

City of Langley

Preliminary 2017 Operating Budget



November 7, 2016

**Mayor Tim Callison
Finance Director Debbie L. Mahler**

CITY OF LANGLEY

2017 BUDGET

TABLE OF CONTENTS

Budget Message	1
Mission Statement and Fiscal Goals	4
About our City	7
Directory of Officials	8
Appointed Officers	9
Langley's Beginnings	10
City Background	12
Municipal Budgets	13
Budget Review & Modification	21
Budget Summary	24
Budget by Fund Chart	25
The General Fund	26
Street Fund Budget	40
Cemetery Fund Budget	45
Tourism Fund Budget	49
Capital Reserve Budget	53
Water Fund Budget	56
Sewer Fund Budget	60
Stormwater Utility Fund	64
Water Capital Reserve Fund Budget	68

Public Works Vehicle/Equip Reserve Budget	71
Stormwater Capital Reserve Budget	74
Sewer Expansion Fund Budget	77
Scott Memorial Fund Budget	80
Total budget all funds	83

APPENDIX

Ad Valorem Ordinance	84
Budget Ordinance	





November 7, 2016

To: The Honorable City Council Members, City Staff and the Citizens of Langley

Subject: 2017 Budget Message and Preliminary Budget

We are pleased to submit the 2017 Preliminary Budget. The proposed budget is balanced and totals \$6,656,931. This budget allocates the available resources among the many needs identified in the budget process. It reflects the city's continued efforts to be prudent in all of our discretionary spending, and at the same time, moves the city forward. Revenue projections are conservative and we are able to maintain and improve our basic infrastructure and capital equipment. The City has no short term debt, and very little long term debt. The City has a bond for improvements to Second Street that pays off in 2028 and a Public Works Trust Fund loan that will be paid in full in 2018.

The proposed budget reflects conservative, but improving revenues along with some capital improvements. Expenditures are stated on a comparative basis with actual revenues for 2015 and the current 2016 budget. This budget was developed following the Council's Mission Statement and Fiscal Goals. Because of judicious budgeting and sound fiscal policies, the City has been able to establish healthy reserves to cover equipment and emergency needs. The major General Fund revenues are composed of property tax, sales tax, utility tax and cost allocations from the proprietary funds. Property tax is limited to a 1% annual increase, which we have budgeted. Sales tax is budgeted to increase slightly. The Sewer fund will have a 12% rate increase, while Water and Stormwater will have a more modest 2% increase.

Personnel

The only staff additions in the budget are to increase our part-time public works employee to full time and include more hours for a planning intern. A cost of living increase of 2.2% has been budgeted together with possible 1% merit increases. The City is also looking at changes to the health insurance for employees that will have a potential savings increase for the City.

Police

The Police Department maintains a community policing approach to public safety while making every effort to help control or reduce costs. This includes, where possible, partnering with other local law enforcement agencies to achieve training goals. The budget supports four officers including the police Chief and some reserve officers to cover shifts.

Public Works

Street projects – Cascade Avenue reconstruction of the intersection at 6th Street and ADA improvements and crosswalks. First Street – concrete sidewalk First to Debruyne. The Cascade project is funded by a federal grant with a \$42,000 match. The First Street sidewalk is a state funded grant with a match of \$12,500. A new roadside mowing tractor is scheduled to be purchased from the Public Works Vehicle and Equipment reserve at a cost of \$85,000. This will replace the 1980 mower. No other vehicles or equipment purchases are planned.

Water – The Water Capital Reserve fund collects monies from new water connections and contributions from the Water rates. In 2017, an old asbestos water main on Second Street will be replaced from Anthes Avenue to Debruyne for a cost of \$390,000.

Stormwater – No capital projects are planned, but \$10,000 has been allocated for unexpected repairs. The operating fund has increased its contribution to the reserve fund by \$10,000 to \$50,000 to fund future capital improvements.

Sewer – Replacement of the programmable logic Controller at the wastewater treatment is included in the budget for a cost of \$175,000. The City continues to explore funding sources for extension and improvement to the sewer system.

Parks – Funding has increased to for additional hours of park maintenance and includes funding for the Parks and Open Space Commission's request for a wetlands assessment for the middle earth trail, surveys for trails and a Tucker Stevens sign at Generation Park.

Community Planning

The Community Planning department will continue to refine the Comprehensive Plan and work on development regulations to implement the plan. Planning is also working with the Port of South Whidbey on regulations for development of the Fairgrounds property, affordable housing development and regulations, a GIS system for the City and many other projects. Intern hours have been increased for additional support in this department.

Senior Services

Funding has been continued at a level of \$7,500 for the Island County Senior Services to help meet the needs of some of the vulnerable local senior. This includes medical referral, meals, senior services via home visits to those citizens who are unable to leave their homes and much more.

Homeless Coalition

The City has contracted with the House of Hope to help provide services to the homeless. The budgeted amount is \$2,500.

Economic Development

Main Street activities to promote economic development are funded with a \$16,250 contribution from the General Fund. The City was unable to register for the State Excise and B & O credit for 2017 before all available funds were disbursed.

Tourism Fund

Tourism funds from the Hotel/Motel tax have been increasing in the last few years. These funds are used to support the activities that increase tourism. Support of the County-wide Tourism Committee, the Langley Chamber of Commerce, Whidbey Island Theater for the Arts, Island Shakespeare Theater, the Langley Whale Center, the Whidbey SeaTac Shuttle and the Langley Street Dance have been included in this budget. These entities have proven very helpful in attracting visitors and tourists to the area. Maintenance and repair of the public restrooms is also funded from tourism.

Conclusion

The budget serves as our fiscal plan, operational and planning guide. The budget includes narratives, summaries and graphs to help the reader understand it. We are committed to ongoing efforts to emphasize cost-effective, customer-focused municipal services and to work in partnership with citizens to enhance our City's quality of life. We encourage questions and suggestions on the community issues important to you and the municipal services we provide.

City of Langley Budget Mission Statement & Fiscal Goals

The City of Langley's government is committed to administering public funds in a manner which protects the city's long-term financial stability and provides for future growth, while preserving our natural resources and enhancing those qualities that make Langley a unique and desirable place to live.

GOAL 1

To maintain a financial base sufficient to sustain an acceptable level of municipal services that maintain the social well being and physical condition of the city.

POLICIES

- a) The City will budget adequate funds to maintain all its assets at a level which protects the city's capital investment and minimizes future repair and replacement costs.
- b) The City will project its equipment and vehicle replacement needs for the next five years and will update this projection each year. From this projection, a replacement schedule will be developed and followed.
- c) The Police Department, Sewer, Water, Stormwater and Street departments will budget contributions to Capital Reserves, based on their estimated future share of costs for the replacement of vehicles and equipment.
- d) Utility fees will be set at a level that fully supports the total direct and indirect costs of providing service. Indirect costs include the cost of annual depreciation of capital assets. Rates will be reviewed annually and adjusted as necessary.
- e) The City will adopt salaries in order to provide essential services and other services as budgeted.
- f) The Salary and Wage schedule will be approved annually by Council Resolution.
- g) The General fund and proprietary funds will contribute annually to Capital Reserves for future maintenance and improvements to the City owned facilities and buildings not directly connected with other funds.
- h) Inter-fund loans will be subject to Council approval by resolution, will bear interest based on prevailing rates and contain a plan for payback.
- i) The issuance of bonds shall be financed for a period not to exceed a conservative estimate of the asset's useful life.
- j) Long-term borrowing will only be used for capital improvements that cannot be financed from current revenues.
- k) City Council approval is required prior to the issuance of any debt.
- l) One half of Real Estate Excise tax receipts will be placed in the General fund for payment of the City 2nd Street debt service; the other one-half will be placed in Capital Reserves for municipal capital improvement purposes.
- m) All departments will contribute to Capital Reserves to maintain an adequate reserve of funds to cover cash-out of accumulated employee sick leave and vacation benefits.

- n) The Capital Facilities Plan will be reviewed annually; capital needs not identified in the CFP will not be considered in the budget process.

GOAL 2

To be able to withstand local and regional economic trauma or downturns.

POLICIES

- a) Sufficient cash shall be maintained to provide adequate funds for current operating expenditures; all idle cash will be invested on a continuous basis in legal, safe, investments with adequate liquidity and yield.
- b) All department heads will actively pursue all state, federal and private grant sources available before committing regular budget resources for major equipment or other extra-ordinary needs.
- c) Revenue estimates, especially in the General Fund, are sensitive to economic activity therefore revenue estimates adopted in the budget will be conservative.

GOAL 3

To adjust to changes in the service requirements of the community and respond to other changes as they affect the city residents.

POLICIES

- a) All user fees and charges will be set at a level related to the cost of providing the service, adjusted for inflation, and reviewed annually.
- b) Water and Sewer hook-up fees will be placed in Reserves for capital improvements to those systems.

GOAL 4

To maintain adequate fund balances to support cash flow throughout the budget year.

POLICIES

- a) The City will maintain a high standard of accounting practices which at all times conform to the State of Washington Budgeting and Accounting Reporting System (BARS).
- b) The City will work to accumulate a reserved cash balance of at least 10% of each operating fund to provide for adequate cash flow throughout the year and cover any unbudgeted contingencies.
- c) Capital projects and purchases that are listed in the current budget are presumed approved and can be carried over and expended in the new year as long as there are sufficient funds. In no case, can the total project amount be increased without Council

approval. If the bottom fund balance needs to be increased as a result, an amendment will be made as soon as practical.

d) The City may issue inter-fund loans rather than debt financing to meet short-term cash flow needs or to meet the immediate financing needs of a project for which long-term financing has been secured but not yet received.

