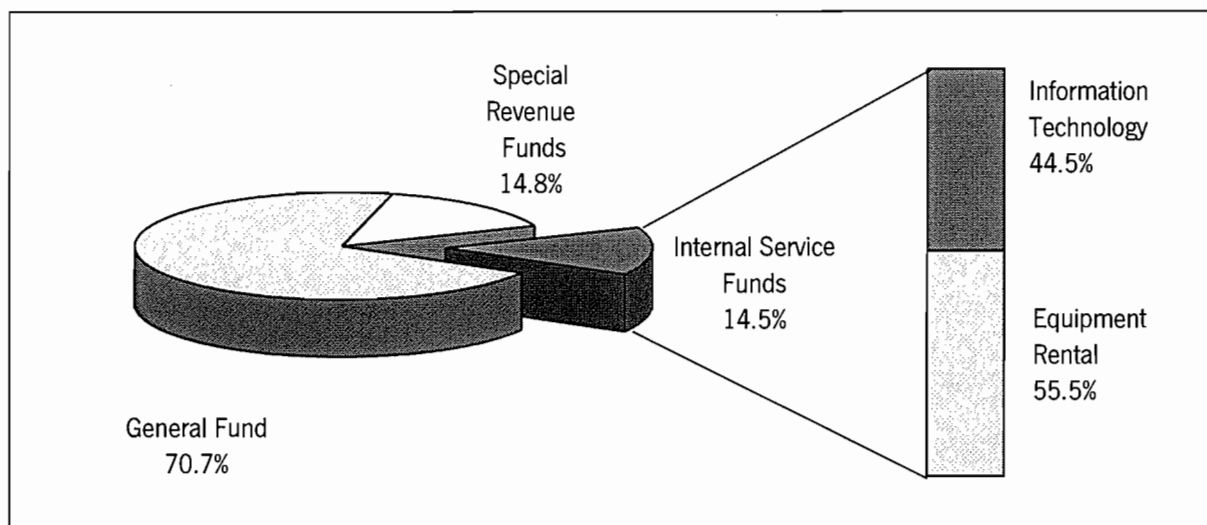


**CITY OF KIRKLAND  
GENERAL GOVERNMENT OPERATING  
2007-2008 BUDGET SUMMARY: BY FUND TYPE/FUND**



Expenditures for the general government operations of the City are presented in nine separate operating funds. This pie shows the total operating budget by fund type. The General Fund makes up the largest portion of the operating budget and accounts for general purpose expenditures that do not have a dedicated funding source such as public safety and general government. State law requires that Washington cities adopt a balanced budget for each of their operating funds. These funds finance the normal non-utility service delivery functions of the municipality. The following pages summarize the various operating funds and how they are budgeted.

**Analysis of Change**

Fund	2005-2006 Budget	2007-2008 Budget	Percent Change
<b>General Fund</b>			
010 General	95,337,701	107,829,861	13.10%
<b>Special Revenue Funds</b>			
112 Lodging Tax	377,463	390,814	3.54%
117 Street Operating	8,233,243	8,867,461	7.70%
122 Cemetery Operating	311,728	337,514	8.27%
125 Parks Maintenance	1,784,151	1,959,973	9.85%
126 Recreation Revolving	1,927,875	2,141,701	11.09%
127 Facilities Maintenance	8,435,301	8,900,070	5.51%
<b>Total Special Revenue Funds</b>	<b>21,069,761</b>	<b>22,597,533</b>	<b>7.25%</b>
<b>Internal Service Funds</b>			
521 Equipment Rental	12,247,352	12,262,223	0.12%
522 Information Technology	8,598,001	9,841,040	14.46%
<b>Total Internal Service Funds</b>	<b>20,845,353</b>	<b>22,103,263</b>	<b>6.03%</b>
<b>Total General Government Operating Funds</b>	<b>137,252,815</b>	<b>152,530,657</b>	<b>11.13%</b>

**CITY OF KIRKLAND**  
**CHANGE IN FUND BALANCE (Beginning 2005 to Ending 2008)**  
**GENERAL GOVERNMENT OPERATING FUNDS**

	<b>General<sup>1</sup></b>	<b>Lodging Tax</b>	<b>Street Operating<sup>2</sup></b>	<b>Cemetery Operating</b>
<b>2005 Actual Beginning Fund Balance</b>	<b>4,741,650</b>	<b>182,713</b>	<b>1,403,100</b>	<b>131,728</b>
<i>Reserved</i>	<i>247,668</i>	<i>51,750</i>	<i>0</i>	<i>0</i>
<i>Unreserved Working Capital</i>	<i>4,493,982</i>	<i>130,963</i>	<i>1,403,100</i>	<i>131,728</i>
Plus: 2005-06 Estimated Revenues	97,841,748	268,984	7,030,848	209,246
Less: 2005-06 Estimated Expenditures	94,064,972	282,973	7,140,429	198,101
Less: 2005-06 Amt. Available for Year-End Transfer	532,545	N/A	N/A	N/A
<b>2005-06 Estimated Ending Fund Balance</b>	<b>7,985,881</b>	<b>168,724</b>	<b>1,293,519</b>	<b>142,873</b>
Less: Funding for Carryovers to 2007	2,286,393	62,910	185,898	3,179
Less: Funding for 2007-08 Svc. Pkgs. & Reserves	1,838,930	0	0	5,000
<b>2007 Budgeted Beginning Fund Balance</b>	<b>3,860,558</b>	<b>105,814</b>	<b>1,107,621</b>	<b>134,694</b>
Plus: 2007-08 Budgeted Revenues	103,969,303	285,000	7,759,840	202,820
Less: 2007-08 Budgeted Expenditures	106,929,861	297,692	8,206,895	218,045
<b>2008 Budgeted Ending Fund Balance</b>	<b>900,000</b>	<b>93,122</b>	<b>660,566</b>	<b>119,469</b>
<i>Reserved</i>	<i>50,000</i>	<i>93,122</i>	<i>0</i>	<i>0</i>
<i>Unreserved Working Capital</i>	<i>850,000</i>	<i>0</i>	<i>660,566</i>	<i>119,469</i>
<b>Change in Fund Balance: Beginning 2005 to Ending 2008</b>	<b>(3,841,650)</b>	<b>(89,591)</b>	<b>(742,534)</b>	<b>(12,259)</b>

