
FINANCIAL SUMMARY

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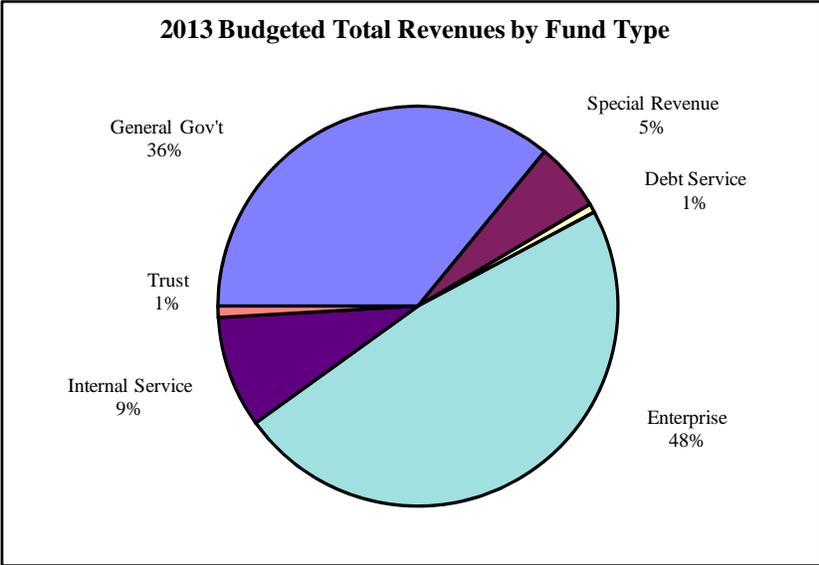
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2013 OPERATING BUDGET BY FUND TYPE

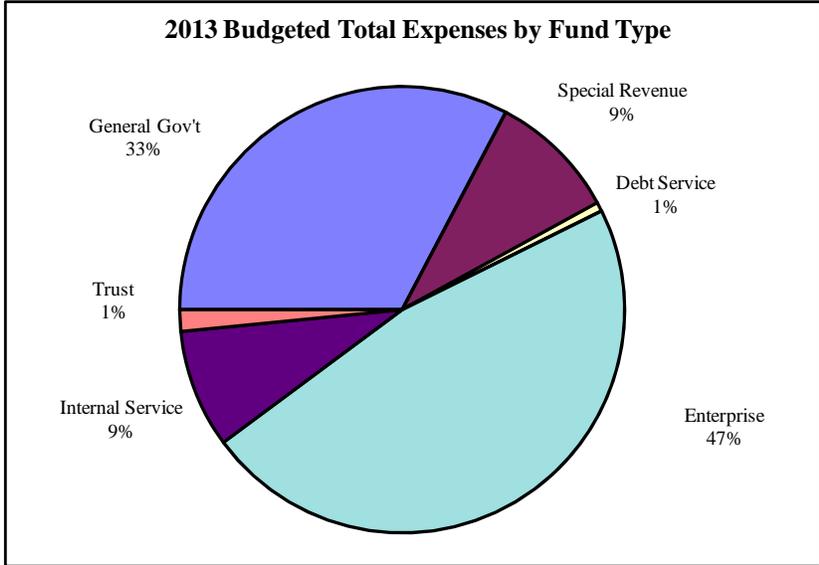
	General Government	Special Revenue	Debt Service	Enterprise	Internal Service	Trust	Total
Funding Sources							
Beginning Fund Balance	\$ 22,100,000	\$ 65,473,036	\$ 38,500	\$ 39,182,827	\$ 12,026,274	\$ 48,297,284	\$ 187,117,921
General Property Taxes	33,283,893	5,086,948	-	-	-	-	38,370,841
Retail Sales and Use Taxes	23,196,473	1,625,250	-	15,948,270	-	-	40,769,993
Business Taxes	30,562,094	-	-	102,912	-	-	30,665,006
Other Taxes	4,638,277	1,800,000	-	-	-	-	6,438,277
Licenses & Permits	1,283,443	-	-	1,300	-	-	1,284,743
Intergovernmental Service Rev	4,704,020	2,556,402	-	7,228,653	-	162,318	14,651,393
Charges For Services	8,662,036	2,145,327	-	68,886,949	27,871,760	-	107,566,072
Fines & Forfeits	2,103,450	59,000	-	-	-	-	2,162,450
Miscellaneous Revenue	1,426,206	2,053,889	8,500	4,723,465	266,805	2,668,475	11,147,340
Other Financing Sources	2,139,515	2,052,724	2,193,000	52,369,200	-	-	58,754,439
Total Funding Sources	\$ 134,099,407	\$ 82,852,576	\$ 2,240,000	\$ 188,443,576	\$ 40,164,839	\$ 51,128,077	\$ 498,928,475
Uses of Funding Sources							
General Government Services	18,049,769	1,575,156	-	-	19,913,823	5,350,654	44,889,402
Security of Persons & Property	59,254,632	11,170,783	-	-	1,220,554	-	71,645,969
Utilities & Environment	3,830,169	80,000	-	48,148,604	62,669	-	52,121,442
Transportation	4,309,711	-	-	21,502,166	8,049,627	-	33,861,504
Economic Environment	5,238,693	2,312,691	-	-	-	-	7,551,384
Mental & Physical Health	24,000	-	-	-	-	-	24,000
Culture & Recreation	15,183,732	1,029,750	-	3,700,289	-	-	19,913,771
Debt Service	-	258,630	2,175,000	16,595,109	-	-	19,028,739
Capitalized Expenditures	1,020,501	9,405,828	-	6,213,188	135,610	-	16,775,127
Road & Street Construction	2,396,108	1,659,108	-	-	-	-	4,055,216
Other Financing Uses	2,392,092	4,396,271	64,000	64,985,000	-	-	71,837,363
Total Expenditures	\$ 111,699,407	\$ 31,888,217	\$ 2,239,000	\$ 161,144,356	\$ 29,382,283	\$ 5,350,654	\$ 341,703,917
Ending Fund Balance	\$ 22,400,000	\$ 50,964,359	\$ 1,000	\$ 27,299,220	\$ 10,782,556	\$ 45,777,423	\$ 157,224,558
Total Appropriation	\$ 134,099,407	\$ 82,852,576	\$ 2,240,000	\$ 188,443,576	\$ 40,164,839	\$ 51,128,077	\$ 498,928,475

2013 OPERATING BUDGET BY FUND TYPE (Continued)

Total Revenues
\$311.8 Million



Total Expenses
\$341.7 Million



2013 OPERATING BUDGET - SUMMARY OF FUND ACTIVITY

	2013			2013		2013
	Beginning Fund Balance	2013 Revenues	2013 Total Resources	2013 Expenses	Ending Fund Balance	Total Appropriation
GENERAL GOVERNMENT						
002 General Fund Revenues	21,603,390	90,935,454	112,538,844	-	-	-
001 City Council	-	-	-	610,228	-	610,228
003 Legal	-	-	-	3,777,776	-	3,777,776
004 Administration	-	-	-	1,834,031	-	1,834,031
005 Municipal Court	-	-	-	1,981,774	-	1,981,774
007 Labor Rel./ Human Resources	-	-	-	1,615,865	-	1,615,865
009 Gen Gov't Non-dept	-	-	-	11,312,940	22,400,000	33,712,940
010 Finance	-	-	-	2,032,848	-	2,032,848
015 Information Technology	-	-	-	1,931,636	-	1,931,636
021 Planning/Comm Development	-	-	-	1,848,888	-	1,848,888
022 Neighborhoods & Comm Svcs	-	-	-	374,179	-	374,179
024 Engineering / Public Services	-	-	-	5,970,064	-	5,970,064
026 Animal Services	-	-	-	1,409,160	-	1,409,160
027 Senior Center	-	-	-	461,996	-	461,996
031 Police	-	-	-	31,304,643	-	31,304,643
032 Fire	-	-	-	19,890,180	-	19,890,180
038 Facilities/Property Management	-	-	-	3,782,636	-	3,782,636
Total General Fund	21,603,390	90,935,454	112,538,844	90,138,844	22,400,000	112,538,844
101 Parks & Recreation	-	9,452,328	9,452,328	9,452,328	-	9,452,328
110 Library	-	4,973,667	4,973,667	4,973,667	-	4,973,667
112 Municipal Arts	123,700	832,349	956,049	956,049	-	956,049
114 Conference Center	-	1,367,002	1,367,002	1,367,002	-	1,367,002
115 General Gov't Special Projects	-	-	-	-	-	-
119 Street Improvements	372,910	2,023,198	2,396,108	2,396,108	-	2,396,108
120 Streets	-	2,415,409	2,415,409	2,415,409	-	2,415,409
Total General Gov't Operations	22,100,000	111,999,407	134,099,407	111,699,407	22,400,000	134,099,407
Gen. Gov't Allocations of Prop. Tax	-	-	-	-	-	-
TOTAL GENERAL GOVERNMENT	22,100,000	111,999,407	134,099,407	111,699,407	22,400,000	134,099,407

Note: The 2013 Beginning Fund Balance is an estimate and therefore is unaudited as of the printing of this document.

SUMMARY OF FUND ACTIVITY (continued)

	2013			2013 Expenses	2013 Ending Fund Balance	2013 Total Appropriation
	Beginning Fund Balance	2013 Revenues	2013 Total Resources			
126 Motor Vehicle/Equip Replacemer	6,700,081	725,777	7,425,858	3,292,000	4,133,858	7,425,858
138 Hotel Motel Tax Fund	352,002	306,500	658,502	437,311	221,191	658,502
144 Downtown Improvement Fund	326	50,050	50,376	50,376	-	50,376
145 Cumulative Res/Real Prop. Acq	2,756,928	61,200	2,818,128	2,818,128	-	2,818,128
146 Property Management	4,597,194	1,276,858	5,874,052	3,681,947	2,192,105	5,874,052
148 Cumulative Reserve /Parks	2,672,731	58,683	2,731,414	660,000	2,071,414	2,731,414
149 Senior Center Reserve	450,380	104,050	554,430	97,800	456,630	554,430
151 Fund for Animals	367,127	73,500	440,627	80,000	360,627	440,627
152 Cumulative Reserve /Library	493,148	46,010	539,158	54,750	484,408	539,158
153 Emergency Medical Services	231,621	7,390,161	7,621,782	7,621,782	-	7,621,782
154 Real Estate Excise Tax Fund	624,091	920,000	1,544,091	1,377,528	166,563	1,544,091
156 Criminal Justice Fund	8,299,188	2,744,032	11,043,220	4,773,546	6,269,674	11,043,220
157 Traffic Mitigation	1,721,108	238,000	1,959,108	1,959,108	-	1,959,108
160 Rainy Day Fund	4,118,945	-	4,118,945	-	4,118,945	4,118,945
162 Capital Reserve	15,631,204	1,376,119	17,007,323	2,769,050	14,238,273	17,007,323
197 CHIP Loan Program	15,800,000	1,458,600	17,258,600	1,007,929	16,250,671	17,258,600
198 Comm Develop. Block Grants	656,962	550,000	1,206,962	1,206,962	-	1,206,962
TOTAL SPECIAL REVENUE	65,473,036	17,379,540	82,852,576	31,888,217	50,964,359	82,852,576
210 Bond Redemption Fund	1,000	2,175,000	2,176,000	2,175,000	1,000	2,176,000
243 LID Guaranty Fund	33,000	17,000	50,000	50,000	-	50,000
299 LID Redemption	4,500	9,500	14,000	14,000	-	14,000
TOTAL DEBT SERVICE	38,500	2,201,500	2,240,000	2,239,000	1,000	2,240,000
401 Water/Sewer Utility	27,651,917	116,263,973	143,915,890	126,531,751	17,384,139	143,915,890
402 Solid Waste Utility	1,002	2,434,282	2,435,284	2,432,079	3,205	2,435,284
425 Transit	9,046,510	25,872,422	34,918,932	27,497,109	7,421,823	34,918,932
430 Everpark Garage	2,483,398	362,000	2,845,398	355,345	2,490,053	2,845,398
440 Golf	-	4,038,072	4,038,072	4,038,072	-	4,038,072
450 Sno River Reg Wtr Auth	-	90,000	90,000	90,000	-	90,000
451 Everett Tullip Joint Water Line	-	200,000	200,000	200,000	-	200,000
TOTAL ENTERPRISE FUNDS	39,182,827	149,260,749	188,443,576	161,144,356	27,299,220	188,443,576
501 Motor Vehicle Division	400,000	7,946,925	8,346,925	8,112,296	234,629	8,346,925
503 Self-Insurance Fund	7,942,520	6,223,258	14,165,778	6,625,000	7,540,778	14,165,778
505 Computer Reserve Fund	826,631	1,396,359	2,222,990	1,439,433	783,557	2,222,990
507 Telecommunications Fund	398,444	1,163,133	1,561,577	1,280,554	281,023	1,561,577
508 Health Benefits Reserve	2,458,679	11,408,890	13,867,569	11,925,000	1,942,569	13,867,569
TOTAL INTERNAL SERVICE	12,026,274	28,138,565	40,164,839	29,382,283	10,782,556	40,164,839
637 Police Pension Fund	16,761,873	720,475	17,482,348	2,228,418	15,253,930	17,482,348
638 Fire Pension Fund	31,535,411	2,110,318	33,645,729	3,122,236	30,523,493	33,645,729
TOTAL TRUST FUNDS	48,297,284	2,830,793	51,128,077	5,350,654	45,777,423	51,128,077
TOTAL CITY BUDGET	187,117,921	311,810,554	498,928,475	341,703,917	157,224,558	498,928,475

Note: The 2013 Beginning Fund Balance is an estimate and therefore is unaudited as of the printing of this document.

