

City Council Study Session
August 29, 2016 - 5:30 PM
City Hall Annex - 1 East Main Street
AGENDA

[Watch the meeting LIVE!](#)

[Watch the meeting video](#)

Meeting videos are not available until 72 hours after the meeting has concluded.

I. CALL TO ORDER

A. Roll Call

II. ANNOUNCEMENTS, REPORTS, AND PRESENTATIONS

III. AGENDA ITEMS FOR COUNCIL DISCUSSION

A. Civil Service Commission Annual Update (10 Minute Presentation/5 Minute Q&A)* (Roscoe)

The annual update will include a brief overview of the commission members and the new Civil Service Examiner, as well as an overview of their responsibilities.

B. Washington Cities Insurance Authority Update (10 Minute Presentation/5 Minute Q & A)* (Roscoe)

C. Capital Project Status Report (10 Min Presentation/10 Minute Q&A) (Snyder)

D. Proactive Code Enforcement Presentation (20 Minute Presentation/10 Minute Q&A)* (Snyder)

E. Resolution No. 5249 (10 Minute Presentation/5 Minute Q&A* (Coleman)

A Resolution of the City Council of the City of Auburn, Washington, authorizing the transfer of funds for the purpose of making a loan or loans from the Sewer Fund (Fund No. 431) and/or the Storm Drainage Fund (Fund No. 432) to the Water Fund (Fund No. 430) for up to a three-year period of time

F. Recology CleanScapes Contract (10 Minute Presentation/10 Minute Q&A)* (Coleman)

G. 2nd Quarter 2016 Financial Report (10 Minute Presentation/10 Minute Q&A)* (Coleman)

IV. ADJOURNMENT

Agendas and minutes are available to the public at the City Clerk's Office, on the City website (<http://www.auburnwa.gov>), and via e-mail. Complete agenda packets are available for review at the City Clerk's Office.

**Denotes attachments included in the agenda packet.*



AGENDA BILL APPROVAL FORM

Agenda Subject:

Civil Service Commission Annual Update (10 Minute Presentation/5 Minute Q&A)

Date:

July 26, 2016

Department:

Human Resources

Attachments:

[civil service commission](#)

Budget Impact:

\$0

Administrative Recommendation:**Background Summary:****Reviewed by Council Committees:****Councilmember:****Staff:**

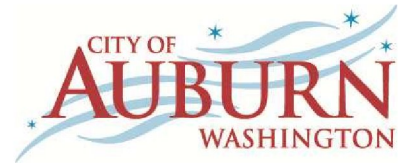
Roscoe

Meeting Date: August 29, 2016

Item Number: DI.A

CIVIL SERVICE COMMISSION

Summary of Responsibilities



Commission Members:

- Julie Balza – HR Coordinator and Civil Service Examiner
- Terry Hurlbut – Retired Lieutenant from WSP and Civil Service Commission Chairman
- Jim Kelly – Former Auburn Police Chief and current Deputy Director of SCORE Jail
- Heidi Harris – Assistant Superintendent Student Learning for Auburn School District

Commission Meetings:

- Held monthly at 3:30 on the second Tuesday of the month
- Two or more members must be present to hold Quorum

Primary Responsibilities:

- Certify eligibility lists for Civil Service Positions:
 - Entry Level and Lateral Police Officer
 - Promotions for Sergeant, Commander, Police Captain, and Assistant Police Chief
 - Non-Commissioned Personnel – Police Services Receptionist, Parking Control Attendant, Police Services Specialist, Evidence/ID Technician, Police Services Specialist Supervisor, Animal Control Officer, Crime Analyst
- Hold appeal hearings and affirm, reverse, modify or remand the Chief Examiner's decision
- Approve recommended updates and changes to job classifications and Civil Service Rules
- Approve recommended basic qualifications for civil service applicants

Police Officer Application Data:

August 2015 - August 2016

Entry Level Police			Lateral Police		
	#	% Passed		#	% Passed
Applied	242	77%	Applied	72	47%
Interviewed	186	23%	Interviewed	34	9%
Passed Interview	42	67%	Passed Interview	3	67%
Background Investigation	28	43%	Background Investigation	2	0%
Hired	12	-	Hired	0	-



AGENDA BILL APPROVAL FORM

Agenda Subject:

Washington Cities Insurance Authority Update (10 Minute Presentation/5 Minute Q & A)

Date:

August 24, 2016

Department:

Human Resources

Attachments:

[WCIA Update](#)

Budget Impact:

\$0

Administrative Recommendation:**Background Summary:****Reviewed by Council Committees:****Councilmember:****Staff:**

Roscoe

Meeting Date: August 29, 2016

Item Number: DI.B

Risk Profile | City of Auburn

For the Period: 1/1/2011 - 12/31/2015

WCIA Member: Since 5/1/1987



Risk Profile | City of Auburn

Actuarial Group 4

This is a summary report, which compares your actual losses to expected losses based on your percentage of worker hours to other members in the same actuarial group as of 12/31/2015. The data analyzed in the risk profile covers claims with date of loss from 1/1/2011 through 12/31/2015. The number of claims shown indicates all claims and lawsuits reported to WCIA whether they were paid, denied or tendered to another entity. The dollar amounts shown include: 1) INDEMNITY PAYMENTS (paid to claimants/plaintiffs), 2) LEGAL FEES (attorney fees and related expenses) and 3) CURRENT RESERVES on any open claims/lawsuits as of 12/31/2015. Please keep in mind, any losses filed, payments made or reserves changed after 12/31/2015 may impact the identified loss trends.

Using this report, members can better understand the risks they may encounter, evaluate their losses in relation to the losses experienced by their peers, and modify their practices based on loss history to enhance services and minimize liability exposure.

ACTUARIAL GROUP 4 Members (20)

> 400,000 Worker Hours Per Year

Auburn	Bothell	Issaquah	Kennewick	Kirkland
Lacey	Lakewood	Longview	Marysville	Mercer Island
Moses Lake	Mount Vernon	Olympia	Pasco	Port Angeles
Puyallup	Renton	Richland	Tukwila	Walla Walla

Risk Profile | City of Auburn

Actuarial Group 4

WCIA is a risk sharing insurance “pool” created via interlocal agreement and is designed to share losses amongst the collective group. WCIA places a member rate cap of +/-15% on a member’s annual assessment. The member’s rate cap is in addition to any WCIA overall rate increase or decrease. For example, in 2017 WCIA raised their overall rate by 9% so the most any City's rate could increase or decrease in any given year would be 24% (9% WCIA rate + 15% Member capped rate). Unfortunately for Auburn, in 2017, there were six (6) Group IV cities that reached their maximum 24% cap leaving an unfunded balance to be spread equitably amongst the remaining Group IV members. Therefore Auburn’s projected 3.5% rate change was increased to 5.2%.

Auburn’s 2017 assessment is \$845,505. This reflects a 3.9% increase in reported worker hours and the 5.2% rate increase.

Expected vs. Actual | City of Auburn

Claim Type	Actuarial Group 4	Auburn 1/1/2011-12/31/2015		Exceeds Expected
	Claims Count 1/1/2011-12/31/2015	Expected Claim Count	Actual Claim Count	
Automobile Liability	546	33	32	No
Errors & Omissions	129	8	6	No
General Liability	2342	142	200	Yes
Personnel	54	3	0	No
Public Safety	518	31	57	Yes
TOTALS:	3589	217	295	Yes

Claim Type	Actuarial Group 4	Auburn 1/1/2011-12/31/2015		Exceeds Expected
	Total Incurred 1/1/2011-12/31/2015	Expected Total Incurred	Actual Total Incurred	
Automobile Liability	\$2,755,037	\$167,263	\$181,924	Yes
Errors & Omissions	\$1,226,268	\$74,449	\$51,312	No
General Liability	\$22,288,490	\$1,353,172	\$419,348	No
Personnel	\$4,382,491	\$266,068	\$0	No
Public Safety	\$16,641,499	\$1,010,333	\$392,003	No
TOTALS:	\$47,293,785	\$2,871,285	\$1,044,587	No

Auburn % of Actuarial Group 4 Worker Hours is 6.07%.

Expected Claim Count = [Actuarial Group Claim Count] X [% of Member Worker Hours]

Expected Total Incurred = [Actuarial Group Total Incurred] X [% of Member Worker Hours]

Expected vs. Actual by Department | City of Auburn

Department	Actuarial Group 4	Auburn 1/1/2011-12/31/2015		Exceeds Expected	Actuarial Group 4	Auburn 1/1/2011-12/31/2015		Exceeds Expected
	Claims Count 1/1/2011-12/31/2015	Expected Claim Count	Actual Claim Count		Total Incurred 1/1/2011-12/31/2015	Expected Total Incurred	Actual Total Incurred	
ADMINISTRATION	62	4	3	No	\$1,594,033	\$96,776	\$48,249	No
ANIMAL CONTROL	5	0	0	No	\$3,891	\$236	\$0	No
CITY LIGHT	50	3	0	No	\$1,260,283	\$76,514	\$0	No
DEVELOPMENT REVIEW	48	3	1	No	\$1,155,110	\$70,129	\$725	No
DISPATCH	1	0	0	No	\$0	\$0	\$0	No
FIRE MEDIC	26	2	0	No	\$598,973	\$36,365	\$0	No
FIRE SUPPRESSION	45	3	0	No	\$481,024	\$29,204	\$0	No
GENERAL	0	0	0	No	\$0	\$0	\$0	No
LIBRARY	7	0	0	No	\$4,660	\$283	\$0	No
MARINA	5	0	0	No	\$13,609	\$826	\$0	No
PARKS MAINTENANCE	200	12	12	No	\$476,108	\$28,905	\$51,961	Yes
PARKS REC PROGRAMS	69	4	5	Yes	\$468,997	\$28,474	\$28,671	Yes
POLICE	745	45	72	Yes	\$19,114,300	\$1,160,461	\$544,793	No
PW ENGINEER	326	20	34	Yes	\$937,599	\$56,923	\$22,092	No
PW REFUSE	138	8	0	No	\$516,272	\$31,344	\$0	No
PW SEWER	554	34	30	No	\$3,183,034	\$193,247	\$77,657	No
PW STREETS	982	60	119	Yes	\$15,609,028	\$947,650	\$262,911	No
PW WATER	324	20	19	No	\$1,876,162	\$113,905	\$7,528	No
SENIOR CENTER	2	0	0	No	\$702	\$43	\$0	No
TOTALS:	3589	218	295	Yes	\$47,293,785	\$2,871,285	\$1,044,587	No

Auburn % of Actuarial Group 4 Worker Hours is 6.07%.

Expected Claim Count = [Actuarial Group Claim Count] X [% of Member Worker Hours]

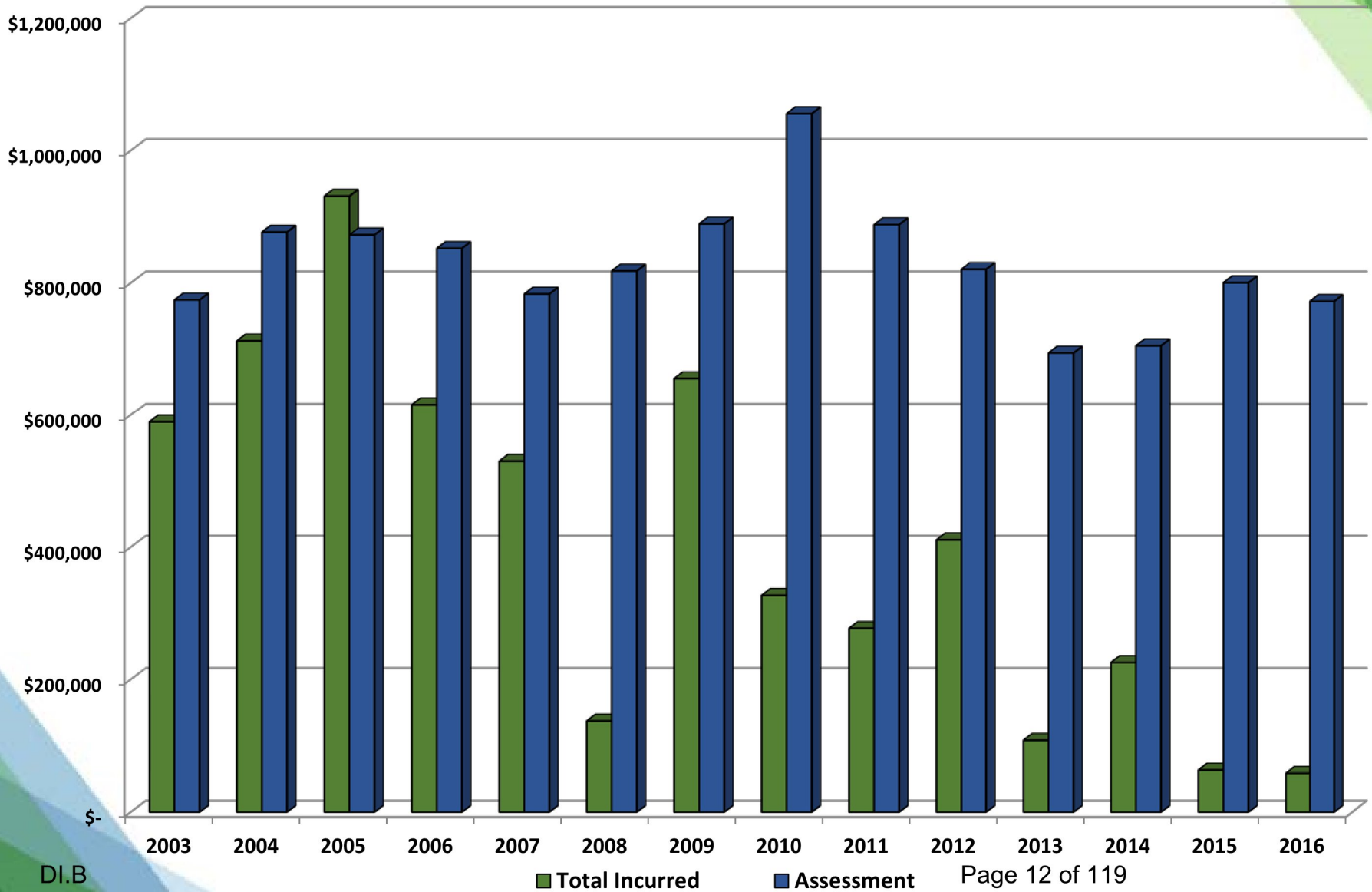
Expected Total Incurred = [Actuarial Group Total Incurred] X [% of Member Worker Hours]

Top Losses by Frequency and Severity 2011-2015 | City of Auburn

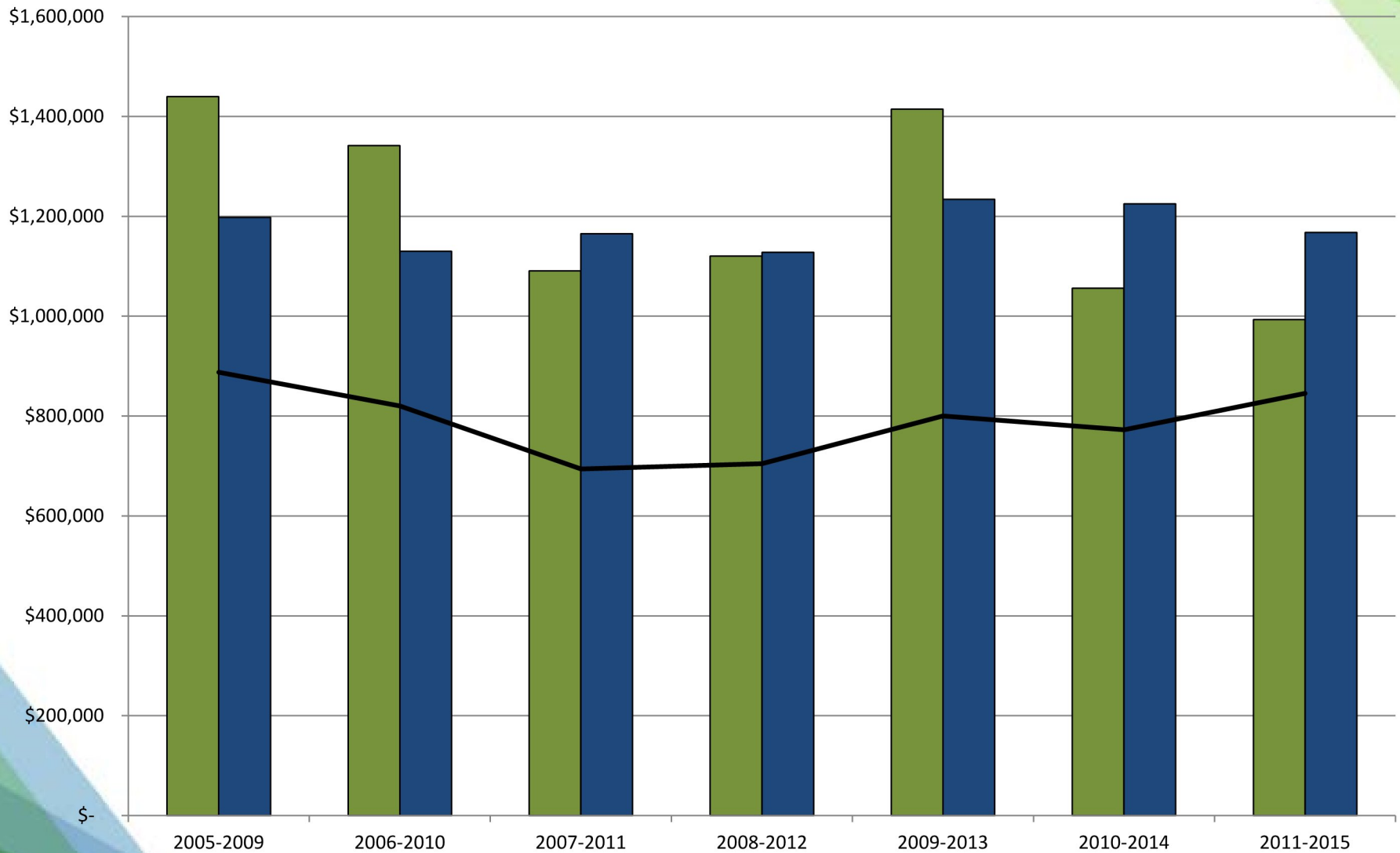
By Frequency	
Street-Defect/Pothole	61
OP Construction	29
Sanitary Sewer Obstruction	21
Premise Tree/Limb	15
PS Forced Entry	11
PS Impound	11
PS Pursuit	10
Sidewalk-Defect	10
AL Rearend	9
PS Care/Custody/Control	7
Total of Top Losses:	184
Grand Total All Losses:	295
% Of Grand Total:	62%

By Severity	
Sidewalk-Defect	\$177,210
PS Negligent Supervision/Training	\$156,015
AL Rearend	\$136,389
PS Canine	\$98,890
Sanitary Sewer Obstruction	\$74,813
Sidewalk-Weather Condition	\$69,409
PS Excessive Force	\$62,030
PS Search	\$56,977
E&O Code Enforcement	\$47,909
PS Forced Entry	\$41,251
Total of Top Losses:	\$920,893
Grand Total All Losses:	\$1,044,587
% Of Grand Total:	88%

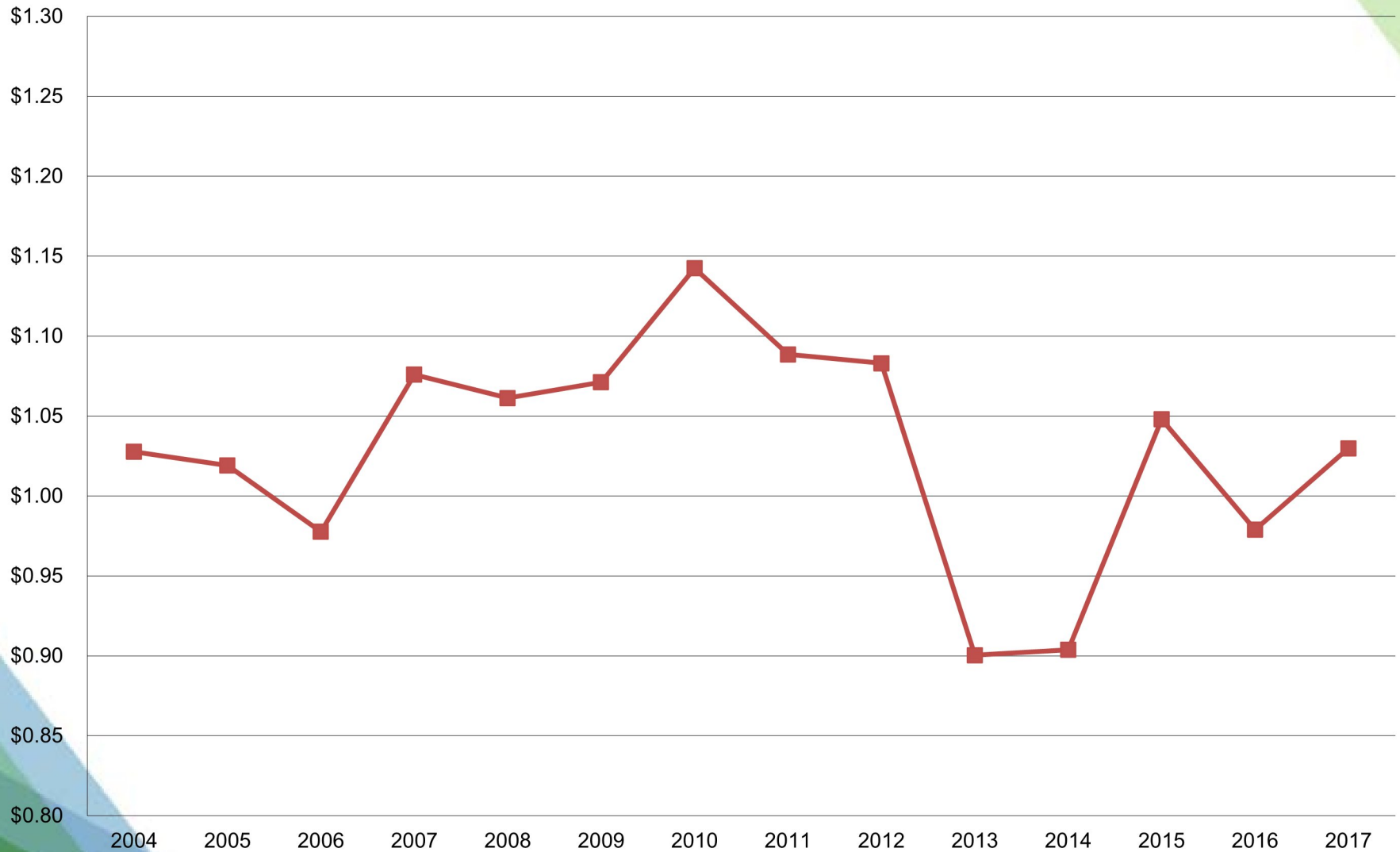
City of Auburn Incurred vs. Assessment



5 Year Capped Losses Actual vs. Expected



City of Auburn's Assessment Rate per Worker Hour





AGENDA BILL APPROVAL FORM

Agenda Subject:

Capital Project Status Report (10 Min Presentation/10 Minute Q&A)

Date:

August 23, 2016

Department:

CD & PW

Attachments:

No Attachments Available

Budget Impact:

\$0

Administrative Recommendation:

For discussion only.

Background Summary:

The purpose of this discussion is to inform the Council and Public of the overall status of the City's Capital Project program managed by the Community Development & Public Works (CDPW) Department.

The Capital Projects Group of CDPW is currently managing 39 active projects with a total cost of \$74 million. Of these projects, 22 are in the design phase and 17 are under construction. Within the next 3 months, 7 projects are expected to be advertised for bids and the construction of 9 projects are anticipated to be completed. The total value of projects completed by years is as follows:

2012 = \$23.7 million

2013 = \$29.9 million

2014 = \$29.6 million

2015 = \$35 million

2016 = \$33.8 million (anticipated)

Reviewed by Council Committees:**Councilmember:****Staff:**

Snyder

Meeting Date: August 29, 2016

Item Number: DI.C



AGENDA BILL APPROVAL FORM

Agenda Subject:

Proactive Code Enforcement Presentation (20 Minute Presentation/10 Minute Q&A)

Date:

August 24, 2016

Department:

Community Development & [Proactive Code Enforcement Presentation](#)
Public Works

Attachments:**Budget Impact:**

\$0

Administrative Recommendation:**Background Summary:****Reviewed by Council Committees:****Councilmember:****Staff:**

Snyder

Meeting Date: August 29, 2016

Item Number: DI.D

AND THE
UNEXPECTED TURN...

COMMUNITY & DEVELOPMENT SERVICES

CODE ENFORCEMENT AND COMMUNITY OUTREACH

Jeff Tate & Tami Kapule
CITY COUNCIL STUDY SESSION
August 29, 2016

AND THE
UNEXPECTED TURN...

COMMUNITY & DEVELOPMENT SERVICES

CODE ENFORCEMENT AND COMMUNITY OUTREACH

Jeff Tate & Tami Kapule
CITY COUNCIL STUDY SESSION
August 29, 2016

BACKGROUND: COUNCIL AUTHORIZATION

On December 1, 2014 City Council approved the 2015/2016 biennial budget.

This action authorized the creation of the new code enforcement position.

A program improvement requesting the new position was submitted to City Council.

Its purpose was to “Develop educational materials for residential and commercial property owners; engage in strategic outreach and marketing campaign ahead of predictable seasonal issues (e.g. spring and summer – long grass, September/October/November – political signs, November/December/January – business license renewals); and to provide a more proactive and targeted approach at high visibility commercial corridors and gateways to the City.”

BACKGROUND: PROGRAM SETUP

JANUARY THROUGH APRIL 2015

- Worked with HR to develop job description
- Published job announcement
- Submitted acquisition requests for vehicle, computer, desk setup, etc.
- Interviews
- Tami Kapule hired on April 16, 2015

STRATEGY DEVELOPMENT

- Involved full Code Enforcement team
- Identified roles and responsibilities
- Identified priorities – there was a lot to do... where should we start?

