

City of Spokane Valley 2021 Annual Budget



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Table of Contents

City of Spokane Valley, WA

Spokane County

January 1, 2021 through December 31, 2021

Summary of Councilmembers	III
City Manager's Budget Message	1-13
Finance Director's Message - About the 2020 Budget and Budget Development Process ...	15-29
Budget Summary	30-42
Revenues by Fund and Type	43-50
Expenditures by Fund and Department.....	51-54
General Fund Department Changes from 2019 to 2020.....	55-57
 #001- General Fund- Expenditures by Department by Type	
City Council	58-59
City Manager	60
City Attorney	61
Public Safety	62-64
Deputy City Manager.....	65
Finance	66-67
Human Resources	68
Public Works (history)	69
City Hall Operations and Maintenance	70
Community & Public Works	71-75
Community & Economic Development (history).....	76-77
Parks & Recreation	78-82
General Government.....	83-84
 Special Revenue Funds	
#101 - Street Fund	85-86
#103 - Paths & Trails Fund.....	87
#104 - Hotel / Motel Tax –Tourism Facilities Fund.....	88
#105 - Hotel / Motel Tax Fund	88
#106 - Solid Waste Fund	89
#107 - PEG Fund	90
#108 – Affordable & Supportive Housing Sales Tax	90
#120 - CenterPlace Operating Reserve Fund.....	91
#121 - Service Level Stabilization Reserve Fund	92
#122 - Winter Weather Reserve Fund	92

Debt Service Funds

#204 - Limited Tax General Obligation (LTGO) Fund	93
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Capital Projects Funds

#301 - REET 1 Capital Projects Fund.....	94
#302 - REET 2 Capital Projects Fund.....	95
#303 - Street Capital Projects Fund.....	96-97
#309 - Parks Capital Projects Fund	98
#310 - Civic Facilities Capital Projects Fund.....	99
#311 - Pavement Preservation Fund	100
#312 - Capital Reserve Fund.....	101
#313 - City Hall Construction Fund.....	102
#314 – Railroad Grade Separation Projects Fund	103

Enterprise Funds

#402 - Stormwater Management Fund	104-105
#403 - Aquifer Protection Area Fund	106

Internal Service Funds

#501 - Equipment Rental & Replacement Fund.....	107-108
#502 - Risk Management Fund	108

Capital Expenditures for 2020	109
FTE Count by Year – 2010 through 2020.....	110
Work Force Comparison	111
Appendix A, Employee Position Classification and Salary Schedule	112
Glossary of Budget Terms	113-115
Ordinance 20-023 Adopting the 2021 Budget	116

City Council Members



Ben Wick, Mayor
Position #4



Rod Higgins
Position #1



Brandi Peetz, Deputy Mayor
Position #2



Tim Hattenburg
Position #6



Arne Woodard
Position #3



Pam Haley
Position #5



Linda Thompson
Position #7

Staff

Mark Calhoun, City Manager

John Hohman, Deputy City Manager

Chelsie Taylor, Finance Director

Mike Stone, Parks & Recreation Director

Cary Driskell, City Attorney

William Helbig, City Engineer

Christine Bainbridge, City Clerk



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City Manager's Budget Message 2021 Annual Budget

Dear Citizens, Mayor and City Council of Spokane Valley:

It is with cautious optimism that I present the 2021 Budget for the City of Spokane Valley. Noteworthy is that the 2021 Budget development process occurred in the midst of a recession brought on by the COVID-19 global pandemic. As a consequence, we slowed down the budget development and adoption process in order to get a better sense of the resultant impact on revenue projections for both the 2020 and 2021 Budgets. As I write this message it is still unclear what the depth and breadth of revenue reductions will be across the variety of City funds for which we adopt budgets but we recognize that the most material impacts will be felt in the following revenue areas:

- Sales taxes (recorded in General Fund #001)
- Building and permitting fees (recorded in General Fund #001)
- Motor vehicle fuel taxes (recorded in Street O&M Fund #101)
- Lodging taxes (recorded in Hotel/Motel Tax Fund #'s 104 and 105)
- Real estate excise taxes (recorded in REET Fund #'s 301 and 302 and support capital projects in a number of City funds)

This Council adopted 2021 Budget includes what we consider to be fiscally responsible revenue adjustments based upon what we currently know. Because the City has a long history of making prudent financial decisions dating back to our 2003 incorporation, because it has engaged in consistently responsible budgeting and restrained spending, because we have restrained the growth of City programs and related spending, and because we have adhered to the key Fiscal Policies noted in following pages, we have accumulated fund reserves that we believe will allow the City to deliver status quo levels of service throughout all of 2021.

Budget Development Goals

We recognize that to ensure continued financial stability, it is imperative that we achieve two key goals within our General Fund:

1. Recurring annual revenues must be greater than or equal to recurring annual expenditures, and
2. The ending General Fund fund balance must be sufficient enough to meet cash flow needs which is no less than 50% of recurring expenditures and represents roughly six months of General Fund operations.

Even in light of the global pandemic and resultant recession, I am pleased to report that each of these goals have again been achieved in the 2021 General Fund Budget.

Beyond recurring operating activity, and due to our exceptionally strong financial position, we have been afforded the opportunity to use the portion of the General Fund fund balance that exceeds 50% of recurring expenditures for capital construction projects that are important to the City Council and Community. Following this policy of transferring the fund balance in excess of 50%, since 2013, City Councils have made the decision to transfer \$27.8 million of excess General Fund reserves to partially finance a variety of projects including each phase of the Appleway Trail, Sullivan Road West Bridge Replacement, Appleway Avenue Landscaping, construction of a new City Hall, the future Barker/BNSF Grade Separation Project, and setting aside money for the Pines/BNSF Grade Separation Project, Barker Corridor Project and development of Balfour Park.

Fiscal Policies

Fiscal Health is at the Core of Providing a Good Public Service

The Fiscal Policies adopted by the City Council are important for the long-range fiscal strength of Spokane Valley. These policies set a framework that the City will follow to responsibly manage resources and if necessary, under what circumstances we will utilize reserves to sustain operations during economic downturns.

Financial Management

The City will strive to:

1. Maintain basic service levels with minimal resources to achieve success.
2. Minimize personnel costs and overhead by continuing to contract for services when it makes financial sense to do so.
3. Continue the six-year Business Plan process.
4. Leverage City funds with grant opportunities.
5. Minimize City debt with a pay as you go philosophy.
 - o The State of Washington sets the maximum level of allowable debt for cities based on assessed value of property. The City of Spokane Valley carries an exceptionally low debt burden and currently utilizes only 1.53% of its total debt capacity, and more importantly, only 7.66% of non-voted bond capacity.
6. Strive to prioritize spending in the annual budget process and minimize the mid-year addition of projects and appropriations.

Financial Objectives

The City's financial objectives are:

1. Adopt a General Fund Budget with recurring revenues equal to, or greater than recurring expenditures.
2. Maintain a minimum General Fund Ending Fund Balance of at least 50% of the recurring expenditure budget. This is adequate to meet cash flow needs and is the equivalent of six months of general fund operations.
3. If necessary, utilize a portion of the Service Level Stabilization Reserve Fund #121 (\$5.5 million) to maintain ending fund balance minimum.
4. Commitment to the strategy that the Service Level Stabilization Reserve Fund #121 will not be reduced below \$3.3 million (60% of \$5.5 million) without City Council approval. If Council should deem this necessary, the City will then first replenish Fund #121 to at least \$3.3 million before any annual General Fund transfers are made to Capital Reserve Fund #312.
5. Maintain the 2021 property tax assessment the same as 2020 with the exception of new construction. As in the previous 11-years, the City will forego the 1% annual increase to

property tax allowable by RCW 84.52.050. We anticipate this will result in a levy of \$12,399,200 plus estimated new construction of \$325,000 for a total levy of \$12,724,200. The allowable potential increase will be banked for future use as provided by law. This represents the twelfth consecutive year that we have not increased our City property tax assessment.

6. Grow our economy so the existing tax base can support basic programs.

Commitment – By committing to these policies and the checks and balances they afford, the City will ensure financial sustainability well into the future.

2021 Budget Highlights

City Priorities

The City's chief budget priorities are:

- Public Safety
- Pavement Preservation
- Transportation and Infrastructure (including railroad grade separations and park related projects), and
- Economic Development

Ensuring that we've committed adequate resources to these activities accounts for much of the effort that Council and Staff collectively dedicate to the annual development of our Business Plan and Operating and Capital budgets.

Moderate Growth in Recurring General Fund Expenditures

Investing in essential core services identified by the Council and Community establishes the baseline expenditures we have included in this budget. Similar to the trend experienced in most jurisdictions, we find that the cost of providing these services often increases at a faster rate than the moderate growth we see in the underlying tax revenues that support these core services. With that said however, City staff and Council collectively strive to meet the challenge of continuing to provide historic levels of service and we will again meet this challenge in 2021 where we anticipate recurring General Fund revenues will increase over those of 2020 by 2.20%, while expenditures increase by 5.14%. The 5.14% increase is computed after a 2020 Budget amendment that includes a \$615,000 reduction in Parks and Recreation expenditures which is in recognition of the fact that the COVID-19 event has resulted in the elimination of many programs. If the \$615,000 reduction in 2020 expenditures were not included, the 2021 Budget actually increases by 3.65%.

Increases at the point of budget adoption over the past 8-years have been:

			Recurring	
			Revenues	Expenditures
2021	compared to	2020	2.20%	5.14%
2020	compared to	2019	6.12%	3.00%
2019	compared to	2018	5.56%	1.90%
2018	compared to	2017	3.73%	1.81%
2017	compared to	2016	4.38%	0.87%
2016	compared to	2015	3.08%	2.79%
2015	compared to	2014	2.72%	3.90%
2014	compared to	2013	4.39%	4.28%

Public Safety Costs

Over the years Council has consistently committed to the maintenance and at times enhancement of public safety service levels and this is again reflected in the 2021 Budget where public safety costs including law enforcement, courts, prosecution, public defense and jail related services represent the City's primary operating expenditure and total \$28,101,615 which is a 4.57% increase over the 2020 Budget. Noteworthy about the public safety budget are the following observations:

- It represents 62.3% of the 2021 General Fund recurring expenditure budget (\$28,101,615 / \$45,101,466).
- It is equivalent to 221% of anticipated 2021 property tax collections (\$28,101,615 / \$12,724,200). In other words, if property taxes were to double they alone would not be sufficient to cover Spokane Valley's public safety commitment.

Staffing Levels

The Staff count remains unchanged from 2020 to 2021 with 95.25 full-time equivalent employees (FTEs) but does reflect the reallocation of Staff between departments, including:

- A vacant 1.0 FTE Senior Transportation Planner position allocated to the Economic Development division has been repurposed to a 1.0 FTE Assistant Engineer position in the Engineering Division.
- A vacant 1.0 FTE Engineer position allocated 50% to the Engineering Division and 50% to Street Capital Projects Fund #303 has been repurposed to a 1.0 FTE Housing and Homeless Services Coordinator position in the General Fund City Manager budget. This position will begin coordinating the City's approach to proactively addressing housing and homeless issues in our community.

The FTE count allocated among City funds is as follows:

	2020 Budget as Adopted	2021 Staff Reallocation	2021 New Positions	2021 Budget	Difference Between 2020 and 2021
General Fund #001	75.78	0.50	0.00	76.28	0.50
Street O&M Fund #101	7.47	0.00	0.00	7.47	0.00
Street Capital Projects Fund #303	8.10	(0.50)	0.00	7.60	(0.50)
Stormwater Fund #402	3.90	0.00	0.00	3.90	0.00
	95.25	0.00	0.00	95.25	0.00

The personnel costs for the 76.28 FTEs charged to the General Fund represent just 21.9% of recurring expenditures.

Taking into consideration that we contract for police services and are served by Fire and Water districts as well as a Library District, for a major city we operate substantially below the normal employee count and consequently at a significantly reduced payroll cost relative to many cities across the country. Spokane Valley staff levels average about one employee for every 1,023 citizens (= population of 97,490 per the WA State OFM / 95.25 FTEs) while comparably sized cities in the State of Washington have a much higher ratio of employees to citizens.

Since incorporation, the City has taken a conservative approach to adding new staff and continues to have the lowest per capita employee count of any Washington city with a population of 50,000 or greater. By all comparisons, the City of Spokane Valley continues to be a lean, productive City government.

Pavement Preservation

Some may question paving roads that “don’t look so bad” but the truth is the best time to repave is before a road deteriorates to the point that full reconstruction is necessary. Full reconstruction costs substantially more than pavement preservation treatments such as crack sealing or grinding and repaving and this is why the City has committed critical financial resources to the preservation of our transportation infrastructure. We’re proud of our fine road system and will endeavor to continue to maintain it in the best manner possible with available financial resources.

Beginning in 2012, the City initiated a program of expending general fund, special revenue fund and capital project fund revenues and reserves for the purpose of financing our street preservation efforts. In 2021, our community will again see an aggressive program of caring for roadways including the potential of surface treatment programs that would be new to Spokane Valley.

For 2021, we project total revenues in Pavement Preservation Fund #311 of \$4,146,400 that combined with \$579,950 of fund reserves will be applied against \$4,726,350 in projected expenditures. Sources of revenue in 2021 are anticipated to include \$1,500,000 from the Street Wear fee that was adopted by Council in 2018, and \$2,646,400 in transfers from other City funds consisting of:

- \$991,843 from the General Fund
- \$827,278 from REET 1 Capital Projects Fund #301
- \$827,279 from REET 2 Capital Projects Fund #302

While Pavement Preservation is one of our critical service and budget priorities we find that sustaining adequate levels is a constant challenge and I address this in the portion of this budget message titled “Challenges”.

Transportation and Infrastructure

The 2021 Budget includes \$32,554,699 of capital expenditures that we anticipate will be in-part offset with \$21,079,702 in grant revenues which results in 64.75% of capital projects being financed with State and Federal dollars. The projects we’ll work on in 2021 partially include:

- \$8.88 million in Street Capital Projects Fund #303
- \$1.12 million in Park Capital Projects Fund #309
- \$4.68 million in Pavement Preservation Fund #311
- \$759,600 for the final installment to WSDOT for the acquisition of nearly 14 acres future park property located north of Sullivan Park.
- \$13.80 million in Railroad Grade Separation Projects Fund #314
- \$2.88 million in Stormwater Fund #402 and Aquifer Protection Area Fund #403
- \$212,800 for Information Technology equipment acquisitions in the General Fund
- \$130,000 from Equipment Rental and Replacement Fund #502 for the replacement of existing vehicles in the Engineering Division of the General Fund #001 and the Street Fund #101.

Challenges

Beyond the annual challenge of balancing the General Fund budget, the City of Spokane Valley has a number of on-going financial challenges.

1. Declining revenues in Street O&M Fund #101 that will impact our future ability to deliver historic service levels

This Fund depends upon a combination of gas and telephone tax receipts.

- Because the gas tax is a flat amount per gallon, and because each generation of newer vehicles get better gas mileage, we find our gas tax revenues hover somewhere between flat or slightly declining. Calendar year 2020 revenues were materially impacted by the COVID-19 event and amended downward by \$331,700 (16.2%) from the initial 2020 Budget projection of \$2,046,700 reflecting a material change in driving habits as much of the State population stayed home in order to physical distance from others. The 2021 Budget projection reflects a .7% increase over the 2020 Budget as initially adopted (\$2,062,000 / \$2,046,700) in anticipation of a return to normal (assuming a COVID-19 vaccine becomes available in early 2021 and widely distributed by yearend).
- The 6% telephone utility tax generated \$3,050,000 million in the first year of collections in 2009. Since that time however we have experienced a decline averaging 5.90% per year and at this point are projecting 2021 revenues of just \$1,431,000 which is just 47% of the 2009 collections. We believe the decline is primarily due to the elimination of land lines by individual households.

- Because of the ongoing decline in telephone utility tax revenues, 2021 will be the fifth consecutive year of budgeted recurring expenditures exceeding recurring revenues.
 - We have been able to continue to deliver historic levels of service in the previous 4-years by doing the following:
 - 2017 – a \$328,000 operating deficit was resolved by drawing down fund reserves.
 - 2018 – a \$415,000 operating deficit was resolved by drawing down fund reserves.
 - 2019 – a \$907,000 operating deficit was resolved through a transfer from Capital Reserve Fund #312. *This is a noteworthy departure from the historic intended use of these monies which has been for one-time capital projects.*
 - 2020 – a \$1,714,096 operating deficit was resolved through a combination of transfers of \$1,364,706 from Capital Reserve Fund #312 and \$350,200 from the General Fund.
 - 2021 – a \$1,859,600 operating deficit was resolved through a transfer directly from the General Fund.
- Determining “how” to fully finance Street O&M Fund #101 operations beyond 2021 will continue to be a Council conversation.

2. Balancing the cost of pavement preservation against other transportation and infrastructure needs

- Pavement preservation has historically been financed from a combination of sources including:
 - General Fund dollars,
 - Street O&M Fund dollars,
 - Civic Facility Replacement Fund #123 (Fund #123) reserves that were dedicated towards this purpose until their depletion in 2016.
 - Real estate excise tax (REET) revenues,
 - Grant revenues, and
 - Beginning in 2018, the addition of a street wear fee that was negotiated by the City as part of an updated solid waste collection contract that recognized the damage that heavily laden garbage trucks do to our road system.
 - Following is a table that reflects pavement preservation related revenues over the 10-year period 2011 through 2021:

	Fund							
	001	101	106	123	301/302	310		
	General	Street O&M	Street Wear Fee	Civic Fac. Replace.	REET 1&2	Civic Fac. Capital	Grants	Total
<u>Actual</u>								
2011	584,681	0	0	0	0	500,000	0	1,084,681
2012	2,045,203	0	0	0	0	0	0	2,045,203
2013	855,857	282,000	0	616,284	300,000	0	35,945	2,090,086
2014	888,823	282,000	0	616,284	368,944	0	2,042,665	4,198,716
2015	920,000	206,618	0	616,284	502,098	0	835,224	3,080,224
2016	943,800	67,342	0	559,808	730,572	0	1,654,698	3,956,220
2017	953,200	67,342	0	0	1,320,958	0	89,208	2,430,708
2018	962,700	67,342	1,000,000	0	1,370,658	0	1,422,404	4,823,104
2019	972,300	0	1,608,028	0	1,545,277	0	2,398,330	6,523,935
<u>Budget</u>								
2020	982,023	0	1,513,532	0	1,545,277	0	10,588	4,051,420
2021	991,843	0	1,500,000	0	1,654,557	0	0	4,146,400
	11,100,430	972,644	5,621,560	2,408,660	9,338,341	500,000	8,489,062	38,430,697

- The City used Civic Facility Replacement Fund #123 reserves over the 4-year period 2013 through 2016 in order to give the City time to determine how best to finance the pavement preservation plan in 2017 and beyond.
- In the years leading up to 2020 we existed in a fairly robust economy and beginning in 2017, following the depletion of Fund #123 reserves, we began applying a portion of our strong Real Estate Excise Tax (REET) collections towards pavement preservation. During this time frame we recognized that when the economy inevitably waned in the future, so too would REET revenues, and a consequence of over reliance on that source of money could in the future limit the City's ability to provide the necessary match needed for State and Federal grants that are applied to other street construction and reconstruction projects. Now, existing in the COVID-19 induced recession we find that our predictions may be coming to pass and recognize that the need to address alternative funding is more important than ever.
- For a number of years Spokane Valley struggled to develop a pavement management plan that clearly delineated the pavement condition index (PCI) that should be maintained throughout our road system and define the amount of money we should dedicate annually to achieve that plan.
- The results of one of our most recent studies was communicated to Council on April 2, 2019 and this answered the question of how pavement management resources should be allocated between the local access, collector and arterial portion of our street network. This study also estimated the annual cost to meet the needs of both Street O&M Fund #101 and Pavement Preservation Fund #311 to be \$10 million.
- Because the City annually commits approximately \$6 million to pavement management needs this leaves us with an estimated annual shortfall of \$4 million.
- Even though the City's investment in our street network has consistently fallen short of that figure however we find that the PCI is not in a free fall and is in fact holding fairly steady at a rating of 76 (out of 100) which is considered to be in the "Good" category.
- We continue to evaluate our pavement management plan and are currently considering a variety of pavement treatments beyond our historic use of crack sealing and grind and overlays.
- Council and Staff will continue to work collectively to determine how to finance a realistic pavement management plan.

3. Railroad Grade Separation Projects (overpasses and underpasses)

Bridging the Valley is a proposal to separate vehicle traffic from train traffic in the 42 mile corridor between Spokane and Athol, ID. The separation of railroad and roadway grades in this corridor is intended to promote future economic growth, traffic movement, traffic safety, aquifer protection in the event of an oil spill, and train whistle noise abatement. The underlying study outlined the need for a grade separation at four locations in Spokane Valley.

- Barker and Trent Road Overpass (fully funded at \$24.7 million),
- Pines and Trent Underpass (estimated cost of \$29.0 million),
- Sullivan Road Overpass improvements, and
- Park Road Overpass

Because grade separation projects are exceptionally expensive endeavors and largely beyond our ability to finance solely through existing sources of internal revenue, the City has pursued grant funding from both the Federal and State Governments over the past several years.

Barker/Trent Grade Separation Project

We reached the point of being fully funded for this project in early 2018, the design is complete, and we have acquired all necessary right-of-way with the exception of one parcel upon which we've received notification of a Cert 3 acceptance. We anticipate that construction funds will be obligated by late 2020 with construction beginning in 2021. Revenue sources are comprised of the following:

Barker Grade Separation Project Financing Sources		
City of Spokane Valley		
General Fund reserves	\$	1,421,000
Real Estate Excise Tax (REET)		2,209,000
Total from Spokane Valley	\$	3,630,000
Federal Earmark		
2017 WA Legislature appropriation		1,500,000
National Highway Freight Program		6,000,000
TIGER 9		9,020,000
FMSIB (20% of total)		
(assume \$19.0 million)		3,800,000
	\$	24,671,000

Pines / Trent Grade Separation Project

Progress to date includes:

- We anticipate the project cost will be \$29.0 million and thus far we have secured \$9.7 million including \$4.7 million set aside by the City. Additionally, there exists an inactive Freight Mobility Strategic Investment Board (FMSIB) grant in the amount of \$3.36 million. It is currently unclear whether these funds will be made available to Spokane Valley in the future. Following is a detailed list of sources secured:

Pines Grade Separation Project (Estimated cost of \$29 million)		
Financing Secured		
City of Spokane Valley		
2016 General Fund Property acquisition	\$	500,000
2017 General Fund dedication		1,200,000
2017 General Fund allocation of fund balance > 50%		721,000
2018 General Fund allocation of fund balance > 50%		764,000
2019 General Fund allocation of fund balance > 50%		1,500,000
Total from Spokane Valley		4,685,000
2018 - SRTC for ROW (FHWA)		1,890,000
2019 - CRISI 2 for Design		1,246,500
2020 - SRTC (FHWA)		1,905,000
	\$	9,726,500
<i>Inactive FMSIB Grant from 2000 that was awarded to WSDOT</i>		
	\$	3,360,000

- In late 2016 the City acquired property valued at approximately \$500,000 that was applied to the acquisition of property that will in-part satisfy the right-of-way needs for this project.
- On July 11, 2017 Council approved a Phase 1 contract with an engineering firm valued at \$124,000 with a scope of services that called for evaluating two potential sites, each of which included a roundabout and signalized intersection alternative.
- Staff presented subsequent reports to Council that provided design progress updates on October 17, 2017, December 13, 2018 and June 4, 2019.
- A total of five public outreach meetings were held between October 2017 and May 2019 to seek input on the design alternatives.
- Input was sought from a variety of stakeholders including BNSF, the Spokane Valley Police Department, Spokane Valley Fire Department, East Valley School District, the Fourth District Legislative Delegation and freight industry representatives.
- On June 18, 2019 Council approved a design alternative that moves the intersection to the east of the current location with a roundabout as intersection control.
- In early June 2019 the City was awarded a Consolidated Rail Infrastructure and Safety Improvements (CRISI) grant through the Federal Rail Administration (FRA) in the amount of \$1,246,500. The related contract for the CRISI grant was completed in March 2020 and the proceeds are being applied towards the engineering design phase.
- In May 2020 Council approved the contract to complete the engineering design phase of the project which we anticipate will be completed in the latter part of 2021.
- In early 2020 the City was awarded an additional \$1,905,000 towards right-of-way acquisition through the Spokane Regional Transportation Council (SRTC).
- In July 2020 the City began acquiring right-of-way through the acquisition of three parcels.
- Future property acquisitions will be necessary during the right-of-way phase of the project but this cannot be determined until the final phase of the design is well underway. We anticipate right-of-way activities will continue into 2022.

- With the engineering design phase completed by the end of 2021 and right-of-way acquisition phase completed in 2022 we anticipate the project will be “shovel ready” by December 2022.
- For the construction phase of the project the City has applied for a variety of both state and federal grants including the TIGER, FASTLANE , INFRA, CRISI and BUILD programs.
- We will continue to apply for grant programs as they become available. We are hopeful that having a 100% design will make us more competitive as we will then have a “shovel ready” project.

Economic Development

To the best of our ability we focus on business retention and expansion of existing businesses and recruitment of new businesses. Examples of economic development efforts include:

Comprehensive Plan – In the latter part of 2016 the City updated its Comprehensive Plan and included an economic development element. Contained within this element is a summary of the local economy; an assessment of strengths and weaknesses; and policies, programs and projects to foster economic growth. The plan also included implementation strategies to improve retail, enhance tourism, and grow businesses in the City. Among other things, the plan also streamlined land uses by consolidating many zones and reducing many development requirements. Additionally the plan was also designed to provide flexibility in an effort to encourage market driven growth.

Retail Recruitment – In 2017 the City expanded into the area of Retail Recruitment by contracting with a firm specializing in this type of service. The services we are seeking in this effort include a review of the retail recruitment strategy; conducting a market and retail gap analysis; development of a recruitment plan; identification of a strategic retail prospect list; and recruitment of retail on behalf of the City. We have again included money in the 2021 Budget to continue this effort.

Planned Action Ordinance (PAO) – In the latter part of 2016 the City received a \$114,200 grant from the Department of Commerce that with an additional investment of \$55,000 from the City, resulted in a streamlined environmental permitting process in the northeast industrial area of our community. This study completed the environmental permitting requirements for the northeast industrial area which lead to the development of a Planned Action Ordinance (PAO) adopted by Council March 12, 2019. The PAO saves industrial developers a minimum of 6 weeks permitting time while providing a predictable path to ensure that adequate infrastructure is in place to serve the expected developments and as a result of the PAO properties can now be marketed as truly “shovel ready”.

Northeast Industrial Area – In addition to the adoption of the Planned Action Ordinance the City has engaged in a number of capital projects in our Northeast Industrial Area that resulted in the expansion and improvement of our infrastructure and have the dual benefit of improving our road system and making the area more attractive for future economic development. These include:

- In 2019 we rebuilt Barker Road from Euclid Avenue to the southern limits of the Barker Grade Separation project including the extension of sewer service by Spokane County.
- In partnership with Centennial Properties, in 2020 we completed a project that began in 2019 that resulted in the construction of a new one-mile section of Garland Avenue that stretches from Flora to Barker. This new stretch of road made 150 additional acres of industrial property accessible to development.

- The City began a construction project in 2020 that will be completed in 2021 what will rebuild Barker Road from Euclid Avenue running south to the Spokane River.

The Budget for 2021

Strong but Guarded

Recognizing that fiscal health is at the core of providing good public services, one of the most important tests of fiscal management is the ability of a municipal enterprise to maintain basic services during an economic downturn. The creation and ongoing maintenance of financial reserves since incorporation has served the intended purpose of providing Spokane Valley the means to sustain critical public services during turbulent economic conditions including those experienced during the Great Recession that began in 2008 and the COVID-19 induced global recession we are currently experiencing. The 2021 Budget again reflects a prudent and guarded continuation of service delivery capabilities.

In the budget message I wrote last year I included the following statement:

“We are cognizant of the fact that we currently exist in the longest economic expansion in United States history and at this point, with each passing day we are closer to the next economic downturn. Given this, we will remain vigilant in our observance of local, state and national events and economic trends that may impact our own community and work towards capitalizing on our strengths, minimizing our weaknesses, and being ever watchful towards both threats and opportunities.”

As I write this message we exist in a global recession brought on by the COVID-19 pandemic. While we are uncertain of the depth and breadth of the impact this event will have on City revenues and the programs they support, we will in the future, as we have in the past, “continue to remain vigilant in our observance of local, state and national events and economic trends that may impact our own community and work towards capitalizing on our strengths, minimizing our weaknesses, and being ever watchful towards both threats and opportunities.”

Balanced Budget

Means exactly what it says – recurring General Fund operating expenses and the programs they support have been balanced with known or reasonably predictable recurring revenues with no increase in property tax or in sales tax rates for the City. The budget is designed to maintain the healthy, positive fund balance at year-end which provide for the City’s cash flow needs without costly borrowing. In pursuit of fiscal responsibility, special attention is given to limiting the growth in new programs and financial commitments. This approach allows available resources to be put toward sustaining services consistent with the City Council’s priorities for 2021 and beyond.

Acknowledgments

I would like to acknowledge the Community, City Council and Staff for a long history of financially responsible spending and sensible fiscal planning. By saving and conserving the taxpayers' money and by adopting and adhering to prudent long-term fiscal policies, the City will in 2021 provide levels of service on par with those we've provided in past years even while in the grip of a global recession induced by the COVID-19 pandemic.

The City Council continues to set a path to ensure the long-term financial sustainability of the City. The management staff and employees have worked together to develop the Business Plan and 2021 Budget recommendations to achieve the Council's ongoing goal of sustainability.

I hope the Citizens of Spokane Valley are proud of the programs and strong financial condition of their City. We invite your examination and questions regarding the 2021 Budget.

Respectfully,

Mark Calhoun
City Manager



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TO: City Manager and Members of the City Council

FROM: Chelsie Taylor, Finance Director

SUBJECT: About the 2021 Budget and Budget Development Process

The budget includes the financial planning and legal authority to obligate public funds. Additionally, the budget provides significant policy direction by the City Council to the staff and community. As a result, the City Council, staff and public are involved in establishing the budget for the City of Spokane Valley.

The budget serves four functions:

1. It is a Policy Document

The budget functions as a policy document in that the decisions made within the budget will 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. It is an Operational Guide

The budget of the City reflects its operation. Activities of each City function and organization have been planned, debated, formalized, and described in the following sections. This process will help to maintain 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.

3. It is a Link with the General Public

The budget provides a unique opportunity to allow and encourage public review of City operations. The budget describes the activities of the City, the reason or cause for those activities, future implications, and the direct relationship to the citizenry.

4. It is a Legally Required Financial Planning Tool

The budget is a financial planning tool, which has been its most traditional use. In this light, preparing and adopting a budget is a State law requirement of all cities as stated in Title 35A of the Revised Code of Washington (RCW). The budget must be adopted as a balanced budget and must be in place prior to the beginning of the City's fiscal year. 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. The revenues of the City are estimated, along with available cash carry-forward, to indicate funds available. The budget takes into account unforeseen contingencies and provides for the need for periodic adjustments.

2021 BUDGET DEVELOPMENT PROCESS

Historically the City has utilized a budgeting approach that assumed for most functions of government that the current year's budget was indicative of the base required for the following year. However, with the volatility that was seen in the economy with the Great Recession and again with the COVID-19 pandemic, the City moved to a Budget development process that consciously reviews service levels in each department and determines the appropriate level of funding that meets Council goals relative to available resources.

The 2021 Budget development process began at the February 11, 2020 Council workshop where among other topics, Council and staff discussed the budget in general terms. Due to the COVID-19 pandemic, the City's budget development process was delayed in order to account for some of the uncertainty surrounding revenue projections. In mid-April 2020 the Finance Department notified City Departments that their 2021 revenue and expenditure estimates were due by mid-May. Through the summer, the City Manager's office and Finance Department worked to prepare budget worksheets that were communicated to the City Council at a Budget workshop held August 4, 2020. Following the workshop, the Finance Department continued work on the budget including refinements of revenue and expenditure estimates and through September, the Finance Department and City Manager reviewed updated budget projections.

By the time the 2021 Budget is scheduled to be adopted on December 8, 2020, the Council will have had an opportunity to discuss it on eight separate occasions, including three public hearings to gather input from citizens:

August 4	Council budget workshop
September 8	Admin report: Estimated 2021 revenues and expenditures
September 22	<u>Public hearing #1</u> on 2021 revenues and expenditures
October 13	City Manager's presentation of preliminary 2021 Budget
October 27	<u>Public hearing #2</u> on 2021 Budget
November 24	First reading on ordinance adopting the 2021 Budget
November 24	<u>Public hearing #3</u> on the 2021 Budget
December 8	Second reading on ordinance adopting the 2021 Budget

Once adopted, the final operating budget is published, distributed, and made available to the public.

After the budget is adopted, the City enters a budget implementation and monitoring stage. Throughout the year, expenditures are monitored by the Finance Department and department directors to ensure that actual expenditures are in compliance with the approved budget. The Finance Department provides the City Manager and City Council with monthly reports to keep them abreast of the City's financial condition and individual department compliance with approved appropriation levels. Any budget amendments made during the year are adopted by City Council ordinance following a public hearing.

The City Manager is authorized to transfer budgeted amounts within a fund; however, any revisions that alter the total expenditures of a fund, or that affect the number of authorized employee positions, salary ranges 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 adopted by Council after holding one public hearing.

BUDGET PRINCIPLES

- Department directors have primary responsibility for formulating budget proposals in line with City Council and City Manager priority direction, and for implementing them once they are approved.
- The Finance Department is responsible for coordinating the overall preparation and administration of the City's budget. This function is fulfilled in compliance with applicable State of Washington statutes governing local government budgeting practices.
- The Finance Department assists department staff in identifying budget problems, formulating solutions and alternatives, and implementing any necessary corrective actions.
- Interfund charges will be based on recovery of costs associated with providing those services.
- Budget amendments requiring City Council approval will occur through the ordinance process at the fund level prior to fiscal year end.
- The City's budget presentation will be directed at displaying the City's services plan in a Council/constituent friendly format.
- No long term debt will be incurred without identification of a revenue source to repay the debt. Long term debt will be incurred for capital purposes only.
- The City will strive to maintain equipment replacement funds in an amount necessary to replace the equipment at the end of its useful life. Life cycle assumptions and required contributions will be reviewed annually as part of the budget process. New operations in difficult economic times may make it difficult to fund this principle in some years.
- The City will pursue an ending general fund balance at a level of no less than 50% of recurring expenditures. This figure is based upon an evaluation of both cash flow and operating needs.

BASIS OF ACCOUNTING AND BUDGETING

Accounting

Accounting records for the City are maintained in accordance with methods prescribed by the State Auditor under the authority of the Revised Code of Washington (RCW), Chapter 43.09.20, and in compliance with generally accepted accounting principles as set forth by the Governmental Accounting Standards Board.

Basis of Presentation - Fund Accounting

The accounts of the City of Spokane Valley are organized on the basis of funds, each of which is considered a separate accounting entity. Each fund is accounted for with a separate set of double-entry accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. The City's resources are allocated to and accounted for in individual funds depending on their intended purpose. The following are the fund types used by the City of Spokane Valley:

Governmental Fund Types

Governmental funds are used to account for activities typically associated with state and local government operations. All governmental fund types are accounted for on a spending or "financial flows" measurement focus, which means that typically only current assets and current liabilities are included on related balance sheets. The operating statements of governmental funds measure changes in financial position, rather than net income. They present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. There are four governmental fund types used by the City of Spokane Valley:

1. General Fund

This fund is the primary fund of the City of Spokane Valley. It accounts for all financial resources except those required or elected to be accounted for in another fund.

2. Special Revenue Funds

These funds account for revenues that are legally restricted or designated to finance particular activities of the City of Spokane Valley. Special Revenue funds include:

- #101 – Street Fund
- #103 – Paths & Trails Fund
- #104 – Hotel / Motel Tax – Tourism Facilities Fund
- #105 – Hotel / Motel Tax Fund
- #106 – Solid Waste Fund
- #107 – PEG Fund
- #108 – Affordable & Supportive Housing Sales Tax Fund
- #120 – CenterPlace Operating Reserve Fund
- #121 – Service Level Stabilization Reserve Fund
- #122 – Winter Weather Reserve Fund

3. Debt Service Funds

These funds account for financial resources which are designated for the retirement of debt. Debt Service Funds are comprised of the #204 – LTGO Debt Service Fund.

4. Capital Project Funds

These funds account for financial resources, which are designated for the acquisition or construction of general government capital projects. Capital Project Funds include:

- #301 – REET 1 Capital Projects Fund
- #302 – REET 2 Capital Projects Fund
- #303 – Streets Capital Projects Fund
- #309 – Parks Capital Projects Fund
- #310 – Civic Facilities Capital Projects Fund
- #311 – Pavement Preservation Fund
- #312 – Capital Reserve Fund
- #314 – Railroad Grade Separation Projects Fund

Proprietary Fund Types

A second type of fund classification is the Proprietary Funds that are used to account for activities similar to those found in the private sector where the intent of the governing body is to finance the full cost of providing services based on the commercial model which uses a flow of economic resources approach. Under this approach, the operating statements for the proprietary funds focus on a measurement of net income (revenues and expenses) and both current and non-current assets and liabilities are reported on related balance sheets. Their reported fund equity (total net assets) is segregated into restricted, unrestricted and invested

in capital assets classifications. As described below, there are two generic fund types in this category:

1. Enterprise Funds

These funds account for operations that provide goods or services to the general public and are supported primarily by user charges. This type of fund includes:

- #402 – Stormwater Management Fund
- #403 – Aquifer Protection Area Fund

2. Internal Service Funds

These funds account for operations that provide goods or services to other departments or funds of the City. This type of fund includes:

- #501 – Equipment Rental and Replacement Fund
- #502 – Risk Management Fund

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized, recorded in the accounting system and ultimately reported in the financial statements.