THREE YEAR BUDGET COMPARISON BY FUNCTION

	Original 2011 Actual	Original 2012 Budget	Original 2013 Budget	2012 - 2013 \$ Change	% Change
Funding Sources					
Beginning Fund Balance	\$174,037,017	\$182,011,287	\$187,117,921	\$5,106,634	2.8%
General Property Taxes	38,373,048	38,938,254	38,370,841	(567,413)	-1.5%
Retail Sales and Use Taxes	38,619,687	40,180,618	40,769,993	589,375	1.5%
Business Taxes	27,197,558	29,846,894	30,665,006	818,112	2.7%
Other Taxes	6,412,091	6,291,196	6,438,277	147,081	2.3%
Licenses & Permits	1,382,923	1,258,193	1,284,743	26,550	2.1%
Intergovernmental Revenue	15,065,075	13,262,952	14,751,393	1,488,441	11.2%
Charges For Services	86,994,964	91,530,771	90,074,554	(1,456,217)	-1.6%
Fines & Forfeits	2,406,812	2,343,397	2,162,450	(180,947)	-7.7%
Miscellaneous Revenue	32,740,257	26,955,366	28,538,858	1,583,492	5.9%
Other Financing Sources	63,572,877	14,059,725	58,754,439	44,694,714	317.9%
Total Available Resources	\$486,802,309	\$446,678,653	\$498,928,475	\$52,249,822	11.7%
Expenditures					
General Government Services	\$ 41,538,359	\$ 44,691,271	\$ 44,889,402	198,131	0.4%
Security of Persons & Property	63,138,335	69,098,263	71,645,969	2,547,706	3.7%
Utilities & Environment	56,004,882	51,444,647	52,121,442	676,795	1.3%
Transportation	34,527,810	34,073,376	33,861,504	(211,872)	-0.6%
Economic Environment	5,886,620	7,779,875	7,551,384	(228,491)	-2.9%
Mental & Physical Health	25,117	31,917	24,000	(7,917)	-24.8%
Culture & Recreation	18,424,690	19,518,793	19,913,771	394,978	2.0%
Debt Service	7,286,780	19,914,993	19,028,739	(886,254)	-4.5%
Capitalized Expenditures	2,653,234	10,795,144	16,775,127	5,979,983	55.4%
Road & Street Construction	2,260,404	6,023,715	4,055,216	(1,968,499)	-32.7%
Other Financing Uses	65,186,790	23,958,212	71,837,363	47,879,151	199.8%
Total Expenditures	\$296,933,021	\$287,330,206	\$341,703,917	\$54,373,711	18.9%
Ending Fund Balance	\$189,869,288	\$159,348,447	\$157,224,558	(\$2,123,889)	-1.3%

THREE YEAR COMPARISON BY FUND

	REVENUES			EXPENDITURES		
	Actual 2011	Original 2012 Budget	Original 2013 Budget	Actual 2011	Original 2012 Budget	Original 2013 Budget
002 General Fund	\$87,916,162	\$89,966,571	\$90,935,454	\$85,991,250	\$89,843,571	\$90,138,844
101 Parks & Recreation	9,194,158	9,129,607	9,452,328	8,657,306	9,129,607	9,452,328
110 Library	4,787,730	4,827,530	4,973,667	4,613,487	4,827,530	4,973,667
112 Municipal Arts	800,596	810,335	832,349	814,589	933,335	956,049
114 Conference Center	960,093	1,131,002	1,367,002	1,013,000	1,131,002	1,367,002
115 Special Projects	120,131	-	-	121,623	-	-
119 Street Improvements	2,022,679	2,316,209	2,023,198	1,864,046	2,316,209	2,396,108
120 Streets	2,129,025	2,253,329	2,415,409	1,964,492	2,253,329	2,415,409
TOTAL GENERAL GOVERNMENT	\$107,930,574	\$110,434,583	\$111,999,407	\$105,039,793	\$110,434,583	\$111,699,407
126 Motor Vehicle/Equip Replacemer	890,112	963,231	725,777	199,305	720,000	3,292,000
138 Hotel Motel Tax Fund	296,034	287,000	306,500	239,041	283,312	437,311
144 Downtown Improvement Fund	455,730	521,248	50,050	1,765,297	706,626	50,376
145 Cumulative Res/Real Prop. Acqu	635,127	87,581	61,200	358,087	1,886,988	2,818,128
146 Property Management	1,649,823	1,309,853	1,276,858	1,662,581	4,255,561	3,681,947
148 Cumulative Reserve /Parks	477,487	360,199	58,683	72,392	1,178,078	660,000
149 Senior Center Reserve	105,461	111,825	104,050	72,201	109,150	97,800
151 Fund for Animals	95,424	57,000	73,500	103,474	110,000	80,000
152 Cumulative Reserve /Library	144,746	35,444	46,010	197,719	44,500	54,750
153 Emergency Medical Services	7,475,593	7,481,025	7,390,161	6,917,173	7,481,025	7,621,782
154 Real Estate Excise Tax Fund	1,200,117	901,000	920,000	1,443,239	2,816,760	1,377,528
156 Criminal Justice Fund	3,345,036	3,011,891	2,744,032	3,203,925	4,213,776	4,773,546
157 Traffic Mitigation	280,573	283,000	238,000	1,265,583	3,000,880	1,959,108
160 Rainy Day Fund	-	-	-	-	-	-
162 Capital Reserve	7,142,879	1,385,250	1,376,119	5,968,181	4,153,400	2,769,050
197 CHIP Loan Program	1,094,993	1,627,000	1,458,600	623,883	1,155,679	1,007,929
198 Comm Develop. Block Grants	529,344	750,000	550,000	528,870	1,337,310	1,206,962
TOTAL SPECIAL REVENUE	\$25,818,479	\$19,172,547	\$17,379,540	\$24,620,951	\$33,453,045	\$31,888,217
210 Bond Redemption Fund	1,042,455	1,939,000	2,175,000	1,047,455	1,939,000	2,175,000
243 LID Guaranty Fund	74,706	10,000	17,000	80,000	60,000	50,000
299 LID Redemption	15,070	10,000	9,500	47,000	30,000	14,000
TOTAL DEBT SERVICE	\$1,132,231	\$1,959,000	\$2,201,500	\$1,174,455	\$2,029,000	\$2,239,000

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

THREE YEAR COMPARISON BY FUND (continued)

	REVENUES			EXPENDITURES		
	Actual 2011	Original 2012 Budget	Original 2013 Budget	Actual 2011	Original 2012 Budget	Original 2013 Budget
401 Water/Sewer Utility	\$118,754,433	\$67,735,240	\$116,263,973	\$108,742,360	\$70,614,478	\$126,531,751
402 Solid Waste Utility	4,389,736	9,539,250	2,434,282	1,547,260	9,540,525	2,432,079
425 Transit	21,194,529	22,319,682	25,872,422	22,976,459	24,497,487	27,497,109
430 Everpark Garage	394,598	360,277	362,000	251,890	326,751	355,345
440 Golf	3,724,739	4,099,087	4,038,072	4,012,377	4,099,087	4,038,072
450 Sno River Reg Wtr Auth	-	90,000	90,000	-	90,000	90,000
451 Everett Tulalip Joint Water Line	464,267	300,000	200,000	464,267	300,000	200,000
TOTAL ENTERPRISE FUNDS	\$148,922,302	\$104,443,536	\$149,260,749	\$137,994,613	\$109,468,328	\$161,144,356
501 Motor Vehicle Division	7,319,564	7,892,511	7,946,925	7,506,778	7,972,227	8,112,296
503 Self-Insurance Fund	7,544,828	6,234,954	6,223,258	5,577,734	6,716,326	6,625,000
505 Computer Reserve Fund	1,259,438	1,381,185	1,396,359	1,127,769	1,671,270	1,439,433
507 Telecommunications Fund	788,983	1,112,445	1,163,133	1,202,254	1,186,534	1,280,554
508 Health Benefits Reserve	8,311,635	9,138,900	11,408,890	8,913,961	9,370,000	11,925,000
TOTAL INTERNAL SERVICE	\$25,224,448	\$25,759,995	\$28,138,565	\$24,328,496	\$26,916,357	\$29,382,283
637 Police Pension Fund	1,165,096	1,036,388	720,475	1,521,375	2,111,263	2,228,418
638 Fire Pension Fund	2,572,160	1,861,318	2,110,318	2,253,337	2,917,631	3,122,236
TOTAL TRUST FUNDS	\$3,737,256	\$2,897,706	\$2,830,793	\$3,774,712	\$5,028,894	\$5,350,654
TOTAL CITY	\$312,765,290	\$264,667,367	\$311,810,554	\$296,933,020	\$287,330,207	\$341,703,917

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

TOTAL CITY BUDGET NET OF INTERFUND TRANSACTIONS

	2013 Original Budget	Interfund Transactions	2013 Budget Net of Interfund Transactions
Funding Sources			
Beginning Fund Balance	\$ 187,117,921	\$ -	\$ 187,117,921
General Property Taxes	\$ 38,370,841	-	\$ 38,370,841
Retail Sales and Use Taxes	40,769,993	-	40,769,993
Business Taxes	30,665,006	-	30,665,006
Other Taxes	6,438,277	(3,885,667)	2,552,610
Licenses & Permits	1,284,743	-	1,284,743
Intergovernmental Service Rev	14,751,393	-	14,751,393
Charges For Services	90,074,554	(16,610,723)	73,463,831
Fines & Forfeits	2,162,450	-	2,162,450
Miscellaneous Revenue	28,538,858	(6,821,215)	21,717,643
Other Financing Sources	58,754,439	(8,526,839)	50,227,600
Total Funding Sources	\$ 498,928,475	\$ (35,844,444)	\$ 463,084,031
Uses of Funding Sources			
General Government Services	\$ 44,889,402	\$ (3,670,973) (A)	\$ 41,218,429
Security of Persons & Property	71,645,969	(6,872,549)	64,773,420
Utilities & Environment	52,121,442	(8,856,320)	43,265,122
Transportation	33,861,504	(8,273,956)	25,587,548
Economic Environment	7,551,384	(515,725)	7,035,659
Mental & Physical Health	24,000	-	24,000
Culture & Recreation	19,913,771	(1,893,334)	18,020,437
Debt Service	19,028,739	-	19,028,739
Capitalized Expenditures	16,775,127	-	16,775,127
Road & Street Construction	4,055,216	-	4,055,216
Other Financing Uses/Transfers	71,837,363	(71,837,363)	-
Total Uses of Funding Sources	\$ 341,703,917	\$ (101,920,220)	\$ 239,783,697
Ending Fund Balance	\$ 157,224,558	\$ 66,075,776	\$ 223,300,334

(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 2013 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** **\$17,490,619** (Examples: Vehicle Maintenance, Insurance, Telecommunications, Data Processing, Vehicle Replacement)

- **Interfund services provided by other funds** **\$6,821,215** (Examples: Criminal Justice, Legal Services, Labor Services, Engineering Services, Purchasing, Accounting)

- **Payment In Lieu of Tax** **\$3,885,667** (Utilities & Transit payment to General Fund)

