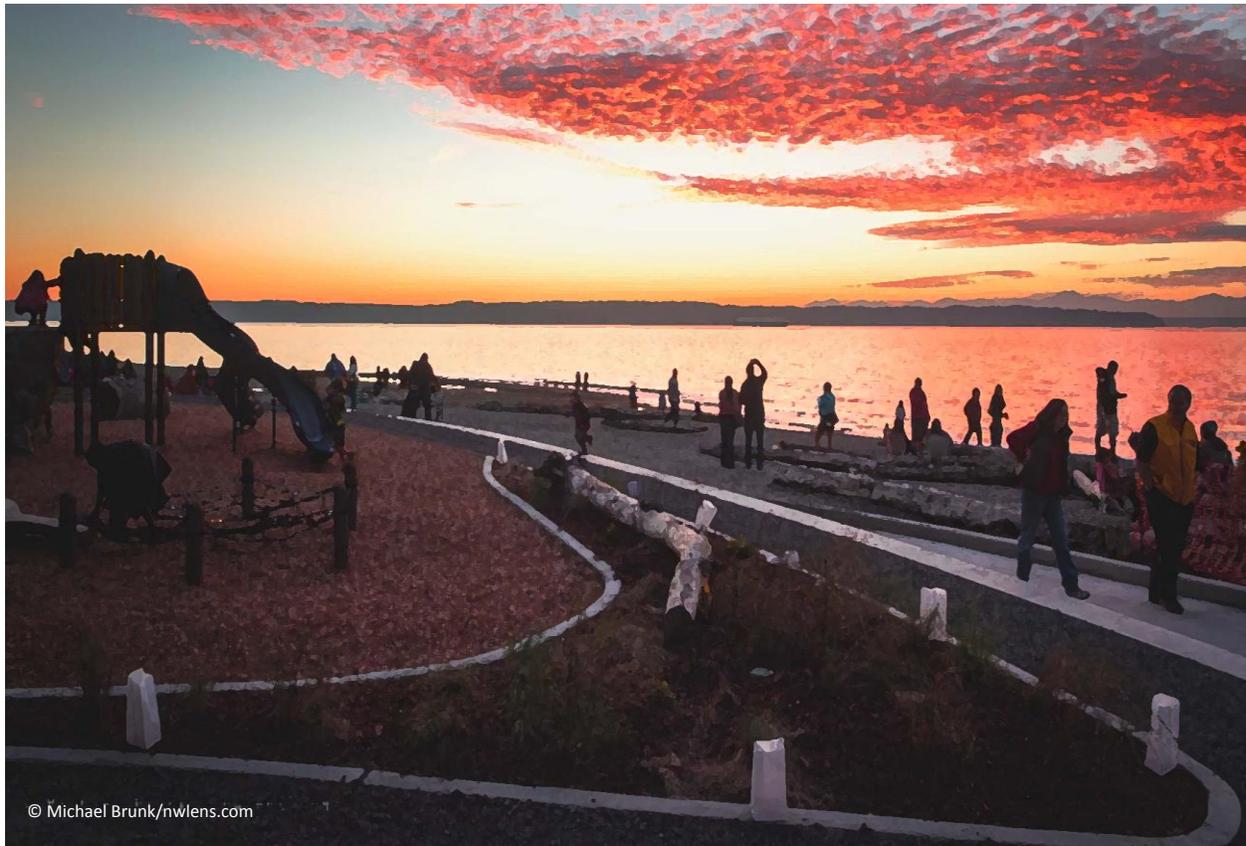


2014 Comprehensive Annual Financial Report

For the year ended December 31, 2014



City of Burien, Washington

400 SW 152nd St., Suite 300

Burien, WA 98166

(206) 241-4647





The City of Burien, Washington

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended
December 31, 2014

Prepared by:

City of Burien Finance Department

400 SW 152nd St., Suite 300

Burien, Washington 98166

(206) 241-4647

Website: 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, 2014

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For the Fiscal Year Ended December 31, 2014

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Burien

Washington, USA

City of Burien

400 SW 152nd St., Suite 300, Burien, WA 98166-1911

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

www.burienwa.gov

July 20, 2015

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, 2014. 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 2014 expenditures reported in the financial statements relating to those entities:

• King County Sheriff's Office (police services)	\$10,438,715
• Jail Services with the South Correctional Entity (SCORE) and King County Department of Adult Detention	483,903
• King County District Court	349,237
• King County Public Works Department (street & signal maintenance)	218,739
• King County Surface Water Management Division	<u>287,905</u>
Total 2014 major contracts with other governmental agencies	<u>\$11,778,499</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 28.6% of the total sales tax revenue to the City in 2014. 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 recently completed construction of a grant-funded sustainable storm water project in this area. The City also used the line of credit opened in 2013 to purchase two adjoining parcels of land with the purpose of marketing them for resale and redevelopment. Additionally, the City continues to pursue funding opportunities to expand and improve access to and from State Route 518, which will further revitalize this area. The City completed design of the SR-518/Des Moines Memorial Drive eastbound off-ramp in 2014.

The Burien Town Square development continues to move forward as all of the Phase I condominiums have been sold; however, new tenants for the ground floor retail continues to proceed more slowly. The remaining parcels were purchased by a new developer who is moving forward with their first phase, senior living apartments.

IV. MAJOR INITIATIVES

Achievements for 2014 include the following:

- Completed design of the eastbound off ramp for the SR-518/Des Moines Memorial Drive interchange project.
- Completed construction of the 1st Avenue South Phase 2 project.
- Completed the 2014 Overlay Project.
- Began design of the 4th Avenue/148th Street intersection.
- Began construction of a sustainable stormwater project in the North East Redevelopment Area.
- Purchased an additional parcel of land in the North East Redevelopment Area to market for resale and redevelopment.
- Continued construction of the Seahurst Park North Shoreline Beach Restoration Project in partnership with the Army Corps of Engineers.
- Continued process of updating the Comprehensive Plan.
- Implemented a new waste collection contract that resulted in a higher level of service, reduced costs for Burien residents and businesses and increased the City's franchise revenue to fund a modest annual overlay program.
- Negotiated and adopted a new franchise agreement with Seattle City Light.
- Implemented the Washington Supreme Court's new indigent defense caseload standards.
- Negotiated and adopted an interlocal agreement with the Port of Seattle for the North East Redevelopment Area.
- Adopted key economic development priorities.
- Began development of a Community Outreach and Engagement Plan.

Initiatives for 2015 include the following:

- Continue to advance development of the North East Redevelopment Area (NERA). Complete the sustainable stormwater construction project and advance additional phases.
- Commence construction of Town Square Phase 2 and Phase 3.
- Complete construction of the Seahurst Park North Shoreline Restoration Project.
- Complete the update to the Comprehensive Plan, including SEPA compliance.
- Begin development of the 1st Avenue Corridor Plan.

- Partner with the Port of Seattle to pursue FAA grant for a pilot program in the North East Redevelopment Area.
- Complete design of the 4th Avenue/148th Street intersection.
- Complete and implement the Community Outreach and Engagement Plan.
- Advance key economic development priorities.
- Leverage partnerships to achieve operational and capital project goals.
- Pursue franchise agreements with special purpose districts.
- Replace financial, document management and permitting software systems.
- Upgrade server and desktop software packages to Exchange 2013 and Office 2013.
- Implement a 4/10 patrol schedule to achieve better response and financial efficiencies.
- Replace playground equipment in Dottie Harper Park.

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, 2013. This was the eighteenth 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, Tina Hemphill, the City's Senior Financial Analyst. We wish to express our appreciation to all other City personnel for their assistance and cooperation during the year. We also wish to thank the City Council whose interest in, and support of, the financial affairs of the City have significantly contributed to quality financial services. The assistance of the State Auditor's Office during the preparation of our Comprehensive Annual Financial Report is also greatly appreciated.

Respectfully submitted,



Kim Krause,
Finance Director



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, 2013

Executive Director/CEO

ELECTED CITY OFFICIALS

2014 City Councilmembers

Lucy Krakowiak, Mayor

Bob Edgar, Deputy Mayor

Stephen Armstrong

Lauren Berkowitz

Gerald Robison

Nancy Tosta

Debi Wagner

Term Ending

December 2015

December 2015

December 2017

December 2017

December 2015

December 2017

December 2017

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

CITY ADMINISTRATION

City Manager

Finance Director

Public Works Director

Community Development Director

Parks, Recreation and Cultural Services Director

Chief of Police

Acting City Attorney

Kamuron Gurol

Kim Krause

Maiya Andrews

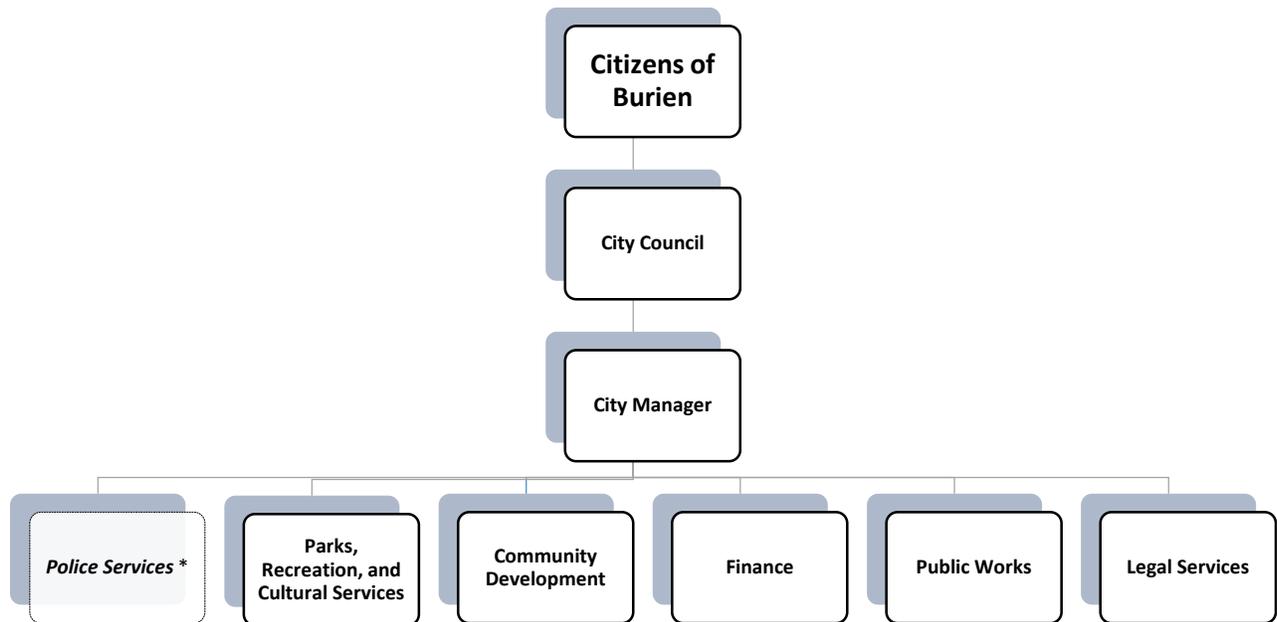
Chip Davis

Michael Lafreniere

Scott Kimerer

Bob Noe

City of Burien, Washington Organizational Chart



* Contracted Services



Washington State Auditor's Office

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

July 20, 2015

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, 2014, 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, 2014, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General and Street funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 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 5-1 through 5-9 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 July 20, 2015, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report will be issued under separate cover in the City's Single Audit Report. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Sincerely,

A handwritten signature in blue ink that reads "Jan M. Jutte". The signature is cursive and fluid, with the first letters of each word being capitalized and prominent.

JAN M. JUTTE, CPA, CGFM

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

FINANCIAL HIGHLIGHTS

In the last ten years, total net position has increased by an average of \$5.04 million per year. The trend continues this year with an increase of \$2.8 million. The City's assets exceeded its liabilities at the close of the most recent fiscal year by \$123.5 million. Of this amount, \$97.6 million is net invested in capital assets and the remaining \$25.9 million is available for capital projects, debt service and funding the government's ongoing activities and obligations.

Government activities net position decreased by \$1.0 million and business-type activities increased by \$3.8 million. The decrease in government activities is the result of depreciation expense on capital assets exceeding the growth in the ending fund balances. Ending fund balances grew due to unanticipated revenues, savings in expenditures budgets and the addition of land in the North East Redevelopment Area (NERA) that was purchased with a line of credit. 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, 2014, the City of Burien's governmental funds reported a combined ending fund balance of \$17.9 million, an increase of \$3.9 million compared to the prior year. This increase is partially due to revenues that exceeded expectations (\$2.5 million) including growth in property taxes (\$95,000), sales taxes (\$1,080,000), real estate excise taxes (\$215,000), other taxes (\$170,000), license and permits (\$210,000), charges for services (\$390,000) fines and forfeitures (\$160,000) and other miscellaneous (\$210,000). The balance of the increase is due to expenditure savings in general government (\$580,000), transportation (\$255,000), economic environment (\$145,000) and culture and recreation (\$170,000) functions. The City also sold a capital asset for a gain of \$240,000.

At the end of the current fiscal year, unassigned fund balance in the General Fund is \$8.7 million, or 36.8% of total current year General Fund revenues. This is an increase of half a million from the \$8.2 million in unreserved General Fund fund balance at the end of 2013. This ending fund balance exceeds the financial policy requirement of 15% of ongoing revenues by approximately \$5.1 million, which is available to fund future capital programs, future operations and withstand economic downturns. The increase in available fund balance is predominantly due to revenues exceeding expectations and expenditure savings as compared to the adopted budget. 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. The minimum fund balance for the 2015-16 biennium is set at 17.5%. The available fund balance after this commitment is \$4.5 million. An additional \$2 million was assigned to 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 City of Burien's total long-term debt decreased \$512,000, which reflects \$429,000 in governmental activities \$83,000 in business-type activities. Governmental debt reflects an increase of \$1,168,000 due to a drawdown of line of credit established in 2013 to purchase land in the North East Redevelopment Area for marketing it for resale and redevelopment. The City drew down \$2.4 million of the \$3.6 million line of credit in 2013. This increase is offset by the regularly scheduled debt service principal payments that were made during the year. The decrease in business-type activities also reflects the regularly scheduled debt payments.

REPORT LAYOUT

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

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

STATEMENT OF NET POSITION

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

STATEMENT OF ACTIVITIES

The focus of the Statement of Activities is to present the major program costs with corresponding major resources. To the extent a program's cost is not recovered by grants and direct charges, it is 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 Schedules sections of this report. Finally, completing the document is a series of other financial and statistical schedules and the reports by the independent auditors, as required by statute. The MD&A is intended to explain the significant changes in financial position and differences in operations between the current and prior year.

CITY AS A WHOLE GOVERNMENT-WIDE FINANCIAL STATEMENTS

Assets exceeded liabilities by \$123.5 million at the close of the fiscal year.

During fiscal year 2014, net position increased by \$2.8 million. This increase is due to a number of factors, including growth in revenues across the board; expenditure savings in general government, transportation, economic environment and culture and recreation; and the addition of major grant reimbursable capital projects in the governmental and business-type funds.

City of Burien's Net Position at Year-End

	Governmental Activities		Business - Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Current and other assets	\$ 25,365,255	\$ 21,108,119	\$ 3,049,239	\$ 2,742,138	\$ 28,414,494	\$ 23,850,257
Capital assets, net of accumulated depreciation	117,387,214	122,803,822	11,634,539	8,304,155	129,021,753	131,107,977
Total assets	142,752,469	143,911,941	14,683,778	11,046,293	157,436,247	154,958,234
Deferred outflows of resources						
Deferred amount from debt refunding	89,502	100,690	-	-	89,502	100,690
Total deferred outflows of resources	89,502	100,690	-	-	89,502	100,690
Long-term liabilities	30,850,585	31,285,877	1,033,552	1,105,328	31,884,137	32,391,205
Other liabilities	1,803,208	1,508,278	361,161	460,062	2,164,369	1,968,340
Total liabilities	32,653,793	32,794,155	1,394,713	1,565,390	34,048,506	34,359,545
Net position:						
Net investment in capital assets	86,914,714	91,618,635	10,638,169	7,224,754	97,552,883	98,843,389
Restricted	608,938	1,943,343	-	88,428	608,938	2,031,771
Unrestricted	22,664,526	17,656,498	2,650,896	2,167,221	25,315,422	19,824,219
Total net position	\$ 110,188,178	\$ 111,218,476	\$ 13,289,065	\$ 9,480,903	\$ 123,477,243	\$ 120,699,379

Governmental Activities

The change in total net position for 2014 is a decrease of \$1.0 million. This decrease is the result of recording depreciation expense on capital assets, which is offset by increases in fund balances due to unanticipated revenues, savings in expenditure budgets and the addition of land purchased with the line of credit.

Business-type Activities

The \$3.8 million increase in net position of the Surface Water Management Fund is primarily due an increase in in construction-work-in-progress for a grant-funded project.

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2014:

The Statement of Activities shows a net increase in the City of Burien's net position of \$4.1 million. Below is a summary version of the Statement of Activities.

