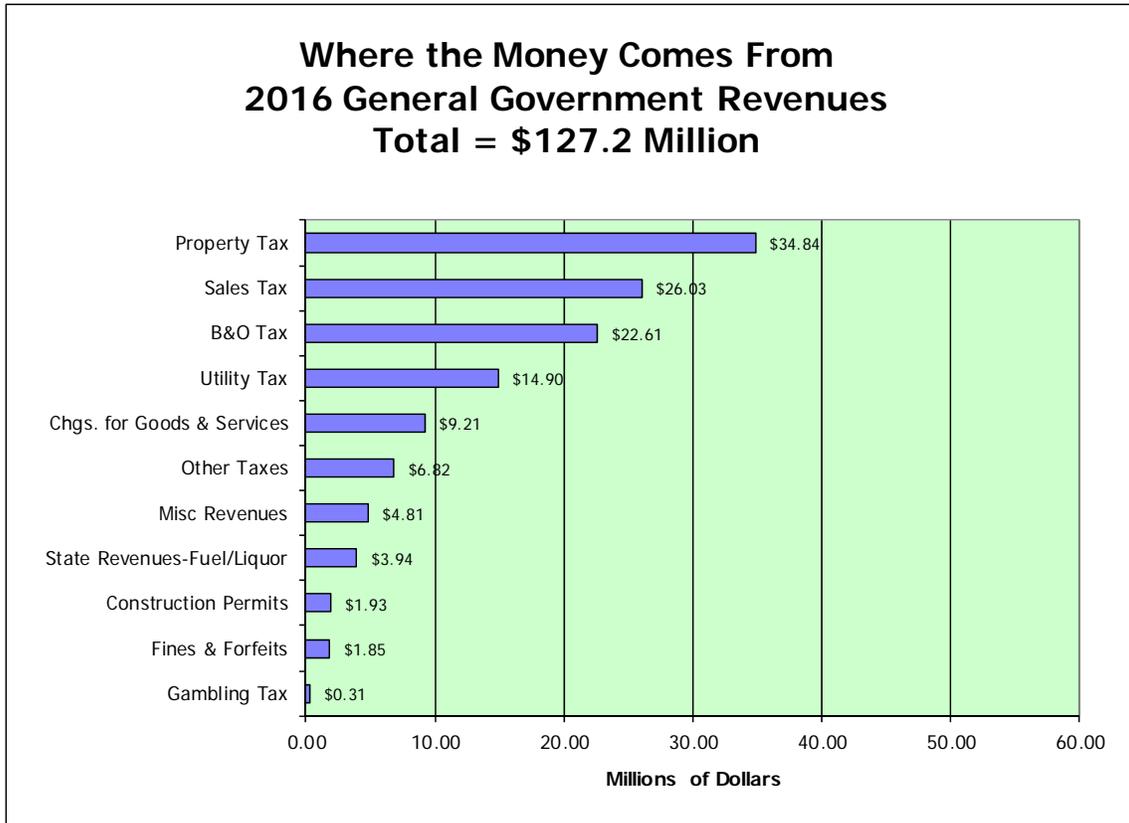
**GENERAL GOVERNMENT
FIVE YEAR COMPARISON
RESOURCES AND EXPENDITURES BY FUNCTION**

