



2014 Budget

City of Marysville, Washington



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OFFICE OF THE MAYOR

Jon Nehring

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Mayor's 2014 Budget Message

Date: November 2, 2013

To: Citizens of Marysville and City Councilmembers

From: Honorable Mayor Jon Nehring

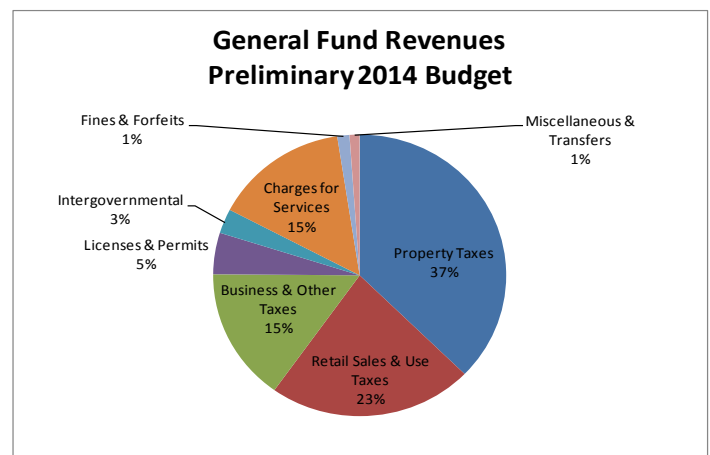
I am pleased to present my proposed 2014 Budget to Marysville's citizens and the City Council.

Like many communities, Marysville has steered through some difficult financial challenges in recent years, but we have continued responsibly to take the necessary steps to protect the interests of our citizens, guided by a disciplined operating philosophy. We have reduced expenditures, built up emergency reserves to save for a rainy day, paid off city debt, made government more efficient and planned for long-term financial stability by investing more sensibly in Marysville's future.

The City's finances are healthy and stable, thanks to difficult decisions made and past actions of City Council and Department Directors who have held the line on spending.

The stable financial picture gives us the confidence to take our goal of investing back into the community to the next level. We are jump-starting funding again for some of the core government services that got put on the shelf because of the unstable economy. We are moving forward with strategic investments necessary to lay the groundwork for a prosperous future. We're in good shape financially, all things considered, and we have addressed the economic challenges to our city that put us on the road to recovery. However, we approach the new year with a conservative financial outlook, knowing full well that the post-Great Recession era is still leaving an unsettling imprint on markets and economies.

The \$116.2 million 2014 Preliminary Budget I am presenting today is a balanced spending plan that, keeps Marysville on a healthy financial course, and protects core services and investments that have helped our city withstand the recession better than many other places. Despite what looks like modest improvements in the economy, we have cause to be wary that our budget challenges are not over. Local governments were hit hard during the recession that caused sales tax revenues to plummet, but we are seeing a slight uptick in Marysville. Our other primary source of funding is property taxes, which constitute nearly 37% of our General Fund.



General Fund

The General Fund in the proposed 2014 operating budget is \$42.2 million, 5.3% increase over 2013 spending levels of \$40.5 million. The General Fund is used for police and courts, contracted fire and emergency services, parks and recreation, planning and engineering, street repair and other day-to-day general government operations.

The increase in 2014 is mainly to reinvest into City assets and the community, which would include an increase in subsidy of \$290,302 toward operational needs in Streets. For the first time in several years the assessed property values went up, easing the challenge of one of the City's largest funding source. The 2014 proposed budget forecasts a rise in assessed values, as estimates from the County Assessor are considered, as a result of higher new construction values providing a slight increase of \$284,341 or 1.9% compared to 2013 budget of \$101,071 or 0.68%. Retail sales taxes in 2013 show increases from the year prior; new construction contributed almost half, retail sales continues to grow with larger items such as vehicle and appliances being prominent among purchases. Although these are positive signs of recovery, a conservative approach is always prudent for 2014 resulting in a projected level of 5% above 2012 actual collections.

Emergency reserves

Over the past two budget cycles, mine and the Council's goal was to begin replenishing our Fund Balance to 10% of revenues. In 2012, we reached 10%, and reached our emergency reserve target ahead of schedule. In 2014, we are confident that we will be able to maintain this level as well as increasing reserves for needed capital. We reached these targets through commitment and teamwork, and I am proud of our Department Directors and City staff for the hard work they have invested in reaching our goals in such a short time.

New Positions

This preliminary budget has been prepared with six new positions: one Police Officer, a Building/Electrical Inspector as a result of increases in construction activity, two Maintenance Worker IIs and an Operations Engineering Technician in Utilities and a Fleet/Facilities Manager.

In fact, the 2014 Budget incorporates full year funding for a total of 6 new Police Officers (5 were added mid-to late-year in 2013, in addition to the next year hire). The law enforcement positions reinforce the value we place on public safety.

All of these positions will assist with getting us to a more suitable level for maintaining the City's needs. Marysville maintains an employee-to-citizen ratio of 5.2 employees per 1,000 citizens one of the lowest in the state. By comparison, it is not unusual for similar-sized cities in Washington State to carry a level of between 8-14 full-time employees per 1,000 citizens, even those cities that choose to contract out certain services that Marysville provides as a full-service city, such as water, sewer and garbage utilities, for example, or law enforcement.

We will continue to run lean on staffing levels while providing the highest value of service for our taxpayers.

General assumptions

- Employee premium health benefit rates are estimated to be minimal since our provider will use a self-insured approach establishing a 0% increase in premiums.
- A 30% increase in costs related to state legislation changing the contribution rates for public employee retirement pensions that took effect July 1, 2013. The full impact of these rate increases will affect all cities in 2014.

Budget Highlights

I am proposing several initiatives in the 2014 budget that will enable us to advancing our goals for economic development, transportation infrastructure and other key service priorities:

- **Continue to build our Capital Reserve Fund** with a **transfer** of \$825,000 in 2013 as seed money to accomplish specific future capital improvements and costs associated with those projects.
- **Street maintenance and pavement preservation** - Increased by \$150,000 for a total of \$500,000, for surface rehabilitation treatments to extend the life of the pavement for some well-travelled roads most in need of repair as determined by Public Works. Funding for these types of improvements has dried up in years past due to passage of certain voter initiatives and the recession.
- **Capital Facility Maintenance Plan** – Increased by \$175,000 to \$300,000 to fund capital facility maintenance and improvements.
- **Continue to update critical information technology needs.**
- **Downtown revitalization** - \$150,000 dedicated for downtown revitalization efforts and a public engagement process as the City seeks to create a downtown and waterfront area that is a more vibrant, attractive and pedestrian-friendly place for visitors and shoppers, and becomes a place with its own identity. They range from infrastructure, fixtures, landscaping and signage to increased police and code enforcement measures designed to make downtown more beautiful and crime-free.
- **Code enforcement neighborhood cleanup** - \$60,000 for multiple cleanup activities deployed as part of Clean Sweep Week activities, a cost-effective, successful community cleanup event last year that rallied community volunteers, merchants and City employees for a once-over spring cleaning.
- **Walkway improvements** – \$100,000 for various walkway improvements that would fill in gaps in shoulders and sidewalks in some neighborhoods, near schools, or used by school children, pedestrians and bicycles.
- **Park trails construction** - \$100,000 for the second phase of Bayview Trail across the eastside Marysville foothills and \$200,000 for trail construction tied to the Qwuloolt Estuary Restoration Project.

Special Revenue Funds

Special Revenue Funds include City Streets, Drug Enforcement, Tribal Gaming, Hotel/Motel Tax, Baxter Center Appreciation, I/Net, Community Development Block Grant (CDBG) program, and Growth Management Act Real Estate Excise Taxes (REET) I & II. As indicated by the title, these funds are restricted in use.

City Streets is the largest among Special Revenue Funds and has been a concern for many years because of the challenges of meeting street improvement, enhancement and overlay needs that outweigh available funding. City Streets in the 2014 Preliminary Budget totals \$4.3 million, which covers salaries and benefits, street lighting and street maintenance along with the pavement preservation and walkways.

Debt Service Funds

In contributing to the goal to reduce city debt aggressively, city facilities bond was refinanced yielding a \$500,000 savings over the term of the bond. Also, the golf course interfund loan was paid down.

Debt Service Funds include General Long-Term Obligation (LTGO) bonds issued for building and transportation. The 2014 preliminary budget is \$2.3 million, a decrease over the 2013 budget of \$331,623. Most of the decrease was due to a better-than-anticipated interest rate on financing of debt.

Capital Outlay

Capital Outlay Funds support street and park improvements through the use and leveraging of federal funding, grants, mitigation, and REET (Real Estate Excise Tax) dollars. Many street improvements are anticipated for 2014 as well as trail improvements for Bayview and Qwuloolt, along with the plans for an exciting new spray park in Comeford Park.

Utility Funds

Utility Funds include water, sewer, surface water, construction and debt service. The proposed 2014 budget is \$48 million, an 8.7% decrease from 2013 spending levels. The decreases are primarily associated with costs of relocation of water service in the Sunnyside-Soper Hill area from Snohomish County PUD to the city, and debt service.

Garbage & Refuse

Garbage and Refuse's proposed 2014 Budget is \$7.2 million, 27.6% more than the 2013 budget of \$5.6 million. Most of the increase is due to costs associated with City assuming collection services in the

Sunnyside/Whiskey Ridge Area starting in December 2013.

Golf Course

The 2013 season had ideal golf conditions for the Cedarcrest Golf Course. Rounds were still low in the first quarter, but revenue was up due mostly to better-than-forecasted merchandise sales and increased non-pass play.

The Golf Course continues to require a subsidy from the General Fund of about \$42,229. Despite this, new management at the course has done well on the expense side of the ledger leading to a significant drop over recent years in the subsidy from the General Fund, with many of the financial adjustments made in 2011 being more noticeable in 2012 and 2013, with an addition of well for irrigation in 2014 expenses are estimated to decrease. The 2014 budget is \$1,231,172, compared with the 2013 budget of \$1,220,306.

Internal Fund Services

Internal Fund Services provides services that are needed throughout the City departments that are more efficiently and effectively operated as a Fund instead of individually within the departments. Services include Fleet Services, Facilities Maintenance and Computer Services. The combined proposed 2014 budget is \$3,377,417 or 30.2% over 2013 spending of \$2,593,044. The increase is a result of replacement of fleet and technology equipment that has been held off for the last few years.

Economic development

In addition to the focus we will place on downtown revitalization in 2014, our emphasis on creating a regional manufacturing, light industry job center for Marysville in the Smokey Point area will be an equally strong long-term endeavor. We signed a joint resolution between Marysville, Arlington and the Tribes supporting regional coordination of a manufacturing and industrial center to support The Boeing Company and manufacturing and supplier expansion in North Snohomish County. The Smokey Point area is master planned with the potential to create up to thousands of jobs in aerospace, technology and other light industry and manufacturing, and the Arlington Municipal Airport comprises a major employment center within the entire county. These areas' strategic value to the regional economy is only going to continue to climb.

In 2014, we plan to re-introduce a bill in the state Legislature that would provide incentives for prospective businesses to create family living wage manufacturing jobs through tax incentives on new construction of facilities within current industrial-zoned and designated land.

Transportation improvements completed

Investments in Marysville's transportation infrastructure improve safety, ease traffic congestion, support economic opportunity and local businesses, provide jobs, and perhaps most importantly, make your daily drive more convenient.

Our transportation network faces funding challenges, but we moved forward to complete key projects by the end of 2013 designed to ease congestion and improve driver and pedestrian safety. We completed the following road projects:

- Lakewood Triangle Access/16th Street I-5 overpass project was dedicated in January to reduce traffic congestion in the Lakewood-Smokey Point neighborhoods and shopping areas to the north and bolster economic development by allowing future commercial and residential growth.
- 51st Avenue shoulder improvements and overlay project from Grove Street north to 80th in summer.
- While a state-funded project, the new five-lane SR 529 fixed-span bridge opened last spring to ease traffic on I-5, reduce congestion into Marysville, and replace an aging two-lane swing-gate bridge with a five-lane structure.

These projects drew funding from an array of sources including formation of a Local Improvement District (LID), state grants, transportation mitigation fees, limited REET dollars and other combined sources.

Transportation remains one of our top priorities as we begin working toward the following projects in 2014:

- State Avenue and 88th Street improvements – a westbound to northbound right drop lane on 88th, and other safety and traffic signal improvements in the State Avenue corridor.
- 88th and 55th Avenue improvements – installation of a traffic signal, widening of 88th and an added left-turn pocket.
- Interchange Justification Reports (IJRs) for SR 529 and I-5 interchange expansion – An IJR is a

necessary early step when seeking to build or make changes to a federal highway interchange. This expansion would add a new onramp and offramp that would bypass the railroad tracks entirely, thereby addressing access challenges created by train traffic at the 4th Street/I-5 interchange. A second IJR would seek improvements at the 4th Street/I-5 intersection to further address traffic congestion.

The City is pursuing funding for the latter IJR's and other long-term major transportation improvements. Despite a severely limited pool of transportation dollars available to local government, just know that we have an energetic and resourceful team of engineers and project managers who have an established track record for acquiring grants, and putting dollars – and people – back to work in our community.

Summary

This spending plan seeks to maintain our Marysville's status as a desirable community in which to live, work and play while maintaining a stable economic foundation on behalf of our Citizens. We are committed to careful and thoughtful fiscal management, a conservative spending philosophy, efficient service delivery under the best possible terms, and providing our Citizens with the highest quality of life possible.

This preliminary budget builds on our priorities and community values, but it needs your voice. I invite you to become a part of the budget process by joining us for a public hearing to share your input on the preliminary budget scheduled for 7 p.m. Monday, Nov. 25th in the Council Chambers in City Hall, 1049 State Ave., Marysville, WA.

I would like to thank the Finance Director, Department Directors and Staff for their efforts in making this proposed budget possible. I would also like to thank the City Council for providing clear courses of action for developing the budget, and I look forward to the discussions ahead.

I encourage your questions and suggestions on the community issues important to you, and the services your City provides. You can contact me by telephone at (360) 363-8089 or email jnehring@marysvillewa.gov.

I look forward to working with Citizens and the Council in the coming year.

Respectfully,



Jon Nehring

CITY OFFICIALS

ELECTED OFFICIALS

Jon Nehring	Mayor	12/31/15
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CITY COUNCIL

Jeff Vaughan (Mayor Pro Tem)	Position 1	12/31/17
Donna Wright	Position 2	12/31/17
Jeff Seibert	Position 3	12/31/17
Michael Stevens	Position 4	12/31/17
Rob Toyer	Position 5	12/31/15
Stephen Muller	Position 6	12/31/15
Carmen Rasmussen	Position 7	12/31/17

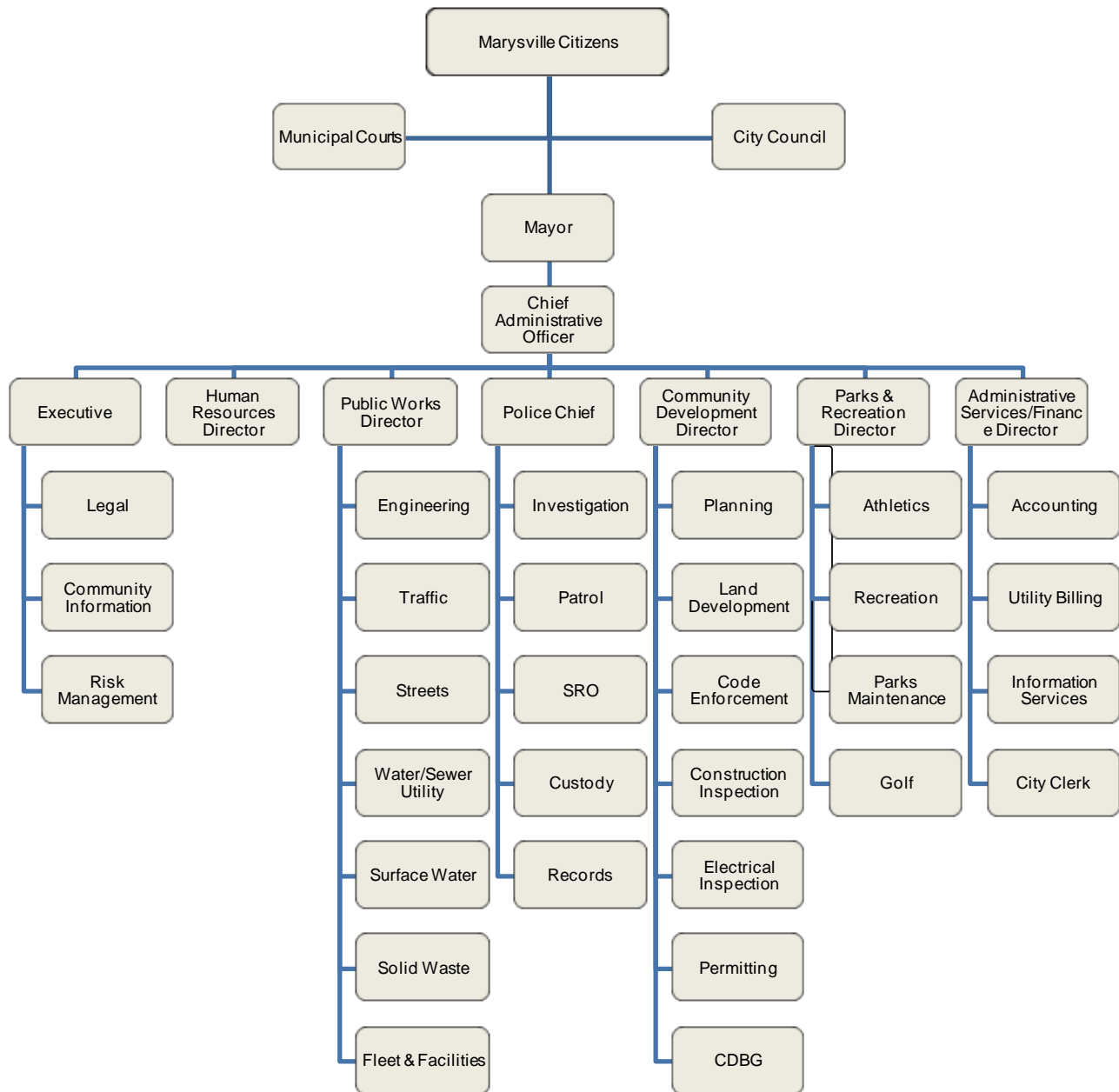
JUDGE

Fred Gillings		12/31/17
Lori Towers		12/31/17

ADMINISTRATIVE STAFF

Gloria Hirashima	Chief Administrative Officer/CD Director
Sandy Langdon	Administrative Services/Finance Director
Grant Weed	City Attorney
Rick Smith	Police Chief
Jim Ballew	Parks and Recreation Director
Kevin Nielsen	Public Works Director
Suzanne Elsner	Court Administrator
Kristie Guy	Human Resources Director

CITY OF MARYSVILLE ORGANIZATIONAL CHART



THE HISTORY OF MARYSVILLE

To trace the origins of Marysville, today a prosperous, diversified north Snohomish County city of 62,000, you need to return to 1872 and Marysville's humble beginnings as a saw mill town and trading post. James P. Comeford, proprietor of the original trading post and founder of Marysville, and wife Mary, first arrived in the area in 1872, and paved the way for many pioneer families to follow. The Comeford's lived on the neighboring Tulalip reservations for six years, traveling the waterways and seeing to the work of the 18 logging camps that were manned almost solely by Indians. The Marysville Historical Society tells that in 1878 John Stafford, Louis Thomas and Truman Ireland and Captain William Renton, traders in timber wanted to sell 1,280 acres, the land that became the town of Marysville, and Mr. Comeford was willing to buy. He paid \$450. He then built a store with living quarters attached and a small dock with a plank road called Front Street.

By 1879 education became a need of the small but growing community, and Mrs. Comeford began teaching classes in her home. A year later, Marysville opened a post office with Mr. Comeford as the first postmaster. Mr. Comeford designed the original town in 1894 and a year later the platted area encompassed nine blocks from the Tualilip Reservation to Liberty Street. The Comeford's and their family's store did good business with the loggers and Indians in the area, and additional settlers arrived by steamboat to farm or work in the busy mills that furnished the lumber for most early town buildings. The railroad tracks were laid through the town in 1889, which brought many new residents to Marysville. In 1891, James Comeford incorporated the town, and Mark Swinnerton was elected Marysville's first mayor.

From these modest roots, Marysville has developed into an ideally located economic center in north Snohomish County, one that offers residents and businesses a way of life that provides opportunities to prosper, while preserving the unhurried qualities we have all come to treasure in this fast-growing region. Led by a government that continues to demonstrate its commitment to customer service and to building a healthy infrastructure through major public improvements, Marysville is poised for a strong and sound future.

VISION STATEMENT

Experience Marysville – Live, Work, Play

MISSION STATEMENT

The City of Marysville partners with the community to provide quality, innovative and efficient municipal services which promote economic growth, thriving neighborhoods, healthful living, and financial sustainability for our residents and businesses.

CORE VALUES

Integrity

We conduct our work in an atmosphere of honesty, respect, and courtesy recognizing the impact our actions have on the quality of life now and in the future.

Trust

We are committed to earn, maintain, and enhance the trust of each other and the community.

Teamwork

We nurture successful working relationships with all our partners.

Accountability:

In the performance of our duties, we are individually and collectively accountable to citizens, customer, and stakeholders. We are competent, responsible, and dedicated to providing effective and efficient services.

Innovation

We encourage and support new ideas and creative approaches.

Commitment

We provide quality services with a continuing focus on excellence.

Diversity

We value and respect the uniqueness of our employees and citizens.

BUDGETS & BUDGETARY ACCOUNTING

The budget document sets forth the City's financial plan for the 2014 fiscal year.

In the City of Marysville, annual budgeting begins with general direction provided by the City Council. The City budget process serves the function of creating a framework to implement the policies set forth by that body to administer the City organization and deliver the various services to the community. Under the general guidance of the Mayor and Chief Administrative Officer, Department Directors have primary responsibility for formulating budget proposals in line with the Mayor and City Council priorities.

Budgeting begins with an understanding of the needs and issues important to the community that the government serves. General goals and priorities are identified in order to apply the available financial resources of the City to specific funding proposals. Previous budgets are considered in this process, thereby providing continuity with previous programming.

The budgeted appropriations (expenditures) must, by law, be balanced with either revenues and/or unreserved fund balances. The budget document not only addresses operating expenditures for the budget year but also incorporates major capital outlays to be undertaken during the year. These major capital outlays, in many respects, set the course of the City for many years to come.

As necessary during the course of the year the budget may need to be amended. The City Administrative Officer/Mayor has the authority to transfer budgeted amounts between programs within any fund; however, City Council must approve any revisions that alter the total expenditures of a fund. When Council determines that it is in the City's best interest to increase or decrease the appropriation for a particular fund, it may do so by ordinance.

BUDGET PROCESS

The budget process is the single most comprehensive analysis of available resources and the allocation of those resources to fund services for Marysville's citizens. The budget document is designed to illustrate clearly the resources that are available for appropriation, an analysis of the decisions about the allocation of resources, and the resulting budget plan.

This budget document is developed in a manner to study and review the direction of the City of Marysville. This document outlines the manner in which financial resources will be managed during the year. The course the City is taking can be changed through the allocation of financial resources. The major groups who participated in the budget process were the Mayor, City Council, Chief Administrative Officer, Department Directors, City staff and interested Marysville residents.

The City of Marysville budget is adopted by ordinance in accordance with the requirements and time limitations as mandated in state law Revised Code of Washington (RCW 35A.33). The budget must be adopted as a balanced budget and must be in place prior to the expenditure of any City funds. The calendar for the City of Marysville Budget process is as follows:

BUDGET PROCESS STEPS	JUL	AUG	SEP	OCT	NOV	DEC
1. Estimates of Revenues and Expenditures prepared by departments.						
2. Estimates submitted to Finance for compilation.						
3. Review of Program Requests by Directors, Mayor & Chief Administrative Officer.						
4. Budget workshops are held with City Council						
5. Preliminary Budget submitted to City Clerk and made available to the public 60 days before the end of the fiscal year.						
6. Public hearings are held at council meetings.						
7. Council approves budget by December 31						

FINANCIAL STRUCTURE

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. Each fund is accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. The City's resources are allocated to and accounted for in individual funds depending on what they are to be spent for and how they are controlled. The city budgets each fund individually.

Accounting for the flow of dollars in and out of accounts varies depending upon whether the fund is of the governmental or proprietary type. Government funds are designed to measure those financial resources on hand at the end of a period that are available to be spent or appropriated in future periods. Proprietary funds, on the other hand, are designed to reflect the overall economic health of the fund.

The following are the fund types and account groups used by the City of Marysville:

GOVERNMENTAL FUND TYPES:

All governmental funds are presented using the flow of current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Governmental fund operating statements focus on measuring changes in financial position, rather than net income; they present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. The unreserved fund balance is a measure of resources available to be spent.

General & Cumulative Reserve Funds

The **General Fund 001** is the primary operating fund of the City. It accounts for all financial resources and transactions except those required to be accounted for in another fund. This fund accounts for expenditures incurred by the council, the municipal court, the executive department, the finance department, the legal department, the community development department, police, fire, parks and recreation, library, engineering and the public safety building. Its primary revenues are taxes and other charges including charges for services provided by individual departments to other funds. In a separate fund **Cumulative Reserve Fund 005**, money is reserved for future capital needs.

Special Revenue Funds

These funds account for revenues derived from specific taxes, grants, or other sources which are designated to finance particular activities of the City. The **Street Fund 101** provides for road maintenance and its revenues are shared sales tax with the General Fund and shared gas tax from the State of Washington. The **Arterial Street Fund 102** provides for arterial street improvements which are funded from state shared gas tax. Due to a lack of funds, the City did not budget any activity in the Arterial Street fund. The **Drug Enforcement Fund 103** accounts for money and assets seized in illegal drug trafficking. These resources are to be spent on enhancing drug enforcement. The **Tribal Gaming Fund 104** accounts for funds provided by the Tulalip Tribes to the City for the impacts of gambling activities on local law enforcement. The **Hotel/Motel Tax Fund 105** accounts for tourism promotion funds collected by the Hotel/Motel tax. The **Marysville Technology Infrastructure Fund 108** was established in 2004 to account for the fees collected in association with the cable franchise agreement. The **Community Development Block Grant (CDBG) Fund 109** was established to receive and administer federal grant funds associated with the CDBG program. The **Ken Baxter Community Center Appreciation Fund 106** accounts for private donations to support the Baxter Center. The **REET Funds 110 and 111** are reserved for the receipt and transfer of real estate excise taxes to the appropriate capital project funds.

Debt Service Funds

These funds account for the accumulation of resources to pay principal, interest and related costs on certain general long-term debt. The 2014 debt service funds include the **LTGO Bonds and PWTFLL Debt Fund 206** which pays debt on the purchase and remodel of the new City Hall, Public Safety Building remodel, State Avenue renovation project, the Waterfront Park project, the Courthouse and other City properties as well as debt service on bond issues providing funding for a number of street construction projects. The **LID Guaranty Fund 299** carries reserves funded by assessments and would be used only in the case of a LID assessment default. **The City does not budget for this fund.**

Capital Projects Funds

These funds account for financial resources which are designated for the acquisition or construction of general government capital improvements. **Fund's 305 & 310** account for major street and park capital improvements. Revenue sources are real estate excise tax and mitigation fees. **Fund LID 371 – 156th** Overpass was established to account for the design and construction costs associated with the LID portion of this project.

PROPRIETARY FUND TYPES:

Proprietary funds are accounted for on a cost of services or “capital maintenance” measurement focus. This means that all assets and all liabilities (whether current or non-current) associated with their activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund operating statements present increases (revenues and gains) and decreases (expenses and losses) in net total assets. Proprietary funds disclose cash flows by a separate statement that presents their investing and financing activities.

Enterprise Funds

These funds account for operations that provide goods or services to the general public and are supported primarily through user charges (or where the governing body has decided that periodic determination of net income is needed). **Fund 401 Water/Sewer/Surface Water Operations** accounts for billed water, sewer services and surface water. Its revenues pay for maintenance and operation of the water and sewer system. **Fund 402** accounts for major water/sewer system capital improvements and capital improvements for surface water drainage. The revenue for this fund comes from water and sewer capital improvement charges. The **Solid Waste Fund 410** provides solid waste collection services and is funded by user fees. **Fund 420, Cedarcrest Golf Course** provides golf recreation and is funded by user fees. **Fund 450 Water/Sewer Debt Service** accounts for water/sewer debt service and is funded through transfers from Fund 401.

Internal Service Funds

These funds account for operations that provide goods or services to other departments or funds of the city or to other governmental units on a cost-reimbursement basis. **Fund 501, Fleet Services** is funded by interfund service charges for maintenance and replacement of the City’s vehicles. **Fund 502, Facilities Maintenance** is funded by interfund charges for building maintenance. **Fund 503, Information Services** is funded by an interfund charge to all using departments for computer support and equipment replacement.

FIDUCIARY FUND TYPES:

Fiduciary funds account for assets held by the city on behalf of individuals, private organizations, other governments, and other funds. **The city does not budget for Fiduciary Funds.**

Expendable Trust Funds

These funds earn revenue and make expenditures on behalf of the parties for which a trust was established. The entire income and principal of an expendable trust may be disbursed in the course of its operations; accordingly, expendable trust funds are accounted for in essentially the same manner as governmental funds. **The city does not have any expendable trust funds.**

Non-expendable Trust Funds

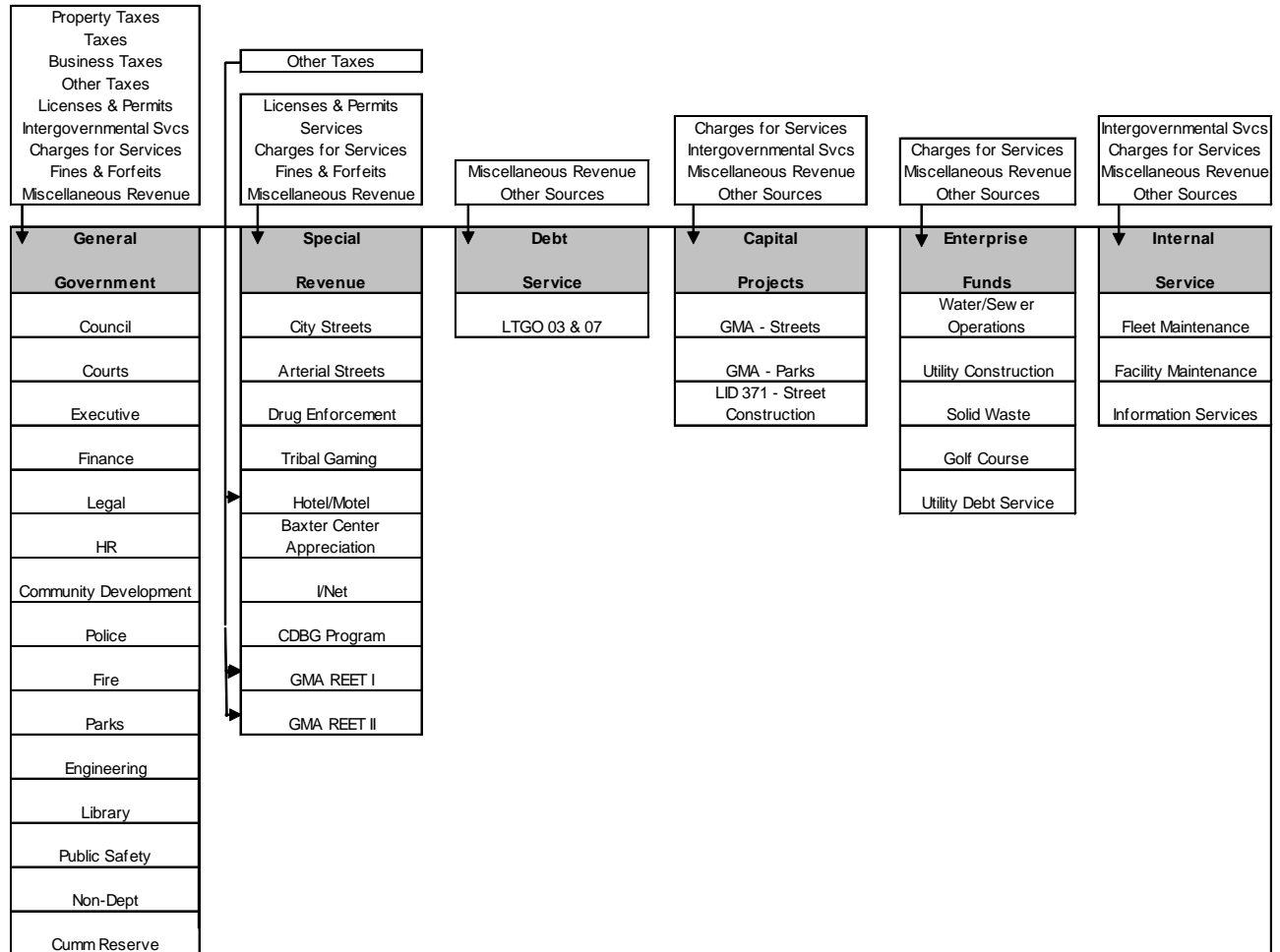
These funds earn revenue on behalf of the parties for which the trust was established, but the principal of the trust must remain intact. Non-expendable trust funds are accounted for in essentially the same manner as proprietary funds, since capital maintenance is a primary consideration. **The city does not have any nonexpendable trust funds.**

Agency Funds

These funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

FLOW OF FUNDS STRUCTURE

Revenue Sources:



Uses of Funds:

General Operational Expenditures	General Operational Expenditures	Bond Principal and Interest	General Operational Expenditures	General Operational Expenditures	General Operational Expenditures
Capital	Capital		Park Improvements	Bond Principal and Interest	Capital
Interfund Contributions	Road & Street Construction		Road & Street Construction	Utility Construction	Interfund Contributions
	Interfund Contributions			Interfund Contributions	

BUDGET VS. ACCOUNTING BASIS

ACCOUNTING: Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. The Comprehensive Annual Financial Report (CAFR) reports the status of the City's finances in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The accrual basis of accounting is used for all funds except the governmental fund types, expendable trust funds and agency funds, which use the modified accrual basis of accounting.

The modified accrual basis differs from the accrual basis in the following ways:

1. Purchases of capital assets are considered expenditures.
2. Redemptions of long-term debt are considered expenditures when due.
3. Revenues are recognized only when they become both measurable and available to finance expenditures of the current period. Revenues that are measurable but not available are recorded as receivable and offset by deferred revenues.
4. Inventories and prepaid items are reported as expenditures when purchased.
5. Interest on long-term debt is not accrued but is recorded as an expenditure when due.
6. Accumulated unpaid vacation and sick pay and other employee benefits are considered expenditures when paid.
7. Depreciation is recorded on an accrual basis only.

BUDGET BASIS: The Governmental Fund types (i.e., the General Fund, Special Revenues, Debt Service, and Construction Fund) are budgeted on a modified accrual basis and can be directly compared to the fund operating statements in the City annual report. The Proprietary fund types are budgeted on a modified accrual basis and are depicted in the annual report using an accrual basis; therefore, these funds are not directly comparable between the two reports.

DEPARTMENT BUDGET NARRATIVES

Each department in the City is responsible for preparing budget narratives for all of the funds that the department manages. Although the budget narratives are presented in a fund number order, the Council budget hearings are scheduled by department. Below is a list of all of the departments and the funds that belong to each.

FUND	FUND NAME	DEPARTMENT HEAD
001.01	Council	Chief Administrative Officer
001.02	Municipal Courts	Court Administrator
001.03	Executive	Chief Administrative Officer
001.04	Finance	Finance Director
001.05	Legal	Chief Administrative Officer
001.06	Human Resources	HR Director
001.07	Community Development	Community Development Director
001.08	Police	Police Chief
001.09	Fire	Finance Director
001.10	Parks	Parks Director
001.11	Engineering	Public Works Director
001.12	Library Facility	Public Works Director
001.13	Public Safety Building	Police Chief
001.99	Non-Departmental	Finance Director
101	Streets	Public Works Director
102	Arterial Streets	Public Works Director
103	Drug Enforcement	Police Chief
104	Tribal Gaming	Police Chief
105	Hotel/Motel Tax	Finance Director
106	Baxter Center Appreciation	Parks Director
108	I/Net	Communications Officer
109	Community Development Block Grant	Chief Administrative Officer
110	GMA REET I	Finance Director
111	GMA REET II	Finance Director
206	Debt Service	Finance Director
305	GMA-Streets	Public Works Director
310	GMA-Parks	Parks Director
371	LID 371 - 156TH Overpass	Public Works Director
401	Water/Sewer Operations	Public Works Director
402	Utility Construction	Public Works Director
410	Solid Waste	Public Works Director
420	Golf Course Operations	Parks Director
450	Utility Debt Service	Finance Director
501	Fleet Services	Public Works Director
502	Facilities Maintenance	Public Works Director
503	Information Services	Finance Director

BUDGET POLICIES

Strategic Planning

The City of Marysville employs a strategic budgeting model that allows policies to be formulated and tested in a budgetary context spanning a period of five years. The strategic model demonstrates the City's ability to accomplish long-term goals by showing the consequences of any given budget decision. Virtually all new General Government services are "tested" within the framework of the strategic budget model prior to implementation. In this manner, policy makers can examine the probable long-term outcome of many possible decisions and select the one that serves the interests of Marysville's citizens most effectively.

The Strategic outlook identifies fund balances, revenue patterns, and expense trends which are subject to constant change. The Strategic Outlook does not illustrate future budgets, services, or programs in any detail. The dynamic nature of local government, as well as historical precedent, suggest that even the current year's Operating Budget will be altered several times before the close of the year.

Fund Balance Policy

Fund Balance is defined as the excess of assets over liabilities, which is an unreserved, undesignated resource that remains part of the General Government budget. The City desires to maintain a prudent level of financial resources to guard its citizens against service disruption in the event of unexpected temporary revenue shortfalls or unpredicted one-time expenditures. The Fund Balance has been accumulated to meet this purpose, to provide stability and flexibility to respond to unexpected adversity and/or opportunities.

General Fund Balance: It is the policy of the City to establish and maintain a General Fund Balance of at least ten percent (10%) of the total General Fund budgeted revenue, excluding the beginning fund balance and identified one-time revenues. Any and all expenditures from the General Fund Balance Reserve account shall require a super majority vote of the entire City Council.

Balancing the Operating Budget

RCW 35.33.07 requires that the City adopt a balanced budget based on the following requirement: *"Appropriations shall be limited to the total estimated revenues contained therein including the amount to be raised by ad valorem taxes and the unencumbered fund balances estimated to be available at the close of the current fiscal year."*

The City adopts a *statutorily* balanced budget, but also seeks to adopt a *structurally* balanced budget. A budget is statutorily balanced when total estimated resources (beginning fund balance plus revenues) equal the total appropriation (expenditures plus ending fund balance). In a statutorily balanced budget, beginning fund balance may be used as a revenue source. In contrast, in a *structurally* balanced budget, the total expenditure appropriation is limited to the annual estimated revenues. In a structurally balanced budget, beginning fund balance may not be used as a revenue source.

It is not uncommon for cities to rely upon the beginning fund balance as a "revenue" source. But, as previously stated, it is Marysville's strategic goal to attain structural balance, thereby eliminating reliance on these funds to supplement current income. Any uncommitted operating surpluses (revenues that exceed expenditures) that occur at year-end may be held in reserve or reappropriated to a capital reserve, long term obligation, or debt service fund, rather than used as a supplemental source of revenue required to balance the budget each year.

It is the intent of this policy that the budget be structurally balance (a) at the time of adoption, (b) throughout the budget year.

In the event that adjustments are necessary to bring the budget into balance in the course of the fiscal period, the administration will bring a budget amendment forward for approval by the City Council.

ASSET POLICIES

Cash Management

It is the policy of the City of Marysville to invest all of its surplus funds to maximize yield while preserving security of principal and meeting the city's cash flow requirements.

Funds of the City will be invested in accordance with the RCW 35.39, these policies and written administrative procedures. The City's investment portfolio shall be managed in a manner to attain a market rate of return throughout budgetary and economic cycles while preserving and protecting capital in the overall portfolio.

Funds held for future capital projects (i.e., bond proceeds), shall, whenever possible, be invested to produce enough income to offset increases in construction costs due to inflation. Where possible, prepayment funds for long-term debt service shall be invested to ensure a rate of return at least equal to the interest being paid on the bonds.

LIABILITY POLICIES

Debt Management Policy

The City's policy is to plan and direct the use of debt so that debt service payments will be a predictable and manageable part of the Operating Budget.

The City continues to pursue a moderate capital improvement program through a careful balance of increased debt and substantial pay-as-you-go capital projects. Each capital project that may be funded by debt is evaluated with the context of the City's long range debt management policy and the capital improvement program. Alternative financing sources are always considered. The City will not issue long-term debt to finance current operations.

Capital will be raised at the lowest possible cost through maintenance of a high credit rating and reputation of fiscal conservatism in the credit markets. The City continually works to maintain its bond rating through sound financial planning and decisions.

The issuance of bonds shall be financed for a period not to exceed a conservative estimate of the asset's useful life with the average life of the bonds less than or equal to the average life of the assets being financed. General Obligation bonds will be issued with maturities of 20 years or less unless otherwise approved by Council, with a maximum term of 30 years. To the extent possible, the City will seek level or declining debt repayment schedules. Principal and interest will be paid in accordance with the terms of bond ordinances and loan agreements.

It is the intent of the City to avoid arbitrage. However, if bond proceeds are not used within the established time frame, all necessary rebates will be filed and paid to the federal government when due in order to preserve the tax-exempt status of the outstanding debt.

Legal debt limits are set by the State Legislature and are based on a percentage of the total assessed valuation of all taxable property in the City, which is certified each year by the Snohomish County Assessor for the upcoming year.

Only general obligation debt is subject to the legal debt capacity restrictions. Revenue bonds and Local Improvement District (LID) bonds are not limited because no taxing power or general fund pledge is provided as security.

The City will maintain compliance with all covenants stated in bond ordinances, contracts, etc. In addition, the City provides the Comprehensive Annual Financial report (CAFR) to established national information repositories each year to comply with state and national regulatory disclosure requirements.

REVENUE POLICIES

General Revenue Policies

Revenue forecasts will be neither overly optimistic nor overly conservative. They will be as realistic as possible based on the best available information. Should economic downturns develop which could result in revenue shortfalls or fewer available resources, the City will make adjustments in anticipated expenditures to compensate.

Deficit financing and borrowing to support on-going operations will play on part in the City's responses to revenue shortfalls. Expenses will be reduced to conform to the long-term revenue forecast. Interfund loans are permissible to cover temporary gaps in cash flow.

Revenue Shortfall Policy

To ensure that service levels are maintained to meet the basic needs of the citizens during fluctuations in the economy, the City adopted through resolution 2349 a Revenue Shortfall Policy. The policy establishes a tiered system of actions for different levels of revenue shortfalls where reserves are anticipated to be used.

Level I – Reserve reduction 1% but less than 10%

- Delay expenditures where possible
- Departments monitor budget to ensure only essential expenditures
- Council may consider delaying/post-pone capital improvement projects

Level II – Reserve reduction in excess of 10% but less than 25%

- Implement a status quo budget (same level as prior year)
- Intensify the review process for large expenditures
- Review vacant position for possible delay or use temporary hire

Level III – Reserve reduction in excess of 25% but less than 50%

- Require justification for large expenditures
- Defer capital expenditures
- Reduce CIP where appropriate
- Hire vacant positions only with special justification and authorization
- Close monitoring of expenditures, reduce travel and training

Level IV – Reserve reduction in excess of 50% but less than 100%

- Implement hiring freeze
- Reduce temporary work force
- Defer wage increases
- Further reduction of capital expenditures
- Prepare a strategy for reduction in workforce

Level V – Reserve reduction at 100% and potential for a deficit is present

- Implement reduction in workforce strategy
- Eliminate programs
- Eliminate capital improvements and expenditures

Fees and Charges

User fees will be imposed to cover the cost of services provided for unique or narrow segments of the community. Fees may be set at levels sufficient to cover the entire cost of service delivery, or the service may be subsidized as Council deems necessary.

The City will continuously maintain its sewer and water distribution and collection systems. To insure that the enterprise funds remain self-supporting, rate structures will fully fund the direct and indirect costs of operations, capital plan maintenance, debt service, depreciation, and moderate system extensions.

One-Time Revenues

All potential grants shall be carefully examined for matching requirements. Some grants may not be accepted if the local matching funds cannot be justified. Grants may also be rejected if programs must be continued with local resources after grant funds are exhausted.

EXPENDITURE POLICIES

General Expenditure Policies

High priority is given to expenditures that will reduce future operating costs, such as increased utilization of technology and equipment and proven business methods.

An appropriate balance will be maintained between budget dollars provided for direct public service and dollars provided to assure good management and legal compliance.

Before the City undertakes any agreements that would create fixed ongoing expenses, the cost implications of such agreements will be estimated by current and future years with the aid of our strategic financial planning models.

Organizations that are not part of the City, but which receive funding from the City, shall not have their appropriation carried forward from year to year unless contractually authorized and directed by City Council. Annual review and reauthorization of funding is required.

All externally mandated services for which full or partial reimbursement is available will be fully allocated out to allow for recovery of expenses. The estimated direct costs of service will be budgeted and charged to the fund performing the service. Interfund service fees charged to recover these direct costs will be recognized as revenue to the providing fund.

Operating/Capital Expenditure Accountability

It is the City's policy to compare actual expenditures to budget, generally on a monthly basis. General government funds, capital funds and other funds are all analyzed periodically. If necessary, actions are taken to bring the budget into balance.

Infrastructure

GASB 34 established new reporting requirements for state and local governments which include recording and reporting infrastructure assets of the general government. The threshold for capitalizing infrastructure has been set at \$300,000 in concurrence with the dollar amount used to determine the difference between small and large contracts as defined in the Purchasing Policy (revised Resolution 2327, 7/9/12).

The City capitalizes the costs associated with new infrastructure which includes development, construction, improvements, restoration and rehabilitation, and preservation which includes repair/preserve, replace and resurface. General maintenance and repairs to the infrastructure are not capitalized.

Capital Improvements

Capital Improvements are any expenditure of public funds for the purchase, construction, rehabilitation, replacement or expansion of the physical assets of the city when the project is relatively large in size, expense-over \$5,000, long-term and permanent. Capital expenditures are financed from a variety of sources to include current revenues, long-term and short-term debt, and for one-time capital purchases, the fund balance can be used.

The following is a list of capital improvements that has been authorized in the budget.

CAPITAL IMPROVEMENT BY FUND

2014 Capital Improvement Program	General Government	Construction Funds	Enterprise Funds	Internal Service	Total
General Fund					
Gateway sign - Getchell	20,000	-	-	-	20,000
Gateway Sign - 529 Bridge	12,000	-	-	-	12,000
	32,000	-	-	-	32,000
Streets					
Anti-Ice Setup With Mixing and Application Tanks	30,000	-	-	-	30,000
Utility Trailer	6,000	-	-	-	6,000
Trailer Mounted Arrow Board	5,000	-	-	-	5,000
332D Signal Cabinet - Spare	15,000	-	-	-	15,000
Pedestrian Safety System	15,000	-	-	-	15,000
	71,000	-	-	-	71,000
Street Construction					
53rd/SR528	-	50,000	-	-	50,000
88th Street	-	773,000	-	-	773,000
State Ave 1st - 88th	-	402,000	-	-	402,000
88th & 55th Intersection Improvements	-	600,000	-	-	600,000
156th St NE Expansion	-	100,000	-	-	100,000
SR529/I-5 & 4th/I-5 IJR	-	2,000,000	-	-	2,000,000
Transportation Comp Plan	-	75,000	-	-	75,000
Total Street Construction	-	4,000,000	-	-	4,000,000
Park Construction					
Bayview Trail System	-	87,000	-	-	87,000
Spray Park	-	272,000	-	-	272,000
Qwuloolt Trail System	-	200,000	-	-	200,000
Total Park Construction	-	559,000	-	-	559,000
Waterworks Utility					
Aluminum Pumps	-	-	20,000	-	20,000
Small Trench Box	-	-	7,798	-	7,798
Tapping Machine	-	-	7,732	-	7,732
Plotter	-	-	6,000	-	6,000
Water Capital Projects	-	-	4,128,000	-	4,128,000
Sewer Capital Projects	-	-	1,655,000	-	1,655,000
Surface Water Capital Projects	-	-	3,935,000	-	3,935,000
Total Waterworks Utility Funds	-	-	9,759,530	-	9,759,530
Fleet					
Patrol Car Replacement (7)	-	-	-	350,000	350,000
New Patrol Car (2)	-	-	-	114,000	114,000
4X4 Kawaski Mule	-	-	-	15,000	15,000
Mower W/72" Deck	-	-	-	24,181	24,181
Replace-Rear Load Garbage Truck	-	-	-	275,000	275,000
Replace-Front Load Garbage Truck	-	-	-	325,000	325,000
Toro 3250-D Greens Mower	-	-	-	35,000	35,000
Tire Changing Machine	-	-	-	15,000	15,000
Snow Sander Box	-	-	-	15,000	15,000
Trucks (2)	-	-	-	135,000	135,000
Snow Plow	-	-	-	17,000	17,000
Total Fleet	-	-	-	1,320,181	1,320,181
Total CIP by Fund	103,000	4,559,000	9,759,530	1,320,181	15,741,711

Note: These values are based off of the capital expenditure object code.

