

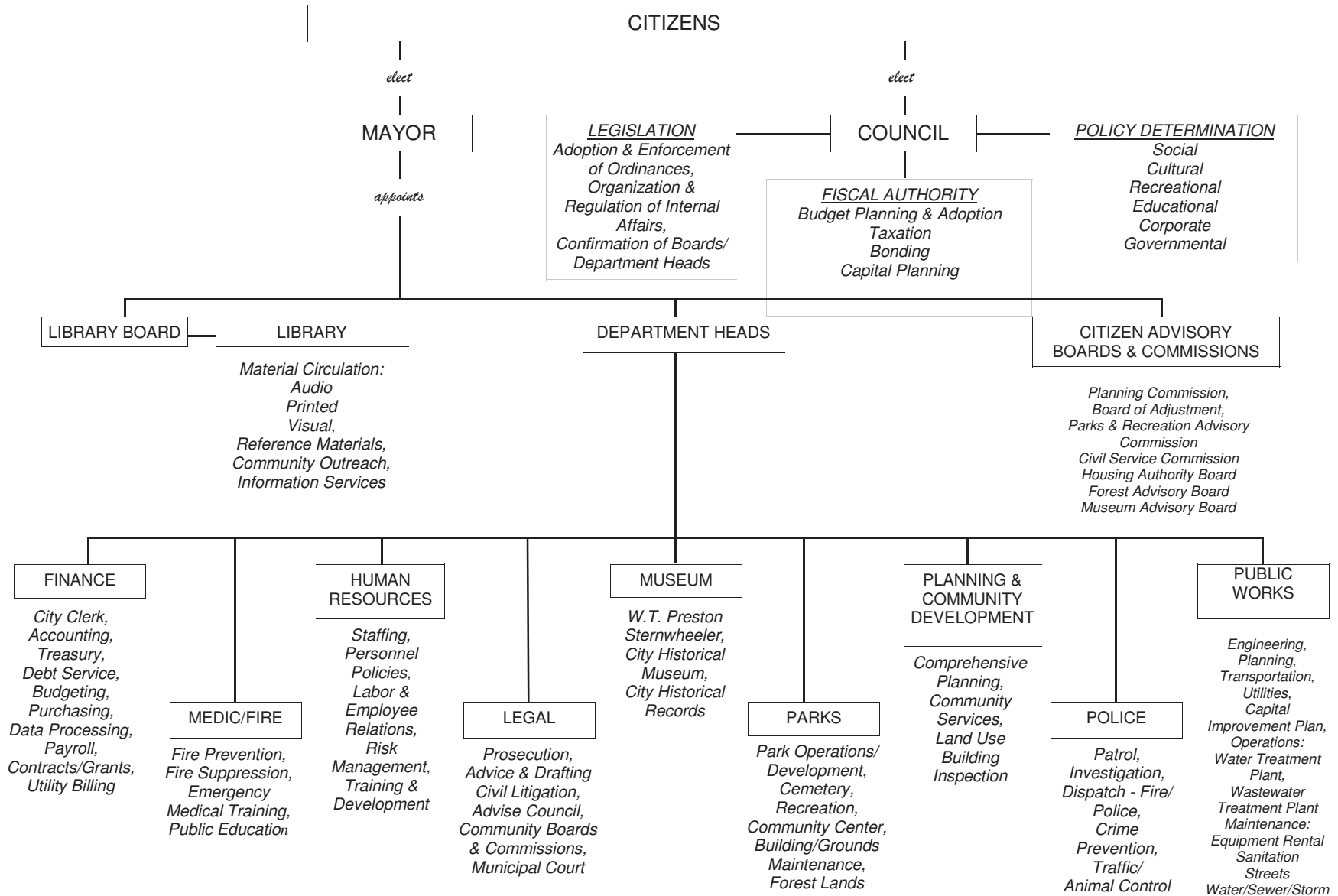


# *City of Anacortes, Washington*

## *2004 Budget*

# *City of Anacortes*

## *Organizational Chart*



# *City of Anacortes 2004 Operating Budget*

*For Fiscal Year  
January 1, 2004 - December 31, 2004*

*H. Dean Maxwell, Mayor*

## *City Council*

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Terry Christiansen  
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**CITY OF ANACORTES 2004 BUDGET  
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*City of Anacortes*

*2004 Budget*

*Mission Statement*

*Our mission is to maintain and improve the quality of life reflecting community expectations through a focus on public participation and employees-mayor-council teamwork.*





ORDINANCE NO. 2633

AN ORDINANCE ADOPTING THE BUDGET FOR ALL MUNICIPAL PURPOSES AND USES FOR THE YEAR 2004

Section 1. The 2004 budget and salary schedule of the City of Anacortes, Washington as established by the City Council and made available for distribution to the general public through the office of the City Clerk-Treasurer, is hereby adopted, a copy of which is hereto adopted by reference.

Section 2. The total estimated revenues and appropriations for each fund and the aggregate total for all such funds combined are summarized and set forth as follows:

<u>Fund</u>	<u>Expenditure/Revenue</u>
001 General (Current Expense)	\$9,761,179
101 Parks & Recreation	788,139
102 Cemetery	115,174
103 Library	715,793
104 Street Maintenance	990,734
105 Arterial Street Construction	1,686,050
107 Washington Park	155,135
109 Police Substance Abuse	4,250
110 Ambulance Services	1,000,000
112 Impact Fee Development	200,000
135 Tourism	171,150
180 Community Development	234,482
200 2000 GO Bond Debt Service (Library)	527,223
292 1992 GO Bond Debt Services (Fire)	148,190
297 1999 GO Bonds Debt Service (Police)	132,285
335 Growth Management Capital Improvement	443,044
355 Preston Interpretive Center Construction	408,076
401 Water	5,681,130
440 Wastewater (Sewer)	4,159,346
445 Storm Drainage	542,246
450 Sanitation (Solid Waste)	1,700,311
501 Equipment Rental	1,051,930
611 Firemen's Pension	42,975
Total Budget	\$30,658,842

Section 3. The City Clerk-Treasurer of the City of Anacortes is hereby authorized to transmit a complete copy of the final budget, as herein above adopted by reference, to the Division of Municipal Corporations in the Office of the State Auditor, to the Association of Washington Cities, and the Municipal Research & Services Center of Washington.

Section 4. Effective date. The Ordinance shall take effect from and after five (5) days after its passage and publication, as required by law.

PASSED AND APPROVED this 3rd day of November, 2003

CITY OF ANACORTES, WASHINGTON

By: \_\_\_\_\_  
H. Dean Maxwell, Mayor

ATTEST:

\_\_\_\_\_  
George Khtaian, City Clerk

(Corporate Seal)

APPROVED AS TO FORM:

\_\_\_\_\_  
Ian Munce, City Attorney



## *MAYOR'S BUDGET MESSAGE*

December 19, 2003

Honorable City Council Members/Community of Anacortes,

The budget for the City of Anacortes as proposed for the year 2004 is submitted for your review and comment. I would like to point out some highlights both as they relate to this budget preparation year (2003) and to the 2004-projected budget.

Before I begin the highlights of the 2004 budget I would like to once again acknowledge the effort that makes our budgets a reality. Departments, assisted by the Council and the Community, have put together a conservative budget that provides a similar level of service to our community within the parameters of a 1% property tax increase. Anacortes remains the lowest taxing City in the County!

Once again this budget does not diminish service to this community in any sector, in fact we will be adding an additional police officer to fill our needs with our recent annexation of March Point. I believe we continue to find innovative ways to add additional service in departments where the community has expressed a need, in others, we have simply held our current high service levels.

### Public Safety

#### *Police*

The Police Department enters 2004 with all budgeted positions filled. We are awaiting the results of a "COPS FAST" grant application, which will allow us to add one Police Officer in 2004, as mentioned above. The grant notification is expected in February of 2004. The expansion of ongoing programs will be maintained. Updating of needed equipment in areas of communications, patrol, and investigation will continue as in past years. The main focus will be on improving the interoperability of radio communications within law enforcement in Skagit County. Crime prevention and community

policing activities will also continue at the current pace.

#### *Fire*

The Fire Department has strived to maintain a high quality and level of service this year through this lean economic period. We have continued to watch over and represent the larger community we serve to ensure that emergency medical services (EMS) in our service area are not diminished. Thanks to your response to our recent survey we have collectively put into place with our County Commissioners a legal governing structure for EMS for the entire County, as well as finalize a two-year agreement for the provision of paramedic ambulance service on Fidalgo and Guemes Islands with a 4% increase in reimbursement for 2004. We have also been able to order a replacement ambulance through the Countywide EMS levy. This ambulance will arrive in May of 2004 and will replace the ambulance located in Skyline at the Norman Brown Fire Station.

Within the Fire Department's prevention efforts, we continue to conduct station tours for school age children and take this opportunity to educate them on fire prevention and injury prevention measures. We have issued free bicycle helmets to many youth, likely reducing head injuries in our community. The Firefighters are also trained to conduct fire inspections and have successfully met our goals to inspect and advise local businesses on fire safety and the fire code.

The Fire Department instituted new safety procedures as it relates to the emergency communications in the community. Firefighter/Paramedics have canvassed the neighborhoods, checking and maintaining fire hydrants. Through a \$35,000 dollar grant, we have upgraded the equipment and training of our Firefighter Paramedics to become more effective in Wild land Fire Suppression. Most department personnel are certified as a Wild land Firefighter II. These efforts will benefit the early suppression of fires in our 2,200 plus acres of forestlands. These activities and many more have been successful only through the financial support of your tax dollars.

### Public Works

The Public Works budget for 2004 is \$15.8 million, which represents a 14% decrease from 2003. The budget is a “back to basics” budget that holds the line on spending while meeting the basic needs of our infrastructure.

**Streets/Trails:** The budget provides \$410,000 for street reconstruction to be performed along “M” Avenue in the Old Town area; continued funding for the Tommy Thompson Trail construction (\$476k in grant funds); and \$140,000 for the continuation of our downtown sidewalks program. In early 2004, the sidewalks on Commercial Avenue between 4<sup>th</sup> and 5<sup>th</sup> streets will be renovated. The 2004 budget also provides \$300k for the connection of 28<sup>th</sup> Street between “D” Avenue and “J” Avenue, as well as \$140k for curve realignment to improve safety along Marine Drive.

**Water Treatment, Transmission and Distribution:** The 2004 budget provides funding for preliminary engineering and easement acquisition for a replacement transmission line between the Water Treatment Plant and Bradshaw Road (\$340k). We continue our phased replacement of a 20-inch water line along West Texas Road (\$90k) that feeds the two refineries.

**Wastewater Treatment, Collection, and Conveyance:** The Wastewater budget declines in 2004 from \$3.2 million to \$3.1 million. Included in the budget are funds to assist in the construction of a large regional sewage pump station at the Ship Harbor Development site to serve that region of approximately 130 acres.

### Library

The Library operational budget is slightly higher than 2003 due to an increase in utility costs and some salary adjustments. Our new facility is the pride of the Northwest and we get visits each month from other communities that are looking for ways to fund and construct such a beautiful, functional facility.

### Legal/Courts

The 2004 Court budget is relatively unchanged from 2003. This cost containment has worked due to sound contracts for services with Skagit

County District Court, a City Prosecutor, and a City Public Defender. No significant increases are involved despite continual annual caseload increases.

### Planning

No major new planning initiatives are reflected in the 2004 budget. Rather, 2004 will see a focus on several economic development projects ranging from the Anacortes plywood mill site, to ferry issues, and to further developments in the March Point annexed area. We will also be spending time working on Critical Areas.

### Human Resources

In 2003 bargaining agreements were adopted for the Teamster and IAFF employees. The IAFF contract was settled through the assistance of an arbiter. The personnel policies were updated as part of an annual review in coordination with the Personnel Committee that is comprised of council members, the Mayor, the Human Resources Director, and employee representatives. The guidelines comply with all federal and state employment laws. Employees and managers now have a resource to answer many of their employment related questions. In 2003, a classification study was completed at the library. In 2004, a classification study is planned for the Engineering department. The Wellness Program continues to expand and employees are taking a more active role in their health. These efforts can help reduce our health care exposure. Our insurance benefit trust has found that claims costs were \$300 per person, per year less for cities with high levels of wellness activity versus cities with moderate to low levels of wellness activity. Now in its third year, the wellness program has a strong following.

### Museum

The museum budget is very similar to last year’s budget. Our museum staff has been busy developing a new exhibition titled Roots and Pathways: A Celebration of Island Cultures. It will open in late April to replace the current exhibition, Island Communities, and will be up for a two year run.

The Museum Director has considered the utility costs associated with the planned W.T. PRESTON Interpretive Center and believes the increased cost can be absorbed into the existing budget. The interpretive center is the only capital funding project for the museum that is planned for 2004.

### Parks

The Parks Department completed construction of the Kiwanis Waterfront Park in 2003. Major improvements to the site included parking, hard surface pathways, shrubs and natural grasses. Improvements will continue to Volunteer Park that will include a new all weather fast pitch / little league field and the addition of lights to one of the existing fields. Maintenance and upkeep of Washington Park will also be emphasized.

### Administration/General

The City continues to maintain strong Restricted Reserves in all the funds of approximately \$2.07 million dollars. The City of Anacortes continues to have the lowest property tax levy in all of Skagit County.

The 2004 budget is fiscally conservative reflecting these times and this administration. I believe it provides high levels of service meeting this community's expectations.

I would like to thank the Council and the Community for the input received and implemented in this 2004 budget. The city staff looks forward to implementation and administration of this budget, providing all of Anacortes with value for your dollar.

Respectfully,

H. Dean Maxwell  
Mayor





## FINANCIAL MESSAGE

Dear Reader:

The Budget of the City of Anacortes for 2004 is hereby submitted.

The proposed budget for all funds totals \$30,658,842. This budget represents a 15.49% decrease over the Revised 2003 budget. It should be noted that the Revised 2003 budget has been increased from its adopted level of \$32,128,671 to \$35,408,686 (+≈ 10.2%).

Moderate increases occur in wages and benefits and operations and maintenance, whereas capital projects and debt service funds increase more dramatically. In reserves a smaller amount was needed to bring the balances up to council's recommendations.

Governmental accounting/budgeting differs from that practiced by private business in that it utilizes the FUND concept. Each fund of the City is a separate entity. In certain cases, money is appropriated (budgeted) and paid from one fund for services performed and appropriated by another fund. Examples follow:

The EQUIPMENT RENTAL FUND (city garage) appropriates money for labor and supplies to maintain the city's rolling stock. The street, water, sewer, sanitation, police, fire and other departments likewise appropriate in their different funds to 'rent' equipment from the E/R fund (which reimburses the E/R for its costs). Both the E/R fund appropriations and other department fund appropriations are required to be in the budget, resulting in 'double budgeting'.

The ADMINISTRATIVE departments in the General Fund (executive, legal, human resources, planning, finance, etc.) spend varying portions of their departmental resources to help administrate the proprietary funds; water, sewer, sanitation and equipment rental. These services are in turn reimbursed to the General Fund by the proprietary funds.

The 'double budgeting' effect inflates the all city budget amount by \$4,003,020:

Equipment Rental	\$1,078,594
Administrative Overhead	769,211
Medical Insurance	1,881,520
Data Processing	<u>273,695</u>
TOTAL	\$4,003,020

## ECONOMIC CONDITION AND OUTLOOK

Based on current trends the City anticipates a continued growing and healthy economy. The population of Anacortes is growing at an average rate of 2% per year. The current population totals 15,110. Real revenue growth rate, (inflation removed) for the next five years is expected to be 2% for General Fund revenues.

Anacortes' primary revenue sources are property taxes, sales taxes, utility taxes, and utility service charges. Growing tourism activity offsets the retail leakage to regional malls. The City has completed major upgrades to its sewer, water, and solid waste services; the goal is now maintenance of these services at high quality levels.

## MAJOR INITIATIVES

The City's recent budgets have placed highest priority on full compliance with the State Growth Management Act. The following City plans have been updated during this cycle: water, sewer, storm water, transportation, parks and recreation, and urban growth area. These plans have then been moved into implementation phase by incorporation in the City's Comprehensive Plan and the City's Six-Year Capital Facilities Plan.

As to maintenance of our quality of life, the City has adopted regulations protecting wetlands and water quality, these and our critical area regulations are now being updated.. The City's Comprehensive Plan is updated annually. Major emphasis is placed on updating our land-use regulations to fully implement the Comprehensive Plan policies. Additionally, the City is working on implementing a conservation and development plan for Fidalgo Bay.



## CAPITAL PROJECTS.

As a result of the State's Growth Management Act the City's eighth formal six-year Capital Facilities Plan (CFP) was presented for review in June of 2003. The Plan is an attempt to identify the demands placed upon the City associated with growth, i.e. improved streets, upgraded water, sewer and storm drain services, additional park and recreation facilities, and improved fire and police protection. The CFP presents only those major public improvements that are viewed as most urgently needed within the next six years. However, these public improvements will still need public hearings, environmental review, a public vote in some cases, and annual budget decisions. The CFP identifies the capital costs for public facility projects and provides an estimate of subsequent operating costs. The City Council adopts the CFP that identifies projects on which work is needed during the next calendar year and appropriates funds for those projects. Operating costs for the completed projects in the CFP are included in the City's Operating Budget. The 2004-2009 CFP identified 40 projects (21 utility, 19 non-utility) at an estimated cost of \$50,127,532. Most of the funding would be financed through the present income stream of property, sales, fuel and excise taxes and user fees. Any additional amounts of funding could come from grants, private developer's contributions and Public Works Trust Loans.

## ABOUT THE BUDGET

The City's budget format focuses on missions, goals, objectives, and targets. The intent is to better enlighten the Citizenry as to how their tax and rate dollars are being used.

## DEBT OBLIGATIONS

The City of Anacortes has four types of debt issues outstanding: general obligation, revenue, refunded (revenue) and special assessment debt. Debt service for special assessment debt is met by assessments levied against property owners. The total outstanding bonded debt at year-end 2003 will be \$8,570,000. (See Schedule of Long-Term Debt).

As prescribed by statutes of the State of Washington, the unlimited tax general obligation indebtedness permitted for cities, subject to 60% majority

vote of qualified electors, is limited to 2.5% of assessed valuation for general purposes, 2.5% for open space/park facilities, and 2.5% for utilities. Non-voted (limited tax) general obligation indebtedness is limited to 1½% of assessed valuation. The combination of unlimited tax and limited tax general obligation debt for all purposes cannot exceed 7.5% of assessed valuation.

Current bond ratings are as follows: all Water and Sewer Bonds are Baa1-rated by Moody's, AAA-rated by Moody's/Standard & Poor's (MBIA insured). General Obligation bonds are rated by Moody's at A3 (Police Facility) and A2 (Library). Special Assessment Bonds are non-rated.

Respectfully submitted,

CITY OF ANACORTES

George Khtaian  
Director of Finance

## USER'S GUIDE TO THE BUDGET

The main purpose of this document is to present to the City Council and the public a clear picture of the services the City provides. Another purpose is to provide a financial and operating plan that conforms to the City's accounting system and explains the organizational and reporting structure of the City.

Overall, this budget is presented by departments. Each department may include several funds and fund types and also a portion of the General Fund. The level of detail reported for each fund depends upon the nature of the activity. For example, the General Fund encompasses ten departments with additional detail on non-departmental functions.

The Table of Contents provides an easy way to locate specific information or areas of interest. The City's organizational structure does not match its fund structure. For example, the City's Public Works Director oversees functions in the General Fund, special revenue funds, capital projects funds, enterprise funds and internal services funds. These activities are grouped together under Public Works.

Other sections of this document include:

- Mayor's Budget Message
- Financial Message
- Policies and Procedures
- Summaries of Revenues & Expenditures
- Debt Service Schedules
- Personnel Information
- Revenue Explanations and Detail
- Expenditure Detail by Departments
- Miscellaneous Information About Our City
- Budget Policies and Procedures



*Budget Policies  
And  
Procedures*

## **BUDGET PROCESS**

The Finance Department is responsible for coordinating the overall preparation of the City's annual operating budget. To do this, the Finance Department issues budget instruction, conducts budget preparation training sessions, and communicates regularly with department staff.

The budget process for the City of Anacortes is a year-round activity. Formal budget planning begins in June with budget preparation for all departments. Budget worksheets, manpower reports, instructions and other materials are provided to the departments at this time.

During June through August, staff in each department is responsible for developing an annual operating budget for their department that meets the general policy direction provided by City Administration. During this time, the Finance Department develops and updates revenue estimates for the coming year. These estimates are further refined and fine-tuned in September.

In August, the Mayor meets with representatives from the Finance and other departments to discuss specific changes to department budgets. In September a balanced preliminary budget is prepared and submitted to the City Council.

In September, public study sessions are held during the time the City Council is deliberating on the preliminary budget proposal. Public comment is taken at the formal public hearing the first part of October. The City Council by a majority of its members, adopts the final Operating Budget by ordinance in November effective January 1. The budget can be amended after it is adopted only by an ordinance of the City Council.

## **BUDGET RESPONSIBILITY**

Department heads have primary responsibility for formulating budget

proposals in line with City Administration priorities and for implementing them once they are approved.

The Finance Department is responsible for coordinating all aspects of the budget process on behalf of the City Administration, analyzing department budget information, preparing budget revenue estimates, assembling the budget document, and overview financial monitoring and reporting once the budget is adopted.

Throughout the year, the Finance Department assists department heads in identifying budget problems, formulating solutions and alternatives, and implementing corrective action approved by the City Administration.

## **BUDGET GOALS AND POLICIES**

Budget goals, objectives, and performance measures are listed under each department in the expenditure section.

## **DEVELOPING THE OPERATING BUDGET POLICIES**

City staff members develop annual operating budget proposals after receiving guidance from the City Administration. The budget determines what services the City will provide, the level of these services, and how funds will be provided to finance them. Recognizing the importance of these decisions, the following statements reflect the principles and priorities the city staff uses in preparing the budget.

### REVENUE

#### General Revenue Policies

A diversified and stable revenue system will be maintained to shelter public services from short-run fluctuations in any one revenue source.

Revenue forecasts shall be conservative, thus minimizing the possibility that economic and political (e.g. voter-passed initiatives) fluctuations could imperil ongoing service programs during the budget year. This policy functions in part as an alternative to the budget practice of providing for a contingency fund for unforeseen events.

#### Intergovernmental Revenues

All potential grants shall be carefully examined for matching requirements.

#### One-time Revenues

One-time revenues will be used only for one-time expenditures.

One-time revenues will be used only after examining whether they are subsidizing an imbalance between operating revenues and expenditures, and then only if a long-term forecast shows that the operating deficit will not continue. The City will avoid dependence on temporary revenues to fund mainstream municipal services.

#### Property Tax Revenues

The City is dependent on the County to maintain a very high tax collection rate (99%), to the extent consistent with the marginal costs of collection.

