

CITY OF NAPA VINE

2020

BUDGET



FOR THE FISCAL YEAR
January 1, 2020
Through
December 31, 2020

Adopted November 26, 2019

The City of Napavine is an equal opportunity employer and provider.

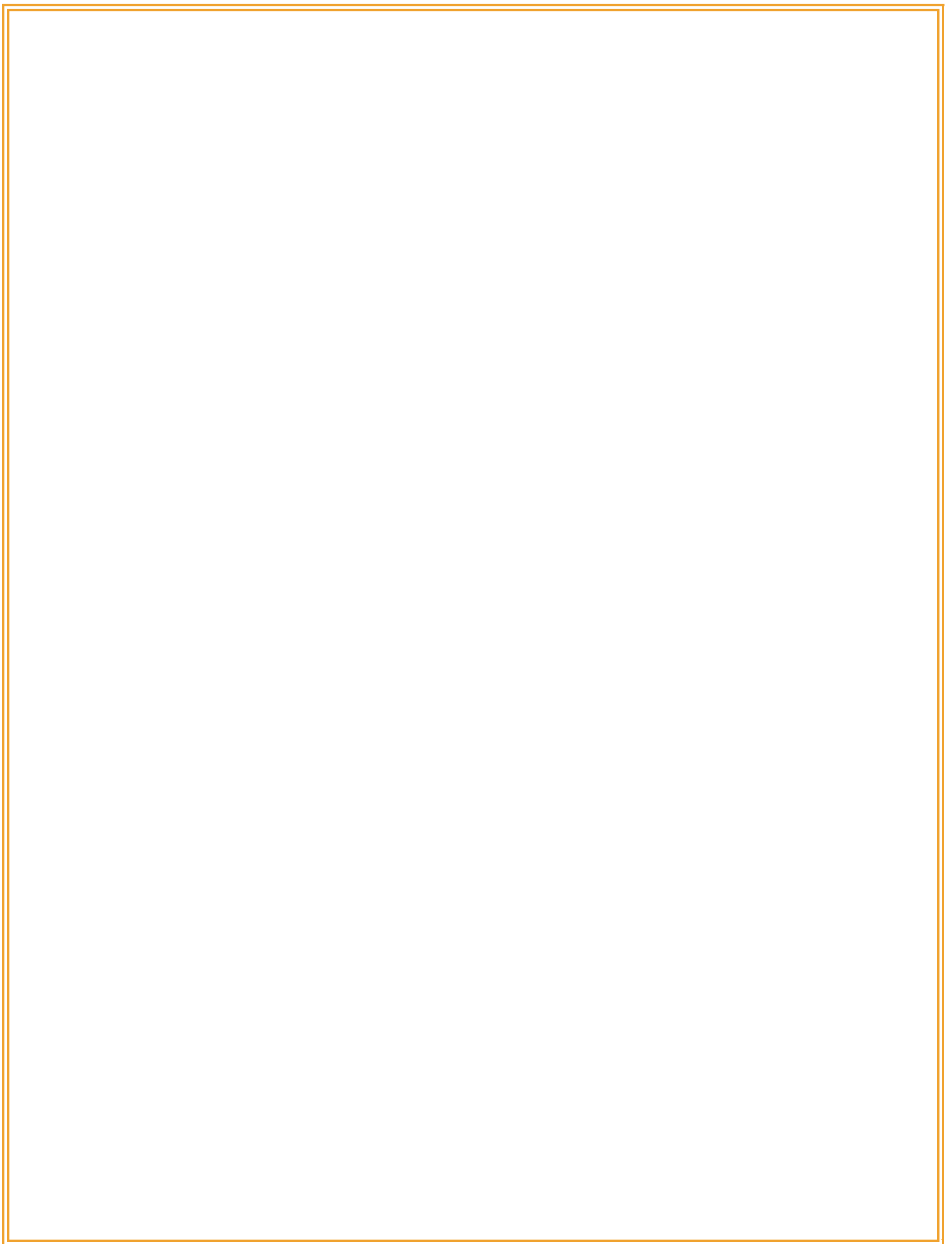
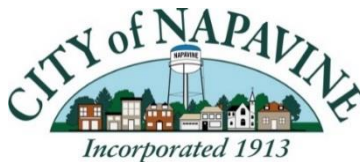


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MAYOR'S BUDGET MESSAGE

TO: The Legislative Body and Citizen of Napavine

FROM: Mayor John Sayers

SUBJECT: Recommended Final Budget Proposal for 2020

I am pleased to submit for your consideration the 2020 proposed Annual Budget for the City of Napavine.

Proposed expenditures for the forthcoming budget year are provided in the following table on a comparative basis with the current year's budget and previous year's actual expenditures:

	Previous Year Actual Expenditures	Current Budget	Proposed Budget
General Government Services	\$265,832	\$307,795	\$316,480
Public Safety	\$361,224	\$466,610	\$579,240
Criminal Justice Policing	\$3,364	\$19,460	\$40,900
Transportation	\$162,591	\$278,185	\$280,745
Economic Development	\$63,902	\$113,810	\$149,735
Mental Health Services	\$557	\$520	\$535
Culture & Recreation	\$5,234	\$10,840	\$10,825
Enterprise Water Services	\$270,040	\$382,105	\$418,995
Enterprise Sewer Services	\$415,504	\$505,360	\$556,335
Total Appropriations	\$1,548,247	\$2,084,685	\$2,353,790
Estimated Other Financing Uses: Transfers Out	\$755,595	\$2,266,220	\$1,786,310
Total Estimated Uses:	\$2,303,842	\$4,350,905	\$4,140,100

The budget as proposed is approximately 4.85 percent less than last year's primarily due to capital projects in street and water. The proposed operating expenditures is 12.91% higher than last year's primarily due to salaries and benefits, maintenance and operations of streets, water, sewer.

The budget includes a proposed 1% levy increase of \$3,114 with a total levy budget of \$321,000 to allow for the maximum levy for Napavine to include new construction and state assessed utilities, which is split 60/40 with General Fund and Street Fund. The anticipated tax rate for 2020 is 1.689117412785 per \$1,000 of assessed property value compared to \$1.829576101932 in 2019.

The estimated revenue from retail sales and use taxes is \$390,000, 5.12% higher than current years anticipated revenues. It is difficult to predict sales tax revenue due to economic fluctuations, law changes to internet sales and one-time construction projects within the city.

Budgeted funds do include the use of estimated fund balance to be carried over from the primary funds such as general fund, street fund, water and sewer utility enterprise funds.

City of Napavine, does impose utility taxes on electric, cable television and telephone communications at a rate of 6%, however does not impose utility tax on natural gas. it is not anticipated there will be any significant increases in revenue from any source other than property taxes for the budget year.

Estimated revenues for the forthcoming budget are compared to projections for the current year and last year’s actual revenues received. These projections, current adopted budget, and prior year results are as follows:

	Actual Revenue	Budget Projections	Revenue Estimates	% Chg
	2018	2019	2020	19-20
Estimated Beginning Fund Balance	1,683,224	1,699,308	1,986,637	16.91%
Taxes	1,037,467	960,450	1,018,500	6.04%
Licenses and Permits	35,357	35,475	39,205	10.51%
Intergovernmental Revenues	163,327	892,730	580,575	-34.97%
Charges for Goods and Services	1,224,118	1,233,105	1,316,045	6.73%
Fines and Penalties	37,265	45,640	31,930	-30.04%
Miscellaneous Revenues	275,323	186,245	175,245	-5.91%
Disposition of Capital Assets				
Total Estimated Revenues	2,772,856	3,353,645	3,161,500	-5.73%
Total Other Estimated Financing Sources	197,943	121,300	182,000	50.04%
Total All Estimated Resources	4,654,023	5,174,253	5,330,137	3.01%

PERSONNEL

Personnel changes in the budget include bringing staffing levels back up to 40 hours per week except for Municipal Court staff. The budget includes the position of Public Works/Community Development Director, who is the supervisor for all public works maintenance activities and oversees the Community Development Department which oversees economic development, land use and building permitting.

Union contracts are currently being negotiated for 2020 contract open and is a part of the budget with a 3% COLA wage increase for all employees. The budget also provides for any salary the normal progressive step increases for those not presently at the top of their position class range.

LAW ENFORCEMENT

Total costs for law enforcement are up 23.51 percent from \$443,490 to \$547,740 with plans to hire a 4th officer. The primary increases are in the area of salaries, benefits, dispatching, training, uniforms, ammunition and insurance.


GENERAL

\$1,030 is appropriated for the city’s contribution to the air pollution control authority which is based on 2020 population estimate of 1,980. A small increase over the prior year’s budget. \$520 is budgeted for public health and alcoholism programs which is 2% of liquor state shared profits and excise tax as mandated by law to receive these funds.

Three major capital improvement projects are included in this budget proposal such as:

- Well #6 Treatment Plant,
- Safe Routes to School sidewalks along Fourth Ave NE;
- Park improvements of a new kitchen at Mayme Shaddock Park

Very truly yours,



Mayor John Sayers

City of Napavine, Washington



The City of Napavine was incorporated November 21, 1913 and operates under the laws of the state of Washington applicable to a Mayor-Council form of government. The City of Napavine uses single-entry, cash basis accounting and reporting.

The City of Napavine is a general-purpose government that provides police services, municipal court services, community parks, land use planning, building plan review and code enforcement, street maintenance, water distribution, wastewater collection and general administrative services.

PRINCIPAL OFFICIALS

ELECTED CITY OFFICIALS

(City Council)

John Sayers, Mayor Term Expiration 12/31/2019
Don Webster, Council Position #1 Term Expiration 12/31/2021
Larry Stafford, Council Position #2 Term Expiration 12/31/2019
LaVerne Haslett, Council Position #3 Term Expiration 12/31/2019
Shawn O’Neill, Council Position #4 Term Expiration 12/31/2021
James Haslett, Council Position #5 Term Expiration 12/31/2019

DEPARTMENT HEADS/APPOINTED CITY OFFICIALS

James M. B. Buzzard City Attorney
Sharri Salyers City Clerk
Mary Wood City Treasurer
Bryan Morris Public Works Community Development Director
Chris Salyers Police Chief
Joseph Mano Municipal Court Judge
Katie Clark Court Administrator

PLANNING COMMISSION

Deborah Graham
Larry Hamilton, Chair

Bob Bozarth
Brandon Torgerson

Arnold Haberstroh

Mailing Address

P O Box 810
Napavine, WA 98565

Physical Address

407 Birch Ave SW
Napavine, WA 98565

Phone

360-262-3547

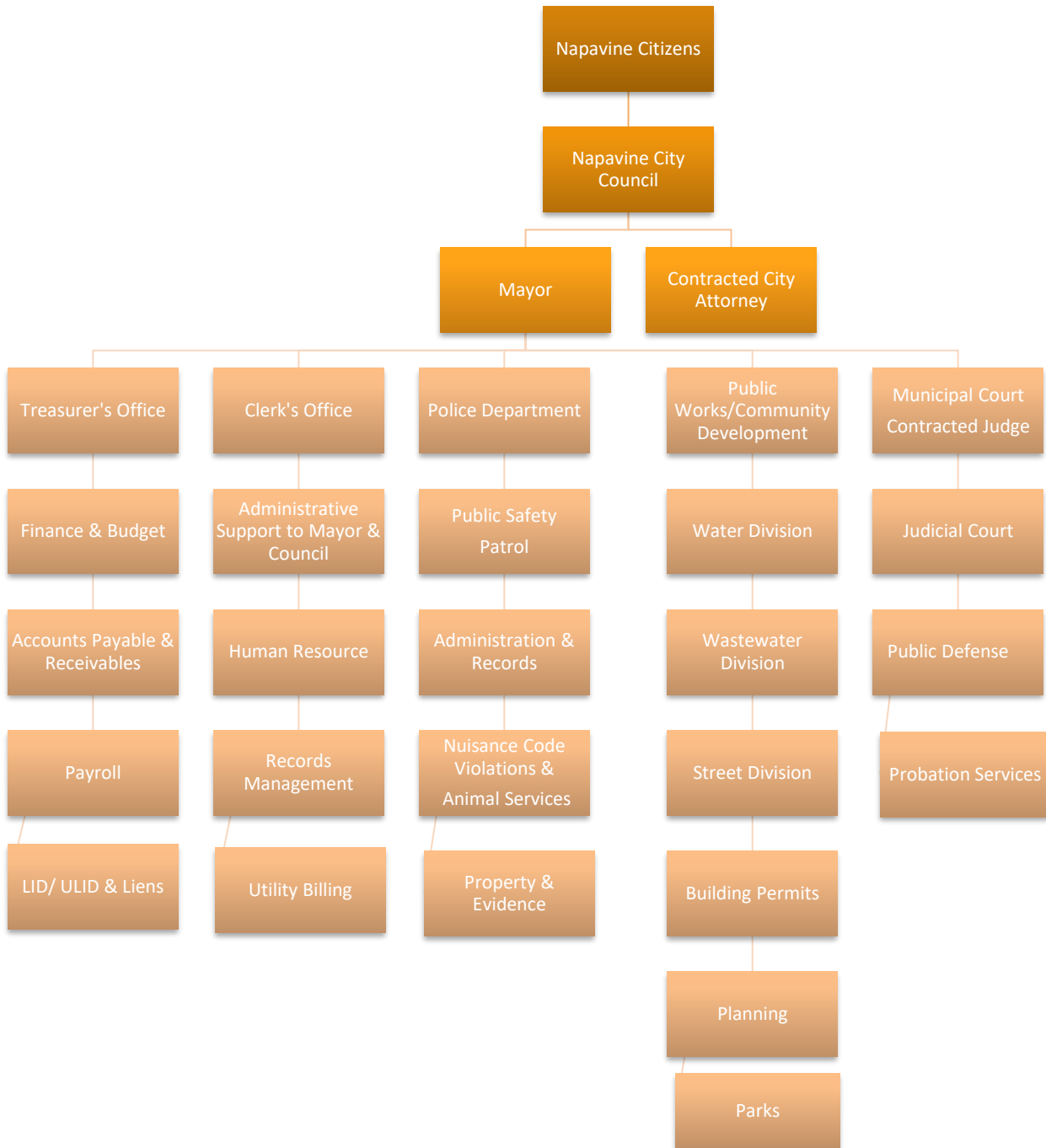
Fax

360-262-9199

Home Page

www.cityofnapavine.com

CITY-WIDE ORGANIZATION CHART



ORDINANCE ADOPTING 2020 BUDGET

ORDINANCE NO. 603

AN ORDINANCE ADOPTING THE BUDGET FOR THE CITY OF NAPAVINE, WASHINGTON, FOR THE FISCAL YEAR ENDING DECEMBER 31, 2020

WHEREAS, the City of Napavine, Washington completed and placed on file with the City Clerk a proposed budget and estimate of the amount of moneys required to meet the public expenses, bond retirement and interest, reserve funds, and expenses of government of the City for the fiscal year ending December 31, 2020; and

WHEREAS, a notice was published that the City Council would meet on November 26, 2019 at 6:00 p.m., in the council chambers of city hall for the purpose of making and adopting a budget for said fiscal year and giving taxpayers within the limits of the City an opportunity to be heard in a public hearing upon said budget; and

WHEREAS, the City Council did hold a public hearing at that time and place and did then consider the matter of the proposed budget for the fiscal year 2020; and

WHEREAS, the proposed budget does not exceed the lawful limit of taxation allowed by law to be levied on the property within the City for the purposes set forth in the budget, and the estimated expenditures set forth in the budget being all necessary to carry on the government of the City for the fiscal year 2020 and being sufficient to meet the various needs of the City during that period;

NOW THEREFORE, the City Council of the City of Napavine, do ordain as follows:

SECTION 1. The budget for the City of Napavine, Washington for the year 2020 is hereby adopted at the fund level in its final form and content as set forth in the comprehensive budget document, "City of Napavine 2020 Budget", copies of which are on file in the Office of the City Clerk.

SECTION 2. Estimated resources, including fund balances for each separate fund of the City of Napavine, for the year 2020 are set forth in summary form below, and are hereby appropriated for expenditure at the fund level during the year 2020 as set forth in the City of Napavine 2020 Budget.

SECTION 3. The City Clerk is directed to transmit a certified copy of the budget hereby adopted to the State Auditors' Office and to the Association of Washington Cities.

