
FINANCIAL SUMMARY

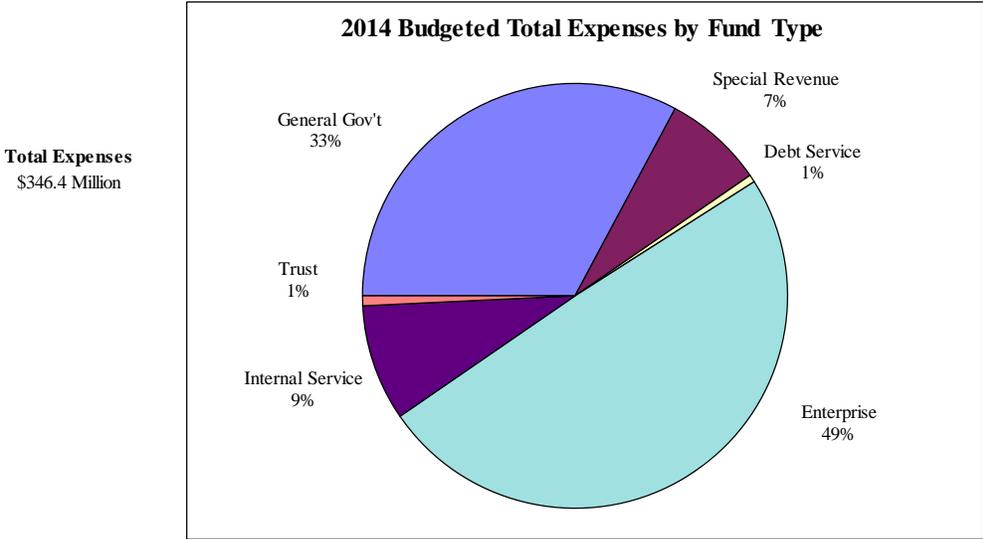
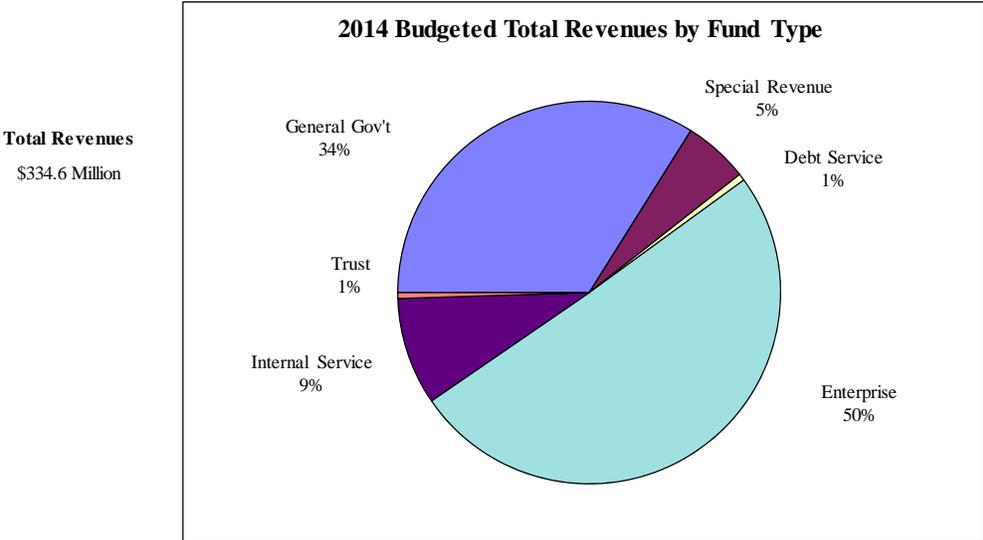
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2014 OPERATING BUDGET BY FUND TYPE

	General Government	Special Revenue	Debt Service	Enterprise	Internal Service	Trust	Total
Funding Sources							
Beginning Fund Balance	\$ 22,400,000	\$ 58,801,464	\$ 29,180	\$ 29,126,727	\$ 10,925,571	\$ 46,690,485	\$ 167,973,427
General Property Taxes	33,791,839	5,689,069	-	-	-	-	39,480,908
Retail Sales and Use Taxes	24,195,500	1,728,381	-	16,701,029	-	-	42,624,910
Business Taxes	30,322,325	-	-	105,295	-	-	30,427,620
Other Taxes	5,049,962	2,560,600	-	-	-	-	7,610,562
Licenses & Permits	1,363,451	-	-	1,500	-	-	1,364,951
Intergovernmental Service Rev	4,636,276	3,103,253	-	3,745,423	-	270,000	11,754,952
Charges For Services	8,764,675	1,950,078	-	76,504,617	30,090,888	-	117,310,258
Fines & Forfeits	1,864,260	9,000	-	-	-	-	1,873,260
Miscellaneous Revenue	1,633,500	1,943,139	6,000	4,204,118	293,988	1,400,715	9,481,460
Other Financing Sources	1,874,855	1,354,184	1,950,708	67,494,200	9,800	-	72,683,747
Total Funding Sources	\$ 135,896,643	\$ 77,139,168	\$ 1,985,888	\$ 197,882,909	\$ 41,320,247	\$ 48,361,200	\$ 502,586,055
Uses of Funding Sources							
General Government Services	17,936,733	1,597,818	-	-	21,461,136	5,908,398	46,904,085
Security of Persons & Property	60,448,224	9,867,906	-	-	1,273,369	-	71,589,499
Utilities & Environment	1,094,389	85,000	-	50,290,309	40,014	-	51,509,712
Transportation	5,607,035	-	-	22,177,743	7,316,811	-	35,101,589
Economic Environment	6,238,103	1,930,822	-	-	-	-	8,168,925
Mental & Physical Health	567,240	-	-	-	-	-	567,240
Culture & Recreation	15,237,463	963,103	-	3,826,121	-	-	20,026,687
Debt Service	-	245,735	1,927,340	16,138,275	-	-	18,311,350
Capitalized Expenditures	1,029,241	4,959,309	-	2,871,965	300,659	-	9,161,174
Road & Street Construction	2,778,568	1,103,820	-	-	-	-	3,882,388
Other Financing Uses	2,259,647	3,965,780	48,368	74,846,500	22,910	-	81,143,205
Total Expenditures	\$ 113,196,643	\$ 24,719,293	\$ 1,975,708	\$ 170,150,913	\$ 30,414,899	\$ 5,908,398	\$ 346,365,854
Ending Fund Balance	\$ 22,700,000	\$ 52,419,875	\$ 10,180	\$ 27,731,996	\$ 10,905,348	\$ 42,452,802	\$ 156,220,201
Total Appropriation	\$ 135,896,643	\$ 77,139,168	\$ 1,985,888	\$ 197,882,909	\$ 41,320,247	\$ 48,361,200	\$ 502,586,055

2014 OPERATING BUDGET BY FUND TYPE (Continued)



2014 OPERATING BUDGET - SUMMARY OF FUND ACTIVITY

	2014 Beginning Fund Balance	2014 Revenues	2014 Total Resources	2014 Expenses	2014 Ending Fund Balance	2014 Total Approp- riation
GENERAL GOVERNMENT						
002 General Fund Revenues	15,392,174	98,588,821	113,980,995	-	-	-
001 City Council	-	-	-	618,002	-	618,002
003 Legal	-	-	-	3,812,485	-	3,812,485
004 Administration	-	-	-	1,862,129	-	1,862,129
005 Municipal Court	-	-	-	2,038,206	-	2,038,206
007 Labor Rel./ Human Resources	-	-	-	1,652,840	-	1,652,840
009 Gen Gov't Non-dept	-	-	-	11,167,918	22,700,000	33,867,918
010 Finance	-	-	-	2,099,937	-	2,099,937
015 Information Technology	-	-	-	1,995,169	-	1,995,169
021 Planning/Comm Development	-	-	-	1,857,544	-	1,857,544
022 Neighborhoods & Comm Svcs	-	-	-	379,801	-	379,801
024 Engineering / Public Services	-	-	-	5,809,803	-	5,809,803
026 Animal Services	-	-	-	1,418,476	-	1,418,476
027 Senior Center	-	-	-	484,948	-	484,948
031 Police	-	-	-	31,839,259	-	31,839,259
032 Fire	-	-	-	20,392,438	-	20,392,438
038 Facilities/Property Management	-	-	-	3,852,040	-	3,852,040
Total General Fund	15,392,174	98,588,821	113,980,995	91,280,995	22,700,000	113,980,995
101 Parks & Recreation	3,500,000	5,926,111	9,426,111	9,426,111	-	9,426,111
110 Library	1,500,000	3,582,708	5,082,708	5,082,708	-	5,082,708
112 Municipal Arts	124,500	842,803	967,303	967,303	-	967,303
114 Conference Center	-	1,098,052	1,098,052	1,098,052	-	1,098,052
115 General Govt Special Projects	-	-	-	-	-	-
119 Street Improvements	1,083,326	1,695,242	2,778,568	2,778,568	-	2,778,568
120 Streets	800,000	1,762,906	2,562,906	2,562,906	-	2,562,906
Total General Gov't Operations	22,400,000	113,496,643	135,896,643	113,196,643	22,700,000	135,896,643
Gen. Gov't Allocations of Prop. Tax	-	-	-	-	-	-
TOTAL GENERAL GOVERNMENT	22,400,000	113,496,643	135,896,643	113,196,643	22,700,000	135,896,643

Note: The 2014 Beginning Fund Balance is an estimate and therefore is unaudited as of the printing of this document.

SUMMARY OF FUND ACTIVITY (continued)

	2014 Beginning Fund Balance	2014 Revenues	2014 Total Resources	2014 Expenses	2014 Ending Fund Balance	2014 Total Approp- riation
126 Motor Vehicle/Equip Replacement	5,118,564	588,497	5,707,061	1,619,488	4,087,573	5,707,061
138 Hotel Motel Tax Fund	378,136	378,200	756,336	437,311	319,025	756,336
144 Downtown Improvement Fund	2,054	52	2,106	2,106	-	2,106
145 Cumulative Res/Real Prop. Acquis.	1,575,509	44,000	1,619,509	1,619,509	-	1,619,509
146 Property Management	2,973,512	1,724,636	4,698,148	2,590,565	2,107,583	4,698,148
148 Cumulative Reserve /Parks	2,151,899	40,540	2,192,439	216,394	1,976,045	2,192,439
149 Senior Center Reserve	458,713	129,326	588,039	111,200	476,839	588,039
151 Fund for Animals	430,983	57,795	488,778	85,000	403,778	488,778
152 Cumulative Reserve /Library	511,208	44,942	556,150	86,709	469,441	556,150
153 Emergency Medical Services	489,297	7,112,386	7,601,683	7,599,305	2,378	7,601,683
154 Real Estate Excise Tax Fund	1,013,847	1,303,339	2,317,186	473,924	1,843,262	2,317,186
156 Criminal Justice Fund	7,171,326	2,882,138	10,053,464	3,288,856	6,764,608	10,053,464
157 Traffic Mitigation	1,913,714	188,000	2,101,714	2,101,714	-	2,101,714
160 Rainy Day Fund	4,118,945	-	4,118,945	-	4,118,945	4,118,945
162 Capital Reserve	15,670,470	1,742,673	17,413,143	2,667,590	14,745,553	17,413,143
197 CHIP Loan Program	14,423,287	1,246,500	15,669,787	564,942	15,104,845	15,669,787
198 Comm Develop. Block Grants	400,000	854,680	1,254,680	1,254,680	-	1,254,680
TOTAL SPECIAL REVENUE	58,801,464	18,337,704	77,139,168	24,719,293	52,419,875	77,139,168
210 Bond Redemption Fund	-	1,927,340	1,927,340	1,927,340	-	1,927,340
243 LID Guaranty Fund	9,812	25,368	35,180	25,000	10,180	35,180
299 LID Redemption	19,368	4,000	23,368	23,368	-	23,368
TOTAL DEBT SERVICE	29,180	1,956,708	1,985,888	1,975,708	10,180	1,985,888
401 Water/Sewer Utility	18,235,471	138,996,970	157,232,441	139,420,738	17,811,703	157,232,441
402 Solid Waste Utility	1,984	2,452,042	2,454,026	2,452,562	1,464	2,454,026
425 Transit	8,350,846	21,663,395	30,014,241	22,612,753	7,401,488	30,014,241
430 Everpark Garage	2,538,426	317,000	2,855,426	338,085	2,517,341	2,855,426
440 Golf	-	4,172,775	4,172,775	4,172,775	-	4,172,775
450 Sno River Reg Wtr Auth	-	54,000	54,000	54,000	-	54,000
451 Everett Tulilip Joint Water Line	-	1,100,000	1,100,000	1,100,000	-	1,100,000
TOTAL ENTERPRISE FUNDS	29,126,727	168,756,182	197,882,909	170,150,913	27,731,996	197,882,909
501 Motor Vehicle Division	591,451	7,333,735	7,925,186	7,356,825	568,361	7,925,186
503 Self-Insurance Fund	7,625,154	7,199,775	14,824,929	7,450,710	7,374,219	14,824,929
505 Computer Reserve Fund	435,299	1,616,447	2,051,746	1,711,747	339,999	2,051,746
507 Telecommunications Fund	362,473	1,225,006	1,587,479	1,273,369	314,110	1,587,479
508 Health Benefits Reserve	1,911,194	13,019,713	14,930,907	12,622,248	2,308,659	14,930,907
TOTAL INTERNAL SERVICE	10,925,571	30,394,676	41,320,247	30,414,899	10,905,348	41,320,247
637 Police Pension Fund	15,607,851	523,236	16,131,087	2,131,058	14,000,029	16,131,087
638 Fire Pension Fund	31,082,634	1,147,479	32,230,113	3,777,340	28,452,773	32,230,113
TOTAL TRUST FUNDS	46,690,485	1,670,715	48,361,200	5,908,398	42,452,802	48,361,200
TOTAL CITY BUDGET	167,973,427	334,612,628	502,586,055	346,365,854	156,220,201	502,586,055

Note: The 2014 Beginning Fund Balance is an estimate and therefore is unaudited as of the printing of this document.

