

City of Anacortes, Washington

*2006
Budget*

City of Anacortes
2006 Operating Budget

For Fiscal Year
January 1, 2006 - December 31, 2006

H. Dean Maxwell, Mayor

City Council

Brad Adams
Bill Turner
Loren Hoboy

Cynthia Richardson
Brian Geer
Nick Petrish

Erica Pickett

Prepared by
Financial Planning Division
Finance Department

Wanda Johnson
Myung Hee Muller
Jesse Hofheimer
Tori Wyman

Director of Finance
Sr. Accountant
Accountant
Accountant

**CITY OF ANACORTES 2006 BUDGET
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City of Anacortes

2006 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.

MAYOR'S BUDGET MESSAGE

September 6, 2005

Honorable City Council Members/Community of Anacortes

The budget for the City of Anacortes as proposed for the year 2006 is submitted for your review and comment. The proposed 2006 budget is \$34,800,000; this is a 16.62% increase from the adopted 2005 budget of \$29,840,000. During 2004 and 2005, the City experienced substantial growth resulting in the accumulation of Street and Parks Impact Fees, Real Estate Excise Tax and General Facility Charges in our Utility Funds. These funds are legally dedicated to capital projects. The proposed 2006 budget will utilize these moneys to build new parks, increase our street overlay program, pour more sidewalks, improve existing parks, provide for wildfire corridors, and continue our investment in our utility infrastructure. An additional police officer will be added for Public Safety, and a half-time position will be added to the Library.

Overall the operating budgets have held the line with minimal growth. Departments have worked closely with Finance and my office to prepare a conservative budget that provides high levels of service to our community within the parameters of a 1% property tax increase. Anacortes remains the lowest taxing city in Skagit County. Property tax revenues largely fund operations of the City's general government departments; Police, Fire, Museum, Parks, and Library (all departments excluding the utilities). We will continue to review user fees during 2006, but no increases are proposed in this budget. In addition, there are no general rate increases proposed in 2006 for our utilities. I would like to point out some highlights related to this budget preparation year (2005) and to the 2006 projected budget.

Public Safety

Police: The Police Department enters 2006 with all budgeted positions filled. All current programs will be maintained. In addition, the 2006 budget adds a second Captain's position to the Police Department. As the City of Anacortes has grown so has its need for law enforcement. This position will allow the department to address those needs. Updating equipment in areas of communications, patrol, and investigation will continue. The 2006 budget provides for the first half of a program to place mobile data terminals in patrol cars. This will enhance our police officers' ability to operate in the field without returning to the office. Implementation of less lethal weapons for use by patrol officers in the field moved forward in 2005. Planning and implementation will continue for the improved radio communication system. Planning and implementation will continue for the improved radio communication system. Crime prevention and associated community policing activities will continue to have a high priority.

Fire: The Fire Department continues to maintain a high level and quality of service. We are responsible for and watch over and represent the residents of Fidalgo and Guemes Island to ensure that emergency medical services (EMS) in our service area are not diminished but are enhanced. The department has been able to serve our citizens, funded in part, through the countywide EMS Levy and ambulance billing system. In 2004 a separate fund was established for these revenues to ensure that funds collected were directly applied toward EMS service. The added value to our citizens is not only a high level of EMS service, but Fire Protection services are readily available from crossed-trained dual role Firefighter/Paramedics. We continue to work with our Skagit County Commissioners to seek a higher and more appropriate level of funding for the advanced life support (ALS) services we provide.

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. Free bicycle helmets have been issued to many youths, likely reducing head injuries in our community. The department distributed 30 bicycle helmets in 2004 and expects to match this level in 2005. Our Firefighters are also trained and certified to conduct fire inspections and have successfully met their goals.

The Fire Department continues to work with the March Point industries on emergency response and communication in our community. We have continued to meet our commitment for funding for future capital and operating needs at March Point; each year at the close of the year we set aside \$200,000 to \$250,000 of cash in reserve.

Firefighters/Paramedics have canvassed the neighborhoods, checking and maintaining fire hydrants.

Public Works

The City of Anacortes has seen substantial growth in the past decade. The Growth Management Act set aside specific fees and taxes to enhance those communities absorbing the impacts of growth. The City has received substantial revenues in Impact Fees for Streets and Parks and Real Estate Excise Tax on the sale of homes in our city limits. The 2006 budget takes advantage of these moneys, allows for these reserves, and uses them on projects that will greatly enhance our City streets and infrastructure.

Streets/Trails: The budget for the Sidewalk program will increase from \$31,000 in 2005 to \$100,000 in 2006. This is a 69% increase in funding for this program. We started this program in 2003 and have renovated more than 2000 feet of sidewalk in Anacortes. The City has increased its commitment to the infrastructure and sidewalks in the Community Business District. We have budgeted \$220,000 in 2006, which is up from \$153,000 in 2005. The City has completed 5 full blocks thus far, with 4 blocks remaining to be completed. From 1998 to present we have installed 2.6 miles of sidewalk valued at \$4.6 million.

The 2006 budget also increases the Street Overlay program from \$410,000 in 2005 to \$600,000 in 2006. From 1996 to present we have over-layed and constructed 9.4 miles of streets valued at \$4.7 million. This has dramatically helped improve the quality of life in our City.

Other exciting projects include \$15,000 in start-up moneys for the Guemes Channel Trail and over a million is budgeted for the widening of Sunset Avenue (we anticipate at least \$700,000 in grant funding for this major project).

Water Treatment, Transmission and Distribution: The 2006 budget provides \$300,000 for final design, easements, and permitting for the 24" Waterline Replacement Projects Segments 5 & 6. This replacement of the final section of 1920's vintage water transmission main will be constructed starting in 2007. The budget also provides \$680,000 for the replacement and upgrade of a major waterline under State Route 20 on South Fidalgo Island. This line will be re-routed along Lunz Road and increased in size to 16 inches... The 2006 budget also provides \$145,000 for continued engineering design and permitting for the eventual replacement of the 1950's vintage 20 inch North Texas Road water transmission line. This will also be the last year for the reservoir telemetry improvements; the 2006 budget provides for the final \$78,000 to complete this project.

Wastewater Treatment, Collection, and Conveyance: The Wastewater budget has funding for significant improvements to the infrastructure from the General Facility Charges of new hookups. The 2006 budget will provide \$300,000 for the Stevenson Road Sewer. Pump station #15 was funded for replacement in 2005 and the 2006 budget provides \$344,800 for the design of the replacement for both #12 and #11 and the construction of #12.

Storm Drainage: Similar to the Wastewater budget, the General Facility Charge has accumulated to a level that will allow for infrastructure improvements. The 2006 budget has funding for the Minnesota Ave Storm Drain construction for \$120,000 and \$150,000 for the New York Ave project.

Library

The Library operation budget is slightly higher as a half-time position has been added to the budget. This position will be a great assistance in meeting increased service demands (approximately 50% increase after moving to the new library) in the Children's area.

The Library is a great source of pride for the City and is experiencing heavy use. This position will help to enhance our great library service.

Legal/Courts

The 2006 Court budget is relatively unchanged from 2005. The 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 case load increases.

Planning

No major new planning initiatives are reflected in the 2006 budget, but the Comprehensive Plan and Development Regulations Update should be complete by the end of the year. The Planning Department continues under heavy workloads due the building activity. In 2006 the focus will be on economic development projects ranging from plywood mill site cleanup to MJP property redevelopments. The 2006 budget also sets aside \$100,000 for wildlife corridors. These funds can be utilized to purchase properties or easements.

Human Resources

In 2005 the Human Resources Department negotiated a new contract with the Teamsters. A fair agreement was quickly reached that respects and honors the needs of our employees. Human Resources is utilizing Interest Based Bargaining techniques in the current negotiations with IAFF 1537, the union representing the City's Firefighter Paramedics and Lieutenants. The City is currently awaiting the binding decision of an arbiter on the Police Contract following two years of negotiations. The 2006 budget also provides funding to explore an automated timesheet process. This would greatly reduce redundancies in our system and increase efficiency. The City continues to be concerned about the rising health care costs and is taking a proactive approach to contain costs with active participation on the advisory benefit committee of our Benefit Trust.

Museum

The Museum's budget is similar to 2005. This department continues to provide stellar service while holding their budget growth at almost zero. In 2006 the Wallie Funk Collection will be on display, and the Museum will continue to add displays to the Snagboat Heritage Center. They expect to purchase an improved collection database software program.

Parks

The Tommy Thompson Trail will be completed in 2005. This was a joint effort with the Public Works department and is a huge achievement for the City. The growth in Anacortes has provided additional Park Impact fees and the Real Estate Excise Tax that are used in 2006 to fund several major Park projects.

The 2006 budget provides \$400,000 for the construction of two West End Parks; one on recently purchased property just off Anacopper Mine Road, the other is being finalized. In addition, H Avenue Reservoir Park will receive \$130,000 and the Volunteer Park will be funded at \$50,000. Another \$50,000 is funded for final touches on the Tommy Thompson trail (signage, benches, etc). Funding will be provided for repair work to the basketball courts, sidewalks, and picnic tables at Storvik Park. This budget also includes an allocation of \$5,000 to support the Friends of the Forest education program.

The ACFL Conservation Easement Fund continues to be a huge success. This community has really stepped up and supported this program to the tune of almost \$1,000,000 to date.

Administration/General

The City continues to maintain strong Restricted Reserves in all the funds. We maintain our policy of 5% of budgeted expenditures held in reserve for each fund. The City has continued to experience increasing medical costs. Departments have worked to absorb these costs in their budget. The funding requested for a Drug and Alcohol Triage Center in Burlington has increased from \$11,200 to \$40,000 in the 2006 budget. The Center provides critical services to people in desperate need. In addition, it reduces the burden upon our law and justice system. This is a prudent and humane investment of our resources.

The 2006 budget is fiscally conservative reflecting these times. All major projects have been funded through the accumulation of the Impact Fees, Real Estate Excise Tax, and our Utility General Facilities Charges. The street projects, parks, and utility enhancements will enhance our community and continue to make Anacortes a beautiful place to live.

I look forward to the Council's and Community input in the 2006 budget.

Respectfully,

H. Dean Maxwell
Mayor

FINANCIAL MESSAGE

Dear Reader:

The Budget of the City of Anacortes for 2006 is hereby submitted.

The proposed budget for all funds totals \$34,778,039. This compares to the 2005 budget in the following manner:

	Revised 2005	Adopted 2006	Percentage
Operating Budget	28,022,353	28,437,201	1.48%
Capital Budget	7,367,925	6,340,838	- 13.94%
Total Budget	35,390,278	34,778,039	- 1.81%

Both 2005 and 2006 have significant capital projects in both parks and roads. These projects are funded through Impact Fees, Real Estate Excise Tax (REET), Grants and General Facility Charges for utility projects.

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:

OPERATING TRANSFERS are used to re-allocate revenue between funds. Operating transfers are typically used to distribute property tax, real estate tax, and impact fee revenues to the appropriate expenditure accounts. This allocation results in a 'double budgeting' effect that inflates the all city budget by:

<u>OPERATING TRANSFER FROM:</u>	
DEVELOPMENT IMPACT FEE FUND	\$ 275,000
GROWTH MGMT CAPITAL IMPRV FUND	1,395,000
TOTAL	<u>\$1,670,000</u>

<u>OPERATING TRANSFER TO:</u>	
STREET MAINTENANCE FUND	\$400,000
ARTERIAL STREET FUND FUND	690,000
TRANS IMPRV AREA #2 IMPACT FEE FUND	480,000
COMMUNITY DEVELOPMENT FUND	100,000
TOTAL	<u>\$1,670,000</u>

The EQUIPMENT RENTAL FUND, also known as the ER&R Fund, provides equipment rental services to maintain the city's fleet equipment. The ER&R fund increases government efficiency by giving the city a way to allow expensive equipment and supplies to be 'rented' to other departments. The fund operates by setting rates to cover all costs associated with the operation of the fund including:

1. Expenses due to maintenance and operation (employee wages, building rental, equipment, equipment repair, supplies etc).
2. Depreciation of equipment
3. Surcharge for equipment replacement
4. Corrections for prior year charges

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 City MEDICAL INSURANCE is part of the benefits provided to City employees. Benefits are for employees who work 0.75 full time equivalent or more. The medical insurance is through the Association of Washington Cities. Included in the Medical Insurance are medical, dental, orthodontia, vision, employee assistance program, life insurance, long-term disability, and short-term disability. These benefits are expensed to the department employees in which he/she works and are accounted as inter-fund transfer revenue in General Fund and expensed in Non Departmental Expense.

DATAPROCESSING charges are accounted for within the city's General Fund to recuperate the expenses of the Internal Technology Division (IT).

The IT Division supports the city by providing technical support to maintain and upgrade the city's data processing network. Examples of expenses are wages, software maintenance, tools and minor equipment, network hardware and upgrades and equipment reserve. The charges are distributed to each department on a 'device connected to network basis'. Projects specific expenses are directly charged to the benefiting department.

The 'double budgeting' effect inflates the all city budget amount by \$:

Operating Transfers	\$1,670,000
Equipment Rental	1,202,249
Administrative Overhead	483,145
Medical Insurance	1,955,231
Data Processing	<u>295,555</u>
TOTAL	\$5,606,180

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 15,700. The major General Fund revenues are composed of Property Tax, Utility Tax, and Sales Tax. Property Tax revenue is limited to 1%, however new construction is expected to continue to bring that growth up to 3% for the next five years. Utility Tax is anticipated to grow at approximately 2.5%. Sales Tax is projected to grow at 3%. The sale tax from auto dealerships and growing tourism activity offsets the retail leakage to regional malls.

MAJOR INITIATIVES

The City is in the process of Phase I for a comprehensive Economic Study. Phase I will analyze the revenue and expenditure needs for the next 20 years. It will also review the demographics, market strengths and weaknesses, and land use trends for the City. The purpose of the Economic Study Phase I is to provide the analytical basis for future discussion on the following:

1. Development of optimal land use policies designed in response to the economic development opportunities identified in Phase I.
2. Identify other (non-land use) policies, strategies or actions that might support the City's economic development objectives.
3. Conduct an analysis of the potential fiscal implications of the recommended policies and strategies. In particular, assess the impact of the proposed land use policies and supporting actions on the revenue gap identified in Phase I.

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: 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. These plans are updated in regular intervals. The transportation plan and storm water are being reviewed in 2006.

As to maintenance of our quality of life, the City has adopted regulations protecting wetlands and water quality. 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 2005. 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 2006-2011 CFP identified projects (utility, non-utility) at an estimated cost of \$71,937,925. 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.

