
FINANCIAL SUMMARY

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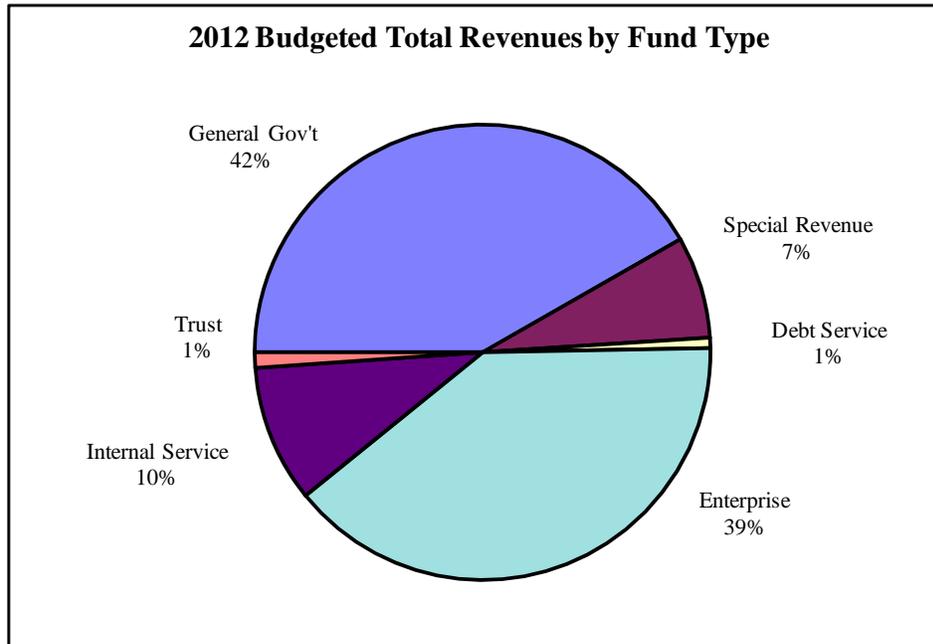
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2012 OPERATING BUDGET BY FUND TYPE

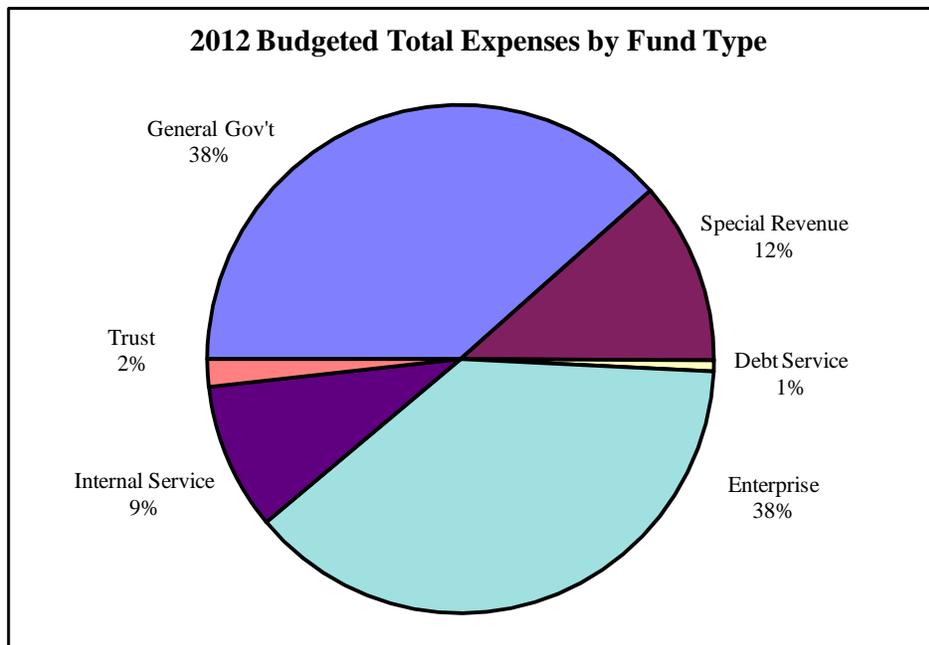
	General Government	Special Revenue	Debt Service	Enterprise	Internal Service	Trust	Total
Funding Sources							
Beginning Fund Balance	\$ 22,100,000	\$ 65,217,158	\$ 70,000	\$ 33,013,820	\$ 12,481,386	\$ 49,128,923	\$ 182,011,287
General Property Taxes	32,756,532	6,181,722	-	-	-	-	38,938,254
Retail Sales and Use Taxes	22,921,000	1,645,500	-	15,614,118	-	-	40,180,618
Business Taxes	29,742,165	-	-	104,729	-	-	29,846,894
Other Taxes	4,691,196	1,600,000	-	-	-	-	6,291,196
Licenses & Permits	956,393	300,000	-	1,800	-	-	1,258,193
Intergovernmental Service Rev	5,000,841	3,113,191	-	4,891,330	-	257,590	13,262,952
Charges For Services	8,907,517	2,082,838	-	70,330,286	10,210,130	-	91,530,771
Fines & Forfeits	1,824,950	518,447	-	-	-	-	2,343,397
Miscellaneous Revenue	1,690,560	2,337,852	6,000	4,730,973	15,549,865	2,640,116	26,955,366
Other Financing Sources	1,943,429	1,392,996	1,953,000	8,770,300	-	-	14,059,725
Total Funding Sources	\$ 132,534,583	\$ 84,389,704	\$ 2,029,000	\$ 137,457,356	\$ 38,241,381	\$ 52,026,629	\$ 446,678,653
Uses of Funding Sources							
General Government Services	20,329,486	1,803,295	-	-	17,529,596	5,028,894	44,691,271
Security of Persons & Property	57,526,952	10,384,777	-	-	1,186,534	-	69,098,263
Utilities & Environment	3,761,569	110,000	-	47,510,078	63,000	-	51,444,647
Transportation	4,112,443	20,000	-	22,041,706	7,899,227	-	34,073,376
Economic Environment	5,177,736	2,602,139	-	-	-	-	7,779,875
Mental & Physical Health	31,917	-	-	-	-	-	31,917
Culture & Recreation	14,626,343	1,158,578	-	3,733,872	-	-	19,518,793
Debt Service	-	264,353	1,939,000	17,711,640	-	-	19,914,993
Capitalized Expenditures	1,074,512	6,341,600	-	3,141,032	238,000	-	10,795,144
Road & Street Construction	2,316,209	3,707,506	-	-	-	-	6,023,715
Other Financing Uses	1,477,416	7,060,796	90,000	15,330,000	-	-	23,958,212
Total Expenditures	\$ 110,434,583	\$ 33,453,044	\$ 2,029,000	\$ 109,468,328	\$ 26,916,357	\$ 5,028,894	\$ 287,330,206
Ending Fund Balance	\$ 22,100,000	\$ 50,936,660	\$ -	\$ 27,989,028	\$ 11,325,024	\$ 46,997,735	\$ 159,348,447
Total Appropriation	\$ 132,534,583	\$ 84,389,704	\$ 2,029,000	\$ 137,457,356	\$ 38,241,381	\$ 52,026,629	\$ 446,678,653

2012 OPERATING BUDGET BY FUND TYPE (Continued)

Total Revenues
\$264.7 Million



Total Expenses
\$287.3 Million



2012 OPERATING BUDGET - SUMMARY OF FUND ACTIVITY

	2012 Beginning Fund Balance	2012 Revenues	2012 Total Resources	2012 Expenses	2012 Ending Fund Balance	2012 Total Approp- riation
GENERAL GOVERNMENT						
002 General Fund Revenues	21,977,000	89,966,571	111,943,571	-	-	-
001 City Council	-	-	-	571,970	-	571,970
003 Legal	-	-	-	3,709,190	-	3,709,190
004 Administration	-	-	-	1,846,889	-	1,846,889
005 Municipal Court	-	-	-	1,919,861	-	1,919,861
007 Labor Rel./ Human Resources	-	-	-	1,528,587	-	1,528,587
009 Gen Gov't Non-dept	-	-	-	13,667,014	22,100,000	35,767,014
010 Finance	-	-	-	1,980,087	-	1,980,087
015 Information Technology	-	-	-	1,859,155	-	1,859,155
021 Planning/Comm Development	-	-	-	1,707,645	-	1,707,645
022 Neighborhoods & Comm Svcs	-	-	-	367,642	-	367,642
024 Engineering / Public Services	-	-	-	5,730,143	-	5,730,143
026 Animal Services	-	-	-	1,269,661	-	1,269,661
027 Senior Center	-	-	-	461,240	-	461,240
031 Police	-	-	-	29,874,628	-	29,874,628
032 Fire	-	-	-	19,724,551	-	19,724,551
038 Facilities/Property Managment	-	-	-	3,625,308	-	3,625,308
Total General Fund	21,977,000	89,966,571	111,943,571	89,843,571	22,100,000	111,943,571
101 Parks & Recreation	-	9,129,607	9,129,607	9,129,607	-	9,129,607
110 Library	-	4,827,530	4,827,530	4,827,530	-	4,827,530
112 Municipal Arts	123,000	810,335	933,335	933,335	-	933,335
114 Conference Center	-	1,131,002	1,131,002	1,131,002	-	1,131,002
115 General Govt Special Projects	-	-	-	-	-	-
119 Street Improvements	-	2,316,209	2,316,209	2,316,209	-	2,316,209
120 Streets	-	2,253,329	2,253,329	2,253,329	-	2,253,329
Total General Gov't Operations	22,100,000	110,434,583	132,534,583	110,434,583	22,100,000	132,534,583
Gen. Gov't Allocations of Prop. Tax	-	-	-	-	-	-
TOTAL GENERAL GOVERNMENT	22,100,000	110,434,583	132,534,583	110,434,583	22,100,000	132,534,583

Note: The 2011 Beginning Fund Balance is an estimate and therefore is unaudited as of the printing of this document.

SUMMARY OF FUND ACTIVITY (continued)

	2012	2012	2012	2012	2012	2012
	Beginning					
	Fund		Resources		Fund	Appropriation
	Balance				Balance	
126 Motor Vehicle/Equip Replacemer	5,865,724	963,231	6,828,955	720,000	6,108,955	6,828,955
138 Hotel Motel Tax Fund	258,659	287,000	545,659	283,312	262,347	545,659
144 Downtown Improvement Fund	185,378	521,248	706,626	706,626	-	706,626
145 Cumulative Res/Real Prop. Acqu	1,799,407	87,581	1,886,988	1,886,988	-	1,886,988
146 Property Management	4,946,582	1,309,853	6,256,435	4,255,561	2,000,874	6,256,435
148 Cumulative Reserve /Parks	2,782,726	360,199	3,142,925	1,178,078	1,964,847	3,142,925
149 Senior Center Reserve	432,022	111,825	543,847	109,150	434,697	543,847
151 Fund for Animals	447,677	57,000	504,677	110,000	394,677	504,677
152 Cumulative Reserve /Library	465,340	35,444	500,784	44,500	456,284	500,784
153 Emergency Medical Services	-	7,481,025	7,481,025	7,481,025	-	7,481,025
154 Real Estate Excise Tax Fund	1,920,465	901,000	2,821,465	2,816,760	4,705	2,821,465
156 Criminal Justice Fund	7,262,134	3,011,891	10,274,025	4,213,776	6,060,249	10,274,025
157 Traffic Mitigation	2,717,880	283,000	3,000,880	3,000,880	-	3,000,880
160 Rainy Day Fund	4,118,945	-	4,118,945	-	4,118,945	4,118,945
162 Capital Reserve	16,700,190	1,385,250	18,085,440	4,153,400	13,932,040	18,085,440
197 CHIP Loan Program	14,726,718	1,627,000	16,353,718	1,155,679	15,198,039	16,353,718
198 Comm Develop. Block Grants	587,310	750,000	1,337,310	1,337,310	-	1,337,310
TOTAL SPECIAL REVENUE	65,217,157	19,172,547	84,389,704	33,453,045	50,936,659	84,389,704
210 Bond Redemption Fund	-	1,939,000	1,939,000	1,939,000	-	1,939,000
243 LID Guaranty Fund	50,000	10,000	60,000	60,000	-	60,000
299 LID Redemption	20,000	10,000	30,000	30,000	-	30,000
TOTAL DEBT SERVICE	70,000	1,959,000	2,029,000	2,029,000	-	2,029,000
401 Water/Sewer Utility	19,127,757	67,735,240	86,862,997	70,614,478	16,248,519	86,862,997
402 Solid Waste Utility	1,851	9,539,250	9,541,101	9,540,525	576	9,541,101
425 Transit	11,478,129	22,319,682	33,797,811	24,497,487	9,300,324	33,797,811
430 Everpark Garage	2,406,083	360,277	2,766,360	326,751	2,439,609	2,766,360
440 Golf	-	4,099,087	4,099,087	4,099,087	-	4,099,087
450 Sno River Reg Wtr Auth	-	90,000	90,000	90,000	-	90,000
451 Everett Tullip Joint Water Line	-	300,000	300,000	300,000	-	300,000
TOTAL ENTERPRISE FUNDS	33,013,820	104,443,536	137,457,356	109,468,328	27,989,028	137,457,356
501 Motor Vehicle Division	533,039	7,892,511	8,425,550	7,972,227	453,323	8,425,550
503 Self-Insurance Fund	7,754,096	6,234,954	13,989,050	6,716,326	7,272,724	13,989,050
505 Computer Reserve Fund	815,560	1,381,185	2,196,745	1,671,270	525,475	2,196,745
507 Telecommunications Fund	425,214	1,112,445	1,537,659	1,186,534	351,125	1,537,659
508 Health Benefits Reserve	2,953,477	9,138,900	12,092,377	9,370,000	2,722,377	12,092,377
TOTAL INTERNAL SERVICE	12,481,386	25,759,995	38,241,381	26,916,357	11,325,024	38,241,381
637 Police Pension Fund	17,363,421	1,036,388	18,399,809	2,111,263	16,288,546	18,399,809
638 Fire Pension Fund	31,765,502	1,861,318	33,626,820	2,917,631	30,709,189	33,626,820
TOTAL TRUST FUNDS	49,128,923	2,897,706	52,026,629	5,028,894	46,997,735	52,026,629
TOTAL CITY BUDGET	182,011,286	264,667,367	446,678,653	287,330,207	159,348,446	446,678,653

Note: The 2011 Beginning Fund Balance is an estimate and therefore is unaudited as of the printing of this document.

