Economic news continues to suggest risks to forecast

**Upside:**
- Falling unemployment
- Rising wage growth
- Stronger housing starts and home sales (new and existing)
- Lower oil, gasoline prices

**Downside:**
- Slowing global economy
- Slower U.S. GDP growth
- Negative impact of stronger dollar on exports
- Stock market volatility

http://www.erfc.wa.gov/

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL  
March 10
2015 Building Permit Activity - $212 M

Millions


Commercial Alterations
All Other
Single Family - New
Com / Ind. / Mixed Use - New
Five or more Apts. - New

$-$ 50 100 150 200 250
Investments - $160 M

- Fed. Agency: 52%
- State Pool: 16%
- Fed. Callable: 19%
- Muni: 7%
- US Treasury: 6%
- Muni Callable: 1%


Portfolio: Dark Blue
State Pool: Light Blue
Benchmark: Light Grey
Citywide Revenues - $253 M

- Interfund Loans & Transfers
- Other Taxes
- Business Taxes
- Utility Taxes
- Grants & Entitlements
- Property Taxes
- Sales Taxes
- Interest, Rentals & Bonds
- Sales & Services, Rentals, fines, Licenses
- Utility Charges for Service

Budget 2014 2015
Citywide Expenditures - $248 M

- Planning & Hearing
- Libraries, Museum, & Parks
- Debt
- General Gov't
- Capital
- Fire, Police, & Muni Court
- Public Works

Budget vs. 2014 vs. 2015
Street Fund Revenues - $20 M

- Fuel Tax
- Int. Leases, fines, Misc
- Grants
- Sales Tax
Street Fund Expenses - $23 M

- Debt, Loans, Transfers:
  - Budget: 0
  - 2014: 0
  - 2015: 0

- Supplies:
  - Budget: 0
  - 2014: 0
  - 2015: 0

- Salaries & Benefits:
  - Budget: 2
  - 2014: 8
  - 2015: 0

- Services, Repairs, & Interfund:
  - Budget: 10
  - 2014: 7
  - 2015: 9

- Capital:
  - Budget: 20
  - 2014: 6
  - 2015: 10
Water Fund Revenues - $30 M

- System Demand
- Misc.
- Unmetered
- Watershed
- Other Financing
- Metered

Budget 2014 2015

0 5 10 15
Sewer Fund Revenues - $22 M

- **Interest**: Minimal
- **System Demand & Other Revenues**: Small
- **Unmetered**: Budget, 2014, and 2015 are similar
- **Metered**: Budget, 2014, and 2015 are similar

The graph shows a comparison of revenues for the Sewer Fund between 2014 and 2015, with budget figures included for context.
Sewer Fund Expenses - $22 M

- Debt Service, Loans etc.
- Salaries & Benefits
- Capital
- Services, Repairs, & Interfund

Budget 2014 2015
Storm water Fund Revenues - $18 M

- Int. & Misc
- Grants
- Other Financing
- System Demand

Budget 2014 2015
Storm water Fund Expenses - $18 M

- Supplies
- Salaries & Benefits
- Services, Repairs, & Interfund
- Capital

Budget 2014 2015
General Fund Revenues $72 M

- Misc
- Grants
- Other Interfund Sales & Transfers
- Charges
- Sales
- Property
- B&O
- Utility

[Bar chart showing revenue categories for 2014 and 2015.]
Sale Tax Revenue $21 M

- Misc. Retailers
- Clothing
- Specialty Trade
- Wholesale
- Building Mat.
- Construction
- Food & Drink
- Autos & Parts
- Gen. Merch

2014 vs 2015 revenue comparison.
# General Fund Biennial Budget

<table>
<thead>
<tr>
<th>Description</th>
<th>Adopted 2015-16</th>
<th>Revised 2015-16</th>
<th>Actual + Budget 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td>141,716,307</td>
<td>142,607,155</td>
<td>144,563,439</td>
</tr>
<tr>
<td><strong>TOTAL EXPENDITURE</strong></td>
<td>142,837,515</td>
<td>146,036,788</td>
<td>146,036,788</td>
</tr>
<tr>
<td><strong>Net Surplus/(Deficit)</strong></td>
<td>($1,121,208)</td>
<td>($3,429,633)</td>
<td>($1,473,349)</td>
</tr>
</tbody>
</table>
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