#### User Fees

User fees will be imposed to cover the cost of specific services used by select 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 determined by Council.

#### Enterprise Fund Revenue

The City will maintain sewer, water, storm drain, solid waste, and other rate structures which are adequate to insure that these enterprise funds remain firmly and separately self-supporting. Rate structures must support the direct and indirect costs of operations, capital plant maintenance, debt service, depreciation, and moderate system extensions.

### EXPENDITURES

#### General Expenditure Policies

High priority shall be given to expenditures that will reduce future operating costs such as increased utilization of technology and equipment, and more prudent business methods.

Productivity improvement programs should be initiated in all labor-intensive departments.

The City of Anacortes seeks to provide quality service programs. If expenditure reductions are necessary, complete elimination of a specific service is preferable to lower quality programs.

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

All department heads should share in the responsibility for looking at the long-term financial viability of the City, developing spending trends, projecting incomes, educating themselves and employees on the disparity between revenues and expenditures.

Department heads are encouraged to help employees better see the "big picture" of City government to increase teamwork.

The City will consider the impact of growth on the fiscal viability of the City and adopt appropriate policies and strategies to deal with this issue.

Before the City undertakes any agreements that would create fixed ongoing costs, the cost implications of such agreements will be fully determined for current and future years.

Organizations that are not part of the City, but which receive non-obligatory funding from the City, shall not have their existing budgetary allocation carried forward from year to year unless expressly authorized and directed by the Administration.

All externally mandated services for which funding is available will be fully costed out to allow for complete reimbursement of expenses.

The estimated direct costs of service will be budgeted in and charged to the fund performing the service. Interfund service fees will be charged to recover these direct costs, and will be recognized as revenue to the providing fund.

Budget procedures that fund current expenditures at the expense of future needs will be avoided.

### Personnel

Emphasis should be placed on improving productivity rather than adding to the work force.

Additional personnel should be recommended only after needs have been thoroughly documented and it is substantiated that the new employee is critical to the operation of the City. Additional budgeted personnel will be so substantiated, prior to hiring, for final formal approval by the Mayor and City Council.

All compensation negotiations will focus on total compensation: Direct salary plus employer share of fringe benefits.

Cost analysis of salary increases will include the effect of such increases on employer share of related fringe benefits.

### Maintenance and Replacement

The budget process will include a multi-year projection of vehicle replacement requirements (CFP)

The budget will provide sufficient funding for adequate maintenance and orderly replacement of capital plant and equipment.

Future maintenance needs for all new capital facilities will be fully costed out. (CFP).

### Land

Whenever feasible, continue the policy of acquiring property in advance of need to provide for future public facilities.

### Pensions

The budget will provide for adequate funding of all retirement systems.

### Reserves

The City has implemented emergency or contingency reserve funds. The emergency reserves have been designated by City Ordinance at 5% of operating funds, and a specific amount (\$500,000) for the General Fund.

## **CAPITAL IMPROVEMENTS**

The City will maintain a multi-year (6 year) Capital Facilities Plan (CFP) and update it annually. All capital improvements will be made in accordance with the adopted plan. The CFP will be developed in conjunction with the operating budget to insure that all operation and maintenance costs associated with new capital improvements are adequately addressed. The City will maintain all of its assets at a level adequate to protect the City's capital investment and to minimize future maintenance and replacement costs.

### **AMENDING THE BUDGET**

The mayor is authorized to transfer budgeted amounts between programs within any fund, however, any revisions that alter the total expenditures of a fund must be approved by the Council. When Council determines that it is in the best interest of the City to increase or decrease the appropriation for a particular fund, it may do so by ordinance.

### **BUDGET PRACTICES**

The City will annually review all revenue schedules, including taxes, rates, license fees, user fees, and other charges to insure that these revenues collections are kept current.

Revenue projections are prepared for each revenue source based on an analysis of past revenue trends and current fiscal conditions, as well as information about changing economic or commercial activities in the community.

Regular reports comparing actual to budgeted revenues will be prepared by the Finance Director and presented to the Mayor and Council.

Expenditure analysis includes adjustments for inflation, workload increases/decreases, and other effects that will cause changes in expenditures.

The Finance Department and City Administration together create a list of parameters for departments to follow when preparing base budgets. These parameters include items such as allowable growth in O & M, growth of the labor base caused by non-contract increases and benefit costs, and utility rate increases. The Finance Department budgets all non-departmental contributions and projects separately based on the unique requirements of each program. Separate from this process, the departments prepare schedules of new program requests for the coming budget period.

Separate budget requests are presented for each different local service or function. Currently existing services compete directly with new program

requests during the budget evaluation process. Existing services do not receive greater support merely because of their historical standing.

After all base expenditures are calculated, and new programs are summarized, City Administration balances the budget by selecting new programs to add, and selecting current services to discontinue.

## **GOALS FOR IMPROVING BUDGET POLICY**

### Position Control

Assist the Administration and Human Resources departments with developing and maintaining centralized position control to assure that salary commitments do not exceed budgeted amounts.

### Financial Condition

Complete evaluation of City's Financial Condition.

### Budget Document

Continue the refinement and fine-tuning of this budget document format to better inform the citizens of Anacortes and to the many other users as well.

## **BUDGET CONTROL**

The City maintains budgetary controls in accordance with the Revised Code of Washington (RCW 35A.33). All budgets are controlled on a departmental basis. City budgets are legally adopted and controlled on a cash basis.

## **BUDGETARY ACCOUNTING**

According to the Washington State Auditor's Office all general (current expense), special revenue and proprietary (enterprise and internal service) funds must have annual appropriated budgets. Debt service and capital project fund budget requirements are met by the continuing appropriation contained in the enabling ordinance or resolution. These funds do not need annual appropriated budgets, however, the City, to give greater visibility and understanding, does budget these funds. The City also budgets its fiduciary pension trust fund.

## **BUDGET ACCOUNT CLASSIFICATIONS**

### Fund Accounting

The City of Anacortes utilizes (for all funds) the Budgeting, Accounting, Reporting System (BARS) for counties and cities in the State of Washington as prescribed by the State Auditor's Office. Emphasis is placed on programs and services of what the City is attempting to accomplish rather than upon objects or individual services to be paid.

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The City uses governmental, proprietary and fiduciary funds. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate.

Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped as follows:

### GOVERNMENTAL FUNDS

Governmental funds are accounted for on a spending measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available expendable resources." 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.

General Fund - The General Fund is the general operating fund of the City. It accounts for all financial resources and transactions except those required to be accounted for in another fund. The activities of fire and police service, legal services, general administration, and other general activities are included.

Special Revenue Funds - Special Revenue Funds account for the proceeds of specific revenue sources (other than expendable trusts, or for major capital projects) that are legally restricted to expenditure for specified purposes. The activities of parks & recreation, cemetery, library, streets are included here, but are also combined with the General Fund above and referred to in combination as "General Government". Special Revenue funds also include the tourism and community development funds.

Debt Service Funds - Debt Service Funds account for the accumulation of resources and the payment of general long-term debt principal and interest from governmental resources and special assessment bond principal and



interest from special assessment levies when the government is obligated in some manner for the payment.

Capital Projects Funds - Capital Projects Funds account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). This includes construction activities on the W.T. Preston Interpretive Center, South March Point Road and Tommy Thompson Parkway Trail.

#### PROPRIETARY FUNDS

Proprietary funds are accounted for on a capital maintenance measurement focus. 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 increase (revenue and gains) and decreases (expenses and losses) in net total assets.

Enterprise Funds - Enterprise Funds account for operations

(a) which are normally financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or

(b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Enterprise funds include the Water Utility, Sewer Utility, Storm Drain Utility, and Solid Waste Utility.

Internal Service Funds - Internal Service funds account for the financing of goods or services provided by one department to other departments of the City on a cost reimbursement basis. The only current internal service fund is that of Motor Equipment.

#### FIDUCIARY FUNDS

Trust Funds - Trust Funds account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Pension Trust funds are accounted for in essentially the same manner as Proprietary Funds since capital maintenance is critical. The Fire Pension Fund is included here.

## BUDGET CALENDAR

The City follows the procedures outlined below in establishing its annual budget. These procedures are in accordance with state law time limitations as mandated by RCW 35A.33 (Code cities).

### BUDGET PROCESS FOR FY 2004\*

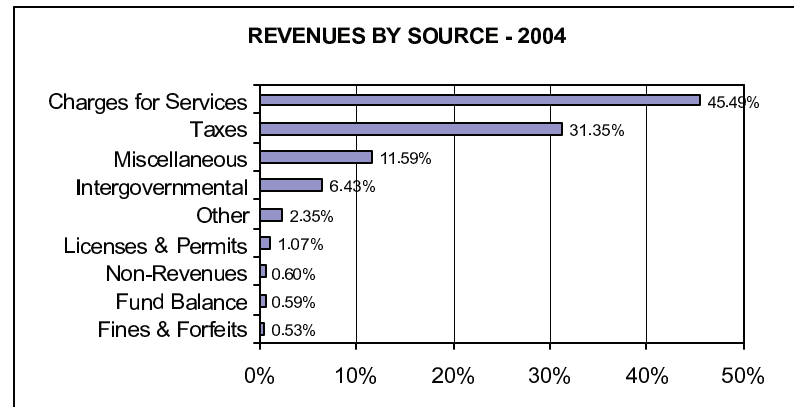
June	Requests for Council recommendations for budget policies and priorities before department heads start.
July	Distribution of budget instructions, related forms, and worksheets, and financial information necessary to prepare budgets.
July/August	Departmental submission of new program requests. Preparation of preliminary revenue estimates by Finance. Preparation of preliminary base budget by Finance & Departments. Mayor/staff review new program requests, revenue estimates, base budgets with Finance.
September	Mayor/staff finalize preliminary budget review, revenues are further refined, and recommended budget is prepared. Budget workshops are held with City Council on the recommended budget. The Council makes its adjustments to the proposed budget.
Sept 25/Oct 2	City Clerk publishes notice of filing of preliminary budget and notice of public hearing on final budget for two consecutive weeks.
October 3	Copies of proposed (preliminary) budget made available to the public.
October 7	Public hearings concerning proposed budget ordinance are held. Council sets by ordinance the amount to be raised through property taxes in the ensuing budget year. Final formal Council hearing on proposed budget.
November 4	Council certifies to Board of County Commissioners the current expense budget and levy estimates.
November 18	Mayor's budget message presented at City Council meeting. Adoption of proposed budget.

The final budget as adopted is published after adoption, distributed to various agencies, and made available to all interested citizens.

**REVENUE SUMMARY  
ALL FUNDS CITY WIDE**

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>FINANCIAL SUMMARY</b>				
GENERAL FUND	10,648,805	9,942,912	11,020,912	9,761,179
SPECIAL REVENUE FUNDS	5,283,686	5,352,226	6,019,326	6,060,907
DEBT SERVICE FUNDS	1,122,484	803,782	803,782	807,698
CAPITAL PROJECT FUNDS	473,351	868,747	1,393,757	851,120
ENTERPRISE FUNDS	16,558,631	14,050,030	14,941,435	12,083,033
INTERNAL SERVICE FUND	1,234,147	1,078,594	1,186,594	1,051,930
FIDUCIARY FUND	48,506	32,380	42,880	42,975
<b>TOTAL ALL FUNDS</b>	<b>35,369,610</b>	<b>32,128,671</b>	<b>35,408,686</b>	<b>30,658,842</b>
<b>General Fund</b>				
Property Taxes	999,475	981,668	981,668	913,000
Sales & Use Taxes	2,577,731	2,720,000	2,738,500	2,640,000
All Other Taxes	2,408,527	2,235,000	2,311,000	2,310,000
Licenses & Permits	330,963	316,300	329,900	319,800
Federal/State Grants	93,963	6,200	78,175	
Entitlements/Impact Payments	169,119	163,300	165,700	177,800
Interlocal	12,504	12,500	12,500	12,500
Intergovernmental	569,980	441,475	441,475	
Service Fees	1,157,514	1,064,810	1,135,135	827,761
Fines/Forfeits	150,267	135,000	145,900	155,000
Interest	137,972		86,275	25,100
Rents/Leases	2,851	3,001	4,201	3,001
Interfund Med Ins Premiums	1,234,216	1,629,155	1,750,383	1,881,520
Interfund Data Processing	262,375	275,160	360,160	273,695
Other	10,576		2,900	
Transfers	530,772			
Total Discretionary	10,648,805	9,983,569	10,543,872	9,539,177
Beginning Fund Balance		(40,657)	477,040	222,002
<b>Total General Fund</b>	<b>10,648,805</b>	<b>9,942,912</b>	<b>11,020,912</b>	<b>9,761,179</b>
<b>Special Revenue Funds</b>				
Taxes	2,038,093	2,170,107	2,178,857	2,452,302
Federal/State Grants	201,885	1,905,000	1,907,880	967,200
Entitlements/Impact Payments	319,784	315,000	316,450	315,050
Intergov'tl Grants	97,200	35,000	65,144	450,000
Service Fees	358,232	126,700	326,578	662,500
Fines/Forfeits	4,402	3,000	4,160	3,000
Interest	25,282	5,000	14,881	
Rents/Leases	322,902	309,000	344,870	325,100
Land Sales	1,014,275			
Other	61,631	30,530	79,630	10,000
Operating Transfers	840,000	460,000	460,000	620,000
Total Discretionary	5,283,686	5,359,337	5,698,450	5,805,152
Beginning Fund Balance		(7,111)	320,876	255,755
<b>Total Special Revenue Funds</b>	<b>5,283,686</b>	<b>5,352,226</b>	<b>6,019,326</b>	<b>6,060,907</b>

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>Debt Service Funds</b>				
Property Taxes	658,201	656,649	656,649	630,096
Other Taxes	270,703	147,133	147,133	148,190
Interest	21,260			
Penalties				
Assessments/interest	19,886			
Operating Transfer	152,434			
Total Discretionary	1,122,484	803,782	803,782	778,286
Beginning Fund Balance				29,412
<b>Total Debt Service Funds</b>	<b>1,122,484</b>	<b>803,782</b>	<b>803,782</b>	<b>807,698</b>
<b>Capital Projects Funds</b>				
Taxes (REET)	270,703		370,000	273,044
Intergovernmental		324,375	324,375	324,375
Private Donations	95,309		98,970	83,701
Interest	65,839		6,500	
Transfers	41,500			
Other		84,325		
Total Discretionary	473,351	408,700	799,845	681,120
Beginning Fund Balance		460,047	593,912	170,000
<b>Total Capital Projects Funds</b>	<b>473,351</b>	<b>868,747</b>	<b>1,393,757</b>	<b>851,120</b>
<b>Enterprise Funds</b>				
Water	9,786,294	7,713,939	8,002,939	5,681,130
Sewer	4,368,891	4,167,598	4,669,598	4,159,346
Storm Drain	523,622	497,767	497,767	542,246
Sanitation	1,879,825	1,670,726	1,771,131	1,700,311
<b>Total Enterprise Funds</b>	<b>16,558,632</b>	<b>14,050,030</b>	<b>14,941,435</b>	<b>12,083,033</b>



**SUMMARY OF EXPENDITURES  
ALL FUNDS CITY WIDE**

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>FINANCIAL SUMMARY</b>				
GENERAL FUND	9,468,530	9,942,912	11,020,912	9,761,179
SPECIAL REVENUE FUNDS	4,213,205	5,352,226	6,019,326	6,060,907
DEBT SERVICE FUNDS	1,617,914	803,782	803,782	807,698
CAPITAL PROJECTS FUNDS	3,605,781	868,747	1,393,757	851,120
ENTERPRISE FUNDS	15,577,097	14,050,030	14,941,435	12,083,033
INTERNAL SERVICE FUND	1,430,828	1,078,594	1,186,594	1,051,930
FIDUCIARY FUND	42,072	32,380	42,880	42,975
<b>TOTAL ALL FUNDS</b>	<b>35,955,427</b>	<b>32,128,671</b>	<b>35,408,686</b>	<b>30,658,842</b>

**General Fund**

Personnel				
Salaries & Wages	4,861,291	4,861,548	5,104,658	4,447,125
Fringe Benefits	2,288,604	2,488,734	2,809,423	3,012,061
Supplies	219,958	236,769	251,769	240,000
Services	976,273	973,035	1,038,235	1,031,663
Intergovernmental	427,911	441,282	441,282	256,406
Capital Outlays	119,365	106,900	540,900	81,075
Interfund	575,128	584,644	584,645	492,849
<b>Total Discretionary</b>	<b>9,468,530</b>	<b>9,692,912</b>	<b>10,770,912</b>	<b>9,561,179</b>
Reserve Fund Balance		250,000	250,000	200,000
<b>Total General Fund</b>	<b>9,468,530</b>	<b>9,942,912</b>	<b>11,020,912</b>	<b>9,761,179</b>

**Special Revenue Funds**

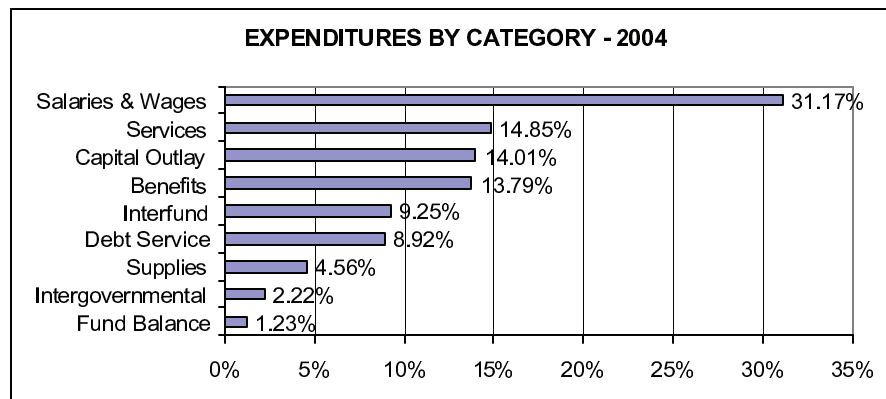
Personnel				
Salaries & Wages	1,175,186	1,239,917	1,270,060	2,073,205
Fringe Benefits	280,124	309,620	314,085	527,206
Supplies	269,008	259,600	265,585	247,720
Services	675,653	757,182	878,009	523,585
Intergovernmental	3,213	10,335	12,215	11,511
Capital Outlays	1,147,600	2,310,480	2,814,280	1,924,500
Debt Service	261,216			
Interfund	359,705	365,401	365,401	299,180
Operating Transfers	41,500			284,000
<b>Total Discretionary</b>	<b>4,213,205</b>	<b>5,252,535</b>	<b>5,919,635</b>	<b>5,890,907</b>
Reserve Fund Balance		99,691	99,691	170,000
<b>Total Special Revenue Funds</b>	<b>4,213,205</b>	<b>5,352,226</b>	<b>6,019,326</b>	<b>6,060,907</b>

**Capital Projects Funds**

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
Personnel				
Salaries & Wages	17,361		2,965	
Fringe Benefits	4,054		525	
Supplies			0	
Services	38,557	41,300	47,332	
Intergovernmental	101		0	
Capital Outlays	3,339,305	408,700	424,178	408,076
Debt Service	123,969	23,747	523,757	23,044
Other Financing Uses	82,434	395,000	395,000	420,000
<b>Total Capital Projects Funds</b>	<b>3,605,781</b>	<b>868,747</b>	<b>1,393,757</b>	<b>851,120</b>

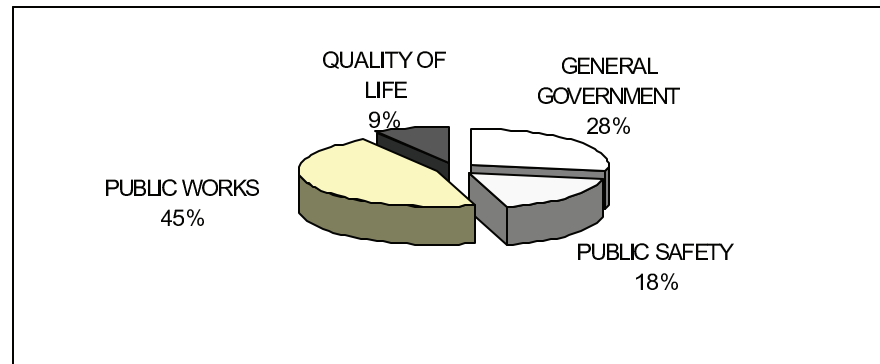
**Enterprise Funds**

Personnel				
Salaries & Wages	2,365,987	2,604,099	2,604,099	2,661,140
Fringe Benefits	613,242	687,686	687,686	829,594
Supplies	635,083	625,916	625,916	652,855
Services	2,530,452	2,869,268	3,004,890	2,710,258
Intergovernmental	392,245	374,200	407,200	403,065
Capital Outlays	6,266,928	3,906,995	4,629,778	1,740,724
Debt Service	1,530,137	1,507,352	1,507,352	1,843,788
Interfund	1,243,023	1,474,514	1,474,514	1,241,609
<b>Total Enterprise Funds</b>	<b>15,577,097</b>	<b>14,050,030</b>	<b>14,941,435</b>	<b>12,083,033</b>



**SUMMARY OF EXPENDITURES  
BY DEPARTMENT**

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>GENERAL GOVERNMENT</b>				
Mayor and Council	229,575	223,407	235,663	238,455
City Attorney	346,341	324,950	397,537	383,532
Finance	1,347,143	1,316,630	1,373,068	1,380,686
Human Resources	144,152	149,440	184,550	172,065
Planning/Community Development	694,141	633,002	708,626	637,216
Non-Departmental	5,800,349	4,976,462	5,529,161	5,750,172
<b>PUBLIC SAFETY</b>				
Police	2,983,089	2,813,701	3,053,635	3,058,840
Medic/Fire	1,984,773	2,182,070	2,808,194	2,310,849
<b>PUBLIC WORKS (UTILITIES &amp; TRANSPORTATION)</b>			0	0
Public Works	16,796,481	16,817,374	17,916,927	13,960,294
<b>QUALITY OF LIFE</b>				
Parks/Recreation/Cemetery	1,385,035	1,383,972	1,828,662	1,442,115
Library	4,204,792	666,612	731,612	715,093
Museum	218,002	641,051	641,051	609,525
	<b>36,133,873</b>	<b>32,128,671</b>	<b>35,408,686</b>	<b>30,658,842</b>



<b>EMERGENCY RESERVE FUND BALANCES - ALL FUNDS</b>
--

	Emergency Reserve Fund Balance 1/1/03	Increases	Emergency Reserve Fund Balance 12/31/03
<b>GENERAL/SPECIAL REVENUE</b>			
General Fund	\$500,000		\$500,000
Park & Recreation	35,022	1,216	36,238
Cemetery	8,000		8,000
Street	56,228		56,228
Washington Park	25,000		25,000
Tourism	9,500		9,500
Community Development	22,966		22,966
<b>ENTERPRISE FUNDS</b>			
Water	834,332		834,332
Sewer	217,934		217,934
Storm Drain	24,763	125	24,888
Sanitation	87,621		87,621
<b>INTERNAL SERVICE</b>			
Equipment Rental	244,841		244,841
<b>FIDUCIARY</b>	<u>3,448</u>		<u>3,448</u>
<b>TOTAL</b>	<u>\$2,069,655</u>	<u>1,341</u>	<u>\$2,070,996</u>

The emergency reserves have been designated by City Ordinance at 5% of operating funds, and a specific amount (\$500,000) for the General Fund.