BUDGET SUMMARY



REVENUE BY FUND 2014 FINAL BUDGET

DEPARTMENT	BEGINNING FUND BALANCE	GENERAL PROPERTY TAXES	OTHER TAXES	LICENSE & PERMITS	INTERGOV'T REVENUE	SERVICES	MISC REV INCLUDING FINES	TRANSFERS	TOTALS BY FUND
001 General Fund	9,395,926	15,178,214	15,374,202	1,935,558	1,138,273	6,041,585	912,683	88,451	50,064,892
005 General Cum. Reserve	1,653,750	-	-	-	-	-	-	-	1,653,750
101 City Street	-	-	-	50,000	1,468,588	-	10,000	2,739,953	4,268,541
103 Drug Enforcement	11,030	-	-	-	-	-	10,000	150	21,180
104 Tribal Gaming Fund	128,075	-	-	-	-	-	250	-	128,325
105 Hotel/Motel Tax Fund	6,163	-	76,000	-	-	-	150	-	82,313
106 Baxter Center Apprec.	11,995	-	-	-	-	-	75	-	12,070
108 I/NET	45,022	-	-	-	-	115,200	75	-	160,297
109 CDBG Program	-	-	-	-	320,000	-	-	-	320,000
110 GMA--REET I	98,671	-	600,000	-	-	-	600	-	699,271
111 GMA--REET II	56,496	-	600,000	-	-	-	500	-	656,996
206 LTGO 2003	18,501	-	-	-	-	-	500	2,287,495	2,306,496
305 Street Capital Imprvmnts	519,595	-	-	-	2,352,000	600,000	500	3,180,000	6,652,095
310 Parks Capital Imprvmnts	43,553	-	-	-	50,000	100,000	27,150	437,000	657,703
371 LID 71 - 156th Overpass	-	-	-	-	-	-	200,000	-	200,000
401 Water/Sewer Operating	9,040,082	-	-	-	216,276	23,284,000	183,926	-	32,724,284
402 Utility Construction	-	-	-	-	-	1,605,000	5,000	8,110,000	9,720,000
410 Garbage & Refuse	3,903,679	-	-	-	45,788	6,560,000	10,000	6,200	10,525,667
420 Golf Course Operating	-	-	-	-	-	975,927	256,019	42,229	1,274,175
450 Utility Debt Service Fund	7,265,669	-	-	-	-	-	25,000	5,773,818	13,064,487
501 Fleet Services	338,922	-	-	-	-	1,516,809	11,500	788,181	2,655,412
502 Facilities Maintenance	11,615	-	-	-	-	330,704	75	-	342,394
503 Information Services	203,786	-	-	-	-	789,016	500	-	993,302
TOTAL ALL FUNDS	32,752,530	15,178,214	16,650,202	1,985,558	5,590,925	41,918,241	1,654,503	23,453,477	139,183,650

EXPENDITURES BY FUND 2014 FINAL BUDGET

DEPARTMENT	SALARIES & BENEFITS	SUPPLIES	OTHER SVCS & CHARGES	INTERGOV'T SERVICE	CAPITAL OUTLAYS	DEBT SERVICES	INTERFUND SERVICES	TRANSFER OUT	ENDING FUND BALANCE	TOTALS BY FUND
001 General Fund	19,738,929	920,050	3,900,314	11,281,454	32,000	-	1,136,352	5,160,425	7,895,368	50,064,892
005 General Cum. Reserve	-	-	-	-	-	-	-	-	1,653,750	1,653,750
101 City Street	1,630,829	443,500	1,541,400	-	71,000	-	581,812	-	-	4,268,541
103 Drug Enforcement	-	-	20,000	-	-	-	-	-	1,180	21,180
104 Tribal Gaming Fund	-	-	20,000	-	-	-	-	-	108,325	128,325
105 Hotel/Motel Tax Fund	-	-	23,949	-	-	-	-	51,051	7,313	82,313
106 Baxter Center Apprec.	-	-	4,000	-	-	-	-	-	8,070	12,070
108 I/Net	-	-	85,432	-	-	-	-	-	74,865	160,297
109 CDBG Program	-	-	-	226,400	-	-	-	93,600	-	320,000
110 GMA-REET I	-	-	-	-	-	94,418	-	550,000	54,853	699,271
111 GMA-REET II	-	-	-	-	-	-	-	630,000	26,996	656,996
206 LTGO 2003	-	-	-	-	-	2,288,495	-	-	18,001	2,306,496
305 Street Capital Imprvmnts	-	-	-	-	4,000,000	-	-	905,836	1,746,259	6,652,095
310 Parks Capital Imprvmnts	-	-	-	-	559,000	-	-	98,207	496	657,703
371 LID 71-156th Overpass	-	-	-	-	-	200,000	-	-	-	200,000
401 Water/Sewer Operating	6,209,487	2,596,969	3,999,559	3,362,502	41,530	-	1,854,970	7,427,208	7,232,059	32,724,284
402 Utility Construction	-	-	-	-	9,718,000	-	-	-	2,000	9,720,000
410 Garbage & Refuse	964,542	309,295	1,506,052	3,142,652	-	-	727,241	600,000	3,275,885	10,525,667
420 Golf Course Operating	552,594	123,420	101,060	4,000	-	385,215	72,886	35,000	-	1,274,175
450 Utility Debt Service Fund	-	-	3,800	-	-	5,774,118	-	7,000,000	286,569	13,064,487
501 Fleet Services	497,926	247,500	164,030	-	1,320,181	-	60,376	-	365,399	2,655,412
502 Facilities Maintenance	270,908	7,000	2,000	-	-	-	38,028	-	24,458	342,394
503 Information Services	520,581	159,330	143,050	-	-	-	3,507	-	166,834	993,302
TOTAL ALL FUNDS	30,385,796	4,807,064	11,514,646	18,017,008	15,741,711	8,742,246	4,475,172	22,551,327	22,948,680	139,183,650

GENERAL FUND



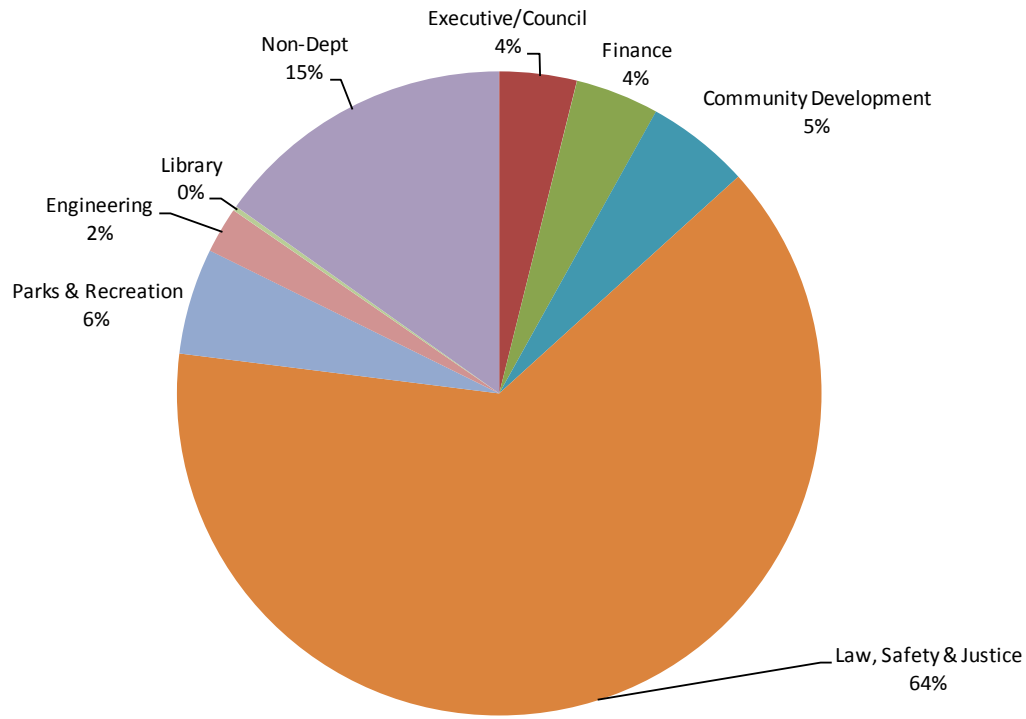
GENERAL FUND REVENUE SUMMARY 2014 OPERATING BUDGET

001 GENERAL FUND	2012	2013	2013	2013	2014	% Change
REVENUE SOURCES:	Actual	Budget	Amended Budget	Estimated	Budget	2013 Amended/ 2014 Budget
311 General Property Taxes	15,359,407	14,893,873	14,893,873	14,836,023	15,178,214	1.9%
313 Retail Sales & Use Taxes	8,731,843	8,454,430	8,704,430	9,297,535	9,168,690	5.3%
316 Business Taxes	5,673,762	5,345,880	5,345,880	5,696,016	5,977,012	11.8%
317 Excise Tax	11,435	8,400	8,400	10,114	8,500	1.2%
318 Other Taxes	219,088	228,000	228,000	225,100	220,000	-3.5%
310 TAXES	29,995,535	28,930,583	29,180,583	30,064,788	30,552,416	4.7%
321 Business Licenses & Permits	889,574	982,627	982,627	1,057,431	1,030,450	4.9%
322 Non-Business Licenses & Permits	719,048	600,400	700,400	1,031,587	905,108	29.2%
320 LICENSES AND PERMITS	1,608,622	1,583,027	1,683,027	2,089,018	1,935,558	15.0%
331 Federal Grants - Direct	21,941	-	-	16,701	-	0.0%
333 Federal Grants - Indirect	25,299	-	-	7,455	-	0.0%
334 State Grants - Direct	13,026	46,200	46,200	48,900	3,900	-91.6%
335 State Shared Revenues	240,459	240,500	240,500	247,276	252,200	4.9%
336 State Entitlements	950,180	729,927	729,927	703,278	753,173	3.2%
337 Interlocal Grants	11,000	-	21,400	10,307	129,000	502.8%
330 INTERGOV'T REVENUE	1,261,905	1,016,627	1,038,027	1,033,917	1,138,273	9.7%
341 Charges for Service - General Gov't	986,162	987,979	987,979	1,052,853	1,120,776	13.4%
342 Charges for Service - Public Safety	855,936	820,200	820,200	802,149	787,200	-4.0%
343 Charges for Service - Environment	1,000	1,000	1,000	1,000	1,000	0.0%
345 Charges for Service - Economic	794,206	660,000	660,000	920,069	1,159,823	75.7%
347 Charges for Service - Recreation	349,948	341,300	341,300	389,034	371,964	9.0%
349 Charges for Interfund Services	2,437,013	2,431,247	2,431,247	2,430,855	2,600,822	7.0%
340 CHARGES FOR SERVICES	5,424,265	5,241,726	5,241,726	5,595,960	6,041,585	15.3%
352 Civil Penalties	4,929	4,000	4,000	3,858	4,000	0.0%
353 Non-Parking Infractions	357,353	305,000	305,000	309,426	304,021	-0.3%
354 Parking Infraction Penalties	6,207	9,000	9,000	4,996	4,020	-55.3%
355 Criminal Traffic Misdemeanors	129,163	135,000	135,000	112,256	115,000	-14.8%
356 Non-Traffic Misdemeanors	87,997	83,000	83,000	85,375	84,633	2.0%
357 Criminal Costs	46,771	37,232	37,232	41,582	37,110	-0.3%
350 FINE & FORFEITS	632,420	573,232	573,232	557,493	548,784	-4.3%
361 Interest Earnings	87,833	66,800	66,800	113,601	110,000	64.7%
362 Rents & Royalties	227,207	176,000	176,000	216,937	214,605	21.9%
367 Contributions from Private Sources	16,807	8,700	8,700	11,885	6,500	-25.3%
369 Other Miscellaneous Revenue	65,679	25,200	25,200	60,083	32,794	30.1%
360 MISCELLANEOUS REVENUE	397,526	276,700	276,700	402,506	363,899	31.5%
393 Insurance Recoveries	98,738	-	-	-	-	0.0%
397 Operating Transfers	42,173	82,451	82,451	82,532	88,451	7.3%
390 TRANSFERS-IN	140,911	82,451	82,451	82,532	88,451	7.3%
TOTAL GENERAL FUND REVENUE	39,461,184	37,704,346	38,075,746	39,826,214	40,668,966	6.8%

GENERAL FUND EXPENDITURE SUMMARY 2014 OPERATING BUDGET

001 GENERAL FUND	2012	2013	2013	2013	2014	% Change
EXPENDITURES/USES:	Actual	Budget	Amended Budget	Estimated	Budget	2013 Amended/ 2014 Budget
11 Regular Pay	12,268,758	12,632,532	12,696,728	12,696,728	13,532,390	6.6%
111 Seasonal Pay	128,373	249,191	249,191	249,191	306,431	23.0%
12 Overtime	1,031,289	687,900	687,900	687,900	539,900	-21.5%
10 SALARIES	13,428,420	13,569,623	13,633,819	13,633,819	14,378,721	5.5%
21 Social Security	981,991	1,000,187	1,000,187	1,000,187	1,060,036	6.0%
22 Retirement	845,885	994,439	994,439	994,439	1,056,289	6.2%
23 Group Health Insurance	2,517,426	2,665,359	2,665,359	2,665,359	2,819,998	5.8%
24 Workman's Compensation	151,392	205,209	205,209	205,209	233,544	13.8%
25 Unemployment Compensation	53,404	66,229	66,229	66,229	60,411	-8.8%
26 Uniforms and Clothing	97,686	121,180	121,180	144,180	129,930	7.2%
20 BENEFITS	4,647,784	5,052,603	5,052,603	5,075,603	5,360,208	6.1%
31 Office & Operating Supplies	498,637	677,450	677,450	677,450	675,450	-0.3%
32 Fuel Consumed	228,764	147,400	147,400	147,400	220,400	49.5%
35 Small Tools	20,101	12,900	35,900	12,900	24,200	-32.6%
30 SUPPLIES	747,502	837,750	860,750	837,750	920,050	6.9%
41 Professional Services	1,004,445	1,355,510	1,375,510	1,375,510	1,696,760	23.4%
42 Communication	132,378	162,951	162,951	162,951	162,951	0.0%
43 Travel	16,871	44,860	44,860	44,860	45,610	1.7%
44 Advertising	19,357	21,800	21,800	21,800	21,800	0.0%
45 Operating Rentals & Leases	93,892	109,100	109,100	109,100	114,100	4.6%
46 Insurance	210,346	218,146	218,146	218,146	218,146	0.0%
47 Public Utility Service	231,289	223,188	223,188	223,188	229,188	2.7%
48 Repairs & Maintenance	279,876	283,470	413,470	413,470	545,970	32.0%
49 Miscellaneous	458,419	846,787	846,789	516,789	865,789	2.2%
40 OTHER SERVICES & CHARGES	2,446,873	3,265,812	3,415,814	3,085,814	3,900,314	14.2%
55 Inter-Governmental Service	11,286,746	11,003,777	11,012,625	11,012,625	11,281,454	2.4%
50 INTERGOVERNMENTAL SERVICES	11,286,746	11,003,777	11,012,625	11,012,625	11,281,454	2.4%
64 Machinery & Equipment	-	15,803	15,803	15,803	32,000	102.5%
60 CAPITAL OUTLAY	-	15,803	15,803	15,803	32,000	102.5%
95 Interfund Rents	13,562	13,562	13,562	13,562	13,562	0.0%
98 Interfund Repairs & Maintenance	454,158	512,326	512,326	512,326	551,901	7.7%
99 Other Interfund Services	504,784	547,441	547,441	547,441	570,889	4.3%
90 INTERFUND	972,504	1,073,329	1,073,329	1,073,329	1,136,352	5.9%
0 Operating Transfers	2,130,881	4,879,788	4,981,130	4,474,762	5,160,425	3.6%
TOTAL GENERAL FUND EXPENDITURES	35,660,710	39,698,485	40,045,873	39,209,505	42,169,524	5.3%

GENERAL FUND EXPENDITURES BY DEPARTMENT

GENERAL FUND BY DEPARTMENT SUMMARY
2014 PRELIMINARY OPERATING BUDGET

001 GENERAL FUND	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013 Amended/ 2014 Budget
EXPENDITURES/USES:						
01 Council	57,018	62,056	62,056	62,056	71,624	15.4%
02 Municipal Court	1,680,065	1,669,985	1,673,133	1,673,133	1,808,719	8.1%
03 Executive	864,608	973,703	973,703	973,703	1,064,994	9.4%
04 Finance	1,537,875	1,630,497	1,630,497	1,630,497	1,764,362	8.2%
05 Legal	790,303	871,345	871,345	871,345	928,946	6.6%
06 Human Resources	431,839	471,864	471,864	471,864	501,842	6.4%
07 Community Development	1,747,821	1,812,531	1,812,531	1,812,531	2,189,551	20.8%
08 Police	13,465,665	13,922,568	14,009,766	14,009,766	14,690,705	4.9%
09 Fire	9,538,951	8,980,875	8,980,875	8,980,875	9,258,552	3.1%
10 Parks & Recreation	1,975,945	2,103,933	2,109,633	2,109,633	2,242,377	6.3%
11 Engineering	856,400	930,806	950,806	950,806	977,182	2.8%
12 Library	483,271	86,040	86,040	86,040	94,158	9.4%
13 Public Safety Building	234,713	165,589	165,589	165,589	182,553	10.2%
99 Non-Departmental	1,996,236	6,016,693	6,248,035	5,411,667	6,393,959	2.3%
TOTAL GENERAL FUND EXPENDITURES	\$ 35,660,710	\$ 39,698,485	\$ 40,045,873	\$ 39,209,505	\$ 42,169,524	5.3%

*General Government includes City Council, Executive, Finance, Legal, Public Safety Building and Non-Departmental.

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**Fund 001
City Council**

Mission Statement

The mission of the City Council is to provide the City of Marysville with both policy and legislative direction for current & future needs.

Function

The Marysville City Council is elected to serve a term of four years, with one member selected each year to serve as Mayor Pro Tem. The Mayor Pro Tem fills in where needed in the Mayor's absence.

The City Council is responsible for establishing policy for the City. They approve the City's annual operating budget, all ordinances, resolutions, contracts, fees and programs. The City Council conducts work sessions (workshops) on the first Monday of each month, and then holds regularly scheduled meetings to take action on work session items the second and fourth Monday. Council does not meet during the month of August.

Budget Narrative

Salaries in this department include 50% of the City Council member's annual salary. The remaining 50% is charged out to the Utility Fund. Salaries for the City Council are based on the pay structure outlined in MMC 2.50.050.

Office and operating supplies include general office supplies used by the council and associated with the preparation of the council agenda and packets.

Travel and miscellaneous expenses include costs associated with the annual council/staff retreat. It also covers travel expenses to local business meetings and out of area conferences.

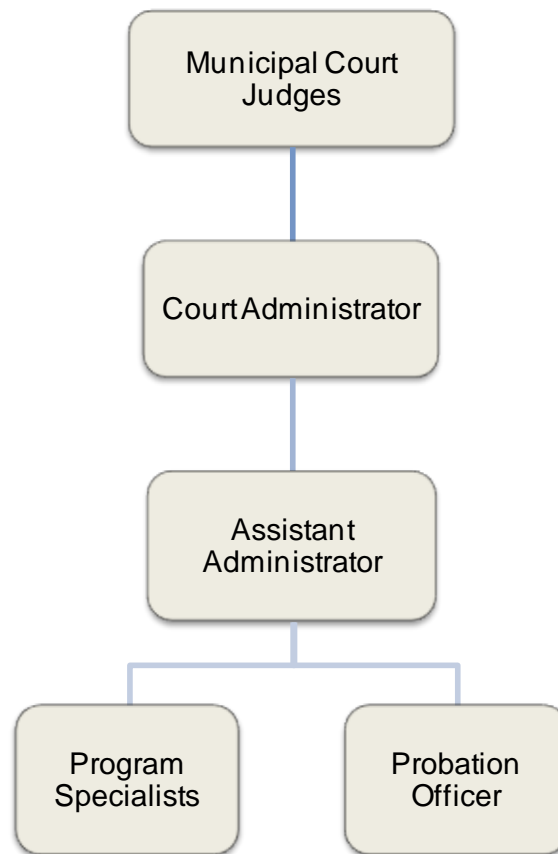
Approved Budget Requests

None

**Fund 001
City Council**

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
11 REGULAR PAY	\$ 39,625	\$ 47,250	\$ 47,250	\$ 47,250	\$ 56,280	19.1%
21 SOCIAL SECURITY	3,034	3,661	3,661	3,661	4,213	15.1%
24 WORKMAN'S COMPENSATION	980	945	945	945	931	-1.5%
31 OFFICE & OPERATING SUPPLIES	3,923	1,000	1,000	1,000	1,000	0.0%
43 TRAVEL	3,160	6,000	6,000	6,000	6,000	0.0%
44 ADVERTISING	-	200	200	200	200	0.0%
49 MISCELLANEOUS	6,296	3,000	3,000	3,000	3,000	0.0%
TOTAL CITY COUNCIL	\$ 57,018	\$ 62,056	\$ 62,056	\$ 62,056	\$ 71,624	15.4%

MUNICIPAL COURT



Fund 001 Municipal Court

Mission

The mission of the Marysville Municipal Courts is to provide ready access to justice, exercise expedience, timeliness, equality, fairness and integrity. To show independence, accountability, radiate trust and *confidence to the public.*

Function

Marysville Municipal Courts adjudicates all criminal misdemeanor and gross misdemeanor cases filed by the City of Marysville Police Department resulting from crimes committed within the city limits of Marysville. The City also has interlocal agreements with Lake Stevens and Arlington to adjudicate all criminal misdemeanor and gross misdemeanor cases that are committed within their city limits.

Headcount

POSITION CLASSIFICATION	2012	2013	2014
Judge (Elected - 4 year term)	2	2	2
Court Administrator	1	1	1
Assistant Administrator (title change)	1	1	1
Program Specialist	6	6	6
Probation Officer	1	1	1
TOTAL - COURTS	11	11	11

Budget Narrative

The supplies budget includes general office supplies, form printing and copy machine supplies.

Other services include travel, postage, juror fees, interpreter, expert witness fees, and annual dues to various state and national organizations.

Intergovernmental services are fees collected by the Court and then passed on to the County for Crime Victim/Witness Services.

Other interfund services include the cost allocation from Information services (IS) for computer maintenance and equipment replacement.

Operating transfers include the annual debt service payment. In 2010, the City purchased the Courthouse building and issued bonds to fund the purchase.

Approved Budget Requests

Description	Amount	On-Going
Title Change – Business Office Supervisor to Assistant Administrator	0	Yes
Travel to conference	750	No
Line item increase-Supplies	1,000	Yes
Total	\$ 1,750	

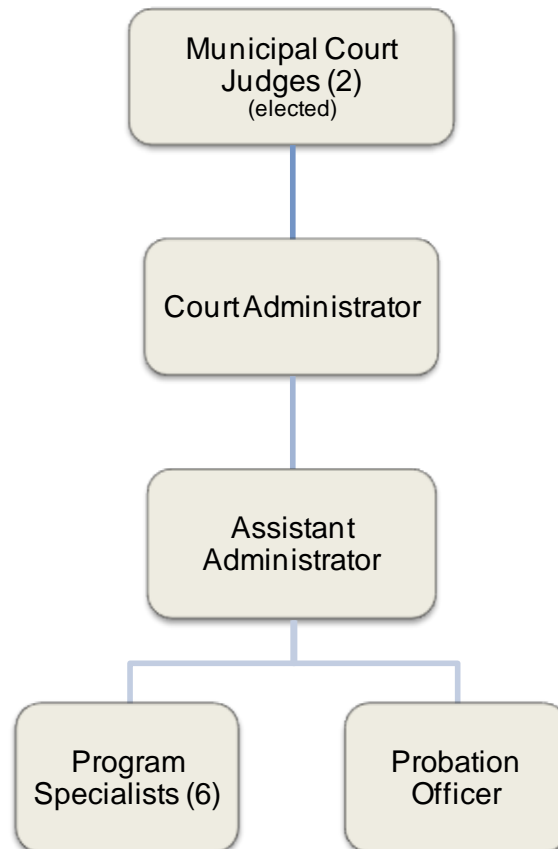
Item(s) Requested But Not Approved

**Fund 001
Municipal Court**

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
11 REGULAR PAY	\$ 845,957	\$ 851,534	\$ 851,534	\$ 851,534	\$ 865,965	1.7%
111 SEASONAL	1,185	10,000	10,000	10,000	10,000	0.0%
12 OVERTIME	-	500	500	500	500	0.0%
21 SOCIAL SECURITY	60,304	61,042	61,042	61,042	62,922	3.1%
22 PENSION	57,347	78,154	78,154	78,154	80,525	3.0%
23 HEALTH INSURANCE	219,338	229,907	229,907	229,907	219,181	-4.7%
24 WORKMAN'S COMPENSATION	2,784	3,370	3,370	3,370	4,876	44.7%
25 UNEMPLOYMENT COMPENSATION	3,389	4,258	4,258	4,258	3,686	-13.4%
31 OFFICE & OPERATING SUPPLIES	24,286	28,000	28,000	28,000	29,000	3.6%
41 PROFESSIONAL SERVICES	73,287	83,800	83,800	83,800	83,800	0.0%
42 COMMUNICATION	13,520	21,062	21,062	21,062	21,062	0.0%
43 TRAVEL	2,413	2,500	2,500	2,500	3,250	30.0%
45 OPERATING RENTALS & LEASES	10,330	7,900	7,900	7,900	7,900	0.0%
46 INSURANCE	1,256	1,290	1,290	1,290	1,290	0.0%
47 PUBLIC UTILITIES	20,643	22,000	22,000	22,000	22,000	0.0%
48 REPAIRS & MAINTENANCE	86,812	7,800	7,800	7,800	7,800	0.0%
49 MISCELLANEOUS	21,846	27,450	27,450	27,450	27,450	0.0%
55 INTER-GOVERNMENTAL SERVICES	15,472	10,200	13,348	13,348	10,200	-23.6%
98 INTERFUND REPAIRS & MAINT.	14,572	11,268	11,268	11,268	15,743	39.7%
99 OTHER INTERFUND SERVICES	35,030	37,656	37,656	37,656	42,375	12.5%
00 OPERATING TRANSFER	170,294	170,294	170,294	170,294	289,194	69.8%
TOTAL COURTS	\$1,680,065	\$1,669,985	\$1,673,133	\$1,673,133	\$1,808,719	8.1%



EXECUTIVE DEPARTMENT



**Fund 001
Executive Department
Administration**

Mission

The Executive Department's mission is to administer City business in an efficient, ethical and legal manner.

Function

Executive Administration includes the Mayor, Chief Administrative Officer (CAO), Community Information Officer, Risk Management Officer, and Executive Assistant to the Mayor. The City of Marysville is a Council Mayor form of Government. The Mayor who serves full time, presides over all meetings of the Council and is recognized as the head of the City for ceremonial purposes. The City Council appoints the CAO, who is responsible for the efficient, ongoing day-to-day operations of all City services set forth by the Council. The CAO also works closely with the Mayor and Council to assist them in formulating policies and programs.

Thirty-Eight percent of the Executive department's budget is allocated out to benefitting operating units based on the number of council agenda items and on the fund activity of each of the operating units. For 2014 the 38% is allocated as follows: Streets 15%, Utilities 58%, Solid Waste 12%, Golf 7%, Fleet 4%, and Facilities 4%.

Headcount

POSITION CLASSIFICATION	2012	2013	2014
Mayor	1	1	1
Chief Administrative Officer	1	1	1
Executive Assistant/Analyst	1	1	1
Risk Management Officer	1	1	1
Community Information Officer	1	1	1
TOTAL	5	5	5

Budget Narrative

Supplies include general office and copier supplies.

Other services include travel and mileage reimbursement, communication, advertising, miscellaneous dues and memberships.

Other interfund services include the cost allocation from Information Services (IS) for computer maintenance and equipment replacement.

Approved Budget Requests

Description	Amount	On-Going
Cable Franchise Renewal Consultant Fees	66,250	No
Total	\$ 66,250	

Item(s) Requested But Not Approved

None

Fund 001
Executive Department
Administration

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
11 REGULAR PAY	\$ 523,520	\$ 542,243	\$ 542,243	\$ 542,243	\$ 554,078	2.2%
111 SEASONAL PAY	2,070	10,000	10,000	10,000	10,000	0.0%
12 OVERTIME	3,542	-	-	-	-	0.0%
21 SOCIAL SECURITY	35,712	36,797	36,797	36,797	37,966	3.2%
22 PENSION	41,717	54,691	54,691	54,691	56,364	3.1%
23 HEALTH INSURANCE	68,087	70,552	70,552	70,552	71,031	0.7%
24 WORKMAN'S COMPENSATION	1,373	1,350	1,350	1,350	1,474	9.2%
25 UNEMPLOYMENT COMPENSATION	1,636	2,099	2,099	2,099	1,823	-13.1%
31 OFFICE & OPERATING SUPPLIES	28,679	33,000	33,000	33,000	33,000	0.0%
35 SMALL TOOLS	389	-	-	-	-	0.0%
41 PROFESSIONAL SERVICES	7,860	53,910	53,910	53,910	120,160	122.9%
42 COMMUNICATION	17,636	14,246	14,246	14,246	14,246	0.0%
43 TRAVEL	1,159	8,000	8,000	8,000	8,000	0.0%
45 OPERATING RENTS	4,200	9,000	9,000	9,000	9,000	0.0%
46 INSURANCE	11,930	12,251	12,251	12,251	12,251	0.0%
49 MISCELLANEOUS	32,131	41,500	41,500	41,500	41,500	0.0%
99 OTHER INTERFUND SERVICES/CHGS	13,202	14,100	14,100	14,100	17,499	24.1%
TOTAL EXECUTIVE ADMINISTRATION	\$ 794,843	\$ 903,739	\$ 903,739	\$ 903,739	\$ 988,392	9.4%

Fund 001
Executive Department
Administration Facilities (City Hall)

Function

The function of this department is to collect all of the costs associated with operating and maintaining the City Hall building located at 1049 State Avenue.

Budget Narrative

Supplies include janitorial supplies, light bulbs and other miscellaneous supplies needed for the operation of the building.

Other services include janitorial services, utility costs and materials for repairs and maintenance of the building.

Other interfund services include labor costs for in-house repairs and maintenance performed by the Facilities department.

Approved Budget Requests

None

Item(s) Requested But Not Approved

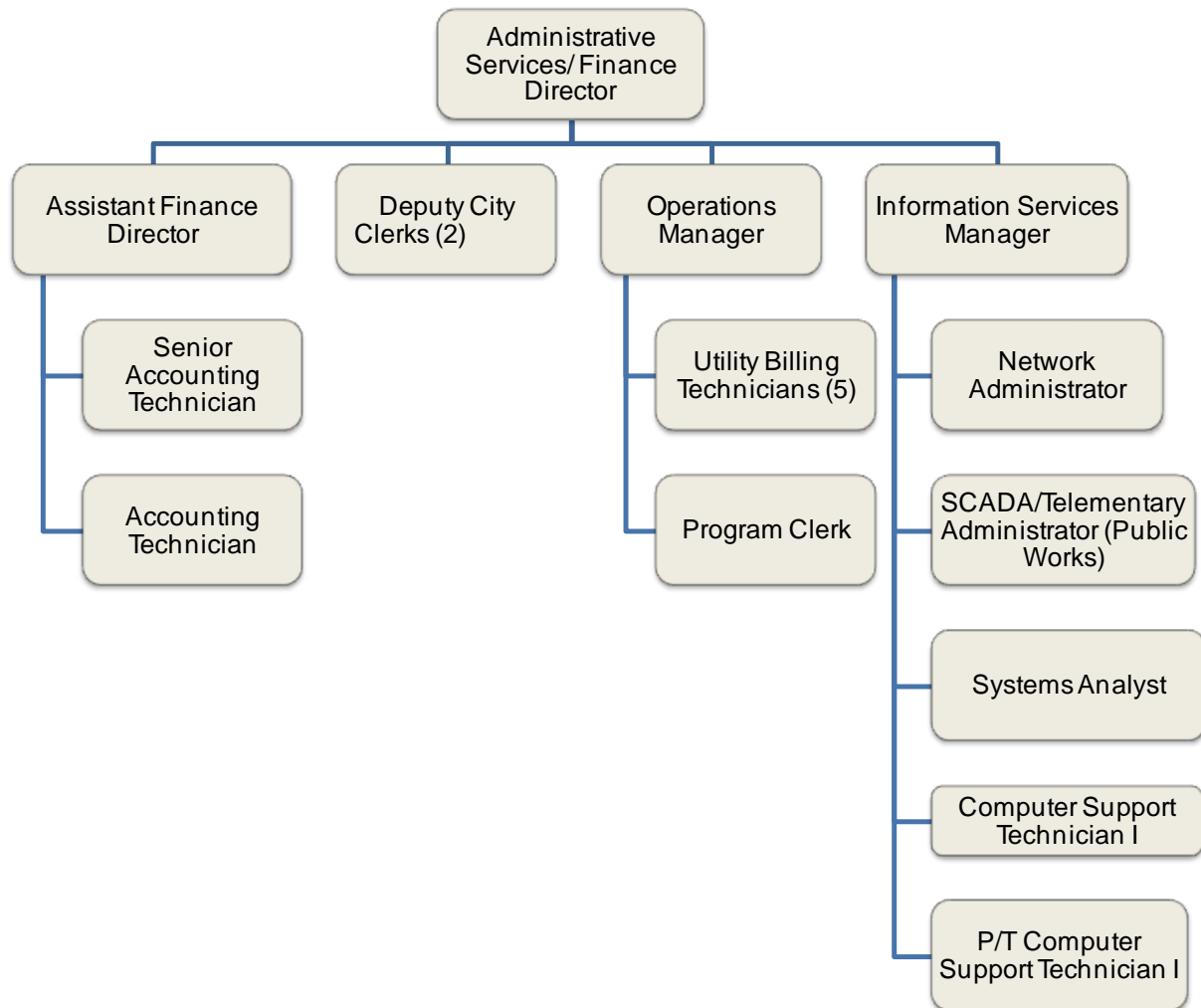
None

Fund 001
Executive Department
Administration Facilities (City Hall)

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
31 OFFICE & OPERATING SUPPLIES	4,581	6,000	6,000	6,000	6,000	0.0%
41 PROFESSIONAL SERVICES	10,942	15,500	15,500	15,500	15,500	0.0%
42 COMMUNICATION	3,181	3,500	3,500	3,500	3,500	0.0%
47 PUBLIC UTILITY SERVICE	24,169	24,000	24,000	24,000	24,000	0.0%
48 REPAIRS & MAINTENANCE	8,188	4,000	4,000	4,000	4,000	0.0%
49 MISCELLANEOUS	21	250	250	250	250	0.0%
98 INTERFUND REPAIRS & MAINT.	18,683	16,714	16,714	16,714	23,352	39.7%
TOTAL ADMINISTRATION FACILITIES	\$ 69,765	\$ 69,964	\$ 69,964	\$ 69,964	\$ 76,602	9.5%



FINANCE DEPARTMENT



Information Services budget reported in the Internal Service funds – Fund 503.

**Fund 001
Finance Department
Accounting**

Mission

The mission of the Accounting department is to provide accurate and timely financial services and information both internally and externally, while fostering an environment of integrity and teamwork.

Function

The Finance department coordinates and prepares the City's annual budget. In addition, this department is responsible for annual financial reporting and audit support, cash management, accounts payable, payroll, general invoicing, maintains and monitors capital asset inventory, maintains the books of account for all funds, prepares regulatory reports including excise & leasehold tax returns, state & federal payroll tax reports and unclaimed property reports and performs all major account reconciliation, including A/P, payroll, cash and capital assets. Fifty percent of the department's budget is allocated out to benefiting departments based on percent of total city budget. The allocation breakdown for 2014 is: Streets 11%, Utilities 65%, Solid Waste 16%, Golf 4%, Fleet Maintenance 4% and Facilities Maintenance 1%.

Headcount

POSITION CLASSIFICATION	2012	2013	2014
Administrative Services/Finance Director	1	1	1
Assistant Finance Director	0	1	1
Financial Planning Manager	1	0	0
Sr Accounting Technician	1	1	1
Accounting Technician (Accounts Payable)	0	1	1
Financial Analyst	1	0	0
TOTAL - FINANCE/ACCOUNTING	4	4	4

Changes

The Finance Director's salary is split evenly across the three departments within Finance for allocation purposes.

Budget Narrative

Supplies cover the purchase of general office supplies, check stock, form printing, and postage meter lease payments.

Other services include phones, postage, training, travel reimbursement and membership fees.

Other interfund services include the Information Services (IS) cost allocation for computer maintenance and equipment replacement.

Approved Budget Requests

Description	Amount	On-Going
Seasonal – Accountant	49,329	No
Munis Users Conference	2,300	No
Additional Supplies/Professional Services/Training	3,700	Yes
Total	\$ 55,329	

Item(s) Requested But Not Approved

None

Fund 001
Finance Department
Finance

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
11 REGULAR PAY	\$ 282,334	\$ 276,899	\$ 276,899	\$ 276,899	\$ 284,249	2.7%
111 SEASONAL	-	-	-	-	42,240	100.0%
12 OVERTIME	-	100	100	100	100	0.0%
21 SOCIAL SECURITY	20,690	20,494	20,494	20,494	28,006	36.7%
22 PENSION	17,532	25,067	25,067	25,067	26,194	4.5%
23 HEALTH INSURANCE	37,385	38,195	38,195	38,195	39,353	3.0%
24 WORKMAN'S COMPENSATION	778	877	877	877	868	-1.0%
25 UNEMPLOYMENT COMPENSATION	1,130	1,373	1,373	1,373	1,195	-13.0%
31 OFFICE & OPERATING SUPPLIES	5,379	5,000	5,000	5,000	6,000	20.0%
41 PROFESSIONAL SERVICES	2,409	1,500	1,500	1,500	2,500	66.7%
42 COMMUNICATION	5,191	5,500	5,500	5,500	5,500	0.0%
43 TRAVEL	558	2,000	2,000	2,000	2,000	0.0%
45 OPERATING RENTALS & LEASES	3,051	3,000	3,000	3,000	3,000	0.0%
46 INSURANCE	6,907	7,092	7,092	7,092	7,092	0.0%
49 MISCELLANEOUS	2,368	3,000	3,000	3,000	7,000	133.3%
99 OTHER INTERFUND SERVICES/CHGS	13,788	10,272	10,272	10,272	13,119	27.7%
TOTAL FINANCE	\$ 399,500	\$ 400,369	\$ 400,369	\$ 400,369	\$ 468,416	17.0%

**Fund 001
Finance Department
City Clerk**

Mission Statement

Function

The City Clerk's office maintains and tracks all official city records, fulfills all legal requirements of recording, posting, publicizing and filing documents and administers all ordinances and resolutions. The office schedules and coordinates the agendas and packet preparation for the weekly council meeting. The City Clerk's office is also the central point of contact and coordination for all public records requests, except for those relating to Police and Courts.

Twenty-nine percent of the department's budget is allocated out to benefiting departments based on a percent of total agenda items processed. The allocation breakdown for 2014 is: Streets 22%, Utilities 48%, Solid Waste 5%, Golf 14%, Fleet Maintenance 3% and Facilities Maintenance 9%.

Headcount

POSITION CLASSIFICATION	2012	2013	2014
Deputy City Clerk	2	2	2
TOTAL - CITY CLERK	2	2	2

Changes

The Finance Director's salary is being allocated based on headcount across the three departments within Finance for allocation purposes

Budget Narrative

Supplies include general office supplies and the lease of the postage machine.

Other services include phones, copy machine lease payments, minute taking services, training, and travel reimbursement.

Other interfund services include the Information Services (IS) cost allocation for computer maintenance and equipment replacement.

Approved Budget Requests

None

Item(s) Requested But Not Approved

None

Fund 001
Finance Department
City Clerk

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
11 REGULAR PAY	\$ 142,877	\$ 152,512	\$ 152,512	\$ 152,512	\$ 159,974	4.9%
12 OVERTIME	53	-	-	-	-	0.0%
21 SOCIAL SECURITY	10,198	10,898	10,898	10,898	11,455	5.1%
22 PENSION	10,329	13,971	13,971	13,971	14,787	5.8%
23 HEALTH INSURANCE	37,554	43,187	43,187	43,187	43,487	0.7%
24 WORKMAN'S COMPENSATION	530	586	586	586	579	-1.2%
25 UNEMPLOYMENT COMPENSATION	572	763	763	763	672	-11.9%
31 OFFICE & OPERATING SUPPLIES	1,402	2,800	2,800	2,800	2,800	0.0%
41 PROFESSIONAL SERVICES	13,798	18,500	18,500	18,500	18,500	0.0%
42 COMMUNICATION	215	700	700	700	700	0.0%
43 TRAVEL	450	2,000	2,000	2,000	2,000	0.0%
44 ADVERTISING	1,553	1,600	1,600	1,600	1,600	0.0%
45 RENTS	3,051	3,000	3,000	3,000	3,000	0.0%
46 INSURANCE	3,139	3,224	3,224	3,224	3,224	0.0%
48 REPAIRS & MAINTENANCE	-	250	250	250	250	0.0%
49 MISCELLANEOUS	1,326	1,000	1,000	1,000	1,000	0.0%
99 OTHER INTERFUND SERVICES/CHGS	6,959	7,478	7,478	7,478	11,715	56.7%
TOTAL CITY CLERK	\$ 234,006	\$ 262,469	\$ 262,469	\$ 262,469	\$ 275,743	5.1%

Fund 001
Finance Department
Utility Billing

Mission

The mission of the Utility Billing department is to provide an extraordinary partnership in a friendly, professional and fair manner with honesty and integrity.

Function

The Utility Billing Department is responsible for the billing and collection of all water, sewer, garbage and surface water accounts.

One hundred percent of the department's budget is allocated out to the benefiting departments based on the number of customer accounts: The allocation breakdown for 2014 is: Utilities 76% and Solid Waste 24%.

Headcount

POSITION CLASSIFICATION	2012	2013	2014
Financial Operations Manager	0	1	1
Business Office Supervisor (Utility Billing)	1	0	0
Accounting Technician (Utility Billing)	5	5	5
Program Clerk	1	1	1
TOTAL - UTILITY BILLING	7	7	7

Changes

The Finance Director's salary is being allocated based on headcount across the three departments within Finance for allocation purposes.

Budget Narrative

Supplies include general office supplies, forms and envelopes.

Other services includes fees for lockbox processing, bill printing services, site hosting fees for on-line bill pay, postage, training, and travel reimbursement.

Other interfund services include the Information Services (IS) cost allocation for computer maintenance and equipment replacement.

Approved Budget Requests

Description	Amount	On-Going
Professional Services-E-statements & Newsletter	28,000	Yes
UBCIS Billing Software Upgrade	23,000	No
Total	\$ 51,000	

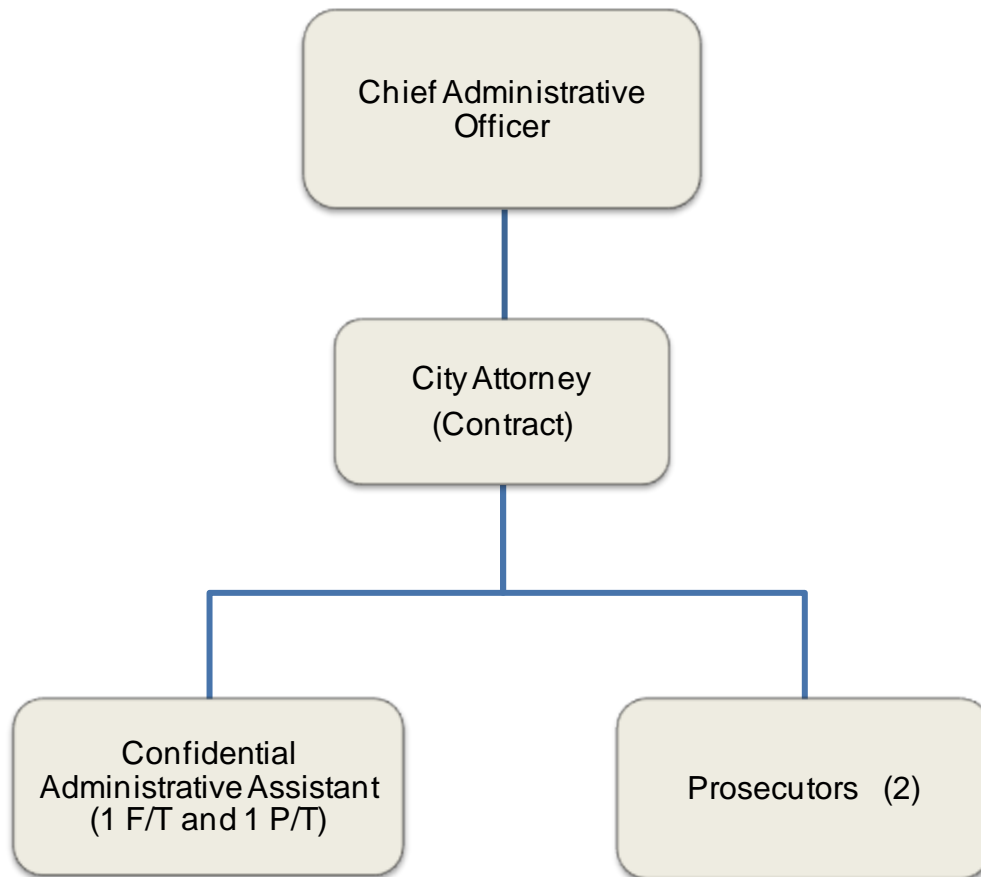
Item(s) Requested But Not Approved

None

Fund 001
Finance Department
Utility Billing

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
11 REGULAR PAY	\$ 499,775	\$ 523,364	\$ 523,364	\$ 523,364	\$ 526,345	0.6%
111 SEASONAL	3,797	16,891	16,891	16,891	16,891	0.0%
12 OVERTIME	129	-	-	-	-	0.0%
21 SOCIAL SECURITY	35,923	37,596	37,596	37,596	39,165	4.2%
22 PENSION	35,057	47,886	47,886	47,886	48,611	1.5%
23 HEALTH INSURANCE	111,370	119,402	119,402	119,402	122,436	2.5%
24 WORKMAN'S COMPENSATION	1,717	2,047	2,047	2,047	2,259	10.4%
25 UNEMPLOYMENT COMPENSATION	2,017	2,616	2,616	2,616	2,296	-12.2%
31 OFFICE & OPERATING SUPPLIES	4,541	2,200	2,200	2,200	2,200	0.0%
41 PROFESSIONAL SERVICES	175,870	170,000	170,000	170,000	221,000	30.0%
42 COMMUNICATION	4,481	6,416	6,416	6,416	6,416	0.0%
43 TRAVEL	-	500	500	500	500	0.0%
45 RENTS	2,764	3,500	3,500	3,500	3,500	0.0%
46 INSURANCE	7,535	7,737	7,737	7,737	7,737	0.0%
48 REPAIRS & MAINTENANCE	-	100	100	100	100	0.0%
49 MISCELLANEOUS	374	200	200	200	200	0.0%
99 OTHER INTERFUND SERVICES/CHGS	19,019	27,204	27,204	27,204	20,547	-24.5%
TOTAL UTILITY BILLING	\$ 904,369	\$ 967,659	\$ 967,659	\$ 967,659	\$1,020,203	5.4%

LEGAL DEPARTMENT



**Fund 001
Legal Services**

Function

The City contracts with the law firm Weed, Graafstra and Benson to provide legal services for all aspects of city government. As City Attorney they provide legal advice and service to the Mayor, CAO, city council, city boards, commissions and departments. This includes advising the City regarding new Federal and State legislation. Additionally, the City Attorney prepares and/or reviews all ordinances, resolutions and agreements and oversees the prosecution function.

The City Attorney represents the City in a wide variety of litigation matters, including but not limited to defending the City against claims not covered by the City's liability insurance.

City Prosecutor services include prosecution of civil and criminal matters related to violations of the Marysville Municipal Code, including misdemeanor, gross misdemeanor, and traffic infraction violations that occur within the Marysville City limits.

Headcount

POSITION CLASSIFICATION	2012	2013	2014
Prosecutor	2	2	2
Confidential Administrative Assistant	1.5	1.5	1.5
TOTAL - LEGAL DEPARTMENT	3.5	3.5	3.5

Changes

None

Budget Narrative

Other services covers legal fees charged by the City Attorney for work associated with General Fund activities. It also includes the fees paid to the public defenders.

Approved Budget Requests

None

Item(s) Requested But Not Approved

None

**Fund 001
Legal Services**

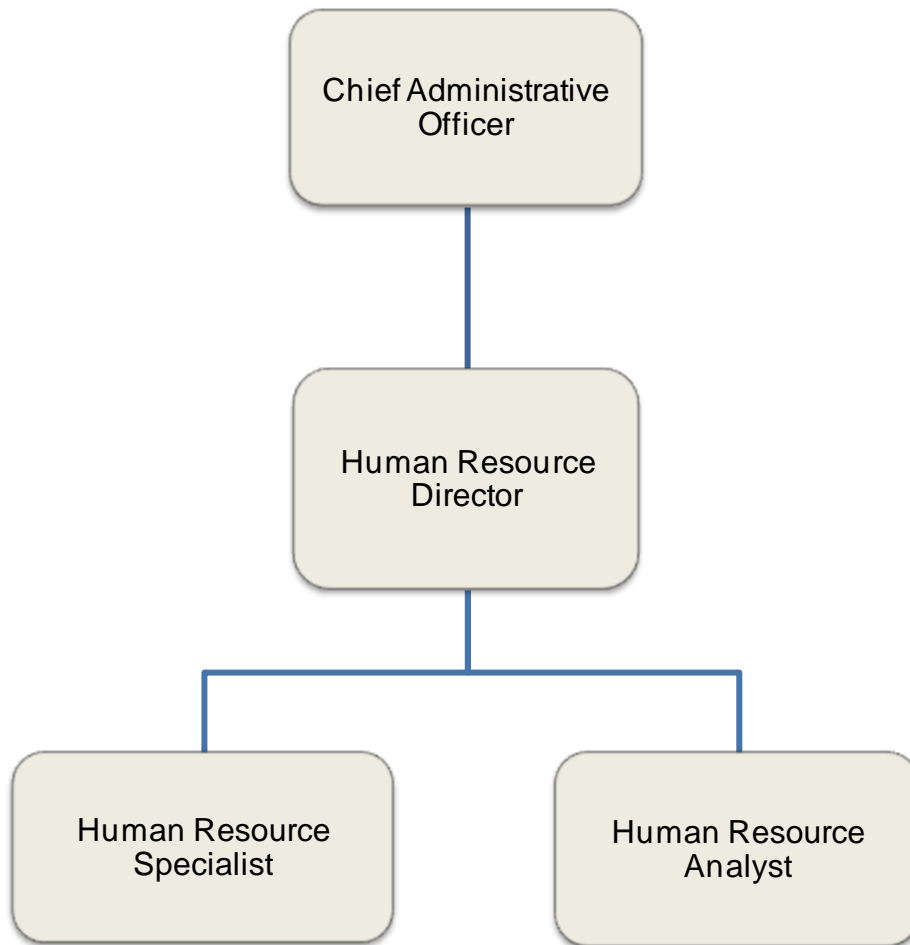
Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
11 REGULAR PAY	\$ 279,925	\$ 296,823	\$ 296,823	\$ 296,823	\$ 311,903	5.1%
111 SEASONAL PAY	292	10,000	10,000	10,000	10,000	0.0%
21 SOCIAL SECURITY	21,101	22,365	22,365	22,365	24,281	8.6%
22 PENSION	19,698	26,985	26,985	26,985	28,617	6.0%
23 HEALTH INSURANCE	48,182	49,682	49,682	49,682	50,349	1.3%
24 WORKMAN'S COMPENSATION	855	945	945	945	1,073	13.5%
25 UNEMPLOYMENT COMPENSATION	1,121	1,484	1,484	1,484	1,360	-8.4%
31 OFFICE AND OPERATING SUPPLIES	363	2,000	2,000	2,000	2,000	0.0%
41 PROFESSIONAL SERVICES	8,740	4,000	4,000	4,000	4,000	0.0%
42 COMMUNICATION	1,908	2,500	2,500	2,500	2,500	0.0%
43 TRAVEL	476	500	500	500	500	0.0%
45 OPERATING RENTS	3,434	2,900	2,900	2,900	2,900	0.0%
46 INSURANCE	13,814	14,185	14,185	14,185	14,185	0.0%
49 MISCELLANEOUS	2,496	3,000	3,000	3,000	3,000	0.0%
99 OTHER INTERFUND SERVICES	12,775	13,728	13,728	13,728	11,487	-16.3%
TOTAL LEGAL - PROSECUTION	\$ 415,180	\$ 451,097	\$ 451,097	\$ 451,097	\$ 468,155	3.8%

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
41 PROFESSIONAL SERVICES	\$ 191,303	\$ 200,000	\$ 200,000	\$ 200,000	\$ 245,000	22.5%
TOTAL LEGAL - PUBLIC DEFENSE	\$ 191,303	\$ 200,000	\$ 200,000	\$ 200,000	\$ 245,000	22.5%

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
31 OFFICE AND OPERATING SUPPLIES	\$ 2,950	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	0.0%
41 PROFESSIONAL SERVICES	174,163	210,000	210,000	210,000	205,000	-2.4%
42 COMMUNICATION	1,361	1,000	1,000	1,000	1,000	0.0%
99 OTHER INTERFUND SERVICES	5,346	5,748	5,748	5,748	6,291	9.4%
TOTAL LEGAL - GENERAL	\$ 183,820	\$ 220,248	\$ 220,248	\$ 220,248	\$ 215,791	-2.0%



HUMAN RESOURCE DEPARTMENT



**Fund 001
Human Resources**

Function

The function of the HR department is to provide human resource services to all city departments, including recruitment, testing, job classification, salary and benefit administration, training, employee relations and policy development.