THREE YEAR BUDGET COMPARISON BY FUNCTION

	2012 Actual	Original	Original	2013 - 2014	
		2013 Budget	2014 Budget	\$ Change	% Change
Funding Sources					
Beginning Fund Balance	\$188,673,368	\$187,117,921	\$167,973,427	(\$19,144,494)	-10.2%
General Property Taxes	38,767,680	38,370,841	39,480,908	1,110,067	2.9%
Retail Sales and Use Taxes	40,343,977	40,769,993	42,624,910	1,854,917	4.5%
Business Taxes	29,431,084	30,665,006	30,427,620	(237,386)	-0.8%
Other Taxes	7,000,083	6,438,277	7,610,562	1,172,285	18.2%
Licenses & Permits	1,420,808	1,284,743	1,364,951	80,208	6.2%
Intergovernmental Revenue	12,404,886	14,751,393	11,754,952	(2,996,441)	-20.3%
Charges For Services	90,884,939	90,074,554	97,227,492	7,152,938	7.9%
Fines & Forfeits	2,089,258	2,162,450	1,873,260	(289,190)	-13.4%
Miscellaneous Revenue	28,979,032	28,538,858	29,564,226	1,025,368	3.6%
Other Financing Sources	48,220,266	58,754,439	72,683,747	13,929,308	23.7%
Total Available Resources	\$488,215,381	\$498,928,475	\$502,586,055	\$3,657,580	0.7%
Expenditures					
General Government Services	\$ 51,050,085	\$ 44,889,402	\$ 47,129,159	2,239,757	5.0%
Security of Persons & Property	64,394,883	71,645,969	71,589,499	(56,470)	-0.1%
Utilities & Environment	57,441,579	49,983,089	50,290,309	307,220	0.6%
Transportation	36,484,038	35,999,857	36,010,918	11,061	0.0%
Economic Environment	6,576,987	6,890,892	7,779,650	888,758	12.9%
Mental & Physical Health	944,438	684,492	1,041,515	357,023	52.2%
Culture & Recreation	18,569,976	19,913,771	20,026,687	112,916	0.6%
Debt Service	23,779,999	19,028,739	18,311,350	(717,389)	-3.8%
Capitalized Expenditures	2,537,452	16,775,127	9,161,174	(7,613,953)	-45.4%
Road & Street Construction	1,488,029	4,055,216	3,882,388	(172,828)	-4.3%
Other Financing Uses	41,155,616	71,837,363	81,143,205	9,305,842	13.0%
Total Expenditures	\$304,423,082	\$341,703,917	\$346,365,854	\$4,661,937	1.4%
Ending Fund Balance	\$183,792,299	\$157,224,558	\$156,220,201	(\$1,004,357)	-0.6%

THREE YEAR COMPARISON BY FUND

	REVENUES			EXPENDITURES		
	Actual 2012	Original 2013 Budget	Original 2014 Budget	Actual 2012	Original 2013 Budget	Original 2014 Budget
002 General Fund	\$91,825,277	\$90,935,454	\$98,588,821	\$89,235,484	\$90,138,844	\$91,280,995
101 Parks & Recreation	8,592,688	9,452,328	5,926,111	8,575,856	9,452,328	9,426,111
110 Library	4,619,152	4,973,667	3,582,708	4,577,399	4,973,667	5,082,708
112 Municipal Arts	808,973	832,349	842,803	1,032,076	956,049	967,303
114 Conference Center	1,063,748	1,367,002	1,098,052	1,045,681	1,367,002	1,098,052
115 Special Projects	10,000	-	-	48,696	-	-
119 Street Improvements	2,397,190	2,023,198	1,695,242	1,687,726	2,396,108	2,778,568
120 Streets	2,203,866	2,415,409	1,762,906	2,132,675	2,415,409	2,562,906
TOTAL GENERAL GOVERNMENT	\$111,520,894	\$111,999,407	\$113,496,643	\$108,335,593	\$111,699,407	\$113,196,643
126 Motor Vehicle/Equip Replacement	728,528	725,777	588,497	519,933	3,292,000	1,619,488
138 Hotel Motel Tax Fund	375,563	306,500	378,200	252,528	437,311	437,311
144 Downtown Improvement Fund	1,076,377	50,050	52	18,337	50,376	2,106
145 Cumulative Res/Real Prop. Acquis.	74,348	61,200	44,000	727,174	2,818,128	1,619,509
146 Property Management	1,974,744	1,276,858	1,724,636	3,292,633	3,681,947	2,590,565
148 Cumulative Reserve /Parks	171,516	58,683	40,540	223,805	660,000	216,394
149 Senior Center Reserve	82,802	104,050	129,326	63,614	97,800	111,200
151 Fund for Animals	83,062	73,500	57,795	103,206	80,000	85,000
152 Cumulative Reserve /Library	57,424	46,010	44,942	34,068	54,750	86,709
153 Emergency Medical Services	7,011,088	7,390,161	7,112,386	6,682,355	7,621,782	7,599,305
154 Real Estate Excise Tax Fund	1,141,845	920,000	1,303,339	5,696,714	1,377,528	473,924
156 Criminal Justice Fund	3,259,430	2,744,032	2,882,138	2,912,827	4,773,546	3,288,856
157 Traffic Mitigation	211,686	238,000	188,000	465,420	1,959,108	2,101,714
160 Rainy Day Fund	82,337	-	-	-	-	-
162 Capital Reserve	1,665,735	1,376,119	1,742,673	8,401,386	2,769,050	2,667,590
197 CHIP Loan Program	323,920	1,458,600	1,246,500	628,028	1,007,929	564,942
198 Comm Develop. Block Grants	691,063	550,000	854,680	931,687	1,206,962	1,254,680
TOTAL SPECIAL REVENUE	\$19,011,468	\$17,379,540	\$18,337,704	\$30,953,715	\$31,888,217	\$24,719,293
210 Bond Redemption Fund	32,504,811	2,175,000	1,927,340	32,499,811	2,175,000	1,927,340
243 LID Guaranty Fund	14,228	17,000	25,368	60,000	50,000	25,000
299 LID Redemption	8,328	9,500	4,000	-	14,000	23,368
TOTAL DEBT SERVICE	\$32,527,367	\$2,201,500	\$1,956,708	\$32,559,811	\$2,239,000	\$1,975,708

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

THREE YEAR COMPARISON BY FUND (continued)

	REVENUES			EXPENDITURES		
	Actual 2012	Original 2013 Budget	Original 2014 Budget	Actual 2012	Original 2013 Budget	Original 2014 Budget
401 Water/Sewer Utility	\$76,250,639	\$116,263,973	\$138,996,970	\$69,057,885	\$126,531,751	\$139,420,738
402 Solid Waste Utility	3,627,643	2,434,282	2,452,042	1,422,630	2,432,079	2,452,562
425 Transit	21,189,663	25,872,422	21,663,395	22,988,138	27,497,109	22,612,753
430 Everpark Garage	323,362	362,000	317,000	282,917	355,345	338,085
440 Golf	3,901,276	4,038,072	4,172,775	4,146,485	4,038,072	4,172,775
450 Sno River Reg Wtr Auth	14,917	90,000	54,000	14,917	90,000	54,000
451 Everett Tulalip Joint Water Line	340,088	200,000	1,100,000	340,088	200,000	1,100,000
TOTAL ENTERPRISE FUNDS	\$105,647,588	\$149,260,749	\$168,756,182	\$98,253,060	\$161,144,356	\$170,150,913
501 Motor Vehicle Division	7,458,649	7,946,925	7,333,735	7,523,835	8,112,296	7,356,825
503 Self-Insurance Fund	8,461,114	6,223,258	7,199,775	9,967,262	6,625,000	7,450,710
505 Computer Reserve Fund	1,363,848	1,396,359	1,616,447	1,399,026	1,439,433	1,711,747
507 Telecommunications Fund	1,109,873	1,163,133	1,225,006	1,193,940	1,280,554	1,273,369
508 Health Benefits Reserve	11,028,314	11,408,890	13,019,713	10,634,988	11,925,000	12,622,248
TOTAL INTERNAL SERVICE	\$29,421,798	\$28,138,565	\$30,394,676	\$30,719,051	\$29,382,283	\$30,414,899
637 Police Pension Fund	508,317	720,475	523,236	1,782,031	2,228,418	2,131,058
638 Fire Pension Fund	904,585	2,110,318	1,147,479	1,819,824	3,122,236	3,777,340
TOTAL TRUST FUNDS	\$1,412,902	\$2,830,793	\$1,670,715	\$3,601,855	\$5,350,654	\$5,908,398
TOTAL CITY	\$299,542,017	\$311,810,554	\$334,612,628	\$304,423,085	\$341,703,917	\$346,365,854

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

TOTAL CITY BUDGET NET OF INTERFUND TRANSACTIONS

	2014 Original Budget	Interfund Transactions	2014 Budget Net of Interfund Transactions
Funding Sources			
Beginning Fund Balance	\$ 167,973,427	\$ -	\$ 167,973,427
General Property Taxes	\$ 39,480,908	-	\$ 39,480,908
Retail Sales and Use Taxes	42,624,910	-	42,624,910
Business Taxes	30,427,620	-	30,427,620
Other Taxes	7,610,562	(4,357,001)	3,253,561
Licenses & Permits	1,364,951	-	1,364,951
Intergovernmental Service Rev	11,754,952	-	11,754,952
Charges For Services	97,227,492	(16,276,518)	80,950,974
Fines & Forfeits	1,873,260	-	1,873,260
Miscellaneous Revenue	29,564,226	(7,575,984)	21,988,242
Other Financing Sources	72,683,747	(8,219,747)	64,464,000
Total Funding Sources	\$ 502,586,055	\$ (36,429,250)	\$ 466,156,805
Uses of Funding Sources			
General Government Services	\$ 47,129,159	\$ (4,181,133) (A)	\$ 42,948,026
Security of Persons & Property	71,589,499	(7,450,686)	64,138,813
Utilities & Environment	50,290,309	(9,364,787)	40,925,522
Transportation	36,010,918	(8,568,057)	27,442,861
Economic Environment	7,779,650	(575,244)	7,204,406
Mental & Physical Health	1,041,515	-	1,041,515
Culture & Recreation	20,026,687	(1,941,444)	18,085,243
Debt Service	18,311,350	-	18,311,350
Capitalized Expenditures	9,161,174	-	9,161,174
Road & Street Construction	3,882,388	-	3,882,388
Other Financing Uses/Transfers	81,143,205	(81,143,205)	-
Total Uses of Funding Sources	\$ 346,365,854	\$ (113,224,556)	\$ 233,141,298
Ending Fund Balance	\$ 156,220,201	\$ 76,795,306	\$ 233,015,507

