

# City of North Bend, Washington 2017-2018 Biennial Budget





Front cover photo by Jennifer Bourlin



## **Mayor**

Kenneth G. Hearing

## **North Bend City Council**

Ross Loudenback, Mayor Pro Tem

Jonathan Rosen

Alan Gothelf

Trevor Kostanich

Brenden Elwood

Martin Volken

Jeanne Pettersen

## **North Bend Appointed Officials**

Londi Lindell, City Administrator

Michael Kenyon, City Attorney

Dawn Masko, Assistant City Administrator/Finance Director

Gina Estep, Community and Economic Development Director

Mark Rigos, Public Works Director

Susie Oppedal, City Clerk

### **Planning Commission**

Gary Fancher - Chair

### **Economic Development Commission**

Councilmember Volken - Chair

### **Parks Commission**

Judy Bilanko - Chair



## Elected Officials



Mayor Ken Hearing



Councilmember Ross Loudenback



Councilmember Jonathan Rosen



Councilmember Alan Gothelf



Councilmember Trevor Kostanich



Councilmember Brenden Elwood



Councilmember Jeanne Pettersen



Councilmember Martin Volken



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## **Introduction**

# ORDINANCE 1609

## AN ORDINANCE OF THE CITY OF NORTH BEND, WASHINGTON, ADOPTING THE 2017-2018 BIENNIAL BUDGET AND SALARY SCHEDULE; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE

**WHEREAS**, State law requires the City to adopt a budget and provides procedures for the filing of estimates, a preliminary budget, public hearings, and final fixing of the budget; and

**WHEREAS**, the City Council of the City of North Bend adopted Ordinance 1528 on May 20, 2014 establishing a biennial budget process in accordance with the provisions of RCW Chapter 35A.34; and

**WHEREAS**, the City Council has stipulated that the biennial budget will be implemented as two one-year financial plans, that actual expenditures in the first year may not exceed the first year plan appropriations, that second year plan appropriations shall only be expended in the second year, and that any appropriation changes will require City Council approval; and

**WHEREAS**, a preliminary biennial budget for the fiscal years 2017-2018 has been prepared and filed, a public hearing was held on November 15, 2016 for the purposes of fixing the final budget, and the City Council has deliberated and has made adjustments and changes deemed necessary and proper; and

**WHEREAS**, the City Council now wishes to adopt by reference, in accordance with RCW 35A.34.120, a final budget which provides for totals of estimated revenues and appropriations for each separate fund and the aggregate totals for all such funds combined; and

**WHEREAS**, the City Council also desires to adopt a Salary Schedule for 2017;

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON, DO ORDAIN AS FOLLOWS:**

**Section 1. 2017-2018 Biennial Budget Adoption.** The Biennial Budget for the City of North Bend, a copy of which is on file with the City Clerk, is hereby adopted by the City Council as the revenue and expenditure authority for the 2017-2018 biennium. Set forth in summary form in Exhibits A-1 and A-2 (2017 and 2018 Annual Budgets) are the totals of the estimated revenues and expenditures for each separate fund and the aggregate totals for all such funds combined.

**Section 2. 2017 Salary Schedule Adoption.** The City Council hereby adopts the 2017 Salary Schedule as shown in Exhibit B. 2018 Salary Schedules will be adopted as part of the Mid-Biennium Modification.

**Section 3. Submittal.** The City Clerk and/or Finance Director are directed to transmit a certified copy of this ordinance and the final 2017-2018 Biennial Budget Document to the Division of Municipal Corporations of the Office of the State Auditor and to the Association of Washington Cities.

**Section 4. Severability.** Should any section, paragraph, sentence, clause or phrase of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any

reason, or should any portion of this ordinance be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

**Section 5. Effective Date.** This ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force on January 1, 2017.

**ADOPTED BY THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON,  
AT A REGULAR MEETING THEREOF, THIS 6<sup>TH</sup> DAY OF DECEMBER, 2016.**

**EXHIBIT A - 1**

**2017 ANNUAL BUDGET**

<b>Fund</b>	<b>Fund Name</b>	<b>Beginning Fund Balance</b>	<b>Revenues</b>	<b>Expenditures</b>	<b>Ending Fund Balance</b>
001	General Fund	\$ 1,023,583	\$ 7,208,705	\$ 7,550,296	\$ 681,992
101	Street Operations Fund	-	797,466	797,466	-
102	Capital Streets Fund	6,108	163,141	169,249	-
103	Streets Overlay Fund	45,354	739,910	714,420	70,844
106	Impact Fees & Mitigation Fund	439,074	4,005,352	1,345,404	3,099,022
107	Hotel/Motel Tax Fund	6,785	13,500	14,000	6,285
108	Economic Development Fund	-	189,371	189,371	-
116	Park Improvement Fund	39,078	14,000	-	53,078
125	Development Projects Fund	173,048	892,140	922,140	143,048
216	2011 Fire Station Bond Fund	180,368	178,975	179,100	180,243
217	2012 LTGO (TBD) Bond Fund	11,930	148,275	148,400	11,805
218	2015 LTGO Bond Fund	-	191,723	191,723	-
219	2015 LTGO (LOC) Bond Fund	-	2,426,500	2,426,500	-
310	Municipal Projects Fund	797,638	2,896,314	3,158,829	535,123
320	Capital Improvements (REET) Fund	1,065,207	520,000	655,756	929,451
401	Water Utility Fund	2,309,483	2,030,663	1,849,339	2,490,807
402	Sewer Utility Fund	1,206,670	5,075,584	4,356,080	1,926,174
404	Storm Drainage Utility Fund	384,676	737,522	798,792	323,406
404	Flood Operations Fund	585,698	172,400	163,134	594,964
405	Solid Waste & Recycling Fund	254,167	93,810	44,789	303,188
451	ULID #6 Bond Redemption Fund	4,764,177	1,078,898	1,388,000	4,455,075
452	ULID #6 Bond Reserve Fund	1,255,955	3,200	-	1,259,155
501	Equipment Operating Fund	-	318,039	318,039	-
501	Technology Operating Fund	-	186,064	186,064	-
502	Equipment Reserve Fund	434,811	227,750	6,900	655,661
502	Technology Reserve Fund	52,699	75,068	13,290	114,477
	<b>GRAND TOTAL:</b>	<b>\$ 15,036,509</b>	<b>\$ 30,384,370</b>	<b>\$ 27,587,081</b>	<b>\$ 17,833,798</b>

**EXHIBIT A - 2**

**2018 ANNUAL BUDGET**

<b>Fund</b>	<b>Fund Name</b>	<b>Beginning Fund Balance</b>	<b>Revenues</b>	<b>Expenditures</b>	<b>Ending Fund Balance</b>
001	General Fund	\$ 681,992	\$ 7,374,815	\$ 7,707,294	\$ 349,513
101	Street Operations Fund	-	813,041	813,041	-
102	Capital Streets Fund	-	163,168	163,168	-
103	Streets Overlay Fund	70,844	280,400	150,000	201,244
106	Impact Fees & Mitigation Fund	3,099,022	7,038,108	1,434,402	8,702,728
107	Hotel/Motel Tax Fund	6,285	40,000	40,000	6,285
108	Economic Development Fund	-	165,416	165,416	-
116	Park Improvement Fund	53,078	14,500	3,779	63,799
125	Development Projects Fund	143,048	892,140	922,140	113,048
216	2011 Fire Station Bond Fund	180,243	175,975	176,100	180,118
217	2012 LTGO (TBD) Bond Fund	11,805	145,675	145,800	11,680
218	2015 LTGO Bond Fund	-	198,259	198,259	-
219	2015 LTGO (LOC) Bond Fund	-	325,500	325,500	-
310	Municipal Projects Fund	535,123	904,779	911,000	528,902
320	Capital Improvements (REET) Fund	929,451	1,038,500	136,050	1,831,901
401	Water Utility Fund	2,490,807	2,156,569	2,069,833	2,577,543
402	Sewer Utility Fund	1,926,174	3,304,250	3,095,591	2,134,833
404	Storm Drainage Utility Fund	323,406	749,847	864,000	209,253
404	Flood Operations Fund	594,964	177,670	167,467	605,167
405	Solid Waste & Recycling Fund	303,188	95,220	45,853	352,555
451	ULID #6 Bond Redemption Fund	4,455,075	903,765	1,370,400	3,988,440
452	ULID #6 Bond Reserve Fund	1,259,155	3,400	-	1,262,555
501	Equipment Operating Fund	-	321,610	321,610	-
501	Technology Operating Fund	-	183,089	183,089	-
502	Equipment Reserve Fund	655,661	227,713	-	883,374
502	Technology Reserve Fund	114,477	75,068	13,005	176,540
	<b>GRAND TOTAL:</b>	<b>\$ 17,833,798</b>	<b>\$ 27,768,477</b>	<b>\$ 21,422,797</b>	<b>\$ 24,179,478</b>

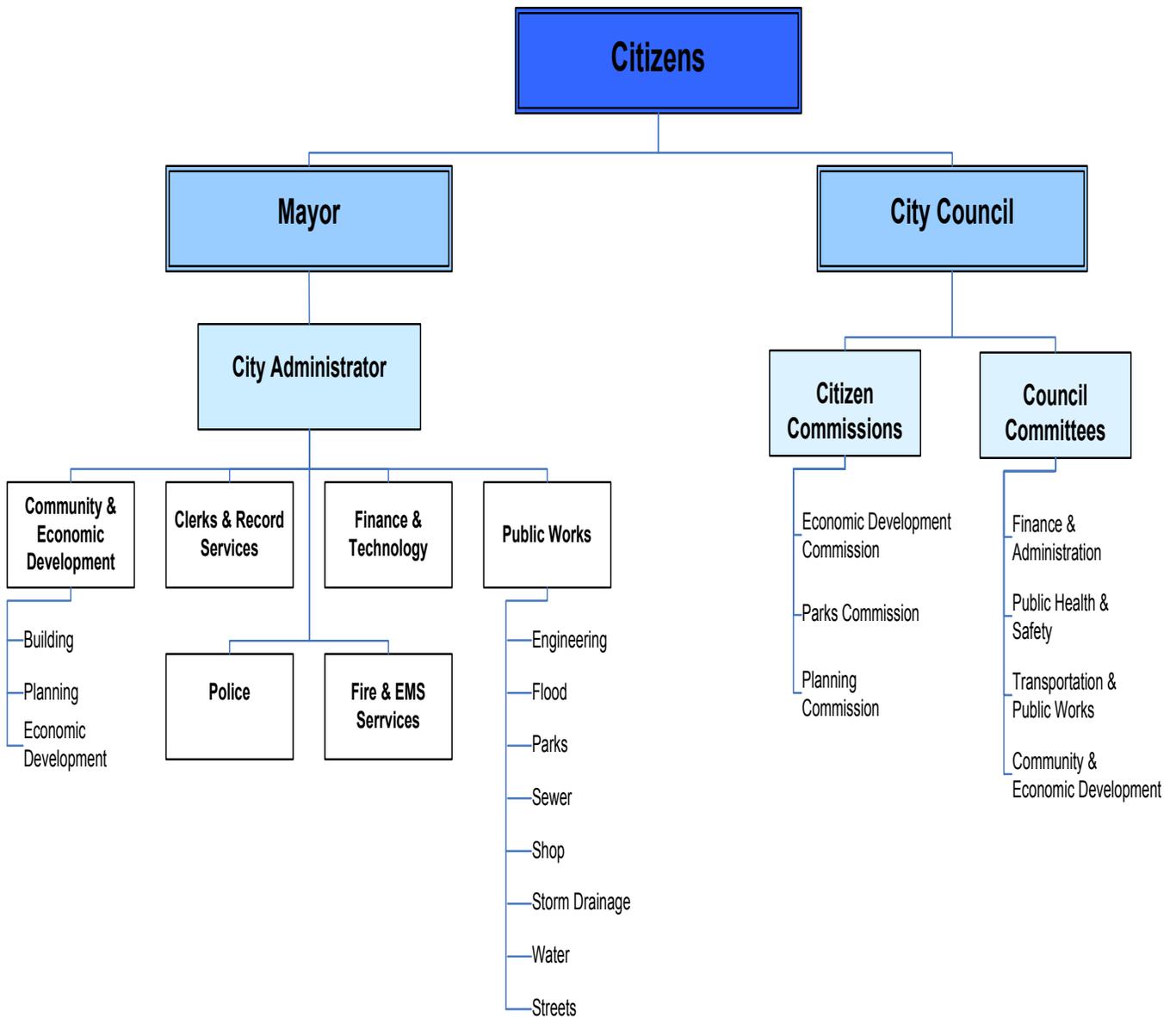
## EXHIBIT B

### 2017 Salary Ranges

Position Title	Monthly Salary Range		Employees
	<u>Entry</u>	<u>High</u>	
<b>Mayor and Council</b>			
Mayor	\$ 2,000	N/A	1 Elected
Council Member	400	N/A	7 Elected
<b>Management (Exempt)</b>			
City Administrator	10,000	12,500	1
Asst. City Administrator/Finance Director	8,500	11,800	1
Public Works Director	8,500	11,800	1
Community & Economic Dev. Director	8,500	11,500	1
Deputy Public Works Director	8,500	11,250	1
City Engineer	8,000	10,500	1
Building Official	6,800	8,800	1
PW Project Manager	6,800	8,800	2
SCADA Supervisor	6,000	8,500	1
Wastewater Treatment Plant Manager	6,300	8,000	1
Deputy Finance Director	6,100	7,900	1
City Clerk	6,100	7,900	1
Events/Economic Development Coordinator	3,987	5,834	0.5
<b>Public Works Bargaining Unit</b>			
Lead Parks Technician	5,343	6,242	1
Lead Streets Technician	5,343	6,242	1
Lead Water System Operator	5,343	6,242	1
Wastewater Treatment Plant Operator II	4,675	5,823	2
Mechanic	4,540	5,601	1
Wastewater Treatment Plant Operator I	4,530	5,403	3
Water System Operator	4,530	5,356	3
Maintenance Worker	4,530	5,356	5
Maintenance Worker - Entry	3,986	4,273	0
Maintenance (Seasonal)	12.00/hr	15.00/hr	
<b>Professional, Technical, Clerical Bargaining Unit</b>			
Senior Planner	5,971	7,265	1.75
Associate Planner/2-year term	5,131	6,243	1
Staff Accountant	5,063	6,160	0
Building Inspector/2-year term	4,962	6,037	1
Mapping CAD Technician	4,882	5,940	0.2
Records Coordinator	4,860	5,913	1
Deputy Clerk	4,571	5,561	0
Payroll Officer	4,556	5,543	0
Public Works Office Coordinator	4,358	5,302	1
Office Coordinator / Permit Technician	4,358	5,302	1
Utilities Coordinator	4,344	5,285	2
Business License & Tax Coordinator	4,344	5,285	1
Accounting Assistant II	4,344	5,285	1
Accounting Assistant I	3,731	4,539	0
Administrative Assistant	3,641	4,430	0
<b>Total FTEs</b>			<b>41.45</b>



# City of North Bend Organization Chart





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of North Bend  
Washington**

For the Biennium Beginning

**January 1, 2015**

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented the Distinguished Budget Presentation Award to the City of North Bend, Washington for its biennial budget for the biennium beginning January 1, 2015. In order to receive this award, a government entity must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.



## **Council's Financial Priorities of Government**

The City Council has identified priorities of government for purposes of allocating limited taxpayer resources in the following order:

- ◆ Public Safety (Police & Fire)
- ◆ Maintain Basic Infrastructure (Water, Streets, Sewer)
- ◆ All Remaining Governmental Services (e.g. Parks, Etc.)

## **City's Mission Statement**

The mission of the City of North Bend is to create a highly livable community by working in partnership with our citizenry to blend and balance the following principles:

- ◆ Provide high levels of police, fire and emergency medical services
- ◆ Build and maintain adequate infrastructure
- ◆ Deliver quality public services
- ◆ Encourage a strong local economy
- ◆ Preserve the rural character of the community

## **Community Vision Statement**

The vision the residents of North Bend put forth...is one of preservation and enhancement.

The community of North Bend wants to preserve its rural character, natural beauty and small town scale.

The residents of the community also have a desire for enhancing the existing built environment of the downtown, the riverfront and community parks, new and existing residential neighborhoods and the community's gateways.

## **Brand Statement**

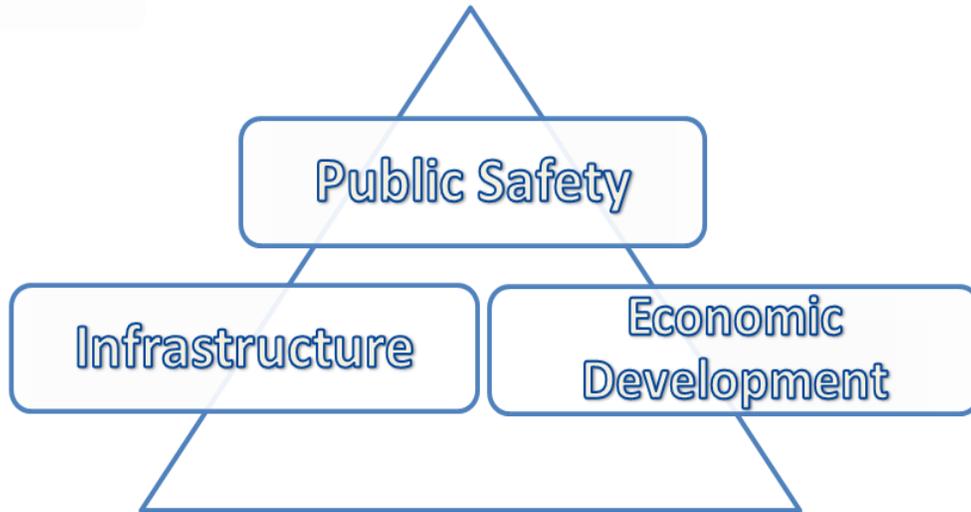
We are the small town that is creating the premiere outdoor adventure destination in the Puget Sound region.

## **Brand Tagline**

Easy to reach. . .Hard to leave.



## City of North Bend Priorities



### Goals and Objectives

The City's overarching priorities normally do not change from budget to budget because they are general themes that support our organization's long-term vision and mission over many years.

Department goals and objectives on the other hand are much more specific. Their purpose is to help advance the City's priorities in the short-term by identifying the highest priorities or needs of the community and making these priorities key drivers for the next budget development cycle.

The City Council, as the legislative body, is responsible for providing a clear framework of goals and objectives to guide municipal operations. The goals and objectives in this document are intended to guide the efforts of the Council, Mayor, City Administrator, and Department Directors in budget development and operational decisions.





## **2017- 2018 Mayor's Budget Message**

It is with great honor that I present the Budget Message for the City of North Bend's second biennial budget. As required by law, I am presenting a balanced budget which retains the municipal services our citizens have enjoyed for many years.

In 2016 three new councilmembers were added to our team and they have performed well. We are entering 2017 facing incredible pressures from a development community eager to add housing stock to our charming community. Meanwhile our citizens are very concerned that such growth will not be consistent with our vision of retaining the rural character of North Bend and concerned that our transportation system cannot handle such growth. Balancing your small staff's workload, the large backlog of permit applications and our need for additional staff is a tenuous one.

I am happy to report that in 2015 and 2016 we continued to experience growth in retail sales tax, Real Estate Excise Tax and some other revenues so we are expected to end this Biennium with approximately \$1 million in excess funds primarily from real estate sales transactions (or REET) which we can put into a savings account for one-time future capital investments.

One of our major accomplishments in 2016 was being awarded an approximate \$1.4 million-dollar grant from Puget Sound Regional Council for our Downtown Plaza Project which will result in traffic calming and pedestrian safety improvements occurring in the upcoming Biennium. Thankfully, we will have the Bendigo Blvd Right Turn Lane Project completed prior to the completion of the Downtown Plaza Project, allowing vehicles an alternative east/west by-pass corridor through our downtown. I am concerned that the Downtown Plaza's calming features may slow vehicular movement so, accordingly, I have asked your Public Works Director to work with our transportation engineers to propose improvements along the North



Bend Way corridor to be made simultaneously with the Plaza improvements in order to mitigate any further degradation to traffic.

Unfortunately, we were not awarded a grant for our \$3.5 million-dollar roundabout at Downing Street and North Bend Way which would have made significant improvements on traffic movement and mobility. I will be studying this issue with staff and will be recommending Council consider taking both your 1 percent property tax increase and your banked capacity in order to borrow funds to allow this important project to proceed during the Biennium.

As part of the review of Director's budgets this year, I continued to challenge the Directors to identify and implement cost savings. As a result of this review, we were able to reduce expenditures by over \$40,000 in the General Fund which will allow the City Council more flexibility to fund new initiatives. However, the largest one-time capital savings to report this year surrounds Council's decision to proceed with a scaled down and cost effective City Hall resulting in \$15 million dollars in potential savings. Sometimes dusting off an old plan makes the most sense. As you know for the last few years we have been discussing the idea of combining the construction of a new City Hall with revitalization of our historic downtown but estimates for property acquisition, legal costs and construction was nearing \$20 million dollars. In the early 1990s a Council acquired over 9 acres called the Municipal Campus Site for the purpose of building a City Hall as well as public safety buildings for police, fire and public works. Since acquisition, the Public Works Shop and Fire Station has been constructed on this centrally located site just east of your historic downtown between North Bend Way and Cedar Falls Way. The City owns the property with no debt. I look forward to the next Biennial Budget being presented inside the Chambers of this much needed City Hall and providing the convenience of one-stop shopping to our citizens. I also look forward to providing this public facility to our citizens and hope they will enjoy using the bike trails which we hope to develop in connection with City Hall development. The aging infrastructure of the existing City Hall and the operational



challenges of having staff separated between 3 separate buildings hasn't changed since Council bought this land 23 years ago, so it is time to act and I want to thank this Council for having the vision to move forward with an affordable version that will be consistent with the citizen's vision for North Bend.

Public safety continues to be the City's top priority. Nearly 50% of the City's approximate \$7 million dollar General Fund budget is allocated toward public safety services. In March 2014, the Snoqualmie Police Department assumed responsibility for police protection in North Bend. The City conducted a survey of our citizens at the commencement of the service to get a baseline about how safe they feel and we have asked our police department to conduct these surveys on an annual basis. We are happy to report that response times have significantly been reduced and our citizens generally feel safer under this new police protection contract. Snoqualmie is currently recruiting a new Police Chief and I will be involved in that effort to ensure that our Chief represents the ideals and community policing that made Council elect to enter into this contract in 2014. Nationally, police agencies have been struggling with recruitment and our department is no exception. I am happy to report that we are nearly at full staffing and are currently staffed with 7 North Bend police officers. With 8 North Bend police officers the City will have two officers covering our City for at least 18 hours every day. Our contract for police services provides for an annual approximately 3% increase in the cost for services if we are at full staffing of 8 officers at a maximum cost of \$1,681,456 in 2017 to \$1,739,279 in 2018. The predictability of contract cost increases has proven to be a tremendous benefit to the City's financial staff for in the past contract costs changed annually with unpredictable increases. It is hard to believe that we will likely start negotiations with Snoqualmie on extending this police contract during this next Biennium as the expiration of our 5 year police contract occurs on March 7, 2019. The contract provides for automatic 5 year extensions upon terms and conditions mutually agreeable to both parties.



Another vital public safety service we provide to our citizens is life safety and fire suppression service through Eastside Fire and Rescue (EFR). We are fortunate to have Councilmember Gothelf leading this organization as the Board Chair and he selected an outstanding new Chief Jeff Clark who has made some very encouraging cost effective changes already that make me very optimistic for the future of EFR. It is not surprising that such a large part of your general fund goes to police and fire as Public Safety is your number one priority of government. In the next Biennium, we anticipate spending \$1,087,151 in 2017 and \$1,163,255 in 2018. This increase is primarily attributable to a change in the funding formula which more fairly distributes the costs among the EFR partners. Notwithstanding these large increases, we still believe EFR is an outstanding value in both cost and service level.

Our voters overwhelmingly supported the creation of a North Bend Transportation Benefit District (TBD) which has resulted in new annual revenue of \$440,000 to fund important transportation improvements in our City. During 2015 and 2016, we invested approximately \$1.4 million dollars for transportation infrastructure including our asphalt overlay program, TBD projects and general street capital projects. By the end of 2016 we estimate that we will have expended approximately \$430,000 for street pavement overlays and reconstruction including NW 14th Street; \$50,000 for construction of North Bend Way sidewalks between Downing to Orchard; \$350,000 for Bendigo Right Turn Lane Project; and \$380,000 for the soft costs of North Bend Way/Park Street Roundabout, Downtown Plaza and NE 12th Street reconstruction projects. After public safety, Council has appropriately identified the need to repair and maintain the City's infrastructure as its next priority.

During 2016, we conducted a Town Hall Meeting and provided a tour of our Wastewater Treatment Plant to share with our ratepayers some of the significant operational problems and regulatory issues requiring immediate capital improvements. Consistent with Council identifying



maintenance of its infrastructure as its second priority following public safety, Council approved a rate increase which will provide over \$15 million dollars to invest into the facility.

This Budget continues to invest in human and community services. The requests for Human Service funding to our City have continued to exceed our available resources. Council engaged in a zero-based budgeting exercise in considering the human service and community service grant requests for 2015. The Biennial Budget will provide \$78,000 in 2017 and Council will make another allocation for 2018 after receiving grant requests in late 2018.

This year the Economic Development Commission was restructured in an effort to create a nimble, “action-oriented” Commission made up of five members, including one Councilmember. This new format will provide seamless coordination between the Commission and the City Council. The new Commission includes volunteers with extensive professional experience in Branding and Marketing and will be tasked with creating the City’s first Branding and Marketing Strategic Plan. This Plan will provide guidance to the City on all economic development efforts including business recruitment, business retention, tourism development, Downtown revitalization and community events to name a few.

The General Fund is balanced by using a combination of efficiencies, additional revenues and expenditure reductions. I am proud that a balanced General Fund budget has been delivered to you that maintains the current level and quality of City services. The City has maintained its 10% reserve in the General Fund and enters the new year with that significant safety net to protect against unusual revenue dips or unexpected expenses. Conservative fiscal policy and direction has allowed North Bend to maintain this important reserve fund to provide solid financial footing for the City.

The City has made significant progress in implementing financial reforms and maintaining appropriate fund balances. I was pleased to learn that the City's bond rating recently increased from AA- minus to an outstanding AA rating.

I want to thank the City Council for their ongoing cooperation in making North Bend one of the premier cities in the State of Washington and City staff for their flexibility and hard work. I especially want to thank the citizens of North Bend for their continued support and I am hopeful for a prosperous 2017 for the entire community.

In closing, I want to share with you my continued desire to make North Bend a great place to live, work, and play. Our convenient location along the I-90 corridor, surrounding natural beauty, and small town feel makes our quality of life enviable. North Bend is truly "Easy to reach and hard to leave" and clearly makes North Bend the small town that has created the premier outdoor adventure destination in the Puget Sound region.

A handwritten signature in cursive script, reading "Kenneth G. Hearing".

Kenneth G. Hearing  
Mayor



## **Budget Guide**



## Budget Overview

The 2017-2018 Biennial Budget totals \$49,009,878 in all funds, including \$24,262,707 million in operating funds. The budget was adopted as separate appropriations for each year, with the 2017 budget totaling \$27,587,081 and the 2018 budget totaling \$21,422,797.

The General Fund budget is balanced using conservative revenue estimates dictated by the City's Financial Policies. The 2017 budget of \$7,550,296 is 9.2% more than the 2016 revised budget of \$6.9 million, while the 2018 budget of \$7,707,294 is 2.1% more than the 2017 adopted budget.

### **Revenues**

Total budgeted resources for 2017 are \$45,420,879, including a projected beginning fund balance for all funds in 2017 of \$15,036,509 and total revenues of \$30,384,270. Total budgeted resources for 2018 are \$45,602,275, including a projected beginning fund balance of \$17,833,798 and revenues of \$27,768,477. This budget is balanced by limiting expenditures to available resources.

The City Council did not take the 1% inflationary increase in the property tax levy as allowed by state law. Total assessed city property values increased by \$97 million (8.97%) to \$1.190 billion. Of this increase, \$11.7 million was the result of new construction. The 2017 regular property tax rate is \$1.29 and the voted debt levy is \$0.15, for a total of \$1.44 per \$1,000 of assessed valuation. Based on this rate, the City's share of property tax on a house valued at \$450,000 would be \$648. Last year's total levy rate was \$1.56. The actual increase or decrease in each taxpayer's individual property taxes will depend primarily on how much their property value changed in relation to the citywide average.

Sewer rates increased by 12.7% based on rate schedule adopted in 2016 that incorporates annual increases through 2020 to provide adequate funding for infrastructure improvements and to ensure that the sewer utility has stable operating reserves. Water rates increase by 6.5% per year through 2017 to provide adequate funding for infrastructure improvements and to ensure that the water utility has stable operating reserves. Utility General Facility Charges increase by the prior year Seattle Engineering News Record (ENR) Construction Cost Index (CCI) per City ordinance.

The 2017-2018 budget includes additional revenues generated from a Square Footage Business & Occupation tax adopted by the City Council in May 2016. This is a variable rate tax per square foot per quarter on businesses with 10,000 square feet or more of warehouse/distribution, industrial, and/or light manufacturing or research space, and for all

self-storage facilities. The proceeds generated from this tax are to be used only for transportation infrastructure maintenance and improvements.

No other tax or fee increases have been included in balancing the budget.

## **Expenditures**

Total budgeted expenditures for 2017 are \$27,587,081 and \$21,422,797 for 2018. The 2017 budget is \$4.9 million or 21.6% more than the 2016 actual expenditures. The increase is primarily due to capital spending and the related transfers of resources to specific projects, a one-time interfund loan, the addition of an 8<sup>th</sup> police officer, and increased sewer operations costs due to enhanced staffing levels, aging infrastructure and equipment replacement. The 2018 budget is \$6.1 million or 22.3% less than the 2017 budget. Again, this is mostly due to timing of capital improvement projects. The 2017 budget for operating expenditures (total expenditures minus transfers, certain one-time expenditures, and capital outlays) is \$11,952,906 compared to \$11,812,992 budgeted in 2016. The 2017 actual beginning fund balance across all funds is \$17,337,980, which is an increase of \$2.3 million over the budgeted beginning fund balance. This is due primarily to timing of capital improvement projects.

Ending fund balances are expected to increase by \$4 million to \$24,179,478 by the end of 2018. This increase is primarily due to rebuilding reserves in the utility and equipment replacement funds and increased impact fees for projects currently not included in the budget. A \$681,992 ending balance is projected for the General Fund in 2017 and \$349,513 in 2018 falls in line with our financial policy goal of 10 percent of the General Fund operating budget. The General Fund operating budget includes all expenses that are not classified as capital or interfund transfers. These expenses include all personnel costs, supplies, and professional services.

## **Staffing Changes**

Several staffing changes are included with the 2017-2018 Biennial Budget to address operational effectiveness and workload needs. Staffing changes include:

- A Deputy Public Works Director has been added in the Public Works budget.
- An additional Public Works Project Manager has been added.
- A SCADA Supervisor position has been added in the Sewer Utility budget.
- Two additional Wastewater Treatment Plant Operators have been added to the Sewer Utility budget with the second position budgeted to be hired mid-year 2017.
- A Utilities Coordinator was increased from part time to a full-time position.

# Budget Document

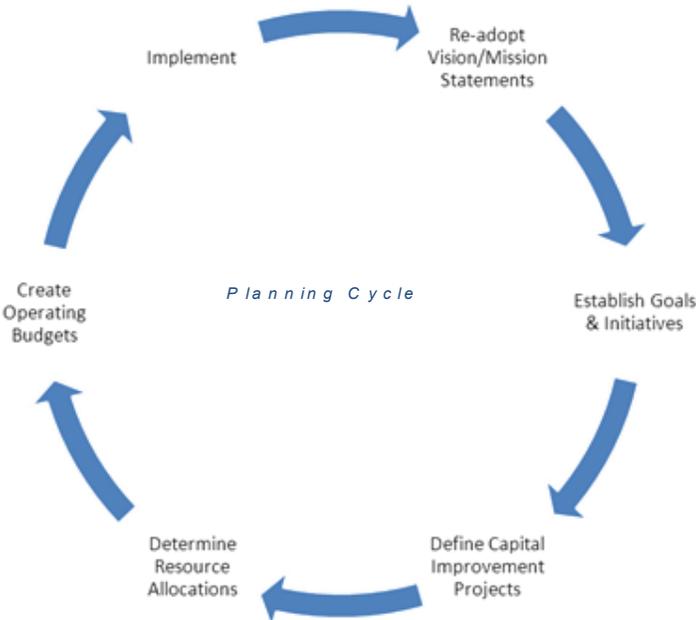
The budget document serves two distinct purposes:

- 1) to present the City Council and public with a clear picture of the services which the City provides, the cost of those services, and the policy decisions underlying the financial decisions; and
- 2) to provide City management with a financial and operating plan that guides the actions of the day-to-day activities to meet City Council goals and policy direction.

# Budget Process

The City of North Bend prepares a biennial budget following the process and time limits that are required by State law in the Revised Code of Washington (RCW) 35A.34. By law the first year of the biennial budget must be an odd numbered year. Accordingly, the preparation of the biennial budget occurs in the preceding even-numbered year. In even-numbered years there is a mid-biennial review and modification per State law.

The City’s budget process is a continuous cycle. The Mayor, City Council, and City staff work together to develop the budget. The City is required by law to balance its budget. and therefore it must forecast the revenues it will receive and the expenditures it will incur for the upcoming biennium. While the budget is being created, all parties must make decisions on how to utilize the limited revenues that the City receives in order to produce the greatest benefit to its citizens. The budget is constantly monitored throughout the year to ensure it does not expend more than its available resources.



The City follows the budget calendar below in establishing its budget every other year. This budget calendar is in accordance with State law time limitations and is designed to allow the Council and public ample opportunity to understand and have input on the budget direction of the City for the next two years.

## **2017-2018 BUDGET PROCESS CALENDAR**

### **AUGUST**

4<sup>th</sup> (Thursday)

- Finance sends budget requests (Decision Cards) to Council

16<sup>th</sup> (Tuesday) (Regular Council Meeting)

- Motion approving 2017-2018 Budget Calendar

### **SEPTEMBER**

Week of 6<sup>th</sup> – 9<sup>th</sup>

- Council & Management Decision Cards Due

### **OCTOBER**

3<sup>rd</sup> (Monday)

- 2015-2016 Preliminary Budget Estimates to City Council

11<sup>th</sup> (Tuesday)

- Budget Workshop #1 – Preliminary Budget Review
  - Review of 2017-2018 Proposed Budget
  - Human Services Grant Requests
  - Decision Card Review

### **NOVEMBER**

1<sup>st</sup> (Tuesday) (Regular Council Meeting)

- Public Hearing – 2017 Property Tax Levy
- Ordinance Adopting 2017 Property Tax Levy

2<sup>nd</sup> (Wednesday)

- Preliminary Budget & Budget Message to be filed with City Council and City Clerk (per RCW)

15<sup>th</sup> (Tuesday) (Regular Council Meeting)

- 2017-2018 Preliminary Budget Presentation
- Public Hearing – 2017-2018 Budget Ordinance
- 1<sup>st</sup> Reading – 2017-2018 Budget Ordinance

### **DECEMBER**

6<sup>th</sup> (Tuesday) (Regular Council Meeting)

- Council Adoption of 2017-2018 Biennial Budget Ordinance

The budget, as adopted, constitutes the legal authority for expenditures. The City's budget is adopted at the fund level so that expenditures may not legally exceed appropriations at that level of detail. Transfers or revisions within funds are allowed; however, any revisions that alter the total expenditures of a fund, or that affect the number of authorized employee positions or salary ranges must be approved by the City Council.

The budget is constantly monitored throughout the year to determine whether the city is spending more or less than its revenues. The City then makes adjustments to its spending in order to ensure that at the end of each year the budget is in balance.

Any budget amendments made during the year are adopted by City Council ordinance. These amendments allow for necessary adjustments to the budget that could not have been planned for during the normal budgeting process. Typical amendments include administrative adjustments, carry-forward appropriations resulting from projects that were not completed at year end, and new grant revenues awarded after the budget adoption.

## **Explanation of Accounting Basis and Budgeting**

### **Basis of Presentation – Fund Accounting**

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The City uses 26 separate funds. Each fund has a specific role and responsibility. Each fund is accounted for with a separate set of single-entry accounts that comprises its cash, investments, revenues and expenditures, as appropriate. Revenues and expenditures within each fund are closely monitored to ensure accuracy, accountability, and efficiency. The City's resources are allocated to and accounted for in individual funds depending on their intended purpose.

With the exception of the General Fund, money within each fund cannot be used in other funds. Many of the revenues received in each fund are restricted in use by law and/or by legislative action. Funds may make interfund loans to other funds. However, any interfund loan must be paid back based on a predetermined schedule and must pay prevailing interest rates (usually the interest rate earned through the Local Government Investment Pool). The General Fund can make transfers to other funds if money is available.

The following are the fund types used by the City of North Bend:

### **Governmental Fund Types**

Governmental funds are used to account for activities typically associated with state and local government operations. There are four governmental fund types used by the City of North Bend:

#### **General Fund**

This fund is the primary fund of the City of North Bend. It accounts for all financial resources except those required or elected to be accounted for in another fund. It is used to meet the basic services that your local government provides. The General Fund covers Police, Fire, Parks and Recreation, Development Services, Legal, Judicial and Financial Services, and General Administration. Major revenue sources include taxes, fees, licenses and permits, and intergovernmental revenues (Federal, State and County).

#### **Special Revenues Funds**

These funds account for revenues that are legally restricted or designated to finance particular activities. The **Street Operations Fund** is a Special Revenue Fund. Gas taxes are collected into the Street Fund and must be used for the maintenance of our streets, sidewalks, and trails. Other Special Revenue funds include the **Capital Streets Fund, Streets Overlay Fund, Impact Fees & Mitigation Fund, Hotel/Motel Tax Fund, Economic Development Fund, Park Capital Improvement Fund,** and the **Development Projects (CED) Fund.**

#### **Debt Service Funds**

These funds account for financial resources which are designated for the retirement of debt. The City's Debt Service Funds are the **2011 Fire Station Bond Redemption Fund, 2012 LTGO (TBD) Bond Redemption Fund, 2015 LTGO Refunding Bond Fund,** and the **2016 LTGO (Line of Credit) Bond Fund.**

#### **Capital Projects Fund**

These funds account for financial resources which are designated for the acquisition or construction of general government capital projects (other than those financed by proprietary funds, special assessment funds, and trust funds). The City has a **Municipal Projects Fund** and a **Capital Improvement (REET) Fund.** A portion of the revenues received into the Capital Improvement fund (such as Real Estate Excise Taxes or REET) are restricted by law to be used for general capital improvements.

## **Proprietary Fund Types**

Proprietary Funds are used to account for services to the general public where all or most of the costs, including depreciation, are to be financed or recovered from users of such services. There are two generic fund types in this category:

### **Enterprise Funds**

These funds account for operations that provide goods or services to the general public and are supported primarily by user charges. The **Water Utility Fund**, the **Sewer Utility Fund**, the **Storm Drainage & Flood Operations Fund**, and the **Solid Waste & Recycling Operations Fund** are enterprise funds.

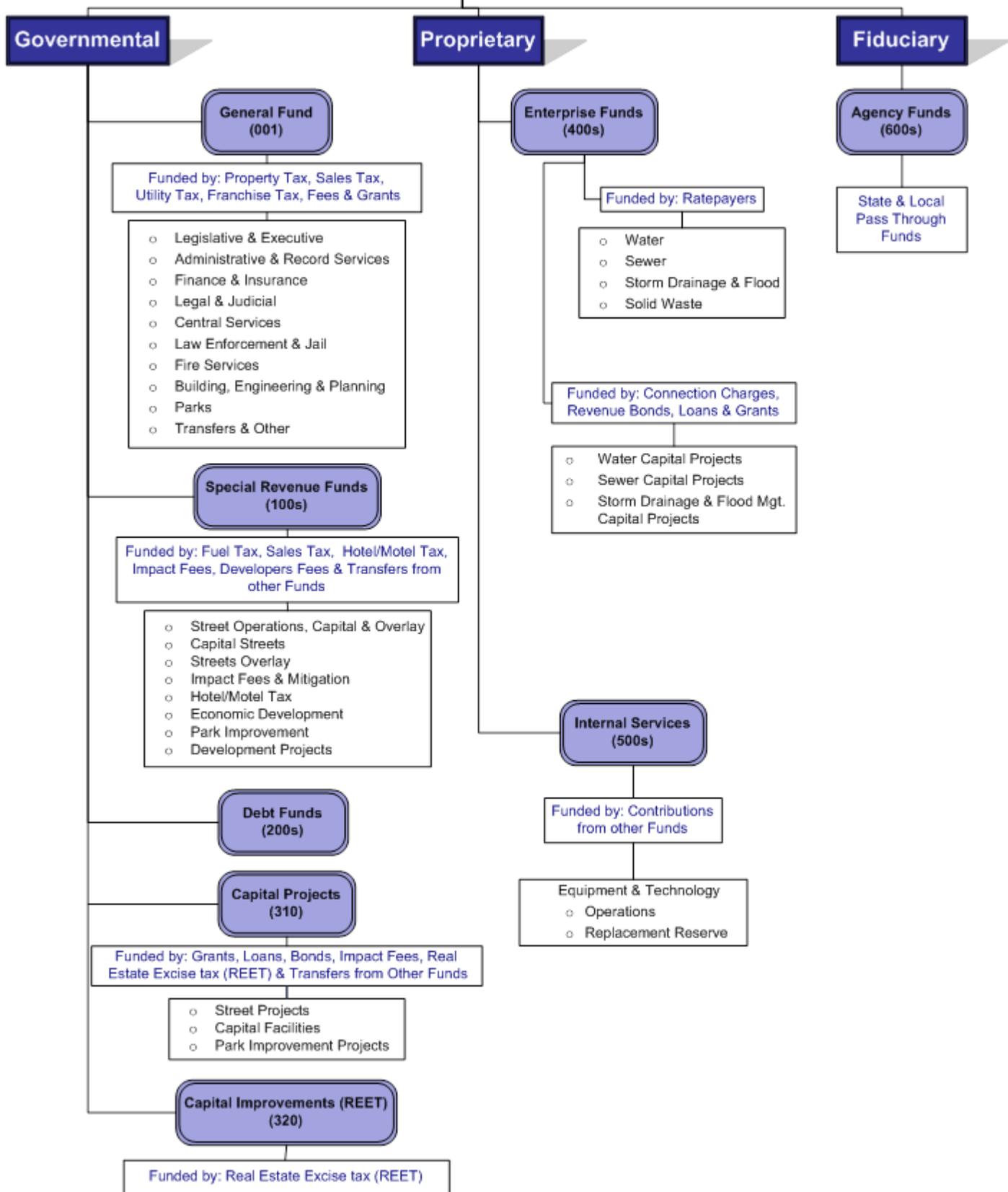
### **Internal Service Fund**

These funds account for operations that provide goods or services to other departments or funds of the City on a cost-reimbursement basis. This fund category includes the **Equipment & Technology Operations Fund** and the **Equipment & Technology Reserve Fund**. The Equipment Operations and Reserve Funds account for the cost of maintain and replacing all City vehicles and heavy equipment. Each department is charged operating and maintenance fees as well as replacement rates for the use of these assets. The Technology Operations and Reserve Funds are used to protect the City's current and future investment in computer equipment. Each department is charged a rate that covers the cost of repair and maintenance, replacement, and operation of the City's technology infrastructure.

## **Trust and Agency Funds**

Trust and Agency Funds account for activities where the City acts as the fiscal agent. The City has two funds in this category – The **Treasurers Trust Fund** and the **Transportation Benefit District (TBD) Fund**. These funds are not budgeted as part of the City's general budget. The TBD Board adopts an annual budget for the North Bend Transportation Benefit District.

# FUND TYPES



## **Basis of Accounting**

The City's basic accounting structure, including its chart of accounts and account coding format, is mandated by the Washington State Auditor's Budgeting, Accounting and Reporting System (BARS), and is enforced by the Office of the State Auditor through biennial audits. The basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements.

The City of North Bend uses a cash basis of accounting. Revenues are recognized only when cash is received and expenditures are recognized when paid, including those property chargeable against the report year budget appropriations as required by state law. Purchases of capital assets are expensed during the year of acquisition. There is no capitalization of capital assets, nor allocation of depreciation expense. Inventory is expensed when purchased.

## **Budgets and Budgetary Accounting**

Biennial appropriated budgets are adopted for all funds. These funds are budgeted on the cash basis of accounting. The financial statements include budgetary comparisons for all funds. Budgets are adopted at the fund level that constitutes the legal authority for expenditures. Appropriations for all funds lapse at the biennial period end.

## **Budget Responsibility and Development Process**

The City recognizes its ethical and fiduciary responsibility to its citizens to carefully account for public funds, wisely manage municipal finances, and plan adequate funding for the services and facilities desired and needed by the public.

Washington State law requires the City to adopt a balanced budget. Appropriations are therefore limited to the total estimated revenues for the upcoming biennium, plus any fund balance estimated to be available at the close of the 2016 fiscal year. In addition, State law requires that the Finance Director provide quarterly revenue and expenditure budget updates to the City Council. The financial and budgetary laws, policies and practices used to guide development of this budget are fully detailed in this Budget Overview and the Appendix.