SCHEDULE OF LONG-TERM DEBT
----------------------------

	<u>PURPOSE</u>	<u>INTEREST RATE</u>	<u>DATE ISSUED</u>	<u>ORIGINAL MATURITY</u>	<u>ORIGINAL ISSUE</u>	<u>BALANCE 12/31/02</u>
<b>GENERAL LONG-TERM DEBT ACCOUNT GROUP</b>						
<b>General Obligation:</b>						
1999 Refunded G.O. Bond (1992 old)	Construction of Fire Halls	3.4 - 4.75%	1999	2012	\$1,490,000	\$1,060,000
1999 G.O. Bonds (new)	Construction of Public Safety Building	3.5 - 5.1%	1999	2018	2,050,000	1,890,000
2000 G.O. Bonds	Construction of Library Facility	5.375 - 5.8%	2000	2020	6,050,000	5,620,000
<b>Loans Payable:</b>						
Washington St DCD PWTF Loan #3	Anaco Beach Road Improvements	3.0%	1993	2013	351,225	188,321
Washington St DCD PWTF Loan #4	SR-20/R Avenue Intersection	1.0%	1994	2014	48,374	<u>28,006</u>
<b>TOTAL GENERAL LONG-TERM DEBT</b>						<b><u>\$8,786,327</u></b>
<b>ENTERPRISE FUNDS</b>						
<b>Revenue &amp; Refunding Bonds:</b>						
1997 Water Revenue Refunding		3.5 - 4.45%	1997	2006	1,835,000	\$ 860,000
2003 Sewer Revenue Refunding ('93)	New Sewer Plant	4.0 - 5.0%	2003	2013	6,295,000	6,295,000
2002 Water Revenue	36" Waterline Replacement	2.5 - 4.875%	2002	2022	3,065,000	3,065,000
2003 Water Revenue	Betterments & Extensions (AMR)	2.0 - 3.0%	2003	2012	1,500,000	1,430,000
<b>Loans Payable</b>						
Washington St DCD PWTF Loan #1	Storm Sewer Separation	1.0%	1988	2008	106,161	58,979
Washington St DCD PWTF Loan #2	Sewer Replacement	1.0%	1990	2010	134,041	<u>85,299</u>
<b>TOTAL ENTERPRISE FUND</b>						<b><u>\$11,794,278</u></b>

<b>DEBT SERVICE SCHEDULES GENERAL LONG-TERM DEBT</b>
--

1999 G.O. Bonds

	Principal	Interest	Total
2004	\$40,000	\$92,285.00	\$132,285.00
2005	40,000	90,605.00	130,605.00
2006	50,000	88,885.00	138,885.00
2007	50,000	86,660.00	136,660.00
2008	55,000	84,410.00	139,410.00
2009	50,000	81,907.50	131,907.50
2010	60,000	79,582.50	139,582.50
2011	55,000	76,792.50	131,792.50
2012	60,000	74,207.50	134,207.50
2013	210,000	71,357.50	281,357.50
2014	220,000	61,172.50	281,172.50
2015	230,000	50,282.50	280,282.50
2016	245,000	38,897.50	283,897.50
2017	255,000	26,647.50	281,647.50
2018	270,000	13,770.00	283,770.00
	<u>\$1,890,000</u>	<u>\$1,017,462.50</u>	<u>\$2,907,462.50</u>

2000 G.O. Bonds

	Principal	Interest	Total
2004	\$210,000	\$317,222.50	\$527,222.50
2005	220,000	305,935.00	525,935.00
2006	230,000	294,110.00	524,110.00
2007	245,000	281,747.50	526,747.50
2008	255,000	268,578.76	523,578.76
2009	270,000	254,872.50	524,872.50
2010	280,000	240,360.00	520,360.00
2011	300,000	225,100.00	525,100.00
2012	315,000	207,850.00	522,850.00
2013	335,000	189,737.50	524,737.50
2014	350,000	170,475.00	520,475.00
2015	375,000	150,350.00	525,350.00
2016	400,000	128,787.50	528,787.50
2017	420,000	105,787.50	525,787.50
2018	445,000	81,847.50	526,847.50
2019	470,000	56,260.00	526,260.00
2020	500,000	29,000.00	529,000.00
	<u>\$5,620,000</u>	<u>\$3,308,021.26</u>	<u>\$8,928,021.26</u>

1999 Refunding G.O. Bond

	Principal	Interest	Total
2004	\$100,000	\$48,190.00	\$148,190.00
2005	105,000	43,990.00	148,990.00
2006	105,000	39,475.00	144,475.00
2007	110,000	34,802.50	144,802.50
2008	115,000	29,852.50	144,852.50
2009	125,000	24,620.00	149,620.00
2010	125,000	18,807.50	143,807.50
2011	135,000	12,995.00	147,995.00
2012	140,000	6,650.00	146,650.00
	<u>\$1,060,000</u>	<u>\$259,382.50</u>	<u>\$1,319,382.50</u>

Washington St DCD PWTF Loan #3

	Principal	Interest	Total
2004	\$18,832.13	\$1,883.21	\$20,715.34
2005	18,832.13	1,694.89	20,527.02
2006	18,832.13	1,506.57	20,338.70
2007	18,832.13	1,318.25	20,150.38
2008	18,832.13	1,129.93	19,962.06
2009	18,832.13	941.61	19,773.74
2010	18,832.13	753.29	19,585.42
2011	18,832.13	564.96	19,397.09
2012	18,832.13	376.64	19,208.77
2013	18,832.13	188.32	19,020.45
	<u>\$188,321.30</u>	<u>\$10,357.67</u>	<u>\$198,678.97</u>

Washington St DCD PWTF Loan #4

	Principal	Interest	Total
2004	\$2,546.01	\$840.18	\$3,386.19
2005	2,546.01	763.80	3,309.81
2006	2,546.01	687.42	3,233.43
2007	2,546.01	611.04	3,157.05
2008	2,546.01	534.66	3,080.67
2009	2,546.01	458.28	3,004.29
2010	2,546.01	381.90	2,927.91
2011	2,546.01	305.52	2,851.53
2012	2,546.01	229.14	2,775.15
2013	2,546.01	152.76	2,698.77
2014	2,546.01	76.38	2,622.39
	<u>\$28,006.11</u>	<u>\$5,041.08</u>	<u>\$33,047.19</u>



<b>DEBT SERVICE SCHEDULES</b> <b>ENTERPRISE FUNDS</b>
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1997 Water Revenue Refunding

	Principal	Interest	Total
2004	\$600,000	\$24,770	\$624,770
2005	260,000	5,785	265,785
	<u>\$860,000</u>	<u>\$30,555</u>	<u>\$890,555</u>

2003 Sewer Revenue Refunding ('93)

	Principal	Interest	Total
2004	\$515,000	\$283,936.53	\$798,936.53
2005	540,000	262,550.00	802,550.00
2006	565,000	240,950.00	805,950.00
2007	585,000	218,350.00	803,350.00
2008	610,000	194,950.00	804,950.00
2009	635,000	167,500.00	802,500.00
2010	665,000	138,925.00	803,925.00
2011	695,000	109,000.00	804,000.00
2012	725,000	74,250.00	799,250.00
2013	760,000	38,000.00	798,000.00
	<u>\$6,295,000</u>	<u>\$1,728,411.53</u>	<u>\$8,023,411.53</u>

Washington St DCD PWTF Loan #1

	Principal	Interest	Total
2004	\$11,795.63	\$589.78	\$12,385.41
2005	11,795.63	471.83	12,267.46
2006	11,795.63	353.87	12,149.50
2007	11,795.63	235.91	12,031.54
2008	11,795.63	117.96	11,913.59
	<u>\$58,978.15</u>	<u>\$1,769.35</u>	<u>\$60,747.50</u>

Washington St DCD PWTF Loan #2

	Principal	Interest	Total
2004	\$12,185.53	\$2,558.96	\$14,744.49
2005	12,185.53	2,193.39	14,378.92
2006	12,185.53	1,827.83	14,013.36
2007	12,185.53	1,462.26	13,647.79
2008	12,185.53	1,096.70	13,282.23
2009	12,185.53	731.13	12,916.66
2010	12,185.53	365.57	12,551.10
	<u>\$85,298.71</u>	<u>\$10,235.84</u>	<u>\$95,534.55</u>

2002 Water Revenue Bonds

	Principal	Interest	Total
2004		\$127,861.26	\$127,861.26
2005		127,861.26	127,861.26
2006	135,000	127,861.26	262,861.26
2007	135,000	124,486.26	259,486.26
2008	140,000	120,436.26	260,436.26
2009	145,000	115,536.26	260,536.26
2010	150,000	110,461.26	260,461.26
2011	155,000	104,461.26	259,461.26
2012	160,000	98,261.26	258,261.26
2013	170,000	91,861.26	261,861.26
2014	175,000	85,061.26	260,061.26
2015	180,000	77,973.76	257,973.76
2016	190,000	70,323.76	260,323.76
2017	200,000	62,011.26	262,011.26
2018	205,000	53,211.26	258,211.26
2019	215,000	43,986.26	258,986.26
2020	225,000	34,042.50	259,042.50
2021	235,000	23,467.50	258,467.50
2022	250,000	12,187.50	262,187.50
	<u>\$3,065,000</u>	<u>\$1,611,352.66</u>	<u>\$4,676,352.66</u>

2003 Water Revenue

	Principal	Interest	Total
2004	\$145,000	\$36,087.50	\$181,087.50
2005	150,000	33,187.50	183,187.50
2006	150,000	30,187.50	180,187.50
2007	155,000	27,187.50	182,187.50
2008	160,000	23,700.00	183,700.00
2009	160,000	19,700.00	179,700.00
2010	165,000	15,300.00	180,300.00
2011	170,000	10,350.00	180,350.00
2012	175,000	5,250.00	180,250.00
	<u>\$1,430,000</u>	<u>\$200,950</u>	<u>\$1,630,950</u>

Position Counts Ten-Year Full Time Equivalents*
--

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Public Works	60.10	59.00	59.00	64.02	65.14	67.76	64.78	65.87	69.27	65.13
Police	32.00	33.00	32.00	32.00	29.00	31.00	32.00	32.00	32.00	33.00
Fire	13.00	14.38	14.88	18.88	23.78	21.32	21.01	21.00	21.00	21.00
Parks/Recreation/Cemetery	16.18	15.69	16.66	20.41	21.74	24.91	18.06	19.18	18.04	18.04
Finance	10.50	9.50	9.50	10.30	11.33	12.00	11.00	12.00	12.00	12.00
Library	11.70	11.70	11.70	13.20	14.27	14.47	11.79	10.82	13.29	13.29
Mayor/Council	8.35	8.50	8.50	8.50	8.50	8.50	8.40	8.46	8.46	8.44
Planning	6.50	7.00	7.00	7.34	7.50	7.50	7.00	7.10	7.10	6.90
Legal/Judicial	4.75	4.32	4.32	4.50	4.50	3.25	3.30	3.70	3.48	4.09
Museum	6.25	4.30	4.80	4.75	5.95	5.55	4.10	4.60	4.27	4.27
Human Resources	.80	1.00	1.00	1.00	1.00	1.60	1.53	1.60	1.80	1.80
<b>Total</b>	<b>170.13</b>	<b>168.39</b>	<b>169.36</b>	<b>184.90</b>	<b>192.71</b>	<b>197.86</b>	<b>182.97</b>	<b>186.33</b>	<b>190.71</b>	<b>187.96</b>

\*Full time equivalents includes: Regular full-time and part-time and Temporary/Project full-time and part-time.

SALARY STRUCTURE

<b>Non-Union, Including Management</b>	<b>2004 Salary Range</b>	
Administrative Assistant – Public Safety	2,987	3,361
Administrative Support – Library	2,358	2,654
Assistant City Engineer	5,084	5,723
Assistant Finance Director	5,084	5,723
Assistant Fire Chief	5,236	5,894
Building Official	4,258	4,793
City Attorney/Planning Director	7,204	8,108
Council Members	800	
Court Administrator	3,462	3,897
Executive Secretary	3,168	3,566
Facilities Manager	3,566	4,014
Finance Director	6,073	6,836
Fire Chief	5,790	6,516
Human Resource Director	4,925	5,544
Human Resource Generalist	2,987	3,361
Information Systems Assistant	3,168	3,566
Information Systems Technician	4,258	4,793
Legal Secretary	2,987	3,361
Librarian	3,566	4,014
Library Assistant	1,861	2,095
Library Associate Senior	2,654	2,987
Library Director	4,554	5,125
Library Pages	minimum wage	

<b>Non-Union, Including Management</b>	<b>2004 Salary Range</b>	
Mayor	5,165	6,712
Mechanic Foreman	4,134	4,653
Museum Aides	minimum wage	
Museum Curator	1,861	2,095
Museum Director	3,063	3,448
Museum Registrar	1,861	2,095
Office Manager	3,566	4,014
Park Operations/Forestlands/ WA Park Mgr	3,566	4,014
Parks & Recreation Director	4,860	5,470
Physical Assets Accountant	3,566	4,014
Police Captain	5,084	5,723
Police Chief	6,161	6,904
Public Services Manager	4,653	5,237
Public Works Director	6,493	7,308
Recreation Manager	3,566	4,014
Senior Accountant	4,258	4,793
Special Project Engineer	4,653	5,237
Street/Sewer Foreman	4,134	4,653
Water Maintenance Foreman	4,134	4,653
WTP & WWTP Foreman	4,134	4,653
WWTP Lab Technician	4,134	4,653
WTP & WWTP Manager	4,653	5,237

In 2003 all position salaries except for Directors were established within a range. Director salaries are at the discretion of the Mayor and indicated here in an assumed range.

<b>IAFF Local 1537</b>	<b>2004 Ranges</b>	
Firefighter/Paramedic	4,386	4,999
Lieutenant	5,133	5,563

<b>Police Services Guild</b>	<b>2003 Ranges</b>	
Clerk	2,519	2,992
Sr. Clerk	2,566	3,047
Records Support	2,690	3,194
Animal Control	3,009	3,574
Records Supervisor	3,354	3,698
Police Officer	3,620	4,533
Police Sergeant	4,920	5,166

<b>Teamster</b>	<b>2004 Ranges</b>	
Accounting Clerk I	2,581	2,906
Accounting Clerk II	3,019	3,397
Administrative Assistant	3,092	3,480
Building Inspector	3,517	3,958
Building Plans Examiner	3,948	4,443
Court Clerk	2,657	2,990
Custodian	2,461	2,769
Department Secretary I	2,473	2,783
Department Secretary II	2,879	3,241
Engineering Technician I	3,083	3,470
Engineering Technician II	3,264	3,674
Engineering Technician III	3,775	4,250
Engineering Technician IV	4,052	4,561
GIS Coordinator	3,775	4,250
Land Use Permit Manager	3,343	3,762
Mechanic - Equipment	3,423	3,852
Park Maint Worker	3,343	3,762

<b>Teamster</b>	<b>2004 Ranges</b>	
Park Maint Worker - Lead	3,510	3,951
Park Maint Worker - Foreperson	3,842	4,325
Permit Technician II	3,239	3,645
Recreation Coordinator	3,278	3,689
Sanitation Worker	3,343	3,762
Sanitation Worker - Lead	3,510	3,951
Street/Sewer Worker	3,343	3,762
Street/Sewer Worker - Lead	3,510	3,951
Water Maint Worker	3,343	3,762
Water Maint Worker - Lead	3,510	3,951
Water Utility Services Worker	3,343	3,762
Water Utility Services - Foreperson	3,824	4,303
WTPO – WWTPO OIT	3,015	
WTPO – WWTPO - I	3,123	3,515
WTPO – WWTPO - II	3,412	3,841
WTPO – WWTPO - III	3,729	4,198

All wages are quoted as monthly salaries.

*Anacortes is a non-charter code city, operating under Section 35A of the Revised Code of Washington. It has a Mayor/Council form of government. The Mayor and seven member City Council are elected for staggered four-year terms and are elected both at-large (4) and by district (3). Members of the City Council are responsible for establishing the general direction and policies for the City and for providing the resources necessary to carry out these policies.*

# *Revenues*

## REVENUES

### GOVERNMENTAL FUNDS

#### 1. Fund Balances

Technically, a fund balance is the difference between assets and liabilities of a governmental fund. However, for budgetary purposes, the City defines balances as equivalent to "Cash on Hand at the Beginning of a Year". Fund balances therefore are estimated amounts of cash needed to carry over to balance a fund's budget where estimated expenditures exceed estimated revenues

#### 2. Taxes

##### A. Property Tax

The County Treasurer acts as agent to collect property (real and personal) taxes levied in the County for all taxing authorities. The City may levy up to \$3.375\* per \$1,000 of assessed valuation (A.V.) for general governmental services (RCW 84.52.043), subject to two limitations:

- 1) Initiative 747 went into effect in December 2001 limiting property tax regular levy increases to 1%, unless a city chooses to submit a voter-approved levy lid lift.
- 2) The Washington State Constitution limits the total regular property taxes to 1% of assessed valuation or \$10 per \$1,000 of value. If the taxes of all districts exceed this amount, each is proportionately reduced until the total is at or below the 1% limit.

Voters may approve excess property tax levies over the constitutional and statutory limits for a number of years to pay off general obligation bonds (debt) for construction, or a single year levy (two years for school districts) for general operating purposes (e.g. library bldg. improvements in 1985). The constitution requires 40% of voter turnout in the previous general election and a 60% favorable majority vote (RCW 41 & 84).

### Levy Lid Lift

Cities that are levying property taxes at a rate lower than the statutory maximum (\$3.375) can ask the voters to lift the levy lid by more than 6%. A simple majority vote is required. (RCW 84.55.050) The purpose for which the money will be used does not need to be specified.

Even cities that are currently levying their statutory maximum rate can ask the voters to raise their rate for one year (RCW 84.52.052). Referred to as an O & M (operations and maintenance) levy. The proposition must be approved by 60% of those voting and the total number of voters must be at least 40% of those voting in the most recent general election. As with the levy lid lift, the purpose for which the money will be used does not need to be specified.

Property taxes are due on April 30 and October 31. This means that the bulk of property tax revenue is received in May, June, November and December. The County Treasurer collects all property taxes and transmits the City's portion on the 10th day of the month, on the balances it has held until that time.

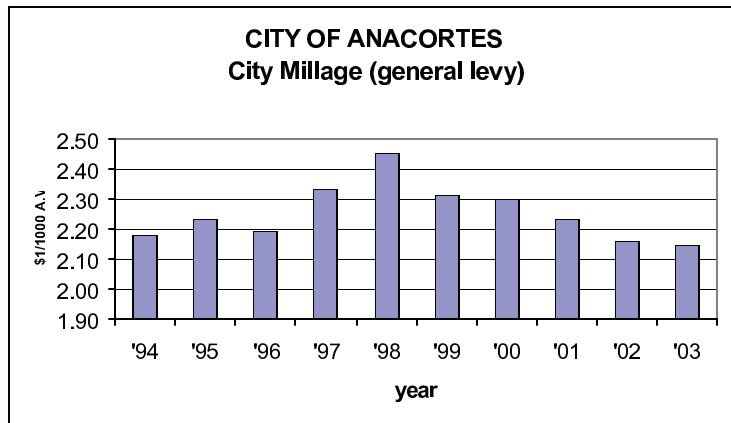
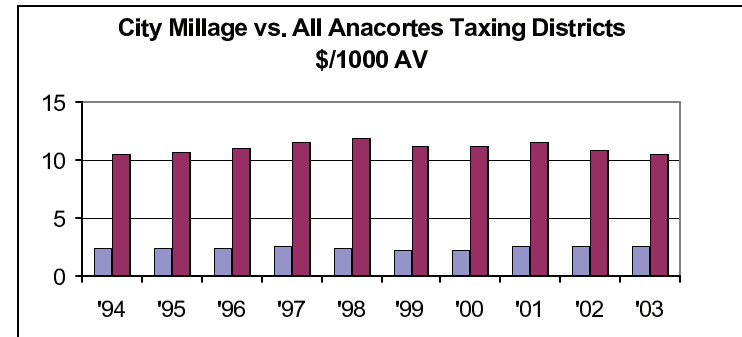
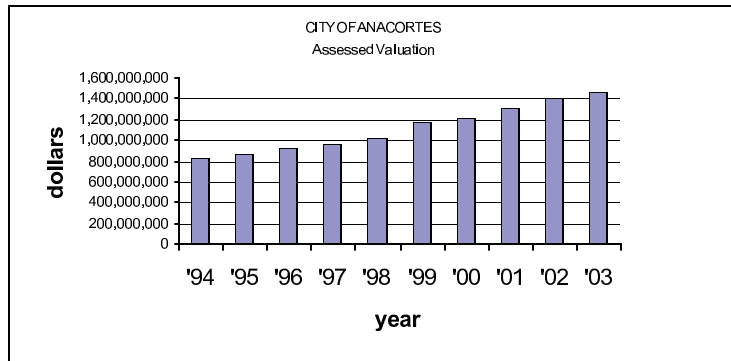
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\* The City, having a Firemen's Pension Fund, is allowed an additional \$0.225/\$1,00 A.V., (RCW 41.16.060), which the City has not yet chosen to use. See page 31.

## Property Tax Levy Rates

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
<u>Assessed Value</u>	\$831,855,560	\$874,973,309	\$927,343,777	\$961,331,925	\$1,027,802,608	\$1,175,198,254	\$1,216,416,039	\$1,310,040,109	\$1,412,486,984	\$1,467,464,751
<u>City Millage (General Levy)</u>	2.1801	2.2367	2.1948	2.333	2.4542	2.3140	2.2975	2.6490	2.1582	2.1456

The following two charts show for a ten-year period (1994-2003) the City's assessed valuation growth and the City's basic levy rate decreases relative thereto



The following chart shows a ten-year comparison of the City's tax levy relative to all other entities making up the total tax levy for the citizens of Anacortes, including the City. These other entities are: State School, School, County, Pool, Port and Hospital. Schools represent approximately 55% of the total taxes.

