

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTORY SECTION	
GFOA Certificate of Achievement	1
City Officials	2
Organization Chart	3
Letter of Transmittal	5
FINANCIAL SECTION	
Auditor's Opinion	9
Management's Discussion and Analysis	11
Basic Financial Statements	
Government-wide Financial Statements:	
Statement of Net Assets	25
Statement of Activities	26
Fund Financial Statements:	
Balance Sheet – Governmental Funds	27
Statement of Revenues, Expenditures, and Changes in	
Fund Balances – Governmental Funds	28
Reconciliation of the Statement of Revenues, Expenditures, and Changes in	
Fund Balances of Governmental Funds to the Statement of Activities	29
Statement of Revenues, Expenditures, and Changes in	
Fund Balance – Budget and Actual – General Fund.....	30
Statement of Revenues, Expenditures, and Changes in	
Fund Balance – Budget and Actual – Advanced Life Support Special Revenue Fund	32
Statement of Net Assets – Proprietary Funds.....	33
Statement of Revenues, Expenses and Changes in	
Fund Net Assets – Proprietary Funds	35
Statement of Cash Flows – Proprietary Funds	36
Statement of Fiduciary Net Assets – Fiduciary Funds	38
Statement of Changes in Fiduciary Net Assets – Fiduciary Funds	39
Notes to the Financial Statements	40
Required Supplementary Information:	
Schedule of Funding Progress – Firemen's Pension Plan	75
Schedule of Funding Progress – LEOFF I Retiree Medical Benefits.....	76
Combining and Individual Fund Statements and Schedules:	
Combining Balance Sheet – Nonmajor Governmental Funds.....	81
Combining Statement of Revenues, Expenditures and Changes in	
Fund Balances – Nonmajor Governmental Funds	87
Schedules of Revenues, Expenditures, and Changes in	
Fund Balances – Budget and Actual:	
Recreation Activities Special Revenue Fund.....	94
Arts Activity Special Revenue Fund.....	95
Parks Maintenance and Operation Special Revenue Fund	96
Community Events Special Revenue Fund.....	97
Microsoft Development Review Special Revenue Fund	98
Cable Access Special Revenue Fund	99
Operating Grants Special Revenue Fund.....	100
Human Services Grants Special Revenue Fund.....	101

Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (continued):

Operating Reserve Special Revenue Fund.....	102
Fire Levy Special Revenue Fund	103
Police Levy Special Revenue Fund	104
Parks Levy Special Revenue Fund.....	105
Capital Equipment Special Revenue Fund.....	106
Fire Equipment Special Revenue Fund.....	107
Real Estate Excise Tax Special Revenue Fund.....	108
Felony Seizure Special Revenue Fund.....	109
Emergency Dispatch Special Revenue Fund	110
Business License Surcharge Special Revenue Fund.....	111
Tourism Special Revenue Fund.....	112
Solid Waste Recycling Special Revenue Fund	113
Regular Levy Debt Service Fund.....	114
Special Levy Debt Service Fund.....	115
Capital Improvements Program Capital Projects Fund.....	116
Park Acquisition and Renovation Capital Projects Fund.....	117
G.O. Bonds Fire Capital Projects Fund.....	118
Combining Statement of Net Assets – Internal Service Funds	120
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets – Internal Service Funds	122
Combining Statement of Cash Flows – Internal Service Funds	124
Combining Statement of Fiduciary Net Assets – Agency Funds	129
Combining Statement of Changes in Assets and Liabilities – All Agency Funds	130
Capital Assets Used in the Operation of Governmental Funds:	
Comparative Schedules by Source	134
Schedule by Function and Activity	135
Schedule of Changes by Function and Activity	136

STATISTICAL SECTION

Net Assets by Component	138
Changes in Net Assets.....	139
Fund Balances, Governmental Funds.....	141
Changes in Fund Balance, Governmental Funds	142
Assessed Value and Actual Value of Taxable Property	144
Direct and Overlapping Property Tax Rates	145
Principal Property Taxpayers	146
Property Tax Levies and Collections	147
Ratio of Outstanding Debt by Type	148
Ratios of General Bonded Debt Outstanding	149
Direct and Overlapping Governmental Activities Debt	150
Legal Debt Margin Information	151
Pledged-Revenue Coverage	152
Demographic and Economic Statistics	153
Principal Employers	154
Full-time Equivalent City Government Employees by Function/Program.....	155
Operating Indicators by Function/Program.....	156
Capital Asset Statistics by Function/Program	157