- Modified Accrual Basis of Accounting is used for all governmental funds. Modified accrual recognizes revenues when they become both measurable and available to finance expenditures of the current period.
- Accrual Basis of Accounting is used for enterprise and internal service funds. Under this system revenues and expenses are recognized in the period incurred rather than when cash is either received or disbursed.

Budgets and Budgetary Accounting

Annual appropriation budgets are adopted for all funds with Governmental Funds utilizing a modified cash basis of accounting for budget purposes and Proprietary Funds utilizing a working capital approach.

Budgets are adopted at the fund level that constitutes the legal authority for expenditures, and annual appropriations for all funds lapse at the end of the fiscal period.

EXPLANATION OF MAJOR REVENUE SOURCES

General Fund #001

• Property Tax

Property taxes play an essential role in the finances of the municipal budget. State law limits the City to a \$3.60 levy per \$1,000 assessed valuation, deducting from there the levy of up to \$1.50 by the Spokane County Fire Districts #1 and #8, along with deducting up to \$0.50 for the Library District, which leaves the City with the authority to levy up to \$1.60 for its own purposes. The levy amount must be established by ordinance by November 30th prior to the levy year.

• Retail Sales and Use Tax

The sales tax rate for retail sales transacted within the boundaries of the City of Spokane Valley is 8.9%. The tax that is paid by a purchaser at the point of sale is remitted by the vendor to the Washington Department of Revenue who then remits the taxes back to the various agencies that have imposed the tax. The allocation of the 8.9% tax rate to the agencies is as follows:

State of Washington	6.50%	
City of Spokane Valley	0.85%	
Spokane County	0.15%	
Criminal Justice	0.10%	
Spokane Public Facilities District	0.10% *	
Public Safety	0.10% *	} 2.30% local tax
Juvenile Jail	0.10% *	
Mental Health	0.10% *	
Law Enforcement Communications	0.10% *	
Spokane Transit Authority	0.80% *	
	<u>8.90%</u>	

** Indicates voter approved sales taxes.*

- Criminal Justice Sales Tax**
 Local Sales Tax for Criminal Justice funding is to be used solely for criminal justice purposes, such as the City's law enforcement contract. This tax is authorized at 1/10 of 1% of retail sales transacted in the County. Of the total amount collected, the State distributes 10% of the receipts to Spokane County, with the remainder allocated on a per capita basis to the County and cities within the County.
- Public Safety Sales Tax**
 Beginning in 2005, an additional 0.1% voter approved increase in sales tax was devoted to public safety purposes. This 0.1% was approved by the voters again in August 2009. Of the total amount collected, the State distributes 60% of the receipts to Spokane County, with the remainder allocated on a per capita basis to the cities within the County.
- Gambling Tax**
 Gambling tax revenues must be spent primarily on law enforcement purposes pertaining to gambling. Funds remaining after necessary expenditures for such enforcement purposes may be used for any general government purpose. Gambling taxes are to be paid quarterly to the City, no later than the last day of January, April, July and October. An extension of the deadlines for the 2nd and 3rd quarters of 2020 was authorized by the City Council due to the COVID-19 pandemic and related economic shut-downs mandated at the State level. The City imposes a tax on the following forms of gambling at the following rates: Bingo (5% gross, less prizes); Raffles (5% gross, less prizes); Punchboards and Pull tabs (5% gross, less prizes); Amusement Games (2% gross, less prizes); Card playing (6% gross).
- Leasehold Excise Tax**
 Taxes on property owned by state or local governments and leased to private parties (City's share).

- Franchise Fees
Cable TV is the only franchise fee levied in the City at a rate of 5% of gross revenues. This is a fee levied on private utilities for the right to use city streets, alleys, and other public properties.
- State-Shared Revenues
State-shared revenues are received from liquor sales, marijuana revenues, and motor vehicle excise taxes. These taxes are collected by the State of Washington and shared with local governments based on population. State-shared revenues are distributed on either a monthly or quarterly basis, although not all quarterly revenues are distributed in the same month of the quarter. The 2020 population figure used in the 2021 Budget is 97,490 as reported by the Office of Financial Management for Washington State on April 1, 2020. This figure is important when determining distribution of State shared revenues on a per capita basis.
- Fines and Forfeitures / Public Safety
Fines and penalties are collected as a result of Municipal Court rulings, false alarm fees, and other miscellaneous rule infractions. All court fines and penalties are shared with the State, with the City, on average, retaining less than 50% of the amount collected.
- Community Development
Community Development revenues are largely composed of fees for building permits, plan reviews, and right-of-way permits.
- Recreation Program Fees
The Parks and Recreation Department charges fees for selected recreation programs. These fees offset direct costs related to providing the program.
- CenterPlace Fees
The Parks and Recreation Department charges fees for use of CenterPlace. Uses include regional meetings, weddings, receptions and banquets. Rental rooms include classrooms, the great room and dining rooms.
- Investment Interest
The City earns investment interest on sales tax money held by the State of Washington prior to the distribution of the taxes to the City, as well as on City initiated investments.

Street Fund #101

- Motor Vehicle Fuel Excise Tax (gas tax)
The State of Washington collects a \$0.494 per gallon motor vehicle fuel tax at the pump. Of this amount, the State remits a portion of the tax back to cities on a per capita basis. For 2021 the Municipal Research and Services Center estimates the distribution back to cities will be \$21.24 per person. Based upon a City of Spokane Valley population of 97,490 (per the Washington State Office of Financial Management on April 1, 2020) we anticipate the City will collect \$2,070,700 in 2021. RCW 47.30.050 specifies that 0.42% of this tax must be expended for paths and trails activities and based upon the 2021 revenue estimate this computes to

\$8,700. The balance of \$2,062,000 will be credited to Fund #101 for street maintenance and operations.

- **Telephone Utility Tax**

The City of Spokane Valley levied a 6% telephone utility tax via Ordinance #08-014 with collections beginning in 2009. Telephone companies providing this service pay the tax to the City monthly. Telephone tax has been estimated at \$1.4 million for 2021.

Paths & Trails Fund #103

Cities are required to spend 0.42% of the motor vehicle fuel tax receipts on paths and trails (please see the explanation for Street Fund #101) which we anticipate will be \$8,700 in 2021. Because the amount collected in any given year is relatively small, it is typical to accumulate State distributions for several years until adequate dollars are available for a project.

Hotel / Motel Tax – Tourism Facilities Fund #104

The City imposes a 1.3% tax under RCW 67.28.181 on all charges made for the furnishing of lodging at hotels, motels, and similar establishments (including bed and breakfasts and RV parks) for a continuous period of less than one month. The revenues generated by this tax may only be used for capital expenditures for acquiring, constructing, making improvements to or other related capital expenditures for large sporting venues, or venues for tourism-related facilities. The hospitality industry, including hotels, was one of the industries affected the most by the COVID-19 pandemic due to reduced travel from the State's stay home order. This being the case, the City experienced significant reductions in hotel/motel tax collections in 2020 which are expected to continue into 2021. This tax is estimated to generate \$213,000 in 2021.

Hotel / Motel Tax Fund #105

The City imposes a 2% tax under RCW 67.28.180 on all charges made for the furnishing of lodging at hotels, motels, and similar establishments (including bed and breakfasts and RV parks) for a continuous period of less than one month. The tax is taken as a credit against the 6.5% state sales tax, so that the total tax that a patron pays in retail sales tax and hotel/motel tax combined is equal to the retail sales tax in the jurisdiction. The revenues generated by this tax may be used solely for paying for tourism promotion and for the acquisition and/or operation of tourism-related facilities. The reductions described under Fund #104 above also apply to these revenues. This tax is estimated to generate \$346,000 in 2021.

Solid Waste Fund #106

Under the City's contract for solid waste transfer, transport and disposal services with Sunshine Recyclers, Inc., Sunshine pays an annual contract administrative fee of \$125,000 to the City. Also, under the City's contract for solid waste collection services with Waste Management of Washington, Inc., Waste Management pays an administrative fee of 12.5% of gross receipts. This fee shall be used by the City for costs related to solid waste services, including costs for contract administration, solid waste planning and management, and for a portion of the City's street preservation and maintenance programs. Of the amounts collected under the fee, no more than 1% of gross receipts may be used for contract administration.

PEG Fund #107

Under the City's cable franchise, the franchise grantee remits to the City in a capital contribution in support of Public Education Government (PEG) capital requirements an amount equal to \$0.35 per subscriber per month to be paid to the City on a quarterly basis for the life of the franchise. Capital contributions collected under this agreement are allocated to PEG capital uses

exclusively. PEG capital uses include, in part, the set-up of equipment in the City Council Chambers that allows Spokane Valley to broadcast Council meetings both live and through subsequent reviews via digital recordings available on the City's website.

Affordable and Supportive Housing Sales Tax Fund #108

In the year 2020, the Council authorized the City to collect the affordable and supportive sales tax, which is a rebate of the State sales tax to cities and counties. The amount received by the City is up to .0146% of the taxable retail sales within the City capped at the 2019 fiscal year taxable retail sales. The department of Revenue has estimated this capped distribution to be \$193,000 for the City. The City will receive these revenues for 20 years, and the revenues may only be used to support affordable housing within the City or for rental assistance as outlined in RCW 82.14.540.

LTGO Debt Service Fund #204

This fund is used to account for the accumulation of resources for, and the payment of limited tax general obligation (LTGO) bonds also referred to as councilmanic or non-voted bonds. When LTGO bonds are issued the City irrevocably pledges the full faith, credit and resources necessary to make timely payments of principal and interest, within constitutional and statutory limitations pertaining to non-voted general obligations.

In 2003 the City issued \$9,430,000 in limited tax general obligation (LTGO) bonds the proceeds of which were used to finance both the construction of CenterPlace and road and street improvements surrounding the facility. In 2014 the City refunded the LTGO bonds in order to take advantage of lower interest rates which resulted in a reduction in subsequent annual bond repayment (much like refinancing a home mortgage). At the completion of the bond refunding there remained \$7,035,000 of LTGO bonds. Of this total:

- \$5,650,000 remained on the original debt used towards the construction of CenterPlace. These bonds will be paid off in annual installments over the 20-year period ending December 1, 2033. Annual debt service payments on these bonds are provided by the Spokane Public Facilities District. At January 1, 2021, the outstanding balance on this portion of the bond issue will be \$4,100,000.
- \$1,385,000 remained on the original debt used towards the road and street improvements. These bonds will be paid off in annual installments over the 10-year period ending December 1, 2023. Annual debt service payments on these bonds are provided by equal distributions from the 1st and 2nd quarter percent real estate excise tax. At January 1, 2021 the outstanding balance on this portion of the bond issue will be \$450,000.

In 2016 the City issued \$7,275,000 in LTGO bonds, the proceeds of which were used to finance the construction of a new City Hall along with \$6.3 million of City cash that has been set aside for this purpose. These bonds will be paid off in annual installments over the 30-year period ending December 1, 2045. Annual debt service payments on these bonds are provided by transfers in from the General Fund. At January 1, 2021, the outstanding balance on the bond issue will be \$6,570,000.

REET 1 Capital Projects Fund #301

Under Washington State Law, RCW 82.46.010, the City is allowed to impose an excise tax on each sale of real property at the rate of one-quarter of one percent of the selling price. The revenue generated is used for financing capital projects as specified in the capital facilities plan under the Growth Management Act.

REET 2 Capital Projects Fund #302

Under Washington State Law, RCW 82.46.010, the City is allowed to impose an additional excise tax on each sale of real property at the rate of one-quarter of one percent of the selling price. The revenue generated is used for financing public works capital projects as specified in the capital facilities plan under the Growth Management Act.

Stormwater Management Fund #402

A stormwater fee is imposed upon every developed parcel within the City, which is an annual charge of \$21 for each single family unit and \$21 per 3,160 square feet of impervious surface for all other properties. These charges are uniform for the same class of customers and service facilities. These fees are estimated to generate \$1,900,000 in 2021.

Aquifer Protection Area (APA) Fund #403

These are voter approved fees, the proceeds of which are applied to aquifer protection related capital construction projects. Fees are collected by Spokane County and remitted to the City twice each year. These fees are estimated to generate \$460,000 in 2021. Fees include:

- An annual fee of \$15 per household for the withdrawal of water from properties within the APA.
- An annual fee of \$15 per household for on-site sewage disposal by properties within the APA.
- For commercial properties an annual fee ranging from \$15 to \$960 depending upon water meter size.

Interfund Transfers

Many funds receive a portion of their revenues from other funds in the form of an interfund transfer. These transfers typically represent payments for either services rendered by one fund for another or a concentration of revenues for a specific project or purpose. The following interfund transfers are planned for 2021:

		Out:						Total In
		001	105	106	301	302	312	
In:	001	0	30,000	0	0	0	0	30,000
	101	1,859,600	0	0	0	0	0	1,859,600
	104	0	453,840	0	0	0	0	453,840
	204	401,500	0	0	80,775	80,775	0	563,050
	303	0	0	0	316,620	1,662,684	0	1,979,304
	309	160,000	0	0	0	0	565,150	725,150
	311	991,843	0	1,500,000	827,278	827,279	0	4,146,400
	314	0	0	0	0	1,127,387	725,774	1,853,161
	501	36,600	0	0	0	0	0	36,600
	502	425,000	0	0	0	0	0	425,000
								12,072,105 Total in
Total Out		3,874,543	483,840	1,500,000	1,224,673	3,698,125	1,290,924	12,072,105 Total out
								0

#001 – General Fund is budgeted to transfer out \$3,874,543 including:

- \$1,859,600 to Fund #101 – Street Fund as coverage of the estimated deficit in recurring activity for the 2021 Budget.

- \$401,500 to Fund #204 – LTGO Debt Service Fund for bond payments on the 2016 LTGO Bonds for the City Hall construction.
- \$160,000 to Fund #309 – Park Capital Projects Fund for park related projects.
- \$991,843 to Fund #311 – Pavement Preservation Fund for pavement preservation projects.
- \$36,600 to Fund #501 – Equipment Rental and Replacement Fund to fund a CenterPlace kitchen equipment replacement reserve for \$36,600.
- \$425,000 to Fund #502 – Risk Management Fund for the 2021 property and liability insurance premium.

#105 – Hotel / Motel Tax Fund is budgeted to transfer \$30,000 to Fund #001 – General Fund for the purpose of financing advertising at CenterPlace and to transfer \$453,840 to Fund #104 – Hotel/Motel Tax – Tourism Facilities Fund for a future tourism related venue.

#106 – Solid Waste Fund is budgeted to transfer \$1,500,000 to the Pavement Preservation Fund #311 for the purpose of funding pavement preservation projects on local access streets.

#301 – REET 1 Capital Projects Fund is budgeted to transfer out \$1,224,673 including:

- \$80,775 to Fund #204 – LTGO Debt Service Fund to pay a portion of the annual payment on the 2014 LTGO bonds.
- \$316,620 to Fund #303 – Street Capital Projects Fund that will be applied towards grant matches for street construction projects.
- \$827,278 to Fund #311 – Pavement Preservation Fund for pavement preservation projects.

#302 – REET 2 Capital Projects Fund is budgeted to transfer out \$3,698,125 including:

- \$80,775 to Fund #204 – LTGO Debt Service Fund to pay a portion of the annual payment on the 2014 LTGO bonds.
- \$1,662,684 to Fund #303 – Street Capital Projects Fund that will be applied towards grant matches for street construction projects.
- \$827,279 to Fund #311 – Pavement Preservation Fund for pavement preservation projects.
- \$1,127,387 to Fund #314 – Railroad Grade Separation Projects Fund for the Barker Rd. grade separation project.

#312 – Capital Reserve Fund is budgeted to transfer out \$1,290,924 including:

- \$565,150 to Fund #309 – Parks Capital Projects Fund that will be applied towards segments of the Appleway Trail.
- \$725,774 to Fund #314 – Railroad Grade Separation Projects Fund that will be applied to grade separation projects at Barker, Pines, and Sullivan Roads.

SIGNIFICANT ASSUMPTIONS IN THE 2021 BUDGET

Budget Summary for All Funds

- Based upon funding levels anticipated in the 2021 budget, City staff will strive to maintain adequate levels of service.
- Appropriations for all City Funds will total \$98 million including \$32.6 million in capital expenditures, comprised in-part of:
 - \$8.9 million in Fund #303 – Street Capital Projects.
 - \$1.1 million in Fund #309 – Park Capital Projects.
 - \$4.7 million in Fund #311 – Pavement Preservation projects.
 - \$760 thousand in Fund #312 – Capital Reserve land acquisition.
 - \$13.8 million in Fund #314 – Railroad Grade Separation Projects.
 - \$500 thousand in Fund #402 – Stormwater Management projects.

- \$2.4 million in Fund #403 – Aquifer Protection Area projects.
- To partially offset the \$32.6 million in capital costs, we anticipate \$21.1 million in grant revenues which results in 64.75% of capital expenditures being covered with State and Federal money.
- Budgets will be adopted across 24 separate funds.
- The full time equivalent employee (FTE) count will remain 95.25 in 2021. There is one vacant position in Economic Development being repurposed to Engineering due to workload and one vacant Engineer position that was budgeted 50/50 between Engineering and Street Capital Projects being repurposed to a Housing & Homeless Services Coordinator in the City Manager department.
- The 2021 Budget reflects the seventh consecutive year the City will set aside City monies in an amount equivalent to 6% of General Fund recurring expenditures for pavement preservation in Fund #311 – Pavement Preservation. This 6% equals \$2,646,400.
- Positions and salary ranges are based on the City's compensation and classification plan.
- Payroll tax and benefit amounts are based on staff benefit plans.
- Contract costs for public safety, park maintenance, aquatics and street maintenance are based on estimates by City staff.
- The City is setting money aside in Fund #501 – Equipment Rental and Replacement for the eventual replacement of its vehicles as well as a reserve to replace equipment in the kitchen at CenterPlace.

2021 General Fund Revenues

- Total recurring 2021 revenues are estimated at \$45,426,419 as compared to \$44,448,300 in 2020, which is an increase of \$978,119 or 2.20%. However, this is a decrease of 5.91% from the original adopted 2020 Budget amount of \$48,281,800. Revenue estimates in 2020 were amended down due to the effects of the COVID-19 pandemic on the economy.
- The two largest sources of revenue continue to be Sales Tax and Property Tax which are collectively estimated to account for 83.35% of 2021 General Fund recurring revenues.
- The 2021 general sales tax estimate (excluding criminal justice and public safety sales taxes) is reflective of the revised estimated 2020 receipts to date due to the COVID-19 pandemic and are currently estimated at \$22.2 million which reflects an increase of \$436,000 or 2.0% over the 2020 estimate.
- The Property Tax levy does not include the potential annual increase allowed by Initiative #747 which was approved by the voters in November 2001 and the subsequent action by the State Legislature in November 2007.
 - The 2021 levy is estimated at \$12,724,200.
 - The levy assumes we start with the 2020 levy of \$12,399,226, forgo the potential annual increase allowed by State law, and finally add taxes related to new construction which we estimate to be \$325,000.
- Franchise fees and business registrations are primarily based on projected receipts in 2020.
- State shared revenues are based upon a combination of historical collections including 2020 collections through July, and per capita distribution figures reported by the Municipal Research and Services Center.
- Fines and forfeitures are estimated by Spokane Valley and based on historical collections.
- Building permit and land use fees are estimated by Spokane Valley and based on historic collections.

2021 General Fund Expenditures

- Total 2021 recurring expenditures are budgeted at \$45,101,466 as compared to \$42,898,125 in 2020. This is an increase of \$2,203,341 or 5.14%. The 2021 amount is \$1,879,480 or 4.35% greater than the original adopted 2020 budget amount which was amended down due to the effects of the COVID-19 pandemic on the economy.
- The City commitment of 6% of recurring General Fund expenditures to pavement preservation equals \$2,646,400 and is computed by multiplying total recurring expenditures prior to adding the pavement preservation element ($\$2,646,400 / \$45,101,466 = 6\%$). The \$2,646,400 that is transferred to Pavement Preservation Fund #311 is comprised of the following:
 - \$991,843 from General Fund #001
 - \$827,278 from REET 1 Capital Projects Fund #301
 - \$827,279 from REET 2 Capital Projects Fund #302
- 2021 Nonrecurring expenditures total \$2,176,300 and include:
 - \$212,800 for Information Technology expenditures including:
 - \$10,000 to replace outdated copiers
 - \$159,000 for server upgrades and to replace the card access systems at CenterPlace and the Maintenance Shop
 - \$43,800 for software upgrades and Laserfiche workflow
 - \$78,900 for various Public Safety items including:
 - \$37,500 for the replacement of handguns (split 50% with the County)
 - \$11,400 for a radar trailer
 - \$20,000 to replace the access control gate at the Precinct
 - \$10,000 to replace the fire panel at the Precinct
 - \$25,000 for an update to the Shoreline Master Plan that is funded by a grant from the Department of Ecology
 - \$1,859,600 transfer out to the Street O&M Fund #101 to cover the deficit in recurring expenditures exceeding recurring revenues in that fund

General Fund Revenues Over (Under) Expenditures and Fund Balance

- 2021 recurring revenues are anticipated to exceed recurring expenditures by \$324,953.
- Total 2021 expenditures are anticipated to exceed total revenues by \$2,151,300.
- The total unrestricted General Fund ending fund balance is anticipated to be \$33,036,464 at the end of 2021 which is 73.25% of total recurring expenditures of \$45,101,466. Our goal is to maintain an ending fund balance of at least 50.0%.

Highlights of Other Funds

Revenues

- Motor vehicle fuel tax (MVFT) revenue that is collected by the State and remitted to the City is estimated to be \$2,070,700 according to per capita estimates provided by the Municipal Research and Services Center. Of this amount, \$2,062,000 will be credited to the Street O&M Fund #101 and 0.42% or \$8,700 to the Paths and Trails Fund #103.
- Telephone taxes that are remitted to the City and support Street Fund operations and maintenance are anticipated at \$1,431,000.
- Real estate excise tax (REET) revenue is computed by the City and is primarily used to match grant funded street projects as well as pay a portion of the annual payment on the 2014 general obligation bonds. In 2020 we estimate these revenues to be \$1,000,000 per each $\frac{1}{4}\%$ for a total of \$2,000,000.
- Hotel/Motel tax revenues are computed by the City and are dedicated to the promotion of visitors and tourism. In 2021 we estimate the tax will generate \$559,000, which includes \$346,000 in Fund #105 Hotel / Motel Tax Fund from the 2% tax and \$213,000 in Fund #104

Hotel / Motel Tax – Tourism Facilities Fund from the 1.3% tax that was effective as of July 1, 2015.

- The City began receiving the affordable and supportive housing sales tax in 2020, and will receive these revenues as rebate of the State's sales taxes for 20 years. The amount received by the City is capped at 0.0146% of the taxable retail sales within the City for fiscal year 2019, and the revenues may only be used to support affordable housing or rental assistance within the City as outlined in RCW 82.14.540. These revenues are estimated at \$193,000 in 2021 in the Affordable & Supportive Housing Sales Tax Fund #108.
- The Stormwater Management Fee is based on an equivalent residential unit (ERU) that is equal to 3,160 square feet of impervious surface that is billed at a rate of \$21 per single family residence and \$21 per ERU for commercial properties (an ERU for a commercial property is computed as total square feet of impervious surface divided by 3,160). In 2021 we estimate this will fee will generate \$1,900,000.
- The Aquifer Protection Area Fund is expected to generate \$460,000 in fees that are collected on the City's behalf by Spokane County and remitted in two installments during the year.
- Grant revenues that will be applied to a variety of construction projects are estimated at \$21,079,702 in 2021. By fund we anticipate grant revenues as follows:
 - Fund #001 – General Fund - \$25,000
 - Fund #303 – Street Capital Projects - \$6,843,308
 - Fund #309 – Parks Capital Projects - \$480,530
 - Fund #314 – Railroad Grade Separation Projects Fund - \$11,508,819
 - Fund #402 – Stormwater Fund - \$100,000
 - Fund #403 – Aquifer Protection Area Fund - \$2,122,045

Expenditures

- Fund #101 – Street Fund appropriations include:
 - \$5,567,200 for maintenance of City streets, including \$751,652 in snow operations and \$935,000 in intergovernmental payments for services.
- Fund #106 – Solid Waste Fund appropriations include:
 - a \$1,500,000 transfer out to the Pavement Preservation Fund #311 for street preservation activities
- Fund #301 – REET 1 Capital Projects Fund includes a \$1,224,673 appropriation to cover:
 - a \$80,775 transfer to LTGO Bond Debt Service Fund #204 to pay one-half of the City's annual repayment of the 2014 LTGO Bonds.
 - a \$316,620 transfer to Street Capital Projects Fund #303 to partially offset the cost of street construction / reconstruction projects.
 - a \$827,278 transfer to Pavement Preservation Fund #311 for pavement preservation projects.
- Fund #302 – REET 2 Capital Projects Fund includes a \$3,698,125 appropriation to cover:
 - a \$80,775 transfer to LTGO Bond Debt Service Fund #204 to pay one-half of the City's annual repayment of the 2014 LTGO Bonds.
 - a \$1,662,684 transfer to Street Capital Projects Fund #303 to partially offset the cost of street construction / reconstruction projects.
 - a \$827,279 transfer to Pavement Preservation Fund #311 for pavement preservation projects
 - a \$1,127,387 transfer to Railroad Grade Separation Projects Fund #314 for the Barker Road Grade Separation Project.

- Fund #303 – Street Capital Projects Fund includes an appropriation of \$8,876,315 for a variety of street construction projects.
- Fund #309 – Parks Capital Projects includes a \$1,120,305 appropriation to cover a variety of City park improvements that will be financed through a combination of a \$160,000 transfer from the General Fund #001, a \$656,150 transfer in from the Capital Reserve Fund #312, and \$480,530 in grant proceeds.
- Fund #311 – Pavement Preservation includes \$4,676,350 of pavement preservation projects that will be financed through transfers from other City funds as outlined above under the heading of General Fund Recurring Expenditures.
- Fund #312 – Capital Reserve includes \$565,150 in transfers to Fund #309 – Parks Capital Projects that will be applied toward frontage improvements at Balfour Park. It also includes \$725,774 in transfers to Fund #314 – Grade Separation Projects for Barker, Pines, and Sullivan Roads and \$759,600 in park land acquisitions.
- Fund #314 – Railroad Grade Separation Projects includes appropriations in the amount of \$13,796,320 towards the Barker Road Grade Separation project, the Pines Road Grade Separation project, and the Sullivan Road Interchange project.
- Fund #402 – Stormwater Fund includes \$700,000 for nonrecurring expenditures including:
 - \$500,000 for various capital projects
 - \$100,000 for the studies related to the City's Stormwater permit and the watershed
 - \$100,000 for an update to the Stormwater Comprehensive Plan
- Fund #403 – Aquifer Protection Area Fund includes a \$2,378,109 appropriation to various capital projects.

CITY OF SPOKANE VALLEY, WA
2021 Budget Summary

Annual Appropriation Funds	Fund No.	Estimated Beginning Fund Balance	Revenues	Total Sources	Appropriations	Estimated Ending Fund Balance
General Fund	001	34,862,811	45,451,419	80,314,230	47,277,766	33,036,464
Street Fund	101	556,265	5,567,200	6,123,465	5,567,200	556,265
Paths & Trails Fund	103	23,115	8,900	32,015	0	32,015
Hotel/Motel Tax - Tourism Facilities Fund	104	2,927,945	690,840	3,618,785	0	3,618,785
Hotel/Motel Tax Fund	105	521,240	352,000	873,240	708,240	165,000
Solid Waste	106	526,650	1,737,000	2,263,650	1,737,000	526,650
PEG Fund	107	122,255	79,000	201,255	73,000	128,255
Affordable & Supportive Housing Sales Tax	108	144,750	193,000	337,750	0	337,750
CenterPlace Operating Reserve Fund	120	300,000	0	300,000	0	300,000
Service Level Stabilization Fund	121	5,500,000	0	5,500,000	0	5,500,000
Winter Weather Reserve Fund	122	528,736	1,900	530,636	500,000	30,636
LTGO Bond Debt Service Fund	204	0	1,043,850	1,043,850	1,043,850	0
REET 1 Capital Projects Fund	301	1,238,567	1,025,000	2,263,567	1,224,673	1,038,894
REET 2 Capital Projects Fund	302	4,055,658	1,025,000	5,080,658	3,698,125	1,382,533
Street Capital Projects	303	67,402	8,876,315	8,943,717	8,876,315	67,402
Park Capital Projects Fund	309	95,362	1,205,680	1,301,042	1,120,305	180,737
Civic Facilities Capital Projects Fund	310	856,285	3,100	859,385	0	859,385
Pavement Preservation Fund	311	4,209,098	4,146,400	8,355,498	4,726,350	3,629,148
Capital Reserve Fund	312	7,753,610	100,000	7,853,610	2,050,524	5,803,086
Railroad Grade Separation Projects Fund	314	765,548	13,361,980	14,127,528	13,796,320	331,208
		65,055,297	84,868,584	149,923,881	92,399,668	57,524,213

Working Capital Funds	Fund No.	Estimated Beginning Working Capital	Revenues	Total Sources	Appropriations	Estimated Ending Working Capital
Stormwater Management Fund	402	1,616,616	2,040,000	3,656,616	2,626,007	1,030,609
Aquifer Protection Area Fund	403	1,911,428	2,597,045	4,508,473	2,378,109	2,130,364
Equipment Rental & Replacement Fund	501	1,366,693	155,400	1,522,093	140,000	1,382,093
Risk Management Fund	502	276,004	425,000	701,004	425,000	276,004
		5,170,741	5,217,445	10,388,186	5,569,116	4,819,070
Total of all Funds		70,226,038	90,086,029	160,312,067	97,968,784	62,343,283

**CITY OF SPOKANE VALLEY, WA
2021 Budget**

12/08/2020

	2020			2021	Difference Between 2020 and 2021	
	As Adopted	Amendment	As Amended	Budget	\$	%
#001 - GENERAL FUND						
RECURRING ACTIVITY						
<u>Revenues</u>						
Property Tax	12,432,400	0	12,432,400	12,724,200	291,800	2.35%
Sales Tax	24,632,900	(2,848,900)	21,784,000	22,220,000	436,000	2.00%
Sales Tax - Public Safety	1,162,600	(128,600)	1,034,000	1,054,800	20,800	2.01%
Sales Tax - Criminal Justice	2,052,300	(226,300)	1,826,000	1,862,400	36,400	1.99%
Gambling Tax and Leasehold Excise Tax	384,000	(90,000)	294,000	384,000	90,000	30.61%
Franchise Fees/Business Registration	1,220,000	0	1,220,000	1,215,000	(5,000)	(0.41%)
State Shared Revenues	1,688,200	0	1,688,200	1,760,000	71,800	4.25%
Fines and Forfeitures/Public Safety	1,077,700	0	1,077,700	1,010,200	(67,500)	(6.26%)
Community and Public Works	2,129,800	0	2,129,800	1,908,719	(221,081)	(10.38%)
Recreation Program Revenues	659,200	(539,700)	119,500	643,600	524,100	438.58%
Miscellaneous Department Revenue	21,000	0	21,000	21,000	0	0.00%
Miscellaneous & Investment Interest	791,700	0	791,700	592,500	(199,200)	(25.16%)
Transfers in - #105 (h/m tax-CP advertising)	30,000	0	30,000	30,000	0	0.00%
Total Recurring Revenues	48,281,800	(3,833,500)	44,448,300	45,426,419	978,119	2.20%
<u>Expenditures</u>						
City Council	622,187	0	622,187	631,566	9,379	1.51%
City Manager	997,882	33,300	1,031,182	1,158,089	126,907	12.31%
City Attorney	707,942	0	707,942	718,593	10,651	1.50%
Public Safety	26,599,214	274,489	26,873,703	28,101,615	1,227,912	4.57%
Deputy City Manager	277,187	0	277,187	284,844	7,657	2.76%
Finance / IT	1,478,523	0	1,478,523	1,500,659	22,136	1.50%
Human Resources	313,316	0	313,316	318,540	5,224	1.67%
City Hall Operations and Maintenance	296,270	0	296,270	301,093	4,823	1.63%
Community & Public Works - Engineering	1,971,731	(16,650)	1,955,081	2,098,642	143,561	7.34%
Community & Public Works - Economic Dev	1,119,829	0	1,119,829	1,045,762	(74,067)	(6.61%)
Community & Public Works - Building & Planning	2,420,414	0	2,420,414	2,487,066	66,652	2.75%
Parks & Rec - Administration	352,227	(15,000)	337,227	356,467	19,240	5.71%
Parks & Rec - Maintenance	917,500	0	917,500	940,003	22,503	2.45%
Parks & Rec - Recreation	325,921	(83,000)	242,921	328,534	85,613	35.24%
Parks & Rec - Aquatics	501,853	(369,000)	132,853	510,053	377,200	283.92%
Parks & Rec - Senior Center	43,447	0	43,447	35,403	(8,044)	(18.51%)
Parks & Rec - CenterPlace	965,359	(148,000)	817,359	972,214	154,855	18.95%
General Government	1,321,111	0	1,321,111	1,297,380	(23,731)	(1.80%)
Transfers out - #204 (2016 LTGO debt service)	401,450	0	401,450	401,500	50	0.01%
Transfers out - #309 (park capital projects)	160,000	0	160,000	160,000	0	0.00%
Transfers out - #311 (pavement preservation)	982,023	0	982,023	991,843	9,820	1.00%
Transfers out - #501 (CenterPlace kitchen reserve)	36,600	0	36,600	36,600	0	0.00%
Transfers out - #502 (insurance premium)	410,000	0	410,000	425,000	15,000	3.66%
Total Recurring Expenditures	43,221,986	(323,861)	42,898,125	45,101,466	2,203,341	5.14%
Recurring Revenues Over (Under)						
Recurring Expenditures	5,059,814	(3,509,639)	1,550,175	324,953		

**CITY OF SPOKANE VALLEY, WA
2021 Budget**

12/08/2020

	2020			2021	Difference Between 2020 and 2021	
	As Adopted	Amendment	As Amended	Budget	\$	%
#001 - GENERAL FUND - continued						
NONRECURRING ACTIVITY						
Revenues						
Grant Proceeds	70,000	4,480,400	4,550,400	25,000	(4,525,400)	(99.45%)
Reimbursement of chamber wall repairs	0	500,000	500,000	0	(500,000)	(100.00%)
Miscellaneous	0	0	0	0	0	0.00%
Total Nonrecurring Revenues	70,000	4,980,400	5,050,400	25,000	(5,025,400)	(99.50%)
Expenditures						
General Government - IT capital replacements	190,000	0	190,000	212,800	22,800	12.00%
City Manager (office furniture for Housing Serv employee)	0	5,000	5,000	0	(5,000)	(100.00%)
Public Safety (full facility generator)	0	58,310	58,310	0	(58,310)	(100.00%)
Public Safety (carpet & workstation replacement)	15,000	0	15,000	0	(15,000)	(100.00%)
Public Safety (replace HVAC units at Precinct)	0	60,000	60,000	0	(60,000)	(100.00%)
Public Safety (replace handguns)	0	0	0	37,500	37,500	0.00%
Public Safety (radar trailer)	0	0	0	11,400	11,400	0.00%
Public Safety (Precinct access control gate)	0	0	0	20,000	20,000	0.00%
Public Safety (Precinct fire panel replacement)	0	0	0	10,000	10,000	0.00%
City Hall chamber east wall repairs	0	500,000	500,000	0	(500,000)	(100.00%)
Economic Dev (CERB Appleway Trail Study)	0	25,000	25,000	0	(25,000)	(100.00%)
Economic Dev (Commerce Housing Action Plan)	0	100,000	100,000	0	(100,000)	(100.00%)
Economic Dev (Ecology SMP Update)	0	3,000	3,000	25,000	22,000	733.33%
Building (equipment for new Code Enf. Officer)	13,700	0	13,700	0	(13,700)	(100.00%)
Parks & Rec (carpet at CenterPlace)	9,500	0	9,500	0	(9,500)	(100.00%)
General Government (City Hall generator)	0	44,993	44,993	0	(44,993)	(100.00%)
COVID-19 related expenditures	0	4,352,400	4,352,400	0	(4,352,400)	(100.00%)
Transfers out - #101 (Street Fund operations)	0	350,200	350,200	1,859,600	1,509,400	431.01%
Transfers out - #122 (replenish reserve)	0	500,000	500,000	0	(500,000)	(100.00%)
Transfers out - #309 (Browns Park 2019 Impr)	0	121,298	121,298	0	(121,298)	(100.00%)
Transfers out - #309 (CenterPlace west lawn)	1,500,000	401,581	1,901,581	0	(1,901,581)	(100.00%)
Transfers out - #309 (CenterPlace roof repairs)	0	810,000	810,000	0	(810,000)	(100.00%)
Transfers out - #309 (Browns Park 2020 Impr)	0	75,000	75,000	0	(75,000)	(100.00%)
Transfers out - #501 (new Code Enf. Vehicle)	30,000	0	30,000	0	(30,000)	(100.00%)
Total Nonrecurring Expenditures	1,758,200	7,406,782	9,164,982	2,176,300	(6,988,682)	(76.25%)
Nonrecurring Revenues Over (Under)						
Nonrecurring Expenditures	(1,688,200)	(2,426,382)	(4,114,582)	(2,151,300)		
Excess (Deficit) of Total Revenues						
Over (Under) Total Expenditures	3,371,614	(5,936,021)	(2,564,407)	(1,826,347)		
Beginning unrestricted fund balance	37,427,218		37,427,218	34,862,811		
Ending unrestricted fund balance	40,798,832		34,862,811	33,036,464		
Fund balance as a percent of recurring expenditures	94.39%		81.27%	73.25%		
General Fund Summary						
Total revenues	48,351,800	1,146,900	49,498,700	45,451,419		
Total expenditures	44,980,186	7,082,921	52,063,107	47,277,766		
Excess (Deficit) of Total Revenues						
Over (Under) Total Expenditures	3,371,614	(5,936,021)	(2,564,407)	(1,826,347)		
Beginning unrestricted fund balance	37,427,218		37,427,218	34,862,811		
Ending unrestricted fund balance	40,798,832		34,862,811	33,036,464		

