

City of Mount Vernon Washington



Comprehensive Annual Financial Report

For the Fiscal Year Ended December 31, 2015

City of Mount Vernon, Washington
Comprehensive Annual Financial Report
For the Fiscal Year Ended December 31, 2015

Report Prepared By:
City of Mount Vernon Finance Department

Alicia D. Huschka, Finance Director
Mike Weber, Senior Financial Analyst
Rebecca J. Wade, Accountant

Cover Art:

Historic River Keepers Memorial Art Installation

Located on the River Walk

STATISTICAL SECTION



Elementary School Tour of Mount Vernon Fire Department

Statistical Section

This part of the City of Mount Vernon's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

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Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. 1 - 5

Revenue Capacity

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Debt Capacity

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Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place. 15-16

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs. 17-19

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)**

Table 1

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental Activities										
Net investment in capital assets	\$ 88,334,582	\$ 91,524,563	\$ 99,205,176	\$ 103,940,059	\$ 104,955,657	\$ 104,531,174	\$ 104,853,094	\$ 106,731,620	\$ 109,014,614	\$ 109,551,655
Restricted	1,754,707	2,030,661	1,621,728	2,045,148	1,206,545	2,121,160	3,054,632	2,235,340	1,817,283	3,217,576
Unrestricted	16,762,980	18,921,442	16,072,564	14,066,736	13,953,756	13,870,591	11,506,316	9,977,218	5,860,654 ²	4,416,474
Total governmental activities net position	<u>\$ 106,852,269</u>	<u>\$ 112,476,666</u>	<u>\$ 116,899,468</u>	<u>\$ 120,051,943</u>	<u>\$ 120,115,958</u>	<u>\$ 120,522,925</u>	<u>\$ 119,414,042</u>	<u>\$ 118,944,178</u>	<u>\$ 116,692,551</u>	<u>\$ 117,185,705</u>
Business-type activities										
Net investment in capital assets	71,311,444	82,511,751	91,755,639	92,295,420	56,635,354 ¹	55,766,972	55,066,569	54,350,037	53,678,922	53,904,860
Restricted	1,169,513	1,264,066	688,851	955,495	1,184,033	1,408,965	1,634,015	1,859,187	2,084,487	2,187,090
Unrestricted	12,973,533	11,211,857	11,954,703	12,052,748	10,808,837	10,783,493	11,205,544	12,097,107	11,359,357 ²	12,306,017
Total business-type activities net position	<u>\$ 85,454,490</u>	<u>\$ 94,987,674</u>	<u>\$ 104,399,193</u>	<u>\$ 105,303,663</u>	<u>\$ 68,628,224</u>	<u>\$ 67,959,430</u>	<u>\$ 67,906,128</u>	<u>\$ 68,306,331</u>	<u>\$ 67,122,766</u>	<u>\$ 68,397,967</u>
Primary government										
Net investment in capital assets	159,646,026	174,036,314	190,960,815	196,235,479	161,591,011	160,298,146	159,919,663	161,081,657	162,693,536	163,456,515
Restricted	2,924,220	3,294,727	2,310,579	3,000,643	2,390,578	3,530,125	4,688,647	4,094,527	3,901,770	5,404,666
Unrestricted	29,736,513	30,133,299	28,027,267	26,119,484	24,762,593	24,654,084	22,711,860	22,074,325	17,220,011 ²	16,722,491
Total primary government activities net position	<u>\$ 192,306,759</u>	<u>\$ 207,464,340</u>	<u>\$ 221,298,661</u>	<u>\$ 225,355,606</u>	<u>\$ 188,744,182</u>	<u>\$ 188,482,355</u>	<u>\$ 187,320,170</u>	<u>\$ 187,250,509</u>	<u>\$ 183,815,317</u>	<u>\$ 185,583,672</u>

¹ Change due to revaluation of developer donated capital assets in 2011, with restatement of 2010 net assets/position

² Change due to implementation of GASB 67/68, with restatement of 2014 net position

**Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)**

Table 2
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Expenses	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental activities:										
General government	\$ 3,147,881	\$ 3,403,279	\$ 3,338,575	\$ 3,281,804	\$ 3,006,612	\$ 3,006,301	\$ 2,440,038	\$ 2,666,284	\$ 2,719,779	\$ 3,270,800
Security of persons and property	10,046,680	10,926,482	12,543,697	12,954,808	12,601,859	12,803,302	14,223,785	14,318,762	15,347,983	15,317,093
Physical environment	1,399,005	1,315,160	1,479,510	1,207,840	1,097,413	1,192,299	1,133,258	1,193,083	1,219,098	1,262,497
Transportation	3,873,947	4,180,029	4,083,395	4,001,586	3,815,482	3,958,141	4,154,146	4,012,883	4,413,146	4,922,361
Economic environment	623,796	1,110,877	971,573	746,454	740,985	647,720	933,613	1,141,570	1,157,100	1,224,517
Culture and recreation	2,462,222	2,675,098	2,859,109	2,652,243	2,536,662	2,603,886	2,965,743	2,843,510	2,920,427	2,875,808
Interest on long-term debt	280,883	329,219	258,680	184,040	139,979	113,506	93,210	76,050	58,968	45,549
Total governmental activities	\$ 21,834,414	\$ 23,940,144	\$ 25,534,539	\$ 25,028,775	\$ 23,938,992	\$ 24,325,155	\$ 25,943,793	\$ 26,252,142	\$ 27,836,501	\$ 28,918,625
Business-type activities:										
Wastewater	\$ 6,233,553	\$ 7,031,832	\$ 6,996,799	\$ 7,978,676	\$ 8,481,211	\$ 8,857,474	\$ 8,824,202	\$ 8,834,919	\$ 8,985,989	\$ 9,166,369
Solid Waste	4,217,069	4,299,164	4,395,004	4,561,301	4,492,894	4,508,789	4,549,967	4,639,970	4,835,557	5,169,260
Surfacewater	1,778,049	1,984,817	2,190,157	2,281,114	1,623,730	1,695,826	1,855,230	1,872,522	1,985,545	2,158,523
Total business-type activities	\$ 12,228,671	\$ 13,315,813	\$ 13,581,960	\$ 14,821,091	\$ 14,597,835	\$ 15,062,089	\$ 15,229,399	\$ 15,347,411	\$ 15,807,091	\$ 16,494,152
Total primary government	\$ 34,063,085	\$ 37,255,957	\$ 39,116,499	\$ 39,849,866	\$ 38,536,827	\$ 39,387,244	\$ 41,173,192	\$ 41,599,553	\$ 43,643,592	\$ 45,412,777
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 597,810	\$ 722,726	\$ 658,095	\$ 681,097	\$ 577,946	\$ 574,478	\$ 589,645	\$ 693,884	\$ 737,270	\$ 712,918
Economic environment	1,458,692	1,467,007	1,021,772	852,226	588,843	700,366	769,249	963,755	844,337	1,277,654
Transportation	711,889	654,821	737,995	797,210	771,881	755,898	768,437	765,493	775,431	768,967
Culture and recreation	723,828	711,193	583,522	562,499	560,369	554,223	542,607	532,121	541,524	567,903
Other activities	622,235	615,212	494,279	628,997	536,909	447,843	490,778	478,894	453,693	514,931
Operating grants and contributions	1,693,342	1,499,029	1,400,451	1,299,699	1,342,299	1,647,484	1,639,005	1,531,599	1,425,286	1,538,728
Capital grants and contributions	1,307,493	3,881,833	5,556,699	4,770,718	3,503,509	1,947,024	2,105,614	2,433,891	4,018,415	3,210,309
Total governmental activities program revenues	\$ 7,115,289	\$ 9,551,821	\$ 10,452,813	\$ 9,592,446	\$ 7,881,756	\$ 6,627,316	\$ 6,905,335	\$ 7,399,637	\$ 8,795,956	\$ 8,591,410
Business-type activities:										
Charges for services:										
Wastewater	\$ 6,296,578	\$ 6,384,775	\$ 6,606,614	\$ 7,069,798	\$ 7,402,860	\$ 7,806,825	\$ 7,823,520	\$ 8,036,667	\$ 8,191,514	\$ 8,161,734
Solid Waste	4,207,867	4,317,541	4,209,703	4,085,174	4,274,237	4,554,183	4,799,728	4,934,037	5,032,710	5,402,840
Surfacewater	1,345,072	1,364,760	1,389,716	1,409,061	1,508,188	1,529,890	1,535,812	1,533,721	1,550,371	1,541,571
Operating grants and contributions	-	-	-	-	-	-	-	46,775	3,225	25,000
Capital grants and contributions	12,008,438	10,360,349	10,612,751	3,312,084	843,170	1,113,300	982,233	1,079,811	1,371,672	2,424,259
Total business-type activities program revenues	\$ 23,857,955	\$ 22,427,425	\$ 22,818,784	\$ 15,876,117	\$ 14,028,455	\$ 15,004,198	\$ 15,141,293	\$ 15,631,011	\$ 16,149,492	\$ 17,555,404
Total primary government	\$ 30,973,244	\$ 31,979,246	\$ 33,271,597	\$ 25,468,563	\$ 21,910,211	\$ 21,631,514	\$ 22,046,628	\$ 23,030,648	\$ 24,945,448	\$ 26,146,814
Net (expense)/revenue										
Governmental activities	\$ (14,719,125)	\$ (14,388,323)	\$ (15,081,726)	\$ (15,436,329)	\$ (16,057,236)	\$ (17,697,839)	\$ (19,038,458)	\$ (18,852,505)	\$ (19,040,545)	\$ (20,327,215)
Business-type activities	11,629,284	9,111,612	9,236,824	1,055,026	(569,380)	(57,891)	(88,106)	283,600	342,401	1,061,252
Total primary government net expense	\$ (3,089,841)	\$ (5,276,711)	\$ (5,844,902)	\$ (14,381,303)	\$ (16,626,616)	\$ (17,755,730)	\$ (19,126,564)	\$ (18,568,905)	\$ (18,698,144)	\$ (19,265,963)

**Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)**

Table 2
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	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>Fiscal Year 2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes										
Property taxes	\$ 5,916,658	\$ 6,314,413	\$ 6,592,048	\$ 6,839,643	\$ 6,951,899	\$ 7,070,597	\$ 7,179,265	\$ 7,271,117	\$ 7,380,908	\$ 7,295,533
Sales taxes	5,779,558	5,927,202	5,395,214	4,874,469	4,660,618	4,619,723	4,939,586	5,468,436	5,568,024	5,923,161
Utility taxes	3,257,236	3,566,141	3,786,765	3,927,371	3,757,553	3,789,389	3,715,809	3,486,416	3,678,982	3,719,668
Public safety sales taxes	-	-	-	-	-	-	-	-	979,683	1,283,352
Real estate excise taxes	1,589,096	1,373,270	971,500	479,050	468,606	416,642	524,126	790,094	883,123	1,153,308
Other taxes	1,191,892	1,265,125	1,172,665	1,104,035	1,132,122	1,192,964	1,294,912	1,218,274	1,278,793	1,359,911
Interest and investment earnings	905,252	1,285,423	897,362	298,473	175,283	176,692	116,472	92,825	82,053	123,889
Gain (Loss) on sale of capital assets	¹ 500	-	-	-	-	-	-	-	-	-
Miscellaneous	20,345	8,821	1,213	7,549	25	3,498	9,405	5,479	4,199	20,097
Transfers	175,000	272,325	282,000	600,000	(623,582)	835,301	150,000	50,000	100,000	(58,550)
Total governmental activities	\$ 18,835,537	\$ 20,012,720	\$ 19,098,767	\$ 18,130,590	\$ 16,522,524	\$ 18,104,806	\$ 17,929,575	\$ 18,382,641	\$ 19,955,765	\$ 20,820,369
Business-type activities										
Interest and investment earnings	\$ 442,279	\$ 501,257	\$ 349,989	\$ 232,729	\$ 113,302	\$ 69,497	\$ 51,020	\$ 64,468	\$ 107,354	\$ 119,283
Miscellaneous	43,311	192,640	106,706	216,715	134,847	154,901	133,784	102,135	209,285	36,116
Gain (Loss) on sale of capital assets	(1,252)	-	-	-	-	-	-	-	-	-
Transfers	(175,000)	(272,325)	(282,000)	(600,000)	623,582	(835,301)	(150,000)	(50,000)	(100,000)	58,550
Total business-type activities	\$ 309,338	\$ 421,572	\$ 174,695	\$ (150,556)	\$ 871,731	\$ (610,903)	\$ 34,804	\$ 116,603	\$ 216,639	\$ 213,949
Total primary government	\$ 19,144,875	\$ 20,434,292	\$ 19,273,462	\$ 17,980,034	\$ 17,394,255	\$ 17,493,903	\$ 17,964,379	\$ 18,499,244	\$ 20,172,404	\$ 21,034,318
Change in Net Position										
Governmental activities	\$ 4,116,412	\$ 5,624,397	\$ 4,017,041	\$ 2,694,261	\$ 465,288	\$ 406,967	\$ (1,108,883)	\$ (469,864)	\$ 915,220	\$ 493,154
Business-type activities	11,938,622	9,533,184	9,411,519	904,470	302,351	(668,794)	(53,302)	400,203	559,040	1,275,201
Total primary government	\$ 16,055,034	\$ 15,157,581	\$ 13,428,560	\$ 3,598,731	\$ 767,639	\$ (261,827)	\$ (1,162,185)	\$ (69,661)	\$ 1,474,260	\$ 1,768,355