Summary of Revenues

	Governmental Activities		Business - Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program revenues:						
Charges for services	\$ 4,046,183	\$ 3,357,825	\$ 2,868,965	\$ 2,839,705	\$ 6,915,148	\$ 6,197,530
Operating grants & contributions	2,975,035	3,220,740	8,329	305,504	2,983,364	3,526,244
Capital grants & contributions	2,856,251	6,176,889	4,316,461	1,069,581	7,172,712	7,246,470
General revenues:						
Property taxes	6,652,930	6,208,867	460	85,608	6,653,390	6,294,475
Sales and use taxes	7,669,549	6,816,465	-	-	7,669,549	6,816,465
Other taxes	6,068,759	6,192,371	-	-	6,068,759	6,192,371
Investment interest	27,743	20,004	2,698	2,490	30,441	22,494
Gain (loss) on disposal of capital assets	151,395	-	-	-	151,395	-
Miscellaneous	313,908	282,160	9,449	8,330	323,357	290,490
Total revenues	\$ 30,761,753	\$ 32,275,321	\$ 7,206,362	\$ 4,311,218	\$ 37,968,115	\$ 36,586,539

Summary of Expenses

	Governmental Activities		Business - Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Expenses						
General government	\$ 4,311,613	\$ 4,386,693	\$ -	\$ -	\$ 4,311,613	\$ 4,386,693
Judicial	349,238	262,312	-	-	349,238	262,312
Public safety	10,902,905	10,390,038	-	-	10,902,905	10,390,038
Environment services	162,654	148,888	-	-	162,654	148,888
Transportation	10,441,969	8,902,304	-	-	10,441,969	8,902,304
Economic environment	1,554,327	1,621,067	-	-	1,554,327	1,621,067
Social services	90,736	90,535	-	-	90,736	90,535
Culture and recreation	3,403,233	3,564,244	-	-	3,403,233	3,564,244
Interest on long-term debt	1,149,080	1,162,928	5,189	8,511	1,154,269	1,171,439
Surface water management	-	-	2,458,283	2,084,754	2,458,283	2,084,754
Total expenses	32,365,755	30,529,009	2,463,472	2,093,265	34,829,227	32,622,274
Increase in net position before transfers	(1,604,002)	1,746,313	4,742,890	2,217,953	3,138,888	3,964,266
Transfers	590,000	25,140	(590,000)	(25,140)	-	-
Increase in net position	(1,014,002)	1,771,453	4,152,890	2,192,813	3,138,888	3,964,266
Net position - January 1	111,218,476	109,301,572	9,480,903	7,288,090	120,699,379	116,589,662
Prior period adjustment	(16,296)	145,451	(344,728)	-	(361,024)	145,451
Net position - January 1, restated	111,202,180	109,447,023	9,136,175	7,288,090	120,338,355	116,735,113
Net position - December 31	\$ 110,188,178	\$ 111,218,476	\$ 13,289,065	\$ 9,480,903	\$ 123,477,243	\$ 120,699,379

GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES FOR FISCAL YEAR ENDING DECEMBER 31, 2014

Governmental Activities

Overall, governmental revenues decreased by \$1.5 million from the prior year. This is the result of 2013 including \$3.3 million more than 2014 in capital grants and contributions. This decrease is offset by across-the-board increases in tax and program revenues.

The increase in expenditures is the result of city and grant-funded transportation capital improvement projects.

Business-type Activities

The substantial increase in Surface Water Management Fund revenues in 2014 is the result grant reimbursements for a capital improvement project.

The increase in expenses is the result of filling positions that were vacant in 2013, additional contracted services to maintain the storm water system and construction of a grant-reimbursable capital improvement project.

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 \$3.9 million. Of the General Fund Balance of \$10.9 million, \$8.7 million or 79% is unassigned. Unassigned fund balance is 36.8% of General Fund revenues. The City's financial policies state that General Fund Fund Balance shall be a minimum of 15% of recurring revenues with a goal of 20% by the year 2022. With the adoption of the 2015-16 Biennial Budget, Council increased the fund balance goal to 17.5% with a goal of 20% in 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 culture and recreation. 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 is comprised of gas tax revenues, business license fees and solid waste utility taxes and franchise fees. It 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 growth in the 2014 fund balance is partially the result of expenditures being less than anticipated in the adopted budget and partially due to the sale of a capital asset.

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 the receipt of grant funding for the Seahurst Park North Shoreline project and will be used to complete that project. 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 is the result of an increase in construction-work-in-progress for a grant-funded project. The fund balance policy is to maintain a minimum of 5% of recurring revenue.

BUDGETARY HIGHLIGHTS

The City Council approved four amendments to the 2013 - 2014 Adopted Biennial Budget. These amendments adjusted beginning fund balances to the 2012 actual ending fund balance amounts, reduced some revenue and expenditure estimates and increased others, provided for the receipt and use of the 2013 limited tax general obligation bond, provided for an interfund loan if required for cash flow purposes, increased revenues and expenditures for some newly awarded grant funded projects, provided funding for unanticipated capital projects and authorized the hiring of two interns for economic development and community engagement.

General Fund revenues exceeded budget estimates by 9.7% in 2014 due in large part to higher than anticipated revenues, including taxes, licenses and permits, charges for services and fines and forfeitures. Expenditures were 1.4% more than the amended budget due to the \$1,168,000 land purchase that was appropriated in 2013. Expenditures appropriated in the first year of the biennial budget may be spent in the second year. The general government, economic environment, transportation and culture and recreation categories show expenditure savings that offset the land purchase.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of December 31, 2014, the City had invested \$129.0 million in capital assets as reflected in the following table, which represents a decrease of \$2.1 million from the previous year. The decrease is the result of depreciation expense exceeding capital asset additions. 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	
	2014	2013	2014	2013	2014	2013
Land	\$ 29,488,828	\$ 26,043,161	\$ 1,076,060	\$ 1,076,060	\$ 30,564,888	\$ 27,119,221
Construction work in progress	15,691,113	16,089,394	5,513,906	1,891,881	21,205,019	17,981,275
Buildings	11,249,198	11,981,415	-	-	11,249,198	11,981,415
Machinery, equipment, and vehicles	1,433,891	1,597,640	343,843	367,856	1,777,734	1,965,496
Other improvements	5,370,916	5,791,132	-	-	5,370,916	5,791,132
Infrastructure	54,146,370	61,287,165	4,700,730	4,968,358	58,847,100	66,255,523
Intangible assets	6,898	13,915	-	-	6,898	13,915
Total	\$ 117,387,214	\$ 122,803,822	\$ 11,634,539	\$ 8,304,155	\$ 129,021,753	\$ 131,107,977

The table above shows the change in capital assets between 2013 and 2014. Construction work in progress (CWIP) for governmental activities is \$15.7 million, which is comprised of parks and street improvement projects still under construction. The CWIP amount of \$5.5 million for business-type activities is surface water infrastructure projects.

CHANGE IN CAPITAL ASSETS

	Governmental Activities		Business - Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Changes in capital assets						
Land	\$ 3,445,667	\$ 236,391	\$ -	\$ -	\$ 3,445,667	\$ 236,391
Construction work in progress	(398,281)	1,967,282	3,622,025	1,079,141	3,223,744	3,046,423
Buildings	(732,217)	1,233,152	-	-	(732,217)	1,233,152
Machinery, equipment, and vehicles	(163,749)	308,365	(24,013)	366,356	(187,762)	674,721
Other improvements	(420,216)	(101,430)	-	-	(420,216)	(101,430)
Infrastructure	(7,140,795)	(4,265,428)	(267,628)	(347,465)	(7,408,423)	(4,612,893)
Intangible assets	(7,017)	13,915	-	-	(7,017)	13,915
Total	\$ (5,416,608)	\$ (607,753)	\$ 3,330,384	\$ 1,098,032	\$ (2,086,224)	\$ 490,279

OUTSTANDING DEBT

At year-end 2014, the City had \$31.6 million in outstanding debt compared to \$32.1 million in 2013. During 2014, the city drew down on the 2013 general obligation bond issued in the form of a line of credit. This draw down was to purchase an additional parcel of land in the North East Redevelopment Area for the purpose of marketing it for resale and redevelopment. This increase is offset by the City's regularly scheduled principal payments. For additional debt information, see Note 9 in the Notes to the Financial Statements.

OUTSTANDING DEBT AT YEAR-END

	Governmental Activities		Business - Type Activities		Total	
	2014	2013	2014	2013	2014	2013
General obligation bonds	\$ 24,848,562	\$ 24,895,562	\$ -	\$ -	\$ 24,848,562	\$ 24,895,562
Special obligation bonds - SCORE PDA	3,215,200	3,294,800	-	-	3,215,200	3,294,800
Special assessment debt with government commitment (public works trust fund loan)	1,023,570	1,136,483	-	-	1,023,570	1,136,483
Public works trust fund loan	1,505,589	1,694,901	996,370	1,079,401	2,501,959	2,774,302
Total	\$ 30,592,922	\$ 31,021,746	\$ 996,370	\$ 1,079,401	\$ 31,589,292	\$ 32,101,147

ECONOMIC FACTORS

The City experienced significant growth in its largest revenue source, Sales Tax, in 2014. This source grew well past pre-recession levels and now represents 24.9% of governmental resources. The majority of the growth occurred in automobile sales and construction. Property Taxes grew to 21.7% of governmental resources. In 2012, the City's assessed valuation declined and caused the City to hit its property tax cap of \$1.60 per \$1,000 in assessed valuation. Assessed valuation declined further in 2013 then rebounded slightly in 2014 but the City saw significant property tax losses over those years due to the legislative limits placed on property tax increases. Business and Occupation/Utility Taxes remain stable and comprise approximately 12.6% of governmental resources. While telephone utility taxes continue to decline, those losses have been offset in recent years by additional tax revenue as a result of a utility tax audit undertaken in 2011. Intergovernmental revenues from state shared revenues and grants make up 18.9% of total governmental resources. This is down significantly from 2013 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. Licenses and Permits also saw growth in building permit revenues.

NEXT YEAR'S BUDGETS AND RATES

The City's assessed valuation grew by 12.9% for 2015 property taxes which allowed the City's property tax revenues to return to 2011 levels. The City levied the 1% property tax increase allowed by State law for a rate that is just under the \$1.60 cap. Sales Tax revenues were conservatively projected to be slightly less than the levels reached in 2014. The 2015 Surface Water Management Fees were adjusted by the second of two 12% increases as recommended in the Storm Water Master Plan. This increase is being used for capital improvement projects.

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 152nd St., Suite 300, Burien, Washington 98166.

BASIC FINANCIAL STATEMENTS



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City of Burien, Washington
Statement of Net Position
December 31, 2014

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 17,195,139	\$ 2,648,075	\$ 19,843,214
Receivables (net of allowance for uncollectibles)	2,111,320	128,242	2,239,562
Due from other governments	2,296,319	272,922	2,569,241
Restricted cash and cash equivalents	31,867	-	31,867
Investment in joint venture - SCORE	3,730,610	-	3,730,610
Capital assets not being depreciated:			
Land	29,488,828	1,076,060	30,564,888
Construction in progress	15,691,113	5,513,906	21,205,019
Capital assets, net of accumulated depreciation:			
Buildings	11,249,198	-	11,249,198
Machinery, equipment, and vehicles	1,433,891	343,843	1,777,734
Other improvements	5,370,916	-	5,370,916
Infrastructure	54,146,370	4,700,730	58,847,100
Intangible assets	6,898	-	6,898
Total assets	<u>142,752,469</u>	<u>14,683,778</u>	<u>157,436,247</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amount from debt refunding	89,502	-	89,502
Total deferred outflows of resources	<u>89,502</u>	<u>-</u>	<u>89,502</u>
LIABILITIES			
Accounts payable and other liabilities	1,382,497	357,583	1,740,080
Accrued interest payable	86,721	2,491	89,212
Due to other governments	3,314	1,087	4,401
Deposits payable	330,676	-	330,676
Non-current liabilities:			
Due within one year	1,670,744	87,493	1,758,237
Due in more than one year	29,179,841	946,059	30,125,900
Total liabilities	<u>32,653,793</u>	<u>1,394,713</u>	<u>34,048,506</u>
DEFERRED INFLOWS OF RESOURCES			
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION			
Net investment in capital assets	86,914,714	10,638,169	97,552,883
Restricted for:			
Debt service	294,674	-	294,674
Capital projects	314,264	-	314,264
Unrestricted	22,664,526	2,650,896	25,315,422
Total net position	<u>\$ 110,188,178</u>	<u>\$ 13,289,065</u>	<u>\$ 123,477,243</u>

City of Burien, Washington
Statement of Activities
For the Year Ended December 31, 2014
Page 1 of 2

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 4,311,613	\$ 1,689,073	\$ 1,135,643	\$ -
Judicial	349,238	121,790	-	-
Public safety	10,902,905	-	822,077	-
Natural environment	162,654	46,515	-	-
Transportation	10,441,969	789,342	989,876	1,338,989
Economic environment	1,554,327	864,263	-	-
Social services	90,736	-	22,191	-
Culture and recreation	3,403,233	535,200	5,248	1,517,262
Interest on long-term debt	1,149,080	-	-	-
Total governmental activities	32,365,755	4,046,183	2,975,035	2,856,251
Business-type activities:				
Surface water management	2,463,472	2,868,965	8,329	4,316,461
Total business-type activities	2,463,472	2,868,965	8,329	4,316,461
Total primary government	\$ 34,829,227	\$ 6,915,148	\$ 2,983,364	\$ 7,172,712

General revenues:
 Taxes
 Property taxes
 Retail sales and use taxes
 Business and occupation taxes
 Excise taxes
 Other taxes
 Unrestricted investment earnings
 Gain (loss) on disposal of capital assets
 Miscellaneous
 Transfers
 Total general revenues and transfers

Change in net position

Net position - January 1
 Prior period adjustment
 Net position - January 1, restated
 Net position - December 31

City of Burien, Washington
Statement of Activities
For the Year Ended December 31, 2014
Page 2 of 2

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
\$ (1,486,897)	\$ -	\$ (1,486,897)
(227,448)	-	(227,448)
(10,080,828)	-	(10,080,828)
(116,139)	-	(116,139)
(7,323,762)	-	(7,323,762)
(690,064)	-	(690,064)
(68,545)	-	(68,545)
(1,345,523)	-	(1,345,523)
(1,149,080)	-	(1,149,080)
(22,488,286)	-	(22,488,286)
-	4,730,283	4,730,283
-	4,730,283	4,730,283
(22,488,286)	4,730,283	(17,758,003)
6,652,930	460	6,653,390
7,669,549	-	7,669,549
4,313,439	-	4,313,439
1,407,944	-	1,407,944
347,376	-	347,376
27,743	2,698	30,441
151,395	-	151,395
313,908	9,449	323,357
590,000	(590,000)	-
21,474,284	(577,393)	20,896,891
(1,014,002)	4,152,890	3,138,888
111,218,476	9,480,903	120,699,379
(16,296)	(344,728)	(361,024)
111,202,180	9,136,175	120,338,355
\$ 110,188,178	\$ 13,289,065	\$ 123,477,243

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
- Gain (loss) on disposal of capital assets
- Miscellaneous
- Transfers
- Total general revenues and transfers

Change in net position

- Net position - January 1
- Prior period adjustment
- Net position - January 1, restated
- Net position - December 31

City of Burien, Washington
Balance Sheet
Governmental Funds
December 31, 2014
Page 1 of 2

	General	Street	Debt Service
ASSETS			
Cash and cash equivalents	\$ 9,657,911	\$ 1,412,090	\$ 83,103
Accounts receivable	179,424	44,721	-
Taxes receivable:			
Current	629,154	51,688	-
Delinquent	156,085	-	-
Special assessments receivable	-	-	925,711
Due from other governments	1,571,517	158,172	-
Restricted cash and cash equivalents	31,867	-	-
Total assets	<u>12,225,958</u>	<u>1,666,671</u>	<u>1,008,814</u>
DEFERRED OUTFLOWS OF RESOURCES			
Total deferred outflows of resources	-	-	-
Total assets and deferred outflows of resources	<u>\$ 12,225,958</u>	<u>\$ 1,666,671</u>	<u>\$ 1,008,814</u>
LIABILITIES			
Accounts payable	\$ 557,842	\$ 129,946	\$ 216
401(a) payable	19,175	-	-
Due to other governments	3,231	83	-
Deposits payable	329,176	-	-
Accrued wages and benefits payable	213,334	24,315	-
Total liabilities	<u>1,122,758</u>	<u>154,344</u>	<u>216</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue-property taxes	156,084	-	-
Unavailable revenue-special assessments	-	-	925,711
Unavailable revenue-gambling taxes	5,847	-	-
Unavailable revenue-miscellaneous	656	-	-
Unavailable revenue-accounts receivable	15,263	-	-
Total deferred inflows of resources	<u>177,850</u>	<u>-</u>	<u>925,711</u>
FUND BALANCES (DEFICITS)			
Nonspendable:			
Prepays	-	-	-
Restricted:			
Debt service	-	-	82,887
Other capital projects	-	-	-
Committed:			
Arts projects	30,384	-	-
Parking projects	137,760	-	-
Assigned:			
Capital partnership	2,000,000	-	-
Capital projects	82,050	-	-
Street maintenance	-	1,512,327	-
Parks capital projects	-	-	-
Transportation capital projects	-	-	-
Unassigned:	8,675,156	-	-
Total fund balances (deficits)	<u>10,925,350</u>	<u>1,512,327</u>	<u>82,887</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 12,225,958</u>	<u>\$ 1,666,671</u>	<u>\$ 1,008,814</u>

City of Burien, Washington
Balance Sheet
Governmental Funds
December 31, 2014
Page 2 of 2

Parks and General Government Capital Projects	Transportation Capital Projects	Other Governmental	Total
\$ 2,208,951	\$ 2,546,112	\$ 379,615	\$ 16,287,782
-	-	-	224,145
-	-	124,537	805,379
-	-	-	156,085
-	-	-	925,711
16,626	524,511	25,493	2,296,319
-	-	-	31,867
<u>2,225,577</u>	<u>3,070,623</u>	<u>529,645</u>	<u>20,727,288</u>
-	-	-	-
<u>\$ 2,225,577</u>	<u>\$ 3,070,623</u>	<u>\$ 529,645</u>	<u>\$ 20,727,288</u>
\$ 81,384	\$ 322,714	\$ 3,594	\$ 1,095,696
-	-	-	19,175
-	-	-	3,314
-	1,500	-	330,676
-	3,472	-	241,121
<u>81,384</u>	<u>327,686</u>	<u>3,594</u>	<u>1,689,982</u>
-	-	-	156,084
-	-	-	925,711
-	-	-	5,847
-	-	-	656
-	-	-	15,263
-	-	-	1,103,561
-	-	-	-
-	-	211,787	294,674
-	-	314,264	314,264
-	-	-	30,384
-	-	-	137,760
-	-	-	2,000,000
-	-	-	82,050
-	-	-	1,512,327
2,144,193	-	-	2,144,193
-	2,742,937	-	2,742,937
-	-	-	8,675,156
<u>2,144,193</u>	<u>2,742,937</u>	<u>526,051</u>	<u>17,933,745</u>
<u>\$ 2,225,577</u>	<u>\$ 3,070,623</u>	<u>\$ 529,645</u>	<u>\$ 20,727,288</u>

City of Burien, Washington
Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Position
December 31, 2014

Total fund balances - governmental funds	\$	17,933,745
<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	15,691,113	
Buildings (net of accumulated depreciation)	11,249,198	
Machinery and equipment (net of accumulated depreciation)	988,752	
Improvements (net of accumulated depreciation)	5,370,916	
Infrastructure (net of accumulated depreciation)	54,146,370	
Intangibles (net of accumulated amortization)	6,898	116,942,075
<p>Investment in joint ventures (SCORE) are not a financial resource and, therefore are not reported in the funds.</p>		
		3,730,610
<p>Receivables not available to pay current period expenditures and, therefore, are deferred in the funds:</p>		
Property taxes	156,084	
Special assessments	925,711	
Business and occupation taxes	5,847	
Charges for services	15,263	
Miscellaneous	656	1,103,561
<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	24,848,562	
2009 bonds A and B- SCORE joint venture	3,215,200	
Special assessment debt payable	1,023,570	
Public works trust fund loans payable	1,505,589	
Compensated absences	257,664	
Deferred charge on refunding	(89,502)	
Accrued interest payable on long-term debt	86,721	(30,847,804)
<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>		
		1,325,991
Net position of governmental activities	\$	110,188,178

