

## Appendix III.

### *Funding*

- a. Pierce County Budget in Brief
- b. Pierce County Lake Tapps North Park Revenue Information
- c. City of Bonney Lake 2011-2012 Biennial Budget
- d. City of Bonney Lake Revenue Expenses for Allan Yorke Park

# **Pierce County**

## **2010 Budget In Brief**

*This document is a “brief” look at the adopted 2010 Pierce County budget. We hope it will enhance your understanding of how the County is organized, the services it provides, and the funding sources used to provide those services. Our purpose is to deliver to the citizens of Pierce County the very highest quality of services as efficiently and economically as possible, making every dollar count. Thank you for the opportunity to serve you and to be able to make Pierce County government the best it can be.*

### **County Executive**

Pat McCarthy

### **County Council**

Roger Bush

Shawn Bunney

Joyce McDonald

Timothy Farrel

Barbara Gelman

Dick Muri

Terry Lee



The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Pierce County, Washington for its annual budget for the fiscal year beginning January 1, 2009. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan, and a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

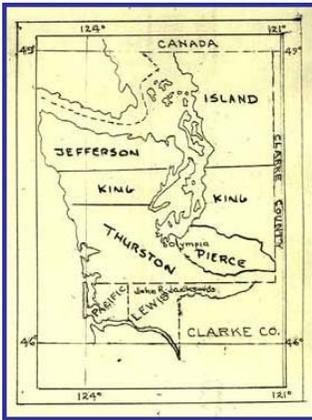
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## OVERVIEW

The first settlers of the land that is now Pierce County were the ancestors of today's Nisqually, Puyallup, Squaxin, Steilacoom, and Muckleshoot Indians. These tribes settled the area many thousands of years ago, where the saltwater, lakes, and rivers made for an abundant selection of food. These same tribes were all in place when English sea captain George Vancouver sailed the inland waters as far south as what would one day be Seattle. He instructed his lieutenant, Peter Puget, to continue exploring southward in smaller boats. The inland waters were named Puget's Sound in the young naval officer's honor.



On Dec. 22, 1852, the Territorial Legislature of Oregon determined that Thurston County, which stretched from Olympia to the Canadian border, and from the Cascades to the Pacific Ocean, was far too large. In response, the Legislature portioned out of it King, Jefferson, and Pierce County. The Legislature also passed laws appointing the first county officers and located the county seat at Steilacoom, which was chosen largely because it was the only town in Washington with its own jail.



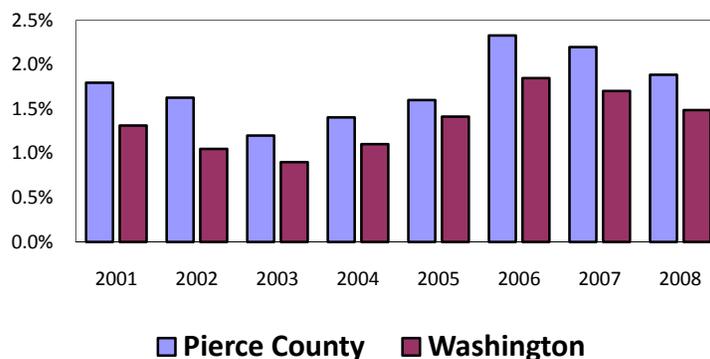
Pierce County became a Home Rule County by a vote of the people in 1981. The County is governed by an elected County Executive and seven elected Council Members. The Prosecutor, Assessor/Treasurer, Auditor, Superior Court Judges, Sheriff, and District Court Judges are also elected by the people.

The County is located on scenic Puget Sound and covers 1,794 square miles (1,676 square miles of land and 118 square miles of water). Pierce County boasts of 10 hospitals, 15 public school districts, a large number of private schools, two vocational technical colleges, two community colleges, and six four-year colleges or universities.

## DEMOGRAPHICS

Pierce County is home to an estimated 813,600 people, making it the second largest county in the state. From 1998 to 2008 the County grew by 19% with an annual average growth rate of 1.7%.

### Population Growth



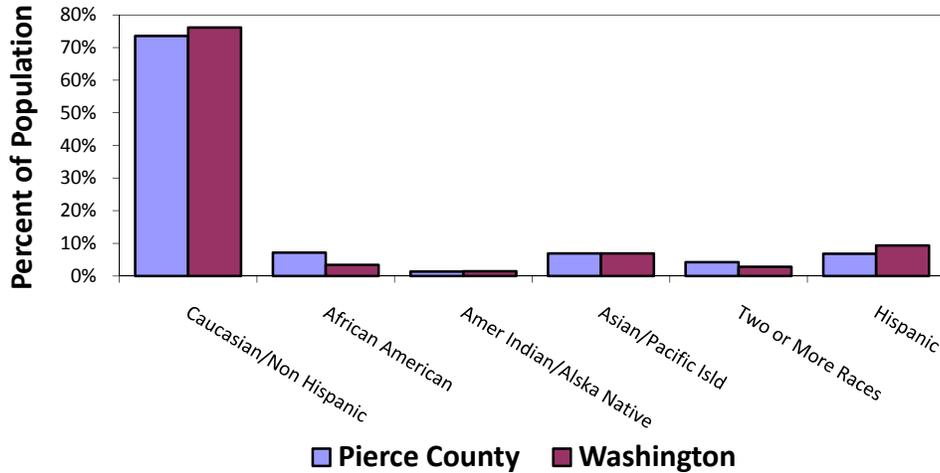
Source: Office of Financial Management

For the past eight years Pierce County has been growing more rapidly than the rest of the state.

# Pierce County Profile

About 53% of Pierce residents live in cities and towns. The five largest cities are: Tacoma (202,700), Lakewood (58,780), Puyallup (36,930), University Place (31,440), and Bonney Lake (16,220).

## Race/Ethnicity 2008

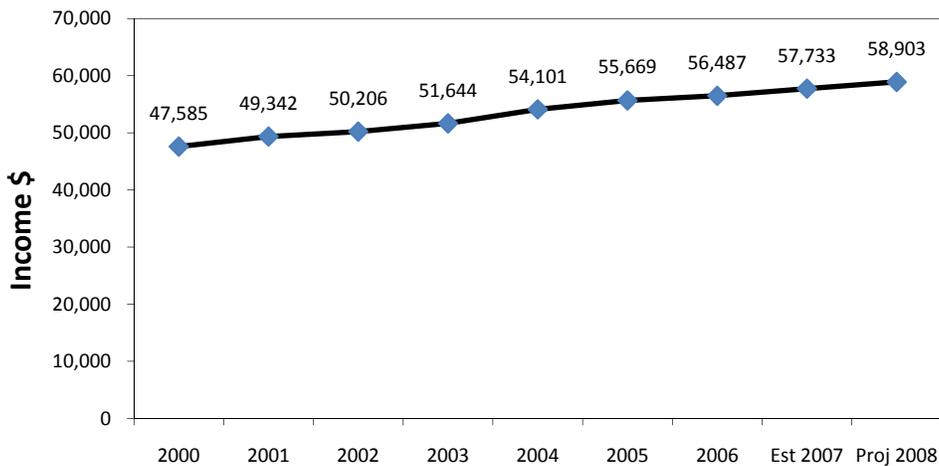


Source: Office of Financial Management

Pierce County is more diverse than Washington state. The percentage of non-White or Hispanic origin increased from 23% in 2000 to 26% in 2008.

Since 1999 the median family income for Pierce County residents has increased by about 30%, about 1% lower than Washington state. During this period, the Seattle/Tacoma inflation rate was 27.6%. Thus, real median income increased some 3% more than inflation.

## Pierce County Median Household Income



## ECONOMIC CONDITIONS

Pierce County, by diversifying its economic base and becoming more integrated with international and national markets, has traded stability for a lower average rate of growth. Slower growth does not mean negative growth. Although now growing slower than anticipated, the Pierce County economy continues improving from the mild weakness experienced in 2002-2003. The weakening value of the dollar, increasing uncertainty over the US trade deficit, and slower economic growth in both Europe and Asia has curtailed shipping, warehousing, and trade growth. Interest rate concerns have started to slow the housing and construction markets.” (Tacoma-Pierce County Chamber, Pierce County Economic Index Report, 2007)



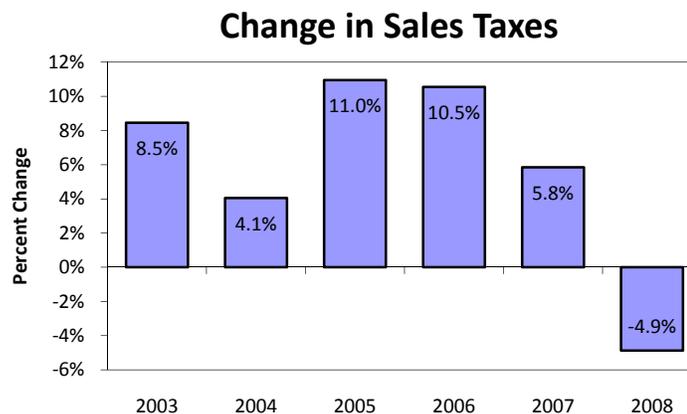
## ECONOMIC DEVELOPMENT GOALS

In 2003, Pierce County commissioned a study to evaluate how it could most effectively help the local economy as an engine of job creation. As a follow-up to Phase I, Pierce County commissioned a study to evaluate how the local economy fits into the regional picture. Phase III marks the completion of the Berk and Associates final report “Pierce County Government Economic Action Agenda” that consists of six goals with action strategies. An interdepartmental team developed a work plan and timetable for full implementation. The goals are:

1. Enhance EDD’s Role & Responsibilities
2. Implement Business Climate Improvements
3. Proactive Infrastructure Planning
4. Enhanced Infrastructure Investments
5. Strategic Planning for Industrial Land Capacity
6. Enhance Communications to County Departments, Businesses and Jurisdictions

## SALES TAX

From 1997 to 2007 the growth in sales tax received by the County averaged 6% per year. However, in 2008 the annual growth rate was a negative 4.8%.



# Pierce County Profile

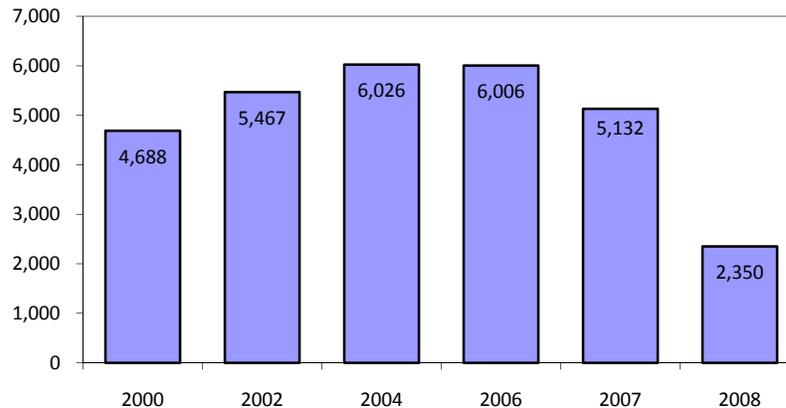
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## HOUSING AND REAL ESTATE

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Pierce County, like the rest of the state and nation, experienced a “hot” housing market until recently. Residential permit activity declined by 54.2% from 2007 to 2008 and declined by 61% from the recent high in 2004.

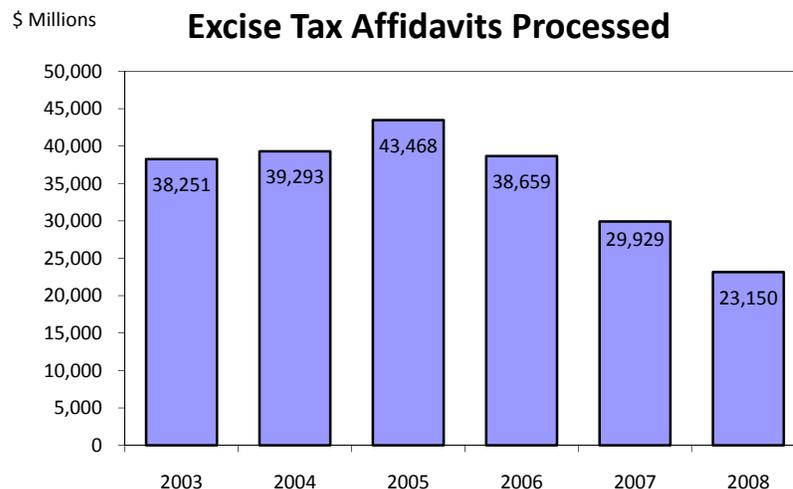
### Annual Total Residential Building Permits



Source: U.S. Department of Commerce, Washington Center for Real Estate Research, Washington State University

Real estate activity is an important economic indicator that greatly impacts county operations and workload in areas such as planning, permits, land services, public works, and public construction. The number of excise tax affidavits processed has declined 47% since the recent high in 2005.

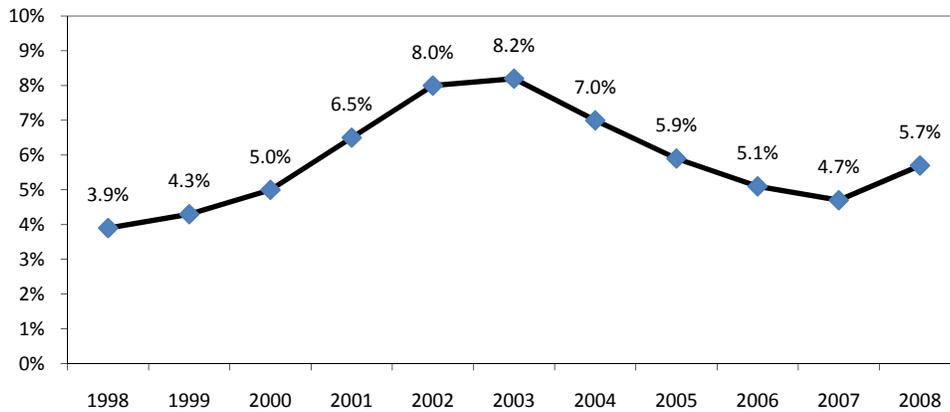
### Excise Tax Affidavits Processed



## EMPLOYMENT

The County unemployment rate in Washington ranged from 3.8% to 9.5% in 2008. Tacoma/Pierce County tends to fall in the middle of the range (Seattle/King County is usually at the low end).

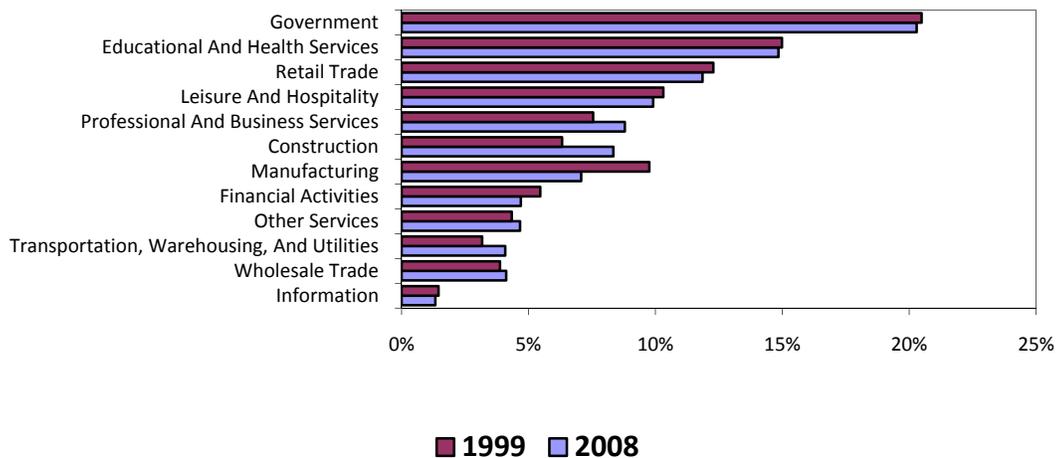
### Tacoma/Pierce County Average Annual Unemployment Rate



Source: Washington Employment Security

Historically the County was a resource and manufacturing based economy. However, regional, state and national trends have shown a shift towards construction, trade, and services.

### Percentage of Pierce County Employment by NAICS Category



Source: Washington Employment Security

## PORT FACILITIES

A major gateway to Asia and Alaska, the Port of Tacoma is a leading North American seaport, the seventh largest container port in North America. Located on Commencement Bay – a natural, deep-water harbor in

## Pierce County Profile

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Southern Puget Sound – the Port of Tacoma is an independent municipal corporation that operates under state-enabling legislation. Created by Pierce County citizens in 1918, the Port has 2,400 acres (972 hectares) that are used for shipping terminal activity and warehouse, distributing, and manufacturing.

As reported in Port News, January 28, 2009:  
Reflecting the global recession and its effects on US consumer demand and shipping, cargo volumes fell at the Port of Tacoma in 2008.

From 2002 through 2006, Tacoma set successive container cargo records, with volumes growing from 1.5 million TEUs (20-foot equivalent container units) to 2.1 million TEUs. In 2007, the Port's container volume fell to 1.92 million TEUs, and in 2008, the volumes fell 3.3 percent to 1.86 million TEUs.



Despite this drop, the Port of Tacoma fared better than other US West Coast ports, which saw an average container cargo decline of 8.78 percent. "By focusing on the business needs of our customers, shippers and business partners, and aligning the Port of Tacoma's strengths, we captured a larger container market share even as world cargo volumes declined," said Port of Tacoma Deputy Executive Director John Wolfe.

The Port of Tacoma's 2008 cargo volumes were:

- Total Tonnage – 20.3 million short tons (up 3.6 percent)
- Containerized Cargo – 1.86 million TEUs (down 3.3 percent)
- Breakbulk Cargo – 118,523 short tons (down 4.1 percent)
- Autos – 159,079 units (down 9.1 percent)
- Intermodal Lifts – 407,993 (down 15.2 percent)
- Grain – 6.79 million short tons (up 13.6 percent)

## MANUFACTURING

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Products manufactured in Pierce County include aerospace parts, chemicals, machinery, hardware, food products, and electronics. The larger manufacturers include (estimates from the Economic Development Board for 2008):

<b>Company</b>	<b>Product/ Service</b>	<b>Employees</b>
Boeing	Aerospace	1,760
Intel Corporation	Computer Electronics	1,000
Milgard Mfg. Inc	Glass and window mfg.	817
Simpson Investment Company	Wood products	614
Atlas Castings & Technology	Steel Manufacturer	517
Manke Lumber Co.	Sawmill & planing mill	380
Toray Composites(America) Inc.	Composite materials	450
Gensco Inc.	Sheet metal mfg.	271
Concrete Technology Co.	Mfg. Prestressed Concrete	263
Precision Aerospace/Precision Pattern	Aerospace	263

## SERVICE AND RETAIL

One of the largest components of the service sector is health care. The largest employers include the Multicare Medical System (5,832), Franciscan Health System (4,041), Veteran Affairs Puget Sound Health Care Systems (739), and Group Health Cooperative (595). In addition, DaVita, the nation's second largest provider of dialysis services, employees 856 people.

Fort Lewis Army Base and Madigan Army Medical Center occupy 86,000 acres in southwest Pierce County while the adjacent McChord Air Force Base includes 5,000 acres. Together, these facilities employ over 50,000 military and civilian personnel. Unlike many military installations across the country, Fort Lewis and McChord have expanded as people are transferred from closed facilities to the northwest. In addition, more than \$585M worth of new projects are planned for the military installations.



Financial and insurance services companies are also significant employers in Pierce County. These include Russell Investments (1,144), State Farm Insurance (1,133), KeyBank (590), Columbia Bank (484), and Regence BlueShield (642).

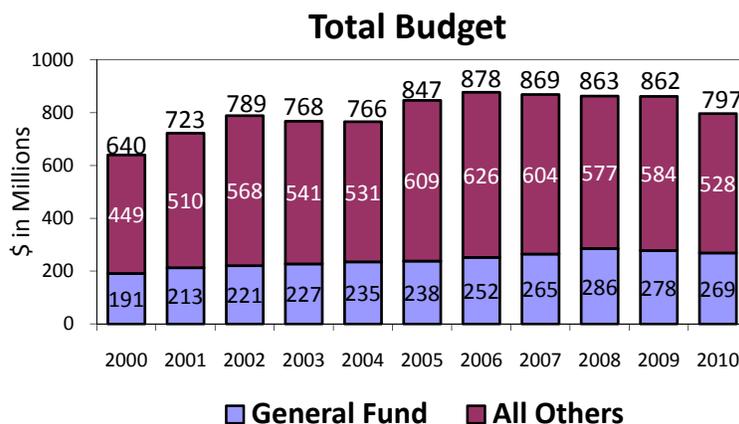
In addition to Federal, Post Office, County, City and district government employers, there are over 8,000 Washington State employees working in Pierce County. Another 3,000 are employed at the community/technical colleges, and the University of Washington, Tacoma.

The larger retail, food service and entertainment employers include Fred Meyer Stores (2,383), Wal-Mart (1,990), Emerald Queen Casino (1,915), Safeway Stores (1,635), Costco (1,081), McDonald's Restaurants (939), and Alberston's Inc. (886).

Transportation, utilities and communication include Tacoma Public Utilities (1,313), Longshore Labor Union (976), Pierce Transit (952), Comcast Cable (907), and Gordon Trucking (692).

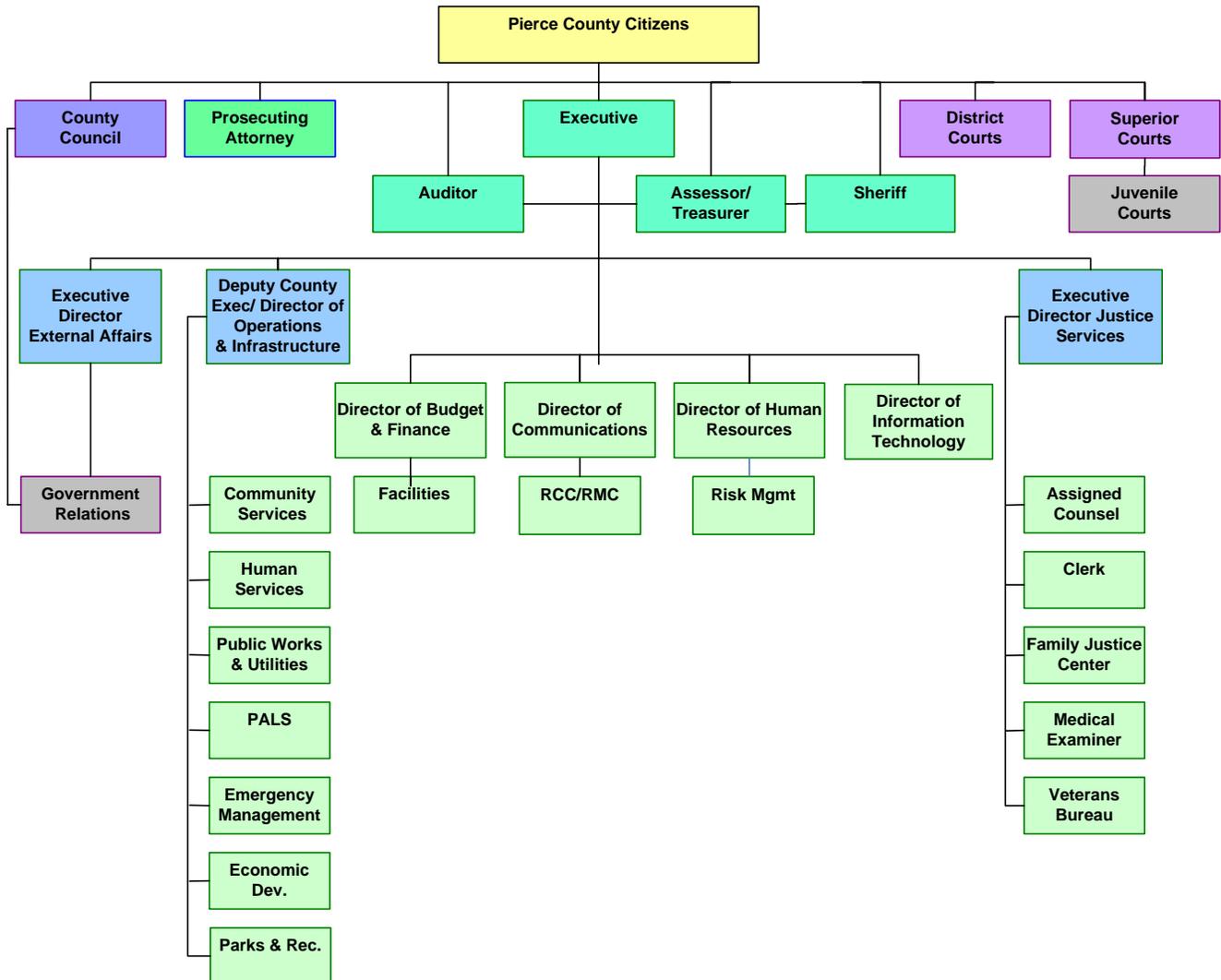
## BUDGET HISTORY

Pierce County's budget history over the past ten years for both the General Fund and the Total County are shown in the accompanying table. While the General Fund pattern shows a gradual upward trend, the Total Budget varies considerably from year-to-year, usually due to the level of major construction activity, the issuances of bonds (or bond refunding), and the initiation of major new services responsibilities.



# Organizational Overview

Pierce County’s home-rule charter was approved by the voters in November 1980 and became effective on May 1, 1981. The charter separated executive and legislative responsibilities by establishing the position of County Executive to serve as the chief executive officer and a seven-member Council to serve as the legislative branch.



The Council is the policy setting body of the County and has all the powers of the County which are not otherwise reserved to the People, the Executive, and general law. The Council members are nominated and elected by the voters of seven districts in Pierce County. Legislative authority is exercised by the adoption and enactment of ordinances or resolutions.

The executive branch is comprised of the Executive and all executive departments established by the Charter or by ordinance. Executive departments include three currently elected positions (Assessor/Treasurer, Auditor and Sheriff) with the other department directors recommended by the Executive and approved by the Council.

According to the charter, all executive departments are subject to the personnel, budgeting, expenditure and any other policies of general application established by the Executive. Control of County finances is under the authority of the Executive and is delegated to the Department of Budget and Finance.

# Mission and Goals

In 1993, the County began a process to redefine or clarify the mission and goals for Pierce County government. Based on input from department directors and employee focus groups, the Mission Statement and Goals were developed. Subsequent development resulted in a hierarchical pyramid which contains the following elements:

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I. ***The Mission Statement***

***“Pierce County government, in partnership with the citizens, will enhance the livability of our community through responsive services which address our current and future needs.”***

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II. **Executive Goals** (listed at the bottom of this page) guide the County in the development of appropriate policies and procedures, and form the basis of each year’s Budget and related Performance Measures.

III. **Performance Measures** are developed for each departmental or fund budget as appropriate. These measures are specific and quantifiable statements of what major items will be accomplished in this fiscal year and are **listed in each department’s section of the 2010 Budget Document.**



## EXECUTIVE GOALS

- A. Plan and implement necessary transportation system improvements to meet existing and future requirements.
- B. Promote economic development and diversification.
- C. Enhance public safety through crime prevention, apprehension, prosecution and judicial resolution.
- D. Strengthen community programs that provide recreational, health, and social services.
- E. Work cooperatively with other governmental units in the County to address issues of mutual concern.
- F. Enhance the effectiveness of the development review process and related code enforcement efforts.
- G. Encourage a more positive image for Pierce County Government through an enhanced communications program.
- H. Improve the cost efficiency or effectiveness of County services.
- I. Promote a balanced response to environmental matters dealing with site clean-up issues, water concerns, and endangered species act requirements.
- J. Build a more effective work force through an emphasis on diversity, training, incentives, recognition, and innovation.
- K. Implement infrastructure improvements in County buildings which will address employee safety, morale, workspace needs, and environmental issues.
- L. Improve the quality or effectiveness of citizen access to County services.

## Budget Highlights

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The 2010 approved Pierce County Budget totals **\$796,546,591** which is **\$65.6 million (7.6%) below** the 2009 budget. The main reasons for this decrease are a) the decline in the General Fund, b) the loss of mental health contract services, and c) the reduction in capital project expenditures.

In terms of overall approach to the budget, the following assumptions, considerations, and priorities guided our deliberations and recommendations:

First, challenges involving general criminal activity, gangs, domestic violence and drug activity will place increased pressure on **public safety and justice services**. We still have one of the lowest ratios of law enforcement officers to population, and conversely one of the highest crime rates in the state.

Second, we will continue to **emphasize prevention programs**. The 2010 budget still funds many alternatives to incarceration programs including: Breaking the Cycle, Drug Court, Alternative to Detention programs for juveniles, Adult Probation, Day Reporting, Offender Work Crews, county contributions for the Judson Family Justice Center and the sales tax Prevention Programs. These programs decrease criminal activity and reduce future jail costs.

Third, our **capital facility program** (even though reduced) still includes improvements for parks and recreation facilities, our transportation infrastructure, surface water management system, the sewer utility, and other county facilities.

Fourth, we remain committed to the promotion of **economic development** in Pierce County. Both the direct activities in the Economic Development department, and the projects, priorities, and processes in other departments emphasize the importance placed on this endeavor.

Fifth, in an effort to look for governmental efficiencies, we have reviewed many of our operations for cost effective **reorganizational** possibilities, and have recommended several such changes in the proposed budget.

However, as stated earlier the overriding consideration affecting the 2010 Budget, especially the General Fund, has been the impact of the **sharp reduction in revenues**. This reduction, much of which results from a major downturn in development activity, has negatively affected sales taxes, development fees, interest revenues, and property taxes from new construction. At this time we see little evidence of a major positive change in this situation in the near future. Consequently we have already imposed budget cutbacks in 2009, and are proposing further cutbacks in the 2010 Budget. The details surrounding those revenue concerns and the associated expenditure reductions are presented in the next several sections.

As you will notice, this budget contains a number of negative “firsts” for the County (at least for the last two decades). These negative “firsts” (e.g. reduction in assessed valuation, reduction in the size of the General Fund budget) are attributable to the dramatic impacts of the current recession.

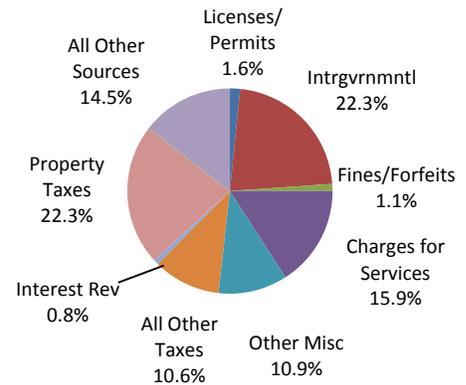
## TOTAL PIERCE COUNTY REVENUE & EXPENDITURE OVERVIEW

Total revenues and expenditures projected for all 2010 Pierce County operations are summarized and compared to prior years on the following pages and are also discussed throughout the Executive Message. In total, the County's budget will be 7.6% less the 2009 level.

### 2010 Total County Revenues

Summarized by Source

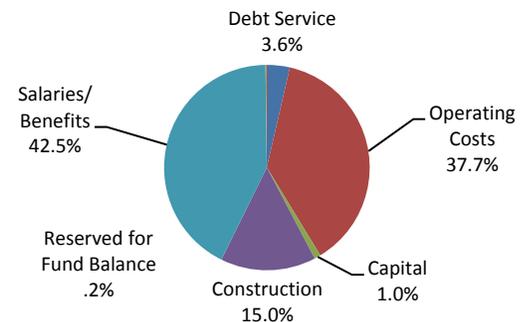
Just over 22% of the County's funding comes from Intergovernmental Revenues. Property and Other Taxes equals just under 32% of the total revenues. Service Charges, Licenses/Permits, and Fines/Forfeits provide just under 19%. Roughly 15% in All Other Sources category is primarily made up of the use of prior fund balance. Just under 11% for Other Miscellaneous includes the sale of fixed assets and transfers from operating funds to construction and debt service funds for those purposes. Interest revenues are just under 1%. The revenues for Internal Service Funds have been excluded from the totals used to calculate the percentages shown on the pie chart.



### 2010 Total County Expenditures

Summarized by Object Classification

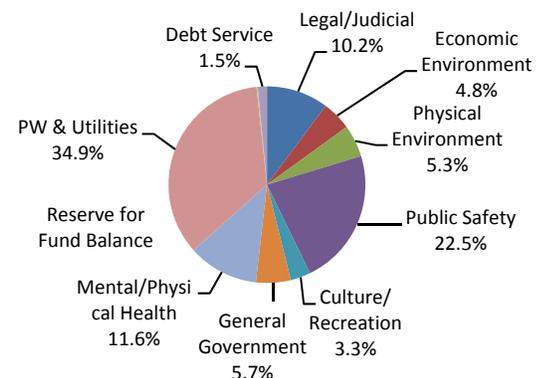
Roughly 43% of the County's total budget line item is allocated to personnel costs. All other operating costs consume just under 38%. The remaining 19% is for capital purchases, construction, debt service, and reserve for fund balance.



