

City of North Bend, Washington 2015-2016 Biennial Budget

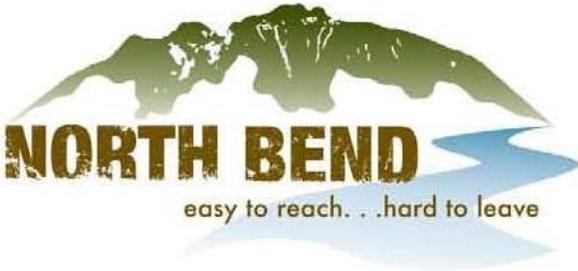




Photo on cover by Michael McDevitt



Mayor

Kenneth G. Hearing

North Bend City Council

Ryan Kolodejchuk, Mayor Pro Tem

David Cook

Alan Gothelf

Jonathan Rosen

Ross Loudenback

Dee Williamson

Jeanne Pettersen

North Bend Appointed Officials

Londi Lindell, City Administrator

Michael Kenyon, City Attorney

Dawn Masko, Assistant City Administrator/Finance Director

Gina Estep, Community and Economic Development Director

Mark Rigos, Public Works Director

Susie Oppedal, City Clerk

Planning Commission

Rob McFarland - Chair

Economic Development Commission

Geoff Doy - Chair

Parks Commission

Chris Moore - Chair



Elected Officials



Mayor Ken Hearing



Councilmember Dee Williamson



Councilmember Alan Gothelf



Councilmember Jonathan Rosen



Councilmember David Cook



Councilmember Ross Loudenback



Councilmember Jeanne Pettersen



Councilmember Ryan Kolodejchuk



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ORDINANCE 1545

AN ORDINANCE OF THE CITY OF NORTH BEND, WASHINGTON, ADOPTING THE 2015-2016 BIENNIAL BUDGET AND SALARY SCHEDULE; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE

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

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

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

WHEREAS, a preliminary biennial budget for the fiscal years 2015-2016 has been prepared and filed, a public hearing was held on November 4, 2014 for the purposes of fixing the final budget, and the City Council has deliberated and has made adjustments and changes deemed necessary and proper; and

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

WHEREAS, the City Council also desires to adopt a Salary Schedule for 2015;

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

Section 1. 2015-2016 Biennial Budget Adoption. The Biennial Budget for the City of North Bend, a copy of which is on file with the City Clerk, is hereby adopted by the City Council as the revenue and expenditure authority for the 2015-2016 biennium. Set forth in summary form in Exhibits A-1 and A-2 (2015 and 2016 Annual Budgets) are the totals of the estimated revenues and expenditures for each separate fund and the aggregate totals for all such funds combined.

Section 2. 2015 Salary Schedule Adoption. The City Council hereby adopts the 2015 Salary Schedule as shown in Exhibit B. 2016 Salary Schedules will be adopted as part of the Mid-Biennium Modification.

Section 3. Submittal. The City Clerk and/or Finance Director are directed to transmit a certified copy of this ordinance and the final 2015-2016 Biennial Budget Document to the Division of Municipal Corporations of the Office of the State Auditor and to the Association of Washington Cities.

Section 4. Severability. Should any section, paragraph, sentence, clause or phrase of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this ordinance be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

Section 5. Effective Date. This ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force on January 1, 2015.

ADOPTED BY THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 2ND DAY OF DECEMBER, 2014.

EXHIBIT A-1

2015 ANNUAL BUDGET

FUND	FUND #	BEGINNING FUND BALANCE	REVENUES	EXPENDITURES	ENDING FUND BALANCE
General Fund	001	\$914,716	\$5,877,758	\$5,871,091	\$921,383
Street Operations	101	-	692,073	692,073	-
Capital Streets	102	137,067	156,575	159,829	133,813
Streets Overlay	103	28,392	100,000	40,000	88,392
Impact Fees & Mitigation	106	762,755	276,307	151,302	887,760
Hotel/Motel Tax	107	1,661	9,000	9,000	1,661
Economic Development	108	-	112,738	112,738	-
Park Capital Improvement	116	53,453	62,645	50,645	65,453
Development Projects	125	45,416	355,000	351,530	48,886
2010 LTGO	215	-	194,576	194,576	-
2011 Fire Station Bond	216	170,270	186,950	183,700	173,520
2012 LTGO (TBD) Bond	217	100	148,300	148,400	-
Municipal Projects	310	1,105,183	480,194	969,742	615,635
Capital Improvements (REET)	320	556,804	280,000	366,821	469,983
Water Utility	401	860,003	2,777,784	1,529,338	2,108,449
Sewer Utility	402	1,524,773	1,859,300	1,871,151	1,512,922
Storm Drainage Utility	404	725,854	706,617	678,048	754,423
Flood Operations	404	551,918	168,100	124,439	595,579
Solid Waste & Recycling	405	137,673	80,500	36,986	181,187
ULID #6 Bond Redemption	451	2,576,759	1,822,500	1,498,913	2,900,346
ULID #6 Bond Reserve	452	1,346,530	1,500	-	1,348,030
Equipment Operating	501	-	340,934	340,934	-
Technology Operating	501	-	151,205	151,205	-
Equipment Reserve	502	329,664	42,764	-	372,428
Technology Reserve	502	51,366	18,602	12,150	57,818
GRAND TOTAL:		\$11,880,357	\$16,901,922	\$15,544,611	\$13,237,668

EXHIBIT A-2

2016 ANNUAL BUDGET

FUND	FUND #	BEGINNING FUND BALANCE	REVENUES	EXPENDITURES	ENDING FUND BALANCE
General Fund	001	\$921,383	\$6,209,114	\$6,169,612	\$960,885
Street Operations Fund	101	-	695,621	695,621	-
Capital Streets Fund	102	133,813	157,380	164,896	126,297
Streets Overlay Fund	103	88,392	100,000	40,000	148,392
Impact Fees & Mitigation Fund	106	887,760	782,871	10,000	1,660,631
Hotel/Motel Tax Fund	107	1,661	48,600	9,000	41,261
Economic Development Fund	108	-	99,883	99,883	-
Park Improvement Fund	116	65,453	12,000	-	77,453
Development Projects Fund	125	48,886	360,000	356,657	52,229
2010 LTGO Fund	215	-	190,371	190,371	-
2011 Fire Station Bond Fund	216	173,520	188,820	181,600	180,740
2012 LTGO (TBD) Bond Fund	217	-	145,900	145,900	-
Municipal Projects Fund	310	615,635	-	160,683	454,952
Capital Improvements (REET) F	320	469,983	300,000	138,929	631,054
Water Utility Fund	401	2,108,449	1,933,995	1,466,910	2,575,534
Sewer Utility Fund	402	1,512,922	1,909,500	1,524,517	1,897,905
Storm Drainage Utility Fund	404	754,423	727,047	641,103	840,367
Flood Operations Fund	404	595,579	169,800	131,155	634,224
Solid Waste & Recycling Fund	405	181,187	81,140	38,004	224,323
ULID #6 Bond Redemption Fun	451	2,900,346	1,822,500	1,481,913	3,240,933
ULID #6 Bond Reserve Fund	452	1,348,030	1,500	-	1,349,530
Equipment Operating Fund	501	-	337,188	337,188	-
Technology Operating Fund	501	-	152,529	152,529	-
Equipment Reserve Fund	502	372,428	42,764	-	415,192
Technology Reserve Fund	502	57,818	18,602	5,950	70,470
GRAND TOTAL:		\$13,237,668	\$16,487,125	\$14,142,421	\$15,582,372

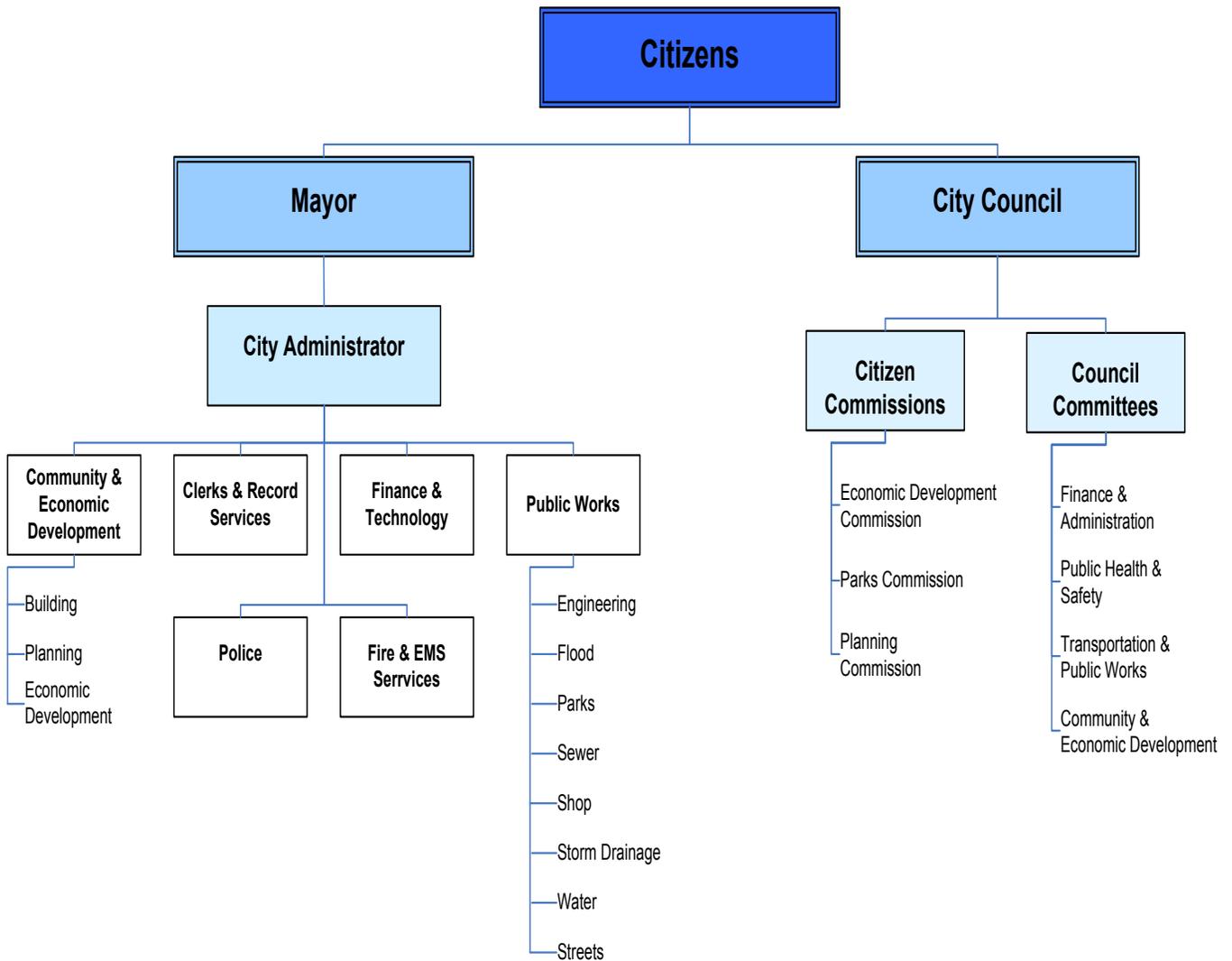
EXHIBIT B

Position	Monthly Salary Range	
	From	To
Mayor and Council		
Mayor	\$ 2,000	N/A
Council Member	400	N/A
Management (Exempt)		
City Administrator	9,500	12,000
Asst. City Administrator/Finance Director	8,000	10,500
Public Works Director	8,000	10,500
Community & Economic Dev. Director	8,000	10,500
City Engineer	7,000	9,500
PW Project Manager	5,900	8,400
Building Official	5,900	8,400
Deputy Finance Director	4,800	7,300
City Clerk	4,800	7,300
Wastewater Treatment Plant Manager	5,300	6,800
Public Works Bargaining Unit		
Wastewater Treatment Plant Operator II	4,833	5,709
Lead Parks Technician	4,755	5,555
Lead Streets Technician	4,755	5,555
Lead Water System Operator	4,755	5,555
Wastewater Treatment Plant Operator II *	4,583	5,337
Wastewater Treatment Plant Operator I	4,480	5,297
Mechanic	4,198	5,178
Wastewater Treatment Plant Operator I *	4,188	4,952
Water System Operator *	4,188	4,952
Maintenance Worker	4,188	4,952
Maintenance Worker - Entry	3,598	3,858
Maintenance (Seasonal)	12.00/hr	15.00/hr
Professional, Technical, Clerical Bargaining Unit		
Senior Planner	5,435	6,611
Staff Accountant	4,885	5,945
Associate Planner/2-year term	4,587	5,632
Payroll Officer	4,284	5,317
Building Inspector/2-year term	4,284	5,317
Records Coordinator	4,284	5,317
Utilities Coordinator	4,135	5,032
Deputy Clerk	4,135	5,032
Business License & Tax Coordinator	4,135	5,032
Accounting Assistant II	4,135	5,032
Mapping CAD Technician	4,099	5,226
Public Works Office Coordinator	3,862	4,931
Office Coordinator / Permit Technician	3,862	4,931
Accounting Assistant I	3,502	4,385
Administrative Assistant	3,269	4,058

* New ranges that impact employees hired on or after 1/1/15



City of North Bend Organization Chart





City's Mission Statement

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

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

Community Vision Statement

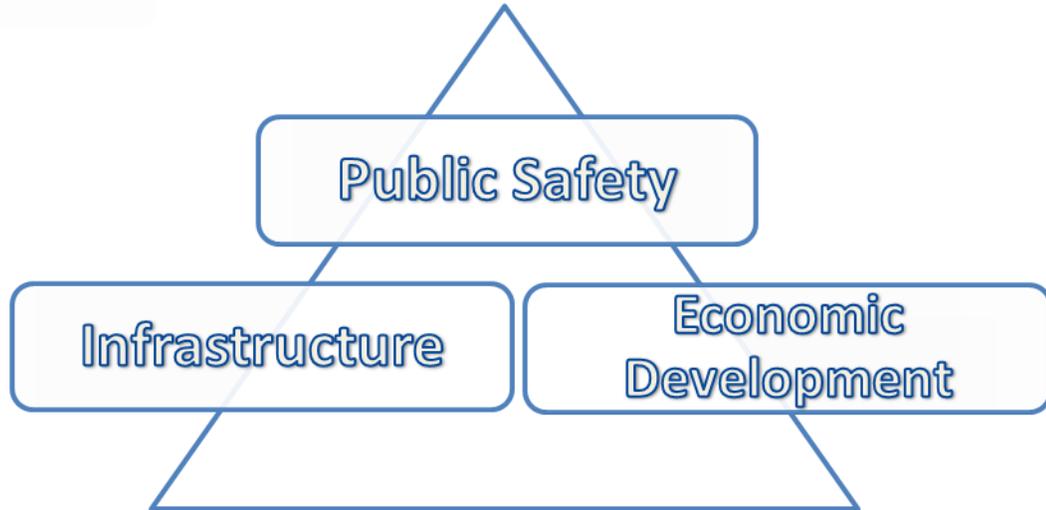
The vision the residents of North Bend put forth...is one of preservation and enhancement.

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

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



City of North Bend Priorities



Goals and Objectives

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

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

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



2015-2016 Mayor's Budget Message

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

Over the last few years, my message has concentrated on the unprecedented challenges the City faced as a result of water rights and moratorium, followed by a faltering economy. As with last year, North Bend is continuing to experience a slight recovery with increases in retail sales tax, Real Estate Excise Tax and some other revenues.

As part of the review of Director's budgets this year, I continued to challenge the Directors to identify and implement cost savings. As a result of this review, we were able to reduce expenditures by over \$80,000 in the General Fund which allowed the City Council flexibility to fund new initiatives.

Public safety continues to be the City's top priority. Nearly 50% of the City's approximate \$6 million dollar General Fund budget is allocated toward public safety services. In March 2014, the Snoqualmie Police Department assumed responsibility for police protection in North Bend. The City conducted a survey of our citizens at the commencement of the service to get a baseline about how safe they feel and we will conduct a similar survey during the first quarter of 2015, after our officers have been operating for a year to see if the confidence level has changed. Based upon public feedback the City Administrator and I have been receiving, we believe the citizens of North Bend have seen a marked improvement in police presence and response and anticipate a favorable rating on this survey. I commend the City Council again



for moving forward with this difficult decision to change providers. Although the decision was controversial, I believe the citizens are seeing noticeable improvements in public safety as a result of the Council's decision. One of our greatest concerns last year was our rising criminal transient population. Based on proactive police work and emphasis patrols approved by Council, we have experienced a sharp reduction in calls for service in this area. Our contract for police services provides for an annual 3% increase in the cost for services from \$1,427,000 in 2015 to \$1,467,000 in 2016. The predictability of contract cost increases has proven to be a tremendous benefit to the City's financial staff for in the past contract costs changed annually with unpredictable increases.

Council approved placing a Public Safety Proposition on the November ballot. This measure passed with a 64% approval rate and is anticipated to produce nearly \$200,000 a year in new revenue to be allocated solely for public safety purposes and allows the City to contract for an 8th police officer. This means the City will have two officers covering our City for at least 18 hours every day. We have come a long way from the days when we could find ourselves without an officer within our City limit. The passage of this proposition will result in the City having an increased police presence, reducing already improved response times, and continue to ensure that North Bend is the safe community that attracted many of our residents to move here in the first place.

Another vital public safety service we provide to our citizens is life safety and fire suppression service through Eastside Fire and Rescue. Our Council representatives Alan Gothelf and Dee Williamson did an outstanding job this last year in ensuring the partnership of EFR stayed together. Their efforts also resulted in a higher level of fire services for our citizens. However, in order to keep the partnership together, a change in the funding formula has resulted in an increase in



the cost of these services to \$998,159 in 2015 and \$1,133,149 in 2016. The change of the funding formula and annual inflationary costs which have averaged 4% a year will result in this expenditure increasing 13.4% in 2015 and increasing 13.5% again in 2016. Notwithstanding these large annual increases, we still believe EFR is an outstanding value in both cost and service level.

Our voters overwhelming support for the creation of a North Bend Transportation Benefit District (TBD) has resulted in new annual revenue of \$420,000 to fund important transportation improvements in our City. These funds have allowed the City to successfully seek matching grants in order to maximize our taxpayer's investment in street projects. During 2014, we invested nearly \$1.3 million dollars for transportation infrastructure including our asphalt overlay program, TBD projects and general street capital projects. We expended approximately \$750,000 for streets maintenance, \$474,000 for street overlay, \$263,000 for North Bend Way – Downing to Orchard Sidewalks, and over \$50,000 for the design of the North Bend Way/Park roundabout and NE 12th Street reconstruction projects. After public safety, Council has appropriately identified the need to repair and maintain the City's infrastructure as its next priority.

During 2014, we learned that our Waste Water Treatment Plant was experiencing operational problems and required some immediate capital improvements. Consistent with Council identifying maintenance of its infrastructure as its second priority following public safety, Council approved investing over \$1.3 million dollars into improvements to the facility. This will allow completion of the high priority projects in 2014. We anticipate performing additional improvements recommended by our consultant in 2015 and 2016. The remaining estimated



sewer capital funds available at the end of 2014 will be approximately \$993,300. We anticipate rates and fees will increase the fund balance during the biennium allowing the City to make additional improvements to the plant. We also appreciate Council's support for the hiring of a Sewer Plant Manager to manage city staff working at the facility and to oversee these capital improvements at the plant. The Manager will also be responsible for bringing all aspects of the plant into the 21st century.

This Budget continues to invest in human and community services. The requests for Human Service funding to our City have continued to exceed our available resources. Council engaged in a zero based budgeting exercise in considering the human service and community service grant requests for 2015. The Biennial Budget will provide \$58,420 in 2015 and Council will make another allocation for 2016 after receiving grant requests in late 2015.

Council also approved a new initiative for an Operations Agreement with the Downtown Association to operate our new Visitor Information Center. This facility will provide information to visitors about North Bend and its surrounding natural resources, popular Valley destinations, and will help to grow tourism in our community. Accordingly, this operations agreement will be partially funded by lodging tax revenues, a community organization grant, and by the General Fund. With the ground breaking of a new hotel occurring this year, we estimate that these lodging tax revenues will substantially increase in the coming biennium allowing the City's contribution to this operation to be reduced over time.

I am also recommending that we continue our practice of not including temporary parks employees in our base budget this year, but evaluate these two temporary positions later in 2015 and 2016 when we have more available data on revenues and expenditures.



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

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

I want to thank the City Council for their ongoing cooperation in making North Bend one of the premier cities in the State of Washington and City staff for their flexibility and hard work. I especially want to thank the citizens of North Bend for their continued support and I am hopeful for a prosperous 2015 for the entire community.

In closing, I want to share with you my continued desire to make North Bend a great place to live, work, and play. Our convenient location along the I-90 corridor, surrounding natural beauty, and home town feel makes our quality of life enviable. North Bend is truly "Easy to reach and hard to leave".



Kenneth G. Hearing

Mayor



Budget Overview

The 2015-2016 Biennial Budget totals \$29,687,032 in all funds, including \$19,094,355 million in operating funds. The budget was adopted as separate appropriations for each year, with the 2015 budget totaling \$15,544,611 and the 2016 budget totaling \$14,142,421.

The General Fund budget is balanced using conservative revenue estimates dictated by the City's Financial Policies. The 2015 budget of \$5,871,091 is 3.7% less than the 2014 revised budget of almost \$6.2 million, while the 2016 budget of \$6,169,612 is 5.1% more than the 2015 adopted budget.

Revenues

Total budgeted resources for 2015 are \$28,782,279, including a projected beginning fund balance for all funds in 2015 of \$11,880,357 and total revenues of \$16,901,922. This budget is balanced by limiting expenditures to available resources.

The City Council did not take the 1% inflationary increase in the property tax levy as allowed by state law. Total assessed city property values increased by \$167 million (19.5%) to \$1.021 billion. Of this increase, \$38.9 million was the result of new construction. The 2015 regular property tax rate is \$1.44 and the voted debt levy is \$0.18, for a total of \$1.62 per \$1,000 of assessed valuation. Based on this rate, the City's share of property tax on a house valued at \$350,000 would be \$568. Last year's total levy rate was \$1.83. The actual increase or decrease in each taxpayer's individual property taxes will depend primarily on how much their property value changed in relation to the citywide average.

Sewer rates increased by 2.14% in January 2015 based on the 2014 Seattle Engineering News Record (ENR) Construction Cost Index (CCI), per City ordinance. Water rates increase by 6.5% per year through 2017 to provide adequate funding for infrastructure improvements and to ensure that the water utility has stable operating reserves. Utility General Facility Charges also increase by the prior year Seattle ENR CCI.

The City sales tax rate will increase from 8.8% to 8.9% beginning April 2015 as a result of the November 2014 Public Safety Sales Tax ballot measure. The proceeds generated from this tax increase may only be used to fund public safety initiatives and the City Council has designated them to fund an additional police officer and Increased fire services costs. The partial year of collections will be added to the City's revenue budget in the first quarter budget amendment.

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

Expenditures

Total budgeted expenditures for 2015 are \$15,544,611 and \$14,142,421 for 2016. The 2015 budget is \$2.67 million or 14.7% less than the 2014 actual expenditures. The decrease is primarily due capital spending and the related transfers of resources to specific projects, as well as increased sewer operations costs due to aging infrastructure and equipment issues which required immediate attention. The 2016 budget is \$1.4 million or 9.0% less than the 2015 budget. Again, this is mostly due to capital improvement projects which are slated to be completed in 2015. The 2015 budget for operating expenditures (total expenditures minus transfers, certain one-time expenditures, and capital outlays) is \$9,356,629 compared to \$9,650,625 budgeted in 2014. Total budgeted ending fund balance across all funds is \$13,237,668 in 2015, which is an increase of \$643,125 over the 2014 year-end projection.

Ending fund balances are expected to increase by another \$2.3 million to \$15,582,372 by the end of 2016. A \$921,383 ending balance is projected for the General Fund in 2015 and \$960,885 in 2016 which falls in line with our financial policy goal of 10 percent of the General Fund operating budget. The General Fund operating budget includes all expenses that are not classified as capital or interfund transfers. These expenses include all personnel costs, supplies, and professional services.

Staffing Changes

Several staffing changes are included with the 2015-2016 Biennial Budget to address operational effectiveness and workload needs. Staffing changes include:

- Waste Water Treatment Plant Manager has been added in the Sewer Utility budget.
- Records Coordinator/Executive Assistant has been added in the Administration budget.
- An Accounting Assistant position has been added as a .50 FTE in the Finance budget.
- The Assistant City Engineer was reclassified to City Engineer.

The Records Coordinator and Accounting Assistant positions were created on a temporary basis in 2014 and permanent funding was included with this budget.

Budget Document

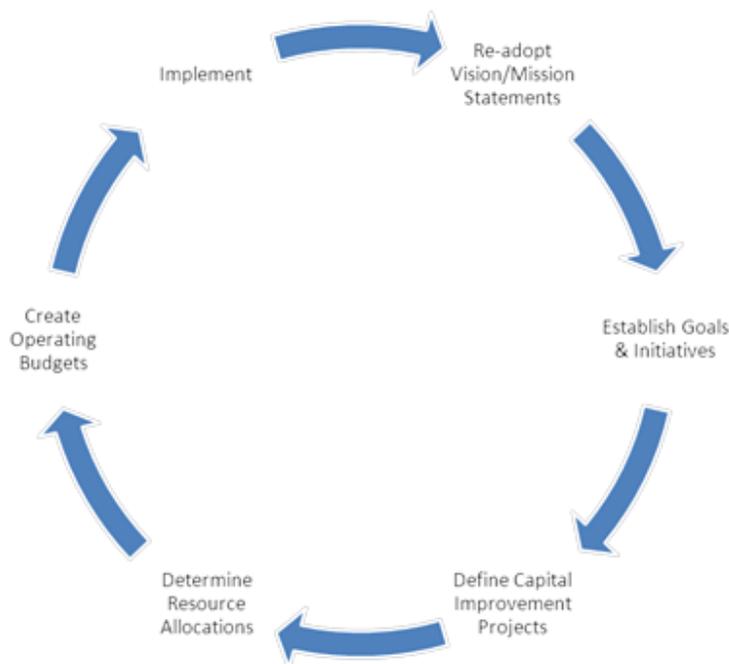
The budget document serves two distinct purposes:

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

Budget Process

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

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



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

2015-2016 BUDGET PROCESS CALENDAR

AUGUST

5th (Tuesday) (Regular Council Meeting)

- Motion approving 2015-2016 Budget Calendar

6th (Wednesday)

- Finance sends budget requests (Decision Cards) to Council

SEPTEMBER

Week of 8th – 12th

- Council & Management Decision Cards Due

OCTOBER

6th (Monday)

- 2015-2016 Preliminary Budget to City Council and available to public (official budget filing per RCW)

14th (Tuesday)

- Budget Workshop #1 – Preliminary Budget Review
 - Review of 2015-2016 Proposed Budget
 - Human Services Grant Requests
 - Decision Card Review

31st (Friday)

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

NOVEMBER

4th (Tuesday) (Regular Council Meeting)

- 2015-2016 Preliminary Budget Presentation
- Public Hearing – 2015 Property Tax Levy
- Public Hearing – 2015-2016 Budget Ordinance
- 1st Reading – 2015-2016 Budget Ordinance

18th (Tuesday)

- Ordinance Adopting 2015 Property Tax Levy

DECEMBER

2nd (Tuesday) (Regular Council Meeting)

- Council Adoption of 2015

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

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

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

Explanation of Accounting Basis and Budgeting

Basis of Presentation – Fund Accounting

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The City uses 23 separate funds. Each fund has a specific role and responsibility. Each fund is accounted for with a separate set of single-entry accounts that comprises its cash, investments, revenues and expenditures, as appropriate. Revenues and expenditures within each fund are closely monitored to ensure accuracy, accountability, and efficiency. The City's resources are allocated to and accounted for in individual funds depending on their intended purpose.

