2014

Comprehensive Annual Financial Report

For the fiscal year ended December 31, 2014

City of Sammamish Washington

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2014

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CITY OF SAMMAMISH
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended December 31, 2014

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INTRODUCTORY SECTION

Back row: Ramiro Valderrama, Tom Vance, Tom Odell, Don Gerend. Front row: Kathleen Huckabay, Nancy Whitten, Bob Keller

2014 CITY OFFICIALS

MAYOR AND CITY COUNCIL

Tom Vance	Mayor
Kathleen Huckabay	Deputy Mayor
Don Gerend	Council Member
Bob Keller	Council Member
Tom Odell	Council Member
Ramiro Valderrama	Council Member
Nancy Whitten	Council Member

ADMINISTRATIVE OFFICIALS

Ben Yazici	City Manager
Lyman Howard	Deputy City Manager
Joseph Guinasso	Director of Finance
Laura Philpot	Director of Public Works
Jeffery Thomas	Director of Community Development
Beth Goldberg	Director of Administrative Services
Bruce Disend	City Attorney
Nate Elledge	Police Chief
Melonie Anderson	City Clerk

ORGANIZATION CHART

Full Time Employees=80.5

Citizens of Sammamish

City Council
City Legislation
Policy Development

Planning Commission
Parks & Recreation Commission
Arts Commission
Sammamish Youth Board

City Manager (FTE 3.47)
City Administration
Legal Services
Policy Analysis
Intergovernmental Relations
Communications

Administrative Services (FTE 5)
City Clerk
Human Resources
Human Services
Police Contract
Fire Contract
Jail Contract
Court Services Contract
Animal Control Contract
Risk Management
Building Maintenance

Community Development
(FTE 21.52)
Planning
Building Permits
Code Enforcement
Development Review
Inspections
Land Use Management

Financial & Technology Services (FTE 10)
Accounting & Financial Reporting
Financial Planning
Budgeting
Information Technology

Parks & Recreation
FTE (16.2)
Administration
Park Planning
Recreation Activities
Volunteer Coordination
Park Maintenance
Construction Project Management
Special Event Management
Facility Rentals

Public Works
(FTE 24.31)
Administration
Construction Engineering
Street & Sidewalk Maintenance
Surface Water Management
Equipment Rental & Replacement
Transportation
Construction Project Management
Land Use Review

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Sammamish
Washington

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

Executive Director/CEO

801 – 228th Avenue SE • Sammamish, WA 98075 • Phone: 425-295-0500 • Fax: 425-295-0600
• web: www.sammamish.us

June 26, 2015

Mayor Tom Vance, Sammamish City Council, and Citizens of Sammamish,

The Finance Department is pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Sammamish, Washington for the fiscal year ended December 31, 2014.

The CAFR is published annually as the City's official annual financial report and complies with state law revised code of Washington (RCW) 43.09.230 requiring annual reports for Washington municipal governments to be certified and filed with the state auditor's office in a timely fashion.

This report provides the City Council, city staff, our citizens, and other readers with detailed information about the financial position and activities of the City. City management is responsible for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures.

As required by state law, the City uses the Budgeting, Accounting, and Reporting System (BARS) manual developed and prescribed by the Office of the State Auditor. Statewide reporting of similar revenues and expenses for all cities and counties is made possible through the use of the BARS manual. The City's accounting system provides reliable financial records for preparing financial statements that follow Generally Accepted Accounting Principles (GAAP) for governments in the United States of America.

The City's internal control structure is designed to help safeguard the City's assets against loss, theft, or misuse. This structure provides reasonable, but not absolute, assurance that the City's assets are safeguarded. The concept of reasonable assurance first recognizes that the cost of control should not exceed the benefits likely to be derived. Secondly, the evaluation of costs and benefits requires estimates and judgments by management.

State law provides for an annual independent audit by the Office of the State Auditor. Additionally, as a recipient of federal financial assistance, the City may be required to have an annual single audit that meets the requirements of the federal Office of Management and Budget Circular A-133 and its supplements. The federal audit is conducted by the state auditor's office in conjunction with the annual independent audit. The City was not required to have such an audit in 2013.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of *Management's Discussion and Analysis (MD&A)*. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Sammamish's MD&A can be found immediately following the independent auditor's report.

City Profile

The City of Sammamish was incorporated on August 31, 1999, with 63.22% voter approval, and operates as a non-charter optional code city with a Council–Manager form of government. Optional code city status increases the City's operating authority by extending to it the powers of all four city classifications that exist in Washington law.

The Council is comprised of seven members, elected at large by the citizens of Sammamish. They are part-time officials who exercise the legislative powers of the City and determine matters of policy. The Mayor is a council member selected by the Council to chair meetings, authenticate documents and serves as the ceremonial head of the City. The Council is supported by several advisory boards and commissions. The Council appoints a full-time City Manager who is the head of the executive branch and serves as the professional administrator of the organization, coordinating day-to-day activities.

Sammamish, covering about 22 square miles, is situated between Issaquah to the south, Redmond to the north, and is east of Lake Sammamish. This suburban community–which back in 1970 was home to only 6,000 people–still retains its rural look and feel, even though the population has grown to 62,770. The City is conveniently located within easy commuting and shopping distance of many larger cities including Bellevue, Renton and Seattle.

Sammamish provides a full range of municipal services including:

- Police protection (contracted from the King County Sheriff)
- Fire protection (Eastside Fire and Rescue joint venture)
- Parks, recreation, and cultural services
- Street maintenance and construction
- Planning, zoning and community development
- Support services/legislative/administrative: facilities, financial, fleet, human resources, technology, risk management, emergency management
- Surface water utility: operations and capital infrastructure

The city prepares budgets in accordance with RCW section 35A.33. Biennial budgets are adopted by the City Council for funds providing customary government services. Each biennium begins with an odd numbered year. Reviews are conducted at mid-biennium and any changes are adopted by the City Council. A budget increase or decrease to a fund must be authorized by the City Council. Budgetary control is at the fund level. All budgets are further monitored on a departmental basis.

Local Economy

The City is primarily a "bedroom" community to Seattle and Bellevue, with approximately 90% of its working residents employed outside the City. The local economy is based on businesses which provide goods and services to local residents. There is no significant industry within the City.

Sammamish has two main commercial complexes. Sammamish Highlands Center features a Safeway supermarket with 175 employees and several smaller shops and businesses. Pine Lake Village is another commercial center which is anchored by a QFC supermarket with 110 employees. There are 11 schools inside the city limits, including three high schools within one mile of one another.

Several upscale residential communities are within the city limits. Sahalee is a private residential/golf community located around a 27-hole course. The Sahalee Country Club hosted the PGA championship tournament in 1998 and the US Senior Open Championship in 2010. Plateau Golf and Country Club is a newer 18-hole golf course/clubhouse with condominiums, townhouses, and single family homes.

The City is dependent upon property taxes as a major source of revenue to the general fund, providing about 70% of the fund's revenue. Annual property tax increases are limited to 1% of the prior year's collections plus a new construction factor unless approved via referendum. The City did not increase property taxes by the allowable 1% in 2014 but may use the "banked" 2014 increase in future years.

During the period between 2006-2010 charges for services revenue decreased $1.5 million, mostly due to reduced development activity. However, construction activity over 2011 - 2014 increased markedly and charges for services went up by $5.5 million over that four-year period. The City, considering the increasing development activity has added 5.0 full time equivalent positions to the 2015-2016 biennial budget.

Real estate excise taxes derived from the sale of real property along with transportation and park impact fees are major sources of funding for capital expenditures. These two real estate dependent sources of revenue have begun to rebound since 2010. Real estate excise tax receipts in 2014 were 4.4% less than the high in 2005, and impact fee collection has gone from a low in 2008 of $602,700 to $3.5 million in 2014. Significant infrastructure funding is also provided by transfers of general fund resources to the capital improvement funds. The city has no utility or business taxes.

Long-Term Financial Planning

Encompassed in the long term financial plan is continued infrastructure investment. Parks, transportation, storm drainage, green space, and pathways are top council priorities as are trails and other non-motorized transportation improvements. However, none of these goals are being pursued at the expense of financial stability.

The City maintains a six-year financial planning horizon and balances requirements to resources over the life of the six-year forecast. As part of this process, one-time excesses of revenues over expenses are identified and allocated to one-time expenses. Ongoing costs are funded only by ongoing revenue sources. In 2008 the City received national recognition for its prudent financial modeling and forecasting strategies when Standard and Poors upgraded the City's bond rating from AA to AAA, making Sammamish the youngest city in the state to ever get the top rating. As of 2014, the City no longer holds a bond rating, as all outstanding bonds have been paid.

Since the City's incorporation in 1999, an average of $13 million per year has been invested in capital assets including roads, parks, and buildings. This new infrastructure brings with it increased operating costs. Public safety expenditures for police and fire contracted services accounted for 39% of General Fund expenditures in 2014, down from a high of 49% in 2010. While ending fund balances remain healthy, the City Council and management are discussing revenue source alternatives in anticipation of expenditures exceeding current revenue sources in the next five to ten years.

Sammamish operates using a combination of city staff and contracted services to ensure flexibility in operations and maintain a sustainable level of service to the citizens. As Sammamish moves forward, economic indicators will continue to be monitored, and adjustments to city spending and service levels made to maintain the City's financial health. The City uses a long-term financial

forecasting model to assist with future planning. This model's projections are shared with the City Council on a regular basis.

Major Initiatives

Capital improvements remain a significant focus as the City continues to improve its transportation system, neighborhood sidewalks, and to offer varied recreational opportunities. Major projects in 2014 included:

- During 2014, the City began construction on a two-story, approximately 69,000 square-foot community and aquatic center. The facility will be owned by the City and operated by the YMCA in accordance with the operating and management agreement approved by the City Council on February 19, 2013. Construction is expected to be completed in early 2016.
- In late September of 2014, the City began phase two improvements to the Sammamish Landing Park. Improvements will consist of a parking lot, designated crosswalk, and a public restroom.
- Phase two of non-motorized improvements to 244th Avenue were completed during 2014. These improvements include sidewalks, bike lanes, and planter strips. Retaining walls, safety fencing, and storm drain improvements will also be included in the design.

Sammamish Commons was the site of the City's fifth 4th of July fireworks celebration. Activities included clowns and balloons in the children's play area, food booths, a family fun zone, and of course fireworks. The popular Farmer's Market returned for the fifth year in May and ran every Wednesday throughout the summer offering home grown fruits and vegetables, flowers, bakery items, and crafts. Residents of all ages and interests find enjoyment at Sammamish Commons, whether taking a peaceful walk around the lower commons trail or watching the pyrotechnics on the 4th of July.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Sammamish for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2013. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The Government Finance Officers Association of the United States and Canada (GFOA) has awarded the City of Sammamish its Distinguished Budget Presentation Award for its biennial budgets since the 2005/2006 biennium.

The International City Managers' Association (ICMA) awarded the City its Certificate of Achievement for its "performance measurement" approach to management. This approach gathers data in a variety of service areas, identifies management practices that contribute to high performance, and shares the results to help other jurisdictions in a process of continuous improvement.

The preparation of the Comprehensive Annual Financial Report on a timely and accurate basis could not have been accomplished without the efforts and dedication of the staff of the City's Finance Department. I would like to express my appreciation to my staff and to personnel from other departments and agencies that assisted in its preparation. Also, I would like to thank the City Manager and City Council for their continued interest and support in planning and conducting the financial operations of the City in a dedicated and responsible manner.

Respectfully submitted,

Joseph Guinasso
Finance Director

FINANCIAL SECTION

Washington State Auditor's Office

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

June 26, 2015

Mayor and City Council
City of Sammamish
Sammamish, Washington

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Sammamish, King County, Washington, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the

appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Sammamish, King County, Washington, as of December 31, 2014, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 13 through 20 and budgetary comparison information on pages 63 through 64 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying information listed as combining financial statements and supplementary information on pages 65 through 98 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This information has been subjected to auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The information identified in the table of contents as the Introductory and Statistical Sections is presented for purposes of additional analysis and is not a required part of the basic financial statements of the City.

Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we will also issue our report dated June 26, 2015, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Sincerely,

JAN M. JUTTE, CPA, CGFM

ACTING STATE AUDITOR

OLYMPIA, WA

City of Sammamish Washington

MANAGEMENT'S DISCUSSION

AND

ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

This narrative provides an overview and analysis of the City of Sammamish's financial activities for the fiscal year ended December 31, 2014. The purpose is to highlight significant financial issues, major financial activities, and resulting changes in financial position, as well as economic factors affecting the City. Readers are encouraged to consider the information presented here in conjunction with the information furnished in the letter of transmittal in the introductory section and the City's financial statements and accompanying notes following the narrative.

Financial Highlights

- The City ended the year in a strong financial position, with total assets exceeding total liabilities by $498.8 million, an increase of $14.8 million over the 2013 ending net position. Of this increase, $9.8 million is due to the acquisition of capital assets, including land, buildings, equipment, and developer contributions.

- During 2014, the City saw an increase in tax revenues of $1.2 million and an increase in private contributions of $1.5 million. The increase in private contributions is related to the construction of the City's community and aquatic center. Although the community and aquatic center will be owned by the city, day-to-day operations will be handled by the YMCA. As part of their partnership with the city, the YMCA is contributing $5.0 million toward construction expenses.

Overview of the Financial Statements

This discussion and analysis serves as an introduction to the City's basic financial statements which are presented in three parts: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. Other supplementary information in addition to the basic financial statements is also contained in this report.

Government-wide financial statements

The government-wide financial statements are designed to provide the reader with a broad overview of the City's finances, similar to the financial reporting of private-sector businesses.

The ***Statement of Net Position*** presents information on all of the City's assets, liabilities, and deferred inflows of resources, showing the difference between assets and liabilities and deferred inflows of resources as net position. Over time, increases or decreases in net position may be one indicator of whether the financial health of the City is improving or deteriorating.

The ***Statement of Activities*** presents information showing how the City's net position changed during the year. The net cost of each governmental and business-type activity is reported separately from taxes and other sources of revenue not related to a specific function. Activity on this statement is reported on the accrual basis of accounting, meaning that revenues are reported when they are earned and expenses are reported when they are incurred, regardless of the timing of the cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes, unpaid vendor invoices, and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues *(governmental activities)* from other functions that are intended to recover all or most of their costs through user fees and charges *(business-type activities).* Governmental activities include general government (finance and administrative services), security (police and fire), physical and economic environment, transportation, mental/physical health, and culture and recreation. The City has one business-type activity, a surface water management utility.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or to meet certain objectives. The City, like other state and local governments, uses fund accounting to demonstrate compliance with finance-related and legal requirements. The City's funds are divided into two categories: governmental funds and proprietary funds.

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund statements focus on near term inflows and outflows of spendable resources as well as balances of spendable resources available at year end. Such information can be useful in evaluating the City's near term financing requirements and immediate fiscal health.

Because the focus of the governmental funds is narrower than that of the government-wide statements, it is useful to compare similar information in the governmental fund statements and the government-wide statements. In doing so, the reader may better understand the long term impact of the City's current year financing decisions. Both the Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities.*

The City maintains five governmental funds. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, the General Capital Improvement Fund, the Parks Capital Improvement Fund and the Transportation Capital Improvement Fund, all of which are considered to be major funds. Data from the G.O. Debt Service Fund is shown in a column labeled Non-major Fund.

The City maintains budgetary control over its operating funds through the adoption of a biennial budget. Budgets are adopted at the fund level and according to state law. A budgetary comparison statement is presented for the General Fund as required supplementary information. Other budgetary comparison schedules are included in the Fund Financial Statements and Schedules sections of this report.

Proprietary funds are used by governments to account for their business-type activities. Business-type activities provide specific goods or services to a group of customers that are paid for by fees charged to those customers.

The City has two types of proprietary funds. Enterprise funds are used to account for goods and services provided to citizens. Internal service funds are used to account for goods and services provided internally to various city departments.

Enterprise funds of the City are used to report the same functions presented as business-type activities in the government-wide statements with the fund statements providing more detail than is reported in the government-wide statements. The enterprise fund statements provide information for the City's storm water utility operating and capital activities.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to accumulate funds for vehicle replacement, account for vehicle maintenance, to account for insurance premiums and claims, and to account for information technology activities. Internal service funds benefit both governmental and business-type activities and are allocated accordingly in the government-wide statement of activities. Internal service fund assets and liabilities are predominantly governmental and have been included in the governmental activities column of the government-wide statement of net position.

Notes to the financial statements

The notes to the financial statements provide additional information that is important to a full understanding of the data in the government-wide and fund financial statements. The notes are located immediately following the basic financial statements.

Other information

The combining statements for other governmental funds and internal service funds are presented immediately following the notes section.

Government-wide Financial Analysis

Statement of net position

The City's financial condition remained good during 2014, despite only moderate economic expansion. As noted earlier, net position may serve as a useful indicator of the City's financial situation. The City's net position at December 31, 2014 total $498.8 million, an increase of $14.8 million over 2013. Net position of the City as of December 31, 2014 are summarized and analyzed below.

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
			(in thousands)			
Current and other assets	$ 79,339	$ 74,423	$ 4,615	$ 4,343	$ 83,954	$ 78,766
Capital assets, net of accumulated depreciation	387,286	379,334	36,736	34,904	424,022	414,238
Total assets	466,625	453,757	41,351	39,246	507,976	493,004
Long-term liabilities	4,295	4,815	322	402	4,617	5,217
Other liabilities	4,316	3,002	177	685	4,493	3,686
Total liabilities	8,611	7,817	498	1,087	9,110	8,903
Deferred inflows	22	95	-	-	22	95
Total deferred inflows	22	95	-	-	22	95
Net position						
Net investment in capital assets	386,000	375,067	36,736	34,904	422,736	409,971
Restricted	5,397	3,565	-	-	5,397	3,565
Unrestricted	66,593	67,213	4,117	3,256	70,711	70,469
Total net position	$ 457,991	$ 445,845	$ 40,853	$ 38,160	$ 498,844	$ 484,005

Governmental Activities: Net position from governmental activities increased by $12.1 million in 2014, for a total of $458.0 million. Of total governmental activities net position, $5.4 million is restricted for capital projects. Unrestricted net position of $66.6 million are available to meet ongoing obligations to citizens and creditors. Factors contributing to the changes are as follows:

- Of the increase in governmental activities, $11.6 million was in investments. The increase was due to a focused effort by management to increase investment returns, and is largely responsible for the $6.8 million decrease in cash and cash equivalents.

- Developer and private contributions of land and infrastructure totaled $4.2 million and transportation and parks improvements totaled $2.8 million. Several large construction projects are in progress, adding an additional $8.6 million in assets. This increase was partially offset by depreciation of current assets, leading to an overall increase in capital asset values of $8.0 million.

- Total liabilities and deferred inflows increased by $722,000, primarily consisting of a rise in the accounts payable balance in the Parks Capital Fund pertaining to a major construction project. The increase is partially offset by a reduction in long-term debt and deferred inflows of $593,000.

Business-type Activities: Business-type activities of the City's surface water fund increased the City's net position by $2.7 million in 2014. Of total net position, $4.1 million is available to meet ongoing operating needs. Contributing factors of the increase were:

- The largest component of the increase was the result of capital assets contributed by developers of $2.4 million, offset by current depreciation expense for a net increase of $1.8 million.

- Total liabilities decreased by $588,000. This decrease is related to a reduction of the accounts payable balance at year-end of $508,000, chiefly due to the 2013 balance being overinflated from the late receipt of several large invoices. A reduction in long-term debt of $80,000 accounts for the remainder of the change.

Changes in position

As illustrated in the following table, the City's net position increased approximately $14.8 million in 2014. The increase was split between the governmental activities ($12.1 million) and the business-type activities ($2.7 million).

The table below provides condensed information on revenues, expenses, and changes in net position with governmental and business-type activities shown separately.