THREE YEAR BUDGET COMPARISON BY FUNCTION

		Original 2010 Actual	Original 2011 Budget	Original 2012 Budget	2011 - 2012 \$ Chg	% Chg
Funding Sources						
	Beginning Fund Balance	\$185,989,183	\$197,882,510	\$182,011,287	(\$15,871,223)	-8.0%
311	General Property Taxes	35,395,579	38,278,928	38,938,254	659,326	1.7%
313	Retail Sales and Use Taxes	40,467,386	39,007,059	40,180,618	1,173,559	3.0%
316	Business Taxes	26,181,296	29,743,582	29,846,894	103,312	0.3%
31x	Other Taxes	5,696,296	5,649,605	6,291,196	641,591	11.4%
320	Licenses & Permits	1,276,710	1,165,016	1,258,193	93,177	8.0%
330	Intergovernmental Revenue	15,663,949	14,764,543	13,262,952	(1,501,591)	-10.2%
340	Charges For Services	84,065,813	89,195,331	91,530,771	2,335,440	2.6%
350	Fines & Forfeits	2,289,243	2,099,697	2,343,397	243,700	11.6%
360	Miscellaneous Revenue	27,032,437	26,518,299	26,955,366	437,067	1.6%
789	Other Financing Sources	52,245,514	49,013,139	14,059,725	(34,953,414)	-71.3%
Total Available Resources		\$476,303,406	\$493,317,709	\$446,678,653	(\$46,639,056)	-9.5%
Expenditures						
510	General Government Services	\$ 42,625,668	\$ 44,303,720	\$ 44,691,271	387,551	0.9%
520	Security of Persons & Property	64,481,960	68,975,070	69,098,263	123,193	0.2%
530	Utilities & Environment	55,012,035	54,762,780	51,444,647	(3,318,133)	-6.1%
540	Transportation	35,008,421	33,459,021	34,073,376	614,355	1.8%
550	Economic Environment	6,767,925	7,705,369	7,779,875	74,506	1.0%
560	Mental & Physical Health	20,341	30,987	31,917	930	3.0%
570	Culture & Recreation	18,879,108	19,060,620	19,518,793	458,173	2.4%
8/9	Debt Service	8,981,430	19,269,093	19,914,993	645,900	3.4%
594	Capitalized Expenditures	8,210,361	15,587,104	10,795,144	(4,791,960)	-30.7%
595	Road & Street Construction	1,248,088	8,336,276	6,023,715	(2,312,561)	-27.7%
597	Other Financing Uses	57,266,292	56,886,253	23,958,212	(32,928,041)	-57.9%
Total Expenditures		\$298,501,629	\$328,376,293	\$287,330,206	(\$41,046,087)	-12.5%
Ending Fund Balance		\$177,801,777	\$164,941,416	\$159,348,447	(\$5,592,969)	-3.4%

THREE YEAR COMPARISON BY FUND

	REVENUES			EXPENDITURES		
	Actual 2010	Original 2011 Budget	Original 2012 Budget	Actual 2010	Original 2011 Budget	Original 2012 Budget
002 General Fund	\$85,949,075	\$89,022,033	\$89,966,571	\$85,184,027	\$88,899,033	\$89,843,571
101 Parks & Recreation	9,012,416	9,019,530	9,129,607	8,806,512	9,019,530	9,129,607
110 Library	4,721,610	4,805,276	4,827,530	4,588,052	4,805,276	4,827,530
112 Municipal Arts	1,015,250	802,269	810,335	810,578	925,269	933,335
114 Conference Center	757,960	989,002	1,131,002	746,988	989,002	1,131,002
115 Special Projects	1,509,430	30,000	-	1,955,152	30,000	-
119 Street Improvements	1,103,038	2,024,085	2,316,209	1,019,409	2,024,085	2,316,209
120 Streets	2,228,762	2,198,001	2,253,329	2,065,595	2,198,001	2,253,329
TOTAL GENERAL GOVERNMENT	\$106,297,541	\$108,890,196	\$110,434,583	\$105,176,313	\$108,890,196	\$110,434,583
126 Motor Vehicle/Equip Replacemer	1,482,362	1,359,593	963,231	785,494	1,399,000	720,000
138 Hotel Motel Tax Fund	295,441	300,500	287,000	382,406	287,311	283,312
144 Downtown Improvement Fund	1,274,219	521,247	521,248	1,219,895	1,350,014	706,626
145 Cumulative Res/Real Prop. Acqu	218,168	138,303	87,581	4,013,139	2,547,727	1,886,988
146 Property Management	2,088,869	793,882	1,309,853	1,714,136	2,770,662	4,255,561
148 Cumulative Reserve /Parks	465,730	366,185	360,199	233,420	899,870	1,178,078
149 Senior Center Reserve	88,656	119,230	111,825	63,079	101,399	109,150
151 Fund for Animals	105,388	57,000	57,000	236	75,000	110,000
152 Cumulative Reserve /Library	88,001	40,010	35,444	39,365	80,500	44,500
153 Emergency Medical Services	6,213,905	7,765,819	7,481,025	7,488,555	7,765,819	7,481,025
154 Real Estate Excise Tax Fund	948,093	765,000	901,000	1,061,108	2,784,254	2,816,760
156 Criminal Justice Fund	3,787,634	3,112,502	3,011,891	5,310,231	4,875,719	4,213,776
157 Traffic Mitigation	880,308	310,000	283,000	1,319,999	4,962,177	3,000,880
160 Rainy Day Fund	18,797	-	-	-	-	-
162 Capital Reserve	7,465,663	1,431,900	1,385,250	6,002,404	7,179,800	4,153,400
197 CHIP Loan Program	1,459,690	2,073,616	1,627,000	1,255,898	1,246,898	1,155,679
198 Comm Develop. Block Grants	648,832	800,000	750,000	652,370	1,228,855	1,337,310
TOTAL SPECIAL REVENUE	\$27,529,756	\$19,954,787	\$19,172,547	\$31,541,735	\$39,555,005	\$33,453,045
210 Bond Redemption Fund	2,407,133	1,942,000	1,939,000	2,407,133	1,942,000	1,939,000
243 LID Guaranty Fund	202,159	47,000	10,000	150,000	80,000	60,000
299 LID Redemption	105,050	21,000	10,000	198,332	47,000	30,000
TOTAL DEBT SERVICE	\$2,714,342	\$2,010,000	\$1,959,000	\$2,755,465	\$2,069,000	\$2,029,000

THREE YEAR COMPARISON BY FUND (continued)

	REVENUES			EXPENDITURES		
	Actual 2010	Original 2011 Budget	Original 2012 Budget	Actual 2010	Original 2011 Budget	Original 2012 Budget
401 Water/Sewer Utility	\$89,411,331	\$104,207,145	\$67,735,240	\$82,149,559	\$107,561,468	\$70,614,478
402 Solid Waste Utility	12,758,042	2,128,375	9,539,250	14,103,844	2,132,524	9,540,525
425 Transit	20,578,326	23,207,156	22,319,682	24,052,402	27,733,630	24,497,487
430 Everpark Garage	407,118	402,981	360,277	547,888	307,253	326,751
440 Golf	3,877,234	4,130,753	4,099,087	4,139,684	4,130,753	4,099,087
450 Sno River Reg Wtr Auth	-	126,000	90,000	-	126,000	90,000
451 Everett Tulalip Joint Water Line	2,806,769	3,000,000	300,000	2,806,769	3,000,000	300,000
TOTAL ENTERPRISE FUNDS	\$129,838,820	\$137,202,410	\$104,443,536	\$127,800,146	\$144,991,628	\$109,468,328
501 Motor Vehicle Division	6,859,378	7,980,900	7,892,511	6,962,281	7,980,900	7,972,227
503 Self-Insurance Fund	5,356,146	5,778,062	6,234,954	8,089,317	6,442,960	6,716,326
505 Computer Reserve Fund	1,116,261	1,263,533	1,381,185	1,350,190	1,813,533	1,671,270
507 Telecommunications Fund	1,157,278	996,134	1,112,445	1,200,379	1,298,825	1,186,534
508 Health Benefits Reserve	7,356,471	9,009,700	9,138,900	9,514,329	10,112,570	9,370,000
TOTAL INTERNAL SERVICE	\$21,845,534	\$25,028,329	\$25,759,995	\$27,116,496	\$27,648,788	\$26,916,357
637 Police Pension Fund	722,989	804,477	1,036,388	1,622,886	2,190,904	2,111,263
638 Fire Pension Fund	1,365,238	1,545,000	1,861,318	2,488,587	3,030,772	2,917,631
TOTAL TRUST FUNDS	\$2,088,227	\$2,349,477	\$2,897,706	\$4,111,473	\$5,221,676	\$5,028,894
TOTAL CITY	\$290,314,220	\$295,435,199	\$264,667,367	\$298,501,628	\$328,376,293	\$287,330,207

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

TOTAL CITY BUDGET NET OF INTERFUND TRANSACTIONS

		2012 Original Budget	Interfund Transactions	2012 Budget Net of Interfund Transactions
Funding Sources				
	Beginning Fund Balance	\$ 182,011,287	\$ -	\$ 182,011,287
311	General Property Taxes	\$ 38,938,254	-	\$ 38,938,254
313	Retail Sales and Use Taxes	40,180,618	-	40,180,618
316	Business Taxes	29,846,894	-	29,846,894
31x	Other Taxes	6,291,196	(3,974,763)	2,316,433
320	Licenses & Permits	1,258,193	-	1,258,193
330	Intergovernmental Service Rev	13,262,952	-	13,262,952
340	Charges For Services	91,530,771	(16,517,550)	75,013,221
350	Fines & Forfeits	2,343,397	-	2,343,397
360	Miscellaneous Revenue	26,955,366	(6,860,452)	20,094,914
789	Other Financing Sources	14,059,725	(5,569,425)	8,490,300
Total Funding Sources		\$ 446,678,653	\$ (32,922,190)	\$ 413,756,463
Uses of Funding Sources				
510	General Government Services	\$ 44,691,271	\$ (5,698,315) (A)	\$ 38,992,956
520	Security of Persons & Property	69,098,263	(5,779,874)	63,318,389
530	Utilities & Environment	51,444,647	(9,274,515)	42,170,132
540	Transportation	34,073,376	(7,887,963)	26,185,413
550	Economic Environment	7,779,875	(451,470)	7,328,405
560	Mental & Physical Health	31,917	-	31,917
570	Culture & Recreation	19,518,793	(1,575,200)	17,943,593
8/9	Debt Service	19,914,993	-	19,914,993
594	Capitalized Expenditures	10,795,144	-	10,795,144
595	Road & Street Construction	6,023,715	-	6,023,715
597	Other Financing Uses/Transfers	23,958,212	(23,958,212)	-
Total Uses of Funding Sources		\$ 287,330,206	\$ (54,625,549)	\$ 232,704,657
Ending Fund Balance		\$ 159,348,447	\$ 21,703,359	\$ 181,051,806

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

Examples are insurance, telecommunications and vehicle replacement.

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

The table on the previous page shows the 2012 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 \$16,625,082**
(Examples: Vehicle Maintenance, Insurance,
Telecommunications, Data Processing,
Vehicle Replacement)
- **Interfund services provided by other funds \$6,752,920**
(Examples: Criminal Justice, Legal Services,
Labor Services, Engineering Services,
Purchasing, Accounting)
- **Payment In Lieu of Tax \$3,974,763**
(Utilities & Transit payment to General Fund)
- **Interfund Transfers \$5,569,425 transfers in; \$23,958,212 transfers out**
(Examples: Transfers to and from L.I.D.
Construction & Bond Redemption funds,
Transfers from CIP to Debt Service funds,
Transfers from CIP to Capital Project funds.)

GENERAL TAXING AUTHORITY

Taxes make up approximately 82% of the General Government revenue budget. Most of the tax revenue is in the form of property, sales, B & O, and utility taxes.

Several of the City's tax rates including, sales, leasehold, cable TV/franchise fees, hotel/motel, and real estate excise are at the state statutory maximum. Increased capacity remains within the following: B & O, utility, gambling, admissions and Payment in Lieu of Tax (PILOT) taxes. Additionally, state legislation places a 1% annual revenue growth limitation on property taxes. Any additional property tax increase requires a vote. The city currently does not place a utility tax on garbage or cable, both of which are not statutorily limited.