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

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

Governmental Fund Types

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

General Fund

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

Special Revenues Funds

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

Debt Service Funds

These funds account for financial resources which are designated for the retirement of debt. The City's Debt Service Funds are the **2010 LTGO Debt Service (Credit Line & Tollgate) Fund, 2011 Fire Station Bond Redemption Fund, 2012 LTGO (TBD) Bond Redemption Fund,** and the **PWTF Loan Debt Service Fund.**

Capital Projects Fund

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

Proprietary Fund Types

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

Enterprise Funds

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

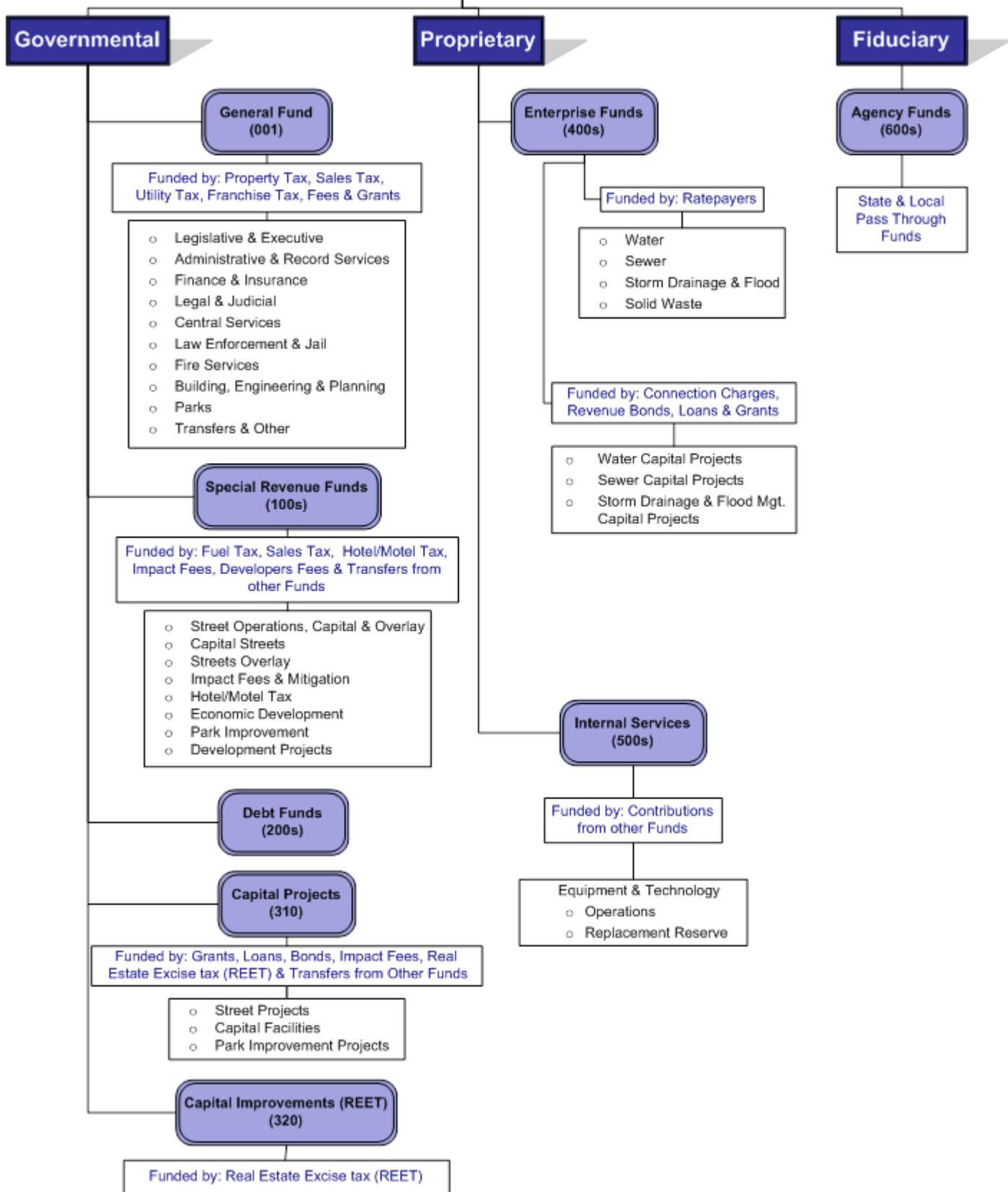
Internal Service Fund

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

Trust and Agency Funds

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

FUND TYPES



Basis of Accounting

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

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

Budgets and Budgetary Accounting

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

Budget Responsibility and Development Process

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

Washington State law requires the City to adopt a balanced budget. Appropriations are therefore limited to the total estimated revenues for the upcoming biennium, plus any fund balance estimated to be available at the close of the 2014 fiscal year. In addition, State law requires that the Finance Director provide quarterly revenue and expenditure budget updates to the City Council. The financial and budgetary laws, policies and practices used to guide development of this budget are fully detailed in this Budget Overview and the Appendix.





2015 Budget Summary

City of North Bend 2015 Adopted Budget Summary

Fund	Fund Name	Est. Beginning Fund Balance	Revenues	Expenditures	Est. Ending Fund Balance
001	General Fund	\$ 914,716	\$ 5,877,758	\$ 5,871,091	\$ 921,383
101	Street Operations Fund	-	692,073	692,073	-
102	Capital Streets Fund	137,067	156,575	159,829	133,813
103	Streets Overlay Fund	28,392	100,000	40,000	88,392
106	Impact Fees & Mitigation Fund	762,755	276,307	151,302	887,760
107	Hotel/Motel Tax Fund	1,661	9,000	9,000	1,661
108	Economic Development Fund	-	112,738	112,738	-
116	Park Improvement Fund	53,453	62,645	50,645	65,453
125	Development Projects Fund	45,416	355,000	351,530	48,886
215	2010 LTGO Fund	-	194,576	194,576	-
216	2011 Fire Station Bond Fund	170,270	186,950	183,700	173,520
217	2012 LTGO (TBD) Bond Fund	100	148,300	148,400	-
310	Municipal Projects Fund	1,105,183	480,194	969,742	615,635
320	Capital Improvements (REET) Fund	556,804	280,000	366,821	469,983
401	Water Utility Fund	860,003	2,777,784	1,529,338	2,108,449
402	Sewer Utility Fund	1,524,773	1,859,300	1,871,151	1,512,922
404	Storm Drainage Utility Fund	725,854	706,617	678,048	754,423
404	Flood Operations Fund	551,918	168,100	124,439	595,579
405	Solid Waste & Recycling Fund	137,673	80,500	36,986	181,187
451	ULID #6 Bond Redemption Fund	2,576,759	1,822,500	1,498,913	2,900,346
452	ULID #6 Bond Reserve Fund	1,346,530	1,500	-	1,348,030
501	Equipment Operating Fund	-	340,934	340,934	-
501	Technology Operating Fund	-	151,205	151,205	-
502	Equipment Reserve Fund	329,664	42,764	-	372,428
502	Technology Reserve Fund	51,366	18,602	12,150	57,818
	Totals	\$ 11,880,357	\$ 16,901,922	\$ 15,544,611	\$ 13,237,668



2015 Resources by Category

2015 ADOPTED RESOURCES BY CATEGORY (ALL FUNDS)

FUND TITLE	Fund #	Beginning Balance	Taxes	Licenses & Permits	Intergovt. Revenues	Charges for Goods & Services	Fines & Forfeits	Interest, Miscellaneous & Capital Contributions	Interfund Transfers In	Other Financing Sources	Total Budget
GENERAL FUND	001	\$ 914,716	\$5,210,713	\$271,805	\$ 90,530	\$ 98,230	\$76,350	\$ 23,600	\$ 106,530	\$ -	\$ 6,792,474
SPECIAL REVENUE FUNDS											
Street Operations	101	-	-	6,000	86,220	-	-	-	599,853	-	692,073
Capital Streets	102	137,067	-	-	40,575	-	-	-	116,000	-	293,642
Streets Overlay	103	28,392	-	-	-	-	-	-	100,000	-	128,392
Impact Fees	106	762,755	-	-	-	276,307	-	-	-	-	1,039,062
Hotel/Motel Tax	107	1,661	9,000	-	-	-	-	-	-	-	10,661
Economic Development	108	-	-	-	-	-	-	-	112,738	-	112,738
Park Improvement	116	53,453	-	-	62,645	-	-	-	-	-	116,098
Development Projects	125	45,416	-	-	-	355,000	-	-	-	-	400,416
DEBT SERVICE FUNDS											
2010 LTGO Bond Refinancing	215	-	-	-	-	-	-	-	194,576	-	194,576
2011 Fire Station Bond Redem	216	170,270	186,950	-	-	-	-	-	-	-	357,220
2012 LTGO (TBD) Bond Redem	217	100	-	-	148,300	-	-	-	-	-	148,400
CAPITAL FUNDS											
Municipal Capital Projects	310	1,105,183	-	-	127,350	-	-	-	352,844	-	1,585,377
Capital Improvements (REET)	320	556,804	280,000	-	-	-	-	-	-	-	836,804
ENTERPRISE FUNDS											
Water Utility	401	860,003	-	-	-	1,667,125	-	217,100	-	893,559	3,637,787
Sewer Utility	402	1,524,773	-	-	-	1,673,750	-	185,550	-	-	3,384,073
Storm Drainage Utility	404	725,854	-	-	-	681,115	-	25,502	-	-	1,432,471
Flood Operations	404	551,918	-	500	-	167,000	-	600	-	-	720,018
Solid Waste & Recycling	405	137,673	-	64,200	16,200	-	-	100	-	-	218,173
ULID #6 Bond Redemption	451	2,576,759	-	-	-	-	-	1,822,500	-	-	4,399,259
ULID #6 Bond Reserve	452	1,346,530	-	-	-	-	-	1,500	-	-	1,348,030
INTERNAL SERVICE											
Shop/Equipment Operating	501	-	-	-	-	340,934	-	-	-	-	340,934
Technology Operating	501	-	-	-	-	151,205	-	-	-	-	151,205
Equipment Reserve	502	329,664	-	-	-	42,764	-	-	-	-	372,428
Technology Reserve	502	51,366	-	-	-	18,602	-	-	-	-	69,968
GRAND TOTAL		\$11,880,357	\$5,686,663	\$342,505	\$ 571,820	\$5,472,032	\$76,350	\$ 2,276,452	\$1,582,541	\$ 893,559	\$28,782,279



2015 Expenditures by Category

2015 ADOPTED EXPENDITURES CLASSIFICATION BY CATEGORIES (ALL FUNDS)

2015 ADOPTED EXPENDITURES CLASSIFICATION BY CATEGORIES (ALL FUNDS)											
FUND TITLE	Fund #	Personnel Costs	Supplies	Services & Charges	Intergovt. Services	Capital Outlay	Debt Service	Interfund Transfers	Other Financing Uses	Ending Fund Balance	Total Budget
General Fund	001										
Mayor & City Council		\$ 43,365	\$ -	\$ 4,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 47,665
Administration & Finance		528,400	5,500	46,644	2,000	-	-	-	-	-	582,544
Legal & Judicial		-	-	153,000	60,500	-	-	-	-	-	213,500
Central Services		8,342	11,900	136,650	-	1,983	-	-	-	-	158,875
Law Enforcement & Jail		-	-	6,260	1,577,000	-	-	-	-	-	1,583,260
Fire Services & Emergency Mgmt		-	1,100	940,903	-	59,256	-	-	-	-	1,001,259
Building & Planning		672,490	9,200	61,214	-	-	-	-	-	-	742,904
Parks, Culture & Recreation		232,778	12,000	179,694	-	5,000	-	-	-	-	429,472
Social & Human Services		-	-	58,420	-	-	-	-	-	-	58,420
Public Works & Engineering		66,530	-	-	4,217	-	-	-	-	-	70,747
Other Expenditures & Transfers		-	2,000	62,113	39,741	-	-	878,591	-	-	982,445
Ending Fund Balance		-	-	-	-	-	-	-	-	921,383	921,383
TOTAL GENERAL FUND		\$ 1,551,905	\$ 41,700	\$ 1,649,198	\$ 1,683,458	\$ 66,239	\$ -	\$ 878,591	\$ -	\$ 921,383	\$ 6,792,474
Special Revenue Funds											
Street Operations	101	378,497	16,500	244,964	3,351	5,000	43,761	-	-	-	692,073
Capital Streets	102	28,667	-	1,074	-	-	-	130,088	-	133,813	293,642
Street Overlay	103	-	-	-	-	40,000	-	-	-	88,392	128,392
Impact Fees	106	-	-	-	-	10,000	-	141,302	-	887,760	1,039,062
Hotel/Motel Tax	107	-	-	9,000	-	-	-	-	-	1,661	10,661
Economic Development	108	42,554	5,500	63,184	-	1,500	-	-	-	-	112,738
Park Improvement	116	-	-	-	-	50,645	-	-	-	65,453	116,098
Development Projects	125	-	-	245,000	-	-	-	106,530	-	48,886	400,416
Debt Funds											
2010 LTGO Bond Refinancing	215	-	-	-	-	-	194,576	-	-	-	194,576
2011 Fire Station Bond Redemp	216	-	-	-	-	-	183,700	-	-	173,520	357,220
2012 LTGO (TBD) Bond Redemp	217	-	-	-	-	-	148,400	-	-	-	148,400
CIP											
Municipal Capital Projects	310	-	-	-	-	969,742	-	-	-	615,635	1,585,377
Capital Improvements	320	-	-	-	-	-	43,791	323,030	-	469,983	836,804
Enterprise Funds											
Water	401	642,959	49,000	467,671	1,851	5,000	275,267	-	87,590	2,108,449	3,637,787
Sewer	402	646,647	47,100	422,244	2,351	316,586	436,223	-	-	1,512,922	3,384,073
Storm Drainage	404	317,313	3,000	189,387	1,551	5,000	161,797	-	-	754,423	1,432,471
Flood	404	106,729	850	16,860	-	-	-	-	-	595,579	720,018
Solid Waste	405	21,649	-	15,337	-	-	-	-	-	181,187	218,173
ULID #6 Bond Rdmpmt.	451	-	-	-	-	-	1,498,913	-	-	2,900,346	4,399,259
ULID #6 Bond Reserve	452	-	-	-	-	-	-	-	-	1,348,030	1,348,030
Internal											
Shop/Equipment Operating	501	120,685	69,000	106,137	1,351	-	43,761	-	-	-	340,934
Technology Operating	501	17,675	1,300	123,430	-	8,800	-	-	-	-	151,205
Equipment Reserve	502	-	-	-	-	-	-	-	-	372,428	372,428
Technology Reserve	502	-	-	-	-	12,150	-	-	-	57,818	69,968
GRAND TOTAL ALL FUNDS		\$ 3,875,280	\$ 233,950	\$ 3,553,486	\$ 1,693,913	\$ 1,490,662	\$ 3,030,189	\$ 1,579,541	\$ 87,590	\$ 13,237,668	\$ 28,782,279





2016 Budget Summary

City of North Bend 2016 Adopted Budget Summary

Fund	Fund Name	Est. Beginning Fund Balance	Revenues	Expenditures	Est. Ending Fund Balance
001	General Fund	\$ 921,383	\$ 6,209,114	\$ 6,169,612	\$ 960,885
101	Street Operations Fund	-	695,621	695,621	-
102	Capital Streets Fund	133,813	157,380	164,896	126,297
103	Streets Overlay Fund	88,392	100,000	40,000	148,392
106	Impact Fees & Mitigation Fund	887,760	782,871	10,000	1,660,631
107	Hotel/Motel Tax Fund	1,661	48,600	9,000	41,261
108	Economic Development Fund	-	99,883	99,883	-
116	Park Improvement Fund	65,453	12,000	-	77,453
125	Development Projects Fund	48,886	360,000	356,657	52,229
215	2010 LTGO Fund	-	190,371	190,371	-
216	2011 Fire Station Bond Fund	173,520	188,820	181,600	180,740
217	2012 LTGO (TBD) Bond Fund	-	145,900	145,900	-
310	Municipal Projects Fund	615,635	-	160,683	454,952
320	Capital Improvements (REET) Fund	469,983	300,000	138,929	631,054
401	Water Utility Fund	2,108,449	1,933,995	1,466,910	2,575,534
402	Sewer Utility Fund	1,512,922	1,909,500	1,524,517	1,897,905
404	Storm Drainage Utility Fund	754,423	727,047	641,103	840,367
404	Flood Operations Fund	595,579	169,800	131,155	634,224
405	Solid Waste & Recycling Fund	181,187	81,140	38,004	224,323
451	ULID #6 Bond Redemption Fund	2,900,346	1,822,500	1,481,913	3,240,933
452	ULID #6 Bond Reserve Fund	1,348,030	1,500	-	1,349,530
501	Equipment Operating Fund	-	337,188	337,188	-
501	Technology Operating Fund	-	152,529	152,529	-
502	Equipment Reserve Fund	372,428	42,764	-	415,192
502	Technology Reserve Fund	57,818	18,602	5,950	70,470
	Totals	\$ 13,237,668	\$ 16,487,125	\$ 14,142,421	\$ 15,582,372



2016 Resources by Category

2016 ADOPTED RESOURCES BY CATEGORY (ALL FUNDS)

FUND TITLE	Fund #	Beginning Balance	Taxes	Licenses & Permits	Intergovt. Revenues	Charges for Goods & Services	Fines & Forfeits	Interest, Miscellaneous & Capital Contributions	Interfund Transfers In	Other Financing Sources	Total Budget
GENERAL FUND	001	\$ 921,383	\$5,365,097	\$378,060	\$ 88,015	\$ 164,935	\$77,750	\$ 23,600	\$ 111,657	\$ -	\$ 7,130,497
SPECIAL REVENUE FUNDS											
Street Operations	101	-	-	6,000	87,935	-	-	-	601,686	-	695,621
Capital Streets	102	133,813	-	-	41,380	-	-	-	116,000	-	291,193
Streets Overlay	103	88,392	-	-	-	-	-	-	100,000	-	188,392
Impact Fees	106	887,760	-	-	-	782,871	-	-	-	-	1,670,631
Hotel/Motel Tax	107	1,661	48,600	-	-	-	-	-	-	-	50,261
Economic Development	108	-	-	-	-	-	-	-	99,883	-	99,883
Park Improvement	116	65,453	-	-	12,000	-	-	-	-	-	77,453
Development Projects	125	48,886	-	-	-	360,000	-	-	-	-	408,886
DEBT SERVICE FUNDS											
2010 LTGO Bond Refinancing	215	-	-	-	-	-	-	-	190,371	-	190,371
2011 Fire Station Bond Redem	216	173,520	188,820	-	-	-	-	-	-	-	362,340
2012 LTGO (TBD) Bond Redem	217	-	-	-	145,900	-	-	-	-	-	145,900
CAPITAL FUNDS											
Municipal Capital Projects	310	615,635	-	-	-	-	-	-	-	-	615,635
Capital Improvements (REET)	320	469,983	300,000	-	-	-	-	-	-	-	769,983
ENTERPRISE FUNDS											
Water Utility	401	2,108,449	-	-	-	1,716,895	-	217,100	-	-	4,042,444
Sewer Utility	402	1,512,922	-	-	-	1,723,950	-	185,550	-	-	3,422,422
Storm Drainage Utility	404	754,423	-	-	-	701,545	-	25,502	-	-	1,481,470
Flood Operations	404	595,579	-	500	-	168,700	-	600	-	-	765,379
Solid Waste & Recycling	405	181,187	-	64,840	16,200	-	-	100	-	-	262,327
ULID #6 Bond Redemption	451	2,900,346	-	-	-	-	-	1,822,500	-	-	4,722,846
ULID #6 Bond Reserve	452	1,348,030	-	-	-	-	-	1,500	-	-	1,349,530
INTERNAL SERVICE											
Shop/Equipment Operating	501	-	-	-	-	337,188	-	-	-	-	337,188
Technology Operating	501	-	-	-	-	152,529	-	-	-	-	152,529
Equipment Reserve	502	372,428	-	-	-	42,764	-	-	-	-	415,192
Technology Reserve	502	57,818	-	-	-	18,602	-	-	-	-	76,420
GRAND TOTAL		\$13,237,668	\$5,902,517	\$449,400	\$ 391,430	\$6,169,979	\$77,750	\$ 2,276,452	\$1,219,597	\$ -	\$29,724,793



2016 Expenditures by Category

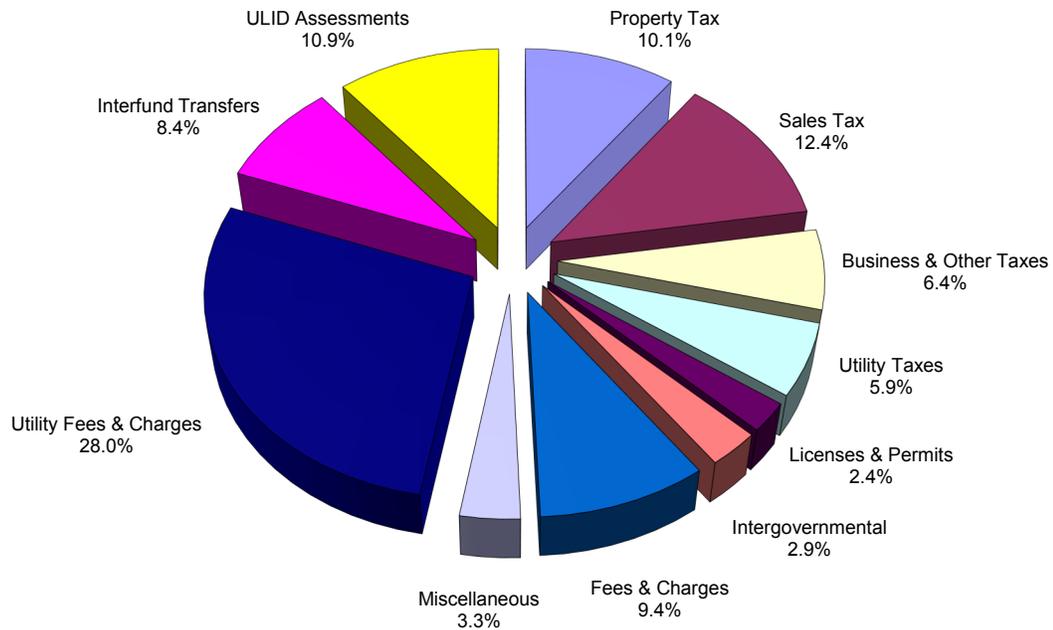
2016 ADOPTED EXPENDITURES CLASSIFICATION BY CATEGORIES (ALL FUNDS)

FUND TITLE	Fund #	Personnel Costs	Supplies	Services & Charges	Intergovt. Services	Capital Outlay	Debt Service	Interfund Transfers	Other Financing Uses	Ending Fund Balance	Total Budget
General Fund	001										
Mayor & City Council		\$ 43,463	\$ -	\$ 4,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 47,863
Administration & Finance		558,804	5,500	46,933	12,000	-	-	-	-	-	623,237
Legal & Judicial		-	-	155,500	60,500	-	-	-	-	-	216,000
Central Services		8,680	12,450	139,158	-	1,983	-	-	-	-	162,271
Law Enforcement & Jail		-	-	6,400	1,617,000	-	-	-	-	-	1,623,400
Fire Services & Emergency Mgmt		-	1,100	1,067,869	-	67,280	-	-	-	-	1,136,249
Building & Planning		711,762	9,200	61,584	-	-	-	-	-	-	782,546
Parks, Culture & Recreation		243,704	12,100	181,762	-	-	-	-	-	-	437,566
Social & Human Services		-	-	88,000	-	-	-	-	-	-	88,000
Public Works & Engineering		71,657	-	-	4,109	-	-	-	-	-	75,766
Other Expenditures & Transfers		-	2,000	64,195	42,550	-	-	867,969	-	-	976,714
Ending Fund Balance		-	-	-	-	-	-	-	-	960,885	960,885
TOTAL GENERAL FUND		\$ 1,638,070	\$ 42,350	\$ 1,815,801	\$ 1,736,159	\$ 69,263	\$ -	\$ 867,969	\$ -	\$ 960,885	\$ 7,130,497
Special Revenue Funds											
Street Operations	101	397,896	16,500	246,248	3,316	-	31,661	-	-	-	695,621
Capital Streets	102	30,667	-	1,096	-	-	-	133,133	-	126,297	291,193
Street Overlay	103	-	-	-	-	40,000	-	-	-	148,392	188,392
Impact Fees	106	-	-	-	-	10,000	-	-	-	1,660,631	1,670,631
Hotel/Motel Tax	107	-	-	9,000	-	-	-	-	-	41,261	50,261
Economic Development	108	45,544	5,500	47,339	-	1,500	-	-	-	-	99,883
Park Improvement	116	-	-	-	-	-	-	-	-	77,453	77,453
Development Projects	125	-	-	245,000	-	-	-	111,657	-	52,229	408,886
Debt Funds											
2010 LTGO Bond Refinancing	215	-	-	-	-	-	190,371	-	-	-	190,371
2011 Fire Station Bond Redemp	216	-	-	-	-	-	181,600	-	-	180,740	362,340
2012 LTGO (TBD) Bond Redemp	217	-	-	-	-	-	145,900	-	-	-	145,900
CIP											
Municipal Capital Projects	310	-	-	-	-	160,683	-	-	-	454,952	615,635
Capital Improvements	320	-	-	-	-	-	31,691	107,238	-	631,054	769,983
Enterprise Funds											
Water	401	676,392	50,500	472,193	6,316	-	261,509	-	-	2,575,534	4,042,444
Sewer	402	679,340	47,200	400,352	8,316	-	389,309	-	-	1,897,905	3,422,422
Storm Drainage	404	333,512	3,100	155,938	1,866	-	146,687	-	-	840,367	1,481,470
Flood	404	112,999	850	17,106	200	-	-	-	-	634,224	765,379
Solid Waste	405	22,655	-	15,349	-	-	-	-	-	224,323	262,327
ULID #6 Bond Rdmpt.	451	-	-	-	-	-	1,481,913	-	-	3,240,933	4,722,846
ULID #6 Bond Reserve	452	-	-	-	-	-	-	-	-	1,349,530	1,349,530
Internal											
Shop/Equipment Operating	501	125,182	71,000	108,029	1,316	-	31,661	-	-	-	337,188
Technology Operating	501	18,674	1,300	127,555	-	5,000	-	-	-	-	152,529
Equipment Reserve	502	-	-	-	-	-	-	-	-	415,192	415,192
Technology Reserve	502	-	-	-	-	5,950	-	-	-	70,470	76,420
GRAND TOTAL ALL FUNDS		\$ 4,080,931	\$ 238,300	\$ 3,661,006	\$ 1,757,489	\$ 292,396	\$ 2,892,302	\$ 1,219,997	\$ -	\$ 15,582,372	\$ 29,724,793

City of North Bend
Revenues & Other Sources Summary

Description	2013	2014	2014	2014	2015	2016
	Actual	Adopted	Revised	Actual	Adopted	Adopted
Property Tax	1,482,916	1,537,044	1,537,044	1,510,376	1,657,053	1,724,045
Sales Tax	2,012,949	1,849,200	1,849,200	2,068,397	2,027,040	2,087,852
Hotel/Motel Tax	10,261	8,600	8,600	11,359	9,000	48,600
Business & Excise Taxes	737,482	720,400	720,400	767,105	746,200	753,190
Utility Taxes	961,807	919,000	919,000	958,276	967,370	988,830
Real Estate Excise Tax	425,712	212,000	532,000	435,736	280,000	300,000
Franchise Fees	140,305	155,000	155,000	145,030	162,565	166,155
Licenses & Permits	468,404	188,470	192,170	193,367	179,940	283,245
Intergovernmental	2,608,263	1,084,825	1,068,430	828,264	571,820	391,430
Charges for Goods & Services	1,190,562	379,733	740,808	704,800	729,537	1,307,806
Utility Collections	4,134,945	3,808,500	3,909,004	4,238,252	4,188,990	4,311,090
Interfund Charges for Services	488,951	505,783	539,366	519,571	553,505	551,083
Fines & Penalties	67,951	82,900	82,900	76,339	76,350	77,750
Interest & Miscellaneous	35,265	23,060	27,020	46,904	33,100	33,100
ULID Assessments	3,288,899	1,820,000	1,820,000	1,534,865	1,820,000	1,820,000
Capital Contributions	1,383,109	423,352	367,638	407,805	423,352	423,352
Interfund Transfers	4,239,189	1,837,021	2,655,388	2,373,486	1,582,541	1,219,597
Other Financing Sources & Non-Revenues	298,233	1,087,590	1,089,681	619,720	893,559	-
Beginning Fund Balances	9,389,748	9,743,949	13,368,935	13,368,937	11,880,357	13,237,668
Total Revenue From All Sources	\$ 33,364,951	\$ 26,386,427	\$ 31,582,584	\$ 30,808,588	\$ 28,782,279	\$ 29,724,793