- **Interfund Transfers** **\$7,646,943 transfers in; \$71,837,363 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	2013 Rate	2013 Budget	Maximum Rate	Remaining Taxing Capacity (Rate)	Remaining Taxing Capacity (in dollars)
Property Tax					
- Regular	\$3.272	\$33,283,893	N/A	N/A	N/A
- Special	\$0.500	\$5,086,948	N/A	N/A	N/A
Sales Tax					
- Regular	0.85%	\$22,593,383	0.85%	0.00%	\$0
- Criminal Justice (A)	0.10%	\$1,325,250	0.10%	0.00%	\$0
- Transit	0.60%	\$15,948,270	0.90%	0.30%	\$7,974,135
Business & Occupation Tax					
- Regular (E)	0.10%	\$19,173,303	0.20%	0.10%	\$19,173,303
Utility Tax					
- Telephone	4.50%	\$2,941,828	6.00%	1.50%	\$980,609
- Natural Gas	4.50%	\$1,319,483	6.00%	1.50%	\$439,828
- Electricity	4.50%	\$5,408,737	6.00%	1.50%	\$1,802,912
- Brokered Natural Gas	4.50%	\$603,090	6.00%	1.50%	\$201,030
- Cable	0.00%	\$0	(D)		
- Solid Waste/Garbage	0.00%	\$0	(D)		
Leasehold Tax	4.00%	\$427,131	4.00%	0.00%	\$0
Gambling Tax					
- Bingo & Raffles	3.50%	\$1,396	5.00%	1.50%	\$598
- Amusement Games	2.00%	\$333	2.00%	0.00%	\$0
- Punch Brds/Pull Tabs	4.00%	\$308,750	5.00%	1.00%	\$77,188
- Card Rooms (C)	10.00%	\$0	20.00%	10.00%	\$0
PILOT					
- Utilities (Water, Sewer, Stormwater)	6.00%	\$3,692,400	(B)	(B)	(B)
- Transit	6.00%	\$193,267	(B)	(B)	(B)
Cable TV Franchise Fee	5.00%	\$1,371,634	5.00%	0.00%	\$0
Admissions Tax					
- Golf	4.00%	\$102,912	5.00%	1.00%	\$25,728
- Other Amusement	5.00%	\$347,109	5.00%	0.00%	\$0
Hotel/Motel Tax	2.00%	\$300,000	2.00%	0.00%	\$0
Real Estate Excise Tax					
- 1st Quarter (CIP 2)	0.25%	\$900,000	0.25%	0.00%	\$0
- 2nd Quarter (CIP 3)	0.25%	\$900,000	0.25%	0.00%	\$0

(A) City levies tax, County distributes

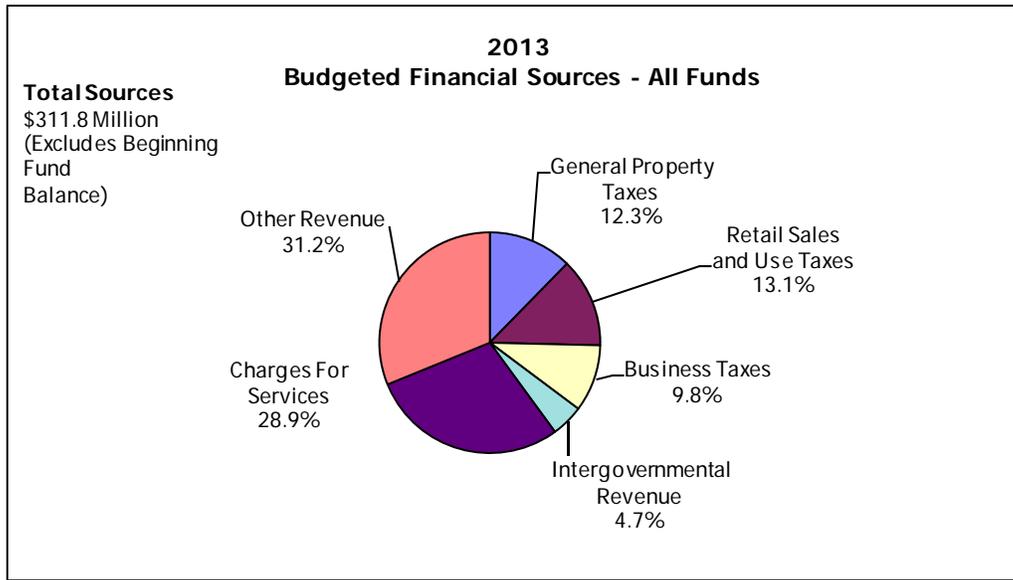
(B) Payment In Lieu of Tax (PILOT) rate determined by City Council

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

(D) Not statutorily limited

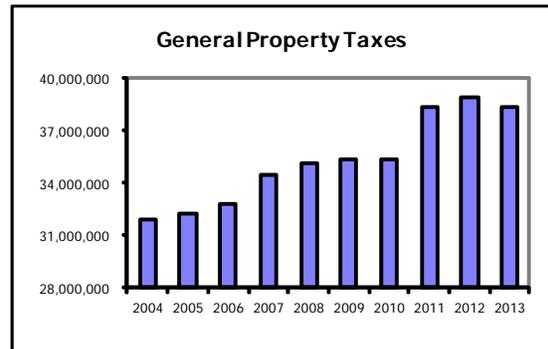
(E) Does not reflect reduction related to Boeing Agreement limiting rate to .10% until 2023

ANALYSIS OF SOURCES



General Property Taxes

		Amount	% Change
Actual	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%
Actual	2011	38,373,048	8.4%
Budget	2012	38,938,254	1.5%
Budget	2013	38,370,841	-1.5%



Property tax receipts represent approximately 12.3% of the City's total income for 2013. 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 \$3.375 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.

2013 Levy

The 2013 budget for regular property tax revenue is \$33,283,893, a 1.6% increase over the 2012 budget. The 1.6% growth includes the 1.0% annual increase allowed by state law and 0.6% derived from new construction. 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 \$5,086,948 for 2013.

Levy rates are calculated as follows:

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

In 2013, the City's aggregate levy rate is forecast to be:

$$\$38,370,841 \div [\$10,173,895,012 \div \$1,000] = \$3.77$$

The aggregate levy rate consists of:

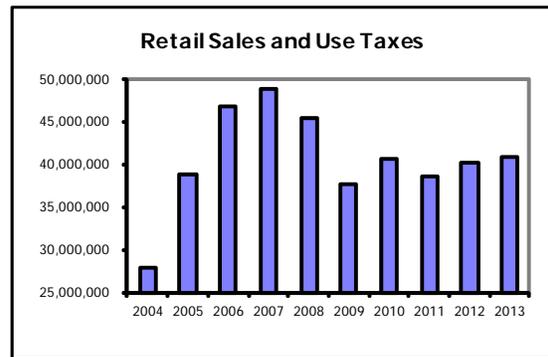
Regular Levy	\$3.2715
EMS Levy	<u>0.5000</u>
TOTAL	\$3.7715

The City's assessed value decreased by almost \$4 billion or 28% from 2009 to 2013. 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, 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.

Sales and Use Taxes

		Amount	% Change
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%
Actual	2011	38,619,687	-4.6%
Budget	2012	40,180,618	4.0%
Budget	2013	40,769,993	1.5%



Sales and use tax receipts represent approximately 13.1% of the City’s total income for 2013. 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%

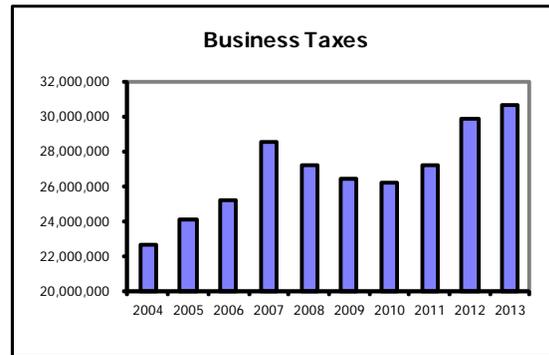
Lodging tax is another part of this revenue category. The City of Everett imposes a 2% state hotel/motel tax on lodging fees.

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 collections in 2005, with revenue growth of 8.1% due to a strong economy and a voted rate increase for Everett Transit from 0.30% to 0.60%. 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 22% 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. After a small downturn in 2011, we began to see activity increase again in 2012. We have budgeted for a modest growth of 1.5% for 2013.

Business and Utility Taxes

		Amount	% Change
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%
Actual	2011	27,197,558	3.9%
Budget	2012	29,846,894	9.7%
Budget	2013	30,665,006	2.7%



Business and utility taxes represent approximately 9.8% of the City's total income for 2013.

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 0.2% (\$2.00 per \$1,000 of gross business receipts). Everett's rate is 0.1% (\$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 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. B & O taxes are budgeted to grow 6% in 2013.

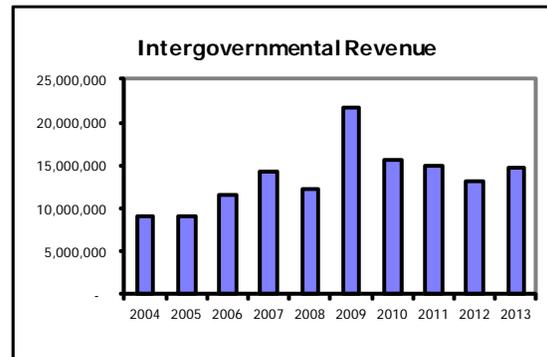
The City imposes utility taxes upon gross revenues of the local natural gas, telephone, and electric companies. These companies do not pay the regular business and occupation tax.

Utility Taxes, as a revenue category, are forecast to decline 2.5% in 2013. Cable is expected to increase 7.3% while natural gas taxes are expected to decrease 5.6% based on a combination of price adjustments and consumption patterns. Telephone taxes are expected to decline 3% as people increasingly move to internet and wireless calling options. Electricity taxes are budgeted to decrease 3.5% as a result of the loss of a major manufacturer.

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 2.3% in 2012.

Intergovernmental Revenue

		Amount	% Change
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%
Actual	2011	15,065,075	-3.8%
Budget	2012	13,262,952	-12.0%
Budget	2013	14,751,393	11.2%



Intergovernmental revenue receipts represent approximately 4.7% of the City's total income for 2013.

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 2013, with FTA grants providing funding for buses, para-transit vehicles and vehicle technology. In addition, 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.

Liquor board profits are derived from fees, penalties, forfeitures, and other income that the State Liquor Control Board receives, and are distributed based on population. In 2012, the citizens of Washington State voted to privatize liquor sales. Part of the initiative provided for an additional \$10 million distribution to local governments to be used to enhance public safety programs. Any growth in liquor board profits thereafter will be permanently diverted to the state. For 2013, these changes increased the City's liquor board profits budget from \$640,000 to \$925,000.

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. This reduced the City's 2013 budget from \$517,000 to \$87,000.

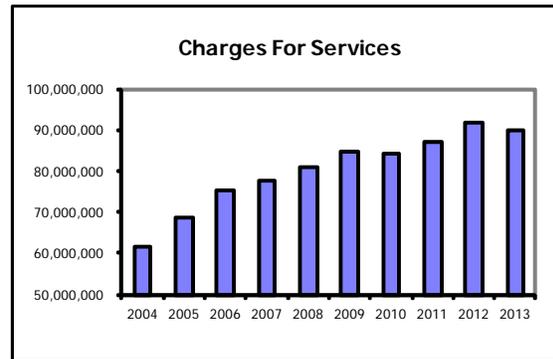
Two percent of the liquor excise tax and liquor board profit distributions must be used on alcoholism programs.

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 2013 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	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%
Actual	2011	86,994,964	3.5%
Budget	2012	91,530,771	5.2%
Budget	2013	90,074,554	-1.6%



Charges for Goods and Services represent approximately 28.9% of the City's total income for 2013. 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 are budgeted to remain flat or show a slight decline for 2013. Fees and charges related to the Animal Shelter are budgeted to decrease by nearly \$100,000 or 13% due to a decrease in activity. Water, sewer, and storm drainage fees are budgeted to decrease \$1.9 million or 2.9%. This reduction is directly related to the loss of a major water customer who closed its doors in early 2012.

Other Revenue

The "Other Revenue" category of the budget comprises \$97.2 million or 31.2% of the budget for 2013.

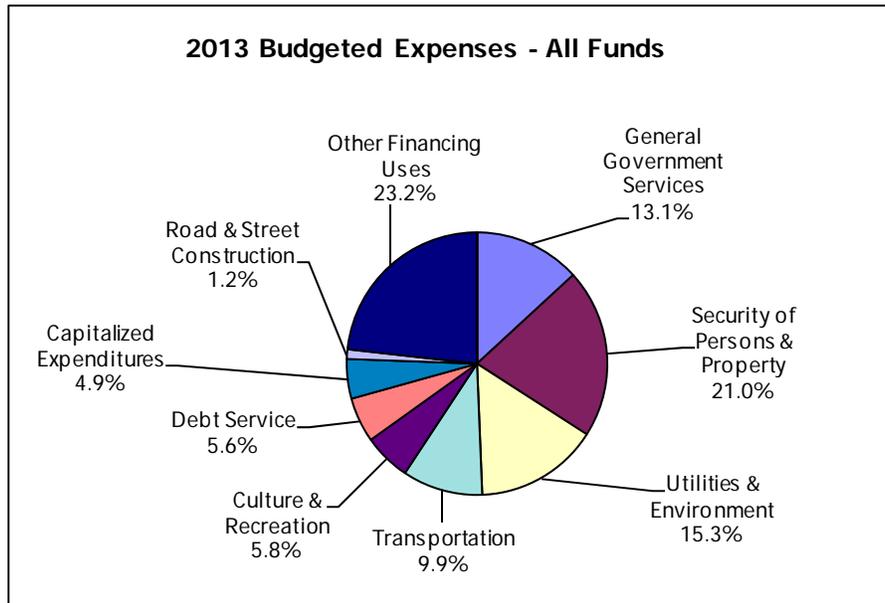
Significant items in "Other Revenue" include:

- Bond proceeds of \$50.0 million
- Interest earnings of \$5.7 million
- Rents and lease income of \$4.1 million
- Internal Service fund revenue of \$14.0 million
- Transfers from other City funds of \$7.6 million
- Fines and forfeits of \$2.2 million.

