

# 2015 Comprehensive Annual Financial Report

For the year ended December 31, 2015



## City of Burien, Washington

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

Burien, WA 98166

(206) 241-4647



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The City of Burien, Washington

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended  
December 31, 2015

*Prepared by:*

*City of Burien Finance Department*

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

*Burien, Washington 98166*

*(206) 241-4647*

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

## **BURIEN CITY COUNCIL**

Lucy Krakowiak, Mayor

Stephen Armstrong

Lauren Berkowitz

Bob Edgar

Gerald Robinson

Nancy Tosta

Debi Wagner



*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**  
**Engaged**  
**Stable**

Burien residents are welcoming, know their neighbors, and work together.  
Burien residents enjoy robust civic and cultural participation.  
Burien strives for stability by encouraging provision of basic services for all of its residents.

## DIVERSITY



**Inclusive**  
**Multicultural**  
**Multi-centered**

Burien embraces diversity and welcomes all residents.  
Burien celebrates the many cultures and backgrounds of its residents.  
Burien cultivates a thriving array of business and community centers.

## ENVIRONMENT



**Natural**  
**Green**  
**Livable**

Burien conserves its natural environment and public waterfronts.  
Burien treasures parks and open spaces, and welcomes opportunities for more.  
Burien makes sustainable land, energy, water, and transportation choices.

## PROSPERITY



**Local**  
**Expansive**  
**Creative**

Burien values local services and supports local businesses.  
Burien encourages businesses in order to expand its economic base.  
Burien promotes and supports its rich palette of arts, culture, and heritage.

## EDUCATION & YOUTH



**Teaching**  
**Learning**  
**Nurturing**

Burien believes that quality schools are essential to its long-term success.  
Burien actively promotes early childhood education and life-long learning.  
Burien supports its youth with programs to augment its schools.

## HEALTH & SAFETY



**Healthy**  
**Active**  
**Peaceful**

Burien promotes community vitality with health and wellness services for all ages.  
Burien encourages active living to support physical and mental health.  
Burien ensures public safety through both crime prevention and law enforcement.

## GOVERNANCE



**Responsive**  
**Effective**  
**Collaborative**

Burien's city government operates in an open & accountable manner.  
Burien's city government strives for organizational excellence.  
Burien fosters partnerships with others in pursuit of common objectives.

**City of Burien**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended December 31, 2015**

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# Burien

*Washington, USA*

## City of Burien

400 SW 152<sup>nd</sup> St., Suite 300, Burien, WA 98166-1911

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

June 21, 2016

### **The Honorable Mayor, Members of the City Council, and 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, 2015. 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.

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, economic development, 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 a combination of City staff and contract services. City staff provide legal advice to the City Council and management in addition to representing the City in litigation matters. Public prosecution, public defense 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 primarily provided by City staff; however, some services are contracted. Public Works services include engineering, street maintenance, and surface water management.

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

**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 2015 expenditures reported in the financial statements relating to those entities:

• King County Sheriff's Office (police services)	\$10,566,033
• Jail Services with the South Correctional Entity (SCORE) and King County Department of Adult Detention	652,508
• King County District Court	443,957
• King County Public Works Department (street & signal maintenance)	257,044
• King County Surface Water Management Division	<u>55,255</u>
Total 2015 major contracts with other governmental agencies	<u>\$11,974,797</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. Other industries such as computer software (Microsoft Corporation is at the forefront), internet retail (Amazon and Expedia) and wireless communications (T-Mobile) now have corporate headquarters in the region. The diversification also includes increased activity in international trade through the Port of Seattle and growth in 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 29.2% of the total sales tax revenue to the City in 2015. 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 the CHI Franciscan Health - Highline Medical Center. The City also has significant employment in education as it houses the Highline Public Schools administrative offices.

#### **Future Economic Outlook**

With the substantial increase in Burien's 2015 assessed valuation and sales growth, it appears that the City's economy has recovered from the recession. Burien also anticipates growth in both international trade and international services as 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. State Route 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 continues to actively work with the Port of Seattle to redevelop the North East Redevelopment Area (NERA), which was blighted by construction of the third runway. The City has a prospective buyer for the two adjoining parcels of land that were purchased with the 2013 line of credit. Those parcels will be redeveloped and provide approximately 200 jobs for local residents. Additionally, the State appropriated funding for construction of the SR-518/Des Moines Memorial Drive eastbound off-ramp. The City also completed a sustainable storm water project in this area and in conjunction with the Port of Seattle, was awarded \$5 million by the Federal Aviation Administration to further redevelop the area.

The Burien Town Square development continues to move forward as a couple of more tenants signed contracts to occupy the ground floor retail spaces. Construction of two apartment complexes, one upscale and one senior living, began on two of the remaining parcels.

#### **IV. MAJOR INITIATIVES**

Achievements for 2015 include the following:

- Secured funding for construction of the eastbound off ramp for the SR-518/Des Moines Memorial Drive interchange project.
- Completed the first Slurry Seal Project as an alternative means of maintaining transportation infrastructure at a lower cost.
- Continued design of the 4<sup>th</sup> Avenue/148<sup>th</sup> Street intersection.
- Completed construction of a sustainable stormwater project in the North East Redevelopment Area.
- Entered into a Purchase and Sale Agreement for the two parcels of land purchased in the North East Redevelopment Area in 2013 and 2014.
- Completed construction of the Seahurst Park North Shoreline Beach Restoration Project in partnership with the Army Corps of Engineers.
- Completed the 2015 state-mandated Comprehensive Plan update, including SEPA (State Environmental Policy Act) compliance.
- Completed Critical Areas Ordinance update.
- With support from the business community, adopted an increase in the Business and Occupation Tax to implement the key economic development priorities adopted in 2014.
- Began construction of an Off-leash Dog Park.
- In conjunction with the Port of Seattle, received \$5 million award from the Federal Aviation Administration for a pilot program in the North East Redevelopment Area.
- Began construction of Town Square Phases 2 and 3.
- Worked with the Port of Seattle to advocate for Sound Transit high capacity transit service (light rail transit and bus rapid transit) connecting Burien to the east and north.
- Increased Human Services funding allocation from 1% to 1.25% to address homelessness.
- Set aside and adopted policies for a \$2 million capital partnership reserve to address the City's facility infrastructure needs.
- Identified Community Outreach priorities and began implementation of strategies such as the quarterly publication of the Burien Magazine and increased social media usage.
- Upgraded desktop and server software to Office 2013 and Exchange 2013.
- Implemented a 4/10 patrol schedule to achieve better response and financial efficiencies.

- Utilized Community Development Block Grant funding to replace the playground equipment at Dottie Harper Park.
- Conducted city-wide customer service training.

Initiatives for 2016 include the following:

- Continue to advance development of the North East Redevelopment Area (NERA), including finalizing the sale of the two parcels purchased by the City in 2013 and 2014.
- Develop and adopt a Strategic Plan to guide the City through 2020.
- Begin development of the 1<sup>st</sup> Avenue Corridor Plan.
- Partner with the Port of Seattle to implement the FAA-funded pilot program in the North East Redevelopment Area.
- Complete design of the 4<sup>th</sup> Avenue/148<sup>th</sup> Street intersection.
- Continue implementation of Community Outreach and Engagement Strategies including a website re-design and conducting a storefront studio for the Downtown Mobility Study.
- Advance key economic development priorities including a Downtown Mobility Study, a Parking Study and Branding.
- Seek partnerships to leverage the Capital Partnership Reserve to achieve operational and capital project goals.
- Pursue new revenue sources to address increased public safety and infrastructure needs.
- Issue a Request for Proposal and secure a vendor for replacing the financial software system in 2017.
- Conduct a LEAN process for permitting. Issue a Request for Proposal to replace the permitting software.
- Complete the Shoreline Master Program update.
- Complete the Low Impact Development code review and adopt changes.
- Complete construction of the Off-leash Dog Park.
- Continue customer service training in select departments.
- Conduct the 2016 compensation and benefit study.
- Adopt and implement the 2015 construction and electrical codes.
- Pursue formation of a Youth Council to engage teens.
- Continue to advocate for inclusion of high capacity transit service connecting Burien to SeaTac Airport and regional destinations in the list of projects for the Sound Transit 3 ballot.
- Refinance the 2006 General Obligation Bonds to achieve savings due to low interest rates.

**V. 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, 2014. This was the nineteenth consecutive year that the City 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.

**VI. 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, Patti Rader, the City's Finance 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 greatly appreciated.

Respectfully submitted,



Kim Krause,  
Finance Director



Government Finance Officers Association

**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, 2014**

Executive Director/CEO

**ELECTED CITY OFFICIALS**

2015 City Councilmembers

Lucy Krakowiak, Mayor  
 Nancy Tosta, Deputy Mayor  
 Stephen Armstrong  
 Lauren Berkowitz  
 Bob Edgar  
 Gerald Robison  
 Debi Wagner

Term Ending

December 2015  
 December 2017  
 December 2017  
 December 2017  
 December 2015  
 December 2015  
 December 2017

2016 City Councilmembers

Lucy Krakowiak, Mayor  
 Bob Edgar, Deputy Mayor  
 Stephen Armstrong  
 Austin Bell  
 Lauren Berkowitz  
 Nancy Tosta  
 Debi Wagner

Term Ending

December 2019  
 December 2019  
 December 2017  
 December 2019  
 December 2017  
 December 2017  
 December 2017

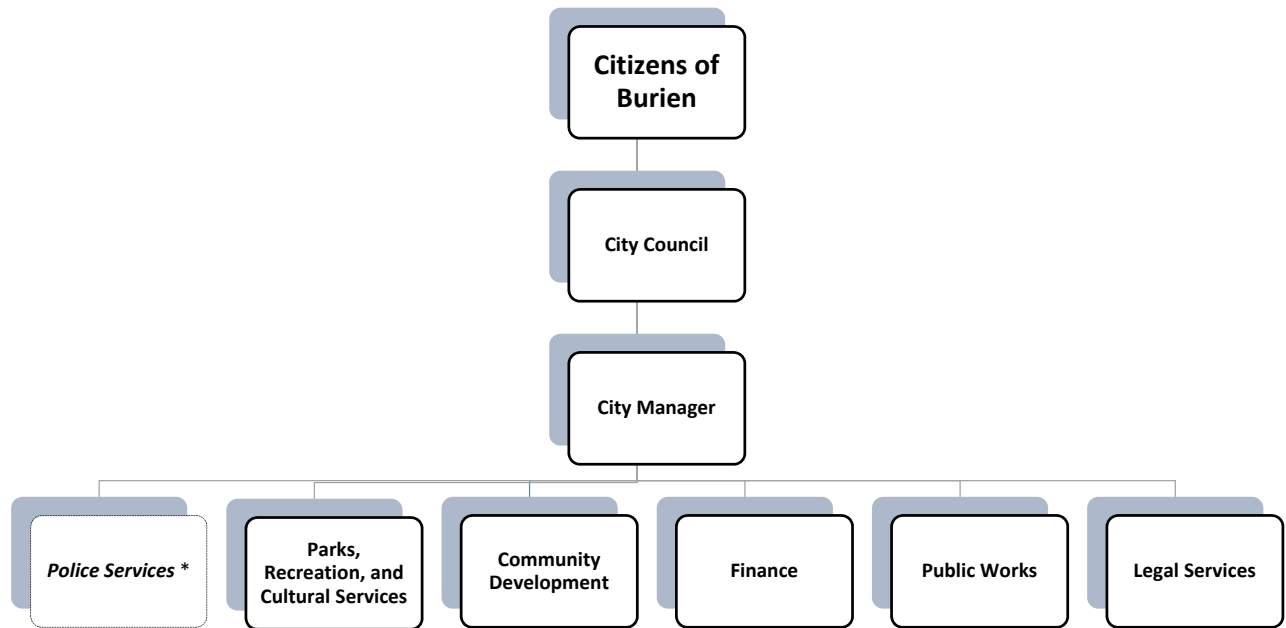
**CITY ADMINISTRATION**

City Manager  
 Finance Director  
 Public Works Director  
 Community Development Director  
 Interim Parks, Recreation and Cultural Services Director  
 Chief of Police  
 City Attorney

Kamuron Gurol  
 Kim Krause  
 Maiya Andrews  
 Chip Davis  
 Steve Roemer  
 Scott Kimerer  
 Soojin Kim



### City of Burien, Washington Organizational Chart



\* Contracted Services

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# Washington State Auditor's Office

## INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

June 21, 2016

Council  
City of Burien  
Burien, Washington

### REPORT ON THE 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, 2015, 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, 2015, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund and Street Fund funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Matters of Emphasis – Correction of Prior Year Misstatement**

As discussed in Note 14 to the financial statements, the 2014 financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

## **Matters of Emphasis – Implementation of New Standards**

As described in Note 17, during the year ended December 31, 2015, the City has implemented the Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. 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 3-8 and pension plan information on pages 5-2 through 5-3 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. The accompanying information listed as combining financial statements and supplementary information on pages 6-2 through 6-10 is presented for purposes

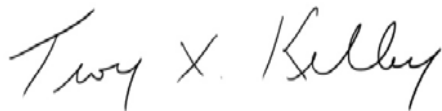
of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This information has been subjected 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, 2016, 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. 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,

A handwritten signature in cursive script that reads "Troy X. Kelley".

TROY KELLEY

STATE AUDITOR

OLYMPIA, WA

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management Discussion and Analysis (MD&A) is intended to be an easily read 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 follow this analysis.

### FINANCIAL HIGHLIGHTS

In the last ten years, total net position has increased by an average of \$5.34 million per year. The trend continues this year with an increase of \$10.7 million. The City's total assets and deferred outflows of resources exceeded its total liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$134.2 million. Of this amount, \$107.8 million is net invested in capital assets and the remaining \$26.3 million is available for capital projects, debt service and funding the government's ongoing activities and obligations.

Government activities net position increased by \$10.2 million and business-type activities increased by \$.5 million. The increase in government activities is primarily the result of a prior period adjustment to correct over-stated accumulated depreciation. The increase is offset by a change in accounting principle to recognize pension liabilities as required per Government Accounting Standards Board Statement No. 68. The business-type activities increase reflects the addition of a grant-funded capital improvement project, the North East Redevelopment Area, to construction work-in-progress.

At year-end December 31, 2015, the City of Burien's governmental funds reported a combined ending fund balance of \$21.9 million, an increase of \$4.0 million compared to the prior year. Of this increase, \$1.6 is for transportation capital improvement projects that were not complete at the end of 2015. Of the remaining increase, \$1.4 million reflects revenues that exceeded expectations including growth in sales taxes (\$225,000), real estate excise taxes (\$195,000), other taxes (\$180,000), license and permits (\$360,000), charges for services (\$230,000), fines and forfeitures (\$10,000) and other miscellaneous (\$185,000). The balance of \$1 million is the result of expenditure savings due to unspent budgets in the general government, public safety, transportation and economic environment functions.

At the end of the current fiscal year, unassigned fund balance in the General Fund is \$11.8 million, or 47.1% of total current year General Fund revenues. This is an increase of \$3.1 million from the \$8.7 million in unassigned General Fund fund balance at the end of 2014. The increase in available fund balance is predominantly due to revenues exceeding expectations and expenditure savings as compared to the adopted budget. It is anticipated that up to \$1 million of the ending balance will be spent in 2016 to complete work plan programs that were not concluded at the end of 2015. The City is currently developing a strategic plan and envisions that some of the fund balance will be appropriated in 2017-18 to implement adopted goals. With the adoption of the 2015-16 Biennial Budget, the City Council approved achieving the General Fund minimum fund balance goal of 20% in a two-step process. With the 2015-16 biennium, a minimum fund balance goal of 17.5% was adopted and achieved. There is also sufficient funding to achieve the 20% goal in the 2017-18 biennium. The \$11.8 million ending fund balance exceeds the financial policy requirement of 17.5% of ongoing revenues by approximately \$7.4 million, of which \$2 million is set aside for a capital partnership reserve to communicate Burien's interest in working with public agencies such as the Highline School District and neighboring cities to address common needs and opportunities. The remaining balance is available to fund future capital programs, future operations and withstand economic downturns.

### 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 the difference between the City of Burien's total assets and deferred outflows of resources and the total liabilities and deferred inflows of resources with the difference reported as the City's 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 funded 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 Schedule 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 and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$134.2 million at the close of the fiscal year.

During fiscal year 2015, net position increased by \$10.7 million. This increase is primarily due to a prior period adjustment to correct over-stated accumulated depreciation. This adjustment is offset by a change in accounting principle to recognize pension liabilities as required per Government Accounting Standards Board Statement No. 68.

**City of Burien's Net Position at Year-End**

	Governmental Activities		Business - Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$ 29,779,055	\$ 25,365,255	\$ 3,731,515	\$ 3,049,239	\$ 33,510,570	\$ 28,414,494
Capital assets, net of accumulated depreciation	125,709,510	117,387,214	11,892,895	11,634,539	137,602,405	129,021,753
Total assets	155,488,565	142,752,469	15,624,410	14,683,778	171,112,975	157,436,247
Deferred outflows of resources						
Deferred amount from debt refunding	78,314	89,502	-	-	78,314	89,502
Deferred outflow related to pensions	507,720	-	95,673	-	603,393	-
Total deferred outflows of resources	586,034	89,502	95,673	-	681,707	89,502
Long-term liabilities	27,484,585	30,850,585	859,358	1,033,552	28,343,943	31,884,137
Other liabilities	4,112,973	1,803,208	285,536	361,161	4,398,509	2,164,369
Net Pension Liability	3,577,943	-	674,207	-	4,252,150	-
Total liabilities	35,175,501	32,653,793	1,819,101	1,394,713	36,994,602	34,048,506
Deferred inflows of resources						
Deferred inflow related to pensions	545,820	-	102,851	-	648,671	-
Total deferred inflows of resources	545,820	-	102,851	-	648,671	-
Net position:						
Net investment in capital assets	96,834,728	86,914,714	10,979,556	10,638,169	107,814,284	97,552,883
Restricted	625,585	608,938	-	-	625,585	608,938
Unrestricted	22,892,965	22,664,526	2,818,575	2,650,896	25,711,540	25,315,422
Total net position	\$ 120,353,278	\$ 110,188,178	\$ 13,798,131	\$ 13,289,065	\$ 134,151,409	\$ 123,477,243

**Governmental Activities**

The change in total net position for 2015 is an increase of \$10.2 million. This increase is primarily the result of a prior period adjustment to correct over-stated accumulated depreciation. This correction was offset by a change in accounting principle to recognize pension liabilities as required per Government Accounting Standards Board Statement No. 68.

**Business-type Activities**

The \$0.5 million increase in net position of the Surface Water Management Fund is primarily due to an increase in construction-work-in-progress for a grant-funded project.

**STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2015:**

The Statement of Activities shows a net increase in the City of Burien's net position of \$10.7 million. Below is a summary version of the Statement of Activities.

**Summary of Revenues**

	Governmental Activities		Business - Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program revenues:						
Charges for services	\$ 4,678,326	\$ 4,046,183	\$ 3,260,770	\$ 2,868,965	\$ 7,939,096	\$ 6,915,148
Operating grants & contributions	3,020,558	2,975,035	33,402	8,329	3,053,960	2,983,364
Capital grants & contributions	534,153	2,856,251	150,957	4,316,461	685,110	7,172,712
General revenues:						
Property taxes	7,383,258	6,652,930	-	460	7,383,258	6,653,390
Sales and use taxes	7,965,473	7,669,549	-	-	7,965,473	7,669,549
Other taxes	6,741,434	6,068,759	-	-	6,741,434	6,068,759
Investment interest	37,626	27,743	4,783	2,698	42,409	30,441
Gain (loss) on disposal of capital assets	-	151,395	-	-	-	151,395
Miscellaneous	332,095	313,908	8,000	9,449	340,095	323,357
Total revenues	\$ 30,692,923	\$ 30,761,753	\$ 3,457,912	\$ 7,206,362	\$ 34,150,835	\$ 37,968,115

**Summary of Expenses**

	Governmental Activities		Business - Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Expenses						
General government	\$ 4,444,232	\$ 4,311,613	\$ -	\$ -	\$ 4,444,232	\$ 4,311,613
Judicial	443,957	349,238	-	-	443,957	349,238
Public safety	11,404,767	10,902,905	-	-	11,404,767	10,902,905
Environment services	172,845	162,654	-	-	172,845	162,654
Transportation	7,206,454	10,441,969	-	-	7,206,454	10,441,969
Economic environment	1,864,073	1,554,327	-	-	1,864,073	1,554,327
Social services	97,069	90,736	-	-	97,069	90,736
Culture and recreation	3,551,109	3,403,233	-	-	3,551,109	3,403,233
Interest on long-term debt	1,014,265	1,149,080	4,740	5,189	1,019,005	1,154,269
Surface water management	-	-	2,221,620	2,458,283	2,221,620	2,458,283
Total expenses	30,198,771	32,365,755	2,226,360	2,463,472	32,425,131	34,829,227
Increase in net position before transfers	494,152	(1,604,002)	1,231,552	4,742,890	1,725,704	3,138,888
Transfers	23,250	590,000	(23,250)	(590,000)	-	-
Increase in net position	517,402	(1,014,002)	1,208,302	4,152,890	1,725,704	3,138,888
Net position - January 1	110,188,178	111,218,476	13,289,065	9,480,903	123,477,243	120,699,379
Prior period adjustment	13,358,466	(16,296)	-	(344,728)	13,358,466	(361,024)
Change in accounting principal	(3,710,768)	-	(699,236)	-	(4,410,004)	-
Net position - January 1, restated	119,835,876	111,202,180	12,589,829	9,136,175	132,425,705	120,338,355
Net position - December 31	\$ 120,353,278	\$ 110,188,178	\$ 13,798,131	\$ 13,289,065	\$ 134,151,408	\$ 123,477,243

## GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES FOR FISCAL YEAR ENDING DECEMBER 31, 2015

### ***Governmental Activities***

Overall, governmental revenues decreased by \$0.07 million from the prior year. This is the result of 2014 including \$2.3 million more than 2015 in capital grants and contributions, primarily for transportation projects. This decrease is offset by across-the-board increases in tax and program revenues.

The decrease in expenditures is the result of a reduction in grant-funded transportation capital improvement projects. This is offset by the decrease in revenue as explained above.

### ***Business-type Activities***

The substantial decrease (\$3.7 million) in Surface Water Management Fund revenues in 2015 is due to the completion of a grant-funded capital improvement project at the beginning of 2015. This reduction is partially offset by a 12% surface water management fee increase adopted by the City Council to increase capital funding.

The reduction in expenses reflects the completion of the Hermes Mayfair Study in 2014 and using in-house crews rather than King County for maintenance work.

## FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

### **Governmental Funds**

The focus of the *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. This information is useful in assessing the City's financial requirements in the near future. In particular, *unassigned fund balance* serves as a useful measure of the City's net resources available for spending at the end of the fiscal year. The General Fund is the only governmental fund with *unassigned fund balance* as other governmental funds have their fund balances reserved for particular purposes, primarily for funding street services or capital improvement projects.

### **Governmental Funds Fund Balances**

The total governmental fund balances increased \$4.0 million. Of the General Fund Balance of \$14.4 million, \$11.8 million or 81% is unassigned. Unassigned fund balance is 47.1% of General Fund revenues. It is anticipated that up to \$1 million of the unassigned balance will be spent in 2016 to complete work program activities that were carried over from 2015 to 2016. The City is currently developing a strategic plan and envisions that some of the fund balance will be appropriated in 2017-18 to achieve adopted goals. The City's financial policies state that General Fund Fund Balance shall be a minimum of 17.5% of recurring revenues with a goal of 20% by the 2017-18 biennium. Two million of the fund balance is assigned to the capital partnership reserve established to communicate Burien's interest in working with public agencies such as the Highline School District and neighboring cities to address common needs and opportunities. The growth in fund balance is the result of revenues that exceeded expectations and expenditures that were less than budgeted, primarily general government, economic environment, transportation and public safety. Unassigned fund balance is available to fund future capital programs, future operations and withstand economic downturns.