**Notes:**

In 1998, the City Council adopted a policy to budget all estimated fund balances. Fund balance is comprised of the following: operating reserve, capital reserve, and unreserved working capital. Reserved fund balance is dedicated for a specific purpose such as equipment replacement or an operating contingency for unforeseen expenditures. Unreserved working capital represents excess operating resources brought forward from the prior year to fund one-time "service package" costs and equipment purchases as well as to cover the cash flow needs of the fund.

<sup>1</sup> The only reserve included in the City's General Fund is an operating reserve, which is used for unplanned expenditures. At the end of each year, only that portion of the ending fund balance needed to fund one-time projects and equipment as well as to meet cash flow needs during the year is left in the General Fund. The remaining fund balance is transferred to general purpose reserves in the non-operating budget (the "year-end" transfer). The City's Fiscal Policies include conservative budgeting practices that provide the ability at year-end to replenish or build reserves toward targeted levels. The significant reduction in fund balance reflects the use of unreserved working capital (i.e. cash) to fund one-time service packages (i.e. projects).

<b>Parks Maintenance</b>	<b>Recreation Revolving</b>	<b>Facilities Maintenance<sup>3</sup></b>	<b>Equipment Rental<sup>3</sup></b>	<b>Information Technology<sup>3</sup></b>	<b>Total</b>
<b>313,969</b>	<b>101,117</b>	<b>2,325,461</b>	<b>5,658,030</b>	<b>2,323,176</b>	<b>17,180,944</b>
<i>303,075</i>	<i>0</i>	<i>1,853,839</i>	<i>5,658,030</i>	<i>2,130,572</i>	<i>10,244,934</i>
<i>10,894</i>	<i>101,117</i>	<i>471,622</i>	<i>0</i>	<i>192,604</i>	<i>6,936,010</i>
1,475,509	1,852,067	6,378,045	6,791,671	6,118,232	<b>127,966,350</b>
1,347,118	1,861,206	6,243,897	6,672,039	6,162,776	<b>123,973,511</b>
N/A	N/A	N/A	N/A	N/A	<b>532,545</b>
<b>442,360</b>	<b>91,978</b>	<b>2,459,609</b>	<b>5,777,662</b>	<b>2,278,632</b>	<b>20,641,238</b>
106,693	0	191,520	117,676	229,209	<b>3,183,478</b>
0	0	0	0	0	<b>1,843,930</b>
<b>335,667</b>	<b>91,978</b>	<b>2,268,089</b>	<b>5,659,986</b>	<b>2,049,423</b>	<b>15,613,830</b>
1,624,306	2,049,723	6,631,981	6,602,237	7,791,617	<b>136,916,827</b>
1,798,718	2,072,242	6,000,273	5,948,535	8,153,124	<b>139,625,385</b>
<b>161,255</b>	<b>69,459</b>	<b>2,899,797</b>	<b>6,313,688</b>	<b>1,687,916</b>	<b>12,905,272</b>
<i>89,012</i>	<i>0</i>	<i>2,225,300</i>	<i>6,160,780</i>	<i>1,486,201</i>	<i>10,104,415</i>
<i>72,243</i>	<i>69,459</i>	<i>674,497</i>	<i>152,908</i>	<i>201,715</i>	<i>2,800,857</i>
<b>(152,714)</b>	<b>(31,658)</b>	<b>574,336</b>	<b>655,658</b>	<b>(635,260)</b>	<b>(4,275,672)</b>

**Notes:**

<sup>2</sup> In the Street Operating Fund, the significant reduction in fund balance reflects the use of unreserved working capital (i.e. cash) to fund one-time service packages (i.e. projects).

<sup>3</sup> In the Facilities Maintenance, Equipment Rental, and Information Technology Funds, reserved fund balance primarily represents cash earmarked for facilities renovations, vehicle replacements, and computer replacements respectively. Increases in fund balance reflect the accumulation of capital reserves. Decreases in fund balance reflect the use of unobligated cash to fund one-time projects and/or the use of capital reserves for facilities renovations, to purchase vehicle replacements, or to purchase computer replacements.