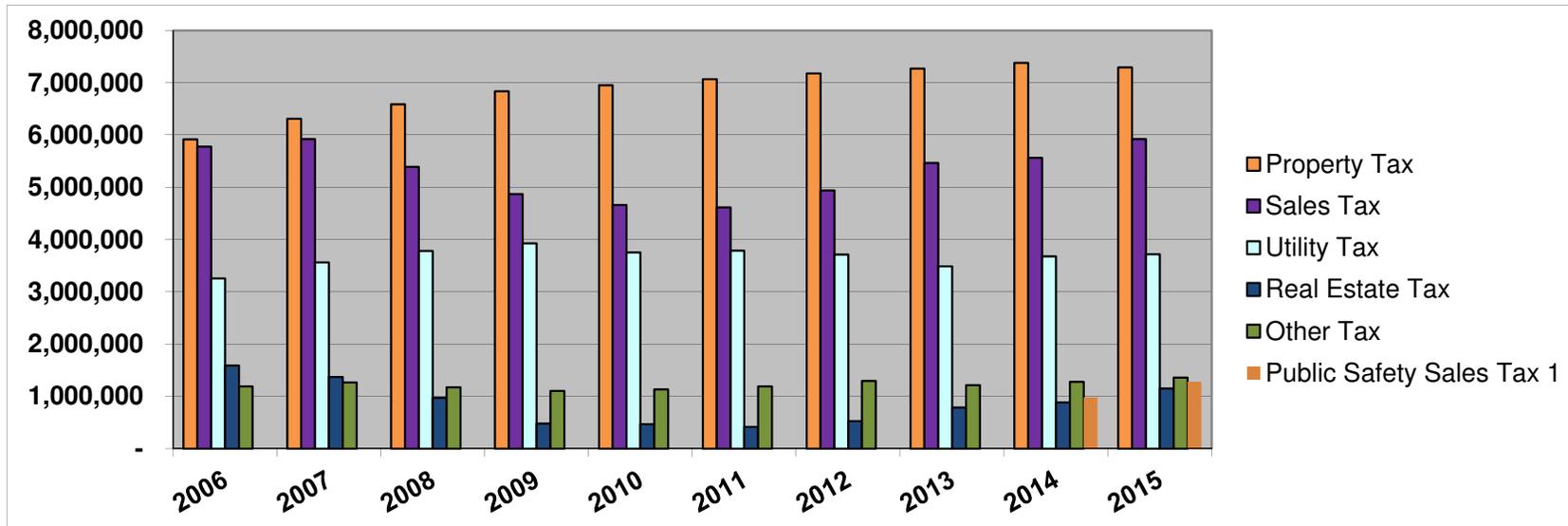
¹ Public safety sales tax passed through to Skagit County for jail implemented in 2014

**Governmental Activities Tax Revenues by Source
Last Ten Fiscal Years
(accrual basis of accounting)**

Table 3

Fiscal Year	Property Tax	Sales Tax	Utility Tax	Real Estate Tax	Public Safety Sales Tax ¹	Other Tax	Total
2006	\$ 5,916,658	\$ 5,779,558	\$ 3,257,236	\$ 1,589,096	\$ -	\$ 1,191,892	\$ 17,734,440
2007	6,314,413	5,927,202	3,566,141	1,373,270	-	1,265,125	18,446,151
2008	6,592,048	5,395,214	3,786,765	971,500	-	1,172,665	17,918,192
2009	6,839,643	4,874,469	3,927,371	479,050	-	1,104,035	17,224,568
2010	6,951,899	4,660,618	3,757,553	468,606	-	1,132,122	16,970,798
2011	7,070,597	4,619,723	3,789,389	416,642	-	1,192,964	17,089,315
2012	7,179,265	4,939,586	3,715,809	524,126	-	1,294,912	17,653,698
2013	7,271,117	5,468,436	3,486,416	790,094	-	1,218,274	18,234,337
2014	7,380,908	5,568,024	3,678,982	883,123	979,683	1,278,793	19,769,513
2015	7,295,533	5,923,161	3,719,668	1,153,308	1,283,352	1,359,911	20,734,933

¹ Public safety sales tax passed through to Skagit County for jail implemented in 2014



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

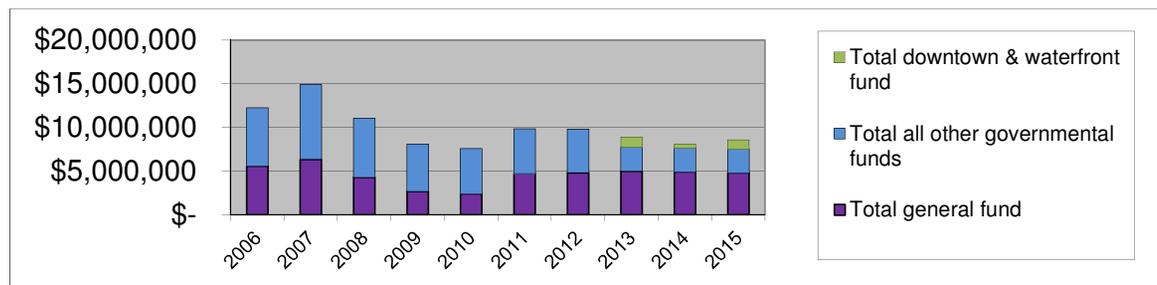
Table 4

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ 37,968	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	5,565,193	6,340,143	4,278,931	2,673,517	2,333,648	-	-	-	-	-
Restricted ¹						58,308	68,724	69,216	79,675	88,399
Committed ¹										
Assigned ¹						1,172,993	1,162,578	1,154,870	1,198,015	1,161,998
Unassigned ¹						3,475,112	3,565,837	3,756,611	3,627,879	3,532,941
Total general fund	\$ 5,565,193	\$ 6,340,143	\$ 4,278,931	\$ 2,673,517	\$ 2,371,616	\$ 4,706,413 ²	\$ 4,797,139	\$ 4,980,697	\$ 4,905,569	\$ 4,783,338
Downtown & Waterfront Fund³										
Restricted ¹								506,758	225,000	830,013
Committed ¹								-	-	-
Assigned ¹								707,775	250,158	274,171
Unassigned ¹								-	-	-
Total downtown & waterfront fund	\$ -	\$ -	\$ 1,214,533	\$ 475,158	\$ 1,104,184					
All other governmental funds										
Reserved	\$ 139,666	\$ 228,794	\$ 145,220	\$ 221,952	\$ 24,930	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	2,401,972	2,585,036	2,089,842	2,533,844	2,176,060	-	-	-	-	-
Capital projects funds	4,162,984	5,754,231	4,542,253	2,665,512	3,031,784	-	-	-	-	-
Restricted ¹						2,062,853	2,985,908	1,659,366	1,512,335	2,299,164
Committed ¹						418,204	404,002	429,949	362,788	427,647
Assigned ¹						2,652,504	1,616,891	647,863	828,461	(8,654)
Total all other governmental funds	\$ 6,704,622	\$ 8,568,061	\$ 6,777,315	\$ 5,421,308	\$ 5,232,774	\$ 5,133,561	\$ 5,006,801	\$ 2,737,178	\$ 2,703,584	\$ 2,718,157