### 2010 Total County Expenditures

Summarized by Function

The Public Safety and Legal/Judicial Services combined accounts for roughly 33% of the total County expenditures, with the Mental and Physical Health system absorbing roughly 12%. Just over 40% of the total expenditures is invested in the support of Public Works and Utilities, and the Physical Environment and just over 4% is related to Culture and Recreation. Just under 5% is expended for Economic Environment activity and roughly 6% supports general government functions and debt service. The revenues for Internal Service Funds have been excluded from the totals used to calculate the percentages shown on the pie chart.



# General Fund

As the name implies, this is the fund that receives undesignated revenues which can be budgeted for any appropriate county purpose. This fund finances the majority of the traditional services associated with county government. Most of the budget deliberations center around this fund since it provides resource allocation flexibility.

## A. GENERAL FUND REVENUES

A more detailed listing of General Fund Revenues is presented in the General Overview section of this budget document. A summary of the 2010 revenues, with a comparison to the current year, is shown in the table below.

<b>GENERAL FUND REVENUE SUMMARY</b>				
	<b>2010 Budget</b>	<b>2009 Budget</b>	<b>Absolute Change</b>	<b>Percent Change</b>
Property Taxes	\$ 109,033,980	\$ 106,346,740	\$ 2,687,240	2.5 %
Sales Taxes	52,205,000	56,000,000	(3,795,000)	(6.8)
Other Taxes	9,790,770	9,779,770	11,000	0.1
Licenses and Permits	7,596,770	7,110,080	486,690	6.8
Intergovernmental Revenue	37,771,770	36,481,611	1,290,159	3.5
Charges for Services	34,037,550	36,183,034	(2,145,484)	(5.9)
Fines and Forfeitures	8,148,020	9,098,080	(950,060)	(10.4)
Interest Revenue	4,013,370	5,430,830	(1,417,460)	(26.1)
Other Miscellaneous Revenue	6,675,020	6,424,530	250,490	3.9
<b>Subtotal Revenues</b>	<b>\$ 269,272,250</b>	<b>\$ 272,854,675</b>	<b>\$ (3,582,425)</b>	<b>(1.3) %</b>
Fund Balance	—	4,955,609	(4,955,609)	(100.0)
<b>Total Available Resources</b>	<b>\$ 269,272,250</b>	<b>\$ 277,810,284</b>	<b>\$ (8,538,034)</b>	<b>(3.1) %</b>

Our revenue projections are based largely upon the following assumptions:

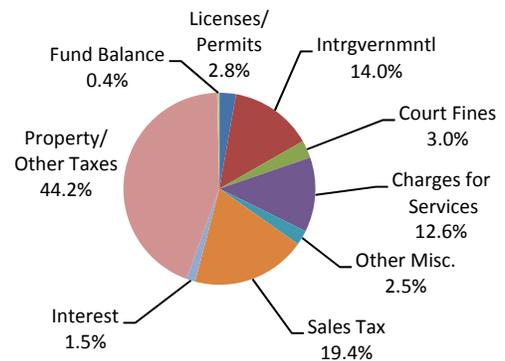
1. The local economy will remain sluggish, with negative impacts upon development activity, sales taxes, employment levels, and housing foreclosures.
2. Inflation will be moderate next year, thus giving only a modest boost to Sales Taxes, Intergovernmental Revenues, and Charges for Services.
3. Short term interest rates will remain at their current historically low levels.
4. We will continue to receive city contract revenues for several major services (principally sheriff law enforcement, jail, roads maintenance, and court services).
5. Several General Fund fee increases (especially at P.A.L.S.) will be approved by the Council.

Based upon the above assumptions, and with an in-depth review of our revenue patterns, we are projecting a **decrease** in General Fund revenues of 1.3% versus the 2009 Budget. However, since our **estimated** 2009 revenues will be considerably below the budgeted levels, the 2010 Revenues are projected to be .7% over the **estimated** 2009 Revenues.

Following is a detailed discussion regarding the changes in each major category of revenue:

- ❖ **Property Tax** revenue collections are projected to increase by 2.5% in 2010. This increase is based upon two factors. The first is the 1% available under I-747. The second is the tax growth resulting from new construction and improvements (which is much less than the prior year).
- ❖ **Sales Tax** revenues are projected to decrease by 6.8% from the 2009 budget. However, the 2010 revenues forecast a 3% growth over our **revised 2009 estimates**

- ❖ **Other Taxes** will be almost the same as 2009.
- ❖ **Licenses and Permits** are projected to be 6.8% above the 2009 budget due to the proposed fee increases at P.A.L.S.
- ❖ **Intergovernmental Revenues** reflect a solid 3.5% increase, due mostly to projected increases in stimulus grant monies and jail billings.
- ❖ **Charges for Services** are estimated to be below the 2009 budget by 5.9%. This change is actually composed of many significant increases or decreases in specific revenue sources (recording fees, planning fees, indirect cost charges, election reimbursements, etc.).
- ❖ **Fines and Forfeits** are projected to be 10% below the 2009 Budget based upon the deletion of the proposed red light camera enforcement program.
- ❖ **Interest Revenues** are projected to generate a large decrease in 2010, due to last year's short term interest rate reductions.
- ❖ **Miscellaneous Revenues** are projected to grow by 9.5% in 2010, which reflects increased support from other funds.
- ❖ **Prior Fund Balance** - we are recommending that no fund balance be used to support the 2010 budget. In contrast, the 2009 Budget allocated \$5.0 million to fund county services.



Based upon this decrease in Prior Fund Balance use, the percentage reduction in Total Resources available for next year's General Fund Expenditures is 3.1%.

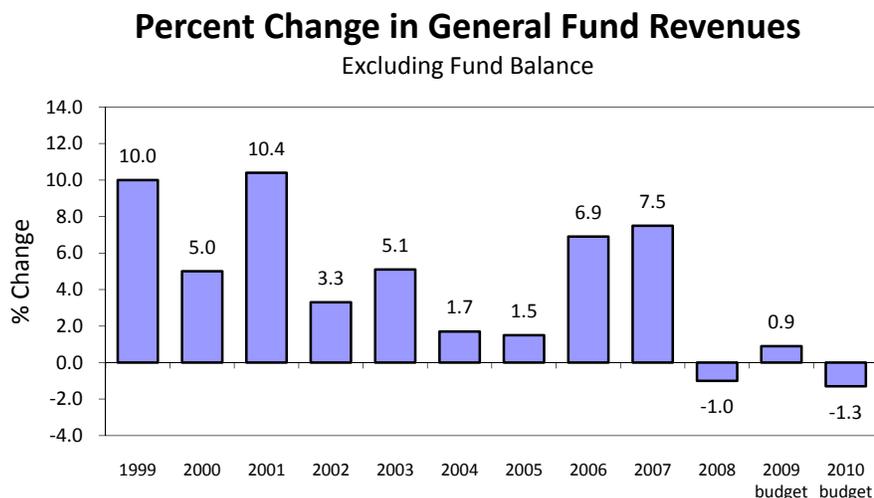


Figure 1

Comparative **revenue** increase figures for the last decade are shown in Figure 1. The decrease of 1.3% in 2010 is clearly well below the average for the decade, even factoring out a) and b) below. In reviewing the figures, please keep in mind that:

- a) The end of the Sheriff's Lakewood contract (\$12,000,000) by itself equated to a 5% drop in General Fund revenues, spread over 2004-2005.

# General Fund

- b) Initiative 747 (effective 2002) continues to erode our real financial base. The negative impact grows exponentially each year.

As you can gather from the above comment, I-747 casts a major shadow over our finances. This initiative limits the growth in taxes from existing property to only 1% per year (in place of the previously available 6%). Such a limitation is well below the level of inflation, and imposes severe fiscal constraints on the county. The inevitable result is that service cutbacks and staff reductions in even an average economy become unavoidable.

The annual revenue loss for the first nine years affected by this initiative is shown in the next table.

These are very significant revenue losses, with the **annual amount in just fiscal 2010 equal to almost 18% of our General Fund budget.** The Road levy is also affected by I-747, with the 2010 loss estimated at \$21,600,000 (\$17,400,000 for the Road Fund, and \$4,200,000 for the law enforcement levy in the General Fund).

This initiative is causing inexorable erosion in our financial foundation, and will likely lead to further significant long term reductions in public safety, the justice system, road maintenance, health services, and other vital county programs.

GENERAL FUND I-747 ANNUAL LOSS		
2002	\$	3,482,800
2003		7,325,500
2004		10,903,900
2005		14,801,800
2006		20,071,000
2007		26,304,000
2008		33,100,000
2009		40,600,000
2010		48,600,000 est.
<b>Total</b>	<b>\$</b>	<b>205,189,000</b>

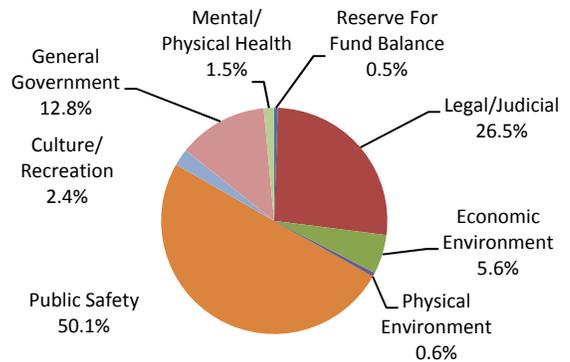
## B. GENERAL FUND EXPENDITURES

The projected Revenue Budget decline of 1.3% (and a 3.1% decrease when use of fund balance is considered) will obviously not be sufficient to fund all programs and staff at even the recently reduced 2009 levels. Major cutbacks are unavoidable.

The Expenditure tables which follow summarize the 2010 General Fund Expenditure Budget, and compare it with the 2009 Budget. One table simply lists each departmental budget, while the other presents the General Fund according to functional category.

As shown in the **Department Expenditures** listing, almost all of the General Fund departments have a proposed 2010 budget which is below the 2009 level. This negative change in budgeted expenditures would be the first such decline in at least 25 years.

As indicated in the **Functional** table, the combined total percentage allocated to Public Safety and Legal/Judicial Services is approximately 77% of the budget. The decrease in the 2010 General Fund budget allocated to Public Safety and Legal/Judicial Services is \$4.0 million, with a decrease of \$4.5 million in all the other functions in order to balance the budget. Thus the decrease to Public Safety/Legal Judicial was limited to 47% of the reduction (not a proportional 77%).



As a cautionary note, the percentage change in a particular departmental budget as shown on the next page may not always be a valid indication of the extent to which that department's real inflation adjusted resources are growing (or decreasing) from the prior year. This is often the case because:

1. Many departments had grants or service contracts in 2009 which are not renewed in 2010, or vice versa.
2. Several departments have other unique items in 2009 which are not present in 2010 (special election costs, capital equipment purchases, one time projects, etc.).
3. There could be significant changes in such annual "fixed costs" as insurance, information technology or space rental.

**It is necessary to review each department's situation in some detail to determine what is happening in 2010. I would refer the reader to the "Budget Highlights" section in each departmental budget for a more detailed explanation of any budgetary changes.**

## GENERAL FUND EXPENDITURES BY DEPARTMENT

	2010	2009	Absolute	Percent
Assessor/Treasurer	\$ 9,800,200	\$ 10,134,860	\$ (334,660)	(3.3) %
Assigned Counsel	14,738,110	14,656,020	82,090	0.6
Auditor	8,544,250	9,700,265	(1,156,015)	(11.9)
Bond Debt Service	419,410	411,980	7,430	1.8
Budget & Finance	5,048,250	5,200,930	(152,680)	(2.9)
Capital Improvement Projects	50,000	50,000	—	—
Clerk	4,972,300	5,127,610	(155,310)	(3.0)
Communications	572,420	536,160	36,260	6.8
Corrections	47,814,830	48,903,770	(1,088,940)	(2.2)
County Council	3,908,960	4,002,450	(93,490)	(2.3)
County Executive	1,362,790	1,394,270	(31,480)	(2.3)
District Court	12,051,040	12,073,010	(21,970)	(0.2)
Economic Development	1,068,780	1,217,790	(149,010)	(12.2)
Emergency Management	3,333,600	3,576,070	(242,470)	(6.8)
Health Services	2,838,070	2,932,210	(94,140)	(3.2)
Human Resources	3,425,110	3,499,440	(74,330)	(2.1)
Juvenile	20,084,760	20,817,082	(732,322)	(3.5)
Medical Examiner	2,077,810	2,107,700	(29,890)	(1.4)
Miscellaneous Current Expense	2,896,360	3,791,519	(895,159)	(23.6)
Parks and Recreation Services	6,009,740	6,334,630	(324,890)	(5.1)
Planning and Land Services	13,736,420	16,036,390	(2,299,970)	(14.3)
Prevention Services & Programs	1,481,250	1,712,500	(231,250)	(13.5)
Prosecuting Attorney	26,046,440	26,468,438	(421,998)	(1.6)
Public Defense Conflict Office	—	754,490	(754,490)	(100.0)
Reserve For Fund Balance	1,474,040	—	1,474,040	∞
Sheriff	58,845,900	59,039,930	(194,030)	(0.3)
Special Projects	2,366,180	2,589,660	(223,480)	(8.6)
State Auditor	173,980	171,640	2,340	1.4
Superior Court	13,724,830	13,914,080	(189,250)	(1.4)
WSU PC Extension	406,420	655,390	(248,970)	(38.0)
<b>Total General Fund</b>	<b>\$ 269,272,250</b>	<b>\$ 277,810,284</b>	<b>\$ (8,538,034)</b>	<b>(3.1) %</b>

# General Fund

## GENERAL FUND EXPENDITURES BY FUNCTION

	2010 Budget	2009 Budget	Absolute Change	Percent Change
General Government	\$ 34,319,570	\$ 36,406,045	\$ (2,086,475)	(5.7) %
Public Safety	134,862,010	137,441,758	(2,579,748)	(1.9)
Physical Environment	1,643,420	1,918,350	(274,930)	(14.3)
Legal & Judicial	71,406,970	72,879,418	(1,472,448)	(2.0)
Economic Environment	15,120,320	17,694,051	(2,573,731)	(14.5)
Mental/Physical Health	3,886,570	3,741,608	144,962	3.9
Cultural & Recreation	6,559,350	7,658,332	(1,098,982)	(14.4)
Public Works & Utilities	—	70,722	(70,722)	(100.0)
Reserve For Fund Balance	1,474,040	—	1,474,040	∞
<b>Total General Fund</b>	<b>\$269,272,250</b>	<b>\$277,810,284</b>	<b>\$ (8,538,034)</b>	<b>(3.1) %</b>

### 2010 MAJOR STAFFING CHANGES

The following chart summarizes the 2010 budget staff reductions from the current 2009 budget. These are large reductions, and total approximately 5% of the staffing in the General Fund. These staff decreases are in addition to those cutbacks which were included in the original 2008 and 2009 budgets, or which resulted from the mid-year cutbacks approved by Council in 2008 and 2009. In total the staffing reductions from 2007 to 2010 now total 200 (10%).

It should also be noted that staffing levels in L.E.S.A. (not shown in our budget) are also likely to be reduced in 2010.

Although not reflected in this table, several other departments will achieve budget savings through planned furloughs.

It needs to be emphasized that almost all departmental budgets also include significant reductions in many non-personnel accounts such as extra hire, overtime, equipment purchases, training, consulting, support for “outside programs”, etc.

Finally, there are simply cutbacks in programs and services which are not directly related to staff or operating line-items.

### STAFFING REDUCTION SUMMARY (Excludes Extra Hire)

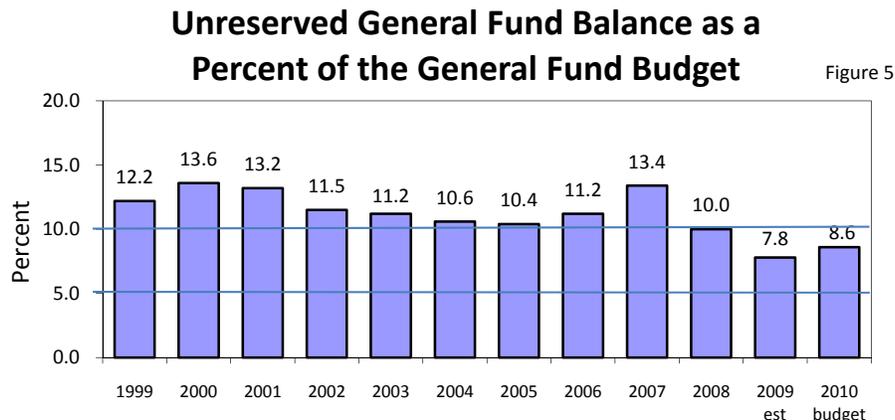
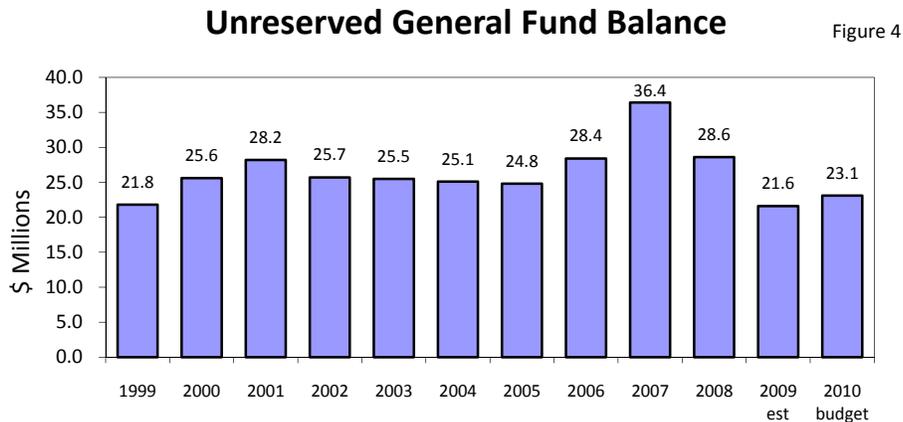
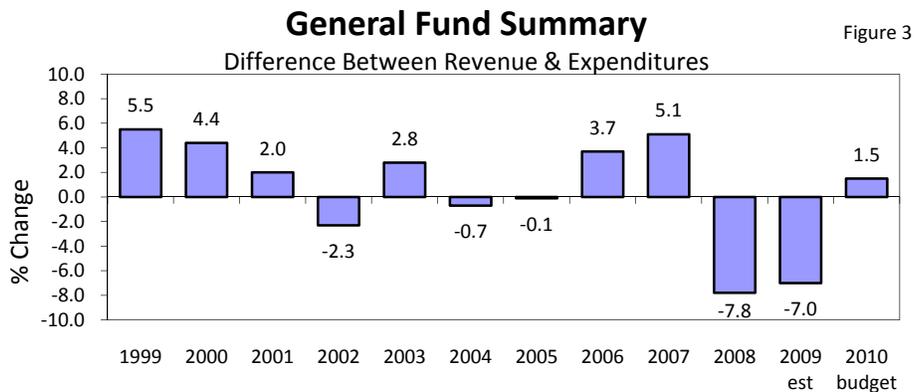
Department	2010 Reductions
WSU Extension	(2.57)
Assessor-Treasurer	(8.00)
Prosecuting Attorney	(12.00)
Auditor	(2.00)
Emergency Management	(1.00)
Clerk	(2.00)
Executive	(1.00)
Communications	(0.35)
Budget and Finance	(1.83)
District Court	(2.50)
Juvenile Court	(6.00)
Corrections	(16.60)
Sheriff	(21.00)
Medical Examiner	(0.25)
Superior Court	2.00
Special Projects	(2.85)
Parks & Recreation	(2.12)
PALS	(12.50)
Assigned Counsel	(7.80)
Conflict Office	(5.60)
Human Resources	(0.80)
<b>Direct General Fund</b>	<b>(106.77)</b>

**A review of the “Budget Highlights” and “Program Expenditures” sections of each department or fund budget is recommended for detail regarding many of the proposed budget changes.**

**C. USE OF PRIOR FUND BALANCE**

Figure 3 and Figure 4 present the actual financial results for the General Fund during the 1999-2008 period, and the estimated amounts for 2009-2010. As indicated in Figure 3, the trend through most of the decade had been very positive. Both a strong economy and prudent fiscal policies produced favorable financial results. However, the actual results for 2008 and projected results for 2009 reflect a much different environment. We are projecting a deficit of \$7.0 million in 2009 (\$5.0 million of which was assumed in the original 2009 budget). The 2010 budget reflects no more use of fund balance. In fact the Council approved budget reflects an allocation of approximately \$1.5 million to increase our fund balance.

If the 2009 actual results match our latest estimates, the Unreserved General Fund balance will be approximately \$21.6 million at the end of 2009 (see Figure 4). It is the county's policy to maintain a fund balance for emergency and working capital purposes which is between 5% and 10% of the budget. We were at the top of the range at the end of fiscal 2008, and will be slightly above the middle of the range at the end of 2010 (as shown in Figure 5).



# Other County Funds

## OTHER COUNTY FUNDS

A great many of the county's programs are financed from sources outside of the General Fund. These funds have combined expenditures well in excess of the General Fund budget. However, the nature of the revenue sources mandate that these monies can only be used for specific activities. Hence, they are budgeted and accounted for in separate funds. Summary figures for each fund can be found in the Total Expenditures/Expenses table of the General Overview section.

### A. COMMUNITY SERVICES & HUMAN SERVICES FUNDS

The county is a major provider of community and human services through programs funded primarily from state and federal grants, and in recent years the new recording fees for housing programs. Due to the vagaries of the grant funding process, these budgets often vary significantly from year to year. The following summarizes the **major funds** and the significant **changes in the 2010 budgets**:

1. The **Mental Health Fund** simply reflects transition and close-out expenses as we cease operations.
2. **Human Services** will partially reflect the impact of Mental Health closing and the decrease of "shared" staff and services.
3. The **"Housing"** program changes often reflect grant fluctuations, major multi-year project impacts, and/or conservative grant estimates.

COMMUNITY SERVICES & HUMAN SERVICES			
Fund	2010 Budget	2009 Budget	Percent Change
Community Action	\$ 8,312,530	\$ 10,665,211	(22.1) %
Community Development	3,830,770	3,368,030	13.7
Homeless Housing Program	5,504,660	4,520,650	21.8
Housing Repair Program	9,083,720	10,647,090	(14.7)
Human Services	36,244,290	35,570,305	1.9
Low Income Housing Fee	999,420	1,822,910	(45.2)
Mental Health Fund	1,500,000	17,610,900	(91.5)

It is our belief that the funding from state and federal sources is not adequate to finance the service levels that should be provided. We are working with state and federal agencies in an attempt to increase the funding levels, and it is possible that additional grant monies will be secured in 2010. However, state budget difficulties may result in future cutbacks in funding levels.

### B. TRANSPORTATION SERVICES

The Public Works and Utilities Department has major transportation responsibilities, and accounts for these responsibilities and service costs in seven major funds.

The 2010 budgets, with comparisons to 2009, are shown in the following table.

The major items of note for next year are:

**The County Road fund, Public Works Construction fund and Traffic Impact Fees fund** reflect diminished activity and staffing as projects are completed and as revenue sources are reduced.

The **Ferry Services** fund reflects increased repair and capital project expenses.

TRANSPORTATION SERVICES FUNDS			
Fund	2010 Budget	2009 Budget	Percent Change
County Roads Fund	\$62,133,180	\$ 70,743,260	(12.2) %
PW Construction Fund	35,670,000	55,870,000	(36.2)
Ferry Service Fund	5,662,800	4,626,000	22.4
Airport Fund	6,361,020	18,834,940	(66.2)
Roads Second REET	24,386,000	22,874,000	6.6
Traffic Impact Fee Fund	4,985,380	6,790,030	(26.6)
Transportation Facilities	252,000	2,648,880	(90.5)

## Other County Funds

**Airport Fund** — reflects the fact that 2009 included a major construction project.

**Roads Second REET** — reflects increased capital project allocations utilizing proposed bond proceeds.

**Transportation Facilities** — simply includes minor design costs for the proposed West Side Maintenance Facility.

### C. PARKS AND RECREATION FUNDING

Although the county's General Fund provides a direct allocation for parks and recreation services (\$6.0 million in 2010), there are several other county funds which provide park and recreation services or which construct, repair or enhance park and recreation facilities. The 2010 Budgets for these funds are shown to the right.

As the figures indicate (with the exception of a large purchase program in Conservation Futures), these funds are mostly experiencing a significant decrease in budget resources, from \$24 million in 2009 down to \$15.5 million in 2010. This is due to a variety of circumstances: decline in available fund balances, decrease in annual revenues due to the economic slowdown, completion of long scheduled projects in 2009. It is likely that this lower level of expenditures will continue to be the pattern for at least the next few years.

PARKS FUND			
Fund	2010 Budget	2009 Budget	Percent Change
Conservation Futures	\$ 6,715,730	\$ 3,786,670	77.4 %
Parks Impact Fees	579,880	570,160	1.7
Parks Sales Tax	3,218,550	4,230,030	(23.9)
Parks Second REET	690,860	4,256,970	(83.8)
Paths & Trails	1,050,380	4,541,370	(76.9)
Parks Construction Fund	1,250,000	5,282,990	(76.3)
Golf Courses	1,990,000	2,010,440	(1.0)

### D. ENVIRONMENTAL SERVICES

The county Public Works and Utilities Department has five funds which deal with environmental issues. These funds and budgets are listed below:

**Major** changes in these funds can be summarized as follows:

**Surface Water Management** — the budget reflects additional staffing and services due to the rate increase approved for 2010, but with some decreases in projects and design work.

**Sewer Utility** — the budget includes:

1. A significant bonded capital improvement program.
2. A rate increase of 10% to match the impact of inflation on operating costs and provide resources for future planned capital improvements.

ENVIRONMENTAL SERVICES FUNDS			
Fund	2010 Budget	2009 Budget	Percent Change
Surface Water Management	\$ 20,174,940	\$ 22,491,790	(10.3) %
Sewer Utility	106,298,600	74,990,390	41.7
Solid Waste	7,171,520	6,542,180	9.6
Water Utility	285,080	300,650	(5.2)
River - REET	5,652,610	6,624,260	(14.7)

**River REET** — includes a sizeable but somewhat diminished land acquisition program utilizing anticipated grant funds.

# Other County Funds

## E. INTERNAL SERVICE FUNDS

Internal Service Funds provide services, supplies, and equipment to other county departments, which pay for these services through various billing systems. In essence, these funds operate under the enterprise fund business model, except that their customers are other county departments. The long-range goal is to establish rates which will pay all operating and capital costs, and to insure that the General Fund does not need to subsidize these activities.

For the most part these funds are showing either decreased budgets, or budgets which reflect only a moderate increase. In light of revenue constraints in the county as a whole, we are also recommending staff cutbacks in several of those funds (e.g. Information Technology and Facilities Management).

Many of these Internal Service Funds will rely upon prior fund balance in order to support their 2010 budgets.

This results from both the scheduled replacement of capital assets using reserves, and our desire to keep charges to other funds to a minimum.

INTERNAL SERVICE FUNDS			
Fund	2010 Budget	2009 Budget	Percent Change
Equipment Services	\$15,554,080	\$15,064,840	3.2 %
Information Technology	18,960,880	19,886,750	(4.7)
Facilities Management	13,156,030	13,904,900	(5.4)
Radio Communic	2,895,700	3,056,780	(5.3)
Fleet Rental	4,752,740	5,193,460	(8.5)
General Services	3,345,690	3,364,980	(0.6)
Self Insurance	9,182,790	9,124,030	0.6
Workers Comp	4,288,660	4,023,250	6.6

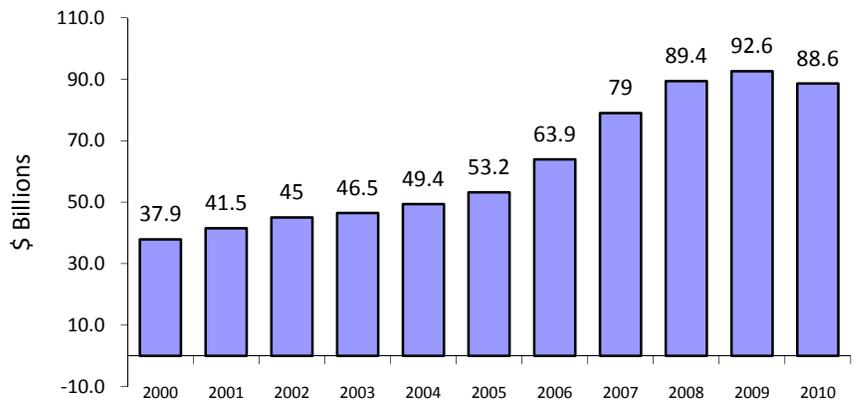
## SUMMATION

- ◇ The 2010 County Budget is based upon a set of unfavorable economic conditions. The recession and the resultant negative impact upon revenues has been the sharpest in at least the last two decades. Cutbacks in programs and staffing (especially in the General Fund) have become unavoidable. We have attempted to prioritize these cutbacks to minimize the impact upon public safety or judicial system services. However, given the fact that so much of the General Fund is already allocated to these services (76%), it is unavoidable that some cutbacks in these areas must be made.
- ◇ We will need to closely monitor our 2010 revenues as the months unfold to see if additional cutbacks become necessary due to continued revenue difficulties. It is also possible that the situation could improve in mid to late 2010, thus allowing us to restore some of these cutbacks. However, it is very unlikely that our revenues will return to the levels seen in the 2006 - 2007 period (or before I-747); and as indicated earlier fiscal 2011 could present even more budgetary challenges.

## PROPERTY TAXES AND ASSESSED VALUATION

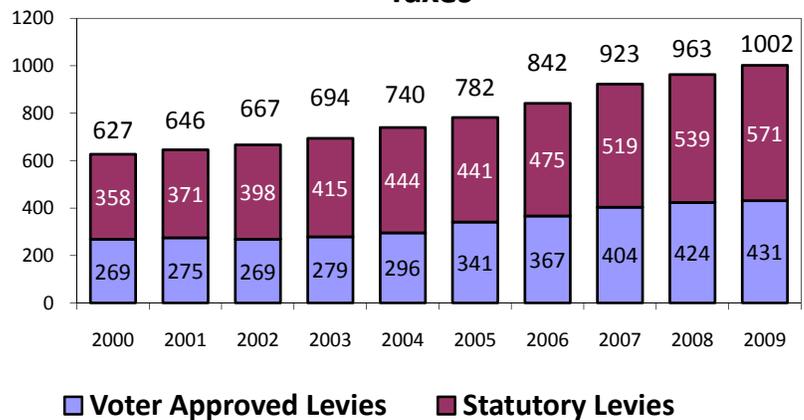
Property tax is the largest source of revenue in the General Fund and is a major source of revenue for the Road Fund. The Assessor/Treasurer values and provides information on approximately 1,080,000 acres of land in Pierce County. Of this total, 51% is taxable acreage, the remaining being exempt under State law. In addition to the statutory levies implemented through State legislation, local levies are imposed through a vote of the people. These are typically for school and fire districts. On average 42% of the total taxes levied over the last nine years have been voter approved.

### Total Assessed Valuation



The growth in Property Tax revenue is dependent upon both the assessed valuation and the tax rate. For the first time in at least 20 years the county's assessed valuation total will decrease for the next year, from \$92.6 billion to \$88.6 billion. This results in an assessed value decrease of \$5.2 billion for existing property, only partially mitigated by a \$1.2 billion growth due to new construction.

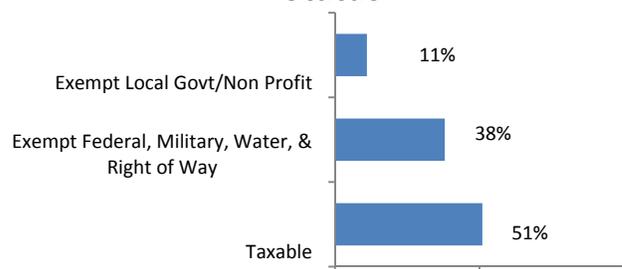
### Voter Approved and Statutory Property Taxes



Of the total tax levies for 2008 (collected in 2009), 43% are voter approved and 57% are statutory levies. These percentages will not be known for the 2009 tax levies

(collected in 2010) until January of 2010 when the final certification figures are available.

### Pierce County Acreage Exemption Status



Of the total Pierce County acreage 49% is tax exempt. Federal and Military lands, major lakes, and local Right-of-Way make up 38% of the exempted properties. Eleven percent is local governments and non-profits (mostly schools and churches).