2013 BUDGET BY EXPENDITURE TYPE

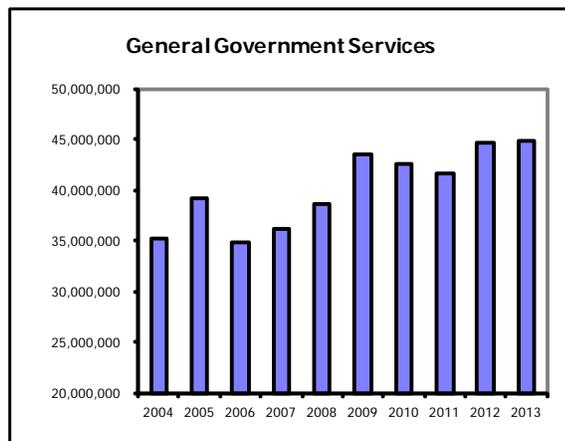
Department	Salaries	Benefits	Supplies	Other Svcs & Charges	Intergov't Services	Capital Outlays	Debt Service	Interfund Svc/Chgs	Ending Fund Balance	TOTAL
001 City Council	265,974	187,311	2,800	154,143						610,228
003 Legal	1,558,118	573,764	16,000	1,629,894						3,777,776
004 Administration	1,046,256	289,220	24,900	470,805				2,850		1,834,031
005 Municipal Court	1,339,368	529,634	21,502	90,800				470		1,981,774
007 Labor Rel/Human Resources	1,110,081	411,834	19,000	73,950				1,000		1,615,865
009 Gen Gov't Non-Dept	(1,588,679)			3,871,593	6,746,009			2,284,017	22,400,000	33,712,940
010 Finance	1,430,696	497,398	30,500	63,050		5,204		6,000		2,032,848
015 Information Technology	1,337,501	504,254	13,851	73,030				3,000		1,931,636
021 Planning/Comm Develop	1,289,427	465,357	28,000	62,704				3,400		1,848,888
022 Neighborhoods/Comm Svcs	222,036	67,878	8,800	75,465						374,179
024 Engineering/Public Svcs	3,801,091	1,381,362	202,408	61,743		17,206		506,254		5,970,064
026 Animal Services	854,037	349,408	90,515	91,100				24,100		1,409,160
027 Senior Center	263,712	98,560	8,000	86,574				5,150		461,996
031 Police	23,224,221	6,508,428	344,197	266,227	40,870			920,700		31,304,643
032 Fire	14,613,395	4,439,074	345,396	399,248		28,291		64,776		19,890,180
038 Facilities/Property Mgmt	2,331,471	963,965	171,425	277,275				38,500		3,782,636
101 Parks & Recreation	5,308,489	1,884,653	488,750	1,025,136	11,500	350,000		383,800		9,452,328
110 Library	2,997,550	1,087,200	77,617	184,900		619,300		7,100		4,973,667
112 Municipal Arts	189,889	49,480	22,000	651,680		2,000		41,000		956,049
114 Conference Center			22,478	44,524	1,300,000					1,367,002
115 Special Projects										0
119 Street Improvements						2,396,108				2,396,108
120 Streets	1,521,353	681,524	23,000					189,532		2,415,409
126 Motor Veh/Equip Repl Res				250,000	150,000	2,892,000			4,133,858	7,425,858
138 Hotel/Motel Tax Fund				285,000	100,000		52,311		221,191	658,502
144 Downtown Improvement					38,876		11,500			50,376
145 Cum Res/Real Prop Acq				13,400		2,804,728				2,818,128
146 Property Management			90,500	368,100		2,899,100		324,247	2,192,105	5,874,052
148 Cum Reserve/Parks				110,000		550,000			2,071,414	2,731,414
149 Senior Center Reserve			28,300	69,500					456,630	554,430
151 Fund for Animals			80,000						360,627	440,627
152 Cum Reserve/Library			9,000	25,750		20,000			484,408	539,158
153 Emergency Medical Svcs	4,732,487	1,459,275	341,586	239,996	334,328	150,000	19,500	344,610		7,621,782
154 Real Estate Excise Tax Fd					1,202,209		175,319		166,563	1,544,091
156 Criminal Justice		2,000	1,985,924	389,604	436,136	90,000		1,869,882	6,269,674	11,043,220
157 Traffic Mitigation					300,000	1,659,108				1,959,108
160 Rainy Day Fund									4,118,945	4,118,945
162 Capital Reserves					2,769,050				14,238,273	17,007,323
197 CHIP Loan Program	256,539	98,309	3,000	606,100	20,000			23,981	16,250,671	17,258,600
198 Comm Dev Block Grants	116,714	42,684	1,000	1,036,796				9,768		1,206,962
210 Bond Redemption Fund							2,175,000		1,000	2,176,000
243 LID Guaranty Fund					50,000					50,000
299 L.I.D. Redemption Fund					14,000					14,000
401 Water/Sewer Utility	16,269,347	6,219,998	4,570,000	9,736,600	68,956,460	143,100	15,047,095	5,589,151	17,384,139	143,915,890
402 Solid Waste Utility	73,687	20,962	300	223,631	865,000	10,000	1,228,231	10,268	3,205	2,435,284
425 Public Works - Transit	8,617,618	3,491,608	96,672	1,509,357	2,050,331	5,950,288		5,781,235	7,421,823	34,918,932
430 Everpark Garage			1,500	334,420				19,425	2,490,053	2,845,398
440 Golf	815,236	261,686	764,843	1,711,386		18,000	319,783	147,138		4,038,072
450 Sno. Rvr Reg. Water Auth.						90,000				90,000
451 Everett-Tulalip Joint Wtrline				200,000						200,000
501 Motor Vehicle Division	1,715,809	680,549	4,977,341	421,280				317,317	234,629	8,346,925
503 Self-Insurance Fund		1,445,417		5,179,583					7,540,778	14,165,778
505 Computer Reserve Fund			448,101	915,722		75,610			783,557	2,222,990
507 Telecommunication	231,752	86,178	65,148	798,290		60,000		39,186	281,023	1,561,577
508 Health Benefits Reserve		10,930,000	1,000	994,000					1,942,569	13,867,569
637 Police Pension		2,206,418	2,000	20,000					15,253,930	17,482,348
638 Fire Pension		3,102,236	2,000	18,000					30,523,493	33,645,729
TOTAL	95,945,175	51,017,624	15,429,354	35,110,356	85,384,769	20,830,043	19,028,739	18,957,857	157,224,558	498,928,475

ANALYSIS OF USES



General Government Services

		Amount	% Change
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%
Actual	2011	41,538,359	-2.6%
Budget	2012	44,691,271	7.6%
Budget	2013	44,889,402	0.4%

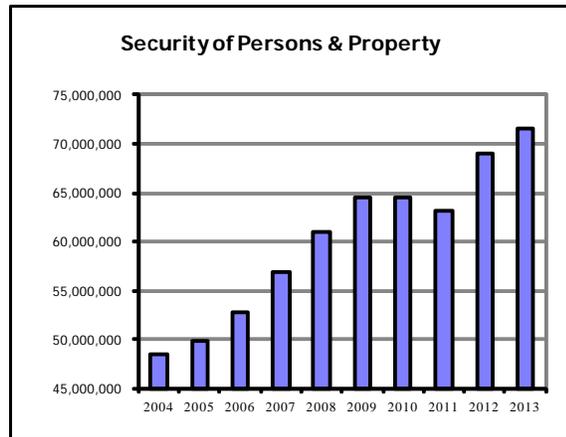


General Government Services include Legislative, Judicial, Executive, Financial and Records Services, Legal, Personnel, Employee Benefit Programs and Central Services. Employee Benefit Programs comprise 45% of this category. The 0.4% increase from 2012 to 2013 includes:

- A \$2.3 million decrease in insurance and tort premiums due to the prepayment of 2013 premiums in 2012
- An average medical benefit increase of 16.1%
- An increase of 0.125 FTE in the Labor Relations/Human Resources Department.

Security of Persons and Property

		Amount	% Change
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%
Actual	2011	63,138,335	-2.1%
Budget	2012	69,098,263	9.4%
Budget	2013	71,645,969	3.7%



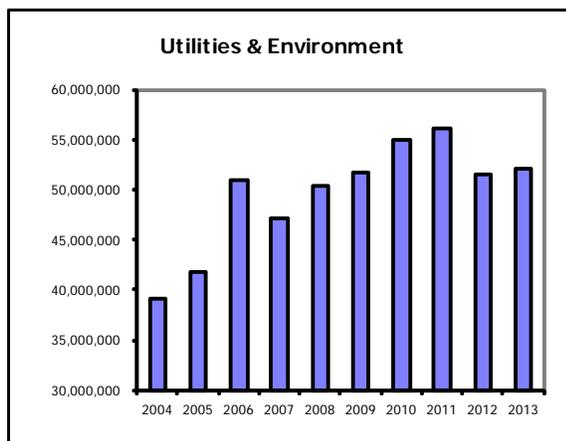
Security of Persons and Property includes Law Enforcement (48%); Fire Control (28%), Communications (7%), Emergency Medical Services (10%), Detention & Corrections (4%), and Protective Inspections (3%). With the exception of Communications, labor makes up the majority of costs in this category. Between 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 reduced the Emergency Medical Services department by five paramedics. The reduction of five paramedics was due to the end of a contract with another city.

The 3.7% increase from 2012 to 2013 includes:

- A \$700,000 increase in the criminal justice equipment budget for the purchase of a new regional public safety computer aided dispatch system and facility data wiring improvements.
- A \$300,000 reduction in jail fees due to changes in sentencing and an increase in the use of the home detention program
- \$1.7 million increase in salary and health benefits.

Utilities and Environment

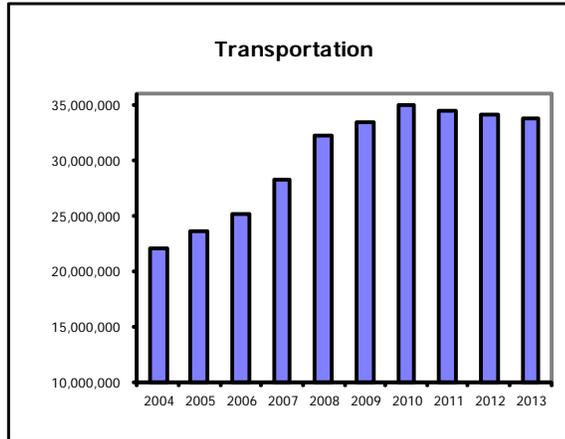
		Amount	% Change
Actual	2004	39,078,688	6.8%
Actual	2005	41,759,179	6.9%
Actual	2006	50,883,672	21.9%
Actual	2007	47,139,549	-7.4%
Actual	2008	50,419,894	7.0%
Actual	2009	51,683,124	2.5%
Actual	2010	55,012,035	6.4%
Actual	2011	56,004,882	1.8%
Budget	2012	51,444,647	-8.1%
Budget	2013	52,121,442	1.3%



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 1.3% increase from 2012 to 2013 is due primarily to rising labor costs.

Transportation

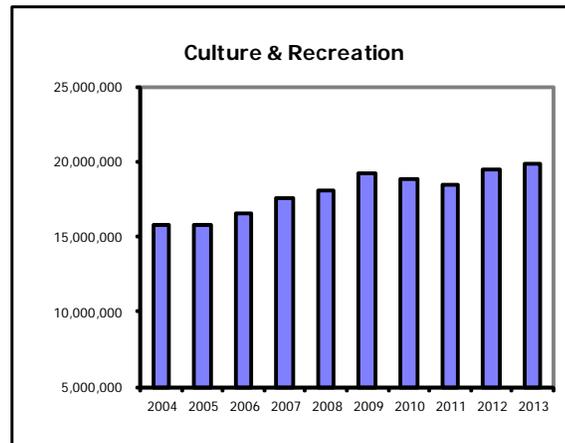
		Amount	% Change
Actual	2004	21,986,593	-13.8%
Actual	2005	23,617,192	7.4%
Actual	2006	25,136,919	6.4%
Actual	2007	28,322,211	12.7%
Actual	2008	32,260,383	13.9%
Actual	2009	33,434,945	3.6%
Actual	2010	35,008,421	4.7%
Actual	2011	34,527,810	-1.4%
Budget	2012	34,073,376	-1.3%
Budget	2013	33,861,504	-0.6%



Everett Transit comprises about 62% 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 Motor Vehicle Division reduced its FTE count by 2.0 FTEs in 2012. The decrease from 2012 to 2013 is due primarily to reductions in grant related expenditures.