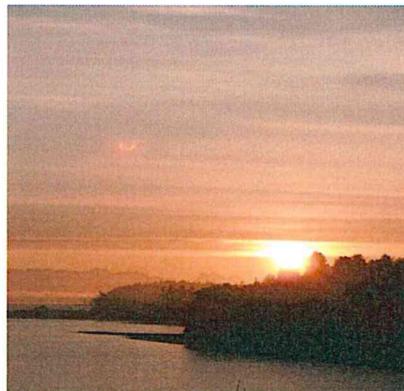


About our City

The City of Langley, Island County, Washington, Incorporated 1913

Population 1135, Code City, Mayor/Council form of Government

Located on Southeast Puget Sound

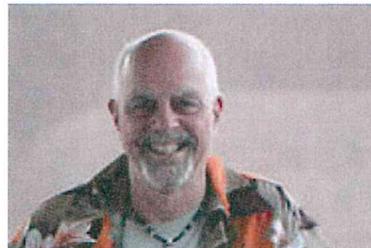


**CITY OF LANGLEY
DIRECTORY OF OFFICIALS
2017**

Elective Offices

Mayor Tim Callison

Term expires 12/31/2019



Bruce Allen

Seat #4

12/31/18

City Council Members



Rene Neff

Seat #1

12/31/17

Ursula Shoudy

Seat #2

12/31/18

Dominique Emerson

Seat #3

12/31/18



Thomas Gill

Seat #5

12/31/17

Appointed Officers

City Attorney

Mike Kenyon, Keyon Disend
Appointed 9/2016

Finance Director/City Clerk

Debbie Mahler
Consultant 3/1993, Appointed 1/1994

Director of Public Works

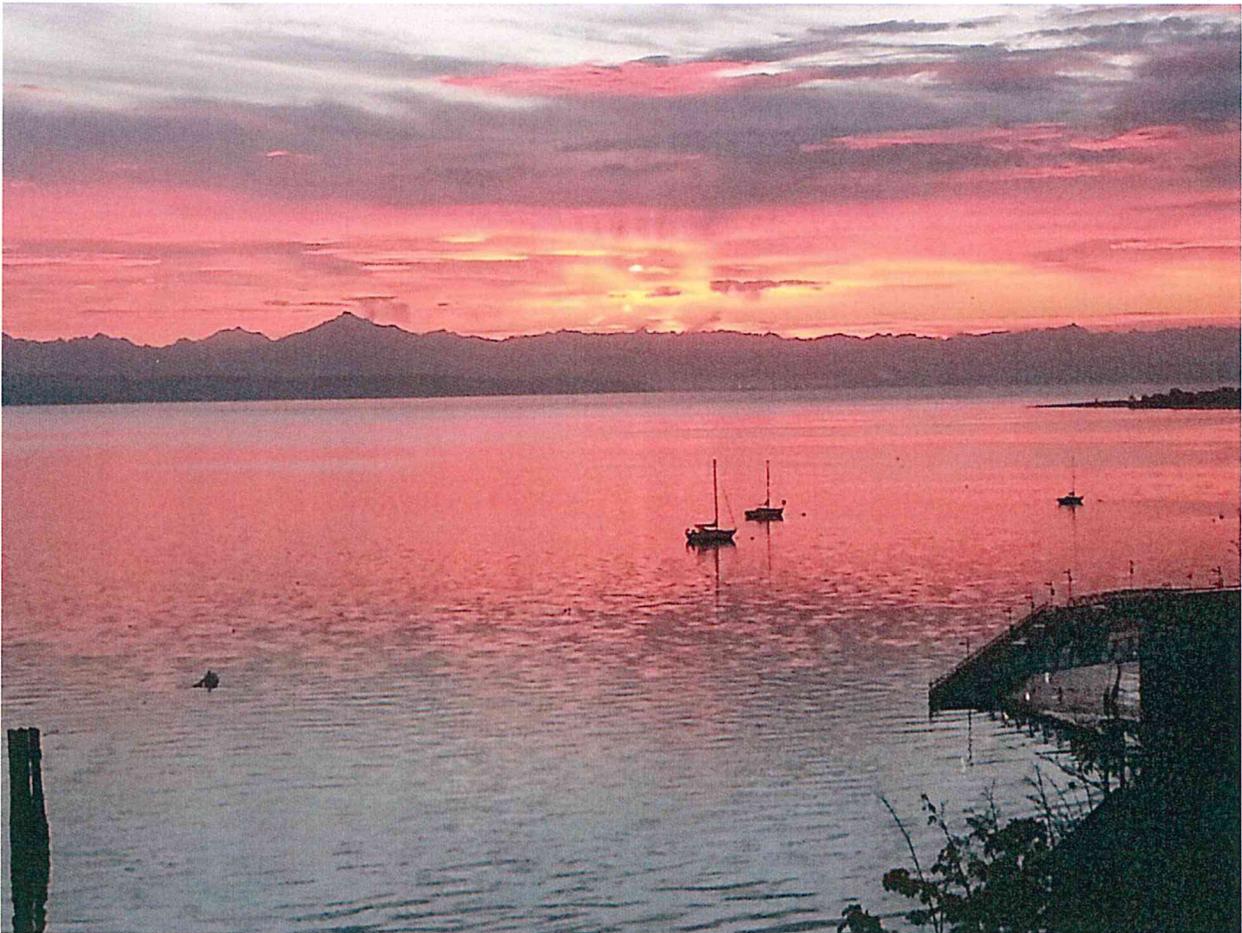
Stan Berryman
Appointed 12/2013

Community Planning Director

Brigid Reynolds
Appointed 4/2016

Chief of Police

Dave Marks
Appointed 8/2014



LANGLEY'S BEGINNINGS

Jacob Anthes left his home town of Gros Gerau, Germany at the age of 14 and crossed the Atlantic Ocean in hopes of finding adventure and to avoid registering for compulsory military service. A Seattle businessman hired the young man to sit on his tract of homestead land in what is now Langley, so that he could ratify the homestead rights. While living there Jacob Anthes explored all of South Whidbey on foot and decided on the Langley area for his home. He was too young to file his own homestead, so in 1881 he purchased 120 acres from John G. Phinney for \$100. He built a log house on the property and began cutting cordwood to supply the steamers in Saratoga Passage. He cleared several acres of land and grew vegetables and tons of potatoes which were sold to logging camps. When he turned 21 in 1886, he filed a homestead on 160 acres. In August of 1890 Anthes bought the tract that became the Town of Langley.

In the spring of 1890, Jacob Anthes succeeded in convincing several business men to form the Langley Land and Improvement Company. Later that year, Jacob conveyed his land, which now incorporates all of the waterfront business area of Langley, to the company and in April of 1891 the Improvement Company officially platted the Town of Langley which was named after the company president, Judge J.W. Langley of Seattle.

The company then built a dock at a cost of \$5,000 at what is now the intersection of First Street and Anthes. The dock extended 999 feet. Jacob Anthes then built a general store and post office

across the street from the dock. He constructed his own home next to the store and constructed a water system by tapping into a creek that ran down the hill past his home. Sternwheelers docked regularly to deliver mail and settlers to the area.

Hard economic times hit the south end of Whidbey Island and many families were leaving their farms. In 1894 after many severe storms, the dock broke up and the big boats stopped coming. Later, however, the Alaska Gold Rush and the development of Elliott Bay promoted an economic boom in the area. A school district was established in 1898 and a schoolhouse built to accommodate the children of the area. In 1899 a road district was also organized and the roads improved in the following years.

In 1902 the Improvement Company deeded all the property back to Anthes for \$3,000. Mr. Anthes built a new dock in the Wharf Street area. The new dock was U-shaped and had two driveways with a warehouse at the end in which to store freight.

Steamers and tugboats began to use Langley as a port and freight area once again. Business developed and a wide dirt road and a wooden plank sidewalk were built from the dock area up the bluff to the business center.

The dock changed ownership several times and many businesses came and went. In 1913 a group of citizens worked together to incorporate Langley into a self-governing fourth class town. The new town elected F.E. Furman as its first mayor. A fire engine was purchased and

a volunteer fire department started. An 8' x 8' jail was constructed with a lean-to on its side to house the fire engine.

It is believed, although not officially confirmed, that Langley was the first municipality in the nation to elect an all women mayor and council. This happened in December of 1919 just shortly after the 19th amendment giving women the right to vote was signed into law. Miss Helen Coe was elected mayor and the feminine council immediately set to work "cleaning up the town".

Langley became a code city in 1975, 62 years after first incorporating. Langley's fire department was when started in 1913, staffed completely by volunteers devoted to their community.

The fire department became a part of Fire District 3 in 1999 and is still staffed by volunteers. The streets are now paved and the business district considerably larger, yet Langley has never lost its rural, friendly flavor and its special way of life.

Langley celebrated it's centennial in 2013!



Jacob Anthes and family 1907



All women Council & Mayor elected 1919



Back row, L-R: Clara Brown, Lillian Wylie, Maggie McLeod, all-woman city government, Langley, Whidbey Island, 1920.

CITY BACKGROUND

The City of Langley is located on the southeast section of Whidbey Island. It is one of only three incorporated municipalities on Whidbey, the others being Oak Harbor and Coupeville. Langley is bounded by the waters of Puget Sound on the north. The waterfront extends from the westerly limits of the city for approximately one and one half miles to the eastern limits. Except for Wharf Street, which is level beach land, most of the topography is bluff waterfront. A concrete seawall was built in 1977 which extends for 1,065 feet and stabilizes the high bluff commercial property. This also created a waterfront park area.

There is a port owned small boat harbor and moorage at Wharf Street and also a small memorial park. The harbor provides transient moorage for passing boats in Saratoga Passage and winter moorage to resident boat owners. The Port of South Whidbey is working on improving and enlarging it along with Phil Simon Park and the boat ramp.

Langley has grown from the frontier village established by young Jacob Anthes in the 1890's to a city with all the modern amenities. The population has grown from a few settlers and families to 405 in 1950, 450 in 1960, 654 in 1980 and presently in 2016 a total population of 1,135.

The City has a library, sewer treatment plant, water system, storm drainage system and a city cemetery. Langley has its own Police Force and contracts municipal court services through Island County District

Court and fire suppression through Island County Fire District 3. The city's economy is based mostly on tourism, commercial and service activities. Major businesses included the Star Store, a grocery and mercantile; Nichols Brothers Boat Works; the Inn at Langley; Whidbey Island/Heritage and US Banks; Langley Middle School; about 40 retail shops; several restaurants and other inns and bed and breakfast facilities. Taxable retail sales within the city have grown from \$8,033,600 in 1988 to over thirty nine million currently.

POPULATION HISTORY

<u>Year</u>	<u>Population</u>
2000	970
2001	996
2002	1,005
2003	1,030
2004	1,045
2005	1,055
2006	1,060
2007	1,080
2008	1,100
2009	1035
2010	1045
2012	1055
2013	1065
2014	1070
2015	1100
2016	1135



MUNICIPAL BUDGETS

Budget Basics

Langley's budget consists of fourteen separate funds. These funds are for general government purposes, utilities, streets, tourism, the Cemetery, reserves (savings/capital accounts) and debt service. Each fund is by state law, a separate accounting entity. This means that each fund supports itself and cannot use the money of other funds except in payment for services. The only exception to this is the General Fund which can give money to the other funds. The law also requires (unlike the federal government) that the total budget and each fund be balanced so that revenues equal expenditures and cash balance. The budget includes both operating costs and the current year costs of capital projects, debt service and payments to city reserves.