The following is a brief listing of major capital projects slated for 2006:

Streets	Sunset Ave Widening Const. (04-016-TRN)	\$1,100,000.00
Water	Deception Pass 10" Waterline	680,000.00
Street Maintenance	Street Overlays	426,000.00
Equipment Rental	New Vehicles/Rental Equipment	423,353.00
Parks	Neighborhood Parks	400,000
Sewer	Replace Pump Station #12	344,880.00
Water	24" Waterline Segment 5 & 6	300,000.00
Sewer	Stevenson Road Sewer (03-012-sew)	300,000.00

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 2005 will be \$17,695,000. (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

Director of Finance
Wanda Johnson

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 2006*

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.
October 3 & 10	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 17	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 7	Council certifies to Board of County Commissioners the current expense budget and levy estimates.
November 7	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.

EMERGENCY RESERVE FUND BALANCES - ALL FUNDS
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	Emergency Reserve Fund Balance 1/1/06	Increases	Emergency Reserve Fund Balance 12/31/06
GENERAL/SPECIAL REVENUE			
General Fund	500,000		500,000
Park & Recreation	40,091	706	40,797
Cemetery	8,000	-47	7,953
Library	0	39,349	39,349
Street	56,228	16,098	72,326
Arterial Street	0	82,876	82,876
Washington Park	25,000	-16,339	8,661
Police Substance Abuse	0	200	200
Ambulance Service	0	57,595	57,595
ACFL Management	0	775	775
Tourism	9,500	-1,116	8,384
Community Development	22,966	-2,830	20,136
ENTERPRISE FUNDS			
Water	834,332	-550,504	283,828
Sewer	217,934	34,496	252,430
Storm Drain	27,112	20,726	47,838
Sanitation	88,621	-19	88,603
INTERNAL SERVICE			
Equipment Rental	67,193	-10,435	56,758
FIDUCIARY			
	3,448	-1,048	2,400
TOTAL	<u>1,900,425</u>	<u>-317,147</u>	<u>1,583,278</u>

The emergency reserves have been designated by City Ordinance at 5% of a funds adopted budget, 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 12/31/06</u>
GENERAL LONG-TERM DEBT ACCOUNT GROUP						
General Obligation:						
1999 Refunded G.O. Bond (1992 old)	Construction of Fire Halls	3.4 - 4.75%	1999	2012	\$1,490,000	\$ 855,000
1999 G.O. Bonds (new)	Construction of Public Safety Building	3.5 - 5.1%	1999	2018	2,050,000	1,810,000
2000 G.O. Bonds	Construction of Library Facility	5.4-5.5%	2000	2010	1,500,000	1,280,000
2004 Refunding G.O. Bonds	Construction of Library Facility	3.0-4.1%	2005	2020	4,360,000	4,310,000
Loans Payable:						
Washington St DCD PWTF Loan #3	Anaco Beach Road Improvements	3.0%	1993	2013	351,225	150,657
Washington St DCD PWTF Loan #4	SR-20/R Avenue Intersection	1.0%	1994	2014	48,374	<u>22,914</u>
TOTAL GENERAL LONG-TERM DEBT						<u>\$8,428,571</u>
 ENTERPRISE FUNDS						
Revenue & Refunding Bonds:						
2003 Sewer Revenue Refunding ('93)	New Sewer Plant	4.0 – 5.0%	2003	2013	6,295,000	\$5,240,000
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	1,135,000
Loans Payable						
Washington St DCD PWTF Loan #1	Storm Sewer Separation	1.0%	1988	2008	106,161	35,367
Washington St DCD PWTF Loan #2	Sewer Replacement	1.0%	1990	2010	134,041	60,928
Washington St DCTED C.E.R.B. Loan	So March Pt Sewer Extension	3.0%	2001	2020	700,000	<u>658,824</u>
TOTAL ENTERPRISE FUND						<u>\$10,195,138</u>

DEBT SERVICE SCHEDULES GENERAL LONG-TERM DEBT
--

1999 G.O. Bonds

	Principal	Interest	Total
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>\$1,810,000</u>	<u>\$834,572.50</u>	<u>\$2,644,572.50</u>

2004 G.O. Bonds Refunded 2000

	Principal	Interest	Total
2005	\$50,000	\$52,642.31	\$102,642.31
2006	40,000	166,210.00	206,210.00
2007	40,000	165,010.00	205,010.00
2008	40,000	163,810.00	203,810.00
2009	40,000	162,510.00	202,510.00
2010	45,000	161,110.00	206,110.00
2011	345,000	159,535.00	504,535.00
2012	355,000	146,597.50	501,597.50
2013	370,000	133,285.00	503,285.00
2014	380,000	119,410.00	499,410.00
2015	400,000	105,160.00	505,160.00
2016	420,000	89,160.00	509,160.00
2017	430,000	72,990.00	502,990.00
2018	450,000	56,220.00	506,220.00
2019	465,000	38,445.00	503,445.00
2020	490,000	19,845.00	509,845.00
	<u>\$4,360,000</u>	<u>\$1,811,939.81</u>	<u>\$6,171,939.81</u>

2000 G.O. Bonds Non Refunded

	Principal	Interest	Total
2005	\$220,000	\$40,417.50	\$260,417.50
2006	230,000	69,010.00	299,010.00
2007	245,000	56,647.50	301,647.50
2008	255,000	43,478.76	298,478.76
2009	270,000	29,772.50	299,772.50
2010	280,000	15,260.00	295,260.00
	<u>\$1,500,000</u>	<u>\$254,586.26</u>	<u>\$1,754,586.26</u>

1999 Refunding G.O. Bond

	Principal	Interest	Total
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>\$855,000</u>	<u>\$167,202.50</u>	<u>\$1,022,202.50</u>

Washington St DCD PWTF Loan #3

	Principal	Interest	Total
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>\$150,657.04</u>	<u>\$6,779.57</u>	<u>\$157,436.61</u>

Washington St DCD PWTF Loan #4

	Principal	Interest	Total
2006	\$2,546.01	\$229.14	\$2,775.15
2007	2,546.01	203.68	2,749.69
2008	2,546.01	178.22	2,742.23
2009	2,546.01	152.76	2,698.77
2010	2,546.01	127.30	2,673.31
2011	2,546.01	101.84	2,647.85
2012	2,546.01	76.38	2,622.39
2013	2,546.01	50.92	2,596.93
2014	2,546.01	25.46	2,571.47
	<u>\$22,914.09</u>	<u>\$1,145.70</u>	<u>\$24,077.79</u>

DEBT SERVICE SCHEDULES ENTERPRISE FUNDS
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2003 Sewer Revenue Refunding ('93)

	Principal	Interest	Total
2006	\$565,000	\$240,950	\$805,950
2007	585,000	218,350	803,350
2008	610,000	194,950	804,950
2009	635,000	167,500	802,500
2010	665,000	138,925	803,925
2011	695,000	109,000	804,000
2012	725,000	74,250	799,250
2013	760,000	38,000	798,000
	<u>\$5,240,000</u>	<u>\$1,181,925</u>	<u>\$6,421,925</u>

Washington St DCD P WTF Loan #1

	Principal	Interest	Total
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>\$35,386.89</u>	<u>\$707.74</u>	<u>\$36,094.63</u>

Washington St DCD P WTF Loan #2

	Principal	Interest	Total
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>\$60,927.65</u>	<u>\$5,483.49</u>	<u>\$66,411.14</u>

2002 Water Revenue Bonds

	Principal	Interest	Total
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>\$1,355,630.14</u>	<u>\$4,420,630.14</u>

2003 Water Revenue

	Principal	Interest	Total
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>\$1,135,000</u>	<u>\$131,675</u>	<u>\$1,266,675</u>

DEBT SERVICE SCHEDULES ENTERPRISE FUNDS (cont.)
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Washington St. DCETD C.E.R.B. Loan

	Principal	Interest	Total
2006	\$34,727.59	\$21,000	\$55,727.59
2007	35,769.42	19,958.17	55,727.59
2008	36,842.50	18,885.09	55,727.59
2009	37,947.78	17,779.81	55,727.59
2010	39,086.21	16,641.38	55,727.59
2011	40,258.79	15,468.80	55,727.59
2012	41,466.56	14,261.03	55,727.59
2013	42,710.56	13,017.03	55,727.59
2014	43,991.87	11,735.72	55,727.59
2015	45,311.63	10,415.96	55,727.59
2016	46,670.98	9,056.61	55,727.59
2017	48,071.11	7,656.48	55,727.59
2018	49,513.24	6,214.35	55,727.59
2019	50,998.64	4,728.95	55,727.59
2020	52,528.60	3,198.99	55,727.59
2021	54,104.45	1,623.14	55,727.59
	<u>\$699,999.93</u>	<u>\$191,641.51</u>	<u>\$891,641.44</u>

Position Counts Ten-Year Full Time Equivalents*
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	1997	1998	1999	2000	2001	2002	2003	2004	2005	2005 Revised	2006
Public Works	59.00	64.02	65.14	67.76	64.78	65.87	69.27	65.13	65.63	68.44	68.44
Police	32.00	32.00	29.00	31.00	32.00	32.00	32.00	32.00	32.00	32.00	33.00
Fire	14.88	18.88	23.78	21.32	21.01	21.00	21.00	19.00	19.00	19.00	19.00
Parks/Recreation/Cemetery	16.66	20.41	21.74	24.91	18.06	19.18	18.04	18.04	18.04	18.79	18.79
Finance	9.50	10.30	11.33	12.00	11.00	12.00	12.00	13.00	13.00	13.00	13.00
Library	11.70	13.20	14.27	14.47	11.79	10.82	13.29	13.29	13.29	13.56	13.56
Mayor/Council	8.50	8.50	8.50	8.50	8.40	8.46	8.46	8.44	8.44	8.44	8.44
Planning	7.00	7.34	7.50	7.50	7.00	7.10	7.10	6.74	6.74	7.60	7.60
Legal/Judicial	4.32	4.50	4.50	3.25	3.30	3.70	3.48	3.81	3.81	3.65	3.65
Museum	4.80	4.75	5.95	5.55	4.10	4.60	4.27	4.27	4.75	4.35	4.35
Human Resources	1.00	1.00	1.00	1.60	1.53	1.60	1.80	1.80	1.80	1.80	1.80
Total	169.36	184.90	192.71	197.86	182.97	186.33	190.71	186.52	188.50	190.63	191.63

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

SALARY STRUCTURE

Non-Union, Including Management	2006 Salary Range	
Accountant	3,772	4,246
Administrative Assistant – Public Safety	3,159	3,556
Administrative Support – Library	2,494	2,807
Assistant City Engineer	5,378	6,053
Assistant Fire Chief	5,540	6,235
Building Official	4,504	5,070
City Attorney/Planning Director		8,644
Council Members	800 - 850	
Court Administrator	3,662	4,122
Executive Secretary	3,352	3,772
Facilities Manager	3,772	4,246
Finance Director		6,578
Finance Office Manager	4,373	4,922
Fire Chief		7,140
Human Resource Director		6,200
Human Resource Generalist	3,159	3,556
Information Systems Technician	3,556	4,002
Information Systems Manager	4,504	4,070
Legal Secretary	3,159	3,556
Librarian	3,772	4,246
Library Assistant	1,969	2,216
Library Associate Senior	2,807	3,159
Library Director		5,417
Library Pages		

IAFF Local 1537	2006 Ranges	
Firefighter/Paramedic	4,676	5,329
Lieutenant	5,472	5,931

Non-Union, Including Management	2006 Salary Range	
Mayor		7,333
Mechanic Foreman	4,373	4,922
Museum Aides	minimum wage	
Museum Curator	1,969	2,216
Museum Director		3,885
Museum Registrar	1,969	2,216
Park Operations/Forestlands/ WA Park Mgr	3,772	4,246
Parks & Recreation Director		5,959
Police Captain	5,540	6,235
Police Chief		7,457
Public Works Director		7,268
Public Works Operations Manager	4,922	5,540
Public Works Supervisor	4,373	4,922
Recreation Manager	3,772	4,246
Senior Accountant	4,504	5,070
Special Project Engineer	4,922	5,540
WTP & WWTP Manager	4,922	5,540

In 2006 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.

Police Services Guild	2006 Ranges	
Clerk	2,726	3,238
Sr. Clerk	2,818	3,347
Records Support	2,911	3,457
Animal Control	3,257	3,868
Records Supervisor	3,630	4,002
Police Officer	3,878	4,856
Police Sergeant	5,270	5,554

Teamster	2006 Ranges	
Accounting Clerk I	2,754	3,100
Accounting Clerk II	3,193	3,594
Administrative Assistant	3,289	3,702
Building Inspector	3,702	4,166
Building Plans Examiner	4,045	4,553
Court Clerk I	2,754	3,100
Custodian	2,596	2,922
Department Secretary I	2,596	2,922
Department Secretary II	3,010	3,388
Engineering Technician II	3,489	3,927
Engineering Technician III	4,045	4,553
Engineering Technician IV	4,291	4,830
GIS Coordinator	4,045	4,553
Land Use Permit Manager	3,489	3,927
Mechanic - Equipment	3,594	4,045
Park Maint Worker	3,489	3,927

Teamster	2006 Ranges	
Park Maint Worker - Foreperson	4,045	4,381
Permit Technician II	3,388	3,813
Recreation Coordinator	3,489	3,927
Sanitation Worker	3,489	3,927
Street/Sewer Worker	3,489	3,927
Water Maint Worker	3,489	3,927
Water Utility Services Worker	3,489	3,927
WTPO – WWTPO - I	3,489	3,927
WTPO – WWTPO - II	3,702	4,166
WTPO – WWTPO - III	4,045	4,553

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.