**CITY OF SPOKANE VALLEY, WA
2021 Budget**

12/08/2020

	2020			2021	Difference Between 2020 and 2021	
	As Adopted	Amendment	As Amended	Budget	\$	%
SPECIAL REVENUE FUNDS						
#101 - STREET FUND						
RECURRING ACTIVITY						
<u>Revenues</u>						
Utility Tax	1,521,000	0	1,521,000	1,431,000	(90,000)	(5.92%)
Motor Vehicle Fuel (Gas) Tax	2,046,700	(331,700)	1,715,000	2,062,000	347,000	20.23%
Multimodal Transportation Revenue	131,500	(18,500)	113,000	130,600	17,600	15.58%
Right-of-Way Maintenance Fee	70,000	0	70,000	70,000	0	0.00%
Investment Interest	17,000	0	17,000	4,000	(13,000)	(76.47%)
Miscellaneous	10,000	0	10,000	10,000	0	0.00%
Total Recurring Revenues	3,796,200	(350,200)	3,446,000	3,707,600	261,600	7.59%
<u>Expenditures</u>						
Wages / Benefits / Payroll Taxes	1,059,613	0	1,059,613	1,127,920	68,307	6.45%
Supplies	146,050	0	146,050	156,050	10,000	6.85%
Services & Charges	2,426,467	0	2,426,467	2,525,828	99,361	4.09%
Snow Operations	543,776	0	543,776	751,652	207,876	38.23%
Intergovernmental Payments	922,000	0	922,000	935,000	13,000	1.41%
Vehicle rentals - #501 (<i>non-plow vehicle rental</i>)	14,500	0	14,500	10,250	(4,250)	(29.31%)
Vehicle rentals - #501 (<i>plow replace.</i>)	48,500	0	48,500	60,500	12,000	24.74%
Total Recurring Expenditures	5,160,906	0	5,160,906	5,567,200	406,294	7.87%
Recurring Revenues Over (Under)						
Recurring Expenditures	(1,364,706)	(350,200)	(1,714,906)	(1,859,600)		
NONRECURRING ACTIVITY						
<u>Revenues</u>						
Transfers in - #001	0	350,200	350,200	1,859,600	1,509,400	431.01%
Transfers in - #312	1,364,706	0	1,364,706	0	(1,364,706)	(100.00%)
Total Nonrecurring Revenues	1,364,706	350,200	1,714,906	1,859,600	144,694	8.44%
<u>Expenditures</u>						
Spare traffic signal equipment	0	0	0	0	0	0.00%
Total Nonrecurring Expenditures	0	0	0	0	0	0.00%
Nonrecurring Revenues Over (Under)						
Nonrecurring Expenditures	1,364,706	350,200	1,714,906	1,859,600		
Excess (Deficit) of Total Revenues						
Over (Under) Total Expenditures	0	0	0	0		
Beginning fund balance	556,265		556,265	556,265		
Ending fund balance	556,265		556,265	556,265		
Street Fund Summary						
Total revenues	5,160,906	0	5,160,906	5,567,200		
Total expenditures	5,160,906	0	5,160,906	5,567,200		
Excess (Deficit) of Total Revenues						
Over (Under) Total Expenditures	0	0	0	0		
Beginning unrestricted fund balance	556,265		556,265	556,265		
Ending unrestricted fund balance	556,265		556,265	556,265		

**CITY OF SPOKANE VALLEY, WA
2021 Budget**

12/08/2020

	2020			2021	Difference Between	
	As Adopted	Amendment	As Amended	Budget	2020 and 2021	
					\$	%
<u>SPECIAL REVENUE FUNDS - continued</u>						
<u>#103 - PATHS & TRAILS FUND</u>						
<u>Revenues</u>						
Motor Vehicle Fuel (Gas) Tax	8,600	0	8,600	8,700	100	1.16%
Investment Interest	400	0	400	200	(200)	(50.00%)
Total revenues	9,000	0	9,000	8,900	(100)	(1.11%)
<u>Expenditures</u>						
Transfers out - #309	0	0	0	0	0	0.00%
Total expenditures	0	0	0	0	0	0.00%
Revenues over (under) expenditures	9,000		9,000	8,900		
Beginning fund balance	14,115		14,115	23,115		
Ending fund balance	23,115		23,115	32,015		
<u>#104 - HOTEL / MOTEL TAX - TOURISM FACILITIES FUND</u>						
<u>Revenues</u>						
Hotel/Motel Tax	420,000	(207,000)	213,000	213,000	0	0.00%
Investment Interest	24,000	0	24,000	24,000	0	0.00%
Transfers in - #105	0	0	0	453,840	453,840	0.00%
Total revenues	444,000	(207,000)	237,000	690,840	453,840	191.49%
<u>Expenditures</u>						
Capital Outlay	0	0	0	0	0	0.00%
Total expenditures	0	0	0	0	0	0.00%
Revenues over (under) expenditures	444,000		237,000	690,840		
Beginning fund balance	2,690,945		2,690,945	2,927,945		
Ending fund balance	3,134,945		2,927,945	3,618,785		
<u>#105 - HOTEL / MOTEL TAX FUND</u>						
<u>Revenues</u>						
Hotel/Motel Tax	650,000	(304,000)	346,000	346,000	0	0.00%
Investment Interest	6,000	0	6,000	6,000	0	0.00%
Total revenues	656,000	(304,000)	352,000	352,000	0	0.00%
<u>Expenditures</u>						
Transfers out - #001	30,000	0	30,000	30,000	0	0.00%
Transfers out - #104	0	0	0	453,840	453,840	0.00%
Tourism Promotion	795,000	(476,000)	319,000	224,400	(94,600)	(29.66%)
Total expenditures	825,000	(476,000)	349,000	708,240	359,240	102.93%
Revenues over (under) expenditures	(169,000)		3,000	(356,240)		
Beginning fund balance	518,240		518,240	521,240		
Ending fund balance	349,240		521,240	165,000		
<u>#106 - SOLID WASTE FUND</u>						
<u>Revenues</u>						
Solid Waste Administrative Fee	225,000	0	225,000	225,000	0	0.00%
Solid Waste Road Wear Fee	1,500,000	0	1,500,000	1,500,000	0	0.00%
Investment Interest	12,000	0	12,000	12,000	0	0.00%
Total revenues	1,737,000	0	1,737,000	1,737,000	0	0.00%
<u>Expenditures</u>						
Education & Contract Administration	237,000	0	237,000	237,000	0	0.00%
Transfers out - #311	1,500,000	13,532	1,513,532	1,500,000	(13,532)	(0.89%)
Total expenditures	1,737,000	13,532	1,750,532	1,737,000	(13,532)	(0.77%)
Revenues over (under) expenditures	0		(13,532)	0		
Beginning fund balance	540,182		540,182	526,650		
Ending fund balance	540,182		526,650	526,650		

**CITY OF SPOKANE VALLEY, WA
2021 Budget**

12/08/2020

	2020			2021	Difference Between 2020 and 2021	
	As Adopted	Amendment	As Amended	Budget	\$	%
SPECIAL REVENUE FUNDS - continued						
#107 - PEG FUND						
<u>Revenues</u>						
Comcast PEG Contribution	79,000	0	79,000	79,000	0	0.00%
Total revenues	79,000	0	79,000	79,000	0	0.00%
<u>Expenditures</u>						
PEG Reimbursement - CMTV	39,500	0	39,500	39,500	0	0.00%
Capital Outlay	45,500	0	45,500	33,500	(12,000)	(26.37%)
Total expenditures	85,000	0	85,000	73,000	(12,000)	(14.12%)
Revenues over (under) expenditures	(6,000)		(6,000)	6,000		
Beginning fund balance	128,255		128,255	122,255		
Ending fund balance	122,255		122,255	128,255		
#108 - AFFORDABLE & SUPPORTIVE HOUSING SALES TAX						
<u>Revenues</u>						
Affordable & Supportive Housing Sales Tax	0	144,750	144,750	193,000	48,250	33.33%
Miscellaneous	0	0	0	0	0	0.00%
Total revenues	0	144,750	144,750	193,000	48,250	33.33%
<u>Expenditures</u>						
Operations	0	0	0	0	0	0.00%
Total expenditures	0	0	0	0	0	0.00%
Revenues over (under) expenditures	0		144,750	193,000		
Beginning fund balance	0		0	144,750		
Ending fund balance	0		144,750	337,750		
#120 - CENTER PLACE OPERATING RESERVE FUND						
<u>Revenues</u>						
Investment Interest	0	0	0	0	0	0.00%
Miscellaneous	0	0	0	0	0	0.00%
Total revenues	0	0	0	0	0	0.00%
<u>Expenditures</u>						
Operations	0	0	0	0	0	0.00%
Total expenditures	0	0	0	0	0	0.00%
Revenues over (under) expenditures	0		0	0		
Beginning fund balance	300,000		300,000	300,000		
Ending fund balance	300,000		300,000	300,000		
#121 - SERVICE LEVEL STABILIZATION RESERVE FUND						
<u>Revenues</u>						
Investment Interest	0	0	0	0	0	0.00%
Miscellaneous	0	0	0	0	0	0.00%
Total revenues	0	0	0	0	0	0.00%
<u>Expenditures</u>						
Operations	0	0	0	0	0	0.00%
Total expenditures	0	0	0	0	0	0.00%
Revenues over (under) expenditures	0		0	0		
Beginning fund balance	5,500,000		5,500,000	5,500,000		
Ending fund balance	5,500,000		5,500,000	5,500,000		
#122 - WINTER WEATHER RESERVE FUND						
<u>Revenues</u>						
Investment Interest	5,400	0	5,400	1,900	(3,500)	(64.81%)
Transfers in - #001	0	500,000	500,000	0	(500,000)	(100.00%)
Subtotal revenues	5,400	500,000	505,400	1,900	(503,500)	(99.62%)
<u>Expenditures</u>						
Street maintenance expenditures	500,000	0	500,000	500,000	0	0.00%
Total expenditures	500,000	0	500,000	500,000	0	0.00%
Revenues over (under) expenditures	(494,600)		5,400	(498,100)		
Beginning fund balance	23,336		23,336	528,736		
Ending fund balance	(471,264)		28,736	30,636		

CITY OF SPOKANE VALLEY, WA
2021 Budget

12/08/2020

	2020			2021	Difference Between	
	As Adopted	Amendment	As Amended	Budget	\$	%
DEBT SERVICE FUNDS						
#204 - LTGO BOND DEBT SERVICE FUND						
<u>Revenues</u>						
Spokane Public Facilities District	459,500	0	459,500	480,800	21,300	4.64%
Transfers in - #001	401,450	0	401,450	401,500	50	0.01%
Transfers in - #301	80,375	0	80,375	80,775	400	0.50%
Transfers in - #302	80,375	0	80,375	80,775	400	0.50%
Total revenues	1,021,700	0	1,021,700	1,043,850	22,150	2.17%
<u>Expenditures</u>						
Debt Service Payments - CenterPlace	459,500	0	459,500	480,800	21,300	4.64%
Debt Service Payments - Roads	160,750	0	160,750	161,550	800	0.50%
2016 LTGO Bond Principal & Interest	401,450	0	401,450	401,500	50	0.01%
Total expenditures	1,021,700	0	1,021,700	1,043,850	22,150	2.17%
Revenues over (under) expenditures	0		0	0		
Beginning fund balance	0		0	0		
Ending fund balance	0		0	0		

CITY OF SPOKANE VALLEY, WA
2021 Budget

12/08/2020

	2020			2021	Difference Between	
	As Adopted	Amendment	As Amended	Budget	2020 and 2021 \$	%
CAPITAL PROJECTS FUNDS						
#301 - REET 1 CAPITAL PROJECTS FUND						
<u>Revenues</u>						
REET 1 - Taxes	1,000,000	0	1,000,000	1,000,000	0	0.00%
Investment Interest	35,000	0	35,000	25,000	(10,000)	(28.57%)
Total revenues	1,035,000	0	1,035,000	1,025,000	(10,000)	(0.97%)
<u>Expenditures</u>						
Transfers out - #204	80,375	0	80,375	80,775	400	0.50%
Transfers out - #303	1,089,148	(216,543)	872,605	316,620	(555,985)	(63.72%)
Transfers out - #311 (<i>pavement preservation</i>)	772,639	0	772,639	827,278	54,639	7.07%
Transfers out - #314 (<i>Barker Grade Separation</i>)	49,041	819,967	869,008	0	(869,008)	(100.00%)
Total expenditures	1,991,203	603,424	2,594,627	1,224,673	(1,369,954)	(52.80%)
Revenues over (under) expenditures	(956,203)		(1,559,627)	(199,673)		
Beginning fund balance	2,798,194		2,798,194	1,238,567		
Ending fund balance	1,841,991		1,238,567	1,038,894		
#302 - REET 2 CAPITAL PROJECTS FUND						
<u>Revenues</u>						
REET 2 - Taxes	1,000,000	0	1,000,000	1,000,000	0	0.00%
Investment Interest	35,000	0	35,000	25,000	(10,000)	(28.57%)
Total revenues	1,035,000	0	1,035,000	1,025,000	(10,000)	(0.97%)
<u>Expenditures</u>						
Transfers out - #204	80,375	0	80,375	80,775	400	0.50%
Transfers out - #303	404,318	113,881	518,199	1,662,684	1,144,485	220.86%
Transfers out - #311 (<i>pavement preservation</i>)	772,638	0	772,638	827,279	54,641	7.07%
Transfers out - #314	0	0	0	1,127,387	1,127,387	0.00%
Total expenditures	1,257,331	113,881	1,371,212	3,698,125	2,326,913	169.70%
Revenues over (under) expenditures	(222,331)		(336,212)	(2,673,125)		
Beginning fund balance	4,391,870		4,391,870	4,055,658		
Ending fund balance	4,169,539		4,055,658	1,382,533		

**CITY OF SPOKANE VALLEY, WA
2021 Budget**

12/08/2020

	2020			2021	Difference Between 2020 and 2021	
	As Adopted	Amendment	As Amended	Budget	\$	%
CAPITAL PROJECTS FUNDS - continued						
#303 - STREET CAPITAL PROJECTS FUND						
<u>Revenues</u>						
Grant Proceeds	6,596,718	(656,213)	5,940,505	6,843,308	902,803	15.20%
Developer	110,499	1,200,560	1,311,059	53,703	(1,257,356)	(95.90%)
Transfers in - #301	1,089,148	(216,543)	872,605	316,620	(555,985)	(63.72%)
Transfers in - #302	404,318	113,881	518,199	1,662,684	1,144,485	220.86%
Transfers in - #312 - <i>Barker Corridor</i>	39,512	455,779	495,291	0	(495,291)	(100.00%)
Transfers in - #312 - <i>Garland Ave</i>	75,000	1,211,436	1,286,436	0	(1,286,436)	(100.00%)
Total revenues	8,315,195	2,108,900	10,424,095	8,876,315	(1,547,780)	(14.85%)
<u>Expenditures</u>						
205 Sprague/Barker Intersections Improvement	195,499	0	195,499	329,453	133,954	68.52%
249 Sullivan/Wellesley Intersection	100,000	50,000	150,000	1,020,522	870,522	580.35%
259 N. Sullivan Corridor ITS Project	810,232	111,117	921,349	0	(921,349)	(100.00%)
267 Mission Ave Sidewalk	19,852	116,223	136,075	11,310	(124,765)	(91.69%)
273 Barker/I-90 Interchange	90,000	478,655	568,655	0	(568,655)	(100.00%)
275 Barker Rd Widening - River to Euclid	3,729,143	(1,750,748)	1,978,395	1,132,320	(846,075)	(42.77%)
276 Barker Rd Widening - Euclid to Garland	0	380,269	380,269	0	(380,269)	(100.00%)
285 Indiana Ave Pres - Evergreen to Sullivan	300,000	54,060	354,060	7,210	(346,850)	(97.96%)
291 Adams Sidewalk Infill	444,645	0	444,645	0	(444,645)	(100.00%)
293 2018 CSS Citywide Reflective Signal BP	99,000	0	99,000	74,250	(24,750)	(25.00%)
294 Citywide Reflective Signal Post Panels	47,775	0	47,775	17,875	(29,900)	(62.59%)
295 Garland Ave Construction	150,000	2,342,371	2,492,371	0	(2,492,371)	(100.00%)
299 Argonne Rd Concrete Pvmnt Indiana to Mont	32,000	0	32,000	2,392,450	2,360,450	7376.41%
300 Pines and Mission Intersection Improvement	516,000	0	516,000	498,000	(18,000)	(3.49%)
301 Park and Mission Intersection Improvements	0	152,992	152,992	693,000	540,008	352.96%
302 Ella Sidewalk - Broadway to Alki	371,760	0	371,760	0	(371,760)	(100.00%)
303 S. Conklin Sidewalk	124,125	0	124,125	0	(124,125)	(100.00%)
310 Sullivan Rd Overcrossing UP RR Deck Repl	0	337,625	337,625	317,625	(20,000)	(5.92%)
313 Barker Rd/Union Pacific Crossing	0	121,500	121,500	1,312,500	1,191,000	980.25%
318 Wilbur Sidewalk - Boone to Mission	0	0	0	50,000	50,000	0.00%
320 Sullivan Preservation - Sprague to 8th	0	0	0	19,800	19,800	0.00%
069 Park Rd Reconstruction #2 (Repay Grant Funds)	285,164	(285,164)	0	0	0	0.00%
Contingency	1,000,000	0	1,000,000	1,000,000	0	0.00%
Total expenditures	8,315,195	2,108,900	10,424,095	8,876,315	(1,547,780)	(14.85%)
Revenues over (under) expenditures	0		0	0		
Beginning fund balance	67,402		67,402	67,402		
Ending fund balance	67,402		67,402	67,402		

Note: Work performed for pavement preservation projects out of the Street Capital Projects Fund is for items such as sidewalk upgrades that were bid with the pavement preservation work.

**CITY OF SPOKANE VALLEY, WA
2021 Budget**

12/08/2020

	2020			2021	Difference Between 2020 and 2021	
	As Adopted	Amendment	As Amended	Budget	\$	%
<u>CAPITAL PROJECTS FUNDS - continued</u>						
<u>#309 - PARK CAPITAL PROJECTS FUND</u>						
<u>Revenues</u>						
Grant Proceeds	2,500	1,603,083	1,605,583	480,530	(1,125,053)	(70.07%)
Transfers in - #001	1,660,000	1,407,879	3,067,879	160,000	(2,907,879)	(94.78%)
Transfers in - #312	7,500	111,873	119,373	565,150	445,777	373.43%
Total revenues	1,670,000	3,122,835	4,792,835	1,205,680	(3,587,155)	(74.84%)
<u>Expenditures</u>						
268 Appleway Trail <i>(Evergreen to Sullivan)</i>	5,000	1,604,376	1,609,376	0	(1,609,376)	(100.00%)
296 Browns Park improvements 2019	5,000	116,298	121,298	0	(121,298)	(100.00%)
304 CenterPlace west lawn improvements - Ph. 2	1,500,000	401,581	1,901,581	0	(1,901,581)	(100.00%)
305 CenterPlace roof repairs	0	810,000	810,000	0	(810,000)	(100.00%)
314 Balfour Park frontage improvements	0	59,850	59,850	565,150	505,300	844.28%
315 Browns Park improvements 2020	0	62,995	62,995	499,805	436,810	693.40%
316 Balfour Park improvements - Ph 1	0	11,000	11,000	0	(11,000)	(100.00%)
Install stage fill speakers Great Room	0	0	0	6,346	6,346	0.00%
Repair failed pixels Great Room	0	0	0	6,505	6,505	0.00%
Reprogram Great Room A/V System	0	0	0	12,499	12,499	0.00%
Repair/replace siding at Mirabeau restroom	0	0	0	30,000	30,000	0.00%
Transfers out - #312 <i>(park land acquisition)</i>	0	200,000	200,000	0	(200,000)	(100.00%)
Total expenditures	1,510,000	3,266,100	4,776,100	1,120,305	(3,655,795)	(76.54%)
Revenues over (under) expenditures	160,000		16,735	85,375		
Beginning fund balance	78,627		78,627	95,362		
Ending fund balance	238,627		95,362	180,737		
<u>#310 - CIVIC FACILITIES CAPITAL PROJECTS FUND</u>						
<u>Revenues</u>						
Investment Interest	17,000	0	17,000	3,100	(13,900)	(81.76%)
Total revenues	17,000	0	17,000	3,100	(13,900)	(81.76%)
<u>Expenditures</u>						
Transfers out - #312	0	16,700	16,700	0	(16,700)	(100.00%)
Total expenditures	0	16,700	16,700	0	(16,700)	(100.00%)
Revenues over (under) expenditures	17,000		300	3,100		
Beginning fund balance	855,985		855,985	856,285		
Ending fund balance	872,985		856,285	859,385		
Note: The fund balance in #310 includes \$839,285.10 paid by the Library District for 2.82 acres at the Balfour Park site. If the District does not succeed in getting a voted bond approved by October 2022 then the City may repurchase this land at the original sale price of \$839,285.10.						
<u>#311 - PAVEMENT PRESERVATION</u>						
<u>Revenues</u>						
Transfers in - #001	982,023	0	982,023	991,843	9,820	1.00%
Transfers in - #106	1,500,000	13,532	1,513,532	1,500,000	(13,532)	(0.89%)
Transfers in - #301	772,639	0	772,639	827,278	54,639	7.07%
Transfers in - #302	772,638	0	772,638	827,279	54,641	7.07%
Grant Proceeds	10,588	0	10,588	0	(10,588)	(100.00%)
Total revenues	4,037,888	13,532	4,051,420	4,146,400	94,980	2.34%
<u>Expenditures</u>						
Pavement preservation	4,217,523	0	4,217,523	4,676,350	458,827	10.88%
Pre-project GeoTech	50,000	0	50,000	50,000	0	0.00%
Total expenditures	4,267,523	0	4,267,523	4,726,350	458,827	10.75%
Revenues over (under) expenditures	(229,635)		(216,103)	(579,950)		
Beginning fund balance	4,425,201		4,425,201	4,209,098		
Ending fund balance	4,195,566		4,209,098	3,629,148		

**CITY OF SPOKANE VALLEY, WA
2021 Budget**

12/08/2020

	2020			2021	Difference Between 2020 and 2021	
	As Adopted	Amendment	As Amended	Budget	\$	%
CAPITAL PROJECTS FUNDS - continued						
#312 - CAPITAL RESERVE FUND						
<u>Revenues</u>						
Transfers in - #309	0	200,000	200,000	0	(200,000)	(100.00%)
Transfers in - #310	0	16,700	16,700	0	(16,700)	(100.00%)
Investment Interest	100,000	0	100,000	100,000	0	0.00%
Total revenues	100,000	216,700	316,700	100,000	(216,700)	(68.42%)
<u>Expenditures</u>						
Transfers out - #101	1,364,706	0	1,364,706	0	(1,364,706)	(100.00%)
Transfers out - #303 (Barker Road Corridor)	39,512	455,779	495,291	0	(495,291)	(100.00%)
Transfers out - #303 (Garland Ave.)	75,000	1,211,436	1,286,436	0	(1,286,436)	(100.00%)
Transfers out - #309 (Appleway Trail - Evergreen-Sullivan)	7,500	41,023	48,523	0	(48,523)	(100.00%)
Transfers out - #309 (Balfour Park frontage improvements)	0	59,850	59,850	565,150	505,300	844.28%
Transfers out - #309 (Balfour Park improvements ph 1)	0	11,000	11,000	0	(11,000)	(100.00%)
Transfers out - #314 (Pines Rd Underpass)	64,192	3,308	67,500	64,192	(3,308)	(4.90%)
Transfers out - #314 (Barker Rd Overpass)	0	0	0	411,582	411,582	0.00%
Transfers out - #314 (Sullivan Rd Interchange)	0	75,000	75,000	250,000	175,000	233.33%
WSDOT Sullivan Park Property Acquisition	0	0	0	759,600	759,600	0.00%
WSDOT Flora Park Property Acquisition	0	2,091,600	2,091,600	0	(2,091,600)	(100.00%)
Total expenditures	1,550,910	3,948,996	5,499,906	2,050,524	(3,449,382)	(62.72%)
Revenues over (under) expenditures	(1,450,910)		(5,183,206)	(1,950,524)		
Beginning fund balance	12,936,816		12,936,816	7,753,610		
Ending fund balance	11,485,906		7,753,610	5,803,086		
#314 - RAILROAD GRADE SEPARATION PROJECTS FUND						
<u>Revenues</u>						
Grant Proceeds	12,808,751	(9,282,373)	3,526,378	11,508,819	7,982,441	226.36%
Transfers in - #301	49,041	819,967	869,008	0	(869,008)	(100.00%)
Transfers in - #302	0	0	0	1,127,387	1,127,387	0.00%
Transfers in - #312	64,192	78,308	142,500	725,774	583,274	409.32%
Total revenues	12,921,984	(8,384,098)	4,537,886	13,361,980	8,824,094	194.45%
<u>Expenditures</u>						
143 Barker BNSF Grade Separation	11,475,292	(8,069,316)	3,405,976	9,396,870	5,990,894	175.89%
223 Pines Rd Underpass	1,562,500	(262,500)	1,300,000	4,149,450	2,849,450	219.19%
311 Sullivan Rd Interchange	0	75,000	75,000	250,000	175,000	233.33%
Total expenditures	13,037,792	(8,256,816)	4,780,976	13,796,320	9,015,344	188.57%
Revenues over (under) expenditures	(115,808)		(243,090)	(434,340)		
Beginning fund balance	1,008,638		1,008,638	765,548		
Ending fund balance	892,830		765,548	331,208		

CITY OF SPOKANE VALLEY, WA
2021 Budget

12/08/2020

	2020			2021	Difference Between	
	As Adopted	Amendment	As Amended	Budget	\$	%
ENTERPRISE FUNDS						
#402 - STORMWATER FUND						
RECURRING ACTIVITY						
Revenues						
Stormwater Management Fees	1,900,000	0	1,900,000	1,900,000	0	0.00%
Investment Interest	40,000	0	40,000	40,000	0	0.00%
Total Recurring Revenues	1,940,000	0	1,940,000	1,940,000	0	0.00%
Expenditures						
Wages / Benefits / Payroll Taxes	519,582	0	519,582	538,864	19,282	3.71%
Supplies	14,750	0	14,750	14,750	0	0.00%
Services & Charges	1,298,153	0	1,298,153	1,320,643	22,490	1.73%
Intergovernmental Payments	37,500	0	37,500	45,000	7,500	20.00%
Vehicle rentals - #501	14,000	0	14,000	6,750	(7,250)	(51.79%)
Total Recurring Expenditures	1,883,985	0	1,883,985	1,926,007	42,022	2.23%
Recurring Revenues Over (Under)						
Recurring Expenditures	56,015	0	56,015	13,993		
NONRECURRING ACTIVITY						
Revenues						
Grant Proceeds	59,828	0	59,828	100,000	40,172	67.15%
Total Nonrecurring Revenues	59,828	0	59,828	100,000	40,172	67.15%
Expenditures						
Capital - various projects	500,000	0	500,000	500,000	0	0.00%
Watershed studies	80,000	0	80,000	100,000	20,000	25.00%
Stormwater Comprehensive Plan Update	100,000	0	100,000	100,000	0	0.00%
Total Nonrecurring Expenditures	680,000	0	680,000	700,000	20,000	2.94%
Nonrecurring Revenues Over (Under)						
Nonrecurring Expenditures	(620,172)	0	(620,172)	(600,000)		
Excess (Deficit) of Total Revenues						
Over (Under) Total Expenditures	(564,157)	0	(564,157)	(586,007)		
Beginning working capital	2,180,773		2,180,773	1,616,616		
Ending working capital	1,616,616		1,616,616	1,030,609		
Stormwater Fund Summary						
Total revenues	1,999,828	0	1,999,828	2,040,000		
Total expenditures	2,563,985	0	2,563,985	2,626,007		
Excess (Deficit) of Total Revenues						
Over (Under) Total Expenditures	(564,157)	0	(564,157)	(586,007)		
Beginning unrestricted fund balance	2,180,773		2,180,773	1,616,616		
Ending unrestricted fund balance	1,616,616		1,616,616	1,030,609		
#403 - AQUIFER PROTECTION AREA						
Revenues						
Spokane County	460,000	0	460,000	460,000	0	0.00%
Grant Proceeds	349,000	97,700	446,700	2,122,045	1,675,345	375.05%
Investment Interest	20,000	0	20,000	15,000	(5,000)	(25.00%)
Total revenues	829,000	97,700	926,700	2,597,045	1,670,345	180.25%
Expenditures						
Capital - various projects	500,000	633,571	1,133,571	2,378,109	1,244,538	109.79%
Total expenditures	500,000	633,571	1,133,571	2,378,109	1,244,538	109.79%
Revenues over (under) expenditures	329,000		(206,871)	218,936		
Beginning working capital	2,118,299		2,118,299	1,911,428		
Ending working capital	2,447,299		1,911,428	2,130,364		

CITY OF SPOKANE VALLEY, WA
2021 Budget

12/08/2020

	2020			2021	Difference Between	
	As Adopted	Amendment	As Amended	Budget	2020 and 2021	
					\$	%
INTERNAL SERVICE FUNDS						
#501 - ER&R FUND						
<u>Revenues</u>						
Vehicle rentals - #001	28,000	0	28,000	31,300	3,300	11.79%
Vehicle rentals - #101	14,500	0	14,500	10,250	(4,250)	(29.31%)
Vehicle rentals - #101 (plow replace.)	48,500	0	48,500	60,500	12,000	24.74%
Vehicle rentals - #402	14,000	0	14,000	6,750	(7,250)	(51.79%)
Transfer in - #001 (CenterPlace kitchen reserve)	36,600	0	36,600	36,600	0	0.00%
Transfer in - #001 (Code Enforcement Vehicle)	30,000	0	30,000	0	(30,000)	(100.00%)
Investment Interest	19,000	0	19,000	10,000	(9,000)	(47.37%)
Total revenues	190,600	0	190,600	155,400	(35,200)	(18.47%)
<u>Expenditures</u>						
Small tools & minor equipment	20,000	0	20,000	10,000	(10,000)	(50.00%)
Vehicle purchase	30,000	0	30,000	130,000	100,000	333.33%
Snow plow purchase	235,000	0	235,000	0	(235,000)	(100.00%)
Loader purchase	0	35,000	35,000	0	(35,000)	(100.00%)
Total expenditures	285,000	35,000	320,000	140,000	(180,000)	(56.25%)
Revenues over (under) expenditures	(94,400)		(129,400)	15,400		
Beginning working capital	1,496,093		1,496,093	1,366,693		
Ending working capital	1,401,693		1,366,693	1,382,093		
#502 - RISK MANAGEMENT FUND						
<u>Revenues</u>						
Transfers in - #001	410,000	0	410,000	425,000	15,000	3.66%
Total revenues	410,000	0	410,000	425,000	15,000	3.66%
<u>Expenditures</u>						
Auto & Property Insurance	410,000	0	410,000	425,000	15,000	3.66%
Total expenditures	410,000	0	410,000	425,000	15,000	3.66%
Revenues over (under) expenditures	0		0	0		
Beginning fund balance	276,004		276,004	276,004		
Ending fund balance	276,004		276,004	276,004		
TOTAL OF ALL FUNDS						
Total of Revenues for all Funds	90,026,301	(1,543,781)	88,482,520	90,086,029		
Total of Expenditures for all Funds	89,998,731	9,090,209	99,088,940	97,968,784		
Total grant revenues (included in total revenues)	19,827,385	(3,757,403)	16,139,982	21,079,702		
Total Capital expenditures (included in total expenditures)	28,594,710	(2,084,942)	26,509,768	32,554,699		

CITY OF SPOKANE VALLEY, WA
2021 Budget
Revenues by Fund

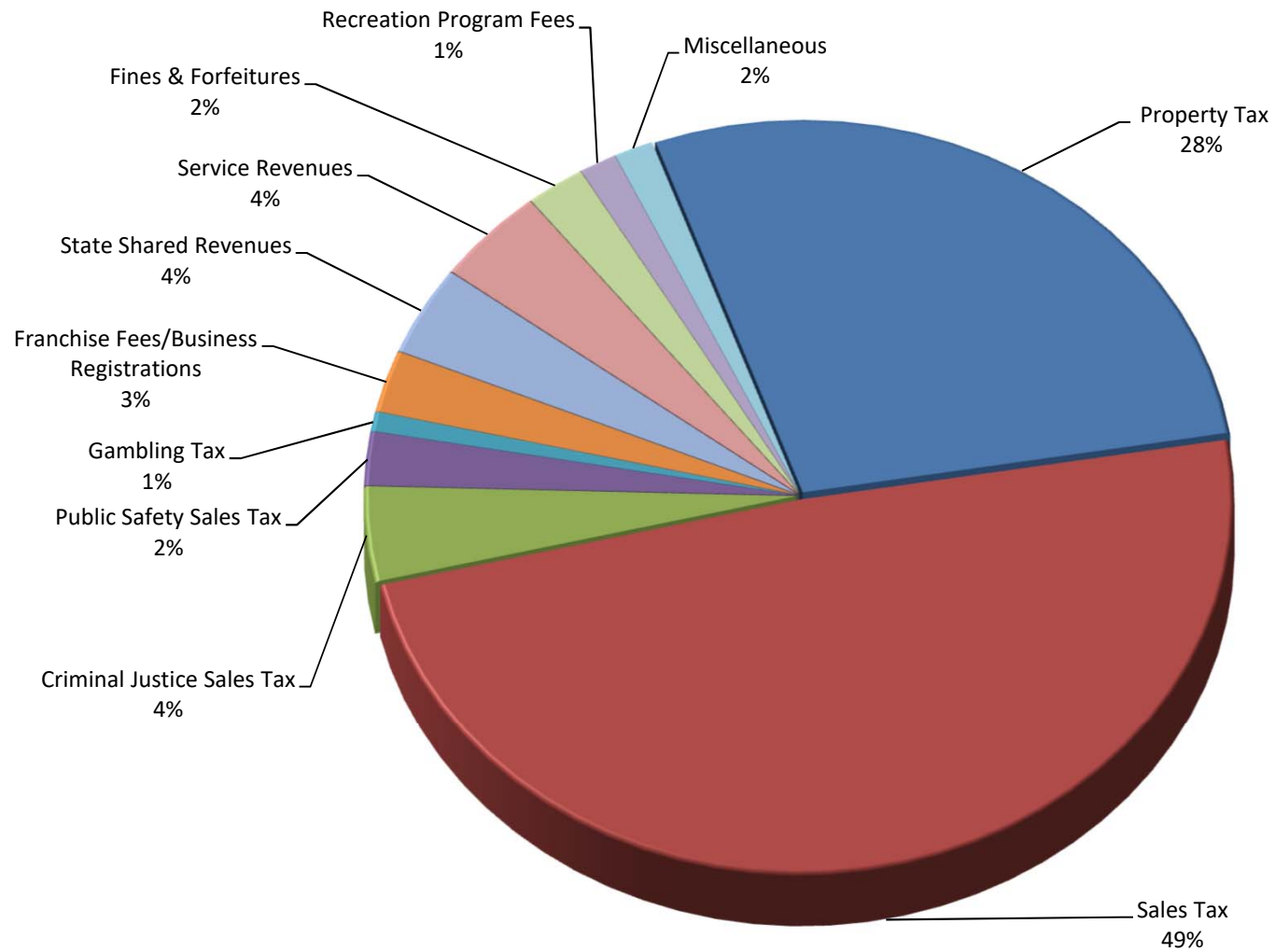
General Fund

Property Tax	\$ 12,724,200
Sales Tax	22,220,000
Sales Tax - Public Safety	1,054,800
Sales Tax - Criminal Justice	1,862,400
Gambling and Leasehold Excise Tax	384,000
Franchise Fees/Business Registration	1,215,000
State Shared Revenues	1,760,000
Service Revenues	1,908,719
Fines and Forfeitures	1,010,200
Recreation Program Fees	643,600
Miscellaneous, Investment Int., Transfers	668,500
Total General Fund	<u>\$ 45,451,419</u>

