

# 2012 Comprehensive Annual Financial Report

For the year ended December 31, 2012



Seahurst Park

**City of Burien, Washington**

400 SW 152<sup>nd</sup> St., Suite 300

Burien, WA 98166

(206) 241-4647





The City of Burien, Washington

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2012

*Prepared by the  
City of Burien Finance Department  
400 SW 152<sup>nd</sup> St., Suite 300  
Burien, Washington 98166*

## **BURIEN CITY COUNCIL**

Brian Bennett, Mayor

Jack Block, Jr.  
Rose Clark  
Bob Edgar

Lucy Krakowiak  
Joan McGilton  
Gerald Robison



*A vibrant and creative community, where the residents embrace diversity, celebrate arts and culture, promote vitality, and treasure the environment*

# VISION FOR BURIEN

Our Future. Our Choices.

## COMMUNITY



**Genuine**

Burien residents are welcoming, know their neighbors, and work together.

**Engaged**

Burien residents enjoy robust civic and cultural participation.

**Stable**

Burien strives for stability by encouraging provision of basic services for all of its residents.

## DIVERSITY



**Inclusive**

Burien embraces diversity and welcomes all residents.

**Multicultural**

Burien celebrates the many cultures and backgrounds of its residents.

**Multi-centered**

Burien cultivates a thriving array of business and community centers.

## ENVIRONMENT



**Natural**

Burien conserves its natural environment and public waterfronts.

**Green**

Burien treasures parks and open spaces, and welcomes opportunities for more.

**Livable**

Burien makes sustainable land, energy, water, and transportation choices.

## PROSPERITY



**Local**

Burien values local services and supports local businesses.

**Expansive**

Burien encourages businesses in order to expand its economic base.

**Creative**

Burien promotes and supports its rich palette of arts, culture, and heritage.

## EDUCATION & YOUTH



**Teaching**

Burien believes that quality schools are essential to its long-term success.

**Learning**

Burien actively promotes early childhood education and life-long learning.

**Nurturing**

Burien supports its youth with programs to augment its schools.

## HEALTH & SAFETY



**Healthy**

Burien promotes community vitality with health and wellness services for all ages.

**Active**

Burien encourages active living to support physical and mental health.

**Peaceful**

Burien ensures public safety through both crime prevention and law enforcement.

## GOVERNANCE



**Responsive**

Burien's city government operates in an open & accountable manner.

**Effective**

Burien's city government strives for organizational excellence.

**Collaborative**

Burien fosters partnerships with others in pursuit of common objectives.



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# Burien

*Washington, USA*

City of Burien

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Phone: (206) 241-4647 • Fax: (206) 248-5539

[www.burienwa.gov](http://www.burienwa.gov)

June 21, 2013

**The Honorable Mayor, Members of the City Council,  
and the Residents of the City of Burien**

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Burien, prepared in accordance with generally accepted accounting principles, for the year ended December 31, 2012. The purpose of the report is to provide residents, investors, grantor agencies and other interested parties with reliable financial information about the City.

## **I. INTRODUCTION TO THE COMPREHENSIVE ANNUAL FINANCIAL REPORT**

The Comprehensive Annual Financial Report includes all City of Burien operations and activities for which the City is financially accountable. Financial accountability is defined as appointment by the City of a voting majority of another organization's governing body and either the ability to impose its will on the other organization, or the potential for the other organization to provide specific financial benefits to or impose financial burdens on the City.

All of the funds in this report pertain to the operations of the City of Burien. The City is also financially accountable for the Burien Transportation Benefit District's financial statements. The district's financial operations are accounted for in a special revenue fund. This blending of financial information is included in the Fund Financial Statements and Schedules section of this report and is more fully discussed in Note 14 in the financial statements.

This Comprehensive Annual Financial Report is presented in conformity with Governmental Accounting Standards Board (GASB) Statement 34. The implementation of GASB 34 modified the presentation of financial information for the City of Burien effective with financial statements ending December 31, 2003. The format and purpose of these changes are addressed in greater detail in the Management Discussion and Analysis. The notes to the financial statements are also designed to discuss the changes and explain the effects and results of these changes. Discussions concerning changes in financial condition compare year-end 2011 and 2012.

Generally Accepted Accounting Principles (GAAP) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Burien's MD&A can be found immediately following the independent auditor's report.

Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including disclosures, rest with City Management and the City's Finance

Department. The City maintains a system of internal accounting controls to provide reasonable assurance that assets are safeguarded against loss or unauthorized use and that financial records can be relied upon to produce financial statements in accordance with generally accepted accounting principles.

## II. THE CITY OF BURIEN AND ITS SERVICES TO THE PUBLIC

The City of Burien was incorporated as a non-charter code city on February 28, 1993, with a Council-Manager form of government. The City is governed by an elected council of seven members, with one of the members elected by the others to serve as Mayor for a two-year term. All seven City Council positions stood for election upon incorporation in 1993 for staggered two and four-year terms. After 1995, all terms are for a period of four years, allowing for both continuity and staggered elections.

The following City services are provided to the public, either directly or through contracts with other governmental agencies and outside vendors:

Executive Services are provided by the City Manager who is responsible for administering policies and programs established by the City Council, maintaining the official records of the City including meeting minutes, contracts, and other official business, as well as personnel administration, community information, and directing and coordinating departmental operations.

Finance Services are provided by City staff and include budget and financial statement preparation, cash management, contract management, and the management of Burien's information systems.

Legal Services are provided by City staff, as an in-house City Attorney was hired in 2010. These services include legal advice to the City Council and management and representation of the City in litigation matters. Public prosecution, public defender and additional litigation assistance are provided through contracted services.

Municipal Court Services are provided through a contract with King County District Court.

Police Services are provided through a contract with the King County Sheriff's Office.

Jail Services are provided through contracts with the South Correctional Entity (SCORE) jail, with back-up facilities provided by the King County Department of Adult Detention.

Public Works Services are provided by a combination of City staff and contract services and include engineering, street maintenance, and surface water management.

Planning and Community Development Services are provided by City staff and include the issuance of planning and building permits and current and long-range planning.

Parks, Recreation and Cultural Services are provided by City staff and include recreation, arts programs and senior center operations. Parks maintenance services are provided by a combination of City staff and contract services.

Library Services are provided by the King County Library District.

Fire Services are provided by King County Fire District No. 2, which contracts with North Highline Fire District for services in the northern section of the City. The City annexed to the Fire District in 1997.

Water and Sewer Services are provided by various special purpose districts within the City.

The following schedule includes the major contracts with other governmental agencies and the 2012 expenditures reported in the financial statements relating to those entities:

• King County Sheriff's Office (police services)	\$9,562,115
• King County Public Works Department (street & signal maintenance)	174,377
• King County Surface Water Management Division	275,208
• Jail Services with the South Correctional Entity (SCORE) and King County Department of Adult Detention	383,304
• King County District Court	<u>357,651</u>
Total 2012 major contracts with other governmental agencies	<u>\$10,752,655</u>

### III. ECONOMIC CONDITIONS AND OUTLOOK

#### Local Economy

The City of Burien, located in southwest King County, is bordered by Puget Sound on the west, SeaTac on the east, Seattle and unincorporated King County on the north, and Normandy Park on the south. The City is characterized by well-established residential neighborhoods and a central downtown business district.

The predominant character of the City is a residential suburb providing a diverse range of residential opportunities for people who are employed in the regional economy throughout King County. The City is also a significant commercial center, serving both a regional market in some sectors, such as automobile sales, and a sub regional commercial center serving adjacent areas of White Center and the cities of SeaTac, Normandy Park, and Des Moines.

While historically the regional economy of Puget Sound has been dominated by the Boeing Company, there has been substantial diversification over the last several years. Computer software and related industries have led in this diversification (with Microsoft Corporation at the forefront). This diversification is also related to increased activity in international trade through the Port of Seattle, and the growth of international trade related services.

The business economy of the City itself is also relatively diversified. Economic activity within Burien can best be measured in the form of revenue from taxable retail sales. The largest local economic sectors are automotive dealers and gas stations, which comprised 27.3% of the total sales tax revenue to the City in 2012. Auto dealers serve a regional market competing with other regional auto centers. The next largest sectors of activity reflect Burien's role as a sub regional commercial center serving the residents of Burien and surrounding communities. These sectors include general merchandise, food services, miscellaneous store retailers, food and beverage and related retail merchandise. The City has growing service centers spurred by medical and related services centered around Highline Community Hospital. The City also has significant employment in education, providing sites for the Highline School District administrative offices.



### **Future Economic Outlook**

The economic outlook for Burien's economy, both in its role as part of the regional economy and for its local business sectors is following the national trend out of the recent recession. At the regional level, Burien is well situated to recover from the current downturn in the economy. Much of this economic stimulus will be provided by growth in both international trade and international services. State Route (SR) 509 provides direct access from Burien to the City of Seattle and the Port of Seattle and its supporting industrial areas in south Seattle. SR 518 provides direct access from Burien to Seattle-Tacoma International Airport and the developing industrial area in the Green River Valley to the east.

The City is actively working with the Port of Seattle to redevelop the area blighted by the construction of the third runway and is pursuing funding opportunities to expand and improve access to and from State Route 518, which will further revitalize this area. The City was awarded grant funding in 2012 to design the SR-518/Des Moines Memorial Drive eastbound off-ramp.

The Burien Town Square development is moving forward again with sales on the Phase I condos picking up as well as new tenants for the ground floor retail. There has also been increasing interest in designing and constructing the next phases of the development.

Local economists are forecasting a slight increase in employment as the economy attempts to recover from the effects of the last few years. Over the last several years, significant diversification has occurred in the job market in the region. This diversification has lessened the impact of past job cutbacks by one large regional employer and should hasten the recovery that is beginning to occur.

## **IV. MAJOR INITIATIVES**

The following are among the City's 2012 achievements:

- Completed updates of the Comprehensive, Transportation, Drainage and Parks Master Plans.
- Continued pursuit of the SR-518/Des Moines Memorial Drive interchange project. Obtained grant funding for the design of the eastbound off-ramp.
- Began construction of the 1<sup>st</sup> Avenue South Phase 2 project.
- Continue to negotiate for development of the North East Redevelopment Area (NERA).
- Upgraded all City computers to Windows 7.
- Settled the First Avenue South Phase 1 litigation.
- Completed the SW 132nd Street Safety Improvement Project.
- Continued planning for the Seahurst Park North Shoreline Beach Restoration Project.

- Completed updates of the Code Enforcement Ordinance and the Criminal and Traffic Sections of the Burien Municipal Code.

Initiatives for 2013 include the following:

- Continue to advance the development of the North East Redevelopment Area (NERA).
- Commence construction of Town Square Phase 2.
- Complete construction of the Seahurst Park North Shoreline Restoration Project.
- Advance final phases of Transit Oriented Development - apartment construction.
- Complete Construction of the 1<sup>st</sup> Avenue South projects.
- Complete the Shoreline Master Plan.
- Adopt and implement the new Construction and National Electrical Codes.
- Complete the utility tax audit.

## V. FINANCIAL INFORMATION

### Accounting System & Policies and Budgetary Controls

**Financial Policies:** The City's financial policies include requirements that a 6-year financial plan be prepared in conjunction with the budget each biennium to estimate the City's ability to meet future responsibilities in the operating funds. The policies also provide that at year-end, all funds in excess of 10% of ongoing revenues in the General Fund and 5% of ongoing revenues in the Street and Surface Water Management Funds fund balances are made available for transfer to the capital project funds to help fund existing and future projects. In 2012, the City Council approved increasing the General Fund minimum fund balance to 20% by the year 2022. A provision in the financial policies directs that the City will dedicate 1% of General Fund expenditures for human service programs.

**Accounting System and Policies:** The City's financial statements for governmental funds (General, Special Revenue, Debt Service, and Capital Projects) have been prepared using the modified accrual basis of accounting in conformity with generally accepted accounting principles. Revenues are recognized when measurable and available to finance current expenditures. Expenditures are recognized when goods and services are received or the liability is incurred. The City's proprietary fund, the Surface Water Management Fund, is accounted for on an accrual basis. Revenues are recognized when earned and expenses are recognized when incurred.

Cities in the State of Washington must comply with the Budgeting, Accounting and Reporting System (BARS) prescribed by the Office of the State Auditor as authorized under Chapter 43.09 revised Code of Washington (RCW). There are additional requirements for timely submission of annual financial reports to the state for review. The City's accounting system is structured to facilitate the effectiveness of internal controls. The internal controls are designed to provide

reasonable assurance regarding the safeguarding of assets and the reliability of financial records.

**Budgetary Controls:** The City maintains budgetary controls in accordance with RCW Chapter 35A.33. The objectives of these budgetary controls are to ensure compliance with legal provisions of the budget approved by the City Council. Activities in the General Fund, Special Revenue funds, and the Debt Service funds are included in the annual appropriated budget. The level of budgetary control, at which expenditures cannot legally exceed the appropriated amount, is established at the individual fund level. Activity in the Capital Projects funds is budgeted for the length of the projects. All appropriations, except for the project-length Capital Project funds, lapse at year-end.

**Long-term Financial Planning:** As part of the 6-year financial plan mentioned above, all revenue and expenditures are estimated for the following six years, with excess revenue being made available to fund future capital projects. During this process, grants and other funding sources are identified and additional funding sources such as bonds or other funding options are considered.

### **Bonded Debt Management**

At December 31, 2012, bonds payable total \$27,154,400. The remaining debt service on the 2002 bonds, after the 2011 refunding, was paid off in 2012. The remaining balance of the 2006 limited tax general obligation bond is \$7,665,000, payable over 20 years with interest rates ranging from 3.75% to 5.0%. The 2010 bond issue's remaining balance of bonds payable is \$7,820,000. This bond issue is a limited tax general obligation bond payable over 20 years with interest rates ranging from 2.00% to 6.13%, partially funded with Build America Bond interest credits. The 2011 bond issue has a remaining balance of \$8,220,000 outstanding at year-end. These bonds were issued to complete the 1<sup>st</sup> Avenue South Phase 1 project and to refund the majority of the 2002 bonds. The interest rates on this issue range from 2.0% to 4.0%. The final bonds payable amount is a Special Obligation bond issued by the South Correctional Entity (SCORE) Public Development Authority to construct a jail facility to be jointly owned by several south Puget Sound cities. The City of Burien's 4% ownership interest in this joint venture results in the city guaranteeing \$3,449,400 of this \$86 million, 30-year bond issue.

The ratio of net direct tax supported bonded debt to assessed valuation and population are useful indicators of the City's relative debt burden. These ratios for the end of 2012 are as follows:

	<u>Ratio of Debt to Assessed Valuation</u>	<u>Debt Per Capita</u>
Net Direct Tax Supported Debt	0.65%	\$569
General Purpose Indebtedness Limit (without a vote)	1.5%	
General Purpose Indebtedness Limit (with a vote)	<u>1.0%</u>	
Total General Purpose Indebtedness Limit (as a percent of assessed value)	<u>2.5%</u>	

## VI. INDEPENDENT AUDIT

State statute requires that an audit of the City's financial affairs be made at such reasonable periodic intervals as the State Auditor shall determine, but at least once every three years. The State Auditor performs such an audit of the City on an annual basis. The 2012 audit of all City funds has been completed and was conducted in accordance with generally accepted auditing standards. The City has received an unqualified opinion on its 2012 financial statements.

## VII. CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Burien for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2011. This was the sixteenth consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

## VIII. ACKNOWLEDGMENTS

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated service of the entire Finance Department, in particular, Gary Coleman, the City's Accounting Manager. We wish to express our appreciation to all other City personnel for their assistance and cooperation during the year. We also wish to thank the City Council whose interest in, and support of, the financial affairs of the City have significantly contributed to quality financial services. The assistance of the State Auditor's Office during the preparation of our Comprehensive Annual Financial Report is also greatly appreciated.

Respectfully submitted,



Kim Krause,  
Finance Director



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

## City of Burien Washington

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Christopher P. Mouill*

President

*Jeffrey R. Enev*

Executive Director

**ELECTED CITY OFFICIALS**

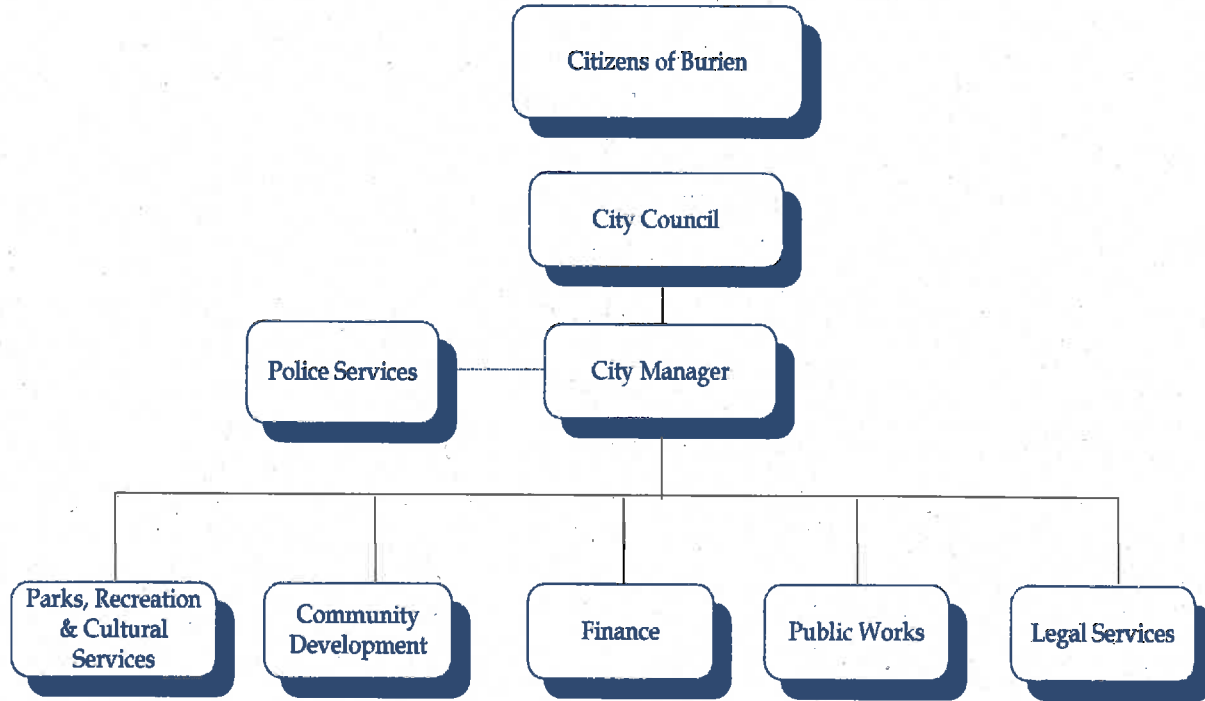
**2012 City Councilmembers**

	<b><u>Term Ending</u></b>
Brian Bennett, Mayor	December 2013
Rose Clark, Deputy Mayor	December 2013
Jack Block, Jr.	December 2013
Bob Edgar	December 2015
Lucy Krakowiak	December 2015
Joan McGilton	December 2013
Gerald Robison	December 2015

**CITY ADMINISTRATION**

City Manager	Michael Martin
Finance Director	Kim Krause
Public Works Director	Maiya Andrews
Community Development Director	Chip Davis
Parks, Recreation & Cultural Services Director	Michael Lafreniere
Chief of Police	Scott Kimerer
City Attorney	Craig Knutson

### City of Burien, Washington Organizational Chart



..... Denotes Contract Services



**Washington State Auditor  
Troy Kelley**

**INDEPENDENT AUDITOR'S REPORT**

June 21, 2013

Council  
City of Burien  
Burien, Washington

***REPORT ON FINANCIAL STATEMENTS***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Burien, King County, Washington, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the



appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Burien, King County, Washington, as of December 31, 2012, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General and Street funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Matters of Emphasis***

As described in Note 1, during the year ended December 31, 2012, the City has implemented the Governmental Accounting Standards Board Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3-1 through 3-7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Supplementary and Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements as a whole. The accompanying information listed as combining financial statements and supplementary information on pages 5-2 through 5-7 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This information has been subjected to auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and

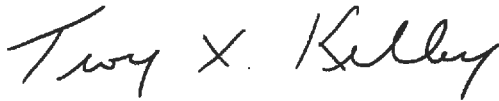
other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The information identified in the table of contents as the Introductory and Statistical sections is presented for purposes of additional analysis and is not a required part of the basic financial statements of the City. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

### **OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS**

In accordance with *Government Auditing Standards*, we will also issue our report dated June 21, 2013, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report will be issued under separate cover in the City's Single Audit Report. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Sincerely,



**TROY KELLEY**  
STATE AUDITOR



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## MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management Discussion and Analysis (MD&A) is intended to be an easily readable analysis of the City of Burien's financial activities based on currently known facts, decisions or conditions. This analysis focuses on current year activities and should be read in conjunction with the Transmittal Letter (beginning on page 1-1), the financial statements and notes to the financial statements that both follow this analysis.

### FINANCIAL HIGHLIGHTS

In nine out of the last ten years, since the City began reporting in accordance with the GASB 34 model, total net position has increased by an average of more than \$5.3 million per year. This trend continues this year with an increase of \$4 million in total net position. This is a turn-around from 2011 when total net position decreased by \$2.3 million. The City's assets exceeded its liabilities at the close of the most recent fiscal year by \$116.5 million. Of this amount, \$102 million is invested in capital assets net of related long-term debt and the remaining \$14.5 million is available for capital projects, debt service and funding the government's ongoing activities and obligations.

The City of Burien's total net position increased by \$4.0 million in 2012. Government activities net position increased by \$3.5 million and Business-type activities increased by \$531,000. This increase is attributed almost entirely to the 1<sup>st</sup> Avenue South Phase 2 project activities, which are being reimbursed with grant revenue and utility participation fees.

At year-end December 31, 2012, the City of Burien's governmental funds reported a combined ending fund balance of \$11.8 million, an increase of \$2.2 million in comparison to the prior year. This increase is due in part to receipt of a settlement agreement recovering prior year legal fees, recovery of more than \$370,000 in prior year utility taxes and franchise fees due to an audit and a budgeted decrease of in excess of \$600,000 in general government and public safety expenditures and to a lesser degree in the other departments of the General Fund. The audit not only resulted in the recovery of prior year utility taxes and franchise fees, current year collections are higher, as will be future years.

At the end of the current fiscal year, unassigned fund balance in the General Fund is \$6.1 million, or 27.2% of total current year General Fund revenues. This is an increase from the \$3.8 million in unreserved General Fund fund balance at the end of 2011. This ending fund balance exceeds the financial policy required amount of 10% of ongoing revenues, by approximately \$3.9 million, which is available to fund future capital programs, future operations and to withstand any future economic downturns. The increase in available fund balance is predominantly due to general government and public safety expenditures being less than budgeted, recovery of prior year utility taxes and franchise fees due to an audit and a legal settlement reimbursing the city for prior year legal fees. In 2012, the City Council approved increasing the General Fund minimum fund balance to 20% by the year 2022. Some of the increase in the ending fund balance may be assigned to increasing the minimum, dependent upon Council approval.

The City of Burien's total long-term debt decreased \$1.5 million, which reflects a net decrease in governmental activities long-term debt of \$1.4 million and a decrease of \$83,000 in business-type activities. These decreases are the result of regularly scheduled debt service principal payments made during the year.



## REPORT LAYOUT

The Government-wide financial statements are designed to provide readers with a broad overview of the City of Burien's finances in a manner similar to a private sector business. Besides the Management's Discussion and Analysis (MD&A), the report consists of government-wide statements, fund financial statements, notes to the financial statements, combining schedules of non-major funds and supplementary information. The first several statements are highly condensed and present a government-wide view of the City's finances. Within this view, all City operations are categorized and reported as either governmental or business-type activities. Governmental activities include basic services such as public safety, transportation, economic development, culture and recreation, community development and general government administration. Business-type activities consist of a surface water management system. The government-wide statements include the Statement of Net Position and the Statement of Activities. The report also presents the detailed financial information for significant or major funds and combines the remaining, non-major funds into one column for a single aggregated report. Individual fund data for the non-major funds is provided in the form of combining statements elsewhere in this report. Budgetary information is provided for governmental operating funds. The notes to the financial statements are an integral part of this report as they provide information that aid in the understanding of the data presented in the government-wide and fund financial statements. Finally, supplemental information related to the financial activity of the City is provided, including the combining statements for non-major funds.

The City's Comprehensive Annual Financial Report is prepared in accordance with Governmental Accounting Standards Board (GASB) Pronouncements.

## STATEMENT OF NET POSITION

The focus of the Statement of Net Position is to present all of the City of Burien's assets and liabilities with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Burien is improving or deteriorating.

## STATEMENT OF ACTIVITIES

The focus of the Statement of Activities is to present the major program costs with corresponding major resources. To the extent a program's cost is not recovered by grants and direct charges, it is paid from general taxes and other resources. This Statement assists the user in determining the extent to which programs are self-supporting and/or subsidized by general revenues.

Following the government-wide statements is a section containing fund financial statements. The City's major funds are presented in their own columns and the remaining funds are combined into a column titled "Other Governmental Funds." For each major fund, a Budgetary Comparison Statement is presented. Readers who wish to obtain information on non-major funds can find it in the Combining Schedules of Non-major Funds and/or the Supplemental Information-Budgetary Comparison Schedules sections of this report. Finally, completing the document is a series of other financial and statistical schedules and the reports by the independent auditors, as required by statute. The MD&A is intended to explain the significant changes in financial position and differences in operations between the current and prior year.

## CITY AS A WHOLE GOVERNMENT-WIDE FINANCIAL STATEMENTS

Assets exceeded liabilities by \$116.5 million at the close of the fiscal year.

During fiscal year 2012, net position increased by \$4 million. This increase is primarily due to the elimination of several one-time only costs paid in 2011 and not repeated in 2012, a reduction in outside legal fees with the settlement of a major legal issue, the award of restitution of legal fees incurred in 2011 and received in 2012 and the recovery of prior year utility taxes and franchise fees due to an audit. Additionally a major grant reimbursable capital project began in 2012 increasing revenues to the governmental funds.