Major Tax Source	2012 Rate	2012 Budget	Maximum Rate	Remaining Taxing Capacity (Rate)	Remaining Taxing Capacity (in dollars)
Property Tax					
- Regular	\$2.924	\$32,756,532	N/A	N/A	N/A
- Special	\$0.500	\$6,181,722	N/A	N/A	N/A
Sales Tax					
- Regular	0.85%	\$22,012,000	0.85%	0.00%	\$0
- Criminal Justice (A)	0.10%	\$1,365,000	0.10%	0.00%	\$0
- Transit	0.60%	\$15,614,118	0.90%	0.30%	\$7,807,059
Business & Occupation Tax					
- Regular (E)	0.10%	\$18,086,872	0.20%	0.10%	\$18,086,872
Utility Tax					
- Telephone	4.50%	\$3,041,828	6.00%	1.50%	\$1,013,943
- Natural Gas	4.50%	\$1,397,300	6.00%	1.50%	\$465,767
- Electricity	4.50%	\$5,602,683	6.00%	1.50%	\$1,867,561
- Brokered Natural Gas	4.50%	\$909,000	6.00%	1.50%	\$303,000
- Cable	0.00%	\$0	(D)		
- Solid Waste/Garbage	0.00%	\$0	(D)		
Leasehold Tax	4.00%	\$425,006	4.00%	0.00%	\$0
Gambling Tax					
- Bingo & Raffles	3.50%	\$698	5.00%	1.50%	\$299
- Amusement Games	2.00%	\$729	2.00%	0.00%	\$0
- Punch Brds/Pull Tabs	4.00%	\$270,000	5.00%	1.00%	\$67,500
- Card Rooms (C)	10.00%	\$0	20.00%	10.00%	\$0
PILOT					
- Utilities (Water, Sewer, Stormwater)	6.00%	\$3,810,000	(B)	(B)	(B)
- Transit	6.00%	\$164,763	(B)	(B)	(B)
Cable TV Franchise Fee	5.00%	\$1,278,179	5.00%	0.00%	\$0
Admissions Tax					
- Golf	4.00%	\$104,729	5.00%	1.00%	\$26,182
- Other Amusement	5.00%	\$335,303	5.00%	0.00%	\$0
Hotel/Motel Tax	2.00%	\$280,500	2.00%	0.00%	\$0
Real Estate Excise Tax					
- 1st Quarter (CIP 2)	0.25%	\$800,000	0.25%	0.00%	\$0
- 2nd Quarter (CIP 3)	0.25%	\$800,000	0.25%	0.00%	\$0

(A) City levies tax, County distributes

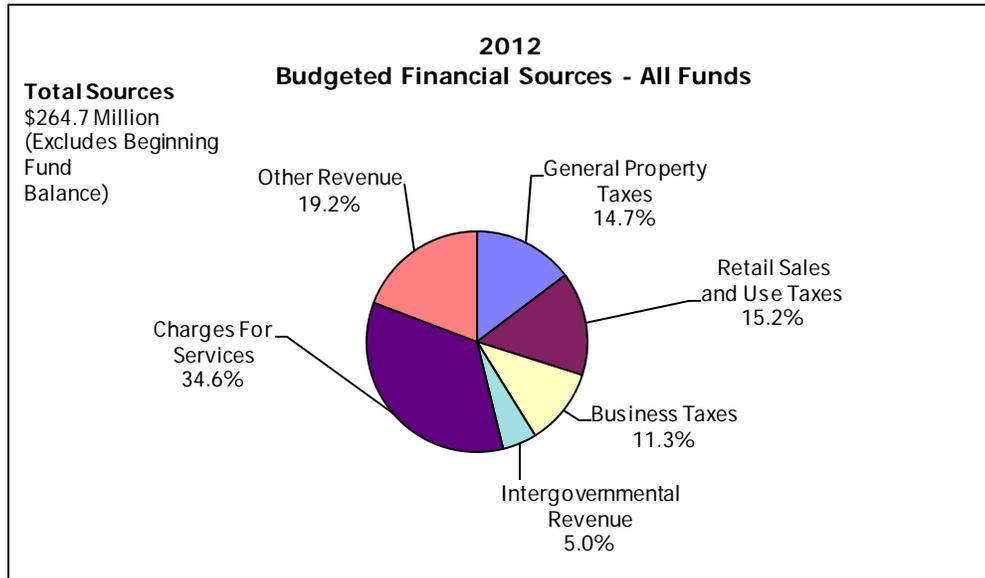
(B) Payment In Lieu of Tax (PILOT) rate determined by City Council

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

(D) Not statutorily limited

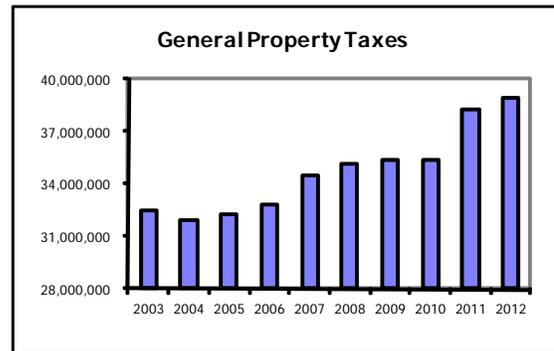
(E) Does not reflect reduction related to Boeing Agreement limiting rate to .10% until 2023

ANALYSIS OF SOURCES



General Property Taxes

		Amount	% Change
Actual	2003	32,547,709	7.0%
Actual	2004	31,946,435	-1.8%
Actual	2005	32,305,645	1.1%
Actual	2006	32,814,005	1.6%
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%
Budget	2011	38,278,928	8.1%
Budget	2012	38,938,254	1.7%



Property tax receipts represent approximately 14.7% of the City's total income. 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. 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 \$3.60 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 immediately amended **RCW 84.55.005** and **RCW 84.55.0101** to limit property tax increases to one percent.

The one percent limitation presents a significant challenge for the City as it attempts to balance revenue against expenditures in future years.

2012 Levy

The 2012 budget for regular property tax revenue is \$32,756,532, a 1.7% increase over the 2011 budget. The 1.7% growth includes the 1.0% annual increase allowed by state law, 0.6% derived from new construction, and 0.1% due to adjustments to the 2011 base assessed value. In addition to monies collected for the regular levy, the City also receives voter-approved property tax to fund EMS services. Revenues for EMS services are estimated to be \$6,181,722 for 2012.

Levy rates are calculated as follows:

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

In 2012, the City's aggregate levy rate is forecast to be:

$$\$38,938,254 \div [\$11,342,278,956 \div \$1,000] = \$3.424$$

The aggregate levy rate consists of:

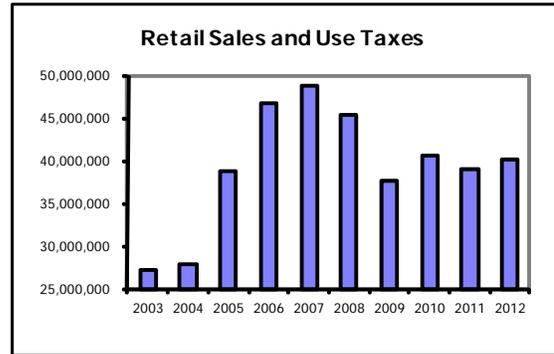
Regular Levy	\$2.9240
EMS Levy	<u>0.5000</u>
TOTAL	\$3.4240

The City's assessed valuation decreased by almost \$3 billion or 21% from 2009 to 2012. However, since the city is still able to increase the total regular levy by 1%, the decrease in the assessed valuation has had minimal impact on the regular levy.

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 assessed valuation. This increased EMS property taxes by more than \$1.7 million from 2010 to 2011. However for 2012, EMS property taxes will go down nearly \$0.5 million due to the decrease in assessed valuation and the EMS levy rate being at maximum.

Sales and Use Taxes

		Amount	% Change
Actual	2003	27,270,753	-1.8%
Actual	2004	27,876,463	2.2%
Actual	2005	38,859,591	39.4%
Actual	2006	46,661,959	20.1%
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%
Budget	2011	39,007,059	-3.6%
Budget	2012	40,180,618	3.0%



Sales and use tax receipts represent approximately 15.2% of the City's total income. The City of Everett's sales tax rate increased from 8.6% to 9.2% on April 1, 2009 after voters approved a 0.5% increase for the RTA to expand and improve transit facilities in King, Pierce and Snohomish Counties. Additionally, the Snohomish County Council authorized a 0.1% tax to be used for chemical dependency and mental health treatment services. The following table breaks down the rate into individual benefactors. The bolded benefactors 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 %

	<u>2012</u>
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%
Sound Transit (RTA)	0.90%
Total	9.20%

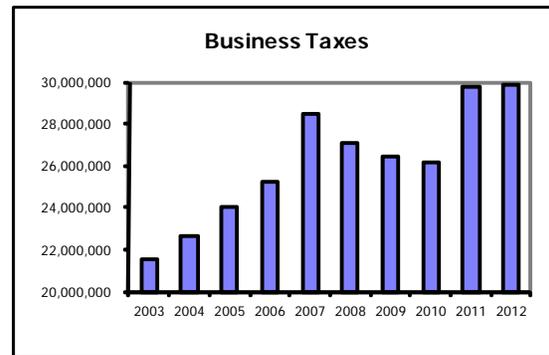
Lodging tax is another part of this revenue category. The City of Everett imposes a 2% state hotel/motel tax on lodging fees.

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

After a five year period of no growth in sales tax, the city finally saw an upturn in sales tax collections in 2005, with revenue growth of 8.1%. Additionally, the Everett Transit voted sales tax increased from 0.30% to 0.60% in January 2005. Sales tax continued to grow in 2006 and 2007 by 20% and 4% respectively. Factors that contributed to growth include increased employment, population growth, inflation, annexations, and construction projects. Sales tax collected on construction projects is one-time revenue and does not increase the city's retail sales tax base. Total City sales tax collections dropped 23% or \$11.0 million between 2007 and 2009. Retail sales collections bottomed out in late 2009 and began to pick up in 2010, albeit off of a lower base. In 2011 we began to see activity slow again. We have budgeted for a modest growth of 3% for 2012.

Business and Utility Taxes

		Amount	% Change
Actual	2003	21,482,946	-9.3%
Actual	2004	22,641,894	5.4%
Actual	2005	24,047,572	6.2%
Actual	2006	25,221,711	4.9%
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%
Budget	2011	29,743,582	13.6%
Budget	2012	29,846,894	0.3%



Business and utility taxes represent approximately 11.3% of the City's total income. The City imposes and collects Business and Occupation taxes on all business activity within its jurisdiction.

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.

RCW 35.21.710 limits the B & O tax to a rate of 0.2% (\$2.00 per \$1,000 of gross business receipts). Everett's rate is 0.1% (\$1.00 per \$1,000.).

The B & O tax is subject to exceptional 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 very 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. For those receipts, the B & O tax rate is reduced from .001 to .00025. This agreement went into effect on January 1, 2006.

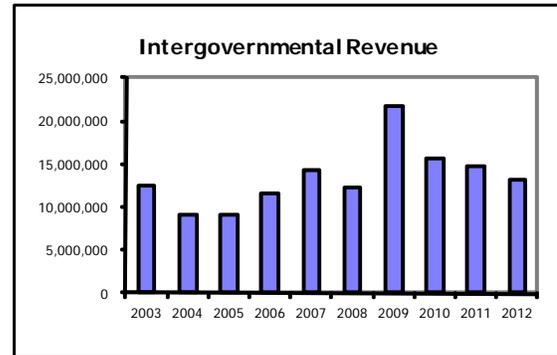
The City imposes utility taxes upon gross revenues of the local natural gas, telephone, and electric companies. These companies do not pay the regular business and occupation tax.

Utility Taxes, as a revenue category, are forecast to grow 1.6% in 2012. Cable and natural gas taxes are expected to increase based on a combination of price increases and consumption patterns. Telephone taxes are not expected to grow at all, as people increasingly move to internet and wireless calling options. Electricity taxes are budgeted to grow 2.5% based on population and usage increases.

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. Instead, the Everett Public Facilities District charges the 5% admissions tax. Golf and other amusement admissions taxes are forecast to grow by 6% in 2012.

Intergovernmental Revenue

		Amount	% Change
Actual	2003	12,425,196	13.3%
Actual	2004	9,037,613	-27.3%
Actual	2005	9,046,580	0.1%
Actual	2006	11,593,171	28.1%
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%
Budget	2011	14,764,543	-5.7%
Budget	2012	13,262,952	-10.2%



Intergovernmental revenue receipts represent approximately 5% of the City's total income. 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 2012, with FTA grants providing buses, para-transit vehicles and vehicle technology to the Transit program. State grants will provide funding for commute trip reduction, operating assistance, and regional mobility. Other large grants include Community Development Block Grants and Community Housing Improvement Program (CHIP) grants.

State shared revenues consist of liquor excise taxes, liquor board profits, and unrestricted gas taxes.

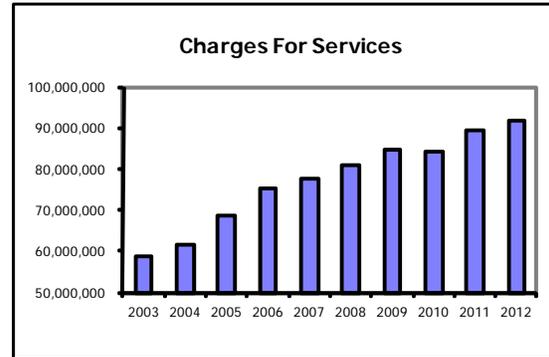
The state imposes liquor excise taxes on liquor and wine sales, with distribution based on population. Liquor board profits derive from fees, penalties, forfeitures, and other income that the State Liquor Control Board receives, and again distributes based on population. Two percent of the liquor excise 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. Gas tax revenues are used for street maintenance and street overlay projects.