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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, 2014
Page 1 of 2

	General	Street	Debt Service
REVENUES			
Taxes			
Property taxes	\$ 6,581,004	\$ -	\$ -
Retail sales and use taxes	7,669,549	-	-
Real estate excise tax	-	-	-
Business and occupation taxes	581,494	-	-
Utility taxes	2,907,861	384,944	-
Gambling and other taxes	577,191	189,159	-
Licenses and permits	1,476,221	778,130	-
Intergovernmental revenues	1,874,963	989,876	110,197
Charges for services	1,269,157	-	48,164
Fines and forfeitures	347,998	11,212	266
Investment earnings	21,049	1,064	391
Special assessments penalties and interest	-	-	5,150
Rents and leases	200,772	-	-
Contributions and donations	491	-	-
Special assessments principal	-	-	98,467
Miscellaneous	75,707	4,176	-
Total revenues	<u>23,583,457</u>	<u>2,358,561</u>	<u>262,635</u>
EXPENDITURES			
Current:			
General government	3,575,831	-	-
Judicial	349,238	-	-
Public safety	11,033,588	-	-
Natural environment	162,654	-	-
Transportation	549,372	1,437,477	-
Economic environment	1,556,138	-	-
Social services	90,736	-	-
Culture and recreation	2,642,226	-	-
Debt service			
Principal	-	-	1,596,825
Interest and fiscal charges	-	-	1,153,494
Capital outlay	1,179,551	39,680	-
Total expenditures	<u>21,139,334</u>	<u>1,477,157</u>	<u>2,750,319</u>
Excess (deficiency) of revenues over expenditures	<u>2,444,123</u>	<u>881,404</u>	<u>(2,487,684)</u>
Other financing sources (uses)			
Long-term debt proceeds	1,168,000	-	-
Transfers in	85,000	-	2,510,000
Transfers out	(1,110,000)	(555,000)	-
Insurance recoveries	22,180	-	-
Sale of capital assets	-	238,500	-
Total other financing sources (uses)	<u>165,180</u>	<u>(316,500)</u>	<u>2,510,000</u>
Net change in fund balances	2,609,303	564,904	22,316
Fund balances - beginning	8,327,995	947,423	64,919
Prior period adjustment	(11,948)	-	(4,348)
Fund balances - beginning, as restated	<u>8,316,047</u>	<u>947,423</u>	<u>60,571</u>
Fund balances - ending	<u>\$ 10,925,350</u>	<u>\$ 1,512,327</u>	<u>\$ 82,887</u>

City of Burien, Washington
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2014
Page 2 of 2

Parks and General Government Capital Projects	Transportation Capital Projects	Other Governmental	Total
\$ 90,087	\$ -	\$ -	\$ 6,671,091
-	-	-	7,669,549
-	-	1,218,769	1,218,769
-	-	-	581,494
-	-	-	3,292,805
-	-	343,903	1,110,253
-	-	-	2,254,351
1,501,999	1,338,989	-	5,816,024
-	57,391	42,631	1,417,343
-	-	-	359,476
1,072	3,136	391	27,103
-	-	-	5,150
-	-	-	200,772
-	-	-	491
-	-	-	98,467
-	-	-	79,883
<u>1,593,158</u>	<u>1,399,516</u>	<u>1,605,694</u>	<u>30,803,021</u>
-	-	3,594	3,579,425
-	-	-	349,238
-	-	-	11,033,588
-	-	-	162,654
-	1,197,840	-	3,184,689
-	-	-	1,556,138
-	-	-	90,736
147,797	-	-	2,790,023
-	-	-	1,596,825
-	-	-	1,153,494
576,255	1,405,284	-	3,200,770
<u>724,052</u>	<u>2,603,124</u>	<u>3,594</u>	<u>28,697,580</u>
<u>869,106</u>	<u>(1,203,608)</u>	<u>1,602,100</u>	<u>2,105,441</u>
-	-	-	1,168,000
280,000	640,000	-	3,515,000
-	-	(1,525,000)	(3,190,000)
-	-	-	22,180
-	-	-	238,500
<u>280,000</u>	<u>640,000</u>	<u>(1,525,000)</u>	<u>1,753,680</u>
1,149,106	(563,608)	77,100	3,859,121
995,087	3,306,545	448,951	14,090,920
-	-	-	(16,296)
<u>995,087</u>	<u>3,306,545</u>	<u>448,951</u>	<u>14,074,624</u>
<u>\$ 2,144,193</u>	<u>\$ 2,742,937</u>	<u>\$ 526,051</u>	<u>\$ 17,933,745</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, 2014

Net change in fund balances - total governmental funds \$ 3,859,121

Amounts reported for governmental activities in the statement of activities are different because:

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.

Capital outlays	3,200,770	
Depreciation expense	(8,417,762)	
Sale of capital assets	<u>(87,105)</u>	(5,304,097)

Donations of capital assets are not reported in the governmental funds. However, in the statement of activities, the fair market value of those assets is recognized as revenue.

15,263

Investment in joint ventures are not considered financial resources and are, therefore not reported in the funds.

141,487

Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.

Property tax revenue	(18,161)	
Special assessments revenue	(93,691)	
Business and occupation tax revenue	(134,562)	
Charges for services	15,013	
Miscellaneous	<u>656</u>	(230,745)

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.

Issuance of 2013 LTGO bonds	(1,168,000)	
Principal payments on long-term debt	1,596,825	
Amortization of deferred charge on bond refunding	<u>(11,188)</u>	417,637

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.

Accrued interest expense	15,602	
Accrued compensated absences expense	<u>6,468</u>	22,070

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.

65,263

Change in net position of governmental activities \$ (1,014,002)

City of Burien, Washington
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget to Actual
For the Year ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 16,443,000	\$ 17,063,000	\$ 18,317,099	\$ 1,254,099
Licenses and permits	1,225,000	1,280,000	1,476,221	196,221
Intergovernmental revenue	2,027,000	1,835,000	1,874,963	39,963
Charges for services	884,000	963,000	1,269,157	306,157
Fines and forfeitures	200,000	200,000	347,998	147,998
Investment earnings	11,300	11,300	21,049	9,749
Rents and leases	128,000	150,000	200,772	50,772
Contributions and donations	1,000	1,000	491	(509)
Miscellaneous	-	-	75,707	75,707
Total revenues	<u>20,919,300</u>	<u>21,503,300</u>	<u>23,583,457</u>	<u>2,080,157</u>
EXPENDITURES				
Current:				
General government	4,007,950	4,167,005	3,575,831	591,174
Judicial	275,000	275,000	349,238	(74,238)
Public safety	11,205,600	10,973,600	11,033,588	(59,988)
Natural environment	130,000	175,000	162,654	12,346
Transportation	574,470	621,670	549,372	72,298
Economic environment	1,617,075	1,701,635	1,556,138	145,497
Social services	97,300	97,300	90,736	6,564
Culture and recreation	2,702,865	2,817,445	2,642,226	175,219
Capital outlay	23,000	25,991	1,179,551	(1,153,560)
Total expenditures	<u>20,633,260</u>	<u>20,854,646</u>	<u>21,139,334</u>	<u>(284,688)</u>
Excess (deficiency) of revenues over expenditures	<u>286,040</u>	<u>648,654</u>	<u>2,444,123</u>	<u>1,795,469</u>
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	-	-	22,180	22,180
Transfers In	80,000	85,000	85,000	-
Transfers out	(1,300,000)	(1,110,000)	(1,110,000)	-
Long-term debt proceeds	-	-	1,168,000	1,168,000
Interfund loan	-	2,700,000	-	(2,700,000)
Total other financing uses (sources)	<u>(1,220,000)</u>	<u>1,675,000</u>	<u>165,180</u>	<u>(1,509,820)</u>
Net change in fund balances	(933,960)	2,323,654	2,609,303	285,649
Fund balances - beginning	3,781,102	3,507,289	8,327,995	4,820,706
Prior period adjustment	-	-	(11,948)	(11,948)
Fund balances - beginning, as restated	<u>3,781,102</u>	<u>3,507,289</u>	<u>8,316,047</u>	<u>4,808,758</u>
Fund balances - ending	<u>\$ 2,847,142</u>	<u>\$ 5,830,943</u>	<u>\$ 10,925,350</u>	<u>\$ 5,094,407</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, 2014

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Utility taxes	\$ 410,000	\$ 350,000	\$ 384,944	\$ 34,944
Other taxes	150,000	150,000	189,159	39,159
Intergovernmental revenues	984,000	984,000	989,876	5,876
Licenses and permits	513,000	765,000	778,130	13,130
Fines and forfeitures	-	-	11,212	11,212
Investment earnings	-	-	1,064	1,064
Miscellaneous	-	-	4,176	4,176
Total revenues	<u>2,057,000</u>	<u>2,249,000</u>	<u>2,358,561</u>	<u>109,561</u>
EXPENDITURES				
Current:				
Transportation	1,652,605	1,619,430	1,437,477	181,953
Capital outlay	-	40,000	39,680	320
Total expenditures	<u>1,652,605</u>	<u>1,659,430</u>	<u>1,477,157</u>	<u>182,273</u>
Excess of revenues over expenditures	404,395	589,570	881,404	291,834
OTHER FINANCING SOURCES (USES)				
Transfers out	(375,000)	(555,000)	(555,000)	-
Sale of capital assets	-	-	238,500	238,500
Total other financing sources (uses)	<u>(375,000)</u>	<u>(555,000)</u>	<u>(316,500)</u>	<u>238,500</u>
Net change in fund balances	29,395	34,570	564,904	530,334
Fund balance - beginning	<u>138,987</u>	<u>488,291</u>	<u>947,423</u>	<u>459,132</u>
Fund balances - ending	<u>\$ 168,382</u>	<u>\$ 522,861</u>	<u>\$ 1,512,327</u>	<u>\$ 989,466</u>

City of Burien, Washington
Statement of Net Position
Proprietary Funds
December 31, 2014

	Business-Type Activities Enterprise Fund Surface Water Management	Governmental Activities Internal Service Fund Equipment Replacement
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,648,075	\$ 907,357
Utility receivables, net	128,242	-
Due from other governments	272,922	-
Total current assets	<u>3,049,239</u>	<u>907,357</u>
Noncurrent assets:		
Capital assets not being depreciated:		
Land	1,076,060	-
Construction in progress	5,513,906	-
Capital assets, net of accumulated depreciation:		
Machinery, equipment, and vehicles	343,843	445,139
Infrastructure	4,700,730	-
Total noncurrent assets	<u>11,634,539</u>	<u>445,139</u>
Total assets	<u>14,683,778</u>	<u>1,352,496</u>
DEFERRED OUTFLOWS OF RESOURCES		
Total deferred outflows of resources	<u>-</u>	<u>-</u>
LIABILITIES		
Current liabilities:		
Accounts payable	314,688	26,505
Accrued employee wages and benefits payable	42,895	-
Compensated absences	4,462	-
Accrued interest payable	2,491	-
Due to other governments	1,087	-
Public works trust fund loan payable	83,031	-
Total current liabilities	<u>448,654</u>	<u>26,505</u>
Non-current liabilities:		
Compensated absences	32,720	-
Public works trust fund loan payable	913,339	-
Total liabilities	<u>1,394,713</u>	<u>26,505</u>
DEFERRED INFLOWS OF RESOURCES		
Total deferred inflows of resources	<u>-</u>	<u>-</u>
NET POSITION		
Net investment in capital assets	10,638,169	445,139
Unrestricted	2,650,896	880,852
Total net position	<u>\$ 13,289,065</u>	<u>\$ 1,325,991</u>

City of Burien, Washington
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2014

	Business-Type Activities Enterprise Fund Surface Water Management	Governmental Activities Internal Service Fund Equipment Replacement
Operating revenues:		
Charges for services	\$ 2,868,965	\$ 265,000
Miscellaneous	9,449	-
Total operating revenues	<u>2,878,414</u>	<u>265,000</u>
Operating expenses:		
Personnel services	1,069,617	-
Supplies	94,200	10,523
Services	892,668	-
Taxes	24,314	-
Depreciation	377,484	189,854
Total operating expenses	<u>2,458,283</u>	<u>200,377</u>
Operating income (loss)	420,131	64,623
Non-operating revenues (expenses):		
Property taxes	460	-
Intergovernmental revenues	4,324,790	-
Investment earnings	2,698	640
Interest expense	(5,189)	-
Total nonoperating revenues (expenses)	<u>4,322,759</u>	<u>640</u>
Income before capital contributions and transfers	<u>4,742,890</u>	<u>65,263</u>
Transfers out	(590,000)	-
Total transfers	<u>(590,000)</u>	<u>-</u>
Change in net position	4,152,890	65,263
Net position - January 1	9,480,903	1,260,728
Prior period adjustment	(344,728)	-
Net position - January 1, restated	<u>9,136,175</u>	<u>1,260,728</u>
Net position - December 31	<u>\$ 13,289,065</u>	<u>\$ 1,325,991</u>

City of Burien, Washington
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2014

	Business-type Activities Enterprise Fund	Governmental Activities Internal Service Fund
	Surface Water Management	Equipment Replacement
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers	\$ (997,246)	\$ (8,942)
Receipts from customers	2,847,441	265,000
Other receipts	10,477	-
Payments to employees	(1,053,424)	-
Net cash provided (used for) operating activities	<u>807,248</u>	<u>256,058</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers to/from other funds	(590,000)	-
Operating grant	16,398	-
Net cash provided (used for) noncapital financing activities	<u>(573,602)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Property taxes	460	-
Capital grants	4,131,129	-
Acquisition and construction of capital assets	(4,009,819)	(45,114)
Principal paid on capital debt	(83,031)	-
Interest paid on capital debt	(5,397)	-
Net cash provided by (used for) capital and related financing activities	<u>33,342</u>	<u>(45,114)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on investments	2,698	640
Net cash provided by investing activities	<u>2,698</u>	<u>640</u>
Net increase (decrease) in cash and cash equivalents	269,686	211,584
Cash and cash equivalents, January 1	<u>2,378,389</u>	<u>695,773</u>
Cash and cash equivalents, December 31	<u>\$ 2,648,075</u>	<u>\$ 907,357</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	\$ 420,131	\$ 64,623
Adjustments to reconcile operating income (loss) to net cash provided(used for) operating activities:		
Depreciation expense	377,484	189,854
(Increase) decrease in accounts receivable	7,166	-
(Decrease) increase in employee wages and benefits payable	6,548	-
(Decrease) increase in accrued liabilities	(208)	-
(Decrease) increase in compensated absences	9,645	-
(Decrease) increase in accounts payable	(13,518)	1,581
Total adjustments	<u>387,117</u>	<u>191,435</u>
Net cash provided by (used for) operating activities	<u>\$ 807,248</u>	<u>\$ 256,058</u>

City of Burien, Washington
Statement of Net Position
Fiduciary Fund
December 31, 2014

	<u>Agency Fund</u>
ASSETS	
Cash and cash equivalents	\$ 68,129
Total assets	<u>\$ 68,129</u>
LIABILITIES	
Payroll withholdings and employer contributions	\$ 68,129
Total liabilities	<u>\$ 68,129</u>

**NOTES TO FINANCIAL STATEMENTS
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NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2014

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 nonfiduciary 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 nonexchange 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 98% of the property taxes due are

collected during the year of levy and delinquent taxes are collected in the next few years. When property taxes become three years delinquent, the County is required by State statute to foreclose on the property. Historically, all taxes have been collected, therefore no allowance for uncollectible taxes is recorded.

Sales Taxes

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

Special Assessments

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

3. Interfund Transactions

Activity between funds that is representative of lending/borrowing arrangements outstanding at year-end 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 \$1,000 and an estimated life in excess of three years. Such assets are recorded at estimated historical cost if historical cost data is not available. Donated capital assets are recorded at estimated fair market value at the date of donation. Infrastructure assets acquired prior to the implementation of GASB 34 are recorded at estimated historical cost and all infrastructure assets acquired since implementation of GASB 34 are valued at cost.

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

Property, plant, equipment, 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 one item that qualifies for reporting in this category. It 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

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 does not have any items that qualify for reporting in this category.

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 15% of budgeted General Fund recurring revenues with a goal of 20% by 2022. For the Street and Surface Water Management Funds, the policy is to maintain an ending fund balance of at least 5% of recurring revenues in these funds.

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 15% 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 either by an external party or imposed by law through a constitutional provision or enabling legislation.

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

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

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

The 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.

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, 2014, the carrying amount of the City's demand deposits with Key Bank was \$878,662. Petty and working cash totaling \$8,750, 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 LGIP is audited annually by the Office of State Auditor, an independently elected public official.

As of December 31, 2014 the City had the following investments and maturity:

	<u>Fair Value</u>	<u>Less than One Year</u>
State Treasurer’s Local Government Investment Pool	\$18,956,685	\$18,956,685
Total Investments	<u>\$18,956,685</u>	<u>\$18,956,685</u>

Interest Rate Risk

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

Credit Risk

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

Concentration of Credit Risk

At December 31, 2014, 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 for the total property tax rate to exceed \$10.

The City’s regular levy for 2014 was \$1.60 per \$1,000 of the assessed valuation of \$4,109,785,417 for a total regular levy of \$6,484,149, 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:

2014 Transfers:		
<u>Governmental:</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds		
General Fund	\$ 85,000	\$ 426,000
Street Fund	-	555,000
Debt Service Fund	2,510,000	-
Parks and General Government Capital Projects Fund	280,000	-
Transportation Capital Projects Fund	640,000	-
	<u>Subtotal</u>	<u>981,000</u>
Subtotal	<u>3,515,000</u>	<u>981,000</u>
Non-Major Funds		
Public Works Reserve Fund	-	1,200,000
Capital Projects Reserve Fund	-	684,000
Transportation Benefit District Fund	-	325,000
	<u>Subtotal</u>	<u>2,209,000</u>
Subtotal	<u>-</u>	<u>2,209,000</u>
<u>Business-type:</u>		
Major Fund		
Surface Water Management Fund	\$ 1,175,000	\$ 1,765,000
Internal Service Fund		
Equipment Replacement Reserve Fund	265,000	-
	<u>Subtotal</u>	<u>-</u>
Total Transfers	<u>\$ 4,955,000</u>	<u>\$ 4,955,000</u>

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.