Other governmental funds accumulate reserved fund balances for designated purposes.

The Street Fund, comprised of gas tax revenues, business license fees, solid waste utility taxes and franchise fees, is used for transportation expenses. Any excess fund balance may be transferred to the Transportation Capital

Projects Fund for capital improvement projects. The minimum fund balance requirement is 5% of budgeted recurring revenue. The reduction in the 2015 fund balance reflects a substantial transfer of excess fund balance to the Transportation Capital Projects Fund.

The Debt Service Fund accumulates funds for the retirement of the City's debt. There is no minimum fund balance requirement and no intent to accumulate funds. The fund balance is restricted for debt service.

The Parks and General Government Capital Improvement Projects Fund is primarily funded with grants and transfers from the General Fund or Capital Projects Reserve Fund for the completion of parks and general government capital improvement projects. The increase in fund balance is due to a reduction in expenditures as the Seahurst Park North Shoreline project is nearing completion. There is no minimum fund balance requirement.

The Transportation Capital Improvement Projects Fund is funded with grants and transfers from the Street Fund, Capital Projects Reserve Fund, Public Works Reserve Fund and Surface Water Management Capital Improvement Projects Fund. It accounts for construction of transportation or street-related projects that often have a surface water component. The fund balance will be used for projects that were budgeted but not completed prior to year-end. There is no minimum fund balance requirement.

### **Proprietary Funds**

The City has one proprietary fund, the Surface Water Management Fund, which includes the Surface Water Management Capital Improvement Projects Fund.

The Surface Water Management Fund is comprised of surface water management fees and grants to fund surface water operations and capital improvement projects. The increase in net position reflects revenues that exceeded estimates and expenditures that were less than anticipated. The excess will be programmed toward capital improvement projects in future years. The fund balance policy is to maintain a minimum of 5% of recurring revenue.

### **BUDGETARY HIGHLIGHTS**

The City Council approved one amendment to the 2015 - 2016 Adopted Biennial Budget. This amendment adjusted beginning fund balances to the 2014 actual ending fund balance amounts and reduced some revenue and expenditure estimates and increased others to reflect current activity.

General Fund revenues exceeded budget estimates by 3.8% in 2015 due in large part to higher than anticipated revenues, including taxes, licenses and permits, intergovernmental revenue, charges for services and rents and leases. Expenditures were 5.6% less than the amended budget due to savings in general government, public safety, transportation, economic environment and culture and recreation. Expenditures appropriated in the first year of the biennial budget may be spent in the second year and it is anticipated that up to \$1 million will be spent in 2016.

### **CAPITAL ASSETS AND DEBT ADMINISTRATION**

#### ***Capital Assets***

As of December 31, 2015, the City had invested \$137.6 million in capital assets as reflected in the following table, which represents an increase of \$8.3 million from the previous year. The increase is primarily the result of a prior period adjustment to Infrastructure to correct overstated accumulated depreciation. This adjustment is partially offset by current depreciation. Detailed information on Capital Assets is available in Note 7 of the Notes to the Financial Statements.



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

	Governmental Activities		Business - Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$ 29,488,828	\$ 29,488,828	\$ 1,076,060	\$ 1,076,060	\$ 30,564,888	\$ 30,564,888
Construction work in progress	7,751,996	15,691,113	6,108,270	5,513,906	13,860,266	21,205,019
Buildings	10,500,461	11,249,198	-	-	10,500,461	11,249,198
Machinery, equipment, and vehicles	1,160,956	1,433,891	349,845	343,843	1,510,801	1,777,734
Other improvements	5,205,779	5,370,916	-	-	5,205,779	5,370,916
Infrastructure	71,598,041	54,146,370	4,347,770	4,700,730	75,945,811	58,847,100
Intangible assets	3,449	6,898	10,950	-	14,399	6,898
Total	\$ 125,709,510	\$ 117,387,214	\$ 11,892,895	\$ 11,634,539	\$ 137,602,405	\$ 129,021,753

The table above shows the change in capital assets between 2014 and 2015. Construction work in progress (CWIP) for governmental activities is \$7.75 million, which is comprised of parks and street improvement projects still under construction. The CWIP amount of \$6.1 million for business-type activities is surface water infrastructure projects.

### CHANGE IN CAPITAL ASSETS

	Governmental Activities		Business - Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Changes in capital assets						
Land	\$ -	\$ 3,445,667	\$ -	\$ -	\$ -	\$ 3,445,667
Construction work in progress	(7,939,117)	(398,281)	594,364	3,622,025	(7,344,753)	3,223,744
Buildings	(748,737)	(732,217)	-	-	(748,737)	(732,217)
Machinery, equipment, and vehicles	(272,935)	(163,749)	6,002	(24,013)	(266,933)	(187,762)
Other improvements	(165,137)	(420,216)	-	-	(165,137)	(420,216)
Infrastructure	17,451,671	(7,140,795)	(352,960)	(267,628)	17,098,711	(7,408,423)
Intangible assets	(3,449)	(7,017)	10,950	-	7,501	(7,017)
Total	\$ 8,322,296	\$ (5,416,608)	\$ 258,356	\$ 3,330,384	\$ 8,580,652	\$ (2,086,224)

### Outstanding Debt

The table below was adjusted to reflect the beginning pension obligation as restated due to implementation of Government Accounting Standards Board Statement No. 68. At the end of 2015, the City had \$34.1 million in long-term liabilities compared to \$34.8 million in 2014. The City of Burien's total long-term liabilities decreased \$715,007, which reflects a reduction of \$791,777 in governmental activities and an increase of \$76,770 in business-type activities. Governmental liabilities reflect a decrease of \$1.64 million in governmental debt due to debt service payments, which is offset by an increase of \$848,000 in the pension obligation. The increase in business-type activities reflects a reduction of \$83,031 due to regularly scheduled debt payments offset by an increase of \$159,801 in the pension obligation.

**OUTSTANDING DEBT AT YEAR-END**

	Governmental Activities		Business - Type Activities		Total	
	2015	2014	2015	2014	2015	2014
General obligation bonds	\$ 23,593,562	\$ 24,848,562	\$ -	\$ -	\$ 23,593,562	\$ 24,848,562
Special obligation bonds - SCORE PDA	3,132,600	3,215,200	-	-	3,132,600	3,215,200
Special assessment debt with government commitment (public works trust fund loan)	910,657	1,023,570	-	-	910,657	1,023,570
Public works trust fund loan	1,316,277	1,505,589	913,339	996,370	2,229,616	2,501,959
Total long-term debt	28,953,096	30,592,921	913,339	996,370	29,866,435	31,589,291
Net pension obligation	3,577,943	2,729,895	674,207	514,406	4,252,150	3,244,301
Total long-term liabilities	\$ 32,531,039	\$ 33,322,816	\$ 1,587,546	\$ 1,510,776	\$ 34,118,585	\$ 34,833,592

For additional debt information, see Note 9 in the Notes to the Financial Statements.

**ECONOMIC FACTORS**

The City experienced significant growth in its largest revenue sources over the past two years, Sales Tax and Property Tax. Sales Tax has grown well past pre-recession levels and now represents 25.9% of governmental revenues. The majority of the growth occurred in automobile sales and construction. Property Taxes grew to 24% of governmental resources. The City saw significant property tax losses during the recession but assessed valuation has rebounded and continues to grow. Due to the growth in assessed valuation, the City was able to adopt a 1% property tax increase in 2015. Business and Occupation/Utility Taxes grew to 16.7% due to an increase in the Business and Occupation Tax rate effective January 1, 2015. This additional revenue was supported by the business community and is dedicated to economic development activities. The increase is partially offset by a decrease in utility tax revenues due to 2014 including one-time revenues from a utility tax audit undertaken in 2011. Intergovernmental revenues from state shared revenues and grants make up 11.5% of total governmental resources. This is down significantly from 2014 due to the loss of one-time grant revenue for the Seahurst North Shoreline capital project. Effective June 1, 2014, the City awarded the solid waste franchise to a new company which resulted in additional franchise revenues that were used to fund the City's street overlay program. A full year of those revenues is reflected in 2015, in addition to substantial growth in building permit revenues due to several large construction projects.

**NEXT YEAR'S BUDGETS AND RATES**

The City's assessed valuation grew by 11.5%, which allowed the City to levy the 1% property tax increase allowed by State law for 2016 property taxes. Due to the assessed valuation increase, the City's levy rate went down from \$1.59 to \$1.45 per \$1,000 in assessed valuation. Sales Tax revenues were conservatively projected to be 2% more than 2015 estimated; however, year-to-date results are substantially higher.

**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.

## BASIC FINANCIAL STATEMENTS



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**City of Burien, Washington**  
**Statement of Net Position**  
**December 31, 2015**

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
<b>ASSETS</b>			
Cash and cash equivalents	\$ 22,181,755	\$ 3,608,254	\$ 25,790,009
Receivables (net of allowance for uncollectibles)	2,021,639	114,583	2,136,222
Due from other governments	2,017,488	8,678	2,026,166
Restricted cash and cash equivalents	48,732	-	48,732
Investment in joint venture - SCORE	3,509,441	-	3,509,441
Capital assets not being depreciated:			
Land	29,488,828	1,076,060	30,564,888
Construction in progress	7,751,996	6,108,270	13,860,266
Capital assets, net of accumulated depreciation:			
Buildings	10,500,461	-	10,500,461
Machinery, equipment, and vehicles	1,160,956	349,845	1,510,801
Other improvements	5,205,779	-	5,205,779
Infrastructure	71,598,041	4,347,770	75,945,811
Intangible assets	3,449	10,950	14,399
Total assets	<u>155,488,565</u>	<u>15,624,410</u>	<u>171,112,975</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred amount from debt refunding	78,314	-	78,314
Deferred outflow related to pensions	507,720	95,672	603,392
Total deferred outflows of resources	<u>586,034</u>	<u>95,672</u>	<u>681,706</u>
<b>LIABILITIES</b>			
Accounts payable and other liabilities	899,578	171,300	1,070,878
Accrued interest payable	103,981	2,664	106,645
Due to other governments	1,097,055	24,951	1,122,006
Unearned revenues	170,468	-	170,468
Deposits payable	121,118	-	121,118
Non-current liabilities:			
Special assessment debt with government commitment	910,657	-	910,657
Due within one year	1,720,773	86,621	1,807,394
Due in more than one year	26,573,928	859,358	27,433,286
Net pension obligation	3,577,943	674,207	4,252,150
Total liabilities	<u>35,175,501</u>	<u>1,819,101</u>	<u>36,994,602</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflow related to pensions	545,820	102,851	648,671
Total deferred inflows of resources	<u>545,820</u>	<u>102,851</u>	<u>648,671</u>
<b>NET POSITION</b>			
Net investment in capital assets	96,834,728	10,979,556	107,814,284
Restricted for:			
Debt service	281,387	-	281,387
Capital projects	344,198	-	344,198
Unrestricted	22,892,965	2,818,574	25,711,539
Total net position	<u>\$ 120,353,278</u>	<u>\$ 13,798,130</u>	<u>\$ 134,151,408</u>

**City of Burien, Washington**  
**Statement of Activities**  
**For the Year Ended December 31, 2015**  
**Page 1 of 2**

<b>Functions/Programs</b>	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental activities:</b>				
General government	\$ 4,444,232	\$ 782,390	\$ 1,123,822	\$ -
Judicial	443,957	136,078	-	-
Public safety	11,404,767	-	824,797	-
Natural environment	172,845	46,880	-	-
Transportation	7,206,454	1,117,465	1,024,262	358,279
Economic environment	1,864,073	2,018,846	-	-
Social services	97,069	-	25,449	-
Culture and recreation	3,551,109	576,667	22,228	175,874
Interest on long-term debt	1,014,265	-	-	-
Total governmental activities	<u>30,198,771</u>	<u>4,678,326</u>	<u>3,020,558</u>	<u>534,153</u>
 <b>Business-type activities:</b>				
Surface water management	<u>2,226,361</u>	<u>3,260,770</u>	<u>33,402</u>	<u>150,957</u>
Total business-type activities	<u>2,226,361</u>	<u>3,260,770</u>	<u>33,402</u>	<u>150,957</u>
Total primary government	<u>\$ 32,425,132</u>	<u>\$ 7,939,096</u>	<u>\$ 3,053,960</u>	<u>\$ 685,110</u>

General revenues:  
 Taxes  
     Property taxes  
     Retail sales and use taxes  
     Business and occupation taxes  
     Excise taxes  
     Other taxes  
 Unrestricted investment earnings  
 Miscellaneous  
 Transfers  
 Total general revenues and transfers

Change in net position

Net position - January 1  
 Prior period adjustment  
 Change in accounting principle-GASB 68  
 Net position - January 1, restated  
 Net position - December 31



**City of Burien, Washington**  
**Statement of Activities**  
**For the Year Ended December 31, 2015**  
**Page 2 of 2**

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
\$ (2,538,020)	\$ -	\$ (2,538,020)
(307,879)	-	(307,879)
(10,579,970)	-	(10,579,970)
(125,965)	-	(125,965)
(4,706,448)	-	(4,706,448)
154,773	-	154,773
(71,620)	-	(71,620)
(2,776,340)	-	(2,776,340)
(1,014,265)	-	(1,014,265)
(21,965,734)	-	(21,965,734)
-	1,218,768	1,218,768
-	1,218,768	1,218,768
\$ (21,965,734)	\$ 1,218,768	\$ (20,746,966)
7,383,258	-	7,383,258
7,965,473	-	7,965,473
4,555,684	-	4,555,684
1,814,710	-	1,814,710
371,040	-	371,040
37,626	4,783	42,409
332,095	8,000	340,095
23,250	(23,250)	-
22,483,136	(10,467)	22,472,669
517,402	1,208,301	1,725,703
110,188,178	13,289,065	123,477,243
13,358,466	-	13,358,466
(3,710,768)	(699,236)	(4,410,004)
119,835,876	12,589,829	132,425,705
\$ 120,353,278	\$ 13,798,130	\$ 134,151,408

**Functions/Programs**

Governmental activities:

- General government
- Judicial
- Public safety
- Environmental services
- Transportation
- Economic environment
- Social services
- Culture and recreation
- Interest on long-term debt
- Total governmental activities

Business-type activities:

- Surface water management
- Total business-type activities

Total primary government

General revenues:

- Taxes
  - Property taxes
  - Retail sales and use taxes
  - Business and occupation taxes
  - Excise taxes
  - Other taxes
- Unrestricted investment earnings
- Miscellaneous
- Transfers
- Total general revenues and transfers

Change in net position

- Net position - January 1
- Prior period adjustment
- Change in accounting principle-GASB 68
- Net position - January 1, restated
- Net position - December 31

**City of Burien, Washington**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2015**  
**Page 1 of 2**

	General	Street	Debt Service
<b>ASSETS</b>			
Cash and cash equivalents	\$ 13,815,798	\$ 489,973	\$ 79,202
Accounts receivable	168,323	41,436	-
Taxes receivable:			
Current	678,836	48,861	-
Delinquent	155,129	-	-
Special assessments receivable	-	-	834,990
Due from other governments	1,787,663	165,923	-
Restricted cash and cash equivalents	48,732	-	-
Total assets	<u>16,654,481</u>	<u>746,193</u>	<u>914,192</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Total deferred outflows of resources	-	-	-
<b>Total assets and deferred outflows of resources</b>	<u>\$ 16,654,481</u>	<u>\$ 746,193</u>	<u>\$ 914,192</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 465,671	\$ 49,943	\$ -
401(a) payable	21,821	-	-
Due to other governments	1,036,577	47,027	-
Deposits payable	119,618	-	-
Accrued wages and benefits payable	222,272	28,942	-
Unearned revenue	170,468	-	-
Total liabilities	<u>2,036,427</u>	<u>125,912</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue-property taxes	155,129	-	-
Unavailable revenue-special assessments	-	-	834,990
Unavailable revenue-grants	11,494	-	-
Unavailable revenue-accounts receivable	14,178	-	-
Total deferred inflows of resources	<u>180,801</u>	<u>-</u>	<u>834,990</u>
<b>FUND BALANCES (DEFICITS)</b>			
<b>Restricted:</b>			
Debt service	-	-	79,202
Other capital projects	-	-	-
<b>Committed:</b>			
Arts projects	30,426	-	-
Parking projects	137,760	-	-
<b>Assigned:</b>			
Capital partnership	2,000,000	-	-
Capital projects	511,593	-	-
Street maintenance	-	620,281	-
Parks capital projects	-	-	-
Transportation capital projects	-	-	-
<b>Unassigned:</b>	<u>11,757,474</u>	<u>-</u>	<u>-</u>
Total fund balances (deficits)	<u>14,437,253</u>	<u>620,281</u>	<u>79,202</u>
<b>Total liabilities, deferred inflows of resources, and fund balances (deficits)</b>	<u>\$ 16,654,481</u>	<u>\$ 746,193</u>	<u>\$ 914,192</u>

**City of Burien, Washington  
Balance Sheet  
Governmental Funds  
December 31, 2015  
Page 2 of 2**

Parks and General Government Capital Projects	Transportation Capital Projects	Other Governmental	Total
\$ 2,411,808	\$ 3,891,233	\$ 424,411	\$ 21,112,425
-	-	-	209,759
-	-	94,064	821,761
-	-	-	155,129
-	-	-	834,990
-	35,994	27,908	2,017,488
-	-	-	48,732
<u>2,411,808</u>	<u>3,927,227</u>	<u>546,383</u>	<u>25,200,284</u>
-	-	-	-
<u>\$ 2,411,808</u>	<u>\$ 3,927,227</u>	<u>\$ 546,383</u>	<u>\$ 25,200,284</u>
\$ 29,487	\$ 74,447	\$ -	\$ 619,548
-	-	-	21,821
1,470	11,981	-	1,097,055
-	1,500	-	121,118
203	943	-	252,360
-	-	-	170,468
<u>31,160</u>	<u>88,871</u>	<u>-</u>	<u>2,282,370</u>
-	-	-	155,129
-	-	-	834,990
11,478	-	-	22,972
-	-	-	14,178
<u>11,478</u>	<u>-</u>	<u>-</u>	<u>1,027,269</u>
-	-	202,185	281,387
-	-	344,198	344,198
-	-	-	30,426
-	-	-	137,760
-	-	-	2,000,000
-	-	-	511,593
-	-	-	620,281
2,369,170	-	-	2,369,170
-	3,838,356	-	3,838,356
-	-	-	11,757,474
<u>2,369,170</u>	<u>3,838,356</u>	<u>546,383</u>	<u>21,890,645</u>
<u>\$ 2,411,808</u>	<u>\$ 3,927,227</u>	<u>\$ 546,383</u>	<u>\$ 25,200,284</u>

**City of Burien, Washington**  
**Reconciliation of the Balance Sheet of Governmental Funds**  
**To the Statement of Net Position**  
**December 31, 2015**

Total fund balances - governmental funds	\$	21,890,645
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</p>		
Land	29,488,828	
Construction in progress	7,751,996	
Buildings (net of accumulated depreciation)	10,500,461	
Machinery and equipment (net of accumulated depreciation)	898,371	
Improvements (net of accumulated depreciation)	5,205,779	
Infrastructure (net of accumulated depreciation)	71,598,041	
Intangibles (net of accumulated amortization)	3,449	125,446,925
<p>Investment in joint ventures (SCORE) are not a financial resource and, therefore are not reported in the funds.</p>		
		3,509,441
<p>Receivables not available to pay current period expenditures and, therefore, are deferred in the funds:</p>		
Property taxes	155,129	
Special assessments	834,990	
Grants	11,494	
Charges for services	25,656	1,027,269
<p>Certain liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.</p>		
General obligation bonds	(23,593,562)	
2009 bonds A and B- SCORE joint venture	(3,132,600)	
Special assessment debt payable	(910,658)	
Public works trust fund loans payable	(1,316,277)	
Compensated absences	(252,262)	
Deferred charge on refunding	78,314	
Net pension obligation	(3,577,943)	
Accrued interest payable on long-term debt	(103,981)	(32,808,969)
<p>Some deferred outflows and inflows of resources are not reported in the funds.</p>		
Deferred outflow related to pensions	(545,820)	
Deferred inflow related to pensions	507,720	(38,100)
<p>Internal service funds are used by management to charge the costs of certain activities such as equipment rental to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.</p>		
		1,326,067
Net position of governmental activities	\$	120,353,278

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**City of Burien, Washington**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2015**  
**Page 1 of 2**

	General	Street	Debt Service
<b>REVENUES</b>			
Taxes			
Property taxes	\$ 7,384,213	\$ -	\$ -
Retail sales and use taxes	7,965,473	-	-
Real estate excise tax	-	-	-
Business and occupation taxes	1,084,849	-	-
Utility taxes	2,600,721	368,682	-
Gambling and other taxes	511,251	219,453	-
Licenses and permits	1,805,115	1,117,465	-
Intergovernmental revenues	1,862,889	1,024,262	110,434
Charges for services	1,194,488	-	48,165
Fines and forfeitures	209,850	-	215
Investment earnings	24,461	2,802	225
Special assessments penalties and interest	-	-	4,661
Rents and leases	226,750	-	-
Contributions and donations	5,430	-	-
Special assessments principal	-	-	90,657
Miscellaneous	61,127	1,325	-
Total revenues	<u>24,936,617</u>	<u>2,733,989</u>	<u>254,357</u>
<b>EXPENDITURES</b>			
Current:			
General government	3,675,020	-	-
Judicial	443,957	-	-
Public safety	11,331,487	-	-
Natural environment	172,845	-	-
Transportation	567,192	1,462,407	-
Economic environment	1,888,074	-	-
Social services	97,069	-	-
Culture and recreation	2,912,070	-	-
Debt service			
Principal	-	-	1,557,225
Interest and fiscal charges	-	-	985,817
Capital outlay	-	30,628	-
Total expenditures	<u>21,087,714</u>	<u>1,493,035</u>	<u>2,543,042</u>
Excess (deficiency) of revenues over expenditures	<u>3,848,903</u>	<u>1,240,954</u>	<u>(2,288,685)</u>
<b>Other financing sources (uses)</b>			
Transfers in	173,000	-	2,285,000
Transfers out	(510,000)	(2,133,000)	-
Total other financing sources (uses)	<u>(337,000)</u>	<u>(2,133,000)</u>	<u>2,285,000</u>
Net change in fund balances	3,511,903	(892,046)	(3,685)
Fund balances - beginning	<u>10,925,350</u>	<u>1,512,327</u>	<u>82,887</u>
Fund balances - ending	<u>\$ 14,437,253</u>	<u>\$ 620,281</u>	<u>\$ 79,202</u>

**City of Burien, Washington**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2015**  
**Page 2 of 2**

Parks and General Government Capital Projects	Transportation Capital Projects	Other Governmental	Total
\$ -	\$ -	\$ -	\$ 7,384,213
-	-	-	7,965,473
-	-	1,595,257	1,595,257
-	-	-	1,084,849
-	-	-	2,969,403
-	-	367,068	1,097,772
-	-	-	2,922,580
175,874	358,279	-	3,531,738
-	273,541	33,808	1,550,002
-	-	-	210,065
3,350	4,346	1,107	36,291
-	-	-	4,661
-	-	-	226,750
33,522	-	-	38,952
-	-	-	90,657
-	-	-	62,452
<u>212,746</u>	<u>636,166</u>	<u>1,997,240</u>	<u>30,771,115</u>
-	-	-	3,675,020
-	-	-	443,957
-	-	-	11,331,487
-	-	-	172,845
-	669,712	1,908	2,701,219
-	-	-	1,888,074
-	-	-	97,069
50,823	-	-	2,962,893
-	-	-	1,557,225
-	-	-	985,817
236,946	554,285	-	821,859
<u>287,769</u>	<u>1,223,997</u>	<u>1,908</u>	<u>26,637,465</u>
<u>(75,023)</u>	<u>(587,831)</u>	<u>1,995,332</u>	<u>4,133,650</u>
300,000	1,683,250	-	4,441,250
-	-	(1,975,000)	(4,618,000)
<u>300,000</u>	<u>1,683,250</u>	<u>(1,975,000)</u>	<u>(176,750)</u>
224,977	1,095,419	20,332	3,956,900
<u>2,144,193</u>	<u>2,742,937</u>	<u>526,051</u>	<u>17,933,745</u>
<u>\$ 2,369,170</u>	<u>\$ 3,838,356</u>	<u>\$ 546,383</u>	<u>\$ 21,890,645</u>