¹ Only five years of "Restricted, Committed, Assigned or Unassigned" data is available due to the implementation of GASB 54 effective January 1, 2011

² General Fund increase attributable to change in accrual methodology and inclusion of reclassified special revenue funds per GASB 54 guidance

³ Downtown & Waterfront Fund data included with other governmental funds prior to 2013



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

Table 5

	Fiscal Year									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Revenues										
Taxes	\$ 17,359,400	\$ 18,191,177	\$ 17,672,248	\$ 16,903,448	\$ 16,418,318	\$ 16,791,641	\$ 17,178,410	\$ 18,078,991	\$ 19,454,419	\$ 20,368,866
Licenses and permits	1,375,168	1,493,012	1,093,320	866,627	785,721	935,775	1,092,537	1,076,689	1,094,884	1,467,137
Intergovernmental	3,218,241	3,089,023	5,922,713	5,969,332	5,107,375	3,171,240	3,892,126	3,903,042	4,970,007	4,256,645
Charges for Services	2,700,018	2,538,995	2,451,561	2,623,671	2,345,288	2,251,895	2,150,537	2,689,568	2,641,732	2,751,117
Fines & Forfeits	243,789	265,054	283,603	306,237	341,276	321,173	265,359	266,194	259,426	277,477
Investment earnings	703,194	1,088,267	708,244	163,141	102,002	103,930	87,768	68,738	54,122	79,748
Miscellaneous	703,909	2,162,962	628,466	577,751	582,441	557,812	530,491	523,282	634,327	726,873
Total revenues	\$ 26,303,719	\$ 28,828,490	\$ 28,760,155	\$ 27,410,207	\$ 25,682,421	\$ 24,133,466	\$ 25,197,228	\$ 26,606,504	\$ 29,108,917	\$ 29,927,863
Expenditures										
General government	\$ 3,575,643	\$ 3,850,672	\$ 3,838,084	\$ 3,998,320	\$ 3,694,234	\$ 3,654,085	\$ 3,417,654	\$ 3,354,455	\$ 3,472,819	\$ 4,093,320
Public safety	9,616,230	10,411,318	11,779,149	12,328,164	11,914,548	12,060,509	13,150,428	12,882,246	14,101,700	14,385,080
Physical environment	1,410,731	1,438,584	1,580,073	1,487,379	1,339,363	1,290,989	1,232,741	1,269,541	1,314,518	1,357,083
Transportation	1,486,267	1,558,406	1,696,177	1,533,721	1,435,242	1,230,230	1,226,729	1,207,396	1,431,264	1,441,037
Economic environment	613,589	1,084,381	945,964	778,785	741,512	617,299	576,570	1,114,294	1,121,092	1,101,082
Culture and recreation	2,162,092	2,278,553	2,500,981	2,420,282	2,297,071	2,175,688	2,309,385	2,334,491	2,399,669	2,460,087
Capital outlay	3,238,403	4,076,106	9,456,023	7,769,698	4,739,684	2,639,826	2,755,900	4,652,883	6,500,434	3,974,526
Debt service										
Principal	585,000	1,316,000	1,028,986	785,674	706,400	820,976	630,000	635,000	655,000	795,000
Interest	284,533	307,710	274,550	191,955	144,802	122,982	94,878	77,730	60,518	46,083
Refund bond issuance costs	-	-	-	24,100	-	-	-	-	-	-
Total expenditures	\$ 22,972,488	\$ 26,321,730	\$ 33,099,987	\$ 31,318,078	\$ 27,012,856	\$ 24,612,584	\$ 25,394,285	\$ 27,528,036	\$ 31,057,014	\$ 29,653,298
Excess of revenues over (under) expenditures	\$ 3,331,231	\$ 2,506,760	\$ (4,339,832)	\$ (3,907,871)	\$ (1,330,435)	\$ (479,118)	\$ (197,057)	\$ (921,532)	\$ (1,948,097)	\$ 274,565
Other financing sources (uses)										
Transfers in	\$ 2,195,211	\$ 3,594,445	\$ 3,423,808	\$ 2,110,084	\$ 2,477,199	\$ 2,359,312	\$ 921,875	\$ 692,375	\$ 1,208,755	\$ 1,615,353
Transfers out	(2,020,211)	(3,463,120)	(3,334,124)	(1,618,831)	(1,637,199)	(1,329,312)	(771,875)	(642,375)	(1,108,755)	(1,379,550)
Insurance recovery	-	-	126,153	-	-	-	11,023	-	-	-
Sale of capital assets	500	304	-	370,197	-	342,223	-	-	-	11,000
Contractual debt issued	-	-	272,037	-	-	-	-	-	-	-
Loan issuance	-	-	-	-	-	-	-	-	1,000,000	-
Refunding bonds issues	-	-	-	4,215,000	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	(4,130,000)	-	-	-	-	-	-
Total other financing sources (uses)	\$ 175,500	\$ 131,629	\$ 487,874	\$ 946,450	\$ 840,000	\$ 1,372,223	\$ 161,023	\$ 50,000	\$ 1,100,000	\$ 246,803
Net Change in fund balances	\$ 3,506,731	\$ 2,638,389	\$ (3,851,958)	\$ (2,961,421)	\$ (490,435)	\$ 893,105	\$ (36,034)	\$ (871,532)	\$ (848,097)	\$ 521,368
Debt service as a percentage of noncapital expenditures	4.22%	7.07%	5.40%	4.20%	3.78%	4.27%	3.17%	3.08%	2.87%	3.13%