Headcount

POSITION CLASSIFICATION	2012	2013	2014
Human Resources Director	1	1	1
Human Resources Specialist II	1	1	1
Human Resources Analyst	1	1	1
TOTAL	3	3	3

Budget Narrative

Office and operating supplies include general office supplies, form printing, and the annual software licensing fee of approximately \$5,000 for the Neogov Software.

Professional services include the fees for labor relations consultant, annual fee to AWC, and back ground checks for new hires.

Miscellaneous includes employee appreciation (\$6,000), and employee wellness programs (\$5,250). Also included are fees associated with the civil service testing.

Other interfund services include the cost allocation from Information Services (IS) for computer maintenance and equipment replacement.

Approved Budget Requests

Description	Amount	On-Going
Professional Services-Labor Relations Consultant	20,000	No
Seasonal	10,000	No
Total	\$ 30,000	

Item(s) Requested But Not Approved

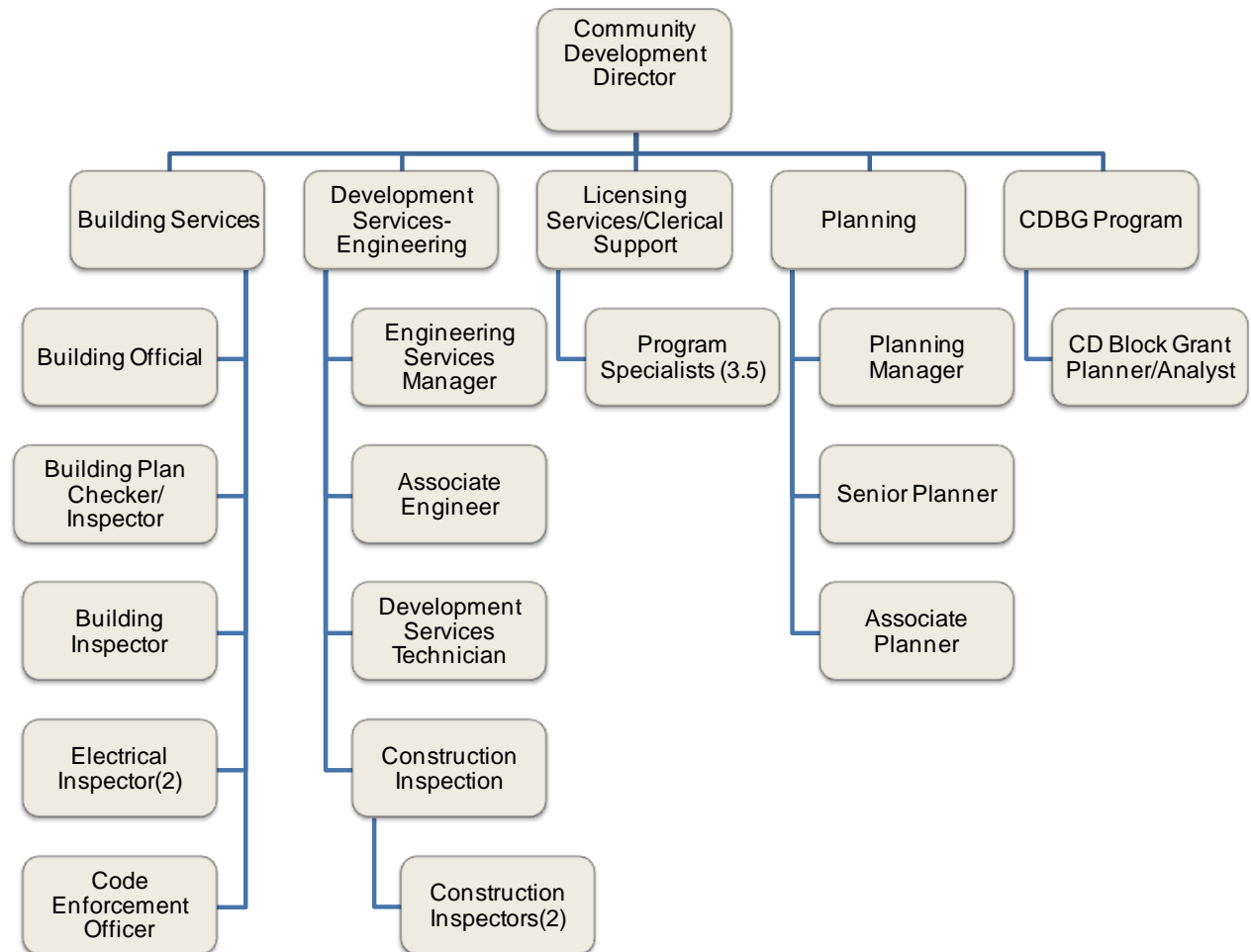
None

Fund 001
Human Resources

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
11 REGULAR PAY	\$ 276,053	\$ 288,181	\$ 288,181	\$ 288,181	\$ 287,562	-0.2%
111 SEASONAL	-	-	-	-	10,000	100.0%
12 OVERTIME	142	500	500	500	500	0.0%
21 SOCIAL SECURITY	20,571	21,172	21,172	21,172	21,459	1.4%
22 PENSION	19,626	26,639	26,639	26,639	26,813	0.7%
23 HEALTH INSURANCE	26,688	27,477	27,477	27,477	27,805	1.2%
24 WORKMAN'S COMPENSATION	724	810	810	810	801	-1.1%
25 UNEMPLOYMENT COMPENSATION	1,109	1,441	1,441	1,441	1,207	-16.2%
31 OFFICE & OPERATING SUPPLIES	1,461	7,500	7,500	7,500	7,500	0.0%
41 PROFESSIONAL SERVICES	45,203	52,000	52,000	52,000	72,000	38.5%
42 COMMUNICATION	2,447	2,086	2,086	2,086	2,086	0.0%
43 TRAVEL	1,143	1,250	1,250	1,250	1,250	0.0%
45 RENTS	3,665	5,000	5,000	5,000	5,000	0.0%
46 INSURANCE	5,023	5,158	5,158	5,158	5,158	0.0%
49 MISCELLANEOUS	16,307	20,110	20,110	20,110	20,110	0.0%
99 OTHER INTERFUND SERVICES/CHGS	11,677	12,540	12,540	12,540	12,591	0.4%
TOTAL HUMAN RESOURCES	\$ 431,839	\$ 471,864	\$ 471,864	\$ 471,864	\$ 501,842	6.4%



COMMUNITY DEVELOPMENT



Fund 001 Community Development

Mission

The mission of the Community Development department is to create a vibrant Marysville by promoting economic growth and healthy neighborhoods while protecting our natural environment.

Function

The Community Development department is responsible for the preparation, administration and implementation of land use plans, proposals, policies and codes that guide and regulate the physical development of the City. Department functions include land use planning, development reviews and inspections, building review and inspections, code enforcement, and business licenses.

Headcount

POSITION CLASSIFICATION	2011	2012	2013	2014
Community Development Director	0	0	0	0
Engineering Services Manager	1	1	1	1
Development Services Technician	1	1	1	1
Planning Manager	1	1	1	1
Senior Planner	1	1	1	1
Associate Planner	1	1	1	1
Building Official	1	1	1	1
Plans Examiner/Sr Building Inspector	1	1	1	1
Building Inspector	1	1	1	1
Code Enforcement Officer	1	1	1	1
CD Block Grant Planner/Analyst	0	0.5	0.5	1
Program Specialist	3.5	3.5	3.5	3.5
Associate Engineer III	1	1	1	1
Construction Inspector	1.5	1.5	1.5	2
Electrical Inspector	2	2	2	2
TOTAL	17.0	17.5	17.5	18.5

Total Funded By Community Development	13.8	13.8	13.8	14.8
Total Funded By CDBG Grant	0.0	0.5	0.5	0.5
Total Funded by Street Dept	0.2	0.2	0.2	0.4
Total Funded by Utility Dept	3.0	3.0	3.0	2.7
Total Funded by Solid Waste	0.1	0.1	0.1	0.1

Budget Narrative

Supplies include general office supplies, fuel for the city vehicles, and the purchase of small tools such as computer equipment.

Miscellaneous expenses include seminars, training, association fees and subscriptions, lease of postage and copier machines, Arcinfo, ArcView, ArcIMS maintenance and upgrades, and permitting software maintenance.

Also included in other services are communication costs, travel, advertising, insurance, operating leases, and repairs and maintenance.

Interfund services include allocations from Fleet, Facilities and Information Services.

Approved Budget Requests

Description	Amount	On-Going
Building/Electrical Inspector	102,245	Yes
Comprehensive Plan	150,000	No
Total	\$ 252,245	

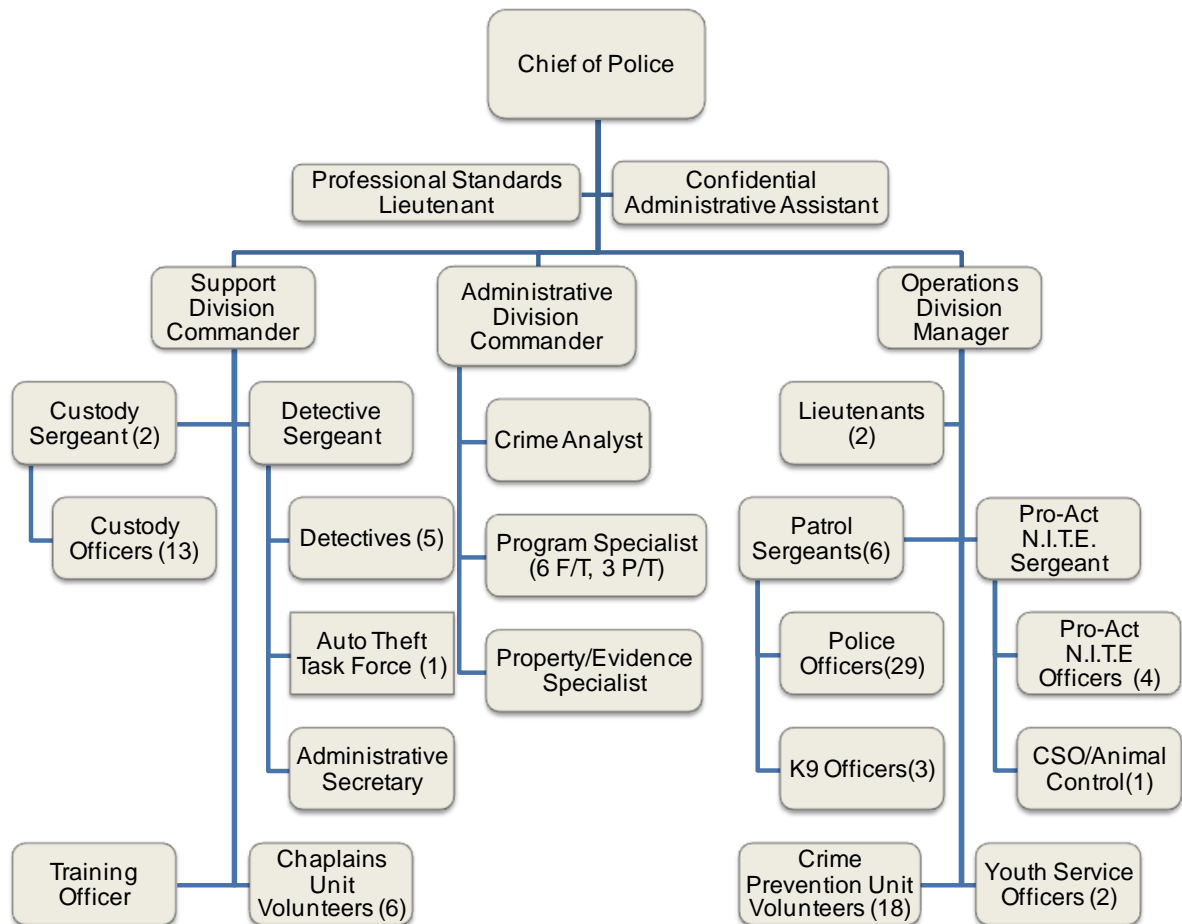
Item(s) Requested But Not Approved

None

Fund 001
Community Development

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
11 REGULAR PAY	\$ 1,081,507	\$ 1,056,653	\$ 1,056,653	\$ 1,056,653	\$ 1,211,302	14.6%
111 SEASONAL PAY	49,147	99,000	99,000	99,000	99,000	0.0%
12 OVERTIME	1,394	2,500	2,500	2,500	2,500	0.0%
21 SOCIAL SECURITY	84,951	81,626	81,626	81,626	98,694	20.9%
22 PENSION	77,590	95,507	95,507	95,507	114,278	19.7%
23 HEALTH INSURANCE	199,248	193,930	193,930	193,930	240,418	24.0%
24 WORKMAN'S COMPENSATION	11,984	12,952	12,952	12,952	15,873	22.6%
25 UNEMPLOYMENT COMPENSATION	4,528	5,426	5,426	5,426	5,855	7.9%
26 UNIFORMS	768	1,400	1,400	1,400	1,400	0.0%
31 OFFICE & OPERATING SUPPLIES	15,164	10,000	10,000	10,000	10,000	0.0%
32 FUEL	10,279	12,000	12,000	12,000	12,000	0.0%
41 PROFESSIONAL SERVICES	21,744	25,000	25,000	25,000	175,000	600.0%
42 COMMUNICATION	13,760	16,602	16,602	16,602	16,602	0.0%
43 TRAVEL	1,577	6,000	6,000	6,000	6,000	0.0%
44 ADVERTISING	3,684	3,500	3,500	3,500	3,500	0.0%
45 OPERATING RENTALS & LEASES	11,104	11,500	11,500	11,500	11,500	0.0%
46 INSURANCE	25,744	26,435	26,435	26,435	26,435	0.0%
48 REPAIRS & MAINTENANCE	-	2,000	2,000	2,000	2,000	0.0%
49 MISCELLANEOUS	38,821	62,000	62,000	62,000	62,000	0.0%
95 INTERFUND RENTS	8,316	8,316	8,316	8,316	8,316	0.0%
98 INTERFUND REPAIRS & MAINT.	21,752	21,719	21,719	21,719	14,287	-34.2%
99 OTHER INTERFUND SERVICES/CHGS	64,759	58,465	58,465	58,465	52,591	-10.0%
TOTAL COMMUNITY DEVELOPMENT	\$ 1,747,821	\$ 1,812,531	\$ 1,812,531	\$ 1,812,531	\$ 2,189,551	20.8%

POLICE DEPARTMENT



**Fund 001
Police Department**

Mission

The men and women of the Marysville Police Department are dedicated to providing safety and security to the public we serve, through teamwork, mutual respect, and in partnership with the community.

Headcount – Total Department

POSITION CLASSIFICATION	2012	2013	2014
Chief of Police	1	1	1
Commander	2	3	3
Lieutenant	3	3	3
Administrative Division Manager	1	0	0
Sergeants (Detective/Patrol)	8	8	8
Patrol Officers & Detectives	38	39	44
Training Officer	1	1	1
Custody Sergeant	2	2	2
Custody Officers	13	13	13
Community Service Officer (CSO)	1	1	1
Crime Analyst	1	1	1
Confidential Administrative Assistant	1	1	1
Administrative Secretary	1	1	1
Program Specialist	7.5	7.5	7.5
Property/Evidence Specialist	1	1	1
TOTAL POLICE DEPARTMENT	81.5	82.5	87.5

Headcount breakdown by department is included on the following pages.

Approved Budget Requests – Police Summary

Description	Amount	On-Going
New Hire – Police Patrol	178,954	Yes
Line item increase – Fuel & Training	88,000	Yes
New Patrol Car	57,000	No
Computers and Radios for Patrol Cars	9,200	No
Total	\$ 333,154	

Item(s) Requested But Not Approved

None

**Fund 001
Police Department**

Description	2012 Actual	2013 Budget	2013 Amended Budget	2014 Budget	% Change 2013-2014 Budget
11 REGULAR PAY	\$ 6,778,081	\$ 7,018,498	\$ 7,082,694	\$ 7,533,710	6.4%
12 OVERTIME	1,019,194	678,700	678,700	528,700	-22.1%
21 SOCIAL SECURITY	571,889	578,537	578,537	605,410	4.6%
22 PENSION	458,454	483,605	483,605	512,208	5.9%
23 HEALTH INSURANCE	1,452,019	1,565,484	1,565,484	1,672,256	6.8%
24 WORKMAN'S COMPENSATION	103,806	147,216	147,216	174,059	18.2%
25 UNEMPLOYMENT COMPENSATION	31,506	38,392	38,392	35,041	-8.7%
26 UNIFORMS	92,693	114,880	114,880	123,630	7.6%
31 OFFICE & OPERATING SUPPLIES	196,430	180,650	180,650	180,650	0.0%
32 FUEL CONSUMED	194,835	111,000	111,000	184,000	65.8%
35 SMALL TOOLS	10,383	2,800	25,800	12,000	-53.5%
41 PROFESSIONAL SERVICES	140,111	200,800	200,800	200,800	0.0%
42 COMMUNICATION	49,415	63,629	63,629	63,629	0.0%
43 TRAVEL	5,935	13,860	13,860	13,860	0.0%
44 ADVERTISING	434	1,000	1,000	1,000	0.0%
45 OPERATING RENTAL	36,314	47,400	47,400	47,400	0.0%
46 INSURANCE	96,069	100,798	100,798	100,798	0.0%
48 REPAIRS/MAINTENANCE	36,007	24,320	24,320	24,320	0.0%
49 MISCELLANEOUS	50,272	66,348	66,350	81,350	22.6%
55 INTERGOVERNMENTAL	1,590,204	1,832,164	1,832,164	1,832,164	0.0%
98 INTERFUND REPAIRS	269,286	343,079	343,079	327,622	-4.5%
99 OTHER INTERFUND SERVICES/CHGS	272,723	309,408	309,408	322,098	4.1%
00 OPERATING TRANSFER	9,605	-	-	114,000	100.0%
TOTAL POLICE DEPARTMENT	\$ 13,465,665	\$ 13,922,568	\$ 14,009,766	\$ 14,690,705	4.9%

A budget breakdown by department is included on the following pages.

Fund 001
Police Department
Police Administration

Headcount

POSITION CLASSIFICATION	2012	2013	2014
Chief of Police	1	1	1
Commander	2	3	3
Lieutenant	3	3	3
Administrative Division Manager	1	0	0
Crime Analyst	1	1	1
Confidential Administrative Assistant	1	1	1
TOTAL - ADMINISTRATION	9	9	9

Budget Narrative

Supplies include the purchase of general office supplies, form and document printing.

Professional services include costs for annual membership dues, and subscriptions, pre-employment physiological and medical exams, armored car services, and temporary help as needed. Also included are the LEOFF 1 retiree reimbursable medical expenses.

Travel includes mileage and travel reimbursement for local and out of area meetings, training, and conferences.

Miscellaneous expenses include training and meeting expenses.

Intergovernmental services increased to cover the Snohomish County Air Support fees.

Interfund repairs include the cost allocation from Fleet for the vehicles assigned to the command staff.

Other interfund services include the cost allocation from Information Services (IS) for computer maintenance and equipment replacement.

Approved Budget Requests

None

Item(s) Requested But Not Approved

None

Fund 001
Police Department
Police Administration

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
11 REGULAR PAY	\$ 1,090,543	\$ 1,084,636	\$ 1,084,636	\$ 1,084,636	\$ 1,112,999	2.6%
12 OVERTIME	8,133	2,500	2,500	2,500	2,500	0.0%
21 SOCIAL SECURITY	75,747	83,341	83,341	83,341	75,796	-9.1%
22 PENSION	62,325	69,800	69,800	69,800	67,822	-2.8%
23 HEALTH INSURANCE	291,943	303,769	303,769	303,769	234,486	-22.8%
24 WORKMAN'S COMPENSATION	8,064	12,108	12,108	12,108	15,381	27.0%
25 UNEMPLOYMENT COMPENSATION	4,429	5,337	5,337	5,337	4,675	-12.4%
26 UNIFORMS	8,756	11,900	11,900	11,900	11,900	0.0%
31 OFFICE & OPERATING SUPPLIES	4,456	3,000	3,000	3,000	3,000	0.0%
41 PROFESSIONAL SERVICES	56,633	55,000	55,000	55,000	55,000	0.0%
42 COMMUNICATION	14,436	11,202	11,202	11,202	11,202	0.0%
43 TRAVEL	107	1,000	1,000	1,000	1,000	0.0%
44 ADVERTISING	433	1,000	1,000	1,000	1,000	0.0%
45 OPERATING RENTALS & LEASES	275	2,000	2,000	2,000	2,000	0.0%
46 INSURANCE	8,791	9,027	9,027	9,027	9,027	0.0%
48 REPAIRS & MAINTENANCE	-	800	800	800	800	0.0%
49 MISCELLANEOUS	19,411	4,000	4,000	4,000	4,000	0.0%
55 INTERGOVERNMENTAL	370	4,800	4,800	4,800	4,800	0.0%
98 INTERFUND REPAIRS & MAINT.	10,402	8,407	8,407	8,407	5,212	-38.0%
99 OTHER INTERFUND SERVICES/CHGS	37,785	43,440	43,440	43,440	39,927	-8.1%
TOTAL POLICE ADMINISTRATION	\$ 1,703,039	\$ 1,717,067	\$ 1,717,067	\$ 1,717,067	\$ 1,662,527	-3.2%

Fund 001
Police Department
Police Investigation

Function

Investigation Division is staffed by one Sergeant, six Detectives and an Administrative Assistant. Detectives handle high-profile investigation, felony crime investigations requiring follow-up investigation and narcotics investigations. One of the detectives has been assigned to the Auto Theft Task Force which is funded through an interlocal with Snohomish County. The funding for the task force position runs through June 30, 2015.

Headcount

POSITION CLASSIFICATION	2012	2013	2014
Sergeant (Detective)	1	1	1
Detective - Auto Theft Task Force	0	0.5	1
Detectives (Commissioned Officers)	5	5	5
Administrative Secretary	1	1	1
TOTAL - DETECTIVES	7	7.5	8

Headcount Changes

The Auto Theft Task Force position was mid-year amending the original 2013 budget.

Budget Narrative

Office and operating supplies include general office supplies.

Professional services include dues, fees and subscriptions to various organizations, legal fees, and drug analysis fees.

Communication includes the monthly costs for the land lines, long distance and Nextel service charges

Travel includes mileage and travel reimbursement for local and out of area meetings, training and conferences.

Operating Rental includes copy machine lease payments.

Miscellaneous expenses include costs incurred during criminal investigations.

Interfund repairs and maintenance include the allocation from Fleet for the vehicles assigned to the detectives.

Other interfund services include the cost allocation from Information Services (IS) for computer maintenance and equipment replacement.

Approved Budget Requests

None

Item(s) Requested But Not Approved

None

Fund 001
Police Department
Police Investigation

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
11 REGULAR PAY	\$ 653,439	\$ 645,718	\$ 667,118	\$ 667,118	\$ 732,491	9.8%
12 OVERTIME	87,453	80,000	80,000	80,000	80,000	0.0%
21 SOCIAL SECURITY	54,125	54,411	54,411	54,411	61,133	12.4%
22 PENSION	39,747	40,336	40,336	40,336	44,729	10.9%
23 HEALTH INSURANCE	123,510	128,124	128,124	128,124	149,612	16.8%
24 WORKMAN'S COMPENSATION	9,305	12,609	12,609	12,609	16,155	28.1%
25 UNEMPLOYMENT COMPENSATION	2,984	3,629	3,629	3,629	3,476	-4.2%
26 UNIFORMS	9,627	12,525	12,525	12,525	12,525	0.0%
31 OFFICE & OPERATING SUPPLIES	8,339	5,000	5,000	5,000	5,000	0.0%
35 SMALL TOOLS	667	-	-	-	-	0.0%
41 PROFESSIONAL SERVICES	22,297	6,000	6,000	6,000	6,000	0.0%
42 COMMUNICATION	3,994	7,186	7,186	7,186	7,186	0.0%
43 TRAVEL	4,689	1,000	1,000	1,000	1,000	0.0%
45 OPERATING RENTALS & LEASES	4,515	3,500	3,500	3,500	3,500	0.0%
46 INSURANCE	6,279	6,448	6,448	6,448	6,448	0.0%
48 REPAIRS & MAINTENANCE	396	1,000	1,000	1,000	1,000	0.0%
49 MISCELLANEOUS	7,463	500	500	500	500	0.0%
55 INTERGOVERNMENTAL	750	-	-	-	-	0.0%
98 INTERFUND REPAIRS & MAINT.	30,737	27,609	27,609	27,609	16,266	-41.1%
99 OTHER INTERFUND SERVICES/CHGS	29,635	31,896	31,896	31,896	28,191	-11.6%
TOTAL POLICE INVESTIGATION	\$ 1,099,951	\$ 1,067,491	\$ 1,088,891	\$ 1,088,891	\$ 1,175,212	7.9%

Fund 001
Police Department
Police Patrol

Function

The Operations Division provides police services 24 hours a day, seven days a week. Patrol is staffed by six sergeants and 29 officers, which are divided into six squads. The Patrol Division responds to crimes in progress, calls for service and proactive law enforcement.

Headcount

POSITION CLASSIFICATION	2012	2013	2014
Sergeant	6	6	6
Patrol Officers	24	25	29
TOTAL - PATROL	30	31	35

Changes

The 2013 original budget included 2 mid-year hires one went to the Pro-Act team and one went to Patrol. In July 2013 the budget was amended to add two more officers in November 2013. One additional Patrol officer was added during the 2014 budget process.

Budget Narrative

Supplies include the purchase of general office supplies, fuel for the patrol vehicles and small dollar equipment purchases.

Professional services include towing fees and membership fees to the National Polygraph Association.

Communication includes the land lines, long distance and Nextel service charges.

Travel includes reimbursement for mileage and travel expenses for local and out of area meetings, training and conferences.

Operating rental includes copy machine.

Repairs and maintenance includes costs for washing the patrol cars and costs for calibrating the radar equipment.

Interfund repairs and maintenance include the allocation from Fleet for the vehicles assigned to patrol.

Other interfund services include the cost allocation from Information Services (IS) for computer maintenance and equipment replacement.

Approved Budget Requests

Description	Amount	On-Going
New Hire – Police Patrol	178,954	Yes
Line item increase – Fuel & Training	88,000	Yes
New Patrol Car	57,000	No
Computers and Radios for Patrol Cars	9,200	No
Total	\$ 333,154	

Item(s) Requested But Not Approved

None

Fund 001
Police Department
Police Patrol

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
11 REGULAR PAY	\$ 2,700,720	\$ 2,829,951	\$ 2,872,749	\$ 2,872,749	\$ 3,084,105	7.4%
12 OVERTIME	519,455	281,550	281,550	281,550	131,550	-53.3%
21 SOCIAL SECURITY	237,277	231,726	231,726	231,726	250,879	8.3%
22 PENSION	169,426	163,017	163,017	163,017	175,421	7.6%
23 HEALTH INSURANCE	529,235	573,270	573,270	573,270	692,203	20.7%
24 WORKMAN'S COMPENSATION	47,429	65,319	65,319	65,319	79,149	21.2%
25 UNEMPLOYMENT COMPENSATION	13,062	15,560	15,560	15,560	14,582	-6.3%
26 UNIFORMS	40,150	51,900	51,900	51,900	60,650	16.9%
31 OFFICE & OPERATING SUPPLIES	35,863	29,100	29,100	29,100	29,100	0.0%
32 FUEL	194,835	111,000	111,000	111,000	184,000	65.8%
35 SMALL TOOLS	9,716	-	23,000	23,000	9,200	-60.0%
41 PROFESSIONAL SERVICES	9,732	12,000	12,000	12,000	12,000	0.0%
42 COMMUNICATION	18,797	23,260	23,260	23,260	23,260	0.0%
43 TRAVEL	943	10,000	10,000	10,000	10,000	0.0%
45 OPERATING RENTALS & LEASES	1,313	3,500	3,500	3,500	3,500	0.0%
46 INSURANCE	52,116	55,664	55,664	55,664	55,664	0.0%
48 REPAIRS & MAINTENANCE	31,342	17,000	17,000	17,000	17,000	0.0%
49 MISCELLANEOUS	13,600	10,500	10,500	10,500	10,500	0.0%
51 INTERGOVERNMENTAL	400	-	-	-	-	0.0%
98 INTERFUND REPAIRS & MAINT.	224,829	276,678	276,678	276,678	284,676	2.9%
99 OTHER INTERFUND SERVICES/CHGS	164,416	190,044	190,044	190,044	211,995	11.6%
TOTAL POLICE PATROL	\$ 5,014,656	\$ 4,951,039	\$ 5,016,837	\$ 5,016,837	\$ 5,339,434	6.4%

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
12 OVERTIME	35,450	30,000	30,000	30,000	30,000	0.0%
21 SOCIAL SECURITY	2,435	2,295	2,295	2,295	2,295	0.0%
22 PENSION	1,857	1,587	1,587	1,587	1,587	0.0%
23 HEALTH INSURANCE	4,948	-	-	-	-	0.0%
24 WORKMAN'S COMPENSATION	599	404	404	404	404	0.0%
25 UNEMPLOYMENT COMPENSATION	142	150	150	150	150	0.0%
TOTAL SWAT TEAM	\$ 45,431	\$ 34,436	\$ 34,436	\$ 34,436	\$ 34,436	0.0%

**Fund 001
Police Department
K9 Program**

Function

The Patrol Division is supported with three K-9 teams of dogs and handlers. Two tracking canines are utilized for the purpose of apprehending criminals and/or locating evidence associated with crimes that have occurred. One narcotics canine is utilized for the interdiction and discovery of narcotics and drug related instruments. All three K-9 teams engage the public through education demonstrations, including public appearances at local schools. All told the teams have apprehended many criminals and been responsible for solving crimes and removing drugs and guns from the streets of Marysville.

Headcount

POSITION CLASSIFICATION	2012	2013	2014
Patrol Officer	2	3	3
TOTAL - K9	2	3	3

Previously included in the Patrol headcount

Changes

The K9 headcount was previously reported in Patrol. However, to better track the expenses associated with this program a new sub-department was established in 2011.

Budget Narrative

Supplies include the purchase of general office supplies, fuel for the patrol vehicles and small dollar equipment purchases.

Approved Budget Requests

None

Item(s) Requested But Not Approved

None

Fund 001
Police Department
K9 Program

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
11 REGULAR PAY	\$ 267,468	\$ 268,686	\$ 268,686	\$ 268,686	\$ 274,883	2.3%
12 OVERTIME	54,967	34,150	34,150	34,150	34,150	0.0%
21 SOCIAL SECURITY	23,963	22,409	22,409	22,409	22,924	2.3%
22 PENSION	16,896	15,864	15,864	15,864	16,107	1.5%
23 HEALTH INSURANCE	60,330	63,594	63,594	63,594	67,403	6.0%
24 WORKMAN'S COMPENSATION	4,360	6,093	6,093	6,093	6,534	7.2%
25 UNEMPLOYMENT COMPENSATION	1,300	1,516	1,516	1,516	1,155	-23.8%
26 UNIFORMS	2,550	3,700	3,700	3,700	3,700	0.0%
31 OFFICE & OPERATING SUPPLIES	1,775	500	500	500	500	0.0%
TOTAL K9 PROGRAM	\$ 433,609	\$ 416,512	\$ 416,512	\$ 416,512	\$ 427,356	2.6%

Fund 001
Police Department
Drug Task Force

Function

The Drug Task Force budget is set up to track the salary and other expenses associated with the detective assigned to the Drug Task Force. Currently, no one is assigned to the Drug Task Force.

Budget Narrative

Intergovernmental professional services include the annual contribution to the Snohomish Regional Drug Task Force.

Approved Budget Requests

None

Item(s) Requested But Not Approved

None

Fund 001
Police Department
Drug Enforcement

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
51 INTERGOVERNMENTAL	15,148	9,400	9,400	9,400	9,400	0.0%
TOTAL DRUG ENFORCEMENT	\$ 15,148	\$ 9,400	\$ 9,400	\$ 9,400	\$ 9,400	0.0%

Fund 001
Police Department
Youth Services

Function

The Marysville Police Department assigns full-time officers to Marysville Junior High School. SRO's serve as liaisons between the Police Department, the School District and the Citizens of Marysville, Washington. The SRO's first duty is that of a sworn police officer, investigating crimes and activities associated with criminal behavior. SRO's are not "campus police," but rather "police on campus" who promote a positive image through interaction with students, parents, teachers and administrators. The intent of the SRO program is to establish a positive problem-solving partnership by working very closely with school officials, students and citizens.

The primary responsibility of the SRO is to deal with all law enforcement problems that arise within the school or the school's jurisdiction. The SRO investigates crimes and makes arrests when appropriate.

The primary consideration for the SRO is to promote a safe environment in the school, and surrounding neighborhoods. The SRO also functions as a guest speaker as well as a teacher in the classroom, covering such issues as drug abuse, laws, and other related topics.

The SRO program is currently only in Marysville Jr. High. It's the hope of the Marysville Police Department and Marysville School District that we will be able to expand this program into Cedarcrest Jr. High as well.

Headcount

POSITION CLASSIFICATION	2012	2013	2014
Patrol Officer - Youth Services Officer	4	2	2
TOTAL - YOUTH SERVICES	4	2	2

Budget Narrative

Other interfund services include the cost allocation from Information Services (IS) for computer maintenance and equipment replacement.

Approved Budget Requests

None

Item(s) Requested But Not Approved

None

**Fund 001
Police Department
Youth Services**

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
11 REGULAR PAY	\$ 168,739	\$ 183,901	\$ 183,901	\$ 183,901	\$ 182,749	-0.6%
12 OVERTIME	22,622	24,000	24,000	24,000	24,000	0.0%
21 SOCIAL SECURITY	14,497	15,615	15,615	15,615	15,425	-1.2%
22 PENSION	10,027	10,892	10,892	10,892	10,776	-1.1%
23 HEALTH INSURANCE	29,142	29,666	29,666	29,666	40,628	37.0%
24 WORKMAN'S COMPENSATION	2,694	4,078	4,078	4,078	4,554	11.7%
25 UNEMPLOYMENT COMPENSATION	772	1,040	1,040	1,040	888	-14.6%
26 UNIFORMS	2,195	6,600	6,600	6,600	6,600	0.0%
31 OFFICE & OPERATING SUPPLIES	382	800	800	800	800	0.0%
35 SMALL TOOLS	-	600	600	600	600	0.0%
42 COMMUNICATION	889	1,608	1,608	1,608	1,608	0.0%
43 TRAVEL	-	900	900	900	900	0.0%
46 INSURANCE	2,512	2,579	2,579	2,579	2,579	0.0%
49 MISCELLANEOUS	40	-	-	-	-	0.0%
99 OTHER INTERFUND SERVICES/CHGS	3,231	3,516	3,516	3,516	1,791	-49.1%
TOTAL YOUTH SERVICES	\$ 257,742	\$ 285,795	\$ 285,795	\$ 285,795	\$ 293,898	2.8%

Fund 001
Police Department
Crime Prevention

Function

The function of this budget is to track the expenses associated with Criminal Justice and Domestic Violence programs. Fines are assessed and received through the Marysville Municipal Court. Fines collected have to be used exclusively for “criminal justice purposes” and cannot be used for general operations of the Police department. Criminal justice purposes include activities that substantially assist the criminal justice system, which may include circumstances where ancillary benefit to the civil justice system occurs, and which includes domestic violence services such as those provided by domestic violence programs, community advocates, and legal advocates.

Budget Narrative

Expenditures in this area include but are not limited to, fees for Legal Advocacy Services, supplies in support of the Marysville Volunteer’s Program (MVP) and payments to the County in support of the Battered Women’s Shelter.

Approved Budget Requests

None

Item(s) Requested But Not Approved

None

Fund 001
Police Department
Crime Prevention

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
26 UNIFORMS	\$ 13	\$ 400	\$ 400	\$ 400	\$ 400	0.0%
31 OFFICE & OPERATING SUPPLIES	3,769	15,000	15,000	15,000	15,000	0.0%
41 PROFESSIONAL SERVICES	294	6,300	6,300	6,300	6,300	0.0%
42 COMMUNICATION	416	1,008	1,008	1,008	1,008	0.0%
48 REPAIRS/MAINTENANCE	9	600	600	600	600	0.0%
TOTAL CRIME PREVENTION	\$ 4,501	\$ 23,308	\$ 23,308	\$ 23,308	\$ 23,308	0.0%

Fund 001
Police Department
Police Training-Firearms

Function

The function of the Police Training-Firearms budget is to track all of the expenses associated with firearm training.

Headcount

POSITION CLASSIFICATION	2012	2013	2014
Training Officer	1	1	1
TOTAL - TRAINING UNIT	1	1	1

Budget Narrative

Operating supplies includes the cost of ammunition for firearm training.

Operating rentals include rental of the firing range.

Approved Budget Requests

None

Item(s) Requested But Not Approved

None

Fund 001
Police Department
Police Training-Firearms

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
11 REGULAR PAY	\$ 94,594	\$ 95,533	\$ 95,533	\$ 95,533	\$ 97,460	2.0%
12 OVERTIME	1,654	5,000	5,000	5,000	5,000	0.0%
21 SOCIAL SECURITY	7,316	7,579	7,579	7,579	7,727	2.0%
22 PENSION	5,043	5,268	5,268	5,268	5,340	1.4%
23 HEALTH INSURANCE	8,852	9,119	9,119	9,119	9,205	0.9%
24 WORKMAN'S COMPENSATION	1,351	1,948	1,948	1,948	2,186	12.2%
25 UNEMPLOYMENT COMPENSATION	388	503	503	503	434	-13.7%
26 UNIFORMS	850	2,850	2,850	2,850	2,850	0.0%
31 OFFICE & OPERATING SUPPLIES	28,758	20,000	20,000	20,000	20,000	0.0%
43 TRAVEL	-	700	700	700	700	0.0%
45 RENTAL/LEASE	6,308	9,000	9,000	9,000	9,000	0.0%
49 MISCELLANEOUS (Training)	-	50,000	50,000	50,000	65,000	30.0%
TOTAL POLICE TRAINING-FIREARMS	\$ 155,114	\$ 207,500	\$ 207,500	\$ 207,500	\$ 224,902	8.4%

Fund 001
Police Department
Detention & Correction

Function

Detention & Corrections Division is staffed by two Sergeants and thirteen Custody Officers. Marysville Jail is a 57 bed, 90-day facility that houses misdemeanor arrestees and prisoners. Marysville contracts jail services to the Cities of Arlington and Lake Stevens. Additionally, Marysville contracts Jail Services with the United States Border Patrol, Immigration and Naturalization Service and other Federal Agencies.

Headcount

POSITION CLASSIFICATION	2012	2013	2014
Custody Sergeant	2	2	2
Custody Officers	13	13	13
TOTAL - CUSTODY	15	15	15

Budget Narrative

Office and operating supplies include general office supplies and prisoner food.

Professional services include prisoner medical and dental care costs.

Operating rental includes costs associated with DSSI software maintenance and the annual lease payments for the jail copy machine.

Intergovernmental services include payments made to the county for prisoner housing.

Other interfund services include the cost allocation from Information Services (IS) for computer maintenance and equipment replacement.

Approved Budget Requests

None

Item(s) Requested But Not Approved

None

Fund 001
Police Department
Detention & Correction

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
11 REGULAR PAY	\$ 924,225	\$ 960,978	\$ 960,978	\$ 960,978	\$ 1,002,626	4.3%
12 OVERTIME	125,436	120,000	120,000	120,000	120,000	0.0%
21 SOCIAL SECURITY	79,415	80,851	80,851	80,851	84,087	4.0%
22 PENSION	86,687	99,681	99,681	99,681	108,126	8.5%
23 HEALTH INSURANCE	238,858	263,016	263,016	263,016	259,857	-1.2%
24 WORKMAN'S COMPENSATION	20,966	29,860	29,860	29,860	33,430	12.0%
25 UNEMPLOYMENT COMPENSATION	4,240	5,369	5,369	5,369	4,812	-10.4%
26 UNIFORMS	20,835	15,900	15,900	15,900	15,900	0.0%
31 OFFICE & OPERATING SUPPLIES	108,580	100,000	100,000	100,000	100,000	0.0%
41 PROFESSIONAL SERVICES	47,478	120,000	120,000	120,000	120,000	0.0%
42 COMMUNICATION	4,869	5,770	5,770	5,770	5,770	0.0%
43 TRAVEL	197	-	-	-	-	0.0%
45 RENTAL/LEASE	4,933	10,500	10,500	10,500	10,500	0.0%
46 INSURANCE	7,535	7,737	7,737	7,737	7,737	0.0%
48 REPAIRS/MAINTENANCE	882	3,600	3,600	3,600	3,600	0.0%
49 MISCELLANEOUS	9,063	300	300	300	300	0.0%
55 INTERGOVERNMENTAL	445,577	665,000	665,000	665,000	665,000	0.0%
98 INTERFUND REPAIRS	3,318	10,467	10,467	10,467	16,368	56.4%
99 OTHER INTERFUND SERVICES/CHGS	17,485	18,804	18,804	18,804	18,903	0.5%
TOTAL DETENTION & CORRECTIONS	\$ 2,150,579	\$ 2,517,833	\$ 2,517,833	\$ 2,517,833	\$ 2,577,016	2.4%

Fund 001
Police Department
Communications

Function

Communications is contracted to SnoPac. SnoPac provides radio and mobile computer terminal access for police operations. SnoPac is an enhanced E-911 center. It utilizes a Computer Assisted Dispatching System and Records Management System. Marysville contracts for an exclusive police terminal, which is not shared with other agencies. Through SnoPac, Marysville has the ability to communicate with other Snohomish County, local and regional law enforcement agencies.

Budget Narrative

Intergovernmental services are the fees paid to SnoPac for dispatching services. The increase in this budget is due to the annexation.

Approved Budget Requests

None

Item(s) Requested But Not Approved

None

Fund 001
Police Department
Communications

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
42 COMMUNICATION	\$ 869	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	0.0%
55 INTERGOVERNMENTAL	1,049,262	1,024,964	1,024,964	1,024,964	1,024,964	0.0%
TOTAL COMMUNICATIONS	\$ 1,050,131	\$ 1,032,464	\$ 1,032,464	\$ 1,032,464	\$ 1,032,464	0.0%

**Fund 001
Police Department
Office Operations**

Function

Office Operations encompasses our records management, data collection, report processing and reporting the crime information to the State and Federal government. It enters and confirms Marysville Court warrants, protection orders and stolen/recovered vehicle and property. Office Operations manages property and evidence storage, retention and destruction. Office Operations monitors the exterior of the facility and monitors the door and elevator controls for the building and jail.

Headcount

POSITION CLASSIFICATION	2012	2013	2014
Program Specialist	7.5	7.5	7.5
Property/Evidence Specialist	1	1	1
TOTAL - RECORDS	8.5	8.5	8.5

Budget Narrative

Office and operating supplies includes general office supplies, form printing and copy machine rental.

Travel covers the reimbursement for mileage and travel costs to local and out of area meetings, training and conferences.

Intergovernmental services include RMS assessment fees paid to the county.

Other interfund services include the cost allocation from Information Services (IS) for computer maintenance and equipment replacement.

Approved Budget Requests

None

Item(s) Requested But Not Approved

None

Fund 001
Police Department
Office Operations

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
11 REGULAR PAY	\$ 500,417	\$ 507,080	\$ 507,080	\$ 507,080	\$ 506,564	-0.1%
12 OVERTIME	79,927	50,000	50,000	50,000	50,000	0.0%
21 SOCIAL SECURITY	43,242	41,311	41,311	41,311	41,390	0.2%
22 PENSION	41,327	48,773	48,773	48,773	49,185	0.8%
23 HEALTH INSURANCE	92,918	110,642	110,642	110,642	104,739	-5.3%
24 WORKMAN'S COMPENSATION	2,539	2,968	2,968	2,968	2,941	-0.9%
25 UNEMPLOYMENT COMPENSATION	2,325	2,787	2,787	2,787	2,378	-14.7%
26 UNIFORMS	3,717	1,855	1,855	1,855	1,855	0.0%
31 OFFICE & OPERATING SUPPLIES	3,939	6,500	6,500	6,500	6,500	0.0%
41 PROFESSIONAL SERVICES	585	-	-	-	-	0.0%
42 COMMUNICATION	4,708	5,416	5,416	5,416	5,416	0.0%
43 TRAVEL	-	260	260	260	260	0.0%
45 OPERATING RENTAL	18,970	18,900	18,900	18,900	18,900	0.0%
46 INSURANCE	16,325	16,764	16,764	16,764	16,764	0.0%
48 REPAIRS/MAINTENANCE	3,000	1,000	1,000	1,000	1,000	0.0%
49 MISCELLANEOUS	230	200	200	200	200	0.0%
55 INTERGOVERNMENTAL	18,578	20,000	20,000	20,000	20,000	0.0%
99 OTHER INTERFUND SERVICES/CHGS	20,171	21,708	21,708	21,708	21,291	-1.9%
TOTAL OFFICE OPERATIONS	\$ 852,918	\$ 856,164	\$ 856,164	\$ 856,164	\$ 849,383	-0.8%

Fund 001
Police Department
Animal Control

Function

The Community Service Officer is a non-commissioned officer whose primary duties include animal control, parking infractions, and a support officer to police staff.

Headcount

POSITION CLASSIFICATION	2012	2013	2014
Community Service Officer (CSO)	1	1	1
TOTAL - ANIMAL CONTROL	1	1	1

Budget Narrative

Intergovernmental services cover the animal shelter fees charged by the county.

Approved Budget Requests

None

Item(s) Requested But Not Approved

None

Fund 001
Police Department
Animal Control

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
11 REGULAR PAY	\$ 64,261	\$ 64,910	\$ 64,910	\$ 64,910	\$ 66,208	2.0%
12 OVERTIME	1,576	4,500	4,500	4,500	4,500	0.0%
21 SOCIAL SECURITY	5,013	5,250	5,250	5,250	5,350	1.9%
22 PENSION	4,741	6,145	6,145	6,145	6,323	2.9%
23 HEALTH INSURANCE	9,531	8,586	8,586	8,586	8,702	1.4%
24 WORKMAN'S COMPENSATION	1,257	3,669	3,669	3,669	2,182	-40.5%
25 UNEMPLOYMENT COMPENSATION	266	348	348	348	301	-13.5%
26 UNIFORMS	600	850	850	850	850	0.0%
31 OFFICE & OPERATING SUPPLIES	-	250	250	250	250	0.0%
41 PROFESSIONAL SERVICES	3,386	1,500	1,500	1,500	1,500	0.0%
42 COMMUNICATION	436	679	679	679	679	0.0%
46 INSURANCE	2,511	2,579	2,579	2,579	2,579	0.0%
48 REPAIRS/MAINTENANCE	379	320	320	320	320	0.0%
49 MISCELLANEOUS	95	-	-	-	-	0.0%
55 INTERGOVERNMENTAL	60,490	108,000	108,000	108,000	108,000	0.0%
98 INTERFUND REPAIRS	-	19,918	19,918	19,918	5,100	-74.4%
TOTAL ANIMAL CONTROL	\$ 154,542	\$ 227,504	\$ 227,504	\$ 227,504	\$ 212,844	-6.4%

Fund 001
Police Department
Pro-Act N.I.T.E. Team

Function

The NITE Team consists of one sergeant and three officers whose mission is to address, through aggressive enforcement, identified priority crime and livability issues throughout the city and community neighborhoods. Their mission is clearly spelled out in the Team's acronym NITE: Neighborhood Livability, Investigations, Targeted enforcement, Education. The NITE Team has been instrumental in suppressing crime, most notably violent and drug related crime, throughout the city of Marysville.

Headcount

POSITION CLASSIFICATION	2012	2013	2014
Sergeant	1	1	1
Patrol Officers	2	3	4
TOTAL - PRO ACT	3	4	5

Previously included in the Patrol headcount

Budget Narrative

The budget primarily covers salaries and benefits for the officers assigned to the Pro-Act N.I.T.E. team.

Approved Budget Requests

None

Item(s) Requested But Not Approved

None

Fund 001
Police Department
Pro-Act Team

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
11 REGULAR PAY	\$ 313,675	\$ 377,103	\$ 377,103	\$ 377,103	\$ 473,625	25.6%
12 OVERTIME	82,520	47,000	47,000	47,000	47,000	0.0%
21 SOCIAL SECURITY	28,858	33,749	33,749	33,749	38,404	13.8%
22 PENSION	20,377	22,242	22,242	22,242	26,792	20.5%
23 HEALTH INSURANCE	62,752	75,698	75,698	75,698	105,421	39.3%
24 WORKMAN'S COMPENSATION	5,242	8,160	8,160	8,160	11,143	36.6%
25 UNEMPLOYMENT COMPENSATION	1,598	2,153	2,153	2,153	2,190	1.7%
26 UNIFORMS	3,400	6,400	6,400	6,400	6,400	0.0%
31 OFFICE & OPERATING SUPPLIES	276	500	500	500	500	0.0%
35 SMALL TOOLS	-	2,200	2,200	2,200	2,200	0.0%
49 MISCELLANEOUS	-	850	850	850	850	0.0%
TOTAL PRO ACT TEAM	\$ 518,698	\$ 576,055	\$ 576,055	\$ 576,055	\$ 714,525	24.0%

**Fund 001
Fire Services**

Function

The City of Marysville merged its EMS (Emergency Medical Service) and Fire Protection with Snohomish County Fire District 12. The City provides proportional financial support to the Fire District per an interlocal agreement. Three of the City's council members serve on the seven member fire commission.

Budget Narrative

Intergovernmental services are the costs of fire services paid to the fire district. Payments are made monthly.