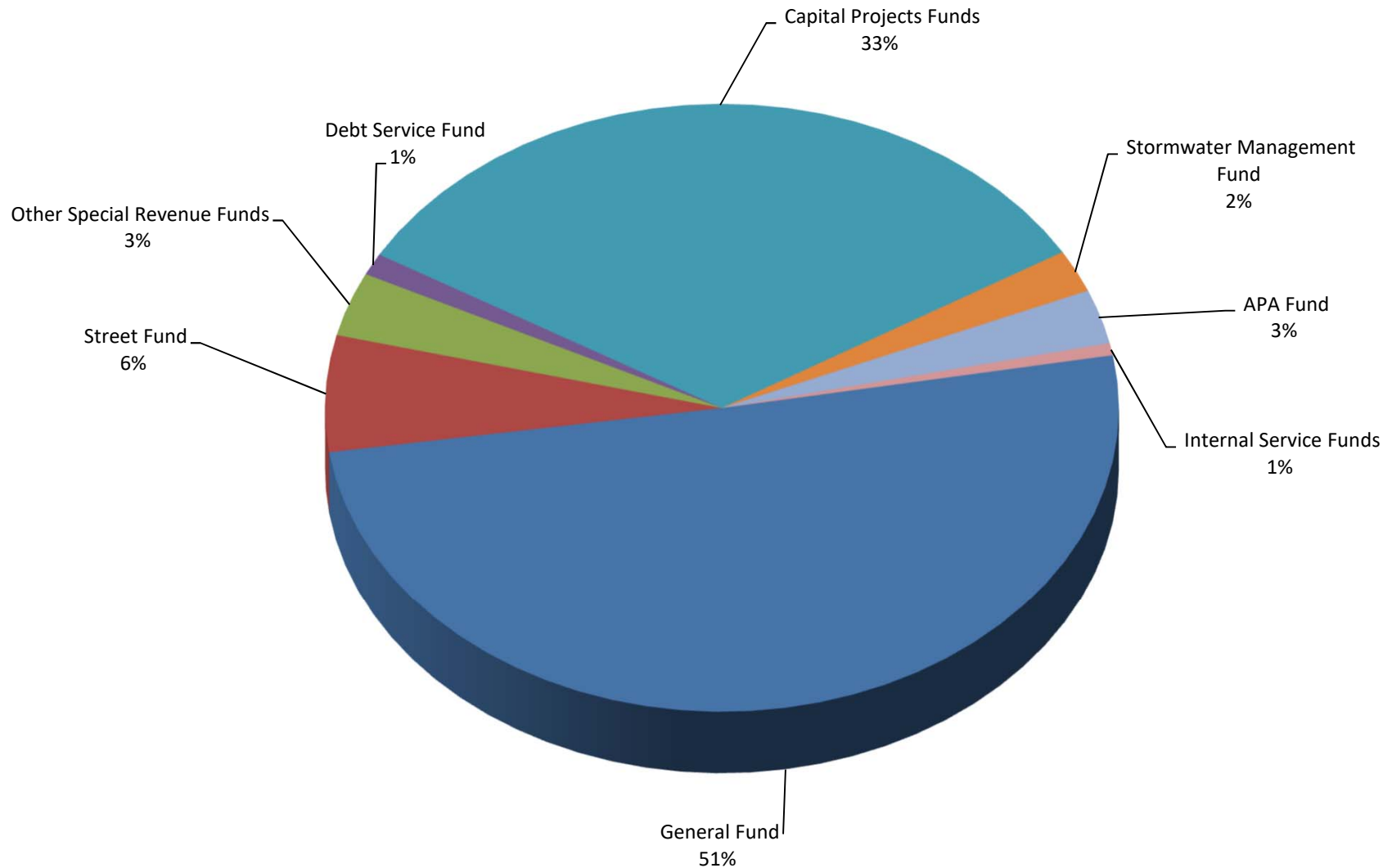
Other Funds

101	Street Fund	\$ 5,567,200
103	Paths & Trails Fund	8,900
104	Hotel/Motel Tax Tourism Facilities Fund	690,840
105	Hotel/Motel Tax Fund	352,000
106	Solid Waste Fund	1,737,000
107	PEG Fund	79,000
108	Affordable & Supportive Housing Sales Tax	193,000
122	Winter Weather Reserve Fund	1,900
204	LTGO Bond Debt Service Fund	1,043,850
301	REET 1 Capital Projects Fund	1,025,000
302	REET 2 Capital Projects Fund	1,025,000
303	Street Capital Projects Fund	8,876,315
309	Parks Capital Projects Fund	1,205,680
310	Civic Facilities Capital Projects Fund	3,100
311	Pavement Preservation Fund	4,146,400
312	Capital Reserve Fund	100,000
314	Railroad Grade Separation Projects Fund	13,361,980
402	Stormwater Management Fund	2,040,000
403	Aquifer Protection Area Fund	2,597,045
501	Equipment Rental & Replacement Fund	155,400
502	Risk Management Fund	425,000
	Total Other Funds	<u>44,634,610</u>
	Total All Funds	<u><u>\$ 90,086,029</u></u>

CITY OF SPOKANE VALLEY, WA
2021 General Fund Revenues
\$45,451,419



CITY OF SPOKANE VALLEY, WA
2021 City Wide Revenues
\$ 90,086,029



CITY OF SPOKANE VALLEY, WA
2021 Budget - General Fund
Detail Revenues by Type

	2017	2018	2019	2020	2021
	Actual	Actual	Actual	Amended Budget	Proposed Budget
<u>Property Tax</u>					
Property Tax	11,433,071	11,511,773	11,977,663	12,432,400	12,724,200
Property Tax - Delinquent	179,986	197,138	187,462	0	0
	<u>11,613,057</u>	<u>11,708,911</u>	<u>12,165,125</u>	<u>12,432,400</u>	<u>12,724,200</u>
<u>Sales Taxes</u>					
Sales Tax	21,089,134	22,642,855	24,204,763	21,784,000	22,220,000
Sales Tax - Public Safety	983,025	1,074,037	1,149,040	1,034,000	1,054,800
Sales Tax - Criminal Justice	1,765,040	1,906,001	2,028,789	1,826,000	1,862,400
	<u>23,837,199</u>	<u>25,622,893</u>	<u>27,382,592</u>	<u>24,644,000</u>	<u>25,137,200</u>
<u>Gambling and Leasehold Excise Tax</u>					
Amusement Games	14,841	13,456	14,401	10,000	13,000
Card Games	279,611	284,720	326,721	214,000	285,000
Bingo & Raffles	1,060	1,278	2,101	0	1,000
Punch Boards & Pull Tabs	72,292	64,303	76,573	52,000	67,000
Leasehold Excise Tax	11,073	5,469	8,029	7,000	7,000
Leasehold Excise Tax (State)	9,175	11,140	13,790	11,000	11,000
	<u>388,052</u>	<u>380,366</u>	<u>441,615</u>	<u>294,000</u>	<u>384,000</u>
<u>Licenses & Permits</u>					
General Business Licenses	124,006	117,917	115,235	120,000	115,000
Franchise Fees	1,152,203	1,092,287	1,100,597	1,100,000	1,100,000
	<u>1,276,209</u>	<u>1,210,204</u>	<u>1,215,832</u>	<u>1,220,000</u>	<u>1,215,000</u>
<u>State Shared Revenues</u>					
City Assistance State Revenue	0	27,311	112,334	0	0
Streamline Mitigation of Sales Tax	550,976	333,140	2,004	0	0
Payment in Lieu of Taxes - DNR	7,738	0	3,630	4,000	4,000
CJ - High Crime	190,802	268,009	263,038	0	0
MVET Criminal Justice - Population	26,834	27,780	29,063	30,000	32,000
CJ Contracted Services	165,647	171,356	179,012	165,000	165,000
CJ Special Programs	98,475	100,300	104,438	108,300	114,000
Marijuana Enforcement	34,147	0	0	0	0
Marijuana Excise Tax Distribution	41,164	259,242	187,547	110,200	109,000
DUI - Cities	14,187	14,004	13,038	14,000	14,000
Liquor Board Excise Tax	458,560	487,739	533,694	531,000	552,000
Liquor Board Profits	794,980	786,251	781,018	725,700	770,000
	<u>2,383,510</u>	<u>2,475,132</u>	<u>2,208,816</u>	<u>1,688,200</u>	<u>1,760,000</u>
<u>Service Revenues</u>					
Accessory Dwelling	588	420	588	300	353
Building & Planning Fees	175,123	77,010	263,991	186,200	158,390
Building Permits	1,327,855	1,414,420	1,508,693	1,130,000	905,216
Code Enforcement	8,198	15,050	10,734	7,000	6,440
Demolition Permits	4,143	4,074	4,553	4,000	2,732
Entertainment License	11,649	0	7,087	0	4,252
Grading Permits	11,610	22,619	26,286	9,000	15,772
Home Profession Fee	5,124	3,192	2,520	3,600	1,512
Mechanical Permits	129,766	146,519	147,879	110,000	88,727
Misc. Permits & Fees	5,967	18,492	23,968	6,000	13,128
Planning Fees	475,409	751,859	909,688	490,000	547,702
Plumbing Permits	62,542	79,097	74,808	62,000	44,885
Right of Way Permits	123,067	204,963	197,026	120,000	118,216
Street Vacation Permits	1,365	0	4,095	1,300	1,300
Temporary Use Permit Fees	471	157	157	400	94
	<u>2,342,877</u>	<u>2,737,872</u>	<u>3,182,073</u>	<u>2,129,800</u>	<u>1,908,719</u>

CITY OF SPOKANE VALLEY, WA
2021 Budget - General Fund
Detail Revenues by Type

	2017	2018	2019	2020	2021
	Actual	Actual	Actual	Amended Budget	Proposed Budget
<u>Fines and Forfeitures</u>					
Public Safety False Alarm Services	5,534	27,134	64,845	100,000	75,000
Public Safety Grants	0	0	0	50,000	50,000
Fines & Forfeits - Traffic	421,240	414,647	428,191	447,000	421,000
Other Criminal- Non Traffic Fines	464,056	536,505	459,460	480,700	464,200
	<u>890,830</u>	<u>978,286</u>	<u>952,496</u>	<u>1,077,700</u>	<u>1,010,200</u>
<u>Recreation Program Charges</u>					
Activity Fees (To use a recreational facility)	467,504	459,368	526,026	112,331	460,600
Program Fees (To participate in a program)	271,566	205,289	205,914	7,169	183,000
	<u>739,070</u>	<u>664,657</u>	<u>731,940</u>	<u>119,500</u>	<u>643,600</u>
<u>Miscellaneous</u>					
AWC Health & Wellness	0	949	0	1,000	1,000
Investment Interest	309,826	690,528	916,684	700,000	500,000
Sales Tax Interest	18,315	34,772	46,720	35,000	35,000
Interest on Gambling Tax	271	70	138	500	300
Interest on Liens & Judgments	0	0	187	0	1,000
Police Precinct Rent	37,446	38,244	39,178	39,000	39,000
Police Precinct Maintenance	12,891	14,694	14,717	15,000	15,000
Judgments and Settlements	44,489	0	1,686	0	0
Miscellaneous Revenue & Grant Proceeds	170,760	20,776	28,458	4,571,400	46,000
Copy Charges	595	766	1,520	0	0
SCRAPS pass-through	1,145	1,137	1,172	1,200	1,200
Reimbursement of Chamber wall repairs	0	0	0	500,000	0
	<u>595,738</u>	<u>801,936</u>	<u>1,050,460</u>	<u>5,863,100</u>	<u>638,500</u>
<u>Transfers</u>					
Transfers in - #101 (street admin)	39,700	39,700	0	0	0
Transfers in - #105 (h/m tax-CP advertising)	15,778	26,037	30,000	30,000	30,000
Transfers in - #106 (solid waste repayment)	40,425	40,425	40,422	0	0
Transfers in - #310	498,500	0	0	0	0
Transfers in - #402 (storm admin)	13,400	13,400	0	0	0
Transfers in - #501	77,000	0	0	0	0
	<u>684,803</u>	<u>119,562</u>	<u>70,422</u>	<u>30,000</u>	<u>30,000</u>
 Total General Fund Revenue	 <u>44,751,345</u>	 <u>46,699,819</u>	 <u>49,401,371</u>	 <u>49,498,700</u>	 <u>45,451,419</u>

CITY OF SPOKANE VALLEY, WA
2021 Budget - Other Funds
Detail Revenues by Type

	2017	2018	2019	2020	2021
	Actual	Actual	Actual	Amended Budget	Proposed Budget
<u>101 - Street Fund</u>					
Utilities tax	1,982,391	1,854,641	1,563,981	1,521,000	1,431,000
Motor Vehicle Fuel (Gas) Tax	2,032,175	2,063,390	2,018,186	1,715,000	2,062,000
Multimodal Transportation Revenue	98,994	133,525	132,637	113,000	130,600
Right-of-Way Maintenance Fee	136,112	94,571	84,704	70,000	70,000
Investment Interest	7,842	17,504	4,022	17,000	4,000
Other Miscellaneous Revenues & Grants	135,826	97,958	23,911	10,000	10,000
Nonrecurring Transfer in - #001	0	0	0	350,200	1,859,600
Nonrecurring Transfer in - #122	0	0	620,000	0	0
Nonrecurring Transfer in - #312	0	0	907,544	1,364,706	0
	<u>4,393,340</u>	<u>4,261,589</u>	<u>5,354,985</u>	<u>5,160,906</u>	<u>5,567,200</u>
<u>103 - Paths & Trails Fund</u>					
Motor Vehicle Fuel (Gas) Tax	8,571	8,703	8,512	8,600	8,700
Investment interest	370	390	186	400	200
	<u>8,941</u>	<u>9,093</u>	<u>8,698</u>	<u>9,000</u>	<u>8,900</u>
<u>104 - Hotel/Motel Tax - Tourism Facilities Fund</u>					
Hotel/Motel Tax	400,509	415,295	454,283	213,000	213,000
Transfers in - #105	250,000	250,000	275,000	0	453,840
Investment interest	6,854	24,183	43,589	24,000	24,000
	<u>657,363</u>	<u>689,478</u>	<u>772,872</u>	<u>237,000</u>	<u>690,840</u>
<u>105 - Hotel/Motel Tax Fund</u>					
Hotel/Motel Tax	615,981	646,975	743,852	346,000	346,000
Investment Interest	3,548	7,058	8,459	6,000	6,000
	<u>619,529</u>	<u>654,033</u>	<u>752,311</u>	<u>352,000</u>	<u>352,000</u>
<u>106 - Solid Waste</u>					
Solid Waste Administrative fee	172,550	182,900	252,396	225,000	225,000
Solid Waste Road Wear fee	0	1,108,028	1,513,532	1,500,000	1,500,000
Grant Proceeds	59,389	0	0	0	0
Investment Interest	1,335	12,486	24,752	12,000	12,000
	<u>233,274</u>	<u>1,303,414</u>	<u>1,790,680</u>	<u>1,737,000</u>	<u>1,737,000</u>
<u>107 - PEG Fund</u>					
Comcast PEG contribution	76,471	81,322	79,498	79,000	79,000
Investment Interest	1,676	971	2,096	0	0
	<u>78,147</u>	<u>82,293</u>	<u>81,594</u>	<u>79,000</u>	<u>79,000</u>
<u>108 - Affordable & Supportive Housing Sales Tax</u>					
Affordable & Supportive Sales Tax	0	0	0	144,750	193,000
	<u>0</u>	<u>0</u>	<u>0</u>	<u>144,750</u>	<u>193,000</u>
<u>121 - Service Level Stabilization Reserve Fund</u>					
Investment Interest	16,575	0	0	0	0
	<u>16,575</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>122 - Winter Weather Reserve Fund</u>					
FEMA Grant Proceeds	3,170	0	10,366	0	0
Investment Interest	3,712	5,354	9,899	5,400	1,900
Transfer in - #001	258,000	490,000	120,000	500,000	0
	<u>264,882</u>	<u>495,354</u>	<u>140,265</u>	<u>505,400</u>	<u>1,900</u>
<u>204 - Debt Service - LTGO 03 Fund</u>					
Facilities District Revenue	379,750	414,050	432,150	459,500	480,800
Transfers in - #001	397,350	399,350	401,250	401,450	401,500
Transfers in - #301	79,426	82,000	82,475	80,375	80,775
Transfers in - #302	79,425	82,000	82,475	80,375	80,775
	<u>935,951</u>	<u>977,400</u>	<u>998,350</u>	<u>1,021,700</u>	<u>1,043,850</u>

CITY OF SPOKANE VALLEY, WA
2021 Budget - Other Funds
Detail Revenues by Type

	2017	2018	2019	2020	2021
	Actual	Actual	Actual	Amended Budget	Proposed Budget
<u>301 - REET 1 Capital Projects Fund</u>					
REET 1 - 1st Quarter Percent	1,503,787	1,968,317	1,695,344	1,000,000	1,000,000
Investment Interest	21,599	47,045	61,383	35,000	25,000
	<u>1,525,386</u>	<u>2,015,362</u>	<u>1,756,727</u>	<u>1,035,000</u>	<u>1,025,000</u>
<u>302 - REET 2 Capital Projects Fund</u>					
REET 2 - 2nd Quarter Percent	1,503,787	1,968,317	1,695,344	1,000,000	1,000,000
Investment Interest	25,594	61,879	80,784	35,000	25,000
	<u>1,529,381</u>	<u>2,030,196</u>	<u>1,776,128</u>	<u>1,035,000</u>	<u>1,025,000</u>
<u>303 - Street Capital Projects Fund</u>					
Grant Proceeds	3,499,888	6,566,816	2,783,332	5,940,505	6,843,308
Developer Contributions	124,488	29,144	228,953	1,311,059	53,703
Investment Interest	0	0	586	0	0
Transfers in - #301	294,558	901,287	517,107	872,605	316,620
Transfers in - #302	81,613	1,031,071	(192,297)	518,199	1,662,684
Transfers in - #312	2,138,145	(547,287)	1,999,130	1,781,727	0
	<u>6,138,692</u>	<u>7,981,031</u>	<u>5,336,811</u>	<u>10,424,095</u>	<u>8,876,315</u>
<u>309 - Parks Capital Projects Fund</u>					
Grant Proceeds	1,657,548	1,605,948	1,114,049	1,605,583	480,530
Investment Interest	215	183	83	0	0
Transfers in - #001	160,000	583,206	1,334,369	3,067,879	160,000
Transfers in - #103	0	50,000	0	0	0
Transfers in - #312	277,437	289,661	262,599	119,373	565,150
	<u>2,095,200</u>	<u>2,528,998</u>	<u>2,711,100</u>	<u>4,792,835</u>	<u>1,205,680</u>
<u>310 - Civic Facilities Capital Projects Fund</u>					
Investment Interest	9,029	14,049	16,700	17,000	3,100
	<u>9,029</u>	<u>14,049</u>	<u>16,700</u>	<u>17,000</u>	<u>3,100</u>
<u>311 - Pavement Preservation Fund</u>					
Grants	89,209	1,422,404	3,665,905	10,588	0
Investment Interest	20,536	54,724	49,593	0	0
Transfers in - #001	953,200	962,700	972,300	982,023	991,843
Transfers in - #101	67,342	67,342	0	0	0
Transfers in - #106	0	1,000,000	1,608,028	1,513,532	1,500,000
Transfers in - #301	660,479	685,329	734,300	772,639	827,278
Transfers in - #302	660,479	685,329	734,300	772,638	827,279
	<u>2,451,245</u>	<u>4,877,828</u>	<u>7,764,426</u>	<u>4,051,420</u>	<u>4,146,400</u>
<u>312 - Capital Reserve Fund</u>					
Investment Interest	52,170	126,565	225,908	100,000	100,000
Sale of Land	0	405,056	0	0	0
Transfers in - #001	3,003,929	3,795,429	7,109,300	0	0
Transfers in - #309	0	0	0	200,000	0
Transfers in - #310	0	0	18,452	16,700	0
Transfers in - #313	0	0	88,589	0	0
	<u>3,056,099</u>	<u>4,327,050</u>	<u>7,442,249</u>	<u>316,700</u>	<u>100,000</u>
<u>313 -City Hall Construction Fund</u>					
Investment Interest	18,894	1,416	953	0	0
2016 LTGO Bond Issue Proceeds/Premium	0	0	0	0	0
	<u>18,894</u>	<u>1,416</u>	<u>953</u>	<u>0</u>	<u>0</u>

CITY OF SPOKANE VALLEY, WA
2021 Budget - Other Funds
Detail Revenues by Type

	2017	2018	2019	2020	2021
	Actual	Actual	Actual	Amended Budget	Proposed Budget
<u>314 - Railroad Grade Separation Projects Fund</u>					
Grant Proceeds	87,610	571,136	1,447,398	3,526,378	11,508,819
Investment Interest	4,072	16,591	15,883	0	0
Transfers in - #301	1,200,000	0	104,918	869,008	0
Transfers in - #302	111,941	(8,147)	0	0	1,127,387
Transfers in - #312	482,216	0	0	142,500	725,774
	<u>1,885,839</u>	<u>579,580</u>	<u>1,568,199</u>	<u>4,537,886</u>	<u>13,361,980</u>
<u>402 - Stormwater Management Fund</u>					
Stormwater Management Fee	1,895,033	1,920,509	1,936,362	1,900,000	1,900,000
Grant Proceeds - Nonrecurring	370,207	128,695	58,746	59,828	100,000
Investment Interest	20,564	40,465	48,642	40,000	40,000
	<u>2,285,804</u>	<u>2,089,669</u>	<u>2,043,750</u>	<u>1,999,828</u>	<u>2,040,000</u>
<u>403 - Aquifer Protection Area Fund</u>					
Spokane County	452,110	462,980	469,429	460,000	460,000
Grant Proceeds	58,722	597,733	101,715	446,700	2,122,045
Investment Interest	10,238	28,620	37,329	20,000	15,000
	<u>521,070</u>	<u>1,089,333</u>	<u>608,473</u>	<u>926,700</u>	<u>2,597,045</u>
<u>501 - Equipment Rental & Replacement Fund</u>					
Interfund Vehicle Lease	146,429	141,929	0	0	0
Vehicle rentals - #001	0	0	30,000	28,000	31,300
Vehicle rentals - #101	0	0	21,250	14,500	10,250
Vehicle rentals - #101 (plow replace.)	0	0	77,929	48,500	60,500
Vehicle rentals - #402	0	0	12,750	14,000	6,750
Transfers in - #001 (CenterPlace kitchen reserve)	36,600	36,600	36,600	36,600	36,600
Transfers in - #001 (Code Enforcement Vehicle)	0	0	0	30,000	0
Investment Interest	9,651	19,874	26,715	19,000	10,000
	<u>192,680</u>	<u>198,403</u>	<u>205,244</u>	<u>190,600</u>	<u>155,400</u>
<u>502 - Risk Management Fund</u>					
Transfers in - #001	350,000	370,000	390,000	410,000	425,000
Investment Interest	1,107	2,135	2,124	0	0
	<u>351,107</u>	<u>372,135</u>	<u>392,124</u>	<u>410,000</u>	<u>425,000</u>
Total of "Other Fund" Revenues	<u>29,268,428</u>	<u>36,577,704</u>	<u>41,522,639</u>	<u>38,983,820</u>	<u>44,634,610</u>
General Fund Revenues	<u>44,751,345</u>	<u>46,699,819</u>	<u>49,401,371</u>	<u>49,498,700</u>	<u>45,451,419</u>
Total Revenues	<u><u>74,019,773</u></u>	<u><u>83,277,523</u></u>	<u><u>90,924,010</u></u>	<u><u>88,482,520</u></u>	<u><u>90,086,029</u></u>

CITY OF SPOKANE VALLEY, WA
2021 Budget
Expenditures by Fund and Department

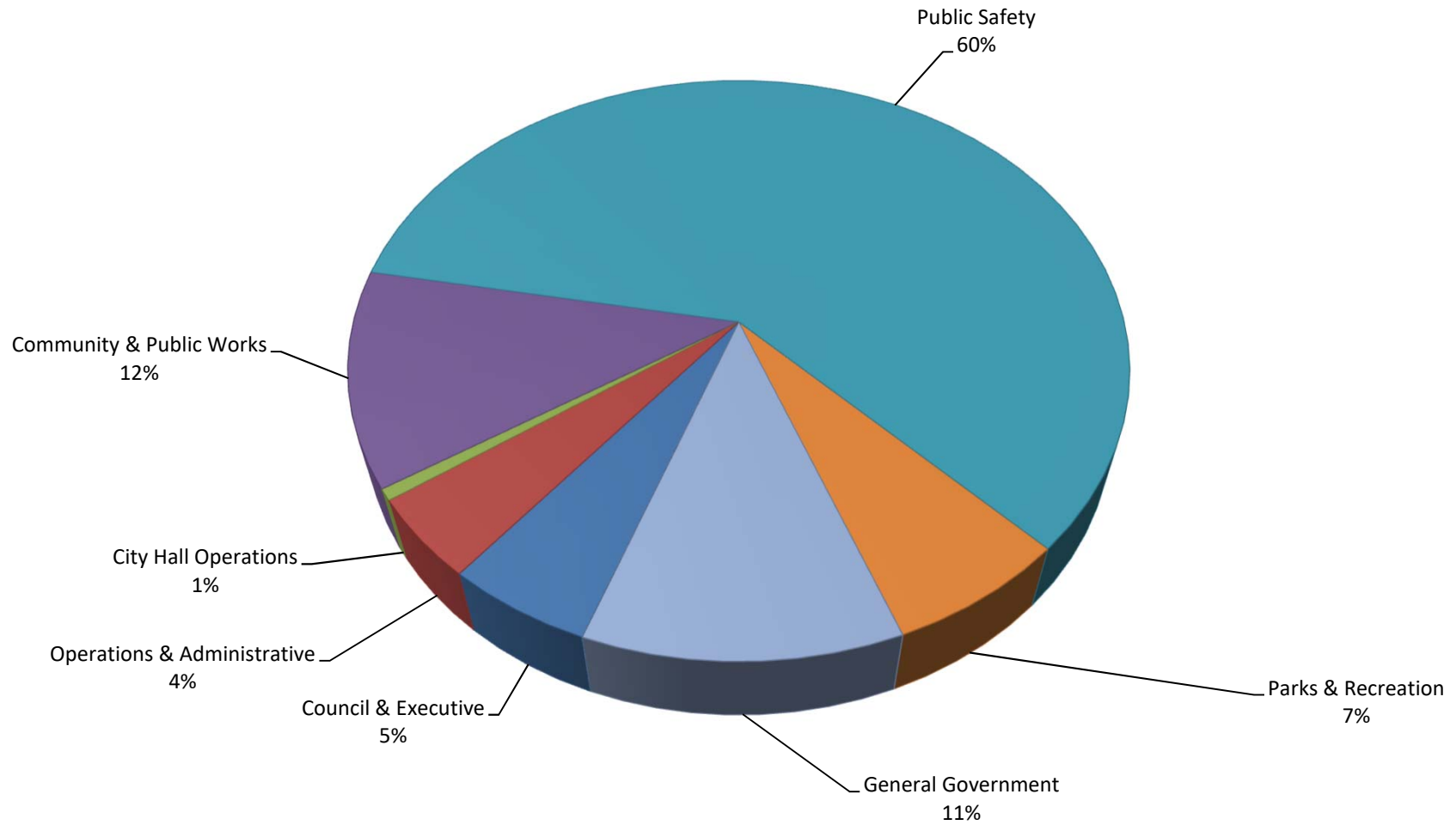
General Fund

Council	\$	631,566
City Manager		1,158,089
City Attorney		718,593
Public Safety		28,180,515
Operations & Administrative		
Deputy City Manager		284,844
Finance		1,500,659
Human Resources		318,540
City Hall Operations and Maintenance		301,093
Community & Public Works		
Engineering		2,098,642
Economic Development		1,070,762
Building and Planning		2,487,066
Parks & Recreation		
Administration		356,467
Maintenance		940,003
Recreation		328,534
Aquatics		510,053
Senior Center		35,403
CenterPlace		972,214
General Government		5,384,723
Total General Fund	\$	<u>47,277,766</u>

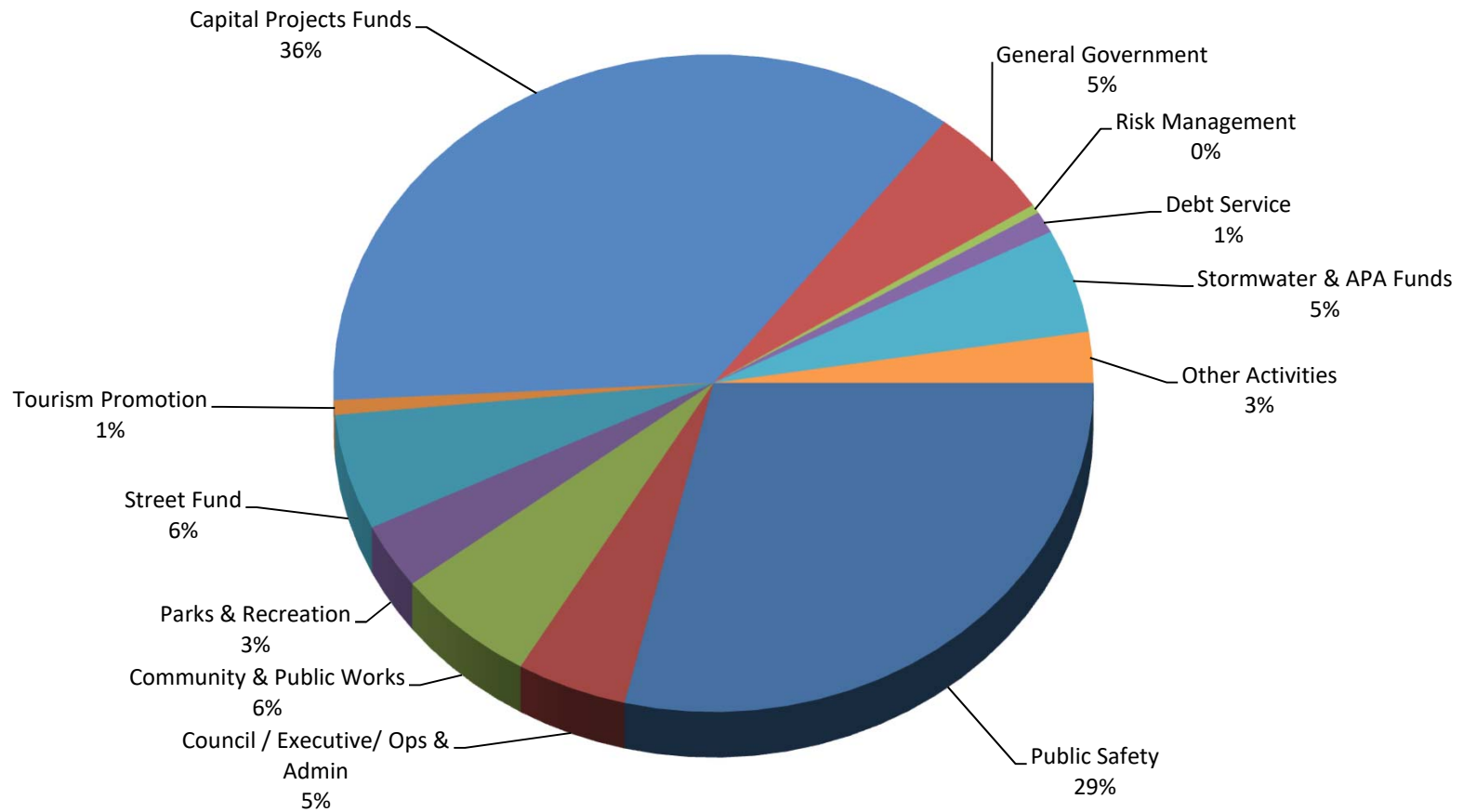
Other Funds

101	Street Fund	\$	5,567,200
105	Hotel/Motel Tax Fund		708,240
106	Solid Waste		1,737,000
107	PEG Fund		73,000
122	Winter Weather Reserve Fund		500,000
204	LTGO Bond Debt Service Fund		1,043,850
301	REET 1 Capital Projects Fund		1,224,673
302	REET 2 Capital Projects Fund		3,698,125
303	Street Capital Projects Fund		8,876,315
309	Parks Capital Projects Fund		1,120,305
311	Pavement Preservation		4,726,350
312	Capital Reserve Fund		2,050,524
314	Railroad Grade Separation Projects		13,796,320
402	Stormwater Management Fund		2,626,007
403	Aquifer Protection Area		2,378,109
501	Equipment Rental & Replacement (ER&R)		140,000
502	Risk Management Fund		425,000
	Total Other Funds	\$	<u>50,691,018</u>
	Total All Funds	\$	<u><u>97,968,784</u></u>

CITY OF SPOKANE VALLEY, WA
2021 General Fund Expenditures
\$47,277,766



CITY OF SPOKANE VALLEY, WA
2021 City Wide Expenditures
\$ 97,968,784



CITY OF SPOKANE VALLEY, WA
2021 Budget
General Fund Expenditures by Department and Type

	Wages, Benefits & Payroll Taxes	Supplies	Services & Charges	Intergovernmental	Interfund	Capital Expenditures	Total
City Council	\$ 301,266	\$ 5,500	\$ 324,800	\$ 0	\$ 0	\$ 0	\$ 631,566
City Manager	1,087,699	6,800	63,590	0	0	0	1,158,089
City Attorney	627,353	4,185	87,055	0	0	0	718,593
Public Safety	19,000	89,500	277,715	27,752,900	0	41,400	28,180,515
<u>Operations & Administrative</u>							
Deputy City Manager	243,944	700	40,200	0	0	0	284,844
Finance	1,476,684	3,000	20,975	0	0	0	1,500,659
Human Resources	293,505	1,000	24,035	0	0	0	318,540
City Hall Operations and Maintenance	106,593	27,000	167,500	0	0	0	301,093
<u>Community & Public Works</u>							
Engineering	1,855,308	30,500	212,834	0	0	0	2,098,642
Economic Development	639,017	3,000	428,745	0	0	0	1,070,762
Building and Planning	2,134,016	35,050	318,000	0	0	0	2,487,066
<u>Parks & Recreation</u>							
Administration	292,667	5,000	58,800	0	0	0	356,467
Maintenance	0	3,500	936,503	0	0	0	940,003
Recreation	230,484	9,150	88,900	0	0	0	328,534
Aquatics	0	2,000	508,053	0	0	0	510,053
Senior Center	28,303	1,600	5,500	0	0	0	35,403
CenterPlace	542,938	85,537	343,739	0	0	0	972,214
General Government	0	81,400	813,050	372,930	3,874,543	242,800	5,384,723
Total	<u>\$ 9,878,777</u>	<u>\$ 394,422</u>	<u>\$ 4,719,994</u>	<u>\$ 28,125,830</u>	<u>\$ 3,874,543</u>	<u>\$ 284,200</u>	<u>\$ 47,277,766</u>

CITY OF SPOKANE VALLEY, WA
2021 Budget
General Fund Department Changes from 2020 to 2021

	2020 Adopted Budget	2020 Amended Budget	2021 Budget	Difference Between 2020 and 2021	
				Increase (Decrease)	
				\$	%
<u>City Council</u>					
Wages, Payroll Taxes & Benefits	290,187	290,187	301,266	11,079	3.82%
Supplies	4,950	4,950	5,500	550	11.11%
Services & Charges	327,050	327,050	324,800	(2,250)	(0.69%)
Total	622,187	622,187	631,566	9,379	1.51%
<u>City Manager</u>					
Wages, Payroll Taxes & Benefits	920,892	954,192	1,087,699	133,507	13.99%
Supplies	4,300	4,300	6,800	2,500	58.14%
Services & Charges	72,690	72,690	63,590	(9,100)	(12.52%)
Total	997,882	1,031,182	1,158,089	126,907	12.31%
<u>City Attorney</u>					
Wages, Payroll Taxes & Benefits	616,403	616,403	627,353	10,950	1.78%
Supplies	4,414	4,414	4,185	(229)	(5.19%)
Services & Charges	87,125	87,125	87,055	(70)	(0.08%)
Total	707,942	707,942	718,593	10,651	1.50%
<u>Public Safety</u>					
Non-Departmental (Fines & Forfeits)	516,550	516,550	485,900	(30,650)	(5.93%)
Wages/Payroll Taxes/Benefits	13,266	13,266	19,000	5,734	43.22%
Supplies	30,500	30,500	52,000	21,500	70.49%
Other Services and Charges	587,515	337,515	277,715	(59,800)	(17.72%)
Intergovernmental Services	25,451,383	25,975,872	27,267,000	1,291,128	4.97%
Total	26,599,214	26,873,703	28,101,615	1,227,912	4.57%
<u>Deputy City Manager</u>					
Wages, Payroll Taxes & Benefits	234,012	234,012	243,944	9,932	4.24%
Supplies	950	950	700	(250)	(26.32%)
Services & Charges	42,225	42,225	40,200	(2,025)	(4.80%)
Total	277,187	277,187	284,844	7,657	2.76%
<u>Finance/IT</u>					
Wages, Payroll Taxes & Benefits	1,443,953	1,443,953	1,476,684	32,731	2.27%
Supplies	6,450	6,450	3,000	(3,450)	(53.49%)
Services & Charges	28,120	28,120	20,975	(7,145)	(25.41%)
Total	1,478,523	1,478,523	1,500,659	22,136	1.50%
<u>Human Resources</u>					
Wages, Payroll Taxes & Benefits	281,331	281,331	293,505	12,174	4.33%
Supplies	1,280	1,280	1,000	(280)	(21.88%)
Services & Charges	30,705	30,705	24,035	(6,670)	(21.72%)
Total	313,316	313,316	318,540	5,224	1.67%
<u>City Hall Operations & Maintenance</u>					
Wages, Payroll Taxes & Benefits	94,270	94,270	106,593	12,323	13.07%
Supplies	28,000	28,000	27,000	(1,000)	(3.57%)
Services & Charges	174,000	174,000	167,500	(6,500)	(3.74%)
Total	296,270	296,270	301,093	4,823	1.63%
<u>Community & Public Works - Engineering</u>					
Wages, Payroll Taxes & Benefits	1,726,845	1,710,195	1,855,308	145,113	8.49%
Supplies	32,850	32,850	30,500	(2,350)	(7.15%)
Services & Charges	212,036	212,036	212,834	798	0.38%
Total	1,971,731	1,955,081	2,098,642	143,561	7.34%
<u>Community & Public Works - Economic Dev</u>					
Wages, Payroll Taxes & Benefits	724,084	724,084	639,017	(85,067)	(11.75%)
Supplies	3,000	3,000	3,000	0	0.00%
Services & Charges	392,745	392,745	403,745	11,000	2.80%
Total	1,119,829	1,119,829	1,045,762	(74,067)	(6.61%)
(Continued to next page)					

CITY OF SPOKANE VALLEY, WA
2021 Budget
General Fund Department Changes from 2020 to 2021

	2020 Adopted Budget	2020 Amended Budget	2021 Budget	Difference Between 2020 and 2021	
				Increase (Decrease)	
				\$	%
(Continued from previous page)					
Community & Public Works - Building & Planning					
Wages, Payroll Taxes & Benefits	2,044,559	2,044,559	2,134,016	89,457	4.38%
Supplies	47,000	47,000	35,050	(11,950)	(25.43%)
Services & Charges	328,855	328,855	318,000	(10,855)	(3.30%)
Total	2,420,414	2,420,414	2,487,066	66,652	2.75%
Parks & Rec- Admin					
Wages, Payroll Taxes & Benefits	283,127	283,127	292,667	9,540	3.37%
Supplies	5,000	5,000	5,000	0	0.00%
Services & Charges	64,100	49,100	58,800	9,700	19.76%
Total	352,227	337,227	356,467	19,240	5.71%
Parks & Rec- Maintenance					
Supplies	3,500	3,500	3,500	0	0.00%
Services & Charges	914,000	914,000	936,503	22,503	2.46%
Total	917,500	917,500	940,003	22,503	2.45%
Parks & Rec- Recreation					
Wages, Payroll Taxes & Benefits	231,081	181,081	230,484	49,403	27.28%
Supplies	8,650	8,650	9,150	500	5.78%
Services & Charges	86,190	53,190	88,900	35,710	67.14%
Total	325,921	242,921	328,534	85,613	35.24%
Parks & Rec- Aquatics					
Supplies	2,000	2,000	2,000	0	0.00%
Services & Charges	499,853	130,853	508,053	377,200	288.26%
Total	501,853	132,853	510,053	377,200	283.92%
Parks & Rec- Senior Center					
Wages, Payroll Taxes & Benefits	36,347	36,347	28,303	(8,044)	(22.13%)
Supplies	1,600	1,600	1,600	0	0.00%
Services & Charges	5,500	5,500	5,500	0	0.00%
Total	43,447	43,447	35,403	(8,044)	(18.51%)
Parks & Rec- CenterPlace					
Wages, Payroll Taxes & Benefits	538,083	468,083	542,938	74,855	15.99%
Supplies	85,537	67,537	85,537	18,000	26.65%
Services & Charges	341,739	281,739	343,739	62,000	22.01%
Total	965,359	817,359	972,214	154,855	18.95%
General Government					
Supplies	99,000	99,000	81,400	(17,600)	(17.78%)
Services & Charges	802,100	802,100	813,050	10,950	1.37%
Intergovernmental Services	362,511	362,511	372,930	10,419	2.87%
Capital outlays	57,500	57,500	30,000	(27,500)	(47.83%)
Total	1,321,111	1,321,111	1,297,380	(23,731)	(1.80%)
Transfers out - #204	401,450	401,450	401,500	50	0.01%
Transfers out - #309	160,000	160,000	160,000	0	0.00%
Transfers out - #311					
Pavement Preservation	982,023	982,023	991,843	9,820	1.00%
Transfers out - #501	36,600	36,600	36,600	0	0.00%
Transfers out - #502	410,000	410,000	425,000	15,000	3.66%
Total recurring expenditures	43,221,986	42,898,125	45,101,466	2,203,341	5.14%
(Continued to next page)					

CITY OF SPOKANE VALLEY, WA
2021 Budget
General Fund Department Changes from 2020 to 2021

	2020 Adopted Budget	2020 Amended Budget	2021 Budget	Difference Between 2020 and 2021	
				Increase (Decrease)	
				\$	%
(Continued from previous page)					
Summary by Category					
Wages, Payroll Taxes & Benefits	9,478,440	9,375,090	9,878,777	503,687	5.37%
Supplies	368,981	350,981	356,922	5,941	1.69%
Services & Charges	4,996,548	4,269,548	4,694,994	425,446	9.96%
Transfers out - #204	401,450	401,450	401,500	50	0.01%
Transfers out - #309	160,000	160,000	160,000	0	0.00%
Transfers out - #311	982,023	982,023	991,843	9,820	1.00%
Transfers out - #501	36,600	36,600	36,600	0	0.00%
Transfers out - #502	410,000	410,000	425,000	15,000	3.66%
Non-Departmental (fines & forfeits)	516,550	516,550	485,900	(30,650)	(5.93%)
Intergovernmental Svc (public safety)	25,451,383	25,975,872	27,267,000	1,291,128	4.97%
Intergovernmental Svc	362,511	362,511	372,930	10,419	2.87%
Capital outlay	57,500	57,500	30,000	(27,500)	(47.83%)
	43,221,986	42,898,125	45,101,466	2,203,341	5.14%

Fund: 001**General Fund****Spokane Valley****Dept: 011****Legislative Branch****2021 Budget**

This department accounts for the cost of providing effective elected representation of the citizenry in the governing body. The Council makes policy decisions for the City and is accountable to Spokane Valley citizens by making decisions regarding how resources are allocated, the appropriate levels of service, and establishing goals and policies for the organization.

