

2011

City of Spokane Valley



BUDGET

City of Spokane Valley, Washington

Annual Budget

For the Fiscal Year

January 1, 2011 Through December 31, 2011

CITY OF SPOKANE VALLEY - 2011 BUDGET

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Ordinance



CITY OF SPOKANE VALLEY

City Council Members

Thomas Towey, Mayor

Position #7

Gary Schimmels, Deputy Mayor

Position #4

Brenda Grassel

Position #1

Dean Grafos

Position #2

Rose Dempsey

Position #3

Bob McCaslin

Position #5

William Gothmann

Position #6

Staff

Mike Jackson, City Manager

Vacant, Deputy City Manager

Ken Thompson, Finance Director

Kathy McClung, Community Development Director

Mike Stone, Parks & Recreation Director

Neil Kersten, Public Works Director

Cary Driskell, Acting City Attorney

Christine Bainbridge, City Clerk

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***City Manager's Budget Message
Annual Budget For
Fiscal Year 2011***

Dear Citizens, Mayor and City Council of Spokane Valley:

In the midst of economic decline and uncertainty, I know the City Council and our citizens are concerned about the ability of Spokane Valley to balance the 2011 Budget. I am also keenly aware that our citizens seek financial stability and long-term sustainability for our City. The bottom line is the City can balance its budget through 2014 and into the foreseeable future. Achieving this in a down-trending economy requires the judicious use of reserves coupled with reductions in expenditures. The spending plan proposed in this budget provides a solid fiscal foundation for the City with a wide margin of financial safety for the community.

On Tuesday, July 13, 2010, the Council devoted an entire day to a budget workshop. The City's draft general fund budget was reviewed line by line and the impacts of proposed reductions were discussed in detail. The staff and Council solidified the basic fiscal policies which will determine the 2011 Budget and guide future spending practices.

The fiscal policies are not to be taken lightly; they will ensure that the City can continue to balance the General Fund Budget indefinitely. If the economy does not improve and revenues decline or remain flat, adherence to the fiscal policies will trigger additional budget reductions.

Fiscal Policies

Financial Management – The City proposes to:

1. Maintain basic service levels with reduced resources
2. Minimize personnel costs/overhead by continuing to contract for many services
3. Continue the 6-year Business Plan process
4. Leverage City funds with grant opportunities
5. Minimize City debt with pay as you go philosophy

- The State of Washington sets the maximum level of allowable debt for cities based on assessed value of property. The City of Spokane Valley currently utilizes only 1.63% of its allowable debt capacity – which is extremely low debt.

Financial Objectives - The City's financial objectives through 2014 are:

1. Maintain a minimum general fund ending balance of 15% of revenues through 2014
2. Maintain the Service Level Stabilization Fund at the current level of \$5.4 million through 2014

Commitment – By committing to these objectives, the City will ensure financial sustainability through 2014 and into the future. The City can achieve this by:

1. Reducing 2010 General Fund Expenditures by 3%
2. Cutting future (beginning in 2011) General Fund expenditures by at least 3%

Challenges – Beyond the General Fund, the City of Spokane Valley has three primary financial concerns:

1. Funding Street Capital projects
2. Funding the Street Preservation Plan to maintain City streets
3. Funding Parks Capital projects

As noted in the Multiyear Financial Forecast included in this budget, the City is relying on ending fund balance/reserves to offset the projected decline in revenues through 2014. During each budget cycle, the City will review the reserve balance and determine if additional budget cuts will be more judicious than subsidizing the general fund through reserves.

Budget Highlights

The 2011 Budget recognizes the economic realities of our times and the necessity to continue to operate within its financial means. The budget process has been used to reinforce the City's commitment to delivering its core services in a cost effective manner. A summary of key budget highlights for review by the Council and community follows:

Budget Reductions: Our 2011 General Fund budget is 5% less than the February of 2010 multiyear projections for the 2011 General Fund; and about 1.1% (\$385,000) less than the 2010 General Fund budget. The combined savings resulting from curtailed spending in 2010 (estimated at \$1 million) and reductions to the 2011 budget (estimated at \$1.8 million) total about \$2.8 million.

Staff Reductions

Staffing levels are reduced by 9.5 full-time and 2 temporary unfilled positions. Breakdown by Department and position is as follows:

- a. Finance – Accounting Technician (1)
- b. Deputy City Manager – Administrative Assistant (1)
- c. City Manager – Temporary Intern (1)
- d. Legal – Temporary Intern (1)
- e. Community Development - Assistant Engineer (1)
Engineering Technician – (1) Assistant Planner (.5)
Building Inspector II (1) Construction Inspector (1)
- f. Public Works Street Fund – Assistant Engineer –Traffic (1)
- g. Parks and Recreation – Custodian (2) (Positions removed but cost remains due to contracted janitorial services)

In addition to the staff reductions, employees who are not represented by the union - Local 270-V AFSME - will not receive a 2.5% Cost of Living Adjustment in 2011.

Street Reserves: A \$500,000 transfer from the Civic Facilities Fund to a construction fund for street preservation projects is included in the 2011 budget. This is a reserve fund to initiate savings for street projects and would require council action for future expenditure.

Property Tax Reduction: The City of Spokane Valley will reduce its property Tax levy by \$100,000 in 2011. This decrease in the City's property tax levy is in recognition that the City understands the difficult financial times faced by our citizens.

Decline and Flat Growth Horizon: Revenue projections for the 2011 fiscal year have identified an ongoing decrease in sales tax receipts estimated at a \$400,000 decrease from 2010 budgeted. Sales tax is the city's most significant source of revenue. The City's six-year financial forecast shows flat or slow revenue growth beyond 2011; however, those estimates will fluctuate according to changing trends in the economy. There was also a decline in Real Estate Excise Tax (REET) which the City has used to match grant projects in streets and parks.

Moderate Growth in Current Operational Expenses: Investing in the essential core services identified by the Council and community creates baseline costs. Similar to the trend in most jurisdictions, costs and demands for service are growing while tax revenues are decreasing. Even with a relatively small city staff, quality service delivery requires ongoing investment in basic capacity to provide efficient operations. Moderate as it may be, operational expenses cannot continue to increase during declining or flat revenue. The City can either subsidize operational expenses with reserves, or husband their reserves and make additional budget reductions.

Notable 2011 Budget Items Include:

- The creation/construction of Greenacres park at Long and Boone.
- The addition of a Maintenance and Construction Inspection position to be shared by the Street and Storm Water Funds (*Even though the focus was on reducing the number of positions, this position is considered critical to snow removal and other construction and storm water functions.*)
- Setting aside \$100,000 for future public employee retirement costs in anticipation of increasing state retirement fund charges to public employers.
- Continued Shoreline Master Program work as required by state law.

Public Safety Costs: In 2011, Police, Court and Jail related services will cost \$22,179,879—an amount equal to **204% of anticipated property tax collections for the entire year.** Council has made a commitment not to reduce public safety service levels and associated costs in 2011.

Challenges:

Declining Grants and Declining Matching Funds: City staff actively pursues funding commitments from other sources to help pay the cost of needed capital improvements—roads, bridges and parks—that benefit the community. The 2010 capital construction program totaled \$15,834,000 with \$12,404,000 (79%) coming from outside sources. The 2011 budget projects a total capital construction budget of \$11,936,343 with \$6,042,643 (51%) coming from outside sources. The difference is primarily due to less state and federal money being available for street projects.

When the City applies for state and federal grants, the City must provide its share (match) for these projects. In the past, Real Estate Excise Tax was used for most of the City match. However, during the last three years, this tax has declined from \$2.2 million to \$1 million, leaving a shortage of local match on these projects. Depending on availability of Federal, State and Local grants, the City anticipates a shortfall of matching funds in the \$1.5 - \$3.0 million range.

Local Street Maintenance Combination of Funding: This fund derives its revenues from an allocation of the State Motor Fuel Tax distributed to cities and towns, and a 6% city tax on telephone use, estimated in 2011 at \$1,875,000 and \$3,000,000 respectively. There is also an anticipated \$2,155,000 Beginning Fund Balance that will carry over into 2011. Therefore, the combination of Fuel Tax and Telephone Utility Tax is able to meet the ongoing need for these funds to pay for street maintenance activities like snow plowing, pothole repair, resurfacing eroded lanes, sweeping, weed control, street lighting, traffic signals and a variety of other repairs/improvements.

While Fuel Tax and Telephone Utility Tax cover annual street maintenance, they

do **not** provide for implementation of the Street Master Plan and therein lies the challenge.

In an attempt to determine how best to keep the surfaces and bases (underground support) of roads in proper condition, a Street Master Plan was prepared that itemizes the positive and negative conditions of our city street system, and identifies the repair needs and costs associated with maintaining our 437 miles of roadway. The report details the need for **an additional annual investment of \$4.3 million** in street preservation work to keep the street system from deteriorating and triggering much more expensive repair work in the future.

The Current Fiscal Year in Review

The City experienced a significant change in elected leadership with four new council members. With assistance from the local business community, the City began televising Council meetings. Residents and business people continue to provide city officials with their views on the broad range of issues related to economic development and land use regulations. A series of public meetings, Planning Commission meetings and Council actions were set in motion to review the Sprague/Appleway Revitalization Plan (SARP). A number of Text Amendments were made and the entire SARP plan was placed on the annual Comprehensive Plan Review docket for further consideration. A new City website was launched with significantly improved features including public access to a searchable electronic database of records such as council agendas and minutes, city contracts and other City documents. A new Citizen Request System was also implemented to track citizen input and provide a tracking number so the public can check on the progress of their request or issue.

The City Council welcomes public comments and works to balance the various interests expressed when enacting ordinances intended for the protection and enhancement of the quality of life in Spokane Valley. City representatives embrace continuous public participation, attend to a heavy workload, and take pleasure in achieving results that affect the community in positive ways. A review of the major events and accomplishments of 2010 reveals the following:

- Four new City Council members took office in 2010.
- Discovery Playground at Mirabeau Point Park was completed.
- Council, with local business support, began televising council meetings.
- Funds were utilized from the Civic Facilities Fund to pay for full width paving and paving of gravel roads in conjunction with the County sewer projects in Spokane Valley.
- Council approved the purchase of a new snowplow and a loader for the snow removal program. Council also requested that staff fully explore the options for a city-owned street and storm water facility.
- Construction of a picnic shelter was started in Terrace View Park.
- A new Law Enforcement Interlocal Agreement with Spokane County was approved.
- The Barker Bridge rehabilitation was completed at a cost of \$11.6 million.
- The Sprague/Sullivan intersection was reconstructed and reopened in only three weeks.

- A systematic review of the Sprague/Appleway Revitalization Plan was initiated.
- Spokane Valley agreed to assist Airway Heights, for a fee, with plan reviews.
- Spokane Valley resident Peggy Doering was named Citizen of the Year by Washington Recreation and Park Association.
- Several new businesses located in Spokane Valley in 2010.
- The 2010 summer Council/Staff Retreat was devoted entirely to the 2011 budget.

The Budget for Fiscal Year 2011

Balanced Budget Adopted:

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 maintenance of financial reserves since incorporation have served their intended purpose and provided the opportunity for Spokane Valley to sustain critical public services during the turbulent economic conditions of 2010. The 2011 budget reflects a continuation of service delivery capabilities during difficult and uncertain economic times.

The 2011 budget is in balance. Expenses have been balanced with known or reasonably predictable revenues. The budget is designed to maintain the healthy, positive fund balance at year end that provides for the city's cash flow needs without costly borrowing. In pursuit of fiscal responsibility, special attention was given to limiting the growth in new programs and financial commitments while City revenue and expenditure patterns further fluctuate with the economy. This approach allows available resources to be put toward sustaining services that are consistent with the City Council's priorities for 2011 and beyond.

Since incorporation, this City has taken a conservative approach to adding new staff. Spokane Valley continues to have the lowest employee count of any Washington city with 50,000 or more in population. A 2010 Work Force Comparison chart is included in the budget document. As we approach the new fiscal year, the provision made for additional new employees is minimal at one fulltime equivalent position in the 2011 budget (as noted in the Budget Highlights). By all comparisons, the City of Spokane Valley is a lean, productive City government.

Major Goal Statements for 2011:

The 2011 budget reflects the distribution of resources consistent with the Council's core services priorities. The following goals, some of which are continued from 2010, represent broad areas of concentration important to the well being of the community:

Council Budget Goals for 2011

1. Continue monitoring wastewater issues, including governance of wastewater facilities, and pursuit of the most efficient and economical methods to ensure the continuation of wastewater discharge licenses.

2. Re-evaluate regulations specified in the Sprague/Appleyway Revitalization Plan as adopted and amended by City Council.

3. Develop a Shoreline Master Program to provide appropriate regulatory protection for waters of statewide significance as required by state statute.

4. Pursue a legislative capital budget request for state funding for the acquisition of parkland adjacent to the Park Street Pool.

5. Develop and implement a multi-year winter roads maintenance plan including availability, costs and effects of private sector vendors performing winter road maintenance for the City.

6. Explore a range of options for a City Hall

Future Concepts:

The budget process is not static and Council, the citizens, and staff must remain vigilant to watch for economic trends that impact current forecasts. Even as we adopt a 2011 budget, we must keep in mind the future economic opportunities and threats that may impact our multi-year forecast. An example of potential impacts and adaptive future concepts are as follows:

- A commitment by Management to review all vacant positions prior to filling them. (In some cases, positions must be filled quickly due to workload.)
- By all indications, the economic recovery of the U.S. and its collective states, counties and cities will be a slow and deliberate process. The City of Spokane Valley's Multi-Year Financial Forecast does not predict measureable growth in property tax or sales tax revenues through 2014.
- In order to balance the budget, the Multi-Year Forecast predicts an annual reliance on spending down our "savings" in the form of General Fund Carry Over. As currently

depicted, the Carry Over would increase slightly in 2011 and then decrease by about \$2.8 million each year through 2014 leaving a balance at that time of \$10.8 million. However, ongoing reliance on savings to pay for day to day operations is not sound fiscal policy. It is anticipated that reliance on Carry Over will be reduced in future years which will require the City to more closely balance current year revenues with current year expenses. If future revenues do not increase, this may result in additional reductions to programs and services.

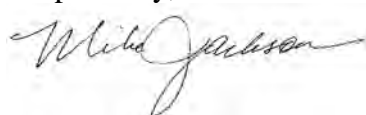
- Because they represent about 63% of the General Fund budget, achieving future budget reductions without impacting Law Enforcement and other Public Safety services will be challenging.
- The City anticipates \$1.67 million in State Shared Revenues for 2011. Two ballot initiatives related to State liquor store sales are proposed in 2010. If passed, these initiatives could significantly reduce State Shared Revenues. If this were to occur, the City would likely make adjustments in the 2012 budget process to compensate for the reduction.

Acknowledgments:

I would like to acknowledge the City Council and the Staff for a long history of conservative spending and prudent fiscal planning. The City of Spokane Valley is in an enviable position in relation to other Federal, State and local entities. We are not facing 2011 budget shortfalls. Although we must continue to budget and spend wisely, we do not have to make drastic cuts in services to balance our 2011 budget. By saving and conserving the taxpayers' money, and by adopting prudent long-term fiscal policies, the City can balance its budget for many years to come. This is something which is easy to say, but hard to do. Even harder is to reduce property taxes in the face of declining revenues, an unprecedented action for this City. However, the City Council felt this reduction was important to reflect to the citizens' that we are a City that understands and appreciates the difficult economic times we all face together.

Finally, I would like to say how rewarding it has been to work with the City Council and the staff in developing the budget – and achieving substantial reductions. The City Council and the Finance Committee has set a path to ensure the long-term financial sustainability of the City. The management staff and employees have worked together to develop Business Plans and 2011 budget recommendations that achieve Council's goal of sustainability. We have shown that even in difficult financial times, we can work together as an organization in the best interest of the citizens.

Respectfully,

A handwritten signature in dark ink, appearing to read "Mike Jackson", with a stylized flourish at the end.

Mike Jackson
City Manager



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509.921.1000 ♦ Fax: 509.921.1008 ♦ cityhall@spokanevalley.org

TO: City Manager and Members of Council

FROM: Ken Thompson, Finance & Administrative Services Director

DATE: July 30, 2010

SUBJECT: About the Budget and the Budget 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 provides four functions:

1. 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. 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. 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. 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 moneys 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.

Year 2011 Budget Process

The City of Spokane Valley operates on a calendar year basis. It utilizes an incremental budgeting approach that assumes, for most functions of government, that the current year's budget is indicative of the base required for the following year. Any increases are incremental and based on need defined by the organization's budget policies, emerging issues, Council goals, and available resources.

The formal budget planning begins in 2010 with discussions between the City Manager and City Council during a retreat. Following the retreat, the City Manager and the Department Directors prepare the preliminary budget based upon the City Council priorities. The City Council reviews the preliminary budget beginning in August.

In June, departments prepare requests for new staff, programs, or significant increases to their current year budget that will address emerging issues and other operational needs. In their requests, the departments identify the problem that they are trying to address, the recommended solution, implementation plan, projected cost and expected outcomes. The Finance Department and City Manager conduct an analysis of the departmental base budgets and the revenue outlook for the coming year to determine the availability of funds for any new initiatives. During May and June, the departments also develop their budgets. These budget requests are submitted to the Finance Department by the middle of May.