Approved Budget Requests

None

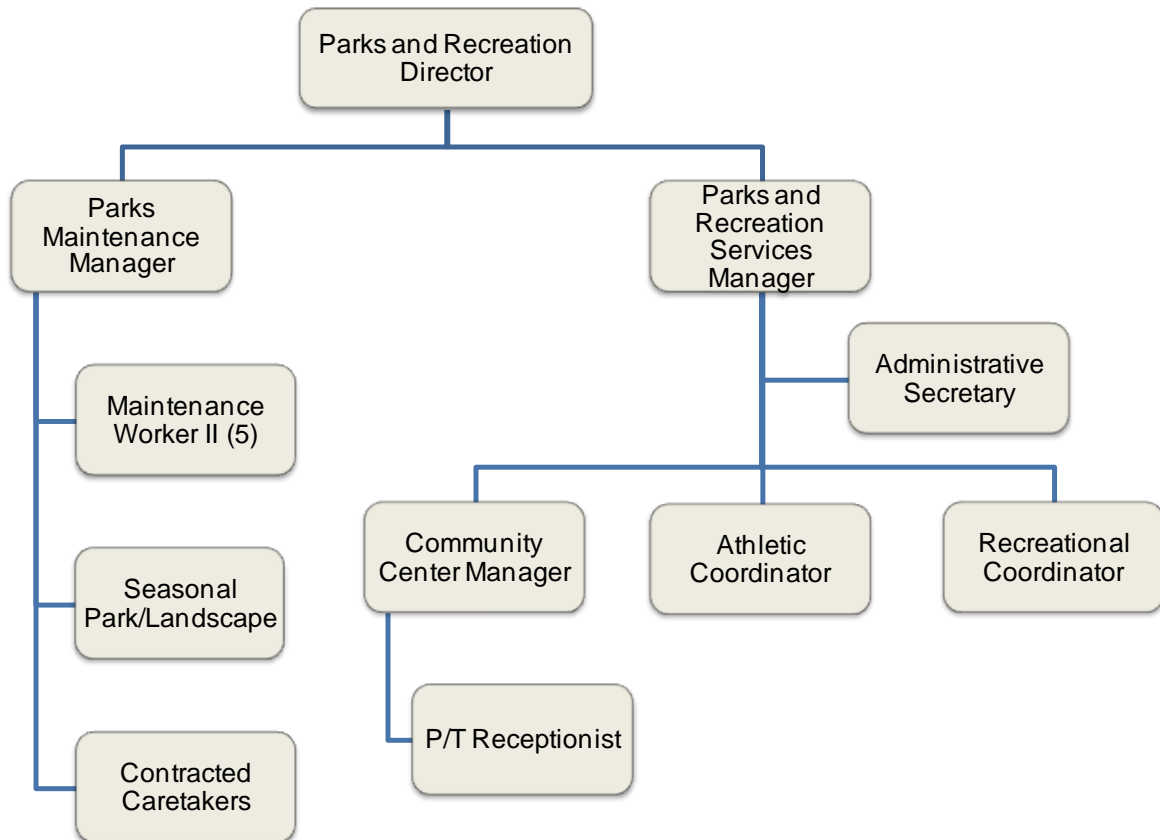
Item(s) Requested But Not Approved

None

**Fund 001
Fire Services**

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
55 INTERGOVERNMENTAL - FIRE SERVICE	\$ 7,154,213	\$ 6,735,906	\$ 6,735,906	\$ 6,735,906	\$ 6,941,365	3.1%
55 INTERGOVERNMENTAL - EMS	2,384,738	2,244,969	2,244,969	2,244,969	2,317,187	3.2%
TOTAL FIRE	\$ 9,538,951	\$ 8,980,875	\$ 8,980,875	\$ 8,980,875	\$ 9,258,552	3.1%

PARKS AND RECREATION



Fund 001
Parks & Recreation Department
Recreation

Mission

The mission of the Parks & Recreation department is to enhance the quality of life by providing beautiful parks, open space and exceptional recreational and athletic programs.

The Parks and Recreation Department provides stewardship and oversees the operation and maintenance of 436 acres of publicly owned land, parks, trails, public facilities and 152.8 acres of undeveloped land. Additionally, the department is charged with developing new park sites as well as maintaining all public building utility sites, landscapes and several miles of right-of-way streetscapes and habitat conservation areas. The department also supports a very comprehensive Recreation Services program within a service area exceeding 60,000 including senior services offered within the Ken Baxter Community Center, year round cultural arts, special events, youth and adult athletics, continuing education and physical activity programs.

Function

The Recreation Services division is responsible for programming efforts that embrace the entire community. Many of these programs remain the same year after year while others change due to trends and interests of our community. This division also supports community initiatives that make Marysville a more livable community. (Examples include Healthy Communities, Marysville Together Coalition, Council on Aging, Get Movin', Marysville Kids Matter and Safe Routes to school.) This division works closely with facility scheduling with both the Marysville and Lakewood School Districts through coordinated interlocal agreements.

Headcount

POSITION CLASSIFICATION	2012	2013	2014
Parks and Recreation Services Manager	1	1	1
Recreation Coordinator	1	1	1
Athletic Coordinator	1	1	1
Administrative Secretary	1	1	1
TOTAL - PARKS & RECREATION	4	4	4

Budget Narrative

Office and operating supplies purchased for the following programs which are partially or entirely funded by fees or contributions: Marysville for the Holidays, softball leagues and tournaments, youth and adult soccer league, youth basketball league, summer concerts and popcorn in the park movie series, trips/tours, Easter Egg Hunt, Valentine's Dance, tiny tots program, sports camps, after school programs and day camp programs.

Professional services include the fees paid to the instructors which are offset by the class registration fees. (These include various continuing education classes such as Kindermusik, art classes, dog training, fitness classes, CPR/First Aid, cooking classes, and specialty lecture series).

Other interfund services include the cost allocation from Information Services (IS) for computer maintenance and equipment replacement.

Approved Budget Requests

None

Item Requested But Not Approved

None

Fund 001
Parks & Recreation Department
Recreation

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
11 REGULAR PAY	\$ 297,521	\$ 310,815	\$ 310,815	\$ 310,815	\$ 317,672	2.2%
111 SEASONAL PAY	47,410	69,200	69,200	69,200	51,200	-26.0%
21 SOCIAL SECURITY	25,647	28,348	28,348	28,348	28,869	1.8%
22 PENSION	21,132	28,271	28,271	28,271	29,181	3.2%
23 HEALTH INSURANCE	72,441	74,718	74,718	74,718	75,810	1.5%
24 WORKMAN'S COMPENSATION	5,651	9,517	9,517	9,517	7,958	-16.4%
25 UNEMPLOYMENT COMPENSATION	1,380	1,959	1,959	1,959	1,681	-14.2%
31 OFFICE & OPERATING SUPPLIES	116,008	131,900	131,900	131,900	125,900	-4.5%
41 PROFESSIONAL SERVICES	57,482	63,400	63,400	63,400	63,400	0.0%
42 COMMUNICATION	2,996	2,000	2,000	2,000	2,000	0.0%
43 TRAVEL	-	650	650	650	650	0.0%
44 ADVERTISE	11,860	12,000	12,000	12,000	12,000	0.0%
46 INSURANCE	3,767	3,869	3,869	3,869	3,869	0.0%
49 MISCELLANEOUS	1,101	500	500	500	500	0.0%
55 STATE TAXES	11,192	11,438	11,438	11,438	11,438	0.0%
99 OTHER INTERFUND SERVICES/CHGS	7,456	4,565	4,565	4,565	4,599	0.7%
TOTAL RECREATION SERVICES	\$ 683,044	\$ 753,150	\$ 753,150	\$ 753,150	\$ 736,727	-2.2%

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
31 OFFICE & OPERATING SUPPLIES	5,150	3,800	3,800	3,800	3,800	0.0%
35 SMALL TOOLS	2,492	3,000	3,000	3,000	3,000	0.0%
47 PUBLIC UTILITY	429	300	300	300	300	0.0%
TOTAL COMMUNITY EVENT	\$ 8,071	\$ 7,100	\$ 7,100	\$ 7,100	\$ 7,100	0.0%

Fund 001
Parks & Recreation Department
Ken Baxter Community Center

Function

The community center is part of the recreation division. The center houses recreational programs for people of all ages with a special emphasis on programming for adults. The center is staffed week days from 9-4 Monday-Thursday and from 9-12 on Fridays. The evening hours and weekends the building is open for specialty classes by instructors and is available for private rentals by the public. It is a gathering place for community members to recreate and provide a safe, comfortable, social setting.

Headcount

POSITION CLASSIFICATION	2012	2013	2014
Community Center Manager	0	0	1
Recreation Coordinator (Community Center)	1	1	0
Program Clerk	0.5	0.5	0.5
TOTAL - COMMUNITY CENTER	1.5	1.5	1.5

Budget Narrative

The City receives grant funds from the Snohomish County Department of Human Services to offset the cost of the part time program clerk.

Office and operating supplies include costs for special events held at the Community Center, and tours sponsored by the center which are partially or completely offset by fees. It also includes the janitorial and general office supplies.

Professional services include janitorial services, and fees paid to instructors for classes held at the center.

Costs of operating and maintaining the Ken Baxter Community Center are included in this budget.

Approved Budget Requests

Description	Amount	On-Going
Reclassification – KBCC Rec Coordinator to Manager	2,370	Yes
Total	\$ 2,370	

Item(s) Requested But Not Approved

None

Fund 001
Parks & Recreation Department
Ken Baxter Community Center

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
11 REGULAR PAY	\$ 102,345	\$ 108,096	\$ 108,096	\$ 108,096	\$ 111,947	3.6%
21 SOCIAL SECURITY	7,676	8,113	8,113	8,113	8,228	1.4%
22 PENSION	7,371	9,837	9,837	9,837	10,071	2.4%
23 HEALTH INSURANCE	15,760	16,261	16,261	16,261	16,517	1.6%
24 WORKMAN'S COMPENSATION	1,078	2,040	2,040	2,040	534	-73.8%
25 UNEMPLOYMENT COMPENSATION	409	541	541	541	460	-15.0%
26 UNIFORMS	-	150	150	150	150	0.0%
31 OFFICE & OPERATING SUPPLIES	3,430	10,900	10,900	10,900	10,900	0.0%
35 SMALL TOOLS	-	100	100	100	100	0.0%
41 PROFESSIONAL SERVICES	22,302	20,100	20,100	20,100	20,100	0.0%
42 COMMUNICATION	977	1,130	1,130	1,130	1,130	0.0%
43 TRAVEL	-	100	100	100	100	0.0%
44 ADVERTISE	1,604	2,000	2,000	2,000	2,000	0.0%
45 RENTAL/LEASE	2,682	1,100	1,100	1,100	1,100	0.0%
47 PUBLIC UTILITIES	9,148	9,888	9,888	9,888	9,888	0.0%
48 REPAIRS & MAINTENANCE	7,918	1,500	1,500	1,500	3,000	100.0%
49 MISCELLANEOUS	773	500	500	500	500	0.0%
98 INTERFUND REPAIRS & MAINT.	2,520	2,685	2,685	2,685	3,751	39.7%
99 OTHER INTERFUND SERVICES	5,264	4,565	4,565	4,565	4,599	0.7%
TOTAL COMMUNITY CENTER	\$ 191,257	\$ 199,606	\$ 199,606	\$ 199,606	\$ 205,075	2.7%

Fund 001
Parks & Recreation Department
Park & Recreation Facilities

Function

The Park & Recreation Facilities division is responsible for the management and maintenance of all city parks, public buildings, street landscapes, greenbelts, trails, open space and utility landscape areas throughout the city. Duties include opening all parks, ensuring that facilities are safe and ready for park visitors, playground inspection and repair, mowing all turf areas, fertility and chemical application and management. We also partner with civic groups, volunteers, scouting groups, community service workers and others in projects that benefit the community.

Headcount

POSITION CLASSIFICATION	2012	2013	2014
Parks and Recreation Director	1	1	1
Parks Maintenance Manager	1	1	1
Maintenance Worker II	5	5	5
TOTAL - PARKS MAINTENANCE	7	7	7
Total Funded by Golf Course	0.4	0.4	0.4

Budget Narrative

Office and operating supplies include costs associated with the general operation of the various park facilities. It also includes janitorial supplies and general office and landscape supplies used by the maintenance staff.

Professional services include janitorial services, security system maintenance and pest control services and consultants.

This budget also includes all of the utility costs, insurance, and facility repair costs for the City's Park facilities.

Approved Budget Requests

Description	Amount	On-Going
Park Improvements/Replacements	80,000	No
Operation Increases	31,947	Yes
4X4 Kawasaki Mule Side by Side	15,000	No
Total	\$ 126,947	

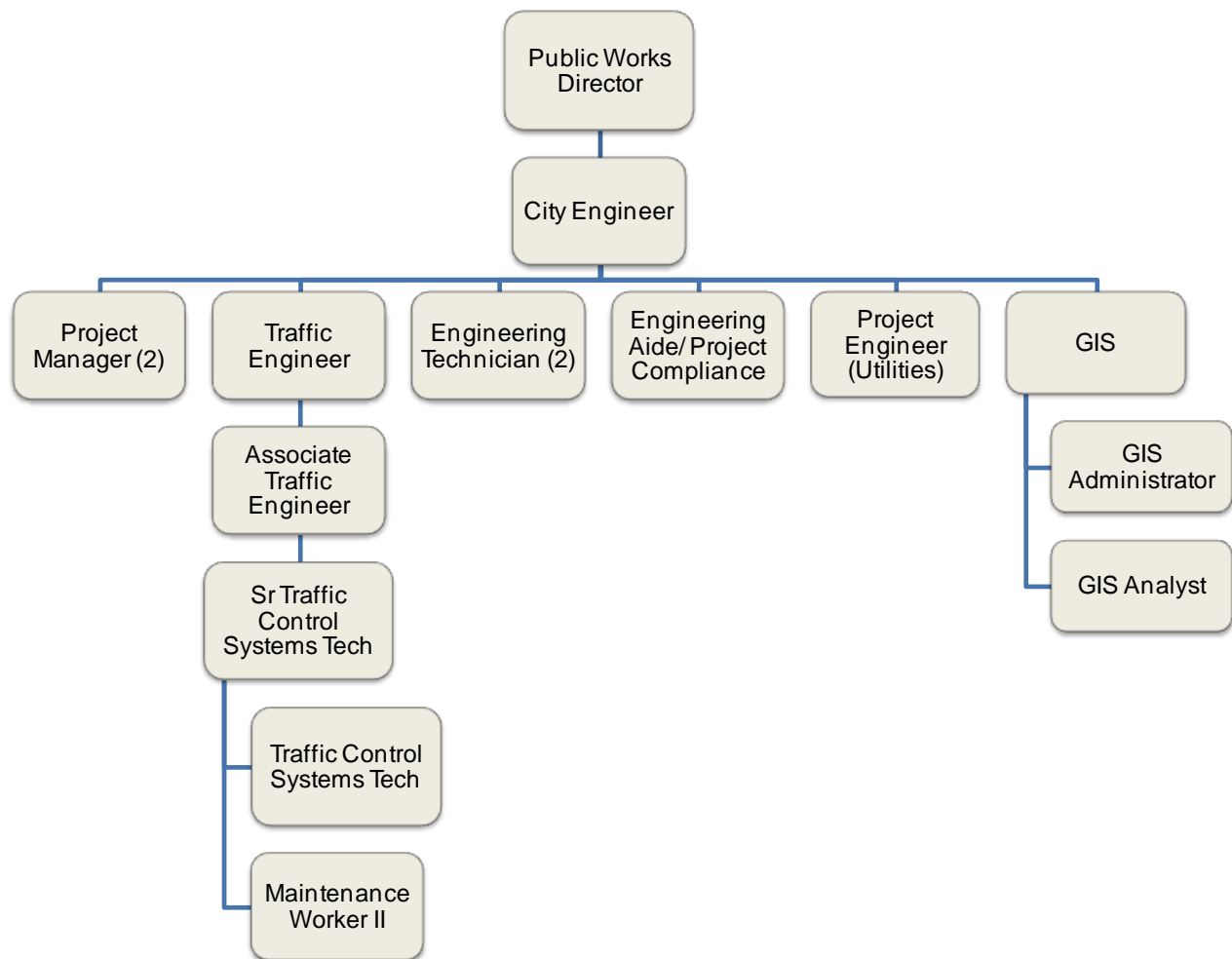
Item Requested But Not Approved

None

Fund 001
Parks & Recreation Department
Park & Recreation Facilities

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
11 REGULAR PAY	\$ 535,301	\$ 545,066	\$ 545,066	\$ 545,066	\$ 541,954	-0.6%
111 SEASONAL PAY	24,472	34,100	34,100	34,100	57,100	67.4%
12 OVERTIME	6,835	5,500	5,500	5,500	7,500	36.4%
21 SOCIAL SECURITY	40,487	41,671	41,671	41,671	41,222	-1.1%
22 PENSION	38,713	48,986	48,986	48,986	49,806	1.7%
23 HEALTH INSURANCE	121,383	125,507	125,507	125,507	128,051	2.0%
24 WORKMAN'S COMPENSATION	10,972	13,338	13,338	13,338	13,138	-1.5%
25 UNEMPLOYMENT COMPENSATION	2,271	2,863	2,863	2,863	2,447	-14.5%
26 UNIFORMS	3,936	4,500	4,500	4,500	4,500	0.0%
31 OFFICE & OPERATING SUPPLIES	71,699	82,700	82,700	82,700	84,700	2.4%
32 FUEL	21,591	22,400	22,400	22,400	22,400	0.0%
35 SMALL TOOLS	6,529	6,000	6,000	6,000	8,100	35.0%
41 PROFESSIONAL SERVICES	22,055	20,000	20,000	20,000	28,000	40.0%
42 COMMUNICATION	7,285	12,102	12,102	12,102	12,102	0.0%
43 TRAVEL	-	1,000	1,000	1,000	1,000	0.0%
44 ADVERTISE	222	1,000	1,000	1,000	1,000	0.0%
45 RENTAL/LEASE	9,978	9,800	9,800	9,800	14,800	51.0%
46 INSURANCE	18,209	18,698	18,698	18,698	18,698	0.0%
47 PUBLIC UTILITIES	65,691	49,000	49,000	49,000	55,000	12.2%
48 REPAIRS & MAINTENANCE	16,017	14,000	14,000	14,000	100,000	614.3%
49 MISCELLANEOUS	7,865	12,597	12,597	12,597	12,597	0.0%
55 STATE TAXES	-	-	5,700	5,700	-	-100.0%
64 MACHINERY & EQUIPMENT	-	15,803	15,803	15,803	-	-100.0%
98 INTERFUND REPAIRS & MAINT.	46,164	38,306	38,306	38,306	54,053	41.1%
99 OTHER INTERFUND SERVICES/CHGS	15,898	19,140	19,140	19,140	20,307	6.1%
TOTAL PARKS & REC FACILITIES	\$ 1,093,573	\$1,144,077	\$1,149,777	\$ 1,149,777	\$1,278,475	11.2%

ENGINEERING DEPARTMENT



Headcount and salary for the GIS Administrator and Analyst are carried in Workworks Utilities

Fund 001 Engineering Department

Mission

The mission of the Engineering Department is to strive to maximize public health, safety and welfare as well to protect our environment through development, implementation and enforcement of the City's municipal code, design standards and policies.

Function

The Engineering Department provides technical support relating to utilities, roads, and surface water infrastructure. Duties include comprehensive planning, design development, capital project management, construction management and inspection, land development review support, traffic engineering and preparation of engineering plans and specification.

Headcount

POSITION CLASSIFICATION	2012	2013	2014
City Engineer	0	1	1
Assistant City Engineer	1	0	0
Project Manager I	1	2	2
Program Engineer-Surface Water Supervisor	1	1	0
Project Engineer	1	0	1
Engineering Technician	2	2	2
Engineering Project Aide	1	1	1
Surface Water Specialists	2	2	0
Surface Water Inspector	1	1	0
Traffic Engineer	1	1	1
Associate Traffic Engineer (Project Engineer)	1	1	0
Sr Traffic Control Systems Tech	1	1	1
Maintenance Worker II - Traffic	1	1	1
Traffic Control Systems Tech	1	1	1
TOTAL	15	15	11

Total Funded By Engineering	7.0	7.0	7.0
Total Funded by Streets	4.0	4.0	4.0
Total Funded by Utilities	4.0	4.0	0.0

Changes

For the 2014 budget, the Surface Water Supervisor position was reclassified to Water Quality Manager and moved to the Waterworks Utility Fund. The two Surface Water Specialists and the Surface Water Inspector were also moved to the Waterworks Utility Fund.

Budget Narrative

Office and operating supplies include general office supplies and document printing fees.

Professional services include the AutoCAD subscription and license renewal.

Miscellaneous expenses include the cost of training classes and seminars for the Engineering staff.

Interfund rent is the rent paid to the Water/Sewer Utility Fund for the floor space Engineering occupies in the Public Works building.

Interfund repairs and maintenance include the allocation from Fleet for the vehicles assigned to the Engineering Department.

Other interfund services include the cost allocation from Information Services (IS) for computer maintenance and equipment replacement.

Approved Budget Requests

None

Item Requested But Not Approved

None

Fund 001
Engineering Department

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
11 REGULAR PAY	\$ 582,897	\$ 614,598	\$ 614,598	\$ 614,598	\$ 640,441	4.2%
12 OVERTIME	-	100	100	100	100	0.0%
21 SOCIAL SECURITY	43,730	47,867	47,867	47,867	48,146	0.6%
22 PENSION	41,244	54,840	54,840	54,840	58,834	7.3%
23 HEALTH INSURANCE	107,735	111,057	111,057	111,057	113,304	2.0%
24 WORKMAN'S COMPENSATION	8,138	9,216	9,216	9,216	9,121	-1.0%
25 UNEMPLOYMENT COMPENSATION	2,332	3,014	3,014	3,014	2,688	-10.8%
26 UNIFORMS	289	250	250	250	250	0.0%
31 OFFICE & OPERATING SUPPLIES	2,061	6,000	6,000	6,000	6,000	0.0%
32 FUEL	2,059	2,000	2,000	2,000	2,000	0.0%
35 SMALL TOOLS	308	1,000	1,000	1,000	1,000	0.0%
41 PROFESSIONAL SERVICES	5,768	15,000	35,000	35,000	15,000	-57.1%
42 COMMUNICATION	4,800	6,478	6,478	6,478	6,478	0.0%
43 TRAVEL	-	500	500	500	500	0.0%
44 ADVERTISING	-	500	500	500	500	0.0%
45 OPERATING RENTALS & LEASES	3,319	5,000	5,000	5,000	5,000	0.0%
46 INSURANCE	13,186	13,540	13,540	13,540	13,540	0.0%
48 REPAIRS & MAINTENANCE	250	500	500	500	500	0.0%
49 MISCELLANEOUS	3,251	5,000	5,000	5,000	5,000	0.0%
95 INTERFUND RENTS	5,246	5,246	5,246	5,246	5,246	0.0%
98 INTERFUND REPAIRS & MAINT.	8,899	6,528	6,528	6,528	12,463	90.9%
99 OTHER INTERFUND SERVICES/CHGS	20,888	22,572	22,572	22,572	31,071	37.7%
TOTAL ENGINEERING	\$ 856,400	\$ 930,806	\$ 950,806	\$ 950,806	\$ 977,182	2.8%

**Fund 001
Library Department**

Function

This appropriation accounts for the costs associated with maintenance and operation of the Marysville Library Facility. The City of Marysville owns the building and is responsible for the maintenance and debt service of the facility.

Budget Narrative

Office and operating supplies include routine supplies used in the daily operation of the building.

This budget also includes costs for janitorial supplies and services, as well as all of the utility costs to run the building.

Approved Budget Requests

None

Item(s) Requested But Not Approved

None

**Fund 001
Library Department**

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
11 REGULAR PAY	1,040	\$ -	\$ -	\$ -	\$ -	0.0%
21 SOCIAL SECURITY	78	-	-	-	-	0.0%
22 PENSION	75	-	-	-	-	0.0%
23 HEALTH INSURANCE	236	-	-	-	-	0.0%
24 WORKMAN'S COMPENSATION	22	-	-	-	-	0.0%
25 UNEMPLOYMENT COMPENSATION	4	-	-	-	-	0.0%
31 OFFICE & OPERATING SUPPLIES	4,714	2,000	2,000	2,000	2,000	0.0%
41 PROFESSIONAL SERVICES	299	100	100	100	100	0.0%
42 COMMUNICATION	1,830	1,900	1,900	1,900	1,900	0.0%
47 UTILITIES	45,236	49,500	49,500	49,500	49,500	0.0%
48 REPAIRS & MAINTENANCE	20,854	12,000	12,000	12,000	12,000	0.0%
49 MISCELLANEOUS	21	100	100	100	100	0.0%
98 INTERFUND REPAIRS & MAINT.	18,456	20,440	20,440	20,440	28,558	39.7%
00 INTERFUND TRANSFERS	390,406	-	-	-	-	0.0%
TOTAL LIBRARY	\$ 483,271	\$ 86,040	\$ 86,040	\$ 86,040	\$ 94,158	9.4%

Fund 001
Public Safety Building Department

Function

This appropriation accounts for the costs associated with the maintenance and operation of the Public Safety Building.

Budget Narrative

Office and operating supplies includes operating and janitorial supplies.

Professional services include janitorial services, window cleaning and alarm services.

This budget also includes utility costs and labor costs for in-house repairs and maintenance.

Approved Budget Requests

None

Item(s) Requested But Not Approved

None

Fund 001
Public Safety Building Department

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
31 OFFICE & OPERATING SUPPLIES	\$ 6,416	\$ 8,500	\$ 8,500	\$ 8,500	\$ 8,500	0.0%
41 PROFESSIONAL SERVICES	9,106	11,900	11,900	11,900	11,900	0.0%
42 COMMUNICATION	1,375	2,100	2,100	2,100	2,100	0.0%
46 INSURANCE	3,767	3,869	3,869	3,869	3,869	0.0%
47 PUBLIC UTILITIES	62,727	66,000	66,000	66,000	66,000	0.0%
48 REPAIRS & MAINTENANCE	102,085	30,000	30,000	30,000	30,000	0.0%
49 MISCELLANEOUS	91	500	500	500	500	0.0%
98 INTERFUND REPAIRS & MAINT.	49,146	42,720	42,720	42,720	59,684	39.7%
TOTAL PUBLIC SAFETY BUILDING	\$ 234,713	\$ 165,589	\$ 165,589	\$ 165,589	\$ 182,553	10.2%

Fund 001
Non-Departmental

Function

This department accounts for the expenditures, which are mostly mandated by law and are not related to the operations of a specific department or under the oversight of a departmental manager.

Budget Narrative

Professional services include annual retainer paid to the City's financial consultant.

Miscellaneous expenses include the senior rebate, dues and miscellaneous legal fees.

Intergovernmental includes the cost of the annual state audit, voter registration fees, pollution control payment and alcoholism contribution.

Operating transfer includes:

2014

Transfer to Fund 101 to subsidize the Street budget	1,620,744
Transfer to Fund 101 for Walkways	100,000
Transfer to Fund 101 for Pavement Preservation	500,000
Transfer to Fund 206 for D/S on City Hall	196,414
Transfer to Fund 206 for D/S on 5th St. and Delta Bldgs.	63,481
Transfer to Fund 206 for D/S on 156th Overcrossing & BIA	734,363
Transfer to Fund 305 for Interchange Justification Reports (IJR)	700,000
Transfer to Fund 310 for Spray Park	150,000
Transfer to Fund 310 for Qwuloolt Trail	200,000
Transfer to Fund 310 for Bayview Trail	37,000
Transfer to Fund 420 for Golf Course P/O I/F Loan	398,000
Transfer to Fund 420 to subsidize Golf Course	42,229
Total Transfers	4,742,231

Approved Budget Requests

Description	Amount
Qwuloolt Project – Transfer to Fund 310	\$200,000
Facilities Replacement	175,000
Clean-Sweep	60,000
Downtown Revitalization	150,000
Carry Over from 2013 – Downtown-Spray Park	150,000
Pavement Preservation	150,000
Domestic Violence	5,000
Carry Over from 2013 - Transportation Benefit District – Ballot Fees	50,000
Carry Over from 2013 – Bayview Trail	37,000
Gateway Sign – Getchell	20,000
Gateway Sign – 529 Bridge	12,000
Transfer to Fund 305 – Interchange Justification Reports	700,000
Increased Subsidy to Streets Budget Request	274,907
Increased Subsidy to Golf Budget Request	28,630
Total	\$ 2,012,537

Item(s) Requested But Not Approved

None

**Fund 001
Non-Departmental**

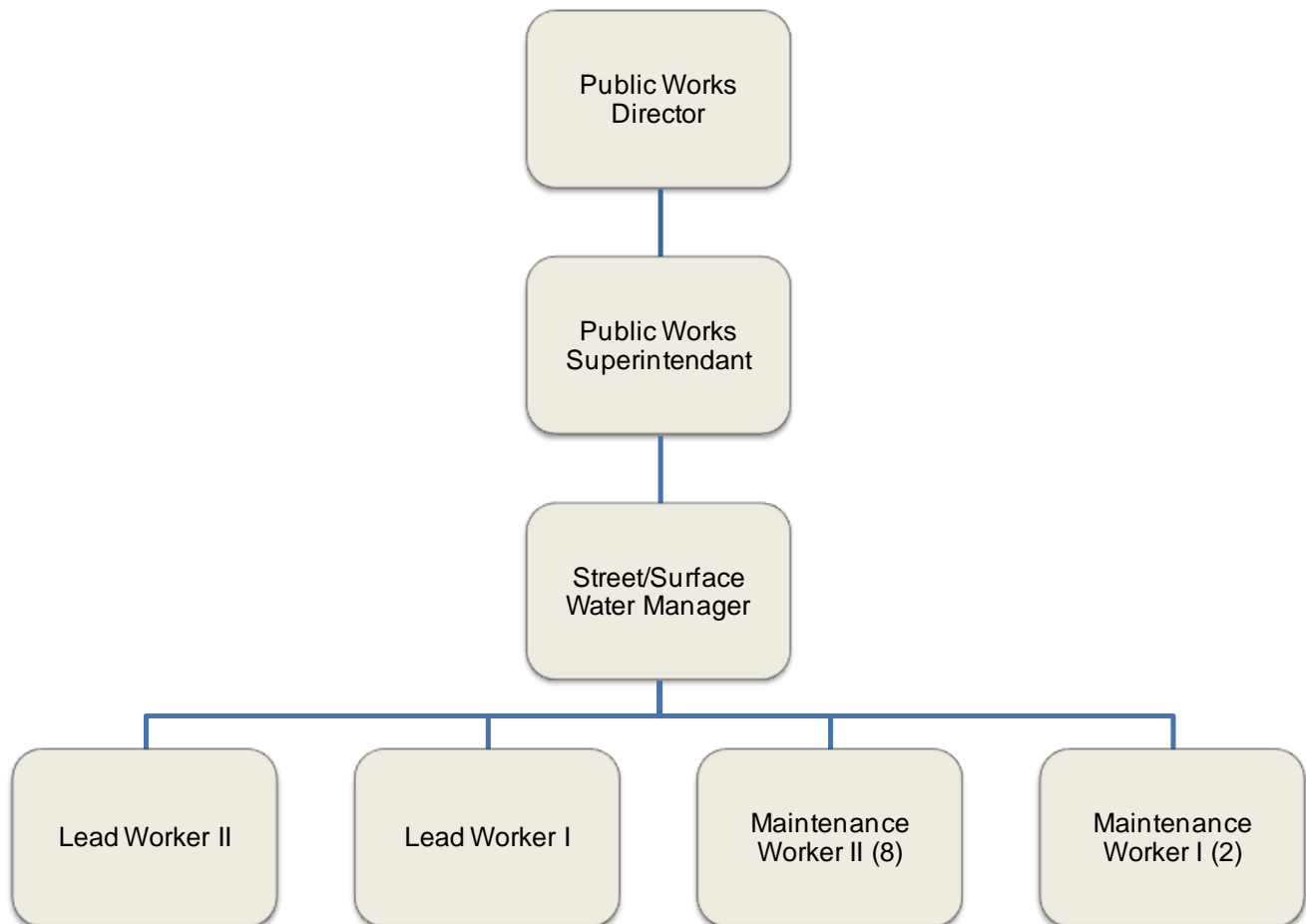
Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
11 REGULAR PAY	\$ -	\$ -	\$ -	\$ -	\$ 129,008	100.0%
35 SMALL TOOLS	-	150,000	150,000	150,000	150,000	0.0%
41 PROFESSIONAL SERVICES	22,003	190,000	190,000	190,000	195,000	2.6%
47 PUBLIC UTILITIES	3,246	2,500	2,500	2,500	2,500	0.0%
48 REPAIRS & MAINTENANCE	1,745	187,000	317,000	317,000	362,000	14.2%
49 MISCELLANEOUS	273,059	599,732	599,732	269,732	599,732	0.0%
55 INTERGOVERNMENTAL	130,927	169,100	169,100	169,100	169,100	0.0%
60 OTHER IMPROVEMENTS	-	-	-	-	32,000	100.0%
98 INTERFUND REPAIRS & MAINT.	4,680	8,867	8,867	8,867	12,388	39.7%
00 OPERATING TRANSFER	1,560,576	4,709,494	4,810,836	4,304,468	4,742,231	-1.4%
TOTAL NON-DEPARTMENTAL	\$1,996,236	\$6,016,693	\$6,248,035	\$5,411,667	\$ 6,393,959	2.3%



SPECIAL REVENUE FUNDS



STREET DEPARTMENT



**FUND 101
CITY STREETS
Street Division**

Mission

The mission of the Street Division is to provide appropriate preservation and development of the City's infrastructure for the Marysville Service Area.

Function

Cost of providing maintenance on 420.80 lane miles throughout the city limits. Tasks include maintenance and installation of signs, signals, crosswalks, stop bars, sweeping, paving, pothole patching, stripping and crack sealing of roadways. Seasonal responsibilities include snow and ice removal, and vegetation control including, mowing, herbicides and weed eating. Other work performed by this division includes storm drain installation and sidewalk replacement.

Headcount

POSITION CLASSIFICATION	2012	2013	2014
Streets/Surface Water Manager	0.5	0.5	0.5
Lead Worker II (Formerly Heavy Equipment Operator/Lead Worker II)	1	1	1
Lead Worker I (Formerly Heavy Equipment Operator)	1	1	1
Maintenance Worker II	8	8	8
Maintenance Worker I	2	2	2
TOTAL - STREETS	12.5	12.5	12.5

Changes to Headcount

None

Budget Narrative

The operating supplies budget includes supplies required for performing annual roadway maintenance, crack sealing, snow and ice removal and other miscellaneous office and operating supplies.

Professional services include but are not limited to temporary labor fees, equipment rental fees, engineering services, and traffic safety projects.

Interfund repairs include the cost of equipment rental and replacement fees, and facilities maintenance.

Other interfund services include the cost allocation from Information Services (IS) for computer maintenance and equipment replacement. This category also includes the cost allocation from Finance, City Clerk, HR, and Executive.

Approved Budget Requests

Description	Amount	On-Going
Line Item Increases	169,100	Yes
Pavement Preservation	150,000	No
Seasonal Workers (4)	34,807	Yes
Anti-Ice Setup With Mixing and Application Tanks	30,000	No
Utility Trailer	6,000	No
Trailer Mounted Arrow Board	5,000	No
332D Signal Cabinet	15,000	No
Pedestrian Safety System	15,000	No
Total	\$ 424,907	

Item(s) Requested But Not Approved

None

**FUND 101
CITY STREETS
Street Division**

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013:2014 Budget
Beginning Cash	\$ 1,003,676	\$ -	\$ -	\$ -	\$ -	0.0%
<u>Revenue</u>						
Franchise Fees	28,335	-	-	-	-	0.0%
Storm Drainage Permits	73,203	30,000	30,000	100,000	50,000	66.7%
Federal Grant	68,096	165,000	165,000	69,187	201,748	22.3%
Local State Grants	5,878	-	-	-	-	0.0%
MV Fuel Tax	1,239,237	1,200,000	1,200,000	1,220,000	1,266,840	5.6%
ARRA Energy Efficiency	69,489	-	-	-	-	0.0%
Interfund Services Charges	33,381	-	-	9,750	-	0.0%
Interest	591	500	500	-	-	-100.0%
Insurance Recoveries	49,981	-	-	3,035	-	0.0%
Miscellaneous Revenue	60,852	10,000	10,000	8,200	10,000	0.0%
Transfer In	569,866	2,352,588	2,522,233	2,469,734	2,739,953	8.6%
TOTAL REVENUE	2,198,909	3,758,088	3,927,733	3,879,906	4,268,541	8.7%
<u>Expenditures</u>						
Salaries	1,072,838	1,103,847	1,103,847	1,102,518	1,092,878	-1.0%
Seasonal	11,067	-	-	25,040	30,000	100.0%
Overtime	19,543	22,700	22,700	23,500	22,200	-2.2%
Social Security	82,671	82,227	82,227	91,626	83,545	1.6%
Retirement	77,307	100,442	100,442	107,487	100,415	0.0%
Medical Insurance	214,763	238,407	238,407	238,880	259,550	8.9%
Workman's Compensation	21,430	25,950	25,950	26,270	27,315	5.3%
Unemployment	4,436	5,520	5,520	5,808	5,126	-7.1%
Uniforms	8,960	9,800	9,800	9,800	9,800	0.0%
Office & Operating	244,076	321,500	321,500	307,000	361,500	12.4%
Fuel	66,663	75,000	75,000	75,000	75,000	0.0%
Small Tools	4,643	7,000	7,000	5,800	7,000	0.0%
Professional Services	181,985	120,765	120,765	139,765	190,765	58.0%
Communication	5,496	9,000	9,000	9,000	9,000	0.0%
Travel	328	500	500	200	500	0.0%
Advertising	335	500	500	500	500	0.0%
Rents	1,649	1,500	1,500	1,500	1,500	0.0%
Insurance	57,139	60,000	60,000	60,000	56,285	-6.2%
Public Utilities	391,827	383,400	383,400	384,900	413,600	7.9%
Repairs & Maintenance	44,774	72,000	62,000	59,300	90,000	45.2%
Miscellaneous	247,584	592,000	761,645	676,535	779,250	2.3%
Capital Outlay	-	-	-	-	71,000	100.0%
Interfund Rents	25,531	25,531	25,531	25,531	25,531	0.0%
Interfund Repairs	288,195	300,757	300,757	300,757	401,641	33.5%
Other Interfund Services	134,288	154,723	154,723	154,723	154,640	-0.1%
Transfer Out	-	41,000	51,000	48,466	-	-100.0%
TOTAL EXPENDITURE	3,207,528	3,754,069	3,923,714	3,879,906	4,268,541	8.8%
Other adjustments	4,943					
Ending Cash	-	4,019	4,019	-	-	-1.0%

**FUND 102
ARTERIAL STREETS****Function**

The Arterial Street Fund is for the purpose of construction, improvement or repair of arterial highways and city streets. In 2005, effective 2006 there was a change in the City Motor Vehicle Fuel Tax Distribution (SSB 5969, Ch 89, Laws of 2005). Cities had been receiving their gas tax in two separate distributions, "restricted" and "unrestricted". Cities with a population over 15,000 were required to deposit the restricted portion in an arterial city street fund to be used for capital purposes, while the unrestricted portion was deposited in the city street fund for maintenance. With the change in this law cities can now choose to deposit some of the receipts in an arterial street fund, but they are not required to do so. The City has chosen not to deposit MV Fuel Tax into the arterial street fund for the 2014 budget cycle.

Budget Narrative

There are currently no overlay projects scheduled for calendar year 2014

Approved Budget Requests

None

**FUND 103
DRUG ENFORCEMENT FUND
Police**

Function

The Drug Enforcement fund was created in 1992 through Ordinance 1884 as set forth in MMC 3.97.030. The purpose of the fund is to accumulate funds from the sale of property seized during drug investigations and forfeited pursuant to RCW 69.50.505. Expenditures from this fund are for drug enforcement needs, drug awareness educational purposes and the purchase, lease and maintenance of equipment and other items necessary for drug enforcement.

Approved Budget Requests

Description	Amount	On-Going
Equipment & Training for Drug Investigations	20,000	No
Total	\$ 20,000	

Item(s) Requested But Not Approved

None

FUND 103
DRUG ENFORCEMENT FUND
Police

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013:2014 Budget
Beginning Cash	\$ 62,302	\$ 54,711	\$ 54,711	\$ 55,963	\$ 11,030	-79.8%
<u>Revenue</u>						
Forfeited Property	28,682	10,000	10,000	10,000	10,000	0.0%
Interest	186	200	500	142	150	-70.0%
Miscellaneous Revenue	4,906	-	-	375	-	0.0%
TOTAL REVENUE	33,774	10,200	10,500	10,517	10,150	-3.3%
<u>Expenditures</u>						
Small Tools	40,113	18,500	54,500	55,450	20,000	-63.3%
TOTAL EXPENDITURE	40,113	18,500	54,500	55,450	20,000	-63.3%
 Ending Cash	 55,963	 46,411	 10,711	 11,030	 1,180	 -89.0%

**FUND 104
TRIBAL GAMING FUND
Police**

Function

The Tribal Gaming Fund was established in 1994 by Ordinance 1981 pursuant to MMC 3.90.020. The sources of funds include deposits pursuant to section 14C of the Tribal Compact for Class III Gaming between the Tulalip Tribes of Washington and the State of Washington. Such source of funds constitutes a percentage of the net win of the gaming stations conducted by the tribal gaming operation. Expenditures shall be limited to law enforcement purposes, being defined as those activities and the support of the police services set forth in Section 521.00 of the BARS manual.

Budget Narratives

Description	Amount	On-Going
Operational Equipment & Training	20,000	No
Total	\$20,000	

Approved Budget Requests

None

**FUND 104
TRIBAL GAMING FUND
Police**

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013:2014 Budget
Beginning Cash	\$ 132,869	\$ 114,869	\$ 114,869	\$ 118,221	\$ 128,075	11.5%
<u>Revenue</u>						
Tribal Gaming	35,000	-	-	35,000	-	0.0%
Interest	323	250	250	250	250	0.0%
TOTAL REVENUE	35,323	250	250	35,250	250	0.0%
<u>Expenditures</u>						
Small Tools	40,424	5,000	5,000	5,000	-	-100.0%
Communication	307	-	-	-	-	0.0%
Miscellaneous	9,240	20,000	20,000	20,396	20,000	0.0%
TOTAL EXPENDITURE	49,971	25,000	25,000	25,396	20,000	-20.0%
Ending Cash	118,221	90,119	90,119	128,075	108,325	20.2%

FUND 105
TOURISM DEVELOPMENT
Hotel/Motel Tax

Function

The Tourism Development Fund was created in 1990 by Ordinance Number 1755 (MMC 3.93) pursuant to RCW 67.28.180 to account for the two percent tax levied on the sale of or charge made for the furnishing of lodging by a hotel, rooming house, tourist court, motel or trailer camp. The taxes collected are for the purpose of advertising, publicizing or otherwise distributing information for the purpose of attracting visitors and encouraging tourism.

Budget Narrative

Miscellaneous expense includes the expenses paid toward the promotion of tourism. The following is a list of the 2014 awards:

City of Marysville – Special Events	30,000
Marysville Strawberry Festival	25,000
Chamber of Commerce – Visitor Center	20,000
Merrysville for the Holidays	5,000
Holiday Tour of Lights-Cedarcrest Golf Course	5,000
City of Marysville-Tourism/Economic Dev Website	2,750
Poochapalooza	1,250
Scrub-a-Mutt Fundraising Dog Wash	1,000
Total	\$90,000

FUND 105
TOURISM DEVELOPMENT
Hotel/Motel Tax

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013:2014 Budget
Beginning Cash	\$ 113,718	\$ 44,868	\$ 44,868	\$ 50,312	\$ 6,163	-86.3%
<u>Revenue</u>						
Hotel/Motel Tax	79,823	76,000	76,000	76,000	76,000	0.0%
Interest	197	150	150	150	150	0.0%
TOTAL REVENUE	80,020	76,150	76,150	76,150	76,150	0.0%
<u>Expenditures</u>						
Miscellaneous	89,648	65,606	65,606	65,606	23,949	-63.5%
Transfer out	53,778	54,693	54,693	54,693	51,051	-6.7%
TOTAL EXPENDITURE	143,426	120,299	120,299	120,299	75,000	-37.7%
Ending Cash	50,312	719	719	6,163	7,313	917.0%

**FUND 106
BAXTER CENTER APPRECIATION
Parks**

Function

The Ken Baxter Community Center (KBCC) Appreciation Fund was created in 1999 by Ordinance 2227 (MMC 3.99) to account for private donations to the City of Marysville intended to support the senior center. All expenditures from this fund are to be used solely for the benefit of the center and/or activities sponsored by the center.

Budget Narrative

Miscellaneous expenses include supplies for the seasonal potlucks and charges for the coffee services provided at the center.

Approved Budget Requests

None

**FUND 106
BAXTER CENTER APPRECIATION
Parks**

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013:2014 Budget
Beginning Cash	\$ 18,905	\$ 15,680	\$ 15,680	\$ 15,475	\$ 11,995	-23.5%
<u>Revenue</u>						
Contributions	512	-	-	470	-	0.0%
Interest	47	75	75	50	75	0.0%
TOTAL REVENUE	559	75	75	520	75	0.0%
<u>Expenditures</u>						
Miscellaneous	3,989	4,000	4,000	4,000	4,000	0.0%
TOTAL EXPENDITURE	3,989	4,000	4,000	4,000	4,000	0.0%
Ending Cash	15,475	11,755	11,755	11,995	8,070	-31.3%

FUND 108
MARYSVILLE TECHNOLOGY INFRASTRUCTURE
I/Net

Function

This Marysville Technology Infrastructure Fund (I/Net) was created in 2004 by Ordinance 2541 for the purpose of accounting for the funds used to implement and maintain the city's technology infrastructure. At the March 26, 2007, Council meeting, Council voted to reduce the I/Net fee that is assessed on all Comcast cable TV subscribers from \$ 1.00 to \$.75.

Budget Narrative

This budget includes the annual maintenance fee paid to Comcast and the approved request listed below.

Approved Budget Requests

Description	Amount	On-Going
Disaster Recovery Phase 5B (of 7)-Virtualization	15,000	No
Expansion of City's I-Net-Station #66	42,000	No
Total	\$ 57,000	

Item(s) Requested But Not Approved

None

FUND 108
MARYSVILLE TECHNOLOGY INFRASTRUCTURE
I/Net

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013:2014 Budget
Beginning Cash	\$ 18,663	\$ 24,750	\$ 24,750	\$ 26,605	\$ 45,022	81.9%
<u>Revenue</u>						
Fee	119,015	119,500	119,500	115,200	115,200	-3.6%
Interest	167	350	350	75	75	-78.6%
Miscellaneous	2,522	-	-	-	-	0.0%
TOTAL REVENUE	121,704	119,850	119,850	115,275	115,275	-3.8%
<u>Expenditures</u>						
Professional Services	36,228	22,676	22,676	22,676	22,000	-3.0%
Communication	6,219	-	-	6,432	6,432	100.0%
Miscellaneous	71,315	74,182	74,182	67,750	57,000	-23.2%
TOTAL EXPENDITURE	113,762	96,858	96,858	96,858	85,432	-11.8%
Ending Cash	26,605	47,742	47,742	45,022	74,865	56.8%

FUND 109
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
Community Development

Function

The Community Development block Grant Program (CDBG) is a federal grant received and administered by the Community Development department.

Beginning in 2012, the City of Marysville applied for and received, Community Development Block Grant (CDBG) funding from the U.S. Department of Housing and Urban Development (HUD). Every year HUD determines the amount of CDBG funds for each community. .

FUND 109
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
Community Development

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013:2014 Budget
Beginning Cash	\$ -	\$ 9,435	\$ 9,435	\$ -	\$ -	-100.0%
<u>Revenue</u>						
Community Dev Block Grant	-	318,000	324,000	323,711	320,000	-1.2%
TOTAL REVENUE	-	318,000	324,000	323,711	320,000	-1.2%
<u>Expenditures</u>						
Professional Services	-	280,400	286,400	280,129	226,400	-20.9%
Transfer Out	-	37,600	37,600	43,582	93,600	148.9%
TOTAL EXPENDITURE	-	318,000	324,000	323,711	320,000	-1.2%
Ending Cash	-	9,435	9,435	-	-	-100.0%

**FUND 110
GROWTH MANAGEMENT – REET 1**

Function

The Growth Management-REET1 fund accounts for the revenues and expenditures of the first quarter percent of the real estate excise tax or REET 1. These funds must be used for capital projects, which include planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems, parks, recreational facilities, law enforcement facilities, fire protection facilities, trails, libraries, and administrative and judicial facilities.

Budget Narrative

This budget includes the principal and interest payments on the interlocal debt issue for Marysville's portion of the 800 Mhz Project.

Transfer out includes a \$550,000 transfer to fund 305 for street construction projects.

**BOND REDEMPTION
FUND 110
800 MHz Marysville
Inter-local Long Term Debt Issues
*Debt Schedule Revised 2005***

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL REQUIREMENT</u>	<u>OUTSTANDING BALANCE</u>
				1,013,003.23
2005	49,192.60	22,873.76	72,066.36	963,810.63
2006	52,381.01	46,402.28	98,783.29	911,429.62
2007	54,658.45	43,874.34	98,532.79	856,771.17
2008	57,391.37	41,207.46	98,598.83	799,379.80
2009	60,124.29	38,349.74	98,474.03	739,255.51
2010	59,213.32	35,204.60	94,417.92	680,042.19
2011	62,401.73	32,243.92	94,645.65	617,640.46
2012	65,134.65	29,123.84	94,258.49	552,505.81
2013	68,323.06	25,867.12	94,190.18	484,182.75
2014	71,966.96	22,450.96	94,417.92	412,215.79
2015	75,155.37	18,852.60	94,007.97	337,060.42
2016	78,799.26	15,094.84	93,894.10	258,261.16
2017	82,443.16	11,154.88	93,598.04	175,818.00
2018	86,087.05	7,032.72	93,119.77	89,730.95
2019	89,730.95	3,589.24	93,320.19	-
TOTAL	<u>\$ 1,013,003.23</u>	<u>\$ 393,322.30</u>	<u>\$ 1,406,325.53</u>	

**FUND 110
GROWTH MANAGEMENT – REET 1**

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013:2014 Budget
Beginning Cash	\$ 93,520	\$ 25,261	\$ 192,261	\$ 192,261	\$ 98,671	-48.7%
<u>Revenue</u>						
Real Estate Excise Taxes	626,311	450,000	600,000	600,000	600,000	0.0%
Interest	939	250	250	600	600	140.0%
TOTAL REVENUE	627,250	450,250	600,250	600,600	600,600	0.1%
<u>Expenditures</u>						
Debt Service - Principal	65,135	68,323	68,323	68,323	71,967	5.3%
Debt Service - Interest	29,124	25,867	25,867	25,867	22,451	-13.2%
Transfer Out	434,250	350,000	600,000	600,000	550,000	-8.3%
TOTAL EXPENDITURE	528,509	444,190	694,190	694,190	644,418	-7.2%
Ending Cash	192,261	31,321	98,321	98,671	54,853	-44.2%

**FUND 111
GROWTH MANAGEMENT – REET 2**

Function

The Growth Management-REET 2 fund accounts for the revenues and expenditures of the second quarter percent of the real estate excise tax or REET 2. These funds must be used for capital projects which include planning acquisition, construction, reconstruction, repair, replacement, rehabilitation or improvement of streets roads, highways, sidewalks, street and road lighting system, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems, and planning construction, reconstruction, repair, rehabilitation or improvements of parks.

Budget Narrative

Transfer out includes a \$630,000 transfer to fund 305 for street construction projects.

**FUND 111
GROWTH MANAGEMENT – REET 2**

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013:2014 Budget
Beginning Cash	\$ 99,510	\$ 29,260	\$ 195,996	\$ 195,996	\$ 56,496	-71.2%
<u>Revenue</u>						
Real Estate Excise Taxes	626,310	460,000	610,000	610,000	600,000	-1.6%
Interest	926	500	500	500	500	0.0%
TOTAL REVENUE	627,236	460,500	610,500	610,500	600,500	-1.6%
<u>Expenditures</u>						
Transfer Out	530,750	450,000	750,000	750,000	630,000	-16.0%
TOTAL EXPENDITURE	530,750	450,000	750,000	750,000	630,000	-16.0%
Ending Cash	195,996	39,760	56,496	56,496	26,996	-52.2%



DEBT SERVICE FUNDS



FUND 206
LTGO BOND ISSUE 2007, 2010 and 2013

Function

In 2007 the City issued \$8.0M of LTGO bonds to provide funds with which to fund the cost of transportation projects throughout the City. The projects include reconstruction of primary corridors and construction of "missing links" within the City's current infrastructure.

In 2010, the City issued \$4.9M of LTGO bonds to purchase the Courthouse building which the City was leasing and the purchase of two other parcels. The bonds were issued in October 2010 with interest only payments through 2013.

In 2013, the City refunded the 2003 LTGO bond issue realizing a savings of \$132,164 in 2014. The original issue was to fund the purchase of the new city hall, the construction of the waterfront park, and the State Ave renovation project.

Also in 2013, the City issued \$9.0M of LTGO bonds for the City's share of the 156th overpass project and the Break-In-Access (BIA) project. The proceeds from this bond issue were used to pay off the Line of Credit that was used to fund the construction of both projects.