## **Budget Summary**

# 2017 Budget Summary

## City of North Bend 2017 Adopted Budget Summary

Fund	Fund Name	Beginning Fund Balance	Revenues	Expenditures	Ending Fund Balance
001	General Fund	\$ 1,023,583	\$ 7,208,705	\$ 7,550,296	\$ 681,992
101	Street Operations Fund	-	797,466	797,466	-
102	Capital Streets Fund	6,108	163,141	169,249	-
103	Streets Overlay Fund	45,354	739,910	714,420	70,844
106	Impact Fees & Mitigation Fund	439,074	4,005,352	1,345,404	3,099,022
107	Hotel/Motel Tax Fund	6,785	13,500	14,000	6,285
108	Economic Development Fund	-	189,371	189,371	-
116	Park Improvement Fund	39,078	14,000	-	53,078
125	Development Projects Fund	173,048	892,140	922,140	143,048
216	2011 Fire Station Bond Fund	180,368	178,975	179,100	180,243
217	2012 LTGO (TBD) Bond Fund	11,930	148,275	148,400	11,805
218	2015 LTGO Bond Fund	-	191,723	191,723	-
219	2015 LTGO (LOC) Bond Fund	-	2,426,500	2,426,500	-
310	Municipal Projects Fund	797,638	2,896,314	3,158,829	535,123
320	Capital Improvements (REET) Fund	1,065,207	520,000	655,756	929,451
401	Water Utility Fund	2,309,483	2,030,663	1,849,339	2,490,807
402	Sewer Utility Fund	1,206,670	5,075,584	4,356,080	1,926,174
404	Storm Drainage Utility Fund	384,676	737,522	798,792	323,406
404	Flood Operations Fund	585,698	172,400	163,134	594,964
405	Solid Waste & Recycling Fund	254,167	93,810	44,789	303,188
451	ULID #6 Bond Redemption Fund	4,764,177	1,078,898	1,388,000	4,455,075
452	ULID #6 Bond Reserve Fund	1,255,955	3,200	-	1,259,155
501	Equipment Operating Fund	-	318,039	318,039	-
501	Technology Operating Fund	-	186,064	186,064	-
502	Equipment Reserve Fund	434,811	227,750	6,900	655,661
502	Technology Reserve Fund	52,699	75,068	13,290	114,477
<b>GRAND TOTAL:</b>		<b>\$ 15,036,509</b>	<b>\$ 30,384,370</b>	<b>\$ 27,587,081</b>	<b>\$ 17,833,798</b>



# 2017 Resources by Category

## 2017 ADOPTED RESOURCES BY CATEGORY (ALL FUNDS)

FUND TITLE	Fund #	Beginning Balance	Taxes	Licenses & Permits	Intergovt. Revenues	Charges for Goods & Services	Fines & Forfeits	Interest, Miscellaneous & Capital Contributions	Interfund Transfers In	Other Financing Sources	Total Budget
<b>GENERAL FUND</b>	<b>001</b>	\$ 1,023,583	\$5,784,251	\$ 419,548	\$ 107,069	\$ 186,177	\$81,400	\$ 33,120	\$ 597,140	\$ -	\$ 8,232,288
<b>SPECIAL REVENUE FUNDS</b>											
Street Operations	101	-	-	6,000	104,113	-	-	-	687,353	-	797,466
Capital Streets	102	6,108	-	-	47,141	-	-	-	116,000	-	169,249
Streets Overlay	103	45,354	-	-	450,000	-	-	-	289,910	-	785,264
Impact Fees	106	439,074	-	-	-	3,530,352	-	-	-	475,000	4,444,426
Hotel/Motel Tax	107	6,785	13,500	-	-	-	-	-	-	-	20,285
Economic Development	108	-	-	-	6,500	-	-	-	182,871	-	189,371
Park Improvement	116	39,078	-	-	14,000	-	-	-	-	-	53,078
Development Projects	125	173,048	-	-	-	892,140	-	-	-	-	1,065,188
<b>DEBT SERVICE FUNDS</b>											
2011 UTGO Fire Station Bond	216	180,368	178,975	-	-	-	-	-	-	-	359,343
2012 LTGO (TBD) Bond Redem	217	11,930	-	-	148,275	-	-	-	-	-	160,205
2015 LTGO Bonds	218	-	-	-	-	-	-	-	191,723	-	191,723
2016 LTGO (LOC) Bonds	219	-	-	-	-	-	-	-	75,500	2,351,000	2,426,500
<b>CAPITAL FUNDS</b>											
Municipal Capital Projects	310	797,638	-	-	1,821,117	-	-	-	1,075,197	-	3,693,952
Capital Improvements (REET)	320	1,065,207	520,000	-	-	-	-	-	-	-	1,585,207
<b>ENTERPRISE FUNDS</b>											
Water Utility	401	2,309,483	-	-	-	1,809,163	-	221,500	-	-	4,340,146
Sewer Utility	402	1,206,670	-	-	-	2,364,863	-	359,721	2,351,000	-	6,282,254
Storm Drainage Utility	404	384,676	-	-	-	710,500	-	27,022	-	-	1,122,198
Flood Operations	404	585,698	-	1,500	-	169,000	-	1,900	-	-	758,098
Solid Waste & Recycling	405	254,167	-	68,340	24,920	-	-	550	-	-	347,977
ULID #6 Bond Redemption	451	4,764,177	-	-	-	-	-	1,078,898	-	-	5,843,075
ULID #6 Bond Reserve	452	1,255,955	-	-	-	-	-	3,200	-	-	1,259,155
<b>INTERNAL SERVICE</b>											
Shop/Equipment Operating	501	-	-	-	-	318,039	-	-	-	-	318,039
Technology Operating	501	-	-	-	-	186,064	-	-	-	-	186,064
Equipment Reserve	502	434,811	-	-	-	227,750	-	-	-	-	662,561
Technology Reserve	502	52,699	-	-	-	75,068	-	-	-	-	127,767
<b>GRAND TOTAL</b>		<b>\$15,036,509</b>	<b>\$6,496,726</b>	<b>\$ 495,388</b>	<b>\$2,723,135</b>	<b>\$10,469,116</b>	<b>\$81,400</b>	<b>\$ 1,725,911</b>	<b>\$5,566,694</b>	<b>\$ 2,826,000</b>	<b>\$45,420,879</b>



# 2017 Expenditures by Category

## 2017 ADOPTED EXPENDITURES CLASSIFICATION BY CATEGORIES (ALL FUNDS)

FUND TITLE	Fund #	Personnel Costs	Supplies	Services & Charges	Intergovt. Services	Capital Outlay	Debt Service	Interfund Transfers	Other Financing Uses	Ending Fund Balance	Total Budget
<b>General Fund</b>	<b>001</b>										
Mayor & City Council		\$ 43,560	\$ -	\$ 4,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,360
Administration & Finance		608,147	500	81,797	3,500	-	-	-	-	-	693,944
Legal & Judicial		-	-	208,000	60,100	-	-	-	-	-	268,100
Central Services		8,430	13,450	205,562	-	-	-	-	-	-	227,442
Law Enforcement & Jail		-	1,000	7,200	2,031,456	-	-	-	-	-	2,039,656
Fire Services & Emergency Mgmt		-	1,100	1,041,310	9,500	47,841	-	-	-	-	1,099,751
Building & Planning		745,351	9,500	90,175	-	29,531	-	-	-	-	874,557
Parks, Culture & Recreation		337,648	12,100	243,379	-	-	-	-	-	-	593,127
Social & Human Services		-	-	80,000	-	-	-	-	-	-	80,000
Public Works & Engineering		230,723	1,000	100	4,000	3,000	-	-	-	-	238,823
Other Expenditures & Transfers		-	8,500	103,131	38,681	-	-	1,236,224	-	-	1,386,536
Ending Fund Balance		-	-	-	-	-	-	-	-	681,992	681,992
<b>TOTAL GENERAL FUND</b>		<b>\$ 1,973,859</b>	<b>\$ 47,150</b>	<b>\$ 2,065,454</b>	<b>\$ 2,147,237</b>	<b>\$ 80,372</b>	<b>\$ -</b>	<b>\$ 1,236,224</b>	<b>\$ -</b>	<b>\$ 681,992</b>	<b>\$ 8,232,288</b>
<b>Special Revenue Funds</b>											
Street Operations	101	438,352	15,000	309,258	3,281	-	31,575	-	-	-	797,466
Capital Streets	102	38,478	-	323	-	-	-	130,448	-	-	169,249
Street Overlay	103	-	-	-	-	714,420	-	-	-	70,844	785,264
Impact Fees	106	-	-	-	73,203	250,000	-	1,022,201	-	3,099,022	4,444,426
Hotel/Motel Tax	107	-	-	14,000	-	-	-	-	-	6,285	20,285
Economic Development	108	51,453	500	134,418	-	3,000	-	-	-	-	189,371
Park Improvement	116	-	-	-	-	-	-	-	-	53,078	53,078
Development Projects	125	-	-	325,000	-	-	-	597,140	-	143,048	1,065,188
<b>Debt Funds</b>											
2011 UTGO Fire Station Bond	216	-	-	-	-	-	179,100	-	-	180,243	359,343
2012 LTGO (TBD) Bond Redemp	217	-	-	-	-	-	148,400	-	-	11,805	160,205
2015 LTGO Bonds	218	-	-	-	-	-	191,723	-	-	-	191,723
2016 LTGO (LOC) Bonds	219	-	-	-	-	-	75,500	2,351,000	-	-	2,426,500
<b>CIP</b>											
Municipal Capital Projects	310	-	-	-	-	3,091,201	-	67,628	-	535,123	3,693,952
Capital Improvements	320	-	-	-	-	-	31,575	149,181	475,000	929,451	1,585,207
<b>Enterprise Funds</b>											
Water	401	844,458	66,000	490,955	1,281	197,000	249,645	-	-	2,490,807	4,340,146
Sewer	402	1,075,080	58,700	555,101	1,281	2,200,286	390,132	75,500	-	1,926,174	6,282,254
Storm Drainage	404	390,574	3,100	164,918	1,281	85,013	153,906	-	-	323,406	1,122,198
Flood	404	138,648	850	23,636	-	-	-	-	-	594,964	758,098
Solid Waste	405	27,916	-	16,873	-	-	-	-	-	303,188	347,977
ULID #6 Bond Rdmp.	451	-	-	-	-	-	1,388,000	-	-	4,455,075	5,843,075
ULID #6 Bond Reserve	452	-	-	-	-	-	-	-	-	1,259,155	1,259,155
<b>Internal</b>											
Shop/Equipment Operating	501	132,466	67,500	85,287	1,281	-	31,505	-	-	-	318,039
Technology Operating	501	17,273	2,000	149,481	-	17,310	-	-	-	-	186,064
Equipment Reserve	502	-	-	-	-	6,900	-	-	-	655,661	662,561
Technology Reserve	502	-	-	-	-	13,290	-	-	-	114,477	127,767
<b>GRAND TOTAL ALL FUNDS</b>		<b>\$ 5,128,557</b>	<b>\$ 260,800</b>	<b>\$ 4,334,704</b>	<b>\$ 2,228,845</b>	<b>\$ 6,658,792</b>	<b>\$ 2,871,061</b>	<b>\$ 5,629,322</b>	<b>\$ 475,000</b>	<b>\$ 17,833,798</b>	<b>\$ 45,420,879</b>



# 2018 Budget Summary

## City of North Bend 2018 Adopted Budget Summary

Fund	Fund Name	Beginning Fund Balance	Revenues	Expenditures	Ending Fund Balance
001	General Fund	\$ 681,992	\$ 7,374,815	\$ 7,707,294	\$ 349,513
101	Street Operations Fund	-	813,041	813,041	-
102	Capital Streets Fund	-	163,168	163,168	-
103	Streets Overlay Fund	70,844	280,400	150,000	201,244
106	Impact Fees & Mitigation Fund	3,099,022	7,038,108	1,434,402	8,702,728
107	Hotel/Motel Tax Fund	6,285	40,000	40,000	6,285
108	Economic Development Fund	-	165,416	165,416	-
116	Park Improvement Fund	53,078	14,500	3,779	63,799
125	Development Projects Fund	143,048	892,140	922,140	113,048
216	2011 Fire Station Bond Fund	180,243	175,975	176,100	180,118
217	2012 LTGO (TBD) Bond Fund	11,805	145,675	145,800	11,680
218	2015 LTGO Bond Fund	-	198,259	198,259	-
219	2016 LTGO (LOC) Bond Fund	-	325,500	325,500	-
310	Municipal Projects Fund	535,123	904,779	911,000	528,902
320	Capital Improvements (REET) Fund	929,451	1,038,500	136,050	1,831,901
401	Water Utility Fund	2,490,807	2,156,569	2,069,833	2,577,543
402	Sewer Utility Fund	1,926,174	3,304,250	3,095,591	2,134,833
404	Storm Drainage Utility Fund	323,406	749,847	864,000	209,253
404	Flood Operations Fund	594,964	177,670	167,467	605,167
405	Solid Waste & Recycling Fund	303,188	95,220	45,853	352,555
451	ULID #6 Bond Redemption Fund	4,455,075	903,765	1,370,400	3,988,440
452	ULID #6 Bond Reserve Fund	1,259,155	3,400	-	1,262,555
501	Equipment Operating Fund	-	321,610	321,610	-
501	Technology Operating Fund	-	183,089	183,089	-
502	Equipment Reserve Fund	655,661	227,713	-	883,374
502	Technology Reserve Fund	114,477	75,068	13,005	176,540
<b>GRAND TOTAL:</b>		<b>\$ 17,833,798</b>	<b>\$ 27,768,477</b>	<b>\$ 21,422,797</b>	<b>\$ 24,179,478</b>



## 2018 Resources by Category

### 2018 ADOPTED RESOURCES BY CATEGORY (ALL FUNDS)

FUND TITLE	Fund #	Beginning Balance	Taxes	Licenses & Permits	Intergovt. Revenues	Charges for Goods & Services	Fines & Forfeits	Interest, Miscellaneous & Capital Contributions	Interfund Transfers In	Other Financing Sources	Total Budget
<b>GENERAL FUND</b>	<b>001</b>	\$ 681,992	\$5,862,579	\$ 497,000	\$ 109,069	\$ 192,897	\$82,150	\$ 33,980	\$ 597,140	\$ -	\$ 8,056,807
<b>SPECIAL REVENUE FUNDS</b>											
Street Operations	101	-	-	6,000	107,401	-	-	-	699,640	-	813,041
Capital Streets	102	-	-	-	47,168	-	-	-	116,000	-	163,168
Streets Overlay	103	70,844	-	-	-	-	-	-	280,400	-	351,244
Impact Fees	106	3,099,022	-	-	-	7,038,108	-	-	-	-	10,137,130
Hotel/Motel Tax	107	6,285	40,000	-	-	-	-	-	-	-	46,285
Economic Development	108	-	-	-	6,500	-	-	-	158,916	-	165,416
Park Improvement	116	53,078	-	-	14,500	-	-	-	-	-	67,578
Development Projects	125	143,048	-	-	-	892,140	-	-	-	-	1,035,188
<b>DEBT SERVICE FUNDS</b>											
2011 UTGO Fire Station Bond	216	180,243	175,975	-	-	-	-	-	-	-	356,218
2012 LTGO (TBD) Bond Redem	217	11,805	-	-	145,675	-	-	-	-	-	157,480
2015 LTGO Bonds	218	-	-	-	-	-	-	-	198,259	-	198,259
2016 LTGO (LOC) Bonds	219	-	-	-	-	-	-	-	75,500	250,000	325,500
<b>CAPITAL FUNDS</b>											
Municipal Capital Projects	310	535,123	-	-	-	-	-	-	904,779	-	1,439,902
Capital Improvements (REET)	320	929,451	560,000	-	-	-	-	478,500	-	-	1,967,951
<b>ENTERPRISE FUNDS</b>											
Water Utility	401	2,490,807	-	-	-	1,934,719	-	221,850	-	-	4,647,376
Sewer Utility	402	1,926,174	-	-	-	2,670,073	-	384,177	250,000	-	5,230,424
Storm Drainage Utility	404	323,406	-	-	-	722,545	-	27,302	-	-	1,073,253
Flood Operations	404	594,964	-	1,500	-	174,070	-	2,100	-	-	772,634
Solid Waste & Recycling	405	303,188	-	69,700	24,920	-	-	600	-	-	398,408
ULID #6 Bond Redemption	451	4,455,075	-	-	-	-	-	903,765	-	-	5,358,840
ULID #6 Bond Reserve	452	1,259,155	-	-	-	-	-	3,400	-	-	1,262,555
<b>INTERNAL SERVICE</b>											
Shop/Equipment Operating	501	-	-	-	-	321,610	-	-	-	-	321,610
Technology Operating	501	-	-	-	-	183,089	-	-	-	-	183,089
Equipment Reserve	502	655,661	-	-	-	227,713	-	-	-	-	883,374
Technology Reserve	502	114,477	-	-	-	75,068	-	-	-	-	189,545
<b>GRAND TOTAL</b>		<b>\$17,833,798</b>	<b>\$6,638,554</b>	<b>\$ 574,200</b>	<b>\$ 455,233</b>	<b>\$14,432,032</b>	<b>\$82,150</b>	<b>\$ 2,055,674</b>	<b>\$3,280,634</b>	<b>\$ 250,000</b>	<b>\$45,602,275</b>



# 2018 Expenditures by Category

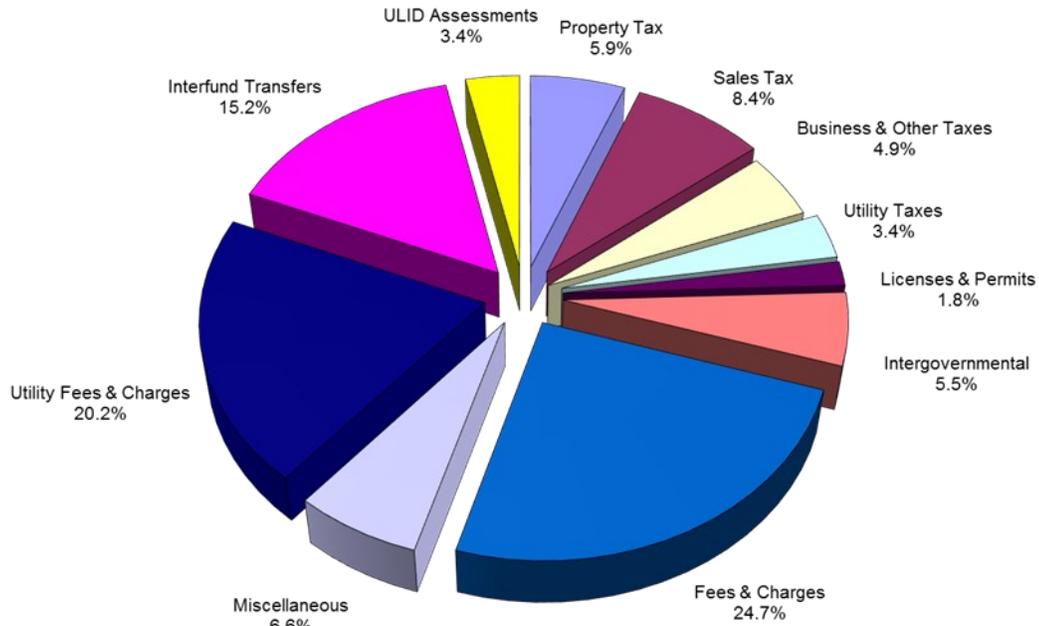
## 2018 ADOPTED EXPENDITURES CLASSIFICATION BY CATEGORIES (ALL FUNDS)

FUND TITLE	Fund #	Personnel Costs	Supplies	Services & Charges	Intergovt. Services	Capital Outlay	Debt Service	Interfund Transfers	Other Financing Uses	Ending Fund Balance	Total Budget
<b>General Fund</b>	<b>001</b>										
Mayor & City Council		\$ 43,723	\$ -	\$ 4,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,523
Administration & Finance		632,417	500	79,614	18,000	-	-	-	-	-	730,531
Legal & Judicial		-	-	208,000	60,100	-	-	-	-	-	268,100
Central Services		8,627	13,450	203,758	-	-	-	-	-	-	225,835
Law Enforcement & Jail		-	1,000	7,220	2,080,279	-	-	-	-	-	2,088,499
Fire Services & Emergency Mgmt		-	1,100	1,114,065	10,000	51,190	-	-	-	-	1,176,355
Building & Planning		784,870	9,500	70,283	-	-	-	-	-	-	864,653
Parks, Culture & Recreation		344,790	12,100	244,301	-	-	-	-	-	-	601,191
Social & Human Services		-	-	80,000	-	-	-	-	-	-	80,000
Public Works & Engineering		234,906	1,000	100	3,891	-	-	-	-	-	239,897
Other Expenditures & Transfers		-	8,500	110,954	39,700	-	-	1,224,556	-	-	1,383,710
Ending Fund Balance		-	-	-	-	-	-	-	-	349,513	349,513
<b>TOTAL GENERAL FUND</b>		<b>\$ 2,049,333</b>	<b>\$ 47,150</b>	<b>\$ 2,123,095</b>	<b>\$ 2,211,970</b>	<b>\$ 51,190</b>	<b>\$ -</b>	<b>\$ 1,224,556</b>	<b>\$ -</b>	<b>\$ 349,513</b>	<b>\$ 8,056,807</b>
<b>Special Revenue Funds</b>											
Street Operations	101	449,251	15,000	314,109	3,246	-	31,435	-	-	-	813,041
Capital Streets	102	38,800	-	324	-	-	-	124,044	-	-	163,168
Street Overlay	103	-	-	-	-	150,000	-	-	-	201,244	351,244
Impact Fees	106	-	-	-	54,902	-	3,500	901,000	475,000	8,702,728	10,137,130
Hotel/Motel Tax	107	-	-	40,000	-	-	-	-	-	6,285	46,285
Economic Development	108	53,637	500	108,279	-	3,000	-	-	-	-	165,416
Park Improvement	116	-	-	-	-	-	-	3,779	-	63,799	67,578
Development Projects	125	-	-	325,000	-	-	-	597,140	-	113,048	1,035,188
<b>Debt Funds</b>											
2011 UTGO Fire Station Bond	216	-	-	-	-	-	176,100	-	-	180,118	356,218
2012 LTGO (TBD) Bond Redemp	217	-	-	-	-	-	145,800	-	-	11,680	157,480
2015 LTGO Bonds	218	-	-	-	-	-	198,259	-	-	-	198,259
2016 LTGO (LOC) Bonds	219	-	-	-	-	-	75,500	250,000	-	-	325,500
<b>CIP</b>											
Municipal Capital Projects	310	-	-	-	-	911,000	-	-	-	528,902	1,439,902
Capital Improvements	320	-	-	-	-	-	31,435	104,615	-	1,831,901	1,967,951
<b>Enterprise Funds</b>											
Water	401	872,574	66,000	495,651	6,246	381,000	248,362	-	-	2,577,543	4,647,376
Sewer	402	1,151,945	59,700	569,150	8,246	841,000	390,050	75,500	-	2,134,833	5,230,424
Storm Drainage	404	401,107	3,100	166,131	1,796	140,000	151,866	-	-	209,253	1,073,253
Flood	404	142,687	850	23,730	200	-	-	-	-	605,167	772,634
Solid Waste	405	28,938	-	16,915	-	-	-	-	-	352,555	398,408
ULID #6 Bond Rdmp.	451	-	-	-	-	-	1,370,400	-	-	3,988,440	5,358,840
ULID #6 Bond Reserve	452	-	-	-	-	-	-	-	-	1,262,555	1,262,555
<b>Internal</b>											
Shop/Equipment Operating	501	135,998	67,500	85,501	1,246	-	31,365	-	-	-	321,610
Technology Operating	501	18,102	2,000	149,892	-	13,095	-	-	-	-	183,089
Equipment Reserve	502	-	-	-	-	-	-	-	-	883,374	883,374
Technology Reserve	502	-	-	-	-	13,005	-	-	-	176,540	189,545
<b>GRAND TOTAL ALL FUNDS</b>		<b>\$ 5,342,372</b>	<b>\$ 261,800</b>	<b>\$ 4,417,777</b>	<b>\$ 2,287,852</b>	<b>\$ 2,503,290</b>	<b>\$ 2,854,072</b>	<b>\$ 3,280,634</b>	<b>\$ 475,000</b>	<b>\$ 24,179,478</b>	<b>\$ 45,602,275</b>

## Revenues & Other Sources Summary

Description	2014 Actual	2015 Actual	2016 Revised	2016 Actual	2017 Adopted	2018 Adopted
Property Tax	1,510,376	1,665,395	1,694,491	1,688,015	1,708,762	1,736,357
Sales Tax	2,068,397	2,305,283	2,394,112	2,457,580	2,411,629	2,447,097
Hotel/Motel Tax	11,359	12,365	11,500	13,225	13,500	40,000
Business & Excise Taxes	767,105	772,013	871,290	902,687	868,835	871,100
Utility Taxes	958,276	972,154	949,000	952,760	974,000	984,000
Real Estate Excise Tax	435,736	506,541	540,000	556,108	520,000	560,000
Franchise Fees	145,030	174,276	175,000	174,109	177,390	179,810
Licenses & Permits	193,367	171,638	186,873	244,341	317,998	394,390
Intergovernmental	828,264	653,196	571,592	516,197	2,723,135	455,233
Charges for Goods & Services	704,800	1,079,269	1,511,100	1,743,402	4,608,669	8,123,145
Utility Collections	4,238,252	4,489,377	4,554,592	4,644,073	5,053,526	5,501,407
Interfund Charges for Services	519,571	502,473	587,187	518,429	806,921	807,480
Fines & Penalties	76,339	73,611	98,379	103,281	81,400	82,150
Interest & Miscellaneous	46,904	71,607	265,677	247,669	58,190	64,130
ULID Assessments	1,534,865	2,208,637	3,690,000	3,738,102	1,070,898	895,565
Capital Contributions	407,805	285,522	301,654	488,857	596,823	620,979
Interfund Transfers	2,373,486	1,903,494	4,040,549	2,544,731	5,566,694	3,280,634
Other Financing Sources & Non-Reven	620,020	10,992,984	904,587	466,314	2,826,000	725,000
Beginning Fund Balances	13,368,937	12,594,843	13,936,051	13,936,050	15,036,509	17,833,798
<b>Total Revenue From All Sources</b>	<b>\$ 30,808,888</b>	<b>\$ 41,434,678</b>	<b>\$ 37,283,634</b>	<b>\$ 35,935,928</b>	<b>\$ 45,420,879</b>	<b>\$ 45,602,275</b>

### 2017-2018 Adopted Revenue Sources



## Expenditures & Other Uses Summary

Description	2014 Actual	2015 Actual	2016 Revised	2016 Actual	2017 Adopted	2018 Adopted
<b>Operations Expenditures</b>						
Mayor & City Council	\$ 47,255	\$ 47,802	\$ 49,792	\$ 49,386	\$ 48,360	\$ 48,523
Administration	337,309	356,763	386,132	374,746	431,283	445,509
Court Services	64,812	53,445	72,100	64,812	60,100	60,100
Legal	270,645	195,988	233,750	237,330	208,000	208,000
Finance	231,006	221,512	261,749	257,412	262,661	285,022
Central Services	170,766	147,264	175,317	160,364	227,442	225,835
Law Enforcement	1,528,533	1,462,792	1,518,635	1,473,848	1,689,656	1,738,499
Fire Services	831,891	939,116	1,006,575	1,003,231	1,048,810	1,122,065
Jail Contract	352,006	359,691	335,800	359,394	350,000	350,000
Emergency Management	10,958	1,321	2,600	1,404	3,100	3,100
Building	225,546	268,146	347,589	351,312	377,028	392,706
Facility Engineering	46,458	67,144	107,942	111,423	231,823	236,006
Human Services	47,400	57,420	72,500	71,500	80,000	80,000
Meadowbrook Farm	16,667	10,000	10,000	10,000	10,000	10,000
Planning	376,489	404,003	475,817	496,498	467,998	471,947
Culture & Recreation	38,783	50,332	64,367	56,618	58,632	59,079
Historical Museum	2,500	2,500	3,000	3,000	3,000	3,000
Parks	370,994	395,217	553,729	532,489	594,698	584,014
Land & Building Management	246,624	432,681	661,109	672,827	329,000	328,891
Non-Departmental	101,671	103,406	143,819	130,196	150,312	159,154
Street Operations	675,784	691,749	771,751	725,339	804,692	820,730
Economic Development	80,329	124,613	160,122	140,631	200,371	202,416
<b>Total Operations Expenditures</b>	<b>6,074,425</b>	<b>6,392,905</b>	<b>7,414,195</b>	<b>7,283,761</b>	<b>7,636,966</b>	<b>7,834,596</b>
<b>Proprietary Expenditures</b>						
Water Utility	1,023,504	1,143,549	1,252,046	1,188,795	1,402,694	1,440,471
Sewer Utility	1,564,501	1,396,718	1,841,226	1,578,683	1,690,162	1,789,041
Storm Drainage Utility	433,842	518,848	538,130	477,735	559,873	572,134
Flood Operations	104,428	123,101	181,645	169,380	163,134	167,467
Solid Waste & Recycling	31,724	38,484	39,539	39,358	44,789	45,853
ULID #6	-	-	105,000	76,708	-	-
Shop Operations	277,641	268,979	281,249	223,651	286,534	290,245
Technology Operations	140,560	137,117	159,962	150,488	168,754	169,994
<b>Total Proprietary Expenditures</b>	<b>3,576,200</b>	<b>3,626,796</b>	<b>4,398,797</b>	<b>3,904,798</b>	<b>4,315,940</b>	<b>4,475,205</b>
<b>Total Operating Expenditures</b>	<b>9,650,625</b>	<b>10,019,701</b>	<b>11,812,992</b>	<b>11,188,559</b>	<b>11,952,906</b>	<b>12,309,801</b>
<b>Other Financing Uses</b>						
Capital Outlay	108,345	305,001	182,400	163,718	216,240	99,290
Capital Improvements	3,029,718	1,646,143	3,668,474	1,834,777	6,442,552	2,404,000
Debt Service	2,964,281	13,536,699	2,906,106	2,844,900	2,871,061	2,854,072
Interfund Transfers	2,373,486	1,903,494	4,089,749	2,544,731	5,629,322	3,280,634
Non-Expenditures	87,590	87,590	21,264	21,263	475,000	475,000
<b>Total Other Financing Uses</b>	<b>8,563,420</b>	<b>17,478,928</b>	<b>10,867,993</b>	<b>7,409,389</b>	<b>15,634,175</b>	<b>9,112,996</b>
<b>Total Expenditures &amp; Other Uses</b>	<b>18,214,044</b>	<b>27,498,629</b>	<b>22,680,985</b>	<b>18,597,948</b>	<b>27,587,081</b>	<b>21,422,797</b>
<b>Ending Fund Balances</b>	<b>12,594,843</b>	<b>13,936,050</b>	<b>14,602,649</b>	<b>17,337,980</b>	<b>17,833,798</b>	<b>24,179,478</b>
<b>Total Expenditures, Other Uses &amp; Fund Balances</b>	<b>\$ 30,808,888</b>	<b>\$ 41,434,678</b>	<b>\$ 37,283,634</b>	<b>\$ 35,935,928</b>	<b>\$ 45,420,879</b>	<b>\$ 45,602,275</b>

**City of North Bend**

**Revenue Summary by Fund**

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<b>Actual</b>	<b>Actual</b>	<b>Revised</b>	<b>Actual</b>	<b>Adopted</b>	<b>Adopted</b>
General Fund	\$ 7,092,529	\$ 7,435,705	\$ 7,917,482	\$ 8,102,018	\$ 8,232,288	\$ 8,056,807
Street Operations Fund	684,261	673,352	730,018	691,634	797,466	813,041
Capital Streets Fund	290,034	384,049	174,045	187,731	169,249	163,168
Streets Overlay Fund	489,199	142,367	267,914	268,079	785,264	351,244
Impact Fees & Mitigation Fund	1,409,250	1,193,204	1,451,591	1,548,508	4,444,426	10,137,130
Hotel/Motel Tax Fund	13,020	16,785	19,285	21,010	20,285	46,285
Economic Development Fund	71,729	128,209	147,622	126,631	189,371	165,416
Park Improvement Fund	94,685	111,174	100,171	98,610	53,078	67,578
Development Projects Fund	456,548	853,475	1,112,588	1,224,980	1,065,188	1,035,188
2010 LTGO Fund	191,501	158,356	-	-	-	-
2011 Fire Station Bond Fund	360,108	363,368	361,468	361,930	359,343	356,218
2012 LTGO (TBD) Bond Fund	157,626	159,997	157,697	160,451	160,205	157,480
2015 LTGO Bond Fund	-	36,703	194,074	193,624	191,723	198,259
2016 LTGO (LOC) Bond Fund	-	-	904,500	467,056	2,426,500	325,500
Municipal Projects Fund	1,676,439	1,641,946	3,064,088	1,928,281	3,693,952	1,439,902
Capital Improvements (REET) Fund	860,674	1,094,468	1,353,000	1,374,142	1,585,207	1,967,951
Water Utility Fund	3,759,800	3,997,260	4,213,414	4,351,186	4,340,146	4,647,376
Sewer Utility Fund	4,561,253	3,941,457	4,148,332	3,857,277	6,282,254	5,230,424
Storm Drainage Utility Fund	1,384,545	2,372,129	1,377,251	1,380,773	1,122,198	1,073,253
Flood Operations Fund	650,562	716,857	767,343	773,222	758,098	772,634
Solid Waste & Recycling Fund	163,659	233,118	293,266	288,938	347,977	398,408
ULID #6 Bond Redemption Fund	3,809,868	13,103,796	6,264,961	6,330,765	5,843,075	5,358,840
ULID #6 Bond Reserve Fund	1,782,191	1,786,220	1,254,255	1,258,571	1,259,155	1,262,555
Equipment Operating Fund	321,030	312,717	312,910	255,274	318,039	321,610
Technology Operating Fund	141,396	144,108	170,102	158,980	186,064	183,089
Equipment Reserve Fund	329,664	372,428	464,811	464,811	662,561	883,374
Technology Reserve Fund	57,316	61,428	61,446	61,446	127,767	189,545
<b>CITY TOTAL</b>	<b>\$ 30,808,888</b>	<b>\$ 41,434,678</b>	<b>\$ 37,283,634</b>	<b>\$ 35,935,928</b>	<b>\$ 45,420,879</b>	<b>\$ 45,602,275</b>

**City of North Bend**

**Expenditure Summary by Fund**

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<b>Actual</b>	<b>Actual</b>	<b>Revised</b>	<b>Actual</b>	<b>Adopted</b>	<b>Adopted</b>
General Fund	\$ 6,093,972	\$ 6,191,453	\$ 6,912,756	\$ 6,766,074	\$ 7,550,296	\$ 7,707,294
Street Operations Fund	684,261	673,352	730,018	691,634	797,466	813,041
Capital Streets Fund	115,911	370,505	168,728	157,216	169,249	163,168
Streets Overlay Fund	427,591	26,605	222,725	203,698	714,420	150,000
Impact Fees & Mitigation Fund	487,306	147,211	1,286,780	565,122	1,345,404	1,434,402
Hotel/Motel Tax Fund	8,600	9,000	14,000	14,000	14,000	40,000
Economic Development Fund	71,729	128,209	147,622	126,631	189,371	165,416
Park Improvement Fund	29,862	43,774	57,805	15,807	-	3,779
Development Projects Fund	333,050	690,887	939,540	939,422	922,140	922,140
2010 LTGO Fund	191,501	158,356	-	-	-	-
2011 Fire Station Bond Fund	184,830	183,500	181,600	181,275	179,100	176,100
2012 LTGO (TBD) Bond Fund	145,530	148,200	145,900	145,575	148,400	145,800
2015 LTGO Bond Fund	-	36,703	194,074	193,624	191,723	198,259
2016 LTGO (LOC) Bond Fund	-	-	904,500	467,056	2,426,500	325,500
Municipal Projects Fund	687,142	570,679	2,364,217	1,013,711	3,158,829	911,000
Capital Improvements (REET) Fund	274,742	281,468	290,293	209,502	655,756	136,050
Water Utility Fund	2,291,378	1,688,563	1,916,336	1,551,313	1,849,339	2,069,833
Sewer Utility Fund	2,962,345	2,763,200	2,961,269	2,446,559	4,356,080	3,095,591
Storm Drainage Utility Fund	668,267	1,691,978	992,770	779,940	798,792	864,000
Flood Operations Fund	104,428	123,101	181,645	169,380	163,134	167,467
Solid Waste & Recycling Fund	31,724	38,484	39,539	39,358	44,789	45,853
ULID #6 Bond Redemption Fund	1,951,499	10,531,335	1,507,284	1,473,963	1,388,000	1,370,400
Equipment Operating Fund	321,030	312,717	312,910	255,274	318,039	321,610
Technology Operating Fund	141,396	144,108	170,102	158,980	186,064	183,089
Equipment Reserve Fund	-	-	30,000	24,568	6,900	-
Technology Reserve Fund	5,949	11,773	8,572	8,266	13,290	13,005
<b>CITY TOTAL</b>	<b>\$ 18,214,044</b>	<b>\$ 27,498,629</b>	<b>\$ 22,680,985</b>	<b>\$ 18,597,948</b>	<b>\$ 27,587,081</b>	<b>\$ 21,422,797</b>

## Ending Fund Balances

Fund	Ending Fund Balance					
	2014 Actual	2015 Actual	2016 Revised Budget	2016 Actual	2017 Adopted Budget	2018 Adopted Budget
General	\$ 998,557	\$ 1,244,252	\$ 1,004,726	\$ 1,335,944	\$ 681,992	\$ 349,513
Street Operations	-	-	-	-	-	-
Capital Streets	174,123	13,545	5,317	30,515	-	-
Streets Overlay	61,608	115,763	45,189	64,380	70,844	201,244
Impact Fees & Mitigation	921,945	1,045,993	164,811	983,386	3,099,022	8,702,728
Hotel/Motel Tax	4,420	7,785	5,285	7,010	6,285	6,285
Economic Development	-	-	-	-	-	-
Park Improvement	64,823	67,400	42,366	82,803	53,078	63,799
Development Projects	123,499	162,588	173,048	285,558	143,048	113,048
Debt Service Funds	187,373	191,664	191,665	195,531	192,048	191,798
Municipal Capital Projects	989,297	1,071,267	699,871	914,570	535,123	528,902
Capital Imp (REET)	585,931	813,000	1,062,707	1,164,640	929,451	1,831,901
Water Utility	1,468,421	2,308,697	2,297,078	2,799,873	2,490,807	2,577,543
Sewer Utility	1,598,907	1,178,257	1,187,063	1,410,718	1,926,174	2,134,833
Storm Drainage Utility	716,279	680,151	384,481	600,833	323,406	209,253
Flood Operations	546,134	593,755	585,698	603,841	594,964	605,167
Solid Waste & Recycling	131,935	194,634	253,727	249,580	303,188	352,555
ULID #6 Bond Funds	3,640,560	3,825,216	6,011,932	6,115,373	5,714,230	5,250,995
Equipment Reserve	329,664	372,428	434,811	440,243	655,661	883,374
Technology Reserve	51,368	49,654	52,874	53,181	114,477	176,540
<b>Total</b>	<b>\$ 12,594,843</b>	<b>\$ 13,936,050</b>	<b>\$ 14,602,649</b>	<b>\$ 17,337,980</b>	<b>\$ 17,833,798</b>	<b>\$ 24,179,478</b>



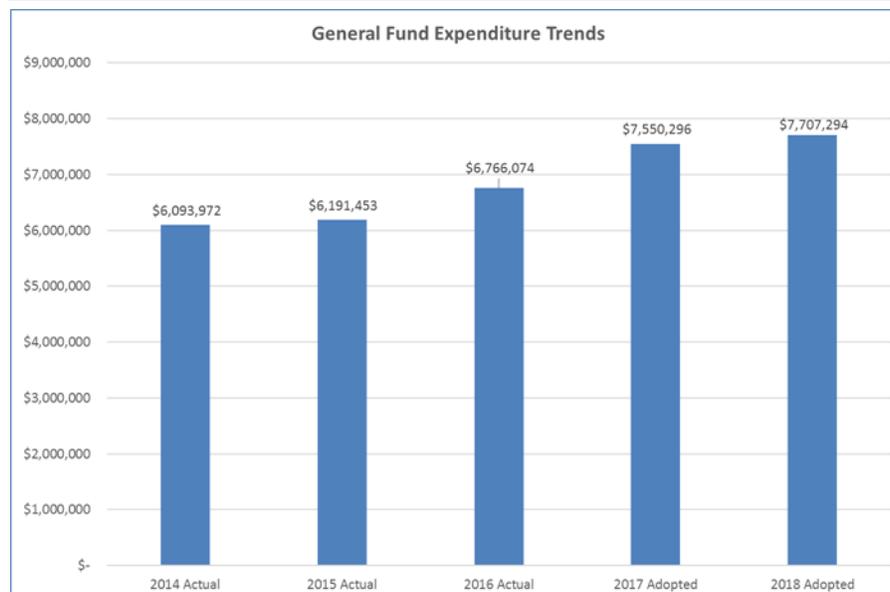
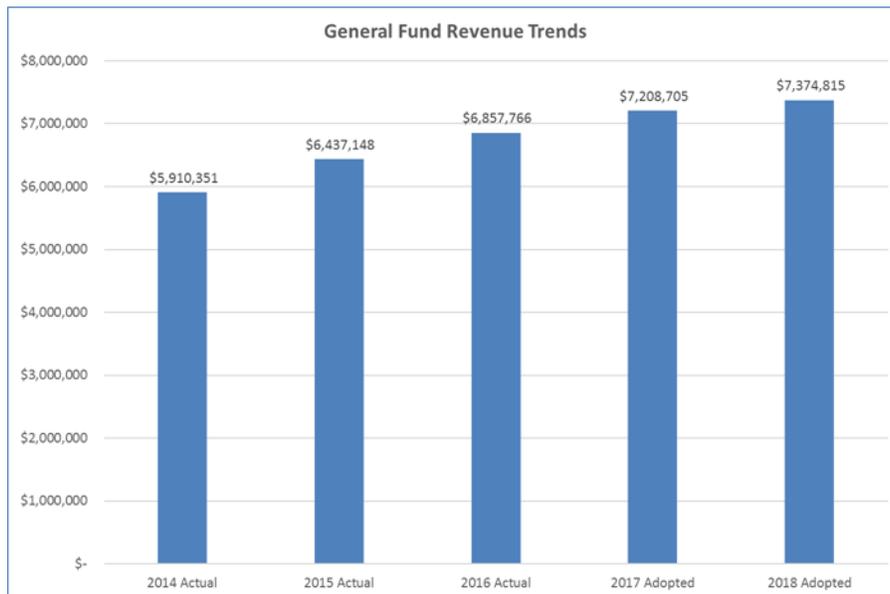
## **General Fund**



# General Fund Summary

The General Fund is used to account for all financial resources and transactions except for those that must be accounted for in other funds such as debt service, capital, enterprise and internal service funds. The General Fund generates much of its revenue from taxes and state and local shared revenue. This revenue is used to provide general government services, including police and fire protection, planning and community development, engineering, finance, parks, human services, special events, administration, and facility maintenance. It also transfers resources to other funds for support of streets, economic development, and other projects as needed.

On the following pages, you will find General Fund revenue comparisons for 2014 actuals through 2017-2018 budget as well as detailed information on major revenue sources. A summary of General Fund expenditures is followed by a more detailed presentation of proposed expenditures by department, providing comparable expenditure figures for 2014 actuals through 2017-2018 budget.



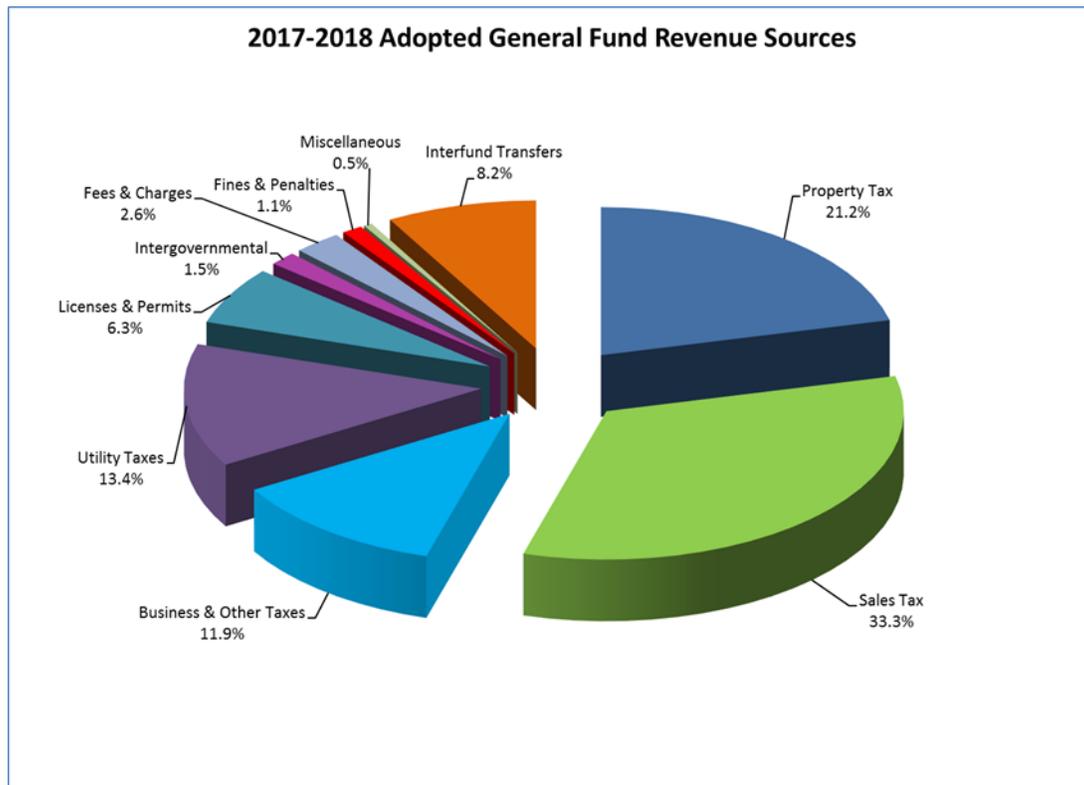


# General Fund Revenue Summary

General Fund revenue for 2017 and 2018, excluding fund balances and transfers, is \$6.6 million and \$6.8 million respectively; a 0.4% increase from 2016 actual revenues and a 2.5% increase between the 2017 and 2018 budget estimates. The increase is primarily due to development related revenues.

## Revenues & Other Sources Summary

Description	2014 Actual	2015 Actual	2016 Revised	2016 Actual	2017 Adopted	2018 Adopted
<b>Beginning Fund Balance</b>						
Reserved	\$ 774,794	\$ 685,339	\$ 558,330	\$ 558,330	\$ 623,370	\$ 643,155
Unreserved	407,384	313,218	685,922	685,922	400,213	38,837
<b>Beginning Fund Balance</b>	<b>1,182,178</b>	<b>998,557</b>	<b>1,244,252</b>	<b>1,244,252</b>	<b>1,023,583</b>	<b>681,992</b>
<b>Revenues &amp; Other Sources</b>						
Property Tax	1,320,734	1,477,862	1,512,891	1,506,897	1,529,787	1,560,382
Sales Tax	2,068,397	2,305,283	2,394,112	2,457,580	2,411,629	2,447,097
Business & Excise Taxes	767,105	772,013	871,290	902,687	868,835	871,100
Utility Taxes	958,276	972,154	949,000	952,760	974,000	984,000
Franchise Fees	96,998	107,661	108,000	112,188	109,050	110,110
Licenses & Permits	184,641	165,709	177,485	230,225	310,498	386,890
Intergovernmental	92,880	100,662	113,260	115,617	107,069	109,069
Charges for Goods & Services	94,154	79,591	155,502	182,667	186,177	192,897
Fines & Penalties	76,339	73,611	83,050	87,952	81,400	82,150
Interest & Miscellaneous	21,808	33,697	26,100	38,489	33,120	33,980
Interfund Transfers	227,950	262,423	282,540	270,702	597,140	597,140
Other Financing Sources & Non-Revenues	1,069	86,483	-	-	-	-
<b>Total Revenues &amp; Other Sources</b>	<b>5,910,351</b>	<b>6,437,148</b>	<b>6,673,230</b>	<b>6,857,766</b>	<b>7,208,705</b>	<b>7,374,815</b>
<b>Total Revenues From All Sources</b>	<b>\$ 7,092,529</b>	<b>\$ 7,435,705</b>	<b>\$ 7,917,482</b>	<b>\$ 8,102,018</b>	<b>\$ 8,232,288</b>	<b>\$ 8,056,807</b>





## General Fund Revenue Sources

This summary describes each of the major General Fund revenue sources in the 2017-2018 budget. Budget amounts are based on the best available information at the time of budget preparation.

In the following narrative, percentages that appear in resource headings refer to the percentages of total revenues represented by the revenue stream (without beginning cash balances). Total resources for the fund, include beginning fund balances, considered to be non-revenues when evaluating revenues versus expenditures for any fiscal year. The amounts listed are for the biennium and include both 2017 and 2018.

### Beginning Fund Balance

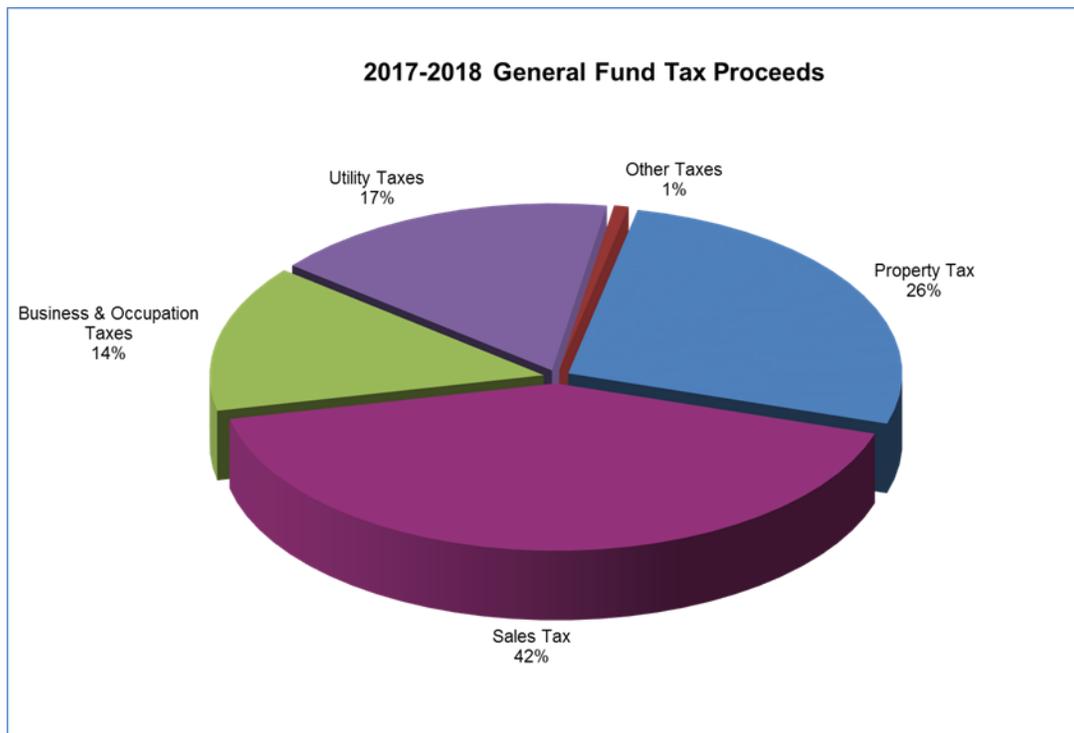
2017 - \$1,023,583

2018 - \$681,992

The Beginning Fund Balance is the estimate of amount of cash and investments on-hand in the General Fund at the beginning of each year. The General Fund beginning balance for 2017 is anticipated to be 17.74% less than the 2016 beginning balance. The City added building, planning and engineering personnel to keep pace with increasing permit and development-related activity. Increased transfers to the Street Funds in 2016 also impacted fund balance. Beginning fund balance in 2018 is anticipated to decrease due to increased public safety costs, enhanced economic development and communications initiatives, and increased contributions to equipment replacement reserves. The City continues to maintain its target 10% General Fund reserve.

### Taxes

Over the next two years it is estimated that tax revenues will account for 79.9% of General Fund revenues. These taxes include real and personal property taxes, business taxes and utility taxes. This summary includes specific information on each of the major taxes levied to support City services.





## Real and Personal Property Tax

**\$3,090,169**

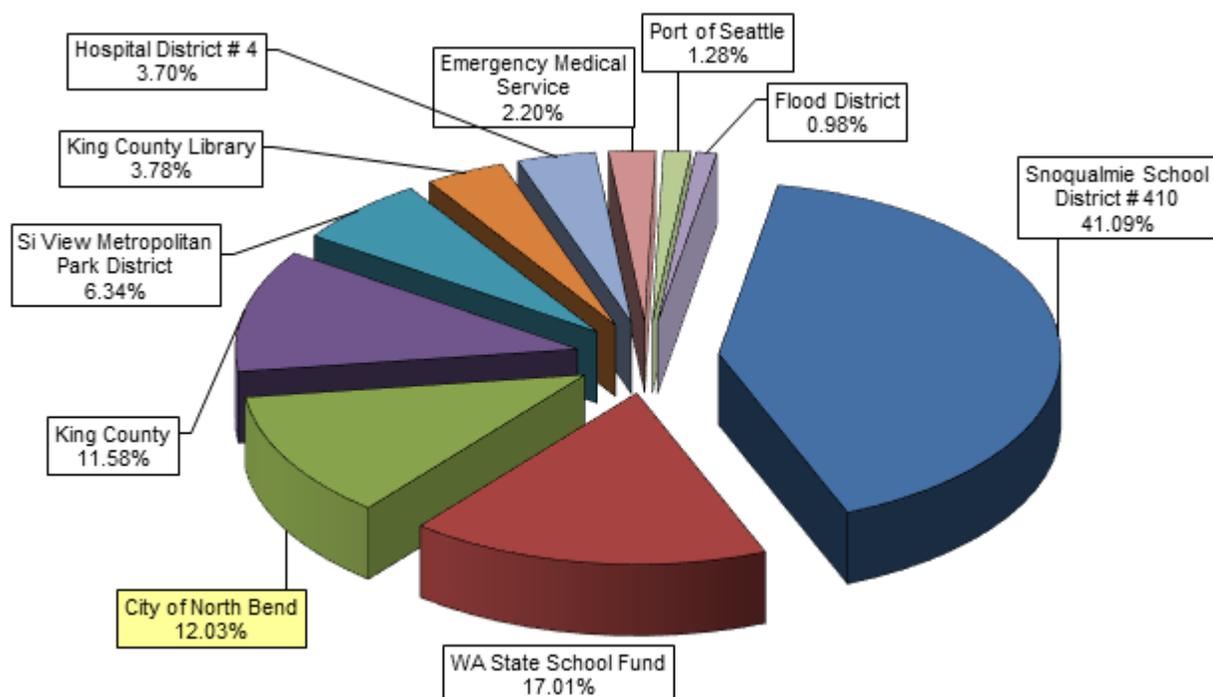
**21%**

Property taxes are the second largest source of revenue in the General Fund. All real and personal property (except where exempt by law) is assessed by the King County Assessor at its fair market value. Assessed values are adjusted each year based on market value changes.