Accomplishments for 2020

- Updated and adopted a 2021 State Legislative Agenda.
- Updated and adopted a Federal Legislative Agenda.
- Worked with State and Federal Legislators and Lobbyists on behalf of City interests including lobbying trips to Olympia.
- Began the right-of-way acquisition process on the Pines/BNSF Grade Separation Project.
- Completed the right-of-way acquisition on the Barker/BNSF Grade Separation Project with the exception of one parcel upon which we've received notification of a Cert 3 acceptance.
- Obligated construction funds for the Barker/BNSF Grade Separation Project.
- Completed the CenterPlace West Lawn and roof replacement projects at CenterPlace.
- In response to the COVID-19 pandemic event and the subsequent federal approval of the CARES Act the City successfully established programs to allocate the nearly \$4.4 million we received to partially meet the needs of those members of our community that have suffered the greatest economic loss. This money was used in a variety of ways including rent, mortgage and utility assistance; food security; small business and nonprofit grants; and assisting local school districts in the acquisition of personal protection equipment.
- Authorized Staff to apply for a grant of up to \$1 million to reimburse the potential acquisition of a 45-acre parcel of land that would in the future be used for park development.
- Completed the Evergreen to Sullivan portion of the Appleway Trail project which now means Spokane Valley has a trail running for 5.5 contiguous miles from University to Corbin.
- Completed improvements to Indiana Avenue fronting the Spokane Valley Mall with minimal impacts to the adjoining businesses.
- Completed the construction of Garland Avenue between Flora and Barker.
- Adopted a balanced 2021 Budget and for the twelfth consecutive year did so without taking the 1% increase in property taxes that is allowed by State Law.
- In the midst of a COVID-19 induced recession, adopted a 2021 Budget with status quo levels of service and a General Fund budget that has recurring revenues exceeding recurring expenditures and an ending fund balance of at least 50% of recurring expenditures.

Goals for 2021

- 1) Work with state and federal legislators towards advancing the concepts outlined in the Bridging the Valley study including obtaining financial assistance for the Pines, Sullivan, and Park Grade Separation Projects.
- 2) Actively pursue a plan to sustain the City's Pavement Preservation Program, to include sustained financing in Street Fund #101 and Pavement Preservation Fund #311.
- 3) Pursue state and federal financial assistance to address transportation concerns along the entire Barker Corridor.
- 4) Sustain and expand where possible, economic development efforts including the retention and expansion of existing businesses and recruitment of new businesses.
- 5) Continue to foster relationships with federal, state, county and local legislators.
- 6) Pursue financing for Balfour Park and Appleway Trail amenities, and continue the acquisition of park land.
- 7) Pursue financing for connections between the Appleway Trail, Balfour Park, Dishman Hills and the Centennial Trail creating where possible, a continuous loop for users.
- 8) Maximize the law enforcement contract to address staffing levels by enhancing recruiting efforts, minimizing out-of-service days, increasing retention, and taking steps to make the officer positions and the Spokane Valley Police Department increasingly appealing as a career path for those seeking to pursue a law enforcement career in Spokane Valley.
- 9) Increase community interactions, share information, and obtain feedback on current and future projects and priorities.
- 10) Prioritize involvement in public safety, in particular discussions regarding the jail and the criminal justice system, in order to maintain an understanding of options to keep our costs under control.

(continued on next page)

Fund: 001

General Fund

Spokane Valley

Dept: 011

Legislative Branch

2021 Budget

(continued from prior page)

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Personnel - FTE Equivalents					
Mayor	1.0	1.0	1.0	1.0	1.0
Council	6.0	6.0	6.0	6.0	6.0
Total FTEs	<u>7.0</u>	<u>7.0</u>	<u>7.0</u>	<u>7.0</u>	<u>7.0</u>
Budget Detail					
Wages, Payroll Taxes & Benefits	\$ 219,902	\$ 198,884	\$ 262,268	\$ 290,187	\$ 301,266
Supplies	1,974	6,923	5,489	4,950	5,500
Services & Charges	186,243	197,306	295,366	327,050	324,800
Total Legislative Branch	<u>\$ 408,119</u>	<u>\$ 403,113</u>	<u>\$ 563,123</u>	<u>\$ 622,187</u>	<u>\$ 631,566</u>

Fund: 001

General Fund

Spokane Valley

Dept: 013

Executive Branch

2021 Budget

013 - City Manager Division

This department is accountable to the City Council for the operational results of the organization, effective support of elected officials in achieving their goals, fulfillment of the statutory requirements of the City Manager, implementation of City Council policies, and provision of a communication linkage between citizens, the City Council, City departments, and other government agencies.

Accomplishments for 2020

- Worked to support City Council's 2020 Goals as referenced in the Legislative Branch Budget.
- Worked with all City departments to update the 2021 Business Plan that is a precursor to the development of the 2021 Budget which is accomplished by linking community priorities, financial projections and City Council goals.
- Prepared a 2021 General Fund Budget with status quo levels of service.
- Worked with Council to prepared a 2021 State Legislative Agenda that was discussed by Council on three separate occasions. This was followed by a separate meeting with our 4th District Legislative Delegation where Councilmembers and Legislators discussed areas of common interest, including our legislative agenda.
- Worked with Council and Staff to update our Federal Legislative Agenda.
- Worked with State and Federal Legislators and Lobbyists on behalf of City interests including lobbying in Olympia.
- Continued discussions focused on developing a sustainable plan to finance the City's Pavement Preservation Program including Street O&M Fund #101 and Pavement Preservation Fund #311 including a discussion on options for preservation surface treatments.

Goals for 2021

- Focus staff efforts on the City's budget priorities that are composed of public safety, pavement preservation, transportation and infrastructure and economic development.
- Work to support City Council's 2021 Goals as referenced under the Legislative Branch Budget.
- Present Council with a balanced 2022 Budget that includes General Fund recurring revenues exceeding recurring expenditures and an ending fund balance that is at least 50% of recurring expenditures.
- Work with Federal and State Legislators and Lobbyists on behalf of the interests of our City.
- Prepare the 2022 State and Federal Legislative Agendas for Council consideration.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Personnel - FTE Equivalents					
City Manager	1.0	1.0	1.0	1.0	1.0
City Clerk	1.0	1.0	1.0	1.0	1.0
Deputy City Clerk	1.0	1.0	1.0	1.0	1.0
Administrative Analyst	0.0	1.0	1.0	1.0	1.0
Senior Administrative Analyst	0.0	1.0	1.0	1.0	1.0
Administrative Assistant (CC)	1.0	1.0	0.5	0.5	0.5
Executive Assistant (CM)	1.0	1.0	1.0	1.0	1.0
Housing & Homeless Services Coordinator	0.0	0.0	0.0	1.0	1.0
Total FTEs	<u>5.0</u>	<u>5.0</u>	<u>7.0</u>	<u>7.5</u>	<u>7.5</u>

Budget Detail

Wages, Payroll Taxes & Benefits	\$ 580,529	\$ 783,650	\$ 830,903	\$ 954,192	\$ 1,087,699
Supplies	3,569	3,470	3,750	4,300	6,800
Services & Charges	26,059	48,380	53,604	72,690	63,590
Nonrecurring expenditures	0	7,341	0	5,000	0
Total City Manager Division	<u>\$ 610,157</u>	<u>\$ 842,841</u>	<u>\$ 888,257</u>	<u>\$ 1,036,182</u>	<u>\$ 1,158,089</u>

Fund: 001

General Fund

Spokane Valley

Dept: 013

Executive Branch

2021 Budget

015 - City Attorney Division**Accomplishments for 2020**

- Provided significant assistance to Council and other staff regarding homelessness issues, including issues related to funding affordable housing, available resources, land use issues related to affordable housing and homeless shelters, regional collaboration, and enforcement options. Assisted in development and implementation of new park regulations, and regulations addressing camping on public property.
- Provide wide range of assistance to Council and staff regarding response to COVID-19 pandemic.
- Significant involvement in a number of legislative land use and permitting issues, including conducting administrative appeals and litigation in Superior Court.
- Provide advice and assistance to City Manager and staff regarding ongoing implementation issues with solid waste collection contracts related to changes in recycling markets.
- Assisted with issues related to the 2020 lodging tax revenue distributions, including revisions.
- Conducted various trainings for Council, Planning Commission, the Lodging Tax Advisory Committee, and staff.
- Assisted with various litigation cases against the City.
- Provided legal support to Code Enforcement for prosecuting and abating nuisance cases.
- Provided support to senior staff regarding pursuit of City Hall Council Chambers curved wall construction defect issues.
- Assisted staff in numerous property acquisition issues associated with the Barker Grade Separation Project.
- Assisted staff and Council in drafting legislative agenda for state and federal lobbying efforts, primarily aimed at securing additional funding for the Pines Grade Separation Project.
- Negotiated/finalized agreement with Valleyfest for adoption.
- Acted as City liaison with regional entities on a broad range of criminal justice and mental health issues, including the Spokane Regional Law and Justice Council, and the Justice Task Force.
- Responded to numerous public record issues, including review of records.

Goals for 2021

- Have a fully-operational office that proactively assists in program development, advises all departments on legal issues in a timely manner and manages all potential and existing litigation.
- Work with Community and Public Works and Finance in identifying and implementing economic development options.
- Assist other departments in analyzing and mapping existing processes to determine compliance with laws and whether higher levels of customer service can be achieved.
- Assist Council and staff in accomplishing items on the 2021 state Legislative Agenda.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Personnel - FTE Equivalents					
City Attorney	1.0	1.0	1.0	1.0	1.0
Deputy City Attorney	1.0	1.0	1.0	1.0	1.0
Attorney	0.0	0.5	0.5	1.0	1.0
Administrative Assistant - Legal	1.0	1.0	1.0	1.0	1.0
Total FTEs	<u>3.0</u>	<u>3.0</u>	<u>3.5</u>	<u>4.0</u>	<u>4.0</u>
Interns	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>
Budget Detail					
Wages, Payroll Taxes & Benefits	\$ 411,988	\$ 472,873	\$ 510,618	\$ 616,403	\$ 627,353
Supplies	1,030	1,340	1,220	4,414	4,185
Services & Charges	66,130	49,896	53,911	87,125	87,055
Nonrecurring expenditures	0	5,919	0	0	0
Total City Attorney Division	<u>\$ 479,148</u>	<u>\$ 530,028</u>	<u>\$ 565,749</u>	<u>\$ 707,942</u>	<u>\$ 718,593</u>

Fund: 001	General Fund	Spokane Valley
Dept: 016	Public Safety	2021 Budget

The Public Safety department budget provides funds for the protection of persons and property in the city. The City contracts with Spokane County for law enforcement, district court, prosecutor services, public defender services, probation services, jail and animal control services. See following page for detail information on each budgeted section.

Recurring Expenditures:

Judicial System - The Spokane County District Court is contracted to provide municipal court services. The contract provides for the services of judge and court commissioner with related support staff. Budgeted amount also includes jury management fees.	\$ 2,245,000
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Law Enforcement - The Spokane County Sheriff's Office is responsible for maintaining law and order and providing police services to the community under the direction of the Police Chief. The office provides for the preservation of life, protection of property, and reduction of crime.	23,480,715
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Jail System - Spokane County provides jail and probation services for persons sentenced by any City of Spokane Valley Municipal Court Judge for violating laws of the city or state.	1,500,000
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Animal Control - Spokane County will provide animal control services to include licensing, care and treatment of lost or stray animals, and response to potentially dangerous animal confrontations.	350,000
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Non-Departmental	
Fines and forfeitures to the State of Washington	485,900
Grant expenditures	40,000
Total Recurring Expenditures	<u>28,101,615</u>

Nonrecurring Expenditures:

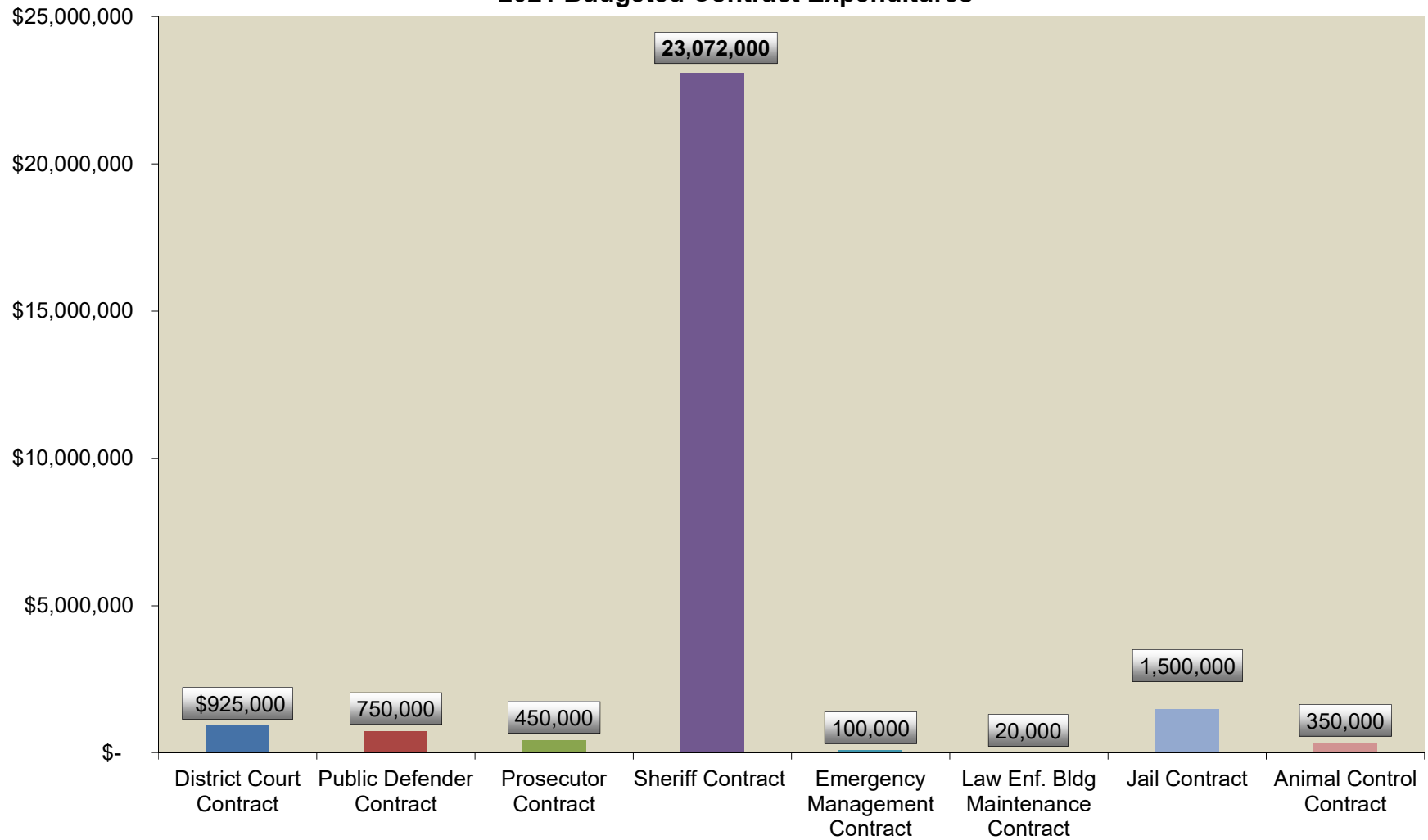
Building repair and office furniture	30,000
Machinery and equipment	48,900
Total Nonrecurring Expenditures	<u>78,900</u>

Total Recurring and Nonrecurring Expenditures	<u><u>\$ 28,180,515</u></u>
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City of Spokane Valley
2021 Budget
016 - Public Safety

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Recurring:					
Judicial System:					
District Court Contract	\$ 712,168	\$ 836,995	\$ 888,965	\$ 919,269	\$ 925,000
Public Defender Contract	697,986	788,302	745,088	740,207	750,000
Prosecutor Contract	464,250	457,949	424,896	383,169	450,000
Pretrial Services Contract	107,807	105,793	109,783	120,000	120,000
Subtotal Judicial System	<u>1,982,211</u>	<u>2,189,039</u>	<u>2,168,732</u>	<u>2,162,645</u>	<u>2,245,000</u>
Law Enforcement System:					
Sheriff Contract	17,792,178	20,177,258	20,272,826	22,218,101	23,072,000
Emergency Management Contract	97,094	92,296	89,425	100,000	100,000
Wages, Payroll Taxes & Benefits	2,819	9,802	16,164	13,266	19,000
Operating Supplies	3,509	2,346	72	2,500	0
Clothing & Uniform	0	358	636	0	0
Repair & Maintenance. Supplies	1,202	2,730	11,208	3,000	12,000
Professional Services	0	3,373	3,773	3,500	4,000
Cell Phones	0	278	469	0	0
Registrations	0	0	70	0	0
Electricity/Gas	18,283	16,505	16,579	18,000	18,000
Water	1,621	1,806	1,762	2,000	2,000
Sewer	2,102	1,348	1,079	2,300	2,000
Waste Disposal	3,442	585	0	0	0
Janitorial Services	0	32,325	28,631	0	30,000
Law Enf. Bldg Maintenance Contract	74,108	26,235	16,706	61,000	20,000
Taxes and Assessments	715	715	715	715	715
Equipment Rental	0	0	767	0	1,000
Miscellaneous Services/Contingency	0	0	0	250,000	200,000
False Alarm Charges & Fees	3,135	404	809	0	0
Bank Fees	2,333	0	0	0	0
Subtotal Law Enforcement System	<u>18,002,541</u>	<u>20,368,364</u>	<u>20,461,691</u>	<u>22,674,382</u>	<u>23,480,715</u>
Jail System:					
Jail Contract	<u>1,331,721</u>	<u>1,249,948</u>	<u>1,493,325</u>	<u>1,145,126</u>	<u>1,500,000</u>
Subtotal Jail System	<u>1,331,721</u>	<u>1,249,948</u>	<u>1,493,325</u>	<u>1,145,126</u>	<u>1,500,000</u>
Other:					
Fines & Forfeitures State Remittance	464,056	495,683	441,880	516,550	485,900
Animal Control Contract	293,425	299,139	306,509	350,000	350,000
Non-Capital Equipment for JAG Grant	0	0	0	25,000	40,000
Settle & Adjust	(1,087,807)	0	0	0	0
Subtotal Other	<u>(330,326)</u>	<u>794,822</u>	<u>748,389</u>	<u>891,550</u>	<u>875,900</u>
Subtotal Recurring	<u>20,986,147</u>	<u>24,602,173</u>	<u>24,872,137</u>	<u>26,873,703</u>	<u>28,101,615</u>
Nonrecurring:					
Police Athletic League Grant	0	0	4,069	0	0
Building Repair and Maintenance	0	0	0	15,000	30,000
Carpet and Workstation Replacement	0	0	59,272	0	0
Replace HVAC units	0	0	0	60,000	0
Replace handguns and speed trailer	0	0	0	0	48,900
LEC Labor Contract Settlement	323,445	0	0	0	0
Full Facility Generator	0	0	141,690	58,310	0
Capital outlay - CAD / RMS	131,018	22,372	0	0	0
Subtotal Nonrecurring	<u>454,463</u>	<u>22,372</u>	<u>205,031</u>	<u>133,310</u>	<u>78,900</u>
Total Public Safety	<u>\$ 21,440,610</u>	<u>\$ 24,624,545</u>	<u>\$ 25,077,168</u>	<u>\$ 27,007,013</u>	<u>\$ 28,180,515</u>

**City of Spokane Valley
2021 Budgeted Contract Expenditures**



Fund: 001**General Fund****Spokane Valley****Dept: 018****Operation & Administrative Services****2021 Budget**

The Operations & Administrative Services Department is composed of three divisions, the Deputy City Manager Division, the Finance Division, and the Human Resources Division.

013 - Deputy City Manager Division

The Deputy City Manager (DCM) supervises the Community and Public Works Department, assists the City Manager in organizing and directing the other operations of the City, and assumes the duties of City Manager in his/her absence.

Accomplishments for 2020

- Supported the 2020 Goals of the Legislative and Executive Branch.
- Worked with the City Manager and Staff to develop the 2021 Business Plan.
- Maintained City operations for permitting and capital projects throughout the COVID-19 pandemic.
- Completed the infrastructure projects within the Northeast Industrial Area and continued the recruitment processes for ongoing industrial projects.
- Completed the design for the Barker Grade Separation Project and obligated state and federal construction funds.

Goals for 2021

- Initiate construction of the Barker Grade Separation Project.
- Conduct Council discussions on localized and city wide traffic impact fees for new development.
- Complete the design of the Pines Grade Separation Project.
- Continue to seek funding for the Pines Grade Separation Project.
- Oversee the design of the City Hall repairs.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Personnel - FTE Equivalents					
Deputy City Manager	1.0	1.0	1.0	1.0	1.0
Senior Administrative Analyst	1.0	0.0	0.0	0.0	0.0
Public Information Officer	1.0	0.0	0.0	0.0	0.0
Administrative Analyst	1.0	0.0	0.0	0.0	0.0
Office Assistant I	1.0	1.0	0.0	0.0	0.0
Office Assistant II	1.0	1.0	0.0	0.0	0.0
Total FTEs	<u>6.0</u>	<u>3.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
Intern	<u>1.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Budget Detail					
Wages, Payroll Taxes & Benefits	\$ 637,606	\$ 354,918	\$ 222,070	\$ 234,012	\$ 243,944
Supplies	1,277	425	0	950	700
Services & Charges	52,555	83,335	37,162	42,225	40,200
Nonrecurring Software Purchase (Q-Alert)	0	13,195	0	0	0
Total Deputy City Manager Division	<u>\$ 691,438</u>	<u>\$ 451,873</u>	<u>\$ 259,232</u>	<u>\$ 277,187</u>	<u>\$ 284,844</u>

Fund: 001**General Fund****Spokane Valley****Dept: 018****Operation & Administrative Services****2021 Budget****014 - Finance Division**

The Finance Division provides financial management services for all City departments. Programs include accounting and financial reporting, payroll, accounts payable, purchasing, budgeting and financial planning, treasury, information technology and investments. The division is also responsible for generating and analyzing financial data related to the City's operations. The department prepares Finance Activity Reports for review by the City Manager and City Council as well as the Comprehensive Annual Financial Report (CAFR) that is subject to an annual audit by the Washington State Auditor's Office.

Accomplishments for 2020

- Implemented audit recommendations.
- Completed the 2019 CAFR by the extended deadline of July 1, 2020, and received a "clean audit opinion" despite being short staffed due to turnover and the COVID-19 pandemic.
- Maintained consistent levels of service in payroll, accounts payable, budget development, periodic financial report preparation, and information technology services.
- Worked with Finance staff to cross-train position responsibilities and knowledge base where possible; The Finance department will implement further cross training procedures among department personnel to provide adequate coverage if or when unforeseeable circumstances arise.
- Replaced financial statement preparation software, and provided training to staff on the new software.
- Continued with the ongoing process of refining the replacement program for IT resources.
- Added a new IT Manager position to the department.
- Completed an IT cybersecurity audit with the State Auditor's Office and began long term planning to strengthen the City's cybersecurity infrastructure.
- Implemented software to provide testing and training to City staff on common cyber attacks, such as phishing emails.
- Worked with City Council, the City Attorney's Office, and other departments to allocate the CARES Act funding received by the City in response to the COVID-19 pandemic. Performed financial reporting and grant reimbursements for the funding through the Department of Commerce. Evaluated expenditures for eligibility with the program.
- Implemented a new electronic accounts payable process in order to facilitate invoice review and approval while City staff were required to work from home due to the COVID-19 pandemic.

Goals for 2021

- Maintain a consistent level of service in payroll, accounts payable, budget development, periodic and annual financial report preparation and information technology services.
- Work with Finance staff to cross-train position responsibilities and knowledge base where possible. The Finance department will implement further cross training procedures among department personnel to provide adequate coverage if or when unforeseeable circumstances arise.
- Provide adequate training opportunities to allow staff members to remain current with changes in pronouncements by the Governmental Accounting Standards Board (GASB), changes in the Eden financial management system, and changes in the electronic technology that allows all City employees to be more efficient and effective.
- Continue with the ongoing process of refining the replacement program for IT hardware resources including server hardware, network hardware, printers, and network-based appliances (firewalls, email backup, network switches, intrusion prevention hardware, etc.), desktop computers, and the phone system. This will continue to be the foundation for future budget developments and in large part dictate operational workload through the course of the next year.
- Explore new software to replace the Eden Financial Management System which has reached end of life.
- Implement Laserfische Workflow for City processes.

(continued on next page)

Fund: 001

General Fund

Spokane Valley

Dept: 018

Operation & Administrative Services

2021 Budget

(continued from prior page)

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Personnel - FTE Equivalents					
Finance Director	1.00	1.00	1.00	1.00	1.00
Accounting Manager	1.00	1.00	1.00	1.00	1.00
Accountant/Budget Analyst	3.75	3.75	3.75	3.75	3.75
Accounting Technician	2.00	2.00	2.00	2.00	2.00
IT Manager	0.00	0.00	0.00	1.00	1.00
IT Specialist	3.00	3.00	3.00	2.00	2.00
GIS/Database Administrator	1.00	1.00	1.00	1.00	1.00
Help Desk Technician	0.00	0.00	0.00	0.00	0.00
Total FTEs	<u>11.75</u>	<u>11.75</u>	<u>11.75</u>	<u>11.75</u>	<u>11.75</u>
Budget Detail					
Wages, Payroll Taxes & Benefits	\$ 1,209,761	\$ 1,269,966	\$ 1,275,580	\$ 1,443,953	\$ 1,476,684
Supplies	3,507	3,350	2,798	6,450	3,000
Services & Charges	20,764	20,667	18,113	28,120	20,975
Total Finance Division	<u>\$ 1,234,032</u>	<u>\$ 1,293,983</u>	<u>\$ 1,296,491</u>	<u>\$ 1,478,523</u>	<u>\$ 1,500,659</u>

Fund: 001

General Fund

Spokane Valley

Dept: 018

Operation & Administrative Services

2021 Budget

016 - Human Resources Division

Human Resources (HR) is administered through the City Manager. The HR operation provides services in compensation, benefits, training and organizational development, staffing, employee relations, and communications. The Human Resources Office also provides Risk Management services as well as Website and Mobile App design and maintenance

Accomplishments for 2020

- Implemented the City's comprehensive Employee Emergency Response Plan.
- Supported management and employees responding to COVID 19 .
- Offered on-line training to employees working remotely.
- Supported the City's update of the Continuity Of Operations Plan.
- Attained the 2020 Wellcity Award reducing health care plan expense for the City and employees.
- Revised the City's Anti-Harassment and Equal Employment Opportunity policies in preparation for future training.

Goals for 2021

- Successfully bargain a successor Collective Bargaining Agreement with Local 270v.
- Support departments in the Cities return from COVID-19 precautions.
- Increase timely completion of annual employee reviews.
- Examine employee benefit options to target employee needs and reduce employment expenses.
- Provide Anti-Harassment and Equal Employment Opportunity training to employees and Supervisors.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Personnel - FTE Equivalents					
Human Resource Manager	1.0	1.0	1.0	1.0	1.0
Human Resource Technician	1.0	1.0	1.0	1.0	1.0
Total FTEs	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>
Budget Detail					
Wages, Payroll Taxes & Benefits	\$ 235,127	\$ 251,995	\$ 268,140	\$ 281,331	\$ 293,505
Supplies	1,469	1,227	1,888	1,280	1,000
Services & Charges	15,947	21,949	23,302	30,705	24,035
Total Human Resources Division	<u>\$ 252,543</u>	<u>\$ 275,171</u>	<u>\$ 293,330</u>	<u>\$ 313,316</u>	<u>\$ 318,540</u>

Fund: 001

General Fund

Spokane Valley

Dept: 032

Public Works

2021 Budget

The Public Works Department was consolidated into the new Community and Public Works Department during the City's reorganization effective April 1, 2017. Historical information will be included here for comparison purposes until the prior years' activity drops off of the below Budget Summary.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Personnel - FTE Equivalents					
Public Works Director	1.0	0	0	0	0
Administrative Assistant	2.0	0	0	0	0
Capital Improvements Program Manager	1.0	0	0	0	0
Engineer	1.0	0	0	0	0
Engineering Technician I	2.0	0	0	0	0
Engineering Technician II	1.0	0	0	0	0
Maint/Const Inspector	0.5	0	0	0	0
Planning Grants Engineer	0.375	0	0	0	0
Senior Engineer	0.0	0	0	0	0
Senior Engineer - Proj Mgmt	2.0	0	0	0	0
Total FTEs	<u>10.875</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Budget Detail					
Wages, Payroll Taxes & Benefits	\$ 658,439	\$ 0	\$ 0	\$ 0	\$ 0
Supplies	12,469	0	0	0	0
Services & Charges	88,179	0	0	0	0
Total Public Works	<u>\$ 759,087</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Fund: 001

General Fund

Spokane Valley

Dept: 033

City Hall Operations and Maintenance

2021 Budget

The Community and Public Works Division provides management and oversight of the City Hall Operations and Maintenance Department. This department is responsible for the overall operations and maintenance of the City Hall facility, the construction of which broke ground in June of 2016 and was completed in the Fall of 2017. The building is located on a 3.38 acre site at the southeast corner of Sprague Avenue and Dartmouth Road. The City Hall Operations and Maintenance Department is responsible for, among other things, the grounds maintenance, janitorial services, and maintenance of the HVAC and other building systems. This department is also responsible for the operations and maintenance of other City facilities, such as the Valley Precinct and the Street Maintenance Shop, as time allows.

Accomplishments for 2020

- Explored opportunities for cost savings related to contract services: landscape maintenance, etc.
- Tracking maintenance request system with the newly created tracking system to more easily prioritize requests.
- Continue to coordinate maintenance activities with SVPD Precinct staff.
- Continue to coordinate maintenance activities with Street Maintenance Shop staff.
- Refined City Hall security system functions to reduce false alarms.
- Created annual building systems maintenance schedule: elevator, alarm, suppression, etc.
- Complete City Hall façade improvements following maintenance/repair activities.

Goals for 2021

- Continue options for cost savings related to contract services: landscape maintenance, etc.
- Monitor maintenance tracking system in order to prioritize work.
- Continue to coordinate maintenance activities with SVPD Precinct staff.
- Continue to coordinate maintenance activities with Street Maintenance Shop staff.
- Coordinate emergency preparedness drills with affected staff and coordinating agencies.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Personnel - FTE Equivalents					
Maintenance Worker - Facilities	0.0	1.0	1.0	1.0	1.0
Total FTEs	0.0	1.0	1.0	1.0	1.0

Budget Detail

Wages, Payroll Taxes & Benefits	\$ 0	\$ 74,264	\$ 86,534	\$ 94,270	\$ 106,593
Supplies	3,289	27,757	32,920	28,000	27,000
Services & Charges	55,159	163,323	156,699	174,000	167,500
Nonrecurring expenditures	36,509	0	174,807	500,000	0
Total Administrative Division	\$ 94,957	\$ 265,344	\$ 450,960	\$ 796,270	\$ 301,093

Fund: 001**General Fund****Spokane Valley****Dept: 040****Community & Public Works****2021 Budget**

The Community and Public Works Department is a new department as a result of the City's reorganization effective April 1, 2017. This Department is a consolidation of the previous Public Works and Community and Economic Development Departments. It is comprised of three divisions: the Engineering Division, the Economic Development Division, and the Building and Planning Division.

041 - Engineering Division

The Engineering Division combines Development Engineering from the previous Community & Economic Development Department with the engineering service provided by the previous Public Works Department. The Engineering Division includes the following functions:

Capital Improvement Program (CIP) plans, designs, and constructs new facilities and maintains, preserves, and reconstructs existing facilities owned by the City of Spokane Valley.

Development Engineering (DE) ensures that land actions and commercial building permits comply with the adopted codes for private infrastructure development through plan review and construction inspection.

Traffic Management and Operations provides traffic engineering for safe and efficient multi-faceted transportation systems throughout the City (included in the Street Fund #101).

Utilities oversees the City's surface and Stormwater Utility, manages the City's contracts for solid waste collection and disposal, and coordinates other utility issues on behalf of the City as assigned (included in the Stormwater Management Fund #402).

Street Maintenance provides responsive maintenance and repairs for 461 center line miles of City streets. The City of Spokane Valley operates ten City-owned snow plows which are responsible for the clearing of the priority 1 and 2 roads along with selected hillsides (included in the Street Fund #101).

Accomplishments for 2020

- Implemented approved capital projects.
- Administered and managed state and federal funds received for capital projects.
- Assisted with the preparation of grant applications for capital projects.
- Completed the design and right-of-way acquisition processes for the Barker Road Grade Separation Project.
- Secured federal funds to fully fund the right-of-way phase of the Pines Road Grade Separation Project.
- Continued to coordinate regional transportation issues with Spokane Regional Transportation Council, adjoining municipalities, and the Washington State Department of Transportation.
- Began the preliminary engineering design of the Pines Road GSP project and acquired 3 parcels needed for the project.
- Completed the construction of the Appleway Trail between Sullivan and Evergreen - providing a contiguous 5.1 mile trail.
- Maintain development engineering plan review times of less than two weeks.