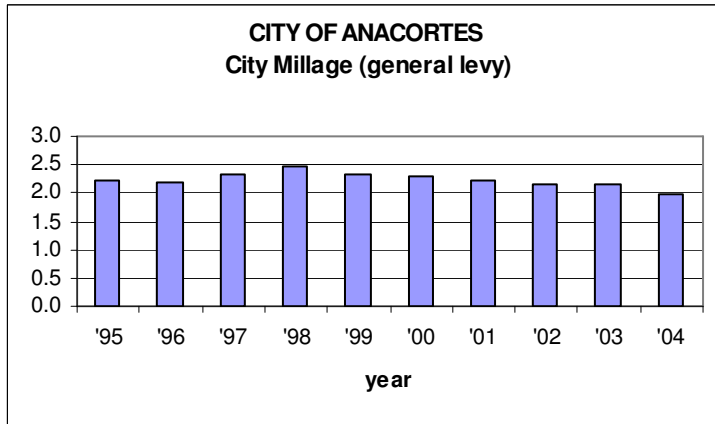
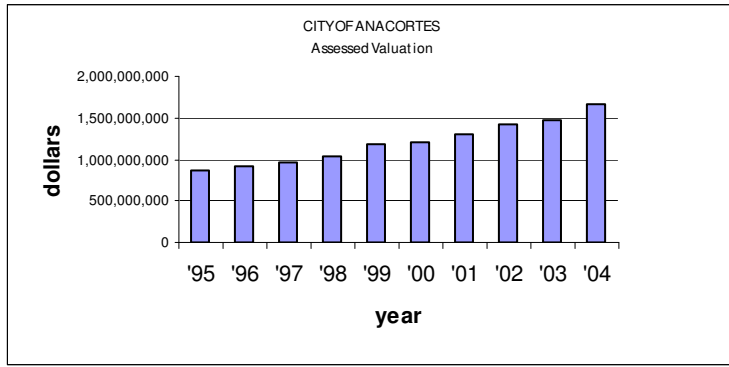
Property taxes are due on April 30 and October 31. This means that the bulk of property tax revenue is received in May, June, November and December. The County Treasurer collects all property taxes and transmits the City's portion on the 10th day of the month, on the balances it has held until that time.

* 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.

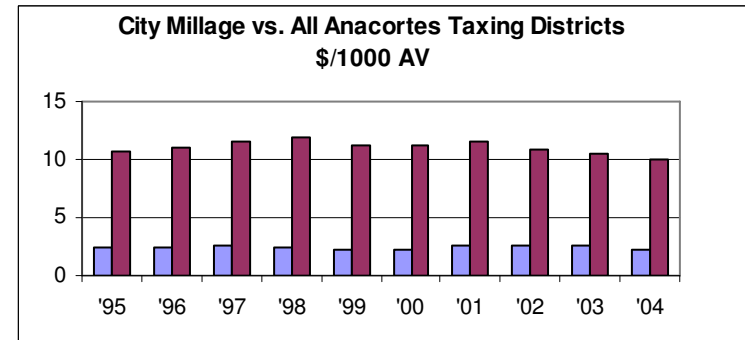
Property Tax Levy Rates

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
<u>Assessed Value</u>	\$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	\$1,661,054,153
<u>City Millage (General Levy)</u>	2.2367	2.1948	2.333	2.4542	2.3140	2.2975	2.2369	2.1582	2.1456	1.961

The following two charts show for a ten-year period (1995-2004) 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, 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) Storm water	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, storm water, 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. In 2004 the Community Development fund made a transfer to Fund 292 to insure adequate bond payoff dollars and the REET monies began being reported in the Arterial Street Fund.
- 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 investigating 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-\$5 if spayed/neutered or over 12 years old, \$15 otherwise).
- 3) Concealed weapons [new applications - \$60, (city retains \$18), renewals - \$32 (city retains \$14)].
- 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

Water service charges are \$4.00 monthly meter charge plus \$.96/100

CF for a 5/8" x 3/4" residential meter. The City charge \$1.45/100 CF for commercial consumption charges. One CF equals 7.48 gallons.

Hence, a monthly usage of 1,000 CF yields a total bill of \$13.60 for residential customers and \$18.50 for commercial customers.

B. Sewer

Basic monthly meter charge of \$27.75 plus a commodity charge of \$1.95/100 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 \$47.25.

C. Storm Drainage

The monthly rate is \$3.00 for each single family parcel. Commercial rate is \$3.00 per ERU (equivalent residential units) is equal to 2,000 square feet of impervious surface.

D. Solid Waste

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

1 Can (32 gal.)	13.00	Month
2 Cans (32 gal.)	23.00	Month
3 Cans (32 gal.)	33.00	Month
Prepaid Refuse Collection Bags (32 gal.)	2.50	Each
Recycling	3.00	wkly
Recycling	2.50	per multi-family unit

Monthly dumpster rate schedule is based on the size of container.

(Multiple Weekly Pickups Can Be Scheduled)	
Container Size:	Monthly Rate
1 1/2 Cubic Yard	92.00
2 Cubic Yard	113.00
3 Cubic Yard	155.00
6 Cubic Yard	310.00
8 Cubic Yard	413.00

For temporary dumpsters rate is available our web site. Please visit www.cityofanacortes.org.

There is 32-gallon heavy-duty garbage bags are available at \$2.50 per bag.

E. Hookup charges (residential):

- Water hookup charge starts at \$2,000 for 5/8 x 3/4 inch meter.
- Sewer hookup charge is \$6,397 for residential customer.
- Storm hookup charge is \$1,126 for residential customer.

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 2005 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.

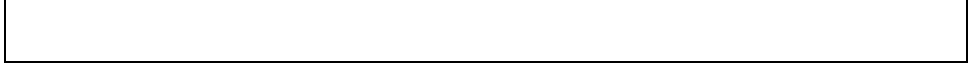
**REVENUE DETAIL
GENERAL FUND – DISCRETIONARY**

CLASSIFICATION	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
BEGINNING UNRESERVED FUND BALANCE		8,733	532,033	(84,203)
TAXES				
Property Taxes	915,396	945,000	945,000	1,077,000
Retail Sales & Use Taxes	2,625,630	2,450,000	2,669,000	2,717,527
Sales Tax - Criminal Justice	268,521	244,000	244,000	277,919
Business (Utility) Taxes				
Electricity	436,595	438,600	438,600	440,614
Natural Gas	236,690	357,000	357,000	357,000
Cablevision	199,527	204,000	204,000	225,313
Telephone Companies	445,839	510,000	510,000	445,839
Water/Sewer/Garbage	604,741	669,925	669,925	664,192
City Gar Tax 3.4%	67,321	63,125	63,125	65,443
Other (Leasehold) Taxes	149,655	132,600	132,600	72,800
Sub-Total Taxes	5,949,915	6,014,250	6,233,250	6,343,647
LICENSES AND PERMITS				
Business Licenses and Penalties	23,248	32,000	32,000	29,000
Building Permits	443,083	380,000	380,000	450,000
Franchise Fee	109,090	0	0	87,444
Misc. Permits (Dog, gun, bicycle)	15,866	9,185	9,185	9,560
Sub-Total Licenses & Permits	591,287	421,185	421,185	576,004
INTERGOVERNMENTAL				
<u>Federal Grants</u>				
US Justice Grants	9,473	0	0	0
Wildland Equipment	594	0	0	0
<u>State Grants</u>				
WS Traffic Safety Comm Grant	1,392	0	0	1,200
WS DCTED GMA Grant	10,000	0	0	0
WSP Fire Protection Bureau Grant	2,400	0	125,000	2,000
<u>State Entitlements, Impact Payments</u>				
Vessel Registration Fees	19,104	19,000	19,000	19,000
Camper Excise Tax				
<u>State Distributed Excise Taxes</u>				
Criminal Justice Funds	15,577	17,246	17,246	16,900
Liquor Excise Tax	44,061	60,333	60,333	60,333
Liquor Board Profits	124,593	112,931	112,931	112,931
<u>Interlocal in Lieu of Taxes</u>				
Anacortes Housing Authority	0	3,500	3,500	3,016
Samish Indian Nation	5,389	6,100	6,100	3,500
Skagit PUD	11,135	9,000	9,000	11,135
<u>Intergovernmental</u>				
WSF Parking Lot Security	0	0	0	0
Wildland Fire Mobilization Reimb	900	0	0	0
Sub-Total Intergovernmental	244,618	228,110	353,110	230,015

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 FY04	Adopted FY05	Revised FY05	Proposed FY06
CHARGES FOR SERVICES				
<u>General Government</u>				
Map & Publications Sale	1,467	825	825	1,000
Photocopying	1,753	1,500	1,500	500
Encroachment Agmt Fees	1,800	1,000	1,000	1,000
Public Defender Fees	3,395			
<u>Public Safety</u>				
Accident/Incident Reports,	665	800	800	0
Fingerprint Cards/ Miscellaneous	293	250	250	200
Public Defender Fees		2,100	2,100	1,000
<u>Utilities & Environment</u>				
Latecomer Agreement Fee				0
Other Engineering Svcs	10,960	6,000	6,000	10,000
Animal Board/Distrainer/Disposal	4,933	3,500	3,500	3,000
<u>Transportation</u>				
Street/Utility Application Fees	2,700	0	0	0
Parking Variance Applic. Fees				
<u>Economic Environment</u>				
Variance Fees	2,500	1,600	1,600	1,000
SEPA Review Fees	400	2,000	2,000	500
Misc. Application Fees	50,835	8,310	8,310	21,600
Planning Fees	92,137	100,000	100,000	90,000
Mobile Home/Real Prop Conv	175	75	75	0
<u>Culture & Recreation</u>				
Community Center Fees	755	500	500	500
Fidalgo Center Service Fees	4,287	4,000	4,000	4,000
W.T. Preston Admission Fees	3,247	2,050	2,050	1,500
<u>Interfund Charges for Services</u>				
Utility Overhead	769,211	786,288	786,288	483,145
				0
Sub-Total Charges for Services	951,513	920,798	920,798	618,945
FINES AND FORFEITS				
Municipal Court Fines	156,741	142,000	142,000	155,223
Damage Restitution	175	0	0	0
Sub-Total Fines and Forfeits	156,916	142,000	142,000	155,223

SIGNIFICANT CHANGES

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



CLASSIFICATION	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
MISCELLANEOUS REVENUES				
Interest Earnings	102,777	55,200	55,200	150,000
Leases	1	1	1	1
Sr. Center/Head Start Rental	1,800	3,000	3,000	3,000
Interfund S/T Interest	13,519	0	0	0
Interfund Medical Ins premiums	1,706,802	1,862,479	1,862,479	1,957,230
Interfund Data Processing chgs	272,335	305,335	305,335	295,555
Donations	1,449	0	0	0
Wellness Program Incentive	556	0	0	
Miscellaneous	11,786	0	0	0
Dishonored Check Fee	2,600	0	0	2000
Sub-Total Miscellaneous	2,113,625	2,226,015	2,226,015	2,407,786
OTHER FINANCING SOURCES				
Sales of Surplus Equip	0	0	0	0
Operating Transfers	0	0	500,000	0
Sub-Total Other	0	0	500,000	0
TOTAL DISCRETIONARY GF	10,007,874	9,961,091	11,328,391	10,247,417

SIGNIFICANT CHANGES

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

CLASSIFICATION	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
BEGINNING UNRESERVED FUND BALANCE	0	(24,796)	(24,796)	(18,976)
TAXES				
Property Taxes	705,805	770,524	770,524	777,700
INTERGOVERNMENTAL				
DNR Community Forestry Grant Port of Anacortes				
CHARGES FOR SERVICES				
Sale of Trail Guide Maps - ACFL	7,335	5,100	5,100	5,202
Recreation Fees	48,050	51,000	51,000	52,020
MISCELLANEOUS REVENUE				
Interest Earnings	266	0	0	0
Private Donations/Gifts	2,158	0	0	0
Damage Restitution	9	0	0	0
OTHER FINANCING SOURCES				
Sale of Surplus Equip Land Sales				
TOTAL PARK AND RECREATION	<u>763,623</u>	<u>801,828</u>	<u>801,828</u>	<u>815,946</u>

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

SIGNIFICANT CHANGES

**REVENUE DETAIL
CEMETERY FUND (102)**

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

CLASSIFICATION	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
BEGINNING UNRESERVED FUND BALANCE	0	8,010	8,010	45,854
TAXES				
Property Taxes	54,147	59,111	59,111	59,702
CHARGES FOR SERVICES				
Cemetery Fees	64,405	49,980	55,980	52,000
MISCELLANEOUS REVENUES				
Interest Earnings	1,616	700	700	1,500
TOTAL CEMETERY FUND	<u>120,168</u>	<u>117,801</u>	<u>123,801</u>	<u>159,056</u>

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 FY04	Adopted FY05	Revised FY05	Proposed FY06
BEGINNING UNRESERVED FUND BALANCE	0	(43,744)	(38,744)	(34,643)
TAXES				
Property Taxes	704,794	769,419	769,419	777,113
INTERGOVERNMENTAL				
Skagit County Grant	15,198	0	15,694	15,000
CHARGES FOR SERVICES				
Photocopying	5,709	2,500	2,500	6,000
Non-Resident Use Fee	18,006	15,500	15,500	19,000
Library Card Replacement Fee	12	0	0	0
FINES AND FORFEITS				
Overdue/Lost Book Fees	4,941	3,060	3,060	4,500
TOTAL LIBRARY FUND	<u>748,660</u>	<u>746,735</u>	<u>767,429</u>	<u>786,970</u>

SIGNIFICANT CHANGES

**REVENUE DETAIL
STREET FUND (104)**

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.