The maximum levy allowed for most cities within the State of Washington is \$3.375 per \$1,000 of assessed valuation. The City's annual increase in the regular property tax is statutorily limited to 1% and can only exceed that limitation with the approval of voters. The City is also provided an allowance for new construction, which entitles the City to the property tax revenue generated by newly constructed businesses or homes. The new construction levy does not increase the overall tax rate paid by property owners. Since North Bend has only chosen to take the 1% increase in property taxes once since 2007 its property tax rate of \$1.4367 is far below this maximum allowance.

Although property taxes represent a major source of funding for City services, the portion of each property owner's total tax bill allocated to the City is relatively small. For 2017, the property tax levy is \$1,529,791. The taxable assessed valuation (AV) is \$1,189,953,929 which includes \$11,691,251 in new construction. The total property tax levy rate for 2017 for residents of North Bend is \$11.94443 per \$1,000 of assessed valuation. Of this, only 14.05%, or \$1.4367 per \$1,000 assessed valuation, goes to support municipal activities (see graph below for complete breakdown of other property tax recipients). \$1.29 per \$1,000 assessed valuation of this helps pay for City services and \$0.15 per \$1,000 assessed valuation pays for voter-approved debt.

**2017 North Bend Property Tax Distribution**





**Retail Sales & Use Tax**

**\$4,505,226**

**31%**

Sales tax is the primary source of funding for general City services. Retail Sales and Use taxes are collected from consumers by businesses operating within North Bend city limits. The State collects and distributes sales tax on the sale of most consumer goods (except most food products), some services, and construction. The State provides the City with a portion of this revenue on a monthly basis. The amount of sales tax fluctuates from year to year due to changes in the economy, buying habits of consumers, and the level of construction taking place in the City.

The City receives 0.94% of the overall 8.9% sales tax rate levied on sales within the City of North Bend. Projections indicate that taxes collected by businesses and paid for by consumers will decrease by 1.9% in 2017 but bounce back in 2018 with a 1.5% increase. This decrease is because the City's Financial Policies state that sales tax revenues need to be projected based on the last complete year's receipts. The total sales tax of 8.9% is distributed among public agencies as follows:

<b>Sales Tax Distribution</b>	
<b>Government Entity</b>	<b>Tax Rate</b>
State of Washington	6.50%
King County/METRO	0.90%
City of North Bend	0.84%
North Bend Transportation Benefit District	0.20%
King County	0.15%
King County Criminal Justice Levy	0.10%
King County Mental Health	0.10%
City of North Bend – Public Safety Levy	0.10%
State Administration Fee	0.01%
<b>Total Sales Tax Rate</b>	<b>8.90%</b>

**Criminal Justice Sales Tax**

**\$353,500**

**2%**

Under authority granted by the State, King County levies an option 0.1% sales tax to support criminal justice programs. The State collects this optional tax and retains 1.5% for administration. Of the amount remaining, 10% is distributed to the County and the remainder to cities and towns based on population. This revenue must be used exclusively for criminal justice purposes.

**Business & Occupation Taxes (B&O)**

**\$1,658,150**

**11%**

The City also collects taxes directly from the business community operating within the North Bend City limits. The Business and Occupation tax for all types of industry is capped by statute at .002%. In May 2016, the City Council adopted an ordinance imposing a variable rate tax per square foot per quarter on businesses located in North Bend with 10,000 square feet or more of warehouse/distribution, industrial, and/or light manufacturing and research space, and on all self-storage facilities. The Square Footage B&O tax became effective on July 1, 2016. If a business is subject to both the square footage tax and the gross receipts tax, then the amount due for square footage tax is only the portion that exceeds the gross receipts tax due for the same quarterly period. Square Footage tax proceeds are dedicated to the City's pavement management program.



**Utility Taxes** **\$1,958,000** **13%**

The City imposes a utility tax on the gross income of various utility services provided within the boundaries of the City. Water, sewer, solid waste (garbage), telephone, cellular phone, electric and natural gas businesses are taxed at a rate of 6% on the gross income derived from their customers residing inside North Bend city limits.

**Other Taxes** **\$81,785** **1%**

**Gambling Tax**

The City collects an excise tax from receipts on bingo, raffles, punchboards, pull tabs and amusement games. The gambling tax rate is 5%. Revenues from this tax are to be used first for the direct enforcement of gambling activities; second, for other police operations; and third, for other non-police activities.

**Leasehold Excise Tax**

Leasehold excise tax is a tax on the use of public property by a private party and is in lieu of the property tax. The Leasehold Excise Tax rate is .1284 of the rent paid for the property. 53% of the tax goes to the State and 47% is returned to the City.

**Licenses and Permits** **\$916,548** **6%**

License and permit fees are user fees derived from various regulatory activities of the City. The fees are designed to cover the cost of administration, regulation, inspection, and review of various applications and projects.

**Development Fees**

Development fees are charged for building permits, plumbing permits, mechanical permits, grading permits, sign permits and fire permits. Fees imposed for permits are subject to a base charge determined by the type of permit, plus additional fees determined by either the dollar value or size (square foot or number of units) of the project.

**Business Licenses and Other Licenses/Permits**

The City of North Bend issues business licenses and collects a license fee from all businesses operating within the City limits. The City has partnered with the Washington State Department of Revenue (DOR) to provide one source for business license and renewals. The initial license fee is \$35.00 with annual renewal license fees of \$25.00 per year. The City also issues special event permits.

**Franchise Fees**

Franchise fees are charges levied on private utilities for the right to use city streets, alleys and other public properties. Cable TV franchise fees are governed by federal rather than state law and are levied at a rate of 5% of gross revenues, regardless of the cost of managing the franchise process.



<b>Intergovernmental Revenue</b>	<b>\$216,138</b>	<b>2%</b>
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Intergovernmental revenues consist of federal, state and local grants as well as State Shared revenues. State Shared Revenues consist of taxes collected by other jurisdictions which the City receives a portion of. **Liquor Excise Tax** is collected by the State with 35% of collections being distributed to counties, cities and towns based on population (less a permanent transfer to the state general fund). **Liquor Board Profits** are collected by the State in the form of license fees from distributors and retailers. The City must devote at least 2% of its liquor profits distribution to support an approved alcohol or drug addiction program, as well as enhanced public safety programs. **Criminal Justice Shared Revenues** are distributed based partially on crime rates as well as on a per capita basis. Motor Vehicle Excise Tax, formerly received under this category, was eliminated by the implementation of Initiative 695 in 2000.

<b>Charges for Goods and Services</b>	<b>\$379,074</b>	<b>3%</b>
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In some cases, the City is reimbursed for services performed. These fees are primarily associated with development activities and are generally collected at a level estimated to recover the cost of the service. Charges are assessed for planning and building activities including engineering inspection, plat review & plan review services. A technology surcharge is also collected for services related to the issuance of permits for both residential and commercial aspects of construction. Other development related charges are collected in the Development Projects Fund (Fund #125).

<b>Fines and Penalties</b>	<b>\$163,550</b>	<b>1%</b>
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The City collects fines for traffic violations, traffic and parking infractions, misdemeanors, and DWI violations. False alarm penalties, and late charges on utility bills and B&O taxes are also included in this category.

<b>Miscellaneous Revenue</b>	<b>\$67,100</b>	<b>1%</b>
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Miscellaneous revenue includes investment interest, facility rents and leases, contributions and donations, and other minor revenue.

<b>Other Financing Sources</b>	<b>\$1,194,280</b>	<b>8%</b>
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Other financing sources represent those funding sources that are one-time or non-recurring in nature. Examples include insurance recoveries, restitution, and interfund transfers. Interfund transfers may represent payments for services, an operating transfer, or transfers from other funds to help offset multi-fund expenses recorded in the General Fund. Staff time billed to developers for work on projects is transferred into the General Fund thru an interfund transfer from the Development Projects Fund.

<b>Total General Fund Revenues</b>	<b>\$16,289,095</b>	<b>100%</b>
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## Detailed General Fund Revenue

	2014 Actual	2015 Actual	2016 Revised	2016 Actual	2017 Adopted	2018 Adopted
<b>Beginning Fund Balance</b>	<b>\$ 1,182,178</b>	<b>\$ 998,557</b>	<b>\$ 1,244,252</b>	<b>\$ 1,244,252</b>	<b>\$ 1,023,583</b>	<b>\$ 681,992</b>
Property Tax	1,320,734	1,477,862	1,512,891	1,506,897	1,529,787	1,560,382
Sales Tax	2,068,397	2,305,283	2,394,112	2,457,580	2,411,629	2,447,097
Business & Occupation Tax	719,772	728,132	831,000	862,498	828,150	830,000
Utility Taxes	958,276	972,154	949,000	952,760	974,000	984,000
Other Taxes	47,333	43,881	40,290	40,189	40,685	41,100
<b>Total Taxes</b>	<b>5,114,512</b>	<b>5,527,312</b>	<b>5,727,293</b>	<b>5,819,924</b>	<b>5,784,251</b>	<b>5,862,579</b>
Building Permits	151,679	121,541	135,285	185,669	266,586	341,390
Business Licenses	28,438	36,018	33,500	34,989	36,000	36,400
Franchise Fees	96,998	107,661	108,000	112,188	109,050	110,110
Other Licenses/Permits	4,524	8,150	8,700	9,567	7,912	9,100
<b>Total Licenses &amp; Permits</b>	<b>281,639</b>	<b>273,370</b>	<b>285,485</b>	<b>342,413</b>	<b>419,548</b>	<b>497,000</b>
Federal Grants	798	-	-	100	-	-
State & Local Grants	9,000	9,000	-	328	-	-
Criminal Justice (State Shared))	18,280	19,441	29,021	29,189	21,071	21,606
Liquor (State Shared)	64,802	72,221	84,239	86,001	85,998	87,463
<b>Total Intergovernmental</b>	<b>92,880</b>	<b>100,662</b>	<b>113,260</b>	<b>115,617</b>	<b>107,069</b>	<b>109,069</b>
Municipal Court Fees	3,467	1,097	3,500	1,092	2,750	2,750
Other Public Safety Charges	315	4,785	3,500	3,532	3,000	3,000
Technology Fee	1,612	1,296	2,000	4,733	3,000	3,000
Plan Review Fees	79,193	65,543	136,935	164,341	170,980	177,700
Other Planning & Development Fees	6,262	6,538	8,767	8,767	5,947	5,947
Other Fees & Charges	3,305	331	800	202	500	500
<b>Total Charges for Services</b>	<b>94,154</b>	<b>79,591</b>	<b>155,502</b>	<b>182,667</b>	<b>186,177</b>	<b>192,897</b>
Civil Infraction Penalties	13,621	15,600	17,900	19,232	16,300	16,300
Criminal Fines & Penalties	7,528	10,709	11,200	13,667	9,600	9,600
Court & Public Defense Cost Recoupments	5,328	6,924	7,650	8,966	6,500	6,500
Other Fines & Penalties	49,862	40,378	46,300	46,087	49,000	49,750
<b>Total Fines &amp; Penalties</b>	<b>76,339</b>	<b>73,611</b>	<b>83,050</b>	<b>87,952</b>	<b>81,400</b>	<b>82,150</b>
Interest Income	4,824	7,416	6,000	13,398	8,000	8,800
Rents & Leases	8,586	22,455	19,200	22,203	24,720	24,780
Private Grants & Donations	4,411	3,450	500	2,096	-	-
Other Miscellaneous Revenue	3,987	376	400	792	400	400
<b>Total Miscellaneous Revenue</b>	<b>21,808</b>	<b>33,697</b>	<b>26,100</b>	<b>38,489</b>	<b>33,120</b>	<b>33,980</b>
Operating Transfers-In	227,950	262,423	282,540	270,702	597,140	597,140
Miscellaneous Other Sources	1,069	86,483	-	-	-	-
<b>Total Other Financing Sources</b>	<b>229,019</b>	<b>348,906</b>	<b>282,540</b>	<b>270,702</b>	<b>597,140</b>	<b>597,140</b>
<b>Total Revenue from All Sources</b>	<b>\$ 5,910,351</b>	<b>\$ 6,437,148</b>	<b>\$ 6,673,230</b>	<b>\$ 6,857,766</b>	<b>\$ 7,208,705</b>	<b>\$ 7,374,815</b>
<b>Total General Fund Revenue</b>	<b>\$ 7,092,529</b>	<b>\$ 7,435,705</b>	<b>\$ 7,917,482</b>	<b>\$ 8,102,018</b>	<b>\$ 8,232,288</b>	<b>\$ 8,056,807</b>

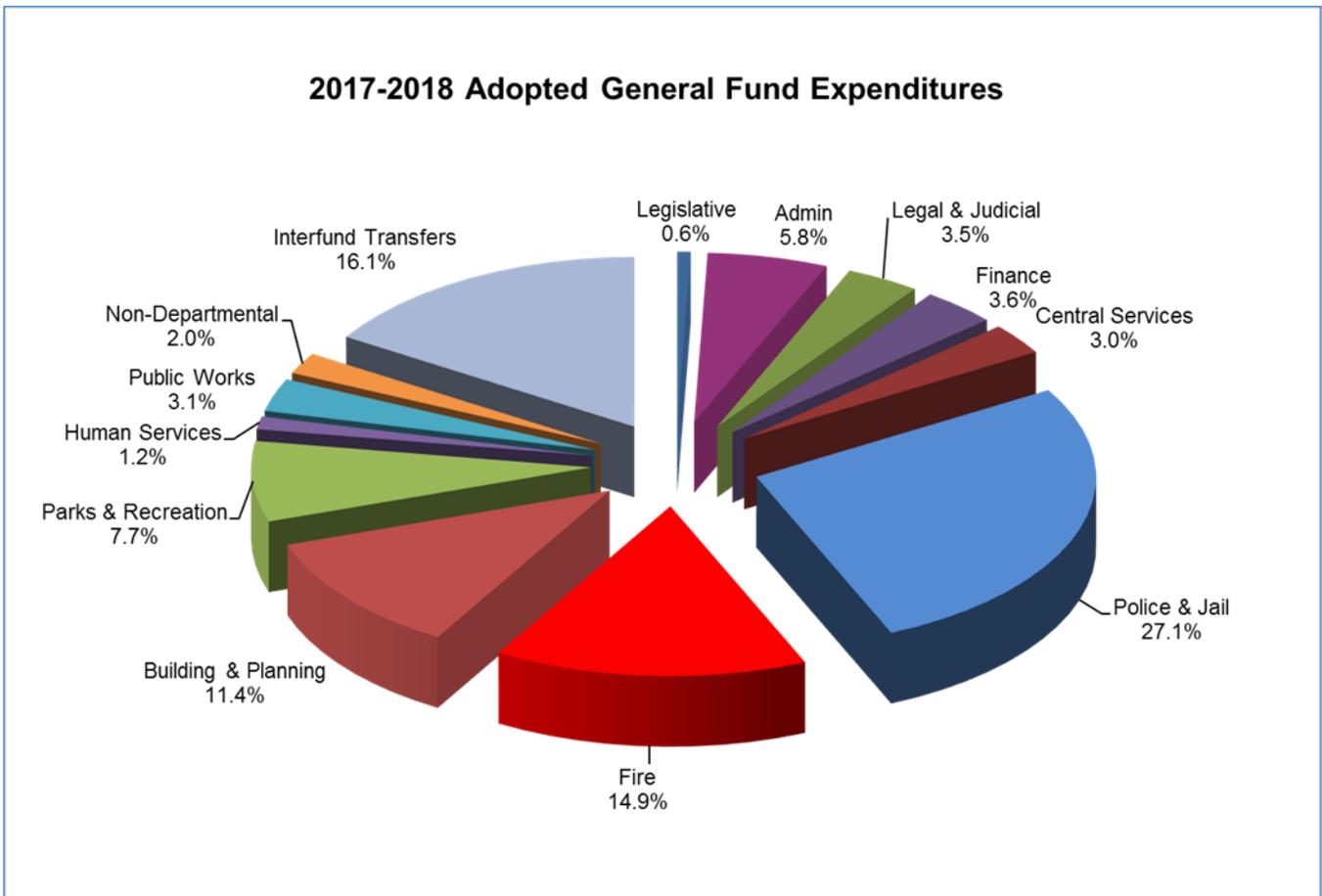


# General Fund Expenditure Summary

The General Fund is the primary fund of the City of North Bend. It accounts for all financial resources except those required or elected to be accounted for in another fund. It is used to meet the basic services that your local government provides. The General Fund covers Police, Fire, Parks and Recreation, Development Services, Legal, Judicial and Financial Services, and General Administration.

General Fund expenditures, excluding transfers, are expected to increase by approximately 10.6% over 2016 actual expenditures in 2017. This is primarily due enhanced staffing to keep pace with development projects, increased public safety costs, and the intentional use of one-time funding sources for enhanced communications and economic development initiatives.

The chart below illustrates the General Fund expenditures by department and the department pages that follow give a more detailed breakdown.





### Detailed General Fund Expenditures

	2014 Actual	2015 Actual	2016 Revised	2016 Actual	2017 Adopted	2018 Adopted
Salaries & Wages	\$ 1,046,455	\$ 1,134,333	\$ 1,261,584	\$ 1,250,021	\$ 1,433,475	\$ 1,486,105
Personnel Benefits	350,070	411,378	484,022	446,364	540,384	563,228
<b>Total Personnel Costs</b>	<b>1,396,525</b>	<b>1,545,710</b>	<b>1,745,606</b>	<b>1,696,385</b>	<b>1,973,859</b>	<b>2,049,333</b>
Operating Supplies	32,540	38,103	39,150	37,274	38,150	38,150
Small Tools & Equipment	4,252	6,258	9,200	7,766	9,000	9,000
<b>Total Supplies</b>	<b>36,791</b>	<b>44,361</b>	<b>48,350</b>	<b>45,040</b>	<b>47,150</b>	<b>47,150</b>
Professional Services	1,343,134	1,325,163	1,551,433	1,580,379	1,665,211	1,717,296
Communications	25,115	21,890	28,525	23,270	27,525	27,525
Travel	14,973	14,994	17,250	20,362	18,250	18,250
Taxes & Assessments	1,762	4,202	5,800	4,213	5,700	5,800
Operating Rentals & Leases	36,116	12,447	12,800	13,957	16,100	15,600
Insurance	29,776	32,029	65,392	65,392	69,143	76,299
Utility Services	72,707	69,414	73,440	71,150	74,200	74,220
Repairs & Maintenance	43,659	12,638	22,977	18,767	19,692	20,150
Miscellaneous	126,859	138,460	159,186	150,593	169,633	167,955
<b>Total Services &amp; Charges</b>	<b>1,694,100</b>	<b>1,631,236</b>	<b>1,936,803</b>	<b>1,948,084</b>	<b>2,065,454</b>	<b>2,123,095</b>
Court Services	64,812	53,445	72,100	64,812	60,100	60,100
Police Services	1,461,986	1,456,023	1,510,395	1,467,425	1,681,456	1,730,279
Fire Investigation Services	13,137	11,438	8,933	8,933	9,500	10,000
Jail Contract	352,006	359,691	335,800	359,394	350,000	350,000
Election & Voter Fees	15,149	20,952	23,000	12,778	21,500	21,500
Animal Control Services	11,016	6,333	3,200	2,560	7,040	8,000
WA State Auditor (Gen Fund portion)	19,104	3,692	15,000	17,466	3,500	18,000
Other Intergovernmental Services	7,061	9,448	10,280	10,590	10,141	10,200
Other Intergovernmental Payments	4,325	4,216	4,109	4,108	4,000	3,891
<b>Total Intergovernmental Services</b>	<b>1,948,595</b>	<b>1,925,238</b>	<b>1,982,817</b>	<b>1,948,065</b>	<b>2,147,237</b>	<b>2,211,970</b>
Land & Improvements	8,954	-	-	-	-	-
Capital Equipment	100,687	147,463	79,457	73,751	80,372	51,190
<b>Total Capital Outlay</b>	<b>109,641</b>	<b>147,463</b>	<b>79,457</b>	<b>73,751</b>	<b>80,372</b>	<b>51,190</b>
<b>Expenditures Subtotal</b>	<b>\$ 5,185,653</b>	<b>\$ 5,294,009</b>	<b>\$ 5,793,033</b>	<b>\$ 5,711,326</b>	<b>\$ 6,314,072</b>	<b>\$ 6,482,738</b>
<b>Transfers Out:</b>						
Street Fund	\$ 588,791	\$ 575,251	\$ 622,083	\$ 582,639	\$ 687,353	\$ 699,640
Capital Streets Fund	127,577	129,500	116,000	129,462	116,000	116,000
Street Overlay Fund	100,000	50,000	129,180	129,180	250,000	250,000
Economic Development Fund	71,729	128,209	147,622	126,631	182,871	158,916
Capital Improvement Fund	20,222	14,484	104,838	86,837	-	-
<b>Transfers-Out Subtotal</b>	<b>\$ 908,319</b>	<b>\$ 897,444</b>	<b>\$ 1,119,723</b>	<b>\$ 1,054,748</b>	<b>\$ 1,236,224</b>	<b>\$ 1,224,556</b>
<b>Total General Fund Expenditures</b>	<b>\$ 6,093,972</b>	<b>\$ 6,191,453</b>	<b>\$ 6,912,756</b>	<b>\$ 6,766,074</b>	<b>\$ 7,550,296</b>	<b>\$ 7,707,294</b>



# General Fund Department Descriptions

## **MAYOR & CITY COUNCIL**

The Mayor and City Council are the elected officials providing oversight for the City organization. North Bend operates under a Mayor-Council form of government.

The Mayor is the Chief Executive Officer of the City and is responsible for supervising municipal operations. The Mayor is directly elected by popular vote of the citizens of North Bend for a four-year term. The Mayor recommends the City's budget, hires and removes appointed officials, has general oversight of City employees, chairs all regular City Council meetings, participates in regional organizations, and ensures timely enforcement of all ordinances, contracts, and franchises. The Mayor makes regular reports on operational performance and issues to the City Council. The Mayor's budget is embedded in the Legislative (City Council) budget.

The Legislative branch, or City Council, is made up of seven Councilmembers who are elected at-large by the citizens of North Bend for a four-year term. The City Council serves as the City's policy makers. They approve the City's budget, authorize Interlocal agreements, contracts, ordinances and resolutions, adopt personnel policies and compensation plans, serve on Council and regional committees, and provide effective elective representation to the citizens. The laws of the City can only be adopted or amended by action of the City Council. The City Council engages citizen input and participation on City business.

## **ADMINISTRATION**

The City Administrator functions under the authority of the Mayor and provides professional management for the municipal organization. The City Administrator is the Chief Administrative Officer and directs the administration of city government, providing operational leadership, supervision of City employees, customer service and response, media liaison, staff support to the Mayor and City Council, and implementation of City Council policies, goals and priorities. The Administration department includes City Clerk and Record Services, Human Resources, Public Information, and Risk Management functions.

## **LEGAL & JUDICIAL**

The Legal Services function is a hybrid of in-house and contract services. The City Administrator is also a licensed attorney and provides general legal services. Kenyon Disend, an experienced law firm, well versed in municipal law issues, provides support in specialized areas such as land use planning, personnel and labor relations, legislative analysis, and representing the City in litigation.

The City contracts with the City of Issaquah for municipal court services and King County for district court. These contracts provide court services for citations, infractions, misdemeanors, and domestic violence cases. They also provide judges and staff, issue warrants on the City's behalf, and provide probation services on the City's behalf.

## **FINANCE**

The Finance Department is responsible for ensuring the sound financial management of all City operations, the safekeeping of City assets, Biennial Budget development, debt administration, and the management of the City's information systems. This department provides financial data and analytical support to other City departments, prepares the Annual Financial report, and maintains the financial software system. Finance is also responsible for cash management, utility billing, payroll, accounts payable, purchasing, business licenses, business & occupation taxes, investments, grant management, capital projects accounting, developer deposits, and fixed assets tracking.



# General Fund Department Descriptions

## **CENTRAL SERVICES**

Central Services is responsible for the procurement of central office supplies, copier services, postage operations, and city-wide phone services. This department also oversees janitorial services and general facilities repair and maintenance.

## **LAW ENFORCEMENT**

The City contracts with the City of Snoqualmie for police services. In addition to interactions with victims and perpetrators of crime, the Police Department builds collaborative relationships with the City's citizens, businesses and schools. Police activities include general patrol, responding to calls for service, criminal investigations, and traffic enforcement. The Police work to reduce crime through proactive policing efforts and educational outreach.

## **FIRE & EMERGENCY MEDICAL SERVICES**

Eastside Fire & Rescue (EFR) provides fire and emergency medical services to the City of North Bend. EFR provides fire suppression, rescue service, hazardous materials response, fire code enforcement, fire building plan review, and public education.

Emergency Management is responsible for activities related to the preparation for, response to, and recovery from disasters. The Public Works Director serves as the City's Emergency Manager.

## **BUILDING**

The Building Department regulates building and associated construction activities to protect public health, safety and welfare pursuant to uniform construction codes adopted by the State of Washington (RCW 19.27) in addition to local codes governing land use and code enforcement (NBMC 20.10). This division provides support to citizens, contractors, other City departments, and county and state agencies throughout project development, construction, completion, occupancy permits and code enforcement.

## **PLANNING**

The Planning Department prepares and administers plans, policies and regulations pursuant to authority in Federal and State laws to protect public health, safety and welfare. Primary state laws governing planning include the Growth Management Act (RCW 36.70A), the Shoreline Management Act (RCW 90.58) and the platting requirements in RCW 58.17. This division prepares and administers the City's Comprehensive Plan and Land Use Code, provides planning staff support to other City departments and the Planning Commission, and coordinates with county, regional and state agencies.

## **PARKS**

The Parks Department is responsible for the operations, maintenance and stewardship of many City owned parks, park buildings, irrigation systems, walkways, paths and play areas. The City has over 795 acres of parks and open space property, including E.J. Roberts, Torguson Park, Tollgate Farm, Tanner Trail, and Meadowbrook Farm.

## **ENGINEERING**

The Engineering Department is responsible for the oversight of City capital improvement projects and new privately constructed City infrastructure. The department provides updates to City plans and systems, manages construction and service contracts, and assists with development review of projects.



# General Fund Department Descriptions

## **LAND & BUILDING MANAGEMENT**

Land & Building Management centralizes land purchases made by the General Fund. It also accounts for improvements, assessments and other charges made on the land.

## **SOCIAL & HUMAN SERVICES**

Each year the North Bend City Council appropriates funds in support of social service agencies. The Council establishes funding levels during the budget cycle. Many of these funds go to local organizations established to meet the needs of the community. Other funds support treatment activities. Human services are defined as services that assist individuals in meeting their basic needs: food, shelter, clothing, medical assistance and safety from abuse. North Bend also contributes to several community organizations that enrich the City and its quality of life.

## **RECREATION & SPECIAL EVENTS**

Recreation & Special Events oversees seasonal community events including the Downtown Block Party and the Holiday Festival. They also actively collaborate with other community organizations and businesses to provide quality recreation and special events for North Bend residents, and oversee downtown beautification efforts.

## **NON-DEPARTMENTAL**

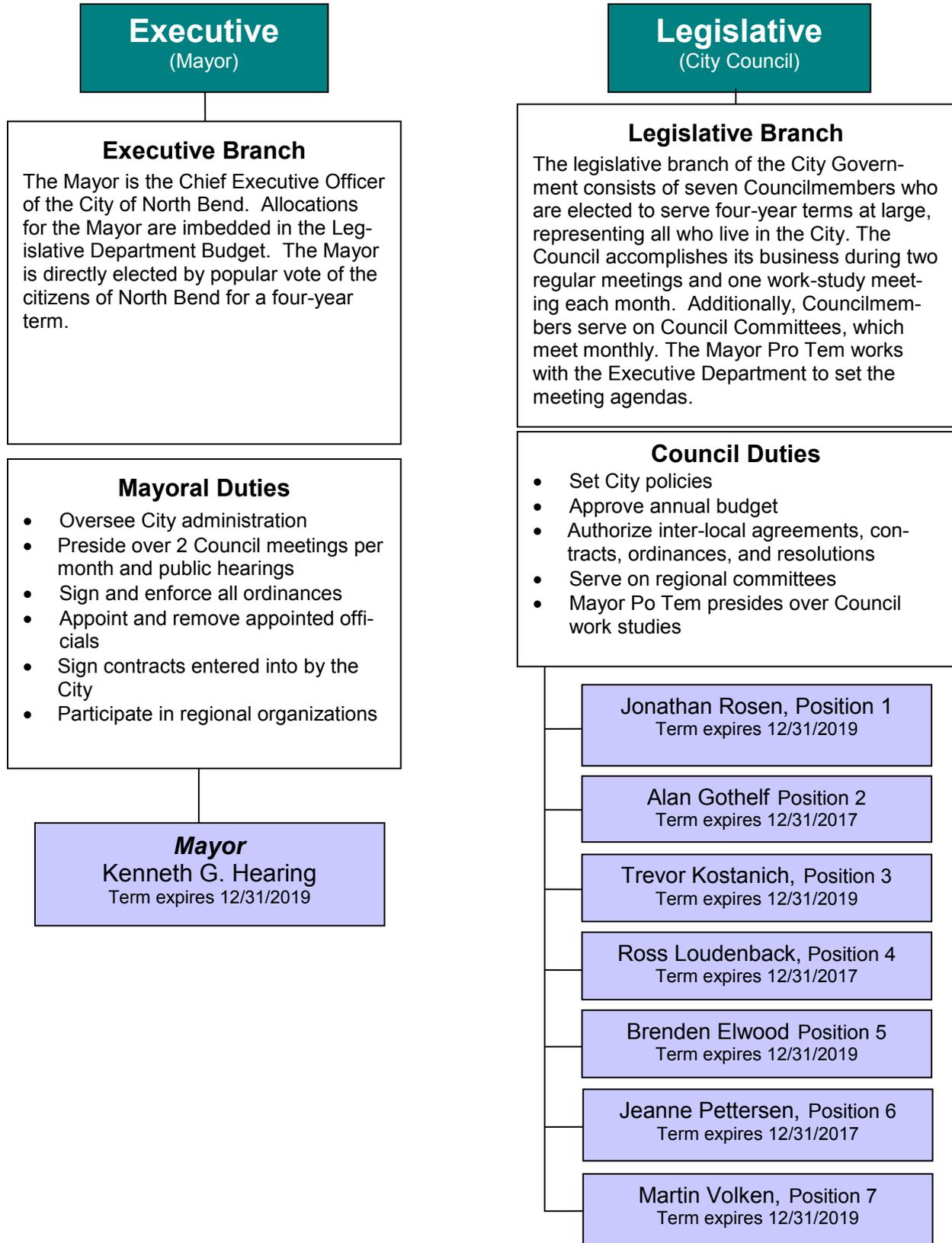
Non-Departmental includes expenditures that are not attributed to any one City department or division within the General Fund. Non-departmental operating expenses include citywide memberships, election services, animal control services, AWC-RMSA insurance, legal advertising, municipal code publishing and the City's wellness program.

## **OPERATING TRANSFERS**

In addition to supporting the expenses incurred by City departments, the General Fund also supports activities of other City funds. This support occurs through operating transfers to other funds, primarily to Street Funds and the Economic Development Fund.



# Executive and Legislative





# Executive and Legislative 2017 Council Committees

## Mayor Pro-Tem

Councilmember Rosen

This position is responsible for presiding over Council work studies and working closely with the Mayor & City Administrator as Council liaison.

## Finance and Administration

Chair: Councilmember Gothelf

Attended by: Councilmember Elwood and Councilmember Volken

This committee is responsible for developing policies relating to the following issues: administrative policy, fiscal management, technology, customer service, personnel, and economic analysis.

## Community & Economic Development

Chair: Councilmember Pettersen

Attended by: Councilmember Kostanich and Councilmember Rosen

This committee is responsible for developing policies relating to the following issues: planning, zoning, parks, recreation and economic development.

## Public Health and Safety

Chair: Councilmember Elwood

Attended by: Councilmember Gothelf and Councilmember Loudenback

This committee is responsible for developing policies relating to the following issues: fire protection and emergency medical services, law enforcement, public health, emergency management and special events.

## Transportation and Public Works

Chair: Councilmember Loudenback

Attended by: Councilmember Kostanich and Councilmember Pettersen

This committee is responsible for developing policies relating to the following issues: water, sewer, streets and drainage, park maintenance, engineering and inspections, solid waste and recycling, and equipment maintenance.

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
Personnel Costs	43,277	43,299	43,392	43,144	43,560	43,723	1.0%	0.4%
Services & Charges	3,979	4,503	6,400	6,242	4,800	4,800	-23.1%	0.0%
<b>Total Expenditures</b>	<b>47,255</b>	<b>47,802</b>	<b>49,792</b>	<b>49,386</b>	<b>48,360</b>	<b>48,523</b>	<b>-2.1%</b>	<b>0.3%</b>



# Administration

## Administration Functions:

- Implement City Council's policies, goals and priorities
- Oversee management of all City departments
- Oversee public safety services contracts with the City of Snoqualmie Police Department, King County District Court, Jail services and Eastside Fire & Rescue
- Manage grant program
- Policy development
- Emergency planning and emergency services
- Economic Planning and Development to cultivate an active and economically vibrant downtown
- Oversee Risk Management functions of the City in coordination with AWC-RMSA

## City Clerk/Record Services Functions:

- Support the Council, City departments and the citizens by performing efficient document processing
- Maintain the official records of the City in a manner that is responsive to the public and consistent with State law, including retention, destruction, and public disclosure requests
- Develop Council agendas, packets, meeting minutes and legal notices
- Coordinate local elections
- Issue special event permits
- Officiate over bid openings

## Human Resources Functions:

- Provide professional human resources services that facilitate the recruitment and retention of well-qualified City employees
- Manage recruitment and hiring process for City employees
- Administration of the City's compensation and benefits programs
- Coordinate market surveys to prepare recommendations on competitive compensation policies and benefit levels
- Development, maintenance and interpretation of the City's personnel policies and procedures, and ensure compliance with all mandated requirements and regulations
- Coordinates the collective bargaining process with both employee unions
- Oversees the City's Wellness Program which is coordinated and implemented through the interdepartmental City Wellness Committee

## Public Information Functions:

- Manage public relations, marketing, media relations, emergency communications, and community relations/outreach for the City of North Bend
- Oversee the City's communication tools including the website, social media, cable access channel, and newsletter



# Administration

## 2015-2016 Accomplishments

### Administration:

- √ Assisted City Council in implementing land use vision by drafting bulk and dimensional code and Constrained Low Density Residential Zone to preserve rural character of City.
- √ Identified Municipal Campus Site as preferred location for new City Hall.
- √ Negotiated Collective Bargaining Agreement with Teamsters for Clerical-Technical employees with shared insurance premiums.
- √ Negotiated second amendment to Police Contract for addition of 8th Police Officer.
- √ Negotiated Settlement Agreement to remove public nuisance buildings and vegetation and create a parking lot to eliminate downtown blight.
- √ Worked with Public Works and Finance to study sewer rates, conduct Open Houses, and set rates in order to plan for improvements over next 10 years to improve Sewer Plant to handle deferred maintenance and handle growth to ensure growth pays for growth.
- √ New revenues were found for transportation including square footage B&O tax and state budget award for truck impacts to deal with Council's number two priority of maintaining basic infrastructure.

### City Clerk:

- √ Destruction of eligible documents in records center and transfer to regional archives of eligible archival documents.
- √ Backup of permanent/essential City documents on to an external hard drive as part of Emergency Management Plan.
- √ Completed yearly records training for Clerk's office staff and training for elected officials and staff on the Open Public Meetings Act, Public Records Act, and records retention.
- √ Supported the Council, City departments and the citizens by consistently providing timely information and efficient document processing.
- √ Continued to work with City departments to ensure compliance with records retention laws and assist with records destruction and archiving as applicable.
- √ Maintained the official records of the City in a manner that is responsive to the public and consistent with State law.

### Human Resources:

- √ Successful negotiation of a new collective bargaining agreement with Office-Clerical & Technical Employees Local Union No. 763 (Teamsters) for the years 2016-2019.
- √ Successful recruitment of 9 new employees .
- √ Updated all employee files, forms and records to ensure completeness and accuracy.
- √ Received Association of Washington Cities (AWC) Well City Award resulting in a 2% medical premium discount.

### Public Information:

- √ Continued enhancement of communications with North Bend residents through the City's website, cable access channel and use of social media.
- √ Worked effectively with local and regional media to provide clear, accurate and timely information about City issues, events and emergency situations.



# Administration

## 2017-2018 Goals

### Administration:

- ◆ Implement City Council's goals and priorities while providing consistent leadership to the City.
- ◆ Move the Downtown Development efforts forward including the Downtown Plaza and filling empty storefronts.
- ◆ Continue negotiations to finalize and implement Interlocal Agreement with Si View Metropolitan Park District for new Nature and Bike Park near Interstate 90.
- ◆ Work with Council, the Community, and Economic Development on long range planning to ensure that city code reflects City Council's land use vision to preserve City's rural character, natural beauty and small town scale
- ◆ Finalize design of City Hall and go to bid for new City Hall to be constructed on Municipal Campus site within Council approved budget
- ◆ Streamline permit processing between Community & Economic Development and Public Works.
- ◆ Promote the City's interests in regional matters with other city, county and State officials.

### City Clerk:

- ◆ Continued support of Council, City departments and the citizens by consistently providing timely information and efficient document processing.
- ◆ Continue to work with City departments to ensure compliance with records retention laws and assist with records destruction and archiving as applicable.
- ◆ Maintain the official records of the City in a manner that is responsive to the public and consistent with State law.

### Human Resources:

- ◆ Negotiate new collective bargaining agreement with Public Works Employees Local Union No. 763 (Teamsters).
- ◆ Provide support to the newly formed Salary Commission to review elected officials salaries.
- ◆ Transition all City employees to new medical insurance beginning January 2018.
- ◆ Conduct recruitments for new employees as needed.
- ◆ Ensure all employees receive an annual performance evaluation.
- ◆ Ensure all personnel records are created and maintained in accordance with State requirements.
- ◆ Continue to receive Association of Washington Cities (AWC) Well City Award resulting in a 2% medical premium discount.
- ◆ Update personnel policies and procedures as needed to ensure compliance with any new requirements or regulations.

### Public Information:

- ◆ Contract with a Public Information Coordinator to continue enhancement of communications with North Bend residents through the City's website, cable access channel and use of social media.
- ◆ Review and refresh all website pages and update content and pictures.

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
Personnel Costs	315,447	347,454	373,132	364,808	384,283	398,509	5.3%	3.7%
Supplies	-	1,120	-	-	-	-	0.0%	0.0%
Services & Charges	21,862	8,188	13,000	9,938	47,000	47,000	372.9%	0.0%
<b>Total Expenditures</b>	<b>337,309</b>	<b>356,763</b>	<b>386,132</b>	<b>374,746</b>	<b>431,283</b>	<b>445,509</b>	<b>15.1%</b>	<b>3.3%</b>



## Finance

### Financial and Accounting Services Functions:

- Financial reporting, including preparation of the City's Annual Report
- Preparation of Biennial Budget, including budget document development
- Budget analysis, monitoring and reporting
- Maintain the City's accounting records in compliance with State laws and regulations
- Provide accounting services including payroll, purchasing and accounts payable
- Utility billing and accounting
- Business license administration
- Business and occupation tax collection
- Developer deposits accounting
- Central cashiering and treasury management
- Provide cash flow, debt management, and investment management services
- Administration of the City's financial software system
- Fixed asset accounting
- Staff support to Finance & Administration Committee
- Short- and long-term financial planning
- Oversight of Information Technology development and management

### 2015-2016 Finance Accomplishments

- √ Successfully worked with Planning and Public Works departments to complete the restructuring of the Developer Accounting System.
- √ Completed conversion of the Business Licensing & Excise Tax system from Application Software Products (ASP) to Vision Municipal Solutions.
- √ Refinanced the City's 2010 Limited Tax General Obligation Bond and Water/Sewer Revenue Bonds.
- √ Coordinated with Public Works on Sewer utility rate study resulting in new rate structure.
- √ Successfully implemented a Square Footage Business & Occupation Tax.
- √ Implemented City's first Biennial Budget process for the 2015-2016 budget.
- √ Received a clean audit for 2014 and 2015 financial reports from the WA State Auditor's Office.
- √ Coordinated the 2015-2016 Mid-Biennium Budget Modification process.
- √ Coordinated the 2017-2018 Biennial Budget process.
- √ Provided financial analysis for capital projects including City Hall, Downtown Plaza and Torguson Park projects.
- √ Assisted with Clerical/Technical Collective Bargaining Agreement negotiation and financial modeling.
- √ Received the GFOA Distinguished Budget Award for the City's first Biennial Budget.
- √ Assisted with the development of the Capital Facilities Plan and the Comprehensive Plan update.
- √ Adopted Post Issuance Compliance Policy for tax-exempt debt.
- √ Issued 2016 Limited Tax GO Bond for Line of Credit for Sewer Plant capital improvements.



# Finance

## 2017-2018 Finance Goals

- ◆ Analyze and recommend financing options for the Civic Center project.
- ◆ Coordinate the dissolution of the North Bend Transportation Benefit District and the absorption back into the City.
- ◆ Issue Revenue Bonds for Sewer Plant capital improvements.
- ◆ Coordinate with Public Works to conduct Water and Stormwater rate studies.
- ◆ Update purchasing policies and procedures.
- ◆ Receive a clean audit for the 2016 and 2017 financial reports.
- ◆ Maintain or increase the City's Standard & Poor's credit rating.
- ◆ Coordinate the 2017-2018 Mid-Biennium Modification process.
- ◆ Coordinate the 2019-2020 Biennial Budget.
- ◆ Provide financial analysis for capital projects.

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
Personnel Costs	185,065	192,171	212,866	209,719	223,864	233,908	6.7%	4.5%
Supplies	434	-	1,200	708	500	500	-29.4%	0.0%
Services & Charges	26,402	25,650	32,683	29,520	34,797	32,614	17.9%	-6.3%
Intergovernmental Services	19,104	3,692	15,000	17,466	3,500	18,000	-80.0%	414.3%
Capital Outlay	-	-	10,862	10,123	-	-	-100.0%	0.0%
<b>Total Expenditures</b>	<b>231,006</b>	<b>221,512</b>	<b>272,611</b>	<b>267,535</b>	<b>262,661</b>	<b>285,022</b>	<b>-1.8%</b>	<b>8.5%</b>



# Law Enforcement

## Police Department Responsibilities

- Traffic enforcement
- Monitor jail contract
- Crime investigation
- Crime prevention
- Patrol
- Jail transports
- House and business security checks
- Issue concealed pistol licenses
- Issue specialized forest product permits

## 2015-2016 Police Accomplishments

- √ Provided rapid, efficient, and effective response to a very high volume of police and emergency calls for service.
- √ Continued enforcement efforts to clean up criminal transient camps.
- √ Reduced crime rate by 13%.
- √ Provided enhanced security for the Outlet Mall and other North Bend businesses.
- √ Conducted a Bicycle Safety Rodeo and hosted a National Night Out.
- √ Continued to leverage social media for effective communications.
- √ Offered Rape Aggression Defense classes for North Bend citizens.
- √ Increased engagement with North Bend Senior Center.

## 2017-2018 Police Goals

- ◆ Ensure efficient and enhanced police coverage.
- ◆ Continue enforcement efforts for criminal transient camps.
- ◆ Reduce crime rate by 10%.
- ◆ Reduce calls for service to the North Bend Library.
- ◆ Provide enhanced security for the Outlet Mall and other North Bend businesses.
- ◆ Host a Crime Prevention Summit with local business owners.
- ◆ Host a National Night Out.
- ◆ Increase engagement with community members.
- ◆ Continue to focus on reducing vehicle prowls through community education and social media.
- ◆ Enhance training of police officers.

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
Personnel Costs	33,479	-	-	-	-	-	0.0%	0.0%
Supplies	531	249	500	1,207	1,000	1,000	-17.1%	0.0%
Services & Charges	32,538	6,520	7,740	5,217	7,200	7,220	38.0%	0.3%
Intergovernmental - Police	1,461,986	1,456,023	1,510,395	1,467,425	1,681,456	1,730,279	14.6%	2.9%
Intergovernmental - Jail	352,006	359,691	335,800	359,394	350,000	350,000	-2.6%	0.0%
Capital Outlay	8,132	70,708	-	-	-	-	0.0%	0.0%
<b>Total Expenditures</b>	<b>1,888,671</b>	<b>1,893,191</b>	<b>1,854,435</b>	<b>1,833,243</b>	<b>2,039,656</b>	<b>2,088,499</b>	<b>11.3%</b>	<b>2.4%</b>



# Legal & Court

## Legal Services Responsibilities

- Represent the City in general civil matters
- Conduct criminal prosecutions
- Provide research, opinions and recommendations
- Prepare and review contracts, ordinances, and policies
- Assist the City with additional legal matters, as requested
- Prepares for issues to be heard before the Hearing Examiner
- Mediates in land use matters as necessary

## Court Services Responsibilities

- Provide court services for citations, infractions, misdemeanors, and domestic violence cases
- Provide judges and staff
- Issue warrants on City's behalf
- Render probation services on City's behalf.

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
Services & Charges	270,645	195,988	233,750	237,330	208,000	208,000	-12.4%	0.0%
Intergovernmental Services	64,812	53,445	72,100	64,812	60,100	60,100	-7.3%	0.0%
<b>Total Expenditures</b>	<b>335,457</b>	<b>249,433</b>	<b>305,850</b>	<b>302,143</b>	<b>268,100</b>	<b>268,100</b>	<b>-11.3%</b>	<b>0.0%</b>



# Fire & Emergency Medical Services

**Fire Protection & Emergency Services are provided through an Interlocal Agreement among five entities, three cities and two fire districts, forming Eastside Fire & Rescue. Station 87 services North Bend and Fire District 38**

## Fire Prevention and Suppression Services

- Fire suppression
- Rescue services
- Hazardous materials response
- Fire code enforcement
- Public education
- Building Plan Review

## Training

- Firefighting training
- Emergency medical training
- Special operations training

## Emergency Medical Services (EMS)

- Advanced Life Support
- Basic Life Support

## Goals and Accomplishments

- √ Eastside Fire & Rescue (EF&R) sets goals and reports accomplishments for their entire five entity service area rather than for each city.
- √ EF&R routinely meets their turnout time goals for medical calls over 92% of the time and for fire calls over 97% of the time.
- √ North Bend expects to continue receiving the same established high quality fire and life safety services from EF&R in the 2017-2018 biennium.

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
Supplies	4,022	95	600	179	1,100	1,100	514.1%	0.0%
Services & Charges	825,690	928,904	999,642	995,522	1,041,310	1,114,065	4.6%	7.0%
Intergovernmental	13,137	11,438	8,933	8,933	9,500	10,000	6.3%	5.3%
Capital Outlay	51,667	50,379	59,912	59,912	47,841	51,190	-20.1%	7.0%
<b>Total Expenditures</b>	<b>894,516</b>	<b>990,816</b>	<b>1,069,087</b>	<b>1,064,547</b>	<b>1,099,751</b>	<b>1,176,355</b>	<b>3.3%</b>	<b>7.0%</b>



## Central Services

The Central Services department serves as a cost center for activities that benefit all City Hall Departments and some city-wide functions.

### Central Services Functions:

- Photocopying
- General Shared Office Supplies
- Telephone Services
- Janitorial Services
- Facilities Maintenance and Repair

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
Personnel Costs	8,200	7,723	8,655	8,125	8,430	8,627	3.8%	2.3%
Supplies	11,928	14,018	13,450	14,100	13,450	13,450	-4.6%	0.0%
Services & Charges	150,638	125,522	153,212	138,139	205,562	203,758	48.8%	-0.9%
Capital Outlay	39,983	20,768	1,983	1,985	-	-	-100.0%	0.0%
<b>Total Expenditures</b>	<b>210,749</b>	<b>168,032</b>	<b>177,300</b>	<b>162,349</b>	<b>227,442</b>	<b>225,835</b>	<b>40.1%</b>	<b>-0.7%</b>



# Engineering

The Engineering Department is responsible for the oversight of City capital improvement projects and new privately constructed City infrastructure. This department provides updates to City plans and systems, manages construction and service contracts, and assists with development review of projects.

## 2015-2016 Engineering Accomplishments

- √ Public Works Department conducted more development engineering reviews than in any previous year.
- √ Continued design of many capital transportation projects such as Bendigo Right Turn Lane (in construction), Park Street Roundabout, North Bend Way Sidewalk Improvements, NE 12<sup>th</sup> Street Widening, NW 14<sup>th</sup> Street Reconstruction (construction completed).
- √ Continued work on the City's first Public Works Standards for the benefit of developers, civil engineers, consultants and staff to make the development process more transparent, easier to navigate, and simpler to regulate.
- √ Completed Comprehensive Sewer Plan and Sewer Rate Study.
- √ Began work on Storm Drainage Rate Study.
- √ Began storm drainage design on 468<sup>th</sup> Avenue SE corridor.

## 2017-2018 Engineering Goals

- ◆ Complete Storm Drainage Rate Study.
- ◆ Construct storm drainage improvements to 468<sup>th</sup> Avenue.
- ◆ Construct the following transportation capital projects: Downtown Plaza, North Bend Way Sidewalk Improvements, Park Street Roundabout, and many pavement overlay projects.
- ◆ Start engineering design of Ballarat Avenue transportation capital project.
- ◆ Design and construct South Fork Avenue Water Main replacement.
- ◆ Prepare Updated Water Comprehensive Plan and associated Rate Study.
- ◆ Update Transportation Impact Fee Study.
- ◆ Complete design and construction of new City Hall.
- ◆ Integrate new Development Review Engineer into Public Works operations.
- ◆ Have engineering staff complete CESCL (Certified Erosion and Sediment Control Lead) and CFM (Certified Floodplain Manager) certifications.
- ◆ Continue to support private development review to coordinate the approximately 900 lots in 18 active developments.
- ◆ Complete Intertie with Sallal Water Association.
- ◆ Implement Local Road Pavement Improvement, Sidewalk Reinvestment, and Alley Improvement programs, budget permitting.