### B. Retail Sales and Use Tax

Effective October 1, 2003, sales tax (RCW 82.14.030) in Anacortes is 7.9%. Of this, 6.5% goes to the State, 1.0% to the City and 0.4% to the County. Of the 1.0%, 0.15% goes to the County, and an approximate .01% administrative charge is kept by the State, so the City actually receives a net of .840%. Of the 0.4%, 0.1% is distributed by the County to cities in the county and is to be used strictly for criminal justice purposes, 0.2% is for the Skagit County Public Transportation Benefit Area Authority (PTBA) and 0.1% is to provide funds for costs associated with emergency communication and facilities. (RCW 82.14.340).

The tax is imposed on all retail sales of personal property except retail for food products consumed off premises and prescription drugs (there are other minor exemptions).

On purchases made out-of-state by Washington residents, the sales tax has to be paid when the item(s) are put to use in Washington. It is then called a "use tax" because the item is purchased out of the State but is "used" in Washington. If the other State charges a sales tax but is less



than the Washington tax, then the Washington resident must pay the difference (e.g. if Idaho charges 5.0% sales tax on an automobile, then the Anacortes resident would have to pay an additional 2.9% use tax.)

The State Department of Revenue distributes the monies collected monthly, along with accrued interest (RCW 82.14.050).

C. Lodging Excise Taxes (Referred to as Hotel-Motel Tax)

In 1997, SSB 5847 (Chapter 452, Laws of 1997, RCW 67.28) authorized cities a 4% hotel-motel tax rate. This includes the original 2% tax taken as a credit against the 6.5% state sales tax (not an additional tax.) The 1997 state legislature allowed an additional 2% lodging tax, which the City has adopted.

Permitted uses for tax revenues are tourist promotion and for acquisition/maintenance of tourism-related facilities.

D. Utility Taxes

The City imposes a utility tax on the gross operating revenues that private and public utilities earn from operations within City boundaries (RCW 35A.82.020).

Taxes are levied as follows:

	<u>Tax Rate</u>	
(private) Electric	6%	
(private) Gas	6%	
(private) Telephone	6%	
(private) Cable TV	7%	
(public) Water	7%	
(public) Sewer	7%	
(public) Stormwater	7%	
(public) Garbage	3.4%	(State also imposes 3.6%)

The revenues go to the General Fund. Legislation passed in 1982 limits the tax rate on electric, gas, and telephone utilities to 6%. There are no restrictions on the tax rates for water, sewer, stormwater, and solid waste. The rate on cable TV is governed by the 1992 FCC "Cable TV Consumer Protection & Competition Act" authorizing cities (as the local franchising authority) rate regulation powers over "basic cable service".

A city may ask the voters to approve a rate higher than 6% on electric, gas, and telephone, which has been done by a few cities mainly for

public safety purposes (RCW 35.21.870).

Franchise fees are charges levied on private utilities for the right to use city streets, alleys and other public properties. Since 1982, however, the charges on electric, natural gas and telephone utilities are limited to the actual administrative expenses incurred by the city or town directly related to receiving and approving a permit, license or franchise; reviewing plans and monitoring construction; and preparing a detailed SEPA document (RCW 35.21.860).

Cable TV franchise fees are governed by federal rather than state law and may be levied at a rate of five percent of gross revenues, regardless of the costs of managing the franchise process.

E. Leasehold Excise Tax

Any permanent occupancy of publicly-owned premises for private use for 30 days or more is subject to a 12.84% leasehold tax (RCW 82.29A.020/.040). The tax exists as a substitute for regular property taxes to compensate cities and counties for services provided, such as police and fire protection. (There are a number of property exclusions from the tax).

The various public entities owning property in the city that lease land (City, Port, Hospital, School District, State, etc.) have to charge 12.84% against the "fair market rent" of the property and send the money to the Department of Revenue. Of the total dollars received by the Department from all the public entities leasing land in the city, the Department keeps half (6.84%, includes administration fee). Of the remaining 6%, 2% is distributed bimonthly by the State Treasurer to the County and 4% to the City (RCW 82.29A.090). Hence, the city receives approximately one-third of all leasehold tax monies collected by all public entities leasing property in the city, meaning that it receives five to six times more tax money than it collects from its own leased properties.

F. Real Estate Excise Taxes

The real estate excise tax (REET) is levied on all sales of real estate (full selling price). The State levies a 1.28% tax. Additionally, a locally imposed tax is authorized. The local tax takes two forms:

- 1) 1st 1/4% REET (RCW 82.46.010). Cities of 5,000 or more population and planning under the GMA (Growth Management Act) must spend tax receipts solely on capital projects listed in the CFP (Capital Facilities Plan) element of their Comprehensive

Plan. Since 1986, the REET was used to defray capital expenditures in the Sewer Fund. In 1992, the tax was transferred to defray annual debt service costs on the two new fire stations constructed under a 20-year \$1.7 million councilmanic G.O. bond issue.

- 2) The 2nd 1/4% REET (RCW 82.46.035). All cities planning under the GMA (regardless of population size) were given the option of levying a second quarter percent to help defray the costs of implementing the Growth Management Act. The City will use approximately one-fourth of these monies to defray annual debt service costs on a 20-year State Public Works Trust Fund Loan for Anaco Beach Road renovation (\$282,829) and 'R' Avenue/Highway 20 intersection (\$45,828).

Note: To clarify a complication that keeps cropping up. Cities can levy an additional 1/2% real estate excise tax in addition to the 1/2% (1/4% + 1/4%) described above (RCW 82.46.010). But that is available only for a city not levying the optional 1/2% sales tax. This is mainly to help border towns who do not feel they are able to levy the optional sales tax. Since Anacortes does levy the optional sales tax, it is not eligible for the additional 1/2% REET. The City is better off with the 1/2% sales tax option since it brings in far more revenue than the 1/2% real estate excise tax option would.

### 3. Licenses and Permits

#### A. Regulatory License Fees

The City levies an annual Business License flat fee categorized as follows:

- 1) \$95 - taverns/restaurants serving liquor,  
- grocery/supermarkets over 3,000 square feet,  
- mfg. - employing 50 or more people.
- 2) \$50 - financial institutions and  
- professional businesses (law, medicine,  
accounting, engineering, etc.).
- 3) \$20 - all other businesses.
- 4) \$5 - taxi drivers.

The purpose of such fees is to register all businesses to provide the City

with a record of the owners in the event a citizen or a City department has a problem with a business. The amounts are designed to recover the costs of registering the firms and issuing the licenses, maintaining the files, inspecting businesses for licenses, and investigation backgrounds (such as taxi drivers, pawnbrokers, etc.).

#### B. Permits

Permits are issued to aid in various regulatory areas, including:

- 1) Building permits (fee schedules according to building valuations).
- 2) Animal permits (dog licenses-\$2 if spayed/neutered or over 12 years old, \$10 otherwise).
- 3) Concealed weapons [new applications - \$23, (city keeps \$15), renewals - \$15 (city keeps \$8)].
- 4) Environmental and engineering permits (based on detailed fee schedules).

### 4. Intergovernmental Revenues

#### A. State Shared Revenues:

State shared revenues differ from state-collected revenues, which are levied by the local government itself but collected and distributed by the state (e.g. local sales taxes). State shared revenues differ from state entitlements and impact payments by the nature of the distribution (distribution formula).

#### B. State Entitlements, Impact Payments, & In-Lieu Taxes:

##### 1) Criminal Justice Revenues

The 1993 legislature (SB 5521) allowed any county to levy an additional 0.1% Local-Option Countywide Sales Tax (non-voter approved). Skagit County implemented the tax effective 1/1/94. All funds collected from incorporated and unincorporated areas are distributed as follows:

- County - 10%
- County and cities based on population - 90%
  - cities - incorporated population
  - counties - unincorporated population

## 2) Liquor Taxes/Profits

Since cities are responsible for the policing of liquor establishments located within their limits, but are precluded from taxing them because of the state liquor monopoly, the law provides that a share of the state-collected profits and taxes be returned to cities to help defray the costs of policing liquor establishments.

To be eligible to receive liquor taxes and profits, a city must devote at least two percent of its distribution to support an approved alcoholism or drug addiction program (RCW 70.96A.087).

### a) Liquor Excise Tax

Of the liquor taxes received by the state, a quarterly distribution is made to the cities & counties. Of spirituous liquors 28% (32% of wine) goes to the cities on a per capita (population) basis (RCW 82.08.160/.170).

### b) Liquor Board Profits

Liquor Board profits consist of the difference between liquor revenue (liquor stores, taxes on wine & beer, license fees, permit fees, penalties & forfeitures) and Board expenditures. Cities get a 40% share distributed quarterly on a per capita basis. (RCW 66.08.190). 10% goes to the counties and 50% to the state General Fund.

## 4) Motor Vehicle Fuel Excise Tax (gas tax)

Because the federal & state governments have preempted the taxation of gasoline; the state has provided that the state-collected gasoline tax be shared with cities. Distribution is based on population.

Cities receive 6.92% to be deposited in a street fund to be used for street "maintenance" (RCW 46.68.100/.110/.070).

Cities also receive 4.61% to be deposited in an arterial street fund for the construction, improvement, and major repair of arterial streets & highways (RCW 46.68.100/.115). Expenditures of these funds may be made only on projects listed in the city's 6-year Transportation Improvement Plan approved by the Dept.

of Transportation.

Cities with population less than 15,000 may combine the two funds & use all the gas tax money for maintenance if desired (RCW 46.68.115). Anacortes does not combine the two funds. Note: There is a requirement that cities spend at least 1/2% of all gas tax receipts on paths & trails within 10 years of receipt (RCW 47.30.050).

## C. Intergovernmental Revenues

### 1) Emergency Medical Services

This is an additional property tax of \$0.50 per \$1,000 assessed valuation maximum allowance to support emergency medical services (RCW 84.52.069). The levy requires passage under the 60/40 voting rule. This is a county levy and it is at \$.25/\$1,000 A.V. It is also subject to the annual 1% property tax limit rule.

### 2) Grants

Some grant examples are:

#### a) Grants - (State)

IAC (Interagency Committee for Outdoor Recreation) Grant - This is a grant program administered by the State Interagency Committee for Outdoor Recreation. Applications for funding for particular park or other outdoor recreation projects must be submitted to the Committee for approval. Grant agreements require that 25% of eligible project expenses be paid from local matching funds.

TIB (Transportation Improvement Board) - These are grants provided from State motor vehicle fuel tax for approved arterial street improvement projects. The program is administered by the Urban Arterial Trust Board, an independent State board that reviews and approves applications made for funding for specific improvement projects. TIB agreements require the grant recipient to provide 10% matching funds for amounts awarded under the program.

#### b) Grants - (Federal)

FAUS (Federal Aid to Urban Systems) - This is a federal

grant program administered by the Puget Sound Council of Governments. Funds are made available to counties, through an allocation of federal fuel tax, to finance approved arterial street capacity improvement projects. Matching funds of 16.85% must be contributed by the requesting jurisdiction.

FAM (Federal Aid to Municipalities) - These funds, when available, can be used for designated federal aid routes in accord with federal construction guidelines.

c) Grants - (County)

e.g. grants to the Library since 1989, allowing sharing of county sales tax monies to provide library services for county residents.

5. Charges for Services

A. Professional/Impact/other

Fees and charges for professional and other services rendered. This category includes numerous charges such as sales of maps, photocopying services, ambulance services, various land-use planning fees, cemetery services, library services, museum fees, park/recreation services.

Development Impact Fees. These fees are assessed to developers to provide a portion of the funding for reasonable and necessary improvements to mitigate the cumulative impacts of growth and development in the Comprehensive Plan area. The estimated revenues to be derived from these fees are calculated based on expectations of development in the City and a fee calculation and collection process delineated in the Ordinances that implemented the fees (Ord. 2277 6/7/93 and Ord. 2295 9/20/93).

Sprinkled throughout the RCW's is authority for cities to levy fees and charges to cover the cost of providing services or programs and regulatory activities. The guiding principle for all these fees and charges is that they may be set at a level that recovers all the direct and indirect costs associated with the activity, including administrative overhead. If fees more than recover, however, they then become more like taxes, and cities need specific statutory authority to levy taxes.

B. Interfund Charges for Services

These are charges against the utility funds (water, sewer, storm drain,

solid waste) for services rendered by the various administrative departments (finance, engineering, executive, personnel, planning, legal, etc.). Reimbursement is allocated to the General Fund.

6. Fines & Forfeits

This category includes municipal court fines & forfeits, park damage restitution's, library lost book fines, and late payment penalties.

Traffic and Parking Fines. Although the State Supreme Court establishes the schedule of fines for traffic infractions, cities share in the revenue for infractions committed within their boundaries. After the municipal court collects the fines, 35 percent is sent to the state. The remainder is kept by the city and placed in the general fund (RCW 3.50.100 & 3.62.040).

A city has complete control over setting fines for violation of its parking ordinances. It may also charge a penalty of up to \$25 for failure to pay the parking ticket fine in the time prescribed by law.

7. Miscellaneous Revenues

This category includes interest earnings on investments, rentals & leases, private contributions & donations, judgments & settlements, refunds and a whole host of small dollar-value receipts.

8. Non-Revenues

This category includes mainly monies received from issuance of debt (G.O./revenue bonds, loans, short-term notes, interfund loans or equity transfers, etc.)

9. Other Financing Sources

Includes mainly various interfund transfers, and land sales, and sales of surplus city assets.

PROPRIETARY FUNDS

1. Enterprise (Utility) Funds

The City accounts for four utility funds: Water, Sewer, Storm Drainage, and Solid Waste. These funds are financed mainly from service charges, i.e. rates charged to customers of the utilities. Current basic residential rate structures inside city limits are as follows (excluding utility taxes):

A. Water

\$4.00 monthly meter charge plus \$.96/100 CF for a 1" x 3/4" residential meter and \$1.45/100 CF for commercial consumption charges.

Hence, a monthly usage of 1,000 CF yields a total bill of \$13.60 for residential customers

The latest 3-year rate study (2001-2004) maintained rates at the same level.

TOP TEN WATER CUSTOMERS - 2002	
Equilon	\$511,521
Tesoro	368,058
City of Oak Harbor	118,417
General Chemical	111,043
Sugiyo, Int.	46,652
City of Anacortes	45,013
Public Utility District #1	32,003
Town of LaConner	27,400
Washington State Ferries	12,849
Swinomish Utility Authority	4,032

B. Sewer

Basic monthly meter charge of \$25.80 plus a commodity charge of \$1.85/100 cf "capped" based on average winter water use levels. There is no cap for commercial accounts.

Hence, a monthly usage of 1,000 CF yields a total bill of \$44.30.

TOP TEN SEWER CUSTOMERS - 2002	
Sugiyo, Int.	\$66,197
Trident Seafoods	51,736
Safeway	23,706
Food Pavilion	23,064
Anacortes School District	22,476
Washington State Ferries	21,773
Island Hospital	18,450
Anacortes Housing Authority	18,068
City of Anacortes	14,605
Alliance Living Center	9,986

C. Storm Drainage

The monthly rate is \$3.00 for each single family parcel.

Other parcels are charged an equivalency rate based on amount of impervious surface.

D. Solid Waste

Rate schedule based on can size and number of cans for weekly pickup:

Mini can (20 gal. max.)	\$7.00	
1 Can (32 gal.)	13.00	
2 Cans (32 gal.)	23.00	
3 Cans (32 gal.)	33.00	
Prepaid Refuse Collection Bags (32 gal.)	2.50	each
Recycling	3.00	wkly
Recycling	2.50	per multi-family unit

TOP TEN SANITATION CUSTOMERS - 2002	
Port of Anacortes	\$84,998
City of Anacortes	47,201
Anacortes School District	38,778
Anacortes Housing Authority	23,592
Northern Marine	20,527
Penmar Marine	17,811
Fidalgo Bay Resort	15,670
Anacortes Marine, Ent.	14,570
Washington State Ferries	9,610
Anchor Cove Marina	7,440

E. Hookup charges (residential):

- Water hookup charge is \$2,335.
- Sewer hookup charge is \$4,080.

2. Internal Service Funds

Internal Service Funds are used to account for the financing of services provided by other departments or agencies of the City on a cost-reimbursement basis. The fund in this category is the Equipment Rental fund (city garage). Note: City Medical Benefits (employee medical/dental/vision provision); and Data Processing Services (city-wide computer acquisition/replacement/maintenance) used to be separate funds but are now included in the General Fund and receive reimbursement there.

## FIDUCIARY FUNDS

(Pension Trust)

### Intergovernmental Revenues - State Entitlement

Fire Insurance Premium Tax. The state collects a 2% tax on the premiums of all insurance policies written. 45% of the tax collected on fire and fire component policies are distributed to cities and fire districts having firemen's pension funds existent prior to March 1, 1970 (LEOFF System 1) (RCW 41.16.050). The amount remitted is determined by the number of full-time paid firemen in the city proportionate to the statewide total. The annual remittance is placed in the city's Firemen's Pension Fund.

\*The City, having a Firemen's Pension Fund, is allowed an additional property tax\$.225/\$1,000 A.V., (RCW 41.16.060), which the City has not yet chosen to use because of the declining number of retired firefighters receiving a pension or partial pension. In 2003 there was one retired firefighter and one widow receiving a full pension as allowed and two retired firefighters receiving a small portion based on the difference of what the State retirement system pays and the prevailing wage of the current IAFF contract with the City. There will be no further retirees which the City will be required to supplement their pensions.



**REVENUE DETAIL  
GENERAL FUND – DISCRETIONARY**

CLASSIFICATION	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>BEGINNING UNRESERVED FUND BALANCE</b>		(40,657)	477,040	196,502
<b>TAXES</b>				
Property Taxes	999,475	981,668	981,668	913,000
Retail Sales & Use Taxes	2,577,731	2,500,000	2,500,000	2,400,000
Sales Tax - Criminal Justice	242,486	220,000	238,500	240,000
Business (Utility) Taxes				
Electricity	441,822	435,000	435,000	430,000
Natural Gas	301,774	350,000	350,000	350,000
Cablevision	182,658	210,000	210,000	200,000
Telephone Companies	426,565	420,000	436,000	500,000
Water/Sewer/Garbage	620,109	700,000	760,000	700,000
City Gar Tax 3.4%	65,240			
Other (Leasehold) Taxes	127,874	120,000	120,000	130,000
Sub-Total Taxes	5,985,734	5,936,668	6,031,168	5,863,000
<b>LICENSES AND PERMITS</b>				
Business Licenses and Penalties	33,927	35,000	35,000	35,000
Building Permits	286,155	275,000	282,000	275,000
Misc. Permits (Dog, gun, bicycle)	10,881	6,300	12,900	9,800
Sub-Total Licenses & Permits	330,963	316,300	329,900	319,800
<b>INTERGOVERNMENTAL</b>				
<u>Federal Grants</u>				
US Justice Grants	68,354	5,000	16,250	
FEMA Earthquake Assistance	302			
FEMA Assistance to Firefighters			38,000	
<u>State Grants</u>				
WS Traffic Safety Comm Grant	2,655			
WS DCTED GMA Grant	19,352		13,650	
WS DCTED GMA Fidalgo Bay Grant			7,875	
WS DOH Prehospital Needs Grant		1,200	1,200	
WSP Fire Protection Bureau Grant	3,300		1,200	
<u>State Entitlements, Impact Payments</u>				
Vessel Registration Fees	18,654	18,000	20,400	19,000
Camper Excise Tax	1,171			
<u>State Distributed Excise Taxes</u>				
Criminal Justice Funds	15,939	15,300	15,300	15,800
Liquor Excise Tax	52,203	50,000	50,000	53,000
Liquor Board Profits	81,152	80,000	80,000	90,000
<u>Interlocal in Lieu of Taxes</u>				
Anacortes Housing Authority	3,656	2,500	2,500	3,500
Skagit PUD	8,848	10,000	10,000	9,000
<u>Intergovernmental</u>				
Wildland Mobilization Reimburse	4,719			
Skagit EMSC Medic 1	565,260	441,475	441,475	
Sub-Total Intergovernmental	845,565	623,475	697,850	190,300

**A fund used to account for all non-restricted revenue with the exception  
of criminal justice monies.**

**SIGNIFICANT CHANGES**



**REVENUE DETAIL  
GENERAL FUND - DISCRETIONARY (continued)**

CLASSIFICATION	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>CHARGES FOR SERVICES</b>				
<u>General Government</u>				
Map & Publications Sale	906	700	700	800
Photocopying	1,763	2,800	2,800	1,500
Encroachment Agmt Fees	1,100	700	700	1,000
Public Defender Fees	3,190	0	4,545	2,000
<u>Security of Persons &amp; Property</u>				
Accident/Incident Reports,	1,081	700	700	800
Fingerprint Cards/ Miscellaneous	255	270	270	250
Ambulance Fees – Island Hospital	327,442	250,000	261,330	
EMS Contribution – Swin Casino	5,269	5,000	5,000	
<u>Physical Environment</u>				
Latecomer Agreement Fee			6,250	
Animal Board/Distrainer/Disposal	3,676	3,000	3,000	3,500
Public Works Inspection Fees	6,950	5,000	5,000	6,000
<u>Transportation</u>				
Street/Utility Application Fees	600			
Parking Variance Applic. Fees	200			
<u>Economic Environment</u>				
Variance Fees	2,200	1,500	1,500	1,600
SEPA Review Fees	4,150	2,000	4,000	2,000
Misc. Application Fees	18,380	11,250	19,250	12,325
Planning Fees	29,308	16,000	54,200	21,000
Mobile Home/Real Prop Conv	75	50	50	75
<u>Culture &amp; Recreation</u>				
Community Center Fees	60			
Fidalgo Center Service Fees	3,659	4,500	4,500	3,700
W.T. Preston Admission Fees	2,799	2,000	2,000	2,000
<u>Interfund Charges for Services</u>				
Utility Overhead	744,451	759,340	759,340	769,211
Sub-Total Charges for Services	1,157,514	1,064,810	1,135,135	827,761
<b>FINES AND FORFEITS</b>				
Municipal Court Fines	148,860	135,000	145,900	150,000
Damage Restitution	200			5,000
Code Compliance Fines	1,207			
Sub-Total Fines and Forfeits	150,267	135,000	145,900	155,000

**SIGNIFICANT CHANGES**

Ambulance Service Fees are now part of Fund 110.