### City of Burien's Net Assets at Year-End

	Governmental Activities		Business - Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Current and Other Assets	\$ 20,805,310	\$ 18,908,187	\$ 874,722	\$ 374,098	\$ 21,680,032	\$ 19,282,285
Capital Assets, Net of Accumulated Depreciation	123,411,775	123,471,101	7,206,123	7,164,249	130,617,898	130,635,350
Total Assets	\$ 144,217,085	\$ 142,379,288	\$ 8,080,845	\$ 7,538,347	\$ 152,297,930	\$ 149,917,635
Long-term Liabilities	\$ 31,183,198	\$ 32,634,292	\$ 1,162,432	\$ 1,245,463	\$ 32,345,630	\$ 33,879,755
Other Liabilities	3,152,263	3,326,253	210,375	115,820	3,362,638	3,442,073
Total Liabilities	\$ 34,335,461	\$ 35,960,545	\$ 1,372,807	\$ 1,361,283	\$ 35,708,268	\$ 37,321,828
Net Position:						
Invested in Capital Assets, Net of Related Debt	\$ 95,980,110	\$ 94,556,265	\$ 6,043,691	\$ 5,918,785	\$ 102,023,801	\$ 100,475,050
Restricted	2,217,091	2,996,149	-	-	2,217,091	2,996,149
Unrestricted	11,684,423	8,866,329	664,347	258,279	12,348,770	9,124,608
Total Net Position	\$ 109,881,624	\$ 106,418,743	\$ 6,708,038	\$ 6,177,064	\$ 116,589,662	\$ 112,595,807

### Governmental Activities

The change in total net position for 2012 is an increase of \$3.4 million. A large portion of this increase was the capitalization of a large capital project, which was predominantly funded with grant revenues and utility participation charges. Additionally, long-term debt was paid down by \$1.5 million, resulting in an increase in the invested in capital assets, net of related debt.

### Business-type Activities

Surface Water Management: The \$531,000 increase in net position of the Surface Water Management Fund is primarily due to a large capital contribution to construction work in progress from the Surface Water Management Capital Project Fund.

### STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2012:

The Activities Statement shows a net increase in the City of Burien's net position of \$4 million. A summary version of the Statement of Activities follows on the next page.

**Summary of Revenues**

	Governmental		Business - Type		Total	
	Activities		Activities			
	2012	2011	2012	2011	2012	2011
Revenues:						
Program Revenues:						
Charges for Services	\$ 6,783,709	\$ 3,494,795	\$ 2,551,690	\$ 2,451,319	\$ 9,335,399	\$ 5,946,114
Operating Grants & Contributions	3,351,870	3,159,909	163,465	96,294	3,515,335	3,256,203
Capital Grants & Contributions	4,242,134	1,618,263	-	-	4,242,134	1,618,263
General Revenues:						
Property Taxes	6,759,220	7,081,681	-	-	6,759,220	7,081,681
Sales Taxes	6,249,226	5,875,089	-	-	6,249,226	5,875,089
Other Taxes	5,108,907	4,720,147	-	-	5,108,907	4,720,147
Investment Interest	24,461	24,482	1,711	1,256	26,172	25,738
Total Revenues	\$ 32,519,527	\$ 25,974,366	\$ 2,716,866	\$ 2,548,869	\$ 35,236,393	\$ 28,523,235

**Summary of Expenses**

	Governmental		Business - Type		Total	
	Activities		Activities			
	2012	2011	2012	2011	2012	2011
Expenses						
General Government	\$ 5,178,710	\$ 5,357,042	\$ -	\$ -	\$ 5,178,710	\$ 5,357,042
Public Safety	10,259,523	10,696,174	-	-	10,259,523	10,696,174
Physical Environment	571,646	619,813	-	-	571,646	619,813
Transportation	7,426,951	6,769,161	-	-	7,426,951	6,769,161
Economic Environment	1,595,928	1,449,570	-	-	1,595,928	1,449,570
Health and Human Services	11,897	11,274	-	-	11,897	11,274
Culture and Recreation	3,265,142	3,218,432	-	-	3,265,142	3,218,432
Interest on Long-term Obligations	1,111,758	885,197	6,227	6,642	1,117,985	891,839
Surface Water Management	-	-	1,814,756	1,780,966	1,814,756	1,780,966
Total Expenses	\$ 29,421,555	\$ 29,006,663	\$ 1,820,983	\$ 1,787,608	\$ 31,242,538	\$ 30,794,271
Increase in Net Position Before Transfers	\$ 3,097,972	\$ (3,032,297)	\$ 895,883	\$ 761,261	\$ 3,993,855	\$ (2,271,036)
Transfers	364,909	1,028,638	(364,909)	(1,028,638)	-	-
Increase in Net Position	\$ 3,462,881	\$ (2,003,659)	\$ 530,974	\$ (267,377)	\$ 3,993,855	\$ (2,271,036)
Net Position - Beginning	106,418,743	108,422,402	6,177,064	6,444,441	112,595,807	114,866,843
Net Position - Ending	\$ 109,881,624	\$ 106,418,743	\$ 6,708,038	\$ 6,177,064	\$ 116,589,662	\$ 112,595,807

**GOVERNMENTAL AND PROPRIETARY ACTIVITIES  
FOR FISCAL YEAR ENDING DECEMBER 31, 2012*****Governmental Activities***

With only a couple of exceptions in Charges for Services and Capital Grants and Contributions, all revenue categories reflect only minor changes from the prior year. A negotiated settlement of prior year expenditures was settled in the City's favor reimbursing the City for legal fees and prior project expenditure costs on a large street capital project that was completed in 2011. In addition, the City began a large street project in 2012 that is funded by grants and participating utility districts.

The increase in General Fund fund balance is attributed in part to the positive results of a utility tax revenue audit, a settlement payment reimbursing the city for prior year's legal expenses and an early year budget amendment reducing planned expenses in several city departments.

The fund balance of the Parks and General Government Capital Projects Fund decreased for the year just ended as a result of unreimbursed project expenditures on the Seahurst Park Northshore Capital Project.

### *Business-type Activities*

Surface Water Management Fund operating revenues increased slightly in 2012 as a result of inflationary increases in the surface water management fees billed to property owners; however, this year does not include any major contribution of infrastructure with the exception of a transfer of construction work in progress from the Surface Water Management Capital Projects Fund. Surface water management expenses increased a very small amount over the previous year.

## **BUDGETARY HIGHLIGHTS**

The City Council approved three amendments to the 2011 - 2012 Adopted Biennial Budget. These amendments adjusted beginning fund balances to the 2010 actual ending fund balance amounts, reduced some revenue and expenditure estimates and increased others, provided for the receipt and use of the 2011 bond proceeds and increased revenues and expenditures for some newly awarded grant funded projects.

General Fund revenues exceeded budget estimates by 6% for the year 2012 due in large part to a settlement agreement that reimbursed the city for prior year legal costs, and the utility tax and franchise fee audit that recovered prior year taxes and fees, in addition to increasing collections in the current year and beyond. Expenditures were 5.15% less than the amended budget with most of this savings taking place in General Governmental and Public Safety expenditure categories.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

### *Capital Assets*

As of December 31, 2012, the City had invested \$130.6 million in capital assets as reflected in the following table, which represents a slight decrease (additions, deductions and depreciation) from the previous year. Additional detailed information on Capital Assets is available in the Notes to the Financial Statements (Note 7.)

### **CAPITAL ASSETS AT YEAR-END (NET OF DEPRECIATION)**

	Governmental <u>Activities</u>		Business - Type <u>Activities</u>		<u>Total</u>	
	2012	2011	2012	2011	2012	2011
Land	\$ 25,806,770	\$ 25,806,770	\$ 1,076,060	\$ 1,076,060	\$ 26,882,830	\$ 26,882,830
Buildings	10,748,263	11,390,991	-	-	10,748,263	11,390,991
Improvements other than Buildings	5,892,562	6,158,998	-	-	5,892,562	6,158,998
Machinery and Equipment	1,289,475	1,481,294	1,500	3,923	1,290,975	1,485,217
Infrastructure	65,552,593	61,294,755	5,315,823	5,689,521	70,868,416	66,984,276
Construction Work in Progress	14,122,112	17,338,293	812,740	394,745	14,934,852	17,733,038
Total	<u>\$ 123,411,775</u>	<u>\$ 123,471,101</u>	<u>\$ 7,206,123</u>	<u>\$ 7,164,249</u>	<u>\$ 130,617,898</u>	<u>\$ 130,635,350</u>

The above table reconciles the change in capital assets. Included within additions are construction work in progress (CWIP) balances. The CWIP amount for governmental activities is \$14.1 million, which is comprised of parks and street improvement projects still under construction.

### CHANGE IN CAPITAL ASSETS

	Governmental Activities		Business - Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Changes in Capital Assets						
Land	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Buildings	(642,728)	(562,160)	-	-	(642,728)	(562,160)
Improvements other than Buildings	(266,436)	(401,362)	-	-	(266,436)	(401,362)
Machinery and Equipment	(191,819)	86,438	(2,423)	(49,580)	(194,242)	36,858
Infrastructure	4,257,838	24,672,358	(373,698)	(292,725)	3,884,140	24,379,633
Construction Work in Progress	(3,216,181)	(19,717,842)	417,995	-	(2,798,186)	(19,717,842)
Total	\$ (59,326)	\$ 4,077,432	\$ 41,874	\$ (342,305)	\$ (17,452)	\$ 3,735,127

### OUTSTANDING DEBT

At year-end 2012, the City had \$31.5 million in outstanding debt compared to \$33.0 million in 2011. The \$1.5 million decrease is the result of regularly scheduled principal payments. For additional debt information, see Note 9 in the Notes to the Financial Statements.

### OUTSTANDING DEBT AT YEAR-END

	Governmental Activities		Business - Type Activities		Total	
	2012	2011	2012	2011	2012	2011
General Obligation Bonds	\$ 23,705,000	\$ 24,850,000	\$ -	\$ -	\$ 23,705,000	\$ 24,850,000
Special Obligation Bonds - SCORE PDA	3,449,400	3,449,400	-	-	3,449,400	3,449,400
Special Assessment Debt with Government Commitment (Public Works Trust Fund Loan)	1,249,395	1,362,308	-	-	1,249,395	1,362,308
Public Works Trust Fund Loan	1,884,213	2,073,525	1,162,432	1,245,463	3,046,645	3,318,988
Total	\$ 30,288,008	\$ 31,735,233	\$ 1,162,432	\$ 1,245,463	\$ 31,450,440	\$ 32,980,696

### ECONOMIC FACTORS

Property taxes are important to the City as they represent 20.6% of total governmental resources. Sales tax and Business and Occupation/Utility taxes comprise approximately 19.2% and 11.3% of these resources, respectively, and inter-governmental revenues from state shared revenues and grants make up 23.6% of total resources. While there are encouraging signs of a recovering economy it will take several years to fully recover the loss of property tax revenues due to legislative limits on the amount that property taxes can increase in any given year. In 2012, a decline in assessed valuation caused the City to hit its property tax cap of \$1.60 per \$1,000 in assessed value. The City will continue to closely monitor revenues and expenditures as the economy improves, and determine if there is a need for program adjustments or fee increases in the future.

## **NEXT YEAR'S BUDGETS AND RATES**

The biennial budget for 2013 - 2014 projects a 1% increase in resources over the previous biennium and a 6.3% increase in uses. These changes are for operations and do not include the capital project funds, which can vary significantly depending on the year a project is authorized. Assessed value declined again causing further erosion of property tax revenues; however, 2013 is the last year that we anticipate such decline. Additionally, surface water management fees were increased by 12% in 2013 to fund the federally mandated implementation of the 2013 National Pollution Discharge Elimination System (NPDES) permit.

## **FINANCIAL CONTACT**

The City's financial statements are designed to present users (residents, taxpayers, customers, investors, and creditors) with a general overview of the City's finances and to demonstrate the City's accountability. If you have questions about the report or need additional financial information, please contact the City's Finance Director at 400 SW 152<sup>nd</sup> St., Suite 300, Burien, Washington 98166.





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# BASIC FINANCIAL STATEMENTS





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**City of Burien, Washington**  
**Statement of Net Position**  
**December 31, 2012**

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
<b>Assets</b>			
Cash and Cash Equivalents	\$ 11,667,051	\$ 748,578	\$ 12,415,629
Receivables			
Accounts	48,054	105,974	154,028
Taxes	424,850	-	424,850
Taxes Delinquent	233,966	-	233,966
Special Assessments	1,115,539	-	1,115,539
Due From Other Governments	3,313,708	20,170	3,333,878
Deferred Charges	363,581	-	363,581
Restricted Cash	12,534	-	12,534
Investment in Joint Venture - SCORE	3,626,027	-	3,626,027
Property and Equipment, Net of Depreciation:			
Land	25,806,770	1,076,060	26,882,830
Buildings	10,748,263	-	10,748,263
Machinery and Equipment	1,289,475	1,500	1,290,975
Other Improvements	5,892,562	-	5,892,562
Infrastructure	65,552,593	5,315,823	70,868,416
Construction Work in Progress	14,122,112	812,740	14,934,852
Total Assets	<u>\$ 144,217,085</u>	<u>\$ 8,080,845</u>	<u>\$ 152,297,930</u>
<b>Liabilities</b>			
Accounts Payable	\$ 2,349,016	\$ 210,375	\$ 2,559,391
Employee Benefits Payable	12,534	-	12,534
Bond Interest Payable	89,820	-	89,820
Unearned Revenue	478,691	-	478,691
Deposits Payable	222,202	-	222,202
Noncurrent Liabilities:			
Due Within One Year	1,563,172	83,031	1,646,203
Due in More Than One Year	29,620,026	1,079,401	30,699,427
Total Liabilities	<u>\$ 34,335,461</u>	<u>\$ 1,372,807</u>	<u>\$ 35,708,268</u>
<b>Net Position</b>			
Invested in Capital Assets, Net of Related Debt	\$ 95,980,110	\$ 6,043,691	\$ 102,023,801
Restricted for:			
Debt Service	1,516,473	-	1,516,473
Capital Projects	700,618	-	700,618
Unrestricted	11,684,423	664,347	12,348,770
Total Net Position	<u>\$ 109,881,624</u>	<u>\$ 6,708,038</u>	<u>\$ 116,589,662</u>

See accompanying notes to the financial statements.

**City of Burien, Washington**  
**Statement of Activities**  
**For the Year Ended December 31, 2012**

<b>Functions/Programs</b>	<u>Expenses</u>	<u>Program Revenues</u>	
		Charges for Services	Operating Grants and Contributions
<b>Governmental Activities:</b>			
Judicial	\$ 626,862	\$ 230,165	\$ -
General Government	4,551,848	2,441,503	1,213,941
Public Safety	10,259,523	-	980,793
Physical Environment	571,646	55,715	-
Transportation	7,426,951	2,409,223	1,047,613
Economic Environment	1,595,928	978,459	61,407
Mental & Physical Health	11,897	-	11,897
Culture and Recreation	3,265,142	668,644	36,219
Interest on Long-term Debt	1,111,758	-	-
Total Governmental Activities	<u>\$ 29,421,555</u>	<u>\$ 6,783,709</u>	<u>\$ 3,351,870</u>
 <b>Business-type Activities:</b>			
Surface Water Management	\$ 1,820,983	\$ 2,551,690	\$ 163,465
Total Business-type Activities	<u>\$ 1,820,983</u>	<u>\$ 2,551,690</u>	<u>\$ 163,465</u>
 Total Government	 <u>\$ 31,242,538</u>	 <u>\$ 9,335,399</u>	 <u>\$ 3,515,335</u>

**General Revenues:**

Property Taxes

Sales Taxes

B &amp; O and Utility Taxes

Other Taxes

Unrestricted Investment Earnings

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning

Net Position - Ending

See accompanying notes to the financial statements.



Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets		
	Governmental Activities	Business-type Activities	Total
\$ -	\$ (396,697)	\$ -	\$ (396,697)
-	(896,404)	-	(896,404)
-	(9,278,730)	-	(9,278,730)
324,695	(191,236)	-	(191,236)
3,191,851	(778,264)	-	(778,264)
-	(556,062)	-	(556,062)
-	-	-	-
725,588	(1,834,691)	-	(1,834,691)
-	(1,111,758)	-	(1,111,758)
<u>\$ 4,242,134</u>	<u>\$ (15,043,842)</u>	<u>\$ -</u>	<u>\$ (15,043,842)</u>
\$ -	\$ -	\$ 894,172	\$ 894,172
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 894,172</u>	<u>\$ 894,172</u>
<u>\$ 4,242,134</u>	<u>\$ (15,043,842)</u>	<u>\$ 894,172</u>	<u>\$ (14,149,670)</u>
	\$ 6,759,220	\$ -	\$ 6,759,220
	6,249,226	-	6,249,226
	3,680,401	-	3,680,401
	1,428,506	-	1,428,506
	24,461	1,711	26,172
	364,909	(364,909)	-
	<u>\$ 18,506,723</u>	<u>\$ (363,198)</u>	<u>\$ 18,143,525</u>
	\$ 3,462,881	\$ 530,974	\$ 3,993,855
	<u>106,418,743</u>	<u>6,177,064</u>	<u>112,595,807</u>
	<u>\$ 109,881,624</u>	<u>\$ 6,708,038</u>	<u>\$ 116,589,662</u>

**City of Burien, Washington**  
**Governmental Funds**  
**Balance Sheet**  
**December 31, 2012**

	General	Street	Debt Service
<b>Assets</b>			
Cash and Cash Equivalents	\$ 6,836,794	\$ 531,629	\$ 95,642
Accounts Receivable	-	-	9,789
Taxes Receivable:			
Current	424,850	-	-
Delinquent	233,966	-	-
Special Assessments Receivable	-	-	1,115,539
Due From Other Governments	1,237,837	-	-
Restricted Cash and Cash Equivalents	12,534	-	-
<b>Total Assets</b>	<b>\$ 8,745,981</b>	<b>\$ 531,629</b>	<b>\$ 1,220,970</b>
<b>Liabilities and Fund Balance</b>			
Liabilities:			
Accounts Payable	\$ 1,067,276	\$ 108,263	\$ -
401A Admin Fee Payable	12,534		-
Deposits Payable	222,202		-
Deferred Revenue	294,037		1,115,539
<b>Total Liabilities</b>	<b>\$ 1,596,049</b>	<b>\$ 108,263</b>	<b>\$ 1,115,539</b>
Fund Balance:			
Restricted:			
Street Projects	\$ -	\$ -	\$ -
Other Capital Projects	-	-	-
Debt Service	-	-	-
Committed to:			
Arts Projects	33,491	-	-
Capital Projects	670,418	-	-
Assigned to:			
Street Maintenance	-	423,366	
Debt Service	-	-	105,431
Transportation Capital Projects	-	-	-
Surface Water Capital Projects	-	-	-
Other Purposes	293,754	-	-
Unassigned:	6,152,269	-	-
<b>Total Fund Balances</b>	<b>\$ 7,149,932</b>	<b>\$ 423,366</b>	<b>\$ 105,431</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 8,745,981</b>	<b>\$ 531,629</b>	<b>\$ 1,220,970</b>

See accompanying notes to the financial statements.

<u>Parks &amp; General Government</u>	<u>Transportation Capital Projects</u>	<u>Other Governmental</u>	<u>Total</u>
\$ 19,134	\$ 2,663,855	\$ 998,651	\$ 11,145,705
-	36,032	-	45,821
-	-	-	424,850
-	-	-	233,966
-	-	-	1,115,539
442,969	1,308,207	324,695	3,313,708
-	-	-	12,534
<u>\$ 462,103</u>	<u>\$ 4,008,094</u>	<u>\$ 1,323,346</u>	<u>\$ 16,292,123</u>
\$ 19,762	\$ 977,409	\$ 174,077	\$ 2,346,787
	-	-	12,534
	-	-	222,202
459,000	-	-	1,868,576
<u>\$ 478,762</u>	<u>\$ 977,409</u>	<u>\$ 174,077</u>	<u>\$ 4,450,099</u>
\$ -	\$ 320,000	\$ -	\$ 320,000
-	-	380,618	380,618
-	-	124,940	124,940
-	-	-	33,491
-	-	-	670,418
		23,599	446,965
-	-	40,060	145,491
-	2,710,685	-	2,710,685
-	-	580,052	580,052
-	-	-	293,754
(16,659)	-	-	6,135,610
<u>\$ (16,659)</u>	<u>\$ 3,030,685</u>	<u>\$ 1,149,269</u>	<u>\$ 11,842,024</u>
<u>\$ 462,103</u>	<u>\$ 4,008,094</u>	<u>\$ 1,323,346</u>	<u>\$ 16,292,123</u>

**City of Burien, Washington**  
**Reconciliation of Total Governmental Fund Balances**  
**to Net Position of Governmental Activities**  
**December 31, 2012**

Total Governmental Fund Balances	\$	11,842,024
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		123,411,775
These assets consist of:		
Land	\$	25,806,770
Construction Work in Progress		14,122,112
Buildings		12,987,932
Improvements other than Buildings		7,959,278
Machinery and Equipment - General Government		3,750,709
Infrastructure		112,554,339
Less: Accumulated Depreciation		(53,769,365)
	\$	123,411,775
Investment in joint ventures are not a financial resource and, therefore are not reported in the funds.		3,626,027
Long-term liabilities, including bonds payable are not due and payable in the current period and, therefore, are not reported in the funds.		(30,909,436)
These long-term liabilities consist of:		
Long-term Portion of Long-term Debt	\$	25,275,435
Due Within One Year Portion of Long-term Debt		1,563,172
Premium on Bond Issues to be Amortized Over Life of Debt		593,057
Bond Issue Costs to be Amortized Over Life of Debt		(251,704)
Deferred Charge on Refunding		(111,877)
Long-term Portion of Special Obligation Debt - Joint Venture		3,449,400
Compensated Absences		302,133
Accrued Interest Payable on Long-term Debt		89,820
	\$	30,909,436
Receivables not available to pay current period expenditures and, therefore, are deferred in the funds:		1,389,885
Special Assessments	\$	1,115,539
Property Taxes		274,346
	\$	1,389,885
Accrued interest on Special Assessments not available to pay current period expenditures and, therefore, not reported in the funds.		2,233
Total assets and liabilities of internal service fund that are reported with governmental activities, less amount reported above.		519,116
Net Position of Governmental Activities	\$	109,881,624

See accompanying notes to the financial statements.



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**City of Burien, Washington**  
**Governmental Funds**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Year Ended December 31, 2012**

	General	Street	Debt Service
<b>Revenues</b>			
General Property Taxes	\$ 6,616,908	\$ -	\$ -
Sales Tax	6,249,226	-	-
Real Estate Excise Tax	-	-	-
Business & Occupation Tax	530,770	-	-
Utility Tax	3,149,631	-	-
Gambling & Other Taxes	491,342	50,437	-
Intergovernmental Revenue	2,304,255	1,047,613	118,811
Licenses & Permits	1,263,590	495,959	-
Charges for Services	977,135	-	48,165
Fines & Forfeitures	252,367	-	-
Special Assessments	-	-	86,498
Investment Income	15,676	1,137	176
Miscellaneous	739,800	2,700	6,224
Total Revenues	\$ 22,590,700	\$ 1,597,846	\$ 259,874
<b>Expenditures</b>			
Current:			
General Government	\$ 4,484,834	\$ -	\$ -
Public Safety	10,018,788	-	-
Transportation	-	1,243,940	-
Recreation	2,720,115	-	-
Physical Environment	547,405	-	-
Mental and Physical Health	11,897	-	-
Economic Development	1,595,062	-	-
Debt Service			
Principal	-	-	1,447,225
Interest & Fiscal Charges	-	-	1,140,081
Capital Outlay	30,837	1,258	-
Total Expenditures	\$ 19,408,938	\$ 1,245,198	\$ 2,587,306
Excess of Revenues Over (Under) Expenditures	\$ 3,181,762	\$ 352,648	\$ (2,327,432)
<b>Other Financing</b>			
<b>Sources (Uses)</b>			
Transfers In	\$ 159,000	\$ -	\$ 2,343,276
Transfers (Out)	(1,338,776)	(79,500)	-
Total Other Financing Sources and (Uses)	\$ (1,179,776)	\$ (79,500)	\$ 2,343,276
Net Change in Fund Balances	\$ 2,001,986	\$ 273,148	\$ 15,844
Fund Balances - Beginning	5,147,946	150,218	89,587
Fund Balances - Ending	\$ 7,149,932	\$ 423,366	\$ 105,431

See accompanying notes to the financial statements

Parks and General Government Capital Projects	Transportation Capital Projects	Other Governmental	Total
\$ 85,482	\$ -	\$ -	\$ 6,702,390
-	-	-	6,249,226
-	-	886,727	886,727
-	-	-	530,770
-	-	-	3,149,631
-	-	-	541,779
725,588	3,169,896	324,695	7,690,858
-	-	-	1,759,549
-	2,113,670	335,446	3,474,416
-	-	-	252,367
-	-	-	86,498
966	4,650	1,413	24,018
-	460,000	-	1,208,724
<u>\$ 812,036</u>	<u>\$ 5,748,216</u>	<u>\$ 1,548,281</u>	<u>\$ 32,556,953</u>
\$ -	\$ -	\$ -	\$ 4,484,834
-	-	-	10,018,788
-	118,851	-	1,362,791
32,131	-	-	2,752,246
-	-	127,240	674,645
-	-	-	11,897
-	-	-	1,595,062
-	-	-	1,447,225
-	-	-	1,140,081
1,426,323	5,738,021	417,995	7,614,434
<u>\$ 1,458,454</u>	<u>\$ 5,856,872</u>	<u>\$ 545,235</u>	<u>\$ 31,102,003</u>
<u>\$ (646,418)</u>	<u>\$ (108,656)</u>	<u>\$ 1,003,046</u>	<u>\$ 1,454,950</u>
\$ -	\$ 403,855	\$ 700,000	\$ 3,606,131
-	-	(1,408,355)	(2,826,631)
<u>\$ -</u>	<u>\$ 403,855</u>	<u>\$ (708,355)</u>	<u>\$ 779,500</u>
\$ (646,418)	\$ 295,199	\$ 294,691	\$ 2,234,450
629,759	2,735,486	854,578	9,607,574
<u>\$ (16,659)</u>	<u>\$ 3,030,685</u>	<u>\$ 1,149,269</u>	<u>\$ 11,842,024</u>

**City of Burien, Washington**  
**Reconciliation of the Statement of Revenues,**  
**Expenditures, and Changes in Fund Balance of**  
**Governmental Funds to the Statement of Activities**  
**For the Fiscal Year Ended December 31, 2012**

Net Change in Fund Balances - Total Governmental Funds	\$	2,234,450
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the costs of those assets are allocated over their estimated useful life as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
		275,687
This is comprised of:		
Capital outlays	\$	7,614,435
Current year depreciation		(7,338,748)
	\$	<u>275,687</u>
Investment in joint ventures are not considered financial resources and are, therefore not reported in the funds. (Decrease in Net Position).		(234,898)
Capital assets contributed to internal service fund, not reported in the governmental funds because there has been no flow of current financial resources net of related debt.		3,404
Capital assets contributed to proprietary fund, not reported in the governmental funds, because there has been no flow of current financial resources net of related debt.		(417,995)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenue in the fund financial statements and are added to this reconciliation, and some revenues reported in the fund financial statements are not reported in the government-wide statement of activities.		(40,209)
This is comprised of:		
Property tax revenue	\$	56,829
Accrued interest receivable on special assessment		(183)
Special assessment revenue		(96,855)
	\$	<u>(40,209)</u>
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		1,471,983
This is comprised of:		
Amortization of bond premium	\$	35,946
Principal payments on long-term debt		1,447,225
Amortization of deferred charge on bond refunding		(11,188)
	\$	<u>1,471,983</u>
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental funds.		(44,253)
This is comprised of:		
Accrued interest expense	\$	3,564
Amortization of bond issue costs		(15,739)
Accrued compensated absences expense		(32,078)
	\$	<u>(44,253)</u>
Internal Service funds are used by management to charge costs of certain activities to individual funds. The net revenue of these activities is reported with governmental activities.		<u>214,712</u>
Change in Net Position of Governmental Activities	\$	<u><u>3,462,881</u></u>

See accompanying notes to the financial statements.