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
Personnel Costs	46,458	66,821	74,342	73,462	230,723	234,906	214.1%	1.8%
Supplies	-	260	1,000	-	1,000	1,000	100.0%	0.0%
Services & Charges	-	63	32,600	37,962	100	100	-99.7%	0.0%
Capital Outlay	905	2,113	3,000	519	3,000	-	477.7%	0.0%
<b>Total Expenditures</b>	<b>47,363</b>	<b>69,257</b>	<b>110,942</b>	<b>111,943</b>	<b>234,823</b>	<b>236,006</b>	<b>109.8%</b>	<b>0.5%</b>



## Building

The City regulates building and associated construction activities to protect public health, safety and welfare pursuant to uniform construction codes adopted by the State of Washington (RCW 19.27) in addition to local codes governing land use and code enforcement (NBMC 20.10).

### Building Department Functions:

- Plan reviews
- Building permits
- Plumbing permits
- Mechanical permits
- Mobile home permits
- Building move permits
- Sign permits
- Inspections

### Other Functions:

- Technical Review Committee
- Code enforcement
- Policy development
- Assigning addresses
- Business license review
- ADA reviews
- Energy reviews
- Indoor air quality reviews

## 2015-2016 Building Accomplishments

- √ Issued 431 building permits and conducted 875 inspections in 2016.
- √ Updated Building department webpage for access to checklists, online inspections, and online handouts for citizens and contractors.
- √ Adopted new 2015 statewide codes for building, plumbing, mechanical, fire, and energy.
- √ Assumed Floodplain administration duties for structure-related items.
- √ Conducted active code compliance in historic downtown district.
- √ Assumed duties for lot-specific infiltration reviews within plats.
- √ Implemented registered plan program to streamline & decrease turnaround times for building dept. reviews.
- √ Updated building department fee schedules to reflect equivalent schedules of similar jurisdictions.
- √ Worked collaboratively with City staff on CRS and CAV updates, recertification & updates to City codes.
- √ Updated and relocated Code Enforcement section of North Bend Municipal Code.
- √ Implemented process to insure that sewer and water applications and permits are accounted for throughout permitting process. Process provides utility billing set parameters for start of billing for new accounts related to construction activities.



# Building

## 2017-2018 Building Goals

- ◆ Implementation and integration with MyBuildingpermit.com within City permitting processes and training of City staff.
- ◆ Process improvements for application intake, counter reviews, and application verification.
- ◆ Improve utilization of Bluebeam review software for electronic reviews.
- ◆ Continue to grow professional relationships with builders, elected officials, management, staff and citizens to help ensure good communication of the City's building codes and regulations while helping clients achieve their goals.
- ◆ Continue work on professional development improvements through active involvement in organizations such as ICC and WABO.

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
Personnel Costs	177,792	240,136	308,518	310,435	337,128	352,798	8.6%	4.6%
Supplies	3,335	4,625	4,400	4,355	4,500	4,500	3.3%	0.0%
Services & Charges	44,418	23,385	34,671	36,523	35,400	35,408	-3.1%	0.0%
Capital Outlay	-	2,411	2,500	229	25,781	-	1173.8%	-100.0%
<b>Total Expenditures</b>	<b>225,546</b>	<b>270,556</b>	<b>350,089</b>	<b>351,541</b>	<b>402,809</b>	<b>392,706</b>	<b>14.6%</b>	<b>-2.5%</b>



# Planning

The Planning Department prepares and administers plans, policies and regulations pursuant to authority in Federal and State laws to protect public health, safety and welfare. Primary state laws governing planning include the Growth Management Act RCW 36.70A, the Shoreline Management Act RCW 90.58 and the Platting requirements in RCW 58.17.

## Planning Functions

- Planning under GMA
- Policy development
- Comprehensive Plan development
- Code development
- Moratorium response
- Endangered Species Act response
- Shoreline management
- Business license review
- Development Permit Center
- Technical Review Committee

## Regulatory Functions

Land Use permitting including but not limited to:

- Rezones
- Lot line adjustments
- SEPA review
- Design and landscape review
- Conditional use permits
- Floodplain development permits
- Annexations
- Short Plats
- Binding Site Plans
- Developer Agreements
- Subdivisions
- Site plans
- Sensitive area review
- Variance/AATS



# Planning

## 2015-2016 Planning Accomplishments

- √ Issued 431 building permits and reviewed & permitted approximately 1,105 residential units in 2016.
- √ Facilitated the Heartland property acquisition and North Bend Partnering for a Park multi-agency partnership designed to bring a low impact natural park to North Bend containing a King County regional trailhead, hiking and biking trails, and environmental education.
- √ Conducted over 123 code enforcement cases.
- √ Amended the North Bend Municipal Code (NBMC) pertaining to Commercial Truck Travel Centers., installation of Franchise Utility Facilities, and Recreation Vehicle Parks.
- √ Amended the NBMC Bulk & Dimensional Standards concerning minimum lot size in the Constrained Low Density Residential zone.
- √ Amended the NBMC pertaining to Floodplain Development Regulations to address requirements by Department of Ecology through the Community Assistance program.
- √ Conducted extensive evaluation of the Cottage Residential zone after adoption of a Moratorium on new development within this zone.
- √ Amended Residential Design Standards for Single Family and Cottage Development.
- √ Facilitated a Development Agreement to permit an athletic facility in the Urban Separator Overlay District.
- √ Updated the Parks Element of the Comprehensive Plan.
- √ Restructured the Economic Development Commission.

## 2017-2018 Planning Goals

- ◆ Coordinate to work with developers through the Preliminary Plat process for an estimated total of 1,200 single family residential lots.
- ◆ Continue the work to complete multiple commercial development projects.
- ◆ Work with the Planning Commission on possible North Bend Municipal Code amendments. To ensure Council Vision is carried out.
- ◆ Continue to work on Comprehensive Plan and Development Regulation updates for the following elements to ensure the Council Vision is carried out: Land Use, Critical Areas, Housing, Transportation, Utilities, Capital Facilities, Natural Resources, Economic Development, Shoreline, Energy and Sustainability, and Parks, Recreation, Wildlife Habitat and Open Spaces.
- ◆ Catalog maps available in the GIS Map archives for wider usage by staff and complete the Utility mapping project.
- ◆ Continue to update the Storm Drain database and mapping.
- ◆ Complete the 468th Ave. SE Gateway Corridor Plan and the Brand Implementation Plan.
- ◆ Complete a Master Plan for the new Heartland Partnering for a Park acquisition area.

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
Personnel Costs	339,692	374,968	411,292	387,550	408,223	432,072	5.3%	5.8%
Supplies	5,121	6,482	5,100	4,658	5,000	5,000	7.3%	0.0%
Services & Charges	31,676	22,553	59,425	104,290	54,775	34,875	-47.5%	-36.3%
Capital Outlay	-	-	-	-	3,750	-	100.0%	-100.0%
<b>Total Expenditures</b>	<b>376,489</b>	<b>404,003</b>	<b>475,817</b>	<b>496,498</b>	<b>471,748</b>	<b>471,947</b>	<b>-5.0%</b>	<b>0.0%</b>



# Parks

## Parks Department Functions

- Maintain clean and safe facilities
- Keep parks clear of litter
- Maintain irrigation systems, walkways, paths and play areas
- Maintain park grounds through mowing, fertilizing, pruning, watering, and weed control
- Coordinate the use of the North Bend Athletic Fields
- Maintain park buildings (including bathrooms) and gazebos

## 2015-2016 Parks Accomplishments

- √ Designed and completed construction on EJ Roberts Park picnic shelter, replacement bridge and playground equipment.
- √ Designed and began construction of large Torguson Park project including concessions / restroom building, loop trail, 4 backstops, 8 dugouts, concrete plaza and park furniture.
- √ Constructed upgraded playground equipment at New Si View Parks.
- √ Collaborated with Si View Metro Park District on the design of an upgraded BMX pump track at Torguson Park.

## 2017-2018 Parks Goals

- ◆ Complete construction of Torguson Park project.
- ◆ Facilitate construction of Meadowbrook Farm Trail from Tollgate Park to Snoqualmie Valley Trail, which includes a bridge.
- ◆ Consider creating a Non-Motorized Plan (NMP) for improving pedestrian connectivity such as a trail along the river or interconnecting trails.
- ◆ Evaluate Park Impact Fee amount in 2018.
- ◆ Assist with Heartland mountain bike project as needed.
- ◆ Evaluate creating new park opportunities on the east side of the City.

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
Personnel Costs	247,116	258,575	281,042	273,507	315,516	322,211	15.4%	2.1%
Supplies	5,420	9,356	13,600	13,738	12,100	12,100	-11.9%	0.0%
Services & Charges	118,457	125,754	147,341	133,746	193,879	194,801	45.0%	0.5%
Capital Outlay	-	-	1,200	983	-	-	-100.0%	0.0%
<b>Total Expenditures</b>	<b>370,994</b>	<b>393,685</b>	<b>443,183</b>	<b>421,974</b>	<b>521,495</b>	<b>529,112</b>	<b>23.6%</b>	<b>1.5%</b>



## Recreation & Special Events

The Recreation & Special Events department oversees seasonal community events including the Downtown Block Party and the Holiday Festival. They also actively collaborate with other community organizations and businesses to provide quality recreation and special events for North Bend residents.

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
Personnel Costs	-	14,563	32,367	30,100	22,132	22,579	-26.5%	2.0%
Services & Charges	38,783	35,769	32,000	34,205	36,500	36,500	6.7%	0.0%
Capital Outlay	-	1,085	-	-	-	-	0.0%	0.0%
<b>Total Expenditures</b>	<b>38,783</b>	<b>51,417</b>	<b>64,367</b>	<b>64,305</b>	<b>58,632</b>	<b>59,079</b>	<b>-8.9%</b>	<b>0.8%</b>



## Land & Building Management

The Land & Building Management department centralizes the land purchases made by the General Fund.

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
Intergovernmental Services	4,325	4,216	4,109	4,108	4,000	3,891	-2.6%	-2.7%
Capital Outlay	8,954	-	-	-	-	-	0.0%	0.0%
<b>Total Expenditures</b>	<b>13,278</b>	<b>4,216</b>	<b>4,109</b>	<b>4,108</b>	<b>4,000</b>	<b>3,891</b>	<b>-2.6%</b>	<b>-2.7%</b>



## Social & Human Services

Each year, the North Bend City Council appropriates funds in support of social service agencies. The Council establishes funding levels during the budget cycle. Many of these funds go to local organizations established to meet the needs of the community; other funds support treatment activities.

Human services are defined as services that assist individuals in meeting their basic needs: food, shelter, clothing, medical assistance and safety from abuse.

North Bend also contributes to several community organizations that enrich the City and its quality of life.

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
<b>Human Services:</b>								
Boxley Music Fund (Jazz Walk)	-	-	2,000	2,000	3,500	-	75.0%	0.0%
Downtown Association	1,400	14,920	10,000	10,000	-	-	-100.0%	0.0%
Eastside Baby Corner	500	500	500	500	500	-	0.0%	0.0%
Eastside Domestic Violence	1,000	-	-	-	1,000	-	100.0%	0.0%
Encompass (Child Services)	10,000	10,000	10,000	10,000	12,000	-	20.0%	0.0%
Encompass (Econ Development)	3,500	-	-	-	-	-	0.0%	0.0%
Friends of the Trail	5,000	6,000	6,000	6,000	6,000	-	0.0%	0.0%
Human Services Reserve	-	-	-	-	2,000	80,000	100.0%	3900.0%
King County Search & Rescue	-	-	1,000	-	-	-	0.0%	0.0%
Mt. Si Senior Center	25,000	25,000	25,000	25,000	35,000	-	40.0%	0.0%
Sno Valley Community Network	-	-	2,000	2,000	2,000	-	0.0%	0.0%
Snoqualmie Valley Food Bank	-	-	15,000	15,000	17,000	-	13.3%	0.0%
Sno-Valley Indoor Playground	1,000	1,000	1,000	1,000	1,000	-	0.0%	0.0%
<b>Total Expenditures</b>	<b>47,400</b>	<b>57,420</b>	<b>72,500</b>	<b>71,500</b>	<b>80,000</b>	<b>80,000</b>	<b>11.9%</b>	<b>0.0%</b>

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Estimate	Proposed	Proposed	16-17	17-18
<b>Social Services &amp; Pgms:</b>								
Meadowbrook Farm	16,667	10,000	10,000	10,000	10,000	10,000	0.0%	0.0%
North Bend Historical Museum	2,500	2,500	3,000	3,000	3,000	3,000	0.0%	0.0%
<b>Total Expenditures</b>	<b>19,167</b>	<b>12,500</b>	<b>13,000</b>	<b>13,000</b>	<b>13,000</b>	<b>13,000</b>	<b>0.0%</b>	<b>0.0%</b>

2018 Human Services grants will be determined by the City Council during the Mid-Biennium Modification



## Non-Departmental

The Non-Departmental budget includes programs and expenditures that benefit the City as a whole and/or are not specific to a single department. This budget includes voter registration and election costs, memberships in regional organizations, pollution control, and regional public health responsibilities. It also includes the City's wellness program, the General Fund's insurance premiums, King County Animal Control Services, code publishing and legal advertising.

Prior to 2015, these expenditures were included in individual department budgets.

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
Supplies	6,000	8,157	8,500	6,094	8,500	8,500	39.5%	0.0%
Services & Charges	62,445	58,516	98,839	98,174	103,131	110,954	5.0%	7.6%
Intergovernmental Services	33,226	36,733	36,480	25,927	38,681	39,700	49.2%	2.6%
<b>Total Expenditures</b>	<b>101,671</b>	<b>103,406</b>	<b>143,819</b>	<b>130,196</b>	<b>150,312</b>	<b>159,154</b>	<b>15.5%</b>	<b>5.9%</b>

*Non-Departmental includes citywide memberships, election services, animal control service, AWC-RMSA insurance, and wellness program*



## Operating Transfers

In addition to supporting the expenses incurred by City departments, the General Fund also supports activities of other City funds.

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
<b>Transfer Out to:</b>								
Street Operations Fund (101)	588,791	575,251	622,083	582,639	687,353	699,640	18.0%	1.8%
Capital Streets Fund (102)	-	5,719	-	-	-	-	0.0%	0.0%
B&O Tax xfr to Trans Imp Pgm	127,577	123,781	116,000	129,462	116,000	116,000	-10.4%	0.0%
Streets Overlay (103)	100,000	50,000	79,180	79,180	150,000	150,000	89.4%	0.0%
Sq Ftg B&O xfr to Overlay (103)	-	-	50,000	50,000	100,000	100,000	100.0%	0.0%
Sales Tax xfr to Econ Dev (108)	32,000	32,000	32,000	32,000	32,000	32,000	0.0%	0.0%
Economic Development (108)	39,729	96,209	115,622	94,631	150,871	126,916	59.4%	-15.9%
Fire Station (310)	20,222	-	-	-	-	-	0.0%	0.0%
Civic Center (310)	-	14,484	548	547	-	-	-100.0%	0.0%
468th Gateway (310)	-	-	18,000	-	-	-	0.0%	0.0%
<b>Total Expenditures</b>	<b>908,319</b>	<b>897,444</b>	<b>1,119,723</b>	<b>1,054,748</b>	<b>1,236,224</b>	<b>1,224,556</b>	<b>17.2%</b>	<b>-0.9%</b>





**Special Revenue**



## Special Revenue Department Descriptions

### **STREET OPERATIONS FUND - 101**

The Street Operating Fund, a division of the Public Works Department, provides for all maintenance and operation functions for the City's transportation system. These responsibilities are primarily financed through a transfer of General Fund revenues. Other funding sources include street permits and state-shared gasoline taxes.

### **STREETS CAPITAL FUND - 102**

The function of the Streets Capital Fund is to amass monies for the construction of street projects in the 6 Year Transportation Improvement Program (TIP). The primary revenue streams are state-shared gasoline and fuel excise taxes and a portion of Business & Occupation taxes transferred from the General Fund.

### **STREETS OVERLAY FUND - 103**

The City established a Streets Overlay Fund for the purpose of segregating appropriations to be utilized for the City's Streets Overlay Maintenance Program. These funds come primarily from transfers from the General Fund and Capital Streets Fund.

### **IMPACT FEES & MITIGATION FUND - 106**

Impact fees are charged to mitigate the impact of development upon public facilities and can be used only for designated purposes in a limited time from the date of collection. The City currently charges a Park Impact Fee, Transportation Impact Fee and Fire Impact Fee.

### **HOTEL/MOTEL LODGING TAX FUND - 107**

Hotel/Motel Lodging Tax is a consumer tax on lodging charges for periods of less than 30 consecutive days for hotels, motels, rooming houses, private campgrounds, RV parks, and similar facilities. The funds are distributed by the State Treasurer to the levying cities and counties. They may be used for promotion of tourism or construction and operation of tourism-related facilities. These funds are currently being utilized to help support the operations of the Visitor Information Center which opening in September 2014.

### **ECONOMIC DEVELOPMENT FUND - 108**

The resources in this fund are to be utilized for citywide economic planning including downtown revitalization, and to create linkages between the interchange commercial and downtown areas. This fund is the primary funding source for the Visitor Information Center.

### **PARK IMPROVEMENT FUND - 116**

The North Bend Parks Commission is responsible for recommending park improvement activities and projects to the City Council. The Council then appropriates funds from the Park Improvement Fund based on priorities set during the budget cycle.

### **DEVELOPMENT PROJECTS FUND - 125**

The Development Projects Fund was established by Council action in 1996 to adequately track development fees and deposits in order to separate them from regular City expenditures in the General Fund. In keeping with the Council's policy that development "pay its own way", the fund also allows the City to bill developers for staff time associated with development projects. Those charges are transferred to the General Fund as revenue on a monthly basis.



## Street Operations Fund

The Streets Operating Fund, a division of the Public Works Department, provides for all maintenance and operation functions for the City's transportation system. These responsibilities are primarily financed through a transfer of General Fund revenues. Other funding sources include street permits and state-shared gasoline taxes.

### Street Department Functions

- Street sweeping
- Asphalt paving, crack sealing and re-grading
- Traffic control
- Street sign maintenance
- Snow and ice removal
- Emergency response
- Curb and sidewalk repair
- Debris clearing
- Maintain street right of way
- Vegetation Control

### 2015-2016 Streets Accomplishments

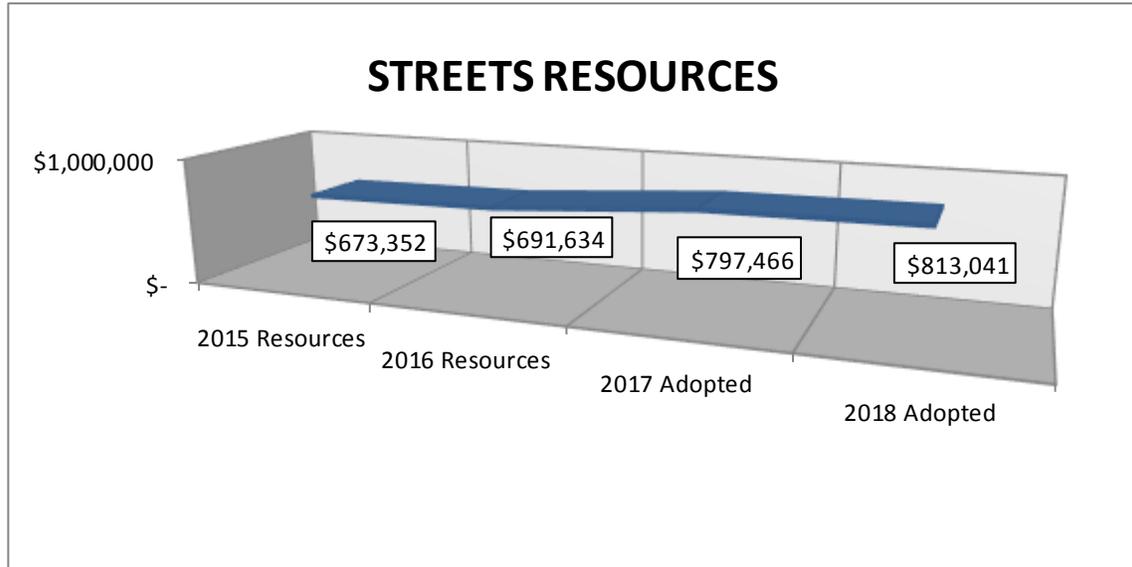
- √ Completed Citywide Pavement Condition Index (PCI) Study and Map.
- √ Increased Transportation Impact Fee (TIF) to \$10,700 per lot to ensure growth pays for growth.
- √ Designed & completed several construction projects, including Cedar Falls Way paved walkway, new Bendigo Blvd. right-turn lane, NW 14th Street, 461st Street, SE 136th Street, Gaines Ave SE, and SE 11th Street.
- √ Received community award for reconstruction of failing NW 14th Street project.
- √ Completed pavement overlay for Si View neighborhood and various pavement crack seals on Ballarat Avenue, Cedar Falls Way, Torguson Park parking lot, and other areas.
- √ Successfully obtained \$1.4 million grant from Puget Sound Regional Council for Downtown Plaza transportation capital project construction funding.
- √ Successfully obtained \$350,000 grant for North Bend Way sidewalks.
- √ Made substantial progress on design of the NE 12th Street pavement reconstruction & widening project, and the Park Street Roundabout project.
- √ 95% completed with City's inaugural Public Works Standards.
- √ Made annual updates to City's 6-Year Transportation Improvement Program (TIP).

### 2017-2018 Streets Goals

- ◆ Construct Downtown Plaza transportation capital project in historic downtown.
- ◆ Construct Park Street Roundabout transportation capital project.
- ◆ Complete significant pavement overlay of North Bend Way.
- ◆ Construct NE 12<sup>th</sup> Street between Ballarat Avenue & Pickett Avenue.
- ◆ Begin Roundabout designs for Middle Fork Rd SE/468<sup>th</sup> Ave. intersection and 436<sup>th</sup> Ave/NBW intersection.
- ◆ Obtain grants for Park Street Roundabout project.
- ◆ Inspect construction and accept new streets from multiple developments.
- ◆ Provide pavement overlay on Mount Si Boulevard.
- ◆ Update City's Transportation Element in Comprehensive Plan.
- ◆ Annual updates to City's 6-Year Transportation Improvement Program (TIP).
- ◆ Begin design of sidewalks on Ballarat Avenue between NE 8<sup>th</sup> St. & NE 12<sup>th</sup> St.).



# Street Operations Fund



Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
<b>Revenues:</b>								
Beginning Fund Balance	247	-	-	-	-	-	0.0%	0.0%
Licenses & Permits	7,340	4,226	6,000	7,186	6,000	6,000	-16.5%	0.0%
Charges for Services	-	1,200	-	-	-	-	0.0%	0.0%
Intergovernmental Revenues	84,439	90,414	101,935	101,667	104,113	107,401	2.4%	3.2%
Misc & Other Fin Sources	3,445	2,261	-	142	-	-	-100.0%	0.0%
Transfer from General Fund	588,791	575,251	622,083	582,639	687,353	699,640	18.0%	1.8%
<b>Total Revenues</b>	<b>684,261</b>	<b>673,352</b>	<b>730,018</b>	<b>691,634</b>	<b>797,466</b>	<b>813,041</b>	<b>15.3%</b>	<b>2.0%</b>
<b>Expenditures:</b>								
Personnel Costs	360,469	374,306	403,387	394,668	438,352	449,251	11.1%	2.5%
Supplies	13,864	13,389	15,750	10,962	15,000	15,000	36.8%	0.0%
Services & Charges	261,372	240,213	274,904	250,660	309,258	314,109	23.4%	1.6%
Intergovernmental Services	5,168	1,708	3,316	2,902	3,281	3,246	13.1%	-1.1%
Capital Outlay	-	-	1,000	819	-	-	100.0%	0.0%
Debt Service	43,389	43,738	31,661	31,623	31,575	31,435	-0.2%	-0.4%
<b>Total Expenditures</b>	<b>684,261</b>	<b>673,352</b>	<b>730,018</b>	<b>691,634</b>	<b>797,466</b>	<b>813,041</b>	<b>15.3%</b>	<b>2.0%</b>
<b>Ending Fund Balance</b>	-	-	-	-	-	-	0.0%	0.0%
<b>FUND TOTAL</b>	<b>684,261</b>	<b>673,352</b>	<b>730,018</b>	<b>691,634</b>	<b>797,466</b>	<b>813,041</b>	<b>15.3%</b>	<b>2.0%</b>



## Streets Capital Fund

The function of the Street Capital Projects Fund is to amass monies for the construction of street projects in the 6 year Transportation Improvement Program (TIP). The primary revenue streams are Gasoline and Fuel Excise Taxes and a portion of Business & Occupation Taxes transferred from the General Fund.

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
<b>Revenues:</b>								
Beginning Fund Balance	77,721	174,123	13,545	13,545	6,108	-	-54.9%	-100.0%
Intergovernmental Revenues	39,736	42,098	44,500	44,725	47,141	47,168	5.4%	0.1%
Misc & Other Fin Sources	-	2,450	-	-	-	-	0.0%	0.0%
B&O Tax from General Fund	127,577	123,781	116,000	129,462	116,000	116,000	-10.4%	0.0%
Trans from General Fund	-	5,719	-	-	-	-	0.0%	0.0%
Trans from Muni Proj Fund	45,000	35,879	-	-	-	-	0.0%	0.0%
<b>Total Revenues</b>	<b>290,034</b>	<b>384,049</b>	<b>174,045</b>	<b>187,731</b>	<b>169,249</b>	<b>163,168</b>	<b>-9.8%</b>	<b>-3.6%</b>
<b>Expenditures:</b>								
Personnel Costs	24,583	28,556	31,298	30,855	38,478	38,800	24.7%	0.8%
Services & Charges	10,329	33,579	16,096	13,673	323	324	-97.6%	0.3%
Interfund Transfers	81,000	308,370	121,334	112,689	130,448	124,044	15.8%	-4.9%
<b>Total Expenditures</b>	<b>115,911</b>	<b>370,505</b>	<b>168,728</b>	<b>157,216</b>	<b>169,249</b>	<b>163,168</b>	<b>7.7%</b>	<b>-3.6%</b>
<b>Ending Fund Balance</b>	<b>174,123</b>	<b>13,545</b>	<b>5,317</b>	<b>30,515</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.0%</b>
<b>FUND TOTAL</b>	<b>290,034</b>	<b>384,049</b>	<b>174,045</b>	<b>187,731</b>	<b>169,249</b>	<b>163,168</b>	<b>-9.8%</b>	<b>-3.6%</b>



# Streets Overlay Fund

The City established a Streets Overlay fund for the purpose of segregating appropriations to the City's Streets Overlay Maintenance Program.

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
<b>Revenues:</b>								
Beginning Fund Balance	153,117	61,608	115,763	115,763	45,354	70,844	-60.8%	56.2%
Intergovernmental Revenues	236,082	11,826	-	-	450,000	-	100.0%	-100.0%
Misc & Other Fin Sources	-	-	2,151	2,316	-	-	-100.0%	0.0%
Transfer from General Fund	100,000	50,000	79,180	79,180	150,000	150,000	89.4%	0.0%
Transfer from Capital Streets	-	18,934	20,820	20,820	39,910	30,400	91.7%	-23.8%
Transfer from Sq Ftg B&O Tax	-	-	50,000	50,000	100,000	100,000	100.0%	0.0%
<b>Total Revenues</b>	<b>489,199</b>	<b>142,367</b>	<b>267,914</b>	<b>268,079</b>	<b>785,264</b>	<b>351,244</b>	<b>193.0%</b>	<b>-55.3%</b>
<b>Expenditures:</b>								
Services & Charges	-	-	27,000	21,620	-	-	-100.0%	0.0%
Capital Outlay	427,591	26,605	195,725	182,079	714,420	150,000	292.4%	-79.0%
<b>Total Expenditures</b>	<b>427,591</b>	<b>26,605</b>	<b>222,725</b>	<b>203,698</b>	<b>714,420</b>	<b>150,000</b>	<b>250.7%</b>	<b>-79.0%</b>
<b>Ending Fund Balance</b>	<b>61,608</b>	<b>115,763</b>	<b>45,189</b>	<b>64,380</b>	<b>70,844</b>	<b>201,244</b>	<b>10.0%</b>	<b>184.1%</b>
<b>FUND TOTAL</b>	<b>489,199</b>	<b>142,367</b>	<b>267,914</b>	<b>268,079</b>	<b>785,264</b>	<b>351,244</b>	<b>192.9%</b>	<b>-55.3%</b>



## Hotel/Motel Lodging Tax Fund

Hotel/Motel Lodging Tax is a consumer tax on lodging charges for periods of less than 30 consecutive days for hotels, motels, rooming houses, private campgrounds, RV parks, and similar facilities. The funds are distributed by the State Treasurer to the levying cities and counties. They may be used for promotion of tourism or construction and operation of tourism-related facilities. These funds are currently being utilized to help support the operations of the Visitor Information Center which opened in September 2014.

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
<b>Revenues:</b>								
Beginning Fund Balance	1,661	4,420	7,785	7,785	6,785	6,285	-12.8%	-7.4%
Hotel/Motel Tax	11,359	12,365	11,500	13,225	13,500	40,000	2.1%	196.3%
<b>Total Revenues</b>	<b>13,020</b>	<b>16,785</b>	<b>19,285</b>	<b>21,010</b>	<b>20,285</b>	<b>46,285</b>	<b>-3.5%</b>	<b>128.2%</b>
<b>Expenditures:</b>								
Services & Charges	8,600	9,000	14,000	14,000	14,000	40,000	0.0%	185.7%
<b>Total Expenditures</b>	<b>8,600</b>	<b>9,000</b>	<b>14,000</b>	<b>14,000</b>	<b>14,000</b>	<b>40,000</b>	<b>0.0%</b>	<b>185.7%</b>
<b>Ending Fund Balance</b>	<b>4,420</b>	<b>7,785</b>	<b>5,285</b>	<b>7,010</b>	<b>6,285</b>	<b>6,285</b>	<b>-10.3%</b>	<b>0.0%</b>
<b>FUND TOTAL</b>	<b>13,020</b>	<b>16,785</b>	<b>19,285</b>	<b>21,010</b>	<b>20,285</b>	<b>46,285</b>	<b>-3.5%</b>	<b>128.2%</b>



## Economic Development Fund

The resources in this fund are to be utilized for citywide economic planning including downtown revitalization and to create linkages between the interchange commercial and downtown areas. Some of the projects supported by this fund have been initiated by or tasked to the Economic Development Commission (EDC). One of the tasks assigned to the Economic Development Fund is to provide funding for the Visitor Information Center which opened in September 2014.

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
<b>Revenues:</b>								
Beginning Fund Balance	-	-	-	-	-	-	0.0%	0.0%
Intergovernmental Revenues	-	-	-	-	6,500	6,500	100.0%	0.0%
Sales Tax from Gen Fund	32,000	32,000	32,000	32,000	32,000	32,000	0.0%	0.0%
Transfer from General Fund	39,729	96,209	115,622	94,631	150,871	126,916	59.4%	-15.9%
<b>Total Revenues</b>	<b>71,729</b>	<b>128,209</b>	<b>147,622</b>	<b>126,631</b>	<b>189,371</b>	<b>165,416</b>	<b>49.5%</b>	<b>-12.6%</b>
<b>Expenditures:</b>								
Personnel Costs	37,512	45,026	56,909	48,945	51,453	53,637	5.1%	4.2%
Supplies	11,512	1,167	5,500	712	500	500	-29.8%	0.0%
Services & Charges	22,705	69,420	83,713	76,974	134,418	108,279	74.6%	-19.4%
Capital Outlay	-	12,596	1,500	-	3,000	3,000	100.0%	0.0%
<b>Total Expenditures</b>	<b>71,729</b>	<b>128,209</b>	<b>147,622</b>	<b>126,631</b>	<b>189,371</b>	<b>165,416</b>	<b>49.5%</b>	<b>-12.6%</b>
<b>Ending Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>0.0%</b>
<b>FUND TOTAL</b>	<b>71,729</b>	<b>128,209</b>	<b>147,622</b>	<b>126,631</b>	<b>189,371</b>	<b>165,416</b>	<b>49.5%</b>	<b>-12.6%</b>



## Impact Fees & Mitigation Fund

Impact fees are charged to mitigate the impact of development upon public facilities and can be used only for designated purposes in a limited time from the date of collection. The City currently charges a park impact fee of \$4,690 per residential unit; no park impact fee is currently collected from commercial developments. Also, a Transportation Impact Fee of \$10,796.82 and a Fire Impact Fee of \$622.25 per residential unit are charged.

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
<b>Revenues:</b>								
Beginning Fund Balance	1,101,584	921,945	1,045,993	1,045,993	439,074	3,099,022	-58.0%	605.8%
Impact Fees	285,238	232,803	405,598	483,144	3,530,352	7,038,108	630.7%	99.4%
Mitigation Payments	20,775	35,700	-	15,199	-	-	-100.0%	0.0%
Misc & Other Fin Sources	1,654	2,757	-	4,173	475,000	-	1282.4%	-100.0%
<b>Total Revenues</b>	<b>1,409,250</b>	<b>1,193,204</b>	<b>1,451,591</b>	<b>1,548,508</b>	<b>4,444,426</b>	<b>10,137,130</b>	<b>187.0%</b>	<b>128.1%</b>
<b>Expenditures:</b>								
Supplies	-	-	249	-	-	-	0.0%	0.0%
Intergovernmental - Si View	-	-	111,497	111,497	73,203	54,902	-34.3%	-25.0%
Debt Service	-	-	-	-	-	3,500	0.0%	100.0%
Capital Outlay	41,623	-	20,000	8,549	250,000	-	2824.4%	-100.0%
Interfund Loan Payments	-	-	-	-	-	475,000	0.0%	100.0%
Interfund Transfers	445,683	147,211	1,155,034	445,076	1,022,201	901,000	129.7%	-11.9%
<b>Total Expenditures</b>	<b>487,306</b>	<b>147,211</b>	<b>1,286,780</b>	<b>565,122</b>	<b>1,345,404</b>	<b>1,434,402</b>	<b>138.1%</b>	<b>6.6%</b>
<b>Ending Fund Balance</b>	<b>921,945</b>	<b>1,045,993</b>	<b>164,811</b>	<b>983,386</b>	<b>3,099,022</b>	<b>8,702,728</b>	<b>215.1%</b>	<b>180.8%</b>
<b>FUND TOTAL</b>	<b>1,409,250</b>	<b>1,193,204</b>	<b>1,451,591</b>	<b>1,548,508</b>	<b>4,444,426</b>	<b>10,137,130</b>	<b>187.0%</b>	<b>128.1%</b>



## Park Improvement Fund

The North Bend Parks Commission is responsible for recommending park improvement activities to the City Council. The Council then appropriates funds from the Park Improvement Fund based on priorities set during the budget cycle.

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
<b>Revenues:</b>								
Beginning Fund Balance	33,982	64,823	67,400	67,400	39,078	53,078	-42.0%	35.8%
KC Parks & Trails Levy	8,611	14,982	13,500	15,071	14,000	14,500	-7.1%	3.6%
Intergovernmental/Grants	52,092	31,369	19,271	15,807	-	-	0.0%	0.0%
Misc & Other Fin Sources	-	-	-	332	-	-	-100.0%	0.0%
<b>Total Revenues</b>	<b>94,685</b>	<b>111,174</b>	<b>100,171</b>	<b>98,610</b>	<b>53,078</b>	<b>67,578</b>	<b>-46.2%</b>	<b>27.3%</b>
<b>Expenditures:</b>								
Services & Charges	-	1,532	-	-	-	-	0.0%	0.0%
Capital Outlay	29,862	27,805	15,810	15,807	-	-	-100.0%	0.0%
Interfund Transfers	-	14,437	41,995	-	-	3,779	0.0%	100.0%
<b>Total Expenditures</b>	<b>29,862</b>	<b>43,774</b>	<b>57,805</b>	<b>15,807</b>	<b>-</b>	<b>3,779</b>	<b>-100.0%</b>	<b>100.0%</b>
<b>Ending Fund Balance</b>	<b>64,823</b>	<b>67,400</b>	<b>42,366</b>	<b>82,803</b>	<b>53,078</b>	<b>63,799</b>	<b>-35.9%</b>	<b>20.2%</b>
<b>FUND TOTAL</b>	<b>94,685</b>	<b>111,174</b>	<b>100,171</b>	<b>98,610</b>	<b>53,078</b>	<b>67,578</b>	<b>-46.2%</b>	<b>27.3%</b>



## Development Projects Fund

The Development Projects Fund was established by Council action in 1996 to adequately track development fees and deposits in an effort to separate them from regular City expenditures in the General Fund. In keeping with the policy that development “pay its own way”, the fund also gives the City an opportunity to bill developers for staff time associated with development projects. Those charges are transferred to the General Fund as revenue on a monthly basis.

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
<b>Revenues:</b>								
Beginning Fund Balance	151,916	123,499	162,588	162,588	173,048	143,048	6.4%	-17.3%
Developer Deposits	304,633	729,976	950,000	1,062,392	892,140	892,140	-16.0%	0.0%
<b>Total Revenues</b>	<b>456,548</b>	<b>853,475</b>	<b>1,112,588</b>	<b>1,224,980</b>	<b>1,065,188</b>	<b>1,035,188</b>	<b>-13.0%</b>	<b>-2.8%</b>
<b>Expenditures:</b>								
Services & Charges	242,300	428,464	657,000	668,720	325,000	325,000	-51.4%	0.0%
Interfund Transfers	90,750	262,423	282,540	270,702	597,140	597,140	120.6%	0.0%
<b>Total Expenditures</b>	<b>333,050</b>	<b>690,887</b>	<b>939,540</b>	<b>939,422</b>	<b>922,140</b>	<b>922,140</b>	<b>-1.8%</b>	<b>0.0%</b>
<b>Ending Fund Balance</b>	<b>123,499</b>	<b>162,588</b>	<b>173,048</b>	<b>285,558</b>	<b>143,048</b>	<b>113,048</b>	<b>-49.9%</b>	<b>-21.0%</b>
<b>FUND TOTAL</b>	<b>456,548</b>	<b>853,475</b>	<b>1,112,588</b>	<b>1,224,980</b>	<b>1,065,188</b>	<b>1,035,188</b>	<b>-13.0%</b>	<b>-2.8%</b>



## **Debt Service**



## Revenue Debt

Revenue Debt is a bond issue or loan whose principal and interest are payable exclusively from the revenue of a utility fund (i.e. Water, Sewer, Solid Waste, Storm Drain). There is no limit on the amount of Revenue debt a city may issue. However, the utilities must demonstrate a capacity to fund two-times the debt payments required. Total outstanding Revenue Debt as of January 1, 2017 is \$19,233,939.32.

### Public Works Trust Fund (PWTF) Loans

The City of North Bend holds two utility-related loans with the Public Works Trust Fund Agency for the State of Washington. The loans are “low-interest” and have rates of 0.5% and 1.0% respectively as compared to revenue bonds, which cost ratepayers approximately 4% in interest.

The City of North Bend’s established loans with the PWTF are for the following projects:

#### 4 NB Water Source Development:

This loan was issued in 2006 to finance a portion of completion of the capital improvements needed to secure the City’s water rights. The interest rate on this loan is 5%; payoff is scheduled in 2026.

4 NB Water Source Development			2017	2018	2019	2020	2021
PWTF Loans	3,398,267	Beginning Balance	1,295,238	1,165,714	1,036,190	906,666	777,143
4 NB Water Source Development		Draws					
Fund 401 & 411	0.5%	Interest	6,476	5,829	5,181	4,533	3,886
		Principal	129,524	129,524	129,524	129,524	129,524
<i>Payoff Year: 2026</i>		<b>Total Payment per Year</b>	<b>136,000</b>	<b>135,353</b>	<b>134,705</b>	<b>134,057</b>	<b>133,410</b>
PW-06-962-029		Remaining Balance	1,165,714	1,036,190	906,666	777,142	647,619

#### 415th Ave SE Water Main Replacement

This loan was issued in 2013 to finance the replacement of a section of the water main on 415th Avenue SE. The interest rate on this loan is 1%; payoff is scheduled in 2034.

415th Ave SE Water Main Replacement			2017	2018	2019	2020	2021
PWTF Loans	1,131,557	Beginning Balance	1,012,977	949,666	886,355	823,044	759,733
	1.00%	Draws					
		Interest	5,065	4,748	4,432	4,115	3,799
Fund 401		Principal	63,311	63,311	63,311	63,311	63,311
<i>Payoff Year: 2034</i>		<b>Total Payment per Year</b>	<b>68,376</b>	<b>68,059</b>	<b>67,743</b>	<b>67,426</b>	<b>67,110</b>
		Remaining Balance	949,666	886,355	823,044	759,733	696,422



## Revenue Debt - continued

### Washington State Revolving Fund Loans (SRF):

The funding sources of the following loans are from the Washington State Water Pollution Control Revolving Fund (SRF).

#### Inflow and Infiltration (I&I Project) - Phase I:

This loan was issued in 1998 to finance the replacement of sewer pipes that failed to perform. The I&I Project - Phase I replaced pipes that were not completely sealed. The interest rate on this loan is 4.4%; payoff is scheduled in 2018.

<b>I&amp;I Project - Phase 1</b>		<b>2017</b>	<b>2018</b>
Loan: State Revolving Fund (SRF)	902,061	Beginning Balance	120,528
Fund 402	4.40%	Interest	4,662
		Principal	58,953
		<b>Total Payment per Year</b>	<b>63,614</b>
<i>Payoff Year: 2018</i>		Remaining Balance	61,575

#### Inflow and Infiltration (I&I Project) - Phase II:

This loan was issued in 2004 to finance the replacement of additional sewer pipes that failed to perform. The I&I Project - Phase II, replaced pipes within the older downtown core that were not completely sealed. The interest rate on this loan is 1.5%; payoff is scheduled in 2023.

<b>I&amp;I Project - Phase 2</b>		<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Loan: State Revolving Fund (SRF)	938,850	Beginning Balance	264,400	228,301	191,658	154,464
	1.50%	Interest	3,831	3,288	2,736	2,176
Fund 402		Principal	36,099	36,643	37,195	37,755
		<b>Total Payment per Year</b>	<b>39,931</b>	<b>39,931</b>	<b>39,931</b>	<b>39,931</b>
<i>Payoff Year: 2023</i>		Remaining Balance	228,301	191,658	154,464	116,709

#### Wastewater Treatment Facility - Phase II (A, B & C):

This loan was executed in 2000 to finance additional improvements at the Wastewater Treatment Facility; most of the loan amount will be drawn on in 2005. The interest rate on this loan is 1.5%; payoff is scheduled in 2024.

<b>WWTP Phase 2 (A, B &amp; C)</b>		<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Loan: State Revolving Fund (SRF)	2,531,462	Beginning Balance	1,121,733	988,740	853,744	716,716
	1.50%	Draw				
CCWF-DOE - Fund 402		Interest	16,329	14,327	12,294	10,231
Washington State		Principal	132,993	134,996	137,028	139,091
Water Pollution Control (SRF)		<b>Total Payment per Year</b>	<b>149,322</b>	<b>149,322</b>	<b>149,322</b>	<b>149,322</b>
<i>Payoff Year: 2024</i>		Remaining Balance	988,740	853,744	716,716	577,625

#### Drinking Water CT Piping Project:

This loan was executed in 2007 to finance improvements to the drinking water by increasing the chlorine contact time at the treatment facility. The interest rate on this loan is 1.5%; payoff is scheduled in 2026.

<b>Drinking Water CT Piping Project</b>		<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Loan: State Revolving Fund (SRF)	226,220	Beginning Balance	119,063	107,157	95,251	83,344
		Draw				
	1.50%	Interest	1,786	1,607	1,429	1,250
Fund 401		Principal	11,906	11,906	11,906	11,906
<i>Payoff Year: 2026</i>		<b>Total Payment per Year</b>	<b>13,692</b>	<b>13,514</b>	<b>13,335</b>	<b>13,157</b>
Loan #05-96300-018		Remaining Balance	107,157	95,251	83,344	71,438



## Revenue Debt - continued

### Bond Issues:

#### 2010 Water & Sewer Refunding

A refunding bond that combined two previous bonds, the 1997 Clarifier Bond and the Public Works Shop Bond, for a lower interest rate of 3.45%. The total bond is for \$2,890,000 and will be paid off in 2021.

2010 Water & Sewer Refunding			2017	2018	2019	2020	2021
Bond Issue	2,890,000	Beginning Balance	1,235,000	1,010,000	775,000	525,000	270,000
<i>Parks (REET), Streets, Water, SEWER, Storm, SHOP (6-total)</i>		3.45% Interest	55,863	44,613	32,863	20,363	10,800
<i>Payoff Year: 2021</i>		Sewer = 43.91% Principal	225,000	235,000	250,000	255,000	270,000
<i>BONY:</i>		Others =11.22% Total Payment per Year	280,863	279,613	282,863	275,363	280,800
		Remaining Balance	1,010,000	775,000	525,000	270,000	-

#### Local Improvement District (LID) #6

A Bond Anticipation Note from Bank of America was the financing tool used in 2008, 2009 and 2010 by the City to pay for the construction of sewer collection and pumping stations and other infrastructure necessary to extend the sewer system. The Local Improvement District #6 Bond Redemption Fund tracks assessments to the property owners and payment of both interest and principal for the bonds issued by the City. The original bonds were issued in the amount of \$16,985,000 upon project completion in 2012. A portion of these bonds (\$8,725,000) were refinanced as part of the 2015 Water/Sewer Refunding Bonds. The remaining outstanding bonds will be paid off in 2032.

LIMITED IMPROVEMENT DISTRICTS (ULID) #6			2017	2018	2019	2020	2021
	16,985,000	Beginning Balance	4,860,000	4,010,000	3,160,000	3,000,000	3,000,000
Fund 451		3.62% Interest	181,150	164,150	130,150	123,750	123,750
Sewer Expansion/Tanner Annexation		Principal	850,000	850,000	160,000	-	-
<i>Payoff Year: 2031</i>		Total Payment per Year	1,031,150	1,014,150	290,150	123,750	123,750
		Remaining Balance	4,010,000	3,160,000	3,000,000	3,000,000	3,000,000



## General Obligation (GO) Debt

General Obligation (GO) debt is a bond issue or loan that relies on the full faith and credit of the City of North Bend for repayment—typically property taxes and all other taxes. The level of debt authority (limitation) for General Obligation debt is separated into non-voted and total debt:

- Non-voted debt (also called “councilmanic” debt or limited tax general obligation/LTGO debt) is approved by the City Council and cannot be greater than 1.5% of assessed value (AV) of taxable properties in the City.
- Total GO debt (including voted and non-voted debt) cannot be greater than 2.5% of AV. If the Council uses their non-voted capacity to the 1.5% maximum, then there is only 1% of AV of general purpose capacity left that can be used if the voters approve a ballot measure.

Total outstanding General Obligation Debt as of January 1, 2017 is \$4,678,505.00.

	Non-Voted	Voted
City’s Assessed Valuation for 2017: \$1,191,481,050.	1.50%	2.5% (less non-voted)
General Obligation Debt Capacity – 2017	\$17,849,309	\$29,748,848
Outstanding General Obligation Debt as of 12/31/2016	\$5,910,000	\$7,715,000 (all outstanding GO debt)
Remaining Debt Capacity Available as of 1/01/2017	\$11,939,309	\$22,033,848

### Voter Approved Bonds

#### Fire Station:

This bond was issued in 2011 to finance a new fire station. The interest rate on the bonds is 4.18%; payoff is scheduled in 2030.

2011 UTGO FIRE STATION			2017	2018	2019	2020	2021
Bond Issue	2,250,000	Beginning Balance	1,655,000	1,555,000	1,455,000	1,350,000	1,240,000
	AVG 4.18%	Interest	78,475	75,475	72,475	68,275	63,875
Fund 216		Principal	100,000	100,000	105,000	110,000	115,000
Payoff Year: 2030		Total Payment per Year	178,475	175,475	177,475	178,275	178,875
		Remaining Balance	1,555,000	1,455,000	1,350,000	1,240,000	1,125,000

#### 2012 LTGO, TBD: Boalch & Pickett

This bond was issued in 2012 for the purpose of providing financing for a portion of the costs of certain transportation projects included in the City’s transportation improvement plan. The interest rate on the bonds is 2.27%; payoff is scheduled in 2021.

2012 LTGO, TBD: Boalch & Pickett			2017	2018	2019	2020	2021
Bond Issue	1,305,000	Beginning Balance	680,000	550,000	420,000	285,000	145,000
	All-In Interest AVG 2.27%	Interest	17,775	15,175	11,925	8,550	4,350
Fund 217		Principal	130,000	130,000	135,000	140,000	145,000
Payoff Year: 2021		Total Payment per Year	147,775	145,175	146,925	148,550	149,350
BONY: NORLTGO12		Remaining Balance	550,000	420,000	285,000	145,000	-



# General Obligation (GO) Debt

## 2015 Water/Sewer Refunding Bonds

A refunding bond that combined two previous bonds – the 2006 Storm Drain (Priority 1) Bond and a portion of the 2012 ULID #6 Bonds – for a lower interest rate. The total bond is \$9,245,000 and will be paid off in 2032.

2015 Water/Sewer Refunding Bonds		2017	2018	2019	2020	2021	
Bond Issue	9,245,000	Beginning Balance	9,205,000	9,080,000	8,955,000	8,135,000	7,160,000
<i>Refinanced \$910,000 of 2006 &amp; \$8,725M of 2012</i>		Interest	345,250	342,750	340,250	315,650	286,400
<i>Payoff Year: 2032</i>		Principal	125,000	125,000	820,000	975,000	960,000
US BANK: NORWAT15		Total Payment per Year	470,250	467,750	1,160,250	1,290,650	1,246,400
		Remaining Balance	9,080,000	8,955,000	8,135,000	7,160,000	6,200,000

## 2015 LTGO Refunding Bond

A refunding bond that paid off the 2010 LTGO Bond which was a bond that refinanced the Tollgate Bond and Bank of America line of credit used for the purchase of property for the Downing Street Extension and Park & Ride projects. The total bond is for \$1,900,000 and will be paid off in 2026.