Culture and Recreation

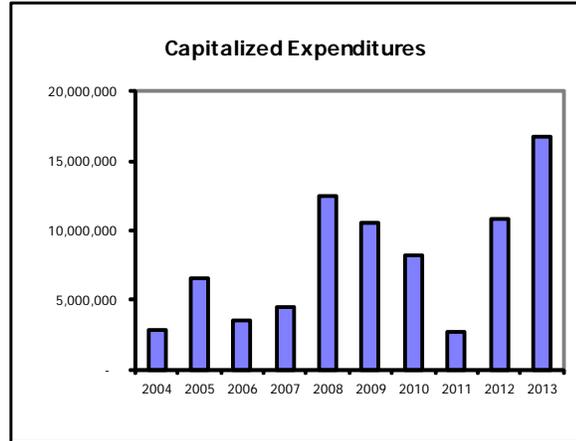
		Amount	% Change
Actual	2004	15,771,013	-1.6%
Actual	2005	15,771,388	0.0%
Actual	2006	16,540,645	4.9%
Actual	2007	17,591,772	6.4%
Actual	2008	18,098,768	2.9%
Actual	2009	19,261,365	6.4%
Actual	2010	18,879,108	-2.0%
Budget	2011	18,424,690	-2.4%
Budget	2012	19,518,793	5.9%
Budget	2013	19,913,771	2.0%



Culture and Recreation includes Parks and Recreation (39%), Library services (23%), Golf (18%), the Municipal Arts, the Conference Center, and Hotel Motel tax-funded expenditures.

Capitalized Expenditures

		Amount	% Change
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%
Actual	2011	2,653,234	-67.7%
Budget	2012	10,795,144	306.9%
Budget	2013	16,775,127	55.4%

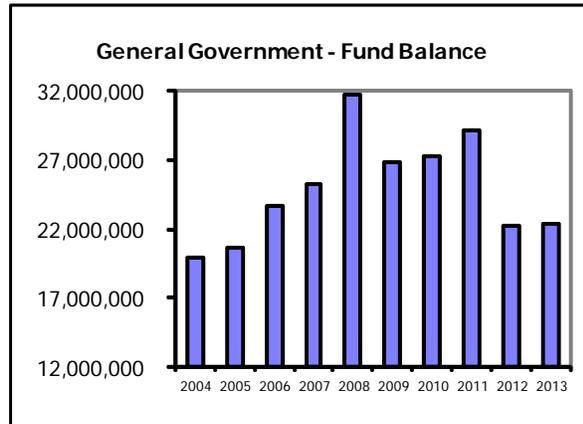


The 2013 Capital Expenditure budget is comprised of real estate acquisition (17%), Transit (35%), General Fund facilities (17%), and all other (31%) – including library books, the PEG fee projects, computer hardware and software and motor vehicle replacements.

ANALYSIS OF FUND BALANCE

General Government – Fund Balance

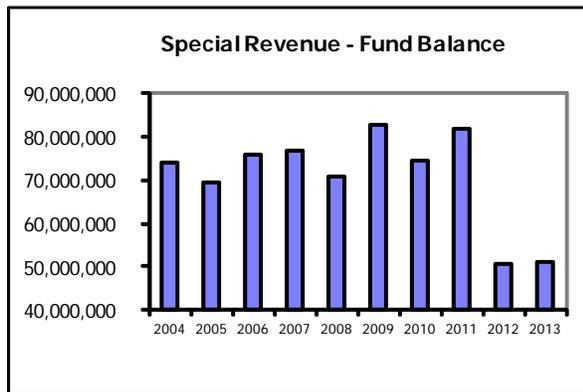
		Amount	% Change
Actual	2004	19,991,804	-20.1%
Actual	2005	20,662,810	3.4%
Actual	2006	23,701,463	14.7%
Actual	2007	25,317,216	6.8%
Actual	2008	31,674,468	25.1%
Actual	2009	26,885,848	-15.1%
Actual	2010	27,264,821	1.4%
Actual	2011	29,201,798	7.1%
Budget	2012	22,291,358	-23.7%
Budget	2013	22,400,000	0.5%



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. For years ending 2005 through 2007, the City continued to target the 20% reserve and transferred excess funds to pension and CIP reserve accounts. For years ending 2008 through 2011, the City chose to retain the majority of surplus in the general fund as a contingency against potential revenue shortfalls. 2012 and 2013 were budgeted to end the year at the 20% target.

Special Revenues – Fund Balance

		Amount	% Change
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%
Actual	2011	81,758,656	10.1%
Budget	2012	50,837,660	-37.8%
Budget	2013	50,964,359	0.2%



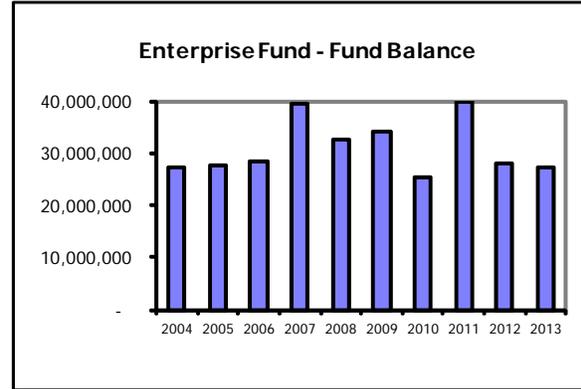
Special Revenues Funds are generally used to account for revenues that are to be spent for special purposes or projects, such as real property acquisition, traffic mitigation, EMS operations and capital projects. Frequently, a project is budgeted, but then deferred, which creates dramatic changes in fund balance from one year to the next.

Major projects for 2013 include the completion of 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

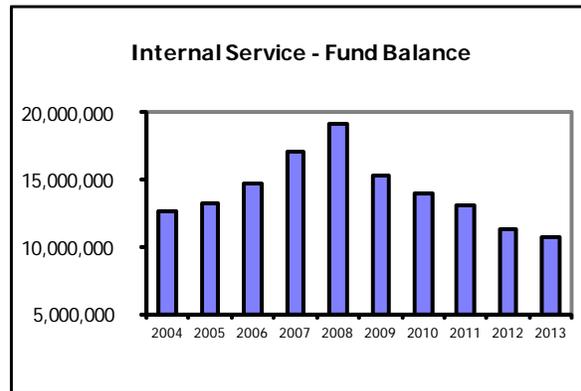
		Amount	% Change
Actual	2004	27,225,912	52.0%
Actual	2005	27,599,240	1.4%
Actual	2006	28,452,350	3.1%
Actual	2007	39,270,351	38.0%
Actual	2008	32,543,021	-17.1%
Actual	2009	34,128,646	4.9%
Actual	2010	25,454,746	-25.4%
Actual	2011	39,653,755	55.8%
Budget	2012	27,989,028	-29.4%
Budget	2013	27,299,220	-2.5%



The two largest enterprise funds are the Utilities and Transit funds. Changes in Fund Balance between 2006 and 2012 are due primarily to the collection and use of Utility department bond proceeds and revenues. The Transit Department fund balance is budgeted to decrease by roughly \$1.8 million in 2013 due to planned capital outlay.

Internal Service – Fund Balance

		Amount	% Change
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%
Actual	2011	13,106,914	-6.4%
Budget	2012	11,325,024	-13.6%
Budget	2013	10,782,556	-4.8%



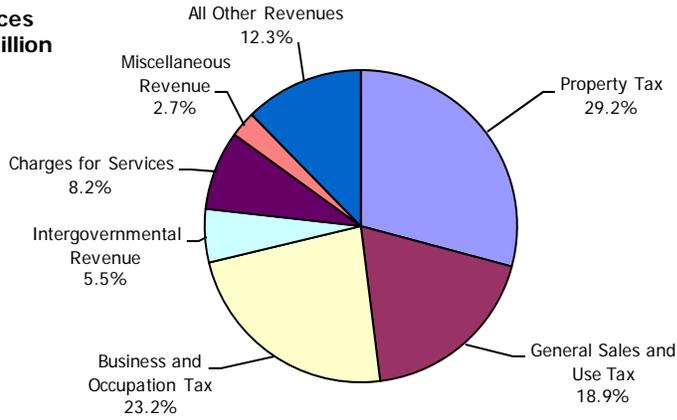
The Internal Service Funds combined fund balance has decreased over \$8.0 million from its high in 2008 to the 2013 budget amount. The majority of the decrease has been in the Self Insurance Fund and the Employee Health Benefit Reserve Fund. Both funds experienced abnormally high claims in 2009 which brought the fund balances down \$2.8 million and \$1.4 million, respectively. Increased contributions to the Self Insurance Fund in 2010 increased that fund's balance by \$1.8 million. However, 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.

Funding rates for the Employee Benefits Reserve fund were increased by 25% for 2013 to accommodate high expected claims and rebuild the fund balance to the recommended level. However, the Internal Service fund balance overall is still budgeted to decrease \$540,000 in 2013 due to anticipated capital purchases by the Motor Vehicle Department and insurance premium increases in the Employee Health Benefit fund.

GOVERNMENTAL FUNDS FINANCIAL SOURCES & USES

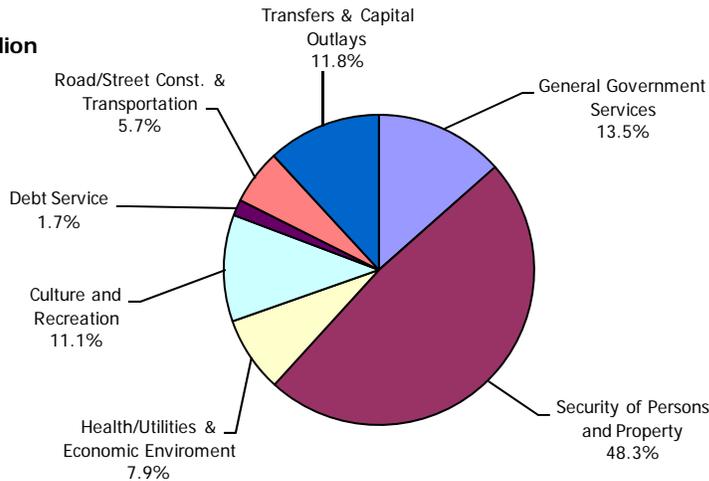
2013 Budgeted Financial Sources - Governmental Funds

Total Sources
\$131.6 Million



2013 Budgeted Uses - Governmental Funds

Total Uses
\$145.8 Million



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

	GENERAL GOVERNMENT OPERATIONS			SPECIAL REVENUE FUNDS		
	2011 Actuals	2012 Amended Budget	2013 Adopted Budget	2011 Actuals	2012 Amended Budget	2013 Adopted Budget
Financial Sources						
Property Tax	\$ 31,649,652	\$ 32,756,532	\$ 33,283,893	\$ 6,133,123	\$ 6,181,722	\$ 5,086,948
General Sales and Use Tax	22,835,291	22,921,000	23,196,473	1,612,809	1,645,500	1,625,250
Business and Occupation Tax	26,634,109	29,627,165	30,562,094	-	-	-
Other Taxes	4,664,853	4,691,196	4,638,277	1,751,673	1,600,000	1,800,000
Licenses and Permits	1,163,279	956,393	1,283,443	209,623	300,000	-
Intergovernmental Revenue	5,930,615	7,098,334	4,704,020	2,952,257	3,244,609	2,556,402
Charges for Goods and Services	8,308,109	8,907,517	8,662,036	1,989,782	2,082,838	2,145,327
Fines and Forfeits	1,947,298	1,824,950	2,103,450	459,514	518,447	59,000
Miscellaneous Revenue	1,900,855	1,690,560	1,426,206	3,664,567	2,337,852	2,053,889
Other Financing Sources	1,942,709	2,137,298	2,139,515	6,883,410	1,372,996	2,052,724
Total Financial Sources	\$ 106,976,770	\$ 112,610,945	\$ 111,999,407	\$ 25,656,758	\$ 19,283,964	\$ 17,379,540
Uses of Financial Sources						
General Government Services	\$ 20,322,503	\$ 27,854,537	\$ 18,049,769	\$ 1,901,592	\$ 1,803,295	\$ 1,575,156
Security of Persons & Property	52,898,397	56,490,858	59,254,632	9,030,272	11,043,380	11,170,783
Utilities & Environment	3,244,046	3,716,960	3,830,169	103,474	110,000	80,000
Transportation	3,855,359	4,027,443	4,309,711	-	20,000	-
Economic Environment	4,745,346	5,107,238	5,238,693	1,141,273	2,602,139	2,312,691
Mental & Physical Health	25,117	31,917	24,000	-	-	-
Culture & Recreation	13,814,519	14,585,206	15,183,732	780,600	1,158,578	1,029,750
Debt Service	-	-	-	264,935	264,353	258,630
Capitalized Expenditures	981,402	2,526,820	1,020,501	958,379	6,490,251	9,405,828
Road & Street Construction	1,393,634	3,428,423	2,396,108	866,770	3,707,506	1,659,108
Other Financing Uses	3,759,470	1,575,636	2,392,092	9,566,243	18,946,435	4,396,271
Total Uses of Financial Sources	\$ 105,039,793	\$ 119,345,038	\$ 111,699,407	\$ 24,613,538	\$ 46,145,937	\$ 31,888,217
Net Increase (Decrease) in Fund Balance	\$ 1,936,977	\$ (6,734,093)	\$ 300,000	\$ 1,043,220	\$ (26,861,973)	\$ (14,508,677)
Fund Balance January 1	27,264,821	29,025,451	22,100,000	80,553,718	77,679,633	65,473,036
Fund Balance December 31	\$ 29,201,798	\$ 22,291,358	\$ 22,400,000	\$ 81,596,938	\$ 50,817,660	\$ 50,964,359