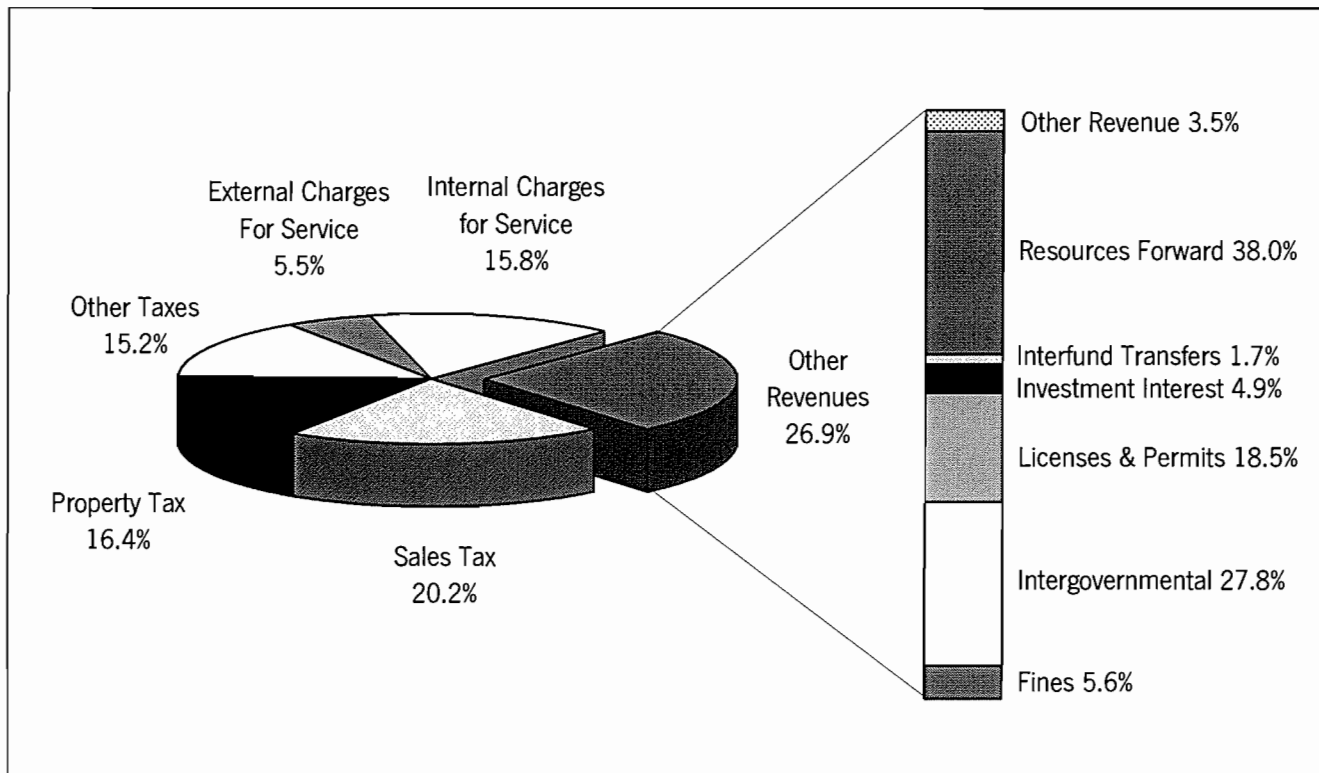
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# REVENUE SUMMARY

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**CITY OF KIRKLAND  
 GENERAL GOVERNMENT OPERATING  
 2007-2008 REVENUE SUMMARY  
 \$152,530,657**



Taxes comprise over 50% of all General Government Operating revenues, with sales tax being the single largest revenue category. They are a general purpose revenue source which are used to support basic government services such as public safety, street maintenance, and park maintenance. Internal charges for service reflect payments from one operating fund to another primarily for information technology, fleet, general administration, facilities maintenance, engineering, and billing services provided "in-house." Resources forward represents the collective beginning fund balance for all General Government Operating Funds, and is composed primarily of capital reserves, operating reserves, and unreserved working capital. In addition, resources forward is used to fund one-time service packages.





**CITY OF KIRKLAND  
GENERAL GOVERNMENT OPERATING  
2007-2008 REVENUE SUMMARY: BY REVENUE TYPE**

<b>Revenue Sources</b>	<b>2003-2004 Actual</b>	<b>2005-2006 Estimate</b>	<b>2005-2006 Budget</b>	<b>2007-2008 Budget</b>	<b>Percent Change</b>
<b><i>Taxes:</i></b>					
Property Tax	19,631,802	21,793,570	21,834,372	25,039,198	14.68%
<b>Sales Tax:</b>					
General	23,836,429	29,110,564	24,183,673	30,779,685	27.27%
Criminal Justice	1,767,699	1,950,660	1,765,000	2,075,000	17.56%
<b>Utility Taxes:</b>					
Electric	3,502,924	3,840,151	3,694,600	4,380,000	18.55%
Gas	1,304,068	2,223,838	1,550,500	2,950,000	90.26%
Television Cable	1,199,765	1,595,801	1,320,000	1,585,000	20.08%
Telephone	5,352,039	5,101,087	5,380,000	4,550,000	-15.43%
Garbage	967,937	1,008,010	1,051,687	1,109,700	5.52%
Sewer	829,094	961,388	1,048,835	1,184,999	12.98%
Water	923,189	929,013	1,004,289	1,147,175	14.23%
Surface Water	300,551	603,902	346,000	773,982	123.69%
Admissions Tax	220,622	210,005	225,000	230,000	2.22%
Revenue Generating Regulatory License	1,399,903	1,892,898	1,800,000	1,965,000	9.17%
Hotel/Motel Tax	251,813	268,497	215,000	285,000	32.56%
Gambling & Other Taxes	990,602	908,719	940,062	914,500	-2.72%
<b>Total Taxes</b>	<b>62,478,437</b>	<b>72,398,103</b>	<b>66,359,018</b>	<b>78,969,239</b>	<b>19.00%</b>
<b><i>Licenses and Permits:</i></b>					
Building/Structural	3,278,153	4,809,567	3,691,143	4,366,900	18.31%
Franchise Fees	1,509,424	1,856,993	1,587,000	2,000,000	26.02%
Business & Other Licenses	911,225	1,233,848	998,590	1,218,200	21.99%
<b>Total Licenses and Permits</b>	<b>5,698,802</b>	<b>7,900,408</b>	<b>6,276,733</b>	<b>7,585,100</b>	<b>20.84%</b>
<b><i>Intergovernmental:</i></b>					
Emergency Medical Services	899,870	965,107	965,107	1,023,883	6.09%
Fire District Revenue	4,949,479	6,233,834	6,136,541	6,687,620	8.98%
Gas Tax	1,291,924	1,316,187	1,301,066	1,317,206	1.24%
Liquor Taxes	959,389	1,013,091	1,042,880	1,114,558	6.87%
Grants & Other Intergovernmental	1,129,596	1,630,700	1,592,544	1,271,350	-20.17%
<b>Total Intergovernmental</b>	<b>9,230,258</b>	<b>11,158,919</b>	<b>11,038,138</b>	<b>11,414,617</b>	<b>3.41%</b>
<b><i>Charges for Services:</i></b>					
Planning Fees	3,502,419	3,756,737	3,917,597	3,654,200	-6.72%
Engineering Development Fees	666,447	1,220,250	800,000	1,210,000	51.25%
Recreation Charges	1,703,512	1,862,865	1,760,658	1,980,133	12.47%
Internal Charges	18,141,099	20,405,585	21,281,597	24,087,016	13.18%
Other Charges	1,283,206	1,455,153	1,413,240	1,543,287	9.20%
<b>Total Charges for Services</b>	<b>25,296,683</b>	<b>28,700,590</b>	<b>29,173,092</b>	<b>32,474,636</b>	<b>11.32%</b>
<b><i>Fines and Forfeits</i></b>	<b>2,407,720</b>	<b>2,110,730</b>	<b>2,249,700</b>	<b>2,289,750</b>	<b>1.78%</b>
<b><i>Miscellaneous</i></b>	<b>2,330,567</b>	<b>2,951,786</b>	<b>2,719,347</b>	<b>3,479,261</b>	<b>27.94%</b>
<b><i>Interfund Transfers</i></b>	<b>2,647,547</b>	<b>2,727,124</b>	<b>2,751,048</b>	<b>704,224</b>	<b>-74.40%</b>
<b><i>Resources Forward</i></b>	<b>16,187,931</b>	<b>17,180,944</b>	<b>16,685,739</b>	<b>15,613,830</b>	<b>-6.42%</b>
<b>General Government Operating Total</b>	<b>126,277,945</b>	<b>145,128,604</b>	<b>137,252,815</b>	<b>152,530,657</b>	<b>11.13%</b>