Goals for 2021

- Implement approved capital projects.
- Administer the construction phase of the Barker Road Grade Separation Project.
- Advance the preliminary engineering and right-of-way phase of the Pines Road Grade Separation Project.
- Continue pursuing opportunities to fund the completion of the Pines Road Grade Separation Project.
- Administer and manage state and federal funds received for capital projects.
- Assist in the preparation of grant applications for capital projects.
- Continue to coordinate regional transportation issues with SRTC, WSDOT, and other agencies.
- Begin the process of developing a city-wide, comprehensive Asset Management Program.
- Begin a review of the City's adopted Street Standards, providing updates where necessary.

(continued on next page)

Fund: 001	General Fund	Spokane Valley
Dept: 040	Community & Public Works	2021 Budget

(continued from prior page)

Budget Summary					
	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Personnel - FTE Equivalents					
Administrative Assistant	0.0	2.0	2.0	2.0	2.0
Assistant Engineer	0.0	0.0	0.45	0.20	0.70
City Engineer	0.0	1.0	1.0	1.0	1.0
Engineer	0.0	1.0	0.5	1.0	1.0
Engineering Manager	0.0	1.0	1.0	1.0	1.0
Engineering Tech I	0.0	1.0	1.5	1.5	1.5 *
Engineering Tech II	0.0	0.5	0.75	0.75	0.75 *
Main/Construction Inspector	0.0	2.0	2.0	2.0	2.0
Planning Grants Engineer	0.0	0.0	0.375	0.375	0.375 *
Senior Dev Engineer	0.0	1.0	1.0	1.0	1.0
Senior Engineer-Proj Mgmt.	0.0	1.5	1.7	1.7	1.7 *
Water Resource Sr. Engineer	0.0	1.0	1.0	1.0	1.0
Total FTEs	<u>0.0</u>	<u>0.0</u>	<u>12.0</u>	<u>13.525</u>	<u>14.025</u>
Budget Detail					
Wages, Payroll Taxes & Benefits	\$ 0	\$ 1,234,170	\$ 1,472,750	\$ 1,710,195	\$ 1,855,308
Supplies	0	22,772	30,616	32,850	30,500
Services & Charges	0	149,142	200,147	212,036	212,834
Total Engineering Division	<u>\$ 0</u>	<u>\$ 1,406,084</u>	<u>\$ 1,703,513</u>	<u>\$ 1,955,081</u>	<u>\$ 2,098,642</u>

* These positions are budgeted partially to the Engineering Division in the General Fund with the balance budgeted as a part of Capital Projects Funds, the Street Fund #101, and the Stormwater Fund #402.

042 - Economic Development Division

The Economic Development Division oversees the Comprehensive Plan, the Six-Year Transportation Improvement Plan (TIP), Community Development Block Grants and Public Relations. The Division works to build relationships with businesses, the community, and economic development partners to pursue economic development strategies ensuring long-term fiscal strength of the City.

Accomplishments for 2020

- Worked with our retail recruiter to implement the retail improvement strategy and developed a sales tax estimation tool.
- Processed the annual Comprehensive Plan amendments that included a city-initiated areawide rezone.
- Collaborated with the private sector to facilitate the successful development of Mirabeau Point.
- Evaluated and approved projects in the Northeast Industrial Area as Planned Actions expediting permit reviews.
- Developed and processed a code text amendment to provide criteria to evaluate annexations.
- Researched and identified new target industries for recruitment, retention and expansion.
- Collaborated with economic development partners and related service providers.
- Used CDBG funds to provide sewer hookup assistance in low and moderate income areas.
- Worked with Visit Spokane to complete an updated tourism brochure and website content.
- Developed a branded series of print materials informing citizens of city services.
- Updated the city's newsletter to a magazine format producing fewer but more comprehensive issues.
- Utilized new and existing social media platforms to increase citizen pride and the public's awareness of city services.
- Completely overhauled the content management system for the Economic Development website.
- Completed a paid digital marketing campaign to promote restaurants that provided takeout/delivery during pandemic.
- Completed paid digital marketing campaigns to promote federal and city CARES Act grants.
- Developed extensive web content to keep businesses, nonprofits and residents updated on pandemic.
- Completed digital campaigns for manufacturing, aerospace, health sciences/tech industries and skilled labor recruitment.
- Developed videos on the completion of the Appleway Trail and on the Pines Rd/BNSF Grade Separation Project.
- Completed Appleway Trail Economic Development Study funded by CERB grant.
- Sent emails or postcards to more than 10,000 businesses who purchased a new or renewed city business license.
- Developed and promoted virtual business workshops with Spokane Valley Chamber, SNAP and StartUp Spokane.
- Created new messages quarterly for the phone system about city services, programs and events.
- Informed media/public about road construction projects with map, press release, newsletter article and mailers.
- Partnered with Parks & Recreation to publicize programs, events and related construction projects.

Goals for 2021

- Implement the retail recruitment strategy.
- Collaborate with the private sector to facilitate the successful development of Mirabeau Point.
- Continue industry recruitment, retention and expansion.
- Develop marketing campaigns to promote business recruitment, retention and expansion.
- Collaborate with economic development partners and related service providers.
- Identify infrastructure improvements needed to foster economic development.
- Use CDBG funds to support economic vitality in low and moderate income areas.
- Seek grants to support economic development initiatives.
- Coordinate the development and adopt the Housing Action Plan.
- Facilitate the development of the Shoreline Master Program update.
- Review and process city and privately initiated amendments to the Comprehensive Plan.
- Develop homelessness goals and policies to provide direction to City leaders.
- Continue to analyze impacts of COVID-19 on city businesses and provide guidance to improve local economy.
- Work with partners to enhance existing events, including state of the city, and bring new events to Spokane Valley.
- Develop marketing campaigns to promote city events in 2021 to enhance tourism.
- Enhance the Economic Development website content to attract skilled labor, with an emphasis on remote workers.
- Enhance the use of video as a communications tool and strategy on city websites and in social media.
- Developed strategies to enhance business connections to Appleway Trail, as identified in 2020 CERB study.
- Utilize new and existing social media platforms to increase citizen pride and the public's awareness of city services.
- Produced semi-annual newsletter informing citizens of current projects, services and events.
- Continue to develop a PIO group of city, county and emergency services that meets periodically.
- Increase media contacts and establish and retain media relationships for greater sharing of city services.
- Partner with Parks and Recreation to publicize programs, events and related construction projects.
- Create and upload new messages quarterly for the phone system about city services, programs and events.
- Continue evaluating city website to determine potential improvements to design, navigation and content.
- Gather updated high resolution photos of City Council, CenterPlace, area parks and scenic sites.

(continued on next page)

Fund: 001

General Fund

Spokane Valley

Dept: 040

Community & Public Works

2021 Budget

(continued from prior page)

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Personnel - FTE Equivalents					
Economic Development Manager	0.0	1.0	1.0	1.0	1.0
Economic Development Specialist	0.0	2.0	2.0	2.0	1.0
Planning Grants Engineer	0.0	0.4	0.0	0.0	0.0
Public Information Officer	0.0	1.0	1.0	1.0	1.0
Senior Transportation Planner	0.0	1.0	1.0	1.0	1.0
Office Assistant I	0.0	1.0	1.0	1.0	1.0
Total FTEs	<u>0.0</u>	<u>6.4</u>	<u>6.0</u>	<u>6.0</u>	<u>5.0</u>
Interns	<u>0.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
Budget Detail					
Wages, Payroll Taxes & Benefits	\$ 0	\$ 655,942	\$ 582,027	\$ 724,084	\$ 639,017
Supplies	0	3,008	1,954	3,000	3,000
Services & Charges	0	294,699	333,157	392,745	403,745
Nonrecurring Expenditures	0	23,000	25,000	128,000	25,000
Total Engineering Division	<u>\$ 0</u>	<u>\$ 976,649</u>	<u>\$ 942,138</u>	<u>\$ 1,247,829</u>	<u>\$ 1,070,762</u>

Fund: 001	General Fund	Spokane Valley
Dept: 040	Community & Public Works	2021 Budget

043 - Building and Planning Division

The Building and Planning Division is responsible for implementing and enforcing the State Building Code as required by state law. The purpose of the International Codes, as adopted by the State of Washington and City of Spokane Valley, is to promote the health, safety, and welfare of the occupants or users of the building and structures and the general public by requiring minimum performance standard for structural strength, exit systems, stability sanitation, light, ventilation, energy conservation, and fire safety to ensure the City's comply with various codes.

The Planning program's current primary responsibilities include processing revisions to the City's Municipal Code, reviewing land use applications to ensure compliance with adopted development regulations, with the State Environmental Policy Act (SEPA)(RCW 43.21C), and with the state subdivision law (RWC 58.17).

Accomplishments for 2020

- Redefined processes in order to work on an online submittal process.
- Enhanced electronic plan submittal/review capabilities.
- Continued to expand online permitting to include additional project types.
- Continued development of educational opportunities for public awareness of Code Enforcement Program.
- Sought out additional opportunities to develop relationships with outside agencies.
- Worked to repair/enhance SMARTGov reporting accuracy.
- Participate in SMARTGov system focus group with other jurisdictions.
- Utilized Office of City Attorney staff expertise related to legal aspects of code enforcement to improve case close-out.
- Work with Economic Development team to improve website content/function.

Goals for 2021

- Begin process for scanning commercial address files.
- Continue to coordinate with the City Attorney's office on code enforcement cases.
- Work to enhance relationships with our outside agencies.
- Continue to work on website enhancements for better customer service.
- Install customer terminal in Permit Center for self-help services.
- Implement 2018 building codes as per SBCC adoption; process CTA related to SVMC Title 24 accordingly.
- Continue to work to improve SMARTGov reporting accuracy.
- Continue to improve processes for online submittals.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Personnel - FTE Equivalents					
Administrative Assistant	0.0	1.0	1.0	1.0	1.0
Assistant Building Official	0.0	1.0	1.0	1.0	1.0
Building Inspector II	0.0	3.0	3.0	3.0	3.0
Building Official	0.0	1.0	1.0	1.0	1.0
Code Enforcement Officer	0.0	1.0	1.0	2.0	2.0
Development Service Coordinator	0.0	1.0	1.0	1.0	1.0
Engineering Tech	0.0	1.0	1.0	1.0	1.0
Office Assistant I	0.0	2.0	3.0	3.0	3.0
Office Assistant II	0.0	0.0	1.0	1.0	1.0
Permit Facilitator	0.0	2.0	1.0	0.0	0.0
Permit Specialist/Facilitator	0.0	0.0	1.0	2.0	2.0
Planner	0.0	3.0	3.0	3.0	3.0
Plans Examiner	0.0	1.0	1.0	1.0	1.0
Senior Planner	0.0	1.0	1.0	1.0	1.0
Senior Plans Examiner	0.0	1.0	0.0	0.0	0.0
Total FTEs	<u>0.0</u>	<u>19.0</u>	<u>19.0</u>	<u>21.0</u>	<u>21.0</u>
Budget Detail					
Wages, Payroll Taxes & Benefits	\$ 0	\$ 1,614,264	\$ 1,860,223	\$ 2,044,559	\$ 2,134,016
Supplies	0	25,114	17,305	47,000	35,050
Services & Charges	0	228,090	299,929	328,855	318,000
Intergovernmental Payments	0	38,718	0	0	0
Nonrecurring expenditures	0	0	0	13,700	0
Total Building Division	<u>\$ 0</u>	<u>\$ 1,906,186</u>	<u>\$ 2,177,457</u>	<u>\$ 2,434,114</u>	<u>\$ 2,487,066</u>

Fund: 001

General Fund

Spokane Valley

Dept: 058

Community & Economic Development

2021 Budget

The Community and Economic Development Department was consolidated into the new Community and Public Works Department during the City's reorganization effective April 1, 2017. Historical information will be included here for comparison purposes until the prior years' activity drops off of the below Budget Summary.

050 - Administration Division**Budget Summary**

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Personnel - FTE Equivalents					
Community Development Director	1.0	0	0	0	0
Administrative Assistant	1.0	0	0	0	0
Total FTEs	2.0	0	0	0	0

Budget Detail

Wages, Payroll Taxes & Benefits	\$ 77,974	\$ 0	\$ 0	\$ 0	\$ 0
Supplies	2,463	0	0	0	0
Services & Charges	9,484	0	0	0	0
Nonrecurring expenditures	0	0	0	0	0
Total Administrative Division	\$ 89,921	\$ 0	\$ 0	\$ 0	\$ 0

051 - Economic Development Division**Budget Summary**

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Personnel - FTE Equivalents					
Engineer	0.65	0	0	0	0
Senior Planner - CD	1.0	0	0	0	0
E.D. Project Specialist	1.0	0	0	0	0
Total FTEs	2.65	0	0	0	0

Budget Detail

Wages, Payroll Taxes & Benefits	\$ 291,881	\$ 0	\$ 0	\$ 0	\$ 0
Supplies	965	0	0	0	0
Services & Charges	191,615	0	0	0	0
Nonrecurring expenditures	0	0	0	0	0
Total Economic Development Division	\$ 484,461	\$ 0	\$ 0	\$ 0	\$ 0

Fund: 001

General Fund

Spokane Valley

Dept: 058

Community & Economic Development

2021 Budget

055/056 - Development Services Division**Budget Summary**

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Personnel - FTE Equivalents					
Development Services Manager	1.0	0	0	0	0
Engineer	2.0	0	0	0	0
Assistant Engineer	1.0	0	0	0	0
Senior Planner	1.0	0	0	0	0
Planner	2.0	0	0	0	0
Maint/Construction Inspector	1.0	0	0	0	0
Code Enforcement Officer	0.0	0	0	0	0
ROW Inspector	1.0	0	0	0	0
Office Assistant I	1.0	0	0	0	0
Senior Engineer	0.0	0	0	0	0
Engineering Technician	0.0	0	0	0	0
Total FTEs	11.0	0	0	0	0

Budget Detail

Wages, Payroll Taxes & Benefits	\$ 843,860	\$ 0	\$ 0	\$ 0	\$ 0
Supplies	10,374	0	0	0	0
Services & Charges	227,112	0	0	0	0
Intergovernmental Payments	39,546	0	0	0	0
Total Development Services Division	\$ 1,120,892	\$ 0	\$ 0	\$ 0	\$ 0

057 - Building Division**Budget Summary**

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Personnel - FTE Equivalents					
Building Official	1.0	0	0	0	0
Building Inspector II	3.0	0	0	0	0
Planner	1.0	0	0	0	0
Development Service Coordinator	1.0	0	0	0	0
Engineering Tech	1.0	0	0	0	0
Office Assistant I	2.0	0	0	0	0
Permit Facilitator	2.0	0	0	0	0
Plans Examiner	1.0	0	0	0	0
Senior Plans Examiner	1.0	0	0	0	0
Code Enforcement Officer	1.0	0	0	0	0
Assistant Planner	0.0	0	0	0	0
Total FTEs	14.0	0	0	0	0

Budget Detail

Wages, Payroll Taxes & Benefits	\$ 1,096,598	\$ 0	\$ 0	\$ 0	\$ 0
Supplies	10,413	0	0	0	0
Services & Charges	75,917	0	0	0	0
Total Building Division	\$ 1,182,928	\$ 0	\$ 0	\$ 0	\$ 0

Fund: 001

General Fund

Spokane Valley

Dept: 076

Parks & Recreation

2021 Budget

The Parks and Recreation Department is composed of six divisions including Administration, Maintenance, Recreation, Aquatics, Senior Center, and CenterPlace. The overall goal of the department is to provide quality recreation programs and acquisition, renovation, development, operation and maintenance of parks and maintenance of parks and recreation facilities.

000 - Parks Administration Division

The Administration Division provides direction and leadership for the Parks and Recreation Department in implementing the goals and objectives of the City Council and facilitates the general upkeep of parks and public areas of the City.

Accomplishments for 2020

- Completed Phase 2 of CenterPlace West Lawn Master Plan.
- Completed Valley Mission Horse Arena Master Plan.
- Completed construction of the Evergreen to Sullivan section of the Appleway Trail.
- Completed RCO grant application for the acquisition of the Flora Road property.

Goals for 2021

- Complete construction of play equipment, restroom and shelter at Browns Park.
- Work with DNR on the partnership for the 100 acre natural area adjacent to Mirabeau Park.
- Complete one land acquisition.
- Prepare 2022 budget requests to begin developing a Phase of the Horse Arena Master Plan.
- Replace siding on Mirabeau Meadows restroom.
- Become a Tree City USA.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Personnel - FTE Equivalents					
Parks & Recreation Director	1.0	1.0	1.0	1.0	1.0
Administrative Assistant	1.0	1.0	1.0	1.0	1.0
Total FTEs	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>
Budget Detail					
Wages, Payroll Taxes & Benefits	\$ 242,763	\$ 249,140	\$ 266,534	\$ 283,127	\$ 292,667
Supplies	2,468	2,626	2,778	5,000	5,000
Services & Charges	42,953	36,520	56,899	49,100	58,800
Nonrecurring expenditures	364,346	0	0	0	0
Total Parks Administration Division	<u>\$ 652,530</u>	<u>\$ 288,286</u>	<u>\$ 326,211</u>	<u>\$ 337,227</u>	<u>\$ 356,467</u>

Fund: 001

General Fund

Spokane Valley

Dept: 076

Parks & Recreation

2021 Budget

300 - Maintenance Division

The Parks Maintenance Division is responsible for the contracted maintenance and upkeep of our parks and public areas including the Centennial Trail.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Budget Detail					
Supplies	\$ 1,625	\$ 414	\$ 381	\$ 3,500	\$ 3,500
Services & Charges	845,108	886,122	935,374	914,000	936,503
Total Maintenance Division	<u>\$ 846,733</u>	<u>\$ 886,536</u>	<u>\$ 935,755</u>	<u>\$ 917,500</u>	<u>\$ 940,003</u>

301 - Recreation Division

The Recreation Division coordinates and facilitates the delivery of recreation programs and service throughout the City and the City's Park system.

Accomplishments for 2020

- Provided two outdoor drive-in movies.
Continue to provide quality Recreation programs for Spokane Valley Community.
- Completed RCO grant application for the acquisition of the Flora Road property.
- Foster relationships with Community partners.
**Several prior year goals were unable to be completed due to COVID-19.*

Goals for 2021

- Expand and continue the summer camp for teens.
- Provide walking program for community members.
- Expand and continue the summer camp for teens.
- Continue National Parks and Recreation community celebration at Terrace View Park.
- Foster relationships with Community partners.
- Enhance Summer Parks Programs Kick-Off events.
- Continue with free outdoor movies for the community.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Personnel - FTE Equivalents					
Recreation Coordinator	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.6</u>	<u>1.6</u>
Budget Detail					
Wages, Payroll Taxes & Benefits	\$ 95,062	\$ 128,784	\$ 152,492	\$ 181,081	\$ 230,484
Supplies	3,976	3,968	6,368	8,650	9,150
Services & Charges	54,312	65,745	68,726	53,190	88,900
Total Recreation Division	<u>\$ 153,350</u>	<u>\$ 198,497</u>	<u>\$ 227,586</u>	<u>\$ 242,921</u>	<u>\$ 328,534</u>

Fund: 001

General Fund

Spokane Valley

Dept: 076

Parks & Recreation

2021 Budget

302 - Aquatics Division

The City of Spokane Valley owns three pools: Park Road Pool, Terrace View Pool, and Valley Mission Pool. Services include open swim, swim lessons, swim team and facility rentals. In addition, the City leases a portion of Valley Mission Park to Splashdown Inc. for a water park. The City currently is contracting with the YMCA for all aquatic activities within the City. The YMCA provides the lifeguards and maintains the pools during the season.

Accomplishments for 2020

**Prior year goals were unable to be completed due to COVID-19. The pools never opened for 2020.*

Goals for 2021

- Maintain full summer swimming program.
- Maintain Paws in the Pool Program.
- Continue to partner with Make A Splash to offer free swim sessions at all pools.
- Continue to partner with Make A Splash to offer free water safety clinics at all pools.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Budget Detail					
Supplies	\$ 42	\$ 240	\$ 37	\$ 2,000	\$ 2,000
Services & Charges	474,626	471,427	515,370	130,853	508,053
Total Aquatics Division	<u>\$ 474,668</u>	<u>\$ 471,667</u>	<u>\$ 515,407</u>	<u>\$ 132,853</u>	<u>\$ 510,053</u>

Fund: 001

General Fund

Spokane Valley

Dept: 076

Parks & Recreation

2021 Budget

304 - Senior Center Division

The City of Spokane Valley Parks and Recreation Department assumed operational control of the Valley Senior Center in 2003.

Accomplishments for 2020

- Worked closely with the Parks & Recreation Director on programs being offered to seniors.
- Developed transition plan for new Senior Center staff.
- Installed new carpet in the Senior Association office.

**Several prior year goals were unable to be completed due to COVID-19.*

Goals for 2021

- Continue to enhance the resource and referral information at the reception desk to be better equipped to handle calls.
- Continue to work with the Board on providing opportunities for Board training.
- Improve and enhance relationship between the Recreation Specialist and the Board.
- Continue to work with Parks & Recreation Director and Recreation Coordinator on new programs for seniors.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Personnel - FTE Equivalents					
Senior Center Specialist	1.0	1.0	1.0	0.4	0.4
Total FTEs	1.0	1.0	1.0	0.4	0.4
Budget Detail					
Wages, Payroll Taxes & Benefits	\$ 88,210	\$ 90,998	\$ 17,716	\$ 36,347	\$ 28,303
Supplies	592	212	0	1,600	1,600
Services & Charges	1,473	870	781	5,500	5,500
Total Senior Center Division	<u>\$ 90,275</u>	<u>\$ 92,080</u>	<u>\$ 18,497</u>	<u>\$ 43,447</u>	<u>\$ 35,403</u>

Fund: 001

General Fund

Spokane Valley

Dept: 076

Parks & Recreation

2021 Budget

305 - CenterPlace Division

Construction of Mirabeau Point CenterPlace began in late 2003 and was completed mid-year 2005. The project represented the culmination of eight years of planning and fundraising by Mirabeau Point Inc. and the joint involvement of the City and Spokane County. The approximately 54,000 square foot facility houses the City of Spokane Valley Senior Center, a great room/banquet facility, numerous meeting rooms, multi-purpose rooms and a high tech lecture hall. The facility combines with Mirabeau Meadows Parks and Mirabeau Springs to form a regional focal point for Northeastern Washington and Northern Idaho.

Accomplishments for 2020

- Continued to improve Farmers Market event at CenterPlace.
 - Replaced carpet in Park Admin offices and Rooms 108 and 111.
 - Completed Phase 2 of the West Lawn Master Plan.
- *Several prior year goals were unable to be completed due to COVID-19.*

Goals for 2021

- Update/create a marketing plan to include new West Lawn improvements.
- Continue to improve Farmers Market event at CenterPlace.
- Add a minimum of two new events to CenterPlace and the West Lawn.
- Create new marketing materials for West Lawn venue.
- Add new stage fill speakers in the Great Room.
- Repair failed pixels in the Great Room Video Wall.
- Rebuild Great Room control and system programming.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Personnel - FTE Equivalents					
Customer Relations/Facilities Coordinator	1.0	1.0	1.0	1.0	1.0
Administrative Assistant	1.0	1.0	1.0	1.0	1.0
Office Assistant I	1.0	1.0	1.0	1.0	1.0
Maintenance Worker	2.0	2.0	2.0	2.0	2.0
Total FTEs	5.0	5.0	5.0	5.0	5.0
Budget Detail					
Wages, Payroll Taxes & Benefits	\$ 491,576	\$ 440,345	\$ 466,281	\$ 468,083	\$ 542,938
Supplies	81,169	74,498	98,232	67,537	85,537
Services & Charges	297,318	303,321	321,020	281,739	343,739
Nonrecurring Expenditures	1,000	8,255	0	9,500	0
Total CenterPlace Division	\$ 871,063	\$ 826,419	\$ 885,533	\$ 826,859	\$ 972,214

Fund: 001	General Fund	Spokane Valley
Dept: 090	General Government	2021 Budget

The General Government Department accounts for those activities that are not specific to the functions of any particular General Fund Department or operation. Expenditures recorded here are composed of City Hall bond payments; information technology equipment and services; capital costs that benefit more than one department; support of agencies external to the City that provide social service programs and economic development services; and transfers to other City funds for property/casualty insurance premiums (Fund #502), park capital projects (Fund #309) and the pavement preservation program (Fund #311).

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
<u>Supplies</u>					
Employee Recognition-Operating Supplies	\$ 1,674	\$ 2,975	\$ 3,156	\$ 2,700	\$ 3,500
Office & Operating Supplies	527	432	0	0	0
Small Tools & Minor Equipment	3,030	2,907	1,746	5,600	7,000
Computer Hardware - Non Capital	46,050	24,674	36,414	46,700	31,000
Computer Software - Non Capital	11,249	8,417	2,979	35,300	30,200
Office & Operating Supplies	8,900	4,242	4,309	9,700	9,700
	<u>71,430</u>	<u>43,646</u>	<u>48,604</u>	<u>100,000</u>	<u>81,400</u>
<u>Other Services & Charges</u>					
Professional Services - Misc. Studies	81,667	173,310	72,359	218,000	218,000
Accounting & Auditing	83,684	86,302	92,353	95,000	97,000
Postage	0	367	2,974	2,500	2,500
Telephone Service	11,205	12,319	12,801	12,500	13,000
Cell Phones	1,649	2,297	1,561	3,000	2,000
Internet Service	7,696	8,639	8,793	9,000	9,600
Taxes and Assessments	912	781	0	1,000	1,000
Electricity	0	1,462	0	0	0
City Wide Records Management	0	0	0	10,000	0
Sewer	523	949	91	0	0
Facility Repairs & Maintenance	4,003	8,508	0	5,000	0
Professional Services	0	1,400	762	0	1,500
Equip Repair & Maint-Hardware Support	32,936	26,572	27,859	32,200	24,850
IT Support	18,716	30,312	37,474	27,500	18,000
Software Licenses & Maintenance	91,463	86,169	122,478	91,200	124,550
Merchant Charges (Bankcard Fees)	186	226	300	500	500
Network Infrastructure Access	4,732	4,714	5,184	5,000	6,000
Equipment Rental	4,264	4,264	4,267	4,300	4,300
Interfund Vehicle Lease	1,000	500	500	500	500
Printing & Binding	0	646	623	600	650
Miscellaneous Services	4,919	6,992	7,859	7,000	7,000
General Operating Leases: Computer	57,556	53,894	67,179	55,000	70,000
Economic Development-Site Selector	9,373	10,897	0	11,000	0
Outside Agencies- Social Svc & Econ. Dev.	91,924	82,381	0	182,000	182,000
Professional Services - Economic Dev.	0	0	765	0	1,000
Professional Services - Social Services	55,911	66,251	174,664	0	0
Alcohol Treatment: Liquor Excise Tax	9,077	9,594	10,477	9,600	10,500
Alcohol Treatment: Liquor Profits	15,900	15,725	15,620	16,000	16,000
	<u>\$ 589,297</u>	<u>\$ 695,472</u>	<u>\$ 666,943</u>	<u>\$ 798,400</u>	<u>\$ 810,450</u>

(continued to next page)

Fund: 001	General Fund	Spokane Valley
Dept: 090	General Government	2021 Budget

(continued from previous page)

	Budget Summary				
	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
<u>Intergovernmental Services</u>					
Election Costs	\$ 69,973	\$ 91,980	\$ 75,432	\$ 110,000	\$ 110,000
Voter Registration	86,932	20	94,787	100,000	100,000
Taxes and assessments	0	0	12,020	12,100	12,100
Spokane County Air Pollution Authority	130,928	134,493	137,219	140,411	150,830
	<u>287,834</u>	<u>226,493</u>	<u>319,458</u>	<u>362,511</u>	<u>372,930</u>
<u>Capital Outlays</u>					
Computer Hardware - Capital	7,387	125,799	0	57,500	30,000
	<u>7,387</u>	<u>125,799</u>	<u>0</u>	<u>57,500</u>	<u>30,000</u>
<u>Debt Service: Principal</u>					
Interest and Other Debt Service Costs	600	600	600	600	600
<u>Interfund Payments for Service</u>					
Transfer out - #204 (City Hall bond payment)	397,350	399,350	401,250	401,450	401,500
Transfer out - #309 (park capital projects)	160,000	160,000	160,000	160,000	160,000
Transfer out - #311 (pavement preservation)	953,200	962,700	972,300	982,023	991,843
Transfer out - #501 (CenterPlace kitchen reserve)	36,600	36,600	36,600	36,600	36,600
Transfer out - #502 (risk management)	350,000	370,000	390,000	410,000	425,000
	<u>1,897,150</u>	<u>1,928,650</u>	<u>1,960,150</u>	<u>1,990,073</u>	<u>2,014,943</u>
<u>Miscellaneous</u>					
SCRAPS pass through	1,145	1,137	1,172	1,300	1,200
Leasehold Excise Tax Pass-Through	778	544	530	800	800
	<u>1,923</u>	<u>1,681</u>	<u>1,702</u>	<u>2,100</u>	<u>2,000</u>
Subtotal Recurring Expenditures	\$ 2,855,621	\$ 3,022,341	\$ 2,997,457	\$ 3,311,184	\$ 3,312,323
<u>Nonrecurring/Nonrecurring Capital</u>					
City Hall lease payment (2017 final year)	438,565	0	0	0	0
IT capital replacement	26,386	0	0	0	10,000
Heavy Duty Mach. & Equip.- City Hall Generator	0	0	158,007	44,993	0
COVID-19 related expenditures	0	0	0	4,352,400	0
Computer Hardware - Capital	111,450	23,877	106,517	190,000	159,000
Computer Software - Capital	0	0	0	0	43,800
Transfer out - #101	0	0	0	350,200	1,859,600
Transfer out - #122 (Replenish Winter Weather Reserv	258,000	490,000	120,000	500,000	0
Transfer out - #309 (Park Capital)	0	423,206	1,174,369	2,907,879	0
Transfer out - #312 (capital reserve fund)	3,003,929	3,795,429	7,109,300	0	0
Transfer out - #314 (RR Grade Separation)	1,200,000	0	0	0	0
Transfer out - #501 (new code enf. vehicle)	0	0	0	30,000	0
	<u>5,038,330</u>	<u>4,732,512</u>	<u>8,668,193</u>	<u>8,375,472</u>	<u>2,072,400</u>
Total Governmental Division	\$ 7,893,951	\$ 7,754,852	\$ 11,665,650	\$ 11,686,656	\$ 5,384,723

The Street Fund was established to account for the activities associated with the provision of efficient and safe movement of both motorized and non-motorized vehicles, as well as pedestrians within the limits of the City, and coordinate convenient interconnect to the regional transportation system. Maintenance work includes snow and ice control, street pavement repairs, traffic signals and signs, landscaping and vegetation control, and many other street maintenance and repair activities.

Accomplishments for 2020

- Implemented new contracts with private contractors for street maintenance services.
- Continue on-going roadway and bridge maintenance and repairs.
- Finalized the 6-year Bridge Maintenance Program and begin its implementation.
- Implemented identified signal timing plans for the Argonne Corridor.
- Collaborated with WSDOT and Spokane County on traffic signal evaluation and monitoring.
- Began the process of implementing Urban Growth Area Traffic Mitigation Fees for major arterial corridors.
- Completed the update of the Pavement Management and Preservation program evaluation system.

Goals for 2021

- Implement new contracts with private contractors for street maintenance services.
- Continue on-going roadway and bridge maintenance and repairs.
- Continue evaluations of traffic signal timings for the Pines, Sullivan, and Sprague corridors.
- Continue implementing Urban Growth Area Traffic Mitigation Fees for major arterial corridors.
- Implement the 6-year Bridge Maintenance Program, prioritizing bridges requiring significant upgrades.
- Finalize a comprehensive Pavement Preservation Program, including funding source identification.
- Work with other departments in developing a city-wide, comprehensive Asset Management Program, which will include transportation operations facilities.

Budget Summary

	2017 Actual	2018 Budget	2019 Budget	2020 Budget	2021 Budget
Personnel - FTE Equivalents					
Assistant Engineer	1.0	1.0	0.3	0.00	0.0
Construction Inspector	0.0	0.0	1.5	1.50	1.50 *
Engineering Tech II	0.0	0.0	0.3	0.25	0.25 *
Maintenance/Construction Inspector	2.35	2.35	2.35	2.35	2.35 *
Planning Grants Engineer	0.375	0.375	0.375	0.375	0.375 *
Public Works Superintendent	1.0	1.0	1.0	1.0	1.0
Senior Engineer - Traffic	1.0	1.0	1.0	1.0	1.0
Traffic Engineer	0.0	0.0	1.0	1.0	1.0
Total FTEs	5.725	5.725	7.725	7.475	7.475

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* These positions are budgeted partially to the Street Fund with the balance budgeted as a part of the General Fund, Capital Projects Funds, and the Stormwater Fund #402.

Fund: 101

Street Fund

Spokane Valley

2021 Budget

(continued from previous page)

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Revenues					
Utility Tax	\$ 1,892,906	\$ 1,758,370	\$ 1,563,981	\$ 1,521,000	\$ 1,431,000
Motor Vehicle Fuel Tax	2,032,175	2,063,390	2,018,186	1,715,000	2,062,000
Multimodal Transportation Revenue	98,994	133,525	132,637	113,000	130,600
Right-of-Way Maintenance Fee	136,112	94,571	84,704	70,000	70,000
Investment Interest	7,844	17,503	4,022	17,000	4,000
Miscellaneous	0	22,265	8,063	10,000	10,000
Insurance proceeds	85,074	11,711	15,848	0	0
Total revenues	<u>4,253,105</u>	<u>4,101,335</u>	<u>3,827,441</u>	<u>3,446,000</u>	<u>3,707,600</u>
Nonrecurring Revenues					
Grant Proceeds	1,340	0	0	0	0
Utility Tax Recovery	138,896	160,254	0	0	0
Transfers in - #122	0	0	620,000	350,200	1,859,600
Transfers in - #312	0	0	907,544	1,364,706	0
Total Nonrecurring Revenues	<u>140,236</u>	<u>160,254</u>	<u>1,527,544</u>	<u>1,714,906</u>	<u>1,859,600</u>
Expenditures					
Wages, Payroll Taxes & Benefits	811,264	774,688	943,237	1,059,613	1,127,920
Supplies	98,747	94,918	100,504	146,050	156,050
Services & Charges	2,125,091	2,014,797	2,599,034	2,426,467	2,525,828
Snow Operation	637,358	580,166	1,033,218	543,776	751,652
Intergovernmental Payments	748,291	824,175	725,008	922,000	935,000
Transfers out - #001	39,700	39,700	0	0	0
Transfers out - #311 (<i>pavement preservation</i>)	67,342	67,342	0	0	0
Interfund Vehicle Lease - #501 (<i>non-plow</i>)	23,250	21,250	21,250	14,500	10,250
Interfund Vehicle Lease - #501 (<i>plow replace</i>)	77,929	77,929	77,929	48,500	60,500
Nonrecurring Expenditures					
Small tools & minor equipment	0	0	25,339	0	0
Construction	0	21,216	0	0	0
Traffic control improvements	0	17,252	45,329	0	0
Capital Equipment	0	0	7,295	0	0
Traffic Control Devices- Repair & Maint	0	10,478	5,549	0	0
Battery Backups for Intersections	15,579	0	0	0	0
Total Nonrecurring expenditures	<u>4,644,551</u>	<u>4,543,911</u>	<u>5,583,692</u>	<u>5,160,906</u>	<u>5,567,200</u>
Revenues over (under) expenditures	(251,210)	(282,322)	(228,707)	0	0
Beginning fund balance	1,318,504	1,067,294	784,972	556,265	556,265
Ending fund balance	<u>\$ 1,067,294</u>	<u>\$ 784,972</u>	<u>\$ 556,265</u>	<u>\$ 556,265</u>	<u>\$ 556,265</u>

The State of Washington collects a \$0.494 per gallon motor vehicle fuel tax at the pump. Of this amount, the State remits a portion of the tax back to cities on a per capita basis. For 2020 the Municipal Research and Services Center estimates the distribution back to cities will be \$21.24 per person. Based upon a City of Spokane Valley population of 97,490 (per the Washington State Office of Financial Management on April 1, 2020) we anticipate the City will collect \$2,070,700 in 2020. RCW 47.030.050 specifies that 0.42% of this tax must be expended for the construction of paths and trails and based upon the 2020 revenue estimate this computes to \$8,700. The balance or \$2,062,000 will be credited to Fund #101 for Street maintenance and operations.