The City's funds are made up of the following categories:

General Fund – This fund is the primary operating fund of the city. It accounts for all financial resources except those required or elected to be accounted for in another fund.

Special Revenue Funds – These funds account for revenues that are legally restricted or designated to finance particular activities of the city. (Street Fund, Cemetery Fund, Tourism Fund)

Debt Service Funds - These funds account for the accumulation of resources to pay principal, interest and related costs on general long-term debt.

Capital Funds – These funds account for financial resources which are designated for the acquisition or construction of general government capital projects.

Enterprise Funds – These funds account for operations that provide goods or services to the general public and are supported primarily through user charges similar to a private business enterprise. (Water, Sewer, Stormwater Funds) This also includes reserve or capital funds for enterprise fund capital/infrastructure improvements.

Private Purpose Trust Funds - These funds report all trust arrangements under which principal and income benefit individuals, private organizations or other governments. (Scott Memorial Fund)

The largest operating fund is the General Fund, which includes police, finance and administration, planning & building, city hall and the library building maintenance, parks, legal, emergency services and other general services. Most tax revenue collected by

the City goes into the General Fund. The General Fund is therefore the primary focus of the City Council during the budget process.

Revenue

The revenues received by cities fall into the following categories:

TAXES – The City only has the right to assess taxes legally authorized by the state legislature. Many people have the perception that the city can create new tax sources when additional revenue is needed. That could not be farther from the truth. Following are the tax sources legally available to the city:

- Admissions tax – a maximum of 5% tax paid for admission to a place or event. The tax may apply to season tickets, cover charges, charges for the use of recreational facilities and equipment, movie tickets, etc. Businesses who charge admissions for events must include the tax in the purchase price of tickets and report the tax to the city. Langley does not currently have an admissions tax.
- Property/Ad Valorem tax - Revenue derived from taxes on the assessed value of real property including land, buildings and improvements and the assessed value of personal property. Property tax is levied based on the full market value of property as determined by the Island County Assessor annually. The County Treasurer's office is responsible for billing and collecting the tax. In 2005 the citizens of Langley voted to lift the levy lid from the 2005 rate of \$1.04 cents per \$1,000 of property valuation to \$1.83 for taxes collected in 2006. Because the overall amount of the property tax levy may be increased by no more than one percent, when assessed value rises, the levy rate per \$1,000 of assessed value decreases. The 2012 levy rate was \$1.51, the 2013 rate was \$1.60. The rate for 2014 was \$1.67 and \$1.69 in 2015. The 2016 levy rate was \$1.63.
- B & O (Business and Occupation) taxes. Langley has a business license program, but no B & O Tax. These taxes are levied on businesses based on a percentage of gross receipts. Any new B & O tax would require voter approval.
- Sales and Use tax. Revenues distributed by the State for the City's share of taxes imposed upon the sale and consumption of goods and services within the city. When \$100 worth of goods is purchased within the city limits, sales tax of \$8.70 is charged. Of that \$8.70, the City receives \$0.85.
- Criminal Justice Sales Tax. An additional local sales/use tax of 0.1 percent for criminal justice programs. This tax may be levied only by counties, although the receipts are shared with cities. 10 percent goes to the county and the remaining 90 percent is apportioned to the county and cities within the county on a per capita basis. The City currently receives about \$8,000 per year from this.

- Gambling Taxes. This is a tax on the gross receipts derived by operators of gambling activities, including punchboards, pull tabs, bingo, raffles, amusement games, and social card games. Langley does not levy this tax.
- Hotel/Motel taxes. This is a consumer tax on lodging charges for periods of less than 30 consecutive days for hotels, motels, rooming houses, private campgrounds, RV parks, and similar facilities. The tax is paid to the State and then distributed to the Cities and Counties that levy the tax. Langley's Tourism Fund received \$136,218 from this tax last year (2015) and 2016 revenues will be higher. These funds are used solely for the purpose of paying all or any part of the cost of tourism promotion and acquisition of tourism related facilities.
- Leasehold Excise tax. The State levies a tax of 12.84 percent on private leases of public property. Cities and counties may levy a local tax on public property within their jurisdictions (city maximum is 4%), thus reducing the state rate. Langley received \$7,202 from this source in 2015.
- Real Estate Excise tax. The State of Washington is authorized to levy a real estate excise tax on all sales of real estate, measured by the full selling price, including the amount of any liens, mortgages and other debts given to secure the purchase at a rate of 1.28 percent. All cities and counties may levy a quarter percent tax (described as "the first quarter percent of the real estate excise tax" or "REET 1. Cities and counties that are planning under GMA have the authority to levy a second quarter percent tax (REET 2). REET 1 taxes can be spent on any capital purpose identified in a capital improvement (CIP) plan. REET 2 taxes can be spent on public works projects of a local government for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems, and planning, construction, reconstruction, repair, rehabilitation, or improvement of parks. Langley levies both REET 1 & 2. In 2015 Langley received a total of \$62,038.
- Utility taxes. This is a 6% tax on electric utilities, water, sewer, garbage, cable tv, and telephone services. This is the City's third largest revenue behind property and sales tax.

LICENSES and PERMITS - License and permit fees are designed to cover the cost of administration, inspections and services for those occupations, trades and activities which are regulated by city ordinance. The following fees are collected: Business Licenses; Building Permits; Dog Licenses, Temporary vendors and contractor licensing; and Franchise fees.

INTERGOVERNMENTAL REVENUES - Grants, entitlements, shared revenues and payments for goods and services provided by one governmental entity to another. This includes grants, criminal justice funds, liquor excise taxes and state liquor profits.

CHARGES for GOODS and SERVICES - Fees charged for the purchase of goods or services from the city such as: fees for accepting and depositing PSE payments, processing passport applications, copy/fax fees, building plan check fees, zoning and subdivision and other land use fees. Water, Sewer and Stormwater charges and inspection fees in the utility funds.

FINES and PENALTIES – Fines and penalties imposed from traffic and non-traffic citations.

RENTS – Income received from the rental of city property (fire hall, visitor center).

OTHER FINANCING SOURCES – Operating transfers and/or cost allocations in payment for services from one fund to another.

Expenditures

Expenditures in the utility funds are for the purpose of operation, maintenance and improvement of the utility, including staff salaries and other administrative costs. Capital Reserve funds are savings accounts that accumulate and spend dollars on capital or infrastructure improvements. The Cemetery fund pays the expenses of operation and maintenance for the Cemetery. The Tourism fund spends lodging taxes to promote tourism within the City. The Public Works Vehicle and Equipment fund is used to replace vehicles and equipment for the Street and utility funds. The Street fund expenditures are for the maintenance, operation and improvement of streets, sidewalks, and right-of-ways including street lights, parking lots, signage and traffic control devices.

The General Fund is the multi-purpose fund that pays the expenses of most governmental operations. It contains the following departments:

LEGISLATIVE - The City Council is the legislative arm of the City's government. The Council grants franchises; sets policies; approves ordinances and resolutions; approves the annual budget and the monthly city expenditures; set rates and fees and make the final decisions on annexation, zoning, and other land use issues. The expenditures for this department cover the monthly council stipends; training; voter registration and election costs. This also covers the costs of codification of the municipal code.

ADMINISTRATION - The Mayor is the chief executive officer whose duties include: presiding over all meetings and hearings of the Council; signing and enforcing all ordinances, resolutions and contracts passed by the Council; and appointment and supervision of all City officers and employees. The Mayor represents the City at all public functions and serves on various boards and committees within the region. The expenses for administration pay for the Mayor's salary; a recognition program; training and travel; and office supplies.

MUNICIPAL COURT - The Island County District Court is contracted to provide municipal court services for the City. The costs include court services; judicial services; prosecuting attorney services and public defender costs.

FINANCE AND RECORDS - The Finance and Records office provides assistance to the Legislative body and to other city departments in accomplishing their duties. The department oversees and directs all finance functions including cash management; debt management; preparation, implementation and administration of the budget; financial reporting; accounts payable and receivable; utility billing; cashiering; banking and investment of city funds; and payroll. The Finance & Records department also provides reception; maintains all city records and manages public disclosure issues; issues permits and licenses; and codification of city ordinances. This department also manages all insurance issues and legal claims and passport applications. The expenses are salaries and benefits for three employees and a part time assistant/fill-in person; training; office equipment leases; and the costs of state audit.

LEGAL SERVICES - The City contracts for legal services with Mike Kenyon and his firm, Kenyon Disend. The City attorney reviews all ordinances and contracts, reviews council packets and issues before the legislative body and gives legal advice to all departments. Costs for this service can vary greatly from year to year depending on the complexity of issues the City is facing.

GENERAL GOVERNMENT SERVICES - Most general government expenses are paid from this category. It covers association dues; office supplies; postage; internet, phone and city hall utilities; equipment leases; liability and risk management insurance; publications and legals.

EQUIPMENT AND TECHNOLOGY - This category covers the costs of computers; office equipment; furniture; software; support for city financial and utility billing software; and repair and maintenance of equipment; and the cost of the city website and its maintenance.

CIVIL SERVICE - By law, all jurisdictions which employ three or more full-time police officers must have a civil service commission. The commission does testing and interviewing of potential new officers and hears discipline and termination appeals. The three member commission is staffed by volunteers. Costs are for testing supplies and advertising.

POLICE DEPARTMENT - The Langley Police Department (LPD) provides public safety service to Langley's residents and visitors 24 hours a day, seven days a week, 365 days a year. Service requests can range from minor animal complaints to emergencies involving crimes of violence. All contacts with citizens are made with a community oriented approach to foster positive interaction even with those who receive enforcement action.

Our officers are responsible for maintaining public order, regulating and patrolling traffic, as well as working with both residents and business owners to prevent and deter crime. Officers investigate crimes and apprehend offenders for crimes committed in the City of Langley. Langley's Police Department consists of the Chief and two officers at present with several reserve officers. Langley's fourth officer was replaced in early 2013, but employment changes have brought it back to a three person department. The City hired a fourth officer who will graduate from the police academy before the end of 2016. Expenses in this department cover wages, overtime and benefits, reserve and clerical wages (8 hours per week); fuel and vehicle maintenance; supplies and printing; required training; phone service; equipment and uniforms.