The 2012 budget amounts for state shared revenues are based on published estimates from the Municipal Services and Research Center of Washington.

Charges for Goods and Services

		Amount	% Change
Actual	2003	58,578,772	4.9%
Actual	2004	61,354,170	4.7%
Actual	2005	68,669,577	11.9%
Actual	2006	75,098,449	9.4%
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%
Budget	2011	89,195,331	6.1%
Budget	2012	91,530,771	2.6%



Charges for Goods and Services receipts represent approximately 34.6% of the City's total income, the City's largest revenue category. 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 (72%) of this revenue category is attributable to water, sewer, and storm drainage fees.

Most charges for goods and services categories were budgeted to remain flat or show a slight decline for 2012. However, water, sewer, and storm drainage fees increased a total of \$2.16 million or 3.36% due forecasted increases in consumption along with an annexation of 1,189 customers from Mukilteo.

Other Revenue

The "Other Revenue" category of the budget comprised \$50.9 million or 19.2% of the budget for 2012.

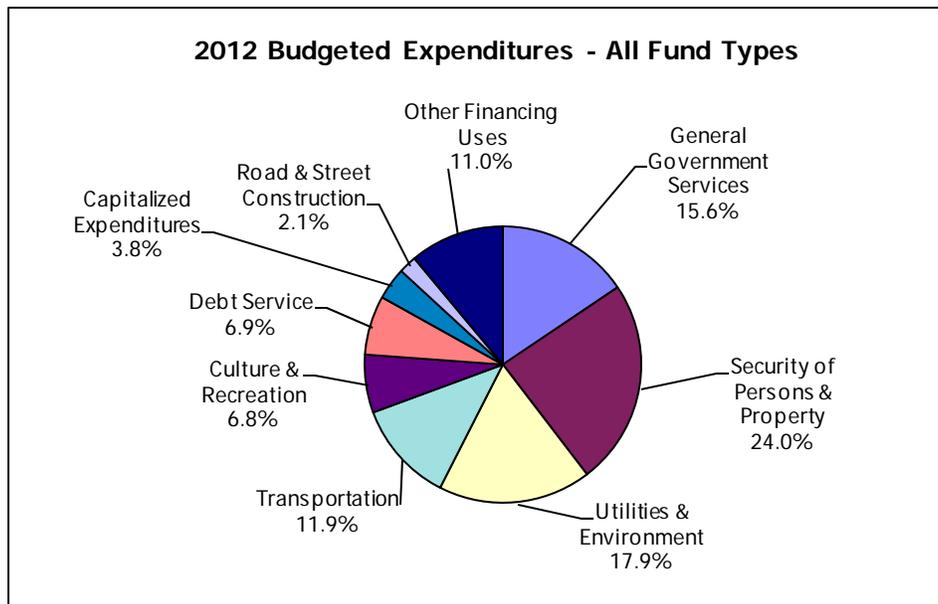
Significant items in "Other Revenue" include:

- Bond proceeds of \$7.2 million
- Interest earnings of \$6.3 million
- Rents and lease income of \$4.0 million
- Internal Service fund revenue of \$15.1 million
- Transfers from other city funds of \$5.6 million
- Fines and forfeits of \$2.2 million.

2012 BUDGET BY EXPENDITURE TYPE

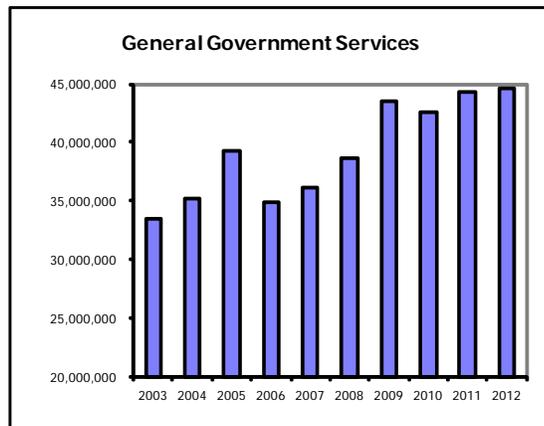
Department	Salaries	Benefits	Supplies	Other Svcs & Charges	Intergov't Services	Capital Outlays	Debt Service	Interfund Svc/Chgs	Ending Fund Balance	TOTAL
001 City Council	259,236	155,791	2,800	154,143						571,970
003 Legal	1,534,294	538,177	18,000	1,618,719						3,709,190
004 Administration	1,020,091	278,243	25,550	520,155				2,850		1,846,889
005 Municipal Court	1,316,027	491,061	20,503	91,800				470		1,919,861
007 Labor Rel/Human Resource	1,069,218	365,419	19,000	73,950				1,000		1,528,587
009 Gen Gov't Non-Dept	(906,459)			3,851,332	6,362,915			4,359,226	22,100,000	35,767,014
010 Finance	1,425,473	449,860	32,500	59,754		7,500		5,000		1,980,087
015 Information Technology	1,314,069	455,206	20,900	65,980				3,000		1,859,155
021 Planning/Comm Develop	1,221,054	392,487	30,000	64,104						1,707,645
022 Neighborhoods/Comm Svcs	215,550	62,827	9,800	79,465						367,642
024 Engineering/Public Svcs	3,683,312	1,210,773	251,570	68,146		17,102		499,240		5,730,143
026 Animal Services	759,628	304,318	90,515	91,100				24,100		1,269,661
027 Senior Center	264,505	84,295	8,000	102,190				2,250		461,240
031 Police	22,504,582	5,802,314	360,089	267,227	39,716			900,700		29,874,628
032 Fire	14,538,808	4,348,032	405,672	353,503		13,760		64,776		19,724,551
038 Facilities/Property Mgmt	2,273,578	864,530	170,675	277,525				39,000		3,625,308
101 Parks & Recreation	5,183,053	1,681,332	504,037	1,038,685	11,500	350,000		361,000		9,129,607
110 Library	2,967,318	919,644	76,518	187,100		669,850		7,100		4,827,530
112 Municipal Arts	170,738	42,924	14,800	646,373		21,000		37,500		933,335
114 Conference Center			25,000	42,002	1,064,000					1,131,002
115 Special Projects										0
119 Street Improvements						2,316,209				2,316,209
120 Streets	1,469,709	594,088						189,532		2,253,329
126 Motor Veh/Equip Repl Res				250,000	150,000	320,000			6,108,955	6,828,955
138 Hotel/Motel Tax Fund				131,000	100,000		52,311		262,348	545,659
144 Downtown Improvement				676,626		30,000				706,626
145 Cum Res/Real Prop Acq				29,500		1,857,488				1,886,988
146 Property Management			96,800	458,500		3,269,112		431,149	2,000,874	6,256,435
148 Cum Reserve/Parks				403,078		775,000			1,964,847	3,142,925
149 Senior Center Reserve			40,300	68,850					434,697	543,847
151 Fund for Animals			110,000						394,677	504,677
152 Cum Reserve/Library			6,000	18,500		20,000			456,284	500,784
153 Emergency Medical Svcs	4,775,572	1,375,080	351,382	230,200	347,734		35,328	365,729		7,481,025
154 Real Estate Excise Tax Fd					2,640,046		176,714		4,705	2,821,465
156 Criminal Justice		2,000	1,291,401	439,536	637,350	100,000		1,743,489	6,060,249	10,274,025
157 Traffic Mitigation						3,000,880				3,000,880
160 Rainy Day Fund									4,118,945	4,118,945
162 Capital Reserves				20,000	4,133,400				13,932,040	18,085,440
197 CHIP Loan Program	250,038	87,401	3,000	735,600	20,000			59,640	15,198,039	16,353,718
198 Comm Dev Block Grants	149,678	50,464	1,000	1,122,787				13,381		1,337,310
210 Bond Redemption Fund							1,939,000			1,939,000
243 LID Guaranty Fund					60,000					60,000
299 L.I.D. Redemption Fund					30,000					30,000
401 Water/Sewer Utility	15,810,557	5,505,513	4,855,000	9,131,423	12,685,000	657,000	15,615,059	6,354,926	16,248,519	86,862,997
402 Solid Waste Utility	72,191	18,651	1,450	326,600	7,370,000	10,000	1,731,366	10,267	576	9,541,101
425 Public Works - Transit	9,337,704	3,261,840	127,526	1,571,374	1,998,984	2,382,532		5,817,527	9,300,324	33,797,811
430 Everpark Garage			1,000	306,000				19,751	2,439,609	2,766,360
440 Golf	806,846	237,501	770,647	1,775,730			365,215	143,148		4,099,087
450 Sno. Rvr Reg. Water Auth.						90,000				90,000
451 Everett-Tulalip Joint Wtrline				300,000						300,000
501 Motor Vehicle Division	1,651,883	583,044	4,883,000	571,300		10,000		273,000	453,323	8,425,550
503 Self-Insurance Fund		1,553,248		5,163,078					7,272,724	13,989,050
505 Computer Reserve Fund			554,000	889,270		228,000			525,475	2,196,745
507 Telecommunication	220,382	73,978	65,082	788,506				38,586	351,125	1,537,659
508 Health Benefits Reserve		8,300,000	1,000	1,069,000					2,722,377	12,092,377
637 Police Pension		2,088,263	2,000	21,000					16,288,546	18,399,809
638 Fire Pension		2,894,631	2,000	21,000					30,709,189	33,626,820
TOTAL	95,358,635	45,072,935	15,248,517	36,171,711	37,650,645	16,145,433	19,914,993	21,767,337	159,348,447	446,678,653

ANALYSIS OF USES



General Government Services

		Amount	% Change
Actual	2003	33,441,126	17.5%
Actual	2004	35,219,507	5.3%
Actual	2005	39,230,460	11.4%
Actual	2006	34,890,274	-11.1%
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%
Budget	2011	44,303,720	3.9%
Budget	2012	44,691,271	0.9%

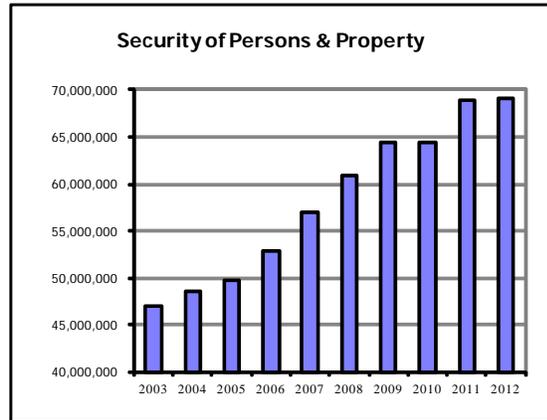


General Government Services include Legislative, Judicial, Executive, Financial and Records Services, Legal, Personnel, Employee Benefit Programs and Central Services, with Employee Benefit Programs comprising 39% of this category. The 0.9% increase from 2011 to 2012 includes:

- A \$200,000 increase in insurance and tort premiums
- A \$170,000 increase in computer reserve fund repairs and maintenance expenditures
- Health benefit increases offset by the reduction of 1 FTE in the Legal department and 1FTE in the Finance department.

Security of Persons and Property

		Amount	% Change
Actual	2003	47,009,440	4.4%
Actual	2004	48,485,898	3.1%
Actual	2005	49,757,402	2.6%
Actual	2006	52,769,247	6.1%
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%
Budget	2011	68,975,070	7.0%
Budget	2012	69,098,263	0.2%



Security of Persons and Property include Law Enforcement (47%); Fire Control (29%), Communication (7%), Emergency Medical Services (11%), Detention & Corrections (4%), and Protective Inspections (2%). With the exception of Communications, personnel expense makes up the majority of costs in this category. Between 2006 and 2011, the City added 6 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 reduced the Emergency Medical Services department by 5 Paramedics due to the end of a contract with another city.

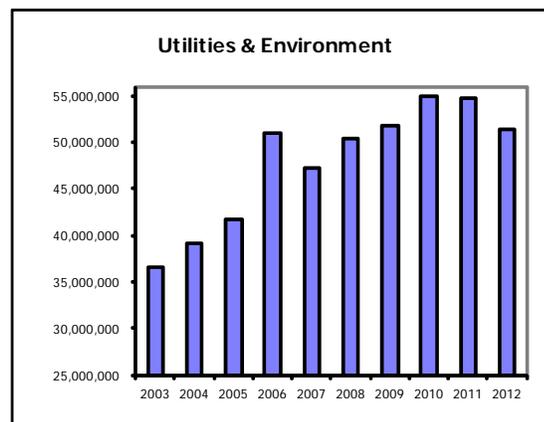
The 0.2% increase from 2011 to 2012 includes:

- A \$577,000 reduction in jail fees due to changes in sentencing and an increase in the use of the home detention program
- A \$500,000 decrease in the criminal justice equipment budget for the purchase of new regional public safety computer aided dispatch system and automated field reporting. While this amount is not included in the original 2012 budget, it will be re-appropriated from the 2011 budget to the 2012 budget as the purchase has not yet been completed.
- An increase in salary and health benefits of \$1.2 million partially offset by the attrition of two non-uniform police department positions.

Security of Persons and Property represents 24% of the City expenditure budget.