The debt service fund receives contributions from the General Fund, Street Construction Fund and the Parks Construction Fund.

FUND 206
2013 LTGO REFUNDING
CITY HALL BUILDING PURCHASE & REMODEL

YEAR	PRINCIPAL	INTEREST RATE	INTEREST	TOTAL REQUIREMENT	OUTSTANDING BALANCE
					\$ 2,115,525.00
2014	98,825.00	3.000%	98,571.66	197,396.66	2,016,700.00
2015	110,550.00	3.000%	84,654.50	195,204.50	1,906,150.00
2016	115,575.00	4.000%	81,338.00	196,913.00	1,790,575.00
2017	120,600.00	4.000%	76,715.00	197,315.00	1,669,975.00
2018	249,575.00	5.000%	71,891.00	321,466.00	1,420,400.00
2019	259,625.00	5.000%	59,412.25	319,037.25	1,160,775.00
2020	273,025.00	4.000%	46,431.00	319,456.00	887,750.00
2021	284,750.00	4.000%	35,510.00	320,260.00	603,000.00
2022	296,475.00	4.000%	24,120.00	320,595.00	306,525.00
2023	306,525.00	4.000%	12,261.00	318,786.00	-
Total	<u>\$ 2,115,525.00</u>		<u>\$ 590,904.41</u>	<u>\$ 2,706,429.41</u>	

Note: Funded by the General Fund

**FUND 206
2013 LTGO REFUNDING
WATERFRONT PARK**

YEAR	PRINCIPAL	INTEREST RATE	INTEREST	TOTAL REQUIREMENT	OUTSTANDING BALANCE
	-		-	-	\$ 1,041,975.00
2014	48,675.00	3.000%	48,550.22	97,225.22	993,300.00
2015	54,450.00	3.000%	41,695.50	96,145.50	938,850.00
2016	56,925.00	4.000%	40,062.00	96,987.00	881,925.00
2017	59,400.00	4.000%	37,785.00	97,185.00	822,525.00
2018	122,925.00	5.000%	35,409.00	158,334.00	699,600.00
2019	127,875.00	5.000%	29,262.75	157,137.75	571,725.00
2020	134,475.00	4.000%	22,869.00	157,344.00	437,250.00
2021	140,250.00	4.000%	17,490.00	157,740.00	297,000.00
2022	146,025.00	4.000%	11,880.00	157,905.00	150,975.00
2023	150,975.00	4.000%	6,039.00	157,014.00	-
Total	<u>\$ 1,041,975.00</u>		<u>\$ 291,042.47</u>	<u>\$ 1,333,017.47</u>	

Note: Funded by the Parks Construction fund

**FUND 206
2013 LTGO REFUNDING
STATE AVENUE PROJECT**

YEAR	PRINCIPAL	INTEREST RATE	INTEREST	TOTAL REQUIREMENT	OUTSTANDING BALANCE
					\$ 3,157,500.00
2014	147,500.00	3.000%	147,121.87	294,621.87	3,010,000.00
2015	165,000.00	3.000%	126,350.00	291,350.00	2,845,000.00
2016	172,500.00	4.000%	121,400.00	293,900.00	2,672,500.00
2017	180,000.00	4.000%	114,500.00	294,500.00	2,492,500.00
2018	372,500.00	5.000%	107,300.00	479,800.00	2,120,000.00
2019	387,500.00	5.000%	88,675.00	476,175.00	1,732,500.00
2020	407,500.00	4.000%	69,300.00	476,800.00	1,325,000.00
2021	425,000.00	4.000%	53,000.00	478,000.00	900,000.00
2022	442,500.00	4.000%	36,000.00	478,500.00	457,500.00
2023	457,500.00	4.000%	18,300.00	475,800.00	-
Total	<u>\$ 3,157,500.00</u>		<u>\$ 881,946.87</u>	<u>\$ 4,039,446.87</u>	

Note: Funded by the Street Construction Fund

FUND 206
SERIES 2007A LIMITED TAX GENERAL OBLIGATION BOND
STREET CONSTRUCTION PROJECTS

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST RATE</u>	<u>INTEREST</u>	<u>TOTAL REQUIREMENT</u>	<u>OUTSTANDING BALANCE</u>
2007	\$ -	-	\$ 177,801.80	\$ 177,801.80	\$ 8,045,000.00
2008	255,000.00	4.00%	353,638.76	608,638.76	7,790,000.00
2009	265,000.00	4.00%	343,438.76	608,438.76	7,525,000.00
2010	280,000.00	4.00%	332,838.76	612,838.76	7,245,000.00
2011	290,000.00	4.00%	321,638.76	611,638.76	6,955,000.00
2012	300,000.00	5.50%	310,038.76	610,038.76	6,655,000.00
2013	315,000.00	5.50%	293,538.76	608,538.76	6,340,000.00
2014	335,000.00	5.50%	276,213.76	611,213.76	6,005,000.00
2015	355,000.00	5.50%	257,788.76	612,788.76	5,650,000.00
2016	375,000.00	4.00%	238,263.76	613,263.76	5,275,000.00
2017	390,000.00	4.00%	223,263.76	613,263.76	4,885,000.00
2018	405,000.00	4.00%	207,663.76	612,663.76	4,480,000.00
2019	420,000.00	4.00%	191,463.76	611,463.76	4,060,000.00
2020	435,000.00	4.00%	174,663.76	609,663.76	3,625,000.00
2021	455,000.00	4.00%	174,663.76	629,663.76	3,170,000.00
2022	475,000.00	4.30%	174,663.76	649,663.76	2,695,000.00
2023	495,000.00	4.25%	115,968.76	610,968.76	2,200,000.00
2024	515,000.00	4.25%	94,931.26	609,931.26	1,685,000.00
2025	540,000.00	4.25%	73,043.76	613,043.76	1,145,000.00
2026	560,000.00	4.25%	50,093.76	610,093.76	585,000.00
2027	585,000.00	4.38%	50,093.76	635,093.76	-
Total	<u>\$ 8,045,000.00</u>		<u>\$ 4,435,714.50</u>	<u>\$ 12,480,714.50</u>	

Note: Funded by the Street Construction Fund

FUND 206
2013 LIMITED TAX GENERAL OBLIGATION BOND
156TH OVERCROSSING & BREAK-IN-ACCESS

YEAR	PRINCIPAL	INTEREST RATE	INTEREST	TOTAL REQUIREMENT	OUTSTANDING BALANCE
2013	\$ -	-		\$ -	\$ 9,005,000.00
2014	345,000.00	3.00%	389,362.50	734,362.50	8,660,000.00
2015	400,000.00	3.00%	335,750.00	735,750.00	8,260,000.00
2016	410,000.00	4.00%	323,750.00	733,750.00	7,850,000.00
2017	425,000.00	4.00%	307,350.00	732,350.00	7,425,000.00
2018	445,000.00	5.00%	290,350.00	735,350.00	6,980,000.00
2019	465,000.00	5.00%	268,100.00	733,100.00	6,515,000.00
2020	490,000.00	4.00%	244,850.00	734,850.00	6,025,000.00
2021	510,000.00	4.00%	225,250.00	735,250.00	5,515,000.00
2022	530,000.00	4.00%	204,850.00	734,850.00	4,985,000.00
2023	550,000.00	4.00%	183,650.00	733,650.00	4,435,000.00
2024	570,000.00	3.25%	161,650.00	731,650.00	3,865,000.00
2025	590,000.00	3.25%	143,125.00	733,125.00	3,275,000.00
2026	610,000.00	3.50%	123,950.00	733,950.00	2,665,000.00
2027	630,000.00	3.63%	102,600.00	732,600.00	2,035,000.00
2028	655,000.00	3.75%	79,762.50	734,762.50	1,380,000.00
2029	680,000.00	4.00%	55,200.00	735,200.00	700,000.00
2030	700,000.00	4.00%	28,000.00	728,000.00	-
Total	<u>\$ 9,005,000.00</u>		<u>\$ 3,467,550.00</u>	<u>\$ 12,472,550.00</u>	

Note: Funded by the General Fund

FUND 206
2010 LTGO BONDS
COURTHOUSE/DELTA PROPERTY/WILLIAMS PROPERTY

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST RATE</u>	<u>INTEREST</u>	<u>TOTAL REQUIREMENT</u>	<u>OUTSTANDING BALANCE</u>
2010	\$ -	2.00%	\$ 23,651.91	\$ 23,651.91	\$ 4,990,000.00
2011	-	2.00%	207,675.00	207,675.00	4,990,000.00
2012	-	2.00%	207,675.00	207,675.00	4,990,000.00
2013	-	2.00%	207,675.00	207,675.00	4,990,000.00
2014	145,000.00	2.00%	207,675.00	352,675.00	4,845,000.00
2015	155,000.00	2.00%	204,775.00	359,775.00	4,690,000.00
2016	155,000.00	2.00%	201,675.00	356,675.00	4,535,000.00
2017	155,000.00	2.00%	198,575.00	353,575.00	4,380,000.00
2018	-	2.00%	195,475.00	195,475.00	4,380,000.00
2019	-	2.00%	195,475.00	195,475.00	4,380,000.00
2020	60,000.00	3.00%	195,475.00	255,475.00	4,320,000.00
2021	55,000.00	4.50%	193,675.00	248,675.00	4,265,000.00
2022	265,000.00	4.50%	191,200.00	456,200.00	4,000,000.00
2023	280,000.00	4.50%	179,275.00	459,275.00	3,720,000.00
2024	210,000.00	4.50%	166,675.00	376,675.00	3,510,000.00
2025	215,000.00	4.50%	157,225.00	372,225.00	3,295,000.00
2026	230,000.00	5.00%	147,550.00	377,550.00	3,065,000.00
2027	240,000.00	5.00%	136,050.00	376,050.00	2,825,000.00
2028	350,000.00	5.00%	124,050.00	474,050.00	2,475,000.00
2029	370,000.00	5.00%	106,550.00	476,550.00	2,105,000.00
2030	385,000.00	5.00%	88,050.00	473,050.00	1,720,000.00
2031	405,000.00	4.00%	68,800.00	473,800.00	1,315,000.00
2032	420,000.00	4.00%	52,600.00	472,600.00	895,000.00
2033	440,000.00	4.00%	35,800.00	475,800.00	455,000.00
2034	455,000.00	4.00%	18,200.00	473,200.00	-
Total	<u>\$ 4,990,000.00</u>		<u>\$ 3,711,501.91</u>	<u>\$ 8,701,501.91</u>	

Note: Funded by the General Fund

FUND 206
LTGO BOND ISSUE 2007, 2010 and 2013

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013-2014 Budget
Beginning Cash	\$ 18,752	\$ 18,252	\$ 18,252	\$ 19,001	\$ 18,501	1.4%
<u>Revenue</u>						
Interest & Other Earnings	851	500	500	500	500	0.0%
Transfers In	1,282,915	2,619,118	2,619,118	1,650,478	2,287,495	-12.7%
TOTAL REVENUE	1,283,766	2,619,618	2,619,618	1,650,978	2,287,995	-12.7%
<u>Expenditures</u>						
Debt Principal	487,500	1,841,140	1,841,140	872,500	1,120,000	-39.2%
Debt Interest	795,414	777,978	777,978	777,978	1,167,495	50.1%
Debt Issue Cost	603	1,000	1,000	1,000	1,000	0.0%
TOTAL EXPENDITURE	1,283,517	2,620,118	2,620,118	1,651,478	2,288,495	-12.7%
Ending Cash	19,001	17,752	17,752	18,501	18,001	1.4%

CAPITAL PROJECT FUNDS



FUND 305
STREETS CAPITAL IMPROVEMENTS

Function

This fund is used to design and construct capital road construction projects. Revenues are generated through grants, loans, developer mitigation fees and real estate excise taxes (REET). The REET funds are receipted into funds 110 and 111 and then transferred into the 305 fund.

Budget Narrative

Capital projects for 2014 include:

R0902	53 rd /SR528	50,000
R1101	88 th Street	773,000
R1302	State Ave 1 st -88 th Signal Improvements	402,000
R1303	88 th & 55 th Intersection Improvements	600,000
R1401	156 th ST NE Expansion	100,000
R1403	Transportation Comp Plan	75,000
R1404	Interchange Justification Report (IJR) – SR529/I-5 & 4 th /I-5	2,000,000
TOTAL		\$ 4,000,000

The 305 operating budget also includes a transfer out to fund 206 for the annual debt service payment associated with the 2013 and 2007 LTGO bond issues and also a PWTF loan.

FUND 305
STREETS CAPITAL IMPROVEMENTS

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013:2014 Budget
Beginning Cash	\$ 905,739	\$ -	\$ -	\$ 45,425	\$ 519,595	100.0%
<u>Revenue</u>						
Federal & State Grants	-	1,850,000	1,850,000	685,435	452,000	-75.6%
TIB	88,113	-	-	50,000	400,000	100.0%
Snohomish County	-	1,000,000	1,000,000	80,810	1,500,000	50.0%
Transportation Mitigation Fees	908,595	500,000	500,000	600,000	600,000	20.0%
Investment Interest	799	500	500	500	500	0.0%
Proceeds from Long Term Debt	-	1,000,000	1,000,000	-	1,300,000	30.0%
Insurance Recovery	3,336	-	-	-	-	0.0%
Transfers In - REET	965,000	800,000	800,000	1,350,000	1,880,000	135.0%
TOTAL REVENUE	1,965,843	5,150,500	5,150,500	2,766,745	6,132,500	19.1%
<u>Expenditures</u>						
Professional Services	-	-	-	-	2,075,000	100.0%
Capital Outlay	5,206,828	2,260,000	2,260,000	1,172,685	1,925,000	-14.8%
Transfer Out - Debt Service	937,327	1,381,762	1,381,762	1,119,890	905,836	-34.4%
TOTAL EXPENDITURE	6,144,155	3,641,762	3,641,762	2,292,575	4,905,836	34.7%
Other Adjustments (Accruals/LOC)	3,317,998	-	-	-	-	
Ending Cash	45,425	1,508,738	1,508,738	519,595	1,746,259	15.7%

**FUND 310
PARKS CAPITAL IMPROVEMENT**

Function

This fund is used for the design and construction of City parks and recreational facilities. Revenues are generated through grants, loans, donations, collection of real estate excise taxes (REET) and park mitigation fees. The REET funds are receipted into funds 110 and 111 and then transferred into the 310 fund. A transfer of REET funds is not scheduled in 2014.

Project(s) Approved

Qwuloolt	200,000
Bayview Trail	87,000
Spray Park Construction	<u>272,000</u>
TOTAL	<u>\$559,000</u>

The 310 operating budget also includes a transfer out to fund 206 for the annual debt service payment associated with the 2013 LTGO Refunding bond issue.

**FUND 310
PARKS CAPITAL IMPROVEMENT**

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013:2014 Budget
Beginning Cash	\$ 28,097	\$ 29,781	\$ 29,781	\$ 56,869	\$ 43,553	46.2%
<u>Revenue</u>						
Interlocal	-	-	-	-	50,000	100.0%
Park Mitigation Fees	119,738	95,000	95,000	120,000	100,000	5.3%
Investment Interest	179	350	350	150	150	-57.1%
Other Miscellaneous	29,749	27,000	27,000	27,000	27,000	0.0%
Transfers In	450,486	346,582	346,582	59,582	437,000	26.1%
TOTAL REVENUE	600,152	468,932	468,932	206,732	614,150	31.0%
<u>Expenditures</u>						
Capital Outlay	59,248	354,582	354,582	116,716	559,000	57.7%
Interfund Interest	778	-	-	-	-	0.0%
Transfer Out - Debt Service	44,132	103,332	103,332	103,332	98,207	-5.0%
TOTAL EXPENDITURE	104,158	457,914	457,914	220,048	657,207	43.5%
Other Adjustments (i/f loans)	(467,222)					
Ending Cash	56,869	40,799	40,799	43,553	496	-98.8%

FUND 371
LID 71 – 156TH STREET OVERPASS

Function

This fund was established to track the costs associated with the design and construction of the 156th street overpass as they pertain to the recently established Local Improvement District 71. The 2014 budget includes final project close out costs.

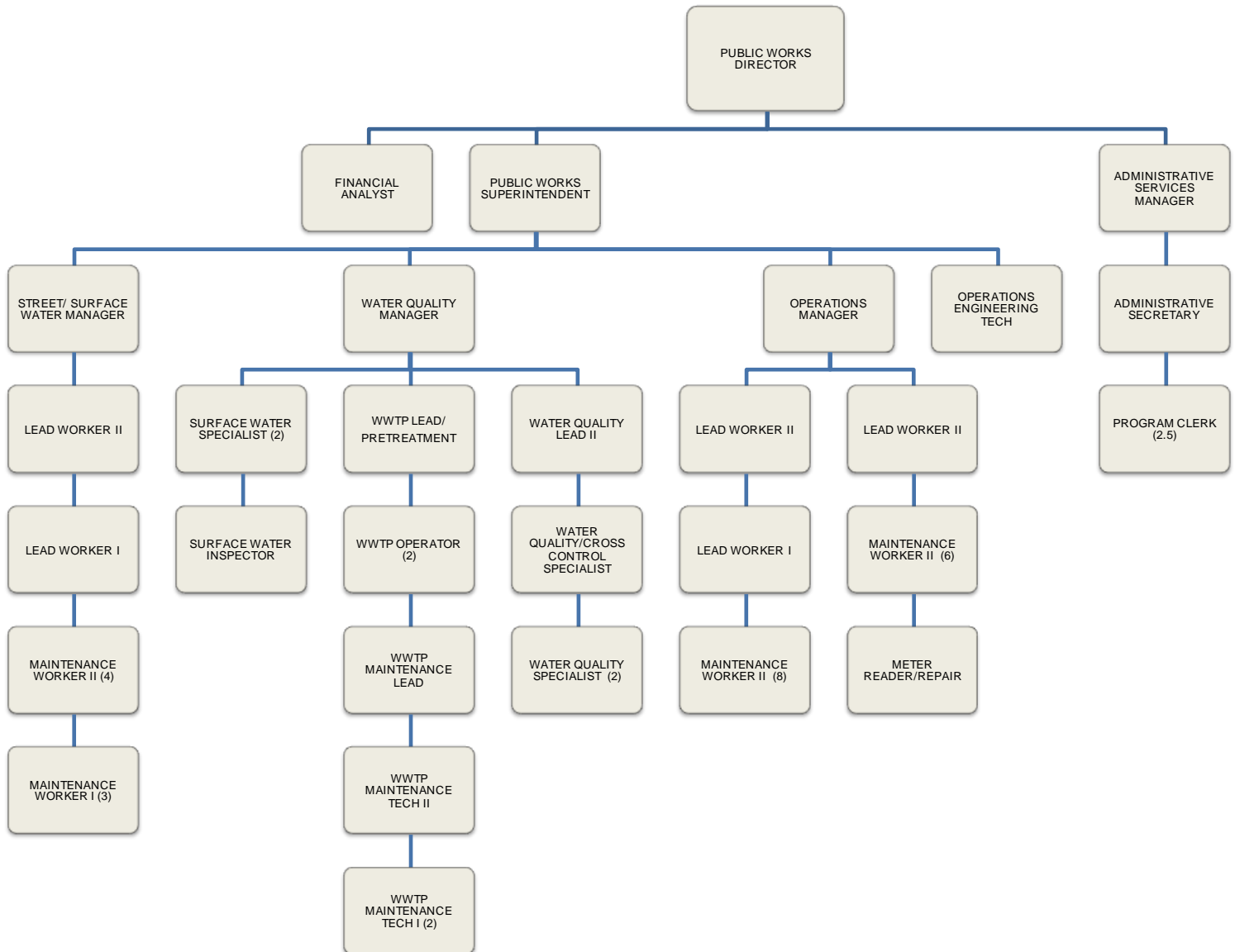
FUND 371
LID 71 – 156TH STREET OVERPASS

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013:2014 Budget
Beginning Cash	\$ -	\$ 700,000	\$ 700,000	\$ 494,704	\$ -	-100.0%
<u>Revenue</u>						
Proceeds from LID Line of Credit	-	300,000	525,000	729,927	200,000	-61.9%
Investment Interest	265	-	-	95	-	0.0%
Miscellaneous Revenue	3,358	-	-	-	-	0.0%
TOTAL REVENUE	3,623	300,000	525,000	730,022	200,000	-61.9%
<u>Expenditures</u>						
Capital Outlay	6,262,574	700,000	925,000	1,135,000	-	-100.0%
Debt Service Interest	75,533	300,000	300,000	89,726	200,000	-33.3%
TOTAL EXPENDITURE	6,338,107	1,000,000	1,225,000	1,224,726	200,000	-83.7%
Other Adjustments (Accruals)	6,334,484	-	-	-	-	
Ending Cash	-	0	0	-	-	-100.0%

ENTERPRISE FUNDS



PUBLIC WORKS UTILITIES



FUND 401
WATER WORKS UTILITY OPERATIONS
Combined Water/Sewer/Surface Water

Mission

The mission of the Water Works Utility Fund is to provide appropriate preservation and development of the City's infrastructure for the Marysville Service area.

Function

The City of Marysville provides water service 24 hours a day, currently supplying an average of around 4.5 million gallons per day of quality drinking water to more than 19,000 connections inside the City limits (pop. 60,030) and within the Coordinated Water Study Plan Area (CWSP), as well as providing necessary fire flows, at rates that are competitive in the Puget Sound region.

Through its City-operated sewer collection system, Marysville treats and safely discharges wastewater at a current rate of about 5 million gallons per day for more than 15,000 connections inside the City and within Rural Utilities Service Area (RUSA) boundaries.

There are four divisions within the Utility Operations budget:

The Utility Construction Division is responsible for construction and repair of water and sanitary sewer extensions, replacement, service lines and appurtenances, which include hydrants, pressure regulating, flow control and metering stations. This division also repairs/installs gate and specialty valves, air-vac and blow off assemblies.

The Utility Maintenance Division is responsible for maintenance of 306 miles of water main, 7 reservoirs, 5 deep wells, a Ranney Well and the Edward Springs collectors. Valve exercising, directional flushing, cross connection and sampling programs assure the City that 4.5 million gallons of quality drinking water is provided to our customers on a daily basis.

The Wastewater Treatment Plant Division (WWTP) is responsible for the proper collection of wastewater, which must be safely transported from approximately 15,000 homes and businesses throughout our service area to our treatment facility. This is done through our sanitary sewer collection system, which consists of approximately 230 miles of mainline sewer with pipe diameters ranging from 6" laterals to 48" interceptors. These lines are flushed/cleaned annually by the City's vactor crew. The entire collection system is currently cleaned every 14 to 16 months. The WWTP and 14 sewer lift stations are operated and maintained by the wastewater division. The wastewater division is also responsible for the monitoring and testing of local industries to ensure compliance with local discharge standards. Operators at the treatment plant perform the sampling and testing of 5 million gallons a day of effluent assuring compliance with the City's NPDES Wastewater Discharge Permit issued by the Department of Ecology.

The Surface Water Utility Division implements the City's NPDES Phase II Stormwater Permit. Requirements in the Permit entail public outreach and education regarding stormwater impacts; fostering public involvement and participation in decision making opportunities as they relate to stormwater management; tracing and removing illicit connections to the City's stormwater system; controlling runoff from new development, redevelopment and construction sites through plan review, inspection and training; providing municipal operations and maintenance of the City's stormwater system and associated facilities; and by providing water quality monitoring of the City's stormwater system and receiving waters.

Headcount

POSITION CLASSIFICATION	2012	2013	2014
Public Works Director	1	1	1
Public Works Superintendent	1	1	1
Operations Manager	1	1	1
Streets/Surface Water Manager	0.5	0.5	0.5
PW Administrative Services Manager	1	1	1
Financial Analyst	1	0.75	0.75
GIS Administrator	1	1	1
GIS Analyst	1	1	1
Operations Engineering Tech	0	0	1
Lead Worker II	3	3	3
Lead Worker I (Formerly Heavy Equipment Operator)	2	2	2
Maintenance Worker II	14	16	18
Maintenance Worker I	5	3	3
Meter Reader/Repair	1	1	1
Water Quality/Cross Control	2	2	3
Water Quality Manager	1	1	1
Surface Water Specialists	0	0	2
Surface Water Inspector	0	0	1
WWTP Lead	3	3	3
WWTP Tech II	1	1	1
WWTP Tech I	2	2	2
WWTP Operator	2	2	2
Program Clerk	2.5	2.5	2.5
Administrative Secretary	1	1	1
TOTAL - UTILITIES	47.0	46.75	53.75

Changes to Headcount

An additional Water Quality/Cross Control Specialist was added mid-year 2013. Three new positions were approved in the 2014 budget: 2 Maintenance Workers II and 1 Operations Engineering Technician.

In 2014, the Surface Water Supervisor position previously shown in the Engineering department was reclassified to Water Quality Manager and moved into the Waterworks Utility. Also, the two Surface Water Specialists and the Surface Water Inspector were moved from Engineering to the Waterworks Utility.

Budget Narrative

Office and operating supplies include general office supplies, chemicals for the wastewater treatment plant, maintenance supplies used at the wastewater treatment plant, janitorial supplies, safety supplies, and other supplies used to maintain the daily operation of the City's water/sewer/surface water infrastructure.

Purchased water accounts for the amount paid to the City of Everett for water.

Professional services include but are not limited to equipment rental fees, lab sample analysis, flow monitoring fees, janitorial services, legal fees, sewer rate cost of service study, and annual update to the water, sewer comprehensive plan.

Miscellaneous expenses include fees for training classes, seminars, conferences, and membership fees. State taxes are state excise taxes assessed on the Water/Sewer customer fees. City taxes are the taxes accessed by the City and credited to the General Fund.

Interfund repairs include the cost allocation from the Fleet department for the rental and replacement of all vehicles used by the Utility department. It also includes costs associated with the repairs and maintenance performed by the Facilities department.

Other interfund services include the cost allocation from Information Services (IS) for computer maintenance and equipment replacement. This category also includes the cost allocation from Finance, Utility Billing, City Clerk, Executive, HR and Community Information Officer.

Transfer out includes the transfer to fund 450 for all debt service payments. It also includes the following transfers out of fund 401:

Transfer to fund 101 for Surface Water Maintenance	519,209
Total	519,209

Approved Budget Requests

Description	Amount	On-Going
Line item increases – Multiple	616,838	Yes
Reclassification-Surface Water Supervisor to Water Quality Manager	4,773	Yes
New Hire-Operations Engineering Tech (N7)	114,624	Yes
AMR System Upgrade	180,000	No
New Hire-MW II	109,835	Yes
Repair Cedarcrest Reservoir Roof	30,000	No
Reservoir Safety Improvements	30,000	No
Reservoir Inspection, Evaluation and Cleaning	47,000	No
Small Trench Box	7,798	No
Commercial Mower w/72" Deck	24,181	No
Tapping Machine	7,732	No
Rebuild Cedarcrest Pump #1	45,000	No
Plotter	6,000	No
Edward Springs Well 1R Well House	5,000	No
Water Comp Plan	200,000	No
New Hire-MW II	109,835	Yes
Light Towers (2)	1,800	No
GPS Base and Rover	15,000	No
Alum Pumps	20,000	No
Total	\$ 1,575,416	

Item(s) Requested But Not Approved

None

FUND 401
WATER WORKS UTILITY OPERATIONS
Combined Water/Sewer/Surface Water

Description	2012 Actual	2013 Budget	2013		2014 Budget	% Change 2013:2014 Budget
			Amended Budget	2013 Estimated		
Beginning Cash	\$ 9,388,052	\$ 11,514,006	\$ 11,514,006	\$ 13,329,888	\$ 9,040,082	-21.5%
<u>Revenue</u>						
Grants	350,826	93,101	93,101	118,948	216,276	132.3%
Water Service Fees	8,218,994	7,475,000	7,475,000	8,163,000	8,725,000	16.7%
Storm Drainage Charges	3,862,829	3,500,000	3,500,000	3,996,385	4,010,000	14.6%
Pond Recovery	182,755	10,000	10,000	-	-	-100.0%
Sewer Service Fees	9,951,188	9,030,000	9,030,000	10,229,000	10,539,000	16.7%
Interest	34,932	30,000	30,000	34,000	34,000	13.3%
Rents	94,535	75,000	75,000	144,426	139,926	86.6%
Insurance Recovery	133,994	-	-	-	-	0.0%
Interfund Rents	64,926	64,926	64,926	41,200	-	-100.0%
Miscellaneous Revenue	7,492	10,000	10,000	(36,000)	10,000	0.0%
Intergovernmental Misc	-	10,000	10,000	11,766	10,000	0.0%
Other Interfund Services	15,681	-	-	-	-	0.0%
Sale of Assets	-	-	-	50,000	-	0.0%
Transfer In	97,438	77,818	77,818	-	-	-100.0%
TOTAL REVENUE	23,015,590	20,375,845	20,375,845	22,752,725	23,684,202	16.2%
<u>Expenditures</u>						
Salaries	3,732,112	4,147,256	4,147,256	4,079,862	4,284,461	3.3%
Seasonal	29,375	-	-	85,060	80,000	0.0%
Overtime	84,758	78,500	78,500	81,962	79,500	1.3%
Social Security	285,736	301,766	301,766	303,384	319,996	6.0%
Retirement	268,271	365,129	365,129	366,301	387,900	6.2%
Medical Insurance	749,839	867,259	867,259	870,843	922,622	6.4%
Workmen's Compensation	71,665	84,210	84,210	84,415	88,182	4.7%
Unemployment	15,270	19,983	19,983	20,095	17,926	-10.3%
Uniforms	22,450	24,000	24,000	25,500	28,900	20.4%
Office & Operating	546,953	501,500	501,500	590,800	652,469	30.1%
Fuel	133,283	137,000	137,000	126,000	137,000	0.0%
Purchased Water	1,370,737	1,440,000	1,440,000	1,440,000	1,753,000	21.7%
Inventory Supplies	-	5,000	5,000	5,000	5,000	0.0%
Small Tools	15,263	31,500	31,500	30,180	49,500	57.1%
Professional Services	952,954	1,273,600	1,273,600	733,141	1,599,290	25.6%
Communication	36,355	40,182	40,182	40,848	45,086	12.2%
Travel	2,261	8,500	8,500	8,700	13,500	58.8%
Advertising	965	1,500	1,500	1,500	1,500	0.0%
Rents	7,872	13,000	13,000	12,000	13,000	0.0%
Insurance	282,556	290,146	290,146	260,000	278,333	-4.1%
Public Utilities	701,715	793,200	793,200	796,880	806,200	1.6%
Repairs & Maintenance	500,701	561,000	561,000	573,000	770,000	37.3%
Miscellaneous Expenses	192,360	429,360	429,360	446,960	472,650	10.1%
Intergovernmental Prof	22,285	30,000	30,000	25,000	30,000	0.0%
State Taxes	671,484	645,000	645,000	695,000	720,000	11.6%
Operating Permits	65,534	89,000	89,000	84,000	89,000	0.0%
City Taxes	2,317,036	2,253,480	2,253,480	2,376,152	2,523,502	12.0%
Capital Outlay	64,765	50,000	4,685,000	4,685,000	41,530	-99.1%
Interfund Repairs	315,835	493,883	493,883	493,883	470,729	-4.7%
Other Interfund Services	1,307,826	1,339,233	1,339,233	1,339,233	1,384,241	3.4%
Transfer Out	5,005,614	6,371,283	6,371,283	6,361,832	7,427,208	16.6%
TOTAL EXPENDITURE	19,773,830	22,685,470	27,320,470	27,042,531	25,492,225	-6.7%
Other Adjustments	700,076					
Ending Cash	13,329,888	9,204,381	4,569,381	9,040,082	7,232,059	58.3%



FUND 402
WATER WORKS UTILITY CONSTRUCTION
Combined Water/Sewer/Surface Water

Function

The purpose of this fund is to track all capital projects associated with new construction or upgrades to the existing water, sewer and surface water infrastructure of the City.

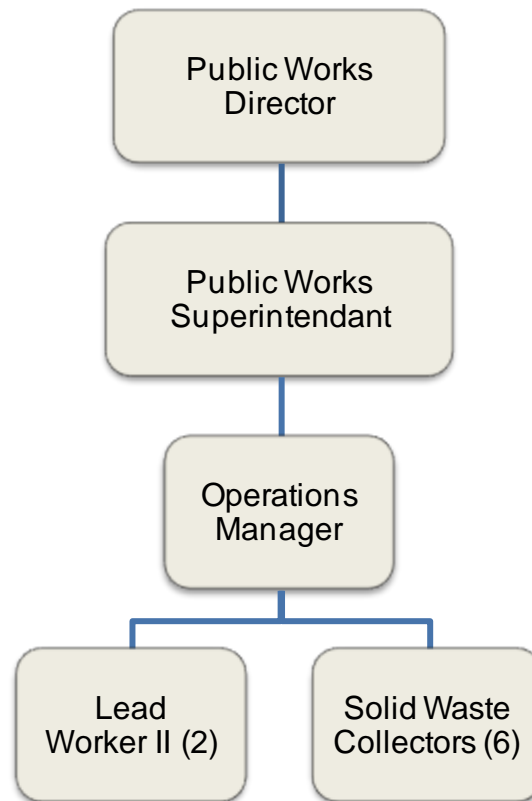
2014 CAPITAL PROJECTS

W R&R Renewals & Replacements	165,000
W0000 Water Main Over-sizing	35,000
W0402 67 th Ave NE: 100 th – 132 nd	75,000
W0603 PRV Rate of Flow	100,000
W1101 Edward Springs UV Disinfection	10,000
W1102 PUD Relocate	240,000
W1202 Edwards Springs Well #2	28,000
W1302 Sunnyside Well Treatment Project	1,800,000
W1303 Marysville West Water Meter	160,000
W1304 Utility Relocate 67 th Ave	20,000
W1401 88 th & 55 th Watermain Replacement	175,000
W1402 Sunnyside Arm Installation	360,000
W1403 Fire Hydrant Replacement	75,000
W1404 PUD Water System Transition	400,000
W1405 JOA Line Cathodic Protection	100,000
W1406 Water System Automation	135,000
W1407 Scada system Improvement	250,000
Subtotal Water	4,128,000
SR&R Renewals & Replacement	300,000
S0000 Sewer Main Over-sizing	30,000
S1401 Whiskey Ridge Sewer Pump Station	1,000,000
S1402 West Trunk Pump Station	225,000
S1403 Reject Line Extension	100,000
Subtotal Sewer	1,655,000
D R&R Renewals & Replacements	15,000
D0401 Regional Detention Pond	3,920,000
Subtotal Surface Water	3,935,000
Total Projects	\$9,718,000

FUND 402
WATER WORKS UTILITY CONSTRUCTION
Combined Water/Sewer/Surface Water

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013:2014 Budget
Beginning Cash	\$ 902,260	\$ 938,410	\$ 938,410	\$ -	\$ -	-100.0%
<u>Revenue</u>						
Water Capital Improvements	390,787	350,000	350,000	689,000	650,000	85.7%
State Grant	-	862,500	862,500	862,500	-	0.0%
Water Recovery Fees	4,762	5,000	5,000	9,000	5,000	0.0%
Sewer Capital Improvements	644,931	500,000	500,000	1,100,000	950,000	90.0%
Sewer Recovery	111,366	50,000	50,000	25,000	5,000	-90.0%
Interest	2,771	5,000	5,000	950	-	-100.0%
Other Miscellaneous	-	-	-	107	-	0.0%
Transfer In	198,823	6,000,000	6,000,000	1,638,368	8,110,000	35.2%
TOTAL REVENUE	1,353,440	7,772,500	7,772,500	4,324,925	9,720,000	25.1%
<u>Expenditures</u>						
Capital Outlay	2,266,937	8,307,000	8,307,000	4,324,925	9,718,000	17.0%
TOTAL EXPENDITURE	2,266,937	8,307,000	8,307,000	4,324,925	9,718,000	17.0%
Other Adjustments	11,237					
Ending Cash	-	403,910	403,910	-	2,000	-99.5%

SOLID WASTE



FUND 410 SOLID WASTE

Mission/Function

Cost of collection and disposal of commercial and residential solid waste from 12,613 homes and businesses as well as curbside recycling program with addition of the Sunnyside area.

Headcount

POSITION CLASSIFICATION	2012	2013	2014
Solid Waste Collector Lead	1	1	2
Solid Waste Collectors	6	6.2	6
TOTAL - SOLID WASTE	7	7.2	8

Changes

The 2014 budget included the upgrade of a MWII – Solid Waste Collector to a Lead Worker. The salary for one mechanic is included in this fund, but the headcount is included in Fleet.

Budget Narrative

Operating supplies include general office supplies and the cost of container replacements and additional containers for new accounts.

Professional services include the recycling contract with Waste Management for the City's recycling program.

Tipping fees are the costs associated with dumping the garbage trucks at the county landfill.

Interfund repairs include the cost allocation from the Fleet department for the rental and replacement of all vehicles used by the Solid Waste Department.

Other interfund services include the cost allocation from Information Services (IS) for computer maintenance and equipment replacement. In addition this category also includes the cost allocation from Finance, Utility Billing, City Clerk, Executive, HR & Community Information Officer.

Approved Budget Requests

Description	Amount	On-Going
Line Item Increases – Multiple	526,250	Yes
Waste Reduction and Recycling Program (Grant)	61,050	No
Reclassification-MW II to Lead Worker I	3,375	Yes
Replacement-Rear Load Truck #652	275,000	No
Replacement-Front Load Truck #J001	325,000	No
Total	\$ 1,190,675	

Item(s) Requested But Not Approved

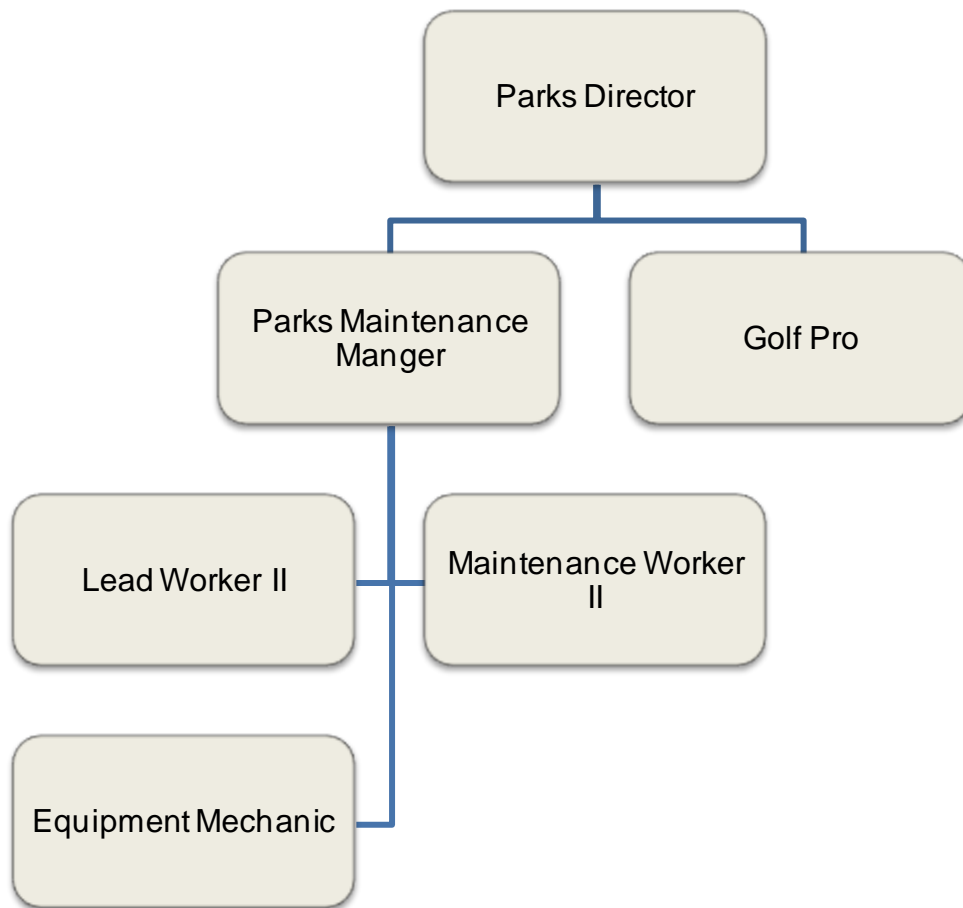
None

FUND 410 SOLID WASTE

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013:2014 Budget
Beginning Cash	\$ 2,863,075	\$ 2,959,174	\$ 2,959,174	\$ 3,440,574	\$ 3,903,679	31.9%
<u>Revenue</u>						
DOE Grant	-	-	-	48,736	45,788	100.0%
Garbage Collection Service	5,874,949	5,250,000	5,250,000	6,109,418	6,550,000	24.8%
Garbage Tags	10,039	10,000	10,000	10,000	10,000	0.0%
Interest	9,212	10,000	10,000	9,200	10,000	0.0%
Miscellaneous Revenue	(188)	-	-	(11,000)	-	0.0%
Transfer In	3,157	2,115	2,115	2,115	6,200	193.1%
TOTAL REVENUE	5,897,169	5,272,115	5,272,115	6,168,469	6,621,988	25.6%
<u>Expenditures</u>						
Salaries	538,737	537,508	537,508	537,773	643,051	19.6%
Seasonal	-	-	-	-	9,600	100.0%
Overtime	21,942	16,350	16,350	16,350	16,350	0.0%
Social Security	41,923	41,807	41,807	41,807	49,106	17.5%
Retirement	38,101	48,058	48,058	48,058	58,899	22.6%
Medical Insurance	115,803	125,314	125,314	125,314	165,638	32.2%
Workmen's Compensation	11,164	12,608	12,608	12,608	15,705	24.6%
Unemployment	2,248	2,642	2,642	2,642	2,693	1.9%
Uniforms	3,338	3,000	3,000	3,000	3,500	16.7%
Office & Operating	30,507	208,405	208,405	161,000	196,000	-6.0%
Fuel	96,809	110,000	110,000	110,000	110,000	0.0%
Small Tools	-	3,295	3,295	1,500	3,295	0.0%
Professional Services	1,058,887	1,105,500	1,105,500	1,144,000	1,390,200	25.8%
Communication	760	1,000	1,000	1,000	1,000	0.0%
Travel	-	200	200	200	200	0.0%
Advertising	-	800	800	800	800	0.0%
Rents	-	200	200	200	200	0.0%
Insurance	45,837	60,000	60,000	60,000	45,152	-24.7%
Repairs & Maintenance	48,068	66,500	66,500	66,500	66,500	0.0%
Miscellaneous Expenses	3,421	2,000	2,000	2,000	2,000	0.0%
Tipping Fees	1,455,298	1,700,000	1,700,000	1,700,000	1,982,000	16.6%
State Taxes	264,792	285,000	285,000	285,000	305,000	7.0%
City Taxes	767,607	686,087	686,087	798,185	855,652	24.7%
Interfund Rents	10,159	10,159	10,159	10,159	10,159	0.0%
Interfund Repairs & Maintenance	307,902	249,595	249,595	249,595	381,723	52.9%
Other Interfund Services	291,656	308,225	308,225	308,225	335,359	8.8%
Transfer Out	85,514	93,352	93,352	19,448	600,000	542.7%
TOTAL EXPENDITURE	5,240,473	5,677,605	5,677,605	5,705,364	7,249,782	27.7%
Other Misc Adjustments	(79,197)					
Ending Cash	3,440,574	2,553,684	2,553,684	3,903,679	3,275,885	28.3%



GOLF COURSE



FUND 420 GOLF COURSE OPERATIONS

Mission/Function

The mission of the Cedarcrest Golf Course is to be committed to customer service and ensuring a challenge with top quality playing conditions for all skill levels and ages.

The 2014 budget reflects three distinctive areas of operations including Administration, Pro-Shop Services and Maintenance. The golf course is open to the public year round.

Revenues are derived from annual passes and "punch card" sales, green fees, tournament fees, merchandise sales, cart rentals and the lease of the restaurant.

Headcount

POSITION CLASSIFICATION	2012	2013	2014
Golf Pro	1	1	1
Golf Course Superintendent	0	0	0
Lead Worker II	1	1	1
Maintenance Worker II	1	1	1
Equipment Mechanic (Formerly Sr. Mechanic)	1	1	1
TOTAL - GOLF COURSE	4	4	4

Budget Narrative

Office and operating supplies include all office, operating and course supplies including fertilizers, pesticides, course accessories, soil, sand supplies, fuel, small tools, irrigation and drainage materials.

Inventory supplies include supplies purchased to maintain the equipment used at the golf course.

This budget also includes costs for communication, advertising, travel conferences, insurance and utilities.

Debt service principal and interest include the payment on the 2007T LTGO Refunded bond issue for golf course renovations, the 2003 Private Placement bond issued for construction of the restaurant and the remodel of the pro-shop.

Approved Budget Requests

Description	Amount	On-Going
Line Item Increases – Multiple	1,543	Yes
Golf Cart Lease/Purchase	6,460	Yes
Toro 3250-D Greens Mower	35,000	No
Total	\$ 43,003	

Item(s) Requested But Not Approved

None

FUND 420
BOND REDEMPTION
2003 LTGO Taxable Private Placement Bond
Restaurant & Pro-Shop Remodel
Interest Rate: 5.250%

YEAR	PRINCIPAL	INTEREST	TOTAL REQUIREMENT	OUTSTANDING BALANCE
	\$ -	\$ -	\$ -	\$ 1,740,982.00
2003	26,703.86	29,521.66	56,225.52	1,714,278.14
2004	79,091.24	89,585.32	168,676.56	1,635,186.90
2005	83,663.74	85,012.82	168,676.56	1,551,523.16
2006	88,227.35	80,449.21	168,676.56	1,463,295.81
2007	93,039.87	75,636.69	168,676.56	1,370,255.94
2008	97,909.35	70,767.21	168,676.56	1,272,346.59
2009	103,455.60	65,220.96	168,676.56	1,168,890.99
2010	109,098.82	59,577.74	168,676.56	1,059,792.17
2011	115,049.82	53,626.74	168,676.56	944,742.35
2012	121,185.04	47,491.52	168,676.56	823,557.31
2013	127,935.75	40,740.81	168,676.56	695,621.56
2014	134,914.26	33,762.30	168,676.56	560,707.30
2015	142,273.46	26,403.10	168,676.56	418,433.84
2016	149,974.25	18,702.31	168,676.56	268,459.59
2017	158,214.71	10,461.85	168,676.56	110,244.88
2018	110,244.88	2,205.89	112,450.77	-
TOTAL	\$ 1,740,982.00	\$ 789,166.13	\$ 2,530,148.13	

FUND 420
BOND REDEMPTION
2007T LIMITED TAX GENERAL OBLIGATION REFUNDING BONDS
Cedarcrest Golf Course Renovation

YEAR	PRINCIPAL	INTEREST RATE	INTEREST	TOTAL REQUIREMENT	OUTSTANDING BALANCE
2007	\$ 145,000.00	5.290%	\$ 57,748.85	\$ 202,748.85	\$ 1,975,000.00
2008	95,000.00	5.260%	107,189.00	202,189.00	1,880,000.00
2009	100,000.00	5.160%	102,192.00	202,192.00	1,780,000.00
2010	110,000.00	6.000%	97,032.00	207,032.00	1,670,000.00
2011	115,000.00	6.000%	90,432.00	205,432.00	1,555,000.00
2012	120,000.00	6.000%	83,532.00	203,532.00	1,435,000.00
2013	130,000.00	5.187%	76,332.00	206,332.00	1,305,000.00
2014	146,250.00	5.187%	69,588.90	215,838.90	1,158,750.00
2015	146,250.00	5.187%	69,588.90	215,838.90	1,012,500.00
2016	146,250.00	5.187%	69,588.90	215,838.90	866,250.00
2017	146,250.00	5.434%	69,588.90	215,838.90	720,000.00
2018	180,000.00	5.434%	37,800.00	217,800.00	540,000.00
2019	180,000.00	5.434%	37,800.00	217,800.00	360,000.00
2020	180,000.00	5.434%	37,800.00	217,800.00	180,000.00
2021	180,000.00	5.250%	37,800.00	217,800.00	-
TOTAL	<u>\$ 2,120,000.00</u>		<u>\$ 1,044,013.45</u>	<u>\$ 3,164,013.45</u>	

FUND 420
GOLF COURSE OPERATIONS

Description	2012 Actual	2013 Budget	2013		2014 Budget	% Change 2013:2014 Budget
			Amended Budget	2013 Estimated		
Beginning Cash	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
<u>Revenue</u>						
Merchandise Sales	94,125	110,000	110,000	110,000	115,600	5.1%
Tournament Fees	41,415	50,000	50,000	50,000	50,000	0.0%
Green Fees	500,638	653,000	653,000	653,000	698,710	7.0%
Membership Fees	87,379	111,617	111,617	111,617	111,617	0.0%
Golf Cart Lease	147,113	185,200	185,200	185,200	199,573	7.8%
Pull Cart Lease	5,691	7,600	7,600	7,600	7,600	0.0%
Long Term Lease	47,250	43,540	43,540	43,540	44,846	3.0%
Insurance Recoveries	17,603	-	-	-	-	0.0%
Miscellaneous Revenue	1,609	-	-	1,614	-	0.0%
Investment Interest	10	-	-	-	-	0.0%
Sale of Equipment	5,310	-	-	-	-	0.0%
Donations - Holiday Lights	7,685	-	-	500	4,000	100.0%
Transfer In	758,505	59,722	71,064	68,577	42,229	-40.6%
TOTAL REVENUE	1,714,333	1,220,679	1,232,021	1,231,648	1,274,175	3.4%
<u>Expenditures</u>						
Salaries	320,038	339,178	339,178	339,178	340,785	0.5%
Seasonal	86,792	81,300	81,300	81,300	81,300	0.0%
Overtime	841	900	900	900	2,073	130.3%
Social Security	30,926	33,021	33,021	33,021	32,280	-2.2%
Retirement	24,231	30,838	30,838	30,838	31,291	1.5%
Medical Insurance	41,294	46,891	46,891	46,891	47,229	0.7%
Workmen's Compensation	11,943	14,855	14,855	14,855	12,798	-13.8%
Unemployment	1,633	2,181	2,181	2,181	1,838	-15.7%
Uniforms	3,460	3,500	3,500	3,500	3,000	-14.3%
Office & Operating	41,848	36,050	36,050	36,050	41,650	15.5%
Fuel	27,289	26,000	26,000	26,000	26,000	0.0%
Inventory Supplies	63,954	50,000	50,000	50,000	52,500	5.0%
Small Tools	380	500	500	500	3,270	554.0%
Professional Services	2,711	2,500	2,500	2,500	2,000	-20.0%
Communication	2,426	2,700	2,700	2,700	2,700	0.0%
Travel	-	300	300	300	300	0.0%
Advertising	2,410	4,200	4,200	4,200	2,700	-35.7%
Operating Rents	17,750	18,900	18,900	18,900	25,360	34.2%
Insurance	27,628	25,000	25,000	25,000	25,000	0.0%
Public Utilities	41,623	32,000	32,000	32,000	8,000	-75.0%
Repairs & Maintenance	29,922	29,000	40,342	40,342	29,000	-28.1%
Miscellaneous Expenses	20,856	6,000	6,000	6,000	6,000	0.0%
State Taxes	4,477	4,000	4,000	4,000	4,000	0.0%
Debt Service - Principal	242,738	257,936	257,936	257,936	281,164	9.0%
Debt Service - Interest	132,880	119,573	119,573	119,573	103,351	-13.6%
Debt Issue Cost	302	700	700	700	700	0.0%
Interfund Repairs & Maintenance	3,442	7,404	7,404	7,404	7,474	0.9%
Other Interfund Services	47,434	44,879	44,879	44,879	65,412	45.8%
Transfer Out	-	-	-	-	35,000	100.0%
TOTAL EXPENDITURE	1,231,228	1,220,306	1,231,648	1,231,648	1,274,175	3.5%
Interfund Loan and Adjustments	(483,105)	-	-	-	-	
Ending Cash	-	373	373	-	-	-100.0%



FUND 450
UTILITY REVENUE & ULID DEBT SERVICE
Debt Service

Mission/Function

The Utility Reserve and ULID Debt Service fund accounts for the debt service of revenue and ULID assessment backed bonds as well as various federal and state loan programs. The fund services debt of the 1998 refunding bond issue, the 2004 refunding bond issue and various federal and state loans for physical plant construction/upgrades. Fund revenues consist of payments on ULID assessments and transfers from the Water Works Utility Fund 401.

