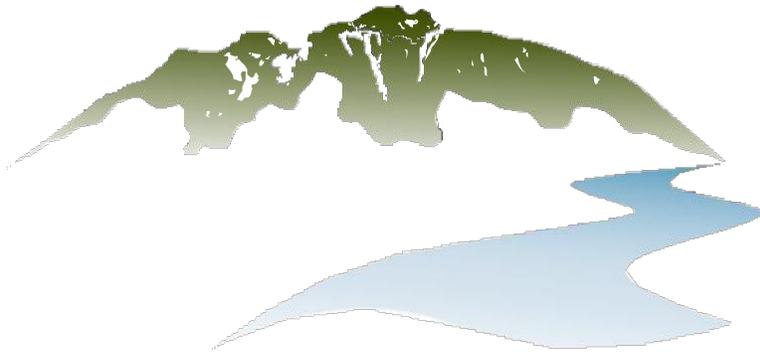


City of North Bend, Washington 2019-2020 Preliminary Biennial Budget





Cover Photo by Tami Asars



Mayor

Kenneth G. Hearing

North Bend City Council

Alan Gothelf, Mayor Pro Tem

Jonathan Rosen

Ross Loudenback

Trevor Kostanich

Brenden Elwood

Martin Volken

Christopher Garcia

North Bend Appointed Officials

Londi Lindell, City Administrator

Michael Kenyon, City Attorney

Dawn Masko, Deputy City Administrator/Finance Director

Mark Rigos, Deputy City Administrator/Public Works Director

David Miller, Community & Economic Development Director

Susie Oppedal, City Clerk

Planning Commission

Scott Heller - 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 Chris Garcia



Councilmember Martin Volken



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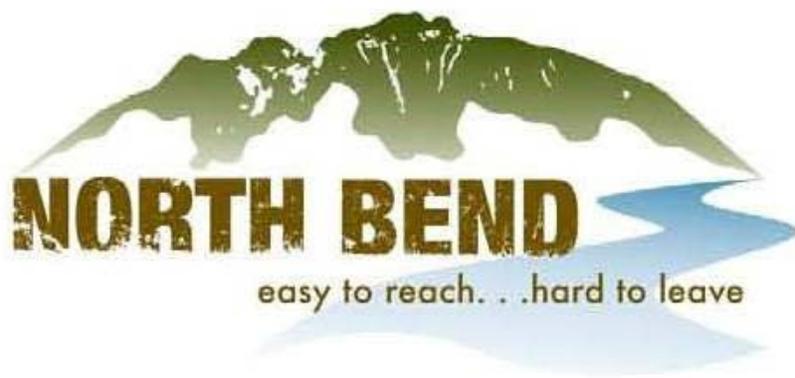
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Introduction





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of North Bend
Washington**

For the Biennium Beginning

January 1, 2017



Executive Director



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

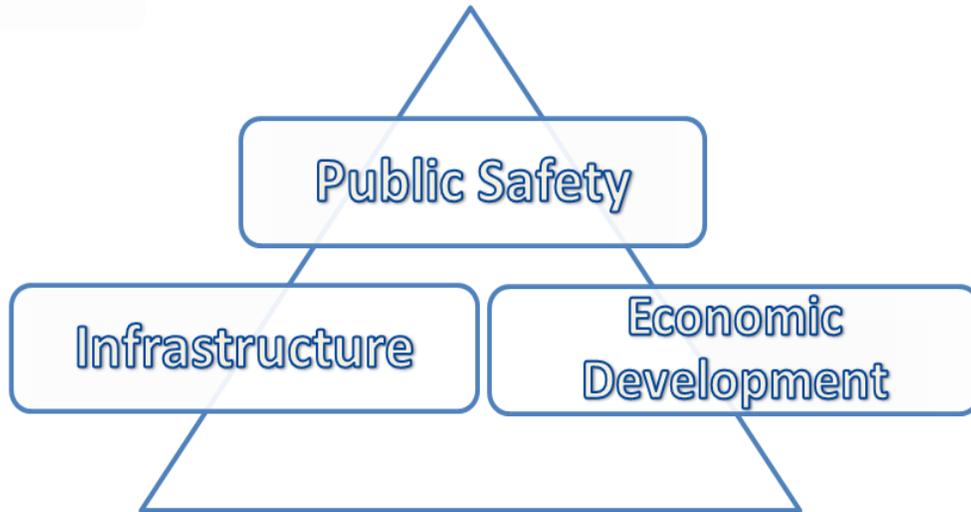
We are the small town that is creating the premiere outdoor adventure destination in the Puget Sound region.

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.

2019-2020 Mayor's Budget Message

It is with great honor that I present to you the Budget Message for the City of North Bend's 2019-2020 biennial budget. As required by law, I am presenting a balanced budget which retains the municipal services our citizens have enjoyed for many years.

We will be entering 2019 in apprehension of economic challenges appearing on the horizon for the first time since our recovery from the Great Recession. Since 2009, our city and budget have enjoyed growing revenues and corresponding expenditures. For example, we received Real Estate Excise Tax (REET) and sales tax revenue significantly higher than what we budgeted during the 2017-2018 biennium. Business & Occupation (B&O) taxes have also continued to exceed budget projections. However, at the end of this biennial budget period we are likely to be facing some financial challenges as a result of three factors: (1) Significant increases in public safety costs; (2) State law changes limiting property tax increases, reduced shared liquor tax revenues and lost revenues due to changes in state law based upon where taxes are collected (delivery vs manufacture) tax; and (3) A cooling economy resulting in declining revenues. A fourth factor is the increase of residential development versus business development resulting in lower percentage of general fund revenues from business. Business taxes have been the source of over 60% of our General Fund revenue, basically subsidizing the residential property tax rate. Although we have taken steps to right the ship, I don't anticipate a significant reversal in that trend in the next two years. It is clearly not sustainable to have your largest general fund expenditure of police and fire rising at nearly double-digit percentages while some of your revenues are restricted to an annual 1% increase. In addition to encouraging new business, we need to be looking for new and increasing sources of revenue going into the future.

In response to this concern, your staff will be advancing the parking fee proposal again which could generate up to \$50,000 a year. Further, staff is hopeful Council will be approving a Development Agreement with a reputable marijuana retail store which based upon the City of Issaquah's experience may generate upwards of \$200,000 a year. Staff will also be monitoring development activity closely

in the coming biennium and if the real estate market continues to soften resulting in a slowing in building activity, we will be looking at making operational adjustments to reduce costs.

Predicting recessions well in advance is notoriously difficult. We've all enjoyed poking fun at Londi for her crystal ball prediction of a first quarter 2019 downturn. However, I'm not laughing quite as hard anymore. Looking at key economic and market indicators can provide us advance warnings of such a possible downturn. The key to successful city operations and management is preparing properly for any adjustments in future revenues. In evaluating current economic metrics, I tend to agree we will see a slowing of our economy as soon as 2019. Economic cycles exhibit fairly consistent symptoms leading up to a recession, starting with a labor market that evolves from cool to hot and a monetary policy stance that progresses from loose to tight in response and we are seeing both right now. We have the lowest unemployment rate possibly ever experienced in the State of Washington so our labor market is extremely hot. The City has struggled to both recruit and retain great staff as a result of this statewide problem. Further, the Federal Reserve continues to increase interest rates and this change in the monetary policy generally precedes a downturn because of the adverse impact on investment.

I am hoping the City Council will be prepared to make the hard choices which may include voting to add fees or taxes to ensure we have sufficient funds to pay for important municipal services. As you recall, the Council has prioritized the delivery of municipal services with public safety being your highest priority, closely followed by maintaining basic infrastructure such as water, sewer and streets and as funds are available to deliver other city services which citizens have come to enjoy such as our wonderful events, great parks and economic development adding to our enviable quality of life.

I want to commend the City Council in its recent adoption of the sewer concurrency ordinance. As you know, your development staff have been under incredible pressure from the development community eager to add housing stock to our charming community at a time when our citizens are very concerned that such growth is not consistent with our vision that we retain our rural character and concerned your transportation system and/or utilities can't handle such growth. The Council

wisely was concerned about meeting the Growth Management Act's mandate that we have an adequate housing and jobs balance in our community, so residents can truly live, work and play in North Bend. The concurrency ordinance reserves much of our remaining sewer capacity for great commercial projects which will complement the many residential projects either already constructed or vested and in our pipeline.

One of the City's major 2019 transportation projects will be the construction of the much-anticipated North Bend Way and Downing Street Roundabout near the QFC shopping mall. Thanks to Mark Rigos and Tom Mohr for their great efforts in obtaining a \$1 million dollar grant from PSRC to help fund it. This project will result in much needed traffic mobility and pedestrian safety improvements along North Bend Way where citizens have complained about difficult merging and lane crossing problems. The City is also eager to continue to create cost-effective downtown parking. In 2018 we were able to achieve additional parking spaces on Main Street and intend to continue with efforts in this area in the coming biennium.

The City will also be investing in critical capital improvements at the Wastewater Treatment facility. These improvements are to ensure safety, reliability and redundancy for the current ratepayers. Increased capacity for new development will be paid by capital facilities charges and not by our ratepayers. During the Biennium, we will complete the Highly Critical Improvements which Council have already awarded and also complete Phase I of the work including a new building and associated piping to house the Ultraviolet Disinfection System, a new 80' diameter clarifier, renovation of the existing clarifier, new pumping, new SCADA system, new utility piping systems, paving, fencing and landscaping. The City has applied for funding from the WA State Department of Ecology to help pay for this project and will issue revenue bonds for the remaining balance.

Public safety continues to be the City's top priority. Nearly half of the City's approximate \$7.6 million dollar General Fund operations budget is allocated toward public safety services. In March 2014, the Snoqualmie Police Department assumed responsibility for police protection in North Bend. That contract expires during the next Biennium in March 2019. The City has been hard at work attempting to negotiate a renewal agreement and the Public Health and Safety Council Committee will be bringing forward a recommended contract in the near future for Council's consideration. The City is very happy with the level of service but we are concerned about the rising costs.

Another vital public safety service we provide to our citizens is life safety and fire suppression service through Eastside Fire and Rescue. We are fortunate to have Councilmember Gothelf lead this organization as the Chair and he was effective this last year in lobbying on our behalf for a smoothing of our rate which resulted in a smaller increase in our cost of services. This is one of the reasons I encourage our Councilmembers to participate in regional committees as it can result in savings to our citizens.

As discussed above and in order to ensure North Bend has a sustainable budget to continue to pay for police and fire services, as well as the other quality of life amenities, I am recommending the City Council approve the allowable 1% increase to the City of North Bend regular property tax levy for 2019. Despite the many years of work to make city government more efficient, the City continues to experience structural problems with our budget. The result of the 1% increase would be \$13,776 added to the regular tax levy of \$1,653,833 that the City collected in 2018. This increase is in addition to the increase resulting from new construction in the amount of \$73,467 that also included improvements to existing properties and increases in the value of state-assessed property, and a one-time administrative refund of \$3,980. Adding 1% to the 2018 levy plus the amount for new construction and the administrative refund would result in a new regular tax levy of \$1,745,056. The 1% increase will have the impact of costing a North Bend homeowner owning an average home

valued at \$500,000 approximately \$50 a month, a decrease of \$1 a month from the 2018 monthly amount.

In an effort to improve communications with our citizens during this last Biennium, we conducted Town Hall Meetings on parks, growth, the proposed weigh station and water rights. We issued more than 200 press releases and provided numerous comments on various social media sites. Additionally, we publish bi-monthly newsletters and regularly update the North Bend TV channel with new content. In August 2018 we launched a new website in response to citizens over the years saying our website was not intuitive and was challenging to navigate. The new website design improved the user experience by delivering a visually appealing, easy to navigate and informative site that is compatible with all devices.

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. The Biennial Budget will provide \$96,750 in 2019 and Council will make another allocation for 2020 after receiving grant requests in late 2019.

A recent economic profile and retail leakage study provides us with good information for recruiting new businesses and services to North Bend. The City will continue to step up economic development efforts by exploring fee reductions and implementing priority processing and concierge service to strengthen the City budget and to add employment and shopping opportunities to our citizens.

Every year we examine the previous budget, line by line, to ascertain what funds have been underutilized and which have been over utilized and the General Fund is balanced by using a combination of efficiencies 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 will enter 2019 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 am pleased to report and want to thank Dawn Masko and her staff for their efforts resulting in the City's revenue bond rating increasing from AA plus to an AA minus and maintaining an outstanding AA rating for the City's general obligation bonds.

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 2019 for the entire community.

In closing, I want to share with you my continued desire to make North Bend the highly livable small town that is creating the premiere outdoor adventure destination in the Puget Sound Region. Our convenient location along the I-90 corridor, surrounding natural beauty, and home town feel makes our quality of life enviable. North Bend is truly "Easy to reach and hard to leave".

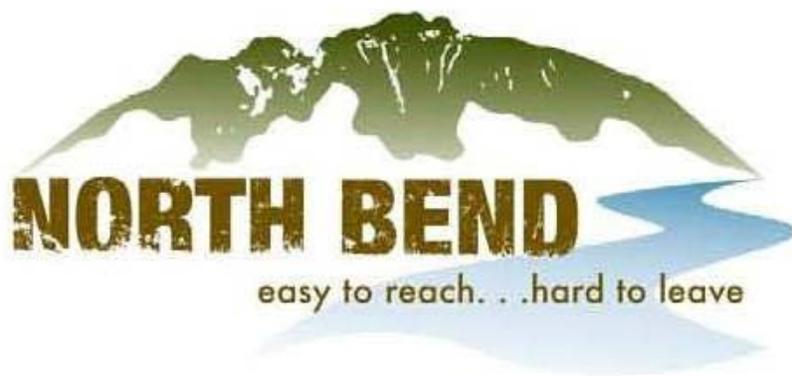
A handwritten signature in black ink, appearing to read "Kenneth G. Hearing". The signature is written in a cursive, flowing style.

Kenneth G. Hearing
Mayor





Budget Guide



Budget Overview

The 2019-2020 Preliminary Biennial Budget totals \$74,261,253 in all funds, including \$30,770,002 million in operating funds. The budget is adopted as separate appropriations for each year, with the 2019 preliminary budget totaling \$40,214,003 and the 2020 preliminary budget totaling \$34,047,250.

The General Fund budget is balanced using conservative revenue estimates dictated by the City's Financial Policies. The 2019 preliminary budget of \$9,031,744 is 0.9% more than the 2018 revised budget of \$8.9 million, while the 2020 preliminary budget of \$9,355,263 is 3.6% more than the 2019 preliminary budget.

Revenues

Total preliminary resources for 2019 are \$78,421,372, including a projected beginning fund balance for all funds in 2019 of \$23,107,275 and total revenues of \$55,314,097. Total preliminary resources for 2020 are \$66,107,425, including a projected beginning fund balance of \$38,180,907 and revenues of \$27,926,518.

The preliminary budget does not include the 1% inflationary increase in the property tax levy as allowed by state law. This amount will be included if the City Council chooses to take the allowed increase. Total assessed city property values increased by \$95 million (7.0%) to \$1.456 billion. Of this increase, \$60.3 million was the result of new construction. The 2019 estimated regular property tax rate is \$1.19 and the voted debt levy is \$0.12, for a total of \$1.31 per \$1,000 of assessed valuation. Based on this rate, the City's share of property tax on a house valued at \$500,000 would be \$655. The 2018 total levy rate is \$1.35. 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.

Expenditures

Total preliminary expenditures for 2019 are \$40,240,465 and \$34,032,804 for 2020. The 2019 proposed budget is \$2.1 million or 5.6% more than the 2018 estimated expenditures. The increase is primarily due to capital spending and the related transfers of resources to specific projects, increased public safety contract costs, debt service payments for City Hall and sewer capital projects, and increased sewer operations costs due to enhanced staffing levels and replacement of aging equipment. The 2020 proposed budget is \$6.0 million or 14.9% less than the 2019 proposed budget. Again, this is mostly due to timing of capital improvement projects. The 2019 proposed budget for operating expenditures (total

expenditures minus transfers, certain one-time expenditures, and capital outlays) is \$15,164,074 compared to \$15,191,699 estimated expenses in 2018. The 2020 proposed operating expenditures budget across all funds is \$15,547,013.

Ending fund balances are expected to be \$38,180,907 at the end of 2019 and \$32,074,621 by the end of 2020. This decrease is primarily due to the utilization of bond proceeds for the City Hall and Wastewater Treatment Plant capital projects. A \$1,381,511 ending balance is projected for the General Fund in 2019 and \$807,217 in 2020 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.

Budget Document

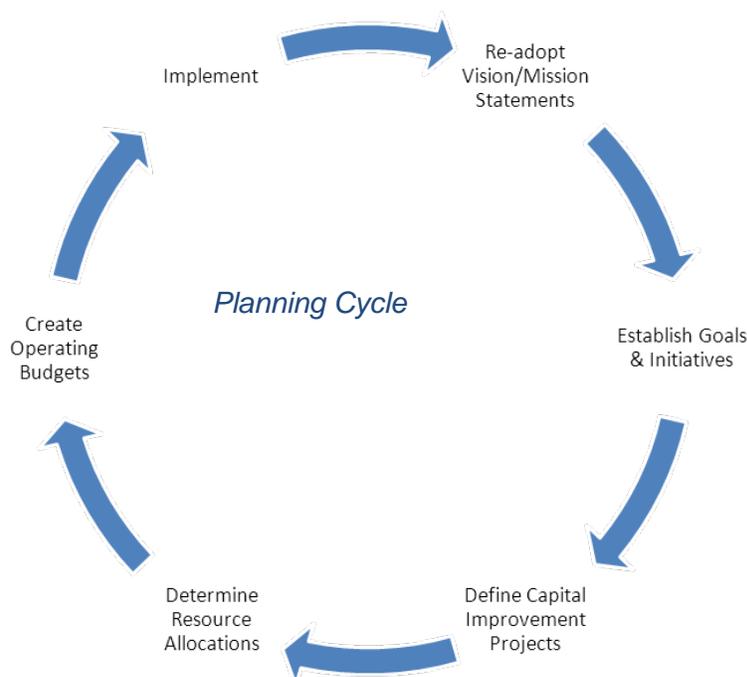
The budget document serves two distinct purposes:

- 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.

2019-2020 BUDGET PROCESS CALENDAR

AUGUST

21st (Tuesday) (Regular Council Meeting)

- Motion approving 2019-2020 Budget Calendar

28th (Tuesday)

- Finance sends budget requests (Decision Cards) to Council

SEPTEMBER

13th (Thursday)

- Council & Management Decision Cards Due

OCTOBER

1st (Monday)

- 2019-2020 Preliminary Budget Estimates to City Council

9th (Tuesday)

- Budget Workshop #1 – Preliminary Budget Review
 - Review of 2019-2020 Proposed Budget
 - Human Services Grant Requests
 - Decision Card Review

NOVEMBER

2nd (Friday)

- Preliminary Budget & Budget Message to City Council and City Clerk (official budget filing per RCW)

6th (Tuesday) (Regular Council Meeting)

- Public Hearing – 2019 Property Tax Levy
- Ordinance Adopting 2019 Property Tax Levy
- Public Hearing – 2019-2020 Budget

20th (Tuesday) (Regular Council Meeting)

- 2019-2020 Preliminary Budget Presentation
- Public Hearing – 2019-2020 Budget Ordinance
- 1st Reading – 2019-2020 Budget Ordinance

DECEMBER

4th (Tuesday) (Regular Council Meeting)

- Council Adoption of 2019-2020 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, Development Projects (CED) Fund,** and the **Transportation Benefit District 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, 2016 LTGO (Line of Credit) Bond Fund,** and the **2018 LTGO 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

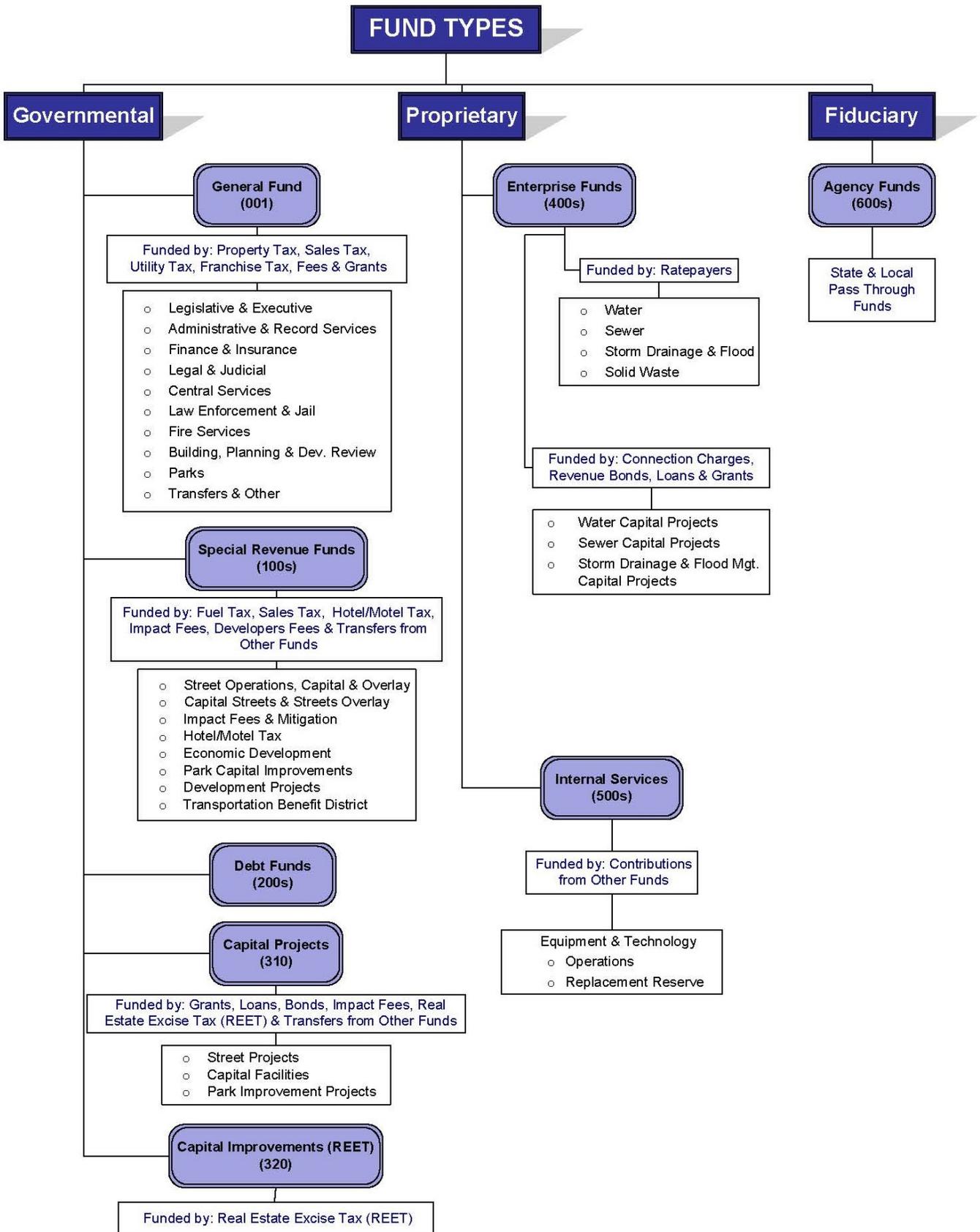
These funds account for operations that provide goods or services to the general public and are supported primarily by user charges. The **Water Utility Fund**, the **Sewer Utility Fund**, the **Storm Drainage & Flood Operations Fund**, and the **Solid Waste & Recycling Operations Fund** are enterprise 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 one fund in this category – the **Treasurers Trust Fund**. This fund is not budgeted as part of the City's general budget.