DISPATCH & COMMUNICATIONS - Emergency dispatch services are provided by a contract with I-COM (Island County Emergency Services Communications Center). The cost of Spillman (state wide police data service); radio services; and State Patrol LEARN services.

PHYSICAL ENVIRONMENT - This category covers the dues paid to the NW Clean Air Agency; City building maintenance and repair; and facility supplies.

ECONOMIC DEVELOPMENT - This pays for the support of Main Street and other economic development activities.

PLANNING AND DEVELOPMENT - The Planning Department performs all regulatory functions required to implement the Comprehensive Plan, Zoning Code, Subdivision Ordinance, Critical Areas ordinance, State Environmental Policy Act (SEPA), and Shoreline Master Program. Planning also does permit and development review, provides public information about development policies and regulations, enforces development codes, and provides staff support to the Hearing Examiner, Design Review Board and City Council. Expenses budgeted cover the salary and benefits of the Planner, planning interns, for services performed by the Building Official (Permit and Plan Review is conducted to ensure code compliance with the International Fire, Building, Residential, Plumbing, Mechanical Codes, Flood Hazard, and other codes associated with energy, electrical, fuel and other construction and development codes as adopted in the Langley Municipal Code. The Building Official also issues occupancy permits, answers the public's questions regarding building codes and regulations and ensures safety in all new or remodeled buildings and structures) and clerical wages (8 hours per week performed by the Clerk's office); in addition to supplies; telephone; training & travel; and professional and contract services.

LIBRARY - The library and its grounds are owned and maintained by the City. As of January 2012, the City of Langley became a part of the Sno-Isle Library District and no

longer pays a contract fee to the Sno-Isle Regional Library System. Instead, administration of the library service is paid by property taxes collected directly by Sno-Isle. Expenses cover landscaping maintenance and building maintenance and repair. Some capital improvements to the facility may be budgeted in the Capital Reserve Fund.

PARKS DEPARTMENT - The purpose of the parks department is to provide the citizens and visitors of Langley with safe and aesthetically pleasing parks and open spaces where they can enjoy the natural beauty of Saratoga Passage and the surrounding area. The City now owns six parks. Expenditures for this department consist of garden maintenance and mowing, park supplies and repairs, electrical lighting and garbage collection provided by the Public Works Department; tree trimming, open space maintenance, and waste disposal.

DEBT SERVICE - This category pays the debt service for municipal bonds. This year be the last payment on the City Hall/Library Bonds and begins the repayment of the bond for Second Street construction.

TRANSFERS OUT - The majority of this is a transfer to the Street Fund of a portion of property tax. There is also a budgeted transfer to reserves to cover accumulated employee benefits and beginning in 2017 at transfer of \$5,000 to Capital reserve to begin an emergency preparedness contingency.

Development of the Budget

The municipal budget process serves a variety of functions. The annual budget is the city's statement of policy, objectives and operations, and the fiscal plan to carry them out. It should outline the efficient use of available community resources by the city to accomplish its goals and realize its visions. The city budget is the single most important communication tool available to describe the policies, operations and fiscal planning to the community it serves.

As with most Washington cities, Langley uses the State Auditor's BARS (Budget, Accounting, & Reporting System) structure for our budgeting and accounting. The BARS system provides for a consistent chart of accounts between all Washington cities, so that the accounting records of one city are comparable to those of another. In this structure, a series of funds, departments, activities classified by their type (police, legal, engineering, etc.), basic accounts (supplies, capital projects, salaries, etc.), and sub accounts (postage, office supplies, training, etc.) are used to organize a chart of accounts. The BARS chart of accounts is used by the departments to prepare their budget requests by identifying the line items from which they expect to expend moneys, the departments those line items relate to, and the function that will be supported by those expenditures.

In preparing the budget, many things must be taken into consideration. The budget is comprised of estimates and predictions about the future that are based on the past.

To make those forecasts and the distributions of those expected resources reliable, it is important to have good historical information. Past levels of revenue and expenditures by type and source must be known, and the causes of any variations in the data. Variations or changes not clearly identified can result in unreliable trends.

These irregularities can be due to a number of reasons, such as changes in tax rates or fees, large one-time construction projects, annexation, or other significant events. Trends in revenue sources are based on business and economic data, construction activity, retail sales, tourism activity, employment rates and several other factors. Expenditure estimates are based upon fixed costs (rents, leases, set assessments and contractual commitments), and estimated costs based on past trends and other economic information.

Once all the estimates and projections are made, the difficult job of balancing the budget begins. Utility funds and other like funds are easier to balance because they have dedicated revenue sources and are usually self-supporting (i.e. water dept. expenses are funded through user fees and permits). The general fund and other closely related funds such as the street fund, are another matter. This is where scarce resources must be allocated to meet many different needs of the community. Balancing the budget often means reducing appropriation requests which must be accomplished while still delivering the projected level of service, coming up with innovative plans for delivery of services, searching for new revenue sources or attempting to maximize those sources available. In some instances taxes or fees must be raised to meet the service demands.

The economy has been slowly recovering from the recession and revenue trends in 2014 have been on the upswing. We hope that the revenue picture continues to improve, but that is not a given at this time. In 2008, the City received the highest revenues in its history which pattern continued in the first half of 2009. Then in the second half of the year, revenues declined drastically, deep budget cuts were made, and employees laid off and wages reduced. It took interfund loans to have a small positive balance in the General Fund at year end. The Council established a goal of a minimum 10-15% of fund cash carryover in each fund to provide sufficient cash flow and cover any unbudgeted emergency. The General Fund requires that much balance to keep a positive balance in the first part of the year. One of the largest sources of revenue to the General Fund is property taxes. Taxes are not due until the end of April, and the City receives them in May and June. Yet in the first month of the year, the City pays many annual expenses that are quite large. It is also important that the City build its reserves to cover any catastrophes or emergencies.

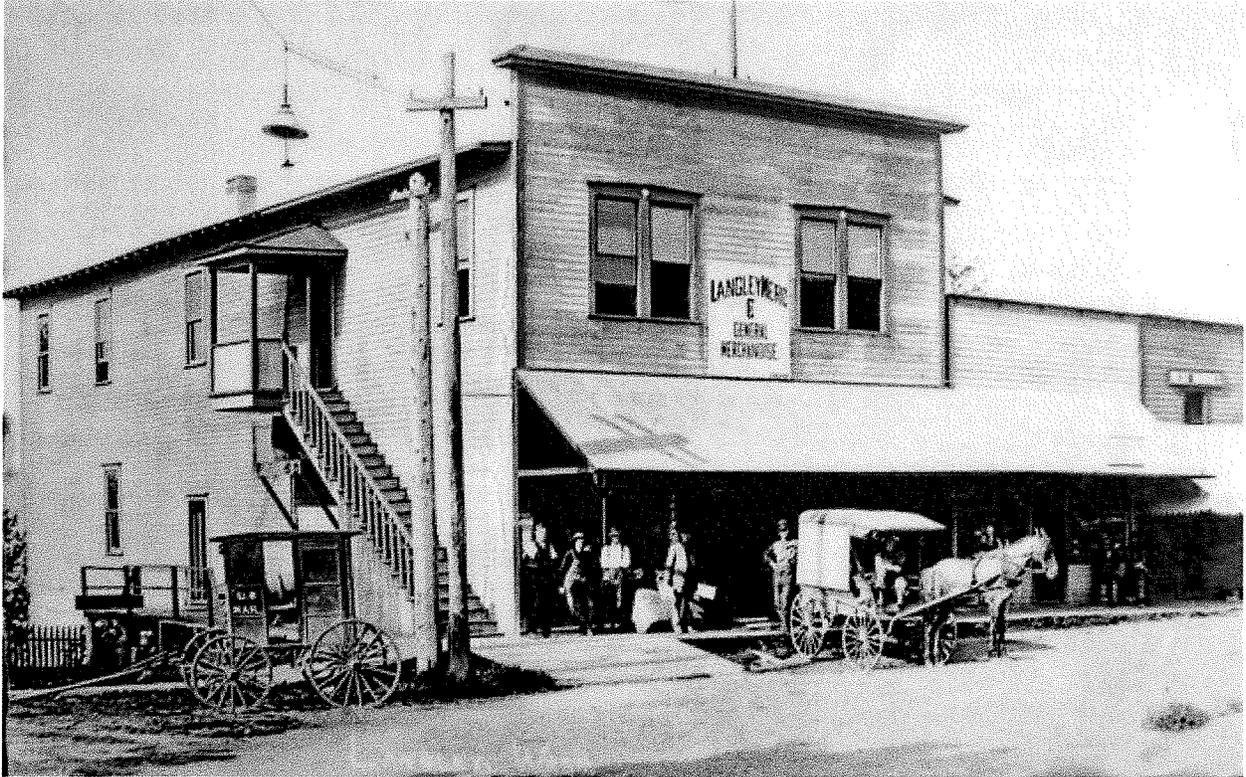
Review And Modification Of The Budget After Adoption

The budget is an on-going process, not a static document. Implementation of the budget is very important. It is virtually impossible to end the budget year with revenues exactly matching the projections and expenditures right on budget. It is an estimate and in some cases, just an educated guess. The budget must be monitored throughout the year. Are revenues coming in as expected? Are the projects that were planned being done or was its impact different than expected? Were new plans made or did unforeseen or emergent situations come up? Staff changes can also affect the budget. State law requires that expenditures not exceed appropriations at the fund level. Line items within each fund may be raised or lowered so long as the total fund is not over budget. The Department heads have discretion over the line items of their department's budget, but must be accountable to the policy makers (City Council) for service delivery consistent with city policies and goals.

The budget can and in many cases, should be modified during the year. These changes are referred to as budget amendments. This must be done in much the same process as the original budget adoption and requires an amending ordinance which states the reasons for the change, the amounts and the total of the amended budget. The Finance department monitors revenues and expenditures throughout the year and prepares monthly reports and reviews of finances for the City Council. The Council is made aware of any irregularities or over/under budget items, so that amendments can be made if needed.

The challenge of providing for the ever changing needs of our unique community is ongoing, and therefore so is the budget process. No sooner do we develop a budget, adopt it and begin monitoring and implementing it, or modifying the budget if necessary, than it is time to start the process all over again. The budget cycle is continuous. One year's budget is the starting point for the next year's budget. It is therefore essential that our citizens not only listen, but actively participate in the budget process, making their needs and desires known to the policy makers of our city.