2015 LTGO Refunding Bond		2017	2018	2019	2020	2021	
Bond Issue	1,900,000	Beginning Balance	1,730,000	1,580,000	1,420,000	1,265,000	1,100,000
<i>Refinanced \$1.975M of callable 2010 LTGO bonds</i>		Draw/Proceeds					
<i>Payoff Year: 2026</i>		Interest	54,050	51,050	47,850	44,750	39,800
US BANK: NORLTGO15		Principal	150,000	160,000	155,000	165,000	165,000
		Total Payment per Year	204,050	211,050	202,850	209,750	204,800
		Remaining Balance	1,580,000	1,420,000	1,265,000	1,100,000	935,000

## 2016 LTGO (Line of Credit) Sewer Capital Projects

This bond was issued in 2016 as a Line of Credit (LOC) to fund Sewer capital improvement projects. The LOC is for three years in an amount not to exceed \$3,500,000. The payoff schedule is based on anticipated draws from the LOC. The LOC is due in full at the end of the three year term in 2019.

2016 LTGO (Line of Credit) Sewer Capital Projects		2017	2018	2019	2020	2021
Bond Issue	3,500,000	Beginning Balance	463,505.00	2,814,505.00	3,500,000.00	
Fund 218		Draw/Proceeds	2,351,000.00	685,495.00		
<i>Refinanced \$1.975M of callable 2010 LTGO bonds</i>		Interest	75,000.00	75,000.00		
<i>Payoff Year: 2026</i>		Principal	-	-	3,500,000.00	
US BANK: NORLTGO15		Total Payment per Year	75,000.00	75,000.00	3,500,000.00	
		Remaining Balance	2,814,505.00	3,500,000.00	-	



## Debt Service Funds

### 2011 Fire Station Bond Fund 216

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
<b>Revenues:</b>								
Beginning Fund Balance	170,095	175,277	179,868	179,868	180,368	180,243	0.3%	-0.1%
Property Tax - Special Levy	189,642	187,534	181,600	181,118	178,975	175,975	-1.2%	-1.7%
Misc & Other Fin Sources	371	557	-	944	-	-	-100.0%	0.0%
<b>Total Revenues</b>	<b>360,108</b>	<b>363,368</b>	<b>361,468</b>	<b>361,930</b>	<b>359,343</b>	<b>356,218</b>	<b>-0.7%</b>	<b>-0.9%</b>
<b>Expenditures:</b>								
Debt Service - Principal	100,000	100,000	100,000	100,000	100,000	100,000	0.0%	0.0%
Debt Service - Interest	84,475	83,075	80,975	80,975	78,475	75,475	-3.1%	-3.8%
Debt Service - Other Fees	355	425	625	300	625	625	108.3%	0.0%
<b>Total Expenditures</b>	<b>184,830</b>	<b>183,500</b>	<b>181,600</b>	<b>181,275</b>	<b>179,100</b>	<b>176,100</b>	<b>-1.2%</b>	<b>-1.7%</b>
<b>Ending Fund Balance</b>	<b>175,277</b>	<b>179,868</b>	<b>179,868</b>	<b>180,655</b>	<b>180,243</b>	<b>180,118</b>	<b>-0.2%</b>	<b>-0.1%</b>
<b>FUND TOTAL</b>	<b>360,108</b>	<b>363,368</b>	<b>361,468</b>	<b>361,930</b>	<b>359,343</b>	<b>356,218</b>	<b>-0.7%</b>	<b>-0.9%</b>

### 2012 LTGO (TBD) Fund 217

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
<b>Revenues:</b>								
Beginning Fund Balance	45	12,096	11,797	11,797	11,930	11,805	1.1%	-1.0%
Intergov/TBD Fund (690)	157,539	147,775	145,900	148,400	148,275	145,675	-0.1%	-1.8%
Misc & Other Fin Sources	42	126	-	254	-	-	-100.0%	0.0%
<b>Total Revenues</b>	<b>157,626</b>	<b>159,997</b>	<b>157,697</b>	<b>160,451</b>	<b>160,205</b>	<b>157,480</b>	<b>-0.2%</b>	<b>-1.7%</b>
<b>Expenditures:</b>								
Debt Service - Principal	120,000	125,000	125,000	125,000	130,000	130,000	4.0%	0.0%
Debt Service - Interest	25,175	22,775	20,275	20,275	17,775	15,175	-12.3%	-14.6%
Debt Service - Other Fees	355	425	625	300	625	625	108.3%	0.0%
<b>Total Expenditures</b>	<b>145,530</b>	<b>148,200</b>	<b>145,900</b>	<b>145,575</b>	<b>148,400</b>	<b>145,800</b>	<b>1.9%</b>	<b>-1.8%</b>
<b>Ending Fund Balance</b>	<b>12,096</b>	<b>11,797</b>	<b>11,797</b>	<b>14,876</b>	<b>11,805</b>	<b>11,680</b>	<b>-20.6%</b>	<b>0.0%</b>
<b>FUND TOTAL</b>	<b>157,626</b>	<b>159,997</b>	<b>157,697</b>	<b>160,451</b>	<b>160,205</b>	<b>157,480</b>	<b>-0.2%</b>	<b>-1.7%</b>



## Debt Service Funds

### 2015 LTGO Fund 218

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
<b>Revenues:</b>								
Beginning Fund Balance	-	-	-	-	-	-	0.0%	0.0%
Misc & Other Fin Sources	-	4,095	-	0	-	-	0.0%	0.0%
Transfer from CIP (320) Fund	-	16,956	102,205	101,755	101,185	104,615	-0.6%	3.4%
Trans from Capital Streets (102)	-	15,652	91,869	91,869	90,538	93,644	-1.4%	3.4%
<b>Total Revenues</b>	<b>-</b>	<b>36,703</b>	<b>194,074</b>	<b>193,624</b>	<b>191,723</b>	<b>198,259</b>	<b>-1.0%</b>	<b>3.4%</b>
<b>Expenditures:</b>								
Debt Service - Principal	-	18,674	140,055	140,055	140,055	149,392	0.0%	6.7%
Debt Service - Interest	-	18,029	53,269	53,268	50,468	47,667	-5.3%	-5.6%
Debt Service - Other Fees	-	-	750	302	1,200	1,200	297.9%	0.0%
<b>Total Expenditures</b>	<b>-</b>	<b>36,703</b>	<b>194,074</b>	<b>193,624</b>	<b>191,723</b>	<b>198,259</b>	<b>-1.0%</b>	<b>3.4%</b>
<b>Ending Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>0.0%</b>
<b>FUND TOTAL</b>	<b>-</b>	<b>36,703</b>	<b>194,074</b>	<b>193,624</b>	<b>191,723</b>	<b>198,259</b>	<b>-1.0%</b>	<b>3.4%</b>

### 2016 LTGO (LOC) Fund 219

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
<b>Revenues:</b>								
Beginning Fund Balance	-	-	-	-	-	-	0.0%	0.0%
Misc & Other Fin Sources	-	-	80	211	-	-	-100.0%	0.0%
Line of Credit Proceeds	-	-	901,920	463,505	2,351,000	250,000	407.2%	-89.4%
Trans from Sewer Fund (402)	-	-	2,500	3,340	75,500	75,500	2160.4%	0.0%
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>904,500</b>	<b>467,056</b>	<b>2,426,500</b>	<b>325,500</b>	<b>419.5%</b>	<b>-86.6%</b>
<b>Expenditures:</b>								
Debt Service - Principal	-	-	-	-	-	-	0.0%	0.0%
Debt Service - Interest	-	-	2,500	2,357	75,000	75,000	3082.0%	0.0%
Debt Service - Other Fees	-	-	38,000	36,314	500	500	-98.6%	0.0%
Interfund Transfers	-	-	864,000	428,385	2,351,000	250,000	448.8%	-89.4%
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>904,500</b>	<b>467,056</b>	<b>2,426,500</b>	<b>325,500</b>	<b>419.5%</b>	<b>-86.6%</b>
<b>Ending Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>0.0%</b>
<b>FUND TOTAL</b>	<b>-</b>	<b>-</b>	<b>904,500</b>	<b>467,056</b>	<b>2,426,500</b>	<b>325,500</b>	<b>419.5%</b>	<b>-86.6%</b>





## **Capital Projects**



# 2017-2018 Capital Projects Summary

Project Name	Total Budget	2017 Expenditures	2018 Expenditures	Funding Source	Description
<b>Fund 103 (Streets Overlay)</b>					
Street Overlay Preservation-Chip/Crack Seal Program	300,000	150,000	150,000	Overlay	Street Overlay Preservation-Chip/Crack Seal Program
2017 Overlay-North Bend Way 432nd-468th	564,420	564,420	-	Overlay	2017 Overlay-North Bend Way 432nd-468th
<b>Streets Overlay Projects Total</b>	<b>\$ 864,420</b>	<b>\$ 714,420</b>	<b>\$ 150,000</b>		
<b>Fund 116 (Park Improvement Projects)</b>					
<b>Park Improvement Projects Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		
<b>Water</b>					
Mt. Si Springs Pump Replacement	175,000	175,000	-	Water Operating Capital	This project will replace 2 existing single-speed pumps with 2 variable frequency drive (VFD) pumps, replace the flow meter at the station, and replace a pressure transducer.
	175,000	175,000	-		
<b>Sewer</b>					
WWTP Critical Improvements	1,875,000	1,034,000	841,000	Sewer Operating Capital/ Line of Credit	2016 - Finalize Wastewater System Facilities Plan 2017 - Design and Construct SCADA Improvements, South Fork Lift Station Improvements, ULID #6 Lift Station Improvements, New UV Disinfection System and building, New outfall diffuser manhole, solids loading odor control, influent and effluent sampling system improvements, effluent temperature equalization Design only new secondary clarifier, site work fencing, paving, flood mitigation, landscaping 2018 - Construct ULID #6 Pump Station Improvements, new clarifier, site work fencing, paving, flood mitigation, landscaping Design and construct rerouting lab and mobile home sanitary sewer to ULID #6 pump station, repair existing clarifier Design only new centrifuge, convert existing oxidation ditch to digester
UV Disinfection System Upgrade	391,998	391,998	-	Sewer Operating Capital/ Line of Credit	Design and construct new UV building, UV system improvements, effluent pumping system, effluent flow meter improvements, 3W water system improvements, and effluent sampling system improvements.
ULID #6 Pump Station Improvements	144,920	144,920	-	Sewer Operating Capital/ Line of Credit	This project will replace the failed #2 pump, install a flow gate to allow operators to shut off influent flow to the pump station, install an influent basket strainer to catch material that may damage the pumps, and install a flow baffle to direct inflow away from the pump intakes. Additional work will include some SCADA improvements to improve the pumping strategy and improvements to the influent sampler.
<b>Sewer Total</b>	<b>2,411,918</b>	<b>1,034,000</b>	<b>841,000</b>		
<b>Storm</b>					
<b>Storm Total</b>	-	-	-		
<b>UTILITIES Capital Projects Total</b>	<b>\$ 2,586,918</b>	<b>\$ 1,209,000</b>	<b>\$ 841,000</b>		

**Future Maintenance and Operating Costs:**

**Water:**

The Mt Si Springs Pump Replacement is anticipated to reduce O&M costs by approximately \$5000 per year. Savings will be realized by reducing the need for mitigation water to offset the withdrawal of water from the City's Centennial Well as well as reduced O&M costs provided by newer equipment/technology in the pumps and motors.

**Sewer:**

The anticipated increase in O&M costs for the projects described above is approximately \$50,000 per year due to increased facilities and landscaping maintenance, additional electricity, additional pump maintenance, chemicals, bulbs, oil, grease, and other expendable items needed to safely and efficiently operate and maintain the improvements. All additional costs were accounted for in the 2016 sewer rate study and increase and are included in the current rate structure.



# 2017-2018 Capital Projects Summary

Project Name	Total Budget	2017 Expenditures	2018 Expenditures	Funding Source	Description
<b>Fund 310 (General Projects)</b>					
Tanner Trail Phase II	20,000	10,000	10,000	Park Improvement Fund	Obtain an appraisal of the existing BNRR properties along North Bend Way for their future acquisition as the second phase of Tanner Trail from the existing roundabout to the intersection with the Snoqualmie Valley Trail.
NB Way/Park St Roundabout	72,535	72,535	-	WSDOT Grant/TBD	Start design of a roundabout at this intersection and a median between this intersection and the existing roundabout at North Bend Way/Cedar Falls Way, all to decrease congestion and minimize conflicting traffic movements.
Downtown Plaza	1,377,369	1,377,369	-	WSDOT Grant/REET	Design completion and construction of street improvements on North Bend Way from Bendigo Blvd to Ballarat Ave including a raised intersection at North Bend Way and Main Ave to create a unique space that includes a traffic calming environment with a curbless intersection and a larger walkable plaza area.
NB Way/Cedar Falls Way Roundabout Landscaping	3,193	3,193	-	NB Parks Foundation Grant	Relandscape the center of the existing roundabout. With improvements, the roundabout could serve as a strong focal point for the civic pride and identity. The roundabout would be re-landscaped to include a number of features that would add beauty and interest, and thereby increase the vibrancy in the downtown area. The landscaping would include boulders and terraced mounds as well as trees and shrubs.
NE 12th Street Reconstruction	1,400,000	-	1,400,000	Streets Capital/Storm Capital/ Water Capital	Reconstruction of NE 12th Street from Ballarat to Pickett. Project shall also include floodway culvert replacements, water main replacement, and addition of bike lane on the north side of the road.
NBW Sidewalk: Ballarat to Downing (North Side)	444,027	444,027	-	CDBG Grant/Trans Impact Fees	This project will improve pedestrian safety along North Bend Way on the north side of the street. The improved curb placement will be planned in accordance with the future street improvements. The sidewalks will be widened in accordance with the City's design standards for this section of arterial.
Maloney Grove Crosswalk	15,000	15,000	-	REET	Install a traffic calming crosswalk at the north side of the intersection of Maloney Grove Ave SE and SE 11th Street. The work will include minor traffic control, removing existing improvements, installing new curb and gutter, sidewalk, ADA ramps and crosswalk signage.
Forster Woods Sidewalks	28,000	28,000	-	REET	Removal of street trees and replacement of raised sidewalk panels throughout the development caused by street trees. This work shall also include minor traffic control and stump grinding.
Torguson Park Trails & Plaza	197,332	197,332	-	WA Recreation and Conservation Grant/Park Impact Fees/Water/Sewer/Storm	Design and construct new plaza area, landscaping, entry features and trail around baseball fields.
Torguson Park Bathrooms	943,745	943,745	-	Parks Impact Fees/Little League Donation/ Insurance Proceeds/ Water/ Sewer/ Storm	Design and construct new concessions building (floodproofed) with men's and women's restrooms including lengthy extension of water, sewer and electrical services.
City Hall	-	-	-	GF/REET/Trans Impact Fees/ Park Impact Fees	City Hall will be approximately 14,000 square feet and include offices / cubicles for Finance, Administration, Planning, and Public Works Departments. City Hall will include a Council chambers of approximately 1,600 square feet. City Hall will include a permit counter, foyer, and 2-3 entrance / exits. Site infrastructure will include approximately 50 parking stalls, an improved entrance from Cedar Falls Way, enlarged detention / wet pond facility, tree preservation, and possibly a pocket park.
<b>Municipal Projects Total</b>	<b>\$ 4,501,201</b>	<b>\$ 3,091,201</b>	<b>\$ 1,410,000</b>		

## Future Maintenance and Operating Costs:

The NB Way/Park St Roundabout is anticipated to increase operations and maintenance (O&M) costs by approximately \$25,000 per year due to increased landscape maintenance, irrigation water, more pavement markings, and electricity for illumination. The NE 12th Street Reconstruction project is anticipated to increase O&M costs by approximately \$5000 per year due to plowing of the increased roadway area and more pavement markings. No change to O&M costs is anticipated for the NBW Sidewalk: Ballarat to Downing (North Side) project. Costs for additional irrigation water for street trees is anticipated to be offset by the reduced amount of roadway needing plowed. No change to O&M costs is anticipated for the Torguson Park projects because the Si View Metropolitan Parks district is responsible for operation and maintenance of the park. Changes to costs for the City Hall project cannot be identified yet as the design is incomplete. The remainder of the projects are anticipated to increase O&M costs by approximately \$5000 due to increased pavement markings and landscaping.



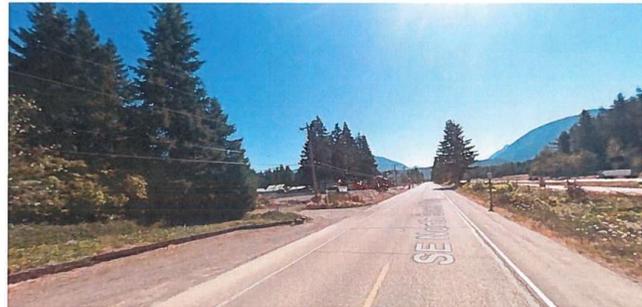
# 2017-2018 Capital Projects Fund

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
<b>Revenues:</b>								
Beginning Fund Balance	939,996	989,297	1,071,267	1,071,267	797,638	535,123	-25.5%	-32.9%
Intergovernmental/Grants	147,084	137,518	109,240	51,162	1,821,117	-	3459.5%	-100.0%
Misc & Other Fin Sources	2,601	2,798	221,851	145,903	-	-	-100.0%	#DIV/0!
Transfer from General Fund (001)	20,222	14,484	104,838	86,837	-	-	-100.0%	0.0%
Transfer from Capital Streets (102)	-	208,607	8,645	-	-	-	0.0%	0.0%
Trans from Park Impact Fees (106)	285,000	147,211	648,683	255,087	930,869	-	264.9%	-100.0%
Trans from Trans Impact Fees (106)	160,683	-	454,216	188,463	91,332	901,000	-51.5%	886.5%
Transfer from Park Imp Fund (116)	-	14,437	44,930	1,526	-	3,779	-100.0%	100.0%
Transfer from Cap Imp Fund (320)	120,853	127,595	156,397	76,124	52,996	-	-30.4%	-100.0%
Transfer from Water Fund (401)	-	-	72,011	16,395	-	-	-100.0%	0.0%
Transfer from Sewer Fund (402)	-	-	72,010	16,395	-	-	-100.0%	0.0%
Transfer from Storm Fund (404)	-	-	100,000	19,122	-	-	-100.0%	0.0%
<b>Total Revenues</b>	<b>1,676,439</b>	<b>1,641,946</b>	<b>3,064,088</b>	<b>1,928,281</b>	<b>3,693,952</b>	<b>1,439,902</b>	<b>91.6%</b>	<b>-61.0%</b>
<b>Expenditures:</b>								
Tanner Trail Phase II	-	1,438	7,450	7,450	10,000	10,000	34.2%	0.0%
Fire Station	55,947	-	-	-	-	-	0.0%	0.0%
NB Way Sidewalks-Downing-Orchard	245,864	12,553	-	-	-	-	0.0%	0.0%
Civic Center	3,100	16,814	61,175	58,356	-	-	-100.0%	0.0%
NB Way/Park Roundabout Design	853	120,652	40,000	33,084	72,535	-	119.2%	-100.0%
Downtown Plaza	39,439	94,337	21,264	21,263	1,377,369	-	6377.6%	-100.0%
NB Way/C Falls Roundabout Landscape	-	-	-	-	3,193	-	100.0%	-100.0%
Cedar Falls Way Sidewalk	-	31,741	97,772	97,771	-	-	-100.0%	0.0%
Bendigo @ Park Right Turn Lane	-	52,095	268,109	111,124	-	-	-100.0%	0.0%
NE 12th Street Reconstruction	65,822	33,125	8,645	-	-	901,000	0.0%	100.0%
NW 14th Street Reconstruction	-	16,943	190,374	133,436	-	-	-100.0%	0.0%
468th Ave/Mid Fork Gateway Corridor	-	-	66,000	-	-	-	0.0%	0.0%
NB Way Sidewalks-Ballarath-Downing	-	-	34,725	38,245	444,027	-	1061.0%	-100.0%
Maloney Grove Crosswalk	-	-	5,000	5,097	15,000	-	194.3%	-100.0%
Forster Woods Sidewalks	-	-	-	-	28,000	-	100.0%	-100.0%
Torguson Park Trails & Plaza	43	20,034	411,312	11,807	197,332	-	1571.4%	-100.0%
William H. Taylor Park Entry	-	-	-	-	-	-	0.0%	0.0%
Torguson Park Bathrooms	-	87,183	575,400	86,977	943,745	-	985.1%	-100.0%
E.J. Roberts Park Bridge Replace	7,168	47,885	256,285	255,087	-	-	-100.0%	0.0%
Meadowbrook to Sno Valley Trail/Bridge	-	-	150,000	-	-	-	0.0%	0.0%
EJ Roberts Sports Courts Rehab	-	-	30,000	13,309	-	-	-100.0%	0.0%
Fire Station Tenant Improvements	28,000	-	-	-	-	-	0.0%	0.0%
Glazier Lot Improvements	58,706	-	-	-	-	-	0.0%	0.0%
Glazier Property Deed of Trust	-	-	140,706	140,706	-	-	-100.0%	0.0%
Transfer to General Fund	137,200	-	-	-	-	-	0.0%	0.0%
Transfer to Capital Streets (102)	45,000	35,879	-	-	-	-	0.0%	0.0%
Trans to Park Impact Fees (106)	-	-	-	-	67,628	-	100.0%	-100.0%
<b>Total Expenditures</b>	<b>687,142</b>	<b>570,679</b>	<b>2,364,217</b>	<b>1,013,711</b>	<b>3,158,829</b>	<b>911,000</b>	<b>211.6%</b>	<b>-71.2%</b>
<b>Ending Fund Balance</b>	<b>989,297</b>	<b>1,071,267</b>	<b>699,871</b>	<b>914,570</b>	<b>535,123</b>	<b>528,902</b>	<b>-23.5%</b>	<b>-1.2%</b>
<b>FUND TOTAL</b>	<b>1,676,439</b>	<b>1,641,946</b>	<b>3,064,088</b>	<b>1,928,281</b>	<b>3,693,952</b>	<b>1,439,902</b>	<b>20.6%</b>	<b>-61.0%</b>

## Streets Overlay Projects

**Project Name:** 2017 Overlay-NB Way 140th -468th  
**Project Number:** 103-000-005  
**Project Location:** North Bend Way from SE 140th St to 468th Ave. SE

**Project Description:**  
 Project will consist of crack seal, select pavement repair, grinding, pre-level, and full width 2" overlay



**Budget Notes:**

### Project Financial Summary

2016		Forecast						
	2016 Budget	2016 Actual	2017	2018	2019	2020	2021	Total 2017-2021
<b>310 Project Costs</b>								
City Staff								
Design & Engineering			15,000					15,000
Construction Mgmt.								
R-O-W Acquisition								
Construction			549,420					549,420
Contingency								
Grant Refund								
<b>Total Project Costs</b>			<b>\$564,420</b>					<b>\$564,420</b>
<b>Project Funding</b>								
<b>Non City Funds</b>								
Federal			\$100,000					\$100,000
State			\$350,000					\$350,000
County								
<b>Subtotal</b>			<b>\$450,000</b>					<b>\$450,000</b>
<b>City Funds</b>								
Beginning Balance								
Impact Fees Fund								
SWM Fund								
REET Fund								
Street Overlay Fund			\$114,420					\$114,420
Parks Fund								
Water Fund								
General Fund								
Interest								
<b>Subtotal</b>			<b>\$114,420</b>					<b>\$114,420</b>
<b>Other Contributors</b>								
<b>Subtotal</b>								
<b>Total Project Revenue</b>			<b>\$564,420</b>					<b>\$564,420</b>

## Transportation Capital Projects

**Project Name:** Tanner Trail Phase II  
**Project Number:** 310-000-040/P-004  
**Project Location:** North Bend Way - Cedar Falls Rd  
to Snoqualmie Valley Trail

**Project Description:**  
Appraise and acquire right of way from BNRR on south side of East North Bend Way between the above project limits.



**Budget Notes:**

### Project Financial Summary

2016			Forecast					
	2016 Budget	2016 Actual	2017	2018	2019	2020	2021	Total 2017-2021
<b>Project Costs</b>								
City Staff								
Design & Engineering	7,450	6,800	10,000	10,000				20,000
Construction Mgmt.								
R-O-W Acquisition								
Construction								
Contingency								
<b>Project Costs</b>	<b>7,450</b>	<b>6,800</b>	<b>10,000</b>	<b>10,000</b>				<b>20,000</b>
Ending Fund Balance	16,171		6,221					
<b>Total Project Costs</b>	<b>\$23,621</b>	<b>\$6,800</b>	<b>\$16,221</b>	<b>\$10,000</b>				<b>\$26,221</b>
<b>Project Funding</b>								
<b>Non City Funds</b>								
Federal								
State								
County	\$12,500							
<b>Subtotal</b>	<b>\$12,500</b>							
<b>City Funds</b>								
Beginning Balance	\$23,621	\$23,621	\$16,221	\$6,221				\$22,442
Impact Fees Fund				\$3,779				\$3,779
SWM Fund								
REET Fund								
Street Fund								
Parks Fund								
General Fund								
Interest		\$86						
<b>Subtotal</b>	<b>\$23,621</b>	<b>\$23,708</b>	<b>\$16,221</b>	<b>\$10,000</b>				<b>\$26,221</b>
<b>Other Contributors</b>								
<b>Subtotal</b>								
<b>Total Project Revenue</b>	<b>\$36,121</b>	<b>\$23,708</b>	<b>\$16,221</b>	<b>\$10,000</b>				<b>\$26,221</b>

## Transportation Capital Projects

**Project Name:** North Bend Way and Park St. Roundabout  
**Project Number:** 310-100-003/T-008  
**Project Location:** Intersection of North Bend Way and Park St.

**Project Description:**

Finish final PS&E for roundabout design at the intersection of North Bend Way and Park St. Design may include access control median from Park Street to Cedar Falls Way. Design shall include water line replacement and joint utility trench (JUT).

**Budget Notes:**

City applying for federal RTCC funds for 2018 construction. City match would come from transportation impact fees.



### Project Financial Summary

2016			Forecast					
	2016 Budget	2016 Actual	2017	2018	2019	2020	2021	Total 2017-2021
<b>310 Project Costs</b>								
City Staff								
Design & Engineering	40,000	33,084	72,535					72,535
Construction Mgmt.								
R-O-W Acquisition								
Construction								
Contingency								
<b>310 Project Costs</b>	<b>\$40,000</b>	<b>\$33,084</b>	<b>\$72,535</b>					<b>\$72,535</b>
<b>690 Project Costs</b>								
City Staff								
Design & Engineering		5,163	10,600					10,600
Construction Mgmt.								
R-O-W Acquisition								
Construction								
Contingency								
<b>690 Project Costs</b>		<b>\$5,163</b>	<b>\$10,600</b>					<b>\$10,600</b>
<b>Total Project Costs</b>	<b>\$40,000</b>	<b>\$38,247</b>	<b>\$83,135</b>					<b>\$83,135</b>
<b>Project Funding</b>								
<b>Non City Funds</b>								
Federal	19,518	36,440						-
State								-
Grants to pursue								-
<b>Subtotal</b>	<b>\$19,518</b>	<b>\$36,440</b>						<b>-</b>
<b>City Funds</b>								
Beginning Balance	\$29,289	\$29,289	\$72,535					72,535
Impact Fees Fund								-
SWM Fund								-
REET Fund	63,678	-						-
Interest		\$97						-
<b>Subtotal</b>	<b>\$92,967</b>	<b>\$29,386</b>	<b>\$72,535</b>					<b>72,535</b>
<b>Other Contributors</b>								
TBD		\$6,000	\$10,600					10,600
<b>Subtotal</b>		<b>\$6,000</b>	<b>\$10,600</b>					<b>\$10,600</b>
<b>Total Project Revenue</b>	<b>\$112,485</b>	<b>\$71,825</b>	<b>\$83,135</b>					<b>\$83,135</b>

## Transportation Capital Projects

**Project Name:** Downtown Plaza  
**Project Number:** 310-100-004/T-003  
**Project Location:** North Bend Way from Bendigo Blvd to Ballarat Ave



**Project Description:**  
 Design completion and construction of street improvements on North Bend Way from Bendigo Blvd to Ballarat Ave including a raised intersection at North Bend Way and Main Ave to create a unique space that includes a traffic calming environment with a curbless intersection and a larger walkable plaza area.

**Budget Notes:**

### Project Financial Summary

2016			Forecast					
	2016 Budget	2016 Actual	2017	2018	2019	2020	2021	Total 2017-2021
<b>310 Project Costs</b>								
Design & Engineering			10,000					10,000
Construction Mgmt.								
Construction			1,367,369					1,367,369
Contingency								
Grant Refund	21,264	21,263						
<b>310 Project Costs</b>	<b>\$21,264</b>	<b>\$21,263</b>	<b>\$1,377,369</b>					<b>\$1,377,369</b>
<b>690 Project Costs</b>								
Design & Engineering			283,404					283,404
Construction Mgmt.								
Construction								
<b>690 Project Costs</b>			<b>\$283,404</b>					<b>\$283,404</b>
<b>Total Project Costs</b>	<b>\$21,264</b>	<b>\$21,263</b>	<b>\$1,660,773</b>					<b>\$1,660,773</b>
<b>Project Funding</b>								
<b>Non City Funds</b>								
Federal			\$1,367,369					\$1,367,369
State								
County								
<b>Subtotal</b>			<b>\$1,367,369</b>					<b>\$1,367,369</b>
<b>City Funds</b>								
Beginning Balance	\$21,238	\$21,238	\$4					\$4
SWM Fund								
REET Fund			\$9,996					\$9,996
General Fund								-
Interest		\$28						
<b>Subtotal</b>	<b>\$21,238</b>	<b>\$21,265</b>	<b>\$10,000</b>					<b>\$10,000</b>
<b>Other Contributors</b>								
TBD			\$283,404					\$283,404
<b>Subtotal</b>			<b>\$283,404</b>					<b>\$283,404</b>
<b>Total Project Revenue</b>	<b>\$21,238</b>	<b>\$21,265</b>	<b>\$1,660,773</b>					<b>\$1,660,773</b>

## Transportation Capital Projects

**Project Name:** NBW / Cedar Falls Way Roundabout Landscaping  
**Project Number:** 310-100-005/C016  
**Project Location:** North Bend Way - Cedar Falls Way Roundabout

**Project Description:**  
 Relandscape the center of the existing roundabout. With improvements, the roundabout could serve as a strong focal point for the civic pride and identity. The roundabout would be re-landscaped to include a number of features that would add beauty and interest, and thereby increase the vibrancy in the downtown area. The landscaping would include boulders and terraced mounds as well as trees and shrubs.

**Budget Notes:**



### Project Financial Summary

2016			Forecast					
	2016 Budget	2016 Actual	2017	2018	2019	2020	2021	Total 2017-2021
<b>Project Costs</b>								
City Staff								-
Design & Engineering								-
Construction Mgmt.			3,193					3,193
R-O-W Acquisition								-
Construction								-
Contingency								-
<b>Total Project Costs</b>		\$ -	<b>\$3,193</b>					<b>\$3,193</b>
<b>Project Funding</b>								
<u>Non City Funds</u>								
Federal								
State								
Grants to pursue								
<b>Subtotal</b>								
<u>City Funds</u>								
Beginning Balance	\$3,185	\$3,185	\$3,193					
Impact Fees Fund								
SWM Fund								
REET Fund								
Street Fund								
Parks Fund								
General Fund								
Interest		\$15						
<b>Subtotal</b>	<b>\$3,185</b>	<b>\$3,200</b>	<b>\$3,193</b>					<b>\$3,193</b>
<u>Other Contributors</u>								
CDBG								
<b>Subtotal</b>								
<b>Total Project Revenue</b>	<b>\$3,185</b>	<b>\$3,200</b>	<b>\$3,193</b>					<b>\$3,193</b>

## Transportation Capital Projects

**Project Name:** NE 12th Street - Street, Water and Storm Improvements  
**Project Number:** 310-100-009/T-009  
**Project Location:** NE 12th Street - Ballarat Ave. to Pickett Ave.



**Project Description:**  
 Reconstruction of NE 12th Street from Ballarat to Pickett. Project shall also include floodway culvert replacements, water main replacement, and addition of bike lane on the north side of the road.

**Budget Notes:**  
 Combination Streets, Water and Storm

### Project Financial Summary

2016			Forecast					
	2016 Budget	2016 Actual	2017	2018	2019	2020	2021	Total 2017-2021
<b>310 Project Costs</b>								
City Staff								
Design & Engineering	8,645							
Construction Mgmt.								
R-O-W Acquisition								
Construction				901,000				901,000
Contingency								
<b>Total Project Costs</b>	<b>\$8,645</b>			<b>\$901,000</b>				<b>\$901,000</b>
<b>Utility Project Costs</b>								
City Staff								
Design & Engineering	45,962	40,019						
Construction Mgmt.								
R-O-W Acquisition								
Construction				499,000				499,000
Contingency								
<b>Subtotal</b>	<b>\$45,962</b>	<b>\$40,019</b>		<b>\$499,000</b>				<b>499,000</b>
<b>Other Contributors</b>								
TBD		\$20,010						
<b>Subtotal</b>		<b>\$20,010</b>						
<b>Total Utilities &amp; Other</b>	<b>\$45,962</b>	<b>\$60,029</b>		<b>\$499,000</b>				<b>\$499,000</b>
<b>Total Project Costs</b>	<b>\$54,607</b>	<b>\$60,029</b>		<b>\$1,400,000</b>				<b>\$1,400,000</b>
<b>Project Funding</b>								
<b>City Funds</b>								
Impact Fees Fund				\$901,000				\$901,000
SWM Fund	22,981	20,010	-	\$140,000				\$140,000
REET Fund								
Street Fund	8,645	-						
Parks Fund								
Water Fund	22,981	20,010		\$359,000				\$359,000
General Fund								
<b>Subtotal</b>	<b>\$54,607</b>	<b>\$40,019</b>		<b>\$1,400,000</b>				<b>\$1,400,000</b>
<b>Other Contributors</b>								
TBD		\$20,010						
<b>Subtotal</b>		<b>\$20,010</b>						
<b>Total Project Revenue</b>	<b>\$54,607</b>	<b>\$60,029</b>		<b>\$1,400,000</b>				<b>\$1,400,000</b>

## Transportation Capital Projects

**Project Name:** NBW Sidewalks / Ballarat-Downing North Side  
**Project Number:** 310-100-012/T-006  
**Project Location:** North Bend Way Ballarat to Downing Ave - North Side



**Project Description:**

This project will improve pedestrian safety along North Bend Way on the north side of the street. The improved curb placement will be planned in accordance with the future street improvements. The sidewalks will be widened in accordance with the City's design standards for this section of arterial.

**Budget Notes:**

### Project Financial Summary

2016			Forecast					
	2016 Budget	2016 Actual	2017	2018	2019	2020	2021	Total 2017-2021
<b>310 Project Costs</b>								
City Staff								
Design & Engineering	\$ 34,725	\$ 38,245						
Construction Mgmt.								-
R-O-W Acquisition								-
Construction			444,027					444,027
Contingency								-
<b>Total 310 Costs</b>	<b>\$34,725</b>	<b>\$ 38,245</b>	<b>\$444,027</b>					<b>\$444,027</b>
<b>Utility Project Costs</b>								
City Staff								
Design & Engineering	\$ 11,575	\$ 12,748						
Construction Mgmt.								-
R-O-W Acquisition								-
Construction			85,013					85,013
Contingency								-
<b>Total Utility Costs</b>	<b>\$11,575</b>	<b>\$ 12,748</b>	<b>\$85,013</b>					<b>\$85,013</b>
<b>Total Project Costs</b>	<b>\$46,300</b>	<b>\$50,993</b>	<b>\$529,040</b>					<b>\$529,040</b>
<b>Project Funding</b>								
<b>Non City Funds</b>								
Federal			\$341,120					\$341,120
State								
Grants to pursue								
<b>Subtotal</b>			<b>\$341,120</b>					<b>\$341,120</b>
<b>City Funds</b>								
Beginning Balance			\$11,575					11,575
Impact Fees Fund	46,300	44,031	\$91,332					91,332
SWM Fund	\$11,575	\$12,748	\$85,013					85,013
REET Fund								
Street Fund								
Parks Fund								
General Fund								
<b>Subtotal</b>	<b>\$57,875</b>	<b>\$56,780</b>	<b>\$187,920</b>					<b>\$187,920</b>
<b>Other Contributors</b>								
<b>Subtotal</b>								
<b>Total Project Revenue</b>	<b>\$57,875</b>	<b>\$56,780</b>	<b>\$529,040</b>					<b>\$529,040</b>

## Transportation Capital Project

**Project Name:** Maloney Grove Crosswalk  
**Project Number:** 310-100-013  
**Project Location:** Maloney Grove Avenue and SE 11th Street

**Project Description:**  
 Install a traffic calming crosswalk at the north side of the intersection of Maloney Grove Ave SE and SE 11th Street. The work will include minor traffic control, removing existing improvements, installing new curb and gutter, sidewalk, ADA ramps and crosswalk signage.



**Budget Notes:**

### Project Financial Summary

2016			Forecast					
Project Costs	2016 Budget	2016 Actual	2017	2018	2019	2020	2021	Total 2017-2021
City Staff								
Design & Engineering	\$ 5,000	\$ 5,097						
Construction Mgmt.								-
R-O-W Acquisition								
Construction			15,000					15,000
Contingency								
<b>Total Project Costs</b>	<b>\$5,000</b>	<b>\$5,097</b>	<b>\$15,000</b>					<b>\$15,000</b>
<b>Project Funding</b>								
<b>Non City Funds</b>								
Federal								
County								
Grants to pursue								
<b>Subtotal</b>								
<b>City Funds</b>								
Transportation Impact Fees								-
SWM Fund								-
REET Fund	\$5,000	\$5,097	\$15,000					15,000
Street Fund								
Parks Fund								
General Fund								
<b>Subtotal</b>	<b>\$5,000</b>	<b>\$5,097</b>	<b>\$15,000</b>					<b>\$15,000</b>
<b>Other Contributors</b>								
Other								
<b>Subtotal</b>								
<b>Total Project Revenue</b>	<b>\$5,000</b>	<b>\$5,097</b>	<b>\$15,000</b>					<b>\$15,000</b>

## Transportation Capital Project

**Project Name:** Forster Woods Sidewalks  
**Project Number:** 310-100-014  
**Project Location:** Misc. sidewalks throughout the Forster Woods Development

**Project Description:**

Removal of street trees and replacement of raised sidewalk panels throughout the development caused by street trees. This work shall also include minor traffic control and stump grinding.

**Budget Notes:**

City will fix 5 failing sidewalks and remove 5 trees per year, funds permitting.



### Project Financial Summary

2016			Forecast					
	2016 Budget	2016 Actual	2017	2018	2019	2020	2021	Total 2017-2021
<b>Project Costs</b>								
City Staff								
Design & Engineering								
Construction Mgmt.								-
R-O-W Acquisition								
Construction			28,000					28,000
Contingency								
<b>Total Project Costs</b>			<b>\$28,000</b>					<b>\$28,000</b>
<b>Project Funding</b>								
<b>Non City Funds</b>								
Federal								
County								
Grants to pursue								
<b>Subtotal</b>								
<b>City Funds</b>								
Park Impact Fees Fund								-
SWM Fund								
REET Fund			\$28,000					\$28,000
Street Fund								
Parks Fund								
General Fund								
<b>Subtotal</b>			<b>\$28,000</b>					<b>\$28,000</b>
<b>Other Contributors</b>								
Other								
<b>Subtotal</b>								
<b>Total Project Revenue</b>			<b>\$28,000</b>					<b>\$28,000</b>

## Parks Capital Projects

**Project Name:** **TORGUSON BATHROOM AND CONCESSIONS BUILDING**  
**Project Number:** 310-200-003/P-002  
**Project Location:** TORGUSON PARK

**Project Description:**

Design and construct new concessions building (floodproofed) with men's and women's restrooms including lengthy extension of water, sewer and electrical services.

**Budget Notes:**

Construction of the project started in the fall of 2016 and substantial completing is expected by late spring /early summer of 2017. The PW Dept. is working on this project concurrently with the Torguson Plaza and Trail project. The building needed to be floodproofed which increased the project costs.



### Project Financial Summary

2016			Forecast					Total 2017-2021
Project Costs	2016 Budget	2016 Actual	2017	2018	2019	2020	2021	
City Staff								
Design & Engineering	\$ 75,400	\$ 51,274						
Construction Mgmt.								
R-O-W Acquisition								
Construction	50,000	35,703	943,745					943,745
Contingency								
<b>Total Project Costs</b>	<b>\$125,400</b>	<b>\$86,977</b>	<b>\$943,745</b>					<b>\$943,745</b>
<b>Project Funding</b>								
<b>Non City Funds</b>								
Federal								
County								
Grants to pursue								
<b>Subtotal</b>								
<b>City Funds</b>								
Beginning Balance	\$163,861	\$163,861	\$162,876					162,876
Park Impact Fee Fund	106,749	-	780,869					780,869
Water Fund	66,375	16,158						
Sewer Fund	66,375	16,158						
SWM Fund	\$75,000	\$18,059						
REET Fund								
Street Fund								
Parks Fund								
General Fund	\$86,290	\$86,290						
Interest		\$670						
<b>Subtotal</b>	<b>\$564,650</b>	<b>\$301,197</b>	<b>\$943,745</b>					<b>\$943,745</b>
<b>Other Contributors</b>								
Little League Donation	\$80,000							
<b>Subtotal</b>	<b>\$80,000</b>							
<b>Total Project Revenue</b>	<b>\$644,650</b>	<b>\$301,197</b>	<b>\$943,745</b>					<b>\$943,745</b>

## Parks Capital Projects

**Project Name:** **TORGUSON PLAZA AND TRAIL**  
**Project Number:** 310-200-001/P-005  
**Project Location:** TORGUSON PARK



**Project Description:**  
 Design and construct new plaza area, landscaping, entry features and trail around baseball fields.

**Budget Notes:**  
 Construction started fall 2016 and substantial completion is expected by late spring/early summer 2017.

### Project Financial Summary

	2016		Forecast					Total 2017-2021
	2016 Budget	2016 Actual	2017	2018	2019	2020	2021	
<b>Project Costs</b>								
City Staff								
Design & Engineering	\$ 19,000	\$ 11,727						-
Construction Mgmt.								-
R-O-W Acquisition								
Construction	\$ 392,312	80	197,332					197,332
Contingency								
Transfer to (106-200)			\$ 67,628					67,628
<b>Total Project Costs</b>	<b>\$411,312</b>	<b>\$11,807</b>	<b>\$264,960</b>					<b>\$264,960</b>
<b>Project Funding</b>								
<b>Non City Funds</b>								
Federal	\$14,722	\$14,722	\$112,628					\$112,628
County								-
Grants to pursue								
<b>Subtotal</b>	<b>\$14,722</b>	<b>\$14,722</b>	<b>\$112,628</b>					<b>\$112,628</b>
<b>City Funds</b>								
Beginning Balance	\$107,485	\$107,485	\$2,332					
Impact Fees Fund	\$252,644		150,000					
Water Fund	\$5,636	\$236						
Sewer Fund	\$5,635	\$236						
SWM Fund	\$25,000	\$1,063						
REET Fund								
Street Fund								
Parks Fund								
General Fund								
<b>Subtotal</b>	<b>\$396,400</b>	<b>\$109,020</b>	<b>\$150,000</b>					<b>\$150,000</b>
<b>Other Contributors</b>								
<b>Subtotal</b>								
<b>Total Project Revenue</b>	<b>\$411,122</b>	<b>\$123,743</b>	<b>\$262,628</b>					<b>\$262,628</b>

## Capital Improvement Project

**Project Name:** City Hall (Design Only)  
**Project Number:** 310-300/C-005  
**Project Location:** Adjacent to the North Bend Public Works Facility

**Project Description:**

City Hall will be approximately 14,000 square feet and include offices / cubicles for Finance, Administration, Planning, and Public Works Departments. City Hall will include a Council chambers of approximately 1,600 square feet. City Hall will include a permit counter, foyer, and 2-3 entrance / exits. Site infrastructure will include approximately 50 parking stalls, an improved entrance from Cedar Falls Way, enlarged detention / wet pond facility, tree preservation, and possibly a pocket park.



**Budget Notes:**

REET is the funding source for design costs.

### Project Financial Summary

2016			Forecast					
Project Costs	2016 Budget	2016 Actual	2017	2018	2019	2020	2021	Total 2017-2021
Professional Services		6,500						
Design & Engineering	61,175	51,856						
Construction Mgmt.								
R-O-W Acquisition								
Construction								
Contingency								
<b>Total Project Costs</b>	<b>\$61,175</b>	<b>\$58,356</b>						
<b>Project Funding</b>								
<b>Non City Funds</b>								
Federal								
State								
County								
<b>Subtotal</b>								
<b>City Funds</b>								
Beginning Balance	\$5,952	\$5,952						
Impact Fees Fund	\$5,870	\$3,052						
SWM Fund								
REET Fund	\$48,804	\$48,804						
Street Fund								
Parks Fund								
Water Fund								
General Fund	\$548	\$547						
Interest		\$2						
<b>Subtotal</b>	<b>\$61,174</b>	<b>\$58,356</b>						
<b>Other Contributors</b>								
STP								
<b>Subtotal</b>								
<b>Total Project Revenue</b>	<b>\$61,174</b>	<b>\$58,356</b>						

## Water Capital Projects

**Project Name:** Mt Si Springs Pump Replacement  
**Project Number:** 401-200-005/U-015



**Project Description:**

This project will replace 2 existing single-speed pumps with 2 variable frequency drive (VFD) pumps, replace the flow meter at the station, and replace a pressure transducer.

**Budget Notes:**

Project was advertised February 8, 2017 with bids due on March 1, 2017. Bids were not opened as of the writing of this note.

### Project Financial Summary

2016			Forecast					
	2016 Budget	2016 Actual	2017	2018	2019	2020	2021	Total 2017-2021
<b>Project Costs</b>								
City Staff								
Design & Construction	132,410		175,000					175,000
Equipment Purchase		22,226						
Construction Mgmt.		21,260						
R-O-W Acquisition								
Contingency								
<b>Total Project Costs</b>	<b>\$132,410</b>	<b>\$43,486</b>	<b>\$175,000</b>					<b>\$175,000</b>
<b>Project Funding</b>								
<u>Non City Funds</u>								
Federal								
State								
County								
<b>Subtotal</b>								
<u>City Funds</u>								
Impact Fees Fund								
SWM Fund								
REET Fund								
Street Fund								
Parks Fund								
Water Fund	132,410	43,486	175,000					175,000
General Fund								-
<b>Subtotal</b>	<b>\$132,410</b>	<b>\$43,486</b>	<b>\$175,000</b>					<b>175,000</b>
<u>Other Contributors</u>								
<b>Subtotal</b>								-
<b>Total Project Revenue</b>	<b>\$132,410</b>	<b>\$43,486</b>	<b>\$175,000</b>					<b>\$175,000</b>

## Sewer Capital Projects

**Project Name:** **WWTP Critical Improvements**  
**Project Number:** 402-100/402-500-005-6/U-006  
**Project Location:** WWTP



**Project Description:**

2016 - Finalize Wastewater System Facilities Plan  
 2017 - Design and Construct SCADA Improvements, South Fork Lift Station Improvements, ULID #6 Lift Station Improvements, New UV Disinfection System and building, New outfall diffuser manhole, solids loading odor control, influent and effluent sampling system improvements, effluent temperature equalization  
 Design only new secondary clarifier, site work fencing, paving, flood mitigation, landscaping  
 2018 - Construct ULID #6 Pump Station Improvements, new clarifier, site work fencing, paving, flood mitigation, landscaping  
 Design and construct rerouting lab and mobile home sanitary sewer to ULID #6 pump station, repair existing clarifier  
 Design only new centrifuge, convert existing oxidation ditch to digester

**Budget Notes:**

City sewer funds

### Project Financial Summary

2016		Forecast						
Project Costs	2016 Budget	2016 Actual	2017	2018	2019	2020	2021	Total 2017-2021
Design & Construction	177,000		1,567,000	841,000				2,408,000
Construction Mgmt.								
R-O-W Acquisition								
Contingency								
<b>Total Project Costs</b>	<b>\$177,000</b>		<b>\$1,567,000</b>	<b>\$841,000</b>				<b>\$2,408,000</b>
<b>Project Funding</b>								
<b>City Funds</b>								
Beginning Balance	\$177,479							
Sewer Facility Fees	\$183,050							
SWM Fund								
REET Fund								
Street Fund								
Parks Fund								
General Fund								
Sewer Capital			\$533,000	\$167,300				\$700,300
Interest	500							
<b>Subtotal</b>	<b>\$361,029</b>		<b>\$533,000</b>	<b>\$167,300</b>				<b>\$700,300</b>
<b>Other Contributors</b>								
Line of Credit	\$177,000		\$1,034,000	\$673,700				\$1,707,700
<b>Subtotal</b>	<b>\$177,000</b>		<b>\$1,034,000</b>	<b>\$673,700</b>				<b>\$1,707,700</b>
<b>Total Project Revenue</b>	<b>\$538,029</b>		<b>\$1,567,000</b>	<b>\$841,000</b>				<b>\$2,408,000</b>

## Sewer Capital Projects

**Project Name:** WWTP UV System Improvements  
**Project Number:** 402-100/402-500-005-6/U-006  
**Project Location:** WWTP



**Project Description:**  
 Design and construct new UV building, UV system improvements, effluent pumping system, effluent flow meter improvements, 3W water system improvements, and effluent sampling system improvements.

**Budget Notes:**  
 Temporary revenue source is line of credit from Key Bank. Loan will be paid from sewer capital account and may be refinanced through other lenders prior to full payback.