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 properly 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.

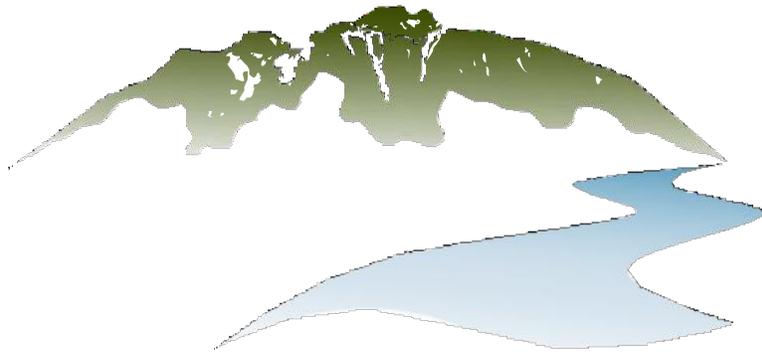
Budgets and Budgetary Accounting

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

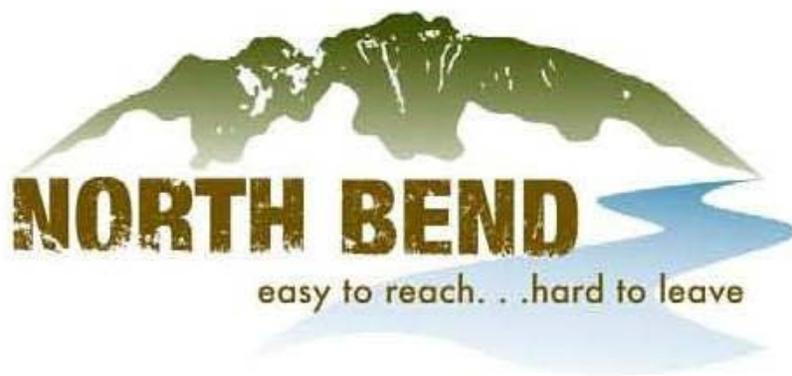
The City recognizes its ethical and fiduciary responsibility to its citizens to carefully account for public funds, wisely manage municipal finances, and plan adequate funding for the services and facilities desired and needed by the public.

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 2018 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



2019 Budget Summary

City of North Bend 2019 Proposed Budget Summary

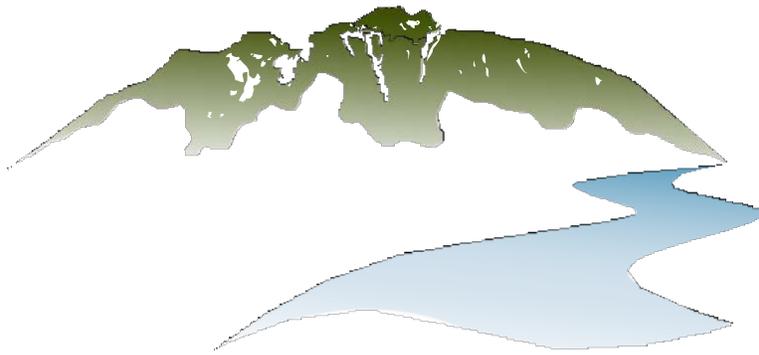
Fund	Fund Name	Beginning Fund Balance	Revenues	Expenditures	Ending Fund Balance
001	General Fund	\$ 1,410,474	\$ 8,962,591	\$ 9,031,744	\$ 1,341,321
101	Street Operations Fund	-	832,722	832,722	-
102	Capital Streets Fund	62,427	176,710	169,235	69,902
103	Streets Overlay Fund	234,799	385,686	300,000	320,485
106	Impact Fees & Mitigation Fund	2,210,732	4,240,308	982,659	5,468,381
107	Hotel/Motel Tax Fund	2,152	14,150	15,000	1,302
108	Economic Development Fund	-	210,442	210,442	-
116	Park Improvement Fund	73,491	16,175	-	89,666
117	Park Maintenance Reserve Fund	-	10,000	-	10,000
125	Development Projects Fund	296,219	1,400,000	1,426,000	270,219
190	Transportation Benefit District Fund	1,175,708	548,500	706,625	1,017,583
216	2011 Fire Station Bond Fund	184,733	177,475	177,975	184,233
217	2012 LTGO (TBD) Bond Fund	200	147,425	147,425	200
218	2015 LTGO Bond Fund	-	189,962	189,962	-
219	2015 LTGO (LOC) Bond Fund	-	730,000	730,000	-
220	2018 LTGO Bond Fund	-	247,097	247,097	-
310	Municipal Projects Fund	3,091,055	4,458,658	7,111,530	438,183
320	Capital Improvements (REET) Fund	1,505,864	598,000	1,181,362	922,502
401	Water Utility Fund	734,330	5,050,162	2,875,157	2,909,335
402	Sewer Utility Fund	4,273,043	23,577,471	10,589,386	17,261,128
404	Storm Drainage Utility Fund	339,965	1,290,364	1,240,416	389,913
404	Flood Operations Fund	516,489	186,570	240,967	462,092
405	Solid Waste & Recycling Fund	351,192	107,190	58,874	399,508
451	ULID #6 Bond Redemption Fund	4,474,074	967,373	1,336,800	4,104,647
452	ULID #6 Bond Reserve Fund	1,382,187	14,500	38,238	1,358,449
501	Equipment Operating Fund	-	312,974	312,974	-
501	Technology Operating Fund	-	187,479	187,479	-
502	Equipment Reserve Fund	844,285	204,331	-	1,048,616
502	Technology Reserve Fund	180,158	69,782	23,934	226,006
GRAND TOTAL:		\$ 23,343,577	\$ 55,314,097	\$ 40,364,003	\$ 38,293,671

2019 Resources by Category

2019 PROPOSED RESOURCES BY CATEGORY (ALL FUNDS)											
FUND TITLE	Fund #	Beginning Balance	Taxes	Licenses & Permits	Intergovt. Revenues	Charges for Goods & Services	Fines & Penalties	Interest, Miscellaneous & Capital Contributions	Interfund Transfers In	Other Financing Sources	Total Budget
GENERAL FUND	001	\$ 1,410,474	\$6,490,873	\$ 949,142	\$ 128,636	\$ 707,610	\$80,800	\$ 69,530	\$ 536,000	\$ -	\$10,373,065
SPECIAL REVENUE FUNDS											
Street Operations	101	-	-	12,000	110,843	-	-	-	709,879	-	832,722
Capital Streets	102	62,427	47,730	-	-	-	-	-	128,980	-	239,137
Streets Overlay	103	234,799	-	-	-	-	-	-	385,686	-	620,485
Impact Fees	106	2,210,732	-	-	-	4,240,308	-	-	-	-	6,451,040
Hotel/Motel Tax	107	2,152	14,150	-	-	-	-	-	-	-	16,302
Economic Development	108	-	-	-	6,500	2,100	-	1,100	200,742	-	210,442
Park Improvement	116	73,491	-	-	16,175	-	-	-	-	-	89,666
Park Maintenance Reserve	117	-	-	-	-	-	-	-	10,000	-	10,000
Development Projects	125	296,219	-	-	-	1,400,000	-	-	-	-	1,696,219
Transportation Benefit District	190	1,175,708	536,500	-	-	-	-	12,000	-	-	1,724,208
DEBT SERVICE FUNDS											
2011 UTGO Fire Station Bond	216	184,733	177,475	-	-	-	-	-	-	-	362,208
2012 LTGO (TBD) Bond Redem	217	200	-	-	-	-	-	-	147,425	-	147,625
2015 LTGO Bonds	218	-	-	-	-	-	-	-	189,962	-	189,962
2016 LTGO (LOC) Bonds	219	-	-	-	-	-	-	-	730,000	-	730,000
2018 LTGO Bonds	220	-	-	-	-	-	-	-	247,097	-	247,097
CAPITAL FUNDS											
Municipal Capital Projects	310	3,091,055	-	-	1,321,038	-	-	-	1,837,620	1,300,000	7,549,713
Capital Improvements (REET)	320	1,505,864	593,000	-	-	-	-	5,000	-	-	2,103,864
ENTERPRISE FUNDS											
Water Utility	401	734,330	-	-	1,800,000	2,155,030	-	933,767	-	161,365	5,784,492
Sewer Utility	402	4,273,043	-	-	-	3,214,965	-	2,737,733	-	17,624,773	27,850,514
Storm Drainage Utility	404	339,965	-	-	-	710,500	-	579,864	-	-	1,630,329
Flood Operations	404	516,489	-	5,000	-	175,170	-	6,400	-	-	703,059
Solid Waste & Recycling	405	351,192	-	82,030	21,900	-	-	3,260	-	-	458,382
ULID #6 Bond Redemption	451	4,474,074	-	-	-	-	-	929,135	38,238	-	5,441,447
ULID #6 Bond Reserve	452	1,382,187	-	-	-	-	-	14,500	-	-	1,396,687
INTERNAL SERVICE											
Shop/Equipment Operating	501	-	-	-	-	312,974	-	-	-	-	312,974
Technology Operating	501	-	-	-	-	187,479	-	-	-	-	187,479
Equipment Reserve	502	844,285	-	-	-	204,331	-	-	-	-	1,048,616
Technology Reserve	502	180,158	-	-	-	69,782	-	-	-	-	249,940
GRAND TOTAL		\$23,343,577	\$7,859,728	\$1,048,172	\$3,405,092	\$13,380,249	\$80,800	\$ 5,292,289	\$5,161,629	\$19,086,138	\$78,657,674

2019 Expenditures by Category

2019 PROPOSED 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
General Fund	001										
Mayor & City Council		\$ 78,842	\$ -	\$ 6,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,142
Administration & Finance		766,315	1,000	48,885	-	-	-	-	-	-	816,200
Legal & Judicial		-	-	337,200	140,100	-	-	-	-	-	477,300
Central Services		7,329	14,000	204,666	-	-	-	-	-	-	225,995
Law Enforcement & Jail		-	500	7,100	2,312,000	-	-	-	-	-	2,319,600
Fire Services & Emergency Mgmt		-	1,100	1,174,978	9,000	43,520	-	-	-	-	1,228,598
Building & Planning		933,802	18,050	232,710	-	1,841	-	-	-	-	1,186,403
Parks, Culture & Recreation		505,352	11,500	273,654	-	-	-	-	-	-	790,506
Social & Human Services		-	-	96,750	-	-	-	-	-	-	96,750
Public Works & Engineering		187,595	-	1,250	4,488	-	-	-	-	-	193,333
Other Expenditures & Transfers		-	8,000	139,722	49,200	-	-	1,414,995	-	-	1,611,917
Ending Fund Balance		-	-	-	-	-	-	-	-	1,341,321	1,341,321
TOTAL GENERAL FUND		\$ 2,479,235	\$ 54,150	\$ 2,523,215	\$ 2,514,788	\$ 45,361	\$ -	\$ 1,414,995	\$ -	\$ 1,341,321	\$ 10,373,065
Street Operations	101	468,616	18,148	310,947	3,211	-	31,800	-	-	-	832,722
Capital Streets	102	54,072	-	158	-	-	-	115,005	-	69,902	239,137
Street Overlay	103	-	-	-	-	300,000	-	-	-	320,485	620,485
Impact Fees	106	-	-	-	36,602	-	500	784,192	161,365	5,468,381	6,451,040
Hotel/Motel Tax	107	-	-	-	-	-	-	15,000	-	1,302	16,302
Economic Development	108	153,965	1,800	48,477	-	6,200	-	-	-	-	210,442
Park Improvement	116	-	-	-	-	-	-	-	-	89,666	89,666
Park Maintenance Reserve	117	-	-	-	-	-	-	-	-	10,000	10,000
Development Projects	125	-	-	890,000	-	-	-	536,000	-	270,219	1,696,219
Transportation Benefit District	190	-	-	-	-	559,200	-	147,425	-	1,017,583	1,724,208
2011 UTGO Fire Station Bond	216	-	-	-	-	-	177,975	-	-	184,233	362,208
2012 LTGO (TBD) Bond Redemp	217	-	-	-	-	-	147,425	-	-	200	147,625
2015 LTGO Bonds	218	-	-	-	-	-	189,962	-	-	-	189,962
2016 LTGO (LOC) Bonds	219	-	-	-	-	-	730,000	-	-	-	730,000
2018 LTGO Bonds	220	-	-	-	-	-	247,097	-	-	-	247,097
Municipal Capital Projects	310	-	-	-	150,000	6,961,530	-	-	-	438,183	7,549,713
Capital Improvements	320	-	-	-	-	-	31,800	1,149,562	-	922,502	2,103,864
Water	401	996,866	99,700	868,307	1,211	661,590	247,483	-	-	2,909,335	5,784,492
Sewer	402	1,382,533	64,700	826,034	1,211	6,604,116	980,792	730,000	-	17,261,128	27,850,514
Storm Drainage	404	460,898	2,200	169,787	1,211	200,000	155,400	250,920	-	389,913	1,630,329
Flood	404	167,322	950	72,695	-	-	-	-	-	462,092	703,059
Solid Waste	405	41,727	-	17,147	-	-	-	-	-	399,508	458,382
ULID #6 Bond Rdmpt.	451	-	-	-	-	-	1,336,800	-	-	4,104,647	5,441,447
ULID #6 Bond Reserve	452	-	-	-	-	-	-	38,238	-	1,358,449	1,396,687
Shop/Equipment Operating	501	142,994	55,500	81,504	1,211	-	31,765	-	-	-	312,974
Technology Operating	501	20,224	2,500	157,191	-	7,564	-	-	-	-	187,479
Equipment Reserve	502	-	-	-	-	-	-	-	-	1,048,616	1,048,616
Technology Reserve	502	-	-	-	-	23,934	-	-	-	226,006	249,940
GRAND TOTAL ALL FUNDS		\$ 6,368,452	\$ 299,648	\$ 5,965,462	\$ 2,709,445	\$15,369,495	\$ 4,308,799	\$ 5,181,337	\$ 161,365	\$ 38,293,671	\$ 78,657,674



2020 Budget Summary

City of North Bend 2020 Proposed Budget Summary

Fund	Fund Name	Beginning Fund Balance	Revenues	Expenditures	Ending Fund Balance
001	General Fund	\$ 1,341,322	\$ 8,775,016	\$ 9,355,263	\$ 761,075
101	Street Operations Fund	-	834,647	834,647	-
102	Capital Streets Fund	69,902	178,652	160,131	88,423
103	Streets Overlay Fund	320,485	391,590	300,000	412,075
106	Impact Fees & Mitigation Fund	5,468,381	3,120,822	18,300	8,570,903
107	Hotel/Motel Tax Fund	1,302	14,300	14,000	1,602
108	Economic Development Fund	-	233,057	233,057	-
116	Park Improvement Fund	89,666	16,500	-	106,166
117	Park Maintenance Reserve Fund	10,000	10,000	-	20,000
125	Development Projects Fund	270,219	1,300,000	1,380,000	190,219
190	Transportation Benefit District Fund	1,017,583	558,000	152,550	1,423,033
216	2011 Fire Station Bond Fund	184,233	178,275	178,775	183,733
217	2012 LTGO (TBD) Bond Fund	200	149,050	149,050	200
218	2015 LTGO Bond Fund	-	196,405	196,405	-
219	2016 LTGO (LOC) Bond Fund	-	-	-	-
220	2018 LTGO Bond Fund	-	248,300	248,300	-
310	Municipal Projects Fund	438,183	-	-	438,183
320	Capital Improvements (REET) Fund	922,502	565,000	382,596	1,104,906
401	Water Utility Fund	2,909,335	2,457,733	2,245,704	3,121,364
402	Sewer Utility Fund	17,261,128	5,615,974	15,274,545	7,602,557
404	Storm Drainage Utility Fund	389,913	1,104,939	787,305	707,547
404	Flood Operations Fund	462,092	190,500	251,884	400,708
405	Solid Waste & Recycling Fund	399,508	113,205	59,182	453,531
451	ULID #6 Bond Redemption Fund	4,104,647	876,189	1,303,800	3,677,036
452	ULID #6 Bond Reserve Fund	1,358,449	14,000	-	1,372,449
501	Equipment Operating Fund	-	329,920	329,920	-
501	Technology Operating Fund	-	188,386	188,386	-
502	Equipment Reserve Fund	1,048,616	203,249	-	1,251,865
502	Technology Reserve Fund	226,006	62,809	3,450	285,365
GRAND TOTAL:		\$ 38,293,672	\$ 27,926,518	\$ 34,047,250	\$ 32,172,940

2020 Resources by Category

2020 PROPOSED RESOURCES BY CATEGORY (ALL FUNDS)

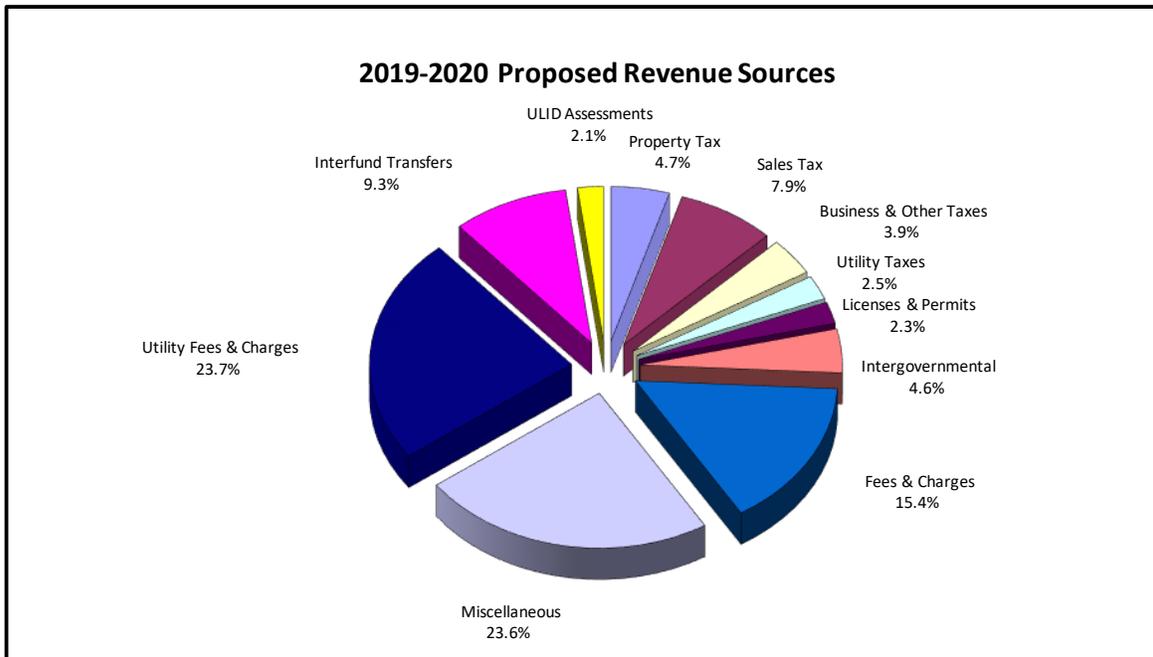
FUND TITLE	Fund #	Beginning Balance	Taxes	Licenses & Permits	Intergovt. Revenues	Charges for Goods & Services	Fines & Penalties	Interest, Miscellaneous & Capital Contributions	Interfund Transfers In	Other Financing Sources	Total Budget
GENERAL FUND	001	\$ 1,341,322	\$6,686,561	\$ 745,555	\$ 132,385	\$ 526,350	\$83,650	\$ 60,515	\$ 540,000	\$ -	\$ 10,116,338
SPECIAL REVENUE FUNDS											
Street Operations	101	-	-	12,300	114,009	-	-	-	708,338	-	834,647
Capital Streets	102	69,902	49,152	-	-	-	-	-	129,500	-	248,554
Streets Overlay	103	320,485	-	-	-	-	-	-	391,590	-	712,075
Impact Fees	106	5,468,381	-	-	-	3,120,822	-	-	-	-	8,589,203
Hotel/Motel Tax	107	1,302	14,300	-	-	-	-	-	-	-	15,602
Economic Development	108	-	-	-	6,500	2,100	-	1,100	223,357	-	233,057
Park Improvement	116	89,666	-	-	16,500	-	-	-	-	-	106,166
Park Maintenance Reserve	117	10,000	-	-	-	-	-	-	10,000	-	20,000
Development Projects	125	270,219	-	-	-	1,300,000	-	-	-	-	1,570,219
Transportation Benefit District	190	1,017,583	544,000	-	-	-	-	14,000	-	-	1,575,583
DEBT SERVICE FUNDS											
2011 UTGO Fire Station Bond	216	184,233	178,275	-	-	-	-	-	-	-	362,508
2012 LTGO (TBD) Bond Redem	217	200	-	-	-	-	-	-	149,050	-	149,250
2015 LTGO Bonds	218	-	-	-	-	-	-	-	196,405	-	196,405
2016 LTGO (LOC) Bonds	219	-	-	-	-	-	-	-	-	-	-
2018 LTGO Bonds	220	-	-	-	-	-	-	-	248,300	-	248,300
CAPITAL FUNDS											
Municipal Capital Projects	310	438,183	-	-	-	-	-	-	-	-	438,183
Capital Improvements (REET)	320	922,502	560,000	-	-	-	-	5,000	-	-	1,487,502
ENTERPRISE FUNDS											
Water Utility	401	2,909,335	-	-	-	2,174,365	-	283,368	-	-	5,367,068
Sewer Utility	402	17,261,128	-	-	-	3,609,198	-	2,006,776	-	-	22,877,102
Storm Drainage Utility	404	389,913	-	-	-	722,500	-	382,439	-	-	1,494,852
Flood Operations	404	462,092	-	5,500	-	178,500	-	6,500	-	-	652,592
Solid Waste & Recycling	405	399,508	-	84,080	25,800	-	-	3,325	-	-	512,713
ULID #6 Bond Redemption	451	4,104,647	-	-	-	-	-	876,189	-	-	4,980,836
ULID #6 Bond Reserve	452	1,358,449	-	-	-	-	-	14,000	-	-	1,372,449
INTERNAL SERVICE											
Shop/Equipment Operating	501	-	-	-	-	329,920	-	-	-	-	329,920
Technology Operating	501	-	-	-	-	188,386	-	-	-	-	188,386
Equipment Reserve	502	1,048,616	-	-	-	203,249	-	-	-	-	1,251,865
Technology Reserve	502	226,006	-	-	-	62,809	-	-	-	-	288,815
GRAND TOTAL		\$38,293,672	\$8,032,288	\$ 847,435	\$ 295,194	\$12,418,199	\$83,650	\$ 3,653,212	\$2,596,540	\$ -	\$66,220,190