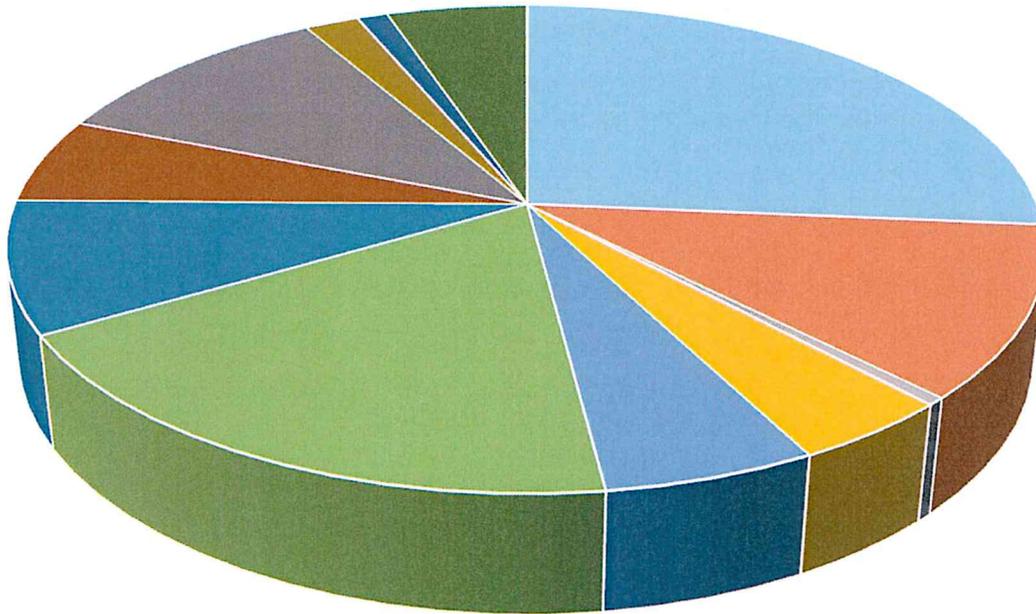
The Doghouse – 1913



Doghouse – Current times

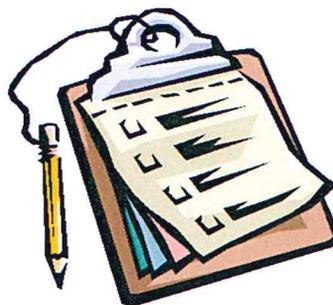
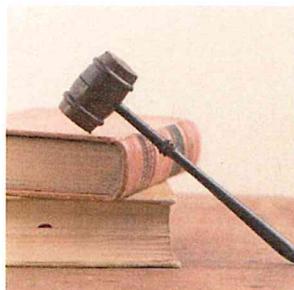
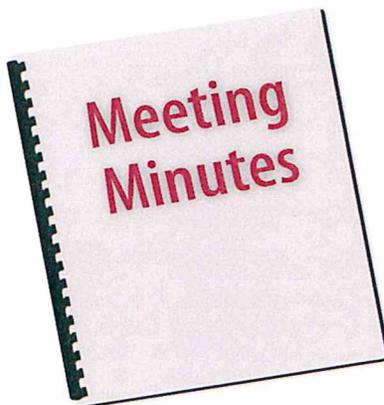


City of Langley 2017 Budget by Fund

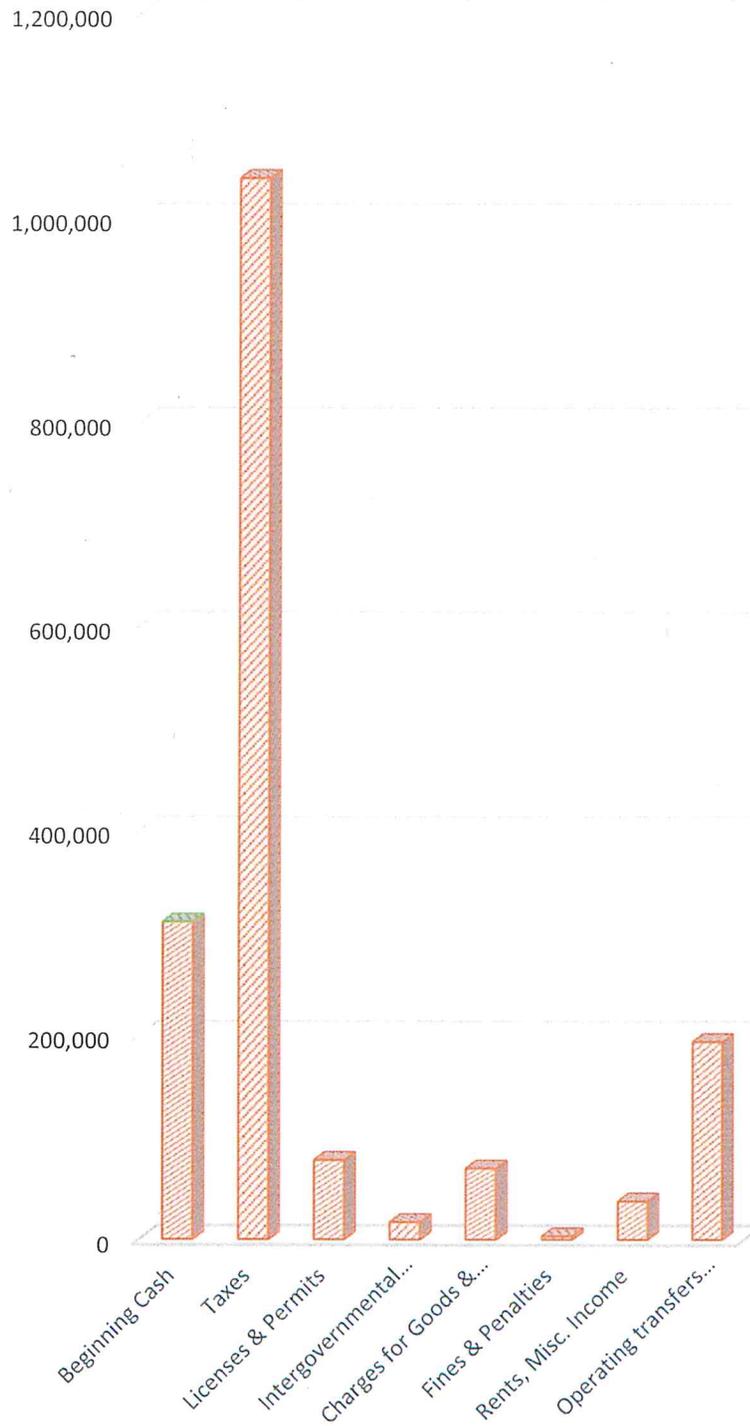


- | | | | |
|-----------------------|----------------------|----------------------|-------------------|
| ■ General Fund | ■ Street Fund | ■ Cemetery Fund | ■ Tourism Fund |
| ■ Capital Reserve | ■ Water Fund | ■ Sewer Fund | ■ Stormwater Fund |
| ■ Water Reserve | ■ PW Vehicle & Equip | ■ Stormwater Reserve | ■ Sewer Reserve |
| ■ Scott Memorial Fund | | | |

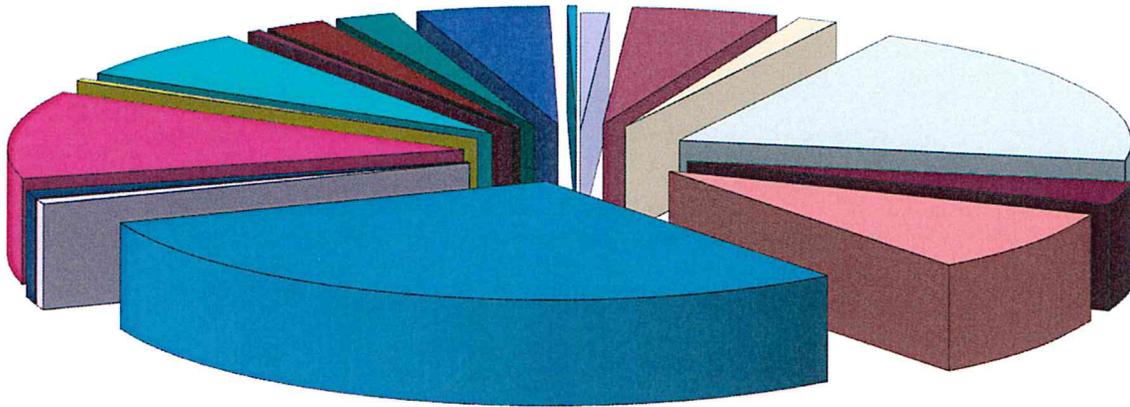
THE GENERAL FUND



GENERAL FUND REVENUE SOURCES



2017 General Fund Budget Expenditures



- | | |
|--|--|
| <input type="checkbox"/> Legislative | <input type="checkbox"/> Executive |
| <input type="checkbox"/> Court | <input type="checkbox"/> Finance/Records |
| <input type="checkbox"/> Legal | <input type="checkbox"/> General Govt |
| <input type="checkbox"/> Public Safety | <input type="checkbox"/> Physical Environ |
| <input type="checkbox"/> Economic development | <input type="checkbox"/> Planning/Building |
| <input type="checkbox"/> Library | <input type="checkbox"/> Parks |
| <input type="checkbox"/> Community Services | <input type="checkbox"/> Debt Service |
| <input type="checkbox"/> Equip/software, etc | <input type="checkbox"/> Streets |
| <input type="checkbox"/> Emp Cash out Reserve transfer | |

SALES AND PROPERTY TAX REVENUES

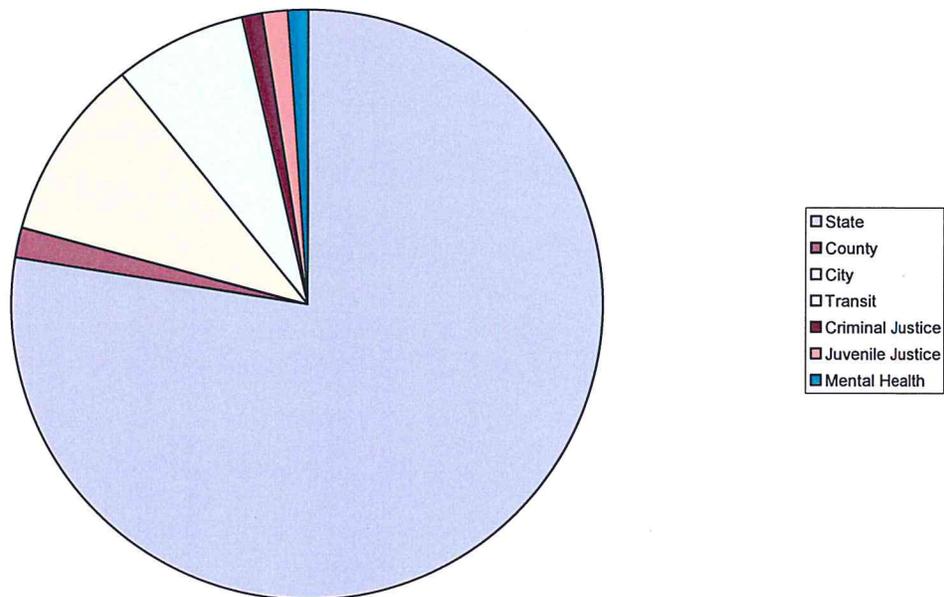
Sales Tax

The State of Washington collects the 8.7% sales tax paid to merchants and vendors who do business within the City of Langley and distributes the City's portion back to the City on a monthly basis. All sales tax is accounted for in the General Fund and promotes general fund programs.