Fund	Estimate Begin Balance	Estimated Revenues	Appropriations/ Expenditures	Estimated Ending Fund Balance
General Fund 001	648,589	990,765	1,056,650	582,704
Substance Abuse Fund 002	6,616	55	6,600	71
Park Improvement Fund 004	109,245	20,040	53,500	75,785
General Govrnmt Equipment Fund 005	2,150	5,000	7,150	-
Street Fund 101	225,770	178,945	291,745	112,970
Street Capital Equipment Fund 102	5,000	11,000	-	16,000
Street Improvement Fund 105	153,941	490,540	483,830	160,651
Criminal Justice Funds 110	34,918	42,490	40,900	36,508
Project Planning Fund 305	168,337	40,400	65,000	143,737
Water Fund 401	767,181	467,700	566,780	668,101
Water System Improvement Fund 402	686,683	121,350	575,100	232,933
Water Deposit Trust Fund 404	7,715	-	7,700	15
Wastewater Fund 406	345,097	844,365	892,600	296,862
Wastewater System Improve Fund 408	376,053	78,300	55,000	399,353
Sewer Capital Equipment Fund 409	5,000	16,000	-	21,000
Water Capital Equipment Fund 411	5,000	11,000	-	16,000
LID 2011-1 Bond Redemption Fund 415	292,287	55,060	81,785	265,562
Private-Purpose Trust Funds 621	34,836	-	30,000	4,836
Total All Funds	3,874,418	3,373,010	4,214,340	3,033,088

SECTION 4. Effective Date. This ordinance shall be in full force and take effect on January 1, 2020, pursuant to RCW 35A.12.130.

Passed by the City Council, of City of Napavine, at a regular open public meeting thereof this 26th day of November, 2019.

Mayor, John Sayers

Approved as to form:

Attest:

City Attorney, James M. B. Buzzard, WBA# 33555

City Clerk, Sharri Salyers

PASSED FIRST READING: November 26, 2019

PASSED SECOND READING: November 26, 2019

PUBLISHED DATE: December 4, 2019

EFFECTIVE DATE: January 01, 2020

2019 ESTIMATED YEAR END BALANCES

2019 Estimated Ending Cash Balances										
Fund		Beginning		Transfers		Transfers	Ending	Restricted	Designated	Unreserved
		Cash & Invest	Revenues	In	Expenditures	Out	Cash & Invest	Funds	UnReserved	Balance
001	General Fund 001	612,199	970,145		927,755	6,000	648,589		105,796	542,793
002	Substance Abuse Fund	6,636	55		75		6,616	6,616		-
004	Park Improvement Fund 004	83,185	26,060		-		109,245	106,131		3,114
005	Gen Gov Capital Equip Fund	-	-	5,000	2,850		2,150			2,150
101	Street Fund 101	296,659	198,616		264,005	5,500	225,770	12,152		182,627
102	Street Capital Equipment Fund	-		5,000	-		5,000	-	-	5,000
105	Street Improvement Fund 105	140,666	375,640	-	362,365		153,941	67,082	30,990	55,869
110	Criminal Justice Funds	50,328	61,395		76,805		34,918	28,734	4,781	1,404
305	Project Planning Fund	115,842	52,495		-		168,337	161,882		6,455
401	Water Fund 401	727,731	459,480		364,030	56,000	767,181	-		767,181
402	Water System Improvement Fund	714,805	38,918	50,000	117,040		686,683	-		686,683
403	USDA Bond Reserve Fund	22,710	-		-		22,710	22,710		-
404	Water Deposit Trust Fund	8,115	-		400		7,715	7,715		-
406	Wastewater Fund 406	329,872	797,900		726,675	56,000	345,097	-		345,097
408	Wastewater System Improve Fund	277,888	48,165	50,000	-		376,053	-		376,053
409	Sewer Capital Equipment Fund	-	-	5,000	-		5,000	-		5,000
411	Water Capital Equipment Fund	-	-	5,000	-		5,000	-		5,000
415	LID 2011-1 Bond Redemption Fund	330,657	127,330		165,700		292,287	292,292		(5)
621	Private-Purpose Trust Funds	31,336	-	3,500	-		34,836	34,836		-
622	Municipal Court Trust Fund	25	24,070		23,200		895	895		-
631	Agency Funds	1,164	10,441		10,431		1,174	1,164		10
Total		3,749,818	3,190,710	123,500	3,041,331	123,500	3,899,197	742,209	141,567	2,984,431
				3,314,210			3,164,831			

2019 YEAR END RESTRICTED REVENUES

2019 Restricted Revenues								
Fund:	General Fund							
Estimate Amount	Resource	RCW	Use	Restricted \$	Prior Balance	Total	Expended	Balance Restricted
10,610	Liquor Excise Tax	70.96A.087	2% Substance abuse treatments	212				
15,815	Liquor Board Profits	70.96A.085	2% Substance abuse treatments	316	29	558	558	(0)
-	Liquor Control Board Profits	66.24.065	20.23% Public Safety	3,199	-	3,199	3,199	0
	Sale Proceeds RR Spur	Res 14-07-62	Future Capital Needs	105,796	105,796	105,796	-	105,796
26,425			Total	109,524	105,825	109,553	3,757	105,796
Public Safety coverage from other governmental agencies								

Two percent (2%) of the total amount of liquor excise tax and liquor board profits must be spent on substance abuse treatment programs. Programs must be approved by the board authorized by RCW 70.96A.300 and the Secretary of the Department of Social and Health Services. In addition, Initiative 1183 added \$10 million dollars to the distribution for enhancing public safety programs. In percentage terms, this means 20.23 percent (20.23%) of the distribution must be spent for programs that enhance public safety. With the privatization of liquor sales, the liquor control board profits are the state distribution of a portion of beer tax and spirit fees. Distribution is based on population.

Fund:	Park Improvement Fund							
Estimate Amount	Resource	RCW	Use	Restricted \$	Prior Balance	Total	Expended	Balance Restricted
25,970	Real Estate Excise Tax	82.46.010 (2)	Capital Facilities Plan Capital Projects	25,970	80,161	106,131	0	106,131

Real Estate Excise tax is restricted for capital projects that are recognized in the city's Capital Facilities Plan which meets capital threshold of \$5,000 or more based on the city's Capital Asset Policy that was adopted in 2012. The city is saving funds from the Real Estate Excise tax revenues for an upgrade to the kitchen area at Mayme Shaddock Park with enclosed restrooms and heating by building a new facility.

RCW 82.46.015 provides for twenty-five percent (25%) of available funds for the maintenance of capital projects if the city will have adequate funding from all sources of public funding to pay for all capital projects as defined in RCW 82.46.010, which are identified in the Capital Facilities

Plan for the succeeding two-year period. Maintenance means the use of funds for labor and materials that will preserve, prevent the decline of, or extend the useful life of a capital project. Maintenance does not include labor or material costs for routine operations of a capital project.

Fund: Street Fund								
Estimate Amount	Resource	RCW	Use	Restricted \$	Prior Balance	Total	Expended	Balance Restricted
2,685	Multimodal Transportation City	47.66.070	Transportation purpose only	2,685	9,467	12,152	-	12,152

Multimodal transportation funds are a part of the transportation package that was passed in 2015 legislative session in Section 405 of Engrossed Substitute House Bill 2524, Chapter 14, Laws of 2017 and Section 331 of 2ESSB 5987, Chapter 44, Laws 15. RCW 47.66.070 provides for the multimodal transportation account and states that the funds may be used only for transportation purposes. Transportation is defined as “the movement of people, animals and goods from one location to another.” The Increased Motor Vehicle Fuel Tax funds are restricted for highway purposes and the Multimodal Transportation Tax Funds are restricted for any transportation purposes. That system includes public roads, ferries, public transportation, aviation, freight and passenger rail, ports, and bicycles and pedestrian facilities.

Fund: Street Improvement Fund								
Estimate Amount	Resource	RCW	Use	Restricted \$	Prior Balance	Total	Expended	Balance Restricted
25,970	Real Estate Excise Tax	82.46.010 (2)	Capital Facilities Plan/Capital Projects	25,970	54,382	80,352	13,270	67,082
-	HH Napavine 16		Developers Agreement Starbucks/HH Napavine 16	0	15,000	15,000	0	15,000
-	HH Napavine 16		Developers Agreement Taco Bell	0	15,990	15,990	0	15,990
25,970			Total	25,970	85,372	111,342	13,270	98,072
Note: TIB Match \$13,270								

Real Estate Excise tax is restricted for capital projects that are recognized in the city’s Capital Facilities Plan which meets capital threshold of \$5,000 or more based on the city’s Capital Asset Policy that was adopted in 2012. The city maintains this fund for future street projects listed in the Capital Facilities Plan which was updated September 10, 2019 with the adoption of Ordinance 596.

Fund: Criminal Justice Fund								
Estimate Amount	Resource	RCW	Use	Restricted \$	Prior Balance	Total	Expended	Balance Restricted
1,000	Criminal Justice Lo-Pop	82.14.330	Criminal Justice purpose non-recurring (Purchase police cars)	1,000	4,428	5,428	4,190	1,238
2,092	CJ-Special Programs	82.14.330 (2)(b)	Innovative Law Strategies, At-Risk Children, Child Abuse, Domestic Violence	2,092	12,228	14,321	1,073	13,248
270	DUI - Cities		DUI OT Enforcement	270	3,591	3,861	49	3,812
40,151	CJ - Sales Tax	82.14.340	Criminal Justice Purposes	40,151	27,804	67,955	57,519	10,436
43,514			Total	43,514	48,051	91,565	62,831	28,734

The term *criminal justice purposes* indicate a broad definition which would encompass all costs incurred in connection with the administration and enforcement of criminal laws, including those systems for dealing with persons suspected of, accused of, charged with, or convicted of crimes and domestic violence services. Expenditures for extraordinary events not likely to reoccur, changes in contract provisions for criminal justice services, beyond the control of the local jurisdiction receiving the services, and major nonrecurring capital expenditures such as purchase patrol vehicles.

Fund: Project Planning								
Estimate Amount	Resource	RCW	Use	Restricted \$	Prior Balance	Total	Expended	Balance Restricted
51,940	2nd Quarter Real Estate Excise Tax	82.46.035 (2)	Capital Facilities Plan/Capital Projects	51,940	109,942	161,882	-	161,882

The city imposes an additional excise tax on each sale of real property in the in the corporate limits of the city for the city tax at a rate not exceeding one-quarter of one percent of the selling price. Real Estate Excise Tax is restricted in its use by RCW 82.46.03 (3) must be used by cities solely for financing capital projects specified in a capital facilities plan element of a comprehensive plan. Capital Project means those public works projects of a local government for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems, and planning, construction, reconstruction, repair, rehabilitation, or improvement of parks.

2020 BUDGET SUMMARY

2020 Estimated Ending Cash Balances										
Fund		Beginning		Transfers		Transfers	Ending		Designated	Unreserved
		Cash & Invest	Revenues	In	Expenditures	Out	Cash & Invest	Restricted \$	UnReserved	Balance
001	General Fund 001	648,589	990,765	-	1,051,650	5,000	582,704	105,796		476,908
002	Substance Abuse Fund	6,616	55	-	6,600		71	71		-
004	Park Improvement Fund 004	109,245	20,040	-	53,500		75,785	71,131		4,654
005	Gen Gov Capital Equip Fund	2,150	-	5,000	7,150		-	-		-
101	Street Fund 101	225,770	178,945	-	280,745	11,000	112,970	14,842		98,127
102	Street Capital Equipment Fund	5,000	-	11,000			16,000			16,000
105	Street Improvement Fund 105	153,941	490,540	-	513,830		130,651	41,757	30,990	57,904
110	Criminal Justice Funds	34,918	42,490	-	40,900		36,508	30,324		6,184
305	Project Planning Fund	168,337	40,400	-	65,000		143,737	136,882		6,855
401	Water Fund 401	767,181	467,700	-	455,780	111,000	668,101	-		668,101
402	Water System Improv Fund	686,683	21,350	100,000	575,100		232,933	-		232,933
403	USDA Bond Reserve Fund	22,710	-	-	-		22,710	22,710		-
404	Water Deposit Trust Fund	7,715	-	-	7,700		15	15		-
406	Wastewater Fund 406	345,097	844,365	-	826,600	66,000	296,862	-		296,862
408	Wastewater System Improve Fund	376,053	28,300	50,000	55,000		399,353	-		399,353
409	Sewer Capital Equipment Fund	5,000	-	16,000	-		21,000	-		21,000
411	Water Capital Equipment Fund	5,000	-	11,000	-		16,000	-		16,000
415	LID 2011-1 Bond Redemption Fund	292,287	55,060	-	81,785		265,562	265,562		-
621	Private-Purpose Trust Funds	34,836	-	-	30,000		4,836	4,836		-
622	Municipal Court Trust Fund	895	-	-			895	895		-
631	Agency Funds	1,174	-	-			1,174	1,174		-
Total		3,899,197	3,180,010	193,000	4,051,340	193,000	3,027,867	695,995	30,990	2,300,882
				3,373,010		4,244,340				

2020 RESTRICTED FUNDS

General Fund

Fund: General Fund								
Estimate Amount	Resource	RCW	Use	Restricted \$	Prior Balance	Total	Expended	Balance Restricted
10,870	Liquor Excise Tax	70.96A.087	2% Substance abuse treatments	217				
15,880	Liquor Board Profits	70.96A.085	2% Substance abuse treatments	318	(0)	535	535	(0)
-	Liquor Control Board Profits	66.24.065	20.23% Public Safety	3,213	0	3,213	3,213	(0)
	Sale Proceeds RR Spur	Res 14-07-62	Future Capital Needs	105,796	105,796	105,796	-	105,796
26,750			Total	109,544	105,796	109,544	3,748	105,796

Park Improvement Fund

Estimate Amount	Resource	RCW	Use	Restricted \$	Prior Balance	Total	Expended	Balance Restricted
20,000	Real Estate Excise Tax	82.46.010 (2)	Capital Facilities Plan Capital Projects	20,000	106,131	126,131	55,000	71,131

Street Fund

Fund: Street Fund								
Estimate Amount	Resource	RCW	Use	Restricted \$	Prior Balance	Total	Expended	Balance Restricted
2,690	Multimodal Transportation City	47.66.070	Transportation purpose only	2,690	12,152	14,842	-	14,842

Street Improvement Fund

Estimate Amount	Resource	RCW	Use	Restricted \$	Prior Balance	Total	Expended	Balance Restricted
20,000	Real Estate Excise Tax	82.46.010 (2)	Capital Facilities Plan/Capital Projects	20,000	67,082	87,082	45,325	41,757
-	HH Napavine 16		Developers Agreement Starbucks/HH Napavine 16	0	15,000	15,000	0	15,000
-	HH Napavine 16		Developers Agreement Taco Bell	0	15,990	15,990	0	15,990
20,000			Total	20,000	98,072	118,072	45,325	72,747

Note: TIB Match \$45,325

Criminal Justice Fund

Fund: Criminal Justice Fund								
Estimate Amount	Resource	RCW	Use	Restricted \$	Prior Balance	Total	Expended	Balance Restricted
1,000	Criminal Justice Lo-Pop	82.14.330	Criminal Justice purpose non-recurring (Purchase police cars)	1,000	1,238	2,238	2,235	3
2,215	CJ-Special Programs	82.14.330 (2)(b)	Innovative Law Strategies, At-Risk Children, Child Abuse, Domestic Violence	2,215	13,248	15,463	15,240	223
275	DUI - Cities		DUI OT Enforcement	275	3,812	4,087	4,085	2
39,000	CJ - Sales Tax	82.14.340	Criminal Justice Purposes	39,000	10,436	49,436	19,340	30,096
42,490			Total	42,490	28,734	71,224	40,900	30,324

Project Planning Fund

Fund: Project Planning								
Estimate Amount	Resource	RCW	Use	Restricted \$	Prior Balance	Total	Expended	Balance Restricted
40,000	2nd Quarter Real Estate Excise Tax	82.46.035 (2)	Capital Facilities Plan/Capital Projects	40,000	161,882	201,882	65,000	136,882