FUND 450
2005 W/S REVENUE BONDS
\$48,355,000
(April - October Payments)

YEAR	PRINCIPAL	YIELD	INTEREST	TOTAL REQUIREMENT	OUTSTANDING BALANCE
2005	\$ -		\$ 784,907.68	\$ 784,907.68	\$48,355,000.00
2006	-		2,335,262.50	2,335,262.50	48,355,000.00
2007	-		2,335,262.50	2,335,262.50	48,355,000.00
2008	-		2,335,262.50	2,335,262.50	48,355,000.00
2009	-		2,335,262.50	2,335,262.50	48,355,000.00
2010	-		2,335,262.50	2,335,262.50	48,355,000.00
2011	-		2,335,262.50	2,335,262.50	48,355,000.00
2012	-		2,335,262.50	2,335,262.50	48,355,000.00
2013	2,060,000.00	3.750%-4.500%	2,293,993.75	4,353,993.75	46,295,000.00
2014	2,145,000.00	4.000%	2,209,825.00	4,354,825.00	44,150,000.00
2015	2,240,000.00	4.000%-5.250%	2,113,906.25	4,353,906.25	41,910,000.00
2016	2,350,000.00	5.000%	2,002,137.50	4,352,137.50	39,560,000.00
2017	2,475,000.00	4.000%-5.125%	1,880,106.25	4,355,106.25	37,085,000.00
2018	2,600,000.00	4.000%-5.000%	1,752,050.00	4,352,050.00	34,485,000.00
2019	2,735,000.00	4.000%-5.000%	1,619,025.00	4,354,025.00	31,750,000.00
2020	2,875,000.00	5.000%	1,478,900.00	4,353,900.00	28,875,000.00
2021	3,020,000.00	5.000%	1,331,525.00	4,351,525.00	25,855,000.00
2022	3,175,000.00	5.000%	1,176,650.00	4,351,650.00	22,680,000.00
2023	3,340,000.00	5.000%	1,013,775.00	4,353,775.00	19,340,000.00
2024	3,510,000.00	4.250%-5.000%	844,081.25	4,354,081.25	15,830,000.00
2025	3,675,000.00	4.400%	677,037.50	4,352,037.50	12,155,000.00
2026	3,855,000.00	5.000%	499,812.50	4,354,812.50	8,300,000.00
2027	4,050,000.00	5.000%	302,187.50	4,352,187.50	4,250,000.00
2028	4,250,000.00	4.375%-5.125%	100,468.75	4,350,468.75	-
TOTAL	<u>\$48,355,000.00</u>		<u>\$38,427,226.43</u>	<u>\$86,782,226.43</u>	

FUND 450
 WWTP PRE-CONSTRUCTION
 PUBLIC WORKS TRUST FUND LOAN
 PW-01-691-PRE-114
Interest Rate: 0.5%

YEAR	PRINCIPAL	INTEREST	TOTAL REQUIREMENT	OUTSTANDING BALANCE
2002	\$ -	\$ 333.33	\$ 333.33	\$ 1,000,000.00
2003	52,631.57	4,857.64	57,489.21	947,368.43
2004	52,631.57	4,736.84	57,368.41	894,736.86
2005	52,631.57	4,473.68	57,105.25	842,105.29
2006	52,631.57	4,210.52	56,842.09	789,473.72
2007	52,631.57	3,947.37	56,578.94	736,842.15
2008	52,631.62	3,684.21	56,315.83	684,210.53
2009	52,631.58	3,421.05	56,052.63	631,578.95
2010	52,631.58	3,157.89	55,789.47	578,947.37
2011	52,631.58	2,894.73	55,526.31	526,315.79
2012	52,631.58	2,631.57	55,263.15	473,684.21
2013	52,631.58	2,368.43	55,000.01	421,052.63
2014	52,631.58	2,105.27	54,736.85	368,421.05
2015	52,631.58	1,842.11	54,473.69	315,789.47
2016	52,631.58	1,578.95	54,210.53	263,157.89
2017	52,631.57	1,315.79	53,947.36	210,526.32
2018	52,631.58	1,052.63	53,684.21	157,894.74
2019	52,631.58	789.48	53,421.06	105,263.16
2020	52,631.58	526.32	53,157.90	52,631.58
2021	52,631.58	263.16	52,894.74	-
TOTAL	\$ 1,000,000.00	\$ 50,190.97	\$ 1,050,190.97	

FUND 450
WWTP UPGRADE
PUBLIC WORKS TRUST FUND LOAN
PW-02-691-033

Interest Rate: 0.5%

YEAR	PRINCIPAL	INTEREST	TOTAL REQUIREMENT	OUTSTANDING BALANCE
2003	\$ -	\$ 24,868.05	\$ 24,868.05	\$ 9,500,000.00
2004	500,000.01	43,000.00	543,000.01	8,999,999.99
2005	500,000.01	45,000.00	545,000.01	8,999,999.98
2006	529,411.77	44,256.95	573,668.72	8,470,588.21
2007	529,411.77	42,352.95	571,764.72	7,941,176.44
2008	529,411.77	39,705.87	569,117.64	7,411,764.67
2009	529,411.77	37,058.82	566,470.59	6,882,352.90
2010	529,411.76	34,411.76	563,823.52	6,352,941.14
2011	529,411.77	31,764.71	561,176.48	5,823,529.37
2012	529,411.76	29,117.66	558,529.42	5,294,117.61
2013	529,411.77	26,470.60	555,882.37	4,764,705.84
2014	529,411.76	23,823.52	553,235.28	4,235,294.08
2015	529,411.77	21,176.46	550,588.23	3,705,882.31
2016	529,411.76	18,529.41	547,941.17	3,176,470.55
2017	529,411.77	15,882.35	545,294.12	2,647,058.78
2018	529,411.76	13,235.29	542,647.05	2,117,647.02
2019	529,411.77	10,588.25	540,000.02	1,588,235.25
2020	529,411.76	7,941.17	537,352.93	1,058,823.49
2021	529,411.77	5,294.11	534,705.88	529,411.72
2022	529,411.72	2,647.06	532,058.78	-
TOTAL	<u>\$10,000,000.00</u>	<u>\$ 517,124.99</u>	<u>\$10,517,124.99</u>	

FUND 450
WWTP UPGRADE PHASE II
PUBLIC WORKS TRUST FUND LOAN
PW-04-691-045

Interest Rate: 0.5%

YEAR	PRINCIPAL	INTEREST	TOTAL REQUIREMENT	OUTSTANDING BALANCE
2004				\$ -
2005	-	45,979.17	45,979.17	10,000,000.00
2006	526,315.80	49,305.56	575,621.36	9,473,684.20
2007	526,315.80	47,368.43	573,684.23	8,947,368.40
2008	526,315.77	44,736.84	571,052.61	8,421,052.63
2009	526,315.79	42,105.27	568,421.06	7,894,736.84
2010	526,315.79	39,473.68	565,789.47	7,368,421.05
2011	526,315.79	36,842.12	563,157.91	6,842,105.26
2012	526,315.79	34,210.53	560,526.32	6,315,789.47
2013	526,315.79	31,578.96	557,894.75	5,789,473.68
2014	526,315.79	28,947.36	555,263.15	5,263,157.89
2015	526,315.78	26,315.80	552,631.58	4,736,842.11
2016	526,315.79	23,684.20	549,999.99	4,210,526.32
2017	526,315.79	21,052.64	547,368.43	3,684,210.53
2018	526,315.79	18,421.04	544,736.83	3,157,894.74
2019	526,315.79	15,789.47	542,105.26	2,631,578.95
2020	526,315.79	13,157.88	539,473.67	2,105,263.16
2021	526,315.79	10,526.32	536,842.11	1,578,947.37
2022	526,315.79	7,894.73	534,210.52	1,052,631.58
2023	526,315.79	5,263.16	531,578.95	526,315.79
2024	526,315.79	2,631.57	528,947.36	-
TOTAL	<u>\$ 10,000,000.00</u>	<u>\$ 545,284.73</u>	<u>\$ 10,545,284.73</u>	

FUND 450
STILLAGUAMISH WATER SYSTEM IMPROVEMENTS
DRINKING WATER REVOLVING FUND LOAN (FEDERAL)
Interest Rate: 1.50%

YEAR	PRINCIPAL	INTEREST	TOTAL REQUIREMENT	OUTSTANDING BALANCE
2004	\$ -	\$ 4,773.19	\$ 4,773.19	\$ 1,459,947.15
2005	76,839.34	15,726.61	92,565.95	1,383,107.81
2006	222,397.83	47,492.98	269,890.81	3,780,762.83
2007	222,397.78	56,711.45	279,109.23	3,558,365.05
2008	222,397.82	53,375.48	275,773.30	3,335,967.23
2009	222,397.82	50,039.49	272,437.31	3,113,569.41
2010	222,397.82	46,703.53	269,101.35	2,891,171.59
2011	222,397.81	43,367.57	265,765.38	2,668,773.78
2012	222,397.82	40,031.61	262,429.43	2,446,375.96
2013	222,397.81	36,695.64	259,093.45	2,223,978.15
2014	222,397.82	33,359.67	255,757.49	2,001,580.33
2015	222,397.81	30,023.70	252,421.51	1,779,182.52
2016	222,397.82	26,687.74	249,085.56	1,556,784.70
2017	222,397.81	23,351.78	245,749.59	1,334,386.89
2018	222,397.82	20,015.79	242,413.61	1,111,989.07
2019	222,397.81	16,679.84	239,077.65	889,591.26
2020	222,397.82	13,343.87	235,741.69	667,193.44
2021	222,397.81	10,007.89	232,405.70	444,795.63
2022	222,397.82	6,671.92	229,069.74	222,397.81
2023	222,397.81	3,335.98	225,733.79	-
TOTAL	\$ 4,080,000.00	\$ 578,395.73	\$ 4,658,395.73	

FUND 450
UTILITY REVENUE & ULID DEBT SERVICE
Debt Service

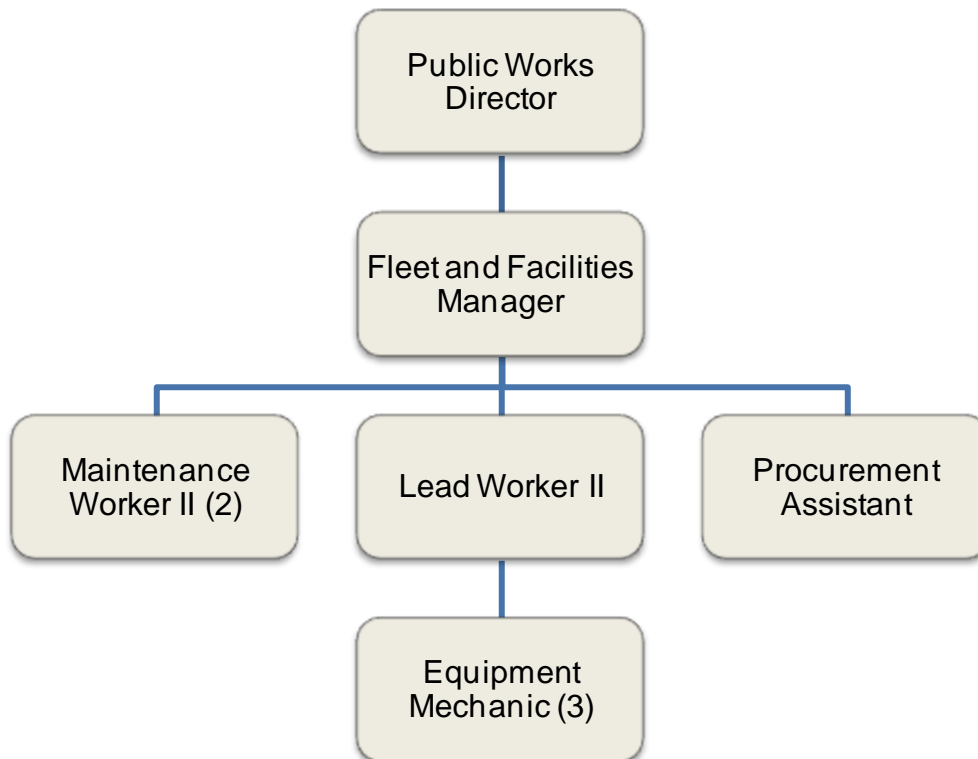
Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013:2014 Budget
Beginning Cash	\$ 8,996,519	\$ 6,073,190	\$ 6,073,190	\$ 8,847,661	\$ 7,265,669	19.6%
<u>Revenue</u>						
Investment Interest	53,016	75,000	75,000	25,000	25,000	-66.7%
Interest & Penalties	240	-	-	-	-	0.0%
Principal Special Assessment	2,422	5,000	5,000	392	-	-100.0%
Other Miscellaneous Revenue	-	-	-	32,556	-	0.0%
Transfer In	4,567,181	5,781,864	5,781,864	5,781,864	5,773,818	-0.1%
TOTAL REVENUE	4,622,859	5,861,864	5,861,864	5,839,812	5,798,818	-1.1%
<u>Expenditures</u>						
Miscellaneous Expense	1,759	3,800	3,800	1,000	3,800	0.0%
Debt Service - Principal	2,093,776	3,390,758	3,390,758	3,390,758	3,475,757	2.5%
Debt Service - Interest	2,473,405	2,391,108	2,391,108	2,391,108	2,298,061	-3.9%
Debt Issue Cost	302	1,500	1,500	300	300	-80.0%
Transfer Out	198,823	6,000,000	6,000,000	1,638,638	7,000,000	16.7%
TOTAL EXPENDITURE	4,768,065	11,787,166	11,787,166	7,421,804	12,777,918	8.4%
Other Adjustments	(3,652)					
Ending Cash	8,847,661	147,888	147,888	7,265,669	286,569	93.8%



INTERNAL SERVICE FUNDS



FLEET & FACILITIES SERVICES



FUND 501 FLEET SERVICES

Mission/Function

The Fleet Services mission is to maintain the City's fleet equipment, both automotive and other small equipment, in a safe and efficient manner.

This appropriation accounts for the cost associated with the maintenance, repair and replacement of the City vehicle and equipment fleet. This fund is also responsible for the purchasing and tracking of three stores facility.

Headcount

POSITION CLASSIFICATION	2012	2013	2014
Fleet/Facilities Manager	0	0	0.5
Lead Worker II	1	1	1
Equipment Mechanic	2	3	3
Procurement Assistant	1	1	1
TOTAL - FLEET SERVICES	4	5	5.5

Changes

In 2014 the Fleet/Facilities Manager was added back into the budget.

Budget Narrative

Office and operating supplies include the cost of office supplies, supplies for maintenance on vehicles and the purchase of small tools.

This budget also includes cost associated with liability insurance, utility costs, training, and travel expenses.

Capital Outlay includes the purchase of all vehicles and equipment requested by all of the departments during the budget process. Since both requests are for replacement vehicles, no operating transfer is required. Items to be purchased are listed below under Approved Budget Requests.

Other interfund services include the cost allocation from Information Services (IS) for computer maintenance and equipment replacement. In addition this category also includes the cost allocation from Finance, City Clerk, Executive, HR and Community Information Officer.

Approved Budget Requests

Description	Amount	Transfer In From	On-Going
Line Item Increases – Multiple	70,800		Yes
Commercial Mower w/72" Deck	24,181	401	No
New Hire-Fleet/Facility Manager	64,015		Yes
Tire Changing Machine	15,000		No
Replacement-Patrol Car P135	50,000		No
Replacement-Patrol Car P112	50,000		No
Replacement-Patrol Car P113	50,000		No
Replacement-Patrol Car P111	50,000		No
Replacement-Patrol Car P117	50,000		No
Replacement-Patrol Car P116	50,000		No
Replacement-Patrol Car P106	50,000		No
Replacement-Snow sanding Box Spreader M002	15,000		No
Replacement-Rear Load Truck #652	275,000	410	No
Replacement-Front Load Truck J001	325,000	410	No
Replacement-Truck J008	65,000		No
Replacement-Snow Plow #242	17,000		No
Replacement-Truck #234	70,000		No
New-Patrol Vehicle	57,000	001	No
New-Patrol Vehicle	57,000	001	No
New-Toro 3250-D Greens Mower	35,000	420	No
New-4X4 Kawasaki Mule Side by Side	15,000	001	No
Total	\$ 1,454,996		

Item(s) Requested But Not Approved

None

**FUND 501
FLEET SERVICES**

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013:2014 Budget
Beginning Cash	\$ 197,670	\$ 392,378	\$ 392,378	\$ 376,785	\$ 338,922	-13.6%
<u>Revenue</u>						
Investment Interest	1,215	1,500	1,500	1,100	1,500	0.0%
Insurance Recovery	56,042	10,000	10,000	10,000	10,000	0.0%
Indirect Federal Grants	916	-	-	-	-	0.0%
State Grants	153	-	-	-	-	0.0%
Equipment Rental	751,683	800,211	800,211	800,211	953,809	19.2%
Equipment Replacement	512,577	533,000	533,000	533,000	533,000	0.0%
Sales - Central Stores	23,009	30,000	30,000	27,000	30,000	0.0%
Miscellaneous	4,071	-	-	7,851	-	0.0%
Transfer-In	95,119	159,352	159,352	93,325	788,181	394.6%
TOTAL REVENUE	1,444,785	1,534,063	1,534,063	1,472,487	2,316,490	51.0%
<u>Expenditures</u>						
Salaries	294,139	354,007	354,007	354,007	336,310	-5.0%
Overtime	2,950	3,000	3,000	4,000	5,000	66.7%
Social Security	22,201	26,496	26,496	26,496	25,159	-5.0%
Retirement	20,895	26,787	26,787	26,787	30,851	15.2%
Medical Insurance	73,253	86,982	86,982	86,982	86,336	-0.7%
Workmen's Compensation	6,160	6,977	6,977	6,977	6,972	-0.1%
Unemployment	1,192	1,472	1,472	1,472	1,498	1.8%
Uniforms	2,869	4,300	4,300	4,600	5,800	34.9%
Office & Operating	9,696	30,338	30,338	10,500	10,500	-65.4%
Fuel Consumed	2,163	2,000	2,000	2,000	2,000	0.0%
Inventory Supplies	212,725	200,000	200,000	190,000	220,000	10.0%
Small Tools	8,385	15,000	15,000	15,000	15,000	0.0%
Professional Services	226	500	500	13,700	500	0.0%
Communication	1,068	1,500	1,500	1,400	1,500	0.0%
Travel	-	800	800	800	800	0.0%
Advertising	185	500	500	500	800	60.0%
Operating Rental	-	3,500	3,500	-	-	-100.0%
Insurance	4,395	4,500	4,500	4,500	4,330	-3.8%
Public Utilities	5,483	5,000	5,000	3,500	4,000	-20.0%
Repairs & Maintenance	107,514	90,000	90,000	130,000	135,000	50.0%
Miscellaneous	3,587	9,000	9,000	11,800	12,800	42.2%
Training	566	3,300	3,300	1,800	4,300	30.3%
Capital Outlay	430,543	628,000	637,984	566,428	1,320,181	106.9%
Interfund Rent	13,717	13,717	13,717	13,717	13,717	0.0%
Other Interfund	35,694	33,384	33,384	33,384	46,659	39.8%
TOTAL EXPENDITURE	1,259,606	1,551,060	1,561,044	1,510,350	2,290,013	46.7%
Other Adjustments (accruals)	(6,064)					
Ending Cash	376,785	375,381	365,397	338,922	365,399	0.0%

FUND 502 FACILITIES MAINTENANCE

Mission/Function

The mission of Facilities Maintenance is to provide timely, cost effective building maintenance services to the various departments and buildings in the City of Marysville.

This appropriation accounts for the cost associated with the maintenance and repair of city buildings. The revenue into the fund is generated through a cost allocation based off of the work performed in the prior budget year.

Headcount

POSITION CLASSIFICATION	2012	2013	2014
Fleet/Facilities Manager	0	0	0.5
Maintenance Worker II	2	2	2
TOTAL - FACILITY MAINTENANCE	2	2	2.5

Changes

In 2014, the Fleet/Facilities Manager position was added back into the budget.

Budget Narrative

Department salaries include two maintenance workers.

This budget includes costs associated with the general maintenance of the various city facilities.

Approved Budget Requests

Description	Amount	On-Going
New Hire-Fleet/Facilities Manager	64,015	Yes
Total	\$ 64,015	

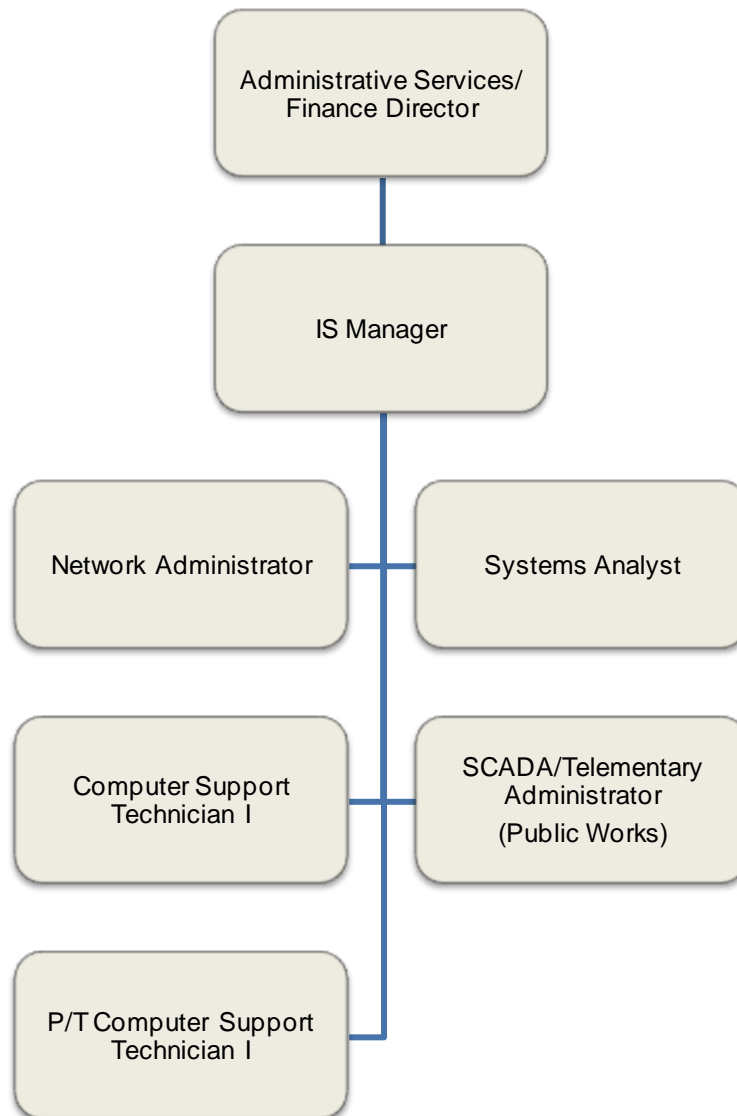
Item(s) Requested But Not Approved

None

FUND 502 FACILITIES MAINTENANCE

Description	2012 Actual	2013 Budget	2013 Amended Budget	2013 Estimated	2014 Budget	% Change 2013:2014 Budget
Beginning Cash	\$ 28,994	\$ 8,923	\$ 8,923	\$ 15,391	\$ 11,615	30.2%
<u>Revenue</u>						
Investment Interest	57	75	75	75	75	0.0%
Miscellaneous	1,469	-	-	-	-	0.0%
Building Maintenance	223,782	238,304	243,004	238,304	330,704	36.1%
TOTAL REVENUE	225,308	238,379	243,079	238,379	330,779	36.1%
<u>Expenditures</u>						
Salaries	142,428	144,211	144,211	144,211	185,895	28.9%
Overtime	7,080	4,000	8,700	7,700	7,000	-19.5%
Social Security	11,340	10,808	10,808	10,808	13,993	29.5%
Retirement	10,831	13,127	13,127	13,127	17,050	29.9%
Medical Insurance	26,486	28,712	28,712	28,712	41,751	45.4%
Workmen's Compensation	2,892	3,484	3,484	3,484	3,550	1.9%
Unemployment	604	720	720	720	869	20.7%
Uniforms	687	800	800	800	800	0.0%
Office & Operating	897	1,000	1,000	2,000	1,000	0.0%
Fuel Consumed	4,874	4,000	4,000	4,000	4,000	0.0%
Small Tools	2,378	2,000	2,000	2,500	2,000	0.0%
Professional Services	130	-	-	-	-	0.0%
Communication	755	1,000	1,000	1,000	1,000	0.0%
Travel	-	250	250	-	250	0.0%
Operating Rental	-	250	250	-	250	0.0%
Miscellaneous	-	500	500	500	500	0.0%
Interfund Rent	1,957	1,957	1,957	1,957	1,957	0.0%
Interfund Repairs & Maintenance	3,324	4,044	4,044	4,044	6,339	56.8%
Other Interfund	22,248	16,592	16,592	16,592	29,732	79.2%
TOTAL EXPENDITURE	238,911	237,455	242,155	242,155	317,936	31.3%
<u>Other Adjustments</u>						
Ending Cash	15,391	9,847	9,847	11,615	24,458	148.4%

INFORMATION SERVICES



FUND 503 INFORMATION SERVICES

Vision

Information Services – Collaborate, Innovate, Create

Mission

Working together with city departments to provide timely and cost-effective access to information systems, including data and communications. Advising on, assisting with, and developing innovative solutions appropriate to the mission and goals of the City, while maintaining infrastructure integrity and data security.

Headcount

POSITION CLASSIFICATION	2012	2013	2014
Information Services Manager	1	1	1
System Analyst	1	1	1
Network Administrator	1	1	1
SCADA/Telemetry Administrator (Public Works)	1	1	1
Computer Support Tech I	1.75	1.75	1.75
TOTAL - INFORMATION SERVICES	5.75	5.75	5.75

The SCADA/Telemetry Administrator position is funded 100% by the Waterworks Utility department.

Budget Narrative

Office and operating expenses include the cost of supplies and parts used to maintain the computers and networks with the City.

Small tools include the costs of the computers purchased for replacement of existing systems.

Professional services include the costs of various software and hardware maintenance agreements.

Approved Budget Request

None

Items(s) Requested But Not Approved

None

**FUND 503
INFORMATION SERVICES**

Description	2013					% Change 2013:2014 Budget
	2012 Actual	2013 Budget	Amended Budget	2013 Estimated	2014 Budget	
Beginning Cash	\$ 240,529	\$ 205,576	\$ 205,576	\$ 237,627	\$ 203,786	-0.9%
<u>Revenue</u>						
Investment Interest	663	1,000	1,000	500	500	-50.0%
Intergovernmental Revenue	16,500	16,060	16,060	18,100	18,993	0.0%
Computer Services	653,612	676,988	676,988	676,988	695,023	2.7%
Computer Replacement	29,999	75,000	75,000	75,000	75,000	0.0%
Miscellaneous Revenue	331	-	-	100	-	0.0%
TOTAL REVENUE	701,105	769,048	769,048	770,688	789,516	2.7%
<u>Expenditures</u>						
Salaries	358,414	370,183	370,183	370,183	381,979	3.2%
Overtime	2,073	2,000	2,000	2,000	2,000	0.0%
Social Security	26,966	27,690	27,690	27,690	28,575	3.2%
Retirement	25,785	33,676	33,676	33,676	35,103	4.2%
Medical Insurance	64,208	68,276	68,276	68,276	70,117	2.7%
Workmen's Compensation	1,153	1,215	1,215	1,215	1,202	-1.1%
Unemployment	1,442	1,852	1,852	1,852	1,605	-13.3%
Office & Operating	8,071	17,500	17,500	17,500	17,500	0.0%
Fuel Consumed	523	500	500	500	500	0.0%
Small Tools	14,205	27,330	27,330	27,330	27,330	0.0%
Computer Replacement	60,000	114,000	114,000	116,653	114,000	0.0%
Professional Services	124,289	128,900	128,900	126,247	135,150	4.8%
Communication	2,614	4,600	4,600	4,600	4,600	0.0%
Travel	909	1,500	1,500	1,500	1,500	0.0%
Miscellaneous	1,823	1,800	1,800	1,800	1,800	0.0%
Interfund Repairs and Maint	2,046	3,507	3,507	3,507	3,507	0.0%
TOTAL EXPENDITURE	694,521	804,529	804,529	804,529	826,468	2.7%
Other Adjustments	(9,486)					
Ending Cash	237,627	170,095	170,095	203,786	166,834	-1.9%

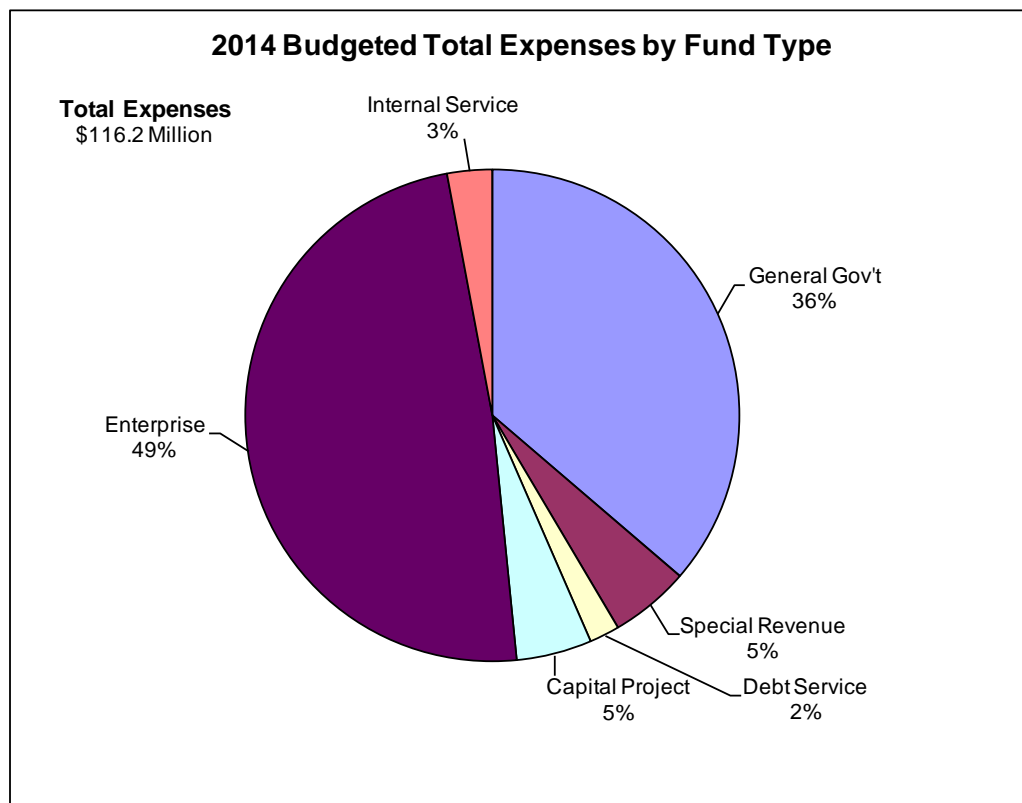
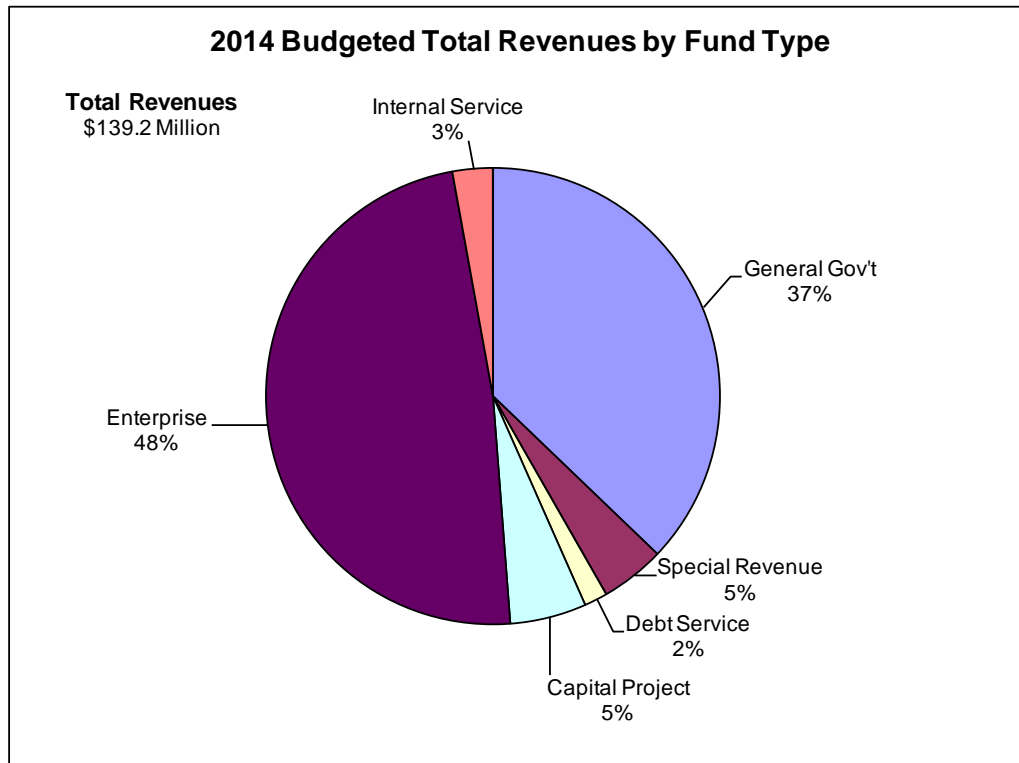


FINANCIAL SUMMARY



2014 BUDGET SUMMARY BY FUND TYPE ALL FUNDS

	General Fund 0xx	Special Revenue 1xx	Debt Service 2xx	Capital Project 3xx	Enterprise Fund 4xx	Internal Service 5xx	Total
Funding Sources							
Beginning Fund Balance	11,049,676	357,452	18,501	563,148	20,209,430	554,323	32,752,530
Taxes	30,552,416	1,276,000	-	-	-	-	31,828,416
Licenses & Permits	1,935,558	50,000	-	-	-	-	1,985,558
Intergovernmental Service Rev	1,138,273	1,788,588	-	2,402,000	262,064	-	5,590,925
Charges for Services	6,041,585	115,200	-	700,000	32,424,927	2,636,529	41,918,241
Fines & Forfeits	548,784	10,000	-	-	-	-	558,784
Miscellaneous Revenue	363,899	11,800	500	27,650	479,945	2,075	885,869
Other Financing Sources	88,451	2,739,953	2,287,495	3,817,000	13,932,247	798,181	23,663,327
Total Funding Sources	\$ 51,718,642	\$ 6,348,993	\$ 2,306,496	\$ 7,509,798	\$ 67,308,613	\$ 3,991,108	\$ 139,183,650
Uses of Funding Sources							
General Government Services	7,084,516	114,083	-	-	64,931	916,738	8,180,268
Security of Persons & Property	24,000,271	40,000	-	-	-	-	24,040,271
Utilities & Environment	1,190,026	-	-	-	22,636,409	317,936	24,144,371
Transportation	-	4,005,680	-	-	1,971,929	879,562	6,857,171
Economic Environment	2,339,551	250,349	-	-	-	-	2,589,900
Mental & Physical Health	40,100	-	-	-	-	-	40,100
Culture & Recreation	2,321,535	4,000	-	-	853,960	-	3,179,495
Debt Service	-	94,418	2,288,495	200,000	6,163,133	-	8,746,046
Capitalized Expenditures	32,000	71,000	-	559,000	9,759,530	1,320,181	11,741,711
Road & Street Construction	-	163,210	-	4,000,000	-	-	4,163,210
Other Financing Uses	5,161,525	1,324,651	-	1,004,043	15,062,208	-	22,552,427
Total Expenditures	\$ 42,169,524	\$ 6,067,391	\$ 2,288,495	\$ 5,763,043	\$ 56,512,100	\$ 3,434,417	\$ 116,234,970
Ending Fund Balance	\$ 9,549,118	\$ 281,602	\$ 18,001	\$ 1,746,755	\$ 10,796,513	\$ 556,691	\$ 22,948,680
Total Appropriation	\$ 51,718,642	\$ 6,348,993	\$ 2,306,496	\$ 7,509,798	\$ 67,308,613	\$ 3,991,108	\$ 139,183,650

**2014 BUDGET SUMMARY BY FUND TYPE
ALL FUNDS**

SUMMARY OF FINANCIAL SOURCES AND USES GENERAL GOVERNMENT FUNDS

GENERAL GOVERNMENT OPERATIONS			SPECIAL REVENUE FUNDS		
2012 Actuals	2013 Amended Budget	2014 Adopted Budget	2012 Actuals	2013 Amended Budget	2014 Adopted Budget

Financial Sources

Taxes	29,995,535	29,180,583	30,552,416	1,332,444	1,286,000	1,276,000
Licenses & Permits	1,608,622	1,683,027	1,935,558	101,539	30,000	50,000
Intergovernmental Service Rev	1,261,905	1,038,027	1,138,273	1,417,700	1,683,000	1,788,588
Charges for Services	5,424,265	5,241,726	6,041,585	119,015	119,500	115,200
Fines & Forfeits	632,420	573,232	548,784	28,682	10,000	10,000
Miscellaneous Revenue	397,526	276,700	363,899	72,169	12,275	11,800
Other Financing Sources	140,911	82,451	88,451	619,847	2,522,233	2,739,953

Total Financial Sources

\$ 39,461,184	\$ 38,075,746	\$ 40,668,966	\$ 3,691,396	\$ 5,663,008	\$ 5,991,541
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Uses of Financial Sources

General Government Services	5,495,568	6,570,226	7,084,516	127,673	127,140	114,083
Security of Persons & Property	23,189,815	23,121,803	24,000,271	89,585	79,500	40,000
Utilities & Environment	1,010,942	1,178,310	1,190,026	-	-	-
Transportation	-	-	-	3,150,186	3,572,710	4,005,680
Economic Environment	1,747,821	1,962,531	2,339,551	89,648	346,006	250,349
Mental & Physical Health	15,784	35,100	40,100	-	-	-
Culture & Recreation	2,068,810	2,179,870	2,321,535	3,990	4,000	4,000
Debt Service	-	-	-	94,258	94,190	94,418
Capitalized Expenditures	-	15,803	32,000	-	-	71,000
Road & Street Construction	-	-	-	15,934	269,722	163,210
Other Financing Uses	2,131,971	4,982,230	5,161,525	1,018,778	1,493,293	1,324,651

Total Uses of Financial Sources

\$ 35,660,711	\$ 40,045,873	\$ 42,169,524	\$ 4,590,052	\$ 5,986,561	\$ 6,067,391
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Net Increase (Decrease) in fund balance	\$ 3,800,473	\$ (1,970,127)	\$ (1,500,558)	\$ (898,656)	\$ (323,553)	\$ (75,850)
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Fund Balance January 1	\$ 5,143,561	\$ 5,771,511	\$ 11,049,676	1,543,163	652,570	357,452
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Residual Equity Transfers and other adjustments	(164,817)	-	-	10,328	-	-
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Fund Balance December 31	\$ 8,779,217	\$ 3,801,384	\$ 9,549,118	\$ 654,835	\$ 329,017	\$ 281,602
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SUMMARY OF FINANCIAL SOURCES AND USES GENERAL GOVERNMENT FUNDS

	DEBT SERVICE FUND			CAPITAL PROJECTS		
	2012 Actuals	2013 Amended Budget	2014 Adopted Budget	2012 Actuals	2013 Amended Budget	2014 Adopted Budget
Financial Sources						
Taxes	-	-	-	-	-	-
Licenses & Permits	-	-	-	-	-	-
Intergovernmental Service Rev	-	-	-	88,113	2,850,000	2,402,000
Charges for Services	-	-	-	1,028,333	595,000	700,000
Fines & Forfeits	-	-	-	-	-	-
Miscellaneous Revenue	4,724	500	500	34,350	27,850	27,650
Other Financing Sources	1,673,320	2,619,118	2,287,495	1,418,822	2,446,582	3,817,000
Total Financial Sources	\$ 1,678,044	\$ 2,619,618	\$ 2,287,995	\$ 2,569,618	\$ 5,919,432	\$ 6,946,650
Uses of Financial Sources						
General Government Services	-	-	-	-	-	-
Security of Persons & Property	-	-	-	-	-	-
Utilities & Environment	-	-	-	-	-	-
Transportation	-	-	-	6,262,574	700,000	-
Economic Environment	-	-	-	-	-	-
Mental & Physical Health	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-
Debt Service	1,676,216	2,620,118	2,288,495	76,311	561,872	200,000
Capitalized Expenditures	-	-	-	59,248	354,582	559,000
Road & Street Construction	-	-	-	5,206,828	2,260,000	4,000,000
Other Financing Uses	-	-	-	981,459	1,223,222	1,004,043
Total Uses of Financial Sources	\$ 1,676,216	\$ 2,620,118	\$ 2,288,495	\$ 12,586,420	\$ 5,099,676	\$ 5,763,043
Net Increase (Decrease) in fund balance	\$ 1,828	\$ (500)	\$ (500)	\$(10,016,802)	\$ 819,756	\$ 1,183,607
Fund Balance January 1	20,584	18,252	18,501	859,211	729,781	563,148
Residual Equity Transfers and other adjustments	(3,411)	-	-	9,754,589	-	-
Fund Balance December 31	\$ 19,001	\$ 17,752	\$ 18,001	\$ 596,998	\$ 1,549,537	\$ 1,746,755

SUMMARY OF FINANCIAL SOURCES AND USES GENERAL GOVERNMENT FUNDS

TOTAL GOVERNMENTAL FUNDS		
2012 Actuals	2013 Amended Budget	2014 Adopted Budget

Financial Sources

Taxes	31,327,979	30,466,583	31,828,416
Licenses & Permits	1,710,161	1,713,027	1,985,558
Intergovernmental Service Rev	2,767,718	5,571,027	5,328,861
Charges for Services	6,571,613	5,956,226	6,856,785
Fines & Forfeits	661,102	583,232	558,784
Miscellaneous Revenue	508,769	317,325	403,849
Other Financing Sources	3,852,900	7,670,384	8,932,899

Total Financial Sources	\$ 47,400,242	\$ 52,277,804	\$ 55,895,152
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Uses of Financial Sources

General Government Services	5,623,241	6,697,366	7,198,599
Security of Persons & Property	23,279,400	23,201,303	24,040,271
Utilities & Environment	1,010,942	1,178,310	1,190,026
Transportation	9,412,760	4,272,710	4,005,680
Economic Environment	1,837,469	2,308,537	2,589,900
Mental & Physical Health	15,784	35,100	40,100
Culture & Recreation	2,072,800	2,183,870	2,325,535
Debt Service	1,846,785	3,276,180	2,582,913
Capitalized Expenditures	59,248	370,385	662,000
Road & Street Construction	5,222,762	2,529,722	4,163,210
Other Financing Uses	4,132,208	7,698,745	7,490,219

Total Uses of Financial Sources	54,513,399	53,752,228	56,288,453
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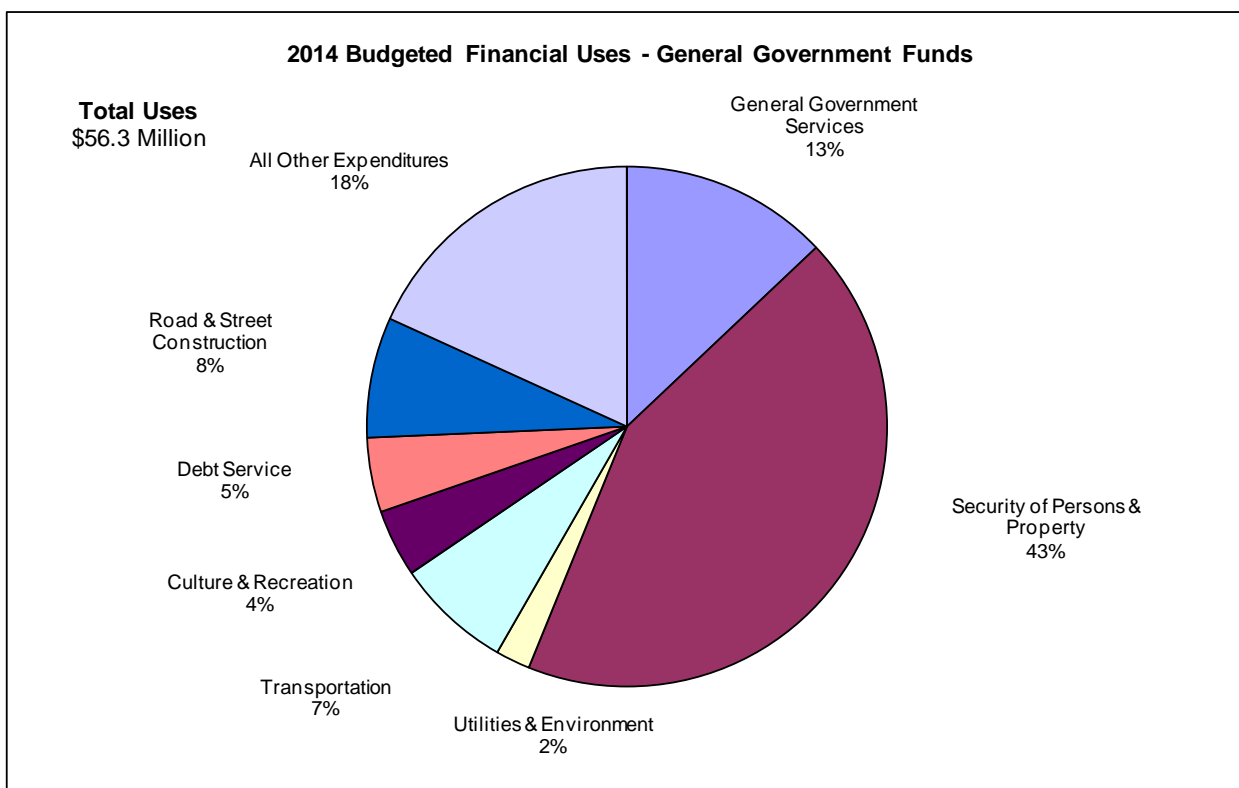
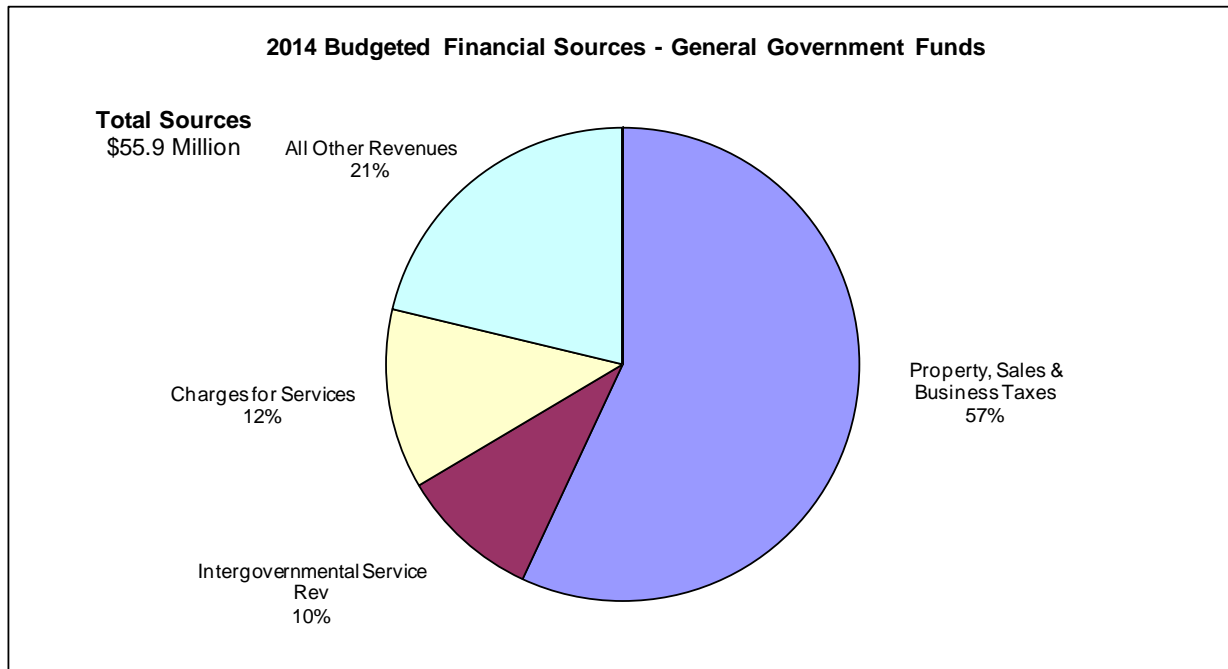
Net Increase (Decrease) in fund balance	\$ (7,113,157)	\$ (1,474,424)	\$ (393,301)
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Fund Balance January 1	7,566,519	7,172,114	11,988,777
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Residual Equity Transfers and other adjustments	9,596,689	-	-
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Fund Balance December 31	<u>\$ 10,050,051</u>	<u>\$ 5,697,690</u>	<u>\$ 11,595,476</u>
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**SUMMARY OF FINANCIAL SOURCES AND USES
GENERAL GOVERNMENT FUNDS**