For every \$100 of goods or services purchased in the City, a sales tax of \$8.70 is paid. Of that amount the City of Langley receives \$0.85. The tax is distributed as follows:

Mental Health	\$0.10
State	\$6.50
Transit	\$0.90
Criminal Justice	\$0.10
City of Langley	\$0.85
Island County	\$0.15
Juvenile Justice	\$0.10

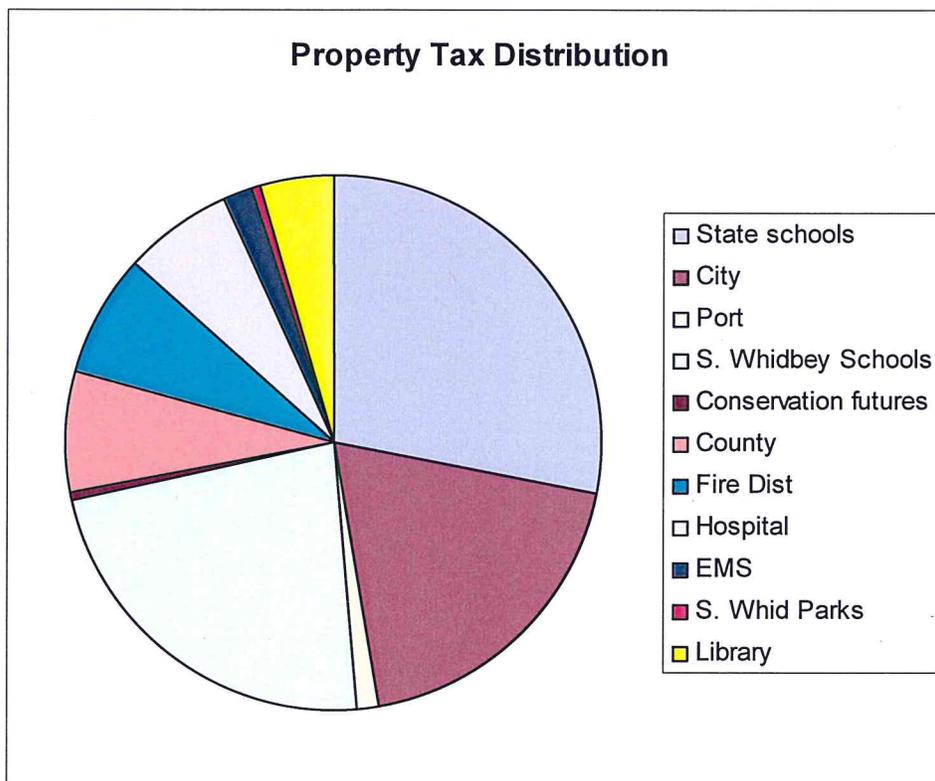
Distribution of Sales Tax



Out of the 282 cities in this state, Langley ranked (2012) 36th in amount of sales tax per capita (\$16,235). That is up from 2011 when Langley ranked 48th with \$11,802 per capita. 2012 is the most recent year state wide figures are available. The State wide per capita sales tax is \$4,436.

Property Tax

The Island County Treasurer collects the property tax levied by the City of Langley and remits it to the City on a monthly basis as collected. The property tax is recorded in the General Fund. City Council set a policy in 2005 when the City's levy lid lift was approved by the voters that a portion of property tax would be transferred to the Street Fund to support street construction and maintenance. The remainder of the property tax supports General Fund programs. As with Sales taxes, the majority of the property tax paid by our residents does not go to the City. In 2016, Langley residents paid a tax of \$8.45 per thousand dollars of assessed valuation. Of that amount, the City of Langley received \$1.63. The following chart shows how property tax is distributed.



2017 Draft Preliminary budget

Account Number	Description	Actual	Budget	Actual	Budget
		2015	2016	2016 year to date	2017
GENERAL FUND					
001-000-000-308-80-00-00	Beginning Balance	\$396,999.50	\$344,197.00	\$385,531.81	\$310,393.00
	Total	\$396,999.50	\$344,197.00	\$385,531.81	\$310,393.00
	Taxes				
001-000-000-311-10-00-00	Property Tax	\$397,605.73	\$408,094.00	\$240,284.36	\$416,732.00
001-000-000-313-11-00-00	Sales Tax	\$335,644.30	\$322,401.00	\$260,137.63	\$342,193.00
001-000-000-313-71-00-00	Sales Tax/Crim. Just. Funds	\$10,896.21	\$10,430.00	\$9,246.66	\$11,900.00
001-000-000-316-41-00-00	Utility Tax/Electric	\$45,282.48	\$76,777.00	\$38,595.66	\$68,163.00
001-000-000-316-45-00-00	Utility Tax/Solid Waste	\$10,919.68	\$9,780.00	\$9,402.59	\$10,370.00
001-000-000-316-46-00-01	Utility Tax/Cable	\$16,819.61	\$18,508.00	\$15,888.65	\$20,972.00
001-000-000-316-47-00-00	Utility Tax/Phone	\$27,938.90	\$31,533.00	\$22,418.97	\$31,950.00
001-000-000-316-48-00-58	Utility Tax/City Utilities	\$89,358.82	\$69,228.00	\$79,979.91	\$92,125.00
001-000-000-317-20-00-00	Leasehold Excise Tax	\$9,467.03	\$10,050.00	\$5,988.78	\$8,982.00
001-000-000-318-35-00-00	Real Estate Excise Tax	\$46,141.39	\$36,023.00	\$27,622.28	\$35,094.00
	Total	\$990,074.15	\$992,824.00	\$709,565.49	\$1,038,481.00
	Licenses & Permits				
001-000-000-321-91-00-00	Franchise Fees	\$14,016.70	\$15,904.00	\$6,737.54	\$13,470.00
001-000-000-321-99-00-00	Business Licenses/Permits	\$23,312.72	\$22,000.00	\$3,243.75	\$22,125.00
001-000-000-321-99-00-01	Temp & Contract. Bus. Licenses	\$4,780.00	\$6,485.00	\$2,715.00	\$2,480.00
001-000-000-322-10-00-00	Building/Mechanical Permits	\$40,062.22	\$32,102.00	\$41,614.42	\$38,000.00
001-000-000-322-30-00-00	Animal Licenses	\$189.42	\$180.00	\$162.00	\$180.00
001-000-000-322-90-00-00	Non-Business Licenses/Permits	\$1,505.00	\$1,700.00	\$1,555.00	\$1,806.00
	Total	\$83,866.06	\$78,371.00	\$56,027.71	\$78,061.00
	Intergovernmental Revenues				
001-000-000-333-97-00-00	Homeland Safety Grant/LPD	\$0.00	\$0.00	\$670.50	\$0.00
001-000-000-334-03-10-00	DOE Shoreline Grant	\$0.00	\$0.00	\$0.00	\$0.00
001-000-000-334-03-20-00	State Growth Management	\$4,000.00	\$0.00	\$4,500.00	0

Account Number	Description	Actual	Budget	Actual	Budget
		2015	2016	2016 year to date	2017
001-000-000-334-04-20-00	Energy grant - library	\$4,500.00	\$0.00	\$0.00	\$0.00
001-000-000-336-06-21-00	Crim. Justice Funds/Population	\$1,000.00	\$1,000.00	\$1,019.80	\$1,000.00
001-000-000-336-06-26-00	Crim. Justice Funds/Prog's 1-3	\$1,052.48	\$1,176.00	\$552.79	\$1,080.00
001-000-000-336-06-51-00	DUI/Other Crim. Justice Assist.	\$162.85	\$185.00	\$128.77	\$125.00
001-000-000-336-06-94-00	Liquor Excise	\$2,926.73	\$4,873.00	\$3,785.22	\$5,300.00
001-000-000-336-06-95-00	Liquor Profits	\$9,419.47	\$9,741.00	\$7,108.89	\$9,591.00
001-000-000-337-00-00-00	In Lieu Prop. Taxes/Brookhaven	\$90.89	\$0.00	\$0.00	\$0.00
	Total	\$23,152.42	\$16,975.00	\$17,765.97	\$17,096.00
	Charges for Goods & Services				
001-000-000-341-43-00-00	Budget & Accounting Services	\$4,800.00	\$4,800.00	\$3,600.00	\$4,800.00
001-000-000-341-43-00-01	NSF Fees	\$20.00	\$50.00	\$0.00	\$50.00
001-000-000-341-91-00-00	Elections/Voter registration fees	\$1,645.96	\$1,650.00	\$0.00	\$1,650.00
001-000-000-341-97-00-00	Employee Benefit Contributions	\$8,738.35	\$10,001.00	\$18,212.91	\$20,740.00
001-000-000-341-81-00-00	Copies/Duplication/Fax	\$215.75	\$150.00	\$82.60	\$100.00
001-000-000-341-99-00-00	Passport/Naturalization Fees	\$6,850.00	\$5,800.00	\$6,200.00	\$6,650.00
001-000-000-342-10-00-00	Law Enforcement	\$25.00	\$50.00	\$0.00	\$50.00
001-000-000-345-70-00-00	Way Finding Sign display fee	\$639.68	\$15,000.00	\$0.00	\$0.00
001-000-000-345-83-00-00	Plan Checking Fees	\$23,035.23	\$18,000.00	\$21,338.91	\$25,750.00
001-000-000-345-89-00-00	Planning/Dev Fees & Charges	\$10,560.00	\$6,500.00	\$9,592.08	\$8,800.00
001-000-000-347-90-00-00	Vendor display charge	\$1,380.00	\$1,500.00	\$0.00	\$1,350.00
	Total	\$57,909.97	\$63,501.00	\$59,026.50	\$69,940.00
	Fines & Penalties				
001-000-000-353-10-00-00	Traffic Infractions	\$1,898.36	\$2,480.00	\$1,274.40	\$1,949.00
001-000-000-353-70-00-00	Non-Traffic Infractions	\$85.63	\$50.00	\$125.98	\$140.00
001-000-000-354-00-00-00	Parking	\$993.45	\$700.00	\$187.00	\$560.00
001-000-000-355-20-00-00	DUI	\$203.21	\$1,000.00	\$200.26	\$240.00
001-000-000-355-80-00-00	Criminal Traffic	\$332.11	\$300.00	\$267.06	\$300.00
001-000-000-356-90-00-00	Non-Traffic Criminal	\$0.00	\$0.00	\$0.00	\$0.00
001-000-000-359-90-00-00	Non-Crt. Misc. Fines/Penalties	\$168.00	\$150.00	\$0.00	\$150.00
	Total	\$3,680.76	\$4,680.00	\$2,054.70	\$3,339.00