2015-2016 Adopted Revenue Sources



City of North Bend
Expenditures & Other Uses Summary

Description	2013 Actual	2014 Adopted	2014 Revised	2014 Actual	2015 Adopted	2016 Adopted
Operations Expenditures						
Mayor & City Council	\$ 47,092	\$ 47,727	\$ 47,727	\$ 47,255	\$ 47,665	\$ 47,863
Administration	270,332	271,006	336,453	341,839	358,281	379,788
Court Services	34,735	45,500	60,100	64,812	60,500	60,500
Legal	217,781	129,700	273,200	270,645	153,000	155,500
Finance	218,791	180,938	222,882	231,006	224,263	243,449
Central Services	126,452	147,178	166,078	170,766	156,892	160,288
Law Enforcement	1,815,074	1,564,887	1,558,557	1,528,533	1,433,260	1,473,400
Fire Services	788,494	821,961	835,098	831,891	938,903	1,065,869
Jail Contract	132,035	112,000	300,000	352,006	150,000	150,000
Emergency Management	2,680	4,000	9,925	10,958	3,100	3,100
Building	213,755	302,510	240,396	225,546	328,324	350,408
Facility Engineering	-	100,000	43,500	46,458	66,530	71,657
Human Services	87,000	88,000	88,000	47,400	58,420	88,000
Meadowbrook Farm	10,000	10,000	16,667	16,667	10,000	10,000
Planning	334,388	440,063	381,463	376,489	414,580	432,138
Culture & Recreation	28,139	25,500	39,765	38,783	36,500	36,500
Historical Museum	2,500	2,500	2,500	2,500	2,500	2,500
Parks	380,460	389,610	396,126	370,994	375,472	388,566
Land & Building Management	218,415	4,600	257,100	246,624	249,217	249,109
Non-Departmental	79,356	85,153	98,322	97,142	103,854	108,745
Street Operations	646,300	685,976	709,767	675,784	673,053	695,723
Economic Development	69,100	98,834	85,234	80,329	120,238	107,383
Total Operations Expenditures	5,722,879	5,557,643	6,168,860	6,074,425	5,964,552	6,280,486
Proprietary Expenditures						
Water Utility	934,802	1,207,762	1,243,707	1,023,504	1,161,481	1,205,401
Sewer Utility	972,195	1,184,582	1,822,239	1,564,501	1,118,342	1,135,208
Storm Drainage Utility	437,494	416,580	420,500	433,842	511,251	494,416
Flood Operations	99,825	98,726	104,785	104,428	124,439	131,155
Solid Waste & Recycling	31,151	50,383	50,476	31,724	36,986	38,004
Shop Operations	270,202	292,414	292,876	277,641	297,173	305,527
Technology Operations	111,269	110,396	143,517	140,560	142,405	147,529
Total Proprietary Expenditures	2,856,938	3,360,843	4,078,100	3,576,200	3,392,077	3,457,240
Total Operating Expenditures	8,579,816	8,918,486	10,246,960	9,650,625	9,356,629	9,737,726
Other Financing Uses						
Capital Outlay	117,571	395,867	157,424	108,345	107,189	80,213
Capital Improvements	3,817,921	2,878,858	4,243,971	3,029,718	1,383,473	212,183
Debt Service	3,137,926	3,104,467	3,257,387	2,964,281	3,030,189	2,892,302
Interfund Transfers	4,239,189	1,837,021	2,651,578	2,373,486	1,579,541	1,219,997
Non-Expenditures	103,590	87,590	87,590	87,590	87,590	-
Total Other Financing Uses	11,416,197	8,303,803	10,397,950	8,563,420	6,187,982	4,404,695
Total Expenditures & Other Uses	19,996,014	17,222,289	20,644,910	18,214,044	15,544,611	14,142,421
Ending Fund Balances	13,368,937	9,164,138	10,937,674	12,594,543	13,237,668	15,582,372
Total Expenditures, Other Uses & Fund Balances	\$ 33,364,951	\$ 26,386,427	\$ 31,582,584	\$ 30,808,588	\$ 28,782,279	\$ 29,724,793

City of North Bend

Revenue Summary by Fund

	2013	2014	2014	2014	2015	2016
	Actual	Adopted	Revised	Actual	Adopted	Adopted
General Fund	\$ 7,996,591	\$ 6,337,141	\$ 6,852,525	\$ 7,092,229	\$ 6,792,474	\$ 7,130,497
Street Operations Fund	646,253	703,764	719,007	684,261	692,073	695,621
Capital Streets Fund	317,184	196,257	278,021	290,034	293,642	291,193
Streets Overlay Fund	425,053	196,217	502,137	489,199	128,392	188,392
Impact Fees & Mitigation Fund	1,178,208	1,173,881	1,424,368	1,409,250	1,039,062	1,670,631
Hotel/Motel Tax Fund	10,261	8,600	10,261	13,020	10,661	50,261
Economic Development Fund	60,589	90,234	90,634	71,729	112,738	99,883
Park Improvement Fund	68,642	28,142	80,069	94,685	116,098	77,453
Development Projects Fund	426,542	229,548	477,216	456,548	400,416	408,886
2010 LTGO Fund	189,089	191,900	191,900	191,501	194,576	190,371
2011 Fire Station Bond Fund	1,518,009	269,575	505,195	360,108	357,220	362,340
2012 LTGO (TBD) Bond Fund	147,620	145,825	145,870	157,626	148,400	145,900
PWTF Loan Debt Service Fund	5,992	-	-	-	-	-
Municipal Projects Fund	4,765,944	1,848,642	1,958,552	1,676,439	1,585,377	615,635
Capital Improvements (REET) Fund	585,570	371,550	955,918	860,674	836,804	769,983
Water Utility Fund	2,769,840	3,117,453	4,028,390	3,759,800	3,637,787	4,042,444
Sewer Utility Fund	4,058,720	3,409,048	4,415,817	4,561,253	3,384,073	3,422,422
Storm Drainage Utility Fund	1,355,885	1,047,894	1,380,577	1,384,545	1,432,471	1,481,470
Flood Operations Fund	583,688	639,989	648,035	650,562	720,018	765,379
Solid Waste & Recycling Fund	130,137	142,653	173,626	163,659	218,173	262,327
ULID #6 Construction Fund	70,119	-	-	-	-	-
ULID #6 Bond Redemption Fund	3,878,434	4,056,266	4,094,057	3,809,868	4,399,259	4,722,846
ULID #6 Bond Reserve Fund	1,345,330	1,346,604	1,781,210	1,782,191	1,348,030	1,349,530
Equipment Operating Fund	314,020	335,996	336,705	321,030	340,934	337,188
Technology Operating Fund	111,573	112,396	145,517	141,396	151,205	152,529
Equipment Reserve Fund	322,587	329,536	329,663	329,664	372,428	415,192
Technology Reserve Fund	83,070	57,316	57,314	57,316	69,968	76,420
CITY TOTAL	\$ 33,364,951	\$ 26,386,427	\$ 31,582,584	\$ 30,808,588	\$ 28,782,279	\$ 29,724,793

City of North Bend

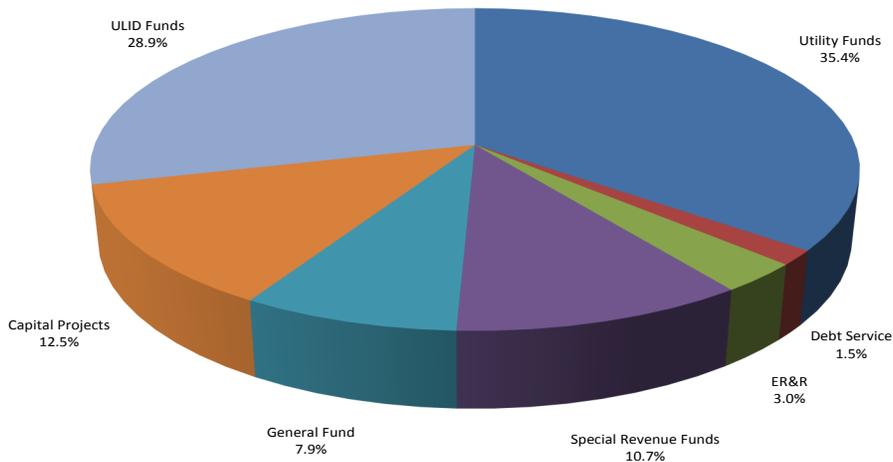
Expenditure Summary by Fund

	2013	2014	2014	2014	2015	2016
	Actual	Adopted	Revised	Actual	Adopted	Adopted
General Fund	\$ 6,814,412	\$ 5,787,698	\$ 6,185,149	\$ 6,093,972	\$ 5,871,091	\$ 6,169,612
Street Operations Fund	646,007	703,764	719,007	684,261	692,073	695,621
Capital Streets Fund	239,463	111,782	147,762	115,911	159,829	164,896
Streets Overlay Fund	271,936	40,000	474,026	427,591	40,000	40,000
Impact Fees & Mitigation Fund	76,624	532,183	682,183	487,306	151,302	10,000
Hotel/Motel Tax Fund	8,600	8,600	8,600	8,600	9,000	9,000
Economic Development Fund	60,589	90,234	90,634	71,729	112,738	99,883
Park Improvement Fund	34,660	-	33,000	29,862	50,645	-
Development Projects Fund	274,626	138,000	365,500	333,050	351,530	356,657
2010 LTGO Fund	189,089	191,900	191,900	191,501	194,576	190,371
2011 Fire Station Bond Fund	1,347,914	185,100	335,100	184,830	183,700	181,600
2012 LTGO (TBD) Bond Fund	147,575	145,825	145,825	145,530	148,400	145,900
PWTF Loan Debt Service Fund	5,992	-	-	-	-	-
Municipal Projects Fund	3,825,948	1,544,358	1,590,498	687,142	969,742	160,683
Capital Improvements (REET) Fund	161,652	302,940	303,446	274,742	366,821	138,929
Water Utility Fund	1,340,700	2,796,422	2,828,242	2,291,378	1,529,338	1,466,910
Sewer Utility Fund	1,551,556	1,950,032	3,278,467	2,962,345	1,871,151	1,524,517
Storm Drainage Utility Fund	670,496	580,950	670,285	668,267	678,048	641,103
Flood Operations Fund	101,553	98,726	104,785	104,428	124,439	131,155
Solid Waste & Recycling Fund	47,211	50,383	50,476	31,724	36,986	38,004
ULID #6 Construction Fund	70,119	-	-	-	-	-
ULID #6 Bond Redemption Fund	1,607,877	1,515,000	1,952,100	1,951,499	1,498,913	1,481,913
ULID #6 Bond Reserve Fund	-	-	-	-	-	-
Equipment Operating Fund	313,774	335,996	336,458	321,030	340,934	337,188
Technology Operating Fund	111,573	112,396	145,517	141,396	151,205	152,529
Equipment Reserve Fund	36,633	-	-	-	-	-
Technology Reserve Fund	39,435	-	5,950	5,949	12,150	5,950
CITY TOTAL	\$ 19,996,014	\$ 17,222,289	\$ 20,644,910	\$ 18,214,044	\$ 15,544,611	\$ 14,142,421

**City of North Bend
Ending Fund Balances**

Fund	Ending Fund Balance					
	2012 Actual	2013 Actual	2014 Revised Budget	2014 Actual	2015 Adopted Budget	2016 Adopted Budget
General	\$ 1,395,182	\$ 1,182,178	\$ 667,376	\$ 998,257	\$ 921,383	\$ 960,885
Street Operations	21,011	247	-	-	-	-
Capital Streets	152,749	77,721	130,259	174,123	133,813	126,297
Streets Overlay	17,401	153,117	28,111	61,608	88,392	148,392
Impact Fees & Mitigation	458,159	1,101,584	742,185	921,945	887,760	1,660,631
Hotel/Motel Tax	8,689	1,661	1,661	4,420	1,661	41,261
Economic Development	(8,689)	-	-	-	-	-
Park Improvement	7,096	33,982	47,069	64,823	65,453	77,453
Development Projects	144,548	151,916	111,716	123,499	48,886	52,229
Debt Service Funds	1,073,377	170,140	170,140	187,373	173,520	180,740
Municipal Capital Projects	-	939,996	368,054	989,297	615,635	454,952
Capital Imp (REET)	159,274	423,918	652,472	585,931	469,983	631,054
Water Utility	636,123	1,429,140	1,200,148	1,468,421	2,108,449	2,575,534
Sewer Utility	1,509,073	2,507,164	1,137,350	1,598,907	1,512,922	1,897,905
Storm Drainage Utility	572,518	685,390	710,292	716,279	754,423	840,367
Flood Operations	414,849	482,135	543,250	546,134	595,579	634,224
Solid Waste & Recycling	35,613	82,926	123,150	131,935	181,187	224,323
ULID #6 Bond Funds	1,999,391	3,615,887	3,923,167	3,640,560	4,248,376	4,590,463
Equipment Operating	-	247	247	-	-	-
Technology Operating	-	-	-	-	-	-
Equipment Reserve	238,822	285,954	329,663	329,664	372,428	415,192
Technology Reserve	63,397	43,635	51,364	51,368	57,818	70,470
Total	\$ 8,898,585	\$ 13,368,937	\$ 10,937,674	\$ 12,594,543	\$ 13,237,668	\$ 15,582,372

2014 Ending Fund Balances





General Fund Summary

General Fund Revenues & Other Sources Summary

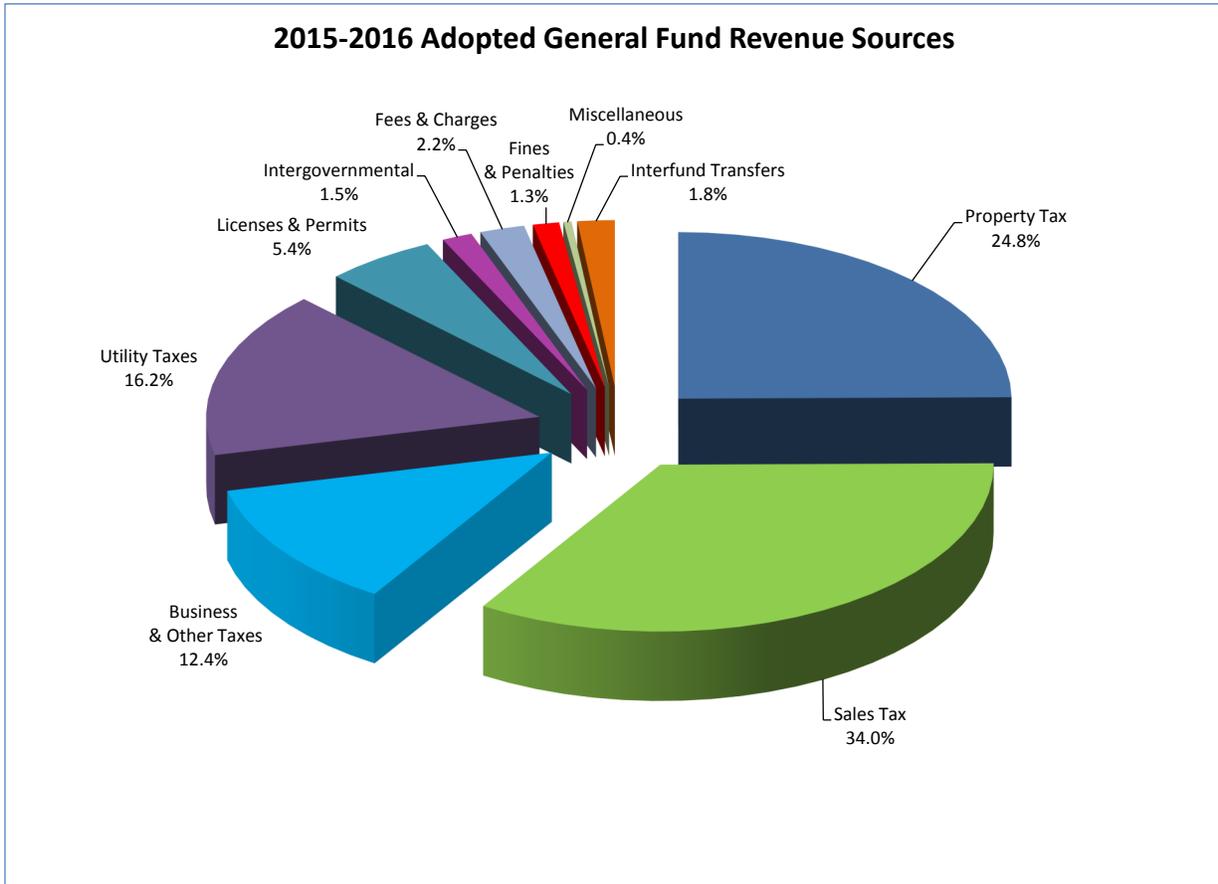
Description	2013 Actual	2014 Adopted	2014 Revised	2014 Actual	2015 Adopted	2016 Adopted
Property Tax	1,297,717	1,351,944	1,351,944	1,320,734	1,470,103	1,535,225
Sales Tax	2,012,949	1,849,200	1,849,200	2,068,397	2,027,040	2,087,852
Business & Excise Taxes	737,482	720,400	720,400	767,105	746,200	753,190
Utility Taxes	961,807	919,000	919,000	958,276	967,370	988,830
Franchise Fees	92,780	91,500	91,500	96,998	98,365	101,315
Licenses & Permits	459,190	184,470	184,470	184,641	173,440	276,745
Intergovernmental	74,427	77,000	86,798	92,880	90,530	88,015
Charges for Goods & Services	190,081	92,725	92,725	94,154	98,230	164,935
Fines & Penalties	67,951	82,900	82,900	76,339	76,350	77,750
Interest & Miscellaneous	15,898	3,600	16,210	21,808	23,600	23,600
Interfund Transfers	532,679	138,000	275,200	227,950	106,530	111,657
Other Financing Sources & Non-Revenues	155,031	-	-	769	-	-
Beginning Fund Balance	1,398,599	826,402	1,182,178	1,182,178	914,716	921,383
Total Revenue From All Sources	\$ 7,996,591	\$ 6,337,141	\$ 6,852,525	\$ 7,092,229	\$ 6,792,474	\$ 7,130,497

Expenditures & Other Uses Summary

Description	2013 Actual	2014 Adopted	2014 Revised	2014 Actual	2015 Adopted	2016 Adopted
Operating Expenditures						
Mayor & City Council	\$ 47,092	\$ 47,727	\$ 47,727	\$ 47,255	\$ 47,665	\$ 47,863
Administration	270,332	271,006	336,453	341,839	358,281	379,788
Court Services	34,735	45,500	60,100	64,812	60,500	60,500
Legal	217,781	129,700	273,200	270,645	153,000	155,500
Finance	218,791	180,938	222,882	231,006	224,263	243,449
Central Services	126,452	147,178	166,078	170,766	156,892	160,288
Law Enforcement	1,815,074	1,564,887	1,558,557	1,528,533	1,433,260	1,473,400
Fire Services	788,494	821,961	835,098	831,891	938,903	1,065,869
Jail Contract	132,035	112,000	300,000	352,006	150,000	150,000
Emergency Management	2,680	4,000	9,925	10,958	3,100	3,100
Building	213,755	302,510	240,396	225,546	328,324	350,408
Facility Engineering	-	100,000	43,500	46,458	66,530	71,657
Human Services	87,000	88,000	88,000	47,400	58,420	88,000
Meadowbrook Farm	10,000	10,000	16,667	16,667	10,000	10,000
Planning	334,388	440,063	381,463	376,489	414,580	432,138
Culture & Recreation	28,139	25,500	39,765	38,783	36,500	36,500
Historical Museum	2,500	2,500	2,500	2,500	2,500	2,500
Parks	380,361	389,610	396,126	370,994	375,472	388,566
Land & Building Management	5,188	4,600	4,600	4,325	4,217	4,109
Non-Departmental	79,356	85,153	98,322	97,142	103,854	108,745
Total Operating Expenditures	4,794,153	4,772,833	5,121,359	5,076,012	4,926,261	5,232,380
Other Financing Uses						
Capital Outlay	65,296	96,867	101,599	100,687	61,239	69,263
Capital Improvements	-	5,000	8,954	8,954	5,000	-
Interfund Transfers	1,954,963	912,998	953,237	908,319	878,591	867,969
Total Other Financing Uses	2,020,259	1,014,865	1,063,790	1,017,960	944,830	937,232
Total Expenditures & Other Uses	6,814,412	5,787,698	6,185,149	6,093,972	5,871,091	6,169,612
Ending Fund Balance						
Reserved	552,488	774,794	774,794	774,794	685,039	726,632
Unreserved	629,690	(225,351)	(107,418)	223,463	236,344	234,253
Ending Fund Balance	1,182,178	549,443	667,376	998,257	921,383	960,885



General Fund Summary



The 2015 General Fund projected revenues reflect a 4.23% decrease in comparison to the 2014 Actual revenues. The decrease is partially due to higher than estimated revenues in 2014 in the following areas: Sales Tax, Business & Excise Tax and Utility Tax, while keeping with previous performance trends for the 2015 revenue estimates.

The 2016 General Fund projections reflect an increase of 4.98% over the 2015 projections. The projected increase is mainly due to estimated development and permitting revenue.

In the following narrative, percentages that appear in resource headings refer to the percentages of total revenues represented by the revenue stream (without beginning cash balances). Total resources for the fund, as seen in the above chart, include both beginning fund balances and loans (both considered to be non-revenues when evaluating revenues versus expenditures for any fiscal year).



General Fund Summary - cont.

Revenues

Beginning Fund Balance

2015 - \$914,716

2016 - \$921,383

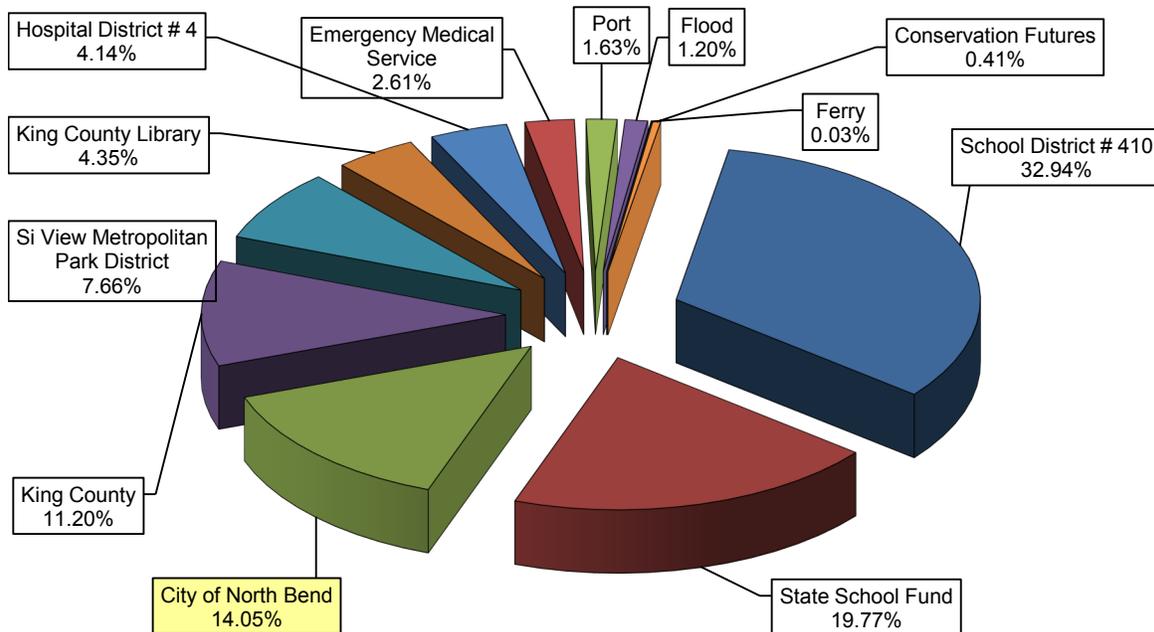
The Beginning Fund Balance is the amount of cash and investments considered to be on-hand in the General Fund at the beginning of 2015 and 2016. The General Fund beginning balance as of 2015 is anticipated to be 22.62% less than the 2014 beginning balance. The 2014 beginning balance included salary savings from 2013 that were utilized as part of a planned City reorganization that occurred in 2014. Additionally, jail, public defender and court costs were higher in 2014 due to proactive policing efforts but are anticipated to normalize moving forward in 2015 and beyond. We are anticipating that the beginning fund balance will increase slightly in 2016.

Taxes

Over the next two years it is estimated that tax revenues will account for 87.4% of General Fund revenues. These taxes include real and personal property taxes, business taxes and utility taxes.

- Real and Personal Property** **\$3,005,328** **25%**
 While the City receives revenues from property taxes, only a portion of the total property tax collected by the King County Assessor supports City activities. In fact, for 2015, the total property tax levy for residents of North Bend is \$11.55642 per \$1,000 of assessed valuation. Of this, only \$1.62389 goes to support municipal activities (see graph below for complete break down of other property tax recipients). The maximum levy allowed for most cities within the State of Washington is \$3.375 per \$1,000 of assessed valuation; North Bend has only chosen to take the 1% increase in property taxes once since 2007 and is far below this maximum allowance at \$1.62389.

North Bend Property Tax: 2015 Distribution of \$1.00





General Fund Summary - cont.

Business Generated Taxes **\$4,114,892** **34%**

The City collects taxes through the business community operating within North Bend City limits. Retail Sales and Use taxes support General Fund activities and are collected by businesses from consumers. The City of North Bend receives a .024 share of the overall 8.9% sales tax levied on sales within the City of North Bend. Projections indicate that taxes collected by businesses and paid for by consumers will decrease by 2% (.0199) in 2015 but bounce back in 2016 with a 3% increase. This is because, according to the City's Financial Policies, sales tax revenues need to be projected based on the last complete year's receipts.

Business Taxes **\$1,499,390** **12%**

The City also collects taxes directly from the business community operating within the North Bend City limits. The Business and Occupation tax for all types of industry is capped by statute at .002%. The other business tax levied is a gambling tax (5%). Revenues from this tax are to be used first, for the direct enforcement of gambling activities; second, for other police operations; and third, for other non-police activities.

Utility Taxes **\$1,956,200** **16%**

Utility taxes (6%) are also levied on water, sewer, solid waste (garbage), telephone, cellular phone, electric and natural gas businesses operating in North Bend and then passed on to the consumer. Utility taxes are estimated to be 16% of the General Fund revenues over the next two years.

Licenses and Permits **\$649,865** **5%**

Revenues from licenses and permits account for 5% of the General Fund revenues. The City of North Bend issues business licenses and collects a license fee from all businesses operating within the City limits. The City also requires a wide range of permits and collects fees to cover the cost of regulation, inspection, and review of applications and projects. Building permits, plumbing permits, and mechanical permits are all required.

Intergovernmental Revenue **\$178,545** **2%**

The City of North Bend receives a proportion of some taxes collected by other jurisdictions; these intergovernmental revenues account for 1.50% of the General Fund revenue stream. The city receives a proportion of the Liquor Excise Tax and Liquor Board profits. Motor Vehicle Excise Tax, formerly received under this category, was eliminated by the implementation of Initiative 695 in 2000.

Charges for Goods and Services **\$263,165** **2%**

In some cases, the City is reimbursed for services performed. These fees collected are accounted for here and are used to support General Fund activities. Charges are assessed for the following: late charges on utility bills and engineering inspection, plat review & plan review services. Charges for services account for less than 2.20% of General Fund revenues. Other development related charges are collected in the Development Projects Fund (Fund #125).



General Fund Summary - cont.

Fines and Penalties	\$154,100	1%
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The City collects fines for traffic violations, traffic and parking infractions, misdemeanors, and DWI violations. This revenue stream accounts for 1.30% of all General Fund revenues.

Miscellaneous Transfers & Other Revenue	\$265,387	2%
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This accounts for smaller revenue streams such as investment interest, insurance recoveries and other miscellaneous revenues. The General Fund receives .038% of its revenue through these miscellaneous sources. Other revenues include transfers from other funds to help offset multi-fund expenses recorded in the General Fund.