Utilities and Environment

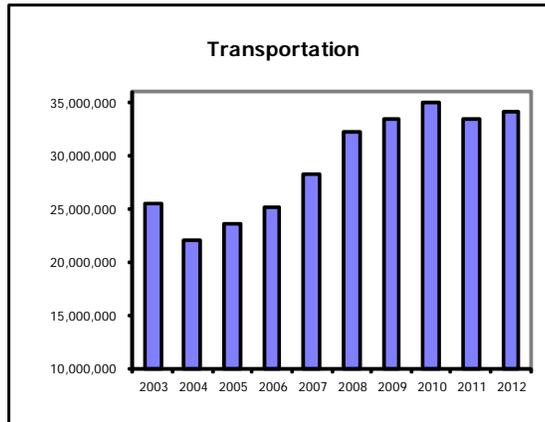
		Amount	% Change
Actual	2003	36,578,169	-1.6%
Actual	2004	39,078,688	6.8%
Actual	2005	41,759,179	6.9%
Actual	2006	50,883,672	21.9%
Actual	2007	47,139,549	-7.4%
Actual	2008	50,419,894	7.0%
Actual	2009	51,683,124	2.5%
Actual	2010	55,012,035	6.4%
Budget	2011	54,762,780	-0.5%
Budget	2012	51,444,647	-6.1%



The City of Everett's Water/Sewer Utility makes up 92% 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 6.1% decrease from 2011 to 2012 is due primarily to an expected reduction in capital expenses in 2012.

Transportation

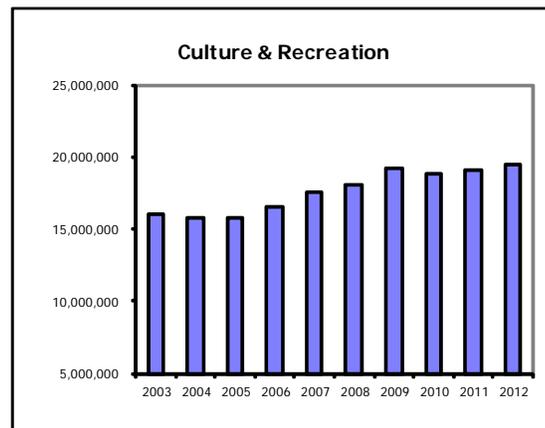
		Amount	% Change
Actual	2003	25,499,529	18.1%
Actual	2004	21,986,593	-13.8%
Actual	2005	23,617,192	7.4%
Actual	2006	25,136,919	6.4%
Actual	2007	28,322,211	12.7%
Actual	2008	32,260,383	13.9%
Actual	2009	33,434,945	3.6%
Actual	2010	35,008,421	4.7%
Budget	2011	33,459,021	-4.4%
Budget	2012	34,073,376	1.8%



Everett Transit comprises about 64% of the Transportation expenditures with the balance from Road and Street Maintenance, the Motor Vehicle Division, and the EverPark Garage.

Culture and Recreation

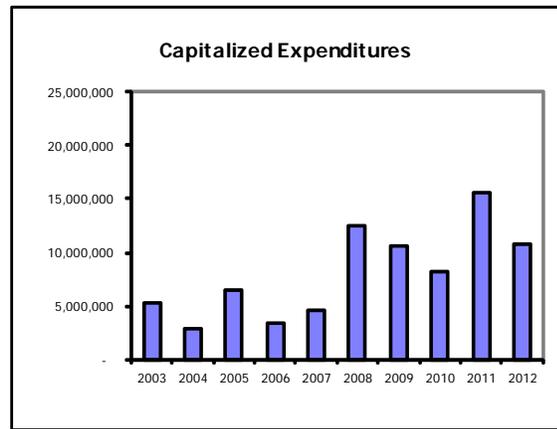
		Amount	% Change
Actual	2003	16,021,352	1.3%
Actual	2004	15,771,013	-1.6%
Actual	2005	15,771,388	0.0%
Actual	2006	16,540,645	4.9%
Actual	2007	17,591,772	6.4%
Actual	2008	18,098,768	2.9%
Actual	2009	19,261,365	6.4%
Budget	2010	18,879,108	-2.0%
Budget	2011	19,060,620	1.0%
Budget	2012	19,518,793	2.4%



Culture and Recreation includes Parks and Recreation (39%), Library services (22%), Golf (19%), the Municipal Arts, the Conference Center, and Hotel Motel tax-funded expenditures.

Capitalized Expenditures

		Amount	% Change
Actual	2003	5,265,486	-47.2%
Actual	2004	2,897,874	-45.0%
Actual	2005	6,559,989	126.4%
Actual	2006	3,468,685	-47.1%
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%
Budget	2011	15,587,104	89.8%
Budget	2012	10,795,144	-30.7%

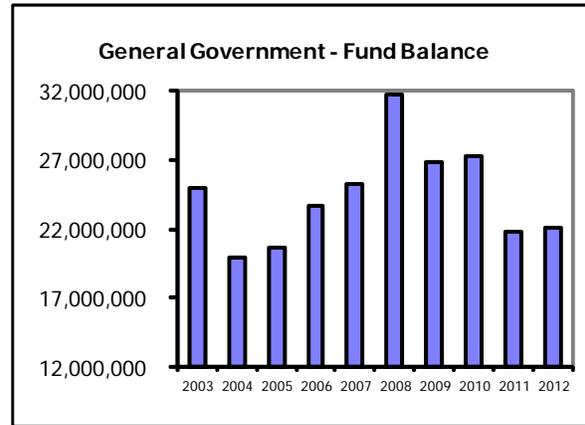


The Capital Expenditure budget is comprised of Real Estate Acquisition (47%), Transit (22%), General Fund facilities (11%), all other (20%) – including library books, the PEG fee projects, computer hardware and software and motor vehicle replacements.

ANALYSIS OF FUND BALANCE

General Government – Fund Balance

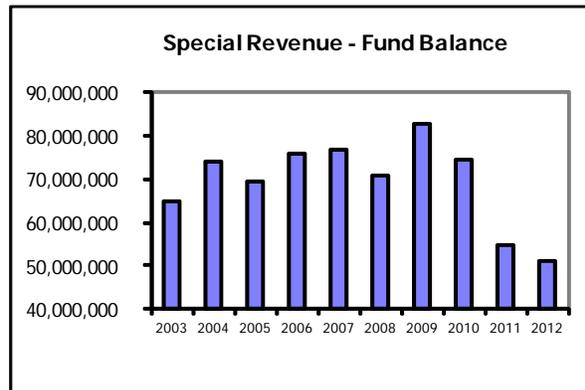
		Amount	% Change
Actual	2003	25,016,705	13.6%
Actual	2004	19,991,804	-20.1%
Actual	2005	20,662,810	3.4%
Actual	2006	23,701,463	14.7%
Actual	2007	25,317,216	6.8%
Actual	2008	31,674,468	25.1%
Actual	2009	26,885,848	-15.1%
Actual	2010	27,264,844	1.4%
Budget	2011	21,800,000	-20.0%
Budget	2012	22,100,000	1.4%



In 2004, the City Council adopted a fund balance policy retaining a reserve balance equal to 20% of operating revenues. Surplus amounts of \$5.7 million were transferred to CIP 4. Since 2004, the City has continued to target the 20% reserve and has transferred funds to pension and CIP reserve accounts at year end. For year-ends 2008 through 2010, the City chose to retain the surplus in the general fund due to considerable revenue uncertainties.

Special Revenues – Fund Balance

		Amount	% Change
Actual	2003	65,066,817	-16.8%
Actual	2004	74,109,706	13.9%
Actual	2005	69,301,754	-6.5%
Actual	2006	75,727,350	9.3%
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%
Budget	2011	54,577,478	-26.5%
Budget	2012	50,936,660	-6.7%



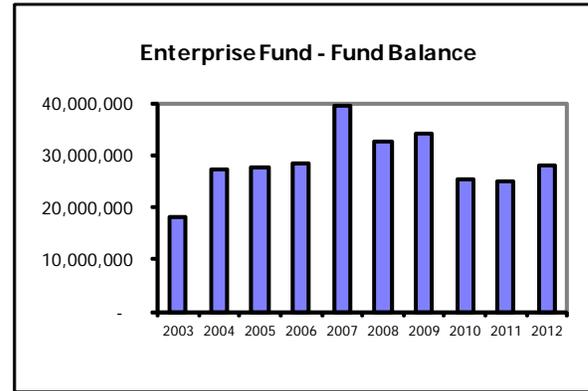
Special Revenues Funds generally are reserve funds that accumulate reserves for special purposes or projects, such as real property acquisition, traffic mitigation, EMS operations and capital projects; and then spend the reserves on those projects. Frequently, a project is budgeted, but then deferred, which creates the dramatic decrease in fund balance between 2010 actual results and the 2011 budget.

Major projects for 2012 include the new Municipal Court Building, the Everett Performing Arts Center Plaza, and the Fire Administration Building seismic retrofit.

Additionally, the Capital Improvement Plan 2 will transfer funds to the Debt Service funds for debt service payments on the conference center bonds and the bonds related to property purchased for the events center.

Enterprise Fund – Fund Balance

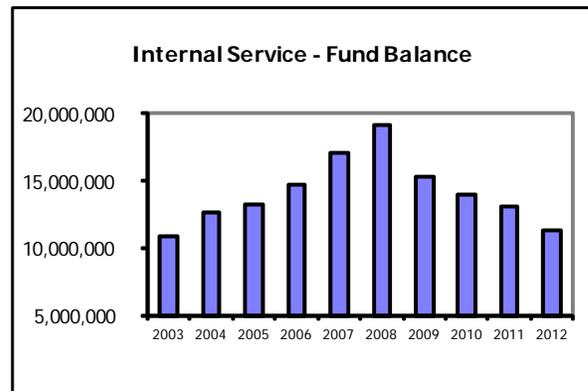
		Amount	% Change
Actual	2003	17,909,925	-27.8%
Actual	2004	27,225,912	52.0%
Actual	2005	27,599,240	1.4%
Actual	2006	28,452,350	3.1%
Actual	2007	39,270,351	38.0%
Actual	2008	32,543,021	-17.1%
Actual	2009	34,128,646	4.9%
Actual	2010	25,454,746	-25.4%
Budget	2011	24,769,379	-2.7%
Budget	2012	27,989,028	13.0%



The two largest enterprise funds are the Utilities and Transit funds. Changes in Fund Balance between 2003 and 2012 are mainly due to the collection and use of Utility department bond proceeds and revenues. The Transit Department fund balance is budgeted to increase by roughly \$2.4 million in 2012 due to a decrease in capital outlay as the department reserves funds for future capital outlay purchases.

Internal Service – Fund Balance

		Amount	% Change
Actual	2003	10,817,990	1.5%
Actual	2004	12,664,442	17.1%
Actual	2005	13,232,461	4.5%
Actual	2006	14,708,451	11.2%
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%
Budget	2011	13,127,086	-6.2%
Budget	2012	11,326,224	-13.7%

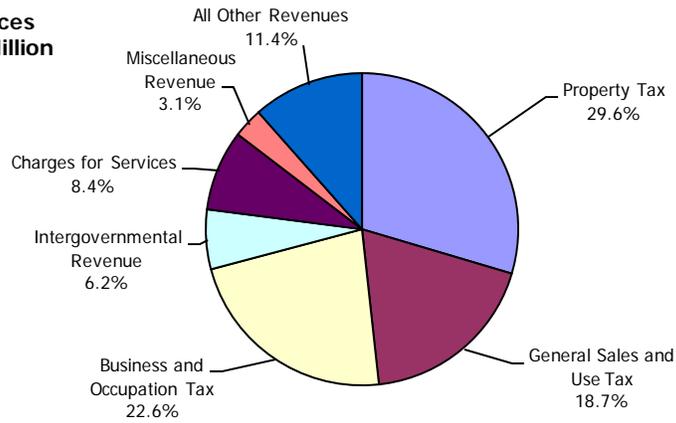


The Internal Service Fund Balance is budgeted to decrease by \$1.8 million in 2012. The Self Insurance Fund is expected to increase by just over \$1.0 million in 2012 due to increased interfund contributions. These increased contributions will replenish the reserve after the fund was substantially depleted in 2010 due to high claims experience. The Employee Health Benefits reserve is expected to decrease by nearly \$3.0 million as a result of higher medical claims and health care costs.