In early July, the City Manager reviews each department's budget requests and develops a preliminary budget recommendation.

As mandated by RCW 35A.33.135, the first requirement is that the Finance Director submit estimated revenues and expenditures to the City Council on or before the first Monday in October. The preliminary budget is presented to the City Council in September. Public hearings are held to obtain taxpayers' comments, and revisions as applicable, are made. The Council makes its adjustments to the preliminary budget and adopts by ordinance a final balanced budget no later than December 31. The final operating budget as adopted is published, distributed, and made available to the public during the first three months of the following year.

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 funds are within the approved budget. Finance provides financial updates to the City Council to keep them current with the City's financial condition. Any budget amendments made during the year are adopted by City Council ordinance.

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.

Significant Changes to the 2011 Budget

A review of the 2011 preliminary budget reveals the following significant changes:

Revenues

1. Sales Tax receipts for 2011 have been estimated at \$16.2 Million, a reduction of about \$400,000 from 2010 budgeted receipts. Citizens are tightening their financial belts as concerns relating to jobs, retirement plans, and home equity have slowed the economy.
2. A slowing of real estate sales has reduced Real Estate Excise Tax receipts to \$1,000,000/year which are used for capital projects.
3. While not a “significant” change, it is important to note the City of Spokane Valley property tax rate is expected to be near \$1.54/\$1,000 of assessed value. This is the second lowest rate of all cities in Spokane County.
4. Fines/Forfeitures and state shared revenue have been increased \$200,000 each.
5. A small decrease in the property tax levy (\$100,000) has been proposed.

Expenditures

1. The 2011 budget anticipates the following for winter street maintenance in the street fund:
 - Operation/Maintenance of 7 plows/trucks
 - Lease and improve Street/Stormwater maintenance facility \$65,000
 - One additional employee (Construction Inspector) shared by the Street and Stormwater funds.
2. A serious shortage of funds to use as match on federal and state grants for parks and street capital projects may reduce the amount of improvements made in these areas during 2011. A new revenue source would help capture these state and federal dollars for local capital improvements.
3. \$100,000 has been set aside for a possible increase in state retirement costs. This set aside will offset future rate increases.
4. Approved but unfilled positions have been deleted from the budget as a cost saving measure.
5. Departments were asked to reduce their 2010 budget by 3% and to propose 3% reductions in projected 2011 expenditures. These approaches are intended to slow growth in expenditures to preserve a more stable financial future. This has resulted in a 2011 budget that is expected to be less than the 2010 budget.

City of Spokane Valley

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 adjustments 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.

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.

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:

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.

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 the Street Fund, Arterial Street Fund, Trails & Paths Fund, Hotel/Motel Fund, CenterPlace Operating Reserve Fund, Service Level Reserve Fund, Civic Facilities Reserve Fund, and Winter Weather Reserve Fund.

Debt Service Funds

These funds account for financial resources which are designated for the retirement of debt. Debt Service Funds are comprised of the Debt Service LTGO 03.

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 the Capital Project Fund, Special Capital Projects Fund, Streets Capital Projects Fund,

CDBG Fund, Capital Grants Fund, Barker Bridge Federal Grant Fund, and Parks Capital Projects Fund.

Proprietary Fund Types

Proprietary funds 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, including depreciation, which based on the commercial model 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 (net total assets) is segregated into contributed capital and retained earnings components. As described below, there are two generic fund types in this category:

Enterprise Funds

These funds account for operations that provide goods or services to the general public and are supported primarily by user charges. The Stormwater Management Fund is included in this group of funds.

Internal Service Funds

These funds account for operations that provide goods or services to other departments or funds of the City. The Equipment Rental and Replacement Fund and Risk Management Fund are included in this group of funds.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. The City of Spokane Valley uses a modified accrual basis of accounting. Modified accrual recognizes revenues when they become both measurable and available to finance expenditures of the current period. The basis of accounting for enterprise and internal service funds is full accrual. The appropriate basis is used throughout the budgeting, accounting, and reporting processes. Full accrual is a method of accounting that matches revenues and expenses with the period to which they relate, rather than focusing on actual cash flows.

In this method, for example, an asset is depreciated as it is “used up,” and the expense is recognized in periodic increments, rather than assuming the asset holds its value until it is actually disposed of. However, since the focus of budgeting is on the revenues and expenditure accounts, depreciation and amortization are not considered budgetary accounts, and are excluded from the budgeting system.

Budgets and Budgetary Accounting

Annual appropriated budgets are adopted for all funds. These funds are budgeted on the modified cash basis of accounting. The financial statements include budgetary comparisons for those funds.

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

EXPLANATION OF MAJOR REVENUE SOURCES

GENERAL FUND REVENUES:

Property Tax Revenue

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 \$1.50 by the Spokane County Fire Districts #1 and #8, along with deducting \$0.50 for library levies, which leaves the City with the authority to levy \$1.60 for its own purposes. The levy amount must be established by ordinance by November 30th prior to the levy year.

Local Retail Sales and Use Tax

The local retail sales and use tax is comprised of two separate .5% options with the County receiving 15% of each .5%. After deducting .01% as a County administrative fee, the City's effective rate is .84%.

Local 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% to the County, with the remainder being distributed by population to the cities and the unincorporated areas of the County.

Local Public Safety Sales Tax

Beginning in 2005, an additional .1% voter approved increase in sales tax was devoted to public safety purposes. This final .1% was approved by the voters again in August 2009.

Gambling Tax Revenues

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. 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); Games (2% gross, less prizes); Card playing (10% 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, 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 2010 population figure used in the 2011 Preliminary Budget is 90,210 as determined by the Office of Financial Management for Washington State. This figure is important when determining distribution of State shared revenues on a per capita basis.

Liquor Board Profits and Liquor Excise Tax

Cities receive a share of both liquor board profits and liquor excise tax receipts. The profits are distributed on the last day of March, June, September, and December. The excise portion is distributed on the last day of January, April, July, and October. To be eligible to receive these revenues, a city must devote at least two percent of the distribution to support an approved alcoholism or drug addiction program. Initiatives, scheduled to appear on the ballot in November of 2010, may significantly reduce these revenues to the City.

Service Revenues

Fees are charged for services rendered by the City of Spokane Valley. Most of the fees in the General Fund are construction inspections and permits related to services such as planning, zoning and building.

Fines and Forfeitures

Fines and penalties are collected as a result of Municipal Court rulings 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.

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, property tax, and fund investments.

OTHER FUND REVENUES:

STREET FUND:

Motor Vehicle Fuel Excise Tax (gas tax)

The City receives gas tax based on population. Gas tax must be spent on streets. The City expects to receive approximately \$21 per capita in motor vehicle fuel excise tax (gas tax) in 2011. The gas tax has decreased each year for several years. The higher cost of gasoline has resulted in users cutting back on the amount they buy which ultimately reduces the tax received by the City.

Telephone Utility Tax

The City of Spokane Valley levies a 6% telephone utility tax. Companies providing this service pay this tax to the City monthly. Telephone tax has been estimated at \$3 million for 2011.

TRAILS & PATH FUND:

A small percentage of the City's gas tax must be set aside for capital expenditures on trails and paths. This money will likely accumulate for several years until adequate dollars are available for a project.

HOTEL/MOTEL FUND:

This fund receives all revenue resulting from the Hotel/Motel Tax levied upon charges made for the furnishing of lodging by a hotel, rooming house, tourist court, motel, trailer camp and other transient accommodations in the City. The tax rate is 2 percent of the selling price or charge made for the lodging. It is collected and administered by the Washington State Department of Revenue. State law requires that these taxes be credited to a special fund with limitations on use, principally to generate tourism/convention activities that bring new visitors to our area, as prescribed by RCW 67.28.310.

DEBT SERVICE FUND – LTGO 03:

The Public Facilities District will provide funding for the debt service on CenterPlace Bonds. The City's Capital Projects and Special Capital Projects Funds will provide funding for the debt service on street bonds.

CAPITAL PROJECTS FUND:

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.

SPECIAL CAPITAL PROJECTS FUND:

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.

INTERFUND TRANSFERS:

Many funds receive their revenues from other funds in the form of an interfund transfer. These transfers may represent payments for service, an operating transfer, or a concentration of revenues for a specific project. The following funds receive transfers from other funds.

General Fund is budgeted to receive transfers from the Street Fund and Stormwater Management Fund in the amounts of \$25,000 and \$15,000, respectively.

Trails & Paths Fund is budgeted to receive a transfer from the Street Fund in the amount of \$8,000 which represents .42% of gas tax allocated to the City.

Street Capital Projects Fund (303) is budgeted to receive transfers from Stormwater Management Fund, Special Capital Projects Fund (302) and Capital Projects Fund (301).

Debt Service Fund is budgeted to receive transfers from the Real Estate Excise 1 Tax (301) and the Real Estate Excise 2 Tax (302) of \$112,500 each.

Parks Capital Fund (309) will receive a \$100,000 transfer from the general fund.

Risk Management Fund is budgeted to receive \$319,000 from the General Fund for employment security payments and City insurance premiums.

STORMWATER MANAGEMENT FEE:

This fee is imposed upon every developed parcel of property within the City and is an annual charge of \$21 for each single family unit and \$21.00 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 be \$1,600,000 for 2011.

AQUIFER PROTECTION AREA FEES:

These are voter approved fees to assist the City in protecting the aquifer. The City expects to receive \$500,000 in 2011.

2011 BUDGET

Major Revenue Assumptions

1. The 2010 population figure used in the 2011 Preliminary Budget is 90,210 as determined by the Office of Financial Management for the State of Washington. This figure is important when determining distribution of State shared revenues on per capita basis.
2. The 2011 estimated assessed valuation (AV) is \$7.1 billion. The City's actual assessed value will be assigned by the Spokane County Assessor.
3. Property taxes are levied based on assessed value and the City's authorized levy rate. A rate of \$1.54 per thousand dollars of assessed value is anticipated. The City expects to collect 95% of taxes levied in 2011 realizing the remaining 5% will be collected in the following years.
4. Franchise fees and business registrations are based on projected receipts in 2010.
5. Liquor excise taxes and liquor profits are based upon City estimates. Initiatives scheduled for the ballot in November of 2010 may reduce these estimates significantly.
6. Fines & Forfeits are based on projected collections in 2010.
7. Building permit and land use fees are estimated by the City of Spokane Valley, based on expected 2010 collections.
8. Real estate excise taxes are based on projected collections by the City in 2010.
9. Gas tax revenues are based on estimates by the City of Spokane Valley.
10. The Stormwater Management fee is based on an Equivalent Residential Unit (ERU) rate of \$21.
11. Aquifer Protection Fees were estimated by the City at \$500,000 for 2011.

2011 BUDGET
Major Expenditure Assumptions

1. Service levels are the same or greater than provided in 2010.
2. Positions and salary ranges are based on the City's compensation and classification plan.
3. Benefit amounts are based on the employee benefits plan.
4. The contract costs for public safety, park maintenance, aquatics and street maintenance are based on estimates by City staff.
5. State required retirement (PERS) costs have been included. Additionally the City has set aside \$100,000 to offset future State required increases.

**City of Spokane Valley
2011 Budget Summary**

<u>Fund</u>	<u>Estimated Beg. Fund Balance</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Anticipated Fund Balance 12/31/2011</u>
001 General Fund	\$ 24,600,000	\$ 36,472,125	\$ 36,925,086	\$ 24,147,039
101 Street Fund	2,155,050	4,887,000	5,383,327	1,658,723
103 Trails & Paths Fund	40,000	8,000	20,000	28,000
105 Hotel/Motel Fund	19,000	481,000	500,000	-
120 CenterPlace Operating Reserve Fund	350,000	3,000	-	353,000
121 Service Level Stabilization Fund	5,410,000	54,000	-	5,464,000
122 Winter Weather Reserve Fund	500,000	5,000	505,000	-
123 City Facilities Repair & Replacement	1,210,000	419,000	-	1,629,000
204 Debt Service LTGO 03	-	685,000	685,000	-
301 Capital Projects Fund	598,598	415,000	1,013,598	-
302 Special Capital Projects	606,069	415,000	1,021,069	-
303 Street Capital Projects	-	8,437,307	8,437,307	-
307 Capital Grants Fund	-	55,000	55,000	-
309 Parks Capital Projects Fund	1,346,036	613,000	1,959,036	-
310 Civic Facilities Capital Projects Fund	4,000,000	40,000	2,000,000	2,040,000
311 Street Capital Improvement Fund 2011+	-	500,000	500,000	-
402 Stormwater Management	1,900,000	2,232,000	2,249,645	1,882,355
501 Equipment Rental & Replacement Fund	900,000	9,000	209,000	700,000
502 Risk Management Fund	-	319,000	319,000	-
	<u>\$ 43,634,753</u>	<u>\$ 56,049,432</u>	<u>\$ 61,782,069</u>	<u>\$ 37,902,116</u>
		<u>\$ 43,634,753</u>		
Total Resources		<u><u>\$ 99,684,185</u></u>		

**City of Spokane Valley
2011 Budget
Resources by Type**

General Fund

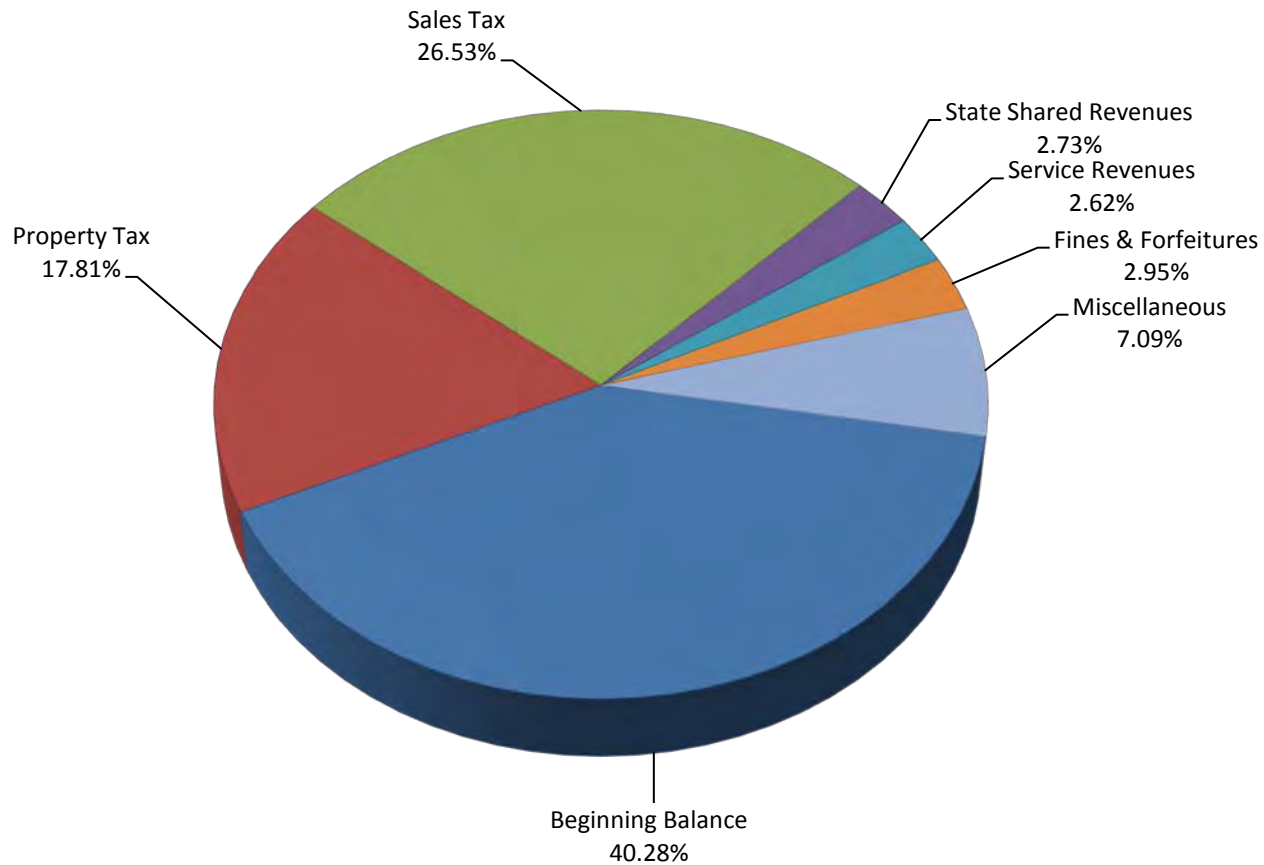
Beginning Balance	\$ 24,600,000
Property Tax	10,875,000
Sales Tax	16,200,000
Gambling Tax	425,000
Franchise Fees/Business Registration	1,111,000
State Shared Revenues	1,665,625
Service Revenues	1,600,000
Fines and Forfeitures	1,800,000
Recreation Program Fees	555,500
Miscellaneous, Investment Int. ,Transfers	2,240,000
	<hr/>
Total General Fund	61,072,125