**City of Burien, Washington**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in**  
**Fund Balances of Governmental to the Statement of Activities**  
**For the Fiscal Year Ended December 31, 2015**

Net change in fund balances - total governmental funds		\$ 3,956,900
Amounts reported for governmental activities in the statement of activities are different because:		
<p>Governmental funds report capital outlays as expenditures. However, in the useful lives and reported as depreciation expense. This is the amount by which statement of activities, the costs of these assets are allocated over their estimated capital outlays exceeded depreciation expense in the current period plus extraordinary gains from the sale of land.</p>		
Capital outlays	821,859	
Depreciation expense	<u>(5,675,479)</u>	(4,853,620)
<p>Investment in joint ventures are not considered financial resources and are, therefore not reported in the funds.</p>		
		(65,332)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.</p>		
Property tax revenue	(955)	
Special assessments revenue	(90,721)	
Business and occupation tax revenue	(5,847)	
Grants	22,972	
Charges for services	(4,318)	
Miscellaneous	<u>(656)</u>	(79,525)
<p>The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.</p>		
Principal payments on long-term debt	1,557,225	
Amortization of deferred charge on bond refunding	<u>(11,188)</u>	1,546,037
<p>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.</p>		
Accrued interest expense	(17,261)	
Accrued compensated absences expense	<u>5,402</u>	(11,859)
<p>Certain expenditures reported in the funds either increase or decrease long-term liabilities or deferred outflows reported on the Statement of Net Position and have been eliminated from the Statement of Activities.</p>		
Pension		94,725
<p>The internal service fund is used by management to charge costs of certain activities to individual funds. The net revenue (expense) of certain activities of internal service fund is reported with governmental funds.</p>		
		<u>(69,924)</u>
Change in net position of governmental activities		<u>\$ 517,402</u>



**City of Burien, Washington**  
**General Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget to Actual**  
**For the Year ended December 31, 2015**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 18,892,000	\$ 19,172,000	\$ 19,546,507	\$ 374,507
Licenses and permits	1,315,000	1,590,000	1,805,115	215,115
Intergovernmental revenue	1,781,000	1,766,000	1,862,889	96,889
Charges for services	1,053,350	1,055,000	1,194,488	139,488
Fines and forfeitures	200,000	200,000	209,850	9,850
Investment earnings	11,000	11,000	24,461	13,461
Rents and leases	166,000	173,000	226,750	53,750
Contributions and donations	-	-	5,430	5,430
Miscellaneous	65,000	66,000	61,127	(4,873)
Total revenues	<u>23,483,350</u>	<u>24,033,000</u>	<u>24,936,617</u>	<u>903,617</u>
<b>EXPENDITURES</b>				
Current:				
General government	4,225,045	4,305,340	3,675,020	630,320
Judicial	350,000	450,000	443,957	6,043
Public safety	11,578,500	11,428,500	11,331,487	97,013
Natural environment	175,000	175,000	172,845	2,155
Transportation	657,995	687,480	567,192	120,288
Economic environment	2,683,735	2,223,790	1,888,074	335,716
Social services	95,300	99,700	97,069	2,631
Culture and recreation	2,959,045	2,974,830	2,912,070	62,760
Total expenditures	<u>22,724,620</u>	<u>22,344,640</u>	<u>21,087,714</u>	<u>1,256,926</u>
Excess (deficiency) of revenues over expenditures	<u>758,730</u>	<u>1,688,360</u>	<u>3,848,903</u>	<u>2,160,543</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	173,000	173,000	173,000	-
Transfers out	(995,000)	(710,000)	(510,000)	200,000
Total other financing uses (sources)	<u>(822,000)</u>	<u>(537,000)</u>	<u>(337,000)</u>	<u>200,000</u>
Net change in fund balances	(63,270)	1,151,360	3,511,903	2,360,543
Fund balances - beginning	<u>7,965,645</u>	<u>10,925,345</u>	<u>10,925,350</u>	<u>5</u>
Fund balances - ending	<u>\$ 7,902,375</u>	<u>\$ 12,076,705</u>	<u>\$ 14,437,253</u>	<u>\$ 2,360,548</u>

**City of Burien, Washington**  
**Street Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget to Actual**  
**For the Year Ended December 31, 2015**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>REVENUES</b>				
Utility taxes	\$ 325,000	\$ 360,000	\$ 368,682	\$ 8,682
Other taxes	175,000	215,000	219,453	4,453
Intergovernmental revenues	975,000	1,000,000	1,024,262	24,262
Licenses and permits	975,000	975,000	1,117,465	142,465
Investment earnings	1,000	1,000	2,802	1,802
Miscellaneous	-	-	1,325	1,325
Total revenues	2,451,000	2,551,000	2,733,989	182,989
<b>EXPENDITURES</b>				
Current:				
Transportation	1,639,750	1,630,685	1,462,407	168,278
Capital outlay	40,000	40,000	30,628	9,372
Total expenditures	1,679,750	1,670,685	1,493,035	177,650
Excess of revenues over expenditures	771,250	880,315	1,240,954	360,639
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(1,508,000)	(2,133,000)	(2,133,000)	-
Total other financing sources (uses)	(1,508,000)	(2,133,000)	(2,133,000)	-
Net change in fund balances	(736,750)	(1,252,685)	(892,046)	360,639
Fund balance - beginning	981,995	1,512,325	1,512,327	2
Fund balances - ending	\$ 245,245	\$ 259,640	\$ 620,281	\$ 360,641

**City of Burien, Washington**  
**Statement of Net Position**  
**Proprietary Funds**  
**December 31, 2015**

	Business-Type Activities Enterprise Fund Surface Water Management	Governmental Activities Internal Service Fund Equipment Replacement
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 3,608,254	\$ 1,069,330
Utility receivables, net	114,583	-
Due from other governments	8,678	-
Total current assets	<u>3,731,515</u>	<u>1,069,330</u>
Noncurrent assets:		
Capital assets not being depreciated:		
Land	1,076,060	-
Construction in progress	6,108,270	-
Capital assets, net of accumulated depreciation:		
Machinery, equipment, and vehicles	349,845	262,586
Infrastructure	4,347,770	-
Intangible assets	10,950	-
Total noncurrent assets	<u>11,892,895</u>	<u>262,586</u>
Total assets	<u>15,624,410</u>	<u>1,331,916</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Total deferred outflows of resources	<u>95,672</u>	<u>-</u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	123,670	5,849
Accrued employee wages and benefits payable	47,630	-
Compensated absences	3,590	-
Accrued interest payable	2,664	-
Due to other governments	24,951	-
Public works trust fund loan payable	83,031	-
Total current liabilities	<u>285,536</u>	<u>5,849</u>
Non-current liabilities:		
Compensated absences	29,050	-
Pension obligation (net)	674,207	-
Public works trust fund loan payable	830,308	-
Total liabilities	<u>1,819,101</u>	<u>5,849</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Total deferred inflows of resources	<u>102,851</u>	<u>-</u>
<b>NET POSITION</b>		
Net investment in capital assets	10,979,556	262,586
Unrestricted	2,818,574	1,063,481
Total net position	<u>\$ 13,798,130</u>	<u>\$ 1,326,067</u>

**City of Burien, Washington**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Year Ended December 31, 2015**

	Business-Type Activities Enterprise Fund Surface Water Management	Governmental Activities Internal Service Fund Equipment Replacement
<b>Operating revenues:</b>		
Charges for services	\$ 3,260,770	\$ 70,000
Miscellaneous	8,000	-
Total operating revenues	<u>3,268,770</u>	<u>70,000</u>
<b>Operating expenses:</b>		
Personnel services	1,094,113	-
Supplies	93,175	10,922
Services	629,128	66,849
Taxes	27,619	-
Depreciation	377,586	193,488
Total operating expenses	<u>2,221,621</u>	<u>271,259</u>
Operating income (loss)	1,047,149	(201,259)
<b>Non-operating revenues (expenses):</b>		
Intergovernmental revenues	184,359	-
Investment earnings	4,783	1,335
Interest expense	(4,740)	-
Total nonoperating revenues (expenses)	<u>184,402</u>	<u>1,335</u>
Income before transfers	<u>1,231,551</u>	<u>(199,924)</u>
Transfers in	50,000	200,000
Transfers out	(73,250)	-
Total transfers	<u>(23,250)</u>	<u>200,000</u>
Change in net position	1,208,301	76
Net position - January 1	13,289,065	1,325,991
Change in accounting principle-GASB 68	(699,236)	-
Net position - January 1, restated	<u>12,589,829</u>	<u>1,325,991</u>
Net position - December 31	<u>\$ 13,798,130</u>	<u>\$ 1,326,067</u>

**City of Burien, Washington**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2015**

	Business-type Activities Enterprise Fund Surface Water Management	Governmental Activities Internal Service Fund Equipment Replacement
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Payments to suppliers	\$ (813,223)	\$ (79,352)
Receipts from customers	3,256,864	70,000
Other receipts	10,213	-
Payments to employees	(1,113,119)	-
Net cash provided (used for) operating activities	<u>1,340,735</u>	<u>(9,352)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Transfers to/from other funds	(23,250)	200,000
Operating grant	33,402	-
Net cash provided (used for) noncapital financing activities	<u>10,152</u>	<u>200,000</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Capital grants	415,201	-
Acquisition and construction of capital assets	(724,140)	(30,010)
Principal paid on capital debt	(83,031)	-
Interest paid on capital debt	(4,740)	-
Net cash provided by (used for) capital and related financing activities	<u>(396,710)</u>	<u>(30,010)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest on investments	4,783	1,335
Net cash provided by investing activities	<u>4,783</u>	<u>1,335</u>
Net increase (decrease) in cash and cash equivalents	958,960	161,973
Cash and cash equivalents, January 1	<u>2,648,075</u>	<u>907,357</u>
Cash and cash equivalents, December 31	<u>\$ 3,607,035</u>	<u>\$ 1,069,330</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>		
Operating income (loss)	<u>\$ 1,047,149</u>	<u>\$ (201,259)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used for) operating activities:		
Depreciation expense	377,586	193,488
Pension expense	(19,069)	-
(Increase) decrease in accounts receivable	13,659	-
(Decrease) increase in employee wages and benefits payable	3,863	-
(Decrease) increase in accrued liabilities	174	-
(Decrease) increase in compensated absences	(3,670)	-
(Decrease) increase in accounts payable	(102,864)	(1,581)
(Decrease) increase in intergovernmental payable	23,907	-
Total adjustments	<u>293,586</u>	<u>191,907</u>
Net cash provided by (used for) operating activities	<u>\$ 1,340,735</u>	<u>\$ (9,352)</u>

**City of Burien, Washington**  
**Statement of Net Position**  
**Fiduciary Fund**  
**December 31, 2015**

	<u>Agency Fund</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 65,608
Total assets	<u>\$ 65,608</u>
<b>LIABILITIES</b>	
Payroll withholdings and employer contributions	\$ 65,608
Total liabilities	<u>\$ 65,608</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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. The City is served by a non-partisan elected seven-member council. By statute, the Mayor is selected by the City Council from among its members, although this may also be done by election. The Council appoints a professional City Manager.

The financial statements of the City have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**A. Description of government-wide financial statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other non-exchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

**B. Reporting entity**

The City of Burien is a municipal corporation that operates under the Council-Manager form of government. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

Blended Component Unit - The Burien Transportation Benefit District was formed when the City Council adopted Ordinance No. 516 on July 20, 2009. The purpose of the district is to acquire, construct, improve, provide, and fund transportation improvements within the District consistent with any existing state, regional, and local transportation plan. The governing board of the Transportation Benefit District is the Burien City Council acting in an ex officio and independent capacity. Although it is legally separate from the City of Burien, the Burien Transportation Benefit District will be reported as if it were part of the primary government because its sole purpose is to finance and construct City of Burien streets. The District is funded by a \$10 excise tax charged on all vehicles registered within the City of Burien. The Washington State Department of Vehicles began collecting the excise taxes effective January 1, 2011.

The Transportation Benefit District activities are accounted for within 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.



The City defines its financial reporting entity in accordance with the provisions of Governmental Accounting Standards Board Statement No. 14 (GASB 14), The Financial Reporting Entity, as amended by GASB Statement No. 39, Determining Whether Certain Organizations are Component Units-an Amendment of GASB 14. These GASB Statements require for inclusion of component units primarily based upon whether the City's governing body has any significant amount of financial accountability for potential component units (PCU). The City is financially accountable if it appoints a voting majority of a PCU's governing body, and is able to impose its will on that PCU or there is a potential for the PCU to provide specific financial benefits to or impose specific financial burdens on the City.

#### **C. Basis of presentation – government-wide financial statements**

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the government's enterprise fund. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided.

#### **D. 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.

#### **E. Measurement focus and basis of accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide 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.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. 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. General capital asset acquisitions are reported as expenditures in governmental funds. Issuances of long-term debt are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

## **F. 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. It includes the Art in Public Places Fund and the Capital Projects Reserve 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 capital improvements of the 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.

## **G. 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 99% 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 is 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 \$5,000 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, infrastructure and intangibles of the City are depreciated or amortized 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
Intangibles	3-5

**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 Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City of Burien only has two items that qualify for reporting in this category. The first item is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item is the deferred outflow of pension contributions made between the measurement date of the state pension plan and the City’s fiscal year end.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City of Burien has one item that qualifies for reporting in this category, which is a deferred inflow due to the net difference between projected and actual investment earnings from state pension plan investments.

Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source, special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**7. Unearned Revenue**

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

**8. 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.

## 9. Long-term Obligations

Long-term obligations are recorded in the government-wide Statement of Net Position. At year-end, these liabilities include four general obligation bond issues (one is a longer-term, non-revolving line of credit), 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 12.

## 10. Fund Equity

Restricted net position 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.

The remaining net position is reported as unrestricted. The City's policy is to maintain an ending fund balance in the General Fund of at least 17.5% of budgeted General Fund recurring revenues with a goal of 20% by the 2017-18 biennium. 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.

## 11. Fund Balance

According to the City's Adopted Financial Policies, the City establishes and maintains reservations of Fund Balance, as defined in accordance with Governmental Accounting and Financial Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. This policy applies to the City's governmental funds.

The reservations of fund balance are established at a minimum of 17.5% of budgeted recurring revenue for the General Fund and 5% of budgeted recurring revenues for the Street and Surface Water Management Funds. City Council action in the form of budget appropriation or amendment is required to change or redistribute balances in reserve accounts.

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 by an external party or imposed by law through either 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 Finance Director has the authority to assign amounts of fund balance to a specific purpose; however, before expenditure, amounts must be appropriated by the City Council.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, restricted fund balance is considered to have been spent first.

When expenditures are incurred for purposes for which amounts in any of unrestricted fund balance classifications can be used, committed amounts shall be reduced first, followed by assigned amounts and then unassigned amounts.

## **12. 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.

## **H. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of all state sponsored pension plans and additions to/deductions from those plans' fiduciary net position have been determined on the same basis as they are reported by the Washington State Department of Retirement Systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

### **A. 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 (see page 4-8).

### **B. 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 (see 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****A. Scope of Budget**

The City adopts the budget for governmental funds on the modified accrual basis. The budget is adopted with budgetary control at the fund level, so expenditures may not legally exceed appropriations at that level of detail. Total fund appropriation includes expenditures, other financing uses and estimated ending fund balance. Unexpended appropriated balances for most 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) 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.

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

The City of Burien’s biennial budget procedures are mandated by Chapter 35A.33 of the Revised Code of Washington (RCW). The steps in the budget process are as follows:

1. 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.
2. The City Council conducts at least two public hearings on the proposed budget prior to budget adoption.
3. 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.



**C. 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 final authorized amounts as amended during the year.

**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, 2015, the carrying amount of the City's demand deposits with Key Bank was \$366,016. Petty and working cash totaling \$8,800 is allocated to various City departments.

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 Office of State Auditor, an independently elected public official, audits the LGIP annually.

As of December 31, 2015, 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>\$25,634,362</u>	<u>\$25,634,362</u>
Total Investments	<u>\$25,634,362</u>	<u>\$25,634,362</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 that 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, 2015, 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**

### **A. 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:

1. 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.
2. 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 the total property tax rate to exceed \$10.

The City's regular levy for 2015 was \$1.59050 per \$1,000 of the assessed valuation of \$4,636,223,596 for a total regular levy of \$7,283,326, net of adjustments.

## **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 did not have any interfund loans at 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. A summary of transfers by fund type is as follows:

The principal purposes for interfund transfers include interfund subsidies, transfers into capital project and debt service funds and transfers into internal service funds for interfund equipment rental services.

**2015 Transfers:****Governmental:**

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds		
General Fund	\$ 173,000	\$ 510,000
Street Fund	-	2,133,000
Debt Service Fund	2,285,000	-
Parks and General Government Capital Projects Fund	300,000	-
Transportation Capital Projects Fund	1,683,250	-
Subtotal	<u>4,441,250</u>	<u>2,643,000</u>
Non-Major Funds		
Public Works Reserve Fund		1,600,000
Transportation Benefit District Fund	-	375,000
Subtotal	<u>-</u>	<u>1,975,000</u>
<b><u>Business-type:</u></b>		
Major Fund		
Surface Water Management Fund	<u>\$ 50,000</u>	<u>\$ 73,250</u>
Internal Service Fund		
Equipment Replacement Reserve Fund	<u>200,000</u>	-
Total Transfers	<u>\$ 4,691,250</u>	<u>\$ 4,691,250</u>

**NOTE 7. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2015 is presented below:

Primary Government	Beginning Balance	Prior Period Adjustment	Adjusted		Decreases	Ending Balance
			Beginning Balance	Increases		
<b>Governmental activities :</b>						
Capital assets, not being depreciated:						
Land and land improvements	\$ 29,488,828		\$ 29,488,828	\$ -	\$ -	\$ 29,488,828
Construction in progress	15,691,114		15,691,114	535,621	8,474,740	7,751,995
Total capital assets, not being depreciated	45,179,941	-	45,179,941	535,621	8,474,740	37,240,822
Capital assets, being depreciated:						
Buildings and structures	15,099,531		15,099,531	-	-	15,099,531
Other improvements	8,781,418		8,781,418	232,319	-	9,013,736
Machinery and equipment	3,661,185		3,661,185	41,563	-	3,702,748
Infrastructure	115,118,328		115,118,328	8,498,031	-	123,616,360
Total capital assets being depreciated	142,660,462	-	142,660,462	8,771,913	-	151,432,375
Less accumulated depreciation for:						
Buildings and structures	(3,850,333)		(3,850,333)	(748,736)	-	(4,599,069)
Other improvements	(3,410,502)		(3,410,502)	(397,456)	-	(3,807,958)
Machinery and equipment	(2,227,295)		(2,227,295)	(314,497)	-	(2,541,792)
Infrastructure	(60,971,958)	13,358,466	(47,613,492)	(4,404,826)	-	(52,018,317)
Total accumulated depreciation	(70,460,087)	13,358,466	(57,101,621)	(5,865,515)	-	(62,967,136)
Total capital assets, being depreciated, net	72,200,375	13,358,466	85,558,841	2,906,397	-	88,465,239
Intangible Assets:						
Intangible assets, being amortized	354,892		354,892	-	-	354,892
Less accumulated amortization	(347,994)		(347,994)	(3,449)	-	(351,443)
Total intangible asset, being amortized, net	6,898	-	6,898	(3,449)	-	3,449
<b>Governmental activities capital assets, net</b>	<b>\$117,387,215</b>	<b>\$13,358,467</b>	<b>\$130,745,682</b>	<b>\$ 3,438,569</b>	<b>\$ 8,474,740</b>	<b>\$ 125,709,510</b>
<b>Business-type activities:</b>						
Capital assets, not being depreciated:						
Land and land improvements	\$ 1,076,060	\$ -	\$ 1,076,060	\$ -	\$ -	\$ 1,076,060
Construction in progress	5,513,907		5,513,907	594,364	-	6,108,270
Total capital assets, not being depreciated	6,589,967	-	6,589,967	594,364	-	7,184,330
Capital assets, being depreciated:						
Infrastructure	9,033,772		9,033,772	-	-	9,033,772
Machinery and equipment	445,161	-	445,161	30,628	-	475,789
Total capital assets being depreciated	9,478,933	-	9,478,933	30,628	-	9,509,561
Less accumulated depreciation for:						
Infrastructure	(4,333,042)		(4,333,042)	(352,960)	-	(4,686,003)
Machinery and equipment	(101,318)	-	(101,318)	(24,626)	-	(125,944)
Total accumulated depreciation	(4,434,360)	-	(4,434,360)	(377,586)	-	(4,811,946)
Total capital assets, being depreciated, net	5,044,573	-	5,044,573	(346,958)	-	4,697,615
Intangible Assets:						
Intangible assets, not being amortized	-	-	-	-	-	-
Intangible assets, being amortized	-	-	-	10,950	-	10,950
Less accumulated amortization	-	-	-	-	-	-
Total intangible asset, being amortized, net	-	-	-	10,950	-	10,950
Total Intangible assets	-	-	-	10,950	-	10,950
<b>Business-type activities capital assets, net</b>	<b>\$ 11,634,540</b>	<b>\$ -</b>	<b>\$ 11,634,540</b>	<b>\$ 258,355</b>	<b>\$ -</b>	<b>\$ 11,892,895</b>

Depreciation and amortization expense was charged to functions/programs of the governmental activities of the primary government as follows:

<b>Governmental activities</b>	<b>Depreciation</b>	<b>Amortization</b>	<b>Total</b>
General Government	\$ 721,635	\$ 560	\$ 722,195
Public Safety	5,059	2,889	7,948
Transportation	4,523,181	-	4,523,181
Culture and Recreation	612,263	-	612,263
Economic Environment	3,377	-	3,377
<b>Total - Governmental activities</b>	<b>\$ 5,865,516</b>	<b>\$ 3,449</b>	<b>\$ 5,868,964</b>
<b>Business-type activities</b>			
Surface Water Management	\$ (377,586)	\$ -	\$ (377,586)
<b>Total - Business-type activities</b>	<b>\$ (377,586)</b>	<b>\$ -</b>	<b>\$ (377,586)</b>

## NOTE 8. CONSTRUCTION COMMITMENTS

The City had only the North East Redevelopment Area Drainage Improvement Project open as of December 31, 2015 pending negotiation of the final change order and payment.

## 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. All debt is displayed net of premium or discount.

General Obligation Bonds Outstanding at year-end consist of several Limited Tax General Obligation Bond Issues: 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 to build a jail facility. The City of Burien's 4% ownership share totaled \$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. In 2013, the City issued a general obligation bond in the form of a line of credit to purchase property in the North East Redevelopment Area for resale and redevelopment. The maximum amount available is \$3,600,000 and the balance outstanding at the end of 2015 was \$3,538,562. The line of credit is a one-year note that can be renewed annually up to four additional one-year terms, resulting in a final maturity no later than five years from the dated date of the bond. The interest rate, set annually on the bond renewal date, is based on Key Bank's one year fixed rate cost of funds plus 1.09%.