FINANCIAL SECTION

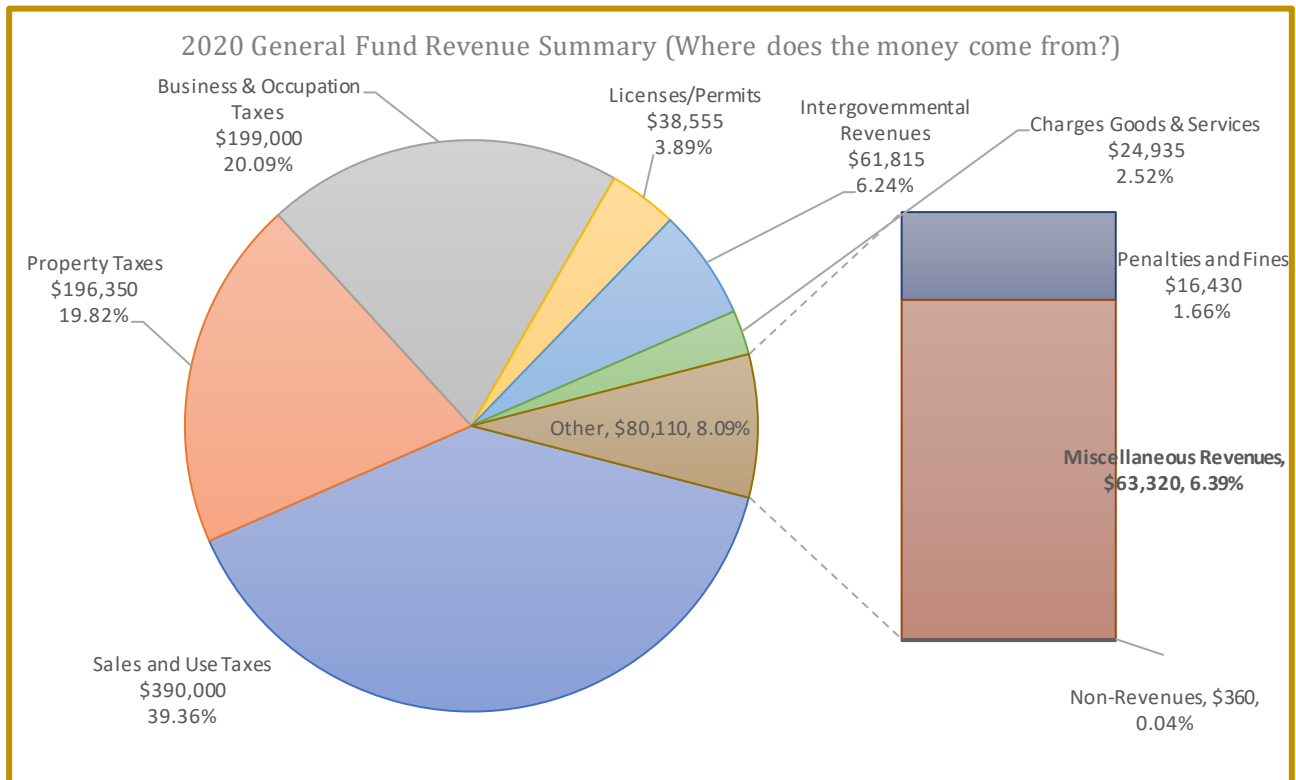
GOVERNMENTAL FUND TYPES

All governmental funds share a common measurement focus and basis of accounting. Under the current financial resource's measurement focus, the object of the operating statement is to report near-term in-flows and out-flows of financial or spendable resources.

GENERAL FUND

This is the main Operating Fund of the City which includes revenues and expenditures not required by codes to be accounted for separately.

General Fund Summary Review



Tax Revenues

- Retail Sales Tax estimated in the amount of \$390,000 for 2020.
- Property Taxes the 2020 Levy is estimated in the amount of \$321,000 split 60/40 with the Street Fund. The anticipated General Fund property levy share is \$192,600. The State Assessed Utilities value increased \$32,981 over 2019 allowing for an increase in the property tax levy by \$550. The 2019 actual levy amount for City of Napavine was \$311,421.77. The allowable 1% increase over 2019 highest lawful levy limit is \$3,114.00. The value of the new construction in 2019 was \$3,122,900 X last year's levy rate (2019) of \$1.829576101932 allows an increase in property levy for new construction in the amount of \$5,714. The county's real and personal property value estimate is \$189,984,703 plus state assessed utilities estimate at \$4,419,770 for City of Napavine for the 2020 levy is 194,404,703; which the 2020 levy amount to budget for round up to \$321,000. The estimated levy rate for the 2020 levy is \$1.689117412785 per \$1,000. The city is expected to receive \$108 in an administrative refund 2020 tax year. The estimated delinquent property tax levy amount is \$3,750.
- Utility Taxes include telephone, cable, and electric utilities at a 6% rate which was increased January 1, 2018. While reviewing revenues for the General Fund, the telephone utility tax has varied over the past three years. The city anticipates receiving \$25,00 in telecommunications, electric \$93,000 and cable \$4,200, water utility tax \$26,400 and sewer utility tax \$48,900 for a grand total of \$199,00 in business & occupation taxes.
- Gambling Excise Tax based on 1% of gross receipts. (Gross sales less prize awards) with anticipated revenue in the amount of \$1,500.

The estimated tax revenue for 2020 is \$785,350 in the General Fund.

Licenses and Permits

- Business Licenses are processed through Washington State Department of Revenue. DOR processes all new and renewal fees for business license. The city joined in April 2019. The renewal fees are pro-rated for the first year and the second year on the program, the city should have a good history to project annual revenues. The city estimates to receive \$2,550 in business license fees.
- Franchise Fees are anticipated from cable service \$2,800, refuse (garbage) service \$6,100 and light speed network \$1,405
- Building Permit fees for new constructions, remodels, property improvements are estimated in the amount of \$22,700
- Animal License for new dog tags and renewals \$900
- Miscellaneous Permits for fill & grade, zoning and non-business permits/license \$2,050

Total estimated license and permit fees \$38,555

Intergovernmental Revenue

- Indirect Federal Grants
- State Grants
- State Shared Revenues:
 - PUD Privilege \$12,000
 - City Assistance

- RCW 82.45.60 imposes an excise tax of 1.028% on each sale of real property within Washington State. A portion of this tax (1.6%) must be deposited in the city-county assistance account that is created in RCW 43.08.290 for the purpose of providing assistance for certain cities and counties that meet the qualifications of the statute. These funds were originally intended to mitigate the loss of the motor vehicle excise tax (MVET) that was distributed to local governments as a means of equalization of sales tax. The city anticipates receiving **\$23,065**. The city assistance funds are distributed quarterly on January, April, July and October. For funds to be distributed on those dates, the transfers must be made in the previous month. January payment is remitted in December of the year in which the certification is made, then in March, June and September of the coming year. This means that, for budgeting purposes, cities are dealing with two different certification years (2020-2021).

The formula used to allocate city funding is based on a sales tax and property tax equalization formula, and the 2005 MVET backfill levels. Cities with a population of 5,000 or less qualify to receive distributions equal to the greater of 1) 55 % sales tax equalization on first 0.5 percent local sales tax or 2) 55% property tax equalization based on per capita assessed values per \$1,000 assessed value; or 3) their 2005 MVET backfill allocation, or \$11,100 for Napavine.

Liquor Excise Tax

The formula works as follows: 1.) 35% of liquor excise tax collected is deposited in the “liquor excise tax fund” for distribution to cities, towns, and counties. 2.) \$2.5 million each quarter (\$10 million per year) shall be deducted from the liquor excise tax fund and remitted to the state general fund. 3.) Of the remaining amount, 80% of the liquor excise tax is distributed to cities (based on population) and 20% to counties (based on unincorporated population). The June 2019 forecasts by the Economic and Revenue Forecast Council (ERFC) projects a small increase (1/5%) in liquor excise tax collections, resulting in a modest increase in distributions. The revised forecast for 2020 distributions is \$26,984,059 for cities. The estimated 2020 distribution for cities is \$5.49 per capita. Office of Financial Management (OFM) estimates Napavine’s 2019 population at 1,980. The anticipated revenue in this category is \$10,870. At least 2% must be used for an approved alcohol or drug addiction program, which the city remits the 2% (\$217) and the remaining 98% (\$10,653) may be used for any purpose.

Liquor Board Profits

Under Initiative 1183 the state now collects revenue in the form of license fees from distributors and retailers. A portion of these “liquor profits” (the Liquor Control Board (LCB) continues to call these funds “liquor profits”) goes to cities, counties, and border cities and counties. Section 302 of Initiative 1183, now codified as RCW 66.24.065. The distribution of spirits license fees under RCW 66.24.630 and 66.24.055 through the liquor revolving fund to border areas, counties, cities, towns and the municipal research center must be made in a manner that provides that each category of recipients receive, in the aggregate, no less than it received from the liquor revolving funds during comparable periods prior to December 8, 2011. An additional distribution of \$10 million per year from the spirits license fees must be provided to border areas, counties, cities, and towns through the liquor revolving fund for the purpose of enhancing public safety programs. Three-tenths of one percent (.03%) (\$148,314) is distributed to border cities and counties. Then the remaining amount gets distributed as follows; 80% to cities (39,431,748) annually, and 20% to counties \$9,857,936 annually. The 2020 estimated distribution is \$8.02 per capita for cities.

Each city and county must split its distributions so that it can account separately for the portion that can be spent for any general fund purpose and the portion that must be spent to enhance public safety programs; 20.23% must be used for public safety purposes, and an additional 2% must be used for an approved alcohol or drug addiction program. The remaining 77.77% may be used for any purpose. This

distribution is also based on population estimates for 2020 of 1,980 for an anticipated revenue amount of \$15,880, which \$3,213 is restricted for public safety purposes and \$318 is restricted for alcohol and drug addiction programs, the remaining amount of \$12,349 may be used for any purpose.

The following Intergovernmental Revenues are restricted in their use by state law:

- Two percent (2%) of liquor taxes and profits must be devoted to support an approved alcoholism or drug addiction program per RCW 70.96A.087. (Note: Cities that do not have their own facility or program for the treatment and rehabilitation of alcoholics and other drug addicts may share in the use of a facility or program maintained by another city or county so long as it contributes no less than 2% of its share of *liquor taxes* and *profits* to the support of the facility or program) in order to be eligible to receive these distributions. The 2% amount of liquor taxes and profits restricted is estimated in the amount of \$535 which the city of Napavine remits to Lewis County for alcoholism or drug addiction programs.

The estimated Intergovernmental Revenues is \$61,815

Charges for Goods and Services

- Building Code Fees: plan review, inspections \$14,000
- Municipal Court Fees \$1,310
- Physical Environment \$3,770
- Planning Fees (SEPA, zoning and other development fees) anticipated revenue \$3,700
- Park & Recreation Fees reimburse electrical \$485
- Governmental Fees for abatement of nuisances, dog impounds \$370

The estimated Charges for Goods and Services \$24,935

Court Fines & Penalties

- Criminal Traffic Fines \$4,500
- Traffic Infraction Fines \$4,675
- Criminal Court Costs \$2,500
- Public Defense Recoupment \$2,000
- Criminal Non-Traffic Fines \$100
- Non-Traffic Fines \$100
- Civil Penalties \$150
- Court Fine Fees \$15
- Penalties on city fees \$240

The estimated Court Fines & Penalties \$16,430

Miscellaneous Revenues

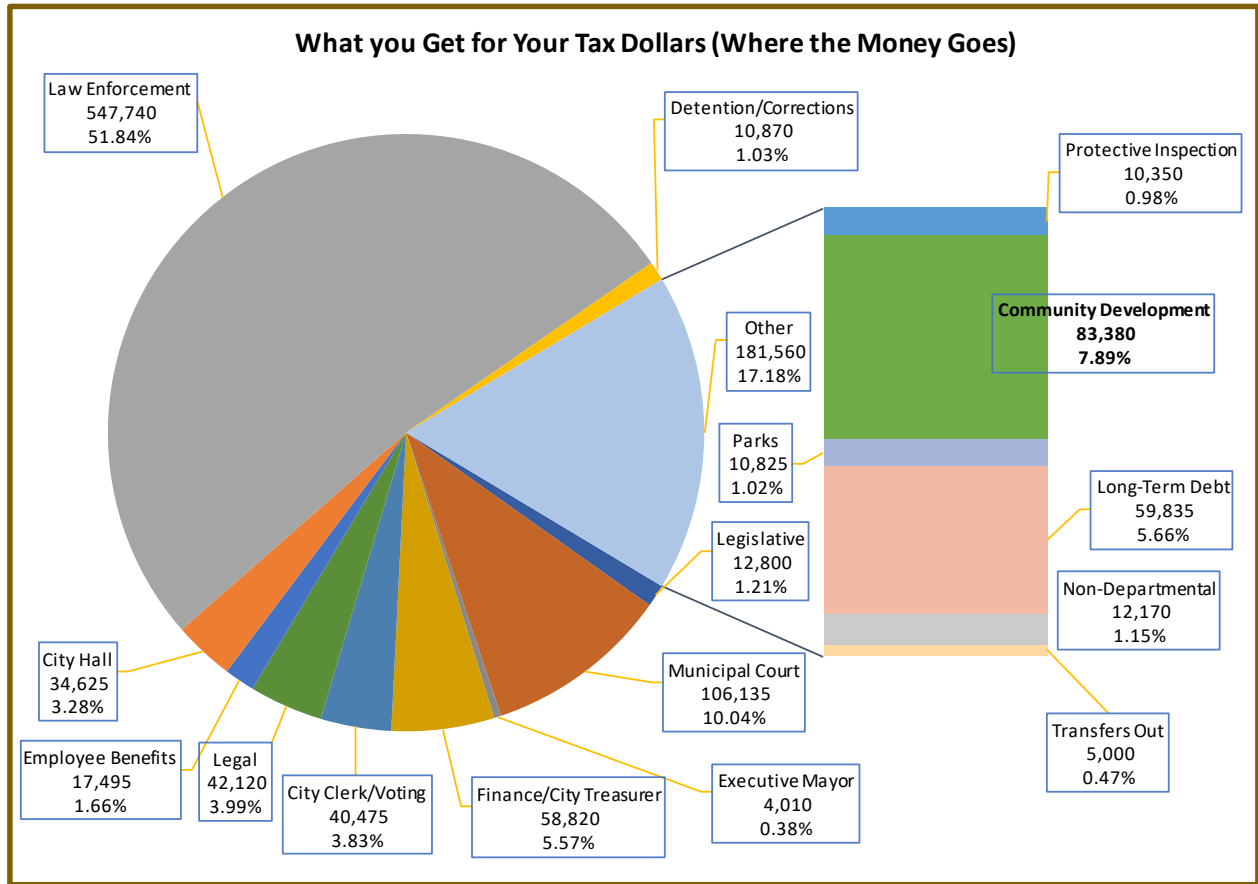
- Internal Rent \$59,860
- State Sales Interest \$750
- Other Miscellaneous Fees \$260
- Investment Interest \$2,100
- Contributions/Donations \$100
- Short-term Rentals \$150

The estimated Miscellaneous Revenues \$63,320

Non-Revenues

- Timber Excise Tax collected by Lewis County revenue is estimated at \$360

General Fund Expenditure Summary



Departments supported by the General Fund include: Legislative (City Council), Municipal Court, Executive (Mayor’s Office), Treasurer’s Office, Clerk’s Office, Legal (City Attorney), Police Department, Protective Inspection Services, Community Development, Parks, City Hall Maintenance and Debt Services.