The portion of the motor vehicle tax allocated to the Paths and Trails Fund is by State Law restricted for the construction and/or improvement of paths and trails within the City. Because the cost of such projects is typically much greater than the funds generated in a single year, we typically leave the fund balance untouched until an adequate fund balance is available. The City transferred \$50,000 in 2014 and \$9,300 in 2016 and \$50,000 in 2018 to Parks Capital Projects Fund #309 to be applied towards the Appleway Trail projects.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Revenues					
Motor Vehicle Fuel (Gas) Tax	\$ 8,571	\$ 8,703	\$ 8,512	\$ 8,600	\$ 8,700
Investment Interest	369	390	186	400	200
Total revenues	<u>8,940</u>	<u>9,092</u>	<u>8,698</u>	<u>9,000</u>	<u>8,900</u>
Expenditures					
Capital Outlay	0	0	0	0	0
Transfers out- #309	0	50,000	0	0	0
Total expenditures	<u>0</u>	<u>50,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Revenues over (under) expenditures	8,940	(40,908)	8,698	9,000	8,900
Beginning fund balance	37,384	46,325	5,417	14,115	23,115
Ending fund balance	<u>\$ 46,325</u>	<u>\$ 5,417</u>	<u>\$ 14,115</u>	<u>\$ 23,115</u>	<u>\$ 32,015</u>

Fund: 104**Hotel/Motel Tax - Tourism Facilities Fund****Spokane Valley****2021 Budget**

The Hotel/Motel Tax - Tourism Facilities Fund accounts for the receipt and expenditure of a special excise tax of 1.3% on the sale or charge made for the furnishing of lodging under RCW 82.08. These funds will be used solely for capital expenditures for acquiring, constructing, making improvements to or other related capital expenditures for large sporting venues, or venues for tourism-related facilities, which facilities generate overnight guests at lodging facilities subject to the taxes imposed.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Revenues					
Hotel/Motel Tax	\$ 400,509	\$ 415,295	\$ 454,283	\$ 213,000	\$ 213,000
Investment Interest	6,854	24,182	43,590	24,000	24,000
Transfers in - #105	250,000	250,000	275,000	0	453,840
Total revenues	<u>657,363</u>	<u>689,477</u>	<u>772,873</u>	<u>237,000</u>	<u>690,840</u>
Expenditures					
Capital Outlay	0	0	0	0	0
Total expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Revenues over (under) expenditures	657,363	689,477	772,873	237,000	690,840
Beginning fund balance	571,232	1,228,595	1,918,072	2,690,945	2,927,945
Ending fund balance	<u>\$ 1,228,595</u>	<u>\$ 1,918,072</u>	<u>\$ 2,690,945</u>	<u>\$ 2,927,945</u>	<u>\$ 3,618,785</u>

Fund: 105**Hotel/Motel Tax Fund****Spokane Valley****2021 Budget**

The Hotel/Motel Fund accounts for the receipt and expenditure of a special excise tax of 2% on the sale or charge made for the furnishing of lodging under RCW 82.08. These funds will be used solely for the purpose of paying all or any part of the cost of tourism promotion, acquisition or operation of tourism-related facilities, and marketing of special events and festivals designed to attract tourists.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Revenues					
Hotel/Motel Tax	\$ 615,980	\$ 646,975	\$ 743,852	\$ 346,000	\$ 346,000
Investment Interest	3,549	7,058	8,459	6,000	6,000
Total revenues	<u>619,529</u>	<u>654,033</u>	<u>752,311</u>	<u>352,000</u>	<u>352,000</u>
Expenditures					
Tourism Promotion	351,674	321,934	207,000	319,000	224,400
Transfers out- #001	15,778	26,037	30,000	30,000	30,000
Transfers out- #104	250,000	250,000	275,000	0	453,840
Total expenditures	<u>617,452</u>	<u>597,971</u>	<u>512,000</u>	<u>349,000</u>	<u>708,240</u>
Revenues over (under) expenditures	2,077	56,062	240,311	3,000	(356,240)
Beginning fund balance	219,790	221,867	277,929	518,240	521,240
Ending fund balance	<u>\$ 221,867</u>	<u>\$ 277,929</u>	<u>\$ 518,240</u>	<u>\$ 521,240</u>	<u>\$ 165,000</u>

In 2003, the City of Spokane Valley entered into an interlocal agreement with the City of Spokane and Spokane County to join the existing Spokane Regional Solid Waste Management System for a period of eight years. In 2011, that agreement was extended through November 16, 2014.

Committed to ensuring Spokane Valley citizens are provided with solid waste services that are affordable, sustainable, and environmentally responsible, in June 2014 the City of Spokane Valley opted to contract for solid waste transfer, transport and disposal services with Sunshine Recyclers, Inc. Services provided under the contract were effective November 17, 2014, and continue for a period of ten years with options for two three-year extensions. Terms of the contract require Sunshine to pay the City an annual administrative fee of \$125,000 that will be used by the City to offset contract administrative costs and solid waste management within the city, including solid waste public educational efforts. The contract also provides that a road maintenance fee will be paid by Sunshine at the rate of \$1 per ton for each ton in excess of 45,500 tons in a single contract year. Payments will be made to the City by March 31 of the year following the calendar year being measured.

In June 2017, the City entered a contract with Waste Management for the collection of garbage, recyclables, and compostables for the period of April 1, 2018 through March 31, 2028 with the option of two additional two-year extensions. Terms of the contract require Waste Management to pay the City a one-time fee of \$47,500 upon contract execution to reimburse the City for the costs of procuring the contract. Waste Management is also required to pay the City an monthly administrative fee of 12.5% of gross receipts, which is estimated to be approximately \$1,500,000 in 2021.

During the years of 2013 and 2014, the General Fund #001 funded various studies and fees related to the solid waste program and transferred \$60,000 to the Solid Waste Fund #106 for the purpose of providing information materials and marketing necessary to inform residents and businesses of the change in solid waste transfer, transport and disposal. The total amount paid out of the General Fund for these expenditures was \$202,121. Beginning in 2015 the Solid Waste Fund will reimburse the General Fund for these costs over a 5-year period, which equated to an annual payment of \$40,425 in the years 2015 through 2018, and a final payment of \$40,422 in 2019.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Revenues					
Administrative fees	\$ 172,550	\$ 182,900	\$ 252,396	\$ 225,000	\$ 225,000
Solid Waste Road Wear Fee	59,389	1,108,028	1,513,532	1,500,000	1,500,000
Investment interest	1,334	12,487	24,752	12,000	12,000
Total revenues	<u>233,273</u>	<u>1,303,415</u>	<u>1,790,680</u>	<u>1,737,000</u>	<u>1,737,000</u>
Expenditures					
Education & Contract Administration	81,288	22,313	33,407	237,000	237,000
Transfers out - #001	40,425	40,425	40,422	0	0
Transfers out - #311	0	1,000,000	1,608,028	1,513,532	1,500,000
Total expenditures	<u>121,713</u>	<u>1,062,738</u>	<u>1,681,857</u>	<u>1,750,532</u>	<u>1,737,000</u>
Revenues over (under) expenditures	111,560	240,677	108,823	(13,532)	0
Beginning fund balance	79,122	190,682	431,359	540,182	526,650
Ending fund balance	<u>\$ 190,682</u>	<u>\$ 431,359</u>	<u>\$ 540,182</u>	<u>\$ 526,650</u>	<u>\$ 526,650</u>

Fund: 107**PEG Fund****Spokane Valley****2021 Budget**

Under the City's cable franchise, the franchise grantee remits to the City as a capital contribution in support of Public Education Government (PEG) capital requirements an amount equal to \$0.35 per subscriber per month to be paid to the City on a quarterly basis for the life of the franchise. Capital contributions collected under this agreement are allocated to PEG capital uses exclusively. PEG capital uses include in part the set up of equipment in the City Council Chambers that allows Spokane Valley to broadcast Council meetings both live and through subsequent reviews via digital recordings available on the City's website.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Revenues					
Comcast PEG contribution	\$ 76,471	\$ 81,322	\$ 79,498	\$ 79,000	\$ 79,000
Investment interest	1,676	971	2,097	0	0
Total revenues	<u>78,147</u>	<u>82,293</u>	<u>81,595</u>	<u>79,000</u>	<u>79,000</u>
Expenditures					
PEG Reimbursement - CMTV	0	38,955	37,256	39,500	39,500
New City Hall Council Chambers	208,714	0	0	0	0
Capital Outlay	54,937	13,344	915	45,500	33,500
Total expenditures	<u>263,651</u>	<u>52,299</u>	<u>38,171</u>	<u>85,000</u>	<u>73,000</u>
Revenues over (under) expenditures	(185,504)	29,994	43,424	(6,000)	6,000
Beginning fund balance	<u>240,341</u>	<u>54,837</u>	<u>84,831</u>	<u>128,255</u>	<u>122,255</u>
Ending fund balance	<u>\$ 54,837</u>	<u>\$ 84,831</u>	<u>\$ 128,255</u>	<u>\$ 122,255</u>	<u>\$ 128,255</u>

Fund: 108**Affordable & Supportive Housing Sales Tax****Spokane Valley****2021 Budget**

In the year 2020, the Council authorized the City to collect the affordable and supportive sales tax, which is a rebate of the State sales tax to cities and counties. The amount received by the City is up to 0.0146% of the taxable retail sales within the City capped at the 2019 fiscal year taxable retail sales. The Department of Revenue has estimated this capped distribution to be \$193,000 for the City. The City will receive these revenues for 20 years, and the revenues may only be used to support affordable housing within the City or for rental assistance as outlined in RCW 82.14.540.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Revenues					
Affordable & Supportive Housing Sales Tax	\$ 0	\$ 0	\$ 0	\$ 144,750	\$ 193,000
Investment Interest	0	0	0	0	0
Total revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>144,750</u>	<u>193,000</u>
Expenditures					
Professional Services	0	0	0	0	0
Total expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Revenues over (under) expenditures	0	0	0	144,750	193,000
Beginning fund balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>144,750</u>
Ending fund balance	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 144,750</u>	<u>\$ 337,750</u>

The CenterPlace Operating Reserve Fund was established as a result of a covenant related to the issuance of limited tax general obligation bonds initially issued in 2003 and refunded in 2014. The bonds were issued for the purpose of constructing the CenterPlace facility. As a part of the bond issuance the City agreed to establish a \$300,000 operating reserve account that could be used to make debt service payments on the bonds and/or pay for operating expenses of CenterPlace. If at any time the City were to draw on these reserves it would have to prepare and follow a plan for reinstatement of those funds drawn. This reserve is required to be in place for the life of the bonds which run through December 1, 2033.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Revenues					
Investment Interest	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Transfers in	0	0	0	0	0
Total revenues	0	0	0	0	0
Expenditures					
Operations	0	0	0	0	0
Total expenditures	0	0	0	0	0
Revenues over (under) expenditures	0	0	0	0	0
Beginning fund balance	300,000	300,000	300,000	300,000	300,000
Ending fund balance	<u>\$ 300,000</u>	<u>\$ 300,000</u>	<u>\$ 300,000</u>	<u>\$ 300,000</u>	<u>\$ 300,000</u>

Fund: 121**Service Level Stabilization Reserve Fund****Spokane Valley
2021 Budget**

The City has committed to maintaining an ending fund balance in the General Fund of at least 50% of recurring expenditures which is equivalent to 6-months of operations. The Service Level Stabilization Reserve Fund serves as an emergency source of temporary financing to the General Fund in the event a downturn in the local economy resulted in a reduction of revenues that would otherwise compromise either the General Fund's minimum 50% reserve balance or historical levels of service.

If an event such as a downturn in the economy resulted in the General Fund reserves dropping below 50% of recurring expenditures, then the Service Level Stabilization Reserve Fund could be drawn against to maintain the fund balance minimum. The Service Level Stabilization Reserve Fund will not be reduced to less than 60% of the current \$5.5 million balance, or \$3.3 million, without Council approval. If Council should deem this necessary, the City will then first replenish Fund #121 to at least \$3.3 million before any annual General Fund transfers are made to the Capital Reserve Fund #312. During 2018, this reserve balance was capped at \$5.5 million and any additional interest earned was accumulated in the General Fund. This represents a Fiscal Policy of the City that is also stated in the City Manager's 2021 Budget Message located near the front of this budget document.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Revenues					
Investment Interest	\$ 16,575	\$ 0	\$ 0	\$ 0	\$ 0
Transfers in	0	0	0	0	0
Total revenues	<u>21,636</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures					
Operations	0	0	0	0	0
Total expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Revenues over (under) expenditures	16,575	0	0	0	0
Beginning fund balance	5,483,425	5,500,000	5,500,000	5,500,000	5,500,000
Ending fund balance	<u>\$ 5,500,000</u>	<u>\$ 5,500,000</u>	<u>\$ 5,500,000</u>	<u>\$ 5,500,000</u>	<u>\$ 5,500,000</u>

Fund: 122**Winter Weather Reserve Fund****Spokane Valley
2021 Budget**

The Winter Weather Reserve Fund was established through Ordinance No. 05-018 to provide an emergency reserve for use during unusually harsh winters and storms where the Street Fund #101 budget and fund balance are inadequate to accommodate the amount of related street maintenance, including but not limited to snow plowing, sanding, and deicing, that may be necessary. In the event the City draws against this fund in any given winter, we will strive to replenish the balance back to approximately \$500,000 through subsequent years' transfers. Due to the uncertainty of when this fund might be drawn upon we actually budget the same \$500,000 in both 2020 and 2021 even though we recognize there exists only \$500,000 to address this issue if it should arise.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Revenues					
Investment Interest	\$ 3,712	\$ 5,353	\$ 9,899	\$ 5,400	\$ 1,900
Transfers in - #001	258,000	490,000	120,000	500,000	0
FEMA Grant Proceeds	3,170	0	10,367	0	0
Total revenues	<u>264,882</u>	<u>495,353</u>	<u>140,266</u>	<u>505,400</u>	<u>1,900</u>
Expenditures					
Transfer out - #101	0	0	620,000	0	0
Street Maintenance Expenditures	500,000	0	0	500,000	500,000
Total expenditures	<u>500,000</u>	<u>0</u>	<u>620,000</u>	<u>500,000</u>	<u>500,000</u>
Revenues over (under) expenditures	(235,118)	495,353	(479,734)	5,400	(498,100)
Beginning fund balance	242,835	7,717	503,070	23,336	528,736
Ending fund balance	<u>\$ 7,717</u>	<u>\$ 503,070</u>	<u>\$ 23,336</u>	<u>\$ 28,736</u>	<u>\$ 30,636</u>

This fund is used to account for the accumulation of resources for, and the payment of limited tax general obligation (LTGO) bonds also referred to as councilmanic or non-voted bonds. When LTGO bonds are issued the City irrevocably pledges the full faith, credit and resources necessary to make timely payments of principal and interest, within constitutional and statutory limitations pertaining to non-voted general obligations.

In 2003 the City issued \$9,430,000 in LTGO bonds, the proceeds of which were used to finance both the construction of CenterPlace and road and street improvements surrounding the facility. In 2014 the City refunded the LTGO bonds in order to take advantage of lower interest rates which resulted in a reduction in subsequent annual bond payments (much like refinancing a home mortgage). At the completion of the bond refunding there remained \$7,035,000 of LTGO bonds. Of this total:

- \$5,650,000 remained on the original debt used towards the construction of CenterPlace. These bonds will be paid off in annual installments over the 20-year period ending December 1, 2033. Annual debt service payments on these bonds are provided by the Spokane Public Facilities District. At January 1, 2021, the outstanding balance on this portion of the bond issue will be \$4,100,000.
- \$1,385,000 remained on the original debt used towards the road and street improvements. These bonds will be paid off in annual installments over the 10-year period ending December 1, 2023. Annual debt service payments on these bonds are provided by equal distributions from the 1st and 2nd quarter percent real estate excise tax (Funds #301 and #302). At January 1, 2021, the outstanding balance on this portion of the bond issue will be \$450,000.

In 2016 the City issued \$7,275,000 in LTGO bonds, the proceeds of which will be used to finance the construction of a new City Hall building along with \$6.3 million of City cash that has been set aside for this purpose. These bonds will be paid off in annual installments over the 30-year period ending December 1, 2045. Annual debt service payments on these bonds are provided by transfers in from the General Fund. At January 1, 2021, the outstanding balance on the bond issue will be \$6,570,000.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Revenues					
Spokane Public Facilities District	\$ 379,750	\$ 414,050	\$ 432,150	\$ 459,500	\$ 480,800
Transfers in - #001	397,350	399,350	401,250	401,450	401,500
Transfers in - #301	79,426	82,000	82,475	80,375	80,775
Transfers in - #302	79,425	82,000	82,475	80,375	80,775
Total revenues	<u>935,951</u>	<u>977,400</u>	<u>998,350</u>	<u>1,021,700</u>	<u>1,043,850</u>
Expenditures					
Debt Service Payment - CenterPlace	379,750	414,050	432,150	459,500	480,800
Debt Service Payment - Roads	162,900	164,000	164,950	160,750	161,550
Debt Service Payments - City Hall/LTGO'16	397,350	399,350	401,250	401,450	401,500
Total expenditures	<u>940,000</u>	<u>977,400</u>	<u>998,350</u>	<u>1,021,700</u>	<u>1,043,850</u>
Revenues over (under) expenditures	(4,049)	0	0	0	0
Beginning fund balance	4,049	0	0	0	0
Ending fund balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Fund: 301**REET 1 Capital Projects Fund****Spokane Valley****2021 Budget**

This fund is used to account for the collection and expenditures of the first one-quarter of one-percent real estate excise tax (REET 1) that is authorized through RCW 82.46. This quarter percent must be expended for purposes identified in the capital facilities plan element of our comprehensive plan. RCW 82.46.010(6), defines "capital projects" as:

those public works projects of a local government for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets; roads; highways; sidewalks; street and road lighting systems; traffic signals; bridges; domestic water systems; storm and sanitary sewer systems; parks; recreational facilities; law enforcement facilities; fire protection facilities; trails; libraries; administrative and judicial facilities.

Revenues recorded in this fund are typically used as a matching funds for street related construction projects that are accounted for in Street Capital Projects Fund #303, Pavement Preservation Fund #311, and to pay for a portion of the annual bond payment on the City's 2014 LTGO bonds that are accounted for in the LTGO Debt Service Fund #204.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Revenues					
REET 1 - Taxes	\$ 1,503,787	\$ 1,968,317	\$ 1,695,344	\$ 1,000,000	\$ 1,000,000
Investment Interest	21,598	47,046	61,382	35,000	25,000
Total revenues	<u>1,525,385</u>	<u>2,015,363</u>	<u>1,756,726</u>	<u>1,035,000</u>	<u>1,025,000</u>
Expenditures					
Transfers out - #204	79,426	82,000	82,475	80,375	80,775
Transfers out - #303	294,558	901,287	517,107	872,605	316,620
Transfers out - #311 (<i>pavement preservation</i>)	660,479	685,329	734,300	772,639	827,278
Transfers out - #314 (<i>Barker Grade Separation</i>)	111,941	(8,147)	104,918	869,008	0
Total expenditures	<u>1,146,404</u>	<u>1,660,469</u>	<u>1,438,800</u>	<u>2,594,627</u>	<u>1,224,673</u>
Revenues over (under) expenditures	378,981	354,894	317,926	(1,559,627)	(199,673)
Beginning fund balance	<u>1,746,393</u>	<u>2,125,374</u>	<u>2,480,268</u>	<u>2,798,194</u>	<u>1,238,567</u>
Ending fund balance	<u>\$ 2,125,374</u>	<u>\$ 2,480,268</u>	<u>\$ 2,798,194</u>	<u>\$ 1,238,567</u>	<u>\$ 1,038,894</u>

Fund: 302**REET 2 Capital Projects Fund****Spokane Valley****2021 Budget**

This fund is used to account for the collection and expenditures of the second one-quarter of one-percent real estate excise tax (REET 2) that is authorized through RCW 82.46. This quarter percent may only be levied by cities that are planning under the Growth Management Act and may only be expended for purposes identified in the capital facilities plan element of their comprehensive plan. RCW 82.46.035(5) defines "capital projects" as:

public works projects of a local government for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems, and planning, construction, reconstruction, repair, rehabilitation, or improvement of parks.

Noteworthy here is that acquisition of land for parks is not a permitted use of REET 2 receipts, although it is a permitted use for street, water and sewer projects.

Revenues recorded in this fund are typically used as a matching funds for street related construction projects that are accounted for in Street Capital Projects Fund #303, Pavement Preservation Fund #311, and to pay for a portion of the annual bond payment on the City's 2014 LTGO bonds that are accounted for in the LTGO Debt Service Fund #204.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Revenues					
REET 2 - Taxes	\$ 1,503,787	\$ 1,968,317	\$ 1,695,344	\$ 1,000,000	\$ 1,000,000
Investment Interest	25,594	61,879	80,784	35,000	25,000
Total revenues	<u>1,529,381</u>	<u>2,030,196</u>	<u>1,776,128</u>	<u>1,035,000</u>	<u>1,025,000</u>
Expenditures					
Transfers out - #204	79,425	82,000	82,475	80,375	80,775
Transfers out - #303	81,613	1,031,071	(192,297)	518,199	1,662,684
Transfers out - #311 (<i>pavement preservation</i>)	660,479	685,329	734,300	772,638	827,279
Transfers out - #314	0	0	0	0	112,738
	<u>821,517</u>	<u>1,798,400</u>	<u>624,478</u>	<u>1,371,212</u>	<u>3,698,125</u>
Revenues over (under) expenditures	707,864	231,796	1,151,650	(336,212)	(2,673,125)
Beginning fund balance	<u>2,300,560</u>	<u>3,008,424</u>	<u>3,240,220</u>	<u>4,391,870</u>	<u>4,055,658</u>
Ending fund balance	<u>\$ 3,008,424</u>	<u>\$ 3,240,220</u>	<u>\$ 4,391,870</u>	<u>\$ 4,055,658</u>	<u>\$ 1,382,533</u>

Fund: 303

Street Capital Projects Fund

Spokane Valley

2021 Budget

The Street Capital Projects Fund accounts for monies used to finance street construction and reconstruction projects adopted in the City's 6-year Transportation Improvement Plan (TIP). Revenues to finance the projects comes from a combination of State and Federal Grants, which typically cover upwards of 80% of projects costs, with the City match portion coming from transfers from the REET 1 Capital Projects Fund #301, REET 2 Capital Projects Fund #302, and sometimes Stormwater Management Fund #402.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Revenues					
Grant Proceeds	\$ 3,561,989	\$ 6,562,793	\$ 2,783,332	\$ 5,940,505	\$ 6,843,308
Developer Contribution	62,244	33,032	228,953	1,311,059	53,703
Miscellaneous	0	136	586	0	0
Transfers in - #301	294,701	901,287	517,107	872,605	316,620
Transfers in - #302	81,613	1,031,071	(192,297)	518,199	1,662,684
Transfers in - #312 - Euclid Ave - Flora to Barker	455,465	(1,251,465)	0	0	0
Transfers in - #312 - 8th & Carnahan Intersection	1,464,381	241,466	0	0	0
Transfers in - #312 - Barker Corridor	218,299	428,774	1,999,130	495,291	0
Transfers in - #312 - Garland Ave	0	33,938	0	1,286,436	0
Total revenues	6,138,693	7,981,032	5,336,811	10,424,095	8,876,315
Expenditures					
000 Construction-Street Lighting	0	0	71,486	0	0
069 Park Rd Reconstruction (Repay grant)	0	0	285,164	0	0
123 Mission Ave -Flora to Barker	250,119	3,081,873	30,696	0	0
141 Sullivan & Euclid PCC	1,512,193	14,722	0	0	0
142 Broadway @ Argonne/Mullan	3,702	1,956,617	14,544	0	0
155 Sullivan Rd W Bridge Replacement	722,384	898	0	0	0
166 Pines Rd (SR27) & Grace Ave. Intersect study	60,574	567,749	1,444	0	0
167 City wide safety improvements	3,055	0	0	0	0
201 ITS Infill Project Phase 1	7,006	411,320	1,397	0	0
205 Sprague/Barker Intersection Improvement	0	0	24,770	195,499	329,453
211 Sullivan Trent to Wellesley	(17,811)	0	0	0	0
221 McDonald Rd Diet (16th to Mission)	675	0	0	0	0
222 Citywide Reflective Signal Backplates	38,355	15,548	0	0	0
238 Mirabeau Pkwy & Pines (SR-27) Traffic Signal	(21)	0	0	0	0
239 Bowdish Sidewalk - 8th to 12th	389,898	0	0	0	0

(continued to next page)

Fund: 303

Street Capital Projects Fund

Spokane Valley

2021 Budget

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Expenditures, continued					
247 8th & Carnahan Intersection Improvements	218,299	428,774	(155)	0	0
249 Sullivan/Wellesley Intersection	15,112	90,162	93,804	150,000	1,020,522
250 9th Ave. Sidewalk	181,053	0	0	0	0
251 Euclid Ave. - Flora to Barker	2,601,774	293,956	5,111	0	0
258 32nd Ave Sidewalk - SR27 to Evergreen	32,157	428,840	0	0	0
259 N. Sullivan Corridor ITS Projects (PE start 2017)	96,567	58,713	27,581	921,349	0
263 Citywide Signal Backplates	143	96,218	0	0	0
264 8th Ave Sidewalk	11,606	355,465	0	0	0
265 Wellesley Sidewalk Project	20,727	26,314	542,277	0	0
267 Mission Ave Sidewalk	0	34,453	279,348	136,075	11,310
273 Barker/I-90 Interchange	0	0	331,345	568,655	0
275 Barker Rd Widening - River to Euclid	0	29,144	50,942	1,978,395	1,132,320
276 Barker Rd Widening - Euclid to Garland	0	33,938	2,210,790	380,269	0
278 Wilbur Rd Sidewalk - Boone to Broadway	0	16,631	400,578	0	0
279 Knox Ave Sidewalk - Hutchinson to Sargent	0	11,687	339,689	0	0
281 Highland Estates Connector	0	27,661	17,396	0	0
285 Indiana Ave Pres - Evergreen to Sullivan	0	0	0	354,060	7,210
287 University Pres - Dishman-Mica to 16th	0	0	80,908	0	0
291 Adams Sidewalk Infill	0	0	22,666	444,645	0
292 Mullan preservation : Broadway-Mission	0	0	3,667	0	0
293 2018 CSS Citywide Reflective Signal BP	0	0	6,849	99,000	74,250
294 Citywide Reflective Signal Post Panels	0	0	3,661	47,775	17,875
295 Garland Avenue Extension	0	0	407,628	2,492,371	0
299 Argonne Rd Concrete Pvmnt Indiana to Mont	0	0	33,512	32,000	2,392,450
300 Pines & Mission Intersection Improvement	0	0	11,993	516,000	498,000
301 Park & Mission Intersection Improvement	0	0	508	152,992	693,000
302 Ella Sidewalk - Broadway to Alki	0	0	21,901	371,760	0
303 S. Conklin Sidewalk	0	0	14,950	124,125	0
310 Sullivan Rd Overcrossing UP RR Deck Repl	0	0	0	337,625	317,625
313 Barker Rd/Union Pacific Crossing	0	0	0	121,500	1,312,500
318 Wilbur Sidewalk - Boone to Mission	0	0	0	0	50,000
320 Sullivan Preservation - Sprague to 8th	0	0	0	0	19,800
Contingency	0	0	0	1,000,000	1,000,000
Total expenditures	6,147,567	7,980,683	5,336,450	10,424,095	8,876,315
Revenues over (under) expenditures	(8,874)	349	361	0	0
Beginning fund balance	75,566	66,692	67,041	67,402	67,402
Ending fund balance	66,692	67,041	67,402	67,402	67,402

Fund: 309**Park Capital Projects Fund****Spokane Valley****2021 Budget**

The Park Capital Projects Fund was created to account for park related capital improvements. The source of financing typically consists of an annual transfer from the General Fund #001; however, in some years the City will utilize money set aside for capital projects in other funds. This has occurred with transfers in from the Paths and Trails Fund #103 and the Capital Reserve Fund #312, which have been applied towards various sections of the Appleway Trail project and frontage improvements at Balfour Park.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Revenues					
Grant Proceeds	\$ 1,657,548	\$ 1,605,948	\$ 1,114,049	\$ 1,605,583	\$ 480,530
FEMA Grant Proceeds - Windstorm	0	0	0	0	0
Transfers in - #001 (<i>General Fund</i>)	160,000	583,206	1,334,369	3,067,879	160,000
Transfers in - #103 (<i>Paths & Trails</i>)	0	50,000	0	0	0
Transfers in - #312 (<i>Capital Reserve</i>)	277,437	289,661	262,599	119,373	565,150
Investment Interest	215	183	85	0	0
Total revenues	<u>2,095,200</u>	<u>2,528,998</u>	<u>2,711,102</u>	<u>4,792,835</u>	<u>1,205,680</u>
Expenditures					
227 Appleway Trail (<i>Pines to Evergreen</i>)	1,816,928	14,860	0	0	0
237 Appleway Trail (<i>Sullivan to Corbin</i>)	129,986	2,127,384	16,791	0	0
242 Browns Park Splashpad	11,222	0	0	0	0
261 Edgecliff Park Splashpad	122,577	0	0	0	0
268 Appleway Trail (<i>Evergreen to Sullivan</i>)	0	29,479	756,028	1,609,376	0
270 CenterPlace outdoor venue - Phase 1	0	204,302	0	0	0
271 Brown Park lighting and pathway	0	22,602	0	0	0
274 Park signs (Sullivan, Park Rd, Balfour)	0	13,837	0	0	0
280 Appleway Trail Amenities (<i>Univ - Pines</i>)	0	19,894	679,259	0	0
282 Browns Park volleyball courts	0	170,879	1,249	0	0
283 Electrical Upgrade Mirabeau Point Park	0	7,693	0	0	0
288 Heart of the Valley Sculpture	0	4,975	0	0	0
296 Browns Park improvements	0	0	1,038,701	121,298	0
304 CenterPlace west lawn improvements - Ph. 2	0	0	113,419	1,901,581	0
305 CenterPlace roof	0	0	9,288	810,000	0
306 Discovery Playground Surface Repair	0	0	20,061	0	0
307 Edgecliff Park Swing sets	0	0	36,973	0	0
314 Balfour Park frontage improvements	0	0	0	59,850	565,150
315 Browns Park improvements 2020	0	0	0	62,995	499,805
316 Balfour Park improvements - Ph 1	0	0	0	11,000	0
Install stage fill speakers Great Room	0	0	0	0	6,346
Repair failed pixels Great Room	0	0	0	0	6,505
Reprogram Great Room A/V System	0	0	0	0	12,499
Repair/replace siding at Mirabeau restroom	0	0	0	0	30,000
Transfers out - #312 (<i>park land acquisition</i>)	0	0	0	200,000	0
Total expenditures	<u>2,080,713</u>	<u>2,615,905</u>	<u>2,671,769</u>	<u>4,776,100</u>	<u>1,120,305</u>
Revenues over (under) expenditures	14,487	(86,907)	39,333	16,735	85,375
Beginning fund balance	111,714	126,201	39,294	78,627	95,362
Ending fund balance	<u>\$ 126,201</u>	<u>\$ 39,294</u>	<u>\$ 78,627</u>	<u>\$ 95,362</u>	<u>\$ 180,737</u>

The Civic Building Capital Projects Fund was initially set-up to accumulate resources to ultimately acquire or construct a City Hall building. The initial sources of revenue to set-up the fund reserves were transfers from the General Fund during 2005 through 2007, and as recently as December 31, 2009, this fund had a fund balance of \$5,828,600. During 2010 and 2011 the City determined that street repairs and reconstruction represented a more immediate City need and opted to expend nearly \$2,000,000 of the fund balance for these projects. The projects themselves were part of a septic tank elimination program (STEP) initiated by Spokane County that resulted in the installation of sewer lines down many City streets. At that time the City decided to completely reconstruct the effected streets rather than patch them.

In 2012 the City used this fund to finance a variety street related capital projects as well as the \$2.5 million acquisition of an 8.4 acre parcel of land on Sprague Avenue that is adjacent to Balfour Park. Partially offsetting the cost of the land acquisition was the subsequent sale of 2.82 acres of this parcel to the Spokane County Library District who had planned to construct a library building consisting of no less than 30,000 square feet. In order for the Library District to actually construct a new building on this site they first had to have a successful voted bond issue to provide the necessary financing. In the event the Library District is unable to pass a bond, they may sell the 2.82 acres parcel back to the City for the original purchase price of \$839,285.

An amendment was made to the interlocal agreement in October 2017 which extended the agreement through October 2022 with the option to extend through October 2024. Through this amendments, the City also agreed to contribute \$1.3 million, of which the \$839,285 would be part, in frontage and/or joint site improvements on the Library site.

In 2015 the General Fund began to make two annual transfers to this fund that were each related to the eventual construction of a new City Hall facility. These transfers ended after 2016:

- The first transfer in the amount of \$72,500, when added to the City's \$434,600 annual lease payment for space in its current space totals \$507,100 which was the amount we anticipated our annual bond repayment would be if we were to issue approximately \$8,000,000 of limited tax general obligation bonds with a 2% issue cost over 30-years at 4.50%.
- The second transfer was our estimate of the annual operating costs of a City Hall facility including utilities, janitorial, grounds maintenance and snow removal, and operating and maintenance supplies.

The purpose behind making these transfers beginning in 2015 was to "create" this appropriation capacity within the General Fund. These amounts were transferred out to the General Fund in 2016 and 2017 in order to cover lease payments for the prior City Hall location in years in which the City had both a lease payment and a bond payment for the new City Hall building.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Revenues					
Investment Interest	\$ 9,029	\$ 14,049	\$ 16,700	\$ 17,000	\$ 3,100
Total revenues	9,029	14,049	16,700	17,000	3,100
Expenditures					
Transfers out - #001	498,500	0	0	0	0
Transfers out - #312	0	0	18,452	16,700	0
Total expenditures	498,500	0	18,452	16,700	0
Revenues over (under) expenditures	(489,471)	14,049	(1,752)	300	3,100
Beginning fund balance	1,333,159	843,688	857,737	855,985	856,285
Ending fund balance	\$ 843,688	\$ 857,737	\$ 855,985	\$ 856,285	\$ 859,385

Fund: 311**Pavement Preservation Fund****Spokane Valley****2021 Budget**

This fund was created during the 2011 Budget development process for the purpose of setting money aside for yet to be determined street capital improvement projects. Since inception, the pavement preservation program has been funded through a series of transfers from other City funds as well as grant proceeds. Below is a table summarizing the funding sources for Fund #311, including actuals for 2011 through 2019 and budgeted amounts for 2020 and 2021:

	Fund						Grants	Total
	001	101	106	123	301/302	310		
	General	Street O&M	Street Wear Fee	Civic Fac. Replace.	REET 1&2	Civic Fac. Capital		
Actual								
2011	584,681	0	0	0	0	500,000	0	1,084,681
2012	2,045,203	0	0	0	0	0	0	2,045,203
2013	855,857	282,000	0	616,284	300,000	0	35,945	2,090,086
2014	888,823	282,000	0	616,284	368,944	0	2,042,665	4,198,716
2015	920,000	206,618	0	616,284	502,098	0	835,224	3,080,224
2016	943,800	67,342	0	559,808	730,572	0	1,654,698	3,956,220
2017	953,200	67,342	0	0	1,320,958	0	89,208	2,430,708
2018	962,700	67,342	1,000,000	0	1,370,658	0	1,422,404	4,823,104
2019	972,300	0	1,608,028	0	1,545,277	0	2,398,330	6,523,935
Budget								
2020	982,023	0	1,513,532	0	1,545,277	0	10,588	4,051,420
2021	991,843	0	1,500,000	0	1,654,557	0	0	4,146,400
	11,100,430	972,644	5,621,560	2,408,660	9,338,341	500,000	8,489,062	38,430,697

Beginning in 2013, the City committed to finance pavement preservation at a level equivalent to 6% of General Fund recurring expenditures, which has continued from that year through the 2021 budget development. Because this is a Capital Project Fund whose sole purpose is to provide for Pavement Preservation projects, any money not expended in a given year will remain in the fund and will be available for re-appropriation in subsequent years.

The fund balance of Fund #123 was exhausted with the 2016 transfer of \$559,808 as a consequence of following this funding strategy. In order to maintain the City's practice of setting aside funds for pavement preservation in an amount equivalent to 6% of General Fund recurring expenditures, the City began to rely more heavily on REET funds. We have determined that the 2021 funding level representing approximately 6% of General Fund recurring expenditures is \$2,646,400 and that this level of funding is sustainable through 2025 assuming a General Fund contribution of \$991,843 and a collective contribution of \$1,654,557 from the REET 1 Capital Projects Fund #301 and the REET 2 Capital Projects Fund #302. The City will take advantage of grant programs directed at pavement preservation as they become available.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Revenues					
Transfers in - #001	\$ 953,200	\$ 962,700	\$ 972,300	\$ 982,023	\$ 991,843
Transfers in - #101	67,342	67,342	0	0	0
Transfers in - #106	0	1,000,000	1,608,028	1,513,532	1,500,000
Transfers in - #301	660,479	685,329	734,300	772,639	827,278
Transfers in - #302	660,479	685,329	734,300	772,638	827,279
Investment Interest	20,535	54,724	49,593	0	0
Grant Proceeds	89,209	1,422,404	2,398,330	10,588	0
Intergovernmental Rev. - Model Irrigation	0	0	1,267,575	0	0
Total revenues	2,451,244	4,877,828	7,764,426	4,051,420	4,146,400
Expenditures					
Pavement preservation	2,042,305	3,559,755	7,954,415	4,217,523	4,676,350
Pre-project GeoTech	0	43,261	22,125	50,000	50,000
Total expenditures	2,042,305	3,603,016	7,976,540	4,267,523	4,726,350
Revenues over (under) expenditures	408,939	1,274,812	(212,114)	(216,103)	(579,950)
Beginning fund balance	2,953,564	3,362,503	4,637,315	4,425,201	4,209,098
Ending fund balance	\$ 3,362,503	\$ 4,637,315	\$ 4,425,201	\$ 4,209,098	\$ 3,629,148

Fund: 312

Capital Reserve Fund

Spokane Valley

2021 Budget

This fund was created in 2013 to be used to account for the accumulation of resources for yet to be determined capital projects. The initial source of funds was a 2013 General Fund transfer of \$7,826,207 which was followed by additional transfers from the General Fund from 2014 through 2019 in the amount of \$19,974,400.

Projects approved by City Council from this fund include in part:

- \$1,713,284 for the City's share of the \$15.5 million Sullivan Road West Bridge Replacement
- \$2,396,813 for construction of various sections of the Appleway Trail.
- \$5,143,844 for construction of a new City Hall building.
- \$1,800,000 to remove and reconstruct Euclid Ave. from Flora to Barker after County installation of sewer.
- \$1,421,321 towards a Barker Road / BNSF Grade Separation project.
- \$3,485,417 towards a Pines Road / BNSF Grade Separation project.
- \$3,034,400 towards Barker Road corridor improvements.
- \$2,935,600 for park land acquisitions.
- \$460,715 towards improvements at the Spokane County Library's proposed Balfour site.