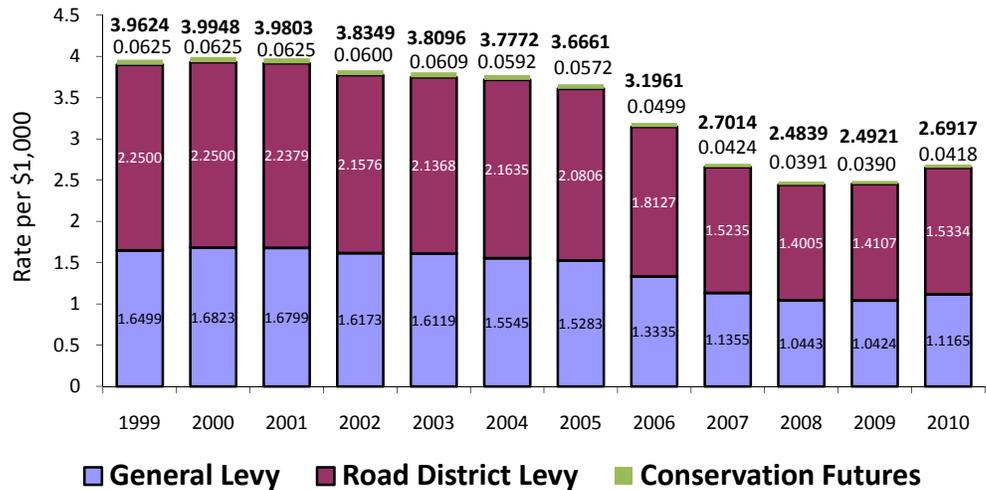
# Other Financial Information

## PROPERTY TAX LEVY RATES

Levy rates determine the amount of tax that a property owner pays per thousand dollars of assessed value. The November 2001 passage of Initiative 747 limits the maximum growth in property tax revenues from existing property to the lesser of

1% or the percentage increase in the Implicit Price Deflator (IPD), a negative 0.848 in 2010 (based on last years' figures). This limitation on property tax revenue growth coupled with an inflationary increase in existing property revaluations has resulted in a 38% decline in rates since the initiative was enacted. The decrease in the valuation of existing property will result in tax rate increases for 2010.

**Combined Property Tax Millages**



The Combined Property Tax Millages chart presents historical and comparative detailed rate information.

PROPERTY TAX LEVIES				
	2009		2010	
	Tax Rate <sup>1</sup>	Revenue	Tax Rate <sup>1</sup>	Revenue
	Assessed Value: \$92,604,618,893		Assessed Value: \$88,620,295,184	
<b>A. County Levy (\$1.80 maximum)</b>				
General Fund	\$ 1.0197	\$ 94,431,200	\$ 1.0905	\$ 96,637,430
Administrative Refund RCW 84.69	0.0017	163,200	0.0035	312,360
Sub Total General Fund	1.0214	94,594,400	1.0940	96,949,790
Veterans' Relief	0.0065	602,330	0.0070	616,400
Social Services	0.0145	1,338,500	0.0155	1,369,770
<b>Total County Levy</b>	<b>1.0424</b>	<b>96,535,230</b>	<b>1.1165</b>	<b>98,935,960</b>
<b>B. Conservation Futures (\$.0625 Maximum)</b>	<b>0.0390</b>	<b>3,613,060</b>	<b>0.0418</b>	<b>3,702,880</b>
	Assessed Value: \$40,669,742,752		Assessed Value: \$38,433,682,713	
<b>C. Road District Levy (\$2.25 Maximum)</b>				
Allocated to Road Fund	1.1345	46,138,470	1.2292	47,244,030
Law Enforcement Levy	0.2762	11,233,420	0.2993	11,502,590
Administrative Refund RCW 84.69	-	-	0.0049	188,450
<b>Total Road District Levy</b>	<b>1.4107</b>	<b>57,371,890</b>	<b>1.5334</b>	<b>58,935,070</b>
<b>TOTAL COUNTY TAX LEVIES</b>	<b>\$ 2.4921</b>	<b>\$ 157,520,180</b>	<b>\$ 2.6917</b>	<b>\$ 161,573,910</b>

<sup>1</sup>Tax rates are applied to each \$1,000 of assessed value.

## Other Financial Information

### DEBT CAPACITY

Under Washington State Law, a county may issue general obligation debt for general county purposes in an amount not to exceed 2½% of all actual value of all taxable property. Unlimited tax debt requires an approving vote of the people, and any election to validate General Obligation Debt must have a voter turnout of at least 40% of those who voted in the last state general election, and 60% of those voting must be in the affirmative.

The County Council may, by ordinance, authorize the issuance of limited tax General Obligation Debt in an amount up to 1½% of the actual valuation within the County without a vote of the people. No combination of limited or unlimited tax debt may exceed 2½% of the actual valuation. The debt service on unlimited tax debt is secured by excess tax levies, whereas the debt service on limited tax debt is secured by taxes collected within the \$1.80 per \$1,000 of assessed value county operating levy

As indicated in the following table, we have a significant debt issuance capacity for both limited and unlimited debt. The County currently has no voter approved debt outstanding.

DEBT CAPACITY AS OF SEPTEMBER 30, 2009		
<b>2009 Assessed Valuation for 2010 Tax Collections</b>	<b>\$</b>	<b>88,620,295,184</b>
<b>A. Inside Levy (issued without vote of the people)</b>		
Legal Limit (1.5% of property value)	\$	1,329,304,428
<i>Amount of Debt Applicable to Debt Limit:</i>		
Net Limited General Obligation Bonds	\$	116,134,782
Net Limited General Obligation Bonds - Proprietary Type	\$	22,868,021
Estimated Compensated Absences (12/31/2008)		22,092,000
Installment Contracts - Ferries / Road / Sewers		10,476,257
Total Limited Tax General Obligation Debt		171,571,060
<b>Limited Tax General Obligation Debt Margin Available</b>	<b>\$</b>	<b>1,157,733,368</b>
<b>B. Outside Levy (issued with vote of the people)</b>		
Legal Limit (2.5% of property value)	\$	2,215,507,380
<i>Amount of Debt Applicable to Debt Limit:</i>		
Net Limited General Obligation Debt	\$	171,571,060
<b>Total General Obligation Debt Margin Available</b>	<b>\$</b>	<b>2,043,936,320</b>

PIERCE COUNTY BONDED DEBT RATIOS ESTIMATED AT SEPTEMBER 30, 2008		
General Obligation Bonded Debt per Capita (excluding Proprietary GO/Debt, Compensated Absences, & Installment Contract)	<b>\$</b>	<b>142.74</b>
Assessed Valuation per Capita	\$	108,924
Ratio of direct G O Bonded Debt to Assessed Value (including Proprietary GO/Debt)		<b>0.0013</b>

PIERCE COUNTY BOND RATINGS		
	General Obligation	Sewer Revenue (Uninsured)
Moody's	<b>Aa3</b>	<b>A-1</b>
Standard and Poor's	<b>AA-</b>	<b>AA</b>

## Other Financial Information

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### 2009 CAPITAL IMPROVEMENT PROGRAM

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#### *Introduction*

The Capital Facilities Plan (CFP) details the County's most current understanding of the projected capital improvement needs and financing sources that supports the County's current and future population and economy. The CFP is one of the elements of Pierce County's comprehensive plan that is required by Washington's Growth Management Act (GMA). The CFP is adopted by ordinance as an amendment to the comprehensive plan in the spring of each year. Consequently the sixth year of the plan is not available when annual budget is adopted. The CFP does not authorize the expenditure of funds. Rather, the funds for capital projects are appropriated annually in the County's operating budget.



In order to be considered a “capital improvement” for the CFP, the expenditure must be for the acquisition of a physical asset which has a useful life of at least ten years. Excluded from the definition are such items as vehicles, office and data processing equipment, other equipment items (unless they are an integral part of the larger physical improvement), and normal repairs and maintenance. Also, projects with a total expenditure of less than \$150,000 are excluded from the CFP but are included here in order to maintain consistency with the adopted budget. Projects funded by Real Estate Excise Tax (REET) or the General Fund are usually budgeted and managed by the Facilities Management Department.

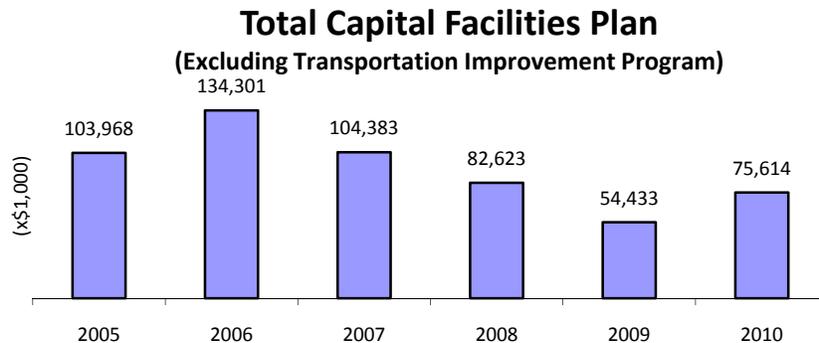
One of the principal criteria for identifying needed capital improvements is standards for levels of service (LOS). The CFP contains LOS standards for each public facility and requires that new development be served by adequate facilities. Also included in the CFP is the designation of facilities required to be “concurrent.” Concurrency is required for a subset of adequate public facilities: County arterial roads, sanitary sewers, ferry services, and surface water management projects. Concurrency means: “. . . that adequate public facilities are available when the impacts of development occur.” For transportation facilities, concurrent with development means “improvements or strategies are in place at the time of development, or that a financial commitment is in place to complete the improvements or strategies within six years.” The CFP also contains objectives, principles and standards that guide and implement the provision of adequate public facilities.

State code requires each city and county to annually adopt a six-year (14 years for ferry systems), comprehensive transportation improvement program (TIP) and file the plan with State Secretary of Transportation. The CFP contains the Public Works and Utilities Department, Roads Division buildings and facilities. The road construction projects are detailed in the separately prepared and adopted TIP.

### CAPITAL IMPROVEMENT PROGRAM SUMMARY

This budget book contains summary capital improvement information. The complete Capital Facilities Plan and detailed CIPs are available at:

<http://www.co.pierce.wa.us/xml/Abtus/ourorg/council/code/title%2019e%20pcc.pdf>.



During the last six years 2006 was the high point. During that year there were significant increases for Courts/City-County Building remodel, Human Services building renovation, river improvement and sanitary sewer construction.

### CAPITAL IMPROVEMENT PROJECT SUMMARY

	2010	2011	2012	2013	2014
Adult Detention	\$ 5,590,000	\$ 347,800	\$ 252,700	\$ 202,500	\$ 200,000
Airports	4,294,190	275,000	75,000	775,000	75,000
District Court	—	338,100	128,800	—	—
Ferry System	257,380	550,000	600,000	—	—
General Admin Buildings	2,385,000	20,208,200	20,766,800	25,488,100	24,603,000
Human Services	230,000	3,685,600	6,149,700	19,871,500	13,500,000
Juvenile Detention	—	4,947,400	4,650,000	4,675,000	4,500,000
Parks and Recreation	1,765,000	270,000	270,000	270,000	136,670,000
River Improvement	4,047,860	500,000	500,000	500,000	500,000
Roads Bldgs & Facilities	100,000	—	—	—	—
Sanitary Sewer	50,971,500	47,291,900	53,955,800	54,552,700	43,146,200
Sheriff Buildings	—	9,960,900	10,054,900	9,979,900	2,094,000
Solid Waste	469,250	2,225,000	—	—	—
Superior Court	—	1,460,000	50,000	50,000	50,000
Surface Water Management	5,504,030	7,803,000	6,322,000	6,960,000	8,340,000
<b>Total</b>	<b>\$ 75,614,210</b>	<b>\$ 99,862,900</b>	<b>\$ 103,775,700</b>	<b>\$ 123,324,700</b>	<b>\$ 233,678,200</b>

### 2010 CAPITAL IMPROVEMENT PROJECTS SOURCES OF FUNDS

The sources of funds for capital improvement projects have been grouped into five major categories. In 2010 12% will be from Taxes/Fees, 26% from Service Fees, 45% from Bonds and 17% from Grants and Contributions.

**Taxes/Fees.** This source of revenue includes non-dedicated taxes and fees such as sales tax, property tax, court fines, licenses and permits. This category also includes dedicated taxes and fees such as park impact fees, park sales tax, and gas taxes.

**Service Fees.** These fees are for specific services provided. Examples are E 9-1-1, golf course fees, sewer fees and surface water management fees.

## Other Financial Information

**Grants & Contributions.** This source of revenue includes federal, state and city contributions for specific projects or purposes. Examples include road funds, parks donations and grants, mental health and human services grants, and the City of Tacoma portion of the County-City Building.

**Bonds.** This is interest bearing debt issued by the county.

**Intergovernmental Loans** (none in 2010). This category is used for loans from one department to another, or from a tax/fees fund to a user fee (enterprise) fund.

### 2010 SOURCE OF FUNDS

	Taxes/Fees	Service Fees	Grants & Contributions	Bonds	Intergov't Loans	Total
Adult Detention	\$ 3,190,000	\$ —	\$ 2,400,000	\$ —	\$ —	\$ 5,590,000
Airports	—	185,990	4,108,200	—	—	4,294,190
District Court	—	—	—	—	—	—
Ferry System	16,380	—	241,000	—	—	257,380
General Admin Buildings	2,385,000	—	—	—	—	2,385,000
Human Services	230,000	—	—	—	—	230,000
Parks and Recreation	1,765,000	—	—	—	—	1,765,000
River Improvement	1,422,860	—	2,625,000	—	—	4,047,860
Roads Bldgs & Facilities	100,000	—	—	—	—	100,000
Sanitary Sewer	—	17,578,300	3,130,000	30,263,200	—	50,971,500
Solid Waste	—	469,250	—	—	—	469,250
Superior Court	—	—	—	—	—	—
Surface Water Management	—	4,054,030	1,450,000	—	—	5,504,030
<b>Total</b>	<b>\$ 9,109,240</b>	<b>\$22,287,570</b>	<b>\$13,954,200</b>	<b>\$30,263,200</b>	<b>\$ —</b>	<b>\$75,614,210</b>

### 2010 IMPACT ON THE OPERATING BUDGET

Each subsection provides a forecast of the future maintenance and operating costs of capital improvements projects. The impacts of each project are presumed to begin in the year after the year in which the project is completed. Since it is not possible to forecast the completion date of each project, no attempt has been made to identify impacts for any portion of the year in which the project is completed.

The forecast of operating impacts is included because the substantial cost impacts of some facilities may be a factor in the County's decision to construct the project (and to adopt the level of service that causes the project to be needed). No "financing plan" is offered for the operating costs, and the County will be obliged to find revenue to pay for such costs. (Some of the revenue may come from increases to the tax base that accompanies the new development that created the need for the capital facility. There is no assurance, however, that the increased tax revenue from new development will be sufficient to pay for the cost of operating the new facilities.)

The operating impact costs reflect the amount by which each future year's operating budget will increase compared to the current operating budget. The same project is shown to have the same annual impact on each succeeding year's operating budget. Sometimes, the completion of a capital improvement project will result in savings in operating costs rather than incur new costs. In other instances such as "maintenance" projects, there will be no impact on operating costs. In these cases, zeroes are entered. For some projects the operating impact of the capital improvement projects cannot be calculated because of too many unknown factors such as final configuration and type of facility, realignment of staffing, or the amount of shared infrastructure with current facilities.

## Other Financial Information

### CAPITAL IMPROVEMENT IMPACT ON THE OPERATING BUDGET

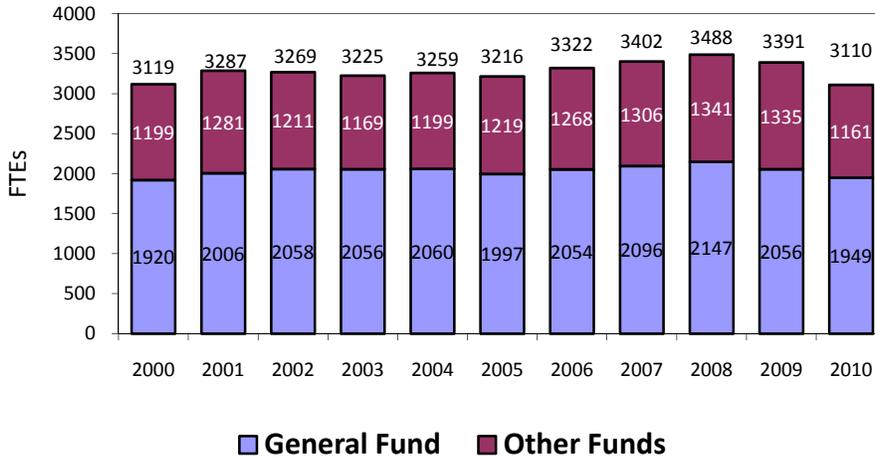
	2010		2011		2012		2013		2014	
Adult Detention	\$	—	\$	—	\$	—	\$	—	\$	—
Airport		—		—		—		—		—
District Court		—		—		—		—		—
Ferry System		—		—		—		—		—
General Admin Buildings		—		—		—		—		—
Human Services		—		—		—		—		—
Juvenile Detention		—		—		—		—		—
Parks and Recreation		28,600		28,600		28,600		28,600		28,600
River Improvement		—		—		—		—		—
Roads Bldgs & Facilities		—		—		—		—		—
Sanitary Sewer		—		—		—		—		—
Sheriff Buildings		—		—		—		40,000		70,000
Solid Waste		—		—		—		—		—
Superior Court		—		1,308,600		1,308,600		1,308,600		1,308,600
Surface Water Management		1,361,000		1,402,000		1,444,000		1,487,000		1,539,000
<b>Total</b>	<b>\$</b>	<b>1,389,600</b>	<b>\$</b>	<b>2,739,200</b>	<b>\$</b>	<b>2,781,200</b>	<b>\$</b>	<b>2,864,200</b>	<b>\$</b>	<b>2,946,200</b>

# Other Financial Information

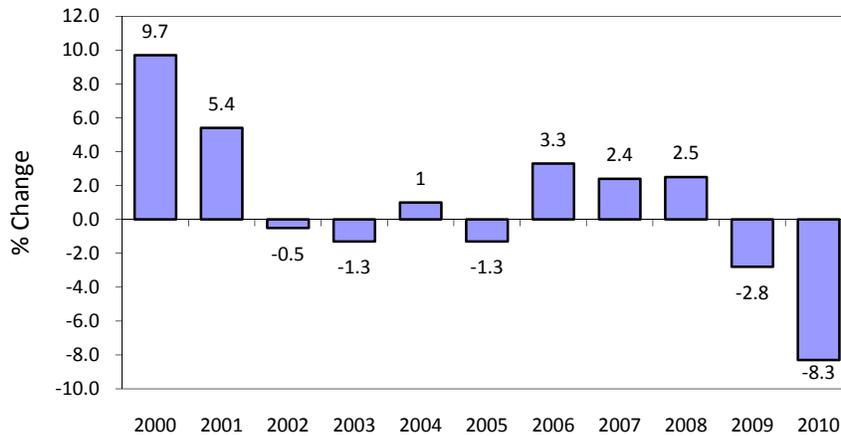
## STAFFING INFORMATION

As the population of Pierce County has increased, the demand for county services has risen correspondingly. General Fund staffing (authorized positions) has increased by 29 FTEs (1.5%) since 2000 while staffing in all other funds (special revenue, enterprise, and internal services) has decreased by 38 FTEs (3.2%). Overall, 9 FTEs have been reduced since 2000, a decrease of .3%.

### County-wide Staffing Summary



### Percent Change in County-wide Staffing



In August of 2000, the County took over Inpatient Services at Puget Sound Behavioral Health (PSBH), eventually adding 239 new staff positions in 2000 and 2001. This accounts for the large increase in those years.

The percentage changes in 2002-2005 reflect either only a small increase or an actual decrease due to the following factors:

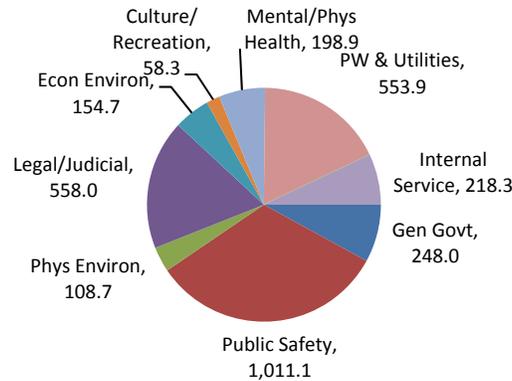
- The PSBH staff count subsequently declined over these years to 98 positions in 2005 as service responsibilities were restructured or eliminated;
- Initiative 747 (1% property tax limitation) resulted in far less revenue being available to fund new positions or even to support existing positions; and
- The Sheriff's contract with the City of Lakewood for police services was terminated at the end of 2004, which resulted in a loss of 103 positions in the Sheriff's department in 2005.

## Other Financial Information

The 2006-2008 Budgets again reflect new positions throughout the County to enhance service levels, including staff in PALS, Sheriff, Corrections, Prosecuting Attorney, Assigned Counsel, Superior Court, Juvenile, Human Resources, Medical Examiner, Clerk, Emergency Management, Economic Development, Parks and Recreation, Public Works and Utilities, and the Auditor's Office for animal control and election services.

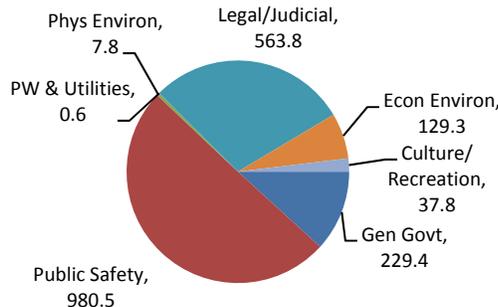
However, significant revenue cutbacks resulted in staffing reductions in 2009, and further proposed staffing reductions in 2010. 2010 staffing cuts include 154 FTE reductions as a result from the termination of the state contract with the County for Mental Health services.

### 2010 Total County Staffing Summarized by Function



The Public Safety and Legal/Judicial systems combined accounts for just over 50% of the total County staff, with the Mental and Physical Health system at almost 7%. Just over 21% of the total staff provides PW & Utilities, and the Physical Environment services. Almost 2% of the total staff is related to Culture and Recreation. Just under 5 % are involved in Economic Environment activity and roughly 15% staffing provide general government functions (including internal service funds)

### 2010 General Fund Staffing Summarized by Function



The Public Safety and Legal/Judicial systems combined accounts for 79% of all General Fund staff. Just under 12% provide General Governmental services. Just under 7% of the General Fund staff support Economic Environment activities and just over 2% are involved in Culture and Recreation, and Physical Environment activities.

The table on the following two pages contains detailed staffing information.

## Other Financial Information

### STAFFING SUMMARY

	2000 FTE	2004 FTE	2005 FTE	2006 FTE	2007 FTE	2008 FTE	2009 FTE	2010 FTE	Change from 2000
<b>General Fund:</b>									
Assessor/Treasurer	98.80	90.10	90.60	91.80	91.30	90.60	86.35	78.35	(20.45)
Assigned Counsel	89.50	85.60	89.30	93.20	96.60	101.10	99.10	91.30	1.80
Auditor	41.00	43.00	45.00	51.00	54.00	53.30	50.30	48.30	7.30
Budget & Finance	43.95	44.20	44.15	44.15	44.95	45.00	41.00	39.17	(4.78)
Clerk of the Superior Court	52.50	58.00	57.00	57.50	57.50	56.50	53.50	51.50	(1.00)
Communications	-	5.00	5.00	4.00	4.00	4.00	3.00	2.65	2.65
Corrections	347.80	377.80	375.70	383.10	395.10	400.10	393.00	376.40	28.60
County Council	31.00	29.00	29.00	31.00	31.00	31.00	28.00	28.00	(3.00)
County Executive	6.75	8.00	8.00	8.00	8.00	8.00	10.00	9.00	2.25
District Court	111.55	110.00	109.50	109.50	111.00	113.50	109.00	106.50	(5.05)
Economic Development	3.80	7.15	7.00	8.00	8.00	8.00	7.00	7.00	3.20
Emergency Management	21.40	23.03	28.00	31.00	32.00	32.00	31.00	30.00	8.60
Human Resources	24.00	26.60	27.60	28.60	29.60	31.10	24.17	23.37	(0.63)
Juvenile	174.52	176.12	173.12	174.82	175.82	195.82	191.82	185.82	11.30
Medical Examiner	13.00	14.50	14.50	15.00	15.50	15.50	15.00	14.75	1.75
Parks & Recreation Services	49.68	49.52	43.05	39.41	40.41	41.05	38.90	36.78	(12.90)
Planning & Land Services	127.75	131.62	150.62	164.32	171.32	173.20	134.80	122.30	(5.45)
Prevention Services & Programs	.80	1.22	-	-	-	-	-	-	(0.80)
Prosecuting Attorney	219.07	227.22	228.50	230.70	231.70	233.20	234.70	222.70	3.63
Public Defense Conflict Office	-	-	-	4.00	4.00	5.00	5.60	-	-
Sheriff	357.00	449.00	364.00	374.00	381.00	394.00	389.00	368.00	11.00
Special Projects	14.99	10.92	11.00	11.75	12.67	14.30	11.80	8.95	(6.04)
Superior Court	87.38	88.88	92.88	95.38	95.38	96.38	95.38	97.38	10.00
WSU PC Extension	3.60	3.62	3.60	3.60	4.60	4.60	3.57	1.00	(2.60)
<b>Total General Fund</b>	<b>1,919.84</b>	<b>2,060.10</b>	<b>1,997.12</b>	<b>2,053.83</b>	<b>2,095.45</b>	<b>2,147.25</b>	<b>2,055.99</b>	<b>1,949.22</b>	<b>29.38</b>
<b>Special Revenue Funds:</b>									
Arts & Cultural Services Fund	1.79	1.66	1.59	1.59	1.44	.69	.30	.50	(1.29)
Auditor's Maint & Operation Fund	2.00	.50	.50	2.50	2.00	5.70	7.20	7.20	5.20
Community Action Fund	59.31	50.77	49.77	49.77	46.95	48.32	51.89	50.48	(8.83)
Community Development Fund	9.96	8.66	11.31	11.31	11.31	11.06	11.45	10.50	.54
Conservation Futures Fund	1.00	1.00	1.00	1.00	3.00	3.00	3.15	4.15	3.15
County Road Fund	326.35	335.70	337.33	344.98	366.19	370.44	371.90	345.29	18.94
Criminal Justice Fund	-	2.00	2.00	3.00	4.00	4.00	3.00	3.00	3.00
Detention Ctr Commissary Fund	-	3.90	3.00	1.00	1.00	1.00	1.00	2.00	2.00
Drug Investigation Fund	-	2.00	4.00	7.00	7.00	7.00	6.00	3.00	3.00
Emergency Mgmt Grants Fund	-	10.87	12.88	16.50	16.50	14.50	15.00	15.00	15.00
Endangered Species Act Fund	-	-	-	-	-	-	-	-	-
Judson Family Justice Ctr Fund	-	-	1.50	8.40	8.50	8.70	9.70	9.20	9.20
Geographical Info Services Fund	19.00	17.00	17.00	19.00	20.00	23.00	23.00	21.00	2.00
Homeless Housing Fund	-	-	-	2.00	2.00	4.25	4.25	4.00	4.00
Housing Repair Program Fund	12.00	12.66	12.00	12.00	11.00	11.00	10.86	10.86	(1.14)
Human Services Fund	143.74	220.37	224.47	278.41	320.06	149.99	145.49	145.39	1.65
Law Enforcement Fund	47.00	-	-	-	-	-	-	-	(47.00)

## Other Financial Information

### STAFFING SUMMARY

	2000 FTE	2004 FTE	2005 FTE	2006 FTE	2007 FTE	2008 FTE	2009 FTE	2010 FTE	Change from 2000
Mental Health Fund	-	-	-	-	-	161.91	153.61	-	-
Park Impact Fees Fund	-	-	.05	.05	.05	.05	.05	.05	.05
Parks Sales Tax Fund	-	.64	1.00	6.15	7.15	6.31	5.85	5.25	5.25
Paths and Trails Fund	1.47	2.02	1.02	2.21	2.21	2.41	2.87	2.84	1.37
Peninsula Recreation Prgm Fund	-	2.00	2.00	-	-	-	-	-	-
Puget Sound Behavioral Hlth Fd	183.29	106.04	97.86	41.05	-	-	-	-	(183.29)
Rainier Communications Comm Fd	5.00	6.00	6.00	7.00	7.00	8.00	7.00	7.35	2.35
REET River Fund	2.02	1.71	1.57	1.39	1.51	1.51	1.51	1.51	(0.51)
Second REET Parks Fund	-	.89	1.15	1.20	1.20	1.20	1.20	1.75	1.75
Surface Water Mgmt Fund	43.15	52.06	55.27	60.29	62.00	73.50	67.70	74.20	31.05
Tourism, Promotion & Cap Fac Fd	.13	.42	-	-	-	-	-	-	(0.13)
Veterans' Relief Fund	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	-
Wellness Program Fund	1.00	-	-	-	-	-	-	-	(1.00)
911 System Fund	4.50	4.96	4.00	4.00	4.46	4.46	4.46	4.46	(0.04)
<b>Total Special Revenue Funds</b>	<b>865.71</b>	<b>846.83</b>	<b>851.27</b>	<b>884.80</b>	<b>909.53</b>	<b>925.00</b>	<b>911.44</b>	<b>731.98</b>	<b>(133.73)</b>
<b>Capital Projects:</b>									
Admin Bldg & Facilities Fund	.17	-	-	-	-	-	-	-	(0.17)
Parking Facility Fund	.56	-	-	-	-	-	-	-	(0.56)
Permanent Jail Construction Fund	8.51	.89	.50	.09	-	1.05	2.95	3.10	(5.41)
REET Capital Improvement Fund	1.07	3.47	2.85	3.98	4.65	5.35	3.95	4.00	2.93
1% for Arts Construction Fund	-	.10	.10	.60	.75	.50	.50	.50	.50
2501 Corporate Express Bldg Fd	-	-	1.29	1.39	1.80	1.15	-	-	-
Transportation Facilities Fund	-	-	-	1.00	1.00	-	-	-	-
<b>Total Capital Projects</b>	<b>10.31</b>	<b>4.46</b>	<b>4.74</b>	<b>7.06</b>	<b>8.20</b>	<b>8.05</b>	<b>7.40</b>	<b>7.60</b>	<b>(2.71)</b>
<b>Enterprise Funds:</b>									
Airport Fund	1.50	1.60	1.60	2.63	2.62	2.77	4.77	5.27	3.77
Chambers Bay Golf Course Fund	-	-	.80	.75	.50	.20	.50	.61	.61
Golf Courses Fund	8.45	8.78	8.78	8.53	9.53	9.53	9.03	9.03	.58
PC Ferry Services Fund	.67	1.61	1.89	2.80	2.62	2.62	2.92	3.13	2.46
Sewer Utility Fund	103.26	111.76	118.39	126.38	135.09	144.39	149.09	160.98	57.72
Sewer Utility Construction Fund	-	-	-	-	-	-	-	-	-
Solid Waste Mgmt Fund	11.11	14.44	16.02	16.11	15.68	18.68	18.72	22.62	11.51
Water Utility Fund	.90	.31	.09	.01	.10	.10	1.10	1.10	.20
<b>Total Enterprise Funds</b>	<b>125.89</b>	<b>138.50</b>	<b>147.57</b>	<b>157.21</b>	<b>166.14</b>	<b>178.29</b>	<b>186.13</b>	<b>202.74</b>	<b>76.85</b>
<b>Internal Serv Funds:</b>									
Equipment Rental & Revolving Fd	24.10	24.47	24.46	24.27	24.30	26.30	27.30	27.30	3.20
Facilities Management Fund	41.86	45.99	52.21	52.66	52.88	53.75	56.30	50.45	8.59
Fleet Rental Fund	3.15	3.40	3.45	3.45	3.45	3.40	3.40	3.40	.25
General Services Fund	8.20	8.20	8.20	8.20	8.80	8.80	8.80	8.80	.60
Information Technology Fund	104.00	110.00	111.00	114.50	115.50	118.50	115.50	109.75	5.75
Radio Communication Fund	7.10	8.17	7.00	7.00	8.54	9.54	9.54	9.54	2.44
Self Insurance Fund	6.30	6.30	6.30	6.30	6.30	6.30	6.38	6.38	.08
Workers Compensation Fund	2.70	2.70	2.70	2.70	2.70	2.70	2.75	2.75	.05
<b>Total Internal Serv Funds</b>	<b>197.41</b>	<b>209.23</b>	<b>215.32</b>	<b>219.08</b>	<b>222.47</b>	<b>229.29</b>	<b>229.97</b>	<b>218.37</b>	<b>20.96</b>
<b>TOTAL FUNDS</b>	<b>3,119.16</b>	<b>3,259.12</b>	<b>3,216.02</b>	<b>3,321.98</b>	<b>3,401.79</b>	<b>3,487.88</b>	<b>3,390.93</b>	<b>3,109.91</b>	<b>(9.25)</b>