### General Obligation Bonds Currently Outstanding

<b>Purpose</b>	<b>Maturity Range</b>	<b>Interest Rate</b>	<b>Original Amount</b>	<b>Amount of Installment</b>
2006 Limited Tax G.O. - Town Square and Community Center	2007-2026	3.80-5.00%	\$ 9,805,000	\$ 470,000
2009 Series A & B Special Obligation Bonds - SCORE PDA	2013-2038	3.00-6.62%	3,449,400	85,800
2010 Limited Tax G.O. - Street Overlay	2010-2029	2.00-6.13%	8,615,000	395,000
2011 Limited Tax G.O. - 2002 Refunding & 1st Avenue South	2011-2031	2.00-4.00%	8,550,000	440,000
2013 Limited Tax G.O. - Line of Credit for Property Purchase	2018	2.43%	3,538,562	-

**Debt Service Requirement to Maturity  
General Obligation Bonds  
For the Year Ended December 31, 2015**

<u>Year Ending December 31</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2016	\$ 1,390,800	\$ 1,084,729
2017	1,434,600	1,031,923
2018	5,030,962	976,836
2019	1,540,400	832,793
2020	1,588,600	772,027
2021-2025	8,177,800	2,833,864
2026-2030	5,670,400	1,119,289
2031-2035	1,298,200	257,382
2036-2038	594,400	51,846
<b>Total General Obligation Bonds</b>	<b>\$ 26,726,162</b>	<b>\$ 8,960,688</b>

Public Works Trust Fund Loan – State of Washington Public Works Trust Fund Loans are a direct responsibility of the City. The City currently has three such loans, two for the governmental funds and one for the proprietary fund. The first loan for the SW 152<sup>nd</sup> Street Enhancement Project has an outstanding balance of \$775,064 and is being repaid with Real Estate Excise Taxes received in the Public Works Reserve Fund. The second loan is associated with the 1st Avenue South Phase 1 capital project and is paid half from general revenues and half from a special assessment on the benefitting property owners. The total outstanding balance is \$1,082,426 with the City’s half equaling \$541,213. The third 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 \$913,339.

**Public Works Trust Fund (PWTF) Loans  
For the Year Ended December 31, 2015**

<u>Year Ending December 31</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2016	\$ 189,312	\$ 6,582	\$ 83,031	4,567
2017	189,312	5,636	83,031	4,152
2018	189,312	4,688	83,031	3,736
2019	189,312	3,741	83,031	3,321
2020	189,312	2,795	83,031	2,906
2021-2025	369,717	3,652	415,154	8,303
2026	-	-	83,031	415
<b>Total PWTF Loans</b>	<b>\$ 1,316,277</b>	<b>\$ 27,094</b>	<b>\$ 913,339</b>	<b>\$ 27,400</b>

**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. Special assessment debt is in the form of two public works trust fund loans. The first loan is for special assessment (LID #1) benefitting property owners on the 152<sup>nd</sup> Street Enhancement project. The outstanding balance as of December 31, 2015 is \$369,445. This second loan is for a special assessment for the 1<sup>st</sup> Avenue South Corridor Project – Phase 1 (LID# 2) is paid for by the benefitting property owners. The outstanding balance at year-end is \$541,213. The delinquent special assessments receivable balance as of December 31, 2015 is \$5,501. 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.

**Special Assessment Debt with Government Commitment (PWTFLL)  
For the Year Ended December 31, 2015**

Year Ending December 31	Governmental Activities	
	Principal	Interest
2016	\$ 112,913	\$ 4,553
2017	112,913	3,988
2018	112,913	3,424
2019	112,913	2,860
2020	112,913	2,295
2021-2025	346,092	3,799
<b>Total Special Assessment Debt</b>	<b>\$ 910,657</b>	<b>\$ 20,919</b>

**Changes in Long-term Liabilities**

**Changes in Long-term Liabilities**

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
<u>General Obligation Bonds:</u>					
2006 Limited Tax G.O. Bond	\$ 6,825,000	\$ -	\$ (445,000)	\$ 6,380,000	\$ 470,000
2010 Limited Tax G.O. Bond	7,080,000	-	(385,000)	6,695,000	395,000
2011 Limited Tax G.O. Bond	7,405,000	-	(425,000)	6,980,000	440,000
2013 Limited Tax G.O.- Key Bank Line of Credit	3,538,562	-	-	3,538,562	-
Total bonds payable	24,848,562	-	(1,255,000)	23,593,562	1,305,000
<u>Due to Other Governments</u>					
2009 (A) SCORE and 2009 (B) SCORE	3,215,200	-	(82,600)	3,132,600	85,800
<u>Special Assessment Debt with government commitment (PWTFLL)</u>					
LID #1 -PW-02-691-007 - SW 152nd St Enhancement Project	422,222	-	(52,778)	369,444	52,778
LID #2 - PW-04-691-011 - 1st Avenue South Corridor Project - Phase I	601,348	-	(60,135)	541,213	60,135
Total special assessment debt	1,023,570	-	(112,913)	910,657	112,913
<u>Public Works Trust Fund Loans:</u>					
PW-01-691-009 -SW 152nd St Enhancement Project	904,241	-	(129,177)	775,064	129,177
PW-04-691-011 - 1st Avenue South Corridor Project - Phase I	601,348	-	(60,135)	541,213	60,135
Total public works trust fund loans	1,505,589	-	(189,312)	1,316,277	189,312
Compensated absences	257,664	-	(5,402)	252,262	27,749
Net pension obligation	2,729,895	848,048	-	3,577,943	-
Total governmental activities	\$ 33,580,480	\$ 848,048	\$ (1,645,227)	\$ 32,783,301	\$ 1,720,773
<b>Business-Type Activities:</b>					
<u>Public Works Trust Funds Loan:</u>					
PW-06-962-010 Ambaum Regional Pond Expansion Project	996,370	-	(83,031)	913,339	83,031
Total public works trust fund loan	996,370	-	(83,031)	913,339	83,031
Compensated absences	32,720	-	(80)	32,640	3,590
Net pension obligation	514,406	159,801	-	674,207	-
Total business-type activities	\$ 1,543,496	\$ 159,801	\$ (83,111)	\$ 1,620,186	\$ 86,621

**Compensated Absences Payable**

This amount represents the total unpaid vacation, compensatory time and related benefits liability of the governmental funds and the City’s proprietary fund. Compensated absences liability for the governmental funds at year-end is \$252,262, a decrease of \$5,402 from the previous year, which decreases 2015 government expenditures by the same amount. The liability for the proprietary fund is \$32,640, which is a decrease of \$80 over the previous year. Essentially all of the compensated absences liability has historically been liquidated through charges to the departments in the General Fund and the Surface Water Management Fund.

**NOTE 10. PENSION PLANS**

The following table represents the aggregate pension amounts for all plans subject to the requirements of the GASB Statement 68, *Accounting and Financial Reporting for Pensions* for the year 2015:

<b>Aggregate Pension Amounts – All Plans</b>	
Pension liabilities	\$4,252,150
Pension assets	\$0
Deferred outflows of resources	\$603,392
Deferred inflows of resources	\$648,671
Pension expense/expenditures	\$420,049

**State Sponsored Pension Plans**

Substantially all the City of Burien’s full-time and qualifying part-time employees participate in one of the following statewide retirement systems administered by the Washington State Department of Retirement Systems, under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans. The state Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems.

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 98540-8380

Alternatively, the DRS CAFR may be downloaded from the DRS website at [www.drs.wa.gov](http://www.drs.wa.gov).

**Public Employees’ Retirement System (PERS)**

PERS members include elected officials; state employees; employees of the Supreme, Appeals and Superior Courts; employees of the legislature; employees of district and municipal courts; employees of local governments; and higher education employees not participating in higher education retirement programs. PERS is comprised of three separate pension plans for membership purposes. PERS plans 1 and 2 are defined benefit plans, and PERS plan 3 is a defined benefit plan with a defined contribution component.

**PERS Plan 1** provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the member’s average final compensation (AFC) times the member’s years of service. The AFC is the average of the member’s 24 highest consecutive service months. Members are eligible for retirement from active status



at any age with at least 30 years of service, at age 55 with at least 25 years of service, or at age 60 with at least five years of service. Members retiring from active status prior to the age of 65 may receive actuarially reduced benefits. Retirement benefits are actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, an optional cost-of-living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. PERS 1 members were vested after the completion of five years of eligible service. The plan was closed to new entrants on September 30, 1977.

### Contributions

The **PERS Plan 1** member contribution rate is established by State statute at 6 percent. The employer contribution rate is developed by the Office of the State Actuary and includes an administrative expense component that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates. The PERS Plan 1 required contribution rates (expressed as a percentage of covered payroll) for 2015 were as follows:

PERS Plan 1		
Actual Contribution Rates:	Employer	Employee*
January through June 2015	9.21%	6.00%
July through December 2015	11.18%	6.00%

\* For employees participating in JBM, the contribution rate was 12.26%

The City of Burien's actual contributions to the plan were \$229,871 from the PERS Plan 1 UAAL portion of the PERS Plan 2/3 contributions for the year ended December 31, 2015.

**PERS Plan 2/3** provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the member's average final compensation (AFC) times the member's years of service for Plan 2 and 1 percent of AFC for Plan 3. The AFC is the average of the member's 60 highest-paid consecutive service months. There is no cap on years of service credit. Members are eligible for retirement with a full benefit at 65 with at least five years of service credit. Retirement before age 65 is considered an early retirement. PERS Plan 2/3 members who have at least 20 years of service credit and are 55 years of age or older, are eligible for early retirement with a benefit that is reduced by a factor that varies according to age for each year before age 65. PERS Plan 2/3 members who have 30 or more years of service credit and are at least 55 years old can retire under one of two provisions:

- With a benefit that is reduced by three percent for each year before age 65; or
- With a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules.

PERS Plan 2/3 members hired on or after May 1, 2013 have the option to retire early by accepting a reduction of five percent for each year of retirement before age 65. This option is available only to those who are age 55 or older and have at least 30 years of service credit. PERS Plan 2/3 retirement benefits are also actuarially reduced to reflect the choice of a survivor benefit. Other PERS Plan 2/3 benefits include duty and non-duty disability payments, a cost-of-living allowance (based on the CPI), capped at three percent annually and a one-time duty related death benefit, if found eligible by the Department of Labor and Industries. PERS 2 members are vested after completing five years of eligible service. Plan 3 members are vested in the defined benefit portion of their plan after ten years of service or after five years of service if 12 months of that service are earned after age 44.

**PERS Plan 3** defined contribution benefits are totally dependent on employee contributions and investment earnings on those contributions. PERS Plan 3 members choose their contribution rate upon joining membership

and have a chance to change rates upon changing employers. As established by statute, Plan 3 required defined contribution rates are set at a minimum of 5 percent and escalate to 15 percent with a choice of six options. Employers do not contribute to the defined contribution benefits. PERS Plan 3 members are immediately vested in the defined contribution portion of their plan.

**Contributions**

The **PERS Plan 2/3** employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. The Plan 2/3 employer rates include a component to address the PERS Plan 1 UAAL and an administrative expense that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 2 employer and employee contribution rates and Plan 3 contribution rates. The PERS Plan 2/3 required contribution rates (expressed as a percentage of covered payroll) for 2015 were as follows:

PERS Plan 2/3		
Actual Contribution Rates:	Employer 2/3	Employee 2*
January through June 2015	9.21%	4.92%
July through December 2015	11.18%	6.12%
Employee PERS Plan 3		varies

\* For employees participating in JBM, the contribution rate was 15.30%

The City of Burien’s actual contributions to the plan were \$534,385 which included \$229,871 reported as the PERS Plan 1 UAAL for the year ended December 31, 2015.

**Actuarial Assumptions**

The total pension liability (TPL) for each of the DRS plans was determined using the most recent actuarial valuation completed in 2015 with a valuation date of June 30, 2014. The actuarial assumptions used in the valuation were based on the results of the Office of the State Actuary’s (OSA) *2007-2012 Experience Study*.

Additional assumptions for subsequent events and law changes are current as of the 2014 actuarial valuation report. The TPL was calculated as of the valuation date and rolled forward to the measurement date of June 30, 2015. Plan liabilities were rolled forward from June 30, 2014, to June 30, 2015, reflecting each plan’s normal cost (using the entry-age cost method), assumed interest and actual benefit payments.

- **Inflation:** 3% total economic inflation; 3.75% salary inflation
- **Salary increases:** In addition to the base 3.75% salary inflation assumption, salaries are also expected to grow by promotions and longevity.
- **Investment rate of return:** 7.5%

Mortality rates were based on the RP-2000 report’s Combined Healthy Table and Combined Disabled Table, published by the Society of Actuaries. The OSA applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using 100 percent Scale BB. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout his or her lifetime.

There were minor changes in methods and assumptions since the last valuation.

- The OSA updated demographic assumptions, consistent with the changes from the *2007-2012 Experience Study Report*, used when valuing the PERS 1 and TERS 1 Basic Minimum COLA.
- The OSA corrected how valuation software calculates a member’s entry age under the entry age normal actuarial cost method. Previously, the funding age was rounded, resulting in an entry age one year higher in some cases.
- For purposes of calculating the Plan 2/3 Entry Age Normal Cost contribution rates, the OSA now uses the current blend of Plan 2 and Plan 3 salaries rather than using a long-term membership assumption of two-thirds Plan 2 members and one-third Plan 3 members.
- The OSA changed the way it applies salary limits, as described in the *2007-2012 Experience Study Report*.

**Discount Rate**

The discount rate used to measure the total pension liability for all DRS plans was 7.5 percent.

To determine that rate, an asset sufficiency test included an assumed 7.7 percent long-term discount rate to determine funding liabilities for calculating future contribution rate requirements. (All plans use 7.7 percent). Consistent with the long-term expected rate of return, a 7.5 percent future investment rate of return on invested assets was assumed for the test. Contributions from plan members and employers are assumed to continue being made at contractually required rates (including PERS 2/3, employers, whose rates include a component for the PERS 1 liabilities). Based on these assumptions, the pension plans’ fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.5 percent was used to determine the total liability.

**Long-Term Expected Rate of Return**

The long-term expected rate of return on the DRS pension plan investments of 7.5 percent was determined using a building-block-method. The Washington State Investment Board (WSIB) used a best estimate of expected future rates of return (expected returns, net of pension plan investment expense, including inflation) to develop each major asset class. Those expected returns make up one component of WSIB’s capital market assumptions. The WSIB uses the capital market assumptions and their target asset allocation to simulate future investment returns at various future times. The long-term expected rate of return of 7.5 percent approximately equals the median of the simulated investment returns over a 50-year time horizon.

**Estimated Rates of Return by Asset Class**

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan’s target asset allocation as of June 30, 2015, are summarized in the table below. The inflation component used to create the table is 2.2 percent and represents the WSIB’s most recent long-term estimate of broad economic inflation.

<b>Asset Class</b>	<b>Target Allocation</b>	<b>% Long-Term Expected Real Rate of Return Arithmetic</b>
Fixed Income	20%	1.70%
Tangible Assets	5%	4.40%
Real Estate	15%	5.80%
Global Equity	37%	6.60%
Private Equity	23%	9.60%
	<b>100%</b>	

**Sensitivity of NPL**

The table below presents the City of Burien’s proportionate share of the net pension liability calculated using the discount rate of 7.5 percent, as well as what the City of Burien’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.5 percent) or 1-percentage point higher (8.5 percent) than the current rate.

	<b>1% Decrease (6.5%)</b>	<b>Current Discount Rate (7.5%)</b>	<b>1% Increase (8.5%)</b>
PERS 1	\$ 2,790,484	\$ 2,291,972	\$ 1,863,300
PERS 2/3	\$ 5,731,662	\$ 1,960,178	\$ (927,506)

**Pension Plan Fiduciary Net Position**

Detailed information about the State’s pension plans’ fiduciary net position is available in the separately issued DRS financial report.

**Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2015, the City of Burien reported a total pension liability of \$4,252,150 for its proportionate share of the net pension liabilities as follows:

	<b>Liability (or Asset)</b>
PERS 1	\$2,291,972
PERS 2/3	\$1,960,178

At June 30, the City of Burien’s proportionate share of the collective net pension liabilities was as follows:

	<b>Proportionate Share 6/30/14</b>	<b>Proportionate Share 6/30/15</b>	<b>Change in Proportion</b>
PERS 1	0.043474%	0.043816%	0.000341%
PERS 2/3	0.052156%	0.054860%	0.002704%

Employer contribution transmittals received and processed by the DRS for the fiscal year ended June 30 are used as the basis for determining each employer’s proportionate share of the collective pension amounts reported by the DRS in the *Schedules of Employer and Nonemployer Allocations* for all plans except LEOFF 1.

**Pension Expense**

For the year ended December 31, 2015, the City of Burien recognized pension expense as follows:

	<b>Pension Expense</b>
PERS 1	\$162,539
PERS 2/3	\$257,510
TOTAL	\$420,049

**Deferred Outflows of Resources and Deferred Inflows of Resources**

At December 31, 2015, the City of Burien reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>PERS 1</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$0	\$0
Net difference between projected and actual investment earnings on pension plan investments	\$0	\$125,396
Changes of assumptions	\$0	\$0
Changes in proportion and differences between contributions and proportionate share of contributions	\$0	\$0
Contributions subsequent to the measurement date	\$132,385	\$0
<b>TOTAL</b>	<b>\$132,385</b>	<b>\$125,396</b>

<b>PERS 2/3</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$208,367	\$0
Net difference between projected and actual investment earnings on pension plan investments	\$0	\$523,275
Changes of assumptions	\$3,158	\$0
Changes in proportion and differences between contributions and proportionate share of contributions	\$87,003	\$0
Contributions subsequent to the measurement date	\$172,479	\$0
<b>TOTAL</b>	<b>\$471,007</b>	<b>\$523,275</b>

Deferred outflows of resources related to pensions resulting from the City of Burien contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year ended December 31, 2015:</b>	<b>PERS 1</b>	<b>PERS 2/3</b>
2016	(\$48,599)	(\$136,857)
2017	(\$48,599)	(\$136,857)
2018	(\$48,599)	(\$136,857)
2019	\$20,402	\$116,552

## 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, 2015, there were sixty-seven active members in the City of Burien Retirement Plan. The City's covered payroll for the year ended December 31, 2015, was \$4,923,408 out of total payroll of \$5,290,211. Employee contributions during the year totaled \$306,254. City contributions were \$288,966.

### NOTE 11. HEALTH AND WELFARE

The City of Burien is a member of the Association of Washington Cities Employee Benefit Trust Health Care Program (AWC Trust HCP). Chapter 48.62 RCW provides that two or more local government entities may, by Interlocal agreement under Chapter 39.34 RCW, form together or join a pool or organization for the joint purchasing of insurance, and/or joint self-insurance, to the same extent that they may individually purchase insurance, or self-insure.

An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. The AWC Trust HCP was formed on January 1, 2014 when participating cities, towns, and non-city entities of the AWC Employee Benefit Trust in the State of Washington joined together by signing an Interlocal Governmental Agreement to jointly self-insure certain health benefit plans and programs for participating employees, their covered dependents and other beneficiaries through a designated account within the Trust.

As of December 31, 2015, 261 cities/towns/non-city entities participate in the AWC Trust HCP.

The AWC Trust HCP allows members to establish a program of joint insurance and provides health and welfare services to all participating members. The AWC Trust HCP pools claims without regard to individual member

experience. The pool is actuarially rated each year with the assumption of projected claims run-out for all current members. The AWC Trust HCP includes medical insurance through Group Health, Regence BlueShield and Asuris Northwest Health, dental insurance through Delta Dental of Washington, and vision insurance through Vision Service Plan. Eligible members are cities and towns within the state of Washington. Non-City Entities (public agency, public corporation, intergovernmental agency, or political subdivision within the state of Washington) are eligible to apply for coverage into the AWC Trust HCP, submitting application to the Board of Trustees for review as required in the Trust Agreement.

Participating employers pay monthly premiums to the AWC Trust HCP. The AWC Trust HCP is responsible for payment of all covered claims. The AWC Trust HCP purchases stop loss insurance for Regence/Asuris plans at an Individual Stop Loss (ISL) of \$1.5 million through Life Map, and Group Health ISL at \$750,000 through Sun Life. The aggregate policy is for 200% of expected medical claims.

Participating employers contract to remain in the AWC HCP for a minimum of three years. Participating employers with over 250 employees must provide written notice of termination of all coverage a minimum of 12 months in advance of the termination date, and participating employers with under 250 employees must provide written notice of termination of all coverage a minimum of 6 months in advance of termination date. When all coverage is being terminated, termination will only occur on December 31. Participating employers terminating a group or line of coverage must notify the HCP a minimum of 60 days prior to termination. A participating employer's termination will not obligate that member to past debts, or further contributions to the HCP. Similarly, the terminating member forfeits all rights and interest to the HCP Account.

The operations of the Health Care Program are managed by the Board of Trustees or its delegates. The Board of Trustees is comprised of four regionally elected officials from Trust member cities or towns, the Employee Benefit Advisory Committee Chair and Vice Chair, and two appointed individuals from the AWC Board of Directors, who are from Trust member cities or towns. The Trustees or its appointed delegates review and analyze Health Care Program related matters and make operational decisions regarding premium contributions, reserves, plan options and benefits in compliance with Chapter 48.62 RCW.

The Board of Trustees has decision authority consistent with the Trust Agreement, Health Care Program policies, Chapter 48.62 RCW and Chapter 200-110-WAC.

The accounting records of the Trust HCP are maintained in accordance with methods prescribed by the State Auditor's office under the authority of Chapter 43.09 RCW. The Trust HCP also follows applicable accounting standards established by the Governmental Accounting Standards Board ("GASB"). Year-end financial reporting is done on an accrual basis and submitted to the Office of the State Auditor as required by Chapter 200-110 WAC. The audit report for the AWC Trust HCP is available from the Washington State Auditor's office.

## **NOTE 12. 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:

Coverage	Health First 1000	Health First 2500	Health First Medicare Advantage	Group Health
Non-Medicare enrolled retiree coverage	\$734.37	\$641.21	n/a	\$1,218.17
Non-Medicare enrolled spouse coverage	\$740.78	\$645.87	n/a	\$1,182.67
Medicare enrolled retiree coverage	n/a	n/a	\$385.23	\$407.94
Medicare enrolled spouse coverage	n/a	n/a	\$385.23	\$407.94

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 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 Host City Agreement. Pursuant to SCORE financial policies, all unexpected funds or reserve funds shall be distributed based on the percentage of the Member City's average daily population at the SCORE Facility for the last three (3) years regardless of its Owner City or Host City status.