BACKGROUND: PROGRAM SETUP

ASSESSMENT OF NEEDS

SWOT

PRIORITIES THAT WE HAD ANTICIPATED:

- Impression Corridors
- Educational Materials
- Seasonal Needs (Political Signs, Vegetation, Business Licenses)

ISSUES THAT WE WERE FACING UPON TAMI'S ARRIVAL:

- Communal Housing Enforcement
- Problems in the Les Gove Neighborhood
- Multifamily Property Conditions

EDUCATIONAL MATERIALS

BROCHURES AND MAILERS

Brochures created as subjects arise



MAGAZINE CONTENT

A goal of 3 articles per magazine.

In the last 5 editions we have included 15 features



ELECTRONIC DELIVERY

Mayor's Update
eGov Lists
Video production
SAFER portal
Utility billing
Facebook and other social media considerations

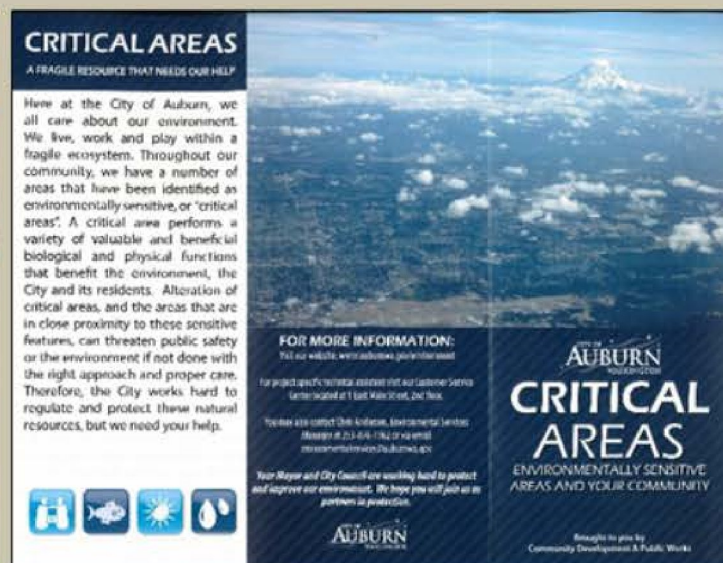
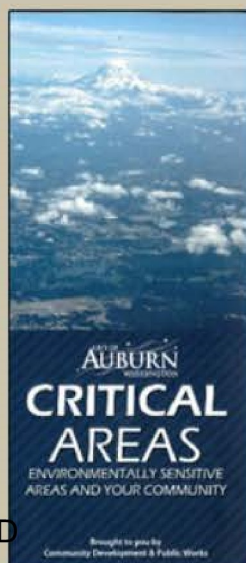
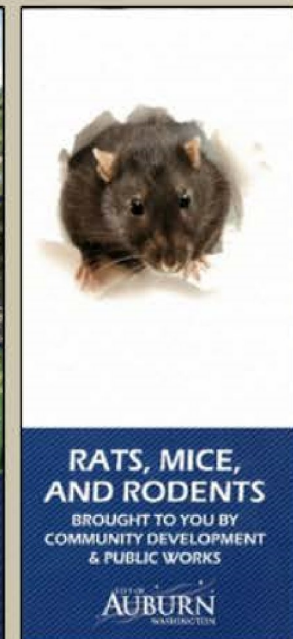
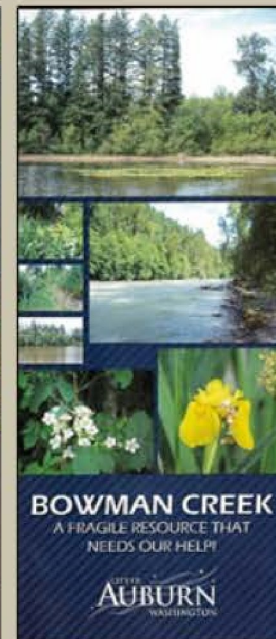
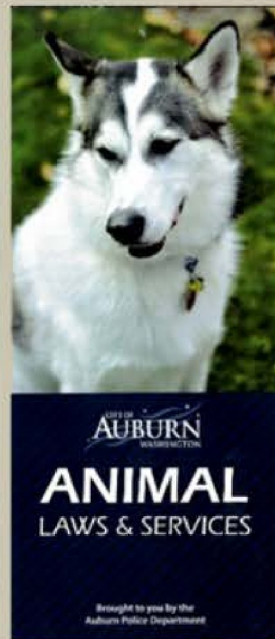
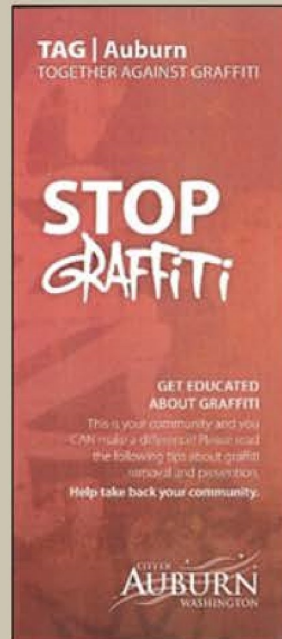
PUBLIC EVENTS



National Night Out, Blockwatch, Multifamily Classes,
Promotional Items

BROCHURES AND MAILERS

Brochures created as subjects arise



HOW DOES THIS AFFECT YOU?	WHY IS THIS IMPORTANT?	WHAT CAN I DO TO HELP?
When City Code affects the environment, it is a balanced regulatory system that protects the public for the benefit of the property owners, and the public for the benefit of the property owners. The City Code is a balanced regulatory system that protects the public for the benefit of the property owners, and the public for the benefit of the property owners. The City Code is a balanced regulatory system that protects the public for the benefit of the property owners, and the public for the benefit of the property owners. Before doing any of the following activities, please be sure to be fully informed by contacting the City of Auburn: • Clearing a parcel of land for any use • Dumping or filling with other material • Clearing, blocking or increasing water flow • Clearing, blocking or increasing water flow • Clearing, blocking or increasing water flow • Clearing, blocking or increasing water flow • Clearing, blocking or increasing water flow • Clearing, blocking or increasing water flow	WETLANDS & STREAMS are critical to the health of the environment. They provide a natural habitat for many species of plants and animals. They also provide a natural habitat for many species of plants and animals. They also provide a natural habitat for many species of plants and animals. WETLANDS & STREAMS are critical to the health of the environment. They provide a natural habitat for many species of plants and animals. They also provide a natural habitat for many species of plants and animals. They also provide a natural habitat for many species of plants and animals. WETLANDS & STREAMS are critical to the health of the environment. They provide a natural habitat for many species of plants and animals. They also provide a natural habitat for many species of plants and animals. They also provide a natural habitat for many species of plants and animals.	When doing a project on your property, it is important to be fully informed by contacting the City of Auburn. The City Code is a balanced regulatory system that protects the public for the benefit of the property owners, and the public for the benefit of the property owners. The City Code is a balanced regulatory system that protects the public for the benefit of the property owners, and the public for the benefit of the property owners. When doing a project on your property, it is important to be fully informed by contacting the City of Auburn. The City Code is a balanced regulatory system that protects the public for the benefit of the property owners, and the public for the benefit of the property owners. The City Code is a balanced regulatory system that protects the public for the benefit of the property owners, and the public for the benefit of the property owners. When doing a project on your property, it is important to be fully informed by contacting the City of Auburn. The City Code is a balanced regulatory system that protects the public for the benefit of the property owners, and the public for the benefit of the property owners. The City Code is a balanced regulatory system that protects the public for the benefit of the property owners, and the public for the benefit of the property owners.
CRITICAL AREAS INCLUDE		
Areas that are considered to be environmentally sensitive are: • Wetlands • Streams • Wetlands • Streams • Wetlands • Streams • Wetlands • Streams		

MAGAZINE CONTENT

A goal of 3 articles per magazine.

In the last 5 editions we have included 15 features



ELECTRONIC DELIVERY

Mayor's Update

eGov Lists

Video production

SAFER portal

Utility billing

Facebook and other social media considerations

PUBLIC EVENTS



National Night Out, Blockwatch, Multifamily Classes,
Promotional Items

PROACTIVE OUTREACH

Les Gove Neighborhood
Political Signs
Webpage
Temporary Signs
Wall of Shame
Organizing Volunteers



The City of Auburn is the owner of all property located within the Les Gove Neighborhood. The City is currently in the process of reviewing all property located within the Les Gove Neighborhood. The City is currently in the process of reviewing all property located within the Les Gove Neighborhood. The City is currently in the process of reviewing all property located within the Les Gove Neighborhood.



Use Address: 1000 S. 1st St.
Phone Number: 207.555.1234
Email Address: info@cityofauburn.com
Property: 1000 S. 1st St.
Phone Number: 207.555.1234
Email Address: info@cityofauburn.com



FEATURE #1

COMMUNAL HOUSING

TRADITIONAL APPROACH

- Complaint based only
- Managed on a case by case basis
- Separate lists maintained of potential communal housing locations.

PROACTIVE APPROACH

- All locations tracked in one database
- Analyzing data received from: GRC, Assessor, citizens, first responders, and code enforcement records
- Prioritization established based on impacts on community
- Building trust and rapport with community members, homeowners, and GRC staff to identify locations, and ensure compliance
- Door to door engagement to confirm or rule out: communal vs. traditional rental
- Informational materials prepared and delivered



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e

and code

mpacts

munity
taff to

liance

m or rule



RESULTS

Engaged owners and occupants at over 60 locations –
primarily located near GRC

19 Communal Residences identified and licensed

FEATURE#2

IMPRESSION CORRIDORS



- Generate list of all abutting property owner contacts that we have interacted with in the past.
- Build the list as future interactions occur.
- Drive the impression corridors and

IS YOUR BUSINESS GIVING THE RIGHT IMPRESSION?

The City of Auburn has adopted a number of City Codes and ordinances that keep our community safe, and make it a desirable place to live and do business. One of our ordinances is the Vegetation Management Ordinance.

We believe that maintaining the appearance of your business property is important through the City of Auburn. Vegetation management is critical activity because it creates a sense of safety and security. Customers have a choice in where they go to do business and where they have safety in their business.

If your property is in need of routine maintenance, the City of Auburn requests that you have a professional landscaping or maintenance company that is maintained by a professional company. We can help you if the vegetation is not maintained and we can help you in advance for your response to the City of Auburn.

If you observe a property that is in need of maintenance, you may report it by calling the City of Auburn at 253-435-3522 and select 4, or visit our website at www.auburnwa.gov/CityCodeCompliance.



IS YOUR BUSINESS GIVING THE RIGHT IMPRESSION?

Follow these basic guidelines to ensure it is:

- Cut grass to a height of 6 inches or less.
- Keep weeds, vines and other vegetation well-maintained.



The City of Auburn has a number of City Codes and ordinances that maintain standards and help our city run smoothly. Ordinances such as the Vegetation Management Ordinance, and others are in place to help us live and do business. In order to achieve these standards, we need help. Auburn City Code 8.22 addresses vegetation management around buildings. This City ordinance limits the height of grass to 6 inches and weeds that are not maintained. We need your help to maintain our city's appearance.

If your property is in need of routine maintenance, please ensure that vegetation on your property is in compliance with the above stated codes.

City staff conduct routine inspections throughout the City to monitor the appearance of vegetation and we thank you in advance for your cooperation. We pride in knowing that by working together, we can help maintain property values, improve the quality of our neighborhoods, and preserve the City of Auburn as a great place to live.

If you have questions or observe a property that you believe is in violation of the City of Auburn Code, please call 253-435-3522 and select 4, or visit our website at www.auburnwa.gov/CityCodeCompliance.



IS YOUR HOME GIVING THE RIGHT IMPRESSION?

Follow these basic guidelines to ensure it is:

- Cut grass to a height of 6 inches or less.
- Keep weeds, vines and other vegetation well-maintained.



- Building relationships and a thank

signage, and
ons that affect
complaints, use
ch out to
n maintenance is
end out mailers.
nce.

FEATURE #3

MULTIFAMILY

PROPERTY CONDITIONS



The background is an abstract composition of geometric shapes. A large green area occupies the top and right. A grey shape, resembling a stylized 'Y' or a corner, is positioned in the center. A yellow line runs diagonally from the top left towards the center. Another yellow line runs horizontally across the middle right. A third yellow line runs vertically near the bottom center. A green shape is in the bottom right corner.

AND THE UNEXPECTED TURN....

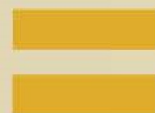
Are we making a difference?
The following table shows the number of people who have been helped by the program since it began in 2008. The numbers are based on the number of people who have been helped by the program since it began in 2008. The numbers are based on the number of people who have been helped by the program since it began in 2008.

TURN....





Commitment



CASE #1

NOVEMBER 2015 | Human Services staff receive a frantic call from previous home repair client who is home bound and without heat. Americorp volunteers deliver application and are concerned by the conditions they find the resident living in.

- Given the typical referrals made to Adult Protective Services, the Geriatric Regional Assessment Team and Aging & Disability Services, *Note: not a typical response for Home Repair or Code Enforcement.*
- It became evident that in order for other outside agencies to feel comfortable receiving referrals from us and consider us as a partner we needed to consider obtaining a client release.
- This case prompted the creation of:
 - APS/ADS referral form
 - Release of information
- The wheels of the social service system to turn slowly, and over the next few weeks the conditions continued to deteriorate.



QUALITY SCORE: Looking up to the stars



For more information, visit www.fox.com



Non-invasive of a forest health system: wood decay



Continue to step 6. The sum of the current is the

NOVEMBER 2015 | Human Services staff receive a frantic call from previous home repair client who is home bound and without heat. Americorp volunteers deliver application and are concerned by the conditions they find the resident living in.

- Given the findings, referrals made to Adult Protective Services, the Geriatric Regional Assessment Team and Aging & Disability Services.

Note: not a typical response for Home Repair or Code Enforcement.

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 - Release of information
- The wheels of the social service system can turn slowly, and over the next few weeks the conditions continued to deteriorate.



JANUARY 2016 | Leaking pipes in the kitchen



Building inspector conducts home visit
and requests assistance



Symptoms of a much larger problem identified



Continue to treat the symptom, or get to the root cause of the issue?



Outcome | City staff remained involved in this case over the course of the next 7 months.

Given the referrals made, the results of the various assessments completed, and the APS investigation findings, the State was attempting to secure legal guardianship

The client contested the efforts, preventing them from receiving the appropriate level of care.

We continued to advocate for this resident as concerns were brought to our attention from the community. We continued coordination with the Aging and Disability case manager as well as Adult Protective Services.

I am sad to report that in July, PD was dispatched to this location for a welfare check, and the resident was found down for an unknown length of time. We were able to immediately notify all members of her care team of her transport to hospital and offered to participate in a care conference prior to discharge.

The resident was ultimately transferred to a long term care facility where they passed away.

CASE #2

Resident arrives at the Permit Center in need of a YMCA voucher. Referred by Duanna Richards based on statements and physical condition.

Home visit conducted 01/28/16

- Release of Information signed
- Resident consented to referral to Aging and Disability services
- Smoke alarm and carbon monoxide detector installed
- Connected with family to report findings and concerns

Outcome: resident became a client of Aging and Disability Services for ongoing case management

Resident arrives at the Permit Center in need of a YMCA voucher. Referred by Duanna Richards based on statements and physical condition.

Home visit conducted 01/28/16

- Release of information signed
- Resident consented to referral to Aging and Disability services
- Smoke alarm and carbon monoxide detector installed
- Connected with family to report findings and concerns

Outcome: resident became a client of Aging and Disability Services for ongoing case management

CASE #3

Case study is a detailed study of a problem following an initial response, followed by further steps based on findings. Home visit completed 2/13/16.

- Screened for safety.
- Cultural background and information, medical history, and emergency contacts.
- Interviewed spouse in his home at his home, however, he was not able to answer some questions, used a family member.

- Referred to Aging and Disability Resource Management.
- Referred to GAT for mental health services.
- Provided education and support through program from several local area health care agencies to patients.
- Testing.
- Referred to Community Service Day to correct code violations on property.



FEBRUARY 11, 2016

Firefighter/EMTs refer a resident following an aid response. Believed to suffer from hoarding tendencies.

Home visit conducted 2/23/16

- Release forms signed
- Gathered background information, medical history, and emergency contacts

It does not appear to be a case of hoarding, however, the resident has multiple social service needs, and is facing eviction.

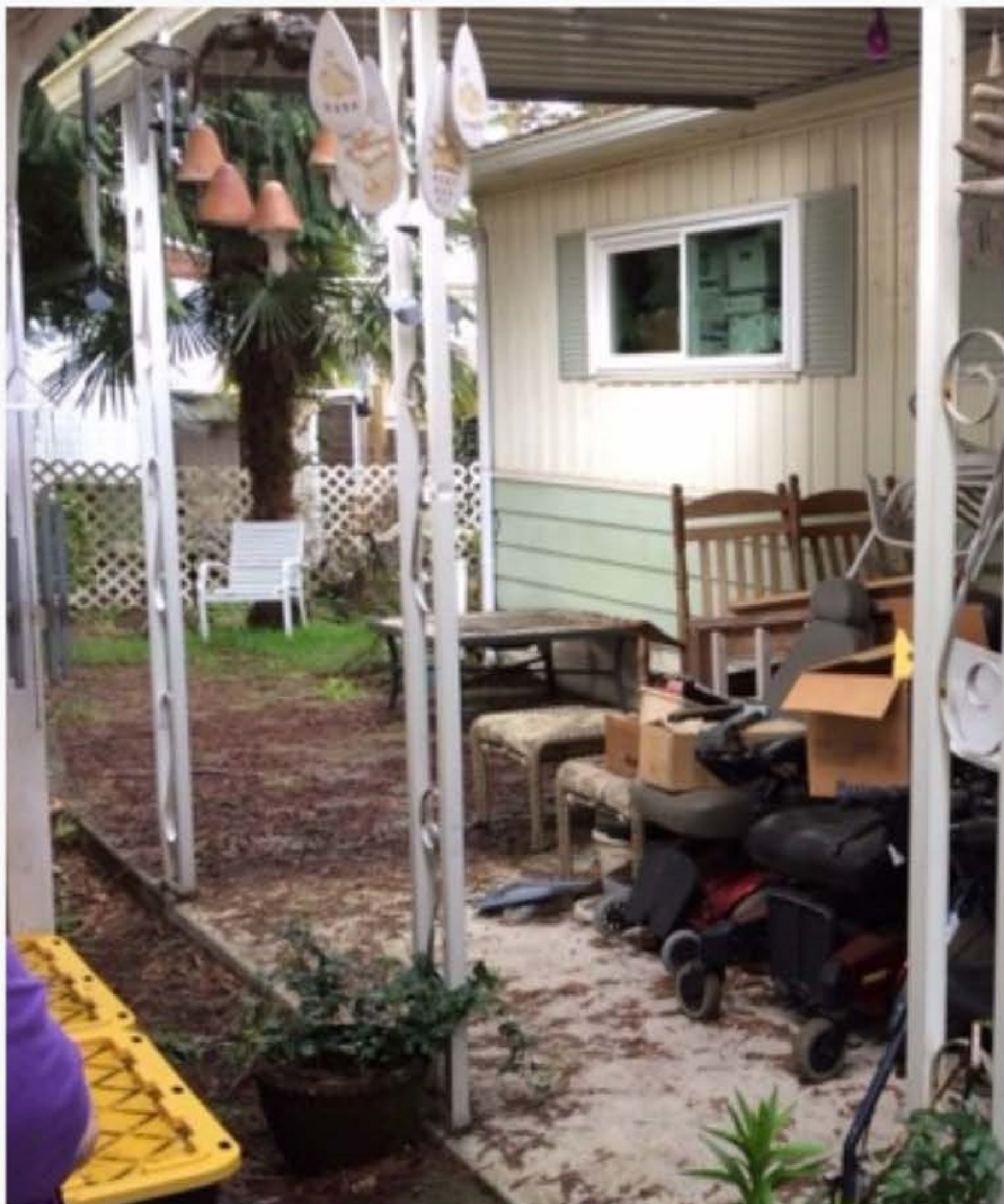
- Referred to Aging and Disability for case management.
- Referred to GRAT for mental health assessment.
- Provided advocacy and secured financial pledges from several local area non-profit agencies to preserve housing.
- Nominated for Community Service Day to correct code violations on property.



Hoarding Tendencies?



Unable to use rooms for intended purpose



Excessive outdoor storage



Presence of junk and debris



2 months later - Community Service Day



3 months later
Hard work + connection to
resources = useable living space

CASE #4

March 10, 2014: Environmental management when report property with ongoing history of multiple code violations. Two months available for permit before permit is required.

2. City will require the public health and safety to be maintained. City will require the public health and safety to be maintained. City will require the public health and safety to be maintained.

3. City will require the public health and safety to be maintained. City will require the public health and safety to be maintained. City will require the public health and safety to be maintained.

Project has high quality for state funded program/ initiative.

4. Project has high quality for state funded program/ initiative. Project has high quality for state funded program/ initiative. Project has high quality for state funded program/ initiative.

5. Project has high quality for state funded program/ initiative. Project has high quality for state funded program/ initiative. Project has high quality for state funded program/ initiative.



March 8, 2016 | Contacted by management who report property with ongoing history of multiple code violations. They have been unable to gain compliance and need assistance.

3/9/16 Met with resident to gather background information, medical history, signed release and identify any support system.

Long history of repeat trauma and abuse.

Classic case of hoarding tendencies, complicated medical and mental health history - no connection to counseling or mental health intervention.

**Income too high to qualify for state funded programs/
resources**

Eviction imminent

We can no longer treat the symptoms (presence of junk and debris), we must connect to mental health services and treat the root cause of the issue.

Release form signed

Contacted family as well as primary care provider

Referred for social work consult and one-on-one mental health treatment



Do we see Code Violations,
or a symptom of a much larger problem?



**With advocacy and connection to resources,
we are better able to meet the long term
needs of our residents**

Case #5 After



One property with a positive impact on the community, and others made with positive impact to the resident.

Case #5 Before



Code violation

Symptom of a much larger problem

Full-time street cleaning and maintenance
Programs are needed to keep the
sidewalks clear and safe. The program
should include regular maintenance
and a system to report and address
problems. The program should also
include a system to report and address
problems. The program should also
include a system to report and address
problems.

CASE #5

Tall grass, weeds, and graffiti along primary corridor

Attempt to engage homeowner, no response

Initiate code enforcement action, no response

Preparing to levy fines and civil penalties, one last attempt to engage homeowner - connection made

Vulnerable adult, isolated, estranged from family, appears physically and mentally compromised, anxious to the point of paranoia (which explains why they failed to respond).

Potential case of hoarding tendencies.

Previous APS investigation and GRAT client. Connect with both agencies to report conditions, requested re-engagement.

Case #5 Before



Code violation



Symptom of a much larger problem

Property abated

**Aging and Disability screened for
case management**

**We are referring for volunteer services
for ongoing vegetation management**

Case #5 After



**One property with a positive impact on the community,
and referrals made with positive impact to the resident!**

TURN....

HOSPITAL

CASE #1

CASE #2

CASE #3

CASE #4

CASE #5

DI.D

Page 64 of 119

[illegible]

Are we making a difference?

“She sounds more relaxed and ready for action. I can’t thank you enough for helping me.”

Property manager

“Tami, thank you so much for letting me know about this additional service and thinking about our team. I think this would be a great connection for our clients.”

KCHA Senior Manager

“I’m closing the loop on this referral. Our colleague, Tami Kapule, from City of Auburn, has taken the lead on following up with this and can answer any questions you may have about this. Thank you!”

Executive Director and co-Founder of The Hoarding Project

“I am sad to report that our client passed away on Saturday, 8/6/16. I just spoke with social worker at Bothell Health Care. Thank you all so much for your caring and assistance over the last year +.”

Attorney/Legal Guardian

“Please keep me as a resource and call me directly if you need anything. I like this team. Thanks for all that you do. You are making a big difference since coming here.”

VRFA Fire Marshal

“Thank you for NOT being among those who will ultimately count themselves as "cold and timid" souls who stand on the sidelines and do nothing in the face of "evil". My hope for you is that in your time of need, should it come, that someone will care for you and your situation as you have shown kindness and compassion to my Mother.”

Son of resident

“I am so glad to hear that Auburn has a Community Outreach person like yourself and are so willing to partner on behalf of residents of Auburn.

Unfortunately, in my work these type of difficult cases are becoming more common and more complicated. I believe it takes the broader community to help in these situations and people who don’t turn a blind eye. Thanks for being one of those community members!”

Aging and Disability Case Worker



AGENDA BILL APPROVAL FORM

Agenda Subject:

Resolution No. 5249 (10 Minute Presentation/5 Minute Q&A

Date:

August 23, 2016

Department:

Finance

Attachments:

[Resolution No. 5249](#)

Budget Impact:

\$0

Administrative Recommendation:

City Council to approve Resolution No. 5249.

Background Summary:

Per the current 6-year capital facility plan, the water fund has identified around \$3.0M of debt financing required in 2016 and an additional \$5M need in 2017 and about \$2.5M in 2018. Currently the biggest 2016 bond financed project is the AMI project, which is well underway.

This interfund loan will utilize capital reserves in the storm and sewer funds for up to 3 years. It is estimated that the water fund will require a \$3.0M transfer in the fall of 2016. Finance will assess additional needs early in 2017 and anticipates a private placement bond for the water fund, not to exceed \$5M, sometime in 2017. This financing mechanism is the same as the City used in the March 2016 Golf Course and Airport bond refunding.

The financing proceeds will be used to fund the water capital plan and may repay a portion of the interfund loan, depending on planned project(s) status.

Again in 2018, depending on the bond market, the City will place another private placement bond of about \$5M. Additional debt proceeds may be required in 2019 of approximately \$2.5M.