**City of Burien, Washington**  
**General Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended December 31, 2012**

	Budget		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 17,959,741	\$ 16,698,312	\$ 17,037,877	\$ 339,565
Intergovernmental Revenue	1,820,304	1,740,304	2,304,255	563,951
Licenses & Permits	1,043,191	1,243,191	1,263,590	20,399
Charges for Services	997,840	1,077,840	977,135	(100,705)
Fines & Forfeitures	240,000	410,000	252,367	(157,633)
Investment Income	64,400	64,400	15,676	(48,724)
Miscellaneous	-	-	739,800	739,800
Total Revenues	\$ 22,125,476	\$ 21,234,047	\$ 22,590,700	\$ 1,356,653
<b>Expenditures</b>				
Current:				
General Government	\$ 4,621,057	\$ 5,152,302	\$ 4,484,834	\$ 667,468
Public Safety	10,593,700	10,627,450	10,018,788	608,662
Health	7,700	7,700	11,897	(4,197)
Public Works	567,387	513,322	547,405	(34,083)
Recreation	2,747,950	2,724,398	2,720,115	4,283
Community Development	1,465,905	1,415,490	1,595,062	(179,572)
Capital Outlay	22,500	22,500	30,837	(8,337)
Total Expenditures	\$ 20,026,199	\$ 20,463,162	\$ 19,408,938	\$ 1,054,224
Excess of Revenues Over (Under) Expenditures	\$ 2,099,277	\$ 770,885	\$ 3,181,762	\$ 2,410,877
<b>Other Financing</b>				
<b>Sources (Uses)</b>				
Transfers In	\$ 164,000	\$ 164,000	\$ 159,000	\$ (5,000)
Transfers (Out)	(837,000)	(1,587,000)	(1,338,776)	248,224
Total Other Financing Sources (Uses)	\$ (673,000)	\$ (1,423,000)	\$ (1,179,776)	\$ 243,224
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ 1,426,277	\$ (652,115)	\$ 2,001,986	\$ 2,654,101
Fund Balances - Beginning	4,795,416	4,566,963	5,147,946	580,983
Fund Balances - Ending	\$ 6,221,693	\$ 3,914,848	\$ 7,149,932	\$ 3,235,084

See accompanying notes to the financial statements.

**City of Burien, Washington**  
**Street Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Year Ended December 31, 2012**

	Budget		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Gambling & Other Taxes	\$ -	\$ -	\$ 50,437	\$ 50,437
Intergovernmental Revenue	1,075,000	1,075,000	1,047,613	(27,387)
Licenses & Permits	290,000	506,275	495,959	(10,316)
Investment Income	-	-	1,137	1,137
Miscellaneous	250,000	-	2,700	2,700
Total Revenues	<u>\$ 1,615,000</u>	<u>\$ 1,581,275</u>	<u>\$ 1,597,846</u>	<u>\$ 16,571</u>
<b>Expenditures</b>				
Current:				
Transportation	\$ 1,684,911	\$ 1,531,931	\$ 1,243,940	\$ 287,991
Capital Outlay	1,000	1,000	1,258	(258)
Total Expenditures	<u>\$ 1,685,911</u>	<u>\$ 1,532,931</u>	<u>\$ 1,245,198</u>	<u>\$ 287,733</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ (70,911)</u>	<u>\$ 48,344</u>	<u>\$ 352,648</u>	<u>\$ 304,304</u>
<b>Other Financing</b>				
<b>Sources (Uses)</b>				
Transfers (Out)	\$ (447,500)	\$ (79,500)	\$ (79,500)	\$ -
Total Other Financing Sources (Uses)	<u>\$ (447,500)</u>	<u>\$ (79,500)</u>	<u>\$ (79,500)</u>	<u>\$ -</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ (518,411)	\$ (31,156)	\$ 273,148	\$ 304,304
Fund Balance - Beginning	<u>678,616</u>	<u>55,176</u>	<u>150,218</u>	<u>95,042</u>
Fund Balances - Ending	<u><u>\$ 160,205</u></u>	<u><u>\$ 24,020</u></u>	<u><u>\$ 423,366</u></u>	<u><u>\$ 399,346</u></u>

See accompanying notes to the financial statements.

**City of Burien, Washington**  
**Proprietary Funds**  
**Statement of Net Assets**  
**December 31, 2012**

	Business Type Activities <u>Enterprise Fund</u> Surface Water <u>Management</u>	<u>Governmental</u> Activities Internal Service Fund <u>Equipment</u> <u>Replacement</u>
<b>Assets</b>		
Current Assets:		
Cash and Cash Equivalents	\$ 748,578	\$ 521,346
Utility Receivables, Net	105,974	-
Due From Other Governments	<u>20,170</u>	<u>-</u>
Total Current Assets	<u>\$ 874,722</u>	<u>\$ 521,346</u>
Non-current Assets:		
Capital Assets, Net of Depreciation	<u>7,206,123</u>	<u>708,644</u>
Total Non-current Assets	<u>\$ 7,206,123</u>	<u>\$ 708,644</u>
Total Assets	<u>\$ 8,080,845</u>	<u>\$ 1,229,990</u>
 <b>Liabilities</b>		
Current Liabilities:		
Accounts Payable	\$ 210,375	\$ 2,229
Due Within One Year	<u>83,031</u>	<u>-</u>
	\$ 293,406	\$ 2,229
Non-current Liabilities:		
Due in More Than One Year	<u>1,079,401</u>	<u>-</u>
Total Liabilities	<u>\$ 1,372,807</u>	<u>\$ 2,229</u>
 <b>Net Position</b>		
Invested in Capital Assets, Net of Related Debt	\$ 6,043,691	\$ 708,644
Unrestricted	<u>664,347</u>	<u>519,117</u>
Total Net Position	<u>\$ 6,708,038</u>	<u>\$ 1,227,761</u>

See accompanying notes to the financial statements.



**City of Burien, Washington**  
**Proprietary Funds**  
**Statement of Revenues, Expenses, and Changes in Fund Net Assets**  
**For the Year Ended December 31, 2012**

	Enterprise Fund Surface Water Management	Governmental Activities Internal Service Fund Equipment Replacement
<b>Operating Revenues:</b>		
Charges for Services	\$ 2,551,690	\$ 230,000
Total Operating Revenues	\$ 2,551,690	\$ 230,000
<b>Operating Expenses:</b>		
Personnel Services	\$ 733,770	\$ -
Support Services	269,428	15,913
Repairs & Maintenance	435,437	-
Depreciation	376,121	222,074
Total Operating Expenses	\$ 1,814,756	\$ 237,987
Operating Income (Loss)	\$ 736,934	\$ (7,987)
Non-operating Revenues (Expenses):		
Intergovernmental Revenue	\$ 163,465	\$ -
Investment Income	1,711	625
Interest Expense	(6,227)	-
Total Nonoperating Revenues (Expenses)	\$ 158,949	\$ 625
Income Before Capital Contributions and Transfers	\$ 895,883	\$ (7,362)
Capital Contribution	\$ 417,995	\$ 41,407
Transfers In	-	3,404
Transfers Out	(782,904)	-
Total Capital Contributions and Transfers	\$ (364,909)	\$ 44,811
Changes in Net Position	\$ 530,974	\$ 37,449
Total Net Position - Beginning	6,177,064	1,190,312
Total Net Position - Ending	\$ 6,708,038	\$ 1,227,761

See accompanying notes to the financial statements.

**City of Burien, Washington**  
**Proprietary Funds**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2012**

	Enterprise Fund Surface Water Management	Governmental Activities Internal Service Fund Equipment Replacement
<b>Cash Flows from Operating Activities</b>		
Receipts From Customers	\$ 2,512,140	\$ 230,000
Payments to Suppliers	(652,067)	(19,011)
Payments to Employees	(670,539)	-
Net Cash Provided (Used) by Operating Activities	\$ 1,189,534	\$ 210,989
<b>Cash Flows from Non-capital Financing Activities</b>		
NPDES Permit Grant Reimbursement	\$ 163,465	\$ -
Operating Subsidies and Transfers to Other Funds	(779,500)	-
Net Cash Provided (Used) by Non-capital Financing Activities	\$ (616,035)	\$ -
<b>Cash Flows from Capital and Related Financing Activities</b>		
Purchase and Construction of Capital Assets	\$ (3,404)	\$ (79,577)
Principal Payments on Capital Debt	(83,031)	-
Interest Paid on Debt Service	(6,227)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	\$ (92,662)	\$ (79,577)
<b>Cash Flows From Investing Activities</b>		
Interest Received on Investments	\$ 1,711	\$ 625
Net Cash Provided by Investing Activities	\$ 1,711	\$ 625
Net Increase (Decrease) in Cash and Cash Equivalents	\$ 482,548	\$ 132,037
Cash and Cash Equivalents, Beginning	266,030	389,309
Cash and Cash Equivalents, Ending	\$ 748,578	\$ 521,346
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Income (Loss)	\$ 736,934	\$ (7,987)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation	376,121	222,074
Changes in Assets and Liabilities:		
Accounts Receivable	(18,076)	-
Accounts Payable	94,555	(3,098)
Total Adjustments	\$ 452,600	\$ 218,976
Net Cash Provided by Operating Activities	\$ 1,189,534	\$ 210,989

Noncash capital activities of \$3,404 are comprised of contributed capital assets from the Surface Water Management Fund.

See accompanying notes to the financial statements.

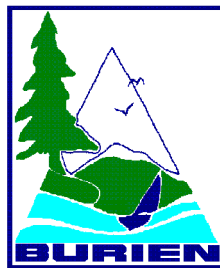
City of Burien, Washington  
Fiduciary Fund  
Statement of Net Position  
December 31, 2012

	Agency Fund	
	Payroll Clearing Fund	
Assets		
<b>Current Assets:</b>		
Cash and Cash Equivalents	\$ 66,375	
Total Assets	\$ 66,375	
Liabilities		
<b>Current Liabilities:</b>		
Accounts Payable	\$ 66,375	
Total Liabilities	\$ 66,375	
Net Position		
Unrestricted	-	
Total Net Position	\$ -	

See Accompanying notes to the financial statements.

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## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2012

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Burien have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Summarized comparative data is shown in the presentation, in accordance with GASB Statement 34, specifically in the Management Discussion and Analysis (MD&A).

The City of Burien was incorporated on February 28, 1993, and operates under the laws of the State of Washington applicable to a non-charter code city with a Council-Manager form of government. Burien is administered by a City Manager and a seven-member City Council policy body, all elected for staggered four-year terms. The Council elects one of its members to serve as mayor.

#### A. Reporting Entity

The City of Burien is a general-purpose government. The City's Comprehensive Annual Financial Report (CAFR) includes all funds for which the City is financially accountable. Financial accountability is defined as appointment by the City of a voting majority of another organization's governing body and either the ability to impose its will on the other organization, or the potential for the other organization to provide specific financial benefits to or impose financial burdens on the City.

The City's Comprehensive Annual Financial Report (CAFR) includes the financial statements for the City of Burien and its component units, entities for which the City is considered to be financially accountable. The City has one blended component unit, the Burien Transportation Benefit District. Although legally separate entities, blended component units are, in substance, part of the City's operations (see Note 14).

#### B. Basic Financial Statements

The government-wide financial statements consist of the Statement of Net Position and the Statement of Activities, reporting information on the City as a whole. The fund financial statements provide a more detailed level of financial information at the fund level. For the most part, interfund activity has been eliminated from the government-wide statements, with the exception of charges for surface water management activities. Elimination of these charges would distort the direct cost and program revenue of this activity. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which primarily rely on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or

segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds are reported separately in the fund financial statements.

### C. Measurement focus, basis of accounting and financial statement presentation

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, business and occupation taxes, utility taxes, charges for services, certain state-shared revenues, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when the cash is received by the government.

Proprietary Fund financial statements distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses result from providing services in connection with the Surface Water Management Fund's ongoing operations. The principal operating revenue of the fund is a fee based on area and percent of impervious surface and operating expenses include the cost of administration of the fund, system maintenance charges and depreciation. All other revenue and expenses are reported as non-operating revenue and expense.

### D. Financial Statement Presentation

The government reports the following major governmental funds:

The *General Fund* is the general operating fund of the City. It accounts for all financial resources and transactions of the general government, except those required to be accounted for in another fund.

The *Street Fund* accounts for operations and maintenance of the cities roadways.

The *Debt Service Fund* accounts for the accumulation of resources and payments made for principal, interest and bond administration costs on the long-term general obligation debt of the governmental funds.

The *Parks & General Government Capital Projects Fund* accounts for financial resources designated for numerous parks and general government related capital improvement projects.

The *Transportation Capital Projects Fund* accounts for financial resources designated for numerous transportation related capital improvement projects.

The government reports the following proprietary fund:

The *Surface Water Management Fund* accounts for planning, public involvement, education and maintenance activities necessary for environmentally appropriate storm and surface water management programs and facilities.

The City also reports the following fiduciary fund:

The *Payroll Clearing Fund* accounts for assets accumulated to pay for payroll and associated benefits of city employees. The Agency Fund is custodial in nature (assets equal liabilities) and does not involve a measurement of results of operations.

Additionally, the government reports the following fund types:

*Special Revenue Funds* account for the proceeds of specific revenue sources that are legally restricted for expenditures for specified purposes. Special Revenue Funds include the Street Fund, the Public Works Reserve Fund and the Transportation Benefit District Fund.

*Internal Service Fund* which accounts for rental and replacement of numerous pieces of city equipment.

For business-type activities the City applies all applicable GASB pronouncements as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Statements and Interpretations of the Financial Accounting Standards Board (FASB), Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on Accounting Procedures. The City has elected not to follow subsequent private-sector guidance.

In February 2009, the GASB issued Statement of Governmental Accounting Standards No. 54, "Fund Balance Reporting and Governmental Fund Type Disclosures." This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in the governmental funds. The Statement also modified definitions of governmental fund types for clarity and consistency.

Effective for financial statements for periods beginning after December 15, 2011, GASB Statement No. 63 re-titled the Statements of Net Assets as the Statement of Net Position and renamed the difference between primary government's assets and liabilities as Net Position.

## **E. Assets, Liabilities and Equity**

### **1. Cash and Cash Equivalents**

It is the City's policy to invest all temporary cash surpluses. These investments are reported on the statement of net position and the governmental funds balance sheet as cash and cash equivalents. Included in cash and cash equivalents are currency on hand, demand deposits with banks or other financial institutions, and investments with the Local Government Investment Pool. Interest earned on pooled investments is allocated to each of the participating funds.



Washington State law authorizes investments in obligations of the U.S. Treasury: U.S. government agencies and instrumentalities, bankers' acceptances, primary certificates of deposit issued by qualified public depositories, the State Treasurer's Local Government Investment Pool and repurchase agreements collateralized by the previously authorized investments. At December 31, 2012, all investments of the City's funds were obligations of the State Treasurer's Local Government Investment Pool, which is an unrated 2a7-like pool, overseen by the State Treasurer's Office in accordance with state statutes and rules established by the State Finance Committee.

The City reports its deposits and investment risk disclosures in accordance with GASB Statement 40 (see Cash and Investment Note 4).

In accordance with GASB 31, investments in external 2a7-like pools, money market investments, and participating interest-earning investment contracts with remaining maturities of one year or less at the time of purchase are stated at amortized cost. All other investments are stated at fair value.

## 2. **Receivables**

The City recognizes receivables in its financial statements based on the accounting requirements for that statement. These receivables are described below:

### **Property Taxes**

Uncollected property taxes levied for the current year are reported as receivable at year-end. The City's property tax collection records show that approximately 98% of the property taxes due are collected during the year of levy and delinquent taxes are collected in the next few years. When property taxes become three years delinquent, the County is required by State statute to foreclose on the property. Historically, all taxes have been collected, therefore no allowance for uncollectible taxes is recorded.

### **Sales Taxes**

Sales Taxes collected for November and December but not remitted by the state to the City until January and February of the following year are reported as receivables at year-end. There is no allowance for uncollectible taxes because all sales taxes are required by law to be collected by businesses at the time of sale and remitted to the state.

### **Special Assessments**

Special Assessments are levied against certain property owners and become liens against the property benefited by the improvement. Special assessments receivable, as reported in the Statement of Net Position, include all uncollected assessments regardless of the due date. Special assessments receivable, reported in the governmental fund statements, consist of current assessments that are due within 60 days, delinquent assessments remaining unpaid after the due date and deferred uncollected assessments that have been levied, but are not due within 60 days.

## 3. **Interfund Transactions:**

Activity between funds that is representative of lending/borrowing arrangements outstanding at year-end are referred to as either due to or due from other funds. In the entity-wide Statement of Net Position, due to/due from other funds is not reported, but is eliminated in internal balances. There were no interfund balances to eliminate at year-end.

#### 4. Capital Assets

Capital Assets, which includes property, plant, equipment, and infrastructure, including all infrastructure acquired prior to the implementation of GASB 34, are reported in the applicable government or business-type columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$1,000 and an estimated life in excess of three years. Such assets are recorded at estimated historical cost if historical cost data is not available. Donated capital assets are recorded at estimated fair market value at the date of donation. Infrastructure assets acquired prior to the implementation of GASB 34 are recorded at estimated historical cost and all infrastructure assets acquired since implementation of GASB 34 are valued at cost.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Property, plant, equipment, and infrastructure of the City is depreciated using the straight line method over the following useful lives

<u>Type of Asset</u>	<u>Number of Years</u>
Building and Structures	20
Other Improvements	10 - 20
Machinery and Equipment	3 - 10
Infrastructure	10 - 30

#### 5. Compensated Absences

Compensated absences consist of accrued vacation leave and compensatory time. All vacation in the government-wide financial statements is accrued when earned. The amount recorded in this account represents accumulated vacation, compensatory time, and related benefits.

Vacation is earned monthly, from 8 hours to 16.7 hours per month, based on number of years of employment. Employees are allowed to carry over a maximum of twice his/her annual accrual. Vacation is payable when taken or upon termination of employment.

#### 6. Deferred Revenue

In governmental funds, deferred revenues include amounts collected but not yet earned, and include receivables that have not yet met the revenue recognition criteria.

#### 7. Short-term Debt

Short-term obligations are defined as anticipation notes, use of lines of credit and similar type transactions. The City had no short-term debt at the beginning or end of the year.

#### 8. Long-term Obligations

Long-term obligations are recorded in the government-wide Statement of Net Position. At year-end these liabilities include three general obligation bond issues, four Public Works Trust Fund Loans and a special obligation bond issued by a joint venture of several cities, of which Burien has a 4% interest. For more information, see the long-term obligation description in Note 9 and the joint venture disclosure in Note 13.

#### 9. Fund Equity

Restricted net assets represent the portions of fund balance where limitations have been imposed on their use whether through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

All other net assets are reported as unrestricted. The City's policy is to maintain an ending fund balance in the General Fund of at least 10% of budgeted General Fund recurring revenues with a goal of 20% by 2022. For the Street and Surface Water Management Funds, the policy is to maintain an ending fund balance of at least 5% of recurring revenues in these funds.

#### 10. Fund Balance

The Fund Balance amounts for governmental funds have been classified in accordance with GASB Statement No. 54, in the following categories:

Nonspendable Fund Balance includes amounts that cannot be spent. This includes activity that is not in a spendable form and activity that is legally or contractually required to remain intact.

Restricted Fund Balances have constraints placed upon the use of the resources either by an external party or imposed by law through a constitutional provision or enabling legislation.

Committed Fund Balance can be used only for specific purposes pursuant to constraints imposed by a formal action in the form of ordinances and resolutions adopted by Burien Councilmembers, the City's highest level of decision-making authority.

Assigned Fund Balance includes amounts that are constrained by the City's intent to be used for a specific purpose, but are neither restricted nor committed. The Finance Director shall have the authority to assign amounts of fund balance to a specific purpose; however, before expenditure, amounts must be appropriated by the City Council. For governmental funds, other than the General Fund, this is the residual amount within the funds that is not restricted or committed.

Unassigned Fund Balance is the residual amount in the General Fund not included in the categories described above. Also, any deficit fund balances in the other governmental fund types are reported as unassigned.

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted fund balance are available.

#### 11. Operating and Non-operating Revenues and Expenses

Operating revenues and expenses for the proprietary fund are those that result from providing services and producing and delivering goods and/or services in connection to the proprietary fund's principle ongoing operation. It includes all revenue and expenses not related to capital and related financing, non-capital financing, or investing activities. All revenues and expenses not meeting this definition are non-operating revenues and expenses.

### NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

#### 1. Explanation of certain differences between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental funds' balance sheet includes a reconciliation of total fund balance and total net position as reported in the government-wide Statement of Net Position (page 4-8).

2. **Explanation of certain differences between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities**

The Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances includes a reconciliation of net changes in fund balances – total governmental funds and changes in net position of governmental activities reported in the government-wide Statement of Activities (page 4-12).

**NOTE 3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

There have been no material violations of finance-related legal or contractual provisions and there have been no expenditures exceeding legal appropriations in any fund of the City. Fund balance is included in authorized expenditure appropriations, but not necessarily appropriated at the program level and is identifiable in the Statements of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual.

**Budgetary Data**

1. **Scope of Budget**

In accordance with Chapter 35A.33 of the Revised Code of Washington (RCW), the City budgets for all funds.

The budget includes annually budgeted funds (the General Fund; most Special Revenue funds - the Street, Public Works Reserve and Transportation Benefit District funds; and Debt Service funds - the Debt Service and the LID Guaranty funds). Unexpended appropriated balances for these funds lapse at year-end. The "Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual" in the Basic Financial Statements section of this report and the "Schedules of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual" in the Fund Financial Statements and Schedules section are provided in this document to demonstrate legal budgetary compliance for those funds.

The budget also includes appropriations for funds that are adopted on a "project-length" basis, such as the Capital Projects funds. Appropriations are adopted at the beginning of the projects, and are carried forward from year to year without re-appropriation until authorized amounts are fully expended or the designated purpose of the project has been accomplished. Since these funds are not budgeted on an annual basis, a budgetary comparison is not provided in the financial statements.

The City adopts the budget for governmental funds on the modified accrual basis and all appropriations other than for project-length funds, described above, lapse at year-end.

Legal budgetary control is established at the fund level, i.e., expenditures for a fund may not exceed the total appropriated amount. Total fund appropriation includes expenditures, other financing uses and estimated ending fund balance.

2. **Procedures for Adopting the Original Budget**

The City's budget procedures are mandated by Chapter 35A.33 RCW. This is the second year of the City's biennial budget. The steps in the budget process are as follows:

- a. Prior to the first Monday in October, the City Manager submits a proposed budget to the City Council. This budget is based on priorities established by the Council. Estimates of the cost of these priorities and estimates for the basic government operating costs are presented to the Council in the preliminary budget document, in addition to revenue estimates.
  - b. The City Council conducts at least two public hearings on the proposed budget prior to budget adoption.
  - c. The Council reviews the preliminary budget document and, if necessary, makes adjustments to the proposed budget. The Council adopts, by ordinance, the final budget for the ensuing two fiscal years no later than December 31. The final budget document is published and distributed early the following year. Copies of the adopted budget are made available to the public.
3. **Amending the Budget**  
The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of a fund or that affect the number of authorized employee positions, the pay classification system, hours, or other conditions of employment must be approved by the City Council.

When the City Council determines that it is in the best interest of the City to increase or decrease the appropriation for a particular fund, it is accomplished by ordinance.

The budget amounts presented in the financial statements and schedules show the original adopted and final authorized amounts as amended during the year.

4. **Encumbrances**  
An encumbrance system is maintained to account for commitments resulting from approved purchase orders. Outstanding encumbrances lapse at year-end and are absorbed within the next year's budget appropriation. The 1<sup>st</sup> Avenue South Phase 2 capital project has a remaining contract balance of \$2.2 million, which is included in assigned fund balance of the Transportation Capital Project fund.

#### **Deficit Fund Balance**

The Parks and General Government Capital Project Fund has a negative fund balance of \$16,659 at year-end. This timing issue is being addressed in early 2013 with a transfer from the General Fund.

#### **Authorized Staffing Level Compliance**

The 2012 budget authorized 68.45 full-time equivalent staff positions. At December 31, 2012, 4.5 of these positions were unfilled.

### **NOTE 4. CASH AND INVESTMENTS**

#### **A. Cash and Investments**

The City's deposits are entirely covered by the Federal Deposit Insurance Commission (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC). The FDIC insures the first \$250,000 of the City's deposits. The deposit balances over \$250,000 are insured by the PDPC. State statute permits additional amounts to be assessed on a pro rata basis to members of the PDPC pool in the event the pool's collateral should be insufficient to cover a loss.

As of December 31, 2012, the carrying amount of the City's demand deposits with Key Bank was \$445,368. Petty cash, totaling \$1,250, is allocated to various City departments, and \$81,681 was held by King County for property taxes collected at year-end with the cash transferring soon thereafter.

The Local Government Investment Pool (LGIP) is an unrated 2a7-like pool. The fair value of the City's pool investments is determined by the pool's share price. The City has no regulatory oversight responsibility for the LGIP which is governed by the Washington State Finance Committee and is administered by the State Treasurer. The LGIP is audited annually by the Office of State Auditor, an independently elected public official.

As of December 31, 2012 the City had the following investments and maturity:

	<b>Fair Value</b>	<b>Less than One Year</b>
State Treasurer's Local Government Investment Pool	<u>\$11,899,865</u>	<u>\$11,899,865</u>
Total Investments	<u>\$11,899,865</u>	<u>\$11,899,865</u>

### **Interest Rate Risk**

The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Additionally, all investments of the City are in the LGIP, an unrated 2a-7 like pool, which are not subject to interest rate risk, as the weighted average of the portfolio does not exceed 90 days.

### **Credit Risk**

Washington State law limits investments in obligations of the U.S. Treasury, U.S. government agencies and instrumentalities, bankers' acceptances, primary certificates of deposit issued by qualified public depositories, the State Treasurer's Local Government Investment Pool and repurchase agreements collateralized by the previously authorized investments. Additionally investments may be made in commercial paper and bonds of the State of Washington and any local government in the State of Washington which have, at the time of investment, one of the three highest credit ratings of a nationally recognized rating agency.

### **Concentration of Credit Risk**

At December 31, 2012, all investments of the City's funds were obligations of the State Treasurer's Local Government Investment Pool, which in itself is a diversified investment pool and is highly liquid.