NOTE 7. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2014 is presented below:

Primary Government	Beginning Balance	Prior Period Adjustment	Adjusted Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities :						
Capital assets, not being depreciated:						
Land and land improvements	\$ 26,043,161	\$ -	\$ 26,043,161	\$ 3,532,772	\$ 87,105	\$ 29,488,828
Construction in progress	16,089,394	-	16,089,394	1,996,802	2,395,082	15,691,113
Total capital assets, not being depreciated	42,132,555	-	42,132,555	5,529,574	2,482,187	45,179,941
Capital assets, being depreciated:						
Buildings and structures	15,099,531	-	15,099,531	-	-	15,099,531
Other improvements	8,781,418	-	8,781,418	-	-	8,781,418
Machinery and equipment	4,038,129	-	4,038,129	143,620	520,564	3,661,185
Infrastructure	115,118,328	-	115,118,328	-	-	115,118,328
Total capital assets being depreciated	143,037,406	-	143,037,406	143,620	520,564	142,660,462
Less accumulated depreciation for:						
Buildings and structures	3,118,116	(22,760)	3,095,356	754,977	-	3,850,333
Other improvements	2,990,286	22,760	3,013,046	397,456	-	3,410,502
Machinery and equipment	2,440,489	-	2,440,489	307,370	520,564	2,227,294
Infrastructure	53,831,163	-	53,831,163	7,140,794	-	60,971,958
Total accumulated depreciation	62,380,054	-	62,380,054	8,600,597	520,564	70,460,087
Total capital assets, being depreciated, net	80,657,352	-	80,657,352	(8,456,977)	-	72,200,375
Intangible Assets:						
Intangible assets, being amortized	354,892	-	354,892	-	-	354,892
Less accumulated amortization	340,977	-	340,977	7,017	-	347,994
Total intangible asset, being amortized, net	13,915	-	13,915	(7,017)	-	6,898
Governmental activities capital assets, net	\$ 122,803,822	\$ -	\$ 122,803,822	\$ (2,934,420)	\$ 2,482,187	\$ 117,387,214
Business-type activities:						
Capital assets, not being depreciated:						
Land and land improvements	\$ 1,076,060	\$ -	\$ 1,076,060	\$ -	\$ -	\$ 1,076,060
Construction in progress	1,891,881	(430,059)	1,461,822	4,052,084	-	5,513,906
Total capital assets, not being depreciated	2,967,941	(430,059)	2,537,882	4,052,084	-	6,589,966
Capital assets, being depreciated:						
Infrastructure	8,923,841	109,931	9,033,772	-	-	9,033,772
Machinery and equipment	466,360	-	466,360	511	21,710	445,161
Total capital assets being depreciated	9,390,201	109,931	9,500,132	511	21,710	9,478,933
Less accumulated depreciation for:						
Infrastructure	3,955,483	24,599	3,980,082	352,960	-	4,333,042
Machinery and equipment	98,504	-	98,504	24,524	21,710	101,318
Total accumulated depreciation	4,053,987	24,599	4,078,586	377,484	21,710	4,434,360
Total capital assets, being depreciated, net	5,336,214	85,332	5,421,546	(376,973)	-	5,044,573
Business-type activities capital assets, net	\$ 8,304,155	\$ (344,727)	\$ 7,959,428	\$ 3,675,111	\$ -	\$ 11,634,539

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

Governmental activities	Depreciation	Amortization	Total
General Government	\$ 719,671	\$ 4,128	\$ 723,799
Public Safety	7,913	\$ 2,889	10,802
Transportation	7,258,250		7,258,250
Culture and Recreation	614,763		614,763
Total - Governmental activities	8,600,596	7,017	8,607,614
Business-type activities			
Surface Water Management	\$ 377,484	\$ -	\$ 377,484
Total - Business-type activities	\$ 377,484	\$ -	\$ 377,484

NOTE 8. CONSTRUCTION COMMITMENTS

The City has a few active construction projects as of December 31, 2014. The major projects include Seahurst Park-North Shoreline, design of the Des Moines Memorial Drive/518 Interchange and the North East Redevelopment Area Drainage Improvement Project.

NOTE 9. LONG-TERM OBLIGATIONS

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

General Obligation Bonds Outstanding at year-end consist of several Limited Tax General Obligation Bond Issues: the 2006 Limited Tax General Obligation Bonds were issued in the amount of \$9,805,000 to provide funds for a future Senior and Activity Center and to continue development of the Town Square Project. In 2009, the South Correctional Entity, (SCORE) Public Development Authority (PDA) issued \$86 million of Special Obligation Bonds. The City of Burien's 4% ownership responsibility in this long-term liability is \$3,294,800. 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 1st 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 2013 was \$2,370,562. The City purchased a second parcel in 2014 and drew down an additional \$1,168,000 for an outstanding balance of \$3,538,562.

**Changes in General Long-Term Debt
For the Year Ended December 31, 2014**

	Balance 1/1/14	Increases	Decreases	Balance 12/31/14
2006 Limited Tax G.O. 3.75 to 5.00%	\$ 7,255,000	\$ -	\$ 430,000	\$ 6,825,000
2009 Special G.O./SCORE, PDA 2.0 to 5.346%	3,294,800	-	79,600	3,215,200
2010 Limited Tax G.O. 2.00 to 6.13%	7,455,000	-	375,000	7,080,000
2011 Limited Tax G.O. 2.00 to 4.00%	7,815,000	-	410,000	7,405,000
2013 Limited Tax G.O. - Line of Credit 1.59%	2,370,562	1,168,000	-	3,538,562
Total General Obligation Bonds	\$ 28,190,362	\$ 1,168,000	\$ 1,294,600	\$ 28,063,762

**Debt Service Requirement to Maturity
Long-Term Debt Summary
For the Year Ended December 31, 2014**

General Obligation Bonds

Year	Principal	Interest	Total Long- Term Debt Including SCORE
2015	\$ 1,337,600	\$ 1,104,593	\$ 2,442,193
2016	1,390,800	1,055,005	2,445,805
2017	1,434,600	1,002,199	2,436,799
2018	5,030,962	947,112	5,978,074
2019	1,540,400	832,793	2,373,193
2020-2024	8,101,200	3,177,711	11,278,911
2025-2029	6,743,000	1,443,314	8,186,314
2030-2034	1,708,800	328,148	2,036,948
2035-2038	776,400	85,234	861,634
Total General Obligation Bonds	\$ 28,063,762	\$ 9,976,109	\$ 38,039,871

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 has an outstanding balance of \$904,241 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 has an outstanding balance of \$601,348. The total second loan balance of \$1,202,696 is split, with half of it being paid by a special assessment on the benefitting property owners and half being repaid from general revenues. The third loan is the responsibility of the Surface Water Management Fund for the Ambaum Pond Project associated with the 1st Avenue South project. The outstanding balance at year-end is \$996,370.

Governmental Funds			
Public Works Trust Fund Loans			
Year	Principal	Interest	Total Public Works Trust Fund Loans
2015	\$ 189,312	\$ 7,528	\$ 196,840
2016	189,312	6,581	195,894
2017	189,312	5,635	194,947
2018	189,312	4,688	194,000
2019	189,312	3,742	193,054
2020-2024	559,029	6,448	565,476
Total Governmental Funds	\$ 1,505,589	\$ 34,622	\$ 1,540,211

Business-Type Activities			
Public Works Trust Fund Loans			
Year	Principal	Interest	Total Public Works Trust Fund Loans
2015	\$ 83,031	\$ 4,982	\$ 88,013
2016	83,031	4,567	87,598
2017	83,031	4,152	87,182
2018	83,031	3,736	86,767
2019	83,031	3,321	86,352
2020-2024	415,154	10,379	425,533
2025-2029	166,062	1,245	167,307
Total Business Type Activities	\$ 996,370	\$ 32,382	\$ 1,028,752

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 152nd Street Enhancement project. The outstanding balance as of December 31, 2014 is \$422,222. This second loan is for a special assessment for the 1st Avenue South Corridor Project – Phase 1 (LID# 2) is paid for by the benefitting property owners. The outstanding balance at year end is \$601,348. The delinquent special assessments receivable balance as of December 31, 2014 is \$5,756. 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

Governmental Funds			
Special Assessment Debt with Government Commitment (PWTF)			
<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Public Works Trust Fund Loans</u>
2015	\$ 112,913	\$ 5,118	\$ 118,030
2016	112,913	\$ 4,553	117,466
2017	112,913	\$ 3,989	116,901
2018	112,913	\$ 3,424	116,337
2019	112,913	\$ 2,860	115,772
2020-2024	459,007	6,093	465,101
Total Governmental Funds	\$ 1,023,570	\$ 26,037	\$ 1,049,607

Changes in Long-term Liabilities

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
<u>General Obligation Bonds:</u>					
2006 Limited Tax G.O. Bond	\$ 7,255,000	\$ -	\$ (430,000)	\$ 6,825,000	\$ 445,000
2010 Limited Tax G.O. Bond	7,455,000	-	(375,000)	7,080,000	385,000
2011 Limited Tax G.O. Bond	7,815,000	-	(410,000)	7,405,000	425,000
2013 Limited Tax G.O.- Key Bank Line of Credit	2,370,562	1,168,000	-	3,538,562	-
Total bonds payable	24,895,562	1,168,000	(1,215,000)	24,848,562	1,255,000
<u>Due to Other Governments</u>					
2009 (A) SCORE and 2009 (B) SCORE	3,294,800	-	(79,600)	3,215,200	82,600
<u>Special Assessment Debt with government commitment (PWTF)</u>					
LID #1 -PW-02-691-007 - SW 152nd St Enhancement Project	475,000	-	(52,778)	422,222	52,778
LID #2 - PW-04-691-011 - 1st Avenue South Corridor Project - Phase I	661,483	-	(60,135)	601,348	60,135
Total special assessment debt	1,136,483	-	(112,913)	1,023,570	112,913
<u>Public Works Trust Fund Loans:</u>					
PW-01-691-009 -SW 152nd St Enhancement Project	1,033,419	-	(129,177)	904,241	129,177
PW-04-691-011 - 1st Avenue South Corridor Project - Phase I	661,483	-	(60,135)	601,348	60,135
Total public works trust fund loans	1,694,901	-	(189,312)	1,505,589	189,312
Compensated absences	264,132	-	(6,468)	257,664	30,920
Total governmental activities	\$ 31,285,878	\$ 1,168,000	\$ (1,603,293)	\$ 30,850,585	\$ 1,670,744
Business-type activities:					
<u>Public Works Trust Funds Loan:</u>					
PW-06-962-010 Ambaum Regional Pond Expansion Project	1,079,401	-	(83,031)	996,370	83,031
Total public works trust fund loan	1,079,401	-	(83,031)	996,370	83,031
Compensated absences	25,927	6,793	-	32,720	4,462
Total business-type activities	\$ 1,105,328	\$ 6,793	\$ (83,031)	\$ 1,029,090	\$ 87,493

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 \$257,663.42, a decrease of \$6,468 from the previous year, which decreases 2014 government expenditures by the same amount. The liability for the proprietary fund is \$32,720, which is an increase of \$6,793 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

Substantially all City of Burien 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 retirement plans.¹ The Department of Retirement Systems (DRS), a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to: Department of Retirement Systems, Communications Unit, P.O. Box 48380, Olympia, WA 98504-8380; or it may be downloaded from the DRS website at www.drs.wa.gov.

Public Employees' Retirement System (PERS) Plans 1, 2, and 3**Plan Description**

The Legislature established PERS in 1947. Membership in the system includes: elected officials; state employees; employees of the Supreme, Appeals, and Superior courts; employees of legislative committees; employees of district and municipal courts; and employees of local governments. Membership also includes higher education employees not participating in higher education retirement programs. Approximately 49 percent of PERS salaries are accounted for by state employment. PERS retirement benefit provisions are established in Chapters 41.34 and 41.40 RCW and may be amended only by the State Legislature.

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

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

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

PERS Plan 1 and Plan 2 retirement benefits are financed from a combination of investment earnings and employer and employee contributions. Employee contributions to the PERS Plan 1 and Plan 2 defined benefit plans accrue interest at a rate specified by the Director of DRS. During DRS' Fiscal Year 2013, the rate was five and one-half percent compounded quarterly. Members in PERS Plan 1 and Plan 2 can elect to withdraw total employee contributions and interest thereon, in lieu of any retirement benefit, upon separation from PERS-covered employment. PERS Plan 1 members are vested after the completion of five years of eligible service.

PERS Plan 1 members are eligible for retirement from active status at any age with at least 30 years of service, at age 55 with 25 years of service, or at age 60 with at least 5 years of service. Plan 1 members retiring from inactive status prior to the age of 65 may receive actuarially reduced benefits.

The monthly benefit is 2 percent of the average final compensation (AFC) per year of service, but the benefit may not exceed 60 percent of the AFC. The AFC is the monthly average of the 24 consecutive highest-paid service credit months.

PERS Plan 1 retirement benefits are actuarially reduced to reflect the choice, if made, of a survivor option.

Plan 1 members may elect to receive an optional COLA that provides an automatic annual adjustment based on the Consumer Price Index. The adjustment is capped at 3 percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

PERS Plan 1 provides duty and non-duty disability benefits. Duty disability retirement benefits for disablement prior to the age of 60 consist of a temporary life annuity. The benefit amount is \$350 a month, or two-thirds of the monthly AFC, whichever is less. The benefit is reduced by any workers' compensation benefit and is payable as long as the member remains disabled or until the member attains the age of 60, at which time the benefit is converted to the member's service retirement amount.

A member with five years of covered employment is eligible for non-duty disability retirement. Prior to the age of 55, the benefit amount is 2 percent of the AFC for each year of service reduced by 2 percent for each year that the member's age is less than 55. The total benefit is limited to 60 percent of the AFC and is actuarially reduced to reflect the choice of a survivor option. Plan 1 members may elect to receive an optional COLA amount (based on the Consumer Price Index), capped at 3 percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

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

PERS Plan 2 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 reduced benefit. The benefit is reduced by an early retirement factor (ERF) that varies according to age, for each year before age 65.

PERS Plan 2 members who have 30 or more years of service credit and are at least 55 years old can retire under one of two provisions, if hired prior to May 1, 2013:

- With a benefit that is reduced by 3 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 members hired on or after May 1, 2013 have the option to retire early by accepting a reduction of 5 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.

PERS Plan 2 retirement benefits are actuarially reduced to reflect the choice, if made, of a survivor option.

PERS Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component and member contributions finance a defined contribution component. As established by Chapter 41.34 RCW, employee contribution rates to the defined contribution component range from 5 percent to 15 percent of salaries, based on member choice. Members who do not choose a contribution rate default to a 5 percent rate. There are currently no requirements for employer contributions to the defined contribution component of PERS Plan 3.

PERS Plan 3 defined contribution retirement benefits are dependent upon the results of investment activities. Members may elect to self-direct the investment of their contributions. Any expenses incurred in conjunction with self-directed investments are paid by members. Absent a member's self-direction, PERS Plan 3 contributions are invested in the Retirement Strategy Fund that assumes the member will retire at age 65.

For DRS' Fiscal Year 2013, PERS Plan 3 employee contributions were \$99.0 million, and plan refunds paid out were \$69.4 million.

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

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

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

- If they have at least ten service credit years and are 55 years old, the benefit is reduced by an ERF that varies with age, for each year before age 65.
- If they have 30 service credit years and are at least 55 years old, and were hired before May 1, 2013, they have the choice of a benefit that is reduced by 3 percent for each year before age 65; or a benefit with a smaller (or no) reduction factor (depending on age) that imposes stricter return-to-work rules.
- If they have 30 service credit years, are at least 55 years old, and were hired after May 1, 2013, they have the option to retire early by accepting a reduction of 5 percent for each year before age 65.

PERS Plan 3 benefits are actuarially reduced to reflect the choice, if made, of a survivor option. PERS Plan 2 and Plan 3 provide disability benefits. There is no minimum amount of service credit required for eligibility. The Plan 2 monthly benefit amount is 2 percent of the AFC per year of service. For Plan 3, the monthly benefit amount is 1 percent of the AFC per year of service. These disability benefit amounts are actuarially reduced for each year that the member's age is less than 65, and to reflect the choice of a survivor option. There is no cap on years of service credit, and a cost-of-living allowance is granted (based on the Consumer Price Index) capped at 3 percent annually.

PERS members meeting specific eligibility requirements have options available to enhance their retirement benefits. Some of these options are available to their survivors.

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

From January 1, 2007 through December 31, 2007, judicial members of PERS were given the choice to elect participation in the Judicial Benefit Multiplier (JBM) Program enacted in 2006. Justices and judges in PERS Plan 1 and Plan 2 were able to make an irrevocable election to pay increased contributions that would fund a retirement benefit with a 3.5 percent multiplier. The benefit would be capped at 75 percent of AFC. Judges in PERS Plan 3 could elect a 1.6 percent of pay per year of service benefit, capped at 37.5 percent of AFC.

Newly elected or appointed justices and judges who chose to become PERS members on or after January 1, 2007, or who had not previously opted into PERS membership, were required to participate in the JBM Program.

There are 1,176 participating employers in PERS. Membership in PERS consisted of the following as of the latest actuarial valuation date for the plans of June 30, 2013:

Retirees and Beneficiaries Receiving Benefits	85,328
Terminated Plan Members Entitled to But Not Yet Receiving Benefits	31,047
Active Plan Members Vested	150,706
Terminated Plan Members Nonvested	101,191
Total	368,272

Funding Policy

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

As a result of the implementation of the Judicial Benefit Multiplier Program in January 2007, a second tier of employer and employee rates was developed to fund, along with investment earnings, the increased retirement benefits of those justices and judges that participate in the program

The methods used to determine the contribution requirements are established under state statute in accordance with Chapters 41.40 and 41.45 RCW.

The required contribution rates expressed as a percentage of current-year covered payroll, as of December 31, 2014, are as follows:

Members Not Participating in JBM:

	PERS Plan 1	PERS Plan 2	PERS Plan 3
Employer*	9.21%**	9.21%**	9.21%***
Employee	6.00%****	4.92%****	*****

* The employer rates include the employer administrative expense fee currently set at 0.18%.