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
			(in thousands)			
Revenues:						
Program revenues:						
Charges for services	$ 8,379	$ 9,524	$ 3,604	$ 3,104	11,983	$ 12,628
Operating grants & contributions	363	613	50	-	413	613
Capital grants & contributions	4,324	5,286	2,964	4,356	7,288	9,642
General revenues:						
Property taxes	22,424	21,851	-	-	22,424	21,851
Sales taxes	4,863	4,368	-	-	4,863	4,368
Real estate excise taxes	4,686	4,640	-	-	4,686	4,640
Other taxes	1,650	1,574	-	-	1,650	1,574
Investment interest	144	114	8	10	151	125
Miscellaneous	2,649	483	-	-	2,649	483
Total revenues	49,481	48,454	6,625	7,470	56,107	55,924

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
			(in thousands)			
Expenses:						
General government	5,959	5,672	-	-	5,959	5,672
Security	11,603	11,210	-	-	11,603	11,210
Physical enviroment	744	769	-	-	744	769
Economic enviroment	3,064	2,947	-	-	3,064	2,947
Transportation	10,500	9,078	-	-	10,500	9,078
Mental/physical health	8	9	-	-	8	9
Culture and recreation	5,438	5,330	-	-	5,438	5,330
Interest on long-term debt	20	23	-	-	20	23
Stormwater	-	-	3,932	3,365	3,932	3,365
Total expenses	37,336	35,038	3,932	3,365	41,268	38,403
Increase in net position before transfers and special items	12,146	13,416	2,693	4,106	14,839	17,521
Increase in net position	12,146	13,416	2,693	4,106	14,839	17,521
Net position - beginning	445,845	432,430	38,160	34,054	484,005	466,484
Net position - ending	$ 457,991	$ 445,845	$ 40,853	$ 38,160	$ 498,844	$ 484,005

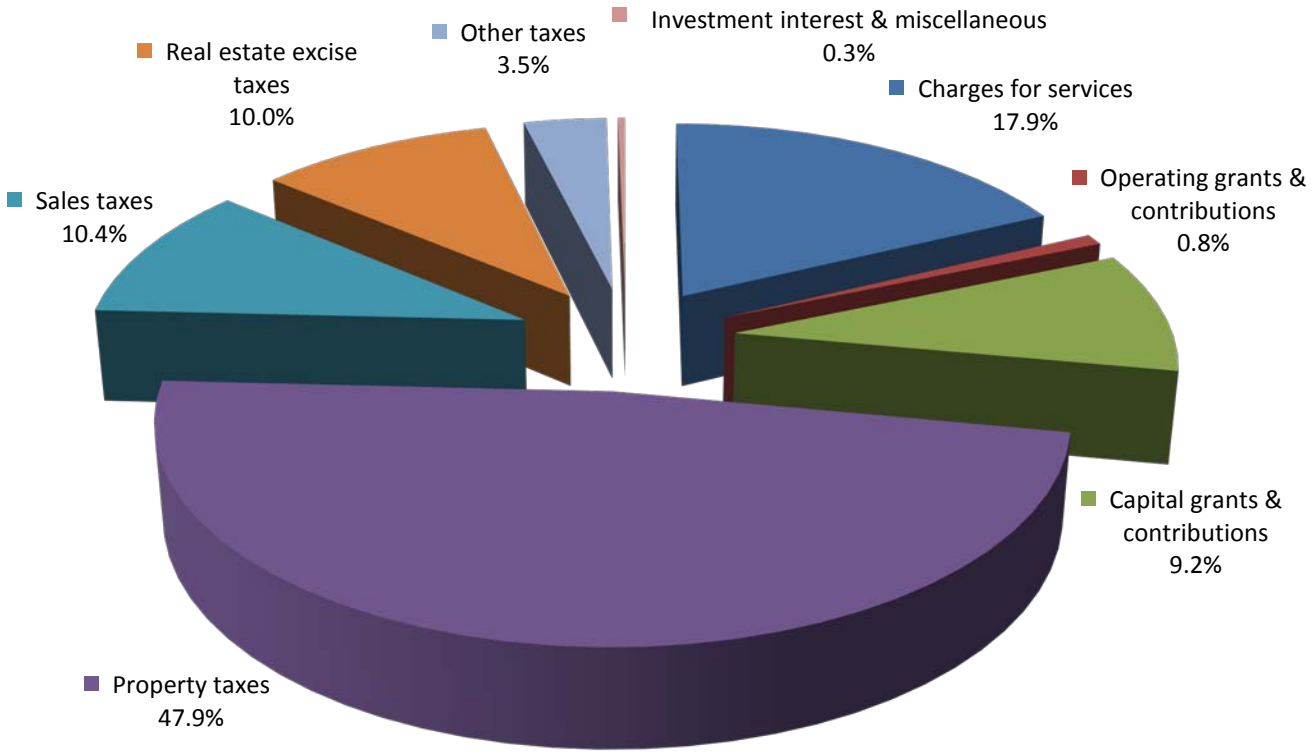
Governmental activities increased the City's net position by $12.1 million in 2014, which accounts for 81.9% of the total increase in net position of the City. Most of the increase in net position can be attributed to capital assets. Total revenues increased by approximately 2.1%, while total expenses were about 6.6% higher than in 2013. Key elements of the changes in governmental activities net position are:

- Charges for services decreased by $1.1 million, which is attributable to a decrease in transportation impact fees collected by the City. This is due to a drop in development activity from 2013, which was more robust than anticipated.

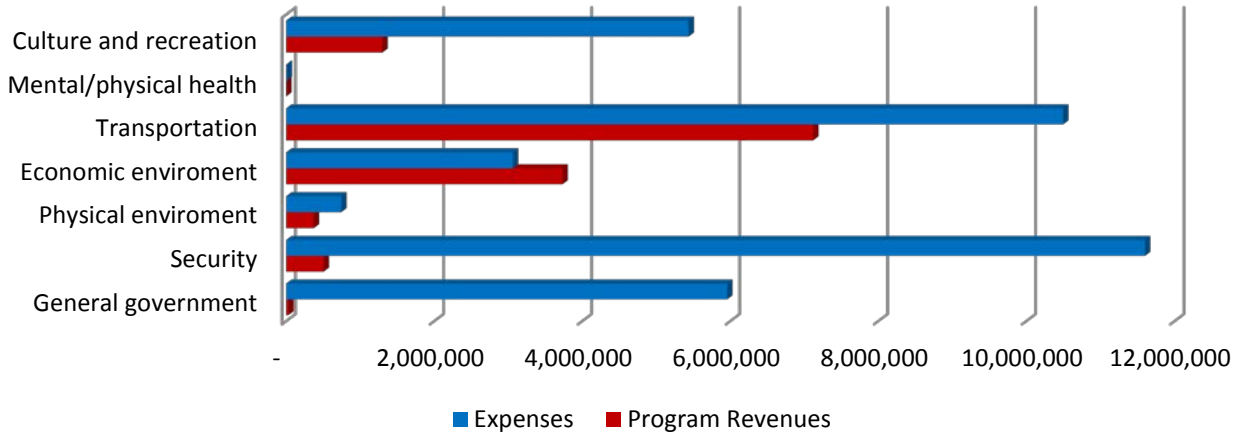
- Tax revenues increased by $1.1 million, the largest portions of this increase are attributable to property tax ($573,000) and local sales tax ($495,000).

- Total general government expenses increased by $2.3 million, the largest component of the increase was in road overlay program activity of $998,000. The remaining variances were in salaries and related benefits ($435,000) and an increase in the City's fire services contract ($300,000).

Revenue by Source - Governmental Activities



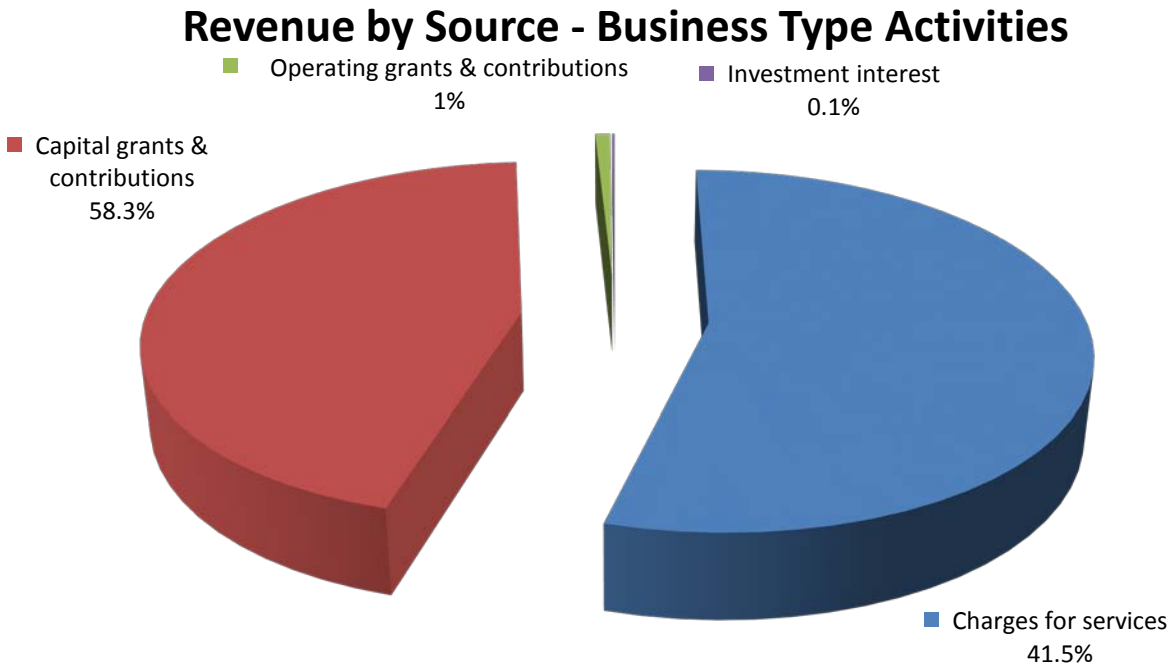
Expenses and Program Revenues - Governmental Activities

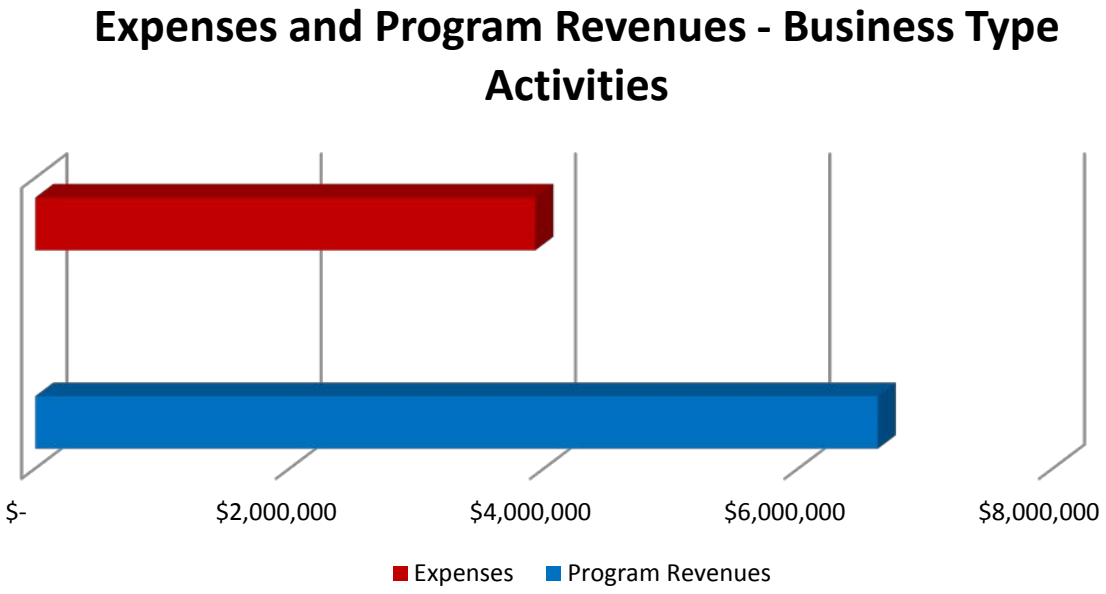


Business-type activities increased the City's net position by $2.7 million, accounting for 18.2% of the total growth in the City's net position. Total revenues decreased by approximately 11.3%, while total expenses were about 16.9% higher than in 2013. Key elements of the changes in business-type activities net position are:

- Revenues declined by $845,000 over 2013, of which $1.4 million is due to a decrease in stormwater facilities contributed by developers, partially offset by an increase in charges for stormwater services of $500,000.

- Expenses increased by $568,000, in large part due to increased maintenance requirements of a federal stormwater permit, including stormwater pond maintenance, stream monitoring, and basemapping.





Financial Analysis of the Government's Funds

As discussed earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds

The focus of the City's governmental funds is to provide information on near term inflows, outflows, and balances of spendable resources. This information helps determine the City's financial requirements in the near future. In particular, fund balance is a good indicator of the City's resources available at the end of the year.

At the end of the current year the City's governmental funds reported combined ending fund balances of $72.3 million. This was an increase of $4.0 million or 5.9% over the ending fund balances of the prior year. Of the ending fund balances, $3.3 million has been set aside for a strategic reserve, and the remaining $69.0 million is available for ongoing City operations and initiatives.

The General fund is the primary operating fund of the City. Receipts and payments of ordinary city operations are processed through the General fund, unless they are required to be accounted for in another fund. Taxes are the major revenue source. At the end of 2014 the fund balance of the General fund was $28.3 million.

The general fund balance increased $3.0 million from the prior year. Revenues increased 3.9% while expenditures increased 7.4% and transfers-out remained at the same level as 2013. Revenues exceeded expenditures in the general fund by $5.4 million in 2014. Net transfers out of the general fund to capital projects funds totaled $3.3 million.

General fund revenues were $1.3 million higher in 2014 than in 2013. Property taxes, which increased approximately $506,000, are the primary source of revenue in the General Fund, at 64.5% of the fund's 2014 revenues. An increase in local sales and use tax of $407,000 in addition to the increase in property tax collections accounts for a majority of the growth in tax revenues.

General Fund expenditures were up $2.0 million in 2014. Transportation expenditures increased by $1.3 million in 2014, a majority of which was related to an increase in the road overlay program, after an unusually low year of activity in 2013. Expenditures for security increased by $367,000, this was largely due to an increases in the fire service contract. The remaining functions had a combined increase in expenditures of $307,000.

General Fund expenditures are closely monitored with all departments working together to limit their expenditures with minimal impact on currently provided public services. The City's total budgeted positions increased by 3.0 full-time equivalents, to a total of 75.0. City staff received a cost of living increase of 2.33% in 2014.

Ending fund balance in the General Capital Improvement Fund increased $17,000. There are currently no active or planned construction projects in this fund.

Ending fund balance in the Park Capital Improvement Fund decreased $2.1 million. Expenditures exceeded revenues by $5.3 million and were supplemented with net transfers in of $2.9 million. Total park capital expenditures for the year were $10.1 million which included $8.3 million for design and construction of a new community and aquatics center and $1.3 on construction of a new waterfront park. The remaining $500,000 paid for several smaller restoration and renovation projects.

The Transportation Capital Improvement Fund ending fund balance was $21.3 million, an increase of $3.2 million from 2013. Expenditures of $1.4 million were spent largely on non-motorized improvements to 244th Avenue ($482,000) and several smaller programs, including intersection improvements, and the sidewalk program. Traffic impact fees of $2.8 million and real estate excise taxes of $2.3 million made up a majority of the $5.2 million in fund revenues for 2014.

Proprietary funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Factors concerning the finances of the City's proprietary funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The City of Sammamish budgets on a biennial basis with each budget beginning in an odd numbered year in compliance with state law. The difference between the original 2013-2014 general fund budget adopted at the end of 2013 and the 2013-2014 biennial general fund budget at December 31, 2014 amounts to an increase of $2,146,348.

Revenues increased/ (decreased) in the following categories:

- Beginning Fund Balance $ 2,431,898
- Taxes $ 517,700
- Licenses & Permits $ 476,500
- Intergovernmental $ 164,100
- Charges for Goods & Services $ 609,200

A higher than expected actual ending fund balance in 2013 allowed for an increase to the General Fund budget beginning balance for 2014.

Expenditure increases/ (decreases) occurred in various functional areas and were as follows:

- Ending Fund Balance $ 2,146,348
- Security $ 1,797,400
- Economic Development $ 569,200
- Physical Environment $ 67,450
- Culture & Recreation $ (248,200)
- General Government $ (132,800)

The increase in budgeted expenditures for security was due to an added contingency related to the possibility the City would change the way it provides fire protection services. The increase in economic development is due to the addition of salaries and related benefits as a result of additional budgeted positions. The decrease in culture and recreation budgeted expenditures is for a decrease in expected personnel benefits and correlates to the federal government delaying the implementation of the Affordable Care Act to 2015.

Capital Asset and Debt Administration

Capital assets

The City of Sammamish's investment in capital assets for its governmental and business-type activities as of December 31, 2014 was $424.0 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, art, construction in progress, utility transmission/distribution systems, roads, and bridges.

Major capital assets changes during 2014 included the following:

- Developer and private contributions of $6.6 million in land, streets, and surface water facilities.

- Construction in progress added $10.6 million to the 2014 capital assets balance. $8.3 million of which is due the on-going construction of a new community and aquatics center.

- $2.4 million was invested in transportation infrastructure projects, with a majority being spent on non-motorized improvements to 244th Avenue NE.

- The City expended $586,000 on improvements to existing general government and stormwater facilities, $201,000 on updated audio visual equipment, and purchased $190,000 in new vehicles and equipment.

City of Sammamish's capital assets (net of depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
			(in thousands)			
Land	$ 256,609	$ 254,052	$ 11,368	$ 10,256	$ 267,977	$ 264,308
Buildings/building improvements	14,138	14,876	1,490	1,554	15,629	16,429
Improvements other than buildings	16,833	18,541	23,807	22,793	40,640	41,334
Machinery & equipment	2,179	2,169	13	17	2,193	2,185
Construction in progress	11,467	2,882	55	284	11,522	3,166
Art	91	91	-	-	91	91
Software	141	165	2	-	143	165
Infrastructue	85,827	86,558	-	-	85,827	86,558
Total	$ 387,286	$ 379,334	$ 36,736	$ 34,904	$ 424,022	$ 414,238

Additional information on the City of Sammamish's capital assets can be found in Note 7 of this report.

Long-term debt

At the end of the current fiscal year, the City had debt outstanding of $4.0 million. Of this amount, $3.7 million is a State of Washington Public Works Trust Fund Loan and $252,000 is revenue debt, which was inherited from King County at incorporation in 1999.

General obligation and revenue debt

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
			(in thousands)			
General obligation debt	$ 3,733	$ 4,267	$ -	$ -	$ 3,733	$ 4,267
Revenue debt	-	-	252	331	252	331
Total	$ 3,733	$ 4,267	$ 252	$ 331	$ 3,985	$ 4,598

The City was not rated by Standard & Poors in 2014 due to the fact the City has no outstanding bond obligations.

Washington State law limits the amount of general obligation debt the City may issue to 5.0% of its total assessed valuation, subject to a 60% majority vote of qualified electors. Of the 5.0% limit, 2.5% is for general purposes and 2.5% for open space/park facilities. Non-voted (limited tax) general obligation indebtedness is limited to 1.5% of assessed valuation. The combination of unlimited tax and limited tax general obligation debt for all purposes cannot exceed 5.0% of assessed valuation. The City's assessed valuation for 2014 was $9,290,367,218 and remaining debt capacity is as follows:

General	$ 228,525,847
Open Space/Park Facilities	232,259,180
Total	$ 460,785,028

The total amount of unlimited tax and limited tax general obligation debt the City may issue is $464,518,361. Additional information on the City of Sammamish's long-term debt can be found in Note 12 of this report.

Economic Factors and Next Biennium's Budget

Sammamish's operations are primarily funded by property taxes with few volatile sources of revenue that fund operating activities. By state law, the City may raise property taxes 1% per year plus the property taxes on new construction. To minimize the impact of tax increases on its citizens, the City chose not to exercise that option for 2014, but instead banked (reserved) this taxing capacity for future years. To control fixed costs during economic ups and downs, the City operates with a lean staff, contracting out for many municipal services such as police, fire, and some development review. The combination of a stable operating revenue source and limited permanent staff insulates the City somewhat from future economic slowdowns.

Two revenue sources dedicated to capital projects, real estate excise taxes and impact fees have shown continued growth since the low point in 2009, and are expected to continue to do so. Transportation impact fee revenues in the 2015-2016 budget period are expected to rise by one-third compared to 2013-2014 levels, and parks impact fees are expected to grow nearly 50%. Real estate excise tax revenues are anticipated to increase by a modest 15%.

Sammamish has a history of excellent financial management and prudent fiscal policies. The 2015-2016 biennial budget maintains the City's strong financial position, with a projected ending fund balance of nearly $34.5 million at the end of 2016. Adherence to good financial management practices and policies has served the City well and set the stage for a community that will thrive for many years to come.

Requests for Information

This financial report is designed to provide a general overview of the City of Sammamish's finances for readers with an interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional information, may be addressed to the Finance Director, City of Sammamish, 801 228th Ave SE, Sammamish, WA 98075.