Other Funds

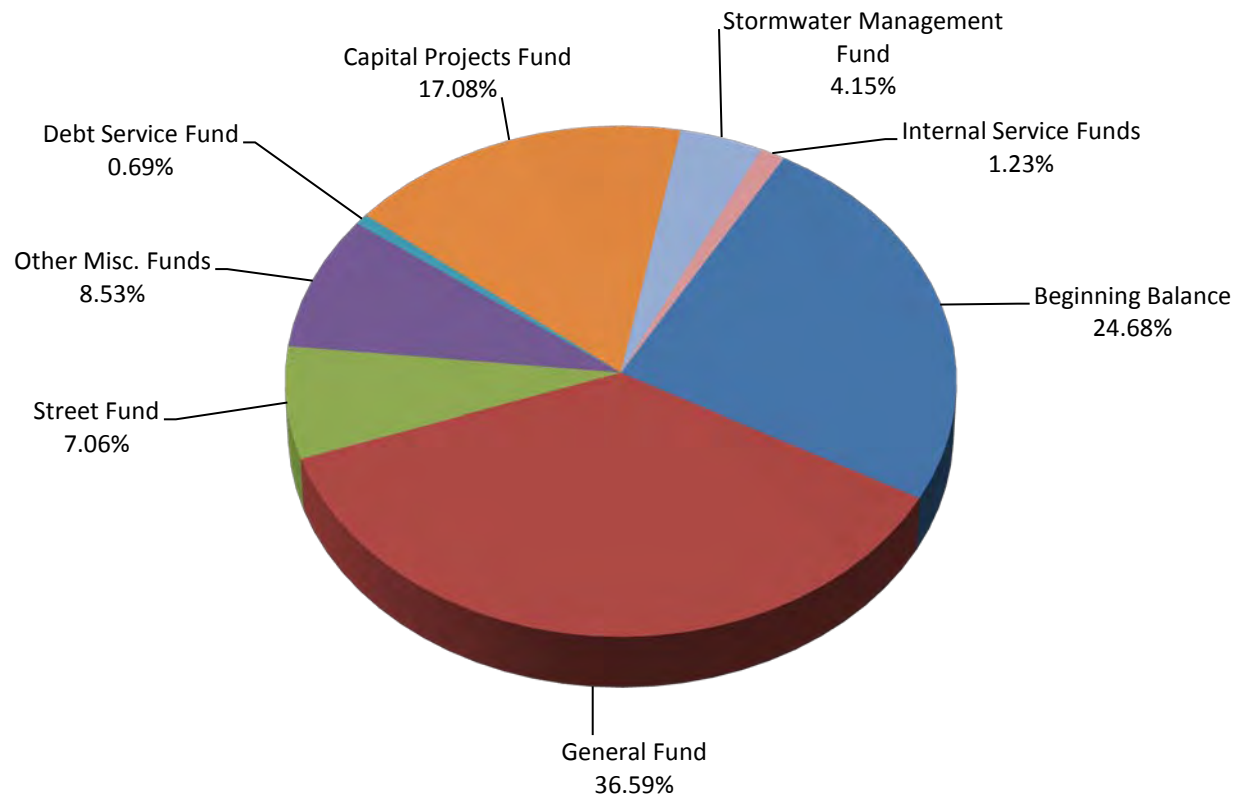
101 Street Fund	7,042,050
103 Trails & Paths Fund	48,000
105 Hotel/Motel Fund	500,000
120 CenterPlace Operating Reserve Fund	353,000
121 Service Level Reserve Fund	5,464,000
122 Winter Weather Reserve Fund	505,000
123 City Facilities Repair & Replacement	1,629,000
204 Debt Service LTGO 03	685,000
301 Capital Projects Fund	1,013,598
302 Special Capital Projects Fund	1,021,069
303 Street Capital Projects Fund	8,437,307
307 Capital Grants Fund	55,000
309 Parks Capital Fund	1,959,036
310 Civic Facilities Capital Fund	4,040,000
311 Street Capital Improvement Fund 2011+	500,000
402 Stormwater Management Fund	4,132,000
501 Equipment Rental & Replacement Fund	909,000
502 Risk Management Fund	319,000
	<hr/>
Total Other Funds	38,612,060

Total All Funds	<u><u>\$ 99,684,185</u></u>
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**City of Spokane Valley
2011 General Fund Resources
\$ 61,072,125**



**City of Spokane Valley
2011 City Wide Resources
\$ 99,684,185**



**City of Spokane Valley
2011 Budget
Detail Revenues by Type**

	2009 Actual	2010 Budget	2011 Proposed Budget
General Fund Revenues			
<u>Beginning Fund Balance</u>	\$ 21,600,000	\$ 19,375,000	\$ 24,600,000
<u>Property Tax</u>			
Property Tax	\$ 10,282,555	\$ 10,799,500	\$ 10,700,000
Property Tax - Delinquent	193,196	170,000	175,000
	<u>10,475,751</u>	<u>10,969,500</u>	<u>10,875,000</u>
<u>Sales Taxes</u>			
Sales Tax	14,337,595	14,410,000	14,210,000
Sales Tax - Criminal Justice	1,260,923	1,400,000	1,200,000
Sales Tax - Public Safety	724,031	790,000	790,000
	<u>16,322,549</u>	<u>16,600,000</u>	<u>16,200,000</u>
<u>Gambling Taxes</u>			
Punch Boards & Pull Tabs	92,908	70,000	70,000
Amusement Games	9,560	2,000	2,000
Card Games	624,535	343,000	343,000
Interest on Gambling Tax	8,708	10,000	10,000
	<u>735,711</u>	<u>425,000</u>	<u>425,000</u>
<u>Licenses & Permits</u>			
Business Licenses	86,285	80,000	90,000
Franchise Fees	967,990	1,020,000	1,021,000
	<u>1,054,275</u>	<u>1,100,000</u>	<u>1,111,000</u>
<u>State Shared Revenues</u>			
City Assistance State Revenue	10,266	-	10,000
Payment in Lieu of Taxes - DNR	3,966	-	3,500
Streamline Mitigation of Sales Tax	372,374	90,000	372,000
MVET Criminal Justice - Population	19,449	19,000	19,000
Criminal Justice Area #4	129,618	124,000	130,000
Criminal Justice Special Programs	74,061	71,000	74,000
DUI - Cities	29,311	16,000	29,000
Liquor Board Excise Tax	438,277	430,000	410,000
False Alarm Srvs	865	-	-
Liquor Board Profits	611,859	696,600	611,859
Work Study Reimbursement	6,207	3,400	6,266
	<u>1,696,253</u>	<u>1,450,000</u>	<u>1,665,625</u>
<u>Service Revenues</u>			
Building Permits	819,313	722,800	722,800
Plumbing Permits	33,554	35,000	35,000
Grading Permits	1,311	5,000	5,000
Mechanical Permits	80,252	92,000	92,000
Demolition Permits	5,052	5,200	5,200
Misc. Permits & Fees	117,394	100,000	100,000
Plans Check Fees	274,288	250,000	250,000
Cry Wolf Fees	-	-	100,000
Planning Fees	317,480	290,000	290,000
	<u>1,648,644</u>	<u>1,500,000</u>	<u>1,600,000</u>
<u>Fines and Forfeitures</u>			
Fines & Forfeits - Traffic	979,779	620,000	820,000
Other Criminal Non -Traffic Fines	812,851	980,000	980,000
	<u>1,792,630</u>	<u>1,600,000</u>	<u>1,800,000</u>
<u>Recreation Program Charges</u>			
Activity Fees (To use a recreational facility)	205,022	584,000	205,000
Program Fees (To participate in a program)	423,936	66,000	350,500
	<u>628,958</u>	<u>650,000</u>	<u>555,500</u>
<u>Miscellaneous</u>			
Investment Interest	137,935	300,000	100,000
Sales Tax Interest	49,117	60,000	50,000
Property Tax Interest	-	-	-
Police Precinct Rent	51,564	51,564	50,000
Office of Public Def-Re-Licensing Grant	30,855	-	-
Miscellaneous Revenue & Grant	55,570	149,786	-
	<u>325,041</u>	<u>561,350</u>	<u>200,000</u>
<u>Transfers</u>			
Transfer from Street Fund - Overhead	25,000	25,000	25,000
Transfer full paveback - Civic Facilities	-	-	1,500,000
Transfer from Civic Facilities - Street Capital	-	-	500,000
Transfer from Stormwater - Overhead	15,000	15,000	15,000
Transfer from Street Fund - Membership	34,300	30,000	-
Repayment from St. Fund	355,000	150,000	-
Transfer from Hotel/Motel - CenterPlace	86,963	90,000	-
	<u>516,263</u>	<u>310,000</u>	<u>2,040,000</u>
Total General Fund Revenue	<u>\$ 35,196,074</u>	<u>\$ 35,165,850</u>	<u>\$ 36,472,125</u>
Total General Fund Revenue and Beginning Fund Balance	<u>\$ 56,796,074</u>	<u>\$ 54,540,850</u>	<u>\$ 61,072,125</u>

**City of Spokane Valley
2011 Budget
Detail Revenues by Type**

Other Fund Revenues	2009 Actual Budget	2010 Budget	2011 Proposed Budget
<u>101 Street Fund</u>			
Beginning Fund Balance	1,617,254	1,777,000	2,155,050
Property Taxes	36	-	-
Motor Fuel (Gas) Tax	2,018,694	1,900,000	1,875,000
Investment Interest	10,895	10,000	12,000
Utility Tax	3,054,472	2,800,000	3,000,000
Insurance Premiums & Recoveries	-	-	-
Transfer From Stormwater Fund - Facility		200,000	-
Miscellaneous Revenue & Grant	122,076	712,050	-
	<u>6,823,427</u>	<u>7,399,050</u>	<u>7,042,050</u>
<u>102 Arterial Street Fund</u>			
Beginning Fund Balance	360,806	-	-
Investment Interest	-	-	-
	<u>360,806</u>	<u>-</u>	<u>-</u>
<u>103 Trails & Paths Fund</u>			
Beginning Fund Balance	32,420	-	40,000
Motor Fuel (Gas) Tax	8,246	-	-
Transfer from Street Fund	-	8,000	8,000
	<u>40,666</u>	<u>8,000</u>	<u>48,000</u>
<u>105 Hotel/Motel Fund</u>			
Beginning Fund Balance	258,891	19,000	19,000
Hotel/Motel Tax	423,978	380,000	480,000
Investment Interest	1,893	1,000	1,000
	<u>684,762</u>	<u>400,000</u>	<u>500,000</u>
<u>120 CenterPlace Operating Reserve</u>			
Beginning Fund Balance	346,794	347,000	350,000
Investment Interest	2,391	3,000	3,000
	<u>349,185</u>	<u>350,000</u>	<u>353,000</u>
<u>121 Service Level Stabilization Reserve</u>			
Beginning Fund Balance	5,369,979	5,350,000	5,410,000
Investment Interest	37,022	50,000	54,000
	<u>5,407,001</u>	<u>5,400,000</u>	<u>5,464,000</u>
<u>122 Winter Weather Reserve</u>			
Beginning Fund Balance	145,037	-	500,000
Interfund Transfer	355,000	500,000	
Investment Interest	-	5,000	5,000
	<u>500,037</u>	<u>505,000</u>	<u>505,000</u>
<u>123 City Facilities Repair & Replacement</u>			
Beginning Fund Balance	807,983	825,000	1,210,000
Investment Interest	3,065	8,000	12,000
Interfund Transfer	397,000	407,000	407,000
	<u>1,208,048</u>	<u>1,240,000</u>	<u>1,629,000</u>

**City of Spokane Valley
2011 Budget
Detail Revenues by Type**

	2009 Actual Budget	2010 Budget	2011 Proposed Budget
Other Fund Revenues			
Other Fund Revenues			
<u>204 Debt Service - LTGO 03</u>			
Beginning Fund Balance	-	-	-
Facilities District Revenue	419,670	440,000	460,000
and Special Capital Projects	186,503	210,000	225,000
	<u>606,173</u>	<u>650,000</u>	<u>685,000</u>
<u>301 Capital Projects Fund</u>			
Beginning Fund Balance	2,553,389	1,553,000	598,598
REET 1 - 1st .25 Percent	544,303	380,000	400,000
Investment Interest	15,144	15,000	15,000
	<u>3,112,836</u>	<u>1,948,000</u>	<u>1,013,598</u>
<u>302 Special Capital Projects Fund</u>			
Beginning Fund Balance	4,787,253	230,000	606,069
REET 2 - 2nd .25 Percent	543,919	380,000	400,000
Investment Interest	16,886	2,000	15,000
	<u>5,348,058</u>	<u>612,000</u>	<u>1,021,069</u>
<u>303 Street Capital Projects</u>			
Beginning Fund Balance	73,456	-	-
Developer Contributions	45,519	200,000	-
Grant Proceeds	6,947,312	7,779,000	4,738,819
Transfer from Block Grant	-	300,000	300,000
Transfer from Capital Proj. Fund 301/REET1	3,937,369	1,843,000	901,095
Transfer from General Fund	-	50,000	-
Transfer from Stormwater Management Fund	-	200,000	100,000
Transfer from General Fund	-	-	1,500,000
Transfer from Special Capital Proj. 302/REET2	-	200,000	897,393
	<u>11,003,656</u>	<u>10,572,000</u>	<u>8,437,307</u>
<u>304 Mirabeau Project</u>			
Beginning Fund Balance	405,370	-	-
Investment Interest	2,655	-	-
	<u>408,025</u>	<u>-</u>	<u>-</u>
<u>306 CD Block Grant Fund</u>			
Beginning Fund Balance	-	-	-
CDBG Grant Proceeds	-	300,000	-
	<u>-</u>	<u>300,000</u>	<u>-</u>
<u>307 Capital Grants Fund</u>			
Beginning Fund Balance	50	-	-
Capital Grant Proceeds	1,103,772	1,749,000	-
Transfer from Streets & Paths	328,490	-	-
Transfers from Special Capital Projects Fund	-	68,000	-
Miscellaneous/Private Development	-	648,000	55,000
	<u>1,432,312</u>	<u>2,465,000</u>	<u>55,000</u>

**City of Spokane Valley
2011 Budget
Detail Revenues by Type**

Other Fund Revenues	2009 Actual Budget	2010 Budget	2011 Proposed Budget
<u>308 Barker Bridge Reconstruction - Fed Grant</u>			
Private Development	-	58,000	-
Federal Grant Proceeds	6,631,363	1,470,000	-
Transfer from Special Capital Projects Fund	286,370	239,000	-
	<u>6,917,733</u>	<u>1,767,000</u>	<u>-</u>
<u>309 Parks Capital Projects</u>			
Beginning Balance	1,346,036	518,000	1,346,036
Investment Interest	716	5,000	13,000
State Rec & Conservation Grant Rev	790,000	200,000	500,000
Transfer from the General Fund	1,618,562	97,000	100,000
	<u>3,755,314</u>	<u>820,000</u>	<u>1,959,036</u>
<u>310 Civic Facilities Capital Projects</u>			
Beginning Balance	5,792,118	5,770,000	4,000,000
Investment Interest	39,845	57,000	40,000
	<u>-</u>	<u>-</u>	<u>-</u>
	<u>5,831,963</u>	<u>5,827,000</u>	<u>4,040,000</u>
<u>311 Street Capital Improvement 2011+</u>			
Beginning Balance	-	-	-
Transfer from General Fund	-	-	500,000
	<u>-</u>	<u>-</u>	<u>500,000</u>
<u>402 Stormwater Management Fund</u>			
Beginning Fund Balance	2,381,156	2,771,015	1,900,000
State Grants	26,586	-	-
Stormwater Management Fee	1,706,429	1,600,000	1,710,000
Aquifer Protection Fees	-	-	500,000
Investment Interest	14,295	27,000	22,000
	<u>4,128,466</u>	<u>4,398,015</u>	<u>4,132,000</u>
<u>501 Equipment Rental & Replacement Fund</u>			
Beginning Fund Balance	900,805	900,000	900,000
Investment Interest	5,273	9,000	9,000
Transfer from General Fund	-	10,000	-
	<u>906,078</u>	<u>919,000</u>	<u>909,000</u>
<u>502 Risk Management Fund</u>			
Beginning Fund Balance	16,734	28,000	-
Investment Interest	107	-	-
Employment Security Transfers	-	8,000	-
Transfer from General Fund	230,000	222,000	319,000
	<u>246,841</u>	<u>258,000</u>	<u>319,000</u>
Total Revenue & Beginning Fund Balance	<u>59,071,387</u>	<u>45,838,065</u>	<u>38,612,060</u>
All Other Funds	<u>56,796,074</u>	<u>54,540,850</u>	<u>61,072,125</u>
Total Revenues	<u>115,867,461</u>	<u>100,378,915</u>	<u>99,684,185</u>