** The employer rate for state elected officials is 13.73% for Plan 1 and 9.21% for Plan 2 and Plan 3.

*** Plan 3 defined benefit portion only.

**** The employee rate for state elected officials is 7.50% for Plan 1 and 4.92% for Plan 2.

***** Variable from 5.0% minimum to 15.0% maximum based on rate selected by the PERS 3 member.

Members Participating in JBM:

	PERS Plan 1	PERS Plan 2	PERS Plan 3
Employer-State Agency*	11.71%	11.71%	11.71%**
Employer-Local Gov't Units*	9.21%	9.21%	9.21%**
Employee-State Agency	9.76%	9.80%	7.50%***
Employee-Local Gov't Units	12.26%	12.30%	7.50%***

* The employer rates include the employer administrative expense fee currently set at 0.18%.

** Plan 3 defined benefit portion only.

***Minimum rate.

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

	PERS Plan 1	PERS Plan 2	PERS Plan 3
2014	\$20,592	\$560,456	\$120,697
2013	\$11,708	\$311,560	\$44,760
2012	\$6,735	\$279,503	\$31,242

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, 2014, there were seventy active members in the City of Burien Retirement Plan. The City's covered payroll for the year ended December 31, 2014, was \$4,755,085 out of total payroll of \$5,086,073. Employee contributions during the year totaled \$295,692. City contributions were \$278,999.

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, 2014, 263 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 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 the AWC Board of Directors President and Vice President. 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:

	Health First <u>1000</u>	Health First <u>2500</u>
Non-Medicare enrolled retiree coverage	\$ 871.51	\$ 760.96
Non-Medicare enrolled spouse coverage	879.12	766.49
Medicare enrolled retiree coverage	n/a	n/a
Medicare enrolled spouse coverage	n/a	n/a

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%
2015	\$ 1,990,000	\$ 4,995,069	\$ (1,514,410)	\$ 5,470,659	2015	\$ 1,695,904	\$ 218,826	\$ 984,719	\$ 1,969,437	\$ 164,120	\$ 437,653
2016	2,065,000	4,911,886	(1,513,594)	5,463,292	2016	1,693,621	218,532	983,393	1,966,785	163,899	437,063
2017	2,145,000	4,820,241	(1,503,576)	5,461,665	2017	1,693,116	218,467	983,100	1,966,199	163,850	436,933
2018	2,240,000	4,715,979	(1,503,576)	5,452,403	2018	1,690,245	218,096	981,433	1,962,865	163,572	436,192
2019	2,310,000	4,602,229	(1,467,237)	5,444,992	2019	1,687,948	217,800	980,099	1,960,197	163,350	435,599
2020-2014	12,905,000	21,102,168	(7,183,090)	26,824,078	2020-2014	8,315,464	1,072,963	4,828,334	9,656,668	804,722	2,145,926
2025-2029	15,675,000	16,833,706	(6,067,796)	26,440,910	2025-2029	8,196,682	1,057,636	4,759,364	9,518,728	793,227	2,115,273
2030-2034	19,265,000	11,158,380	(4,128,483)	26,294,897	2030-2034	8,151,418	1,051,796	4,733,081	9,466,163	788,847	2,103,592
2035-2039	23,775,000	4,064,705	(1,697,914)	26,141,791	2035-2039	8,103,955	1,045,672	4,705,522	9,411,045	784,254	2,091,343
Totals	\$ 82,370,000	\$ 77,204,363	\$ (26,579,676)	\$ 132,994,687	Totals	\$ 41,228,353	\$ 5,319,788	\$ 23,939,045	\$ 47,878,087	\$ 3,989,841	\$ 10,639,574

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, 2014 related to SCORE:

South Correctional Entity (SCORE)						
2014 Owner Cities Equity Allocation						
Member City	Percent of Equity	2013 Equity Balance		2014 Distribution		2014 Equity Balance
Auburn	29.00%	\$	2,517,237	\$	1,725,998	\$ 4,243,235
Burien	3.00%		294,323		221,087	515,410
Des Moines	2.00%		107,970		184,191	292,161
Federal Way	25.00%		1,820,940		1,855,784	3,676,724
Renton	29.00%		2,548,219		1,672,186	4,220,405
SeaTac	5.00%		331,708		380,958	712,666
Tukwila	7.00%		601,934		478,536	1,080,470
Grand Totals	100.00%	\$	8,222,331	\$	6,518,740	\$ 14,741,071

Completed financial statements for SCORE and SCORE PDA can be obtained at SCORE, Attn: Finance Manager, 20817 17th 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:

Investment in Joint Venture - SCORE	Balance			Balance
	1/1/2014	Additions	Reductions	
SCORE Public Development Authority 2009 (A)and 2009 (B) Bonds	\$ 3,294,800	\$ -	\$ (79,600)	\$ 3,215,200
Total Due to Other Governmental Units	3,294,800	-	(79,600)	3,215,200
South Correctional Entity (SCORE)	294,323	221,087	-	515,410
Total Joint Venture Equity Share	294,323	221,087	-	515,410
Total Investment in Joint Venture	\$ 3,589,123	\$ 221,087	\$ (79,600)	\$ 3,730,610

NOTE 14. PRIOR PERIOD ADJUSTMENTS

Governmental activities

Prior period adjustments amounting to \$(16,296) were required to record adjustments for unavailable amounts recorded as revenue in governmental funds in prior years.

Business type activities

A prior period adjustment in the amount of \$(320,128) was required to dispose of construction in progress assets improperly capitalized in prior years

Some prior year construction in progress assets were not capitalized in the year the projects were completed. As a result, a prior period adjustment amounting to \$(24,600) was necessary to record depreciation expense related to prior 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 175 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, 2014, have not yet been completed. Accordingly, the City's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

The City of Burien has one pending litigation matter that could result in a monetary judgment against the City. In *Eakin et al v. King County et al*. King County Superior Court cause number 15-2-08267, the estate of Barbara F. Eakin (deceased) and its beneficiaries, Clay Eakin (her surviving husband) and their daughter, Rhonda Malland brought an action against King County, the City of Burien, and an individual Christopher Wittman. In a traffic accident occurring on December 18, 2013 within the City of Burien, defendant Wittman, drove a motor vehicle through a dead end road (S. 116th) and then crashed into a vehicle driven by the Eakins traveling on SR 509. The Eakins suffered severe injuries and Barbara Eakin died from her injuries.

Plaintiffs allege that the County and then the City, who annexed the dead-end road into the City in 2010, are responsible for the injuries and the death because of their respective failures to properly construct, maintain, repair, mark and erect appropriate barriers and signage for the dead-end on S. 116th. It is further alleged that the County and City are responsible for the injuries and death because of their respective failures to warn motorists of the dangers attendant to S. 116th and its dead-end. It is alleged that Defendant Wittman is also responsible for the injuries and death because he operated a motor vehicle in a negligent and reckless manner while under the influence of drugs and alcohol resulting in the accident.

The City has a strong case to defend against the allegations in the lawsuit, particularly in light of the fact that the at fault driver was intoxicated at the time of the accident and was traveling at a high rate of speed and in a reckless manner and that, as a consequence, was the intervening and sole cause of the accident and resulting injuries. With respect to the construction, maintenance, repair, marking and signage allegations, the City has a strong position in this lawsuit on those issues as well. The City has complied with all necessary and reasonably required measures with respect to the street.

In the unlikely event that a judgment is actually rendered against the City in this matter, the City's insurance pool, Washington Cities Insurance Authority (WCIA) will pay the judgment amount. The lawsuit does not set forth an amount that the Plaintiffs are seeking as judgment but instead refers to an amount to be established at trial. Given the nature of the injuries and the death, it is possible that a judgment could be entered in excess of one million dollars.

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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, 2014

	Special Revenue		Debt Service	Total Nonmajor Governmental Funds
	Public Works Reserve	Transportation Benefit District	LID Guaranty	
ASSETS				
Cash and cash equivalents	\$ 189,727	\$ 24,888	\$ 165,000	\$ 379,615
Taxes receivable	124,537	-	-	124,537
Due from other governments	-	25,493	-	25,493
Total assets	<u>314,264</u>	<u>50,381</u>	<u>165,000</u>	<u>529,645</u>
DEFERRED OUTFLOWS OF RESOURCES				
Total deferred outflows of resources	-	-	-	-
Total assets and deferred outflows of resources	<u><u>314,264</u></u>	<u><u>50,381</u></u>	<u><u>165,000</u></u>	<u><u>529,645</u></u>
Liabilities and fund balance				
Liabilities:				
Accounts payable	\$ -	\$ 3,594	\$ -	\$ 3,594
Total liabilities	<u>-</u>	<u>3,594</u>	<u>-</u>	<u>3,594</u>
DEFERRED INFLOWS OF RESOURCES				
Total deferred inflows of resources	-	-	-	-
Fund balance:				
Restricted:				
Other capital projects	314,264	-	-	314,264
Debt service	-	46,787	165,000	211,787
Total fund balance	<u>314,264</u>	<u>46,787</u>	<u>165,000</u>	<u>526,051</u>
Total liabilities and fund balance	<u><u>\$ 314,264</u></u>	<u><u>\$ 50,381</u></u>	<u><u>\$ 165,000</u></u>	<u><u>\$ 529,645</u></u>

City of Burien, Washington
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	Special Revenue		Debt Service	Total Nonmajor Governmental Funds
	Public Works Reserve	Transportation Benefit District	LID Guaranty	
Revenues				
Real estate excise taxes	\$ 1,218,769	\$ -	\$ -	\$ 1,218,769
Transportation benefit district vehicle fees	-	343,903	-	343,903
Charges for services	42,631	-	-	42,631
Investment earnings	319	72	-	391
Total revenues	1,261,719	343,975	-	1,605,694
Expenditures				
Current:				
General government	-	3,594	-	3,594
Total expenditures	-	3,594	-	3,594
Excess of revenues over (under) expenditures	1,261,719	340,381	-	1,602,100
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,200,000)	(325,000)	-	(1,525,000)
Sale of capital assets	-	-	-	-
Total other financing sources (uses)	(1,200,000)	(325,000)	-	(1,525,000)
Net change in fund balances	61,719	15,381	-	77,100
Fund balances - beginning	252,545	31,406	165,000	448,951
Fund balances - ending	\$ 314,264	\$ 46,787	\$ 165,000	\$ 526,051

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, 2014

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Real estate excise taxes	\$ 1,002,000	\$ 1,218,769	\$ 216,769
Charges for services	15,000	42,631	27,631
Investment earnings	1,000	319	(681)
Total revenues	<u>1,018,000</u>	<u>1,261,719</u>	<u>243,719</u>
EXPENDITURES			
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>1,018,000</u>	<u>1,261,719</u>	<u>243,719</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(1,200,000)</u>	<u>(1,200,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,200,000)</u>	<u>(1,200,000)</u>	<u>-</u>
Net change in fund balances	(182,000)	61,719	243,719
Fund balances - beginning	<u>238,618</u>	<u>252,545</u>	<u>13,927</u>
Fund balances - ending	<u>\$ 56,618</u>	<u>\$ 314,264</u>	<u>\$ 257,646</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, 2014

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues			
Transportation benefit district vehicle fees	\$ 325,000	\$ 343,903	\$ 18,903
Investment earnings	-	72	72
Total revenues	<u>325,000</u>	<u>343,975</u>	<u>18,975</u>
Expenditures			
Current:			
General government	-	3,594	3,594
Total expenditures	<u>-</u>	<u>3,594</u>	<u>3,594</u>
Excess of revenues over expenditures	<u>325,000</u>	<u>340,381</u>	<u>15,381</u>
Other financing sources (uses)			
Transfers out	<u>(325,000)</u>	<u>(325,000)</u>	-
Total other financing sources (uses)	<u>(325,000)</u>	<u>(325,000)</u>	-
Net change in fund balance	-	15,381	15,381
Fund balance - beginning	<u>3,599</u>	<u>31,406</u>	<u>27,807</u>
Fund balance - ending	<u>\$ 3,599</u>	<u>\$ 46,787</u>	<u>\$ 43,188</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, 2014

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
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>
OTHER FINANCING SOURCES (USES)			
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, 2014

	Final Budgeted Amounts	Actual	Variance with Final Budget
REVENUES			
Intergovernmental revenues	\$ 110,000	\$ 110,197	\$ 197
Charges for services	48,165	48,164	(1)
Fines and forfeitures	-	266	266
Investment earnings	-	391	391
Special assessment penalties and interest	-	5,150	5,150
Special assessment principal	80,000	98,467	18,467
Total revenues	<u>238,165</u>	<u>262,635</u>	<u>24,470</u>
EXPENDITURES			
Public works trust fund loan principal	302,225	302,225	-
LTGO bond principal	1,293,000	1,294,600	1,600
Interest and fiscal charges	1,162,330	1,153,494	(8,836)
Total expenditures	<u>2,757,555</u>	<u>2,750,319</u>	<u>(7,236)</u>
Excess of revenues over expenditures	<u>(2,519,390)</u>	<u>(2,487,684)</u>	<u>31,706</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>2,510,000</u>	<u>2,510,000</u>	<u>-</u>
Total other financing sources (uses)	<u>2,510,000</u>	<u>2,510,000</u>	<u>-</u>
Net change in fund balance	(9,390)	22,316	31,706
Fund balances - beginning	49,696	64,919	15,223
Prior period adjustment	-	(4,348)	(4,348)
Fund balances - beginning, as restated	<u>49,696</u>	<u>60,571</u>	<u>10,875</u>
Fund balances - ending	<u>\$ 40,306</u>	<u>\$ 82,887</u>	<u>\$ 42,581</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, 2014

	Balance January 1, 2014	Additions	Deductions	Balance December 31, 2014
ASSETS				
Cash and cash equivalents	\$ 76,488	\$ 6,798,193	\$ 6,806,552	\$ 68,129
Total assets	<u>\$ 76,488</u>	<u>\$ 6,798,193</u>	<u>\$ 6,806,552</u>	<u>\$ 68,129</u>
LIABILITIES				
Payroll withholdings and employer contributions	\$ 76,488	\$ 10,037,521	\$ 10,045,880	\$ 68,129
Total liabilities	<u>\$ 76,488</u>	<u>\$ 10,037,521</u>	<u>\$ 10,045,880</u>	<u>\$ 68,129</u>

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Statistical Section December 31, 2014

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

Financial Trends:

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

Schedule 1	Net Position by Component -----	6-2
Schedule 2	Changes in Net Position -----	6-4
Schedule 3	Fund Balances of Governmental Funds-----	6-6
Schedule 4	Changes in Fund Balances of Governmental Funds-----	6-7
Schedule 5	Tax Revenues by Source, Governmental Funds -----	6-8

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 -----	6-9
Schedule 7	Assessed Value of Taxable Property-----	6-10
Schedule 8	Direct and Overlapping Property Tax Rates -----	6-11
Schedule 9	Property Tax Levies and Collections -----	6-12
Schedule 10	Sales Tax Collections by Sector -----	6-13

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 -----	6-14
Schedule 12	Legal Debt Margin Information -----	6-15
Schedule 13	Ratios of General Bonded Debt Outstanding -----	6-16
Schedule 14	Direct and Overlapping Governmental Activities Debt -----	6-17

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 -----	6-18
Schedule 16	Principal Employers-----	6-19

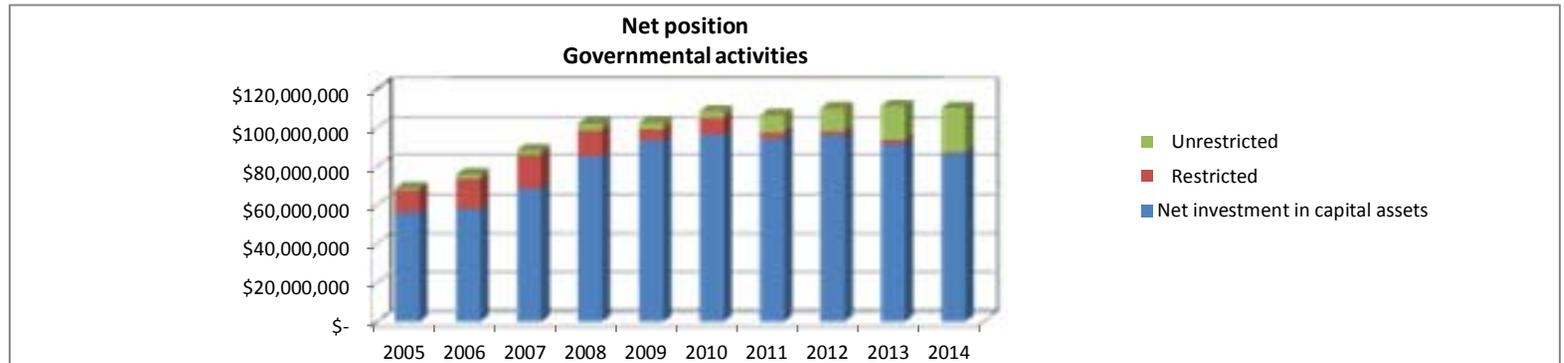
Operating Information

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.