Background:

2010 the utilities issued \$20 million in bonds;

2013 the utilities issued \$12 million in bonds;

Overall this is about \$10.5M in debt funding required over 3 years.

The recommendation to limit the size and timing of the issues is based upon several factors:

Rather than issue one bond in 2016 and then spend down over the next 3 years it is recommended to split the issue up into smaller amounts. This will align the funding issue close to the actual need i.e. construction phase. Estimating the construction window can be challenging and is dependent on available project management staff, design progress, weather, and sometimes unforeseen circumstances. Timing the issue close to the construction phase limits interest payments on issued but idle bond funds.

Limiting the issuances to \$5M will prevent the City from costly arbitrage requirements which are required by the IRS on debt issuances over \$5M in a calendar year. This rule has been in place since 1988 and the \$5M threshold is no longer relevant given costs have escalated significantly in the past 28 years. Yet it remains at \$5M.

Finally, private placement would preclude the City from preparing an official statement and going in front of the rating agencies. These efforts require a great deal of effort from staff, both Finance and Public Works, to ready the bond(s) for public sale in the bond market. Having said that, public sales in the bond market will put the debt issue under the purview of the Securities and Exchange Commission (SEC).

The City was pleasantly surprised by the March 2016 private placement in which the interest rate was less than the rate it would have received if it had gone out to the bond market.

In short, the interfund loan would 'tie over' the water fund until the timing is right for the issue and enable smaller issuances with less IRS and federal regulatory oversight.

Reviewed by Council Committees:

Councilmember:

Staff: Coleman

Meeting Date: August 29, 2016

Item Number: DI.E

RESOLUTION NO. 5249

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, AUTHORIZING THE TRANSFER OF FUNDS FOR THE PURPOSE OF MAKING A LOAN OR LOANS FROM THE SEWER FUND (FUND NO. 431) AND/OR THE STORM DRAINAGE FUND (FUND NO. 432) TO THE WATER FUND (FUND NO. 430) FOR UP TO A THREE-YEAR PERIOD OF TIME.

WHEREAS, the issuance of revenue bonds are planned as a funding source for carrying out certain Water Fund capital projects during the 2016 – 2018 period as identified in the adopted Capital Facilities Plan; and

WHEREAS, interfund loans can serve as a short-term financing mechanism to hedge bond arbitrage issues and spend down requirements; and

WHEREAS, the Sewer Fund and Storm Drainage Fund have sufficient funds from which to transfer monies in an amount not to exceed FIVE MILLION DOLLARS (\$5,000,000) for the purpose of making loans to cover capital project expenses of the Water Fund; and

WHEREAS, in the event a loan is made from the Sewer Fund or the Storm Drainage Fund to the Water Fund, as provided herein, the loan shall be repaid at the current rate of investment return of the Washington State Local Government Investment Pool on the outstanding balance during the term of the loan; and

WHEREAS, revenue bond issuances in an amount not to exceed FIVE MILLION DOLLARS \$5,000,000 annually are planned for 2017 and 2018 for the purpose of repaying the interfund loan balances.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN,
WASHINGTON, HEREBY RESOLVES as follows:

Section 1. Authorization is hereby given during the time period September 1, 2016 to December 31, 2018 for the transfer of funds to the Water Fund when there are insufficient funds available to cover authorized capital expenses in an amount not to exceed FIVE MILLION DOLLARS (\$5,000,000) from the Sewer Fund and/or the Storm Drainage Fund for the purpose of making a loan with an interest rate commensurate with the current rate of investment return of the Washington State Local Government Investment Pool.

Section 2. The Mayor is hereby authorized to implement such administrative procedures as may be necessary to carry out the directives of this legislation.

Section 3. This Resolution shall take effect and be in full force upon passage and signatures hereon.

Dated and Signed this _____ day of _____, 2016.

CITY OF AUBURN

NANCY BACKUS, MAYOR

ATTEST:

Danielle E. Daskam, City Clerk

APPROVED AS TO FORM:

Daniel B. Heid, City Attorney



AGENDA BILL APPROVAL FORM

Agenda Subject:

Recology CleanScapes Contract (10 Minute Presentation/10 Minute Q&A)

Date:

August 23, 2016

Department:

Finance

Attachments:

[Service Agreement SW16-L-004](#)

Budget Impact:

\$0

Administrative Recommendation:

Approve Service Agreement SW16-L-004 with Recology CleanScapes, Inc.

Background Summary:

The non-profit corporation, Vadis, has provided litter control services for the City of Auburn since 1991. Effective October 1, 2016, Vadis will focus on individual job placement and no longer be providing group litter control services. City staff looked at alternatives to Vadis and determined an agreement with Recology CleanScapes is the most beneficial choice for the City.

SW16-L-004 is a service agreement between the City of Auburn and Recology CleanScapes, Inc. for a litter control program, beginning October 1, 2016 and ending December 31, 2017. This agreement with Recology is for \$43,848.00 in 2016 and \$175,392.00 in 2017. In comparison, the agreement with Vadis for one year was \$159,582.00. Recology staff will provide litter removal in the same public areas as Vadis. They will also provide most of the litter can services, except the City's Community Service Crew will assist with some of the cans in the downtown area.

Recology CleanScapes' "StreetScapes" division has been working to keep commercial business districts clean since 1997. This agreement focuses on litter removal, but they offer a variety of other services such as pressure washing and graffiti removal.

Reviewed by Council Committees:**Councilmember:****Staff:**

Coleman

Meeting Date: August 29, 2016

Item Number: DI.F

CITY OF AUBURN
AGREEMENT FOR SERVICES
SW16-L-004

THIS AGREEMENT made and entered into on this ____ day of _____, 2016, by and between the **City of Auburn**, a municipal corporation of the State of Washington, hereinafter referred to as "City" and **Recology CleanScapes Inc.**, 117 S. Main Street, Suite 300, Seattle, WA 98104, hereinafter referred to as the "Provider."

W I T N E S S E T H :

WHEREAS, the City is engaged in or readying itself to be engaged in its litter control and recycling program and is in need of services of individuals, employees or firms for litter control and recycling work; and,

WHEREAS, the City desires to retain the Provider to provide certain services in connection with the City's work related to litter control and recycling; and,

WHEREAS, the Provider is qualified and able to provide services in connection with the City's needs for the above-described work, and is willing and agreeable to provide such services upon the terms and conditions herein contained.

NOW, THEREFORE, the parties hereto agree as follows:

1. Scope of Services

The Provider agrees to perform in a good and professional manner the tasks described on Exhibit "A" which is attached hereto and incorporated herein by this reference. (The tasks described on Exhibit "A" shall be individually referred to as a "task," and collectively referred to as the "services.") The Provider shall perform the services as an independent contractor and shall not be deemed, by virtue of this Agreement and the performance thereof, to have entered into any partnership, joint venture, employment or other relationship with the City.

2. Additional Services

From time to time hereafter, the parties hereto may agree to the performance by the Provider of additional services with respect to related work or projects. Any such agreement(s) shall be set forth in writing and shall be executed by the respective parties prior to the Provider's performance of the services there under, except as may be provided to the contrary in Section 3 of this Agreement. Upon proper completion and execution of an Amendment (agreement for additional services), such Amendment shall be incorporated into this Agreement and shall have the same force and effect as if the terms of such Amendment were a part of this Agreement as originally executed. The performance of services pursuant to an Amendment shall be subject to the terms and conditions of this Agreement except where the Amendment provides to the contrary, in which case the terms and conditions of any such Amendment shall control. In all other respects, any Amendment shall supplement and be construed in accordance with the terms and conditions of this Agreement.

3. Performance of Additional Services Prior to Execution of an Amendment

The parties hereby agree that situations may arise in which emergency services other than those described on Exhibit "A" but reasonably related thereto are desired by the City and the time period for the completion of such services makes the execution of Amendment impractical prior to the commencement of the Provider's performance of the requested services. The Provider hereby agrees that it shall perform such services upon the written request of an authorized representative of the City pending execution of an Amendment, at a rate of compensation to be agreed to in connection therewith. The invoice procedure for any such additional services shall be as described in Section 8 of this Agreement.

4. Provider's Representations

The Provider hereby represents and warrants that he has all necessary licenses and certifications to perform the services provided for herein, and is qualified to perform such services.

5. City's Responsibilities

The City shall do the following in a timely manner so as not to delay the services of the Provider:

- a. Designate in writing a person to act as the City's representative with respect to the services. The City's designee shall have complete authority to transmit instructions, receive information, interpret and define the City's policies and decisions with respect to the services.
- b. Furnish the Provider with all information, criteria, objectives, schedules and standards for the project and the services provided for herein.
- c. Arrange for access to the property or facilities as required for the Provider to perform the services provided for herein.

Specific responsibilities of the City are set forth in Exhibit B, which is attached hereto and by this reference made a part of this agreement.

6. Provider's Responsibilities

Specific responsibilities of the Provider are set forth in Exhibit B, which is attached hereto and by this reference made a part of this agreement.

7. Acceptable Standards

The Provider shall be responsible to provide, in connection with the services contemplated in this Agreement, work products and services of a quality and professional standard reasonably acceptable to the City.

8. Compensation

As compensation for the Provider's performance of the services provided for herein, the City shall pay the Provider the fees and costs specified on Exhibit "C" attached hereto and made a part hereof (or as specified in an Amendment). The Provider shall submit to the City an invoice or statement of time spent on tasks included in the scope of work provided herein, and the City shall process the invoice or statement in the next billing/claim cycle following receipt of the invoice or statement, and shall remit payment to the Provider thereafter in the normal course, subject to any

conditions or provisions in this Agreement or Amendment. The Agreement number must appear on all invoices submitted.

9. Time for Performance and Term of Agreement

The Provider shall not begin any work under this Agreement until **October 1, 2016**. The Provider shall perform the services provided for herein in accordance with the direction and scheduling provided on Exhibit "A" attached hereto and incorporated herein by this reference, unless otherwise agreed to in writing by the parties. The Term of this Agreement shall terminate on **December 31, 2017**.

10. Ownership and Use of Documents

All documents, reports, memoranda, diagrams, sketches, plans, surveys, design calculations, working drawings and any other materials created or otherwise prepared by the Provider as part of his performance of this Agreement (the "Work Products") shall be owned by and become the property of the City, and may be used by the City for any purpose beneficial to the City.

11. Records Inspection and Audit

All compensation payments shall be subject to the adjustments for any amounts found upon audit or otherwise to have been improperly invoiced, and all records and books of accounts pertaining to any work performed under this Agreement shall be subject to inspection and audit by the City for a period of up to three (3) years from the final payment for work performed under this Agreement.

12. Continuation of Performance

In the event that any dispute or conflict arises between the parties while this Contract is in effect, the Provider agrees that, notwithstanding such dispute or conflict, the Provider shall continue to make a good faith effort to cooperate and continue work toward successful completion of assigned duties and responsibilities.

13. Administration of Agreement

This Agreement shall be administered by Kevin Kelly, on behalf of the Provider, and by the Mayor of the City, or designee, on behalf of the City. Any written notices required by the terms of this Agreement shall be served on or mailed to the following addresses:

City of Auburn
Joan Nelson
Solid Waste & Recycling Supervisor
25 W Main St
Auburn, WA 98001-4998
Phone: 253-876-1900
E-mail: jenelson@auburnwa.gov

Recology CleanScapes Inc.
Kevin Kelly
General Manager
117 S. Main Street, Suite 300
Seattle, WA 98104
Fax: 206-859-6701
E-mail: kkelly@recology.com

14. Notices

All notices or communications permitted or required to be given under this Agreement shall be in writing and shall be deemed to have been duly given if delivered in person or deposited in the United States mail, postage prepaid, for mailing by certified mail,

return receipt requested, and addressed, if to a party of this Agreement, to the address for the party set forth above.

Either party may change his, her or its address by giving notice in writing, stating his, her or its new address, to the other party, pursuant to the procedure set forth above.

15. Insurance

The Provider shall be responsible for maintaining, during the term of this Agreement and at its sole cost and expense, the types of insurance coverages and in the amounts described below. Insurance is to be placed with authorized insurers in Washington State with a current A.M. Best rating of not less than A-: VII. The Provider shall furnish evidence, satisfactory to the City, of all such policies. During the term hereof, the Provider shall take out and maintain in full force and effect the following insurance policies:

- a. Automobile Liability insurance, covering all owned, non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage. Provider shall maintain automobile insurance with minimum combined single limit for bodily injury and property damage of \$1,000,000.00 per accident.
- b. Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 or its equivalent and shall cover liability arising from premises, operations, independent contractors, products-completed operations, stop gap liability, personal injury and advertising injury, and liability assumed under an insured contract. The Commercial General Liability insurance shall be endorsed to provide the Aggregate Per Policy Limit. There shall be no endorsement or modification of the Commercial General Liability insurance for liability arising from explosion, collapse or underground property damage. The City shall be named as an additional insured under the Contractor's Commercial General Liability insurance policy with respect to the work performed for the City using ISO Additional Insured endorsement CG 20 10 10 01 or its equivalent and Additional Insured-Completed Operations endorsement CG 20 37 10 01 or substitute endorsements providing equivalent coverage. Commercial General Liability insurance shall be written with limits no less than \$1,000,000.00 each occurrence, \$2,000,000.00 general aggregate, and a \$2,000,000.00 products-completed operations aggregate limit.
- c. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
- d. Umbrella/Excess Liability Insurance in a minimum amount of five million dollars (\$5,000,000.00), providing coverage on a following-form basis over the Employer's Liability Insurance limit, the Commercial General Liability Insurance limit, and the Automobile Liability Insurance limit.

16. Indemnification

The Provider shall indemnify and hold harmless the City and its officers, agents and employees, or any of them from any and all claims, actions, suits, liability, loss, costs, expenses, and damages of any nature whatsoever, by any reason of or arising out of the negligent act or omission of the Provider, its officers, agents, employees, or any of them relating to or arising out of the performance of this Agreement. If a final judgment is rendered against the City, its officers, agents, employees and/or any of them, or jointly against the City and the Provider and their respective officers, agents and employees, or any of them, the Provider shall satisfy the same to the extent that such judgment was due to the Provider's negligent acts or omissions.

17. Assignment

Neither party to this Agreement shall assign any right or obligation hereunder in whole or in part, without the prior written consent of the other party hereto. No assignment or transfer of any interest under this Agreement shall be deemed to release the assignor from any liability or obligation under this Agreement, or to cause any such liability or obligation to be reduced to a secondary liability or obligation.

18. Nondiscrimination

The Provider may not discriminate regarding any services or activities to which this Agreement may apply directly or through contractual, hiring, or other arrangements on the grounds of race, color, creed, religion, national origin, sex, age, or where there is the presence of any sensory, mental or physical handicap.

19. Amendment, Modification or Waiver

No amendment, modification or waiver of any condition, provision or term of this Agreement shall be valid or of any effect unless made in writing, signed by the party or parties to be bound, or such party's or parties' duly authorized representative(s) and specifying with particularity the nature and extent of such amendment, modification or waiver. Any waiver by any party of any default of the other party shall not affect or impair any right arising from any subsequent default.

Nothing herein shall limit the remedies or rights of the parties hereto under and pursuant to this Agreement.

20. Termination and Suspension

Either party may terminate this Agreement upon written notice to the other party if the other party fails substantially to perform in accordance with the terms of this Agreement through no fault of the party terminating the Agreement, and does not cure such failure of performance within ten (10) days after written notice of the failure by the non-breaching party.

The City may terminate this Agreement upon not less than seven (7) days written notice to the Provider if the services provided for herein are no longer needed.

If the Provider is notified by another contractor of the City that one or more of the Provider's services hereunder violate the exclusive rights granted by the City to such contractor or interfere with such contractor's contract with the City, then the Provider

may cease providing such services and/or terminate this Agreement, upon not less than seven (7) days written notice to the City.

If this Agreement is terminated early, the Provider shall be compensated for services performed prior to termination in accordance with the rate of compensation provided in Exhibit "C" hereof.

21. Parties in Interest

This Agreement shall be binding upon, and the benefits and obligations provided for herein shall inure to and bind, the parties hereto and their respective successors and assigns, provided that this section shall not be deemed to permit any transfer or assignment otherwise prohibited by this Agreement. This Agreement is for the exclusive benefit of the parties hereto and it does not create a contractual relationship with or exist for the benefit of any third party, including contractors, sub-contractors and their sureties.

22. Costs to Prevailing Party

In the event of such litigation or other legal action, to enforce any rights, responsibilities or obligations under this Agreement, the prevailing parties shall be entitled to receive its reasonable costs and attorney's fees.

23. Applicable Law

This Agreement and the rights of the parties hereunder shall be governed by and interpreted in accordance with the laws of the State of Washington and venue for any action hereunder shall be in of the county in Washington State in which the property or project is located, and if not site specific, then in King County, Washington; provided, however, that it is agreed and understood that any applicable statute of limitation shall commence no later than the substantial completion by the Provider of the services.

24. Captions, Headings and Titles

All captions, headings or titles in the paragraphs or sections of this Agreement are inserted for convenience of reference only and shall not constitute a part of this Agreement or act as a limitation of the scope of the particular paragraph or sections to which they apply. As used herein, where appropriate, the singular shall include the plural and vice versa and masculine, feminine and neuter expressions shall be interchangeable. Interpretation or construction of this Agreement shall not be affected by any determination as to who is the drafter of this Agreement, this Agreement having been drafted by mutual agreement of the parties.

25. Severable Provisions

Each provision of this Agreement is intended to be severable. If any provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Agreement.

26. Entire Agreement

This Agreement contains the entire understanding of the parties hereto in respect to the transactions contemplated hereby and supersedes all prior agreements and understandings between the parties with respect to such subject matter.

27. Counterparts

This Agreement may be executed in multiple counterparts, each of which shall be one and the same Agreement and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other party.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed effective the day and year first set forth above.

CITY OF AUBURN

RECOLOGY CLEANSCAPES INC.

Nancy Backus, Mayor

Signature

Name: _____

Title: _____

Attest:

Danielle Daskam, City Clerk

Signature

Name: _____

Title: _____

Approved as to form:

Daniel B. Heid, City Attorney

EXHIBIT A

SCOPE OF WORK

The purpose of this Agreement is to contract with the Provider on a clean-up program for the City of Auburn.

Litter Crew

The Provider shall make available a Litter Crew consisting of two (2) employees and two (2) pickup trucks.

The Provider's Litter Crew shall perform the following services within the City:

1. Specific Tasks

The Provider's Litter Crew will collect and remove litter, trash, and debris from the shoulders of City public ways (including but not limited to streets, roads, alleys, paths, and parkways), public parking lots, and other designated public areas. Tasks include the following:

- a. Litter clean-up
 - i. Blow and sweep building edge to curb line in core area as needed.
 - ii. Bio hazard removal (urine, vomit, feces, sharps)
- b. Designated public place litter can service as determined by the City.
- c. Roadside litter patrols as determined by the City.

City shall ensure that the tasks to be performed by the Litter Crew and the schedule for completion are reasonable. The Provider shall not be required to remove materials of a size, type or quantity that cannot reasonably be removed by such a crew.

2. Examination of Work Sites

The Provider shall examine all work sites thoroughly before commencing work at the site. It shall be the responsibility of the Provider to verify all the duties, assignments, and job sites. All existing conditions at the job site will be noted and copies with verification noted, given to the City's Solid Waste and Recycling Supervisor on a monthly basis.

3. Hours

- The Provider shall perform tasks to completion between the hours of 6:30 AM and 2:30 PM Monday through Friday (seven (7) service hours per employee per day, subject to required meal and break periods).
- The Provider shall observe New Year's Day, Thanksgiving Day, and Christmas Day.

EXHIBIT B
RESPONSIBILITIES

PROVIDER

The Provider shall be responsible for the following:

1. The performance of all work as provided in this Agreement with its own employees. Individuals who perform work under this Agreement must be carried on the Provider's payroll. The Provider is responsible for administering and paying employee wages, benefits, and all other employee-related costs. Although the Provider's company headquarters may be located outside of Auburn, Washington, the Provider shall provide a full-time supervisor who will continuously oversee the Provider's employee work and will have authority to represent the Provider in the day-to-day activities. The Provider will present the supervisor's name, address, and telephone number to the City's Solid Waste and Recycling Supervisor at the beginning of the contract period.
2. The Provider is responsible for the safety of its employees at the sites where assigned tasks are performed as well as tools, equipment, safety gear, traffic control devices, and any other items which may be supplied by the City for the Provider's use in the performance of contracted duties. No equipment or supplies will be removed from City premises except as required for the performance of assigned duties.
3. Monthly reports shall be provided to the City's Solid Waste and Recycling Supervisor on a monthly basis. Monthly reports shall include the following:
 - a. Bag count
 - b. Bios collected
 - c. Litter can overflow
 - d. Graffiti removals (if any)
 - e. Location and hours of requested pressure washing (if any)
 - f. Event service (if any)
4. The Provider shall supply a motor vehicle to transport its employees to and from the designated work sites. The Provider's vehicle shall be well identified with signs and equipped with safety warning lights and emergency flashers.
5. The Provider shall supply litter bags, safety gear, rain gear, foul weather gear, footwear as required, and clothing as needed for its employees.

6. The Provider shall follow accepted safety practices in the performance of all work. The Provider's employees must be trained in traffic control and must possess a "Traffic Control Flagging License" certified by the State of Washington.
7. The following additional services are not included in the pricing set forth in Exhibit C, but may be provided under this Agreement at the request of the City. The services may be initiated by an email or other written request from the City to the Provider and are not subject to the Additional Services requirement of Section 2, but are subject to all other provisions of this Agreement. The cost of such services shall be as indicated below, or if not so indicated, then as agreed by the parties at the time of the request.

<u>Service</u>	<u>Cost</u>
Pressure Washing	
Spinner service	\$100/hr.*
Wand service – without reclamation machine	\$80/hr.*
Wand service – with reclamation machine	\$100/hr.*
Additional Streetscapes Services (1 employee and 1 pickup truck; tasks as described in Section 1 of Exhibit A)	\$50/hr.
Graffiti Removal (graffiti removed or painted over within 5 days of request; grey stain-blocking primer used to paint over)	TBD
Event Service (delivery and removal of carts; event day litter removal; post-event cleanup)	TBD
Bulky Item Removal (large furniture, white goods (appliances), large piles of loose debris, other oversize items beyond scope of normal litter service)	TBD

* Assuming waste water can be dumped at City M&O at no cost to Provider.

CITY

The City shall be responsible for the following:

- a. The City shall supply the Provider and its Auburn supervisor a copy of the daily work schedule and any change notices to use as a basic guide for the distribution of work each week. The work schedule may be changed as deemed appropriate by the City and a copy of such changes provided to the Provider and the City. The City shall determine the priority of the various assignments. The City shall verify that all services are satisfactorily performed as scheduled.

- b. The City shall supply the Provider with a location map of the public place litter cans and the frequency that they shall be serviced.
- c. The City shall at no cost to the Provider provide disposal for all materials collected by the Provider during services performed under this Agreement. The Provider shall deliver all such materials to the City's Maintenance and Operations Division facility located at 1305 C Street SW, Auburn, WA ("City M&O").

EXHIBIT C
FEE SCHEDULE

2016 Fee Schedule

	<u>Monthly Fee</u>	<u># of Months</u>	<u>Not-To-Exceed Amount</u>
Litter Crew	\$14,616.00	3	\$ 43,848.00

2016 Total Not To Exceed Amount **\$ 43,848.00**

2017 Fee Schedule

	<u>Monthly Fee</u>	<u># of Months</u>	<u>Not-To-Exceed Amount</u>
Litter Crew	\$14,616.00	12	\$ 175,392.00

2017 Total Not To Exceed Amount **\$ 175,392.00**



AGENDA BILL APPROVAL FORM

Agenda Subject:

2nd Quarter 2016 Financial Report (10 Minute Presentation/10 Minute Q&A)

Date:

August 23, 2016

Department:

Finance

Attachments:

[2nd quarter financial report](#)

Budget Impact:

\$0

Administrative Recommendation:

For discussion only.

Background Summary:

The purpose of the quarterly financial report is to summarize for the City Council the general state of Citywide financial affairs and to highlight significant items or trends that the City Council should be aware of. The following provides a high level summary of the City's financial performance; further details can be found within the attached financial report.

The second quarter status report is based on financial data available as of July 25, 2016 for the period ending June 30, 2016. Sales tax information represents business activity that occurred through April 2016.

General Fund:

The General Fund is the City's largest fund and accounts for the majority of City resources and services, other than those required by statute to be accounted for in another fund.

Through June 2016, General Fund revenues totaled \$32.5 million compared to a budget of \$30.3 million and were \$2.2 million higher than the revenues collected for the same period in 2015. Notable variances to budget in the second quarter of 2016 include:

- General Fund sales tax revenues totaled \$7.3 million, exceeding budget by \$16,000 or 0.2% and exceeding 2015 collections by \$221,000. Receipts to date include a one-time payment of over \$100,000 and so the trend is unfavorable. The areas of significant increase from 2015 were primarily in the

service and transportation sectors, with significant decreases in the manufacturing and retail trade sectors.

- The Other Taxes category performed better than budget through Q2-2016. Collections in criminal justice sales tax revenues exceeded budget by \$114,000, or 13.8%. City utility tax revenues were above budget by \$156,000 and electric and natural gas tax revenues were above budget by \$157,000 and \$68,000, respectively. These revenues were somewhat offset by an unfavorable variance in telephone tax collections of \$67,000.
- Development services fees through June totaled \$616,000 and exceeded budget by \$248,000. The increased revenues were predominantly attributable to plan check revenues, which year-to-date have already generated 82% of budgeted annual revenue.
- Other revenues exceeded the year-to-date budget through Q2-2016 by \$251,000, or 51.7%, and exceeded Q2-2015 revenue in this category by \$102,000, primarily due to increase parking revenues, facility rental revenues, and purchase card rebates.

General Fund expenditures through June totaled \$29.2 million as compared with a budget of \$33.4 million. This represents a 12.6% underspend compared to budget.