### Project Financial Summary

2016			Forecast					
	2016 Budget	2016 Actual	2017	2018	2019	2020	2021	Total 2016-2021
<b>Project Costs</b>								
Design & Construction	627,914	389,207	391,998					391,998
Construction Mgmt.								
R-O-W Acquisition								
Contingency								
<b>Total Project Costs</b>	<b>\$627,914</b>	<b>\$389,207</b>	<b>\$391,998</b>					<b>\$391,998</b>
<b>Project Funding</b>								
<b>Non City Funds</b>								
Federal								
State								
Grants to pursue								
<b>Subtotal</b>								
<b>City Funds</b>								
Beginning Balance								
Sewer Facility Fees								
SWM Fund								
REET Fund								
Street Fund								
Parks Fund								
General Fund								
Sewer Capital			\$195,999					\$195,999
Interest								
<b>Subtotal</b>								
<b>Other Contributors</b>								
Line of Credit		\$389,207	\$195,999					\$195,999
<b>Subtotal</b>								
<b>Total Project Revenue</b>		<b>\$389,207</b>	<b>\$391,998</b>					<b>\$391,998</b>

## Sewer Capital Projects

**Project Name:** WWTP ULID #6 Pump Station Improvements  
**Project Number:** 402-100/402-500-005-6/U-006  
**Project Location:** WWTP

**Project Description:**

This project will replace the failed #2 pump, install a flow gate to allow operators to shut off influent flow to the pump station, install an influent basket strainer to catch material that may damage the pumps, and install a flow baffle to direct inflow away from the pump intakes. Additional work will include some SCADA improvements to improve the pumping strategy and improvements to the influent sampler.

**Budget Notes:**

City sewer funds



### Project Financial Summary

2016			Forecast					
	2016 Budget	2016 Actual	2017	2018	2019	2020	2021	Total 2016-2021
<b>Project Costs</b>								
Design & Construction	40,000	37,080	144,920					144,920
Construction Mgmt.								
R-O-W Acquisition								
Contingency								
<b>Total Project Costs</b>	<b>\$40,000</b>	<b>\$37,080</b>	<b>\$144,920</b>					<b>\$144,920</b>
<b>Project Funding</b>								
<b>Non City Funds</b>								
Federal								
State								
Grants to pursue								
<b>Subtotal</b>								
<b>City Funds</b>								
Beginning Balance								
Sewer Facility Fees								
SWM Fund								
REET Fund								
Street Fund								
Parks Fund								
General Fund								
Sewer Capital			\$86,952					\$86,952
Interest								
<b>Subtotal</b>								
<b>Other Contributors</b>								
Line of Credit		\$37,080	\$57,968					\$57,968
<b>Subtotal</b>								
<b>Total Project Revenue</b>		<b>\$37,080</b>	<b>\$144,920</b>					<b>\$144,920</b>





## Capital Improvement Fund (REET)

This fund accounts for the Real Estate Excise Taxes (REET) collected by the City. A Real Estate Excise Tax is levied on all real estate transactions in the City; state law restricts the use of these revenues. The first ¼ of one percent is restricted to capital projects as outlined by state law. The second ¼ of one percent is restricted to capital projects identified in the Capital Facilities Plan of the City's Comprehensive Plan.

Once accounted for, these capital improvement funds are then transferred out to support allowed activities. Most of these funds are utilized for payments on capital City debt and to fund municipal projects.

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
<b>Revenues:</b>								
Beginning Fund Balance	423,918	585,931	813,000	813,000	1,065,207	929,451	131.0%	-12.7%
Real Estate Excise Taxes	435,736	506,541	540,000	556,108	520,000	560,000	93.5%	7.7%
Misc & Other Fin Sources	1,019	1,996	-	5,034	-	478,500	-100.0%	0.0%
<b>Total Revenues</b>	<b>860,674</b>	<b>1,094,468</b>	<b>1,353,000</b>	<b>1,374,142</b>	<b>1,585,207</b>	<b>1,967,951</b>	<b>15.4%</b>	<b>24.1%</b>
<b>Expenditures:</b>								
Debt Service - Principal	34,213	35,335	24,118	24,117	25,239	26,361	4.7%	4.4%
Debt Service - Interest	9,142	8,356	7,473	7,472	6,266	5,004	-16.1%	-20.1%
Debt Service - Other Fees	34	48	100	34	70	70	108.0%	0.0%
Interfund Loan to Park Imp (106)	-	-	-	-	475,000	-	0.0%	-100.0%
Transfer to 2010 LTGO Fund (215)	110,501	93,180	-	-	-	-	0.0%	0.0%
Transfer to 2015 LTGO Fund (218)	-	16,956	102,205	101,755	101,185	104,615	-0.6%	3.4%
Transfer to PWTF Debt Fund (240)	506	-	-	-	-	-	0.0%	0.0%
Transfer to Muni Proj Fund (310)	120,347	127,595	156,397	76,124	47,996	-	-37.0%	-100.0%
<b>Total Expenditures</b>	<b>274,742</b>	<b>281,468</b>	<b>290,293</b>	<b>209,502</b>	<b>655,756</b>	<b>136,050</b>	<b>213.0%</b>	<b>-79.3%</b>
<b>Ending Fund Balance</b>	<b>585,931</b>	<b>813,000</b>	<b>1,062,707</b>	<b>1,164,640</b>	<b>929,451</b>	<b>1,831,901</b>	<b>-20.2%</b>	<b>97.1%</b>
<b>FUND TOTAL</b>	<b>860,674</b>	<b>1,094,468</b>	<b>1,353,000</b>	<b>1,374,142</b>	<b>1,585,207</b>	<b>1,967,951</b>	<b>15.4%</b>	<b>24.1%</b>



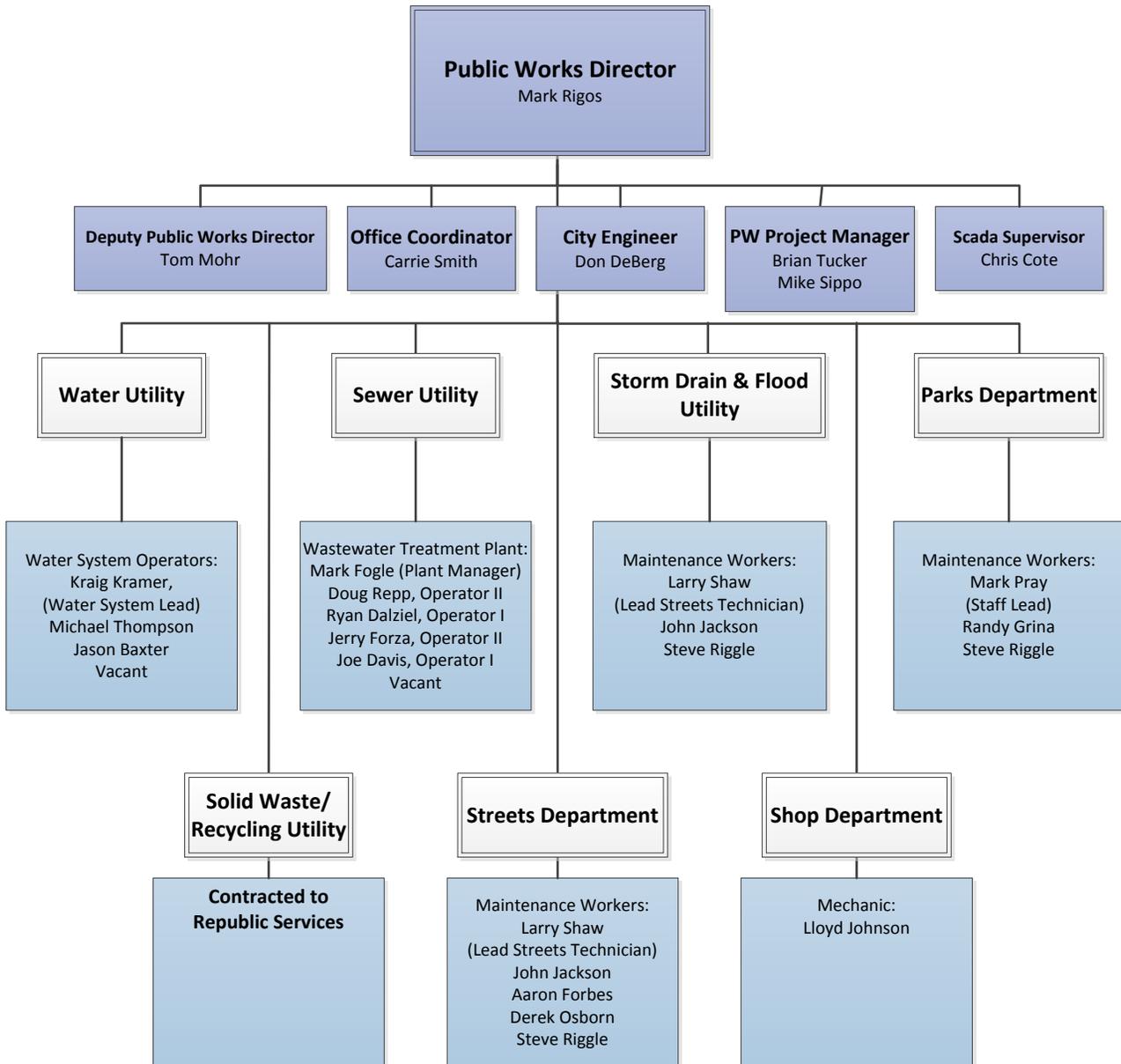


## **Utility Funds**



# Public Works Organizational Chart

## Utilities, Street & Maintenance Shop Departments



### **Regulatory Functions**

- Engineering plan review (site plans, subdivisions)
- Developer extension agreements
- Clearing and grading permits
- Storm and drain permits
- Street use permits
- Water and sewer permits
- R/W & on-site civil inspections

### **Other Functions**

- Capital project management
- Sewer/water availability certificates
- Utility franchise coordination
- Infrastructure planning (flood, sewer, storm, transportation, water)





## Utility Fund Descriptions

### **WATER UTILITY FUND - 401**

The Water Utility operates the water distribution system and provides for the delivery of safe, drinking water for all water customers. The utility operates and maintains the water source, pumping facilities, transmission and distribution system, and storage tanks. Charges for services make up nearly all of the revenue in this fund.

### **SEWER UTILITY FUND - 402**

The Sewer Utility operates and maintains the wastewater collection and conveyance system in compliance with Department of Ecology water quality standards. The utility operates and maintains the Wastewater Treatment Plant and discharge facilities. Charges for services make up nearly all of the revenue in this fund.

### **STORM DRAIN UTILITY FUND - 404**

The Storm Drain Utility provides for the maintenance and operation of the City's storm drainage facilities. The utility is responsible for maintaining current storm drains and the construction of additional drains where necessary. Good maintenance of the drainage facilities handles excess surface water during storm events and reduces the impact of heavy rain or prolonged wet weather conditions. This fund receives most of its revenue from user fees.

### **FLOOD UTILITY FUND – 404-100**

The Flood Utility Fund, as part of the Storm Drain Utility, accounts for the expenditures related to flood control activities. The City's Floodplain Management Plan identifies problem areas, describes preventative measures, and provides for an action plan for projects identified within the plan. The utility is funded by a monthly fee per individual residence for flood management.

### **SOLID WASTE & RECYCLING FUND - 405**

The City of North Bend contracts with Republic Services for solid waste collection services, curbside recycling services, and curbside yard waste recycling services. Additionally, the City provides a seasonal yard waste recycling station at the Public Works Shop.

### **ULID #6 BOND FUNDS – 451 & 452**

The ULID #6 Bond Funds account for the accumulation of resources from ULID #6 assessments and the payment of principal and interest for the utility local improvement district (ULID) bonds issued to fund wastewater capital improvement projects within the ULID boundaries.



# Water Utility

## Utility Functions

- Provide safe drinking water to customers
- Operate and maintain water source, pumping facilities, transmission and distribution system, and storage tanks
- Ensure water is readily available for fire suppression
- Bill and collect charges for services through the Finance Department

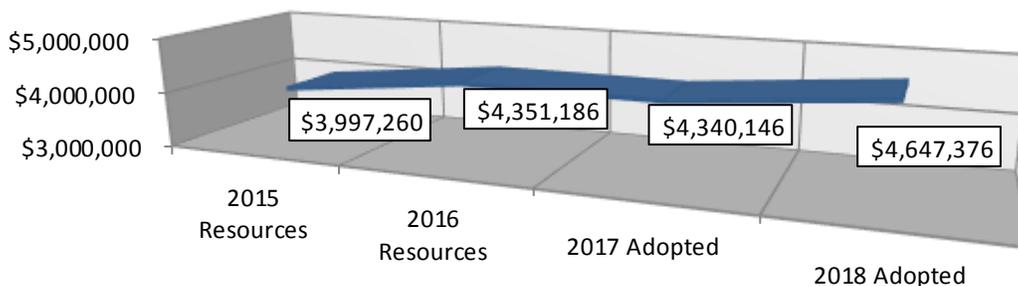
## 2015-2016 Water Utility Accomplishments

- √ Updated and distributed the annual Water Quality Report (also known as the Consumer Confidence Report) to customers and the Washington State Department of Health.
- √ Began engineering design of 1-mile long 412th Avenue SE Water Main Replacement project.
- √ Quickly repaired several water main breaks.
- √ Hired a SCADA technician to provide internal support to the water mitigation system.
- √ Inspected & added nearly 3 miles of new water main constructed on private development projects to the City's inventory.
- √ Designed VFD (variable frequency drive) for Mt. Si Springs Plant.
- √ Increased Public Works Water Maintenance division's productivity from 2014 to 2016.

## 2017-2018 Water Utility Goals

- ◆ Update and distribute the annual Water Quality Report to customers and the Washington State Department of Health.
- ◆ Construct VFD system at the Mt. Si Springs Plant.
- ◆ Conduct a water main evaluation to determine locations, dates installed, and breakage/leakage problems associated on existing older AC water mains.
- ◆ Construct 412th Avenue Water Main replacement.
- ◆ Make Intertie with Hobo Springs Mitigation and Sallal Wells.
- ◆ Review and inspect approximately 5 miles of new water main being constructed on private development projects.
- ◆ Work with the Finance Department on an updated Water rate analysis.

## WATER RESOURCES





# Water Utility

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
<b>Revenues:</b>								
Beginning Fund Balance	1,429,140	1,468,421	2,308,697	2,308,697	2,309,483	2,490,807	100.0%	7.9%
Charges for Services	1,643,364	1,826,988	1,793,150	1,828,578	1,809,163	1,934,719	98.9%	6.9%
Misc & Other Fin Sources	3,295	5,523	5,700	11,724	5,900	6,250	50.3%	5.9%
Water Facility Fees (GFC)	154,735	81,720	103,200	199,520	215,600	215,600	108.1%	0.0%
Insurance Recoveries	-	12,316	2,667	2,667	-	-	0.0%	0.0%
Interfund Loan Proceeds	-	-	-	-	-	-	0.0%	0.0%
PWTF Loan Proceeds	529,266	602,291	-	-	-	-	0.0%	0.0%
<b>Total Revenues</b>	<b>3,759,800</b>	<b>3,997,260</b>	<b>4,213,414</b>	<b>4,351,186</b>	<b>4,340,146</b>	<b>4,647,376</b>	<b>-0.3%</b>	<b>7.1%</b>
<b>Expenditures:</b>								
Personnel Costs	513,303	625,306	702,583	708,849	844,458	872,574	19.1%	3.3%
Supplies	57,726	38,616	67,500	53,806	66,000	66,000	22.7%	0.0%
Services & Charges	444,413	476,949	475,647	419,076	490,955	495,651	17.2%	1.0%
Intergovernmental Services	8,061	2,679	6,316	7,065	1,281	6,246	-81.9%	387.6%
Capital Projects	977,672	208,373	305,391	75,004	175,000	359,000	133.3%	105.1%
Capital Equipment	873	-	25,380	20,466	22,000	22,000	7.5%	0.0%
Debt Service	201,740	249,051	261,508	250,653	249,645	248,362	-0.4%	-0.5%
Interfund Loan Payments	87,590	87,590	-	-	-	-	0.0%	0.0%
Interfund Transfers	-	-	72,011	16,395	-	-	-100.0%	0.0%
<b>Total Expenditures</b>	<b>2,291,378</b>	<b>1,688,563</b>	<b>1,916,336</b>	<b>1,551,313</b>	<b>1,849,339</b>	<b>2,069,833</b>	<b>119.2%</b>	<b>11.9%</b>
<b>Ending Fund Balance</b>	<b>1,468,421</b>	<b>2,308,697</b>	<b>2,297,078</b>	<b>2,799,873</b>	<b>2,490,807</b>	<b>2,577,543</b>	<b>89.0%</b>	<b>3.5%</b>
<b>FUND TOTAL</b>	<b>3,759,800</b>	<b>3,997,260</b>	<b>4,213,414</b>	<b>4,351,186</b>	<b>4,340,146</b>	<b>4,647,376</b>	<b>-0.3%</b>	<b>7.1%</b>



# Sewer Utility

## Utility Functions

- Operate and maintain wastewater collection and conveyance system
- Comply with Department of Ecology water quality standards
- Operate and maintain wastewater treatment plant and discharge facilities
- Bill and collect charges for services through the Finance Department

## 2015-2016 Sewer Utility Accomplishments

- √ Completed construction on emergency repairs at the Wastewater Treatment Plant.
- √ Presented Silver Creek Sewer ULID option to residents at a Town Hall neighborhood meeting.
- √ Completed Sewer Facility Plan Update (first update since 2001) & submitted to WA Dept of Ecology.
- √ Completed Sewer Rate Study in 2016.
- √ Performed repairs, replacements, installations and maintenance on sewer mains in a timely manner.
- √ Had virtually no spills at the WWTP.
- √ Began design of UV Disinfection Building and new electrical panels.
- √ Implemented the start of FOG (Fats, Oils & Grease) program to prevent FOG from entering into the City's conveyance system.
- √ Reduced odors from the Wastewater Treatment Plant.
- √ Hired a Wastewater Treatment Plant Manager and several key Sewer Operators.
- √ Reviewed and inspected several miles of new public sanitary sewer piping.

## 2017-2018 Sewer Utility Goals

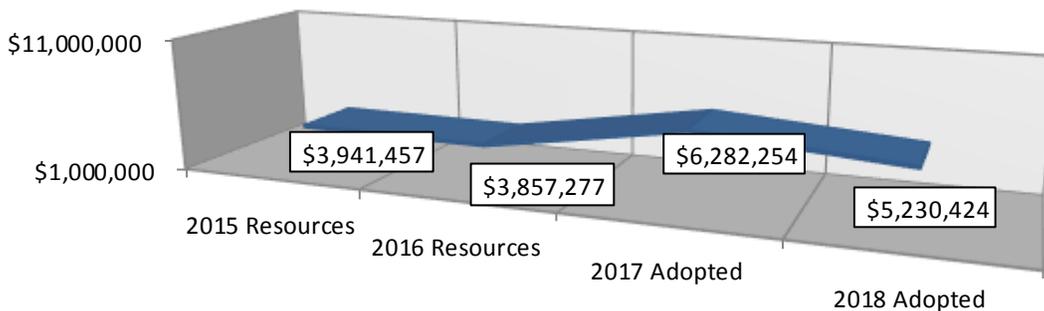
- ◆ Construct new UV Disinfection Building.
- ◆ Review & inspect several miles of new public sanitary sewer piping.
- ◆ Design new clarifier, new digester, and larger oxidation ditch at the Wastewater Treatment Plant.
- ◆ Apply for grant funding to help fund the \$20 million WWTP projects occurring in near future.
- ◆ Begin I&I (Inflow and Infiltration) program.
- ◆ Upgrade existing South Fork Lift Station with new pumps & possibly landscaping.
- ◆ Bring 1-2 new sewer lift stations online from private development projects.



# Sewer Utility

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
<b>Resources:</b>								
Beginning Fund Balance	2,507,164	1,598,907	1,178,257	1,178,257	1,206,670	1,926,174	2.4%	59.6%
Charges for Services	1,751,874	1,834,053	1,905,196	1,968,460	2,364,863	2,670,073	20.1%	12.9%
Fines & Penalties	-	-	15,329	15,329	-	-	-100.0%	0.0%
Misc & Other Fin Sources	4,945	4,118	2,500	5,160	3,200	3,500	-38.0%	9.4%
Sewer Facility Fees (GFC)	209,680	167,620	183,050	261,687	356,521	380,677	36.2%	6.8%
Interfund Loan Payments	87,590	87,590	-	-	-	-	0.0%	0.0%
Insurance Recoveries	-	249,169	-	-	-	-	0.0%	0.0%
Interfund Transfers	-	-	864,000	428,385	2,351,000	250,000	448.8%	-89.4%
<b>Total Resources</b>	<b>4,561,253</b>	<b>3,941,457</b>	<b>4,148,332</b>	<b>3,857,277</b>	<b>6,282,254</b>	<b>5,230,424</b>	<b>62.9%</b>	<b>-16.7%</b>
<b>Uses:</b>								
Personnel Costs	434,839	576,317	787,099	718,470	1,075,080	1,151,945	49.6%	7.1%
Supplies	47,873	89,900	56,200	42,629	58,700	59,700	37.7%	1.7%
Services & Charges	1,068,772	726,832	989,611	808,219	555,101	569,150	-31.3%	2.5%
Intergovernmental Services	13,017	3,668	8,316	9,364	1,281	8,246	-86.3%	543.7%
Capital Projects	963,022	791,648	627,914	431,178	2,123,918	841,000	392.6%	-60.4%
Capital Equipment	-	138,773	26,956	26,571	76,368	-	100.0%	-100.0%
Debt Service	434,823	436,062	390,663	390,392	390,132	390,050	-0.1%	0.0%
Interfund Transfers	-	-	74,510	19,735	75,500	75,500	282.6%	0.0%
<b>Total Uses</b>	<b>2,962,345</b>	<b>2,763,200</b>	<b>2,961,269</b>	<b>2,446,559</b>	<b>4,356,080</b>	<b>3,095,591</b>	<b>78.0%</b>	<b>-28.9%</b>
<b>Ending Fund Balance</b>	<b>1,598,907</b>	<b>1,178,257</b>	<b>1,187,063</b>	<b>1,410,718</b>	<b>1,926,174</b>	<b>2,134,833</b>	<b>36.5%</b>	<b>10.8%</b>
<b>FUND TOTAL</b>	<b>4,561,253</b>	<b>3,941,457</b>	<b>4,148,332</b>	<b>3,857,277</b>	<b>6,282,254</b>	<b>5,230,424</b>	<b>62.9%</b>	<b>-16.7%</b>

## SEWER RESOURCES





## Storm Drain Utility

In 2001, the City of North Bend adopted a Storm Water Management Plan. This planning effort resulted in the development of a storm water utility, responsible for maintaining current storm drains and the construction of additional drains, where necessary, to handle excess surface water during storm events. The utility is funded by a rate structure, which began in June 2001, and was added to the City utility bill. The monthly fee is \$9.86 per month for storm drain for an individual residence.

### Utility Functions

- Operate and maintain a storm water collection and conveyance system
- Protect the environment with spill control and treatment facilities
- Bill and collect charges for services through the Finance Department

### 2015-2016 Storm Water Utility Accomplishments

- √ Maintained City detention pond sites to ensure that they are safe, secure & operating as designed.
- √ Swept streets and gutters to prevent contaminants from entering the storm system.
- √ Conducted system maintenance of storm water ditches and catch basins.
- √ Removed sediments & debris from Inline Ribary Creek Sediment Pond adjacent to Forster Woods.
- √ Removed sediments & debris from Inline Gardner Creek Sediment Vault adjacent to Outlet Mall.
- √ Analyzed 468th Avenue Corridor for needed storm drainage improvements.
- √ Constructed functional storm drainage collection & conveyance system on NW 14th Street.
- √ Reviewed & inspected several miles of new collection & conveyance systems on new developments.
- √ Negotiated purchase of new \$450,000 vector truck.
- √ Integrated many Flow Control best management practices throughout town.
- √ Implemented storm drainage improvements at 140th Way “hair pin” turn.

### 2017-2018 Storm Water Utility Goals

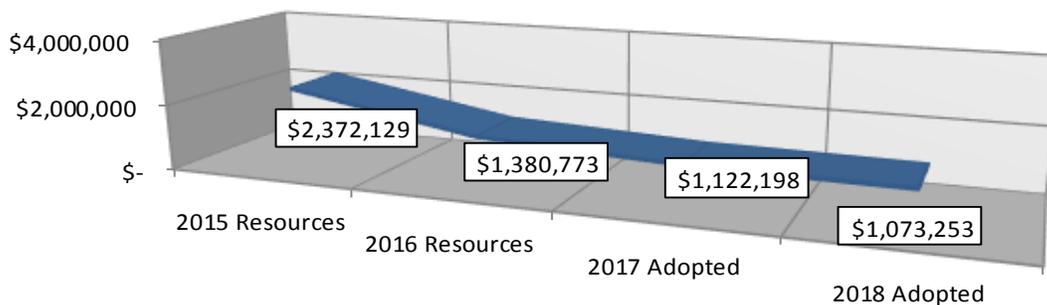
- ◆ Create a Surface Water Management Action Plan that addresses conditions of key facilities, maintenance occurring, staffing levels, equipment needs, rate structure, and future concerns.
- ◆ Complete Storm Drainage Rate Study update.
- ◆ Continue to maintain & operate City detention pond sites, catch basins and storm water ditches.
- ◆ Continue to review & inspect new Stormwater capital infrastructure associated with private land development projects.
- ◆ Construct 468th Avenue storm drain improvements.
- ◆ Utilize new camera to evaluate existing culvert conditions throughout the City.



# Storm Drain Utility

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
<b>Resources:</b>								
Beginning Fund Balance	685,390	716,279	680,152	680,151	384,676	323,406	-43.4%	-15.9%
Intergovernmental Revenues	-	42,429	-	-	-	-	0.0%	0.0%
Charges for Services	654,340	660,868	680,000	669,752	710,500	722,545	6.1%	1.7%
Misc & Other Fin Sources	1,425	1,933	1,695	3,220	2,320	2,600	-27.9%	12.1%
Storm Drain Facility Fees (GFC)	43,391	36,182	15,404	27,650	24,702	24,702	-10.7%	0.0%
Insurance Recoveries	-	168	-	-	-	-	0.0%	0.0%
Refunding Bonds Proceeds	-	914,270	-	-	-	-	0.0%	0.0%
<b>Total Resources</b>	<b>1,384,545</b>	<b>2,372,129</b>	<b>1,377,251</b>	<b>1,380,773</b>	<b>1,122,198</b>	<b>1,073,253</b>	<b>-18.7%</b>	<b>-4.4%</b>
<b>Uses:</b>								
Personnel Costs	274,665	304,902	333,756	323,179	390,574	401,107	20.9%	2.7%
Supplies	1,999	1,437	3,100	2,367	3,100	3,100	31.0%	0.0%
Services & Charges	154,925	210,984	199,408	150,241	164,918	166,131	9.8%	0.7%
Intergovernmental Services	2,254	1,525	1,866	1,948	1,281	1,796	-34.2%	40.2%
Capital Projects	76,053	44,316	159,181	129,713	85,013	140,000	-34.5%	64.7%
Capital Equipment	-	-	895	786	-	-	0.0%	0.0%
Debt Service	158,371	1,128,814	194,564	152,585	153,906	151,866	0.9%	-1.3%
Interfund Transfers	-	-	100,000	19,122	-	-	-100.0%	0.0%
<b>Total Uses</b>	<b>668,267</b>	<b>1,691,978</b>	<b>992,770</b>	<b>779,940</b>	<b>798,792</b>	<b>864,000</b>	<b>2.4%</b>	<b>8.2%</b>
<b>Ending Fund Balance</b>	<b>716,279</b>	<b>680,151</b>	<b>384,481</b>	<b>600,833</b>	<b>323,406</b>	<b>209,253</b>	<b>-46.2%</b>	<b>-35.3%</b>
<b>FUND TOTAL</b>	<b>1,384,545</b>	<b>2,372,129</b>	<b>1,377,251</b>	<b>1,380,773</b>	<b>1,122,198</b>	<b>1,073,253</b>	<b>-18.7%</b>	<b>-4.4%</b>

## STORM RESOURCES





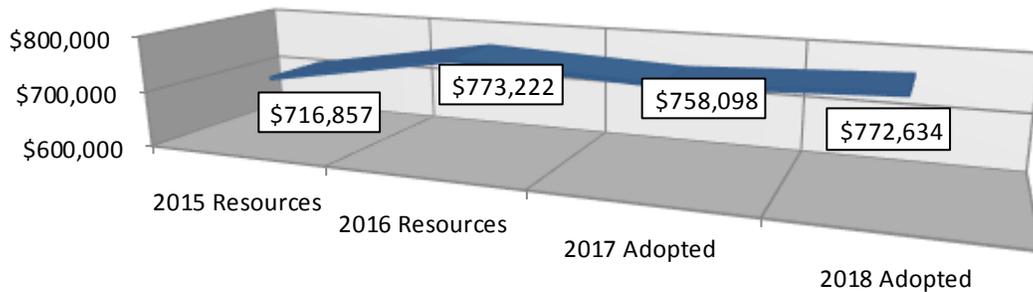
# Flood Utility

In 2001, the City of North Bend adopted a Storm Water Management Plan. This planning effort resulted in the development of a storm water utility, as part of the storm water utility the flood utility is responsible for maintaining current storm drains and the construction of additional drains, where necessary, to handle excess surface water during storm events. The utility is funded by a rate structure, which began in June 2001, and was added to the City utility bill; the monthly fee is \$2.50 per month for flood management for an individual residence.

## Utility Functions

- Operate and maintain programs to address drainage and flooding problems
- Bill and collect charges for service through the Finance Department

## FLOOD RESOURCES





## Flood Utility

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
<b>Revenues:</b>								
Beginning Fund Balance	482,135	546,134	593,755	593,755	585,698	594,964	-1.4%	1.6%
Licenses & Permits	1,386	1,703	3,388	6,930	1,500	1,500	-78.4%	0.0%
Charges for Services	166,001	167,468	168,700	169,737	169,000	174,070	-0.4%	3.0%
Misc & Other Fin Sources	1,041	1,552	1,500	2,799	1,900	2,100	-32.1%	10.5%
<b>Total Revenues</b>	<b>650,562</b>	<b>716,857</b>	<b>767,343</b>	<b>773,222</b>	<b>758,098</b>	<b>772,634</b>	<b>-2.0%</b>	<b>1.9%</b>
<b>Expenditures:</b>								
Personnel Costs	87,824	106,934	114,739	111,232	138,648	142,687	24.6%	2.9%
Supplies	901	827	850	642	850	850	32.5%	0.0%
Services & Charges	15,703	15,340	65,856	57,277	23,636	23,730	-58.7%	0.4%
Intergovernmental Services	-	-	200	230	-	200	-100.0%	100.0%
<b>Total Expenditures</b>	<b>104,428</b>	<b>123,101</b>	<b>181,645</b>	<b>169,380</b>	<b>163,134</b>	<b>167,467</b>	<b>-3.7%</b>	<b>2.7%</b>
<b>Ending Fund Balance</b>	<b>546,134</b>	<b>593,755</b>	<b>585,698</b>	<b>603,841</b>	<b>594,964</b>	<b>605,167</b>	<b>-1.5%</b>	<b>1.7%</b>
<b>FUND TOTAL</b>	<b>650,562</b>	<b>716,857</b>	<b>767,343</b>	<b>773,222</b>	<b>758,098</b>	<b>772,634</b>	<b>-2.0%</b>	<b>1.9%</b>



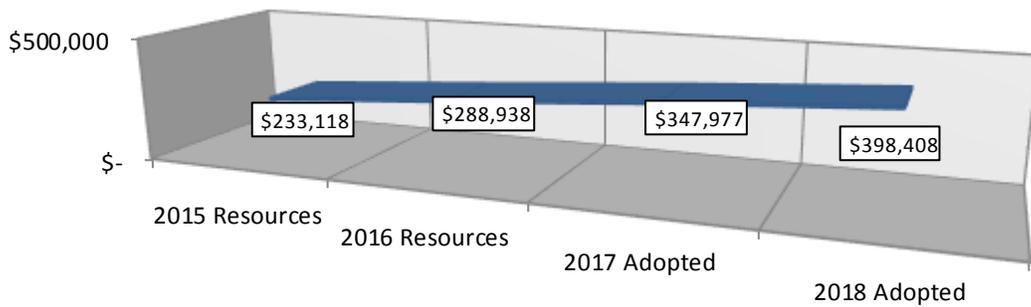
# Solid Waste & Recycling Utility

The City of North Bend contracts with Rabanco (Allied Waste Services) to provide the following functions:

- Solid waste collection services within the City limits
- Curbside recycling services
- Curbside yard waste recycling services

Also, the City provides a seasonal yard waste recycling station at the Public Works Shop twice monthly starting in April and ending in October.

## SOLID WASTE RESOURCES





## Solid Waste & Recycling Utility

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
<b>Revenues:</b>								
Beginning Fund Balance	82,926	131,935	194,634	194,634	254,167	303,188	30.6%	19.3%
Licenses & Permits	48,032	66,615	67,000	61,921	68,340	69,700	10.4%	2.0%
Intergovernmental Revenues	9,801	34,123	23,986	23,748	24,920	24,920	4.9%	0.0%
Charges for Services	22,673	-	7,546	7,546	-	-	0.0%	0.0%
Misc & Other Fin Sources	227	446	100	1,090	550	600	-49.5%	9.1%
<b>Total Revenues</b>	<b>163,659</b>	<b>233,118</b>	<b>293,266</b>	<b>288,938</b>	<b>347,977</b>	<b>398,408</b>	<b>20.4%</b>	<b>14.5%</b>
<b>Expenditures:</b>								
Personnel Costs	20,450	23,323	23,442	23,419	27,916	28,938	19.2%	3.7%
Services & Charges	11,274	15,161	16,097	15,939	16,873	16,915	5.9%	0.2%
<b>Total Expenditures</b>	<b>31,724</b>	<b>38,484</b>	<b>39,539</b>	<b>39,358</b>	<b>44,789</b>	<b>45,853</b>	<b>13.8%</b>	<b>2.4%</b>
<b>Ending Fund Balance</b>	<b>131,935</b>	<b>194,634</b>	<b>253,727</b>	<b>249,580</b>	<b>303,188</b>	<b>352,555</b>	<b>21.5%</b>	<b>16.3%</b>
<b>FUND TOTAL</b>	<b>163,659</b>	<b>233,118</b>	<b>293,266</b>	<b>288,938</b>	<b>347,977</b>	<b>398,408</b>	<b>20.4%</b>	<b>14.5%</b>



## ULID #6 Bond Funds

### ULID #6 Bond Redemption Fund 451

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
<b>Revenues:</b>								
Beginning Fund Balance	2,270,557	1,858,369	2,572,461	2,572,461	4,764,177	4,455,075	85.2%	-6.5%
Misc & Other Fin Sources	4,446	7,030	2,500	20,202	8,000	8,200	-60.4%	2.5%
ULID #6 Assessments	1,534,865	2,208,637	3,690,000	3,738,102	1,070,898	895,565	-71.4%	-16.4%
Refunding Bonds Proceeds	-	9,029,760	-	-	-	-	0.0%	0.0%
<b>Total Revenues</b>	<b>3,809,868</b>	<b>13,103,796</b>	<b>6,264,961</b>	<b>6,330,765</b>	<b>5,843,075</b>	<b>5,358,840</b>	<b>-7.7%</b>	<b>-8.3%</b>
<b>Expenditures:</b>								
Services & Charges	-	-	105,000	76,708	-	-	-100.0%	0.0%
Debt Service - Principal	850,000	850,000	870,000	870,000	880,000	880,000	1.1%	0.0%
Debt Service - Interest	658,413	641,413	517,284	517,284	499,000	481,400	-3.5%	-3.5%
Debt Service - Other Fees	8,906	111,709	15,000	9,971	9,000	9,000	-9.7%	0.0%
Escrow Deposit - 2015 Bonds	-	8,928,213	-	-	-	-	0.0%	0.0%
Trans to ULID Bond Reserve (452)	434,180	-	-	-	-	-	-100.0%	0.0%
<b>Total Expenditures</b>	<b>1,951,499</b>	<b>10,531,335</b>	<b>1,507,284</b>	<b>1,473,963</b>	<b>1,388,000</b>	<b>1,370,400</b>	<b>-5.8%</b>	<b>-1.3%</b>
<b>Ending Fund Balance</b>	<b>1,858,369</b>	<b>2,572,461</b>	<b>4,757,677</b>	<b>4,856,802</b>	<b>4,455,075</b>	<b>3,988,440</b>	<b>-8.3%</b>	<b>-10.5%</b>
<b>FUND TOTAL</b>	<b>3,809,868</b>	<b>13,103,796</b>	<b>6,264,961</b>	<b>6,330,765</b>	<b>5,843,075</b>	<b>5,358,840</b>	<b>-7.7%</b>	<b>-8.3%</b>

### ULID #6 Bond Reserve Fund 452

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
<b>Revenues:</b>								
Beginning Fund Balance	1,345,330	1,782,191	1,252,755	1,252,755	1,255,955	1,259,155	0.3%	0.3%
Misc & Other Fin Sources	2,680	4,029	1,500	5,816	3,200	3,400	-45.0%	6.3%
Transfer from ULID #6 Fund (451)	434,180	-	-	-	-	-	0.0%	0.0%
<b>Total Revenues</b>	<b>1,782,191</b>	<b>1,786,220</b>	<b>1,254,255</b>	<b>1,258,571</b>	<b>1,259,155</b>	<b>1,262,555</b>	<b>0.0%</b>	<b>0.3%</b>
Escrow Deposit - 2015 Bonds	-	533,465	-	-	-	-	0.0%	0.0%
<b>Total Expenditures</b>	<b>-</b>	<b>533,465</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Ending Fund Balance</b>	<b>1,782,191</b>	<b>1,252,755</b>	<b>1,254,255</b>	<b>1,258,571</b>	<b>1,259,155</b>	<b>1,262,555</b>	<b>0.0%</b>	<b>0.3%</b>
<b>FUND TOTAL</b>	<b>1,782,191</b>	<b>1,786,220</b>	<b>1,254,255</b>	<b>1,258,571</b>	<b>1,259,155</b>	<b>1,262,555</b>	<b>0.0%</b>	<b>0.3%</b>



## **Internal Service Funds**



## Internal Service Fund Descriptions

### **EQUIPMENT OPERATING FUND (SHOP) – 501**

The Equipment Operating Fund accounts for all costs associated with maintaining the City's equipment and vehicles. Interfund charges are made to recover equipment and vehicle maintenance costs. The Equipment Operating Fund (Shop) operates under the oversight of the Public Works Department.

### **EQUIPMENT RESERVE FUND – 501-100**

The Equipment Reserve Fund accounts for the replacement of all City vehicles and equipment. The major source of revenue is user charges to other departments within the City. The replacement rates are established to create a reserve for the necessary replacement of City equipment and vehicles. The Finance Department provides oversight for the Equipment Reserve Fund and the associated Vehicle and Equipment Asset Replacement program.

### **TECHNOLOGY OPERATING FUND – 501-100**

The Technology Operating Fund maintains the City's technology equipment, networks, email system and cable broadcasting station. This fund oversees hardware and software purchasing, website development and management, contracts for technology and internet services, and long-term planning for system upgrades. The Finance Department provides oversight for the Technology Operating Fund.

### **TECHNOLOGY RESERVE FUND – 502-100**

The Technology Reserve Fund accounts for the replacement of all City technology and computer equipment. The major source of revenue is user charges to other departments within the City. The replacement rates are established to create a reserve for the necessary replacement of City technology equipment. The Finance Department provides oversight for the Technology Reserve Fund and the associated Technology Equipment Replacement program.



## Equipment Operating Fund (Shop)

Through the City's Equipment Operating and Reserve Fund, the City maintains equipment and saves to replace current equipment to equalize equipment expenditures from year to year.

The Equipment Operating Fund (Shop) operates under the oversight of the Public Works Department. The Finance Department provides oversight for the Equipment Operating Fund's Vehicle and Equipment Asset Replacement program.

### Shop Department Functions:

- Property maintain all City equipment and vehicles
- Purchase replacement equipment when necessary
- Provide repair services to City buildings

### 2015-2016 Shop Accomplishments

- √ New 120-point inspection done on equipment.
- √ Expanded knowledge with maintenance technicians on equipment repair through use of websites.
- √ Total overhaul of shop facility, including unused parts & equipment returned for credit.
- √ Retooled old snowplow main frame.
- √ Maintained City equipment and vehicles.
- √ Updated City vehicle and equipment inventory lists.
- √ Successfully received additional budget appropriation from City Council to begin rebuilding replacement reserves to ensure adequate funding for vehicle and equipment replacements.

### 2017-2018 Shop Goals

- ◆ Create a cleaner, more organized, and safer work environment.
- ◆ Increase reliability of "in-house" repairs.
- ◆ Continue cost-effective equipment and vehicle program repairs & maintenance schedule.
- ◆ Maintain all equipment with safety to community in mind.
- ◆ Complete annual infrastructure inventory of all City facilities.
- ◆ Continue to ensure sufficient funds are accumulated for the replacement of existing vehicles and heavy equipment in accordance with City Council directives.



# Equipment Operating Fund (Shop)

## Equipment Operating

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
<b>Revenues:</b>								
Beginning Fund Balance	247	-	-	-	-	-	0.0%	0.0%
Charges for Services	320,783	305,541	312,910	255,274	318,039	321,610	24.6%	1.1%
Misc & Other Fin Sources	-	595	-	-	-	-	0.0%	0.0%
Insurance Recoveries	-	6,581	-	-	-	-	0.0%	0.0%
<b>Total Revenues</b>	<b>321,030</b>	<b>312,717</b>	<b>312,910</b>	<b>255,274</b>	<b>318,039</b>	<b>321,610</b>	<b>24.6%</b>	<b>1.1%</b>
<b>Expenses:</b>								
Personnel Costs	112,043	113,146	125,569	118,166	132,466	135,998	12.1%	2.7%
Supplies	57,947	41,199	71,000	36,066	67,500	67,500	87.2%	0.0%
Services & Charges	106,267	113,285	83,364	68,104	85,287	85,501	25.2%	0.3%
Intergovernmental Services	1,385	1,350	1,316	1,315	1,281	1,246	-2.6%	-2.7%
Debt Service	43,389	43,738	31,661	31,623	31,505	31,365	-0.4%	-0.4%
<b>Total Expenses</b>	<b>321,030</b>	<b>312,717</b>	<b>312,910</b>	<b>255,274</b>	<b>318,039</b>	<b>321,610</b>	<b>24.6%</b>	<b>1.1%</b>
<b>Ending Fund Balance</b>	-	-	-	-	-	-	0.0%	0.0%
<b>FUND TOTAL</b>	<b>321,030</b>	<b>312,717</b>	<b>312,910</b>	<b>255,274</b>	<b>318,039</b>	<b>321,610</b>	<b>24.6%</b>	<b>1.1%</b>



## Equipment Operating Fund (Shop)

### Equipment Reserve

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
<b>Revenues:</b>								
Beginning Fund Balance	285,954	329,664	372,428	372,428	434,811	655,661	16.8%	50.8%
Charges for Services	43,710	42,764	92,383	92,383	227,750	227,713	146.5%	0.0%
<b>Total Revenues</b>	<b>329,664</b>	<b>372,428</b>	<b>464,811</b>	<b>464,811</b>	<b>662,561</b>	<b>883,374</b>	<b>42.5%</b>	<b>33.3%</b>
<b>Expenditures:</b>								
Capital Equipment	-	-	30,000	24,568	6,900	-	-71.9%	0.0%
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>30,000</b>	<b>24,568</b>	<b>6,900</b>	<b>-</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Ending Fund Balance</b>	<b>329,664</b>	<b>372,428</b>	<b>434,811</b>	<b>440,243</b>	<b>655,661</b>	<b>883,374</b>	<b>48.9%</b>	<b>34.7%</b>
<b>FUND TOTAL</b>	<b>329,664</b>	<b>372,428</b>	<b>464,811</b>	<b>464,811</b>	<b>662,561</b>	<b>883,374</b>	<b>42.5%</b>	<b>33.3%</b>



# Technology Operating Fund

Through the City's Technology Operating and Reserve Fund, the City maintains technology equipment and saves to replace current equipment to equalize technology equipment expenditures from year to year.

The Technology Operating Fund operates under the oversight of the Finance Department.

## Technology Department Functions:

- Maintain wide and local area networks
- E-mail setup and maintenance
- Website development and management
- Hardware and software purchasing
- Long-term planning for system upgrades
- Centralized training for systems operation
- Employee/user support "Help-Desks"
- Centralized technology vendor contracts
- Maintain City's cable broadcasting station

## 2015-2016 Technology Accomplishments

- √ Maintained City technology equipment and infrastructure.
- √ Updated City technology equipment inventory lists.
- √ Entered into interim contract for services with new Information Technology consultants.
- √ Conducted audit of City IT infrastructure & processes and developed plan to update as needed.
- √ Updated information technology infrastructure to ensure minimization of security vulnerabilities.
- √ Migrated to cloud--based email service and began migration process to Microsoft Office 365.
- √ Assisted Finance Department with implementation of new Business Tax & Licensing module.
- √ Conducted audit of accumulated technology equipment replacement reserves and successfully presented strategy to adequately fund reserves for Council adoption in the 2017-2018 budget.

## 2017-2018 Technology Goals

- ◆ Maintain a safe and cost-effective technology infrastructure maintenance program.
- ◆ Continue update information technology infrastructure to ensure minimization of security vulnerabilities.
- ◆ Establish written security policies.
- ◆ Establish a written disaster recovery plan for critical computer systems.
- ◆ Continue to ensure sufficient funds are accumulated for the replacement of existing technology equipment in accordance with City Council directives.
- ◆ Assist with implementation of new online building permitting process and integration with existing City software programs.
- ◆ Issue Request for Proposals for Information Technology consultant.
- ◆ Complete migration to Microsoft Office 365.