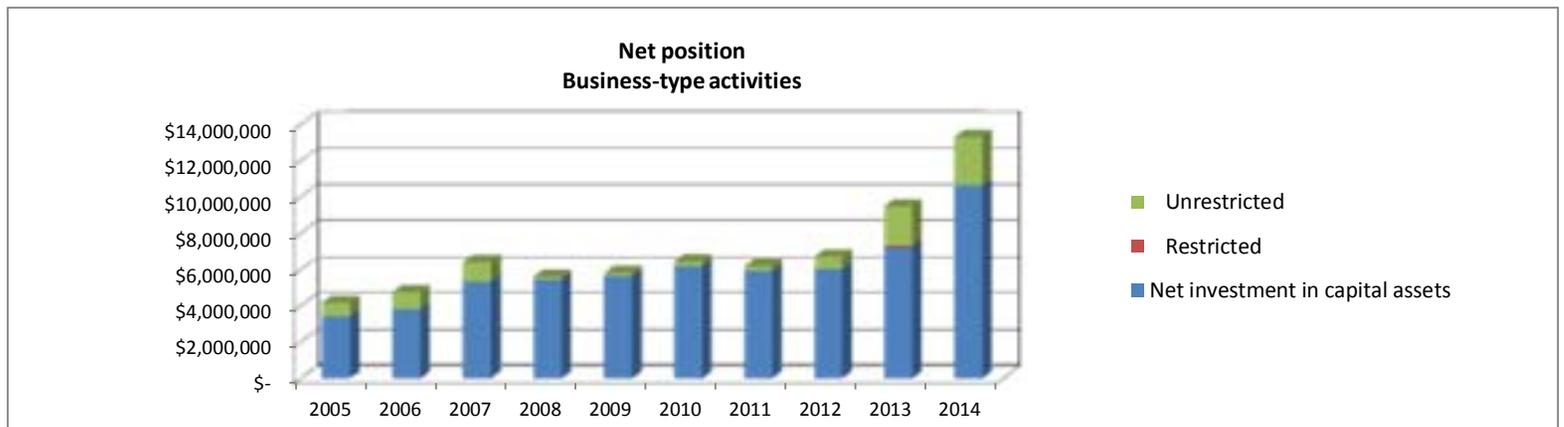
Schedule 17	Full Time Equivalent Employees by Function -----	6-20
Schedule 18	Operating Indicators by Function -----	6-21
Schedule 19	Capital Indicators by Function -----	6-22

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities										
Net investment in capital assets	\$ 56,250,350	\$ 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
Restricted	11,777,207	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
Unrestricted	845,605	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
Total Governmental activities net position	\$ 68,873,162	\$ 75,828,475	\$ 88,450,223	\$ 102,095,741	\$ 102,541,651	\$ 108,422,402	\$ 106,418,743	\$ 109,881,624	\$ 111,218,476	\$ 110,188,178

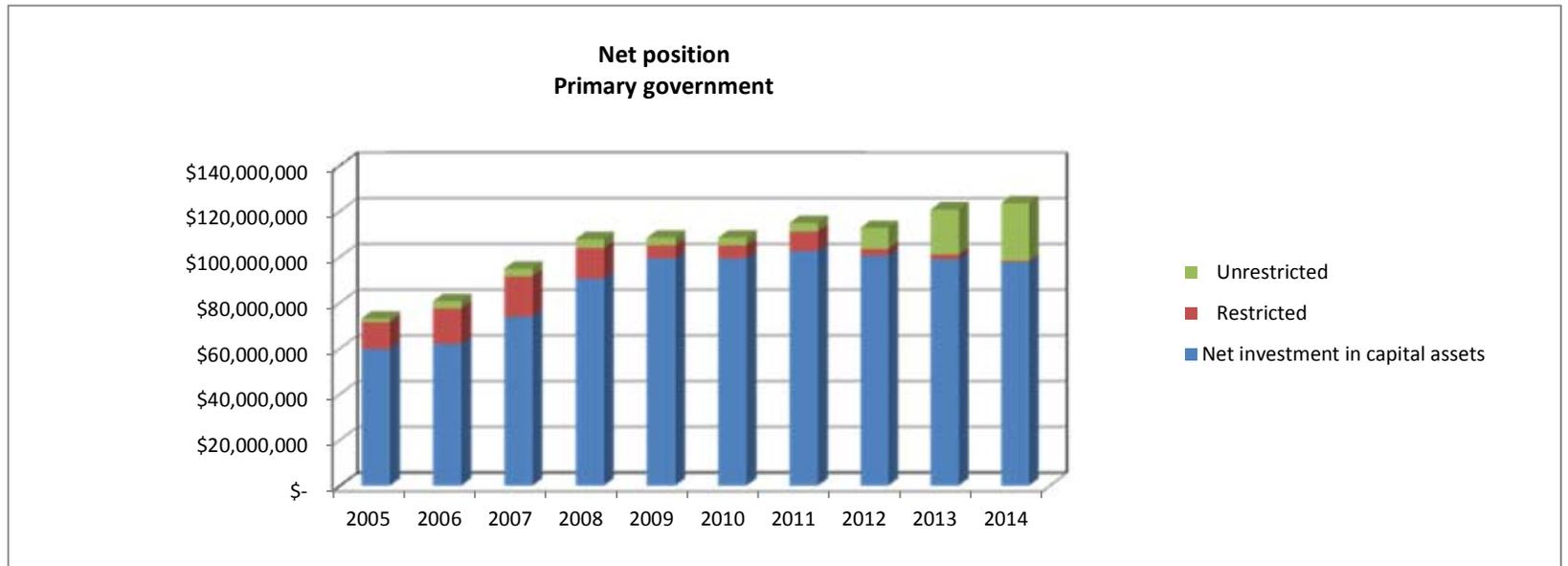


	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Business-type activities										
Net investment in capital assets	\$ 3,421,756	\$ 3,819,583	\$ 5,336,187	\$ 5,455,883	\$ 5,638,102	\$ 6,178,060	\$ 5,918,785	\$ 6,043,691	\$ 7,224,754	\$ 10,638,169
Restricted	-	-	-	-	-	-	-	-	88,428	-
Unrestricted	753,162	928,910	1,062,208	147,692	163,911	266,381	258,279	664,347	2,167,721	2,650,896
Total Business-type activities net position	\$ 4,174,918	\$ 4,748,493	\$ 6,398,395	\$ 5,603,575	\$ 5,802,013	\$ 6,444,441	\$ 6,177,064	\$ 6,708,038	\$ 9,480,903	\$ 13,289,065



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	2014
Primary government										
Net investment in capital assets	\$ 59,672,106	\$ 61,912,644	\$ 73,908,979	\$ 90,439,871	\$ 99,160,280	\$ 99,160,280	\$ 102,455,990	\$ 100,475,050	\$ 98,843,389	\$ 97,552,883
Restricted	11,777,207	15,556,586	17,617,873	13,423,818	5,782,283	5,782,283	8,641,935	2,996,149	2,201,931	608,938
Unrestricted	1,598,767	3,107,738	3,321,766	3,835,627	3,401,101	3,401,101	3,768,918	9,124,608	19,654,059	25,315,422
Total Primary Government net position	\$ 73,048,080	\$ 80,576,968	\$ 94,848,618	\$ 107,699,316	\$ 108,343,664	\$ 108,343,664	\$ 114,866,843	\$ 112,595,807	\$ 120,699,379	\$ 123,477,243



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

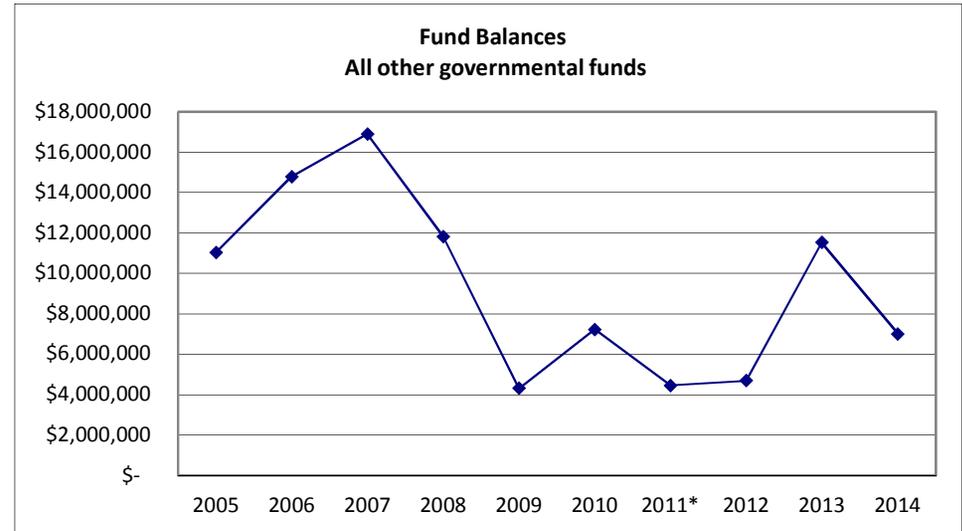
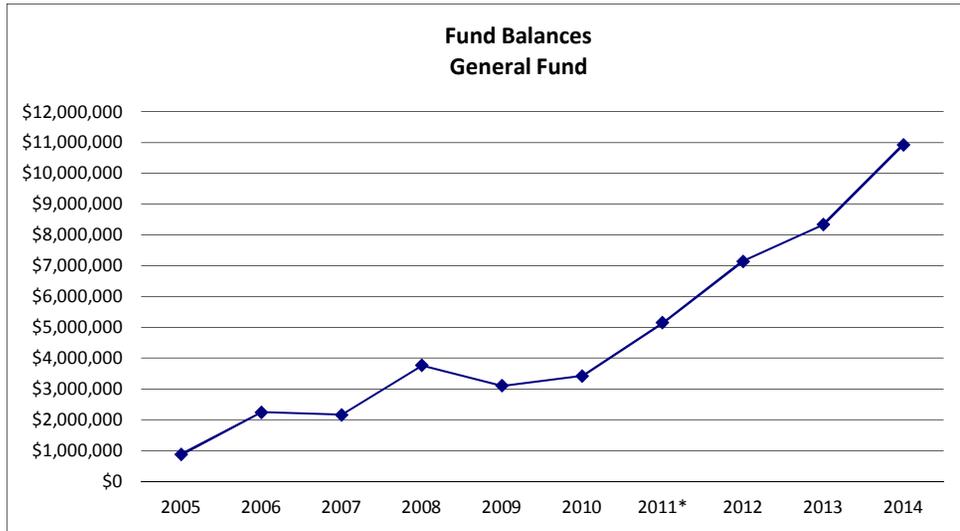
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Expenses										
Governmental activities:										
General government	\$ 2,717,477	\$ 3,214,768	\$ 3,511,643	\$ 4,301,319	\$ 3,445,149	\$ 4,364,535	\$ 5,357,042	\$ 4,551,848	\$ 4,386,693	\$ 4,311,613
Judicial	243,846	265,336	239,385	236,123	454,344	488,330	682,282	626,862	262,312	349,238
Public Safety	6,732,456	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
Natural environment	-	-	-	-	-	-	-	-	-	162,654
Environmental services	169,743	201,119	292,817	405,561	644,205	580,156	619,813	571,646	148,888	-
Transportation	3,496,991	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
Economic environment	1,236,388	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
Social services	52,995	6,676	7,333	7,274	8,856	10,391	11,274	11,897	90,535	90,736
Culture and recreation	2,237,990	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
Interest on long-term debt	135,118	162,993	500,609	502,459	488,960	597,646	885,197	1,111,758	1,162,928	1,149,080
Total Governmental activities expenses	17,023,004	18,247,095	20,038,987	21,722,572	22,313,920	27,481,564	29,006,663	29,421,555	30,529,009	32,365,755
Business-type activities:										
Storm water management	997,661	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
Total Business-type activities expenses	997,661	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
Total Primary government expenses	\$ 18,020,665	\$ 19,215,323	\$ 21,087,437	\$ 22,823,352	\$ 23,590,912	\$ 29,016,253	\$ 30,794,271	\$ 31,242,538	\$ 32,622,274	\$ 34,829,227
Program Revenues										
Governmental Activities:										
Charges for services										
General government	\$ 822,824	\$ 868,005	\$ 823,749	\$ 727,145	\$ 822,322	\$ 1,376,229	\$ 1,152,091	\$ 2,441,503	\$ 1,626,846	\$ 1,689,073
Judicial	19,566	7,138	4,682	4,703	231,341	374,706	351,054	230,165	105,460	121,790
Public safety	110	-	2,104	-	-	-	-	-	-	-
Natural environment	-	-	-	-	-	-	-	-	-	46,515
Environmental services	3,663	25,767	931	223,089	536	6,014	68,322	55,715	121,489	-
Transportation	594,313	231,467	116,789	915,307	185,707	246,870	339,954	2,409,223	497,808	789,342
Economic environment	824,601	1,259,430	1,329,150	1,253,287	916,319	698,606	953,552	978,459	458,874	864,263
Social services	-	-	-	-	-	-	-	-	-	-
Culture and recreation	400,999	399,039	485,075	476,056	519,539	576,896	629,822	668,644	547,348	535,200
Operating grants and contributions	1,951,238	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
Capital grants and contributions	3,655,869	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
Total Governmental activities program revenues	8,273,183	9,314,704	17,355,952	18,142,866	8,180,918	15,867,404	8,272,967	14,377,713	12,755,454	9,877,469
Business-type activities:										
Charges for Services										
Surface water management	1,555,745	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
Operating grants and contributions	-	-	-	7,977	-	-	96,294	163,465	305,504	8,329
Capital grants and contributions	-	-	-	95,000	-	394,182	-	-	1,069,581	4,316,461
Total Business-type activities revenues	1,555,745	1,571,544	1,631,203	1,832,419	1,936,479	2,695,257	2,547,613	2,715,155	4,214,790	7,193,755
Total Primary government revenues	9,828,928	10,886,248	18,987,155	19,975,285	10,117,397	18,562,661	10,820,580	17,092,868	16,970,244	17,071,224
Net (Expense)/Revenue										
Governmental Activities	(8,749,821)	(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)
Business-type Activities	558,084	603,316	582,753	731,639	659,487	1,160,568	760,005	894,172	2,121,525	4,730,283
Total Net Expense	\$ (8,191,737)	\$ (8,329,075)	\$ (2,100,282)	\$ (2,848,067)	\$ (13,473,515)	\$ (10,453,592)	\$ (19,973,691)	\$ (14,149,670)	\$ (15,652,030)	\$ (17,758,003)

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

	<u>2005</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>
General Revenues										
Governmental activities:										
Taxes										
Property taxes	\$ 4,256,885	\$ 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
Sales and use taxes	4,816,460	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
Business and occupation taxes	2,649,508	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
Excise taxes	-	-	-	-	-	-	-	-	1,132,780	1,407,944
Other taxes	1,922,414	2,167,986	1,942,576	1,139,338	652,366	1,240,213	1,330,211	1,428,506	510,260	347,376
Penalties and interest	-	-	-	-	-	-	-	-	6,886	-
Unrestricted investment earnings	468,386	560,895	862,694	381,608	65,022	28,013	24,482	24,461	20,004	27,743
Miscellaneous	-	-	-	-	-	-	-	-	275,274	313,908
Gain/(Loss) on sale of capital assets	-	-	(439,231)	-	-	-	-	-	-	151,395
Transfers	80,128	84,211	(1,014,683)	1,558,099	463,692	520,173	1,028,638	364,909	25,140	590,000
Total Governmental activities	\$ 14,193,781	\$ 15,887,704	\$ 15,357,249	\$ 17,225,224	\$ 14,578,912	\$ 17,494,911	\$ 18,730,037	\$ 18,506,723	\$ 19,545,008	\$ 21,474,284
Business-type activities:										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,608	\$ 460
Grants and contributions	33,315	54,470	59,905	31,640	2,643	2,033	1,256	-	-	-
Unrestricted investment earnings	-	-	-	-	-	-	-	1,711	2,490	2,698
Miscellaneous	-	-	-	-	-	-	-	-	8,330	9,449
Gain/(Loss) on sale of capital assets	-	-	(7,439)	-	-	-	-	-	-	-
Transfers	(80,128)	(84,211)	1,014,683	(1,558,099)	(463,692)	(520,173)	(1,028,638)	(364,909)	(25,140)	(590,000)
Total Business-type activities	\$ (46,813)	\$ (29,741)	\$ 1,067,149	\$ (1,526,459)	\$ (461,049)	\$ (518,140)	\$ (1,027,382)	\$ (363,198)	\$ 71,288	\$ (577,393)
Total primary government	\$ 14,146,968	\$ 15,857,963	\$ 16,424,398	\$ 15,698,765	\$ 14,117,863	\$ 16,976,771	\$ 17,702,655	\$ 18,143,525	\$ 19,616,296	\$ 20,896,891
Change in net position										
Governmental activities	\$ 5,443,960	\$ 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)
Business-type activities	511,271	573,575	1,649,902	(794,820)	198,438	642,428	(267,377)	530,974	2,192,813	4,152,890
Total change in net position	\$ 5,955,231	\$ 7,528,888	\$ 14,324,116	\$ 12,850,698	\$ 644,348	\$ 6,523,179	\$ (2,271,036)	\$ 3,993,855	\$ 3,964,266	\$ 3,138,888

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

	<u>2005</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>
General Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,480	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	1,248,147	703,909	141,586	168,144
Assigned	-	-	-	-	-	-	127,907	293,754	-	2,082,050
Unassigned	-	-	-	-	-	-	3,768,412	6,152,269	8,186,409	8,675,156
Unrestricted	879,363	2,246,260	2,168,985	3,768,613	3,102,449	3,418,177	-	-	-	-
Total General Fund	\$ 879,363	\$ 2,246,260	\$ 2,168,985	\$ 3,768,613	\$ 3,102,449	\$ 3,418,177	\$ 5,147,946	\$ 7,149,932	\$ 8,327,995	\$ 10,925,350
All other governmental funds										
Restricted	-	-	-	-	-	-	1,484,215	825,558	513,870	608,938
Committed	-	-	-	-	-	-	-	-	11,011,980	-
Assigned	-	-	-	-	-	-	2,975,413	3,883,193	-	6,399,457
Unassigned	-	-	-	-	-	-	-	(16,659)	-	-
Unrestricted, reported in:										
Special Revenue Funds	3,431,536	2,714,618	2,737,367	1,151,402	1,342,006	2,001,837	-	-	-	-
Debt Service Funds	250,835	262,140	169,874	103,916	232,767	178,686	-	-	-	-
Capital Project Funds	7,363,931	11,799,595	13,993,444	10,577,804	2,740,321	5,037,701	-	-	-	-
Total all other governmental funds	\$ 11,046,302	\$ 14,776,353	\$ 16,900,685	\$ 11,833,122	\$ 4,315,094	\$ 7,218,224	\$ 4,459,628	\$ 4,692,092	\$ 11,525,850	\$ 7,008,395