City of Sammamish Washington

BASIC FINANCIAL

STATEMENTS

City of Sammamish Washington

STATEMENT OF NET POSITION
December 31, 2014

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	$ 37,581,948	$ 2,288,697	$ 39,870,645
Cash with outside agencies	291,728	-	291,728
Investments	37,684,439	2,253,605	39,938,044
Receivables:			
Taxes	1,432,792	-	1,432,792
Accounts	646,263	171,249	817,512
Interest	22,319	1,335	23,654
Contracts	715,523	-	715,523
Due from other governments	125,075	50,000	175,075
Internal balances	149,541	(149,541)	-
Restricted assets:			
Deposit cash	689,273	-	689,273
Capital assets:			
Land, artwork, construction in progress	268,167,036	11,422,916	279,589,952
Depreciable capital assets, net	119,118,806	25,312,976	144,431,782
Total assets	466,624,743	41,351,237	507,975,980
LIABILITIES			
Accounts/claims payable	3,418,797	176,678	3,595,475
Employee wages payable	197,234	-	197,234
Accrued interest payable	9,333	-	9,333
Due to other governments	1,305	-	1,305
Customer deposits	689,273	-	689,273
Noncurrent liabilities:			
Due within one year	589,535	90,328	679,863
Due in more than one year	3,705,808	231,237	3,937,045
Total liabiliites	8,611,285	498,243	9,109,528
DEFERRED INFLOWS			
Unearned revenues	22,315	-	22,315
Total deferred inflows	22,315	-	22,315
NET POSITION			
Net investment in capital assets	386,000,481	36,735,892	422,736,373
Restricted for:			
Capital projects	5,397,186	-	5,397,186
Unrestricted	66,593,476	4,117,102	70,710,578
Total net position	$ 457,991,143	$ 40,852,994	$ 498,844,137

See accompanying notes to the financial statements

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2014

Function/Program	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business - Type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Governmental activities:							
General government	$ 5,958,904	$ 30,241	$ -	$ -	$ (5,928,663)	$ -	$ (5,928,663)
Security	11,603,010	314,552	192,338	-	(11,096,120)	-	(11,096,120)
Physical environment	744,288	261,652	111,458	-	(371,178)	-	(371,178)
Economic environment	3,064,000	3,733,623	-	-	669,623	-	669,623
Transportation	10,499,661	2,859,263	38,703	4,223,952	(3,377,743)	-	(3,377,743)
Mental/physical health	7,577	-	-	-	(7,577)	-	(7,577)
Culture and recreation	5,438,387	1,152,418	47,652	100,000	(4,138,317)	-	(4,138,317)
Interest on long-term debt	20,000	-	-	-	(20,000)	-	(20,000)
Total governmental activities	37,335,827	8,351,749	390,151	4,323,952	(24,269,975)	-	(24,269,975)
Business-type activities:							
Surface water management	3,932,295	3,604,009	50,000	2,963,631	-	2,685,345	2,685,345
Total business-type activities	3,932,295	3,604,009	50,000	2,963,631	-	2,685,345	2,685,345
Total government	$ 41,268,122	$ 11,955,758	$ 440,151	$ 7,287,583	(24,269,975)	2,685,345	(21,584,630)
General revenues							
Taxes							
Property					22,423,974	-	22,423,974
Sales					4,863,206	-	4,863,206
Real estate excise					4,686,138	-	4,686,138
Other					1,650,189	-	1,650,189
Unrestricted investment interest					143,536	7,515	151,051
Miscellaneous					2,648,593	224	2,648,817
Total general revenues and transfers					36,415,636	7,739	36,423,375
Change in net position					12,145,661	2,693,084	14,838,745
Net position - beginning					445,845,482	38,159,910	484,005,392
Net position - ending					$ 457,991,143	$ 40,852,994	$ 498,844,137

See accompanying notes to the financial statements.

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2014

	Major Funds	
	General	General CIP
ASSETS		
Cash and cash equivalents	$ 14,283,527	$ 4,430,211
Cash with outside agencies	291,728	-
Investments	14,743,234	4,362,286
Receivables:		
Taxes	1,085,196	-
Accounts	219,272	-
Interest	8,732	2,583
Contracts	715,523	-
Due from other governments	119,192	-
Restricted assets:		
Deposit cash	689,273	-
Total assets	$ 32,155,677	$ 8,795,080
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES		
Liabilities:		
Accounts/claims payable	$ 1,893,776	$ -
Employee wages payable	197,234	-
Due to other governments	1,305	-
Payable from restricted assets:		
Customer deposits	689,273	-
Total liabilities	2,781,588	-
Deferred inflows:		
Deferred revenues	1,049,580	1,332
Total deferred inflows	1,049,580	1,332
Fund balances:		
Nonspendable	715,523	-
Restricted	83,750	203,372
Committed	-	-
Assigned	1,650,211	8,590,376
Unassigned	25,875,025	-
Total fund balances	28,324,509	8,793,748
Total liabilities, deferred inflows and fund balances	$ 32,155,677	$ 8,795,080

See accompanying notes to the financial statements.

Major Funds		Non-Major Fund	
Parks CIP	Transportation CIP	G.O. Debt Service Fund	Total Governmental Funds
$ 7,470,837	$ 10,711,905	$ -	$ 36,896,480
-	-	-	291,728
7,356,292	10,547,668	-	37,009,480
173,798	173,798	-	1,432,792
267,503	159,488	-	646,263
4,357	6,247	-	21,919
-	-	-	715,523
5,883	-	-	125,075
-	-	-	689,273
$ 15,278,670	$ 21,599,106	$ -	$ 77,828,533
$ 1,294,378	$ 174,012	$ -	$ 3,362,166
-	-	-	197,234
-	-	-	1,305
-	-	-	689,273
1,294,378	174,012	-	4,249,978
33,517	162,710	-	1,247,139
33,517	162,710	-	1,247,139
-	-	-	715,523
144,475	4,965,589	-	5,397,186
-	-	-	-
13,806,300	16,296,795	-	40,343,682
-	-	-	25,875,025
13,950,775	21,262,384	-	72,331,416
$ 15,278,670	$ 21,599,106	$ -	$ 77,828,533

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
For the Year Ended December 31, 2014

Total governmental fund balances		$ 72,331,416
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and thus not reported in the funds.		386,272,965
These assets consist of:		
Land	256,609,304	
Construction in progress	11,466,690	
Art	91,041	
Buildings	20,269,058	
Improvements other than buildings	33,107,534	
Machinery and equipment	4,132,944	
Depreciable infrastructure	152,575,201	
Software	395,859	
Less: accumulated depreciation	(92,374,666)	
Some liabilities, including bonds, loans and compensated absences payable, are not due and payable in the current period and therefore are not reported in the funds.		(4,292,118)
These long-term liabilities consist of:		
Other long-term debt payable	(3,733,333)	
Accrued debt interest payable	(9,333)	
Compensated absences	(549,452)	
Unearned revenues are not available to pay for current period expenditures.		1,224,823
Due from Business type activities - charges by internal service funds were less than actual expenses.		149,541
Internal service funds are used by management to charge the costs of certain activites, such as insurance and information services, to individual funds. The assets and liabilities of these internal service funds are included in governmental activities in the statement of net position.		2,304,516
Net position of governmental activities		$ 457,991,143

See accompanying notes to the financial statements.

City of Sammamish Washington

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2014

	Major Funds	
	General Fund	General CIP Fund
REVENUES		
Taxes	$ 27,123,770	$ -
Licenses and Permits	2,108,859	-
Intergovernmental	1,825,399	-
Charges for Services	2,609,869	-
Fines and Forfeitures	189,447	-
Investment Income	54,953	16,971
Contributions	137,092	-
Miscellaneous	585,261	-
Total Revenues	34,634,650	16,971
EXPENDITURES		
Current		
General Government	5,162,819	-
Security of Persons and Property	11,277,769	-
Physical Environment	749,942	-
Transportation	5,786,602	-
Economic Environment	3,076,043	-
Mental/Physical Health	7,577	-
Culture and Recreation	3,130,833	-
Capital Outlay	11,067	-
Debt Service		
Principal	-	-
Interest and Debt Issue Costs	-	-
Total Expenditures	29,202,652	-
Excess (deficiency) of revenues over (under) expenditures	5,431,998	16,971
OTHER FINANCING SOURCES (USES)		
Insurance Recovery	19,776	-
Disposition of Capital Assets	-	-
Transfers In	770,000	-
Transfers Out	(3,270,000)	-
Total other financing sources and uses	(2,480,224)	-
Net change in fund balances	2,951,774	16,971
Fund balances - beginning	25,372,735	8,776,777
Fund balances - ending	$ 28,324,509	$ 8,793,748

See accompanying notes to the financial statements.

Major Funds		Non-Major Fund	
Parks CIP Fund	Transportation CIP Fund	G.O. Debt Service Fund	Total Governmental Funds
$ 2,487,546	$ 2,343,069	$ -	$ 31,954,385
-	-	-	2,108,859
100,000	-	-	1,925,399
699,899	2,796,303	-	6,106,071
-	-	-	189,447
33,075	35,760	-	140,759
1,450,395	-	-	1,587,487
-	589	-	585,850
4,770,915	5,175,721	-	44,598,257
-	-	-	5,162,819
-	-	-	11,277,769
-	-	-	749,942
-	-	-	5,786,602
-	-	-	3,076,043
-	-	-	7,577
42,787	-	-	3,173,620
10,008,999	1,418,736	-	11,438,802
-	-	533,333	533,333
-	-	21,334	21,334
10,051,786	1,418,736	554,667	41,227,841
(5,280,871)	3,756,985	(554,667)	3,370,416
1,745	-	-	21,521
655,000	-	-	655,000
2,885,000	385,000	554,667	4,594,667
(385,000)	(939,667)	-	(4,594,667)
3,156,745	(554,667)	554,667	676,521
(2,124,126)	3,202,318	-	4,046,937
16,074,901	18,060,066	-	68,284,479
$ 13,950,775	$ 21,262,384	$ -	$ 72,331,416

RECONCILIATION OF THE STATEMENT OF REVENUES
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2014

Net change in fund balances - total governmental funds		$ 4,046,937
Amounts reported for governmental funds in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the difference between capital outlays and depreciation in the current period.		3,589,070
This amount is comprised of:		
Capital outlays	11,438,802	
Current year depreciation	(7,849,732)	
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		4,124,729
This amount is comprised of:		
Deferred inflows of tax revenues	18,933	
Deferred inflows of grants and contracts revenue	45,430	
Developer and private contributions	4,190,683	
Interest Income	(4,227)	
Cost of Impairment	(126,090)	
Repayment of the principal of long-term debt consumes the current financial resources of governmental funds but has no effect on net position.		533,333
This amount is comprised of:		
Long-term debt repayments	533,333	
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		(13,209)
This amount is comprised of:		
Accrued interest expense	1,333	
Accrued compensated absences expense	(14,542)	
Internal service funds are used by management to charge the costs of certain activities, such as insurance, information services, and fleet maintenance, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.		(135,199)
Change in net position of governmental activities.		$ 12,145,661

See accompanying notes to the financial statements.

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2014

	Business-type Activities Enterprise Fund	Governmental Activities
	Surface Water Fund	Internal Service Funds
ASSETS		
Current assets		
Cash and cash equivalents	$ 2,288,697	$ 685,468
Investments	2,253,605	674,959
Receivables		
Accounts	171,249	-
Due from other governments	50,000	-
Interest	1,335	400
Total current assets	4,764,886	1,360,827
Capital assets:		
Land	11,368,005	-
Buildings	1,744,111	-
Improvements other than buildings	33,540,453	-
Equipment	23,668	2,725,490
Construction in progress	54,911	-
Software	13,740	105,779
Less accumulated depreciation and amortization	(10,008,996)	(1,818,393)
Total capital assets (net of depreciation and amortization)	36,735,892	1,012,876
Total assets	$ 41,500,778	$ 2,373,703
LIABILITIES		
Current liabilities		
Accounts payable	$ 176,678	$ 56,630
Compensated absences	6,963	1,256
Contract payable	83,365	-
Total current liabilities	267,006	57,886
Noncurrent Liabilities:		
Compensated absences	62,669	11,301
Contracts payable	168,568	-
Total noncurrent liabilities	231,237	11,301
Total liabilities	498,243	69,187
NET POSITION		
Investment in capital assets	36,735,892	1,012,875
Unrestricted	4,266,643	1,291,641
Total net position	$ 41,002,535	$ 2,304,516
Adjustment to reflect the consolidation of internal service fund activities related to the enterprise fund.	(149,541)	
Net position of business-type activities	$ 40,852,994	

See accompanying notes to the financial statements.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended December 31, 2014

	Business-type Activities Enterprise Fund	Governmental Activities
	Surface Water Fund	Internal Service Funds
OPERATING REVENUES:		
Charges for services	$ 3,604,009	$ 832,519
Charges for replacement	-	151,275
Charges for insurance	-	208,000
Total operating revenues	3,604,009	1,191,794
OPERATING EXPENSES:		
Administrative and general	1,316,987	1,041,121
Supplies	177,220	77,887
Maintenance and operations	1,389,564	95,946
Taxes	60,443	-
Depreciation	955,387	210,877
Total operating expenses	3,899,601	1,425,831
Operating loss	(295,592)	(234,037)
NON-OPERATING REVENUES (EXPENSES)		
Investment income	7,515	2,507
Grant Income	50,000	-
Gain on sale of capital assets	-	79,475
Interest expense	(15,839)	-
Miscellaneous	224	-
Total non-operating revenues(expenses)	41,900	81,982
Income (loss) before contributions	(253,692)	(152,055)
Capital contributions	2,963,631	-
Change in net position	2,709,939	(152,055)
Total net position - beginning	38,292,596	2,456,571
Total net position - ending	41,002,535	$ 2,304,516
Adjustment to reflect the consolidation of internal service fund activities related to the enterprise fund.	(16,855)	
Change in net position of business-type activities	$ 2,693,084	

See accompanying notes to the financial statements.

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2014

	Business-type Activities Enterprise Fund	Governmental Activities
	Surface Water Fund	Internal Services Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	$ 3,558,825	$ 1,040,519
Cash Received for Replacement	-	151,275
Cash Payments to Suppliers	(530,537)	(228,202)
Cash Payments to Employees	(944,836)	(252,837)
Cash Payments to Other Governments	(336,193)	(110,400)
Cash Payments for Other Operating Expenses	(1,408,736)	(612,883)
Net Cash Provided (Used) By Operating Activities	338,523	(12,528)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Principal Paid on Contracts	(79,144)	-
Interest Paid on Contracts	(15,839)	-
Net Cash Provided By Noncapital Financing Activities	(94,983)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(594,894)	(340,098)
Proceeds from Sale of Capital Assets	-	77,475
Proceeds from Sale of Other Assets	224	-
Capital Contributions	538,089	-
Net Cash Used for Capital and Related Financing Activities	(56,581)	(262,623)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment Purchases	(2,253,605)	(674,959)
Investment Sales/Maturities	1,592,400	598,077
Interest on Investments	7,584	2,635
Net Cash Provided by Investing Activities	(653,621)	(74,247)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(466,662)	(349,398)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	2,755,359	1,034,866
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 2,288,697	$ 685,468
Cash at the End of the Year Consists of:		
Operating Fund Cash	2,288,697	685,468
Total Cash at End of Year	$ 2,288,697	$ 685,468

See accompanying notes to the financial statements.

	Business-type Activities Enterprise Fund	Governmental Activities
	Surface Water Fund	Internal Services Funds
Reconciliation of operating income to net cash provided by operating activities:		
Operating (Loss)	$ (295,592)	$ (234,037)
Adjustments to Reconcile Operating		
Income to Net Cash Provided by Operating Activities:		
Depreciation	955,387	210,877
Decrease (Increase) in Accounts Receivable	(46,374)	-
Increase (Decrease) in Accounts Payable	(273,699)	11,768
Increase (Decrease) in Compensated Absences Payable	(1,199)	(1,136)
Net Cash Provided (Used) by Operating Activities	$ 338,523	$ (12,528)
Noncash Investing, Capital and Financing Activities:		
Fair value of investments increased by	$ (2,157)	$ (574)
Contributed/Transferred Capital	2,426,735	-
Net Noncash Activities	$ 2,424,578	$ (574)

See accompanying notes to the financial statements.

NOTES TO FINANCIAL STATEMENTS
December 31, 2014

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CITY OF SAMMAMISH
NOTES TO THE
FINANCIAL STATEMENTS
FOR YEAR ENDED DECEMBER 31, 2014

NOTE 1:
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Sammamish was incorporated on August 31, 1999 and operates under the laws of the State of Washington applicable to a Council/Manager form of government. The voters elect at-large a seven member City Council to four year terms. The Council in turn elects a mayor and a deputy mayor from its members.

The City provides what are considered general government services including public safety, arterials and streets, parks and recreation, planning and zoning, permits and inspections, general administrative, and surface water management services. The City contracts for police and fire services.

The accounting and reporting policies of the City of Sammamish, which conform to generally accepted accounting principles for local governments, are regulated by the Washington State Auditor's Office.

Reporting Entity

The City's Comprehensive Annual Financial Report (CAFR) includes all funds, agencies and boards controlled by or dependent on the City. Control by or dependence on the City was determined on the basis of financial accountability, budget adoption, taxing authority, outstanding debt service secured by revenues or general obligations of the City, obligations of the City to finance any deficits that may occur, or receipt of significant subsidies from the City.

Basic Financial Statements

The City's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

The government-wide financial statements report information on all of the activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the city considers revenues to be available if they are collected within sixty days after the end of the fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Under the modified accrual basis of accounting, property taxes, sales taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current period.

Financial Statement Presentation

The City reports the following major governmental funds:

> The **General Fund** is the general operating fund of the City. It accounts for all financial resources and transactions except those required to be accounted for in another fund.
>
> The **General Government, Parks and Transportation Capital Improvement Program (CIP) Funds** account for the financial resources that are restricted, committed, or assigned to expenditure for the acquisition or construction of general government, park, and transportation capital facilities other than those financed by proprietary funds.

The City reports the following major proprietary fund:

> The **Surface Water Fund** accounts for utility operations and capital projects. The fund is self-supported by revenues that include user fees, system development charges, intergovernmental grants and loans, and developer contributions. The utility is financed and operated like a private business enterprise which requires periodic determination of revenues earned, expenses incurred, and net income for capital maintenance, public policy, management control, and accountability.

Additionally the City reports the following fund type:

> **Internal service funds** account for equipment rental and replacement, information technology and insurance services provided to other departments of the City on a cost reimbursement basis.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Direct expenses of the functional categories are included in the government-wide statement of activities while indirect expense allocations are eliminated. Indirect expenses are primarily charged to the various functions through the use of internal service funds for equipment rental and maintenance, information technology and risk management. Elimination of payments to internal service funds are treated as expense reductions. No other indirect expenses are allocated to the various governmental functions.

Amounts reported as program revenues include 1) charges to customers for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

The proprietary fund statements distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, taxes, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Budgets and Budgetary Accounting

The City of Sammamish budgets its funds in accordance with the Revised Code of Washington (RCW) 35A.34. In compliance with the code, all funds have budgets. Budgets established for proprietary funds are "management budgets" and as such are not required to be reported in the financial statements.

The budget is proposed by the City Manager and adopted by the City Council with legal budgetary control at the fund level, i.e., the total of expenditures, other financing uses, and the ending fund balance may not exceed the total of beginning balances and budgeted receipts at the fund level. The City Manager may authorize transfers within funds; however, the City Council must approve by ordinance any additional appropriations, which increase the total for the fund. Any unexpended appropriation balances lapse at the end of the biennium.

In addition to authorizing the budget the City Council biennially approves the Capital Improvement Program. This is a six-year plan for capital project expenditures and anticipated revenue sources. Expenditures and revenues for these projects are budgeted in the Capital Improvements Program Funds.

The City prepares its budgets on the modified accrual basis, which conforms to generally accepted accounting principles. The CAFR includes budgetary comparisons for those governmental funds with legally adopted budgets. Budget amounts include the adopted budget appropriations and any revisions made during the biennium.

State law establishes the budget process and the time limits under which a budget must be developed. The City adopts its biennial budget in December of the year preceding the first year of the biennial budget. Step one involves the identification by the City Council of the mission and objectives for the following biennium. The second step involves forecasting revenue and the establishment of a baseline budget to carry the existing programs into the next biennium. The third step involves the development by each department director of their departmental budget requests. The City Manager develops a preliminary budget that is presented to the Council for review and public hearings. The Council approves an ordinance to adopt the budget. Supplemental appropriations that modify total fund expenditures require an ordinance amending the budget.

Assets, Liabilities and Equities

Cash and Investments

It is the City's policy to invest all temporary cash surpluses. These investments are reported on the Statement of Net Position and the governmental funds balance sheets as cash and cash equivalents or investments. Included in cash and cash equivalents are currency on hand, demand deposits with banks or other financial institutions, and investments with the Local Government Investment Pool. Interest is allocated to each fund on the basis of investments owned.