(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 above presents the 2014 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..... \$20,133,225**
(Examples: Vehicle Maintenance, Insurance, Telecommunications, Data Processing, Vehicle Replacement)
- **Interfund services provided by other funds \$7,575,984**
(Examples: Criminal Justice, Legal Services, Labor Services, Engineering Services, Purchasing, Accounting)
- **Payment In Lieu of Tax \$4,357,001**
(Utilities & Transit payment to General Fund)
- **Interfund Transfers \$8,219,747 transfers in; \$81,143,205 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 34% of the City's total revenue budget and 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	2014 Rate	2014 Budget	Maximum Rate	Remaining Taxing Capacity (Rate)	Remaining Taxing Capacity (in dollars)
Property Tax					
- Regular	\$2.950	\$33,791,839	N/A	N/A	N/A
- Special	\$0.500	\$5,689,069	N/A	N/A	N/A
Sales Tax					
- Regular	0.85%	\$23,660,000	0.85%	0.00%	\$0
- Criminal Justice (A)	0.10%	\$1,358,381	0.10%	0.00%	\$0
- Transit	0.60%	\$16,701,029	0.90%	0.30%	\$8,350,515
Business & Occupation Tax					
- Regular (E)	0.10%	\$19,317,838	0.20%	0.10%	\$19,317,838
Utility Tax					
- Telephone	4.50%	\$2,828,000	6.00%	1.50%	\$942,667
- Natural Gas	4.50%	\$1,178,750	6.00%	1.50%	\$392,917
- Electricity	4.50%	\$5,151,000	6.00%	1.50%	\$1,717,000
- Brokered Natural Gas	4.50%	\$535,500	6.00%	1.50%	\$178,500
- Cable	0.00%	\$0	(D)		
- Solid Waste/Garbage	0.00%	\$0	(D)		
Leasehold Tax	4.00%	\$393,900	4.00%	0.00%	\$0
Gambling Tax					
- Bingo & Raffles	3.50%	\$1,745	5.00%	1.50%	\$748
- Amusement Games	2.00%	\$316	2.00%	0.00%	\$0
- Punch Brds/Pull Tabs	4.00%	\$290,000	5.00%	1.00%	\$72,500
- Card Rooms (C)	10.00%	\$0	20.00%	10.00%	\$0
PILOT					
- Utilities (Water, Sewer, Stormwater)	6.00%	\$4,165,320	(B)	(B)	(B)
- Transit	6.00%	\$191,681	(B)	(B)	(B)
Cable TV Franchise Fee	5.00%	\$1,501,200	5.00%	0.00%	\$0
Admissions Tax					
- Golf	4.00%	\$105,295	5.00%	1.00%	\$26,324
- Other Amusement	5.00%	\$345,537	5.00%	0.00%	\$0
Hotel/Motel Tax	2.00%	\$370,000	2.00%	0.00%	\$0
Real Estate Excise Tax					
- 1st Quarter (CIP 2)	0.25%	\$1,280,300	0.25%	0.00%	\$0
- 2nd Quarter (CIP 3)	0.25%	\$1,280,300	0.25%	0.00%	\$0

(A) City levies tax, County distributes

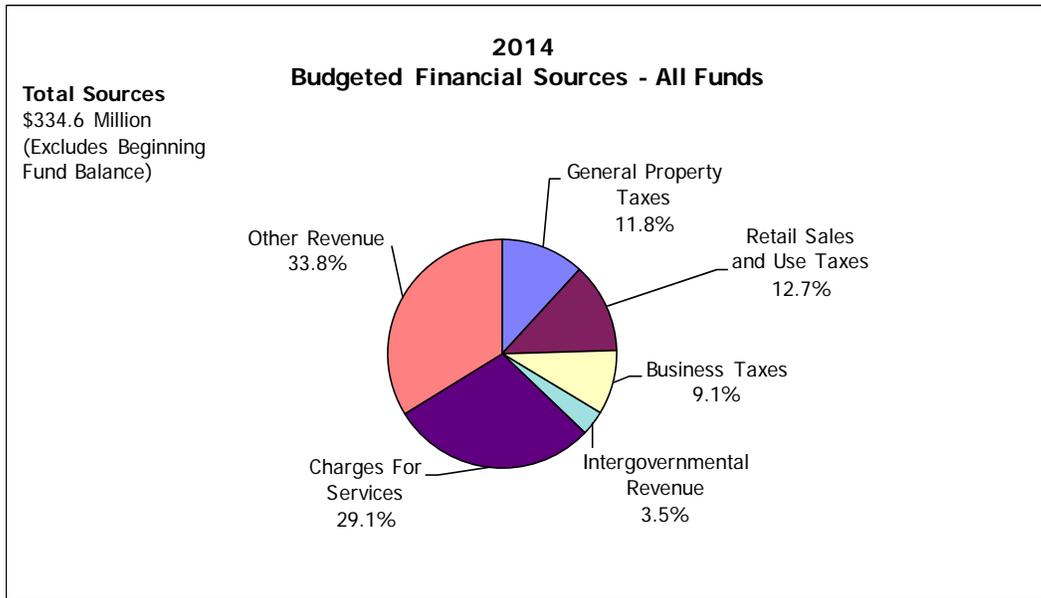
(B) Payment In Lieu of Tax (PILOT) rate determined by City Council

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

(D) Not statutorily limited

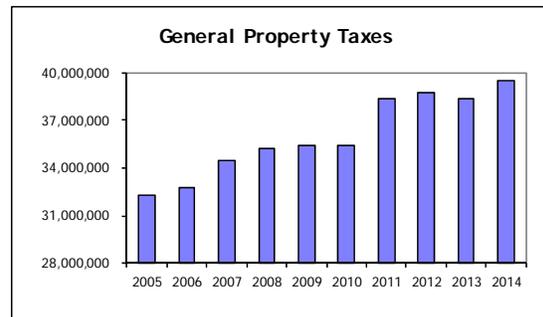
(E) Does not reflect reduction related to Boeing Agreement limiting rate to .10% until 2023

ANALYSIS OF SOURCES



General Property Taxes

		Amount	% Change
Actual	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%
Actual	2012	38,767,680	1.0%
Budget	2013	38,370,841	-1.0%
Budget	2014	39,480,908	2.9%



Property tax receipts represent approximately 11.8% of the City's total income for 2014. The large increases in 2007 and 2011, as shown above, were both due to annexations. The Snohomish County Treasurer collects property taxes levied in the City of Everett's five overlapping tax districts, which include the State, local schools, Snohomish County, City of Everett, and the Port. 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.

2014 Levy

The 2014 budget for regular property tax revenue is \$33,791,839, a 1.5% increase over the 2013 budget. The 1.5% growth includes the 1.0% annual increase allowed by state law and 0.5% 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 \$5,689,069 for 2014.

Levy rates are calculated as follows:

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

In 2014, the City's aggregate levy rate is forecast to be:

$$\$39,480,908 \div [\$11,453,137,817 \div \$1,000] = \$3.45$$

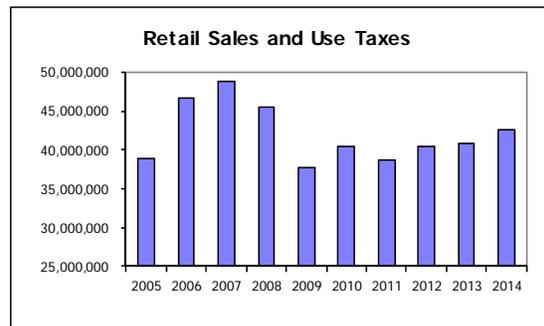
The aggregate levy rate consists of:

Regular Levy	\$2.9504
EMS Levy	<u>0.5000</u>
TOTAL	\$3.4504

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. With the subsequent increase in assessed value for 2014 taxes, the City was able to regain a portion of the voter approved EMS levy that was temporarily suppressed during the downturn.

Sales and Use Taxes

		Amount	% Change
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%
Actual	2012	40,343,977	4.5%
Budget	2013	40,769,993	1.1%
Budget	2014	42,624,910	4.5%



Sales and use tax receipts represent approximately 12.7% of the City’s total income for 2014. 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%
Sound Transit (RTA)	0.90%
Total	9.20%

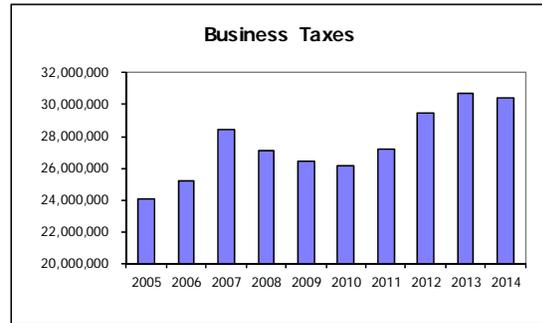
Lodging tax is also included in this revenue category. The City of Everett imposes a 2% state hotel/motel tax on lodging fees.

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

Sales tax grew at a robust 25.3% from 2005 to 2007. Factors that contributed to growth include increased employment, population growth, inflation, annexations, and construction projects. Sales tax collected on construction projects is one-time revenue and does not increase the City’s retail sales tax base. During the great recession, total City sales tax collections dropped 22% or \$11.0 million. Retail sales collections bottomed out in late 2009 and began to pick up in 2010, albeit off of a lower base. After a small downturn in 2011, we began to see activity increase again in 2012. We have budgeted for a growth of 4.5% for 2014 based on economic recovery signs (increased employment, construction projects, etc.).

Business and Utility Taxes

		Amount	% Change
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%
Actual	2012	29,431,084	8.2%
Budget	2013	30,665,006	4.2%
Budget	2014	30,427,620	-0.8%



Business and utility taxes represent approximately 9.1% of the City's total income for 2014.

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. Overall, B & O taxes are budgeted to grow 0.7% in 2014.

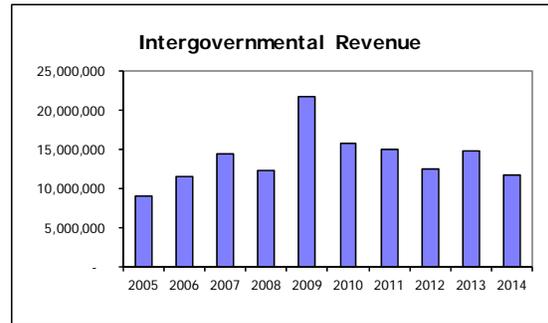
The City imposes utility taxes upon gross revenues of the local natural gas, telephone, and electric companies. These companies do not pay the regular business and occupation tax.

Utility Taxes, as a revenue category, are forecast to decline 3.5% in 2014. Cable is expected to increase 9.4% while natural gas taxes are expected to decrease 10.7% based on a combination of price adjustments and consumption patterns. Telephone taxes are expected to decline 3.9% as people increasingly move to internet and wireless calling options. Electricity taxes are budgeted to decrease 4.8% as the City continues to feel the effect 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 0.18% in 2014.

Intergovernmental Revenue

		Amount	% Change
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%
Actual	2012	12,404,886	-17.7%
Budget	2013	14,751,393	18.9%
Budget	2014	11,754,952	-20.3%



Intergovernmental revenue receipts represent approximately 3.5% of the City's total income for 2014.

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 2014, 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. At that time, the state passed legislation that provided for an additional \$10 million distribution to local governments to be used to enhance public safety programs but permanently diverted all growth to the state. Therefore, 2014 liquor board profits are expected to remain flat from 2013 to 2014.

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 \$377,000 to \$87,000. For 2014, the city will begin receiving distributions again but at the lower amount which is estimated to be \$124,000.

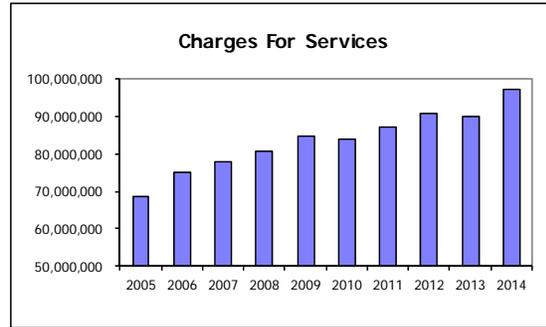
Two percent of the liquor excise tax and liquor board profit distributions must be used on alcoholism programs.

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 2014 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	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%
Actual	2012	90,884,939	4.5%
Budget	2013	90,074,554	-0.9%
Budget	2014	97,227,492	7.9%



Charges for Goods and Services represent approximately 29.1% of the City's total income for 2014. 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 (73.8%) of this revenue category is attributable to water, sewer, and storm drainage fees.

Water, sewer and storm drainage fees are expected to grow by 11% from 2013 to 2014 and are thereby driving the overall increase in this revenue category. Most other charges for goods and services categories are budgeted to remain flat or decline in 2014. For example, fees and charges related to the Animal Shelter are budgeted to decrease by nearly \$237,000 or 35% due to a decrease in activity.

Other Revenue

The "Other Revenue" category of the budget comprises \$113.1 million or 33.8% of the budget for 2014.