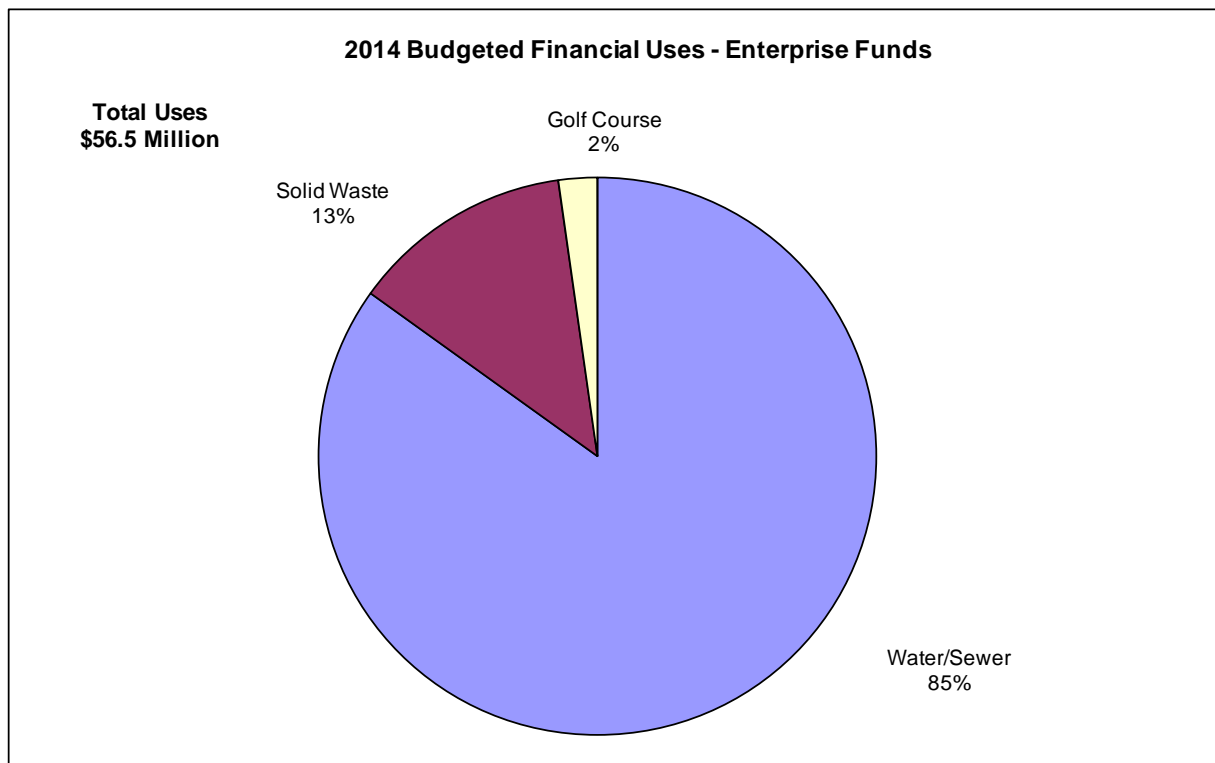
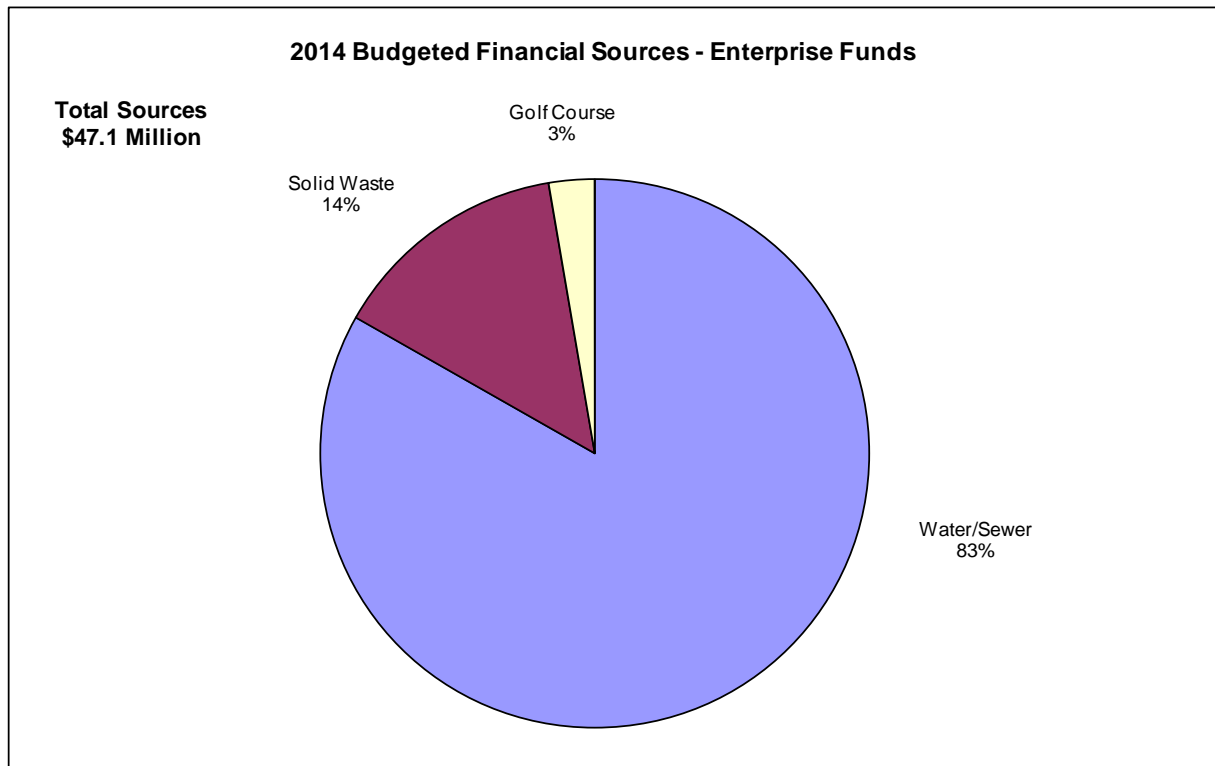
SUMMARY OF FINANCIAL SOURCES AND USES ENTERPRISE FUNDS

	WATER/SEWER			SOLID WASTE		
	2012 Actuals	2013 Estimates	2014 Adopted Budget	2012 Actuals	2013 Estimates	2014 Adopted Budget
Financial Sources						
Intergovernmental Service Rev	350,827	981,448	216,276	-	48,736	45,788
Charges for Services	23,367,614	24,223,151	24,889,000	5,884,988	6,119,418	6,560,000
Miscellaneous Revenue	260,333	201,431	213,926	9,024	(1,800)	10,000
Other Financing Sources	4,997,436	7,511,432	13,883,818	3,158	2,115	6,200
Total Financial Sources	\$ 28,976,210	\$ 32,917,462	\$ 39,203,020	\$ 5,897,170	\$ 6,168,469	\$ 6,621,988
Uses of Financial Sources						
General Government Services	43,634	55,986	64,931	-	-	-
Utilities & Environment	12,852,181	14,157,850	15,986,627	5,154,959	5,685,916	6,649,782
Transportation	1,792,708	1,781,863	1,971,929	-	-	-
Culture & Recreation	-	-	-	-	-	-
Debt Service	4,569,241	5,783,166	5,777,918	-	-	-
Capitalized Expenditures	2,324,345	9,009,925	9,759,530	-	-	-
Other Financing Uses	5,204,437	8,000,470	14,427,208	85,514	19,448	600,000
Total Uses of Financial Sources	\$ 26,786,546	\$ 38,789,260	\$ 47,988,143	\$ 5,240,473	\$ 5,705,364	\$ 7,249,782
Net Increase (Decrease) in fund balance	2,189,664	(5,871,798)	(8,785,123)	656,697	463,105	(627,794)
Fund Balance January 1	\$ 12,845,692	\$ 22,177,549	\$ 16,305,751	2,863,075	\$ 3,440,574	3,903,679
Residual Equity Transfers and other adjustments	692,056	-	-	(79,198)	-	-
Fund Balance December 31	\$ 15,727,412	\$ 16,305,751	\$ 7,520,628	\$ 3,440,574	\$ 3,903,679	\$ 3,275,885

SUMMARY OF FINANCIAL SOURCES AND USES ENTERPRISE FUNDS

	GOLF COURSE			TOTAL ENTERPRISE FUNDS		
	2012 Actuals	2013 Estimates	2014 Adopted Budget	2012 Actuals	2013 Estimates	2014 Adopted Budget
Financial Sources						
Intergovernmental Service Rev	-	-	-	350,827	1,030,184	262,064
Charges for Services	723,558	924,617	975,927	29,976,160	31,267,186	32,424,927
Miscellaneous Revenue	209,357	238,454	256,019	478,714	438,085	479,945
Other Financing Sources	763,815	68,577	42,229	5,764,409	7,582,124	13,932,247
Total Financial Sources	\$ 1,696,730	\$ 1,231,648	\$ 1,274,175	\$ 36,570,110	\$ 40,317,579	\$ 47,099,183
Uses of Financial Sources						
General Government Services	-	-	-	43,634	55,986	64,931
Utilities & Environment	-	-	-	18,007,140	19,843,766	22,636,409
Transportation	-	-	-	1,792,708	1,781,863	1,971,929
Culture & Recreation	855,308	853,439	853,960	855,308	853,439	853,960
Debt Service	375,921	378,209	385,215	4,945,162	6,161,375	6,163,133
Capitalized Expenditures	-	-	-	2,324,345	9,009,925	9,759,530
Other Financing Uses	-	-	35,000	5,289,951	8,019,918	15,062,208
Total Uses of Financial Sources	\$ 1,231,229	\$ 1,231,648	\$ 1,274,175	\$ 33,258,248	\$ 45,726,272	\$ 56,512,100
Net Increase (Decrease) in fund balance	465,501	-	-	3,311,862	(5,408,693)	(9,412,917)
Fund Balance January 1	\$ -	\$ -	-	\$ 15,708,767	\$ 25,618,123	\$ 20,209,430
Residual Equity Transfers and other adjustments	(465,501)	-	-	147,357	-	-
Fund Balance December 31	\$ -	\$ -	\$ -	\$ 19,167,986	\$ 20,209,430	\$ 10,796,513

SUMMARY OF FINANCIAL SOURCES AND USES ENTERPRISE FUNDS



SUMMARY OF FINANCIAL SOURCES AND USES INTERNAL SERVICE FUND

	FLEET SERVICES			FACILITIES MAINTENANCE		
	2012 Actuals	2013 Estimates	2014 Adopted Budget	2012 Actuals	2013 Estimates	2014 Adopted Budget
Financial Sources						
Charges for Services	1,287,269	1,360,211	1,516,809	223,782	238,304	330,704
Miscellaneous Revenue	5,286	7,245	1,500	1,526	75	75
Other Financing Sources	151,161	105,031	798,181	-	-	-
Total Financial Sources	\$ 1,443,716	\$ 1,472,487	\$ 2,316,490	\$ 225,308	\$ 238,379	\$ 330,779
Uses of Financial Sources						
General Government Services	86,129	88,699	90,270	-	-	-
Utilities & Environment	-	-	-	238,911	242,155	317,936
Transportation	742,934	855,223	879,562	-	-	-
Capitalized Expenditures	430,543	566,428	1,320,181	-	-	-
Total Uses of Financial Sources	\$ 1,259,606	\$ 1,510,350	\$ 2,290,013	\$ 238,911	\$ 242,155	\$ 317,936
Net Increase (Decrease) in fund balance	184,110	(37,863)	26,477	(13,603)	(3,776)	12,843
Fund Balance January 1	\$ 197,670	\$ 376,785	\$ 338,922	\$ 28,994	\$ 15,391	\$ 11,615
Residual Equity Transfers and other adjustments	(4,995)	-	-	-	-	-
Fund Balance December 31	\$ 376,785	\$ 338,922	\$ 365,399	\$ 15,391	\$ 11,615	\$ 24,458

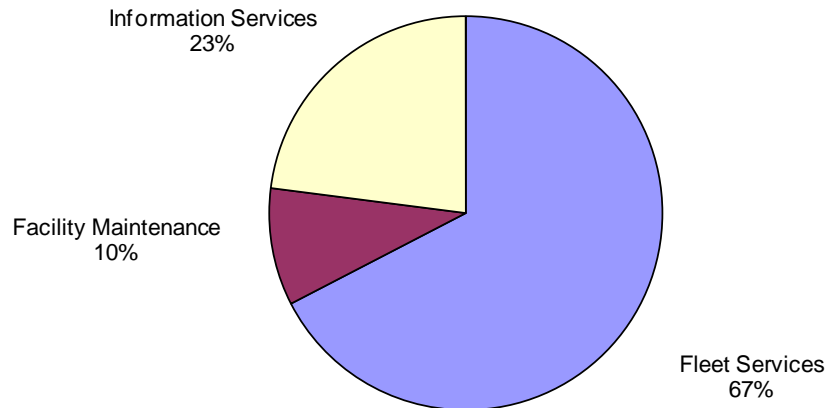
SUMMARY OF FINANCIAL SOURCES AND USES INTERNAL SERVICE FUND

	INFORMATION SERVICES			TOTAL INTERNAL SERVICE FUND		
	2012 Actuals	2013 Estimates	2014 Adopted Budget	2012 Actuals	2013 Estimates	2014 Adopted Budget
Financial Sources						
Charges for Services	683,611	769,088	789,016	2,194,662	2,367,603	2,636,529
Miscellaneous Revenue	994	1,600	500	7,806	8,920	2,075
Other Financing Sources	-	-	-	151,161	105,031	798,181
Total Financial Sources	\$ 684,605	\$ 770,688	\$ 789,516	\$ 2,353,629	\$ 2,481,554	\$ 3,436,785
Uses of Financial Sources						
General Government Services	694,521	804,529	826,468	780,650	893,228	916,738
Utilities & Environment	-	-	-	238,911	242,155	317,936
Transportation	-	-	-	742,934	855,223	879,562
Capitalized Expenditures	-	-	-	430,543	566,428	1,320,181
Total Uses of Financial Sources	\$ 694,521	\$ 804,529	\$ 826,468	\$ 2,193,038	\$ 2,557,034	\$ 3,434,417
Net Increase (Decrease) in fund balance	(9,916)	(33,841)	(36,952)	160,591	(75,480)	2,368
Fund Balance January 1	\$ 240,529	\$ 237,627	\$ 203,786	\$ 467,193	\$ 629,803	\$ 554,323
Residual Equity Transfers and other adjustments	7,014	-	-	2,019	-	-
Fund Balance December 31	<u>\$ 237,627</u>	<u>\$ 203,786</u>	<u>\$ 166,834</u>	<u>\$ 629,803</u>	<u>\$ 554,323</u>	<u>\$ 556,691</u>

SUMMARY OF FINANCIAL SOURCES AND USES INTERNAL SERVICE FUND

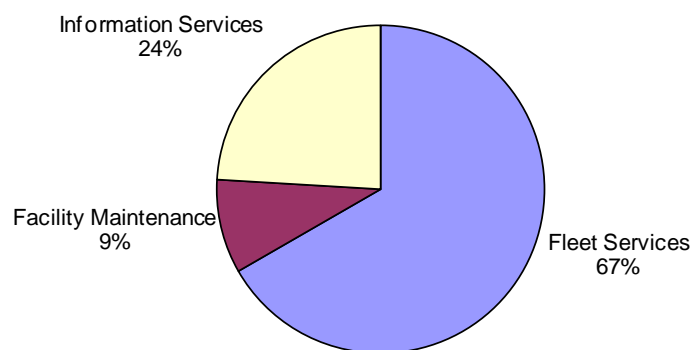
2014 Budgeted Sources - Internal Service Fund

Total Sources
\$3.4 Million



2014 Budgeted Uses - Internal Service Fund

Total Uses
\$3.4 Million



GENERAL TAXING AUTHORITY

Taxes make up approximately 69% of the General Government revenue budget. Most of the tax revenue is in the form of property, sales and utility taxes.

The maximum rate allowed by law can be found in sections of the Revised Code of Washington. Several of the City's taxes including sales, leasehold, cable TV/franchise fees, hotel/motel and real estate excise tax are at the state statutory maximum. The City has chosen not to adopt some taxes allowed by law such as business and occupation tax. The remaining taxing capacity, if the City elected to impose the state statutory maximum would generate approximately \$8.9 million in additional annual revenue.

Major Tax Source		2014 Rate	2014 Budget	Maximum Rate Allowed by Law	Remaining Taxing Capacity (Rate)	Remaining Taxing Capacity (in dollars)
Property Tax	- Regular (A)**	\$ 2.72	\$ 12,928,512	\$ 3.60	\$ 0.88	\$ 4,744,109
	- Special	\$ 0.47	2,249,702	\$ 0.50	\$ 0.03	161,145
	1% or IPD					129,893
	Banked Capacity					245,911
Sales Tax	- Regular	0.85%	8,312,040	0.85%	0.00%	-
	- Criminal Justice (B)	0.10%	854,650	0.10%	0.00%	-
	- Public Safety (V)	0.00%	-	0.10%	0.10%	794,665
	- Transit*	0.00%	-	0.30%	0.30%	-
	-Transportation Benefit Dist. (V)	0.00%	-	0.20%	0.20%	1,589,329
Use Tax	- Natural Gas	6.00%	2,000	6.00%	0.00%	-
Business & Occupation Tax*						
	- Regular	0.00%	-	0.20%	0.20%	-
Utility Tax	Natural Gas	5.00%	670,000	6.00%	1.00%	134,000
	Telephone	6.00%	885,000	6.00%	0.00%	-
	Electric	5.00%	1,742,858	6.00%	1.00%	348,572
Leasehold Tax		4.00%		4.00%	0.00%	-
Gambling Tax	- Bingo & Raffles*	5.00%		7.50%	2.50%	-
	- Amusement Games*	2.00%		2.00%	0.00%	-
	- Punch Brds/Pull Tabs	5.00%	100,000	5.00%	0.00%	-
	- Card Rooms*	20.00%		20.00%	0.00%	-
PILOT	Water/Sewer	8.50%	1,410,138	(A)	(A)	(A)
	Surface Water	8.50%	313,364	(A)	(A)	(A)
	Solid Waste	15.00%	855,652	(A)	(A)	(A)
Cable TV/Franchise Fee		5.00%	870,000	5.00%	0.00%	-
Admissions Tax	- Other Amusement	5.00%	220,000	5.00%	0.00%	-
Transportation Benefit District***		\$ 20.00	-	\$ 20.00	\$ 20.00	694,000
Hotel/Motel Tax		2.00%	75,000	2.00%	0.00%	-
Real Estate Excise Tax						
	- 1st Quarter	0.25%	600,000	0.25%	0.00%	-
	- 2nd Quarter	0.25%	600,000	0.25%	0.00%	-

(A) PILOT determined by City Council (V) Requires Voter Approval

* Authorized by state - some cities do not participate.

**Requires the vote of the people to reach full statutory maximum

***Council can authorize up to \$20 without the vote of the people-formation of a TBD is required

**PROPERTY TAX COMPARISON--CITY OF MARYSVILLE
VERSUS UNINCORPORATED AREA NEAR CITY LIMITS**

01/23/2014 Estimate <u>TAXING DISTRICT</u>	YEAR 2014 - Per \$1,000 AV		YEAR 2014 - Average Tax Bill	
	CITY	COUNTY	CITY	COUNTY
City of Marysville				
General Levy	\$ 2.7168	\$ -	\$ 543.37	\$ -
Fire Dist. 12		1.4204	-	284.08
EMS Levy	0.4722	0.4740	94.45	94.80
GO Bonds			-	0.00
Public Safety Building			-	0.00
County Taxes	1.0787	1.0787	215.74	215.74
County Roads		1.7405	-	348.11
Marysville School District	5.3420	5.3420	1,068.40	1068.40
State School	2.3844	2.3844	476.87	476.87
Library District	0.5000	0.5000	99.99	99.99
TOTAL PROPERTY TAX PER \$1,000 ASSESSED VALUE	\$ 12.4941	\$ 12.9399	\$ 2,498.81	\$ 2,587.98
Tax on Avg. Residence				
Value of				
\$200,000	\$2,498.81	\$2,587.98	\$2,498.81	\$2,587.98
\$300,000	\$3,748.22	\$3,881.98	\$3,748.22	\$3,881.98

Lake Stevens School district 2014 levy rate \$5.60360773

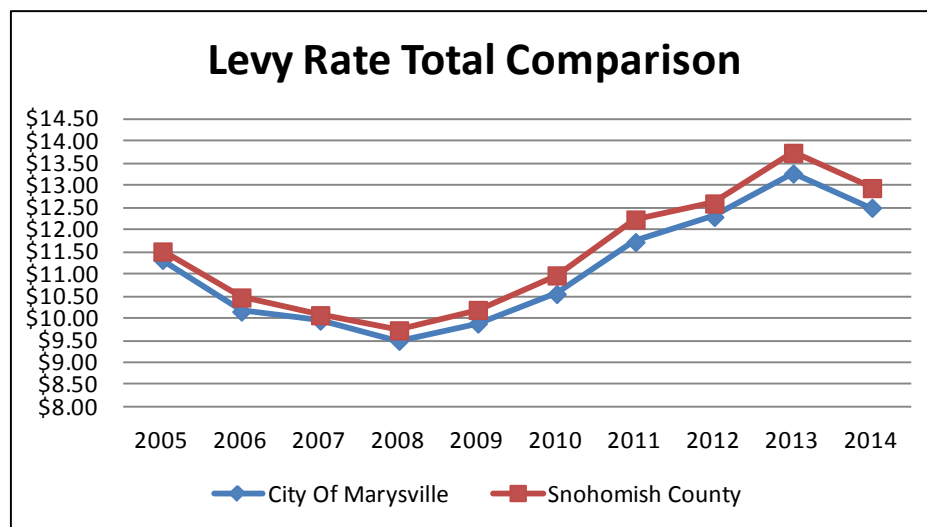
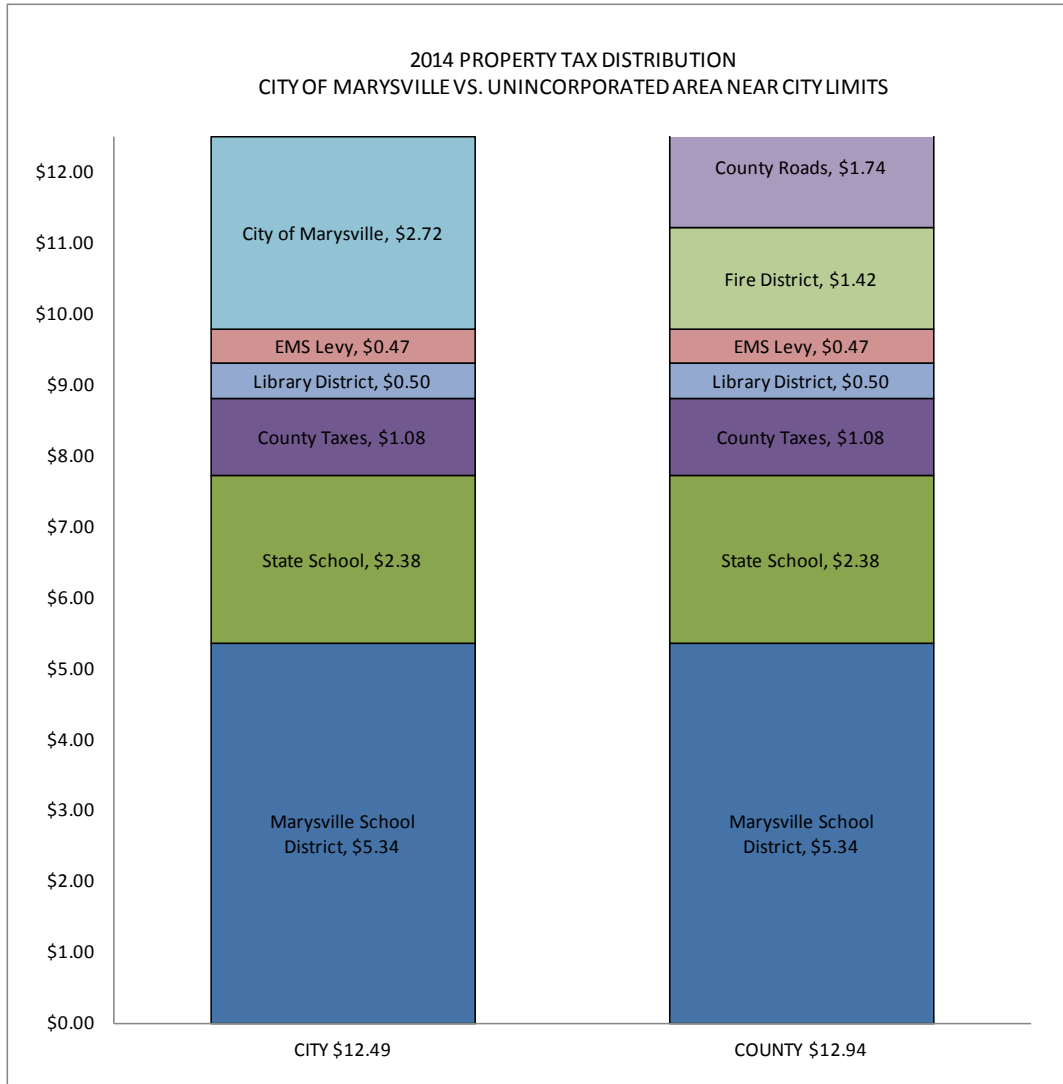
Lakewood School district 2014 levy rate \$5.26495962

**PROPERTY TAX COMPARISON--CITY OF MARYSVILLE
VERSUS UNINCORPORATED AREA NEAR CITY LIMITS**

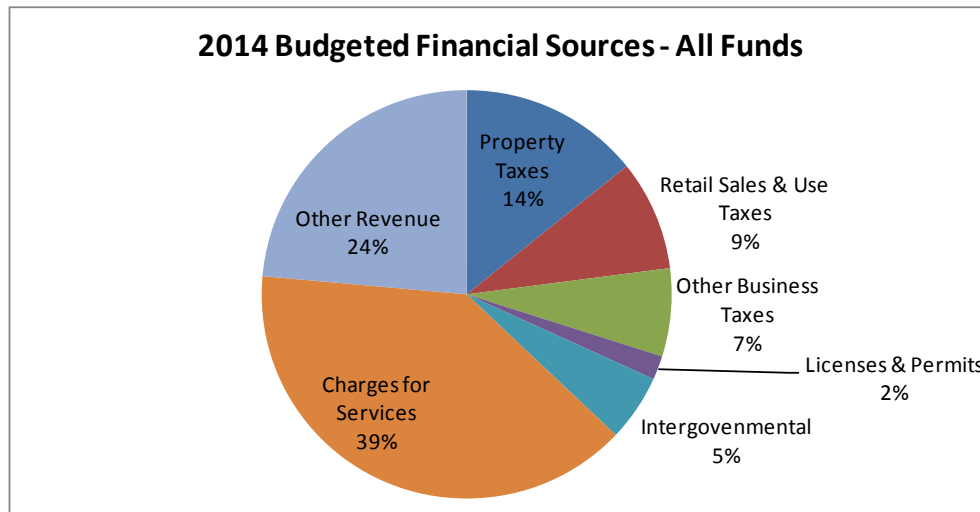
<u>TAXING DISTRICT</u>	YEAR 2013 - Per \$1,000 AV		YEAR 2013 - Average Tax Bill	
	CITY	COUNTY	CITY	COUNTY
City of Marysville				
General Levy	\$ 2.9056	\$ -	\$ 581.12	\$ -
Fire Dist. 12		1.5000	-	300.00
EMS Levy	0.5000	0.5000	100.00	100.00
GO Bonds			-	-
Public Safety Building			-	-
County Taxes	1.0771	1.0771	215.42	215.42
County Roads		1.8727	-	374.54
Marysville School District	5.8515	5.8515	1,170.30	1,170.30
State School	2.4332	2.4332	486.63	486.63
Library District	0.5000	0.5000	99.99	99.99
TOTAL PROPERTY TAX PER \$1,000 ASSESSED VALUE	\$ 13.2673	\$ 13.7344	\$ 2,653.47	\$ 2,746.89
Tax on Avg. Residence				
Value of				
\$200,000	\$2,653.47	\$2,746.89	\$2,653.47	\$2,746.89
\$300,000	\$3,980.20	\$4,120.33	\$3,980.20	\$4,120.33

Lake Stevens School district 2013 levy rate \$6.27964908

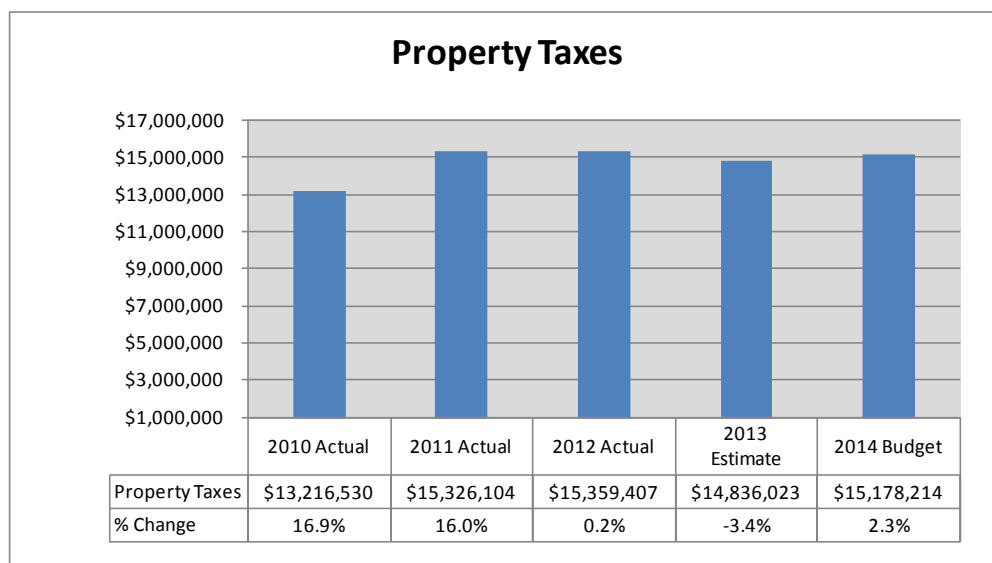
Lakewood School district 2013 levy rate \$5.42080226



ANALYSIS OF SOURCES



Property Taxes



Property tax receipts represent approximately 14% of the City's total income, slightly less than the prior year of 16%. The property tax table shown above includes regular and Emergency Medical Services (EMS). The different changes from each year are a result of increases in assessed values from new construction, annexations and state utilities.

The increase of 16.9% in 2010 is mainly the result of the Central Annexation that occurred in December 2009 which provided for a transfer of approximately \$2 million in Road Taxes from the County to the City. The assessed values of the Central Annexation were delayed until the following year which resulted in the increase of 16.0% for 2011. The 2013 decrease of 3.4% or \$523,384 is a direct result of the decrease in assessed values as the housing market continued to fall as a result of the housing crisis.

The Snohomish County Treasurer collects property taxes levied in the City of Marysville's five overlapping tax districts, which include state, local schools, Snohomish County, City of Marysville, and Sno-Isle Library.

Property taxes are assessed to the citizens in March of each year for 1st half payment due on April 30th and the 2nd half due on October 30th. Several limitations control the growth of regular property tax levies and revenues:

- ❖ Revised Code of Washington (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 84.55.010 limits the annual growth of revenue from the regular property tax levy to 106% per year, plus adjustments for new construction and annexations. A vote of the electorate within the taxing district can lift or set aside the 106% revenue growth limitation for specific purposes, for specific amount, and for a specific number of years.
- ❖ Referendum 47 was approved in 1997 changing property tax assessment and collection:
 - The temporary \$4.7187 reduction of the state levy was made permanent, effective for the 1998 tax levy.
 - With the intent to limit increases in property tax levies and at the same time ensure that taxing districts have adequate funding, the 106% limit, enacted in 1972 was fundamentally changed. The old maximum revenue increase of 6% is no limited to an amount equal to the Implicit Price Deflator (IPD) percentage.
 - However, if the City Council finds a “substantial need” to increase property tax revenue by more than the IPD limit, they may do so, up to a maximum of 6% with a five of seven (a supermajority of City Council) affirmative votes.
- ❖ Initiative 747, voter approved in 2001, requires state and local governments to limit their property tax increases to 1% each year, or the IPD, whichever is less, unless an increase greater than this limit is approved by voters in an election.

2014 Levy

The City of Marysville council voted not to exercise the additional 1% allowed under Initiative 747 for 2014 regular property tax receipts. Assessed values (AV) for 2014 are estimated to increase, which is the first time since 2010, prior to this AV was falling at an average rate of 9% per year. The 2014 levy rate is \$2.7168 per \$1,000 of assessed valuation, a decrease of 7.0% from the prior year of \$2.9056. The 2014 EMS levy rate decreased from \$0.50 per \$1,000 of AV to \$0.47.

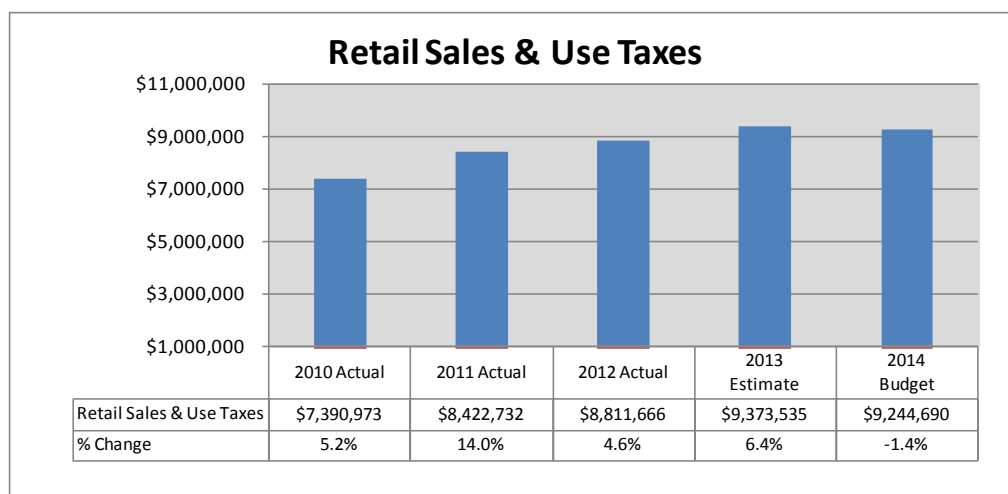
The levy rate is a product of the amount of the total taxes assessed and property values. Under I-747 each entity is allowed to raise the total property tax collected by a maximum of 1% per year. Once the entity establishes whether to take the 1% or below then the County applies the total assessment to the total property values within the entity which then results in a levy rate per \$1,000 of assessed value.

The Marysville City Council has continued to have the citizen's best interest in mind during the budget process concerning regular property taxes. In the past several years the Council has elected ***not*** to exercise their option under Initiative 747 allowing for a 1% increase in property tax levy. The table below provides a history of levy rates.

Property Tax Levy	2010	2011	2012	2013	2014
Regular	\$2.0248	\$2.3400	\$2.6899	\$2.9056	\$2.7168
EMS	.5000	.5000	.5000	.5000	.4700
Public Safety	.0514	.0426	.0000	.0000	.0000
Total	\$2.5762	\$2.8826	\$3.1899	\$3.4056	\$3.1868

The fluctuation in the levy rates are a product of the formula, even though the council elects no increase under I-747 new construction and annexations increase the total assessed value for the City and also the total property taxes assessed based upon the added value. The levy rate is then calculated based upon the total property tax base.

Retail Sales and Use Taxes



Retail sales and use tax receipts represent approximately 9% of the City's total income. Marysville's economic goal of an annual 8% growth in property and sales tax receipts had been achievable since its establishment in 2003. For 2008 this goal hit a roadblock, with the economic down turn in 2008, 2009 receipts declined. The 5.2% increase in 2010 was a result of the Central Marysville Annexation and the partial allowance of the annexation sales tax credit. The 14% increase in 2011 is mostly based upon a combination of activity; the ever changing retail market, the continuing mitigation for Streamlined Sales Tax or Destination-based Sales Tax, and the inclusion of the annexation sales tax credit (ASTC). The 2012 increase of 4.6% demonstrates signs of the economy stabilizing and the slow growth in sales that reflects purchases of large items such as vehicles and furniture. The slow growth in sales continues through 2013 with an increase of 6.4% or \$561,869 which is mostly attributable to construction. Sales tax from construction needs great consideration and is not usually included in the estimate. It is for this reason that the 2014 estimate of \$9,244,690, a 1.4% or \$128,845 decrease over 2013 is a conservative outlook. Even though the 2013 retail sales and use taxes were favorable the items purchased are items not usually purchased on an annual basis, as well as construction can fluctuate with the housing environment and therefore is scrutinized for revenue estimation.

In 2007 the State legislatures passed Substitute Senate Bill 5089, the Streamlined Sales and Use Tax Agreement to be effective July 1, 2008. This agreement is a national effort to simplify and standardize the way each state taxes goods. It is estimated that Washington businesses collecting sales tax, are losing sales to out-of-state retailers that don't charge sales tax. Previous law collected retail sales tax based upon the location from which merchandise was shipped or delivered. As of July 1, 2008, Washington retailers delivering goods to customers in Washington must start collecting sales tax based on where the customer receives the merchandise – the "destination" of the sale. There is no change to over-the-counter, wholesale, most services, and sales of motor vehicles, trailer, semi-trailer, aircraft, watercraft, modular homes, and manufactured and mobile homes.

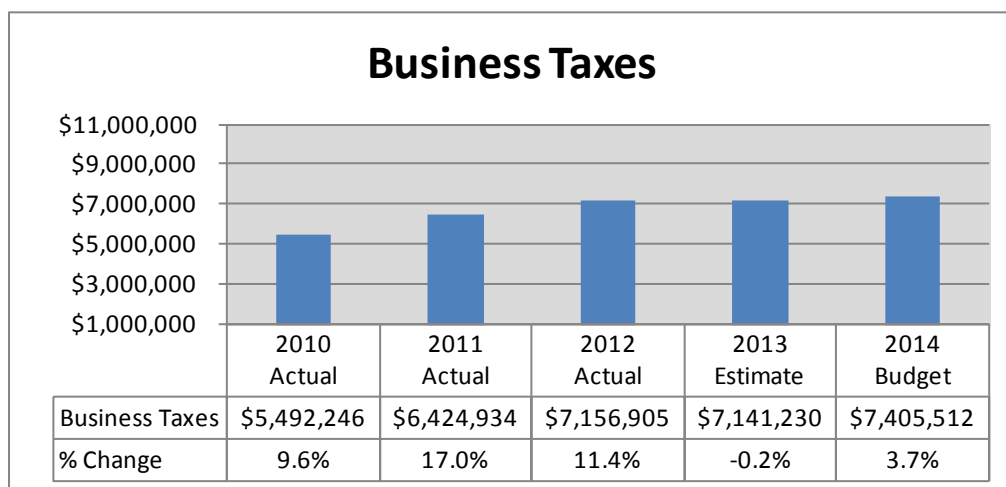
In November 2009 the City of Marysville adopted Ordinance No. 2799 setting the threshold and tax rates in accordance with RCW 82.14.415 with respect to the Central Marysville Annexation. This action allows the City to receive a portion of the State's sales tax share, 0.1% if the annexation area population is between 10,000 and 20,000 or 0.2% if the annexation population is over 20,000, to assist with the cost of annexation. The Central Marysville annexation when completed added 20,048 to the City's population, which resulted in the 0.2% ASTC. The major growth in the sales tax estimate from 2009 to 2011 is due to this action.

The City of Marysville's current sales tax rate is 8.6%, previously at 8.5%, the additional tax was added April 1, 2009 for County Mental Health. The following table provides a breakdown of the tax rate into individual benefactors. The bolded benefactors are those that the City of Marysville receives from sales within the city limits. The State collects the sales tax revenue and distributes it back to the local entities net of administration fees.

Sales Tax Rate Breakdown

State		6.300%
City of Marysville	ASTC	0.200%
City of Marysville	Regular	0.425%
Snohomish County	Regular	0.075%
City of Marysville	Optional	0.425%
Snohomish County	Optional	0.075%
Community Transit		0.900%
City Criminal Justice		0.100%
County Mental Health		<u>0.100%</u>
Total		8.600%

Lodging tax is another part of this revenue category. The City of Marysville imposes a 2% state hotel/motel tax on lodging fees. These fees are used to reinvest in tourism through an annual grant process.

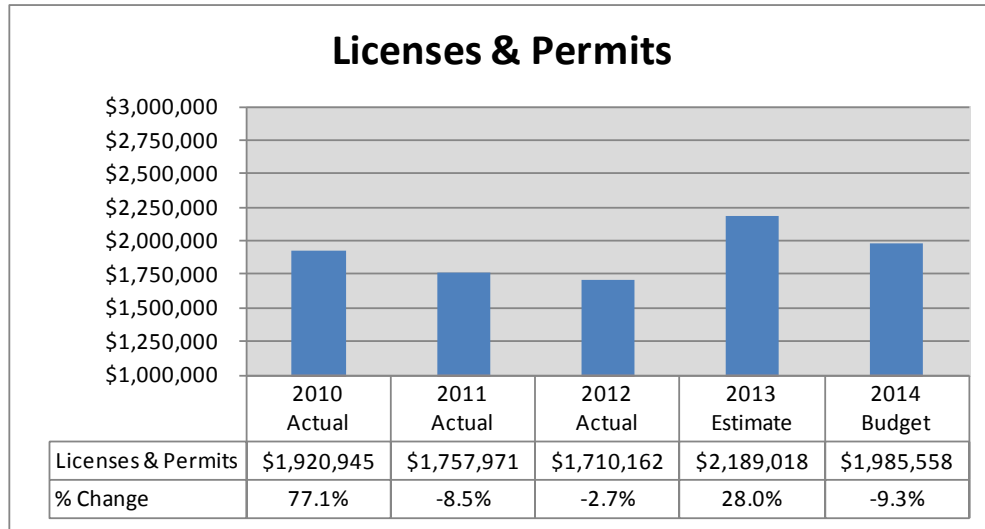
Business Taxes

Business taxes represent approximately 7% of the City's total revenue. This category represents utility taxes, both internal and external, real estate excise tax (REET), leasehold tax, gambling tax, and admissions tax. The majority of the category is utility tax (79.3%) and REET (13.9%).

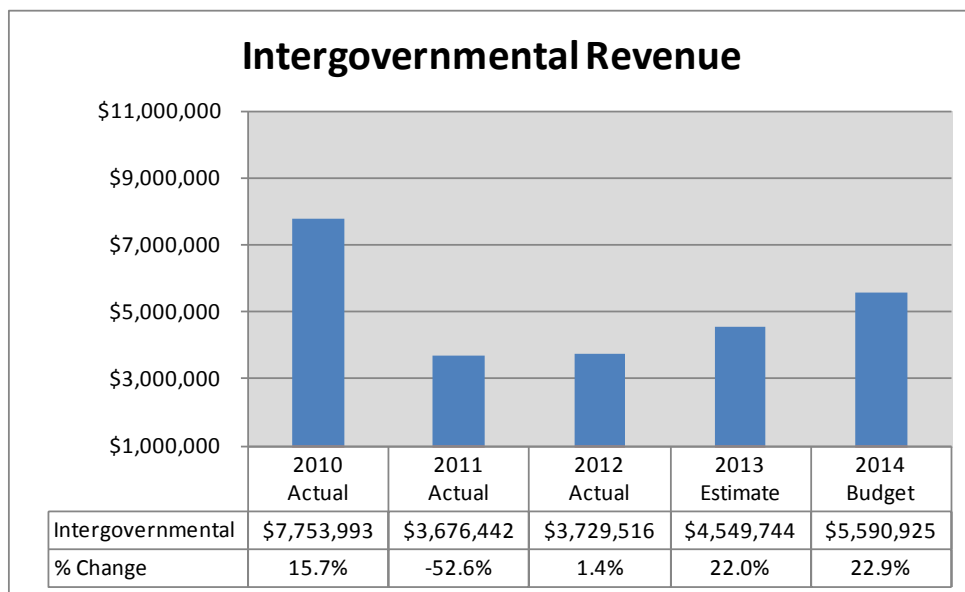
Utility tax is a 5% tax assessed on utilities (such as telephone, electric, and natural gas) for services sold within the city limits. During the formation of the 2010 budget the 5% utility tax for telephone services was increased to 6% for one year and renewed in each subsequent year. The council voted to renew the additional 1% for the 2014. The majority of the 2010 9.6 increase in City receipts of utility taxes is due to the recent annexation of a population close to 20,000. A 6% tax is assessed upon city utilities such as water, sewer, and surface water. Solid waste is assessed a 15% tax that went into effect in 2009, an increase from 6%. Utility tax for electric and natural gas becomes dependent on the weather – usually colder weather results in more use – which makes estimating difficult therefore the 2014 estimate of \$7,405,512, a increase of 3.7% or \$264,282 from the prior year, is based on the average of the prior three years, attempting to smooth any fluctuations.

REET revenue is a tax on the sale of real estate, this market can be difficult to predict and previous years estimates were based upon the average receipt over the last five years. The housing market crisis has had a direct effect on REET revenue was seen in earlier years. In 2010 REET revenue was volatile with 2011 and 2012, as well as 2013, having a substantial rise. To be conservative a three-year average was used for 2013. Since construction was high in 2013 an increase is estimated for 2014.

Admissions tax was added in 2010 which also contributed to the increase in business taxes.

Licenses & Permits

Licenses & Permits represent 2% of the total City revenue. This revenue category consists mostly of franchise fees and building structure permits. Since the majority of the receipts in this category are related to the building industry, fluctuations in the housing market become very apparent. In 2010 the city experienced an increase in building permits from previously foreclosed developments, similar to prior 2006 receipts which continued at a lesser scale in 2011. Permit activity for 2012 did not continue this trend and 2010 and 2011 were considered abnormalities as appears to be the case with 2012 receipts of 2.7%, lower than 2011. With the economy showing signs of increasing and Boeing hiring ramp-up, construction permit activity in 2013 increased greatly, resulting in the 28% increase over 2012. This activity is not expected to continue in 2014; therefore the estimate of \$1,985,558, a 9.3% decrease, reflects levels similar to 2010.

Intergovernmental Revenue

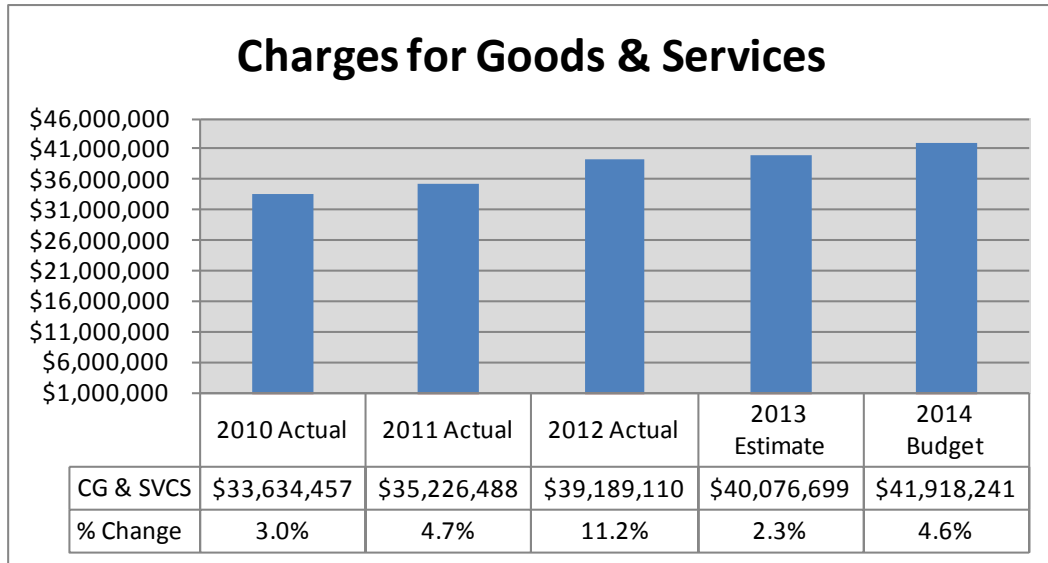
Intergovernmental revenue receipts represent approximately 5% of the City's total revenue. This revenue category consists mostly of grants, state shared revenue, and entitlements. Grants, traditionally, have been the major revenue source for intergovernmental revenues at approximately 64%. The fluctuations visible in the table above are a reflection of this grant activity. The 2011 decrease of 52.6% or \$4 million is mostly a result of a decrease in grant activity.

The City of Marysville regularly seeks state and federal grants to aid in funding various projects or services. Because of the unpredictability associated with grant availability year to year, the budget only includes grant funds that are known with some certainty. Approximately 60% or \$4.2 million of the 2013 estimate for Intergovernmental Revenue were attributable to grants such as department of transportation and transportation improvement. Also, approximately \$700,000 of inter-fund service charges was reclassified from intergovernmental to charges for services in 2013. In comparison 2012 grant receipts were \$570,847.

The 2014 estimate for intergovernmental revenue is an increase of \$1,041,181 or 22.9%. Grant activity, the majority of this source of revenue, is estimated to increase 36% and a 5% increase for state shared revenue and entitlements. The majority of the increase is from Snohomish County mitigation, with the remaining sources of grant activity continuing at similar levels of the prior year.

State entitlement revenues consist of motor vehicle excise taxes, liquor excise taxes, liquor board profits, and unrestricted gas taxes. In 1999, voters approved I-695 which changed the collection of motor vehicle excise tax from a percent of value to a flat \$40 this resulted in an approximate annual loss of \$200,000. The state imposes gas and liquor taxes on sales within the state and distributes the proceeds based upon population. These estimates are provided by the State in the form of a per-capita rate.

Intergovernmental service fees consist of court and jail services to neighboring cities. The estimate for 2013 for court and jail services reflects a little change over the 2012 receipts.

Charges for Goods and Services

Charges for goods and services represent 39% of the City's total revenue. This revenue source is comprised of fees charged for providing services that are distinct from general services which are funded by general taxation.

Charges for goods and services include interdepartmental services; maps and publications; probation; permits; golf fees and other recreational programs; traffic mitigation; water, sewer, and surface water fees; and solid waste fees. The majority of this revenue category (98%) is attributable to water, sewer, surface water, and solid waste fees.

Revenue from city utilities is the largest portion of charges for services category. To meet state and federal regulations the Sewer Utility made approximately \$80 million in improvements, beginning in 2003 and completing in 2005. In order to fund these improvements the city contracted to have the rates reviewed to provide sufficient funding. This review, along with several other reviews (an average of five year increments) for the utilities of water and solid waste have resulted in the following rate increases:

Utility Rate Increases	2010	2011	2012	2013	2014
Water	Rate Restructure	2.0%	2.0%	2.0%	2.0%
Sewer	6.1%	6.5%	2.0%	2.0%	2.0%
Surface Water	20.0%	2.0%	2.0%	2.0%	2.0%
Solid Waste	9.0%	9.0%	5.0%	0.0%	0.0%

In 2010 the City adopted the recommendation of a water rate restructuring based upon an independent study. The restructuring was done to established a balance between the tiered system and promote conservation. The revenue impact of the restructuring was estimated to be neutral for the water utility. Eighty percent of the sewer increases are due to new state and federal regulations through construction, improvements and monitoring.

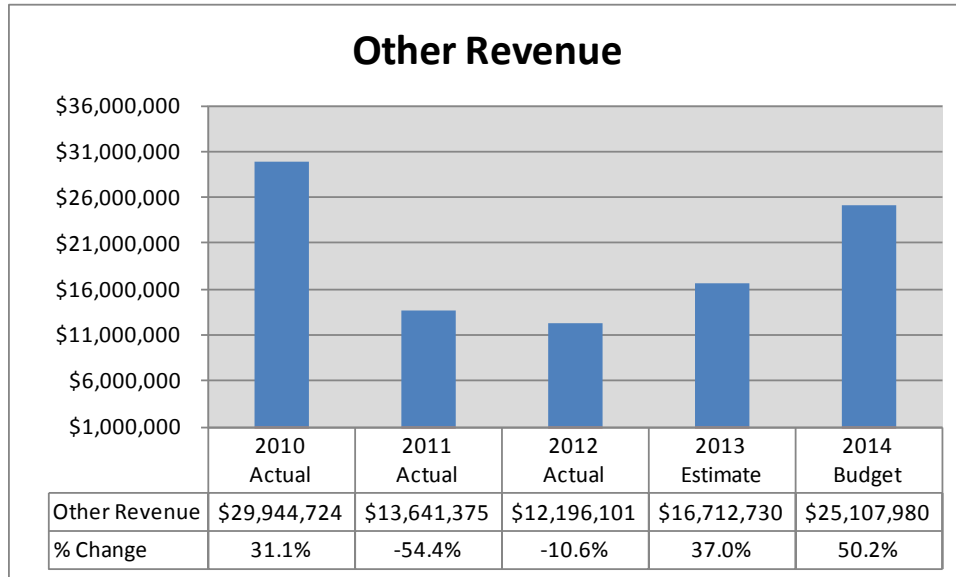
Rate studies are used to provide adequate funding for the improvements as well as initiating a moderate level of increase to keep pace with inflation, currently set at 2%, and provide the ability to cash fund projects in the future and hence reduce the project cost due to borrowing as a burden to users.