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 which 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. The SCORE PDA issued \$86 million in special obligation bonds in 2009 (the "Bonds") to construct, develop, acquire and equip the SCORE Facility. Pursuant to the Formation Interlocal Agreement and the ordinances of each city, each Owner City (which includes the Cities of Auburn, Burien, Federal Way, Renton, SeaTac and Tukwila) is obligated to budget for and pay its share, and only its share, of the principal of and interest on the Bonds as the same become due and payable. Each Owner City's obligation to pay its portion is an irrevocable, unconditional full faith and credit obligation of such Owner City, payable from property taxes levied within the constitutional and statutory authority



provided without a vote of the electors of the Owner City on all of the taxable property within the Owner City and other sources of revenues available therefor. The following is a summary of the debt service requirements for the Bonds:

Summary of Debt Service Requirements												
Debt Service Schedule					Debt Service Allocation to Owner Cities							
Year	Principal	Interest	35% BABs		Year	Auburn	Burien	Federal Way	Renton	SeaTac	Tukwila	
			Subsidy	Total		31%	4%	18%	36%	3%	8%	
2016	\$ 2,065,000	\$ 4,911,886	\$ (1,517,676)	\$ 5,459,210	2016	\$ 1,692,355	\$ 218,368	\$ 982,658	\$ 1,965,316	\$ 163,776	\$ 436,737	
2017	2,145,000	4,820,241	(1,511,685)	5,453,556	2017	1,690,602	218,142	981,640	1,963,280	163,607	436,284	
2018	2,240,000	4,715,979	(1,511,685)	5,444,294	2018	1,687,731	217,772	979,973	1,959,946	163,329	435,544	
2019	2,310,000	4,602,229	(1,475,151)	5,437,078	2019	1,685,494	217,483	978,674	1,957,348	163,112	434,966	
2020	2,385,000	4,484,854	(1,437,475)	5,432,379	2020	1,684,037	217,295	977,828	1,955,656	162,971	434,590	
2021-2025	13,405,000	20,377,998	(7,109,462)	26,673,536	2021-2025	8,268,796	1,066,941	4,801,236	9,602,473	800,206	2,133,883	
2026-2030	16,325,000	15,803,611	(5,715,798)	26,412,813	2026-2030	8,187,972	1,056,513	4,754,306	9,508,613	792,384	2,113,025	
2031-2035	20,095,000	9,856,351	(3,682,383)	26,268,968	2031-2035	8,143,380	1,050,759	4,728,414	9,456,828	788,069	2,101,517	
2036-2039	19,410,000	2,636,145	(1,147,380)	20,898,765	2036-2039	6,478,617	835,951	3,761,778	7,523,555	626,963	1,671,901	
<b>Totals</b>	<b>\$ 80,380,000</b>	<b>\$ 72,209,294</b>	<b>\$ (25,108,695)</b>	<b>\$ 127,480,599</b>	<b>Totals</b>	<b>\$ 39,518,984</b>	<b>\$ 5,099,224</b>	<b>\$ 22,946,507</b>	<b>\$ 45,893,015</b>	<b>\$ 3,824,417</b>	<b>\$ 10,198,447</b>	

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, 2015 related to SCORE:

South Correctional Entity (SCORE)					
2015 Member Cities Equity Allocation					
Member City	Percent of Equity	2014 Equity Balance	Prior Period Adjustment	2015 Apportionment	2015 Equity Balance
Auburn	30.00%	\$ 4,243,235	\$ (1,048,625)	\$ 137,167	\$ 3,331,777
<b>Burien</b>	<b>3.00%</b>	<b>515,410</b>	<b>(155,837)</b>	<b>17,268</b>	<b>376,841</b>
Des Moines	2.00%	292,161	(113,182)	18,288	197,267
Federal Way	24.00%	3,676,724	(1,204,461)	148,312	2,620,575
Renton	29.00%	4,220,405	(1,134,356)	136,621	3,222,670
SeaTac	5.00%	712,666	(240,723)	26,524	498,467
Tukwila	7.00%	1,080,470	(326,032)	34,103	788,541
<b>Grand Totals</b>	<b>100.00%</b>	<b>\$ 14,741,071</b>	<b>\$ (4,223,216)</b>	<b>\$ 518,283</b>	<b>\$ 11,036,138</b>

Completed financial statements for SCORE and SCORE PDA can be obtained at SCORE, Attn: Finance Manager, 20817 17<sup>th</sup> Avenue South, Des Moines, WA 98198.

**Joint Venture Reconciliation to the Government-wide Financial Statements**

Since the obligation to fund future joint venture-related debt is separately reported as due to other governments, the investment in joint ventures is reported as a combination of this debt with the current reported equity in joint ventures as follows:

	Balance 1/1/2015	Prior Period Adjustment	Additions	Reductions	Balance 12/31/2014
<b>Investment in Joint Venture - SCORE</b>					
SCORE Public Development Authority 2009 (A) and 2009 (B) Bonds	\$ 3,215,200	\$ -	\$ -	\$ (82,600)	\$ 3,132,600
Total Due to Other Governmental Units	3,215,200	-	-	(82,600)	3,132,600
South Correctional Entity (SCORE)	515,410	(155,837)	17,268	-	376,841
Total Joint Venture Equity Share	515,410	(155,837)	17,268	-	376,841
<b>Total Investment in Joint Venture</b>	<b>\$ 3,730,610</b>	<b>\$ (155,837)</b>	<b>\$ 17,268</b>	<b>\$ (82,600)</b>	<b>\$ 3,509,441</b>

#### NOTE 14. PRIOR PERIOD ADJUSTMENTS

##### Governmental activities

A prior period adjustment of \$(13,358,466) was required to reduce the accumulated depreciation for infrastructure, as the annual calculation for infrastructure depreciation had been overstated for multiple years.

#### NOTE 15. RISK MANAGEMENT

The City of Burien is a member of the Washington Cities Insurance Authority (WCIA).

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 179 Members.

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 sublimits 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 insurance.

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 revenue 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.

There were no settlements in excess of the insurance coverage in any of the three prior fiscal years.

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

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, 2015, 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.

##### **Grant Distrito claim (WCIA Claim # GC40759)**

In January 2014, the then 64-years old claimant allegedly was struck while walking in a crosswalk with the "Walk" sign by a King County Metro bus that was making a left turn. The claim states that the claimant suffered multiple severe injuries, for which medical care expenses are expected to exceed \$500,000, and that the claimant is seeking \$5-10 million in damages. The claimant's attorney is alleging that the intersection was not safe for pedestrians. This claim is within the scope of the City's insurance coverage with Washington Cities Insurance Authority (WCIA). WCIA's claims adjuster has done some investigation of the claim, including the comparative liability exposures of the City and King County, and has indicated that King County has greater liability exposure.

To date, WCIA has received little documentation from the claimant to substantiate the claimed injuries, and the claimant's attorney has not been in communication with WCIA in the two years since this claim was filed.

##### **Gregg Revels claim (WCIA Claim # GC043473)**

Mr. Revels retained an attorney and filed a claim on September 1, 2015. The claim was filed based on an accident that happened on April 1, 2014 while Mr. Revels and his friend, Lee Cornett, were traveling on their motorcycles up a hill on 156<sup>th</sup> Street. Mr. Cornett was killed upon crashing into the vehicle driven by Mr. Rudison, who was criminally charged with DUI. According to the claim, Mr. Revels, who had been traveling behind Mr. Cornett, got to the crest of the hill, laid his motorcycle down and suffered a concussion, emotional distress, memory loss, loss of appetite, overall pain-and-suffering and \$8,423 damage to his motorcycle. The claim alleges the City is liable because of deficient sight distance, lack of pavement markings, lack of warning signs and lack of speed reduction. Mr. Revels submitted \$9,000 in medical bills and an estimated cost of \$20,000 for a treatment plan.

This claim is within the scope of the City's insurance coverage with WCIA. Per WCIA's claims adjuster, some of the documentation did not appear to sufficiently support a connection to the April 1, 2014 accident. WCIA offered to settle the claim for \$7,500 in January 2016. Mr. Revels' attorney has not responded to that offer nor offered additional information relating to injuries sustained by Mr. Revels.

##### **Soderlind v. Haigh et al. (Western District of Washington, Case No. C15-1655RSL)**

This is a case involving claims of: false arrest; false imprisonment; malicious prosecution; defamation; intentional and negligent infliction of emotional distress; and claims pursuant to 42 U.S.C § 1983 for violation of the 1st, 4th, and 14th Amendments to the U.S. Constitution. Plaintiff is also seeking declaratory judgment regarding issuance of three permanent orders of protection and declaratory judgments regarding the status of a portion of SW 172nd

Street as it passes the properties owned by Ursula and Terence Haigh and Christine Barton and property formerly owned by Cynthia Hart.

Plaintiff Guy Robert Soderlind, Jr. filed a lawsuit against property owners Ursula J. Haigh and Terence S. Haigh, Christine Annette Barton and Cynthia Sue Hart, in King County Superior Court on July 16, 2015, under Cause No. 15-2-17129-1 KNT, then amended his complaint on September 17, 2015 to allege claims against Defendants King County, City of Burien and King County Sheriff Deputies. Mr. Soderlind was initially representing himself but is now represented by Mark Olson and Chris Constantine.

Most of Mr. Soderlind's claims were tendered to King County to defend. Under the City's contract with King County for police services, King County has an obligation to defend and indemnify the City for claims arising out of police actions. From the facts alleged by Soderlind in his complaint, amended complaint and second amended complaint, all the claims arose out of police actions. The County is obligated to pay damages claimed by Mr. Soderlind, if any are awarded or agreed to in settlement. Hence, the City should have no significant exposure for damages.

There are no damages involved in the two declaratory judgment claims relating to SW 172nd Street. . The risk of impairment of an asset or material effect on the City's finances appears to be low.

Other than initial disclosures, discovery has not commenced. The court has set a trial date of February 6, 2017, and a deadline of October 9, 2016 for discovery to be completed. The case is still in its early stages.

#### **The Estate of Lilliam Lissette Portillo Cruz; Carlos, Khaleb and Aron Portillo claim**

On April 27, 2016, attorney Patricia Willner, representing the Estate of Lilliam Portillo, as well Ms. Portillo's surviving husband, Carlos, and her two sons, Khaleb and Aron, filed claims for Ms. Portillo's death and injuries and damages sustained by her family arising from an automobile collision at the intersection of SR 509 and SR 518. They claim \$9.5 Million in damages.

Alleged in their claims: Ms. Portillo was the driver of a vehicle making a left turn on a green light from northbound SR 509 to westbound SR 518 on October 24, 2015. She was not able to see traffic approaching from her left due to overgrown bushes. As she entered the intersection, the vehicle in which she and her son, Khaleb, were traveling was struck on the driver's side by a vehicle driven by Manoj Siwakoti who was traveling eastbound on SR 518 and failed to stop for a red light. Ms. Portillo died at the scene of the collision and her vehicle was a total loss.

With regard to the "overgrown bushes" referenced in the Portillos' claim, preliminary investigation by WCIA indicates that they are part of landscaping located on Washington State Department of Transportation limited access right of way and is not in City-owned right-of-way. Mr. Siwakoti, who was driving the vehicle that struck Ms. Portillo's vehicle, was charged with vehicular homicide in superior court. Based on the information in the charging document, it appears the County prosecutors have some evidence of recklessness.

To the extent that the claim implicates the City in any negligence, the claim is within the scope of WCIA coverage. (WCIA has already assigned one of its outside counsel to review this case.)

#### **Letter of Findings from U.S. Department of Justice in Complaint Against City of Burien - USAO# 2013v00776/DJ# 204-82-275**

The U.S. Attorney's office for the Western District of Washington ("USAO") had been investigating a complaint alleging that the City has violated Title II of the Americans with Disabilities Act, 42 U.S.C. Sections 12131-34 ("ADA"), by failing to design and construct its City Hall/Public Library in such a manner that it is not readily accessible to and usable by individuals with disabilities. The USAO's architect-expert consultant toured the site on September 29, 2015, and there was no indication one way or another from the USAO as to whether there would

be any findings until the afternoon of May 4, 2015, when the USAO sent a letter noting that they had concluded that Burien is in violation of Title II of the ADA by having a City Hall/Public Library that, in three limited respects, is not readily accessible to and usable by individuals with disabilities.

The USAO is seeking voluntary compliance with Title II of the ADA and has proposed that the findings be resolved by the City agreeing to bring the following structural elements into compliance with the ADA Standards for Accessible Design (28 C.F.R. Pt. 36, App. A) (“ADA Standards”) and the Uniform Federal Accessibility Standards (41 C.F.R. Pt. 101-19.6 App. A) (UFAS):

- A. Provide three accessible on-street parking spaces along the block perimeter of City Hall/Public Library.
- B. Provide an emergency communication device in the City Hall/Public Library elevator that does not require voice communication.
- C. Provide at least two spouts at the drinking fountain on the third floor, with one spout no higher than 36 inches above the floor and the other spout mounted between 38 inches and 43 inches above the floor.

It should be noted that what the USAO refers to as Burien’s City Hall/Public Library are two buildings located at the corner of SW 152nd Street and 4th Avenue SW. One of the two buildings is served by a common elevator, and contains City Hall on the third floor, the King County Library on the first and second floors, and a multipurpose room on the first floor. The other building is a separate two-level parking garage, with one level on the surface and one level underground.

The City is the owner of the City Unit on the third floor, the King County Rural Library District d/b/a the King County Library System owns the Library Unit on the first and second floors, which Units are Units in a Condominium created pursuant to a Condominium Declaration. The City and the King County Library System share the use of common elements such as the multipurpose room on the first floor, as well as the parking garage. The City and King County share the cost of maintaining features such as the building envelope, the parking garage and the common elevator.

It is the City’s understanding that parking requirements for the City Hall/Public Library were met on-site and that the parking garage contains accessible parking on the surface level. The USAO’s item regarding adding three accessible parking spaces appears to address parking in the right of way around the “block perimeter” of the City Hall/Public Library building.

The very rough preliminary estimate cost of addressing the above-referenced three items is likely to be \$100,000 or less.

#### **Demand letter from L. R. Rusty McGuire, attorney for Matt Holliday regarding Parcel No. 3509800045**

Mr. McGuire, the attorney for Matt Holliday, sent a letter received April 25, 2016, noting previous contacts with former City Attorney Craig Knutson and Interim City Attorney Chris Bacha dating back to September 24, 2014. The letter notes that Mr. Holliday’s property, Parcel No. 3509800045, is subject to a temporary drainage release (which appears to date back to 1963), but that the covenant does not allow the City to block off the culvert on the property. The letter demands that the City purchase Mr. Holliday’s property as just compensation for using the land as an informal drainage release. Their proposed price is \$42,500. If the City is not willing to purchase the property, the letter demands that the City unblock the culvert to allow for only the natural flow of water and allow the property to be developed. Otherwise, Mr. McGuire notes “we will only be left with bringing a lawsuit against the city for a regulatory taking without just compensation.”

With the departure of the current City Attorney in a few weeks, this is a matter that will need to be reviewed and evaluated by the next City Attorney or outside counsel. Because we can’t rule out the possibility of liability without such review, this matter is included in the Litigation Note.

**NOTE 17. CHANGE IN ACCOUNTING PRINCIPLE**

The City implemented Governmental Accounting Standards Board (GASB) statement 68, Accounting and Financial Reporting for Pensions and statement 71, Pension Transition for Contributions Made Subsequent to the Measurement Date. The implementation required the City to record beginning net pension liability and the effects on net position of contributions made by the City during the measurement period. As a result, net position for the governmental and business-type activities decreased by \$3,710,768 and \$699,236 respectively.

## REQUIRED SUPPLEMENTARY INFORMATION



**City of Burien**  
**Schedule of Proportionate Share of the Net Pension Liability**  
**Public Employees' Retirement System**  
**As of June 30 2015**  
**Last 10 Fiscal Years (Additional years will be displayed as they become available)**

	<u>2015</u>	<u>2014</u>
<b>PERS 1</b>		
Employer's proportion of the net pension liability (asset)	0.04382%	0.043474%
Employer's proportionate share of the net pension liability	\$ 2,291,974	\$ 2,190,041
Employer's covered employee payroll	\$ 4,936,324	\$ 4,612,900
Employer's proportionate share of the net pension liability as a percentage of covered employee payroll	46.43%	47.48%
Plan fiduciary net position as a percentage of the total pension liability	59.10%	61.19%
<b>PERS 2/3</b>		
Employer's proportion of the net pension liability (asset)	0.05486%	0.052156%
Employer's proportionate share of the net pension liability	\$ 1,960,178	\$ 1,054,262
Employer's covered employee payroll	\$ 4,867,917	\$ 4,466,328
Employer's proportionate share of the net pension liability as a percentage of covered employee payroll	248.34%	423.65%
Plan fiduciary net position as a percentage of the total pension liability	89.20%	93.29%



**City of Burien**  
**Schedule of Employer Contributions**  
**Public Employees' Retirement System**  
**As of December 31 2015**

**Last 10 Fiscal Years (Additional years will be displayed as they become available)**

	<u>2015</u>	<u>2014</u>
<b>PERS 1</b>		
Statutorily or contractually required contributions	\$ -	\$ 13,043
Contributions in relation to the statutorily or contractually required contributions	<u>\$ -</u>	<u>\$ (13,043)</u>
Contribution deficiency (excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Covered employer payroll	\$ -	\$ 141,619
Contributions as a percentage of covered employee payroll	0.00%	9.21%
<b>PERS 2/3</b>		
Statutorily or contractually required contributions	\$ 534,385	\$ 432,400
Contributions in relation to the statutorily or contractually required contributions	<u>\$ (534,385)</u>	<u>\$ (432,400)</u>
Contribution deficiency (excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Covered employer payroll	\$ 5,248,139	\$ 4,694,892
Contributions as a percentage of covered employee payroll	10.18%	9.21%

**Notes to required schedule:**

Significant methods and assumptions used in calculating the actuarial determined contribution are presented in Note 10.

The required contributions rate increased on July 1, 2015 from 9.21% of covered payroll to 11.18% of covered employee payroll.

There are no changes in assumptions used between the valuation data presented above.

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## COMBINING INDIVIDUAL FUND STATEMENTS AND SCHEDULES



## **Nonmajor Governmental Funds**

### **Special Revenue Funds**

Special revenue funds are used to account for specific revenue sources that are restricted, committed, or assigned to expenditures for specified purposes other than debt service or capital projects.

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.

**City of Burien, Washington  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2015**

	Special Revenue		Debt Service	Total Nonmajor Governmental Funds
	Public Works Reserve	Transportation Benefit District	LID Guaranty	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 250,134	\$ 9,277	\$ 165,000	\$ 424,411
Taxes receivable	94,064	-	-	94,064
Due from other governments	-	27,908	-	27,908
<b>Total assets</b>	<b>344,198</b>	<b>37,185</b>	<b>165,000</b>	<b>546,383</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Total deferred outflows of resources	-	-	-	-
<b>Total assets and deferred outflows of resources</b>	<b>344,198</b>	<b>37,185</b>	<b>165,000</b>	<b>546,383</b>
<b>Liabilities and fund balance</b>				
Liabilities:				
Total liabilities	-	-	-	-
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Total deferred inflows of resources	-	-	-	-
Fund balance:				
Restricted:				
Other capital projects	344,198	-	-	344,198
Debt service	-	37,185	165,000	202,185
Total fund balance	344,198	37,185	165,000	546,383
<b>Total liabilities and fund balance</b>	<b>\$ 344,198</b>	<b>\$ 37,185</b>	<b>\$ 165,000</b>	<b>\$ 546,383</b>

**City of Burien, Washington**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2015**

	Special Revenue		Debt Service	Total Nonmajor Governmental Funds
	Public Works Reserve	Transportation Benefit District	LID Guaranty	
<b>Revenues</b>				
Real estate excise taxes	\$ 1,595,257	\$ -	\$ -	\$ 1,595,257
Transportation benefit district vehicle fees	-	367,068	-	367,068
Charges for services	33,808	-	-	33,808
Investment earnings	869	238	-	1,107
Total revenues	<u>1,629,934</u>	<u>367,306</u>	<u>-</u>	<u>1,997,240</u>
<b>Expenditures</b>				
Current:				
Transportation	-	1,908	-	1,908
Total expenditures	<u>-</u>	<u>1,908</u>	<u>-</u>	<u>1,908</u>
Excess of revenues over (under) expenditures	<u>1,629,934</u>	<u>365,398</u>	<u>-</u>	<u>1,995,332</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(1,600,000)	(375,000)	-	(1,975,000)
Total other financing sources (uses)	<u>(1,600,000)</u>	<u>(375,000)</u>	<u>-</u>	<u>(1,975,000)</u>
Net change in fund balances	29,934	(9,602)	-	20,332
Fund balances - beginning	<u>314,264</u>	<u>46,787</u>	<u>165,000</u>	<u>526,051</u>
Fund balances - ending	<u>\$ 344,198</u>	<u>\$ 37,185</u>	<u>\$ 165,000</u>	<u>\$ 546,383</u>

**City of Burien, Washington**  
**Public Works Reserve Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances-Budget to Actual**  
**For the Year Ended December 31, 2015**

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Real estate excise taxes	\$ 1,400,000	\$ 1,595,257	\$ 195,257
Charges for services	15,000	33,808	18,808
Investment earnings	1,000	869	(131)
Total revenues	<u>1,416,000</u>	<u>1,629,934</u>	<u>213,934</u>
<b>EXPENDITURES</b>			
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>1,416,000</u>	<u>1,629,934</u>	<u>213,934</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(1,600,000)</u>	<u>(1,600,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,600,000)</u>	<u>(1,600,000)</u>	<u>-</u>
Net change in fund balances	(184,000)	29,934	213,934
Fund balances - beginning	<u>314,265</u>	<u>314,264</u>	<u>(1)</u>
Fund balances - ending	<u><u>\$ 130,265</u></u>	<u><u>\$ 344,198</u></u>	<u><u>\$ 213,933</u></u>

**City of Burien, Washington**  
**Transportation Benefit District Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget to Actual**  
**For the Year Ended December 31, 2015**

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>Revenues</b>			
Transportation benefit district vehicle fees	\$ 350,000	\$ 367,068	\$ 17,068
Investment earnings	-	238	238
Total revenues	<u>350,000</u>	<u>367,306</u>	<u>17,306</u>
<b>Expenditures</b>			
Current:			
Transportation	-	1,908	1,908
Total expenditures	<u>-</u>	<u>1,908</u>	<u>1,908</u>
Excess of revenues over expenditures	<u>350,000</u>	<u>365,398</u>	<u>15,398</u>
<b>Other financing sources (uses)</b>			
Transfers out	<u>(375,000)</u>	<u>(375,000)</u>	-
Total other financing sources (uses)	<u>(375,000)</u>	<u>(375,000)</u>	-
Net change in fund balance	(25,000)	(9,602)	15,398
Fund balance - beginning	<u>46,785</u>	<u>46,787</u>	<u>2</u>
Fund balance - ending	<u>\$ 21,785</u>	<u>\$ 37,185</u>	<u>\$ 15,400</u>



**City of Burien, Washington**  
**LID Guaranty Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget to Actual**  
**For the Year Ended December 31, 2015**

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>			
Current:	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund balance - beginning	<u>165,000</u>	<u>165,000</u>	<u>-</u>
Fund balance - ending	<u><u>\$ 165,000</u></u>	<u><u>\$ 165,000</u></u>	<u><u>\$ -</u></u>

**City of Burien, Washington**  
**Debt Service Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget to Actual**  
**For the Year Ended December 31, 2015**

	Final Budgeted Amounts	Actual	Variance with Final Budget
<b>REVENUES</b>			
Intergovernmental revenues	\$ 110,000	\$ 110,434	\$ 434
Charges for services	48,000	48,165	165
Fines and forfeitures	-	215	215
Investment earnings	-	225	225
Special assessment penalties and interest	-	4,661	4,661
Special assessment principal	84,000	90,657	6,657
Total revenues	<u>242,000</u>	<u>254,357</u>	<u>12,357</u>
<b>EXPENDITURES</b>			
Public works trust fund loan principal	302,225	302,225	-
LTGO bond principal	1,337,600	1,255,000	(82,600)
Interest and fiscal charges	1,121,190	985,817	(135,373)
Total expenditures	<u>2,761,015</u>	<u>2,543,042</u>	<u>(217,973)</u>
Excess of revenues over expenditures	<u>(2,519,015)</u>	<u>(2,288,685)</u>	<u>230,330</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>2,485,000</u>	<u>2,285,000</u>	<u>(200,000)</u>
Total other financing sources (uses)	<u>2,485,000</u>	<u>2,285,000</u>	<u>(200,000)</u>
Net change in fund balance	(34,015)	(3,685)	30,330
Fund balances - beginning	<u>82,885</u>	<u>82,887</u>	<u>2</u>
Fund balances - ending	<u>\$ 48,870</u>	<u>\$ 79,202</u>	<u>\$ 30,332</u>

## **Fiduciary Funds**

### **Agency Fund**

Agency funds are used to account for short-term custodial collections on resources on behalf of another individual, entity, or government.