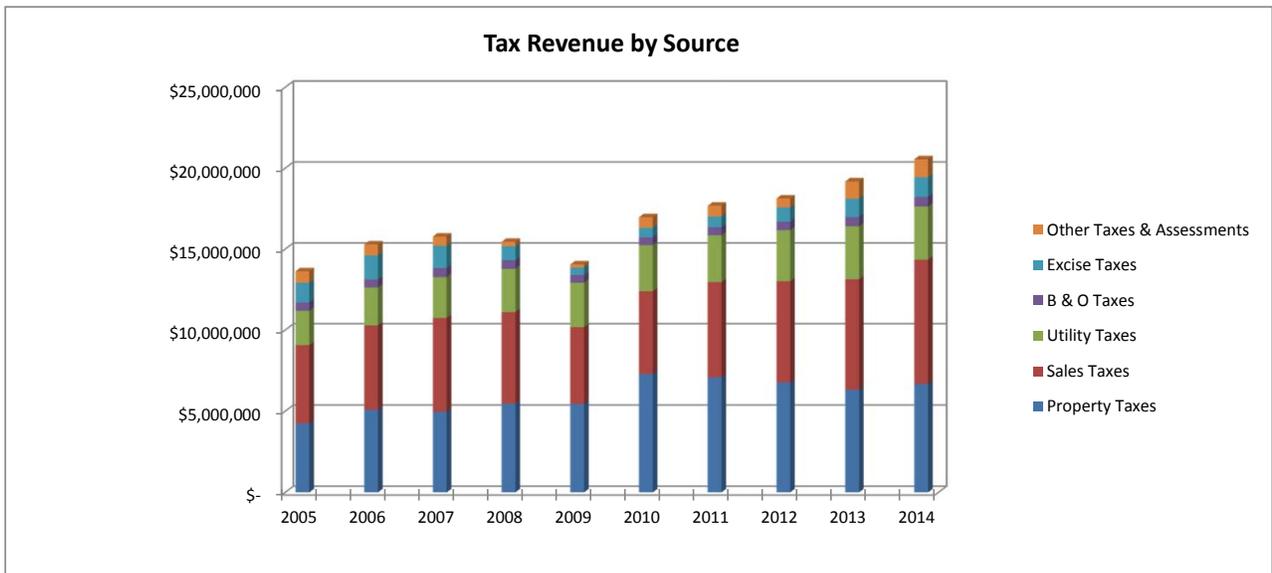
*In 2011, implementation of GASB 54 required new designations of fund balance; prior year data not available in prescribed format.
Source: City of Burien Finance Department

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

	<u>2005</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>
Revenues										
Taxes	\$ 13,628,926	\$ 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
Licenses and permits	1,084,921	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
Intergovernmental	5,289,263	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
Charges for services	1,306,884	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
Fines and forfeitures	78,846	60,900	46,308	50,841	281,586	413,523	365,952	252,367	266,568	359,476
Rentals	-	-	-	-	-	-	-	-	177,144	200,772
Contributions and donations	5,355	13,845	-	-	-	-	-	-	279	491
Special assessments	120,526	58,501	49,689	115,324	115,651	97,470	91,058	86,498	95,802	103,617
Investment earnings	468,694	561,035	802,921	380,207	77,449	28,200	24,185	24,018	19,344	27,103
Miscellaneous	507,888	170,849	126,610	41,000	36,631	579,929	42,545	1,208,724	104,655	79,883
Total revenues	22,491,303	25,217,217	33,986,466	33,091,856	22,265,419	24,489,795	25,793,226	32,556,953	32,330,159	30,803,021
Expenditures										
General Government	2,800,272	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
Judicial	-	-	-	-	-	-	-	-	262,312	349,238
Public Safety	6,718,075	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
Natural environment	-	-	-	-	-	-	-	-	-	162,654
Environmental services	169,743	201,119	292,817	405,561	644,205	580,156	744,791	674,645	148,888	-
Transportation	1,523,327	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
Economic environment	1,129,808	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
Social services	52,995	6,676	7,333	7,274	8,856	10,391	11,274	11,897	90,535	90,736
Culture and recreation	2,104,891	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
Debt Service:										
Principal	301,955	306,955	621,955	739,308	780,558	892,225	1,262,225	1,447,225	1,560,225	1,596,825
Interest and fiscal charges	135,621	132,115	507,199	513,639	501,065	577,867	917,319	1,140,081	1,139,237	1,153,494
Capital outlay	11,003,340	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
Total expenditures	25,940,027	30,710,068	39,371,974	38,722,890	31,241,279	30,639,299	34,453,792	31,102,003	31,664,752	28,697,580
Excess (deficiency) of revenues over expenditures	(3,448,724)	(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
Other financing sources (uses)										
Proceeds from sale of capital assets	-	-	4,716,552	5,000	-	-	-	-	-	238,500
Transfers in	10,047,015	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
Transfers out	(9,498,271)	(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)
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)	548,744	10,589,799	7,432,565	2,163,099	676,015	9,368,362	7,929,590	779,500	2,145,784	1,753,680
Net change in fund balances	\$ (2,899,980)	\$ 5,096,948	\$ 2,047,057	\$ (3,467,935)	\$ (8,299,845)	\$ 3,218,858	\$ (730,976)	\$ 2,234,450	\$ 2,811,191	\$ 3,859,121
Debt service as a percentage of noncapital expenditures	2.93%	2.76%	6.45%	6.59%	6.59%	6.48%	8.93%	11.02%	11.30%	10.79%

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

Fiscal Year	Property Taxes	Sales Taxes	Utility Taxes	Business and Occupation Taxes	Excise Taxes	Other Taxes and Assessments	Total Taxes
2005	4,240,544	4,816,460	2,122,267	517,392	1,223,157	709,106	13,628,926
2006	5,073,243	5,208,554	2,335,831	499,997	1,489,234	678,752	15,285,611
2007	4,954,146	5,789,088	2,523,736	565,750	1,367,656	574,920	15,775,296
2008	5,457,689	5,652,874	2,670,766	526,249	859,233	280,105	15,446,916
2009	5,438,426	4,734,585	2,743,039	481,782	459,056	193,309	14,050,197
2010	7,285,909	5,101,336	2,853,809	483,086	587,121	653,092	16,964,353
2011	7,081,681	5,875,089	2,903,076	486,860	667,741	662,470	17,676,917
2012	6,759,220	6,249,226	3,149,631	530,770	886,727	541,779	18,117,353
2013	6,308,968	6,816,465	3,275,973	569,665	1,132,780	1,073,544	19,177,395
2014	6,671,091	7,669,549	3,292,805	581,494	1,218,769	1,110,253	20,543,961
Change 2005-2014	57.3%	59.2%	55.2%	12.4%	-0.4%	56.6%	50.7%

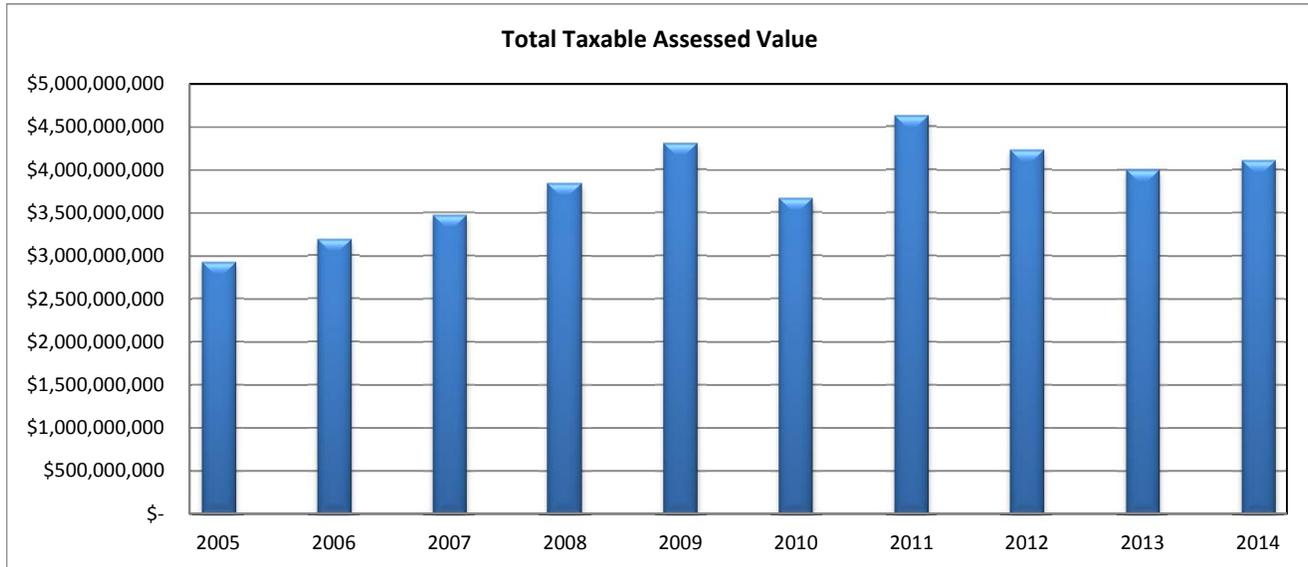


Source: City of Burien Finance Department

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

TAXPAYER	2014			2005		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL TAXABLE ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL TAXABLE ASSESSED VALUE
Vintage Park Partners LLC	\$ 44,562,000	1	1.08%			
A T&T Communications	38,833,819	2	0.94%			0.00%
Burien Plaza LLC	24,953,900	3	0.61%	15,340,200	4	0.53%
Burien Town Plaza LLC	18,636,300	4	0.45%			
Fred Meyer, Inc.	17,140,300	5	0.42%	19,380,155	2	0.67%
Puget Sound Energy	16,377,378	6	0.40%	7,578,088	10	0.26%
MG South Hills Apts. LLC	15,819,000	7	0.38%			
Qwest Corporation	15,608,899	8	0.38%	19,024,870	3	0.66%
Powell-Five Corners Associates	13,901,200	9	0.34%	8,436,500	8	0.29%
Maple Pointe-126 LLC	13,114,000	10	0.32%			
Virtu Seahurst Association LLC			0.00%	23,600,000	1	0.81%
HCH Specialty Center			0.00%	13,635,800	5	0.47%
Wesbild BP, Inc			0.00%	11,460,100	6	0.40%
Holly Ridge Apartments			0.00%	10,051,000	7	0.35%
Red Mortgage Capital, Inc.			0.00%	7,257,000	9	0.25%
All Others	3,890,838,621		94.67%	2,763,463,177		95.32%
Total Assessed Valuation	\$ 4,109,785,417		100.00%	\$ 2,899,226,890		100.00%

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

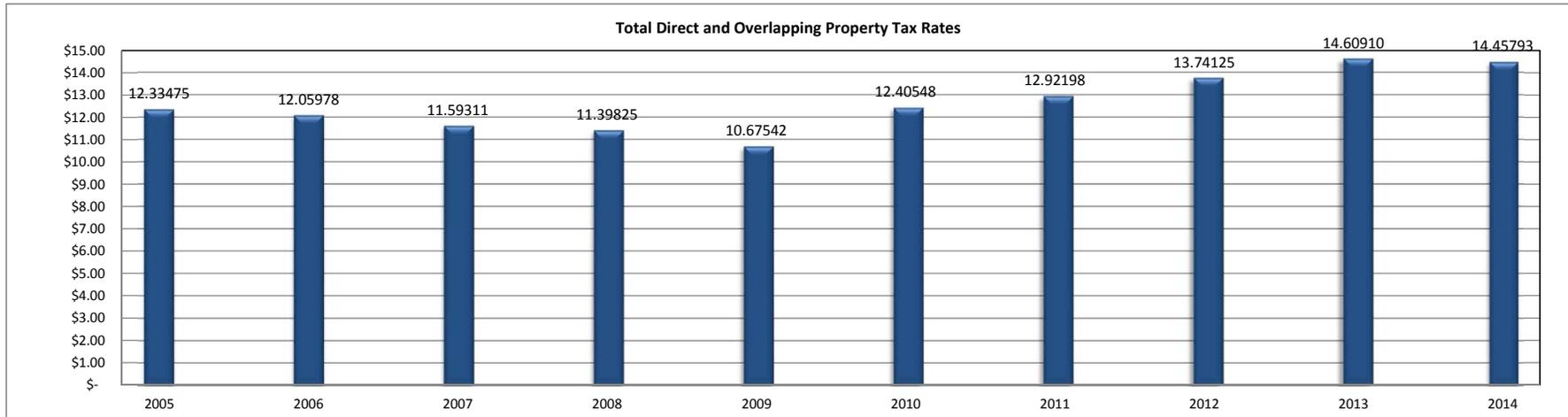


Fiscal Year	Real Property	Personal Property	Public Utilities	Total Assessed Value	Total Direct Tax Rate
2005	2,838,657,786	40,814,631	43,294,795	2,922,767,212	1.47443
2006	3,109,763,255	48,184,807	29,782,487	3,187,730,549	1.60056
2007	3,377,993,328	56,744,617	35,713,227	3,470,451,166	1.50806
2008	3,754,785,884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

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)**

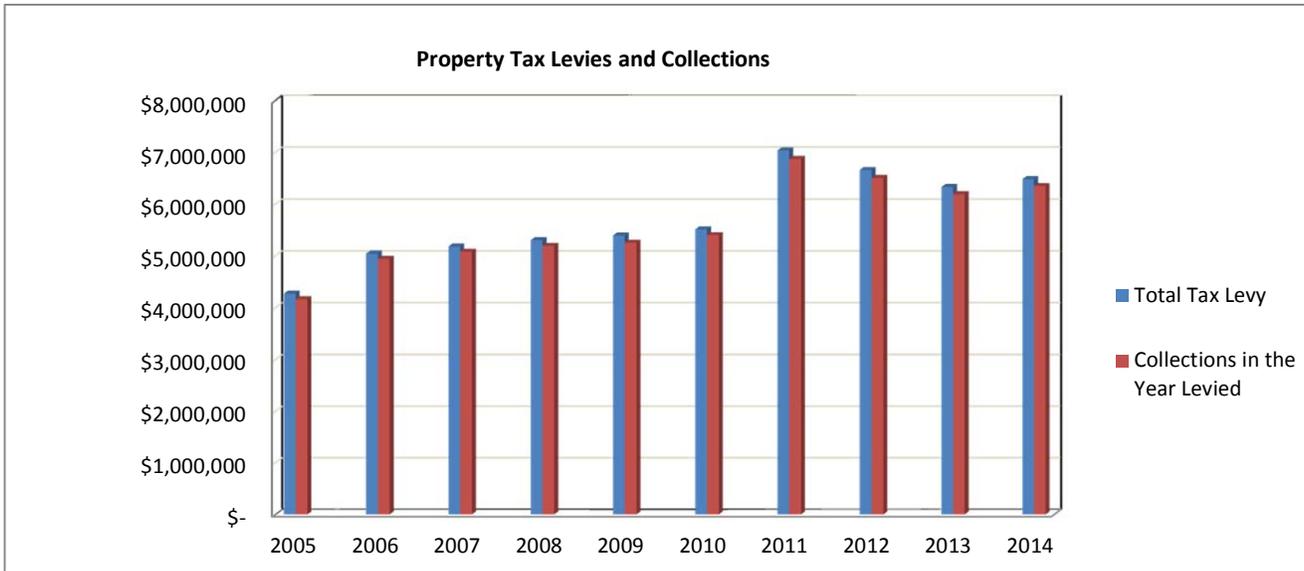
Fiscal Year	City of Burien	Fire District			King County			School District #401			Library			Washington State	Special Districts	Total
	Operating Millage	Operating Millage	Debt Service Millage	Total Fire Dist Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Dist. Millage	Operating Millage	Debt Service Millage	Total Library Millage	State Schools	Port, EMS Flood & Ferry	
2005	1.47443	1.50000	0.00000	1.50000	1.21456	0.16773	1.38229	2.53844	1.73250	4.27094	0.48288	0.04967	0.53255	2.68951	0.48503	12.33475
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



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

**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
2005	4,275,394	4,168,080	97.49%	107,314	4,275,394	100.00%
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	5,306,349	5,197,215	97.94%	108,682	5,305,897	99.99%
2009	5,397,125	5,258,160	97.43%	138,785	5,396,945	100.00%
2010	5,515,023	5,404,321	97.99%	110,446	5,514,767	100.00%
2011	7,038,847	6,873,887	97.66%	163,468	7,037,356	99.98%
2012	6,660,646	6,506,800	97.69%	130,599	6,637,399	99.65%
2013	6,333,666	6,194,591	97.80%	94,408	6,288,999	99.29%
2014	6,484,149	6,351,340	97.95%	-	6,351,340	97.95%

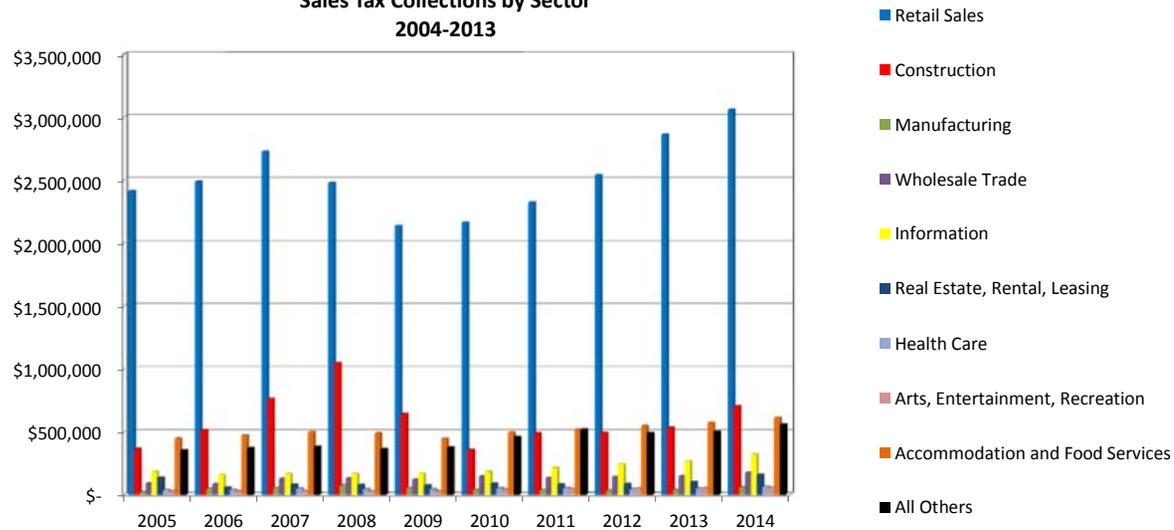


Source: King County Department of Assessments and King County's Assessor's annual Codes and Levies King County Taxing Districts report