Account Number	Description	Actual	Budget	Actual	Budget
		2015	2016	2016 year to date	2017
	Miscellaneous Revenue				
001-000-000-361-11-00-00	Interest Earned	\$705.39	\$661.00	\$778.88	\$826.00
001-000-000-361-40-01-00	Interest/Municipal Court	\$397.66	\$217.00	\$29.75	\$83.00
001-000-000-362-50-00-01	VIC Rent	\$6,900.00	\$6,900.00	\$5,400.00	\$7,500.00
001-000-000-362-60-00-00	Rent - Fire Hall	\$28,636.00	\$28,836.00	\$22,512.59	\$28,836.00
001-000-000-367-00-00-00	Contributions/Donations	(\$1,175.29)	\$100.00	\$0.00	\$100.00
001-000-000-369-10-00-00	Sale of Surplus Property	\$1,167.50	\$300.00	\$0.00	\$100.00
001-000-000-367-00-00-08	Public arts donations	\$0.00	\$0.00	\$1,100.00	\$100.00
001-000-000-369-80-00-00	Other Misc'l Revenue/Minor Adj's	\$1.25	\$100.00	\$5.00	\$100.00
	Total	\$36,632.51	\$37,114.00	\$29,826.22	\$37,645.00
	Non-Revenues				
001-000-000-386-97-00-00	Court/JIS-Trauma-Sch. Zn. Safety	\$158.25	\$225.00	\$105.18	\$125.00
001-000-000-389-00-00-02	Refunds/Reimbursements	\$570.00	\$0.00	\$0.00	\$0.00
	Total	\$728.25	\$225.00	\$105.18	\$125.00
	Transfers In				
001-000-000-397-00-00-00	Operating Transfer - Cemetery	\$2,603.97	\$2,600.00	\$0.00	\$3,200.00
001-000-000-397-00-00-01	Transfer In	\$0.00	\$0.00	\$0.00	
001-000-000-397-00-00-03	Operating Transfer - Water/401	\$63,450.00	\$63,450.00	\$31,725.00	\$63,450.00
001-000-000-397-00-00-04	Operating Transfer - Sewer/402	\$72,487.00	\$72,487.00	\$36,243.50	\$72,487.00
001-000-000-397-00-00-05	Operating Transfer - St's/101	\$18,825.00	\$18,825.00	\$9,412.50	\$18,825.00
001-000-000-397-00-00-07	Operating Transfer - Storm 403	\$36,142.00	\$36,142.00	\$18,071.00	\$36,142.00
	Total	\$193,507.97	\$193,504.00	\$95,452.00	\$194,104.00
	Fund Total	\$1,786,551.59	\$1,731,391.00	\$1,355,355.58	\$1,749,184.00

2017 Draft Preliminary Budget

Account Number	Description	Actual	Budget	Actual	Budget
		2015	2016	2016	2017
GENERAL FUND					
001-000-000-508-80-00-00	Ending fund balance	\$385,531.81	\$289,090.00		\$211,022.00
	Total	\$385,531.81	\$289,090.00	\$0.00	\$211,022.00
	Legislative				
001-000-000-511-30-31-00	Codification expenses	\$2,031.35	\$5,000.00	\$2,152.19	\$5,000.00
001-000-000-511-60-10-00	Council Services	\$3,000.00	\$3,000.00	\$2,200.00	\$3,000.00
001-000-000-511-60-40-00	Training/Travel - Council	\$335.00	\$500.00	\$213.28	\$500.00
001-000-000-514-40-51-00	Voter Registration	\$1,614.10	\$1,580.00	\$1,568.06	\$1,570.00
001-000-000-514-70-40-50	Election Costs	\$1,499.71	\$500.00	\$414.72	\$1,500.00
001-000-000-514-78-49-00	Paymts To Claimants & Beneficiaries	\$1,000.00	\$0.00	\$0.00	\$0.00
001-000-000-518-20-53-00	Leasehold excise tax	\$3,702.56	\$6,250.00	\$2,778.28	\$3,800.00
	Total	\$13,182.72	\$16,830.00	\$9,326.53	\$15,370.00
	Administration				
001-000-010-513-10-10-00	Mayor's Wages	\$53,000.16	\$55,000.00	\$38,958.39	\$55,000.00
001-000-010-513-10-20-00	Mayor - Benefits	\$13,575.22	\$14,767.00	\$15,530.04	\$21,535.00
001-000-010-513-10-31-00	Office/operational Supplies	\$209.01	\$1,000.00	\$24.98	\$500.00
001-000-010-513-10-31-01	Historic plaques	\$0.00	\$1,000.00	\$76.09	\$500.00
001-000-010-513-10-40-00	Training/travel - Mayor-Admin.	\$2,208.98	\$2,000.00	\$791.95	\$1,000.00
001-000-010-513-10-49-00	Miscellaneous	\$25.96	\$500.00	\$165.96	\$500.00
001-000-010-517-90-30-00	Recognition program	\$469.46	\$1,000.00	\$73.92	\$500.00
001-000-010-552-30-00-01	Social media training	\$75.00	\$3,000.00	\$0.00	\$0.00
001-000-010-558-70-40-00	Economic development projects	\$10.99	\$10,000.00	\$104.81	\$0.00
	Total	\$69,574.78	\$88,267.00	\$55,726.14	\$79,535.00
	Municipal Court				
001-000-020-512-50-31-00	Supplies	\$0.00	\$50.00	\$63.48	\$0.00
001-000-020-512-50-40-00	Isl CO Dist Crt/lmc Services	\$16,939.99	\$17,628.00	\$17,207.33	\$17,000.00
001-000-020-512-50-41-00	Judges Services	\$123.88	\$400.00	\$132.71	\$200.00
001-000-020-512-50-41-01	Prosecuting Atty Services	\$4,368.00	\$5,000.00	\$1,468.00	\$4,000.00

Account Number	Description	Actual		Budget	
		2015	2016	2016	2017
001-000-020-512-50-41-02	Public Defender	\$600.00	\$900.00	\$300.00	\$600.00
001-000-020-512-50-49-00	Miscellaneous	\$0.00	\$0.00	\$25.00	\$25.00
	Total	\$22,031.87	\$23,978.00	\$19,196.52	\$21,825.00
	Finance and Records				
001-000-030-514-10-11-00	Overtime	\$158.77	\$300.00	\$0.00	\$300.00
001-000-030-514-20-10-00	Wages - Finance	\$179,396.51	\$181,494.00	\$143,337.16	\$188,828.00
001-000-030-514-20-20-00	Benefits - Finance	\$79,235.37	\$75,500.00	\$72,930.15	\$86,000.00
001-000-030-514-20-41-00	Credit fees	\$1,010.20	\$1,004.00	\$527.16	\$1,020.00
001-000-030-514-20-49-00	Miscellaneous	\$690.02	\$500.00	\$528.11	\$600.00
001-000-030-514-23-41-00	Audit	\$23,650.56	\$10,000.00	\$2,578.46	\$24,000.00
001-000-030-514-40-43-00	Training/travel	\$2,768.38	\$2,500.00	\$3,138.21	\$3,600.00
001-000-030-518-90-42-00	Postage Machine Expenses	\$877.99	\$1,000.00	\$695.00	\$1,000.00
	Total	\$287,787.80	\$272,298.00	\$223,734.25	\$305,348.00
	Legal Services				
001-000-040-515-30-41-00	Attorney - Civil/admin	\$38,398.67	\$50,000.00	\$40,110.50	\$50,000.00
	Total	\$38,398.67	\$50,000.00	\$40,110.50	\$50,000.00
	General Government Services				
001-000-050-511-30-31-00	Publication/legals	\$1,971.70	\$3,200.00	\$1,774.01	\$3,100.00
001-000-050-518-30-46-00	Property Insurance	\$23,057.00	\$27,322.00	\$27,321.00	\$29,780.00
001-000-050-518-50-34-00	Office Supplies/r&m	\$5,421.81	\$4,500.00	\$4,005.09	\$5,000.00
001-000-050-518-50-34-01	Association Dues	\$1,206.00	\$1,500.00	\$805.00	\$1,200.00
001-000-050-518-50-34-02	Miscellaneous	\$386.94	\$500.00	\$1,548.37	\$600.00
001-000-050-518-50-40-00	Telephone/Internet	\$7,874.37	\$8,500.00	\$9,780.97	\$9,600.00
001-000-050-518-50-42-00	Postage/ups (+box Rental)	\$1,531.79	\$2,000.00	\$1,093.15	\$2,000.00
001-000-050-518-50-47-00	Utilities-General Government	\$10,291.52	\$10,507.00	\$14,723.70	\$12,324.00
001-000-050-518-90-46-00	Liability Insurance	\$46,115.00	\$53,200.00	\$53,200.00	\$58,014.00
001-000-050-518-90-50-34	Copier/printer Lease (inc R&m)	\$9,496.01	\$9,271.00	\$7,505.57	\$9,271.00
001-000-050-519-90-43-00	Training & Travel			\$82.63	
	Total	\$107,352.14	\$120,500.00	\$121,839.49	\$130,889.00