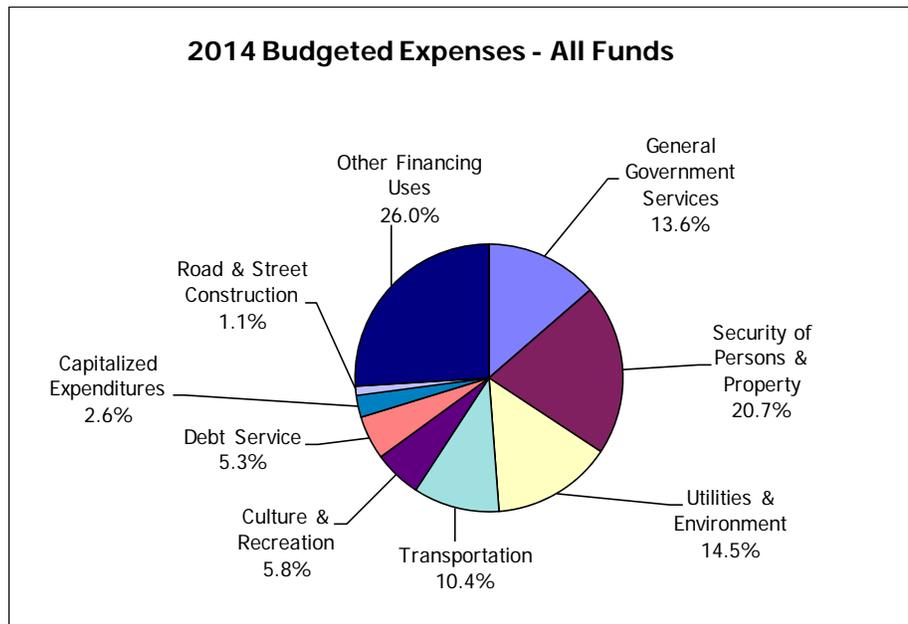
Significant items in Other Revenue include:

- Bond proceeds of \$64.0 million
- Interest earnings of \$4.3 million
- Rents and lease income of \$4.1 million
- Internal Service fund revenue of \$16.0 million
- Transfers from other City funds of \$8.2 million
- Fines and forfeits of \$1.8 million.

2014 BUDGET BY EXPENDITURE TYPE

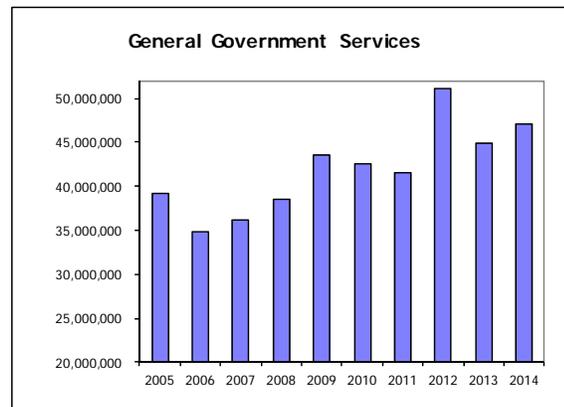
Department	Salaries	Benefits	Supplies	Other Svcs & Charges	Intergov't Services	Capital Outlays	Debt Service	Interfund Svc/Chgs	Ending Fund Balance	TOTAL
001 City Council	266,948	194,111	3,300	153,643						618,002
003 Legal	1,550,582	601,350	16,000	1,644,553						3,812,485
004 Administration	1,031,864	335,210	24,900	467,305				2,850		1,862,129
005 Municipal Court	1,349,821	575,613	21,502	90,800				470		2,038,206
007 Labor Rel/Human Resources	1,131,670	427,220	17,900	75,050				1,000		1,652,840
009 Gen Gov't Non-Dept	(845,043)			2,573,431	7,095,537			2,343,993	22,700,000	33,867,918
010 Finance	1,434,031	561,152	30,500	63,050		5,204		6,000		2,099,937
015 Information Technology	1,359,627	545,659	12,400	76,283				1,200		1,995,169
021 Planning/Comm Develop	1,262,719	500,721	27,000	63,604				3,500		1,857,544
022 Neighborhoods/Comm Svcs	239,277	75,759	9,300	55,465						379,801
024 Engineering/Public Svcs	3,570,323	1,459,559	179,009	74,268		11,793		514,851		5,809,803
026 Animal Services	842,278	370,483	90,515	91,100				24,100		1,418,476
027 Senior Center	269,828	115,396	7,500	88,814				3,410		484,948
031 Police	23,287,788	6,943,572	359,300	313,149	15,000			920,450		31,839,259
032 Fire	14,689,092	4,871,296	345,396	393,587		28,291		64,776		20,392,438
038 Facilities/Property Mgmt	2,315,036	1,049,804	177,304	269,475				40,421		3,852,040
101 Parks & Recreation	5,219,040	1,947,884	453,025	1,113,662		350,000		342,500		9,426,111
110 Library	3,053,970	1,125,666	73,519	190,500		632,953		6,100		5,082,708
112 Municipal Arts	185,888	53,473	21,500	672,442		2,000		32,000		967,303
114 Conference Center			22,478	44,524	1,031,050					1,098,052
115 Special Projects										0
119 Street Improvements						2,778,568				2,778,568
120 Streets	1,618,245	747,129						197,532		2,562,906
126 Motor Veh/Equip Repl Res				250,000	81,488	1,288,000			4,087,573	5,707,061
138 Hotel/Motel Tax Fund				285,000	100,000		52,311		319,025	756,336
144 Downtown Improvement				2,106						2,106
145 Cum Res/Real Prop Acq				7,800	41,000	1,570,709				1,619,509
146 Property Management			51,800	395,700		1,845,600		297,465	2,107,583	4,698,148
148 Cum Reserve/Parks				41,394		175,000			1,976,045	2,192,439
149 Senior Center Reserve			33,350	77,850					476,839	588,039
151 Fund for Animals			85,000						403,778	488,778
152 Cum Reserve/Library			5,000	31,709		50,000			469,441	556,150
153 Emergency Medical Svcs	4,770,872	1,588,032	321,677	259,905	275,053		19,500	364,266	2,378	7,601,683
154 Real Estate Excise Tax Fd					300,000		173,924		1,843,262	2,317,186
156 Criminal Justice		2,000	578,517	244,944	416,702	30,000		2,016,693	6,764,608	10,053,464
157 Traffic Mitigation					1,000,000	1,101,714				2,101,714
160 Rainy Day Fund									4,118,945	4,118,945
162 Capital Reserves					2,667,590				14,745,553	17,413,143
197 CHIP Loan Program	187,831	80,999	2,500	246,100	15,000			32,512	15,104,845	15,669,787
198 Comm Dev Block Grants	118,327	63,143	1,000	1,059,670				12,540		1,254,680
210 Bond Redemption Fund							1,927,340			1,927,340
243 LID Guaranty Fund					25,000				10,180	35,180
299 L.I.D. Redemption Fund					23,368					23,368
401 Water/Sewer Utility	16,785,161	6,743,046	4,520,000	9,484,225	79,754,480	978,700	14,663,161	6,491,965	17,811,703	157,232,441
402 Solid Waste Utility	75,180	23,506	10,700	328,384	861,500		1,143,730	9,562	1,464	2,454,026
425 Public Works - Transit	9,610,296	3,861,857	66,159	995,066	1,763,774	773,095		5,542,506	7,401,488	30,014,241
430 Everpark Garage			1,200	321,447				15,438	2,517,341	2,855,426
440 Golf	911,886	165,743	781,205	1,825,138		15,270	331,384	142,149		4,172,775
450 Sno. Rvr Reg. Water Auth.				54,000						54,000
451 Everett-Tulalip Joint Wtrline						1,100,000				1,100,000
501 Motor Vehicle Division	1,565,550	728,750	4,313,451	505,098				243,976	568,361	7,925,186
503 Self-Insurance Fund		1,465,678		5,985,032					7,374,219	14,824,929
505 Computer Reserve Fund			250,000	1,138,178	22,910	300,659			339,999	2,051,746
507 Telecommunication	240,896	90,776	66,108	814,676				60,913	314,110	1,587,479
508 Health Benefits Reserve		11,637,248	1,000	984,000					2,308,659	14,930,907
637 Police Pension		2,109,058	2,000	20,000					14,000,029	16,131,087
638 Fire Pension		3,757,340	2,000	18,000					28,452,773	32,230,113
TOTAL	98,098,983	54,818,233	12,985,015	33,890,127	95,489,452	13,037,556	18,311,350	19,735,138	156,220,201	502,586,055

ANALYSIS OF USES



General Government Services

		Amount	% Change
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%
Actual	2012	51,050,085	22.9%
Budget	2013	44,889,402	-12.1%
Budget	2014	47,129,159	5.0%



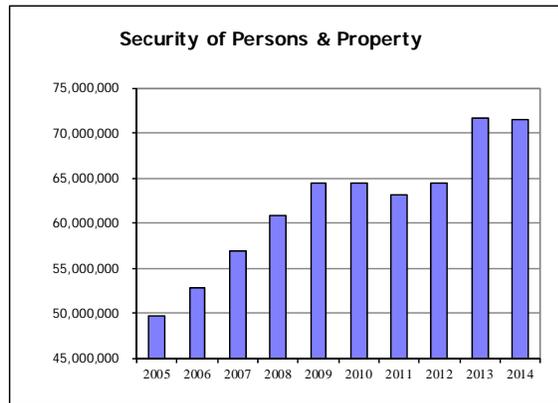
General Government Services include Legislative, Judicial, Executive, Financial and Records Services, Legal, Personnel, Employee Benefit Programs and Central Services. Employee Benefit Programs comprise 46% of this category.

The large increase from 2011 to 2012 in General Government Services was due primarily to the pre-funding of 2013 insurance premiums in 2012. The 5.0% increase from 2013 to 2014 includes:

- A \$1.0 million increase in health benefit costs related to estimated payments for medical benefits and rebuilding the health benefit reserve;
- A \$770,000 increase in the allocation to the Self-Insurance reserve for torts and liability insurance.

Security of Persons and Property

		Amount	% Change
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%
Actual	2012	64,394,883	2.0%
Budget	2013	71,645,969	11.3%
Budget	2014	71,589,499	-0.1%

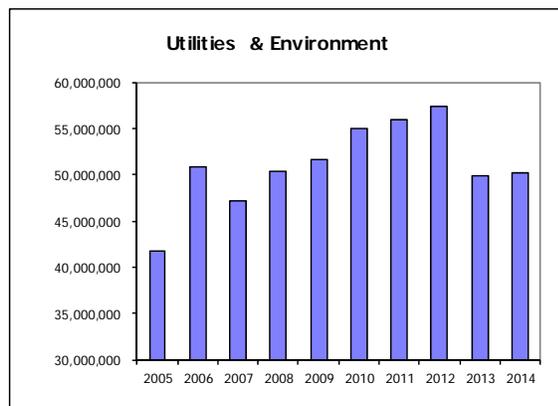


Security of Persons and Property includes Law Enforcement (47%); Fire Control (29%), Communications (7%), Emergency Medical Services (10.6%), Detention & Corrections (4%), and Protective Inspections (2.7%). With the exception of Communications, labor makes up the majority of costs in this category. Between 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 11.3% increase from 2012 to 2013 included a \$2.0 million increase in the criminal justice equipment budget for the purchase of a new regional public safety computer aided dispatch system and a \$1.7 million increase in salary and health benefits. The 2013 and 2014 budgets also contemplate fully staffed police and fire departments. In 2012, the departments averaged fourteen vacant positions per month.

Utilities and Environment

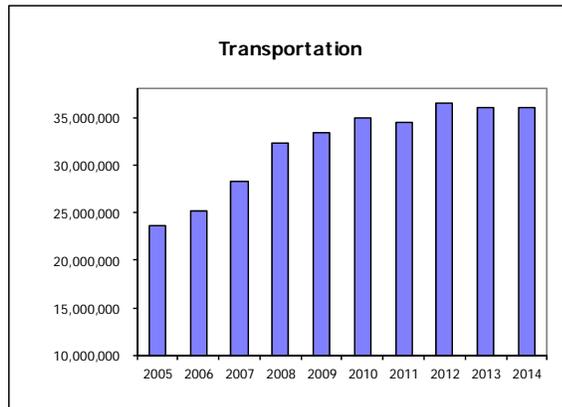
		Amount	% Change
Actual	2005	41,759,179	6.9%
Actual	2006	50,883,672	21.9%
Actual	2007	47,139,549	-7.4%
Actual	2008	50,419,894	7.0%
Actual	2009	51,683,124	2.5%
Actual	2010	55,012,035	6.4%
Actual	2011	56,004,882	1.8%
Actual	2012	57,441,579	2.6%
Budget	2013	49,983,089	-13.0%
Budget	2014	50,290,309	0.6%



The City of Everett's Water/Sewer Utility makes up 99% of this category. Water operations include the distribution and filtration of water for the citizens of Everett as well as sales to other water systems in Snohomish County. Sewer operations include collection and treatment of sewage and surface water management. The large decrease from 2012 to 2013 is due to depreciation expense which is accounted for in actuals but not budgeted for. The 0.6% increase from 2013 to 2014 is due primarily to rising labor costs tempered by internal reorganization as positions come open.