**REVENUE DETAIL  
GENERAL FUND - DISCRETIONARY (continued)**

CLASSIFICATION	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>MISCELLANEOUS REVENUES</b>				
Interest Earnings	124,451		86,275	25,100
Leases	1	1	1	1
Sr. Center/Head Start Rental	2,850	3,000	4,200	3,000
Interfund S/T Interest	13,521			
Interfund Medical Ins premiums	1,234,216	1,629,155	1,750,383	1,636,723
Interfund Data Processing chgs	262,375	275,160	360,160	273,695
Donations	633			
Wellness Program Incentive	3,303			
Miscellaneous Commissions/Fees	3,911			
Dishonored Check Fee	2,728		2,900	
Sub-Total Miscellaneous	1,647,989	1,907,316	2,203,919	1,938,519
<b>NON-REVENUES</b>				
Equity transfer	330,772			
Interfund loan repayment	200,000			
<b>OTHER FINANCING SOURCES</b>				
Sales of Surplus Equip				
Operating Transfers				
Sub-Total Other	530,772			
<b>TOTAL DISCRETIONARY GF</b>	<b>10,648,805</b>	<b>9,942,912</b>	<b>11,020,912</b>	<b>9,490,882</b>

**SIGNIFICANT CHANGES**

Interest Revenue: There is no estimate for 2004 as it is best not to depend on interest earnings.

Medical Insurance Premiums: Note that 2004 budget is 32.6% over 200 actual!

**REVENUE DETAIL  
PARK AND RECREATION FUND (101)**

**A special revenue fund used to account for the operation of general recreation facilities of the City. The primary source of revenue is from property taxes**

CLASSIFICATION	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>BEGINNING UNRESERVED FUND BALANCE</b>		(137)	18,383	24,839
<b>TAXES</b>				
Property Taxes	634,888	681,390	686,890	703,958
<b>INTERGOVERNMENTAL</b>				
DNR Community Forestry Grant			2,880	
Port of Anacortes	3,000			
<b>CHARGES FOR SERVICES</b>				
Sale of Trail Guide Maps - ACFL	5,316	5,000	5,900	5,000
Recreation Fees	48,656	50,000	50,000	50,000
<b>FINES AND FORFEITS</b>				
Damage Restitution	50			
<b>MISCELLANEOUS REVENUE</b>				
Interest Earnings	9,627	3,000	3,000	
Private Donations/Gifts	25		500	
Damage Restitution	135			
<b>OTHER FINANCING SOURCES</b>				
Sale of Surplus Equip			1,700	
Land Sales	41,057			
<b>TOTAL PARK AND RECREATION</b>	<u>742,754</u>	<u>739,253</u>	<u>769,253</u>	<u>783,797</u>

**SIGNIFICANT CHANGES**

**REVENUE DETAIL  
CEMETERY FUND (102)**

CLASSIFICATION	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>BEGINNING UNRESERVED FUND BALANCE</b>		(767)	2,033	11,634
<b>TAXES</b>				
Property Taxes	51,870	52,274	52,524	54,005
<b>CHARGES FOR SERVICES</b>				
Cemetery Fees	40,616	50,000	51,575	49,000
<b>MISCELLANEOUS REVENUES</b>				
Interest Earnings	2,198	1,000	1,375	
<b>TOTAL CEMETERY FUND</b>	<u>97,684</u>	<u>102,507</u>	<u>107,507</u>	<u>114,639</u>

**A special revenue fund to account for revenues and expenditures of the City's cemetery. The primary sources of income are from property taxes and charges for services**

**SIGNIFICANT CHANGES**

**REVENUE DETAIL  
LIBRARY FUND (103)**

**A special revenue fund to account for the revenues and expenditures of the City's library. The primary source of income is from property taxes.**

CLASSIFICATION	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>BEGINNING UNRESERVED FUND BALANCE</b>		(29,551)	(34,155)	(10,753)
<b>TAXES</b>				
Property Taxes	627,243	680,413	683,413	702,949
<b>INTERGOVERNMENTAL</b>				
Skagit County Grant	27,200		30,144	
<b>CHARGES FOR SERVICES</b>				
Photocopying	1,956	2,000	3,600	2,000
Non-Resident Use Fee	10,158	11,000	11,000	15,000
Library Card Replacement Fee	84			
<b>FINES AND FORFEITS</b>				
Overdue/Lost Book Fees	3,131	3,000	4,160	3,000
<b>OTHER FINANCING SOURCES</b>				
Sales of Surplus Equipment			8,700	
<b>TOTAL LIBRARY FUND</b>	<u>669,772</u>	<u>666,862</u>	<u>706,862</u>	<u>712,196</u>

SIGNIFICANT CHANGES

**REVENUE DETAIL  
STREET FUND (104)**

CLASSIFICATION	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>BEGINNING UNRESERVED FUND BALANCE</b>		(41,551)	(41,551)	148,007
<b>TAXES</b>				
Property Taxes	539,448	586,030	586,030	605,440
<b>LICENSES AND PERMITS</b>				
Street Cut/ROW Permits				
<b>INTERGOVERNMENTAL</b>				
<u>State Entitlements, Impact Fees</u>				
Motor Vehicle Fuel Tax	218,869	215,000	215,000	215,000
<b>CHARGES FOR SERVICES</b>				
Sale of Maps & Publications	60			
Sidewalk Repairs	5,865	2,000	2,000	3,000
Street Maint/Repair Fees	269			
Special Cleanup				
<b>FINES &amp; FORFEITS</b>				
Damage Restitution				
<b>OTHER FINANCING SOURCES</b>				
Street/Alley Vacation Fees	49,726	30,000	30,000	10,000
<b>TOTAL STREET FUND</b>	<u>814,237</u>	<u>791,479</u>	<u>791,479</u>	<u>981,447</u>

**A special revenue fund to account for the administration of street maintenance. The primary sources of revenue are property taxes and the State levied motor vehicle fuel tax.**

**SIGNIFICANT CHANGES**

**REVENUE DETAIL  
ARTERIAL STREET FUND (105)**

CLASSIFICATION	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>BEGINNING UNRESERVED FUND BALANCE</b>			115,000	
<b>INTERGOVERNMENTAL</b>				
<u>Federal Grants</u>				
T-21 Tommy Thompson Trail WS FHWA 32 <sup>nd</sup> St Const	37,899	350,000	350,000	
<u>State Grants</u>				
IACOR Tommy Thompson Trail	43,813	400,000	400,000	476,000
WS TSNS (12 <sup>th</sup> signal,G/H wide)	94,896	50,000	50,000	
WSDOT Marine Dr Safety Grant		190,000	190,000	160,000
WS TIB Grant (17 <sup>th</sup> St Traff Signal)		750,000	750,000	
WS TIB Grant (H Ave)				
WS TIB Grant (Q Ave)	15,947	165,000	165,000	
WS TIB Grants (Sidewalks)				
WS TIB Grant (D Ave Imp)				
<u>State Entitlements, Impact Fees</u>				
Motor Vehicle Fuel Tax	99,450	100,000	100,000	100,050
<u>Local Grants</u>				
EDASC Tommy Thompson Trail				
County Grant – Q Ave Improv				
County STE CBD Sidewalks	25,000	25,000	25,000	
County – So March Pt Road	27,000			
School Dist (12 <sup>th</sup> signal,G/H wide)	15,000	10,000	10,000	
Port of Anacortes Q Ave Imp				
<b>MISCELLANEOUS</b>				
Interest Earnings	570			
Sale of Plans & Specifications	207	530	530	
Private Donation – T Thompson Tr	2,500			
<b>OTHER FINANCING SOURCES</b>				
Operating Transfer	840,000	460,000	460,000	620,000
<b>TOTAL ARTERIAL STREET</b>	<b>1,202,282</b>	<b>2,500,530</b>	<b>2,615,530</b>	<b>1,356,050</b>

**A special revenue fund to account for the administration of major street construction. The primary sources of revenue are from the State levied motor vehicle fuel tax, special construction grants, and real estate excise taxes.**

**SIGNIFICANT CHANGES**

Operating Transfers

Interfund transfers of real estate excise tax and transportation impact fee monies.

**REVENUE DETAIL  
WASHINGTON PARK FUND (107)**

**A special revenue fund to account for the revenues and expenditures of a 220 acre self-supporting park.**

CLASSIFICATION	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>BEGINNING UNRESERVED FUND BALANCE</b>		19,141	42,779	17,205
<b>INTERGOVERNMENTAL</b>				
State Grants				
WS IACOR				
<b>CHARGES FOR SERVICES</b>				
Firewood Sales	2,171	1,200	2,580	1,500
Laundry Fees	934	3,500	3,500	1,000
Shower Fees	2,249	2,000	2,220	2,000
<b>MISCELLANEOUS</b>				
Interest Earnings	1,709	1,000	1,000	
Parking Fees	52,238	48,000	55,500	49,200
Camping Fees	79,209	75,000	81,000	80,000
Day Use Fees	560		1,262	500
Donations	2,250			
Cash Over/Short, Foreign Adj	24			
<b>TOTAL WASHINGTON PARK</b>	<b>141,343</b>	<b>149,841</b>	<b>189,841</b>	<b>151,405</b>

SIGNIFICANT CHANGES



**REVENUE DETAIL  
PARKS CAPITAL IMPROVEMENT PROJECTS FUND (108)**

CLASSIFICATION	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>BEGINNING UNRESERVED FUND BALANCE</b>			126,400	
<b>INTERGOVERNMENTAL</b>				
<u>State Entitlements, Impact Fees</u>				
Vehicle Fuel Tax for Paths/Trails	1,464		1,450	
<u>Local Grant</u>				
Skagit Co Baseball Field Grant				
<b>MISCELLANEOUS</b>				
Interest Earnings	2,643		1,042	
Space & Facilities Leases	19,419		21,108	
Donations – Guemes Chan Park	4,999		35,000	
<b>TOTAL PARKS CAPITAL</b>	<b>28,525</b>		<b>185,000</b>	

**A special revenue fund to account for revenues derived from leases, donation, and State motor vehicle fuel taxes collected for paths and trails.**

**SIGNIFICANT CHANGES**

**REVENUE DETAIL**  
**POLICE SUBSTANCE ABUSE FUND (109)**

CLASSIFICATION	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>BEGINNING UNRESERVED FUND BALANCE</b>		4,100	1,046	4,250
<b>MISCELLANEOUS REVENUES</b>				
Interest Earnings	275		154	
D.A.R.E Donations	1,165		3,200	
Drug Related Confiscations	601			
<b>TOTAL SUBSTANCE ABUSE</b>	<u>2,041</u>	<u>4,100</u>	<u>4,400</u>	<u>4,250</u>

**A special revenue fund to account for revenues and expenditures associated with drug investigations and the DARE Program. Major sources of revenue come from drug confiscation's and DARE donations.**

**SIGNIFICANT CHANGES**

**REVENUE DETAIL  
AMBULANCE SERVICE FUND (110)**

CLASSIFICATION	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>BEGINNING UNRESERVED FUND BALANCE</b>				
<b>TAXES</b>				
Property Taxes				100,000
Sales & Use Tax				114,800
<b>INTERGOVERNMENTAL</b>				
WS DOH Pre-hospital Needs				1,200
Emergency Medical Svcs				450,000
<b>CHARGES FOR SERVICES</b>				
Ambulance Services (Hospital)				330,000
EMS Contrib-Swinomish Casino				4,000
<b>MISCELLANEOUS REVENUES</b>				
Interest Earnings				
<b>TOTAL AMBULANCE SERVICE</b>				<u>1,000,000</u>

New fund in 2004,  
refer to General Fund  
for previous years  
revenues

**A special revenue fund to account for revenues and expenditures associated with ambulance services.**

**SIGNIFICANT CHANGES**

A new fund set up in 2004 to separate ambulance revenues and expenses from other medic/fire revenues and expenses.

**REVENUE DETAIL**  
**SVC AREA #1 DEVELOP IMPACT FEE (112)**

CLASSIFICATION	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>BEGINNING UNRESERVED FUND BALANCE</b>		65,000	52,287	
<b>CHARGES FOR GOODS</b>				
Development Impact Fees/Street	113,191		124,698	200,000
Development Impact Fees/Park/Rec	75,680		69,505	
Development Impact Fees/Fire Prot	1,027			
<b>MISCELLANEOUS REVENUES</b>				
Interest on Investments	4,967		4,310	
<b>TOTAL SVC AREA #1 FUND</b>	<u>194,865</u>	<u>65,000</u>	<u>250,800</u>	<u>200,000</u>

**A special revenue fund used to account for revenues and expenditures related to development impact fees for streets and roads, parks and recreation, school facilities, and fire protection**

**SIGNIFICANT CHANGES**

**REVENUE DETAIL  
ACFL MANAGEMENT FUND (113)**

CLASSIFICATION	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>BEGINNING UNRESERVED FUND BALANCE</b>				
<b>INTERGOVERNMENTAL</b>				
IAC Grant – Forestland Project	9,330			
<b>CHARGES FOR GOODS</b>				
Timber Sales				
Quarry Rock Sales	50,000			
<b>MISCELLANEOUS REVENUES</b>				
Interest on Investments	1,921			
<b>TOTAL ACFL MGMT FUND</b>	<u>61,251</u>			

**A special revenue fund used to account for revenues and expenditures related to management of timber sales and rock quarry sales in the forestlands.**

**SIGNIFICANT CHANGES**

**REVENUE DETAIL  
TOURISM FUND (135)**

CLASSIFICATION	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>BEGINNING UNRESERVED FUND BALANCE</b>				
<b>TAXES</b>				
Hotel/Motel Tax	184,644	170,000	170,000	171,150
<b>TOTAL TOURISM FUND</b>	<u>184,644</u>	<u>170,000</u>	<u>170,000</u>	<u>171,150</u>

**A special revenue fund used to account for revenues and expenditures related to promoting tourism. The primary source of revenue is from the State Hotel-Motel tax.**

**SIGNIFICANT CHANGES**

The State Legislature in 1997 authorized implementing an additional 2% lodging (sales) tax. This is in addition to the current 2% lodging tax which is a credit against the state sales tax levy.

**REVENUE DETAIL  
COMMUNITY DEVELOPMENT FUND (180)**

CLASSIFICATION	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>BEGINNING UNRESERVED FUND BALANCE</b>		(23,346)	38,654	38,891
<b>FINES AND FORFEITS</b>				
L/H Tax Penalties/Reimbursements	1,221			
<b>MISCELLANEOUS REVENUES</b>				
Interest Earnings	1,370		4,000	
Boat Launch Fees	19,440	24,000	24,000	20,000
North Harbor Diesel Fees	6,432	6,000	6,000	8,600
Miscellaneous Leases	103,020	116,000	116,000	123,800
DNR Harbor Lease Reimb	42,585	40,000	40,000	43,000
<b>OTHER FINANCING SOURCES</b>				
Land Sales	973,217			
Operating Transfer				
<b>TOTAL COMMUNITY DEVELOPMENT</b>	<u>1,147,285</u>	<u>162,654</u>	<u>228,654</u>	<u>234,291</u>

**A special revenue fund which accounts for revenues and expenditures of the City's Industrial Park. The primary source of revenue is from property leases.**

**SIGNIFICANT CHANGES**

**REVENUE DETAIL**  
**2000 G.O. BOND DEBT SERVICE LIBRARY(200)**

CLASSIFICATION	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>BEGINNING UNRESERVED FUND BALANCE</b>				29,412
<b>TAXES</b>				
Property Taxes	519,624	522,704	522,704	497,811
<b>MISCELLANEOUS REVENUE</b>				
Interest Earnings	4,151			
<b>OTHER FINANCING SOURCES</b>				
Operating Transfer In	100,000			
<b>TOTAL 2000. DEBT SERVICE</b>	<u>662,775</u>	<u>522,704</u>	<u>522,704</u>	<u>527,223</u>

**A debt service fund to account for principal and interest on bonds issued  
to build new library.**

SIGNIFICANT CHANGES



**REVENUE DETAIL**  
**1999 G.O. REFUNDED (1992 OLD) BOND DEBT SERVICE FUND (292)**

CLASSIFICATION	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>BEGINNING UNRESERVED FUND BALANCE</b>				
<b>TAXES</b>				
Real Estate Excise Taxes	270,703	147,133	147,133	148,190
<b>MISCELLANEOUS REVENUE</b>				
Interest Earnings	17,110			
<b>TOTAL 1992 G.O. DEBT SERVICE</b>	<u>287,813</u>	<u>147,133</u>	<u>147,133</u>	<u>148,190</u>

**A debt service fund to account for principal and interest on refunded bonds issued to build two new fire stations.**

SIGNIFICANT CHANGES

**REVENUE DETAIL**  
**1999 G.O. BOND DEBT SERVICE (297)**

CLASSIFICATION	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>BEGINNING UNRESERVED FUND BALANCE</b>				
<b>TAXES</b>				
Property Taxes	138,577	133,945	133,945	132,285
<b>OTHER FINANCING SOURCES</b>				
Operating Transfer from PSB	52,434			
<b>TOTAL 1999 G.O. DEBT SERVICE</b>	<u>191,011</u>	<u>133,945</u>	<u>133,945</u>	<u>132,285</u>

**A debt service fund to account for principal and interest on bonds issued  
to pay for construction of a new public safety building**

SIGNIFICANT CHANGES

**REVENUE DETAIL  
GROWTH MANAGEMENT IMPROVEMENT FUND (335)**

CLASSIFICATION	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>BEGINNING UNRESERVED FUND BALANCE</b>		418,747	42,257	170,000
<b>TAXES</b>				
Real Estate Excise Taxes	270,703		370,000	273,044
<b>MISCELLANEOUS</b>				
Interest	7,070		6,500	
<b>TOTAL</b>	<u>277,773</u>	<u>418,747</u>	<u>418,757</u>	<u>443,044</u>

**A capital project fund used to finance capital projects specified in the  
Capital Facilities Plan**

SIGNIFICANT CHANGES

<b>REVENUE DETAIL</b> <b>PRESTON INTERP CENTER CONSTRUCTION FUND (355)</b>
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<b>A capital project fund used to construct the Preston Interetation Center.</b>
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CLASSIFICATION	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>BEGINNING UNRESERVED FUND BALANCE</b>			41,300	
<b>INTERGOVERNMENTAL</b>				
Federal T-21 Grant		324,375	324,375	324,375
<b>MISCELLANEOUS REVENUE</b>				
Museum Foundation Grant		84,325	84,325	83,701
Interest on Investments	15			
<b>OTHER FINANCING SOURCES</b>				
Operating Transfer In	41,500			
<b>TOTAL Preston Interp Center</b>	<u>41,515</u>	<u>408,700</u>	<u>450,000</u>	<u>408,076</u>

SIGNIFICANT CHANGES

**REVENUE DETAIL  
LIBRARY CONSTRUCTION FUND (356)**

CLASSIFICATION	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>BEGINNING UNRESERVED FUND BALANCE</b>			510,355	
<b>MISCELLANEOUS REVENUES</b>				
Interest on Investments	58,754			
Private Grant – Gates Found.	18,795			
Private Donation – Library Found	76,514			
PSE Conservation Grant			14,645	
<b>OTHER FINANCING SOURCES</b>				
<b>TOTAL LIBRARY CONST FUND</b>	154,063		525,000	

**A capital project fund used to build new library**

**SIGNIFICANT CHANGES**

Library construction was completed December 2002 but some costs carried over into 2003.

**REVENUE DETAIL  
WATER FUND (401)**

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
CLASSIFICATION				
<b>BEGINNING UNRESERVED FUND BALANCE</b>		1,110,539	1,399,539	(834,294)
<b>INTERGOVERNMENTAL</b>				
County Grant – 36" waterline	324,000			
<b>CHGS FOR SERVICES-OPTG REV</b>				
<u>Metered</u>				
Residential	771,160	750,000	750,000	775,000
Commercial	552,120	550,000	550,000	550,000
Tesoro NW Co.	1,599,252	1,600,000	1,600,000	1,600,000
Shell Puget Sound Refinery	2,030,883	2,300,000	2,300,000	2,200,000
Public Authorities	77,181	75,000	75,000	75,000
Miscellaneous	120	500	500	100
<u>Resale</u>				
Town of LaConner	114,961	135,000	135,000	140,000
City of Oak Harbor	697,570	750,000	750,000	730,000
Skagit PUD #1	111,758	150,000	150,000	130,000
Swinomish Tribal Community	32,208	29,000	29,000	30,000
Community Water Systems	16,759	5,000	5,000	5,000
<u>Interdepartmental</u>				
Park, Cemetery, City Buildings	36,314	18,000	18,000	22,000
Sub-Total Charges for Services	6,040,286	6,362,500	6,362,500	6,257,100
<b>OTHER CHGS FOR SERVICES</b>				
Chemical Sales	385	500	500	500
<b>MISCELLANEOUS - NON OPTG</b>				
Interest	99,273	50,000	50,000	40,000
US West Group Leases	10,200	9,000	9,000	9,200
Interfund Loan Interest	2,252			
PSE Energy Conservation Grant	3,341			
Tool & Equipment Rental	396	400,	400,	400
Scrap Materials	228			
Sale of Plans & Specifications	2,785	1,000	1,000	500
Sub-Total Miscellaneous	118,475	60,400	60,400	50,100
<b>NON-REVENUES</b>				
Meter Installation Fees	95,085	80,000	80,000	80,000
Latecomer Fees	0			
Lge Water Service Inst Fees	0			
General Facilities Charges	136,363	100,000	100,000	100,000
Interfund Loan Principal	6,700			
2002 Rev Bond Proceeds	3,065,000			
Sub-Total Non-revenues	3,303,148	180,000	180,000	180,000
<b>OTHER FINANCING SOURCES</b>				
Sale of Fixed Assets				
<b>TOTAL</b>	<u>9,786,294</u>	<u>7,713,939</u>	<u>8,002,939</u>	<u>5,653,406</u>

**An enterprise fund to operate and maintain the City's water supply system.**

**SIGNIFICANT CHANGES**

Interest Revenue: Decreased reliance upon interest earnings.

