

## Response to Customer Panel Questions on City Taxes

<b>Panel Tax Questions: Rates of Growth and Utility Tax Revenues as % of General Fund Revenues</b>											
	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>Av Annual</b>
Rate of growth in City SPU utility tax revenues		5.7%	28.0%	14.3%	6.8%	6.1%	11.6%	1.3%	10.1%	8.2%	10.2%
Rate of growth in SCL utility tax revenues		2.7%	-2.2%	3.5%	1.4%	-4.0%	-0.6%	12.9%	6.3%	2.6%	2.5%
Rate of growth of total General Fund revenues		4.5%	6.7%	6.3%	8.5%	1.2%	1.1%	2.5%	1.2%	4.1%	4.0%
Rate of growth in inflation		1.2%	2.8%	3.7%	3.9%	4.2%	0.6%	0.3%	2.7%	2.5%	2.4%
Rate of growth in Seattle population						1.6%	5.5%	-1.3%	1.1%	2.8%	1.9%
Rate of growth in median household income						6.8%	-1.5%	-1.0%	1.4%	5.6%	2.2%
SPU utility tax revenues as % of total General Fund revenues	4.6%	4.6%	5.6%	6.0%	5.9%	6.2%	6.8%	6.7%	7.3%	7.6%	
SCL utility tax revenues as % of total General Fund revenues	4.9%	4.9%	4.5%	4.3%	4.1%	3.8%	3.8%	4.2%	4.4%	4.3%	

### Panel Question: SPU 2012 Payments to General Fund, and Uses of this Revenue

(\$ in millions)		
<u>City Utility Tax</u>		
Water	\$25.9	
Drainage/Wastewater	\$35.4	
Solid Waste	\$12.2	
Total City Utility Tax		\$73.6
Tonnage tax (used to pay Clean Cities costs)		\$3.3
Fleets	\$14.7	
DoIT	\$6.4	
City Central Costs( FAS, CBO, Auditor, Law, etc	\$10.1	
Total 2012 Payments to Other City Departments		\$31.1

NOTE: This does not include approximately \$7M in MOA's that SPU has with other City Departments to do various bodies of work such as the customer billing system, street sweeping, paving, side sewer permits, etc.

**Panel Question: History of how utility tax rates have gone up in the past decade or so**

	<u>Council Bill</u>	<u>Rate</u>	<u>Date</u>	
<b>Water</b>		<b>10.00%</b>	Prior to 1/1/05	
	<b>121671</b>	<b>14.04%</b>	1/1/05	To pay for the projected hydrant service costs of the City
	<b>121672</b>	<b>15.54%</b>	5/15/05	Additional 1.5% designed to fund other General Fund priorities in 2005 and 2006
	<b>122916</b>	<b>19.87%</b>	3/31/09 - 12/31/10	Temporary increase to provide General Fund with sufficient funds for court-ordered payment to SPU related to hydrant lawsuit
	<b>122916</b>	<b>15.54%</b>	1/1/11	Temporary increase expired on 12/31/10
<b>Wastewater</b>		<b>10.00%</b>	Prior to 1/1/05	
	<b>121673</b>	<b>12.00%</b>	1/1/05	1.5% increase represent General Fund resources for which no specific on-going purpose has been identified Additional 0.5% increase in the tax imposed on wastewater charges to provide revenue stream to cover the costs of operating and maintaining public restrooms
<b>Drainage</b>		<b>10.00%</b>	Prior to 1/1/05	
	<b>121673</b>	<b>11.50%</b>	1/1/05	1.5% increase represent General Fund resources for which no specific on-going purpose has been identified
<b>Solid Waste</b>		<b>10.00%</b>	Prior to 4/1/05	
	<b>121670</b>	<b>11.50%</b>	4/1/05	Additional 1.5% designed to fund other General Fund priorities in 2005 and 2006
<b>City Light</b>		<b>6.00%</b>		Per state cap