GENERAL FUND BUDGET SUMMARY

<h1>2020 General Fund Summary</h1>					
Description	Budget 2018	Actual 2018	Budget 2019	Est Y/E 2019	Budget 2020
Beginning Cash & Investments	378,031	456,593	522,743	612,199	648,589
Taxes					
General Property Taxes	154,500	152,883	161,250	150,930	196,350
Retail Sales and Use Taxes	370,000	386,481	371,000	393,500	390,000
Business and Occupation Taxes	185,745	182,913	189,550	192,695	199,000
Total Taxes	710,245	722,276	721,800	737,125	785,350
Licenses and Permits	31,300	34,707	35,050	42,940	38,555
Intergovernmental Revenues	50,000	55,231	59,000	59,835	61,815
Charges for Goods and Services	30,030	29,559	23,655	41,135	24,935
Fines and Penalties	19,705	19,016	23,685	16,615	16,430
Miscellaneous Revenues	76,370	76,779	72,900	72,135	63,320
Nonrevenues	3,040	3,182	275	360	360
Other Financing Sources	15,000	15,000	-	-	-
Total General Fund 001	935,690	955,751	936,365	970,145	990,765
Total Resources	1,313,721	1,412,344	1,459,108	1,582,344	1,639,354
Legislative	13,645	12,685	13,865	13,250	12,800
Municipal Court	105,240	101,820	107,845	106,370	106,135
Mayor/Executive	3,815	3,306	4,440	4,265	4,010
Treasurer Financial Services	42,450	37,104	45,625	43,520	58,820
City Clerk, Election, Voter Registration	42,650	41,324	37,845	36,215	40,475
Legal	51,880	39,456	47,620	41,580	42,120
Employee Benefits	10,435	7,936	17,245	9,075	17,495
Centralized Services (City Hall)^	27,985	22,202	33,310	27,855	34,625
Police/Public Safety (Law Enforcement)	379,130	343,548	443,490	378,300	547,740
<i>Fire Investigation</i>	200	-	-	-	-
Detention & Correction (Prisoner Costs)	13,600	8,640	13,450	9,850	10,870
Protective Inspection Services-CSO	480	456	520	150	10,350
<i>Emergency Services 525</i>	9,600	8,579	9,150	7,950	10,280
<i>Conservation 553 (Flood/Pollution)</i>	820	804	1,010	1,010	1,030
<i>Animal Control 554(Environmental Svcs)</i>	325	211	325	175	325
Community Development	56,635	47,234	84,475	91,365	83,380
<i>Chemical Dependency (2% Liquor Revenue)</i>	505	557	520	650	535
Historical Buildings	-	-	-	125	125
Parks & Recreation	8,330	5,234	10,840	7,010	10,700
Long-Term Debt	21,280	21,272	102,465	102,295	16,535
Interest & Debt Service	48,780	48,778	47,820	46,745	43,300
Capital Expenditures	-	-	-	-	-
TOTAL OPERATING BUDGET	837,785	751,145	1,021,860	927,755	1,051,650
Transfers Out	49,000	49,000	6,000	6,000	5,000
TOTAL APPROPRIATIONS	886,785	800,145	1,027,860	933,755	1,056,650
ENDING FUND BALANCE:	426,936	612,199	431,248	648,589	582,704

SUBSTANCE ABUSE FUND

This fund was established from the proceeds of seized evidence from drug trafficking cases and establishing a fine for all drug cases that was prosecuted by the Napavine Police Department. The resources in this fund may be used for the care and custody of evidence, training and education related to drugs.

2020 Substance Abuse Summary					
Description	Budget 2018	Actual 2018	Budget 2019	Est Y/E 2019	Budget 2020
Beginning Cash & Investments	6,578	6,569	6,129	6,636	6,616
Fines & Penalties	50	5	5	-	-
Investment Interest	40	55	45	55	55
Total Revenues	90	60	50	55	55
Total Resources	6,668	6,629	6,179	6,691	6,671
EXPENDITURES					
Property Room Equipment	500	500	2,500	75	6,600
Total Expenditures	500	500	2,500	75	6,600
ENDING FUND BALANCE:	6,168	6,129	3,679	6,616	71

PARK IMPROVEMENT FUND

This fund is used for capital improvement to the city's parks. This fund is used to account for one-half the money collected from the first quarter percent real estate excise tax (REET) authorized under RCW 82.46.010 (2). The revenues from this tax must be used by any city or county with a population of five thousand or less and any city or county that does not plan under RCW 36.70A.040 for any capital purpose identified in a capital improvements plan and local capital improvements, including those listed in RCW 35.43.040. The REET Tax is split 50/50 with Street Improvement Fund 105 estimates 2020 revenue for the Park Improvement Fund \$20,000. This amount could fluctuate depending on home sales.

2020 Park Improvement Summary					
Description	Budget	Actual	Budget	Est Y/E	Budget
	2018	2018	2019	2019	2020
Beginning Cash & Investments	63,527	63,624	82,074	83,185	109,245
REET Tax	10,600	19,306	10,600	25,970	20,000
Miscellaneous Revenue	35	256	35	90	40
Total Revenue	10,635	19,562	10,635	26,060	20,040
Transfers In	-	-	-	-	-
TOTAL REVENUES & TRANSFERS-IN	10,635	19,562	10,635	26,060	20,040
Total Resources	74,162	83,185	92,709	109,245	129,285
EXPENDITURES					
General Parks	-	-	-		
Community Park Dugouts	-	-	-		
Park Building Imprvmnt Project	10,000	-	40,000	-	50,000
Park Improvements	3,500	-	3,500	-	3,500
Park Capital Equipment	-	-	-		
Total Expenditures	13,500	-	43,500	-	53,500
ENDING FUND BALANCE:	60,662	83,185	49,209	109,245	75,785

GENERAL GOVERNMENT EQUIPMENT FUND

The council established the General Government Equipment Fund by Ordinance 588 to reserve funds for capital equipment needs. The city will establish a priority list for future use. The Capital Facilities Plan will establish all future needs of the city which is updated annually which is due every August. The resources for this fund will be transfers from the General Fund.

2020 Gen Gov Equipment Fund Summary					
Description	Budget 2018	Actual 2018	Budget 2019	Est Y/E 2019	Budget 2020
Beginning Cash & Investments	-	-	-	-	2,150
REVENUES					
Transfers In	-	-	5,000	5,000	5,000
Total Revenues	-	-	5,000	5,000	5,000
Total Resources	-	-	5,000	5,000	7,150
EXPENDITURES					
Capital Equipment	-	-	5,000	2,850	7,150
Total Expenditures	-	-	5,000	2,850	7,150
ENDING FUND BALANCE:	-	-	-	2,150	-

Priority List

SPECIAL REVENUE FUND TYPES

Special revenue funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects. *Restricted* revenues are resources externally restricted by creditors, grantors, contributors or laws or regulations of other governments or restricted by law through constitutional provisions or enabling legislation. *Committed* revenues are resources with limitations imposed by the highest level of the government (city council) through a formal action of resolution or ordinance and where the limitations can be removed only by a similar action of the city council. Revenues do not include other financing sources (long-term debt, transfers, etc.)

STREET FUND

This fund is used to account for the City's share of motor vehicle fuel tax, Multi-modal distribution, increased gas tax 2ESSB 5987 and 50% property tax revenue and general fund resources designated to the maintenance of city streets.

Street Fund Revenues

- Property Taxes 40 percent of the 2020 property tax levy was budgeted \$128,400
- Delinquent Property Tax estimate for 2020 is \$3,750
- License & Permits for Right of Way in the amount of \$650
- Intergovernmental Revenue
(State Gas Tax) estimate based on population of 1,980 \$39,720
- Multimodal Transpo City based on population (for further explanation see below)
- Goods/Services for reimbursement for private streetlights \$560
- Miscellaneous Revenue consisting of Investment Interest, sale of surplus property, judgements & settlements and miscellaneous revenue for \$820

The Napavine City Council elected to not transfer funds from the General Fund to the Street Fund in 2020.

All cities, towns and counties receive three separate transportation distributions. The first is the motor vehicle fuel tax (MVFT), which is distributed as a percentage of the total fuel taxes collected statewide. The other two, the "increased motor fuel tax" and "multi-modal" distributions, were create in 2015 by 2ESSB 5987 and consist of direct transfers from the state transportation fund, so those allocations are not impacted by actual fuel tax collections.

MVFT and increased MVFT distributions must be used for highway purposes, while the multi-modal funds may be used for any transportation purpose.

Fuel taxes in Washington are assessed as cents per gallon, so fuel tax revenue depends on the number of gallons sold, not the dollar value of the sales. Transportation and revenue forecasts are released each quarter by the Washington State Department of Transportation (WSDOT). The primary variables affecting fuel consumption include gasoline and diesel fuel price projections, Washington personal income and inflation. In particular, gasoline tax collections are negatively related to the price of gasoline, as gas prices rise, consumption and tax revenues fall. Other factors affecting gasoline sales and tax collections include unemployment rates, fuel efficiency, and sales of alternative fuel vehicles such as electric cars. Cities and towns receive MVFT distributions on a per capita basis under RCW 46.68.090(2)(g), (4)(a), and (5)(a), less state adjustments found in RCW 46.68.10(1) and (2) and the Small City Pavement and Sidewalk account. The estimated 2020 distribution for cities is \$20.06 per capita for motor vehicle fuel tax. City of Napavine anticipates receiving \$39,719 for MVFT. The Increased Motor Vehicle Fuel Tax estimate for the 2020 distribution for cities is \$1.19 per

capita with Napavine receiving an estimate of \$2,356. The Multi-Modal Transportation fuel tax is estimated for 2020 distribution at \$1.36 per capita with Napavine receiving an estimate of \$2,693.

2020 Street Operating Fund Summary					
Description	Budget 2018	Actual 2018	Budget 2019	Est Y/E 2019	Budget 2020
Beginning Cash & Investments	192,595	226,926	235,326	296,659	225,770
Property Taxes	153,500	152,883	161,250	150,930	132,150
Licenses & Permits	425	650	425	750	650
Intergovernmental Revenue	43,950	55,473	45,230	43,495	44,765
Charges for Services	560	1,296	560	1,325	560
Miscellaneous Revenues	435	1,267	645	2,116	820
Disposition of Capital Assets/Insurance	-	-	-	-	-
Insurance Recoveries	-	21,443	-	-	-
TOTAL REVENUES	198,870	233,013	208,110	198,616	178,945
Transfers In	48,000	48,000	-	-	-
TOTAL REVENUES & TRANSFERS	246,870	281,013	208,110	198,616	178,945
Total Resources	439,465	507,939	443,436	495,275	404,715
EXPENDITURES					
Maintenance	154,845	101,187	216,835	200,775	211,810
Administration	67,120	61,403	59,350	54,045	66,935
Planning Operations	2,000	-	2,000	1,300	2,000
Long-Term Debt	-	-	-	-	-
Capital Expenditures	20,000	16,746	10,000	7,885	-
Total Operating Budget	243,965	179,337	288,185	264,005	280,745
Transfers Out	10,000	10,000	5,500	5,500	11,000
Total Expenditures	253,965	189,337	293,685	269,505	291,745
ENDING FUND BALANCE:	185,500	318,602	149,751	225,770	112,970

STREET CAPITAL EQUIPMENT FUND

The Napavine City Council established the Street Capital Equipment Fund by Ordinance 588 to reserve funds for capital equipment needs. The city will establish a priority list for future use. The Capital Facilities Plan will establish all future needs of the city which is updated annually which is due every August. The resources for this fund will be transfers from the Street Operating Fund.

2020 Street Cap Equipment Fund Summary					
Description	Budget 2018	Actual 2018	Budget 2019	Est Y/E 2019	Budget 2020
Beginning Cash & Investments	-	-	-	-	5,000
REVENUES					
Transfers In	-	-	5,000	5,000	11,000
Total Revenues	-	-	5,000	5,000	11,000
Total Resources	-	-	5,000	5,000	16,000
EXPENDITURES					
Capital Equipment	-	-	-	-	-
Total Expenditures	-	-	-	-	-
ENDING FUND BALANCE:	-	-	5,000	5,000	21,000

Priority List

STREET IMPROVEMENT FUND

This fund is used to account for one half of the first quarter percent real estate excise tax (REET) authorized under RCW 82.46.010 (2) and special grants that are legally restricted to the construction or maintenance of state highways within the City’s boundaries. These proceeds were required to be used “solely for financing capital projects specified in a Capital Facilities Plan element of a Comprehensive Plan.” The REET Tax is split 50/50 with Park Improvement Fund 004. The city estimates 2020 revenue for the Park Improvement Fund \$20,000. This amount could fluctuate depending on home sales.

This fund also recognizes the funds received from developer’s agreement for improvements to Exit 72 for future traffic signals, sidewalks and other improvements for public safety.

The City of Napavine received a Transportation Improvement Board (TIB) state grant for the construction “Safe Routes to School” for new sidewalks on 4th Ave NE as well as street improvement to 4th Ave NE near the Napavine School District. The total project cost is estimated at \$498,265 with a city match of \$24,913 and \$473,352 in TIB Funds. The city has received notification that the grant application was approved and awarded for 2020/2021.

2020 Street Improvement Fund Summary					
Description	Budget 2018	Actual 2018	Budget 2019	Est Y/E 2019	Budget 2020
Beginning Cash & Investments	121,207	120,866	145,676	140,666	153,941
REET Taxes	10,600	19,306	10,600	25,970	20,000
TIB Grant Funds	540,050	44,351	783,705	349,090	470,505
Natural & Economic Environment	13,240	13,740	-	-	-
Miscellaneous Revenue	40	58	35	580	35
TOTAL REVENUE	563,930	77,455	794,340	375,640	490,540
Transfers In	10,000	10,000	-	-	-
Total Revenue & Transfers	573,930	87,455	794,340	375,640	490,540
Total Resources	695,137	208,320	940,016	516,306	644,481
EXPENDITURES					
Engineering	71,950	24,765	71,950	44,720	71,950
Advertising Professional Services	1,000	-	1,000	225	1,000
Street Improvements	464,130	-	464,130	317,420	-
Engineering Sidewalks	-	-	54,960	-	57,595
Safe Routes Sidewalk 4th Ave NE	-	-	201,520	-	353,285
Street Lighting Improvements	42,900	42,889	2,000	-	-
Total Expenditures	579,980	67,654	795,560	362,365	483,830
ENDING FUND BALANCE:	115,157	140,666	144,456	153,941	160,651
<i>Restricted Revenues: Developers Agreements: HH Napavine 16 \$15,000 and Taco Bell \$15,990</i>					

CRIMINAL JUSTICE FUNDS

The Criminal Justice Funds are restricted in their use by the Revised Code of Washington, in 2016 the revenues and expenditures of this nature were moved to the Criminal Justice Fund 110.

With the repeal of the motor vehicle excise tax, the only money that cities receive by statute comes from language that says that beginning July 1, 2000; a transfer would be made from the general fund to both city accounts under RCW 82.14.320 and RCW 82.14.330. Each transfer was appropriated originally at \$4.6 million, to be increased each July by “the fiscal growth factor” in RCW 43.135.025, which is the average growth in state personal income for the prior ten years. By 2015, the distributions had grown to \$8.2 million.

Seventy percent (70%) of the revenue distributed under RCW 82.14.330 (1) (a) (ii) is handed out on a purely per capita basis.

- Criminal Justice Lo-Pop which each city receiving a minimum of \$1,000, no matter how small their population.
 - Criminal Justice Lo-Pop is restricted per RCW 82.14.330 for criminal justice purposes; may not replace or supplant existing criminal justice funding.

RCW 82.14.330 (2) (a) (ii) allocates 54 percent to innovative law enforcement strategies, programs to help at-risk children or child abuse victim response programs and programs designed to reduce the level of domestic violence or to provide counseling for domestic violence victims. The funds for these areas are distributed by the Office of the State Treasurer on a strictly per capita basis. While there is a requirement that these funds be spent in these specific areas, there is not a requirement of how much must be spent in each area. All of the distribution could be spent in one area if the city wishes.

- Criminal Justice Special Programs
 - The Criminal Justice Special Programs, formerly referred to as CTED Funds is restricted per RCW 82.14.330 (2)(b) for Innovative Law Enforcement Strategies, programs for At-Risk Children, Child Abuse Victims, or Domestic Violence.
- Dui Cities
 - Dui Cities and Criminal Justice Sales tax may be used for criminal justice purposes with a broad use of these funds.

The city also receives 1% sales tax for Local Criminal Justice which may be used for criminal justice purposes as law enforcement deems necessary. Currently the city is utilizing the local criminal justice funds for the purchase of patrol vehicle and equipment.

2020 Criminal Justice Fund Summary

Description	Budget 2018	Actual 2018	Budget 2019	Est Y/E 2019	Budget 2020
Beginning Cash & Investments	33,102	38,940	50,410	50,328	34,918
Taxes:					
Local Criminal Justice	30,000	35,084	35,000	40,045	39,000
Total Taxes	30,000	35,084	35,000	40,045	39,000
State Shared Revenues:					
Federal Indirect Grant	-	-	12,075	12,070	-
CJ LoPop	1,000	1,000	1,000	1,000	1,000
CJ Special Programs	2,015	1,991	2,115	2,090	2,215
CJ DUI & Other Assistance	275	281	275	270	275
Local Grants & Entitlements	-	-	1,405	1,140	-
Total Intergovernmental Revenues	3,290	3,272	16,870	16,570	3,490
Miscellaneous Revenue-Sale Surplus	-	-	-		
TOTAL REVENUES	33,290	38,356	51,870	56,615	42,490
Total Resources	66,392	77,295	102,280	106,943	77,408
EXPENDITURES					
Police Administration	-	225	-	-	1,000
Police Operations	5,000	676	7,460	8,045	15,575
Crime Prevention	2,800	2,358	7,500	1,075	15,240
Training	-	-	1,000	-	1,000
Traffic Policing	300	104	3,500	50	8,085
Capital Equipment	7,985	8,604	70,975	67,635	-
TOTAL EXPENDITURES	16,085	11,967	90,435	76,805	40,900
Transfers Out	15,000	15,000	-	-	-
TOTAL APPROPRIATIONS	31,085	26,967	90,435	76,805	40,900
ENDING FUND BALANCE:	35,307	50,328	11,845	30,138	36,508

CAPITAL PROJECT FUND TYPES

Capital project funds account for financial resources which are designated for the acquisition, construction, renovation, or major maintenance of general government capital assets.