Total General Fund Revenues	\$13,922,971	100%
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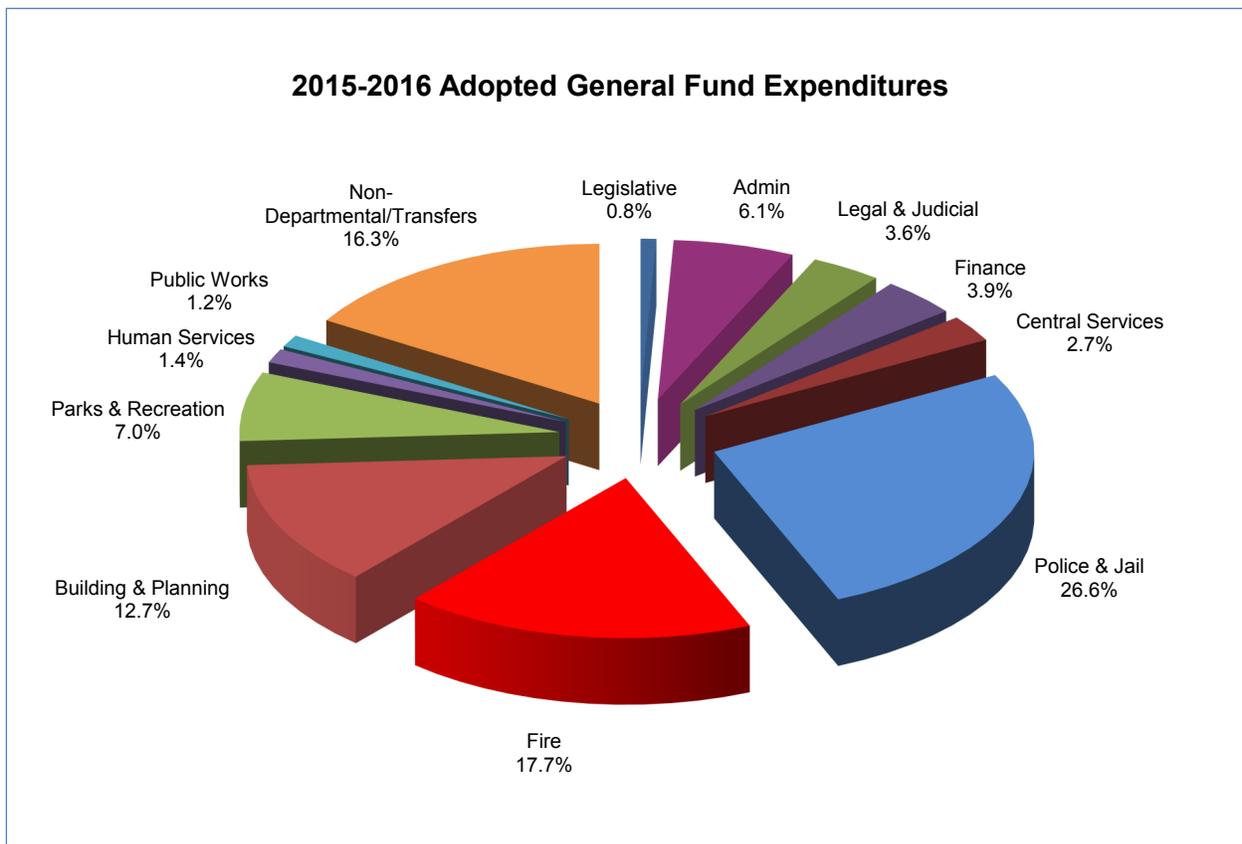


General Fund Summary - cont.

Expenditures

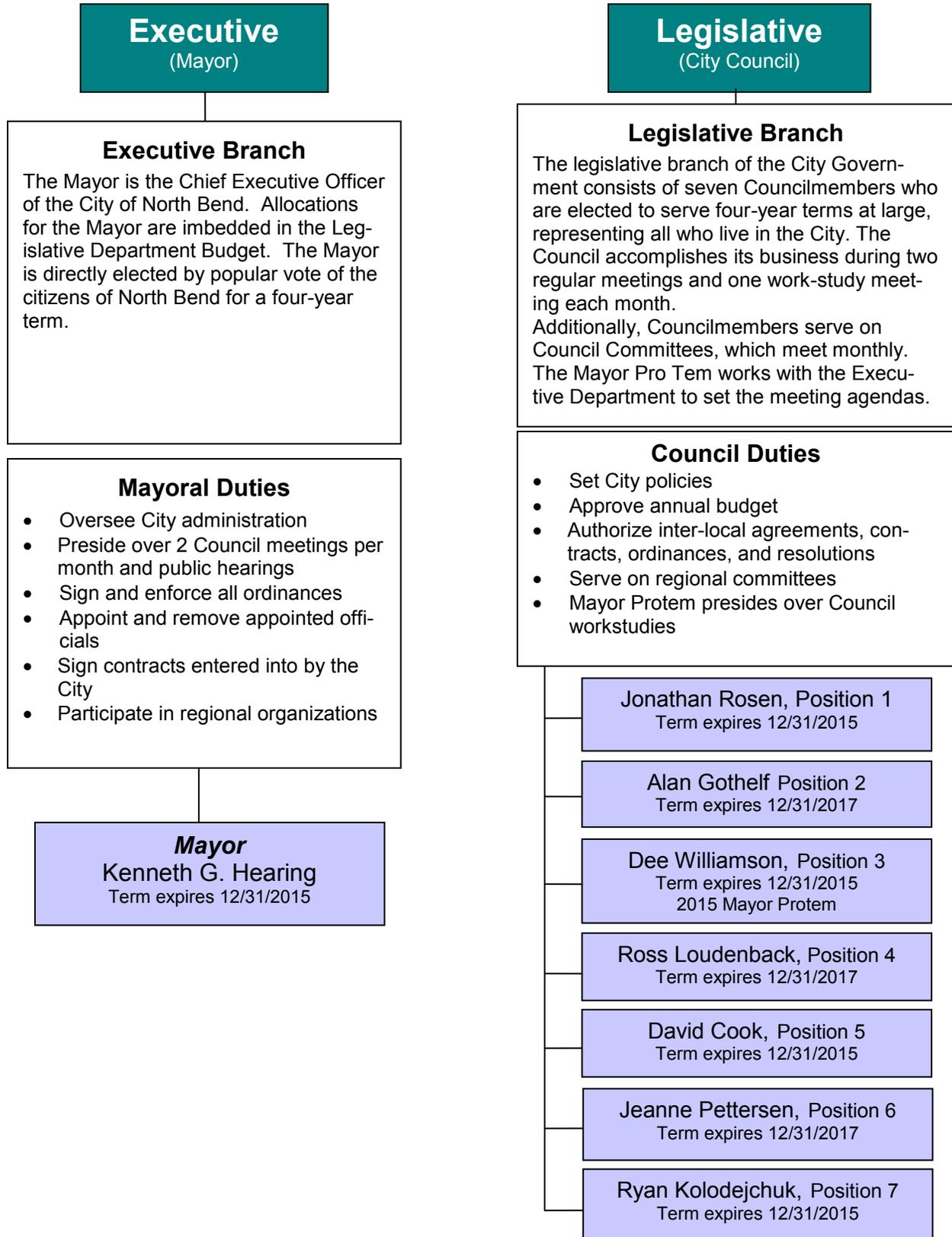
The General Fund is the primary fund of the City of North Bend. It accounts for all financial resources except those required or elected to be accounted for in another fund. It is used to meet the basic services that your local government provides. The General Fund covers Police, Fire, Parks and Recreation,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

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





Executive and Legislative





Executive and Legislative 2015 Council Committees

Mayor Pro-Tem

Dee Williamson

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

Finance and Administration

Chair: Councilmember Cook

Attended by: Councilmember Gothelf and Councilmember Rosen

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

Community & Economic Development

Chair: Councilmember Kolodejchuk

Attended by: Councilmember Loudenback and Councilmember Pettersen

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

Public Health and Safety

Chair: Councilmember Gothelf

Attended by: Councilmember Kolodejchuk and Councilmember Pettersen

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

Transportation and Public Works

Chair: Councilmember Loudenback

Attended by: Councilmember Cook and Councilmember Rosen

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

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Personnel Costs	40,305	44,313	43,277	43,277	43,365	43,463	0.2%	0.2%
Services & Charges	4,993	2,779	4,450	3,979	4,300	4,400	8.1%	2.3%
Total Expenditures	45,298	47,092	47,727	47,255	47,665	47,863	0.9%	0.4%



Administration

Administration Functions:

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

City Clerk/Record Services Functions:

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

Human Resources Functions:

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

Public Information Functions:

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



Administration

2014 Accomplishments

Administration:

- √ Completed amendment to Police services contract to add a 7th Police Officer.
- √ Worked with the City Attorney and Community & Economic Development Department to draft amendments to the bulk and dimensional code to preserve rural character of City.
- √ Implemented No Camping/Trespass ordinances to assist Police with addressing transient camps.
- √ Served as Chair of the Operations Committee for Eastside Fire & Rescue.
- √ Negotiated Settlement Agreement to remove public nuisance buildings and vegetation and create a parking lot to eliminate downtown blight.
- √ Worked with City Council to place the successful Ballot Measure - Proposition 1 on the November 2014 election ballot to increase the City's sales tax by .01% to add dedicated funding for an 8th Police Officer.
- √ Drafted Interlocal Agreement with Si View Metropolitan Park District for maintenance of Torguson Park and negotiated Collective Bargaining Agreement provision with Teamsters to allow such contracting.
- √ Transitioned part of old Fire Station into lease with a private business.

City Clerk:

- √ Successful completion of Microfilm of permanent essential documents for years 2010-2012 and the transfer of said documents to State Digital Archives for viewing by the public on their website.
- √ Destruction of eligible documents in records center and transfer to regional archives of eligible archival documents.
- √ Backup of permanent/essential City documents on to an external hard drive as part of Emergency Management Plan.
- √ Completed yearly records training for Clerk's office staff and training for elected officials and staff on the Open Public Meetings Act, Public Records Act, and records retention.

Human Resources:

- √ Successful negotiation of a new collective bargaining agreement with Public Works Employees Local Union No. 763 (Teamsters) for the years 2015-2017.
- √ Successful recruitment of 7 new employees and 2 employee transitions due to reorganization.
- √ Updated all employee files, forms and records to ensure completeness and accuracy.
- √ Received Association of Washington Cities (AWC) Well City Award resulting in a 2% medical premium discount.

Public Information:

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



Administration

2015-2016 Goals

Administration:

- ◆ Implement City Council's goals and priorities while providing consistent leadership to the City.
- ◆ Move the Downtown Development efforts forward including the Downtown Plaza and Civic Center projects.
- ◆ Negotiate second amendment to Police Contract for addition of 8th Police Officer.
- ◆ Continue negotiations to finalize and implement Interlocal Agreement with Si View Metropolitan Park District for maintenance of Torguson Park.
- ◆ Promote the City's interests in regional matters with other city, county and State officials.

City Clerk:

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

Human Resources:

- ◆ Negotiate new collective bargaining agreement with Office-Clerical Employees Local Union No. 763 (Teamsters).
- ◆ Conduct recruitments for new employees as needed.
- ◆ Ensure all employees receive an annual performance evaluation.
- ◆ Ensure all personnel records are created and maintained in accordance with State requirements.
- ◆ Continue to receive Association of Washington Cities (AWC) Well City Award resulting in a 2% medical premium discount.
- ◆ Update personnel policies and procedures as needed to ensure compliance with any new requirements or regulations.

Public Information:

- ◆ Continued enhancement of communications with North Bend residents through the City's website, cable access channel and use of social media.
- ◆ Work with the Economic Development Council and the Downtown Association to update slides for cable access channel (NBTv) to promote tourism and highlight recreational activities.
- ◆ Review and refresh all website pages and update content and pictures.

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Personnel Costs	253,296	257,838	308,353	315,447	340,531	362,038	8.0%	6.3%
Supplies	1,227	3,818	5,400	4,529	5,000	5,000	10.4%	0.0%
Services & Charges	10,234	8,676	22,700	21,862	12,750	12,750	-41.7%	0.0%
Total Expenditures	264,757	270,332	336,453	341,839	358,281	379,788	4.8%	6.0%

Increase in Personnel Costs is due to the addition of a Records Coordinator/Executive Assistant position

2014 Services & Charges increase was due to contract for Communications services



Finance

Financial and Accounting Services Functions:

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

2014 Finance Accomplishments

- √ Successfully implemented an on-line utility billing system to allow customers to make credit card payments.
- √ Successfully completed the conversion to the state's Business Licensing System (BLS) which allows businesses to apply for and renew business licenses along with their state business license.
- √ Implemented City's first Biennial Budget process for the 2015-2016 budget.
- √ Received a clean audit for 2012 and 2013 from the Washington State Auditor's Office.
- √ Received a credit rating upgrade to 'AA' from Standard & Poor's (S&P) Ratings Services from the previous rating of 'AA-' for the City's unlimited tax and limited tax General Obligation bonds.
- √ Implemented quarterly budget amendments for more effective budget monitoring.
- √ Assisted with Public Works Collective Bargaining Agreement negotiation and financial modeling.
- √ Provided financial analysis for the Salish Avenue Annexation.
- √ Coordinated with Administration Department on Public Safety Sales Tax ballot measure.



Finance

2015-2016 Finance Goals

- ◆ Work with the Planning and Public Works departments to complete the restructuring of the Developer Accounting System.
- ◆ Complete the conversion of the Business Licensing and Excise Tax system from Application Software Products (ASP) to Vision Municipal Solutions.
- ◆ Analyze and recommend financing options for the Civic Center project.
- ◆ Refinance the City's 2010 Limited Tax GO Bonds and Water Sewer Revenue Bonds.
- ◆ Coordinate with Public Works to conduct utility rate studies.
- ◆ Provide options to Council for implementation of a square footage B&O tax.
- ◆ Update purchasing policies and procedures.
- ◆ Receive a clean audit for the 2014 and 2014 financial reports.
- ◆ Maintain or increase the City's Standard & Poor's credit rating.
- ◆ Coordinate the 2015-2016 mid-biennium modification process.
- ◆ Coordinate the 2017-2018 Biennial Budget.
- ◆ Assist with the development of the Capital Facilities Plan and the Comprehensive Plan update.

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Personnel Costs	185,661	192,498	170,877	185,065	187,869	196,766	1.5%	4.7%
Supplies	-	-	500	434	500	500	15.2%	0.0%
Services & Charges	17,287	24,582	29,470	26,402	33,894	34,183	28.4%	0.9%
Intergovernmental Services	9,912	1,710	22,035	19,104	2,000	12,000	-89.5%	500.0%
Total Expenditures	212,859	218,791	222,882	231,006	224,263	243,449	-2.9%	8.6%

*Increase in Services & Charges is primarily due to service charges for utilizing online utility payment & business license services
 Fluctuations in Intergovernmental Services is because the City is audited by State Auditor's Office on a biennial basis*



Law Enforcement

Police Department Responsibilities

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

2014 Police Accomplishments

- √ Successfully transitioned police services from King County Sheriff's Office to the Snoqualmie Police Department.
- √ Cleaned up over 75 criminal transient camps.
- √ Provided rapid, efficient, and effective response to a very high volume of police and emergency calls for service.
- √ Received no citizen complaints during the first year of contract with Snoqualmie Police.
- √ Coordinated response with Public Works and Eastside Fire & Rescue for flooding issues and downtown explosion.
- √ Apprehended robbery suspect responsible for two major thefts.
- √ Implemented Twitter notification service.

2015-2016 Police Goals

- ◆ Ensure efficient and enhanced police coverage.
- ◆ Conduct a Bicycle Safety Rodeo in North Bend.
- ◆ Continue to enforcement efforts for criminal transient camps.
- ◆ Reduce crime rate by 20%.
- ◆ Provide enhanced security for the Outlet Mall and other North Bend businesses.
- ◆ Host a Crime Prevention Summit with local business owners.
- ◆ Host a National Night Out.
- ◆ Increase engagement with North Bend Senior Center.
- ◆ Continue to leverage social media for effective communications.
- ◆ Offer three R.A.D. (Rape Aggression Defense) classes.

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Personnel Costs	120,235	133,144	33,478	33,479	-	-	-100.0%	0.0%
Supplies	3,872	2,913	1,025	531	-	-	-100.0%	0.0%
Services & Charges	89,682	101,264	32,002	32,538	6,260	6,400	-80.8%	2.2%
Intergovernmental - Police	1,223,193	1,577,753	1,492,052	1,461,986	1,427,000	1,467,000	-2.4%	2.8%
Intergovernmental - Jail	60,105	132,035	300,000	352,006	150,000	150,000	-57.4%	0.0%
Capital Outlay	576	-	8,132	8,132	-	-	-100.0%	0.0%
Total Expenditures	1,497,662	1,947,108	1,866,689	1,888,671	1,583,260	1,623,400	-16.2%	2.5%

Reflective of Police Services Contract with Snoqualmie commencing in 2014
 High jail charges are a result of proactive policing efforts



Legal & Court

Legal Services Responsibilities

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

Court Services Responsibilities

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

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Services & Charges	138,753	217,781	273,200	270,645	153,000	155,500	-44.0%	1.6%
Intergovernmental Services	31,670	34,735	60,100	64,812	60,500	60,500	0.7%	0.0%
Total Expenditures	170,423	252,516	333,300	335,457	213,500	216,000	-35.9%	1.2%



Fire & Emergency Medical Services

Fire Protection & Emergency Services contracted through Eastside Fire & Rescue
 Station 87 services North Bend and Fire District 38

Fire Prevention and Suppression Services

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

Emergency Medical Services (EMS)

- Advanced Life Support
- Basic Life Support

Training

- Firefighting training
- Emergency medical training
- Special operations training

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Personnel Costs	8,469	7,264	-	-	-	-	0.0%	0.0%
Supplies	118	372	-	-	-	-	0.0%	0.0%
Services & Charges	757,589	780,858	821,961	818,754	938,903	1,065,869	14.7%	13.5%
Intergovernmental	-	-	13,137	13,137	-	-	-100.0%	0.0%
Capital Outlay	43,489	47,998	51,667	51,667	59,256	67,280	14.7%	13.5%
Total Expenditures	809,665	836,492	886,765	883,558	998,159	1,133,149	12.6%	13.5%

*Supplies was higher in 2014 due to purchase of mobile radios for Public Works for emergency management communications
 2015 & 2016 Eastside Fire & Rescue charges are based on interlocal agreement*



Central Services

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

Central Services Functions:

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

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Personnel Costs	12,113	10,477	9,892	8,200	8,342	8,680	1.7%	4.1%
Supplies	10,939	9,816	13,500	11,928	11,900	12,450	-0.2%	4.6%
Services & Charges	130,440	106,160	142,686	150,638	136,650	139,158	-9.3%	1.8%
Capital Outlay	3,152	14,678	40,000	39,983	1,983	1,983	-95.0%	0.0%
Total Expenditures	156,644	141,130	206,078	210,749	158,875	162,271	-22.9%	2.1%

2014 Services & Charges was higher due to facility repairs & maintenance at the old Fire Station

Capital Outlay in 2014 was for the generator



Engineering

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

2014 Engineering Accomplishments

- √ Private development review process was streamlined to provide a more efficient and effective process and promote synergy with the Community & Economic Development Department.
- √ Hired a Public Works Project Manager to provide oversight and support to approximately 900 lots on 18 active developments.
- √ Began work on the City's first Public Works Standards for the benefit of developers, civil engineers, consultants and staff to make the development process more transparent, easier to navigate, and simpler to regulate.

2015-2016 Engineering Goals

- ◆ Complete the City's first Public Works Standards.
- ◆ Continue to support private development review to coordinate the approximately 900 lots on 18 active developments.

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Personnel Costs	-	-	43,500	46,458	66,530	71,657	43.2%	7.7%
Capital Outlay	-	-	1,800	905	-	-	-100.0%	0.0%
Total Expenditures	-	-	45,300	47,363	66,530	71,657	40.5%	7.7%

Public Works Project Manager was not hired until late August 2014



Building

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

Building Department Functions:

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

Other Functions:

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

2014 Building Accomplishments

- √ Issued 380 building permits and conducted 1,009 inspections.
- √ Continued proactive efforts in development of the Building department.
- √ Implemented submittal checklists for single family homes, commercial projects and tenant improvements.
- √ Implemented tracking system for permit applications, CED processes, building plan review timelines, and customer response timelines.
- √ Resolved long-standing City code enforcement issues regarding illegal conversion of homes.
- √ Conducted rapid assessment of structures and issued timely permits to allow for damaged structures to re-build quickly following the April 2014 gas explosion in downtown North Bend.
- √ Worked with contractors, engineers and architects during rebuilding phase to address complex issues to ensure projects moved forward while ensuring for public safety.



Building

2015-2016 Building Goals

- ◆ Coordinate with the Human Resources Department to hire the new Building Inspector/Code Enforcement Official.
- ◆ Work towards the full enforcement of the Minimum Maintenance Code requirements within the Historic District of downtown North Bend.
- ◆ Conduct a city-wide code enforcement emphasis.
- ◆ Implement concurrent reviews between the Planning and Building departments.
- ◆ Improve the website content on the Building department page to provide answers to commonly asked questions.
- ◆ Continue to grow professional relationships with builders, elected officials, management, staff and citizens to help ensure good communication of the City's building codes and regulations while helping clients achieve their goals.

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Personnel Costs	181,383	160,427	190,351	177,792	288,885	310,799	62.5%	7.6%
Supplies	2,323	3,446	3,585	3,335	4,100	4,100	22.9%	0.0%
Services & Charges	20,762	49,883	46,460	44,418	35,339	35,509	-20.4%	0.5%
Capital Outlay	-	2,620	-	-	-	-	0.0%	0.0%
Other Financing Uses	5,000	-	-	-	-	-	0.0%	0.0%
Total Expenditures	209,468	216,376	240,396	225,546	328,324	350,408	45.6%	6.7%

Building Inspector position not hired in 2014 resulted in lower Personnel costs

2014 Services & Charges are reflective of utilizing consultants in absence of in-house Building Inspector



Planning

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

Planning Functions

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

Regulatory Functions

- Rezones
- Lot line adjustments
- SEPA review
- Design and landscape review
- Conditional use permits
- Floodplain development permits
- Annexations
- Subdivisions
- Site plans
- Sensitive area review
- Variance/AATS
- Shoreline permits
- Mobile home parks



Planning

2014 Planning Accomplishments

- √ Successful project management of the land use permitting process of approximately 500 new single family lots.
- √ Amended the North Bend Municipal Code updating the Bulk and Dimensional Standards for Low Density Residential.
- √ Provided support to Downtown Plaza and Civic Center planning processes.
- √ Updated Transportation Impact Fees.
- √ Amended the North Bend Municipal Code related to Cottage Residential Zoning.
- √ Amended the Comprehensive Plan Land Use Map and Zoning Map.
- √ Facilitated the Salish Avenue Annexation process.
- √ Amended the North Bend Municipal Code relating to Marijuana Regulations and Zoning.
- √ Approval of key land use and construction permits.

2015-2016 Planning Goals

- ◆ Coordinate to work with developers through the Preliminary Plat process for an estimated total of 668 single family residential lots.
- ◆ Continue the work to complete multiple commercial development projects.
- ◆ Work with the Planning Commission on possible North Bend Municipal Code amendments.
- ◆ Continue to work on Comprehensive Plan and Development Regulation updates for the following elements: Land Use, Critical Areas, Housing, Transportation, Utilities, Capital Facilities, Natural Resources, Economic Development, Shoreline, Energy and Sustainability, and Parks, Recreation, Wildlife Habitat and Open Spaces.
- ◆ Catalog maps available in the GIS Map archives for wider usage by staff and complete the Utility mapping project.
- ◆ Continue to update the Storm Drain database and mapping.
- ◆ Work with the Finance and Public Works departments to complete the restructuring of the Developer Accounting System.

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Personnel Costs	285,534	307,273	339,295	339,692	383,605	400,963	12.9%	4.5%
Supplies	3,452	4,142	5,685	5,121	5,100	5,100	-0.4%	0.0%
Services & Charges	35,419	22,974	36,483	31,676	25,875	26,075	-18.3%	0.8%
Total Expenditures	324,405	334,388	381,463	376,489	414,580	432,138	10.1%	4.2%

Personnel costs were lower in 2014 during to partial year vacancy of Associate Planner position

2014 Services & Charges reflects use of Perteet Engineering for special projects



Parks

Parks Department Functions

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

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Personnel Costs	246,888	247,788	254,252	247,116	232,778	243,704	-5.8%	4.7%
Supplies	3,609	8,996	12,000	5,420	12,000	12,100	121.4%	0.8%
Services & Charges	119,063	123,578	129,874	118,457	130,694	132,762	10.3%	1.6%
Capital Outlay	310	-	-	-	5,000	-	100.0%	-100.0%
Total Expenditures	369,870	380,361	396,126	370,994	380,472	388,566	2.6%	2.1%

Seasonal workers are not included in the 2015-2016 personnel costs



Recreation & Special Events

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

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Services & Charges	25,950	28,139	39,765	38,783	36,500	36,500	-8.2%	0.0%
Total Expenditures	25,950	28,139	39,765	38,783	36,500	36,500	-8.2%	0.0%



Social & Human Services

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

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

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

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Human Services:								
Downtown Association	-	-	21,000	1,400	14,920	-	965.7%	-100.0%
Eastside Baby Corner	1,500	1,500	500	500	500	-	0.0%	-100.0%
Eastside Domestic Violence	1,000	1,000	1,000	1,000	-	-	-100.0%	0.0%
Encompass (Child Services)	12,000	12,000	10,000	10,000	10,000	-	0.0%	-100.0%
Encompass (Econ Development)	-	3,500	3,500	3,500	-	-	-100.0%	0.0%
Friends of the Trail	-	-	5,000	5,000	6,000	-	20.0%	-100.0%
Human Services Reserve	-	-	1,000	-	-	88,000	0.0%	100.0%
King County Search & Rescue	-	-	-	-	1,000	-	100.0%	-100.0%
Mt Si Helping Hands - Food Bank	30,000	30,000	20,000	-	-	-	0.0%	0.0%
Mt. Si Senior Center	30,000	30,000	25,000	25,000	25,000	-	0.0%	-100.0%
Salvation Army	-	2,500	-	-	-	-	0.0%	0.0%
Snoqualmie Valley Rotary	-	3,000	-	-	-	-	0.0%	0.0%
Sno-Valley Indoor Playground	1,000	1,000	1,000	1,000	1,000	-	0.0%	-100.0%
St. Vincent de Paul	2,500	2,500	-	-	-	-	0.0%	0.0%
Total Expenditures	78,000	87,000	88,000	47,400	58,420	88,000	23.2%	50.6%

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Social Services & Pgms:								
Meadowbrook Farm	10,000	10,000	16,667	16,667	10,000	10,000	-40.0%	0.0%
North Bend Historical Museum	2,500	2,500	2,500	2,500	2,500	2,500	0.0%	0.0%
Total Expenditures	12,500	12,500	19,167	19,167	12,500	12,500	-34.8%	0.0%

2016 Human Services grants will be determined by the City Council during the Mid-Biennium Modification

Additional Meadowbrook Farm expenses in 2014 is for City's share of public art project & business plan development



Land & Building Management

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

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Services & Charges	-	755	-	-	-	-	0.0%	0.0%
Intergovernmental Services	-	4,433	4,600	4,325	4,217	4,109	-2.5%	-2.6%
Capital Outlay	-	-	8,954	8,954	-	-	0.0%	0.0%
Total Expenditures	-	5,188	13,554	13,278	4,217	4,109	-68.9%	-2.6%

2014 Capital Outlay was for demolition costs



Non-Departmental

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

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

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Supplies	1,622	1,833	2,000	1,471	2,000	2,000	36.0%	0.0%
Services & Charges	49,774	50,993	61,494	62,445	62,113	64,195	-0.5%	3.4%
Intergovernmental Services	28,947	26,531	34,828	33,226	39,741	42,550	19.6%	7.1%
Total Expenditures	80,343	79,356	98,322	97,142	103,854	108,745	6.9%	4.7%

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



Operating Transfers

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

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Transfer Out to:								
Street Operations Fund (101)	462,018	550,402	625,919	588,791	599,853	602,086	1.9%	0.4%
B&O Tax xfr to Trans Imp Pgm	114,981	125,021	116,000	127,577	116,000	116,000	-9.1%	0.0%
Streets Overlay (103)	125,000	-	100,000	100,000	50,000	50,000	-50.0%	0.0%
Sales Tax xfr to Econ Dev (108)	32,000	32,000	32,000	32,000	32,000	32,000	0.0%	0.0%
Economic Development (108)	37,872	28,589	58,634	39,729	80,738	67,883	103.2%	-15.9%
Park Improvement Fund (116)	26,445	17,261	-	-	-	-	0.0%	0.0%
Tollgate Farmhouse (310)	4,543	-	-	-	-	-	0.0%	0.0%
Fire Station (310)	-	473,846	20,222	20,222	-	-	-100.0%	0.0%
Downtown Plaza (310)	-	100,000	-	-	-	-	0.0%	0.0%
Park Grant to Roundabout (310)	-	3,125	-	-	-	-	0.0%	0.0%
NB/Cedar Roundabout (310)	-	13,700	-	-	-	-	0.0%	0.0%
Torguson Park (310)	-	23,500	-	-	-	-	0.0%	0.0%
Civic Center (310)	1,500	33,000	-	-	-	-	0.0%	0.0%
Downtown Development (310)	-	554,519	-	-	-	-	0.0%	0.0%
Equipment Operations (501)	-	-	462	-	-	-	0.0%	0.0%
Total Expenditures	804,359	1,954,963	953,237	908,319	878,591	867,969	-3.3%	-1.2%





Street Operations Fund

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

Street Department Functions

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

2014 Streets Accomplishments

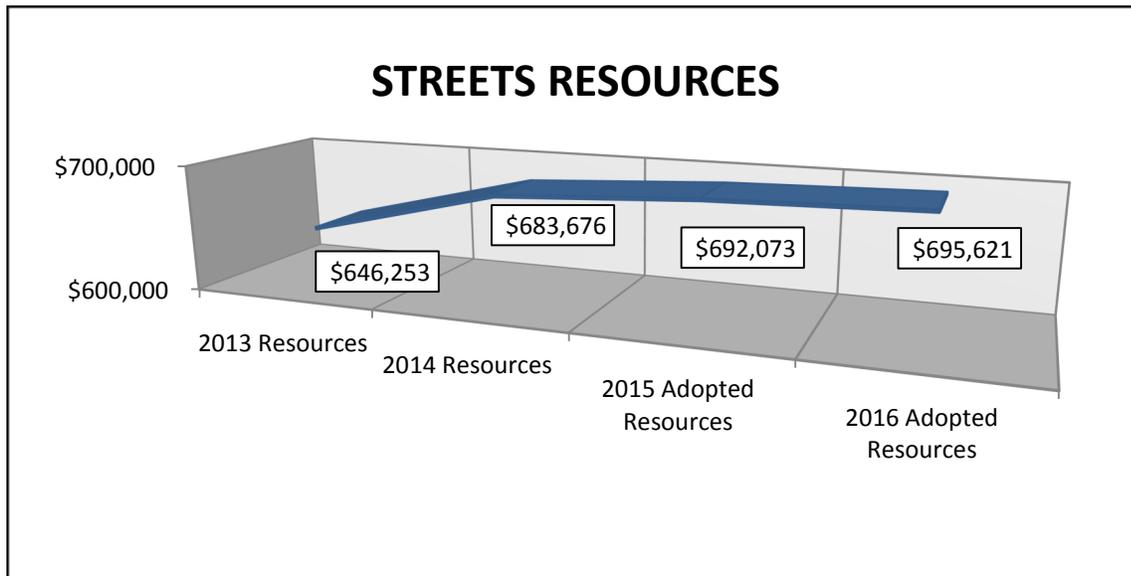
- √ Constructed a new sidewalk on North Bend Way, providing a significant infrastructure improvement in downtown North Bend by adding a safer, wider and more aesthetic sidewalk.
- √ Constructed two pavement overlays.
- √ Repaired sidewalk, asphalt and pavement failures.