The City, by State law, is authorized to purchase Certificates of Deposit with financial institutions qualified by the Washington Public Deposit Protection Commission; U.S. Treasury and Agency Securities; bankers' acceptances and repurchase agreements, and to invest in the Washington State Treasurer's Local Government Investment Pool (2a7- like). In accordance with GASB 31, investments in external 2a7-like pools, money market investments, and participating interest-earning investment contracts with remaining maturities of one year or less at the time of purchase are stated at amortized cost. All other investments are stated at fair value.

Receivables

The City of Sammamish recognizes receivables in its various funds based on the accounting basis required for the fund. These receivables are as follows:

Property Taxes
Uncollected property taxes levied for current and prior years are reported as receivable at year-end. The City's property tax collection records show that approximately 98% of the property taxes due are collected during the year of levy and delinquent taxes are collected in the next few years. When property taxes become three years delinquent, the County is required by State statute to foreclose on the property. Historically, all taxes have been collected; therefore no allowance for uncollectable taxes is recorded.

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

Accrued Interest Receivable
Accrued interest receivable consists of interest earned on investments at the end of the year and interest on investments purchased between interest dates.

Accounts Receivable
Accounts receivable consist of amounts owed by private individuals or organizations for goods and services provided.

Contracts Receivable
The contract receivable is the result of an Asset Transfer Agreement between King County Fire Protection District No. 10 and the city, entered into when the city withdrew from District 10 and joined Eastside Fire and Rescue. The amount receivable is being collected over a twenty year period beginning in 2003. See Note 6.

Grants and Other Intergovernmental Revenues

Grants and entitlements from the Federal and State governments are recorded as intergovernmental revenues and receivables when earned and considered to be available. State shared revenues are recorded when received.

Inventories and Prepaid Items

Inventories in governmental funds consist of expendable supplies held for consumption. The cost is recorded as an expenditure at the time of purchase. Prepaid items consist of annual maintenance contracts that span years and are recorded as expenditures at the time of purchase. Year-end balances of inventory and prepaid items are insignificant and accordingly no reservation of fund balance is reported in governmental funds for these items.

Proprietary funds of the city have no inventories. Payments to vendors for expenses related to future periods are recorded as prepaid expenses in the proprietary funds.

Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported in the business-type activities column of the government-wide statement of net position and in both the enterprise fund and internal service fund columns of the statement of net position, proprietary funds. Capital assets include land, buildings, machinery, equipment, software, other improvements, vehicles, artwork and infrastructure. Capital assets, other than infrastructure, are defined by the City as assets with an original cost of $5,000 or more each and an estimated life of more than one year. The City reports infrastructure on a network basis. Accordingly, the amounts spent for construction or acquisition of infrastructure assets are capitalized and reported in the government-wide financial statements regardless of their amount. Where historical cost is not known, assets are recorded at estimated historical cost. Donated assets are valued at estimated fair market value at the time of acquisition.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Land and works of art are not depreciated. Property, plant, equipment, and infrastructure of the City are depreciated using the straight line method over the following estimated useful lives:

Asset	Years
Buildings/Building Improvements	27.5
Other Improvements	15
Vehicles	10
Machinery & Equipment	3 – 20
Surface Water Improvements	40
Infrastructure	50

Compensated Absences

It is the City's policy to allow employees to accumulate earned but unused vacation, up to 80 hours of compensatory time in lieu of overtime, and up to 720 hours of sick leave benefits. A maximum of 240 hours of accumulated vacation may be carried over at year end. All outstanding vacation leave is payable upon resignation, retirement, or death, to all employees having completed six months of service. Unused compensatory time and 25% of unused sick leave is payable at termination of employment or death. Outstanding sick leave at year-end is accrued at 25% of the balance available. All vacation and compensatory time is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

Long-Term Debt

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using a straight line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses in the year in which they are spent.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net position that applies to a future period and, therefore, not susceptible to accrual on the modified accrual basis. When the receivable amounts are collected in future periods, the liability account is reduced and corresponding revenue is recorded. Deferred revenues include uncollected property taxes, grants, and accounts receivable invoices not paid within 60 days of year end. Unearned revenues are those revenues received in advance of their due date. Unearned revenues consist of lease payments received in December for the following year.

Net Position and Fund Balance

In governmental fund types, fund equity is called "fund balance". Fund Balance is reported in the following classifications which reflect the extent to which the City is bound to honor constraints on the purposes for which the amounts can be spent: nonspendable, restricted, committed, assigned, and unassigned.

The City's policy is to spend restricted amounts first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, the assumed order of spending is first committed, assigned, and then unassigned.

Note 13 provides a disaggregation of governmental fund balances between nonspendable, restricted, committed, and unassigned.

In proprietary funds, fund equity is called "net position". Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

NOTE 2:
STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Fund Deficits and Overexpenditures

During 2014, no City funds exceeded total authorized appropriations at the fund level and there were no material violations of finance-related legal or contractual provisions.

NOTE 3:
BUDGET TO GAAP RECONCILIATION

	General Fund
REVENUES:	
Budget and Actual Statement 2013-2014 Biennium	$ 67,962,952
Less: 2013 Revenues	33,328,302
Statement of Revenues and Expenditures	$ 34,634,650
EXPENDITURES:	
Budget and Actual Statement 2013-2014 Biennium	$ 56,387,617
Less: 2013 Expenditures	27,184,965
Statement of Revenues and Expenditures	$ 29,202,652
OTHER FINANCING SOURCES (USES):	
Budget and Actual Statement 2013-2014 Biennium	$ (4,949,878)
Less: 2013 Other Financing Sources (Uses)	(2,469,654)
Statement of Revenues and Expenditures	$ (2,480,224)

NOTE 4:
DEPOSITS AND INVESTMENTS

Deposits

As of December 31, 2014 the carrying amount of the City's cash demand deposits with the City's Official Depository, Bank of America was $5,987,971 and the bank balance was $6,024,392. The outstanding checks totaled $37,304. Petty cash funds totaled $500. $291,728 retained from contractors pending acceptance of City construction projects was held in escrow. The FDIC insures the first $250,000 of the City's deposits. The Washington Public Deposit Protection Commission (WPDPC) insures the deposit balances over $250,000. The WPDPC is a multiple financial institution collateral pool. State statute permits additional amounts to be assessed on a pro rata basis to members of the pool in the event the pool's collateral should be insufficient to cover a loss.

Deposit Custodial Credit Risk. Custodial credit risk for deposits is the risk that in the event of a bank failure, the City will not be able to recover deposits. The City does not have a formal policy for deposit custodial credit risk beyond the requirements of State statute. State law restricts deposit of funds to financial institutions physically located in Washington unless otherwise expressly permitted by statute and authorized by the WPDPC.

Investments

As of December 31, 2014, the City had the following investments and maturities (in years):

Investment Type	Fair Value	Less than 1	1 to 3
Federal Home Loan Bank	$ 11,980,605	$ 3,001,104	$ 8,979,501
Federal Agricultural Mortgage Corporation	3,000,588	-	3,000,588
Federal Home Loan Mortgage Corporation	14,963,469	-	14,963,469
Federal Farm Credit Bank	3,000,057	3,000,057	-
Federal National Mortgage Association	3,001,293	3,001,293	-
United States Treasury Certificates	2,992,032	-	2,992,032
Certificates of Deposit	1,000,000	1,000,000	-
Municipal Bonds	-	-	-
Local Government Investment Pool	34,571,447	34,571,447	-
Total	$ 74,509,491	$ 44,573,901	$ 29,935,590

The City participates in the Washington State Treasurer's Local Government Investment Pool (LGIP), an unrated 2a7-like pool, as defined by GASB 31. The fair value of the City's pool investments is determined by the pool's share price. The City has no regulatory oversight responsibility for the LGIP which is governed by the Washington State Finance Committee and is administered by the State Treasurer. The Office of the State Auditor, an independently elected public official, audits the LGIP annually.

Interest Rate Risk. As a means of minimizing risk of loss from interest rate fluctuations the City's official policy is to generally limit its investment maturities to one year. The City's informal policy is to target weighted average maturity of its investment portfolio to not exceed 24 months. The LGIP investment policy limits the purchase of investments in securities so the weighted average maturity of the portfolio doesn't exceed 90 days.

Credit Risk. Credit risk is the risk that an issuer or other counterparty will not fulfill its obligations. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City, by State law, is limited to investments in obligations of the U.S. government or its agencies, obligations of government-sponsored corporations, banker's acceptances, interest bearing bank accounts, commercial papers, certificates of deposit, repurchase agreements, and in the LGIP. The LGIP is limited to obligations of the U.S. government, government sponsored enterprises, or insured demand deposits and certificates of deposit. City investments must have one of the three highest rating grades as defined by a nationally recognized rating agency. The City has no security lending arrangements or reverse repurchase agreements.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. By formal City policy investments in any one institution, other than the LGIP are limited to 25% of the institution's net worth as established by the WPDPC as well as being limited to a maximum of 40% in any one issuer. The City's informal investment management policy limits its investments in any one issuer to a maximum of 20%. As of 12/31/2014 there was no concentration of credit risk exceeding the policy guidelines.

The following table displays the City's credit ratings and investments in any one issuer (other than the LGIP) that represents 5% or more of the total portfolio.

Issuer	Credit Rating	Percentage of Portfolio
Federal Home Loan Mortgage Corporation	AAA	20.0%
Federal Home Loan Bank	AAA	16.0%

NOTE 5:
PROPERTY TAXES

The King County Treasurer acts as an agent to collect property taxes levied in the county for all taxing authorities. Collections are distributed on a daily basis.

	Property Tax Calendar
January 1	Taxes are levied and become an enforceable lien against properties.
February 14	Tax bills are mailed.
April 30	First of two equal installment payments is due.
May 31	Assessed value of property established for next year's levy at 100 percent of market value.
October 31	Second installment is due.

During the year, property tax revenues are recognized when cash is received. At year-end, uncollected property taxes are recognized as receivables and revenue. Amounts collected more than 60 days after year-end are reported as unavailable revenues in governmental funds. Under Washington State law the City may levy property taxes for 2014 up to $3.10 per $1,000 of assessed valuation.

The City's levy rate was also subject to the following:

> Washington State law in RCW 84.55.010 limits the growth of regular property taxes to one percent per year, after adjustments for new construction and annexations, unless an increase greater than this limit is approved by the voters. If the assessed valuation increases by more than one percent, or decreases, due to revaluation, the levy rate will be adjusted to levy the amount of property taxes approved by the City Council.
>
> The Washington State Constitution limits the total regular property taxes to one percent of assessed valuation or $10 per $1,000 of value. If the taxes of all districts exceed this amount, each is proportionately reduced until the total is at or below the one percent limit.

Accordingly, for 2014 the City levied $2.41 per $1,000 of assessed value for general governmental services, and had no voter approved excess levy.

NOTE 6:
CONTRACT RECEIVABLE

King County Fire Protection District 10: In 2001 the City entered into an Asset Transfer Agreement with King County Fire Protection District 10 when the City withdrew from District 10 and joined Eastside Fire and Rescue. The transfer agreement requires District 10 to pay $1,788,803 to Eastside Fire and Rescue on behalf of the City of Sammamish over a twenty year period, with no interest, beginning in 2003, in lieu of paying this entire amount to the City upon the City's withdrawal from District 10.

	Contract Amount	Collected to Date	Balance as of 12/31/2014
District 10	$ 1,788,803	$ 1,073,280	$ 715,523

Annual contract payments receivable to maturity:	Year	Principal
	2015	$ 89,440
	2016	89,440
	2017	89,440
	2018	89,440
	2019	89,440
	2020-2024	268,320
	Total	$ 715,523

NOTE 7:
CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2014 was as follows:

Primary Government

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Land	$ 254,052,349	$ 2,683,045	$ (126,090)	$ 256,609,305
Construction in Progress	2,882,003	10,598,438	(2,013,751)	11,466,690
Art	91,041	-	-	91,041
Total capital assets, not being depreciated	257,025,393	13,281,483	(2,139,841)	268,167,036
Capital assets, being depreciated or amortized:				
Buildings & Building Improvements	20,269,058	-	-	20,269,058
Improvements other than Buildings	32,641,696	465,839	-	33,107,535
Machinery & Equipment	6,956,088	453,898	(551,552)	6,858,433
Infrastructure	148,663,588	3,911,626	-	152,575,214
Software	462,233	39,405	-	501,638
Total capital assets, being depreciated or amortized	208,992,663	4,870,768	(551,552)	213,311,878
Less accumulated depreciation and amortization for:				
Buildings & Building Improvements	5,393,451	737,146	-	6,130,597
Improvements other than Buildings	14,100,439	2,173,818	-	16,274,257
Machinery & Equipment	4,787,381	443,289	(551,552)	4,679,118
Infrastructure	62,105,951	4,642,039	-	66,747,990
Software	296,793	64,317	-	361,110
Total accumulated depreciation and amortization	86,684,015	8,060,609	(551,552)	94,193,072
Total capital assets, being depreciated or amortized, net	122,308,647	(3,189,842)	-	119,118,806
Governmental Activities Capital Assets, net	$ 379,334,041	$ 10,091,642	$ (2,139,841)	$ 387,285,841
Business-Type Activities:				
Capital Assets, not being depreciated:				
Land	$ 10,255,780	$ 1,112,225	$ -	$ 11,368,005
Construction in Progress	284,382	264,412	(493,883)	54,911
Total capital assets, not being depreciated	10,540,161	1,376,637	(493,883)	11,422,916
Capital Assets, being depreciated or amortized:				
Buildings & Building Improvements	1,744,111	-	-	1,744,111
Improvements other than Buildings	31,639,068	1,901,385	-	33,540,453
Machinery & Equipment	23,668	-	-	23,668
Software	10,469	3,270	-	13,740
Total capital assets, being depreciated or amortized	33,417,317	1,904,655	-	35,321,972

Less Accumulated Depreciation or amortization for:				
Buildings & Building Improvements	190,266	63,422	-	253,688
Improvements other than Buildings	8,845,919	887,494	-	9,733,413
Machinery & Equipment	6,953	3,381	-	10,334
Software	10,470	1,090	-	11,561
Total accumulated depreciation and amortization	9,053,609	955,387	-	10,008,996
Total capital assets, being depreciated or amortized, net	24,363,708	949,269	-	25,312,976
Business-Type Activities Capital Assets, net	$ 34,903,869	$ 2,325,905	$ (493,883)	$ 36,735,892

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

General Government	$ 553,441
Security	324,343
Physical Enviroment	-
Transportation, including depreciation of General Government Infrastructure assets	4,717,546
Culture and Recreation	2,254,403
Capital assets held by the City's internal service funds are charged to the various	-
functions based on their usage of those assets	210,877
Total depreciation and amortization expense - Governmental Activities	$ 8,060,609
Business-Type Activities:	
Surface Water Management	$ 955,387
Total depreciation and amortization expense - Business-Type Activities	$ 955,387

NOTE 8:
OPERATING LEASES

Youth Eastside Services

Effective March 1, 2010, the City entered into a ten-year lease with Youth Eastside Services (YES), a non-profit corporation providing services to citizens of Sammamish. YES leases the main floor of a two-story building (Sween House), an attached garage, and adjacent parking area. The downstairs of the building is used by the city. The building and adjacent parking are reported on the city's Statement of Net Position as part of depreciable assets.

In consideration of the value of YES's contribution to the human service needs of residents of the city and the maintenance and operation of the premises, YES pays no rent during the term of the lease agreement. The City is responsible for maintaining the structural and exterior components of the building; mechanical, electrical and plumbing systems; and the parking area, sidewalks, paths and grounds around the premises. YES is responsible for paying utilities; taxes; and for routine interior maintenance and repair.

The Boys and Girls Club of King County

Effective November 2, 2010, the City entered into a ten-year lease with The Boys and Girls Club of King County (the Club), a non-profit corporation providing services to citizens of Sammamish. The Club leases a former library and the adjacent parking area that was purchased by the city from the King County Library System in 2010. The building and

adjacent parking are reported on the city's Statement of Net Position as part of depreciable assets. The Club remodeled and will operate the premises as a learning and recreation center for teens.

In consideration of the value of the Club's contribution to the recreation needs of the residents of the City, the tenant improvements to the premises, and the maintenance and operation of the premises, the Club shall pay to the city an annual rent of $1.00. The City is responsible for maintaining the structural and exterior components of the building such as the roof and exterior cladding; major repairs to the mechanical, electrical and plumbing systems; and major repairs to the parking area, sidewalks, paths and grounds around the premises. The Club is responsible for routine maintenance and repair of the interior and exterior premises including landscape and janitorial services; utilities; and taxes.

King County Sheriff's Office

On April 26, 2011, the City entered into a lease with the King County Sheriff's Office (KCSO) for office space located in City Hall. The lease term is ten-years, with an effective date commencing upon substantial completion of the KCSO's tenant improvements, subsequently determined to be March 1, 2012.

Current annual lease payments to the City are $107,880, and are adjusted annually based on the cumulative increase in the Consumer Price Index for All Urban Customers- All Items- Seattle- Tacoma- Bremerton published by the United States Department of Labor, Bureau of Statistics for the preceding twelve consecutive month period. The KCSO is also responsible for their proportionate share of electrical, janitorial, and other shared overhead costs. The city is responsible for maintaining the structural and exterior components of the building; mechanical, electrical and plumbing systems; and the parking area, sidewalks, paths and grounds around the premises.

Sammamish Heritage Society

On December 1, 2011, the City entered into a 15-year lease with the Sammamish Heritage Society (the Society), a Washington nonprofit corporation. The Society will move a historic structure (the Reard-Freed House) from its current location, to private property, for which the City obtained an easement. The Society will also undertake a complete renovation of the House. Both the move and renovation are at the sole cost of the Society.
In consideration of the value of the Society's contribution to the recreation needs of the City, the tenant improvements to the premises, and the maintenance and operation of the premises, the Society shall pay to the city an annual rent of $1.00. The Society is responsible for maintaining the structural and exterior components of the building such as the roof and exterior cladding; major repairs to the mechanical, electrical and plumbing systems; and major repairs to the parking area, sidewalks, paths and grounds around the premises. The Society is also responsible for routine maintenance and repair of the interior and exterior premises including landscape and janitorial services; utilities; and taxes.

Schedule of Leased Property

Asset	Cost	Accumulated Depreciation	Carrying Value
Sween House	$ 268,925	$ 48,895	$ 220,030
Library	1,682,086	305,835	1,376,251
KCSO Office Space	580,355	42,208	538,147
Total Leased Property	$ 2,531,366	$ 396,938	$ 2,134,428

2014 Depreciation Expense	$ 92,050

NOTE 9:
PENSION PLANS

Substantially all City full-time and qualifying part-time employees participate in one of the following statewide retirement systems administered by the Washington State Department of Retirement Systems, under cost-sharing multiple-employer public employee defined benefit retirement plans. The Department of Retirement Systems (DRS), a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to: Department of Retirement Systems, Communications Unit, P.O. Box 48380, Olympia, WA 98504-8380; or it may be downloaded from the DRS website at www.drs.wa.gov. The following disclosures are made pursuant to GASB Statements No. 27, *Accounting for Pensions by State and Local Government Employers* and No. 50, *Pension Disclosures, an Amendment of GASB Statements No. 25 and No. 27.*

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

Plan Description. The Legislature established PERS in 1947. Membership in the system includes: elected officials; state employees; employees of the Supreme, Appeals, and Superior courts (other than judges currently in the Judicial Retirement System); employees of legislative committees; community and technical colleges, college and university employees not participating in higher education retirement programs; judges of district and municipal courts; and employees of local governments. PERS retirement benefit provisions are established in Chapters 41.34 and 41.40 RCW and may be amended only by the State Legislature.

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

PERS members who joined the system by September 30, 1977 are Plan 1 members. Those who joined on or after October 1, 1977 and by either, February 28, 2002 for state and higher education employees, or August 31, 2002 for local government employees, are Plan 2 members, unless they exercise an option to transfer their membership to Plan 3. PERS members joining the system on or after March 1, 2002 for state and higher education employees, or September 1, 2002 for local government employees have the irrevocable option of choosing membership in either PERS Plan 2 or PERS Plan 3. The option must be exercised within 90 days of employment. An employee is reported in Plan 2 until a choice is made. Employees who fail to choose within 90 days default to PERS Plan 3. Notwithstanding, PERS Plan 2 and Plan 3 members may opt out of plan membership if terminally ill, with less than five years to live.

PERS Plan 1 and Plan 2 defined benefit retirement benefits are financed from a combination of investment earnings and employer and employee contributions.