2020 Expenditures by Category

2020 PROPOSED 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
General Fund	001										
Mayor & City Council		\$ 79,424	\$ -	\$ 6,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,724
Administration & Finance		756,006	-	43,670	24,650	-	-	-	-	-	824,326
Legal & Judicial		-	-	344,900	147,100	-	-	-	-	-	492,000
Central Services		7,482	13,500	215,785	-	-	-	-	-	-	236,767
Law Enforcement & Jail		-	500	5,660	2,430,000	64,178	-	-	-	-	2,500,338
Fire Services & Emergency Mgmt		-	1,100	1,222,134	9,300	44,825	-	-	-	-	1,277,359
Building & Planning		985,785	10,600	205,849	-	-	-	-	-	-	1,202,234
Parks, Culture & Recreation		537,411	11,500	269,352	-	-	-	-	-	-	818,263
Social & Human Services		-	-	96,750	-	-	-	-	-	-	96,750
Public Works & Engineering		194,437	-	1,250	4,359	-	-	-	-	-	200,046
Other Expenditures & Transfers		-	8,000	145,171	44,500	-	-	1,423,785	-	-	1,621,456
Ending Fund Balance		-	-	-	-	-	-	-	-	761,075	761,075
TOTAL GENERAL FUND		\$ 2,560,545	\$ 45,200	\$ 2,556,821	\$ 2,659,909	\$ 109,003	\$ -	\$ 1,423,785	\$ -	\$ 761,075	\$ 10,116,338
Street Operations	101	467,206	18,148	315,159	3,176	-	30,958	-	-	-	834,647
Capital Streets	102	41,896	-	168	-	-	-	118,067	-	88,423	248,554
Street Overlay	103	-	-	-	-	300,000	-	-	-	412,075	712,075
Impact Fees	106	-	-	-	18,300	-	-	-	-	8,570,903	8,589,203
Hotel/Motel Tax	107	-	-	-	-	-	-	14,000	-	1,602	15,602
Economic Development	108	174,393	1,800	51,864	-	5,000	-	-	-	-	233,057
Park Improvement	116	-	-	-	-	-	-	-	-	106,166	106,166
Park Maintenance Reserve	117	-	-	-	-	-	-	-	-	20,000	20,000
Development Projects	125	-	-	890,000	-	-	-	490,000	-	190,219	1,570,219
Transportation Benefit District	190	-	-	-	3,500	-	-	149,050	-	1,423,033	1,575,583
2011 UTGO Fire Station Bond	216	-	-	-	-	-	178,775	-	-	183,733	362,508
2012 LTGO (TBD) Bond Redemp	217	-	-	-	-	-	149,050	-	-	200	149,250
2015 LTGO Bonds	218	-	-	-	-	-	196,405	-	-	-	196,405
2016 LTGO (LOC) Bonds	219	-	-	-	-	-	-	-	-	-	-
2018 LTGO Bonds	220	-	-	-	-	-	248,300	-	-	-	248,300
Municipal Capital Projects	310	-	-	-	-	-	-	-	-	438,183	438,183
Capital Improvements	320	-	-	-	-	-	30,958	351,638	-	1,104,906	1,487,502
Water	401	1,010,108	100,000	881,821	8,176	-	245,599	-	-	3,121,364	5,367,068
Sewer	402	1,407,720	65,700	851,288	10,951	11,352,308	1,586,578	-	-	7,602,557	22,877,102
Storm Drainage	404	461,480	2,200	170,116	1,951	-	151,558	-	-	707,547	1,494,852
Flood	404	178,409	950	72,245	280	-	-	-	-	400,708	652,592
Solid Waste	405	41,997	-	17,185	-	-	-	-	-	453,531	512,713
ULID #6 Bond Rdmpt.	451	-	-	-	-	-	1,303,800	-	-	3,677,036	4,980,836
ULID #6 Bond Reserve	452	-	-	-	-	-	-	-	-	1,372,449	1,372,449
Shop/Equipment Operating	501	156,706	57,165	83,950	1,176	-	30,923	-	-	-	329,920
Technology Operating	501	20,928	2,500	163,908	-	1,050	-	-	-	-	188,386
Equipment Reserve	502	-	-	-	-	-	-	-	-	1,251,865	1,251,865
Technology Reserve	502	-	-	-	-	3,450	-	-	-	285,365	288,815
GRAND TOTAL ALL FUNDS		\$ 6,521,388	\$ 293,663	\$ 6,054,525	\$ 2,707,419	\$ 11,770,811	\$ 4,152,904	\$ 2,546,540	\$ -	\$ 32,172,940	\$ 66,220,190

Revenues & Other Sources Summary

Description	2016 Actual	2017 Actual	2018 Revised	2018 YE Estimate	2019 Proposed	2020 Proposed
Property Tax	1,688,015	1,697,274	1,827,428	1,827,428	1,906,020	1,987,513
Sales Tax	2,457,580	3,016,727	3,327,675	3,368,760	3,236,440	3,324,355
Hotel/Motel Tax	13,225	14,143	14,000	14,000	14,150	14,300
Business & Excise Taxes	902,687	1,011,527	1,044,028	1,063,848	1,029,028	1,045,328
Utility Taxes	952,760	1,058,062	990,000	1,000,000	1,033,360	1,051,640
Real Estate Excise Tax	556,108	592,791	1,000,000	1,000,000	593,000	560,000
Franchise Fees	174,109	195,485	200,110	191,123	194,230	197,380
Licenses & Permits	244,341	482,374	633,763	639,946	853,942	650,055
Intergovernmental	516,197	1,425,299	2,063,287	2,063,617	3,452,822	344,346
Charges for Goods & Services	1,743,402	3,661,376	4,492,197	4,536,941	6,350,018	4,949,272
Utility Collections	4,644,073	5,689,286	5,829,039	5,827,763	6,255,665	6,684,563
Interfund Charges for Services	518,429	712,457	820,540	820,539	774,566	784,364
Fines & Penalties	103,281	85,712	80,100	77,060	80,800	83,650
Interest & Miscellaneous	247,669	322,933	785,576	902,253	224,690	201,740
ULID Assessments	3,738,102	1,389,942	1,072,938	1,072,938	887,535	836,189
Capital Contributions	488,857	2,194,376	2,296,050	2,296,050	4,180,064	2,615,283
Interfund Transfers	2,544,731	5,364,858	10,106,952	9,545,398	5,161,629	2,596,540
Other Financing Sources & Non-Revenues	466,314	2,792,219	5,196,500	5,794,253	19,086,138	-
Beginning Fund Balances	<u>13,936,050</u>	<u>17,337,980</u>	<u>20,276,015</u>	<u>20,276,015</u>	<u>23,343,577</u>	<u>38,293,672</u>
Total Revenue From All Sources	<u>\$ 35,935,928</u>	<u>\$ 49,044,819</u>	<u>\$ 62,056,198</u>	<u>\$ 62,317,932</u>	<u>\$ 78,657,674</u>	<u>\$ 66,220,190</u>



Expenditures & Other Uses Summary

Description	2016 Actual	2017 Actual	2018 Revised	2018 YE Estimate	2019 Proposed	2020 Proposed
Operations Expenditures						
Mayor & City Council	\$ 49,386	\$ 49,009	\$ 90,698	\$ 89,502	\$ 85,142	\$ 85,724
Administration	374,746	415,429	506,720	502,477	543,133	520,535
Court Services	64,812	85,526	150,100	150,000	140,100	147,100
Legal	237,330	258,060	330,600	321,000	337,200	344,900
Finance	257,412	256,607	297,602	294,056	273,067	303,791
Central Services	160,364	203,446	227,357	221,381	225,995	236,767
Law Enforcement	1,473,848	1,510,027	1,849,058	1,849,358	1,969,600	2,086,160
Fire Services	1,003,231	1,043,757	1,126,021	1,125,924	1,181,978	1,229,934
Jail Contract	359,394	435,139	400,000	400,000	350,000	350,000
Emergency Management	1,404	1,836	7,602	7,149	3,100	2,600
Building	351,312	319,296	562,159	557,147	601,952	634,567
Facility Engineering	111,423	217,884	225,546	225,455	188,845	195,687
Human Services	71,500	80,000	92,000	92,000	96,750	96,750
Meadowbrook Farm	10,000	10,000	20,000	20,000	20,000	10,000
Planning	496,498	404,242	604,835	593,125	582,610	567,667
Culture & Recreation	56,618	74,189	118,038	111,935	119,349	121,488
Historical Museum	3,000	3,000	3,000	3,000	3,000	3,000
Parks	532,489	593,235	978,237	976,251	684,759	702,075
Land & Building Management	672,827	888,155	1,008,617	1,008,617	894,488	894,359
Non-Departmental	130,196	149,554	188,104	164,394	196,922	197,671
Street Operations	725,339	791,847	870,220	861,560	855,152	849,253
Economic Development	140,631	186,808	243,453	234,894	204,242	228,057
Total Operations Expenditures	7,283,761	7,977,044	9,899,967	9,809,225	9,557,384	9,808,085
Proprietary Expenditures						
Water Utility	1,188,795	1,532,116	2,129,587	2,087,308	1,966,084	2,000,105
Sewer Utility	1,578,683	1,717,010	2,080,416	2,055,109	2,274,478	2,335,659
Storm Drainage Utility	477,735	550,243	657,081	654,567	634,096	635,747
Flood Operations	169,380	197,020	269,058	269,051	240,967	251,884
Solid Waste & Recycling	39,358	53,177	58,277	57,707	58,874	59,182
ULID #6	76,708	14,124	82,500	82,500	-	-
Shop Operations	223,651	232,497	295,684	295,649	281,209	298,997
Technology Operations	150,488	135,717	171,270	171,270	179,915	187,336
Total Proprietary Expenditures	3,904,798	4,431,904	5,743,873	5,673,161	5,635,623	5,768,910
Total Operating Expenditures	11,188,559	12,408,949	15,643,840	15,482,386	15,193,007	15,576,995
Other Financing Uses						
Capital Outlay	163,718	185,555	733,982	734,390	78,059	113,503
Capital Improvements	1,834,777	7,106,171	13,480,729	10,332,806	15,291,436	11,657,308
Debt Service	2,844,900	2,816,907	2,934,362	2,892,773	4,308,799	4,152,904
Interfund Transfers	2,544,731	5,364,858	10,061,645	9,527,000	5,181,337	2,546,540
Non-Expenditures	21,263	886,365	725,000	725,000	161,365	-
Total Other Financing Uses	7,409,389	16,359,855	27,935,718	24,211,969	25,020,996	18,470,255
Total Expenditures & Other Uses	18,597,948	28,768,804	43,579,558	39,694,355	40,214,003	34,047,250
Ending Fund Balances	17,337,980	20,276,015	19,196,640	23,343,577	38,293,671	32,172,940
Total Expenditures, Other Uses & Fund Balances	\$ 35,935,928	\$ 49,044,819	\$ 62,776,198	\$ 63,037,932	\$ 78,507,674	\$ 66,220,190

Revenue Summary by Fund

	2016 Actual	2017 Actual	2018 Revised	2018 YE Estimate	2019 Proposed	2020 Proposed
General Fund	\$ 8,102,018	\$ 9,279,464	\$ 10,251,874	\$ 10,267,132	\$ 10,373,065	\$ 10,116,338
Street Operations Fund	691,634	770,263	848,788	840,610	832,722	834,647
Capital Streets Fund	187,731	212,726	225,789	225,789	239,137	248,554
Streets Overlay Fund	268,079	539,335	849,405	849,405	620,485	712,075
Impact Fees & Mitigation Fund	1,548,508	4,325,714	4,548,471	4,625,475	6,451,040	8,589,203
Hotel/Motel Tax Fund	21,010	21,152	21,152	21,152	16,302	15,602
Economic Development Fund	126,631	179,808	246,453	238,973	210,442	233,057
Park Improvement Fund	98,610	98,739	471,224	473,633	89,666	106,166
Park Maintenance Reserve Fund	-	-	-	-	10,000	20,000
Development Projects Fund	1,224,980	1,711,609	1,810,219	1,790,219	1,696,219	1,570,219
Transportation Benefit District Fund	-	1,575,613	1,706,462	1,725,662	1,724,208	1,575,583
2010 LTGO Fund	-	-	-	-	-	-
2011 Fire Station Bond Fund	361,930	360,208	357,408	360,508	362,208	362,508
2012 LTGO (TBD) Bond Fund	160,451	148,075	145,800	145,675	147,625	149,250
2015 LTGO Bond Fund	193,624	190,801	198,259	197,359	189,962	196,405
2016 LTGO (LOC) Bond Fund	467,056	223,516	480,000	40,000	730,000	-
2018 LTGO Bond Fund	-	-	4,069,200	4,069,200	247,097	248,300
Municipal Projects Fund	1,928,281	4,735,683	7,504,360	7,469,458	7,549,713	438,183
Capital Improvements (REET) Fund	1,374,142	1,769,010	2,327,623	2,334,123	2,103,864	1,487,502
Water Utility Fund	4,351,186	5,687,003	6,283,638	6,287,422	5,784,492	5,367,068
Sewer Utility Fund	3,857,277	5,613,441	7,325,700	7,954,218	27,850,514	22,877,102
Storm Drainage Utility Fund	1,380,773	1,486,622	2,169,800	2,172,800	1,630,329	1,494,852
Flood Operations Fund	773,222	796,041	784,390	785,690	703,059	652,592
Solid Waste & Recycling Fund	288,938	352,699	415,443	408,899	458,382	512,713
ULID #6 Bond Redemption Fund	6,330,765	6,286,332	5,928,974	5,928,974	5,441,447	4,980,836
ULID #6 Bond Reserve Fund	1,258,571	1,469,001	1,481,801	1,489,001	1,396,687	1,372,449
Equipment Operating Fund	255,274	264,036	327,049	327,049	312,974	329,920
Technology Operating Fund	158,980	145,603	190,713	190,713	187,479	188,386
Equipment Reserve Fund	464,811	673,160	890,905	901,285	1,048,616	1,251,865
Technology Reserve Fund	61,446	129,164	195,298	197,508	249,940	288,815
CITY TOTAL	\$ 35,935,928	\$ 49,044,819	\$ 62,056,198	\$ 62,317,932	\$ 78,657,674	\$ 66,220,190

Expenditure Summary by Fund

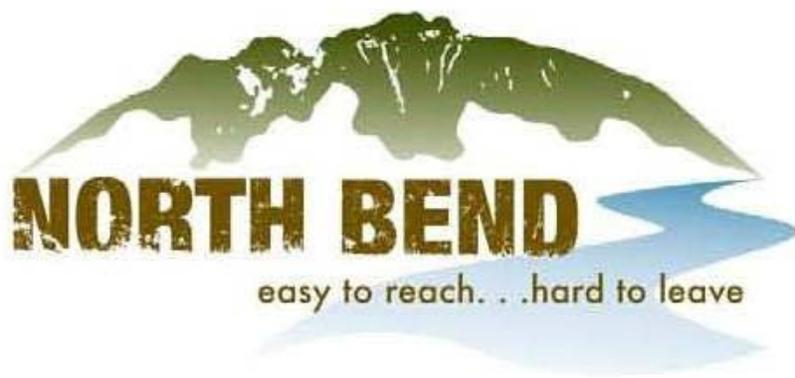
	2016 Actual	2017 Actual	2018 Revised	2018 YE Estimate	2019 Proposed	2020 Proposed
General Fund	\$ 6,766,074	\$ 7,480,392	\$ 8,950,289	\$ 8,856,658	\$ 9,031,744	\$ 9,355,263
Street Operations Fund	691,634	770,263	848,788	840,610	832,722	834,647
Capital Streets Fund	157,216	182,844	172,469	163,362	169,235	160,131
Streets Overlay Fund	203,698	539,335	615,017	614,606	300,000	300,000
Impact Fees & Mitigation Fund	565,122	2,811,926	2,428,798	2,414,743	982,659	18,300
Hotel/Motel Tax Fund	14,000	14,000	19,000	19,000	15,000	14,000
Economic Development Fund	126,631	179,808	246,453	238,973	210,442	233,057
Park Improvement Fund	15,807	67,014	403,760	400,142	-	-
Development Projects Fund	939,422	1,421,390	1,544,000	1,494,000	1,426,000	1,380,000
Transportation Benefit District Fund	-	426,151	1,019,279	549,954	706,625	152,550
2011 Fire Station Bond Fund	181,275	178,775	176,100	175,775	177,975	178,775
2012 LTGO (TBD) Bond Fund	145,575	148,075	145,800	145,475	147,425	149,050
2015 LTGO Bond Fund	193,624	190,801	198,259	197,359	189,962	196,405
2016 LTGO (LOC) Bond Fund	467,056	223,516	480,000	40,000	730,000	-
2018 LTGO Bond Fund	-	-	4,069,200	4,069,200	247,097	248,300
Municipal Projects Fund	1,013,711	4,735,683	6,160,507	4,378,403	7,111,530	-
Capital Improvements (REET) Fund	209,502	1,179,887	828,734	828,259	1,181,362	382,596
Water Utility Fund	1,551,313	2,317,665	5,594,055	5,553,092	2,875,157	2,245,704
Sewer Utility Fund	2,446,559	2,769,011	4,613,579	3,681,175	10,589,386	15,274,545
Storm Drainage Utility Fund	779,940	851,423	1,864,160	1,832,835	1,240,416	787,305
Flood Operations Fund	169,380	197,020	269,208	269,201	240,967	251,884
Solid Waste & Recycling Fund	39,358	53,177	58,277	57,707	58,874	59,182
ULID #6 Bond Redemption Fund	1,473,963	1,602,110	1,454,900	1,454,900	1,336,800	1,303,800
ULID #6 Bond Reserve Fund	-	-	106,814	106,814	38,238	-
Equipment Operating Fund	255,274	264,036	327,049	327,049	312,974	329,920
Technology Operating Fund	158,980	145,603	190,713	190,713	187,479	188,386
Equipment Reserve Fund	24,568	13,363	57,000	57,000	-	-
Technology Reserve Fund	8,266	5,536	17,350	17,350	23,934	3,450
CITY TOTAL	<u>\$ 18,597,948</u>	<u>\$ 28,768,804</u>	<u>\$ 42,859,558</u>	<u>\$ 38,974,355</u>	<u>\$ 40,364,003</u>	<u>\$ 34,047,250</u>

Estimate of Ending Fund Balances

Fund	Ending Fund Balance					
	2016 Actual	2017 Actual	2018 Revised Budget	2018 Estimate	2019 Proposed Budget	2020 Proposed Budget
General	\$ 1,335,944	\$ 1,799,072	\$ 1,301,585	\$ 1,410,474	\$ 1,341,321	\$ 761,075
Street Operations	-	-	-	-	-	-
Capital Streets	30,515	29,882	53,320	62,427	69,902	88,423
Streets Overlay	64,380	-	234,388	234,799	320,485	412,075
Impact Fees & Mitigation	983,386	1,513,788	2,119,673	2,210,732	5,468,381	8,570,903
Hotel/Motel Tax	7,010	7,152	2,152	2,152	1,302	1,602
Economic Development	-	-	-	-	-	-
Park Improvement	82,803	31,724	67,464	73,491	89,666	106,166
Park Maint Reserve	-	-	-	-	10,000	20,000
Development Projects	285,558	290,219	266,219	296,219	270,219	190,219
Transportation Benefit District	-	1,149,462	687,183	1,175,708	1,017,583	1,423,033
Debt Service Funds	195,531	181,433	181,308	184,933	184,433	183,933
Municipal Capital Projects	914,570	-	1,343,853	3,091,055	438,183	438,183
Capital Imp (REET)	1,164,640	589,123	1,498,889	1,505,864	922,502	1,104,906
Water Utility	2,799,873	3,369,338	689,583	734,330	2,909,335	3,121,364
Sewer Utility	1,410,718	2,844,430	2,712,121	4,273,043	17,261,128	7,602,557
Storm Drainage Utility	600,833	635,199	305,640	339,965	389,913	707,547
Flood Operations	603,841	599,020	515,182	516,489	462,092	400,708
Solid Waste & Recycling	249,580	299,523	357,166	351,192	399,508	453,531
ULID #6 Bond Funds	6,115,373	6,153,223	5,849,061	5,856,261	5,463,096	5,049,485
Equipment Operating	-	-	-	-	-	-
Technology Operating	-	-	-	-	-	-
Equipment Reserve	440,243	659,797	833,905	844,285	1,048,616	1,251,865
Technology Reserve	53,181	123,628	177,948	180,158	226,006	285,365
Total	\$ 17,337,980	\$ 20,276,015	\$ 19,196,640	\$ 23,343,577	\$ 38,293,671	\$ 32,172,940



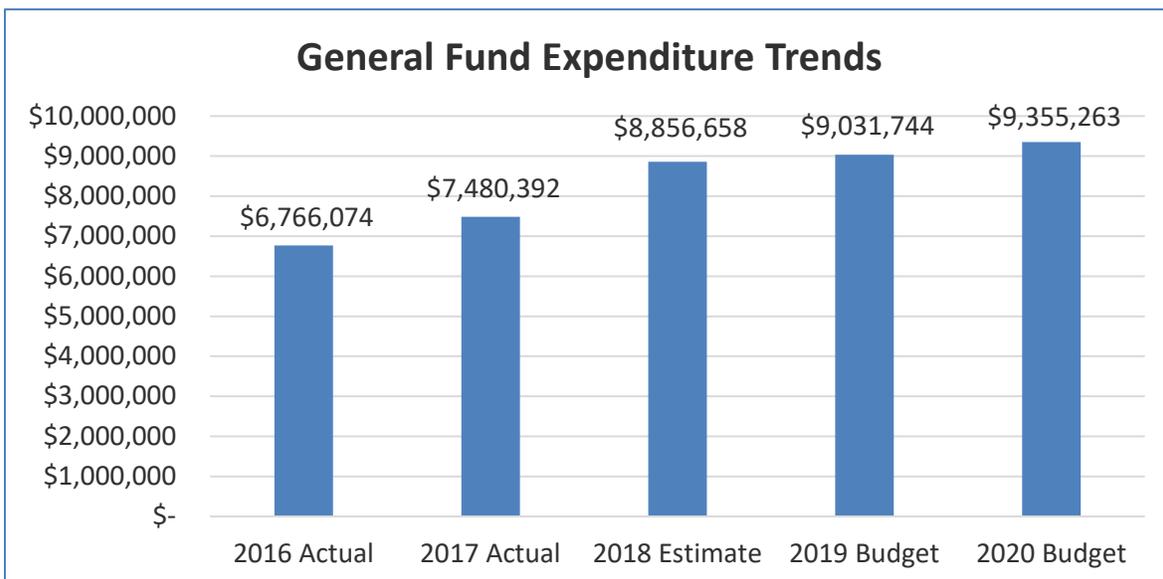
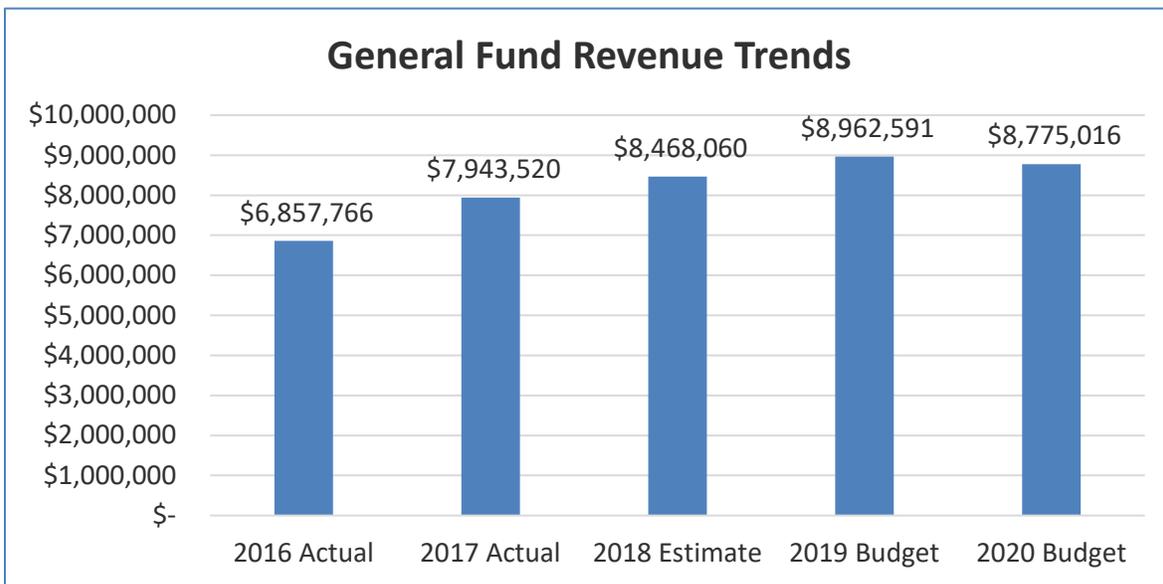
General Fund



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 2016 actuals through 2019-2020 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 2016 actuals through 2019-2020 budget.