**CITY OF KIRKLAND  
GENERAL GOVERNMENT OPERATING  
2007-2008 REVENUE SUMMARY: BY REVENUE TYPE ACROSS FUNDS**

<b>Revenue Sources</b>	<b>General Fund</b>	<b>Lodging Tax Fund</b>	<b>Street Operating Fund</b>	<b>Cemetery Operating Fund</b>
<b><i>Taxes:</i></b>				
Property Tax	17,820,566	0	5,687,326	0
Sales Tax:				
General	30,779,685	0	0	0
Criminal Justice	2,075,000	0	0	0
Utility Taxes:				
Electric	4,380,000	0	0	0
Gas	2,950,000	0	0	0
Television Cable	0	0	0	0
Telephone	4,550,000	0	0	0
Garbage	1,109,700	0	0	0
Sewer	1,184,999	0	0	0
Water	1,147,175	0	0	0
Surface Water	773,982	0	0	0
Admissions Tax	0	0	0	0
Revenue Generating Regulatory License	1,965,000	0	0	0
Hotel/Motel Tax	0	285,000	0	0
Gambling & Other Taxes	914,500	0	0	0
<b>Total Taxes</b>	<b>69,650,607</b>	<b>285,000</b>	<b>5,687,326</b>	<b>0</b>
<b><i>Licenses and Permits:</i></b>				
Building/Structural	4,366,900	0	0	0
Franchise Fees	2,000,000	0	0	0
Business & Other Licenses	1,218,200	0	0	0
<b>Total Licenses and Permits</b>	<b>7,585,100</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><i>Intergovernmental:</i></b>				
Emergency Medical Services	1,023,883	0	0	0
Fire District Revenue	6,687,620	0	0	0
Gas Tax	0	0	1,317,206	0
Liquor Taxes	1,114,558	0	0	0
Grants & Other Intergovernmental	1,152,082	0	0	0
<b>Total Intergovernmental</b>	<b>9,978,143</b>	<b>0</b>	<b>1,317,206</b>	<b>0</b>
<b><i>Charges for Services:</i></b>				
Planning Fees	3,654,200	0	0	0
Engineering Development Fees	1,210,000	0	0	0
Recreation Charges	162,000	0	0	0
Internal Charges	6,876,139	0	26,278	0
Other Charges	1,377,567	0	5,200	153,820
<b>Total Charges for Services</b>	<b>13,279,906</b>	<b>0</b>	<b>31,478</b>	<b>153,820</b>
<b><i>Fines and Forfeits</i></b>	<b>2,284,750</b>	<b>0</b>	<b>0</b>	<b>5,000</b>
<b><i>Miscellaneous</i></b>	<b>791,800</b>	<b>0</b>	<b>683,830</b>	<b>44,000</b>
<b><i>Interfund Transfers</i></b>	<b>398,997</b>	<b>0</b>	<b>40,000</b>	<b>0</b>
<b><i>Resources Forward</i></b>	<b>3,860,558</b>	<b>105,814</b>	<b>1,107,621</b>	<b>134,694</b>
<b>Fund Total</b>	<b>107,829,861</b>	<b>390,814</b>	<b>8,867,461</b>	<b>337,514</b>