PERS Plan 1 members are vested after the completion of five years of eligible service. Plan 1 members are eligible for retirement after 30 years of service, or at the age of 60 with five years of service, or at the age of 55 with 25 years of service. The monthly benefit is two percent of the average final compensation (AFC) per year of service. (AFC is the monthly average of the 24 consecutive highest-paid service credit months.) The retirement benefit may not exceed 60 percent of AFC. The monthly benefit is subject to a minimum for PERS Plan 1 retirees who have 25 years of service and have been retired 20 years, or who have 20 years of service and have been retired 25 years. Plan 1 members retiring from inactive status prior to the age of 65 may receive actuarially reduced benefits. If a survivor option is chosen, the benefit is further reduced. A cost-of-living allowance (COLA) was granted at age 66 based upon years of service times the COLA amount. This benefit was eliminated by the Legislature, effective July 1, 2011. Plan 1 members may elect to receive an optional COLA that provides an automatic annual adjustment based on the Consumer Price Index. The adjustment is capped at three percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

PERS Plan 1 provides duty and non-duty disability benefits. Duty disability retirement benefits for disablement prior to the age of 60 consist of a temporary life annuity payable to the age of 60. The allowance amount is $350 a month, or two-thirds of the monthly AFC, whichever is less. The benefit is reduced by any workers' compensation benefit and is payable as long as the member remains disabled or until the member attains the age of 60. A member with five years of covered employment is eligible for non-duty disability retirement. Prior to the age of 55, the allowance amount is two percent of the AFC for each year of service reduced by two percent for each year that the member's age is less than 55. The total benefit is limited to 60 percent of the AFC and is actuarially reduced to reflect the choice of a survivor option. A cost-of-living allowance was granted at age 66 based upon years of service times the COLA amount. This benefit was eliminated by the Legislature, effective July 1, 2011. Plan 1 members may elect to receive an optional COLA that provides an

automatic annual adjustment based on the Consumer Price Index. The adjustment is capped at 3 percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

PERS Plan 1 members can receive credit for military service. Members can also purchase up to 24 months of service credit lost because of an on-the-job injury.

PERS Plan 2 members are vested after the completion of five years of eligible service. Plan 2 members are eligible for normal retirement at the age of 65 with five years of service. The monthly benefit is two percent of the AFC per year of service. (AFC is the monthly average of the 60 consecutive highest-paid service months.)

PERS Plan 2 members who have at least 20 years of service credit and are 55 years of age or older, are eligible for early retirement with a reduced benefit. The benefit is reduced by an early retirement factor (EFR) that varies according to age, for each year before age 65.

PERS Plan 2 members who have 30 or more years of service credit and are at least 55 years old can retire under one of two provisions:

- With a benefit that is reduced by 3 percent for each year before age 65.
- With a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules.

PERS Plan 2 retirement benefits are also actuarially reduced to reflect the choice, if made, of a survivor option. There is no cap on years of service credit; and a cost-of-living allowance is granted (based on the Consumer Price Index), capped at three percent annually.

The surviving spouse or eligible child or children of a PERS Plan 2 member who dies after leaving eligible employment having earned ten years of service credit may request a refund of the member's accumulated contributions.

PERS Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component and member contributions finance a defined contribution component. The defined benefit portion provides a monthly benefit that is one percent of the AFC per year of service. (AFC is the monthly average of the 60 consecutive highest-paid service months.)

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

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

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

PERS Plan 3 defined benefit retirement benefits are also actuarially reduced to reflect the choice, if made, of a survivor option. There is no cap on years of service credit and Plan 3 provides the same cost-of-living allowance as Plan 2.

PERS Plan 3 defined contributions retirement benefits are solely dependent upon contributions and the results of investment activities.

The defined contribution portion can be distributed in accordance with an option selected by the member, either as a lump sum or pursuant to other options authorized by the Director of the Department of Retirement Systems.

PERS Plan 2 and Plan 3 provide disability benefits. There is no minimum amount of service credit required for eligibility. The Plan 2 monthly benefit amount is two percent of the AFC per year of service. For Plan 3, the monthly benefit amount is one percent of the AFC per year of service.

These disability benefit amounts are actuarially reduced for each year that the member's age is less than 65, and to reflect the choice of a survivor option. There is no cap on years of service credit, and a cost-of-living allowance is granted (based on the Consumer Price Index) capped at 3 percent annually.

PERS Plan 2 and Plan 3 members may have up to ten years of interruptive military service credit; five years at no cost and five years that may be purchased by paying the required contributions. Effective July 24, 2005, a member who becomes totally incapacitated for continued employment while serving the uniformed services, or a surviving spouse or eligible children, may apply for interruptive military service credit. Additionally, PERS Plan 2 and Plan 3 members can also purchase up to 24 months of service credit lost because of an on-the-job injury.

PERS members may also purchase up to five years of additional service credit once eligible for retirement. This credit can only be purchased at the time of retirement and can be used only to provide the member with a monthly annuity that is paid in addition to the member's retirement benefit.

Beneficiaries of a PERS Plan 2 or Plan 3 member with ten years of service who is killed in the course of employment receive retirement benefits without actuarial reduction, if the member was not at normal retirement age at death. This provision applies to any member killed in the course of employment, on or after June 10, 2004, if found eligible by the Department of Labor and Industries.

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

There are 2,241 participating employers in PERS. Membership in PERS consisted of the following as of the latest actuarial valuation date for the plans of June 30, 2014:

Retirees and beneficiaries receiving benefits – 85,328
Terminated plan members entitled to but not yet receiving benefits – 31,047
Active plan members vested – 107,073
Active plan members nonvested – 43,633
Total – 267,081

Funding Policy. Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates, PERS Plan 2 employer and employee contribution rates, and Plan 3 employer contribution rates. Employee contribution rates for Plan 1 are established by statute at six percent for state agencies and local government unit employees, and 7.5 percent for state government elected officials. The employer and employee contribution rates for Plan 2 and the employer contribution rate for Plan 3 are developed by the Office of State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. All employers are required to contribute at the level established by the Legislature. Under PERS Plan 3, employer contributions finance the defined benefit portion of the plan, and member contributions finance the defined contribution portion. The Plan 3 employee contribution rates range from 5 percent to 15 percent, based on member choice. Two of the options are graduated rates dependent on the employee's age. As a result of the implementation of the Judicial Benefit Multiplier Program (JBM) in January 2007, a second tier of employer and employee rates was developed to fund, along with investment earnings, the increased retirement benefits of those justices and judges that participate in the program.

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

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

Members not participating in JBM:

	PERS PLAN 1	PERS PLAN 2	PERS PLAN 3
Employer*:	9.21%**	9.21%**	9.21%**
Employee:	6.00%****	4.92%****	*****

* The employer rates include the employer administrative fee currently set at 0.16%.
** The employer rate for state elected officials is 13.73% for Plan 1 and 9.21% for Plan 2 and Plan 3.
*** Plan 3 defined benefit portion only.
**** The employee rate for state elected officials is 7.50% for Plan 1 and 4.92% for Plan 2.
***** Variable from 5.0% minimum to 15.0% maximum based on rate selected by PERS 3 member.

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

	PERS PLAN 1	PERS PLAN 2	PERS PLAN 3
2014	$ 0	$ 477,813	$ 146,138
2013	$ 0	$ 401,432	$ 125,842
2012	$ 0	$ 222,788	$ 94,608

401(a) Plan

Permanent City employees participate in a 401(a) Plan that is a replacement for the Social Security System. Permanent employees working 1040 or more hours per year are required to participate in the plan. ICMA Retirement Corporation administers the plan.

The 401(a) Plan is a defined contribution plan with participants contributing an amount equal to the current Social Security rate (7.65%) of their salary. Employees contribute 6.2% to the 401(a) Plan and 1.65% to Medicare. The City contributes 6.2% for permanent employees. Employee contributions during 2014 were $393,065. City contributions were $394,207. The Medicare portion of social security contributed by employees was $104,062.

Plan assets are not the property of the City and are not subject to the claims of the City's general creditors.

Other Employee Benefits

Employees are covered by a long-term disability plan that takes effect after 90 days. Coverage is provided at 67% of the employee's monthly salary. It is capped at a maximum payout of $8,000 per month.

Life Insurance is provided equal to two times an employee's annual salary.

The City offers its employees a voluntary 457 deferred compensation plan. ICMA Retirement Corporation administers this plan. The monies deposited to this plan are not considered resources available to the City. Employees may contribute up to $17,500 of wages to this plan per year.

NOTE 10:
CONSTRUCTION COMMITMENTS

The City has active construction projects as of December 31, 2014. The projects include widening and construction of existing streets, sidewalks, and bridges; and building improvements.

	Spent-to-Date	Remaining Commitment
Building Construction	$ 7,277,750	$ 20,812,563
Street and Bridge Construction	1,042,186	667,504
Total	$ 8,319,936	$ 21,480,067

NOTE 11:
INTERFUND TRANSFERS

Fund	Transfers In	Transfers Out
General Fund	770,000	3,270,000
G.O. Debt Service Fund	554,667	-
General CIP Fund	-	-
Parks CIP Fund	2,885,000	385,000
Transportation CIP Fund	385,000	939,667
Total Transfers	$ 4,594,667	$ 4,594,667

Interfund transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, to move receipts for debt service from the funds collecting the receipts to a debt service fund as payments become due, to use unrestricted revenues in the general fund to finance various programs accounted for in the other funds in accordance with budgetary authorizations, and to transfer funds to the Fleet Maintenance Internal Service Fund for future replacement of city vehicles.

NOTE 12:
LONG-TERM OBLIGATIONS

Public Works Trust Fund Loan

2001 GO Public Works Trust Fund Loan: In May of 2001, the City transacted a General Obligation Public Works Trust Fund Loan for transportation infrastructure improvements in the amount of $10,000,000 at a rate of 0.5%. This loan has a term of 20 years.

	Issue Date	Maturity Date	Interest Rate	Amount Issued	Redemptions to Date	Outstanding 12/31/2014
2001 PWTFL	05/11/01	05/18/21	0.5%	$ 10,000,000	$ 6,266,667	$ 3,733,333
Total Public Works Trust Fund Loans				$ 10,000,000	$ 6,266,667	$ 3,733,333

Annual debt service requirements to maturity for the loans are as follows:

Governmental Activities

Year	Principal	Interest
2015	$ 533,333	$ 16,000
2016	533,333	13,333
2017	533,333	10,667
2018	533,333	8,000
2019	533,333	5,333
2020-2021	1,066,667	2,667
	$ 3,733,333	$ 56,000

Surface Water LTGO Revenue Bonds

Prior to incorporation in 1999, the area which is currently the City of Sammamish was part of King County. In 1996 and 1999 King County issued Limited General Obligation (LTGO) bonds payable from revenues generated by King County Surface Water fees to fund capital projects. As part of the City's incorporation process a share of each bond issue, based on assessed valuation of the City, became an obligation of the City although none of the projects financed by the bonds were built within the City limits. Therefore, this debt is not used in the calculation of Net Investment in Capital Assets on the Statement of Net Position. In 2009, the city annexed property from King County, increasing the city's share of the 1996 bond issue by $5,911 and the 1999 bond issue by $3,530. The City recognizes this debt obligation on its financial statements (per RCW 36.89.120) as a contract payable based on an interlocal contract with King County.

	Issue Date	Maturity Date	Interest Rate	Amount Issued	Redemptions to Date	Outstanding 12/31/2014
1996 LTGO Bond	02/10/96	01/01/16	5.0% - 5.25%	$ 733,552	$ 609,751	$ 123,801
1999 LTGO Bond	05/01/99	12/01/19	4.0% - 5.25%	368,338	240,206	128,132
Total LTGO Bonds				$ 1,101,890	$ 849,957	$ 251,933

Annual debt service requirements to maturity for the loans are as follows:

	Business Type Activities	
Year	Principal	Interest
2015	$ 83,365	$ 11,619
2016	87,816	7,168
2017	25,545	4,244
2018	26,904	2,885
2019	28,303	1,486
	$ 251,933	$ 27,402

Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2014, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
PWTFL	4,266,667	-	(533,333)	3,733,333	533,333
Compensated absences	548,602	659,536	(646,128)	562,010	56,202
Total Governmental Activities	$ 4,815,269	$ 659,536	$ (1,179,461)	$ 4,295,343	$ 589,535
Business-Type Activities:					
Surface Water Revenue Bonds	$ 331,077	$ -	$ (79,144)	$ 251,933	$ 83,365
Compensated absences	70,832	70,592	(71,792)	69,632	6,963
Total Business-Type Activities	$ 401,909	$ 70,592	$ (150,936)	$ 321,565	$ 90,328

Internal service funds predominately serve the governmental funds. Accordingly, long term liabilities for them are included as part of the above totals for governmental activities. At year end $12,556 of internal service funds compensated absences are included in the above amounts. Compensated absences for governmental activities are liquidated from the general fund.

NOTE 13:
GOVERNMENTAL FUND BALANCES

Governmental Fund Balances

In the governmental fund financial statements, fund balances are classified based primarily on the extent to which the City is bound to observe certain constraints imposed upon the resources in the fund as follows:

- Nonspendable represents the portion of fund balance that is not in spendable form such as inventories, prepaid items, and long-term receivables.
- Restricted signifies those portions of fund balance where constraints placed on the resources are either externally imposed, or imposed by law through enabling legislation.
- Committed fund balance represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City Council. Commitments are established, modified, or rescinded only by adoption of an ordinance.
- Assigned fund balance is identified by the City's intent to use the funds for a specific purpose. Fund balance amounts may be assigned by the City Manager or Finance Director based on Council direction.
- Unassigned fund balance is the residual amount of the General Fund not reported in any of the above four categories. These amounts are technically available for any purpose.

A summary of governmental fund balances at December 31, 2014 are as follows:

	Major Funds				Nonmajor Fund	
	General	General CIP	Parks CIP	Transportation CIP	G.O. Debt Service Fund	Total
Nonspendable:						
Long-term receivable	$ 715,523	$ -	$ -	$ -	$ -	$ 715,523
Restricted for:						
Law enforcement	-	203,372	-	-	-	203,372
Transportation	83,750	-	-	4,965,589	-	5,049,339
Parks and recreation	-	-	144,475	-	-	144,475
Committed:	-	-	-	-	-	-
Assigned for:						
General Government	-	8,590,376	-	-	-	8,590,376
Transportation	1,650,211	-	-	16,296,795	-	17,947,006
Parks and recreation	-	-	13,806,300	-	-	13,806,300
Unassigned:	25,875,025	-	-	-	-	25,875,025
Total Fund Balances	$ 28,324,509	$ 8,793,748	$ 13,950,775	$ 21,262,384	$ -	$ 72,331,416

Strategic Reserve Allocation

The City has adopted a strategic reserve policy that is categorized as unassigned under GASB No. 54. The amount of the reserve is set at ten percent of the annual budgeted revenues of the General Fund, which is $3,331,334 for 2015 and $3,033,064 for 2014. The strategic reserve may be spent to provide sufficient working capital for City programs, to maintain City services at an appropriate level, to fund unanticipated one-time expenditures, or in the event of an emergency declared by the City Manager.

NOTE 14:
OTHER POST EMPLOYMENT BENEFITS

Association of Washington Cities Employee Benefit Trust

Trust Description. The City is a Participating Employer in the Association of Washington Cities Employee Benefit Trust (Trust), a cost-sharing multiple-employer welfare benefit plan administered by the Association of Washington Cities (AWC). The Trust provides medical benefits to certain eligible retired employees of Participating Employers and their eligible family members. Under Article VII of the Trust document, the Trustees have the authority and power to amend the amount and the nature of the medical and other benefits provided by the Trust. The Trust issues a publicly available financial report that includes financial statements and required supplementary information for the Trust. That report, along with a copy of the Trust document, may be obtained by writing to Trust at 1076 Franklin Street SE, Olympia, WA 98501-1346 or by calling 1-800-562-8981.

Funding Policy. The Trust provides that contribution requirements of Participating Employers and of participating employees, retirees and other beneficiaries, if any, are established and may be amended by the Board of Trustees of the Trust. Retirees of the City receiving medical benefits from the Trust contribute monthly as follows: $422 in 2012, $443 in 2013, and $443 in 2014 for Medicare enrolled retiree-only coverage; $789 in 2012, $830 in 2013, and $830 in 2014 for non-Medicare enrolled retiree-only coverage; $1,578 in 2012, $1,667 in 2013, and $1,667 in 2014 for non-Medicare enrolled retiree and spouse coverage; $1,218 in 2012, $1,280 in 2013, and $1,280 in 2014 for Medicare enrolled retiree and non-Medicare enrolled spouse (or non-Medical enrolled retiree and Medicare-enrolled spouse); and $855 in 2012, $899 in 2013, and $899 in 2014 for Medicare-enrolled retiree and spouse coverage.

Participating Employers are contractually required to contribute at rates assessed each year by the Trust for all active covered employees. The City requires all employees to contribute 10% of their dependent's premium costs. The City's contribution to the Trust for the years ended in December 31st were $1,120,178 in 2012, $1,268,497 in 2013, and $1,197,793 in 2014, and the employee's dependent premium contributions were $31,918 in 2012, $51,019 in 2013, and $51,856 in 2014, which equaled the required contributions for the year. The Trust pays benefits for both active employees and retirees from the same pool of assets.

NOTE 15:
CONTINGENCIES AND LITIGATION

As of December 31, 2014, there were a number of damage claims and lawsuits pending against the City. However, in our opinion, with which the City Attorney concurs, neither the potential liability from any single claim or lawsuit, nor the aggregate potential liability resulting from all pending claims or lawsuits, would affect materially the financial condition of the City.

NOTE 16:
RISK MANAGEMENT

The City of Sammamish is a member of the Washington Cities Insurance Authority (WCIA).

Utilizing Chapter 48.62 RCW (self-insurance) and Chapter 39.34 RCW (Interlocal Cooperation Act), nine cities originally formed WCIA on January 1, 1981. WCIA was created for the purpose of providing a pooling mechanism for jointly purchasing insurance, jointly self-insuring, and/or jointly contracting for risk management services. WCIA has a total of 150 Members.

New members initially contract for a three-year term, and thereafter automatically renew on an annual basis. A one-year withdrawal notice is required before membership can be terminated. Termination does not relieve a former member from its unresolved loss history incurred during membership.

Liability coverage is written on an occurrence basis, without deductibles. Coverage includes general, automobile, police, public officials' errors or omissions, stop gap, and employee benefits liability. Limits are $4 million per occurrence self-insured layer, and $16 million per occurrence in the re-insured excess layer. The excess layer is insured by the purchase of reinsurance and insurance and is subject to aggregate limits. Total limits are $20 million per occurrence subject to aggregate sublimits in the excess layers. The Board of Directors determines the limits and terms of coverage annually.

Insurance coverage for property, automobile physical damage, fidelity, inland marine, and boiler and machinery are purchased on a group basis. Various deductibles apply by type of coverage. Property insurance and auto physical damage are self-funded from the members' deductible to $500,000, for all perils other than flood and earthquake, and insured above that amount by the purchase of insurance.

In-house services include risk management consultation, loss control field services, claims and litigation administration, and loss analyses. WCIA contracts for the claims investigation consultants for the personnel issues and land use problems, insurance brokerage, and lobbyist services.

WCIA is fully funded by its members, who make annual assessments on a prospectively rated basis, as determined by an outside, independent actuary. The assessment covers loss, loss adjustment, and administrative expenses. As outlined in the interlocal, WCIA retains the right to additionally assess the membership for any funding shortfall.

An investment committee, using investment brokers, produces additional revenue by investment of WCIA's assets in financial instruments which comply with all State guidelines. These revenues directly offset portions of the membership's annual assessment.
A Board of Directors governs WCIA, which is comprised of one designated representative from each member. The Board elects an Executive Committee and appoints a Treasurer to provide general policy direction for the organization. The WCIA Executive Director reports to the Executive Committee and is responsible for conducting the day to day operations of WCIA.

For the past three years, the insurance settlements did not exceed the coverage that the City had obtained.

NOTE 17:
JOINT VENTURES

E-Gov Alliance

On March 25, 2002, the City of Bellevue and principal cities adopted a resolution establishing the E-Gov Alliance between the City of Bellevue and the cities of Bothell, Burien, Issaquah, Kenmore, Kirkland, Mercer Island, Sammamish, and Woodinville. Since then additional cities have joined the Alliance as subscribers. The Alliance establishes on-line services through a jointly operated internet portal. Additionally, the Alliance has established a partnership with Microsoft to help define the E-Gov architecture, provide consulting services, offer training, and receive donated software.

The interlocal agreement may be terminated if the principals holding at least sixty percent of the weighted vote of all the principals are in concurrence. Upon termination, all property acquired shall be disposed of as follows: (1) property contributed without charge by any member shall revert to the contributor; (2) all property purchased after the effective date

of the interlocal agreement shall be distributed to the principals based upon the principal's proportional ownership interest at the time of the sale of the property. The City's share of the net position is deemed immaterial and thus not reflected in the financial statements.