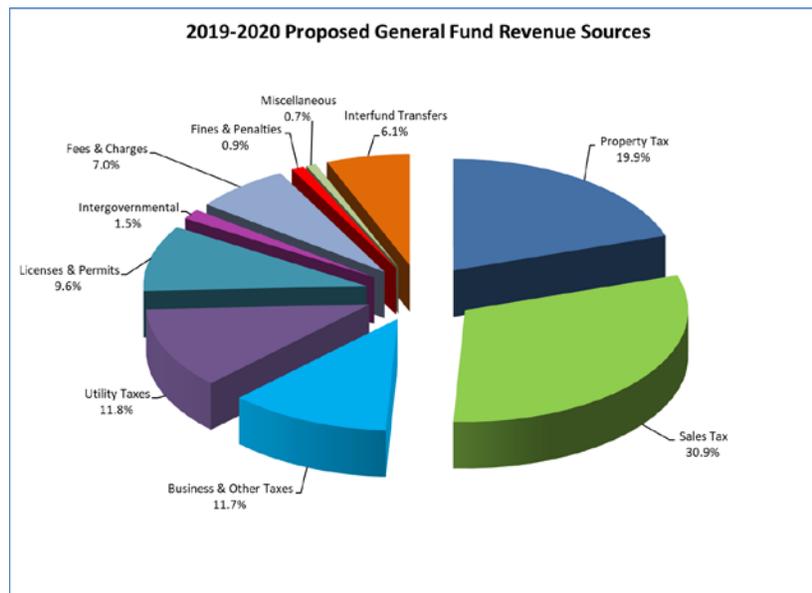


General Fund Revenue Summary

General Fund revenue for 2017 and 2018, excluding fund balances and transfers, is \$8.4 million and \$8.2 million respectively; a 6.6% increase from 2018 estimated revenues and a 2.3% decrease between the 2019 and 2020 budget estimates. The decrease is primarily due to development related revenues.

Revenues & Other Sources Summary

Description	2016 Actual	2017 Actual	2018 Revised	2018 YE Estimate	2019 Proposed	2020 Proposed
Beginning Fund Balance						
Reserved	\$ 558,330	\$ 623,370	\$ 624,338	\$ 624,338	\$ 757,139	\$ 782,248
Unreserved	685,922	712,574	1,174,734	1,174,734	653,335	559,074
Beginning Fund Balance	1,244,252	1,335,944	1,799,072	1,799,072	1,410,474	1,341,322
Revenues & Other Sources						
Property Tax	1,506,897	1,519,431	1,651,453	1,651,453	1,728,545	1,809,238
Sales Tax	2,457,580	2,613,410	2,787,675	2,811,060	2,699,940	2,780,355
Business & Excise Taxes	902,687	1,011,527	1,044,028	1,063,848	1,029,028	1,045,328
Utility Taxes	952,760	1,058,062	990,000	1,000,000	1,033,360	1,051,640
Franchise Fees	112,188	117,466	110,110	111,123	112,200	113,300
Licenses & Permits	230,225	458,768	610,375	619,446	836,942	632,255
Intergovernmental	115,617	118,565	125,446	125,342	128,636	132,385
Charges for Goods & Services	182,667	381,389	361,206	366,896	707,610	526,350
Fines & Penalties	87,952	85,712	80,100	77,060	80,800	83,650
Interest & Miscellaneous	38,489	41,633	79,325	81,543	69,530	60,515
Interfund Transfers	270,702	537,235	613,084	560,284	536,000	540,000
Other Financing Sources & Non-Revenues	-	323	-	5	-	-
Total Revenues & Other Sources	6,857,766	7,943,520	8,452,802	8,468,060	8,962,591	8,775,016
Total Revenues From All Sources	\$ 8,102,018	\$ 9,279,464	\$ 10,251,874	\$ 10,267,132	\$ 10,373,065	\$ 10,116,338



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.

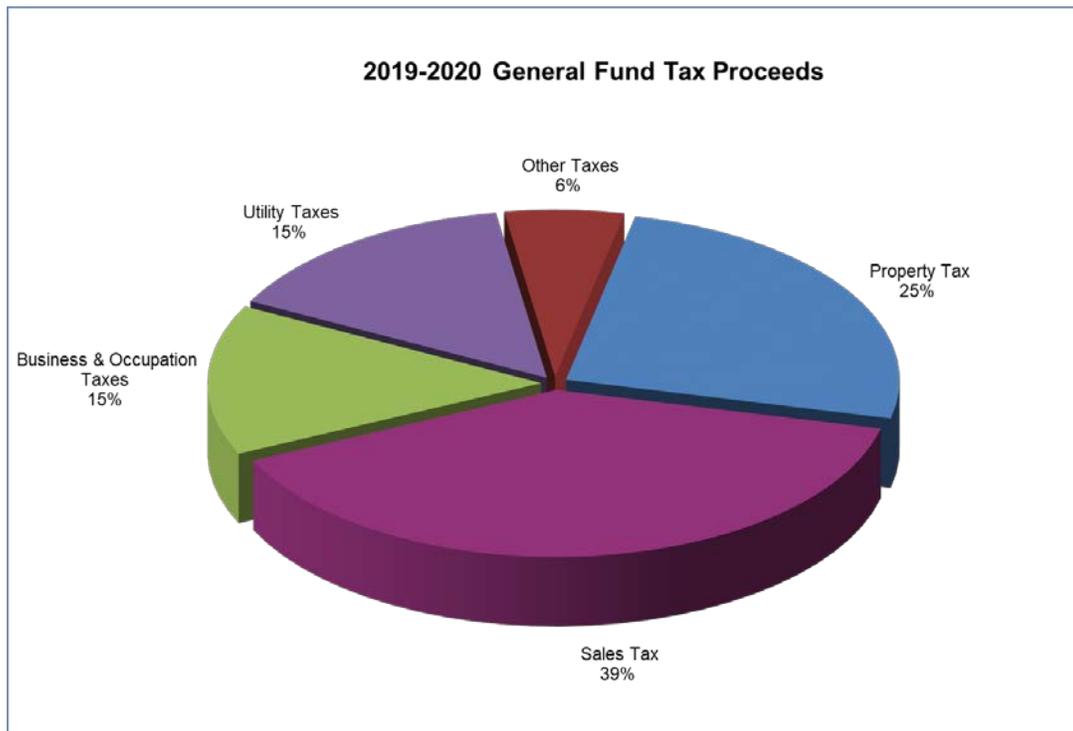
Beginning Fund Balance

2019 - \$1,410,474 2020 - \$1,341,322

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 2019 is anticipated to be 21.6% less than the 2018 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 Fund, Arterials Streets Fund, Streets Overlay Fund and Economic Development Funds in 2018 also impacted fund balance. Beginning fund balance in 2020 is anticipated to decrease due to increased public safety costs. 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 74.3% 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

\$3,537,783

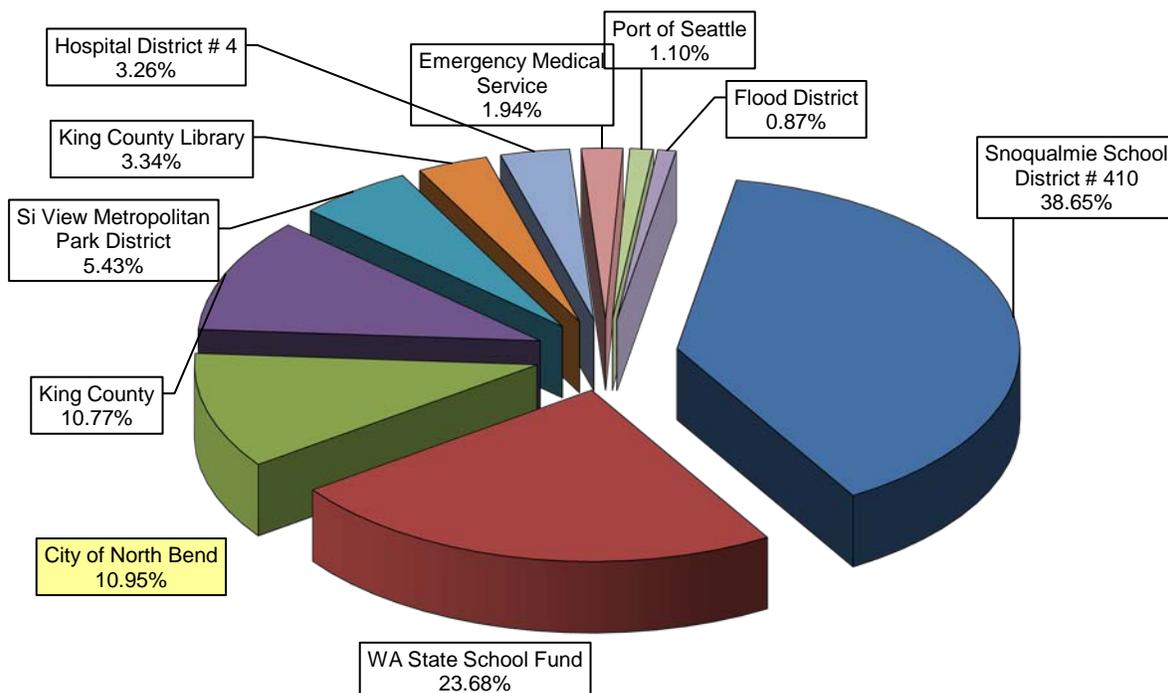
20%

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 had chosen to take the 1% increase in property taxes only twice prior to 2018, the anticipated 2019 property tax rate of \$1.35 is far below this maximum allowance, despite utilizing its accumulated banked capacity in 2018.

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 2018, the property tax levy is \$1,653,833. The taxable assessed valuation (AV) is \$1,361,174,490 which includes \$41,433,117 in new construction. The total property tax levy rate for 2018 for residents of North Bend is \$12.3214 per \$1,000 of assessed valuation. Of this, only 10.95%, or \$1.34925 per \$1,000 assessed valuation, goes to support municipal activities (see graph below for complete breakdown of other property tax recipients). \$1.22 per \$1,000 assessed valuation of this helps pay for City services and \$0.13 per \$1,000 assessed valuation pays for voter-approved debt.

2018 North Bend Property Tax Distribution



Retail Sales & Use Tax**\$5,480,295****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 3.9% in 2019 but bounce back in 2020 with a 2.9% 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:

Sales Tax Distribution	
Government Entity	Tax Rate
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%
Total Sales Tax Rate	8.90%

Criminal Justice Sales Tax**\$380,075****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)**\$1,646,300****9%**

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 **\$2,085,000** **12%**

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 **\$90,056** **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 **\$1,694,697** **9%**

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.

Intergovernmental Revenue	\$261,021	1%
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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.

Charges for Goods and Services	\$1,233,960	7%
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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).

Fines and Penalties	\$164,450	1%
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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.

Miscellaneous Revenue	\$130,045	1%
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Miscellaneous revenue includes investment interest, facility rents and leases, contributions and donations, and other minor revenue.

Other Financing Sources	\$1,076,000	6%
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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.

Total General Fund Revenues	\$17,737,607	100%
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Detailed General Fund Revenue

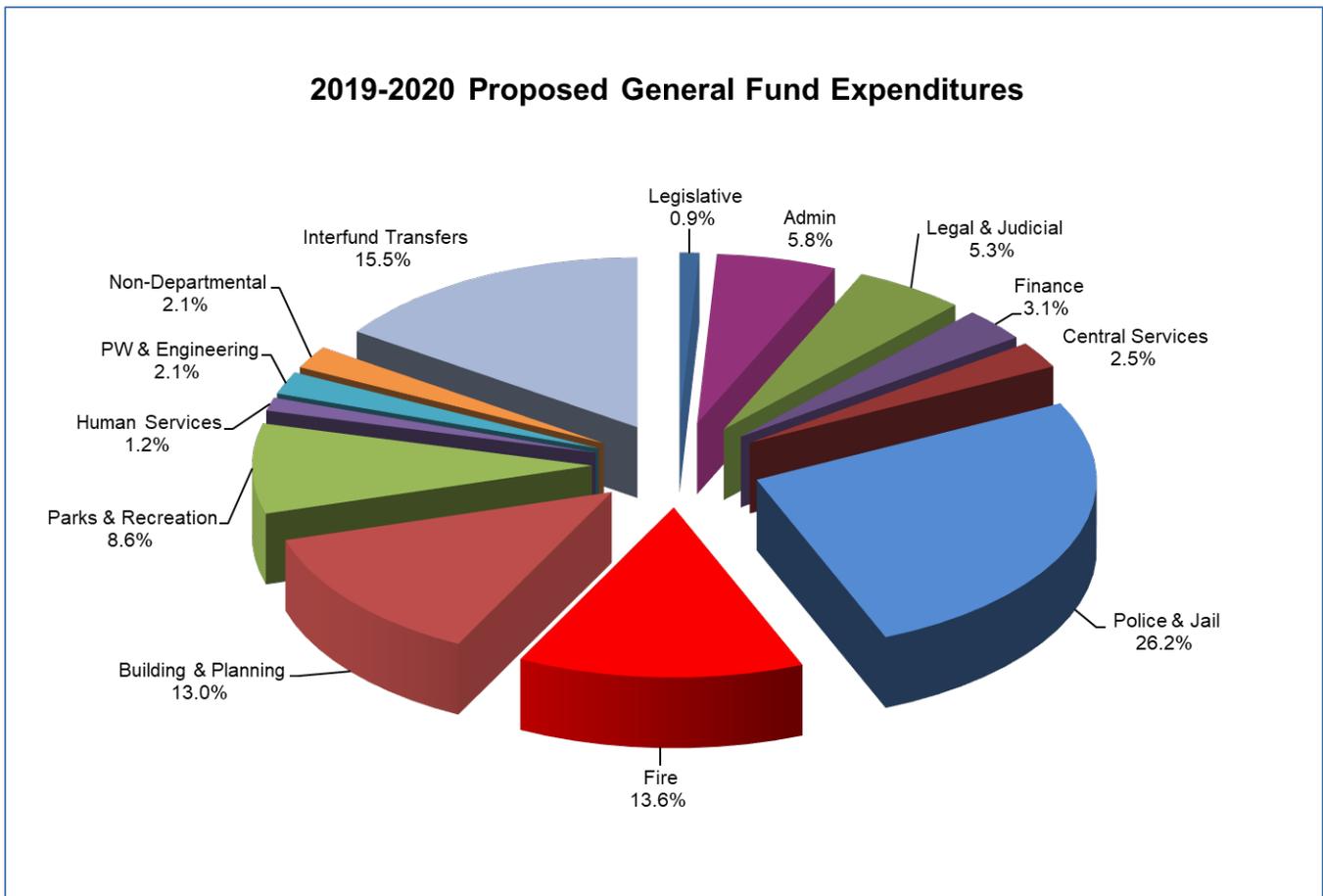
	2016	2017	2018	2018	2019	2020
	Actual	Actual	Revised	YE Estimate	Proposed	Proposed
Beginning Fund Balance	\$ 1,244,252	\$ 1,335,944	\$ 1,799,072	\$ 1,799,072	\$ 1,448,209	\$ 1,385,548
Property Tax	1,506,897	1,519,431	1,651,453	1,651,453	1,728,545	1,809,238
Sales Tax	2,457,580	2,613,410	2,787,675	2,811,060	2,699,940	2,780,355
Business & Occupation Tax	862,498	975,544	998,000	1,018,000	983,000	999,300
Utility Taxes	952,760	1,058,062	990,000	1,000,000	1,033,360	1,051,640
Other Taxes	40,189	35,983	46,028	45,848	46,028	46,028
Total Taxes	5,819,924	6,202,430	6,473,156	6,526,361	6,490,873	6,686,561
Building Permits	185,669	418,837	566,875	571,500	787,892	582,265
Business Licenses	34,989	36,874	36,400	38,000	42,000	42,840
Franchise Fees	112,188	117,466	110,110	111,123	112,200	113,300
Other Licenses/Permits	9,567	3,057	7,100	9,946	7,050	7,150
Total Licenses & Permits	342,413	576,233	720,485	730,569	949,142	745,555
Federal Grants	100	-	-	-	-	-
State & Local Grants	328	-	-	-	-	-
Criminal Justice (State Shared)	29,189	29,848	30,326	31,154	28,843	29,621
Liquor/Marijuana (State Shared)	86,001	88,717	95,120	94,188	99,793	102,764
Total Intergovernmental	115,617	118,565	125,446	125,342	128,636	132,385
Municipal Court Fees	1,092	445	600	187	150	150
Other Public Safety Charges	3,532	1,101	2,500	1,635	1,300	1,500
Technology Fee	4,733	12,233	17,150	17,150	15,000	15,000
Plan Review Fees	164,341	360,861	334,709	343,629	685,085	503,000
Other Planning & Development Fees	8,767	6,492	5,947	4,175	5,875	6,500
Other Fees & Charges	202	256	300	120	200	200
Total Charges for Services	182,667	381,389	361,206	366,896	707,610	526,350
Civil Infraction Penalties	19,232	21,712	19,400	22,660	22,200	22,700
Criminal Fines & Penalties	13,667	15,321	12,900	10,900	13,100	14,100
Court & Public Defense Cost Recoupments	8,966	8,721	9,000	5,400	6,500	6,700
Other Fines & Penalties	46,087	39,958	38,800	38,100	39,000	40,150
Total Fines & Penalties	87,952	85,712	80,100	77,060	80,800	83,650
Interest Income	13,398	23,852	47,700	49,200	36,800	27,700
Rents & Leases	22,203	16,953	31,225	31,225	32,150	32,150
Private Grants & Donations	2,096	257	-	20	-	-
Other Miscellaneous Revenue	792	571	400	1,098	580	665
Total Miscellaneous Revenue	38,489	41,633	79,325	81,543	69,530	60,515
Operating Transfers-In	270,702	537,235	613,084	560,284	536,000	540,000
Miscellaneous Other Sources	-	323	-	5	-	-
Total Other Financing Sources	270,702	537,557	613,084	560,289	536,000	540,000
Total Revenue from All Sources	\$ 6,857,766	\$ 7,943,520	\$ 8,452,802	\$ 8,468,060	\$ 8,962,591	\$ 8,775,016
Total General Fund Revenue	\$ 8,102,018	\$ 9,279,464	\$ 10,251,874	\$ 10,267,132	\$ 10,410,800	\$ 10,160,564

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 in 2019 by approximately 2.0% over 2018 estimated expenditures and increase 3.6% between the 2019 and 2020 budget estimates. This is primarily due to increased public safety costs and to keep pace with development projects.