EXPENDITURES

**City of Spokane Valley
2011 Budget
Expenditures by Department**

General Fund

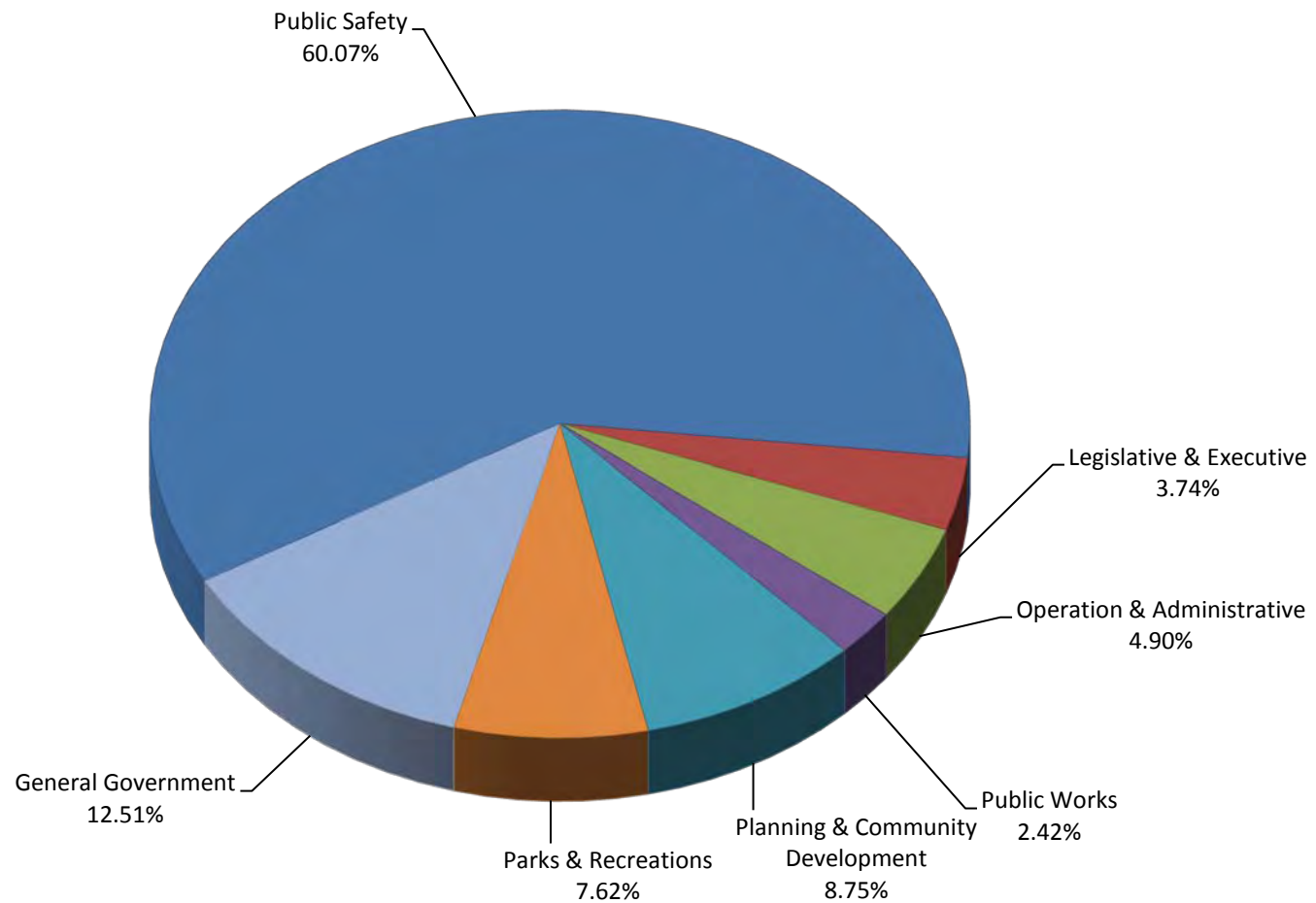
Council	\$ 324,298
City Manager	1,055,906
Public Safety	22,179,880
Operations & Administrative	
Deputy City Manager	559,940
Finance	1,014,342
Human Resources	236,646
Public Works	892,617
Planning & Community Development	
Admin	321,049
Planning	1,023,373
Building	1,215,303
Development Engineering	669,570
Library	-
Parks & Recreation	
Administration & Maintenance	948,970
Recreation	246,628
Aquatics	429,250
Senior Center	89,653
CenterPlace	1,098,911
General Government	4,618,750
Total General Fund	<u>36,925,086</u>

Other Funds

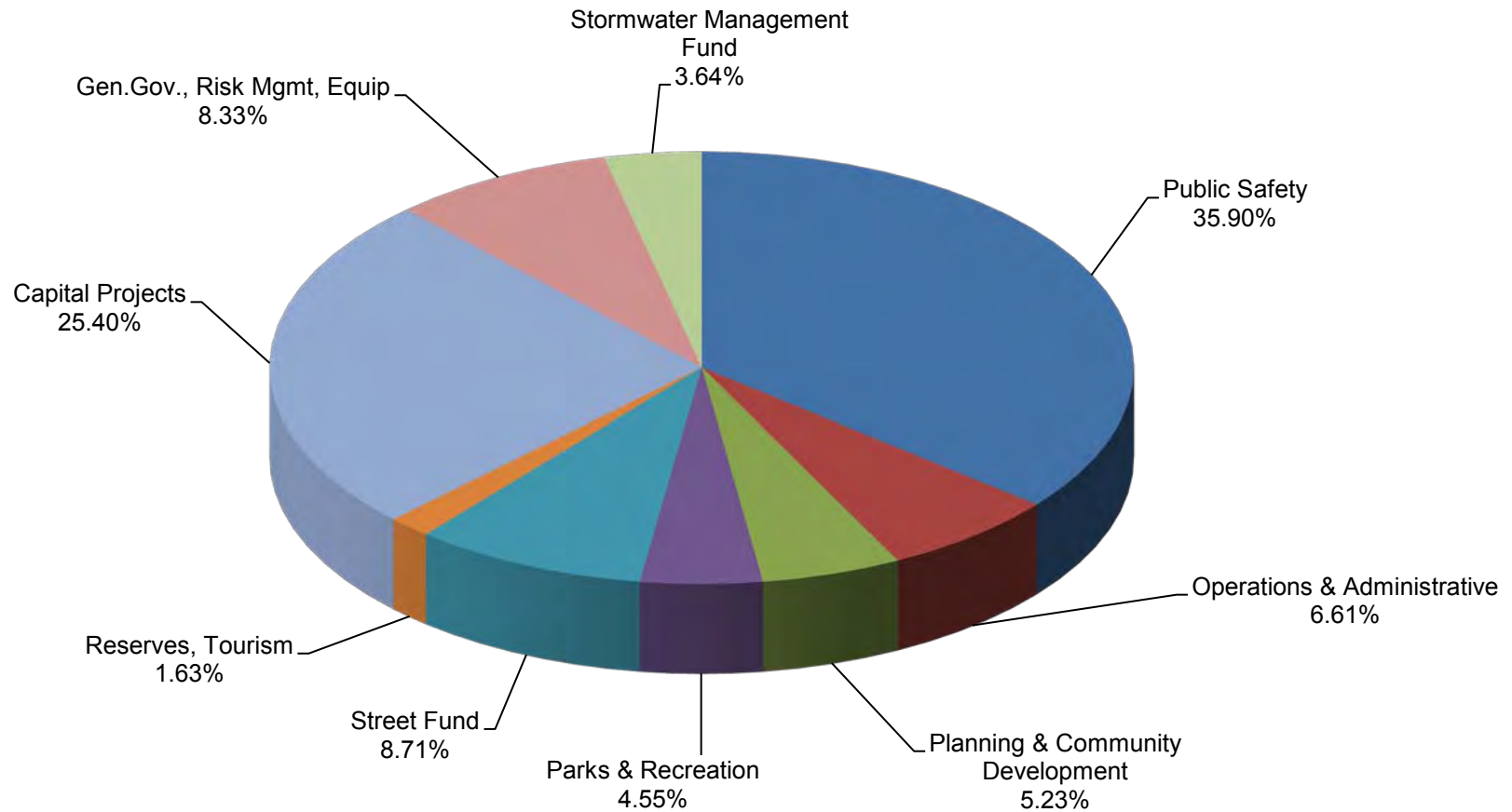
101 Street Fund	5,383,327
103 Trails and Paths Fund	20,000
105 Hotel/Motel Fund	500,000
120 CenterPlace Operating Reserve Fund	-
121 Service Level Stabilization Fund	-
122 Winter Weather Reserve Fund	505,000
123 Civic Facility Replacement Fund	-
204 Debt Service - LTGO 03	685,000
301 Capital Projects Fund	1,013,598
302 Special Capital Projects Fund	1,021,069
303 Street Capital Projects Fund	8,437,307
307 Capital Grants Fund	55,000
309 Parks Capital Projects Fund	1,959,036
310 Civic Facilities Capital Projects Fund	2,000,000
311 Street Capital Improvement 2011+	500,000
402 Stormwater Management Fund	2,249,645
501 Equipment Rental & Replacement	209,000
502 Risk Management Fund	319,000

Total All Funds	<u><u>\$ 61,782,069</u></u>
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**City of Spokane Valley
2011 General Fund Expenditures
\$ 36,925,086**



**City of Spokane Valley
2011 City Wide Expenditures
\$ 61,782,069**



**City of Spokane Valley
2011 Budget
General Fund Expenditures by Department by Type**

	<u>Wages & Benefits</u>	<u>Supplies</u>	<u>Services</u>	<u>Intergovernmental</u>	<u>Interfund</u>	<u>Capital Expenditures</u>	<u>Total</u>
General Fund							
Legislative Branch	\$ 143,718	\$ 7,000	\$ 173,580	\$ -	\$ -	\$ -	\$ 324,298
Legislative & Executive	900,371	17,400	138,135	-	-	-	1,055,906
Public Safety	-	-	-	22,179,880	-	-	22,179,880
Operations & Administrative							
Deputy City Manager	507,410	2,800	49,730	-	-	-	559,940
Finance	944,992	6,700	62,650	-	-	-	1,014,342
Human Resources	182,500	1,967	52,179	-	-	-	236,646
Public Works	705,554	52,108	134,955	-	-	-	892,617
Planning & Community Development							
Admin	279,534	4,256	22,259	15,000	-	-	321,049
Planning	796,685	10,588	141,100	75,000	-	-	1,023,373
Building	999,983	40,479	101,441	65,000	8,400	-	1,215,303
Development Engineering	544,990	8,304	71,276	45,000	-	-	669,570
Library	-	-	-	-	-	-	-
Parks & Recreation							
Parks Administration	199,420	59,100	677,250	10,000	3,200	-	948,970
Recreation	145,365	10,943	82,720	-	7,600	-	246,628
Aquatics	-	3,000	426,250	-	-	-	429,250
Senior Center	74,953	5,100	9,600	-	-	-	89,653
CenterPlace	367,082	70,952	336,877	-	324,000	-	1,098,911
General Government	-	52,000	622,000	2,883,000	1,061,750	-	4,618,750
Total General Fund	\$ 6,792,557	\$ 352,697	\$ 3,102,002	\$ 25,272,880	\$ 1,404,950	\$ -	\$ 36,925,086

011 - Council

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 2010

- **Continue monitoring significant wastewater issues**, including governance of wastewater facilities, enhanced citizen awareness of options for the future and pursuit of the most efficient and economical use of allowed wastewater discharges.

On August 23rd, a DO TMDL implementation meeting was held with directors from the Washington Department of Ecology, Idaho Department of Environmental Quality and EPA Region 10 to providing guidance to stakeholders on the status of the process. Wastewater permits are scheduled to be issued in draft form Summer of 2010 and become final by Spring 2011. Meeting information is available at DOE's website.

- **Implement records indexing and phase in a document imaging system** City department by City department with the goal of achieving city-wide implementation in 2010.

As of 2010, our Laserfiche Repository now includes documents from every department. There are an estimated 21,412 documents, for a total of 421,071 pages.

- **Implement and evaluate regulations** specified in the Sprague/Appleway Revitalization Plan as adopted and amended by the City Council.

Staff conducted 6 public meetings and collected comments regarding zoning and comprehensive plan changes to the Plan. Several code amendments have resulted from the meetings.

- **Develop a Shoreline Master Program** to provide appropriate regulatory protection for waters of statewide significance as required by state statute.

The Shoreline Inventory was completed and reviewed by City Council. Progress on the Shoreline regulations was made in 2010 with adoption scheduled in 2011.

- **Pursue a legislative capital budget request** for state funding for the acquisition of parkland adjacent to Park Street Pool

- The City did not receive funding in 2010 but this item is included in the Legislative Agenda 2011

- **Develop and implement a multi-year winter roads maintenance plan** including availability, costs and effects of private sector vendors performing winter road maintenance for the City

Council approved continuing with the current plan and implemented the following items:

- RFP selection process for a long-term contractor will be conducted in early 2011
 - Hire one additional full-time Mechanic/Operator
 - Monitor future years to see if additional full-time or part-time staff are needed
 - Purchase the Waste Management Facility or other similar facility for street maintenance operations
 - Purchase one additional surplus WSDOT truck/plow/sander and one new truck/plow/sander in 2010

- **Pursue state funding** of a demonstration project that constructs a city hall in accordance with "living building" standards

- No progress on this goal but will carry over into 2011

011 - Council

Goals for 2011

- **Continue monitoring wastewater issues**, including governance of wastewater facilities, and pursuit of the most efficient and economical methods to ensure the continuation of wastewater discharges licenses.
- **Reevaluate regulations** specified in the Sprague/Appleway Revitalization Plan as adopted and amended by City Council.
- **Develop a Shoreline Master Program** to provide appropriate regulatory protection for waters of statewide significance as required by state statute.
- **Pursue a legislative capital budget request** for state funding for the acquisition of parkland adjacent to the Park Street Pool.
- **Develop and implement a multi-year winter roads maintenance plan** including availability, costs and effects of private sector vendors performing winter road maintenance for the City.
- **Explore a variety of options relevant to a new City Hall**

Budget Summary

	<u>2009 Actual</u>	<u>2010 Budget</u>	<u>2011 Proposed Budget</u>
<u>Personnel - FTE Equivalents</u>			
Mayor	1.0	1.0	1.0
Council	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>
Total FTEs	7.0	7.0	7.0
<u>Budget Detail</u>			
Salaries, Wages, & Benefits	\$ 126,896	\$ 126,978	\$ 143,718
Supplies	14,435	19,500	7,000
Services & Charges	154,061	175,642	173,580
Interfund Charges	<u>-</u>	<u>-</u>	<u>-</u>
Total Legislative Branch	<u>\$ 295,392</u>	<u>\$ 322,120</u>	<u>\$ 324,298</u>

013 - City Manager cont.

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 2010

- **Continue monitoring significant wastewater issues**, including governance of wastewater facilities, enhanced citizen awareness of options for the future and pursuit of the most efficient and economical use of allowed wastewater discharges.

On August 23rd, a DO TMDL implementation meeting was held with directors from the Washington Department of Ecology, Idaho Department of Environmental Quality and EPA Region 10 to providing guidance to stakeholders on the status of the process. Wastewater permits are scheduled to be issued in draft form Summer of 2010 and become final by Spring 2011. Meeting information is available at DOE's website.

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- **Pursue state funding** of a demonstration project that constructs a city hall in accordance with "living building" standards

- No progress on this goal but will carry over into 2011

013 - City Manager cont.

Goals for 2011

- **Continue monitoring wastewater issues**, including governance of wastewater facilities, and pursuit of the most efficient and economical methods to ensure the continuation of wastewater discharges licenses.
- **Reevaluate regulations** specified in the Sprague/Appleway Revitalization Plan as adopted and amended by City Council.
- **Develop a Shoreline Master Program** to provide appropriate regulatory protection for waters of statewide significance as required by state statute.
- **Pursue a legislative capital budget request** for state funding for the acquisition of parkland adjacent to the Park Road Pool.
- **Develop and implement a multi-year winter roads maintenance plan** including availability, costs and effects of private sector vendors performing winter road maintenance for the City.
- **Explore a variety of options relevant to a new City Hall**

Budget Summary

	2009 Actual	2010 Budget	2011 Proposed Budget
<u>Personnel - FTE Equivalents</u>			
City Manager	1.0	1.0	1.0
City Attorney	1.0	1.0	1.0
City Clerk	1.0	1.0	1.0
Deputy City Attorney	1.0	1.0	1.0
Deputy City Clerk	1.0	1.0	1.0
Administrative Assistant - Legal	1.0	1.0	1.0
Administrative Assistant (CC)	1.0	1.0	1.0
Administrative Assistant (CM)	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
Total FTEs	8.0	8.0	8.0
Interns	3.0	3.5	2.0
<u>Budget Detail (*)</u>			
Salaries, Wages, & Benefits	\$ 815,061	\$ 922,152	\$ 900,371
Supplies	3,907	17,400	17,400
Services & Charges	150,609	124,290	138,135
Capital Outlay	-	-	-
Interfund Charges	-	-	-
Total Executive & Legislative Support	<u>\$ 969,577</u>	<u>\$ 1,063,842</u>	<u>\$ 1,055,906</u>

016 - Public Safety

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.

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.

Budgeted contract amount: \$ 1,826,274

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.

Budgeted contract amount: \$ 17,980,558

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.

Budgeted contract amount: \$ 837,661

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.