# Technology Operating Fund

## Technology Operating

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
<b>Revenues:</b>								
Beginning Fund Balance	-	-	-	-	-	-	0.0%	0.0%
Charges for Services	141,396	144,108	170,102	158,980	186,064	183,089	17.0%	-1.6%
<b>Total Revenues</b>	<b>141,396</b>	<b>144,108</b>	<b>170,102</b>	<b>158,980</b>	<b>186,064</b>	<b>183,089</b>	<b>17.0%</b>	<b>-1.6%</b>
<b>Expenditures:</b>								
Personnel Costs	10,754	17,688	19,550	19,944	17,273	18,102	-13.4%	4.8%
Supplies	1,383	2,566	1,500	1,227	2,000	2,000	63.0%	0.0%
Services & Charges	128,423	116,863	138,912	129,317	149,481	149,892	15.6%	0.3%
Capital Equipment	836	6,991	10,140	8,492	17,310	13,095	103.8%	-24.4%
<b>Total Expenditures</b>	<b>141,396</b>	<b>144,108</b>	<b>170,102</b>	<b>158,980</b>	<b>186,064</b>	<b>183,089</b>	<b>17.0%</b>	<b>-1.6%</b>
<b>Ending Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>0.0%</b>
<b>FUND TOTAL</b>	<b>141,396</b>	<b>144,108</b>	<b>170,102</b>	<b>158,980</b>	<b>186,064</b>	<b>183,089</b>	<b>17.0%</b>	<b>-1.6%</b>

## Technology Reserve

Description	2014	2015	2016	2016	2017	2018	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	16-17	17-18
<b>Revenues:</b>								
Beginning Fund Balance	43,635	51,368	49,654	49,654	52,699	114,477	6.1%	117.2%
Charges for Services	13,681	10,060	11,792	11,792	75,068	75,068	536.6%	0.0%
<b>Total Revenues</b>	<b>57,316</b>	<b>61,428</b>	<b>61,446</b>	<b>61,446</b>	<b>127,767</b>	<b>189,545</b>	<b>107.9%</b>	<b>48.4%</b>
<b>Expenditures:</b>								
Capital Equipment	5,949	11,773	8,572	8,266	13,290	13,005	60.8%	-2.1%
<b>Total Expenditures</b>	<b>5,949</b>	<b>11,773</b>	<b>8,572</b>	<b>8,266</b>	<b>13,290</b>	<b>13,005</b>	<b>60.8%</b>	<b>-2.1%</b>
<b>Ending Fund Balance</b>	<b>51,368</b>	<b>49,654</b>	<b>52,874</b>	<b>53,181</b>	<b>114,477</b>	<b>176,540</b>	<b>115.3%</b>	<b>54.2%</b>
<b>FUND TOTAL</b>	<b>57,316</b>	<b>61,428</b>	<b>61,446</b>	<b>61,446</b>	<b>127,767</b>	<b>189,545</b>	<b>107.9%</b>	<b>48.4%</b>





## **Supplemental Information**



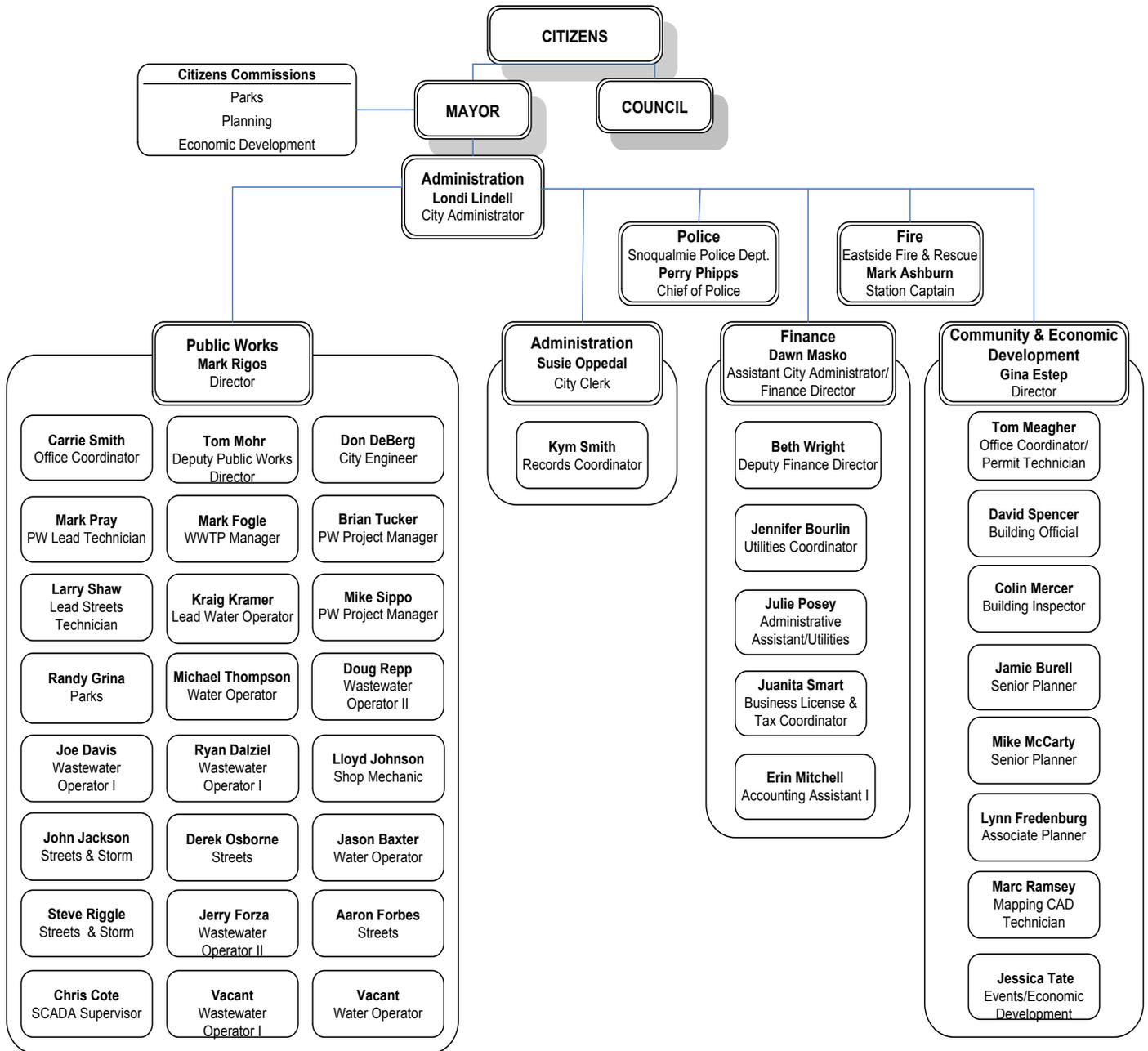
**2015 Employee of the Year  
Mike McCarty - Senior Planner**



**2016 Employee of the Year  
Susie Oppedal - City Clerk**



# Citywide Organizational Chart





# Personnel History

DEPARTMENTS	2013	2014	2015	2016	2017
<b>Administration</b>					
City Administrator	1.00	1.00	1.00	1.00	1.00
Administrative Services Director	1.00	0.00	0.00	0.00	0.00
City Clerk	1.00	1.00	1.00	1.00	1.00
Records Coordinator	0.00	1.00	1.00	1.00	1.00
Administrative Assistant	0.00	0.00	0.00	0.00	0.00
<b>Community &amp; Economic Development Services</b>					
Director	1.00	1.00	1.00	1.00	1.00
Building Official	1.00	1.00	1.00	1.00	1.00
Building Inspector	1.00	1.00	1.00	1.00	1.00
Senior Planner	2.60	1.75	1.75	1.75	1.75
Associate Planner	0.00	1.00	1.00	1.00	1.00
Office Coordinator/Permit Technician	1.00	1.00	1.00	1.00	1.00
Mapping CAD Technician	0.50	0.50	0.50	0.50	0.20
Events/Economic Development Coordinator	0.00	0.00	0.00	0.50	0.50
<b>Finance &amp; Technology</b>					
Asst City Admin/ Finance Director	0.00	1.00	1.00	1.00	1.00
Finance Manager	1.00	0.00	0.00	0.00	0.00
Deputy Finance Director	0.00	1.00	1.00	1.00	1.00
Staff Accountant	1.00	0.00	0.00	0.00	0.00
Payroll Officer	0.00	0.00	0.00	0.00	0.00
Utilities Coordinator	1.00	1.67	1.67	1.67	2.00
Business License & Tax Coordinator	0.70	1.00	1.00	1.00	1.00
Accounting Assistant I	0.00	0.50	0.50	1.00	0.00
Accounting Assistant II	0.00	0.00	0.00	0.00	1.00
Administrative Assistant	0.60	0.00	0.00	0.00	0.00
<b>Police Administration</b>					
Police Office Supervisor	1.00	0.00	0.00	0.00	0.00
Administrative Assistant	0.50	0.00	0.00	0.00	0.00
<b>Public Works</b>					
Director	1.00	1.00	1.00	1.00	1.00
Deputy Public Works Director	0.00	0.00	0.00	0.00	1.00
City Engineer	1.00	0.00	1.00	0.00	1.00
Public Works Project Manager	0.00	1.00	1.00	1.00	2.00
Assistant City Engineer	0.00	1.00	0.00	0.00	0.00
Wastewater Plant Manager	0.00	0.00	1.00	1.00	1.00
SCADA Supervisor	0.00	0.00	0.00	1.00	1.00
Public Works Office Coordinator	1.00	1.00	1.00	1.00	1.00
Wastewater Operator II	1.00	1.00	1.00	1.00	2.00
Lead Water System Operator	1.00	1.00	1.00	1.00	1.00
Lead Parks Technician	1.00	1.00	1.00	1.00	1.00
Lead Streets Technician	1.00	1.00	1.00	1.00	1.00
Wastewater Operator I	1.00	2.00	2.00	2.00	3.00
Mechanic	1.00	1.00	1.00	1.00	1.00
Maintenance (Journey)	7.00	8.00	5.00	5.00	5.00
Maintenance (Entry)	0.00	0.00	0.00	0.00	0.00
Maintenance (Seasonal)	1.00	1.00	0.00	0.00	0.00
Water System Operator	0.00	0.00	3.00	3.00	3.00
<b>TOTAL</b>	<b>32.90</b>	<b>35.42</b>	<b>35.42</b>	<b>36.42</b>	<b>41.45</b>



# Departmental Staff Directory

## Administrative Staff

City Administrator .....	Londi Lindell
Assistant City Administrator/Finance Director .....	Dawn Masko
City Clerk .....	Susie Oppedal
Records Coordinator .....	Kym Smith

## Finance Staff

Deputy Finance Director .....	Beth Wright
Utilities Coordinator .....	Jennifer Bourlin
Administrative Assistant/Utilities Coordinator .....	Julie Posey
Business License & Tax Coordinator .....	Juanita Smart
Accounting Assistant II .....	Erin Mitchell
Payroll Services .....	Contract with Loraine Neal

## Community and Economic Development Staff

Community & Economic Development Director .....	Gina Estep
Building Official .....	David Spencer
Permit Technician/Office Coordinator .....	Tom Meagher
GIS Technician .....	Marc Ramsey
Senior Planner .....	Jamie Burrell
Senior Planner .....	Mike McCarty
Associate Planner .....	Lynn Hyde
Building Inspector .....	Colin Mercer
Events/Economic Development Coordinator .....	Jessica Tate

## Public Works Staff

Public Works Director .....	Mark Rigos
Deputy Public Works Director .....	Tom Mohr
City Engineer .....	Don DeBerg
Public Works Office Coordinator .....	Carrie Smith
Public Works Project Manager .....	Brian Tucker
Public Works Project Manager .....	Mike Sippo
SCADA Supervisor .....	Chris Cote
Public Works Senior Lead Technician .....	Mark Pray
Maintenance Worker .....	Randy Grina
Maintenance Worker .....	Steve Riggle
Lead Streets Technician .....	Larry Shaw
Maintenance Worker .....	John Jackson
Maintenance Worker .....	Derek Osborn
Maintenance Worker .....	Aaron Forbes
Lead Water System Operator .....	Kraig Kramer
Water System Operator .....	Jake Thompson
Water System Operator .....	Jason Baxter
Wastewater Treatment Plant Manager .....	Mark Fogle
Wastewater Treatment Plant Operator II .....	Doug Repp
Wastewater Treatment Plant Operator II .....	Jerry Forza
Wastewater Treatment Plant Operator II .....	Joe Davis
Wastewater Treatment Plant Operator I .....	Ryan Dalziel
Mechanic .....	Lloyd Johnson



## Departmental Staff Directory - cont.

### Legal Services Staff

City Attorney.....	Michael R. Kenyon
Land Use Services Hearing Examiner.....	Gary N. McLean
Court Services.....	Issaquah Municipal Court
Public Defender.....	Assigned through Court

### Eastside Fire & Rescue North Bend Station 87

Station Captain.....	Mark Ashburn
Company Officer.....	Lt. Don Bridenbaugh
Company Officer.....	Lt. Jamee Mahoney
Company Officer.....	Lt. Bill Pitt
Firefighter.....	Tom Little
Firefighter.....	Sean Gullikson
Firefighter.....	Bob Butterfield
Firefighter.....	Steve Williams
Firefighter.....	Terry Cushman
Firefighter.....	Rick Scriven
Firefighter.....	Dave Rudd
Firefighter.....	Scott Gotts
Probationary Firefighter.....	Rigel Carey Rierson
Paramedics (Advanced Life Support).....	(2) Assigned from Bellevue Fire Department
Reserve Staff.....	Approximately 6 volunteers

### North Bend/Snoqualmie Police Department

Chief of Police.....	Perry Phipps
Captain.....	Nick Almquist
Officer.....	Justin LeRoux
Officer.....	Scott Bruton
Officer.....	Chris Were
Officer.....	Chad Ridout
Officer.....	Todd Wilson
Officer.....	Robert Robinson
Officer.....	Brady Lanham



## Departmental Statistics

<b>Police Department Statistics</b>	<b>2014 Actual</b>	<b>2015 Actual</b>	<b>2016 Actual</b>
Dispatched Calls For Service	5139	5145	5070
Alarm Responses	150	187	195
Parking Infractions	1	89	77
Total DUI's	31	17	20
Collisions	12	109	125
Injury Collisions	12	8	12
DUI Collisions	0	3	1
Fatality Collisions	0	0	0
Total Traffic Stops	1,333	727	1,113
Total Infractions	319	170	299
Burglary	28	28	25
Theft (Motor Vehicle Prowl)	73	70	47
Misdemeanor Arrest	240	342	394
Felony Arrest	31	48	34
Domestic Violence	49	32	37
Felony Drugs	13	9	11
Misdemeanor Drugs	25	63	55
Trespassing	61	30	14
Camping Prohibited	31	5	5
Criminal Citations		65	94
Total persons trespassed	76	82	73
Total Arrests	440	561	436

### Eastside Fire District Statistics

<b>Type of Response</b>	<b>2012 Responses</b>	<b>2013 Responses</b>	<b>2014 Responses</b>	<b>2015 Responses</b>	<b>2016 Responses</b>
Automatic Fire Alarms	70	44	48	70	61
EMS Incidents	474	503	556	585	692
Fire - Non-Structure	20	28	20	61	48
Fire - Structure	9	10	9	11	18
Motor Vehicle Accident	12	20	22	24	27
Other	88	110	110	23	23
Rescue	0	1	0	0	1
<b>TOTAL RESPONSES</b>	<b>673</b>	<b>716</b>	<b>765</b>	<b>774</b>	<b>870</b>
Alarm Responses in FD #38	518	501	553	546	663
EFR Total Alarm Responses; FD #10, Issaquah, Snoqualmie, Carnation, Fall City, Snoqualmie Pass and out side of the Fire District	8548	8785	8782	9401	9786



## Departmental Statistics

<b>Building Permits Issued 2012- 2016</b>										
Building Permit Type	2012 Issued	Improvement Valuation 2012	2013 Issued	Improvement Valuation 2013	2014 Issued	Improvement Valuation 2014	2015 Issued	Improvement Valuation 2015	2016 Issued	Improvement Valuation 2016
New Single Family	72	\$22,100,449	123	\$38,336,110	33	\$13,037,372	24	\$9,679,490	34	\$10,654,983
Single Family Additions & Alterations (Includes Garages/Carports, Fire Permits)	28	\$790,868	7	\$105,001	22	\$447,466	48	\$883,784	69	\$1,239,856
New Mobile Homes	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0
Multi-Family Additions & Alterations	0	\$0	0	\$0	7	\$330,000		\$0	0	\$0
Residential Plumbing	11	\$16,100	26	\$73,536	21	\$85,560	32	\$65,568	40	\$98,775
Residential Mechanical	43	\$169,146	56	\$279,301	59	\$305,604	83	\$463,671	99	\$670,110
New Commercial	1	\$3,105,000	1	\$1,321,920	0	\$0	0	\$0	1	\$214,224
Commercial Additions/Alterations/Tenant Improvements (Includes Fire Permits)	13	\$716,787	37	\$2,097,720	41	\$3,235,373	22	\$2,002,328	41	\$1,504,542
Commercial Mechanical	13	\$242,525	15	\$370,603	18	\$227,184	11	\$76,122	15	\$119,557
Commercial Plumbing	4	\$191,000	9	\$166,095	10	\$61,500	1	\$14,450	10	\$22,300
Signs	17	\$58,072	13	\$111,020	27	\$95,577	15	\$48,150	25	\$99,430
Demolitions	6	\$176,000	10	\$74,000	9	\$15,480	5	\$11,000	10	\$243,100
AG & UG Fuel Tanks	2	\$2,000	3	\$1,900	1	\$700	2	\$2,900	0	\$0
Grading & Clearing (Includes Tree Permits)	16	\$3,281,696	22	\$1,560,085	17	\$122,916	22	\$347,329	14	\$345,775
Miscellaneous (Roof, Façade, etc...)	25	\$961,006	17	\$424,776	35	\$750,524	44	\$871,321	73	\$2,674,556
<b>TOTALS</b>	<b>251</b>	<b>\$ 31,810,649</b>	<b>339</b>	<b>\$ 44,922,067</b>	<b>300</b>	<b>\$ 18,715,256</b>	<b>309</b>	<b>\$ 14,466,113</b>	<b>431</b>	<b>\$ 19,387,208</b>

<b>Finance Department Statistics</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>2014 Actual</b>	<b>2015 Actual</b>	<b>2016 Actual</b>
Water Accounts	1324	1467	1622	1754	1900
Sewer Accounts	765	902	1040	1157	1275
Storm Drain Accounts	1338	1498	1670	1819	1992
Flood Accounts	1338	1499	1671	1820	1993
New Business License Issued	230	153	218	336	208
Number of Business Accounts Serviced	1090	1157	1263	1409	1524
Annual Report to State Auditor	On Time				
Washington State Audit Results	No Findings	No Audit	No Findings	No Audit	No Findings
Quality of Budget Document	GFOA Award	GFOA Award	GFOA Award	GFOA Award	No Submittal

## Performance Measures

### Legislative

Measures	2015 Target	2015 Actual	2016 Target	2016 Actual	2017 Target	2018 Target
Average Councilmember attendance at regularly scheduled meetings (including excused absences)	7	7	7	7	7	7
Hold City Council retreat to develop goals and priorities for the year.	1	1	1	2	2	2

### Administration

Measures	2015 Target	2015 Actual	2016 Target	2016 Actual	2017 Target	2018 Target
% of City-wide goals achieved	90%	90%	95%	95%	95%	95%
Number of All Staff meetings conducted annually	3	3	3	4	4	4
Increase North Bend's presence on social media and # of "Likes" on Facebook	400	425	450	593	625	650

### City Clerk

Measures	2015 Target	2015 Actual	2016 Target	2016 Actual	2017 Target	2018 Target
% of Council agenda packets available 5 days prior to the meeting	100%	100%	100%	100%	100%	100%
% of public disclosure requests responded to within State-mandated timeframe	100%	100%	100%	100%	100%	100%
% of minutes available within 2 weeks or next available regular meeting	100%	100%	100%	95%	95%	95%

### Human Resources

Measures	2015 Target	2015 Actual	2016 Target	2016 Actual	2017 Target	2018 Target
# of collective bargaining agreements finalized	1	0	0	1	1	0
# of positions for which recruitment was completed	5	5	4	4	4	4
% of employees who participate in Wellness Program	70%	33%	75%	33%	75%	75%
% of performance evaluations completed	80%	97%	85%	83%	90%	90%

## Performance Measures

### Finance

Measures	2015 Target	2015 Actual	2016 Target	2016 Actual	2017 Target	2018 Target
Earn GFOA Distinguished Biennial Budget Award	Yes	Yes	Yes	Yes	Yes	Yes
Receive unqualified opinion on financial statements from WA State Auditor's Office	Yes	Yes	Yes	Yes	Yes	Yes
Maintain or upgrade City's bond rating	AA/A+	AA/A+	AA/A+	AA/A+	AA/AA-	AA/AA-
Percentage variance between General Fund revenue projections versus year-end actuals	N/A	.16%	N/A	2.33%	2%	2%
City's net outstanding LTGO debt to Assessed Valuation	N/A	.26%	N/A	.22%	<.50%	<.50%

### Police

Measures	2015 Target	2015 Actual	2016 Target	2016 Actual	2017 Target	2018 Target
# of calls for service	6,000	5,145	6,000	5,070	5,200	5,200
% of patrol shifts with 2 police officer staffing	63%	63%	67%	67%	75%	75%
% to reduce crime rate in North Bend by	20%	15%	10%	13%	10%	10%
Average response time to priority calls (in minutes)	N/A	N/A	N/A	N/A	3:00	3:00

### Fire

Measures	2015 Target	2015 Actual	2016 Target	2016 Actual	2017 Target	2018 Target
# of calls for service	765	774	775	870	900	900
# of confirmed fire incidents	30	72	30	66	60	60
# of Emergency Medical (EMS) incidents responded to	550	585	550	692	700	700
Average response time of 10 minutes to fire suppression incident	90%	99.9%	90%	91.1%	90%	90%
Average response time of 9 minutes to emergency medical incident	90%	99.8%	90%	93.5%	90%	90%

## Performance Measures

### Building

Measures	2015 Target	2015 Actual	2016 Target	2016 Actual	2017 Target	2018 Target
# of building permits issued	300	309	300	431	320	320
% of technical staff certified or licensed by a recognized technical/professional organization	100%	90%	100%	90%	100%	100%
# of building inspections performed	1,000	928	1,000	875	1,000	1,000
Average calendar days from request to residential building inspection	1	1	1	1	1	1
Code enforcement: Average calendar days from inspection to voluntary compliance	5	3	5	3	5	5
Code enforcement: Average calendar days from inspection to forced compliance	30	25	30	25	30	30

### Planning

Measures	2015 Target	2015 Actual	2016 Target	2016 Actual	2017 Target	2018 Target
Adopt amendments to the 2015 Comprehensive Plan	100%	100%	N/A	N/A	N/A	N/A
Work with consultant and Farm Board to complete the Meadowbrook Farm Business Plan	100%	50%	-	100%	N/A	N/A
% of annexation requests processed within State-mandated timeframe	100%	100%	100%	100%	100%	100%
Average calendar days from application to issuance for residential development permit	N/A	N/A	N/A	N/A	25	25
Average calendar days from application to issuance for commercial development permit	N/A	N/A	N/A	N/A	50	50

### Parks

Measures	2015 Target	2015 Actual	2016 Target	2016 Actual	2017 Target	2018 Target
# of full safety inspections of park facilities	18	18	20	17	17	17
# of playgrounds inspected, repaired or replaced	9	9	10	9	9	9
Number of developed parks & playgrounds maintained	10	10	10	9	9	9
Number of acres of parks and open spaces per 1,000 population	N/A	N/A	N/A	N/A	73	73

\*In 2016 Si View Metropolitan Parks District took over management of Torguson Park. With this change 3 inspection items and 1 playground inspection were removed.

## Performance Measures

### Streets

Measures	2015 Target	2015 Actual	2016 Target	2016 Actual	2017 Target	2018 Target
% of street sign inventory inspected annually	75%	75%	75%	75%	75%	75%
Lane miles of streets maintained	36	41.37	36	41.37	41.37	41.37
Average pavement rating across the arterial roadway system (% of arterial roadway system with average pavement rating of 70 or higher)	N/A	N/A	N/A	75	75	75
Average pavement rating across the residential roadway system	N/A	N/A	N/A	70	70	72

### Water Utility

Measures	2015 Target	2015 Actual	2016 Target	2016 Actual	2017 Target	2018 Target
Water Quality Report issued within State-mandated timeframe	100%	100%	100%	100%	100%	100%
% of daily samples collected and tested as required	100%	100%	100%	100%	100%	100%
# of violations of the State & Federal drinking water standards	0	0	0	0	0	0

### Sewer Utility

Measures	2015 Target	2015 Actual	2016 Target	2016 Actual	2017 Target	2018 Target
% of planned inspections for City's lift stations completed	100%	100%	100%	100%	100%	100%
% of completion of planned sewer line inspection program	100%	0%	100%	5%	20%	20%
# of violations of State & Federal regulations	0	1	0	2	0	0
Compliant with city NPDES permit requirements	Yes	No, see above	Yes	No, see above	Yes	Yes

### Stormwater Utility

Measures	2015 Target	2015 Actual	2016 Target	2016 Actual	2017 Target	2018 Target
% of planned storm drainage pipe cleaning program completed	100%	20%	100%	20%	20%	25%
% of planned catch basing cleaning program completed	100%	80%	100%	80%	80%	80%
# of cited violations under the Clean Water Act	0	0	0	0	0	0



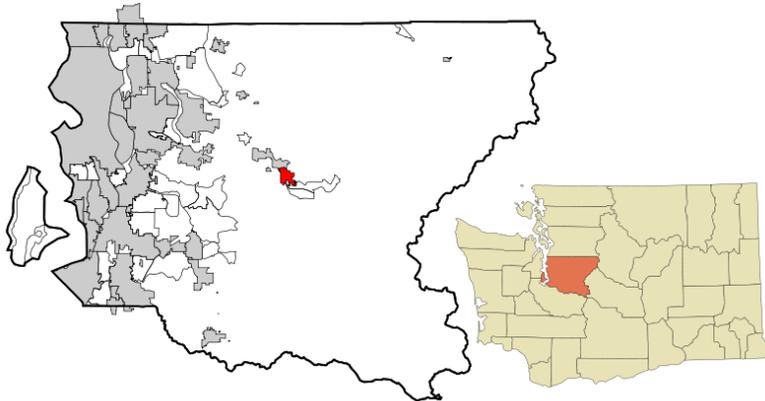
## North Bend Information

Elevation.....440' above sea level

Land Area.....4.31 square miles, of which 4.27 square miles is land and .04 square miles is water.

Average Mean Temperature-  
Moderate to cool year round.

Average Annual Precipitation:  
Rainfall—65 to 70 inches.  
Snowfall—4 to 6 inches.



Total Assessed Valuation of the City of North Bend for 2017: \$1,189,953,929.

New Construction Value (included in the above total) for 2017: \$11,691,251.

The total Property Tax Levy Rate for 2017 is: \$11.9444 per \$1,000 of assessed valuation, of which the City of North Bend receives \$1.4367 per \$1,000 of assessed valuation.

Real Estate Excise Tax: .25% + .25%

### Demographics:

The Washington State Office of Financial Management estimates the City of North Bend's 2016 population at 6,570. Estimates are based off of the 2010 census of 5,823. The 2016 post census housing estimates 2,639 housing units, of that 1,829 are estimated to be single family units and 628 two or more unit housing units. In the 2010 census the racial makeup of the city was 90.7% Caucasian, 0.5% African American, 0.9% Native American, 1.6% Asian, 0.1% Pacific Islander, 2.5% other races, and 3.6% from two or more races. Hispanic of any race was 6.4% of the population.

Of the 2,210 occupied households listed in the 2010 census, 36.3% had children under the age of 18 living with them, 67.3% had married couples living together, and 32.7% were non-families. 24.8% of all households were made up of single individuals and 18.3 had a single individual who was 65 years of age or older. The average household size was 2.57 and the average family size was 3.10.



## North Bend Information - continued

In the 2010 census the city's population consisted of 29.4% under the age of 19; 4.2% from 20 to 24; 27.6% from 25 to 44; 29.4% from 45 to 64; and 9.4% who were 65 years of age or older. The median age was 38.7 years. For every 100 females there were 97.1 males. For every 100 females age 18 and over, there were 94.3 males.

The 2015 estimated median income per household in the city is \$82,243 and the median per capita income is \$40,522. These estimates are from the U.S. Census Bureau, and based off the 2011-2015 American Community Survey.

### North Bend Parks:

E.J. Roberts	5 acres - playground equipment and gazebo
Gardiner Weeks Memorial	5.3 acres - picnic tables, benches & gazebo
Meadowbrook Farm	450 acres of open space
New Si View Parks - Div 1, Div 2 & Div 3	Div 1 - 3.5 acres, Div 2 - 2 acres and Div 3 - 5.2 acres - 4 play areas and 1 sports court
Tanner Trail Phase 1	3,700 feet
Torguson Park	17.3 acres - Little League Fields, BMX track, skate park, climbing rock, tot lot
Tollgate Farm	205.74 acres - inside City limits
Two River School Park	0.5 acres of open space
William H Taylor Park - Railroad Park	1.5 acres - picnic tables & benches
Tannerwood Park	0.8 acres - benches and walkway

### North Bend Streets Inventory:

Type of Surface	Cement Concrete Pavement	Asphalt Plant or Road Mix	Bituminous Surface Treatment	Gravel or Crushed Rock	Dirt and Unimproved	Total Miles
Centerline Miles	0	40.16	0.31	0.90	0	41.37



## North Bend Information - continued

**Valley Information:** For information about local events, recreation, lodging, shopping, or other information regarding Snoqualmie Valley businesses, please contact:

Snoqualmie Valley Chamber of Commerce--(425) 888-6362

**Schools:** Snoqualmie Valley School District #410—(425) 888-2334

North Bend: Two Elementary and one Alternative High School

Snoqualmie: Two Elementary, one 9th Grade Campus and one High School

Fall City: One Elementary and one Middle School

County: One Middle School

**Service and Community Organizations:** Lions, Kiwanis, Rotary, Snoqualmie Valley Food Band & Mt. Si Senior Center.

**North Bend Banks:** Bank of America, Chase, Opus Bank, Umpqua Bank

**Credit Unions:** Sno Falls Credit Union.

**Shopping Malls:** North Bend Premium Outlets, Mountain Valley Center, Mount Si Village, and QFC Plaza

**Hospital:** Snoqualmie Valley Hospital

**Transportation:** Highway: Interstate-90 Rail: None

**Airport:** SeaTac International Airport is approximately 35 miles west of North Bend.

**Port:** The Port of Seattle is approximately 30 miles west of North Bend.

**Transit:** Metro buses run approx. every 1/2 hour from North Bend during morning & evening rush hours and on varied schedules during the day.

**Mount Si:** Altitude — 4,190 ft.

**National Scenic Byway:** Mountains to Sound Greenway



## Long-Range Financial Forecast

The City utilizes a six year financial forecast as one of its long range financial planning tools. The General Fund forecast includes the 2017-2018 budget and applies an annual “projection factor” to the 2018 budget to estimate subsequent years’ revenue and expenditures. In most case the project factor used is an inflationary percentage. However, several items of revenue and expenditures are expected to increase at a rate that differs from inflation and utilize a different projection factor. Some of these items include property tax, B&O tax, state-shared revenues, grants, interfund transfers, and personnel costs.

Revenue estimates exceed forecasted expenditure levels through the life of the forecast; however, the gap narrows each year as the growth in operating costs outpaces projected revenue collections.

### **ASSUMPTIONS:**

The following are notable assumptions used in the development of the forecast.

**Baseline.** Expenditures used in the forecast assume that levels of service and the costs to provide services will remain constant throughout the six year period. Inflation is accounted for in the forecast.

**Healthcare Costs.** Healthcare costs are projected to grow at a rate above inflation for the six year period; this is accounted for in the forecast by applying an annual projection factor of 5% to all benefits.

**Inflation.** Inflation is accounted for in the forecast. The rate used is based on economist’s estimates/projections for the six year period. The projected annual inflation was calculated as the average of economists’ estimates for the six year period and is applied beginning with year three of the forecast (2019). The calculated annual value for inflation is 2.64%.

**One-Time Items.** One-time items occurring during the 2017-2018 biennium have been removed and are not presented in subsequent years of the forecast.

**Other Projection Factor Variances.** Some budget items have a projection factor of 100% which indicates that the item is either not reoccurring and/or is not expected to increase at the rate of inflation.

**Sales Tax and Related.** Revenues from sales tax are projected to grow at a faster rate than inflation based on economist’s estimates. The annual rate of increase used in the forecast is 3.94%.

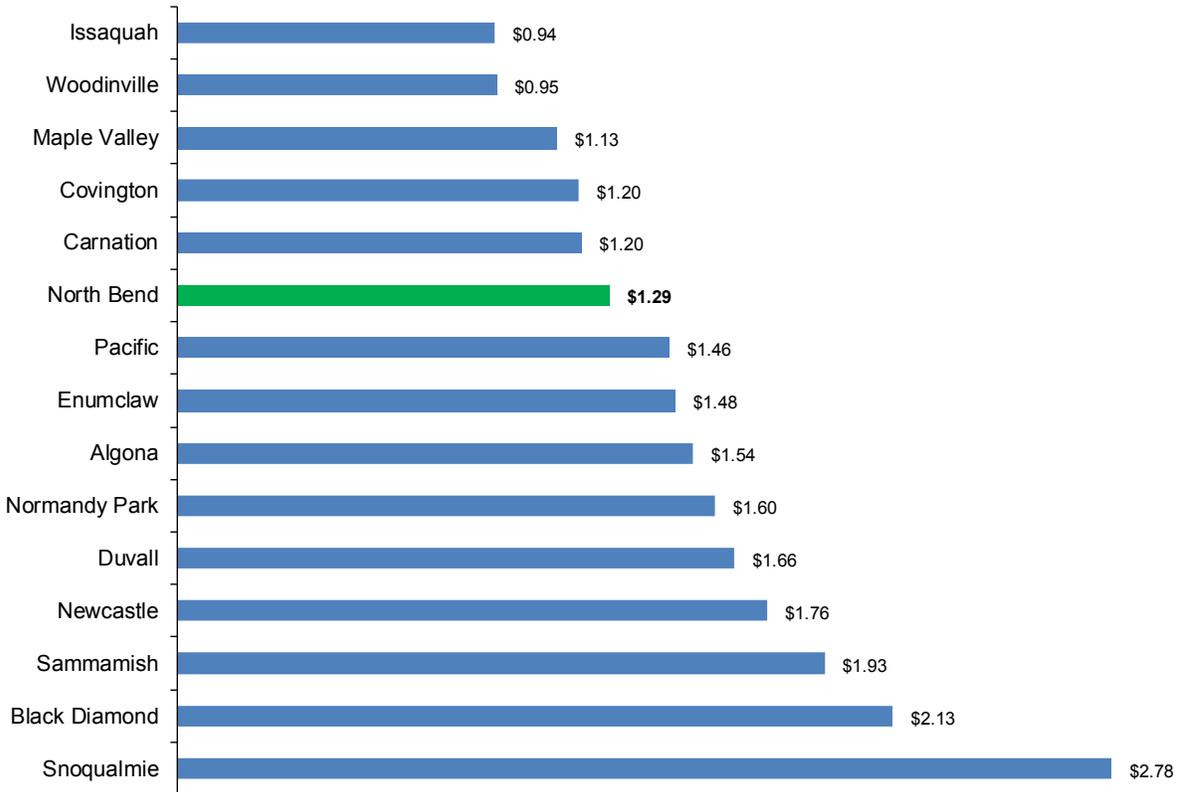


# Long-Range Financial Forecast

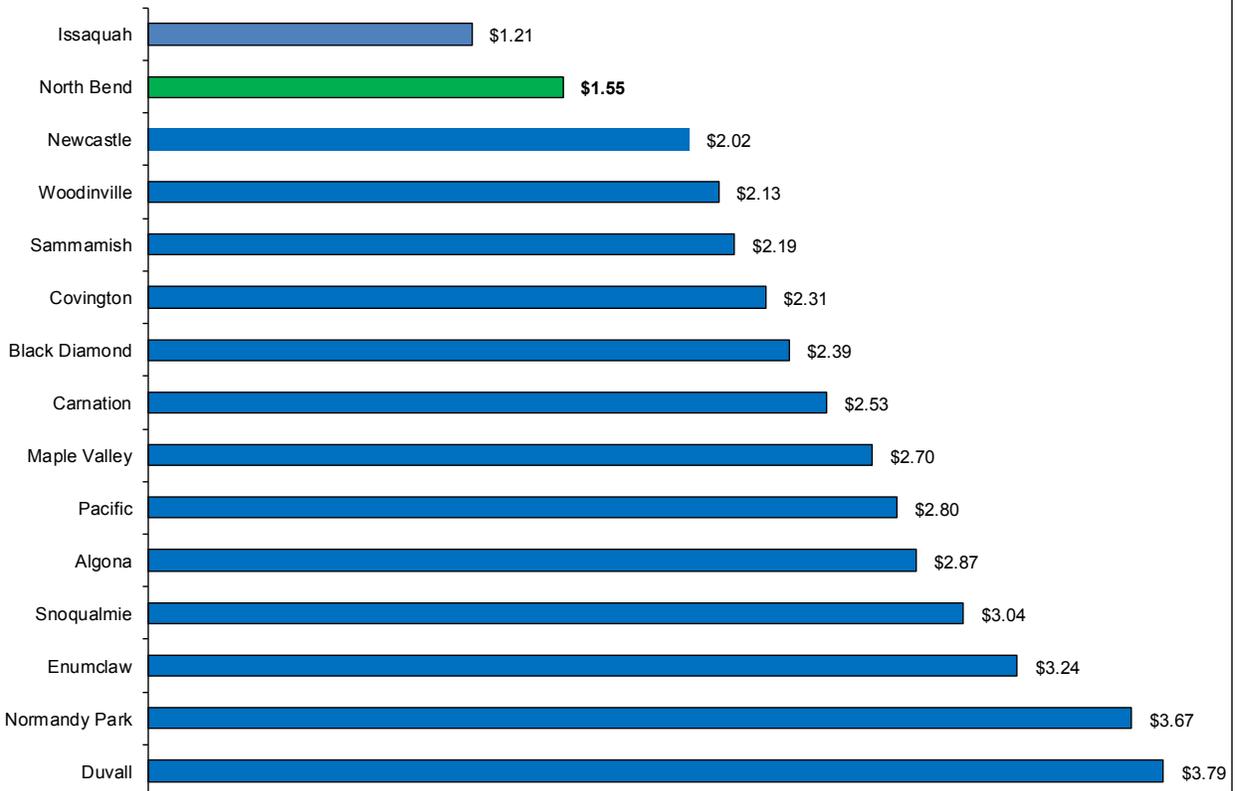
## General Fund 2017 - 2022 Financial Forecast

	<u>2017 Revised</u>	<u>2018 Revised</u>	<u>2019 Estimate</u>	<u>2020 Estimate</u>	<u>2021 Estimate</u>	<u>2022 Estimate</u>
<b>Beginning Fund Balance</b>	<b>\$ 1,335,944</b>	<b>\$ 1,054,377</b>	<b>\$ 952,733</b>	<b>\$ 880,389</b>	<b>\$ 839,429</b>	<b>\$ 832,044</b>
Taxes	\$ 5,890,472	\$ 6,054,545	\$ 6,258,149	\$ 6,468,852	\$ 6,686,910	\$ 6,912,587
Licenses & Permits	419,548	498,740	511,785	525,175	538,918	553,024
Intergovernmental Revenues	115,916	118,150	121,963	125,905	129,979	134,191
Charges for Goods & Services	187,677	195,182	200,256	205,463	210,808	216,294
Fines & Penalties	82,900	83,044	85,229	87,471	89,772	92,134
Miscellaneous Revenues	36,920	38,044	39,025	40,031	41,064	42,124
<b>Operating Revenue Total</b>	<b>\$ 6,733,433</b>	<b>\$ 6,987,705</b>	<b>\$ 7,216,406</b>	<b>\$ 7,452,897</b>	<b>\$ 7,697,451</b>	<b>\$ 7,950,354</b>
Personnel Costs	\$ 1,973,909	\$ 2,049,333	\$ 2,123,876	\$ 2,201,140	\$ 2,281,226	\$ 2,364,237
Supplies	47,150	46,121	46,904	47,701	48,512	49,338
Services & Charges	2,077,588	2,103,318	2,158,846	2,215,839	2,274,338	2,334,380
Intergovernmental Services	2,152,008	2,211,970	2,270,366	2,330,304	2,391,824	2,454,968
Capital Outlay	114,799	51,190	52,541	53,929	55,352	56,814
<b>Operating Expenditure Total</b>	<b>\$ 6,365,454</b>	<b>\$ 6,461,933</b>	<b>\$ 6,652,533</b>	<b>\$ 6,848,913</b>	<b>\$ 7,051,252</b>	<b>\$ 7,259,736</b>
<b>Operating Income/(Loss)</b>	<b>\$ 367,979</b>	<b>\$ 525,772</b>	<b>\$ 563,873</b>	<b>\$ 603,984</b>	<b>\$ 646,199</b>	<b>\$ 690,618</b>
Operating Transfers - Net	(649,546)	(627,416)	(636,217)	(644,944)	(653,584)	(662,122)
<b>Ending Fund Balance</b>	<b>\$ 1,054,377</b>	<b>\$ 952,733</b>	<b>\$ 880,389</b>	<b>\$ 839,429</b>	<b>\$ 832,044</b>	<b>\$ 860,540</b>

**2017 Selected King County Cities Property Tax Comparison**



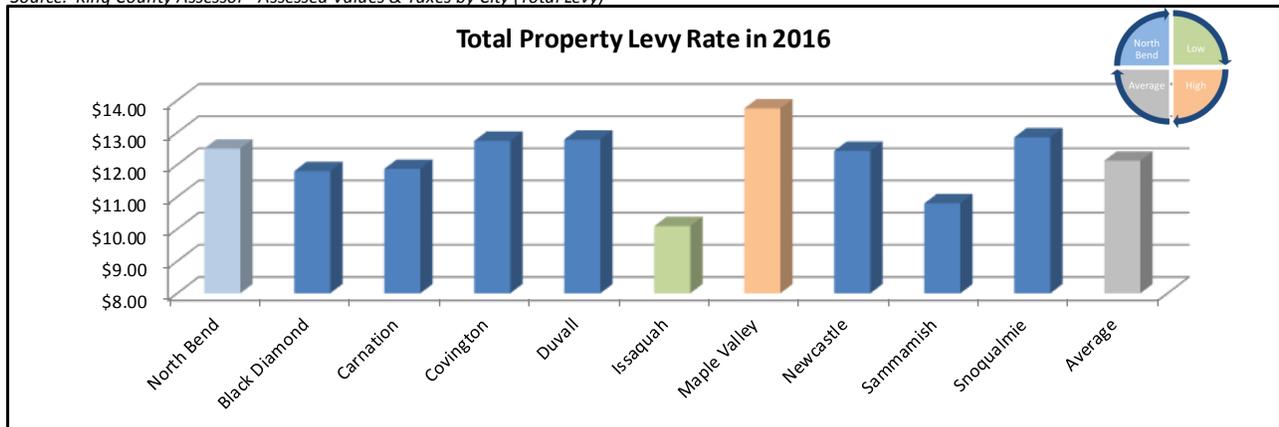
**2017 King County Cities Property Tax Comparison including Regular Fire & EMS Levies**



## Property and Sales Tax Comparisons

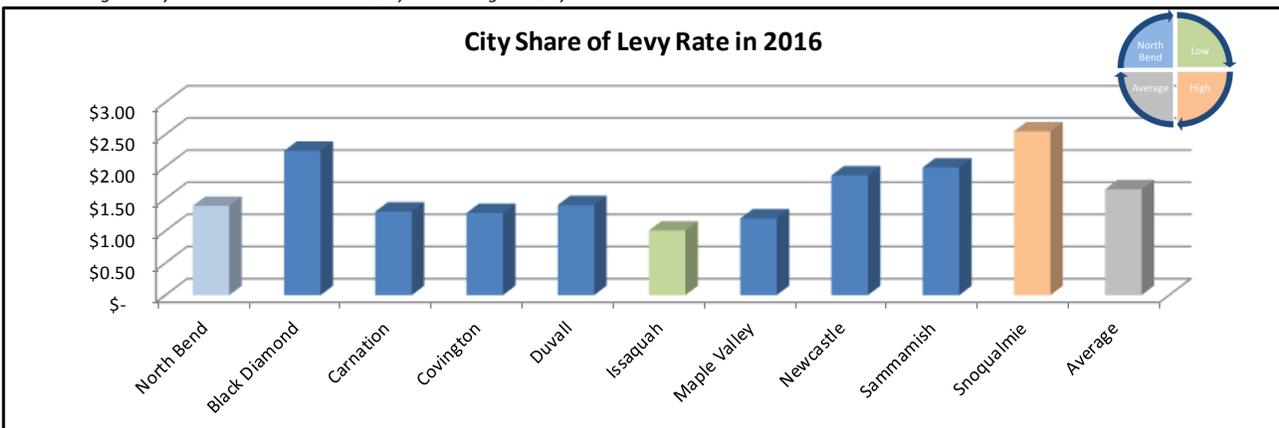
Total Property Levy Rate								
City	2011	2012	2013	2014	2015	2016	6-Yr Avg	
<b>North Bend</b>	\$ 11.46	\$ 12.08	\$ 12.73	\$ 12.64	\$ 11.56	\$ 12.50	\$ 12.16	
Black Diamond	12.50	12.96	14.06	13.29	12.40	11.80	12.84	
Carnation	11.68	12.32	13.41	12.87	11.79	11.87	12.32	
Covington	13.13	13.64	14.42	14.02	12.94	12.74	13.48	
Duvall	12.69	13.22	14.41	14.17	12.72	12.78	13.33	
Issaquah	11.13	11.60	11.67	11.37	10.26	10.09	11.02	
Maple Valley	13.01	13.75	14.89	16.07	14.12	13.75	14.27	
Newcastle	11.57	12.50	13.53	13.36	11.84	12.43	12.54	
Sammamish	12.14	12.62	12.68	12.25	10.95	10.80	11.91	
Snoqualmie	11.87	12.50	13.26	13.14	11.85	12.85	12.58	
<b>Average</b>	\$ 12.19	\$ 12.79	\$ 13.59	\$ 13.39	\$ 12.10	\$ 12.12	\$ 12.70	

Source: King County Assessor - Assessed Values & Taxes by City (Total Levy)



City Share of Total Levy Rate								
City	2011	2012	2013	2014	2015	2016	6-Yr Avg	
<b>North Bend</b>	\$ 1.48	\$ 1.53	\$ 1.60	\$ 1.60	\$ 1.44	\$ 1.39	\$ 1.51	
Black Diamond	2.57	2.59	2.83	2.62	2.42	2.24	2.55	
Carnation	1.29	1.40	1.57	1.48	1.27	1.30	1.38	
Covington	1.36	1.48	1.55	1.53	1.31	1.28	1.42	
Duvall	1.60	1.60	1.60	1.60	1.39	1.40	1.53	
Issaquah	1.14	1.19	1.23	1.20	1.05	1.00	1.14	
Maple Valley	1.29	1.38	1.55	1.47	1.25	1.19	1.36	
Newcastle	2.12	2.30	2.33	2.20	1.99	1.86	2.13	
Sammamish	2.47	2.56	2.59	2.41	2.05	1.99	2.34	
Snoqualmie	2.55	2.75	2.99	2.98	2.69	2.55	2.75	
<b>Average</b>	\$ 1.82	\$ 1.92	\$ 2.03	\$ 1.94	\$ 1.71	\$ 1.65	\$ 1.84	

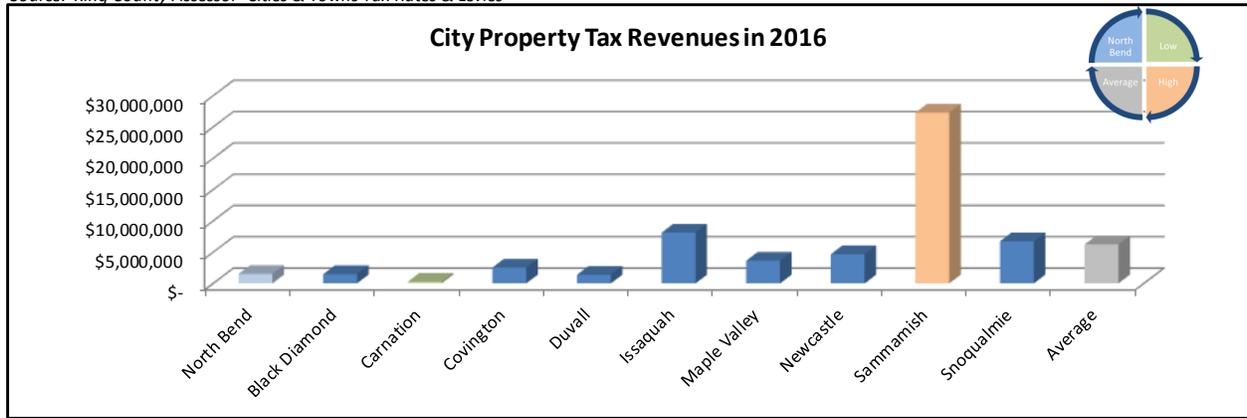
Source: King County Assessor - Cities & Towns Levy Rates - Regular Levy



<b>Key</b>	Low	High	Average	North Bend
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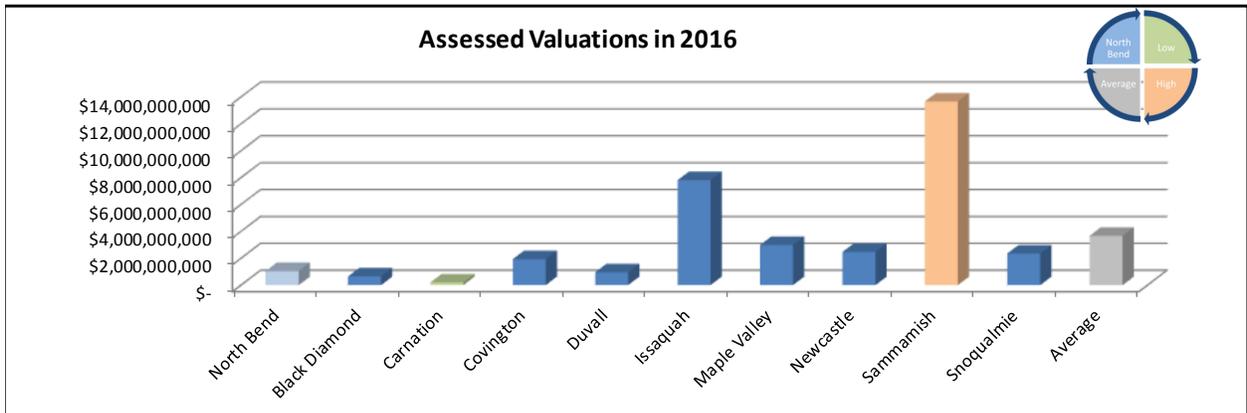
City Property Tax Levy Revenues							
City	2011	2012	2013	2014	2015	2016	6-Yr Avg
<b>North Bend</b>	\$ 1,230,033	\$ 1,265,952	\$ 1,296,327	\$ 1,365,914	\$ 1,470,303	\$ 1,512,864	\$ 1,356,899
Black Diamond	1,369,593	1,391,565	1,411,937	1,437,324	1,456,821	1,481,029	1,424,712
Carnation	243,058	246,159	248,400	251,037	254,475	270,019	252,191
Covington	2,348,812	2,338,090	2,368,167	2,475,817	2,479,810	2,525,322	2,422,670
Duvall	1,306,713	1,230,423	1,119,970	1,268,650	1,343,495	1,368,543	1,272,966
Issaquah	6,755,598	4,172,195	7,076,970	7,507,023	7,768,474	8,114,649	6,899,152
Maple Valley	3,142,475	3,206,348	3,320,289	3,419,850	3,526,601	3,619,016	3,372,430
Newcastle	4,045,653	4,126,007	4,173,439	4,245,390	4,509,194	4,647,949	4,291,272
Sammamish	21,178,274	21,454,911	21,778,259	22,315,095	22,927,954	27,270,799	22,820,882
Snoqualmie	4,767,808	4,951,329	5,445,238	5,724,926	6,405,175	6,717,212	5,668,615
<b>Average</b>	\$ 5,017,554	\$ 4,790,781	\$ 5,215,852	\$ 5,405,012	\$ 5,630,222	\$ 6,223,838	\$ 5,380,543

Source: King County Assessor - Cities & Towns Tax Rates & Levies



Assessed Valuation							
City	2011	2012	2013	2014	2015	2016	6-Yr Avg
<b>North Bend</b>	\$ 804,343,235	\$ 797,470,868	\$ 776,508,922	\$ 809,711,540	\$ 979,499,160	\$ 1,043,504,217	\$ 868,506,324
Black Diamond	525,461,768	531,356,374	493,718,263	537,926,583	593,190,272	651,364,791	555,503,009
Carnation	182,289,551	169,664,828	151,974,091	162,349,941	193,559,475	200,238,087	176,679,329
Covington	1,686,792,763	1,547,624,468	1,495,916,379	1,580,726,191	1,853,343,924	1,936,729,237	1,683,522,160
Duvall	799,811,750	753,366,122	685,249,300	777,867,868	953,197,288	958,828,830	821,386,860
Issaquah	5,723,527,640	5,614,755,409	5,496,148,881	5,994,864,484	7,084,694,784	7,815,269,847	6,288,210,174
Maple Valley	2,382,611,585	2,268,115,765	2,114,661,059	2,291,402,027	2,779,368,231	2,985,367,816	2,470,254,414
Newcastle	1,884,972,022	1,772,714,660	1,776,800,812	1,914,823,531	2,246,180,559	2,474,381,853	2,011,645,573
Sammamish	8,521,609,478	8,341,401,422	8,359,886,282	9,218,133,360	11,120,030,590	13,660,369,598	9,870,238,455
Snoqualmie	1,688,301,692	1,619,994,547	1,602,832,633	1,685,613,663	2,114,434,934	2,351,271,777	1,843,741,541
<b>Average</b>	\$ 2,599,486,472	\$ 2,513,221,511	\$ 2,464,131,967	\$ 2,684,856,405	\$ 3,215,333,340	\$ 3,670,424,648	\$ 2,857,909,057