**Assessed Value of Taxable Property
Last Ten Fiscal Years**

Table 6

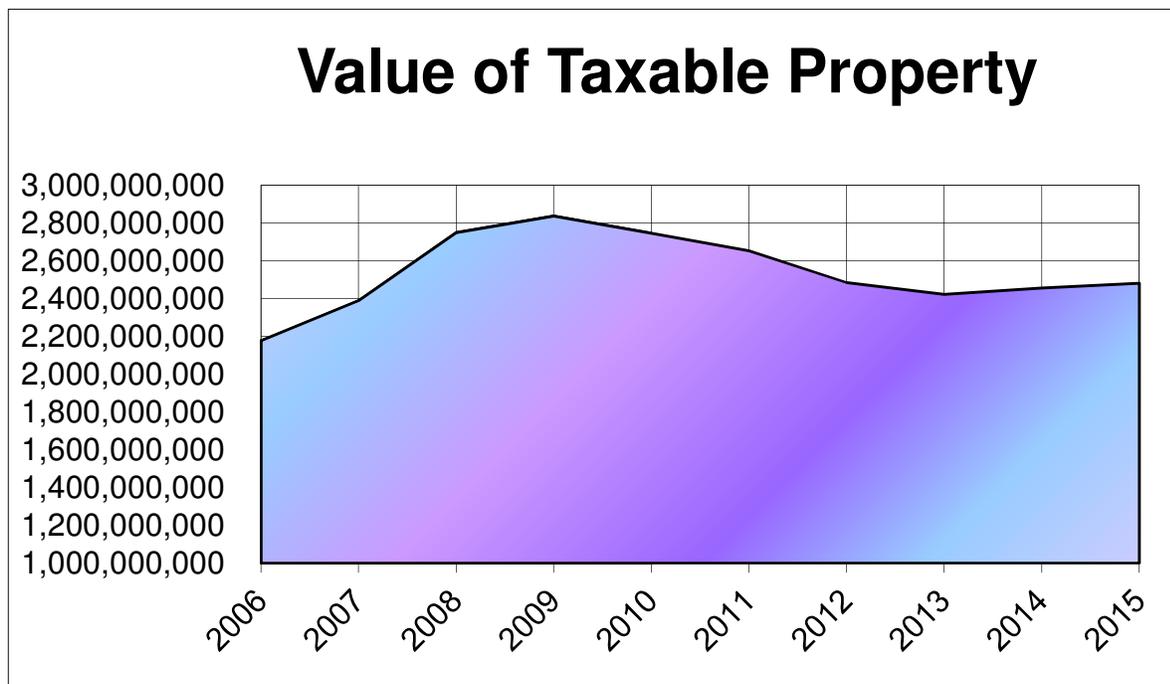
Levy Year	Real Property Assessed Value	Personal Property Assessed Value	Utility Property Assessed Value ¹	Total Assessed Value	Total Direct Tax Rate ²
2006	2,101,788,874	75,681,098	-	2,177,469,972	2.74
2007	2,238,449,201	97,708,220	52,912,246	2,389,069,667	2.63
2008	2,610,855,300	85,469,993	53,094,834	2,749,420,127	2.43
2009	2,687,985,260	92,961,603	56,974,376	2,837,921,239	2.45
2010	2,603,798,517	98,222,628	44,708,516	2,746,729,661	2.56
2011	2,503,214,196	101,089,000	49,971,353	2,654,274,549	2.69
2012	2,335,484,336	101,342,300	48,887,168	2,485,713,804	2.90
2013	2,285,475,617	95,770,893	40,950,246	2,422,196,756	3.04
2014	2,306,295,647	99,133,300	50,704,998	2,456,133,945	3.05
2015	2,339,074,815	92,084,400	50,976,137	2,482,135,352	2.98

Source: Skagit County Assessor

Per Assessor, real and personal property have been assessed at 100% of the estimated value.

¹ Utility Property Value not available prior to 2007

² Tax rates are per \$1,000 of assessed value.



**Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Value)
Last ten Fiscal Year**

TABLE 7

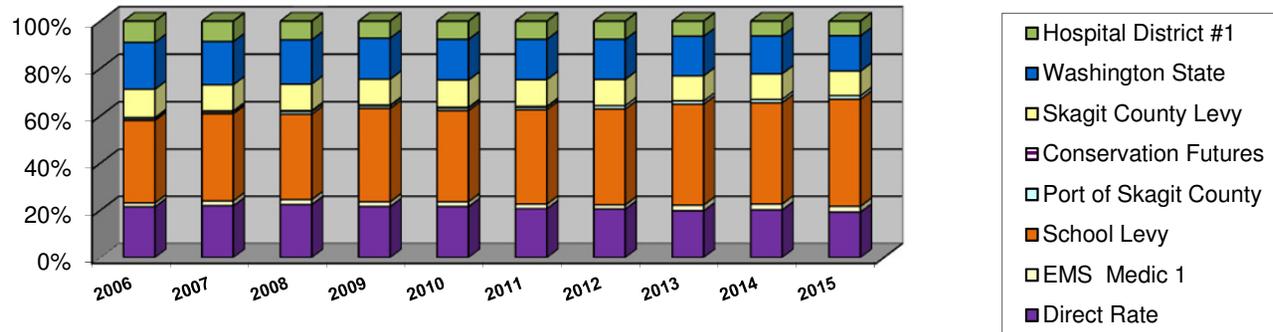
Fiscal Year	City Direct Rates			Mount Vernon School District			Overlapping Rates ¹							Total ²
	Operating Levy	Debt Service Levy	Total Direct Rate	Operating Levy	Debt/Tech Levy	Total School Levy	Skagit County Levy	Washington State	Hospital District #1	EMS Medic 1	Port of Skagit County	Conservation Futures		
2006	2.49	0.25	2.74	2.58	1.88	4.46	1.52	2.51	1.14	0.21	0.10	0.05	12.73	
2007	2.40	0.23	2.63	2.73	1.69	4.42	1.32	2.17	1.03	0.25	0.10	0.05	11.97	
2008	2.23	0.20	2.43	2.53	1.38	3.91	1.21	2.01	0.85	0.23	0.12	0.04	10.80	
2009	2.26	0.19	2.45	2.70	1.78	4.48	1.24	1.96	0.81	0.23	0.12	0.04	11.33	
2010	2.38	0.18	2.56	3.01	1.56	4.57	1.36	2.03	0.91	0.25	0.12	0.05	11.85	
2011	2.49	0.20	2.69	3.37	1.81	5.18	1.46	2.20	0.99	0.25	0.13	0.05	12.95	
2012	2.68	0.22	2.90	3.77	1.95	5.72	1.56	2.37	1.08	0.25	0.20	0.05	14.13	
2013	2.83	0.21	3.04	4.20	2.35	6.55	1.62	2.55	0.98	0.38	0.21	0.05	15.38	
2014	2.84	0.21	3.05	4.14	2.34	6.48	1.63	2.41	0.94	0.38	0.21	0.05	15.15	
2015	2.85	0.13	2.97	4.28	2.70	6.98	1.59	2.30	0.95	0.38	0.23	0.05	15.46	

Source: Skagit County Assessor

¹ Overlapping rates are those of local and county governments that apply to property owners within the City of Mount Vernon.

Not all overlapping rates apply to all Mount Vernon property owners (e.g. the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district).

² There are five levy codes for the City of Mount Vernon with 2015 rates ranging from \$12.78 to \$15.46 per thousand dollars of assessed value.