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

	2016 Actual	2017 Actual	2018 Revised	2018 YE Estimate	2019 Proposed	2020 Proposed
Salaries & Wages	\$ 1,250,021	\$ 1,376,270	\$ 1,665,544	\$ 1,660,541	\$ 1,807,491	\$ 1,875,243
Personnel Benefits	446,364	503,011	653,117	640,106	671,744	685,302
Total Personnel Costs	1,696,385	1,879,281	2,318,661	2,300,647	2,479,235	2,560,545
Operating Supplies	37,274	39,599	36,600	35,400	37,900	38,700
Small Tools & Equipment	7,766	5,280	12,184	9,381	16,250	6,500
Total Supplies	45,040	44,880	48,784	44,781	54,150	45,200
Professional Services	1,580,379	1,626,086	2,045,769	2,029,351	2,017,074	2,060,069
Communications	23,270	22,238	28,793	22,756	26,055	24,490
Travel	20,362	17,196	22,350	21,450	23,650	24,150
Taxes & Assessments	4,213	4,313	6,784	6,547	6,800	6,800
Operating Rentals & Leases	13,957	14,692	15,600	15,780	16,300	11,500
Insurance	65,392	73,781	82,308	82,308	104,707	108,895
Utility Services	71,150	81,704	93,220	95,229	93,350	97,110
Repairs & Maintenance	18,767	19,123	30,268	27,768	30,159	21,401
Miscellaneous	150,593	166,827	194,175	187,975	205,120	202,406
Total Services & Charges	1,948,084	2,025,961	2,519,267	2,489,164	2,523,215	2,556,821
Court Services	64,812	85,526	150,100	150,000	140,100	147,100
Police Services	1,467,425	1,505,275	1,840,779	1,840,779	1,962,000	2,080,000
Fire Services	8,933	-	10,687	10,590	9,000	9,300
Jail Contract	359,394	435,139	400,000	400,000	350,000	350,000
Election & Voter Fees	12,778	15,771	38,910	21,579	28,000	23,000
Animal Control Services	2,560	10,589	11,000	7,959	11,000	11,000
WA State Auditor (Gen Fund portion)	17,466	-	23,700	23,700	-	24,650
Other Intergovernmental Services	10,590	9,673	10,887	9,892	10,200	10,500
Other Intergovernmental Payments	4,108	3,999	4,617	4,617	4,488	4,359
Total Intergovernmental Services	1,948,065	2,065,971	2,490,680	2,469,116	2,514,788	2,659,909
Land & Improvements	-	44,947	10,000	10,000	-	-
Capital Equipment	73,751	56,776	49,959	48,833	45,361	109,003
Total Capital Outlay	73,751	101,723	59,959	58,833	45,361	109,003
Expenditures Subtotal	\$ 5,711,326	\$ 6,117,816	\$ 7,437,351	\$ 7,362,541	\$ 7,616,749	\$ 7,931,478
Transfers Out:						
Street Fund	\$ 582,639	\$ 657,041	\$ 727,034	\$ 717,611	\$ 709,879	\$ 708,338
Capital Streets Fund	129,462	136,679	150,000	150,000	128,980	129,500
Street Overlay Fund	129,180	402,805	386,721	386,721	360,686	366,590
Economic Development Fund	126,631	166,051	219,753	210,355	185,742	209,357
Capital Improvement Fund	86,837	-	29,430	29,430	29,708	10,000
Transfers-Out Subtotal	\$ 1,054,748	\$ 1,362,576	\$ 1,512,938	\$ 1,494,117	\$ 1,414,995	\$ 1,423,785
Total General Fund Expenditures	\$ 6,766,074	\$ 7,480,392	\$ 8,950,289	\$ 8,856,658	\$ 9,031,744	\$ 9,355,263

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.

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.

DEVELOPMENT REVIEW

The Development Review 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.

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.





MAYOR & CITY COUNCIL

Expenditure Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	YE Estimate	Proposed	Proposed	18-19	19-20
Personnel Costs	43,144	43,545	84,198	82,676	78,842	79,424	-4.6%	0.7%
Services & Charges	6,242	5,464	6,500	6,826	6,300	6,300	-7.7%	0.0%
Total Expenditures	49,386	49,009	90,698	89,502	85,142	85,724	-4.9%	0.7%

ADMINISTRATION

Expenditure Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	YE Estimate	Proposed	Proposed	18-19	19-20
Personnel Costs	364,808	384,413	489,720	487,477	531,333	512,435	9.0%	-3.6%
Supplies	-	-	500	-	500	-	0.0%	0.0%
Services & Charges	9,938	31,016	16,500	15,000	11,300	8,100	-24.7%	-28.3%
Capital Outlay	-	-	1,875	1,115	-	-	-100.0%	0.0%
Total Expenditures	374,746	415,429	508,595	503,592	543,133	520,535	7.9%	-4.2%

LEGAL & JUDICIAL

Expenditure Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	YE Estimate	Proposed	Proposed	18-19	19-20
Services & Charges	237,330	258,060	330,600	321,000	337,200	344,900	5.0%	2.3%
Intergovernmental Services	64,812	85,526	150,100	150,000	140,100	147,100	-6.6%	5.0%
Total Expenditures	302,143	343,586	480,700	471,000	477,300	492,000	1.3%	3.1%



FINANCE DEPARTMENT

Expenditure Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	YE Estimate	Proposed	Proposed	18-19	19-20
Personnel Costs	209,719	224,380	240,889	235,830	234,982	243,571	-0.4%	3.7%
Supplies	708	-	500	650	500	-	0.0%	-100.0%
Services & Charges	29,520	32,227	32,513	33,876	37,585	35,570	10.9%	-5.4%
Intergovernmental Services	17,466	-	23,700	23,700	-	24,650	-100.0%	100.0%
Capital Outlay	10,123	-	-	-	-	-	0.0%	0.0%
Total Expenditures	267,535	256,607	297,602	294,056	273,067	303,791	-7.1%	11.3%

CENTRAL SERVICES

Expenditure Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	YE Estimate	Proposed	Proposed	18-19	19-20
Personnel Costs	8,125	8,504	9,203	8,924	7,329	7,482	-17.9%	2.1%
Supplies	14,100	17,469	14,000	13,000	14,000	13,500	7.7%	-3.6%
Services & Charges	138,139	177,473	204,154	199,457	204,666	215,785	2.6%	5.4%
Capital Outlay	1,985	36,998	-	-	-	-	0.0%	0.0%
Total Expenditures	162,349	240,443	227,357	221,381	225,995	236,767	2.1%	4.8%



LAW ENFORCEMENT

Expenditure Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	YE Estimate	Proposed	Proposed	18-19	19-20
Supplies	1,207	208	1,000	100	500	500	400.0%	0.0%
Services & Charges	5,217	4,545	7,279	8,479	7,100	5,660	-16.3%	-20.3%
Intergovernmental - Police	1,467,425	1,505,275	1,840,779	1,840,779	1,962,000	2,080,000	6.6%	6.0%
Intergovernmental - Jail	359,394	435,139	400,000	400,000	350,000	350,000	-12.5%	0.0%
Capital Outlay	-	-	1,296	1,296	-	64,178	0.0%	0.0%
Total Expenditures	1,833,243	1,945,166	2,250,354	2,250,654	2,319,600	2,500,338	3.1%	7.8%

FIRE & EMERGENCY MEDICAL SERVICES

Expenditure Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	YE Estimate	Proposed	Proposed	18-19	19-20
Supplies	179	876	1,100	1,147	1,100	1,100	-4.1%	0.0%
Services & Charges	995,522	1,044,718	1,121,836	1,121,336	1,174,978	1,222,134	4.8%	4.0%
Intergovernmental	8,933	-	10,687	10,590	9,000	9,300	-15.0%	3.3%
Capital Outlay	59,912	47,841	41,788	41,788	43,520	44,825	4.1%	3.0%
Total Expenditures	1,064,547	1,093,434	1,175,411	1,174,861	1,228,598	1,277,359	4.6%	4.0%



BUILDING DEPARTMENT

Expenditure Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	YE Estimate	Proposed	Proposed	18-19	19-20
Personnel Costs	310,435	270,686	405,323	406,084	466,263	491,363	14.8%	5.4%
Supplies	4,355	3,003	5,000	3,500	4,000	4,600	14.3%	15.0%
Services & Charges	36,523	45,608	151,836	147,563	131,689	138,604	-10.8%	5.3%
Capital Outlay	229	3,719	3,000	3,000	1,841	-	-38.6%	0.0%
Total Expenditures	351,541	323,015	565,159	560,147	603,793	634,567	7.8%	5.1%

PLANNING DEPARTMENT

Expenditure Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	YE Estimate	Proposed	Proposed	18-19	19-20
Personnel Costs	387,550	395,626	440,648	436,622	467,539	494,422	7.1%	5.7%
Supplies	4,658	4,614	6,000	5,700	14,050	6,000	146.5%	-57.3%
Services & Charges	104,290	4,002	158,187	150,803	101,021	67,245	-33.0%	-33.4%
Capital Outlay	-	3,719	2,000	1,634	-	-	-100.0%	0.0%
Total Expenditures	496,498	407,961	606,835	594,759	582,610	567,667	-2.0%	-2.6%

DEVELOPMENT REVIEW

Expenditure Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	YE Estimate	Proposed	Proposed	18-19	19-20
Personnel Costs	73,462	217,563	224,296	224,205	187,595	194,437	-16.3%	3.6%
Supplies	-	-	-	-	-	-	0.0%	0.0%
Services & Charges	37,962	321	1,250	1,250	1,250	1,250	0.0%	0.0%
Capital Outlay	519	1,498	-	-	-	-	0.0%	0.0%
Total Expenditures	111,943	219,381	225,546	225,455	188,845	195,687	-16.2%	3.6%



PARKS DEPARTMENT

Expenditure Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	YE Estimate	Proposed	Proposed	18-19	19-20
Personnel Costs	273,507	304,810	353,456	352,004	435,458	465,378	23.7%	6.9%
Supplies	13,738	10,897	12,184	12,684	11,500	11,500	-9.3%	0.0%
Services & Charges	133,746	179,387	207,695	206,500	201,199	206,897	-2.6%	2.8%
Capital Outlay	983	7,950	10,000	10,000	-	-	-100.0%	0.0%
Total Expenditures	421,974	503,043	583,335	581,188	648,157	683,775	11.5%	5.5%

LAND & BUILDING MANAGEMENT

Expenditure Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	YE Estimate	Proposed	Proposed	18-19	19-20
Intergovernmental Services	4,108	3,999	4,617	4,617	4,488	4,359	-2.8%	-2.9%
Total Expenditures	4,108	3,999	4,617	4,617	4,488	4,359	-2.8%	-2.9%



SOCIAL & HUMAN SERVICES

Expenditure Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	YE Estimate	Proposed	Proposed	18-19	19-20
Human Services:								
Downtown Association	10,000	-	-	-	3,000	-	0.0%	0.0%
Eastside Baby Corner	500	500	500	500	750	-	50.0%	0.0%
Encompass (Child Services)	10,000	12,000	13,000	13,000	13,000	-	0.0%	0.0%
Friends of the Trail	6,000	6,000	6,000	6,000	6,000	-	0.0%	0.0%
Friends of Youth	-	-	2,500	2,500	3,000	-	20.0%	0.0%
Jazz Clubs NW (Boxley Music Fund)	2,000	3,500	3,500	3,500	3,500	-	0.0%	0.0%
Lifewire (Domestic Violence Svcs)	-	1,000	3,000	3,000	-	-	-100.0%	0.0%
Mt. Si Senior Center	25,000	35,000	37,500	37,500	37,500	-	0.0%	0.0%
Snoqualmie Valley Community Network	2,000	2,000	2,500	2,500	3,000	-	20.0%	0.0%
Snoqualmie Valley Food Bank	15,000	17,000	18,000	18,000	20,000	-	11.1%	0.0%
Snoqualmie Valley Shelter Svcs	-	2,000	4,500	4,500	4,500	-	0.0%	0.0%
Sno-Valley Indoor Playground	1,000	1,000	1,000	1,000	1,000	-	0.0%	0.0%
Trail Youth	-	-	-	-	1,500	-	100.0%	0.0%
Human Services Reserve	-	-	-	-	-	96,750	100.0%	#DIV/0!
Total Expenditures	71,500	80,000	92,000	92,000	96,750	96,750	5.2%	0.0%

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	YE Estimate	Proposed	Proposed	18-19	19-20
Social Services & Pgms:								
Meadowbrook Farm	10,000	10,000	20,000	20,000	20,000	10,000	0.0%	-50.0%
North Bend Historical Museum	3,000	3,000	3,000	3,000	3,000	3,000	0.0%	0.0%
Total Expenditures	13,000	13,000	23,000	23,000	23,000	13,000	0.0%	-43.5%

2019 Human Services grants will be determined by the City Council during budget workshop

2020 Human Services grants will be determined by the City Council during the Mid-Biennium Modification

RECREATION & SPECIAL EVENTS

Expenditure Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	YE Estimate	Proposed	Proposed	18-19	19-20
Personnel Costs	25,637	29,754	70,928	66,825	69,894	72,033	4.6%	3.1%
Services & Charges	30,981	44,435	47,110	45,110	49,455	49,455	9.6%	0.0%
Total Expenditures	56,618	74,189	118,038	111,935	119,349	121,488	1.1%	1.8%



OPERATING TRANSFERS

Expenditure Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	YE Estimate	Proposed	Proposed	18-19	19-20
Transfer Out to:								
Street Operations Fund (101)	582,639	657,041	727,034	717,611	709,879	708,338	-1.1%	-0.2%
B&O Tax xfr to Trans Imp Pgm	129,462	136,679	150,000	150,000	128,980	129,500	-14.0%	0.4%
Streets Overlay (103)	79,180	223,061	150,000	150,000	125,000	125,000	-16.7%	0.0%
Sq Ftg B&O to Cap Streets (102)	50,000	179,744	168,000	168,000	168,000	168,000	0.0%	0.0%
Prop Tax Inc to Streets Overlay (10)	-	-	68,721	68,721	67,686	73,590	-1.5%	8.7%
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)	94,631	134,051	187,753	178,355	153,742	177,357	-13.8%	15.4%
Civic Center (310)	547	-	-	-	-	-	0.0%	0.0%
Main Ave Angle Parking (310)	-	-	25,000	25,000	-	-	-100.0%	0.0%
Torguson Park (310)	86,290	-	-	-	-	-	0.0%	0.0%
Wm. Taylor Ped Connection (310)	-	-	4,430	4,430	19,708	-	344.9%	-100.0%
Park Maintenance Reserve (117)	-	-	-	-	10,000	10,000	#DIV/0!	0.0%
Total Expenditures	1,054,748	1,362,576	1,512,938	1,494,117	1,414,995	1,423,785	-5.3%	0.6%

NON-DEPARTMENTAL

Expenditure Summary

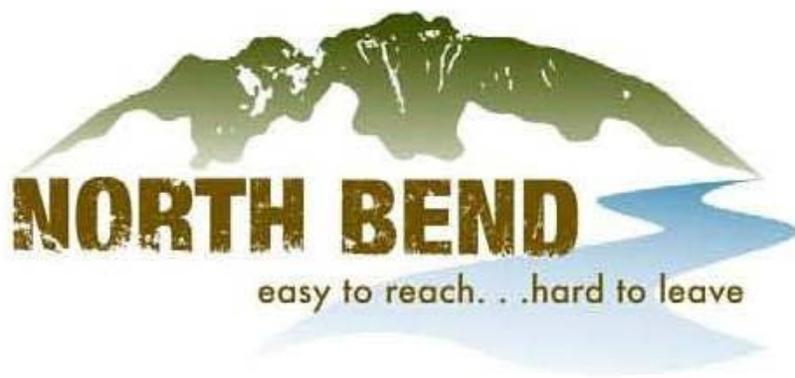
Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	YE Estimate	Proposed	Proposed	18-19	19-20
Supplies	6,094	7,814	8,500	8,000	8,000	8,000	0.0%	0.0%
Services & Charges	98,174	105,707	118,807	116,964	139,722	145,171	19.5%	3.9%
Intergovernmental Services	25,927	36,032	60,797	39,430	49,200	44,500	24.8%	-9.6%
Total Expenditures	130,196	149,554	188,104	164,394	196,922	197,671	19.8%	0.4%

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





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.

PARK MAINTENANCE RESERVE FUND - 117

The Park Maintenance Reserve Fund was established to provide a dedicated funding source for parks equipment replacement and repair. The Council approved transferring \$10,000 annually from the General Fund into this fund as part of the budget process.

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.

TRANSPORTATION BENEFIT DISTRICT FUND - 190

The North Bend Transportation Improvement District (TBD) No. 1 was established in 2011 as an independent taxing district to fund, construct, and provide transportation improvements within its boundaries which are coextensive with the boundaries of the City. The City Council approved dissolving the Transportation Benefit District in 2018 and absorbing the operations into the City's budget. The Transportation Benefit District Fund accounts for these transportation improvement activities. The TBD is funded primarily from a voter-approved two-tenths of one percent sales and use tax.



STREET OPERATIONS FUND 101

Revenue & Expenditures Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	YE Estimate	Proposed	Proposed	18-19	19-20
Revenues:								
Beginning Fund Balance	-	-	-	-	-	-	0.0%	0.0%
Licenses & Permits	7,186	8,668	14,888	16,000	12,000	12,300	-25.0%	2.5%
Intergovernmental Revenues	101,667	103,663	106,866	106,847	110,843	114,009	3.7%	2.9%
Misc & Other Fin Sources	142	891	-	152	-	-	-100.0%	0.0%
Transfer from General Fund	582,639	657,041	727,034	717,611	709,879	708,338	-1.1%	-0.2%
Total Revenues	691,634	770,263	848,788	840,610	832,722	834,647	-0.9%	0.2%
Expenditures:								
Personnel Costs	394,668	438,875	463,450	455,257	468,616	467,206	2.9%	-0.3%
Supplies	10,962	14,123	18,148	18,148	18,148	18,148	0.0%	0.0%
Services & Charges	250,660	283,331	324,729	324,835	310,947	315,159	-4.3%	1.4%
Intergovernmental Services	2,902	2,394	7,432	7,377	3,211	3,176	-56.5%	-1.1%
Capital Outlay	819	-	3,594	3,594	-	-	-100.0%	0.0%
Debt Service	31,623	31,539	31,435	31,399	31,800	30,958	1.3%	-2.6%
Total Expenditures	691,634	770,263	848,788	840,610	832,722	834,647	-0.9%	0.2%
Ending Fund Balance	-	-	-	-	-	-	0.0%	0.0%
FUND TOTAL	691,634	770,263	848,788	840,610	832,722	834,647	-0.9%	0.2%

CAPITAL STREETS FUND 102

Revenue & Expenditures Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	YE Estimate	Proposed	Proposed	18-19	19-20
Revenues:								
Beginning Fund Balance	13,545	30,515	29,882	29,882	62,427	69,902	108.9%	12.0%
Intergovernmental Revenues	44,725	45,532	45,907	45,907	47,730	49,152	4.0%	3.0%
B&O Tax from General Fund	129,462	136,679	150,000	150,000	128,980	129,500	-14.0%	0.4%
Total Revenues	187,731	212,726	225,789	225,789	239,137	248,554	5.9%	3.9%
Expenditures:								
Personnel Costs	30,855	37,527	39,921	39,553	54,072	41,896	36.7%	-22.5%
Services & Charges	13,673	15,596	340	190	158	168	-16.8%	6.3%
Interfund Transfers	112,689	129,721	132,208	123,619	115,005	118,067	-7.0%	2.7%
Total Expenditures	157,216	182,844	172,469	163,362	169,235	160,131	3.6%	-5.4%
Ending Fund Balance	30,515	29,882	53,320	62,427	69,902	88,423	12.0%	26.5%
FUND TOTAL	187,731	212,726	225,789	225,789	239,137	248,554	5.9%	3.9%



STREETS OVERLAY FUND 103

Revenue & Expenditures Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	YE Estimate	Proposed	Proposed	18-19	19-20
Revenues:								
Beginning Fund Balance	115,763	64,380	-	-	234,799	320,485	100.0%	36.5%
Intergovernmental Revenues	-	32,239	432,284	432,284	-	-	-100.0%	0.0%
Misc & Other Fin Sources	2,316	-	-	-	-	-	0.0%	0.0%
Transfer from General Fund	79,180	223,061	218,721	218,721	192,686	198,590	-11.9%	3.1%
Sq Ftg Tax from General Fund	50,000	179,744	168,000	168,000	168,000	168,000	0.0%	0.0%
Transfer from Capital Streets	20,820	39,910	30,400	30,400	25,000	25,000	-17.8%	0.0%
Total Revenues	268,079	539,335	849,405	849,405	620,485	712,075	-27.0%	14.8%
Expenditures:								
Services & Charges	21,620	-	-	-	-	-	0.0%	0.0%
Capital Outlay	182,079	539,335	541,956	541,545	300,000	300,000	-44.6%	0.0%
Interfund Transfers	-	-	73,061	73,061	-	-	-100.0%	0.0%
Total Expenditures	203,698	539,335	615,017	614,606	300,000	300,000	-51.2%	0.0%
Ending Fund Balance	64,380	-	234,388	234,799	320,485	412,075	36.5%	28.6%
FUND TOTAL	268,079	539,335	849,405	849,405	620,485	712,075	-27.0%	14.8%

IMPACT FEES & MITIGATION FUND 106

Revenue & Expenditures Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	YE Estimate	Proposed	Proposed	18-19	19-20
Revenues:								
Beginning Fund Balance	1,045,993	983,386	1,513,789	1,513,789	2,210,732	5,468,381	46.0%	147.4%
Impact Fees	483,144	1,707,664	2,555,038	2,609,338	4,240,308	3,120,822	62.5%	-26.4%
Mitigation Payments	15,199	145,975	54,753	58,607	-	-	-100.0%	0.0%
Misc & Other Fin Sources	4,173	1,423,544	25,000	43,860	-	-	-100.0%	0.0%
Transfer from Park CIP (116)	-	65,145	399,891	399,881	-	-	-100.0%	0.0%
Total Revenues	1,548,508	4,325,714	4,548,471	4,625,475	6,451,040	8,589,203	39.5%	33.1%
Expenditures:								
Services & Charges	-	-	11,200	11,200	-	-	-100.0%	0.0%
Intergovernmental - Si View	111,497	98,141	404,902	404,902	36,602	18,300	-91.0%	-50.0%
Debt Service	-	5,649	9,500	9,500	500	-	-94.7%	0.0%
Capital Outlay	8,549	1,123,398	1,634	1,634	-	-	-100.0%	0.0%
Interfund Loan Payments	-	-	725,000	725,000	161,365	-	-77.7%	0.0%
Transfer to Capital Projects (310)	445,076	1,584,738	1,276,562	1,262,507	784,192	-	-37.9%	-100.0%
Total Expenditures	565,122	2,811,926	2,428,798	2,414,743	982,659	18,300	-59.3%	-98.1%
Ending Fund Balance	983,386	1,513,788	2,119,673	2,210,732	5,468,381	8,570,903	147.4%	56.7%
FUND TOTAL	1,548,508	4,325,714	4,548,471	4,625,475	6,451,040	8,589,203	39.5%	33.1%



HOTEL/MOTEL TAX FUND 107

Revenue & Expenditures Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	YE Estimate	Proposed	Proposed	18-19	19-20
Revenues:								
Beginning Fund Balance	7,785	7,010	7,152	7,152	2,152	1,302	-69.9%	-39.5%
Hotel/Motel Tax	13,225	14,143	14,000	14,000	14,150	14,300	1.1%	1.1%
Total Revenues	21,010	21,152	21,152	21,152	16,302	15,602	-22.9%	-4.3%
Expenditures:								
Services & Charges	14,000	7,000	-	-	-	-	0.0%	0.0%
Trans to Econ Dev Fund (108)	-	7,000	19,000	19,000	15,000	14,000	-21.1%	-6.7%
Total Expenditures	14,000	14,000	19,000	19,000	15,000	14,000	-21.1%	-6.7%
Ending Fund Balance	7,010	7,152	2,152	2,152	1,302	1,602	-39.5%	23.0%
FUND TOTAL	21,010	21,152	21,152	21,152	16,302	15,602	-22.9%	-4.3%