Transportation

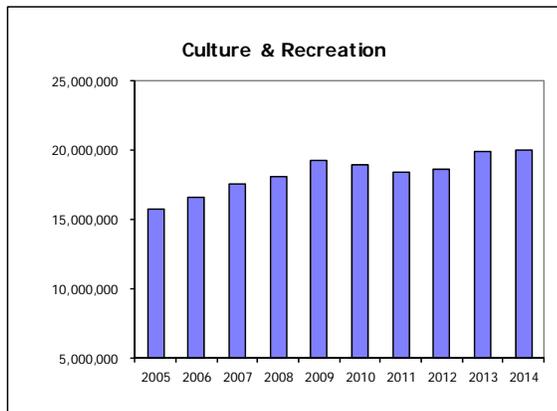
		Amount	% Change
Actual	2005	23,617,192	7.4%
Actual	2006	25,136,919	6.4%
Actual	2007	28,322,211	12.7%
Actual	2008	32,260,383	13.9%
Actual	2009	33,434,945	3.6%
Actual	2010	35,008,421	4.7%
Actual	2011	34,527,810	-1.4%
Actual	2012	36,484,038	5.7%
Budget	2013	35,999,857	-1.3%
Budget	2014	36,010,918	0.0%



Everett Transit comprises about 61% of the Transportation expenditures. Road and Street Maintenance, the Motor Vehicle Division, and the EverPark Garage make up the balance in this category. Just over 20.0 FTEs were added to the Transit Department between 2006 and 2010 to provide for expanded service. The decrease from 2012 to 2013 was due primarily to reductions in grant related expenditures. 2014 is expected to remain flat with increases in labor costs offset by an FTE transferred to Utilities and a further reduction in grant related expenditures.

Culture and Recreation

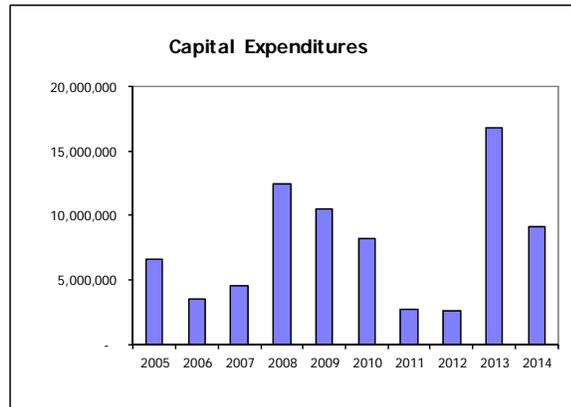
		Amount	% Change
Actual	2005	15,771,388	0.0%
Actual	2006	16,540,645	4.9%
Actual	2007	17,591,772	6.4%
Actual	2008	18,098,768	2.9%
Actual	2009	19,261,365	6.4%
Actual	2010	18,879,108	-2.0%
Actual	2011	18,424,690	-2.4%
Actual	2012	18,569,976	0.8%
Budget	2013	19,913,771	7.2%
Budget	2014	20,026,687	0.6%



Culture and Recreation is comprised of Parks and Recreation (45%), Library services (22%), Golf (19%), Municipal Arts, Conference Center, and Hotel Motel tax-funded expenditures. The change from 2012 to 2013 of 7.2% is due to vacant positions in 2012 and a full staffing budget for 2013. Although the change between 2013 and 2014 appears fairly flat, three positions were eliminated from the Parks department which offset increases in labor costs.

Capital Expenditures

		Amount	% Change
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%
Actual	2012	2,537,452	-4.4%
Budget	2013	16,775,127	561.1%
Budget	2014	9,161,174	-45.4%

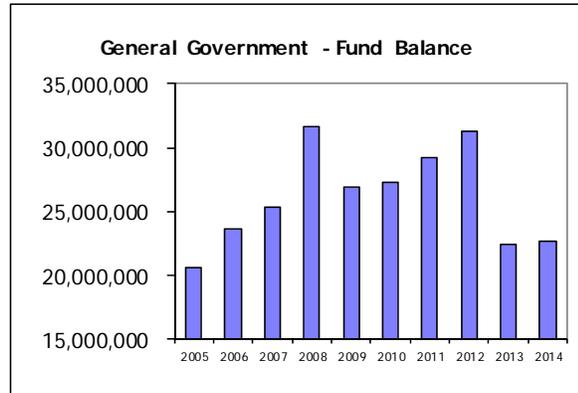


Capitalized Expenditures can vary greatly between years due to the timing of capital projects and the availability of funding sources to pay for capital projects/assets. Please see the Capital and Debt section of the budget for details on capital expenditures.

ANALYSIS OF FUND BALANCE

General Government – Fund Balance

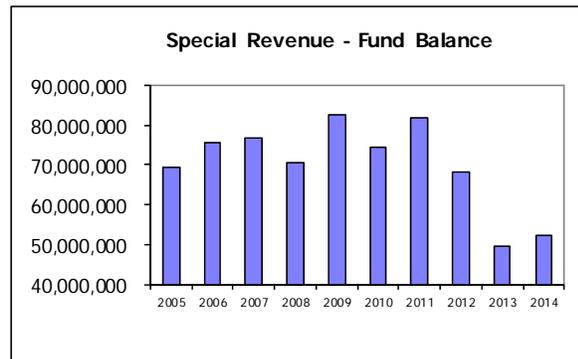
		Amount	% Change
Actual	2005	20,662,810	3.4%
Actual	2006	23,701,463	14.7%
Actual	2007	25,317,216	6.8%
Actual	2008	31,674,468	25.1%
Actual	2009	26,885,848	-15.1%
Actual	2010	27,264,821	1.4%
Actual	2011	29,201,798	7.1%
Actual	2012	31,256,955	7.0%
Budget	2013	22,400,000	-28.3%
Budget	2014	22,700,000	1.3%



In 2004, the City Council adopted a fund balance policy retaining a reserve balance equal to 20% of operating revenues. For years ending 2005 through 2007, the City continued to target the 20% reserve and transferred excess funds to pension and CIP reserve accounts. For years ending 2008 through 2012, the City chose to retain the surplus in the general fund as a contingency against potential revenue shortfalls, labor contract settlements, and known potential liabilities (landslides). 2013 and 2014 were budgeted to end the year at the 20% target.

Special Revenues – Fund Balance

		Amount	% Change
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%
Actual	2012	68,144,230	-16.7%
Budget	2013	49,553,979	-27.3%
Budget	2014	52,419,875	5.8%

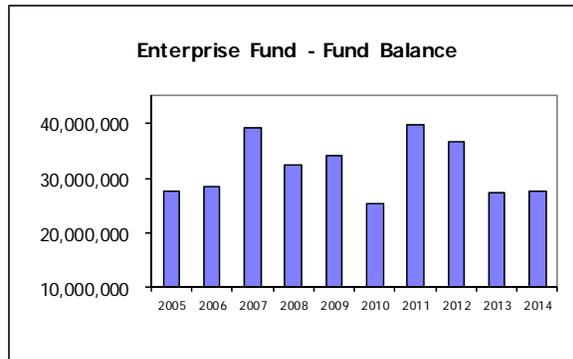


Special Revenues Funds are generally used to account for revenues that are to be spent for special purposes or projects, such as real property acquisition, traffic mitigation, EMS operations and capital projects. Frequently, a project is budgeted, but then deferred, which can create dramatic changes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

Major projects completed in 2013 included the new Municipal Court Building and the Everett Performing Arts Center Plaza. The Fire Administration Building seismic retrofit should be complete in 2014. 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

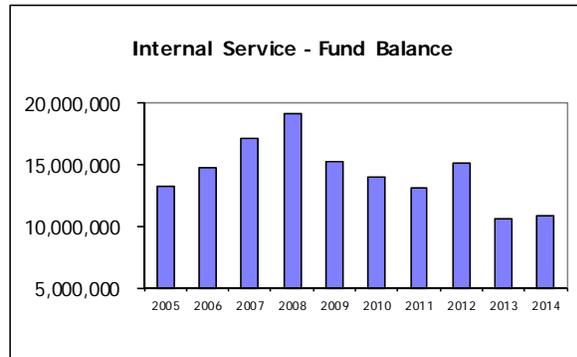
		Amount	% Change
Actual	2005	27,599,240	1.4%
Actual	2006	28,452,350	3.1%
Actual	2007	39,270,351	38.0%
Actual	2008	32,543,021	-17.1%
Actual	2009	34,128,646	4.9%
Actual	2010	25,454,746	-25.4%
Actual	2011	39,653,755	55.8%
Actual	2012	36,710,133	-7.4%
Budget	2013	27,299,220	-25.6%
Budget	2014	27,731,996	1.6%



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

Internal Service – Fund Balance

		Amount	% Change
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%
Actual	2012	15,089,986	15.1%
Budget	2013	10,560,556	-30.0%
Budget	2014	10,905,348	3.3%

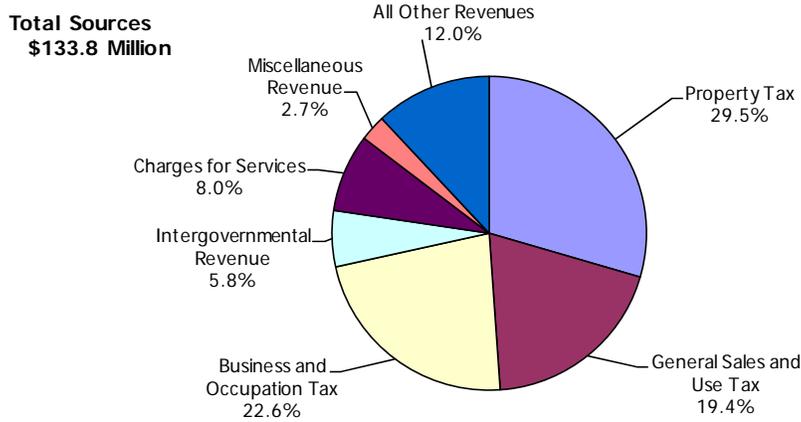


The Internal Service Funds combined fund balance has decreased over \$8.0 million from its high in 2008 to the 2014 budget amount. The majority of the decrease has been in the Self Insurance Fund and the Employee Health Benefit Reserve Fund. Both funds experienced abnormally high claims in 2009 which brought the fund balances down \$2.8 million and \$1.4 million, respectively. Additional 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.

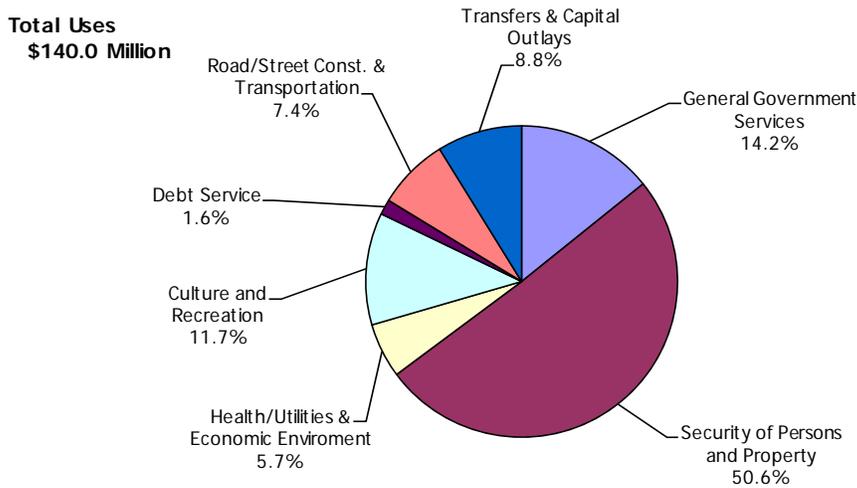
Funding rates for the Employee Benefits Reserve fund were increased by 25% for 2013 to accommodate high expected claims and rebuild the fund balance to the recommended level. These rates were maintained for 2014. Overall, the Internal Service Funds combined fund balance is budgeted to increase by 3.3% as the City slowly restores balances back to recommended levels.