Financial information may be obtained from Beverly Ni, City of Bellevue, Information Technology Department, P.O. Box 90012, Bellevue, WA 98009-9012.

Eastside Fire and Rescue

In 1999, through an interlocal agreement as provided by RCW 39.34, the consolidation of several agencies created a new Fire and Emergency Medical Services agency called Eastside Fire and Rescue (EF&R). The agencies (principals) joining in this consolidation included King County Washington Fire Protection Districts 10 and 38, and the Cities of Issaquah and North Bend, with the City of Sammamish joining in January 2001. The current Interlocal Agreement is for a seven-year period ending December 31, 2014. Any party may withdraw at the end of any seven-year term by filing with the other parties a notice of withdrawal in January of the seventh year.

At inception the principals provided real property and equipment for use by EF&R. Title and ownership of these capital assets, and their replacements, remains with the principals.

EF&R is a joint venture partnership. The entities retain an equity interest in EF&R based on their support of EF&R operations. As of December 31, 2014 the equity percentage was as follows:

Entity	Share
Fire District 10	43.50%
Fire District 38	6.09%
City of Issaquah	20.52%
City of North Bend	4.42%
City of Sammamish	25.47%

EF&R is governed by a Joint Board of Directors, which meets on the second Tuesday of each month. The Board consists of eight Directors appointed from each of the principal's elected officials in the following ratios:

Entity	Directors
Fire District 10	2
Fire District 38	1
City of Issaquah	2
City of North Bend	1
City of Sammamish	2

The Districts levy regular real property and emergency medical services taxes at the maximum rate allowed by law. The Directors deposit taxes, as agreed upon and approved by the Directors, with the Board of Directors in June and December.

The amount of annual contribution for the Cities, and the amount of additional services contribution, if any, is determined by the respective legislative bodies, after recommendation by the Board of Directors. Annually, Cities contribute financially according to a funding model established in 2004. The model utilizes calls for service to establish a first due area of response for each fire station and then applies the surrounding assessed value by jurisdiction to derive each jurisdiction's portion of cost for that station. The total of all stations establishes each partner's share of the total cost of operation. The EF&R Board then establishes a monthly billing schedule which the partners are obligated to pay in a timely fashion. The funding model formula allocated 28.36% of the cost of operations to Sammamish. The Equipment Replacement funding uses the same contribution percentages against the total need established by the EF&R Board in concert with the operating budget.

The City's contributions for the last five years are as follows:

Year	Contributions
2010	5,618,622
2011	5,661,427
2012	5,855,427
2013	5,959,215
2014	6,308,277

All real and personal property acquired prior to the agreement remains the property of the acquiring member, with exclusive access and control over the property by EF&R. All property acquired pursuant to the Agreement shall be identified by the Board upon acquisition as joint or separate property. Upon termination of the Agreement, all separate property shall be returned to the owner; the net value of all jointly owned property shall be calculated, and each party shall receive or pay, as applicable, the total net amount to the other, in cash or jointly owned property. The city records the capital assets in the Governmental Activities column of its Statement of Net Position.

Upon dissolution, the agreement provides for distribution of net position among the members based on the percentage of the total annual contributions during the period of the Agreement paid by each member. The City's remaining share of net position is deemed immaterial and thus is not reflected in its financial statements.

Audited financial information can be obtained from Scott Faires, Eastside Fire and Rescue, 175 NW Newport Way, Issaquah, WA 98027.

ARCH-Housing Coalition

In November 1992, the City of Bellevue joined the cities of Redmond and Kirkland and King County to establish A Regional Coalition for Housing (ARCH). The agreement was amended in January 1993 and November 1999 to add clarifying language regarding responsibility and dissolution. Since its inception, the Cities of Beau Arts Village, Bothell, Clyde Hill, Hunts Pont, Issaquah, Kenmore, Mercer Island, Newcastle, Sammamish, Woodinville, and Yarrow Point have joined ARCH.

The purpose of ARCH is to cooperatively formulate affordable housing goals and policies and to foster efforts to provide affordable housing by combining public funding with private-sector resources. Operating funding is provided by the member cities. ARCH identifies and prioritizes projects which the member cities fund directly through their own grants, Community Development Block Grants, and HUD grants.

ARCH is governed by an Executive Board composed of the chief executive officer from each member. The Executive Board is responsible for review and approval of all budgetary, financial, policy, and contractual matters. The Board is assisted by an administrative staff and a Citizen Advisory Board.

Each member city is responsible for contributing operating revenues as determined from the ARCH annual budget. Contributions from the member cities are based on each member's population. The City's contributions for the last five years were as follows:

Year	Budget	Sammamish's Share	Percentage
2010	498,231	46,188	9.27%
2011	499,875	46,188	9.24%
2012	521,167	46,188	8.90%
2013	543,948	49,167	9.04%
2014	601,989	53,420	8.87%

Members withdrawing from the agreement relinquish all rights to any reserve funds, equipment, or material purchased. Upon dissolution the agreement, as amended, provides for distribution of net position among members based on the percentage of the total annual contributions during the period of the Agreement paid by each member. The City's share of net position is deemed immaterial and thus is not reflected in the financial statements.

Budget monitoring information can be obtained from ARCH, c/o Art Sullivan, 16225 NE 87th Street, Redmond, WA 98052.

NOTE 18:
ARBITRAGE STATEMENT

The City of Sammamish had no arbitrage liability at the end of 2014. The Public Works Trust Loan proceeds were spent with in twelve months of receipt.

NOTE 19:
SUBSEQUENT EVENTS

In March 2015, the City purchased real estate consisting of a 22-acre parcel and a 30,807 building with 330 parking stalls for $6.1 million. The property is expected to be used for higher education purposes, with three local community colleges expressing an early interest in leasing space.

In a special election on April 28, 2015, residents of the Klahanie neighborhood voted, with an 86% majority, in favor of annexation to the City of Sammamish. The effective date of annexation in expected to be January 1, 2016. The annexation will increase the City's population by approximately 11,000 residents, and is expected to generate roughly $6.5 million in additional revenues, 72% of which are tax revenues.

City of Sammamish Washington

REQUIRED SUPPLEMENTARY

INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
For the Biennium Ended December 31, 2014

	Original Budget 2013-2014	Final Budget 2013-2014	Actual 2013-2014	Variance with Final Budget Positive (Negative)
REVENUES AND OTHER FINANCING SOURCES				
Taxes	$ 51,322,300	$ 51,840,000	$ 53,246,521	$ 1,406,521
Licenses and permits	3,225,200	3,701,700	4,145,951	444,251
Intergovernmental	1,234,100	1,398,200	3,729,484	2,331,284
Charges for services	3,555,500	4,164,700	5,164,578	999,878
Fines and forfeitures	236,500	236,500	356,919	120,419
Investment income	105,000	105,000	69,892	(35,108)
Contributions	248,880	248,880	278,065	29,185
Miscellaneous	652,000	652,000	971,542	319,542
Total revenues	60,579,480	62,346,980	67,962,952	5,615,972
EXPENDITURES				
Current				
General government	12,270,926	12,138,126	10,294,260	1,843,866
Security of persons and property	22,855,328	24,652,728	22,188,429	2,464,299
Physical environment	1,233,109	1,300,559	1,397,392	(96,833)
Transportation	-	-	10,229,838	(10,229,838)
Economic development	7,490,790	8,194,890	6,005,753	2,189,137
Mental/physical health	24,000	24,000	16,102	7,898
Cultural and recreation	6,811,934	6,563,734	6,227,888	335,846
Capital outlay	3,015,000	3,015,000	27,955	2,987,045
Total expenditures	53,701,087	55,889,037	56,387,617	(498,580)
Excess (deficiency) of revenues over (under) expenditures	6,878,393	6,457,943	11,575,335	5,117,392
OTHER FINANCING SOURCES (USES)				
Insurance recovery	-	-	50,122	50,122
Transfers in	-	-	1,540,000	1,540,000
Transfers out	(15,500,000)	(15,500,000)	(6,540,000)	8,960,000
Total other financing sources and uses	(15,500,000)	(15,500,000)	(4,949,878)	10,550,122
Net change in fund balance	(8,621,607)	(9,042,057)	6,625,457	15,667,514
Fund balance - beginning	15,909,000	18,340,898	21,699,052	3,358,154
Fund balance - ending	$ 7,287,393	$ 9,298,841	$ 28,324,509	$ 19,025,668

BUDGETARY INFORMATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Budgets and Budgetary Accounting

The City of Sammamish budgets its funds in accordance with the Revised Code of Washington (RCW) 35A.34. In compliance with the code, all funds have budgets. Budgets established for proprietary funds are "management budgets" and as such are not required to be reported in the financial statements.

The budget is proposed by the City Manager and adopted by the City Council with legal budgetary control at the fund level, i.e., the total of expenditures, other financing uses, and the ending fund balance may not exceed the total of beginning balances and budgeted receipts at the fund level. The City Manager may authorize transfers within funds; however, the City Council must approve by ordinance any additional appropriations, which increase the total for the fund. Any unexpended appropriation balances lapse at the end of the biennium.

In addition to authorizing the budget the City Council biennially approves the Capital Improvement Program. This is a six-year plan for capital project expenditures and anticipated revenue sources. Expenditures and revenues for these projects are budgeted in the Capital Improvements Program Funds.

The City prepares its budgets on the modified accrual basis, which conforms to generally accepted accounting principles. The CAFR includes budgetary comparisons for those governmental funds with legally adopted budgets. Budget amounts include the adopted budget appropriations and any revisions made during the biennium.

State law establishes the budget process and the time limits under which a budget must be developed. The City adopts its biennial budget in December of the year preceding the first year of the biennial budget. Step one involves the identification by the City Council of the mission and objectives for the following biennium. The second step involves forecasting revenue and the establishment of a baseline budget to carry the existing programs into the next biennium. The third step involves the development by each department director of their departmental budget requests. The City Manager develops a preliminary budget that is presented to the Council for review and public hearings. The Council approves an ordinance to adopt the budget. Supplemental appropriations that modify total fund expenditures require an ordinance amending the budget.

Budget to GAAP Reconciliation

Actuals reported in the General Fund, include the activities of the Street Fund. The Street Fund does not meet the criteria set forth by GASB Statement No. 54 for classification as a special revenue fund, and is therefore, included in the General Fund for financial reporting purposes. However, the Street Fund remains operational and is budgeted as a separate fund in the budget ordinance. To demonstrate budgetary legal compliance, a budget to actual schedule with both General and Street Funds is included in the Fund Financial Statements and Schedules section of this report.

FUND FINANCIAL

STATEMENTS

AND

SCHEDULES

SPECIAL REVENUE FUNDS

The **Street Fund** is a special revenue fund. The street operating program was established to provide efficient and safe movement of both motorized and non-motorized vehicles as well as pedestrians within City limits and to coordinate and provide convenient interconnect to the regional transportation system.

The **Street Fund** does not meet the Governmental Accounting Standards Board (GASB) requirements allowing it to be individually presented, and is therefore, combined with the General Fund for reporting purposes. Its budget, however, is adopted legally as a separate fund.

NON-MAJOR GOVERNMENTAL FUNDS

Debt Service Funds

The **G.O. Debt Service Fund** accounts for the financial resources restricted, committed, or assigned to expenditures for principal and interest general obligation debt.

MAJOR FUNDS BUDGET TO ACTUAL SCHEDULES

Capital Projects Funds

Capital projects funds are used to account for the financial resources that are restricted, committed, or assigned to expenditure for the acquisition or construction of general government, park, and transportation capital facilities other than those financed by proprietary funds.

The **General Capital Improvements Program (CIP) Fund** accounts for revenues and expenditures of capital improvement projects not related to transportation or parks. Its primary sources of revenue are intergovernmental revenue and transfers from the General Fund.

The **Parks Capital Improvements Program (CIP) Fund** accounts for revenues and expenditures of capital improvement projects related to parks. Its primary sources of revenue are intergovernmental revenue and transfers from the General Fund.

The **Transportation Capital Improvements Program (CIP) Fund** accounts for revenues and expenditures of capital improvement projects related to transportation. Its primary sources of revenue are intergovernmental revenue and transfers from the General Fund.

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND ACCOUNTS
For the Biennium Ended December 31, 2014

	General Fund Basic Accounts			
	Original Budget 2013-2014	Final Budget 2013-2014	Actual 2013-2014	Variance with Final Budget Positive (Negative)
REVENUES AND OTHER FINANCING SOURCES				
Taxes	$ 51,322,300	$ 51,840,000	$ 53,246,521	$ 1,406,521
Licenses and permits	3,225,200	3,701,700	4,145,951	444,251
Intergovernmental	1,234,100	1,398,200	1,505,272	107,072
Charges for services	3,555,500	4,164,700	5,085,701	921,001
Fines and forfeitures	236,500	236,500	356,919	120,419
Investment income	105,000	105,000	44,507	(60,493)
Contributions	248,880	248,880	278,065	29,185
Miscellaneous	652,000	652,000	812,733	160,733
Total revenues	60,579,480	62,346,980	65,475,669	3,128,689
EXPENDITURES				
Current				
General government	12,270,926	12,138,126	10,294,260	1,843,866
Security of persons and property	22,855,328	24,652,728	22,188,429	2,464,299
Physical environment	1,233,109	1,300,559	1,397,392	(96,833)
Transportation	-	-	-	-
Economic development	7,490,790	8,194,890	6,005,753	2,189,137
Mental/physical health	24,000	24,000	16,102	7,898
Cultural and recreation	6,811,934	6,563,734	6,227,888	335,846
Capital outlay	3,015,000	3,015,000	2,444	3,012,556
Total expenditures	53,701,087	55,889,037	46,132,268	9,756,769
Excess (deficiency) of revenues over (under) expenditures	6,878,393	6,457,943	19,343,401	12,885,458
OTHER FINANCING SOURCES (USES)				
Insurance recovery	-	-	10,000	10,000
Transfers in*	-	-	-	-
Transfers out*	(15,500,000)	(15,500,000)	(15,500,000)	-
Total other financing sources and uses	(15,500,000)	(15,500,000)	(15,490,000)	10,000
Net change in fund balance	(8,621,607)	(9,042,057)	3,853,401	12,895,458
Fund balance - beginning	15,909,000	18,340,898	18,340,897	(1)
Fund balance - ending	$ 7,287,393	$ 9,298,841	$ 22,194,298	$ 12,895,457

* Activity between the General and Street Accounts are presented net on the financial statements

Street Accounts in the General Fund				
Original Budget 2013-2014	Final Budget 2013-2014	Actual 2013-2014	Variance with Final Budget Positive (Negative)	Combined Actuals per Financial Statements
$ -	$ -	$ -	$ -	$ 53,246,521
-	-	-	-	4,145,951
1,985,000	1,985,000	2,224,212	239,212	3,729,484
50,000	50,000	78,877	28,877	5,164,578
-	-	-	-	356,919
13,300	13,300	25,385	12,085	69,892
-	-	-	-	278,065
-	-	158,809	158,809	971,542
2,048,300	2,048,300	2,487,283	438,983	67,962,952
-	-	-	-	10,294,260
-	-	-	-	22,188,429
-	-	-	-	1,397,392
10,777,510	10,667,060	10,229,838	437,222	10,229,838
-	-	-	-	6,005,753
-	-	-	-	16,102
-	-	-	-	6,227,888
30,000	30,000	25,511	4,489	27,955
10,807,510	10,697,060	10,255,349	441,711	56,387,617
(8,759,210)	(8,648,760)	(7,768,066)	880,694	11,575,335
-	-	40,122	40,122	50,122
10,500,000	10,500,000	10,500,000	-	1,540,000
-	-	-	-	(6,540,000)
10,500,000	10,500,000	10,540,122	40,122	(4,949,878)
1,740,790	1,851,240	2,772,056	920,816	6,625,457
2,831,000	3,358,155	3,358,155	-	21,699,052
$ 4,571,790	$ 5,209,395	$ 6,130,211	$ 920,816	$ 28,324,509

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
G.O. DEBT SERVICE FUND
For the Biennium Ended December 31, 2014

	Original Budget 2013-2014	Final Budget 2013-2014	Actual 2013-2014	Variance with Final Budget Positive (Negative)
EXPENDITURES				
Debt principal	$ 1,066,666	$ 1,066,666	$ 1,066,666	$ -
Debt interest	45,334	45,334	45,334	-
Total expenditures	1,112,000	1,112,000	1,112,000	-
OTHER FINANCING SOURCES (USES)				
Transfers in	1,112,000	1,112,000	1,112,000	-
Total other financing sources and uses	1,112,000	1,112,000	1,112,000	-
Net change in fund balance	-	-	-	-
Fund balance - beginning	-	-	-	-
Fund balance - ending	$ -	$ -	$ -	$ -

See accompanying notes to the financial statements.

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL GOVERNMENT CIP FUND
For the Biennium Ended December 31, 2014

	Original Budget 2013-2014	Final Budget 2013-2014	Actual 2013-2014	Variance with Final Budget Positive (Negative)
REVENUES AND OTHER FINANCING SOURCES				
Interest	$ 31,000	$ 31,000	$ 39,156	$ 8,156
Total revenues	$ 31,000	$ 31,000	$ 39,156	$ 8,156
EXPENDITURES				
Current				
Capital outlay	3,620,000	3,620,000	-	3,620,000
Total expenditures	3,620,000	3,620,000	-	3,620,000
Excess (deficiency) of revenues over (under) expenditures	(3,589,000)	(3,589,000)	39,156	3,628,156
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Total other financing sources and uses	-	-	-	-
Net change in fund balance	(3,589,000)	(3,589,000)	39,156	3,628,156
Fund balance - beginning	8,533,000	8,754,593	8,754,592	(1)
Fund balance - ending	$ 4,944,000	$ 5,165,593	$ 8,793,748	$ 3,628,155

See accompanying notes to the financial statements.

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PARKS CIP FUND
For the Biennium Ended December 31, 2014

	Original Budget 2013-2014	Final Budget 2013-2014	Actual 2013-2014	Variance with Final Budget Positive (Negative)
REVENUES AND OTHER FINANCING SOURCES				
Taxes	$ 2,295,000	$ 3,045,000	$ 4,924,507	$ 1,879,507
Intergovernmental	-	100,000	326,287	226,287
Charges for services	650,000	1,050,000	1,433,123	383,123
Interest	57,000	57,000	68,553	11,553
Miscellaneous	-	2,400,000	1,632,728	(767,272)
Total revenues	3,002,000	6,652,000	8,385,198	1,733,198
EXPENDITURES				
Current				
Cultural and recreation	-	-	42,787	(42,787)
Capital outlay	1,813,225	15,025,643	12,237,006	2,788,637
Total expenditures	1,813,225	15,025,643	12,279,793	2,745,850
Excess (deficiency) of revenues over (under) expenditures	1,188,775	(8,373,643)	(3,894,595)	4,479,048
OTHER FINANCING SOURCES (USES)				
Insurance Recovery	-	-	1,745	1,745
Disposition of Capital Assets	-	-	655,000	655,000
Transfers in	5,770,000	5,770,000	5,770,000	-
Transfers out	(770,000)	(770,000)	(770,000)	-
Total other financing sources and uses	5,000,000	5,000,000	5,656,745	656,745
Net change in fund balance	6,188,775	(3,373,643)	1,762,150	5,135,793
Fund balance - beginning	10,326,000	12,188,626	12,188,625	(1)
Fund balance - ending	$ 16,514,775	$ 8,814,983	$ 13,950,775	$ 5,135,792

See accompanying notes to the financial statements.

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TRANSPORTATION CIP FUND
For the Biennium Ended December 31, 2014

	Original Budget 2013-2014	Final Budget 2013-2014	Actual 2013-2014	Variance with Final Budget Positive (Negative)
REVENUES AND OTHER FINANCING SOURCES				
Taxes	$ 2,200,000	$ 2,850,000	$ 4,663,218	$ 1,813,218
Intergovernmental	462,000	462,000	406,210	(55,790)
Charges for services	2,827,500	4,227,500	6,913,366	2,685,866
Interest	61,000	61,000	76,065	15,065
Miscellaneous	-	-	700	700
Total revenues	5,550,500	7,600,500	12,059,559	4,459,059
EXPENDITURES				
Capital outlay	6,814,000	7,504,745	3,562,292	3,942,453
Total expenditures	6,814,000	7,504,745	3,562,292	3,942,453
Excess (deficiency) of revenues over (under) expenditures	(1,263,500)	95,755	8,497,267	8,401,512
OTHER FINANCING SOURCES (USES)				
Transfers in	770,000	770,000	770,000	-
Transfers out	(1,882,000)	(1,882,000)	(1,882,000)	-
Total other financing sources and uses	(1,112,000)	(1,112,000)	(1,112,000)	-
Net change in fund balance	(2,375,500)	(1,016,245)	7,385,267	8,401,512
Fund balance - beginning	11,574,000	13,877,117	13,877,117	-
Fund balance - ending	$ 9,198,500	$ 12,860,872	$ 21,262,384	$ 8,401,512

See accompanying notes to the financial statements.