ECONOMIC DEVELOPMENT FUND 108

Revenue & Expenditures Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	YE Estimate	Proposed	Proposed	18-19	19-20
Revenues:								
Beginning Fund Balance	-	-	-	-	-	-	0.0%	0.0%
Intergovernmental Revenues	-	6,460	6,500	6,500	6,500	6,500	0.0%	0.0%
VIC Merchandise Sales	-	298	1,200	2,100	2,100	2,100	0.0%	0.0%
Misc & Other Fin Sources	-	-	-	1,018	1,100	1,100	8.1%	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	94,631	134,051	187,753	178,355	153,742	177,357	-13.8%	15.4%
Transfer from Hotel/Motel Fund	-	7,000	19,000	19,000	15,000	14,000	-21.1%	-6.7%
Total Revenues	126,631	179,808	246,453	238,973	210,442	233,057	-11.9%	10.7%
Expenditures:								
Personnel Costs	48,945	87,540	155,269	149,297	153,965	174,393	3.1%	13.3%
Supplies	712	453	500	1,516	1,800	1,800	18.7%	0.0%
Services & Charges	76,974	91,815	87,684	84,081	48,477	51,864	-42.3%	7.0%
Capital Outlay	-	-	3,000	4,079	6,200	5,000	100.0%	-19.4%
Total Expenditures	126,631	179,808	246,453	238,973	210,442	233,057	-11.9%	10.7%
Ending Fund Balance	-	-	-	-	-	-	0.0%	0.0%
FUND TOTAL	126,631	179,808	246,453	238,973	210,442	233,057	-11.9%	10.7%



PARK IMPROVEMENT FUND 116

Revenue & Expenditures Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	YE Estimate	Proposed	Proposed	18-19	19-20
Revenues:								
Beginning Fund Balance	67,400	82,803	31,724	31,724	73,491	89,666	131.7%	22.0%
KC Parks & Trails Levy	15,071	15,552	14,500	15,644	16,175	16,500	3.4%	2.0%
Intergovernmental/Grants	15,807	-	425,000	424,990	-	-	-100.0%	0.0%
Misc & Other Fin Sources	332	383	-	1,275	-	-	-100.0%	0.0%
Total Revenues	98,610	98,739	471,224	473,633	89,666	106,166	-81.1%	18.4%
Expenditures:								
Services & Charges	-	-	-	161	-	-	-100.0%	0.0%
Capital Outlay	15,807	-	-	-	-	-	0.0%	0.0%
Trans to Park Imp Fee Fund (106)	-	65,145	359,855	359,855	-	-	-100.0%	0.0%
Transfer to Capital Projects (310)	-	1,869	3,869	90	-	-	-100.0%	0.0%
Total Expenditures	15,807	67,014	363,724	360,106	-	-	-100.0%	#DIV/0!
Ending Fund Balance	82,803	31,724	107,500	113,527	89,666	106,166	-21.0%	18.4%
FUND TOTAL	98,610	98,739	471,224	473,633	89,666	106,166	-81.1%	18.4%

DEVELOPMENT PROJECTS FUND 125

Revenue & Expenditures Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	YE Estimate	Proposed	Proposed	18-19	19-20
Revenues:								
Beginning Fund Balance	-	-	-	-	-	10,000	#DIV/0!	#DIV/0!
Developer Deposits	-	-	-	-	10,000	20,000	#DIV/0!	100.0%
Total Revenues	-	-	-	-	10,000	30,000	#DIV/0!	200.0%
Expenditures:								
Services & Charges	668,720	884,156	1,004,000	1,004,000	890,000	890,000	-11.4%	0.0%
Interfund Transfers	270,702	537,235	540,000	490,000	536,000	490,000	9.4%	-8.6%
Total Expenditures	939,422	1,421,390	1,544,000	1,494,000	1,426,000	1,380,000	-4.6%	-3.2%
Ending Fund Balance	(939,422)	(1,421,390)	(1,544,000)	(1,494,000)	(1,416,000)	(1,350,000)	-5.2%	-4.7%
FUND TOTAL	-	-	-	-	10,000	30,000	#DIV/0!	200.0%



TRANSPORTATION BENEFIT DISTRICT

Revenue & Expenditures Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	YE Estimate	Proposed	Proposed	18-19	19-20
Revenues:								
Beginning Fund Balance	910,350	1,044,274	1,149,462	1,149,462	1,175,708	1,017,583	2.3%	-13.4%
Sales & Use Tax: 0.2% for TBD	489,126	521,530	540,000	557,700	536,500	544,000	-3.8%	1.4%
Misc & Other Fin Sources	5,445	9,809	17,000	18,500	12,000	14,000	-35.1%	16.7%
Total Revenues	1,404,921	1,575,613	1,706,462	1,725,662	1,724,208	1,575,583	-0.1%	-8.6%
Expenditures:								
Services & Charges	1,200	-	-	-	-	-	0.0%	0.0%
Intergovernmental	5,487	-	5,000	5,000	-	3,500	-100.0%	100.0%
Debt Service	148,400	132,787	145,800	145,675	147,425	149,050	1.2%	1.1%
NB Way/Park Roundabout	5,163	820	491,745	22,545	459,200	-	1936.8%	-100.0%
Downtown Plaza	-	289,166	19,555	19,555	-	-	100.0%	0.0%
Bendigo @ Park Right Turn Lane	140,819	-	-	-	-	-	0.0%	0.0%
NE 12th Street Improvements	20,010	3,378	357,179	357,179	-	-	-100.0%	0.0%
NW 14th Street Improvements	39,567	-	-	-	-	-	0.0%	0.0%
Pickett Avenue Extension	-	-	-	-	100,000	-	100.0%	-100.0%
Total Expenditures	360,647	426,151	1,019,279	549,954	706,625	152,550	28.5%	-78.4%
Ending Fund Balance	1,044,274	1,149,462	687,183	1,175,708	1,017,583	1,423,033	0.0%	0.0%
FUND TOTAL	1,404,921	1,575,613	1,706,462	1,725,662	1,724,208	1,575,583	-0.1%	-8.6%

PARK MAINTENANCE RESERVE FUND 117

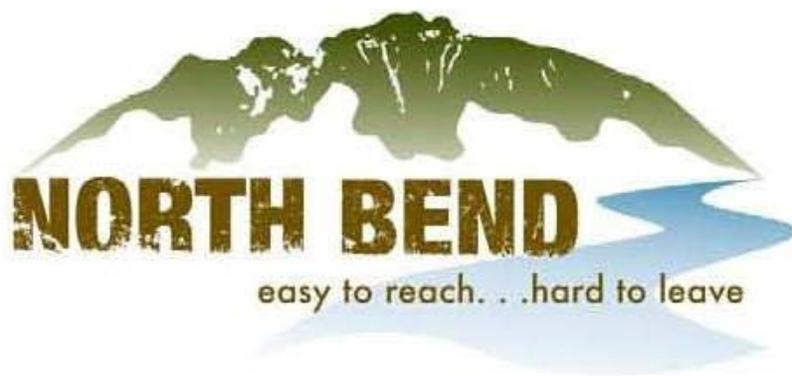
Revenue & Expenditures Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	YE Estimate	Proposed	Proposed	18-19	19-20
Revenues:								
Beginning Fund Balance	-	-	-	-	-	10,000	0.0%	100.0%
Transfer from General Fund	-	-	-	-	10,000	10,000	100.0%	0.0%
Total Revenues	-	-	-	-	10,000	20,000	100.0%	100.0%
Expenditures:								
Services & Charges	-	-	-	-	-	-	0.0%	0.0%
Capital Outlay	-	-	-	-	-	-	0.0%	0.0%
Total Expenditures	-	-	-	-	-	-	0.0%	0.0%
Ending Fund Balance	-	-	-	-	10,000	20,000	100.0%	100.0%
FUND TOTAL	-	-	-	-	10,000	20,000	100.0%	100.0%





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 at least 1.25 times the average annual debt service payments required for all outstanding revenue debt. After the 2018 payments are applied, total outstanding Revenue Debt will be \$15,953,198.

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			2019	2020	2021	2022	2023
PWTF Loan	\$3,228,354	Beginning Balance	1,036,190	906,666	777,142	647,619	518,095
		Interest	5,181	4,533	3,886	3,238	2,590
Fund 401 & 401-500		Principal	129,524	129,524	129,524	129,524	129,524
Payoff Year: 2026		Total Payment per Year	134,705	134,057	133,409	132,762	132,114
PW-06-962-029		Remaining Balance	906,666	777,142	547,619	518,095	388,571

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			2019	2020	2021	2022	2023
PWTF Loan	\$1,131,557	Beginning Balance	886,355	823,044	759,733	696,422	633,111
		Interest	4,432	4,115	3,799	3,482	3,166
Fund 401		Principal	63,311	63,311	63,311	63,311	63,311
Payoff Year: 2034		Total Payment per Year	67,743	67,426	67,110	66,793	66,477
PC13-961-014		Remaining Balance	823,044	759,733	696,422	633,111	569,780

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 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.

I&I Project – Phase II			2019	2020	2021	2022	2023
SRF Loan	\$938,850	Beginning Balance	191,658	154,464	116,709	78,386	39,486
		Interest	2,736	2,176	1,607	1,030	445
Fund 402		Principal	37,195	37,755	38,323	38,900	39,486
Payoff Year: 2023		Total Payment per Year	39,931	39,931	39,931	39,931	39,931
L0200023		Remaining Balance	154,464	116,709	78,386	39,486	-

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

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

WWTP Phase II (A, B & C)			2019	2020	2021	2022	2023
SRF Loan	\$2,531,462	Beginning Balance	853,744	716,716	577,625	436,439	293,128
		Interest	12,294	10,231	8,137	6,011	3,853
Fund 402		Principal	137,028	139,091	141,186	143,311	145,469
Payoff Year: 2024		Total Payment per Year	149,322	149,322	149,322	149,322	149,322
L0000010		Remaining Balance	716,716	577,625	436,439	293,128	147,659

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.

Drinking Water CT Piping Project			2019	2020	2021	2022	2023
SRF Loan	\$226,220	Beginning Balance	95,251	83,344	71,438	59,532	47,625
		Interest	1,429	1,250	1,072	893	714
Fund 401		Principal	11,906	11,906	11,906	11,906	11,906
Payoff Year: 2026		Total Payment per Year	13,335	13,157	12,978	12,799	12,621
Loan #05-96300-018		Remaining Balance	83,344	71,438	59,532	47,625	35,719

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 issuance amount was \$2,890,000 and will be paid off in 2021.

2010 Water & Sewer Refunding			2019	2020	2021	2022	2023
Bond Issue	\$2,890,000	Beginning Balance	775,000	525,000	270,000	-	-
Parks (REET), Streets, Water, Sewer, Storm & Shop		Interest	32,863	20,363	10,800	-	-
		Principal	250,000	255,000	270,000	-	-
Payoff Year: 2021		Total Payment per Year	282,863	275,363	280,800	-	-
NORWATREF10		Remaining Balance	525,000	270,000	-	-	-

Local Improvement District (LID) #6:

The City used Bond Anticipation Notes from Bank of America as the financing tool in 2008, 2009 and 2010 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 District (ULID) #6			2019	2020	2021	2022	2023
Revenue Bonds	\$16,985,000	Beginning Balance	3,160,000	3,000,000	3,000,000	3,000,000	3,000,000
Fund 451		Interest	130,150	123,750	123,750	123,750	123,750
		Principal	160,000	-	-	-	-
Payoff Year: 2032		Total Payment per Year	290,150	123,750	123,750	123,750	123,750
NORWAULID612		Remaining Balance	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000

2015 Water & Sewer Refunding:

This refunding bond refinanced \$910,000 of the 2006 Priority Bonds and \$8,725,000 of the 2012 ULID #6 Bonds to obtain lower interest rates. Payoff is scheduled in 2032.

2015 Water & Sewer Refunding			2019	2020	2021	2022	2023
Bond Issue	\$9,245,000	Beginning Balance	8,955,000	8,135,000	7,160,000	6,200,000	5,240,000
Fund 404		Interest (2006 Storm)	23,600	20,600	17,600	13,400	9,000
		Principal (2006 Storm)	100,000	100,000	105,000	110,000	110,000
Fund 451		Interest (2012 ULID)	316,650	295,050	268,800	234,600	200,600
		Principal (2012 ULID)	720,000	875,000	855,000	850,000	840,000
Payoff Year: 2032		Total Payment per Year	1,160,250	1,290,650	1,246,400	1,208,000	1,159,600
NORWAT15		Remaining Balance	8,135,000	7,160,000	6,200,000	5,240,000	4,290,000

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. For GO debt, the City is restricted to a debt capacity of 2.5% of the current assessed valuation. Of the 2.5%, up to 1.5% may be Councilmanic Bonds (passed by a majority vote of the Councilmembers) and the additional 1% must be approved by a vote of the general public, or the public can approve the entire 2.5%. After the 2018 payments are applied, total outstanding General Obligation Debt will be \$7,854,758.

Computation of Debt Capacity		
	Non-Voted	Voted
2019 Tax Collection Year Assessed Valuation (preliminary): \$1,460,447,083	1.50%	2.50% (less non-voted)
General Obligation Debt Capacity - 2019	\$21,906,706	\$36,511,177
Less: Outstanding General Obligation Debt as of 12/31/18	9,080,000	10,685,000
Remaining Debt Capacity Available as of 1/1/19	\$12,826,706	\$25,826,177

Bond Issues:

2011 UTGO – Fire Station:

This voter-approved bond was issued in 2011 to finance the City's share of constructing and equipping a new fire station. The principal and interest on the bonds are payable from the excess property tax levy. The interest rate on the bonds is 4.18%; payoff is scheduled in 2030.

2011 UTGO – FIRE STATION			2019	2020	2021	2022	2023
Bond Issue	\$2,250,000	Beginning Balance	1,605,000	1,500,000	1,390,000	1,125,000	1,005,000
		Interest	72,475	68,275	63,875	59,160	54,240
Fund 216		Principal	105,000	110,000	115,000	120,000	125,000
Payoff Year: 2030		Total Payment per Year	177,475	178,275	178,875	179,160	179,240
NORUTGO11		Remaining Balance	1,500,000	1,390,000	1,125,000	1,005,000	880,000

2012 LTGO – Transportation Benefit District (TBD):

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 principal and interest on the bonds are being paid from a local two-tenths of one percent sales and use tax approved by voters in November 2011 for TBD projects. The interest rate on the bonds is 2.27%; payoff is scheduled in 2021.

Limited Improvement District (ULID) #6			2019	2020	2021	2022	2023
Bond Issue	\$1,305,000	Beginning Balance	420,000	285,000	145,000	-	-
		Interest	11,925	8,550	4,350	-	-
Fund 217		Principal	135,000	140,000	145,000	-	-
Payoff Year: 2021		Total Payment per Year	146,925	148,550	145,000	-	-
NORLTGO12		Remaining Balance	285,000	145,000	-	-	-

General Obligation (GO) Debt - continued

2015 LTGO Refunding:

This refunding bond refinanced \$1,975,000 of the callable 2010 LTGO Bonds to obtain lower interest rates. Payoff is scheduled in 2026.

2015 LTGO Refunding			2019	2020	2021	2022	2023
Bond Issue	\$1,900,000	Beginning Balance	1,420,000	1,265,000	1,100,000	935,000	765,000
		Interest (Tollgate)	23,446	21,928	19,502	17,076	14,994
		Principal (Tollgate)	75,950	80,850	80,850	83,300	88,200
		Interest (Credit Line)	24,404	22,822	20,298	17,774	15,606
Fund 218		Principal (Credit Line)	79,050	84,150	84,150	86,700	91,800
Payoff Year: 2026		Total Payment per Year	202,850	209,750	204,800	204,850	210,600
NORLTGO15		Remaining Balance	1,265,000	1,100,000	935,000	765,000	585,000

2016 (Line of Credit) LTGO:

This bond was issued in July 2016 to finance the cost of capital improvements to City facilities, primarily the Wastewater Treatment Plant. The structure is set up as a revolving line of credit which may not exceed \$3,500,000 at any one time. This is a three-year line of credit which expires in July 2019.

2016 (LOC) LTGO			2019	2020	2021	2022	2023
Bond Issue	\$3,500,000	Beginning Balance	669,758	-	-	-	-
		Anticipated Draws	2,830,242	-	-	-	-
		Interest	75,000	-	-	-	-
Fund 219		Principal	3,500,000	-	-	-	-
Payoff Year: 2019		Total Payment per Year	3,575,000	-	-	-	-
Line of Credit		Remaining Balance	-	-	-	-	-

2018 LTGO – City Hall:

This bond was issued for the purpose of providing funds for a new City Hall facility. The interest rate on the bonds is 4.00%; payoff is scheduled in 2043.

2018 LTGO – City Hall			2019	2020	2021	2022	2023
Bond Issue	\$3,740,000	Beginning Balance	3,740,000	3,685,000	3,590,000	3,490,000	3,390,000
		Interest	191,597	152,800	149,000	145,000	141,000
Fund 217		Principal	55,000	95,00	100,000	100,000	105,000
Payoff Year: 2021		Total Payment per Year	246,597	247,800	249,000	245,000	246,000
NORLTGO12		Remaining Balance	3,685,000	3,590,000	3,490,000	3,390,000	3,285,000



2011 FIRE STATION BOND FUND 216

Revenue & Expenditures Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	Estimate	Proposed	Proposed	18-19	19-20
Revenues:								
Beginning Fund Balance	179,868	180,655	181,433	181,433	184,733	184,233	1.8%	-0.3%
Property Tax - Special Levy	181,118	177,843	175,975	175,975	177,475	178,275	0.9%	0.5%
Misc & Other Fin Sources	944	1,710	-	3,100	-	-	-100.0%	0.0%
Total Revenues	361,930	360,208	357,408	360,508	362,208	362,508	0.5%	0.1%
Expenditures:								
Debt Service - Principal	100,000	100,000	100,000	100,000	105,000	110,000	5.0%	4.8%
Debt Service - Interest	80,975	78,475	75,475	75,475	72,475	68,275	-4.0%	-5.8%
Debt Service - Other Fees	300	300	625	300	500	500	66.7%	0.0%
Total Expenditures	181,275	178,775	176,100	175,775	177,975	178,775	1.3%	0.4%
Ending Fund Balance	180,655	181,433	181,308	184,733	184,233	183,733	-0.3%	-0.3%
FUND TOTAL	361,930	360,208	357,408	360,508	362,208	362,508	0.5%	0.1%

2012 LTGO (TBD) FUND 217

Revenue & Expenditures Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	Estimate	Proposed	Proposed	18-19	19-20
Revenues:								
Beginning Fund Balance	11,797	14,876	-	-	200	200	100.0%	0.0%
Intergovernmental/TBD (690)	148,400	-	-	-	-	-	0.0%	0.0%
Misc & Other Fin Sources	254	412	-	-	-	-	0.0%	0.0%
Trans from TBD Fund (190)	-	132,787	145,800	145,675	147,425	149,050	1.2%	1.1%
Total Revenues	160,451	148,075	145,800	145,675	147,625	149,250	1.3%	1.1%
Expenditures:								
Debt Service - Principal	125,000	130,000	130,000	130,000	135,000	140,000	3.8%	3.7%
Debt Service - Interest	20,275	17,775	15,175	15,175	11,925	8,550	-21.4%	-28.3%
Debt Service - Other Fees	300	300	625	300	500	500	66.7%	0.0%
Total Expenditures	145,575	148,075	145,800	145,475	147,425	149,050	1.3%	1.1%
Ending Fund Balance	14,876	-	-	200	200	200	0.0%	0.0%
FUND TOTAL	160,451	148,075	145,800	145,675	147,625	149,250	1.3%	1.1%



2015 LTGO FUND 218

Revenue & Expenditures Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	Estimate	Proposed	Proposed	18-19	19-20
Revenues:								
Beginning Fund Balance	-	-	-	-	-	-	0.0%	0.0%
Misc & Other Fin Sources	0	-	-	-	-	-	0.0%	0.0%
Transfer from CIP (320) Fund	101,755	100,991	104,615	104,140	99,957	103,338	-4.0%	3.4%
Trans from Capital Streets (102)	91,869	89,811	93,644	93,219	90,005	93,067	-3.4%	3.4%
Total Revenues	193,624	190,801	198,259	197,359	189,962	196,405	-3.7%	3.4%
Expenditures:								
Debt Service - Principal	140,055	140,055	149,392	149,392	144,724	154,061	-3.1%	6.5%
Debt Service - Interest	53,268	50,466	47,667	47,667	44,678	41,784	-6.3%	-6.5%
Debt Service - Other Fees	302	280	1,200	300	560	560	86.7%	0.0%
Total Expenditures	193,624	190,801	198,259	197,359	189,962	196,405	-3.7%	3.4%
Ending Fund Balance	-	-	-	-	-	-	0.0%	0.0%
FUND TOTAL	193,624	190,801	198,259	197,359	189,962	196,405	-3.7%	3.4%

2016 LTGO (LOC) FUND 219

Revenue & Expenditures Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	Estimate	Proposed	Proposed	18-19	19-20
Revenues:								
Beginning Fund Balance	-	-	-	-	-	-	0.0%	0.0%
Line of Credit Proceeds	463,505	206,253	402,300	-	-	-	-100.0%	0.0%
Misc & Other Fin Sources	211	-	-	-	-	-	0.0%	0.0%
Trans from Sewer Fund (402)	3,340	17,263	77,700	40,000	730,000	-	1725.0%	-100.0%
Total Revenues	467,056	223,516	480,000	40,000	730,000	-	1725.0%	-100.0%
Expenditures:								
Debt Service - Principal	-	-	-	-	650,000	-	100.0%	-100.0%
Debt Service - Interest	2,357	15,063	75,000	35,000	75,000	-	114.3%	-100.0%
Debt Service - Other Fees	36,314	2,200	5,000	5,000	5,000	-	0.0%	-100.0%
Interfund Transfers	428,385	206,253	400,000	-	-	-	0.0%	0.0%
Total Expenditures	467,056	223,516	480,000	40,000	730,000	-	1725.0%	-100.0%
Ending Fund Balance	-	-	-	-	-	-	#DIV/0!	#DIV/0!
FUND TOTAL	467,056	223,516	480,000	40,000	730,000	-	1725.0%	-100.0%