Account Number	Description	Actual		Budget	
		2015	2016	2016	2017
	Civil Service				
001-000-060-521-10-31-00	Office/operational Supplies	\$0.00	\$100.00	\$18.48	\$100.00
001-000-060-521-10-44-00	Advertising/exam/legal - Fees	\$0.00	\$150.00	\$89.00	\$150.00
	Total	\$0.00	\$250.00	\$107.48	\$250.00
	Police Department				
001-000-070-521-20-10-00	Wages - Police	\$240,691.80	\$242,678.00	\$152,052.31	\$251,374.00
001-000-070-521-20-10-01	Reserves Wages	\$5,252.45	\$6,000.00	\$8,714.54	\$6,000.00
001-000-070-521-20-10-10	Clerical wages	\$6,033.46	\$8,000.00	\$0.00	\$0.00
001-000-070-521-20-11-00	Overtime - Police	\$29,102.96	\$18,000.00	\$20,232.68	\$18,000.00
001-000-070-521-20-20-00	Benefits - Police	\$109,901.65	\$96,255.00	\$70,839.92	\$99,175.00
001-000-070-521-20-20-01	Uniforms	\$4,078.03	\$7,500.00	\$8,626.45	\$7,500.00
001-000-070-521-20-20-02	Reserves Benefits	\$639.48	\$750.00	\$1,204.63	\$750.00
001-000-070-521-20-31-00	Supplies-Printing	\$4,025.20	\$2,500.00	\$9,916.69	\$5,000.00
001-000-070-521-20-32-00	Fuel & Maintenance	\$11,540.62	\$14,000.00	\$7,208.04	\$10,000.00
001-000-070-521-20-42-00	Telephone	\$2,869.15	\$3,000.00	\$2,173.94	\$3,000.00
001-000-070-521-20-49-00	Miscellaneous	\$1,361.00	\$500.00	\$1,412.03	\$1,500.00
001-000-070-521-40-43-00	Training/travel	\$3,298.52	\$3,000.00	\$3,902.18	\$2,000.00
001-000-070-594-21-64-00	Equipment (incl. R&M)	\$2,658.91	\$5,000.00	\$2,645.60	\$3,500.00
001-000-070-597-00-00-00	Trans. Out/Veh.-Equip. Reserve	\$20,000.00	\$25,000.00	\$0.00	\$20,000.00
	Total	\$441,453.23	\$432,183.00	\$288,929.01	\$427,799.00
	Dispatch & Communications				
001-000-095-528-60-42-02	Radio Contract Services	\$365.23	\$0.00	\$0.00	\$200.00
001-000-095-528-60-42-03	Dispatch Services/com	\$25,544.78	\$21,495.00	\$18,618.99	\$22,683.00
001-000-095-528-60-42-04	Spillman/sprint Data Lines	\$2,914.32	\$2,866.00	\$3,137.37	\$3,100.00
001-000-095-528-90-42-00	Other Services/learn	\$750.00	\$750.00	\$750.00	\$750.00
	Total	\$29,574.33	\$25,111.00	\$22,506.36	\$26,733.00

Account Number	Description	Actual		Budget	
		2015	2016	2016	2017
	Physical Environment				
001-000-100-518-20-48-00	Council Chambers Improvements	\$4,234.56	\$0.00	\$0.00	\$0.00
001-000-100-531-70-49-00	N.w. Air Pollution Dues	\$372.75	\$388.00	\$376.25	\$388.00
001-000-100-539-50-35-00	Facilities Maint. Supplies	\$2,233.62	\$2,000.00	\$1,810.84	\$2,000.00
001-000-100-539-50-40-00	City Facilities Maintenance	\$5,717.51	\$6,600.00	\$7,144.16	\$7,000.00
	Total	\$12,558.44	\$8,988.00	\$9,331.25	\$9,388.00
	Economic Development				
001-000-105-558-70-41-00	Economic development	\$21,541.65	\$16,250.00	\$12,758.91	\$16,250.00
	Total	\$21,541.65	\$16,250.00	\$12,758.91	\$16,250.00
	Planning & Community Development				
001-000-110-558-60-40-00	Planning, design, pub improvements	\$2,638.43	\$15,000.00	\$18.00	\$15,000.00
001-000-110-558-60-10-00	Planner Wages	\$86,678.99	\$80,690.00	\$38,340.92	\$106,536.00
001-000-110-558-60-10-02	Clerical wages	\$1,354.90	\$1,500.00	\$1,227.43	\$1,500.00
001-000-110-558-60-20-00	Planner Benefits	\$33,160.30	\$31,022.00	\$12,077.03	\$15,144.00
001-000-110-558-60-34-00	Supplies	\$164.55	\$500.00	\$358.87	\$300.00
001-000-110-558-60-41-00	Planner-Consultant/prof Serv's	\$16,865.00	\$4,000.00	\$23,281.50	\$0.00
001-000-110-558-60-41-10	Professional Fees/reimbursible	\$592.21	\$0.00	\$0.00	\$2,000.00
001-000-110-558-60-43-00	Training/travel	\$2,260.19	\$2,000.00	\$627.46	\$2,000.00
001-000-110-558-60-47-00	Telephone	\$864.63	\$864.00	\$646.61	\$900.00
001-000-110-558-60-49-00	Miscellaneous	\$331.37	\$100.00	\$182.50	\$200.00
	Total	\$144,910.57	\$135,676.00	\$76,760.32	\$143,580.00
	Building Department				
001-000-120-558-50-40-00	Bldg. Official/inspections	\$29,745.05	\$35,000.00	\$41,140.29	\$40,000.00
001-000-120-558-60-34-00	Miscellaneous/operating Exp's	\$60.42	\$0.00	\$917.08	\$1,000.00
	Total	\$29,805.47	\$35,000.00	\$42,057.37	\$41,000.00

Account Number	Description	Actual		Budget	
		2015	2016	2016	2017
	Cultural/Recreational Activities				
001-000-120-594-71-63-00	Arts Commission Installations	\$0.00	\$9,050.00	\$5,836.72	\$0.00
001-000-120-573-90-40-00	Artist stipend		\$1,200.00	\$1,200.00	\$1,200.00
	Total	\$0.00	\$10,250.00	\$7,036.72	\$1,200.00
	Mental/Physical Health				
001-000-125-566-00-51-00	Island Co. Alcohol Program	\$266.50	\$207.00	\$288.00	\$270.00
	Total	\$266.50	\$207.00	\$288.00	\$270.00
	Homeless Services				
001-000-130-565-40-00-00	Homeless Coalition	\$0.00	\$2,500.00	\$0.00	\$2,500.00
	Total	\$0.00	\$2,500.00	\$0.00	\$2,500.00
	Library Building				
001-000-140-572-50-40-00	Landscaping Maintenance	\$0.00	\$650.00	\$86.96	\$650.00
001-000-140-572-50-48-00	Bldg. Maint. & Repair	\$5,766.83	\$2,000.00	\$2,599.82	\$2,500.00
001-000-140-572-50-49-00	Miscellaneous	\$97.75	\$100.00	\$307.08	\$500.00
001-000-140-597-72-00-00	Transfer Out - Library Reserve	\$2,000.00	\$2,000.00	\$0.00	\$2,000.00
	Total	\$7,864.58	\$4,750.00	\$2,993.86	\$5,650.00
	Parks Department				
001-000-150-576-80-10-00	Parks-Wages/services	\$17,592.96	\$24,880.00	\$18,020.79	\$41,378.00
001-000-150-576-80-20-00	Parks-Benefits	\$6,633.00	\$7,785.00	\$6,833.86	\$13,073.00
001-000-150-576-80-31-00	Parks - Supplies/miscellaneous	\$2,130.97	\$2,000.00	\$2,210.07	\$6,000.00
001-000-150-576-80-40-00	Parks/open Space Improvements	\$5,229.68	\$4,000.00	\$484.80	\$4,000.00
001-000-150-576-80-47-00	Parks-Utilities/waste Disposal	\$4,619.74	\$4,500.00	\$3,112.74	\$4,500.00
001-000-150-576-80-47-01	Open Space - Maintenance	\$2,840.36	\$5,000.00	\$373.80	\$5,000.00
001-000-150-576-80-48-00	Langley Park Maintenance	\$6,532.81	\$12,500.00	\$5,002.49	\$12,500.00
001-000-150-594-76-31-00	Tree Cutting	\$8,369.90	\$15,000.00	\$2,228.35	\$18,000.00
	Total	\$53,949.42	\$75,665.00	\$38,266.90	\$104,451.00
	Community Services				
001-000-155-557-20-41-00	Senior Services	\$2,499.96	\$7,500.00	\$2,083.30	\$7,500.00
	Total	\$2,499.96	\$7,500.00	\$2,083.30	\$7,500.00

Account Number	Description	Actual	Budget	Actual	Budget
		2015	2016	2016	2017
	Debt Service				
001-000-170-591-46-71-00	2nd Street Bond principal	\$23,887.85	\$24,522.00	\$12,158.21	\$25,144.00
001-000-170-592-95-83-00	2nd Street bond interest	\$9,858.15	\$9,224.00	\$4,714.79	\$8,602.00
	Total	\$33,746.00	\$33,746.00	\$16,873.00	\$33,746.00
	Equipment & Technology				
001-000-180-518-80-41-00	Financial & Billing Software	\$15,485.39	\$8,050.00	\$15,153.09	\$10,616.00
001-000-180-518-80-42-00	Ntwk/website Bldg & Admin	\$6,712.24	\$2,000.00	\$99.00	\$2,000.00
001-000-180-518-86-41-01	Computers/r&m	\$1,216.35	\$2,000.00	\$0.00	\$2,000.00
001-000-180-594-14-64-02	Vision/software Maintenance	\$289.14	\$2,290.00	\$1,134.19	\$3,250.00
001-000-180-594-18-14-00	New Equipment	\$0.00	\$5,000.00	\$198.54	\$10,000.00
001-000-180-594-18-60-00	Computers/equipment/furniture	\$806.53	\$3,000.00	\$308.85	\$5,000.00
	Total	\$24,509.65	\$22,340.00	\$16,893.67	\$32,866.00
	Transfers Out				
001-000-190-597-00-00-01	Transfer Out/cashout Reserves	\$5,000.00	\$5,000.00	\$0.00	\$5,000.00
001-000-190-597-00-00-02	Transfer Out-Streets Fund	\$55,012.00	\$55,012.00	\$27,506.00	\$72,012.00
001-000-190-597-00-00-03	Transfer to Emergency Contingency				\$5,000.00
	Total	\$60,012.00	\$60,012.00	\$27,506.00	\$82,012.00
	Fund Total	\$1,786,551.59	\$1,731,391.00	\$1,034,325.58	\$1,749,184.00