GOVERNMENTAL FUNDS FINANCIAL SOURCES & USES

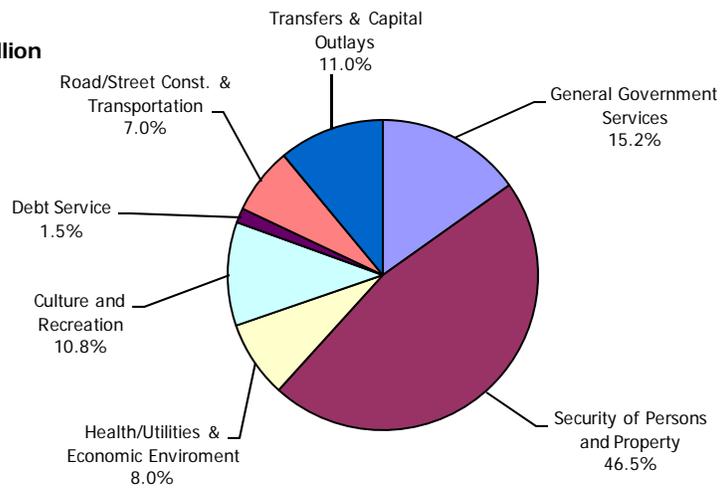
2012 Budgeted Financial Sources - Governmental Funds

Total Sources
\$131.6 Million



2012 Budgeted Uses - Governmental Funds

Total Uses
\$145.9 Million



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

	GENERAL GOVERNMENT OPERATIONS			SPECIAL REVENUE FUNDS		
	2010 Actuals	2011 Amended Budget	2012 Adopted Budget	2010 Actuals	2011 Amended Budget	2012 Adopted Budget
Financial Sources						
Property Tax	\$ 30,994,543	\$ 32,145,805	\$ 32,756,532	\$ 4,401,036	\$ 6,133,123	\$ 6,181,722
General Sales and Use Tax	23,190,914	22,264,000	22,921,000	1,625,521	1,592,000	1,645,500
Business and Occupation Tax	26,083,027	28,639,886	29,742,165	-	-	-
Other Taxes	4,496,237	4,489,605	4,691,196	1,200,059	1,160,000	1,600,000
Licenses and Permits	983,466	861,816	956,393	291,624	300,000	300,000
Intergovernmental Revenue	6,284,554	6,693,434	5,000,841	3,552,890	3,801,183	3,113,191
Charges for Goods and Services	8,174,116	8,312,461	8,907,517	3,192,718	2,475,356	2,082,838
Fines and Forfeits	1,777,296	1,583,500	1,824,950	511,946	516,197	518,447
Miscellaneous Revenue	1,599,689	2,047,811	1,690,560	3,627,531	3,241,004	2,357,852
Other Financing Sources	1,971,468	2,410,440	1,943,429	9,126,429	1,858,443	1,372,996
Total Financial Sources	\$ 105,555,310	\$ 109,448,758	\$ 110,434,583	\$ 27,529,754	\$ 21,077,306	\$ 19,172,546
Uses of Financial Sources						
General Government Services	\$ 18,022,690	\$ 22,599,493	\$ 20,329,486	\$ 1,537,669	\$ 1,246,427	\$ 1,803,295
Security of Persons & Property	54,247,990	55,515,961	57,526,952	9,033,591	10,902,195	10,384,777
Utilities & Environment	4,551,907	4,064,063	3,761,569	236	105,000	110,000
Transportation	3,848,650	3,861,772	4,112,443	-	20,000	20,000
Economic Environment	4,763,250	5,142,852	5,177,736	2,004,676	2,577,152	2,602,139
Mental & Physical Health	20,341	30,987	31,917	-	-	-
Culture & Recreation	14,003,887	14,843,296	14,626,343	989,116	1,114,370	1,158,578
Debt Service	-	-	-	267,305	546,375	264,353
Capitalized Expenditures	892,590	2,052,546	1,074,512	1,641,037	7,682,006	6,341,600
Road & Street Construction	603,194	3,034,335	2,316,209	644,893	6,312,191	3,707,506
Other Financing Uses	4,221,815	3,322,955	1,477,416	15,423,211	19,901,033	7,060,796
Total Uses of Financial Sources	\$ 105,176,314	\$ 114,468,260	\$ 110,434,583	\$ 31,541,734	\$ 50,406,749	\$ 33,453,044
Net Increase (Decrease) in Fund Balance	\$ 378,996	\$ (5,019,502)	\$ -	\$ (4,011,980)	\$ (29,329,443)	\$ (14,280,498)
Fund Balance January 1	26,885,848	26,819,502	22,100,000	78,268,791	83,906,921	65,217,158
Other Adjustments	-	-	-	-	-	-
Fund Balance December 31	\$ 27,264,844	\$ 21,800,000	\$ 22,100,000	\$ 74,256,811	\$ 54,577,478	\$ 50,936,660

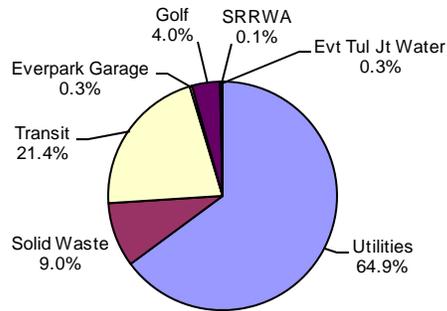
Summary of Financial Sources and Uses Governmental Funds Page 2 of 2

	DEBT SERVICE FUNDS			TOTAL GOVERNMENTAL FUNDS		
	2010 Actuals	2011 Amended Budget	2012 Adopted Budget	2010 Actuals	2011 Amended Budget	2012 Adopted Budget
Financial Sources						
Property Tax	\$ -	\$ -	\$ -	\$ 35,395,579	\$ 38,278,928	\$ 38,938,254
General Sales and Use Tax	-	-	-	24,816,435	23,856,000	24,566,500
Business and Occupation Tax	-	-	-	26,083,027	28,639,886	29,742,165
Other Taxes	-	-	-	5,696,296	5,649,605	6,291,196
Licenses and Permits	-	-	-	1,275,090	1,161,816	1,256,393
Intergovernmental Revenue	-	-	-	9,837,444	10,494,617	8,114,032
Charges for Goods and Services	-	-	-	11,366,834	10,787,817	10,990,355
Fines and Forfeits	-	-	-	2,289,242	2,099,697	2,343,397
Miscellaneous Revenue	108,877	21,000	6,000	5,336,097	5,309,815	4,054,412
Other Financing Sources	2,605,465	1,989,000	1,953,000	13,703,362	6,257,883	5,269,425
Total Financial Sources	\$ 2,714,342	\$ 2,010,000	\$ 1,959,000	\$135,799,406	\$ 132,536,064	\$ 131,566,129
Uses of Financial Sources						
General Government Services	\$ -	\$ -	\$ -	\$ 19,560,359	\$ 23,845,920	\$ 22,132,781
Security of Persons & Property	-	-	-	63,281,581	66,418,156	67,911,729
Utilities & Environment	-	-	-	4,552,143	4,169,063	3,871,569
Transportation	-	-	-	3,848,650	3,881,772	4,132,443
Economic Environment	-	-	-	6,767,926	7,720,004	7,779,875
Mental & Physical Health	-	-	-	20,341	30,987	31,917
Culture & Recreation	-	-	-	14,993,003	15,957,666	15,784,921
Debt Service	2,407,133	1,942,000	1,939,000	2,674,438	2,488,375	2,203,353
Capitalized Expenditures	-	-	-	2,533,627	9,734,552	7,416,112
Road & Street Construction	-	-	-	1,248,087	9,346,526	6,023,715
Other Financing Uses	348,332	127,000	90,000	19,993,358	23,350,988	8,628,212
Total Uses of Financial Sources	\$ 2,755,465	\$ 2,069,000	\$ 2,029,000	\$139,473,513	\$ 166,944,009	\$ 145,916,627
Net Increase (Decrease) in Fund Balance	\$ (41,123)	\$ (59,000)	\$ (70,000)	(3,674,107)	(34,407,945)	(14,350,498)
Fund Balance January 1	182,572	77,000	70,000	105,337,211	110,803,423	87,387,158
Other Adjustments	-	-	-	-	-	-
Fund Balance December 31	\$ 141,449	\$ 18,000	\$ -	\$101,663,104	\$ 76,395,478	\$ 73,036,660

ENTERPRISE FUNDS FINANCIAL SOURCES AND USES

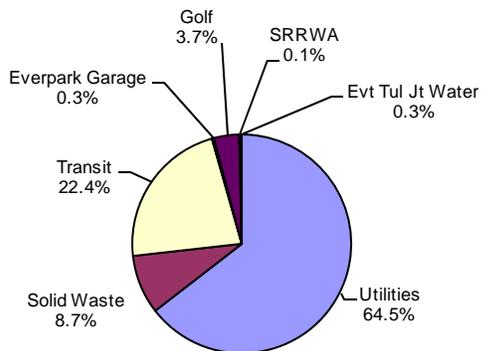
2012 Budgeted Financial Sources - Enterprise Funds

Total Sources
\$104.4 Million



2012 Budgeted Uses - Enterprise Funds

Total Uses
\$109.5 Million



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

	UTILITIES			SOLID WASTE FUND		
	2010 Actuals	2011 Amended Budget	2012 Adopted Budget	2010 Actuals	2011 Amended Budget	2012 Adopted Budget
Financial Sources						
Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Taxes	-	-	-	-	-	-
Licenses and Permits	1,620	3,200	1,800	-	-	-
Intergovernmental Revenues	366,665	50,000	560,190	116,866	54,975	57,750
Charges for Services	57,749,773	62,171,741	64,931,350	2,156,130	2,073,400	2,260,000
Miscellaneous Revenue	2,592,219	52,982,204	2,241,900	37,461	-	21,500
Interfund Loan Proceeds	-	-	-	-	-	7,200,000
Other Financing Sources	-	-	-	-	-	-
Total Financial Sources	\$ 60,710,277	\$ 115,207,145	\$ 67,735,240	\$ 2,310,457	\$ 2,128,375	\$ 9,539,250
Uses of Financial Sources						
Personnel Services	\$ 17,617,561	\$ 20,185,451	\$ 21,316,070	\$ 33,700	\$ 89,486	\$ 90,842
Supplies	3,783,998	4,623,850	4,855,000	1,457	9,950	1,450
Professional Services	7,104,095	11,755,470	9,131,423	289,168	326,900	326,600
Intergovernmental Charges	8,336,666	60,753,500	12,685,000	-	-	-
Interfund Service Charges	6,040,435	5,392,399	6,354,926	10,431,863	240,188	7,380,267
Capital Outlays	1,656,248	954,000	657,000	-	-	10,000
Debt Service Principal	6,973,920	8,023,934	7,515,144	2,085,850	1,200,000	1,292,206
Debt Service Interest	5,841,011	6,872,864	8,099,915	217,386	266,000	439,160
Total Uses of Financial Sources	\$ 57,353,934	\$ 118,561,468	\$ 70,614,478	\$ 13,059,424	\$ 2,132,524	\$ 9,540,525
Net Increase (Decrease) in Fund Balance	\$ 3,356,343	\$ (3,354,323)	\$ (2,879,238)	\$ (10,748,967)	\$ (4,149)	\$ (1,275)
Fund Balance January 1	17,685,784	18,911,610	19,127,757	29,598	12,248	1,851
Fund Balance December 31	\$ 21,042,127	\$ 15,557,287	\$ 16,248,519	\$ (10,719,369)	\$ 8,099	\$ 576

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

	TRANSIT FUND			EVERPARK GARAGE		
	2010 Actuals	2011 Amended Budget	2012 Adopted Budget	2010 Actuals	2011 Amended Budget	2012 Adopted Budget
Financial Sources						
Sales Tax	\$15,650,951	\$ 15,151,059	\$ 15,614,118	\$ -	\$ -	\$ -
Other Taxes	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-
Intergovernmental Revenues	2,212,004	5,605,032	4,183,479	-	-	-
Charges for Services	1,384,038	1,365,873	1,392,007	-	-	-
Miscellaneous Revenue	1,331,336	1,085,192	1,130,078	407,118	402,981	360,277
Interfund Loan Proceeds	-	-	-	-	-	-
Other Financing Sources	-	-	-	-	-	-
Total Financial Sources	\$20,578,329	\$ 23,207,156	\$ 22,319,682	\$ 407,118	\$ 402,981	\$ 360,277
Uses of Financial Sources						
Personnel Services	\$11,273,387	\$ 12,382,176	\$ 12,599,544	\$ -	\$ -	\$ -
Supplies	221,548	190,825	127,526	32,724	6,500	1,000
Professional Services	959,373	1,161,774	1,571,373	200,654	289,900	306,000
Intergovernmental Charges	3,532,909	1,928,062	1,998,984	252,000	-	-
Interfund Service Charges	5,232,422	5,998,933	5,817,527	19,584	10,853	19,751
Capital Outlays	524,429	6,071,860	2,382,533	-	-	-
Debt Service Principal	-	-	-	-	-	-
Debt Service Interest	-	-	-	-	-	-
Total Uses of Financial Sources	\$21,744,068	\$ 27,733,630	\$ 24,497,487	\$ 504,962	\$ 307,253	\$ 326,751
Net Increase (Decrease) in Fund Balance	\$ (1,165,739)	\$ (4,526,474)	\$ (2,177,805)	\$ (97,844)	\$ 95,728	\$ 33,526
Fund Balance January 1	14,028,672	11,419,982	11,478,129	2,318,580	2,214,757	2,406,083
Fund Balance December 31	\$12,862,933	\$ 6,893,508	\$ 9,300,324	\$ 2,220,736	\$ 2,310,485	\$ 2,439,609

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

	GOLF			SRRWA		
	2010 Actuals	2011 Amended Budget	2012 Adopted Budget	2010 Actuals	2011 Amended Budget	2012 Adopted Budget
Financial Sources						
Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Taxes	98,269	103,696	104,729	-	-	-
Licenses and Permits	-	-	-	-	-	-
Intergovernmental Revenues	-	-	-	72,232	126,000	90,000
Charges for Services	2,530,280	2,664,372	2,692,228	-	-	-
Miscellaneous Revenue	1,248,686	1,362,685	1,302,130	-	-	-
Interfund Loan Proceeds	-	-	-	-	-	-
Other Financing Sources	-	-	-	-	-	-
Total Financial Sources	\$ 3,877,235	\$ 4,130,753	\$ 4,099,087	\$ 72,232	\$ 126,000	\$ 90,000
Uses of Financial Sources						
Personnel Services	\$ 979,163	\$ 1,021,609	\$ 1,044,347	\$ -	\$ -	\$ -
Supplies	655,280	757,517	770,647	-	-	-
Professional Services	1,517,178	1,700,135	1,775,730	-	-	-
Intergovernmental Charges	262	-	-	-	-	-
Interfund Service Charges	116,702	173,552	143,148	-	-	-
Capital Outlays	41,538	39,452	-	72,232	126,000	90,000
Debt Service Principal	125,000	185,000	155,000	-	-	-
Debt Service Interest	254,223	253,488	210,215	-	-	-
Total Uses of Financial Sources	\$ 3,689,346	\$ 4,130,753	\$ 4,099,087	\$ 72,232	\$ 126,000	\$ 90,000
Net Increase (Decrease) in Fund Balance	\$ 187,889	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance January 1	(139,570)	-	-	-	-	-
Fund Balance December 31	\$ 48,319	\$ -	\$ -	\$ -	\$ -	\$ -