CLASSIFICATION	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
BEGINNING UNRESERVED FUND BALANCE	0	(165,204)	(165,204)	434,205
TAXES				
Property Taxes	607,029	662,690	662,690	334,659
Real Estate Excise Tax – Local	98,690	300,000	300,000	0
LICENSES AND PERMITS				
Street Cut/ROW Permits	3,370	1000	1000	3,403
INTERGOVERNMENTAL				
<u>State Entitlements, Impact Fees</u>				
Motor Vehicle Fuel Tax	211,430	221,685	221,685	212,000
CHARGES FOR SERVICES				
Sale of Maps & Publications	0	0	0	187
Sidewalk Repairs	10,655	3,000	3000	9,573
Street Maint/Repair Fees	0	0	0	143
Street Signs	136	0	0	212
Street Imp. in Lieu of construction	5,475	0	0	0
Special Cleanup	0	0	0	41
Interdepartmental Sign Fabrication	217	500	500	615
FINES & FORFEITS				
Damage Restitution				
OTHER FINANCING SOURCES				
Property Insurance Recovery	0	0	0	1,209
Street/Alley Vacation Fees	0	0	0	50,000
Scrap Material Sales	0	0	0	273
Transfer of REET	0	0	0	400,000
TOTAL STREET FUND	<u>937,002</u>	<u>1,023,671</u>	<u>1,023,671</u>	<u>1,446,520</u>

SIGNIFICANT CHANGES

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

CLASSIFICATION	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
BEGINNING UNRESERVED FUND BALANCE	0	0	780,000	(125,732)
TAXES				
Property Taxes	0	0	0	300,000
Sales & Use Taxes	0	0	20,000	0
INTERGOVERNMENTAL				
<u>Federal Grants</u>				
T-21 Tommy Thompson Trail	317,831	0	0	0
WS FHWA 32 nd St Const				
<u>State Grants</u>				
IACOR Tommy Thompson Trail	297,397	0	50,000	0
WS TSNS (12 th signal,G/H wide)	332,735	0	0	0
WSDOT Marine Dr Safety Grant	150,384	0	9,000	0
WS TIB Grant (H Ave Widening)	86,400	0	0	0
WS TIB Grants (Sidewalks)	0	178,000	178,000	740,000
WS TIB Grant (Pedestrian Imp)	0	112,800	112,800	0
<u>State Entitlements,Impact Fees</u>				
Motor Vehicle Fuel Tax	98,858	103,649	103,649	0
<u>Local Grants</u>				
County STE CBD Sidewalks	70,000	35,000	35,000	45,000
MISCELLANEOUS				
Interest Earnings	5,355	1,901	1,901	4,591
Sale of Plans & Specifications	1,212	500	500	585
Private Donation				
OTHER FINANCING SOURCES				
Operating Transfer	420,000	280,000	989,000	690,000
Sales of Surplus Equipment	1,000	0	0	3,070
TOTAL ARTERIAL STREET	1,781,172	711,850	2,279,850	1,657,514

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

**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 FY04	Adopted FY05	Revised FY05	Proposed FY06
BEGINNING UNRESERVED FUND BALANCE	0	25,282	39,282	(23,613)
INTERGOVERNMENTAL				
CHARGES FOR SERVICES				
Firewood Sales	2,877	1,530	1,530	2,577
Laundry Fees	1,135	1,000	1,000	657
Shower Fees	2,277	2,000	2,000	1,501
MISCELLANEOUS				
Interest Earnings	117	0	0	1
Parking Fees	54,716	50,700	50,700	67,638
Camping Fees	76,952	81,600	81,600	85,742
Day Use Fees	1,487	1,000	1,000	3,654
Donations	1,135	0	0	34,659
Insurance Recovery	19	0	0	0
Restitution for Park Damage	200	0	0	402
Operating Transfers	0	0	36,000	0
TOTAL WASHINGTON PARK	140,915	163,112	213,112	173,218

SIGNIFICANT CHANGES

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

CLASSIFICATION	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
BEGINNING UNRESERVED FUND BALANCE	0	0	4,500	(21,250)
INTERGOVERNMENTAL				
<u>State Entitlements, Impact Fees</u>				
Vehicle Fuel Tax for Paths/Trails	885	0	0	0
<u>Local Grant</u>				
Skagit Co Baseball Field Grant				
MISCELLANEOUS				
Interest Earnings	131	0	0	250
Space & Facilities Leases	21,393	0	0	21,000
Donations				
TOTAL PARKS CAPITAL	22,409	0	4,500	0

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 FY04	Adopted FY05	Revised FY05	Proposed FY06
BEGINNING UNRESERVED FUND BALANCE	0	2,800	2,800	3,380
MISCELLANEOUS REVENUES				
Interest Earnings	161	200	215	120
D.A.R.E Donations	1,339	1,000	1,000	500
TOTAL SUBSTANCE ABUSE	<u>1,500</u>	<u>4,000</u>	<u>4,015</u>	<u>4,000</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 confiscations and DARE donations.

SIGNIFICANT CHANGES

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

CLASSIFICATION	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
BEGINNING UNRESERVED FUND BALANCE	0	(28,862)	(28,862)	64,730
TAXES				
Property Taxes	100,262	110,000	110,000	111,100
Sales & Use Tax	138,191	114,800	114,800	142,336
INTERGOVERNMENTAL				
WS DOH Pre-hospital Needs	1,290	1,200	1,200	1,200
Emergency Medical Svcs	465,533	470,700	470,700	465,000
CHARGES FOR SERVICES				
Ambulance Services (Hospital)	425,680	339,900	412,900	360,000
EMS Contrib-Swinomish Casino	7,323	4,000	4,000	7,540
MISCELLANEOUS REVENUES				
Interest Earnings				
TOTAL AMBULANCE SERVICE	<u>1,138,279</u>	<u>1,011,738</u>	<u>1,084,738</u>	<u>1,151,906</u>

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

SIGNIFICANT CHANGES

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

CLASSIFICATION	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
BEGINNING UNRESERVED FUND BALANCE	0	(226,080)	59,920	5,275
INTERGOVERNMENTAL				
CHARGES FOR GOODS				
Development Impact Fees/Street	282,098	204,000	413,000	280,000
Development Impact Fees/Park	135,700	100,000	136,000	120,000
Development Impact Fees/Fire Prot	688	500	500	10,000
MISCELLANEOUS REVENUES				
Interest on Investments	2,945	1,580	1,580	9,725
Equity Transfer	0	0	0	480,000
TOTAL SVC AREA #1 FUND	421,431	80,000	611,000	905,000

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

CLASSIFICATION	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
BEGINNING UNRESERVED FUND BALANCE	0	0	6,000	(38,500)
INTERGOVERNMENTAL				
IAC Grant – Forestland Project	9,027	0	0	0
NOVA Grant	0	0	5,000	0
CHARGES FOR GOODS				
Timber Sales				
Quarry Rock Sales	50,000	0	0	50,000
MISCELLANEOUS REVENUES				
Interest on Investments	2,773	2,000	2,000	4,000
TOTAL ACFL MGMT FUND	<u>61,800</u>	<u>2,000</u>	<u>13,000</u>	<u>15,500</u>

SIGNIFICANT CHANGES

**REVENUE DETAIL
TOURISM FUND (135)**

CLASSIFICATION	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
BEGINNING UNRESERVED FUND BALANCE	0	0	0	(7,819)
TAXES				
Hotel/Motel Tax	183,451	174,500	174,500	174,500
MISCELLANEOUS REVENUE				
Temporary Permits for Events	875	0	0	1,000
TOTAL TOURISM FUND	<u>184,326</u>	<u>174,500</u>	<u>174,500</u>	<u>167,681</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

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

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.

CLASSIFICATION	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
BEGINNING UNRESERVED FUND BALANCE	0	0	0	43,939
INTERGOVERNMENTAL				
CDBG HUD Grant	0	0	202,000	121,000
WA DOE Grant	0	18,052	18,052	0
FINES & FORFEITS				
L/H Tax Reimbursements	39	0	0	25
MISCELLANEOUS REVENUES				
Interest Earnings	7,196	3,500	3,500	7,500
Boat Launch Fees	5,375	6,800	6,800	5,800
North Harbor Diesel Fees	2,400	0	0	2,000
Miscellaneous Leases	187,861	122,450	128,450	122,450
Insurance Recovery	792	0	0	0
OTHER FINANCING SOURCES				
Land Sales	84,092	0	0	100,000
Sales of Surplus Equipment	1,403	0	0	0
TOTAL COMMUNITY DEVELOPMENT	<u>289,158</u>	<u>150,802</u>	<u>358,802</u>	<u>402,714</u>

SIGNIFICANT CHANGES

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

CLASSIFICATION	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
BEGINNING UNRESERVED FUND BALANCE	0	0	0	(6,737)
TAXES				
Property Taxes	501,375	525,935	525,395	492,737
MISCELLANEOUS REVENUE				
Interest Earnings	16,105	0	0	20,000
OTHER FINANCING SOURCES				
Operating Transfer In				
TOTAL 2000. DEBT SERVICE	<u>517,480</u>	<u>525,935</u>	<u>525,395</u>	<u>506,000</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 FY04	Adopted FY05	Revised FY05	Proposed FY06
BEGINNING UNRESERVED FUND BALANCE	0	144,990	144,990	144,475
TAXES				
Real Estate Excise Taxes	459,331	0	0	0
MISCELLANEOUS REVENUE				
Interest Earnings	13,104	4,000	4,000	0
OTHER FINANCING SOURCES				
Operating Transfer				
TOTAL 1999 G.O. DEBT SERVICE	<u>472,435</u>	<u>148,990</u>	<u>148,990</u>	<u>144,475</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 FY04	Adopted FY05	Revised FY05	Proposed FY06
BEGINNING UNRESERVED FUND BALANCE	0	0	0	138,885
TAXES				
Property Taxes	132,632	130,605	130,605	0
OTHER FINANCING SOURCES				
Operating Transfer from PSB				
TOTAL 1999 G.O. DEBT SERVICE	<u>132,632</u>	<u>130,605</u>	<u>130,605</u>	<u>138,885</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 FY04	Adopted FY05	Revised FY05	Proposed FY06
BEGINNING UNRESERVED FUND BALANCE	0	(76,662)	(76,662)	506,114
TAXES				
Real Estate Excise Taxes	580,819	300,000	300,000	900,000
MISCELLANEOUS				
Interest	6,085	0	0	12,000
TOTAL	<u>596,904</u>	<u>223,338</u>	<u>223,338</u>	<u>1,418,114</u>

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

SIGNIFICANT CHANGES

REVENUE DETAIL PRESTON INTERP CENTER CONSTRUCTION FUND (355)

A capital project fund used to construct the Preston Interpretation Center.
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CLASSIFICATION	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
BEGINNING UNRESERVED FUND BALANCE	0	0	0	0
INTERGOVERNMENTAL				
Federal T-21 Grant	0	0	230,675	0
MISCELLANEOUS REVENUE				
Museum Foundation Grant	0	0	84,325	0
Interest on Investments	28	0	0	0
OTHER FINANCING SOURCES				
Operating Transfer In	41,300	0	32,000	0
TOTAL Preston Interp Center	<u>41,300</u>	<u>0</u>	<u>347,000</u>	<u>0</u>

SIGNIFICANT CHANGES

REVENUE DETAIL
LIBRARY CONSTRUCTION FUND (356)

CLASSIFICATION	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
BEGINNING UNRESERVED FUND BALANCE	0	0	30,870	0
MISCELLANEOUS REVENUES				
Interest on Investments				
PSE Conservation Grant				
TOTAL LIBRARY CONST FUND	<u>0</u>	<u>0</u>	<u>30,870</u>	<u>0</u>

A capital project fund used to build new library

SIGNIFICANT CHANGES

**REVENUE DETAIL
WATER FUND (401)**

	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
CLASSIFICATION				
BEGINNING UNRESERVED FUND BALANCE	0	0	436,000	(811,427)
INTERGOVERNMENTAL				
County Grant – 36" waterline	200,000	0	0	0
Fed Emerg Mgmt Agency Relief	31,333	0	0	0
CHGS FOR SERVICES-OPTG REV				
<u>Metered</u>				
Residential	852,347	775,000	775,000	818,064
Commercial	508,092	510,000	510,000	524,064
Tesoro NW Co.	1,576,126	1,600,000	1,600,000	1,515,036
Shell Puget Sound Refinery	1,923,375	2,000,000	2,000,000	1,928,132
Public Authorities	74,855	55,000	55,000	72,564
Miscellaneous	0	0	0	0
<u>Resale</u>				
Town of LaConner	137,570	140,000	140,000	129,049
City of Oak Harbor	741,189	732,000	732,000	708,774
Skagit PUD #1	278,809	200,000	200,000	223,814
Swinomish Tribal Community	43,992	35,000	35,000	37,162
Community Water Systems	17,211	10,000	10,000	14,109
<u>Interdepartmental</u>				
Park, Cemetery, City Buildings	37,483	35,200	35,200	36,223
Sub-Total Charges for Services	6,422,382	6,092,300	6,528,300	5,195,564
FINES & FORFEITS				
Damage Restitution	43	0	0	807
OTHER CHGS FOR SERVICES				
Chemical Sales	0	0	0	326
Standpipe Water Sales	298	100	100	900
System Damage Repair fees	750	0	0	1940
Agricultural Irrigation	82	0	0	0
MISCELLANEOUS - NON OPTG				
Interest	61,294	40,713	40,713	76,919
US West Group Leases	8,520	8,640	8,640	8,293
Interfund Loan Interest	1,466	0	0	1,128
PSE Energy Conservation Grant				
Tool & Equipment Rental	597	425	425	860
Scrap Materials	25	0	0	640
Sale of Plans & Specifications	38	500	500	500
Sub-Total Miscellaneous	73,113	50,278	50,278	92,313
NON-REVENUES				
Meter Installation Fees	127,241	81,600	81,600	143,092
General Facilities Charges	227,545	102,000	102,000	241,758
Interfund Loan Principal	7,198	0	0	0
2003 Rev Bond Proceeds				
Sub-Total Non-revenues	361,984	183,600	183,600	384,850
OTHER FINANCING SOURCES				
Sale of Fixed Assets	913	0	0	310
Sick Leave Reimb	1,088	0	0	3,514
TOTAL	6,859,480	6,326,178	6,762,178	5,676,551

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

SIGNIFICANT CHANGES

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

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

SIGNIFICANT CHANGES

CLASSIFICATION	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
BEGINNING UNRESERVED FUND BALANCE	0	2,467	277,967	267,184
INTERGOVERNMENTAL				
County Grant – Snow Mtn Mills	72,000	0	0	0
County Grant – Stevenson Rd	0	275,000	625,000	418,500
CHGS FOR SERVICES-OPTG REV				
Residential	2,383,314	2,344,000	2,344,000	2,395,814
Commercial	680,432	665,000	665,000	693,991
Public Authorities	102,583	101,000	101,000	82,980
Industrial Wastewater	0	0	0	8,115
Septic Disposal Fees	120,267	83,000	83,000	125,428
Interdepartmental	9,643	7,000	7,000	12,077
Sub-Total Charges for Services	3,368,239	3,477,467	4,102,967	4,004,089
OTHER CHGS FOR SERVICES				
General Facilities Charge	962,010	520,000	520,000	965,378
Sale of Plans & Specs	913	100	100	310
Sub-Total Other Chgs for Services	962,923	520,100	520,100	965,688
MISCELLANEOUS - NON OPTG				
Interest on Investments	61,000	40,000	40,000	68,381
Miscellaneous	90	0	0	31
Sub-Total Miscellaneous	61,090	40,000	40,000	68,412
OTHER REVENUE				
Private Contribution – Sewer Rplc	0	0	0	10,415
NON-REVENUES				
Operating Transfer from 180	84,000	0	0	0
TOTAL	<u>4,476,252</u>	<u>4,037,567</u>	<u>4,663,067</u>	<u>5,048,604</u>