## Other Financial Information

### DEPARTMENTAL EXPENDITURES/EXPENSES BY FUNCTION

	2010 Budget	2009 Budget	Absolute Change	Percent Change
<b>General Government</b>				
Assessor/Treasurer	\$ 9,800,200	\$ 10,134,860	\$ (334,660)	(3.3) %
Auditor	7,195,870	8,361,875	(1,166,005)	(13.9)
Auditor'S Maint & Oper Fund	1,629,080	1,597,180	31,900	2.0
Bond Debt Service	419,410	411,980	7,430	1.8
Budget & Finance	5,048,250	5,200,930	(152,680)	(2.9)
Communications	572,420	536,160	36,260	6.8
County Council	3,908,960	4,002,450	(93,490)	(2.3)
County Executive	1,362,790	1,394,270	(31,480)	(2.3)
Employee Assistance Program Fd	72,260	73,260	(1,000)	(1.4)
Human Resources	3,425,110	3,499,440	(74,330)	(2.1)
Miscellaneous Current Expense	1,101,080	1,307,920	(206,840)	(15.8)
Rainier Communicatn Commiss Fd	1,865,930	1,602,610	263,320	16.4
REET Capital Improvement Fund	2,991,500	2,624,850	366,650	14.0
REET Electronic Technology Fd	229,280	370,000	(140,720)	(38.0)
Special Projects	1,311,500	1,384,520	(73,020)	(5.3)
State Auditor	173,980	171,640	2,340	1.4
<b>Total General Government</b>	<b>41,107,620</b>	<b>42,673,945</b>	<b>(1,566,325)</b>	<b>(3.7)</b>
<b>Public Safety</b>				
Annex West Building	53,290	222,950	(169,660)	(76.1)
Clear Zone Land Acquisition	3,050,000	3,100,000	(50,000)	(1.6)
Corrections	47,814,830	48,903,770	(1,088,940)	(2.2)
Criminal Justice Fund	497,210	2,084,424	(1,587,214)	(76.1)
Detention Center Commissary Fd	1,252,430	1,100,880	151,550	13.8
District Court	3,588,190	3,536,630	51,560	1.5
Drug Investigation Fund	664,230	1,609,520	(945,290)	(58.7)
Emergency Management	3,333,600	3,576,070	(242,470)	(6.8)
Emergency Managemt Grants Fd	5,713,500	6,941,720	(1,228,220)	(17.7)
Juvenile	17,044,650	17,817,762	(773,112)	(4.3)
Marine Services Fund	160,430	208,590	(48,160)	(23.1)
Medical Examiner	2,077,810	2,107,700	(29,890)	(1.4)
Miscellaneous Current Expense	616,330	633,416	(17,086)	(2.7)
Parks And Recreation Services		52,030	(52,030)	(100.0)
Permanent Jail Construction Fd	8,669,150	9,701,320	(1,032,170)	(10.6)
Prevention Services & Programs	1,481,250	1,712,500	(231,250)	(13.5)
REET Capital Improvement Fund	671,720	1,752,180	(1,080,460)	(61.7)
Sheriff	58,845,900	59,039,930	(194,030)	(0.3)
Special Projects	59,450	61,950	(2,500)	(4.0)
911 System Fund	7,206,960	6,262,450	944,510	15.1
<b>Total Public Safety</b>	<b>162,800,930</b>	<b>170,425,792</b>	<b>(7,624,862)</b>	<b>(4.5)</b>

## Other Financial Information

### DEPARTMENTAL EXPENDITURES/EXPENSES BY FUNCTION

	2010 Budget	2009 Budget	Absolute Change	Percent Change
<b>Physical Environment</b>				
Auditor	1,348,380	1,338,390	9,990	0.7
Conservation Futures Fund	6,715,730	3,786,670	2,929,060	77.4
Endangered Species Act Fund	55,000	196,760	(141,760)	(72.0)
Federal Forest Services Fund	56,330	32,940	23,390	71.0
GIS Fund	3,448,580	3,611,830	(163,250)	(4.5)
Miscellaneous Current Expense	173,120	198,140	(25,020)	(12.6)
REET River Improvement Fund	5,652,610	6,624,260	(971,650)	(14.7)
Special Projects	121,920	381,820	(259,900)	(68.1)
Surface Water Management Fund	20,714,940	22,491,790	(1,776,850)	(7.9)
<b>Total Physical Environment</b>	<b>38,286,610</b>	<b>38,662,600</b>	<b>(375,990)</b>	<b>(1.0)</b>
<b>Legal &amp; Judicial</b>				
Assigned Counsel	14,738,110	14,656,020	82,090	0.6
Capital Improvement Projects	50,000	50,000	—	—
Clerk	4,972,300	5,127,610	(155,310)	(3.0)
Criminal Justice Fund	405,280	668,150	(262,870)	(39.3)
Dispute Resolution Center Fund	195,960	155,000	40,960	26.4
District Court	8,462,850	8,536,380	(73,530)	(0.9)
Judson Family Justice Ctr Fd	1,452,630	1,721,204	(268,574)	(15.6)
Juvenile	3,040,110	2,999,320	40,790	1.4
Miscellaneous Current Expense	372,330	373,080	(750)	(0.2)
Prosecuting Attorney	26,046,440	26,468,438	(421,998)	(1.6)
Public Defense Conflict Office		754,490	(754,490)	(100.0)
REET Capital Improvement Fund	357,870	2,266,820	(1,908,950)	(84.2)
Superior Court	13,724,830	13,914,080	(189,250)	(1.4)
<b>Total Legal &amp; Judicial</b>	<b>\$ 73,818,710</b>	<b>\$ 77,690,592</b>	<b>\$ (3,871,882)</b>	<b>(5.0) %</b>
<b>Economic Environment</b>				
Community Development Fund	3,830,770	3,368,030	462,740	13.7
Economic Development	1,068,780	1,217,790	(149,010)	(12.2)
Homeless Housing Program Fund	5,504,660	4,520,650	984,010	21.8
Housing Repair Programs Fund	9,083,720	10,647,090	(1,563,370)	(14.7)
Low Income Housing Fee Fund	999,420	1,822,910	(823,490)	(45.2)
Miscellaneous Current Expense	5,000	111,701	(106,701)	(95.5)
Planning and Land Services	13,736,420	16,036,390	(2,299,970)	(14.3)
Special Projects	310,120	328,170	(18,050)	(5.5)
<b>Total Economic Environment</b>	<b>34,538,890</b>	<b>38,052,731</b>	<b>(3,513,841)</b>	<b>(9.2)</b>
<b>Mental/Physical Health</b>				
Community Action Fund	8,312,530	10,665,211	(2,352,681)	(22.1)
Health Department	33,128,211	41,337,709	(8,209,498)	(19.9)
Health Services	2,838,070	2,932,210	(94,140)	(3.2)
Human Services Construction Fd	6,130	297,470	(291,340)	(97.9)
Human Services Fund	36,244,290	35,570,305	673,985	1.9
Mental Health Fund	1,500,000	17,610,900	(16,110,900)	(91.5)
Miscellaneous Current Expense	548,500	809,398	(260,898)	(32.2)
REET Capital Improvement Fund	230,000	294,160	(64,160)	(21.8)
Special Projects	500,000		500,000	—
Veterans Relief Fund	938,160	955,420	(17,260)	(1.8)
<b>Total Mental/Physical Health</b>	<b>84,245,891</b>	<b>110,472,783</b>	<b>(26,226,892)</b>	<b>(23.7)</b>

## Other Financial Information

### DEPARTMENTAL EXPENDITURES/EXPENSES BY FUNCTION

	2010 Budget	2009 Budget	Absolute Change	Percent Change
<b>Cultural &amp; Recreation</b>				
Arts and Cultural Services Fd	127,690	200,250	(72,560)	(36.2)
Chambers Bay Golf Course Fund	7,644,120	7,460,720	183,400	2.5
Golf Courses Fund	1,990,000	2,010,440	(20,440)	(1.0)
Miscellaneous Current Expense	80,000	287,142	(207,142)	(72.1)
Parks and Recreation Services	6,009,740	6,282,600	(272,860)	(4.3)
Parks Construction Fund	1,250,000	5,282,990	(4,032,990)	(76.3)
Parks Impact Fee Fund	579,880	570,160	9,720	1.7
Parks Sales Tax Fund	3,218,550	4,230,030	(1,011,480)	(23.9)
Paths And Trails Fund	1,050,380	4,541,370	(3,490,990)	(76.9)
Pierce County Fair Fund	182,770	198,470	(15,700)	(7.9)
Second REET Parks Fund	690,860	4,256,970	(3,566,110)	(83.8)
Special Projects	63,190	433,200	(370,010)	(85.4)
Tourism, Promotion, Facil Fund	723,660	632,840	90,820	14.4
WSU PC Extension	406,420	655,390	(248,970)	(38.0)
1% For Arts Construction Fd	306,720	337,730	(31,010)	(9.2)
<b>Total Cultural &amp; Recreation</b>	<b>24,323,980</b>	<b>37,380,302</b>	<b>(13,056,322)</b>	<b>(34.9)</b>
<b>Debt Service</b>				
Ltd Tax GO Bond Redemption Fd	10,607,770	8,894,200	1,713,570	19.3
<b>Total Debt Service</b>	<b>10,607,770</b>	<b>8,894,200</b>	<b>1,713,570</b>	<b>19.3</b>
<b>Public Works &amp; Utilities</b>				
County Road Fund	62,133,180	70,743,260	(8,610,080)	(12.2)
Ferry Services Fund	5,662,800	4,626,000	1,036,800	22.4
Miscellaneous Current Expense		70,722	(70,722)	(100.0)
Public Works Construction Fund	35,670,000	55,870,000	(20,200,000)	(36.2)
Second REET Roads Fund	24,386,000	22,874,000	1,512,000	6.6
Sewer Bond Funds	1,910,450	1,716,290	194,160	11.3
Sewer Facil Restrict Reserve Fd	13,944,080	10,348,740	3,595,340	34.7
Sewer Utility Const Funds	53,681,100	22,005,300	31,675,800	143.9
Sewer Utility Fund	36,762,970	40,920,060	(4,157,090)	(10.2)
Solid Waste Mgmt Fund	7,171,520	6,542,180	629,340	9.6
Thun Field Airport - O&M	6,361,020	18,834,940	(12,473,920)	(66.2)
Traffic Impact Fee Fund	4,985,380	6,790,030	(1,804,650)	(26.6)
Transportation Facilities Fund	252,000	2,648,880	(2,396,880)	(90.5)
Water Utility Fund	285,080	300,650	(15,570)	(5.2)
<b>Total Public Works &amp; Utilities</b>	<b>253,205,580</b>	<b>264,291,052</b>	<b>(11,085,472)</b>	<b>(4.2)</b>
<b>Internal Service</b>				
Equipment Services Division Fd	15,554,080	15,064,840	489,240	3.2
Facilities Management Fund	13,156,030	13,904,900	(748,870)	(5.4)
Fleet Rental Fund	4,752,740	5,193,460	(440,720)	(8.5)
General Services Fund	3,345,690	3,364,980	(19,290)	(0.6)
Information Technology Fund	18,960,880	19,886,750	(925,870)	(4.7)
Radio Communications Fund	2,895,700	3,056,780	(161,080)	(5.3)
Self Insurance Fund	9,182,790	9,124,030	58,760	0.6
Workers Compensation Fund	4,288,660	4,023,250	265,410	6.6
<b>Total Internal Service</b>	<b>72,136,570</b>	<b>73,618,990</b>	<b>(1,482,420)</b>	<b>(2.0)</b>
<b>Reserve For Fund Balance</b>	<b>1,474,040</b>	<b>—</b>	<b>1,474,040</b>	<b>∞</b>
<b>County Fund Total</b>	<b>\$ 796,546,591</b>	<b>\$ 862,162,987</b>	<b>\$ (65,616,396)</b>	<b>(7.6) %</b>

## Other Financial Information

### ALL FUNDS COMPARISON OF 2010 REVENUES AND EXPENDITURES

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Enterprise Funds	Internal Service Funds	Tacoma/ Pierce County Health Dept	Total All Fund Types
<b>Revenues/Other Financing Sources:</b>								
Charges For Services	\$ 34,037,550	\$ 27,092,050	\$ —	\$ 123,000	\$ 49,230,290	\$30,094,740	\$ 4,671,746	\$ 145,249,376
Contributed Capital	—	—	—	—	1,297,000	—	—	1,297,000
Fines and Forfeitures	8,148,020	10,000	—	—	—	—	—	8,158,020
Intergovernmental Rev	37,771,770	81,597,050	—	10,742,000	10,432,230	100	21,038,356	161,581,506
Licenses and Permits	7,596,770	60,000	—	—	—	—	3,867,162	11,523,932
Other Financing Sources	—	—	—	—	670,080	—	—	670,080
Other Miscellaneous Re	10,688,390	29,187,460	10,607,770	9,400,000	21,670,030	36,174,100	1,768,590	119,496,340
Other Taxes	9,790,770	9,755,140	—	2,290,000	81,900	—	—	21,917,810
Property Taxes	109,033,980	52,539,930	—	—	—	—	—	161,573,910
Sales Taxes	52,205,000	2,893,710	—	—	—	—	—	55,098,710
Use of Fund Balance	—	19,344,930	—	30,953,380	52,031,610	5,867,630	1,782,357	109,979,907
<b>Total Revenues</b>	<b>\$ 269,272,250</b>	<b>\$ 222,480,270</b>	<b>\$ 10,607,770</b>	<b>\$ 53,508,380</b>	<b>\$ 135,413,140</b>	<b>\$72,136,570</b>	<b>\$33,128,211</b>	<b>\$ 796,546,591</b>
<b>Expenditures/Expenses:</b>								
Cultural & Recreation	\$ 6,559,350	\$ 6,573,790	\$ —	\$ 1,556,720	\$ 9,634,120	\$ —	\$ —	\$ 24,323,980
Debt Service	—	—	10,607,770	—	—	—	—	10,607,770
Economic Environment	15,120,320	19,418,570	—	—	—	—	—	34,538,890
General Government	34,319,570	3,796,550	—	2,991,500	—	—	—	41,107,620
Internal Service	—	—	—	—	—	72,136,570	—	72,136,570
Legal & Judicial	71,406,970	2,053,870	—	357,870	—	—	—	73,818,710
Mental/Physical Health	3,886,570	46,994,980	—	236,130	—	—	33,128,211	84,245,891
Physical Environment	1,643,420	36,643,190	—	—	—	—	—	38,286,610
Public Safety	134,862,010	15,494,760	—	12,444,160	—	—	—	162,800,930
Public Works & Utilities	—	91,504,560	—	35,922,000	125,779,020	—	—	253,205,580
Reserve For Fund Bal	1,474,040	—	—	—	—	—	—	1,474,040
<b>Total Expenditures</b>	<b>\$ 269,272,250</b>	<b>\$ 222,480,270</b>	<b>\$ 10,607,770</b>	<b>\$ 53,508,380</b>	<b>\$ 135,413,140</b>	<b>\$72,136,570</b>	<b>\$33,128,211</b>	<b>\$ 796,546,591</b>

This table presents a comprehensive view of resources and services provided by fund type. The Executive Message, in the front of this document, includes significant discussion of the highlights of the various budgets within each of these fund types. The individual budget sections, found later in this document, provide additional detail as well. Refer to the Total Expenditures/Expenses summary table in the back of this section for a detailed list of the funds by fund type.

Internal Services are those services provided to ourselves, such as information technology, telecommunications, self insurance, vehicle and equipment pools, facilities maintenance, routing, and mail processing. The revenues to these Internal Service Funds are expenditures for the other funds receiving their services. Therefore, to obtain a truer net total budget for the County as a whole, we must remove the budget for the Internal Services (less fund balance and any revenues from non-county sources). The “netted” 2010 Budget for Pierce County is \$730,277,751 (total budget of \$796,546,591 less Internal Service Funds of \$72,136,570 plus \$100 in Intergovernmental Revenue from non-county sources and \$5,867,630 in Internal Service Funds use of fund balance).

The Governmental Accounting Standards Board (GASB) defines a Major Fund as one which is at least 10% of the fund type group and 5% of the total for all funds. The Major Funds as reported in our 2008 CAFR were the General Fund, Human Services Fund, County Road Fund, Sewer Utility and the Chambers Bay Golf Course. It is expected that these will be the same for fiscal years 2009 and 2010 (except Chambers Bay Golf Course). The General Fund is discussed in significant detail throughout this document. The other funds are described and discussed in their respective individual budget sections.

**North Lake Tapps Park**  
**Pierce County Parks Department**  
**February 3, 2011**  
**Kathy Kravit-Smith, Pierce County Parks Director**

***Park Gatekeeper from Memorial Day through first two weeks in September:***

<b>Revenue Information</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Daily passes sold	13, 663	13,885	10,679
- Parking/boat launch			
Seasonal passes	401	301	236
- Non-resident and Resident			
Total seasonal attendance	64,276	62,000	48,380
Daily parking fee			\$7.00
Daily boat launch fee			\$15.00
Seasonal pass (resident)			\$75.00
Seasonal pass (non-resident)			\$150.00
Seniors (65+)			\$3.50
Seniors launch			\$5.00
State ADA pass			Free
Ttoal Revenue			\$99,195 (deposited into General Fund)
Expenditures			\$237,227 at Lake Tapps Park. Total does not include PC Sheriff's costs.

# ADOPTED BUDGET

*City Of*



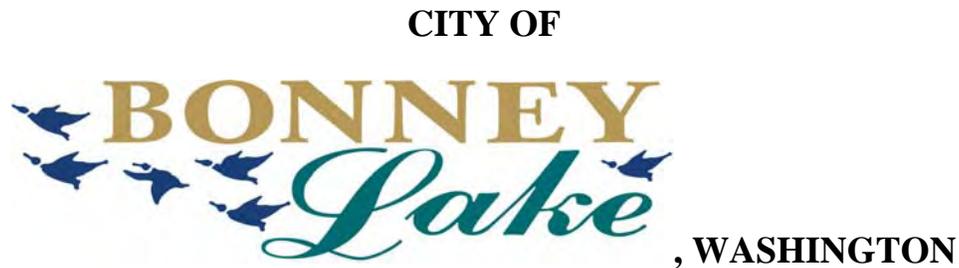
For the Fiscal Years  
January 1, 2011 through December 31, 2012





**19306 Bonney Lake Boulevard  
Bonney Lake, WA 98391  
253-862-8602**

**[www.ci.bonney-lake.wa.us](http://www.ci.bonney-lake.wa.us)**



**ADOPTED BUDGET**

**For the Fiscal Years**

**January 1, 2011 through December 31, 2012**

**MAYOR**

Neil Johnson, Jr.

**CITY COUNCIL**

Dan Swatman, Deputy Mayor  
Laurie Carter  
Dan Decker  
Mark Hamilton  
Donn Lewis  
Randy McKibbin  
James Rackley

**CITY ADMINISTRATOR**

Don Morrison

**CHIEF FINANCIAL OFFICER**

Al Juarez

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The **Government Finance Officers Association of the United States and Canada (GFOA)** presented a Distinguished Budget Presentation Award to the **City of Bonney Lake, Washington** for its biennial budget for the biennium beginning January 1, 2009. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of two years only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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## **READER'S GUIDE TO THE BUDGET**

The City of Bonney Lake Operating Budget contains a great deal of information for all levels of users. The following is a brief description of the contents of each section of the budget.

### **Section 1: General Information**

This section contains:

- A reader's guide to the budget;
- City Council information, including contact e-mail addresses;
- Bonney Lake At-A-Glance demographic information;
- The mayor's message highlighting key elements of the budget; including overall revenue, expenditure, and major project summaries;
- A user survey for budget document feedback.

### **Section 2: Policies and Ordinances**

The Policies and Ordinances section reviews the City's accounting and budgeting policies, debt policies (including debt capacity and statements of indebtedness), and the budget creation process (including the steps involved in the preparation and administration of the budget). This section includes:

- The city's calendar for budget preparation;
- The City Council's Vision, Mission, and Goals table explains how the proposed budget responds to the vision, mission and goals of the City Council;
- The adopting ordinances of the 2011-2012 Biennial Budget.

### **Section 3: Financial Summary**

The Budget Summary contains a look at the City of Bonney Lake's financial picture, including budget highlights, estimated revenues, and financial forecasts for the 2011-2012 biennium.

Also included in this section are charts of revenues by fund and by type, a chart detailing the City's financial summary, a listing of authorized full-time equivalent (FTE) employees, and departmental requests for out-of-state travel.

### **Section 4: General Fund Program Summaries**

The Program Summaries contain organizational charts and operating budgets for each City department, including: Mission statement, purpose & description, key accomplishments of 2009-2010, level of service, goals and new initiatives, the actual budget with a narrative, a brief discussion of future trends and issues, as well as performance measures.

**Section 5: Other Funds**

This section provides both the operating and capital detail for the following funds:

**Governmental Funds**

## Special Revenue Funds

*Drug Investigation**Contingency*

## Debt Services Funds

*2008 LTGO Fund*

## Capital Funds

*Street Capital Improvement Program**Parks Capital Improvement Program**General Government Capital Improvement Program**Civic Center Capital Improvement Program***Proprietary Funds**

## Enterprise Funds

*Water**Stormwater**Sewer*

## Internal Service Funds

*Equipment Rental & Replacement**Insurance***Section 6: About the City of Bonney Lake**

This section provides information on how the City of Bonney Lake is organized and operates. It contains the City's organization chart which displays how the city government is organized, as well as a list of City's Officials, Boards and Commissions, the form of government, etc. This includes a guide to city service providers, and a section containing various economic and demographic data about the City.

**Section 7: Glossary of Terms and Acronyms**

This chapter presents a glossary of budget terms and acronyms used in municipal services and budgeting.

### BONNEY LAKE CITY COUNCIL

**Neil Johnson, Jr.**



Mayor  
Current Term Expires  
December 31, 2013  
[neiljohnsonjr@comcast.net](mailto:neiljohnsonjr@comcast.net)

**Dan Swatman**



Deputy Mayor  
Ward 1  
Current Term Expires  
December 31, 2013  
[danswatman@gmail.com](mailto:danswatman@gmail.com)

**James Rackley**



Ward 2  
Current Term Expires  
December 31, 2011  
[rackleyj@citybonneylake.org](mailto:rackleyj@citybonneylake.org)

**Laurie Carter**



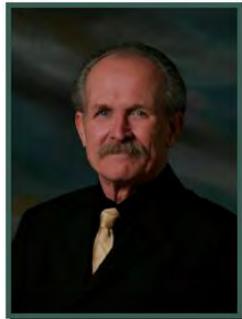
Ward 3  
Current Term Expires  
December 31, 2011  
[lcarterward3@hotmail.com](mailto:lcarterward3@hotmail.com)

**Donn Lewis**



Ward 4  
Current Term Expires  
December 31, 2013  
[lewisd@ci.bonney-lake.wa.us](mailto:lewisd@ci.bonney-lake.wa.us)

**Dan Decker**



Ward 5  
Current Term Expires  
December 31, 2011  
[deckerd@citybonneylake.org](mailto:deckerd@citybonneylake.org)

**Randy McKibbin**



At-Large 1  
Current Term Expires  
December 31, 2013  
[mckibbinr@ci.bonney-lake.wa.us](mailto:mckibbinr@ci.bonney-lake.wa.us)

**Mark Hamilton**



At-Large 2  
Current Term Expires  
December 31, 2011  
[MarkHamilton2009@gmail.com](mailto:MarkHamilton2009@gmail.com)

## The City of Bonney Lake...

*...is a balanced community with a residential character that conserves natural amenities while supporting a diverse mix of economic activities. The community provides places for children and residents to meet and socialize, and is a center for diverse cultural and social opportunities such as theater, art, social organization meetings and celebrations. The City promotes a safe, attractive and healthful living environment for residents' various physical, educational, economic and social activities while maintaining an adequate tax base to provide a high level of accountable, accessible, and efficient local government services. The City is an active participant in interlocal and regional services and planning organizations.*



**BONNEY LAKE AT A GLANCE**



**CITY OF BONNEY LAKE**

General Information

Date of Incorporation	1949
Form of Government	Mayor-Council
Type of Government	Non-Charter, Code City
Location	19 miles east of Tacoma
Land Area	9.21 square miles
2010 Rank in Size – Washington State	60
2010 Rank in Size – Pierce County	5
2010 Population	16,690
2010 Assessed Valuation	2,230,609,725
2011 Authorized Full-Time Employees <i>(Excludes elected officials)</i>	131.35

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January 1, 2011

Dear Council Members, Citizens, and Staff:

I am pleased to present the City's adopted biennial budget for the 2011-2012 fiscal biennium. The Council, Administration and staff continue to work diligently and within the resources available to provide effective and efficient service to the citizens of Bonney Lake. With a strained economy and diminishing local revenues, this budget holds the line on City expenditures while reflecting the Council's goals and provides similar levels of service to the last biennium. The intent of the budget document is to not only lay out the spending plan of the city, but to also make the budget straightforward, readable, and easy to understand. One goal is to help citizens better understand how the City works, where the money comes from, and where it goes.

I would like to especially thank members of my executive staff, department heads, and to Chief Financial Officer Al Juarez, Accounting Manager Cassandra Raymond, Executive Assistant Brian Hartsell, and City Administrator Don Morrison for their dedication and long hours in putting together this budget document. It was no easy task. Cassandra gets my special thanks, as she again took the lead this year in compiling the budget. She has a great deal of experience in this area, and her expertise made it much easier to prepare the budget. It is our intent to again submit the budget document to the Government Finance Officers Association (GFOA) as a candidate for a national budget award. If you recall, we received this prestigious award for the 2009-2010 biennial budget, the first time the City had ever received the award.

### **Explanation of the Budget Document**

The budget document incorporates the City Council's priorities from the City Council Retreat and various Council workshops and adopted plans. It is my belief that the average citizen should be able to read the budget and know what services and projects are provided in the budget. This budget attempts to do just that. I hope you find it readable and informative.

While this budget is technically a combined 2011-2012 biennial budget, we have broken out 2011 and 2012 revenues and expenditures into separate columns, with distinct goals and initiatives. The funds identified for each individual year will serve as an administrative allocation for each of the two years of the biennium.

### **Financial Policy Decisions**

The adopted budget continues the process of direct charging of service costs (cost allocation) to the appropriate fund so that we can better track expenses by fund. The appropriate fair share of selected General Fund allocation costs to utilities is transferred monthly.

This budget, as adopted, does not use any of the “Rainy Day Fund” (Contingency Fund 126), which is currently has a balance of \$1,112,545.

We retained the same allocation and distribution of Real Estate Excise Tax (REET) funds as we have in previous years. These funds are restricted to capital improvements. With the downturn in the economy, however, REET revenue collections are running less than half of what they did in 2006, resulting in reduced funding for capital projects. REET funds are allocated 50% to Streets CIP; 35% to Parks CIP; and 15% to General Government CIP.

### **Council Priorities**

This adopted budget incorporates key Council priorities from the Council Retreat and subsequent programs and plans adopted by the City Council. The top Council priorities from the 2010 Council retreat were:

- Lobby to maintain Pierce Transit routes in Bonney Lake. If necessary, develop alternative transit plans for the City;
- Develop a Community Culture element of the Comprehensive Plan to include historic preservation, cultural arts, public art, museum, and veteran’s memorial;
- Develop a Midtown subarea plan;
- Reconsider council ward boundaries, including possibility of all at-large council positions;
- Acquire Victor Falls site and develop a park that would be a destination draw;
- Pursue a community recreation center or YMCA;
- Develop a useable section of the Fennel Creek Trail and develop park plans to better serve parts of the City lying South of SR 410;
- Develop an off-leash dog park;
- Coordinate with Chamber and local businesses to improve streetscapes including trees, banners, flower baskets and other attractions;
- Update the City’s emergency management plan, including extended response capability in which the City can operate essential systems for 7-10 days.

City staff continues to work on all of the priorities in varying degrees. Given the state of the economy and significant revenue shortfalls, several of the plans are being developed by staff instead of consultants. This additional workload means that several of the projects will take longer than would be the case if the City had the funds to hire consultants to do the work. The ward boundary revision project will not be undertaken until 2010 Census data is available and the City knows whether the CUGA annexation is approved. The goal to acquire Victor Falls has been put on hold due to other park priorities and a significant drop in park impact fees and real estate excise taxes which fund most park land acquisition.

### **Revenue Forecast**

From 2002 – 2006, General Fund revenues increased by an average of nearly \$1.0 million per year, reflecting the rapid pace of growth in the City and the strength of the local economy. Although we anticipated a construction downturn in 2006, it did not materialize until 2007. Since

2007 however, there has been a general decline in housing sales. Accordingly, building permit fees are down nearly 75% over 2007 highs, as are Real Estate Excise Tax (REET) revenues.

We anticipate Bonney Lake's economy to continue to rebound, but not to pre-recession levels. While general City sales tax collections remain consistent due to the increase in new businesses, sales tax growth has slowed dramatically, with sale tax collections from new construction off more than 50% over previous highs.

In the General Fund, the "Big Five" revenue sources are, in order of dollar amount:

1. Sales taxes
2. Property taxes
3. Building Permits
4. Utility taxes
5. Fines and Forfeitures

The City is estimated to end 2010 with \$3.3M in sales tax collections compared to \$3.8M in 2007. While general City sales tax collections from retail sales and food establishments remain flat, getting to \$3.3M was helped in large part to the increase in the number of new businesses that located to Bonney Lake in late 2009 and 2010. The other category that has been stagnant is the building industry, where sales tax collections from new construction is off more than 50% over previous highs.

Given anticipated and known commercial retail projects in Midtown and Easttown, we anticipate modest growth in sales tax collections, assuming the Puget Sound region experiences a modest rebound in the economy.

By state law, property tax is currently capped at a 1% increase plus the value of any annexations and new construction. For several years now, the City's net effective tax rate has decreased because the higher assessed valuation from growth and property appreciation spreads the tax over a broader base, resulting in a lower rate. The City rate is now 1.107 mills (2010 tax rate), which is down from the 1.300 mills (2007 tax rate) levied at the beginning of the last biennium. *Note: A mill is one dollar (\$1.00) in property tax for every thousand dollars of assessed valuation. The City is authorized up to \$1.60 per thousand, but cannot exceed 1.107 mills without a vote of the people to "lift the lid" on the levy.*

With the Bonney Lake real estate boom taking a nose dive, some building continues at diminished levels. If you recall, 2005 and 2006 set new records for license and permit revenue with 2005 topping the \$1 million mark, the first time in the City's history. Years 2006 and 2007 each ended at \$1.7M in license and building permit related revenue, then the recession hit. In 2008 license and permit revenue dropped to \$687,000, and in 2009 it further dropped to \$376,000. 2010 is estimated to end around \$489,469, and given the desirability of the Bonney Lake area, we anticipate some continued in-fill and development in 2011. Add to this the slow but steady transition and renovation of the Downtown area, the expectation of Easttown development becoming a reality, the city is well positioned to see small gains in 2011 and 2012.

It remains to be seen how the requirement to install sprinklers in all new homes will affect housing construction.

Utility taxes generally increase as the City grows and adds new utility customers. While conservation can reduce the amount of a utility bill, and thus the City's utility tax collections, utility tax receipts have actually dropped significantly this past year. This was unforeseen and has caused a significant dent in the revenue budget. There are several factors at play. The slowdown in the economy has caused people to conserve generally. A rainier spring and summer reduced demand for water. Federal law changes in the taxing of natural gas reduced utility taxes from natural gas utilities. The reduction in hardwired phone lines (dropping land lines and relying solely on cell phones) decreased Qwest phone revenues, and a higher than average vacancy rate (vacant homes without utility service) reduced the demand for utility services. We are projecting a 2010 year end total of \$2.4M in utility tax collections, a drop of nearly \$300,000 from last year. We anticipate \$2.4M in utility tax receipts in 2011, and \$2.47M in 2012, a slight increase, but a drop from the 2009 high of \$2.7M.

Overall, General Fund revenues are anticipated to remain flat over the next biennium. We have updated the long range financial planning model that is tied to the capital improvement plans of the City. During the biennium, we will need to continually refine and update the model to give City officials the tools we need to make sound financial decisions regarding operations and maintenance as well as capital investments. The financial resources of the City are discussed more fully in Section Three.

### **Expenditure Forecast**

The City of Bonney Lake utilizes a modified accrual basis of accounting according in which (a) revenues are recognized in the accounting period of which they become available and measurable and (b) expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for un-matured interest on general long-term debt and certain similar accrued obligations, which should be recognized when due.

During 2008 the city elected to engage a biennial or two year budget therefore adopting their first biennial budget, pursuant to statute, for the period beginning January 1, 2009 through December 31, 2010. Municipal budgets in the State of Washington are required to be a balanced document in which revenues and expenditures equal. The city prepares and presents each year of the biennium within distinct columns that illustrate both revenues and expenditures for the applicable year of the biennium. We are further held accountable to the WA State Auditor for compliance with this original planning document and subsequent modifications that occur throughout the year of operations.

Expenditures are described as decreases in net current assets and may include debt service, capital outlays, and those current operating costs, which require the use of current assets.