Budgeted contract amount: \$ 311,783

Fines & Forfeitures State Remittance

Budgeted contract amount: \$ 873,000

Communications

Budgeted contract amount: \$ 273,004

Interfund Transfers

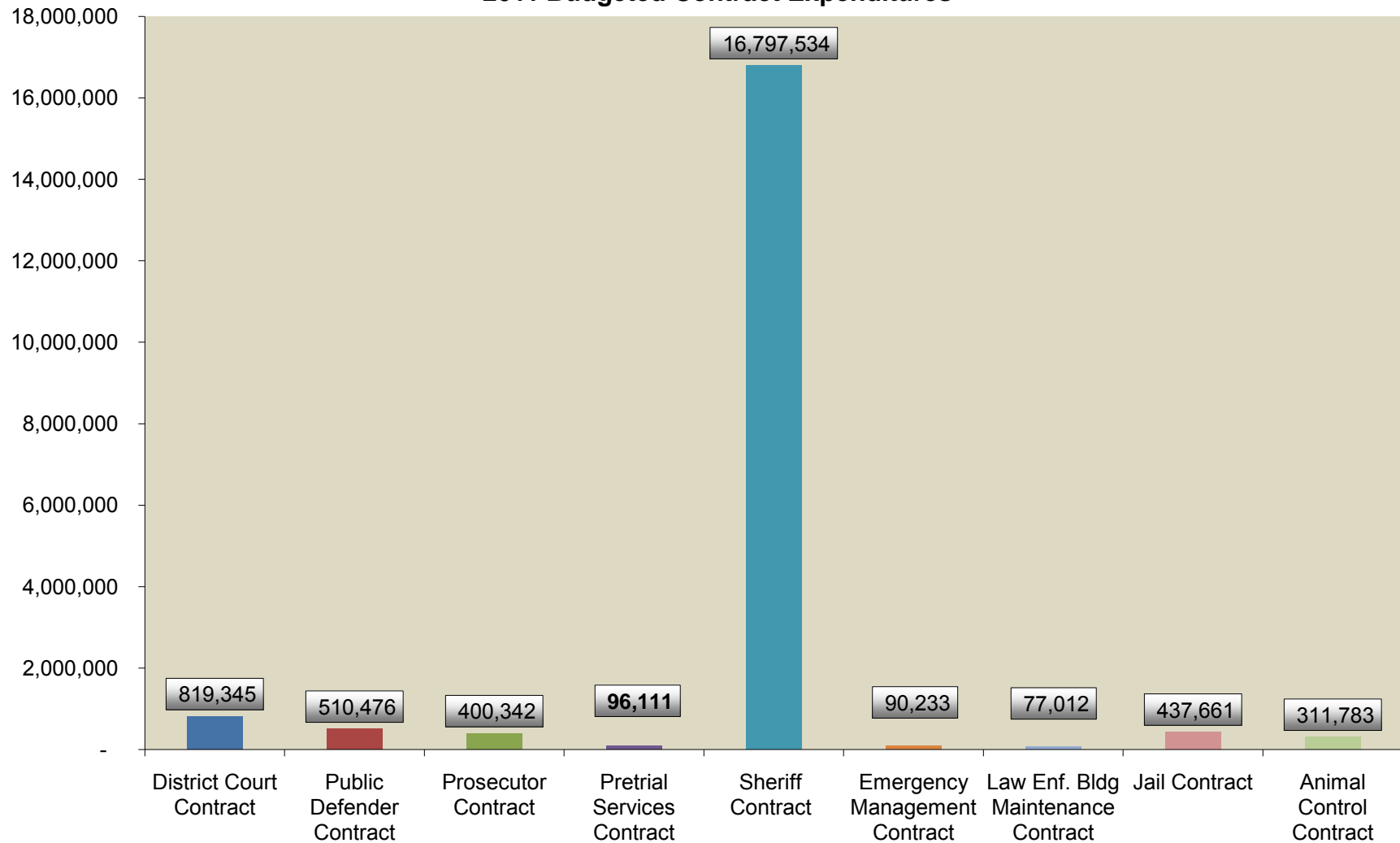
Budgeted contract amount: \$ 77,600

Total \$ 22,179,880

**City of Spokane Valley
2011 Budget
016 - Public Safety**

	2009 Actual	2010 Budget	2011 Proposed Budget
Judicial System:			
District Court Contract	899,817	982,937	819,345
Jury Management Contract	-	-	-
Intergovernmental Payments	34,367	-	-
Public Defender Contract	434,756	468,172	510,476
Prosecutor Contract	479,294	503,152	400,342
Pretrial Services Contract	61,860	69,125	96,111
Subtotal Judicial System	1,910,094	2,023,386	1,826,274
Law Enforcement System:			
Sheriff Contract	15,732,581	16,261,741	16,797,534
Emergency Management Contract	90,538	101,402	90,233
Wages & Benefits	3,560	-	-
Operating Supplies	1,496	5,000	2,425
Repair & Maintenance. Supplies	1,954	5,000	2,425
Gas, Oil, & Tires	405	-	-
Small Tools & Minor Equipment	-	2,000	970
Electricity/Gas	31,736	32,000	33,213
Water	3,118	2,400	2,491
Sewer	669	800	830
Waste Disposal	3,423	2,800	2,906
Copier Maintenance	-	500	519
Law Enf. Bldg Maintenance Contract	15,239	74,200	77,012
Contingency	38,849	1,000,000	970,000
Crywolf Charges & Fees	296	-	-
ICMA Consultant Srvs	88,820	-	-
Subtotal Law Enforcement System:	16,012,684	17,487,843	17,980,558
Jail System:			
Jail Contract	428,145	400,000	437,661
Jail - Geiger Corrections Center	509,490	500,000	400,000
Subtotal Jail System:	937,635	900,000	837,661
Other:			
Capital Outlays/Communications	258,515	320,119	273,004
Fines & Forfeitures State Remittance	964,841	900,000	873,000
Animal Control Contract	335,537	350,920	311,783
Equip. Purchased w JAG Funds	13,101		
Building & Structures	24,005		
Building Replacement Costs	-	80,000	77,600
IF Transfer:Civic Facil. Replacement	80,000	-	-
Subtotal Other:	1,675,998	1,651,039	1,535,387
Total Public Safety	20,536,411	22,062,268	22,179,880

**City of Spokane Valley
2011 Budgeted Contract Expenditures**



018 - Operations & Administrative Services

The Operations & Administrative Services Department is composed of three divisions, the Deputy City Manager Division, the Finance Division, and the Human Resources Division. As of 2007, the Legal Division costs will be included in the Executive and Legislative Support Division.

018.013 - Deputy City Manager Division

The Deputy City Manager (DCM) supervises the Operations & Administrative Services Department, assists the City Manager in organizing and directing the other operations of the City and assumes the duties of the City Manager in his/her absence.

Accomplishments for 2010

- Facilitated transition to new Council
- Increased communication with citizens
- Facilitated a day-long Budget workshop
- Negotiated and executed new Law Enforcement Interlocal Agreement with Spokane County and Spokane County Sheriff
- Drafted comparative analysis of City services
- Completed revenue analysis
- Negotiated new jail contract
- Established and implemented plan for public, educational and governmental broadcasting
- Launched new website with expanded information, online customer service features, and improved usability
- Drafted comprehensive citywide communications plan
- Gained local, regional and national media exposure for Discovery Playground resulting in usage by hundreds of visitors each day

Fund: 001

Dept: 018

**General Fund
Operations & Administrative Services**

Spokane Valley

2011 Budget

018.013- Deputy City Manager Division cont.**Goals for 2011**

- Draft and implement a comprehensive Public Information Plan
- Provide media training for authorized spokespersons
- Explore opportunities for economic development
- Involve all departments in implementation of a citywide comprehensive customer service request and communications plan
- Help complete contract and purchasing procedures
- Propose service contract amendments to ease administration and allow control of costs
- Conduct biannual community survey
- Develop social media policy and train key staff toward implementation

Budget Summary

	2009 Actual	2010 Budget	2011 Proposed Budget
<u>Personnel - FTE Equivalents</u>			
Deputy City Manager	1.0	1.0	1.0
Senior Administrative Analyst	1.0	1.0	1.0
Public Information Officer	1.0	1.0	1.0
Administrative Analyst	1.0	1.0	1.0
Administrative Assistant	2.0	1.0	0.0
Office Assistant I	1.0	1.0	1.0
Office Assistant II	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
Total FTEs	8.0	7.0	6.0
Intern	1.0	1.0	1.0
<u>Budget Detail</u>			
Salaries, Wages, & Benefits	\$ 521,980	\$ 547,874	\$ 507,410
Supplies	2,134	6,000	2,800
Services & Charges	18,041	66,700	49,730
Capital Outlay	-	-	-
Interfund Charges	<u>32,500</u>	<u>-</u>	<u>-</u>
Total Deputy City Manager Division	<u>\$ 574,655</u>	<u>\$ 620,574</u>	<u>\$ 559,940</u>

Fund: 001
Dept: 018

General Fund
Operations & Administrative Services

Spokane Valley
2011 Budget

018.014 - Finance Division

The Finance Division provides financial management services for all City departments. Programs include accounting and reporting, payroll, accounts payable, purchasing, budgeting and financial planning, treasury, information technology and investments. The division is also responsible for generating and analyzing data related to the City's operations. The department prepares monthly, quarterly, and annual financial reports and budgets to ensure compliance with state laws.

Accomplishments for 2010

- Implemented additional State Auditor suggestions
- Considered Washington Cities Insurance Authority suggestions
- Improved financial statement process and accuracy
- Considered enhanced accounts receivable system to include code enforcement liens attached to parcels

Goals for 2011

- Consider 2010 audit recommendations
- Improve financial statement process & accuracy
- Fine-tune code enforcement liens as a segment of accounts receivable system
- Review WA. Cities Ins. Authority suggestions

Budget Summary

	2009 Actual	2010 Budget	2011 Proposed Budget
<u>Personnel - FTE Equivalents</u>			
Finance & Admin Services Director	1.0	1.0	1.0
Financial Report Specialist	0.0	1.0	0.0
Accounting Manager	1.0	1.0	1.0
Accountant/Budget Analyst	3.0	3.0	4.0
Accounting Technician	1.0	3.0	2.0
IT Specialist	2.0	2.0	2.0
GIS/Database Administrator	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
Total FTEs	9.0	12.0	11.0
Intern	1.0	1.0	1.0
<u>Budget Detail</u>			
Salaries, Wages, & Benefits	\$ 758,665	\$ 966,473	\$ 944,992
Supplies	4,543	11,000	6,700
Services & Charges	48,418	45,900	62,650
Capital Outlay	-	-	-
Interfund Charges	-	-	-
Total Finance Division	<u>\$ 811,626</u>	<u>\$ 1,023,373</u>	<u>\$ 1,014,342</u>

Fund: 001
Dept: 018

General Fund
Operations & Administrative Services

Spokane Valley
2011 Budget

018.016 - Human Resources Division

Human Resources (HR) is administered through the Deputy City Manager (DCM). The HR operation provides services in compensation, benefits, training and organizational development, staffing, employee relations, and communications.

Accomplishments for 2010

- Implemented HR section of City Intranet
- Implemented Collective Bargaining Agreement
- Developed and implemented Employee Training Guidelines
- Planned for and implemented required steps to achieve the AWC WellCity Award
- Prepared for the 2010 WCIA Personnel Audit and Implement Required Changes
- Assumed additional responsibilities in Risk Management and ADA Coordination

Goals for 2011

- Provide support for the City's ADA Self Evaluation and Plan
- Evaluate the City's Unemployment and Labor and Industries programs to reduce labor costs
- Provide City-Wide safety related training as identified in the Accident Prevention Program
- Implement an On-Line Employment Application Process for the City

Budget Summary

	<u>2009 Actual</u>	<u>2010 Budget</u>	<u>2011 Proposed Budget</u>
<u>Personnel - FTE Equivalents</u>			
Human Resource Manager	1.0	1.0	1.0
Human Resources Technician	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
Total FTEs	2.0	2.0	2.0
<u>Budget Detail</u>			
Salaries, Wages, & Benefits	\$ 166,074	\$ 180,835	\$ 182,500
Supplies	1,229	3,500	1,967
Services & Charges	12,660	64,100	52,179
Capital Outlay	-	-	-
Interfund Charges	<u>-</u>	<u>-</u>	<u>-</u>
Total Human Resources Division	<u>\$ 179,963</u>	<u>\$ 248,435</u>	<u>\$ 236,646</u>

Fund: 001
Dept: 032

General Fund
Public Works

Spokane Valley
2011 Budget

032 - Public Works

The Public Works Department provides overall planning and oversight of public works projects in the City of Spokane Valley. The department provides engineering plan review, inspection, coordination of major Public Works Capital Improvement Projects, long-range transportation planning and neighborhood traffic management. The Public Works Street Maintenance Section is responsible for maintenance of streets.

Accomplishments for 2010

- Designed and constructed funded capital projects.
- Developed the 2011-2016 Six Year Transportation Improvement Plan.
- Submitted grants for various capital projects
- Worked with the County and DOE on final phases of TMDL

Goals for 2011

- Implement approved capital projects.
- Provide planning for development of update Transportation Improvement Plan.
- Prepare and submit grant applications for capital projects.

Budget Summary

	2009 Actual	2010 Budget	2011 Proposed Budget
<u>Personnel - FTE Equivalents</u>			
Public Works Director	1.0	1.0	1.0
Administrative Assistant	2.0	2.0	2.0
Senior Engineer (CIP)	1.0	1.0	1.0
Senior Engineer	2.0	2.0	2.0
Assistant Engineer (CIP)	1.0	1.0	1.0
Limited Term Construction Inspector-Bridge	0.0	1.0	1.0
Maint./Construction Inspector (ROW)	1.0	0.0	0.0
Engineering Technician I	1.0	1.0	1.0
Engineering Technician II	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>
Total FTEs	11.0	11.0	11.0
<u>Budget Detail</u>			
Salaries, Wages, & Benefits	\$ 590,131	\$ 696,230	\$ 705,554
Supplies	11,424	50,988	52,108
Services & Charges	70,715	143,455	134,955
Intergovernmental Payments	-	-	-
Capital Outlay	-	3,120	-
Interfund Charges	-	-	-
Total Public Works	<u>\$ 672,270</u>	<u>\$ 893,793</u>	<u>\$ 892,617</u>

Fund: 001
Dept: 058

General Fund
Community Development - Administrative

Spokane Valley
2011 Budget

Administrative Division

The Administrative Division provides overall management and oversight of the Community Development Department including the permitting operation, long-range planning, development engineering, and code compliance and provides staff support through administration of the department's budget, provides administrative support and department training.

Accomplishments for 2010

- Continued to provide department wide training to facilitate teamwork and efficiency.
- Provided staff support to the Planning Commission.

Goals for 2011

- Prepare and implement customer service training program
- Cross train admin staff to cover Planning Commission
- Keep department website pages up-to-date
- Continue to archive old files

Budget Summary

	2009 Actual	2010 Budget	2011 Proposed Budget
<u>Personnel - FTE Equivalents</u>			
Community Development Director	1.0	1.0	1.0
Administrative Assistant	1.0	1.0	1.0
Office Assistant I	<u>1.0</u>	<u>0.5</u>	<u>1.0</u>
Total FTEs	3.0	2.5	3.0
<u>Budget Detail</u>			
Salaries, Wages, & Benefits	272,123	282,145	279,534
Supplies	3,374	4,100	4,256
Services & Charges	3,236	21,960	22,259
Intergovernmental Payments	26,937	15,000	15,000
Capital Outlay	-	-	-
Interfund Charges	-	-	-
Total Building Division	<u>\$ 305,670</u>	<u>\$ 323,205</u>	<u>\$ 321,049</u>

Fund: 001

Dept: 058

General Fund

Community Development - Dev. Engineering

Spokane Valley

2011 Budget

Community Development**Engineering Division**

Development Engineering provides the review and inspection for stormwater, access management and other public works improvements in development applications and provide policy recommendations for public works issues.

Accomplishments for 2010

- Completed sidewalk priority plan
- Cross train within division to increase knowledge base and provide better staff coverage.
- Implemented the public education piece of the adoption of new street standards.
- Completed Local Access Street Connection map

Goals for 2011

- Complete Forker Draw floodplain restudy
- Develop revised hydrology for the Glenrose Creek floodplain
- Complete review of acquired right-of-way and border easement documents and develop GIS layer to graphically display the acquisitions.

Budget Summary

	<u>2009 Actual</u>	<u>2010 Budget</u>	<u>2011 Proposed Budget</u>
<u>Personnel - FTE Equivalents</u>			
Senior Engineer	1.0	1.0	1.0
Engineer	3.0	1.5	1.5
Assistant Engineer	2.0	1.0	0.0
Engineering Technician	2.0	2.5	1.5
Construction Inspector	0.0	1.0	1.0
Office Assistant I	<u>3.0</u>	<u>1.0</u>	<u>1.0</u>
Total FTEs	11.0	8.00	6.00
<u>Budget Detail</u>			
Salaries, Wages, & Benefits	\$ 503,640	\$ 668,219	\$ 544,990
Supplies	8,403	8,000	8,304
Services & Charges	66,700	70,500	71,276
Intergovernmental Payments	82,504	45,000	45,000
Capital Outlay	1,966	-	-
Interfund Charges	-	-	-
Total Building Division	<u>\$ 663,213</u>	<u>\$ 791,719</u>	<u>\$ 669,570</u>

Community Development

Planning Division

The Planning Division is responsible for providing professional policy guidance on land use issues to the City Council and Planning Commission. Planning staff participate at a regional level on issues such as annexations, growth targets, water quality, etc. It is also responsible for processing land use permits, reviewing environmentally sensitive areas, administering the State Environmental Protection Act and reviewing home occupation licenses.