## **NOTE 5. RECEIVABLES**

### **PROPERTY TAXES**

Property taxes are levied by the county assessor and collected by the county office of financial management. Assessments are based on 100 percent of actual value. Taxes are levied and become a lien on the first day of the levy year. They may be paid in two equal installments if the total amount exceeds \$50. The first half is due on April 30, or the total amount becomes delinquent May 1. The balance is due October 31, becoming delinquent November 1. Delinquent taxes bear interest at the rate of 1 percent per month until paid and are subject to additional penalties of 3 percent and another 8 percent on the total unpaid delinquent balance on June 1 and December 1, respectively. Foreclosure action is commenced on properties when taxes become three years delinquent.

The City may levy up to \$1.60 per \$1,000 of assessed valuation for general governmental services, subject to two limitations:

- a. Washington State law in Revised Code of Washington (RCW) 84.55.010 limits the growth of regular property taxes to 1 percent per year, after adjustments for new construction. If the assessed valuation increases by more than one percent due to revaluation, the levy rate will be decreased.
- b. The Washington State Constitution limits the total regular property taxes to one percent 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 percent limit. Special levies may allow for the total property tax rate to exceed \$10.

The City's regular levy for 2012 was \$1.60 per \$1,000 of the assessed valuation of \$4,172,857,681 for a total regular levy of \$6,676,572.

#### NOTE 6. INTERFUND BALANCES AND TRANSFERS

Interfund receivable and payable balances are short-term advances from one fund to another. Interfund loans and advances are eliminated in the Statement of Net Position. The City had one small interfund receivable/payable to begin the year that was paid off before year-end.

Transfers are transactions between funds that support the operations of the other funds and are classified as "Other Financing Sources and Uses" in the fund statements. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the Government-wide Financial Statements.

##### 2012 Transfers:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 159,000	\$ 1,338,776
Street Fund	-	79,500
Debt Service Fund	2,343,276	-
Transportation Capital Projects Fund	403,855	-
Other Governmental Funds:		
Public Works Reserve Fund	-	703,000
Transportation Benefit District Fund	-	301,500
Surface Water Management Capital Projects Fund	700,000	403,855
Subtotal Other Governmental Funds	<u>\$ 700,000</u>	<u>\$ 1,408,355</u>
Business-type Activities - Surface Water Management Fund	-	779,500
	<u>\$ 3,606,131</u>	<u>\$ 3,606,131</u>

##### Interfund Transfer of Capital Assets:

	<u>Transfers In</u>	<u>Transfers Out</u>
Business-type activities		
Surface Water Management Fund	\$ -	\$ 3,404
Equipment Replacement Reserve Fund	3,404	-
	<u>\$ 3,404</u>	<u>\$ 3,404</u>

**NOTE 7. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2012 is presented below:

<b>Governmental Activities</b>	Beginning <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	Ending <u>Balance</u>
Capital Assets, not being depreciated				
Land	\$ 25,806,770	\$ -	\$ -	\$ 25,806,770
Construction in Progress	17,338,293	7,164,345	10,380,526	14,122,112
Total Capital Assets, not being depreciated	\$ 43,145,063	\$ 7,164,345	\$ 10,380,526	\$ 39,928,882
Capital Assets, being depreciated				
Buildings	\$ 12,981,581	\$ 6,351	\$ -	\$ 12,987,932
Improvements other than Buildings	7,851,354	107,924	-	7,959,278
Machinery and Equipment	3,614,321	136,388	-	3,750,709
Infrastructure	102,309,399	10,244,940	-	112,554,339
Total Capital Assets, being depreciated	\$ 126,756,655	\$ 10,495,603	\$ -	\$ 137,252,258
Less Accumulated Depreciation for:				
Buildings	\$ 1,590,590	\$ 649,079	\$ -	\$ 2,239,669
Improvements	1,692,356	374,360	-	2,066,716
Machinery and Equipment	2,133,027	328,207	-	2,461,234
Infrastructure	41,014,644	5,987,102	-	47,001,746
Total Accumulated Depreciation	\$ 46,430,617	\$ 7,338,748	\$ -	\$ 53,769,365
Total Capital Assets, being depreciated, net	\$ 80,326,038	\$ 3,156,855	\$ -	\$ 83,482,893
Governmental Activities Capital Assets, net	\$ 123,471,101	\$ 10,321,200	\$ 10,380,526	\$ 123,411,775
<b>Business-type Activities</b>				
	Beginning <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	Ending <u>Balance</u>
Capital Assets, not being depreciated				
Land	\$ 1,076,060	\$ -	\$ -	\$ 1,076,060
Construction in Progress	394,745	417,995	-	812,740
Total Capital Assets, not being depreciated	\$ 1,470,805	\$ 417,995	\$ -	\$ 1,888,800
Capital Assets, being depreciated				
Buildings	\$ -	\$ -	\$ -	\$ -
Improvements other than Buildings	-	-	-	-
Machinery and Equipment	98,504	-	-	98,504
Infrastructure	7,347,114	-	-	7,347,114
Total Capital Assets, being depreciated	\$ 7,445,618	\$ -	\$ -	\$ 7,445,618
Less Accumulated Depreciation for:				
Buildings	\$ -	\$ -	\$ -	\$ -
Improvements	-	-	-	-
Machinery and Equipment	94,581	2,423	-	97,004
Infrastructure	1,657,593	373,698	-	2,031,291
Total Accumulated Depreciation	\$ 1,752,174	\$ 376,121	\$ -	\$ 2,128,295
Total Capital Assets, being depreciated, net	\$ 5,693,444	\$ (376,121)	\$ -	\$ 5,317,323
Business-type Activities Capital Assets, net	\$ 7,164,249	\$ 41,874	\$ -	\$ 7,206,123



Depreciation expense was charged to functions of the primary government as follows:

**Governmental Activities:**

General Government	\$ 703,668
Public Safety	5,837
Transportation, including infrastructure	6,080,102
Culture & Recreation	538,337
Economic Development	<u>10,804</u>
Total Increase in Accumulated Depreciation Governmental Activities	<u>\$7,338,748</u>

**Business- type Activities:**

Surface Water Management	<u>\$ 376,121</u>
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**NOTE 8. CONSTRUCTION COMMITMENTS**

The City has several small active construction projects as of December 31, 2012. The only project of significance is the 1<sup>st</sup> Ave South, Phase 2 Project. At year-end 2012, this project has a construction phase remaining commitment in excess of \$2.2 million.

**NOTE 9. LONG-TERM OBLIGATIONS**

General Obligation Bonds are a direct obligation of the City for which its full faith and credit is pledged. Debt service is paid from the debt service fund.

General Obligation Bonds Outstanding at year-end consist of several Limited Tax General Obligation Bond Issues: the 2002 Bonds were issued in the original amount of \$3.2 million to provide funds for property acquisition for Town Square and parks and numerous parks development and renovation projects. With this year's scheduled payment and the refunding issue described below, this bond was paid off in 2012. The 2006 Limited Tax General Obligation Bonds were issued in the amount of \$9,805,000 to provide funds for a future Senior and Activity Center and to continue development of the Town Square Project. In 2009, the South Correctional Entity, (SCORE) Public Development Authority (PDA) issued \$86 million of Special Obligation Bonds. The City of Burien's 4% ownership responsibility in this long-term liability is \$3,449,400. For more information about this joint venture, see Note 13. In 2010, Limited Tax General Obligation Bonds were issued for \$8.615 million to provide funds for a major street overlay project. In 2011, an \$8.55 million bond was issued to refund the majority of the 2002 bonds and to provide funding to complete the first phase of the 1<sup>st</sup> Avenue South capital project.

**Changes in General Long-Term Debt**

For the Year Ended December 31, 2012

	Balance 1/1/12	Increases	Decreases	Balance 12/31/12
2002 Limited Tax G.O. 2.5 to 4.70%	\$ 145,000	\$ -	\$145,000	\$ -
2006 Limited Tax G.O. 3.75 to 5.00%	8,060,000	-	395,000	7,665,000
2009 Special G.O./SCORE, PDA 2.0 to 5.346%	3,449,400	-	-	3,449,400
2010 Limited Tax G.O. 2.00 to 6.13%	8,180,000	-	360,000	7,820,000
2011 Limited Tax G.O. 2.00to 4.00%	8,465,000	-	245,000	8,220,000
Total General Obligation Bonds	<u>\$ 28,299,400</u>	<u>\$ -</u>	<u>\$ 1,145,000</u>	<u>\$ 27,154,400</u>

Debt Service Requirement to Maturity  
Long-Term Debt Summary  
December 31, 2012

General Obligation Bonds			Total Long Term Debt incl. SCORE
Year	Principal	Interest	
2013	\$ 1,256,600	\$ 1,121,907	\$ 2,378,507
2014	1,293,000	1,086,670	2,379,670
2015	1,334,600	1,049,923	2,384,523
2016	1,387,600	1,000,045	2,387,645
2017	1,430,800	947,867	2,378,667
2018 - 2022	7,959,600	3,844,815	11,804,415
2023 - 2027	7,604,400	2,126,958	9,731,358
2028 - 2032	3,609,000	629,923	4,238,923
2033 - 2037	874,200	174,017	1,048,217
2038 - 2039	404,600	12,899	417,499
	\$ 27,154,400	\$ 11,995,024	\$ 39,149,424

Public Works Trust Fund Loan – State of Washington Public Works Trust Fund Loans are a direct responsibility of the City. The City currently has four such loans. The first loan has an outstanding balance of \$1,162,596 and is being repaid with Real Estate Excise Taxes received in the Public Works Reserve Fund. The second loan is for \$527,777 and is being repaid with revenues from a special assessment (LID #1) against the benefiting property owners on the 152<sup>nd</sup> Street Enhancement Project, completed in 2003. The third loan is associated with the 1st Avenue South Phase 1 capital project and has an outstanding balance of \$1,443,235. This loan is split, with half of it being paid by a special assessment on the benefiting property owners and half being repaid from general revenues. The fourth loan is the responsibility of the Surface Water Management Fund for the Ambaum Pond Project associated with the 1<sup>st</sup> Avenue South project. The outstanding balance at year end is \$1,162,432.

## Governmental Funds Debt Service:

<u>Public Works Trust Fund Loans</u>		
Year	Principal	Interest
2013	\$ 302,225	\$ 15,668
2014	302,225	14,157
2015	302,225	12,646
2016	302,225	11,135
2017	302,225	9,624
2018 - 2022	1,381,946	25,451
2023 - 2026	240,539	1,804
	\$ 3,133,609	\$ 90,484

## Business Type Activities Debt Service:

<u>Public Works Trust Fund Loans</u>		
Year	Principal	Interest
2013	\$ 83,031	\$ 5,812
2014	83,031	5,397
2015	83,031	4,982
2016	83,031	4,567
2017	83,031	4,152
2017 - 2021	415,155	14,530
2022 - 2026	332,123	4,152
	\$ 1,162,432	\$ 43,591

**Special Assessment Debt with Government Commitment**

Special Assessment debt is a direct responsibility of the City, but is funded from the collection of special assessment payments. Debt service principal and interest costs are paid from the Debt Service Fund. At year-end, delinquent special assessments receivable are \$8,631. The LID Guaranty Fund was established with a transfer from the Street Fund to maintain a balance of approximately 10% of the outstanding debt owed by the special assessment.

**Changes in Long-term Liabilities**

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
Bonds Payable					
General Obligation Bonds	\$ 24,850,000	\$ -	\$ (1,145,000)	\$ 23,705,000	\$ 1,180,000
SCORE PDA, Bonds Payable	3,449,400	-	-	3,449,400	-
Special Assessment Debt with					
Government Commitment (PWTF) LID No. 1 SW 152nd St.	580,555	-	(52,778)	527,777	52,778
LID No. 2 1st Ave S.	781,753	-	(60,135)	721,618	60,135
Public Works Trust Fund Loans:					
SW 152nd St Project	1,291,773	-	(129,177)	1,162,596	129,177
1st Ave S. Project	781,752	-	(60,135)	721,617	60,135
Plus Deferred Amount for Issuance Premium	629,003	-	(35,946)	593,057	35,947
Bonds and Loans Payable	\$ 32,364,236	\$ -	\$ (1,483,171)	\$ 30,881,065	\$ 1,518,172
Compensated Absences	270,055	317,244	(285,166)	302,133	45,000
Governmental Activity Long-term Liabilities	\$ 32,634,291	\$ 317,244	\$ (1,768,337)	\$ 31,183,198	\$ 1,563,172
<b>Business Type Activities:</b>					
Business Type Activity Long-term Liabilities	\$ 1,245,463	\$ -	\$ (83,031)	\$ 1,162,432	\$ 83,031
<b>Total Governmental and Business   Type Long-term Liabilities</b>	<b>\$ 33,879,754</b>	<b>\$ 317,244</b>	<b>\$ (1,851,368)</b>	<b>\$ 32,345,630</b>	<b>\$ 1,646,203</b>

**Compensated Absences Payable**

This amount represents the total unpaid vacation, compensatory time and related benefits liability of the governmental funds. Compensated absences liability at year-end is \$302,133, an increase of \$32,078 from the previous year, which increases 2012 government expenditures by the same amount. Essentially all of the compensated absences liability has historically been liquidated through charges to the departments in the General Fund.

**NOTE 10. PENSION PLANS**

Substantially all City of Burien full-time and qualifying part-time employees participate in one of the following statewide local government retirement systems administered by the Department of Retirement Systems, under cost-sharing multiple-employer defined benefit and defined contribution retirement plans. The Department of Retirement Systems (DRS), a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to: Department of Retirement Systems, Communications Unit, P.O. Box

48380, Olympia, WA 98504-8380; or it may be downloaded from the DRS website at [www.drs.wa.gov](http://www.drs.wa.gov). The following disclosures are made pursuant to GASB 27, Accounting for Pensions by State and Local Government Employers and No. 50 Pension Disclosure, an amendment of GASB Statements No. 25 and No.27.

### Public Employees' Retirement System (PERS) Plans 1, 2 and 3

**Plan Description:** The Legislature established PERS in 1947. Membership in the system includes: elected officials; state employees; employees of the Supreme, Appeals, and Superior courts; employees of legislative committees; community and technical colleges; college and university employees not participating in higher education retirement programs; employees of district and municipal courts; and employees of local governments. Approximately 50 percent of PERS salaries are accounted for by state employment. PERS retirement benefit provisions are established in Chapters 41.34 and 41.40 RCW and may only be amended by the state legislature.

*PERS* is a cost-sharing multiple-employer retirement system comprised of three separate plans for membership purposes: Plans 1 and 2 are defined benefit plans and Plan 3 is a defined benefit plan with a defined contribution component.

PERS members who joined the system by September 30, 1977 are Plan 1 members. Those who joined on or after October 1, 1977 and by either, February 28, 2002 for state and higher education employees, or August 31, 2002 for local government employees, are Plan 2 members unless they exercise an option to transfer their membership to Plan 3. PERS members joining the system on or after March 1, 2002 for state and higher education employees or September 1, 2002 for local government employees have the irrevocable option of choosing membership in either PERS Plan 2 or PERS Plan 3. The option must be exercised within 90 days of employment. Employees who fail to choose within 90 days default to Plan 3. Notwithstanding, PERS 2 and 3 members may opt out of plan membership if terminally ill, with less than five years to live.

PERS is comprised of and reported as three separate plans for accounting purposes; Plan 1, Plan 2/3, and Plan 3. Plan 1 accounts for defined benefits of Plan 1 members. Plan 2/3 accounts for the defined benefits of Plan 2 members and the defined benefit portion of benefits for Plan 3 members. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members. Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portion of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of this Plan 2/3 defined benefit plan may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members or beneficiaries, as defined by the terms of the plan. Therefore, Plan 2/3 is considered to be a single plan for accounting purposes.

PERS Plan 1 and Plan 2 retirement benefits are financed from a combination of investment earnings and employer and employee contributions. Employee contributions to the PERS Plan 1 and Plan 2 defined benefit plans accrue interest at a rate specified by the Director of DRS. During DRS' Fiscal Year 2012, the rate was five and one-half percent compounded quarterly. Members in PERS Plan 1 and Plan 2 can elect to withdraw total employee contributions and interest thereon upon separation from PERS-covered employment.

PERS Plan 1 members are vested after the completion of five years of eligible service. Plan 1 members are eligible for retirement after 30 years of service, or at the age of 60 with 5 years of service, or at age 55 with 25 years of service. The monthly benefit is 2 percent of the average final compensation (AFC) per year of service, but the benefit may not exceed 60 percent of the AFC. The AFC is the monthly average of the 24 consecutive highest-paid service credit months.

The monthly benefit is subject to a minimum for retirees who have 25 years of service and have been retired 20 years, or who have 20 years of service and have been retired 25 years. If a survivor option is chosen, the benefit is reduced. Plan 1 members retiring from inactive status prior to the age of 65 may also receive actuarially reduced benefits. Plan 1 members may elect to receive an optional COLA that provides an automatic annual adjustment based on the Consumer Price Index, the adjustment is capped at 3 percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

PERS Plan 1 provides duty and non-duty disability benefits. Duty disability retirement benefits for disablement prior to the age of 60 consist of a temporary life annuity. The allowance amount is \$350 a month, or two-thirds of the monthly AFC, whichever is less. The benefit is reduced by any workers' compensation benefit and is payable as long as the member remains disabled or until the member attains the age of 60, at which time the benefit is converted to the member's service retirement amount. A member with five years of covered employment is eligible for non-duty disability retirement. Prior to age 55, the allowance amount is 2 percent of the AFC for each year of service reduced by 2 percent for each year that the member age is less than 55. The total benefit is limited to 60 percent of the AFC and is actuarially reduced to reflect the choice of a survivor option.

PERS Plan 1 members can receive credit for military service while actively serving in the military, if such credit makes them eligible to retire. Members can also purchase up to 24 months of service credit lost because of an on-the-job injury.

The survivor of a PERS Plan 1 member who dies after having earned ten years of service credit has the option, upon the member's death, of either a monthly survivor benefit or the lump sum of contributions plus interest.

PERS Plan 2 members are vested after the completion of five years of eligible service. Plan 2 members are eligible for normal retirement at the age of 65 with five years of service. The monthly benefit is 2 percent of the AFC per year of service. The AFC is the monthly average of the 60 consecutive highest paid service months. There is no cap on years of service credit; and a cost-of-living allowance is granted based on the Consumer Price Index, capped at 3 percent annually.

PERS Plan 2 who have at least 20 years of service and are 55 years of age or older are eligible for early retirement with a reduced benefit. The benefit is reduced by an early retirement factor (ERF) that varies according to age, for each year before the age 65.

Plan 2 members who have 30 or more years of service and are at least 55 years old can retire under one of two provisions:

- With a benefit that is reduced by 3 percent for each year before the age of 65.

- With a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules.

PERS Plan 2 retirement benefits are also actuarially reduced if the member chooses a survivor option. The surviving spouse or eligible child(ren) of a PERS Plan 2 member who dies after having earned 10 years of service credit has the option of either a monthly benefit or a lump sum payment of the member's contributions plus interest.

PERS Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component and member contributions finance a defined contribution component. As established by Chapter 41.34 RCW, employee contribution rates to the defined contribution component range from 5 percent to 15 percent of salaries, based on member choice. There are currently no requirements for employer contributions to the defined contribution component of PERS Plan 3.

PERS Plan 3 defined contribution retirement benefits are dependent upon the results of investment activities. Members may elect to self-direct the investment of their contributions. Any expenses incurred in conjunction with self-directed investments are paid by members. Absent a member's self-direction, PERS Plan 3 investments are made in the same portfolio as that of the PERS Plan 2/3 defined benefit plan.

For DRS' fiscal year 2012, PERS Plan 3 employee contributions were \$95.2 million and plan refunds paid out were \$66.2 million.

The defined benefit portion of PERS Plan 3 provides members a monthly benefit that is 1 percent of the AFC per year of service. The AFC is the monthly average of the 60 consecutive highest-paid service months. There is no cap on years of service credit and Plan 3 provides the same cost-of-living allowance as Plan 2.

Effective June 7, 2006, PERS Plan 3 members are vested in the defined benefit portion of their plan after 10 years of service; or after 5 years of service, if twelve months of that service are earned after the age of 44; or after 5 service credit years earned in PERS Plan 2 prior to June 1, 2003. Plan 3 members are immediately vested in the defined contribution portion of their plan.

Vested Plan 3 members are eligible for normal retirement at age 65, or they may retire early with the following conditions and benefits:

If they have at least ten service credit years and are 55 years old, the benefit is reduced by an ERF that varies with age, for each year before age 65.

If they have 30 years service credit years and are at least 55 years old, they have the choice of a benefit that is reduced by 3 percent for each year before age 65; or a benefit with a smaller (or no) reduction factor (depending on age) that imposes stricter return-to-work rules.

PERS Plan 3 defined benefit retirement benefits are also actuarially reduced if the member chooses a survivor option.

PERS Plan 2 and Plan 3 provide disability benefits. There is no minimum amount of service credit required for eligibility. The Plan 2 monthly benefit amount is 2 percent of the AFC per year of service.

For Plan 3, the monthly benefit amount is 1 percent of the AFC per year of service. These disability benefit amounts are actuarially reduced for each year that the member's age is less than 65, and to reflect the choice of a survivor option. There is no cap on years of service credit, and a cost-of-living allowance is granted (based on the Consumer Price Index) capped at 3 percent annually.

PERS Plan 2 and Plan 3 members may have up to ten years of interruptive military service credit, five years at no cost and five years that may be purchased by paying the required contributions.

PERS Plan 2 and Plan 3 members who become totally incapacitated for continued employment while serving in the military, or a surviving spouse or eligible child(ren), may request interruptive military service credit.

PERS Plan 2 and Plan 3 members can purchase up to 24 months of service credits lost because of an on-the-job injury.

PERS members may also purchase up to five years of additional service credit once eligible for retirement. This credit can only be purchased at the time of retirement and can be used only to provide the member with a monthly annuity that is paid in addition to the member's retirement benefit.

Beneficiaries of a PERS Plan 2 or Plan 3 member with ten years of service who is killed in the course of employment receive retirement benefits without actuarial reduction. This provision applies to any member killed in the course of employment on or after June 10, 2004, if found eligible by the Department of Labor and Industries.

A one-time duty-related death benefit is provided to the estate (or duly designated nominee) of a PERS member who dies in the line of service as a result of injuries sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of the member's covered employment, if found eligible by the Department of Labor and Industries.

There are 1,184 participating employers in PERS. Membership in PERS consisted of the following as of the latest actuarial valuation for the year ended June 30, 2011.

Retirees and Beneficiaries Receiving Benefits	79,363
Terminated Plan Members Entitled to But Not Yet Receiving Benefits	29,925
Active Plan Members Vested	105,578
Active Plan members Non-vested	<u>46,839</u>
Total	261,705

**Funding Policy:** Each biennium the State Pension Funding Council adopts PERS Plan 1 employer contribution rates, PERS Plan 2 employer and employee contribution rates, and Plan 3 employer contribution rates. Employee contribution rates for Plan 1 are established by statute at 6 percent for state agencies and local government employees, and at 7.5 percent for state government elected officials. The employer and employee contribution rates for Plan 2 and the employer contribution rate for Plan 3 are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. Under PERS Plan 3, contributions finance the defined benefit portion of the plan and member contributions finance the defined contribution portion. The Plan 3 employee contribution rates range from 5 percent to 15 percent, based on member choice. Two of the options are graduated rates dependent on the employee's age.

The required contribution rates expressed as a percentage of current-year covered payroll, as of December 31, 2012, are as follows:

	<u>PERS Plan 1</u>	<u>PERS Plan 2</u>	<u>PERS Plan 3</u>
Employer	7.21%	7.21%	7.21%
Employee	6.00%	4.640%	*variable 5%-15%

\*Employee contribution rates cannot be changed for Plan 3 participants unless the member changes employers.

Both the City and the employees made the required contributions. The City's required contributions for the years ended December 31 were as follows:

	<u>PERS Plan 1</u>	<u>PERS Plan 2</u>	<u>PERS Plan 3</u>
2012	\$6,735	\$279,503	\$31,242
2011	7,754	273,439	15,757
2010	3,445	205,597	8,929

### City of Burien Retirement Plan

**Plan Description:** The City Council established the City of Burien Retirement Plan, which is a defined contribution pension plan, effective March 1, 1993, in accordance with Internal Revenue Code Section 401(a). The plan was established as an alternative to the Social Security System and is administered by the International City Management Association (ICMA) Retirement Corporation, a private corporation.

Temporary employees are not eligible for participation in this plan and they contribute to the Social Security System.

**Funding Policy:** All regular employees are required to participate in the plan. Under this program employees contribute 6.2%, the same percentage as they would have paid into Social Security, into a tax-deferred account. The City contributes 5.85% into the employee account. This employer match is slightly less than would have been paid into Social Security. The difference is used to pay long-term disability insurance premiums. The plan document may be periodically amended by a majority vote of the participants and with City Council approval.

The pension benefits a participant will receive depend only on the amount contributed to the participant's account and earnings on investments of these contributions. Employees self-direct investments among various investment options for both employee and employer contributions. All contributions are invested in instruments arranged through the ICMA Retirement Corporation. The plan assets are not the property of the City and are not subject to the claims of the City's general creditors. The City is not required to report plan assets on the financial statements.

Employee contributions for retirement benefits are always 100% vested. Employer contributions are 23% vested until the completion of the first year of employment. After one year, employer contributions are 100% vested. Upon separation of service prior to retirement, all employee contributions may be withdrawn without regard to age. Employer contributions can be withdrawn according to the vesting schedule. Upon normal retirement age of 60, benefits can be distributed through several options offered by the ICMA Retirement Corporation.

As of December 31, 2012, there were sixty-six active members in the City of Burien Retirement Plan. The City's covered payroll for the year ended December 31, 2012, was \$4,313,804 out of total payroll of \$4,641,026. Employee contributions during the year totaled \$269,883. City contributions were \$254,647.

### NOTE 11. OTHER POST EMPLOYMENT BENEFITS

**Trust Description.** The City is a participating employer in the Association of Washington Cities Employee Benefit Trust (Trust), a cost-sharing multiple-employer welfare benefit plan administered by the Association of Washington Cities. The Trust provides medical benefits to certain eligible retired employees of participating employers and their eligible family members. Under Article VII of the Trust document, the trustees have the authority and power to amend the amount and nature of the medical and other benefits provided by the Trust. The Trust issues a publicly available financial report that includes financial statements and required supplementary information for the Trust. That report, along



with a copy of the Trust document, may be obtained by writing Trust at 1076 Franklin St. SE, Olympia, WA 98501-1346 or by calling 1-800-562-8981.

**Funding Policy.** The Trust provides that contribution requirements of participating employer and of participating employees, retirees and other beneficiaries, if any, are established and may be amended by the Board of Trustees of the Trust. Retirees of the City receiving medical benefits from the Trust contribute the following monthly amounts:

	Health First <u>1000</u>	Health First <u>2500</u>
Non-Medicare enrolled retiree coverage	\$ 789.14	\$ 689.11
Non-Medicare enrolled spouse coverage	795.57	693.66
Medicare enrolled retiree coverage	421.75	369.29
Medicare enrolled spouse coverage	433.48	378.30

Participating employers are not contractually required to contribute an assessed rate each year to non-LEOFF 1 retirees. The retiree pays 100% of the premium.