GOVERNMENTAL FUNDS FINANCIAL SOURCES & USES

2014 Budgeted Financial Sources - Governmental Funds



2014 Budgeted Uses - Governmental Funds



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

	GENERAL GOVERNMENT OPERATIONS			SPECIAL REVENUE FUNDS		
	2012 Actuals	2013 Amended Budget	2014 Adopted Budget	2012 Actuals	2013 Amended Budget	2014 Adopted Budget
Financial Sources						
Property Tax	\$ 33,243,226	\$ 33,283,893	\$ 33,791,839	\$ 5,609,856	\$ 5,086,948	\$ 5,689,069
General Sales and Use Tax	22,612,623	23,196,473	24,195,500	1,698,506	1,625,250	1,728,381
Business and Occupation Tax	28,736,601	30,562,094	30,322,325	-	-	-
Other Taxes	4,704,035	4,638,277	5,049,962	2,299,679	1,800,000	2,560,600
Licenses and Permits	1,419,348	1,283,443	1,363,451	-	-	-
Intergovernmental Revenue	5,713,642	6,320,677	4,636,276	2,067,227	3,176,901	3,103,253
Charges for Goods and Services	8,787,347	8,662,036	8,764,675	1,921,945	2,145,327	1,950,078
Fines and Forfeits	1,716,314	2,103,450	1,864,260	372,945	59,000	9,000
Miscellaneous Revenue	1,638,323	1,484,942	1,653,500	2,317,579	2,053,889	1,943,139
Other Financing Sources	1,819,290	2,266,468	1,854,855	2,715,876	1,132,828	1,354,184
Total Financial Sources	\$ 110,390,749	\$ 113,801,753	\$ 113,496,643	\$ 19,003,613	\$ 17,080,143	\$ 18,337,704
Uses of Financial Sources						
General Government Services	\$ 23,386,411	\$ 27,347,078	\$ 18,161,807	\$ 2,055,435	\$ 1,575,156	\$ 1,597,818
Security of Persons & Property	54,720,871	57,784,754	60,448,224	8,480,072	11,415,462	9,867,906
Utilities & Environment	121,344	228,639	-	-	-	-
Transportation	5,691,221	6,172,547	6,476,350	-	-	-
Economic Environment	4,922,940	6,116,801	5,875,028	1,716,745	2,397,691	2,015,822
Mental & Physical Health	881,741	923,087	930,315	-	-	-
Culture & Recreation	13,827,561	15,152,566	15,237,463	754,187	1,415,750	963,103
Debt Service	-	-	-	275,258	258,630	245,735
Capitalized Expenditures	1,239,146	2,108,795	1,029,241	963,811	9,923,132	4,959,309
Road & Street Construction	1,472,635	4,136,805	2,778,568	15,395	1,659,108	1,103,820
Other Financing Uses	2,071,724	2,392,092	2,259,647	16,692,812	6,843,778	3,965,780
Total Uses of Financial Sources	\$ 108,335,594	\$ 122,363,164	\$ 113,196,643	\$ 30,953,715	\$ 35,488,707	\$ 24,719,293
Net Increase (Decrease) in Fund Balance	\$ 2,055,155	\$ (8,561,411)	\$ 300,000	\$ (11,950,102)	\$ (18,408,564)	\$ (6,381,589)
Fund Balance January 1	29,201,800	30,961,411	22,400,000	80,094,332	67,962,543	58,801,464
Fund Balance December 31	\$ 31,256,955	\$ 22,400,000	\$ 22,700,000	\$ 68,144,230	\$ 49,553,979	\$ 52,419,875

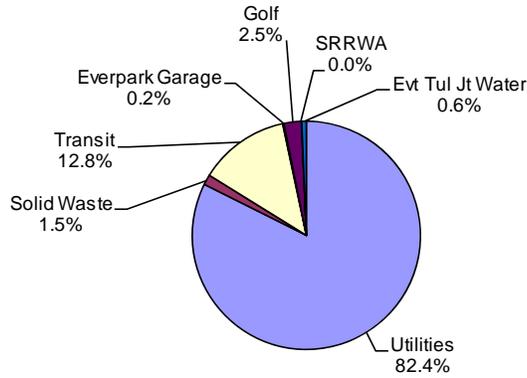
Summary of Financial Sources and Uses Governmental Funds Page 2 of 2

	DEBT SERVICE FUNDS			TOTAL GOVERNMENTAL FUNDS		
	2012 Actuals	2013 Amended Budget	2014 Adopted Budget	2012 Actuals	2013 Amended Budget	2014 Adopted Budget
Financial Sources						
Property Tax	\$ -	\$ -	\$ -	\$ 38,853,082	\$ 38,370,841	\$ 39,480,908
General Sales and Use Tax	-	-	-	24,311,129	24,821,723	25,923,881
Business and Occupation Tax	-	-	-	28,736,601	30,562,094	30,322,325
Other Taxes	-	-	-	7,003,714	6,438,277	7,610,562
Licenses and Permits	-	-	-	1,419,348	1,283,443	1,363,451
Intergovernmental Revenue	-	-	-	7,780,869	9,497,578	7,739,529
Charges for Goods and Services	-	-	-	10,709,292	10,807,363	10,714,753
Fines and Forfeits	-	-	-	2,089,259	2,162,450	1,873,260
Miscellaneous Revenue	22,556	8,500	6,000	3,978,458	3,547,331	3,602,639
Other Financing Sources	2,000,093	2,193,000	1,950,708	6,535,259	5,592,296	5,159,747
Total Financial Sources	\$ 2,022,649	\$ 2,201,500	\$ 1,956,708	\$ 131,417,011	\$ 133,083,396	\$ 133,791,055
Uses of Financial Sources						
General Government Services	\$ -	\$ -	\$ -	\$ 25,441,846	\$ 28,922,234	\$ 19,759,625
Security of Persons & Property	-	-	-	63,200,943	69,200,216	70,316,130
Utilities & Environment	-	-	-	121,344	228,639	-
Transportation	-	-	-	5,691,221	6,172,547	6,476,350
Economic Environment	-	-	-	6,639,685	8,514,492	7,890,850
Mental & Physical Health	-	-	-	881,741	923,087	930,315
Culture & Recreation	-	-	-	14,581,748	16,568,316	16,200,566
Debt Service	1,995,093	2,175,000	1,927,340	2,270,351	2,433,630	2,173,075
Capitalized Expenditures	-	-	-	2,202,957	12,031,927	5,988,550
Road & Street Construction	-	-	-	1,488,030	5,795,913	3,882,388
Other Financing Uses	60,000	64,000	48,368	18,824,536	9,299,870	6,273,795
Total Uses of Financial Sources	\$ 2,055,093	\$ 2,239,000	\$ 1,975,708	\$ 141,344,402	\$ 160,090,871	\$ 139,891,644
Net Increase (Decrease) in Fund Balance	\$ (32,444)	\$ (37,500)	\$ (19,000)	(9,927,391)	(27,007,475)	(6,100,589)
Fund Balance January 1	99,223	38,500	29,180	109,395,355	98,962,454	81,230,644
Fund Balance December 31	\$ 66,779	\$ 1,000	\$ 10,180	\$ 99,467,964	\$ 71,954,979	\$ 75,130,055

ENTERPRISE FUNDS FINANCIAL SOURCES AND USES

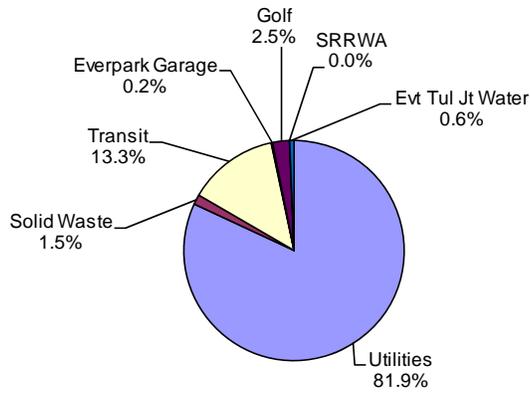
2014 Budgeted Financial Sources - Enterprise Funds

Total Sources
\$168.8 Million



2014 Budgeted Uses - Enterprise Funds

Total Uses
\$170.2 Million



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

	UTILITIES			SOLID WASTE FUND		
	2012 Actuals	2013 Amended Budget	2014 Adopted Budget	2012 Actuals	2013 Amended Budget	2014 Adopted Budget
Financial Sources						
Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Taxes	-	-	-	-	-	-
Licenses and Permits	1,460	1,300	1,500	-	-	-
Intergovernmental Revenues	214,893	-	300,000	61,241	55,000	141,542
Charges for Services	64,034,743	62,195,429	69,853,384	2,250,755	2,371,782	2,302,000
Miscellaneous Revenue	2,103,630	2,067,244	1,742,086	17,613	7,500	8,500
Other Financing Sources	1,375	52,000,000	67,100,000	-	-	-
Total Financial Sources	\$ 66,356,101	\$ 116,263,973	\$ 138,996,970	\$ 2,329,609	\$ 2,434,282	\$ 2,452,042
Uses of Financial Sources						
Personnel Services	\$ 20,165,439	\$ 22,489,346	\$ 23,528,207	\$ 50,823	\$ 94,649	\$ 98,686
Supplies	3,615,833	4,570,000	4,520,000	12,848	300	10,700
Professional Services	9,758,941	9,736,600	9,484,225	188,149	223,631	328,384
Intergovernmental Charges	12,153,762	68,956,460	79,754,480	-	-	-
Interfund Service Charges	5,832,359	5,589,150	6,491,965	639,272	875,268	871,062
Capital Outlays	1,011,864	143,100	978,700	-	10,000	-
Debt Service Principal	7,386,864	7,080,445	7,635,483	1,183,333	1,000,000	1,000,000
Debt Service Interest	7,811,824	7,966,650	7,027,678	256,730	228,231	143,730
Total Uses of Financial Sources	\$ 67,736,886	\$ 126,531,751	\$ 139,420,738	\$ 2,331,155	\$ 2,432,079	\$ 2,452,562
Net Increase (Decrease) in Fund Balance	\$ (1,380,785)	\$ (10,267,778)	\$ (423,768)	\$ (1,546)	\$ 2,203	\$ (520)
Fund Balance January 1	25,174,300	27,651,917	18,235,471	35,977	1,002	1,984
Fund Balance December 31	\$ 23,793,515	\$ 17,384,139	\$ 17,811,703	\$ 34,431	\$ 3,205	\$ 1,464

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

	TRANSIT FUND			EVERPARK GARAGE		
	2012 Actuals	2013 Amended Budget	2014 Adopted Budget	2012 Actuals	2013 Amended Budget	2014 Adopted Budget
Financial Sources						
Sales Tax	\$ 15,738,801	\$ 15,948,270	\$ 16,701,029	\$ -	\$ -	\$ -
Other Taxes	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-
Intergovernmental Revenues	2,719,519	7,704,065	2,149,881	-	-	-
Charges for Services	1,402,032	1,666,687	1,642,703	-	-	-
Miscellaneous Revenue	1,329,311	1,173,812	1,169,782	323,362	362,000	317,000
Other Financing Sources	-	-	-	-	-	-
Total Financial Sources	\$ 21,189,663	\$ 26,492,834	\$ 21,663,395	\$ 323,362	\$ 362,000	\$ 317,000
Uses of Financial Sources						
Personnel Services	\$ 11,595,889	\$ 12,109,226	\$ 13,472,153	\$ -	\$ -	\$ -
Supplies	116,523	96,672	66,159	1,231	1,500	1,200
Professional Services	979,021	1,509,357	995,066	218,998	334,420	321,447
Intergovernmental Charges	1,578,285	2,050,331	1,763,774	-	-	-
Interfund Service Charges	5,747,797	5,781,235	5,542,506	19,752	19,425	15,438
Capital Outlays	1,535,506	6,900,288	773,095	-	-	-
Debt Service Principal	-	-	-	-	-	-
Debt Service Interest	-	-	-	-	-	-
Total Uses of Financial Sources	\$ 21,553,021	\$ 28,447,109	\$ 22,612,753	\$ 239,981	\$ 355,345	\$ 338,085
Net Increase (Decrease) in Fund Balance	\$ (363,358)	\$ (1,954,275)	\$ (949,358)	\$ 83,381	\$ 6,655	\$ (21,085)
Fund Balance January 1	10,548,420	9,376,098	8,350,846	2,406,369	2,483,398	2,538,426
Fund Balance December 31	\$ 10,185,062	\$ 7,421,823	\$ 7,401,488	\$ 2,489,750	\$ 2,490,053	\$ 2,517,341

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

	GOLF			SRRWA		
	2012 Actuals	2013 Amended Budget	2014 Adopted Budget	2012 Actuals	2013 Amended Budget	2014 Adopted Budget
Financial Sources						
Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Taxes	99,994	102,912	105,295	-	-	-
Licenses and Permits	-	-	-	-	-	-
Intergovernmental Revenues	-	127,764	-	14,917	90,000	54,000
Charges for Services	2,587,272	2,653,051	2,706,530	-	-	-
Miscellaneous Revenue	1,214,009	1,282,109	1,360,950	-	-	-
Other Financing Sources	-	-	-	-	-	-
Total Financial Sources	\$ 3,901,275	\$ 4,165,836	\$ 4,172,775	\$ 14,917	\$ 90,000	\$ 54,000
Uses of Financial Sources						
Personnel Services	\$ 1,007,729	\$ 1,076,922	\$ 1,077,629	\$ -	\$ -	\$ -
Supplies	740,105	764,843	781,205	-	-	-
Professional Services	1,560,051	1,711,386	1,825,138	-	-	-
Intergovernmental Charges	-	-	-	-	-	-
Interfund Service Charges	139,923	147,138	142,149	-	-	-
Capital Outlays	48,249	145,764	15,270	14,917	90,000	54,000
Debt Service Principal	155,000	170,000	185,000	-	-	-
Debt Service Interest	158,191	149,783	146,384	-	-	-
Total Uses of Financial Sources	\$ 3,809,248	\$ 4,165,836	\$ 4,172,775	\$ 14,917	\$ 90,000	\$ 54,000
Net Increase (Decrease) in Fund Balance	\$ 92,027	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance January 1	115,348	-	-	-	-	-
Fund Balance December 31	\$ 207,375	\$ -	\$ -	\$ -	\$ -	\$ -