In the General Fund, the "Big Five" expenditure allocations are as follows:

	2011 Budget	
	%	\$
1. Law Enforcement	33.4%	\$ 5,243,129
2. Community Development	8.9%	1,396,192
3. Financial Services	6.5%	1,014,287
5. Administrative Services (includes Information Technology)	6.1%	961,821
4. Road & Street Maintenance	5.9%	925,770
6. Other General Fund Departments	39.1%	6,135,259
	100.0%	\$ 15,676,458

Law enforcement, the Police Department, is segregated into multiple divisions to assist in the management and operation of the overall department. Following is the make-up of the police department as presented for the 2011 budget:

Law Enforcement	2011 Budget	
	%	\$
Administration	15.7%	\$ 822,013
Investigations	9.4%	490,355
Patrol	62.8%	3,290,371
SWAT Operations	0.5%	25,450
Marine Services	0.6%	30,800
Community Service Programs	1.5%	76,640
Traffic Enforcement	1.2%	63,500
Property Room	0.7%	39,000
Care & Custody of Prisoners	1.7%	90,000
911 Dispatch Communications	6.0%	315,000
	100.0%	\$ 5,243,129

The Community Development Department provides professional policy guidance to the Mayor, City Council, Planning Commission, Design Commission Review Board and other city departments on all matters related to land use, development review, environmental regulation, building safety, geographic information systems, code enforcement, and long range comprehensive planning within the city and its unincorporated urban growth area (UGA). Most of the expenditures are related to building permits, development review, and community planning.

The Office of Financial Services provides central services, accounting, financial management and planning, budgeting assistance, utility billing, and internal support to other departments. In addition to providing salaries and benefits for a staff of ten employees, the following statutory requirements are budgeted within this department: (a) WA State Auditors services = \$60,000; (b) Contracted utility billing and lockbox services = \$22,000; (c) Contracted services for credit card functionality = \$13,000; (d) Armored car services for banking activities = \$4,500.

The Road and Street Maintenance program provides street maintenance services, such as filling pot holes, chip sealing, maintenance overlays, installing and maintaining street signs, sidewalks and other pedestrian walkways, street lights, traffic lights, and other traffic control devices.

The Administrative Services Department consists of the Office of the City Clerk, Office of Information Services and the Office of Human Resources. The Director doubles as the City Clerk. The Clerk's office is responsible for community relations, records management, risk management, employee safety, preparation of the Council agendas, and minutes and other official proceedings. The community relations function is also supported by providing switchboard and reception activities. Information Services serves the City for all data processing and information technology. IS also coordinates all land and cellular phone systems, and assists with the City's radio communications infrastructure.

### **City Staffing**

The City grew rapidly between 2000 and 2007, from 9,687 residents to 15,740, or 62%. This was an average annual growth rate of approximately 8%. From 2007 to 2010, City population grew to 16,690, which was an annual grow rate of only 2%. This early growth impacted all departments of the City. Most City staff growth lagged behind general population growth by about 10%, except in the City utilities. Due to the stagnant economy, no new positions have been added to the budget unless they were grant funded, and then very few. Because the City already employed fewer staff per capita than comparable cities, reductions in staffing would likely mean a corresponding reduction in service levels. There are no new positions included in the 2011-2012 biennial budget; however, the position of prosecuting attorney was approved to transition from a contracted professional services position to a salaried position. I have placed a freeze on all vacant positions (e.g. Finance Specialist, Police Sergeant). These will be re-evaluated in mid-2011. Other reductions may be made in the second half of 2011 depending on how the economy rebounds and the workload demands at that time. In order to reduce the dependence on reserves for year 2012, several position reductions may need to be made during the mid-biennial budget review process unless the economy makes a significant recovery or the City otherwise grows substantially, through annexation or otherwise, along with an accompanying increase in revenue.

The American Federation of State, County, and Municipal Employees (AFSCME) contract covers all employees other than non-represented employees and police department personnel. Their current contract runs through 12/31/2012. AFSCME covered employees will be granted a cost-of-living adjustment (COLA) equivalent to 90% of the Seattle-Tacoma-Bremerton CPI-U, previous June to June, with a guaranteed minimum of 0%, and a maximum of 4.0%. Given the current CPI, it is estimated that AFSCME employees will receive no COLA in 2011. The contract provides that on January 1, 2012, employees will likewise be granted a cost-of-living adjustment (COLA) equivalent to 90% of the Seattle-Tacoma-Bremerton CPI-U, previous June to June, with a guaranteed minimum of 0%, and a maximum of 4.0%. Unless there is considerable inflation during the next year, it is estimated that AFSCME employees may see little or no COLA during the 2<sup>nd</sup> half of the biennium. The salary budget provides no funds for a 2011 COLA, and a 1% contingency increase in 2012, which as stated is dependent on how the CPI-U index turns out over the next year.

The two Police Guild contracts had openers for wages and medical benefits for 2011. An agreement was reached to maintain the status quo (no base wage increase) for 2011. The entire contract will be open for renegotiation for 2012.

The salary ordinance covering non-represented employees is not part of the budget document, and is considered separately. However, since no changes were made to the base rates of non-represented employees in the new budget, it will not be necessary to amend the salary ordinance as salary rates will not change.

### **Budget Highlights**

Each department budget outlines the budget highlights and goals for the new biennium. This budget discusses each budget program individually. Some of the key programs or projects funded in the 2011-2012 biennium include:

- Maintenance of special events, arts, and city beautification programs;
- A variety of equipment and fleet replacements and acquisitions as described in the Equipment Rental and Replacement Fund budget;
- Continuation of the sidewalk, street lighting, and chip seal programs;
- Continuation of the Capital Improvement Program within the limits of available funding.
- Continued funding of the City's share of the Sumner Family Center
- Continued funding of the City's share of the Parks and Recreation Program

Principal capital projects are budgeted for construction during the biennium include:

- Completion of the Justice Center;
- Completion of the Fennel Creek Trail Link through the Safe Routes grant;
- Acquisition of a significant portion of the Fennel Creek Trail corridor;
- Design of SR410 and 214<sup>th</sup> intersection improvements;
- Easttown sewer lift station;
- Angeline Road drainage improvements;
- Lift Station 17 capacity upgrades;
- Various sewer trunk line improvements;
- Upgrades to the joint Sumner wastewater treatment plant;
- Construct sidewalk on the north side of SR410 from 198<sup>th</sup> to 208<sup>th</sup> Avenue utilizing a TIB \$1 million grant;
- Installation of various radar feedback signs in school zones.

### **Use of Reserves**

As a result of discussion at the budget retreat, I proposed, and the Council concurred, to move a significant amount of our General Fund Reserves into equipment and capital projects. \$400,000 of the City's General Fund balance (reserves) has been allocated to general operations and maintenance. \$700,000 will be transferred to the Equipment Rental and Replacement Fund

(ER&R) to catch up the General Fund's portion of the unfunded depreciation in the Fund, with another \$50,000 transferred to ER&R for certain fleet acquisitions. \$300,000 will be transferred to the Street CIP for to-be-determined neighborhood sidewalk improvements. \$1,000,000 will be transferred to the Park CIP to apply toward a community recreation center/YMCA. \$500,000 will be transferred to the General Government CIP to: 1) to continue the downtown civic center land assembly and related work, 2) tenant improvements to convert more space in the Justice Center for City use, and 3) economic development initiatives for downtown, midtown, and Eastown. \$100,000 will be transferred to the Street CIP to install approximately ten (10) RU2 radar units around parks, schools, and Sky Island. These traffic calming devices are pole mounted radar speed feedback signs to let drivers know how fast they are going, and to slow down if necessary. Studies have shown these to be effective in reducing traffic speeds. This still leaves a reserve of an estimated \$2.7M, or approximately 20% of the annual General Fund operating budget, which is sufficient to meet cash flow requirements and contingencies.

### **Precautionary Note**

As a precautionary note, if the economy does not recover and the City's projected revenues drop even further, some of the fund balance transferred for the projects listed above may need to be recaptured and returned to reserves. It is important to note that General Fund revenues dropped an estimated \$515,250 between 2008 and 2011. During this time costs have increased substantially and the City has taken on \$890,000 in additional debt service for the 800MHz police communications system and the Justice Center. This required the City to draw down some of the City's fund balance in order to meet new debt service payments. The City has held a line on the growth of city government for the past 3 years, and the 2011-2012 biennial budget continues that trend. In terms of operating costs, the General Fund is taking in more revenue than it is spending; however, when the new debt service is factored in, revenues are not covering total expenditures without the use of reserves. Our plan is for revenues to cover all expenditures by 2013, both for operating costs and debt service.

### **Summary**

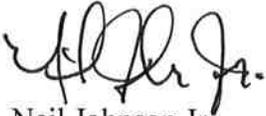
I am pleased with the positive working relationship we have established between the administration, council, and staff. It is a pleasure to work with a group of individuals who are willing to work together for the betterment of Bonney Lake. We have made considerable community progress during this past biennium despite a challenging economy. Everyone has pitched in and helped economize where possible, knowing we need to do more with less in this "new economy".

Bonney Lake is fortunate to have a somewhat diverse tax base, which is a trend we need to enhance moving forward, while being very judicious in how we allocate scarce resources for a variety of capital needs that run into the hundreds of millions of dollars. The development of our financial planning model tied to our capital plans has helped us realistically plan and will continue to prove very helpful in identifying our challenges and options in achieving our goals. Knowing there is nowhere near enough funding to address all of the projects identified in our various comprehensive plans, we will need to be creative and pursue the full range of available funding sources. Part of this strategy is for the City to continue being active and aggressive in

seeking grant funds for streets, sidewalks, public safety, and various community services. Since becoming Mayor, the City has secured over \$4 million in grant funds for the community.

I would like to thank our City council, staff, citizens, service organizations, and community volunteers that make our city what it is. We have made a lot of progress this year, and I am confident that we will see considerably more progress during the next biennium.

Sincerely,

A handwritten signature in black ink, appearing to read "Neil Johnson Jr.", written in a cursive style.

Neil Johnson Jr.,  
Mayor

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*"The City of Bonney Lake's mission is to protect the community's livable identity and scenic beauty through responsible growth planning and by providing accountable, accessible and efficient local government services"*

**Budget Document Public Comment**

*Your opinion is important to us! Please take a few moments to tell us what you think about our budget document!*

1. Readability – Is the document easy to read and understandable?

- |           |                       |    |      |           |
|-----------|-----------------------|----|------|-----------|
| 1         | 2                     | 3  | 4    | 5         |
| Difficult | Somewhat<br>Difficult | OK | Easy | Excellent |

2. Using the scale below, please rate the following:

1 = Very Helpful    2 = Helpful    3 = Not Helpful

\_\_\_\_\_ Introductory Section

\_\_\_\_\_ Policies & Ordinances

\_\_\_\_\_ Financial Summary

\_\_\_\_\_ Program Summaries

\_\_\_\_\_ Other Funds

\_\_\_\_\_ About the City

3. Content – Is there anything you would like to see added, expanded, changed, or deleted?

4. Overall Impression – How would you rate the document as a whole?

1	2	3	4	5
Unusable	Meets minimum expectations	OK	Mostly informative	Excellent

5. General Comments

**Please send this page to:**  
City of Bonney Lake  
Finance Department  
Attn: Accounting Manager  
19306 Bonney Lake Blvd  
Bonney Lake, WA 9839  
*Or fax to 253-862-8538*



**POLICIES**

**and**

**ORDINANCES**

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## **BUDGET AND GENERAL FISCAL POLICIES**

The following administrative policies have been followed in preparation of the 2011-2012 biennial budget. The administration uses these policies to manage and monitor the execution of the budget. City Administration intends to continue work with the Council Finance Committee during the biennium to review and refine the financial as well as the debt policies of the City.

### ***Budget Policies***

The budget presents the City's financial operating plan for the stated fiscal period. This plan includes estimated expenditures (costs) of providing services and the estimated revenues (income) to pay for services. In accordance with state statute (RCW 35.33.075), the city adopts a balanced budget, meaning the budgeted appropriations (expenditures) are balanced with either revenues and/or unreserved fund balances. The City will pay for all current expenditures with current revenues. In any fund in which expenditures shall exceed revenues for the budget period, operating reserves and/or interfund transfers shall be used to meet the shortfall. Any such use of operating reserve and/or interfund transfer shall be approved by City Council action and disclosed in budget materials.

The City will maintain a budgetary control system to ensure compliance with the budget. The Administration will monitor revenues and expenditures on a monthly basis, and provide status reports to the City Council on a quarterly basis.

In prior budget cycles, accumulated fund balance (excess of revenues over expenditures) was fully programmed as available reserves. Beginning with the 2009/2010 Biennial budget, only those operating reserves required to balance revenues and expenditures is programmed as "use of fund balance". Any use of operating reserve/fund balance over the budgeted amount shall be approved by City Council action and disclosed in budget materials.

The City will not incur an operating deficit in any fund at year-end balance, with the exception of carryover expenditures. Any deficiencies must be remedied in the following year.

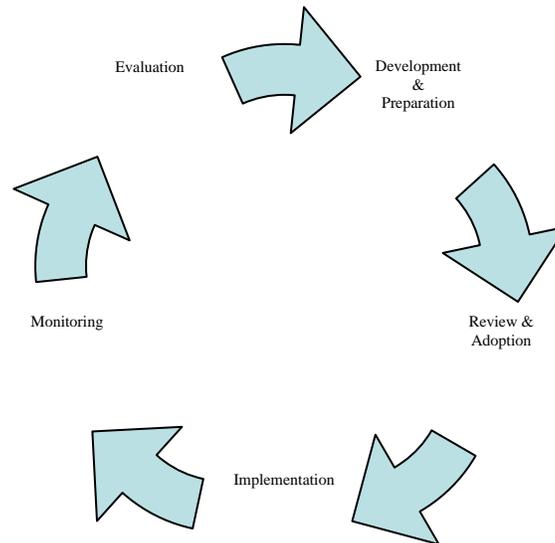
### ***The Budget Process***

In Washington, city government fiscal years follow the calendar year (January 1<sup>st</sup> to December 31<sup>st</sup>). Municipal government fiscal years do not coincide with the fiscal years of the state government (July 1 – June 30) or the federal government (October 1 – September 30).

The City of Bonney Lake began budgeting on a biennial basis for the period of January 1, 2007 – December 31, 2008. For administrative purposes, the biennial budget allocates budgets separately for 2011 and 2012. Legally, however, the budget is a biennial budget, meaning that the combined allocations for 2011 and 2012 constitute the official adopted budget for the biennium. Technically, funds anticipated to be spent in 2011 could be deferred to 2012. Likewise, funds anticipated for 2012 could be spent in 2011. It will be the policy of the Administration to expend the budget according to plan. After the budget is adopted, the Executive Department will issue guidelines to the departments regarding implementation of the biennial budget, including schedules and timelines for certain planned expenditures.

State law provides for a mid-biennial review. Thus, in November or December of 2011 the budget will be amended and updated. It is anticipated that the number of amendments will be nominal and primarily address unforeseen or changed circumstances, or major changes in Council policies or priorities.

There are five distinct phases in the City's budget cycle:



1. Development and Preparation: Staff develops and submits their initial budget requests to the Executive Department. Proposed budgets are based on an analysis of historical and planned activities. Input is often received from citizen surveys, boards, commissions, hearings, and other sources that the Mayor, Council, or staff consider when preparing the preliminary requests and recommendations. The Executive Department then weighs and balances projected revenue against requested expenditures and develops a balanced preliminary budget (January – July);
2. Review and Adoption: The City Council reviews the proposed budget, holds public hearings, and adopts the annual budget for the next biennium (November – December);
3. Implementation: Services, programs and projects programmed by the approved budget are carried out (ongoing January – December);
4. Monitoring: Revenues and expenditures are monitored by the Office of Financial Services and department managers throughout the year to ensure that funds are available and used in an approved manner. Periodic reports are made to the City Council on the status of the budget and the progress being made on various projects. Monitoring also includes ongoing assessment of trends, changes in laws, etc. and subsequent evaluation for potential impacts of external changes on the City's sources of revenue and expenditure limitations or mandates (ongoing January – December);

5. Evaluation: Audits are conducted, annual financial reports are produced, and the Mayor and Council review the previous year's accomplishments at their annual retreat (dates vary);

Each phase involves a coordinated effort between the Mayor, City Council, the City Administrator, the Office of Financial Services and other City departments. Although the budget process itself takes only six to seven months, the monitoring and evaluation is a continual process that leads from one budget cycle to the next.

### Budget Roles & Responsibilities

<i>Citizens</i>	All citizens, including advisory boards and commissions, are encouraged to participate via the sharing of ideas and input during the City budget process. Citizens are encouraged to discuss program and budget issues throughout the year. Opportunities to provide input are available both informally (discussions, correspondence, etc.) and formally (Budget public hearings, City Council meetings, surveys, etc.)
<i>City Council</i>	The City Council adopts budget policies and prioritizes programs and projects consistent with their goals for the community. The City Council reviews, amends, and adopts the biennial budget, and reviews the City's financial position on a regular basis. The City Council also approves certain large purchases in accordance with the City's purchasing policies & procedures.
<i>Mayor and City Administrator</i>	The Mayor is responsible for presenting a preliminary biennial budget to the City Council for consideration. He is assisted by the City Administrator who is responsible for overseeing the preparation of the budget document, reviewing departmental requests, providing administrative guidelines for the implementation of the budget, coordination with the Mayor and City Council, and continual monitoring of the City's financial position.
<i>Finance Department</i>	The Finance Department is responsible for preparing revenue and expenditure forecasts using a variety of information (department estimates, economic trends, third-party information, etc.), preparing the budget document, preparing training related to budget implementation, and continual monitoring of budget activities.
<i>All City Departments</i>	All City departments are active participants in the budget process, and are responsible for routine monitoring of budget status, as well as communication of any anticipated changes to the City Administrator for review.

The financial planning model and Capital Improvement Plan is the estimated amount planned to be expended for capital items in the next six years, and the revenues available or planned to finance the improvements. Capital items are assets such as facilities and equipment. The financial planning model and capital improvement plan is a blueprint for preparation of both the operation and capital budgets and is integrated with the budget preparation process.

Budget considerations for the next fiscal period begin soon after the Council has adopted the biennial budget in December. During January or February, the City Council holds a retreat to review and refine the vision, goals, and priorities of the Council. The staff then takes the updated goals and priorities of the Council and begins to work on those goals. Any new initiatives desired by the City Council that would require a budget appropriation are analyzed in terms of cost and financing options. Those new initiatives are then programmed into the next budget cycle.

Biennial Budget Preparation Timeline (*Odd Years Only*<sup>1</sup>)

<b>Major Steps in Budget Preparation</b>	<b>State Law Time Limitations</b>	<b>City of Bonney Lake Schedule</b>
<b>1.</b> Council holds workshop to develop City's mission, vision, and values statements which will guide budget development.	N/A	08/31/2010
<b>2.</b> Council adopts budget goals for 2009-2010 budget	N/A	08/31/2010
<b>3.</b> Request to all department directors and those in charge of municipal offices to prepare detailed estimates of revenue and expenditures for the next calendar year.	By second Monday in September	09/08/2010
<b>4.</b> Estimates are to be filed with the Chief Financial Officer	By fourth Monday in September	09/30/2010
<b>5.</b> Mayor, City Administrator and Chief Financial Officer review proposed budgets with department directors.	N/A	10/06/2010 10/07/2010
<b>6.</b> Estimates are presented to the City Mayor and Administrator for modifications, revisions, or additions. Chief Financial Officer must submit to the Mayor and City Administrator a proposed preliminary budget setting forth the complete financial program, showing expenditures requested by each department and sources of revenue by which each program is proposed to be financed.	On or before the first business day in the third month prior to beginning of the fiscal year.	10/4/2010
<b>7.</b> Mayor provides Council with information on revenue estimates in the current budget and proposed preliminary budget.	No later than the first Monday in October	09/28//2010
<b>8.</b> Mayor prepares proposed budget and budget message and files with City Council and City Clerk.	At least sixty days before the ensuing fiscal year	11/02/2010
<b>9.</b> Copies of proposed (preliminary) budget made available to the public.	No later than six weeks before January 1	11/02/2010
<b>10.</b> The legislative body, or a committee thereof, must schedule meetings on the budget or parts of the budget.	Prior to the final hearing	11/16/2010
<b>11.</b> Setting property tax levies: a. Review with Council at workshop b. File certified levy with County	November 30	11/23/2010
<b>12.</b> Clerk publishes notice of filing of	No later than the	11/03/2010

<sup>1</sup> In Washington State, the first year of a biennial budget must be an odd-numbered year.

preliminary budget and publishes notice of public hearing on final budget once a week for two consecutive weeks.	first two weeks in November	11/10/2010
<b>13. Adoption of budget for 2011-2012</b>		
a. Public Hearing	On or before first Monday of December, and may be no later than the 25 <sup>th</sup> day prior to next fiscal year	11/23/2010 12/07/2010
b. Budget Ordinance	Following the public hearing and prior to the beginning of the ensuing fiscal year	12/14/2010
<b>14.</b> Copies of the final budget to be transmitted to the Division of the Municipal Corporations in the Office of the State Auditor, the Association of Washington Cities, and the Municipal Research & Services Center	After adoption	01/01/2011

### *Accounting System and Policies*

#### Basis of Accounting and Budgeting

*Basis of Accounting* is a term that refers to the revenues, expenditures and transfers – and the related assets and liabilities that are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the nature of the measurement, on either the cash or accrual method.

#### *Basis of Budgeting*

The City's budget and financial statements for governmental funds (General, Special Revenue, Debt Service, and Capital Projects Funds) have been prepared on a modified accrual basis of accounting in conformity with generally accepted accounting principles (GAAP). Revenues are recognized when measurable and available to finance current expenditures; expenditures are recognized when goods and services are received or the liability is incurred.

The budget, as adopted, constitutes the legal authority for expenditures. Budgets are adopted on the GAAP basis of accounting. The annual budget is adopted with budgetary control at the fund level so expenditures may not legally exceed appropriations at that level of detail. Transfers or revisions within funds are allowed, but only the City Council has the legal authority to increase or decrease a given fund's annual budget.

The City's proprietary funds (Enterprise and Internal Service Funds) are accounted for on a full accrual basis. Revenues on the accrual basis are recognized when earned and expenses are recognized when incurred.

### Budgeting, Accounting, and Reporting System (BARS)

The City of Bonney Lake uses the revenue and expenditure classifications contained in the Budgeting, Accounting and Reporting System (BARS) manual. The manual is prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW. The accounts of the city 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 accounts that comprises its cash, investments, revenues and expenditures, as appropriate. The city's resources are allocated to and accounted for in individual funds depending on their intended purpose. The City of Bonney Lake's funds are separated into three main fund type classifications:

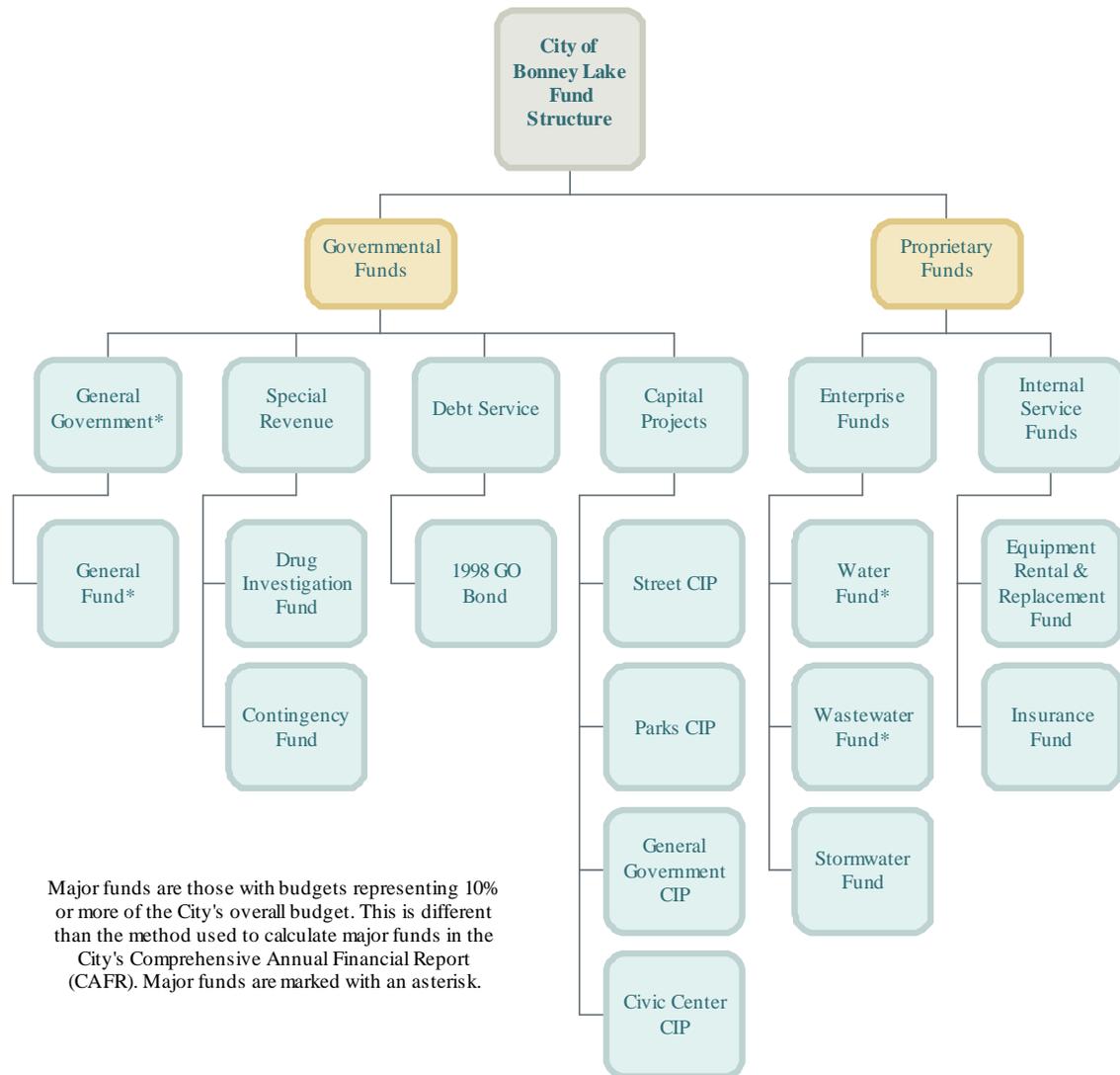
Fund Type	Description
Governmental	Funds that account for the activities of the City that are of a governmental nature.
Proprietary	Funds that account for the activities of the City that are proprietary or "business" in nature
Fiduciary	Funds held by the City as a trustee. <i>Note: The City does not currently have any fiduciary funds.</i>

The three primary Fund Types are further divided and identified by Fund Codes.

Fund Code	Fund Class	Description
000-099	General Funds	Accounts for all financial resources except those required to be accounted for in another fund.
100-199	Special Revenue Funds	Accounts for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.
200-299	Debt Service Funds	Accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest.
300-399	Capital Projects Funds	Accounts for the financial resources to be used for the acquisition or construction of major capital facilities.
400-499	Enterprise Funds	Used to report any activity for which a fee is charged to external users for goods or services.
500-599	Internal Service Funds	Accounts for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-reimbursement basis.
600-699	Fiduciary Trust Funds	Accounts for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds.
700-799	Permanent Funds	Accounts for the resources that are legally restricted so only earnings, not a principal, may be

used to support the reporting government programs for the benefit of the government or its citizens (public-purpose).

The City of Bonney Lake has the following fund structure:



*Description of major funds:*

- The General Government classification is used to group those accounts that are primarily supported by general City taxes. This group includes the General Fund, which accounts for all general government activity not accounted for in other funds. The General Fund includes most tax revenues and services such as administration, city clerk, finance, human resources, police, planning, engineering, streets, and building.

- The water and sewer utility operates and maintains a quality water and wastewater program.

*Description of non-major funds:*

- Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. These funds are the Drug Investigation Fund and Contingency Fund.
- Debt Service Funds are used to account for the accumulation of resources for, and the repayment of general long-term debt, interest, and related costs. The City's active debt service fund is the 1998 Public Safety General Obligation Bond Fund.
- Capital Funds account for all capital projects managed and funded by the City.
- Internal Service Funds are used to account for those funds which are funded by internal user charges. These funds include the Equipment Rental & Replacement (ER&R) Fund and the Insurance Fund.

Non-budgetary (e.g. non-appropriated) funds include: GASB Conversion Fund, Claims Clearing Fund, Payroll Clearing Fund, Pooled Cash Fund, and Treasury Fund.

In addition to fund structure, the BARS Manual provides the structure for a specific chart of detailed accounts. In this structure, revenue (resource) accounts begin with the numeral "3" and can be summarized as follows:

BARS REVENUE ACCOUNTS	
310	Tax Revenues
320	Licenses & Permits
330	Intergovernmental Services & Payments
340	Charges for Goods & Services
350	Fines & Forfeits
360	Miscellaneous Revenues
380	Non-Revenues
390	Other Financing Sources

On the expenditure side, the BARS manual provides for expenditure accounts up to fifteen digits in length. Each set of digits signifies a certain type of transaction. The final set of digits is referred to as an "object code" and signifies the type of expenditure. The City of Bonney Lake budget is reported at the object code level in each operating budget.

*10 Salaries & Wages.* Amounts paid for personal services rendered by employees in accordance with the rates, hours, terms and conditions authorized by state law or employment contracts. Includes overtime, on-call, sick, vacation, holiday paid leave.

*20 Payroll Taxes & Benefits.* Amounts paid by the employer as part of the conditions of employment. Includes employer paid portions of Social Security, Medicare, Industrial Insurance, Unemployment Insurance, Retirement, and Health Insurance Benefits.

30 *Supplies*. Amounts paid for articles and commodities purchased for consumption or resale. Includes office & operating supplies, small tools & equipment, etc.

40 *Other Services & Charges*. Amounts paid for services other than personal which are needed by the City. Services may be provided by a public agency or private business. Includes such services as professional services (consultants), communications, travel, insurance, utility services, repairs & maintenance, memberships, dues, subscriptions, etc.

50 *Intergovernmental Services*. Amounts paid for intergovernmental purchases for specialized services typically performed by local governments.

60 *Capital Outlays*. Expenditures which result in the acquisition of, rights to, or additions to capital assets, including incidental costs such as legal, appraisal and brokerage fees, land preparation and demolishing buildings, fixtures and delivery costs. Includes all major purchases of capital assets and infrastructure. In Bonney Lake most capital outlays are budgeted in the various capital improvement funds of the City and not in the respective operating department's capital outlay account.

70/80 *Debt Service*: Principal/Interest.

90 *Interfund Payments for Services*. Expenditures made to other funds for services rendered. For example, part of the work of the finance office is for utility billing. So a representative portion of the costs of the finance office is charged to the utilities for their fair share of the help received. It wouldn't make sense for the water or sewer utility to employ their own finance staff and pay them directly.

### ***Investments***

The City shall manage and invest its cash within the guidelines established by Washington State statutes with three objectives (in order of priority): Safety, liquidity, and yield. The City shall maintain a cash management program, which includes collection of accounts receivable, disbursement of funds, and prudent investment of its available cash.

City investments shall be placed primarily with the Local Government Investment Pool (LGIP) administered by the Washington State Treasurer's Office. All investments will be made in accordance with the Washington Municipal Treasurer's Association guidelines.

### ***Capital Assets***

The City of Bonney Lake maintains capital asset records to identify and account for the long-lived assets of the City. Capital assets include land, buildings, and machinery and equipment valued at \$5,000 or more with an expected life of at least two years. Depreciation is charged using the straight line method over the estimated service life of the asset.

### ***Long-Term Debt***

The information below constitutes the City's current debt policy. As a general rule, the City tries to manage its long-term debt in a manner designed to utilize its credit to optimize City services while balancing overall debt levels and annual debt service obligations. The City recognizes that

prudent use of its credit can both facilitate construction of essential capital improvements and serve as a method for sharing the costs of those improvements between current and future beneficiaries. The City intends to adopt a formal debt policy within the 2009-2010 biennium.

1. *Debt Will Not Be Used to Cover Operating Expenses.* When considered necessary, long-term debt may be used to provide for capital acquisitions and construction. Long-term debt will not be used to fund operating expenses except in extraordinary emergency circumstances as authorized by the City Council.
2. *Term of Debt.* Long-term debt will be structured in a manner so the debt payments do not exceed the expected useful life of the project being financed. Whenever possible, the City will fund its capital needs on a pay-as-you-go, especially smaller capital projects.
3. *Refunding Bonds.* As a general rule, existing bonds will not be refunded through the issuance of refunding bonds unless the refunding plan will achieve a net present value savings of at least 5%. As an exception to this general rule, bonds may be refunded to obtain more favorable bond covenants when it is clearly in the City's interests to do so.
4. *Legal Limitation of Indebtedness.* The City will utilize its general obligation (GO or voted) and limited tax general obligation (LTGO or non-voted) debt authority prudently. The City's outstanding debt will never exceed those constitutional limits.
5. *Reserve of Debt Authority.* At a minimum, the City will maintain at least 10% of its legal limit of non-voted general purpose indebtedness (LTGO) as a reserve for emergencies.
6. *Preservation of Credit Rating.* The City will carefully consider the future fiscal impacts of incurring additional long-term debt and will recognize the implicit, additional future costs of any debt issuance that adversely impacts the City's credit rating. Currently, the City carries a AA+ rating<sup>2</sup> with Standard & Poors, reflecting a "very strong capacity to meet financial commitments"<sup>3</sup>, and a Aa3<sup>4</sup> rating from Moody's. Long-term obligations rated Aa are "judged to be of high quality and are subject to very low credit risk."<sup>5</sup>
7. *Use of Revenue Debt Whenever Possible.* The City recognizes that its ability to pledge its taxing authority as security for debt is a limited resource which should be preserved whenever possible. Therefore, whenever the improvement being financed with debt is expected to produce off-setting revenues that can be used to secure all or part of the debt in lieu of a pledge of the City's taxing authority that revenue should be used to secure the debt to the maximum practical extent to minimize usage of the City's limited voted and non-voted debt capacity.