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

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

CLASSIFICATION	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
BEGINNING UNRESERVED FUND BALANCE	0	4,705	204,705	301,478
INTERGOVERNMENTAL				
FEMA				
CHGS FOR SERVICES-OPTG REV				
Residential	211,470	200,000	200,000	211,494
Commercial	103,974	100,000	100,000	108,224
Public Authorities	46,991	47,000	47,000	69,430
Interdepartmental	8,005	7,200	8,200	7,718
General Facilities Charges	267,226	155,000	155,000	237,508
Sub-Total Charges for Services	637,666	513,905	714,905	935,852
MISCELLANEOUS - NON OPTG				
Interest	18,512	5,000	5,000	20,911
Miscellaneous	0	0	10,000	0
TOTAL	656,178	518,905	729,905	956,763

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 FY04	Adopted FY05	Revised FY05	Proposed FY06
BEGINNING UNRESERVED & RESERVE FUND BALANCE	0	(52,073)	(52,073)	(177,979)
CHGS FOR SERVICES-OPTG REV				
Residential	753,035	735,000	735,000	759,951
Commercial	704,490	640,000	715,000	694,724
Public Authorities	175,495	160,000	160,000	171,463
Interdepartmental	38,646	35,500	35,500	41,647
Pre-paid Bags	16,258	19,000	19,000	17,928
Temporary Dumpster	32,584	20,000	20,000	20,871
Recycling	227,342	210,000	210,000	230,103
Sub-Total Charges for Services	1,947,850	1,767,417	1,807,427	1,758,708
MISCELLANEOUS - NON OPTG				
Interest	21,247	5,000	21,000	13,342
TOTAL	1,969,097	1,772,427	1,863,427	1,772,050

SIGNIFICANT CHANGES

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

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

CLASSIFICATION	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
BEGINNING UNRESERVED FUND BALANCE	0	(48,141)	(48,141)	(113,994)
CHGS FOR SERVICES-OPTG REV				
General Fund				
Facilities Management	2,492	2,769	2,769	2,569
Police	215,937	212,722	212,722	225,575
Police - Boat	14,633	8,533	8,533	15,349
Medic/Fire	114,207	112,831	112,831	164,297
Ambulance	44,517	50,543	50,543	0
Engineering	17,448	11,779	11,779	18,524
Animal Control	5,247	4,258	4,258	5,479
Business Devlpt & Permit	9,220	7,188	7,188	9,668
Museum	1,370	1,549	1,549	1,412
Parks & Recreation	87,113	89,049	89,049	92,835
Cemetery	15,043	13,485	13,485	15,643
Street	114,686	112,843	112,843	119,298
Water	166,872	177,305	177,305	171,705
Wastewater	71,126	68,941	68,941	73,871
Sanitation	226,564	256,352	256,352	214,321
Storm Drain	38,805	35,514	35,514	40,529
Shop Rentals	42,627	34,102	34,102	31,174
Motor Vehicle Fuel Tax Rebate	2,588	0	0	900
Sub-Total Charges for Services	1,190,495	1,151,622	1,151,622	1,089,155
OTHER CHGS FOR SERVICES				
Garage/Repair Services	10,989	10,200	10,200	10,000
MISCELLANEOUS				
Interest	36,271	0	0	36,000
INTERGOVERNMENTAL				
Skagit EMSC Ambulance Grant	140,000	0	0	0
OTHER FINANCING SOURCES				
Insurance Recovery Ins. Loss	2,335	0	0	0
TOTAL	<u>1,380,090</u>	<u>1,161,822</u>	<u>1,161,822</u>	<u>1,135,155</u>

SIGNIFICANT CHANGES

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

CLASSIFICATION	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
BEGINNING UNRESERVED FUND BALANCE	0	(1,225)	(1,225)	(11,900)
TAXES				
Property Taxes	26,993	34,245	34,245	45,000
INTERGOVERNMENTAL				
Fire Insurance Premiums	12,712	12,445	12,445	12,700
MISCELLANEOUS				
Interest	2,742	0	0	2,200
TOTAL	<u>42,447</u>	<u>45,465</u>	<u>45,465</u>	<u>48,000</u>

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.

SIGNIFICANT CHANGES

Expenditures

MAYOR AND COUNCIL

Department Summary

	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
FINANCIAL SUMMARY				
Mayor	129,767	136,945	136,945	143,962
Council	106,812	112,758	112,758	115,104
DEPARTMENT TOTAL	236,579	249,703	249,703	259,066
CHARACTER OF EXPENDITURES				
Personnel				
Salaries & Wages	182,500	185,862	185,862	193,927
Fringe Benefits	26,035	27,955	27,955	30,032
Supplies	850	600	600	600
Services	18,273	22,865	22,865	23,365
Intergovernmental	0	3,000	3,000	3,000
Interfund	8,921	9,421	9,421	8,142
DEPARTMENT TOTAL	236,579	249,703	249,703	259,066
SOURCE OF FUNDS				
General Fund	236,579	249,703	249,703	259,066
Property/Sales Taxes				

	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
POSITION SUMMARY				
Mayor	1.00	1.00	1.00	1.00
Secretary	.40	.40	.44	.44
TOTAL GENERAL FUND FTE's	1.45	1.45	1.44	1.44
GENERAL FUND FTE's	1.45	1.45	1.44	1.44
COUNCIL POSITION TOTALS	7.00	7.00	7.00	7.00

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.

MAYOR AND COUNCIL Department Summary
--

GOALS

Continued to set performance based criteria for each city department and to explore every arena where we can be more efficient.

To facilitate community needs by furthering fruitful communications between council, staff and this community. To continue to seek to provide leadership through consensus.

We will continue to improve our government Access channel and City of Anacortes web site to provide for information sharing and open government for the citizens of our community.

We will 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.

OBJECTIVES

To provide the planning and the funds to create more efficient, traffic flows through the City of Anacortes wherever possible and practical.

To evaluate and eliminate storm water inflow and infiltration in our cities sanitary sewer, to identify and fund fixes.

Will continue to work to see that Anacortes has the revenue to provide for the levels of service this community identifies.

PERFORMANCE MEASURES

1. To return every appropriate phone call and to address every inquiry that is made to this office.
2. To implement 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 our regional quality of life issues.

CITY ATTORNEY
Department Summary

	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
FINANCIAL SUMMARY				
Legal Services	161,040	163,872	179,872	173,055
Judicial Programs	218,284	224,001	240,001	245,551
DEPARTMENT TOTAL	379,324	387,873	419,873	418,606
CHARACTER OF EXPENDITURES				
Personnel				
Salaries & Wages	175,064	177,579	177,579	190,874
Fringe Benefits	56,334	61,811	77,811	65,605
Supplies	10,391	9,400	13,500	9,400
Services	88,420	95,560	135,674	104,200
Intergovernmental	34,618	28,214	0	34,052
Interfund	14,497	15,309	15,309	14,475
			0	
DEPARTMENT TOTAL	379,324	387,873	419,873	418,606
SOURCE OF FUNDS				
General Fund	379,324	387,873	419,873	418,606
Fines & Forfeits				

	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
POSITION SUMMARY				
/Legal Services				
City Attorney	.40	.40	.40	.40
Legal Secretary	.80	.91	.75	.75
/Municipal Court				
Court Administrator	1.00	1.00	1.00	1.00
Court Clerks	1.50	1.50	1.50	1.50
TOTAL GENERAL FUND FTEs	3.70	3.81	3.65	3.65

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 Federal Constitutional principals and requirements of the City Code.

LEGAL SERVICES

Goals

1. Represent the City well in all legal proceedings.
2. Continue the process of updating the City Municipal Code as necessary.

Performance Targets

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

MUNICIPAL COURT

Areas of Responsibility

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 FY04	Adopted FY05	Revised FY05	Proposed FY06
FINANCIAL SUMMARY				
Administration	81,259	82,108	82,108	97,999
Budget, Accounting, Fiduciary	535,445	589,446	589,446	591,581
Data Processing*	285,892	222,015	222,015	269,912
Utility Billing/PW Gen Admin	134,004	129,200	129,200	145,606
DEPARTMENT TOTAL	1,036,600	1,022,769	1,022,769	1,105,098
CHARACTER OF EXPENDITURES				
Personnel				
Salaries & Wages	582,190	661,260	661,260	667,140
Fringe Benefits	142,629	156,463	156,463	181,952
Supplies	44,790	27,250	27,250	67,214
Services	230,190	131,175	131,175	147,366
Intergovernmental	113	57	57	57
Interfund	33,157	35,064	35,064	34,867
Capital Outlays	3,531	11,500	11,500	6,502
DEPARTMENT TOTAL	1,036,600	1,022,769	1,022,769	1,105,098
SOURCE OF FUNDS				
General Fund	902,956	894,369	894,369	959,492
Interfund				
Fund 401	133,644	128,400	128,400	145,606
Utilities				
DEPARTMENT TOTAL	1,036,600	1,022,769	1,022,769	1,105,098

CAPITAL OUTLAYS: Office Furniture - \$1,502
 Network Hardware - \$5,000

	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
POSITION SUMMARY				
/Administration				
Finance Director	1.00	1.00	1.00	1.00
/Budget, Accounting, Fiduciary				
Assistant Finance Director	1.00	1.00	1.00	
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	
Accounting Clerk	4.00	5.00	5.00	5.00
Accountants				2.00
/Data Processing				
Computer Technician	2.00	2.00	2.00	2.00
/Utilities				
Accounting Clerk	1.00	1.00	1.00	1.00
TOTAL GENERAL FUND FTE's	11.00	12.00	12.00	12.00
TOTAL OTHER FUNDS FTE's	1.00	1.00	1.00	1.00
POSITION TOTALS	12.00	13.00	13.00	13.00

MISSION STATEMENT

The mission of the Finance Department is to ensure financial integrity, fiscal control, solvency and provide financial services supporting the City's governing bodies in establishing strategic goals and policies and ensuring financial accountability to the citizens, businesses, taxpayers, and ratepayers.

2006 GOALS, OBJECTIVES AND PERFORMANCE MEASURES

Budgeting, Accounting and Reporting

1. Budgeting – Provide a budget process that supports the governing bodies goals, facilitate department input, and generates a usable and realistic document.
 - a. Improve participation and coordination of the 2006 Budget and the Capital Facilities Plan with Departments.
 - b. Monitor and communicate budget to actual comparisons to prevent over expenditures and assist departments as unanticipated needs arise.
Measure - A monthly review of the budget to actual with the Mayor and Departments.
2. Investments – Continue to manage the cash balances and investments to maximize investment earnings and minimize risk.
 - a. Improve the timeliness of the cash flow statements to allow for optimal cash to investment analysis.
Measure – Cash flow statements done monthly.
 - b. Complete an analysis of each fund for cash needs to maximize the cash to investment ratio.
Measure – Monthly investment report analyzing the cash needs and investments.
3. Report – Prepare timely, accurate, and complete annual, quarterly, and monthly information to support decision making and meet legal requirements.
 - a. Obtain a “clean” audit for 2005 from the State Auditor’s Office of Washington.
Measure - An “unqualified” opinion on the 2005 financial statements from the Washington State Auditors.
Measure - Receive no audit findings on internal controls or legal compliance for the 2005 audit.
 - b. Provide the Mayor and Departments with useful and timely information on revenue and expenditure trends, and cash available balances.
Measure – Present monthly the revenue trends to the Mayor.
Measure – Present monthly the expenditures to budget by fund and department.

Cash Receipting, Utility Billing and Accounts Payable

1. Increase the compliance with Business licensing in the City of Anacortes.
 - a. It is fair and equitable that all businesses in the City purchase the business license annually. New issuances and renewals will be consistently monitored, and outstanding fees will be collected with due diligence.
Measure – Reduce the number of businesses not obtaining businesses licenses by at least 50%.
3. Maintain internal controls over accounts payable/purchasing.
 - a. Continue to audit and monitor purchases for internal control compliance.
 - b. Provide the Mayor with purchasing requests outside the normal operating needs.
Measure – Approved expenditures do not exceed budget authority.

Internal Technology

1. To improve customer access to City Websites and improve staff access to Internet.

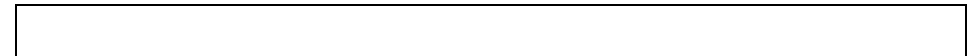
- a. Increase the DSL bandwidth at City Hall and the Library.
Measure – At least 768 mbps upload and download speeds.
2. Upgrade NT Domain to Windows 2000/2003.
 - a. To allow for installation of applications not supported under Windows NT domains.
Measure – All servers upgraded to Windows 2000/2003 and Active Directory implemented.
3. Upgrade the Mail Server from Exchange 5.5 to Exchange 2000.
 - a. To allow for installation of more advanced SPAM, AdWare, SpyWare and Virus protection.
Measure – Reduce time that IS staff spends responding to real or perceived threats.

HUMAN RESOURCES

Department Summary

	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
FINANCIAL SUMMARY				
Administration	185,030	183,708	223,708	196,890
DEPARTMENT TOTAL	185,030	183,708	223,708	196,890
CHARACTER OF EXPENDITURES				
Personnel				
Salaries & Wages	82,914	106,344	106,344	105,384
Fringe Benefits	20,383	26,531	26,531	33,687
Supplies	7,237	6,800	6,800	7,000
Services	71,151	40,500	80,500	41,400
Interfund	3,345	3,533	3,533	9,419
DEPARTMENT TOTAL	185,030	183,708	223,708	196,890
SOURCE OF FUNDS				
General Fund	185,030	183,708	223,708	196,890
Property and Sales Taxes				

SIGNIFICANT CHANGES: Increase in 2005 was due to Police Arbitration



	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
POSITION SUMMARY				
/Administration				
Administrator	1.00	1.00	1.00	1.00
Assistant	.80	.80	.80	.80
TOTAL GENERAL FUND FTE's	1.80	1.80	1.80	1.80

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 FY04	Adopted FY05	Revised FY05	Proposed FY06
FINANCIAL SUMMARY				
Planning & Zoning	152,503	104,848	166,448	115,474
Permit Center	357,098	369,422	369,422	433,688
Urban Industrial Park	201,640	150,552	156,552	269,714
CDBG Grant Administration	29,472	0	202,000	133,000
DEPARTMENT TOTAL	740,713	624,822	894,422	951,876
CHARACTER OF EXPENDITURES				
Personnel				
Salaries & Wages	357,281	356,894	356,894	410,116
Fringe Benefits	89,707	96,719	96,719	116,524
Supplies	19,365	11,000	11,000	11,000
Services	173,470	137,676	338,276	289,189
Intergovernmental	19,225	36	69,036	0
Capital Outlays	57,948	0	0	100,000
Interfund	23,717	22,497	22,497	25,047
DEPARTMENT TOTAL	740,713	624,822	894,422	951,876
SOURCE OF FUNDS				
General Fund	451,555	474,020	535,620	549,162
Building Permits				
Fund 180	289,158	150,802	358,802	402,714
Leases				
Grants				
Land Sales				
	740,713	624,822	894,422	951,876

SIGNIFICANT CHANGES

	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
POSITION SUMMARY				
/Planning				
Planning Director	.60	.60	.60	.60
Land Use Permit Manager	1.00	1.00	1.00	1.00
Legal Secretary	1.00	.64	1.00	1.00
/Permit Center				
Building Official	1.00	1.00	1.00	1.00
Building Inspector	1.50	1.50	2.00	2.00
Plans Examiner	1.00	1.00	1.00	1.00
Building Permit Technician	1.00	1.00	1.00	1.00
TOTAL GENERAL FUND FTE's	6.90	6.54	7.40	7.40
TOTAL OTHER FUND FTE's	.20	.20	.20	.20
POSITION TOTAL	8.00	8.00	8.00	8.00
TOTAL FTE's	7.10	6.74	7.60	7.60

SIGNIFICANT CHANGES: A part time Building Inspector was hired on full time.