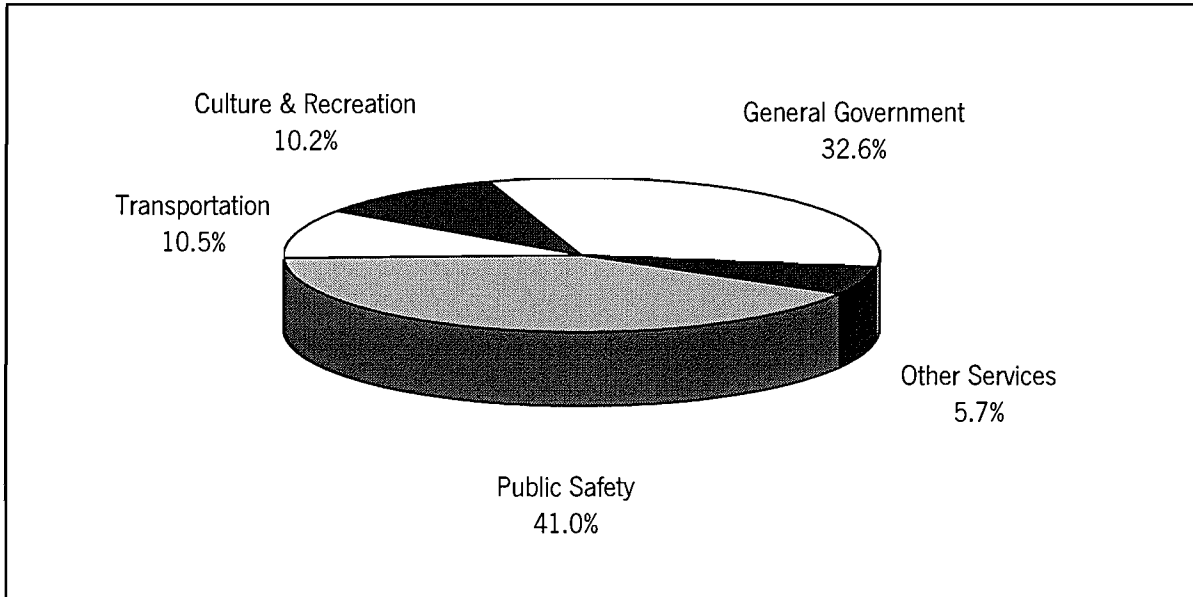
Parks Maintenance Fund	Recreation Revolving Fund	Facilities Maintenance Fund	Equipment Rental Fund	Information Technology Fund	Revenue Total
1,531,306	0	0	0	0	25,039,198
0	0	0	0	0	30,779,685
0	0	0	0	0	2,075,000
0	0	0	0	0	4,380,000
0	0	0	0	0	2,950,000
0	0	1,585,000	0	0	1,585,000
0	0	0	0	0	4,550,000
0	0	0	0	0	1,109,700
0	0	0	0	0	1,184,999
0	0	0	0	0	1,147,175
0	0	0	0	0	773,982
0	0	230,000	0	0	230,000
0	0	0	0	0	1,965,000
0	0	0	0	0	285,000
0	0	0	0	0	914,500
<b>1,531,306</b>	<b>0</b>	<b>1,815,000</b>	<b>0</b>	<b>0</b>	<b>78,969,239</b>
0	0	0	0	0	4,366,900
0	0	0	0	0	2,000,000
0	0	0	0	0	1,218,200
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,585,100</b>
0	0	0	0	0	1,023,883
0	0	0	0	0	6,687,620
0	0	0	0	0	1,317,206
0	0	0	0	0	1,114,558
0	0	0	0	119,268	1,271,350
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>119,268</b>	<b>11,414,617</b>
0	0	0	0	0	3,654,200
0	0	0	0	0	1,210,000
0	1,818,133	0	0	0	1,980,133
0	0	3,664,491	6,176,510	7,343,598	24,087,016
0	3,700	0	3,000	0	1,543,287
<b>0</b>	<b>1,821,833</b>	<b>3,664,491</b>	<b>6,179,510</b>	<b>7,343,598</b>	<b>32,474,636</b>
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,289,750</b>
<b>23,000</b>	<b>149,890</b>	<b>1,152,490</b>	<b>305,500</b>	<b>328,751</b>	<b>3,479,261</b>
<b>70,000</b>	<b>78,000</b>	<b>0</b>	<b>117,227</b>	<b>0</b>	<b>704,224</b>
<b>335,667</b>	<b>91,978</b>	<b>2,268,089</b>	<b>5,659,986</b>	<b>2,049,423</b>	<b>15,613,830</b>
<b>1,959,973</b>	<b>2,141,701</b>	<b>8,900,070</b>	<b>12,262,223</b>	<b>9,841,040</b>	<b>152,530,657</b>