Accomplishments for 2010

- Worked on revisions to the Sprague/Appleway Subarea Plan per City Council direction.
- Planned Action Ordinance for the City Center - On hold .
Waiting for Council direction
- Worked with regional staff on Urban Growth Area Boundaries and complete Joint Planning Agreements.
- Began the Shoreline Master Program update.
- Began the Bike and Pedestrian Master Plan.
- Completed the annexation process forms for the City of Spokane Valley in Spokane County.
- Began the ADA Inventory and Plan.
- 2010 Annual Comprehensive Plan amendments

Goals for 2011

- Complete the Shoreline Master Program update
- Complete the Bike and Pedestrian Master Plan
- Complete 2011 Comprehensive Plan updates - including a review of the intent of the Sprague and Appleway Subarea Plan
- Complete the regional UGA update process in conjunction with Spokane County and other jurisdictions
- Complete the ADA Inventory and Plan

Fund: 001	General Fund	Spokane Valley
Dept: 058&059	Community Development - Planning Division	2011 Budget

Community Development Services - Planning Division

Budget Summary

	2009 Actual	2010 Budget	2011 Proposed Budget
<u>Personnel - FTE Equivalents</u>			
Senior Planner	2.0	2.0	2.0
Planning Manager	1.0	1.0	1.0
Associate Planner	2.0	2.0	2.0
Assistant Planner	3.0	3.0	2.5
Planning Technician	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
Total FTEs	9.0	9.0	8.5
<u>Budget Detail</u>			
Salaries, Wages, & Benefits	\$ 763,131	\$ 799,406	\$ 796,685
Supplies	12,985	10,200	10,588
Services & Charges	200,000	239,600	141,100
Intergovernmental Services	50,344	75,000	75,000
Capital Outlay	-	-	-
Interfund Charges	<u>-</u>	<u>-</u>	<u>-</u>
Total Planning Division	<u>\$ 1,026,460</u>	<u>\$ 1,124,206</u>	<u>\$ 1,023,373</u>

Fund: 001
Dept: 058

General Fund
Community Development - Building Division

Spokane Valley
2011 Budget

Community Development

Building Division

The Building Division implements the Washington State Building Code. It is responsible for ensuring that buildings and structures comply with adopted building codes through technical plan review and inspection services. The Permit Center receives applications and coordinates the review and processing of permits. Code compliance staff enforce zoning and building regulations on a complaint-driven basis. ROW inspection program provides inspection services to assure the compliance with the RPCP and the durability and safety of work done in the public ROW.

Accomplishments for 2010

- Worked to finalize cross connection control inter-local agreements
- Began survey of City sidewalks and facilities for compliance with ADA
- Reviewed and implemented the State Building Code
- Completed major abatements, brought 262 properties into compliance (half yr)
- Reviewed, issued and inspected 2198 (half yr) permits

Goals for 2011

- Complete cross-connection inter-local agreement with all water districts serving the City complete survey of City ROW for ADA compliance
- Evaluate and adjust permitting processes for maximum efficiency and effectiveness
- Complete one abatement not funded in 2010
- Identify and implement regional partnering opportunities with Spokane and Spokane County
- Work with local builders and building departments to influence state processes impacting the construction sector

Budget Summary

	2009 Actual	2010 Budget	2011 Proposed Budget
<u>Personnel - FTE Equivalents</u>			
Building Official	1.0	1.0	1.0
Building Inspector II	3.0	4.0	3.0
Code Enforcement Officer BP	2.0	2.0	2.0
Construction Inspector	2.0	1.0	0.0
Senior Permit Specialist	1.0	1.0	1.0
Permit Specialist	3.0	2.0	2.0
Senior Plans Examiner	1.0	1.0	1.0
Plans Examiner	0.0	0.75	0.75
Maint/Const Inspector (ROW)	2.0	1.0	1.0
Office Assistant II	0.0	1.0	1.0
Total FTEs	15.0	14.75	12.75

Budget Detail

Salaries, Wages, & Benefits	\$ 952,045	\$ 1,100,070	\$ 999,983
Supplies	24,213	39,000	40,479
Services & Charges	40,172	98,650	101,441
Intergovernmental Payments	42,275	65,000	65,000
Capital Outlay	-	-	-
Interfund Charges	-	4,000	8,400
Total Building Division	<u>\$ 1,058,705</u>	<u>\$ 1,306,720</u>	<u>\$ 1,215,303</u>

*

Fund: 001
Dept: 076

**General Fund
Parks & Recreation**

**Spokane Valley
2011 Budget**

076 - Parks & Recreation

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

000 - Parks Administration & Maintenance 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 2010

- Completed construction of Discovery Playground.
- Completed design for Greenacres Park
- Implemented new customer reservation software program
- Developed maintenance agreement to add Discovery Playground to existing contract
- Began working with State Parks on revised Centennial Trail maintenance agreement

Goals for 2011

- Complete construction of Greenacres Park
- Construct new picnic shelter at Terrace View Park
- Renovate turf & irrigation at south Mirabeau Point Park
- Begin development of a dog park
- Develop and finalize Centennial Trail maintenance agreement

Budget Summary

	2009 Actual	2010 Budget	2011 Proposed Budget
<u>Personnel - FTE Equivalents</u>			
Parks & Recreation Director	1.0	1.0	1.0
Administrative Assistant	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
Total FTEs	2.0	2.0	2.0
<u>Budget Detail</u>			
Salaries, Wages, & Benefits	\$ 172,408	\$ 180,704	\$ 199,420
Supplies	7,877	62,000	59,100
Services & Charges	710,771	731,652	677,250
Intergovernmental Services	8,796	10,000	10,000
Capital Outlay	-	-	-
Interfund Charges	<u>-</u>	<u>3,200</u>	<u>3,200</u>
Total Parks Administration	<u>\$ 899,852</u>	<u>\$ 987,556</u>	<u>\$ 948,970</u>

301 - Recreation Division

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

Accomplishments for 2010

- Continued to provide Recreation Programs for a variety of ages
- Developed Recreation Programming interlocal agreement with City of Spokane and Spokane County
- Hosted Environmental Special Event "Spring into Action" at Valley Mission Park
- Facilitated developed of new Parks & Recreation website
- Expanded program marketing
- Developed partnerships with surrounding school districts to promote student volunteerism with our Department

Goals for 2011

- Expand program marketing to social media sites
- Increase partner programs with Liberty Lake, Spokane County and the City of Spokane
- Hold a summer theatre camp
- Solicit sponsorships for the summer outdoor movies

Budget Summary

	<u>2009 Actual</u>	<u>2010 Budget</u>	<u>2011 Proposed Budget</u>
<u>Personnel - FTE Equivalents</u>			
Recreation Coordinator	1.0	1.0	1.0
<u>Budget Detail</u>			
Salaries, Wages, & Benefits	129,226	\$ 132,452	\$ 145,365
Supplies	4,177	11,490	10,943
Services & Charges	41,909	86,352	82,720
Interfund Charges	5,906	7,552	7,600
Capital Outlay	-	-	-
Total Recreation Division	<u>\$ 181,218</u>	<u>\$ 237,846</u>	<u>\$ 246,628</u>

Fund: 001
Dept: 076

**General Fund
Parks & Recreation**

**Spokane Valley
2011 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 2010

- Worked with the "Make a Splash" campaign to increase scholarship funding
- Developed rental package for swimming pools

Goals for 2011

- Continue to seek increased funding for scholarships for open swim and swimming lessons
- Maintain full summer swimming program

Budget Summary

	2009 Actual	2010 Budget	2011 Proposed Budget
<u>Budget Detail</u>			
Supplies	\$ 837	\$ 500	\$ 3,000
Services & Charges	351,681	422,050	426,250
Intergovernmental Services	-	-	-
	<u>\$ 352,518</u>	<u>\$ 422,550</u>	<u>\$ 429,250</u>
Total Aquatics Division			

Fund: 001
Dept: 076

General Fund
Parks & Recreation

Spokane Valley
2011 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 2010

- Continued to enhance resource and referral information for seniors in the community by hosting a resource fair in March
- Expanded the use of the Wellness Center
- Continued to be a host agency for WSU Nursing students who offer health screenings

Goals for 2011

- Offer resource and referral Fair to provide information to the senior population
- Provide training options for front desk volunteers
- Offer day bus trips in conjunction with area senior centers
- Advertise and offer activities and trips through other senior centers
- Continue to work with the Board of Directors regarding their training and educational opportunities

Budget Summary

	<u>2009 Actual</u>	<u>2010 Budget</u>	<u>2011 Proposed Budget</u>
<u>Personnel - FTE Equivalents</u>			
Senior Center Specialist	1.0	1.0	1.0
<u>Budget Detail</u>			
Salaries, Wages, & Benefits	\$ 65,769	\$ 69,903	\$ 74,953
Supplies	2,615	6,600	5,100
Services & Charges	6,519	8,300	9,600
Capital Outlay	-	700	-
Total Senior Center Division	<u>\$ 74,903</u>	<u>\$ 85,503</u>	<u>\$ 89,653</u>

305 - CenterPlace Division

Construction of Mirabeau Point CenterPlace began in late 2003, and was completed mid-year 2005. The project represents 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 Northeast Washington and Northern Idaho.

Accomplishments for 2010

- Created outside facilities for wedding packages which included a wedding gazebo and courtyard area outside the Great room
- Continued to develop relationship with Spokane Regional Convention and Visitors Bureau and local hotels and motels to assist in meeting tourism objectives
- Entered into a nonexclusive food services contact with Red Rock catering in order to become full service for our corporate customers

Goal for 2011

- Create an updated marketing plan for the next five years. This marketing plan will help create name recognition for CenterPlace and develop more corporate reservations
- Develop a list of meeting planners to promote CenterPlace through target marketing
- Utilize CenterPlace marketing materials to promote tourism to Spokane Valley

Budget Summary

	<u>2009 Actual</u>	<u>2010 Budget</u>	<u>2011 Proposed Budget</u>
<u>Personnel - FTE Equivalents</u>			
Customer Relations/Facilities Coordinator	1.0	1.0	1.0
Administrative Assistant	2.0	2.0	2.0
Custodian	0.0	2.0	0.0
Maintenance Worker	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>
Total FTEs	5.0	7.0	5.0
<u>Budget Detail</u>			
Salaries, Wages, & Benefits	\$ 323,573	\$ 358,575	\$ 367,082
Supplies	58,853	90,540	70,952
Services & Charges	394,488	389,463	336,877
Interfund Charges	<u>358,911</u>	<u>354,000</u>	<u>324,000</u>
Total CenterPlace Division	<u>\$ 1,135,826</u>	<u>\$ 1,192,578</u>	<u>\$ 1,098,911</u>

Fund: 001
Dept 090

General Fund
General Government

Spokane Valley
2011 Budget

090 - General Government

The General Government Department comprises activities that encompass services to multiple departments. Included in this department are the costs of City Hall and related utilities, management information services, insurance costs, miscellaneous city intergovernmental costs and capital equipment costs that benefit more than one department, and outside agency funding. Outside agencies provide needed public services on behalf of the City. The outside agencies must provide an annual report of how the money was spent.

Budget Summary

	2009 Actual	2010 Budget	2011 Budget
<u>Budget Detail</u>			
<i>General Citywide Costs</i>			
Accounting & Audit Services	\$ 90,135	\$ 130,000	\$ 95,000
Advertising	-	30,000	-
Merchant Charges (Bankcard Fees)	24,707	-	25,000
Business Registrations	-	5,000	-
Copier	25,907	40,000	20,000
Economic Development - Site Selector	-	15,000	15,000
Election Costs	26,843	80,000	30,000
Employee Recognition Safety & Bicycle Safety	5,447	10,000	8,000
Equipment Repair & Maintenance	-	5,000	30,000
Gas, Oil, & Tires	-	4,000	-
General Operating Leases: Computers	26,159	33,000	60,000
IT Support - Network	152,239	100,000	160,000
Miscellaneous	29,442	20,000	15,000
Office and Operating Supplies	20,687	15,000	20,000
Office Supplies	-	11,000	-
Other Governmental Services	1,520	-	5,000
Postage	18,886	18,000	20,000
Printing and Binding	1,632	7,500	5,000
Registrations	1,135	-	2,000
Small Tools and Minor Equipment	-	60,000	-
Software Licenses and Maintenance	98,753	44,500	100,000
Telephone/DSL Charges	21,985	45,000	25,000
Vehicle Rental	10,106	10,000	12,000
Taxes & assessments	6,589	-	7,000
Cry Wolf	-	-	20,000
Web Site Services	-	10,000	-
<i>Interfund</i>			
Interfund Risk Management Payment	230,000	275,000	319,000
Interfund Loan to Street Fund (winter weather reserve)	355,000	-	-
Interfund Transfer to Street Capital 2011+	-	-	500,000
Interfund Transfer to full paveback-Fund 303	-	-	1,500,000
Interfund Transfer to Parks Capital Fund	123,000	100,000	100,000
<i>Facilities</i>			
Facility Repairs & Maintenance	960	5,000	5,000
Computer Software/Hardware	-	100,000	-
Computer Software/Hardware Replacement	-	-	-
Office Furniture & Equipment	72,884	25,000	65,000
Energy Conservation Improvement	-	111,350	50,000
ADA Inventory	-	50,000	-
City Hall Leasing Costs:			
City Hall Rent	451,268	462,000	465,000
Leasehold Improvements	-	12,000	-

Fund: 001	General Fund		Spokane Valley
Dept 090	General Government		2011 Budget
090 - General Government			
<u>Budget Summary - continued</u>			
Outside Services			
Alcohol Treatment	21,003	26,000	23,000
City Economic Development	1,625	10,000	3,000
Community Survey	-	10,000	-
Memberships - SRTC	-	34,300	-
Records Management	93,624	300,000	100,000
Requests from Outside Agencies-Economic Development	100,580	80,000	114,000
Requests from Outside Agencies-Social Services	42,074	62,500	45,000
Spokane County Air Pollution Authority	115,998	120,000	117,000
Voter Registrations	61,171	60,000	62,000
Contingency & Reserves			
Reserve for Revenue Adjustments	-	192,000	-
Estimated Ending Fund Balance	- *	-	-
Transfer - Capital Projects	-	-	-
Broadcasting Council meetings	-	-	46,000
PERS Set Aside	-	-	100,000
Contingency	-	500,000	330,750
	<u>\$ 2,231,359</u>	<u>\$ 3,228,150</u>	<u>\$ 4,618,750</u>

* Estimated ending balance of \$18,599,813 was removed from 2010 budget

Fund: 101
Dept: 042

Street Fund

Spokane Valley
2011 Budget

101 - Street Fund

The Street Operating Program is established to provide 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.

The transportation networks, under this program, are designed, constructed, and maintained to improve the quality of life while providing the efficient movement of commerce.

Accomplishments for 2010

- Updated the 2009 Street Master Plan.
- Optimized traffic signals on selected corridors .
- Applied for grants and work with various schools to install flashing beacons at crosswalks.
- Renewed Contracts with private contractors for street maintenance services.
- Developed and implemented a Bridge Maintenance program.
- Completed LED traffic signal upgrades supported by funds from Federal Energy Efficiency and Conservation Block Grant Program.
- Implemented an emergency winter operations program for snow and ice removal.

Goals for 2011

- Update the 2010 Street Master Plan.
- Optimize traffic signals on selected corridors .
- Apply for grants and work with various schools to install flashing beacons at crosswalks.
- Renew Contracts with private contractors for street maintenance services.
- Continue with the development and implementation of a winter operations program.

Budget Summary

	2009 Actual	2010 Budget	2011 Proposed Budget
<u>Personnel - FTE Equivalents</u>			
Senior Engineer - Traffic	1.0	1.0	1.0
Public Works Superintendent	1.0	1.0	1.0
Maintenance/Construction Inspector	1.0	1.0	1.5
Assistant Engineer - Traffic/Planning	1.0	2.0	1.0
Senior Engineer (Planning/Grants)	<u>0.4</u>	<u>0.0</u>	<u>0.0</u>
Total FTEs	4.4	5.0	4.5
<u>Budget Detail</u>			
Salaries, Wages, & Benefits	\$ 349,813	\$ 455,868	\$ 433,931
Supplies	45,939	69,200	72,200
Services & Charges	2,411,807	3,670,792	3,805,792
Capital Outlay	203,405	762,050	45,000
Intergovernmental Payments	188,479	947,000	947,000
Interfund Charges and End Fund Bal	<u>1,713,420</u>	<u>1,494,140</u>	<u>79,404</u>
Total Street Fund	<u>\$ 4,912,863</u>	<u>* \$ 7,399,050</u>	<u>\$ 5,383,327</u>

* Ending fund balance was added to this page.