City of Sammamish Washington

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods and services provided by one department or agency of the City.

The **Equipment Rental & Replacement Fund** accounts for the cost of maintaining and replacing City vehicles and equipment for all City departments. The fund accumulates the resources for vehicle and equipment replacements in the future. The Funds or Departments using the vehicle or equipment pay the scheduled replacement fees.

Information Technology is accounted for in the **Technology Replacement Fund.** Its staff is responsible for maintaining the City's computerized information system; strategic information technology planning, user and application support, local, wide area network, system administration, web and e-gov systems, geographic information systems administration, and telecommunication systems.

The **Risk Management Fund** is established to account for and expend monies for the procurement of insurance, claims settlement, and administration of a risk management and safety program. This fund also accounts for the funding of self-insured unemployment claims through the State of Washington.

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
December 31, 2014

	Equipment Rental & Replacement	Technology Replacement	Risk Management	Total
ASSETS				
Current Assets				
Cash and cash equivalents	$ 394,319	$ 187,875	$ 103,274	$ 685,468
Investments	388,274	184,994	101,691	674,959
Receivables				-
Interest	230	110	60	400
Total current assets	782,823	372,979	205,025	1,360,827
Noncurrent assets:				
Capital Assets:				
Equipment	2,037,960	687,530	-	2,725,490
Software	-	105,779	-	105,779
Less accumulated depreciation	(1,280,003)	(538,390)	-	(1,818,393)
Total capital assets (net of depreciation)	757,957	254,919	-	1,012,876
Total assets	1,540,780	627,898	205,025	2,373,703
LIABILITIES				
Current Liabilities				
Accounts payable	21,045	33,864	1,721	56,630
Compensated absences	-	1,256	-	1,256
Total current liabilities	21,045	35,120	1,721	57,886
Noncurrent liabilities				
Compensated absences	-	11,301	-	11,301
Total noncurrent liabilities	-	11,301	-	11,301
Total liabilities	21,045	46,421	1,721	69,187
NET POSITION				
Net investment in capital assets	757,956	254,919	-	1,012,875
Unrestricted	761,779	326,558	203,304	1,291,641
Total net position	$ 1,519,735	$ 581,477	$ 203,304	$ 2,304,516

See accompanying notes to the financial statements.

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2014

	Equipment Rental & Replacement	Technology Replacement	Risk Management	Total
OPERATING REVENUES				
Charges for services	$ 104,119	$ 728,400	$ -	$ 832,519
Charges for replacement	151,275	-	-	151,275
Charges for insurance	-	-	208,000	208,000
Total operating revenues	255,394	728,400	208,000	1,191,794
OPERATING EXPENSES				
Administrative and general	-	738,907	302,214	1,041,121
Supplies	7,019	70,868	-	77,887
Maintenance and operations	95,946	-	-	95,946
Depreciation and amortization	152,294	58,583	-	210,877
Total operating expenses	255,259	868,358	302,214	1,425,831
Operating income (loss)	135	(139,958)	(94,214)	(234,037)
NON-OPERATING REVENUES				
Investment income	1,306	1,014	187	2,507
Gain on sale of capital assets	77,475	2,000	-	79,475
Total non-operating revenues(expenses)	78,781	3,014	187	81,982
Change in net position	78,916	(136,944)	(94,027)	(152,055)
Total net position - beginning	1,440,819	718,421	297,331	2,456,571
Total net position - ending	$ 1,519,735	$ 581,477	$ 203,304	$ 2,304,516

See accompanying notes to the financial statements.

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICES FUNDS
For the Year Ended December 31, 2014

	Equipment Rental & Replacement Fund	Technology Replacement Fund	Risk Management Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	$ 104,119	$ 728,400	$ 208,000	$ 1,040,519
Cash Received for Replacement	151,275	-	-	151,275
Cash Payments to Suppliers	(8,679)	(185,577)	(33,946)	(228,202)
Cash Payments to Employees	-	(252,837)	-	(252,837)
Cash Payments to Other Governments	-	(110,400)	-	(110,400)
Cash Payments for Other Operating Expenses	(114,605)	(222,869)	(275,409)	(612,883)
Net Cash Provided (Used) By Operating Activities	132,110	(43,283)	(101,355)	(12,528)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	(69,002)	(271,096)	-	(340,098)
Proceeds from Sale of Capital Assets	77,475	-	-	77,475
Net Cash Used for Capital and Related Financing Activities	8,473	(271,096)	-	(262,623)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Purchases	(388,274)	(184,994)	(101,691)	(674,959)
Investment Sales/Maturities	234,671	251,297	112,109	598,077
Interest on Investments	1,283	1,126	226	2,635
Net Cash Provided (Used) by Investing Activities	(152,320)	67,429	10,644	(74,247)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(11,737)	(246,950)	(90,711)	(349,398)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	406,056	434,825	193,985	1,034,866
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 394,319	$ 187,875	$ 103,274	$ 685,468
Cash at the End of the Year Consists of:				
Operating Fund Cash	394,319	187,875	103,274	685,468
Total Cash at End of Year	$ 394,319	$ 187,875	$ 103,274	$ 685,468

See accompanying notes to the financial statements.

	Equipment Rental & Replacement Fund	Technology Replacement Fund	Risk Management Fund	Total
Reconciliation of operating income to net cash provided by (used) operating activities:				
Operating Income/Loss	$ 135	$ (139,958)	$ (94,214)	$ (234,037)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				-
Depreciation	152,294	58,583	-	210,877
Increase (Decrease) in Accounts Payable	(20,319)	39,228	(7,141)	11,768
Increase in Compensated Absences Payable	-	(1,136)	-	(1,136)
Net Cash Provided (Used) by Operating Activities	$ 132,110	$ (43,283)	$ (101,355)	$ (12,528)
Noncash Investing, Capital and Financing Activities:				
The fair value of investments decreased by	$ (395)	$ (106)	$ (74)	$ (574)
	$ (395)	$ (106)	$ (74)	$ (574)

See accompanying notes to the financial statements.

City of Sammamish Washington

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Sammamish'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.

Contents **Page**

Financial Trends **80**

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

Revenue Capacity **86**

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

Debt Capacity **90**

These tables present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information **94**

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

Operating Information **96**

These tables 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.

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

Table 1

City of Sammamish
Net Assets by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013*
Governmental activities										
Invested in capital assets, net of related debt	$ 263,307,927	$ 272,750,547	$ 293,259,846	$ 296,894,729	$ 301,549,025	$ 324,418,285	$ 358,080,903	$ 365,172,019	$ 372,402,209	$ 375,067,384
Restricted	38,718,597	40,606,111	936,600	937,609	205,936	1,075,257	504,058	1,765,066	801,525	3,564,937
Unrestricted	13,582,520	13,840,325	48,899,128	54,770,519	60,501,350	53,870,932	49,608,109	54,237,899	59,226,058	67,213,161
Total governmental activities net assets	$ 315,609,044	$ 327,196,983	$ 343,095,574	$ 352,602,857	$ 362,256,311	$ 379,364,474	$ 408,193,070	$ 421,174,984	$ 432,429,792	$ 445,845,482
Business-type activities										
Investment in capital assets	$ 15,677,225	$ 15,480,168	$ 16,697,511	$ 16,235,295	$ 15,673,714	$ 24,243,602	$ 27,679,907	$ 30,476,598	$ 31,357,612	$ 34,903,871
Unrestricted	2,145,718	2,263,484	903,938	1,999,139	3,618,403	2,974,633	1,736,593	1,719,691	2,696,753	3,256,039
Total business-type activities net assets	$ 17,822,943	$ 17,743,652	$ 17,601,449	$ 18,234,434	$ 19,292,117	$ 27,218,235	$ 29,416,500	$ 32,196,289	$ 34,054,365	$ 38,159,910
Primary government										
Invested in capital assets, net of related debt	$ 278,985,152	$ 288,230,715	$ 309,957,357	$ 313,130,024	$ 317,222,739	$ 348,661,887	$ 385,760,810	$ 395,648,617	$ 403,759,821	$ 409,971,255
Restricted	38,718,597	40,606,111	936,600	937,609	205,936	1,075,257	504,058	1,765,066	801,525	3,564,937
Unrestricted	15,728,238	16,103,809	49,803,066	56,769,658	64,119,753	56,845,565	51,344,702	55,957,590	61,922,811	70,469,200
Total primary government net assets	$ 333,431,987	$ 344,940,635	$ 360,697,023	$ 370,837,291	$ 381,548,428	$ 406,582,709	$ 437,609,570	$ 453,371,273	$ 466,484,157	$ 484,005,392

* Definition of Restricted limited to external restraints not internal

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

Table 2

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses										
Governmental activities:										
General government	$ 3,130,836	$ 4,088,930	$ 5,590,482	$ 4,649,758	$ 4,925,713	$ 4,746,498	$ 5,002,347	$ 5,500,271	$ 5,672,187	$ 5,958,904
Security	9,153,382	9,416,687	8,909,576	9,632,165	10,080,206	10,447,739	10,392,738	10,760,835	11,210,290	11,603,010
Physical environment	1,000,177	961,529	684,745	890,371	938,244	975,651	942,125	911,803	769,418	744,288
Economic environment	2,066,026	2,529,240	3,023,010	2,751,431	2,755,588	2,650,808	2,269,383	2,376,696	2,946,828	3,064,000
Transportation	6,092,317	5,886,313	7,873,170	5,524,321	6,672,855	7,787,020	8,678,256	10,270,526	9,078,077	10,499,661
Mental/physical health	124,389	116,345	9,340	11,633	9,600	10,704	11,061	11,717	8,525	7,577
Culture and recreation	1,677,485	2,309,076	2,319,021	3,904,831	3,990,057	4,440,059	4,315,611	4,597,333	5,330,077	5,438,387
Interest on long-term debt	187,386	178,136	201,140	161,032	149,655	136,754	123,455	118,383	22,667	20,000
Total governmental activities expenses	23,431,998	25,486,256	28,610,484	27,525,542	29,521,918	31,195,233	31,734,976	34,547,564	35,038,069	37,335,827
Business-type activities										
Stormwater	1,881,265	2,138,560	2,108,476	2,060,032	2,549,384	2,529,589	2,844,007	2,767,246	3,277,117	3,932,295
Total business-type activities expenses	1,881,265	2,138,560	2,108,476	2,060,032	2,549,384	2,529,589	2,844,007	2,767,246	3,277,117	3,932,295
Total primary government expenses	$ 25,313,263	$ 27,624,816	$ 30,718,960	$ 29,585,574	$ 32,071,302	$ 33,724,822	$ 34,578,983	$ 37,314,810	$ 38,315,186	$ 41,268,122
Program Revenues										
Governmental activities:										
Charges for services:										
General government	$ 501,999	$ 484,378	$ 540,076	$ 678,620	$ 22,747	$ 23,137	$ 21,170	$ 23,623	$ 25,414	$ 30,241
Security	27,363	10,733	136,232	217,006	155,305	336,220	246,467	249,603	322,876	314,552
Physical environment	42,558	39,643	43,728	49,701	49,638	119,382	197,197	166,031	248,890	261,652
Economic environment	2,072,085	2,538,873	2,525,094	2,118,642	2,965,301	3,601,259	3,193,869	2,842,651	3,621,426	3,733,623
Transportation	1,172,198	2,436,643	1,955,921	519,911	534,203	102,848	1,656,272	3,034,927	4,176,163	2,859,263
Culture and recreation	160,482	121,563	388,451	417,116	265,480	329,764	643,819	956,631	1,129,379	1,152,418
Operating grants and contributions	1,839,612	166,918	413,320	220,375	208,078	259,187	342,148	382,586	613,373	390,151
Capital grants and contributions	654,939	148,146	822,591	2,701,704	14,419,009	26,776,827	8,440,125	6,846,094	5,286,254	4,323,952
Total governmental activities program revenues	6,471,236	5,946,897	6,825,413	6,923,075	18,619,761	31,548,624	14,741,067	14,502,146	15,423,775	13,065,852
Business-type activities:										
Charges for services:										
Stormwater	2,408,854	2,543,786	2,289,914	2,341,796	2,435,144	2,435,128	2,443,010	2,498,951	3,103,573	3,604,009
Operating grants and contributions	-	-	60,000	5,014	259,329	70,832	-	302,492	-	50,000
Capital grants and contributions	-	-	246,274	611,634	7,736,769	2,298,749	3,310,540	1,813,728	4,356,180	2,963,631
Total business-type activities program revenues	2,408,854	2,543,786	2,596,188	2,958,444	10,431,242	4,804,709	5,753,550	4,615,171	7,459,753	6,617,640
Total primary government program revenues	$ 8,880,090	$ 8,490,683	$ 9,421,601	$ 9,881,519	$ 29,051,003	$ 36,353,333	$ 20,494,617	$ 19,117,317	$ 22,883,528	$ 19,683,492

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2013
Net (expense)/revenue										
Governmental activities	$ (16,960,762)	$ (19,539,359)	$ (21,785,071)	$ (20,602,497)	$ (10,902,157)	$ 353,391	$ (16,993,909)	$ (20,045,418)	$ (19,614,294)	$ (24,269,975)
Business-type activities	527,589	405,226	487,712	898,412	7,881,858	2,275,120	2,909,543	1,847,925	4,095,136	2,685,345
Total primary government net (expense) revenue	$ (16,433,173)	$ (19,134,133)	$ (21,297,359)	$ (19,704,085)	$ (3,020,299)	$ 2,628,511	$ (14,084,366)	$ (18,197,493)	$ (15,519,158)	$ (21,584,630)
General Revenues and Other Changes in Net Assets										
Governmental Activities:										
Taxes										
Property tax	$ 16,790,240	$ 18,408,625	$ 18,996,300	$ 19,575,197	$ 20,115,481	$ 20,430,422	$ 21,526,141	$ 21,516,331	$ 21,850,729	$ 22,423,974
Sales tax	2,495,144	3,542,656	3,970,185	3,940,496	3,490,110	3,419,205	2,579,700	4,011,247	4,368,406	4,863,206
Real estate excise tax	4,999,663	4,505,156	3,455,007	2,393,100	1,845,412	2,458,558	2,723,464	3,307,522	4,640,298	4,686,138
Other taxes	771,375	1,598,876	1,534,755	1,491,083	1,475,981	1,540,236	1,636,020	1,728,777	1,573,747	1,650,189
Unrestricted investment interest	1,569,445	2,623,767	3,006,620	2,708,441	818,535	271,922	261,092	192,958	114,281	143,536
Miscellaneous	47,031	100,253	319,487	178,016	254,801	245,002	241,554	473,290	482,523	2,648,593
Special items	12,372	-	-	-	-	18,950	-	70,101	-	-
Transfers	48,000	48,000	10,000	(30,412)	10,000	90,910	7,852	-	-	-
Total governmental activities	26,733,270	30,827,333	31,292,354	30,255,921	28,010,320	28,475,205	28,975,823	31,300,226	33,029,984	36,415,636
Business-type activities:										
Unrestricted investment interest	65,563	123,552	144,898	128,629	54,260	13,940	11,677	10,093	10,377	7,515
Miscellaneous	68,947	2,131	10,375	230	-	115	374	58	32	224
Special items	(5,237)	-	-	-	-	-	-	-	-	-
Transfers	(48,000)	(48,000)	(10,000)	30,412	(10,000)	(90,910)	(7,852)	-	-	-
Total business-type activities	81,273	77,683	145,273	159,271	44,260	(76,855)	4,199	10,151	10,409	7,739
Total primary government	$ 26,814,543	$ 30,905,016	$ 31,437,627	$ 30,415,192	$ 28,054,580	$ 28,398,350	$ 28,980,022	$ 31,310,377	$ 33,040,393	$ 36,423,375
Change in Net Assets										
Governmental activities	$ 9,772,508	$ 11,287,974	$ 9,507,283	$ 9,653,454	$ 17,108,163	$ 28,828,596	$ 12,981,914	$ 11,254,808	$ 13,415,690	$ 12,145,661
Business-type activities	608,862	482,909	632,985	1,057,683	7,926,118	2,198,265	2,913,742	1,858,076	4,105,545	2,693,084
Total primary government	$ 10,381,370	$ 11,770,883	$ 10,140,268	$ 10,711,137	$ 25,034,281	$ 31,026,861	$ 15,895,656	$ 13,112,884	$ 17,521,235	$ 14,838,745

Table 3

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

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011**	2012	2013	2014
General Fund										
Nonspendable	N/A	N/A	N/A	N/A	N/A	$ 1,073,283	$ 983,843	$ 894,403	$ 804,963	$ 715,523
Restricted	N/A	N/A	N/A	N/A	N/A	$ 83,750	$ 83,750	$ 83,750	$ 83,750	$ 83,750
Committed	N/A	N/A	N/A	N/A	N/A	$ -	$ -	$ -	$ -	$ -
Assigned	N/A	N/A	N/A	N/A	N/A	$ 931,009	$ 2,507,136	$ 3,358,155	$ 5,408,025	$ 1,650,211
Unassigned	N/A	N/A	N/A	N/A	N/A	$ 16,693,974	$ 18,660,752	$ 17,362,744	$ 19,075,995	$ 25,875,025
Unreserved	$ 14,328,123	$ 13,501,081	$ 15,792,382	$ 15,448,317	$ 17,610,023	N/A	N/A	N/A	N/A	N/A
Total general fund	$ 14,328,123	$ 13,501,081	$ 15,792,382	$ 15,448,317	$ 17,610,023	$ 18,782,016	$ 22,235,481	$ 21,699,052	$ 25,372,733	$ 28,324,509
All other governmental funds										
Nonspendable	N/A	N/A	N/A	N/A	N/A	$ -	$ -	$ -	$ -	$ -
Restricted	N/A	N/A	N/A	N/A	N/A	$ 499,059	$ 1,968,439	$ 717,775	$ 3,481,187	$ 5,313,436
Committed	N/A	N/A	N/A	N/A	N/A	$ -	$ -	$ -	$ -	$ -
Assigned	N/A	N/A	N/A	N/A	N/A	$ 27,589,403	$ 28,037,913	$ 34,102,559	$ 39,430,557	$ 38,693,471
Unassigned	N/A	N/A	N/A	N/A	N/A	$ -	$ -	$ -	$ -	$ -
Unreserved, reported in:										
Special revenue funds	$ 2,679,045	$ 2,899,046	$ 3,075,040	$ 2,898,504	$ 3,117,552	N/A	N/A	N/A	N/A	N/A
Capital projects funds	35,608,879	29,301,614	32,695,405	37,741,813	30,093,218	N/A	N/A	N/A	N/A	N/A
Total all other governmental funds	$ 38,287,924	$ 32,200,660	$ 35,770,445	$ 40,640,317	$ 33,210,770	$ 28,088,462	$ 30,006,352	$ 34,820,334	$ 42,911,744	$ 44,006,907
Total governmental fund balances	$ 52,616,047	$ 45,701,741	$ 51,562,827	$ 56,088,634	$ 50,820,793	$ 46,870,478	$ 52,241,833	$ 56,519,386	$ 68,284,477	$ 72,331,416

N/A indicates data not available

* Beginning in 2011, fund balance categories were reclassified as a result of implementing GASB No. 54. Fund Balance was not restated to the new categories for 2003 through 2009.