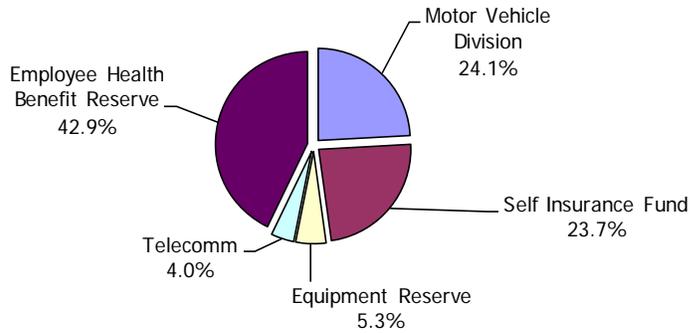
Summary of Financial Sources and Uses Enterprise Funds Page 4 of 4

	EVERETT TULALIP JOINT WATERLINE			TOTAL ENTERPRISE FUNDS		
	2012 Actuals	2013 Amended Budget	2014 Adopted Budget	2012 Actuals	2013 Amended Budget	2014 Adopted Budget
Financial Sources						
Sales Tax	\$ -	\$ -	\$ -	\$ 15,738,801	\$ 15,948,270	\$ 16,701,029
Other Taxes	-	-	-	99,994	102,912	105,295
Licenses and Permits	-	-	-	1,460	1,300	1,500
Intergovernmental Revenues	-	-	-	3,010,570	7,976,829	2,645,423
Charges for Services	-	-	-	70,274,802	68,886,949	76,504,617
Miscellaneous Revenue	-	-	-	4,987,925	4,892,665	4,598,318
Other Financing Sources	-	1,400,000	1,100,000	1,375	53,400,000	68,200,000
Total Financial Sources	\$ -	\$ 1,400,000	\$ 1,100,000	\$ 94,114,927	\$ 151,208,925	\$ 168,756,182
Uses of Financial Sources						
Personnel Services	\$ -	\$ -	\$ -	\$ 32,819,880	\$ 35,770,143	\$ 38,176,675
Supplies	-	-	-	4,486,540	5,433,315	5,379,264
Professional Services	-	-	-	12,705,160	13,515,394	12,954,260
Intergovernmental Charges	-	-	-	13,732,047	71,006,791	81,518,254
Interfund Service Charges	-	-	-	12,379,103	12,412,216	13,063,120
Capital Outlays	340,088	1,400,000	1,100,000	2,950,624	8,689,152	2,921,065
Debt Service Principal	-	-	-	8,725,197	8,250,445	8,820,483
Debt Service Interest	-	-	-	8,226,745	8,344,664	7,317,792
Total Uses of Financial Sources	\$ 340,088	\$ 1,400,000	\$ 1,100,000	\$ 96,025,296	\$ 163,422,120	\$ 170,150,913
Net Increase (Decrease) in Fund Balance	\$ (340,088)	\$ -	\$ -	\$ (1,910,369)	\$ (12,213,195)	\$ (1,394,731)
Fund Balance January 1	-	-	-	38,280,414	39,512,415	29,126,727
Fund Balance December 31	\$ (340,088)	\$ -	\$ -	\$ 36,710,133	\$ 27,299,220	\$ 27,731,996

INTERNAL SERVICE FUNDS FINANCIAL SOURCES AND USES

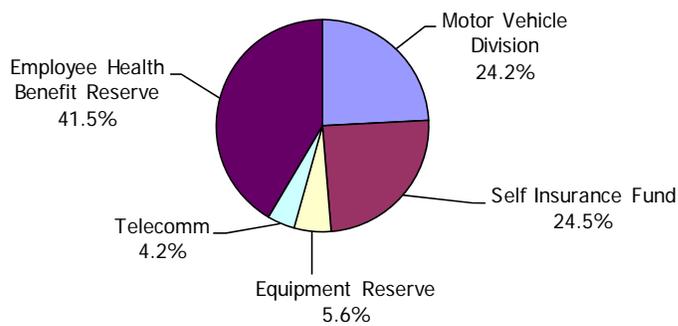
2014 Budgeted Sources - Internal Service Funds

Total Sources
\$30.4 Million



2014 Budgeted Uses - Internal Service Funds

Total Uses
\$30.4 Million



Financial Sources and Uses Internal Service Funds Page 1 of 3

	MOTOR VEHICLE DIVISION			SELF INSURANCE FUND		
	2012 Actuals	2013 Amended Budget	2014 Adopted Budget	2012 Actuals	2013 Amended Budget	2014 Adopted Budget
Financial Sources						
Interfund Charges for Services	\$ 7,355,813	\$ 7,848,250	\$ 7,187,603	\$ 7,941,417	\$ 9,464,203	\$ 7,031,651
Miscellaneous Revenue	100,631	98,675	136,332	519,697	184,055	168,124
Disposition of Fixed Assets	2,205	-	9,800	-	-	-
Total Financial Sources	\$ 7,458,649	\$ 8,071,925	\$ 7,333,735	\$ 8,461,114	\$ 9,648,258	\$ 7,199,775
Uses of Financial Sources						
Personnel Services	\$ 2,253,384	\$ 2,396,358	\$ 2,294,300	\$ 1,449,386	\$ 1,445,417	\$ 1,465,678
Supplies	4,567,788	4,977,341	4,313,451	-	-	-
Professional Services	414,386	421,280	505,098	5,054,388	8,604,583	5,985,032
Interfund Service Charges	278,546	317,317	243,976	-	-	-
Capital Outlays	-	146,000	-	-	-	-
Total Uses of Financial Sources	\$ 7,514,104	\$ 8,258,296	\$ 7,356,825	\$ 6,503,774	\$ 10,050,000	\$ 7,450,710
Net Increase (Decrease) in Fund Balance	\$ (55,455)	\$ (186,371)	\$ (23,090)	\$ 1,957,340	\$ (401,742)	\$ (250,935)
Fund Balance January 1	805,674	400,000	591,451	9,159,734	7,942,520	7,625,154
Fund Balance December 31	\$ 750,219	\$ 213,629	\$ 568,361	\$ 11,117,074	\$ 7,540,778	\$ 7,374,219

Financial Sources and Uses Internal Service Funds Page 2 of 3

	COMPUTER RESERVE			TELECOMMUNICATIONS		
	2012 Actuals	2013 Amended Budget	2014 Adopted Budget	2012 Actuals	2013 Amended Budget	2014 Adopted Budget
Financial Sources						
Interfund Charges for Services	\$ 1,357,012	\$ 1,381,859	\$ 1,608,013	\$ 1,095,842	\$ 1,147,133	\$ 1,209,006
Miscellaneous Revenue	14,174	14,500	8,434	14,031	16,000	16,000
Disposition of Fixed Assets	-	-	-	-	-	-
Total Financial Sources	\$ 1,371,186	\$ 1,396,359	\$ 1,616,447	\$ 1,109,873	\$ 1,163,133	\$ 1,225,006
Uses of Financial Sources						
Personnel Services	\$ -	\$ -	\$ -	\$ 303,172	\$ 317,930	\$ 331,672
Supplies	287,319	649,101	250,000	53,133	65,148	66,108
Professional Services	945,317	891,332	1,138,178	715,436	827,458	814,676
Interfund Service Charges	-	-	22,910	38,641	39,186	60,913
Capital Outlays	508,683	100,000	300,659	141,425	88,038	-
Total Uses of Financial Sources	\$ 1,741,319	\$ 1,640,433	\$ 1,711,747	\$ 1,251,807	\$ 1,337,760	\$ 1,273,369
Net Increase (Decrease) in Fund Balance	\$ (370,133)	\$ (244,074)	\$ (95,300)	\$ (141,934)	\$ (174,627)	\$ (48,363)
Fund Balance January 1	967,032	826,631	435,299	679,034	455,650	362,473
Fund Balance December 31	\$ 596,899	\$ 582,557	\$ 339,999	\$ 537,100	\$ 281,023	\$ 314,110

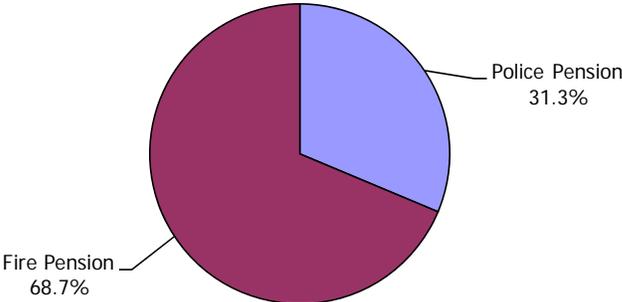
Financial Sources and Uses
Internal Service Funds
Page 3 of 3

	EMPLOYEE HEALTH BENEFITS RES			TOTAL INTERNAL SERVICE FUNDS		
	2012 Actuals	2013 Amended Budget	2014 Adopted Budget	2012 Actuals	2013 Amended Budget	2014 Adopted Budget
Financial Sources						
Interfund Charges for Services	\$ 10,498,390	\$ 11,368,890	\$ 12,959,713	\$ 28,248,474	\$ 31,210,335	\$ 29,995,986
Miscellaneous Revenue	529,924	40,000	60,000	1,178,457	353,230	388,890
Disposition of Fixed Assets	-	-	-	2,205	-	9,800
Total Financial Sources	\$ 11,028,314	\$ 11,408,890	\$ 13,019,713	\$ 29,429,136	\$ 31,688,565	\$ 30,394,676
Uses of Financial Sources						
Personnel Services	\$ 9,797,792	\$ 10,930,000	\$ 11,637,248	\$ 13,803,734	\$ 15,089,705	\$ 15,728,898
Supplies	-	1,000	1,000	4,908,240	5,692,590	4,630,559
Professional Services	1,074,007	994,000	984,000	8,203,534	11,738,653	9,426,984
Interfund Service Charges	-	-	-	317,187	356,503	327,799
Capital Outlays	-	-	-	650,108	334,038	300,659
Total Uses of Financial Sources	\$ 10,871,799	\$ 11,925,000	\$ 12,622,248	\$ 27,882,803	\$ 33,211,489	\$ 30,414,899
Net Increase (Decrease) in Fund Balance	\$ 156,515	\$ (516,110)	\$ 397,465	\$ 1,546,333	\$ (1,522,924)	\$ (20,223)
Fund Balance January 1	1,932,179	2,458,679	1,911,194	13,543,653	12,083,480	10,925,571
Fund Balance December 31	\$ 2,088,694	\$ 1,942,569	\$ 2,308,659	\$ 15,089,986	\$ 10,560,556	\$ 10,905,348

TRUST FUNDS FINANCIAL SOURCES AND USES

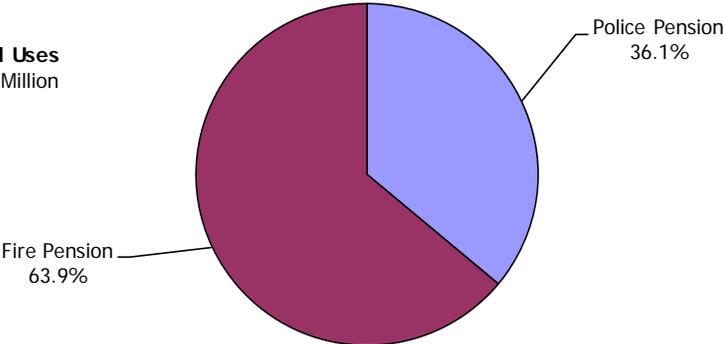
2014 Budgeted Sources - Trust Funds

Total Sources
\$1.7 Million



2014 Budgeted Uses - Trust Funds

Total Uses
\$5.9 Million



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

	POLICE PENSION			FIRE PENSION		
	2012 Actuals	2013 Amended Budget	2014 Adopted Budget	2012 Actuals	2013 Amended Budget	2014 Adopted Budget
Financial Sources						
Intergovernmental Revenue	\$ -	\$ -	\$ -	\$ 147,478	\$ 162,318	\$ 160,000
Miscellaneous Revenue	390,758	720,475	523,236	909,086	1,948,000	987,479
Total Financial Sources	\$ 390,758	\$ 720,475	\$ 523,236	\$ 1,056,564	\$ 2,110,318	\$ 1,147,479
Uses of Financial Sources						
Personnel Services	\$ 1,766,553	\$ 2,206,418	\$ 2,109,058	\$ 1,804,346	\$ 3,102,236	\$ 3,757,340
Other Services & Charges	15,478	22,000	22,000	15,478	20,000	20,000
Total Uses of Financial Sources	\$ 1,782,031	\$ 2,228,418	\$ 2,131,058	\$ 1,819,824	\$ 3,122,236	\$ 3,777,340
Net Increase (Decrease) in Fund Balance	\$ (1,391,273)	\$ (1,507,943)	\$ (1,607,822)	\$ (763,260)	\$ (1,011,918)	\$ (2,629,861)
Fund Balance January 1	18,078,977	16,761,873	15,607,851	32,570,724	31,535,411	31,082,634
Fund Balance December 31	\$ 16,687,704	\$ 15,253,930	\$ 14,000,029	\$ 31,807,464	\$ 30,523,493	\$ 28,452,773