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.

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 and collecting fees for permit applications.

2006 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.
3. Redevelopment of city property at Sharps Corner.

2006 OBJECTIVES

1. Implement the sub-area plan for Fidalgo Bay.
2. Plywood mill site cleanup and redevelopment.
3. Implement City development standards in UGA.
4. Continue the South March Point infrastructure upgrades.
5. Complete the Sharps Corner Annexation.

POLICE
Department Summary

	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
FINANCIAL SUMMARY				
Administration	428,341	495,168	587,168	759,076
Investigation	244,449	258,131	258,131	256,346
Patrol	1,690,475	1,716,061	1,716,061	1,765,049
Marine Patrol	17,821	13,853	13,853	20,669
Crime Prevention	74,437	79,365	79,365	78,410
Specially Funded Programs	11,289	10,750	10,750	10,750
Care & Custody of Prisoners	104,990	85,400	85,400	88,000
Support Services	372,804	396,334	396,334	401,452
Animal Control	69,034	72,094	72,094	73,875
DARE	4,055	4,000	4,015	4,000
DEPARTMENT TOTAL	3,017,695	3,131,156	3,223,171	3,457,627

CHARACTER OF EXPENDITURES				
Personnel				
Salaries & Wages	1,885,445	1,936,911	1,936,911	2,030,736
Fringe Benefits	485,265	517,233	517,233	556,592
Supplies	47,405	54,500	57,215	54,300
Services	149,687	175,670	235,252	330,852
Intergovernmental	163,670	158,232	99,700	161,512
Capital Outlays	3,570	4,750	93,000	4,750
Interfund	282,653	283,860	283,860	318,885
DEPARTMENT TOTAL	3,017,695	3,131,156	3,223,171	3,457,627

SOURCE OF FUNDS				
General Fund	3,017,695	3,131,156	3,223,171	3,457,627

CAPITAL OUTLAYS: Radar Unit - \$1,000
Armored Vests - \$3,750

	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
POSITION SUMMARY				
/Administration				
Police Chief	1.00	1.00	1.00	1.00
Captain	1.00	1.00	1.00	2.00
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	15.00
/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
TOTAL GENERAL FUND FTE's	32.00	32.00	32.00	33.00

SIGNIFICANT CHANGES: One additional Captain to be hired in 2006

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 2006

1. Completion of New Police Radio System.
2. Laptop Computer Capability in Patrol Cars.
3. Policy Manual and Accreditation.
4. Implementation of New Captains Position.

MEDIC/FIRE

Department Summary

	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
FINANCIAL SUMMARY				
Administration	238,848	199,716	199,716	210,534
Fire Suppression	732,912	673,157	798,157	559,046
Prevention/Investigation	137,360	140,569	140,569	133,033
Fire Crew Training	181,745	168,622	168,622	218,103
Ambulance/Emergency Aid	917,545	1,011,738	1,084,738	1,151,906
DEPARTMENT TOTAL	2,208,410	2,193,802	2,391,802	2,272,622
CHARACTER OF EXPENDITURES				
Personnel				
Salaries & Wages	1,539,998	1,544,678	1,617,678	1,581,767
Fringe Benefits	265,655	282,711	282,711	308,135
Supplies	46,078	53,525	54,125	60,350
Services	141,950	85,095	85,095	109,742
Intergovernmental	0	600	0	2,000
Capital Outlays	37,049	43,800	168,800	30,047
Interfund	177,680	183,393	183,393	180,581
Contingency March Pt Fire Prot				
DEPARTMENT TOTAL	2,208,410	2,193,802	2,391,802	2,272,622
SOURCES OF FUNDING				
General Fund	1,070,131	1,182,064	1,307,064	1,120,716
Fund 110	1,138,279	1,011,738	1,084,738	1,151,906
SCEMS Council				
Ambulance Fees–Island Hosp				
DEPARTMENT TOTAL	2,208,410	2,193,802	2,391,802	2,272,622

SIGNIFICANT CHANGES

CAPITAL OUTLAYS: Air Paks - \$3,200
RIT Equipment - \$15,312
Ambulance Equipment - \$11,535

	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
POSITION SUMMARY				
/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
TOTAL GENERAL FUND FTE's	19.00	19.00	19.00	19.00
TOTAL VOLUNTEERS	30.00	30.00	30.00	30.00
SIGNIFICANT CHANGES				

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

We believe that the professional services we provide are our individual contribution to the community.

- Provide contingency funds for Marches Point Fire Service.
- Install automatic activation of exhaust system at both stations.
- Participate in two year program to upgrade and improve the County-wide radio infrastructure.
- Purchase one Thermal Imaging Camera for Fire Suppression activities.
- Maintain and upgrade Fire Officers skills through regular officer program.
- Maintain Fire Suppression Skills through various training offerings.
- Provide funding for Continuing Education for ALS personnel.
- Upgrade EMS Battery Recycler.

PUBLIC WORKS
Department Summary

	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
FINANCIAL SUMMARY				
Administration	1,214,967	1,150,892	1,150,892	943,406
Engineering	3,881,634	2,766,903	3,512,903	1,873,418
Street	709,781	904,540	904,540	781,567
Arterial Street	1,356,937	711,800	2,279,800	1,981,000
Water	2,831,209	3,102,932	3,352,932	3,970,308
Wastewater	2,854,538	2,416,641	2,692,141	2,896,061
Storm Drainage	295,924	243,362	243,362	652,458
Sanitation	1,622,342	1,577,935	1,668,935	1,697,483
Equipment Rental	636,241	1,115,021	1,115,021	1,075,777
DEPARTMENT TOTAL	15,403,573	13,990,026	16,920,526	15,871,478
Personnel				
Salaries & Wages	3,268,566	3,395,585	3,395,585	3,625,634
Fringe Benefits	970,131	1,100,973	1,100,776	1,135,559
Supplies	1,053,096	971,366	971,366	1,130,308
Services	3,181,553	3,185,764	3,493,961	3,207,412
Intergovernmental	10,546	12,725	12,725	14,110
Capital Outlays	5,419,907	3,762,505	6,267,505	5,547,039
Administrative Service Chg	0	786,288	117,500	483,145
Interfund	1,499,774	774,820	1,561,108	728,271
DEPARTMENT TOTAL	15,403,573	13,990,026	16,920,526	15,871,478
SOURCE OF FUNDS				
Fund 401 (Water Revenue)	6,859,480	6,326,178	6,762,178	5,676,551
Fund 440 (Wastewater Revenue)	4,476,252	4,037,567	4,663,067	5,048,604
Fund 445 (Storm Drain Revenue)	656,178	518,905	728,905	956,763
Fund 450 (Sanitation Revenue)	1,969,097	1,772,427	1,863,427	1,772,050
Fund 501 (Equipment Rental)	1,371,090	1,161,855	1,161,822	1,140,655
Fund 001 (General Fund Revenue)	71,476	173,094	1,741,127	1,276,855
DEPARTMENT TOTAL	15,403,573	13,990,026	16,920,526	15,871,478

SIGNIFICANT CHANGES:
CAPITAL OUTLAYS: See individual fund summaries.

	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
POSITION SUMMARY				
/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	1.00	.64	.64
Department Secretary	3.80	4.71	3.88	3.88
Receptionist	.40			
/Engineering				
City Engineer	1.00	1.00	1.00	1.00
Asst City Engineer	1.00	1.00	2.00	2.00
City Project Engineer	.42	.42	.42	.42
Special Project Engineer	.50	.50	.50	.50
Engineering Techs	5.00	5.00	4.00	4.00
GIS Coordinator	1.00	1.00	1.00	1.00
Engineering Inspector	1.00	1.00	1.00	1.00
Utility Services	1.00	1.00	1.00	1.00
/Operations				
WTP Operators	9.00	7.00	9.00	9.00
WTP Laborer	.50	.50	.50	.50
WWTP Operators	11.00	11.00	11.00	11.00
WWTP Lab Tech	1.00	1.00	1.00	1.00
WWTP Laborer		.50	.50	.50
/Maintenance				
Street/Sewer/Storm Drain	10.00	10.00	10.00	10.00
Water	7.00	5.00	5.00	6.00
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
TOTAL DEPARTMENT FTE's	69.27	66.63	68.44	68.44
Full Time Positions	65.00	61.00	64.00	64.00
Part Time Positions	5.00	6.00	6.00	6.00

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 2006

GOAL: Maintain relevance in the City and community.

Refine and Trend Performance Based Criteria for Key Functions

- Continue use of cumulative trending.

Ensure services provided are relevant to our community.

- Public Works “Community Forums”
- Open Houses on all Significant Projects.
- Review Fee Structure.

Utilize every opportunity to obtain community input and participation to improve our services.

- Re-vamp our Public Works citizen committees.
- Improve our street fairs and encroachment agreement process.

Project into community; communicate and improve visibility.

- Pamphlets/brochures for the community on our services.
- Pamphlets in every significant area of PW.
- Channel 10 – keep fresh.
- PWD speaker bureau.
- Continue to “Brand” our water
- GIS into the community

GOAL: Operate, maintain and improve a robust infrastructure

Meet all operating and environmental permit requirements.

- Complete Update of our Storm Drainage Comprehensive Plan and Ordinance.
- Upgrade our water cathodic protection system on our transmission lines.
- Fix 13th Street sewer overflow issue.
- Increase professional certifications.

Establish and execute an emergency power plan for the water treatment plant.

- Turn over O&M of HV substation at the WTP to Puget Sound Energy.
- Establish a back-up power system for the water plant.

Widen and improve Sunset Avenue.

Complete one segment of the Guemes Channel Trail.

Complete the waterline replacement projects on time, on budget, and with specification quality.

- 2006 – permits and right of way for new transmission line from Bradshaw Road to the Water Plant.
- Complete first phase-(Lunz Road) of the SR20 water line replacement.
- Complete feasibility study for Water Plant expansion project.

Seek opportunities to reduce the life-cycle cost of our infrastructure.

- Institute training in engineering economics.
- Continue conversion to telemetry and PLC controls for the water and sewer systems.

Improve our emergency response capability.

- 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.

Be the first and best source of information on Public Works matters.

- Institute evaluations for developers, contractors, and consultants.
- Continue to train people on PW and Utility Fees and how they work.

Make Public Works fun to the people and the community.

- Spring clean-up.
- Water Conservation.
- Waterfront Festival Booth.
- 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.

- Establish customer service representatives for major utility customers.
- Improve the customer service arm of PW.

Ensure seamless teamwork within PW, the City, and supporting agencies.

- Continue close working relationship with Finance/Building Departments/Parks Departments.
- Seek ways to work closer with other City departments.
- Build close working relationship with the Skagit County PW, Port, 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 PW Division Managers.

Develop, train, hire, and retain an outstanding team

- Increase recognition of our people.
- Expend training of leadership staff.
- Increase cross training within PW and City and other PW/PUD 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 and relevance of our section of the City web site.
- Improve our newsletter.

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

	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
FINANCIAL SUMMARY				
General Fund*	465,072	467,122	446,616	621,261
Street Fund	7,212	39,191	153,480	182,827
Water Fund	2,816,931	1,717,173	6,000	9,550
Sewer Fund	376,580	280,400	131,940	86,900
Storm Drain Fund	212,021	248,017	43,647	45,880
Sanitation	7,381	15,000	2,731,400	927,000
DEPARTMENT TOTAL	3,885,197	2,766,903	3,512,903	1,873,418
Personnel				
Salaries & Wages	441,989	446,616	446,616	621,261
Fringe Benefits	126,778	153,480	153,480	182,827
Supplies	17,164	6,650	6,000	9,550
Services	67,016	124,940	131,940	86,900
Interfund	35,282	43,467	43,467	45,880
Capital Outlays	3,196,968	1,991,750	2,731,400	927,000
DEPARTMENT TOTAL	3,885,197	2,766,903	3,512,903	1,873,418

*includes Administration

MAJOR CAPITAL OUTLAYS:

Water
Sewer
Storm
Sewer

STREET**Street, Arterial Street**

	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
FINANCIAL SUMMARY				
Administration	73,761	119,181	119,181	341,467
Street Maintenance	709,780	904,540	904,540	1,207,567
Arterial Street	1,356,937	711,800	2,070,800	1,555,000
FUND TOTAL	2,140,478	1,735,521	3,094,521	3,104,034
Personnel				
Salaries & Wages	284,200	296,300	296,300	442,546
Fringe Benefits	86,513	96,338	96,338	144,808
Supplies	98,930	86,250	86,250	89,800
Services	429,126	208,204	208,204	397,632
Capital Outlay	1,109,106	916,800	2,275,800	1,901,000
Interfund	132,603	131,629	131,629	128,248
TOTAL	2,140,478	1,735,521	3,094,521	3,104,034

CAPITAL OUTLAYS:

Street Overlays \$
CBD Sidewalk Improv
Miscellaneous Sidewalks

WATER
Fund Summary

	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
FINANCIAL SUMMARY				
Administration	612,816	3,223,246	3,406,246	1,706,243
Operations	2,066,546	2,205,745	2,205,745	2,131,284
Maintenance	764,663	897,187	1,147,187	1,839,024
	<u>3,444,025</u>	<u>6,326,178</u>	<u>6,762,178</u>	<u>5,676,551</u>

Personnel				
Salaries & Wages	935,363	1,142,309	1,142,309	1,285,292
Fringe Benefits	272,478	369,219	369,219	385,916
Supplies	308,243	228,025	228,025	269,750
Services	1,065,004	2,182,864	2,182,864	1,897,322
Capital Outlay	266,342	1,779,253	2,215,253	1,424,000
Interfund Charges	596,595	616,529	624,508	414,271
	<u>3,444,025</u>	<u>6,326,178</u>	<u>6,762,178</u>	<u>5,676,551</u>