Through the second quarter of 2016, 2,342 pet licenses have been sold resulting in \$66,645 in revenue. For the same period in 2015, 2,563 licenses were sold resulting in \$73,605 in revenue.

Street Funds:

The City's three street funds are special revenue funds where the revenue sources and expenditures are legally restricted. These funds are used for street capital construction projects, local street repair and arterial street repair and preservation projects. In Q2-2016, Arterial Street fund revenues collected totaled \$1.9 million as compared to collections of \$1.1 million for the same period in 2015; expenditures totaled \$1.5 million as compared to \$1.8 million spent through second quarter last year. Local Street fund revenues exceeded budget expectations for the first half of the year by \$299,000, or 33.7%, due to higher than anticipated sales tax revenues from local construction projects; expenditures were \$276,000 as compared with a budget of \$312,000. Lastly, Arterial Street Preservation fund revenues totaled \$1.1 million as compared to a budget of \$1.3 million, while expenditures totaled \$354,000.

Proprietary Funds:

The City's seven proprietary funds account for operations with revenues primarily provided from user fees, charges or contracts for services.

At the end of Q2-2016, the Water fund had net operating income of \$1.9 million compared to operating income of \$1.4 million at the end of Q2-2015. The Sewer fund

ended the period with net income of \$1.2 million compared to income of \$0.9 million in the previous year. The Sewer-Metro Utility ended the quarter with net operating income of \$192,000 as compared to an operating loss of \$173,000 in 2015. Lastly, the Stormwater Utility ended the quarter with operating income of \$1.4 million compared to operating income of \$2.7 million for the same period in 2015.

The Cemetery ended Q2-2016 with net operating income of \$178,000 compared to operating income of \$94,000 for the same period in 2015.

Internal Service Funds:

Internal Service Funds provide services to other City departments and include functions such as Insurance, Worker's Compensation, Facilities, Innovation and Technology, and Equipment Rental. All funds have sufficient revenues to cover year-end expenditures.

Investment Portfolio:

The City's total cash and investments at the end of the quarter was \$114.7 million, and compares to \$118.3 million at the end of Q2-2015.

Reviewed by Council Committees:

Councilmember:

Staff:

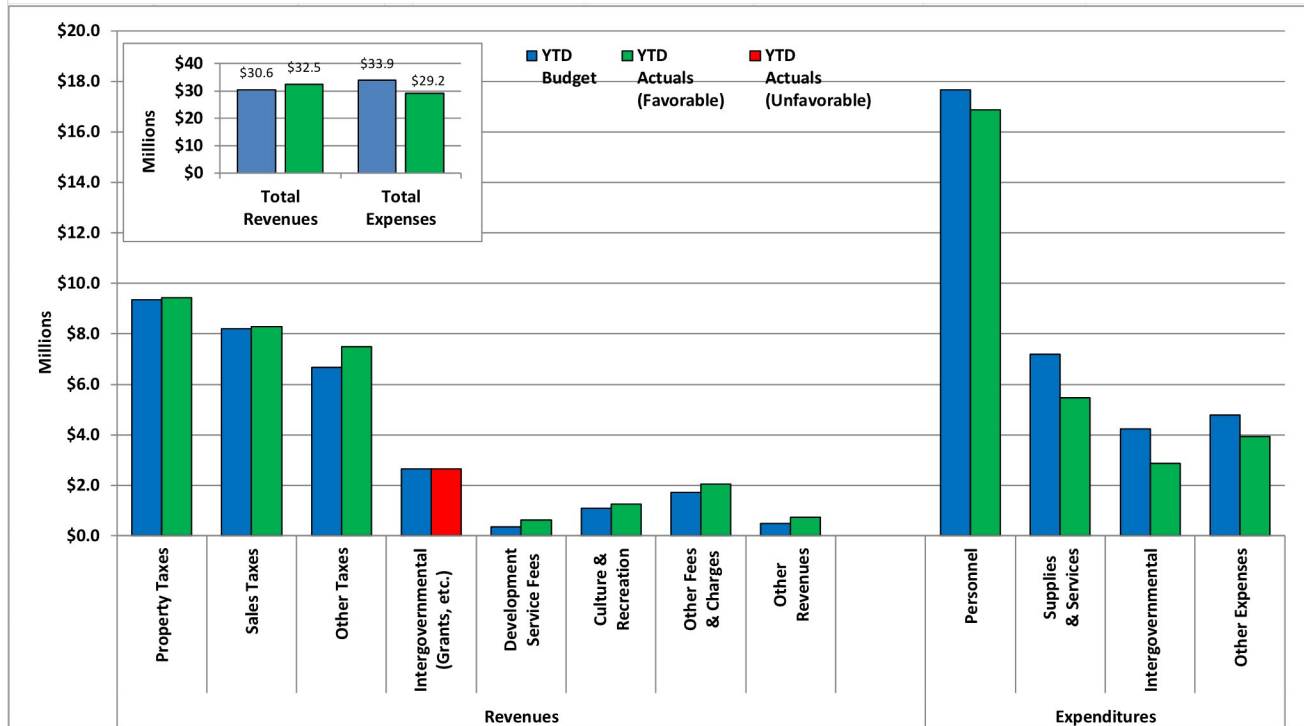
Coleman

Meeting Date: August 29, 2016

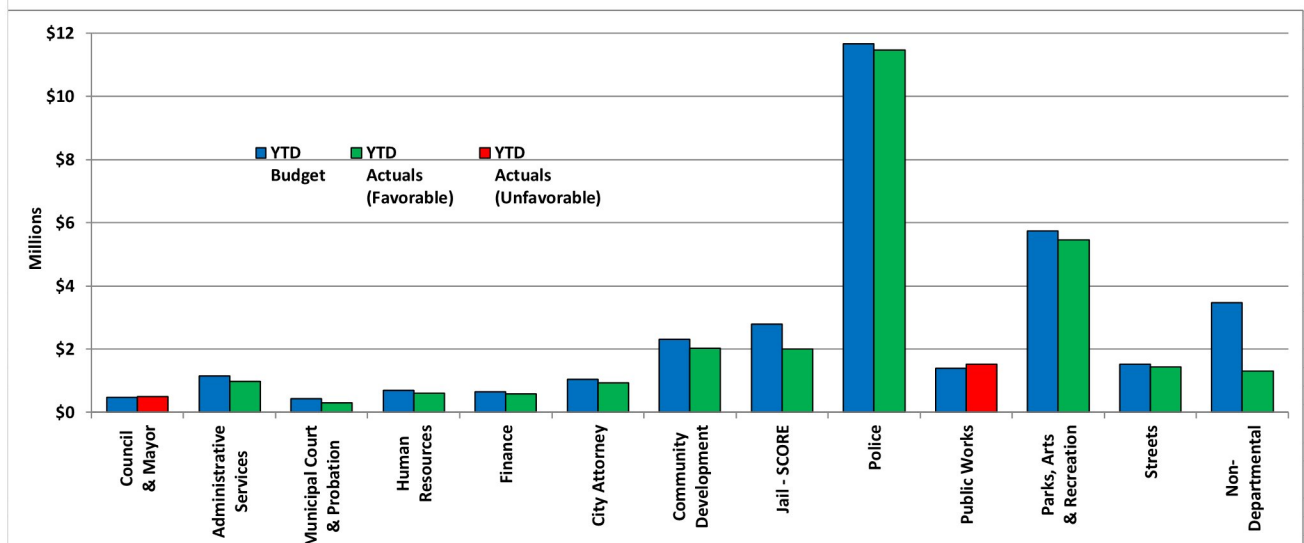
Item Number: DI.G

GENERAL FUND SUMMARY

YEAR-TO-DATE GENERAL FUND REVENUES
(through June 2016)



YEAR-TO-DATE GENERAL FUND EXPENDITURES BY DEPARTMENT
(through June 2016)



General Fund Summary of Sources and Uses	2016			2015	2016 YTD Budget vs. Actual	
	Annual Budget	YTD Budget	YTD Actual	YTD Actual	Favorable (Unfavorable) Amount	Percent
Beginning Fund Balance	\$ 15,817,653					
Operating Revenues						
Property Tax	\$ 17,733,500	\$ 9,364,100	\$ 9,448,363	\$ 9,082,406	\$ 84,263	0.9 %
Sales Tax	14,572,000	7,286,000	7,301,456	7,080,481	15,456	0.2 %
Sales Tax - Annexation Credit	1,912,000	914,000	988,193	886,979	74,193	8.1 %
Criminal Justice Sales Tax	1,747,000	831,400	945,829	861,400	114,429	13.8 %
Brokered Natural Gas Tax	282,000	179,900	160,140	159,349	(19,760)	(11.0) %
City Utilities Tax	3,521,200	1,682,400	1,838,188	1,719,324	155,788	9.3 %
Admissions Tax	333,600	133,300	142,414	135,674	9,114	6.8 %
Electric Tax	3,297,700	1,758,600	1,915,419	1,648,480	156,819	8.9 %
Natural Gas Tax	852,000	575,900	644,107	659,020	68,207	11.8 %
Cable TV Franchise Fee	906,700	449,900	487,057	455,052	37,157	8.3 %
Cable TV Franchise Fee - Capital	64,000	32,800	33,238	36,324	438	1.3 %
Telephone Tax	1,620,000	835,000	767,726	871,239	(67,274)	(8.1) %
Garbage Tax (external)	106,000	52,980	61,778	54,854	8,798	16.6 %
Leasehold Excise Tax	33,000	16,700	179,245	35,020	162,545	973.3 %
Gambling Excise Tax	334,400	129,700	309,615	82,550	179,915	138.7 %
Taxes subtotal	\$ 47,315,100	\$ 24,242,680	\$ 25,222,768	\$ 23,768,153	\$ 980,088	4.0 %
Business License Fees	\$ 310,000	\$ 137,000	\$ 105,695	\$ 160,817	\$ (31,305)	(22.9) %
Building Permits	1,190,000	647,800	840,170	645,220	192,370	29.7 %
Other Licenses & Permits	444,600	216,300	270,330	246,230	54,030	25.0 %
Intergovernmental (Grants, etc.)	5,627,893	2,654,934	2,648,748	2,602,995	(6,186)	(0.2) %
Charges for Services:						
General Government Services	67,200	37,600	46,237	43,704	8,637	23.0 %
Public Safety	520,300	260,149	342,281	287,517	82,132	31.6 %
Development Services Fees	680,600	368,100	615,814	715,082	247,714	67.3 %
Culture and Recreation	2,105,080	1,089,000	1,251,074	1,236,235	162,074	14.9 %
Fines and Forfeits	796,180	418,700	449,907	485,978	31,207	7.5 %
Fees/Charges/Fines subtotal	\$ 11,741,853	\$ 5,829,583	\$ 6,570,256	\$ 6,423,779	\$ 740,673	12.7 %
Interests and Other Earnings	\$ 35,200	\$ 15,000	\$ 54,747	\$ 23,497	\$ 39,747	265.0 %
Rents, Leases and Concessions	630,600	294,500	373,158	301,118	78,658	26.7 %
Contributions and Donations	32,000	17,300	11,818	20,852	(5,482)	(31.7) %
Other Miscellaneous	157,800	70,000	160,111	102,512	90,111	128.7 %
Transfers In	159,300	76,000	99,000	76,000	23,000	30.3 %
Insurance Recoveries - Capital & Operating	25,000	12,600	37,572	110,458	24,972	198.2 %
Other Revenues subtotal	\$ 1,039,900	\$ 485,400	\$ 736,406	\$ 634,438	\$ 251,006	51.7 %
Total Operating Revenues	\$ 60,096,853	\$ 30,557,663	\$ 32,529,429	\$ 30,826,369	\$ 1,971,766	6.5 %
Operating Expenditures						
Council & Mayor	\$ 976,866	\$ 487,900	\$ 495,405	\$ 446,739	\$ (7,505)	(1.5) %
Administration	2,544,236	1,163,000	986,476	857,741	176,524	15.2 %
Municipal Court & Probation	2,355,889	447,000	314,914	272,076	132,086	29.5 %
Human Resources	1,406,554	688,400	612,047	510,844	76,353	11.1 %
Finance	1,300,773	654,000	589,442	623,422	64,558	9.9 %
City Attorney	2,195,190	1,048,500	937,549	912,293	110,951	10.6 %
Community Development	4,656,841	2,309,300	2,027,342	1,919,180	281,958	12.2 %
Jail - SCORE	5,583,542	2,791,771	2,009,736	1,829,432	782,035	28.0 %
Police	23,794,252	11,664,900	11,463,766	10,811,956	201,134	1.7 %
Public Works	2,811,835	1,391,400	1,518,788	1,326,774	(127,388)	(9.2) %
Parks, Arts & Recreation	11,584,205	5,738,300	5,452,246	5,351,703	286,054	5.0 %
Streets	3,466,563	1,531,900	1,447,978	1,289,104	83,922	5.5 %
Non-Departmental	5,102,169	3,471,775	1,313,029	2,298,317	2,158,747	62.2 %
Total Operating Expenditures	\$ 67,778,915	\$ 33,388,146	\$ 29,168,718	\$ 28,449,580	\$ 4,219,428	12.6 %

Executive Summary

This Executive Summary provides an overview of the City's overall financial position for the fiscal period ending June 30, 2016, reflecting financial data available as of July 25, 2016.

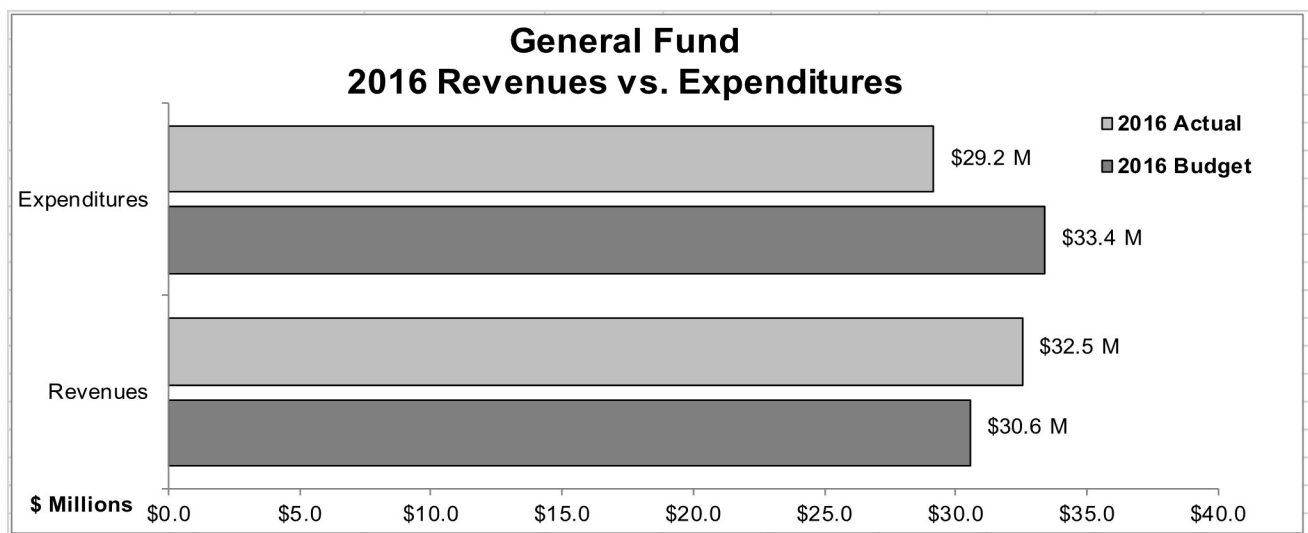
Through June 2016, General Fund revenues totaled \$32.5 million compared to a budget of \$30.6 million, and were \$2.2 million higher than the revenues collected during the first half of 2015. Some notable variances to budget year-to-date include:

- General Fund sales tax revenues totaled \$7.3 million, exceeding budget by \$16,000 or 0.2% and exceeding 2015 collections by \$221,000. Receipts to date include a one-time payment of over \$100,000 and so the trend is unfavorable. Staff will continue to closely monitor this key revenue source.
- The Other Taxes category performed better than budget through Q2-2016. Collections in criminal justice sales tax revenues exceeded budget by \$114,000, or 13.8%. City utility tax revenues were above budget by \$156,000 and electric and natural gas tax revenues were above budget by \$157,000 and \$68,000, respectively. These revenues were somewhat offset by an unfavorable variance in telephone tax collections of \$67,000.
- Leasehold excise taxes show a large favorable variance compared to budget. This is due to an unbudgeted payment from King County to the City for \$139,500 in May 2016, resulting from a determination by the Washington Department of Revenue. In essence, while tribally-owned real estate is exempt from property tax, a parcel's occupant (tenant or lessee) may be subject to leasehold excise tax. Based on a Memorandum of Understanding between the Muckleshoot Indian Tribe and King County, King County distributed the City's portion of payment for the Emerald Downs property, owned by the Muckleshoot Indian Tribe. The Memorandum is legally binding only for 2016; future payments will be negotiated separately. This payment in lieu of taxes was categorized as leasehold excise tax for the purposes of this report.
- Gambling excise tax revenues were above budget by \$180,000. The favorable variance in gambling excise tax was due to a balloon payment on promissory notes for prior years' unpaid taxes from Iron Horse Casino. The budget for these revenues was increased in Budget Amendment #5, and is expected to balance by year end.
- Development services fees through June totaled \$616,000 and exceeded budget by \$248,000. The increased revenues were predominately attributable to plan check revenues, which year-to-date have already generated 82.0% of budgeted annual revenue.
- Culture and recreation revenues year-to-date exceeded budget by \$162,000, or 14.9%. Revenue sources with significant increases compared to Q2-2015 include Auburn Avenue Theater ticket sales, the Cultural Arts Program, and recreational classes which combined for a total \$145,000 favorable variance from the same period the prior year.

- The Other Revenues category exceeded the year-to-date budget through Q2-2016 by \$251,000, or 51.7%, and exceed 2015 year-to-date revenue in this category by \$102,000. This was partially due to increased revenue collected for parking lot fees, which directly relate to a new parking lot and changes to parking rates. Additionally, facility rental revenues have increased over the prior year, and the City continues to receive higher than anticipated revenues from purchase-card rebates.

General Fund expenditures through the first half of 2016 totaled \$29.2 million as compared to a budget of \$33.4 million, representing 12.6% less than budget. Salary and benefits charges to the Public Works Department exceeded year-to-date budget by \$127,000, or 9.2%, due to the timing of work on capital projects. When working on capital projects, Engineering staff in the department charge time to capital funds. However, public works projects are often unfeasible during portions the early months of the year due to inclement weather, during which time salaries and wages that would normally be charged to projects are instead charged to the General Fund. This is anticipated to balance by the end of the year.

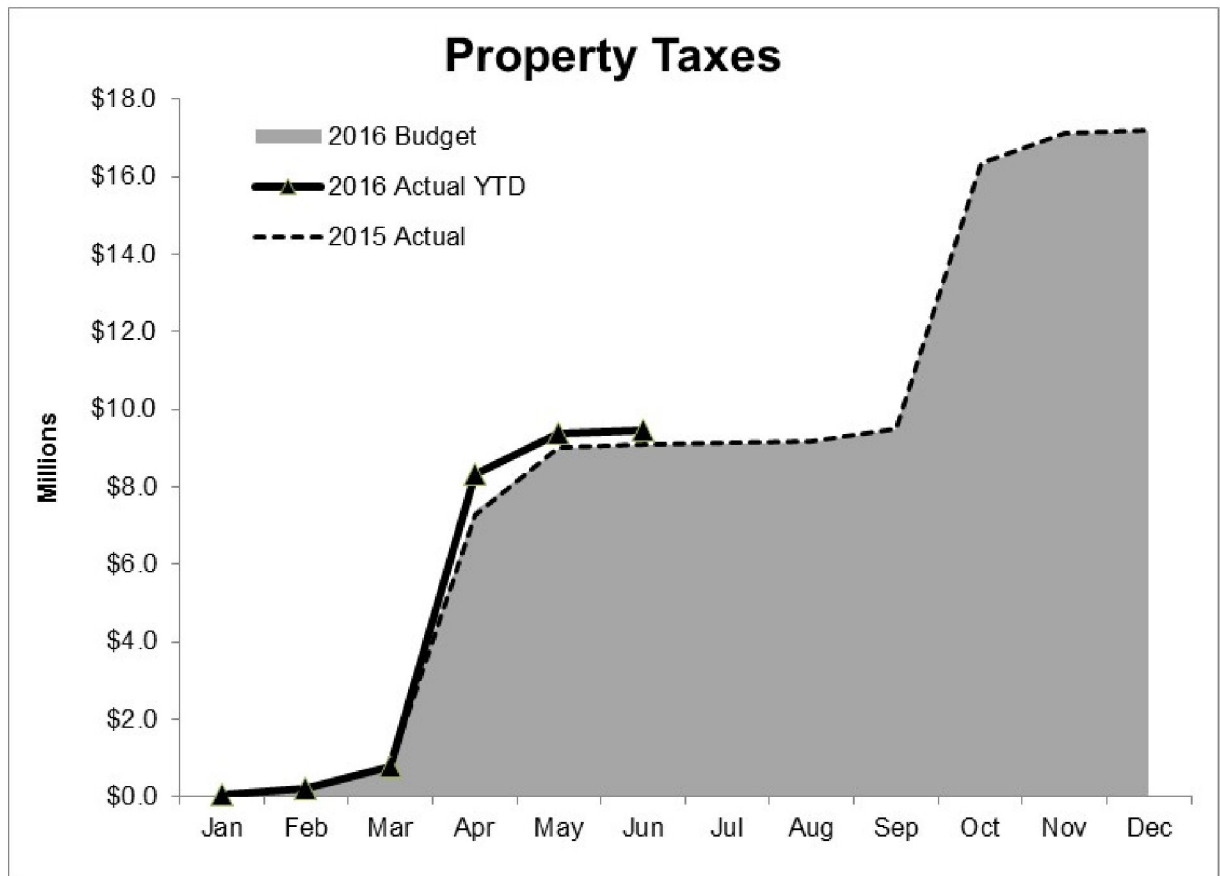
Year-to-date General Fund expenditures ended the period \$719,000, or 2.5%, higher than the same period last year. Salary and benefit costs increased by \$826,000, or 5.1%, from the first half of last year due mainly to increased costs associated with labor contracts and pension benefits.



Revenues

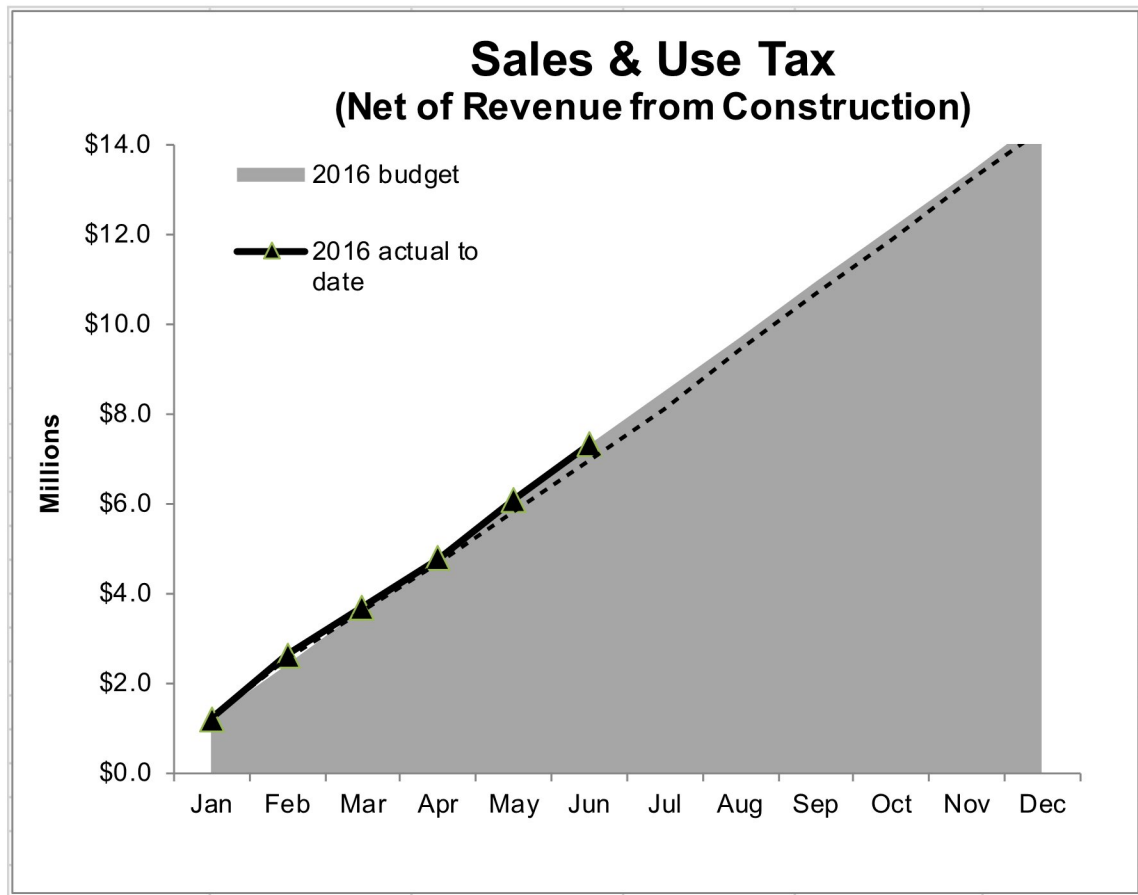
The combined total of property, sales/use, utility, gambling, and admissions taxes provides approximately 80% of all resources supporting general governmental activities. The following section provides additional information on these sources.

Property Tax collections through Q2-2016 totaled \$9,448,000, which is 1% or \$84,000 above budget expectations. The property tax collection through Q2-2016 exceeded collections through the same period last year by \$354,000, or 4.3%. The majority of property tax revenues are collected during the months of April and October, coinciding with the due dates for the County property tax billings.