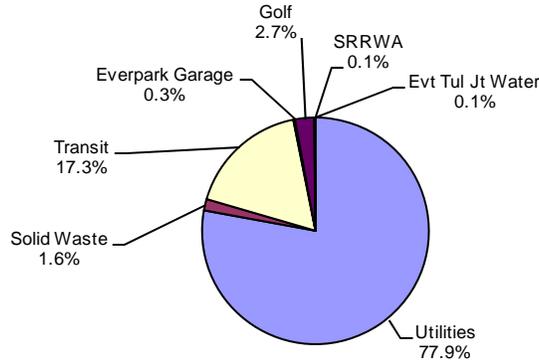
Summary of Financial Sources and Uses Governmental Funds Page 2 of 2

	DEBT SERVICE FUNDS			TOTAL GOVERNMENTAL FUNDS		
	2011 Actuals	2012 Amended Budget	2013 Adopted Budget	2011 Actuals	2012 Amended Budget	2013 Adopted Budget
Financial Sources						
Property Tax	\$ -	\$ -	\$ -	\$ 37,782,775	\$ 38,938,254	\$ 38,370,841
General Sales and Use Tax	-	-	-	24,448,100	24,566,500	24,821,723
Business and Occupation Tax	-	-	-	26,634,109	29,627,165	30,562,094
Other Taxes	-	-	-	6,416,526	6,291,196	6,438,277
Licenses and Permits	-	-	-	1,372,902	1,256,393	1,283,443
Intergovernmental Revenue	-	-	-	8,882,872	10,342,943	7,260,422
Charges for Goods and Services	-	-	-	10,297,891	10,990,355	10,807,363
Fines and Forfeits	-	-	-	2,406,812	2,343,397	2,162,450
Miscellaneous Revenue	42,780	6,000	8,500	5,608,202	4,034,412	3,488,595
Other Financing Sources	1,089,368	2,753,000	2,193,000	9,915,487	6,263,294	6,385,239
Total Financial Sources	\$ 1,132,148	\$ 2,759,000	\$ 2,201,500	\$133,765,676	\$ 134,653,909	\$ 131,580,447
Uses of Financial Sources						
General Government Services	\$ -	\$ -	\$ -	\$ 22,224,095	\$ 29,657,832	\$ 19,624,925
Security of Persons & Property	-	-	-	61,928,669	67,534,238	70,425,415
Utilities & Environment	-	-	-	3,347,520	3,826,960	3,910,169
Transportation	-	-	-	3,855,359	4,047,443	4,309,711
Economic Environment	-	-	-	5,886,619	7,709,377	7,551,384
Mental & Physical Health	-	-	-	25,117	31,917	24,000
Culture & Recreation	-	-	-	14,595,119	15,743,784	16,213,482
Debt Service	1,047,455	2,739,000	2,175,000	1,312,390	3,003,353	2,433,630
Capitalized Expenditures	-	-	-	1,939,781	9,017,071	10,426,329
Road & Street Construction	-	-	-	2,260,404	7,135,929	4,055,216
Other Financing Uses	126,912	90,000	64,000	13,452,625	20,612,071	6,852,363
Total Uses of Financial Sources	\$ 1,174,367	\$ 2,829,000	\$ 2,239,000	\$130,827,698	\$ 168,319,975	\$ 145,826,624
Net Increase (Decrease) in Fund Balance	\$ (42,219)	\$ (70,000)	\$ (37,500)	2,937,978	(33,666,066)	(14,246,177)
Fund Balance January 1	141,439	70,000	38,500	107,959,978	106,775,084	87,611,536
Fund Balance December 31	\$ 99,220	\$ -	\$ 1,000	\$110,897,956	\$ 73,109,018	\$ 73,365,359

ENTERPRISE FUNDS FINANCIAL SOURCES AND USES

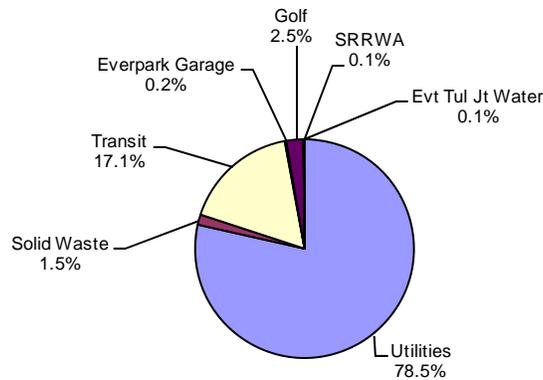
2013 Budgeted Financial Sources - Enterprise Funds

Total Sources
\$149.3 Million



2013 Budgeted Uses - Enterprise Funds

Total Uses
\$161.1 Million



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

	UTILITIES			SOLID WASTE FUND		
	2011 Actuals	2012 Amended Budget	2013 Adopted Budget	2011 Actuals	2012 Amended Budget	2013 Adopted Budget
Financial Sources						
Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Taxes	-	-	-	-	-	-
Licenses and Permits	10,020	1,800	1,300	-	-	-
Intergovernmental Revenues	29,395	560,100	-	44,258	57,750	55,000
Charges for Services	61,237,406	63,965,440	62,195,429	2,301,905	2,260,000	2,371,782
Miscellaneous Revenue	3,196,210	3,207,900	2,067,244	25,144	21,500	7,500
Interfund Loan Proceeds	-	-	-	-	7,200,000	-
Other Financing Sources	50,258,763	-	52,000,000	-	-	-
Total Financial Sources	\$ 114,731,794	\$ 67,735,240	\$ 116,263,973	\$ 2,371,307	\$ 9,539,250	\$ 2,434,282
Uses of Financial Sources						
Personnel Services	\$ 18,551,314	\$ 21,316,070	\$ 22,489,346	\$ 57,894	\$ 90,842	\$ 94,649
Supplies	3,678,857	4,855,000	4,570,000	2,505	1,450	300
Professional Services	7,833,677	9,131,423	9,736,600	205,033	326,600	223,631
Intergovernmental Charges	63,677,182	12,685,000	68,956,460	-	-	-
Interfund Service Charges	5,821,695	6,354,926	5,589,150	490,200	7,380,267	875,268
Capital Outlays	494,792	657,000	143,100	-	10,000	10,000
Debt Service Principal	7,483,902	7,515,144	7,080,445	1,200,000	1,292,206	1,000,000
Debt Service Interest	5,522,088	8,099,915	7,966,650	273,244	439,160	228,231
Total Uses of Financial Sources	\$ 113,063,507	\$ 70,614,478	\$ 126,531,751	\$ 2,228,876	\$ 9,540,525	\$ 2,432,079
Net Increase (Decrease) in Fund Balance	\$ 1,668,287	\$ (2,879,238)	\$ (10,267,778)	\$ 142,431	\$ (1,275)	\$ 2,203
Fund Balance January 1	24,726,528	19,127,757	27,651,917	279	1,851	1,002
Fund Balance December 31	\$ 26,394,815	\$ 16,248,519	\$ 17,384,139	\$ 142,710	\$ 576	\$ 3,205

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

	TRANSIT FUND			EVERPARK GARAGE		
	2011 Actuals	2012 Amended Budget	2013 Adopted Budget	2011 Actuals	2012 Amended Budget	2013 Adopted Budget
Financial Sources						
Sales Tax	\$14,923,050	\$ 15,614,118	\$ 15,948,270	\$ -	\$ -	\$ -
Other Taxes	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-
Intergovernmental Revenues	3,503,495	4,183,480	7,083,653	-	-	-
Charges for Services	1,373,773	1,412,618	1,666,687	-	-	-
Miscellaneous Revenue	1,394,211	1,109,466	1,173,812	394,597	360,277	362,000
Interfund Loan Proceeds	-	-	-	-	-	-
Other Financing Sources	-	-	-	-	-	-
Total Financial Sources	\$21,194,529	\$ 22,319,682	\$ 25,872,422	\$ 394,597	\$ 360,277	\$ 362,000
Uses of Financial Sources						
Personnel Services	\$11,408,040	\$ 12,599,544	\$ 12,109,226	\$ -	\$ -	\$ -
Supplies	131,618	127,526	96,672	1,369	1,000	1,500
Professional Services	1,903,101	1,571,374	1,509,357	196,735	306,000	334,420
Intergovernmental Charges	1,549,594	1,998,984	2,050,331	-	-	-
Interfund Service Charges	5,886,167	5,817,527	5,781,235	10,860	19,751	19,425
Capital Outlays	2,762,644	2,382,532	5,950,288	-	-	-
Debt Service Principal	-	-	-	-	-	-
Debt Service Interest	-	-	-	-	-	-
Total Uses of Financial Sources	\$23,641,164	\$ 24,497,487	\$ 27,497,109	\$ 208,964	\$ 326,751	\$ 355,345
Net Increase (Decrease) in Fund Balance	\$ (2,446,635)	\$ (2,177,805)	\$ (1,624,687)	\$ 185,633	\$ 33,526	\$ 6,655
Fund Balance January 1	13,041,148	11,478,129	9,046,510	2,220,736	2,406,083	2,483,398
Fund Balance December 31	\$10,594,513	\$ 9,300,324	\$ 7,421,823	\$ 2,406,369	\$ 2,439,609	\$ 2,490,053

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

GOLF			SRRWA		
2011	2012	2013	2011	2012	2013
Actuals	Amended Budget	Adopted Budget	Actuals	Amended Budget	Adopted Budget

Financial Sources

Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Taxes	92,087	104,729	102,912	-	-	-
Licenses and Permits	-	-	-	-	-	-
Intergovernmental Revenues	-	127,764	-	74,413	90,000	90,000
Charges for Services	2,402,900	2,692,228	2,653,051	-	-	-
Miscellaneous Revenue	1,203,647	1,302,130	1,282,109	-	-	-
Interfund Loan Proceeds	-	-	-	-	-	-
Other Financing Sources	-	-	-	-	-	-

Total Financial Sources	\$ 3,698,634	\$ 4,226,851	\$ 4,038,072	\$ 74,413	\$ 90,000	\$ 90,000
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Uses of Financial Sources

Personnel Services	\$ 989,296	\$ 1,044,347	\$ 1,076,922	\$ -	\$ -	\$ -
Supplies	679,672	770,647	764,843	-	-	-
Professional Services	1,442,599	1,775,730	1,711,386	-	-	-
Intergovernmental Charges	381	-	-	-	-	-
Interfund Service Charges	172,601	143,148	147,138	-	-	-
Capital Outlays	24,252	127,764	18,000	74,413	90,000	90,000
Debt Service Principal	140,000	155,000	170,000	-	-	-
Debt Service Interest	182,804	210,215	149,783	-	-	-

Total Uses of Financial Sources	\$ 3,631,605	\$ 4,226,851	\$ 4,038,072	\$ 74,413	\$ 90,000	\$ 90,000
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Net Increase (Decrease) in Fund Balance	\$ 67,029	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance January 1	48,319	-	-	-	-	-
Fund Balance December 31	\$ 115,348	\$ -				