**REVENUE DETAIL  
WASTEWATER (SEWER) FUND (440)**

**An enterprise fund to operate and maintain the City's wastewater system.**

SIGNIFICANT CHANGES

CLASSIFICATION	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>BEGINNING UNRESERVED FUND BALANCE</b>		393,398	598,398	421,955
<b>INTERGOVERNMENTAL</b>				
WS DCTED Grant				
County Grant – So March Pt	549,000			
Port of Anacortes Grant	65,000			
<b>CHGS FOR SERVICES-OPTG REV</b>				
Residential	2,205,058	2,180,000	2,180,000	2,200,000
Commercial	664,131	700,000	700,000	650,000
Public Authorities	100,629	105,000	105,000	100,000
Industrial Wastewater	52,823	50,000	50,000	40,000
Septic Disposal Fees	113,007	80,000	80,000	80,000
Interdepartmental	14,980	14,000	14,000	14,000
Sub-Total Charges for Services	3,150,628	3,129,000	3,129,000	3,084,000
<b>OTHER CHGS FOR SERVICES</b>				
General Facilities Charge	549,687	500,000	500,000	500,000
New Main HookUp Fees			297,000	
Latecomer Hook-Up Fees	(6,617)			
Sub-Total Other Chgs for Services	543,070	500,000	797,000	500,000
<b>MISCELLANEOUS - NON OPTG</b>				
Interest on Investments	61,118	40,000	40,000	40,000
Miscellaneous	75	200	200	100
Sub-Total Miscellaneous	61,193	40,200	40,200	40,100
<b>OTHER REVENUE</b>				
EDASC Grant – Stevenson Rd		105,000	105,000	
<b>NON-REVENUES</b>				
Operating Transfer from 180				84,000
<b>TOTAL</b>	<u>4,368,891</u>	<u>4,167,598</u>	<u>4,669,598</u>	<u>4,130,055</u>

**REVENUE DETAIL  
STORM DRAINAGE FUND (445)**

**An enterprise fund to operate and maintain the City's storm drainage system.**

CLASSIFICATION	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>BEGINNING UNRESERVED FUND BALANCE</b>		11,767	11,767	70,663
<b>INTERGOVERNMENTAL</b>				
FEMA				
<b>CHGS FOR SERVICES-OPTG REV</b>				
Residential	203,145	200,000	200,000	200,000
Commercial	100,028	100,000	100,000	100,000
Public Authorities	51,296	51,000	51,000	47,000
Interdepartmental	7,802	5,000	5,000	7,000
General Facilities Charges	142,951	130,000	130,000	120,000
Sub-Total Charges for Services	505,222	486,000	486,000	474,000
<b>MISCELLANEOUS - NON OPTG</b>				
Interest	18,400			
<b>TOTAL</b>	<b>523,622</b>	<b>497,767</b>	<b>497,767</b>	<b>544,663</b>

SIGNIFICANT CHANGES



**REVENUE DETAIL  
SANITATION FUND (450)**

**An enterprise fund for the collection and disposal of refuse from the City's businesses and residences.**

CLASSIFICATION	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>BEGINNING UNRESERVED &amp; RESERVE FUND BALANCE</b>		(109,674)	(25,869)	(125,092)
<b>CHGS FOR SERVICES-OPTG REV</b>				
Residential	728,090	710,000	710,000	730,000
Commercial	646,656	625,000	625,000	640,000
Public Authorities	166,302	160,000	160,000	160,000
Interdepartmental	48,042	40,000	40,000	40,000
Pre-paid Bags	22,343	21,400	21,400	21,000
Temporary Dumpster	25,239	20,000	20,000	20,000
Recycling	218,405	204,000	204,000	210,000
Sub-Total Charges for Services	1,855,077	1,780,400	1,780,400	1,821,000
<b>FINES &amp; FORFEITS</b>				
Civil fines and penalties				
<b>MISCELLANEOUS - NON OPTG</b>				
Interest	21,669		16,000	
L & I Sick Leave Reimbursement	3,079			
<b>TOTAL</b>	<u>1,879,825</u>	<u>1,670,726</u>		<u>1,695,908</u>

**SIGNIFICANT CHANGES**

**REVENUE DETAIL  
EQUIPMENT RENTAL FUND (501)**

CLASSIFICATION	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>BEGINNING UNRESERVED FUND BALANCE</b>		(330,614)	(311,039)	12,958
<b>CHGS FOR SERVICES-OPTG REV</b>				
General Fund				
Facilities Management	3,881	6,995	6,995	2,786
Police	214,120	225,648	225,648	216,042
Police - Boat	9,024	10,740	10,740	10,895
Medic/Fire	100,379	112,015	112,015	82,134
Ambulance	59,623	45,635	45,635	42,440
Engineering	7,103	11,325	11,325	9,493
Animal Control	4,266	3,826	3,826	3,540
Business Devlpt & Permit	7,012	7,963	7,963	4,340
Museum	1,233	1,290	1,290	1,440
Parks & Recreation	86,341	94,537	94,537	75,770
Cemetery	15,166	13,941	13,941	10,840
Street	124,340	107,317	107,317	94,589
Water	174,439	250,713	250,713	148,478
Wastewater	56,855	180,852	180,852	67,155
Sanitation	191,760	243,390	243,390	191,885
Storm Drain	37,372	46,465	46,465	30,752
Shop Rentals	51,700	46,556	46,556	33,627
Motor Vehicle Fuel Tax Rebate	2,163			
Sub-Total Charges for Services	1,146,777	1,409,208	1,409,208	1,026,206
<b>OTHER CHGS FOR SERVICES</b>				
Garage/Repair Services	11,513		11,000	10,000
<b>MISCELLANEOUS</b>				
Interest	47,927		33,000	
Shell Low Emission Grant			8,000	
<b>OTHER FINANCING SOURCES</b>				
Sales of Fixed Assets			36,425	
Insurance Recovery Ins. Loss	27,930			
<b>TOTAL</b>	<u>1,234,147</u>	<u>1,078,594</u>	<u>1,186,594</u>	<u>1,049,164</u>

**A internal service fund to account for the cost of maintaining all City  
vehicles and mobile equipment.**

**SIGNIFICANT CHANGES**

Charges for Services

Departmental charges reflect direct and indirect cost allocations to departmental vehicles including gas, oil, tires, batteries, repairs, insurance, depreciation, shop overhead charges, etc.

**REVENUE DETAIL  
FIREMEN'S PENSION FUND (611)**

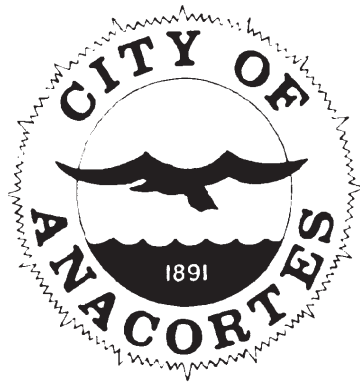
**A fiduciary fund which accounts for a single-employer defined benefit system established by State law for eligible firefighters hired before March 1, 1970. The primary sources of income are from property taxes and a tax imposed on fire insurance premiums.**

CLASSIFICATION	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>BEGINNING UNRESERVED FUND BALANCE</b>			5,385	
<b>TAXES</b>				
Property Taxes	35,167	24,280	24,280	31,975
<b>INTERGOVERNMENTAL</b>				
Fire Insurance Premiums	9,554	8,100	10,815	11,000
<b>MISCELLANEOUS</b>				
Interest	3,785		2,400	
<b>TOTAL</b>	<u>48,506</u>	<u>32,380</u>	<u>42,880</u>	<u>42,975</u>

**SIGNIFICANT CHANGES**



# *Expenditures*





**MAYOR AND COUNCIL**  
Department Summary

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>FINANCIAL SUMMARY</b>				
Mayor	125,859	122,283	129,373	131,996
Council	103,716	101,124	106,290	106,459
<b>DEPARTMENT TOTAL</b>	<b>229,575</b>	<b>223,407</b>	<b>235,663</b>	<b>238,455</b>
<b>CHARACTER OF EXPENDITURES</b>				
Personnel				
Salaries & Wages	177,560	180,753	180,753	182,519
Fringe Benefits	22,846	12,033	24,289	26,515
Supplies	976	550	550	900
Services	19,120	19,900	19,900	19,100
Intergovernmental	191	500	500	500
Interfund	8,882	9,671	9,671	8,921
<b>DEPARTMENT TOTAL</b>	<b>229,575</b>	<b>223,407</b>	<b>235,663</b>	<b>238,455</b>
<b>SOURCE OF FUNDS</b>				
General Fund Property/Sales Tax	229,575	223,407	235,663	238,455
	229,575	223,407	235,663	238,455

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>POSITION SUMMARY</b>				
Mayor	1.00	1.00	1.00	1.00
Secretary	.40	.40	.46	.46
<b>TOTAL GENERAL FUND FTE's</b>	<b>1.45</b>	<b>1.45</b>	<b>1.46</b>	<b>1.46</b>
<b>GENERAL FUND FTE's</b>	<b>1.45</b>	<b>1.45</b>	<b>1.46</b>	<b>1.46</b>
<b>COUNCIL POSITION TOTALS</b>	<b>7.00</b>	<b>7.00</b>	<b>7.00</b>	<b>7.00</b>



**MISSION STATEMENT****MAYOR**

To maintain and improve the quality of life reflecting community expectations through a focus on public participation and employees-mayor-council teamwork.

**GOALS**

1. Continued to set performance based criteria for each city department and to explore every arena where we can be more efficient.
2. To facilitate community needs by furthering fruitful communications between council, staff and this community. To continue to seek to provide leadership through consensus.
3. To work to see that where we can, efficiencies and lower costs are realized and service is improved for our constituency in the City of Anacortes.
4. To continue to work with this community to find directions and focus for our cities youth. To work to see that all departments are provided the technology and the tools to work efficiently and accountably. We will continue to improve both the information availability of information on our government Access channel and on our city of Anacortes web-sight.

**OBJECTIVES**

1. To provide the planning and the funds to create more efficient, traffic flows through the City of Anacortes wherever possible and practical.
2. To evaluate and eliminate storm water inflow and infiltration in our cities sanitary sewer, to identify and fund fixes.

**MAYOR AND COUNCIL**

## Department Summary

**PERFORMANCE MEASURES**

1. To return every appropriate phone call and to address every inquiry that is made to this office.
2. To provide implementation of council/City generated policies.
3. To see that the City of Anacortes operates and in compliance with Federal and State laws in the context of every business day.
4. To continue to work on legislative issues that benefits both our community and county's quality of life issues.





**CITY ATTORNEY**  
Department Summary

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>FINANCIAL SUMMARY</b>				
Legal Services	171,616	139,685	201,934	158,213
Judicial Programs	174,725	185,265	195,603	225,319
<b>DEPARTMENT TOTAL</b>	<b>346,341</b>	<b>324,950</b>	<b>397,537</b>	<b>383,532</b>
<b>CHARACTER OF EXPENDITURES</b>				
Personnel				
Salaries & Wages	163,310	152,803	168,192	182,786
Fringe Benefits	44,208	44,945	52,143	57,432
Supplies	8,915	5,700	5,700	7,800
Services	102,960	87,050	137,050	93,450
Intergovernmental	15,529	21,155	21,155	27,567
Interfund	11,419	13,297	13,297	14,497
<b>DEPARTMENT TOTAL</b>	<b>346,341</b>	<b>324,950</b>	<b>397,537</b>	<b>383,532</b>
<b>SOURCE OF FUNDS</b>				
General Fund	197,481	189,950	251,637	228,532
Fines and Forfeits	148,860	135,000	145,900	155,000
<b>DEPARTMENT TOTAL</b>	<b>346,341</b>	<b>324,950</b>	<b>397,537</b>	<b>383,532</b>

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>POSITION SUMMARY</b>				
/Legal Services				
City Attorney	.40	.40	.40	.40
Legal Secretary	.80	.80	.80	.80
/Municipal Court				
Court Administrator	1.00	1.00	1.00	1.00
Court Clerks	1.50	1.50	1.50	1.50
<b>TOTAL GENERAL FUND FTEs</b>	<b>3.70</b>	<b>3.70</b>	<b>3.70</b>	<b>3.70</b>

**SIGNIFICANT CHANGES**

**MISSION STATEMENT**

LEGAL SERVICES: To provide prompt, accurate and effective legal advice and legal services to City departments, to the City Council, and to the Mayor and to minimize liability and insure conformance to legal constraints and to maximize the effectiveness of City Government.

MUNICIPAL COURT: To impartially and fairly process offenses and infractions filed by the Police Department or the City Prosecutor and make determinations of responsibility based upon State and National Constitutional principals and requirements of the City Code.

LEGAL SERVICES

Goals

1. Continue the process of updating the City Municipal Code.
2. Complete additional City records.

Performance Targets

To ensure prompt and efficient response to requests for legal advice from department heads, City Council, and Mayor.

MUNICIPAL COURT

Areas of Responsibility

1. To evaluate advisability of creating a Municipal court separate from District Court.
2. Oversee contracts with Prosecutor and Public Defender.

Performance Targets

To process all citation filings received in a prompt and efficient matter.

**CITY ATTORNEY**

Department Summary





**FINANCIAL AND RECORDS SERVICES**  
 Department Summary

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>FINANCIAL SUMMARY</b>				
Administration	95,870	90,042	95,041	103,062
Budget, Accounting, Fiduciary	487,473	497,749	509,832	533,416
Data Processing*	195,501	243,916	250,272	295,633
Utility Billing/PW Gen Admin	568,299	484,923	517,923	448,575
<b>DEPARTMENT TOTAL</b>	<b>1,347,143</b>	<b>1,316,630</b>	<b>1,373,068</b>	<b>1,380,686</b>
<b>CHARACTER OF EXPENDITURES</b>				
Personnel				
Salaries & Wages	512,924	535,908	535,908	576,372
Fringe Benefits	116,610	108,840	132,278	145,224
Supplies	15,812	26,300	26,300	50,300
Services	226,326	200,535	200,535	184,035
Intergovernmental	372,857	353,400	386,400	380,925
Interfund	39,032	40,147	51,500	32,330
Capital Outlays	63,582	51,500	40,147	11,500
<b>DEPARTMENT TOTAL</b>	<b>1,347,143</b>	<b>1,316,630</b>	<b>1,373,068</b>	<b>1,380,686</b>
<b>SOURCE OF FUNDS</b>				
General Fund	34,393	72,367	95,805	12,745
Interfund charges	744,451	759,340	759,340	879,366
Utility Funds	568,299	484,923	517,923	488,575
<b>DEPARTMENT TOTAL</b>	<b>1,347,143</b>	<b>1,316,630</b>	<b>1,373,068</b>	<b>1,380,686</b>

\*As of 2002 Data Processing is under the auspices of Finance and no longer an Internal Service Fund

**CAPITAL OUTLAYS**

Network Hardware           \$11,500

**POSITION SUMMARY**

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>POSITION SUMMARY</b>				
/Administration				
Finance Director	1.00	1.00	1.00	1.00
/Budget, Accounting, Fiduciary				
Assistant Finance Director	1.00	1.00	1.00	1.00
Comptroller				
Office Manager	1.00	1.00	1.00	1.00
Sr. Accountant	1.00	1.00	1.00	1.00
Property/Fixed Asset Acct	1.00	1.00	1.00	1.00
Accounting Clerk	4.00	4.00	4.00	4.00
/Data Processing				
Computer Technician	2.00	2.00	2.00	2.00
/Utilities				
Accounting Clerk	1.00	1.00	1.00	1.00
<b>TOTAL GENERAL FUND FTE's</b>	<b>11.00</b>	<b>11.00</b>	<b>11.00</b>	<b>11.00</b>
<b>TOTAL OTHER FUNDS FTE's</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
<b>POSITION TOTALS</b>	<b>12.00</b>	<b>12.00</b>	<b>12.00</b>	<b>12.00</b>



## MISSION STATEMENT

The Finance Department mission is to be responsive, helpful, and efficient in serving the citizens of Anacortes, elected officials, and the other city departments. The Finance Department is committed to the highest quality financial management in compliance with applicable federal, state and local laws.

### 2004 GOALS

#### 1. STATE AUDIT

Strive to obtain an “unqualified” opinion on our year 2003 financial reports from the Washington State Auditor. To complete the report in a timely manner.

#### 2. COMPUTER SOFTWARE UPGRADE(CONT,)

Implement ‘Eden’s InForum Gold software for Utility Management and Business Licenses.

#### 3. 2004 BUDGET

Ongoing budget scheduling and other improvements will help to smooth the budget process, and enhance usefulness of the budget document to all budget users.

#### 4. WATER RATE STUDY

To complete the triennial water rate study for 2004-2006.

#### 5. CREDIT CARDS

To implement the use of credit cards for payments by City customers, including but not all inclusive for utility payments, fees and permits.

#### 6. INFORMATION SYSTEMS DEPARTMENT

To complete transition to host-City Website internally. To increase the bandwidth of the City Internet access. And to complete the upgrade of the City wireless WAN.





**HUMAN RESOURCES**

## Department Summary

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>FINANCIAL SUMMARY</b>				
Administration	144,152	149,440	184,550	172,065
<b>DEPARTMENT TOTAL</b>	<b>144,152</b>	<b>149,440</b>	<b>184,550</b>	<b>172,065</b>
<b>CHARACTER OF EXPENDITURES</b>				
Personnel				
Salaries & Wages	76,472	76,133	92,031	98,028
Fringe Benefits	14,205	16,580	20,592	22,567
Supplies	6,239	6,300	6,300	6,625
Services	43,430	46,800	62,000	41,500
Interfund	3,806	3,627	3,627	3,345
<b>DEPARTMENT TOTAL</b>	<b>144,152</b>	<b>149,440</b>	<b>184,550</b>	<b>172,065</b>
<b>SOURCE OF FUNDS</b>				
General Fund	144,152	149,440	184,550	172,065
<b>DEPARTMENT TOTAL</b>	<b>144,152</b>	<b>149,440</b>	<b>184,550</b>	<b>172,065</b>

## SIGNIFICANT CHANGES

## CAPITAL OUTLAYS

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	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>POSITION SUMMARY</b>				
/Administration				
Administrator	1.00	1.00	1.00	1.00
Assistant	.80	.80	.80	.80
<b>TOTAL GENERAL FUND FTE's</b>	<b>1.80</b>	<b>1.80</b>	<b>1.80</b>	<b>1.80</b>

## SIGNIFICANT CHANGES

## MISSION STATEMENT

Maintaining the highest standards of professional and personal conduct. Encouraging the City to make fair and equitable treatment of all employees a primary concern. Striving to make the City profitable both in monetary terms and through the support and encouragement of effective employment practices. Instilling in the employees and the public a sense of confidence about the conduct and intentions of the City of Anacortes. Maintaining loyalty to the City and pursuing business strategies in ways that are consistent with public interest. Upholding employment laws and regulations. Maintaining the confidentiality of privileged information. Improving public understanding of the role of the human resource management

## HUMAN RESOURCES

### Department Summary

### GOALS, TARGET, AND PERFORMANCE MEASURES

1. HR will aid the City of Anacortes in
  - Accomplishing business goals
  - Improving operating efficiencies
  - Listening and responding to employees
  - Adapting to changes
2. HR will participate in
  - The process of defining business strategies
  - Delivering HR processes
  - Improving employee commitment
  - Shaping cultural change
3. HR will assure that
  - HR strategies are aligned with business strategy
  - HR processes are efficiently administered
  - HR processes and programs increase the organization's ability to change
4. HR effectiveness can be measured by its ability to
  - Help move strategy in to practice
  - Efficiently deliver HR processes
5. Ultimately HR must develop processes and programs that link HR strategies to the City's goals while efficiently managing the HR department.





**PLANNING & COMMUNITY DEVELOPMENT**  
 Department Summary

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>FINANCIAL SUMMARY</b>				
Planning & Zoning	139,666	108,783	111,986	145,917
Permit Center	319,867	361,814	368,237	341,167
Urban Industrial Park	234,608	162,405	228,404	150,132
<b>DEPARTMENT TOTAL</b>	<b>694,141</b>	<b>633,002</b>	<b>708,627</b>	<b>637,216</b>

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>CHARACTER OF EXPENDITURES</b>				
<b>Personnel</b>				
Salaries & Wages	322,433	336,208	336,207	349,698
Fringe Benefits	71,349	67,225	76,851	91,118
Supplies	31,498	31,494	31,494	10,000
Services	246,588	174,878	240,878	167,527
Intergovernmental	36	35	35	36
Interfund	22,237	23,162	23,162	18,837
<b>DEPARTMENT TOTAL</b>	<b>694,141</b>	<b>633,002</b>	<b>708,627</b>	<b>637,216</b>

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>SOURCE OF FUNDS</b>				
Building Permits	286,155	275,000	282,000	275,000
Planning Permits	29,885	30,750	34,100	21,000
Grants	19,352		21,525	0
Other	187,272	141,252	184,802	145,816
Ramp Fees	19,444	24,000	24,200	20,000
Rents	152,033	162,000	162,000	175,400
<b>DEPARTMENT TOTAL</b>	<b>694,141</b>	<b>633,002</b>	<b>708,627</b>	<b>637,216</b>

**SIGNIFICANT CHANGES**

**PLANNING & COMMUNITY DEVELOPMENT**

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>POSITION SUMMARY</b>				
/Planning				
Planning Director	.60	.60	.60	.60
Land Use Permit Manager	1.00	1.00	1.00	1.00
Legal Secretary	1.00	1.00	1.00	1.00
/Permit Center				
Building Official	1.00	1.00	1.00	1.00
Building Inspector	1.50	1.50	1.50	1.50
Plans Examiner	1.00	1.00	1.00	1.00
Building Permit Technician	1.00	1.00	1.00	1.00
<b>TOTAL GENERAL FUND FTE's</b>	<b>6.90</b>	<b>6.90</b>	<b>6.90</b>	<b>6.90</b>
<b>TOTAL OTHER FUND FTE's</b>	<b>.20</b>	<b>.20</b>	<b>.20</b>	<b>.20</b>
<b>POSITION TOTAL</b>	<b>8.00</b>	<b>8.00</b>	<b>8.00</b>	<b>8.00</b>
<b>TOTAL FTE's</b>	<b>7.10</b>	<b>7.10</b>	<b>7.10</b>	<b>7.10</b>

**SIGNIFICANT CHANGES**



## MISSION STATEMENT

To facilitate the Anacortes community's efforts to plan and control its physical, social, economic and environmental future by developing plans and policies with the community and by reviewing and processing permit applications under these plans and policies and their implementing regulations. To ensure that Anacortes buildings are properly constructed and maintained in accordance with safety and quality standards as prescribed by the State. To manage the City's industrial park in such a way as to optimize employment opportunities and revenue generation.

## 2003 GOALS

1. Revitalize the Fidalgo Bay waterfront by significantly improving public access, by providing for water-dependant and water-related uses, and by encouraging economic development activities.
2. Integrate UGA development with City planning to ensure that City standards are adhered to such that significant infrastructure upgrades are not required upon annexation and that no competitive advantage is secured by locating in the UGA vis-à-vis inside the current City limits.

## 2003 OBJECTIVES

1. Implement the sub-area plan for Fidalgo Bay.
2. Plywood mill site (city) sale.
3. Implement City development standards in UGA.
4. Continue the South March Point infrastructure upgrades.

## PLANNING & COMMUNITY DEVELOPMENT

### Department Summary

#### Performance Measures

- Ensure citizen participation in long range planning efforts by maximizing the number of active participants in the Comprehensive Plan and Zoning Ordinance revision process
- Improve the quality of Anacortes neighborhoods and industrial and commercial districts by preparing Ordinances, projects, and programs recommended in adopted plans.
- Improve the physical environment for Anacortes citizens and assure compliance with applicable standards by efficiently processing:
  - ✓ \*Projects pursuant to the Zoning, Subdivision, and Shoreline Ordinances all within 120 days of completed application.
  - ✓ \*Properties cleared of zoning violations.
- Improve the physical environment for Anacortes citizens and assure compliance with safety standards: by efficiently processing residential permits within 21 days of completed application and commercial permits within 56 days; and by issuing certificates of occupancy for construction projects completed in compliance with City and State Codes.
- Offset the public costs of new development by managing an impact fee program.