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<sup>2</sup> Standard & Poors rating dated 11/24/2008 for underlying rating on 2008 LTGO.

<sup>3</sup> Source: [http://www2.standardandpoors.com/spf/pdf/fixedincome/SP\\_CreditRatingsGuide.pdf](http://www2.standardandpoors.com/spf/pdf/fixedincome/SP_CreditRatingsGuide.pdf)

<sup>4</sup> Moody's rating dated 11/21/2008 for 2008 LTGO

<sup>5</sup> Source:

<http://v2.moody.com/moodys/cust/AboutMoody/AboutMoody.aspx?topic=rdef&subtopic=moodys%20credit%20ratings&title=View+All+Rating+Definitions.htm>

8. *Internally Financed Debt.* The City may make interfund loans when it is prudent to do so as permitted by State law.
9. *Utility Fund Debt.* Each rate-based utility will utilize a six-year capital and financial plan which allocates capital financing needs between debt and pay-as-you-go use of current revenues. When it is determined that issuance of debt is needed for capital construction, debt will be secured solely by a pledge of rate revenues and will not utilize any general pledge of the City's taxing authority except in extraordinary circumstances approved by the City Council.
10. *Conduit Debt/LIDs.* The City may allow itself to be used as a conduit for debt secured by others where such an arrangement is allowed by law or regulations and where the City is not, in any way, contingently liable for the repayment of the debt. The chief example of conduit debt would be a Local Improvement District (LID) or Utility Local Improvement District (ULID) debt where the City sells bonds on behalf of property owners benefited by the LID.
11. *Debt Issuance Review.* Prior to issuing any long-term debt, the Administration shall review the fiscal impact of the debt over the life of the new bonds. In addition, long-term debt shall not be issued prior to reviewing the impact on the Financial Planning Model and Capital Improvement Plan. The impact of other potential bond issues shall also be considered. No long-term debt shall be incurred except as approved by the City Council.
12. *Practical or Fiscal Limitations.* The City will not only consider the amount of money that can legally be borrowed (debt limit), but the practical effects of having to repay the borrowed funds and the impact the debt will have on future operations and the ability to finance other needed projects.
13. *Fiscal Review for Large Developments.* Any new developments that call for significant City funded obligations or contributions to the improvements will be reviewed for long-term impacts.

### ***Reserve and Fund Balance Policies***

The City shall strive to maintain a Contingency Fund (rainy day fund) of not less than one million dollars (\$1,000,000). Currently, the Contingency Fund has a balance of \$1,112,545.

The City will maintain specific reserves as required by law, ordinance or bond covenant. As a general rule, the City shall maintain a fund balance of not less than 8% of operating expenditures to provide for needed cash flow and as a reserve against unforeseen expenditure needs or revenue shortfalls. This rule shall apply to the General, Water, Sewer, and Stormwater Funds.

### ***Revenues***

Budgeted revenues will be estimated realistically, but based on a conservative forecast. Before accepting any state or federal grant, the City will assess the fiscal impacts of the grant in view of any matching requirements, future operations and maintenance costs, and other commitments or obligations. No state or federal grant in excess of \$25,000 may be applied for without express

approval from the City Council, regardless of whether the project is included in the adopted budget or Capital Improvement Plan.

Utility rates shall be set sufficient to cover the cost of service.

The Administration will periodically review all fees for licenses, permits, fines, and other miscellaneous charges and recommend changes based on inflation, processing time, expenses to the City, benchmark rates, and any other factors pertinent to the specific item.

***Cost Allocations***

The administrative transfer fee from utility and enterprise funds to the General Fund is a payment for various services provided by the General Fund. The amount of each year's transfer fee shall be based on a reasonable estimate of general fund costs incurred on behalf of the utility.

***Fiscal Monitoring***

Revenues and expenditures are monitored by the Office of Financial Services and department managers throughout the year to ensure that funds are available and used in an approved manner. Periodic reports are made to the City Council on the status of the budget and the progress being made on various projects. Monitoring also includes ongoing assessment of trends, changes in laws, etc. and subsequent evaluation for potential impacts of external changes on the City's sources of revenue and expenditure limitations or mandates (ongoing January – December);

***Financial Planning Model and Capital Investment Policies***

Capital projects which anticipate funding, in whole or in part, from grants, mitigation fees, impact fees, or other funds that involve a competitive application shall be re-evaluated on the basis of its value and priority level if the anticipated grant, fee, or loan does not materialize or the chances of award appear remote.

As a general rule the City will not fund capital improvements that primarily benefit development except as part of the City's adopted economic development plan and strategy.

The City will maintain and periodically update a maintenance and replacement schedule for the Equipment Rental and Replacement (ER&R) Fund. Any equipment replacements and additions will be included and itemized in the budget, and no equipment shall be substituted from the established schedule without the express consent of the City Council.

### CITY COUNCIL GOALS AND OBJECTIVES

For the past several years the Mayor and City Council have held at least one joint retreat during the year to discuss and refine the overall vision for the City, as well as develop distinct visions for various aspects of City government, such as growth, transportation, parks and recreation, etc.

In addition to refining, refocusing, and updating their vision each year, the Council adopts goals and priorities for each vision area. Staff then works with the mayor and council to develop programs and projects to achieve the desired vision for the City.

The actions described below include those budgeted activities included in the 2011-2012 biennial budget that address the various goals of the City.

VISION/GOALS/ACTION PLAN	BUDGETED ACTIONS
<p><b>OVERALL VISION:</b> The City of Bonney Lake is a balanced community with a residential character that conserves natural amenities while supporting a diverse mix of economic activities. The community provides places for children and residents to meet and socialize, and is a center for diverse cultural and social opportunities such as theater, art, social organization meetings and celebrations. The City promotes a safe, attractive and healthful living environment for residents' various physical, educational, economic and social activities while maintaining an adequate tax base to provide a high level of accountable, accessible, and efficient local government services. The City is an active participant in interlocal and regional services and planning organizations.</p>	
<p><b>GROWTH VISION:</b> The City of Bonney Lake grows within its UGA, careful not to jeopardize scarce resources, such as water, through unwarranted growth. Needed facilities and services are built concurrent with growth. The City infrastructure features streetlights, sidewalks, and other suburban amenities. Attractive transportation corridors provide easy access to local destinations. The City protects the community's livable identity and scenic beauty through responsible growth planning and active participation in regional planning and service provision.</p>	
<p>Implement the non-motorized transportation plan, including sidewalks, trails and bike lanes, with funding alternatives</p>	<ul style="list-style-type: none"> <li>• Sidewalks being installed completed for Easttown SR410 widening and Safe Routes grant project.</li> <li>• Budget includes staff time to continue to apply for grants for sidewalks and trails, Staff will continue to explore funding alternatives.</li> <li>• \$300K budgeted from reserves for additional neighborhood sidewalk projects.</li> </ul>
<p>Annex a portion of the Comprehensive Urban Growth Area (CUGA)</p>	<ul style="list-style-type: none"> <li>• Council passed initiating resolution. Notice of Intent filed with Pierce County. Election should be scheduled for April 2011, with anticipated effective date of 1/1/2012 if successful.</li> </ul>
<p>Ensure that development codes and land use regulations facilitate the desired Downtown vision</p>	<ul style="list-style-type: none"> <li>• TIF rebate ordinance enacted; Downtown Core zoning updated; Staff time allocated to developing other downtown economic development incentives.</li> </ul>

<b>VISION/GOALS/ACTION PLAN</b>	<b>BUDGETED ACTIONS</b>
Implement Easttown Plan to include utilities, roadways, lighting, sidewalks, and streetscapes	<ul style="list-style-type: none"> <li>• Easttown Design Standards being developed; Easttown sewer under design contract.</li> </ul>
Develop a Midtown subarea plan	<ul style="list-style-type: none"> <li>• Work underway at the staff level; anticipate fall 2011 adoption.</li> </ul>
<p><b>ECONOMIC DEVELOPMENT VISION:</b> The City of Bonney Lake works to balance retail, office, high technology, and light manufacturing with the residential character of the community. The City attracts sustainable businesses and family wage jobs, particularly to the view corridor. Light industry should be located in Easttown.</p>	
Develop a closer relationship with the business community, including involvement in Bonney Lake Days, beautification projects, and special events.	<ul style="list-style-type: none"> <li>• Funds allocated to develop virtual business section of City website (hosted via 3<sup>rd</sup> party);</li> <li>• Funding maintained for limited beautification projects;</li> <li>• Funds allocated (each year) to maintain the current level of City special events and programs.</li> </ul>
Implement adopted strategic plan for local economic development	<ul style="list-style-type: none"> <li>• Executive Office staff time allocated to implement various economic development strategies. Will continue to explore incentive options.</li> </ul>
<p><b>PARKS, RECREATION AND GREEN SPACE VISION:</b> The City of Bonney Lake has its own Parks and Recreation Department, which provides services that are adequate and self-financing. It values creating partnerships with appropriate agencies, such as the school system, to make best use of available facilities and resources. Allan Yorke Park is the anchor for the City's park system, which incorporates neighborhood and regional parks connected by dual-use trails to each other and community facilities. Lands are identified and acquired for parks and/or preservation.</p>	
Expand the City's parks and open space	<ul style="list-style-type: none"> <li>• Update of Parks Plan being undertaken;</li> <li>• Matching money set aside in Parks CIP to complete Safe Routes/Fennel Creek Sidewalk/Trail grant project;</li> <li>• Explore voted parks bond as needed for YMCA, AYP Expansion, etc.</li> </ul>
Pursue YMCA opportunity.	<ul style="list-style-type: none"> <li>• YCMA feasibility study completed in 2008. Staff time allocated to continue to work with Sumner, School District, and YMCA on potential facility.</li> </ul>
Build a small piece of the Fennel Creek Trail and increase recreational programming in the south of City (Victor Falls?).	<ul style="list-style-type: none"> <li>• Matching money set aside in Parks CIP for Safe Routes/Fennel Creek Sidewalk/Trail grant project;</li> <li>• City supporting County grant application to acquire Victor Falls area for park purposes.</li> </ul>
Develop an off-leash dog park	<ul style="list-style-type: none"> <li>• Dog Park established at Viking Park; Parking and other improvements programmed for 2011.</li> </ul>
Develop and implement trail plan for WSU Forest trails	<ul style="list-style-type: none"> <li>• City acquired deed to 40 acres of WSU forest. Park plan update will address trails.</li> </ul>

VISION/GOALS/ACTION PLAN	BUDGETED ACTIONS
Acquire Victor Falls site and develop park that would be a destination draw.	<ul style="list-style-type: none"> <li>Acquisition of this County site is on hold due to budget constraints and park priorities. Will continue to explore possible grants for acquisition.</li> </ul>
Develop a Community Culture element of the Comprehensive Plan, including an historic preservation section.	<ul style="list-style-type: none"> <li>Staff work underway; anticipate fall 2011 adoption.</li> </ul>
Develop a useable section of the Fennel Creek Trail and develop park plans to better serve parts of the City lying South of SR 410	<ul style="list-style-type: none"> <li>Park plan is being updated. If CUGA annexation is successful, City will discuss acquisition of private HOA parks, and planned 80 acre regional park with Pierce County. Masterplan will be developed for WSU forest park and trail acreage.</li> </ul>
<p><b>WATER RESOURCES VISION:</b> The City ensures an adequate supply of water for City residents. Water resources are provided outside the City limits only when water supplies are adequate to meet the City’s short term and long term needs. The City has become a purveyor of City of Tacoma water and is pursuing rights and options with other purveyors.</p>	
Pursue the option to purchase additional water supply.	<ul style="list-style-type: none"> <li>CWA agreement provided opportunities for additional water rights and supply. Funding provided for preliminary engineering work for exploratory well on former Reed site.</li> </ul>
Continue to replace and upgrade existing City facilities to maximize use of City-owned water (thereby decreasing Tacoma reliance wherever possible.	<ul style="list-style-type: none"> <li>PWTFL budgeted to complete O&amp;M and leaky main replacement;</li> <li>Staff time allocated to pursue additional land for a future water tank near Lakeridge Middle School.</li> </ul>
<p><b>SEWER SERVICE VISION:</b> The City of Bonney Lake offers sewer services in its service area in order to maintain public health and safety of local water supplies. Growth of the sewer system pays for itself.</p>	
Expand Sumner plant to meet future wastewater treatment needs.	<ul style="list-style-type: none"> <li>Funds allocated to cost-share in Sumner WWTP expansion.</li> </ul>
Pursue development of a new membrane bioreactor (MBR) system in lieu of increasing Sumner capacity.	<ul style="list-style-type: none"> <li>MBR Plant for South sewer service area being considered for joint project with Pierce County. Somewhat dependent on Cascadia’s future.</li> </ul>
Recognize that sewer service vision is linked to annexation and growth management and CUGA planning and include discussions of sewer services.	<ul style="list-style-type: none"> <li>Planned and budgeted actions recognize link between GMA, UGA, CUGA and sewer service</li> </ul>
Closely monitor the activities of Cascadia and Pierce County in relation to temporary community septic system and future membrane bioreactor (MBR) system.	<ul style="list-style-type: none"> <li>Staff time allocated to monitoring Cascadia and Pierce County activities</li> </ul>

VISION/GOALS/ACTION PLAN	BUDGETED ACTIONS
<p><b>TOWN CENTER/CIVIC CENTER VISION:</b> The vision of Bonney Lake’s Town Center is evolving. The Town Center is envisioned as a place with a retail core for the City, and may include senior residences, shopping, and a new Civic Center that serves as a cultural center. It has been created through a public-private partnership in cooperation with the City’s economic development goals. The City’s civic services are provided Downtown in integrated community and city facilities that are adequate to meet the needs of its citizens, located centrally to its users, and efficient at providing services. The City has acquired parcels of land over time to provide such facilities, including land for parks and/or preservation, using a financial plan to help it plan for and fund capital investment, including land acquisition. The City actively seeks grant funding for projects, when applicable. <u>Town Center goals are the City Council’s highest priorities.</u></p>	
<p>Maintain land acquisition in the downtown for the civic center campus.</p>	<ul style="list-style-type: none"> <li>• Remaining funds (if any) after construction of the Justice Center will be devoted to acquiring the balance of the property needed for the future civic center.</li> </ul>
<p>Zone for mixed use in the town center to encourage density and use of transit.</p>	<ul style="list-style-type: none"> <li>• Downtown core zoning adopted; Planning staff will be assigned to review downtown design standards (e.g. signage) as part of their 2011 work plan to fine tune current regulations and work out identified issues and problem areas.</li> </ul>
<p>Continue building identity in Downtown</p>	<ul style="list-style-type: none"> <li>• Complete 90<sup>th</sup> Street ;</li> <li>• Complete construction of Justice Center;</li> <li>• Encourage completion of Greenwood project.</li> </ul>
<p><b>TRANSPORTATION VISION:</b> The City of Bonney Lake is an active participant in regional transportation decision making in order to maintain and improve the City’s transportation system, and to exert influence on decisions that affect the City. As a result of this and of local decisions, the City’s transportation system is pedestrian-friendly, interconnected, and meets the needs of its citizens. SR 410 through Bonney Lake is not a barrier to the movement of citizens using any mode of transportation, and 184<sup>th</sup>/192<sup>nd</sup> serves as a Main Street for the City. The City annually updates the Transportation Improvement Plan using a 10-15 year time horizon.</p>	
<p>Continue street “recurring programs”, i.e. chip sealing, overlays, sidewalks, reconstruction.</p>	<ul style="list-style-type: none"> <li>• Due to drastic reductions in gas tax and REET, funding over biennium for chip seal and overlay program significantly reduced; Funds allocated for SR410 median streetlights, chip sealing; \$300K in reserves allocated for neighborhood sidewalks.</li> </ul>
<p>Maintain Pierce Transit routes in Bonney Lake. Explore local transit alternatives if necessary</p>	<ul style="list-style-type: none"> <li>• Staff time allocated to continue to Lobby Pierce Transit to maintain local bus routes;</li> </ul>
<p>Pursue funding for transportation improvement projects</p>	<ul style="list-style-type: none"> <li>• Staff time allocated to continue to pursue available grant and other funding opportunities for SR410/OSBH interchange, 92<sup>nd</sup> Avenue corridor project. Street CIP program for biennium at an est. \$4M.</li> </ul>

VISION/GOALS/ACTION PLAN	BUDGETED ACTIONS
<p><b>PUBLIC SAFETY VISION:</b> The City envisions a community in which citizens feel safe and protected. There is open communication, participation and trust between the public and the City. Police respond quickly when called. The City operates an efficient and effective municipal court. There is a positive working relationship between the City and the fire District, with timely responses to fire and emergency medical calls. The City has an effective emergency management program.</p>	
<p>Implement adopted plan for managing animal control with Sumner.</p>	<ul style="list-style-type: none"> <li>• Funds allocated to continue Interlocal Agreement with Sumner for animal control services at existing service levels.</li> </ul>
<p>Develop 800MHz partnerships to recoup system costs</p>	<ul style="list-style-type: none"> <li>• Working with Puyallup and Sumner on plan to recoup reasonable share on system development costs.</li> </ul>
<p>Increase communication and participation between the public and the police department</p>	<ul style="list-style-type: none"> <li>• Continue citizens academy;</li> <li>• Include police department in town meetings and BL Days displays, etc.</li> <li>• Continue community crime prevention programs.</li> </ul>
<p>Provide adequate space and facilities for the municipal court</p>	<ul style="list-style-type: none"> <li>• New Justice Center under construction</li> </ul>
<p><b>COMMUNITY OUTREACH VISION:</b> The City of Bonney Lake has an informed and involved citizenry, where citizens participate in their city government. Citizens feel included in civic affairs, and enjoy a considerable sense of community. The City effectively uses available technology to enhance public services and to make information about City governance and services readily accessible. Citizens can contact the City with the assurance that their needs and concerns will be addressed forthrightly by the appropriate City employee.</p>	
<p>Maintain active communications with citizens and increase public input and participation</p>	<ul style="list-style-type: none"> <li>• Funds budgeted to continue Bonney Lake Reporter;</li> <li>• Special events maintained at current levels;</li> <li>• Web site continues to be expanded;</li> <li>• City social network policy will be implemented in 2011 with City presence on selected social networking sites.</li> </ul>
<p>Participate in National Night Out</p>	<ul style="list-style-type: none"> <li>• Staff time and funding provided to continue National Night Out.</li> </ul>
<p>Cultivate relationships with community based groups</p>	<ul style="list-style-type: none"> <li>• Time allocated for a City representative to regularly attend meetings of major community-based groups.</li> </ul>

## Budget Ordinance

**ORDINANCE NO. 1373****AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF  
BONNEY LAKE, PIERCE COUNTY, WASHINGTON, ADOPTING  
THE BIENNIAL BUDGET FOR CALENDAR YEARS 2011 AND  
2012**

**WHEREAS**, Ch. 35A.34 RCW provides procedures for adopting, managing, and amending a biennial budget; and

**WHEREAS**, a preliminary biennial budget for fiscal years 2011 and 2012 has been prepared and filed as required by law; and

**WHEREAS**, on November 16; 23; and December 7, 2010 the City Council held public hearings upon notice as prescribed by law, and met for the purpose of fixing the final budget of the City for the 2011-2012 fiscal biennium; and

**WHEREAS**, the City Council has made adjustments and changes deemed necessary and proper and desires to adopt the 2011-2012 Budget, including the biennial Capital Improvement Program;

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, WASHINGTON, DO ORDAIN AS FOLLOWS:**

**Section 1.** The biennial budget for the City of Bonney Lake for the period January 1, 2011 through December 31, 2012 as contained in the 2011-2012 Biennial Preliminary Budget for total revenues/sources (including use of fund balances) and expenditures/uses and as revised by the City Council, is hereby adopted by Total Biennial Revenues and Total Biennial Expenditures for each fund as shown on the attached Exhibit "A" (City of Bonney Lake Adopted 2011-2012 Biennial Budget).

**Section 2.** That the budget document entitled "City of Bonney Lake 2011-2012 Biennial Budget" attached hereto as Exhibit "B" is hereby adopted at fund level as set forth, three copies of which shall be on file with the City Clerk.

**Section 3.** The City Clerk is directed to transmit a certified copy of the City of Bonney Lake adopted 2011-2012 Biennial Budget to the Office of State Auditor and to the Association of Washington Cities.

**Section 4.** This ordinance concerning matters set out in RCW 35A.11.090, it is not subject to referendum, and shall take effect January 1, 2011 after its passage, approval and publication as required by law.

**PASSED by the City Council of the City of Bonney Lake this 14<sup>TH</sup> day of December, 2010.**

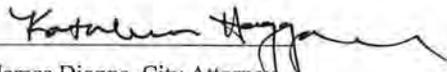


Neil Johnson, Jr. Mayor

Attested:

  
Harwood T. Edvalson, City Clerk

Approved as to Form:

  
James Dionne, City Attorney

Passed: 12/14/10  
Valid: 12/14/10/10  
Published: 12/22/10  
Effective Date: 1/1/11  
There are 2 Pages to this Ordinance

AB10-189

City of Bonney Lake

2011/2012 Biennial Budget

Exhibit A

		EXPENDITURES		
Number	Fund Name	2011 Adopted	2012 Adopted	2011/2012 Biennium Adopted
001	General	15,626,458	13,524,865	29,151,323
120	Drug Investigation	230,698	-	230,698
126	Contingency	-	-	-
208	1997 G.O. Public Safety Building	357,850	-	357,850
301	Street CIP	4,817,840	550,000	5,167,840
302	Parks CIP	2,571,819	245,825	2,817,744
320	General Government CIP	1,560,675	2,350,000	3,930,675
325	Civic Center CIP	-	-	-
401	Water	12,789,110	9,547,853	22,336,963
402	Wastewater (Sewer)	12,743,420	9,024,872	21,768,292
415	Stormwater	1,530,396	1,393,235	2,923,631
501	Equipment Rental & Replacement	967,797	903,660	1,871,457
502	Insurance	413,248	413,248	826,496
	<b>Total</b>	<b>53,429,212</b>	<b>37,953,559</b>	<b>91,382,771</b>

		REVENUES		
Number	Fund Name	2011 Adopted	2012 Adopted	2011/2012 Biennium Adopted
001	General	12,782,194	13,338,706	26,120,900
	Use of Fund Balance	2,844,264	186,159	3,030,423
120	Drug Investigation	230,000	-	230,000
126	Contingency	-	-	-
208	1997 G.O. Public Safety Building	357,850	-	357,850
301	Street CIP	1,396,100	1,293,576	2,692,675
302	Parks CIP	1,352,000	373,500	1,725,500
320	General Government CIP	682,000	148,000	730,000
325	Civic Center CIP	82,000	148,000	230,000
401	Water	10,421,000	8,123,200	18,544,200
402	Wastewater (Sewer)	7,611,100	4,098,200	11,709,300
415	Stormwater	1,728,200	1,697,500	3,395,700
501	Equipment Rental & Replacement	1,113,188	1,146,585	2,259,774
502	Insurance	357,731	357,731	715,462
	<b>Total</b>	<b>40,860,628</b>	<b>30,891,155</b>	<b>71,741,784</b>

General Fund  
Revenues + Use of Fund Balance = Expenditures

Revised:  
10/8/2010 16:10

F:\Kassandra\Budget2011&2012 Working\Final\Ordinance Exhibit A

12/8/2010

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## Ad Valorem Property Tax Ordinance

### ORDINANCE NO. 1375

**AN ORDINANCE OF THE CITY OF BONNEY LAKE, WASHINGTON, AMENDING ORDINANCE 1367, SETTING THE AMOUNT OF THE ANNUAL AD VALOREM TAX LEVY NECESSARY FOR THE FISCAL YEAR 2011 FOR THE PURPOSES SET FORTH BELOW:**

**WHEREAS**, the City Council of the City of Bonney Lake is meeting and discussing the biennial budget for the calendar years 2011 and 2012; and

**WHEREAS**, the City Council held a public hearing on November 9, 2010 to discuss the feasibility of an increase in property tax revenues for collection in year 2011; and

**WHEREAS**, the City Council of the City of Bonney Lake after hearing and after duly considering all relevant evidence and testimony presented, determined that the City of Bonney Lake requires a regular levy in the amount of \$2,512,400.22 and a special levy in the amount of \$359,750.00, which includes an increase in property tax revenue from the previous year, and amounts resulting from the addition of new construction and improvements to property and any increase in the value of state-assessed property, and amounts authorized by law as a result of any annexations that have occurred and refunds made, in order to discharge the expected expenses and obligations of the City and in its best interest;

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, WASHINGTON, DO HEREBY ORDAIN AS FOLLOWS:**

**SECTION 1:** The City Council of the City of Bonney Lake, Washington, does hereby resolve the city's actual levy amount from the previous year was \$2,469,659.74; and, the population is more than 10,000; and now therefore, that an increase in the regular property tax levy is authorized for the levy to be collected in the 2011 tax year. The dollar amount of the increase over the actual levy amount from the previous year shall be \$23,510.37, which is a percentage factor-increase of .952% from the previous year. This increase is exclusive of \$23,510.37-additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, any increase in the value of state assessed property, any annexations that have occurred and refunds made.

**SECTION 2:** That this Ordinance also provides funds for the General Obligation Bonds previously issued to construct the public safety building as a result of the vote of the people authorized as the Tax Levy Limit of 2010 to be collected in 2011 in the amount of \$359,750.

**SECTION 3:** That the taxes to be collected from the levies hereby fixed and made, together with the estimated revenues from sources other than taxation which constitutes the appropriation of the City of Bonney Lake for the fiscal year 2011, are hereby approved.

**SECTION 4:** A certified copy of this Ordinance shall be transmitted to the Pierce County Assessor's Office and to the Clerk of the Pierce County Council and such other governmental agencies as provided by law.

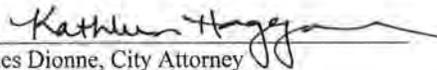
**PASSED BY THE CITY COUNCIL OF THE CITY OF BONNEY LAKE**  
and approved by the Mayor this 14th day of December, 2010.

  
\_\_\_\_\_  
Mayor Neil Johnson, Jr.

AUTHENTICATED:

  
\_\_\_\_\_  
Harwood T. Edvalson, CMC  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
James Dionne, City Attorney

Passed: 12/14/10                      AB10-194  
Valid: 12/14/10/10  
Published: 12/22/10  
Effective Date: 1/01/11  
There are 2 Pages to this Ordinance

City of Bonney Lake – Ordinance



# **FINANCIAL SUMMARIES**

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## **City of Bonney Lake 2011-2012 Budget Highlights**

### **General Government Overview**

After years of strong growth, the local economy has begun to experience the declines seen in the national economy. The downturn became evident in 2008, and continues into the current biennium.

The administration's current practices of conservative budgeting and fiscal monitoring has served the City well; however, budgets for current and future years will not absorb additional initiatives or service expansions without economic recovery (especially in housing) or identification of new revenue streams.

### **Revenues**

The volatility of the national and local economy has affected City of Bonney Lake revenues. The City's budget is funded primarily by a mix of taxes and charges for service. Although property taxes remain stable, collections of sales taxes and real estate excise taxes (REET) have diminished. Due to the housing downturn, building and land use fees will have diminished by approximately 16% from 2009 through estimated ending 2010. Accordingly, since economic recovery in this area has been extremely slow our 2011 estimate reflects a modest 1% continuous decline. For years hence, revenues have been budgeted conservatively, assuming current recession type conditions.

There are NO proposed tax increases except the 1% property tax increase to help defer an anticipated modest increase in the cost of doing business (CPI). There are some fees that are set to increase automatically as of January 1<sup>st</sup> to compensate for inflation. Other than those previously approved adjustments, this budget is not dependent on any other tax, fee, or rate increase.

### **Expenditures**

The Adopted 2011/2012 Biennial Budget is essentially a "status quo" budget, maintaining current operations with exceptions for new or expanded projects, grant programs, and/or scheduled equipment replacement.

Although revenues are slowing, inflation is increasing expenditures. In September 2010, inflation reached 1.1%; although not historically high, this is still significant when revenues are significantly decreased.

To mitigate the budget gap, departments were asked to maintain their operating expenditures with no increases from 2010. In some cases, essential costs necessitate increases (e.g. utility costs); however, departments were asked to offset these increases with savings elsewhere in their budgets.

More information about the department's individual programs, accomplishments, goals, and levels of service can be found in the Program Summaries section of this budget.

### **Fund Balance**

The budget does NOT tap any of the City's "Rainy Day Fund." Rather, the General Fund draws down modest operating reserves to balance a shortfall of revenues over expenditures to ensure continued operations with no service level or staffing reduction.

## HISTORICAL OVERVIEW

In the past, Bonney Lake was largely a rural-suburban residential community with little commercial area. The City depended largely on property and utility taxes to fund the majority of its General Fund operations. Over the past 10 years, however, the City evolved from a rural-suburban residential community into a mixed-use suburban community with a solid retail core. Bonney Lake has been among the fastest growing cities in the State of Washington in terms of percentage growth. Much of the growth has been as a result of the annexation of new subdivisions built in Pierce County and subsequently annexed into the City.

The growing retail core helped diversify the economic base of the City. The City has enjoyed steadily increasing sales tax collections each of the past several years. Bonney Lake has become the retail center of the east Pierce County plateau region.

Faced with mounting needs to replace or expand the city's infrastructure, a variety of impact fees and system development charges were put into place to help fund a large list of needed water, sewer, street, park and stormwater system needs. These included a traffic impact fee (TIF), park impact fee, and increased utility connection (system development) fees.

Over time the City expanded its water service to surround Lake Tapps and other unincorporated areas southward. The City imposed a 40% surcharge on out-of-city utility accounts which helped offset the additional costs of maintenance and operations of a far flung system. In addition, the City imposed what is now an 8% utility tax on its own water, sewer, and stormwater utilities. These monies are receipted into the General Fund and helps offset the cost of services provided to out-of-town residents, including parks, senior center, transportation, and law enforcement.

The City incurred relatively little bonded indebtedness over the years. In 2007, the City issued a \$10M Limited Tax General Obligation (LTGO) bond for land acquisition and construction for the Justice Center portion of the Civic Center project. The City also has an outstanding General Obligation bond issue (1997 Public Safety Building) that will be fully paid in 2011. While the City has relatively little general bonded indebtedness, it likewise has little by way of desirable general government facilities – except for the Public Safety Building and newly constructed Justice Center. City Hall is old and undersized. The Public Works shops consist largely of a modular building and a few old sheds, and a modular building is used as a City hall annex. It is possible that bonds will need to be issued in the future to catch up its public facilities, including parks, a civic center, and perhaps a portion of a new public works maintenance building.

At December 31, 2010, the City has \$9.6 in outstanding general obligation bonded indebtedness. In addition, the City has incurred considerable debt through the Washington Public Works Trust Fund program as described in the section on debt administration.

The City continues to face the challenge of accommodating rapid growth while ensuring that the City develops as a place in which people want to live, work, shop and play. Increases in population, tax base, development fees, traffic impact fees, annexations, and commercial and retail activity continue to provide additional revenue to offset the costs related to both continuing and expanding services and facilities.

Because of ever changing economic conditions at both the national level and state level, the City recognized the need to maintain reasonable reserves to guard against potential revenue shortfalls in the future. The Contingency Fund has been increased to \$1.11M.

### **DEBT ADMINISTRATION**

Unlike operations and maintenance, which is funded by current revenues such as property or sales taxes, a considerable amount of the money for the capital improvement program of the City comes from debt, usually through Washington Public Works Trust Fund loan program or the sale of revenue or general obligation bonds.

A complete debt limit calculation as well as detailed information on each debt issuance for the City is included in the Debt Service funds in the “Other Funds” section of this document. For general government purposes, the Revised Code of Washington (RCW 39.36) establishes the legal debt limits for cities. Specifically, this RCW provides that debt cannot be incurred in excess of the following percentages of the value of the taxable property of the City. The City’s current assessed value has been set by the County Assessor at \$1,989,395,332 for the tax year of 2011<sup>1</sup>. The legal debt limits are:

- The total indebtedness for general purposes with or without a vote cannot exceed 2.5% of the value of the taxable property.
- The 1.5% is the maximum limit for general purposes without a vote (councilmanic debt). 1.5% without a vote of the people represents a debt capacity of \$29,840,930 for Bonney Lake.
- The limit can be up to 2.5% if a city council chooses to allocate any portion of the councilmanic debt category to the “voted” category. Then there is only 1% of assessed valuation for general purpose capacity. The Council has chosen not to pursue this option at this time.
- Indebtedness for utility or open space, park, and capital facilities associated with economic development purposes with a vote may exceed 2.5 percent of the value of the taxable property (up to 5%). The city has not used any of the \$99,469,767 debt capacity for open space, park, utility and capital facilities.