**Principal Property Taxpayers
Current Year and 9 Years Ago**

TABLE 8

Taxpayer	2015			2006		
	Taxable Assessed Valuation	Rank	Percentage Of Total Assessed Valuation	Taxable Assessed Valuation	Rank	Percentage Of Total Assessed Valuation
Puget Sound Energy/ Electric <i>(Utility)</i>	\$ 22,558,785	1	0.91	\$ 17,932,613	3	0.82
Wal-Mart Stores, Inc. <i>(Discount store)</i>	18,101,400	2	0.73	10,836,600	5	0.50
Cascade West Apartment LLC <i>(Apartment Complex)</i>	15,323,500	3	0.62			
100 310 East College Way Holdings LLC <i>(Retail Store)</i>	14,230,800	4	0.57			
Watson Properties <i>(Retirement Homes)</i>	13,594,600	5	0.55	13,376,100	4	0.61
Frontier Property Tax Dept. (formerly Verizon) <i>(Utility)</i>	10,036,269	6	0.40	23,982,500	1	1.10
MRM Mt Vernon LLC <i>(Hardware Store)</i>	9,424,500	7	0.38	9,183,700	6	0.42
Frost Family LLC <i>(Payfirst Properties)</i>	9,243,800	8	0.37			
Draper Valley Holdings, LLC <i>(Food Processing)</i>	8,714,600	9	0.35			
SummerGlen LLC <i>(Apartment Complex)</i>	8,592,500	10	0.35			
Skagit Capital, LLC <i>(Retail Strip Mall)</i>				21,043,500	2	0.97
Skagit Valley Real Estate Partnership <i>(Medical Center)</i>				8,930,000	7	0.41
Safeway Stores, Inc <i>(Grocery Store)</i>				8,912,877	8	0.41
Briar Development Company <i>(Haggen Grocery Store)</i>				8,597,700	9	0.39
Mount Vernon Arbor Park, LLC <i>(Apartment Complex)</i>				8,396,900	10	0.39
	<u>\$ 129,820,754</u>		<u>5.23%</u>	<u>\$ 131,192,490</u>		<u>6.02%</u>
 TOTAL CITY ASSESSED VALUE	 \$ 2,482,135,352			 \$ 2,177,469,972		

Source : Skagit County Assessor

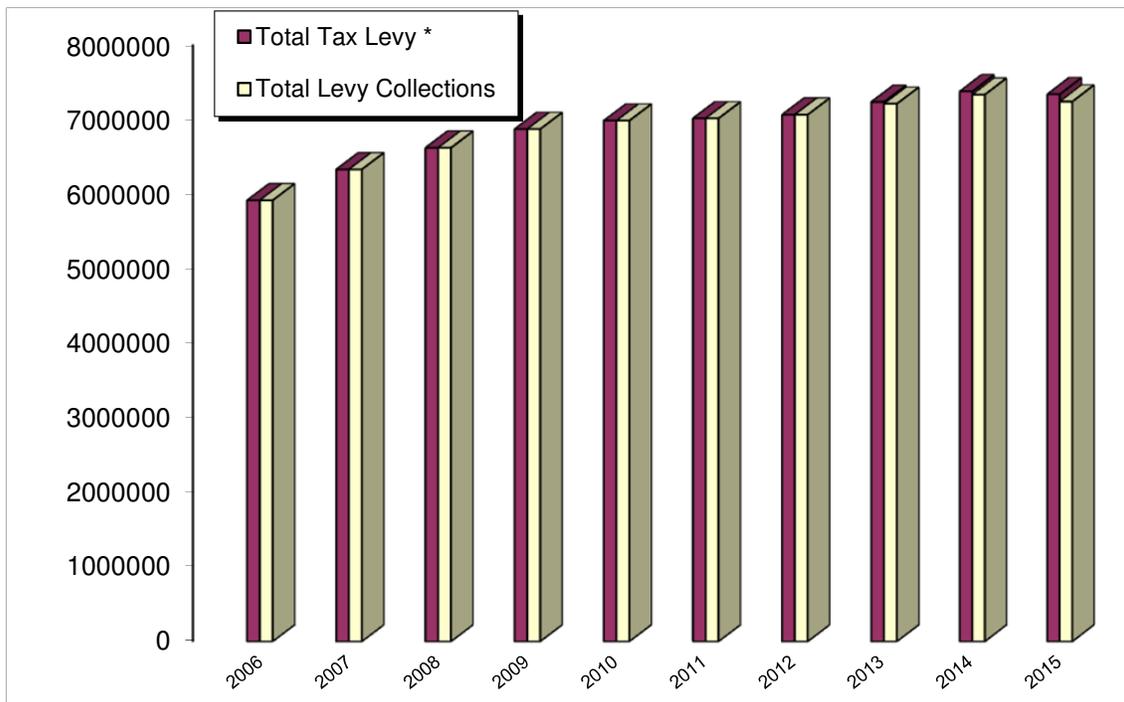
**Property Tax Levies and Collections
Last Ten Fiscal Years**

Table 9

Fiscal Year	Total Tax Levy *	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Current Tax Collections	Percentage of Levy		Amount	Percentage of Levy
2006	5,917,731	5,808,314	98.2	109,417	5,917,731	100.0
2007	6,333,077	6,206,922	98.0	126,155	6,333,077	100.0
2008	6,622,708	6,470,633	97.7	152,075	6,622,708	100.0
2009	6,874,382	6,662,776	96.9	211,606	6,874,382	100.0
2010	6,987,612	6,666,137	95.4	321,475	6,987,612	100.0
2011	7,018,003	6,875,563	98.0	142,440	7,018,003	100.0
2012	7,068,341	6,960,249	98.5	107,206	7,067,455	100.0
2013	7,239,317	7,166,228	99.0	47,894	7,214,122	99.7
2014	7,380,491	7,262,707	98.4	74,148	7,336,855	99.4
2015	7,341,944	7,243,518	98.7	-	7,243,518	98.7

Source: Skagit County Assessor

* Includes levy adjustments



**Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Table 10

Fiscal Year	Governmental Activities				Business-type Activities			Total	Percentage of Personal Income ^{1 & 2}	Debt Per Capita ^{1 & 2}
	General Obligation Bonds	Special Assessment Bonds	Public Works Trust Fund Loan	Other Debt	Revenue Bonds	Dept of Ecology Loan	Public Works Trust Fund Loan			
2006	4,930,000	145,000	1,725,000	1,411,000	1,300,000	1,867,740	4,122,795	15,501,535	0.43%	550
2007	4,540,000	145,000	1,610,000	600,000	660,000	5,549,163	10,183,345	23,287,508	0.58%	811
2008	4,130,000	10,000	1,495,000	503,051	-	11,567,222	18,984,335	36,689,608	0.85%	1,248
2009	3,735,000	-	1,380,000	322,376	-	18,450,882	19,188,689	43,076,947	0.96%	1,429
2010	3,255,000	-	1,265,000	210,976	-	17,564,057	17,996,138	40,291,171	0.88%	1,308
2011	2,760,000	-	1,150,000	-	-	16,728,087	16,803,587	37,441,674	0.84%	1,180
2012	2,245,000	-	1,035,000	-	-	15,867,565	15,611,037	34,758,602	0.76%	1,088
2013	1,725,000	-	920,000	-	-	14,981,730	14,418,486	32,045,216	0.70%	994
2014	1,185,000	-	805,000	1,000,000	-	14,069,802	13,225,935	30,285,737	0.59%	926
2015	805,000	-	690,000	700,000	-	13,130,969	12,033,384	27,359,353	0.53%	825

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

¹ See Statistical Table 15 for personal income and population data. Personal income data only available at Countywide level; data is not available at City level.