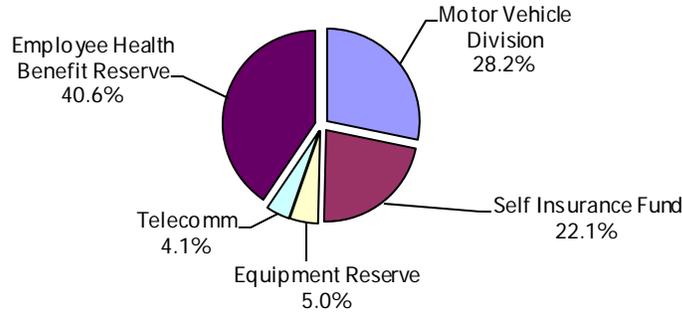
Summary of Financial Sources and Uses Enterprise Funds Page 4 of 4

	EVERETT TULALIP JOINT WATERLINE			TOTAL ENTERPRISE FUNDS		
	2011 Actuals	2012 Amended Budget	2013 Adopted Budget	2011 Actuals	2012 Amended Budget	2013 Adopted Budget
Financial Sources						
Sales Tax	\$ -	\$ -	\$ -	\$ 14,923,050	\$ 15,614,118	\$ 15,948,270
Other Taxes	-	-	-	92,087	104,729	102,912
Licenses and Permits	-	-	-	10,020	1,800	1,300
Intergovernmental Revenues	-	-	-	3,651,561	5,019,094	7,228,653
Charges for Services	-	-	-	67,315,984	70,330,286	68,886,949
Miscellaneous Revenue	-	-	-	6,213,809	6,001,273	4,892,665
Interfund Loan Proceeds	-	-	-	-	7,200,000	-
Other Financing Sources	-	300,000	200,000	50,258,763	300,000	52,200,000
Total Financial Sources	\$ -	\$ 300,000	\$ 200,000	\$ 142,465,274	\$ 104,571,300	\$ 149,260,749
Uses of Financial Sources						
Personnel Services	\$ -	\$ -	\$ -	\$ 31,006,544	\$ 35,050,803	\$ 35,770,143
Supplies	-	-	-	4,494,021	5,755,623	5,433,315
Professional Services	-	-	-	11,581,145	13,111,127	13,515,394
Intergovernmental Charges	-	-	-	65,227,157	14,683,984	71,006,791
Interfund Service Charges	-	-	-	12,381,523	19,715,619	12,412,216
Capital Outlays	464,267	300,000	200,000	3,820,368	3,567,296	6,411,388
Debt Service Principal	-	-	-	8,823,902	8,962,350	8,250,445
Debt Service Interest	-	-	-	5,978,136	8,749,290	8,344,664
Total Uses of Financial Sources	\$ 464,267	\$ 300,000	\$ 200,000	\$ 143,312,796	\$ 109,596,092	\$ 161,144,356
Net Increase (Decrease) in Fund Balance	\$ (464,267)	\$ -	\$ -	\$ (847,522)	\$ (5,024,792)	\$ (11,883,607)
Fund Balance January 1	-	-	-	40,037,010	33,013,820	39,182,827
Fund Balance December 31	\$ (464,267)	\$ -	\$ -	\$ 39,653,755	\$ 27,989,028	\$ 27,299,220

INTERNAL SERVICE FUNDS FINANCIAL SOURCES AND USES

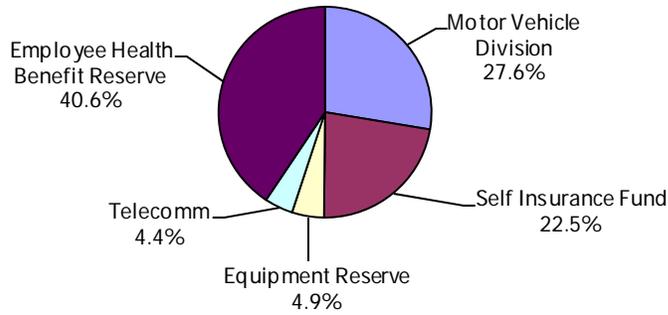
2013 Budgeted Sources - Internal Service Funds

Total Sources
\$28.1 Million



2013 Budgeted Uses - Internal Service Funds

Total Uses
\$29.4 Million



Financial Sources and Uses
Internal Service Funds
Page 1 of 3

	MOTOR VEHICLE DIVISION			SELF INSURANCE FUND		
	2011 Actuals	2012 Amended Budget	2013 Adopted Budget	2011 Actuals	2012 Amended Budget	2013 Adopted Budget
Financial Sources						
Interfund Charges for Services	\$ 7,162,175	\$ 7,746,800	\$ 7,934,675	\$ 7,050,755	\$ 6,001,129	\$ 6,039,203
Miscellaneous Revenue	154,912	143,511	7,750	494,073	233,825	184,055
Disposition of Fixed Assets	5,113	2,200	4,500	-	-	-
Total Financial Sources	\$ 7,322,200	\$ 7,892,511	\$ 7,946,925	\$ 7,544,828	\$ 6,234,954	\$ 6,223,258
Uses of Financial Sources						
Personnel Services	\$ 2,186,008	\$ 2,234,927	\$ 2,396,358	\$ 1,696,289	\$ 1,553,248	\$ 1,445,417
Supplies	4,482,718	4,883,000	4,977,341	-	-	-
Professional Services	570,532	571,300	421,280	5,716,951	5,163,078	5,179,583
Interfund Service Charges	270,657	273,000	317,317	-	-	-
Capital Outlays	6,852	10,000	-	-	-	-
Total Uses of Financial Sources	\$ 7,516,767	\$ 7,972,227	\$ 8,112,296	\$ 7,413,240	\$ 6,716,326	\$ 6,625,000
Net Increase (Decrease) in Fund Balance	\$ (194,567)	\$ (79,716)	\$ (165,371)	\$ 131,588	\$ (481,372)	\$ (401,742)
Fund Balance January 1	533,039	533,039	400,000	9,028,145	7,754,096	7,942,520
Fund Balance December 31	\$ 338,472	\$ 453,323	\$ 234,629	\$ 9,159,733	\$ 7,272,724	\$ 7,540,778

Financial Sources and Uses Internal Service Funds Page 2 of 3

	COMPUTER RESERVE			TELECOMMUNICATIONS		
	2011 Actuals	2012 Amended Budget	2013 Adopted Budget	2011 Actuals	2012 Amended Budget	2013 Adopted Budget
Financial Sources						
Interfund Charges for Services	\$ 1,216,505	\$ 1,364,385	\$ 1,381,859	\$ 980,184	\$ 1,096,445	\$ 1,147,133
Miscellaneous Revenue	49,939	16,800	14,500	33,474	16,000	16,000
Disposition of Fixed Assets	(1,731)	-	-	-	-	-
Total Financial Sources	\$ 1,264,713	\$ 1,381,185	\$ 1,396,359	\$ 1,013,658	\$ 1,112,445	\$ 1,163,133
Uses of Financial Sources						
Personnel Services	\$ -	\$ -	\$ -	\$ 260,218	\$ 294,360	\$ 317,930
Supplies	431,120	554,000	448,101	96,772	77,904	65,148
Professional Services	616,648	889,270	915,722	685,182	851,349	798,290
Interfund Service Charges	-	-	-	53,146	38,586	39,186
Capital Outlays	57,126	228,000	75,610	77,450	152,312	60,000
Total Uses of Financial Sources	\$ 1,104,894	\$ 1,671,270	\$ 1,439,433	\$ 1,172,768	\$ 1,414,511	\$ 1,280,554
Net Increase (Decrease) in Fund Balance	\$ 159,819	\$ (290,085)	\$ (43,074)	\$ (159,110)	\$ (302,066)	\$ (117,421)
Fund Balance January 1	896,026	815,560	826,631	859,796	653,191	398,444
Fund Balance December 31	\$ 975,845	\$ 525,475	\$ 783,557	\$ 700,686	\$ 351,125	\$ 281,023

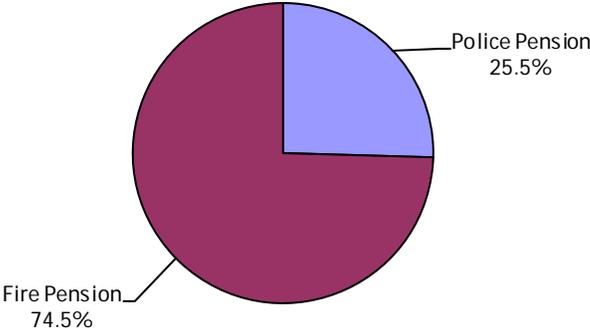
Financial Sources and Uses
Internal Service Funds
Page 3 of 3

	EMPLOYEE HEALTH BENEFITS RES			TOTAL INTERNAL SERVICE FUNDS		
	2011 Actuals	2012 Amended Budget	2013 Adopted Budget	2011 Actuals	2012 Amended Budget	2013 Adopted Budget
Financial Sources						
Interfund Charges for Services	\$ 8,161,685	\$ 10,578,900	\$ 11,368,890	\$24,571,304	\$26,787,659	\$27,871,760
Miscellaneous Revenue	149,950	60,000	40,000	882,348	470,136	262,305
Disposition of Fixed Assets	-	-	-	3,382	2,200	4,500
Total Financial Sources	\$ 8,311,635	\$ 10,638,900	\$ 11,408,890	\$25,457,034	\$27,259,995	\$28,138,565
Uses of Financial Sources						
Personnel Services	\$ 8,081,397	\$ 9,800,000	\$ 10,930,000	\$12,223,912	\$13,882,535	\$15,089,705
Supplies	-	1,000	1,000	5,010,610	5,515,904	5,491,590
Professional Services	988,379	1,069,000	994,000	8,577,692	8,543,997	8,308,875
Interfund Service Charges	-	-	-	323,803	311,586	356,503
Capital Outlays	-	-	-	141,428	390,312	135,610
Total Uses of Financial Sources	\$ 9,069,776	\$ 10,870,000	\$ 11,925,000	\$26,277,445	\$28,644,334	\$29,382,283
Net Increase (Decrease) in Fund Balance	\$ (758,141)	\$ (231,100)	\$ (516,110)	\$ (820,411)	\$ (1,384,339)	\$ (1,243,718)
Fund Balance January 1	2,690,319	2,953,477	2,458,679	14,007,325	12,709,363	12,026,274
Fund Balance December 31	\$ 1,932,178	\$ 2,722,377	\$ 1,942,569	\$13,106,914	\$11,325,024	\$10,782,556

TRUST FUNDS FINANCIAL SOURCES AND USES

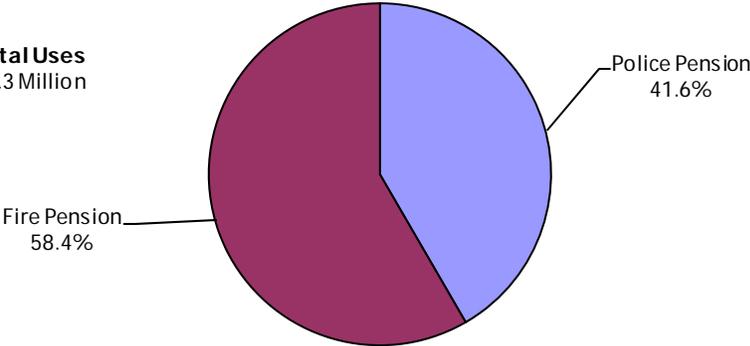
2013 Budgeted Sources - Trust Funds

Total Sources
\$2.8 Million



2013 Budgeted Uses - Trust Funds

Total Uses
\$5.3 Million



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

	POLICE PENSION			FIRE PENSION		
	2011 Actuals	2012 Amended Budget	2013 Adopted Budget	2011 Actuals	2012 Amended Budget	2013 Adopted Budget
Financial Sources						
Intergovernmental Revenue	\$ -	\$ -	\$ -	\$ 154,877	\$ 157,590	\$ 162,318
Miscellaneous Revenue	961,687	1,036,388	720,475	1,675,683	1,703,728	1,948,000
Total Financial Sources	\$ 961,687	\$ 1,036,388	\$ 720,475	\$ 1,830,560	\$ 1,861,318	\$ 2,110,318
Uses of Financial Sources						
Personnel Services	\$ 1,521,375	\$ 2,111,263	\$ 2,228,418	\$ 2,253,338	\$ 2,917,631	\$ 3,122,236
Total Uses of Financial Sources	\$ 1,521,375	\$ 2,111,263	\$ 2,228,418	\$ 2,253,338	\$ 2,917,631	\$ 3,122,236
Net Increase (Decrease) in Fund Balance	\$ (559,688)	\$ (1,074,875)	\$ (1,507,943)	\$ (422,778)	\$ (1,056,313)	\$ (1,011,918)
Fund Balance January 1	18,638,665	17,363,421	16,761,873	32,993,502	31,765,502	31,535,411
Fund Balance December 31	\$ 18,078,977	\$ 16,288,546	\$ 15,253,930	\$32,570,724	\$ 30,709,189	\$ 30,523,493