Fund: 103
Dept: 103

Trails & Paths Fund

Spokane Valley
2011 Budget

103 - Trails & Paths Fund

The Trails & Paths Fund accounts for the receipt and expenditure of the State-Levied Motor Vehicle Fuel Tax distributed to the City in accordance with State RCW 47.30.050. These revenues originate from .42% of Motor Vehicle Fuel Tax attributable to Street Maintenance. These funds are restricted for constructing new trails and paths throughout the City.

\$20,000

Fund: 105
Dept: 105

Hotel/Motel Fund

Spokane Valley
2011 Budget

105 - Hotel/Motel Fund

The Hotel/Motel Fund accounts for the receipt and expenditure of a special excise tax of two percent 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 tourist promotion, acquisition or operation of tourism-related facilities, and marketing of special events and festivals designed to attract tourists.

Budget Summary

	<u>2009 Actual</u>	<u>2010 Budget</u>	<u>2011 Proposed Budget</u>
<u>Budget Detail</u>			
Tourism Promotion	\$ 462,165	\$ 380,000	\$ 500,000
Interfund Transfers	-	20,000	-
Total Hotel/Motel Fund	<u>\$ 462,165</u>	<u>\$ 400,000</u>	<u>\$ 500,000</u>

Fund: 120
Dept: 120

CenterPlace Operating Reserve Fund

Spokane Valley
2011 Budget

120 - CenterPlace Operating Reserve Fund

The CenterPlace Operating Reserve Fund was established to provide an emergency revenue source for the recently completed facility.

Budget Summary

	<u>2009 Actual</u>	<u>2010 Budget</u>	<u>2011 Budget</u>
<u>Budget Detail</u>			
Reserve for CenterPlace Operations	<u>\$ -</u>	<u>\$ 350,000</u>	<u>\$ -</u>

Fund: 121
Dept: 121

Service Level Stabilization Reserve Fund

Spokane Valley
2011 Budget

121 - Service Level Stabilization Reserve Fund

The Service Level Stabilization Reserve Fund was established to provide an emergency revenue source to maintain service levels in the event of a downturn in the local economy.

Budget Summary

	<u>2009 Actual</u>	<u>2010 Budget</u>	<u>2011 Budget</u>
<u>Budget Detail</u>			
Reserve For Service Level Stabilization	<u>\$ -</u>	<u>\$ 5,400,000</u>	<u>\$ -</u>

Fund: 122
Dept: 122

Winter Weather Reserve Fund

Spokane Valley
2011 Budget

122 - Winter Weather Reserve Fund

The Winter Weather Reserve Fund was established to provide emergency services during an unusually harsh winter. Loan from General Fund, repaid from Street Fund.

Budget Summary

	<u>2009 Actual</u>	<u>2010 Budget</u>	<u>2011 Proposed Budget</u>
<u>Budget Detail</u>			
Reserve for Winter Weather	<u>\$ -</u>	<u>\$ 505,000</u>	<u>\$ 505,000</u>

Fund: 123
Dept: 122

Civic Facility Replacement Fund

Spokane Valley
2011 Budget

123 - Civic Facility Replacement Fund

This fund was created to collect dollars for the eventual replacement of CenterPlace and the Police Precinct Building on E. Sprague.

Budget Summary

	<u>2009 Actual</u>	<u>2010 Budget</u>	<u>2011 Proposed Budget</u>
<u>Budget Detail</u>			
Reserve for Facility Replacement	<u>\$ -</u>	<u>\$ 1,240,000</u>	<u>\$ -</u>

Fund: 204
Dept: 204

Limited Tax General Obligation - Debt Service Fund

Spokane Valley
2011 Budget

204 - Limited Tax General Obligation - Debt Service Fund

The LTGO - Debt Service Fund collects and distributes monies received and paid for long-term debt obligations. Revenue to this fund consists of money received from the Public Facility District and City revenue, which will be used to pay annual debt obligations on outstanding bonds.

Budget Summary

	<u>2009 Actual</u>	<u>2010 Budget</u>	<u>2011 Proposed Budget</u>
<u>Budget Detail</u>			
Debt Service on Mirabeau Bonds	\$ 419,824	\$ 440,000	\$ 460,000
Debt Service on Street Bonds	<u>186,253</u>	<u>210,000</u>	<u>225,000</u>
Total Debt Service Fund	<u>\$ 606,077</u>	<u>\$ 650,000</u>	<u>\$ 685,000</u>

301/302 - Capital Projects & Special Capital Projects Funds

These funds account for the collection and expenditure of the real estate excise tax levied on all sales of real estate. The tax is levied in two phases of a quarter of a percent each.

The first quarter percent of the real estate excise tax (REET 1) must be spent on capital improvements identified in a capital improvements plan. This REET 1 tax is accounted for in the Capital Projects Fund 301.

The second quarter percent (REET 2) may only be levied by cities that are planning under the Growth Management Act. These funds must be used for a capital project.

The REET 2 tax is accounted for in the Special Capital Projects Fund 302.

Revenues accumulated in these funds will be used as matching funds for construction projects and will be transferred to other Capital Project Funds.

Budget Summary

	<u>2009 Actual</u>	<u>2010 Budget</u>	<u>2011 Proposed Budget</u>
<u>301 - Capital Projects Fund</u>			
Transfer to Capital Grants Projects (303)	\$ 1,001,137	\$ 1,843,000	\$ 901,095
Transfer to Debt Service (204)	101,533	105,000	112,500
Transfer to Parks (309)	-	-	-
Transfer to Capital Grants (307)	-	-	-
Transfer to Barker Bridge Fund (308)	-	-	-
Total Capital Projects Fund	<u>\$ 1,102,670</u>	<u>\$ 1,948,000</u>	<u>\$ 1,013,595</u>
<u>302 - Special Capital Projects Fund</u>			
Transfer to Capital Grants Fund (307)	\$ -	\$ 68,000	\$ 11,176
Transfer to Barker Bridge Fund	-	239,000	-
Transfer to Street Capital Projects (303)	985,625	200,000	897,393
Transfer to Debt Service (204)	114,264	105,000	112,500
Total Special Capital Projects Fund	<u>\$ 1,099,889</u>	<u>\$ 612,000</u>	<u>\$ 1,021,069</u>

303 - Street Capital Projects Fund

The Street Capital Projects Fund accounts for monies used to finance the 6-year Transportation Improvement Plan. Revenues are transfers from the Capital Projects Fund, Special Capital Projects Fund, and the Stormwater Fund. Expenditures are often for matching funds for Transportation Improvement Board and other grants.

Budget Summary

	2009 Actual	2010 Budget	2011 Proposed Budget
<u>Budget Detail</u>			
<i>Road Design & Construction Projects</i>			
16th Avenue - Project 2	\$ 13,885	\$ -	\$ -
24th Ave - Sullivan to 22nd	8,461	-	-
Argonne Road - I90 to Trent	797	576,000	581,886
Broadway Ave Rehabilitation Proj # 2	637,149	-	-
Broadway @ Argonne & Mullan PCC, (PE, RV)	-	-	271,000
Broadway Avenue Safety Project Pines- Park	857	834,000	834,000
Broadway/Sullivan Intersection PCC	39,555	1,230,000	-
STEP Projects	2,877,287	300,000	1,900,000
Evergreen /Sprague Intersection PCC	700,613	-	-
Indiana /Sullivan Intersection PCC	3,262	1,342,000	1,171,200
Indiana Avenue Extension - 3600' e/o Sullivar	61,641	1,874,000	200,000
Mission-Flora to Barker PE	-	-	488,000
Park Road - #2 - 8th to Appleway	39,743	-	-
Park Road - #2 (PE Only) - Broadway to India	123,639	246,000	35,000
Pines (SR27) ITS Improvement SRTC 06-26	841	-	1,843,221
Pines/Mansfield, Wilbur Rd. to Pines	1,581,541	-	450,000
Pines/Sprague Intersection PCC	881,570	-	-
Rockwell II	234,681	-	-
Sprague Resurface - E'green to Sull. ADA	56,021	1,944,000	-
Sprague Resurface - E'green to University	2,610,279	-	-
Sprague/Conklin Signal	5,255	-	-
Sprague/McDonald PCCP Intersection	659,716	-	-
Sullivan Euclid PCC PE, ROW	-	-	163,000
Misc. Road Projects	11,495	298,000	-
Sullivan/Sprague PCC	36,220	1,678,000	-
WSDOT Urban Ramp Projects	323,449	-	-
Contingency	-	250,000	500,000
<i>Road Preservation Projects</i>			
Other Preservation Projects	-	-	-
<i>Road Paveback (Septic Elimination)</i>			
Misc. Road Paveback Projects	22,243	-	-
Total Street Capital Projects Fund	\$ 10,930,200	\$ 10,572,000	\$ 8,437,307

Fund: 304
Dept: 304

Mirabeau Point Capital Project Fund

Spokane Valley
2011 Budget

304 - Mirabeau Point Capital Project Fund

Mirabeau Point is a multi-use regional project located at 2426 Discovery Place which will be operated by the City. The bond sale proceeds were spent in 2003, 2004, and 2005.

CenterPlace provides space for a Conference Center Wing, Senior Center Wing and a Great Room Wing. The portion of CenterPlace used for the Conference Center Wing and Great Room Wing is being developed as a "regional facility" as defined in RCW 36.100 and 35.57.020.

Budget Summary

	<u>2009 Actual</u>	<u>2010 Budget</u>	<u>2011 Budget</u>
<u>Budget Detail</u>			
Transfer to Civic Facility Replacement Fund	\$ 363,722	\$ -	\$ -
Reserve for Replacement	-	-	-
Construction in Progress	-	-	-
Total Mirabeau Point Project Fund	<u>\$ 363,722</u>	<u>\$ -</u>	<u>\$ -</u>

Fund: 306
Dept: 306

CD Block Grant Fund

Spokane Valley
2011 Budget

306 - CD Block Grant Fund

Budget Summary

	<u>2009 Actual</u>	<u>2010 Budget</u>	<u>2011 Budget</u>
<u>Budget Detail</u>			
Transfer to Street Capital Projects (303)	\$ -	\$ 300,000	\$ -
Transfer to Capital Grant Fund	-	-	-
Total CD Block Grant Fund	<u>\$ -</u>	<u>\$ 300,000</u>	<u>\$ -</u>

Fund: 307
Dept: 307

Capital Grants Fund

Spokane Valley
2011 Budget

307 - Capital Grants Fund

The Capital Grants Fund accounts for capital improvement projects funded partially by grant proceeds from other governmental agencies, such as Transportation Improvement Board, Spokane Transit Authority, Surface Transportation Program, and Community Development Block Grant. Revenues to this fund are from grant proceeds and transfers from other special revenue funds.

Budget Summary

	2009 Actual	2010 Budget	2011 Proposed Budget
<u>Budget Detail</u>			
44th Ave Pathway: Woodruff Rd. to Sands Rd.	\$ 29,932	\$ -	\$ 5,000
Appleway Blvd - Tschirley Road to Hodges	129,736	-	-
Appleway/Sprague/Dishman ITS I90-Dishman-066	155,916	-	-
Argonne Road Overlay - Indiana to Montgomery	-	-	-
Broadway Avenue Inlay: I-90 EB Ramps to Park Rd.	59,364	-	-
Broadway Fancher PCC -067	634,979	-	-
Broadway Ave - Moore to Flora	319,790	2,465,000	50,000
Contingency	-	-	-
Signal Controller Upgrades (SRTC 06-22)	46,950	-	-
Sprague Ave ADA	55,930	-	-
Sprague/Bowdish PCC Intersection	(415)	-	-
Sullivan Road PCC: Mission to I-90 EB Ramps	-	-	-
Total Capital Grants Fund	<u>\$ 1,432,182</u>	<u>\$ 2,465,000</u>	<u>\$ 55,000</u>

Fund: 308
Dept: 308

Barker Bridge - Federal Grant Fund

Spokane Valley
2011 Budget

308 - Barker Bridge - Federal Grant Fund

The Barker Bridge - Federal Grant Fund was created to account for the revenues and expenditures associated with the Barker Road Bridge Replacement Project. This project was funded by BRAC grant proceeds and City match cost approximately \$11,600,000 over the course of the several years.

Budget Summary

	2009 Actual	2010 Budget	2011 Proposed Budget
<u>Budget Detail</u>			
Barker Road Bridge Reconstruction	<u>\$ 6,917,733</u>	<u>\$ 1,767,000</u>	<u>\$ -</u>

Fund: 309**Parks Capital Projects Fund****Spokane Valley****Dept: 309****2011 Budget****309 - Parks Capital Projects Fund**

The Parks Capital Projects Fund is specifically designated for Parks and Recreation Capital improvements.

Budget Summary

	2009 Actual	2010 Budget	2011 Proposed Budget
<u>Budget Detail</u>			
Park Land Acquisition	\$ -	\$ 225,000	\$ -
Terrace View Shelter	-	80,000	80,000
Greenacres	-	300,000	1,559,036
Contingency	-	15,000	120,000
Swimming Pools	706,792	-	-
Various Improvements	5,409	-	200,000
Valley Mission Park	232,857	-	-
Discovery (Universal) Park	1,463,504	200,000	-
Total Parks Capital Project Fund	<u>2,408,562</u>	<u>820,000</u>	<u>1,959,036</u>

Fund: 310**Civic Facilities Capital Projects Fund****Spokane Valley****Dept: 310****2011 Budget****310 -Civic Facilities Capital Projects Fund**

The Civic Buildings Capital Projects Fund is an allocated reserve of monies specifically designated for future construction of Civic Facilities. The 2011 costs are for full width paveback above newly installed county sewer lines and street capital projects.

Budget Summary

	2009 Actual	2010 Budget	2011 Proposed Budget
Transfer to General Fund	-	-	2,000,000
Total Civic Buildings Capital Fund	<u>\$ 3,363</u>	<u>\$ 5,827,000</u>	<u>\$ 2,000,000</u>

Fund: 311
Dept: 311

Street Capital Improvement 2011+

Spokane Valley
2011 Budget

311 - Street Capital Improvement 2011+

This Fund will be used only with specific authorization from City Council.

Budget Summary

	<u>2009 Actual</u>	<u>2010 Budget</u>	<u>2011 Proposed Budget</u>
<u>Budget Detail</u>			
Street Capital Improvement 2011+	\$ -	\$ -	\$ 500,000
Total Street Capital Improvement Fund	<u>-</u>	<u>-</u>	<u>500,000</u>

402 - Stormwater Management Fund

The Stormwater Management fund accounts for receipt and expenditure of the Stormwater fee. This fee is levied on an annual basis based upon a number of equivalent residential units attached to the parcel.

The expenditures are used for stormwater construction and management through both the Street Department and Spokane County.

Accomplishments for 2010

- Continue work on the (NPDES) Phase II Stormwater Permit (completion in 2012).
- Continue work on the Department Of Ecology Underground Injection Control Program (completion in 2013).
- Determine location and establish cost for a treatment facility for the discharging of vactoring liquids.
- Complete stormwater assessment rolls, update the commercial impervious surfaces map.
- Develop criteria to assess city-owned Underground Injection Control (UIC) wells for retrofit or abandonment.

Goals for 2011

- Comply with all applicable NPDES Phase II Stormwater Permit requirements for 2011.
- Begin Underground Injection Control (UIC) Assessment and Testing Program (Must be completed by 2013).
- Develop multi-year Stormwater CIP and Retrofit Program.
- Design and seek property acquisition of a vactor liquid decant facility, possibly start construction.
- Provide input to Ecology's Stormwater permit renewal for the City 2012.

Budget Summary

	<u>2009 Actual</u>	<u>2010 Budget</u>	<u>2011 Proposed Budget</u>
<u>Personnel - FTE Equivalents</u>			
Engineer	1.0	1.0	1.0
Engineering Technician II	1.0	1.0	1.0
Assistant Engineer	1.0	1.0	1.0
Maintenance/Construction Inspector	<u>1.0</u>	<u>1.0</u>	<u>1.5</u>
Total FTEs	4.0	4.0	4.5
<u>Budget Detail</u>			
Salaries, Wages, & Benefits	\$ 291,003	\$ 402,590	\$ 418,000
Supplies	22,131	29,980	43,100
Services & Charges	747,262	1,498,405	1,341,905
Intergovernmental Services	27,676	46,640	46,640
Capital Outlays	20,355	403,600	300,000
Interfund Transfers	<u>759,994</u>	<u>2,016,800</u>	<u>100,000</u>
Total Stormwater Fund	<u>\$ 1,868,421</u>	<u>\$ 4,398,015</u>	<u>\$ 2,249,645</u>

501 - Equipment Rental & Replacement Fund

The Equipment Rental & Replacement Fund (ER&R) accounts for the cost of maintaining and replacing City vehicles and equipment for all City departments. The ER&R fund is an Internal Service fund.

The fund accumulates the resources for vehicle and equipment replacements in the fund. The funds or departments using the vehicle or equipment pay the scheduled replacement fee.