**Beginning in 2011 the General Fund and the Street Fund are reported together as the General Fund

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

Table 4

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
Taxes	$ 25,056,422	$ 26,457,853	$ 26,404,991	$ 25,880,385	$ 25,404,720	$ 26,339,093	$ 27,820,187	$ 28,839,035	$ 30,879,861	$ 31,954,385
Licenses and permits	1,380,750	1,391,854	1,544,415	1,307,177	1,114,453	1,341,583	1,529,597	1,788,519	2,037,092	2,108,859
Intergovernmental	2,439,354	1,823,420	2,259,938	2,238,630	3,468,816	6,895,687	1,973,233	3,048,615	2,536,582	1,925,399
Charges for services	1,330,211	4,228,740	3,579,233	2,412,479	2,861,266	2,779,297	3,762,072	5,441,712	7,404,996	6,106,071
Fines and forfeitures	31,255	11,237	132,030	108,656	114,911	114,373	115,227	109,836	167,472	189,447
Investment income	1,534,782	2,523,208	2,823,975	1,885,925	924,706	256,741	282,187	192,152	112,907	140,759
Contributions	1,179,620	-	-	-	142,382	141,278	142,300	144,293	140,973	1,587,487
Miscellaneous	164,189	113,020	440,437	454,245	252,162	238,990	338,944	529,370	568,725	585,850
Total revenues	33,116,583	36,549,332	37,185,019	34,287,497	34,283,416	38,107,042	35,963,747	40,093,532	43,848,608	44,598,257
Expenditures										
General government	2,788,683	3,208,916	3,667,453	4,049,111	4,316,294	4,037,452	4,064,782	4,383,967	5,131,441	5,162,819
Security of persons and property	9,049,150	8,849,919	8,573,760	9,321,234	9,776,703	10,151,941	10,080,487	10,452,442	10,910,662	11,277,769
Physical environment	485,671	447,606	625,188	871,089	952,736	959,898	950,199	914,357	647,450	749,942
Transportation	1,638,388	1,321,147	2,506,566	2,085,166	3,100,089	3,631,794	4,318,694	5,720,593	4,443,236	5,786,602
Economic environment	2,046,896	2,505,820	3,033,764	2,729,931	2,713,581	2,658,468	2,295,159	2,357,657	2,929,710	3,076,043
Mental/physical health	124,389	116,345	9,340	11,633	9,600	10,704	11,061	11,717	8,525	7,577
Culture and recreation	1,370,199	1,831,984	2,163,876	2,301,155	2,281,835	2,582,888	2,779,198	3,014,476	3,097,055	3,173,620
Capital outlay	14,430,895	24,273,764	11,010,324	6,515,121	15,444,285	17,810,060	5,176,288	6,486,072	4,388,451	11,438,802
Debt service										
Principal	725,000	730,000	773,333	778,333	788,333	798,333	808,333	2,433,333	533,333	533,333
Interest and debt issue costs	187,386	178,136	169,327	162,234	148,928	136,061	122,795	109,128	24,000	21,334
Total expenditures	32,846,657	43,463,637	32,532,931	28,825,007	39,532,384	42,777,599	30,606,996	35,883,742	32,113,863	41,227,841
Excess of revenues over (under) expenditures	269,926	(6,914,305)	4,652,088	5,462,490	(5,248,968)	(4,670,557)	5,356,751	4,209,790	11,734,745	3,370,416

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2013
Other financing sources (uses)										
Transfers in	8,730,642	13,598,136	11,392,660	14,037,999	6,337,261	10,951,034	8,681,128	8,162,409	4,597,333	4,594,667
Transfers out	(8,925,642)	(13,598,136)	(11,477,660)	(15,002,182)	(6,422,261)	(11,036,034)	(8,681,128)	(8,162,409)	(4,597,333)	(4,594,667)
Bond/loan proceeds	-	-	500,000	-	-	-	-	-	-	-
Insurance recovery	-	-	-	-	54,123	19,746	14,603	10,375	30,346	21,521
Disposition of capital assets	-	-	-	27,500	12,004	785,496	-	57,391	-	655,000
Total other financing sources (uses)	(195,000)	-	415,000	(936,683)	(18,873)	720,242	14,603	67,766	30,346	676,521
Net change in fund balances	$ 74,926	$ (6,914,305)	$ 5,067,088	$ 4,525,807	$ (5,267,841)	$ (3,950,315)	$ 5,371,354	$ 4,277,556	$ 11,765,091	$ 4,046,937
Debt service as a percentage of noncapital expenditures	4.95%	4.73%	4.38%	4.22%	3.89%	3.74%	3.66%	8.65%	2.01%	1.86%

Table 5

City of Sammamish
Assessed and Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Property	Personal Property	State Public Service Property	Total Taxable Assessed Value	Total Direct Tax Rate
2005	$ 6,387,181,647	$ 16,585,232	$ 57,572,949	$ 6,461,339,828	$ 2.61
2006	7,083,323,160	17,203,090	51,775,183	7,152,301,433	2.58
2007	7,643,552,274	21,465,963	49,975,733	7,714,993,970	2.47
2008	8,663,218,275	21,965,672	53,959,302	8,739,143,249	2.24
2009	9,736,033,863	22,368,481	67,518,210	9,825,920,554	2.04
2010	8,314,338,299	18,592,049	66,427,066	8,399,357,414	2.43
2011	8,514,671,523	18,215,005	72,312,621	8,605,199,149	2.47
2012	8,341,401,422	12,045,684	51,974,379	8,405,421,485	2.56
2013	8,359,886,282	17,048,592	49,500,064	8,426,434,938	2.59
2014	9,218,133,360	18,360,322	53,873,536	9,290,367,218	2.41

Source: King County Assessor

Note: Real, personal, and state public service property have been assessed at 100% of the estimated value. Tax rates are per $1,000 of assessed value.

Table 6

City of Sammamish
Property Tax Rates, Direct and Overlapping Governments
Per One Thousand Dollars of Assessed Valuation
Last Ten Fiscal Years

	City Direct Rate		*Overlapping Rates					
Fiscal Year	Operating	Total Direct	Emergency Medical Service	Library	Fire District Bond	Washington State/ Other	**School District	Total Direct and Overlapping Rate
2005	$ 2.61	$ 2.61	$ 0.23	$ 0.53	$ 0.07	$ 4.33	$ 3.42	$ 11.19
2006	2.58	2.58	0.22	0.53	0.06	4.06	3.78	11.23
2007	2.47	2.47	0.21	0.50	0.04	3.85	3.80	10.87
2008	2.24	2.24	0.30	0.45	0.03	3.72	3.71	10.45
2009	2.04	2.04	0.27	0.42	-	3.40	3.72	9.85
2010	2.43	2.43	0.30	0.49	-	3.83	4.81	11.86
2011	2.47	2.47	0.30	0.57	-	3.84	4.85	12.03
2012	2.56	2.56	0.30	0.50	-	3.55	5.00	11.91
2013	2.59	2.59	0.30	0.57	-	4.48	4.74	12.68
2014	2.41	2.41	0.34	0.56	-	4.36	4.59	12.25

Source: King County Assessor
* Overlapping rates are those of other governments that apply to property owners within the City of Sammamish.
** These figures are for the Issaquah School District (levy code 2175) which serves the largest area of Sammamish. Other areas of Sammamish have a different taxing rate, depending on school district boundaries.
Note: Washington State law limits the growth of regular property taxes to one percent per year, after adjustments for new construction and annexations. An increase greater than one percent may be approved by the voters.

City of Sammamish
Principal Property Taxpayers

Table 7

	2014			2005		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Boulder Creek South LLC	51,921,000	1	0.56%			
PPC Sammamish LLC	47,835,000	2	0.51%			
Regency Centers LP	$ 47,648,700	3	0.51%	$ 32,627,200.00	1	0.46%
Puget Sound Energy	36,197,618	4	0.39%	$ 24,536,036.00	2	0.34%
Sahalee Country Club	12,295,103	5	0.13%	$ 12,782,960.00	5	0.18%
Colina Pine Lake LLC	7,500,000	6	0.08%	$ 3,560,000.00	9	0.05%
CPTS (Safeway)	7,395,000	7	0.08%	$ 5,604,669.00	8	0.08%
Oskoui Family Ltd Partnership	6,496,400	8	0.07%			
Frontier Communications NW	3,171,467	9	0.03%			
Qwest Corporation	2,252,158	10	0.02%	$ 14,396,069.00	3	0.20%
Saxony LLC				$ 11,925,000.00	6	0.17%
Trossachs Group				$ 6,209,000.00	7	0.09%
Quadrant				$ 13,290,000.00	4	0.19%
	$ 170,791,446		1.84%	$ 93,506,934.00		1.75%

Source: King County Assessor
Note: 2014 total assessed valuation for the City of Sammamish is $9,290,367,218.
2005 total assessed valuation for the City of Sammamish was $7,138,221,987.

Table 8

City of Sammamish
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Collected within the Fiscal Year of the Levy		Collected in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2005	$ 16,830,617	16,566,436	98.43%	264,181	16,830,617	100.00%
2006	18,359,238	18,103,966	98.61%	255,272	18,359,238	100.00%
2007	19,003,921	18,733,441	98.58%	270,480	19,003,921	100.00%
2008	19,494,065	19,200,624	98.49%	292,880	19,493,504	100.00%
2009	20,055,135	19,555,008	97.51%	499,737	20,054,745	100.00%
2010	20,668,496	20,380,906	98.61%	286,220	20,667,126	99.99%
2011	21,145,266	20,864,169	98.67%	278,622	21,142,791	99.99%
2012	21,435,266	21,163,924	98.73%	223,710	21,387,634	99.78%
2013	21,781,838	21,522,676	98.81%	183,593	21,706,269	99.65%
2014	22,296,591	22,014,170	98.73%	-	22,014,170	98.73%

Source: Annual Tax Receivable Summary Report prepared by the King County Finance Department.

Table 9

City of Sammamish
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities		Business-type Activities			
Fiscal Year	General Obligation Bonds	PWTF Loans	LTGO Revenue Bonds	Total Primary Government	*Percentage of Personal Income	*Per Capita
2005	3,410,000	8,000,000	825,562	12,235,562	0.64%	317
2006	3,180,000	8,000,000	773,172	11,953,172	0.56%	301
2007	2,940,000	7,466,667	718,139	11,124,806	0.48%	276
2008	2,695,000	6,933,333	660,557	10,288,890	0.44%	254
2009	2,440,000	6,400,000	600,060	9,440,060	0.41%	232
2010	2,175,000	5,866,667	545,174	8,586,841	0.35%	188
2011	1,900,000	5,333,333	477,493	7,710,826	0.31%	168
2012	-	4,800,000	406,183	5,206,183	0.19%	110
2013	-	4,266,667	331,077	4,597,744	0.16%	95.67
2014	-	3,733,333	251,933	3,985,266	0.13%	80.90

*See Table 13 for personal income and population data.
Note: Details about the city's outstanding debt can be found in the Notes to the Financial Statements.

City of Sammamish
Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years

Table 10

Fiscal Year	General Obligation Bonds	*Percentage of Actual Taxable Value of Property	**Per Capita
2005	3,410,000	0.05%	88
2006	3,180,000	0.04%	80
2007	2,940,000	0.04%	73
2008	2,695,000	0.03%	66
2009	2,440,000	0.02%	60
2010	2,175,000	0.03%	48
2011	1,900,000	0.02%	40
2012	-	0.00%	-
2013	-	0.00%	-
2014	-	0.00%	-

*See Table 5 for property value statistics.
**See Table 13 for population statistics.
Note: Information about the city's outstanding debt can be found in the Notes to the Financial Statements.

City of Sammamish
Computation of Direct and Overlapping Debt
As of December 31, 2014

Table 11

Governmental Unit	Gross General Obligation Debt Outstanding	*Percentage Applicable to Sammamish	Amount Applicable to Sammamish
Overlapping Debt:			
School District # 410	$ 74,295,000	4.42%	$ 3,281,148
School District # 411	366,330,000	2.56%	9,369,011
School District # 414	445,325,000	14.31%	63,741,854
King County	846,490,000	1.68%	14,196,161
Hospital District # 2	179,385,000	10.03%	17,983,832
Library District	119,055,000	0.54%	645,687
Fire District #27-1	1,060,000	14.89%	157,826
Port of Seattle	225,420,000	1.68%	3,780,433
Total Overlapping Debt	2,257,360,000		109,874,803
Direct Debt:			
City of Sammamish	3,733,333	100.00%	3,733,333
Total Direct and Overlapping Debt	$ 2,261,093,333		$ 113,608,136

Source: King County Finance Office; King County Assessor; City of Sammamish

*Determined by the ratio of 2011 assessed valuation of property subject to taxation in the overlapping unit to the valuation of property subject to taxation in the reporting unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of outstanding debt of those overlapping governments that is borne by the residents and businesses of Sammamish. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for paying the debt, of each overlapping government.

City of Sammamish
Legal Debt Margin Information
Last ten Fiscal Years

Table 12

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Debt limit (in thousands)	$ 323,067	$ 357,615	$ 385,750	$ 436,957	$ 491,296	$ 419,968	$ 430,260	$ 420,271	$ 421,322	$ 464,518
Total net debt applicable to limit	11,410	10,680	10,407	9,629	8,840	8,042	7,233	4,800	4,267	3,733
Legal debt margin (in thousands)	$ 311,657	$ 346,935	$ 375,343	$ 427,328	$ 482,456	$ 411,926	$ 423,027	$ 415,471	$ 417,055	$ 460,785
Total net debt applicable to limit as a percentage of debt limit	3.53%	2.99%	2.70%	2.20%	1.80%	1.91%	1.68%	1.14%	1.01%	0.80%

Note:
Under state law Sammamish voters may approve general obligation debt of up to 5% of assessed valuation.
This 5% limit is allocated equally between general government and parks/open space resulting in a 2.5% limit for each.
Within the 2.5% limit, the City Council has the authority to issue bonds without voter approval for a combined total of up to 1.5% of the city's assessed valuation.

Legal Debt Margin Calculation for Fiscal Year 2014

	General Capacity		Special Purpose Capacity	Total Capacity
	Non-Voted Debt	Voted Debt	Parks and Open Space	
December 31, 2014 Assessed Value: $9,290,367,218				
2.50% of Assessed Value	$ -	$ 232,259,180	$ 232,259,180	$ 464,518,361
1.5% of Assessed Value	139,355,508	(139,355,508)	-	-
Statutory Debt Limit	$ 139,355,508	$ 92,903,672	$ 232,259,180	$ 464,518,361
Debt Applicable to Limit				
Bonds outstanding	$ -	-	-	$ -
PWTF Loans	3,733,333	-	-	3,733,333
Accounts payable	2,124,419	-	1,294,378	3,418,797
Compensated absences payable	562,010	-	-	562,010
Due to other governments	1,305	-	-	1,305
Less:				
*Available cash and investments	(2,687,734)	-	(1,294,378)	(3,982,112)
Total net debt applicable to limit	3,733,333	-	-	3,733,333
Remaining debt capacity	$ 135,622,175	$ 92,903,672	$ 232,259,180	$ 460,785,028

*Available cash and investments are defined as cash and investments that can be used to pay the city's current year general obligation debt.

City of Sammamish
Demographic Statistics
Last Ten Fiscal Years

Table 13

Fiscal Year	Population	Per Capita Personal Income	Personal Income	Median Age	Number of Households	Unemployment Rate
2005	38,640	49,488	1,912,216,320	35	11,131	4.70%
2006	39,730	53,488	2,125,078,240	35	11,131	4.20%
2007	40,260	57,710	2,323,404,600	35	11,131	3.90%
2008	40,550	58,141	2,357,617,550	35	11,131	4.30%
2009	40,670	56,904	2,314,285,680	35	11,131	8.30%
2010	45,780	53,559	2,451,931,020	37	15,154	8.40%
2011	46,940	55,136	2,588,083,840	37	15,736	8.20%
2012	47,420	57,837	2,742,630,540	37	16,148	6.00%
2013	48,060	60,090	2,887,925,400	37	16,490	5.20%
2014	49,260	62,770	3,092,050,200	37	16,490	4.20%

Sources:
Population figures are from the Puget Sound Regional Council.
Personal income figures are from the U.S. Bureau of Economic Analysis. Estimates are for King County in which Sammamish is located.
Median age and number of households are from the 2000 Census for years 2001-2009. The 2010 Census was used for 2010-2013.
The unemployment rate is from the Washington State Employment Security Department. It is an estimate of the King County unemployment rate in which Sammamish is located.

City of Sammamish
Principal Employers
Current Year

Table 14

Employer	Type of Business	Rank	Number of Employees
Lake Washington School District	Education	1	483
Issaquah School District	Education	2	439
Safeway	Grocery Store	3	175
Sahalee Country Club	Country Club	4	150
Eastside Catholic School	Education	5	120
Columbia Athletic Club @ Pine Lake	Fitness Club	6	100
Plateau Club	Country Club	7	100
QFC	Grocery Store	8	99
Starbucks	Coffee House	9	82

Notes:
Sammamish is primarily a residential city with a small commercial base.
Data on the number of employees for each business is not collected by the city. These numbers are estimates from a business survey. Data on the total city employment is not collected.

City of Sammamish

Full-time Equivalent City Government Employees by Function/Program

Last Ten Fiscal Years

Table 15

Function/Program	Fiscal Year 2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government										
Executive	5.5	5.5	6.5	4.5	4.5	3.5	3.5	3.5	3.5	3.5
Finance	4	4	4	6	6	6	6	6	6	6
Information Technology	2	2	2	2	3	3	3	3	3	3
Administrative Services	5	5	4	5	4	4	3	3	3.5	3.5
Community Development	21.5	22.5	23.5	21.5	21.5	20.5	17.5	17.5	18.5	20
Facilities	0	0	0	0	0	0	0	0	1	1
*Security										
Police	1	1	1	1	1	1	1	1	1	1
Culture and Recreation	10	12	12	13	14.2	14.2	14.2	15.2	15.2	15.2
Transportation	6.3	7.45	7.45	7.45	7.35	7.05	6.425	6.425	7.42	7.75
Public Works	3.7	4.9	5.4	5.4	5.4	6.7	4.7	4.7	3.7	4.04
Surface Water Management	7	7.65	8.15	8.15	8.05	9.05	8.175	8.175	10.18	10.51
Total	66	72	74	74	75	75	67.5	68.5	73	75.5

Source: City budget office

*The city contracts with King County for Police services and with Eastside Fire and Rescue for Fire services.
Police and Fire personnel are employees of the agencies the city contracts with for services.
The only employee of the city in the Security function is the Police Administrative Assistant.

City of Sammamish
Operating Indicators by Function/Program
Last Ten Fiscal Years

Table 16

Function/Program	Fiscal Year 2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Community Development										
Single Family Resident Permits	262	136	141	54	68	155	180	210	277	249
Estimated Value (in thousands)	$ 82,500	$ 55,923	$ 59,594	$ 26,480	$ 24,682	$ 58,015	$ 70,282	$ 84,455	$ 114,029	$ 107,416
Transportation										
Road Resurfacing (in thousands)	$ 256	$ 295	$ 494	$ 68	$ 1,064	$ 1,708	$ 2,206	$ 3,400	$ 2,487	$ 3,485
Road Construction (in thousands)	$ 2,276	$ 2,593	$ 5,176	$ 3,078	$ 12,072	$ 12,141	$ 1,708	$ 3,300	$ 2,144	$ 1,404
Police Responses										
Arson	5	15	0	4	5	1	1	1	2	6
Assault	68	50	57	5	3	7	7	31	6	50
Burglary	55	104	144	183	70	95	94	38	89	134
Drugs	18	20	18	12	8	9	9	12	7	12
Homicide	0	0	0	0	0	0	0	0	0	1
Rape	4	5	4	3	7	6	8	3	4	3
Robbery	25	29	8	9	3	4	1	0	191	1
Traffic enforcement	1,404	1,683	1,347	607	555	132	1,987	150	95	2,347
Fire Responses										
Fires	76	118	81	92	80	44	90	69	63	66
Emergency Medical	1,132	1,056	1,053	1,058	1,068	787	1,072	1,067	1,024	1,028
Motor Vehicle	54	84	48	61	72	28	48	44	45	51
Service	464	529	473	517	541	319	480	261	501	451

Sources: Various city departments. Fire response data provided by Eastside Fire & Rescue
Police responses provided by King County Sheriff's Office
*Information not available

City of Sammamish
Capital Assets Statistics by Function/Program
Last Ten Fiscal Years

Table 17

Function/Program	Fiscal Year 2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Police										
Number of stations	1	1	1	1	1	1	1	1	1	1
Fire										
Number of stations	3	3	3	3	3	3	3	3	3	3
Number of fire engines	7	7	7	7	7	7	7	7	7	7
Number of aid cars	6	6	6	6	6	6	6	6	6	6
Transportation										
Center lane miles of streets	*	*	*	167	167	168	168	168	172	176
Traffic signals	*	*	*	19	20	20	20	21	21	23
School Zone flashers	*	*	*	3	4	15	24	26	28	32
Culture and Recreation										
Acres of developed parks	125	147	173	173	179	255	442	442	445	445
Acres of undeveloped parks	281	271	254	254	252	187	48	48	48	48
Playgrounds	5	5	7	7	7	7	9	9	9	9
Tennis courts (includes public schools)	26	26	27	27	27	27	27	27	27	27
Athletic fields (football, baseball, soccer)	32	34	34	34	34	34	48	48	49	49

*Data not available

Note: Police vehicles are owned by King County from whom Sammamish contracts for Police services. Fire stations and vehicles are owned by Sammamish and operated by Eastside Fire and Rescue. Transportation data is provided by City Engineer. Culture & Recreation data is provided and tracked by the Parks department.