Sales tax collections year to date total \$8.3 million, of which \$7.3 million was distributed to the General Fund and \$0.9 million was distributed to the Local Street Fund (SOS) program.* Through June 2016, total sales tax revenue distributions to the General Fund exceeded budget expectations by \$16,000, or 0.2%. Receipts to date include a one-time payment of \$110,000 in the “Other Services” category and so the trend is unfavorable.

The areas of significant increase from 2015 were primarily in the service and transportation and warehousing sectors, with significant decreases in the manufacturing and retail trade sectors.



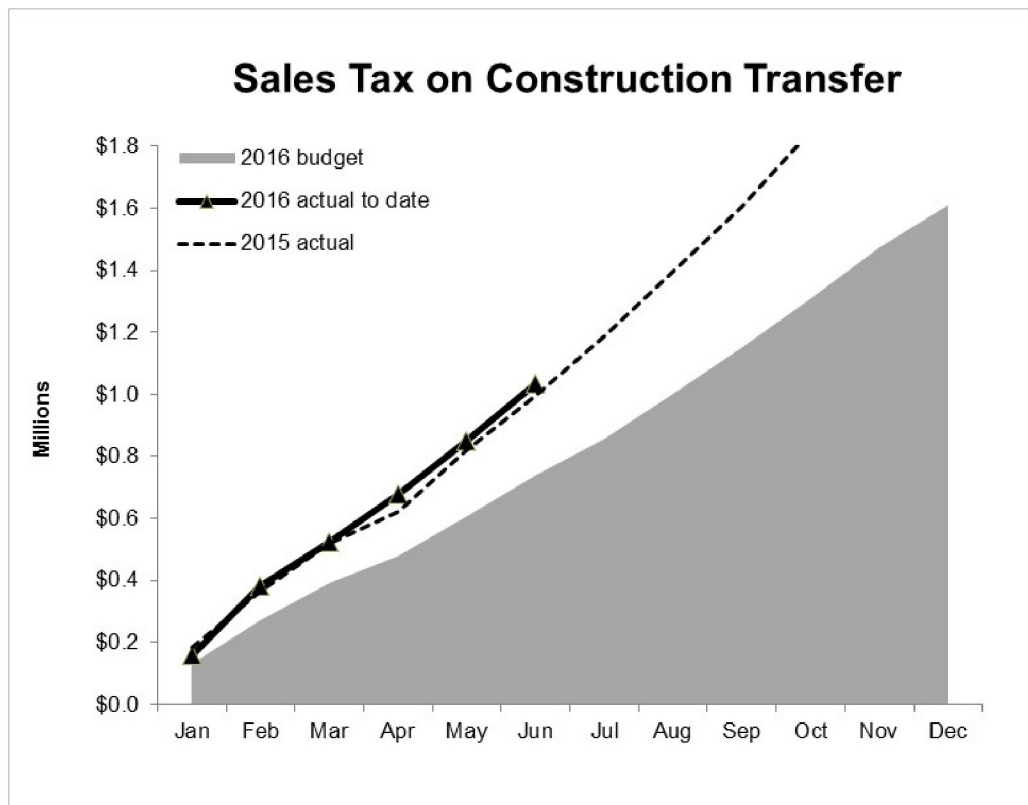
* Beginning in 2013, Local Street Fund (Fund 103) street repairs have been funded from sales taxes on construction. The total amount transferred year-to-date through Q2-2016 was \$1,033,228. The graphic above presents sales taxes under the current policy.

The following table breaks out the City's base sales tax, excluding Criminal Justice, Annexation Credit and Streamlined Sales Tax Mitigation, by major business sector.

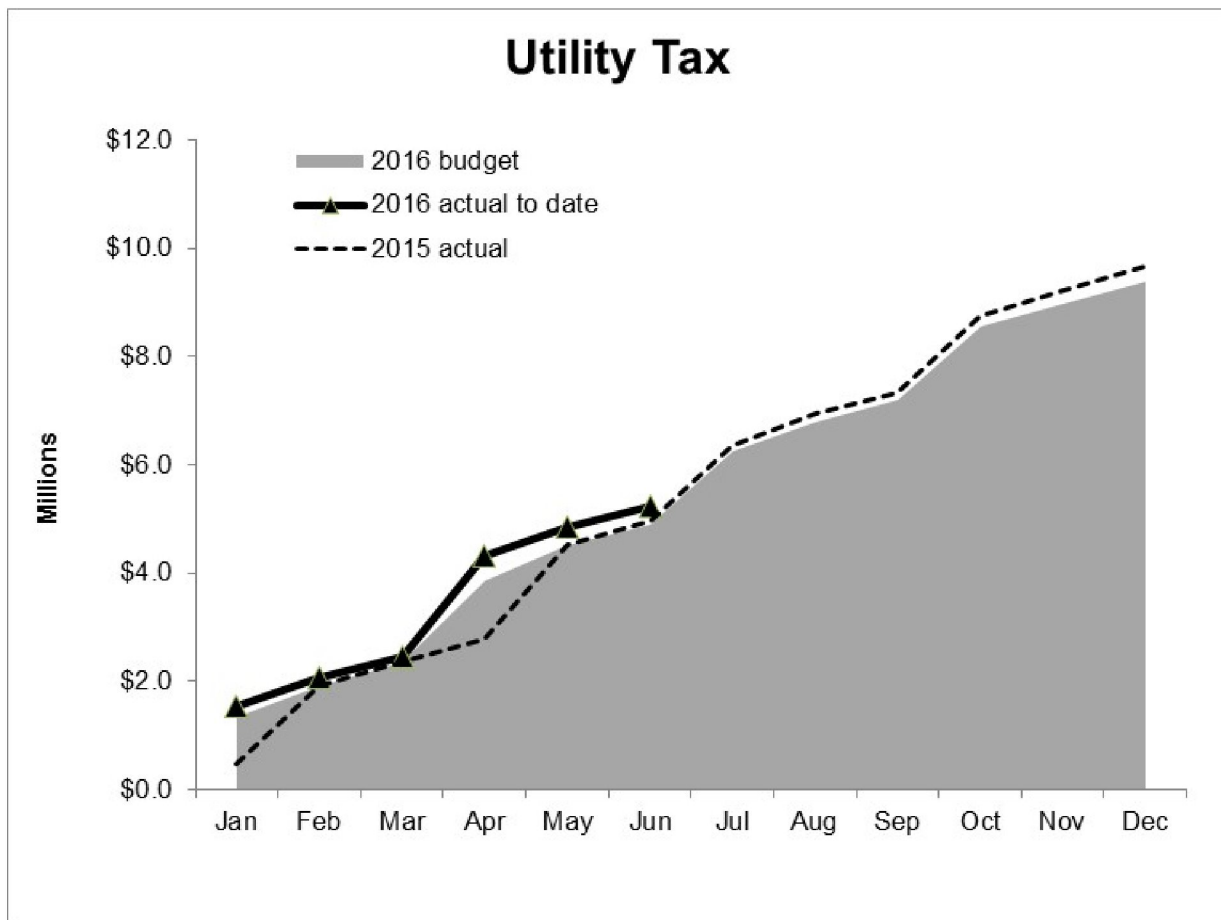
Comparison of Sales Tax Collections by SIC Group June 2016				
Component Group	2015 Actual	2016 Actual	Change from 2015	
			Amount	Percentage
Construction	\$ 996,884	\$ 1,033,228	\$ 36,344	3.6 %
Manufacturing	436,192	419,006	(17,186)	(3.9) %
Transportation & Warehousing	28,097	46,904	18,807	66.9 %
Wholesale Trade	609,203	603,496	(5,707)	(0.9) %
Automotive	1,778,094	1,780,400	2,306	0.1 %
Retail Trade	2,483,952	2,436,545	(47,407)	(1.9) %
Services	1,728,219	2,037,369	309,150	17.9 %
Miscellaneous	30,968	-17,289	(48,257)	(155.8) %
YTD Total	\$ 8,091,609	\$ 8,339,659	\$ 248,050	3.1 %

Total sales tax revenue collected through Q2-2016 exceeded prior year collections by \$221,000, or 3.1%. The business sectors showing the largest increase in revenues compared to last year were the service, transportation and warehousing, and construction industries.

Sales tax revenue on construction, which is transferred to the Local Street Fund (Fund 103) for local street repair and maintenance, totaled \$509,000, which is \$31,000 higher than the same period last year. Year-to-date revenues exceed budgeted revenue by \$295,000.



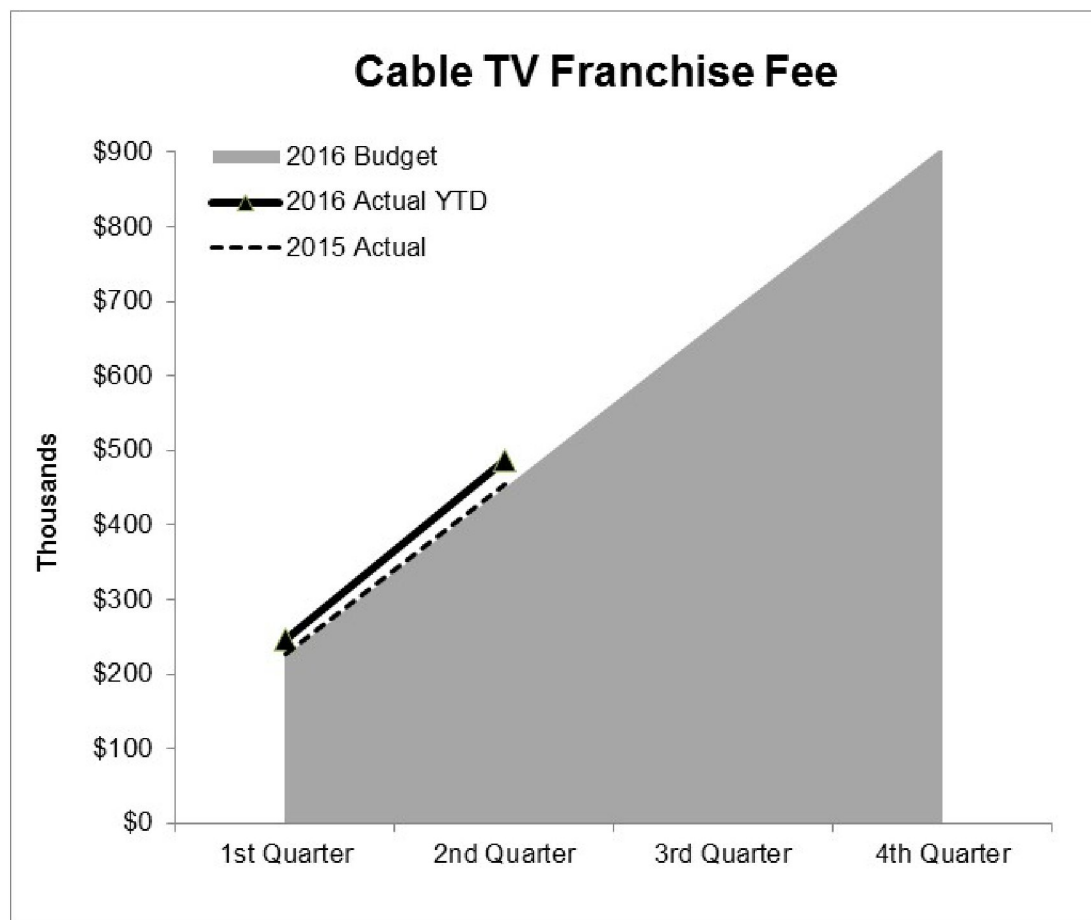
Utility Taxes consist of interfund taxes on City utilities (Water, Sewer, Storm and Solid Waste) and taxes on external utilities (Electric, Natural Gas, Telephone and Solid Waste). Utility taxes collected through Q2-2016 totaled \$5.2 million and exceeded year-to-date budget by \$322,000 or 6.6%.



Favorable variances in City interfund utility tax, Electric tax, Natural Gas tax and Solid Waste tax revenues more than offset lower than expected collections from the Telecommunication industry. Budget Amendment #5 reduced telephone tax revenue by \$200,000.

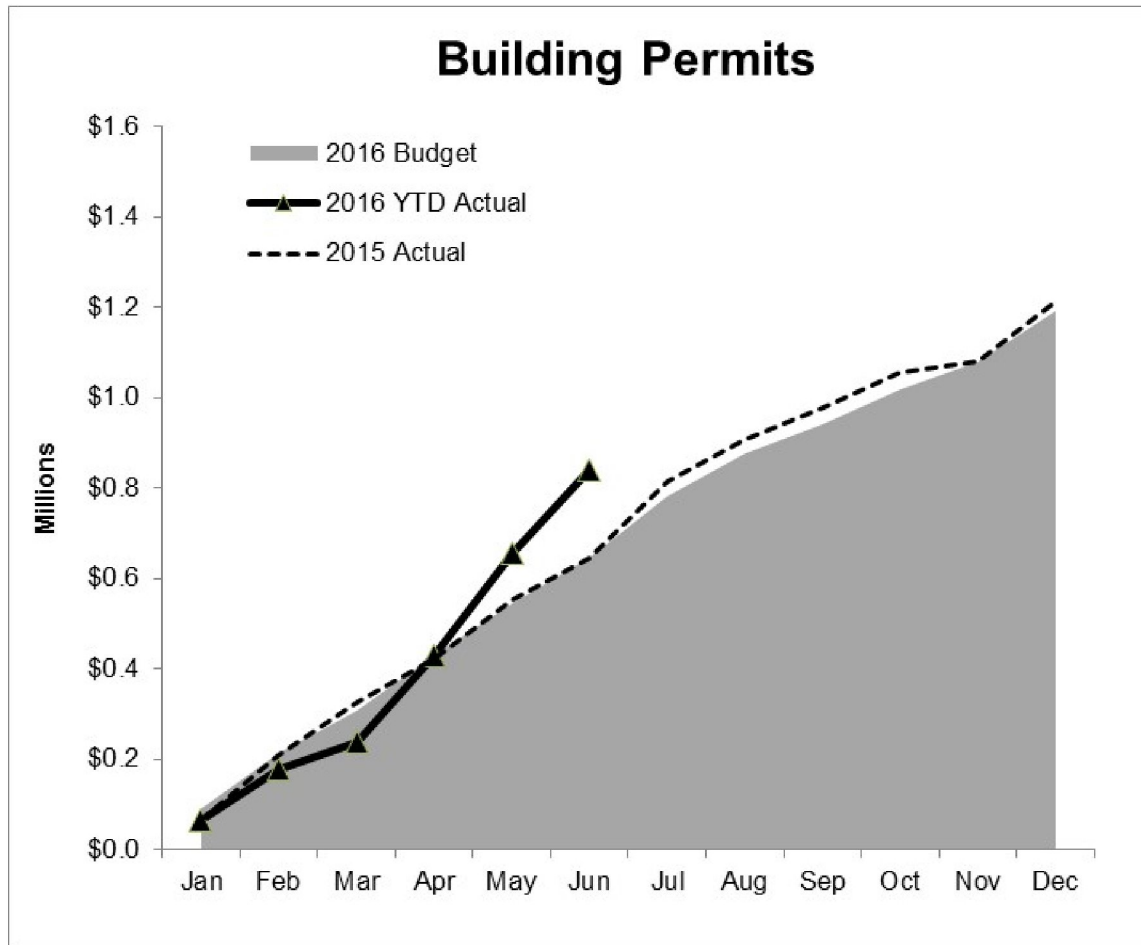
Utility Tax by Type							
June 2016							
Utility Tax Type	2015 Actual	2016 Budget	2016 Actual	2015 vs. 2016		2016 vs. Budget	
				Amount	Percentage	Amount	Percentage
City Interfund Utility Taxes	\$ 1,719,324	\$ 1,682,400	\$ 1,838,188	\$ 118,864	6.9 %	\$ 155,788	9.3 %
Electric	1,648,480	1,758,600	1,915,419	266,939	16.2 %	156,819	8.9 %
Natural Gas	659,020	575,900	644,107	(14,913)	(2.3) %	68,207	11.8 %
Telephone	871,239	835,000	767,726	(103,513)	(11.9) %	(67,274)	(8.1) %
Solid Waste (external)	54,854	52,980	61,778	6,923	12.6 %	8,798	16.6 %
YTD Total	\$ 4,952,918	\$ 4,904,880	\$ 5,227,218	\$ 274,300	5.5 %	\$ 322,338	6.6 %

Cable TV Franchise Fees, which are collected quarterly, totaled \$241,000 for Q2-2016. Year-to-date, revenues exceed the budget of \$450,000 by \$37,000, or 8.3%.



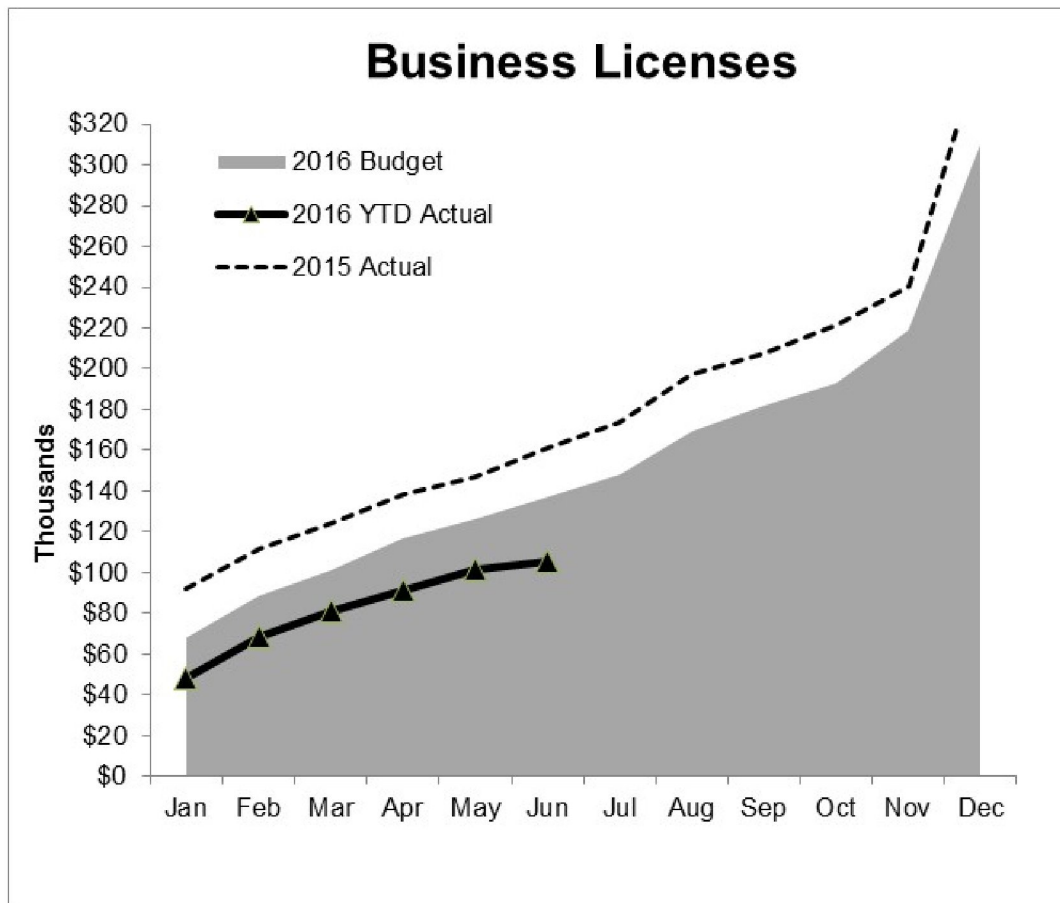
Licenses and Permits include business licenses, building permits, plumbing, electric and other licenses and permit fees. Building permit fees and business licenses make up about 70% of the annual budgeted revenue in this category.

Building permit revenues collected in through June totaled \$840,000, compared to a year-to-date budget of \$648,000. Building permits issued through June total 436, and compares to 385 issued during the same period in 2015.



Business license revenues collected through June totaled \$105,000 compared to a budget of \$137,000; these revenues were below budget by \$31,000 largely due to timing of collections. The graphic below reflects the timing of payments by business owners, where the majority of business license payments are typically collected during the first two months of the year and the last month of the year.

Year-to-date business license revenues are 22.9% lower than the same period in 2015. Again, this variance is largely due to the timing of collections and is expected to be at budget by year end.



Intergovernmental revenues include Grants (Direct & Indirect Federal, State and Local), compact revenue from the Muckleshoot Indian Tribe (MIT), intergovernmental, and state shared revenues. Collections to date totaled \$2.6 million, which reflects budget expectations.

Favorable variances in Motor Vehicle Fuel Tax revenue and Liquor Excise revenue more than offset the reduced revenues received in Federal grant monies and Streamlined Sales Tax.

During the state's 2015-16 fiscal year budget cycle, the City of Auburn did not qualify for Criminal Justice High Crime revenues because the City's crime rate for the prior reporting period did not exceed the statewide average. Therefore, the City of Auburn did not receive these distributions for reporting periods Q3-2015 through Q2-2016. Effective for the state's 2016-17 fiscal year (July 1, 2016 through June 30, 2017), the City of Auburn again qualifies for this distribution. Revenues for the remaining two quarters of 2016 will be reflected in the associated quarterly financial reports.

Intergovernmental June 2016							
Revenue	2015	2016	2016	2016 vs. 2015 Actual		2016 vs. Budget	
	Actual	Budget	Actual	Amount	% Change	Amount	% Change
Federal Grants	\$ 67,622	\$ 107,300	\$ 95,083	\$ 27,461	40.6 %	\$ (12,217)	(11.4) %
State Grants	118,572	83,900	80,896	(37,676)	(31.8) %	(3,004)	(3.6) %
Muckleshoot Casino Emerg.	296,987	315,000	324,419	27,433	9.2 %	9,419	3.0 %
Intergovernmental Service	8,556	4,679	0	(8,556)	(100.0) %	(4,679)	(100.0) %
State Shared Revenues:							
Streamlined Sales Tax	980,842	1,005,500	962,037	(18,805)	(1.9) %	(43,463)	(4.3) %
Motor Vehicle Fuel Tax	495,526	503,200	538,381	42,855	8.6 %	35,181	7.0 %
Criminal Justice - High Crime	96,509	48,000	0	(96,509)	(100.0) %	(48,000)	(100.0) %
Criminal Justice - Population	9,742	8,800	10,151	409	4.2 %	1,351	15.4 %
Criminal Justice - Special Prog.	35,793	33,200	37,115	1,322	3.7 %	3,915	11.8 %
Marijuana Enforcement	0	9,800	9,757	9,757		(43)	(0.4) %
State DUI	6,560	7,300	5,907	(653)	(9.9) %	(1,393)	(19.1) %
Fire Insurance Tax	75,702	70,000	76,569	867	1.1 %	6,569	9.4 %
Liquor Excise	83,566	151,305	180,280	96,714	115.7 %	28,975	19.1 %
Liquor Profit	327,019	316,750	325,653	(1,366)	(0.4) %	8,903	2.8 %
Total State Shared:	2,111,259	2,153,855	2,145,849	34,590	1.6 %	(8,006)	(0.4) %
YTD Total	\$2,602,995	\$2,664,734	\$ 2,648,748	\$ 45,752	1.8 %	\$ (15,986)	(0.6) %

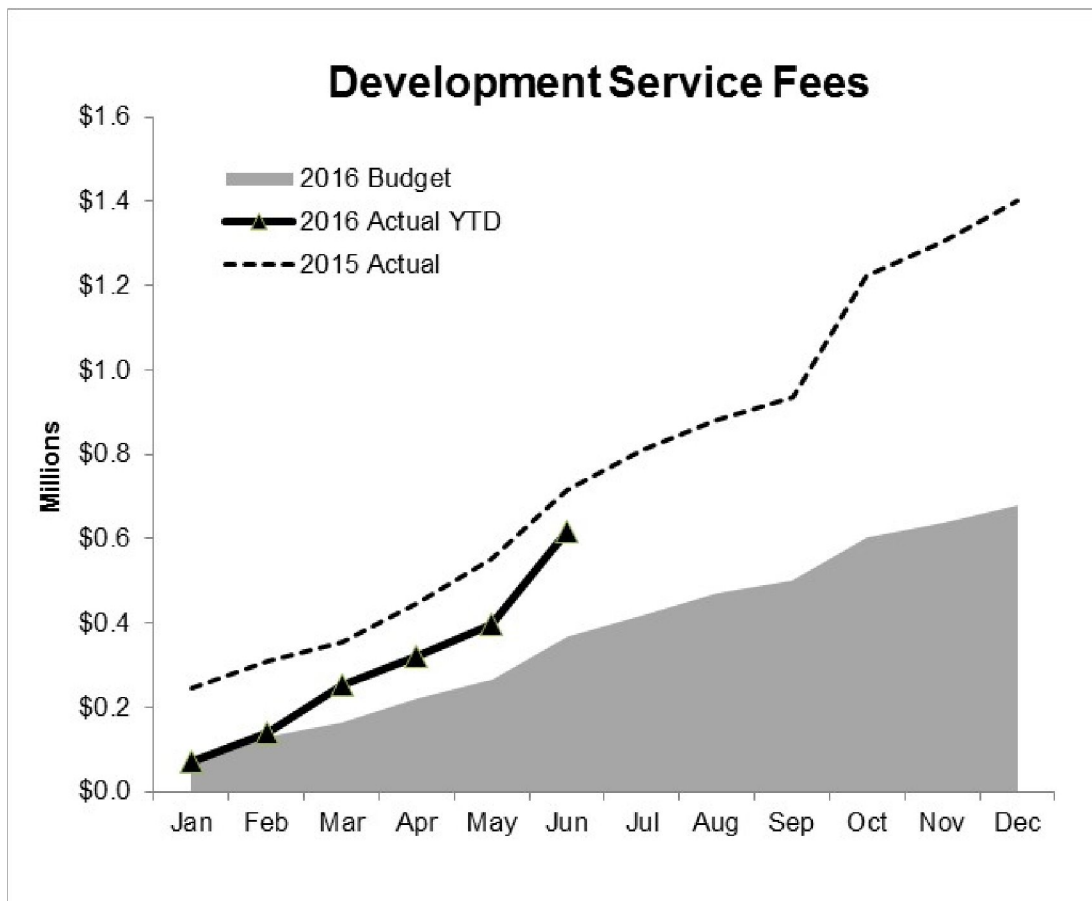
Charges for Services consist of general governmental services, public safety, development service fees and cultural & recreation fees. Overall, charges for services collected through Q2-2016 totaled \$2.3 million compared to a budget of \$1.8 million. Total revenues collected thus far exceed budget by \$500,000, or 28.5%.