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

	TOTAL TRUST FUNDS		
	2011 Actuals	2012 Amended Budget	2013 Adopted Budget
Financial Sources			
Intergovernmental Revenue	\$ 154,877	\$ 157,590	\$ 162,318
Miscellaneous Revenue	2,637,370	2,740,116	2,668,475
Total Financial Sources	<u>\$ 2,792,247</u>	<u>\$ 2,897,706</u>	<u>\$ 2,830,793</u>
Uses of Financial Sources			
Personnel Services	\$ 3,774,713	\$ 5,028,894	\$ 5,350,654
Total Uses of Financial Sources	<u>\$ 3,774,713</u>	<u>\$ 5,028,894</u>	<u>\$ 5,350,654</u>
Net Increase (Decrease) in Fund Balance	\$ (982,466)	\$ (2,131,188)	\$ (2,519,861)
Fund Balance January 1	51,632,167	49,128,923	48,297,284
Fund Balance December 31	<u>\$ 50,649,701</u>	<u>\$ 46,997,735</u>	<u>\$ 45,777,423</u>

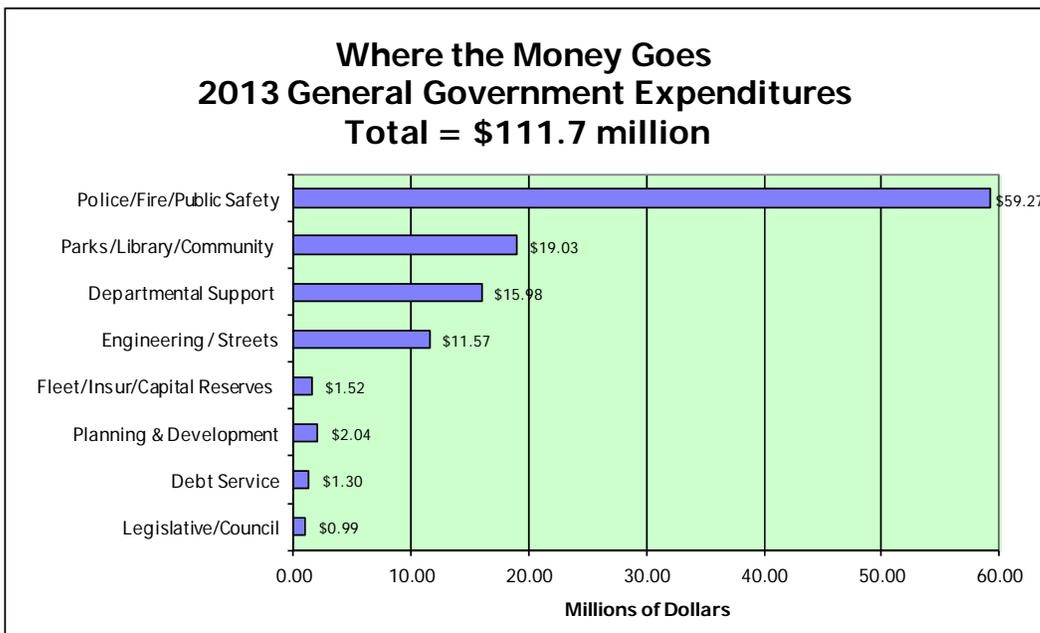
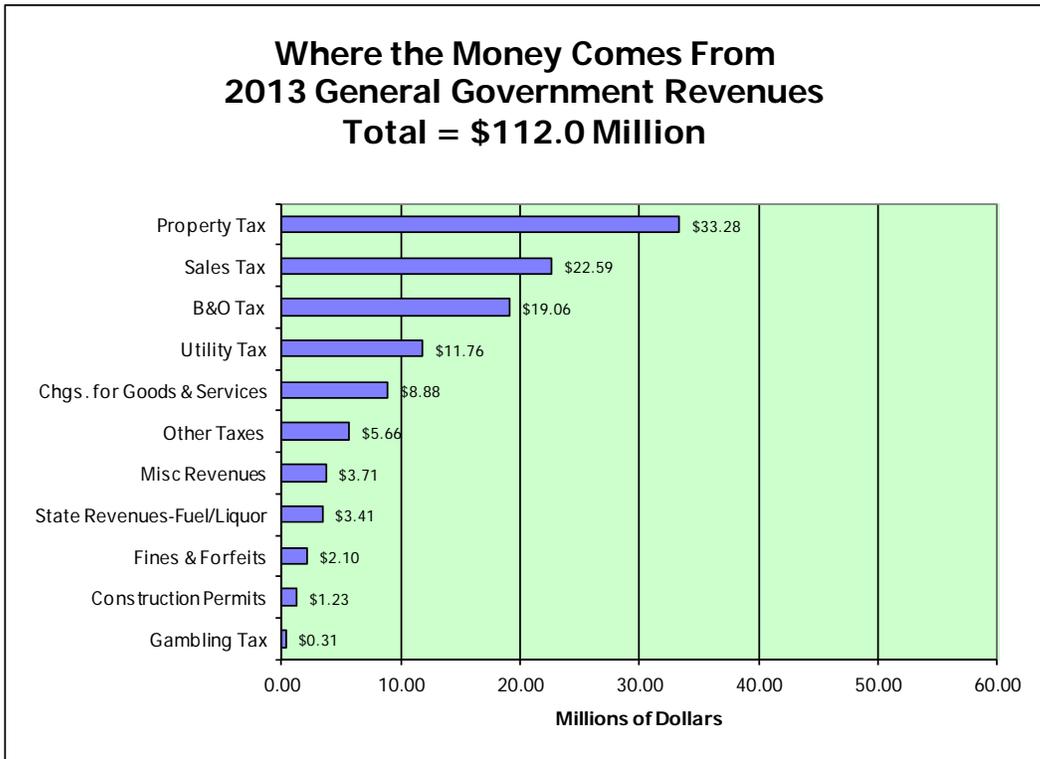
**GENERAL GOVERNMENT
FIVE YEAR COMPARISON
RESOURCES AND EXPENDITURES BY FUNCTION**

	2009 Actual Results	2010 Actual Results	2011 Actual Results	2012 Adopted Budget	2012 Amended Budget	2013 Adopted Budget
RESOURCES						
Beginning Fund Balance	\$ 31,674,468	\$ 26,885,848	\$ 27,264,821	\$ 22,100,000	\$ 29,025,451	\$ 22,100,000
Revenue						
Property Tax	30,969,067	31,343,121	31,649,652	32,756,532	32,756,532	33,283,893
Sales Tax	20,718,349	21,509,617	21,970,667	22,012,000	22,012,000	22,593,383
B&O Tax	13,816,905	14,749,748	14,863,719	18,086,872	17,971,872	19,056,003
Utility Tax	13,118,753	11,946,646	12,291,325	12,228,990	12,228,990	11,762,071
Gambling Tax	398,647	339,755	364,778	271,427	271,427	310,479
Other Taxes	5,498,437	5,513,919	5,627,057	5,725,014	5,736,014	5,659,030
Construction Permits	1,689,323	931,010	1,105,391	907,500	907,500	1,231,690
Grants	533,105	936,108	948,944	378,474	2,273,609	80,000
State Revenues	3,669,259	3,926,302	3,743,630	3,615,425	3,615,425	3,405,485
Interfund Service Charges	5,628,189	5,586,095	5,639,338	6,228,124	6,228,124	6,023,304
Chgs. for Goods & Services	2,795,345	2,786,514	2,909,775	2,696,394	2,887,752	2,858,144
Fines & Forfeits	1,682,815	1,777,298	1,947,299	1,824,950	1,824,950	2,103,450
Misc Revenues	5,266,747	4,194,374	3,915,198	3,702,881	3,896,750	3,632,475
Annual Revenues	\$ 105,784,941	\$ 105,540,507	\$ 106,976,773	\$ 110,434,583	\$ 112,610,945	\$ 111,999,407
Annual Revenue Growth R:	-8.14%	-0.23%	1.36%	3.23%	1.97%	-0.54%
Total Resources	\$ 137,459,409	\$ 132,426,355	\$ 134,241,594	\$ 132,534,583	\$ 141,636,396	\$ 134,099,407
Expenditures						
Legislative	\$ 819,722	\$ 707,636	\$ 756,281	\$ 915,309	\$ 835,309	\$ 986,096
Departmental Support	15,473,846	15,246,978	14,965,582	16,252,271	16,970,457	15,980,639
Public Safety	55,033,515	54,379,691	53,163,138	57,795,050	57,928,818	59,270,891
Reserve Contributions	7,873,712	3,759,221	6,315,642	2,992,390	9,700,927	1,517,325
Debt Service	722,000	722,000	922,000	1,064,000	1,064,000	1,300,000
Infrastructure	11,136,749	8,966,259	9,560,596	11,079,130	11,749,419	11,569,375
Community Programs	17,503,963	17,480,377	17,355,725	18,406,788	18,869,618	19,030,593
Governmental Operations	2,010,054	3,899,372	2,000,830	1,929,645	2,226,491	2,044,488
Total Expenditures	\$ 110,573,561	\$ 105,161,534	\$ 105,039,794	\$ 110,434,583	\$ 119,345,039	\$ 111,699,407
Annual Expenditure Growth I:	1.63%	-4.89%	-0.12%	5.14%	8.07%	-6.41%
Ending Fund Balance	\$ 26,885,848	\$ 27,264,821	\$ 29,201,800	\$ 22,100,000	\$ 22,291,357	\$ 22,400,000
Ending Fund Balance as % of Annual Revenues	25.42%	25.83%	27.30%	20.01%	19.80%	20.00%

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

Department	2009 Actual Results	2010 Actual Results	2011 Actual Results	2012 Adopted Budget	2012 Amended Budget	2013 Adopted Budget
Expenditures						
Council	\$ 480,047	\$ 441,959	\$ 454,245	\$ 571,970	\$ 496,970	\$ 610,228
Legal/Prosecutor's Office	3,659,325	3,251,009	3,438,705	3,709,190	3,667,715	3,777,776
Administration	1,411,350	1,470,761	1,289,935	1,846,889	1,471,654	1,834,031
Municipal Court	1,676,768	1,716,455	1,770,082	1,919,861	1,919,861	1,981,774
Human Resources/Labor Rel.	1,375,767	1,379,577	1,423,827	1,528,587	1,520,587	1,615,865
Non-Departmental	19,659,929	15,192,556	16,865,958	13,667,014	21,764,511	11,612,940
Finance	1,812,731	1,823,878	1,851,705	1,980,087	1,970,087	2,032,848
Information Technology	1,561,526	1,604,164	1,560,363	1,859,155	1,713,092	1,931,636
Planning & Community Devel.	1,716,730	1,791,914	1,736,348	1,707,645	1,788,175	1,848,888
Neighborhoods/ Comm. Svcs.	349,329	299,657	334,125	367,642	396,942	374,179
Engineering Services	5,322,138	5,116,641	4,977,605	5,730,143	5,430,143	5,970,064
Animal Services	1,426,561	1,377,679	1,191,942	1,269,661	1,353,661	1,409,160
Senior Center	428,573	423,985	440,941	461,240	459,240	461,996
Police	26,593,714	27,186,245	26,720,078	29,874,628	29,608,244	31,304,643
Fire	19,018,284	18,775,268	18,612,530	19,724,551	20,124,703	19,890,180
Facilities & Property Mngmnt.	3,341,114	3,317,500	3,322,861	3,625,308	3,525,308	3,782,636
Parks & Recreation	8,557,306	8,806,512	8,657,306	9,129,607	9,076,869	9,452,328
Library	4,614,632	4,588,052	4,613,487	4,827,530	4,682,330	4,973,667
Municipal Arts	853,553	810,578	814,589	933,335	1,487,802	956,049
Conference Center	736,400	746,988	1,013,000	1,131,002	1,131,002	1,367,002
Special Projects	111,993	1,955,152	121,623	-	216,316	-
Street Improvements	2,980,685	1,019,409	1,864,046	2,316,209	3,286,498	2,396,108
Streets	2,065,477	2,065,595	1,964,492	2,253,329	2,253,329	2,415,409
Gen Gov't before Alloc.	\$ 109,753,932	\$ 105,161,534	\$ 105,039,793	\$ 110,434,583	\$ 119,345,039	\$ 111,999,407
Allocations of General Property Tax:						
Police Pension	429,192	-	-	-	-	-
Fire Pension	390,437	-	-	-	-	-
Total Expenditures	\$ 110,573,561	\$ 105,161,534	\$ 105,039,793	\$ 110,434,583	\$ 119,345,039	\$ 111,999,407

GENERAL GOVERNMENT 2013 REVENUES AND EXPENDITURES BY FUNCTION



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