In terms of its voted and non-voted debt capacity, the City is well below its limits. However, there are a number of needed capital improvements that should be undertaken in the near future that will utilize a portion of this debt capacity. Projects that will likely require the use of general obligation bonds include:

Projects that may need to be funded by the vote of the people and supplemented by grants:

- Development of Allan Yorke Park Extension (Moriarty);
- Fennel Creek Trail;
- Substantial sidewalk plan implementation;

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<sup>1</sup> Certification of Assessed Values/Levy Limit Factor dated 12/27/2010 from the Pierce County Office of the Assessor-Treasurer.

- Certain transportation improvements;

Projects the city anticipates will be funded by councilmanic bonds:

- New civic center (city hall);
- New community/recreation center.

Local government debt is repaid over a number of years - sometimes decades. The rationale for using debt financing to pay for capital projects is that future generations will use and benefit from them. Therefore, future generations should pay part of the bill. Otherwise current taxpayers who may not be around to benefit from the facilities over the life of the project may be unfairly burdened.

### **FINANCIAL FORECAST**

Over the past four years, General Fund revenues have increased by an average of around \$1.0 million per year, reflecting the rapid pace of growth in the City and the strength of the local economy. The construction downturn initially expected in 2006 materialized in 2008, along with a significant downturn in housing sales.

Currently, we see a great amount of volatility in the national economy. We anticipate Bonney Lake's economy to remain flat; hence, budget preparation was completed with a conservative eye to both revenue and expenditure growth.

We have updated the long range financial planning model that is tied to the capital improvement plans of the City. During the biennium, we will need to continually refine and update the model to give City officials the tools we need to make sound financial decisions regarding operations and maintenance as well as capital investment.

The City has an aggressive capital improvement program. Unfortunately, this addresses only a fraction of the capital needs of the City. The various comprehensive plans of the City (Transportation, Non-Motorized Transportation, Water, Sewer, etc.) identify millions of dollars of needed projects, many of which have not yet been included in the 6-Year Capital Improvement Plan. The City will continue to plan and prioritize projects according to available revenues, and explore all funding options.

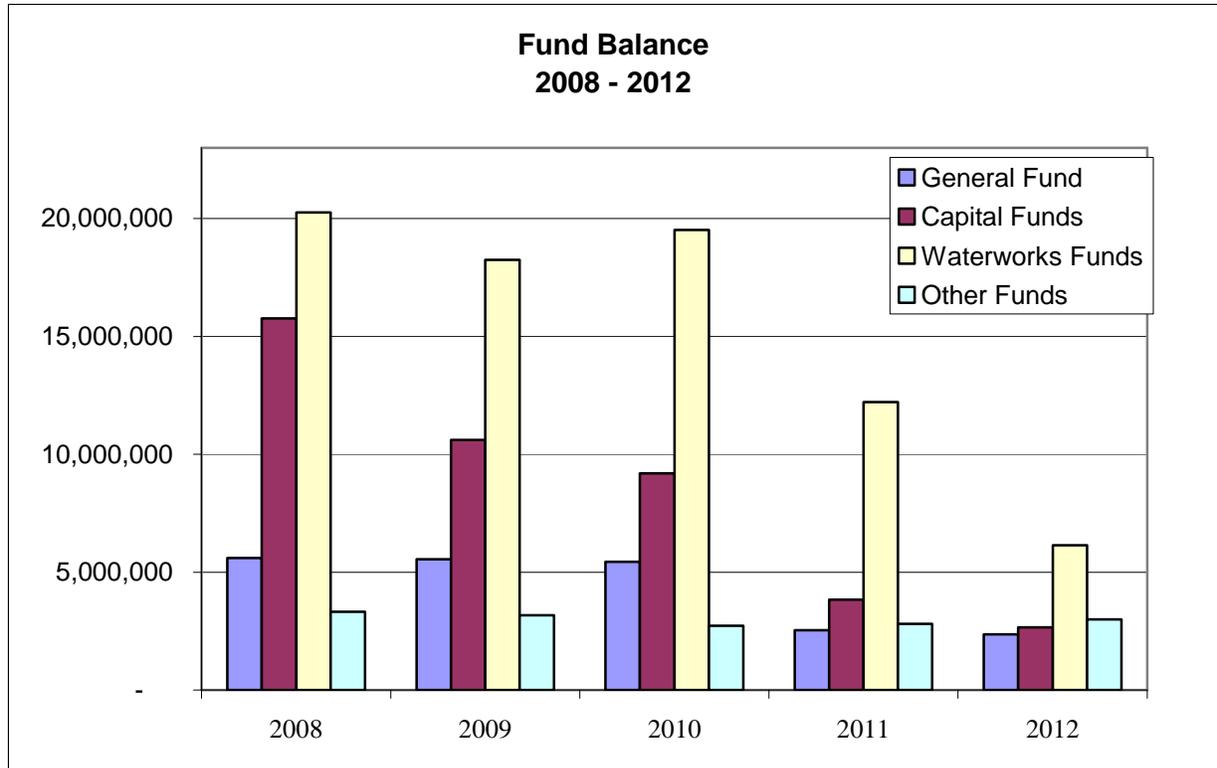
### **FUND BALANCE**

Fund balance is the excess of an entity's assets over its liabilities. A negative fund balance is a deficit. An undesignated fund balance reflects historical receipts less historical expenditures in non-proprietary funds. Since all designated and reserved resources have been deducted in arriving at the year-end fund balance, undesignated fund balance is available for budgetary appropriation if necessary to balance revenues to expenditures.

General Fund undesignated fund balance was used in 2007 through 2010 to balance revenues to expenditures. We anticipate using fund balance again in 2011 and 2012 to offset affects of the

economic downturn. The use of fund balance for the General Fund will allow the City to maintain its Contingency Fund at current levels.

Fund balance activity in all funds is further illustrated later within this section.



### REVENUE ASSUMPTIONS

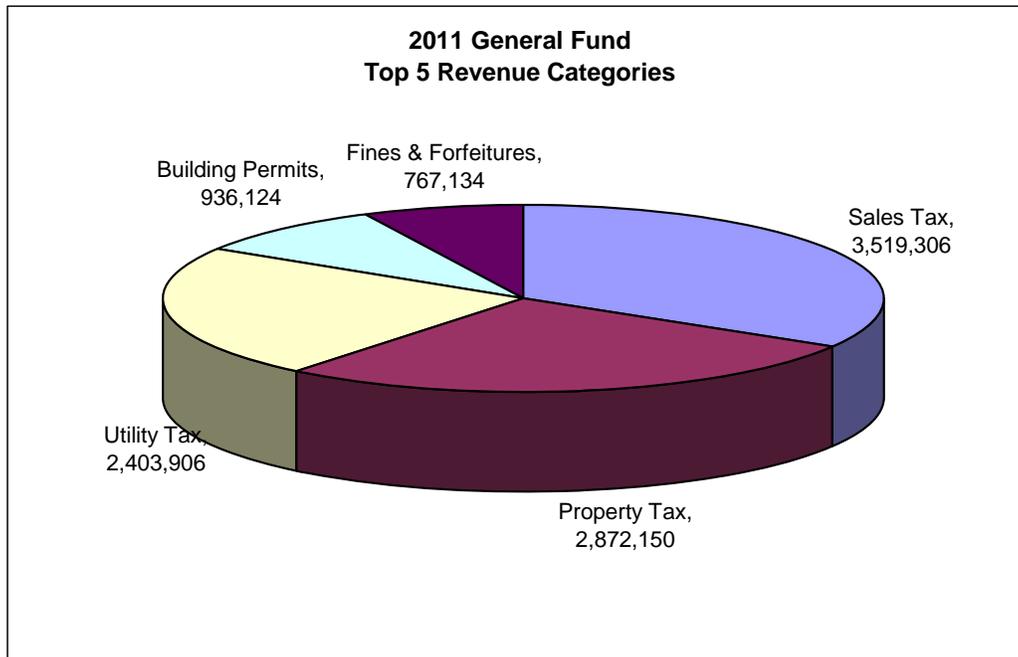
Total revenues to the General Fund (including transfers-in and administrative charges but excluding fund balances) are projected to be \$12.8M in 2011, and \$13.3M in 2012. This reflects an anticipated increase in General Fund revenues of approximately 4.5% from the 2010 Revised Budget.

There are a number of principal revenue sources of City general government revenue, including taxes, licenses and permit fees, inter-governmental (state shared) revenue, fines and forfeitures, and charges for services. The following illustrates the data used to compile the City's revenues for the 2011-2012 biennium.

In the General Fund, the "Big Five" revenue sources are, in order of dollar amount:

1. Sales taxes;
2. Property taxes;

3. Utility taxes;
4. Building Permits;
5. Fines and Forfeitures.



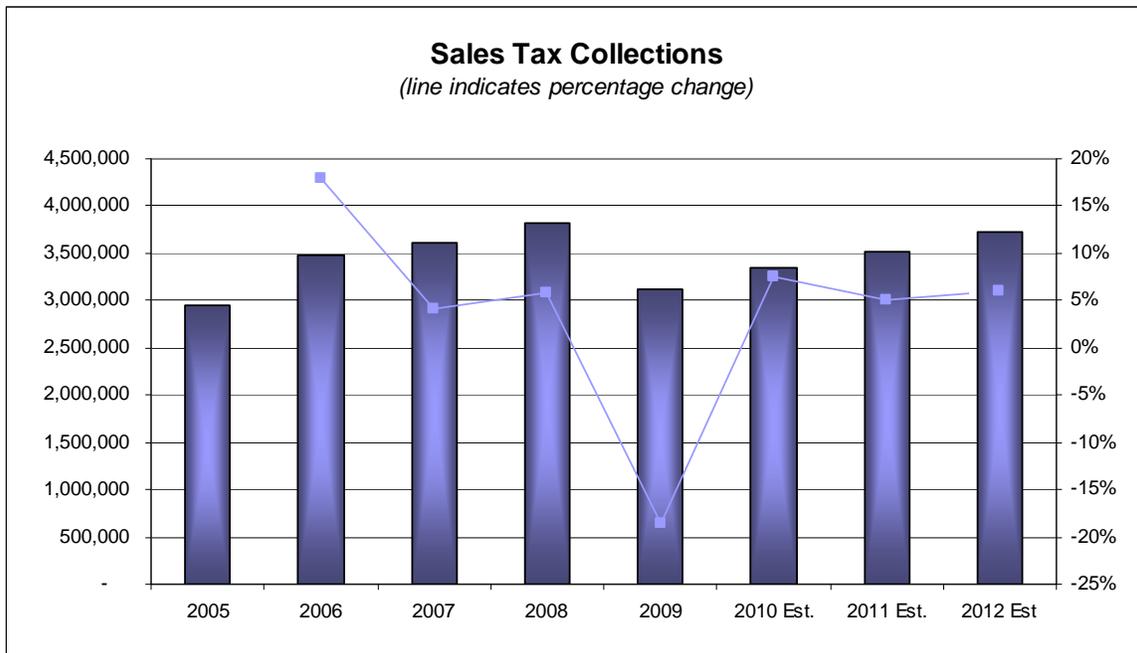
Taxes account for 69.9% or \$8.94M of 2011 estimated General Fund revenues. The budget breaks down the tax revenue according to four categories: Sales Tax, Property Tax, Utility Tax, and Other Taxes (Gambling and Admissions).

#### *Sales Tax*

The City is estimated to end 2010 with \$3.35M in sales tax collections. Although the period of 2005 to 2006 saw an increase in sales tax collections of 18%, later growth has been more modest.

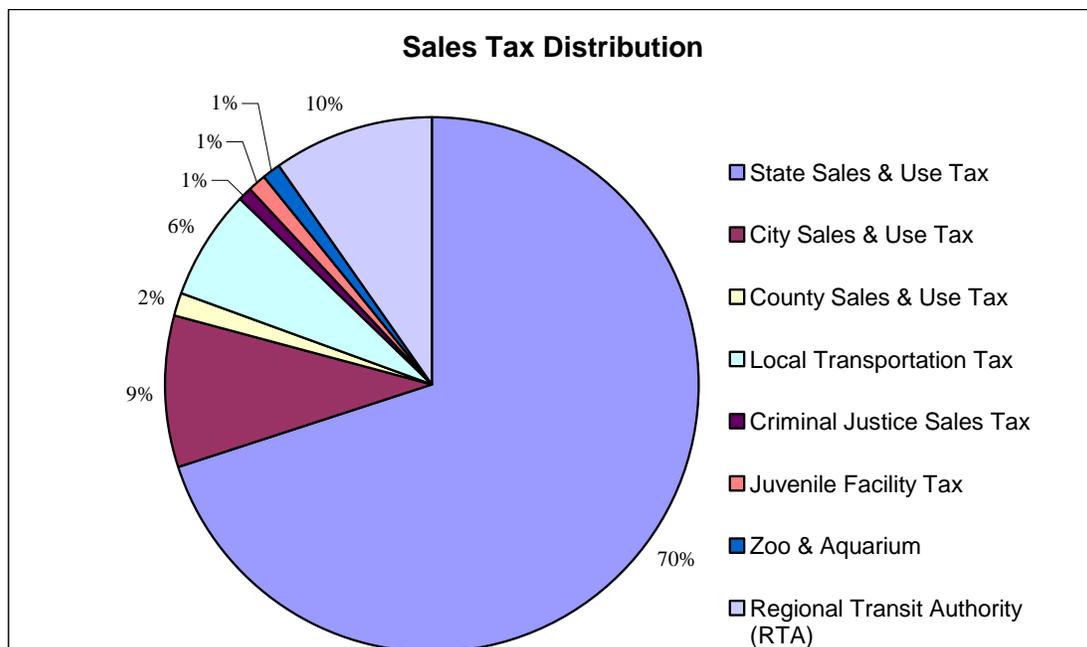
Because of rapid growth in the City of Bonney Lake's commercial area, the regular sales tax collections have been increasing at a greater rate than the real property taxes over the last few years. It is anticipated that growth in sales tax collections will continue at a moderate rate. Due to uncertainties in the economy, the City conservatively estimates a 5% and 6% increase in sales tax revenues for 2011 and 2012 respectively.

Based on historical data combined with various third-party analyses (e.g. state economic forecasts), sales taxes are estimated to provide \$3,519,306 in 2011 or 27.5% of all General Fund revenues.



Sales taxes are 9.3% of goods purchased in the City of Bonney Lake. As of July 2008, Washington retailers delivering goods to customers in Washington began collecting sales tax based on where the customer receives the goods – the “destination” of the sale. This destination-based sales tax may have some impact on the City; however, the impact is not currently known.

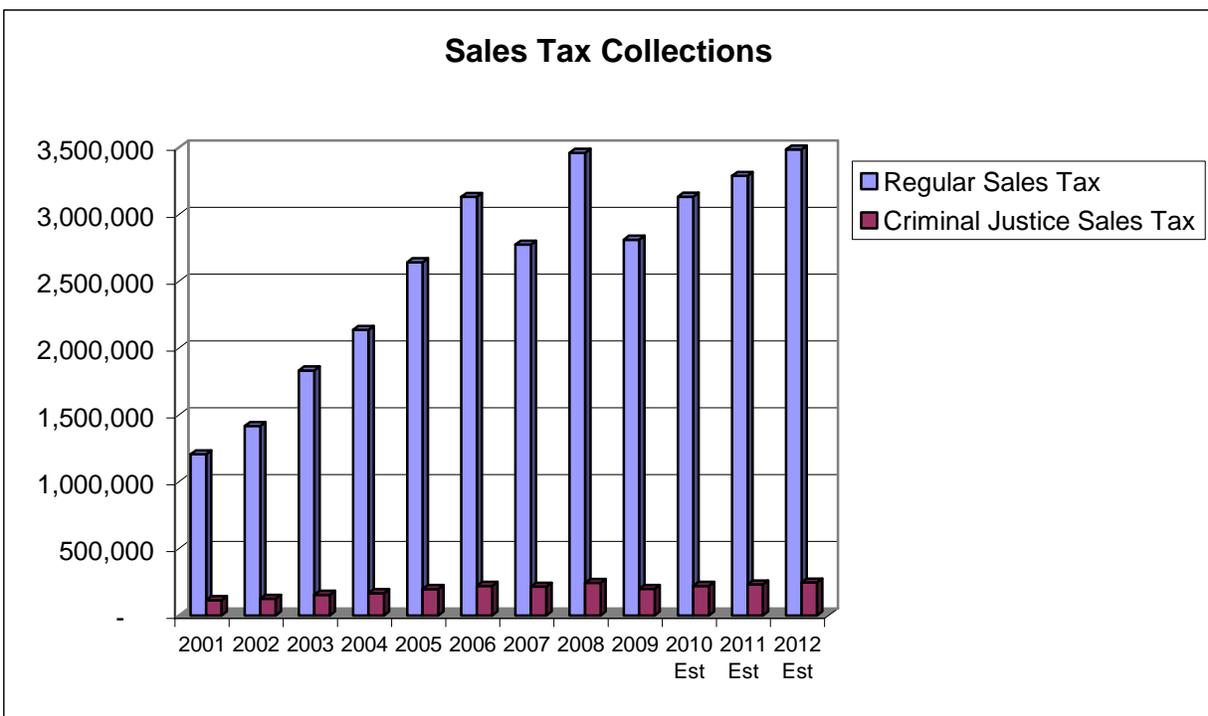
The sales tax is collected by local businesses and transmitted to the State of Washington for distribution. The state retains 1% of the tax collected for administration costs. The total overlapping sales tax within the City is 9.3%.



The legislature grants cities and counties the right to tax retail sales at the rate of 1 percent. However, the legislature allocated counties which also have imposed the general use sales tax, to receive .15% of the city portion of sales tax revenues collected in cities of the county. The City imposes a sales tax of 1% of which .85% is for general use by the General Fund. Pierce County receives the remaining .15%.

In addition, the county-wide 1/10 of 1% sales tax funds Criminal Justice tax is distributed 10% to the county with the remaining 90% distributed on a per capita basis between the county, cities and towns within the county.

Likewise, the same distribution is used for the Zoo. RCW 82.14.400 authorizes the county and the cities within the county to levy a 0.1 percent local sales tax to finance construction and operations of zoos, aquariums, and wildlife preservation and display facilities, as well as general costs of public parks. Fifty percent of this tax is allocated to cities and Metro Parks Tacoma based on population. This local tax was approved by Pierce County voters and collection began in 2001.



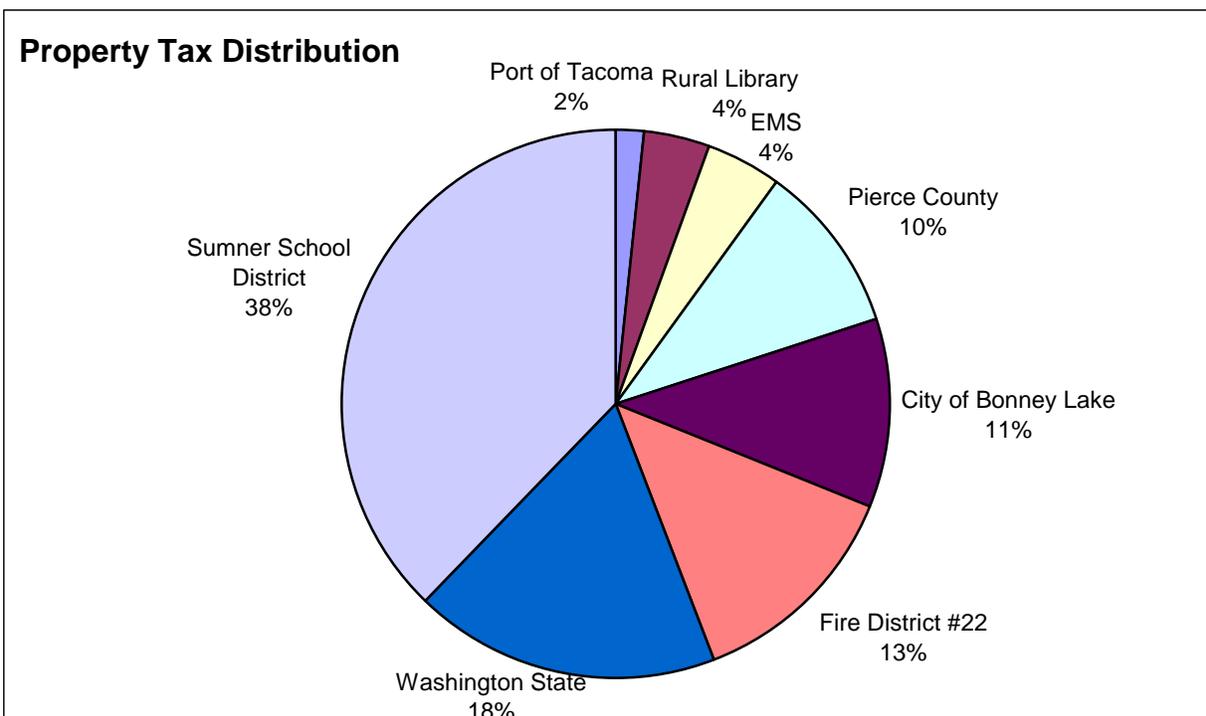
Tax distribution amounts shown above posted on an accrual basis; this means that the revenues are booked based on the month of the actual activity. Sales tax remittances have a two-month lag; therefore, the revenues that the City receives in January are for November purchases, and are posted as November revenues.

### Property Tax

The City of Bonney Lake receives taxes derived from property taxes. In the City of Bonney Lake, property taxes are used to support the General Fund and the Public Safety Building Bond Fund.

The County Treasurer acts as the City's agent to collect property taxes levied in the county for all taxing authorities. Taxes are due in two equal installments on April 30<sup>th</sup> and October 31<sup>st</sup>. Collections are remitted to the appropriate taxing district by the County Treasurer the month following collections (also by the County Treasurer).

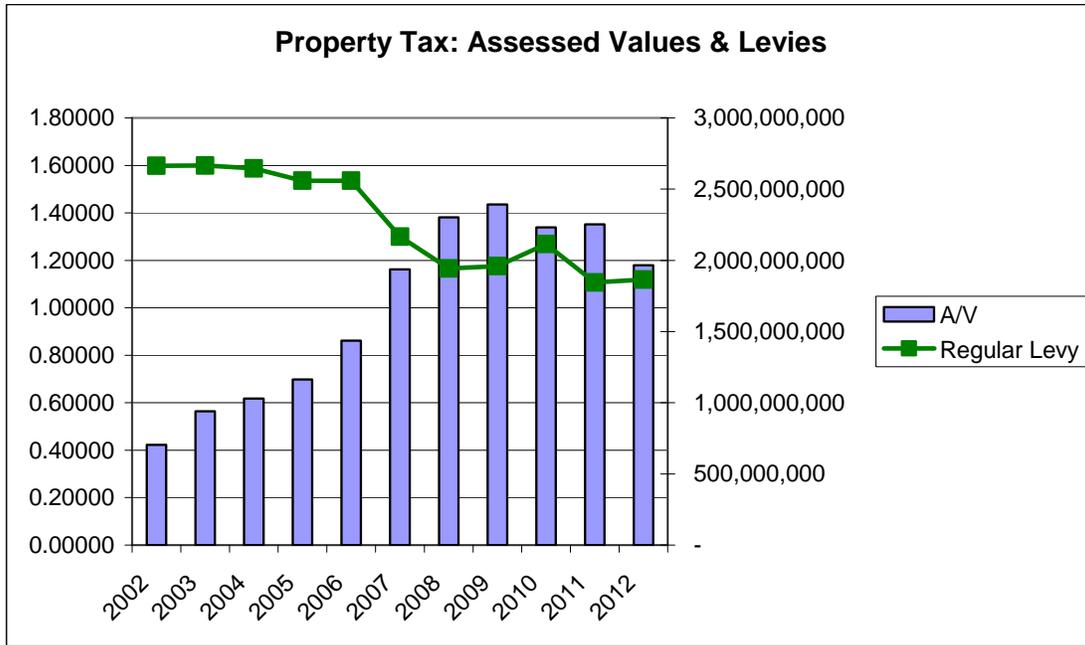
Property taxes are shared by multiple agencies. The chart below reflects 2009 values for 2010 taxes.



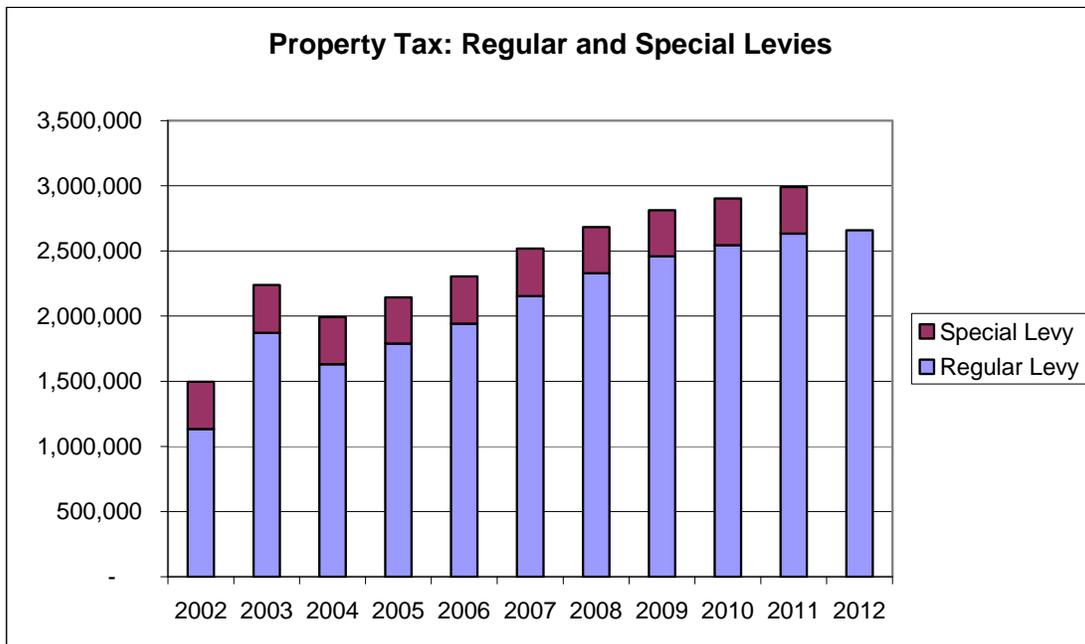
The City is permitted by law to levy up to \$3.6 per \$1,000 of assessed valuation for general governmental services. This amount does not include voter approved special levy for payment of debt on the Public Safety Building. Because the City has annexed into the fire district (#22 East Pierce Fire and Rescue) and the Pierce County Library District, according to law the local fire district's levy and the library district's levy must be subtracted from the City's levy. Therefore, since these districts are currently levying their maximum amounts, the local levy can be no higher than \$1.60 (\$3.60 less \$1.50 for the fire district less \$0.50 for the library district = \$1.60).

By state initiative, property tax is currently capped at a 1% increase plus the value of any annexations and new construction. For several years, the City's net effective tax rate has decreased because the higher assessed valuation from growth and property appreciation spreads the tax over a broader base, resulting in a lower rate. For tax year 2011, the City rate is now

1.107 mills (\$1.07 in property tax for every thousand dollars of assessed valuation). The City is authorized up to \$1.60 per thousand, but could not exceed 1.1107 mills without a vote of the people to “lift the lid” on the levy.



Property taxes are classified as either regular levy or special levy. The regular levy is used by the jurisdiction for general operations and debt service costs related to non-voter approved bonds. Special levy taxes represent the current year’s debt service payments related to bonds or indebtedness specifically authorized by the citizens of a jurisdiction.



### *Building Permits*

Although earlier years (2005-2006) set new records for building permit revenue (2005 topped the \$1 million mark for the first time in the City's history), the downturn in the housing industry has and will affect current and future revenues. Given the desirability of the Bonney Lake area, continued in-fill and annexation is anticipated. In 2010, the City began design of the Easttown sewer system, which opens the door for Easttown development in future years. A steady transition and renovation of the downtown area is also anticipated. Due to continuing uncertainties in the housing market, building permit revenues are estimated realistically but on the conservative side, as we anticipate a continued downturn in building permits and permit valuation during fiscal 2011.

### *Utility Taxes*

Utility taxes are collected on telephone, cable television, cellular phones, electric, natural gas, and solid waste companies operating within the City limits. In addition, the Water, Sewer, and Storm Water Utility Funds all pay a utility tax to the General Fund. Utility taxes are estimated at \$2,403,906 for 2011 or 18.8% of all General Fund revenues.

Utility taxes generally increase as the City grows and adds new utility customers. While conservation can reduce the amount of a utility bill, and thus the City's utility tax collections, utility tax receipts have been fairly stable on the growth curve, and are expected to remain so. We are projecting a 2010 year end total of \$2.38M in utility tax collections (This excludes taxes on the City's own utilities but includes electric, gas, refuse, cable, and telephone). We anticipate \$2.40M in utility tax receipts in 2011, and \$2.47M in 2012.

### *Fines & Forfeitures*

The City collects fines for traffic violations, misdemeanors, and DUI violations. The entire amount paid on a citation does not go to the City. The State and Pierce County also receive a considerable share of the fines. Fines and Forfeitures account for 4.9% of General Fund revenues or \$633,134 in 2011.