2015-2016 Streets Goals

- ◆ Complete the City's first Public Works Standards.
- ◆ Complete pavement rating assessment.
- ◆ Repair curbs, gutters, sidewalks, asphalt and pavement in a timely fashion.



Street Operations Fund



Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Revenues:								
Beginning Fund Balance	-	-	247	247	-	-	-100.0%	0.0%
Licenses & Permits	3,479	7,982	7,200	7,340	6,000	6,000	-18.3%	0.0%
Intergovernmental Revenues	87,117	82,344	82,200	84,439	86,220	87,935	2.1%	2.0%
Misc & Other Fin Sources	4,014	5,525	3,441	3,445	-	-	-100.0%	0.0%
Transfer from General Fund	483,029	550,402	625,919	588,791	599,853	601,686	1.9%	0.3%
Total Revenues	577,640	646,253	719,007	684,261	692,073	695,621	1.1%	0.5%
Expenditures:								
Personnel Costs	257,576	323,872	361,772	360,469	378,497	397,896	5.0%	5.1%
Supplies	13,409	13,033	16,000	13,864	16,500	16,500	19.0%	0.0%
Services & Charges	240,712	259,517	292,480	261,372	244,964	246,248	-6.3%	0.5%
Intergovernmental Services	648	4,500	5,185	5,168	3,351	3,316	-35.2%	-1.0%
Capital Outlay	880	1,617	-	-	5,000	-	100.0%	-100.0%
Debt Service	43,403	43,468	43,570	43,389	43,761	31,661	0.9%	-27.7%
Total Expenditures	556,628	646,007	719,007	684,261	692,073	695,621	1.1%	0.5%
Ending Fund Balance	21,011	247	-	-	-	-	0.0%	0.0%
FUND TOTAL	577,640	646,253	719,007	684,261	692,073	695,621	1.1%	0.5%



Streets Capital Fund

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

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Revenues:								
Beginning Fund Balance	234,235	152,751	77,721	77,721	137,067	133,813	76.4%	-2.4%
Intergovernmental Revenues	38,120	38,733	39,300	39,736	40,575	41,380	2.1%	2.0%
B&O Tax from General Fund	114,981	125,021	116,000	127,577	116,000	116,000	-9.1%	0.0%
Trans from Muni Proj Fund	9,558	-	-	-	-	-	0.0%	0.0%
Total Revenues	396,894	316,504	233,021	245,034	293,642	291,193	19.8%	-0.8%
Expenditures:								
Personnel Costs	21,323	25,938	28,156	24,583	28,667	30,667	16.6%	7.0%
Services & Charges	8,114	19,440	6,174	10,329	1,074	1,096	-89.6%	2.0%
Capital Outlay	310	-	-	-	-	-	0.0%	0.0%
Interfund Transfers	214,398	194,085	113,432	81,000	130,088	133,133	60.6%	2.3%
Total Expenditures	244,145	239,463	147,762	115,911	159,829	164,896	37.9%	3.2%
Ending Fund Balance	152,749	77,041	85,259	129,123	133,813	126,297	3.6%	-5.6%
FUND TOTAL	396,894	316,504	233,021	245,034	293,642	291,193	19.8%	-0.8%



Streets Overlay Fund

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

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Revenues:								
Beginning Fund Balance	78,290	192,401	153,117	153,117	28,392	88,392	-81.5%	211.3%
Intergovernmental Revenues	5,304	232,652	249,020	236,082	-	-	-100.0%	0.0%
Transfer from General Fund	-	-	100,000	100,000	50,000	50,000	-50.0%	0.0%
Transfer from Capital Streets	-	-	-	-	50,000	50,000	100.0%	0.0%
Total Revenues	83,593	425,053	502,137	489,199	128,392	188,392	-76.4%	46.7%
Expenditures:								
Capital Outlay	66,192	271,936	474,026	427,591	40,000	40,000	-90.6%	0.0%
Total Expenditures	66,192	271,936	474,026	427,591	40,000	40,000	-90.6%	0.0%
Ending Fund Balance	17,401	153,117	28,111	61,608	88,392	148,392	43.5%	67.9%
FUND TOTAL	83,593	425,053	502,137	489,199	128,392	188,392	-73.8%	46.7%



Hotel/Motel Lodging Tax Fund

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

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Revenues:								
Beginning Fund Balance	-	-	1,661	1,661	1,661	1,661	0.0%	0.0%
Hotel/Motel Tax	8,689	10,261	8,600	11,359	9,000	48,600	-20.8%	440.0%
Total Revenues	8,689	10,261	10,261	13,020	10,661	50,261	-18.1%	371.4%
Expenditures:								
Services & Charges	-	8,600	8,600	8,600	9,000	9,000	4.7%	0.0%
Total Expenditures	-	8,600	8,600	8,600	9,000	9,000	4.7%	0.0%
Ending Fund Balance	8,689	1,661	1,661	4,420	1,661	41,261	-62.4%	2384.1%
FUND TOTAL	8,689	10,261	10,261	13,020	10,661	50,261	-18.1%	371.4%



Economic Development Fund

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

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Revenues:								
Beginning Fund Balance	-	-	-	-	-	-	0.0%	0.0%
Sales Tax from Gen Fund	32,000	32,000	32,000	32,000	32,000	32,000	0.0%	0.0%
Transfer from General Fund	37,872	28,589	58,634	39,729	80,738	67,883	103.2%	-15.9%
Total Revenues	69,872	60,589	90,634	71,729	112,738	99,883	57.2%	-11.4%
Expenditures:								
Personnel Costs	33,504	34,935	35,779	37,512	42,554	45,544	13.4%	7.0%
Supplies	11,750	418	8,500	11,512	5,500	5,500	-52.2%	0.0%
Services & Charges	23,401	25,147	32,355	22,705	63,184	47,339	178.3%	-25.1%
Capital Outlay	9,906	89	14,000	-	1,500	1,500	100.0%	0.0%
Total Expenditures	78,560	60,589	90,634	71,729	112,738	99,883	57.2%	-11.4%
Ending Fund Balance	(8,689)	-	-	-	-	-	0.0%	0.0%
FUND TOTAL	69,872	60,589	90,634	71,729	112,738	99,883	57.2%	-11.4%



Impact Fees & Mitigation Fund

Impact fees are charged to mitigate the impact of development upon public facilities and can be used only for designated purposes in a limited time from the date of collection. The City currently charges a park impact fee of \$4,054 per residential unit; no park impact fee is currently collected from commercial developments. Also, a Transportation Impact Fee of \$4,645.59 and a Fire Impact Fee of \$622.25 per residential unit are charged.

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Revenues:								
Beginning Fund Balance	106,392	458,159	1,101,585	1,101,584	762,755	887,760	-30.8%	16.4%
Impact Fees	408,536	710,955	302,008	285,238	276,307	782,871	-3.1%	183.3%
Mitigation Payments	30	7,532	20,775	20,775	-	-	-100.0%	0.0%
Misc & Other Fin Sources	606	1,562	-	1,654	-	-	-100.0%	0.0%
Total Revenues	515,564	1,178,208	1,424,368	1,409,250	1,039,062	1,670,631	-26.3%	60.8%
Expenditures:								
Supplies	228	99	-	-	-	-	0.0%	0.0%
Capital Outlay	57,178	71,525	86,500	41,623	10,000	10,000	-76.0%	0.0%
Interfund Transfers	-	5,000	595,683	445,683	141,302	-	-68.3%	-100.0%
Total Expenditures	57,406	76,624	682,183	487,306	151,302	10,000	-69.0%	-93.4%
Ending Fund Balance	458,159	1,101,584	742,185	921,945	887,760	1,660,631	-3.7%	87.1%
FUND TOTAL	515,564	1,178,208	1,424,368	1,409,250	1,039,062	1,670,631	-26.3%	60.8%



Park Improvement Fund

Park Improvement Fund

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

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Revenues:								
Beginning Fund Balance	36,432	33,541	33,982	33,982	53,453	65,453	57.3%	22.4%
KC Parks & Trails Levy	12,733	17,840	12,000	8,611	12,000	12,000	39.4%	0.0%
Intergovernmental/Grants	4,000	-	34,087	52,092	50,645	-	-2.8%	-100.0%
Misc & Other Fin Sources	2,264	-	-	-	-	-	0.0%	0.0%
Transfer from General Fund	-	17,261	-	-	-	-	0.0%	0.0%
Total Revenues	55,429	68,642	80,069	94,685	116,098	77,453	22.6%	-33.3%
Expenditures:								
Capital Outlay	31,539	21,721	33,000	29,862	50,645	-	69.6%	-100.0%
Interfund Transfers	16,793	12,938	-	-	-	-	0.0%	0.0%
Total Expenditures	48,333	34,660	33,000	29,862	50,645	-	69.6%	-100.0%
Ending Fund Balance	7,096	33,982	47,069	64,823	65,453	77,453	1.0%	18.3%
FUND TOTAL	55,429	68,642	80,069	94,685	116,098	77,453	22.6%	-33.3%



Development Projects Fund

Development Projects Fund

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

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Revenues:								
Beginning Fund Balance	84,280	144,548	151,916	151,916	45,416	48,886	-70.1%	7.6%
Developer Deposits	226,464	281,994	325,300	304,633	355,000	360,000	16.5%	1.4%
Total Revenues	310,744	426,542	477,216	456,548	400,416	408,886	-12.3%	2.1%
Expenditures:								
Services & Charges	130,527	213,227	252,500	242,300	245,000	245,000	1.1%	0.0%
Interfund Transfers	35,669	61,399	113,000	90,750	106,530	111,657	17.4%	4.8%
Total Expenditures	166,196	274,626	365,500	333,050	351,530	356,657	5.5%	1.5%
Ending Fund Balance	144,548	151,916	111,716	123,499	48,886	52,229	-60.4%	6.8%
FUND TOTAL	310,744	426,542	477,216	456,548	400,416	408,886	-12.3%	2.1%





Revenue Debt

Revenue Debt is a bond issue or loan whose principal and interest are payable exclusively from the revenue of a utility fund (i.e. Water, Sewer, Solid Waste, Storm Drain). There is no limit on the amount of Revenue debt a city may issue. However, the utilities must demonstrate a capacity to fund two-times the debt payments required. After the 2015 payments are applied, total outstanding Revenue Debt will be \$20,314,231.00.

Public Works Trust Fund (PWTF) Loans

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

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

4 NB Water Source Development:

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

4 NB Water Source Development			2015	2016	2017	2018	2019
PWTF Loans	3,398,267	Beginning Balance	1,554,285	1,424,761	1,295,238	1,165,714	1,036,190
4 NB Water Source Development		Draws					
Fund 401 & 411	0.5%	Interest	7,771	7,124	6,276	5,829	5,181
		Principal	129,524	129,524	129,524	129,524	129,524
<i>Payoff Year: 2026</i>		Total Payment per Year	137,295	136,648	135,800	135,353	134,705
PW-06-962-029		Remaining Balance	1,424,761	1,295,237	1,165,714	1,036,190	906,666

415th Ave SE Water Main Replacement

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

415th Ave SE Water Main Replacement			2015	2016	2017	2018	2019
PWTF Loans	1,226,000	Beginning Balance	523,664	1,142,832	1,075,032	1,007,233	939,433
	1.00%	Draws	686,968				
		Interest	12,204	11,526	10,848	10,170	9,492
Fund 401		Principal	67,800	67,800	67,800	67,800	67,800
<i>Payoff Year: 2034</i>		Total Payment per Year	80,004	79,326	78,648	77,970	77,292
		Remaining Balance	1,142,832	1,075,032	1,007,233	939,433	871,633



Revenue Debt - continued

Washington State Revolving Fund Loans (SRF):

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

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

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

I&I Project - Phase 1			2015	2016	2017	2018
Loan: State Revolving Fund (SRF)	902,061	Beginning Balance	231,008	176,970	120,528	61,575
Fund 402	4.40%	Interest	9,576	7,173	4,662	2,039
		Principal	54,038	56,442	58,953	61,575
		Total Payment per Year	63,614	63,614	63,614	63,615
<i>Payoff Year: 2018</i>		Remaining Balance	176,970	120,528	61,575	(0)

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

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

I&I Project - Phase 2			2015	2016	2017	2018	2019
Loan: State Revolving Fund (SRF)	938,850	Beginning Balance	335,001	299,964	264,400	228,301	191,658
Fund 402	1.50%	Interest	4,894	4,367	3,831	3,288	2,736
		Principal	35,036	35,564	36,099	36,643	37,195
		Total Payment per Year	39,931	39,931	39,931	39,931	39,931
<i>Payoff Year: 2023</i>		Remaining Balance	299,964	264,400	228,301	191,658	154,464

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

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

WWTP Phase 2 (A, B & C)			2015	2016	2017	2018	2019
Loan: State Revolving Fund (SRF)	2,531,462	Beginning Balance	1,381,831	1,252,754	1,121,733	988,740	853,744
	1.50%	Draw					
CCWF-DOE - Fund 402		Interest	20,245	18,302	16,329	14,327	12,294
Washington State		Principal	129,077	131,021	132,993	134,996	137,028
Water Pollution Control (SRF)		Total Payment per Year	149,322	149,322	149,322	149,322	149,322
<i>Payoff Year: 2024</i>		Remaining Balance	1,252,754	1,121,733	988,740	853,744	716,716

Drinking Water CT Piping Project:

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

Drinking Water CT Piping Project			2015	2016	2017	2018	2019
Loan: State Revolving Fund (SRF)	226,220	Beginning Balance	142,876	130,970	119,063	107,157	95,251
		Draw					
Fund 401	1.50%	Interest	2,143	1,965	1,786	1,607	1,429
		Principal	11,906	11,906	11,906	11,906	11,906
<i>Payoff Year: 2026</i>		Total Payment per Year	14,049	13,871	13,692	13,514	13,335
Loan #05-96300-018		Remaining Balance	130,970	119,063	107,157	95,251	83,344



Revenue Debt - continued

Bond Issues:

2006 Storm Drain (Priority 1)

\$1,500,000 worth of Bonds was issued in 2006 for construction of the Priority One Storm Drain Improvements. All bonds will be redeemed by 2026; interest is 4.45% (Average coupon).

2006 Storm Drain (Priority 1)			2015	2016	2017	2018	2019
Bond Issue	1,500,000	Beginning Balance	1,050,000	980,000	910,000	835,000	760,000
	4.45%	Interest	48,036	45,026	41,980	38,680	35,344
Fund 414-100-008	(AVG Coupon)	Principal	70,000	70,000	75,000	75,000	80,000
Payoff Year: 2026		Total Payment per Year	118,036	115,026	116,980	113,680	115,344
BONY:		Remaining Balance	980,000	910,000	835,000	760,000	680,000

2010 Water & Sewer Refunding

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

2010 Water & Sewer Refunding			2015	2016	2017	2018	2019
Bond Issue	2,890,000	Beginning Balance	1,765,000	1,450,000	1,235,000	1,010,000	775,000
Parks (REET), Streets, Water, SEWER, Storm, SHOP (6-total)	3.45%	Interest	74,488	66,613	55,863	44,613	32,863
Payoff Year: 2021	Sewer = 43.91%	Principal	315,000	215,000	225,000	235,000	250,000
BONY:	Others = 11.22%	Total Payment per Year	389,488	281,613	280,863	279,613	282,863
		Remaining Balance	1,450,000	1,235,000	1,010,000	775,000	525,000

Local Improvement District (LID) #6

A Bond Anticipation Note from Bank of America was the financing tool used in 2008, 2009 and 2010 by the City to pay for the construction of sewer collection and pumping stations and other infrastructure necessary to extend the sewer system. The Local Improvement District #6 Bond Redemption Fund tracks assessments to the property owners and payment of both interest and principal for the bonds issued by the City. The bonds were issued in the amount of \$16,985,000 upon project completion in 2012. The bonds will be paid off in 2031.

LIMITED IMPROVEMENT DISTRICTS (ULID) #6			2015	2016	2017	2018	2019
Fund 451	16,985,000	Beginning Balance	15,285,000	14,435,000	13,585,000	12,735,000	11,885,000
Sewer Expansion/Tanner Annexation	3.62%	Interest	641,413	624,413	607,413	590,413	556,413
Payoff Year: 2031		Principal	850,000	850,000	850,000	850,000	850,000
		Total Payment per Year	1,491,413	1,474,413	1,457,413	1,440,413	1,406,413
		Remaining Balance	14,435,000	13,585,000	12,735,000	11,885,000	11,035,000



General Obligation (GO) Debt

GO debt is a bond issue or loan that rely on the full faith and credit of the City of North Bend for repayment; typically property taxes and all other taxes. For General Obligation debt, the City is restricted to a debt capacity of 2½% of the current assessed valuation. Of the 2½%, up to 1½% may be Councilmanic Bonds (passed by a vote of the Councilmembers) and the additional 1% must to be approved by the general public or the public can approve the entire 2½%.

After the 2015 principal payments are applied, total outstanding General Obligation Debt will be \$4,685,000.00

	Non-Voted	Voted
City's Assessed Valuation for 2014: \$1,020,879,410	1.50%	2.5% (less non-voted)
General Obligation Debt Capacity – 2015	\$15,313,191	\$25,521,985
Outstanding General Obligation Debt as of 12/31/2014	\$3,123,467	\$3,123,467 (non-voted debt)
Remaining Debt Capacity Available as of 1/01/2015	\$12,189,724	\$22,398,518

Voter Approved Bonds

Fire Station:

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

2011 UTGO FIRE STATION			2015	2016	2017	2018	2019
Bond Issue	2,250,000	Beginning Balance	2,005,000	1,905,000	1,805,000	1,705,000	1,605,000
	AVG 4.18%	Interest	83,075	80,975	78,475	75,475	72,475
Fund 216		Principal	100,000	100,000	100,000	100,000	105,000
<i>Payoff Year: 2030</i>		Total Payment per Year	183,075	180,975	178,475	175,475	177,475
		Remaining Balance	1,905,000	1,805,000	1,705,000	1,605,000	1,500,000

2012 LTGO, TBD: Boalch & Pickett

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

2012 LTGO, TBD: Boalch & Pickett			2015	2016	2017	2018	2019
Bond Issue	1,305,000	Beginning Balance	930,000	805,000	680,000	550,000	420,000
	All-In Interest AVG 2.27%	Interest	22,775	20,275	17,775	15,175	11,925
Fund 217		Principal	125,000	125,000	130,000	130,000	135,000
<i>Payoff Year: 2021</i>		Total Payment per Year	147,775	145,275	147,775	145,175	146,925
BONY: NORLTGO12		Remaining Balance	805,000	680,000	550,000	420,000	285,000



General Obligation (GO) Debt

2010 LTGO

Refinancing of the Tollgate Bond and the Bank of America line of credit used for the purchase of property for the Downing Street Extension and Park & Ride Projects. The total LTGO Bond is for \$2,510,000 the interest rate is 3.56% and payoff is scheduled in 2030.

2010 LTGO		2015	2016	2017	2018	2019	
Properties Purchase, Tollgate Refi	2,510,000	Beginning Balance	2,100,000	1,975,000	1,850,000	1,725,000	1,590,000
Street & Sewer Prop, Tollgate Refi		Tollgate Non-Callable Interest					
	3.56%	Tollgate Non-Callable Principal					
Fund 215		LTGO Tollgate Callable Interest	38,788	36,538	34,438	32,188	29,788
		LTGO Tollgate Callable Principal	75,000	70,000	75,000	80,000	80,000
	13%Sewer(402);87%REET/GF	LTGO Credit Line Interest	42,055	40,555	38,905	37,405	35,755
	13%Sewer(402);87%REET/GF	LTGO Credit Line Principal	50,000	55,000	50,000	55,000	55,000
Payoff Year: 2030		Total Payment per Year	205,843	202,093	198,343	204,593	200,543
Refinanced BOA Credit Line & Tollgate Bd		Remaining Balance	1,975,000	1,850,000	1,725,000	1,590,000	1,455,000





2015-2016 Capital Projects Summary

Project Name	Total Budget	2015 Expenditures	2016 Expenditures	Funding Source	Description
Fund 103 (Streets Overlay)					
Chip Seal Program	40,000	20,000	20,000	Overlay	Chip Seal Program
Crack Seal Program	40,000	20,000	20,000	Overlay	Crack Seal Program
Streets Overlay Projects Total	\$ 80,000	\$ 40,000	\$ 40,000		
Fund 116 (Park Improvement Projects)					
Riverfront Park & Ribary Creek Invasive Weed Removal	14,745	14,745	-	King Conservation Dist/Park Impact Fees	Invasive weed control and planting at Riverfront Park and Ribary Creek
Tollgate Farmhouse Ivy Removal	35,900	35,900	-	KC Cooperative Watershed Mgmt Program/Park Impact Fees	Planting native conifer trees on the NE quadrant of the Tollgate Fame East Bookend which borders the south fork of the Snoqualmie River.
Park Improvement Projects Total	\$ 50,645	\$ 50,645	\$ -		
Fund 310 (General Projects)					
Tanner Trail Phase II	20,000	20,000	-	KC Conservation Futures/Park Impact Fees	Obtain an appraisal of the existing BNRR properties along North Bend Way for their future acquisition as the second phase of Tanner Trail from the existing roundabout to the intersection with the Snoqualmie Valley Trail.
Civic Center	15,500	15,500	-	GF	Civic Center Feasibility study to determine the City's space requirements, assess our existing facilities and create alternative facility scenarios and calculate financing options.
NB Way/Park St Roundabout	208,542	208,542	-	WSDOT Grant/TBD	Start design of a roundabout at this intersection and a median between this intersection and the existing roundabout at North Bend Way/Cedar Falls Way, all to decrease congestion and minimize conflicting traffic movements.
Cedar Falls Way Sidewalk	120,000	120,000	-	REET	Design and construct a trail/sidewalk from round-about to Mountain View.
Bendigo Blvd at Park Street Right Turn Lane	160,683	-	160,683	Street Impact Fees	Design and construct a right turn lane at the intersection of Bendigo Blvd and Park Street.
NE 12th Street Reconstruction	66,000	66,000	-	Streets Capital/ Storm Capital	Design of street and storm improvements for NE 12th Street between Ballarat Avenue NE and Pickett Avenue NE.
Torguson Park Trails & Plaza	254,700	254,700	-	GF/Park Impact Fees	Construction of a trail network and plaza at Torguson Park. The Trail will provide a stable all-weather surface to connect the various facilities within the park and a loop trail with ¼ mile markers for joggers. The plaza, at the terminus of the parking area near the tot-lot and future picnic shelter
Torguson Park Bathrooms	250,000	250,000	-	Parks Impact Fees	Design and construct new bathrooms at Torguson Park
EJ Roberts Park Bridge	35,000	35,000	-	Parks Impact Fees	Design and construct new bridge at EJ Roberts Park
Municipal Projects Total	\$ 1,130,425	\$ 969,742	\$ 160,683		
Water					
Water Main Replacement	5,000	5,000	-	PWTF Loan/Water Capital	Replace 4,300 linear feet of 8-inch asbestos cement water main in 415th Avenue SE with new 12-inch ductile iron pipe.
<i>Water Total</i>	5,000	5,000	-		
Sewer					
WWTP Emergency Repairs	236,586	236,586	-	Sewer Capital	Emergency repairs to the wastewater treatment plant.
South Fork Lift Station Capacity Imp.	50,000	50,000	-	Sewer Capital	Upgrade Capacity at the South Fork Lift Station
<i>Sewer Total</i>	286,586	236,586	-		
Storm					
Ribary Creek Basin Analysis	5,000	5,000	-	Storm Capital	Provide a report outlining existing drainage basins, research and calculations including recommendations to resolve existing and future drainage problems.
<i>Storm Total</i>	5,000	5,000	-		
UTILITIES Capital Projects Total	\$ 296,586	\$ 246,586	\$ -		



2015-2016 Capital Projects Fund

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Revenues:								
Beginning Fund Balance	-	283,322	939,997	939,996	1,105,183	615,635	17.6%	-44.3%
Intergovernmental/Grants	2,126,870	1,983,159	392,000	147,084	127,350	-	-13.4%	-100.0%
Misc & Other Fin Sources	-	996	-	2,601	-	-	-100.0%	0.0%
Transfer from General Fund (001)	6,043	1,201,690	-	20,222	-	-	-100.0%	0.0%
Transfer from Capital Streets (102)	97,937	113,908	32,432	-	-	-	0.0%	0.0%
Trans from Park Impact Fees (106)	-	5,000	285,000	285,000	144,302	-	-49.4%	-100.0%
Trans from Trans Impact Fees (10)	-	-	160,683	160,683	-	-	-100.0%	0.0%
Transfer from Park Imp Fund (116)	16,793	12,500	-	-	-	-	0.0%	0.0%
Transfer from Fire Bond Fund (21)	1,188,215	1,162,088	-	-	-	-	0.0%	0.0%
Transfer from Cap Imp Fund (320)	-	3,282	148,440	120,853	208,542	-	72.6%	-100.0%
Total Revenues	3,435,858	4,765,944	1,958,552	1,676,439	1,585,377	615,635	-5.4%	-61.2%
Expenditures:								
Park & Ride	64,824	-	-	-	-	-	0.0%	0.0%
ADA Curb Ramp Installations	4,792	-	-	-	-	-	0.0%	0.0%
Tollgate Farmhouse Renovation	4,978	-	-	-	-	-	0.0%	0.0%
Mt Si Complex Sidewalk Rail	14,981	-	-	-	-	-	0.0%	0.0%
Tanner Trail Phase II	-	2,409	25,000	-	20,000	-	100.0%	-100.0%
Boalch Trail	16,793	-	-	-	-	-	0.0%	0.0%
Fire Station	2,170,199	2,843,601	55,947	55,947	-	-	-100.0%	0.0%
NB Way Sidewalks	13,300	33,383	263,828	245,864	-	-	-100.0%	0.0%
Civic Center	1,500	21,668	10,350	3,100	15,500	-	400.0%	-100.0%
Pickett Street Reconstruction	568,231	153,388	-	-	-	-	0.0%	0.0%
Boalch Street Reconstruction	475,909	34,313	-	-	-	-	0.0%	0.0%
NB Way/Park Roundabout Design	-	3,282	228,440	853	208,542	-	100.0%	-100.0%
Downtown Plaza	-	3,373	140,000	39,439	-	-	-100.0%	0.0%
NB Way/C Falls R/about Landscap	-	-	-	-	-	-	0.0%	0.0%
Cedar Falls Way Sidewalk	-	-	120,000	-	120,000	-	100.0%	-100.0%
Bendigo @ Park Right Turn Lane	-	-	160,683	-	-	160,683	0.0%	100.0%
NE 12th Street Reconstruction	-	-	30,000	65,822	66,000	-	0.3%	-100.0%
Torguson Park Trails & Plaza	-	-	-	43	254,700	-	100.0%	-100.0%
William H. Taylor Park Entry	-	-	5,000	-	-	-	0.0%	0.0%
Torguson Park Bathrooms	-	-	250,000	-	250,000	-	100.0%	-100.0%
E.J. Roberts Park Bridge Replace	-	-	35,000	7,168	35,000	-	388.3%	-100.0%
Fire Station Tenant Improvements	-	-	28,000	28,000	-	-	-100.0%	0.0%
Glazier Lot Improvements	-	-	56,050	58,706	-	-	-100.0%	0.0%
Transfer to General Fund	14,115	471,280	137,200	137,200	-	-	-100.0%	0.0%
Transfer to Capital Streets (102)	9,558	242	45,000	45,000	-	-	-100.0%	0.0%
Transfer to Fire Bond Fund (216)	76,680	259,009	-	-	-	-	0.0%	0.0%
Total Expenditures	3,435,858	3,825,948	1,590,498	687,142	969,742	160,683	41.1%	-83.4%
Ending Fund Balance	-	939,996	368,054	989,297	615,635	454,952	67.3%	-26.1%
FUND TOTAL	3,435,858	4,765,944	1,958,552	1,676,439	1,585,377	615,635	-19.1%	-61.2%

Park Improvement Projects

Project Name: Riverfront Park and Ribary Creek Invasive Weed Control
Project Number: 116-000-000-594-76-61-05
Project Location: Riverfront Park & Ribary Creek



Project Description:
 Invasive weed control and planting at Riverfront Park and Ribary Creek

Budget Notes:
 Combination Park Impact Fees and King Conservation District Grant

Project Financial Summary

2014			Forecast					
Project Costs	2014 Budget	2014 Actual	2015	2016	2017	2018	2019	Total 2014-2019
City Staff								
Design & Engineering								
Construction Mgmt.								
R-O-W Acquisition								
Construction			14,745					14,745
Contingency								
Total Project Costs			\$14,745					\$14,745
Project Funding								
Non City Funds								
Federal								
State								
County	8,544	8,544	14,745					23,289
Subtotal	\$8,544	\$8,544	\$14,745					23,289
City Funds								
Impact Fees Fund								
SWM Fund								
REET Fund								
Street Fund								
Parks Fund								
Water Fund								
General Fund								
Subtotal								
Other Contributors								
STP								
Subtotal								
Total Project Revenue	\$8,544	\$8,544	\$14,745					\$23,289

Park Improvement Projects

Project Name: Tollgate Farmhouse Ivy Removal
Project Number: 116-000-000-594-76-61-06
Project Location: Tollgate Farmhouse



Project Description:
 Planting native conifer trees on the NE quadrant of the Tollgate Fame East Bookend which borders the south fork of the Snoqualmie River.