# EXPENDITURE SUMMARY



**CITY OF KIRKLAND  
GENERAL GOVERNMENT OPERATING  
2007-2008 EXPENDITURE SUMMARY: BY PROGRAM**



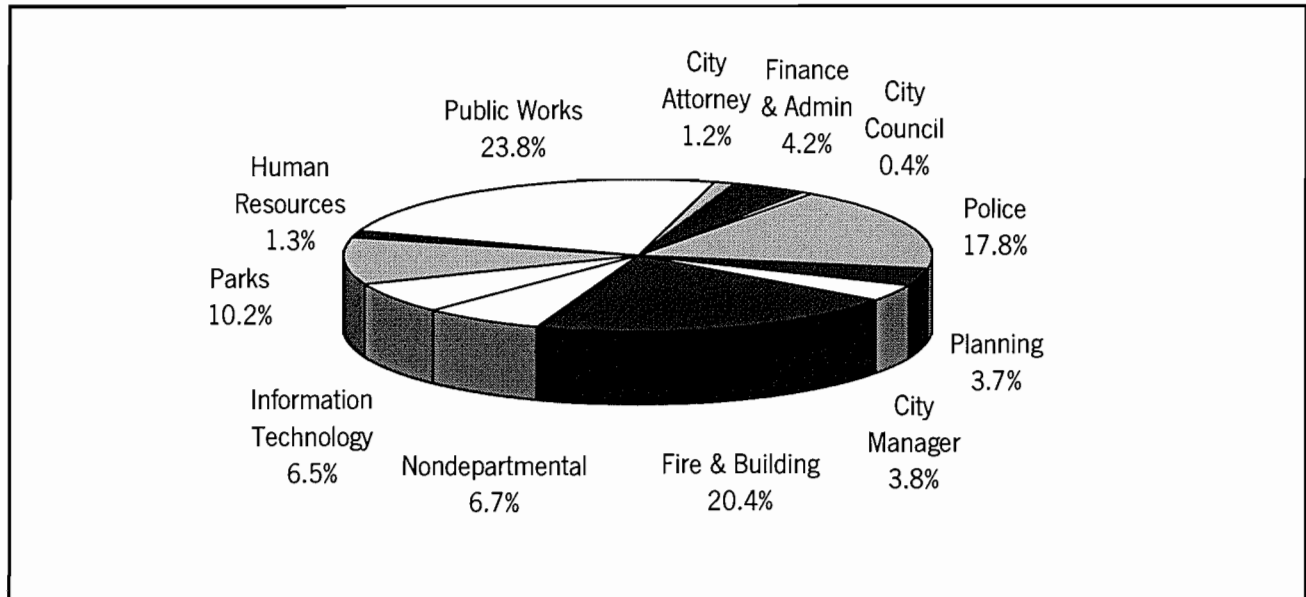
The General Government Operating Funds account for 48 percent of the City's total budget. The largest program area is Public Safety comprising police, fire, building inspection, and municipal court services. General Government represents the next largest program area, which includes legislative, executive, legal, administrative, financial, community planning, technology, and fleet services. Noteworthy budget changes from 2005-2006 to 2007-2008 include the following: (1) 101.83% increase in Other Services primarily due to undistributed salaries and benefits for unsettled employee contract negotiations and cost of living increases; (2) 10.49% increase in Culture & Recreation due to additional outside agency funding and increased staffing costs for additional parks and facilities such as Heritage Park and Heritage Hall; and (3) 10.19% increase in Public Safety due to increased salary and benefit costs (i.e. higher medical and state retirement rates, contractual obligations for market and cost of living increases for employees with settled contracts), additional correctional officers, and additional staffing for development services and the full two year impact of additional staffing at the Totem Lake Fire Station added in 2006.

**Analysis of Change**

<b>Program</b>	<b>2003-2004 Actual*</b>	<b>2005-2006 Budget</b>	<b>2007-2008 Budget</b>	<b>Percent Change</b>
Public Safety	47,252,701	56,768,985	62,553,982	10.19%
Transportation	11,980,446	14,970,140	15,989,893	6.81%
Culture & Recreation	11,996,499	14,061,879	15,537,548	10.49%
General Government	30,737,416	47,144,052	49,754,771	5.54%
Other Services	1,555,415	4,307,759	8,694,463	101.83%
<b>Program Total</b>	<b>103,522,477</b>	<b>137,252,815</b>	<b>152,530,657</b>	<b>11.13%</b>

\*2003-2004 actual does not include reserves.

**CITY OF KIRKLAND  
GENERAL GOVERNMENT OPERATING  
2007-2008 EXPENDITURE SUMMARY: BY DEPARTMENT**



The largest department in the General Government Operating Funds is Public Works, which consists of engineering, transportation, facilities maintenance, and fleet management services. Fire & Building and Police, which provide public safety services, are the next two largest departments. Noteworthy budget changes from 2005-2006 to 2007-2008 include the following: (1) 74.13% increase in Nondepartmental primarily due to undistributed salaries and benefits for unsettled employee contract negotiations; (2) 18.17% increase in the City Manager's Office due to additional Court staff and a communications coordinator; (3) 14.46% increase in Information Technology due to increased staffing costs and new technology systems; (4) 12.59% increase in Fire & Building mostly due to the full two year impact of additional staffing at the Totem Lake Fire Station that was added in 2006, and additional development-related staffing; and (5) 10.61% increase in Parks & Community Services due to additional staff and recreation programs.