Charges for Services by Type June 2016							
Revenue	2015 Actual	2016 Budget	2016 Actual	2016 vs. 2015 Actual		2016 vs. Budget	
				Amount	Percentage	Amount	Percentage
General Government	\$ 43,704	\$ 37,600	\$ 46,237	\$ 2,534	5.8 %	\$ 8,637	23.0 %
Public Safety	287,517	260,149	342,281	54,764	19.0 %	82,132	31.6 %
Development Services	715,082	368,100	615,814	(99,268)	(13.9) %	247,714	67.3 %
Culture & Recreation	1,236,235	1,089,000	1,251,074	14,838	1.2 %	162,074	14.9 %
YTD Total	\$ 2,282,538	\$ 1,754,849	\$ 2,255,406	\$ (27,132)	(1.2) %	\$ 500,557	28.5 %

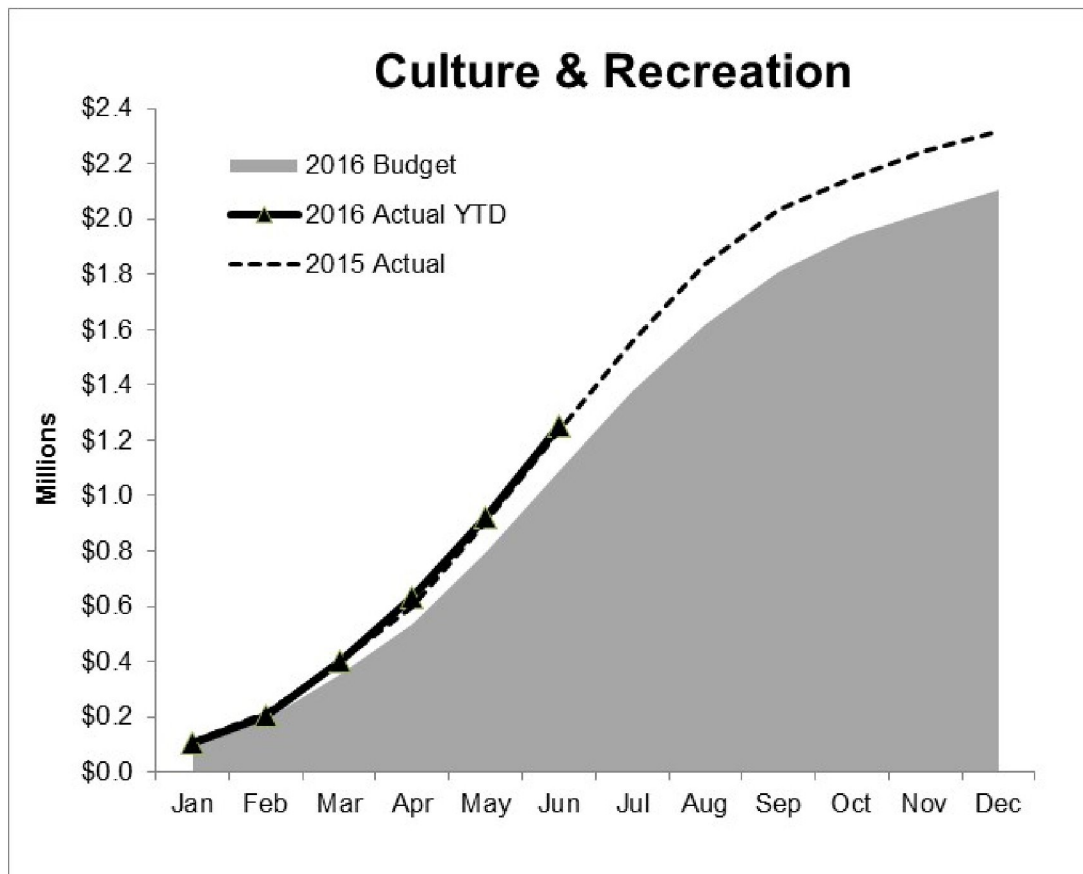
General governmental revenues through Q2-2016 totaled \$46,000 compared to a budget of \$38,000. Budget expectations for these revenues were revised from the prior year due to the fact that the City no longer provides services to the City of Algona; therefore, the City does not receive reimbursement for services.

Public safety revenues collected year-to-date totaled \$342,000, compared to budget of \$260,000. Public safety revenues consist of revenues generated for Police Officer extra duty overtime, where officers are contracted for services and reimbursement is made by the hiring contractor. Effective June 2014, public safety revenue also includes reimbursement from the Muckleshoot Indian Tribe (MIT) for a full-time dedicated Police Officer and associated expenditures.

Development services fee collections, which primarily consist of plan check fees, totaled \$616,000 and exceeded budget by \$248,000. Plan check fees collected year-to-date total \$453,000, compared to a budget of \$275,000.

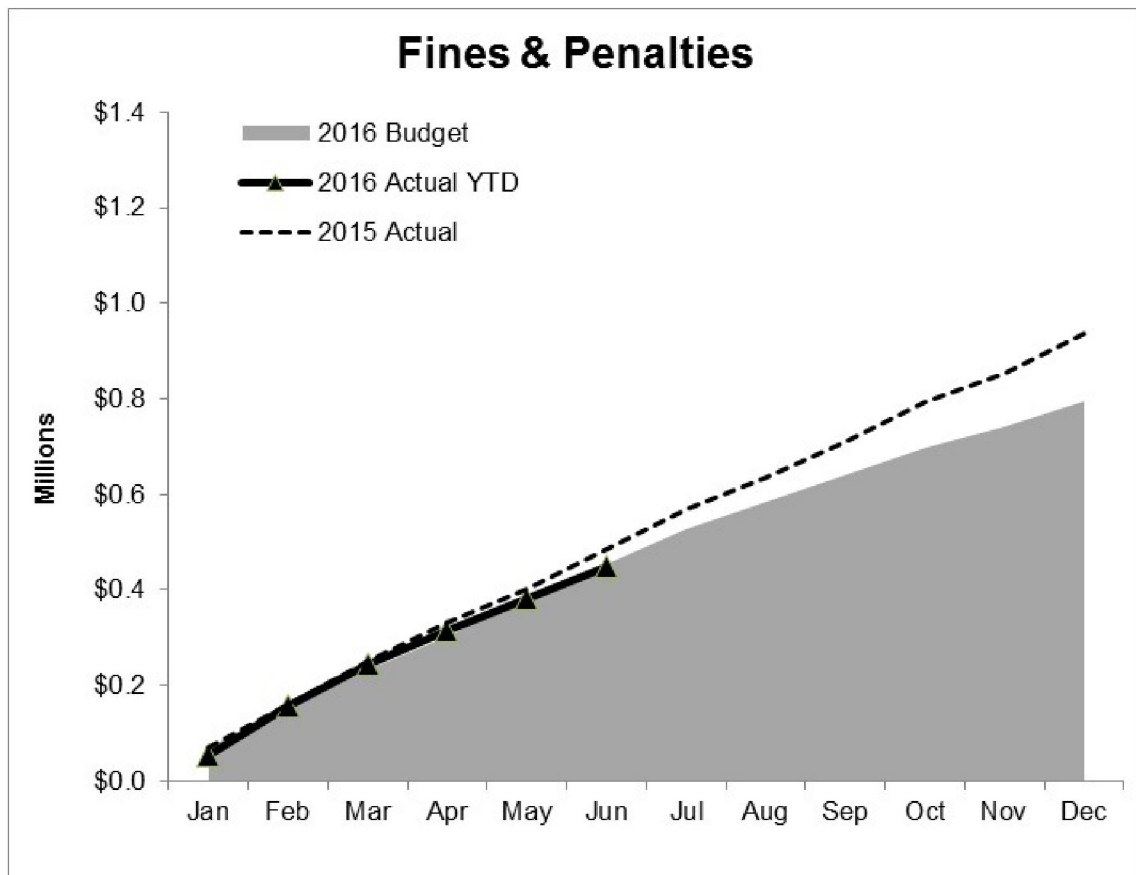


Culture and recreation revenues totaled \$1.3 million and exceeded year-to-date budget by \$162,000, or 14.9 %. A substantial portion of this favorable variance was due to recreational classes, where year-over-year revenues have increased \$79,000. Additionally, revenues collected through the second quarter for the Cultural Arts program and Auburn Avenue Theater classes have exceeded their year-end budget expectations, reflecting higher than anticipated participation.



Fines & Penalties include traffic and parking infraction penalties, criminal fines (including criminal traffic, criminal non traffic and other criminal offenses) as well as non-court fines such as false alarm fines. Total revenue collected through Q2-2016 totaled \$450,000, compared to a budget of \$419,000.

Fines & Forfeits by Type							
June 2016							
Month	2015 Actual	2016 Budget	2016 Actual	2016 vs. 2015 Actual		2016 vs. Budget	
				Amount	Percentage	Amount	Percentage
Civil Penalties	\$ 6,069	\$ 7,900	\$ 5,151	\$ (918)	(15.1) %	\$ (2,749)	(34.8) %
Civil Infraction Penalties	273,741	245,300	235,442	(38,300)	(14.0) %	(9,859)	(4.0) %
Redflex Photo Enforcement	1,766	0	10,849	9,083	514.3 %	10,849	
Parking Infractions	67,867	51,700	70,624	2,757	4.1 %	18,924	36.6 %
Criminal Traffic Misdemeanor	29,317	26,400	24,757	(4,560)	(15.6) %	(1,643)	(6.2) %
Criminal Non-Traffic Fines	25,129	23,800	22,156	(2,973)	(11.8) %	(1,644)	(6.9) %
Criminal Costs	30,829	24,200	29,751	(1,078)	(3.5) %	5,551	22.9 %
Non-Court Fines & Penalties	51,259	39,400	51,178	(81)	(0.2) %	11,778	29.9 %
YTD Total	\$ 485,978	\$ 418,700	\$ 449,907	\$ (36,071)	(7.4) %	\$ 31,207	7.5 %

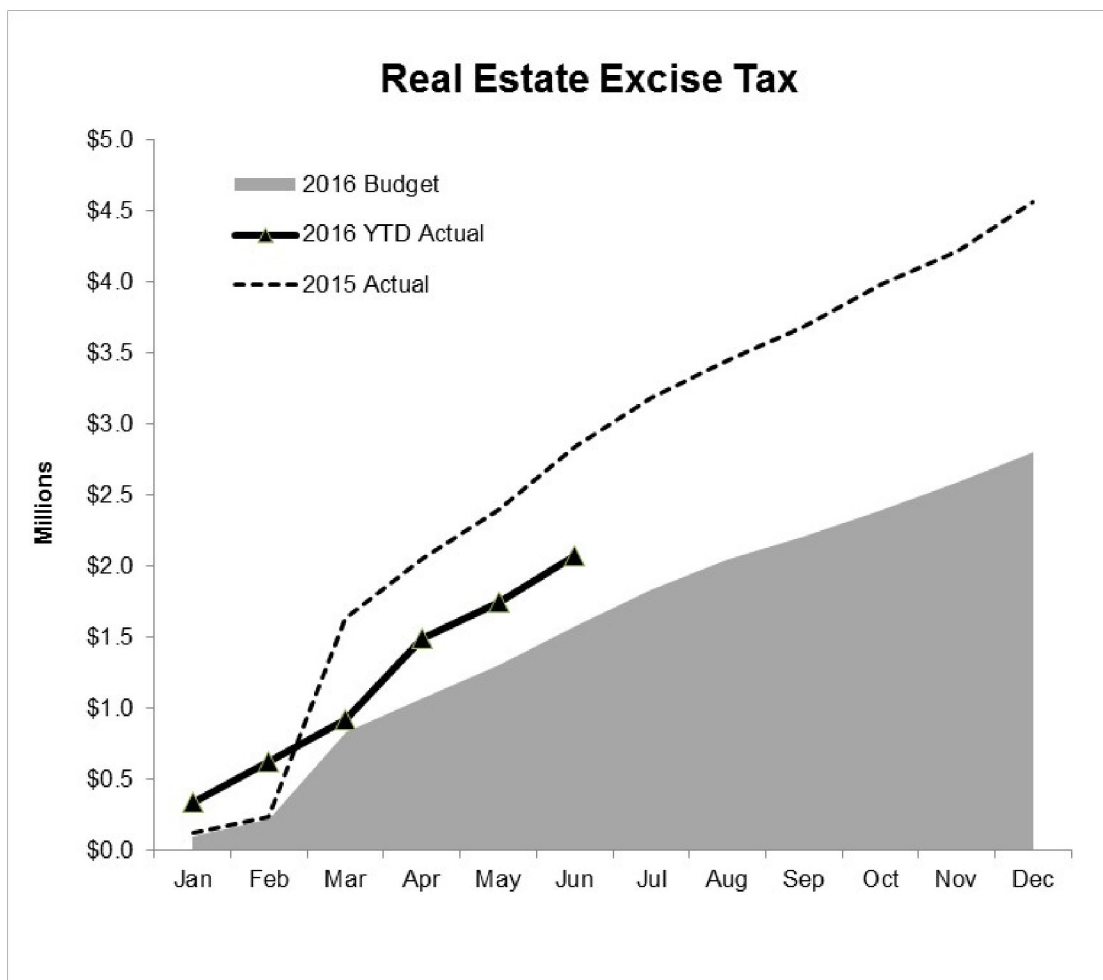


Miscellaneous revenues primarily consist of investment earnings, income from facility rentals, contributions & donations, and other miscellaneous income, which includes the quarterly purchasing card (P-card) rebate monies. Total revenues collected in this category through Q2-2016 totaled \$600,000 and exceeded budget expectations by \$203,000, or 51.2%. Primary contributors to this revenue performance include investment income, which has already exceeded annual budgeted revenue, and parking garage permits, which has year-to-date revenue of nearly double the annual budget of \$8,000. Facilities rental revenues are also higher than anticipated after an increase in demand during the late spring and early summer.

Miscellaneous Revenues by Type							
June 2016							
Month	2015 Actual	2016 Budget	2016 Actual	2016 vs. 2015		2016 vs. Budget	
				Amount	Percentage	Amount	Percentage
Interest & Investments	\$ 23,497	\$ 15,000	\$ 54,747	\$ 31,249	133.0 %	\$ 39,747	265.0 %
Rents & Leases	301,118	294,500	373,158	72,040	23.9 %	78,658	26.7 %
Contributions & Donations	20,852	17,300	11,818	(9,034)	(43.3) %	(5,482)	(31.7) %
Other Miscellaneous Revenue	102,512	70,000	160,111	57,599	56.2 %	90,111	128.7 %
YTD Total	\$ 447,979	\$ 396,800	\$ 599,833	\$ 151,854	33.9 %	\$ 203,033	51.2 %

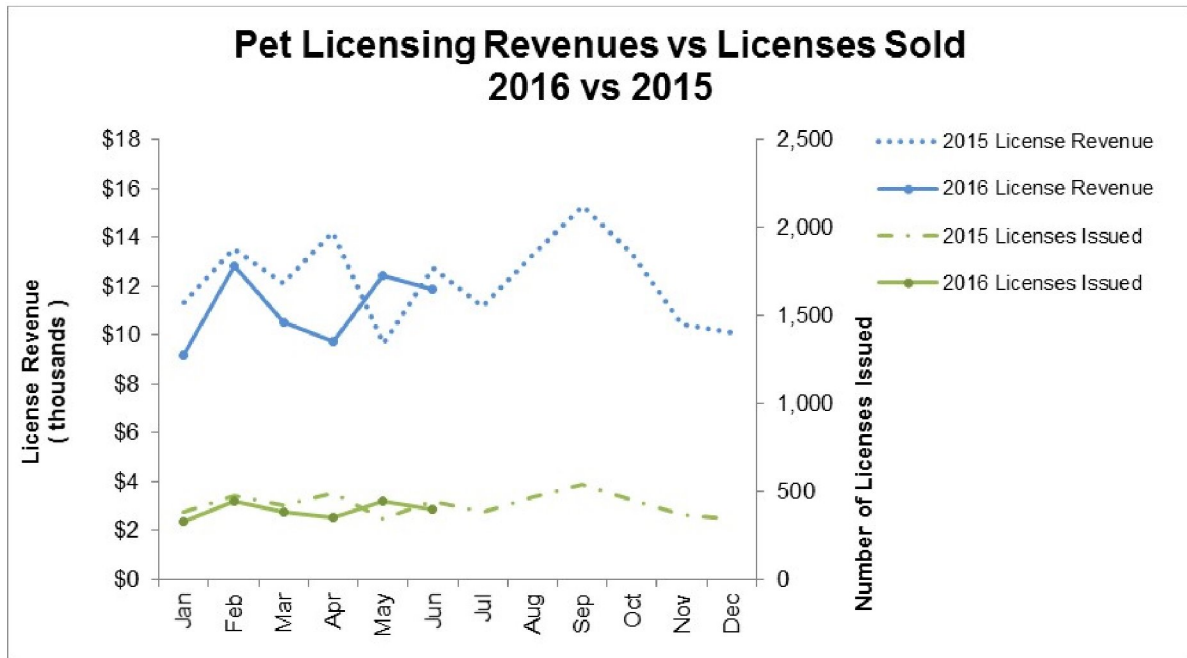
Real Estate Excise Tax (REET) revenue is receipted into the Capital Improvement Projects Fund and is used for governmental capital projects. REET revenues collected through Q2-2016 totaled \$2.1 million and exceeded budgeted amounts by \$503,000, or 31.9%. Year-to-date revenues were lower than the same period in 2015, which saw the sale of several large businesses in the City, to include the Outlet Collection – Seattle and the Lakeland Town Center. Real estate sales in the City of Auburn in Q2-2016 included the sale of both commercial and single family residences.

Real Estate Excise Tax Revenues							
June 2016							
Month	2015 Actual	2016 Budget	2016 Actual	2016 vs. 2015		2016 vs. Budget	
				Amount	Percentage	Amount	Percentage
Jan	\$ 125,089	\$ 97,600	339,594	\$ 214,505	171.5 %	\$ 241,994	247.9 %
Feb	\$ 115,287	\$ 128,900	286,943	171,656	148.9 %	158,043	122.6 %
Mar	\$ 1,394,226	\$ 602,800	293,361	(1,100,865)	(79.0) %	(309,439)	(51.3) %
Apr	\$ 423,394	\$ 244,300	574,925	151,531	35.8 %	330,625	135.3 %
May	\$ 345,489	\$ 234,700	255,078	(90,410)	(26.2) %	20,378	8.7 %
Jun	\$ 436,101	\$ 267,800	329,081	(107,020)	(24.5) %	61,281	22.9 %
Jul							
Aug							
Sep							
Oct							
Nov							
Dec							
YTD Total	\$ 2,839,586	\$ 1,576,100	2,078,982	(760,604)	(26.8) %	502,882	31.9 %



Pet Licensing

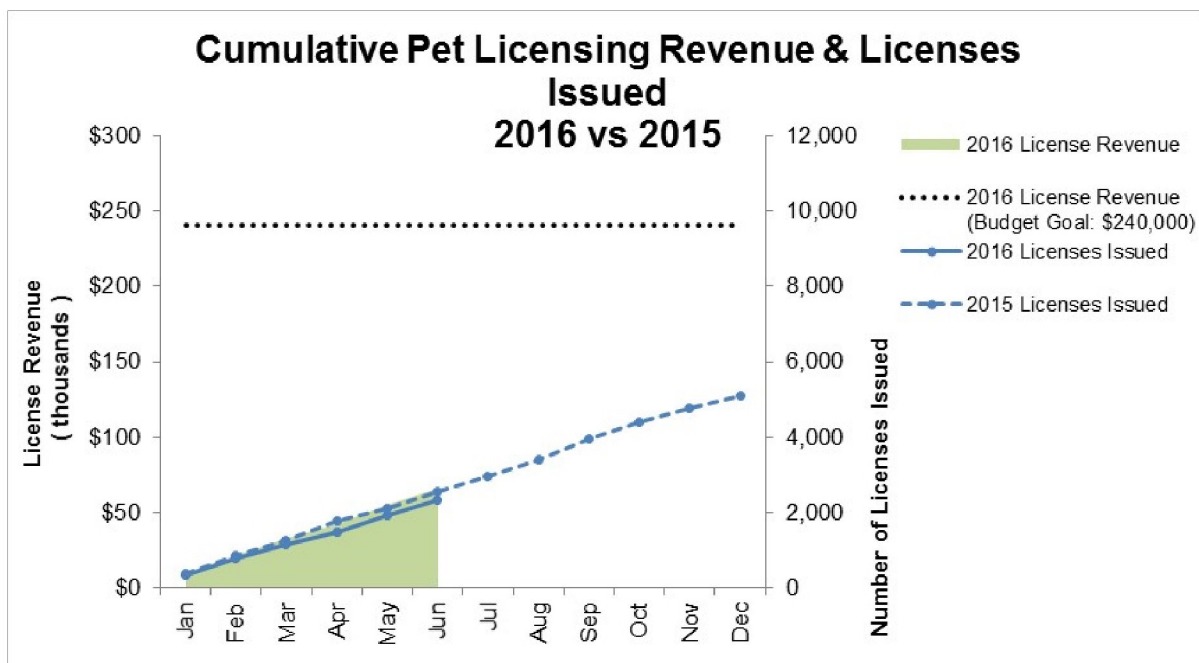
Year-to-date, 2,342 pet licenses were sold, resulting in \$66,645 in revenue. For the same period in 2015, 2,563 licenses were sold, resulting in \$73,605 in revenue.



2016 Budget Goal: \$240,000

2016 Revenue = \$66,645
2016 Licenses Sold = 2,342

2015 Revenue = \$73,605
2015 Licenses Sold = 2,563



Street Funds

This section provides financial overview of the City's three street funds for the fiscal period ending June 31, 2016. This City's three street funds include the following: the Arterial Street Fund (Fund 102), the Local Street Fund (Fund 103), and the Arterial Street Preservation Fund (Fund 105). The capital project expenditures are budgeted primarily based on the collection/disbursement average for the same period of the prior two years.

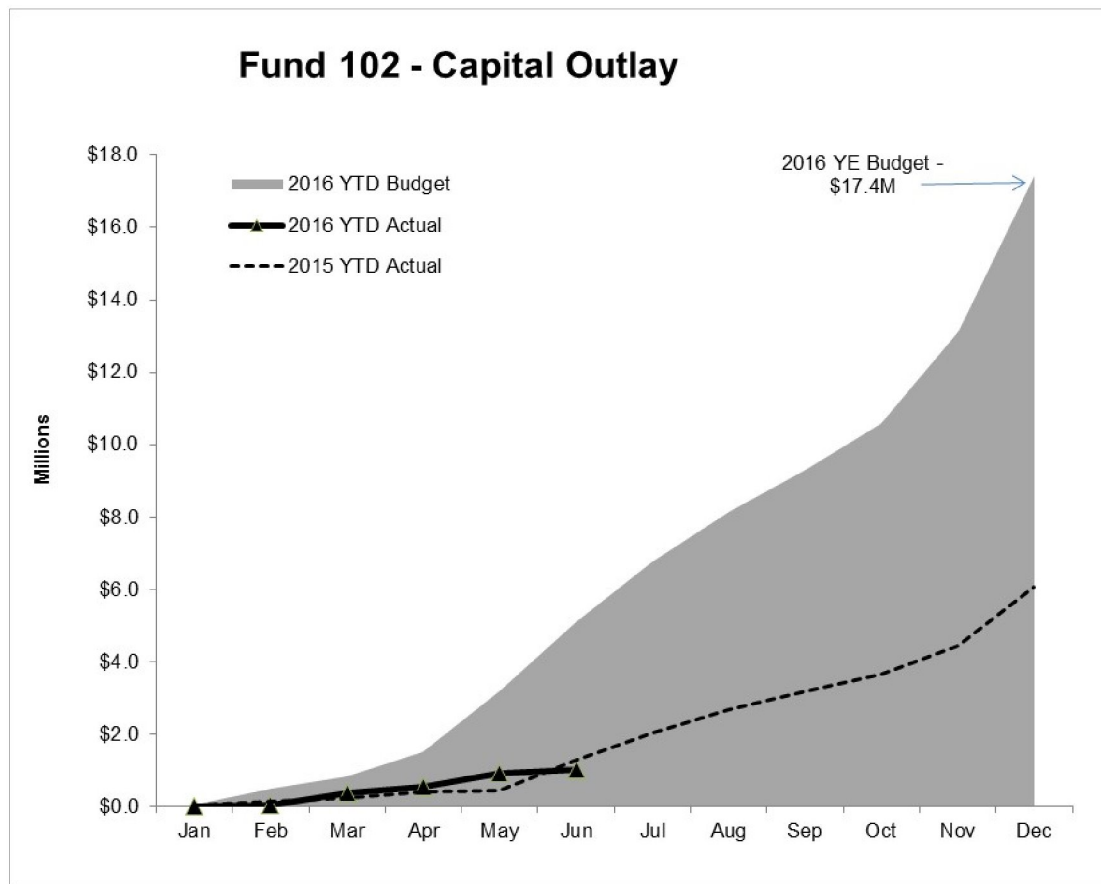
Fund 102 – Arterial Street Fund

The Arterial Street Fund is a Special Revenue Fund that is funded by transportation grants, traffic impact fees, a portion of the City's gas tax receipts, Public Works Trust Fund loans, developer contributions, and other sources. There are over 40 separate street projects budgeted in this fund in 2016. Some of these projects include the South 272nd/South 277th Street Corridor Improvement Project, the West Main Street Multimodal Corridor and ITS Improvement Project, and the AWS Corridor Safety Improvement Project (Muckleshoot Plaza to Dogwood).