The Payroll Clearing Fund accounts for payment of employee salaries and withheld deductions. Monies are transferred to this fund from funds recording related payroll expenditures and are subsequently disbursed through the issuance of payroll warrants.

**City of Burien, Washington**  
**Statement of Changes in Assets and Liabilities**  
**Agency Fund - Payroll Clearing**  
**For the Year Ended December 31, 2015**

	Balance January 1, 2015	Additions	Deductions	Balance December 31, 2015
<b>ASSETS</b>				
Cash and cash equivalents	\$ 68,129	\$ 7,427,269	\$ 7,429,790	\$ 65,608
Total assets	<u>\$ 68,129</u>	<u>\$ 7,427,269</u>	<u>\$ 7,429,790</u>	<u>\$ 65,608</u>
<b>LIABILITIES</b>				
Payroll withholdings and employer contributions	\$ 68,129	\$ 10,938,195	\$ 10,940,716	\$ 65,608
Total liabilities	<u>\$ 68,129</u>	<u>\$ 10,938,195</u>	<u>\$ 10,940,716</u>	<u>\$ 65,608</u>

## Statistical Section December 31, 2015

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 -----	7-2
Schedule 2	Changes in Net Position -----	7-4
Schedule 3	Fund Balances of Governmental Funds-----	7-6
Schedule 4	Changes in Fund Balances of Governmental Funds-----	7-7
Schedule 5	Tax Revenues by Source, Governmental Funds -----	7-8

### 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 Property Tax Payers -----	7-9
Schedule 7	Assessed Value of Taxable Property-----	7-10
Schedule 8	Direct and Overlapping Property Tax Rates -----	7-11
Schedule 9	Property Tax Levies and Collections -----	7-12
Schedule 10	Sales Tax Collections by Sector -----	7-13

### 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 -----	7-14
Schedule 12	Legal Debt Margin Information -----	7-15
Schedule 13	Ratios of General Bonded Debt Outstanding -----	7-16
Schedule 14	Direct and Overlapping Governmental Activities Debt -----	7-17

### 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 -----	7-18
Schedule 16	Principal Employers-----	7-19

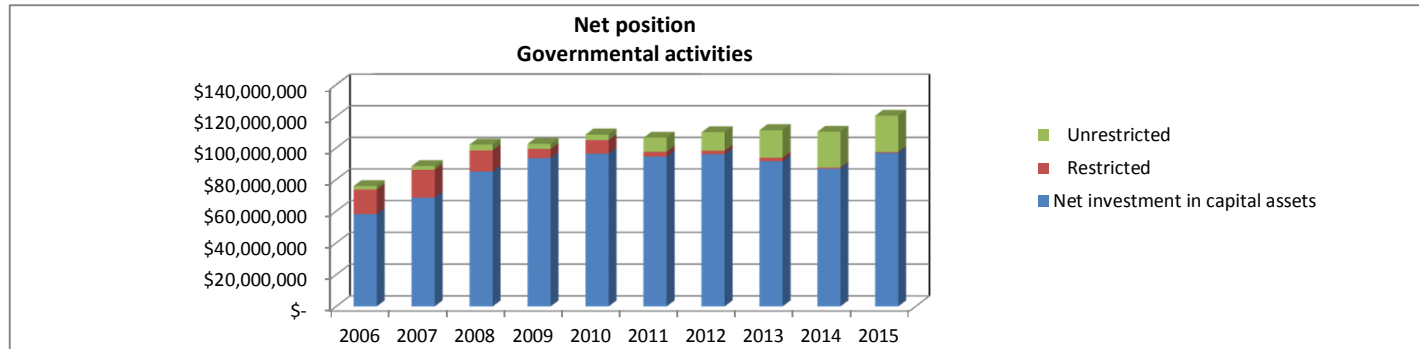
### Operating Information

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.

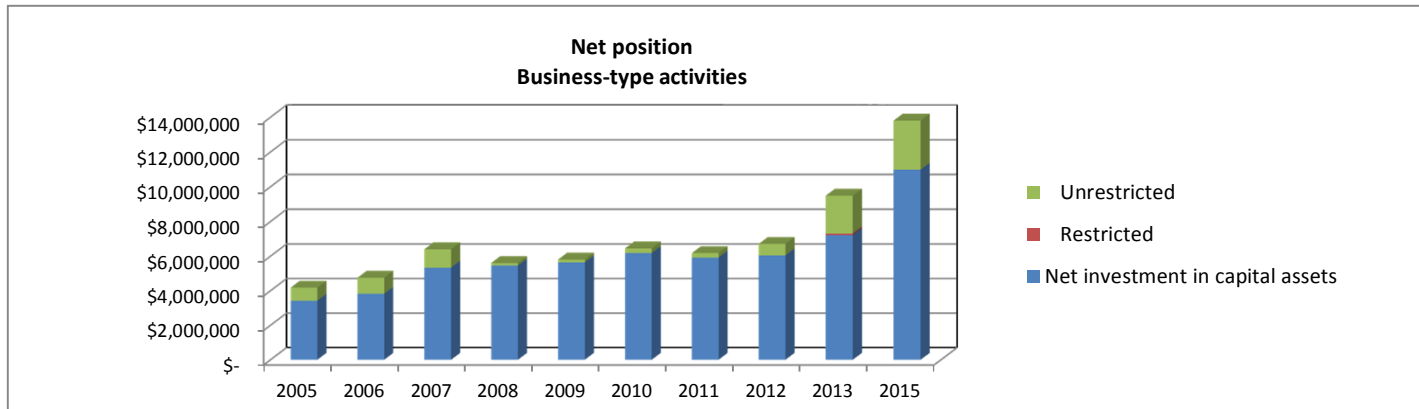
Schedule 17	Full Time Equivalent City Government Employees by Function -----	7-20
Schedule 18	Operating Indicators by Function -----	7-21
Schedule 19	Capital Asset Statistics by Function -----	7-22

**Schedule 1  
City of Burien  
Net Position by Component  
Last Ten Fiscal Years  
(accrual basis of accounting)**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Governmental activities</b>										
Net investment in capital assets	\$ 58,093,061	\$ 68,572,792	\$ 84,983,988	\$ 93,522,178	\$ 96,277,930	\$ 94,556,265	\$ 95,980,110	\$ 91,618,635	\$ 86,914,714	\$ 96,834,728
Restricted	15,556,586	17,617,873	13,423,818	5,782,283	8,641,935	2,996,149	2,217,091	2,113,503	608,938	625,585
Unrestricted	2,178,828	2,259,558	3,687,935	3,237,190	3,502,537	8,866,329	11,684,423	17,486,338	22,664,526	22,892,965
<b>Total Governmental activities net position</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>	<b>\$ 111,218,476</b>	<b>\$ 110,188,178</b>	<b>\$ 120,353,278</b>

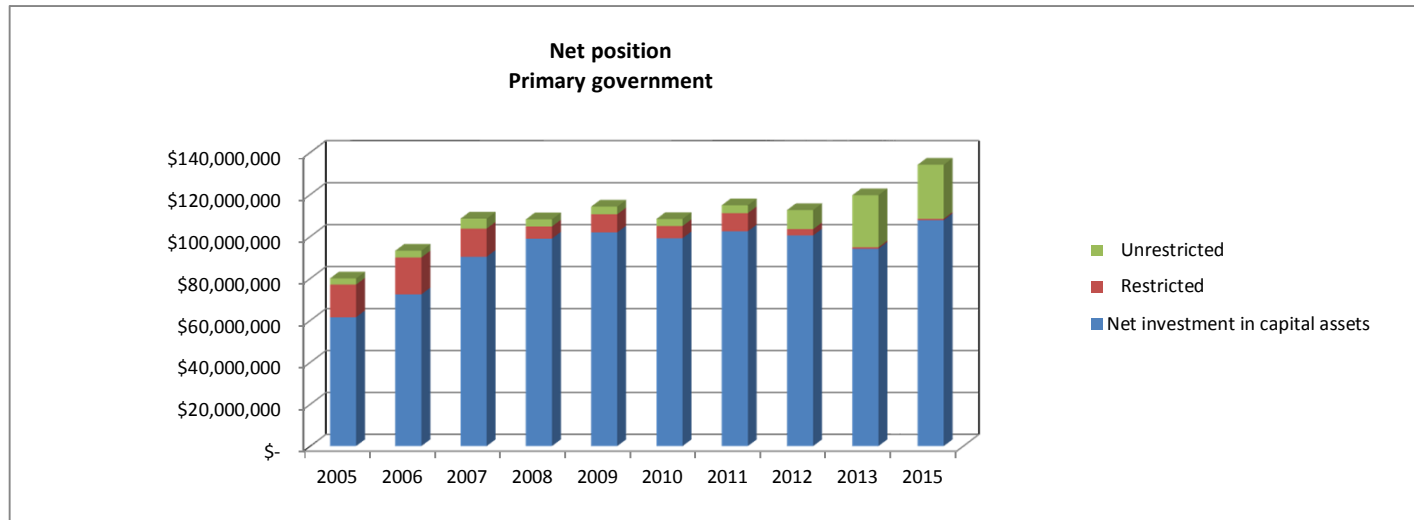


	2005	2006	2007	2008	2009	2010	2011	2012	2013	2015
<b>Business-type activities</b>										
Net investment in capital assets	\$ 3,421,756	\$ 3,819,583	\$ 5,336,187	\$ 5,455,883	\$ 5,638,102	\$ 6,178,060	\$ 5,918,785	\$ 6,043,691	\$ 7,224,754	\$ 10,979,556
Restricted	-	-	-	-	-	-	-	-	88,428	-
Unrestricted	753,162	928,910	1,062,208	147,692	163,911	266,381	258,279	664,347	2,167,721	2,818,574
<b>Total Business-type activities net position</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>	<b>\$ 9,480,903</b>	<b>\$ 13,798,130</b>



**Schedule 1  
City of Burien  
Net Position by Component (continued)  
Last Ten Fiscal Years  
(accrual basis of accounting)**

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2015
<b>Primary government</b>										
Net investment in capital assets	\$ 61,514,817	\$ 72,392,375	\$ 90,320,175	\$ 98,978,061	\$ 101,916,032	\$ 99,160,280	\$ 102,455,990	\$ 100,475,050	\$ 94,139,468	\$ 107,814,284
Restricted	15,556,586	17,617,873	13,423,818	5,782,283	8,641,935	5,782,283	8,641,935	2,996,149	697,366	625,585
Unrestricted	2,931,990	3,188,468	4,750,143	3,384,882	3,666,448	3,401,101	3,768,918	9,124,608	24,832,247	25,711,539
<b>Total Primary Government net position</b>	<b>\$ 80,003,393</b>	<b>\$ 93,198,716</b>	<b>\$ 108,494,136</b>	<b>\$ 108,145,226</b>	<b>\$ 114,224,415</b>	<b>\$ 108,343,664</b>	<b>\$ 114,866,843</b>	<b>\$ 112,595,807</b>	<b>\$ 119,669,081</b>	<b>\$ 134,151,408</b>



**Schedule 2**  
**City of Burien**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Expenses</b>										
Governmental activities:										
General government	\$ 3,214,768	\$ 3,511,643	\$ 4,301,319	\$ 3,445,149	\$ 4,364,535	\$ 5,357,042	\$ 4,551,848	\$ 4,386,693	\$ 4,311,613	\$ 4,444,232
Judicial	265,336	239,385	236,123	454,344	488,330	682,282	626,862	262,312	349,238	443,957
Public Safety	6,973,540	7,278,229	7,457,624	7,376,981	9,181,710	10,013,892	10,259,523	10,390,038	10,902,905	11,404,767
Natural environment	-	-	-	-	-	-	-	-	162,654	172,845
Environmental services	201,119	292,817	405,561	644,205	580,156	619,813	571,646	148,888	-	-
Transportation	3,817,317	4,384,302	4,670,274	5,336,579	7,744,105	6,769,161	7,426,951	8,902,304	10,441,969	7,206,454
Economic environment	1,292,505	1,336,188	1,551,828	1,904,957	1,351,931	1,449,570	1,595,928	1,621,067	1,554,327	1,864,073
Social services	6,676	7,333	7,274	8,856	10,391	11,274	11,897	90,535	90,736	97,069
Culture and recreation	2,312,841	2,488,481	2,590,110	2,653,889	3,162,760	3,218,432	3,265,142	3,564,244	3,403,233	3,551,109
Interest on long-term debt	162,993	500,609	502,459	488,960	597,646	885,197	1,111,758	1,162,928	1,149,080	1,014,265
<b>Total Governmental activities expenses</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>	<b>30,529,009</b>	<b>32,365,755</b>	<b>30,198,771</b>
Business-type activities:										
Storm water management	968,228	1,048,450	1,100,780	1,276,992	1,534,689	1,787,608	1,820,983	2,093,265	2,463,472	2,226,361
<b>Total Business-type activities expenses</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>2,093,265</b>	<b>2,463,472</b>	<b>2,226,361</b>
<b>Total Primary government expenses</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>\$ 32,622,274</b>	<b>\$ 34,829,227</b>	<b>\$ 32,425,132</b>
<b>Program Revenues</b>										
Governmental Activities:										
Charges for services										
General government	\$ 868,005	\$ 823,749	\$ 727,145	\$ 822,322	\$ 1,376,229	\$ 1,152,091	\$ 2,441,503	\$ 1,626,846	\$ 1,689,073	\$ 782,390
Judicial	7,138	4,682	4,703	231,341	374,706	351,054	230,165	105,460	121,790	136,078
Public safety	-	2,104	-	-	-	-	-	-	-	-
Natural environment	-	-	-	-	-	-	-	-	46,515	46,880
Environmental services	25,767	931	223,089	536	6,014	68,322	55,715	121,489	-	-
Transportation	231,467	116,789	915,307	185,707	246,870	339,954	2,409,223	497,808	789,342	1,117,465
Economic environment	1,259,430	1,329,150	1,253,287	916,319	698,606	953,552	978,459	458,874	864,263	2,018,846
Social services	-	-	-	-	-	-	-	-	-	-
Culture and recreation	399,039	485,075	476,056	519,539	576,896	629,822	668,644	547,348	535,200	576,667
Operating grants and contributions	3,402,495	2,771,773	4,356,547	4,077,745	3,199,708	3,159,909	3,351,870	3,220,740	2,975,035	3,020,558
Capital grants and contributions	3,121,363	11,821,699	10,186,732	1,427,409	9,388,375	1,618,263	4,242,134	6,176,889	2,856,251	534,153
<b>Total Governmental activities program revenues</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>	<b>12,755,454</b>	<b>9,877,469</b>	<b>8,233,037</b>
Business-type activities:										
Charges for Services										
Surface water management	1,571,544	1,631,203	1,729,442	1,936,479	2,301,075	2,451,319	2,551,690	2,839,705	2,868,965	3,260,770
Operating grants and contributions	-	-	7,977	-	-	96,294	163,465	305,504	8,329	33,402
Capital grants and contributions	-	-	95,000	-	394,182	-	-	1,069,581	4,316,461	150,957
<b>Total Business-type activities revenues</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>4,214,790</b>	<b>7,193,755</b>	<b>3,445,129</b>
<b>Total Primary government revenues</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>16,970,244</b>	<b>17,071,224</b>	<b>11,678,166</b>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	(8,932,391)	(2,683,035)	(3,579,706)	(14,133,002)	(11,614,160)	(20,733,696)	(15,043,842)	(17,773,555)	(22,488,286)	(21,965,734)
Business-type Activities	603,316	582,753	731,639	659,487	1,160,568	760,005	894,172	2,121,525	4,730,283	1,218,768
<b>Total Net Expense</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>	<b>\$ (15,652,030)</b>	<b>\$ (17,758,003)</b>	<b>\$ (20,746,966)</b>

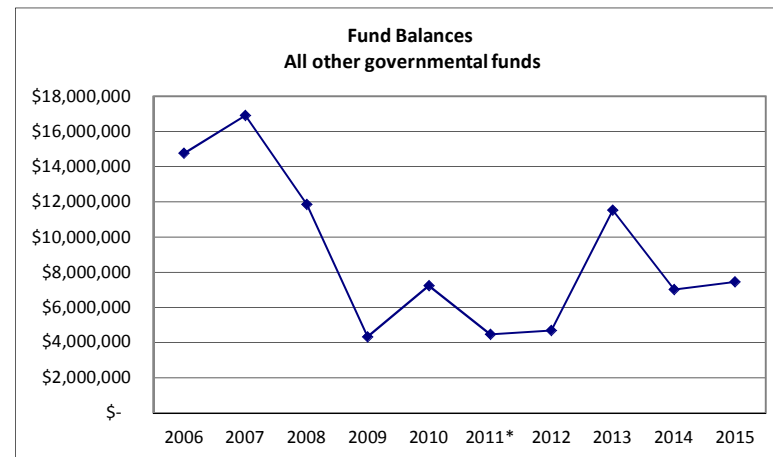
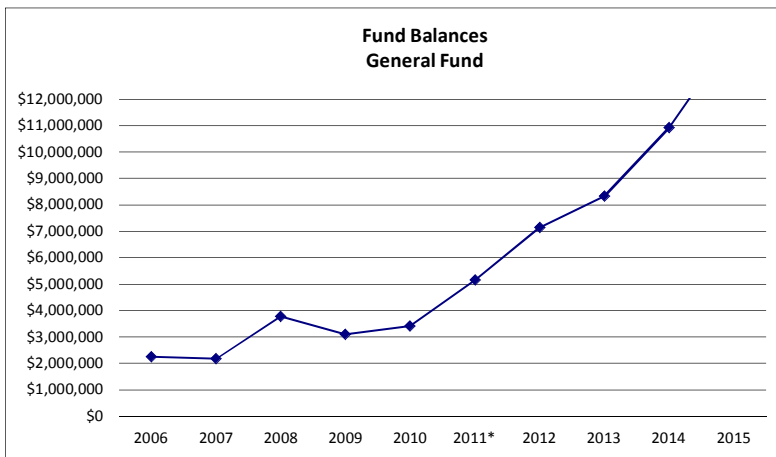


**Schedule 2**  
**City of Burien**  
**Changes in Net Position (continued)**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>General Revenues</b>										
Governmental activities:										
Taxes										
Property taxes	\$ 5,030,230	\$ 5,127,319	\$ 5,296,290	\$ 5,438,426	\$ 7,268,281	\$ 7,081,681	\$ 6,759,220	\$ 6,208,867	\$ 6,652,930	\$ 7,383,258
Sales and use taxes	5,208,554	5,789,088	5,652,874	4,734,585	5,101,336	5,875,089	6,249,226	6,816,465	7,669,549	7,965,473
Business and occupation taxes	2,835,828	3,089,486	3,197,015	3,224,821	3,336,895	3,389,936	3,680,401	4,549,331	4,313,439	4,555,684
Excise taxes	-	-	-	-	-	-	-	1,132,780	1,407,944	1,814,710
Other taxes	2,167,986	1,942,576	1,139,338	652,366	1,240,213	1,330,211	1,428,506	510,260	347,376	371,040
Penalties and interest	-	-	-	-	-	-	-	6,886	-	-
Unrestricted investment earnings	560,895	862,694	381,608	65,022	28,013	24,482	24,461	20,004	27,743	37,626
Miscellaneous	-	-	-	-	-	-	-	275,274	313,908	332,095
Gain/(Loss) on sale of capital assets	-	(439,231)	-	-	-	-	-	-	151,395	-
Transfers	84,211	(1,014,683)	1,558,099	463,692	520,173	1,028,638	364,909	25,140	590,000	23,250
<b>Total Governmental activities</b>	<b>\$ 15,887,704</b>	<b>\$ 15,357,249</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>	<b>\$ 19,545,008</b>	<b>\$ 21,474,284</b>	<b>\$ 22,483,136</b>
Business-type activities:										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,608	\$ 460	\$ -
Grants and contributions	54,470	59,905	31,640	2,643	2,033	1,256	-	-	-	-
Unrestricted investment earnings	-	-	-	-	-	-	1,711	2,490	2,698	4,783
Miscellaneous	-	-	-	-	-	-	-	8,330	9,449	8,000
Gain/(Loss) on sale of capital assets	-	(7,439)	-	-	-	-	-	-	-	-
Transfers	(84,211)	1,014,683	(1,558,099)	(463,692)	(520,173)	(1,028,638)	(364,909)	(25,140)	(590,000)	(23,250)
<b>Total Business-type activities</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>\$ 71,288</b>	<b>\$ (577,393)</b>	<b>\$ (10,467)</b>
<b>Total primary government</b>	<b>\$ 15,857,963</b>	<b>\$ 16,424,398</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>\$ 19,616,296</b>	<b>\$ 20,896,891</b>	<b>\$ 22,472,669</b>
<b>Change in net position</b>										
Governmental activities	\$ 6,955,313	\$ 12,674,214	\$ 13,645,518	\$ 445,910	\$ 5,880,751	\$ (2,003,659)	\$ 3,462,881	\$ 1,771,453	\$ (1,014,002)	\$ 517,402
Business-type activities	573,575	1,649,902	(794,820)	198,438	642,428	(267,377)	530,974	2,192,813	4,152,890	1,208,301
<b>Total change in net position</b>	<b>\$ 7,528,888</b>	<b>\$ 14,324,116</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>	<b>\$ 3,964,266</b>	<b>\$ 3,138,888</b>	<b>\$ 1,725,703</b>

**Schedule 3**  
**City of Burien**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011*</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>General Fund</b>										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,480	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	1,248,147	703,909	141,586	168,144	168,186
Assigned	-	-	-	-	-	127,907	293,754	-	2,082,050	2,511,593
Unassigned	-	-	-	-	-	3,768,412	6,152,269	8,186,409	8,675,156	11,757,474
Unrestricted	2,246,260	2,168,985	3,768,613	3,102,449	3,418,177	-	-	-	-	-
<b>Total General Fund</b>	<b>\$ 2,246,260</b>	<b>\$ 2,168,985</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>\$ 8,327,995</b>	<b>\$ 10,925,350</b>	<b>\$ 14,437,253</b>
<b>All other governmental funds</b>										
Restricted	-	-	-	-	-	1,484,215	825,558	513,870	608,938	625,585
Committed	-	-	-	-	-	-	-	11,011,980	-	-
Assigned	-	-	-	-	-	2,975,413	3,883,193	-	6,399,457	6,827,807
Unassigned	-	-	-	-	-	-	(16,659)	-	-	-
Unrestricted, reported in:										
Special Revenue Funds	2,714,618	2,737,367	1,151,402	1,342,006	2,001,837	-	-	-	-	-
Debt Service Funds	262,140	169,874	103,916	232,767	178,686	-	-	-	-	-
Capital Project Funds	11,799,595	13,993,444	10,577,804	2,740,321	5,037,701	-	-	-	-	-
<b>Total all other governmental funds</b>	<b>\$ 14,776,353</b>	<b>\$ 16,900,685</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>	<b>\$ 11,525,850</b>	<b>\$ 7,008,395</b>	<b>\$ 7,453,392</b>



\*In 2011, implementation of GASB 54 required new designations of fund balance; prior year data not available in prescribed format.