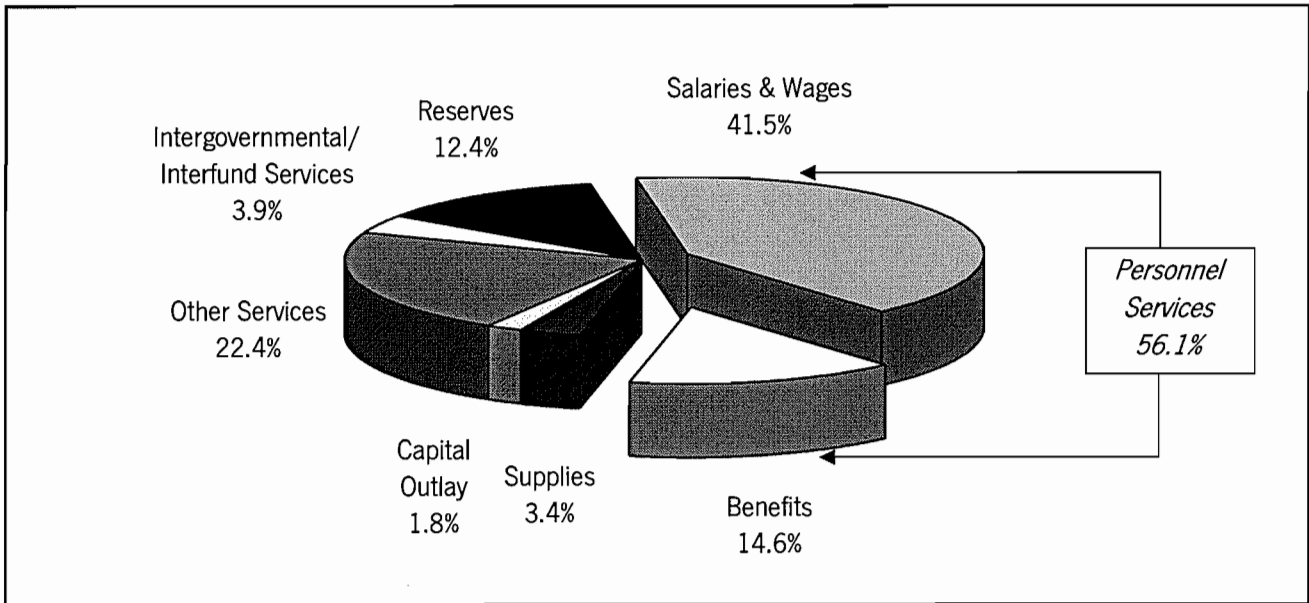
**Analysis of Change**

Department	2003-2004 Actual*	2005-2006 Budget	2007-2008 Budget	Percent Change
Nondepartmental	2,172,125	5,925,967	10,318,982	74.13%
City Council	432,318	629,724	655,134	4.04%
City Manager	3,798,397	4,842,261	5,721,892	18.17%
Human Resources	1,308,168	1,752,835	1,954,498	11.50%
City Attorney	1,527,856	1,782,216	1,886,872	5.87%
Parks & Community Services	11,971,550	14,046,245	15,536,881	10.61%
Public Works	22,212,046	34,849,617	36,333,973	4.26%
Finance & Administration	5,385,815	5,959,359	6,334,762	6.30%
Planning & Community Development	5,352,467	5,982,467	5,607,972	-6.26%
Police	21,321,339	25,211,610	27,183,214	7.82%
Fire & Building	23,352,565	27,672,513	31,155,437	12.59%
Information Technology	4,687,831	8,598,001	9,841,040	14.46%
<b>Department Total</b>	<b>103,522,477</b>	<b>137,252,815</b>	<b>152,530,657</b>	<b>11.13%</b>

\*2003-2004 actual does not include reserves.



**CITY OF KIRKLAND  
GENERAL GOVERNMENT OPERATING  
2007-2008 EXPENDITURE SUMMARY: BY CATEGORY**



The largest category of expense in the General Government Operating Funds is Personnel Services (which includes Salaries & Wages and Benefits), over half of which is for public safety personnel. Other Services & Charges is the next largest category and is comprised mostly of contracted direct services (such as jail and human services), contracted support services (such as consulting, printing, and repairs and maintenance services), and internal charges from one City fund to another (for information technology, fleet, facilities maintenance, and other internal services). Noteworthy budget changes from 2005-2006 to 2007-2008 include the following: (1) 41.14% increase in Reserves due to unsettled labor contracts and the accumulation of funds for future vehicle replacements; (2) 18.27% increase in Benefits due additional staff and significant increases in medical insurance rates for employees with settled contracts and in state retirement rates; (3) 8.03% increase in Salaries & Wages mostly due to market adjustments and cost of living increases for employees with settled contracts, and for additional ongoing and temporary staff; and (4) 30.17% decrease in Capital Outlay primarily due to reductions in scheduled vehicle replacements and new vehicle and equipment purchases.

**Analysis of Change**

Category	2003-2004 Actual*	2005-2006 Budget	2007-2008 Budget	Percent Change
Salaries & Wages	50,718,644	58,572,347	63,276,032	8.03%
Benefits	13,895,449	18,845,667	22,287,936	18.27%
Supplies	3,645,717	4,751,453	5,207,944	9.61%
Other Services & Charges	26,277,163	31,106,053	34,226,176	10.03%
Intergovernmental/Interfund Services	6,502,009	6,737,345	5,951,665	-11.66%
Capital Outlay	2,483,495	3,858,486	2,694,189	-30.17%
Reserves	0	13,381,464	18,886,715	41.14%
<b>Category Total</b>	<b>103,522,477</b>	<b>137,252,815</b>	<b>152,530,657</b>	<b>11.13%</b>

\*2003-2004 actual does not include reserves.

**CITY OF KIRKLAND  
GENERAL GOVERNMENT OPERATING  
2007-2008 EXPENDITURE SUMMARY: ACROSS FUNDS**

***By Program***

<b>Program</b>	<b>General Fund</b>	<b>Lodging Tax Fund</b>	<b>Street Operating Fund</b>
Public Safety	62,553,982	0	0
Transportation	7,122,432	0	8,867,461
Culture & Recreation	11,435,874	0	0
General Government	18,751,438	0	0
Other Services	7,966,135	390,814	0
<b>Fund Total</b>	<b>107,829,861</b>	<b>390,814</b>	<b>8,867,461</b>

***By Department***

<b>Department</b>	<b>General Fund</b>	<b>Lodging Tax Fund</b>	<b>Street Operating Fund</b>
Nondepartmental	9,928,168	390,814	0
City Council	655,134	0	0
City Manager	5,721,892	0	0
Human Resources	1,954,498	0	0
City Attorney	1,886,872	0	0
Parks & Community Services	11,257,711	0	0
Public Works	6,304,219	0	8,867,461
Finance & Administration	6,174,744	0	0
Planning & Community Development	5,607,972	0	0
Police	27,183,214	0	0
Fire & Building	31,155,437	0	0
Information Technology	0	0	0
<b>Fund Total</b>	<b>107,829,861</b>	<b>390,814</b>	<b>8,867,461</b>

***By Category***

<b>Category</b>	<b>General Fund</b>	<b>Lodging Tax Fund</b>	<b>Street Operating Fund</b>
Salaries & Wages	54,877,014	60,990	2,096,491
Benefits	19,155,637	15,572	885,124
Supplies	1,970,604	7,000	834,851
Other Services & Charges	21,771,492	201,380	4,107,452
Intergovernmental/Interfund Services	3,605,352	10,000	38,410
Capital Outlay	26,185	0	170,604
Reserves	6,423,577	95,872	734,529
<b>Fund Total</b>	<b>107,829,861</b>	<b>390,814</b>	<b>8,867,461</b>