## NOTE 12. COMBINED AND CLOSED FUNDS

The City created no new funds in 2012. The Town Square Capital Projects Fund was closed at year-end 2011. In accordance with GASB Statement 54, the Art in Public Places Fund and the Capital Projects Reserve Fund were combined into the General Fund for reporting purposes. A worksheet follows, showing how these sub-funds were combined into the General Fund:

### General Fund Balance Sheet December 31, 2012

	General	Art In Public Places	Capital Projects Reserve	GASB 54 Gen Fund Total
<b>Assets</b>				
Cash and Cash Equivalents	\$ 6,148,658	\$ 33,491	\$ 654,645	\$ 6,836,794
Taxes Receivable:				
Current	409,077	-	15,773	424,850
Delinquent	233,966	-	-	233,966
Due From Other Governments	1,237,837	-	-	1,237,837
Restricted Cash and Cash Equivalents	12,534	-	-	12,534
Total Assets	<u>\$ 8,042,072</u>	<u>\$ 33,491</u>	<u>\$ 670,418</u>	<u>\$ 8,745,981</u>
<b>Liabilities and Fund Balance</b>				
Liabilities:				
Accounts Payable	\$ 1,067,276	\$ -	\$ -	\$ 1,067,276
401A Admin Fee Payable	12,534	-	-	12,534
Deposits Payable	222,202	-	-	222,202
Deferred Revenue	294,037	-	-	294,037
Total Liabilities	<u>\$ 1,596,049</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,596,049</u>
Fund Balance:				
Committed to:				
Arts Projects	\$ -	\$ 33,491	\$ -	\$ 33,491
Capital Projects	-	-	670,418	670,418
Assigned to:				
Other Purposes	293,754	-	-	293,754
Unassigned:	6,152,269	-	-	6,152,269
Total Fund Balances	<u>\$ 6,446,023</u>	<u>\$ 33,491</u>	<u>\$ 670,418</u>	<u>\$ 7,149,932</u>
Total Liabilities and Fund Balance	<u>\$ 8,042,072</u>	<u>\$ 33,491</u>	<u>\$ 670,418</u>	<u>\$ 8,745,981</u>

**City of Burien, Washington**  
**General Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Year Ended December 31, 2012**

	General	Art In Public Places	Capital Projects Reserve	GASB 54 Gen Fund Total
<b>Revenues</b>				
General Property Taxes	\$ 5,955,057	\$ -	\$ 661,851	\$ 6,616,908
Sales Tax	6,249,226	-	-	6,249,226
B & O	530,770	-	-	530,770
Utility Tax	3,149,631	-	-	3,149,631
Gambling & Other Taxes	491,342	-	-	491,342
Intergovernmental Revenue	2,304,255	-	-	2,304,255
Licenses & Permits	1,263,590	-	-	1,263,590
Charges for Services	977,135	-	-	977,135
Fines & Forfeitures	252,367	-	-	252,367
Investment Income	13,760	67	1,849	15,676
Miscellaneous	739,800	-	-	739,800
Total Revenues	<u>\$ 21,926,933</u>	<u>\$ 67</u>	<u>\$ 663,700</u>	<u>\$ 22,590,700</u>
<b>Expenditures</b>				
Current:				
General Government	\$ 4,484,834	\$ -	\$ -	\$ 4,484,834
Public Safety	10,018,788	-	-	10,018,788
Recreation	2,720,115	-	-	2,720,115
Physical Environment	547,405	-	-	547,405
Mental and Physical Health	11,897	-	-	11,897
Economic Development	1,595,062	-	-	1,595,062
Capital Outlay	18,837	12,000	-	30,837
Total Expenditures	<u>\$ 19,396,938</u>	<u>\$ 12,000</u>	<u>\$ -</u>	<u>\$ 19,408,938</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ 2,529,995</u>	<u>\$ (11,933)</u>	<u>\$ 663,700</u>	<u>\$ 3,181,762</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	\$ 159,000	\$ -	\$ -	\$ 159,000
Transfers (Out)	(142,771)	-	(1,196,005)	(1,338,776)
Total Other Financing Sources and Uses	<u>\$ 16,229</u>	<u>\$ -</u>	<u>\$ (1,196,005)</u>	<u>\$ (1,179,776)</u>
Net Change in Fund Balances	\$ 2,546,224	\$ (11,933)	\$ (532,305)	\$ 2,001,986
Fund Balances - Beginning	3,899,799	45,424	1,202,723	5,147,946
Fund Balances - Ending	<u>\$ 6,446,023</u>	<u>\$ 33,491</u>	<u>\$ 670,418</u>	<u>\$ 7,149,932</u>

**NOTE 13. JOINT VENTURE****SOUTH CORRECTIONAL ENTITY (SCORE)**

The South Correctional Entity (SCORE) consolidated correctional facility was established February 25, 2009, when an Interlocal Agreement (the "Original Interlocal Agreement") was entered into by seven participating municipal governments, the "Member Cities" of Auburn, Burien, Des Moines, Federal Way, Renton, SeaTac and Tukwila, under the authority of the "Interlocal Cooperation Act" (RCW 39.34). This "Original Interlocal Agreement" was amended and restated October 1, 2009 and named the City of Des Moines as the "Host City" and the remaining Member Cities as "Owner Cities". This Interlocal Agreement is known as the "Formation Interlocal Agreement". Pursuant to a separate "Host City Agreement" dated October 1, 2009, the Host City will not enjoy the same equity position as the Owner Cities until all debts issued are paid and the Host City fulfills all of its obligations as outlined in the Agreement.

SCORE, a governmental administrative agency pursuant to RCW 39.34.030 (3), has the power to acquire, construct, own, operate, maintain, equip, and improve a correctional facility known as the "SCORE Facility" and to provide correctional services and functions incidental thereto, for the purpose of detaining arrestees and sentenced offenders in the furtherance of public safety and emergencies within the jurisdiction of the Member Cities. The SCORE Facility may serve the Member Cities and Subscribing Agencies that are in need of correctional facilities. Any agreement with a Subscribing Agency shall be in writing and approved by SCORE as provided within the SCORE Formation Interlocal Agreement.

Financing for the acquisition, construction, equipping, and improvement of the SCORE Facility was provided by bonds issued by the South Correctional Entity Facility Public Development Authority (the "SCORE PDA"), a public development authority chartered by the City of Renton pursuant to RCW 35.21.730 through 35.21.755 and secured by the full faith and credit of the Cities of Auburn, Burien Federal Way, Renton, SeaTac, and Tukwila (the "Owner Cities"). The SCORE PDA issued \$86 million in special obligation bonds in 2009 to carry out the facility development project. The following is a summary of the debt service requirements for the bond issue:

Summary of Debt Service Requirements										
Debt Service Schedule					Debt Service Allocation to Owner Cities					
Year	Principal	Interest	35% BABs		Auburn	Burien	Federal Way	Renton	SeaTac	Tukwila
			Subsidy	Total	31%	4%	18%	36%	3%	8%
2013	\$ 1,915,000	\$ 5,126,998	\$ (1,675,089)	\$ 5,366,909	\$ 1,663,742	\$ 214,676	\$ 966,044	\$ 1,932,087	\$ 161,007	\$ 429,353
2014	1,950,000	5,066,566	(1,654,975)	5,361,591	1,662,093	214,464	965,086	1,930,173	160,848	428,927
2015	1,990,000	4,995,069	(1,632,787)	5,352,282	1,659,207	214,091	963,411	1,926,822	160,568	428,183
2016	2,065,000	4,911,886	(1,632,787)	5,344,099	1,656,671	213,764	961,938	1,923,876	160,323	427,528
2017	2,145,000	4,820,241	(1,621,980)	5,343,261	1,656,411	213,730	961,787	1,923,574	160,298	427,461
2018-2022	11,990,000	22,399,915	(7,748,350)	26,641,565	8,258,885	1,065,663	4,795,482	9,590,963	799,247	2,131,325
2023-2027	14,485,000	18,727,798	(6,710,481)	26,502,317	8,215,718	1,060,093	4,770,417	9,540,834	795,070	2,120,185
2028-2032	17,725,000	13,590,870	(4,959,695)	26,356,175	8,170,414	1,054,247	4,744,112	9,488,223	790,685	2,108,494
2033-2037	21,855,000	7,082,263	(2,731,829)	26,205,434	8,123,685	1,048,217	4,716,978	9,433,956	786,163	2,096,435
2038-2039	10,115,000	676,321	(353,824)	10,437,497	3,235,624	417,500	1,878,749	3,757,499	313,125	835,000
Totals	\$ 86,235,000	\$ 87,397,927	\$ (30,721,797)	\$ 142,911,130	\$ 44,302,450	\$ 5,716,445	\$ 25,724,004	\$ 51,448,007	\$ 4,287,334	\$ 11,432,891

The City of Burien reports its share of equity interest in the Governmental Activities column within the Government-wide financial statements under non-current assets. The following is condensed (unaudited) financial information as of December 31, 2012 related to SCORE:

South Correctional Entity (SCORE) 2012 Owner Cities Equity Allocation				
Member City	Percent of Equity	2011 Equity Balance	2012 Distribution	2012 Equity Balance
Auburn	31.00%	\$ 3,189,320	\$ (1,820,461)	\$ 1,368,859
Burien	4.00%	411,525	(234,898)	176,627
Federal Way	18.00%	1,851,863	(1,057,043)	794,820
Renton	36.00%	3,703,728	(2,114,084)	1,589,644
SeaTac	3.00%	308,643	(176,174)	132,469
Tukwila	8.00%	823,050	(469,796)	353,254
Grand Totals	100.00%	\$ 10,288,129	\$ (5,872,456)	\$ 4,415,673

Completed financial statements for SCORE and SCORE PDA can be obtained at SCORE, 20817 17th Avenue South, Des Moines, WA 98198.

**NOTE 14. BLENDED COMPONENT UNIT**

There is one blended component unit in the City's reporting entity. Beginning in 2011, the City Council created the Burien Transportation Benefit District. RCW 36.73.020 grants cities the authority to establish a Transportation Benefit District. The Transportation Benefit District's purpose is to acquire, construct, improve, provide, and fund transportation improvements within the District consistent with any existing state, regional, and local transportation plan. RCW 36.73.065 gives the District the authority to impose taxes, fees, charges and tolls. The District approved a \$10 registration fee effective January 1, 2011. It is imposed on vehicles registered within the district's boundaries.

The Transportation Benefit District is accounted for in fund 118, a Special Revenue Fund of the City of Burien. Financial reporting for this fund can be found in the Combining Statements located in the Fund Financial Statements and Schedules Section of this report.

**NOTE 15. RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The City participates and is a member of the Washington Cities Insurance Authority (WCIA), a public entity risk pool.

Utilizing Chapter 48.62 RCW (self-insurance regulation) and Chapter 39.34 RCW (Interlocal Cooperation Act), nine cities originally formed WCIA on January 1, 1981. WCIA was created for the purpose of providing a pooling mechanism for jointly purchasing insurance, jointly self-insuring, and/or jointly contracting for risk management services. WCIA has a total of 153 members. The City has been a member since its incorporation in 1993.

New members initially contract for a three-year term, and thereafter automatically renew on an annual basis. A one-year withdrawal notice is required before membership can be terminated. Termination does not relieve a former member from its unresolved loss history incurred during membership.

Liability coverage is written on an occurrence basis, without deductibles. Coverage includes general, automobile, police, public officials' errors or omissions, stop gap, and employee benefits liability. Limits are \$4 million per occurrence self-insured layer, and \$16 million per occurrence in the re-insured excess layer. The excess layer is insured by the purchase of reinsurance and insurance and is subject to aggregate limits. Total limits are \$20 million per occurrence subject to aggregate sub-limits in the excess layers. The Board of Directors determines the limits and terms of coverage annually.

Insurance coverage for property, automobile physical damage, fidelity, inland marine, and boiler and machinery are purchased on a group basis. Various deductibles apply by type of coverage. Property insurance and auto physical damage are self-funded from the members' deductible to \$750,000, for all perils other than flood and earthquake, and insured above that amount by the purchase of reinsurance.

In-house services include risk management consultation, loss control field services, claims and litigation administration, and loss analyses. WCIA contracts for the claims investigation consultants for personnel issues and land use problems, insurance brokerage, and lobbyist services.

WCIA is fully funded by its members, who make annual assessments on a prospectively rated basis, as determined by an outside, independent actuary. The assessment covers loss, loss adjustment, and administrative expenses. As outlined in the interlocal, WCIA retains the right to additionally assess the membership for any funding shortfall.

An investment committee, using investment brokers, produces additional revenues by investment of WCIA's assets in financial instruments which comply with all State guidelines.

A Board of Directors governs WCIA, which is comprised of one designated representative from each member. The Board elects an Executive Committee and appoints a Treasurer to provide general policy direction for the organization. The WCIA Executive Director reports to the Executive Committee and is responsible for conducting the day-to-day operations of WCIA.

In the past three years, there have been no settlements that have exceeded this coverage.

The City's industrial insurance is provided by the State of Washington and is administered by the Department of Labor and Industries. Coverage is purchased by means of standard rates per working hour and is computed by the total number of hours worked by employees multiplied by the basic premium rate assigned to the business risk classification.

The City's unemployment insurance is through Washington State Employment Security Department, which provides some compensation to workers who are temporarily and involuntarily unemployed.

The City provides medical, dental, vision and other health benefits to eligible employees. Premiums for these benefits are purchased through policies administered by the Association of Washington Cities.

#### **NOTE 16. CONTINGENCIES, LITIGATION AND SUBSEQUENT EVENT**

The City participates in federally assisted grant programs. These programs are subject to program compliance audits by the grantors and their representatives. The audits of these programs including the year ended December 31, 2012, have not yet been completed. Accordingly, the City's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

The City sued to exercise its right to re-acquire the undeveloped properties in the Town Square Development Area. The owners of the properties filed a counter-claim attempting to block this action. A mediation hearing was held on May 29, 2013, with the participating parties agreeing on a settlement agreement. This settlement provides for the City to reimburse the property owners for damages and fees in the amount of \$424,000. This liability has been accrued in the financial statements.



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## Nonmajor Governmental Funds

### Special Revenue Funds

Special revenue funds are used to account for specific revenue that are legally restricted to expenditures for particular purposes.

Public Works Reserve Fund - This fund was created to accumulate funds from various sources to provide funding for future capital projects. The major revenue source is Real Estate Excise Tax.

Transportation Benefit District Fund - This fund was created in 2011 to account for the activity of the Transportation Benefit District as a blended component unit of the city.

### Debt Service Funds

Debt Service Funds account for the accumulation of resources for, and the payment of general obligations and special assessment bonds.

Local Improvement Guaranty Fund - This fund was created to guaranty the repayment of a local improvement district's Public Works Trust Fund Loan with a transfer of funds from the Street Fund.

### Capital Projects Funds

Capital Project Funds account for the acquisition or construction of capital facilities. These funds are financed primarily by general obligation bonds, special assessments, federal and state grants and contributions from other funds.

Surface Water Management Capital Projects Fund - This fund was established to construct major surface water management facilities and improvements.

**City of Burien, Washington**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet**  
**December 31, 2012**

	Special Revenue		Debt Service	Capital Projects	Total Nonmajor Governmental Funds
	Public Works Reserve	Transportation Benefit District	LID Guaranty	Surface Water Management	
<b>Assets</b>					
Cash and Cash Equivalents	\$ 380,618	\$ 23,599	\$ 165,000	\$ 429,434	\$ 998,651
Due From Other Governments	-	-	-	324,695	324,695
<b>Total Assets</b>	<u>\$ 380,618</u>	<u>\$ 23,599</u>	<u>\$ 165,000</u>	<u>\$ 754,129</u>	<u>\$ 1,323,346</u>
<b>Liabilities and Fund Balance</b>					
Liabilities:					
Accounts Payable	\$ -	\$ -	\$ -	\$ 174,077	\$ 174,077
<b>Total Liabilities</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 174,077</u>	<u>\$ 174,077</u>
Fund Balance:					
Restricted:					
Other Capital Projects	\$ 380,618	\$ -	\$ -	\$ -	\$ 380,618
Debt Service	-	-	124,940	-	124,940
Assigned to:					
Street Maintenance	-	23,599	-	-	23,599
Debt Service	-	-	40,060	-	40,060
Surface Water Capital Projects	-	-	-	580,052	580,052
<b>Total Fund Balance</b>	<u>\$ 380,618</u>	<u>\$ 23,599</u>	<u>\$ 165,000</u>	<u>\$ 580,052</u>	<u>\$ 1,149,269</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 380,618</u>	<u>\$ 23,599</u>	<u>\$ 165,000</u>	<u>\$ 754,129</u>	<u>\$ 1,323,346</u>



**City of Burien, Washington**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance**  
**For the Year Ended December 31, 2012**

	Special Revenue		Debt Service	Capital Projects	Total Nonmajor Governmental Funds
	Public Works Reserve	Transportation Benefit District	LID Guaranty	Surface Water Management	
<b>Revenues</b>					
Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -
Real Estate Excise Tax	886,727	-	-	-	886,727
Intergovernmental	-	-	-	324,695	324,695
Charges for Services	10,487	324,959	-	-	335,446
Investment Income	628	140	-	645	1,413
Miscellaneous	-	-	-	-	-
Total revenues	<u>\$ 897,842</u>	<u>\$ 325,099</u>	<u>\$ -</u>	<u>\$ 325,340</u>	<u>\$ 1,548,281</u>
<b>Expenditures</b>					
Current:					
Physical Environment	\$ -	\$ -	\$ -	\$ 127,240	\$ 127,240
Capital Outlay	-	-	-	417,995	417,995
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 545,235</u>	<u>\$ 545,235</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ 897,842</u>	<u>\$ 325,099</u>	<u>\$ -</u>	<u>\$ (219,895)</u>	<u>\$ 1,003,046</u>
<b>Other Financing Sources (Uses)</b>					
Transfers In	\$ -	\$ -	\$ -	\$ 700,000	\$ 700,000
Transfers (Out)	<u>(703,000)</u>	<u>(301,500)</u>	<u>-</u>	<u>(403,855)</u>	<u>(1,408,355)</u>
Total Other Financing Sources and Uses	<u>\$ (703,000)</u>	<u>\$ (301,500)</u>	<u>\$ -</u>	<u>\$ 296,145</u>	<u>\$ (708,355)</u>
Net Change in Fund Balances	\$ 194,842	\$ 23,599	\$ -	\$ 76,250	\$ 294,691
Fund Balances - Beginning	<u>185,776</u>	<u>-</u>	<u>165,000</u>	<u>503,802</u>	<u>854,578</u>
Fund Balances - Ending	<u><u>\$ 380,618</u></u>	<u><u>\$ 23,599</u></u>	<u><u>\$ 165,000</u></u>	<u><u>\$ 580,052</u></u>	<u><u>\$ 1,149,269</u></u>

**City of Burien, Washington**  
**Public Works Reserve Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances-Budget and Actual**  
**For the Year Ended December 31, 2012**

	<u>Budget</u>		Actual Amounts	Variance with Final Budget- Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Real Estate Excise Tax	\$ 800,000	\$ 650,000	\$ 886,727	\$ 236,727
Charges for Services	15,000	15,000	10,487	(4,513)
Investment Income	3,000	3,000	628	(2,372)
Total Revenues	<u>\$ 818,000</u>	<u>\$ 668,000</u>	<u>\$ 897,842</u>	<u>\$ 229,842</u>
<b>Expenditures</b>				
Current:	\$ -	\$ -	\$ -	\$ -
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ 818,000</u>	<u>\$ 668,000</u>	<u>\$ 897,842</u>	<u>\$ 229,842</u>
<b>Other Financing</b>				
<b>Sources (Uses)</b>				
Transfers (Out)	\$ (803,000)	\$ (703,000)	\$ (703,000)	\$ -
Total Other Financing Sources (Uses)	<u>\$ (803,000)</u>	<u>\$ (703,000)</u>	<u>\$ (703,000)</u>	<u>\$ -</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ 15,000	\$ (35,000)	\$ 194,842	\$ 229,842
Fund Balances - Beginning	<u>18,691</u>	<u>116,620</u>	<u>185,776</u>	<u>69,156</u>
Fund Balances - Ending	<u><u>\$ 33,691</u></u>	<u><u>\$ 81,620</u></u>	<u><u>\$ 380,618</u></u>	<u><u>\$ 298,998</u></u>

**City of Burien, Washington**  
**Transportation Benefit District Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances-Budget and Actual**  
**For the Year Ended December 31, 2012**

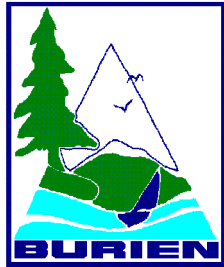
	Budget		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Vehicle License Fees	\$ 300,000	\$ 300,000	\$ 324,959	\$ 24,959
Investment Income	1,500	1,500	140	(1,360)
Total Revenues	\$ 301,500	\$ 301,500	\$ 325,099	\$ 23,599
<b>Expenditures</b>				
Total Expenditures	\$ -	\$ -	\$ -	\$ -
Excess of Revenues Over (Under) Expenditures	\$ 301,500	\$ 301,500	\$ 325,099	\$ 23,599
<b>Other Financing Sources (Uses)</b>				
Transfers (Out)	\$ (301,500)	\$ (301,500)	\$ (301,500)	\$ -
Total Other Financing Sources (Uses)	\$ (301,500)	\$ (301,500)	\$ (301,500)	\$ -
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ -	\$ -	\$ 23,599	\$ 23,599
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	\$ -	\$ -	\$ 23,599	\$ 23,599

**City of Burien, Washington**  
**LID Guaranty Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances-Budget and Actual**  
**For the Year Ended December 31, 2012**

	Budget		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>	\$ -	\$ -	\$ -	\$ -
Total Revenues	\$ -	\$ -	\$ -	\$ -
 <b>Expenditures</b>				
Current:	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ -	\$ -	\$ -	\$ -
Excess of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -
 <b>Other Financing Sources (Uses)</b>				
Transfers In	\$ -	\$ -	\$ -	\$ -
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ -	\$ -	\$ -	\$ -
Fund Balance - Beginning	165,000	165,000	165,000	-
Fund Balance - Ending	\$ 165,000	\$ 165,000	\$ 165,000	\$ -

**City of Burien, Washington**  
**Debt Service Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances-Budget and Actual**  
**For the Year Ended December 31, 2012**

	Budget		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ -	\$ 119,000	\$ 118,811	\$ (189)
Charges for Services	48,164	48,164	48,165	1
Special Assessment Principal	116,000	116,000	86,498	(29,502)
Investment Income	-	-	176	176
Special Assessment Penalties and Interest	-	-	6,224	6,224
Total Revenues	\$ 164,164	\$ 283,164	\$ 259,874	\$ (23,290)
<b>Expenditures</b>				
Public Works Trust Fund Loan Principal	\$ 302,225	\$ 302,225	\$ 302,225	\$ -
G.O. Bond Principal	900,000	1,145,000	1,145,000	-
Interest & Fiscal Charges	834,871	1,258,121	1,140,081	(118,040)
Total Expenditures	\$ 2,037,096	\$ 2,705,346	\$ 2,587,306	\$ (118,040)
Excess of Revenues Over (Under) Expenditures	\$ (1,872,932)	\$ (2,422,182)	\$ (2,327,432)	\$ 94,750
<b>Other Financing</b>				
<b>Sources (Uses)</b>				
Transfers In	\$ 1,929,500	\$ 2,411,500	\$ 2,343,276	\$ (68,224)
Total Other Financing Sources (Uses)	\$ 1,929,500	\$ 2,411,500	\$ 2,343,276	\$ (68,224)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ 56,568	\$ (10,682)	\$ 15,844	\$ 26,526
Fund Balances - Beginning	5,562	90,628	89,587	(1,041)
Fund Balances - Ending	\$ 62,130	\$ 79,946	\$ 105,431	\$ 25,485



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**Statistical Section  
December 31, 2012**

This part of the Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City of Burien's overall financial health. The section is divided into five categories based on the following:

**Financial Trends:** These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Schedule 1	Net Position by Component	6-2
Schedule 2	Changes in Net Position	6-4
Schedule 3	Fund Balances, Governmental Funds	6-6
Schedule 4	Changes in Fund Balances, Governmental Funds	6-8
Schedule 5	Tax Revenues by Source, Governmental Funds	6-10

**Revenue Capacity:** These schedules present information to help the reader assess the City's most significant local revenue sources – property taxes and sales taxes.