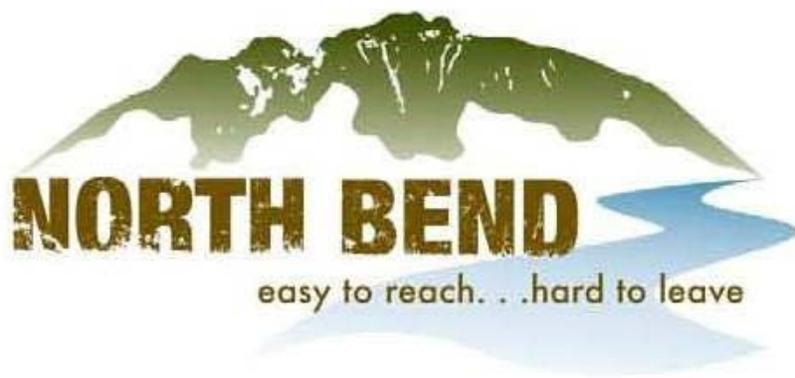
2018 LTGO FUND 220

Revenue & Expenditures Summary

Description	2016 Actual	2017 Actual	2018 Budget	2018 Estimate	2019 Proposed	2020 Proposed	Percent Change 18-19 19-20	
Revenues:								
Beginning Fund Balance	-	-	-	-	-	-	0.0%	0.0%
Bond Proceeds	-	-	4,069,200	4,069,200	-	-	-100.0%	0.0%
Misc & Other Fin Sources	-	-	-	-	-	-	0.0%	0.0%
Trans from Cap Imp Fund (320)	-	-	-	-	247,097	248,300	100.0%	0.5%
Total Revenues	-	-	4,069,200	4,069,200	247,097	248,300	-93.9%	0.5%
Expenditures:								
Debt Service - Principal	-	-	-	-	55,000	95,000	100.0%	72.7%
Debt Service - Interest	-	-	-	-	191,597	152,800	100.0%	-20.2%
Debt Service - Other Fees	-	-	67,720	67,720	500	500	100.0%	0.0%
Transfer to City Hall (310)	-	-	4,001,480	4,001,480	-	-	-100.0%	0.0%
Total Expenditures	-	-	4,069,200	4,069,200	247,097	248,300	-93.9%	0.5%
Ending Fund Balance	-	-	-	-	-	-	#DIV/0!	#DIV/0!
FUND TOTAL	-	-	4,069,200	4,069,200	247,097	248,300	-93.9%	0.5%



Capital Projects





MUNICIPAL PROJECTS FUND 310

Revenue & Expenditures Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	Estimate	Proposed	Proposed	18-19	19-20
Revenues:								
Beginning Fund Balance	1,071,267	914,570	-	-	3,091,055	438,183	100.0%	-85.8%
Intergovernmental/Grants	51,162	1,080,627	881,864	880,927	1,321,038	-	50.0%	-100.0%
Misc & Other Fin Sources	145,903	134,517	-	17,233	1,300,000	-	7443.7%	-100.0%
Interfund Transfers	659,948	2,605,969	6,622,496	6,571,298	1,837,620	-	-72.0%	0.0%
Total Revenues	1,928,281	4,735,683	7,504,360	7,469,458	7,549,713	438,183	1.1%	-94.2%
Expenditures:								
Tanner Trail Phase II	7,450	-	10,000	-	10,000	-	100.0%	-100.0%
NB Way/Park Roundabout	33,084	8,806	72,646	72,646	1,540,800	-	2021.0%	-100.0%
Downtown Plaza	21,263	1,432,735	102,247	102,247	-	-	-100.0%	0.0%
NB Way/C Falls R/Bout Landscaping	-	3,193	-	-	-	-	0.0%	0.0%
Cedar Falls Way Sidewalk	97,771	-	-	-	-	-	0.0%	0.0%
Bendigo @ Park Right Turn Lane	111,124	101,363	34,982	29,240	-	-	-100.0%	0.0%
NE 12th Street Reconstruction	-	4,976	624,004	622,763	-	-	-100.0%	0.0%
NW 14th Street Reconstruction	133,436	875	16,496	-	-	-	0.0%	0.0%
468th Ave/Mid Fork Gateway Corridor	-	48,426	1,234	1,234	-	-	-100.0%	0.0%
NB Way Sidewalks-Ballararat-Downing	38,245	347,872	65,522	62,703	-	-	-100.0%	0.0%
Maloney Grove Crosswalk	5,097	-	-	-	20,000	-	100.0%	-100.0%
Forster Woods Sidewalks	-	-	-	-	28,000	-	100.0%	-100.0%
Middle Fork Roundabout	-	37,966	54,641	54,641	-	-	-100.0%	0.0%
436th Ave/136th St Roundabout	-	13,535	74,351	74,351	-	-	-100.0%	0.0%
South Fork Ave Extension	-	94,828	11,935	11,935	103,965	-	771.1%	-100.0%
Tanner Rd Realignment ROW	-	-	40,000	39,414	-	-	-100.0%	0.0%
Bendigo @ 4th Intersection	-	-	8,500	8,186	15,265	-	86.5%	-100.0%
Ballarat - 8th to 12th Street	-	-	25,200	-	25,200	-	100.0%	-100.0%
Main Ave Angle Parking	-	-	25,000	25,000	-	-	-100.0%	0.0%
Pickett Ave Extension	-	-	-	-	100,000	-	100.0%	-100.0%
Torguson Park Trails & Plaza	11,807	276,638	-	-	-	-	0.0%	0.0%
Torguson Park Bathrooms	86,977	1,488,041	1,200	1,200	-	-	-100.0%	0.0%
E.J. Roberts Park Bridge Replace	255,087	-	-	-	-	-	0.0%	0.0%
Meadowbrook- Sno Valley Trail/Bridge	-	3,338	161	-	-	-	0.0%	0.0%
EJ Roberts Sports Courts Rehab	13,309	9,426	-	-	-	-	0.0%	0.0%
EJ Roberts Playground Equip	-	-	63,640	63,640	-	-	-100.0%	#DIV/0!
Wm Taylor Park - Ped Connection	-	-	5,570	4,430	19,708	-	344.9%	-100.0%
Tennant Trailhead Park	-	-	-	-	190,000	-	-	-
City Hall	58,356	389,962	4,923,155	3,204,351	5,058,592	-	57.9%	-100.0%
Glazier Property Deed of Trust	140,706	-	-	-	-	-	0.0%	0.0%
Downtown Development	-	473,703	-	399	-	-	-100.0%	0.0%
Transfer to General Fund	-	-	23	23	-	-	-100.0%	0.0%
Transfer to Capital Streets (102)	-	-	-	-	-	-	0.0%	0.0%
Total Expenditures	1,013,711	4,735,683	6,160,507	4,378,403	7,111,530	-	62.4%	-100.0%
Ending Fund Balance	914,570	-	1,343,853	3,091,055	438,183	438,183	-67.4%	0.0%
FUND TOTAL	1,928,281	4,735,683	7,504,360	7,469,458	7,549,713	438,183	0.6%	-94.2%



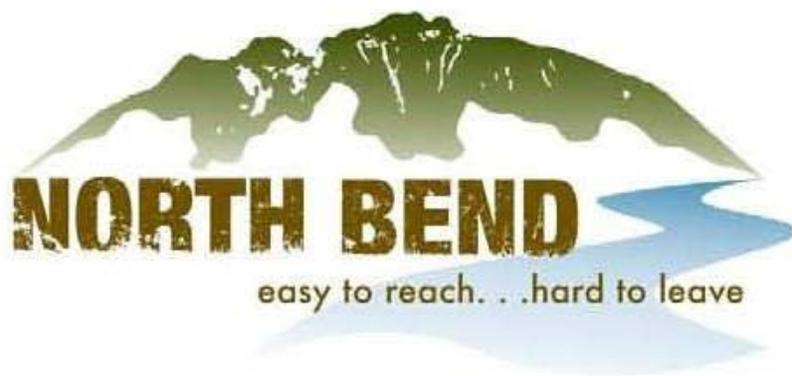
CAPITAL IMPROVEMENTS (REET) FUND 320

Revenue & Expenditures Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	Estimate	Proposed	Proposed	18-19	19-20
Revenues:								
Beginning Fund Balance	813,000	1,164,640	589,123	589,123	1,505,864	922,502	155.6%	-38.7%
Real Estate Excise Taxes	556,108	592,791	1,000,000	1,000,000	593,000	560,000	-40.7%	-5.6%
Interfund Loan Repayment	-	-	725,000	725,000	-	-	-100.0%	0.0%
Misc & Other Fin Sources	5,034	11,579	13,500	20,000	5,000	5,000	-75.0%	0.0%
Total Revenues	1,374,142	1,769,010	2,327,623	2,334,123	2,103,864	1,487,502	-9.9%	-29.3%
Expenditures:								
Debt Service - Principal	24,117	25,239	26,361	26,361	28,043	28,604	6.4%	2.0%
Debt Service - Interest	7,472	6,266	5,004	5,004	3,687	2,284	-26.3%	-38.1%
Debt Service - Other Fees	34	34	70	70	70	70	0.0%	0.0%
Interfund Loan to Park Imp (106)	-	725,000	-	-	-	-	0.0%	0.0%
Transfer to 2015 LTGO Fund (218)	101,755	100,991	104,615	104,140	99,957	103,338	-4.0%	3.4%
Transfer to 2018 LTGO Fund (220)	-	-	-	-	247,097	248,300	100.0%	0.5%
Transfer to Muni Proj Fund (310)	76,124	322,357	692,684	692,684	802,508	-	15.9%	-100.0%
Total Expenditures	209,502	1,179,887	828,734	828,259	1,181,362	382,596	42.6%	-67.6%
Ending Fund Balance	1,164,640	589,123	1,498,889	1,505,864	922,502	1,104,906	-38.7%	19.8%
FUND TOTAL	1,374,142	1,769,010	2,327,623	2,334,123	2,103,864	1,487,502	-9.9%	-29.3%



Utilities





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 FUND 401

Revenue & Expenditures Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	Estimate	Proposed	Proposed	18-19	19-20
Revenues:								
Beginning Fund Balance	2,308,697	2,799,873	3,369,338	3,369,338	734,330	2,909,335	-78.2%	296.2%
Intergovernmental Revenues	-	-	-	-	1,800,000	-	100.0%	-100.0%
Charges for Services	1,828,578	2,173,696	2,117,300	2,115,604	2,155,030	2,174,365	1.9%	0.9%
Misc & Other Fin Sources	14,391	29,646	47,000	52,480	38,500	32,000	-26.6%	-16.9%
Water Facility Fees (GFC)	199,520	683,787	750,000	750,000	895,267	251,368	19.4%	-71.9%
Interfund Loan Repayment	-	-	-	-	161,365	-	100.0%	-100.0%
Total Revenues	4,351,186	5,687,003	6,283,638	6,287,422	5,784,492	5,367,068	-8.0%	-7.2%
Expenditures:								
Personnel Costs	708,849	835,917	930,830	936,870	996,866	1,010,108	6.4%	1.3%
Supplies	53,806	59,786	96,500	88,800	99,700	100,000	12.3%	0.3%
Services & Charges	419,076	635,132	1,096,011	1,053,682	868,307	881,821	-17.6%	1.6%
Intergovernmental Services	7,065	1,281	6,246	7,956	1,211	8,176	-84.8%	575.1%
Capital Projects	75,004	277,475	2,995,815	2,997,634	661,590	-	-77.9%	-100.0%
Capital Equipment	20,466	9,167	49,411	48,945	-	-	-100.0%	0.0%
Debt Service	250,653	249,607	248,362	248,325	247,483	245,599	-0.3%	-0.8%
Interfund Loan to Park Imp (106)	-	161,365	-	-	-	-	0.0%	0.0%
Interfund Transfers	16,395	87,935	170,880	170,880	-	-	-100.0%	0.0%
Total Expenditures	1,551,313	2,317,665	5,594,055	5,553,092	2,875,157	2,245,704	51.8%	-21.9%
Ending Fund Balance	2,799,873	3,369,338	689,583	734,330	2,909,335	3,121,364	296.2%	7.3%
FUND TOTAL	4,351,186	5,687,003	6,283,638	6,287,422	5,784,492	5,367,068	-8.0%	-7.2%



SEWER UTILITY FUND 402

Resources & Uses Summary

Description	2016 Actual	2017 Actual	2018 Budget	2018 Estimate	2019 Proposed	2020 Proposed	Percent Change 18-19 19-20	
Resources:								
Beginning Fund Balance	1,178,257	1,410,718	2,844,431	2,844,431	4,273,043	17,261,128	50.2%	304.0%
Charges for Services	1,968,460	2,663,603	2,840,669	2,841,089	3,214,965	3,609,198	13.2%	12.3%
Fines & Penalties	15,329	-	-	-	-	-	0.0%	0.0%
Misc & Other Fin Sources	5,160	22,942	18,800	47,124	25,000	17,500	-46.9%	-30.0%
Sewer Facility Fees (GFC)	261,687	1,309,926	1,221,800	1,221,800	2,712,733	1,989,276	122.0%	-26.7%
Revenue Bond Proceeds	-	-	-	-	17,624,773	-	100.0%	-100.0%
PWTF Loan Proceeds	-	-	-	999,774	-	-	-100.0%	0.0%
Line of Credit Proceeds	428,385	206,253	400,000	-	-	-	0.0%	0.0%
Total Resources	3,857,277	5,613,441	7,325,700	7,954,218	27,850,514	22,877,102	250.1%	-17.9%
Uses:								
Personnel Costs	718,470	921,847	1,163,150	1,158,900	1,382,533	1,407,720	19.3%	1.8%
Supplies	42,629	65,159	69,700	64,800	64,700	65,700	-0.2%	1.5%
Services & Charges	808,219	728,724	836,920	820,763	826,034	851,288	0.6%	3.1%
Intergovernmental Services	9,364	1,281	10,646	10,646	1,211	10,951	-88.6%	804.3%
Capital Projects	431,178	487,697	1,836,054	966,157	6,604,116	11,352,308	583.5%	71.9%
Capital Equipment	26,571	69,222	29,999	31,999	-	-	100.0%	-100.0%
Debt Service	390,392	389,884	390,050	390,050	980,792	1,586,578	151.5%	61.8%
Interfund Transfers	19,735	105,198	277,060	237,860	730,000	-	206.9%	-100.0%
Total Uses	2,446,559	2,769,011	4,613,579	3,681,175	10,589,386	15,274,545	187.7%	44.2%
Ending Fund Balance	1,410,718	2,844,430	2,712,121	4,273,043	17,261,128	7,602,557	304.0%	-56.0%
FUND TOTAL	3,857,277	5,613,441	7,325,700	7,954,218	27,850,514	22,877,102	250.1%	-17.9%

SOLID WASTE & RECYCLING FUND 405

Revenue & Expenditures Summary

Description	2016 Actual	2017 Actual	2018 Budget	2018 Estimate	2019 Proposed	2020 Proposed	Percent Change 18-19 19-20	
Revenues:								
Beginning Fund Balance	194,634	249,580	299,523	299,523	351,192	399,508	17.3%	13.8%
Contract Franchise Fee	61,921	78,020	90,000	80,000	82,030	84,080	2.5%	2.5%
Intergovernmental Revenues	23,748	22,662	24,920	25,176	21,900	25,800	-13.0%	17.8%
Charges for Services	7,546	-	-	-	-	-	0.0%	0.0%
Misc & Other Fin Sources	1,090	2,437	1,000	4,200	3,260	3,325	-22.4%	2.0%
Total Revenues	288,938	352,699	415,443	408,899	458,382	512,713	12.1%	11.9%
Expenditures:								
Personnel Costs	23,419	35,922	41,238	40,668	41,727	41,997	2.6%	0.6%
Supplies	-	-	-	-	-	-	0.0%	0.0%
Services & Charges	15,939	17,255	17,039	17,039	17,147	17,185	0.6%	0.2%
Total Expenditures	39,358	53,177	58,277	57,707	58,874	59,182	2.0%	0.5%
Ending Fund Balance	249,580	299,523	357,166	351,192	399,508	453,531	13.8%	13.5%
FUND TOTAL	288,938	352,699	415,443	408,899	458,382	512,713	12.1%	11.9%



STORM DRAINAGE UTILITY FUND 404

Revenue & Expenditures Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	Estimate	Proposed	Proposed	18-19	19-20
Resources:								
Beginning Fund Balance	680,151	600,833	635,199	635,199	339,965	389,913	-46.5%	14.7%
Charges for Services	669,752	679,753	697,000	697,000	710,500	722,500	1.9%	1.7%
Misc & Other Fin Sources	3,220	5,374	513,351	516,351	7,800	7,800	-98.5%	0.0%
Storm Drain Facility Fees (GFC)	27,650	200,662	324,250	324,250	572,064	374,639	76.4%	-34.5%
Total Resources	1,380,773	1,486,622	2,169,800	2,172,800	1,630,329	1,494,852	-25.0%	-8.3%
Uses:								
Personnel Costs	323,179	391,319	444,382	443,357	460,898	461,480	4.0%	0.1%
Supplies	2,367	457	3,100	2,186	2,200	2,200	0.6%	0.0%
Services & Charges	150,241	157,187	207,803	207,028	169,787	170,116	-18.0%	0.2%
Intergovernmental Services	1,948	1,281	1,796	1,996	1,211	1,951	-39.3%	61.1%
Capital Projects	129,713	77,976	343,307	314,497	200,000	-	-36.4%	-100.0%
Capital Equipment	786	21,605	507,076	507,076	-	-	-100.0%	0.0%
Debt Service	152,585	154,167	151,936	151,935	155,400	151,558	2.3%	-2.5%
Interfund Transfers	19,122	47,433	204,760	204,760	250,920	-	22.5%	-100.0%
Total Uses	779,940	851,423	1,864,160	1,832,835	1,240,416	787,305	-32.3%	-36.5%
Ending Fund Balance	600,833	635,199	305,640	339,965	389,913	707,547	14.7%	81.5%
FUND TOTAL	1,380,773	1,486,622	2,169,800	2,172,800	1,630,329	1,494,852	-25.0%	-8.3%

FLOOD OPERATIONS FUND 404-100

Revenue & Expenditures Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	Estimate	Proposed	Proposed	18-19	19-20
Revenues:								
Beginning Fund Balance	593,755	603,841	599,020	599,020	516,489	462,092	-13.8%	-10.5%
Licenses & Permits	6,930	14,938	8,500	4,500	5,000	5,500	11.1%	10.0%
Charges for Services	169,737	172,234	174,070	174,070	175,170	178,500	0.6%	1.9%
Misc & Other Fin Sources	2,799	5,028	2,800	8,100	6,400	6,500	-21.0%	1.6%
Total Revenues	773,222	796,041	784,390	785,690	703,059	652,592	-10.5%	-7.2%
Expenditures:								
Personnel Costs	111,232	140,566	155,878	155,796	167,322	178,409	7.4%	6.6%
Supplies	642	918	950	950	950	950	0.0%	0.0%
Services & Charges	57,277	55,537	112,030	112,030	72,695	72,245	-35.1%	-0.6%
Intergovernmental Services	230	-	200	275	-	280	-100.0%	100.0%
Capital Equipment	-	-	150	150	-	-	-100.0%	0.0%
Total Expenditures	169,380	197,020	269,208	269,201	240,967	251,884	-10.5%	4.5%
Ending Fund Balance	603,841	599,020	515,182	516,489	462,092	400,708	-10.5%	-13.3%
FUND TOTAL	773,222	796,041	784,390	785,690	703,059	652,592	-10.5%	-7.2%



ULID #6 BOND REDEMPTION FUND 451

Revenue & Expenditures Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	Estimate	Proposed	Proposed	18-19	19-20
Revenues:								
Beginning Fund Balance	2,572,461	4,856,802	4,684,222	4,684,222	4,474,074	4,104,647	-4.5%	-8.3%
Misc & Other Fin Sources	20,202	39,587	65,000	65,000	41,600	40,000	-36.0%	-3.8%
ULID #6 Assessments	3,738,102	1,389,942	1,072,938	1,072,938	887,535	836,189	-17.3%	-5.8%
Trans from ULID Bond Reserve (452)	-	-	106,814	106,814	38,238	-	-64.2%	0.0%
Total Revenues	6,330,765	6,286,332	5,928,974	5,928,974	5,441,447	4,980,836	-8.2%	-8.5%
Expenditures:								
Debt Service - Principal	870,000	880,000	880,000	880,000	880,000	875,000	0.0%	-0.6%
Debt Service - Interest	517,284	499,000	481,400	481,400	446,800	418,800	-7.2%	-6.3%
Debt Service - Other Fees	9,971	9,068	11,000	11,000	10,000	10,000	-9.1%	0.0%
ULID Reassessment Legal Fees	76,708	14,124	82,500	82,500	-	-	-100.0%	0.0%
Trans to ULID Bond Reserve (452)	-	199,918	-	-	-	-	0.0%	0.0%
Total Expenditures	1,473,963	1,602,110	1,454,900	1,454,900	1,336,800	1,303,800	-8.1%	-2.5%
Ending Fund Balance	4,856,802	4,684,222	4,474,074	4,474,074	4,104,647	3,677,036	-8.3%	-10.4%
FUND TOTAL	6,330,765	6,286,332	5,928,974	5,928,974	5,441,447	4,980,836	-8.2%	-8.5%

ULID #6 BOND RESERVE FUND 452

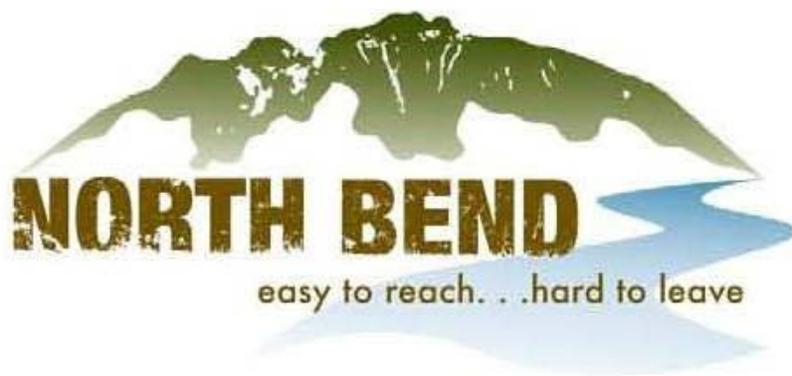
Revenue & Expenditures Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	Estimate	Proposed	Proposed	18-19	19-20
Revenues:								
Beginning Fund Balance	1,252,755	1,258,571	1,469,001	1,469,001	1,382,187	1,358,449	-5.9%	-1.7%
Misc & Other Fin Sources	5,816	10,511	12,800	20,000	14,500	14,000	-27.5%	-3.4%
Trans from ULID #6 Fund (451)	-	199,918	-	-	-	-	0.0%	0.0%
Total Revenues	1,258,571	1,469,001	1,481,801	1,489,001	1,396,687	1,372,449	-6.2%	-1.7%
Trans to ULID #6 Bond Fund (451)	-	-	106,814	106,814	38,238	-	-64.2%	0.0%
Total Expenditures	-	-	106,814	106,814	38,238	-	0.0%	0.0%
Ending Fund Balance	1,258,571	1,469,001	1,374,987	1,382,187	1,358,449	1,372,449	-1.7%	1.0%
FUND TOTAL	1,258,571	1,469,001	1,481,801	1,489,001	1,396,687	1,372,449	-6.2%	-1.7%





Internal Services





Internal Service Department 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 501