Cemetery Operating Fund	Parks Maintenance Fund	Recreation Revolving Fund	Facilities Maintenance Fund	Equipment Rental Fund	Information Technology Fund	Program Total
0	0	0	0	0	0	62,553,982
0	0	0	0	0	0	15,989,893
0	1,959,973	2,141,701	0	0	0	15,537,548
0	0	0	8,900,070	12,262,223	9,841,040	49,754,771
337,514	0	0	0	0	0	8,694,463
<b>337,514</b>	<b>1,959,973</b>	<b>2,141,701</b>	<b>8,900,070</b>	<b>12,262,223</b>	<b>9,841,040</b>	<b>152,530,657</b>

Cemetery Operating Fund	Parks Maintenance Fund	Recreation Revolving Fund	Facilities Maintenance Fund	Equipment Rental Fund	Information Technology Fund	Department Total
0	0	0	0	0	0	10,318,982
0	0	0	0	0	0	655,134
0	0	0	0	0	0	5,721,892
0	0	0	0	0	0	1,954,498
0	0	0	0	0	0	1,886,872
177,496	1,959,973	2,141,701	0	0	0	15,536,881
0	0	0	8,900,070	12,262,223	0	36,333,973
160,018	0	0	0	0	0	6,334,762
0	0	0	0	0	0	5,607,972
0	0	0	0	0	0	27,183,214
0	0	0	0	0	0	31,155,437
0	0	0	0	0	9,841,040	9,841,040
<b>337,514</b>	<b>1,959,973</b>	<b>2,141,701</b>	<b>8,900,070</b>	<b>12,262,223</b>	<b>9,841,040</b>	<b>152,530,657</b>

Cemetery Operating Fund	Parks Maintenance Fund	Recreation Revolving Fund	Facilities Maintenance Fund	Equipment Rental Fund	Information Technology Fund	Category Total
0	754,215	788,824	718,842	743,809	3,235,847	63,276,032
0	365,333	233,207	298,244	286,226	1,048,593	22,287,936
40,775	97,550	57,102	177,651	1,325,328	697,083	5,207,944
168,070	563,135	953,989	2,960,584	1,004,199	2,495,875	34,226,176
5,200	0	120	1,718,501	240,582	333,500	5,951,665
4,000	0	0	100,000	2,321,174	72,226	2,694,189
119,469	179,740	108,459	2,926,248	6,340,905	1,957,916	18,886,715
<b>337,514</b>	<b>1,959,973</b>	<b>2,141,701</b>	<b>8,900,070</b>	<b>12,262,223</b>	<b>9,841,040</b>	<b>152,530,657</b>



**CITY OF KIRKLAND  
GENERAL GOVERNMENT OPERATING FUNDS  
2007-2008 BUDGET ANALYSIS**

<b>2005-06 Approved Budget</b>		<b>141,118,488</b>
<b>Less Reserves</b>		<b>(13,507,664)</b>
<b>2005-06 Approved Budget (Excluding Reserves)</b>		<b>127,610,824</b>
<b>2007-08 Basic Budget Increases:</b>		
Salaries & Wages	3,646,801	
Employee Benefits (Relates to Settled Labor Contracts & Reflects Increase in State Retirement Rates for All Employees)	2,950,012	
Technology, Fleet & Facilities Maintenance Internal Charges	1,690,731	
Contracted Services (Develop. Review, Recreation Svcs, Human Svcs Per Capita)	667,889	
Software Licensing/Maintenance/Support & Hardware Maintenance	526,585	
Office, Operating & Repair Supplies	368,300	
Utilities	349,683	
Technology Reserve Funding Transfer to Capital Improvement Program	333,500	
Fuel (Unleaded Gasoline & Diesel)	319,940	
Central Services & Engineering Services Internal Charges	266,309	
Operating Subsidy & Rsrv Transfers (Parks Maint., Rec. Revolving & Litigation Rsrv)	248,000	
Inmate Housing & Medical Services	99,157	
Training & Related Travel	90,477	
Printing & Advertising Costs	83,017	
Net Miscellaneous Increases	57,419	
Street & Utility Undergrounding Opportunity Funds	50,000	
Dues & Memberships	48,067	
Municipal Court Lease	46,768	
<b>Total Basic Budget Increases</b>		<b>11,842,655</b>
<b>2007-08 Basic Budget Decreases:</b>		
One-Time Adjustments & Carryovers	(11,467,986)	
Facilities Life Cycle Transfers to Capital Improvement Program	(486,359)	
Fire Suppression Overtime (Mostly Related to N. Finn Hill Station)	(408,852)	
Convert Economic Development Professional Services to Salaries	(137,065)	
Scheduled Vehicle & PC Replacements & Other Capital Replacement	(129,683)	
Code Enforcement Officer (.5 FTE Contract with Mercer Island)	(63,180)	
<b>Total Basic Budget Decreases</b>		<b>(12,693,125)</b>
<b>2007-08 Basic Budget</b>		<b>126,760,354</b>
<b>2007-08 Service Packages (Net of Expenditure Savings)</b>		<b>6,883,588</b>
<b>2007-08 Final Budget (Excluding Reserves)</b>		<b>133,643,942</b>
<b>Plus Reserves</b>		<b>18,886,715</b>
<b>2007-08 Final Budget (Including Reserves)</b>		<b>152,530,657</b>
<b>Percent Change: 2005-06 Approved Budget (Excluding Reserves) to 2007-08 Final Budget (Excluding Reserves)</b>		<b>4.73%</b>

Note: See "2007-2008 Budget Analysis" for each operating department in the General Fund section for more detail.