**POLICE**  
Department Summary

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>FINANCIAL SUMMARY</b>				
Administration	404,813	411,082	427,002	459,324
Investigation	249,871	214,323	228,085	248,547
Patrol	1,536,469	1,415,096	1,598,342	1,712,370
Marine Patrol	11,209	13,573	13,573	15,715
Crime Prevention	69,579	68,595	73,039	78,430
Specially Funded Programs	8,741	10,725	10,725	11,125
Care & Custody of Prisoners	95,799	73,900	73,900	85,400
Support Services	541,114	545,222	564,051	380,222
Animal Control	65,494	61,185	64,818	67,707
<b>DEPARTMENT TOTAL</b>	<b>2,983,089</b>	<b>2,813,701</b>	<b>3,053,535</b>	<b>3,058,840</b>
<b>CHARACTER OF EXPENDITURES</b>				
Personnel				
Salaries & Wages	1,783,666	1,705,215	1,789,689	1,895,681
Fringe Benefits	397,322	276,981	432,141	508,379
Supplies	39,392	55,200	55,500	57,350
Services	141,416	150,549	150,549	172,217
Intergovernmental	335,922	340,251	340,251	144,400
Capital Outlays	5,941	7,500	7,500	3,500
Interfund	279,430	278,005	278,005	277,313
<b>DEPARTMENT TOTAL</b>	<b>2,983,089</b>	<b>2,813,701</b>	<b>3,053,635</b>	<b>3,058,840</b>
<b>SOURCE OF FUNDS</b>				
General Fund	2,894,804	2,792,431	3,023,055	3,041,990
Law Enforcement Services	1,336	970	970	1,050
Grants	71,009	5,000	16,250	0
Criminal Justice Funds	15,940	15,300	15,300	15,800
<b>DEPARTMENT TOTAL</b>	<b>2,983,089</b>	<b>2,813,701</b>	<b>3,055,575</b>	<b>3,058,840</b>

**CAPITAL OUTLAYS**

Armored Vests           \$ 3,500

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>POSITION SUMMARY</b>				
/Administration				
Police Chief	1.00	1.00	1.00	1.00
Captain	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00
/Investigation				
Detective Sergeant	1.00	1.00	1.00	1.00
Detectives	2.00	2.00	2.00	2.00
/Patrol				
Sergeants	3.00	3.00	3.00	3.00
Patrol Officers	15.00	15.00	15.00	16.00
/Crime Prevention				
DARE Officer	1.00	1.00	1.00	1.00
/Communications Center (Support Services)				
Supervisor	1.00	1.00	1.00	1.00
Support Staff	4.00	4.00	4.00	4.00
Receptionist/Clerk	1.00	1.00	1.00	1.00
/Animal Control				
Control Officer	1.00	1.00	1.00	1.00
<b>TOTAL GENERAL FUND FTE's</b>	<b>32.00</b>	<b>32.00</b>	<b>32.00</b>	<b>33.00</b>

**SIGNIFICANT CHANGES**

**MISSION STATEMENT**

To contribute to the overall improvement of the quality of life in the City of Anacortes, by reducing danger from criminal activity by working in partnership with members of the community.

**GOALS 2004**

1. Achieve State Accreditation for the Anacortes Police Department.
2. Implement a 450 Band radio system for police communications.





**MEDIC/FIRE**  
Department Summary

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>FINANCIAL SUMMARY</b>				
Administration	205,227	206,540	647,693	214,794
Fire Suppression	822,035	753,597	1,069,572	812,955
Prevention/Investigation	117,707	120,858	131,613	135,154
Training	160,051	128,832	222,305	147,946
Ambulance/Emergency Aid	679,753	972,243	737,011	1,000,000
<b>DEPARTMENT TOTAL</b>	<b>1,984,773</b>	<b>2,182,070</b>	<b>2,808,194</b>	<b>2,310,849</b>

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>POSITION SUMMARY</b>				
/Administration				
Fire Chief	1.00	1.00	1.00	1.00
Assistant Fire Chief/Operations	1.00	1.00	1.00	1.00
Assistant Fire Chief/Prevention	1.00	1.00	1.00	1.00
Executive Secretary	1.00	1.00	1.00	1.00
/Firefighters				
Lieutenants/Paramedics	6.00	6.00	6.00	6.00
Firefighters/Paramedics	9.00	9.00	9.00	9.00
<b>TOTAL GENERAL FUND FTE's</b>	<b>19.00</b>	<b>19.00</b>	<b>19.00</b>	<b>19.00</b>
<b>TOTAL VOLUNTEERS</b>	<b>30.00</b>	<b>30.00</b>	<b>30.00</b>	<b>30.00</b>

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>CHARACTER OF EXPENDITURES</b>				
Personnel				
Salaries & Wages	1,413,371	1,414,999	1,529,732	1,427,083
Fringe Benefits	222,132	211,983	274,374	320,234
Supplies	48,584	52,625	67,625	52,525
Services	80,894	84,511	84,511	82,351
Intergovernmental	0	100	100	600
Capital Outlays	36,220	39,400	473,400	84,525
Interfund	183,572	178,452	178,452	143,531
Contingency March Pt Fire Prot	0	200,000	200,000	200,000
<b>DEPARTMENT TOTAL</b>	<b>1,984,773</b>	<b>2,182,070</b>	<b>2,808,194</b>	<b>2,310,849</b>

**SIGNIFICANT CHANGES**

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>SOURCE OF FUNDS</b>				
Taxes	1,212,324	1,484,395	2,099,189	1,525,649
Prehospital Needs Grant		1,200	1,200	1,200
SSCEMS Council	439,738	441,475	441,475	450,000
EMS Contrib- Swinomish Casino	5,269	5,000	5,000	4,000
Ambulance Fees – Island Hosp	327,442	250,000	261,330	330,000
<b>DEPARTMENT TOTAL</b>	<b>1,984,773</b>	<b>2,182,070</b>	<b>2,808,194</b>	<b>2,310,849</b>

**SIGNIFICANT CHANGES**

**CAPITAL OUTLAYS:**

Land – So March Pt Road Fire Station	\$8,000
Nozzle – E 1 ½	1,800
Air Paks	4,200
Portable Radios	33,500
Wildland Equipment	2,025
Radio Head Sets	1,500
Ambulance Equipment (SEMISC)	33,500

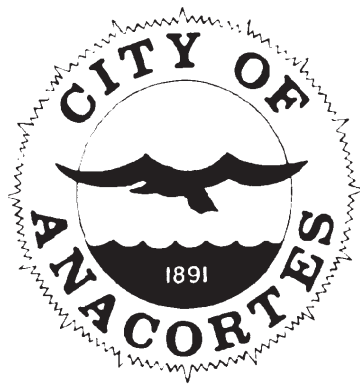


## **MISSION STATEMENT**

The City of Anacortes Fire Department dedicates itself to protecting life and property in our community from fire, medical and other emergencies; through emergency services, public education, and code enforcement.

### **Value Statement**

- Continue Self-Assessment Process.
- Replace all radios to be compliant with FCC Narrowbanding.
- Conduct firefighter and lieutenant testing to validate an eligibility list.
- Implement Phase I of Fire Officer I training.
- Train and certify paid personnel to IFC Level i.
- Provide funding to certify personnel in Firefighting I & II certification through the State Historical program.
- Provide funding for continuing education for ALS personnel.
- Place upgraded ambulance in service at Station #2.





**PUBLIC WORKS**  
Department Summary

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>FINANCIAL SUMMARY</b>				
Administration	1,064,482	1,251,962	1,282,185	1,116,199
Engineering	791,389	3,797,476	4,207,209	1,935,645
Street	673,623	699,054	699,104	890,877
Arterial Street	1,051,119	2,500,530	2,615,400	1,686,000
Water	8,269,084	3,260,467	3,011,562	3,129,312
Wastewater	2,243,063	2,414,906	3,048,412	2,459,038
Storm Drainage	254,526	336,146	336,142	243,144
Sanitation	1,398,191	1,523,746	1,575,746	1,493,919
Equipment Rental	1,051,004	1,033,087	1,141,087	1,006,160
<b>DEPARTMENT TOTAL</b>	<b>16,796,481</b>	<b>16,817,374</b>	<b>17,916,927</b>	<b>13,960,294</b>
<b>Personnel</b>				
Salaries & Wages	2,999,509	3,274,294	3,288,836	3,350,738
Fringe Benefits	770,980	863,456	868,987	1,042,646
Supplies	939,553	933,566	933,566	983,055
Services	2,809,121	3,385,365	3,552,062	3,141,916
Intergovernmental	11,028	12,100	12,100	12,465
Capital Outlays	7,841,310	6,687,792	7,600,575	4,022,022
Administrative Service Chg	744,451	759,340	759,340	769,211
Interfund	680,529	901,461	901,461	638,241
<b>DEPARTMENT TOTAL</b>	<b>16,796,481</b>	<b>16,817,374</b>	<b>17,916,927</b>	<b>13,960,294</b>
<b>SOURCE OF FUNDS</b>				
General Revenues		1,154,814	2,208,767	
Property Taxes	539,448	586,030	586,030	605,440
Motor Vehicle Fuel Tax	318,319	315,000	315,000	315,050
Grants	995,659	1,905,000	1,598,000	966,000
Misc. Revenues\Fees	28,333	41,130	54,130	33,200
Charges for Services	11,508,513	12,265,400	12,555,400	11,256,604
Bond Proceeds	3,065,000	0	0	0
Investment Interest	251,209	90,000	139,600	80,000
Operating Transfer	90,000	460,000	460,000	704,000
<b>DEPARTMENT TOTAL</b>	<b>16,796,481</b>	<b>16,817,374</b>	<b>17,916,927</b>	<b>13,960,294</b>

SIGNIFICANT CHANGES:

CAPITAL OUTLAYS: See individual fund summaries.

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>POSITION SUMMARY</b>				
/Administration				
Public Works Director	1.00	1.00	1.00	1.00
Operations/Maintenance Mgr	1.00	1.00	1.00	1.00
WTP/WWTP Manager	2.00	2.00	2.00	2.00
Administrative Assistant	.65	.65	.65	.65
Department Secretary	3.80	3.80	3.80	3.80
Receptionist		.40	.40	.40
/Engineering				
City Engineer	1.00	1.00	1.00	1.00
Asst City Engineer	1.00	1.00	1.00	1.00
City Project Engineer	.42	.42	.42	.42
Special Project Engineer	.50	.50	.50	.50
Engineering Techs	5.00	5.00	5.00	5.00
Engineering Inspector	1.00	1.00	1.00	1.00
Utility Services	1.00	1.00	1.00	1.00
/Operations				
WTP Operators	7.50	9.50	9.50	9.50
WWTP Operators	11.00	11.00	11.00	11.00
WWTP Lab Tech	1.00	1.00	1.00	1.00
/Maintenance				
Street/Sewer/Storm Drain	10.00	10.00	10.00	10.00
Water	6.00	7.00	7.00	7.00
Water Utility Services	2.00	2.00	2.00	2.00
Equipment Rental Mechanics	3.00	3.00	3.00	3.00
Sanitation	6.00	6.00	6.00	6.00
<b>TOTAL DEPARTMENT FTE's</b>	<b>64.87</b>	<b>68.27</b>	<b>68.27</b>	<b>68.27</b>
Full Time Positions	63.00	66.00		
Part Time Positions	4.00	5.00		

## MISSION STATEMENT

To operate, maintain, and improve a robust infrastructure in order to maintain and improve the quality of life for the community:

## GOALS FOR 2004

### GOAL: Maintain relevance in the City and community.

- **Measure customer satisfaction in every area possible.**
  - ✧ Establish customer representatives for major utility customers.
  - ✧ Random calls to customers on how we've done.
- **Ensure services provided are relevant to our community.**
  - ✧ Utilize surveys
    - Commercial recycling survey
  - ✧ Public Works "Community Forums"
  - ✧ Review fees
  - ✧ Expand mapping/drawing availability over the counter
- **Utilize every opportunity to obtain community input and participation to improve our services.**
  - ✧ PW Development Standards Committee – establish meeting schedule and work plan
  - ✧ Re-vamp our Public Works citizen committees
  - ✧ Improve our permitting process for street fairs and encroachment agreements.
- **Project into community; communicate and improve vicibility.**
  - ✧ Pamphlets/brochures for the community on our services
  - ✧ Channel 10
  - ✧ PWD speaker bureau
  - ✧ Continue to "Brand" our water
  - ✧ Revise our Web Page
  - ✧ Get GIS into the community

### GOAL: Operate, maintain and improve a robust infrastructure

- **Meet all operating and environmental permit requirements.**
  - ✧ Update our Storm Drainage Ordinance
  - ✧ Upgrade our cross-connection control program
  - ✧ Complete and implement a written operations and maintenance plan for our water distribution and transmission system
  - ✧ Upgrade our water cathodic protection system on our transmission lines
  - ✧ Fix 13<sup>th</sup> Street sewer overflow issue
  - ✧ Increase professional certifications
- **Build Phase II of the Tommy Thompson Trail**
- **Build the Ship Harbor regional sewage pump station**
- **Establish and execute an emergency power plan for the water treatment plant.**
- **Complete the waterline replacement project on time, on budget, and with specification quality.**
  - ✧ 2004 – complete segment 4 (golf course)
- **Seek opportunities to reduce the life-cycle cost of our infrastructure.**
  - ✧ Institute training in engineering economics
  - ✧ Institute predictive maintenance testing for pumps and motors
  - ✧ Continue conversion to telemetry and PLC controls for the water and sewer systems
- **Improve our emergency response capability**
  - ✧ Establish a Water Emergency Plan
  - ✧ Conduct a least one "hands on" emergency drill

**GOAL: Become a “Record Breaking” Public Works Organization – an organization that other public works departments model themselves after.**

- **Pursue formal accreditation by the American Public Works Association.**
  - ✧ Complete the Improvement Phase of APWA Accreditation
- **Be the first and best source of information on Public Works matters.**
  - ✧ Define our development and construction standards
  - ✧ Institutionalize monthly project status reports for development and design
  - ✧ Complete mapping of our utility systems – export GIS to City departments and community
  - ✧ Aerial photos available to all
- **Make Public Works fun to the people and the community.**
  - ✧ Water conservation
  - ✧ Waterfront Festival
  - ✧ Outreach to schools and community groups
  - ✧ Open houses/tours
  - ✧ National Public Works Week activities
  - ✧ Earth Day activities
- **Make the extra effort to “delight” the customer.**
  - ✧ Act on improvements to our development review process and customer service
  - ✧ Improve the customer service arm of Public Works
- **Ensure seamless teamwork within Public Works, the City and supporting agencies**
  - ✧ Continue close working relationship with Finance/Building Departments
  - ✧ Seek ways to work closer with other City departments
  - ✧ Improve grants administration procedures and tracking list
  - ✧ Build close working relationship with the Skagit County Public Works, Port of Anacortes, WSDOT, DOE, and Skagit PUD.
  - ✧ Foster a positive working environment with high morale
  - ✧ Perpetuate a culture of high trust and open honest communication
  - ✧ Expand cross-training opportunities for Division Managers.
- **Develop, train, hire, and retain an outstanding team**
  - ✧ Increase recognition of our people
  - ✧ Continue training of leadership staff
  - ✧ Continue cross training within Public Works and City and other public works organizations
  - ✧ Ensure training and travel is cost effectively executed
- **Communicate our successes to the community and our professional groups**
  - ✧ Increase outreach and marketing of our services
  - ✧ Increase presence on Channel 10
  - ✧ Increase use of City web site
  - ✧ Improve our monthly newsletter

**ENGINEERING**  
GENERAL, STREET, WATER, SEWER, & STORM DRAIN FUNDS

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>FINANCIAL SUMMARY</b>				
General Fund*	452,561	428,155	446,303	483,667
Street Fund	32,410	31,884	31,884	36,273
Water Fund	120,089	2,836,788	3,344,476	760,236
Sewer Fund	160,977	363,499	231,991	356,876
Storm Drain Fund	29,129	137,150	137,150	272,443
Sanitation			15,405	30,000
<b>DEPARTMENT TOTAL</b>	<b>795,166</b>	<b>3,797,476</b>	<b>4,207,209</b>	<b>1,939,495</b>
<b>CHARACTER OF EXPENDITURES</b>				
Personnel				
Salaries & Wages	441,417	527,366	427,958	558,607
Fringe Benefits	105,624	122,020	108,068	178,432
Supplies	114,681	13,400	13,400	22,350
Services	102,726	49,325	102,730	119,935
Interfund	23,197	28,865	28,865	27,247
Capital Outlays	7,521	3,056,500	3,526,188	1,032,924
<b>DEPARTMENT TOTAL</b>	<b>795,166</b>	<b>3,797,476</b>	<b>4,207,209</b>	<b>1,939,495</b>

\*includes Administration

**CAPITAL OUTLAYS:**

Minor Equipment	\$15,050
Stevenson Road Waterline	1,674
Fire Waterline – Maintenance Bldg	20,000
N Texas Road Phase II	90,000
36" Line Construction	340,000
Recoat 36" Pipeline at Pilings	25,000
Waterline Replacements	127,000
Waterline Inspection Whitney Road	25,000
Computer Equipment	4,200
Sewer Rehab Pipeline Replacement	127,000
Sewer Manhole Replacement	72,000
Outfall Easement Procurement	15,000
Infiltration & Intrusion	104,000
Storm Sewer Improvement	67,000

**STREET**  
Street, Arterial Street

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>FINANCIAL SUMMARY</b>				
Administration	56,624	60,139	60,141	63,334
Street Maintenance	673,623	699,054	699,104	890,877
Arterial Street	1,051,119	2,500,530	2,615,480	1,686,000
<b>FUND TOTAL</b>	<b>1,781,366</b>	<b>3,259,723</b>	<b>3,374,725</b>	<b>2,640,211</b>
<b>CHARACTER OF EXPENDITURES</b>				
Personnel				
Salaries & Wages	243,724	263,034	263,036	261,504
Fringe Benefits	64,818	73,674	73,674	80,749
Supplies	75,057	86,450	86,450	90,050
Services	201,734	391,749	391,749	204,402
Capital Outlay	1,061,871	2,310,480	2,425,480	1,891,000
Interfund	134,162	134,336	134,336	112,506
<b>TOTAL</b>	<b>1,781,366</b>	<b>3,259,723</b>	<b>3,374,725</b>	<b>2,640,211</b>

**CAPITAL OUTLAYS:**

Street Overlays	\$410,000
28 <sup>th</sup> & J Roadway Construction	285,000
Sunset Ave Widening	175,000
Misc. Sidewalk Construction	30,000
CBD Sidewalk Improvements	140,000
T. Thompson Parkway Trail Design	476,000
12 <sup>th</sup> & G/H Widening	375,000

**WATER**  
Fund Summary

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>FINANCIAL SUMMARY</b>				
Administration	511,607	586,010	616,226	534,187
Operations	1,548,886	2,159,562	2,159,562	2,358,024
Maintenance	6,720,198	1,100,905	852,000	771,288
	<u>8,780,691</u>	<u>3,846,477</u>	<u>3,627,788</u>	<u>3,663,499</u>

**CHARACTER OF EXPENDITURES**

Personnel				
Salaries & Wages	924,895	1,023,363	1,023,362	996,847
Fringe Benefits	237,121	260,200	260,200	297,341
Supplies	194,107	243,415	243,415	233,225
Services	1,044,228	1,244,403	1,274,620	1,281,008
Capital Outlay	5,787,208	443,000	194,095	276,050
Interfund Charges	593,132	632,096	632,096	579,028
	<u>8,780,691</u>	<u>3,846,477</u>	<u>3,627,788</u>	<u>3,663,499</u>

**CAPITAL OUTLAYS:**

WTP Electric Valve Actuator	\$87,550
WTP Re-build High Service Pumps	14,500
WTP Lime Feeder Replacement	50,000
WTP Generator Installation	15,000
WTP Reservoir Telemetry Improvements	100,000
Meter Installations	4,000
Pave Inventory Storage Lot	5,000

**WASTEWATER**  
Fund Summary

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>FINANCIAL SUMMARY</b>				
Administration	327,923	434,956	496,956	344,907
Operations	1,732,625	2,055,330	2,623,084	2,200,222
Maintenance	469,616	312,205	377,959	213,950
March Pt Sewer Conveyance	40,822	47,370	47,369	44,866
	<u>2,570,986</u>	<u>2,849,861</u>	<u>3,545,368</u>	<u>2,803,945</u>

**CHARACTER OF EXPENDITURES**

Personnel				
Salaries & Wages	824,412	824,205	936,229	878,440
Fringe Benefits	207,128	225,877	245,360	280,844
Supplies	338,893	363,801	363,801	397,930
Services	442,136	658,117	658,117	475,899
Intergovernmental	11,027	12,100	74,100	12,465
Capital Outlay	447,097	345,695	847,695	440,800
Interfund Charges	300,293	420,066	420,066	317,567
	<u>2,570,986</u>	<u>2,849,861</u>	<u>3,545,368</u>	<u>2,803,945</u>

**CAPITAL OUTLAYS:**

WWTP De-Chlorination Facilities	\$13,300
WWTP Influent Flowmeters	7,200
WWTP Radio Telemetry	30,000
WWTP Hydrocarbon Emissions Monitor	26,000
WWTP Equipment	25,000
WWTP Pump Station #15 Emergency	133,000
WWTP Ship's Harbor Pump Station	175,000
March Pt. Sewer Conveyance Radio Telemetry	31,300



**STORM DRAINAGE**  
Fund Summary

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>FINANCIAL SUMMARY</b>				
Administration	12,390	11,871	24,475	14,059
Maintenance	254,526	336,146	336,142	243,144
	<u>266,916</u>	<u>348,017</u>	<u>360,617</u>	<u>257,203</u>
<b>CHARACTER OF EXPENDITURES</b>				
Personnel				
Salaries & Wages	141,599	163,563	163,563	166,949
Fringe Benefits	40,724	48,496	48,496	49,229
Supplies	6,388	6,000	6,000	5,000
Services	15,151	21,589	21,589	4,273
Intergovernmental	1		12,600	
Capital Outlay	25,681	62,800	62,800	1,000
Interfund Charges	37,372	45,569	45,569	30,752
	<u>266,916</u>	<u>348,017</u>	<u>360,617</u>	<u>257,203</u>

**CAPITAL OUTLAYS:**

Curbs and Gutters \$1,000

**SANITATION**  
Fund Summary

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>FINANCIAL SUMMARY</b>				
Administration	111,449	114,480	114,480	116,392
Operations	1,398,191	1,523,746	1,575,746	1,493,919
	<u>1,509,640</u>	<u>1,638,226</u>	<u>1,690,226</u>	<u>1,610,311</u>
<b>CHARACTER OF EXPENDITURES</b>				
Personnel				
Salaries & Wages	261,003	312,991	312,991	325,738
Fringe Benefits	77,525	93,009	93,009	107,258
Supplies	9,443	11,700	11,700	11,500
Services	858,430	852,159	904,159	854,578
Capital Outlay	0	2,500	2,500	5,000
Interfund Charges	303,239	365,867	365,867	306,237
	<u>1,509,640</u>	<u>1,638,226</u>	<u>1,690,226</u>	<u>1,610,311</u>