Project Planning Fund

EHB 1219 affects the use of revenues for the “second quarter percent” real estate excise taxes (“REET 2”), which may only be imposed by cities and counties fully planning under the Growth Management Act. The bill amends RCW 82.46.035 (REET 2) and RCW 82.46.037 (REET 2-Maintenance) by removing the “housing for the homeless” previously placed in RCW 82.46.037(1)(b), expanding the definition, and placing it within RCW 82.46.035(5)). There will now be three distinct groups of capital projects within subsection (5) of the REET 2 statute.

The most significant change to the statute is the inclusion of subsection (c), which adds homelessness and affordable housing projects, and while there are no changes to the original definition of capital projects provided in the REET 2 statute (RCW 82.46.035), it’s interesting to note the separation of this definition into categories between transportation, water, storm and sewer infrastructure, and parks. Here are the three new subsections for REET 2 allowed projects:

- RCW 82.46.035(5)(a): Planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems;
- RCW 82.46.035(5)(b): Planning, construction, reconstruction, repair, rehabilitation, or improvement of parks; and
- RCW 82.46.035(5)(c): Until January 1, 2026, planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of facilities for those experiencing homelessness and affordable housing projects.

Additionally, the bill adds subsections (6) and (7), which provide some limitations and reporting requirements for the use of REET 2 monies for affordable housing and homelessness projects as defined in subsection (5)(c). These new subsections are essentially the same requirements that were previously stated in RCW 82.46.037. In summary, these new subsections require:

- A county or city may use the greater of \$100,000 or 25% of available funds, but not to exceed \$1 million, for capital projects as defined in subsection (5)(c)” (i.e. affordable housing and homelessness projects).
- The limits do not apply to any county or city that used revenue under this section for the acquisition, construction, improvement, or rehabilitation of facilities to provide housing for the homeless prior to June 30, 2019.
- A county or city using funds for uses in subsection (5)(c) must document in its capital facilities plan (RCW 36.70A.070(3)) that it has funds during the next two years for capital projects in subsection (5)(a) of this section (see above).

2020 Project Planning Summary

Description	Budget 2018	Actual 2018	Budget 2019	Est Y/E 2019	Budget 2020
Beginning Cash & Investments	91,693	92,535	101,265	115,842	168,337
REVENUES					
REET Taxes	21,200	38,612	21,200	51,940	40,000
State Grants	-	-	-		
Investment Interest	240	350	240	555	400
Total Revenue	21,440	38,961	21,440	52,495	40,400
Total Resources	113,133	131,496	122,705	168,337	208,737
EXPENDITURES					
Planning	8,000	15,654	8,000	-	35,000
Economic Development	20,000	-	20,000	-	30,000
Total Expenditures	28,000	15,654	28,000	-	65,000
ENDING FUND BALANCE:	85,133	115,842	94,705	168,337	143,737

PROPRIETARY FUND TYPES

Proprietary funds are used to account for a government’s business-type activities.

ENTERPRISE FUNDS

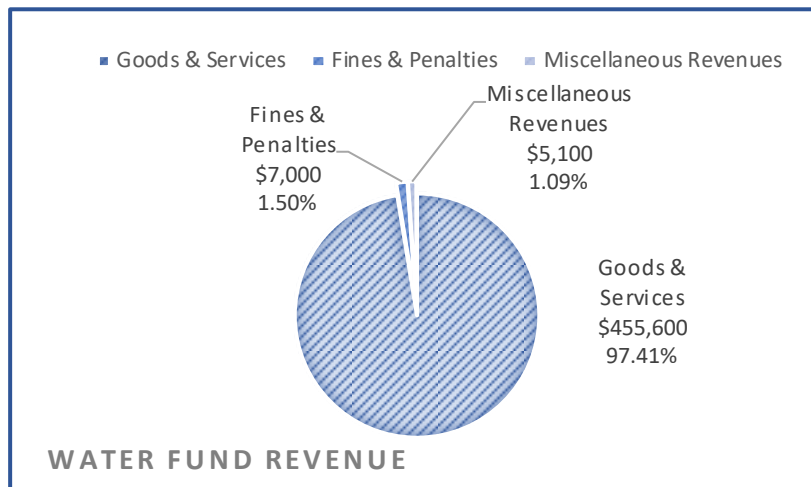
Enterprise funds account for resources that are supported with user fees for goods or services, such as water service, wastewater (sewer) service, which provides a service to customers.

WATER FUND

This fund is used to account for the operations of the City’s water utility.

Water Fund Revenues

- Goods & Services:
- Water Demand base rates were to increase \$1.00 a month (Rates have not increased since 2010). The Napavine City Council passed Ordinance 586-C to freeze rate increases through 2021 on June 25, 2019. Water service fees include the 6% utility tax charged to customers.
- A Senior Citizen and Disabled Citizen discount was approved in October 2018 providing a 50% discount on base rate.
- Water Connection Fees - 50% of connection fee is recorded in the Water Fund and 50% in the Water System Improvement Fund)
- Fines & Penalties:
- Late Fees - 10% of balance owed as of the 26th of the billing month with a minimum fee of \$5.00. Fee is based on the balance due for the water service.
- Shut off Fees \$25.00 with a turn on fee of \$10 for nonpayment on account and \$10 turn on fee for customer request
- Other Fees (Provide landlord with copies of tenant’s utility bill & any other non-usage fees)
- Miscellaneous Revenue:
- Investment Interest
- Miscellaneous Revenue



2020 Water Operating Fund Summary

Description	Budget 2018	Actual 2018	Budget 2019	Est Y/E 2019	Budget 2020
Beginning Cash & Investments	599,438	661,367	648,627	727,731	767,181
Revenues					
Goods and Services	424,435	433,806	430,340	445,405	455,600
Fines & Penalties	10,060	8,185	10,050	6,990	7,000
Miscellaneous Revenues	3,650	6,871	5,480	7,085	5,100
Total Revenues	438,145	448,862	445,870	459,480	467,700
Total Resources	1,037,583	1,110,229	1,094,497	1,187,211	1,234,881
EXPENDITURES					
Administration	261,720	228,739	283,985	260,640	330,325
Engineering	5,000	-	5,000	-	5,000
Maintenance	26,550	8,216	41,750	26,940	29,000
Utility Operating Expenditures	42,670	33,085	46,970	46,910	54,670
Total Enterprise Expenses	335,940	270,040	377,705	334,490	418,995
LONG-TERM DEBT:					
PWTF - Water System Upgrade 98-791-493	15,500	15,500	-	-	-
USDA - Water Reservoir	22,715	22,710	22,715	22,715	23,105
Dept of Ecology-Stormwater Study	2,620	2,120	2,430	2,425	9,680
Total Debt	40,835	40,330	25,145	25,140	32,785
Capital Expenditures	28,300	20,984	29,500	4,400	4,000
Total Operating Budget	405,075	331,354	432,350	364,030	455,780
Transfers Out	51,000	51,000	56,000	56,000	111,000
Total Expenditures	456,075	382,354	488,350	420,030	566,780
ENDING FUND BALANCE:	581,508	727,875	606,147	767,181	668,101

The administration budget increased by \$26,400 for the utility tax as a liability against the enterprise activity which the funds are remitted to the General Fund.

Transfers: \$100,000 excess balance to Water Capital Improvement Fund, \$11,000 to Water Capital Equipment Fund.

WASTEWATER FUND

This fund is used to account for the operations of the City's wastewater (sewer) utility.

Wastewater Fund Revenue

- Goods & Services:
 - Wastewater Service \$58 per month base rate and the consumption rate for customers using 0-3,499 CF is \$4.50 per 100 CF and customers using greater than 3,500 CF is \$5.00 per 100 CF. Wastewater service fees include the 6% utility tax charged to customers.
 - Wastewater connection Fee (50% of connection fee is receipted into the Wastewater Fund and 50% in the Wastewater System Improvement Fund)
- Fines & Penalties
 - Late Charge Fees – Rate 10% of balance owed as of the 26th of the billing month with a minimum amount of \$5.00. Fee is based on the balance due for the wastewater service.
- Miscellaneous Revenue:
 - Investment Interest
 - Miscellaneous



Transfer excess fund balance to: \$50,000 Wastewater Capital Improvement Fund, \$16,000 to Wastewater Capital Equipment Fund.

2020 Wastewater Operating Fund Summary

Description	Budget 2018	Actual 2018	Budget 2019	Est Y/E 2019	Budget 2020
Beginning Cash & Investments	338,337	338,337	295,612	329,872	345,097
REVENUES					
Goods and Services	737,625	730,942	764,250	787,395	834,950
Fines & Penalties	12,000	10,068	11,900	8,300	8,500
Miscellaneous Revenues	610	5,386	610	2,205	915
Total Revenue	750,235	746,396	776,760	797,900	844,365
Total Resources	1,088,572	1,084,732	1,072,372	1,127,772	1,189,462
EXPENDITURES					
Administration	230,640	214,867	266,570	252,130	330,915
Engineering	5,000	0	5,000	-	5,000
Maintenance	25,000	17,387	41,600	16,655	26,250
Utility Operating Expenditures	189,890	183,251	192,190	186,670	194,170
Total Operating Expenses	450,530	415,504	505,360	455,455	556,335
LONG-TERM DEBT:					
PPWTF -Rush Rd Force Main	59,340	59,334	58,785	58,785	58,230
12% Regional Wastewater Plant	208,035	208,034	208,035	208,035	208,035
Total Debt	267,375	267,367	266,820	266,820	266,265
Capital Expenditures	28,300	20,984	29,500	4,400	4,000
Total Operating Budget	746,205	703,856	801,680	726,675	826,600
Transfers Out	51,000	51,000	56,000	56,000	66,000
Total Expenditures	797,205	754,856	857,680	782,675	892,600
ENDING FUND BALANCE:	291,367	329,877	214,692	345,097	296,862

WATER DEPOSIT TRUST FUND

This fund is used to account for utility deposits placed with the City by utility customers, which are not funds that belong to the City. Ordinance 520 established the “customer” and/or “user” as the “property owner” and the responsible party for the utility billing on all properties, which was adopted on April 23, 2013. On April 23, 2013, the City Council eliminated the requirement of utility deposits with Ordinance 521 and the current deposits held by the city will remain until such time as the utility account is closed.

2020 Water Deposit Trust Fund Summary					
Description	Budget 2018	Actual 2018	Budget 2019	Est Y/E 2019	Budget 2020
Beginning Cash & Investments	8,215	8,515	7,915	8,115	7,715
Ordinance 521 on 4/23/13 suspended deposits					
REVENUES					
Utility Deposits	-	-	-	-	-
Total Revenues	-	-	-	-	-
Total Resources	8,215	8,515	7,915	8,115	7,715
EXPENDITURES					
Refunds	500	300	100	200	500
Transfers	7,500	100	7,800	200	7,200
Total Expenditures	8,000	400	7,900	400	7,700
ENDING FUND BALANCE:	215	8,115	15	7,715	15

USDA BOND RESERVE FUND

This fund is used to account for the reserved amount required by USDA-Rural Development for the loan the City obtained in 1999 for the Reservoir Capital Project. The balance of this account must equal a one-year payment in the amount of \$22,710. The funds in this account must remain for the life of the loan, which is anticipated to mature in 2039.

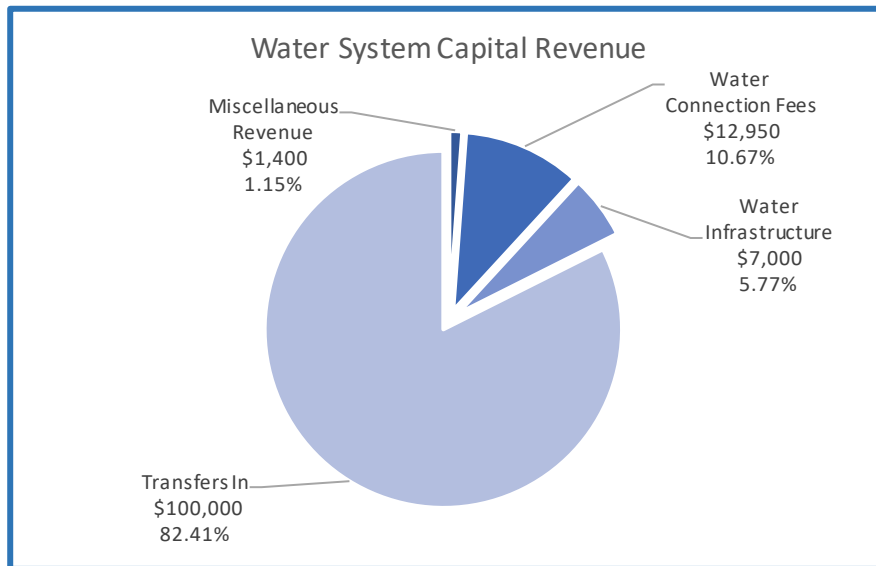
2020 USDA Bond Reserve Fund					
Description	Budget 2018	Actual 2018	Budget 2019	Est Y/E 2019	Budget 2020
Beginning Cash & Investments	22,710	22,710	22,710	22,710	22,710
REVENUES					
Transfers In	-	-	-	-	-
Total Revenues	-	-	-	-	-
Total Resources	22,710	22,710	22,710	22,710	22,710
EXPENDITURES					
Transfers Out	-	-	-	-	-
Total Expenditures	-	-	-	-	-
ENDING FUND BALANCE:	22,710	22,710	22,710	22,710	22,710
Hold in reserve until debt is paid in full, per amortization schedule this will be June 2039					
Once USDA RD loan is paid in full, transfer back to Water Operating Fund or to Capital Improvement					

PROPRIETARY CAPITAL FUNDS

These funds account for capital projects to upgrade the water system, referred to as Water System Improvement Fund and the wastewater system referred to as the Wastewater System Improvement Fund.

WATER SYSTEM IMPROVEMENT FUND

This fund is to account for capital expenditures to upgrade the water system, which funds are supported from 50% of connection fees for new connections to the water system and an infrastructure fee of \$1,000 per connection and transfers from the Water Fund.



In 2019/2020 the city capital project provides for a treatment plant of Well #6 with Water Plus in the amount of \$526,730 and purchase water rights in the amount of \$100,000.

2020 Water System Improvement Summary

Description	Budget 2018	Actual 2018	Budget 2019	Est Y/E 2019	Budget 2020
Beginning Cash & Investments	577,864	669,716	723,286	714,805	686,683
REVENUES					
<i>Miscellaneous Revenues:</i>					
Investment Interest	1,220	1,935	1,220	1,670	1,400
Water Connection Fees	9,250	19,350	9,250	26,675	12,950
Water Infrastructure	5,000	11,000	5,000	10,000	7,000
Washington St Water Imp	-	1,500	-	500	-
Total Miscellaneous Revenue	15,470	33,785	15,470	38,845	21,350
Non Revenues	-	-	-	-	-
Total Revenues	15,470	33,785	15,470	38,845	21,350
Transfers In	50,000	50,000	50,000	50,000	100,000
Total Revenues & Transfers	65,470	83,785	65,470	88,845	121,350
Total Resources	643,334	753,500	788,756	803,650	808,033
EXPENDITURES					
Non Expenditures	-	-	-		
<i>Capital Expenditures:</i>					
Engineering Services	10,000	35,748	50,000	69,000	40,000
Misc. Professional Services	-	3,196	-	3,200	3,200
Land & Land Improvements	5,000	1,398	33,600	-	33,600
Water Rights Purchase	100,000	-	100,000	-	100,000
Water System Improvements	148,310	-	212,545	-	212,545
Capital Equipment	-	-	230,585	44,840	185,755
Capital Leases	-	1,550	-	-	-
Total Capital Expenditures	263,310	41,891	626,730	117,040	575,100
Total Expenditures	263,310	41,891	626,730	117,040	575,100
ENDING FUND BALANCE:	380,024	711,609	162,026	686,610	232,933

LID 2011-1 REDEMPTION FUND

This fund accounts for the loan repayment established through a LID (Local Improvement District). Property owners' assessments are based on buildable square footage of land (wetlands and stream buffers removed) with the property owners paying back 50% of the project cost (since WSDOH/Commerce made 50% of the loan forgivable, basically a 50% grant). The project included installing water main, equipping a well, constructing a booster pump station and a water storage reservoir. The total project cost was \$2,832,000, resulting in a loan repayment of \$1,416,000 at a 1% interest rate over a 20-year period. The third installment of assessments on the assessment roll were mailed out on November 15, 2018. The City Treasurer's notice was for an annual payment consisting of the annual assessment on the property plus a 1% interest on the unpaid balance due. Any assessment not paid annually is subject to a 10% late penalty and after two years delinquent is subject to foreclosure. Annually thereafter each succeeding installment shall become due and payable in a 30-day period of November/December 2020.