Schedule 6	Principal Taxpayers - Property Taxes	6-11
Schedule 7	Assessed Value by Type	6-12
Schedule 8	Direct and Overlapping Property Tax Rates	6-14
Schedule 9	Property Tax Levies & Collections	6-16
Schedule 10	Sales Tax Collections by Sector	6-18

**Debt Capacity:** These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Schedule 11	Ratios of Outstanding Debt by Type	6-20
Schedule 12	Computation of Legal Debt Margin & Ratios	6-21
Schedule 13	Ratios of Net General Bonded Debt Outstanding	6-22
Schedule 14	Direct and Overlapping Governmental Activities Debt	6-23

**Demographic and Economic:** These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

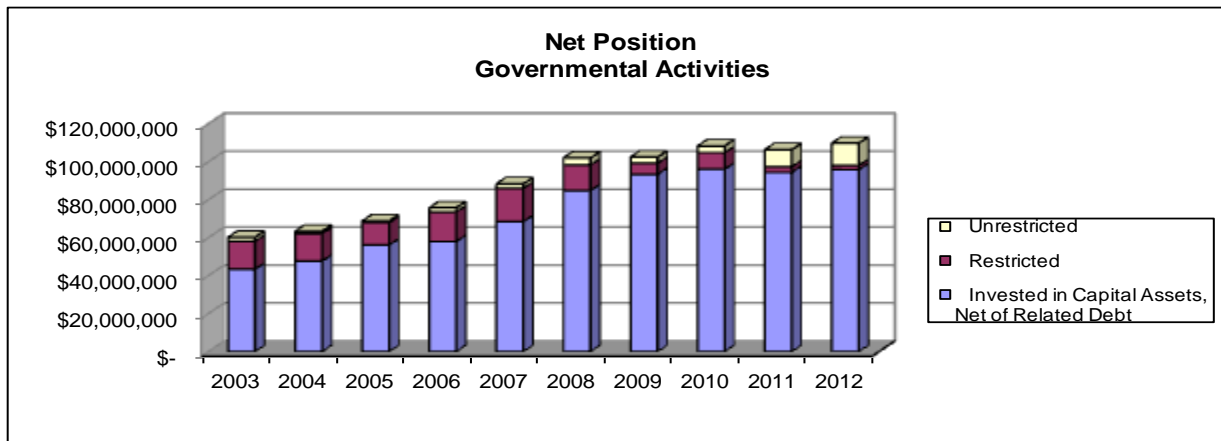
Schedule 15	Demographic and Economic Statistics	6-24
Schedule 16	Principal Employers	6-25

**Operating Information:** These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

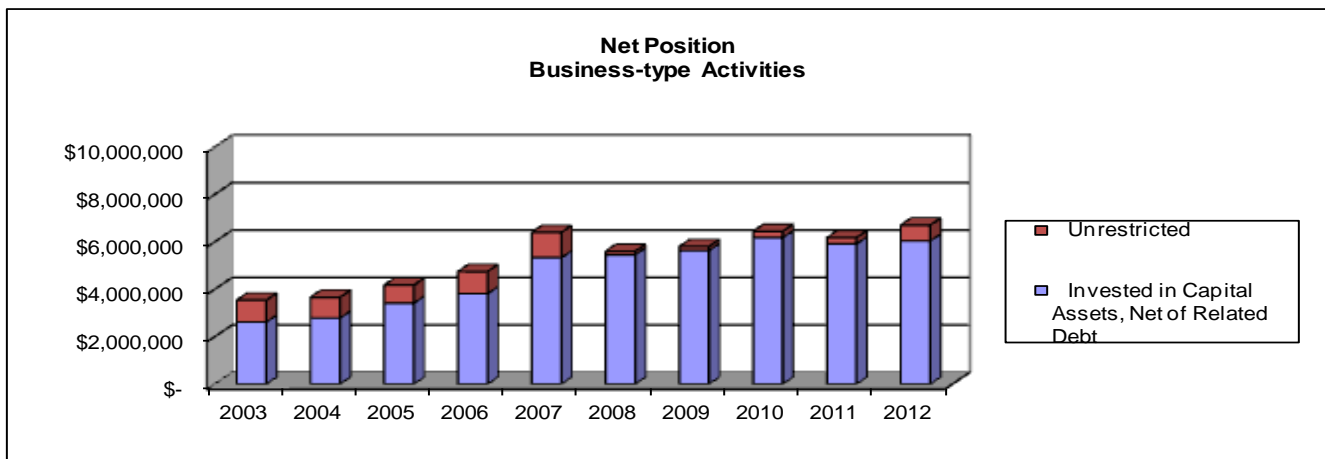
Schedule 17	Full Time Equivalent Employees by Function	6-26
Schedule 18	Operating Indicators by Department	6-28
Schedule 19	Capital Indicators by Department	6-30

**Schedule 1  
Net Position by Component  
Last Ten Fiscal Years**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Governmental Activities</b>										
Invested in Capital Assets, Net of Related Debt	\$ 43,546,130	\$ 47,794,329	\$ 56,250,350	\$ 58,093,061	\$ 68,572,792	\$ 84,983,988	\$ 93,522,178	\$ 96,277,930	\$ 94,556,265	\$ 95,980,110
Restricted	14,666,623	14,474,011	11,777,207	15,556,586	17,617,873	13,423,818	5,782,283	8,641,935	2,996,149	2,217,091
Unrestricted	2,041,689	1,160,862	845,605	2,178,828	2,259,558	3,687,935	3,237,190	3,502,537	8,866,329	11,684,423
<b>Total Governmental Activities Net Position</b>	<b>\$ 60,254,442</b>	<b>\$ 63,429,202</b>	<b>\$ 68,873,162</b>	<b>\$ 75,828,475</b>	<b>\$ 88,450,223</b>	<b>\$ 102,095,741</b>	<b>\$ 102,541,651</b>	<b>\$ 108,422,402</b>	<b>\$ 106,418,743</b>	<b>\$ 109,881,624</b>



	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Business-type Activities</b>										
Invested in Capital Assets, Net of Related Debt	\$ 2,621,101	\$ 2,789,960	\$ 3,421,756	\$ 3,819,583	\$ 5,336,187	\$ 5,455,883	\$ 5,638,102	\$ 6,178,060	\$ 5,918,785	\$ 6,043,691
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	917,860	873,687	753,162	928,910	1,062,208	147,692	163,911	266,381	258,279	664,347
<b>Total Business-type Activities Net Position</b>	<b>\$ 3,538,961</b>	<b>\$ 3,663,647</b>	<b>\$ 4,174,918</b>	<b>\$ 4,748,493</b>	<b>\$ 6,398,395</b>	<b>\$ 5,603,575</b>	<b>\$ 5,802,013</b>	<b>\$ 6,444,441</b>	<b>\$ 6,177,064</b>	<b>\$ 6,708,038</b>

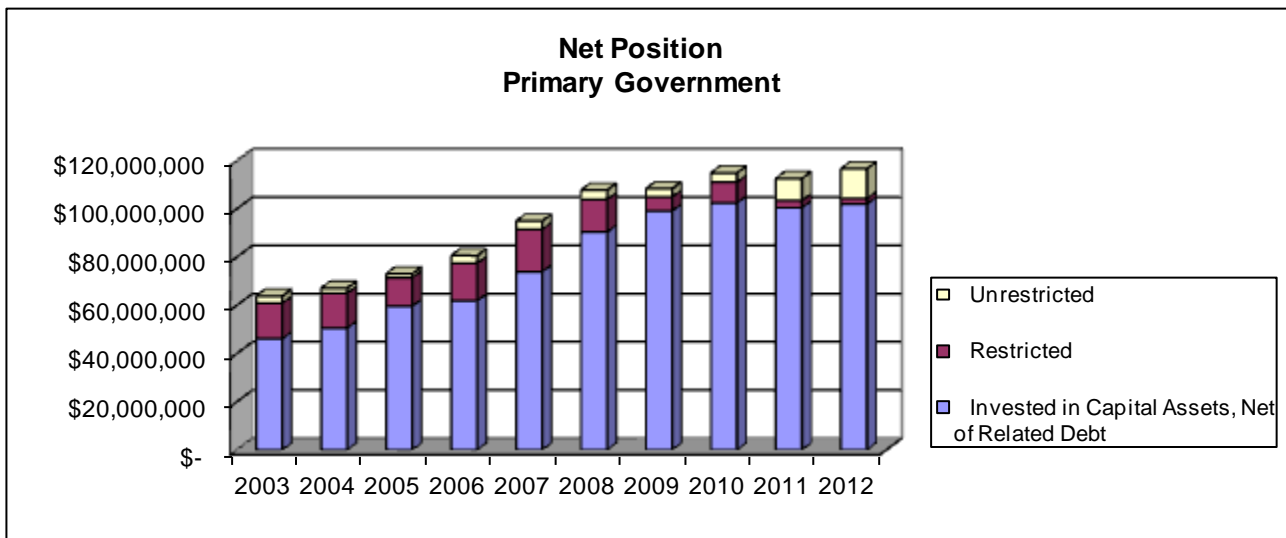


Source: City of Burien Finance Department



**Schedule 1  
Net Position by Component  
Last Ten Fiscal Years  
(continued)**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Primary Government</b>										
Invested in Capital Assets, Net of Related Debt	\$ 46,167,231	\$ 50,584,289	\$ 59,672,106	\$ 61,912,644	\$ 73,908,979	\$ 90,439,871	\$ 99,160,280	\$ 102,455,990	\$ 100,475,050	\$ 102,023,801
Restricted	14,666,623	14,474,011	11,777,207	15,556,586	17,617,873	13,423,818	5,782,283	8,641,935	2,996,149	2,217,091
Unrestricted	2,959,549	2,034,549	1,598,767	3,107,738	3,321,766	3,835,627	3,401,101	3,768,918	9,124,608	12,348,770
<b>Total Primary Government Net Position</b>	<b>\$ 63,793,403</b>	<b>\$ 67,092,849</b>	<b>\$ 73,048,080</b>	<b>\$ 80,576,968</b>	<b>\$ 94,848,618</b>	<b>\$ 107,699,316</b>	<b>\$ 108,343,664</b>	<b>\$ 114,866,843</b>	<b>\$ 112,595,807</b>	<b>\$ 116,589,662</b>



Source: City of Burien Finance Department

**Schedule 2**  
**Changes in Net Position**  
**Last Ten Fiscal Years**

	Fiscal Year									
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>Expenses</b>										
Governmental Activities:										
General Government	\$ 2,771,760	\$ 2,951,940	\$ 2,717,477	\$ 3,214,768	\$ 3,511,643	\$ 4,301,319	\$ 3,445,149	\$ 4,364,535	\$ 5,357,042	\$ 4,551,848
Judicial	223,500	252,951	243,846	265,336	239,385	236,123	454,344	488,330	682,282	626,862
Security of Persons and Property	5,822,347	6,414,285	6,732,456	6,973,540	7,278,229	7,457,624	7,376,981	9,181,710	10,013,892	10,259,523
Physical Environment	182,332	188,712	169,743	201,119	292,817	405,561	644,205	580,156	619,813	571,646
Transportation	2,907,494	3,671,190	3,496,991	3,817,317	4,384,302	4,670,274	5,336,579	7,744,105	6,769,161	7,426,951
Economic Development	1,241,659	1,102,345	1,236,388	1,292,505	1,336,188	1,551,828	1,904,957	1,351,931	1,449,570	1,595,928
Mental and Physical Health	52,898	55,773	52,995	6,676	7,333	7,274	8,856	10,391	11,274	11,897
Culture and Recreation	1,821,347	1,937,012	2,237,990	2,312,841	2,488,481	2,590,110	2,653,889	3,162,760	3,218,432	3,265,142
Interest on Long-term Debt	168,023	148,232	135,118	162,993	500,609	502,459	488,960	597,646	885,197	1,111,758
<b>Total Governmental Activities Expenses</b>	<b>\$ 15,191,360</b>	<b>\$ 16,722,440</b>	<b>\$ 17,023,004</b>	<b>\$ 18,247,095</b>	<b>\$ 20,038,987</b>	<b>\$ 21,722,572</b>	<b>\$ 22,313,920</b>	<b>\$ 27,481,564</b>	<b>\$ 29,006,663</b>	<b>\$ 29,421,555</b>
Business-type Activities:										
Storm Water	1,017,830	952,761	997,661	968,228	1,048,450	1,100,780	1,276,992	1,534,689	1,787,608	1,820,983
<b>Total Business-type Activities Expenses</b>	<b>\$ 1,017,830</b>	<b>\$ 952,761</b>	<b>\$ 997,661</b>	<b>\$ 968,228</b>	<b>\$ 1,048,450</b>	<b>\$ 1,100,780</b>	<b>\$ 1,276,992</b>	<b>\$ 1,534,689</b>	<b>\$ 1,787,608</b>	<b>\$ 1,820,983</b>
<b>Total Primary Government Expenses</b>	<b>\$ 16,209,190</b>	<b>\$ 17,675,201</b>	<b>\$ 18,020,665</b>	<b>\$ 19,215,323</b>	<b>\$ 21,087,437</b>	<b>\$ 22,823,352</b>	<b>\$ 23,590,912</b>	<b>\$ 29,016,253</b>	<b>\$ 30,794,271</b>	<b>\$ 31,242,538</b>
<b>Program Revenues</b>										
Governmental Activities:										
Charges for Services										
General Government	\$ 816,684	\$ 865,467	\$ 822,824	\$ 868,005	\$ 823,749	\$ 727,145	\$ 822,322	\$ 1,376,229	\$ 1,152,091	\$ 2,441,503
Judicial	-	54,046	19,566	7,138	4,682	4,703	231,341	374,706	351,054	230,165
Security of Persons and Property	61,893	55	110	-	2,104	-	-	-	-	-
Physical Environment	356	372	3,663	25,767	931	223,089	536	6,014	68,322	55,715
Transportation	105,206	128,167	594,313	231,467	116,789	915,307	185,707	246,870	339,954	2,409,223
Economic Environment	859,831	513,185	824,601	1,259,430	1,329,150	1,253,287	916,319	698,606	953,552	978,459
Mental and Physical Health	16,106	15,161	-	-	-	-	-	-	-	-
Culture and Recreation	375,274	386,366	400,999	399,039	485,075	476,056	519,539	576,896	629,822	668,644
Operating Grants and Contributions	1,637,106	2,019,889	1,951,238	3,402,495	2,771,773	4,356,547	4,077,745	3,199,708	3,159,909	3,351,870
Capital Grants and Contributions	3,787,176	2,435,313	3,655,869	3,121,363	11,821,699	10,186,732	1,427,409	9,388,375	1,618,263	4,242,134
<b>Total Governmental Activities Program Revenues</b>	<b>\$ 7,659,632</b>	<b>\$ 6,418,021</b>	<b>\$ 8,273,183</b>	<b>\$ 9,314,704</b>	<b>\$ 17,355,952</b>	<b>\$ 18,142,866</b>	<b>\$ 8,180,918</b>	<b>\$ 15,867,404</b>	<b>\$ 8,272,967</b>	<b>\$ 14,377,713</b>
Business-type Activities:										
Charges for Services										
Storm Water	1,285,884	1,282,132	1,555,745	1,571,544	1,631,203	1,729,442	1,936,479	2,301,075	2,451,319	2,551,690
Operating Grants and Contributions	-	-	-	-	-	7,977	-	-	96,294	163,465
Capital Grants and Contributions	-	-	-	-	-	95,000	-	394,182	-	-
<b>Total Business-type Activities Program Revenues</b>	<b>\$ 1,285,884</b>	<b>\$ 1,282,132</b>	<b>\$ 1,555,745</b>	<b>\$ 1,571,544</b>	<b>\$ 1,631,203</b>	<b>\$ 1,832,419</b>	<b>\$ 1,936,479</b>	<b>\$ 2,695,257</b>	<b>\$ 2,547,613</b>	<b>\$ 2,715,155</b>
<b>Total Primary Government Program Revenues</b>	<b>\$ 8,945,516</b>	<b>\$ 7,700,153</b>	<b>\$ 9,828,928</b>	<b>\$ 10,886,248</b>	<b>\$ 18,987,155</b>	<b>\$ 19,975,285</b>	<b>\$ 10,117,397</b>	<b>\$ 18,562,661</b>	<b>\$ 10,820,580</b>	<b>\$ 17,092,868</b>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (7,531,728)	\$ (10,304,419)	\$ (8,749,821)	\$ (8,932,391)	\$ (2,683,035)	\$ (3,579,706)	\$ (14,133,002)	\$ (11,614,160)	\$ (20,733,696)	\$ (15,043,842)
Business-type Activities	268,054	329,371	558,084	603,316	582,753	731,639	659,487	1,160,568	760,005	894,172
<b>Total Primary Government Net Expense</b>	<b>\$ (7,263,674)</b>	<b>\$ (9,975,048)</b>	<b>\$ (8,191,737)</b>	<b>\$ (8,329,075)</b>	<b>\$ (2,100,282)</b>	<b>\$ (2,848,067)</b>	<b>\$ (13,473,515)</b>	<b>\$ (10,453,592)</b>	<b>\$ (19,973,691)</b>	<b>\$ (14,149,670)</b>

**Source: City of Burien Finance Department**

**Schedule 2**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(continued)**

	Fiscal Year									
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
Taxes										
Property Taxes	\$ 3,837,341	\$ 4,051,825	\$ 4,256,885	\$ 5,030,230	\$ 5,127,319	\$ 5,296,290	\$ 5,438,426	\$ 7,268,281	\$ 7,081,681	\$ 6,759,220
Sales Taxes	4,472,489	4,715,981	4,816,460	5,208,554	5,789,088	5,652,874	4,734,585	5,101,336	5,875,089	6,249,226
B & O and Utility taxes	2,131,978	2,436,905	2,649,508	2,835,828	3,089,486	3,197,015	3,224,821	3,336,895	3,389,936	3,680,401
Other Taxes	1,640,490	1,833,136	1,922,414	2,167,986	1,942,576	1,139,338	652,366	1,240,213	1,330,211	1,428,506
Grants & Contributions not Restricted to Specific Programs	200,117	-	-	-	-	-	-	-	-	-
Unrestricted Investment Earnings	175,867	218,257	468,386	560,895	862,694	381,608	65,022	28,013	24,482	24,461
Gain/(Loss) on Sale of Capital Assets	-	-	-	-	(439,231)	-	-	-	-	-
Transfers	(76,182)	223,075	80,128	84,211	-	1,558,099	463,692	520,173	1,028,638	364,909
<b>Total Governmental Activities</b>	<b>\$ 12,382,100</b>	<b>\$ 13,479,179</b>	<b>\$ 14,193,781</b>	<b>\$ 15,887,704</b>	<b>\$ 16,371,932</b>	<b>\$ 17,225,224</b>	<b>\$ 14,578,912</b>	<b>\$ 17,494,911</b>	<b>\$ 18,730,037</b>	<b>\$ 18,506,723</b>
Business-type Activities:										
Grants & Contributions not Restricted to Specific Programs	13,798	18,390	33,315	54,470	59,905	31,640	2,643	2,033	1,256	1,711
Gain/(Loss) on Sale of Capital Assets	-	-	-	-	(7,439)	-	-	-	-	-
Transfers	76,182	(223,075)	(80,128)	(84,211)	1,014,683	(1,558,099)	(463,692)	(520,173)	(1,028,638)	(364,909)
<b>Total Business-type Activities</b>	<b>\$ 89,980</b>	<b>\$ (204,685)</b>	<b>\$ (46,813)</b>	<b>\$ (29,741)</b>	<b>\$ 1,067,149</b>	<b>\$ (1,526,459)</b>	<b>\$ (461,049)</b>	<b>\$ (518,140)</b>	<b>\$ (1,027,382)</b>	<b>\$ (363,198)</b>
<b>Total Primary Government</b>	<b>\$ 12,472,080</b>	<b>\$ 13,274,494</b>	<b>\$ 14,146,968</b>	<b>\$ 15,857,963</b>	<b>\$ 17,439,081</b>	<b>\$ 15,698,765</b>	<b>\$ 14,117,863</b>	<b>\$ 16,976,771</b>	<b>\$ 17,702,655</b>	<b>\$ 18,143,525</b>
<b>Change in Net Position</b>										
Governmental Activities	\$ 4,850,372	\$ 3,174,760	\$ 5,443,960	\$ 6,955,313	\$ 13,688,897	\$ 13,645,518	\$ 445,910	\$ 5,880,751	\$ (2,003,659)	\$ 3,462,881
Business-type Activities	358,034	124,686	511,271	573,575	1,649,902	(794,820)	198,438	642,428	(267,377)	530,974
<b>Total Primary Government</b>	<b>\$ 5,208,406</b>	<b>\$ 3,299,446</b>	<b>\$ 5,955,231</b>	<b>\$ 7,528,888</b>	<b>\$ 15,338,799</b>	<b>\$ 12,850,698</b>	<b>\$ 644,348</b>	<b>\$ 6,523,179</b>	<b>\$ (2,271,036)</b>	<b>\$ 3,993,855</b>

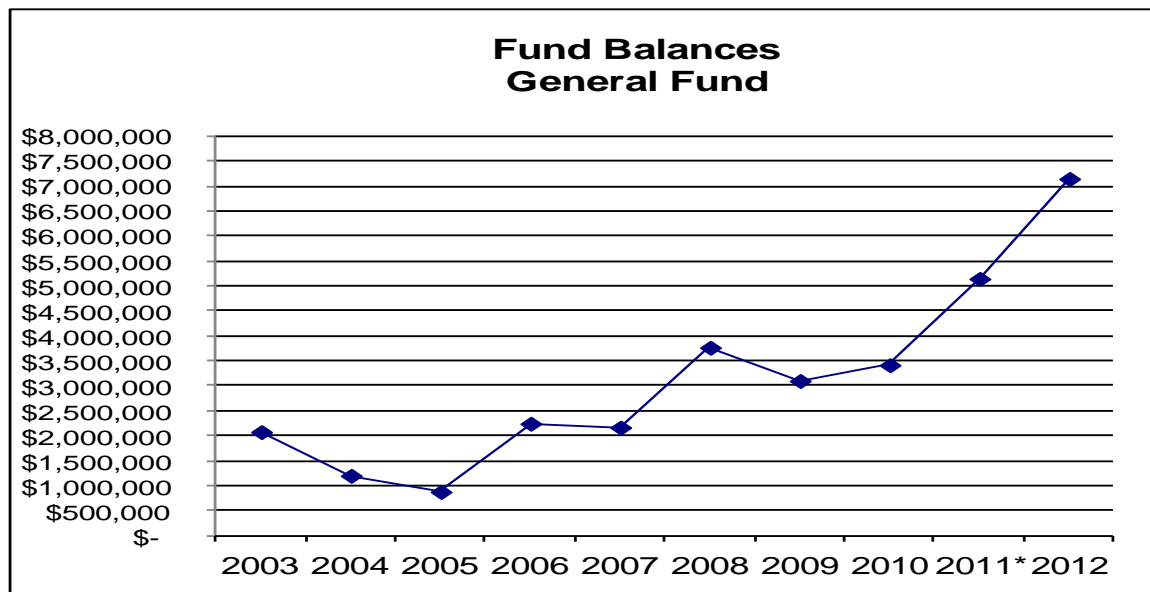
**Source: City of Burien Finance Department**

**Schedule 3  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years**

	<u>2003</u>		<u>2004</u>		<u>2005</u>		<u>2006</u>		<u>2007</u>
<b>General Fund</b>									
Nonspendable	\$ -		\$ -		\$ -		\$ -		\$ -
Restricted	-		-		-		-		-
Committed	-		-		-		-		-
Assigned	-		-		-		-		-
Unassigned	-		-		-		-		-
Reserved	16,354		-		-		-		-
Unrestricted	2,061,943		1,202,844		879,363		2,246,260		2,168,985
<b>Total General Fund</b>	<b>\$ 2,078,297</b>		<b>\$ 1,202,844</b>		<b>\$ 879,363</b>		<b>\$ 2,246,260</b>		<b>\$ 2,168,985</b>

<b>All Other Governmental Funds</b>									
Nonspendable	\$ -		\$ -		\$ -		\$ -		\$ -
Restricted	-		-		-		-		-
Committed	-		-		-		-		-
Assigned	-		-		-		-		-
Unassigned	-		-		-		-		-
Reserved	-		-		-		-		-
Unrestricted, reported in:									
Special Revenue Funds	3,353,952		4,826,774		3,431,536		2,714,618		2,737,367
Debt Service Funds	147,757		179,983		250,835		262,140		169,874
Capital Project Funds	10,218,102		8,616,043		7,363,931		11,799,595		13,993,444
<b>Total All Other Governmental Funds</b>	<b>\$ 13,719,811</b>		<b>\$ 13,622,800</b>		<b>\$ 11,046,302</b>		<b>\$ 14,776,353</b>		<b>\$ 16,900,685</b>

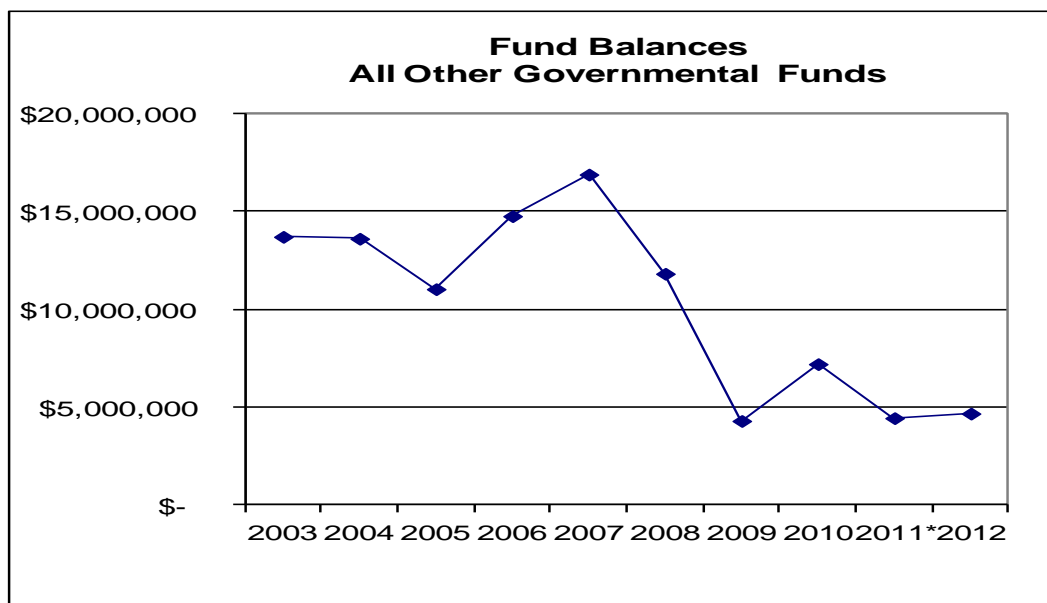
\* recategorization of fund balances starting in 2011 to comply with GASB 54.