Summary of Financial Sources and Uses Trust Funds

Page 2 of 2

	TOTAL TRUST FUNDS		
	2012	2013	2014
	Actuals	Amended Budget	Adopted Budget
Financial Sources			
Intergovernmental Revenue	\$ 147,478	\$ 162,318	\$ 160,000
Miscellaneous Revenue	1,299,844	2,668,475	1,510,715
Total Financial Sources	\$ 1,447,322	\$ 2,830,793	\$ 1,670,715
Uses of Financial Sources			
Personnel Services	\$ 3,570,899	\$ 5,308,654	\$ 5,866,398
Other Services & Charges	30,956	42,000	42,000
Total Uses of Financial Sources	\$ 3,601,855	\$ 5,350,654	\$ 5,908,398
Net Increase (Decrease) in Fund Balance	\$ (2,154,533)	\$ (2,519,861)	\$ (4,237,683)
Fund Balance January 1	50,649,701	48,297,284	46,690,485
Fund Balance December 31	\$ 48,495,168	\$ 45,777,423	\$ 42,452,802

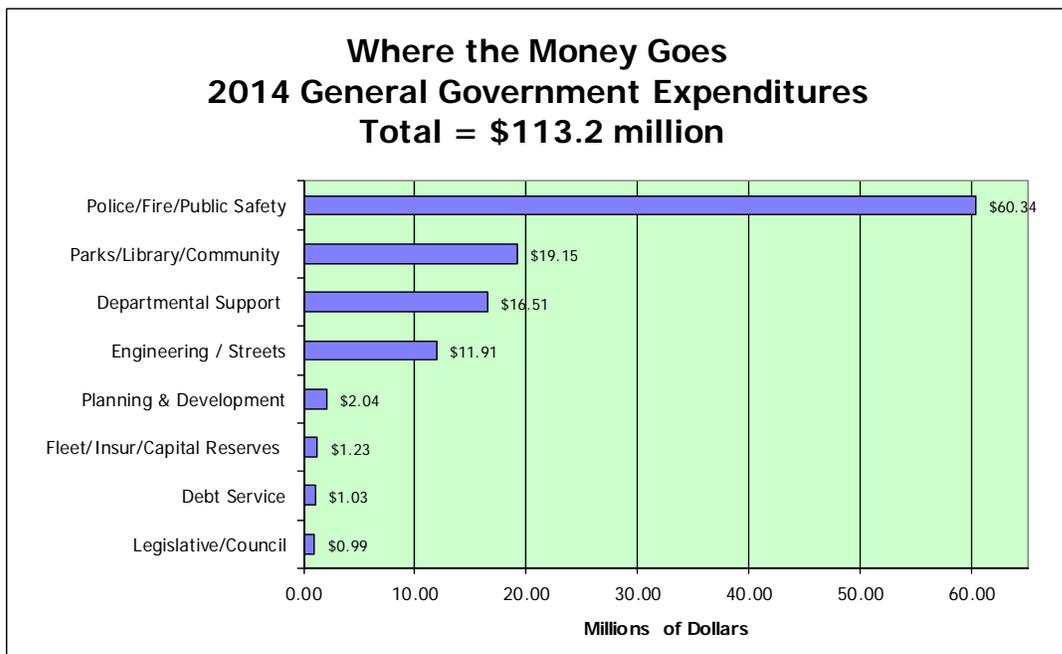
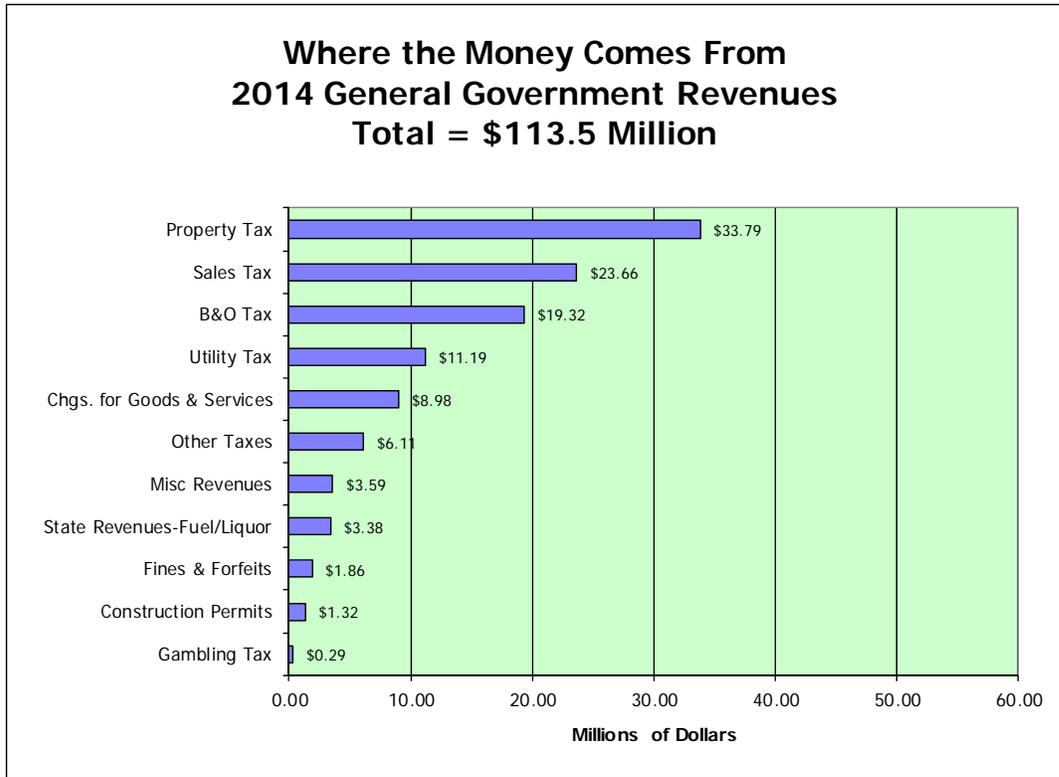
**GENERAL GOVERNMENT
FIVE YEAR COMPARISON
RESOURCES AND EXPENDITURES BY FUNCTION**

	2010 Actual Results	2011 Actual Results	2012 Actual Results	2013 Adopted Budget	2013 Amended Budget	2014 Adopted Budget
RESOURCES						
Beginning Fund Balance	\$ 26,885,848	\$ 27,264,821	\$ 29,201,800	\$ 22,100,000	\$ 30,961,411	\$ 22,400,000
Revenue						
Property Tax	31,343,121	31,649,652	33,243,226	33,283,893	33,283,893	33,791,839
Sales Tax	21,509,617	21,970,667	21,927,255	22,593,383	22,593,383	23,660,000
B&O Tax	14,749,748	14,863,719	17,622,716	19,173,303	19,173,303	19,317,838
Utility Tax	11,946,646	12,291,325	11,458,433	11,644,771	11,644,771	11,194,450
Gambling Tax	339,755	364,778	320,265	310,479	310,479	292,061
Other Taxes	5,513,919	5,627,057	5,733,591	5,659,030	5,670,030	6,114,106
Construction Permits	931,010	1,105,391	1,362,817	1,231,690	1,231,690	1,320,713
Grants	936,108	948,944	660,422	80,000	1,685,657	29,675
State Revenues	3,926,302	3,743,630	3,824,916	3,405,485	3,405,485	3,376,016
Interfund Service Charges	5,586,095	5,639,338	6,170,274	6,023,304	6,023,304	6,198,685
Chgs. for Goods & Services	2,786,514	2,909,775	2,829,615	2,858,144	2,858,144	2,778,906
Fines & Forfeits	1,777,298	1,947,299	1,716,314	2,103,450	2,103,450	1,864,260
Misc Revenues	4,194,374	3,915,198	3,520,906	3,632,475	3,818,164	3,558,092
Annual Revenues	\$ 105,540,507	\$ 106,976,773	\$ 110,390,750	\$ 111,999,407	\$ 113,801,753	\$ 113,496,641
Annual Revenue Growth Rate	-0.23%	1.36%	3.19%	1.46%	1.61%	-0.27%
Total Resources	\$ 132,426,355	\$ 134,241,594	\$ 139,592,550	\$ 134,099,407	\$ 144,763,164	\$ 135,896,641
Expenditures						
Legislative	\$ 707,636	\$ 756,281	\$ 816,673	\$ 986,096	\$ 986,096	\$ 991,195
Departmental Support	15,246,978	14,965,582	15,444,265	15,980,639	18,226,380	16,506,296
Public Safety	54,379,691	53,163,138	54,980,739	59,269,861	58,558,182	60,337,650
Reserve Contributions	3,759,221	6,315,642	7,327,341	1,517,325	8,387,386	1,233,108
Debt Service	722,000	922,000	1,025,554	1,300,000	1,300,000	1,031,050
Infrastructure	8,966,259	9,560,596	9,487,493	11,568,345	12,700,711	11,913,277
Community Programs	17,480,377	17,355,725	17,405,666	19,032,653	19,451,399	19,145,322
Governmental Operations	3,899,372	2,000,830	1,847,862	2,044,488	2,753,010	2,038,743
Total Expenditures	\$ 105,161,534	\$ 105,039,794	\$ 108,335,593	\$ 111,699,407	\$ 122,363,164	\$ 113,196,641
Annual Expenditure Growth R	-4.89%	-0.12%	3.14%	3.10%	9.55%	-7.49%
Ending Fund Balance	\$ 27,264,821	\$ 29,201,800	\$ 31,256,957	\$ 22,400,000	\$ 22,400,000	\$ 22,700,000
Ending Fund Balance as % of Annual Revenues	25.83%	27.30%	28.31%	20.00%	19.68%	20.00%

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

Department	2010 Actual Results	2011 Actual Results	2012 Actual Results	2013 Adopted Budget	2013 Amended Budget	2014 Adopted Budget
Expenditures						
Council	\$ 441,959	\$ 454,245	\$ 467,598	\$ 610,228	\$ 610,228	\$ 618,002
Legal/Prosecutor's Office	3,251,009	3,438,705	3,505,050	3,777,776	3,867,776	3,812,485
Administration	1,470,761	1,289,935	1,252,748	1,834,031	1,460,553	1,862,129
Municipal Court	1,716,455	1,770,082	1,707,676	1,981,774	1,981,774	2,038,206
Human Resources/Labor Rel.	1,379,577	1,423,827	1,460,399	1,615,865	1,608,365	1,652,840
Non-Departmental	15,192,556	16,865,958	18,294,921	11,312,940	20,975,553	11,167,918
Finance	1,823,878	1,851,705	1,898,798	2,032,848	2,022,848	2,099,937
Information Technology	1,604,164	1,560,363	1,505,545	1,931,636	1,811,139	1,995,169
Planning & Community Devel.	1,791,914	1,736,348	1,693,478	1,848,888	2,296,095	1,857,544
Neighborhoods/ Comm. Svcs.	299,657	334,125	319,446	374,179	397,979	379,801
Engineering Services	5,116,641	4,977,605	4,980,632	5,970,064	5,503,658	5,809,803
Animal Services	1,377,679	1,191,942	1,207,305	1,409,160	1,409,160	1,418,476
Senior Center	423,985	440,941	451,820	461,996	472,996	484,948
Police	27,186,245	26,720,078	27,982,606	31,304,643	30,089,991	31,839,259
Fire	18,775,268	18,612,530	19,096,840	19,890,180	20,393,153	20,392,438
Facilities & Property Mngmnt.	3,317,500	3,322,861	3,410,622	3,782,636	3,697,636	3,852,040
Parks & Recreation	8,806,512	8,657,306	8,575,856	9,452,328	9,536,499	9,426,111
Library	4,588,052	4,613,487	4,577,399	4,973,667	4,943,667	5,082,708
Municipal Arts	810,578	814,589	1,032,076	956,049	1,285,824	967,303
Conference Center	746,988	1,013,000	1,045,681	1,367,002	1,367,002	1,098,052
Special Projects	1,955,152	121,623	48,696	-	220,979	-
Street Improvements	1,019,409	1,864,046	1,687,726	2,396,108	3,994,880	2,778,568
Streets	2,065,595	1,964,492	2,132,675	2,415,409	2,415,409	2,562,906
Total Expenditures	\$ 105,161,534	\$ 105,039,793	\$ 108,335,593	\$ 111,699,407	\$ 122,363,164	\$ 113,196,643

GENERAL GOVERNMENT REVENUES AND EXPENDITURES BY FUNCTION



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