² These ratios are calculated using personal income and population for the prior calendar year.

**Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years**

TABLE 11

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund ¹	Total	Percentage of Actual Taxable Value ² of Property	Per Capita ³
2006	4,930,000	7,945	4,922,055	0.226	171.44
2007	4,540,000	16,325	4,523,675	0.190	153.92
2008	4,130,000	12,457	4,117,543	0.150	136.57
2009	3,735,000	47,041	3,687,959	0.130	119.74
2010	3,255,000	14,930	3,240,070	0.118	102.07
2011	2,760,000	22,543	2,737,457	0.103	85.71
2012	2,245,000	31,681	2,213,319	0.089	68.63
2013	1,725,000	32,024	1,692,976	0.070	51.76
2014	1,185,000	18,746	1,166,254	0.047	35.16
2015	805,000	12,270	792,730	0.032	23.64

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

¹ This is the amount restricted for debt service principle payments.

² See Statistical Table 6 for assessed value of taxable property data.

³ See Statistical Table 15 for population data.

**Legal Debt Margin Information
Last Ten Years**

Table 12

Assessed value (2014 assessment for 2015 revenue) ¹	2,482,135,352
Debt limit:	
Debt Limit with vote (1% of assessed value)	24,821,354
Debt limit without vote (1 1/2% of assessed value)	37,232,030
Debt applicable to limit:	
General obligation bonds with vote	580,000
General obligation bonds without vote	<u>225,000</u>
Total debt applicable to limit	805,000
Legal debt margin	<u>\$ 61,248,384</u>

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Purpose Debt Limit	\$ 54,436,749	\$ 59,726,742	\$ 68,735,503	\$ 70,948,031	\$ 68,668,242	\$ 63,596,864	\$ 59,897,845	\$ 60,554,919	\$ 61,403,349	\$ 62,053,384
Total debt applicable to limit	<u>4,930,000</u>	<u>4,540,000</u>	<u>4,130,000</u>	<u>3,735,000</u>	<u>3,255,000</u>	<u>2,760,000</u>	<u>2,245,000</u>	<u>1,725,000</u>	<u>1,185,000</u>	<u>805,000</u>
Legal debt margin	<u>\$ 49,506,749</u>	<u>\$ 55,186,742</u>	<u>\$ 64,605,503</u>	<u>\$ 67,213,031</u>	<u>\$ 65,413,242</u>	<u>\$ 60,836,864</u>	<u>\$ 57,652,845</u>	<u>\$ 58,829,919</u>	<u>\$ 60,218,349</u>	<u>\$ 61,248,384</u>
Total debt applicable to the limit as a percentage of debt limit	9.06%	7.60%	6.01%	5.26%	4.74%	4.34%	3.75%	2.85%	1.93%	1.30%

¹ Source: Skagit County Assessor

Note: Under state law voters may approve general obligation debt issues of up to 7.5% of assessed valuation.

This 7.5% debt capacity is allocated evenly among general purposes, parks/open space, and utilities resulting in 2.5% limit for each. There is \$0 debt applicable to the parks/open space or utilities limit, thus these debt limits are not shown above.

Within the 2.5% general purposes debt limit, shown above, the City Council has authority to issue bonds without voter approval for a combined total of up to 1.5% of the City's assessed valuation.

**Direct and Overlapping Governmental Activities Debt
As of December 31, 2015**

TABLE 13

Jurisdiction	Net Debt Outstanding	Estimated Percentage Applicable*	Estimated Share of Overlapping Debt
Direct Debt:			
City of Mount Vernon	\$ 2,195,000	100.00%	\$ 2,195,000
Overlapping Debt:			
Skagit County	18,882,791	16.92%	3,194,968
Mount Vernon School District #320	26,764,079	79.03%	21,151,652
Sedro Woolley School District #101	16,130,000	0.79%	127,427
Port of Skagit County #2	12,541,719	27.25%	3,417,618
Hospital District #1	59,963,723	61.71%	37,003,613
Hospital District #304	-	1.82%	-
Total Overlapping Debt:	<u>\$ 134,282,312</u>		<u>\$ 64,895,278</u>
Total Direct and Overlapping Debt	<u><u>\$ 136,477,312</u></u>		<u><u>\$ 67,090,278</u></u>

Source: Skagit County Treasurer, Skagit County Assessor and appropriate district finance offices

* Applicable percentage is determined by the ratio of assessed valuation of taxable property in overlapping unit to valuation of property subject to taxation in the City of Mount Vernon.

**Pledged-Revenue Coverage
Last Ten Fiscal Years**

TABLE 14

Fiscal Year	Wastewater Revenue Bonds					
	Utility Service Charges	Less: Operating Expenses ¹	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2006	6,296,578	3,277,618	3,018,960	625,000	52,400	4.46
2007	6,384,775	3,438,096	2,946,679	640,000	37,400	4.35
2008	6,606,614	3,490,383	3,116,231	660,000	19,800	4.58
2009	7,069,798	4,096,749	2,973,049	-	-	na
2010	7,402,860	3,902,653	3,500,207	-	-	na
2011	7,806,825	4,061,444	3,745,381	-	-	na
2012	7,823,520	4,186,178	3,637,342	-	-	na
2013	8,306,667	4,229,398	4,077,269	-	-	na
2014	8,191,514	4,371,075	3,820,439	-	-	na
2015	8,161,734	4,359,037	3,802,697	-	-	na

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements

¹ Excludes depreciation and amortization and taxes

na - not applicable, revenue bonds paid off in 2008.

**Demographic and Economic Statistics
Last Ten Fiscal Years**

Table 15

Fiscal Year	City Population ⁽¹⁾	Skagit County * Total Personal Income ⁽²⁾ (in thousands)	Skagit County * Per Capita Income ⁽²⁾	School Enrollment ⁽³⁾	Skagit County * Unemployment Rate % ⁽⁴⁾
2006	28,710	4,001,659	35,060	5,862	5.2%
2007	29,390	4,297,043	37,076	5,668	4.7%
2008	30,150	4,496,852	37,989	5,758	6.1%
2009	30,800	4,569,165	38,225	5,744	9.6%
2010	31,743	4,438,417	37,904	5,849	10.4%
2011	31,940	4,552,329	38,543	6,010	10.1%
2012	32,250	4,598,528	41,962	6,256	9.2%
2013	32,710	5,101,341	42,927	6,243	8.3%
2014	33,170	5,155,069	42,829	6,375	6.9%
2015	33,530	N/A	N/A	6,628	6.7%

N/A - Not Available

Sources: (1) Washington State Office of Financial Management
(2) Bureau of Economic Analysis - Regional Economic Accounts/Local Area Personal Income
(3) Mount Vernon School District
(4) United States Bureau of Labor Statistics