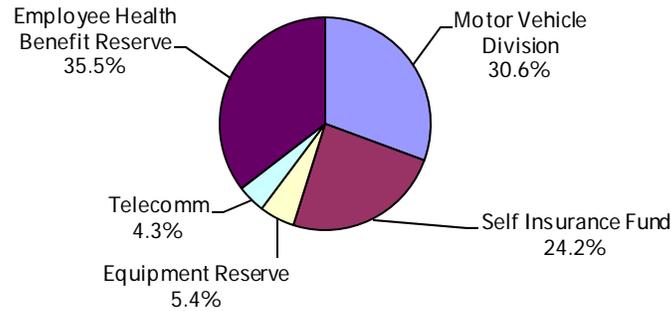
Summary of Financial Sources and Uses Enterprise Funds Page 4 of 4

	EVERETT TULALIP JOINT WATERLINE			TOTAL ENTERPRISE FUNDS		
	2010 Actuals	2011 Amended Budget	2012 Adopted Budget	2010 Actuals	2011 Amended Budget	2012 Adopted Budget
Financial Sources						
Sales Tax	\$ -	\$ -	\$ -	\$ 15,650,951	\$ 15,151,059	\$ 15,614,118
Other Taxes	-	-	-	98,269	103,696	104,729
Licenses and Permits	-	-	-	1,620	3,200	1,800
Intergovernmental Revenues	-	-	-	2,767,767	5,836,007	4,891,419
Charges for Services	-	-	-	63,820,221	68,275,386	71,275,585
Miscellaneous Revenue	-	-	-	5,616,820	55,833,062	5,055,885
Interfund Loan Proceeds	-	-	-	-	-	7,200,000
Other Financing Sources	-	3,000,000	300,000	-	3,000,000	300,000
Total Financial Sources	\$ -	\$ 3,000,000	\$ 300,000	\$ 87,955,648	\$ 148,202,410	\$ 104,443,536
Uses of Financial Sources						
Personnel Services	\$ -	\$ -	\$ -	\$ 29,903,811	\$ 33,678,722	\$ 35,050,803
Supplies	-	-	-	4,695,007	5,588,642	5,755,623
Professional Services	-	3,000,000	300,000	10,070,468	18,234,179	13,411,126
Intergovernmental Charges	-	-	-	12,121,837	62,681,562	14,683,984
Interfund Service Charges	-	-	-	21,841,006	11,815,925	19,715,619
Capital Outlays	2,806,769	-	-	5,101,216	7,191,312	3,139,533
Debt Service Principal	-	-	-	9,184,770	9,408,934	8,962,350
Debt Service Interest	-	-	-	6,312,620	7,392,352	8,749,290
Total Uses of Financial Sources	\$ 2,806,769	\$ 3,000,000	\$ 300,000	\$ 99,230,735	\$ 155,991,628	\$ 109,468,328
Net Increase (Decrease) in Fund Balance	\$ (2,806,769)	\$ -	\$ -	\$ (11,275,087)	\$ (7,789,218)	\$ (5,024,792)
Fund Balance January 1	-	-	-	33,923,064	32,558,597	33,013,820
Fund Balance December 31	\$ (2,806,769)	\$ -	\$ -	\$ 25,454,746	\$ 24,769,379	\$ 27,989,028

INTERNAL SERVICE FUNDS FINANCIAL SOURCES AND USES

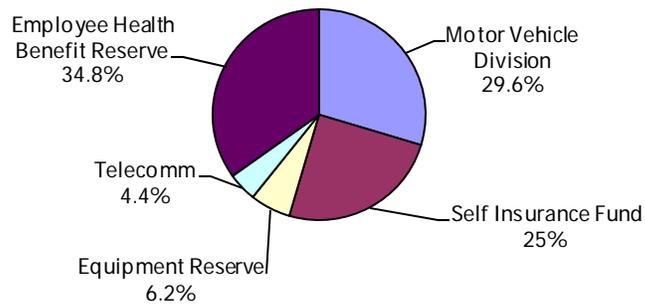
2012 Budgeted Sources - Internal Service Funds

Total Sources
\$25.8 Million



2012 Budgeted Uses - Internal Service Funds

Total Uses
\$26.9 Million



Financial Sources and Uses Internal Service Funds Page 1 of 3

	MOTOR VEHICLE DIVISION			SELF INSURANCE FUND		
	2010 Actuals	2011 Amended Budget	2012 Adopted Budget	2010 Actuals	2011 Amended Budget	2012 Adopted Budget
Financial Sources						
Intergovernmental Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Charges for Services	6,632,256	7,575,900	7,775,311	4,838,503	5,808,808	6,001,129
Miscellaneous Revenue	156,855	405,000	115,000	517,643	269,254	233,825
Disposition of Fixed Assets	4,195	-	2,200	-	-	-
Operating Transfers In	66,073	-	-	-	-	-
Total Financial Sources	\$ 6,859,379	\$ 7,980,900	\$ 7,892,511	\$ 5,356,146	\$ 6,078,062	\$ 6,234,954
Uses of Financial Sources						
Personnel Services	\$ 2,207,684	\$ 2,266,000	\$ 2,234,927	\$ 1,744,409	\$ 1,543,380	\$ 1,553,248
Supplies	3,822,022	4,801,832	4,883,000	-	-	-
Professional Services	583,750	628,500	571,300	5,036,820	6,293,726	5,163,078
Interfund Service Charges	39,137	10,000	273,000	-	-	-
Capital Outlays	339,056	274,568	10,000	-	-	-
Total Uses of Financial Sources	\$ 6,991,649	\$ 7,980,900	\$ 7,972,227	\$ 6,781,229	\$ 7,837,106	\$ 6,716,326
Net Increase (Decrease) in Fund Balance	\$ (132,270)	\$ -	\$ (79,716)	\$(1,425,083)	\$(1,759,044)	\$ (481,372)
Fund Balance January 1	665,309	400,000	533,039	10,453,229	7,937,257	7,754,096
Fund Balance December 31	\$ 533,039	\$ 400,000	\$ 453,323	\$ 9,028,146	\$ 6,178,213	\$ 7,272,724

Financial Sources and Uses Internal Service Funds

Page 2 of 3

	COMPUTER RESERVE			TELECOMMUNICATIONS		
	2010 Actuals	2011 Amended Budget	2012 Adopted Budget	2010 Actuals	2011 Amended Budget	2012 Adopted Budget
Financial Sources						
Intergovernmental Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Charges for Services	1,072,894	1,233,533	1,364,385	1,124,544	980,183	1,096,445
Miscellaneous Revenue	35,985	30,000	16,800	32,734	15,950	16,000
Disposition of Fixed Assets	-	-	-	-	-	-
Operating Transfers In	-	-	-	-	-	-
Total Financial Sources	\$ 1,108,879	\$ 1,263,533	\$ 1,381,185	\$ 1,157,278	\$ 996,133	\$ 1,112,445
Uses of Financial Sources						
Personnel Services	\$ -	\$ -	\$ -	\$ 284,416	\$ 277,751	\$ 294,360
Supplies	212,893	442,000	554,000	57,344	59,478	65,082
Professional Services	1,000,757	721,533	889,270	683,451	778,248	788,506
Interfund Service Charges	-	-	-	50,588	53,348	37,386
Capital Outlays	148,643	650,000	228,000	52,790	261,940	-
Total Uses of Financial Sources	\$ 1,362,293	\$ 1,813,533	\$ 1,671,270	\$ 1,128,589	\$ 1,430,765	\$ 1,185,334
Net Increase (Decrease) in Fund Balance	\$ (253,414)	\$ (550,000)	\$ (290,085)	\$ 28,689	\$ (434,632)	\$ (72,889)
Fund Balance January 1	1,142,055	1,156,973	815,560	831,107	724,319	425,214
Fund Balance December 31	\$ 888,641	\$ 606,973	\$ 525,475	\$ 859,796	\$ 289,687	\$ 352,325

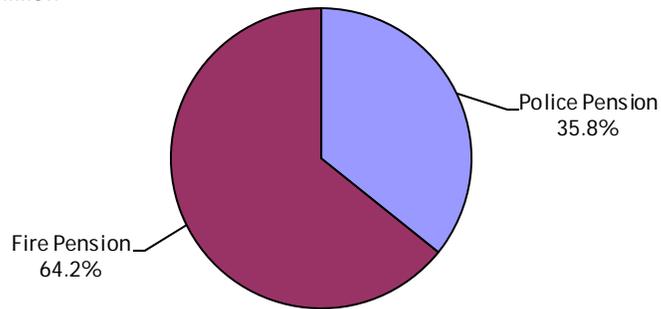
Financial Sources and Uses Internal Service Funds Page 3 of 3

	EMPLOYEE HEALTH BENEFITS RES			TOTAL INTERNAL SERVICE FUNDS		
	2010 Actuals	2011 Amended Budget	2012 Adopted Budget	2010 Actuals	2011 Amended Budget	2012 Adopted Budget
Financial Sources						
Intergovernmental Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Charges for Services	6,975,884	8,913,700	9,078,900	20,644,081	24,512,124	25,316,170
Miscellaneous Revenue	380,587	96,000	60,000	1,123,804	816,204	441,625
Disposition of Fixed Assets	-	-	-	4,195	-	2,200
Operating Transfers In	-	-	-	66,073	-	-
Total Financial Sources	\$ 7,356,471	\$ 9,009,700	\$ 9,138,900	\$21,838,153	\$25,328,328	\$25,759,995
Uses of Financial Sources						
Personnel Services	\$ 6,655,889	\$ 6,392,702	\$ 8,300,000	\$10,892,398	\$10,479,833	\$12,382,535
Supplies	2,323	20,000	20,000	4,094,582	5,323,310	5,522,082
Professional Services	830,248	924,000	1,050,000	8,135,026	9,346,007	8,462,154
Interfund Service Charges	-	-	-	89,725	63,348	310,386
Capital Outlays	-	-	-	540,489	1,186,508	238,000
Total Uses of Financial Sources	\$ 7,488,460	\$ 7,336,702	\$ 9,370,000	\$23,752,220	\$26,399,006	\$26,915,157
Net Increase (Decrease) in Fund Balance	\$ (131,989)	\$ 1,672,998	\$ (231,100)	\$ (1,914,067)	\$ (1,070,678)	\$ (1,155,162)
Fund Balance January 1	2,822,309	3,979,215	2,953,477	15,914,009	14,197,764	12,481,386
Fund Balance December 31	\$ 2,690,320	\$ 5,652,213	\$ 2,722,377	\$13,999,942	\$13,127,086	\$11,326,224

TRUST FUNDS FINANCIAL SOURCES AND USES

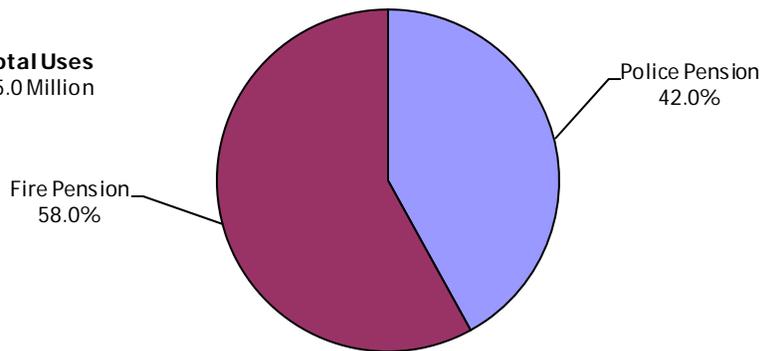
2012 Budgeted Sources - Trust Funds

Total Sources
\$2.9 Million



2012 Budgeted Uses - Trust Funds

Total Uses
\$5.0 Million



Summary of Financial Sources and Uses

Trust Funds

Page 1 of 2

	POLICE PENSION			FIRE PENSION		
	2010 Actuals	2011 Amended Budget	2012 Adopted Budget	2010 Actuals	2011 Amended Budget	2012 Adopted Budget
Financial Sources						
Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental Revenue	-	-	-	149,966	150,000	157,590
Miscellaneous Revenue	697,083	804,477	1,036,388	1,101,086	1,395,000	1,703,728
Total Financial Sources	<u>\$ 697,083</u>	<u>\$ 804,477</u>	<u>\$ 1,036,388</u>	<u>\$ 1,251,052</u>	<u>\$ 1,545,000</u>	<u>\$ 1,861,318</u>
Uses of Financial Sources						
Personnel Services	\$ 1,622,885	\$ 2,190,904	\$ 2,111,263	\$ 2,488,587	\$ 3,030,772	\$ 2,917,631
Total Uses of Financial Sources	<u>\$ 1,622,885</u>	<u>\$ 2,190,904</u>	<u>\$ 2,111,263</u>	<u>\$ 2,488,587</u>	<u>\$ 3,030,772</u>	<u>\$ 2,917,631</u>
Net Increase (Decrease) in Fund Balance	\$ (925,802)	\$ (1,386,427)	\$ (1,074,875)	\$ (1,237,535)	\$ (1,485,772)	\$ (1,056,313)
Fund Balance January 1	19,564,467	18,861,910	17,363,421	34,231,037	33,710,539	31,765,502
Fund Balance December 31	<u>\$ 18,638,665</u>	<u>\$ 17,475,483</u>	<u>\$ 16,288,546</u>	<u>\$ 32,993,502</u>	<u>\$ 32,224,767</u>	<u>\$ 30,709,189</u>