Source: City of Burien Finance Department

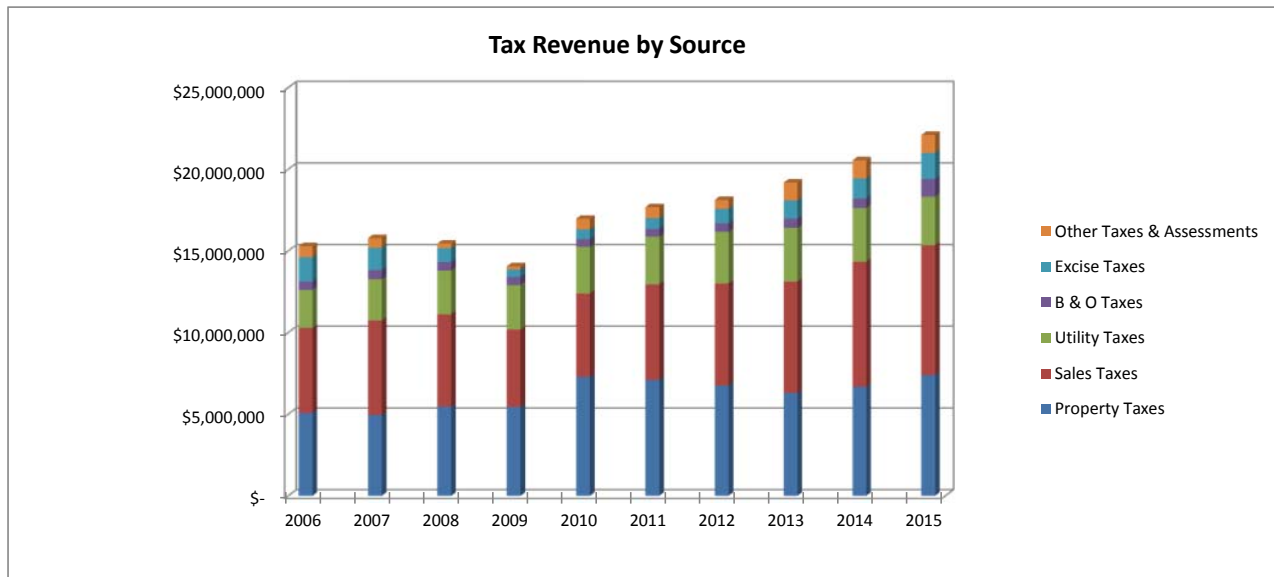
**Schedule 4**  
**City of Burien**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Revenues</b>										
Taxes	\$ 15,285,611	\$ 15,775,296	\$ 15,446,916	\$ 14,016,723	\$ 16,964,353	\$ 17,608,180	\$ 18,060,523	\$ 19,177,395	\$ 20,543,961	\$ 22,096,967
Licenses and permits	1,394,510	1,431,306	1,478,569	1,122,043	1,203,414	1,766,269	1,759,549	2,006,940	2,254,351	2,922,580
Intergovernmental	6,577,103	14,592,405	13,544,957	5,384,309	4,199,152	4,568,322	7,690,858	9,301,827	5,816,024	3,531,738
Charges for services	1,094,863	1,161,931	2,034,042	1,231,027	1,003,754	1,326,715	3,474,416	1,180,205	1,417,343	1,550,002
Fines and forfeitures	60,900	46,308	50,841	281,586	413,523	365,952	252,367	266,568	359,476	210,065
Rentals	-	-	-	-	-	-	-	177,144	200,772	226,750
Contributions and donations	13,845	-	-	-	-	-	-	279	491	38,952
Special assessments	58,501	49,689	115,324	115,651	97,470	91,058	86,498	95,802	103,617	95,318
Investment earnings	561,035	802,921	380,207	77,449	28,200	24,185	24,018	19,344	27,103	36,291
Miscellaneous	170,849	126,610	41,000	36,631	579,929	42,545	1,208,724	104,655	79,883	62,452
Total revenues	<u>25,217,217</u>	<u>33,986,466</u>	<u>33,091,856</u>	<u>22,265,419</u>	<u>24,489,795</u>	<u>25,793,226</u>	<u>32,556,953</u>	<u>32,330,159</u>	<u>30,803,021</u>	<u>30,771,115</u>
<b>Expenditures</b>										
General Government	3,349,414	3,633,946	4,454,315	3,859,719	4,156,636	4,719,055	4,484,834	3,634,689	3,579,425	3,675,020
Judicial	-	-	-	-	-	-	-	262,312	349,238	443,957
Public Safety	6,956,408	7,261,097	7,442,974	7,575,198	9,156,830	10,685,772	10,018,788	10,465,298	11,033,588	11,331,487
Natural environment	-	-	-	-	-	-	-	-	162,654	172,845
Environmental services	201,119	292,817	405,561	644,205	580,156	744,791	674,645	148,888	-	-
Transportation	1,530,098	1,676,784	1,579,884	1,853,404	3,281,688	1,846,820	1,362,791	2,037,154	3,184,689	2,701,219
Economic environment	1,297,941	1,242,025	1,499,453	1,796,853	1,329,356	1,445,874	1,595,062	1,629,585	1,556,138	1,888,074
Social services	6,676	7,333	7,274	8,856	10,391	11,274	11,897	90,535	90,736	97,069
Culture and recreation	2,138,852	2,264,176	2,359,512	2,415,119	2,708,974	2,768,412	2,752,246	2,930,768	2,790,023	2,962,893
Debt Service:										
Principal	306,955	621,955	739,308	780,558	892,225	1,262,225	1,447,225	1,560,225	1,596,825	1,557,225
Interest and fiscal charges	132,115	507,199	513,639	501,065	577,867	917,319	1,140,081	1,139,237	1,153,494	985,817
Capital outlay	14,790,490	21,864,642	19,720,970	11,806,302	7,945,176	10,052,250	7,614,434	7,766,061	3,200,770	821,859
Total expenditures	<u>30,710,068</u>	<u>39,371,974</u>	<u>38,722,890</u>	<u>31,241,279</u>	<u>30,639,299</u>	<u>34,453,792</u>	<u>31,102,003</u>	<u>31,664,752</u>	<u>28,697,580</u>	<u>26,637,465</u>
Excess (deficiency) of revenues over expenditures	(5,492,851)	(5,385,508)	(5,631,034)	(8,975,860)	(6,149,504)	(8,660,566)	1,454,950	665,407	2,105,441	4,133,650
<b>Other financing sources (uses)</b>										
Proceeds from sale of capital assets	-	4,716,552	5,000	-	-	-	-	-	238,500	-
Transfers in	6,476,451	6,357,420	7,946,811	2,339,482	4,088,674	4,233,250	3,606,131	3,628,655	3,515,000	4,441,250
Transfers out	(5,882,367)	(5,737,557)	(6,388,712)	(1,663,467)	(3,407,428)	(3,255,750)	(2,826,631)	(3,853,515)	(3,190,000)	(4,618,000)
Proceeds of long-term debt	9,995,715	2,096,150	600,000	-	8,687,116	8,970,155	-	2,370,562	1,168,000	-
Payment to refunded bond escrow agent	-	-	-	-	-	(2,018,065)	-	-	-	-
Insurance recoveries	-	-	-	-	-	-	-	82	22,180	-
Total other financing sources (uses)	<u>10,589,799</u>	<u>7,432,565</u>	<u>2,163,099</u>	<u>676,015</u>	<u>9,368,362</u>	<u>7,929,590</u>	<u>779,500</u>	<u>2,145,784</u>	<u>1,753,680</u>	<u>(176,750)</u>
Net change in fund balances	<u>\$ 5,096,948</u>	<u>\$ 2,047,057</u>	<u>\$ (3,467,935)</u>	<u>\$ (8,299,845)</u>	<u>\$ 3,218,858</u>	<u>\$ (730,976)</u>	<u>\$ 2,234,450</u>	<u>\$ 2,811,191</u>	<u>\$ 3,859,121</u>	<u>\$ 3,956,900</u>
<b>Debt service as a percentage of noncapital expenditures</b>										
	2.76%	6.45%	6.59%	6.59%	6.48%	8.93%	11.02%	11.30%	10.79%	9.85%

\*There will be fluctuations in 2013 due to implementation of BARS account changes

**Schedule 5**  
**Tax Revenues by Source, Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

<b>Fiscal Year</b>	<b>Property Taxes</b>	<b>Sales Taxes</b>	<b>Utility Taxes</b>	<b>Business and Occupation Taxes</b>	<b>Excise Taxes</b>	<b>Other Taxes and Assessments</b>	<b>Total Taxes</b>
<b>2006</b>	5,073,243	5,208,554	2,335,831	499,997	1,489,234	678,752	15,285,611
<b>2007</b>	4,954,146	5,789,088	2,523,736	565,750	1,367,656	574,920	15,775,296
<b>2008</b>	5,457,689	5,652,874	2,670,766	526,249	859,233	280,105	15,446,916
<b>2009</b>	5,438,426	4,734,585	2,743,039	481,782	459,056	193,309	14,050,197
<b>2010</b>	7,285,909	5,101,336	2,853,809	483,086	587,121	653,092	16,964,353
<b>2011</b>	7,081,681	5,875,089	2,903,076	486,860	667,741	662,470	17,676,917
<b>2012</b>	6,759,220	6,249,226	3,149,631	530,770	886,727	541,779	18,117,353
<b>2013</b>	6,308,968	6,816,465	3,275,973	569,665	1,132,780	1,073,544	19,177,395
<b>2014</b>	6,671,091	7,669,549	3,292,805	581,494	1,218,769	1,110,253	20,543,961
<b>2015</b>	7,384,213	7,965,473	2,969,403	1,084,849	1,595,257	1,097,772	22,096,967
<b>Change 2006-2015</b>	45.6%	52.9%	27.1%	117.0%	7.1%	61.7%	44.6%

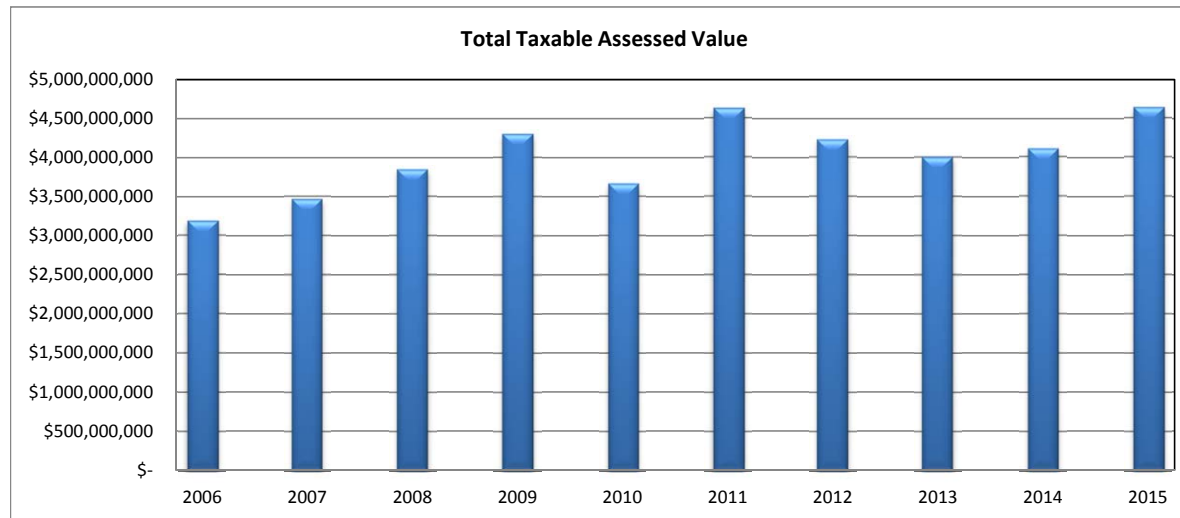


Source: City of Burien Finance Department

**Schedule 6**  
**City of Burien**  
**Principal Property Taxpayers**  
**Current Year and Nine Years Ago**

TAXPAYER	2015			2006		
	TAXABLE ASSESSED	RANK	% OF TOTAL TAXABLE ASSESSED	TAXABLE ASSESSED	RANK	% OF TOTAL TAXABLE ASSESSED
	VALUE		VALUE	VALUE		VALUE
Vintage Park Partners LLC	\$ 46,685,000	1	1.01%			
AT&T Communications	36,132,933	2	0.78%			0.00%
Burien Plaza LLC	24,977,300	3	0.54%	16,469,300	4	0.52%
Burien Town Plaza LLC	24,919,600	4	0.54%			
Puget Sound Energy	17,376,548	5	0.37%	7,578,088		0.24%
Fred Meyer, Inc.	17,140,300	6	0.37%	19,022,845	3	0.60%
MG South Hills Apts. LLC	16,175,000	7	0.35%			
Qwest Corporation	15,681,045	8	0.34%	19,358,817	2	0.61%
Maple Pointe-126 LLC	13,516,000	9	0.29%			
Powell-Five Corners Associates	12,833,100	10	0.28%	9,160,100	8	0.29%
Virtu Seahurst Association LLC			0.00%	28,508,000	1	0.89%
HCH Specialty Center			0.00%	16,115,300	5	0.51%
Wesbild BP, Inc			0.00%	12,361,900	6	0.39%
Holly Ridge Apartments			0.00%	10,381,000	7	0.33%
Albertsons			0.00%	8,884,357	9	0.28%
Red Mortgage Capital, Inc.			0.00%	8,366,000	10	0.26%
All Others	4,410,786,770		95.14%	3,031,524,842		95.10%
<b>Total Assessed Valuation</b>	<b>\$ 4,636,223,596</b>		<b>100.00%</b>	<b>\$ 3,187,730,549</b>		<b>100.00%</b>

**Schedule 7  
City of Burien  
Assessed Value of Taxable Property  
Last Ten Fiscal Years**

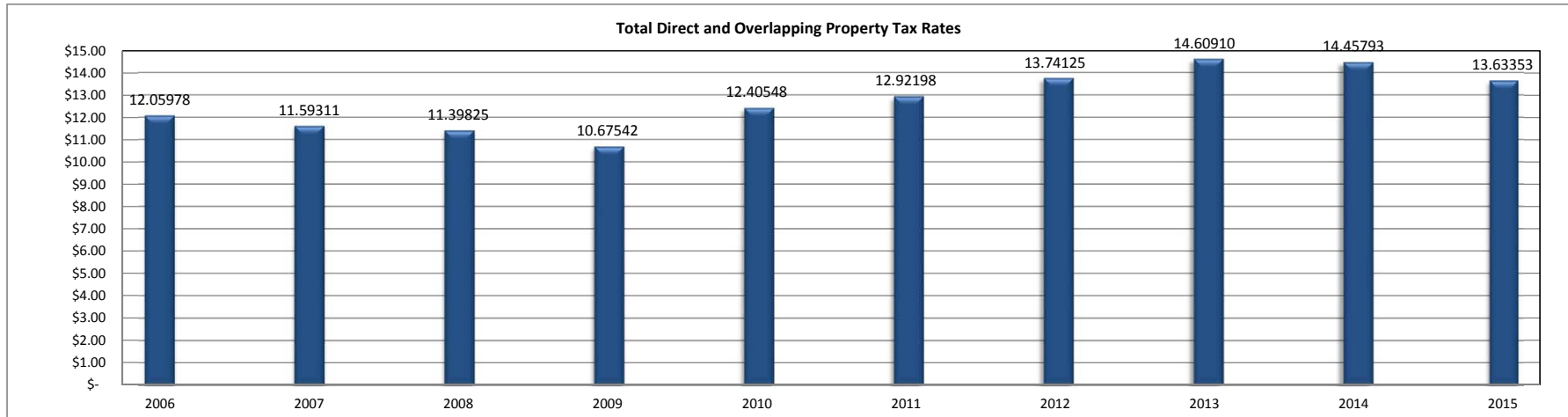


Fiscal Year	Real Property	Personal Property	Public Utilities	Total Assessed Value	Total Direct Tax Rate
2006	3,109,763,255	48,184,807	29,782,487	3,187,730,549	1.60056
2007	3,377,993,328	56,744,617	35,713,227	3,470,451,166	1.50806
2008	3,754,785,884	53,833,456	36,525,259	3,845,144,599	1.39132
2009	4,212,964,074	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
2013	3,897,291,722	53,983,903	54,023,833	4,005,299,458	1.60000
2014	3,992,256,168	55,462,840	62,066,409	4,109,785,417	1.60000
2015	4,511,792,422	54,718,139	69,713,035	4,636,223,596	1.59050

Source: King County Department of Assessments and King County's Assessor's annual Codes and Levies King County Taxing Districts report

**Schedule 8  
City of Burien  
Direct and Overlapping Property Tax Rates  
Last Ten Fiscal Years  
(rate per \$1,000 of assessed value)**

Fiscal Year	City of Burien	Fire District			King County			School District #401			Library			Washington State	Special Districts	Total
	Operating Millage	Operating Millage	Debt Service Millage	Total Fire Dist Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Dist. Millage	Operating Millage	Debt Service Millage	Total Library Millage	State Schools	Port, EMS Flood & Ferry*	
2006	1.60056	1.50000	0.00000	1.50000	1.15403	0.17466	1.32869	2.47405	1.67125	4.14530	0.45884	0.07540	0.53424	2.49787	0.45312	12.05978
2007	1.50806	1.50000	0.00000	1.50000	1.13949	0.15007	1.28956	2.32172	1.71036	4.03208	0.43295	0.06732	0.50027	2.32535	0.43779	11.59311
2008	1.39132	1.50000	0.00000	1.50000	1.08919	0.11851	1.20770	2.24520	1.78975	4.03495	0.39186	0.06150	0.45336	2.13233	0.67859	11.39825
2009	1.26467	1.43583	0.00000	1.43583	0.99517	0.10255	1.09772	2.16911	1.71560	3.88471	0.36118	0.05618	0.41736	1.96268	0.61245	10.67542
2010	1.52034	1.50000	0.40275	1.90275	1.21089	0.07410	1.28499	2.63804	1.72698	4.36502	0.42188	0.06338	0.48526	2.22253	0.62459	12.40548
2011	1.55513	1.50000	0.40233	1.90233	1.26609	0.07207	1.33816	2.84903	1.79420	4.64323	0.50000	0.06621	0.56621	2.27990	0.63702	12.92198
2012	1.60000	1.50000	0.43614	1.93614	1.34460	0.07128	1.41588	3.40126	1.74569	5.14695	0.50000	0.06992	0.56992	2.42266	0.64970	13.74125
2013	1.60000	1.50000	0.45419	1.95419	1.47279	0.06772	1.54051	3.81112	1.89953	5.71065	0.50000	0.06743	0.56743	2.56720	0.66912	14.60910
2014	1.60000	1.50000	0.44685	1.94685	1.45779	0.05826	1.51605	3.79750	1.85783	5.65533	0.50000	0.06175	0.56175	2.47044	0.70751	14.45793
2015	1.59050	1.50000	0.39264	1.89264	1.31499	0.03023	1.34522	3.67893	1.70872	5.38765	0.44747	0.05529	0.50276	2.28514	0.62962	13.63353

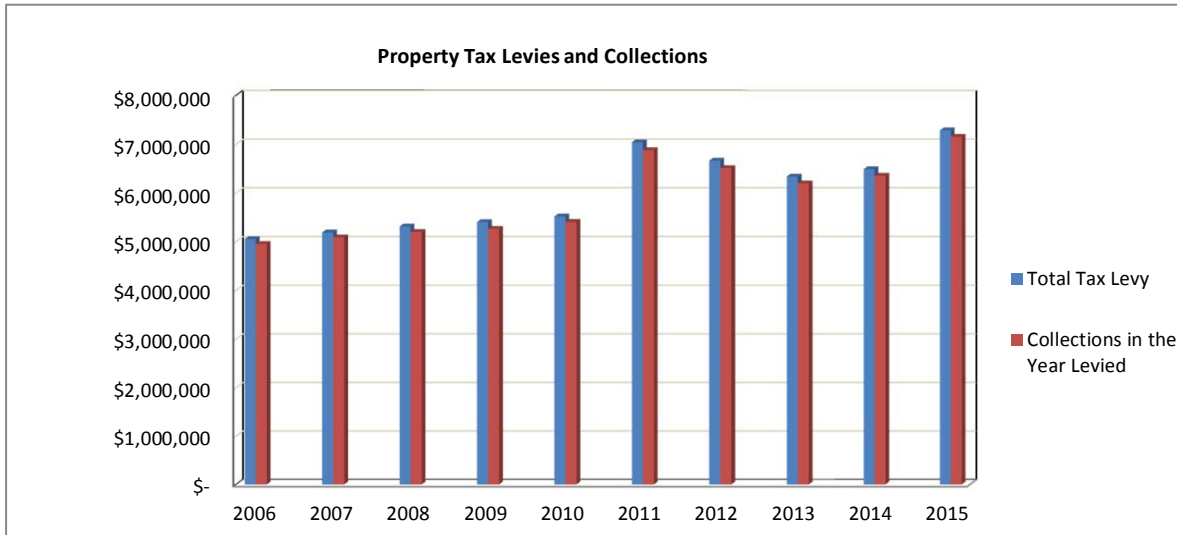


Source: King County Department of Assessments and King County's Assessor's annual Codes and Levies King County Taxing Districts report

\* Beginning in 2015 Ferry District is now under King County

**Schedule 9  
City of Burien  
Property Tax Levies and Collections  
Last Ten Fiscal Years**

Fiscal Year	Total Tax Levy	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount Collected	Percentage of Levy		Amount Collected	Percentage of Levy
2006	5,048,830	4,947,525	97.99%	101,305	5,048,830	100.00%
2007	5,184,678	5,085,653	98.09%	99,024	5,184,678	100.00%
2008	5,306,261	5,197,215	97.94%	108,682	5,305,897	99.99%
2009	5,397,088	5,258,160	97.43%	138,785	5,396,945	100.00%
2010	5,514,958	5,404,321	97.99%	110,446	5,514,767	100.00%
2011	7,038,774	6,873,887	97.66%	165,849	7,039,736	100.01%
2012	6,660,538	6,506,800	97.69%	151,991	6,658,791	99.97%
2013	6,333,196	6,194,591	97.81%	119,534	6,314,125	99.70%
2014	6,484,234	6,351,340	97.95%	93,205	6,444,545	99.39%
2015	7,283,326	7,151,250	98.19%	-	7,151,250	98.19%



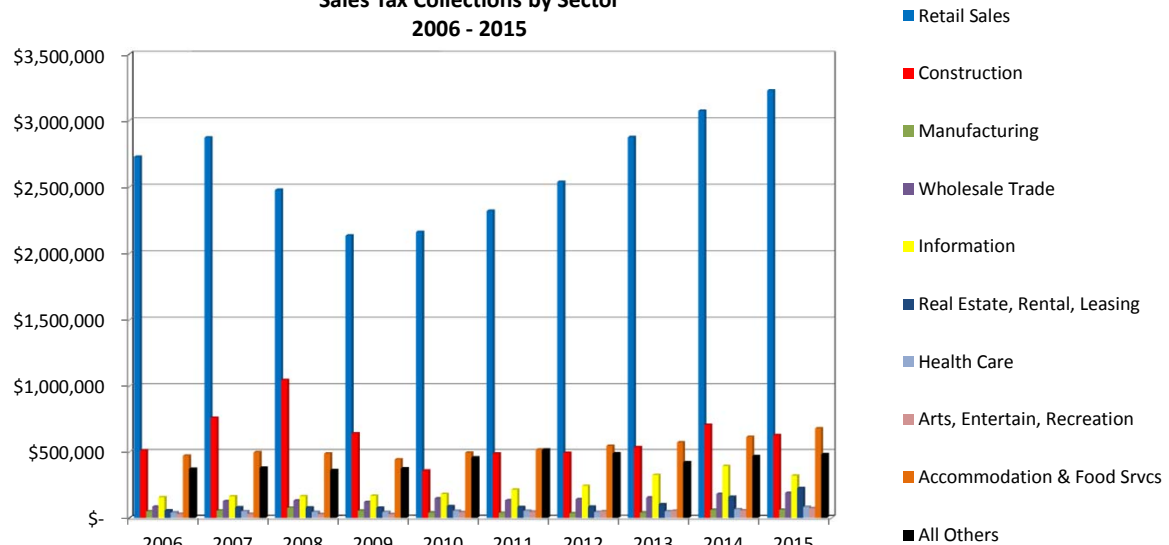
Source: King County Department of Assessments and King County's Assessor's annual Codes and Levies King County Taxing Districts report