	2012 Actual Results	2013 Actual Results	2014 Actual Results	2015 Adopted Budget	2015 Amended Budget	2016 Adopted Budget
RESOURCES						
Beginning Fund Balance	\$ 29,201,800	\$ 31,286,509	\$ 31,253,855	\$ 24,700,000	\$ 36,838,249	\$ 25,500,000
Revenue						
Property Tax	33,243,226	33,640,346	33,418,709	34,225,178	34,225,178	34,835,748
Sales Tax	21,927,255	23,066,659	24,232,981	24,481,213	24,481,213	26,025,167
B&O Tax	17,622,716	19,871,025	20,520,201	21,438,950	21,438,950	22,607,760
Utility Tax	11,458,433	10,906,082	11,004,382	15,504,799	15,504,799	14,899,212
Gambling Tax	320,265	304,789	291,594	286,538	286,538	305,570
Other Taxes	5,733,591	5,549,207	5,992,583	6,831,738	6,831,738	6,817,841
Construction Permits	1,362,817	1,278,106	1,829,285	1,415,847	1,415,847	1,929,499
Grants	660,422	1,344,765	728,878	31,000	760,649	35,000
State Revenues	3,824,916	3,463,083	3,605,680	3,539,488	3,539,488	3,943,116
Interfund Service Charges	6,170,274	6,113,469	6,167,700	6,413,096	6,068,096	5,647,916
Chgs. for Goods & Services	2,829,615	2,922,104	4,242,246	3,027,777	3,264,086	3,560,457
Fines & Forfeits	1,716,314	1,811,962	1,932,027	1,850,350	1,850,350	1,845,000
Misc Revenues	3,550,458	4,520,059	4,026,532	3,873,406	4,133,275	4,774,157
Annual Revenues	\$ 110,420,302	\$ 114,791,656	\$ 117,992,798	\$ 122,919,380	\$ 123,800,207	\$ 127,226,443
Annual Revenue Growth Rate	3.22%	3.96%	2.79%	4.18%	0.72%	2.77%
Total Resources	\$ 139,622,102	\$ 146,078,165	\$ 149,246,653	\$ 147,619,380	\$ 160,638,456	\$ 152,726,443
Expenditures						
Legislative	\$ 816,673	\$ 823,918	\$ 821,864	\$ 1,013,441	\$ 1,013,441	\$ 1,011,856
Departmental Support	15,444,265	16,096,857	16,240,744	18,685,335	21,685,829	17,412,869
Public Safety	54,980,739	57,415,776	55,687,312	64,615,870	66,728,331	63,742,915
Reserve Contributions	7,327,341	7,313,033	5,853,631	2,704,592	8,384,592	7,878,768
Debt Service	1,025,554	1,070,440	1,042,340	1,968,140	1,968,140	1,684,590
Infrastructure	9,487,493	11,578,218	10,789,372	12,710,195	13,872,725	13,656,534
Community Programs	17,405,666	18,555,719	17,902,981	19,204,806	19,466,970	19,810,369
Governmental Operations	1,847,862	1,970,349	2,301,246	2,017,001	2,933,928	2,028,542
Total Expenditures	\$ 108,335,593	\$ 114,824,310	\$ 110,639,490	\$ 122,919,380	\$ 136,053,956	\$ 127,226,443
Annual Expenditure Growth Rate	3.14%	5.99%	-3.64%	11.10%	10.69%	-6.49%
Ending Fund Balance	\$ 31,286,509	\$ 31,253,855	\$ 38,607,163	\$ 24,700,000	\$ 24,584,500	\$ 25,500,000
Ending Fund Balance as % of Annual Revenues	28.33%	27.23%	32.72%	20.09%	19.86%	20.04%

**GENERAL GOVERNMENT
FIVE YEAR COMPARISON
EXPENDITURES BY DEPARTMENT**

Department	2012 Actual Results	2013 Actual Results	2014 Actual Results	2015 Adopted Budget	2015 Amended Budget	2016 Adopted Budget
Expenditures						
Council	\$ 467,598	\$ 477,751	\$ 493,946	\$ 617,192	\$ 617,192	\$ 606,686
Legal/Prosecutor's Office	3,505,050	3,815,571	3,554,711	4,115,572	4,148,412	4,217,390
Administration	1,252,748	1,270,931	1,325,294	1,736,073	1,736,073	1,833,622
Municipal Court	1,707,676	1,739,412	1,787,134	1,964,199	1,995,958	2,056,263
Human Resources/Labor Rel.	1,460,399	1,452,773	1,424,018	1,541,210	1,541,210	1,713,668
Non-Departmental	18,294,921	18,262,344	16,524,028	19,096,168	28,902,893	21,054,931
Finance	1,898,798	1,949,505	2,008,498	2,086,968	1,959,721	2,141,092
Information Technology	1,505,545	1,591,947	1,591,207	1,863,211	1,836,157	2,036,042
Planning & Community Devel.	1,693,478	1,781,550	1,827,300	1,825,251	2,236,726	1,835,942
Neighborhoods/ Comm. Svcs.	319,446	347,129	329,251	398,779	398,779	413,239
Engineering Services	4,980,632	5,329,112	5,775,045	5,674,462	6,028,232	6,077,513
Animal Services	1,207,305	1,268,505	1,351,325	1,448,326	1,451,884	1,473,053
Senior Center	451,820	450,577	478,881	493,271	510,944	545,080
Police	27,982,606	28,594,688	28,209,520	32,161,896	32,662,216	33,372,239
Fire	19,096,840	20,932,518	20,316,255	21,049,685	21,257,639	21,147,749
Facilities & Property Mngmnt.	3,410,622	3,630,663	3,758,694	3,863,588	3,586,907	3,019,553
Parks & Recreation	8,575,856	9,321,614	8,580,518	9,634,280	9,687,175	9,793,335
Library	4,577,399	4,858,613	4,881,894	4,926,795	5,068,658	5,161,843
Municipal Arts	1,032,076	1,003,041	886,648	905,754	1,092,054	915,191
Conference Center	1,045,681	1,135,333	1,058,383	1,235,142	1,235,142	951,592
Special Projects	48,696	9,850	100,876	-	572,165	-
Street Improvements	1,687,726	3,380,753	2,166,831	3,653,115	4,815,645	3,980,579
Streets	2,132,675	2,220,130	2,209,233	2,628,443	2,712,174	2,879,841
Total Expenditures	\$ 108,335,593	\$ 114,824,310	\$ 110,639,490	\$ 122,919,380	\$ 136,053,956	\$ 127,226,443

GENERAL GOVERNMENT REVENUES AND EXPENDITURES BY FUNCTION



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