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

TOTAL TRUST FUNDS		
2010	2011	2012
Actuals	Amended Budget	Adopted Budget

Financial Sources

Property Tax	\$ -	\$ -	\$ -
Intergovernmental Revenue	149,966	150,000	157,590
Miscellaneous Revenue	1,798,169	2,199,477	2,740,116

Total Financial Sources	\$ 1,948,135	\$ 2,349,477	\$ 2,897,706
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Uses of Financial Sources

Personnel Services	\$ 4,111,472	\$ 5,221,676	\$ 5,028,894
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Total Uses of Financial Sources	\$ 4,111,472	\$ 5,221,676	\$ 5,028,894
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Net Increase (Decrease) in Fund Balance	\$ (2,163,337)	\$ (2,872,199)	\$ (2,131,188)
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Fund Balance January 1	53,795,504	52,572,449	49,128,923
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Fund Balance December 31	\$ 51,632,167	\$ 49,700,250	\$ 46,997,735
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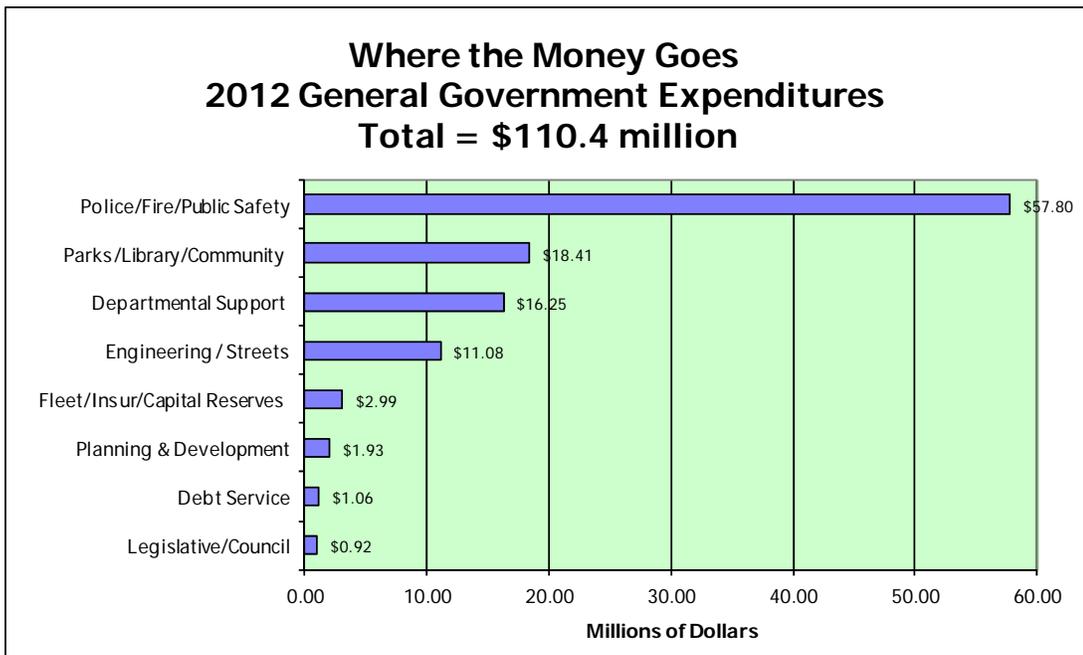
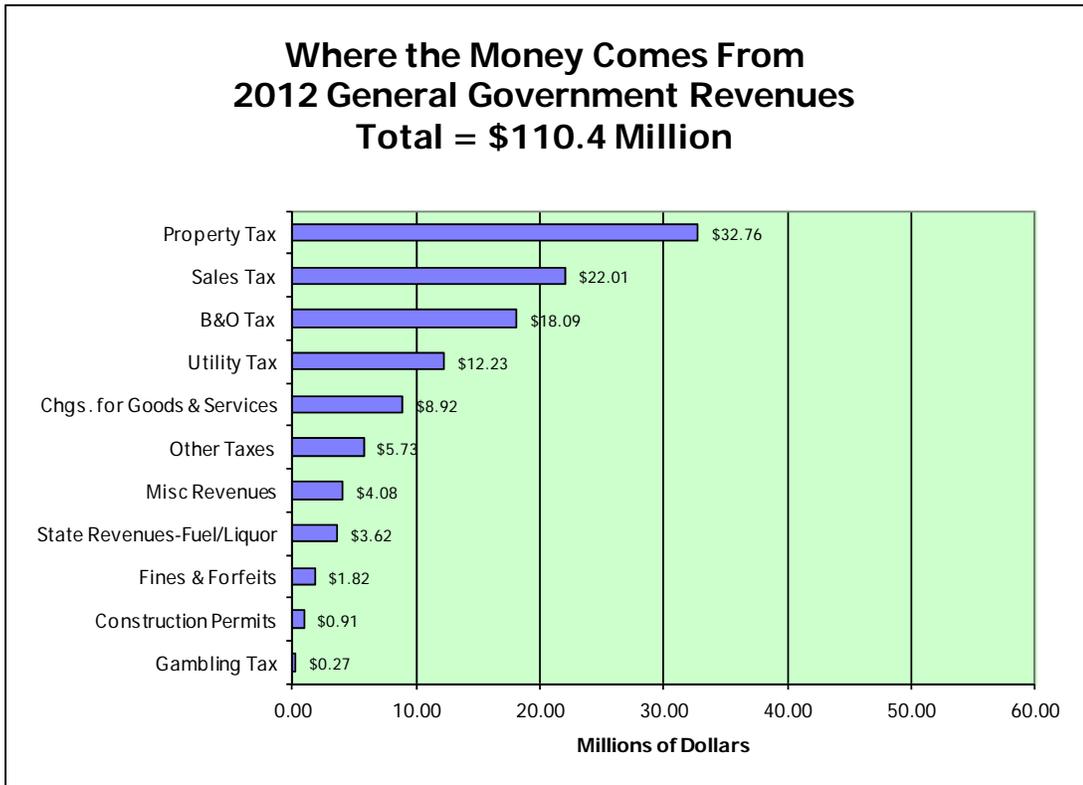
**GENERAL GOVERNMENT
FIVE YEAR COMPARISON
RESOURCES AND EXPENDITURES BY FUNCTION**

	2008 Actual Results	2009 Actual Results	2010 Actual Results	2011 Adopted Budget	2011 Amended Budget	2012 Adopted Budget
RESOURCES						
Beginning Fund Balance	\$ 25,317,216	\$ 31,674,468	\$ 26,885,848	\$ 21,800,000	\$ 26,819,502	\$ 22,100,000
Revenue						
Property Tax	30,962,943	30,969,067	31,343,121	32,145,805	32,145,805	32,756,532
Sales Tax	25,441,677	20,718,349	21,509,617	21,464,000	21,464,000	22,012,000
B&O Tax	15,558,313	13,816,905	14,749,748	17,863,500	16,863,500	18,086,872
Utility Tax	13,461,772	13,118,753	11,946,646	12,218,800	12,218,800	12,228,990
Gambling Tax	1,030,589	398,647	339,755	269,776	269,776	271,427
Other Taxes	5,179,600	5,498,437	5,513,919	5,537,595	5,559,961	5,725,014
Construction Permits	1,747,769	1,689,323	931,010	824,420	824,420	907,500
Grants	707,081	533,105	936,108	338,274	1,674,470	378,474
State Revenues	3,606,414	3,669,259	3,926,302	3,811,293	3,811,293	3,615,425
Interfund Service Charges	5,206,852	5,628,189	5,586,095	5,679,611	5,679,611	6,228,124
Chgs. for Goods & Services	3,603,814	2,795,345	2,786,514	2,837,304	2,837,304	2,696,394
Fines & Forfeits	1,997,734	1,682,815	1,777,298	1,583,500	1,583,500	1,824,950
Misc Revenues	6,649,445	5,266,747	4,194,397	4,316,318	4,516,318	3,702,881
Annual Revenues	\$ 115,154,003	\$ 105,784,941	\$ 105,540,530	\$ 108,890,196	\$ 109,448,758	\$ 110,434,583
Annual Revenue Growth R:	2.03%	-8.14%	-0.23%	3.17% ▲	3.70%	0.90%
Total Resources	\$ 140,471,219	\$ 137,459,409	\$ 132,426,378	\$ 130,690,196	\$ 136,268,260	\$ 132,534,583
Expenditures						
Legislative	\$ 705,063	\$ 819,722	\$ 707,636	\$ 897,384	\$ 882,385	\$ 915,309
Departmental Support	14,959,687	15,473,846	15,246,978	15,755,744	16,142,754	16,252,271
Public Safety	50,440,552	55,033,515	54,379,691	57,434,937	56,459,492	57,795,050
Reserve Contributions	7,759,361	7,873,712	3,759,221	3,087,799	7,295,799	2,992,390
Debt Service	1,310,000	722,000	722,000	922,000	922,000	1,064,000
Infrastructure	10,855,005	11,136,749	8,966,259	10,547,671	11,172,921	11,079,130
Community Programs	17,161,520	17,503,963	17,495,176	18,270,210	19,218,677	18,406,788
Governmental Operations	5,605,563	2,010,054	3,899,372	1,974,451	2,374,232	1,929,645
Total Expenditures	\$ 108,796,751	\$ 110,573,561	\$ 105,176,333	\$ 108,890,196	\$ 114,468,260	\$ 110,434,583
Annual Expenditure Growth I	2.20%	1.63%	-4.88%	3.53% ▲	8.83%	-3.52%
Ending Fund Balance	\$ 31,674,468	\$ 26,885,848	\$ 27,250,045	\$ 21,800,000	\$ 21,800,000	\$ 22,100,000
Ending Fund Balance as % of Annual Revenues	27.51%	25.42%	25.82%	20.02%	19.92%	20.01%

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

Department	2008 Actual Results	2009 Actual Results	2010 Actual Results	2011 Adopted Budget	2011 Amended Budget	2012 Adopted Budget
Expenditures						
Council	\$ 457,409	\$ 480,047	\$ 441,959	\$ 559,837	\$ 544,837	\$ 571,970
Legal/Prosecutor's Office	3,555,567	3,659,325	3,251,009	3,746,284	3,681,284	3,709,190
Administration	1,671,908	1,411,350	1,470,761	1,820,946	1,491,958	1,846,889
Municipal Court	1,573,666	1,676,768	1,716,455	1,868,649	1,861,649	1,919,861
Human Resources/Labor Rel.	1,196,659	1,375,767	1,379,577	1,479,466	1,464,966	1,528,587
Non-Departmental	22,186,985	19,659,929	15,207,355	14,068,890	18,655,890	13,667,014
Finance	1,753,962	1,812,731	1,823,878	1,951,598	1,941,598	1,980,087
Information Technology	1,433,783	1,561,526	1,604,164	1,791,282	1,702,282	1,859,155
Planning & Community Devel.	2,000,231	1,716,730	1,791,914	1,722,451	1,830,713	1,707,645
Neighborhoods/ Comm. Svcs.	316,264	349,329	299,657	378,995	470,868	367,642
Engineering Services	5,275,500	5,322,138	5,116,641	5,542,135	5,457,135	5,730,143
Animal Services	1,335,637	1,426,561	1,377,679	1,286,118	1,286,118	1,269,661
Senior Center	429,888	428,573	423,985	447,955	455,955	461,240
Police	24,887,005	26,593,714	27,186,245	29,131,946	28,271,637	29,874,628
Fire	17,838,144	19,018,284	18,775,268	19,482,996	19,982,859	19,724,551
Facilities & Property Mngmnt.	3,173,641	3,341,114	3,317,500	3,619,485	3,509,485	3,625,308
Parks & Recreation	8,117,170	8,557,306	8,806,512	9,019,530	9,274,883	9,129,607
Library	4,511,686	4,614,632	4,588,052	4,805,276	4,750,789	4,827,530
Municipal Arts	680,186	853,553	810,578	925,269	1,515,497	933,335
Conference Center	766,046	736,400	746,988	989,002	1,039,002	1,131,002
Special Projects	2,897	111,993	1,955,152	30,000	346,519	-
Street Improvements	2,588,199	2,980,685	1,019,409	2,024,085	2,834,335	2,316,209
Streets	2,256,318	2,065,477	2,065,595	2,198,001	2,098,001	2,253,329
Gen Gov't before Alloc.	\$ 108,008,751	\$ 109,753,932	\$ 105,176,333	\$ 108,890,196	\$ 114,468,260	\$ 110,434,583
Allocations of General Property Tax:						
Rainy Day Fund	200,000	-	-	-	-	-
94 Series A Bonds	588,000	-	-	-	-	-
Police Pension	-	429,192	-	-	-	-
Fire Pension	-	390,437	-	-	-	-
Total Expenditures	\$ 108,796,751	\$ 110,573,561	\$ 105,176,333	\$ 108,890,196	\$ 114,468,260	\$ 110,434,583

GENERAL GOVERNMENT 2012 REVENUES AND EXPENDITURES BY FUNCTION



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