Through June 2016, revenues collected totaled \$1.9 million and compare to collections of \$1.1 million the same period in the prior year. Expenditures through June totaled \$1.5 million and compare to \$1.8 million spent the same period last year.

Fund 102 - Arterial Street Summary of Sources and Uses Report Period: June 2016	2016			2015	2016 YTD Budget vs. Actual	
	Annual Budget	YTD Budget	YTD Actual	YTD Actual	Favorable (Unfavorable)	
					Amount	Percentage
Revenues						
Federal Grants	\$ 7,270,016	\$ 511,396	\$ 47,465	\$ 153,434	\$ (463,931)	(90.7) %
State Grants	4,198,288	967,871	99,350	139,195	(868,521)	(89.7) %
Motor Vehicle Fuel and Multimodal Taxes	530,000	265,000	290,906	233,128	25,906	9.8 %
Developer Contributions	1,544,200	0	0	0	0	N/A
Miscellaneous Revenue	336,674	168,337	64,862	82,953	(103,475)	(61.5) %
Other Governmental Agencies	0	0	0	61,520	0	N/A
Public Works Trust Fund Loans	0	0	0	0	0	N/A
Operating Transfer In	3,882,586	0	712,702	450,205	712,702	N/A
Investment Income	2,000	1,000	3,132	1,664	2,132	213.2 %
Total Revenues	\$ 17,763,764	\$ 1,913,604	\$ 1,218,417	\$ 1,122,100	\$ (695,187)	(36.3) %
Expenditures						
Salary and Benefits	\$ 839,323	\$ 389,647	\$ 235,491	\$ 190,239	\$ 154,157	39.6 %
Services and Charges	245,000	122,500	30,036	115,536	92,464	75.5 %
Capital Outlay	17,428,903	5,083,447	1,012,136	1,286,471	4,071,311	80.1 %
Interfund Payments for Services	74,550	37,275	37,278	35,574	(3)	(0.0) %
Debt Service Principal and Interest	217,862	0	210,205	218,761	(210,205)	N/A
Operating Transfer Out	0	0	0	0	0	N/A
Total Expenditures	\$ 18,805,638	\$ 5,632,869	\$ 1,525,145	\$ 1,846,581	\$ 4,107,723	72.9 %
Net Change in Fund Balance	\$ (1,041,874)	\$ (3,719,265)	\$ (306,728)	\$ (724,481)	\$ 3,412,536	(91.8) %

Estimated Beg. Fund Balance, April 2016	\$	2,325,058
Net Change in Fund Balance, June 2016		(306,728)
Ending Fund Balance, June 2016	\$	2,018,330
2016 Budgeted Ending Fund Balance	\$	1,283,185

**Notes:**

The year-to-date variance is largely due to timing of project expenditures for four significant projects, which together account for over 77% of the 2016 expenditure budget in this fund:

- S 272nd St. / S 277th St. Corridor Improvements – Environmental requirements are delaying construction work; it is anticipated that \$1.7 million out of a budget of \$6.0 million will be expended in 2016.
- W Main St. Multimodal Corridor and ITS Improvements – Work began in August and is expected to be completed in the remainder of 2016.
- AWS Corridor Safety Improvements – Project has been slowed during ROW acquisition. Costs are anticipated to be higher than planned and may require additional funding.
- 37th St. SE & A St. SE Traffic Signal Safety Improvements – Project is currently in the design phase and will not be in construction until early 2017.

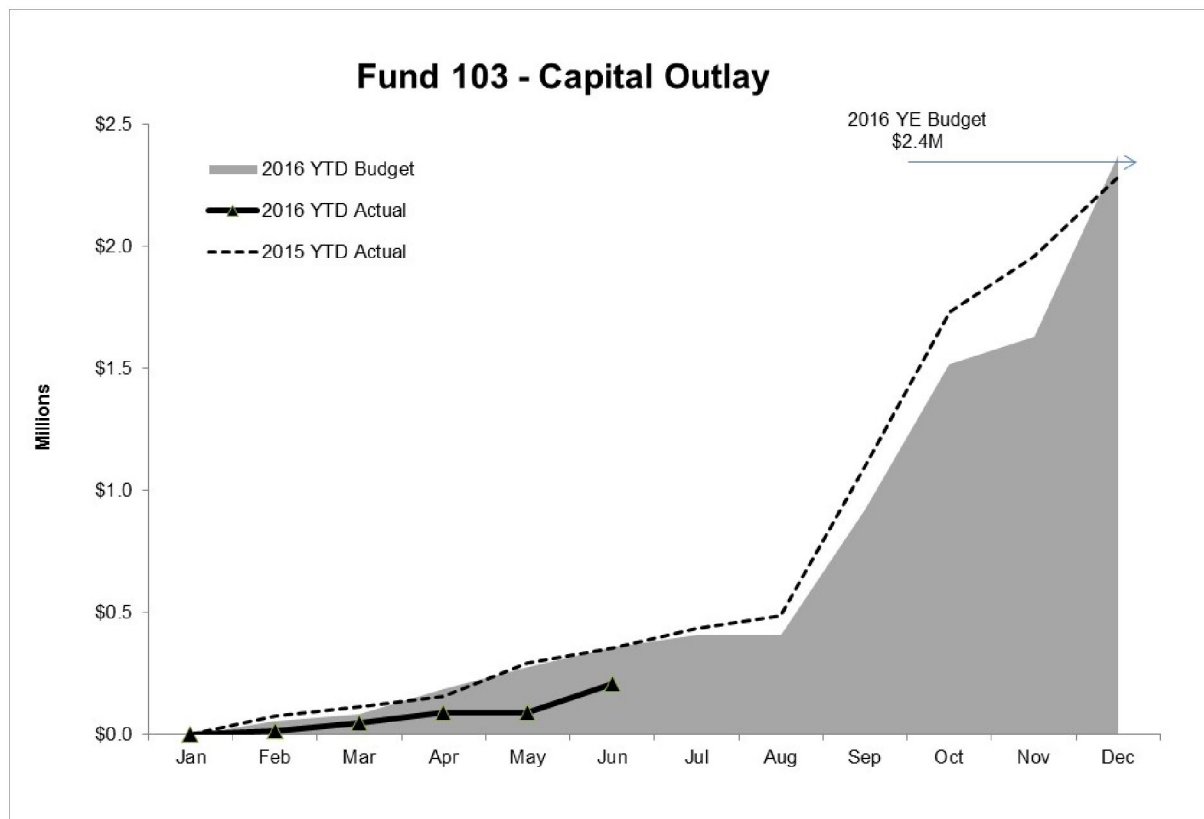
Fund 103 – Local Street Fund

The Local Street Fund is a Special Revenue Fund where the revenue from sales taxes on construction are used for local street repairs. Through June 2016 the revenues in this fund exceeded budget expectations by \$299,000, or 33.7%, due to higher than anticipated sales tax revenues from local construction projects. Expenditures through June totaled \$276,000 and compares to year to date budget of \$312,000. This variance is due to timing of project expenditures. The majority of 2016 Local Street Pavement Reconstruction Project expenditures are anticipated to occur in Q3-2016 and Q4-2016.

Fund 103 - Local Street Fund Summary of Sources and Uses Report Period: June 2016	2016			2015	2016 YTD Budget vs. Actual	
	Annual Budget	YTD Budget	YTD Actual	YTD Actual	Favorable (Unfavorable)	
					Amount	Percentage
Revenues						
Sales Tax on Construction	\$ 1,610,000	\$ 737,800	\$ 1,033,228	\$ 996,884	\$ 295,428	40.0 %
Operating Transfer In	150,000	150,000	150,000	150,000	0	0.0 %
Interest Earnings	2,500	1,250	5,246	1,686	3,996	319.6 %
Total Revenues	\$ 1,762,500	\$ 889,050	\$ 1,188,474	\$ 1,148,570	\$ 299,424	33.7 %
Expenditures						
Salary and Benefits	\$ 175,090	\$ 87,544.88	\$ 59,636	\$ 49,968	\$ 27,909	31.9 %
Services and Charges	300	150	407	249	(257)	(171.7) %
Capital Outlay	2,376,768	357,747	209,596	354,397	148,150	41.4 %
Interfund Payments for Services	12,240	6,120	6,120	6,240	0	0.0 %
Operating Transfer Out	0	0	0	0	0	N/A
Total Expenditures	\$ 2,564,398	\$ 451,561	\$ 275,760	\$ 410,854	\$ 175,801	38.9 %
Net Change in Fund Balance	\$ (801,898)	\$ 437,489	\$ 912,714	\$ 737,716	\$ 475,225	108.6 %

Estimated Beg. Fund Balance, April 2016	\$ 1,349,769
Net Change in Fund Balance, June 2016	912,714
Ending Fund Balance, June 2016	\$ 2,262,483

2016 Budgeted Ending Fund Balance	\$ 547,871
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**Notes:**

As the YTD budget (solid gray area) shows, the bulk of capital expenditures are anticipated to occur in the last several months of the year. The year-to-date variance is largely due to timing of project expenditures for the 2016 Local Street Pavement Reconstruction Project, where expenditures are anticipated to occur in Q3-2016 and Q4-2016.

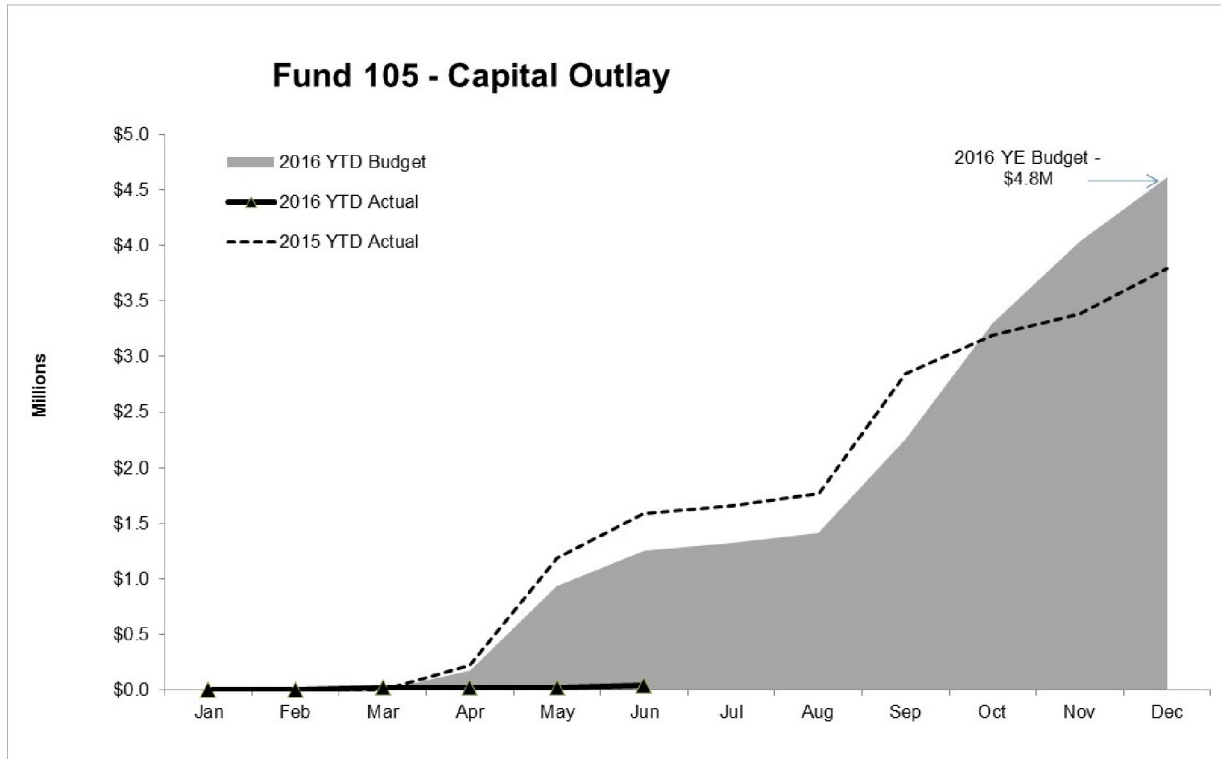
Fund 105 – Arterial Street Preservation Fund

The Arterial Street Preservation Fund is a Special Revenue Fund which is primarily funded by a 1.0% utility tax that was adopted by Council in 2008. These utility tax revenues are restricted for arterial street repair and preservation projects. Some projects budgeted within the Arterial Street Preservation Fund in 2016 include Pavement Patching and Overlay, the Annual Arterial and Collector Crack Seal Project, the Auburn Way North Preservation Project and the B Street NW Reconstruction Project. Through June 2016 revenues totaled \$1.1 million and compare to budget of \$1.3 million.

Expenditures through June totaled \$354,000, which is approximately 25% of year-to-date budgeted expenditure. This is due to the the Fund's main project, Auburn Way North Preservation, being repackaged and sent to bid a second time after the first round of bidding produced higher than expected costs. This is anticipated to be rebid in February 2017. The Fund's next-largest project, B Street NW Reconstruction, remains in the design phase. Construction on this project is anticipated to start in March 2017.

Fund 105 - Arterial St. Presv. Summary of Sources and Uses Report Period: June 2016	2016			2015	2016 YTD Budget vs. Actual	
	Annual Budget	YTD Budget	YTD Actual	YTD Actual	Favorable (Unfavorable)	
					Amount	Percentage
Revenues						
City Utility Tax	\$ 589,000	\$ 281,300	\$ 306,365	\$ 286,554	\$ 25,065	8.9 %
Electric Utility Tax	660,500	352,200	383,084	329,696	30,884	8.8 %
Natural Gas Utility Tax	170,400	115,500	128,821	131,804	13,321	11.5 %
Cable TV Tax	181,300	90,000	98,361	91,872	8,361	9.3 %
Telephone Utility Tax	324,000	169,900	153,545	174,248	(16,355)	(9.6) %
Garbage Utility Tax (External Haulers)	17,700	8,850	10,296	9,142	1,446	16.3 %
Grants	1,053,626	286,201	0	0	(286,201)	(100.0) %
Developer Mitigation Fees	0	0	0	0	0	N/A
Operating Transfer In	0	0	0	0	0	N/A
Interest Earnings	1,500	750	4,121	1,923	3,371	449.5 %
Total Revenues	\$ 2,998,026	\$ 1,304,701	\$ 1,084,593	\$ 1,025,239	\$ (220,108)	(16.9) %
Expenditures						
Salary and Benefits	\$ 124,095	\$ 62,047.72	\$ 142,976	\$ 81,176	\$ (80,928)	(130.4) %
Supplies	0	0	0	0	0	N/A
Services and Charges	150,000	75,000	0	0	75,000	N/A
Capital Outlay	4,610,726	1,252,430	45,323	1,590,512	1,207,107	96.4 %
Operating Transfer Out	401,750	0	165,226	0	(165,226)	N/A
Total Expenditures	\$ 5,286,571	\$ 1,389,478	\$ 353,525	\$ 1,671,688	\$ 1,035,953	74.6 %
Net Change in Fund Balance	\$ (2,288,545)	\$ (84,777)	\$ 731,068	\$ (646,449)	\$ 815,845	(962.3) %

Estimated Beg. Fund Balance, April 2016	\$ 2,306,928
Net Change in Fund Balance, June 2016	731,068
Ending Fund Balance, June 2016	\$ 3,037,996
2016 Budgeted Ending Fund Balance	\$ 18,382



Notes:

The year-to-date variance is primarily due to two major projects. This main project, Auburn Way North Preservation, is being repackaged and sent to bid a second time after the first round of bidding produced higher than expected costs. This is anticipated to be rebid in February 2017. The second project, B Street NW Reconstruction, remains in the design phase; construction on this project is anticipated to start in March 2017. Funds for both projects will be carried forward into next year.

Fund 124 – Mitigation Fees

The Mitigation Fees Fund is a Special Revenue Fund funded from revenue from new development, which is assessed at the time applications are received for development activity. These funds are used to mitigate costs associated with City growth. Through Q2-2016, revenues were above budget expectations, at 80.9% of the annual budgeted amount. Expenditures year-to-date are well below budget due to delays in construction projects.

Fund 124 - Mitigation Fees Summary of Sources and Uses	YTD ACTUALS			BUDGET		
Report Period Through: March 2016	Revenues	Expenditures	Ending Fund Balance	Revenues	Expenditures	Ending Fund Balance
Transportation Impact Fees	\$ 590,330	\$ 547,476	\$ 3,724,939	\$ 800,000	\$ 3,106,075	\$ 1,333,590
Transportation Mitigation Fees	\$ -	\$ -	\$ 257,710	\$ -	\$ 73,144	\$ 184,566
Fire Impact Fees	\$ 42,250	\$ -	\$ 356,470	\$ 100,000	\$ 50,000	\$ 364,220
Fire Mitigation Fees	\$ -	\$ -	\$ 82	\$ -	\$ -	\$ 82
Parks Impact Fees	\$ 354,598	\$ 30,508	\$ 1,447,303	\$ 75,000	\$ 300,000	\$ 898,213
Parks Mitigation Fees	\$ -	\$ -	\$ 330,319	\$ -	\$ -	\$ 330,319
School Impact Admin Fees	\$ 6,604	\$ -	\$ 84,719	\$ 15,000	\$ -	\$ 93,115
Wetland Mitigation Fees	\$ -	\$ -	\$ 68,626	\$ -	\$ -	\$ 68,626
Interest and Investment Income	\$ 12,095	\$ -	\$ 12,095	\$ 4,890	\$ -	\$ 4,890
Fees in Lieu of Improvements	\$ 122,525	\$ -	\$ 122,525	\$ -	\$ -	\$ -
Operating Transfers	\$ -	\$ -	\$ -	\$ 400,000	\$ -	\$ 400,000
Total	\$ 1,128,402	\$ 577,984	\$ 6,404,788	\$ 1,394,890	\$ 3,529,219	\$ 3,677,621

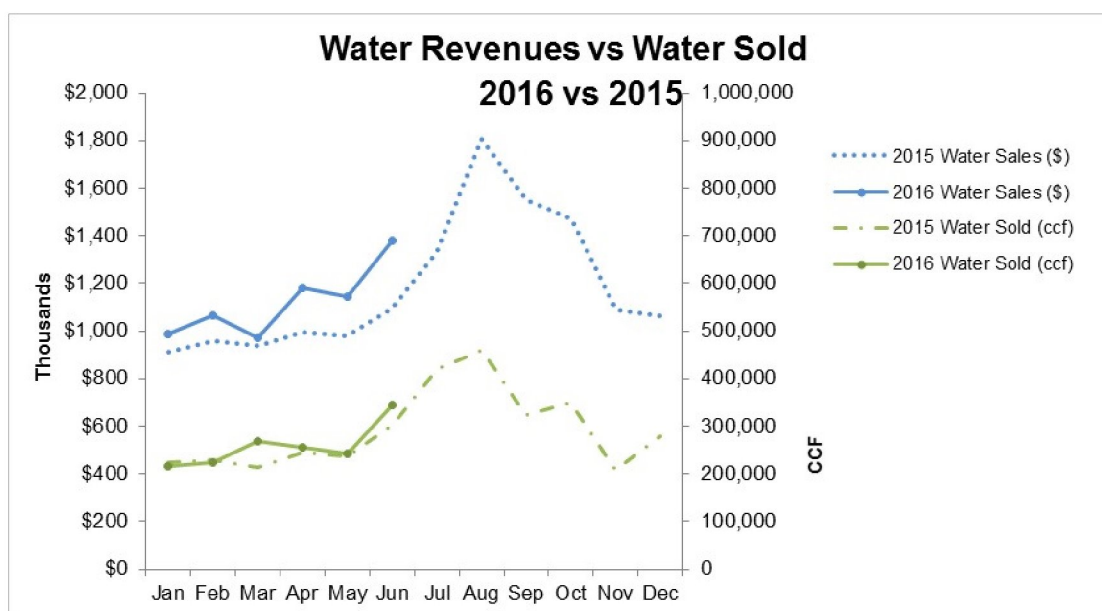
Beginning Fund Balance, January 1, 2016	\$ 5,854,369
Net Change in Fund Balance, June 2016	\$ 550,418
Ending Fund Balance, June 2016	\$ 6,404,787

Proprietary Funds

Detailed income and expense statements for Enterprise and Internal Service funds can be found in the Appendices at the end of this report. The format changed in Q1-2016 and, in lieu of a working capital statement, there are now operating and capital fund reports for most of these funds showing budget, actual and variance. The operating fund houses all the operating costs along with debt service and financing obligations. The capital fund shows costs associated with capital acquisition and construction. Both the operating fund and the capital fund have a working capital balance. This approach isolates those funds available for capital and cash flow needs for daily operations, and project managers will know how much working capital is available for current and planned projects.

Budget Amendment #6, adopted July 2016, moved working capital from the operating funds to the capital funds along with all the other beginning fund balance adjustments. System development revenues previously credited to the operating funds are now directed to the corresponding capital funds.

At the end of the second quarter, the **Water Utility** had operating income of \$1.9 million as compared with operating income of \$1.4 million for the same period in 2015. Water sales through Q2-2016 totaled 1.6 million hundred cubic feet (ccf), compared to 1.5 million ccf during the same period in 2015, representing a 6.7% increase. Year to date revenues are slightly (0.7%) below budget but it is too early to tell whether this trend will continue for the balance of the year since August through October are typically the high revenue months.



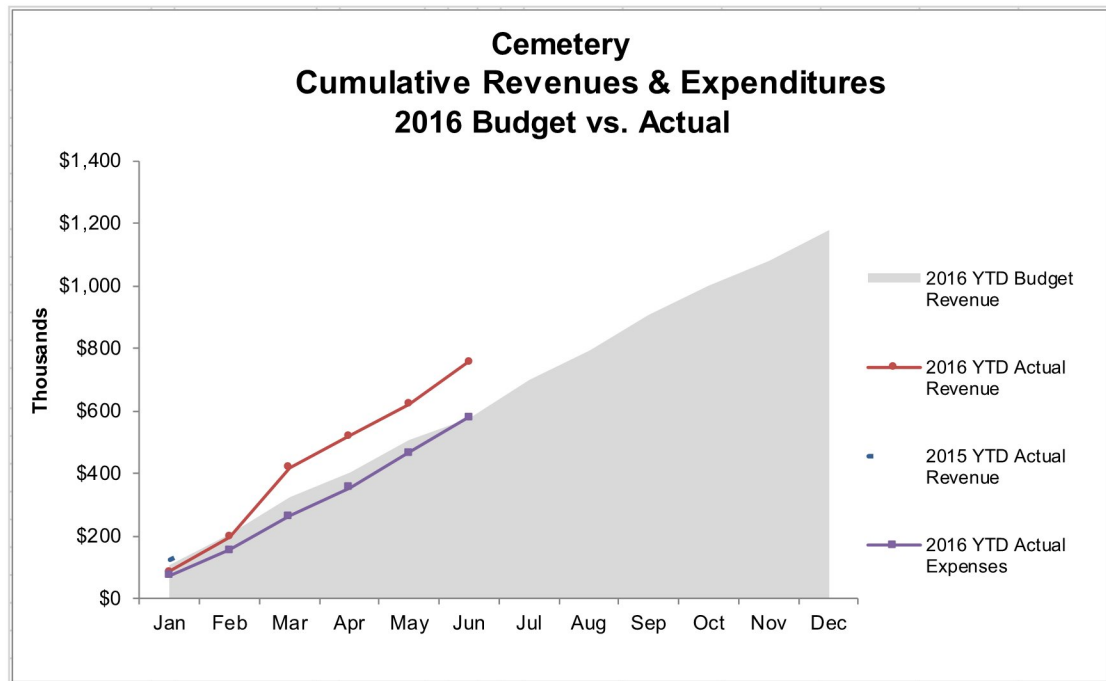
The **Sewer Utility** ended the quarter with net operating income of \$1.2 million, which is \$300,000 higher than the same period in 2015.

The **Sewer-Metro Utility** ended the quarter with a quarterly net operating income of \$192,000, as compared with an operating loss of \$173,000 through Q2-2015.

The **Stormwater Utility** ended Q2-2016 with \$1.4 million in operating income, which is about \$1.3 million below the same period in 2015. This is due in large part to the receipt of about \$800,000 in grant revenues from the Department of Ecology in Q2-2015.

The **Cemetery Fund** ended the second quarter with operating income of \$178,000 as compared with operating income of \$94,000 for the same period in 2015. Year-to-date operating revenues totaled \$757,000, compared to \$592,000 in 2015, representing an increase of 27.8%.

Operating expenditures totaled 579,000 in through Q2-2016, compared to 497,000 in the same period last year. The increase is mainly a result of higher cost of supplies due to increased inventory costs associated with higher demand.



Internal Service Funds

Operating expenditures within the **Insurance Fund** represent the premium cost pool that will be allocated monthly to other City funds over the course of 2016. As a result, this balance will gradually diminish each month throughout the year.

No significant variances are reported in the **Worker's Compensation, Facilities, Innovation & Technology, or Equipment Rental Funds**.

Contact Information

This report is prepared by the Finance Department. Additional financial information can also be viewed at our website: <http://www.auburnwa.gov/>. For any questions about this report please contact Shelley Coleman at scoleman@auburnwa.gov.