Budget Notes:
 Combination Park Impact Fees and KC Cooperative Watershed Management Grant

Project Financial Summary

2014		Forecast						
	2014 Budget	2014 Actual	2015	2016	2017	2018	2019	Total 2014-2019
Project Costs								
City Staff								
Design & Engineering								
Construction Mgmt.								
R-O-W Acquisition								
Construction	33,000	29,862	35,900					68,900
Contingency								
Total Project Costs	\$33,000	\$29,862	\$35,900					\$68,900
Project Funding								
Non City Funds								
Federal								
State								
County	25,543	43,548	35,900					61,443
Subtotal	\$25,543	\$43,548	\$35,900					61,443
City Funds								
Impact Fees Fund								
SWM Fund								
REET Fund								
Street Fund								
Parks Fund								
Water Fund								
General Fund								
Subtotal								
Other Contributors								
STP								
Subtotal								
Total Project Revenue	\$25,543	\$43,548	\$35,900					\$61,443

Transportation Capital Projects

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

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

Budget Notes:
Community Development Block Grant with a 50% City match



Project Financial Summary

2014			Forecast					
Project Costs	2014 Budget	2014 Actual	2015	2016	2017	2018	2019	Total 2014-2019
City Staff								
Design & Engineering	25,000							25,000
Construction Mgmt.								
R-O-W Acquisition			20,000					20,000
Construction								
Contingency								
Total Project Costs	\$25,000		\$20,000					\$45,000
Project Funding								
<u>Non City Funds</u>								
Federal								
State								
Grants to pursue								
Subtotal								
<u>City Funds</u>								
Impact Fees Fund								
SWM Fund								
REET Fund								
Street Fund								
Parks Fund			10,000					10,000
General Fund								
Subtotal			\$10,000					\$10,000
<u>Other Contributors</u>								
CDBG			10,000					10,000
Subtotal			\$10,000					\$10,000
Total Project Revenue			\$20,000					\$20,000

Transportation Capital Projects

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



Project Description:
 Design project to reconstruct all or portions of roadway. Install one new culvert parallel to an existing undersized culvert and replace undersized culvert with larger culvert(s).

Budget Notes:
 Combination Streets and Storm

Project Financial Summary

2014			Forecast					
Project Costs	2014 Budget	2014 Actual	2015	2016	2017	2018	2019	Total 2014-2019
City Staff								
Design & Engineering	30,000	65,822	66,000					96,000
Construction Mgmt.						50,000		50,000
R-O-W Acquisition								
Construction						1,000,000		1,000,000
Contingency								
Total Project Costs	\$30,000	\$65,822	\$66,000			\$1,050,000		\$1,146,000
Project Funding								
Non City Funds								
Federal								
State								
Grants to pursue								
Subtotal								
City Funds								
Impact Fees Fund								
SWM Fund			6,600					6,600
REET Fund								
Street Fund			59,400					59,400
Parks Fund								
Water Fund								
General Fund								
Subtotal			\$66,000					\$66,000
Other Contributors								
STP								
Subtotal								
Total Project Revenue			\$66,000					\$66,000

Transportation Capital Projects

Project Name: Park/Downing/NB Way Roundabout
Project Number: 310-100-003/T-008
Project Location: East North Bend Way - Park St to Cedar Falls Way



Project Description:
 Design roundabout at the intersection of East North Bend Way. Includes access control median from Park Street to Cedar Falls Way. Includes water line replacement in same vicinity.

Budget Notes:
 Combination of federal STP and City streets and water funds.

Project Financial Summary

2014			Forecast					
Project Costs	2014 Budget	2014 Actual	2015	2016	2017	2018	2019	Total 2014-2019
City Staff								
Design & Engineering	228,440	853	208,542					436,982
Construction Mgmt.								
R-O-W Acquisition								
Construction								
Contingency								
Total Project Costs	\$228,440	\$853	\$208,542					\$436,982
Project Funding								
Non City Funds								
Federal	200,000		180,389					380,389
State								
Grants to pursue								
Subtotal	\$200,000		\$180,389					380,389
City Funds								
Impact Fees Fund								
SWM Fund								
REET Fund	28,440	853						28,440
Street Fund			26,746					26,746
Parks Fund								
Water Fund			1,408					1,408
General Fund								
Subtotal	\$28,440	\$853	\$28,153					56,593
Other Contributors								
STP								
Subtotal								
Total Project Revenue	\$228,440	\$853	\$208,542					\$437,835

Transportation Capital Projects

Project Name: CEDAR FALLS SIDEWALK
Project Number: 310-100-007/T-011
Project Location: CEDAR FALLS WAY BETWEEN CFW ROUNDABOUT AND MT VIEW BLVD



Project Description:
 Design and construct new sidewalk on south side of Cedar Falls Way from Cedar Falls Way Roundabout to Mountain View Boulevard.

Budget Notes:
 Project has not yet begun. PW will attempt to design and construct project in 2015. Project's budget was apparently \$120,000, but this project appears to be closer to being a \$180,000 project in reality.

Project Financial Summary

2014			Forecast					
Project Costs	2014 Budget	2014 Actual	2015	2016	2017	2018	2019	Total 2014-2019
City Staff								
Design & Engineering			20,000					20,000
Construction Mgmt.			10,000					10,000
R-O-W Acquisition								
Construction	120,000		90,000					210,000
Contingency								
Total Project Costs	\$120,000		\$120,000					\$240,000
Project Funding								
Non City Funds								
Federal								
State								
Grants to pursue								
Subtotal								
City Funds								
Impact Fees Fund			120,000					120,000
SWM Fund								
REET Fund	120,000	120,000						120,000
Street Fund								
Parks Fund								
General Fund								
Subtotal	\$120,000	\$120,000	\$120,000					\$240,000
Other Contributors								
WSDOT/TBD								
Subtotal								
Total Project Revenue	\$120,000	\$120,000	\$120,000					\$240,000

Transportation Capital Projects

Project Name: BENDIGO RIGHT TURN LANE
Project Number: 310-100-008/T-010
Project Location: NORTHBOUND BENDIGO RIGHT TURN LANE ONTO PARK STREET

Project Description:
 Design and construct new right turn lane from Bendigo to Park Street.
 Road tapering will begin just north of South Fork Bridge.

Budget Notes:
 Project will begin on January 1, 2015. PW will attempt to design and construct project in 2015. Project's budget has apparently been \$120,000, but this project appears to be closer to being a \$200,000 project in reality, where the construction costs will be \$160,000 not \$80,000.



Project Financial Summary

2014			Forecast					Total 2014-2019
Project Costs	2014 Budget	2014 Actual	2015	2016	2017	2018	2019	
City Staff								
Design & Engineering				30,000				30,000
Construction Mgmt.				10,000				10,000
R-O-W Acquisition				120,683				120,683
Construction	160,683							160,683
Contingency								-
Total Project Costs	\$160,683			\$160,683				\$321,366
Project Funding								
Non City Funds								
Federal								
State								
Grants to pursue								
Subtotal								
City Funds								
Impact Fees Fund	160,683	160,683		160,683				321,366
SWM Fund								
REET Fund								
Street Fund								
Parks Fund								
General Fund								
Subtotal	\$160,683	\$160,683		\$160,683				\$321,366
Other Contributors								
WSDOT/TBD								
Subtotal								
Total Project Revenue	\$160,683	\$160,683		\$160,683				\$321,366

Parks Capital Projects

Project Name: EJ Roberts Park Bridge Replacement
Project Number: 310-200-004/P-003
Project Location: EJ ROBERTS PARK

Project Description:

Design and construct a new pedestrian-only bridge across a flood channel in the southwest portion of the park. Existing failed wooden bridge will need to be demolished and hauled away.

Budget Notes:

PW is currently evaluating bridge replacement types, so the costs of materials and labor are not yet known.



Project Financial Summary

2014			Forecast					
Project Costs	2014 Budget	2014 Actual	2015	2016	2017	2018	2019	Total 2014-2019
City Staff								
Design & Engineering								
Construction Mgmt.			2,000					2,000
R-O-W Acquisition								
Construction	35,000	7,168	33,000					68,000
Contingency								
Total Project Costs	\$35,000	\$7,168	\$35,000					\$70,000
Project Funding								
<u>Non City Funds</u>								
Federal								
County								
Grants to pursue								
Subtotal								
<u>City Funds</u>								
Park Impact Fees Fund	\$35,000	\$35,000	35,000					70,000
SWM Fund								
REET Fund								
Street Fund								
Parks Fund								
General Fund								
Subtotal	\$35,000	\$35,000	\$35,000					\$70,000
<u>Other Contributors</u>								
Other								
Subtotal								
Total Project Revenue	\$35,000	\$35,000	\$35,000					\$70,000

Parks Capital Projects

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

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

Budget Notes:
 PW Director would like to begin this survey and design in late November 2014 (following Council approval on 11/18/2014 of a topo and boundary survey and landscape design contract), so that there is an increased likelihood of construction occurring in 2015.



Project Financial Summary

2014			Forecast					
Project Costs	2014 Budget	2014 Actual	2015	2016	2017	2018	2019	Total 2014-2019
City Staff								
Design & Engineering			54,700					54,700
Construction Mgmt.			10,000					10,000
R-O-W Acquisition								
Construction		43	190,000					190,000
Contingency								
Total Project Costs		\$43	\$254,700					\$254,700
Project Funding								
Non City Funds								
Federal								
County			127,350					127,350
Grants to pursue								
Subtotal			\$127,350					\$127,350
City Funds								
Impact Fees Fund			127,350					127,350
SWM Fund								
REET Fund								
Street Fund								
Parks Fund								
General Fund								
Subtotal			\$127,350					\$127,350
Other Contributors								
WSDOT/TBD								
Subtotal								
Total Project Revenue			\$254,700					\$254,700

Parks Capital Projects

Project Name: **TORGUSON BATHROOM AND CONCESSIONS BUILDING**
Project Number: P-002
Project Location: TORGUSON PARK

Project Description:

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

Budget Notes:

PW Dept. is working on this project concurrently with the Torguson Plaza and Trail project. Building will need to be floodproofed which will add to the project costs. PW Director is negotiating with insurance on damage claim from former parks building damaged in April 2014 explosion.



Project Financial Summary

2014			Forecast					
Project Costs	2014 Budget	2014 Actual	2015	2016	2017	2018	2019	Total 2014-2019
City Staff								
Design & Engineering								
Construction Mgmt.								
R-O-W Acquisition								
Construction	250,000		250,000					500,000
Contingency								
Total Project Costs	\$250,000		\$250,000					\$500,000
Project Funding								
Non City Funds								
Federal								
County								
Grants to pursue								
Subtotal								
City Funds								
Park Impact Fee Fund	250,000	250,000	250,000					500,000
SWM Fund								
REET Fund								
Street Fund								
Parks Fund								
General Fund								
Subtotal	\$250,000	\$250,000	\$250,000					\$500,000
Other Contributors								
Damage Claim								85,000
Subtotal								\$85,000
Total Project Revenue	\$250,000	\$250,000	\$250,000					\$585,000

Capital Improvement Projects

Project Name: Civic Center
Project Number: 310-300
Project Location:

Project Description:

Civic Center Feasibility study to determine the City's space requirements, assess our existing facilities and create alternative facility scenarios and calculate financing options.

Budget Notes:

General Fund is the funding source for preliminary costs.

Project Financial Summary

2014			Forecast					
Project Costs	2014 Budget	2014 Actual	2015	2016	2017	2018	2019	Total 2014-2019
City Staff								
Design & Engineering	10,350	3,100	15,500					25,850
Construction Mgmt.								
R-O-W Acquisition								
Construction								
Contingency								
Total Project Costs	\$10,350	\$3,100	\$15,500					\$25,850
Project Funding								
<u>Non City Funds</u>								
Federal								
State								
County								
Subtotal								
<u>City Funds</u>								
Impact Fees Fund								
SWM Fund								
REET Fund								
Street Fund								
Parks Fund								
Water Fund								
General Fund			15,500					15,500
Subtotal			\$15,500					\$15,500
<u>Other Contributors</u>								
STP								
Subtotal								
Total Project Revenue			\$15,500					\$15,500

Water Capital Projects

Project Name: 415th Water Main Replacement
Project Number: 401-200-003

Project Description:
 Replace 4,300 linear feet of 8-inch asbestos cement water main in 415th Avenue SE with new 12-inch ductile iron pipe.

Budget Notes:
 Combination of Water Capital and PWTf Loan



Project Financial Summary

2014			Forecast					
Project Costs	2014 Budget	2014 Actual	2015	2016	2017	2018	2019	Total 2014-2019
City Staff								
Design & Engineering								
Construction Mgmt.								
R-O-W Acquisition								
Construction	1,133,000	977,672	5,000					1,138,000
Contingency								
Total Project Costs	\$1,133,000	\$977,672	\$5,000					\$1,138,000
Project Funding								
Non City Funds								
Federal								
State								
County								
Subtotal								
City Funds								
Impact Fees Fund								
SWM Fund								
REET Fund								
Street Fund								
Parks Fund								
Water Fund	132,000		5,000					137,000
General Fund								
Subtotal	\$132,000		\$5,000					\$137,000
Other Contributors								
PWTf	1,000,000	529,266						1,000,000
Subtotal	\$1,000,000	\$529,266						1,000,000
Total Project Revenue	\$1,132,000	\$529,266	\$5,000					\$1,666,266

Sewer Capital Projects

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

Project Description:

Install new oxidation ditch outlet structure, install new dewatered sludge conveyance system, replace two existing brush aerators on the oxidation ditch.



Budget Notes:

City sewer funds

Project Financial Summary

2014			Forecast					
Project Costs	2014 Budget	2014 Actual	2015	2016	2017	2018	2019	Total 2014-2019
City Staff								
Design & Engineering								
Construction Mgmt.			40,000					40,000
R-O-W Acquisition								
Construction	935,000	902,245	186,586					1,088,831
Contingency			10,000					10,000
Total Project Costs	\$935,000	\$902,245	\$236,586					\$1,138,831
Project Funding								
Non City Funds								
Federal								
State								
Grants to pursue								
Subtotal								
City Funds								
Impact Fees Fund								
SWM Fund								
REET Fund								
Street Fund								
Parks Fund								
General Fund								
Sewer Capital	672,092	902,245	\$236,586					908,678
Subtotal	\$672,092	\$902,245	\$236,586					\$908,678
Other Contributors								
NA								
Subtotal								
Total Project Revenue	\$672,092	\$902,245	\$236,586					\$908,678

Sewer Capital Projects

Project Name: South Fork Lift Station Capacity Improvements
Project Number: 402-500-004
Project Location:

Project Description:
 Upgrade Capacity at the South Fork Lift Station.

Budget Notes:
 Sewer Capital

Project Financial Summary

2014		Forecast						
Project Costs	2014 Budget	2014 Actual	2015	2016	2017	2018	2019	Total 2014-2019
City Staff								
Design & Engineering								
Construction Mgmt.								
R-O-W Acquisition								
Construction			50,000					50,000
Contingency								
Total Project Costs			\$50,000					\$50,000
Project Funding								
<u>Non City Funds</u>								
Federal								
State								
County								
Subtotal								
<u>City Funds</u>								
Impact Fees Fund								
SWM Fund								
REET Fund								
Street Fund								
Parks Fund								
Sewer Fund			50,000					50,000
General Fund								
Subtotal			\$50,000					\$50,000
<u>Other Contributors</u>								
PWTF								
Subtotal								
Total Project Revenue			\$50,000					\$50,000

Storm Capital Projects

Project Name: Ribary Creek Basin Analysis
Project Number:
Project Location:

Project Description:

Provide a report outlining existing drainage basins, research and calculations including recommendations to resolve existing and future drainage problems.

Budget Notes:

Storm Capital

Project Financial Summary

2014			Forecast					
Project Costs	2014 Budget	2014 Actual	2015	2016	2017	2018	2019	Total 2014-2019
City Staff								
Design & Engineering								
Construction Mgmt.								
R-O-W Acquisition								
Construction			5,000					5,000
Contingency								
Total Project Costs			\$5,000					\$5,000
Project Funding								
Non City Funds								
Federal								
State								
County								
Subtotal								
City Funds								
Impact Fees Fund								
SWM Fund								
REET Fund								
Street Fund								
Parks Fund								
Storm Fund			5,000					5,000
General Fund								
Subtotal			\$5,000					\$5,000
Other Contributors								
PWTF								
Subtotal								
Total Project Revenue			\$5,000					\$5,000





Capital Improvement Fund (REET)

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

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

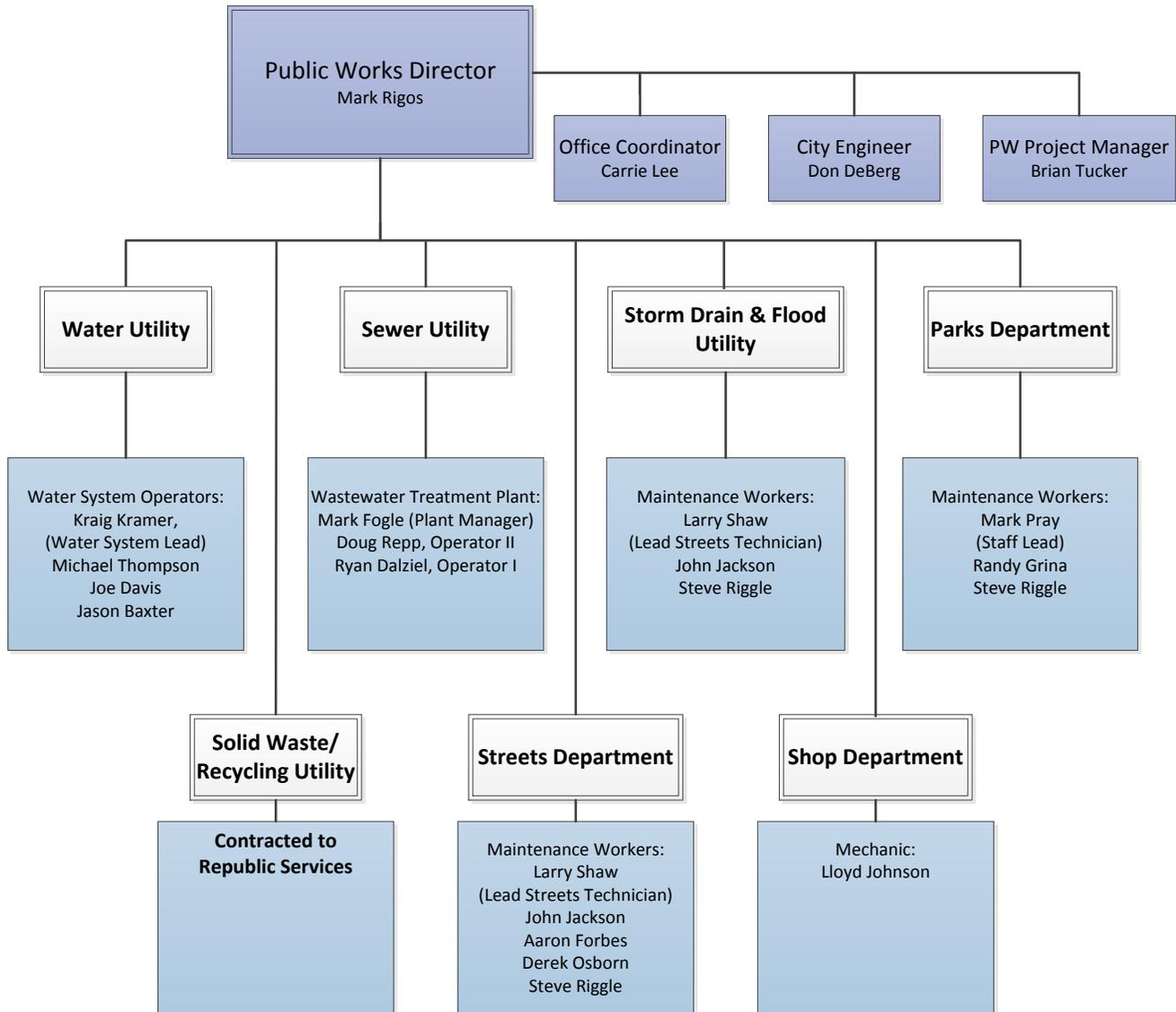
Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Revenues:								
Beginning Fund Balance	11,538	159,269	423,918	423,918	556,804	469,983	131.3%	-15.6%
Real Estate Excise Taxes	207,445	425,712	532,000	435,736	280,000	300,000	64.3%	7.1%
Misc & Other Fin Sources	226	590	-	1,019	-	-	-100.0%	0.0%
Sale of Property to Fire Dist 38	108,952	-	-	-	-	-	0.0%	0.0%
Total Revenues	328,160	585,570	955,918	860,674	836,804	769,983	-2.8%	-8.0%
Expenditures:								
Debt Service - Principal	33,091	33,652	34,300	34,213	35,335	24,118	3.3%	-31.7%
Debt Service - Interest	10,278	9,782	9,200	9,142	8,356	7,473	-8.6%	-10.6%
Debt Service - Other Fees	34	34	100	34	100	100	197.2%	0.0%
Transfer to 2010 LTGO Fund (215)	119,432	108,911	110,900	110,501	114,488	107,238	3.6%	-6.3%
Transfer to PWTF Debt Fund (240)	6,051	5,992	506	506	-	-	-100.0%	0.0%
Transfer to Muni Proj Fund (310)	-	3,282	148,440	120,347	208,542	-	73.3%	-100.0%
Total Expenditures	168,887	161,652	303,446	274,742	366,821	138,929	33.5%	-62.1%
Ending Fund Balance	159,274	423,918	652,472	585,931	469,983	631,054	-19.8%	34.3%
FUND TOTAL	328,160	585,570	955,918	860,674	836,804	769,983	-2.8%	-8.0%





Public Works Organizational Chart

Utilities, Street & Maintenance Shop Departments



<u>Regulatory Functions</u>	<u>Other Functions</u>
<ul style="list-style-type: none"> • Engineering plan review (site plans, subdivisions) • Developer extension agreements • Clearing and grading permits • Storm and drain permits • Street use permits • Water and sewer permits • R/W & on-site civil inspections 	<ul style="list-style-type: none"> • Capital project management • Sewer/water availability certificates • Utility franchise coordination • Infrastructure planning (flood, sewer, storm, transportation, water)



Water Utility

Utility Functions

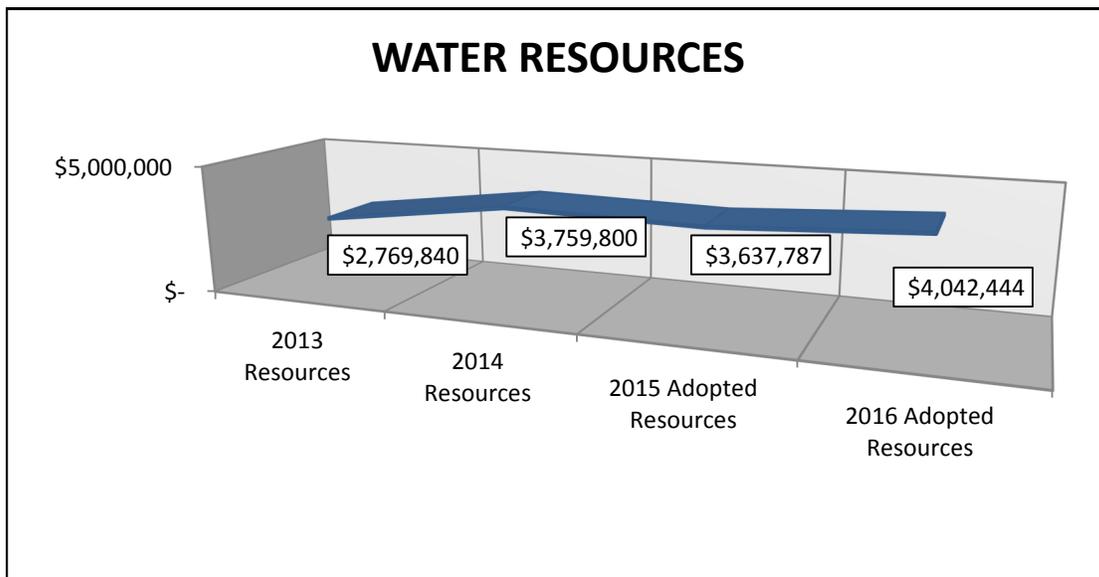
- Provide safe drinking water to customers
- Operate and maintain water source, pumping facilities, transmission and distribution system, and storage tanks
- Ensure water is readily available for fire suppression
- Bill and collect charges for services through the Finance Department

2014 Water Utility Accomplishments

- ✓ Updated and distributed the annual Water Quality Report (also known as the Consumer Confidence Report) to customers and the Washington State Department of Health.
- ✓ Completed the Water Main Replacement project on 415th Avenue SE which replaced nearly one mile of old water main with new ductile iron pipe to ensure more reliable water service and reduce the amount of water leakage from the City's water system.

2015-2016 Water Utility Goals

- ◆ Update and distribute the annual Water Quality Report to customers and the Washington State Department of Health.
- ◆ Conduct a water main evaluation to determine locations, dates installed, and breakage/leakage problems associated on existing older AC water mains.
- ◆ Work with the Finance Department on an updated rate analysis.