CAPITAL OUTLAYS:

Deception Pass Waterline	680,000
24" Waterline Segments 5&6	300,000
North Texas Rd Waterline	145,000
Distribution Mains (Commercial Ave 2 nd to 12 th)	137,000

WASTEWATER
Fund Summary

	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
FINANCIAL SUMMARY				
Administration	352,348	360,795	1,945,621	2,126,506
Operations	2,530,615	2,118,110	2,393,610	2,674,138
Maintenance	257,261	284,514	284,514	220,446
March Pt Sewer Conveyance	66,662	14,017	39,322	27,514
	<u>3,206,886</u>	<u>2,777,436</u>	<u>4,663,067</u>	<u>5,048,604</u>

CHARACTER OF EXPENDITURES				
Personnel				
Salaries & Wages	971,441	1,047,164	1,047,164	1,122,752
Fringe Benefits	282,628	329,887	329,887	347,313
Supplies	361,256	397,341	397,341	467,158
Services	419,100	1,377,504	1,393,004	1,506,415
Intergovernmental	10,545	72,725	72,725	74,110
Capital Outlay	840,457	486,000	1,096,000	1,243,186
Interfund Charges	321,459	325,567	326,946	287,670
	<u>3,206,886</u>	<u>2,777,436</u>	<u>4,663,067</u>	<u>5,048,604</u>

CAPITAL OUTLAYS:

Stevenson Road Sewer	300,000
Replace Pump Station #12	344,880
Design and construct odorous air ducts	212,400
Sewer pipeline replacements	137,000
Sewer manhole Repair/Replace	78,000

STORM DRAINAGE

Fund Summary

	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
FINANCIAL SUMMARY				
Administration	14,104	275,543	485,543	304,305
Maintenance	295,924	243,362	243,362	652,458
	<u>310,028</u>	<u>518,905</u>	<u>728,905</u>	<u>956,763</u>
CHARACTER OF EXPENDITURES				
Personnel				
Salaries & Wages	153,934	193,810	193,810	326,264
Fringe Benefits	48,500	65,163	65,163	109,770
Supplies	7,259	4,000	4,000	4,000
Services	60,684	81,818	91,818	19,200
Intergovernmental	0	12,600	12,600	13,000
Capital Outlay	847	126,000	326,000	444,000
Interfund Charges	38,804	35,514	35,514	40,529
	<u>310,028</u>	<u>518,905</u>	<u>728,905</u>	<u>956,763</u>

CAPITAL OUTLAYS:

Minnesota Ave Storm Drainage	\$270,000
Misc Storm Sewer Upgrades	\$77,000
Infiltration and Intrusion	\$56,000
Storm Drain Outfall Reconstruction	\$41,000

SANITATION

Fund Summary

	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
FINANCIAL SUMMARY				
Administration	149,334	194,492	194,492	74,567
Operations	1,622,340	1,577,935	1,633,935	1,697,483
	<u>1,771,674</u>	<u>1,772,427</u>	<u>1,828,427</u>	<u>1,772,050</u>
CHARACTER OF EXPENDITURES				
Personnel				
Salaries & Wages	304,942	321,307	321,307	331,054
Fringe Benefits	104,088	113,681	113,681	128,089
Supplies	7,703	11,800	11,800	11,200
Services	1,009,174	947,223	1,003,223	942,458
Capital Outlay	4,851	5,000	5,000	103,500
Interfund Charges	340,916	373,416	373,416	255,749
	<u>1,771,674</u>	<u>1,772,427</u>	<u>1,828,427</u>	<u>1,772,050</u>

CAPITAL OUTLAYS:

Operations Facility Materials Handling	\$90,000
Container/Dumpsters	\$13,500

EQUIPMENT RENTAL Fund Summary

FINANCIAL SUMMARY	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
Administration	41,432	46,801	46,801	59,378
Maintenance	636,041	1,115,021	1,115,021	1,081,277
	<u>677,473</u>	<u>1,161,822</u>	<u>1,161,822</u>	<u>1,140,655</u>
CHARACTER OF EXPENDITURES				
Personnel				
Salaries & Wages	176,696	180,840	180,840	203,943
Fringe Benefits	49,145	54,092	54,092	49,993
Supplies	252,543	246,000	246,000	287,200
Services	163,639	196,452	196,452	119,893
Capital Outlay	1,335	449,452	449,452	431,353
Interfund Charges	34,115	34,986	34,986	48,273
	<u>677,473</u>	<u>1,161,822</u>	<u>1,161,822</u>	<u>1,140,655</u>

CAPITAL OUTLAYS

Department	Equipment	Total Cost	Funding Source	
			Dept Budget	'B' Reserve
Sanitation	Refuse Truck, front-loading	261,360		261,360
Police	3 pursuit vehicles & radios	110,985		110,985
Engineering	½ ton pickup	20,000		20,000
Park/Cemetery	Utility vehicle, lawn mowers	12,650		12,650
Water	Crane, weed eaters, pumps	10,358		10,358
Total		<u>423,353</u>		<u>423,353</u>

PARKS/RECREATION/CEMETERY

Department Summary

	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
FINANCIAL SUMMARY				
Parks	609,929	639,942	971,442	1,267,793
Recreation	186,218	200,917	200,917	217,537
Forestland	121,514	122,681	131,181	145,934
Cemetery	103,740	117,101	123,101	158,156
Municipal Bldg/Community Ctr	333,320	372,817	372,817	384,703
SWWTP Grounds Maint	17,157	25,305	25,305	26,037
Street Tree Program	646	0	0	0
DEPARTMENT TOTAL	1,372,524	1,478,763	1,824,763	2,200,160
CHARACTER OF EXPENDITURES				
Personnel				
Salaries & Wages	697,626	724,235	729,235	787,328
Fringe Benefits	215,005	237,767	237,767	250,253
Supplies	94,374	102,200	103,200	112,100
Services	229,431	264,514	275,514	264,196
Intergovernmental	400	500	500	500
Capital Outlays	10,216	21,000	350,000	652,500
Interfund	125,472	128,547	128,547	133,283
DEPARTMENT TOTAL	1,372,524	1,478,763	1,824,763	2,200,160
SOURCE OF FUNDS				
General Fund	253,393	314,022	131,522	110,190
Fund 101-Parks and Recreation	763,623	801,828	801,828	815,946
Recreation Fees				
Fund 102-Cemetery	120,168	117,801	123,801	159,056
Charges for Goods & Services				
Fund 107-WA Park	140,915	163,112	177,112	173,218
Fees				
Fund 108-Parks Capital Imp.	22,409	0	4,500	21,250
Mt. Erie Lease				
Fund 113-ACFL Mang.	61,800	2,000	11,000	15,500
Quarry Rock Sales				
Fund 112-Dev. Impact Fee	10,216	80,000	575,000	905,000
Impact fees				
DEPARTMENT TOTAL	1,372,524	1,478,763	1,824,763	2,200,160

SIGNIFICANT CHANGES

CAPITAL OUTLAYS: H Ave Park - \$130,000
 West End Park - \$400,000
 Volunteer Park - \$50,000
 Tommy Thompson Trail - \$50,000

POSITION SUMMARY

	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
POSITION SUMMARY				
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	.20	.20	.20	.08
Forestland Maintenance	1.66	1.66	1.66	1.76
Maintenance	7.43	7.43	7.43	8.08
Custodial	1.20	1.20	1.20	1.20
Sailing Instructors	.35	.35	.35	.47
TOTAL DEPARTMENT FTE's	18.04	18.04	18.04	18.79
Full Time Positions	12.00	12.00	12.00	12.00
Seasonal Positions	18.00	18.00	18.00	18.00
POSITION TOTAL	30.00	30.00	30.00	30.00

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 customers
- Working hard to see things from different perspectives

We will provide positive recreation programs by:

- Ensuring that our programs are operated 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:

- Contribute to making Anacortes a better place to live and work

LIBRARY
Department Summary

	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
FINANCIAL SUMMARY				
Administration	76,631	80,258	80,258	85,818
Library Services	641,852	666,107	687,171	700,502
Library Construction	7,176	0	0	0
DEPARTMENT TOTAL	725,659	746,365	767,429	786,320
CHARACTER OF EXPENDITURES				
Personnel				
Salaries & Wages	429,066	448,768	448,768	477,401
Fringe Benefits	105,568	115,279	115,279	122,835
Supplies	73,597	65,785	86,479	70,825
Services	71,609	77,672	77,672	79,073
Capital Outlays	9,019	0	0	0
Interfund	36,800	38,861	38,861	36,186
Intergovernmental			370	
DEPARTMENT TOTAL	725,659	746,365	767,429	786,320
SOURCE OF FUNDS				
General Fund				
Fund 103 – Library	725,659	746,365	767,429	786,320
Charges for Goods & Services				

SIGNIFICANT CHANGES

CAPITAL OUTLAYS

	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
POSITION SUMMARY				
/Administration				
Library Director	1.00	1.00	1.00	1.00
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	8.00	8.00
Pages	1.04	1.04	1.06	1.06
TOTAL FTE's	12.71	12.71	13.56	13.56
Full Time Positions	7.00	7.00	7.00	7.00
Part Time Positions	13.00	13.00	14.00	14.00
POSITION TOTAL	20.00	20.00	21.00	21.00

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.

2006 BUDGET GOALSPromote and support the value of learning

To increase attendance at library programs.

Provide resources to enrich lives

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

2006 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
8. Library Web Page Hits

MUSEUM
Department Summary

	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
FINANCIAL SUMMARY				
Museum	181,576	195,699	195,699	198,175
W.T. Preston	11,662	18,800	23,800	18,800
Preston Interpretive Ctr Const	211,931	0	347,000	0
DEPARTMENT TOTAL	405,169	214,499	566,499	216,975
CHARACTER OF EXPENDITURES				
Personnel				
Salaries & Wages	118,715	126,535	126,535	130,992
Fringe Benefits	22,549	22,451	22,451	24,254
Supplies	5,898	10,500	15,500	11,200
Services	55,477	45,221	45,221	41,880
Capital Outlays	188,093	0	347,000	0
Interfund	14,437	9,792	9,792	8,649
DEPARTMENT TOTAL	405,169	214,499	566,499	216,975
SOURCE OF FUNDS				
General Fund	405,169	214,499	566,499	216,975

	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
POSITION SUMMARY				
/Museum				
Director	1.00	1.00	1.00	1.00
Curator	1.00	1.00	.58	.58
Collections Aide		.48	.48	.48
Registrar/Admin Asst	.45	.72	.72	.72
Public Information/Education	.45	.58	.58	.58
Aides	1.37	1.97	.99	.99
Project				
TOTAL GENERAL FUND FTE's	4.27	4.75	4.35	4.35
Full Time Positions	2.00	2.00	1.00	1.00
Part Time Positions	5.00	6.00	10.00	10.00
POSITION TOTAL	7.00	7.00	10.00	10.00
SIGNIFICANT CHANGES				

SIGNIFICANT CHANGES: 2005 Increase is due to W.T. Preston completion.

CAPITAL OUTLAYS

MISSION STATEMENT
<p>The Anacortes Museum exists to promote and inspire an understanding and an appreciation of the heritage of Fidalgo and Guemes Islands.</p> <p>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.</p> <p>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.</p>

MUSEUM
Department Summary

2006 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 participating in community events.
 - Participate in WFF, Best Fest and Arts Fest.
 - Host a winter talk series related to our local history
- B. Interpretive exhibits.
 - Provide compelling exhibits about the Wallie Funk Collection.
 - Continue installation of exhibits in the Snagboat Heritage Center.

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

- A. *W.T. Preston*
 - 1. Continual preservation of our National Historic Landmark Vessel.
 - Ongoing annual maintenance to the boat.
 - Starboard monkey rudder repaired and installed by April.
 - Foredeck planking installed by October.
 - Turntable planking made and installed by end of year.
 - 2. Site work
 - Crushed rock under ramp by end of October.
- B. Carnegie Building
 - 1. Handicapped Lift.
 - Obtain good quotes from contractor for needed work.
 - Seek and write grants to complete needed funding.

3. Preserve our history

- A. Care of the Museum's collections
 - 1. Ongoing work to catalogue the Wallie Funk Collection.
 - 2. Ongoing database entries.
 - New software program to purchase and install.

4. Expand public awareness of our services

- A. Marketing
 - 1. Promotional materials and advertising.
 - Advertisements in annual publications distributed Statewide.
 - Quarterly calendar of events handouts distributed throughout the year.

NON DEPARTMENTAL
Summary

	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
FINANCIAL SUMMARY				
General Gov't Services	705,947	683,820	1,447,859	812,721
Emergency Services	26,838	26,335	26,335	27,125
Skagit Council of Governments	8,289	7,735	7,735	8,300
NW Air Pollution Authority	5,219	5,289	5,289	5,448
Skagit Co Community Action	3,500	3,500	3,500	5,000
Skagit Domestic Violence	3,250	3,315	3,315	3,414
Skagit Co Senior Services	25,325	26,085	26,085	20,867
Skagit Co Community Alcohol	11,298	11,200	11,200	27,000
Anacortes Comm Health Council	1,500	1,500	1,500	1,500
Tourism	195,015	174,500	174,500	167,681
1999 GO Refunded Bonds (1992)	148,190	148,990	148,990	144,475
1999 GO Bonds	132,285	130,605	130,605	138,885
2000 GO Bonds	527,223	525,935	525,935	506,000
Growth Mgmt Capital Impv	443,541	223,338	223,338	1,418,114
PWTF Loans	27,130	26,648	26,648	26,164
Water Rev & Ref Bonds	931,823	576,835	576,835	443,049
2003 Sewer Rev Ref Bonds	910,066	884,926	884,926	894,290
Medical/Health Benefits	1,927,915	2,108,263	2,119,963	2,343,288
Firemen's Pension	44,242	45,465	45,465	48,000
Reserves				
NON-DEPARTMENTAL TOTAL	6,078,596	5,614,284	6,390,023	7,041,321
SOURCE OF FUNDS				
Property & Excise Taxes	3,898,281	3,442,470	3,987,238	4,638,536
Interfund Revenues	2,155,215	2,167,814	2,252,785	2,252,785
Interest	25,100	4,000	150,000	150,000
NON-DEPARTMENTAL TOTAL	6,078,596	5,614,284	6,390,023	7,041,321

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 and partially refunded in 2004.