CITY OF SEATTLE										
SPU AND SCL UTILITY TAXES -- DATA USED FOR CALCULATIONS										
(\$ in millions)	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Water	\$8.9	\$9.8	\$14.2	\$17.9	\$18.6	\$19.0	\$27.1	\$29.5	\$23.3	\$25.9
less temporary surcharge							-\$5.66	-\$8.21		
Drainage/Wastewater	\$14.7	\$15.8	\$20.1	\$21.9	\$23.7	\$25.8	\$28.9	\$29.2	\$32.4	\$35.4
Solid Waste	\$7.5	\$7.3	\$7.9	\$8.4	\$9.2	\$9.8	\$10.7	\$11.3	\$12.3	\$12.2
<b>SPU Total</b>	<b>\$31.1</b>	<b>\$32.9</b>	<b>\$42.2</b>	<b>\$48.2</b>	<b>\$51.5</b>	<b>\$54.6</b>	<b>\$60.9</b>	<b>\$61.8</b>	<b>\$68.0</b>	<b>\$73.6</b>
Annual % change		5.7%	28.0%	14.3%	6.8%	6.1%	11.6%	1.3%	10.1%	8.2%
SPU % of General Fund	4.6%	4.6%	5.6%	6.0%	5.9%	6.2%	6.8%	6.7%	7.3%	7.6%
SCL	\$33.5	\$34.5	\$33.7	\$34.9	\$35.4	\$34.0	\$33.7	\$38.1	\$40.5	\$41.6
Annual % change		2.7%	-2.2%	3.5%	1.4%	-4.0%	-0.6%	12.9%	6.3%	2.6%
SCL % of General Fund	4.9%	4.9%	4.5%	4.3%	4.1%	3.8%	3.8%	4.2%	4.4%	4.3%
Total General Subfund Revenues	\$678.1	\$708.9	\$756.7	\$804.2	\$872.8	\$883.2	\$893.1	\$915.5	\$926.4	\$964.3
Annual % change		4.5%	6.7%	6.3%	8.5%	1.2%	1.1%	2.5%	1.2%	4.1%
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
CITY OF SEATTLE										
Population 16 years and over					496,235	503,973	531,792	524,675	530,252	545,283
Households					264,953	272,607	287,585	277,520	282,492	289,790
Median Household Income					\$57,849	\$61,786	\$60,843	\$60,212	\$61,037	\$64,473
(2012 American Community Survey 1-Year Estimates)										
Seattle CPI-U		1.2%	2.8%	3.7%	3.9%	4.2%	0.6%	0.3%	2.7%	2.5%

**Panel Question: Provide comparable utility tax rates**

City Name	Population (>15,000)	2012 AWC Tax and User Fee Survey - Utility Tax Rates			
		Garbage	Water	Sewer	Stormwater
Aberdeen	16,529		7%	7%	7%
Anacortes	15,928	7%	7%	7%	7%
Arlington	18,317	5%	5%	5%	5%
Auburn	73,505	7%	7%	7%	7%
Bellevue	126,439	4.50%	10.40%	5%	5%
Bothell	34,651	5%	5%	5%	
Bremerton	39,251	9.50%	15.50%	20%	20%
Burien	49,410	6%			
Centralia	16,505		10%	14%	10%
Covington	18,298	5.50%			
Edmonds	40,400	6%	6%	10%	10%
Kennewick	75,971	7%	15.50%	7%	1%
Kent	122,999	7.80%	10%	10%	10%
Kirkland	50,697	10.50%	10.50%	13.38%	7.50%
Lacey	43,860	6%	6%	6%	6%
Longview	36,458	9.50%	9.50%	9.50%	9.50%
<b>Lynnwood</b>	<b>36,275</b>	<b>6%</b>	<b>4%</b>	<b>4%</b>	<b>4%</b>
Marysville	62,402		6%	6%	6%
Monroe	17,503		10%		
Mukilteo	20,605	6%			6%
Olympia	47,698	10%	12%	10%	10%
Pasco	65,398	8.50%	8.50%	8.50%	8.50%
Pullman	31,359	11%	8%	8%	
Puyallup	38,147	2.20%	8%	8%	8%
Redmond	56,561	6%	9.23%	9.23%	
Renton	95,448	6%	7.50%	6%	6%
Richland	51,440	10.50%	12.23%	10.50%	8.50%
<b>Seattle</b>	<b>634,535</b>	<b>11.50%</b>	<b>15.54%</b>	<b>12%</b>	<b>11.50%</b>
Shoreline	54,352	6%			6%
Sunnyside	16,054	6%	6%	6%	
Tacoma	202,010	8%	8%	8%	8%
Tukwila	19,611	6%	10%	10%	10%
Tumwater	18,102	6%	6%	6%	6%
<b>Vancouver</b>	<b>165,489</b>	<b>20%</b>	<b>20%</b>	<b>20%</b>	<b>20%</b>
Wenatchee	32,562	16%	16%	16%	16%
Yakima	93,101	15%	20%	20%	6%
<b>Median</b>	<b>42,130</b>	<b>6.5%</b>	<b>8.9%</b>	<b>8.0%</b>	<b>7.5%</b>
<b>Average</b>	<b>70,496</b>	<b>8.0%</b>	<b>9.7%</b>	<b>9.5%</b>	<b>8.5%</b>
<b>Lowest Across The Board</b>					
<b>Highest Across the Board</b>					