Commitments to future projects include:

- \$500,000 towards Sullivan Road / BNSF Interchange project.
- \$875,023 towards Balfour Park development.

Future projects are yet to be determined.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Revenues					
Transfers in - #001	\$ 3,003,929	\$ 3,795,429	\$ 7,109,300	\$ 0	\$ 0
Transfers in - #309	0	0	0	200,000	0
Transfers in - #310	0	0	18,452	0	0
Transfers in - #313	0	405,056	88,590	16,700	0
Investment Interest	52,170	126,565	225,907	100,000	100,000
Total revenues	3,056,099	4,327,050	7,442,249	316,700	100,000
Expenditures					
City Hall Sculpture Siting	41,376	5,383	0	0	0
Professional Services	0	31,659	0	0	0
Transfers out - #101	0	0	907,544	1,364,706	0
Transfers out - #303 - Sullivan Rd W Bridge	455,465	0	0	0	0
Transfers out - #303 - Euclid Ave - Flora to Barker	1,464,381	(547,287)	5,111	0	0
Transfers out - #303 - 8th & Carnahan Intersection	218,300	0	(155)	0	0
Transfers out - #303 - Barker Road Corridor	0	0	1,718,874	495,291	0
Transfers out - #303 - Garland Ave	0	0	203,814	1,286,436	0
Transfers out - #303 - Crosswalk lighting on Indiana	0	0	71,486	0	0
Transfers out - #309 - Appleway Trail -Pines-Evergreen	277,437	0	0	0	0
Transfers out - #309 - Appleway Trail -Corbin	0	289,661	0	0	0
Transfers out - #309 - Appleway Trail -Evergreen-St	0	0	262,599	48,523	0
Transfers out - #309 - Balfour Park frontage improve	0	0	0	59,850	565,150
Transfers out - #309 - Balfour Park frontage improve	0	0	0	11,000	0
Transfers out - #314 - Pines Grade Separation	482,216	0	0	67,500	64,192
Transfers out - #314 - Barker Rd Overpass	0	0	0	0	411,582
Transfers out - #314 - Sullivan Rd Interchange	0	0	0	75,000	250,000
Precinct property acquisition	0	0	226,700	0	0
Park property acquisition	0	0	84,380	2,091,600	759,600
Total expenditures	2,939,175	(220,584)	3,480,353	5,499,906	2,050,524
Revenues over (under) expenditures	116,924	4,547,634	3,961,896	(5,183,206)	(1,950,524)
Beginning fund balance	4,310,362	4,427,286	8,974,920	12,936,816	7,753,610
Ending fund balance	\$ 4,427,286	\$ 8,974,920	\$ 12,936,816	\$ 7,753,610	\$ 5,803,086

Fund: 313**City Hall Construction Fund****Spokane Valley****2021 Budget**

This fund was created to account for the architectural and construction costs for a City Hall building. The building was completed in Fall of 2017. Funding for the construction came from a combination of an interfund transfer from the Capital Reserve Fund #312 in the amount of \$5,162,764 and bond proceeds in the amount of \$7.9 million. Land for the building site was acquired in 2015 through a purchase in the Civic Facilities Fund #310.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Revenues					
2016 LTGO Bond Proceeds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Investment Interest	18,894	1,416	953	0	0
Total revenues	<u>18,894</u>	<u>1,416</u>	<u>953</u>	<u>0</u>	<u>0</u>
Expenditures					
Capital Outlay - City Hall	6,065,879	9,573	0	0	0
Services & Charges	0	5,283	0	0	0
Transfers out - #312	0	0	88,589	0	0
Total expenditures	<u>6,065,879</u>	<u>14,856</u>	<u>88,589</u>	<u>0</u>	<u>0</u>
Revenues over (under) expenditures	(6,046,985)	(13,440)	(87,636)	0	0
Beginning fund balance	<u>6,148,061</u>	<u>101,076</u>	<u>87,636</u>	<u>0</u>	<u>0</u>
Ending fund balance	<u>\$ 101,076</u>	<u>\$ 87,636</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

This fund was created to account for the design and construction costs of various railroad grade separation projects that are included in the Bridging the Valley concept. Due to the anticipated size, scope, and duration of these projects, managing them in a separate fund allows for the necessary monitoring without being obscured by the variety and quantity of the other projects in the Street Capital Projects Fund #303 as well as keeping these projects from skewing the average volume of activity in Fund #303. Revenues for this fund consist of grant proceeds and transfers in from other City funds, such as the General Fund #001, the REET 1 Capital Project Fund #301 and the Capital Reserve Fund #312. Expenditures in the years of 2020 and 2021 are related to design and right of way costs for the Pines Road Underpass project and the right of way and construction costs for the Barker Road Overpass project. Design work is also beginning for the Sullivan Road Interchange.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Revenues					
Grant Proceeds	\$ 87,611	\$ 571,136	\$ 1,447,398	\$ 3,526,378	\$ 11,508,819
Investment Interest	4,072	16,591	15,883	0	0
Transfers in - #001	1,200,000	0	0	0	0
Transfers in - #301	111,941	(8,147)	104,918	869,008	0
Transfers in - #302	0	0	0	0	1,127,387
Transfers in - #312	482,216	0	0	142,500	725,774
Total revenues	<u>1,885,840</u>	<u>579,580</u>	<u>1,568,199</u>	<u>4,537,886</u>	<u>13,361,980</u>
Expenditures					
Barker BNSF Grade Separation	3,893	562,988	1,552,316	3,405,977	9,396,870
Pines Rd Underpass	12,975	48,923	43,717	1,300,000	4,149,450
Sullivan Rd Interchange	0	0	0	75,000	250,000
Total expenditures	<u>16,868</u>	<u>611,911</u>	<u>1,596,033</u>	<u>4,780,977</u>	<u>13,796,320</u>
Revenues over (under) expenditures	1,068,804	(32,331)	(27,834)	(243,091)	(434,340)
Beginning fund balance	0	1,068,804	1,036,473	1,008,639	765,548
Ending fund balance	<u>\$ 1,068,804</u>	<u>\$ 1,036,473</u>	<u>\$ 1,008,639</u>	<u>\$ 765,548</u>	<u>\$ 331,208</u>

The purpose of the Stormwater Management Fund is to account for the funds related to the cleaning, maintenance, and improvement of the City's storm drainage system. The revenue for this fund originates from a stormwater fee collected by Spokane County on behalf of the City. The annual fee is \$21 for each single family unit, and for other property types a fee of \$21 per each 3,160 square feet of parcel impervious surfacing is collected.

Accomplishments for 2020

- Continued the work on the Glenrose and Central Basins Floodplain Delineation Project (FEMA Mapping).
- Continue collaboration efforts with local, State, and Federal stormwater regulatory bodies.
- Continue the inventory and mapping of all City stormwater facilities.
- Continue on-going stormwater maintenance and repairs utilizing in-house and contracted services.
- Coordinated and financed stormwater system improvements with capital projects developed by the City.
- Continued stormwater management and NPDES coordination efforts with other Eastern Washington agencies.
- Begin developing stormwater requirements to meet new National Pollution Discharge Elimination System (NPDES) Permit.

Goals for 2021

- Continue the evaluation efforts for the Glenrose and Central Floodplain mapping for FEMA.
- Work with other departments in developing a city-wide, comprehensive Asset Management Program, which will include stormwater facilities.
- Continue collaboration efforts with local, State, and Federal stormwater regulatory bodies.
- Continue the inventory and mapping of all City stormwater facilities.
- Continue on-going stormwater maintenance and repairs utilizing in-house and contracted services.
- Implement stormwater system improvements, integrating with other capital projects for efficiency.
- Begin efforts in developing a Comprehensive Stormwater Management Plan for the City.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Personnel - FTE Equivalents					
Engineer	1.0	1.0	1.0	1.0	1.0
Engineering Technician I	0.0	0.0	0.0	0.0	0.5
Engineering Technician II	1.0	1.0	1.0	1.0	1.0
Stormwater Forman	0.0	0.0	0.0	0.0	0.9
Assistant Engineer	1.0	1.0	0.5	0.5	0.0
Maintenance/Construction Inspector	1.15	1.15	1.15	1.15	0.25
Planning Grants Engineer	0.25	0.25	0.25	0.25	0.25
	<u>4.40</u>	<u>4.40</u>	<u>3.90</u>	<u>3.90</u>	<u>3.90</u>
Interns	<u>2.0</u>	<u>3.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>

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Fund: 402

Stormwater Management Fund

Spokane Valley

2021 Budget

(continued from previous page)

Budget Summary

Recurring Activity	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Revenues					
Stormwater Management fees	\$ 1,895,033	\$ 1,920,509	\$ 1,936,362	\$ 1,900,000	\$ 1,900,000
Investment Interest	20,564	40,465	48,642	40,000	40,000
Miscellaneous & Grants Proceeds	25,000	0	58,746	0	0
	<u>1,940,597</u>	<u>1,960,974</u>	<u>2,043,750</u>	<u>1,940,000</u>	<u>1,940,000</u>
Expenditures					
Wages, Payroll Taxes & Benefits	465,102	403,470	436,115	519,582	538,864
Supplies	11,064	12,418	16,956	14,750	14,750
Services & Charges	1,010,643	1,149,170	1,135,846	1,298,153	1,320,643
Intergovernmental Services	32,661	35,430	37,984	37,500	45,000
Transfers out - #001	13,400	13,400	0	0	0
Interfund vehicle lease - #501	0	0	0	14,000	6,750
	<u>1,532,870</u>	<u>1,613,888</u>	<u>1,626,901</u>	<u>1,883,985</u>	<u>1,926,007</u>
Recurring revenues over (under)					
Recurring Expenditures	<u>407,727</u>	<u>347,086</u>	<u>416,849</u>	<u>56,015</u>	<u>13,993</u>
Nonrecurring Activity					
Revenues					
Grant Proceeds	338,384	128,695	106,000	59,828	100,000
FEMA Grant Proceeds - Windstorm	6,823	0	0	0	0
	<u>345,207</u>	<u>128,695</u>	<u>106,000</u>	<u>59,828</u>	<u>100,000</u>
Expenditures					
Capital - Various Projects	528,433	354,085	423,585	500,000	500,000
Stormwater Comprehensive Plan	0	0	0	100,000	100,000
Watershed studies	0	64,541	48,576	80,000	100,000
	<u>528,433</u>	<u>418,626</u>	<u>472,161</u>	<u>680,000</u>	<u>700,000</u>
Nonrecurring revenues over (under)					
Nonrecurring Expenditures	<u>(183,226)</u>	<u>(289,931)</u>	<u>(366,161)</u>	<u>(620,172)</u>	<u>(600,000)</u>
Excess (Deficit) of Total Revenues					
Over (Under) Total Expenditures	224,501	57,155	50,688	(564,157)	(586,007)
Beginning working capital	<u>1,761,416</u>	<u>1,973,424</u>	<u>2,216,210</u>	<u>2,180,773</u>	<u>1,616,616</u>
Ending working capital	<u>\$ 1,985,917</u>	<u>\$ 2,030,579</u>	<u>\$ 2,266,898</u>	<u>\$ 1,616,616</u>	<u>\$ 1,030,609</u>

In 1985 voters of Spokane County approved a ballot proposition to create the Spokane Aquifer Protection Area (APA) as well as corresponding aquifer protection area fees with both sunsetting December 31, 2005. Boundaries of the APA included portions of unincorporated areas (including what is now Spokane Valley) and the cities of Liberty Lake, Millwood and Spokane. In 2004 the City of Spokane Valley approved a resolution authorizing the inclusion of its municipal boundaries within the APA. The APA program was subsequently reauthorized through 2025 with voter approval.

All fees are collected by Spokane County and include:

- An annual fee of \$15 per household for the withdrawal of water from properties within the APA.
- An annual fee of \$15 per household for on-site sewage disposal within the APA.
- For commercial properties an annual fee ranging from \$15 to \$960 depending upon water meter size.

In 2004 the City of Spokane Valley (City) entered into an interlocal agreement with Spokane County (County) that authorized the County to collect and retain APA fees through 2010 for a variety of projects including:

- up to \$100,000 annually through 2010 to the Spokane Regional Health District to provide for data base management related to monitoring of septic tanks and their potential impact on water quality in the Spokane Valley Rathdrum Prairie Aquifer.
- a septic tank elimination program (STEP) designed to replace septic tanks with sanitary sewer systems.

In the 2004 interlocal agreement the City and County also agreed that for the years 2011 through 2025 the APA fees remaining after the payment of reasonable administration and billing fees incurred by the County would be distributed annually between the County, City and City of Spokane on a proportional basis relative to the amount generated in unincorporated areas, the City and City of Spokane.

The fees collected on the City's behalf by Spokane County are expended entirely on stormwater related projects that are designed to protect the aquifer. These fees plus grant monies received from a number of granting agencies finance a variety of capital projects.

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Revenues					
Spokane County	\$ 521,070	\$ 462,981	\$ 469,429	\$ 460,000	\$ 460,000
Grant Proceeds	0	597,733	101,715	446,700	2,122,045
Investment Interest	0	28,620	37,329	20,000	15,000
Total Revenues	<u>521,070</u>	<u>1,089,334</u>	<u>608,473</u>	<u>926,700</u>	<u>2,597,045</u>
Expenditures					
Capital - Various projects	58,722	662,402	329,829	1,133,571	2,378,109
Total Expenditures	<u>58,722</u>	<u>662,402</u>	<u>329,829</u>	<u>1,133,571</u>	<u>2,378,109</u>
Revenues over (under) expenditures	462,348	426,932	278,644	(206,871)	218,936
Beginning working capital	950,725	1,413,073	1,840,005	2,118,299	1,911,428
Ending working capital	<u>\$ 1,413,073</u>	<u>\$ 1,840,005</u>	<u>\$ 2,118,649</u>	<u>\$ 1,911,428</u>	<u>\$ 2,130,364</u>

The Equipment Rental & Replacement Fund (ER&R) is an Internal Service Fund that is designed to provide the funds necessary to purchase new vehicles and equipment at predetermined life cycles. This fund operates by charging each City department a monthly rental rate for the vehicles they use. The fee is based upon the estimated useful life of the vehicle and its replacement cost. The theory behind this program is that it allows City departments to budget vehicle replacement costs as a reoccurring expense over an extended period of time rather than as an intermittent capital expense that may be difficult to afford in any single year. In the event a City department requires an additional vehicle that actually adds to the fleet rather than simply replaces an existing vehicle, then that department must budget for the initial purchase price and transfer the necessary funds to the ER&R Fund to make the acquisition. In subsequent years the department will then begin paying a replacement fee spread out over the estimated useful life of the new vehicle.

Beginning in 2017 a CenterPlace Kitchen Reserve was established through a transfer in from the General Fund in the amount of \$36,600 per year for 5 years to build a total reserve of \$183,000, which is the estimated replacement cost of the significant kitchen appliances and equipment at CenterPlace.

Snow Plow Replacement Program

The snow plow fleet currently consists of nine plow trucks. Six of the trucks are equipped with sanders and three of the trucks are equipped with 1,000-gallon tanks for placement of liquid deicer. Over the past five years the City has continued to improve the snow removal operations and has updated the snow plan accordingly. These improvements in snow operations have dictated that operating nine plows is a very efficient way to remove snow from the arterial and hillside roadways. Operating nine plows allows the performance of a full city arterial and designated hillsides plow in approximately 12 hours. In the future new plows will be purchased to replace the aging fleet as noted below and older plows will serve as backups and eventually be retired from the fleet beginning in 2022. The recommended snow plow fleet consists of eleven plows with two serving as backup plows. The two backup plows ensure that arterial roadways and hillside priority roadways can be cleared of snow per the snow plan. Having backup plows provides the City with additional plows that can be deployed in case of a mechanical breakdown or an accident during a winter storm event.

Snow Plow Fleet

Truck #	Model Year	YR Acquired	Age at Retirement	Replacement Yr	Notes
206	1996	2009	26	2022	Existing Fleet (9) Snow Plows
207	1997	2009	28	2025	
204	1995	2009	33	2028	
203	1995	2009	36	2031	
205	1996	2009	38	2034	
208	1997	2009	40	2037	
209	1998	2011	42	2040	
211	2000	2012	43	2043	
210	2010	2011	36	2046	
212	2016	2016	33	2049	Truck 206 becomes a backup
213	2020	2020	32	2052	Truck 207 becomes a backup
214	2022	2022	33	2055	Truck 204 becomes a backup / 206 is retired
215	2025	2025	33	2058	Truck 203 becomes a backup / 207 is retired
216	2028	2028	33	2061	Truck 205 becomes a backup / 204 is retired
217	2031	2031	33	2064	Truck 208 becomes a backup / 203 is retired
218	2034	2034	33	2067	Truck 209 becomes a backup / 205 is retired
219	2037	2037	33	2070	Truck 211 becomes a backup / 208 is retired
220	2040	2040	33	2073	Truck 210 becomes a backup / 209 is retired
221	2043	2043	33	2076	Truck 212 becomes a backup / 211 is retired

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Fund: 501**Equipment Rental & Replacement Fund****Spokane Valley****2021 Budget***(continued from previous page)***Budget Summary**

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Revenues					
Vehicle rentals - #001	32,500	30,000	30,000	28,000	31,300
Vehicle rentals - #101	23,250	21,250	21,250	14,500	10,250
Vehicle rentals - #101 (plow replace.)	77,929	77,929	77,929	48,500	60,500
Vehicle rentals - #402	12,750	12,750	12,750	14,000	6,750
Transfers in - #001 (CenterPlace kitchen reserve)	36,600	36,600	36,600	36,600	36,600
Transfers in - #001 (Code Enforcement Vehicle)	0	0	0	30,000	0
Investment Interest	9,651	19,873	26,715	19,000	10,000
Total Revenues	192,680	198,402	205,244	190,600	155,400
Expenditures					
Wages, Payroll Taxes & Benefits	0	3,714	0	0	0
Vehicle maintenance equipment	46,039	0	122	20,000	10,000
Snow plow purchase	110,309	0	0	235,000	0
Loader purchase	0	0	0	35,000	0
Vehicle Purchase	0	0	0	30,000	130,000
Transfer out - #001 (networking equipment)	77,000	0	0	0	0
Total Expenditures	233,348	3,714	122	320,000	140,000
Revenues over (under) expenditures	(40,668)	194,688	205,122	(129,400)	15,400
Beginning working capital	1,136,951	1,096,283	1,290,971	1,496,093	1,366,693
Ending working capital	\$ 1,096,283	\$ 1,290,971	\$ 1,496,093	\$ 1,366,693	\$ 1,382,093

Fund: 502**Risk Management Fund****Spokane Valley****2021 Budget**

The City of Spokane Valley is exposed to risks of loss related to a number of sources including tort; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; natural disasters; and unemployment claims filed by former employees through the State of Washington. The Risk Management Fund was established to account for all such related revenues and expenses. Revenues for this fund are comprised almost entirely from an annual transfer of money from the General Fund and the single largest expense is typically the insurance premium the City pays to our insurance provider, the Washington Cities Insurance Authority (WCIA).

Budget Summary

	2017 Actual	2018 Actual	2019 Actual	2020 Budget	2021 Budget
Revenues					
Transfers in - #001	\$ 350,000	\$ 370,000	\$ 390,000	\$ 410,000	\$ 425,000
Investment Interest	1,107	2,135	2,124	0	0
Total Revenues	351,107	372,135	392,124	410,000	425,000
Expenditures					
Auto & Property insurance	311,467	345,769	348,794	410,000	425,000
Unemployment Claims	29,066	6,849	31,104	0	0
Total Expenditures	340,533	352,618	379,898	410,000	425,000
Revenues over (under) expenditures	10,574	19,517	12,226	0	0
Beginning working capital	233,687	244,261	263,778	276,004	276,004
Ending working capital	\$ 244,261	\$ 263,778	\$ 276,004	\$ 276,004	\$ 276,004

CITY OF SPOKANE VALLEY, WA
Capital Expenditures for 2021

Capital Outlay Description	2021 Expenditure Budget	SOURCE OF FUNDS												Grants	Developer Contributions
		#001 General	#106 Solid Waste	#107 PEG	#301 REET 1 Capital Projects	#302 REET 2 Capital Projects	#311 Pavement Preservation	#312 Capital Reserve	#314 Grade Separation	#402 Stormwater Management	#403 Aquifer Protection Area	#501 Equipment Rental & Replacement			
#001 General Fund															
- IT capital replacements	242,800	242,800													
- Public Safety replacements	41,400	41,400													
Subtotal	284,200	284,200	0	0	0	0	0	0	0	0	0	0	0	0	0
#107 PEG Fund															
- PEG Capital outlay	33,500	33,500													
Subtotal	33,500	0	0	33,500	0	0	0	0	0	0	0	0	0	0	0
#303 Street Capital Projects Fund															
205 Sprague/Barker Intersection Improvements	329,453												305,750	23,703	
249 Sullivan/Wellesley Intersection	1,020,522				133,720								856,802	30,000	
267 Mission Ave Sidewalk	11,310				8,460								2,850		
275 Barker Rd Widening - River to Euclid	1,132,320												1,132,320		
285 Indiana Ave Pres - Evergreen to Sullivan	7,210				7,210										
293 2018 CSS Citywide Reflective Signal BP	74,250												74,250		
294 Citywide Reflective Signal Post Panels	17,875												17,875		
299 Argonne Rd Concrete Pvmnt Indiana to Mont	2,392,450					500,326							1,892,124		
300 Pines & Mission Intersection Improvement	498,000				67,230								430,770		
301 Park and Mission Intersection Improvements	693,000					277,200							415,800		
310 Sullivan Rd Overcrossing UP RR Deck Rep	317,625												317,625		
313 Barker Road/Union Pacific Crossing	1,312,500					758,608							553,892		
318 Wilbur Sidewalk: Boone to Mission	50,000					6,750							43,250		
320 Sullivan Preservation: Sprague-8th	19,800					19,800									
Contingency ¹	1,000,000				100,000	100,000							800,000		
Subtotal	8,876,315	0	0	0	316,620	1,662,684	0	0	0	0	0	0	6,843,308	53,703	
#309 Parks Capital Projects Fund															
314 Balfour Park Frontage Improvements	565,150							565,150							
315 Browns Park Improvements 2020	499,805	19,275											480,530		
Install stage fill speakers Great Room	6,346	6,346													
Repair failed pixels Great Room	6,505	6,505													
Reprogram Great Room A/V System	12,499	12,499													
Repair/replace siding at Mirabeau restroom	30,000	30,000													
Subtotal	1,120,305	74,625	0	0	0	0	0	565,150	0	0	0	0	480,530	0	
#311 Pavement Preservation Fund															
- Pavement preservation	4,676,350	991,843	1,500,000		827,278	827,279	529,950								
Subtotal	4,676,350	991,843	1,500,000	0	827,278	827,279	529,950	0	0	0	0	0	0	0	0
#312 Capital Reserve Fund															
- Park land acquisition	759,600							759,600							
Subtotal	759,600	0	0	0	0	0	0	759,600	0	0	0	0	0	0	0
#314 Grade Separation Fund															
143 Barker BNSF Grade Separation	9,396,870					1,127,387		411,582					7,857,901		
223 Pines Rd Underpass @ BNSF & Trent ²	4,149,450							64,192	434,340				3,650,918		
311 Sullivan Rd Interchange @ Trent	250,000							250,000							
Subtotal	13,796,320	0	0	0	0	1,127,387	0	725,774	434,340	0	0	0	11,508,819	0	
#402 Stormwater Management Fund															
- Capital - various projects	500,000									500,000					
Subtotal	500,000	0	0	0	0	0	0	0	0	500,000	0	0	0	0	0
#403 Aquifer Protection Area Fund															
- Capital - various projects	2,378,109										256,064		2,122,045		
Subtotal	2,378,109	0	0	0	0	0	0	0	0	0	256,064	0	2,122,045	0	
#501 Equipment Rental and Replacement Fund															
- Vehicle purchase	130,000	0										130,000			
Subtotal	130,000	0	0	0	0	0	0	0	0	0	0	130,000	0	0	0
Total Capital Expenditures and Related Financing	32,554,699	1,350,668	1,500,000	33,500	1,143,898	3,617,350	529,950	2,050,524	434,340	500,000	256,064	130,000	20,954,702	53,703	

¹ Contingency amount is to cover unforeseen overruns, costs related to projects that were expected to complete in 2016 and the costs of projects that have not yet had funding sources identified.

² Use of Fund Balance for CIP 0223-Pines Rd Underpass @ BNSF & Trent is a portion of the \$1,200,000 transferred from the General Fund in 2017.

- Dollar figures in **italicized Bold** font are paid from a combination of existing fund balance and fund revenue that is not attributable to a single project.

CITY OF SPOKANE VALLEY, WA
Full Time Equivalent Employees

	Adopted										Amended 2020	Proposed 2021	Difference from 2020 to 2021 + (-)
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020			
#001 - General Fund							(1)	(2)					
City Manager / City Clerk	5	5	5	5	5	5	5	7	6.5	6.5	7.5	7.5	1.000 (4)
City Attorney	3	3	3	3	3	3	3	3.5	3.5	4	4	4	0.000
Public Safety	0	0	0	0	0	0	0	0	0.12	0.12	0.12	0.12	0.000
Deputy City Manager	7	7	6	6	6	6	6	3	1	1	1	1	0.000
Finance	11	11	10.75	11.75	11.75	11.75	11.75	11.75	11.75	11.75	11.75	11.75	0.000
Human Resources	2	2	2	2	2	2	2	2	2	2	2	2	0.000
Public Works	7.5	7.5	7	7.375	7.375	7.375	6.375	0	0	0	0	0	0.000
City Hall Operations & Maintenance	0	0	0	0	0	0	1	1	0.88	0.88	0.88	0.88	0.000
CPW - Engineering	0	0	0	0	0	0	0	12.5	13.275	13.525	13.025	14.025	0.500 (3)(4)
CPW - Economic Development	0	0	0	0	0	0	0	6.375	6	6	6	5	(1.000) (3)
CPW - Building and Planning	0	0	0	0	0	0	0	18	20	21	21	21	0.000
CED - Administration	3	3	2	2	2	2	1	0	0	0	0	0	0.000
CED - Economic Development	0	0	0	0	2.5	2.65	4	0	0	0	0	0	0.000
CED - Development Services	0	0	0	0	11	11	10	0	0	0	0	0	0.000
CED - Engineering	6	6	8	7	0	0	0	0	0	0	0	0	0.000
CED - Planning	8.5	8.5	8	8	0	0	0	0	0	0	0	0	0.000
CED - Building	12.75	12.75	11.5	12.5	14	14	15	0	0	0	0	0	0.000
Parks & Rec - Admin	2	2	2	2	2	2	2	2	2	2	2	2	0.000
Parks & Rec - Recreation	1	1	1	1	1	1	1	1	1	1.6	1.6	1.6	0.000
Parks & Rec - Senior Center	1	1	1	1	1	1	1	1	1	0.4	0.4	0.4	0.000
Parks & Rec - CenterPlace	5	5	5	5	5	5	5	5	5	5	5	5	0.000
Total General Fund	74.75	74.75	72.25	73.625	73.625	73.775	74.125	74.125	74.025	75.775	76.275	76.275	0.500
#101 - Street Fund	5	4.5	5	5.375	5.725	5.725	5.725	5.725	7.725	7.475	7.475	7.475	0.000
#303 - Street Capital Project Fund	3.5	3.5	3.5	3.5	3.5	3.5	3.5	5	8.1	8.1	7.6	7.6	(0.500) (4)
#402 - Stormwater Fund	4	4.5	4.5	4.75	4.4	4.4	4.4	4.4	3.9	3.9	3.9	3.9	0.000
Total FTEs	87.25	87.25	85.25	87.25	87.25	87.4	87.75	89.25	93.75	95.25	95.25	95.25	0.000

(1) FTEs for 2017 reflect the reorganization that was effective in April 2017.
The original 2017 Budget had FTEs of 88.4.

(2) FTEs for 2018 reflect the budget amendment approved on May 29, 2018.

(3) One vacant position in Economic Development was repurposed to Engineering due to workload.

(4) Vacant Engineering position that was split 50/50 between the General Fund and Street Capital Projects Fund was repurposed to a Housing & Homeless Services Coordinator in the City Manager department.

2020 Work Force Comparison

The 31 Washington Communities with a Population of 30,000 to 100,000

CITY	POPULATION	FULL-TIME	PART-TIME
Auburn	81,940	438	0
Bellingham*	91,610	885	16
Bothell	48,400	382	6
Bremerton	41,750	337	12
Burien	52,300	77	7
Des Moines	32,260	182	4
Edmonds*	42,470	228	7
Federal Way	98,340	327	7
Issaquah	38,690	245	12
Kennewick	84,960	390	2
Kirkland	90,660	627	12
Lacey	52,910	279	2
Lake Stevens	34,150	85	3
Lakewood	60,030	200	4
Longview	38,350	303	5
Lynnwood*	40,690	290	6
Marysville	69,180	287	4
Mount Vernon	36,050	230	30
Olympia	54,150	556	20
Pasco	77,100	349	0
Pullman	34,850	220	30
Puyallup	42,700	279	11
Redmond	69,900	633	20
Richland	58,550	488	25
Sammamish**	65,100	106	7
Shoreline	56,980	176	18
Spokane Valley	97,490	94	2
University Place	33,310	47	7
Walla Walla	34,400	281	12
Wenatchee	35,140	173	4
Yakima	95,490	673	22
AVERAGE		318	10

Source: AWC 2020 Salary and Benefits Survey, organization profile

*2020 data not reported. Numbers from 2019.

Appendix A
EMPLOYEE POSITION CLASSIFICATION
MONTHLY SALARY SCHEDULE
Effective January 1, 2021

Position Title	Grade	2021 Range
City Manager		Unclassified
Deputy City Manager	22	10,063.44 - 16,365.38
City Attorney	21	9,066.16 - 14,728.96
Finance Director	21	9,066.16 - 14,728.96
Parks and Recreation Director	20	8,159.44 - 13,257.04
City Engineer	19	7,343.36 - 11,931.46
Deputy City Attorney	19	7,343.36 - 11,931.46
Human Resources Manager	19	7,343.36 - 11,931.46
Planning Manager	18	6,609.87 - 10,737.79
Building Official	18	6,609.87 - 10,737.79
Engineering Manager	18	6,609.87 - 10,737.79
Economic Development Manager	18	6,609.87 - 10,737.79
Senior Engineer	17	5,948.55 - 9,663.61
Accounting Manager	17	5,948.55 - 9,663.61
Assistant Building Official	17	5,948.55 - 9,663.61
Public Works Superintendent	17	5,948.55 - 9,663.61
Senior Administrative Analyst	17	5,948.55 - 9,663.61
IT Manager	17	5,948.55 - 9,663.61
Attorney	16	5,353.16 - 8,696.69
City Clerk	16	5,353.16 - 8,696.69
Engineer	16	5,353.16 - 8,696.69
Senior Planner	16	5,353.16 - 8,696.69
Development Services Coordinator	16	5,353.16 - 8,696.69
GIS/Database Administrator	16	5,353.16 - 8,696.69
Accountant/Budget Analyst	16	5,353.16 - 8,696.69
Housing and Homeless Services Coordinator	16	5,353.16 - 8,696.69
Associate Planner	15	4,818.50 - 7,827.56
Assistant Engineer	15	4,818.50 - 7,827.56
IT Specialist	15	4,818.50 - 7,827.56
Engineering Technician II	15	4,818.50 - 7,827.56
Economic Development Project Specialist	15	4,818.50 - 7,827.56
Senior Plans Examiner	15	4,818.50 - 7,827.56
Public Information Officer	15	4,818.50 - 7,827.56
Administrative Analyst	15	4,818.50 - 7,827.56
Maintenance/Construction Foreman	15	4,818.50 - 7,827.56
Mechanic	14	4,336.92 - 7,045.35
Human Resource Analyst	14	4,336.92 - 7,045.35
CenterPlace Coordinator	14	4,336.92 - 7,045.35
Planner	14	4,336.92 - 7,045.35
Building Inspector II	14	4,336.92 - 7,045.35
Plans Examiner	14	4,336.92 - 7,045.35
Engineering Technician I	14	4,336.92 - 7,045.35
Senior Permit Specialist	14	4,336.92 - 7,045.35
Code Enforcement Officer	14	4,336.92 - 7,045.35
Maintenance/Construction Inspector	14	4,336.92 - 7,045.35
Recreation Coordinator	13	3,902.91 - 6,340.57
Deputy City Clerk	13	3,902.91 - 6,340.57
Customer Relations/Facilities Coordinator	13	3,902.91 - 6,340.57
Building Inspector I	13	3,902.91 - 6,340.57
Executive Assistant	13	3,902.91 - 6,340.57
Planning Technician	13	3,902.91 - 6,340.57
Human Resources Technician	13	3,902.91 - 6,340.57
Senior Center Specialist	12	3,513.90 - 5,706.37
Permit Facilitator	12	3,513.90 - 5,706.37
Help Desk Technician	12	3,513.90 - 5,706.37
Accounting Technician	12	3,513.90 - 5,706.37
Administrative Assistant	12	3,513.90 - 5,706.37
Recreation Specialist	12	3,513.90 - 5,706.37
Maintenance Worker	11-12	3,161.54 - 5,706.37
Permit Specialist	11	3,161.54 - 5,135.98
Office Assistant II	10-11	2,845.20 - 5,135.98
Custodian	10	2,845.20 - 4,621.30
Office Assistant I	9-10	2,561.00 - 4,621.30

Note: Slight rounding differences may exist between the figures reflected on this page and the actual payroll rates computed by the Eden Payroll System.

CITY OF SPOKANE VALLEY, WA

Glossary of Budget Terms

Accrual Basis – A basis of accounting in which revenues and expenditures are recorded at the time they occur as opposed to when cash is actually received or spent.

Appropriation – A legal authorization granted by the City Council to make expenditures and to incur obligations for a specific purpose.

Assessed Valuation – The valuation set upon real estate and certain personal property by the County Assessor as a basis for levying property taxes.

Authorized Positions – Employee positions, which are authorized in the adopted budget, to be filled during the year.

Bond – A long-term promise to repay a specified amount (the face amount of the bond) on a particular date (the maturity date). The most common types of bonds are general obligation revenue bonds. Bonds are primarily used to finance capital projects.

Budget – A plan of financial activity for a specified period of time (fiscal year or biennium) indicating all planned revenues and expenses for the budget period.

Budget Message – The opening section of the budget that provides the City Council and the public with a general summary of the most important aspects of the budget, changes from the current and previous years, and the views and recommendations of the Mayor.

Capital Improvement – Expenditures related to acquisition, expansion or rehabilitation of an element of the government's physical plant; sometimes referred to as infrastructure.

Capital Outlay – Fixed assets that have general value of \$5,000 or more and have a useful economic lifetime of more than one year.

Capital Project – Major construction, acquisition, or renovation activities which add value to government's physical assets or significantly increase their useful life, also called capital improvements.

Capital Projects Fund – A fund created to account for all resources and expenditures used for the acquisition of fixed assets except those financed by enterprise funds.

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

Contractual Services – Services rendered to a government by private firms, individuals, or other governmental agencies.

Debt Service – Payment of interest and principal on borrowed money according to a predetermined payment schedule.

Department – The basic unit of service responsibility, encompassing a broad mandate of related service responsibilities.

Division – Can be a subunit of a department which encompasses a substantial portion of the duties assigned to a department (e.g. Building Division in the Planning and Community Development Department).

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

Expense – Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest or other charges.

Face Value – The amount of principal that must be paid at maturity for a bond issue.

Fiscal Year – A twelve-month period designated as the operating year for accounting and budgeting purposes in an organization.

Full-time Equivalent Position (FTE) – A full-time or part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time person working 20 hours per week would be equivalent of 0.5 of a full-time position.

Fund – A fiscal entity with revenues and expenses that are segregated for the purpose of carrying out a specific purpose or activity.

GAAP – Generally Accepted Accounting Principles. Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

GASB – The Governmental Accounting Standards Board, established in 1985, is the current standard-setting board for governmental GAAP.

General Fund – The principal operating fund of the City used for general governmental operations. Taxes and fees that generally have no restriction on their use support it.

General Obligation (G.O.) Bonds – This type of bond is backed by the full faith, credit and taxing power of the government issuing it.

Indirect Cost – A cost necessary for the functioning of the organization as a whole, but which cannot be identified with a specific product, function or activity.

Infrastructure – The physical assets of a government (e.g. streets, water, sewer, public buildings, and parks).

Interfund Transfers – The movement of monies between funds of the same governmental entity.

Levy – To impose taxes for the support of the governmental activities.

Long-term Debt – Debt with a maturity of more than one year after the date of issuance.

Mission Statement – A broad statement of the intended accomplishment or basic purpose of a program.

Modified Accrual Accounting – A basis of accounting in which expenditures are accrued but revenues are accounted for when they become measurable and

available. Since this type of accounting basis is a conservative financial approach, it is recommended as the standard for most governmental funds.

Operating Budget – The portion of the budget that pertains to daily operations that provide basic governmental services.

Ordinance – A formal legislative enactment by the City Council. If it is not in conflict with any higher form of law, such as a statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies.

Program – The smallest organization that delivers a specific set of services. A program may be an entire department; or if a department encompasses significantly diverse responsibilities or large work forces, a single department may be divided into two or more programs.

Reserve – An account used to either set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

Resolution – A special or temporary order of a legislative body—an order of a legislative body requiring less legal formality than an ordinance or statute.

Resources – Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.

Revenue – Sources of income financing the operations of government.

Taxes – Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those who pay, for example, sewer service charges.

Unreserved Fund Balance – The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

User Charges – The payment of a fee for direct receipt of a public service by the party who benefits from the service.

Vision Statement – A short statement that conveys the big picture of the organization. It is general in scope, not restricting. It answers the question “Why?”