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), 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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CONTRACTED SERVICES
Summary

FINANCIAL SUMMARY

	Actual FY04	Adopted FY05	Revised FY05	Proposed FY06
<u>Mandated</u>				
Skagit County Emergency Svcs	26,838	26,335	26,335	27,125
NW Air Pollution Authority	5,219	5,289	5,289	5,448
Sk Co Community Alcohol Center	11,298	11,200	11,200	27,000
Sub-Total	43,355	42,824	42,824	59,573
<u>Non-Mandated</u>				
Sk Co Community Action Agency	3,500	3,500	3,500	5,000
Sk Co Senior Services	25,325	26,085	26,085	20,867
Sub-Total	28,825	29,585	29,585	25,867
Grand Total	72,180	72,409	72,409	85,440

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. 2006 Budget: \$27,125 (15,700 population · \$1.73/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. 2006 Budget: \$5,448 (15,700 population · \$0.35/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 2006, all of County's cities verbally agreed to add an additional 8%, of liquor revenues, making a total of 10%.
 - e. 2006 Budget: \$18,000 (10% · estimated liquor revenues of \$180,000 -note this was updated after the budget was adopted)

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. 2006 Budget: \$5,000
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. 2006 Budget: \$20,867

ABBREVIATIONS

ACFL	Anacortes Community Forest Lands	LEOFF	Law Enforcement Officers & Fire Fighters
ADA	Americans With Disabilities Act	LID	Local Improvement District
AIMS	Anacortes Information Management System	LSCA	Library Skagit County Assistance
AV	Assessed Valuation	MTA US & C	Municipal Treasurer's Association United States & Canada
AWC	Association of Washington Cities	MVET	Motor Vehicle Excise Tax
BARS	Budget, Accounting, Reporting System	NFPA	National Fire Protection Agency
CADD	Computer Assisted Design & Drafting	NPDES	National Pollutant Discharge Elimination System
CAFR	Comprehensive Annual Financial Report	O & M	Operations & Maintenance
CERB	Community Economic Revitalization Board	PAC	Powdered Activated Carbon
CFP	Capital Facilities Plan	PERS	Public Employees Retirement System
CSO	Combined Sewer Operations	PTBA	Public Transportation Benefit Area
DCD	Department of Community Development	PUD	Public Utility District
DNR	Department of Natural Resources	PWTF	Public Works Trust Fund
DOE	Department of Ecology	RCW	Revised Code of Washington
DOT	Department of Transportation	REET	Real Estate Excise Tax
EIS	Environmental Impact Statement	RTPO	Regional Transportation Plan Organization
EMS	Emergency Medical Services	SAO	State Auditor's Office
FAM	Federal Aid to Municipalities	SCADA	Supervisory Control and Data Acquisition
FAUS	Federal Aid to Urban Systems	SCCAA	Skagit County Community Action Agency
FHWA	Federal Highway Administration	SCOG.	Skagit (County) Council of Governments
GFC	General Facilities Charge	SEPA	State Environmental Protection Agency
GFOA	Government Finance Officers Association	SCEMSC	Skagit, Stanwood, Camano Emergency Medical Services Council
GMA	Growth Management Act	SWTR	Surface Water Treatment Rules
GO Bonds	General Obligation Bonds	TIB	Transportation Improvement Board
HMO	Health Maintenance Organization	UGA	Urban Growth Area
HUD	Housing and Urban Development	WSDOH	Washington State Dept. of Health
IAC	Interagency Committee	WSDOT	Washington State Dept. of Transportation
ICMA	International City Management Association	WTP	Water Treatment Plant
ISTEA	Intermodal Surface Transportation Efficiency Act	WWTP	Wastewater Treatment Plant (Secondary)
L & I	Labor & Industries	(SWWTP)	

GLOSSARY

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

ACTIVITY. A specific and distinguishable line of work performed by one or more organizational units of a government for the purpose of accomplishing a function for which the government is responsible.

ACTUARIAL BASIS. A basis used in computing the amount of contributions to be made periodically to a fund or account so that the total contributions plus the compounded earnings thereon will equal the required payments to be made out of the fund.

ADMINISTRATION EXPENSE. Included in the calculation of administrative expenses are: General, Planning, Plant, Maintenance administration, Debt Service, Reserve Fund Balance, Employee Benefits, and Capital Outlays.

AD VALOREM TAXES. Commonly referred to as property taxes levied on both real and personal property according to the property's valuation and the tax rate.

ANNUAL BUDGET. A budget applicable to a single fiscal year.

APPROPRIATION. A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes.

ASSESSED VALUATION. A valuation set upon real estate or other property by a government as a basis for levying taxes.

ASSESSMENT. (1) The process of making the official valuation of property for purposes of taxation. (2) The valuation placed upon property as a result of this process.

ASSETS. Resources owned or held by a government which have monetary value.

BOND. A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity date(s), together with periodic interest at a specified rate.

BONDED DEBT. That portion of indebtedness represented by outstanding bonds.

BUDGET. A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them.

BUDGETARY CONTROL. The control or management of a government or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

BUDGET DOCUMENT. The instrument used by the budget-making authority to present a comprehensive financial program to the appropriating body.

BUDGET MESSAGE. A general discussion of the proposed budget as presented in writing by the budget-making authority to the legislative body.

CAPITAL IMPROVEMENTS. Expenditures related to the acquisition, expansion or rehabilitation of an element of the government's physical plant.

CAPITAL FACILITIES PLAN. A plan for capital outlay to be incurred each year over a fixed number of years to meet capital needs arising from the government's long-term needs.

CAPITAL OUTLAYS. Fixed assets which have a value of \$500 or more and have a useful economic lifetime of more than one year; or, assets of any value if the nature of the item is such that it must be controlled for custody purposes as a fixed asset.

CAPITAL PROJECT. Major construction, acquisition, or renovation activities which add value to a government's physical assets or significantly increase their useful life. Also called capital improvements.

CASH BASIS. A basis of accounting under which transactions are recognized only when cash is received or disbursed.

COLLECTIVE BARGAINING AGREEMENT. A legal contract between the employer and a verified representative of a recognized bargaining unit for specific terms and conditions of

employment (e.g. hours, working conditions, salary, fringe benefits, and matters affecting health and safety of employees).

CONSUMER PRICE INDEX (CPI). A statistical description of price levels provided by the U.S. Department of Labor. The index is used as measure of the increase in cost of living (i.e. economic inflation).

CONTINGENCY. A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

DEBT LIMIT. The maximum amount of gross or net debt which is legally permitted.

DEBT SERVICE. The cost of paying principal and interest on borrowed money according to a predetermined payment schedule.

DEFICIT. The excess of an entity's liabilities over its assets or the excess of expenditures or expenses over revenues during a single accounting period.

DEPRECIATION. Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence.

DIRECT COSTS. Those expenses which can be charged directly as a part of the cost of a product, service, department, operating unit or activity, as distinguished from indirect costs (overhead) which must be prorated among several products, services, departments, operating units or activities.

EMPLOYEE (OR FRINGE) BENEFITS. Contributions made by a government to meet commitments or obligations for employee fringe benefits. Included are the government's share of costs for Social Security and the various pension and medical plans.

ENTITLEMENT. The amount of payment to which a state or local government is entitled as determined by the federal government pursuant to an allocation formula contained in applicable statutes.

EXPENDITURES. Decreases in net current assets.

EXPENSES. Decreases in net total assets.

FIDUCIARY FUND TYPE. The trust and agency funds used to account for assets held by a government unit in a trustee capacity or as an agent for individuals, private organizations, other government units and/or other funds.

FISCAL POLICY. A government's policies with respect to revenues, spending, and debt management as these relate to government services, programs and capital investment. Fiscal policy provides an agreed-upon set of principles for the planning and programming of government budgets and their funding.

FIXED ASSETS. Assets which are intended to be held or used for a long term, such as land, buildings, improvements other than buildings, machinery and equipment.

FRANCHISE. A special privilege granted by a government permitting a monopoly or the continuing use of public property.

FULL-TIME EQUIVALENT POSITION (FTE). A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year.

FUNCTION. A group of related activities aimed at accomplishing a major service or regulatory program for which a government is responsible.

FUND. A fiscal entity with revenues and expenses which are segregated for the purpose of carrying out a specific purpose or activity.

FUND BALANCE. The excess of the assets of a fund over its liabilities, reserves, and carryover.

GENERAL OBLIGATION (G.O.) BONDS. Bonds for the payment of which the full faith and credit of the issuing government are pledged.

GOAL. A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless.

GRANTS. External contributions or gifts of cash or other assets to be used or expended for a specified purpose, activity, or facility.

IMPACT FEES. Fees assessed to developers to help mitigate costs associated with the impact of growth and development.

INDIRECT COST. A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned to one service.

INFRASTRUCTURE. The physical assets of a government (e.g. streets, water, sewer, public buildings and parks).

INTERFUND TRANSFERS. The movement of monies between funds of the same governmental entity.

INTERGOVERNMENTAL REVENUE. Funds received from federal, state and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

INTERNAL SERVICE CHARGES. The charges to user departments for internal services provided by another government agency, such as equipment pools or medical insurance.

LEVY. (Verb) To impose taxes, special assessments, or service charges for the support of governmental activities. (Noun) The total amount of taxes, special assessments, or service charges imposed by a government.

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

LID BONDS. Local Improvement District bonds which financed specific improvements to certain properties where the property owners are assessed an amount to service the principal and interest payments. The City is not directly responsible for the debt but is obligated to the extent that it is required to establish a guaranty fund to guaranty payments.

LONG-TERM DEBT. Debt with a maturity of more than one year after the date of issuance.

MAINTENANCE. The upkeep of physical properties in condition for use or occupancy.

MISSION STATEMENT. A broad statement of the purpose, in terms of meeting public service needs, that a department is organized to meet.

OBJECT. An expenditure classification applied to the type of item purchased or the service obtained.

OBJECTIVE. Something to be accomplished in specific, well-defined, and measurable terms and that is achievable within a specific time frame.

OBLIGATIONS. Amounts which a government may be required legally to meet out of its resources.

OPERATING BUDGET. Plans of current expenditures and the proposed means of financing them.

OPERATING EXPENSES. The cost for personnel, materials and equipment required for a department to function.

OPERATING REVENUE. Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

OTHER FINANCING SOURCES. Governmental fund general long-term debt proceeds, operating transfers-in, and material proceeds of fixed asset dispositions. Such amounts are classified separately from revenues.

OTHER FINANCING USES. Governmental fund operating transfers-out. Such amounts are classified separately from expenditures.

OVERHEAD. All costs other than direct costs.

OVERLAPPING DEBT. The proportionate share of the debts of other local governments located wholly or in part within the limits of the reporting government which must be borne by property within each government.

PERFORMANCE INDICATORS. Specific quantitative and qualitative measures of work performed as an objective of specific departments or programs.

PERFORMANCE MEASURE. Data collected to determine how effective or efficient a program is in achieving its objectives.

POLICY. A principle or course of action chosen to guide decision making.

PROGRAM. A group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the government is responsible.

RESERVE. An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

RESOLUTION. A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

RESOURCES. Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.

REVENUE. Sources of income financing the operations of government.

REVENUE BONDS. Bonds whose principal and interest are payable exclusively from earnings of an enterprise fund. In addition to a pledge of revenues, such bonds sometimes contain a mortgage on the enterprise fund's property.

SPECIAL ASSESSMENT. A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

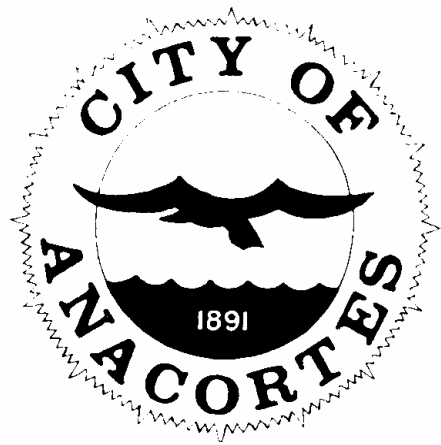
TAX LEVY. The resultant product when the tax rate per one hundred dollars is multiplied by the tax base.

TAXES. Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit such as special assessments. Neither does the term

include charges for services rendered only to those who pay, for example, sewer service charges.

UNRESERVED FUND BALANCE. The portion of fund's balance that is not restricted for a specific purpose and is available for general appropriation.

USER FEES. The payment of a fee for direct receipt of a public service by the party who benefits from the services.



Mayor Organizational Chart

COUNCIL

MAYOR

ADMINISTRATION

*Enforcement of Ordinances, Resolutions
Fiscal and Organizational Information
Prioritization of Annual Budget
Supervise Administrative Affairs
Intergovernmental Affairs Coordination
Management Analysis
Policy Management
Public Information
Organization Development*

LIBRARY BOARD

LIBRARY

*Material Circulation:
Audio
Printed
Visual,
Reference Materials,
Community Outreach,
Information Services*

DEPARTMENT HEADS

CITIZEN ADVISORY
BOARDS & COMMISSIONS

*Planning Commission,
Board of Adjustment,
Parks & Recreation Advisory
Commission
Civil Service Commission
Housing Authority Board
Forest Advisory Board
Museum Advisory Board*

FINANCE

*City Clerk,
Accounting,
Treasury,
Debt Service,
Budgeting,
Purchasing,
Data
Processing,
Payroll,
Contracts/
Grants,
Utility Billing*

FIRE

*Fire Prevention,
Fire Suppression,
Emergency
Medical Training,
Public Education*

HUMAN
RESOURCES

*Staffing,
Personnel
Policies,
Labor &
Employee
Relations,
Risk
Management,
Training &
Development*

LEGAL

*Prosecution,
Advice &
Drafting
Civil Litigation,
Advise Council,
Community
Boards &
Commissions,
Municipal Court*

MUSEUM

*W.T. Preston
Sternwheeler,
City Historical
Museum,
City Historical
Records*

PARKS

*Park Operations/
Development,
Cemetery,
Recreation,
Community
Center,
Building/Grounds
Maintenance,
Forest Lands*

PLANNING &
COMMUNITY
DEVELOPMENT

*Comprehensive
Planning,
Community
Services,
Land Use
Building
Inspection*

POLICE

*Patrol,
Investigation,
Crime
Prevention,
Traffic/
Animal Control,
Support Services*

PUBLIC WORKS

*Engineering,
Planning,
Transportation,
Utilities,
Capital Improvement
Plan,
Operations:
Water Treatment
Plant,
Wastewater
Treatment Plant
Maintenance:
Equipment Rental
Sanitation
Streets
Water/Sewer/Storm*