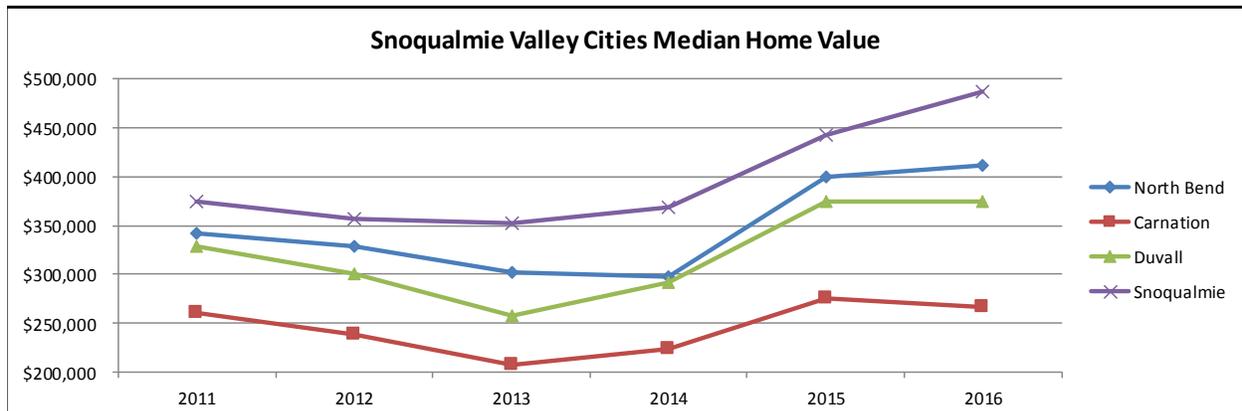
Source: King County Assessor - Assessed Valuations & Taxes (Cities and Towns)



Key	Low	High	Average	North Bend
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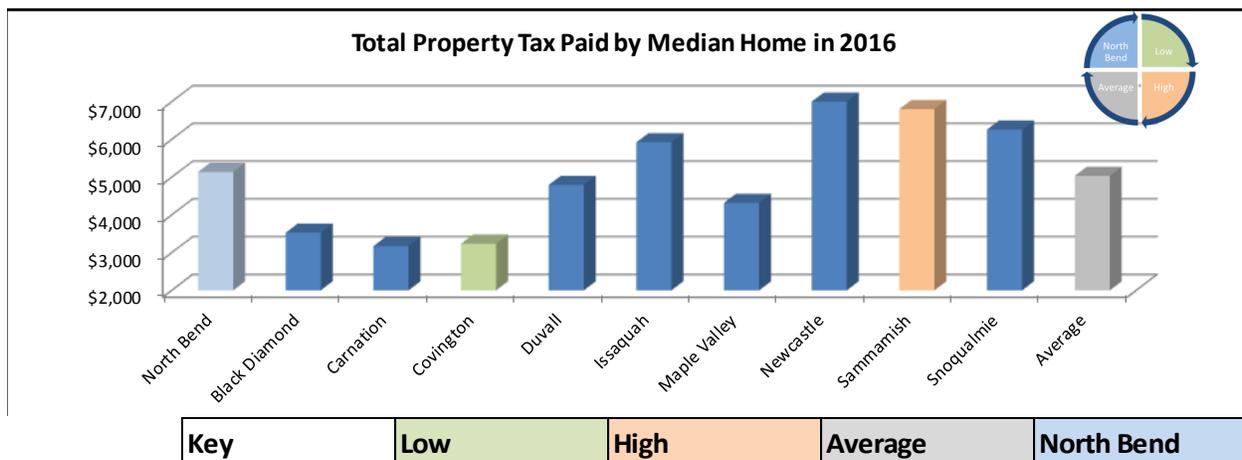
Median Home Value							
City	2011	2012	2013	2014	2015	2016	6-Yr Avg
<b>North Bend</b>	\$ 342,000	\$ 329,000	\$ 302,000	\$ 297,000	\$ 400,000	\$ 411,000	\$ 346,833
Black Diamond	255,000	239,000	218,000	240,000	272,000	299,000	253,833
Carnation	260,000	238,000	207,000	223,000	276,000	267,000	245,167
Covington	247,000	202,000	183,000	196,000	241,000	254,000	220,500
Duvall	329,000	301,000	257,000	292,000	374,000	375,000	321,333
Issaquah	443,000	420,000	421,000	453,000	548,000	587,000	478,667
Maple Valley	266,000	247,000	225,000	238,000	295,000	314,000	264,167
Newcastle	459,000	435,000	426,000	462,000	534,000	585,000	483,500
Sammamish	495,000	486,000	483,000	527,000	632,000	630,000	542,167
Snoqualmie	375,000	356,000	353,000	368,000	443,000	487,000	397,000
<b>Average</b>	\$ 347,667	\$ 324,889	\$ 308,111	\$ 333,222	\$ 401,667	\$ 422,000	\$ 356,259

Source: King County Assessor - Assessed Values & Taxes by City



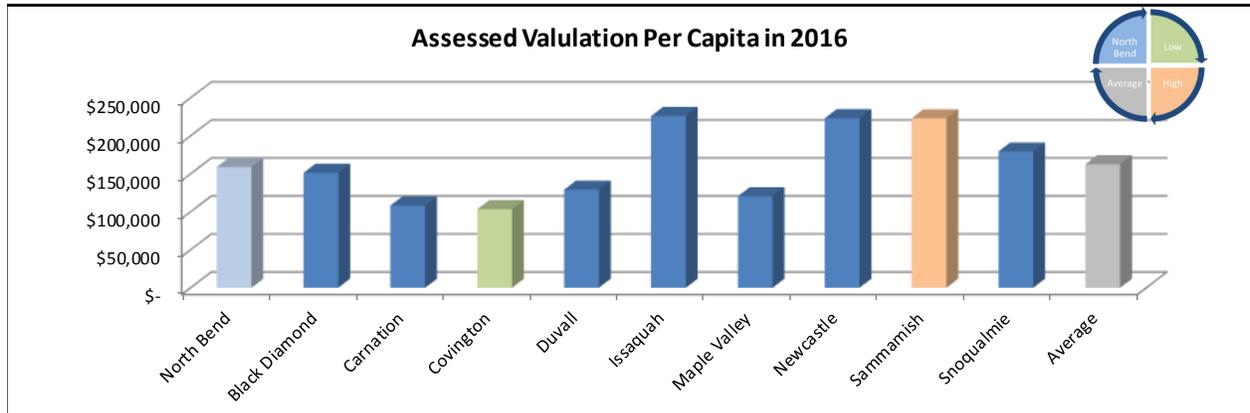
Total Property Tax Paid by Median Value Home							
City	2011	2012	2013	2014	2015	2016	6-Yr Avg
<b>North Bend</b>	\$ 3,919	\$ 3,974	\$ 3,844	\$ 3,754	\$ 4,624	\$ 5,138	\$ 4,209
Black Diamond	3,188	3,097	3,065	3,190	3,373	3,528	3,240
Carnation	3,037	2,932	2,776	2,870	3,254	3,169	3,006
Covington	3,243	2,755	2,639	2,748	3,119	3,236	2,957
Duvall	4,175	3,979	3,703	4,138	4,757	4,793	4,258
Issaquah	4,931	4,872	4,913	5,151	5,622	5,923	5,235
Maple Valley	3,461	3,396	3,350	3,825	4,165	4,318	3,752
Newcastle	5,311	5,438	5,764	6,172	6,323	7,272	6,046
Sammamish	6,009	6,133	6,124	6,456	6,920	6,804	6,408
Snoqualmie	4,451	4,450	4,681	4,836	5,250	6,258	4,988
<b>Average</b>	\$ 4,201	\$ 4,117	\$ 4,113	\$ 4,376	\$ 4,754	\$ 5,033	\$ 4,432

Source: King County Assessor - Assessed Values & Taxes by City (Total Levy)



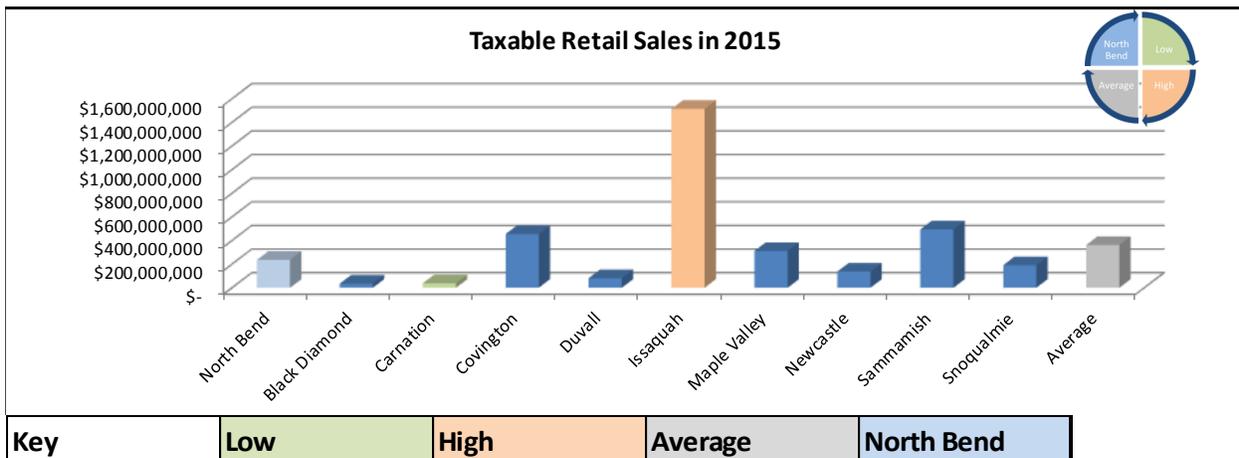
Assessed Valuation Per Capita							
City	2011	2012	2013	2014	2015	2016	6-Yr Avg
<b>North Bend</b>	<b>\$ 137,966</b>	<b>\$ 136,203</b>	<b>\$ 128,988</b>	<b>\$ 128,935</b>	<b>\$ 151,625</b>	<b>\$ 158,829</b>	<b>\$ 140,424</b>
Black Diamond	126,313	127,424	118,398	128,691	141,236	151,304	132,227
Carnation	102,410	95,050	85,140	90,698	108,134	108,237	98,278
Covington	95,623	87,141	82,647	85,537	100,073	103,292	92,386
Duvall	119,108	109,183	96,243	106,194	129,775	129,135	114,940
Issaquah	186,495	180,249	171,060	182,326	212,562	225,940	193,105
Maple Valley	103,908	97,177	88,443	94,569	112,525	120,426	102,841
Newcastle	181,073	169,476	166,993	176,481	205,318	223,118	187,077
Sammamish	181,543	175,905	173,947	187,132	222,490	223,026	194,007
Snoqualmie	154,183	143,109	136,994	138,962	164,547	179,349	152,858
<b>Average</b>	<b>\$ 138,962</b>	<b>\$ 131,635</b>	<b>\$ 124,429</b>	<b>\$ 132,288</b>	<b>\$ 155,184</b>	<b>\$ 162,648</b>	<b>\$ 140,858</b>

Assessed Valuation divided by Population



City Taxable Retail Sales						
City	2011	2012	2013	2014	2015	5-Yr Avg
<b>North Bend</b>	<b>\$ 193,354,366</b>	<b>\$ 201,900,071</b>	<b>\$ 223,296,643</b>	<b>\$ 220,959,889</b>	<b>\$ 235,915,200</b>	<b>\$ 215,085,234</b>
Black Diamond	31,157,268	29,066,177	31,368,115	34,651,533	34,849,521	32,218,523
Carnation	32,530,802	29,552,419	29,963,024	33,657,936	37,412,864	32,623,409
Covington	339,946,244	374,850,161	389,088,359	385,913,709	454,178,398	388,795,374
Duvall	70,017,513	76,652,640	75,855,529	74,510,130	80,715,410	75,550,244
Issaquah	1,128,019,006	1,114,397,551	1,212,257,514	1,270,859,551	1,514,192,127	1,247,945,150
Maple Valley	187,030,984	233,119,607	245,355,006	279,183,189	310,922,429	251,122,243
Newcastle	79,843,435	92,459,251	102,810,177	110,186,565	136,951,500	104,450,186
Sammamish	298,491,169	343,183,459	377,700,517	422,750,467	493,982,928	387,221,708
Snoqualmie	188,183,863	221,706,026	229,109,511	228,272,964	191,067,058	211,667,884
<b>Average</b>	<b>\$ 261,691,143</b>	<b>\$ 279,443,032</b>	<b>\$ 299,278,639</b>	<b>\$ 315,554,005</b>	<b>\$ 361,585,804</b>	<b>\$ 303,510,525</b>

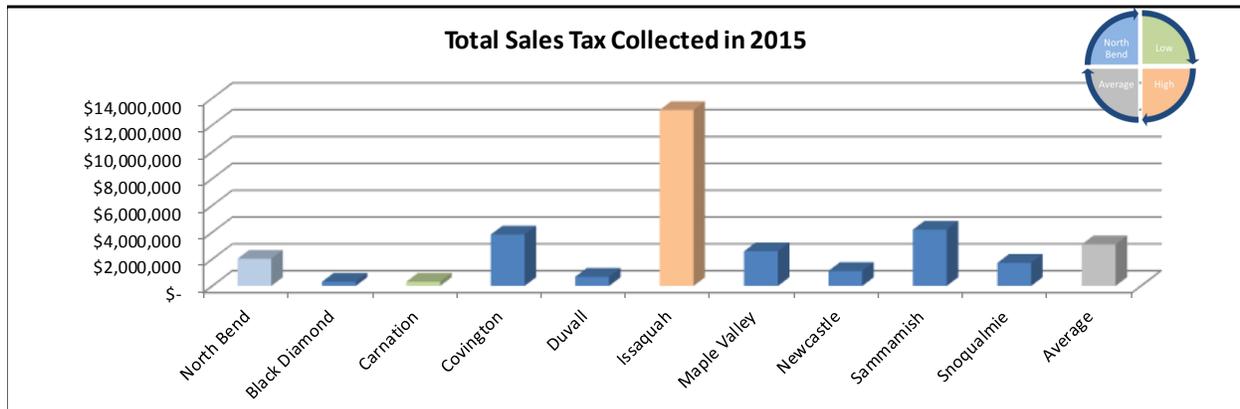
Source: Department of Revenue - Taxable Retail Sales by City



<b>Key</b>	<b>Low</b>	<b>High</b>	<b>Average</b>	<b>North Bend</b>
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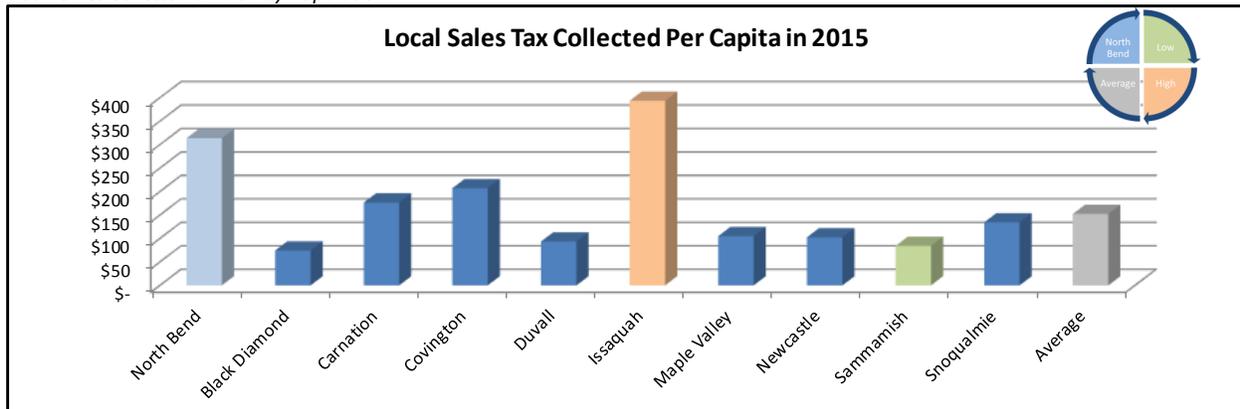
Total Sales Tax Collected						
City	2011	2012	2013	2014	2015	5-Yr Avg
<b>North Bend</b>	\$ 1,712,680	\$ 1,728,766	\$ 1,882,977	\$ 1,925,479	\$ 2,026,603	\$ 1,855,301
Black Diamond	299,081	262,973	290,796	302,927	311,927	293,541
Carnation	296,665	268,385	265,057	290,359	315,841	287,261
Covington	2,947,648	3,179,323	3,370,588	3,307,265	3,838,166	3,328,598
Duvall	619,739	678,275	659,255	664,994	685,805	661,614
Issaquah	10,649,093	9,457,339	10,336,598	10,529,799	13,112,707	10,817,107
Maple Valley	1,614,012	1,968,275	2,146,794	2,430,311	2,592,963	2,150,471
Newcastle	707,907	799,711	887,497	953,310	1,119,902	893,665
Sammamish	2,601,071	2,998,267	3,250,668	3,670,980	4,200,799	3,344,357
Snoqualmie	1,775,430	2,011,783	2,047,427	2,146,229	1,724,386	1,941,051
<b>Average</b>	\$ 2,390,072	\$ 2,402,704	\$ 2,583,853	\$ 2,699,575	\$ 3,100,277	\$ 2,635,296

Source: Department of Revenue - Local Sales & Use Tax Distributions



Sales Tax Per Capita						
City	2011	2012	2013	2014	2015	5-Yr Avg
<b>North Bend</b>	\$ 294	\$ 295	\$ 313	\$ 307	\$ 314	\$ 304
Black Diamond	72	63	70	72	74	70
Carnation	167	150	148	162	176	161
Covington	167	179	186	179	207	184
Duvall	92	98	93	91	93	93
Issaquah	347	304	322	320	393	337
Maple Valley	70	84	90	100	105	90
Newcastle	68	76	83	88	102	84
Sammamish	55	63	68	75	84	69
Snoqualmie	162	178	175	177	134	165
<b>Average</b>	\$ 133	\$ 133	\$ 137	\$ 140	\$ 152	\$ 139

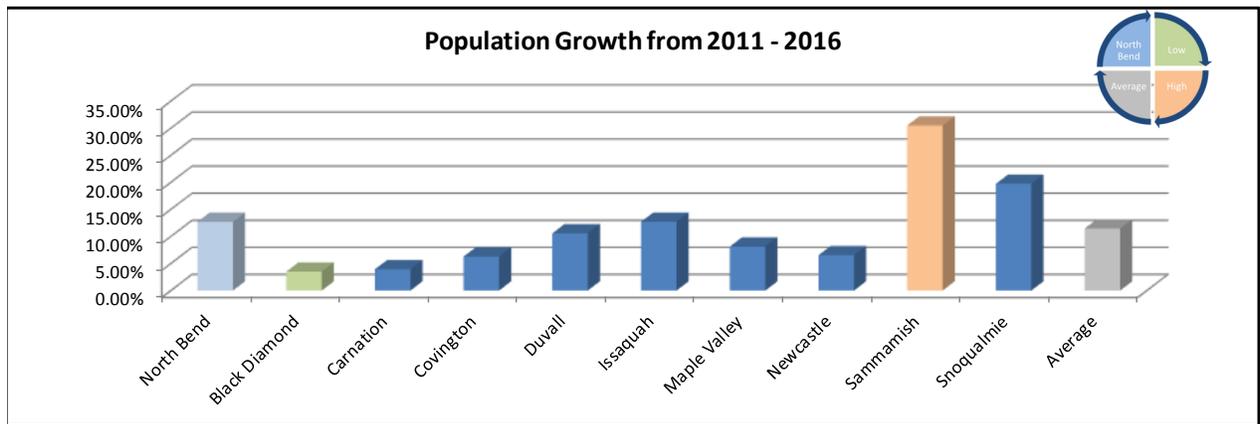
Total Sales Collected divided by Population



<b>Key</b>	<b>Low</b>	<b>High</b>	<b>Average</b>	<b>North Bend</b>
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Population							
City	2011	2012	2013	2014	2015	2016	% Growth - 6 Yrs
North Bend	5,830	5,855	6,020	6,280	6,460	6,570	12.69%
Black Diamond	4,160	4,170	4,170	4,180	4,200	4,305	3.49%
Carnation	1,780	1,785	1,785	1,790	1,790	1,850	3.93%
Covington	17,640	17,760	18,100	18,480	18,520	18,750	6.29%
Duvall	6,715	6,900	7,120	7,325	7,345	7,425	10.57%
Issaquah	30,690	31,150	32,130	32,880	33,330	34,590	12.71%
Maple Valley	22,930	23,340	23,910	24,230	24,700	24,790	8.11%
Newcastle	10,410	10,460	10,640	10,850	10,940	11,090	6.53%
Sammamish	46,940	47,420	48,060	49,260	49,980	61,250	30.49%
Snoqualmie	10,950	11,320	11,700	12,130	12,850	13,110	19.73%
<b>Average</b>	<b>16,913</b>	<b>17,145</b>	<b>17,513</b>	<b>17,903</b>	<b>18,184</b>	<b>19,684</b>	<b>11.45%</b>

Source: State of Washington Office of Financial Management



Key	Low	High	Average	North Bend
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# The Budget Document

## Authority and Guideline for Spending Public Funds

The budget is the legal authority to obligate public funds. It also provides policy direction by the City Council to the staff and community as well as a financial plan for the current year.

Preparation of the biennial budget involves every City official and employee. Each member of the City team has the opportunity and responsibility to contribute suggestions for projects and processes that would improve the City or use the City's resources more efficiently. Budget preparation is difficult, time consuming and frustrating, yet valuable and rewarding. The end result is a collaborative, comprehensive set of plans and directives for the management of a large and diverse entity's activities and resources for the coming year and beyond. The budget provides four functions:

1. **The budget as a policy document:** Decisions made during the budget process and documented herein reflect the general principles or plans that guide the actions taken for the future. As a policy document, the budget makes specific attempts to link desired goals and policy direction to the actual day-to-day activities of the City staff.
2. **The budget as a financial plan:** Financial planning is the most basic aspect of the budget process and is a requirement of state law. The budget must be adopted as a balanced budget and must be in place prior to the expenditure of any City funds. The budget is the legal authority to expend public monies, and controls those expenditures by limiting the amount of the appropriation at the fund level. Revenues and beginning cash balances are estimated to determine the resources available in each fund. Council and staff expenditure requests, other commitments such as debt service requirements, and desired ending cash reserves are balanced against available resources to determine department and fund appropriations.
3. **The budget as an operational guide:** The functions and/or goals of each department and fund are described in the following sections, along with the objectives planned for the current biennium to perform those functions and meet those goals. The expenditures are then summarized by department, fund and for the City as a whole. This process assists in maintaining an understanding of the various operations of the city and how they relate to each other and to the attainment of the policy issues and goals of the City Council.
4. **The budget as a communication device:** The budget provides a unique opportunity to allow and encourage public review of City operations. The budget document describes the activities of the City, the reason or cause for those activities and future implications. The budget process invites individual citizens to provide direct input to the budget. Citizens are always welcome to discuss problems, desires and opportunities with the Mayor, City Council and staff. These discussions frequently lead to budget objectives. Additionally, the City holds a public hearing on the budget where the public is formally invited to participate in the budget process.



# **The Budget Document**

## **Authority and Guideline for Spending Public Funds**

### ***Basis of the Budget***

The budget is prepared on the cash basis of accounting: 1. Revenues are recognized when they are collected and 2. Expenditures are recognized when payment is made.

The annual financial report of the City is prepared on the same basis for all fund types (the General Fund, Special Revenue funds, Debt Service funds, and Proprietary funds). The budget can be directly compared to the operating reports in the annual financial report for all funds.

The basis for budgeting is consistent with state law and is practical both for preparing and managing the budget. The basis for reporting, although not consistent with Generally Accepted Accounting Principles (GAAP), is acceptable for Cash Basis cities in the State of Washington.

### ***Amending the budget***

The City Administrator, Finance Director, or Mayor is authorized to transfer budget amounts between categories within funds or General Fund departments. However, any revisions that alter the total expenditures of a fund, or affect the number of authorized employee positions, salary ranges, hours or other conditions of employment, must be approved by the City Council. When the City Council determines that it is in the best interest of the city to increase or decrease the appropriation for a particular fund, it may do so by ordinance approved by one more than the majority of the City Council after holding a public hearing.



# Financial Policies

## Background and Purpose

The stewardship of public funds is one of the greatest responsibilities given to the officials and managers of the City of North Bend. Therefore, the establishment and maintenance of wise fiscal policies enables City officials to protect public interests and ensure public trust.

This document incorporates past financial practices in defining the current policies to be used by the City to meet its obligations and operate in a financially prudent manner. These policies have been established to provide general fiscal guidelines and are intended to provide sound direction in the management of the City's financial affairs.

## Operating Budget Policies

The Municipal Budget is the central financial planning document that embodies all operating revenue and expenditure decisions. It establishes the level of services to be provided by each department within the confines of anticipated municipal revenues.

- The City Council will establish municipal service levels and priorities for the ensuing year prior to and during the development of the preliminary budget.
- The City Mayor shall incorporate the Council's priorities in the formulation of the preliminary and final budget proposal.
- Adequate maintenance and replacement of the City's facilities, buildings, technology and equipment will be provided for in the biennial budget.
- The current fiscal year budget shall be balanced with current year resources and any other resources available from previous years provided that adopted levels of reserve funds are not included in the available resources from prior years.

## Revenue and Expenditure Policies

Annual revenues are conservatively estimated as a basis for preparation of the biennial budget and City service programs.

Expenditures approved by the City Council in the biennial budget define the City's spending limits for the upcoming biennium. Beyond the requirements of law, the City will maintain an operating philosophy of cost control and responsible financial management.

- The City will maintain revenue and expenditure categories according to state statute and administrative regulation.
- Current revenues should be sufficient to support current expenditures. In the event that a fund has a shortfall of revenues, resources from previous years may be used provided that adopted reserve levels for the fund are not utilized.



## Financial Policies - continued

- All revenue forecasts will be performed utilizing accepted analytical techniques including three year trending, forecast based on per capita intergovernmental revenues, sales tax revenues extracted from the prior complete year, minus known one time lump sums for large construction projects.
- All fees for services shall be reviewed and adjusted (where necessary) at least every three years to ensure that rates are equitable and cover the total cost of service, or that percentage of total service cost deemed appropriate by the City.
- Revenues of a limited or indefinite term will be used for capital projects or one-time operating expenditures to ensure that no ongoing service program is lost when such revenues are reduced or discontinued.
- Grant applications to fund new service programs with state or federal funds will be reviewed by the City, as they become available, with due consideration being given to whether locally generated revenues will be required to support these programs when outside funding is no longer available.
- Should the city choose to use a bank loan to finance a project or a purchase, funds from said loan will be adequately segregated in the account system to ensure that balances are not co-mingled with the general fund or any other project fund.
- The City of North Bend will establish and maintain Special Revenue Funds which will be used to account for proceeds from specific revenue sources to finance designated activities which are required by statute, ordinance, resolution or executive order.
- Annual expenditures will be maintained within the limitations of annual revenues or any previous year resources available outside of reserves adopted for the fund. The City will not use short-term borrowing to finance current operating needs without full financial analysis and prior approval of the City Council.
- In order to ensure the continuity of services, the City will budget no more sales tax revenue than was received in the prior complete year as a hedge against possible future economic events.
- Interest income revenue may be used to finance one-time capital or time-limited goods or services including debt service on councilmanic bond issues.
- All authorized positions will be budgeted for a full year unless specifically designated by the City Council as a partial-year position.



## Financial Policies - continued

### Accounting, Financial Reporting, and Auditing Policies

The City of North Bend will establish and maintain a high standard of accounting practices. Accounting and budgetary systems will, at all times, conform to Generally Accepted Accounting Principles, the State of Washington Budgeting Accounting Reporting System (B.A.R.S.) and local regulations.

- A comprehensive accounting system will be maintained to provide all financial information necessary to effectively operate the City.
- The City will meet the financial reporting standards set by the Governmental Accounting Standards Board.
- Full disclosure will be provided in all City financial reports and bond representations.
- An biennial audit will be performed by the State Auditor's Office and include the issuance of a financial opinion.
- A quarterly report will be prepared within 45 days of the close of each calendar quarter. This report will include a budget variance report, fund balances, and discussion of performance, and will subsequently be available on the city's web site.



## Financial Policies - continued

### Reserve and Fund Balance Policies

Adequate fund balance and reserve levels are a necessary component of the City's overall financial management strategy and a key factor in external agencies' measurement for bond rating of the City's financial strength.

Maintenance of fund balance for each relevant accounting fund assures adequate resources for cash flow and to mitigate short-term effects of revenue shortages.

City and State regulations have been established to allow the City of North Bend to create and maintain specific reserve funds. Prudent use of reserve funds enables the City to defray future costs, take advantage of matching funds, and beneficial (but limited) opportunities.

Reserve funds provide the City with the ability to exercise flexible financial planning in developing future capital projects. Reserve funds are necessary to enable the City to deal with unforeseen emergencies or changes in condition.

- The City will establish minimum fund balance targets for each fund based on the cash flow requirements of the fund. The City will include all fund balances in the biennial budget.
- The minimum fund balance will be attained and maintained through expenditure management, revenue management and/or contributions from the General Fund.
- All expenditures drawn from reserve accounts shall require prior Council approval unless previously authorized by the City Council for expenditure in the biennial budget.
- A Contingency Reserve Fund will be maintained in accordance with RCW 35A.33.145 to meet specific emergency expenditures as described in RCW 35A.33.080 and 35A. 33.090.
- The City shall maintain a General Fund Operating Reserve to serve as a "Rainy Day Fund" to address temporary revenue shortfalls in an amount equivalent to 10% of the General Fund Operating Budget. Annual contributions will be budgeted from General Fund resources as available to attain and maintain an established reserve level.
- Additional reserve accounts may be created by Council to account for monies for future known expenditures, special projects, or other specific purposes.
- All reserves will be presented in the biennial budget.



## Financial Policies - continued

### Enterprise Fund Policies

The City will establish enterprise funds for City services when 1) the intent of the City is that all costs of providing the service should be financed primarily through user charges; and/or 2) the City Council determines that it is appropriate to conduct a periodic review of net income for capital maintenance, accountability, or other public policy purposes.

- Enterprise funds will be established for City-operated utility services.
- Enterprise fund expenditures will be established at a level sufficient to properly maintain the fund's infrastructure and provide for necessary capital development.
- Each enterprise fund will maintain an adequate rate structure to cover the costs of all operations, including maintenance, depreciation, capital and debt service requirements, reserves (as established by fiscal policy or bond covenant), and any other cost deemed necessary.
- Rates may be offset from available fund cash after requirements are met for cash flow and scheduled reserve contributions.
- Enterprise fund services will establish and maintain reserves for general contingency and capital purposes consistent with those maintained for general governmental services.
- Revenue bonds shall be issued only when projected operating revenues are insufficient for the enterprise's capital financing needs.
- The City will insure that net operating revenues of the enterprise constitute a minimum of 1.5 times the annual debt service requirements.
- The City will limit the maturities of all utility revenue bond issues to 25 years or less.



## Financial Policies - continued

### Debt Management Policies

The amount of debt issued by the City is an important factor in measuring its financial performance and condition. Proper use and management of borrowing can yield significant advantages. From a policy perspective, the City of North Bend uses debt in two ways: (1) as a mechanism to equalize the costs of needed improvements to both present and future citizens; and (2) as a mechanism to reduce the costs of substantial public improvements.

- City Council approval is required prior to the issuance of debt.
- An analytical review shall be conducted prior to the issuance of debt.
- The City will use the services of a legally certified and credible bond counsel in the preparation of all bond representations.
- The City of North Bend will not use long-term debt to support current operations.
- Long-term borrowing will only be used for capital improvements that cannot be financed from current revenues.
- Short-term borrowing will only be used to meet the immediate financing needs of a project for which long-term financing has been secured but not yet received.
- The issuance of bonds shall be financed for a period not to exceed a conservative estimate of the asset's useful life.
- Non-capital furnishings, supplies, and personnel will not be financed from bond proceeds.
- The City will use refunding bonds where appropriate, when restructuring its current outstanding debt.
- Reserves, interest costs, operating costs, and/or maintenance expenses will be capitalized only for enterprise activities; capitalized operating expenses will be strictly limited to those expenses incurred prior to actual operation of the facilities.
- The City will maintain a good credit rating at all times.
- Assessment bonds will be issued in place of general obligation bonds, where possible, to assure the greatest degree of public equity.
- Under most circumstances, the maturity of all assessment bonds shall not exceed 12 years.
- General Obligation bonds will be issued with maturities of 20 years or less.
- The voter approved general obligation debt of North Bend will not exceed an aggregated total of 7.5% of the assessed valuation of the taxable property within the City.
- The following individual percentages shall not be exceeded in any specific debt category:



## Financial Policies - continued

- General Debt – 2.5% of assessed valuation
- Utility Debt – 2.5% of assessed valuation
- Open Space and Park Facilities – 2.5% of assessed valuation
- Limited-tax general obligation bonds will not exceed one and 1.5% of the City's current assessed property valuation.
- Limited-tax general obligation bonds will be issued only if:
  - A project requires funding not available from alternative sources.
  - Matching fund monies are available which may be lost if not applied for in a timely manner.
  - Emergency conditions exist.



## Financial Policies - continued

### Capital Improvement Policies

North Bend's city government is accountable for a considerable investment in buildings, parks, roads, sewers, equipment and other capital investments. The preservation, maintenance, and future improvement of these facilities are a primary responsibility of the City. Planning and implementing sound capital improvement policies and programs today will help the City avoid emergencies and major costs in the future, therefore:

- The City will establish and implement a comprehensive multi-year Capital Improvement Program.
- The Capital Improvement Program will be prepared and updated biennially.
- The City Council will designate annual ongoing funding levels for each of the major project categories within the Capital Improvement Program.
- Financial analysis of funding sources will be conducted for all proposed capital improvement projects.
- An annual Capital Improvement Budget will be developed and adopted by the City Council as part of the biennial budget.

The Capital Improvement Program will be consistent with the Capital Facilities Element of the Comprehensive Plan.



# Glossary

**Ad Valorem** – A tax imposed on the value of property. Also known as Property Tax.

**Annexation** – The incorporation of land into an existing city with a resulting change in the boundaries of that city.

**Assessed Valuation** – The value placed upon real and personal property by the County Assessor as the basis for levying annual property taxes.

**Audit** - An examination of the financial activities of an agency and the report based on such examination.

**AWC** – Association of Washington Cities.

**B & O** - Business and Occupation Tax.

**Balanced Budget** - A budget in which estimated revenues equal estimated expenditures.

**BARS** – The Washington State prescribed Budgeting, Accounting, and Reporting System all governmental entities located in the state of Washington must follow.

**Beginning Fund Balance** – Each city fund uses this revenue account to record estimated and actual resources available for expenditure in one fiscal year because of revenues collected in excess of expenditures in prior fiscal years.

**Benefits** – City-paid benefits are provided for employees such as retirement, worker's compensation, life insurance, long-term disability, and medical insurance.

**Biennial Budget** – A biennial budget has a duration of two years, which the City of North Bend separates into two distinct fiscal years. The State of Washington requires the first year to be an odd-numbered year, for example 2015/2016.

**Bond** - An interest bearing certificate issued by a government or business, redeemable on a specific date; used as a measure of raising funds for capital improvements.

**Bond Rating** – The credit worthiness of a government as determined by an independent rating agency. Also known as a Credit Rating.

**Budget** - A comprehensive financial plan to sustain municipal operations during a given year with related explanation.

**Budget Adjustment** – An accounting transaction to modify a budget appropriation – by Council adoption of an ordinance, or by Finance Director authorization to adjust appropriations within a fund.

**Budget Calendar** – The schedule of key dates or milestones which the City follows during the preparation, adoption and administration of the budget.

**Budget Document** – the City's budget document is used to present a comprehensive financial spending plan to its citizens, the City Council, and other interested parties.

**Budget Message** – A message prepared by the Mayor to provide City Council and the public with a general summary of the most important aspects of the budget, articulating the City's goals, and identifying budget impacts and changes.

**Budgetary Control** – Budgetary safeguards used to ensure that expenditures do not exceed a fund's legally authorized appropriation.

**Capital Asset** – Assets of significant value and having a useful life of several years. Capital assets are also called fixed assets.



## Glossary - continued

**Capital Facilities Plan (CFP)** – The CFP is a comprehensive financial plan and needs assessment that identifies and prioritizes funding for capital improvements such as facilities, parks, transportation, and utility projects.

**Capital Improvement Program (CIP)** - A plan for future capital expenditures which identifies each capital project, its anticipated start and completion, and allocates existing funds and known revenue sources over a six year period.

**Capital Improvements** - Projects to create, expand, or modify a capital facility. The project may include design, permitting, environmental analysis, land acquisition, construction, landscaping, site improvements, initial furnishings, and equipment.

**Capital Outlay** - Expenditures made to acquire fixed assets or additions to them usually made from the general fund or utility fund where the assets are to be used.

**Capital Projects Fund** – A fund created to account for financial resources designated for acquisition, construction, or renovation of major capital facilities (other than those financed by proprietary funds, special assessment funds, and trust funds).

**Cash Basis** – The method of accounting under which revenues are recorded when received in cash and expenditures are recorded when paid.

**Cash Management** – The process of managing monies for the City to ensure operating cash availability and safe investment of idle cash.

**Certificate of Deposit** – A negotiable or non-negotiable receipt for monies deposited in a bank or other financial institution for a specified period for a specified rate of interest.

**Community Development Block Grant (CDBG)** - A federal funding program that provides annual funding for eligible local governments including housing and community development programs targeted primarily to low-income persons and neighborhoods.

**Comprehensive Plan** – A general plan that outlines growth and land use for residential, commercial, industrial, and open space areas.

**Concurrency** – The improvements that are in place at the time the impacts of development occur, or that the necessary financial commitments are in place. Public facilities and services shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards.

**Consumer Price Index (CPI)** – An index established and updated by the Federal Department of Labor. It measures the change in prices paid over time for a fixed set of goods and services.

**Contingency** – A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted for.

**Current Expense Fund** – This fund is used to pay the expenses and liabilities of the City's general services and programs. It is commonly called the General Fund.

**D.A.R.E.** - Drug Abuse Resistance Education.

**Debt** – An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of governments include bonds and notes.

**Debt Limits** - The maximum amount of debt that a governmental unit may incur under constitutional, statutory, or charter requirements.



## Glossary - continued

**Debt Management** - Borrowing enables a jurisdiction to free itself from the constraints of current revenues, raise large sums of money, and obligate future citizens to repay the debt. To insure that the power to borrow is used prudently, it is carefully regulated and managed by a set of policies and procedures known as debt management.

**Debt Service** - Payments to creditors, primarily the holders of municipal bonds. Debt service includes principal, interest, and minor incidentals such as paying agents' fees.

**Debt Service Fund** – A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

**Deficit** – An excess of expenditures over revenues.

**Department** – A major administrative division of the City, which indicates overall management responsibility for an operation or group of related operations within a functional area.

**Depreciation** – Expiration in the service life of capital assets attributable to wear and tear, deterioration, inadequacy or obsolescence. Depreciation is also that portion of the cost of a capital asset which is charged as an expense during a particular period.

**Development Activity** – Any construction, expansion, or change in the use of a building or structure, or use of land, or change in use of land, that creates additional demand and need for public facilities or services.

**D.O.E.** – Department of Ecology

**D.O.T.** - Department of Transportation.

**Effluent** - The liquid that flows out of a facility or household into a water body or sewer system. For example, the treated liquid discharged by a wastewater treatment plant is the plant's effluent.

**E.I.S.** - Environmental Impact Statement.

**E.M.S.** - Emergency Medical Services.

**Encumbrance** – The legal commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a future expenditure.

**Ending Fund Balance** – The cash balance remaining at the end of the fiscal year available for appropriation in future years.

**Enterprise Funds** - Used to finance and account for acquisition, operation and maintenance of water and sewer facilities that are supported by user charges; also waste disposal, other utilities.

**Estimated Revenue** – The amount of revenue projected to be collected during a fiscal period.

**Expenditures** - The spending of money by the municipality for the programs and projects included within the approved budget.

**F.E.M.A.** - Federal Emergency Management Agency.

**FICA** – Federal Insurance Contribution Act is an employment tax levied against both an employee and employer for Social Security and Medicare taxes.

**Fiduciary Fund** – The trust and agency funds used to account for assets held by the City in a trustee capacity.

**Fiscal Year (FY)** – The time period designated by the City signifying the beginning and ending dates for recording financial transactions. The City of North Bend has specified January 1 through December 31 as its fiscal year.



## Glossary - continued

**Fixed Assets** – Assets such as land, building, machinery, furniture, and other equipment. The City has defined fixed assets as those with an acquisition cost of \$5,000 or more and a minimum estimated life of two years.

**Full Faith and Credit** – A pledge of the general taxing power of a government to repay debt obligations (typically used in reference to bonds).

**Full-Time Equivalent (FTE)** – Number of commensurable hours equivalent to those of a regular, full-time employee (2,080 hours per year).

**Fund** – An accounting entity that records all financial transactions for specific activities or government functions. Eight commonly used fund types in public accounting are: General Fund, Special Revenue Fund, Debt Service Fund, Capital Projects Fund, Enterprise Fund, Trust and Agency Fund, Internal Service Fund, and Special Assessment Fund.

**Fund Balance** – The excess of current assets over current liabilities (plus any reserves).

**GAAFR** - The “Governmental Accounting, Auditing and Financial Reporting” book published by the Government Finance Officers Association to provide guidance for the application of accounting principles for governments.

**G.A.A.P.** - Generally Accepted Accounting Principles.

**GASB** – The Government Accounting Standards Board, established in 1985, to regulate the rules and standards for all governmental units.

**General Government Revenue** – The revenues of a government other than those derived from and retained in Enterprise Funds.

**General Fund** - The general fund accounts for all financial activities not reported in some other type of fund; primarily used to account for the current operations of a jurisdiction’s general-purpose departments.

**General Obligation Debt** - Local governments can raise revenues by selling tax-exempt municipal bonds and incurring debt. General obligation debt carries an unconditional promise by the local government to levy the taxes necessary to make the interest and principal payments required to retire the debt. In Washington State, general obligation debt can either be voted or non-voted (Councilmember) debt. Non-voted debt is limited to 1.5% of the assessed valuation, and total general obligation debt is limited to 2.5% of assessed valuation.

**GIS** – Geographical Information System.

**G.O.** - See General Obligation Debt.

**Goal** – A statement of broad direction, purpose, or intent.

**Grant** – A contribution by a government or other organization to support a particular function.

**Impact Fees** – A fee assessed on new development that creates additional demand and need for public facilities.

**Implicit Price Deflator (IPD)** – An index used by the State to determine allowable annual growth in inflation for property tax calculation.

**Improvement District** – An area that is established to receive specific capital improvements or services deemed to benefit primarily those properties within its boundaries.

**Infrastructure** – The underlying foundation, especially the basic installations and facilities, on which the continuance and growth of a jurisdiction depends, i.e. streets, roads, sewer and water systems.



## Glossary - continued

**Interfund Loans** – A loan made by one fund to another and authorized by resolution or ordinance.

**Interfund Services** – Services provided by one fund to another and are considered as reciprocal interfund activities because payment is made for services received. The City records and reports those transactions as “charges for service revenues and expenditures” in the appropriate funds.

**Interfund Transfer** - Payment from one fund to another fund primarily for work or services provided.

**Intergovernmental Services** – Services performed by one government for another government. These services typically include things such as police and fire services, dispatch and jail services, animal control services, audit and voter costs.

**Latecomer Fees** – Fees paid by developers or future service users for their share of past improvements financed by others.

**Levy Lid** – A statutory restriction on the annual increase in the amount of property tax a given public jurisdiction can assess on regular or excess levies.

**LGIP** – Local Government Investment Pool.

**Internal Service Fund** – A fund used to account for the financing of goods or services provided by one department to another, or to other governments, on a cost-reimbursement basis.

**Lease Purchase Agreement** – A contractual agreement by which capital outlay may be purchased by making annual lease payments.

**Line-Item Budget** – A budget that lists each expenditure category (salary, materials, telephone service, travel, etc.) separately, along with the dollar amount budgeted for each specified category.

**Local Improvement District Bonds** – Local improvement district bonds can be issued by a City to finance improvements in specific areas of the municipality. The property owners benefiting from the improvements are assessed and billed annually to pay for the cost of retiring the bonds. This type of financing mechanism is generally used for projects such as street improvements and the extension of sewer lines.

**Long-Term Debt** – Debt that matures more than one year after the date of issuance.

**LTGO** – Limited Tax General Obligation bonds are non-voter approved bonds for which the full faith and credit of the insuring government are pledged for payment.

**Maturity Date** – The date by which long-term debt is scheduled to be paid off.

**Mitigation Fees** – Contributions made by developers toward future improvements of City facilities resulting from the additional demand on the City’s facilities generated from the development.

**MRSC** – Municipal Research and Services Center.

**Net Assets** – Excess of the value of assets (cash, investments, receivables, and other assets) over the value of liabilities.

**Non-Departmental** – This category has the sole purpose of accounting for all expenditures the City cannot specifically designate to any operating department within a fund.

**Non-operating Expenditures** - The costs of government services, which are not directly attributable to a specific municipal program or operation. Examples include debt service obligations and contributions to human service organizations.

**Non-operating Revenues** - The incomes received by the government, which are not directly attributable to providing a service. An example would be interest on investments.



## Glossary - continued

**OFM** – Office of Financial Management.

**Operating Budget** – The portion of the budget that pertains to daily operations and supports basic governmental services. An operating budget contains appropriations for expenditures such as personnel, supplies, utilities, training, travel, and fuel.

**Operating Expenses** - Proprietary fund expenses that directly relate to the fund's service activities.

**Operating Revenues** - Proprietary fund revenues that directly relate to the fund's service activities.

**Ordinance** - An enforceable municipal law, statute or regulation, that applies to all citizens within that municipality; penalty provisions may apply.

**Other Services and Charges** – A basic classification for services, other than personnel services, which are needed by the City. This item includes professional services, communications, travel and training, advertising, dues and subscriptions, printing, public utility services, repairs and maintenance.

**Overlapping Debt** – The City's proportionate share of the debt of other local governmental units which either overlap it or underlie it. The debt is generally apportioned based on assessed value.

**PERS** – Public Employees Retirement Systems provided by the State of Washington for all City employees other than Police and Fire.

**Personnel Services** – Expenditures that include all salaries, wages, and benefits for all part-time, full-time, seasonal and temporary employees.

**Property Tax** - A tax levied on the assessed value of real property.

**Proposed Budget** – The budget proposed by the Mayor to the City Council for review and approval. This can also be called a Preliminary Budget.

**Proprietary Fund** – The classification used to account for a government's ongoing organizations and activities that are similar to those often found in the private sector. There are two different types of proprietary funds: enterprise funds and internal service funds.

**R.C.W** - Revised Code of Washington.

**Real Estate Excise Tax (REET)** – The City collects a 0.5% REET on all sales of real estate within the City. These funds are restricted for capital spending that is identified in the City's capital facilities plan. Both the first and second 0.25% may be spent for the planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalk, street and road lighting systems, traffic signals, bridges, water systems, and storm and sewer systems. In addition, the first 0.25% may be spent for parks and recreation facility acquisition, as well as the planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation or improvement of law enforcement facilities, fire protection facilities, trails, and administrative and judicial facilities.

**Reserve** – An account used to indicate that a portion of a fund's assets is dedicated for or legally restricted to a specific purpose and is therefore not available for general appropriation.

**Resolution** – A formal statement of a decision or expression of an opinion of the City Council.

**Restricted Fund Balance** – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

**Revenue Bonds** - Bonds sold for which the principal and interest are payable exclusively from the earnings of a specific revenue source and which do not pledge the property credit or general tax revenue of a city.

**Revenues** - Moneys received or anticipated by a local government from either tax or non-tax sources.



## Glossary - continued

**Risk Management** – Protecting a government's assets against loss in the most efficient and effective method.

**Salaries and Wages** – Amounts paid for personnel services rendered by employees in accordance with rates, hours, terms and conditions authorized by law or stated in employment contracts.

**Special Revenue Funds** – Funds used to account for the proceeds from specific revenue sources that are legally restricted to expenditures for specific purposes.

**State Shared Revenue** – Revenues received from the State of Washington from sources like the liquor tax and gas taxes.

**Supplies** – A basic classification of expenditures for articles and commodities purchased for consumption or resale. Examples include office and operating supplies, fuel, inventory or resale items, and small tools and equipment.

**System Development Charges** – A charge levied on new construction to help pay for additional expenses created by this growth or to compensate for already existing capacity in key facilities and systems already in place which support the new development.

**Tax** - An amount levied upon individuals or property to fund government goods and services.

**Tax Exempt Property** - Property, which because of its ownership or use, is not subject to property taxation and meets state requirements for tax-exempt status.

**Tax Rate** – The amount of tax stated in terms of units per \$1,000 of assessed value of taxable property. The tax rate is the result of dividing the tax levied by the assessed value of the taxing district.

**Transportation Improvement Program (TIP)** – A TIP is required to be prepared annually and prioritizes transportation projects and potential funding sources.

**T.I.B.** - Transportation Improvement Board.

**Trust and Agency Funds** – Also known as Fiduciary Fund Types, these funds are used to account for assets held by the City in a trustee capacity or as an agent for private individuals, organizations, or other governmental agencies.

**U.F.I.C.S.** - Utilities Facilities Implementation Concurrency Strategy. Phase 1 of North Bend UFICS study is a build-out analysis report based on current zoning and compared to growth targets adopted in the comprehensive plan.

**Unappropriated Ending Fund Balance** – An amount set aside in the budget to be used as a cash carryover to the next year's budget to provide needed cash flow until other money is received. No expenditures can be made from the Unappropriated Ending Fund Balance during the fiscal year in which it is budgeted.

**User Fees** – The payment of a fee for direct receipt of a public service by the person benefiting from the service.

**Utility Local Improvement District (ULID)** - Created only for improvements to sewer, water, and other utilities and differs from a LID in that all assessment revenues must be pledged for payment of debt service of bonds issued to finance the improvements.

**UTGO** - Unlimited Tax General Obligation bonds are voter approved and retired by a tax levy commonly referred to as an excess levy.

**Vision** – An objective that lies outside the range of planning. It describes an organization's more desirable future state.

**WAC** – Washington Administrative Code.





## **Document Format**

### **Technical Editorial Team**

The budget document is developed in this manner to study and review the direction of the City of North Bend. Because a diverse audience reads the budget document, the budget must describe clearly and completely the nature and scope of policies, plans, and programs for the year. It must communicate this information at different levels and for different purposes. One of the most important functions of the budget document is to describe future implications and relationships of policies, plans, and programs to members of the public. The budget document is an opportunity for the public to acquire background information necessary to provide meaningful comment and feedback to members of the City Council and City staff during the year.

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