City of Auburn
Investment Portfolio Summary
June 30, 2016

Investment Type	Purchase Date	Purchase Price	Maturity Date	Yield to Maturity
State Investment Pool	Various	\$ 102,384,608	Various	0.49%
KeyBank Money Market	Various	15,458,967	Various	0.02%
FNMA	3/11/2016	998,844	2/22/2019	1.20%
LAKUTL	9/25/2013	235,919	11/1/2017	1.90%
Total Cash & Investments		\$ 119,078,338		0.441%

Investment Mix	% of Total	Summary	
State Investment Pool	86.0%	Current 6-month treasury rate	0.40%
KeyBank Money Market	13.0%	Current State Pool rate	0.49%
US Treasury	0.0%	KeyBank Money Market	0.02%
FNMA	0.8%		
LAKUTL	0.2%		
	100.0%		

SALES TAX SUMMARY

JUNE 2016 SALES TAX DISTRIBUTIONS (FOR APRIL 2016 RETAIL ACTIVITY)

NAICS	CONSTRUCTION	2015 Annual Total (Nov '14-Oct '15)	2015 YTD (Nov '14-Apr '15)	2016 YTD (Nov '15-Apr '16)	YTD % Diff
236	Construction of Buildings	1,229,166	542,316	515,670	-4.9%
237	Heavy and Civil Construction	252,280	97,491	117,032	20.0%
238	Specialty Trade Contractors	815,416	357,077	400,526	12.2%
TOTAL CONSTRUCTION		2,296,863	996,884	1,033,228	3.6%
Overall Change from Previous Year				36,344	

NAICS	MANUFACTURING	2015 Annual Total (Nov '14-Oct '15)	2015 YTD (Nov '14-Apr '15)	2016 YTD (Nov '15-Apr '16)	YTD % Diff
311	Food Manufacturing	3,973	1,369	1,679	22.7%
312	Beverage and Tobacco Products	9,323	4,883	4,902	0.4%
313	Textile Mills	372	117	176	50.7%
314	Textile Product Mills	3,039	1,448	1,800	24.4%
315	Apparel Manufacturing	116	81	135	66.6%
316	Leather and Allied Products	8	1	18	1522.1%
321	Wood Product Manufacturing	65,039	33,888	29,583	-12.7%
322	Paper Manufacturing	7,762	3,210	3,892	21.3%
323	Printing and Related Support	59,750	27,398	24,551	-10.4%
324	Petroleum and Coal Products	5,394	1,415	1,706	20.6%
325	Chemical Manufacturing	5,508	3,192	3,283	2.8%
326	Plastics and Rubber Products	9,081	5,315	4,274	-19.6%
327	Nonmetallic Mineral Products	14,514	3,477	7,350	111.4%
331	Primary Metal Manufacturing	1,692	1,376	183	-86.7%
332	Fabricated Metal Product Manuf	37,819	15,214	15,642	2.8%
333	Machinery Manufacturing	21,693	12,953	7,468	-42.3%
334	Computer and Electronic Product	8,388	3,642	4,790	31.5%
335	Electric Equipment, Appliances	827	476	296	-37.7%
336	Transportation Equipment Man	536,513	284,243	274,212	-3.5%
337	Furniture and Related Products	20,389	7,954	8,586	7.9%
339	Miscellaneous Manufacturing	50,358	24,542	24,478	-0.3%
TOTAL MANUFACTURING		861,555	436,192	419,006	-3.9%
Overall Change from Previous Year				-17,187	

NAICS	TRANSPORTATION AND WAREHOUSING	2015 Annual Total (Nov '14-Oct '15)	2015 YTD (Nov '14-Apr '15)	2016 YTD (Nov '15-Apr '16)	YTD % Diff
481	Air Transportation	0	0	1	N/A
482	Rail Transportation	10,457	3,383	5,932	75.4%
484	Truck Transportation	7,590	2,587	1,844	-28.7%
485	Transit and Ground Passengers	209	125	24	-80.9%
488	Transportation Support	36,669	9,347	30,745	228.9%
491	Postal Service	259	101	141	38.6%
492	Couriers and Messengers	1	1	191	16128.0%
493	Warehousing and Storage	10,487	4,002	8,026	100.5%
TOTAL TRANSPORTATION		65,671	19,546	46,904	140.0%
Overall Change from Previous Year				27,358	

NAICS	WHOLESALE TRADE	2015 Annual Total (Nov '14-Oct '15)	2015 YTD (Nov '14-Apr '15)	2016 YTD (Nov '15-Apr '16)	YTD % Diff
423	Wholesale Trade, Durable Goods	1,010,730	513,620	466,543	-9.2%
424	Wholesale Trade, Nondurable	216,303	94,522	135,871	43.7%
425	Wholesale Electronic Markets	1,885	1,061	1,082	2.0%
TOTAL WHOLESALE		1,228,919	609,203	603,496	-0.9%
Overall Change from Previous Year				-5,707	

NAICS	AUTOMOTIVE	2015 Annual Total (Nov '14-Oct '15)	2015 YTD (Nov '14-Apr '15)	2016 YTD (Nov '15-Apr '16)	YTD % Diff
441	Motor Vehicle and Parts Dealer	3,465,199	1,663,157	1,664,133	0.1%
447	Gasoline Stations	241,336	114,938	116,267	1.2%
TOTAL AUTOMOTIVE		3,706,535	1,778,094	1,780,400	0.1%
Overall Change from Previous Year				2,306	

NAICS	RETAIL TRADE	2015 Annual Total (Nov '14-Oct '15)	2015 YTD (Nov '14-Apr '15)	2016 YTD (Nov '15-Apr '16)	YTD % Diff
442	Furniture and Home Furnishings	253,871	125,079	83,307	-33.4%
443	Electronics and Appliances	295,127	154,707	124,066	-19.8%
444	Building Material and Garden	589,676	263,434	269,473	2.3%
445	Food and Beverage Stores	368,411	176,816	189,338	d 7.1%
446	Health and Personal Care Store	220,603	110,685	128,769	16.3%
448	Clothing and Accessories	1,079,933	540,406	570,439	5.6%
451	Sporting Goods, Hobby, Books	220,168	111,217	124,081	11.6%
452	General Merchandise Stores	988,004	486,493	541,376	11.3%
453	Miscellaneous Store Retailers	578,836	315,841	246,150	-22.1%
454	Nonstore Retailers	394,268	199,273	159,546	-19.9%
TOTAL RETAIL TRADE		4,988,898	2,483,952	2,436,545	-1.9%
Overall Change from Previous Year				-47,407	

NAICS	SERVICES	2015 Annual Total (Nov '14-Oct '15)	2015 YTD (Nov '14-Apr '15)	2016 YTD (Nov '15-Apr '16)	YTD % Diff
51*	Information	526,003	b 244,720	302,035	23.4%
52*	Finance and Insurance	95,471	46,666	53,595	14.8%
53*	Real Estate, Rental, Leasing	334,095	160,421	180,254	12.4%
541	Professional, Scientific, Tech	195,478	98,469	120,212	22.1%
551	Company Management	9,230	9,215	170	-98.2%
56*	Admin. Supp., Remed Svcs	373,781	155,861	180,907	16.1%
611	Educational Services	60,189	a 34,762	23,226	-33.2%
62*	Health Care Social Assistance	81,684	51,067	46,740	-8.5%
71*	Arts and Entertainment	207,717	91,709	95,282	3.9%
72*	Accommodation and Food Svcs	1,159,033	546,677	576,727	5.5%
81*	Other Services	475,505	228,313	383,885	68.1%
92*	Public Administration	127,364	60,340	74,336	23.2%
TOTAL SERVICES		3,645,551	1,728,219	2,037,369	17.9%
Overall Change from Previous Year				309,150	

NAICS	MISCELLANEOUS	2015 Annual Total (Nov '14-Oct '15)	2015 YTD (Nov '14-Apr '15)	2016 YTD (Nov '15-Apr '16)	YTD % Diff
000	Unknown	0	0	0	N/A
111-115	Agriculture, Forestry, Fishing	4,510	1,897	2,805	47.9%
211-221	Mining & Utilities	27,456	10,295	11,944	16.0%
999	Unclassifiable Establishments	39,581	18,776	-32,039	e -270.6%
TOTAL SERVICES		71,548	30,968	-17,289	-155.8%
Overall Change from Previous Year				-48,257	

GRAND TOTAL	16,865,540	8,083,058	8,339,659	
Overall Change from Previous Year			256,600	3.2%

Total June Sales Tax Distributions	1,376,224
Increase from June 2015	85,503

Comparisons:	
June 2015	1,290,721
June 2014	1,266,012
	6.6%

Includes Adjustments in excess of +/- \$10,000.

a. WA State Dept of Revenue audit adjustment to sales tax returns for period of February 2015 (adjustment: \$11,845).

b. WA State Dept of Revenue audit adjustment to sales tax returns for period of March 2015 (adjustment: -\$17,839).

c. WA State Dept of Revenue audit adjustment to sales tax returns for period of April 2015 (adjustment: -\$43,875).

d. WA State Dept of Revenue audit adjustment to sales tax returns for period of November 2015 (adjustment: \$10,572).

e. WA State Dept of Revenue audit adjustment to sales tax returns for period of April 2016 (adjustment: - \$52,898).

OPERATING & CAPITAL FUNDS through June 2016	ENTERPRISE FUNDS											
	WATER			SEWER			SEWER METRO			STORM		
	Budget	YTD Actual	Variance	Budget	YTD Actual	Variance	Budget	YTD Actual	Variance	Budget	YTD Actual	Variance
OPERATING FUND:												
OPERATING REVENUES												
Charges For Service	13,698,782	6,360,194	(7,338,588)	7,847,883	4,177,159	(3,670,724)	16,332,687	8,367,931	(7,964,756)	9,151,487	4,766,871	(4,384,616)
Grants	-	-	-	-	-	-	-	-	-	50,000	-	(50,000)
Interest Earnings	7,735	19,770	12,035	10,697	26,360	15,663	700	2,406	1,706	13,865	28,605	14,740
Operating Transfers	-	-	-	-	-	-	-	-	-	-	-	-
Rents, Leases, Concessions, & Other	206,854	356,361	149,507	70,128	428,007	357,879	-	-	-	58,674	486,102	427,428
TOTAL OPERATING REVENUES	13,913,371	6,736,325	(7,177,046)	7,928,708	4,631,526	(3,297,182)	16,333,387	8,370,338	(7,963,049)	9,274,026	5,281,578	(3,992,448)
OPERATING EXPENSES												
Salaries & Wages	2,587,276	1,264,661	1,322,615	1,758,478	838,242	920,236	-	-	-	2,397,119	1,277,914	1,119,205
Benefits	1,251,312	578,684	672,628	871,146	388,502	482,645	-	-	-	1,224,350	584,179	640,172
Supplies	321,994	141,754	180,240	130,500	27,745	102,755	-	-	-	94,300	45,470	48,830
Other Service Charges	5,185,175	1,828,899	3,356,276	2,723,275	1,203,382	1,519,893	-	-	-	1,670,215	608,671	1,061,544
Capital	-	26,451	(26,451)	-	(0)	0	-	-	-	-	2,771	(2,771)
Intergovernmental Services	133,960	63,251	70,709	172,008	99,135	72,872	-	-	-	415,980	245,263	170,717
Waste Management Payments	-	-	-	-	-	-	-	-	-	-	-	-
Sewer Metro Services	-	-	-	-	-	-	16,317,200	8,178,322	8,138,878	-	-	-
Debt Service Principal	1,702,563	572,855	1,129,708	541,127	288,262	252,865	-	-	-	413,162	-	413,162
Debt Service Interest	1,006,253	54,990	951,263	277,082	14,776	262,306	-	-	-	360,525	-	360,525
Interfund Loan Repayment	-	-	-	-	-	-	-	-	-	-	-	-
Interfund Operating Rentals & Supplies	1,276,967	638,512	638,455	952,338	476,451	475,887	-	-	-	1,312,518	657,177	655,341
TOTAL OPERATING EXPENSES	13,465,499	5,170,055	8,295,444	7,425,954	3,336,495	4,089,460	16,317,200	8,178,322	8,138,878	7,888,169	3,421,444	4,466,725
NET INCOME BEFORE DEPRECIATION (*)	447,873	1,566,270	1,118,398	502,754	1,295,031	792,277	16,187	192,016	175,829	1,385,857	1,860,134	474,278
BEGINNING WORKING CAPITAL - January 1, 2016	4,371,774	4,191,201	(180,573)	7,405,717	4,262,859	(3,142,858)	2,145,237	2,358,518	213,281	7,371,777	1,914,968	(5,456,809)
ENDING WORKING CAPITAL - June 30, 2016	4,819,646	5,757,471	937,825	7,908,471	5,557,890	(2,350,581)	2,161,424	2,550,534	389,110	8,757,634	3,775,103	(4,982,531)
NET CHANGE IN WORKING CAPITAL (see Note)	447,872	1,566,270	1,118,398	502,754	1,295,031	792,277	16,187	192,016	175,829	1,385,857	1,860,134	474,278
CAPITAL FUND:												
CAPITAL REVENUES												
Interest Revenue	1,265	-	(1,265)	2,303	-	(2,303)	-	-	-	2,135	-	(2,135)
Contributions	-	-	-	-	-	-	-	-	-	-	-	-
Other Non-Operating Revenue	-	-	-	-	-	-	-	-	-	-	-	-
Gain (Loss) On Sale Of Fixed Assets	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Contributions - System Development	350,000	12,846	(337,154)	240,000	9,472	(230,528)	-	-	-	350,000	10,710	(339,290)
Increase In Contributions - Other	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds of Debt Activity	4,070,037	-	(4,070,037)	-	-	-	-	-	-	-	-	-
Operating Transfers In	-	-	-	-	-	-	-	-	-	-	-	-
Other Sources	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL REVENUES	4,421,302	12,846	(4,408,456)	242,303	9,472	(232,831)				352,135	10,710	(341,425)
CAPITAL EXPENSES												
Other Non-Operating Expense	-	-	-	-	-	-	-	-	-	-	-	-
Net Change In Restricted Net Assets	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Salaries	245,725	122,848	122,877	230,786	47,431	183,355	-	-	-	294,980	28,949	266,031
Increase In Fixed Assets - Benefits	81,637	50,544	31,093	76,412	20,700	55,712	-	-	-	97,969	12,785	85,184
Increase In Fixed Assets - Site Improvements	-	13,035	(13,035)	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Land	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Construction	8,989,179	2,866,563	6,122,616	3,831,262	428,827	3,402,435	-	-	-	4,390,563	322,985	4,067,578
Operating Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENSES	9,316,541	3,052,990	6,263,550	4,138,460	496,957	3,641,503				4,783,512	364,720	4,418,792
BEGINNING WORKING CAPITAL - January 1, 2016	1,513,225	5,070,000	3,556,775	3,900,520	3,900,520	-				2,498,483	4,128,845	1,630,362
ENDING WORKING CAPITAL - June 30, 2016	(3,382,014)	2,029,855	5,411,869	4,363	3,413,035	3,408,672				(1,932,894)	3,774,835	5,707,729
NET CHANGE IN WORKING CAPITAL (see Note)	(4,895,239)	(3,040,144)	1,855,094	(3,896,157)	(487,485)	3,408,672				(4,431,377)	(354,010)	4,077,367
Total Change in Working Capital	(4,447,366)	(1,473,874)	2,973,492	(3,393,403)	807,546	4,200,949	16,187	192,016	175,829	(3,045,520)	1,506,125	4,551,645

(*) Depreciation

2,726,1001,511,5922,104,2001,098,426- -1,688,400975,604

Note: Working Capital = Current Assets
minus Current Liabilities

Beginning balances were posted as part of BA#6 in early July.

OPERATING & CAPITAL FUNDS through June 2016	ENTERPRISE FUNDS									INTERNAL SERVICE FUNDS		
	SOLID WASTE			AIRPORT			CEMETERY			INSURANCE		
	Budget	YTD Actual	Variance	Budget	YTD Actual	Variance	Budget	YTD Actual	Variance	Budget	YTD Actual	Variance
OPERATING FUND:												
OPERATING REVENUES												
Charges For Service	13,317,100	6,918,060	(6,399,040)	747,400	404,818	(342,582)	878,000	756,278	(121,722)	-	-	-
Grants	109,000	7,038	(101,962)	-	-	-	-	-	-	-	-	-
Interest Earnings	1,300	6,665	5,365	969	1,631	662	300	1,039	739	1,000	1,485	485
Operating Transfers	-	-	-	-	-	-	300,000	-	-	-	-	-
Rents, Leases, Concessions, & Other	-	-	-	500	4,007	3,507	-	20	20	-	-	-
TOTAL OPERATING REVENUES	13,427,400	6,931,764	(6,495,636)	748,869	410,457	(338,412)	1,178,300	757,338	(120,962)	1,000	1,485	485
OPERATING EXPENSES												
Salaries & Wages	406,645	204,198	202,447	25,723	13,969	11,753	453,837	239,741	214,096	-	-	-
Benefits	206,181	92,698	113,482	10,496	4,734	5,762	258,783	123,277	135,505	215,000	81,399	133,601
Supplies	34,200	6,894	27,306	2,000	175	1,825	191,300	138,647	52,653	-	-	-
Other Service Charges	1,387,775	3,343,015	(1,955,240)	463,050	221,302	241,748	151,700	51,559	100,141	3,900	518,270	(514,370)
Capital	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental Services	420,600	90,536	330,064	-	-	-	-	-	-	-	-	-
Waste Management Payments	10,645,300	1,716,053	8,929,247	-	-	-	-	-	-	-	-	-
Sewer Metro Services	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Principal	-	-	-	150,000	-	150,000	-	-	-	-	-	-
Debt Service Interest	-	-	-	35,693	-	35,693	0	-	0	-	-	-
Interfund Loan Repayment	-	-	-	39,947	-	39,947	-	-	-	-	-	-
Interfund Operating Rentals & Supplies	104,209	52,098	52,111	-	-	-	50,740	25,368	25,372	-	-	-
TOTAL OPERATING EXPENSES	13,204,910	5,505,492	7,699,417	726,908	240,182	486,727	1,106,360	578,593	527,767	218,900	599,668	(380,768)
NET INCOME BEFORE DEPRECIATION (*)	222,490	1,426,272	1,203,781	21,961	170,275	148,314	71,940	178,745	106,805	(217,900)	(598,183)	(380,283)
BEGINNING WORKING CAPITAL - January 1, 2016	3,082,277	3,082,277	-	273,835	273,835	-	340,685	105,646	(235,039)	1,436,157	1,530,589	94,432
ENDING WORKING CAPITAL - June 30, 2016	3,304,767	4,508,548	1,203,781	295,796	444,110	148,314	412,625	284,392	(128,234)	1,218,257	932,406	(285,851)
NET CHANGE IN WORKING CAPITAL (see Note)	222,490	1,426,272	1,203,781	21,961	170,275	148,314	71,940	178,745	106,805	(217,900)	(598,183)	(380,283)
CAPITAL FUND:												
CAPITAL REVENUES												
Interest Revenue	-	-	-	31	-	(31)	-	-	-	-	-	-
Contributions	-	-	-	14,456	3,924	(10,532)	-	-	-	-	-	-
Other Non-Operating Revenue	-	-	-	-	-	-	-	-	-	-	-	-
Gain (Loss) On Sale Of Fixed Assets	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Contributions - System Development	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Contributions - Other	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds of Debt Activity	-	-	-	-	-	-	-	-	-	-	-	-
Operating Transfers In	-	-	-	-	-	-	300,000	-	(300,000)	-	-	-
Other Sources	-	-	-	-	-	-	340,685	-	(340,685)	-	-	-
TOTAL CAPITAL REVENUES	-	-	-	278,321	74,557	(203,764)	640,685	-	(640,685)	-	-	-
CAPITAL EXPENSES												
Other Non-Operating Expense	-	-	-	-	-	-	-	-	-	-	-	-
Net Change In Restricted Net Assets	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Salaries	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Benefits	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Site Improvements	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Land	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Construction	-	-	-	469,911	118,777	351,134	0	14,541	(14,541)	-	-	-
Operating Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENSES	-	-	-	469,911	118,777	351,134	0	14,541	(14,541)	-	-	-
BEGINNING WORKING CAPITAL - January 1, 2016	-	184,621	184,621	-	270,000	270,000	-	270,000	270,000	-	-	-
ENDING WORKING CAPITAL - June 30, 2016	(191,590)	140,401	331,991	640,685	255,459	(385,226)	640,685	255,459	(385,226)	-	-	-
NET CHANGE IN WORKING CAPITAL (see Note)	(191,590)	(44,220)	147,370	640,685	(14,541)	(655,226)	640,685	(14,541)	(655,226)	-	-	-
Total Change in Working Capital	222,490	1,426,272		(169,629)	126,055	295,684	712,625	164,205	(548,421)	(217,900)	(598,183)	(380,283)

(*) Depreciation

20,0009,410426,100227,53658,30025,196- -

Note: Working Capital = Current Assets
minus Current Liabilities

Beginning balances were posted as part of BA#6 in early July.

OPERATING & CAPITAL FUNDS through June 2016	INTERNAL SERVICE FUNDS											
	WORKER'S COMPENSATION			FACILITIES			INNOVATION & TECHNOLOGY			EQUIPMENT RENTAL		
	Budget	YTD Actual	Variance	Budget	YTD Actual	Variance	Budget	YTD Actual	Variance	Budget	YTD Actual	Variance
OPERATING FUND:												
OPERATING REVENUES												
Charges For Service	743,000	415,582	(327,418)	3,495,900	1,700,661	(1,795,239)	5,531,965	2,730,065	(2,801,900)	3,371,780	1,652,192	(1,719,588)
Grants	-	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings	100	1,626	1,526	2,500	5,165	2,665	3,088	6,926	3,838	4,048	11,422	7,374
Operating Transfers	-	-	-	-	-	-	137,950	2,500	-	428,997	139,749	-
Rents, Leases, Concessions, & Other	120,000	28,149	(91,851)	-	-	-	-	-	-	-	278	278
TOTAL OPERATING REVENUES	863,100	445,357	(417,743)	3,498,400	1,705,826	(1,792,574)	5,673,003	2,739,492	(2,798,061)	3,804,825	1,803,641	(1,711,936)
OPERATING EXPENSES												
Salaries & Wages	84,590	35,824	48,766	707,569	326,664	380,906	1,711,060	809,381	901,680	593,881	282,101	311,780
Benefits	367,005	95,263	271,742	390,621	169,937	220,684	708,330	328,520	379,811	314,545	142,408	172,138
Supplies	-	-	-	128,200	93,388	34,812	431,480	166,640	264,840	1,341,600	406,213	935,387
Other Service Charges	402,715	179,490	223,225	2,350,990	1,062,156	1,288,834	2,737,121	1,495,122	1,241,999	377,500	125,806	251,694
Capital	-	-	-	-	-	-	-	-	-	-	319,745	(319,745)
Intergovernmental Services	-	-	-	810,827	-	810,827	-	-	-	626,392	-	626,392
Waste Management Payments	-	-	-	-	-	-	-	-	-	-	-	-
Sewer Metro Services	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Principal	-	-	-	-	-	-	-	-	-	39,107	-	39,107
Debt Service Interest	-	-	-	-	-	-	-	-	-	5,033	2,663	2,370
Interfund Loan Repayment	-	-	-	-	-	-	-	-	-	-	-	-
Interfund Operating Rentals & Supplies	-	-	-	110,841	55,422	55,419	160,790	80,394	80,396	212,390	106,291	106,099
TOTAL OPERATING EXPENSES	854,310	310,577	543,733	4,499,048	1,707,567	2,791,482	5,748,782	2,880,056	2,868,726	3,510,449	1,385,226	2,125,223
NET INCOME BEFORE DEPRECIATION (*)	8,790	134,780	125,990	(1,000,648)	(1,741)	998,907	(75,779)	(140,564)	(64,785)	294,376	418,415	124,038
BEGINNING WORKING CAPITAL - January 1, 2016	483,503	778,233	294,730	2,583,663	2,410,754	(172,909)	2,386,387	2,305,195	(81,192)	2,095,085	2,974,119	879,034
ENDING WORKING CAPITAL - June 30, 2016	492,292	913,013	420,720	1,583,014	2,409,013	825,998	2,310,608	2,164,631	(145,977)	2,389,461	3,392,534	1,003,072
NET CHANGE IN WORKING CAPITAL (see Note)	8,790	134,780	125,990	(1,000,648)	(1,741)	998,907	(75,779)	(140,564)	(64,785)	294,376	418,415	124,038
CAPITAL FUND:												
CAPITAL REVENUES												
Interest Revenue							412	-	(412)	1,652	-	(1,652)
Contributions							-	-	-	-	-	-
Other Non-Operating Revenue							-	-	-	-	-	-
Gain (Loss) On Sale Of Fixed Assets							-	-	-	-	-	-
Increase In Contributions - System Development							-	-	-	-	-	-
Increase In Contributions - Other							-	-	-	-	-	-
Proceeds of Debt Activity							-	-	-	-	-	-
Operating Transfers In							-	-	-	-	-	-
Other Sources							-	-	-	-	-	-
TOTAL CAPITAL REVENUES							412	-	(412)	1,652	-	(1,652)
CAPITAL EXPENSES												
Other Non-Operating Expense							-	-	-	-	-	-
Net Change In Restricted Net Assets							-	-	-	-	-	-
Increase In Fixed Assets - Salaries							-	-	-	-	-	-
Increase In Fixed Assets - Benefits							-	-	-	-	-	-
Increase In Fixed Assets - Site Improvements							-	-	-	-	-	-
Increase In Fixed Assets - Land							-	-	-	-	-	-
Increase In Fixed Assets - Equipment							1,229,579	534,763	694,816	2,590,263	739,527	1,850,736
Increase In Fixed Assets - Construction							-	-	-	723,002	55,241	667,761
Operating Transfers Out							-	-	-	-	-	-
TOTAL CAPITAL EXPENSES							1,229,579	534,763	694,816	3,313,265	794,768	2,518,497
BEGINNING WORKING CAPITAL - January 1, 2016							479,588	1,400,000	920,412	1,836,396	3,100,001	1,263,605
ENDING WORKING CAPITAL - June 30, 2016							(749,579)	865,237	1,614,816	(1,475,217)	2,305,232	3,780,449
NET CHANGE IN WORKING CAPITAL (see Note)							(1,229,167)	(534,763)	694,404	(3,311,613)	(794,768)	2,516,845
Total Change in Working Capital	8,790	134,780	125,990	(1,000,648)	(1,741)	998,907	(1,304,946)	(675,327)	629,619	(3,017,237)	(376,354)	2,640,883

(*) Depreciation

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546,400

329,148

822,500

486,393

Note: Working Capital = Current Assets
minus Current Liabilities

Beginning balances were posted as part of BA#6 in early July.