Source: City of Burien Finance Department

**Schedule 3  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011*</u>	<u>2012</u>
<b>General Fund</b>					
Nonspendable	\$ -	\$ -	\$ -	\$ 3,480	\$ -
Restricted	-	-	-	-	-
Committed	-	-	-	1,248,147	703,909
Assigned	-	-	-	127,907	293,754
Unassigned	-	-	-	3,768,412	6,152,269
Reserved	-	-	-	-	-
Unrestricted	3,768,613	3,102,449	3,418,177	-	-
<b>Total General Fund</b>	<b>\$ 3,768,613</b>	<b>\$ 3,102,449</b>	<b>\$ 3,418,177</b>	<b>\$ 5,147,946</b>	<b>\$ 7,149,932</b>
<b>All Other Governmental Funds</b>					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	1,484,215	825,558
Unassigned	-	-	-	-	-
Reserved	-	-	-	2,975,413	3,883,193
Unrestricted, reported in:	-	-	-	-	-
Special Revenue Funds	1,151,402	1,342,006	2,001,837	-	-
Debt Service Funds	103,916	232,767	178,686	-	-
Capital Project Funds	10,577,804	2,740,321	5,037,701	-	(16,659)
<b>Total all other governmental funds</b>	<b>\$ 11,833,122</b>	<b>\$ 4,315,094</b>	<b>\$ 7,218,224</b>	<b>\$ 4,459,628</b>	<b>\$ 4,692,092</b>



Source: City of Burien Finance Department

**Schedule 4**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**

Page 1 of 2

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<b>Revenues</b>					
Taxes	\$ 11,956,694	\$ 13,049,998	\$ 13,628,926	\$ 15,285,611	\$ 15,775,296
Licenses and Permits	1,035,781	1,036,920	1,084,921	1,394,510	1,431,306
Intergovernmental	4,675,593	4,346,065	5,289,263	6,577,103	14,592,405
Charges for Services	794,866	632,507	1,306,884	1,094,863	1,161,931
Fines	80,410	81,880	78,846	60,900	46,308
Special Assessments	52,405	80,873	120,526	58,501	49,689
Contributions	21,156	2,000	5,355	13,845	-
Interest	175,867	218,449	468,694	561,035	802,921
Miscellaneous	363,460	318,650	507,888	170,849	126,610
<b>Total Revenues</b>	<b>\$ 19,156,232</b>	<b>\$ 19,767,342</b>	<b>\$ 22,491,303</b>	<b>\$ 25,217,217</b>	<b>\$ 33,986,466</b>
<b>Expenditures</b>					
General Government	\$ 2,645,265	\$ 3,093,365	\$ 2,800,272	\$ 3,349,414	\$ 3,633,946
Security of Persons and Property	6,021,350	6,401,898	6,718,075	6,956,408	7,261,097
Physical Environment	160,590	980,036	169,743	201,119	292,817
Transportation	1,320,292	1,753,530	1,523,327	1,530,098	1,676,784
Economic Development	1,152,531	166,551	1,129,808	1,297,941	1,242,025
Mental and Physical Health	52,898	55,773	52,995	6,676	7,333
Culture and Recreation	1,673,811	1,774,666	2,104,891	2,138,852	2,264,176
Capital Outlay	7,271,300	6,398,202	11,003,340	14,790,490	21,864,642
Debt Service:					
Principal	402,001	472,001	301,955	306,955	621,955
Interest	148,516	150,051	135,621	132,115	507,199
<b>Total Expenditures</b>	<b>\$ 20,848,554</b>	<b>\$ 21,246,073</b>	<b>\$ 25,940,027</b>	<b>\$ 30,710,068</b>	<b>\$ 39,371,974</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>\$ (1,692,322)</b>	<b>\$ (1,478,731)</b>	<b>\$ (3,448,724)</b>	<b>\$ (5,492,851)</b>	<b>\$ (5,385,508)</b>
<b>Other Financing Sources (Uses)</b>					
Proceeds from Sale of Capital Assets	\$ -	\$ -	\$ -	\$ -	\$ 4,716,552
Transfers In	8,980,903	5,245,827	10,047,015	6,476,451	6,357,420
Transfers Out	(8,562,133)	(4,739,290)	(9,498,271)	(5,882,367)	(5,737,557)
Proceeds of Long-term Debt	2,440,016	-	-	9,995,715	2,096,150
Payment to Refunded Bond Escrow Agent	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 2,858,786</b>	<b>\$ 506,537</b>	<b>\$ 548,744</b>	<b>\$ 10,589,799</b>	<b>\$ 7,432,565</b>
<b>Net Change in Fund Balances</b>	<b>\$ 1,166,464</b>	<b>\$ (972,194)</b>	<b>\$ (2,899,980)</b>	<b>\$ 5,096,948</b>	<b>\$ 2,047,057</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>					
	4.05%	4.19%	2.93%	2.76%	6.45%

Source: City of Burien Finance Department

## Schedule 4

Page 2 of 2

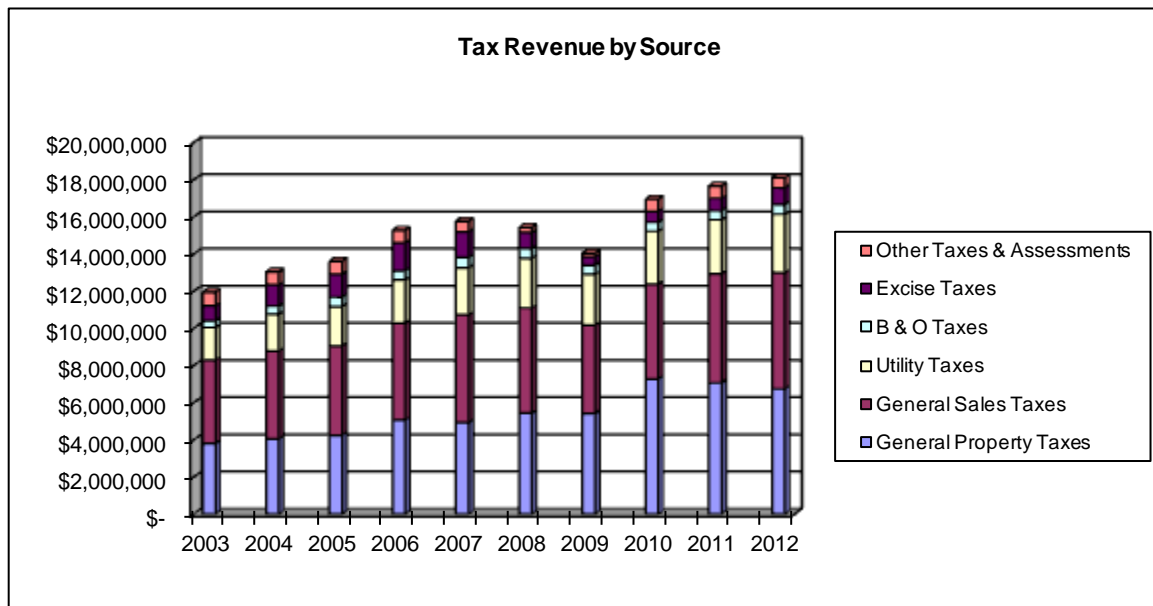
**Changes in Fund Balances, Governmental Funds  
Last Ten Fiscal Years - (continued)**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>Revenues</b>					
Taxes	\$ 15,446,916	\$ 14,016,723	\$ 16,964,353	\$ 17,608,180	\$ 18,060,523
Licenses and Permits	1,478,569	1,122,043	1,203,414	1,766,269	1,759,549
Intergovernmental	13,544,957	5,384,309	4,199,152	4,568,322	7,690,858
Charges for Services	2,034,042	1,231,027	1,003,754	1,326,715	3,474,416
Fines	50,841	281,586	413,523	365,952	252,367
Interfund revenues	-	-	-	-	-
Special Assessments	115,324	115,651	97,470	91,058	86,498
Contributions	-	-	-	-	-
Interest	380,207	77,449	28,200	24,185	24,018
Miscellaneous	41,000	36,631	579,929	42,545	1,208,724
<b>Total Revenues</b>	<b>\$ 33,091,856</b>	<b>\$ 22,265,419</b>	<b>\$ 24,489,795</b>	<b>\$ 25,793,226</b>	<b>\$ 32,556,953</b>
<b>Expenditures</b>					
General Government	\$ 4,454,315	\$ 3,859,719	\$ 4,156,636	\$ 4,719,055	\$ 4,484,834
Security of Persons and Property	7,442,974	7,575,198	9,156,830	10,685,772	10,018,788
Physical Environment	405,561	644,205	580,156	744,791	674,645
Transportation	1,579,884	1,853,404	3,281,688	1,846,820	1,362,791
Economic Development	1,499,453	1,796,853	1,329,356	1,445,874	1,595,062
Mental and Physical Health	7,274	8,856	10,391	11,274	11,897
Culture and Recreation	2,359,512	2,415,119	2,708,974	2,768,412	2,752,246
Capital Outlay	19,720,970	11,806,302	7,945,176	10,052,250	7,614,434
Debt Service:					
Principal	739,308	780,558	892,225	1,262,225	1,447,225
Interest	513,639	501,065	577,867	917,319	1,140,081
<b>Total Expenditures</b>	<b>\$ 38,722,890</b>	<b>\$ 31,241,279</b>	<b>\$ 30,639,299</b>	<b>\$ 34,453,792</b>	<b>\$ 31,102,003</b>
Excess of Revenues Over (Under) Expenditures	\$ (5,631,034)	\$ (8,975,860)	\$ (6,149,504)	\$ (8,660,566)	\$ 1,454,950
<b>Other Financing Sources (Uses)</b>					
Proceeds from Sale of Capital Assets	\$ 5,000	\$ -	\$ -	\$ -	\$ -
Transfers In	7,946,811	2,339,482	4,088,674	4,233,250	3,606,131
Transfers Out	(6,388,712)	(1,663,467)	(3,407,428)	(3,255,750)	(2,826,631)
Proceeds of Long-term Debt	600,000	-	8,687,116	8,970,155	-
Payment to Refunded Bond Escrow Agent	-	-	-	(2,018,065)	-
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 2,163,099</b>	<b>\$ 676,015</b>	<b>\$ 9,368,362</b>	<b>\$ 7,929,590</b>	<b>\$ 779,500</b>
<b>Net Change in Fund Balances</b>	<b>\$ (3,467,935)</b>	<b>\$ (8,299,845)</b>	<b>\$ 3,218,858</b>	<b>\$ (730,976)</b>	<b>\$ 2,234,450</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	6.59%	6.59%	6.48%	8.93%	11.02%

Source: City of Burien Finance Department

### Schedule 5 Tax Revenues by Source, Governmental Funds Last Ten Fiscal Years

Fiscal Year	General Property Taxes	General Sales Taxes <sup>2</sup>	Utility Taxes	Business & Occupation Taxes	Excise Taxes	Other Taxes and Assessments <sup>3</sup>	Total Taxes
2003	3,825,625	4,472,489	1,766,603	365,375	797,093	729,509	11,956,694
2004	4,063,976	4,715,981	1,991,748	445,157	1,136,873	696,263	13,049,998
2005	4,240,544	4,816,460	2,122,267	517,392	1,223,157	709,106	13,628,926
2006	5,073,243	5,208,554	2,335,831	499,997	1,489,234	678,752	15,285,611
2007	4,954,146	5,789,088	2,523,736	565,750	1,367,656	574,920	15,775,296
2008	5,457,689	5,652,874	2,670,766	526,249	859,233	280,105	15,446,916
2009	5,438,426	4,734,585	2,743,039	481,782	459,056	193,309	14,050,197
2010	7,285,909	5,101,336	2,853,809	483,086	587,121	653,092	16,964,353
2011	7,081,681	5,875,089	2,903,076	486,860	667,741	662,470	17,676,917
2012	6,759,220	6,249,226	3,149,631	530,770	886,727	541,779	18,117,353
<b>Change</b>							
2003-2012	76.7%	39.7%	78.3%	45.3%	11.2%	-25.7%	51.5%





Sources: City of Burien Finance Department  
King County Office of Financial Management

Schedule 6  
Principal Property Tax Payers

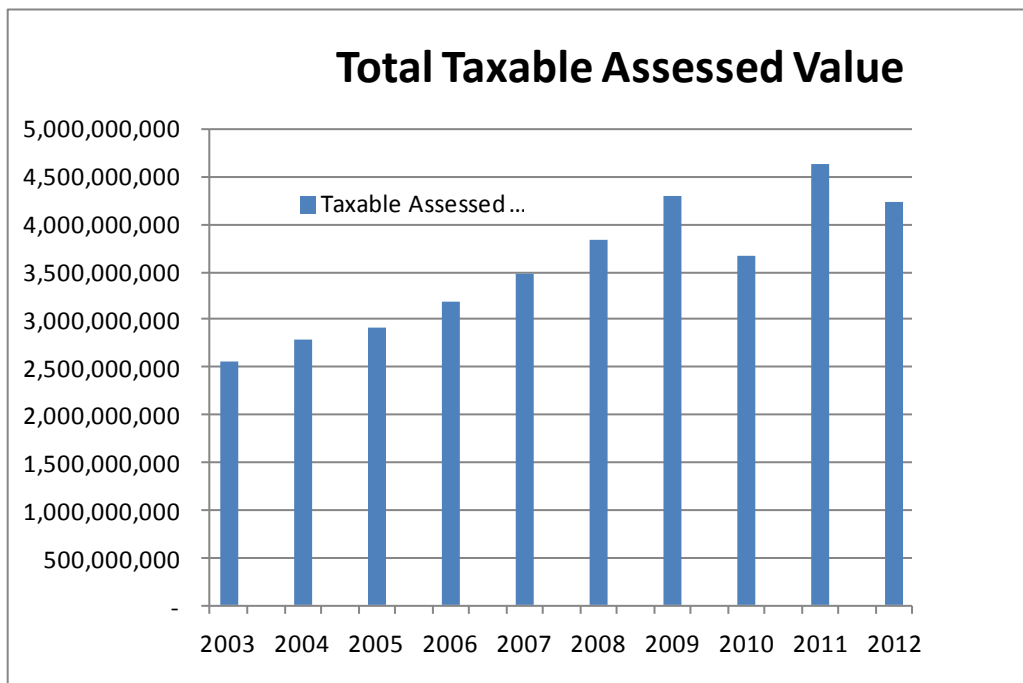
TAXPAYER	2012			2003		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL TAXABLE ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL TAXABLE ASSESSED VALUE
Vintage Park Partners	\$ 30,834,000	1	0.74%	\$ 24,834,400	2	0.97%
A T&T	25,448,836	2	0.61%	20,262,386	3	0.79%
Burien Plaza LLC	22,258,800	3	0.53%	15,289,200	5	0.60%
Qwest Corporation	19,921,604	4	0.48%	26,913,886	1	1.05%
Powell-Five Corners Assoc.	15,670,600	5	0.38%	9,100,400	8	0.35%
Burien Town Plaza LLC	14,961,400	6	0.36%	11,507,600	6	0.45%
Fred Meyer	14,210,500	7	0.34%	16,315,548	4	0.64%
MG South Hills Apts.	12,545,000	8	0.30%	10,051,000	7	0.39%
Puget Sound Energy	12,389,584	9	0.30%	6,906,815	10	0.27%
Maple Point-126	8,924,000	10	0.21%	7,257,000	9	0.28%
Burien Development Group	6,541,200	11	0.16%	6,513,200	11	0.25%
Burien Toyota	5,723,400	12	0.14%	3,816,246	16	0.15%
HCH Specialty Center <sup>1</sup>	5,093,600	13	0.12%	4,820,200	15	0.19%
Des Moines Way Co.	4,990,400	14	0.12%	5,242,500	13	0.20%
Burien Health Care Realty	4,000,000	15	0.14%	2,560,400	17	0.10%
Albertsons	3,810,700	16	0.09%	5,358,456	12	0.21%
All Others	3,965,534,057		95.03%	2,392,058,737		93.12%
<b>Total Assessed Valuation</b>	<b>\$ 4,172,857,681</b>		<b>100.00%</b>	<b>\$ 2,568,807,974</b>		<b>100.00%</b>

Note<sup>1</sup>: HCH Specialty Center applied for non-profit exemption for two of their parcels. In August 2007, they were granted exemption for the two parcels and therefore are no longer taxable.

Source: King County Department of Assessments

**Schedule 7  
Assessed Value and Actual Value of Taxable Property  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Real Property</b>	<b>Personal Property</b>	<b>Public Utilities</b>	<b>Total Assessed Value</b>	<b>Total Direct Tax Rate</b>
2003	2,494,310,245	41,894,501	32,603,228	2,568,807,974	1.48462
2004	2,708,432,153	41,806,088	42,958,973	2,793,197,214	1.44756
2005	2,838,657,786	40,814,631	43,294,795	2,922,767,212	1.47443
2006	3,109,763,255	48,184,807	29,782,487	3,187,730,549	1.60056
2007	3,377,993,328	56,744,617	35,713,227	3,470,451,166	1.50806
2008	3,754,785,884	53,833,456	36,525,259	3,845,144,599	1.39132
2009	4,212,964,074	55,290,643	35,056,572	4,303,311,289	1.26467
2010	3,580,133,188	54,401,316	31,078,381	3,665,612,885	1.52034
2011	4,525,470,270	57,948,096	43,395,005	4,626,813,371	1.55513
2012	4,120,048,552	54,401,218	50,940,246	4,225,390,016	1.60000



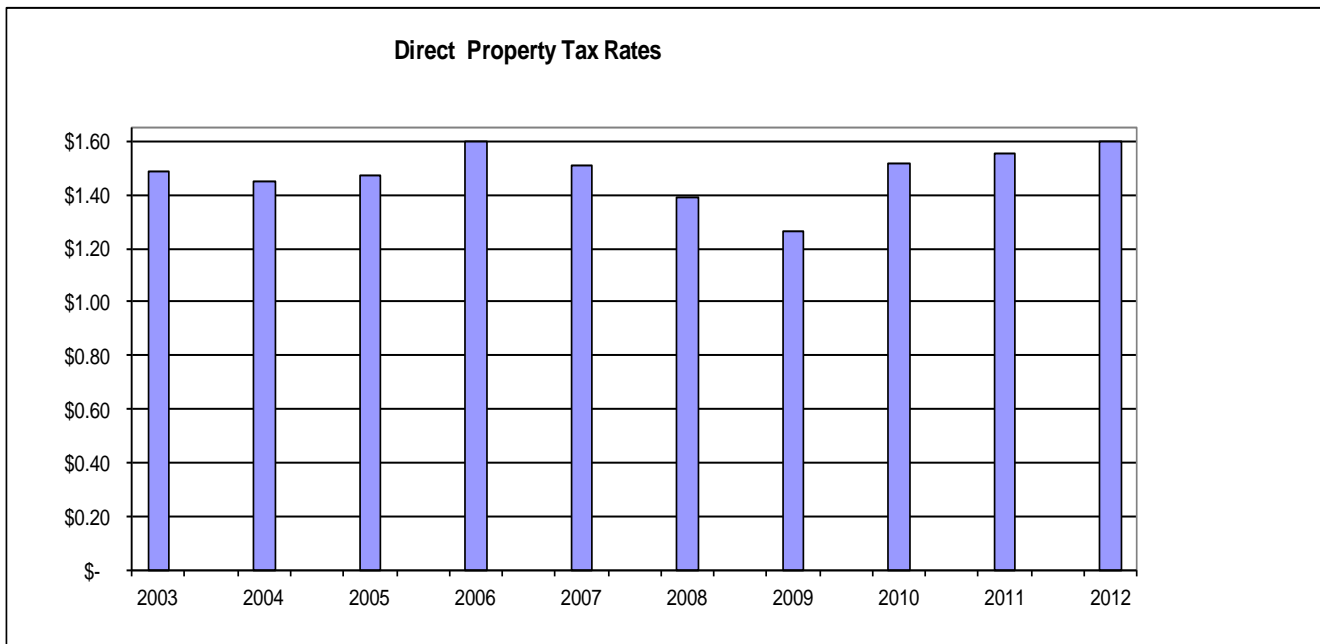
Source: King County Department of Assessments



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**Schedule 8  
Direct and Overlapping Property Tax Rates  
Last Ten Fiscal Years**

Fiscal Year	City of Burien	Fire District			King County		
	Operating Millage	Operating Millage	Debt Service Millage	Total Fire Dist Millage	Operating Millage	Debt Service Millage	Total County Millage
2003	1.48462	1.50000	0.00000	1.50000	1.21011	0.13937	1.34948
2004	1.44756	1.40472	0.00000	1.40472	1.24201	0.18945	1.43146
2005	1.47443	1.50000	0.00000	1.50000	1.21456	0.16773	1.38229
2006	1.60056	1.50000	0.00000	1.50000	1.15403	0.17466	1.32869
2007	1.50806	1.50000	0.00000	1.50000	1.13949	0.15007	1.28956
2008	1.39132	1.50000	0.00000	1.50000	1.08919	0.11851	1.20770
2009	1.26467	1.43583	0.00000	1.43583	0.99517	0.10255	1.09772
2010	1.52034	1.50000	0.40275	1.90275	1.21089	0.07410	1.28499
2011	1.55513	1.50000	0.40233	1.90233	1.26609	0.07207	1.33816
2012	1.60000	1.50000	0.43614	1.93614	1.34460	0.07128	1.41588



Sources: City of Burien Finance Department

## King County Assessor's Office, Codes and Levies

## Schedule 8

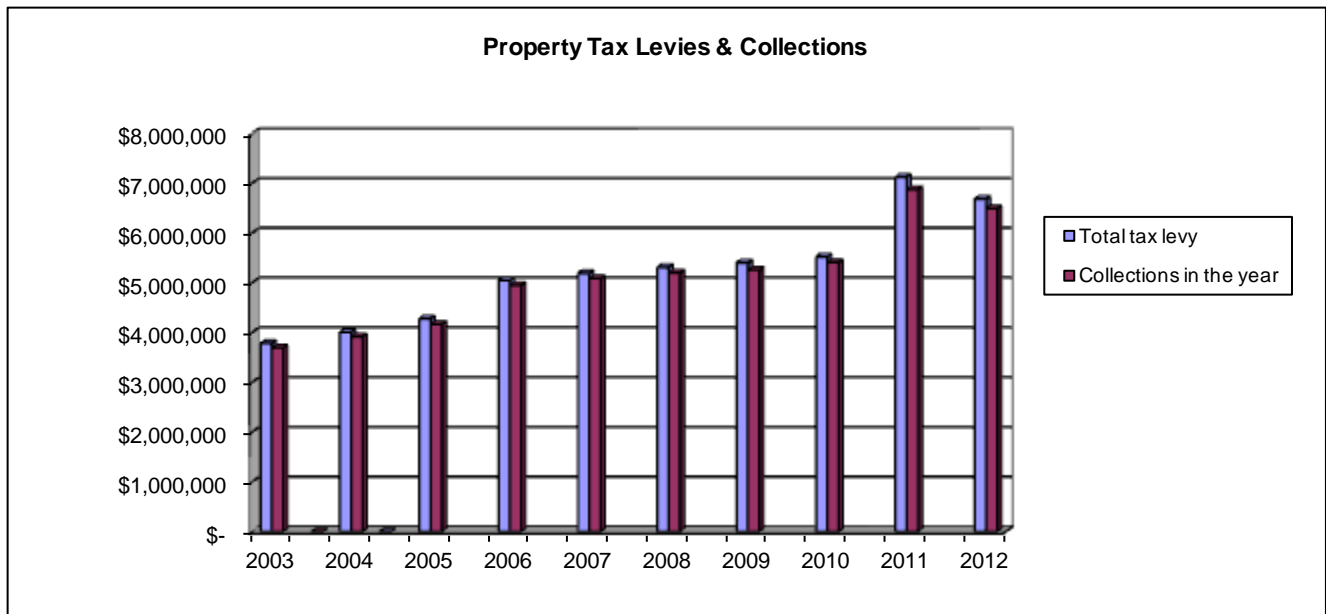
## Direct and Overlapping Property Tax Rates (cont'd)

## Last Ten Fiscal Years

School District #401			Library			Washington State	Special Districts	Total
Operating Millage	Debt Service Millage	Total School Dist. Millage	Operating Millage	Debt Service Millage	Total Library Millage	State Schools	Port, EMS Flood & Ferry	
2.64203	1.46935	4.11138	0.50000	0.04568	0.54568	2.89680	0.50038	12.38834
2.58072	1.39933	3.98005	0.49246	0.04407	0.53653	2.75678	0.49119	12.04829
2.53844	1.7325	4.27094	0.48288	0.04967	0.53255	2.68951	0.48503	12.33475
2.47405	1.67125	4.1453	0.45884	0.0754	0.53424	2.49787	0.45312	12.05978
2.32172	1.71036	4.03208	0.43295	0.06732	0.50027	2.32535	0.43779	11.59311
2.2452	1.78975	4.03495	0.39186	0.0615	0.45336	2.13233	0.67859	11.39825
2.16911	1.7156	3.88471	0.36118	0.05618	0.41736	1.96268	0.61245	10.67542
2.63804	1.72698	4.36502	0.42188	0.06338	0.48526	2.22253	0.62459	12.40548
2.84903	1.7942	4.64323	0.50000	0.06621	0.56621	2.27990	0.63702	12.92198
3.40126	1.74569	5.14695	0.50000	0.06992	0.56992	2.42266	0.64970	13.74125

**Schedule 9  
Property Tax Levies & Collections  
Last Ten Fiscal Years**

Fiscal Year	Total Tax Levy	<u>Collected within Fiscal Year</u>		Collections in Subsequent Years	<u>Collections to Date</u>	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2003	3,779,677	3,693,440	97.72%	86,170	3,779,610	100.00%
2004	4,005,574	3,916,881	97.79%	88,441	4,005,322	99.99%
2005	4,275,394	4,168,080	97.49%	911	4,168,991	97.51%
2006	5,048,830	4,947,525	97.99%	100,235	5,047,760	99.98%
2007	5,184,678	5,085,653	98.09%	98,435	5,184,088	99.99%
2008	5,306,349	5,197,215	97.94%	107,958	5,305,173	99.98%
2009	5,397,125	5,258,160	97.43%	116,453	5,374,613	99.58%
2010	5,518,390	5,404,321	97.93%	93,313	5,497,634	99.62%
2011	7,120,424	6,873,887	96.54%	102,985	6,976,872	97.98%
2012	6,677,911	6,489,140	97.17%	-	6,489,140	97.17%



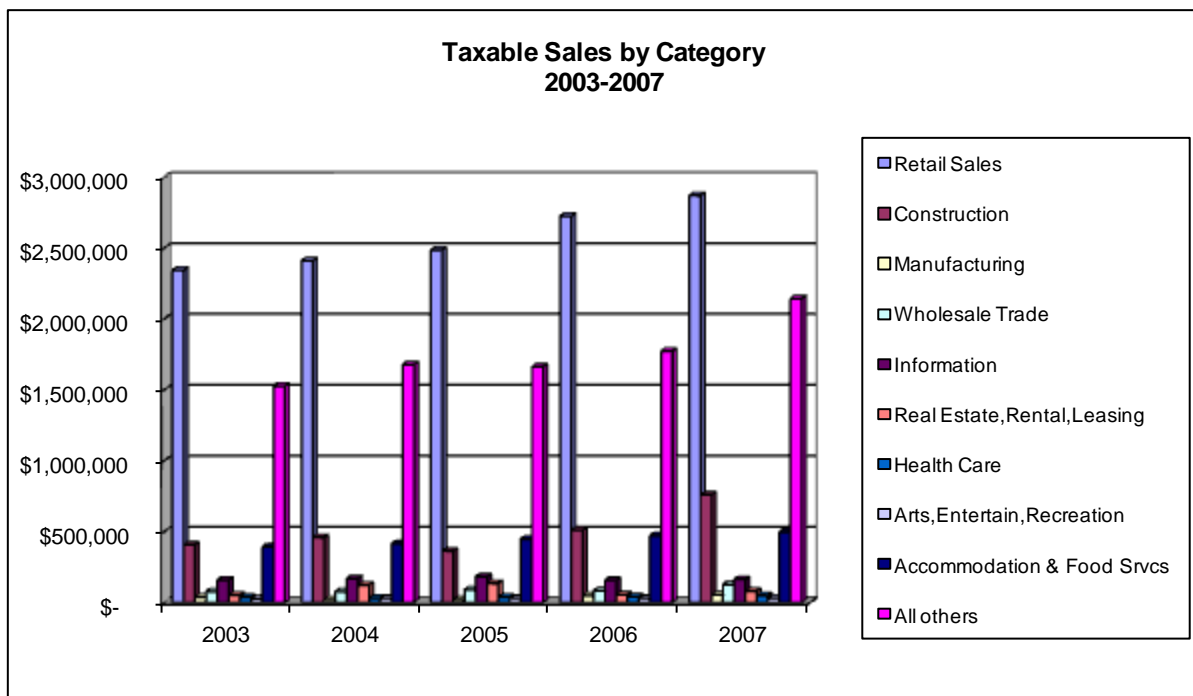
Sources: King County Department of Assessments  
City of Burien Finance Department



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**Schedule 10  
Sales Tax Collections by Sector\*  
Last Ten Fiscal Years**