Revenue & Expenditures Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	Estimate	Proposed	Proposed	18-19	19-20
Revenues:								
Beginning Fund Balance	-	-	-	-	-	-	0.0%	0.0%
Charges for Services	255,274	264,036	327,049	327,048	312,974	329,920	-4.3%	5.4%
Misc & Other Fin Sources	-	-	-	1	-	-	-100.0%	0.0%
Total Revenues	255,274	264,036	327,049	327,049	312,974	329,920	-4.3%	5.4%
Expenses:								
Personnel Costs	118,166	124,992	140,755	139,830	142,994	156,706	2.3%	9.6%
Supplies	36,066	41,393	67,500	51,500	55,500	57,165	7.8%	3.0%
Services & Charges	68,104	64,831	86,183	103,073	81,504	83,950	-20.9%	3.0%
Intergovernmental Services	1,315	1,281	1,246	1,246	1,211	1,176	-2.8%	-2.9%
Debt Service	31,623	31,539	31,365	31,400	31,765	30,923	1.2%	-2.7%
Total Expenses	255,274	264,036	327,049	327,049	312,974	329,920	-4.3%	5.4%
Ending Fund Balance	-	-	-	-	-	-	0.0%	0.0%
FUND TOTAL	255,274	264,036	327,049	327,049	312,974	329,920	-4.3%	5.4%

EQUIPMENT RESERVE FUND 502

Revenue & Expenditures Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	Estimate	Proposed	Proposed	18-19	19-20
Revenues:								
Beginning Fund Balance	372,428	440,243	659,797	659,797	844,285	1,048,616	28.0%	24.2%
Charges for Services	92,383	227,750	231,108	231,108	204,331	203,249	-11.6%	-0.5%
Misc & Other Fin Sources	-	5,167	-	10,380	-	-	-100.0%	0.0%
Total Revenues	464,811	673,160	890,905	901,285	1,048,616	1,251,865	16.3%	19.4%
Expenditures:								
Capital Equipment	24,568	13,363	57,000	57,000	-	-	-100.0%	0.0%
Total Expenditures	24,568	13,363	57,000	57,000	-	-	0.0%	0.0%
Ending Fund Balance	440,243	659,797	833,905	844,285	1,048,616	1,251,865	24.2%	19.4%
FUND TOTAL	464,811	673,160	890,905	901,285	1,048,616	1,251,865	16.3%	19.4%



TECHNOLOGY OPERATING FUND 501-100

Revenue & Expenditures Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	Estimate	Proposed	Proposed	18-19	19-20
Revenues:								
Beginning Fund Balance	-	-	-	-	-	-	0.0%	0.0%
Charges for Services	158,980	145,603	190,713	190,713	187,479	188,386	-1.7%	0.5%
Total Revenues	158,980	145,603	190,713	190,713	187,479	188,386	-1.7%	0.5%
Expenditures:								
Personnel Costs	19,944	17,116	18,662	18,382	20,224	20,928	10.0%	3.5%
Supplies	1,227	1,956	2,500	2,250	2,500	2,500	11.1%	0.0%
Services & Charges	129,317	116,645	150,108	150,638	157,191	163,908	4.4%	4.3%
Capital Equipment	8,492	9,886	19,443	19,443	7,564	1,050	-61.1%	-86.1%
Total Expenditures	158,980	145,603	190,713	190,713	187,479	188,386	-1.7%	0.5%
Ending Fund Balance	-	-	-	-	-	-	0.0%	0.0%
FUND TOTAL	158,980	145,603	190,713	190,713	187,479	188,386	-1.7%	0.5%

TECHNOLOGY RESERVE FUND 502-100

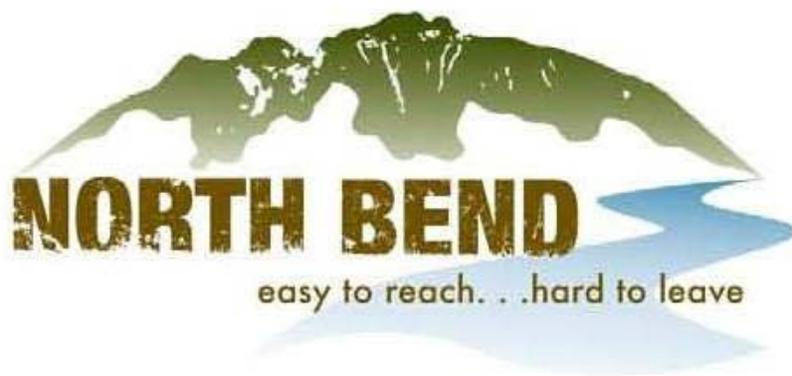
Revenue & Expenditures Summary

Description	2016	2017	2018	2018	2019	2020	Percent Change	
	Actual	Actual	Budget	Estimate	Proposed	Proposed	18-19	19-20
Revenues:								
Beginning Fund Balance	49,654	53,181	123,628	123,628	180,158	226,006	45.7%	25.4%
Charges for Services	11,792	75,068	71,670	71,670	69,782	62,809	-2.6%	-10.0%
Misc & Other Fin Sources	-	916	-	2,210	-	-	-100.0%	0.0%
Total Revenues	61,446	129,164	195,298	197,508	249,940	288,815	26.5%	15.6%
Expenditures:								
Capital Equipment	8,266	5,536	17,350	17,350	23,934	3,450	37.9%	-85.6%
Total Expenditures	8,266	5,536	17,350	17,350	23,934	3,450	37.9%	-85.6%
Ending Fund Balance	53,181	123,628	177,948	180,158	226,006	285,365	25.4%	26.3%
FUND TOTAL	61,446	129,164	195,298	197,508	249,940	288,815	26.5%	15.6%





Supplemental Information



Personnel History

Departments	2012	2013	2014	2015	2016	2017	2018
Administration							
City Administrator	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Services Director	1.00	1.00	0.00	0.00	0.00	0.00	0.00
City Clerk	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Communications Manager	0.00	0.00	0.00	0.00	0.00	0.00	1.00
Records Coordinator	0.00	0.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	0.60	0.00	0.00	0.00	0.00	0.00	0.00
Community & Economic Development Services							
Community & Economic Development Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Building Official	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Building Inspector	0.00	1.00	1.00	1.00	1.00	1.00	1.00
Senior Planner	1.50	2.60	1.75	1.75	1.75	1.75	1.75
Associate Planner	0.00	0.00	1.00	1.00	1.00	1.00	1.00
Long Range Planner/GIS	0.00	0.00	0.00	0.00	0.00	0.00	1.00
Office Coordinator/Permit Technician	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Mapping CAD Technician	1.00	0.50	0.50	0.50	0.20	0.20	0.20
Events/Economic Development Coordinator	0.00	0.00	0.00	0.00	0.50	0.00	0.00
Special Events/Visitor Information Coordinator	0.00	0.00	0.00	0.00	0.00	1.00	1.00
Finance & Technology							
Deputy City Administrator/Finance Director	0.00	0.00	1.00	1.00	1.00	1.00	1.00
Finance Manager	1.00	1.00	0.00	0.00	0.00	0.00	0.00
Deputy Finance Director	0.00	0.00	1.00	1.00	1.00	1.00	1.00
Staff Accountant	1.00	1.00	0.00	0.00	0.00	0.00	0.00
Payroll Officer	0.60	0.00	0.00	0.00	0.00	0.00	0.00
Utilities Coordinator	1.00	1.00	1.67	1.67	1.67	2.00	2.00
Business License & Tax Coordinator	0.70	0.70	1.00	1.00	1.00	1.00	1.00
Accounting Assistant I	0.00	0.00	0.50	0.50	1.00	0.00	0.00
Accounting Assistant II	0.00	0.00	0.00	0.00	0.00	1.00	1.00
Administrative Assistant	0.00	0.60	0.00	0.00	0.00	0.00	0.00
Police Administration							
Police Office Supervisor	1.00	1.00	0.00	0.00	0.00	0.00	0.00
Administrative Assistant	0.50	0.50	0.00	0.00	0.00	0.00	0.00
Public Works							
Deputy City Administrator/PW Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Deputy Public Works Director	0.00	0.00	0.00	0.00	0.00	1.00	1.00
City Engineer	0.00	1.00	0.00	1.00	1.00	1.00	1.00
Public Works Project Manager	0.00	0.00	1.00	1.00	1.00	2.00	2.00
Assistant City Engineer	1.00	0.00	1.00	0.00	0.00	0.00	0.00
Wastewater Treatment Plant Manager	0.00	0.00	0.00	1.00	1.00	1.00	1.00
SCADA Supervisor	0.00	0.00	0.00	0.00	1.00	1.00	1.00
PW Infrastructure Inspector	0.00	0.00	0.00	0.00	0.00	0.00	1.00
Public Works Office Coordinator	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Senior Lead Technician	0.00	0.00	0.00	0.00	0.00	0.00	1.00
Lead Wastewater Operator	0.00	0.00	0.00	0.00	0.00	0.00	1.00
Lead Water System Operator	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Lead Parks Technician	1.00	1.00	1.00	1.00	1.00	1.00	0.00
Lead Streets Technician	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Wastewater Operator II	1.00	1.00	1.00	1.00	2.00	2.00	2.00
Wastewater Operator I	1.00	1.00	2.00	2.00	2.00	3.00	3.00
Mechanic	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Maintenance (Journey)	6.00	7.00	8.00	5.00	5.00	5.00	6.00
Water System Operator	0.00	0.00	0.00	3.00	3.00	3.00	3.00
TOTAL	29.90	31.90	34.42	35.42	38.12	41.95	46.95

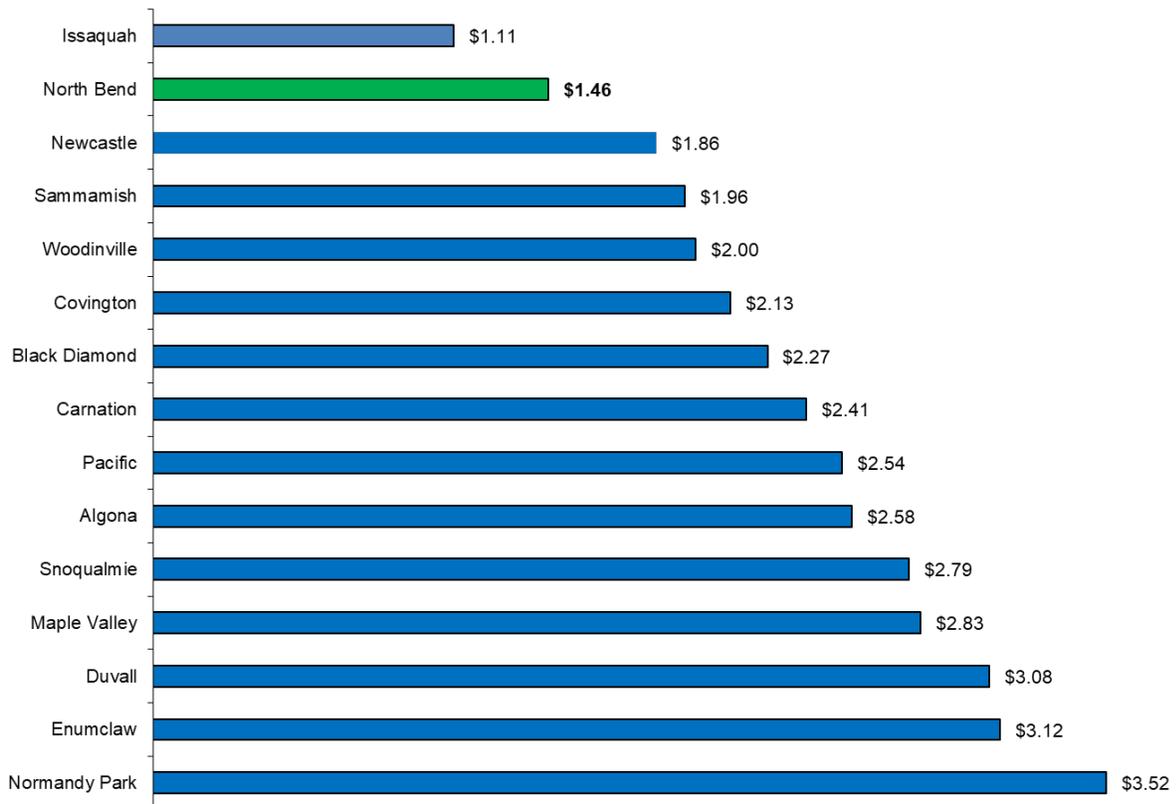
2019 Proposed Salary Ranges

Position	Monthly Salary Range		FTEs
	Entry	High	
Mayor and Council			
Mayor	\$ 3,000	N/A	1 Elected
Council Member	500	N/A	7 Elected
Management (Exempt)			
City Administrator	11,000	14,300	1.00
Deputy City Administrator/Finance Director	9,800	13,000	1.00
Deputy City Administrator/Public Works Director	9,800	13,000	1.00
Community & Economic Development Director	9,400	12,500	1.00
Deputy Public Works Director	8,700	12,000	1.00
City Engineer	8,200	10,600	1.00
PW Project Manager	6,800	9,500	2.00
Building Official	7,200	9,200	1.00
Wastewater Treatment Plant Manager	6,800	9,000	1.00
SCADA Supervisor	6,600	9,000	1.00
City Clerk	6,700	8,600	1.00
Deputy Finance Director	6,400	8,400	1.00
Economic Development Manager	5,800	8,000	1.00
Communications Manager	5,800	7,500	1.00
Human Resources Analyst	5,200	6,700	0.00
Public Works Bargaining Unit			
Senior Lead Technician	6,198	7,433	1.00
Lead Parks Technician	5,698	6,933	0.00
Lead Streets Technician	5,698	6,933	1.00
Lead Water System Operator	5,698	6,933	1.00
Lead WWTP Operator	5,698	6,933	1.00
Wastewater Treatment Plant Operator II	5,304	6,453	2.00
Mechanic	5,073	6,172	1.00
Water System Operator	4,963	6,038	3.00
Wastewater Treatment Plant Operator I	4,946	6,017	3.00
Maintenance Worker	4,713	5,734	6.00
Maintenance Worker - Entry	4,100	5,500	0.00
WWTP Operator-in-Training	4,673	5,010	0.00
Maintenance (Seasonal)	12.00/hr	15.00/hr	
Professional, Technical, Clerical Bargaining Unit			
Senior Planner	6,578	8,003	1.75
Senior Long Range Planner/GIS	6,578	8,003	1.00
Associate Planner/2-year term	5,701	6,936	0.00
Long Range Planner/GIS/2-year term	5,701	6,936	0.00
Building Inspector/2-year term	5,648	6,871	1.00
Public Works Infrastructure Inspector/2-year term	5,648	6,871	1.00
Mapping CAD Technician	5,562	6,767	0.40
Records Coordinator	5,333	6,488	1.00
Staff Accountant	5,259	6,398	0.00
Deputy Clerk	5,064	6,161	0.00
Special Events & Visitor Information Coordinator	4,128	6,040	1.00
Payroll Officer	4,761	5,792	0.00
Office Coordinator / Permit Technician	4,698	5,715	1.00
Public Works Office Coordinator	4,698	5,715	1.00
Accounting Assistant II	4,574	5,565	1.00
Business License & Tax Coordinator	4,574	5,565	1.00
Utilities Coordinator	4,574	5,565	2.00
Administrative Assistant	3,984	4,847	0.00
Accounting Assistant I	3,872	4,711	0.00
Visitor Information Center Ambassador (Part Time)	12.00/hr	15.00/hr	
Total FTEs			47.15

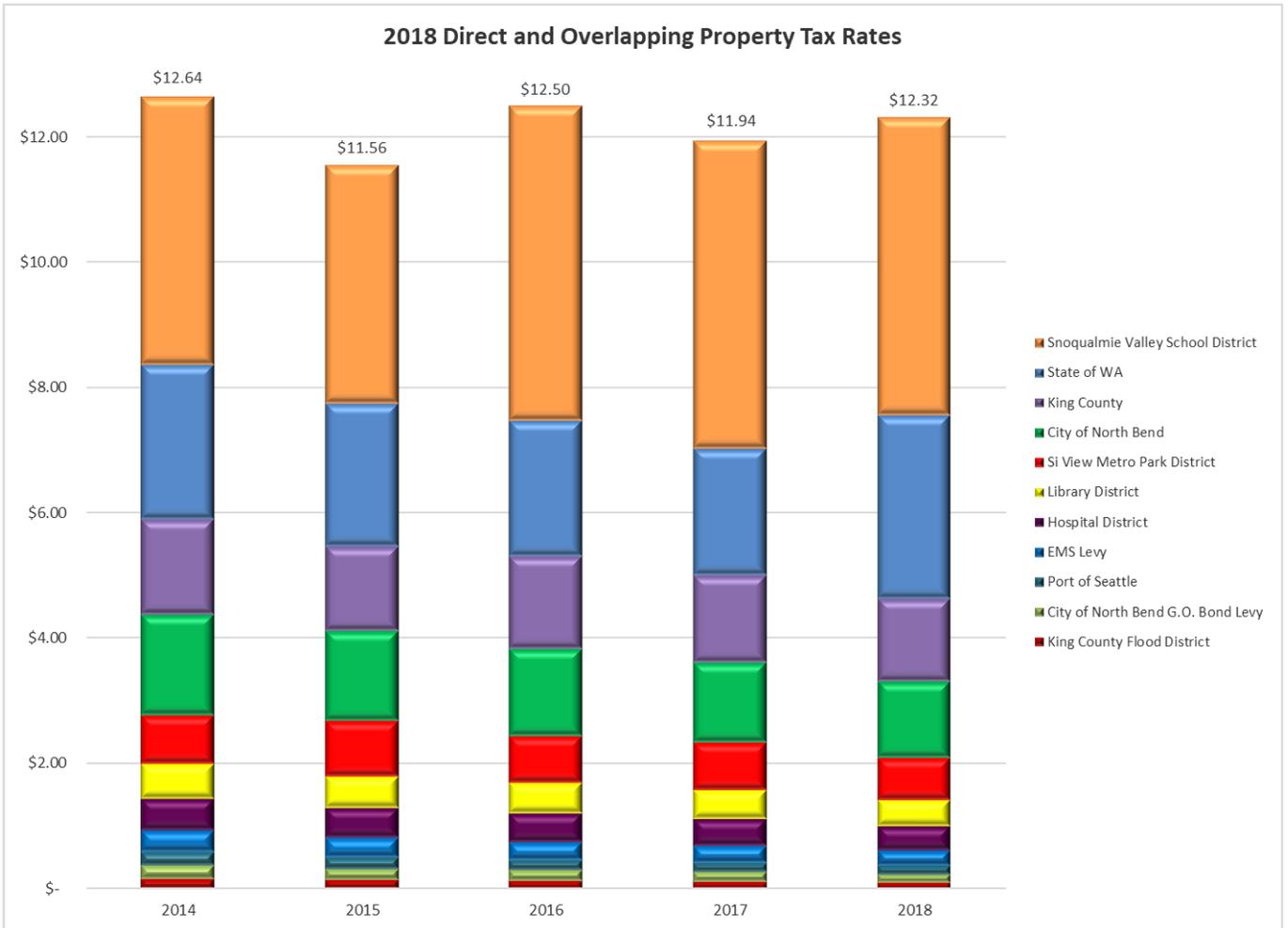
2018 Selected King County Cities Property Tax Comparison



2018 King County Cities Property Tax Comparison including Regular Fire & EMS Levies

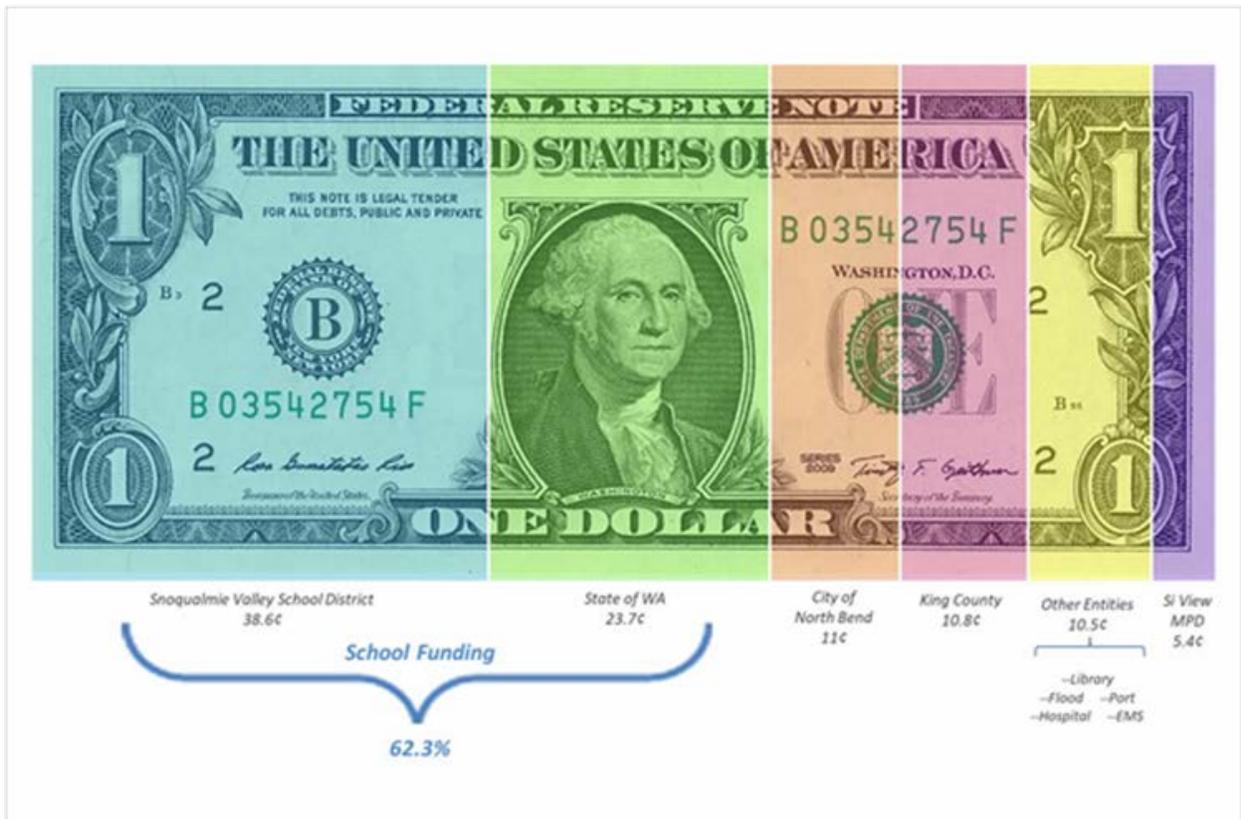


Total Property Tax Rate



Private property and businesses in North Bend are levied a property tax which is collected in two installments in April and October of each year. The 2018 property tax rate averages \$12.3214 per \$1,000 of assessed value.

Where Did Your 2018 Property Tax Dollar Go?





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 annual 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 annual budget and City service programs.

Expenditures approved by the City Council in the annual budget define the City's spending limits for the upcoming fiscal year. 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 annual 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 annual 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 annual 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 annual 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; or
 - 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 annual 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.