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

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
RETAIL TRADE										
Vehicle and Parts Dealer	\$ 1,319,803	\$ 1,460,690	\$ 1,539,517	\$ 1,206,451	\$ 949,307	\$ 973,789	\$ 1,078,227	\$ 1,261,209	\$ 1,517,884	\$ 1,651,349
General Merchandise Stores	304,571	313,979	343,209	362,069	359,315	370,659	397,970	416,600	432,066	447,014
Food & Beverage Stores	220,236	244,606	254,986	251,873	248,636	276,296	275,695	266,626	273,529	280,844
Misc Store Retailers	203,882	259,676	286,092	273,214	370,630	318,023	314,612	328,828	334,306	353,223
Health & Personal Care	132,085	129,032	140,315	136,682	97,967	97,673	101,059	108,840	123,596	123,062
Other Retail	230,867	78,550	161,734	247,225	107,660	124,439	152,009	155,874	178,544	201,878
Subtotal Retail	\$ 2,411,444	\$ 2,486,533	\$ 2,725,853	\$ 2,477,514	\$ 2,133,515	\$ 2,160,879	\$ 2,319,572	\$ 2,537,977	\$ 2,859,925	\$ 3,057,370
OTHER CATEGORIES										
Construction	\$ 364,012	\$ 511,606	\$ 759,568	\$ 1,046,693	\$ 640,972	\$ 358,112	\$ 488,860	\$ 492,853	\$ 533,955	\$ 703,183
Manufacturing	20,924	49,653	54,925	76,262	54,296	40,960	38,377	35,917	41,558	60,620
Wholesale Trade	90,605	84,891	127,232	130,617	120,277	147,249	133,497	141,690	149,357	175,162
Information	183,831	156,806	163,382	164,905	167,846	181,753	214,544	242,260	265,646	320,921
Real Estate, Rental, Leasing	134,814	56,215	80,059	78,706	76,093	88,679	82,398	85,090	102,437	160,029
Health Care Assistance	38,780	41,076	49,886	44,668	44,824	53,817	53,753	44,946	50,198	65,342
Arts, Entertain, Recreation	29,975	29,750	30,399	28,516	29,306	42,946	46,603	50,433	53,115	57,044
Accommod & Food Svcs	446,957	471,534	497,836	488,362	443,414	495,575	517,833	545,959	572,128	611,306
All Other Categories	352,757	371,547	381,071	362,695	374,673	458,467	517,543	489,955	500,515	557,182
Subtotal Other	\$ 1,662,655	\$ 1,773,078	\$ 2,144,358	\$ 2,421,424	\$ 1,951,701	\$ 1,867,558	\$ 2,093,408	\$ 2,129,103	\$ 2,268,909	\$ 2,710,789
Total Sales Tax Collected	\$ 4,074,099	\$ 4,259,611	\$ 4,870,211	\$ 4,898,938	\$ 4,085,216	\$ 4,028,437	\$ 4,412,980	\$ 4,667,080	\$ 5,128,834	\$ 5,768,159

**Sales Tax Collections by Sector
2004-2013**



Sources: City of Burien Finance Department, Microflex Software and Financial Solutions

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

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				
2005	2,850,000	897,222	2,066,837	-	5,814,059	31,040	0.37%	\$ 187.31
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	1.02%	\$ 654.84

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

**Schedule 12
City of Burien
Legal Debt Margin Information
December 31, 2014**

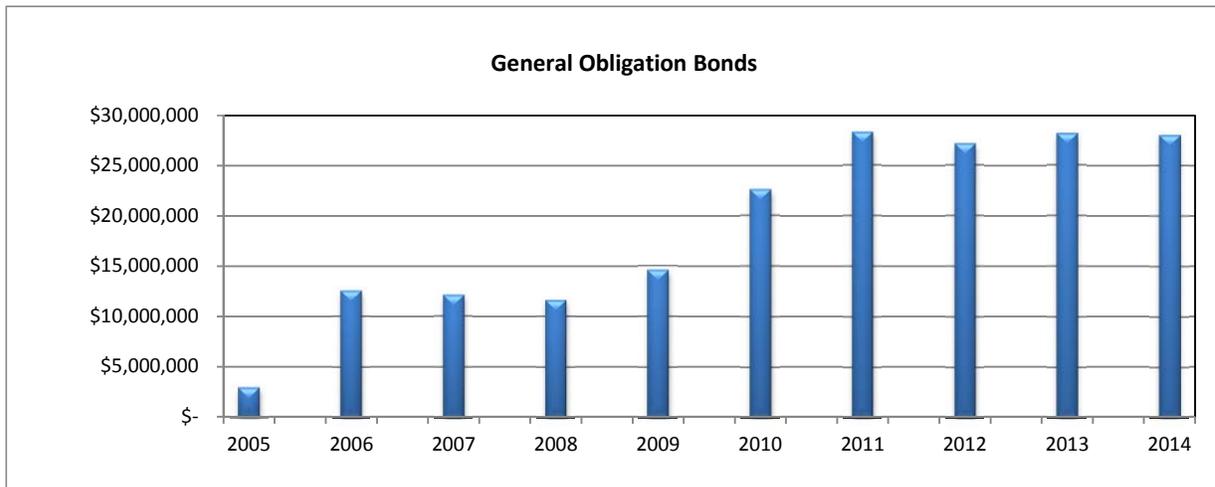
	Fiscal Year									
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Debt Limit	\$ 219,207,541	\$ 239,079,791	\$ 260,283,837	\$ 285,650,497	\$ 322,748,347	\$ 343,081,657	\$ 316,904,251	\$ 312,964,326	\$ 300,397,459	\$ 308,233,906
Total Net Debt Applicable to Limit	2,850,000	12,530,000	12,090,000	11,615,000	14,579,400	22,604,400	28,299,400	27,154,400	28,190,362	28,063,762
Legal Debt Margin	\$ 216,357,541	\$ 226,549,791	\$ 248,193,837	\$ 274,035,497	\$ 308,168,947	\$ 320,477,257	\$ 288,604,851	\$ 285,809,926	\$ 272,207,097	\$ 280,170,144
 Total Net Debt Applicable to Limit as a Percentage of Debt Limit	1.30%	5.24%	4.64%	4.07%	4.52%	6.59%	8.93%	8.68%	9.38%	9.10%

Legal Debt Margin Calculation for Fiscal Year 2014

Total Assessed Value for 2014 Taxes	\$ 4,109,785,417
Debt Limit:	
2.5% of General Purpose Limit, Voted and Non-voted	102,744,635
2.5% of Utility Purpose Limit, Voted	102,744,635
2.5% of Open Space, Voted	102,744,635
Total Debt Limit	<u>\$ 308,233,906</u>
Debt Applicable to Limits:	
General Obligation Bonds	28,063,762
Legal Debt Margin	<u><u>\$ 280,170,144</u></u>

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

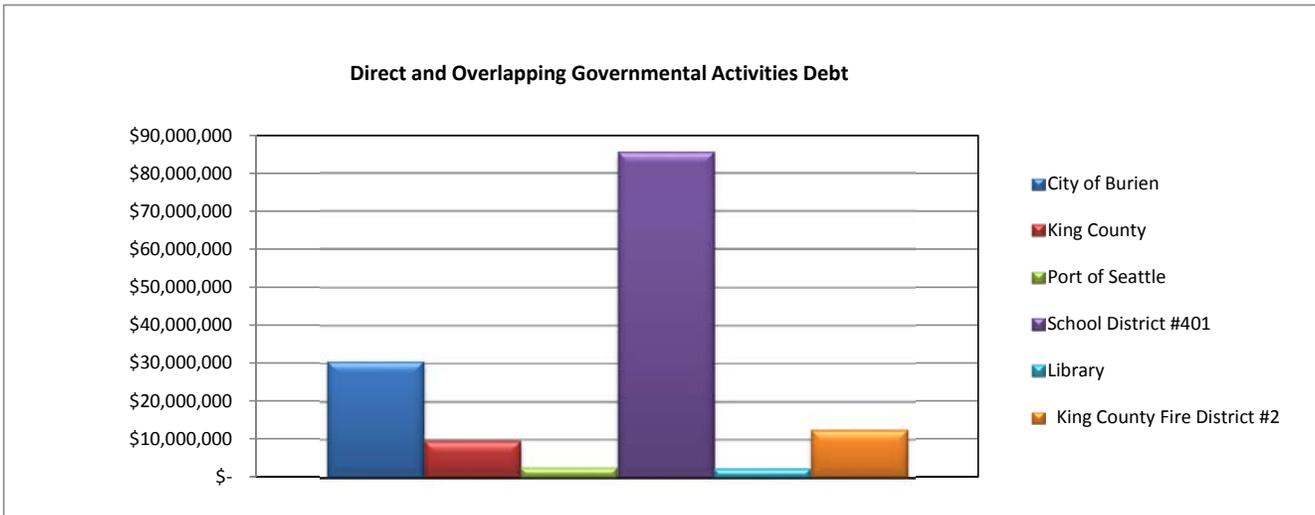
Fiscal Year	General Obligation Bonds	Assessed Value (AV)	% of General Obligation Debt to AV	Population	Per Capita
2005	2,850,000	2,922,767,212	0.10%	31,040	91.82
2006	12,530,000	3,187,730,549	0.39%	31,080	403.15
2007	12,090,000	3,470,451,166	0.35%	31,410	384.91
2008	11,615,000	3,845,144,599	0.30%	31,540	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



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, 2014**

	<u>Net General Obligation Debt Outstanding</u>	<u>Percentage Applicable to Burien</u>	<u>Estimated Amount Applicable to Burien</u>
Direct:			
City of Burien	\$ 30,592,921	100.00%	\$ 30,592,921
Overlapping:			
King County	796,669,841	1.21%	9,639,705
Port of Seattle	225,420,000	1.21%	2,727,582
School District #401	253,586,059	33.72%	85,509,219
Library	118,264,183	2.06%	2,436,242
King County Fire District #2	19,837,884	63.52%	12,601,024
Total Overlapping Debt:	<u>\$ 1,413,777,967</u>	7.99%	<u>\$ 112,913,772</u>
Total Direct and Overlapping Debt:	<u><u>\$ 1,444,370,889</u></u>		<u><u>\$ 143,506,694</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

Fiscal Year	Population¹	Personal Income² (in \$1,000's)	Per Capita Personal Income²	Unemployment Rate³	School Enrollment
2005	31,040	\$ 90,438,508	\$50,376	5.0%	17,700
2006	31,080	\$ 99,448,249	\$54,553	4.3%	17,718
2007	31,410	\$ 106,712,473	\$57,745	3.5%	17,527
2008	31,540	\$ 108,457,410	\$57,843	4.2%	17,647
2009	31,890	\$ 102,843,152	\$53,788	8.8%	18,224
2010	46,182	\$ 105,499,279	\$54,443	8.2%	17,391
2011	47,660	\$ 112,935,345	\$57,281	7.4%	17,532
2012	47,730	\$ 120,627,950	\$60,090	6.2%	18,427
2013	48,030	\$ 128,330,859	\$62,770	5.0%	18,975
2014	48,240	\$ 132,822,439	\$64,182	4.6%	19,440

Note¹ : Population data is provided by Burien's Community Development staff.

Note² : Both personal income and per capita personal income are based on King County information, in which Burien is located.

Note³ : 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**

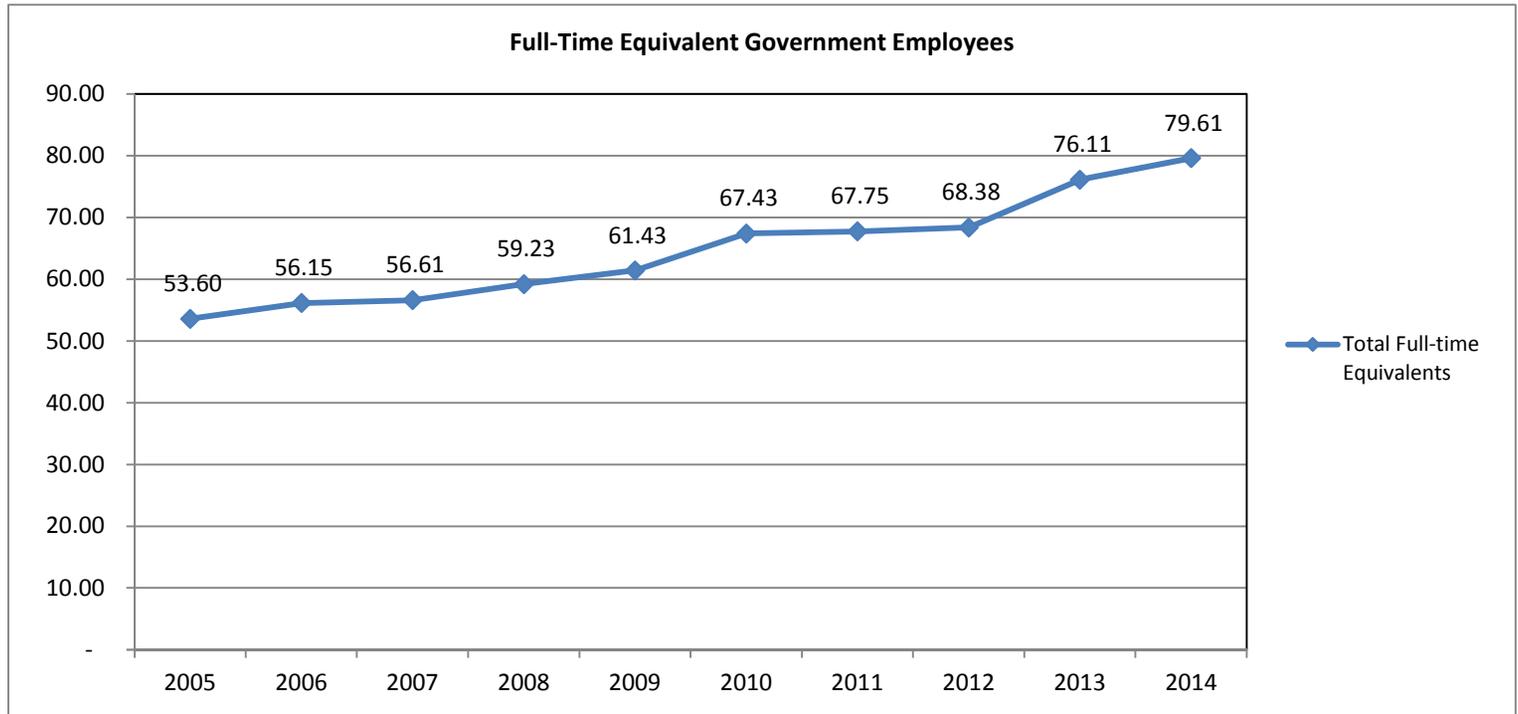
<u>Employer</u>	<u>2014</u>			<u>2005</u>		
	<u>Employees</u>	<u>Rank</u>	<u>% of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>% of Total City Employment¹</u>
Highline School District #401	2,150	1	29.20%	2,260	1	33.35%
Highline Medical Center	1,100	2	14.94%	1,100	2	16.23%
Fred Meyer	216	3	2.93%	234	3	3.45%
Burien Toyota, Inc.	152	4	2.06%	103	8	1.52%
NAVOS	124	5	1.68%			
Regional Hospital for Respiratory & Complex Care	120	6	1.63%			
Burien Nursing & Rehabilitation Center	117	7	1.59%			
Safeway Store #1664	110	8	1.49%	102	10	1.51%
Schick Shadel	105	9	1.43%			
Wizards Casino	99	10	1.34%	200	4	2.95%
Rainier Golf & Country Club	90	11	1.22%			
Albertsons #473	70	12	0.95%			
Group Health Cooperative	66	13	0.90%	91	11	1.34%
Seattle Goodwill Industries	64	14	0.87%			
Albertsons #411	60	15	0.81%			
Advantage Sales and Marketing	-	-	-	183	5	2.70%
Interstate Protective Services	-	-	-	154	6	2.27%
Highline West Seattle Mental Health	-	-	-	90	12	1.33%
Life Care Center of Burien	-	-	-	144	7	2.13%
Ruth Dykeman Children's Center	-	-	-	103	9	1.52%
Burien Dodge	-	-	-	83	13	1.22%
Southgate Group	-	-	-	81	14	1.20%
Azteca Restaurant	-	-	-	80	15	1.18%
	-	-	-			
Total	4,643		63.06%	5,008		73.91%

Total City employment in 2014 is 7,363

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

Function	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government	14.90	15.45	19.98	17.15	18.00	20.75	20.70	18.95	18.63	19.25
Culture and Recreation	14.40	15.00	14.63	14.63	15.88	16.18	15.95	15.38	19.64	21.55
Economic Environment	12.80	14.20	12.00	14.45	14.75	13.30	14.30	13.10	13.10	13.31
Transportation	7.35	7.20	6.45	7.45	6.10	8.50	8.20	10.30	11.50	11.50
Surface Water Management	4.15	4.30	3.55	5.55	6.70	8.70	8.60	10.65	13.25	14.00
Total Full-time Equivalents	53.60	56.15	56.61	59.23	61.43	67.43	67.75	68.38	76.11	79.61



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

	Fiscal Year									
	<u>2005</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>
Public Safety										
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.
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.
Dispatched calls for service	12,674	12,476	11,518	10,191	10,507	13,410	15,742	16,416	17,039	18,521
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
Traffic safety enforcement stops	2,617	2,595	2,264	2,157	2,060	1,508	1,672	1,743	2,139	1,396
Transportation										
Right of way use permits issued	386	360	365	306	330	353	359	428	469	498
Reported potholes	10	9	15	17	27	37	103	50	69	62
Economic Environment										
Citizen action requests	460	697	566	438	384	604	558	628	624	589
Land use-related permit applications	115	88	108	59	82	57	57	63	85	91
Percentage of land use permit reviews completed by target date	74%	79%	67%	69%	73%	89%	93%	80%	86%	96%
Construction related permit applications	1,768	2,003	2,074	2,153	1,763	1,473	1,898	1,915	2,079	2,212
Commercial permits	124	121	116	235	107	120	171	113	192	152
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
Residential permits	233	275	309	283	159	105	268	259	269	263
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
Culture and Recreation										
Acres of neighborhood parks	26	26	27	27	27	58	58	58	58	58
Acres of community parks	31	31	32	32	32	32	32	32	32	32
Acres of regional and open space parks	278	278	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
Number of kids provided scholarships	114	87	78	60	61	134	149	133	116	85
Surface Water Management										
Number of storm water ponds	14	15	15	15	15	18	19	22	22	24
Percentage of city drainage system mapped and inventoried	93%	98%	98%	98%	99%	85%	98%	98%	99%	99%

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
Transportation										
Streets (miles)	113	113	113	113	114	150	150	152	152	140
Street lights	664	664	664	664	700	930	930	930	939	939
Traffic signals	53	53	53	53	55	71	71	72	74	75
Culture and Recreation										
Skate Parks	1	1	1	1	1	1	1	1	1	1
Playgrounds	6	7	7	8	8	11	12	12	12	12
Baseball/Softball Diamonds	5	5	5	5	5	5	5	5	5	5
Soccer/Football Fields	3	3	3	3	3	3	3	3	3	3
Community Centers	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
Storm Water Drainage Ponds	4	4	4	4	4	6	16	16	16	17

Sources: Various City of Burien Departments