	2003	2004	2005	2006	2007
<b>RETAIL TRADE</b>					
Vehicle and Parts Dealer	\$ 1,253,785	\$ 1,287,156	\$ 1,319,803	\$ 1,460,690	\$ 1,539,517
General Merchandise Stores	289,238	305,095	304,571	313,979	343,209
Food & Beverage Stores	228,551	211,022	220,236	244,606	254,986
Misc Store Retailers	164,074	180,488	203,882	259,676	286,092
Health & Personal Care	133,908	130,901	132,085	129,032	140,315
Other Retail	275,298	296,782	305,956	317,870	307,072
<b>Subtotal Retail</b>	<b>\$ 2,344,854</b>	<b>\$ 2,411,444</b>	<b>\$ 2,486,533</b>	<b>\$ 2,725,853</b>	<b>\$ 2,871,191</b>
<b>OTHER CATEGORIES</b>					
Construction	\$ 406,805	\$ 459,266	\$ 364,012	\$ 511,606	\$ 759,568
Manufacturing	38,788	21,478	20,924	49,653	54,925
Wholesale Trade	77,422	77,233	90,605	84,891	127,232
Information	158,146	168,776	183,831	156,806	163,382
Real Estate, Rental, Leasing	52,281	123,687	134,814	56,215	80,059
Health Care Assistance	36,515	31,712	38,780	41,076	49,886
Arts, Entertain, Recreation	28,295	30,073	29,975	29,750	30,399
Accommod & Food Srvc	393,148	414,342	446,957	471,534	497,836
All Other Categories	335,531	352,104	352,757	371,547	381,071
<b>Subtotal Other</b>	<b>\$ 1,526,931</b>	<b>\$ 1,678,671</b>	<b>\$ 1,662,655</b>	<b>\$ 1,773,078</b>	<b>\$ 2,144,358</b>
<b>Total Sales Tax Collected</b>	<b>\$ 3,871,785</b>	<b>\$ 4,090,115</b>	<b>\$ 4,149,188</b>	<b>\$ 4,498,931</b>	<b>\$ 5,015,549</b>



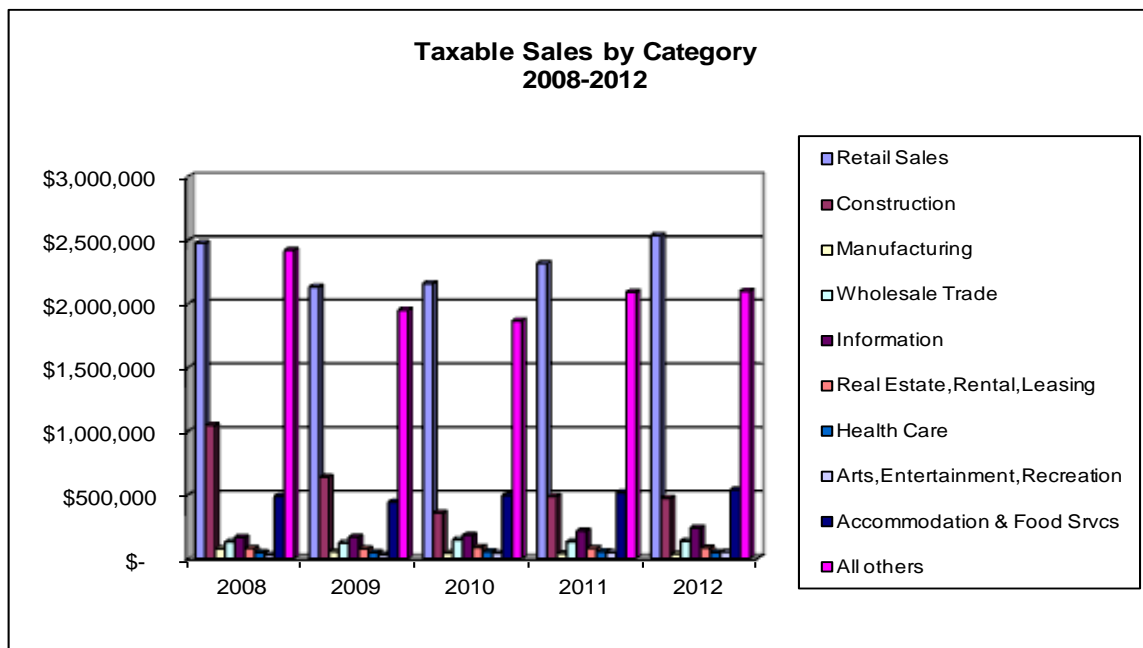
Source: City of Burien Finance Department  
Microflex Software & Financial Solutions

\*Only includes the .85% sales tax received for general governmental purposes.



**Schedule 10  
Sales Tax Collections by Sector \*  
Last Ten Fiscal Years  
(continued)**

	2008	2009	2010	2011	2012
<b>RETAIL TRADE</b>					
Vehicle and Parts Dealer	\$ 1,206,451	\$ 949,307	\$ 973,789	\$ 1,078,777	\$ 1,265,107
General Merchandise Stores	362,069	359,315	370,659	397,970	416,551
Food & Beverage Stores	251,873	248,636	276,296	275,695	266,217
Misc Store Retailers	273,214	370,630	318,023	313,208	326,071
Health & Personal Care	136,682	97,967	97,673	101,043	108,316
Other Retail	247,225	107,660	124,439	152,813	156,194
<b>Subtotal Retail</b>	<b>\$ 2,477,514</b>	<b>\$ 2,133,515</b>	<b>\$ 2,160,879</b>	<b>\$ 2,319,506</b>	<b>\$ 2,538,456</b>
<b>OTHER CATEGORIES</b>					
Construction	\$ 1,046,693	\$ 640,972	\$ 358,112	\$ 486,510	\$ 473,876
Manufacturing	76,262	54,296	40,960	37,601	35,957
Wholesale Trade	130,617	120,277	147,249	133,079	136,835
Information	164,905	167,846	181,753	215,108	239,466
Real Estate, Rental, Leasing	78,706	76,093	88,679	79,760	81,927
Health Care Assistance	44,668	44,824	53,817	54,036	44,612
Arts, Entertain, Recreation	28,516	29,306	42,946	46,842	50,533
Accommod & Food Svcs	488,362	443,414	495,575	516,644	540,077
All Other Categories	362,695	374,673	458,467	521,435	497,333
<b>Subtotal Other</b>	<b>\$ 2,421,424</b>	<b>\$ 1,951,701</b>	<b>\$ 1,867,558</b>	<b>\$ 2,091,015</b>	<b>\$ 2,100,616</b>
<b>Total Sales Tax Collected</b>	<b>\$ 4,898,938</b>	<b>\$ 4,085,216</b>	<b>\$ 4,028,437</b>	<b>\$ 4,410,521</b>	<b>\$ 4,639,072</b>



Sources: City of Burien Finance Department

Microflex Software & Financial Solutions

\* Only includes the .85% sales tax received for general governmental purposes.

**Schedule 11**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year	Governmental Activities			Business-type Activities		Total Primary Government Debt	Percentage of Personal Income	Net Bonded Debt per Capita
	General Obligation Bonds	Special Assessment Debt	Public Works Trust Fund Loan	Public Works Trust Fund Loan				
2003	3,270,000	1,000,000	2,318,015	-	-	6,588,015	0.47%	\$ 209.28
2004	2,970,000	950,000	2,196,014	-	-	6,116,014	0.40%	\$ 196.47
2005	2,850,000	897,222	2,066,837	-	-	5,814,059	0.38%	\$ 187.31
2006	12,530,000	844,444	1,937,660	-	-	15,312,104	0.94%	\$ 492.67
2007	12,090,000	1,491,666	2,508,483	696,150	-	16,786,299	0.96%	\$ 534.43
2008	11,615,000	1,697,712	2,638,129	1,490,005	-	17,440,846	0.96%	\$ 552.98
2009	14,579,400	1,588,134	2,452,150	1,411,524	-	20,031,208	1.16%	\$ 628.13
2010	22,604,400	1,475,221	2,262,837	1,328,493	-	27,670,951	1.09%	\$ 599.17
2011	28,299,400	1,362,308	2,073,525	1,245,463	-	32,980,696	1.20%	\$ 692.00
2012	27,154,400	774,395	1,884,213	1,162,432	-	30,975,440	1.12%	\$ 648.97

Sources: King County Department of Assessments  
City of Burien Finance Department

**Schedule 12**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**

	<u>2003</u>		<u>2004</u>		<u>2005</u>		<u>2006</u>		<u>2007</u>
Debt Limit	\$ 192,660,598	\$	209,489,791	\$	219,207,541	\$	239,079,791	\$	260,283,837
Total Net Debt Applicable to Limit	3,270,000		2,970,000		2,850,000		12,530,000		12,090,000
Legal Debt Margin	<hr/>								
	\$ 189,390,598	\$	206,519,791	\$	216,357,541	\$	226,549,791	\$	248,193,837

Total Net Debt Applicable to Limit as a Percentage of Debt Limit	1.70%	1.42%	1.30%	5.24%	4.64%
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	<u>2008</u>		<u>2009</u>		<u>2010</u>		<u>2011</u>		<u>2012</u>
Debt Limit	\$ 285,650,497	\$	322,748,347	\$	343,081,657	\$	316,904,251	\$	312,964,326
Total Net Debt Applicable to Limit	11,615,000		14,579,400		22,604,400		28,299,400		27,154,400
Legal Debt Margin	<hr/>								
	\$ 274,035,497	\$	308,168,947	\$	320,477,257	\$	288,604,851	\$	285,809,926

Total Net Debt Applicable to Limit as a Percentage of Debt Limit	4.07%	4.52%	6.59%	8.93%	8.68%
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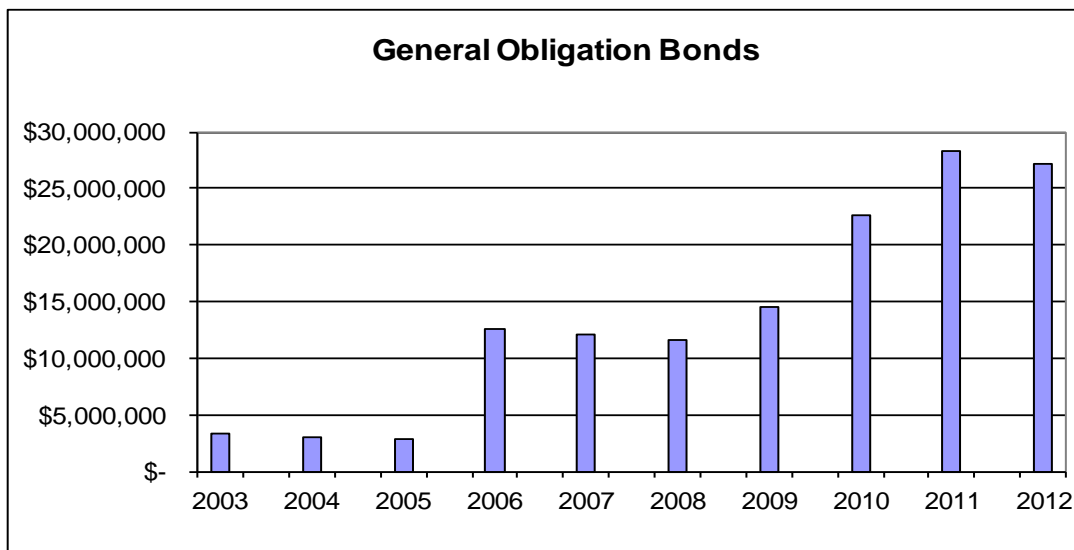
**Legal Debt Margin Calculation for Fiscal Year 2012**

Total Assessed Value for 2012 Taxes	\$ 4,172,857,681
Debt Limit:	
2.5% of General Purpose Limit, Voted and Non-voted	104,321,442
2.5% of Utility Purpose Limit, Voted	104,321,442
2.5% of Open Space, Voted	104,321,442
Total Debt Limit	<u>\$ 312,964,326</u>
Debt Applicable to Limits:	
General Obligation Bonds	27,154,400
Legal Debt Margin	<u>\$ 285,809,926</u>

**Sources: City of Burien Finance Department**  
**King County Department of Assessments**

**Schedule 13  
Ratios of General Bonded Debt Outstanding  
Last Ten Fiscal Years**

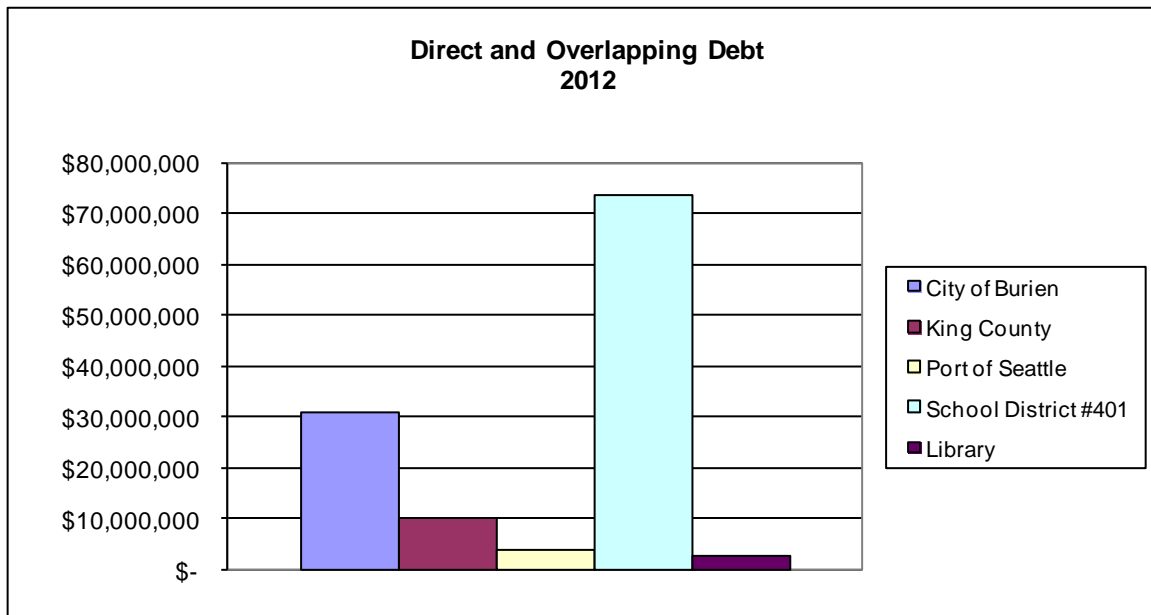
<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Assessed Value (AV)</b>	<b>% of General Obligation Debt to AV</b>	<b>Population</b>	<b>Per Capita</b>
2003	3,270,000	2,568,807,974	0.13%	31,480	\$ 103.88
2004	2,970,000	2,793,197,214	0.11%	31,130	\$ 95.41
2005	2,850,000	2,922,767,212	0.10%	31,040	\$ 91.82
2006	12,530,000	3,187,730,549	0.39%	31,080	\$ 403.15
2007	12,090,000	3,470,451,166	0.35%	31,410	\$ 384.91
2008	11,615,000	3,808,673,294	0.30%	31,540	\$ 368.26
2009	14,579,400	4,212,964,074	0.35%	31,890	\$ 457.18
2010	22,604,400	3,665,612,885	0.62%	46,182	\$ 489.46
2011	28,299,400	4,626,813,371	0.61%	47,660	\$ 593.78
2012	27,154,400	4,172,857,681	0.65%	47,730	\$ 568.92



Sources: King County Department of Assessments  
City of Burien Community Development Department

**Schedule 14  
Direct and Overlapping Governmental Activities Debt  
December 31, 2012**

	<u>Net General Obligation Debt Outstanding</u>	<u>Percentage Applicable to Burien</u>	<u>Estimated Amount Applicable to Burien</u>
<b>Direct:</b>			
City of Burien	\$ 30,881,065	100.00%	\$ 30,881,065
<b>Overlapping:</b>			
King County	845,987,000	1.18%	9,982,647
Port of Seattle	312,005,000	1.18%	3,681,659
School District #401	273,410,812	26.85%	73,410,803
Library	136,748,287	1.92%	2,625,567
<b>Total Overlapping Debt:</b>	<u>\$ 1,568,151,099</u>	<u>5.72%</u>	<u>\$ 89,700,676</u>
<b>Total Direct and Overlapping Debt:</b>	<u><u>\$ 1,599,032,164</u></u>		<u><u>\$ 120,581,741</u></u>



Calculated based on total assessed value of the overlapping districts to the assessed value of the City of Burien.

Sources: City of Burien Community Development Department  
King County Department of Assessments

**Schedule 15**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Population<sup>1</sup></b>	<b>Personal Income<sup>2</sup> (in \$1,000's)</b>	<b>Per Capita Personal Income<sup>2</sup></b>	<b>Unemployment Rate<sup>3</sup></b>	<b>School Enrollment</b>
2003	31,480	\$ 79,199,166	\$44,704	5.6%	17,783
2004	31,130	\$ 88,407,884	\$49,533	4.6%	16,724
2005	31,040	\$ 88,065,435	\$48,789	5.1%	17,700
2006	31,080	\$ 96,579,228	\$52,655	4.6%	17,718
2007	31,410	\$ 104,305,566	\$55,920	4.0%	17,527
2008	31,540	\$ 108,686,400	\$57,374	6.4%	17,647
2009	31,890	\$ 103,121,000	\$53,933	9.6%	18,224
2010	46,182	\$ 106,402,000	\$54,927	9.2%	17,391
2011	47,660	\$ 113,922,000	\$57,837	9.0%	17,532
2012	47,730	\$ 117,339,660	\$58,126	7.4%	18,427

Note<sup>1</sup> : Population data is provided by Burien's Community Development staff.

Note<sup>2</sup> : Both personal income and per capita personal income are based on King County information, in which Burien is located.

Note<sup>3</sup> : The compiled unemployment rate data for Burien was extracted from U.S. Bureau of Labor Statistics website. The rates reflect the annual average for each of the years presented and are not seasonally adjusted.

**Sources:** Community Development staff  
U.S. Bureau of Economic Analysis  
U.S. Bureau of Labor Statistics  
Highline School District

**Schedule 16  
Principal Employers  
December 31, 2012**

<u>EMPLOYER</u>	<u>2012</u>			<u>2003</u>		
	EMPLOYEES	% of Total City		EMPLOYEES	% of Total City	
		Rank	Employment		Rank	Employment <sup>1</sup>
Highline Public Schools	2,200	1	28.54%	2,260	1	33.35%
Highline Community Hospital	1,100	2	14.27%	1,100	2	16.23%
Fred Meyers	216	3	2.80%	226	3	3.34%
Burien Nursing & Rehab	117	4	1.52%	144	8	2.13%
Burien Toyota, Inc.	116	5	1.50%	103	10	1.52%
NAVOS	110	6	1.43%	0		0.00%
Schick Shadel	105	7	1.36%	0		0.00%
Safeway Stores	103	8	1.34%	107	9	1.58%
Wizards Restaurant	99	9	1.28%	200	5	2.95%
Rainier Golf & Country Club	90	10	1.17%	0		0.00%
Ruth Dykeman Children's Center	71	11	0.92%	103	11	1.52%
Albertsons	68	12	0.88%	0		0.00%
Group Health Cooperative	66	13	0.86%	70	19	1.03%
Highline Physical Therapy Group	58	14	0.75%	58	18	0.86%
<b>TOTAL EMPLOYMENT - MAJOR EMPLOYERS</b>	<b>4,519</b>		<b>58.63%</b>	<b>4,371</b>		<b>64.51%</b>

Total City employment in 2012 is 7708

Note<sup>1</sup>: Total city employment for 2003 was unavailable

Sources: City of Burien Finance Department  
MicroFlex Software & Financial Solutions

**Schedule 17**  
**Full Time Equivalent City Government Employees by Function**  
**Last Ten Fiscal Years**

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General Fund					
City Manager	3.60	3.60	4.60	4.90	7.30
Community Relations	4.50	4.50	4.50	4.75	5.00
Finance & Admin Services	6.70	6.70	5.70	5.70	8.25
Legal Services	-	1.10	1.10	1.10	0.50
Public Works	1.75	1.70	1.90	2.00	2.20
Community Development	10.00	10.60	11.60	13.60	10.80
Parks & Recreation	10.475	12.025	13.60	13.60	13.825
Other					
Street	2.00	4.15	4.30	4.10	3.25
SWM	3.75	2.65	2.80	2.90	2.05
CIP	3.500	3.20	3.50	3.50	3.50
<b>Total Funds</b>	<b>46.275</b>	<b>50.225</b>	<b>53.60</b>	<b>56.15</b>	<b>56.675</b>
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
General Fund					
City Manager	10.20	8.20	9.60	10.15	9.40
Community Relations	-	-	-	-	-
Finance & Admin Services	8.30	8.80	8.55	8.55	7.55
Legal Services	0.50	-	3.00	3.00	2.60
Public Works	4.10	4.10	2.90	2.90	2.10
Community Development	13.10	13.10	12.10	13.10	12.10
Parks & Recreation	14.825	15.08	15.38	15.15	15.38
Other					
Street	1.95	1.95	4.45	4.95	8.35
SWM	3.25	3.25	6.25	6.75	9.20
CIP	5.20	5.20	5.20	3.20	1.70
<b>Total Funds</b>	<b>61.425</b>	<b>59.675</b>	<b>67.425</b>	<b>67.750</b>	<b>68.375</b>

Source: City of Burien Finance Department





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**Schedule 18**  
**Operating Indicators by Function**  
**Last Ten Fiscal Years**

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<b>Police</b>					
Response time for priority 1 calls	6.57 min.	6.63 min.	7.38 min.	7.51 min.	7.06 min.
Response time to critical emergencies	2.81 min.	2.66 min.	3.10 min.	2.75 min.	3.28 min.
Dispatched calls for service	12,483	12,233	12,674	12,476	11,518
Total crime index per 1,000 population	67.7	70.4	71.6	67.5	61.0
Traffic safety enforcement stops	3,603	2,789	2,617	2,595	2,264
<b>Public Works</b>					
Right of way use permits issued	325	345	386	360	365
Reported potholes	23	44	10	9	15
# of storm water ponds	12	13	14	15	15
% of city drainage system mapped and inventoried	70%	82%	93%	98%	98%
<b>Community Development</b>					
Citizen action requests	642	455	460	697	566
Land use-related permit applications	103	140	115	88	108
% of land use permit reviews completed by target date	68%	79%	74%	79%	67%
Construction related permit applications	1,959	1,618	1,768	2,003	2,074
Commercial permits	96	89	124	121	116
Construction Value-commercial	\$ 19,805,019	\$ 20,268,161	\$ 24,386,583	\$ 52,960,694	\$ 27,568,622
Residential permits	246	191	233	275	309
Construction Value-residential	\$ 25,206,387	\$ 18,445,105	\$ 25,858,711	\$ 56,453,304	\$ 27,443,690
<b>Parks &amp; Recreation</b>					
Acres of neighborhood parks	26	26	26	26	27
Acres of community parks	30	30	31	31	32
Acres of regional and open space parks	260	260	278	278	287
Cost to maintain all parks per acre	\$ 1,235	\$ 1,095	\$ 959	\$ 1,135	\$ 986
# of kids provided scholarships	134	116	114	87	78

**Source: Various City of Burien Departments**

**Schedule 18**  
**Operating Indicators by Function**  
**Last Ten Fiscal Years - (continued)**

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	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>Police</b>					
Response time for priority 1 calls	8.44 min.	8.69 min.	8.54 min.	7.54 min.	7.75 min.
Response time to critical emergencies	3.28 min.	3.47 min.	2.87 min.	2.95 min.	3.40 min.
Dispatched calls for service	10,191	10,507	13,410	15,742	16,416
Total crime index per 1,000 population	53.2	55.5	55.0	55.0	59.0
Traffic safety enforcement stops	2,157	2,060	1,508	1,672	1,743
<b>Public Safety</b>					
Right of way use permits issued	306	330	353	359	428
Reported potholes	17	27	37	103	50
# of storm water ponds	15	15	18	19	22
% of city drainage system mapped and inventoried	98%	99%	85%	98%	98%
<b>Community Development</b>					
Citizen action requests	438	384	604	558	628
Land use-related permit applications	59	82	57	57	63
% of land use permit reviews completed by target date	69%	73%	89%	93%	80%
Construction related permit applications	2,153	1,763	1,473	1,898	1,915
Commercial permits	235	107	120	171	113
Construction Value-commercial	\$ 63,225,037	\$ 6,917,359	\$ 17,117,248	\$ 21,820,575	\$ 11,317,784
Residential permits	283	159	105	268	259
Construction Value-residential	\$ 13,283,754	\$ 9,233,956	\$ 10,516,667	\$ 14,442,960	\$ 27,855,391
<b>Parks &amp; Recreation</b>					
Acres of neighborhood parks	27	27	58	58	58
Acres of community parks	32	32	32	32	32
Acres of regional and open space parks	287	287	287	287	287
Cost to maintain all parks per acre	\$ 1,033	\$ 1,014	\$ 1,265	\$ 1,630	\$ 1,594
# of kids provided scholarships	60	61	134	149	133

Source: Various City of Burien Departments

**Schedule 19**  
**Capital Asset Statistics by Function**  
**Last Ten Fiscal Years**

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	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2007</u>
<b>Police</b>					
Stations	1	1	1	1	1
Patrol units	35	35	35	35	40
<b>Fire Stations</b>	2	2	2	2	2
<b>Public Works</b>					
Streets (miles)	113	113	113	113	113
Street lights	664	664	664	664	664
Traffic signals	52	52	53	53	53
Pump stations (city owned)	2	2	2	2	3
Storm water drainage ponds (city owned)	4	4	4	4	4
<b>Parks &amp; Recreation</b>					
Skate parks	1	1	1	1	1
Playgrounds	6	6	6	7	7
Baseball/softball diamonds	5	5	5	5	5
Soccer/football fields	3	3	3	3	3
Community centers	1	1	1	1	1
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>Police</b>					
Stations	1	1	1	1	1
Patrol units	40	39	41	41	41
<b>Fire Stations</b>	2	2	3	3	3
<b>Public Works</b>					
Streets (miles)	113	114	150	150	152
Street lights	664	700	930	930	930
Traffic signals	53	55	71	71	72
Pump stations (city owned)	3	3	3	3	3
Storm water drainage ponds (city owned)	4	4	6	16	16
<b>Parks &amp; Recreation</b>					
Skate parks	1	1	1	1	1
Playgrounds	8	8	11	12	12
Baseball/softball diamonds	5	5	5	5	5
Soccer/football fields	3	3	3	3	3
Community centers	1	1	2	2	2

Sources: Various City of Burien Departments

**Prepared By:**

Kim Krause  
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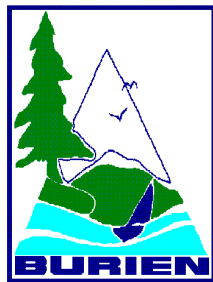
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