Replacement funds are being collected on the telephone system, computer network system, desktop computers, and vehicles. Maintenance and service charges for copiers, telephones, and the internet are also charged to funds through this department.

The fund also finances and administers a fleet of pool cars for use by City departments.

Goals for 2011

- Combine this fund in the General Fund with funding intact.

Budget Summary

	2009 Actual	2010 Budget	2011 Proposed Budget
<u>Budget Detail</u>			
Computer replacement lease	\$ -	\$ 35,000	\$ -
Software/Hardware replacement	-	37,000	-
Vehicle Replacement	-	22,000	-
All other	-	825,000	209,000
Total ER&R Fund	<u>\$ -</u>	<u>\$ 919,000</u>	<u>\$ 209,000</u>

Fund: 502
Dept: 502

Risk Management Fund

Spokane Valley
2011 Budget

502 - Risk Management Fund

The City of Spokane Valley Risk Management Fund is established to account for insurance costs, claims settlement and administration of a Risk Management Safety Program.

This fund also accounts for the funding of unemployment claims through the State of Washington.

Budget Summary

	<u>2009 Actual</u>	<u>2010 Budget</u>	<u>2011 Proposed Budget</u>
<u>Budget Detail</u>			
Services & Charges	<u>\$ 234,748</u>	<u>\$ 258,000</u>	<u>\$ 319,000</u>
Total Risk Management Fund	<u><u>\$ 234,748</u></u>	<u><u>\$ 258,000</u></u>	<u><u>\$ 319,000</u></u>

City of Spokane Valley
Capital Expenditures for 2011

City of Spokane Valley
Capital Expenditures for 2011

Department	Capital Outlay Description	Project Expenses 2011	001 General Fund	301 Real Estate Excise Tax 1	302 Real Estate Excise Tax 2	309 Parks Capital	310 Civic Facilities	402 Stormwater Fund	Surface Transportation Program	CDBG	Congestion Management Air Quality	Spokane Transit Authority	Developer Private/ contributions	TIB: UAP	TIB: UCP	Public Facilities District	Greenacres State Grant
303 Street Capital Fund			City Funds							Grants							
CIP #	Road Design & Construction Projects																
0005	Pines Mansfield	\$ 450,000		\$ 450,000													
0060	Argonne Road - I90 to Trent	\$ 581,886		13,460									568,426				
0061	Pines (SR27) ITS Improvements	\$ 1,843,221		248,835									1,594,386				
0063	Broadway Avenue Safety Project	\$ 834,000		166,800										667,200			
0069	Park Road - #2 (PE Only) - Broadway to Indiana	\$ 35,000		-	4,725				30,275								
0112	Indiana Avenue Extension - 3600' e/o Sullivan	\$ 200,000		-	49,468										150,532		
0113	Indiana /Sullivan Intersection PCC	\$ 1,171,200		-	240,200							931,000					
0123	Mission Ave - Flora to Barker (PE & RW) ^{1,2}	\$ 488,000		-	66,000				422,000								
0129	South greenacres (STEP)	\$ -															
	Broadway @ Argonne & Mullan PCC int, (PE/RV	\$ 271,000		-	37,000				234,000								
	Sullivan Rd/Euclid PCC (PE/RW) ²	\$ 163,000		22,000					141,000								
	Misc. Road Preservation Projects	\$ -															
	Contingency	\$ 500,000			500,000												
	Road Paveback (Septic Tank Elimination Program)	\$ -															
	STEP Paveback (s)	\$ 1,900,000					1,500,000	100,000		300,000							
	Road Preservation Projects	\$ -															
	Other Preservation Projects	\$ -															
	303 Street Capital Fund Subtotal	\$ 8,437,307	-	901,095	897,393	-	1,500,000	100,000	827,275	300,000	2,162,812	931,000	-	667,200	150,532	-	-
307 Capital Grants Fund																	
	Road Design & Construction Projects																
0054	44th Ave Pathway-Woodruff Rd to Sands	\$ 5,000			5,000												
0088	Broadway Avenue 180 ft E. of Moore to Flora	\$ 50,000			6,176										43,824		
	307 Capital Grants Fund Subtotal	\$ 55,000	-	-	11,176	-	-		-	-	-	-	-	-	43,824	-	-
204 Debt Service																	
		\$ 460,000														460,000	
		\$ 225,000		112,500	112,500												
		\$ 685,000															
309 Parks Capital Projects																	
0079	Greenacres Park	\$ 1,559,036	100,000		959,036												500,000
	Contingency	\$ 400,000			400,000												
	309 Parks Capital Projects	\$ 1,959,036	100,000	112,500	112,500	1,359,036	-		-	-	-	-	-	-	-	460,000	500,000
311 Street Capital Improvement																	
	Street Capital Improvement 2011+	\$ 500,000					500,000										
		\$ 500,000															
402 Stormwater																	
402	Stormwater	\$ 300,000						300,000									
	402 Stormwater Fund	\$ -															
		\$ 300,000	-	-	-	-	500,000	300,000	-	-	-	-	-	-	-	-	-
Total Capital Expenditures			\$ 11,936,343	\$ 1,013,595	\$ 1,021,069	\$ 1,359,036	\$ 2,000,000	\$ 400,000	\$ 827,275	\$ 300,000	\$ 2,162,812	\$ 931,000	\$ -	\$ 667,200	\$ 194,356	\$ 460,000	\$ 500,000

**City of Spokane Valley
FTE Count by Year
2011 Budget**

Department	2010 Authorized FTEs	2011 Budget Changes to FTEs	2011 Budget Proposed FTEs	Interns for 2011
Executive & Legislative Support				
City Manager	5.0	-	5.0	(1.0)
Legal	3.0	-	3.0	2.0
Operations & Administrative Services:				
Deputy City Manager	7.0	(1.0)	6.0	1.0
Finance	12.0	(1.0)	11.0	1.0
Human Resources	2.0	-	2.0	-
Public Works	11.0	-	11.0	-
Planning & Community Development:				
Admin	3	-	3.00	-
Engineering	8	(2.0)	6.00	-
Planning	9	(0.5)	8.50	-
Building	14.75	(2.0)	12.75	-
Parks & Recreation:				
Parks Admin	2.0	-	2.0	-
Recreation	1.0	-	1.0	-
Senior Center	1.0	-	1.0	1.0
CenterPlace	7.0	(2.0)	5.0	-
Street Fund	5.0	* (0.5)	4.5	1.0
Stormwater Fund	4.0	0.5	4.5	2.0
TOTAL	94.75	(8.50)	86.25	7.00

* Assistant Engineer – Traffic reduced by 1 FT position; Construction Maintenance position added at .5 each in Street Fund and Stormwater.

2010 Work Force Comparison:			
29 Washington Communities with Population of			
100,000 or less			
CITY	POPULATION	FULL-TIME	PART-TIME
Kent	88,760	768	29
Bellingham	77,550	763	32
Yakima	85,040	706	15
Renton	86,230	669	16
Redmond	53,680	622	24
Kennewick	68,570	318	7
Olympia	45,500	515	18
Richland	48,580	464	30
Kirkland	49,620	414	40
Auburn	68,270	408	3
Lynnwood	36,160	365	21
Bremerton	36,190	356	21
Federal Way	88,760	310	22
Pasco	56,300	280	10
Marysville	58,040	249	10
Lakewood	58,840	234	9
Shoreline	54,580	128	15
Longview	36,100	287	11
Puyallup	38,900	285	18
Bothell	33,430	269	11
Walla Walla	31,770	267	11
Edmonds	40,900	205	6
Lacey	40,130	244	7
Mount Vernon	31,020	197	49
Wenatchee	31,120	184	3
Spokane Valley*	90,210	88	19
Sammamish	41,070	74	6
Burien	31,730	49	12
University Place	31,550	44	5
AVERAGE		337	17
Source: Association of Washington Cities Survey: 2010 Full Time			

8/24/2010

*

Appendix A
EMPLOYEE POSITION CLASSIFICATION
MONTHLY SALARY SCHEDULE

2011 Salary Schedule
Effective 1/1/2011

Position Title	Grade	2011 Range
City Manager		Unclassified
Deputy City Manager	21-22	8,671.50 - 12,352.28
City Attorney	21	8,671.50 - 11,117.15
Community Development Director	21	8,671.50 - 11,117.15
Finance Director	21	8,671.50 - 11,117.15
Public Works Director	21	8,671.50 - 11,117.15
Parks and Recreation Director	19	7,023.77 - 9,005.65
Human Resources Manager	18	6,322.20 - 8,104.68
Planning Manager	18	6,322.20 - 8,104.68
Building Official	18	6,322.20 - 8,104.68
Senior Engineer - Capital Projects, Development	18	6,322.20 - 8,104.68
Deputy City Attorney	18	6,322.20 - 8,104.68
Senior Engineer - Traffic, CIP Planning/Grants	17	5,689.67 - 7,293.90
Accounting Manager	17	5,689.67 - 7,293.90
City Clerk	16	5,120.19 - 6,564.10
Engineer	16	5,120.19 - 6,564.10
Senior Plans Examiner	16	5,120.19 - 6,564.10
Public Works Superintendent	16	5,120.19 - 6,564.10
Senior Administrative Analyst	16	5,120.19 - 6,564.10
Senior Planner	16	5,120.19 - 6,564.10
Associate Planner	15	4,608.80 - 5,908.10
CenterPlace Coordinator	15	4,608.80 - 5,908.10
Assistant Engineer	15	4,608.80 - 5,908.10
IT Specialist	15	4,608.80 - 5,908.10
Engineering Technician II	15	4,608.80 - 5,908.10
GIS/Database Administrator	15	4,608.80 - 5,908.10
Human Resource Analyst	14	4,148.18 - 5,317.70
Accountant/Budget Analyst	14	4,148.18 - 5,317.70
Administrative Analyst	14	4,148.18 - 5,317.70
Assistant Planner	14	4,148.18 - 5,317.70
Building Inspector II	14	4,148.18 - 5,317.70
Plans Examiner	14	4,148.18 - 5,317.70
Public Information Officer	14	4,148.18 - 5,317.70
Engineering Technician I	14	4,148.18 - 5,317.70
Senior Permit Specialist	14	4,148.18 - 5,317.70
Maintenance/Construction Inspector	13-14	3,733.05 - 5,317.70
Recreation Coordinator	13-14	3,733.05 - 5,317.70
Customer Relations/Facilities Coordinator	13	3,733.05 - 4,785.73
Code Enforcement Officer	13	3,733.05 - 4,785.73
Building Inspector I	13	3,733.05 - 4,785.73
Planning Technician	13	3,733.05 - 4,785.73
Deputy City Clerk	12-13	3,360.98 - 4,785.73
Senior Center Specialist	12-13	3,360.98 - 4,785.73
Human Resources Technician	12-13	3,360.98 - 4,785.73
Administrative Assistant	11-12	3,023.95 - 4,307.05
Permit Specialist	11-12	3,023.95 - 4,307.05
Accounting Technician	11-12	3,023.95 - 4,307.05
Maintenance Worker	11-12	3,023.95 - 4,307.05
Office Assistant II	10-11	2,721.38 - 3,876.55
Custodian	10	2,721.38 - 3,488.08
Office Assistant I	9-10	2,449.55 - 3,488.08

* The pay grades for positions not represented by the Union are 2.5% lower than reflected above as they will not be increased by the 2.5% COLA on January 1, 2011

City of Spokane Valley
Street Fund - Multiyear Financial Forecast
8-25-2010

	2010 Estimate	2011 Estimate	2012 Estimate	2013 Estimate	2014 Estimate
Beginning Fund Bal	\$ 1,900,000	\$ 2,155,050	\$ 1,658,723	\$ 1,145,723	\$ 657,723
Interest Income	\$ 18,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 9,000
Utility tax-telephones	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,050,000	\$ 3,050,000
Storm Wat. Share facility	\$ 150,000	\$ -	\$ -	\$ -	\$ -
FEMA Grant	\$ -	\$ -	\$ -	\$ -	\$ -
Grant	\$ 712,050				
Motor fuel tx & misc	\$ 1,900,000	\$ 1,875,000	\$ 1,875,000	\$ 1,850,000	\$ 1,850,000
	<u>\$ 7,680,050</u>	<u>\$ 7,042,050</u>	<u>\$ 6,545,723</u>	<u>\$ 6,057,723</u>	<u>\$ 5,566,723</u>
Expenditures	\$ 5,225,000	\$ 5,383,327	\$ 5,400,000	\$ 5,400,000	\$ 5,400,000
	* \$ 300,000				
	<u>\$ 2,155,050</u>	<u>\$ 1,658,723</u>	<u>\$ 1,145,723</u>	<u>\$ 657,723</u>	<u>\$ 166,723</u>

* Buy truck, loader

City of Spokane Valley
Multiyear Financial forecast - General Fund - Problem Statement #1
9-14-10

	2010	2011	2012	2013	2014
	Estimate	Estimate	Estimate	Estimate	Estimate
General Fund Revenues:					
Sales Tax	\$ 16,100,000	\$ 16,200,000	\$ 16,300,000	\$ 16,400,000	\$ 16,400,000
Property Tax	\$ 10,969,500	\$ 10,875,000	\$ 10,900,000	\$ 10,950,000	\$ 11,000,000
Gambling Tax	\$ 425,000	\$ 425,000	\$ 425,000	\$ 425,000	\$ 425,000
Franchise Fees/Bus. Reg.	\$ 1,100,000	\$ 1,111,000	\$ 1,122,110	\$ 1,144,664	\$ 1,156,111
State Shared Revenues	\$ 1,625,000	\$ 1,665,625	\$ 1,707,266	\$ 1,793,697	\$ 1,838,539
Service Fees	\$ 1,600,000	\$ 1,600,000	\$ 1,600,000	\$ 1,600,000	\$ 1,600,000
Fines & Forfeitures	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000
Recreation Program Fees	\$ 550,000	\$ 555,500	\$ 560,000	\$ 565,000	\$ 570,650
Interfund Transfers	\$ 165,000	\$ 2,040,000	\$ 55,000	\$ 55,000	\$ 55,000
Investment Int. & Misc.	\$ 200,000	\$ 200,000	\$ 180,000	\$ 100,000	\$ 50,000
Carryover from prior yr	x \$ 24,400,000	\$ 24,600,000	\$ 21,147,039	\$ 19,397,825	\$ 16,213,653
Total General Fund	\$ 58,934,500	\$ 61,072,125	\$ 55,796,415	\$ 54,231,186	\$ 51,108,953
General Fund Expenditures:					
Legislative	\$ 322,120	\$ 324,298	\$ 337,270	\$ 350,761	\$ 364,791
Executive & Legislative	\$ 1,063,842	\$ 1,055,906	\$ 1,098,142	\$ 1,142,068	\$ 1,222,013
Public Safety	\$ 22,062,268	\$ 22,179,880	\$ 23,067,075	\$ 23,989,758	\$ 25,669,041
Deputy City Manager	\$ 620,574	\$ 559,940	\$ 582,338	\$ 605,631	\$ 648,025
Finance	\$ 1,023,373	\$ 1,014,342	\$ 1,054,916	\$ 1,097,112	\$ 1,173,910
Human Resources	\$ 248,435	\$ 236,646	\$ 246,112	\$ 255,956	\$ 273,873
Public Works	\$ 893,793	\$ 892,617	\$ 928,322	\$ 965,455	\$ 1,033,036
Com Dev Admin	\$ 323,205	\$ 321,049	\$ 333,891	\$ 347,247	\$ 371,554
Dev. Engineering	\$ 791,719	\$ 1,023,373	\$ 1,064,308	\$ 1,106,880	\$ 1,184,362
Planning	\$ 1,124,206	\$ 1,215,303	\$ 1,263,915	\$ 1,314,472	\$ 1,406,485
Building	\$ 1,313,320	\$ 669,570	\$ 696,353	\$ 724,207	\$ 774,901
Parks Admin	\$ 987,556	\$ 948,970	\$ 986,929	\$ 1,026,406	\$ 1,098,254
Recreation	\$ 237,846	\$ 246,628	\$ 256,493	\$ 266,753	\$ 285,426
Aquatics	\$ 422,550	\$ 429,250	\$ 446,420	\$ 464,277	\$ 496,776
Senior Center	\$ 85,503	\$ 89,653	\$ 93,239	\$ 96,969	\$ 103,756
CenterPlace	\$ 1,192,578	\$ 1,098,911	\$ 1,142,867	\$ 1,188,582	\$ 1,236,125
Transfer to Capital	\$ 100,000	\$ -	\$ -	\$ -	\$ -
Spending less than budget	\$ (1,000,000)	\$ -	\$ -	\$ -	\$ -
General Government	\$ 2,302,150	\$ 4,618,750	\$ 2,800,000	\$ 3,075,000	\$ 3,200,000
Total General Fund	34,115,038	36,925,086	\$ 36,398,590	\$ 38,017,533	\$ 40,542,330
Net	24,819,462	24,147,039	19,397,825	16,213,653	10,566,623
Less cash flow reserve		(3,000,000)			
Carryover to next yr	24,819,462	21,147,039	19,397,825	16,213,653	10,566,623

CITY OF SPOKANE VALLEY

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?”