Note: * Data is only available at the County level

**Principal Employers
Current Year and Nine Years Ago**

Table 16

<u>Employer</u>	<u>2015</u> ¹			<u>2006</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County</u> ² <u>Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County</u> ² <u>Employment</u>
Skagit Regional Health ³	1,952	1	3.68%	na		
Skagit County	604	2	1.14%	653	3	1.21%
Mount Vernon School District	580	3	1.09%	820	1	1.52%
Skagit Valley College	407	4	0.77%	610	4	1.13%
Walmart	299	5	0.56%	320	6	0.59%
City of Mount Vernon	198	6	0.37%	204	9	0.38%
Skagit Gardens	191	7	0.36%	265	7	0.49%
Lowes Hardware	144	8	0.27%	150	10	0.28%
Skagit Publishing	100	9	0.19%			
Draper Valley Farms	86	10	0.16%	606	5	1.12%
Skagit Valley Hospital ³	na			785	2	1.46%
Skagit Valley Medical Center ³	na			217	8	0.40%
Total	4,561		8.60%	4,630		8.58%
Total County Employment ²	53,065			53,950		

¹ Data for current year compiled from internal Business License data, Washington State Department of Labor & Industries, and self reporting by business

² Total employment data only available at County level *Source: Washington State Employment Security*

³ Skagit Valley Hospital and Skagit Valley Medical Center joined in 2010 to form Skagit Regional Health.

**Full-time Equivalent City Government Employees by Function/ Program
Last Ten Fiscal Years**

Table 17

Function/ Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<i>General Government</i>										
Administrative	15	15	15	15	15	15	15	15	16	16
Legal	7	7	7	7	6	3	3	4	4	4
Human Resources	1	1	1	1	1	1	1	1	2	2
Community Development	14	14	15	12	11	10	10	10	10	10
Public Works/ Engineering	14	15	13	11	10	10	10	10	10	10
Culture and Recreation	25	24	25	23	22	22	22	22	21	24
Street	10	10	10	9	9	9	9	9	8	8
<i>Security</i>										
Police	57	57	58	58	58	56	56	56	57	57
Fire	38	38	39	38	38	37	37	37	37	37
<i>Utility Services</i>										
Solid Waste	13	13	13	13	13	13	13	13	13	13
Wastewater Treatment	15	15	15	16	16	16	16	15	15	16
Surfacewater	-	-	-	-	-	-	-	-	1	1
Total	209	209	211	203	199	192	192	192	194	198

Source: City Finance Department

**Capital Asset Statistics by Function/ Program
Last Ten Fiscal Years**

Table 18

Function/ Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Police										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of police vehicles	35	38	48	43	51	47	48	48	52	52
Fire										
Number of stations	3	3	3	3	3	3	3	3	3	3
Number of fire engines/aerial ladders	7	7	7	4	4	6	5	6	6	5
Number of aid vehicles	3	4	4	4	4	4	3	3	3	3
Transportation										
Center lane miles of paved roads	109	120	120	121	121	122	122	122	124	125
Traffic signals	31	31	31	31	31	32	32	32	32	32
Culture and Recreation										
Number of developed parks	8	9	9	13 ¹	13	13	13	13	13	13
Number of undeveloped parks	4	7 ²	7	6	6	6	6	6	6	6
Number of items in library collection	83,333	84,896	88,246	86,718	87,524	90,012	89,231	88,964	86,556	86,469
Miles of trails	8.8	14.4	19.6	22.1	22.7	23.7	24.7	25.03	25.03	26.03
Sewer										
Miles of mainline	112	115	122	123	123	122	122	122	124	125
Number of treatment plants	1	1	1	1	1	1	1	1	1	1
Solid Waste										
Number of collection vehicles	15	15	15	14	15	17	13	13	15	17
Number of dumpsters	782	785	805	785	802	971	971	980	1,052	1,062
Number of residential garbage carts	7,648	8,350	8,350	8,600	8,930	8,332	8,327	9,179	10,210	10,310
Stormwater										
Detention ponds	87	89	90	91	92	92	92	93	89	42 ²
Miles of collection lines	107	110	114	115	116	114	115	115	117	119

¹ Increase in number of parks due to inclusion of parking lot rest areas as parks.

² Decrease in number of detention ponds due to previous inclusion of non-owned, but City maintained ponds.

** na- Not Available

Source: City Departments

Operating Indicators by Function/ Program
Last Ten Fiscal Years

Table 19

Function/ Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Police										
Calls for service	24,500	25,161	21,715	21,754	21,270	20,748	21,011	20,787	21,276	21,809
Active Block Watch Groups	59	62	64	67	83	83	108	108	108	108
Fire										
Calls for service	3,212	3,510	3,608	3,955	4,378	4,044	4,044	4,376	4,672	4,855
Average response time - minutes	6:20	6:27	7:16	7:14	7:50	8:38	8:38	8:15	7:25	7:18
Fire prevention inspections	2,180	2,046	1,891	1,796	1,200	1,629	1,629	1,614	2,895	1,573
Culture and Recreation										
Number of registered Park activity participants	21,000	23,000	12,532	10,204	9,332	9,793	8,647	9,572	12,445	8,691
Number of registered Library activity participants	13,500	13,338	11,590	11,721	13,409	15,133	15,793	13,716	14,753	15,301
Number of Park facility rentals ¹	310	349	450	478	2,246	1,852	1,607	2,136	1,069	1,387
Number of resident library cards	6,900	6,752	7,067	7,609	6,978	6,700	6,543	6,293	6,583	6,348
Sewer										
Number of gallons processed (billions)	1.329	1.460	1.391	1.303	1.279	1.456	1.516	1.347	1.515	1.365
Dry tons of biosolids	508	530	495	464	453	571	454	503	548	514
Solid Waste										
Solid waste tonnage	19,743	19,737	18,636	17,573	16,778	16,424	16,479	17,078	17,324	18,710
Residential garbage accounts	7,818	7,858	8,167	8,228	8,077	7,866	7,831	8,115	8,422	8,522
Commercial garbage accounts ²	808	815	815	844	995	1,275	1,290	1,328	1,351	1,362
Curbside recycling tonnage	2,714	2,636	2,540	2,388	2,362	2,411	2,434	2,415	2,463	2,636
Stormwater										
Detention ponds cleaned/ mowed	60	28	41	30	30	41	41	40	43	52
Linear feet of pipe cleaned	5,143	30,908 ³	85,264	33,177	82,189	80,222	64,865	68,920	60,893	52,867
Grit recovered/ disposed of (tons)	456	516	1,143	964	610	750	450	262	395	1,470

na- Not Available

¹ 2010 facility rentals counts expanded to include Picnic Shelters

² Methodology for categorizing Commercial garbage accounts changed after 2004 and again after 2009.

Source: City Departments

The End



Road Repair Work