2020 LID 2011-1 Bond Redempt Summary					
Description	Budget 2018	Actual 2018	Budget 2019	Est Y/E 2019	Budget 2020
Beginning Cash & Investments	240,666	228,287	273,502	330,657	292,287
REVENUES					
Non Court Penalties	300	275	300	175	150
Investment Interest	-	-	-	820	630
Accrued Interest	-	(134)	-	(30)	-
Gains on Bonds	-	-	-	1,215	-
Assessment Interest	12,100	8,404	9,000	15,210	9,260
Special Assessments	56,160	93,825	61,605	109,940	45,020
Total Revenues	68,560	102,369	70,905	127,330	55,060
Total Resources	309,226	330,657	344,407	457,987	347,347
EXPENDITURES					
Debt Redemption	71,115	-	142,230	142,230	71,115
Interest	12,090	-	23,470	23,470	10,670
Total Expenditures	83,205	-	165,700	165,700	81,785
ENDING FUND BALANCE:	226,021	330,657	178,707	292,287	265,562

WATER CAPITAL EQUIPMENT FUND

The Napavine City Council established the Water Capital Equipment Fund by Ordinance 588 to reserve funds for capital equipment needs. The city will establish a priority list for future use. The Capital Facilities Plan will establish all future needs of the city which is updated annually which is due every August. The resources for this fund will be transfers from the Water Operating Fund.

2020 Water Capital Equip Fund Summary					
Description	Budget 2018	Actual 2018	Budget 2019	Est Y/E 2019	Budget 2020
Beginning Cash & Investments	-	-	-	-	5,000
REVENUES					
Transfers In	-	-	5,000	5,000	11,000
Total Revenues	-	-	5,000	5,000	11,000
Total Resources	-	-	5,000	5,000	16,000
EXPENDITURES					
Capital Equipment	-	-	-	-	-
Total Expenditures	-	-	-	-	-
ENDING FUND BALANCE:	-	-	5,000	5,000	21,000

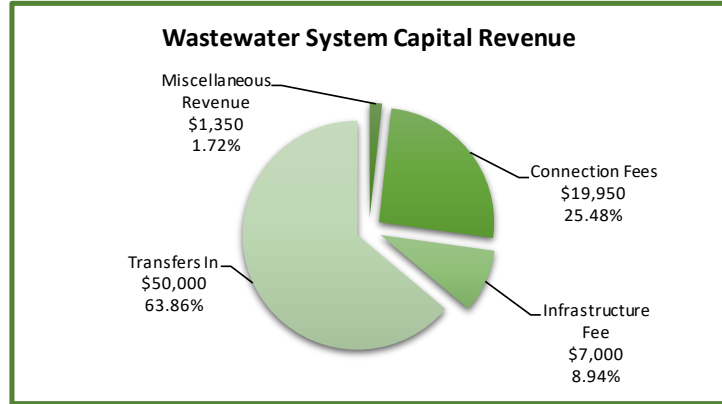
Priority List

WASTEWATER SYSTEM IMPROVEMENT FUND

This fund accounts for the capital expenditures to upgrade the wastewater system, which funds are supported from 50% of connection fees for new connections to the wastewater system and an infrastructure fee of \$1,000 per connection.

Wastewater System Improvement Revenue

- Capital Contributions
 - Connection Fees
 - Infrastructure Fees
- Miscellaneous Revenue
 - Investment Interest
 - Loan Interest
- Interfund Loan Repayment
- Transfers In



2020 Wastewater System Improvement Summary					
Description	Budget 2018	Actual 2018	Budget 2019	Est Y/E 2019	Budget 2020
Beginning Cash & Investments	207,014	207,014	285,264	277,888	376,053
REVENUES					
Investment Interest	925	1,460	925	1,255	1,350
Wastewater Connection Fees	14,250	34,950	14,250	35,855	19,950
Infrastructure Fee	5,000	12,000	5,000	11,000	7,000
Total Revenue	20,175	48,410	20,175	48,110	28,300
Transfers In	50,000	50,000	50,000	50,000	50,000
Total Revenues & Transfers	70,175	98,410	70,175	98,110	78,300
Total Resources	277,189	305,423	355,439	375,998	454,353
EXPENDITURES					
Pumpstation Equipment	-	572	-	-	-
Professional Services	5,000	-	5,000	-	5,000
Wastewater Improve Projects	30,000	13,324	30,000	-	30,000
Capital Equipment Purchases	50,000	13,640	20,000	-	20,000
Total Expenditures	85,000	27,536	55,000	-	55,000
ENDING FUND BALANCE:	192,189	277,888	300,439	375,998	399,353

SEWER CAPITAL EQUIPMENT FUND

The Napavine City Council established the Sewer Capital Equipment Fund by Ordinance 588 to reserve funds for capital equipment needs. The city will establish a priority list for future use. The Capital Facilities Plan will establish all future needs of the city which is updated annually which is due every August. The resources for this fund will be transfers from the Wastewater Operating Fund.

2020 Sewer Capital Equip Fund Summary					
Description	Budget 2018	Actual 2018	Budget 2019	Est Y/E 2019	Budget 2020
Beginning Cash & Investments	-	-	-	-	5,000
REVENUES					
Transfers In	-	-	5,000	5,000	16,000
Total Revenues	-	-	5,000	5,000	16,000
Total Resources	-	-	5,000	5,000	21,000
EXPENDITURES					
Capital Equipment	-	-	-	-	-
Total Expenditures	-	-	-	-	-
ENDING FUND BALANCE:	-	-	5,000	5,000	26,000

Priority List

FIDUCIARY FUND TYPES

Fiduciary Funds account for assets held by a government in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. These include (a) investment trust funds, (b) pension (and other employee benefit) trust funds, (c) private-purpose trust funds, and (d) agency funds.

UNEMPLOYMENT COMPENSATION (PRIVATE-PURPOSE TRUST FUND)

This fund accounts for the accumulation of resources for unemployment compensation to qualified employees terminated from employment. The City is self-insured for unemployment benefits.

2020 Unemployment Comp Fund Summary					
Description	Budget 2018	Actual 2018	Budget 2019	Est Y/E 2019	Budget 2020
Beginning Cash & Investments	27,836	27,836	31,336	31,336	34,836
REVENUES					
Transfers In	3,500	3,500	3,500	3,500	-
Total Revenues	3,500	3,500	3,500	3,500	-
Total Resources	31,336	31,336	34,836	34,836	34,836
EXPENDITURES					
Unemployment Compensation	25,000	-	25,000	-	30,000
Total Expenditures	25,000	-	25,000	-	30,000
ENDING FUND BALANCE:	6,336	31,336	9,836	34,836	4,836

MUNICIPAL COURT TRUST FUND

The Municipal Court Trust Fund is used for reporting purposes to account for the monetary transactions of the Napavine Municipal Court.

AGENCY FUND TYPES

AGENCY FUNDS

The City Agency Fund –is used to report resources held by the government in a purely custodial capacity (assets and liabilities). Agency funds typically involve only the receipts, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

CITY AGENCY FUND

This fund is used primarily to account for municipal court funds of the state share of court fines and crime victim court fines that is remitted to Lewis County Treasurer. This fund also accounts for state share of the building permit fees, concealed pistol license, state sales tax and leasehold excise tax and Community Park Deposit fund.

**These transactions were previously reported in the General Fund as Non-Revenues and Non-Expenditures.*

DEBT SCHEDULE

SCHEDULE OF LONG TERM DEBT									
2020 BUDGET									
Loan/Year & Project/Fund#/Interest Rate	Original Loan Amt	Bal 1/1/2019	Payments 2019	2020	2021	2022	2023	2024-2049	Final Year
Color Key: GENERAL FUND CRIMINAL JUSTICE STREET WATER WASTEWATER (SEWER)									
General Fund									
USDA-RD-GO Bond/2009-City Hall Purchase/001/4.375%	1,125,000	1,009,568	59,830	59,830	59,830	59,830	59,830	710,418	2049
Umpqua Bank Refinance 2017 4.5%	100,000	86,628	88,976	-	-	-	-	-	2019
Total General Fund Loans	1,225,000	1,096,197	148,806	59,830	59,830	59,830	59,830	710,418	
Criminal Justice Fund									
Hincklease Capital Lease Patrol Cars	65,273	7,495	7,495	-	-	-	-	-	2019
Total Criminal Justice Fund	65,273	7,495	7,495	-	-	-	-	-	
Water Fund									
PW10-952-006 Rush Rd LID 2011-1/1%	2,832,000	1,208,919	165,695	81,780	81,069	80,358	79,646	720,372	2034
USDA -RD-1999 - 350,000 Gal Reservoir/401/3.25%	500,000	343,642	22,710	22,710	22,710	22,710	22,710	230,092	2039
Dept of Ecology/2004 -Stormwater Study/401/1.5%	40,617	11,613	2,420	9,680	-	-	-	(487)	2020
Total Water Fund Loans	540,617	1,564,174	190,825	114,170	103,779	103,068	102,356	949,977	
Wastewater Fund									
PWTF Loan/2004 - Rush Rd Force Main/406/1%	1,067,080	332,712	58,779	58,225	57,670	57,116	56,561	56,007	2024
City of Chehalis/2008 - 12% Regional Wastewater Plant/406/0.5%	4,160,675	1,872,304	208,034	208,034	208,034	208,034	208,034	832,134	2028
Total Wastewater Loans	5,227,755	2,205,016	266,813	266,259	265,704	265,150	264,595	888,140	
Compensated Absences		23,614							
Net Pension Liability		197,713							
Grand Total City Debt	7,058,645	4,872,881	613,939	440,258	429,313	428,047	426,781	2,548,535	

SCHEDULE OF TRANSFERS

CITY OF NAPAVINE			
2020 BUDGET			
SCHEDULE OF TRANSFERS			
TRANSFERS IN	AMOUNT	TRANSFERS OUT	AMOUNT
General Fund	-	General Fund	5,000
General Governmnt Capital Equipment	5,000		
Street Fund	-	Street Fund	11,000
Street Capital Equipment Fund	11,000		
Street Improvement Fund	-		
Water System Improvement Fund	100,000	Water Fund	100,000
Wastewater System Improvement Fund	50,000	Wastewater Fund	50,000
Water Capital Equipment Fund	11,000	Water Fund	11,000
Sewer Capital Equipment Fund	16,000	Wastewater Fund	16,000
		General Fund	-
Unemployment Compensation Fund	-	Street Fund	-
		Water Fund	-
		Wastewater Fund	-
Total Transfers In	193,000	Total Transfers Out	193,000
Recap by Fund:			
General Fund	-	General Fund	5,000
General Gov Capital Equipmnt	5,000		
Street Fund	-	Street Fund	11,000
Street Capital Equipment Fund	11,000	Street Improvement Fund	-
Street Improvement Fund	-		
Water Capital Equipment Fund	11,000	Water Fund	111,000
Water System Improvement Fund	100,000	Water System Improvement Fund	-
Sewer Capital Equipment Fund	16,000	Wastewater Fund	66,000
Wastewater System Improvement Fund	50,000	Wastewater System Improvement Fund	-
LID 2011-1 Redmeption Fund	-	LID 2011-1 Redmeption Fund	-
Unemployment Compensation Fund	-	Unemployment Compensation Fund	-
Total by Fund	193,000		193,000

SALARY SCHEDULE

The salary and hourly amounts include a 3% COLA for cost of living increase for all members in the Teamsters bargaining unit and non-union employees. The city has increased all staff except for Municipal Court to 40 hours per week.

2020 Salary Schedule						
Union Positions	Step A	Step B	Step C	Step D	Step E	FTE
Department Head	4,368	4,546	4,843	5,127	5,507	1.0
Police Chief	5,127	5,241	5,455	5,507	5,812	1.0
Patrol Officer	3,414	3,581	3,833	4,169	4,419	3.0
Utility Worker	3,326	3,498	3,757	3,880	4,361	2.87
Deputy Clerk	3,326	3,498	3,757	3,880	4,361	1.0
Clerk	2,812	2,945	3,136	3,406	3,618	1.0
Court Administrator	3,860	3,998	4,249	4,479	4,764	0.8
Court Clerk	2,865	2,995	3,180	3,442	3,651	0.0
Building Inspector	3,976	4,222	4,345	4,467	4,590	0.13
Police Clerk	3,326	3,498	3,757	3,880	4,361	1.0
Administrative Asst	3,326	3,498	3,757	3,880	4,361	1.0
						12.8
NON-UNION DEPARTMENT HEADS:	<u>SALARY</u>	<u>Longevity</u>	<u>Total</u>	<u>Hour rate</u>	<u>FTE</u>	
City Clerk Step C/D	\$ 5,127.22		\$ 5,127.22	\$ 29.59	1.0	40 hrs wk
City Treasurer Step E	\$ 5,507.20	220.00	\$ 5,727.20	\$ 31.78	1.0	40 hrs wk
City Attorney			Contracted \$190 Hourly Rate			
Municipal Court Judge			Contracted (\$1,100 month)			
Union Positions:	<u>Salary</u>	<u>Longevity</u>	<u>Total</u>	<u>Hour rate</u>	<u>FTE</u>	
Chief of Police	5,811.70	40.00	5,851.70	\$ 33.54	1.0	40 hrs wk
Deputy Clerk - Step E	-	-	-	\$ -	0.0	0
Clerk Assistant - Step D	3,405.70	-	3,405.70	\$ 19.65	1.0	40 hrs wk
Director of PW	5,507.20	120.00	5,627.20	\$ 31.78	1.0	40 hrs wk
Community Development Stipend	20,000.00		20,000.00			Included
Patrol Officer Step E	4,419.02	-	4,419.02	\$ 25.50	1.0	40 hrs wk
Patrol Officer - Step D	4,169.48	-	4,169.48	\$ 24.06	1.0	40 hrs wk
Patrol Officer - Step C	3,832.90	-	3,832.90	\$ 22.12	1.0	40 hrs wk
Police Records Clerk Step E	4,360.91	20.00	4,380.91	\$ 25.16	1.0	40 hrs wk
Utility Worker #1 @ Step D	3,880.40	-	3,880.40	\$ 22.39	1.0	40 hrs wk
Utility Worker #2 @ Step E	4,360.91	110.00	4,470.91	\$ 25.16	1.0	40 hrs wk
Court Administrator Step E	4,763.62	90.00	4,853.62	\$ 27.49	0.8	32 hrs wk
Building Inspector - Step E	4,590.39	30.00	4,620.39	\$ 26.49	1.0	40 hrs wk
Administrative Assistant Step D	3,880.40	-	3,880.40	\$ 22.39	1.0	40 hrs wk