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

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>RETAIL TRADE</b>										
Vehicle and Parts Dealer	\$ 1,460,690	\$ 1,539,517	\$ 1,206,451	\$ 949,307	\$ 973,789	\$ 1,078,227	\$ 1,261,209	\$ 1,518,017	\$ 1,652,006	\$ 1,745,849
General Merchandise Stores	313,979	343,209	362,069	359,315	370,659	397,970	416,600	432,066	447,018	489,948
Food & Beverage Stores	244,606	254,986	251,873	248,636	276,296	275,695	266,626	274,490	281,918	271,546
Misc Store Retailers	259,676	286,092	273,214	370,630	318,023	314,612	328,828	347,291	366,534	369,697
Health & Personal Care	129,032	140,315	136,682	97,967	97,673	101,059	108,840	123,856	123,253	133,105
Other Retail	317,870	307,072	247,225	107,660	124,439	152,009	155,874	178,264	201,762	214,944
<b>Subtotal Retail</b>	<b>\$ 2,725,853</b>	<b>\$ 2,871,191</b>	<b>\$ 2,477,514</b>	<b>\$ 2,133,515</b>	<b>\$ 2,160,879</b>	<b>\$ 2,319,572</b>	<b>\$ 2,537,977</b>	<b>\$ 2,873,984</b>	<b>\$ 3,072,491</b>	<b>\$ 3,225,089</b>
<b>OTHER CATEGORIES</b>										
Construction	\$ 511,606	\$ 759,568	\$ 1,046,693	\$ 640,972	\$ 358,112	\$ 488,860	\$ 492,853	\$ 535,994	\$ 705,549	\$ 627,367
Manufacturing	49,653	54,925	76,262	54,296	40,960	38,377	35,917	41,055	60,918	61,195
Wholesale Trade	84,891	127,232	130,617	120,277	147,249	133,497	141,690	154,649	180,850	190,273
Information	156,806	163,382	164,905	167,846	181,753	214,544	242,260	326,311	393,777	320,988
Real Estate, Rental, Leasing	56,215	80,059	78,706	76,093	88,679	82,398	85,090	102,438	160,264	226,577
Health Care Assistance	41,076	49,886	44,668	44,824	53,817	53,753	44,946	50,664	65,199	83,659
Arts, Entertain, Recreation	29,750	30,399	28,516	29,306	42,946	46,603	50,433	53,099	57,027	73,956
Accommod & Food Svcs	471,534	497,836	488,362	443,414	495,575	517,833	545,959	572,943	614,133	679,025
All Other Categories	371,547	381,071	362,695	374,673	458,467	517,543	489,955	421,937	469,166	482,584
<b>Subtotal Other</b>	<b>\$ 1,773,078</b>	<b>\$ 2,144,358</b>	<b>\$ 2,421,424</b>	<b>\$ 1,951,701</b>	<b>\$ 1,867,558</b>	<b>\$ 2,093,408</b>	<b>\$ 2,129,103</b>	<b>\$ 2,259,090</b>	<b>\$ 2,706,883</b>	<b>\$ 2,745,624</b>
<b>Total Sales Tax Collected</b>	<b>\$ 4,498,931</b>	<b>\$ 5,015,549</b>	<b>\$ 4,898,938</b>	<b>\$ 4,085,216</b>	<b>\$ 4,028,437</b>	<b>\$ 4,412,980</b>	<b>\$ 4,667,080</b>	<b>\$ 5,133,074</b>	<b>\$ 5,779,374</b>	<b>\$ 5,970,713</b>

**Sales Tax Collections by Sector  
2006 - 2015**



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

Fiscal Year	Governmental activities			Business-type activities	Total Primary Government Debt	Population	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				
2006	12,530,000	844,444	1,937,660	-	15,312,104	31,080	0.90%	\$ 492.67
2007	12,090,000	1,491,666	2,508,483	696,150	16,786,299	31,410	0.93%	\$ 534.43
2008	11,615,000	1,697,712	2,638,129	1,490,005	17,440,846	31,540	0.96%	\$ 552.98
2009	14,579,400	1,588,134	2,452,150	1,411,524	20,031,208	31,890	1.17%	\$ 628.13
2010	22,604,400	1,475,221	2,262,837	1,328,493	27,670,951	46,182	1.10%	\$ 599.17
2011	28,299,400	1,362,308	2,073,526	1,245,463	32,980,696	47,660	1.21%	\$ 692.00
2012	27,154,400	1,249,395	1,884,213	1,162,432	31,450,440	47,730	1.10%	\$ 658.92
2013	28,190,362	1,136,483	1,694,901	1,079,401	32,101,147	48,030	1.06%	\$ 668.36
2014	28,063,762	1,023,570	1,505,589	996,370	31,589,292	48,240	0.95%	\$ 654.84
2015	26,726,162	910,658	1,316,277	913,339	29,866,436	48,810	0.86%	\$ 611.89

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

**Schedule 12  
City of Burien  
Legal Debt Margin Information  
December 31, 2015**

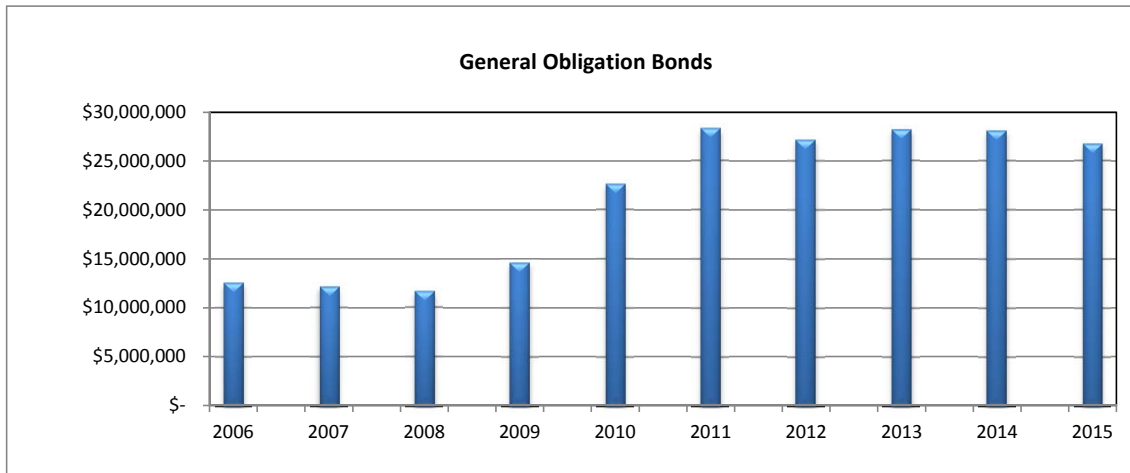
	Fiscal Year									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Debt Limit	\$ 239,079,791	\$ 260,283,837	\$ 285,650,497	\$ 322,748,347	\$ 343,081,657	\$ 316,904,251	\$ 312,964,326	\$ 300,397,459	\$ 308,233,906	\$ 347,716,770
Total Net Debt Applicable to Limit	15,312,104	16,090,149	15,950,841	18,619,684	26,342,458	31,735,234	30,288,008	31,021,746	30,592,921	28,953,097
Legal Debt Margin	<u>\$ 223,767,687</u>	<u>\$ 244,193,688</u>	<u>\$ 269,699,656</u>	<u>\$ 304,128,663</u>	<u>\$ 316,739,199</u>	<u>\$ 285,169,017</u>	<u>\$ 282,676,318</u>	<u>\$ 269,375,713</u>	<u>\$ 277,640,985</u>	<u>\$ 318,763,673</u>
 Total Net Debt Applicable to Limit as a Percentage of Debt Limit	6.40%	6.18%	5.58%	5.77%	7.68%	10.01%	9.68%	10.33%	9.93%	8.33%

**Legal Debt Margin Calculation for Fiscal Year 2015**

Total Assessed Value for 2015 Taxes	\$ 4,636,223,596
Debt Limit:	
2.5% of General Purpose Limit, Voted and Non-voted	115,905,590
2.5% of Utility Purpose Limit, Voted	115,905,590
2.5% of Open Space, Voted	115,905,590
Total Debt Limit	<u>\$ 347,716,770</u>
Debt Applicable to Limits:	
General Obligation Bonds	28,953,097
<b>Legal Debt Margin</b>	<b><u>\$ 318,763,673</u></b>

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

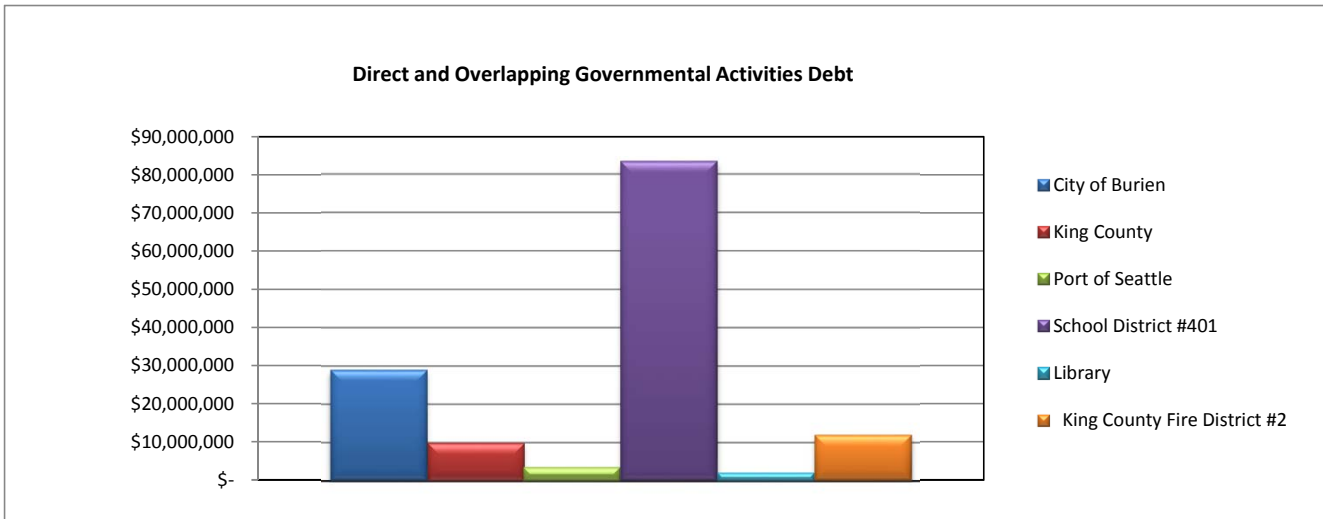
<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Assessed Value (AV)</b>	<b>% of General Obligation Debt to AV</b>	<b>Population</b>	<b>Per Capita</b>
2006	12,530,000	3,187,730,549	0.39%	31,080	403.15
2007	12,090,000	3,470,451,166	0.35%	31,410	384.91
2008	11,615,000	3,845,144,599	0.30%	31,540	368.26
2009	14,579,400	4,303,311,289	0.34%	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	4,225,390,016	0.64%	47,730	568.92
2013	28,190,362	4,005,299,458	0.70%	48,030	586.93
2014	28,063,762	4,109,785,417	0.68%	48,240	581.75
2015	26,726,162	4,636,223,596	0.58%	48,810	547.56



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

**Schedule 14**  
**City of Burien**  
**Direct and Overlapping Governmental Activities Debt**  
**As of December 31, 2015**

	<u>Net General Obligation Debt Outstanding</u>	<u>Percentage Applicable to Burien</u>	<u>Estimated Amount Applicable to Burien</u>
<b>Direct:</b>			
<b>City of Burien</b>	\$ 28,953,097	100.00%	\$ 28,953,097
<b>Overlapping:</b>			
<b>King County</b>	829,126,323	1.19%	9,866,603
<b>Port of Seattle</b>	305,535,000	1.19%	3,635,866
<b>School District #401</b>	244,589,391	34.09%	83,380,523
<b>Library</b>	109,205,000	2.02%	2,205,941
<b>King County Fire District #2</b>	19,095,000	62.88%	12,007,375
<b>Total Overlapping Debt:</b>	<u>\$ 1,507,550,714</u>	<u>7.37%</u>	<u>\$ 111,096,309</u>
<b>Total Direct and Overlapping Debt:</b>	<u><u>\$ 1,536,503,811</u></u>		<u><u>\$ 140,049,406</u></u>



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

Sources: King County Department of Assessments

City of Burien Finance Department

**Schedule 15**  
**City of Burien**  
**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>
<b>2006</b>	31,080	\$ 99,448,249	\$54,553	4.3%	17,718
<b>2007</b>	31,410	\$ 106,712,473	\$57,745	3.5%	17,527
<b>2008</b>	31,540	\$ 108,457,410	\$57,843	4.2%	17,647
<b>2009</b>	31,890	\$ 102,843,152	\$53,788	8.8%	18,224
<b>2010</b>	46,182	\$ 105,499,279	\$54,443	8.2%	17,391
<b>2011</b>	47,660	\$ 112,935,345	\$57,281	7.4%	17,532
<b>2012</b>	47,730	\$ 120,627,950	\$60,090	6.2%	18,427
<b>2013</b>	48,030	\$ 128,330,859	\$62,770	5.0%	18,975
<b>2014</b>	48,240	\$ 143,260,986	\$68,877	4.6%	19,039
<b>2015</b>	48,810	\$ 150,106,294	\$ 70,989	4.7%	19,039

*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: City of Burien Community Development staff*

*U.S. Bureau of Economic Analysis*

*U.S. Bureau of Labor Statistics*

*Highline School District*

**Schedule 16  
City of Burien  
Principal Employers,  
Current Year and Nine Years Ago**

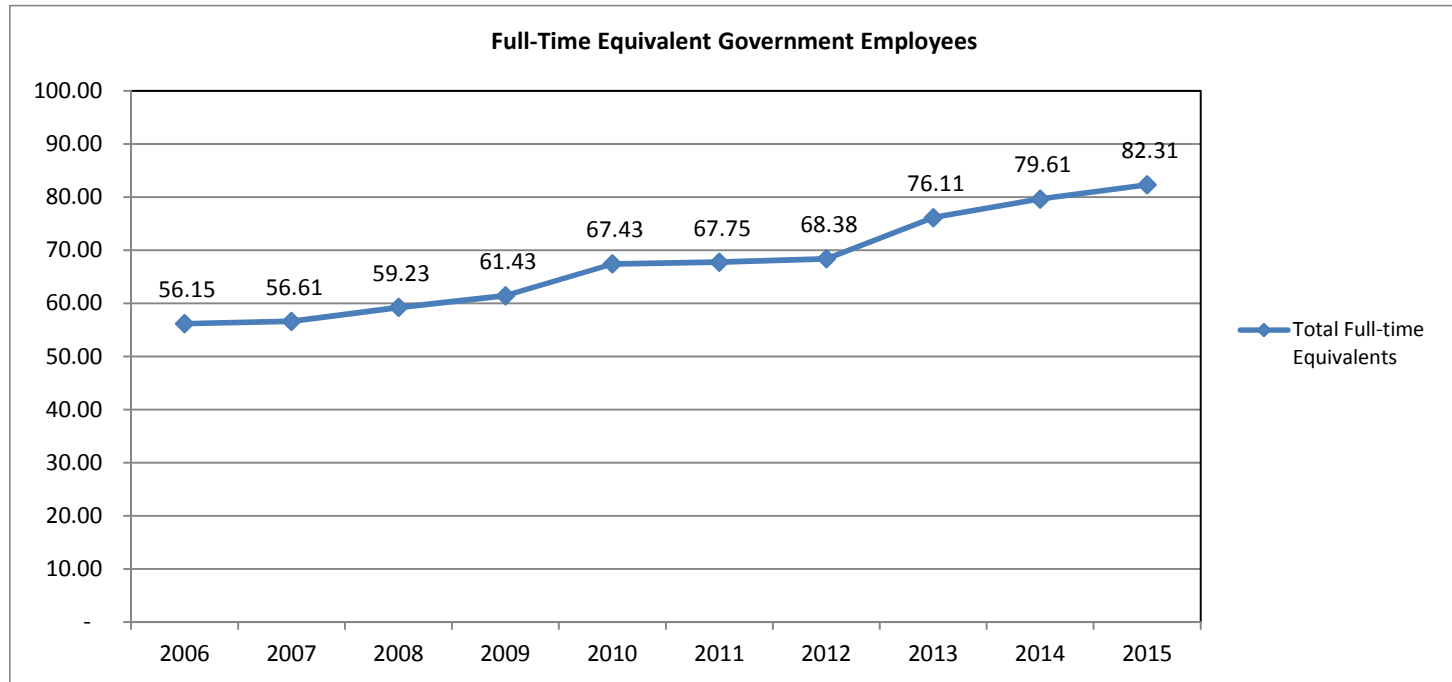
<u>Employer</u>	<u>2015</u>			<u>2006</u>		
	<u>Employees</u>	<u>Rank</u>	<u>% of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>% of Total City Employment<sup>1</sup></u>
Highline School District #401	2,150	1	27.14%	2,200	1	32.47%
Highline Medical Center	900	2	11.36%	1,100	2	16.23%
Fred Meyer	248	3	3.13%	216	3	3.19%
Haggen OPCO North LLC	168	4	2.12%			
Burien Toyota, Inc.	152	5	1.92%	137	6	2.02%
NAVOS	124	6	1.57%			
Regional Hospital for Respiratory & Complex Care	120	7	1.51%			
Burien Nursing & Rehabilitation Center	117	8	1.48%			
Safeway Store #1664	110	9	1.39%	104	7	1.53%
Schick Shadel	105	10	1.33%			
Wizards Casino	99	11	1.25%	200	4	2.95%
Rainier Golf & Country Club	90	12	1.14%			
Group Health Cooperative	66	13	0.83%	91	9	1.34%
Seattle Goodwill Industries	64	14	0.81%			
Burien Chevrolet Inc	63	15	0.80%			
Highline West Seattle Mental Health	-		-	90	10	1.33%
Life Care Center of Burien	-		-	144	5	2.13%
Ruth Dykeman Children's Center				103	8	1.52%
	-		-			
<b>Total</b>	<b>4,576</b>		<b>57.77%</b>	<b>4,385</b>		<b>64.71%</b>

Total City employment in 2015 is 7,921

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

**Schedule 17**  
**City of Burien**  
**Full-time Equivalent City Government Employees by Function**  
**Last Ten Fiscal Years**

<u>Function</u>	<u>Fiscal Year</u>									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Government	15.45	19.98	17.15	18.00	20.75	20.70	18.95	18.63	19.25	17.70
Culture and Recreation	15.00	14.63	14.63	15.88	16.18	15.95	15.38	19.64	21.55	22.01
Economic Environment	14.20	12.00	14.45	14.75	13.30	14.30	13.10	13.10	13.31	17.10
Transportation	7.20	6.45	7.45	6.10	8.50	8.20	10.30	11.50	11.50	11.25
Surface Water Management	4.30	3.55	5.55	6.70	8.70	8.60	10.65	13.25	14.00	14.25
<b>Total Full-time Equivalents</b>	<b>56.15</b>	<b>56.61</b>	<b>59.23</b>	<b>61.43</b>	<b>67.43</b>	<b>67.75</b>	<b>68.38</b>	<b>76.11</b>	<b>79.61</b>	<b>82.31</b>





**Schedule 18  
City of Burien  
Operating Indicators by Function  
Last Ten Fiscal Years**

	Fiscal Year										
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Public Safety</b>											
Response time for priority 1 calls	7.38 min.	7.51 min.	7.06 min.	8.44 min.	8.69 min.	8.54 min.	7.54 min.	7.75 min.	7.39 min.	7.72 min.	7.05 min.
Response time to critical emergencies	3.10 min.	2.75 min.	3.28 min.	3.28 min.	3.47 min.	2.87 min.	2.95 min.	3.40 min.	3.73 min.	3.48 min.	3.50 min.
Dispatched calls for service	12,674	12,476	11,518	10,191	10,507	13,410	15,742	16,416	17,039	18,521	19,600
Total crime index per 1,000 population	71.6	67.5	61.0	53.2	55.5	55.0	55.0	59.0	60.0	60.0	55.0
Traffic safety enforcement stops	2,617	2,595	2,264	2,157	2,060	1,508	1,672	1,743	2,139	1,396	1,321
<b>Transportation</b>											
Right of way use permits issued	386	360	365	306	330	353	359	428	469	498	499
Reported potholes	10	9	15	17	27	37	103	50	69	62	70
<b>Economic Environment</b>											
Citizen action requests	460	697	566	438	384	604	558	628	624	589	447
Land use-related permit applications	115	88	108	59	82	57	57	63	85	91	82
Percentage of land use permit reviews completed by target date	74%	79%	67%	69%	73%	89%	93%	80%	86%	96%	95%
Construction related permit applications	1,768	2,003	2,074	2,153	1,763	1,473	1,898	1,915	2,079	2,212	2,550
Commercial permits	124	121	116	235	107	120	171	113	192	152	161
Construction Value-commercial	\$ 24,386,583	\$ 52,960,694	\$ 27,568,622	\$ 63,225,037	\$ 6,917,359	\$ 17,117,248	\$ 21,820,575	\$ 11,317,784	\$ 38,940,428	\$ 32,608,065	\$ 68,921,928
Residential permits	233	275	309	283	159	105	268	259	269	263	288
Construction value-residential	\$ 25,858,711	\$ 56,453,304	\$ 27,443,690	\$ 13,283,754	\$ 9,233,956	\$ 10,516,667	\$ 14,442,960	\$ 27,855,391	\$ 22,984,594	\$ 23,254,345	\$ 38,223,822
<b>Culture and Recreation</b>											
Acres of neighborhood parks	26	26	27	27	27	58	58	58	58	58	58
Acres of community parks	31	31	32	32	32	32	32	32	32	32	34
Acres of regional and open space parks	278	278	287	287	287	287	287	287	287	287	287
Cost to maintain all parks per acre	\$ 959	\$ 1,135	\$ 986	\$ 1,033	\$ 1,014	\$ 1,265	\$ 1,630	\$ 1,594	\$ 1,693	\$ 1,874	\$ 1,925
Number of kids provided scholarships	114	87	78	60	61	134	149	133	116	85	88
<b>Surface Water Management</b>											
Number of storm water ponds	14	15	15	15	15	18	19	22	22	24	26
Percentage of city drainage system mapped and inventoried	93%	98%	98%	98%	99%	85%	98%	98%	99%	99%	99%
Catch Basins -City Owned						5,913	5,975	6,293		6,012	6,105
Total Catch Basins (City and private)											10,008

Sources: Various City of Burien Departments

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

Function	Fiscal Year										
	2004	2005	2007	2008	2009	2010	2011	2012	2013	2014	2015
Transportation											
Streets (miles)	113	113	113	113	114	150	150	152	152	140	140
Street lights	664	664	664	664	700	930	930	930	939	939	939
Traffic signals	53	53	53	53	55	71	71	72	74	75	75
Culture and Recreation											
Skate Parks	1	1	1	1	1	1	1	1	1	1	1
Playgrounds	6	7	7	8	8	11	12	12	12	12	12
Baseball/Softball Diamonds	5	5	5	5	5	5	5	5	5	5	5
Soccer/Football Fields	3	3	3	3	3	3	3	3	3	3	3
Community Centers	1	1	1	1	1	1	1	1	1	1	1
Surface Water Management											
Pump Stations	2	2	3	3	3	3	3	3	3	3	3
Storm Water Drainage Ponds	4	4	4	4	4	6	16	16	16	17	19

Sources: Various City of Burien Departments