Water Utility

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Revenues:								
Beginning Fund Balance	508,927	636,123	1,429,140	1,429,140	860,003	2,108,449	60.2%	145.2%
Intergovernmental Revenues	1,385	38	-	-	-	-	0.0%	0.0%
Charges for Services	1,252,430	1,558,161	1,453,500	1,643,364	1,667,125	1,716,895	101.4%	3.0%
Misc & Other Fin Sources	5,550	2,639	750	3,295	1,500	1,500	45.5%	0.0%
Water Facility Fees (GFC)	385,013	572,880	145,000	154,735	215,600	215,600	139.3%	0.0%
Interfund Loan Proceeds	262,770	-	-	-	-	-	0.0%	0.0%
PWTF Loan Proceeds	-	-	1,000,000	529,266	893,559	-	168.8%	-100.0%
Total Revenues	2,416,074	2,769,840	4,028,390	3,759,800	3,637,787	4,042,444	-3.2%	11.1%
Expenditures:								
Personnel Costs	480,870	506,976	616,447	513,303	642,959	676,392	25.3%	5.2%
Supplies	52,200	46,190	51,000	57,726	49,000	50,500	-15.1%	3.1%
Services & Charges	348,662	380,003	567,200	444,413	467,671	472,193	5.2%	1.0%
Intergovernmental Services	1,310	1,633	9,060	8,061	1,851	6,316	-77.0%	241.2%
Capital Projects	11,044	117,960	1,133,000	977,672	5,000	-	-99.5%	-100.0%
Capital Equipment	4,870	3,414	22,875	873	-	-	-100.0%	0.0%
Debt Service	880,996	196,935	341,070	201,740	275,267	261,509	36.4%	-5.0%
Interfund Loan Payments	-	87,590	87,590	87,590	87,590	-	0.0%	-100.0%
Total Expenditures	1,779,951	1,340,700	2,828,242	2,291,378	1,529,338	1,466,910	66.7%	-4.1%
Ending Fund Balance	636,123	1,429,140	1,200,148	1,468,421	2,108,449	2,575,534	143.6%	22.2%
FUND TOTAL	2,416,074	2,769,840	4,028,390	3,759,800	3,637,787	4,042,444	-3.2%	11.1%



Sewer Utility

Utility Functions

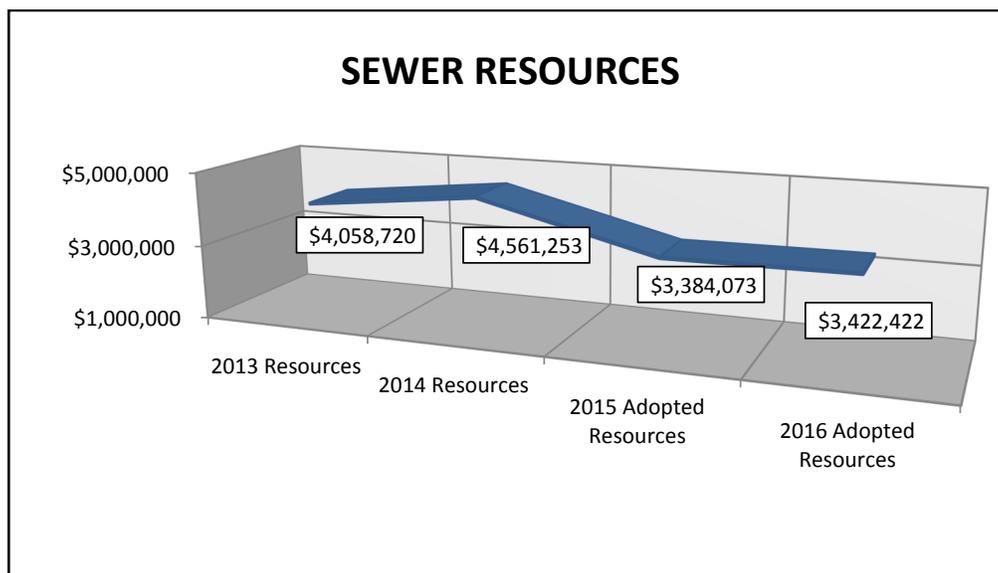
- Operate and maintain wastewater collection and conveyance system
- Comply with Department of Ecology water quality standards
- Operate and maintain wastewater treatment plant and discharge facilities
- Bill and collect charges for services through the Finance Department

2014 Sewer Utility Accomplishments

- √ Designed and began construction on emergency repairs at the Wastewater Treatment Plant to result in a safer, more efficient, and more effective operation in the future.
- √ Performed repairs, replacements, installations and maintenance on sewer mains in a timely manner.

2015-2016 Sewer Utility Goals

- ◆ Finish construction on the emergency repairs at the Wastewater Treatment Plant.
- ◆ Implement a FOG (Fats, Oils & Grease) program to prevent FOG from entering into the City's conveyance system.
- ◆ Hire a Wastewater Treatment Plant Manager.
- ◆ Begin design of the Wastewater Treatment Plant upgrades.
- ◆ Research possible funding sources for a future upsized Treatment Plant.
- ◆ Create plan to address existing deficiencies at the Wastewater Treatment Plant.
- ◆ Update the 2001 Sewer Comprehensive Plan.
- ◆ Analyze benefits and costs of fixing I & I (Inflow & Infiltration).
- ◆ Support new sewer lift station design.
- ◆ Work with the Finance Department on an updated rate analysis.





Sewer Utility

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Resources:								
Beginning Fund Balance	1,184,169	1,509,073	2,507,163	2,507,164	1,524,773	1,512,922	-39.2%	-0.8%
Intergovernmental Revenues	482	38	-	-	-	-	0.0%	0.0%
Charges for Services	1,533,034	1,736,718	1,635,504	1,751,874	1,673,750	1,723,950	-4.5%	3.0%
Misc & Other Fin Sources	7,292	4,334	2,510	4,945	2,500	2,500	-49.4%	0.0%
Sewer Facility Fees (GFC)	416,870	685,880	183,050	209,680	183,050	183,050	-12.7%	0.0%
Interfund Loan Payments	-	87,590	87,590	87,590	-	-	-100.0%	0.0%
Insurance Recoveries	-	35,087	-	-	-	-	0.0%	0.0%
Total Resources	3,141,847	4,058,720	4,415,817	4,561,253	3,384,073	3,422,422	-25.8%	1.1%
Uses:								
Personnel Costs	410,992	410,621	457,566	434,839	646,647	679,340	48.7%	5.1%
Supplies	39,312	50,342	54,500	47,873	47,100	47,200	-1.6%	0.2%
Services & Charges	425,102	509,223	1,301,788	1,068,772	422,244	400,352	-60.5%	-5.2%
Intergovernmental Services	2,919	2,008	8,385	13,017	2,351	8,316	-81.9%	253.7%
Capital Projects	33,395	99,809	995,778	963,022	291,586	-	-69.7%	-100.0%
Capital Equipment	7,724	3,132	25,000	-	25,000	-	100.0%	-100.0%
Debt Service	450,560	476,421	435,450	434,823	436,223	389,309	0.3%	-10.8%
Interfund Loan Disbursement	262,770	-	-	-	-	-	0.0%	0.0%
Total Uses	1,632,774	1,551,556	3,278,467	2,962,345	1,871,151	1,524,517	-36.8%	-18.5%
Ending Fund Balance	1,509,073	2,507,164	1,137,350	1,598,907	1,512,922	1,897,905	-5.4%	25.4%
FUND TOTAL	3,141,847	4,058,720	4,415,817	4,561,253	3,384,073	3,422,422	-25.8%	1.1%



Storm Drain Utility

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

Utility Functions

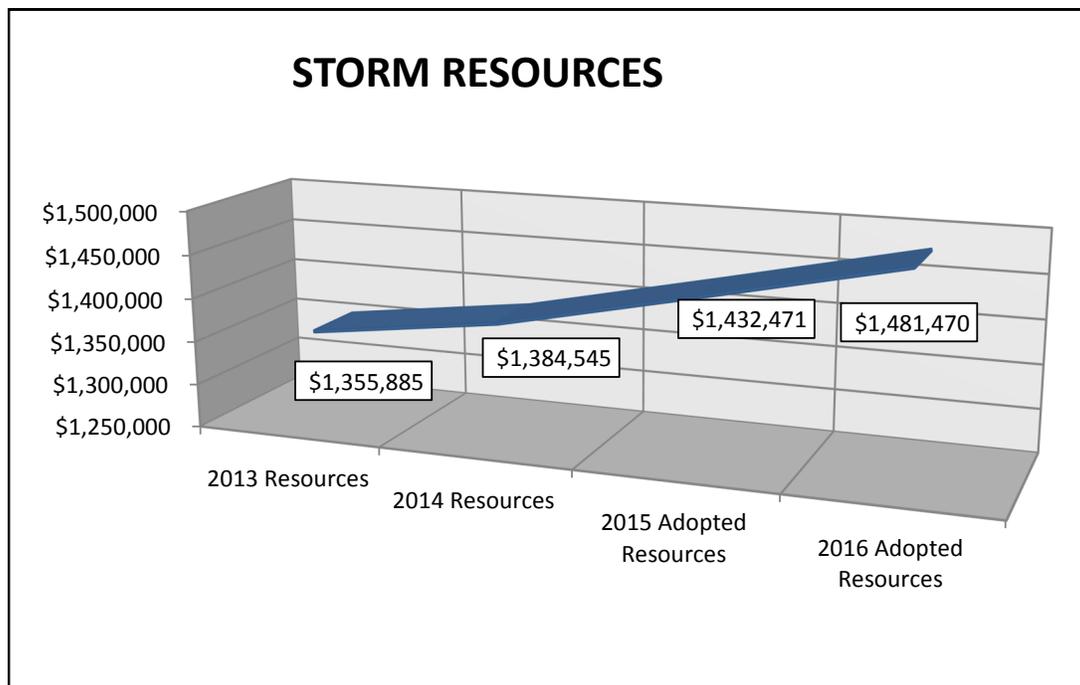
- Operate and maintain a storm water collection and conveyance system
- Protect the environment with spill control and treatment facilities
- Bill and collect charges for services through the Finance Department

2014 Storm Water Utility Accomplishments

- √ Maintained City detention pond sites to ensure that they are safe, secure, and operating as designed.
- √ Swept streets and gutters to prevent contaminants from entering the storm system.
- √ Conducted system maintenance of storm water ditches and catch basins.

2015-2016 Storm Water Utility Goals

- ◆ Create a Surface Water Management Action Plan that addresses conditions of key facilities, maintenance occurring, staffing levels, equipment needs, rate structure, and future concerns.
- ◆ Maintain City detention pond sites, catch basins and storm water ditches.





Storm Drain Utility

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Resources:								
Beginning Fund Balance	405,186	572,518	685,389	685,390	725,854	754,423	5.9%	3.9%
Intergovernmental Revenues	3,191	19	-	-	-	-	0.0%	0.0%
Charges for Services	612,653	657,821	655,000	654,340	681,115	701,545	4.1%	3.0%
Misc & Other Fin Sources	3,191	1,178	600	1,425	800	800	-43.9%	0.0%
Storm Drain Facility Fees (GFC)	97,440	124,349	39,588	43,391	24,702	24,702	-43.1%	0.0%
Total Resources	1,121,661	1,355,885	1,380,577	1,384,545	1,432,471	1,481,470	3.5%	3.4%
Uses:								
Personnel Costs	243,221	285,075	268,972	274,665	317,313	333,512	15.5%	5.1%
Supplies	1,757	2,800	4,500	1,999	3,000	3,100	50.1%	3.3%
Services & Charges	142,221	147,885	146,478	154,925	189,387	155,938	22.2%	-17.7%
Intergovernmental Services	1,887	1,734	550	2,254	1,551	1,866	-31.2%	20.3%
Capital Projects	-	69,433	90,415	76,053	5,000	-	-93.4%	-100.0%
Capital Equipment	1,576	2,452	-	-	-	-	0.0%	0.0%
Debt Service	158,481	161,117	159,370	158,371	161,797	146,687	2.2%	-9.3%
Total Uses	549,143	670,496	670,285	668,267	678,048	641,103	1.5%	-5.4%
Ending Fund Balance	572,518	685,390	710,292	716,279	754,423	840,367	5.3%	11.4%
FUND TOTAL	1,121,661	1,355,885	1,380,577	1,384,545	1,432,471	1,481,470	3.5%	3.4%

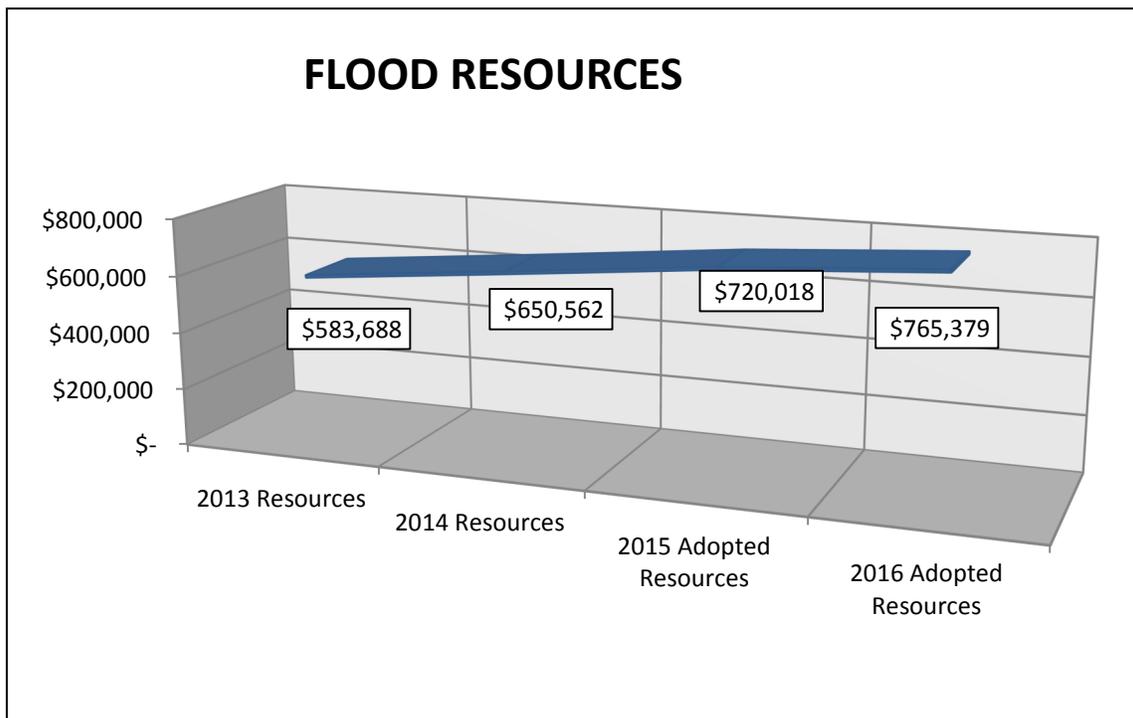


Flood Utility

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

Utility Functions

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





Flood Utility

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Revenues:								
Beginning Fund Balance	343,666	414,849	482,135	482,135	551,918	595,579	14.5%	7.9%
Licenses & Permits	770	1,232	500	1,386	500	500	-63.9%	0.0%
Intergovernmental Revenues	194	19	-	-	-	-	0.0%	0.0%
Charges for Services	155,381	166,761	165,000	166,001	167,000	168,700	0.6%	1.0%
Misc & Other Fin Sources	2,983	827	400	1,041	600	600	-42.3%	0.0%
Total Revenues	502,994	583,688	648,035	650,562	720,018	765,379	10.7%	6.3%
Expenditures:								
Personnel Costs	72,350	84,169	85,334	87,824	106,729	112,999	21.5%	5.9%
Supplies	275	591	1,150	901	850	850	-5.7%	0.0%
Services & Charges	13,944	15,064	17,916	15,703	16,860	17,106	7.4%	1.5%
Intergovernmental Services	-	-	385	-	-	200	0.0%	100.0%
Capital Equipment	1,576	1,728	-	-	-	-	0.0%	0.0%
Total Expenditures	88,144	101,553	104,785	104,428	124,439	131,155	19.2%	5.4%
Ending Fund Balance	414,849	482,135	543,250	546,134	595,579	634,224	9.1%	6.5%
FUND TOTAL	502,994	583,688	648,035	650,562	720,018	765,379	10.7%	6.3%

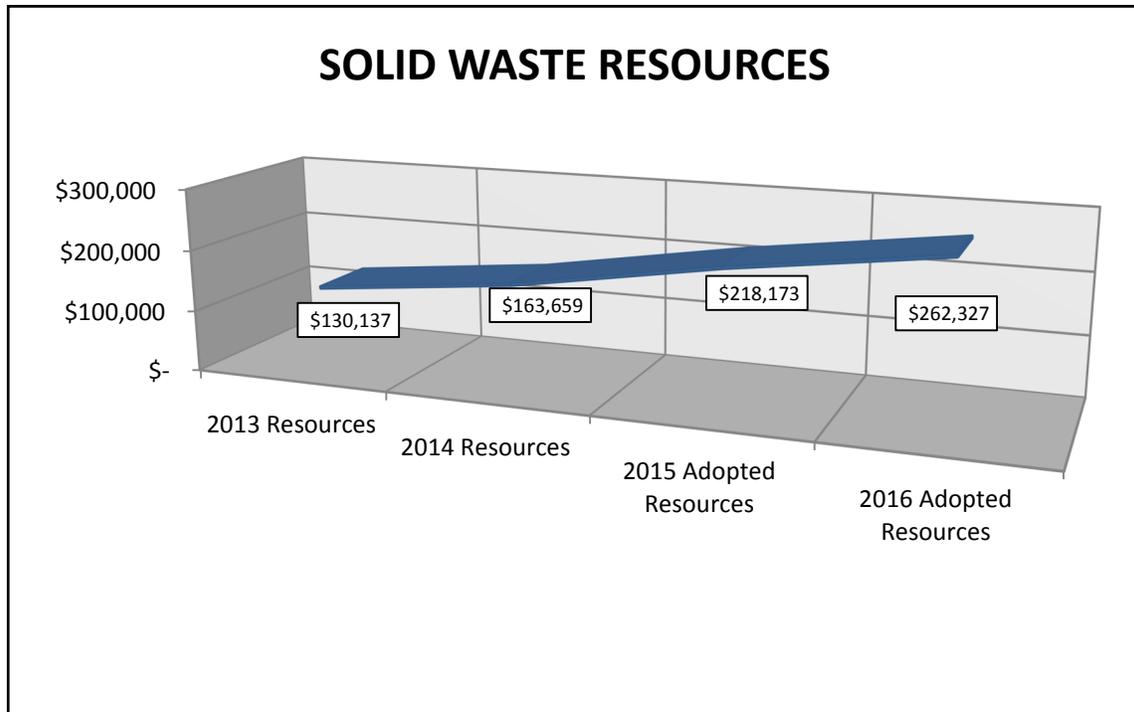


Solid Waste & Recycling Utility

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

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

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





Solid Waste & Recycling Utility

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Revenues:								
Beginning Fund Balance	11,682	35,613	82,926	82,926	137,673	181,187	66.0%	31.6%
Licenses & Permits	30,985	47,525	63,500	48,032	64,200	64,840	33.7%	1.0%
Intergovernmental Revenues	16,950	31,396	27,200	9,801	16,200	16,200	65.3%	0.0%
Charges for Services	35,748	15,483	-	22,673	-	-	-100.0%	0.0%
Misc & Other Fin Sources	38	119	-	227	100	100	-56.0%	0.0%
Total Revenues	95,404	130,137	173,626	163,659	218,173	262,327	33.3%	20.2%
Expenditures:								
Personnel Costs	25,998	20,266	20,776	20,450	21,649	22,655	5.9%	4.6%
Services & Charges	17,674	10,880	29,700	11,274	15,337	15,349	36.0%	0.1%
Intergovernmental Services	29	5	-	-	-	-	0.0%	0.0%
Debt Service	90	60	-	-	-	-	0.0%	0.0%
Interfund Loan Payments	16,000	16,000	-	-	-	-	0.0%	0.0%
Total Expenditures	59,791	47,211	50,476	31,724	36,986	38,004	16.6%	2.8%
Ending Fund Balance	35,613	82,926	123,150	131,935	181,187	224,323	37.3%	23.8%
FUND TOTAL	95,404	130,137	173,626	163,659	218,173	262,327	33.3%	20.2%





Equipment Operating Fund (Shop)

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

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

Shop Department Functions:

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

2014 Shop Accomplishments

- √ Maintained City equipment and vehicles.
- √ Updated City vehicle and equipment inventory lists.

2015-2016 Shop Goals

- ◆ Maintain a safe and cost-effective equipment and vehicle program maintenance program.
- ◆ Complete an infrastructure inventory of all City facilities.
- ◆ Ensure sufficient funds are accumulated for the replacement of existing vehicles and heavy equipment in accordance with City Council directives.



Equipment Operating Fund (Shop)

Equipment Operating

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Revenues:								
Beginning Fund Balance	-	-	247	247	-	-	-100.0%	0.0%
Intergovernmental Revenues	-	25	-	-	-	-	0.0%	0.0%
Charges for Services	300,918	313,995	336,458	320,783	340,934	337,188	6.3%	-1.1%
Insurance Recoveries	22,206	-	-	-	-	-	0.0%	0.0%
Total Revenues	323,124	314,020	336,705	321,030	340,934	337,188	6.2%	-1.1%
Expenses:								
Personnel Costs	107,511	113,167	113,975	112,043	120,685	125,182	7.7%	3.7%
Supplies	71,488	64,785	69,000	57,947	69,000	71,000	19.1%	2.9%
Services & Charges	100,722	90,831	109,901	106,267	106,137	108,029	-0.1%	1.8%
Intergovernmental Services	-	1,420	-	1,385	1,351	1,316	-2.4%	-2.6%
Capital Equipment	-	104	-	-	-	-	0.0%	0.0%
Debt Service	43,403	43,468	43,582	43,389	43,761	31,661	0.9%	-27.7%
Total Expenses	323,124	313,774	336,458	321,030	340,934	337,188	6.2%	-1.1%
Ending Fund Balance	-	247	247	-	-	-	0.0%	0.0%
FUND TOTAL	323,124	314,020	336,705	321,030	340,934	337,188	6.2%	-1.1%



Equipment Operating Fund (Shop)

Equipment Reserve

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Revenues:								
Beginning Fund Balance	291,960	262,817	285,953	285,954	329,664	372,428	15.3%	13.0%
Charges for Services	67,136	43,710	43,710	43,710	42,764	42,764	-2.2%	0.0%
Misc & Other Fin Sources	90	60	-	-	-	-	0.0%	0.0%
Interfund Loan Payments	16,000	16,000	-	-	-	-	0.0%	0.0%
Total Revenues	375,186	322,587	329,663	329,664	372,428	415,192	13.0%	11.5%
Expenditures:								
Capital Equipment	99,730	-	-	-	-	-	0.0%	0.0%
Debt Service	36,633	36,633	-	-	-	-	0.0%	0.0%
Total Expenditures	136,364	36,633	-	-	-	-	0.0%	0.0%
Ending Fund Balance	238,822	285,954	329,663	329,664	372,428	415,192	13.0%	11.5%
FUND TOTAL	375,186	322,587	329,663	329,664	372,428	415,192	13.0%	11.5%



Technology Operating Fund

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

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

Technology Department Functions:

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

2014 Technology Accomplishments

- √ Maintained City technology equipment and infrastructure.
- √ Updated City technology equipment inventory lists.
- √ Established wireless internet access for City Hall and Community Development buildings.
- √ Renegotiated contract with King County for internet and email service via King County Institutional Network (I-Net).
- √ Assisted Finance Department with implementation of an online utility billing payment program.
- √ Assisted with information technology setup for Police Department substation at City Hall.

2015-2016 Technology Goals

- ◆ Maintain a safe and cost-effective equipment and vehicle program maintenance program.
- ◆ Update information technology infrastructure to ensure minimization of security vulnerabilities.
- ◆ Establish written security policies.
- ◆ Establish a written disaster recovery plan for critical computer systems.
- ◆ Ensure sufficient funds are accumulated for the replacement of existing technology equipment in accordance with City Council directives.
- ◆ Assist with implementation of new Vision Business Tax & License module.



Technology Operating Fund

Technology Operating

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Revenues:								
Beginning Fund Balance	-	-	-	-	-	-	0.0%	0.0%
Intergovernmental Revenues	11	-	-	-	-	-	0.0%	0.0%
Charges for Services	141,218	111,573	145,517	141,396	151,205	152,529	6.9%	0.9%
Misc & Other Fin Sources	12	-	-	-	-	-	0.0%	0.0%
Total Revenues	141,241	111,573	145,517	141,396	151,205	152,529	6.9%	0.9%
Expenditures:								
Personnel Costs	33,142	29,573	15,676	10,754	17,675	18,674	64.4%	5.7%
Supplies	-	466	500	1,383	1,300	1,300	-6.0%	0.0%
Services & Charges	105,082	81,229	127,341	128,423	123,430	127,555	-3.9%	3.3%
Capital Equipment	3,016	304	2,000	836	8,800	5,000	952.3%	-43.2%
Total Expenditures	141,241	111,573	145,517	141,396	151,205	152,529	6.9%	0.9%
Ending Fund Balance	-	-	-	-	-	-	0.0%	0.0%
FUND TOTAL	141,241	111,573	145,517	141,396	151,205	152,529	6.9%	0.9%

Technology Reserve

Description	2012	2013	2014	2014	2015	2016	Percent Change	
	Actual	Actual	Budget	Actual	Adopted	Adopted	14-15	15-16
Revenues:								
Beginning Fund Balance	49,629	63,397	43,633	43,635	51,366	57,818	17.7%	12.6%
Charges for Services	22,523	19,673	13,681	13,681	18,602	18,602	36.0%	0.0%
Total Revenues	72,152	83,070	57,314	57,316	69,968	76,420	22.1%	9.2%
Expenditures:								
Capital Equipment	8,755	39,435	5,950	5,949	12,150	5,950	104.2%	-51.0%
Total Expenditures	8,755	39,435	5,950	5,949	12,150	5,950	104.2%	-51.0%
Ending Fund Balance	63,397	43,635	51,364	51,368	57,818	70,470	12.6%	21.9%
FUND TOTAL	72,152	83,070	57,314	57,316	69,968	76,420	22.1%	9.2%

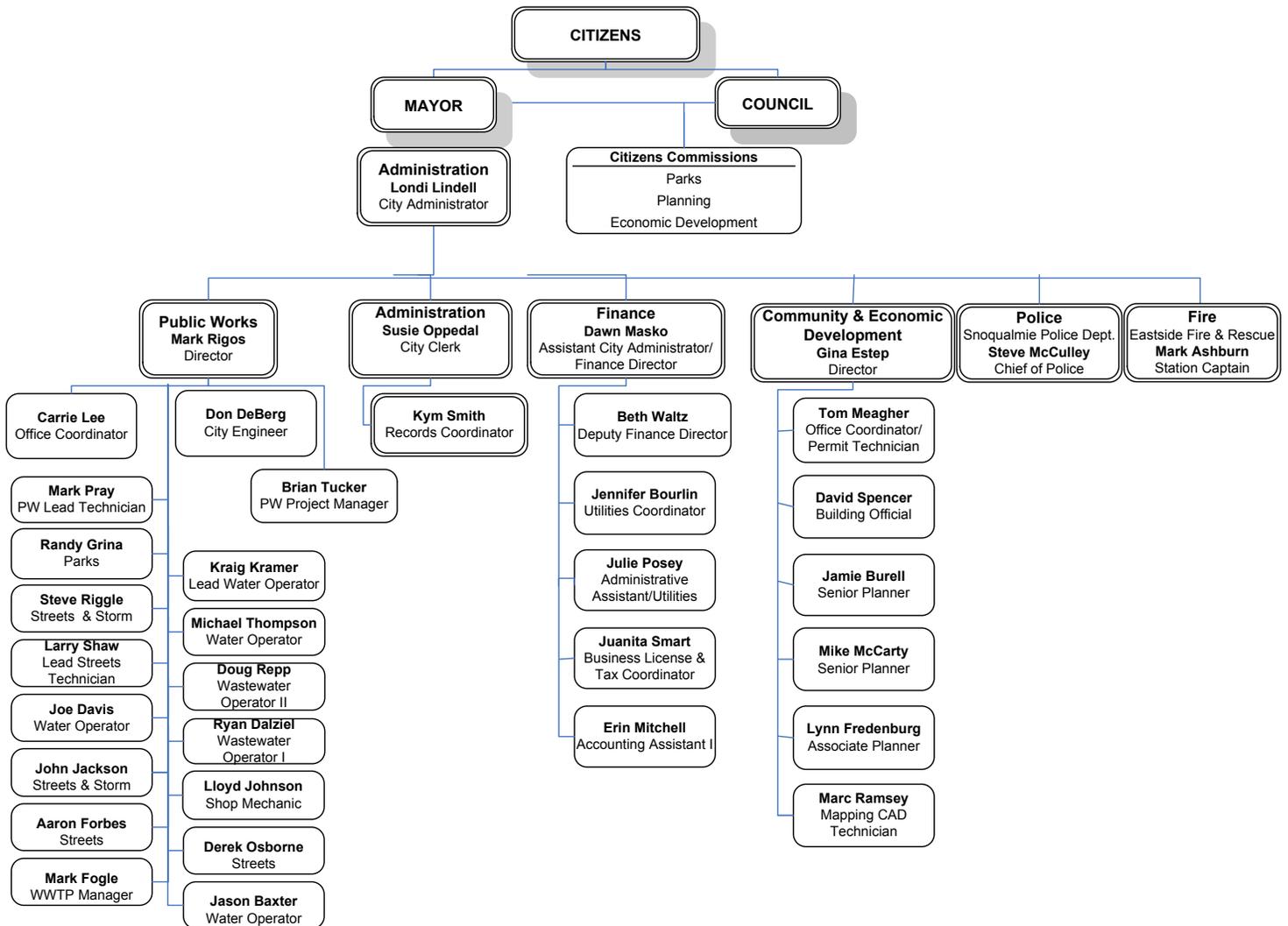




**2014 Employee of the Year
Don DeBerg - City Engineer**



Citywide Organizational Chart





Personnel History

DEPARTMENTS	2011	2012	2013	2014	2015
Administration					
City Administrator	1.00	1.00	1.00	1.00	1.00
Administrative Services Director	1.00	1.00	1.00	0.00	0.00
City Clerk	1.00	1.00	1.00	1.00	1.00
Records Coordinator	0.00	0.00	0.00	1.00	1.00
Administrative Assistant	0.60	0.60	0.00	0.00	0.00
Community & Economic Development Services					
Director	1.00	1.00	1.00	1.00	1.00
Building Official	1.00	1.00	1.00	1.00	1.00
Building Inspector	0.00	0.00	1.00	1.00	1.00
Senior Planner	1.50	1.50	2.60	1.75	1.75
Associate Planner	0.00	0.00	0.00	1.00	1.00
Office Coordinator/Permit Technician	1.00	1.00	1.00	1.00	1.00
Mapping CAD Technician	1.00	1.00	0.50	0.50	0.50
Finance & Technology					
Asst City Admin/ Finance Director	0.00	0.00	0.00	1.00	1.00
Finance Manager	1.00	1.00	1.00	0.00	0.00
Deputy Finance Director	0.00	0.00	0.00	1.00	1.00
Staff Accountant	1.00	1.00	1.00	0.00	0.00
Payroll Officer	0.60	0.60	0.00	0.00	0.00
Utilities Coordinator	1.00	1.00	1.00	1.67	1.67
Business License & Tax Coordinator	0.70	0.70	0.70	1.00	1.00
Accounting Assistant I	0.00	0.00	0.00	0.50	0.50
Administrative Assistant	0.00	0.00	0.60	0.00	0.00
Police Administration					
Police Office Supervisor	1.00	1.00	1.00	0.00	0.00
Administrative Assistant	0.50	0.50	0.50	0.00	0.00
Public Works					
Director	1.00	1.00	1.00	1.00	1.00
City Engineer	0.00	0.00	1.00	0.00	1.00
Public Works Project Manager	0.00	0.00	0.00	1.00	1.00
Assistant City Engineer	1.00	1.00	0.00	1.00	0.00
Wastewater Plant Manager	0.00	0.00	0.00	0.00	1.00
Public Works Office Coordinator	1.00	1.00	1.00	1.00	1.00
Wastewater Operator II	1.00	1.00	1.00	1.00	1.00
Lead Water System Operator	1.00	1.00	1.00	1.00	1.00
Lead Parks Technician	1.00	1.00	1.00	1.00	1.00
Lead Streets Technician	1.00	1.00	1.00	1.00	1.00
Wastewater Operator I	1.00	1.00	1.00	2.00	2.00
Mechanic	1.00	1.00	1.00	1.00	1.00
Maintenance (Journey)	6.00	6.00	7.00	8.00	5.00
Maintenance (Entry)	0.00	0.00	0.00	0.00	0.00
Maintenance (Seasonal)	1.00	1.00	1.00	1.00	0.00
Water System Operator	0.00	0.00	0.00	0.00	3.00
TOTAL	30.90	30.90	32.90	35.42	35.42