SALARY FUND ALLOCATION

City of Napavine										
Salary Allocation By Fund										
	2019					2020				
	Budget					Budget				
	General	Street	Water	Waste- water		General	Street	Water	Waste- water	
	Fund	Fund	Fund	Fund	Total	Fund	Fund	Fund	Fund	Total
NON-UNION POSITIONS	NON-UNION POSITIONS					NON-UNION POSITIONS				
City Clerk						30.0%	5.0%	30.0%	30.0%	100.0%
City Clerk (Finance)						5.0%				
City Treasurer	25.0%	10.0%	27.5%	27.5%	100.0%	35.0%	10.0%	30.0%	25.0%	100.0%
Clerk-Treasurer (City Clerk)	10.0%									
UNION POSITIONS	UNION POSITIONS					UNION POSITIONS				
Deputy Clerk	20.0%	0.0%	40.0%	40.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Clerk Assistant (Finance)	0.0%	0.0%	0.0%	0.0%	0.0%	5.0%	0.0%	0.0%	0.0%	
Clerk Assistant	15.0%	0.0%	42.5%	42.5%	100.0%	5.0%	0.0%	45.0%	45.0%	100.0%
Police Chief	100.0%				100.0%	100.0%				100.0%
Patrol Officer I	100.0%				100.0%	100.0%				100.0%
Patrol Officer II	100.0%				100.0%	100.0%				100.0%
Patrol Officer III	0.0%				0.0%	100.0%				100.0%
Police Records Clerk	100.0%				100.0%	100.0%				100.0%
Court Administrator	100.0%				100.0%	100.0%				100.0%
Community Development Stipend						100.0%				100.0%
Public Works Director	0.0%	33.0%	34.0%	33.0%	100.0%	0.0%	33.0%	34.0%	33.0%	100.0%
Administrative Assistant	40.0%	10.0%	25.0%	25.0%	100.0%	30.0%	10.0%	30.0%	30.0%	100.0%
Building Inspector	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%				0.0%
Utility Worker I	0.0%	33.0%	34.0%	33.0%	100.0%	0.0%	33.0%	34.0%	33.0%	100.0%
Utility Worker II	0.0%	33.0%	33.0%	34.0%	100.0%	0.0%	33.0%	33.0%	34.0%	100.0%
Buiding Ins/Utility Worker III	13.0%	29.6%	28.7%	28.7%	100.0%	13.0%	29.6%	28.7%	28.7%	100.0%

BUDGET PROJECTIONS

GENERAL FUND PROJECTIONS

2020 Budget Projections GENERAL FUND		\$400/6%	3% COLA	4% COLA	3% COLA	3% COLA
City of Napavine - General	2018	2019 YE	2020	2021	2022	2023
Salaries	\$ 289,660	\$ 333,820	\$ 447,235	\$ 465,125	\$ 479,080	493,455
Benefits	\$ 102,854	\$ 118,170	\$ 148,735	\$ 151,710	\$ 154,745	159,390
Expenditures:						
Legislative	\$ 12,685	\$ 13,250	\$ 12,800	\$ 13,500	\$ 14,000	14,000
Municipal Court	\$ 44,068	\$ 42,590	\$ 40,480	\$ 43,000	\$ 44,000	44,000
Executive (Mayor)	\$ 3,306	\$ 4,265	\$ 4,010	\$ 4,100	\$ 4,200	4,200
Finance/Administrative	\$ 24,131	\$ 18,010	\$ 27,180	\$ 19,800	\$ 21,000	30,000
Legal	\$ 39,456	\$ 41,580	\$ 42,120	\$ 42,300	\$ 42,400	42,400
Employee Benefit	\$ 7,936	\$ 9,075	\$ 17,495	\$ 18,300	\$ 18,700	18,700
City Hall Central Services	\$ 22,202	\$ 27,855	\$ 34,625	\$ 34,700	\$ 34,900	34,900
Law Enforcement	\$ 88,751	\$ 106,920	\$ 142,280	\$ 144,000	\$ 145,000	145,000
Fire Investigation	\$ -	\$ -	\$ -	\$ -	\$ -	-
Detention/Corrections	\$ 8,640	\$ 9,850	\$ 10,870	\$ 11,000	\$ 11,000	11,000
Protective Inspection Services	\$ 456	\$ 150	\$ 10,350	\$ 550	\$ 550	550
Emergency Services	\$ 8,579	\$ 7,950	\$ 10,280	\$ 10,500	\$ 10,500	10,500
Economic Environment	\$ 22,582	\$ 37,445	\$ 31,995	\$ 30,285	\$ 30,285	30,285
Mental/Physical	\$ 557	\$ 650	\$ 535	\$ 550	\$ 565	565
Park Maintenance	\$ 5,234	\$ 7,135	\$ 10,825	\$ 10,900	\$ 10,950	10,950
Debt Service	\$ 70,050	\$ 149,040	\$ 59,835	\$ 59,830	\$ 59,830	59,830
Capital Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	-
Transfers	\$ 49,000	\$ 6,000	\$ 5,000	\$ 10,000	\$ 10,000	10,000
Total Expenditures	\$800,144	\$933,755	\$1,056,650	\$1,070,150	\$1,091,705	1,119,725
REVENUES						
Property Tax	\$ 152,883	\$ 150,930	\$ 196,350	\$ 201,350	\$ 206,350	211,850
Sales Tax	\$ 386,481	\$ 393,500	\$ 390,000	\$ 395,000	\$ 397,000	400,000
Business & Occupation Taxes	\$ 182,913	\$ 192,695	\$ 199,000	\$ 200,000	\$ 201,000	202,000
Licenses/Permits	\$ 34,707	\$ 42,940	\$ 38,555	\$ 39,500	\$ 40,000	42,000
Intergovernmental Revenues	\$ 55,231	\$ 59,835	\$ 61,815	\$ 62,300	\$ 63,000	64,000
Goods/Services	\$ 29,559	\$ 41,135	\$ 24,935	\$ 26,000	\$ 27,000	30,000
Fines/Forfeitures	\$ 19,016	\$ 16,615	\$ 16,430	\$ 17,000	\$ 17,500	19,000
Miscellaneous Revenues	\$ 76,779	\$ 72,135	\$ 63,320	\$ 64,000	\$ 64,500	65,000
Non-Revenues	\$ 3,182	\$ 360	\$ 360	\$ 360	\$ 360	400
Insurance Recoveries	\$ -	\$ -	\$ -	\$ -	\$ -	-
Total Revenue	\$ 955,751	\$ 970,145	\$ 990,765	\$ 1,005,510	\$ 1,016,710	\$ 1,034,250
Profit/Loss From Operations	\$155,607	\$36,390	(\$65,885)	(\$64,640)	(\$74,995)	(\$85,475)
Beginning Cash	\$ 456,593	\$ 612,200	\$ 648,590	\$ 582,705	\$ 518,065	518,065
Revenue	\$ 955,751	\$ 970,145	\$ 990,765	\$ 1,005,510	\$ 1,016,710	1,034,250
Expenditures	\$ 800,144	\$ 933,755	\$ 1,056,650	\$ 1,070,150	\$ 1,091,705	1,119,725
Ending Balance	\$ 612,200	\$ 648,590	\$ 582,705	\$ 518,065	\$ 443,070	\$ 432,590
Policy Mandated Reserves 25%	\$ 200,036	\$ 233,439	\$ 264,163	\$ 267,538	\$ 272,926	\$ 279,931
Restricted Ending Cash	\$ 105,800	\$ 105,800	\$ 105,800	\$ 105,800	\$ 105,800	\$ 105,800
Unreserved Balance	\$ 306,364	\$ 309,351	\$ 212,742	\$ 144,727	\$ 64,344	\$ 46,859

STREET OPERATING FUND PROJECTIONS

2020 Budget Projections STREET		\$400/6%	3% COLA	4% COLA	3% COLA	3% COLA
City of Napavine - Street	2018 Actual	2019 YE	2020	2021	2022	2023
Salaries	73,370	84,980	92,655	96,365	99,260	102,240
Benefits	29,481	32,505	38,000	39,520	40,710	41,935
EXPENDITURES:						
Engineering 542-10	2,053	12,000	4,000	4,000	4,000	4,000
Street Maintenance 542-30	20,349	75,150	68,980	40,000	42,000	42,000
Stormwater 542-40	12	690	2,300	2,300	2,300	2,300
Sidewalks 542-61	0	370	2,000	2,000	2,000	2,000
Special Paths 542-62	655	750	1,700	1,000	1,000	1,000
Street Lighting 542-63	17,934	25,455	22,000	22,000	22,000	21,000
Traffic Control 542-64	2,999	5,555	18,500	12,000	12,000	12,000
Snow & Ice Control 542-66	788	3,500	3,500	3,000	3,000	3,000
Street Cleaning 542-67	521	0	8,000	8,150	8,150	8,150
Roadside 542-69-70	1,638	4,845	3,100	1,000	1,000	1,000
Training	810	120	500	500	500	500
Street Administration 543	11,981	8,900	13,510	11,975	16,500	12,000
Surveying Services 544-40	0	1,300	2,000	2,000	2,000	2,000
Capital Expenditures 594	16,746	7,885	0	0	0	0
Transfers Out 597	10,500	5,500	11,000	10,000	5,000	5,000
Total Expenditures	189,837	269,505	291,745	255,810	261,420	260,125
REVENUES						
Property Taxes	152,883	150,930	132,150	137,150	142,150	147,650
Licenses & Permits	650	750	650	650	600	600
Intergovernmental Revenues	55,473	43,495	44,765	45,230	45,230	45,230
Charges Goods Services	1,296	1,325	560	560	560	560
Miscellaneous Revenues	1,267	2,116	820	800	800	800
Non Revenues	0	0	0	0	0	0
Transfers In	48,000	48,000	0	0	0	0
Insurance Recoveries	21,443	0	0	0	0	0
Total Revenues	281,013	246,616	178,945	184,390	189,340	194,840
Profit/Loss From Operations	91,176	(22,889)	(112,800)	(71,420)	(72,080)	(65,285)
Beginning Cash	177,435	268,611	245,722	132,922	61,501	(10,578)
Revenue	281,013	246,616	178,945	184,390	189,340	194,840
Expenditures	189,837	269,505	291,745	255,810	261,420	260,125
Ending Balance	268,611	245,722	132,922	61,501	(10,578)	(75,863)
Policy Mandated Reserves	47,459	67,376	72,936	63,953	65,355	65,031
Restricted Ending Cash	3,856	9,471	12,151	14,831	17,511	20,191
Designated Ending Cash	0	0	5,000	10,000	15,000	20,000
Unreserved Balance	217,295	168,874	42,834	(27,282)	(108,444)	(181,085)

WATER OPERATING FUND PROJECTIONS

2020 Budget Projections WATER		\$400/6%	3% COLA	4% COLA	3% COLA	3% COLA
CITY OF NAPA VINE- WATER	2018 Actual	2019 YE	2020	2021	2022	2023
Salaries	110,707	140,170	154,695	160,885	165,715	170,690
Benefits	44,186	55,680	62,115	64,600	66,540	68,540
Expenditures:						
Engineering	-	-	5,000	5,000	5,000	5,000
Office Supplies & Equipment	2,253	1,400	4,000	4,000	4,000	4,000
Professional Services	19,318	12,230	27,600	25,000	25,000	25,000
Telephone & Postage	3,065	3,415	3,800	4,000	4,200	4,400
Travel, Meals, Lodging	372	550	700	800	800	800
Excise Tax & B & O Tax	25,688	23,000	49,900	50,000	50,000	50,000
Rental Expenses	5,682	5,525	4,950	5,500	5,700	5,700
Insurance	13,685	14,725	16,400	18,040	19,845	21,830
Utilities	685	750	650	700	700	750
Administration Maintenance Svcs	502	525	700	700	700	700
Administration Miscellaneous Exp	2,594	2,670	4,815	4,800	4,800	4,800
Maintenance Supplies	5,611	8,500	15,000	15,000	15,000	15,000
Small Tools & Equipment	1,562	800	1,000	1,000	1,000	1,000
Maintenance Professional Svcs	-	9,200	2,000	-	-	-
Equipment Rentals	93	-	1,000	1,000	1,000	1,000
Maintenance Services	949	8,440	10,000	10,000	10,000	10,000
Operating Supplies	851	1,800	7,800	7,800	7,800	7,800
Motor Fuel	3,246	4,185	4,000	4,200	4,200	4,200
Meter Purchases	5,865	20,500	10,000	10,000	10,000	5,000
Operating Equipment	296	2,000	8,000	8,000	8,000	8,000
Professional Services	6,334	2,500	7,000	7,000	7,000	7,000
Telephone Telemetry	605	675	720	720	720	720
Power to Pumps	15,730	15,000	16,500	17,000	17,000	17,000
Miscellaneous Expenses	157	250	650	650	650	650
Total Utilities	270,040	334,490	418,995	426,394	435,370	439,579
Long-Term Debt:						
PW98-791-043	15,344	-	-	-	-	-
USDA-RD 56-021	22,710	22,715	23,105	22,715	22,715	22,715
Ecology Stormwater	2,420	2,425	9,680	-	-	-
Total Long-Term Debt	40,474	25,140	32,785	22,715	22,715	22,715
Total Debt	40,474	25,140	32,785	22,715	22,715	22,715
Capital Exenditures	20,984	4,400	4,000	-	-	-
Transfers	51,000	56,000	111,000	60,000	60,000	60,000
Total Water Fund Expenditures	382,498	420,030	566,780	509,109	518,085	522,294
REVENUES:						
Water Service	414,287	418,000	440,000	444,000	448,000	452,000
Water Connection Fees (5)	19,350	26,675	12,950	9,250	9,250	9,250
Water Meter Sales	-	235	500	-	-	-
Other Fees	169	495	2,150	1,000	1,000	1,000
Penalties (Late Fees & Shutoffs)	8,185	6,990	7,000	8,000	8,000	8,000
Miscellaneous Revenue	6,871	7,085	5,100	5,500	5,500	5,500
Total Revenue	448,862	459,480	467,700	467,750	471,750	475,750
Profit/Loss from Operations	66,364	39,450	(99,080)	(41,359)	(46,335)	(46,544)
Customers	726	741	748	753	758	763
Base Rate Residential	20.00	20.00	20.00	20.00	21.00	21.00
Base Rate Commercial	25.00	25.00	25.00	25.00	25.00	25.00
per 100	4.00	4.00	4.00	4.00	4.00	4.00
Hookup Rates	4,700.00	4,700.00	4,700.00	4,700.00	4,700.00	4,700.00
Cash Reserves (3 months)	95,624	105,008	141,695	127,277	129,521	130,574
Beginning Cash	661,367	727,731	767,181	668,101	626,742	580,407
Revenue	448,862	459,480	467,700	467,750	471,750	475,750
Expenditures	382,498	420,030	566,780	509,109	518,085	522,294
Ending Balance	727,731	767,181	668,101	626,742	580,407	533,863
Policy Mandated Reserves	95,624	105,008	141,695	127,277	129,521	130,574
Unreserved Balance	632,107	662,174	526,406	499,464	450,886	403,289

WASTEWATER OPERATING FUND PROJECTIONS

2020 Budget Projections	SEWER	\$400/6%	3% COLA	4% COLA	3% COLA	3% COLA
CITY OF NAPA-VINE-SEWER	2018 Actual	2019 YE	2020	2021	2022	2023
Salaries	106,606	139,585	150,595	156,620	161,320	166,160
Benefits	42,456	55,480	60,370	62,785	64,670	66,610
Expenditures:						
Engineering	0	0	5,000	5,000	5,000	5,000
Office Supplies & Equipment	2,052	1,350	2,900	3,000	3,000	3,000
Professional Services	14,119	5,525	14,050	10,150	19,300	10,500
Telephone & Postage	2,729	3,110	3,400	3,500	3,500	3,500
Travel, Meals, Lodging	163	600	700	700	700	700
Excise Tax & B & O Tax	26,641	25,580	74,900	75,000	75,500	76,000
Rental Expenses	5,682	5,525	4,975	5,000	5,000	5,000
Insurance	12,504	13,440	15,000	15,750	16,855	18,205
Utilities	1,370	730	1,500	1,500	1,500	1,500
Administration Maintenance S	287	400	675	675	675	675
Administration Miscellaneous	257	805	1,850	1,850	1,850	1,850
Maintenance Supplies	3,175	8,500	12,500	12,500	12,500	12,500
Small Tools & Equipment	2,102	655	750	2,000	2,000	2,000
Maintenance Professional Svcs	0	2,500	2,000	2,000	2,000	2,000
Equipment Rentals	72	0	1,000	1,000	1,000	1,000
Maintenance Services	12,038	5,000	10,000	10,000	10,000	10,000
Operating Supplies/Equipmen	1,601	2,800	7,300	7,300	7,300	7,300
Motor Fuel	3,236	4,210	4,000	4,000	4,000	4,000
Operations Professional Svcs	302	50	500	500	500	500
Sewer Telephone Telemetry	658	65	0	0	0	0
Power to Pumps	8,817	10,865	11,500	12,000	12,000	12,000
Wastewater Treatment	168,516	168,520	168,520	168,520	168,520	168,520
Operations Repair & Maint.	0	0	2,000	2,000	2,000	2,000
Miscellaneous Expenses	120	160	350	350	350	350
Total Utilities	415,504	455,455	556,335	563,700	581,040	580,870
Long-Term Debt:						
12% Chehalis Treatment Plant	208,034	208,035	208,035	208,035	208,035	208,035
PWTF SEWER	59,334	58,785	58,230	58,225	57,675	57,120
Total Long-Term Debt	267,367	266,820	266,265	266,260	265,710	265,155
Total Operating Expenditures	682,872	722,275	822,600	829,960	846,750	846,025
Capital Expenditures	20,984	4,400	4,000	4,000	4,000	4,000
Transfer/Unemployment	1,000	1,000	0	0	0	0
Transfer/Wastewater Sys Imp	50,000	55,000	66,000	60,000	60,000	60,000
Total Wastewater Fund	754,856	782,675	892,600	893,960	910,750	910,025
REVENUES						
Sewer Service	701,692	748,390	815,000	821,000	826,000	832,000
Wastewater Connection Fees(29,250	39,005	19,950	14,250	14,250	14,250
Late Fees	10,063	8,300	8,500	9,000	9,000	9,000
Miscellaneous	5,386	2,205	915	925	925	925
Total Wastewater Revenue	746,391	797,900	844,365	845,175	850,175	856,175
Profit/Loss from Operations	(8,465)	15,225	(48,235)	(48,785)	(60,575)	(53,850)
Customers	723	714	725	730	735	740
Base Rate Residential	58.00	58.00	58.00	58.00	58.00	58.00
Base Rate Commercial	60.00	60.00	60.00	60.00	60.00	60.00
per 100	4.50/> 3500 \$5.00	4.50/> 3500 \$5.00	4.50/> 3500 \$5.00	4.50/> 3500 \$5.00	4.50/> 3500 \$5.00	4.50/> 3500 \$5.00
Hookup Rates	5,700.00	5,700.00	5,700.00	5,700.00	5,700.00	5,700.00
Add'l Hookup Rate	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
Cash Reserves (3 months)	170,718	180,569	205,650	207,490	211,688	211,506
Beginning Cash	338,337	329,872	345,097	296,862	248,077	187,502
Revenue	746,391	797,900	844,365	845,175	850,175	856,175
Expenditures	754,856	782,675	892,600	893,960	910,750	910,025
Ending Balance	329,872	345,097	296,862	248,077	187,502	133,651
Policy Mandated Reserves	170,718	180,569	205,650	207,490	211,688	211,506
Unreserved Balance	159,154	164,528	91,212	40,587	(24,186)	(77,855)