**CAPITAL OUTLAYS:**

Containers/Dumpsters \$5,000

**EQUIPMENT RENTAL**

## Fund Summary

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>FINANCIAL SUMMARY</b>				
Administration	40,713	39,207	39,207	39,470
Maintenance	1,051,003	1,033,087	1,141,087	1,006,160
	<u>1,091,716</u>	<u>1,072,294</u>	<u>1,180,294</u>	<u>1,045,630</u>
<b>CHARACTER OF EXPENDITURES</b>				
Personnel				
Salaries & Wages	162,457	159,772	161,697	162,653
Fringe Benefits	38,040	40,180	40,180	48,793
Supplies	200,985	207,500	207,500	223,000
Services	144,716	164,023	195,098	201,821
Capital Outlay	511,933	466,817	541,817	375,248
Interfund Charges	33,585	34,002	34,002	34,115
	<u>1,091,716</u>	<u>1,072,294</u>	<u>1,180,294</u>	<u>1,045,630</u>

**CAPITAL OUTLAYS**

Department	Equipment	Total Cost	Funding Source	
			Dept Budget	'B' Reserve
Police	Patrol cars (3)	\$90,636		\$90,636
Medic/Fire	Command Vehicle	30,212		30,212
	Ambulance	160,000		160,000
Park/Cemetery	½ Ton Pickup	17,500		17,500
	Weedeater	450		450
	Leaf Blowers (2)	900		900
Public Works		0		0
Water	¾ Ton Pickup	25,000		25,000
Street	Paint Striper, walk behind	5,550		5,550
<b>Total</b>		<b>\$330,248</b>		<b>\$330,248</b>

Operations Facility Asphalt Overlay \$45,000



**PARKS/RECREATION/CEMETERY**

## Department Summary

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>FINANCIAL SUMMARY</b>				
Parks	621,914	590,016	1,029,317	626,800
Recreation	169,185	176,726	176,726	199,055
Forestland	103,635	113,777	113,777	108,844
Cemetery	107,137	101,807	106,807	114,374
Municipal Bldg/Community Ctr	367,900	381,107	381,497	376,085
SWWTP Grounds Maint	15,264	20,539	20,539	16,957
<b>DEPARTMENT TOTAL</b>	<b>1,385,035</b>	<b>1,383,972</b>	<b>1,828,663</b>	<b>1,442,115</b>
<b>CHARACTER OF EXPENDITURES</b>				
<b>Personnel</b>				
Salaries & Wages	635,839	686,663	693,312	737,022
Fringe Benefits	163,166	182,992	184,354	232,547
Supplies	96,584	99,750	101,450	99,950
Services	300,593	275,505	321,305	261,876
Intergovernmental	26	25	405	500
Capital Outlays	57,467	0	388,800	0
Interfund	131,360	139,037	139,037	110,220
<b>DEPARTMENT TOTAL</b>	<b>1,385,035</b>	<b>1,383,972</b>	<b>1,828,663</b>	<b>1,442,115</b>
<b>SOURCE OF FUNDS</b>				
General	412,184	459,307	777,287	501,452
Interest	18,098	5,000	6,417	
Grants	9,330		7,880	
Donations	7,274		30,500	
Taxes	686,758	733,664	739,414	757,963
Fees/Rents	251,391	186,001	267,165	182,700
<b>DEPARTMENT TOTAL</b>	<b>1,385,035</b>	<b>1,383,972</b>	<b>1,828,663</b>	<b>1,442,115</b>

## SIGNIFICANT CHANGES

## CAPITAL OUTLAYS

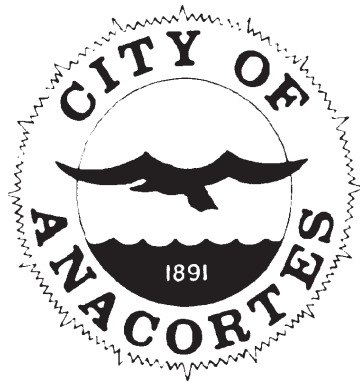
	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>POSITION SUMMARY</b>				
Director	1.00	1.00	1.00	1.00
Recreation Manager	1.00	1.00	1.00	1.00
Facilities Manager	1.00	1.00	1.00	1.00
Park Operations/Maintenance Mgr	1.00	1.00	1.00	1.00
Washington Park Manager	1.00	1.00	1.00	1.00
Administrative Secretary	.70	.70	.70	.70
Department Secretary	.50	.50	.50	.50
Recreation Coordinator	1.00	1.00	1.00	1.00
Recreation Assistants	.36	.36	.20	.20
Forestland Maintenance	1.66	1.66	1.66	1.66
Maintenance	7.24	7.24	7.43	7.43
Custodial	1.25	1.25	1.20	1.20
Sailing Instructors	.35	.35	.35	.35
<b>TOTAL DEPARTMENT FTE's</b>	<b>18.06</b>	<b>18.06</b>	<b>18.04</b>	<b>18.04</b>
Full Time Positions	12.00	12.00	12.00	12.00
Seasonal Positions	18.00	18.00	18.00	18.00
<b>POSITION TOTAL</b>	<b>30.00</b>	<b>30.00</b>	<b>30.00</b>	<b>30.00</b>

## MISSION STATEMENT

The Anacortes Parks & Recreation Department seeks to preserve and enhance the quality of life that our residents enjoy by providing quality recreational facilities and opportunities regardless of age, race, sex, wealth or ability.

### **The City of Anacortes Parks and Recreation Department is committed to:**

- ✓ Developing and maintaining facilities that we are proud to call our own.
- ✓ Assuring that each person that comes in contact with our department (facilities, services and personnel) is treated with respect.
- ✓ Running recreation programs that we would encourage anyone to participate in.
- ✓ Actively involving public participation in our planning and policy setting.
- ✓ Making our work environment an enjoyable, creative, productive place.
- ✓ Effectively using our revenues to their maximum potential.
- ✓ Systematically responding to external requests for assistance as quickly and efficiently as possible.
  
- ❖ We will aid the City of Anacortes in developing and maintaining facilities by:
  - Thinking of the public's facilities as our own
  
- ❖ We will treat people with respect by:
  - Actively listening to our customer
  - Working hard to see things from different perspectives
  
- ❖ We will provide positive recreation programs by:
  - Ensuring that our programs are run fairly
  - Making sure our programs are well organized
  
- ❖ We will involve the public in our planning and policy setting by:
  - Actively encouraging public participation and involvement
  - Doing our best to consider the public's input when making recommendations
  
- ❖ We will improve our work environment by:
  - Giving employees a part in decision making
  - Supporting our co-workers
  
- ❖ We will effectively use our revenues by:
  - Carefully considering all spending decisions
  - Always looking for more efficient ways to do things
  
- ❖ We will efficiently respond to requests for assistance by:
  - Prioritizing them with our regular maintenance concerns
  
- ❖ Our effectiveness can be measured by our ability to
  - Make Anacortes a better place to live and work





**LIBRARY**  
Department Summary

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>FINANCIAL SUMMARY</b>				
Administration	69,996	73,666	73,666	77,972
Library Services	562,811	592,946	632,946	637,121
Library Construction	3,571,985		25,000	
<b>DEPARTMENT TOTAL</b>	<b>4,204,792</b>	<b>666,612</b>	<b>731,612</b>	<b>715,093</b>
<b>CHARACTER OF EXPENDITURES</b>				
Personnel				
Salaries & Wages	400,023	392,469	418,929	432,634
Fringe Benefits	89,037	94,521	98,539	111,200
Supplies	103,586	79,900	83,885	60,820
Services	28,763	63,456	78,515	73,639
Capital Outlays	3,545,319	0	15,478	0
Interfund	38,064	36,266	36,266	36,800
<b>DEPARTMENT TOTAL</b>	<b>4,204,792</b>	<b>666,612</b>	<b>731,612</b>	<b>715,093</b>
<b>SOURCE OF FUNDS</b>				
Property Taxes	627,243	680,413	683,413	702,949
Grants/Donations	122,509		44,789	
Charges for Services	12,198	16,000	18,760	20,000
Interest	58,754			
Operating Transfer				
Fund Balance	3,384,088	(29,801)	(15,350)	(7,856)
<b>DEPARTMENT TOTAL</b>	<b>4,204,792</b>	<b>666,612</b>	<b>731,612</b>	<b>715,093</b>

SIGNIFICANT CHANGES

CAPITAL OUTLAYS

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>POSITION SUMMARY</b>				
/Administration				
Library Director	1.00	1.00	1.00	1.00
Assistant Library Director	-	-	-	-
Assistant Library Director-Children	-	-	-	-
Librarians	2.00	2.00	2.00	2.00
/Library Services				
Administrative Assistant	1.00	1.00	1.00	1.00
Assistant Children's Collection	.50	.50	.50	.50
Clerks	7.17	7.17	7.75	7.75
Pages	1.04	1.04	1.04	1.04
<b>TOTAL FTE's</b>	<b>12.71</b>	<b>12.71</b>	<b>13.29</b>	<b>13.29</b>
Full Time Positions	7.00	7.00	7.00	7.00
Part Time Positions	13.00	13.00	13.00	13.00
<b>POSITION TOTAL</b>	<b>20.00</b>	<b>20.00</b>	<b>20.00</b>	<b>20.00</b>



## **MISSION STATEMENT**

The mission of the Anacortes Public Library is to open doors to a world of information and education and to promote the value and pleasure of reading and other library resources.

### **2004 BUDGET GOALS**

#### Promote and support the value of learning

1. To increase attendance at children's programs.

#### Provide resources to enrich lives

1. Provide Internet and computer training for the public.
2. Technology enhancement – up to date software and training for staff.
3. Provide a rich and bounteous selection of children's materials.

#### Being a community and social center

1. Increase the use of the community meeting room, have adult and young adult programs, increase the use of the Internet.
2. Develop a marketing plan

### **2004 PERFORMANCE MEASURES**

1. Circulation of library materials
2. Items in collection
3. Items added
4. Items deleted
5. Active borrowers
6. Participants in special programs
7. Number of Internet sessions





**MUSEUM**

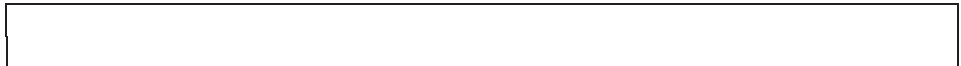
## Department Summary

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>FINANCIAL SUMMARY</b>				
Museum	157,027	167,750	167,750	183,349
W.T. Preston	27,992	23,300	23,300	18,100
Preston Interpretive Ctr Const	32,983	450,000	450,000	408,076
<b>DEPARTMENT TOTAL</b>	<b>218,002</b>	<b>641,050</b>	<b>641,050</b>	<b>609,525</b>
<b>CHARACTER OF EXPENDITURES</b>				
Personnel				
Salaries & Wages	97,177	109,890	109,890	111,562
Fringe Benefits	17,689	16,209	16,209	21,326
Supplies	11,938	12,400	12,400	10,500
Services	69,496	77,755	77,755	43,554
Capital Outlays	13,044	413,700	413,700	408,076
Interfund	8,658	11,096	11,096	14,507
<b>DEPARTMENT TOTAL</b>	<b>218,002</b>	<b>641,050</b>	<b>641,050</b>	<b>609,525</b>
<b>SOURCE OF FUNDS</b>				
General Fund	214,571	227,450	227,450	199,449
Grants	0	408,700	408,700	408,076
Sales/Donations/Fees	3,431	5,000	5,000	2,000
<b>DEPARTMENT TOTAL</b>	<b>218,002</b>	<b>641,150</b>	<b>641,150</b>	<b>609,525</b>

## SIGNIFICANT CHANGES

## CAPITAL OUTLAYS

Interpretive Center \$408,076



	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>POSITION SUMMARY</b>				
/Museum				
Director	1.00	1.00	1.00	1.00
Curator	1.00	1.00	1.00	1.00
Registrar/Admin Asst	.45	.72	.45	.72
Public Information/Education	.45	.58	.45	.58
Aides	1.70	1.50	1.37	1.97
Project				
<b>TOTAL GENERAL FUND FTE's</b>	<b>4.60</b>	<b>4.80</b>	<b>4.27</b>	<b>4.27</b>
Full Time Positions	2.00	2.00	2.00	2.00
Part Time Positions	5.00	5.00	5.00	5.00
<b>POSITION TOTAL</b>	<b>7.00</b>	<b>7.00</b>	<b>7.00</b>	<b>7.00</b>

## SIGNIFICANT CHANGES

## MISSION STATEMENT

The Anacortes Museum exists to promote and inspire an understanding and an appreciation of the heritage of Fidalgo and Guemes Islands.

As a forum for historical inquiry, the Museum presents history through interpretive programs, exhibitions, research, and the active acquisition of local history collections. In conjunction with educational programs, special events and publications, these activities are designed to engage and enrich the individual and the community while also providing people with connections to the past and future.

The Museum advances the use of history as a tool for the informed development of the community and cultivates an awareness of historic preservation. To fulfill this mission, the Museum strives to nurture in the community a pride in place and an identity that has a foundation in an understanding of the role and value of history in our society.

## 2004 OBJECTIVES, GOALS & PERFORMANCE MEASURES

### 1. Create and maintain an environment of learning and understanding.

#### A. Educational activities

1. Continue to improve and expand the educational outreach program.
  - Provide educational materials to educators on Fidalgo and Guemes Islands within three days of the request.
  - Complete the writing of various histories of Fidalgo and Guemes Islands.
  - Continue building the research files and the research library book collection.
2. Exceptional research services
  - Respond to research request within seven days after receiving them.
3. Continue participation on community events.
  - Participate in WFF, Best Fest and Arts Fest.
  - Host the Antique Engine & Machinery Day show.
  - Host a winter talk series related to our local history

#### B. Interpretive exhibits.

1. Provide compelling exhibits of interest to residents and visitors.
  - New Carnegie Gallery exhibition open by April 30th.
  - Interpretive center construction complete by end of year.
  - Interpretive center exhibit work 35% prepared by end of year.

## MUSEUM

### Department Summary

### 2. Maintain a commitment to constant preservation and respectful rehabilitation of the Museum's sites.

#### A. *W.T. Preston*

1. Continual preservation of our National Historic Landmark vessel
  - Spuds and spud tunnels refinished, spuds reset by 15 October.
  - Vent ports cut in hull compartments by 15 October.
  - Foredeck re-planking completed by 1 June.
  - Turntable re-planked by 1 November.
2. Site work
  - Curb and sidewalk redone to provide handicapped van parking space by 30 November.
  - Jim Rice Park landscape work completed by end of year.

#### B. Carnegie Building

1. Handicapped Lift.
  - Ongoing effort to secure funding.

### 3. Preserve our history

#### A. Care of the Museum's collections

1. Continual improvements to storage rooms.
  - Artifact room clean and organized by December.
2. Wallie Fund Collection
  - Newly transferred material organized and properly stored by July.
  - General finding aids prepared by July.
3. Collection database
  - Corrections to existing entries made by July.
  - Access program transferred to SQL server by March.
  - All pre-1977 accession records entered into database by December.
  - Wallie Fund Collection database entries to 500 by December.

### 4. Expand public awareness of our services

#### A. Marketing

1. Promotional materials and advertising.
  - Museum information on display stand installed in library by January 31<sup>st</sup>
  - Advertisements in annual and monthly publications throughout the year
  - Quarterly calendar of events handouts distributed throughout the year.

**NON DEPARTMENTAL  
Summary**

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<b>FINANCIAL SUMMARY</b>				
General Gov't Services	1,667,955	284,970	784,980	757,364
Emergency Services	21,550	24,190	24,190	25,000
Skagit Council of Governments	5,858	7,955	7,955	8,289
NW Air Pollution Authority	5,095	5,194	5,194	5,219
Skagit Co Community Action	3,000	3,000	3,000	3,000
Skagit Rape Relief Service	3,250	3,250	3,250	3,250
Skagit Co Senior Services	23,871	24,587	24,587	25,325
Skagit Co Community Alcohol	11,512	9,100	9,100	10,681
Anacortes Comm Health Council	1,500	1,500	1,500	1,500
Tourism	174,090	170,000	170,000	170,000
1999 GO Refunded Bonds (1992)	145,823	147,133	147,133	148,190
1999 GO Bonds	135,585	133,945	133,945	132,285
2000 GO Bonds	527,916	522,704	522,704	527,223
Growth Mgmt Capital Impv	228,059	418,747	418,747	443,044
PWTF Loans	28,097	27,615	27,615	26,147
Water Rev & Ref Bonds	646,110	644,152	644,152	933,720
2003 Sewer Rev Ref Bonds	832,880	835,585	835,585	798,937
Medical/Health Benefits	1,296,126	1,630,455	1,672,644	1,688,023
Firemen's Pension	42,072	32,380	42,880	42,975
Reserves		50,000	50,000	
<b>NON-DEPARTMENTAL TOTAL</b>	<b>5,800,349</b>	<b>4,976,462</b>	<b>5,529,161</b>	<b>5,750,172</b>
<b>SOURCE OF FUNDS</b>				
Property & Excise Taxes	5,411,362	4,338,532	4,683,546	4,986,631
Interfund Revenues	388,987	637,930	759,340	738,441
Interest			86,275	25,100
<b>NON-DEPARTMENTAL TOTAL</b>	<b>5,800,349</b>	<b>4,976,462</b>	<b>5,529,161</b>	<b>5,750,172</b>

NON-DEPARTMENTAL DEFINED

General Governmental Services

Includes all expenses of a generic-cost nature that relate to more than one department. (e.g. postage, telephone, insurance, duplicating/printing costs, AWC dues, audit fees, excise taxes etc.)

Emergency Services through Community Alcohol

All are explained on following pages "Contracted Services".

Tourism

This fund accounts for the 4% Hotel/Motel Tax monies which are used mainly for tourism purpose (Chamber of Commerce, W.T. Preston Museum, ...).

1999 Refunded G.O. Bonds

Refunded 1992 debt service payment on \$1.49 million (non-voted) bonds originally issued to build two new fire stations. Final payment will be in 2012.

1999 G.O. Bonds

Debt Service payments on \$2.05 million (non-voted) bonds issued in 1999 to build a new public safety building.

2000 G.O. Bonds

Debt Service payments on \$3 million (voted) bonds issued in 2000 to build a new library.

City Medical Benefits

City employees health benefits are provided through Association of Washington Cities. Per federal law each employee has two plans in which to choose from. Depending on the plan chosen some employees contribute a portion of their premium. The city is mandated to pay 100% of LEOFF I current and retired employee premiums.

Firemen's Pension

Payment of benefits to two firefighters or their beneficiaries (1 pensioner and 1 widow), ages 63, 70) who retired prior to March 1, 1970, for which the City retains payment responsibility. Beginning in late 1994 the City began paying a portion of retirement for two LEOFF I firefighters who retired due to disabilities

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<b>CONTRACTED SERVICES</b> Summary
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FINANCIAL SUMMARY

	Actual FY02	Adopted FY03	Revised FY03	Proposed FY04
<u>Mandated</u>				
Skagit County Emergency Svcs	21,550	24,190	24,190	25,000
NW Air Pollution Authority	5,095	5,194	5,194	5,219
Sk Co Community Alcohol Center	11,512	9,100	9,100	10,681
Sub-Total	38,157	38,484	38,484	40,900
<u>Non-Mandated</u>				
Sk Co Community Action Agency	3,000	3,000	3,000	3,000
Sk Co Senior Services	23,871	24,587	24,587	25,325
Sub-Total	26,871	27,587	27,587	28,325
Grand Total	65,028	66,071	66,071	69,225

Mandated

1. Skagit County Emergency Services (Skagit County Department of Emergency Management)
  - a. Mandate: RCW 35.82 Local governments required to prepare and carry out emergency preparedness plans. (County Ordinance 8859 - enabling act of the RCW.)
  - b. Includes: Anacortes, Burlington, Concrete, Hamilton, LaConner, Lyman, Mount Vernon, Sedro-Woolley, Skagit County
  - c. Anacortes' involvement: 1981
  - d. Contribution: based on population (a per capita assessment times Anacortes' population)
  - e. 2004 Budget: \$25,000 (14,497 population · \$1.725/capita assessment)
2. Northwest Air Pollution Authority
  - a. Mandate: RCW 70.94.053... Enforcing standards and compliance of pollution control measures by businesses and industries.
  - b. Includes; Skagit, Island, and Whatcom counties and cities therein.
  - c. Anacortes' involvement: 1968
  - d. Contribution: Based on population (a per capita assessment times Anacortes' population).
  - e. 2004 Budget: \$5,219 (14,497 population · \$0.36/capita assessment)

3. Skagit County Community Alcohol Center
  - a. Mandate: RCW 70.96A.087 Services for recovery from alcoholism and other chemical dependencies.
  - b. Includes: All cities and county.
  - c. Anacortes' involvement: 1973
  - d. Contribution:
    - Mandated 2% of the liquor excise tax and Liquor Board profits (billed quarterly).
    - Beginning 1990, all of County's cities verbally agreed to add an additional 5%, of liquor revenues, making a total of 7%.
  - e. 2004 Budget: \$10,681 (7% · estimated liquor revenues of \$152,586)

Non-Mandatory Services

1. Skagit County Community Action Agency
  - a. Purpose: SCCAA is a private non-profit United Way agency serving the residents of Skagit county. Its primary mission is to help low-income people find the resources they need in order to become self-reliant. Designated funds are also passed through to Skagit Rape Relief and Battered Women's Services. SCCAA was established in 1979 and operates under an 18 member board of directors. SCCAA's "core" funding is Skagit County's share of the Community Service Block Grant. The agency receives funds from various public and private groups.
  - b. Cities included: LaConner, Mount Vernon, Burlington, Sedro-Woolley, Anacortes
  - c. Anacortes' involvement: 1984
  - d. Contribution: Lump-sum amount requested by SCCAA.
  - e. 2004 Budget: \$6,250 (includes \$3,250 pass-through to Skagit Rape Relief Services)
2. Skagit County Senior Services
  - a. Purpose: This is an annual contractual agreement with the county for services to our senior citizen population - including the Senior center program, home-delivered meals, visits to homebound seniors, transportation services, etc. The City's Parks Department administrates the contract.
  - b. Cities included: Anacortes, Burlington, Concrete, Mount Vernon, Sedro-Woolley.
  - c. Anacortes involvement: 1975
  - d. Contribution: Negotiated
  - e. 2004 Budget: \$25,325