Departmental Staff Directory

Administrative Staff

City AdministratorLondi Lindell
 Assistant City Administrator/Finance DirectorDawn Masko
 City ClerkSusie Oppedal
 Records CoordinatorKym Smith

Finance Staff

Deputy Finance DirectorBeth Waltz
 Utilities CoordinatorJennifer Bourlin
 Administrative Assistant/Utilities CoordinatorJulie Posey
 Business License & Tax CoordinatorJuanita Smart
 Accounting Assistant IErin Mitchell
 Payroll Services Contracted with City of Snoqualmie

Community and Economic Development Staff

Community & Economic Development DirectorGina Estep
 Building OfficialDavid Spencer
 Permit Technician/Office CoordinatorTom Meagher
 GIS TechnicianMarc Ramsey
 Senior PlannerJamie Burrell
 Senior PlannerMike McCarty
 Associate PlannerLynn Fredenburg

Public Works Staff

Public Works DirectorMark Rigos
 City EngineerDon DeBerg
 Public Works Office CoordinatorCarrie Lee
 Public Works Project ManagerBrian Tucker
 Public Works Senior Lead TechnicianMark Pray
 Maintenance WorkerRandy Grina
 Maintenance WorkerSteve Riggle
 Lead Streets TechnicianLarry Shaw
 Maintenance WorkerJohn Jackson
 Maintenance WorkerDerek Osborne
 Maintenance WorkerArron Forbes
 Lead Water System OperatorKraig Kramer
 Water System OperatorMichael Thompson
 Water System OperatorJoe Davis
 Water System OperatorJason Baxter
 Wastewater Treatment Plant ManagerMark Fogle
 Wastewater Treatment Plant Operator IIDoug Repp
 Wastewater Treatment Plant Operator IRyan Dalziel
 MechanicLloyd Johnson



Departmental Staff Directory - cont.

Legal Services Staff

City AttorneyMichael R. Kenyon
 Land Use Services Hearing ExaminerGary N. McLean
 Court ServicesIssaquah Municipal Court
 Public DefenderAssigned through Court

Eastside Fire & Rescue North Bend Station 87

Station CaptainMark Ashburn
 Company Officer.....Lt. Chris Loken
 Company Officer.....Lt. Don Bridenbaugh
 FirefighterTom Little
 FirefighterEric English
 FirefighterRick Scriven
 FirefighterSteve Williams
 FirefighterTerry Cushman
 FirefighterSteve Oltman
 FirefighterDave Rudd
 FirefighterTom Tull
 FirefighterKyle Houston
 Paramedics (Advanced Life Support)(2) Assigned from Bellevue Fire Department
 Reserve Staff.....Approximately 6 volunteers

North Bend/Snoqualmie Police Department

Chief of PoliceSteve McCulley
 CaptainNick Almquist
 OfficerSean Absher
 OfficerJason Weiss
 OfficerNick Hogan
 OfficerDaniel Goddard
 OfficerTodd Wilson
 OfficerJames Sherwood
 OfficerDmitriy Vladis
 8th Officer not yet hired



Departmental Statistics

Police Department Statistics	2013 Actual	2014 Actual
Dispatched Calls For Service	1463	5139
Case Reports Written	761	608
False Alarm Responses	134	150
Traffic Enforcements	706	328
Parking Infractions	20	1
Criminal Traffic Citations	153	67
DUI Citations	12	31
Public Appearances	23	24
Crime Prevention Meetings	4	7
Jail Transports	32	48
Traffic Accident Investigations	79	144
Traffic Complaint Investigations	2	31
Fatality Collisions	0	0
Total Traffic Stops		1,333
Total Infractions		319
Burglary		28
Theft (Motor Vehicle Prowl)		73
Misdemeanor Arrest		240
Felony Arrest		31
Domestic Violence		49
Felony Drugs		13
Misdemeanor Drugs		25
Trespassing		61
Camping Prohibited		31
Total persons trespassed		76
Total Arrests	273	440

Eastside Fire District Statistics

Type of Response	2010 Responses	2011 Responses	2012 Responses	2013 Responses	2014 Responses
Automatic Fire Alarms	52	42	70	44	48
EMS Incidents	491	445	474	503	556
Fire - Non-Structure	29	26	20	28	20
Fire - Structure	8	7	9	10	9
Motor Vehicle Accident	22	16	12	20	22
Other	117	66	88	110	110
Rescue	1	0	0	1	0
TOTAL RESPONSES	720	602	673	716	765

Alarm Responses in FD #38	495	481	518	501	553
EFR Total Alarm Responses; FD #10, Issaquah, Snoqualmie, Carnation, Fall City, Snoqualmie Pass and out side of the Fire District	8439	8020	8548	8785	8782



Departmental Statistics

Building Permits Issued 2010- 2014										
Building Permit Type	2010 Issued	Improvement Valuation 2010	2011 Issued	Improvement Valuation 2011	2012 Issued	Improvement Valuation 2012	2013 Issued	Improvement Valuation 2013	2014 Issued	Improvement Valuation 2014
New Single Family	10	\$3,024,012	11	\$3,522,793	72	\$22,100,449	123	\$38,336,110	33	\$13,037,372
Single Family Additions & Alterations (Includes Garages/Carports, Fire Permits)	7	\$150,616	9	\$133,086	28	\$790,868	7	\$105,001	22	\$447,466
New Mobile Homes	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0
Multi-Family Additions & Alterations	1	\$2,400	0	\$0	0	\$0	0	\$0	7	\$330,000
Residential Plumbing	2	\$142,300	1	\$100	11	\$16,100	26	\$73,536	21	\$85,560
Residential Mechanical	54	\$243,073	40	\$133,882	43	\$169,146	56	\$279,301	59	\$305,604
New Commercial	1	\$22,000	0	\$0	1	\$3,105,000	1	\$1,321,920	0	\$0
Commercial Additions/Alterations/Tenant Improvements (Includes Fire Permits)	23	\$783,857	37	\$2,302,200	13	\$716,787	37	\$2,097,720	41	\$3,235,373
Commercial Mechanical	9	\$673,100	5	\$24,047	13	\$242,525	15	\$370,603	18	\$227,184
Commercial Plumbing	6	\$33,278	6	\$101,850	4	\$191,000	9	\$166,095	10	\$61,500
Signs	14	\$56,004	18	\$67,757	17	\$58,072	13	\$111,020	27	\$95,577
Demolitions	4	\$19,873	2	\$0	6	\$176,000	10	\$74,000	9	\$15,480
AG & UG Fuel Tanks	4	\$22,300	0	\$0	2	\$2,000	3	\$1,900	1	\$700
Grading & Clearing (Includes Tree Permits)	16	\$1,243,775	13	\$825,272	16	\$3,281,696	22	\$1,560,085	17	\$122,916
Miscellaneous (Roof, Façade, etc...)	15	\$121,139	22	\$1,761,692	25	\$961,006	17	\$424,776	35	\$750,524
TOTALS	166	\$ 6,537,727	164	\$ 8,872,679	251	\$ 31,810,649	339	\$ 44,922,067	300	\$ 18,715,256

Performance Measures

Legislative

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

Administration

Measures	2015 Target	2016 Target
% of City-wide goals achieved	90%	95%
Conduct 3 All Staff meetings annually	3	3
Increase North Bend's presence on social media and # of "Likes" on Facebook	400	450

City Clerk

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

Human Resources

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

Performance Measures

Finance

Measures	2015 Target	2016 Target
Earn GFOA Distinguished Biennial Budget Award	Yes	Yes
Receive unqualified opinion on financial statements from WA State Auditor's Office	Yes	Yes
Maintain or upgrade City's bond rating	AA/A+	AA/A+

Police

Measures	2015 Target	2016 Target
# of calls for service	6,000	6,000
% of patrol shifts with 2 police officer staffing	63%	67%
% to reduce crime rate in North Bend by	20%	10%

Fire

Measures	2015 Target	2016 Target
# of calls for service	765	775
# of confirmed fire incidents	30	30
# of Emergency Medical (EMS) incidents responded to	550	550

Building

Measures	2015 Target	2016 Target
# of building permits issued	300	300
% of technical staff certified or licenses by a recognized technical/professional organization	100%	100%
# of building inspections performed	1,000	1,000

Performance Measures

Planning

Measures	2015 Target	2016 Target
Adopt amendments to the 2015 Comprehensive Plan	100%	-
Work with consultant and Farm Board to complete the Meadowbrook Farm Business Plan	100%	-
% of annexation requests processed within State-mandated timeframe	100%	100%

Parks

Measures	2015 Target	2016 Target
# of full safety inspections of park facilities	18	20
# of playgrounds inspected, repaired or replaced	9	10
Number of developed parks & playgrounds maintained	10	10

Streets

Measures	2015 Target	2016 Target
% of street sign inventory inspected annually	75%	75%
Lane miles of streets maintained	36	36

Water Utility

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

Performance Measures

Sewer Utility

Measures	2015 Target	2016 Target
% of planned inspections for City's lift stations completed	100%	100%
% of completion of planned sewer line inspection program	100%	100%
# of violations of State & Federal regulations	0	0

Stormwater Utility

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



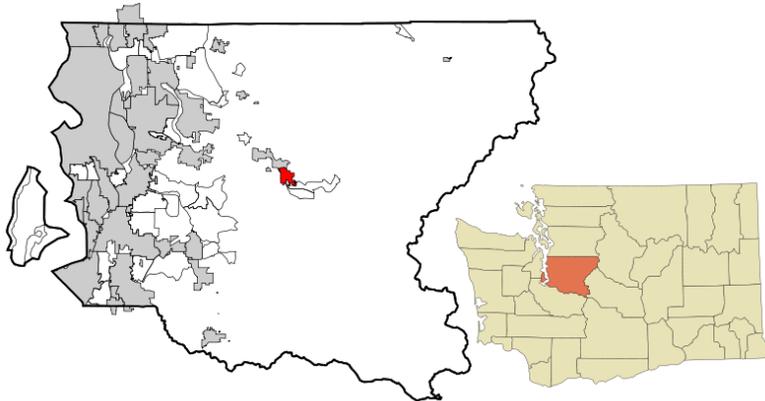
North Bend Information

Elevation.....440' above sea level

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

Average Mean Temperature- Moderate to cool year round.

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



Total Assessed Valuation of the City of North Bend for 2015: \$1,020,879,410.

New Construction Value (included in the above total) for 2015: \$38,901,943.

The total Property Tax Levy Rate for 2015 is: \$11.55642 per \$1,000 of assessed valuation, of which the City of North Bend receives \$1.62389 per \$1,000 of assessed valuation.

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

Demographics:

The Washington State Office of Financial Management estimate the City of North Bend's 2014 population at 6,282. Estimates are based off of the 2010 census of 5,823. In the 2010 census there were 2,348 housing units, of that there are 1,344 owner occupies units and 866 renter occupies units. The racial makeup of the city was 90.7% Caucasian, 0.5% African American, 0.9% Native American, 1.6% Asian, 0.1% Pacific Islander, 2.5% other races, and 3.6% from two or more races. Hispanic of any race was 6.4% of the population.

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



North Bend Information - continued

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

The 2014 estimated median income per household in the city is \$81,471 and the median income for a family is \$94,707. These estimates are from the U.S. Census Bureau, and based off the 2009-2013 American Community Survey.

North Bend Parks:

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

North Bend Streets Inventory:

Type of Surface	Cement Concrete Pavement	Asphalt Plant or Road Mix	Bituminous Surface Treatment	Gravel or Crushed Rock	Dirt and Unimproved	Total Miles
Centerline Miles	0	36.44	0.31	0.90	0	37.650421



North Bend Information - continued

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

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

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

North Bend: Two Elementary and one Alternative High School

Snoqualmie: Two Elementary, one Middle and one High School

Fall City: One Elementary and one Middle School

County: One Middle School

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

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

Credit Unions: Sno Falls Credit Union.

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

Hospital: Snoqualmie Valley Hospital

Transportation: Highway: I-90 Rail: None

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

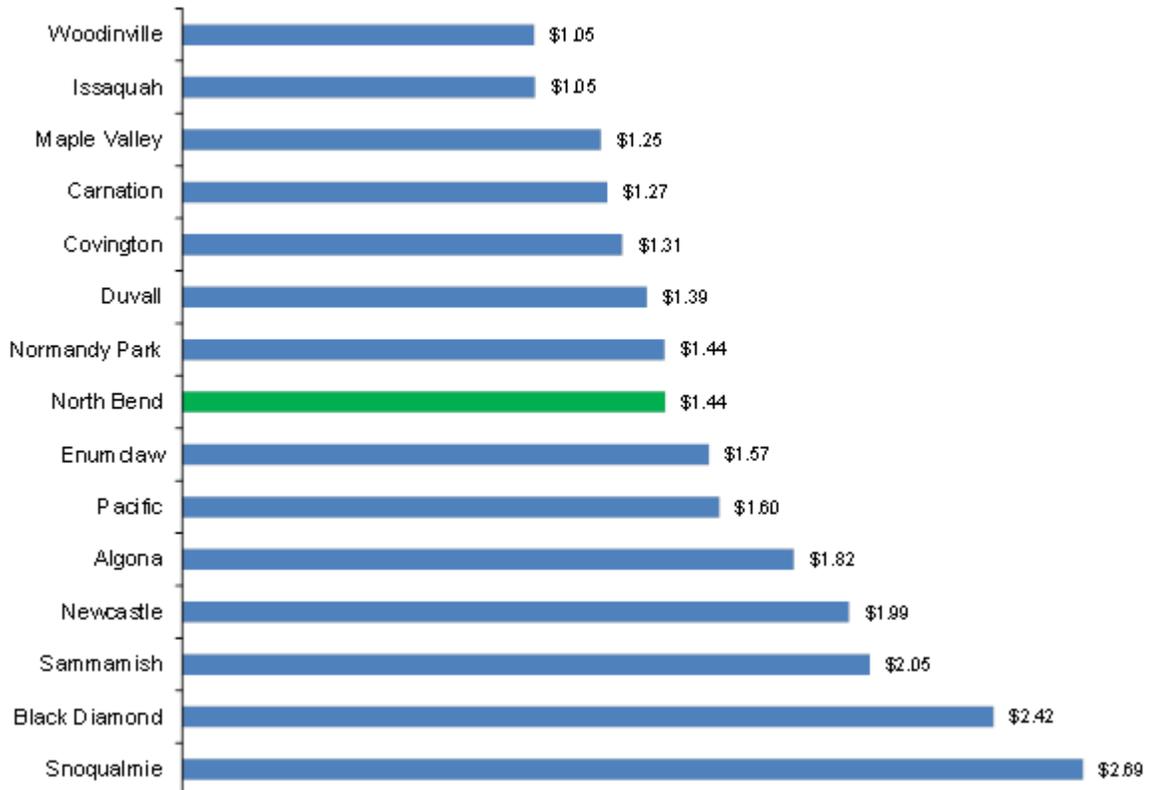
Port: The Port of Seattle is approximately 30 miles west of North Bend.

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

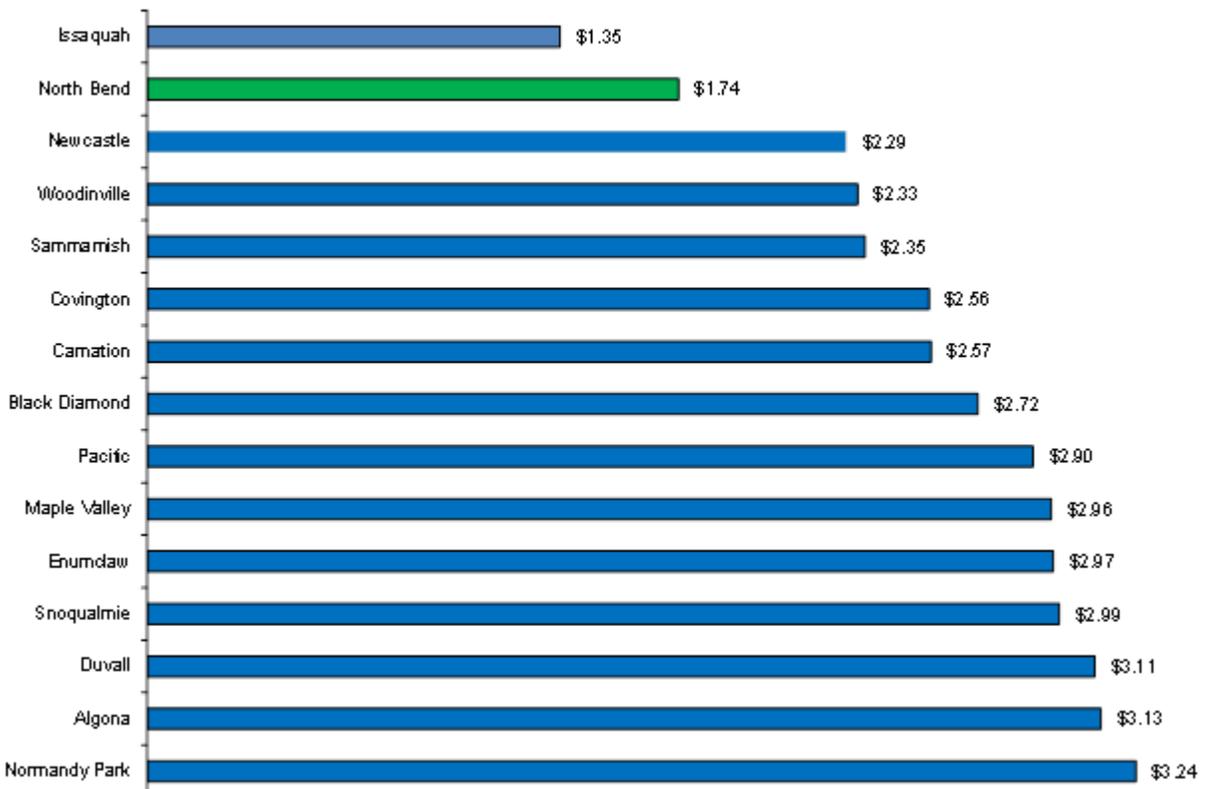
Mount Si: Altitude--4,190 ft.

National Scenic Byway: Mountains to Sound Greenway

2015 Selected King County Cities Property Tax Comparison

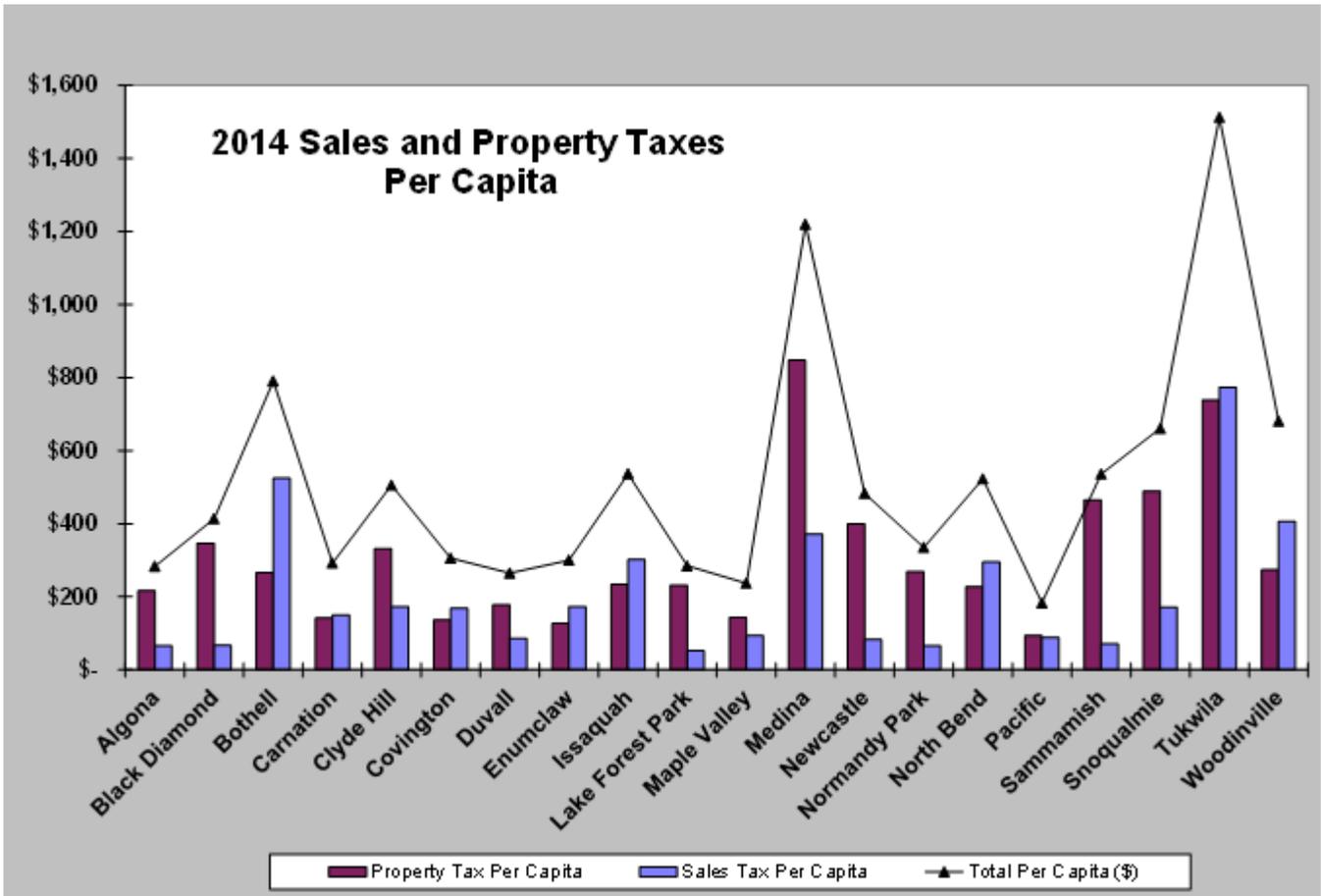


2015 King County Cities Property Tax Comparison including Regular Fire & EMS Levies



Tax per Capita Comparison

City	Population	Assessed Valuation	Regular Levy Rate	Property Tax	Property Tax Per Capita	Sales Tax	Sales Tax Per Capita	Sales & Property Tax Per Capita
Algona	3,075	346,162,327	1.9254	666,487	217	205,007	67	283
Black Diamond	4,170	551,304,784	2.6248	1,447,076	347	279,756	67	414
Bothell	17,440	3,115,162,986	1.4913	4,645,580	266	9,144,152	524	791
Carnation	1,785	171,215,231	1.4787	253,178	142	269,375	151	293
Clyde Hill	2,980	1,645,904,803	0.6016	990,193	332	517,093	174	506
Covington	18,100	1,625,611,637	1.5302	2,487,446	137	3,050,366	169	306
Duvall	7,120	794,701,899	1.6000	1,271,523	179	615,078	86	265
Enumclaw	11,100	964,115,952	1.4598	1,407,436	127	1,927,290	174	300
Issaquah	32,130	6,272,408,867	1.2003	7,528,584	234	9,718,951	302	537
Lake Forest Park	12,680	1,931,662,888	1.5239	2,943,719	232	669,066	53	285
Maple Valley	23,910	2,341,637,967	1.4665	3,433,918	144	2,241,377	94	237
Medina	3,000	2,727,516,810	0.9320	2,542,155	847	1,116,942	372	1,220
Newcastle	10,640	1,939,132,104	2.1961	4,258,528	400	884,371	83	483
Nomandy Park	6,350	1,068,451,733	1.6000	1,709,523	269	421,180	66	336
North Bend	6,020	853,937,108	1.6048	1,370,407	228	1,778,246	295	523
Pacific	6,675	388,153,406	1.6269	631,467	95	592,880	89	183
Sammamish	48,060	9,290,367,218	2.4069	22,361,171	465	3,397,355	71	536
Snoqualmie	11,700	1,923,859,899	2.9779	5,728,985	490	2,006,778	172	661
Tukwila	19,160	4,756,373,688	2.9780	14,164,433	739	14,822,039	774	1,513
Woodinville	10,990	2,605,989,017	1.1557	3,011,820	274	4,471,388	407	681
Average					308		173	451





The Budget Document

Authority and Guideline for Spending Public Funds

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

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

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



The Budget Document

Authority and Guideline for Spending Public Funds

Basis of the Budget

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

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

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

Amending the budget

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



Financial Policies

Background and Purpose

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

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

Operating Budget Policies

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

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

Revenue and Expenditure Policies

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

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

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



Financial Policies - continued

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



Financial Policies - continued

Accounting, Financial Reporting, and Auditing Policies

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

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



Financial Policies - continued

Reserve and Fund Balance Policies

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

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

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

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

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



Financial Policies - continued

Enterprise Fund Policies

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

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



Financial Policies - continued

Debt Management Policies

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

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



Financial Policies - continued

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



Financial Policies - continued

Capital Improvement Policies

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

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

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



Glossary

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

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

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

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

AWC – Association of Washington Cities.

B & O - Business and Occupation Tax.

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

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

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

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

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

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

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

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

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

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

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

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

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

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



Glossary - continued

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



Glossary - continued

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

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

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

Deficit – An excess of expenditures over revenues.

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

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

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

D.O.E. – Department of Ecology

D.O.T. - Department of Transportation.

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

E.I.S. - Environmental Impact Statement.

E.M.S. - Emergency Medical Services.

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

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

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

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

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

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

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

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

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



Glossary - continued

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

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

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

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

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

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

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

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

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

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

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

GIS – Geographical Information System.

G.O. - See General Obligation Debt.

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

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

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

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

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

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



Glossary - continued

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

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

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

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

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

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

LGIP – Local Government Investment Pool.

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

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

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

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

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

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

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

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

MRSC – Municipal Research and Services Center.

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

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

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

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



Glossary - continued

OFM – Office of Financial Management.

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

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

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

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

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

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

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

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

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

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

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

R.C.W - Revised Code of Washington.

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

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

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

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

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

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



Glossary - continued

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

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

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

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

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

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

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

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

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

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

T.I.B. - Transportation Improvement Board.

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

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

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

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

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

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

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

WAC – Washington Administrative Code.





Document Format

Technical Editorial Team

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

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