DETAILED SALARY SCHEDULE

Position	Salary	Longevity	Total	Ret'mt	Med/Dent	Medicare	L & I	Def Com	Accrual Liab	Total Benefits	Total
Municipal Court				12.86%	\$900 CAP	0.0145	0.12145				
Court Administrator-32 hrs @ 27.49	45,743.36	1,080.00	46,823.36	6,021.48	10,800.00	694.88	202.09	-	1,099.60	18,818.06	65,641.42
Total Court	45,743.36	1,080.00	46,823.36	6,021.48	10,800.00	694.88	202.09	-	1,099.60	18,818.06	65,641.42
Treasurer's Office											
City-Treasurer - 40 hrs @ \$31.78	66,102.40	2,640.00	68,742.40	8,840.27	10,800.00	1,107.36	252.62	750.00	7,627.20	29,377.45	98,119.85
City Clerk - 40hrs @ Step C/D \$29.59	61,547.20	-	61,547.20	7,914.97	10,800.00	909.60	252.62	300.00	1,183.60	21,360.78	82,907.98
Clerk Assistant 40 hrs Step D @ \$19.65	40,872.00	-	40,872.00	5,256.14	10,800.00	604.04	252.62	300.00	786.00	17,998.80	58,870.80
Overtime - 3 hrs @ \$47.67	7,436.52	-	7,436.52	956.34	-	107.83	18.95	-	-	1,083.11	8,519.63
Total Finance & Administration	175,958.12	2,640.00	178,598.12	22,967.72	32,400.00	2,728.83	776.79	1,350.00	9,596.80	69,820.14	248,418.26
Police				0.0533			1.22170				
Chief - 40 hrs Step E @ \$33.54	73,251.36	480.00	73,731.36	3,929.88	10,800.00	1,185.82	2,668.19	2,100.00	8,049.60	28,733.50	102,464.86
Patrolman 1- 40 hrs Step E @ \$26.26	57,351.84	-	57,351.84	3,056.85	10,800.00	846.83	2,668.19	-	1,050.40	18,422.28	75,774.12
Patrolman II - 40 hrs Step D @ \$24.78	54,119.52	-	54,119.52	2,884.57	10,800.00	799.11	2,668.19	-	991.20	18,143.07	72,262.59
Patrolman III - 40 hrs Step C @ 22.78	49,751.52	-	49,751.52	2,651.76	10,800.00	734.61	2,668.19	-	911.20	17,765.76	67,517.28
Police OnCall Pay	10,000.00	-	10,000.00	-	-	145.00	-	-	-	145.00	10,145.00
Call Out & Overtime	10,000.00	-	10,000.00	533.00	-	145.00	508.23	-	-	1,186.23	11,186.23
Deputy Chief 40 hrs @ Step E \$25.16	52,332.80	160.00	52,492.80	6,750.57	10,800.00	775.74	252.62	-	1,006.40	19,585.33	72,078.13
Total Police Dept.	306,807.04	640.00	307,447.04	19,806.64	54,000.00	4,632.11	11,433.61	2,100.00	12,008.80	103,981.16	411,428.20
Community Development							0.78465				
Director	20,000.00	-	20,000.00	2,572.00	-	290.00	408.02	-	-	3,270.02	23,270.02
CD DeputyClerk - 40 hrs Step D @ \$22.39	46,571.20	-	46,571.20	5,989.06	10,800.00	688.27	252.62	600.00	895.60	19,225.54	65,796.74
Inspector - 5 hrs 13% @ 26.49	6,887.40	46.80	6,934.20	891.74	1,404.00	102.54	204.01	39.00	137.75	2,779.04	9,713.24
Total Community Development	73,458.60	46.80	73,505.40	9,452.79	12,204.00	1,080.81	864.64	639.00	1,033.35	25,274.60	98,780.00
Public Works							0.78465				
PW Director-40 hrs @ \$31.78	66,102.40	1,440.00	67,542.40	8,685.95	10,800.00	1,089.96	1,632.07	900.00	7,627.20	30,735.18	98,277.58
Utility Worker I -40 hrs @25.16	52,332.80	-	52,332.80	6,730.00	10,800.00	773.42	1,632.07	300.00	1,006.40	21,241.89	73,574.69
Utility Worker II - 40 hrs @ 25.16	52,932.80	1,320.00	54,252.80	6,976.91	10,800.00	801.26	1,632.07	2,400.00	1,006.40	23,616.64	77,869.44
Utility Worker III - 35 hrs @ 26.49	48,211.80	313.20	48,525.00	6,240.32	9,396.00	716.98	1,428.06	261.00	921.85	18,964.21	67,489.21
Overtime 4 hrs @ \$47.67	9,915.36	-	9,915.36	1,275.12	-	143.77	163.21	-	-	1,582.10	11,497.46
OnCall Pay	7,200.00	-	7,200.00	925.92	-	104.40	-	-	-	1,030.32	8,230.32
Total Public Works	236,695.16	3,073.20	239,768.36	30,834.21	41,796.00	3,629.79	6,487.49	3,861.00	10,561.85	97,170.34	336,938.70
Grand Total	838,662.28	7,480.00	846,142.28	89,082.84	151,200.00	12,766.42	19,764.63	7,950.00	34,300.40	315,064.29	1,161,206.57

GLOSSARY OF TERMS

Adopted Budget – Appropriations adopted by the governing body which forms the fiscal plan for the budget period.

Allocate – To divide a lump-sum appropriation which is designed for expenditure by specific organization units and/or for specific purposes, activities, or objects.

Annual/Biennial Appropriated Budget – A fixed budget adopted for the government’s fiscal period. The appropriated budget was traditionally used to determine a government’s property tax levy, and a ceiling on expenditures was made absolute so that the expenditures of a government unit would not exceed its revenues. This budget was also historically a balanced budget, estimated revenues equaling appropriations. The appropriated budget is still used to set tax levies and some budget statutes still require balanced budgets, but it is more generally used to authorize a specific amount of expenditures regardless of whether estimated resources meet or exceed that amount. Appropriated budgets are required by statute in cities (Chapter 35.32A RCW, Chapter 35.33 RCW and Chapter 35A.33 RCW), counties (Chapter 36.40 RCW), and most other local governments in Washington State. These budgets are also called legal budgets, adopted budgets, or formal budgets. The appropriated budgets should be adopted by ordinance or resolution.

Appropriation – An authorization made by the legislative body of a government which permits officials to incur obligations against and to make expenditures of governmental resources. Specific appropriations are usually made at the fund level and are granted for a one-year period. Spending should not exceed this level without prior approval of the governing body.

Assessed Value – The value of real and personal taxable property as a basis for levying Ad Valorem (property) taxes.

Assets – Resources acquired or purchased by the City with a monetary value.

Audit – Conducted by the Washington State Auditor’s Office. The primary objective of an audit is to determine if the City’s financial statements are presented fairly, in all material respects the respective financial position of the government.

Balanced Budget – A budget in which planned expenditures do not exceed projected funds available.

BARS - Budgeting, Accounting, and Reporting System (BARS) prescribed by the Washington State Auditor and designed to promote uniformity among cities and counties in Washington.

Bond – A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity date, together with periodic interest at a specified rate.

Budget – Written report showing the City’s fiscal plans for the budget period. It includes a balanced statement of actual revenues and expenditures during the last two periods, estimated revenues and expenditures during the current period, and estimated revenues and expenditures, as budgeted, for the upcoming period.

Capital Improvement Budget – Consists of two elements: the annual/biennial portion of capital projects and annual/biennial appropriations for the purchase, construction or replacement of major fixed assets in the current fiscal period.

Capital Outlay/Capital Expenditures – Funds expended for the acquisition or maintenance of fixed assets such as land, infrastructure, equipment, vehicles or buildings.

Comprehensive Budget – A government-wide budget that includes all resources the government expects and everything it intends to spend or encumber during a fiscal period. The comprehensive budget contains annual/biennial appropriated budgets, the annual/biennial portion of continuing appropriations such as the capital improvement projects, debt amortization schedules, and grant projects, flexible budgets and all non-budgeted funds.

Comprehensive Plan – The plan, or portions thereof, which have been adopted by the City Council. It is a land use policy statement that guides future growth of the City.

Continuing Appropriation – A fixed budget which authorizes expenditures for a fiscal period that differs from the government’s fiscal year, such as capital projects, debt issues, grant awards, and other service projects. These expenditures require an ordinance or resolution to authorize the project, establish the assessment roll, adopt the debt amortization schedule, or accept the grant award. Such ordinances or resolutions set an absolute maximum or ceiling on the expenditures, but the time period for incurring expenditures does not coincide with the government’s fiscal year; it may even cover several years. The major difference between annual/biennial appropriated budgets and continuing appropriations is that the latter do not lapse at fiscal period end; this implies that no legislative action is required to amend the annual/biennial portion of a continuing appropriation, unless the total authorized expenditures would exceed the entire appropriation.

Debt Service Fund – A fund used to account for the monies set aside for the payment of principle and interest on City debt.

Department – An organization unit of the City which has been assigned responsibility for an operation or group of related operations within a functional area.

Encumbrances – Commitments related to unperformed (executory) contracts for goods or services should be utilized to the extent necessary to assure effective budgetary control and to facilitate cash planning. Encumbrances outstanding at year end represent the estimated amount of expenditures ultimately to result if unperformed contracts in process are completed; they do not constitute expenditures or liabilities.

Enterprise Fund – A fund established to finance and account for the acquisition, operation, and maintenance of governmental facilities, utilities and services which are entirely or predominately self-supporting by user charges and fees.

Expenditures – The outlay of funds paid or to be paid to obtain an asset, good or service.

Fixed Budget – Those budgets which set an absolute maximum or ceiling on the expenditures of a fund, department, or other specific category. A fixed budget can be either an annual/biennial appropriated budget or a continuing appropriation. Fixed budgets must be adopted by ordinance or resolution, either for the government’s fiscal period or at the outset of a service project, debt issue, grant award, or capital project.

Flexible Budgets – Are usually regarded as managerial tools, which do not set a ceiling on expenses or expenditures but establish a plan for them at various levels of service. They are especially appropriate for the day-to-day operations of a public utility where it is essential to plan fluctuations in the demand for services and where revenues will automatically increase with demand, so that a balanced budget does not depend on establishing a ceiling for expenses.

FTE – Full time equivalent – the combination of one or more employees whose work hours equal that of a full-time position, 2080 hours, or 40 hours a week, 52 weeks a year.

Final Amended Budget – The original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes applicable to the fiscal year, whenever signed into law or otherwise legally authorized.

Fiscal Year – A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of operations. (January 1 through December 31 for the City)

Fixed Assets – Assets (land, infrastructure, equipment, vehicles or buildings) that generally have a value of \$5,000 or more and a useful life of more than 1 year.

Franchise Fee – A franchise fee is charged for the privilege of using public right-of-way and property within the City for public or private purposes. The City currently assesses franchise fees on cable TV.

Fund – A fiscal and accounting entity with self-balancing accounts to record cash and other financial resources, related liabilities, balances and changes, all segregated for specific, regulated activities and objectives.

Fund Balance – The excess of a funds' total assets over its total expenditures. A negative fund balance is often referred to as a deficit.

GAAP – Generally Accepted Accounting Principles is a collection of commonly-followed accounting rules and standards for financial reporting. GAAP is adopted by the U.S. Securities and Exchange Commission, The Financial Accounting Standards Board, and The Governmental Accounting Standards Board.

GASB – The Governmental Accounting Standards Board is the organization whose mission is to improve and create financial reporting standards for state and local governments.

General Fund – Accounts for all financial transactions relating to governmental activities that are not required to be accounted for in another fund, such as special revenue funds, debt service fund, and capital projects fund.

Governmental Funds – Funds that are typically used to account for most of a government's activities, including those that are tax supported.

Grant – Contributions of cash or other assets from another governmental agency to be used or expended for a specified purpose or activity.

Growth Management – State requirements related to development and population growth and its impact on public infrastructure.

Infrastructure – The portion of a City's assets located at or below ground level, including the water, street, and storm systems.

Interfund Transactions – Amounts distributed from one fund to finance activities in another fund. Shown as an expenditure in the originating fund and a revenue in the receiving fund.

Investment Revenue – Revenue received as interest and dividends from the investment of idle funds not immediately required to meet cash flow obligations.

LEOFF I and II – Law Enforcement Officers and Fire Fighters Retirement System plan.

Operating Budget – Presents the estimated expenditures and available resources necessary to provide the services for which the government was created. An operating budget will contain flexible budgets and fixed budgets; the fixed budgets will include annual/biennial appropriations for services and the annual/biennial portion of continuing appropriations for debt service and for service projects.

Original Budget – The first complete appropriated budget. The original budget may be adjusted by reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes before the beginning of the fiscal year. The original budget should also include actual appropriation amounts automatically carried over from prior years by law.

PERS – Public Employees Retirement System.

Proposed Budget – Financial plan prepared by the City’s Finance Department and Budget Advisory Committee and submitted to the public and Council for review.

RCW – Revised Code of Washington which contains all laws of a general and permanent nature enacted by the State.

REET – Real Estate Excise Tax. A tax charged on the sale of real estate. The City collects 0.50% on each sale. Revenue from this tax is restricted for capital projects per state statute.

Reserves – A portion of a fund set aside by policy for a specific purpose, i.e. operating reserves, debt service, revenue stabilization and capital repair and replacement. Reserve amounts are generally not available for use unless designated by policy or Council action.

Revenues – All amounts of money received by a government from external sources other than expense refunds, capital contributions, and residual equity transfers.

Special Revenue Fund – An account established to collect proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

System Development Charges (SDC) – A fee charged on new development to finance growth related water infrastructure projects.

Tax Levy Rate – A rate applied to all taxable property to set property tax levy amounts. It is derived by dividing the total tax levy by the taxable net property valuation.

Taxes – Compulsory charges levied by a government for the purpose of financing services provided for the common benefit of the citizens.

TIF – Transportation Impact Fees. Fees charged to new residential and commercial development. Revenues are restricted for expenditure on new transportation infrastructure to support the growth created by development.

Washington Administrative Code (WAC) – Laws adopted by State agencies to implement State Legislation.

Working Capital Budget – Combines flexible and fixed budget elements in one document for enterprise and internal service funds. Current operations are flexibly budgeted based on the estimated level of services to be provided and long-range sources and uses of assets are controlled by annual/biennial appropriations and continuing appropriations.