Utility rates for water, sewer, surface water, and solid waste are established by council approval. The five year history of base bi-monthly rates for a household is reflected in the table below:

Household Base Rates (bi-monthly)	2010	2011	2012	2013	2014
Water	\$26.09	\$26.60	\$27.19	\$27.72	\$28.26
Sewer	70.44	75.02	76.52	78.05	79.61
Surface Water	20.00	20.40	20.80	21.22	21.64
Solid Waste	43.02	46.88	49.22	49.22	49.22
Total	\$159.55	\$168.90	\$173.73	\$176.21	\$178.73

For comparison purposes the base water rate includes 6,000 gallons of consumption

The 2010 revenues rose slightly above 2009 as a result of the restructuring previously discussed. The 2011 revenue rose 4.7% due to transportation mitigation fees, as well as some housing starts and the increases in rates. In 2012 inter-fund service charges were reclassified from intergovernmental to charges for services, which are reflected in the 11.2% increase, by \$1.5 million. A moderate 2.3% increase in 2013 is partly due to a mild climate year as well as some utility connection fees and transportation mitigation fees, as these are one time charges that cannot always be predicted. The 2014 budget estimate of \$41,918,241, a 4.6% or \$1,841,542 increase is based mostly on the utility rate increases and also, an increase in customer base. As a result of an annexation in the Sunnyside area, January of 2014 will bring an additional customer base for water and solid waste of approximately 1,800.

Other Revenue

The Other Revenue category represents 24% of total City revenues. This category's significant revenues are classified as operating transfers, which represents transfer of funds from other Funds to use for debt service, capital expenditure, or internal service. For 2013 this amount, is approximately \$16.7 million as compared to \$12.2 million in 2012. This increase is attributed to utility and road construction. If operating transfers were not considered in this category then this category would only represent 4% of the total revenues. The 2014 increase of 50.2% or \$8,395,250 is attributable to approximately \$6.5 million in fund transfer from reserves to utility construction, approximately \$1 million for transportation construction and \$0.7 million for vehicle & equipment replacement.

The 31.1% increase in Other Revenue in 2010 was attributed to bond proceeds from an issue in 2010 being transferred to cover capital expenditures for building purchases, which is the major factor of the 2011 decrease of 54.4%.

LONG TERM DEBT

DEBT SERVICE SUMMARY

Debt Management Policy

The City's debt management policy is to plan and direct the use of debt so that debt service payments will be a predictable and manageable part of the Operating Budget. The City will raise capital at the lowest possible cost through maintenance of a high credit rating and reputation in the credit markets.

The City continues to pursue an aggressive capital improvement program through a careful balance of increased debt and substantial "pay as you go" capital projects. Each time a capital project is planned alternative financing sources are considered.

ASSESSED VALUATION = \$4,874,358,421

COUNCILMANIC BONDS 1.5% OF ASSESSED VALUATION

Councilmanic Bonds: Debt capacity of councilmanic debt may be issued by the City Council without voter approval. Property taxes may not be increased to support related debt payments.

Statutory Debt Limit		\$ 73,115,376
City Hall Purchase & Remodel	2.89%	2,115,525
State Ave Improvements	4.32%	3,157,500
Waterfront Park	1.43%	1,041,975
Golf Course Renovation	1.58%	1,158,750
Pro Shop Remodel	0.77%	560,707
Street Construction	8.21%	6,005,000
Courthouse & Other Properties	6.63%	4,845,000
800 MHZ Radio	0.56%	412,216
156th Overcrossing & BIA	12.32%	9,005,000
Debt Outstanding		38.71% 28,301,673
Available Capacity	61.29%	\$ 44,813,703

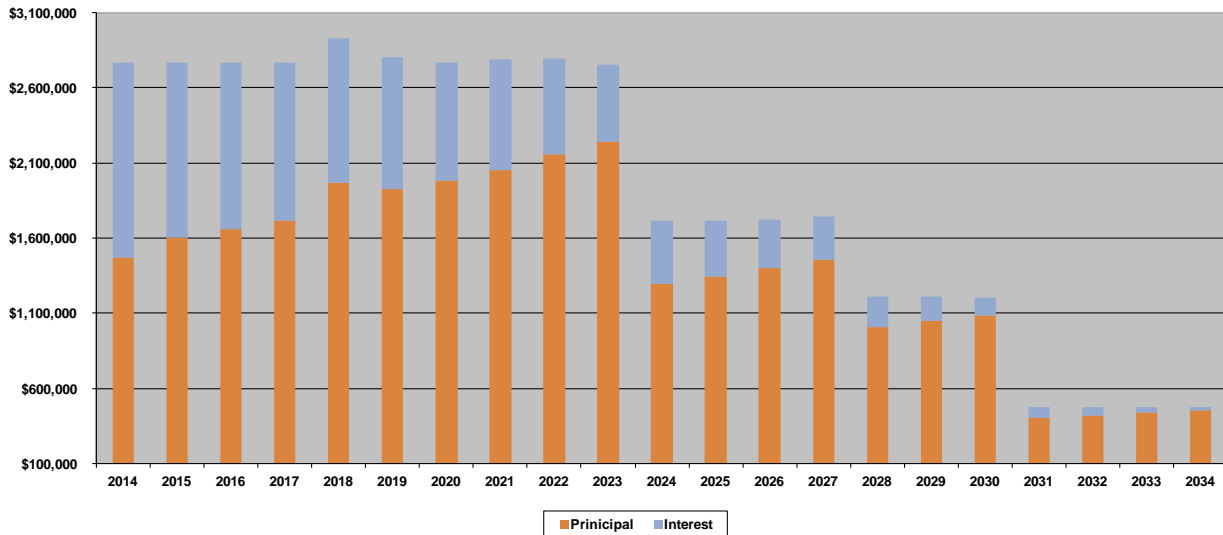
VOTED BONDS 1.00% OF ASSESSED VALUATION

Voted Bonds: Debt capacity for voted debt must be approved by the voters. Property taxes may be increased to support the related debt payments.

Statutory Debt Limit		\$ 48,743,584
Library Construction	0.00%	-
Debt Outstanding	0.00%	-
Available Capacity	100.00%	\$ 48,743,584

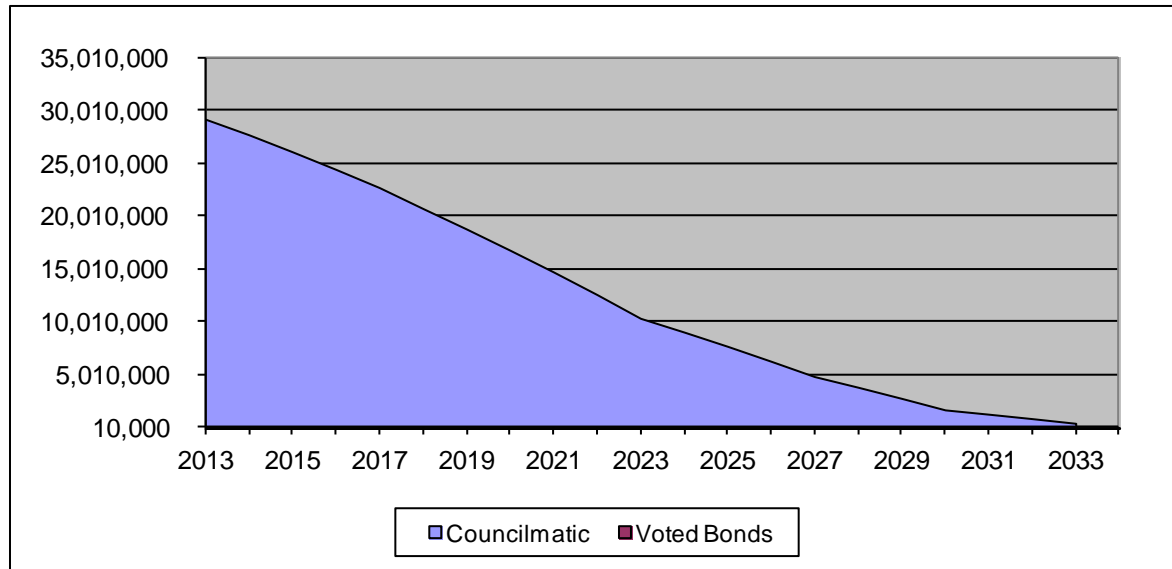
TOTAL DEBT SERVICE PAYMENTS GENERAL OBLIGATION DEBT

The chart below depicts the annual debt service requirements for the GO debt broken out by principal and interest. The table presents the annual debt service requirements for each individual GO debt. These are the payments that directly affect the general government's annual operations budget.



Fund Issue	001 2013 City Hall Refunding	310 2013 Waterfront Park Refunding	305 2013 State Ave Imprvmnts Refunding	305 2007 Street Construction	001 2010 Court House/ Properties	001 2013 156th & BIA	110 1999 800 Mhz Radio	420 2007 Golf Course Refunding	420 2003 Golf Course Pro Shop	Total
**Debt Outstanding	\$ 2,115,525	\$ 1,041,975	\$ 3,157,500	\$ 6,005,000	\$ 4,845,000	\$ 9,005,000	\$ 412,216	\$ 1,158,750	\$ 560,707	\$ 28,301,673
2014	197,397	97,225	294,622	611,214	352,675	734,363	94,418	215,839	168,677	2,766,428
2015	195,205	96,146	291,350	612,789	359,775	735,750	94,008	215,839	168,677	2,769,537
2016	196,913	96,987	293,900	613,264	356,675	733,750	93,894	215,839	168,677	2,769,898
2017	197,315	97,185	294,500	613,264	353,575	732,350	93,598	215,839	168,677	2,766,302
2018	321,466	158,334	479,800	612,664	195,475	735,350	93,120	217,800	112,451	2,926,459
2019	319,037	157,138	476,175	611,464	195,475	733,100	93,320	217,800		2,803,509
2020	319,456	157,344	476,800	609,664	255,475	734,850		217,800		2,771,389
2021	320,260	157,740	478,000	629,664	248,675	735,250		217,800		2,787,389
2022	320,595	157,905	478,500	649,664	456,200	734,850				2,797,714
2023	318,786	157,014	475,800	610,969	459,275	733,650				2,755,494
2024				609,931	376,675	731,650				1,718,256
2025				613,044	372,225	733,125				1,718,394
2026				610,094	377,550	733,950				1,721,594
2027				635,094	376,050	732,600				1,743,744
2028					474,050	734,763				1,208,813
2029					476,550	735,200				1,211,750
2030					473,050	728,000				1,201,050
2031					473,800					473,800
2032					472,600					472,600
2033					475,800					475,800
2034					473,200					473,200
Total Prin/Int	\$ 2,706,429	\$ 1,333,017	\$ 4,039,447	\$ 8,642,780	\$ 8,054,825	\$ 12,472,550	\$ 562,358	\$ 1,734,556	\$ 787,157	\$ 40,333,119

Depicted below is the annual amount of outstanding general obligation debt outstanding at the end of each year. The councilmatic debt is paid from general revenues. The voted general obligation bonds are paid from excess property tax levies assessed on property within the City as approved by the voters in each case. At this time the City does not have any outstanding voted bonds.

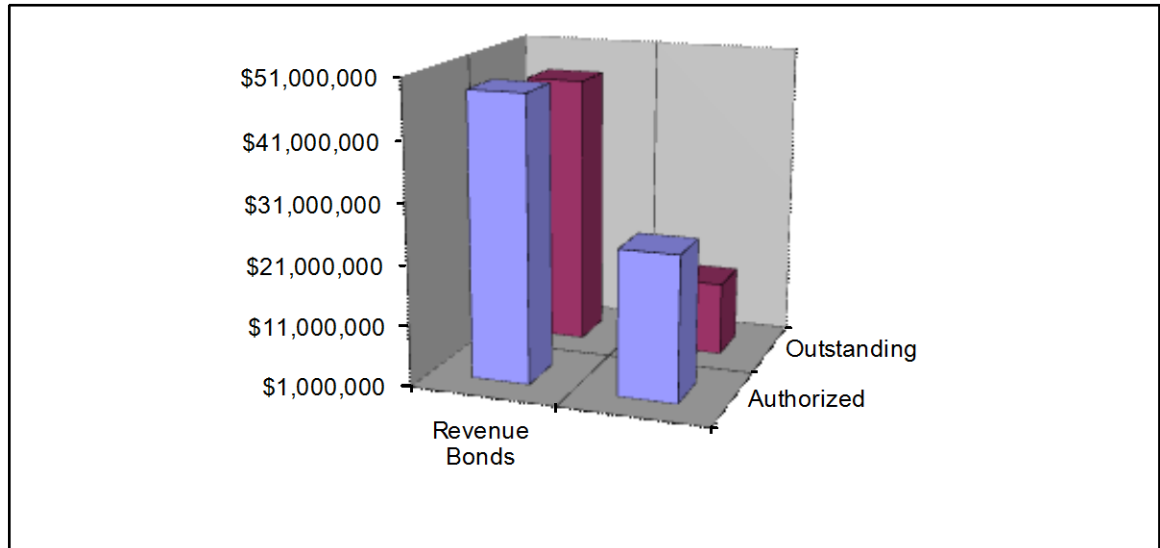


Schedule of Authorized General Obligation Debt Outstanding

	<u>Authorized</u>	<u>Outstanding</u>
Councilmatic		
1999 800 Mhz Radio	1,197,020	412,216
2013 City Hall - Refunding	2,115,525	2,115,525
2013 Waterfront Park-Refunding	1,041,975	1,041,975
2013 State Avenue Improvements-Refunding	3,157,500	3,157,500
2003 Golf Course - Pro Shop Model	1,740,982	560,707
2007 Street Construction	8,045,000	6,005,000
2007 Golf Course Refunding	2,120,000	1,158,750
2010 Courthouse/Williams/Delta Properties	4,990,000	4,845,000
2013 156th Overcrossing & BIA	9,005,000	9,005,000
Total Councilmatic	<u>\$ 33,413,002</u>	<u>\$ 28,301,673</u>

DEBT SECURED BY UTILITY REVENUES

**Total "Revenue Debt" Authorized and
Outstanding as of December 31, 2013**

**Schedule of Revenue Debt**

	Authorized	Issued	Retire	Outstanding
Revenue Bonds				
2005 Water/Sewer Bond Issue	48,355,000	2005	2028	46,295,000
Total	\$ 48,355,000			\$ 46,295,000
Public Works Trust Fund Loans				
Stilliquamish Filtration System (DWRFL)	4,080,000	2004	2023	2,223,978
WWTP Pre-Construction	1,000,000	2002	2021	421,053
WWTP Construction Loan	10,000,000	2002	2022	4,764,706
WWTP Phase II Construction	10,000,000	2004	2024	5,789,474
Total	\$ 25,080,000			\$ 13,199,210



PERSONNEL



**2014 PERSONNEL SUMMARY
FULL TIME EQUIVALENTS EMPLOYEES**

Fund	2012	2013	2014
GENERAL FUND - 001			
02 Municipal Court	11.0	11.0	11.0
03 Executive	5.0	5.0	5.0
04 Finance	13.0	13.0	13.0
05 Legal	3.5	3.5	3.5
06 Human Resources	3.0	3.0	3.0
07 Community Development	17.5	17.5	18.5
08 Police	81.5	82.5	87.5
10 Parks/Recreation	12.5	12.5	12.5
11 Engineering (a)	15.0	15.0	11.0
Total General Fund	162.0	163.0	165.0
Streets	12.5	12.5	12.5
Water/Sewer Utility (a)	47.0	46.75	53.75
Solid Waste	7.0	7.2	8.0
Golf Course	4.0	4.0	4.0
Fleet Services	4.0	5.0	5.5
Facility Maintenance	2.0	2.0	2.5
Computer Services	5.75	5.75	5.75
CITY TOTAL	244.3	246.2	257.0

(a) The Program Engineer-Surface Water Supervisor was reclassified to Water Quality Manager, and now reports to the Public Works Superintendent. The two surface water specialists and the surface water inspector moved from Engineering to Water/Sewer Utility.

**CITY OF MARYSVILLE - PERSONNEL SUMMARY
2014 FINAL BUDGET**

DEPARTMENT	POSITION	FTE	SCHEDULE
COUNCIL	Council Members - 7		
MUNICIPAL COURT	Judge	2.00	Elected
	Court Administrator	1.00	Management
	Business Officer Supervisor	1.00	Management
	Program Specialist	6.00	Teamsters
	Probation Officer	1.00	Non-represented
	MUNICIPAL COURT	11.00	
EXECUTIVE	Mayor	1.00	Elected
	Chief Administrative Office	1.00	Management
	Executive Assistant	1.00	Non-represented
	Risk Management Officer	1.00	Non-represented
	Communication Information Officer	1.00	Non-represented
	EXECUTIVE	5.00	
FINANCE	Finance Director	1.00	Management
	Assistant Finance Director	1.00	Management
	Financial Operations Manager	1.00	Management
	Sr Accounting Technician	1.00	Teamsters
	Accounting Technician	1.00	Teamsters
	Accounting Technician (Utility)	5.00	Teamsters
	Program Clerk	1.00	Teamsters
	Deputy City Clerk	2.00	Non-represented
	FINANCE	13.00	
LEGAL	Prosecutor	2.00	Non-represented
	Confidential Administrative Assistant	1.50	Non-represented
	LEGAL	3.50	
HUMAN RESOURCES	Human Resources Director	1.00	Management
	Human Resources Analyst	1.00	Non-represented
	Human Resources Specialist II	1.00	Non-represented
	HUMAN RESOURCES	3.00	

**CITY OF MARYSVILLE - PERSONNEL SUMMARY
2014 FINAL BUDGET**

DEPARTMENT	POSITION	FTE	SCHEDULE
COMMUNITY DEVELOPMENT	Community Development Director	-	Management
	Engineering Services Manager	1.00	Management
	Development Services Tech	1.00	Non-represented
	Planning Manager	1.00	Management
	Senior Planner	1.00	Non-represented
	Associate Planner	1.00	Non-represented
	Planning Assistant	1.00	Non-represented
	Code Enforcement Officer	1.00	Non-represented
	Plans Examiner	1.00	Non-represented
	Building Official	1.00	Non-represented
	Building Inspector	1.00	Non-represented
	Associate Engineer III	1.00	Non-represented
	Construction Inspector	2.00	Non-represented
	Electrical Inspector	2.00	Non-represented
	Program Specialist	3.50	Teamsters
	COMMUNITY DEVELOPMENT	18.50	
POLICE	Police Chief	1.00	Management
	Commander	3.00	Management
	Lieutenant	3.00	Management
	Crime Analyst	1.00	Non-represented
	Confidential Administrative Assistant	1.00	Non-represented
	Administrative Secretary	1.00	Teamsters
	Program Specialist	7.50	Teamsters
	Property/Evidence Specialist	1.00	Teamsters
	Community Service Officer	1.00	MPOA
	Sergeant (Detectives & Patrol)	8.00	MPOA
	Police Officer (Including Detectives)	45.00	MPOA
	Custody Sergeant	2.00	MPOA
	Custody Officer	13.00	MPOA
	POLICE	87.50	
PARKS	Parks & Recreation Director	1.00	Management
	Parks & Recreation Services Manager	1.00	Management
	Parks Maintenance Manager	1.00	Management
	KBCC Manager	1.00	Management
	Recreation Coordinator	1.00	Non-represented
	Athletic Coordinator	1.00	Non-represented
	Administrative Secretary	1.00	Teamsters
	P/T Parks Program Clerks (1 - PT)	0.50	Teamsters
	Maintenance Worker II	5.00	Teamsters
	PARKS	12.50	

**CITY OF MARYSVILLE - PERSONNEL SUMMARY
2014 FINAL BUDGET**

DEPARTMENT	POSITION	FTE	SCHEDULE
ENGINEERING	City Engineer	1.00	Management
	Project Managers	2.00	Management
	Project Engineer	1.00	Non-represented
	Engineering Project Aide	1.00	Non-represented
	Engineering Technician	2.00	Non-represented
	Traffic Engineer	1.00	Non-represented
	Sr Traffic Control Systems Tech	1.00	Teamsters
	Traffic Control Systems Tech	1.00	Teamsters
	Maintenance Worker II - Traffic	1.00	Teamsters
	ENGINEERING	11.00	
STREET	Streets/Surface Water Manager	0.50	Management
	Lead Worker II	1.00	Teamsters
	Lead Worker I (<i>formerly Heavy Equipment Operator</i>)	1.00	Teamsters
	Maintenance Worker II	8.00	Teamsters
	Maintenance Worker I	2.00	Teamsters
	STREET	12.50	
UTILITIES	Public Works Director	1.00	Management
	Public Works Superintendent	1.00	Management
	Operations Manager	1.00	Management
	Streets/Surface Water Manager	0.50	Management
	Financial Analyst	0.75	Non-represented
	GIS Administrator	1.00	Non-represented
	GIS Analyst	1.00	Non-represented
	Operations Engineering Technician	1.00	Non-represented
	Lead Worker II	3.00	Teamsters
	Lead Worker I (<i>formerly Heavy Equipment Operators</i>)	2.00	Teamsters
	Maintenance Worker II	18.00	Teamsters
	Maintenance Worker I	3.00	Teamsters
	Meter Reader/Repair	1.00	Teamsters
	Water Quality Specialist	3.00	Teamsters
	Water Quality Manager	1.00	Management
	Surface Water Specialists	2.00	Non-represented
	Surface Water Inspector	1.00	Non-represented
	WWTP Lead	3.00	Teamsters
	WWTP Operator	2.00	Teamsters
	WWTP Tech II	1.00	Teamsters
	WWTP Tech I	2.00	Teamsters
	PW Administrative Services Manager	1.00	Management
	Administrative Secretary	1.00	Teamsters
	Program Clerk	2.50	Teamsters
	UTILITIES	53.75	

**CITY OF MARYSVILLE - PERSONNEL SUMMARY
2014 FINAL BUDGET**

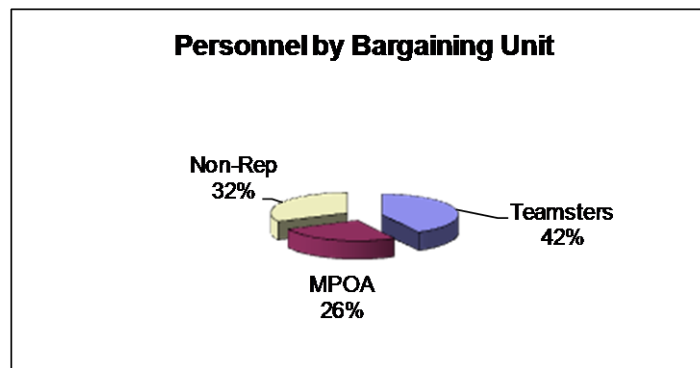
DEPARTMENT	POSITION	FTE	SCHEDULE
SOLID WASTE	Solid Waste Collector/Lead	2.00	Teamsters
	Solid Waste Collectors	6.00	Teamsters
	SOLID WASTE	8.00	
GOLF	Golf Pro/Manager	1.00	Management
	Lead Worker II	1.00	Teamsters
	Equipment Mechanic	1.00	Teamsters
	Maintenance Worker II	1.00	Teamsters
	GOLF	4.00	
FLEET SERVICES	Fleet/Facilities Manager	0.50	Management
	Lead Worker II	1.00	Teamsters
	Procurement/Dist Assistant	1.00	Teamsters
	Equipment Mechanic	3.00	Teamsters
	FLEET SERVICES	5.50	
FACILITY MAINTENANCE	Fleet/Facilities Manager	0.50	Management
	Facilities Maintenance Worker II	2.00	Teamsters
	FACILITY MAINTENANCE	2.50	
COMPUTER SERVICES	IS Manager	1.00	Management
	Network Administrator	1.00	Non-represented
	System Analyst	1.00	Non-represented
	SCADA/Telemetry Administor	1.00	Non-represented
	Computer Support Technician I	1.00	Non-represented
	Confidential Administrative Assistant	0.75	Non-represented
	COMPUTER SERVICES	5.75	
TOTAL		<u>257.00</u>	

LABOR RELATIONS

The following bargaining units represent the majority of City of Marysville employees:

- Teamsters Local Union No. 763 represents about 30 clerical and 71 non-clerical employees. The Teamsters contract expires on December 31, 2014.
- Marysville Police Officers Association (MPOA) represents about 8 sergeants, 44 commissioned law enforcement officers and 16 custody officers/community service officer. The MPOA contract expires December 31, 2013.

The City also employs approximately 78 non-represented/managers/directors employees; and up to 60 seasonal/day laborers at different peak seasons of the year.

**Labor Agreement Expiration**

Union	2013	2014
Teamsters Local Union No. 763		X
Marysville Police Officers Association (MPOA)	X	

2014 Salary Increases:

MPOA	Contract not yet ratified
Teamsters	0.0%
Non-Represented	1.5%
Management/Directors	1.5%

CITY OF MARYSVILLE

DIRECTOR PAY GRID – 2014

1.5% increase

PAY CODE	TITLE	MONTHLY PAY RANGE	
D-1	POLICE CHIEF & PUBLIC WORKS DIRECTOR	9,672	13,013
D-2	FINANCE DIRECTOR COMMUNITY DEVELOPMENT DIRECTOR PARKS & RECREATION DIRECTOR	9,164	12,532
D-3	HUMAN RESOURCES DIRECTOR	8,911	12,049

MANAGEMENT PAY GRID – 2014

1.5% increase

PAY CODE	TITLE	Step 0	Step 1	Step 2	Step 3	Step 4	Step 5
M1	Business Office Supervisor	4,854	5,121	5,403	5,700	6,014	6,345
M2	Community Center Manager	5,094	5,375	5,671	5,983	6,312	6,659
M3	PW Administrative Services Manager	5,353	5,646	5,956	6,284	6,629	6,995
M4		5,619	5,928	6,254	6,598	6,962	7,345
M5	Park Maint Manager, Prosecutor	5,900	6,225	6,566	6,929	7,310	7,711
M6	Project Manager I, Parks & Recreation Services Manager	6,196	6,536	6,896	7,275	7,675	8,097
M7	Building Official, Traffic Engineer, Fleet/Facility Maintenance Manager	6,506	6,863	7,241	7,638	8,059	8,503
M8	Assistant City Engineer, IS Manager, PW Operations Manager, Court Administrator, Financial Planning Manager, Financial Operations Manager, Planning Manager - Land Use, Water Quality Manager, Streets/Surface Water Manager	6,831	7,207	7,602	8,021	8,461	8,927
M9	Engineering Services Manager - Land Development, Police Admin Division Mgr	7,172	7,566	7,983	8,421	8,886	9,373
M10	Assistant Finance Director, City Engineer, PW Superintendent	7,531	7,945	8,382	8,842	9,329	9,842
M11	Police Lieutenant	7,907	8,341	8,800	9,285	9,795	10,335
M12	Police Commander	8,302	8,759	9,240	9,749	10,284	10,851

CITY OF MARYSVILLE

NON-REPRESENTED PAY GRID – 2014

1.5% increase

PAY CODE	TITLE	Step 0	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
N1		3,442	3,615	3,796	3,986	4,185	4,394	4,615
N2	Confidential Administrative Assistant	3,615	3,796	3,986	4,185	4,394	4,615	4,844
N3	Computer Support Tech I	3,796	3,986	4,185	4,394	4,615	4,844	5,087
N4	Planning Assistant	3,986	4,185	4,394	4,615	4,844	5,087	5,340
N5	Deputy City Clerk	4,185	4,394	4,615	4,844	5,087	5,340	5,608
N6	Engineering Project Aide, Probation Officer, Police/Legal Confidential Administrative Assistant	4,394	4,615	4,844	5,087	5,340	5,608	5,889
N7	Engineering Tech, Associate Planner, Development Services Tech., Code Enforcement Officer, Bldg Inspector, HR Specialist II, Executive Assistant/Analyst, Surface Water Specialist, Surface Water Inspector	4,615	4,844	5,087	5,340	5,608	5,889	6,182
N8	Athletic Coordinator, Recreation Coordinator, Electrical Inspector, Sr. Construction Inspector	4,844	5,087	5,340	5,608	5,889	6,182	6,493
N9	Community Information Officer, Financial Analyst, HR Analyst, Computer Network Administrator, GIS Analyst, Plan Exam/Senior Bldg Inspector, Crime Analyst, Information Systems Analyst	5,087	5,340	5,608	5,889	6,182	6,493	6,816
N10	Assoc Engineer III/CD, GIS Administrator, Risk Management Officer, SCADA/Telemetry Administrator, Project Engineer	5,340	5,608	5,889	6,182	6,493	6,816	7,158
N11	Senior Planner	5,608	5,889	6,182	6,493	6,816	7,158	7,515

CITY OF MARYSVILLE
TEAMSTERS PAY GRID – 2014

0.00%

Pay Code	Job Classification	Step 0	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
2	Program Clerk	3,243	3,376	3,514	3,657	3,810	3,965	4,120
3	Procurement & Distribution Asst/Program Asst	3,462	3,603	3,755	3,908	4,068	4,233	4,399
5	Program Specialist	3,685	3,836	3,994	4,157	4,329	4,505	4,679
6	Accounting Technician	3,711	3,865	4,023	4,187	4,362	4,540	4,713
6-1	Maintenance Worker I	3,694	3,847	4,004	4,169	4,342	4,519	4,691
7	Property/Evidence Specialist	3,841	3,998	4,162	4,331	4,508	4,695	4,877
8	Meter Reader/Repair	3,869	4,026	4,193	4,367	4,544	4,731	4,914
9	Administrative Secretary	3,847	4,006	4,169	4,340	4,518	4,704	4,886
10	Senior Accounting Technician	3,985	4,148	4,319	4,494	4,676	4,871	5,060
13-1	Solid Waste Collector	3,963	4,123	4,297	4,472	4,653	4,843	5,033
14	Traffic Control Systems Tech	4,470	4,655	4,846	5,044	5,250	5,466	5,679
16-1	Facilities/Maintenance Worker II	4,301	4,476	4,658	4,853	5,049	5,258	5,461
17	WWTP Maint Technician I	4,361	4,544	4,727	4,920	5,123	5,332	5,538
18	Wtr Qual Splst/Cross Connect Cntrl Splst	4,531	4,717	4,911	5,111	5,321	5,541	5,755
20	Lead Worker I	4,596	4,788	4,983	5,186	5,400	5,621	5,840
21	Equipment Mechanic	4,576	4,760	4,955	5,160	5,371	5,589	5,806
22	WWTP Operator	4,765	4,961	5,164	5,376	5,597	5,826	6,052
23	WWTP Maint Technician II	4,787	4,983	5,186	5,399	5,621	5,850	6,078
24	Lead Worker II	4,973	5,178	5,390	5,611	5,841	6,081	6,319
25	Water Quality/WWTP Lead	5,144	5,354	5,574	5,801	6,039	6,287	6,531
26	Sr Traffic Control Systems Tech	5,250	5,466	5,689	5,923	6,165	6,420	6,666

CITY OF MARYSVILLE**MPOA - (OFFICERS & SERGEANTS)****January 1, 2013 Through December 31, 2013**

PAY CODE	Step 0	Step 1	Step 2	Step 3	Step 4	Step 5
Police Officers	5,054	5,247	5,435	5,731	6,061	6,302
Police Sergeant	7,125	7,406				
Entry Police	4,548					

MPOA - (CUSTODY & COMMUNITY SERVICE OFFICERS)**January 1, 2013 - December 31, 2013**

PAY CODE	Step 0	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Community Service Officer	4,019	4,183	4,354	4,533	4,719	4,912	5,103
Custody Sergeant	5,581	5,747					
Custody Officer	4,119	4,295	4,446	4,602	4,782	4,983	5,131

MPOA salary tables will be updated once contract has been ratified.

SUPPLEMENTAL



POPULATION

Year	City of Marysville	Snohomish County
2013	62,100	730,500
2012	61,360	722,900
2011	60,660	717,000
2010	60,020	713,335
2009*	57,530	704,300
2008	37,060	696,600
2007	36,210	686,300
2006	32,150	671,800
2005	29,460	655,800
2004	28,800	644,800
2003	28,370	637,500
2002	27,580	628,000

* 2009 includes 20,000 population for Central Marysville Annexation, completed on 12/30/09.

Source: Washington State Office of Financial Management
April 1st population estimates

ASSESSED PROPERTY VALUE

Year	City of Marysville	Snohomish County
2013	4,476,525,057	72,621,622,520
2012	4,769,475,472	76,647,037,592
2011*	5,357,774,475	85,710,607,564
2010	4,437,265,961	94,125,212,678
2009	4,757,617,453	101,983,434,446
2008	4,523,054,199	99,315,203,205
2007	3,556,972,155	84,124,564,644
2006	2,652,413,969	68,597,770,547
2005	2,179,343,938	56,801,066,003
2004	1,938,395,564	54,042,787,004
2003	1,885,030,271	49,262,949,977
2002	1,833,576,145	45,527,932,751

Source: Snohomish County Assessor's Office

* 2011 is the first year that the Central Marysville Annexation is computed in total Assessed Value

2013 LARGEST PRIVATE EMPLOYERS - SNOHOMISH COUNTY

Private Employers	Product Service	Employees ⁽¹⁾
Boeing	Aircraft manufacturing	41,000
Providence Regional Medical Center	Medical services	3,500
Tulalip Tribes Enterprises	Real estate, Retail, Gaming	3,500
Premiera Blue Cross	Health Insurer	2,400
Everett Clinic	Health care	2,100
Philips Medical Systems	Ultrasound technology	2,000
Swedish Edmonds Hospital	Health care	1,700
Fluke Corp. (Danaher)	Electronic test & measurement	1,200
Aviation Technical Services	Aircraft repair/maintenance/parts	1,000
Crane Aerospace	Aerospace electronics	750
Zodiac	Aerospace supplier	650
CEMEX	Sand/gravel mining operations	600
Esterline Control Systems	Aerospace electronics	600
Intermec Technologies	Wireless Data Collection	400
Sonosite	Medical Devices	400
Panasonic Avionics	Aircraft Equipment	400

⁽¹⁾ Full Time Equivalent

Source: *Economic Alliance Snohomish County as of April 2013*

2013 LARGEST PUBLIC EMPLOYERS - SNOHOMISH COUNTY

Public Employers		Employees ⁽¹⁾
Naval Station Everett	U.S. Navy Base	6,350
Washington State (includes colleges)	State Government	6,000
Snohomish County Government	County Government	2,700
Edmonds School District	School District	2,000
Everett School District	School District	1,900
Mukilteo School District	School District	1,600
City of Everett	City Government	1,200
Marysville School District	School District	1,200
Monroe Correctional Complex	State Department of Corrections	1,000
Snohomish PUD (electric utility)	Electric Utility	950
Community Transit	Public Transit	650
Edmonds Community College	Higher Education	615
Everett Community College	Higher Education	600
Cascade Valley Hospital	Medical	430

⁽¹⁾ Full Time Equivalent

Source: *Economic Alliance Snohomish County as of April 2013*

MAJOR EMPLOYERS WITHIN THE CITY OF MARYSVILLE

Employers	Product Service	Employees ⁽¹⁾
Marysville School District ⁽²⁾	Education	1,200
Zodiac	Aerospace supplier; composites	650
City of Marysville	City Government	246
Marysville Care Center	Health Care Center	146
Gale Contractor Services	Contractor's Services and Produ	130
Wal-Mart	Retail - Variety	126
The Everett Clinic	Health Care	120
Kmart	Retail - Variety	115
Costco	Retail-Warehouse Club	100
Fred Meyer	Retail - Variety	96
Pacific Grinding Wheel	Grinding Wheel Manufacturer	95
Madeline Villa Health Care	Health Care Center	85
Albertson's	Grocery/Pharmacy	80
Red Robin	Restaurant	70
Grace Academy	Education	50
Parr Lumber	Building Material Supplier	21

⁽¹⁾ Full Time Equivalent

⁽²⁾ Includes all certified and classified employees

Source: City of Marysville, Individual Employers and
Greater Marysville / Tulalip Chamber of Commerce

TAXABLE RETAIL SALES (000s)

Year	City of Marysville	Snohomish County ⁽¹⁾
2013 ⁽²⁾	189,592	2,499,142
2012	732,606	10,341,318
2011	694,906	9,392,065
2010	721,629	9,327,728
2009	734,475	9,244,408
2008	797,492	10,320,564
2007	805,287	11,209,499
2006	667,043	10,438,480
2005	502,340	9,292,805
2004	447,095	8,276,392
2003	404,622	7,763,786
2002	396,053	7,544,267

⁽¹⁾ Includes incorporated and unincorporated area

⁽²⁾ Through 1st quarter

Source: Washington State Department of Revenue

MEDIAN HOUSEHOLD INCOME

Year	Snohomish County	State of Washington
2013 ⁽¹⁾	64,949	57,001
2012 ⁽¹⁾	64,033	56,444
2011 ⁽²⁾	62,687	55,500
2010	63,587	48,329
2009	60,353	52,413
2008	62,071	54,086
2007	64,582	58,462
2006	63,313	54,380
2005	60,926	53,226
2004	60,529	51,002
2003	58,796	50,009
2002	57,811	49,755

⁽¹⁾ Projection

⁽²⁾ Estimate

Source: Washington State Office of Financial Management

COMPARATIVE PER CAPITA PERSONAL INCOME

Year	Seattle/Bellevue/Everett	Snohomish**	Washington State*		Nation*	
	PMSA**	County	Non-Metro	Metropolitan	Non-Metro	Metropolitan
2012	\$56,267	\$45,796	\$36,103	\$47,188	\$35,324	\$45,188
2011	\$53,921	\$44,755	\$35,197	\$45,490	\$34,018	\$43,743
2010	\$51,200	\$42,420	\$33,612	\$43,563	\$31,981	\$41,603
2009	\$50,717	\$42,404	\$33,314	\$43,144	\$31,129	\$40,816
2008	\$54,159	\$44,215	\$34,504	\$45,303	\$31,706	\$42,511
2007	\$53,541	\$42,184	\$32,522	\$44,070	\$30,044	\$41,560
2006	\$50,313	\$38,788	\$30,116	\$41,335	\$28,436	\$39,882
2005	\$46,613	\$36,297	\$28,514	\$38,743	\$27,220	\$37,465
2004	\$46,299	\$34,557	\$27,810	\$37,780	\$26,253	\$35,773
2003	\$42,586	\$33,232	\$26,657	\$35,568	\$24,910	\$34,106

Source: US Department of Commerce Bureau of Economic Analysis in current dollars. Available data as of November 2013

* State Metro/Nonmetro Portions

** Washington

Resident Civilian Labor Force and Employment Data

	Average Annual									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Snohomish County										
Civilian Labor Force	386,900	383,130	382,550	379,880	382,090	380,710	373,100	356,500	344,800	339,200
Employment	363,650	357,530	356,233	341,770	342,860	353,580	357,590	340,500	327,100	319,700
Unemployment	23,250	25,650	30,650	38,110	39,220	27,170	15,520	16,000	17,700	19,500
Seattle-Bellevue-Everett PMSA (King, Snohomish)										
Civilian Labor Force	1,512,150	1,489,170	1,492,080	1,482,360	1,497,000	1,478,100	1,461,880	1,408,600	1,362,100	1,337,800
Employment	1,427,830	1,396,420	1,383,080	1,348,090	1,372,800	1,388,410	1,407,030	1,348,800	1,295,400	1,266,100
Unemployment	84,320	92,750	109,000	134,270	124,300	89,700	54,860	59,800	66,700	71,700
Unemployment as a Percent of Labor Force										
Snohomish County	6.00%	6.70%	8.20%	10.00%	10.10%	7.10%	4.20%	4.50%	5.10%	5.70%
Seattle-Bellevue-Everett PMSA	5.60%	6.20%	7.50%	9.10%	8.30%	6.10%	3.80%	4.20%	4.90%	5.40%
Washington State	6.40%	7.60%	8.60%	9.20%	8.80%	7.10%	4.80%	4.90%	5.50%	6.30%
United States	7.30%	7.80%	8.50%	9.80%	9.80%	7.20%	4.60%	5.10%	5.10%	5.50%

Source: Washington State Department of Employment Security, US Department of Labor Bureau of Labor Statistics



GLOSSARY



BUDGET GLOSSARY

Accountability (Accountable): The state of being obliged to explain one's actions, to justify what one does. Accountability requires governments to answer to the citizenry to justify the raising of public resources and the purposes for which they are used.

Accounting Period: A period at the end of which and for which financial statements are prepared.

Accounting System: The total set of records and procedures used to record, classify, and report information on the financial status and operations of an entity.

Accrual Basis: The basis of accounting under which transactions are recognized when they occur, regardless of the timing of related cash receipts and disbursements.

Actual: Monies which have already been used or received as opposed to budgeted monies which are estimates of possible funds to be spent or received.

Actuarial Study: A statistical analysis of the future costs associated with pension programs, along with a recommended annual program to meet these costs.

Appropriation: A legal authorization granted by the City Council to make expenditures and to incur obligations for a specific purpose or program. Usually granted for a one-year period.

Appropriation Ordinance: The official enactment by the City Council giving the legal authority for City officials to obligate and expend resources.

Arbitrage: The additional investment earnings a municipality receives by borrowing (issuing bonds) at tax exempt rates and investing the proceeds at higher yielding taxable rates. The difference is the arbitrage amount which must be paid to the IRS.

Assessed Valuation: The estimated value placed upon real or personal property as the basis for levying property taxes.

Audit: An examination to determine the accuracy and validity of records and reports by an agency whose duty it is to make sure the City conforms with established procedures and policies.

BARS: Stands for Budgeting, Accounting, Reporting System. The manual the State of Washington requires governmental entities (i.e., counties and cities) to use.

Base Budget: The ongoing cost to maintain the current level of service. Inflation is included in the budget without increasing any level of service.

Benefits: The City provided employee benefits such as social security insurance, retirement, worker's compensation, life insurance, medical insurance and dental insurance.

Bond: A written promise to pay a specific sum of money (principal) at a specified future date along with periodic interest rate. Bonds are typically used for long-term debt to pay for a particular capital expenditure.

Budget: A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year.

Budget Calendar: The schedule of key dates involved in the process of adopting and then executing an adopted budget.

Budget Hearing: The public hearings conducted by City Council to consider and adopt the annual budget.

Budget Policy: An overall plan to guide present and future courses of action regarding the coordination of revenues and expenditures.

Capital Assets: Assets of significant value which have a useful life of several years. Also referred to as fixed assets.

Capital Budget: Major capital improvements which are beyond the routine operation of the city are budgeted under separate capital project funds. These projects, which often require more than one year for completion, include items such as expansion of treatment plants and reconstruction of intersections. In total, these projects are referred to as the Capital Budget and are not included in the annual operating budget.

Capital Improvement Program (CIP): A plan for capital expenditures to be incurred each year over a fixed period of years, identifying the expected beginning and ending date, and the amount to be expended in each year and the method of financing those expenditures.

Capital Outlays: Annual operating expenditures for the acquisition of, or addition to, fixed assets. These expenditures must cost more than \$1,000, including construction projects, land acquisition, major renovations or repairs to existing grounds or facilities, and equipment purchases.

Capital Projects: Projects which purchase or construct capital assets. Typically a capital project encompasses a purchase of land and/or the construction of a building or facility.

Cash Basis Accounting: The method of accounting where revenues are recorded when received and expenditures are recorded when paid.

Certificate of Participation (COP): A type of lease-purchase financing wherein the bank serving as Trustee issues Certificates of Participation representing an undivided proportionate interest in the construction or purchase of real property. The City leases the property from the Trustee with an option to purchase at the end of the lease term. The COP owners receive proportionate shares of the stream of revenue paid by the City under the lease. COPs are backed by the full faith, credit and resources of the City.

Contingency: A budgetary reserve set aside for emergencies or unforeseen expenditures.

Councilmanic Bonds: Bonds issued with the approval of the City Council, as opposed to bonds which must be approved by public vote. Councilmanic bonds must not exceed 0.75 percent of the assessed valuation.

Debt Service: The annual payment of principal and interest on the City's indebtedness.

Deficit: The excess of the liabilities of a fund over its assets. The excess of expenditures over revenues during an accounting period; or, in the case of proprietary funds, the excess of expense over income during an accounting period.

Depreciation: The periodic expiration of an asset's useful life. Depreciation is a requirement, in proprietary type funds (such as enterprise and internal service funds).

EMS: Emergency Medical Services.

Encumbrance: The commitment of appropriated funds to purchase an item or service.

Enterprise Fund: A type of proprietary fund containing the activities of funds where the intent is for the direct beneficiaries to pay for all costs of the fund through fees, or where a periodic determination of revenues and expenses is desired by management.

Expenditures: Where accounts are kept on the accrual or modified accrual basis of accounting, the costs of goods received or services rendered whether cash payments have been made or not. Where accounts are kept on a cash basis, expenditures are recognized only when the cash payments for the above purposes are made.

Fiscal Year: Any yearly accounting period, without regard to its relationship to a calendar year. The fiscal year for the City of Everett begins on January 1 and ends on December 31.

FTE: Stands for Full-time Equivalent. A numerical expression which indicates the amount of time a position has been budgeted for. A position budgeted at 40 hours per week for 12 months equals 1.0 FTE. Other frequently budgeted levels are 20 hours per week (.5 FTE) to show a position that has been split between two funds because the employee's responsibilities directly affect two funds.

Fund: An accounting entity with its own self-balancing set of accounts recording cash and/or other sources of revenues against expenditures for specific activities.

Fund Balance: The excess of an entity's assets over its liabilities in a particular fund. A negative fund balance is sometimes called a deficit.

GAAFR: Stands for Governmental Accounting, Auditing and Financial Reporting. The "blue book" is published by the Government Finance Officers Association to provide detailed guidance for the application of accounting principals for government.

GAAP: Stands for Generally Accepted Accounting Principles, which are accounting and reporting standards used for both private industry and government.

GASB: Government Accounting Standards Board regulates the rules and standards for all governmental units.

General Fund: The City's principal operating fund, which is supported by taxes, fees, and other revenues that may be used for any lawful purpose. The fund of the City that accounts for all activity not specifically accounted for in other funds. Includes such operations as police, fire, engineering, planning, finance and administration.

General Obligation Bonds: Bonds for which the full faith and credit of the issuing government are pledged for payment.

Grants: A contribution of assets (usually cash) by one governmental unit or other organization to be used or spent for a specified purpose, activity, or facility. Typically, these contributions are made to local governments from the State and Federal governments.

IAC: Inter-agency Committee for Outdoor Recreation

Interfund Services/Revenue: The term "interfund" refers to transactions between individual Funds of the City rather than transactions between the City and private companies, other governments or vendors. From a budgeting and accounting perspective, the service provider (e.g., Purchasing) will budget for both the cost of providing service and the revenue received from the service receiver (e.g., Utilities) for the service. In other words, one fund would be the customer of another and both budgets must reflect this provider-customer relationship. As can be seen from this description, interfund activities inflate both expenditures and revenues; this causes what we refer to as "double budgeting."

Interfund Transfers: Amounts transferred from one City fund to another.

Intergovernmental Revenue: Grants, entitlements, shared revenues and payment for goods and services by one government to another.

Internal Service Funds: A type of proprietary fund which accounts for the goods and services which are provided to other units of the City and payment by the benefiting unit is intended to fund the costs of providing such services.

Levy: To impose a tax, special assessment or service charge for the support of government activities. The term most commonly refers to the real and personal property tax levy.

Levy Rate: The rate at which taxes, special assessments or service charges are imposed. For example, the real and personal property tax levy is the rate at which property is taxed per \$1,000 of assessed valuation. The rate is determined by calculating the ratio of the maximum amount of property tax revenue allowable under state law and the total assessed valuation within the taxing district.

LEOFF: A state retirement system for law enforcement and the fire fighter personnel of the City.

Liability: Debt or other legal obligation arising out of transactions in the past which must be liquidated, renewed or refunded at some future date.

Licenses and Permits: Charges for the issuance of licenses and permits. Licenses are required by municipalities for selected trades, occupations and other activities for regulatory purposes. Permits are issued to aid regulation of new business activities.

L.I.D.: Stands for Local Improvement District. A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

Mandate: A requirement imposed by one unit of government on another unit of government.

Modified Accrual Accounting: A basis of accounting in which expenditures are accrued but revenues are accounted for on a cash basis. This accounting technique is a combination of cash and accrual accounting since expenditures are immediately incurred as a liability while revenues are not recorded until they are actually received or are "measurable" and "available for expenditure". Since this type of accounting basis is a conservative financial approach, it is recommended as the standard for most governmental funds.

Non-departmental Expenditures: Expenditures that are not directly related to the operations of a single City department.

Object of Expenditure: Expenditure classifications based upon the types or categories of goods and services purchased. Typical objects of expenditure include personnel services (wages and salaries), contracted services (utilities, maintenance contracts, etc.) supplies and materials, and capital outlays.

Operating Budget: The annual appropriation to maintain the provision of City services to the public.

Operating Transfer In: Transfer from other funds which are not related to rendering of service.

Other Services and Charges: A basic classification for services other than personnel services which are needed by the City. This budget item includes professional services, communication, travel, advertising, rentals and leases, insurance, public utility services, repairs and maintenance, and miscellaneous.

Performance Objectives: A statement that describes in specific and measurable terms the results that the program is expected to achieve within a certain time-frame.

Preantepenultimate: Fourth from the last.

Program: A broad function or area of responsibility of government services. It is a basic organizational unit of government that is composed of a group of specific activities and operations directed at attaining a common purpose or goal.

Proprietary Fund: See Enterprise Fund.

Proposed Budget: The recommended and unapproved City budget submitted to the City Council and public in October/November of each year.

PERS: Stands for Public Employees Retirement System provided for all City employees, other than law enforcement and fire fighter personnel, by the State of Washington.

Reappropriation: A legal authorization granted by the City Council to reappropriate expenditures to the current budget year for a specific purpose or program that was budgeted but unexpended at the end of the prior year.

Reserve: A segregation of assets to provide for future use toward a specified purpose.

Resources: Total dollars available for appropriations including estimated revenues, fund transfers and beginning fund balances.

Revenue: Income received by the City to support programs or services to the community. It includes such items as taxes, fees, user charges, grants, fines, forfeits, interest income and miscellaneous revenue.

Revenue Estimate: A formal estimate of how much revenue will be earned from a specific source for some future period; typically, a year.

Salaries and Wages: Amounts paid for services rendered by employees in accordance with rates, hours, terms and conditions authorized by law or stated in employment contracts. This category also includes overtime and seasonal help.

Service Measures: Specific quantitative measures of work performed within an activity or program (i.e., total miles of streets cleaned). Also a quantitative measure of results obtained through a program or activity (e.g., reduced incidence of vandalism due to new street lighting program).

Special Assessment Debt: Principal and interest on bonds related to Local Improvement Districts. This type of debt is callable when money is available to make payments which occurs when prepayments are received from property owners. The City budgets as if the entire debt will be paid in the current year, although this is highly unlikely.

Special Revenue Funds: General government funds where the source of revenue is dedicated to a specific purpose.

Strategic Outlook: Document created and used by the City of Everett for long-range budget planning.

Supplemental Appropriation: An appropriation approved by the Council after the initial budget appropriation.

Taxes: Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments, or charges for services rendered only to those who pay, for example, sewer service charges.

Transfers: Internal movements of revenue and expenses among funds in the budget to provide needed sources of funding for expenses incurred on behalf of another fund.

Trust Fund: Funds used to account for assets held by a government in a trustee capacity for individuals, private organizations, other governments, and/or other funds.

Working Capital: The year-end balance of current assets less current liabilities.

Workload Measure: A unit of measure to identify the amount of work or product generated from specific activities. They form the basis for determining the unit's success at reaching its performance objectives.