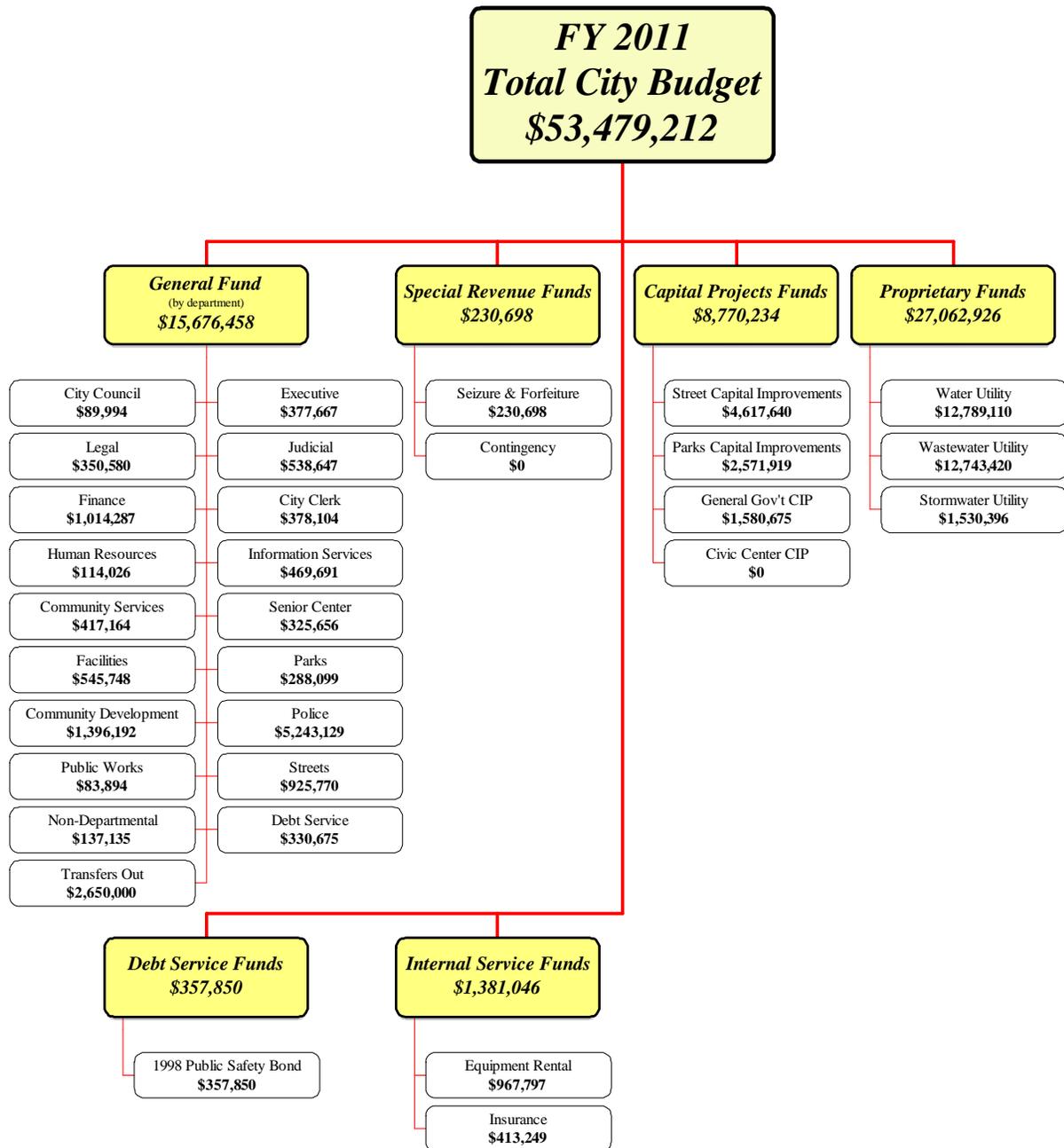
## **Other Revenues**

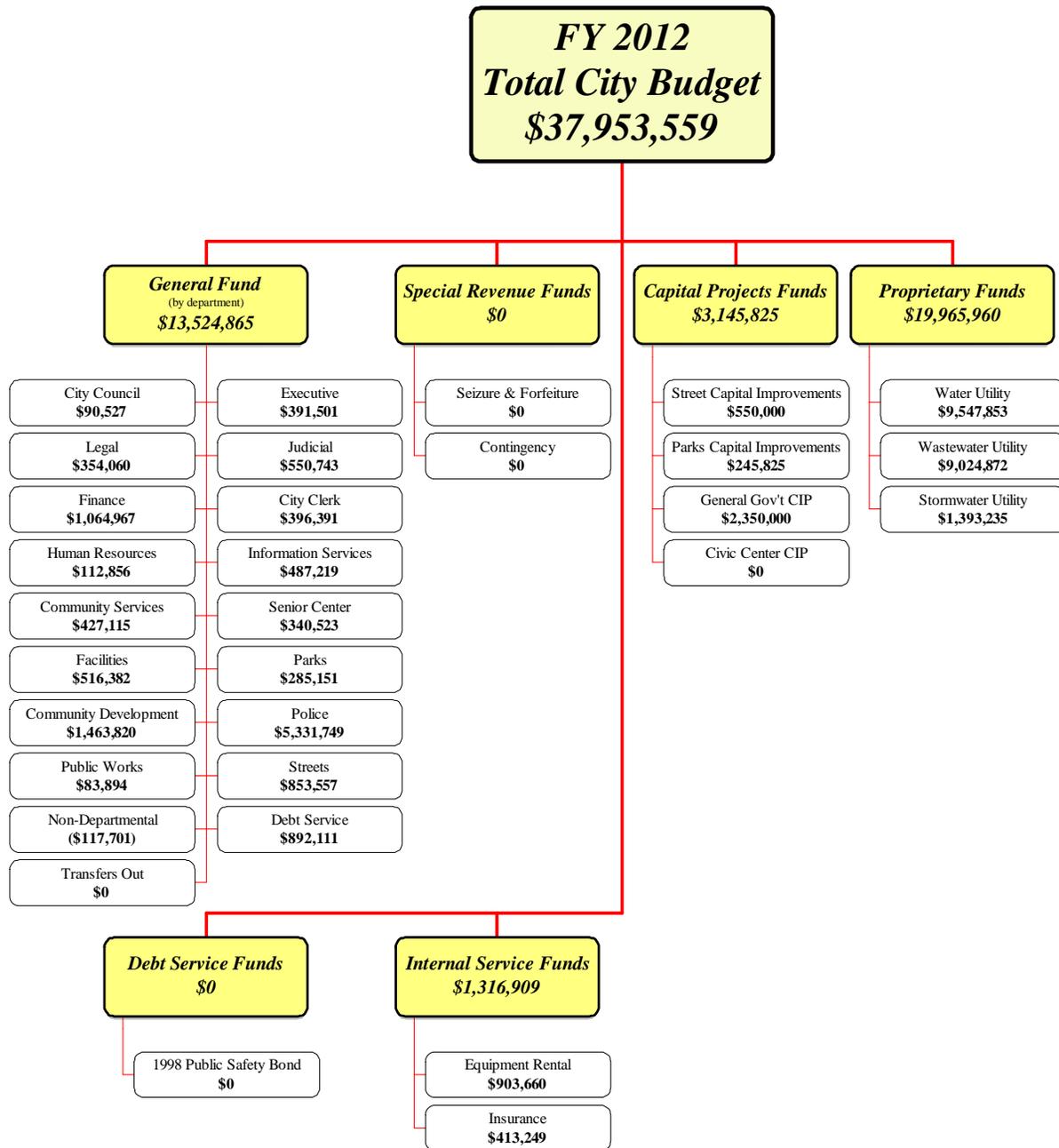
### *Licenses & Permits*

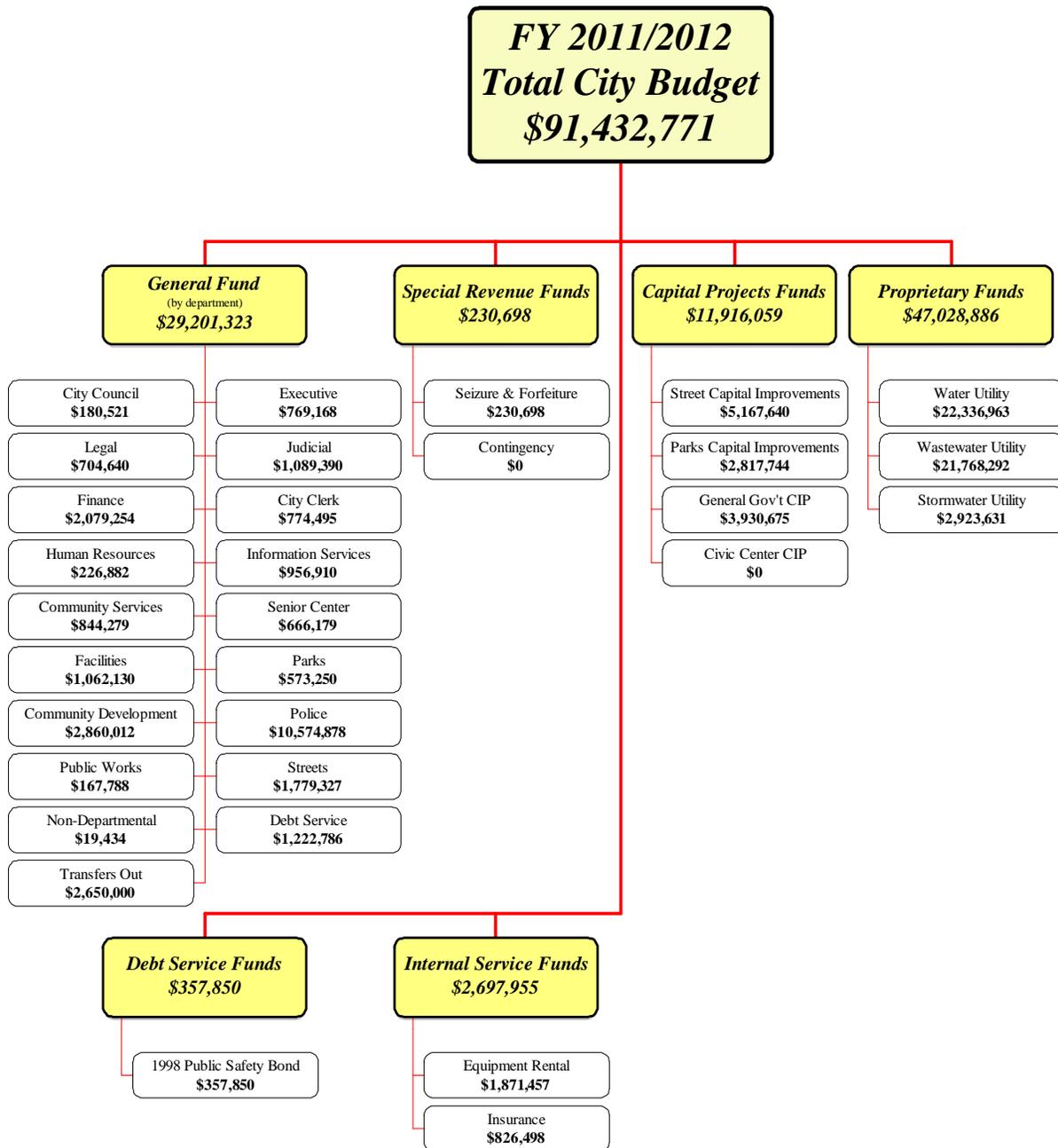
The City of Bonney Lake charges various licenses and permits fees for certain activities. An annual business license fee is collected from all businesses operating within the City limits; alarm registration fees are also collected on an annual basis; building permit fees are collected from new construction, remodels or additions to existing structures. Detailed information about licenses and permit history is located at the top of this page. Licenses and Permits account for 3.7% of General fund revenues or \$484,574 for fiscal 2011.

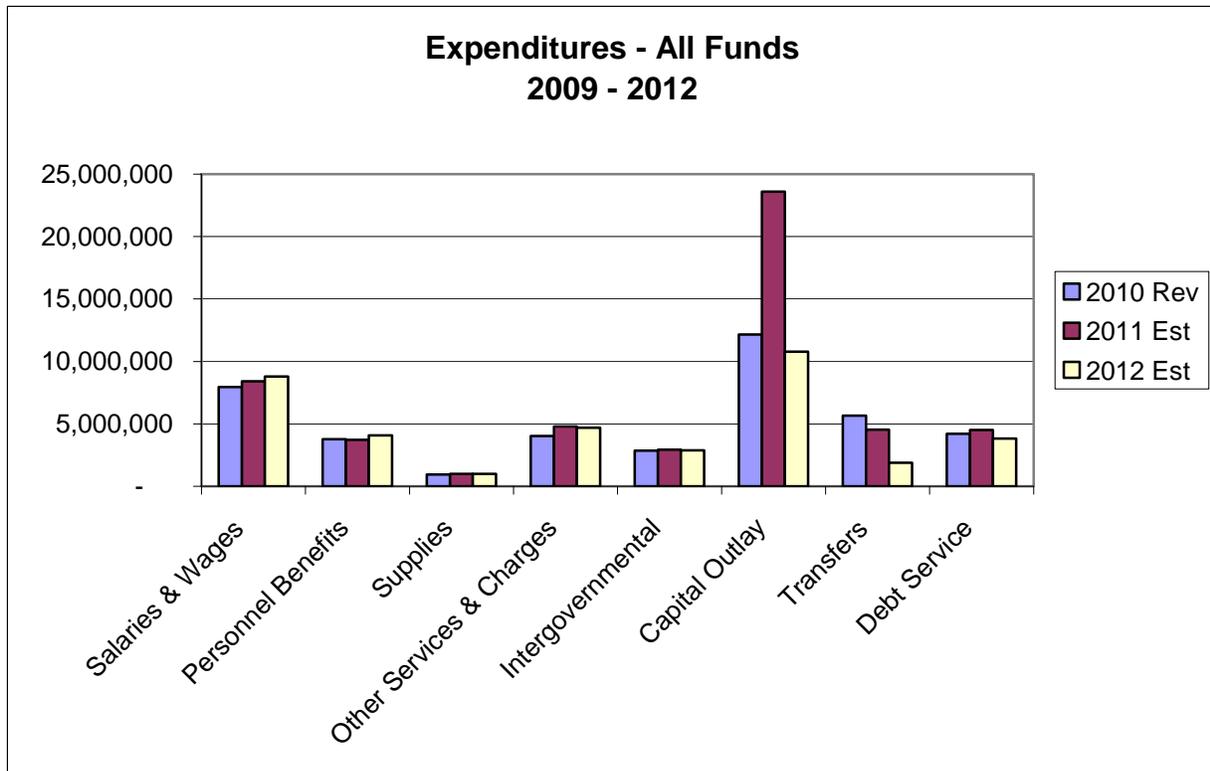
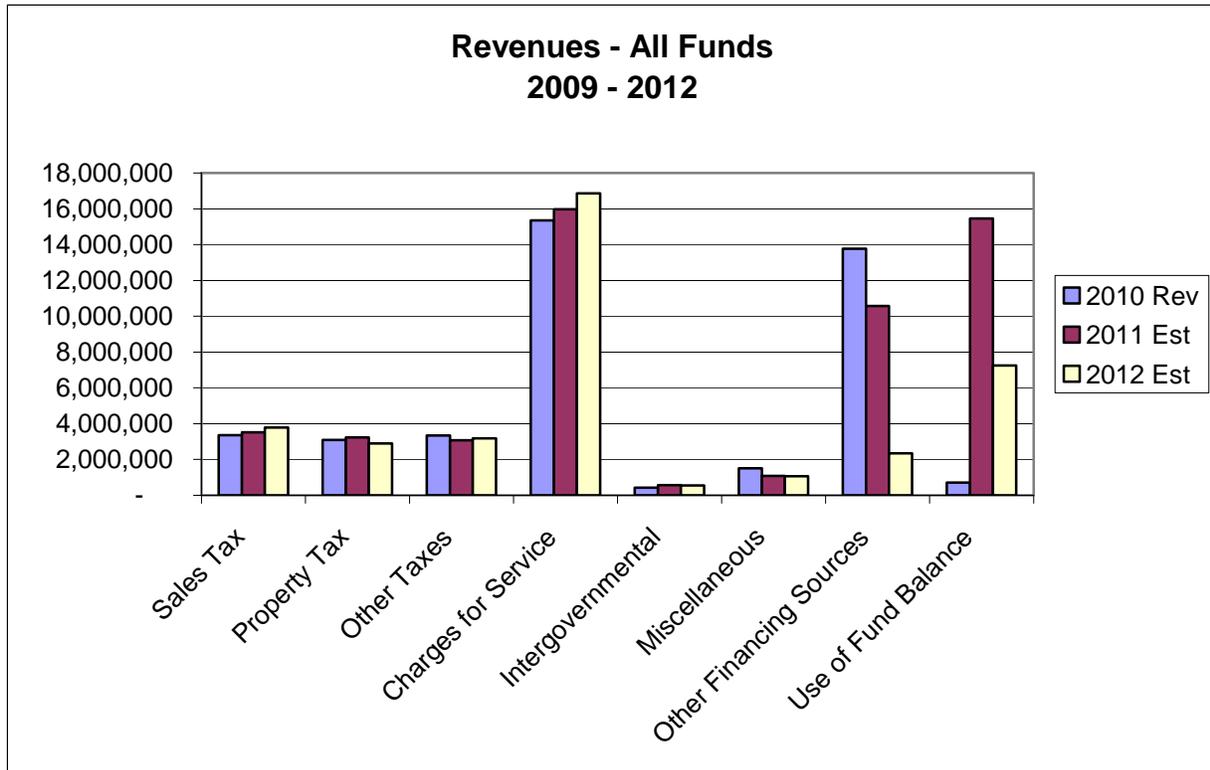
### *Intergovernmental Revenues*

The City of Bonney Lake receives a share of taxes collected by other jurisdictions, such as Liquor Excise taxes, Liquor Board Profits, and Criminal Justice money. Although greatly reduced as a result of the passage of I695, the City does receive some Motor Vehicle Excise taxes. Intergovernmental accounts for 4.3% of General fund revenue or \$559,307 for fiscal 2011.

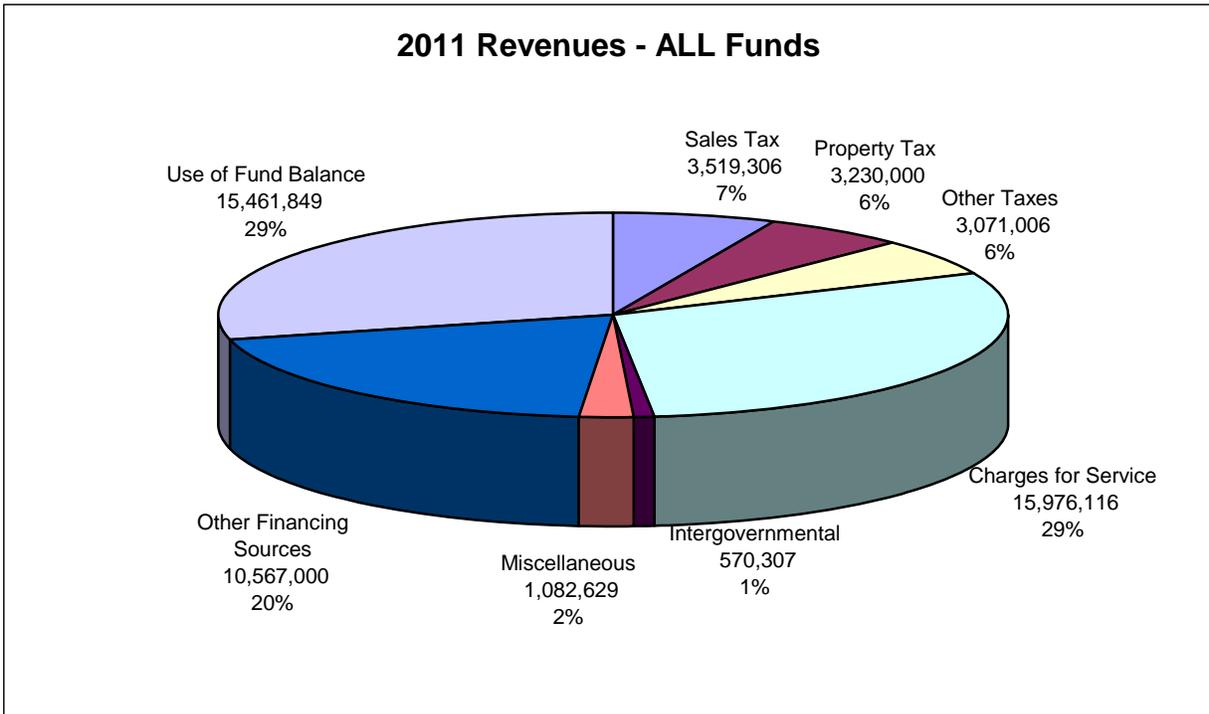




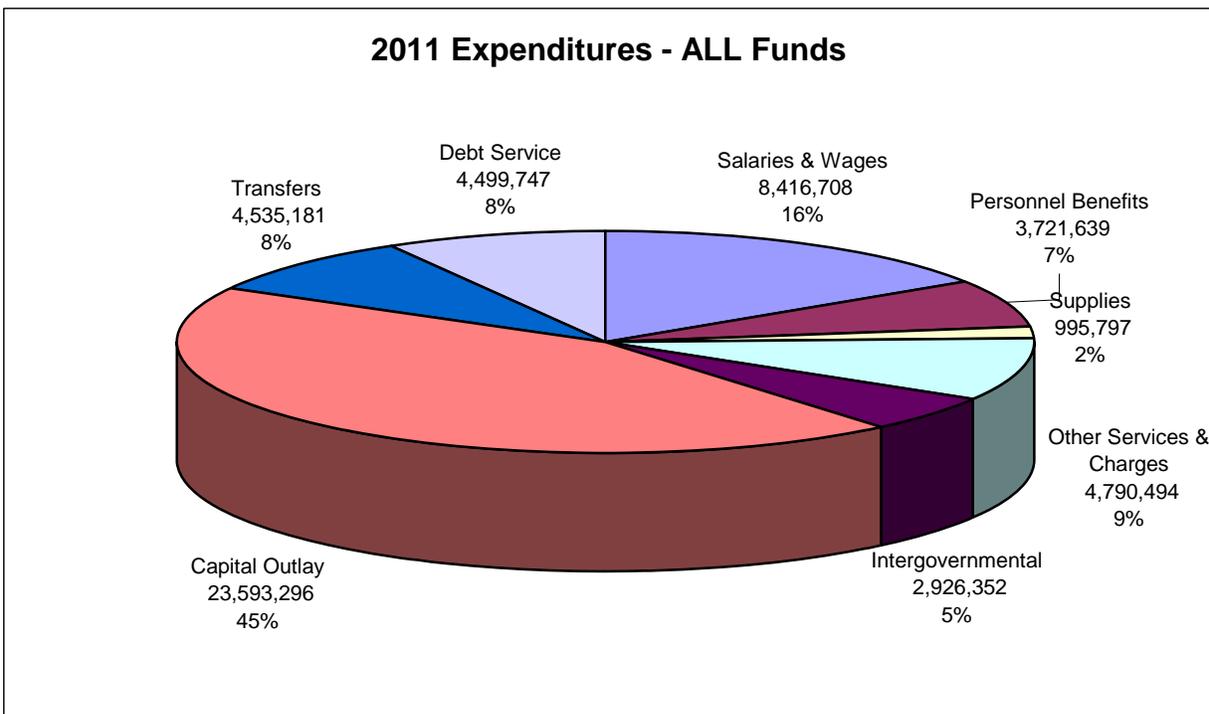




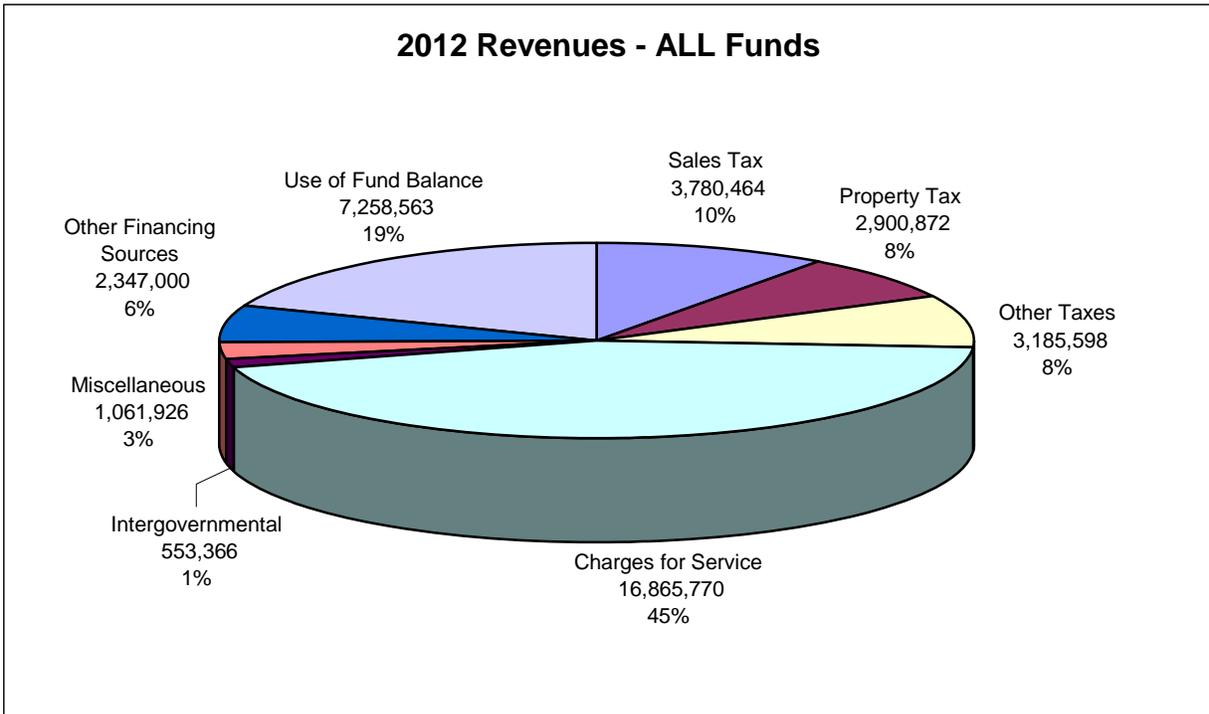
### Where Does the Money Come From?



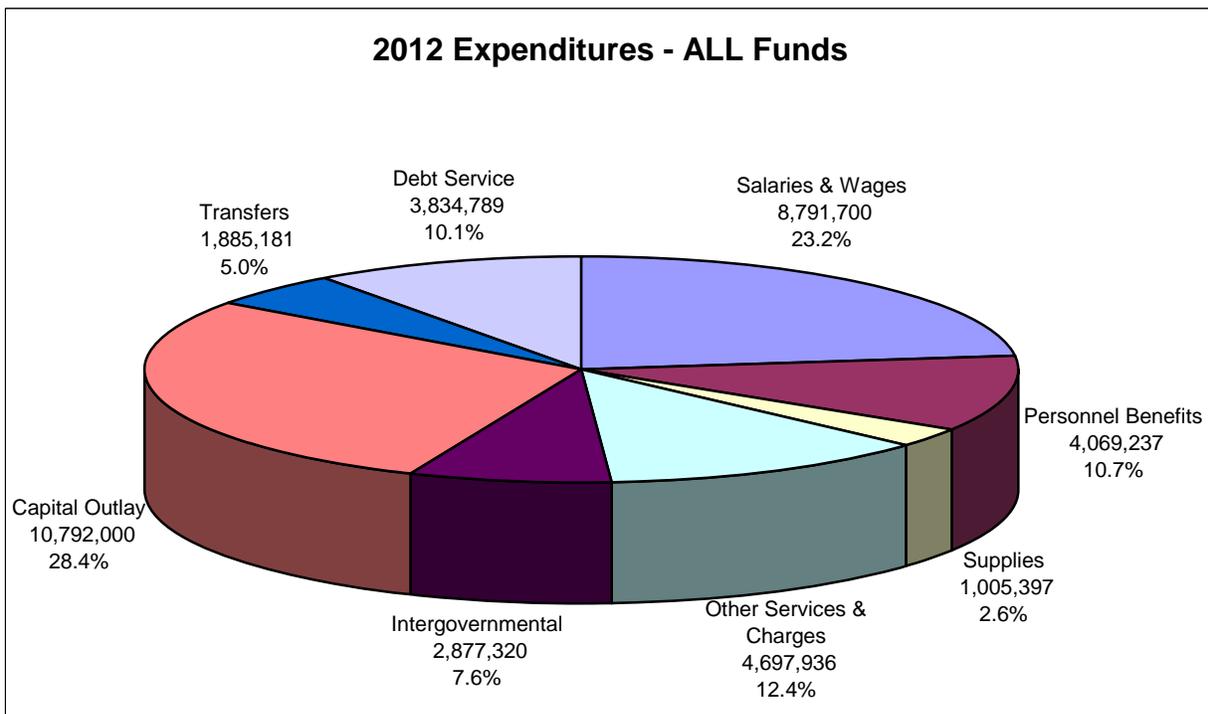
### How Is the Money Spent?



### Where Does the Money Come From?



### How Is the Money Spent?



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**Combined Statement  
ALL Funds**

	<b>General Fund</b>				
	2008 Actuals	2009 Actual	2010 Revised	2011 Est	2012 Est
<b>Revenues</b>					
Sales Tax	3,828,634	3,119,185	3,351,720	3,519,306	3,780,464
Property Tax	2,304,280	2,454,814	2,731,060	2,872,150	2,900,872
Other Taxes	2,473,597	2,706,708	2,380,105	2,403,906	2,476,023
Charges for Service	3,068,220	2,374,115	2,988,708	3,038,893	3,186,380
Intergovernmental	354,789	564,155	429,216	570,307	553,366
Miscellaneous	1,094,099	768,956	352,415	377,632	441,600
Other Financing Sources	-	-	-	-	-
<b>Total Revenues</b>	<b>13,123,620</b>	<b>11,987,932</b>	<b>12,233,223</b>	<b>12,782,194</b>	<b>13,338,706</b>
<b>Expenditures</b>					
Salaries & Wages	5,904,091	6,079,654	5,556,899	6,335,327	6,185,103
Personnel Benefits	2,186,228	2,470,734	2,719,120	2,673,257	2,917,267
Supplies	515,585	370,634	319,116	407,650	404,750
Other Services & Charges	2,153,393	1,608,884	1,558,037	1,713,908	1,679,750
Intergovernmental	1,104,266	1,512,685	1,507,370	1,528,842	1,440,885
Capital Outlay	93,973	33	19,500	36,800	5,000
Transfers	-	-	-	2,650,000	-
Debt Service	-	-	659,638	330,675	892,111
<b>Total Expenditures</b>	<b>11,957,535</b>	<b>12,042,624</b>	<b>12,339,679</b>	<b>15,676,458</b>	<b>13,524,866</b>
<b>Net Increase (Decrease) in Fund Balance</b>					
	1,166,084	(54,691)	(106,456)	(2,894,264)	(186,160)
<b>Fund Balance - Jan 1</b>	<b>4,431,868</b>	<b>5,597,952</b>	<b>5,543,261</b>	<b>5,436,805</b>	<b>2,542,541</b>
<b>Fund Balance - Dec 31</b>	<b>5,597,952</b>	<b>5,543,261</b>	<b>5,436,805</b>	<b>2,542,541</b>	<b>2,356,380</b>
<b>Capital Funds</b>					
	2008 Actuals	2009 Actual	2010 Revised	2011 Est	2012 Est
<b>Revenues</b>					
Sales Tax	-	-	-	-	-
Property Tax	-	-	-	-	-
Other Taxes	958,966	847,160	958,366	667,100	709,575
Charges for Service	732,159	510,637	838,340	699,000	969,000
Intergovernmental	-	-	-	-	-
Miscellaneous	319,330	134,392	186,494	149,000	284,500
Other Financing Sources	4,788,514	279,011	4,693,000	1,900,000	-
<b>Total Revenues</b>	<b>6,798,969</b>	<b>1,771,200</b>	<b>6,676,200</b>	<b>3,415,100</b>	<b>1,963,075</b>
<b>Expenditures</b>					
Salaries & Wages	-	-	-	-	-
Personnel Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Other Services & Charges	21,731	27,472	5,000	-	-
Intergovernmental	-	-	-	-	-
Capital Outlay	6,816,595	5,689,639	7,395,506	7,929,000	2,900,000
Transfers	-	-	-	-	-
Debt Service	1,355,062	1,214,693	685,855	841,235	245,825
<b>Total Expenditures</b>	<b>8,193,389</b>	<b>6,931,804</b>	<b>8,086,361</b>	<b>8,770,235</b>	<b>3,145,825</b>
<b>Net Increase (Decrease) in Fund Balance</b>					
	(1,394,419)	(5,160,604)	(1,410,161)	(5,355,135)	(1,182,750)
<b>Fund Balance - Jan 1</b>	<b>17,159,097</b>	<b>15,764,678</b>	<b>10,604,074</b>	<b>9,193,913</b>	<b>3,838,778</b>
<b>Fund Balance - Dec 31</b>	<b>15,764,678</b>	<b>10,604,074</b>	<b>9,193,913</b>	<b>3,838,778</b>	<b>2,656,028</b>

**Combined Statement  
ALL Funds**

	<b>Utility Funds</b>				
	2008 Actuals	2009 Actual	2010 Revised	2011 Est	2012 Est
<b>Revenues</b>					
Sales Tax	-	-	-	-	-
Property Tax	-	-	-	-	-
Other Taxes	-	-	-	-	-
Charges for Service	10,081,739	11,494,118	10,094,379	10,831,600	11,272,300
Intergovernmental	-	-	-	-	-
Miscellaneous	396,334	230,564	610,216	261,700	269,600
Other Financing Sources	3,028,545	2,352,002	9,075,938	8,667,000	2,347,000
<b>Total Revenues</b>	<b>13,506,618</b>	<b>14,076,685</b>	<b>19,780,533</b>	<b>19,760,300</b>	<b>13,888,900</b>
<b>Expenditures</b>					
Salaries & Wages	2,049,545	2,125,222	2,244,724	1,935,011	2,455,039
Personnel Benefits	832,833	884,375	1,005,946	994,356	1,092,272
Supplies	58,081	324,492	318,562	326,147	334,147
Other Services & Charges	5,652,195	4,580,455	1,903,231	2,524,987	2,466,587
Intergovernmental	1,194,634	1,321,567	1,355,057	1,397,510	1,436,435
Capital Outlay	2,817,180	5,349,957	4,363,410	15,329,000	7,668,000
Transfers	1,552,255	1,275,022	4,815,626	1,816,626	1,816,626
Debt Service	683,637	219,713	2,506,561	2,739,289	2,696,853
<b>Total Expenditures</b>	<b>14,840,361</b>	<b>16,080,804</b>	<b>18,513,117</b>	<b>27,062,926</b>	<b>19,965,960</b>
<b>Net Increase (Decrease) in Fund Balance</b>	<b>(1,333,743)</b>	<b>(2,004,119)</b>	<b>1,267,416</b>	<b>(7,302,626)</b>	<b>(6,077,060)</b>
Fund Balance - Jan 1	21,590,722	20,256,979	18,252,861	19,520,277	12,217,651
Fund Balance - Dec 31	20,256,979	18,252,861	19,520,277	12,217,651	6,140,591

	<b>Non-Major Governmental Funds</b>				
	2008 Actuals	2009 Actual	2010 Revised	2011 Est	2012 Est
<b>Revenues</b>					
Sales Tax	-	-	-	-	-
Property Tax	354,805	355,305	359,750	357,850	-
Other Taxes	-	-	-	-	-
Charges for Service	1,123,266	1,389,587	1,438,090	1,406,623	1,438,090
Intergovernmental	-	-	-	-	-
Miscellaneous	4,624	10,267	368,307	294,297	66,226
Other Financing Sources	187,672	80,460	-	-	-
<b>Total Revenues</b>	<b>1,670,367</b>	<b>1,835,619</b>	<b>2,166,147</b>	<b>2,058,770</b>	<b>1,504,316</b>
<b>Expenditures</b>					
Salaries & Wages	117,505	127,951	140,977	146,370	151,557
Personnel Benefits	48,009	53,263	56,678	54,026	59,698
Supplies	299,124	241,712	293,301	262,000	266,500
Other Services & Charges	846,244	954,135	559,741	551,599	551,599
Intergovernmental	-	-	-	-	-
Capital Outlay	714,446	205,329	366,000	298,496	219,000
Transfers	86,137	65,816	845,555	68,555	68,555
Debt Service	354,805	355,305	359,750	588,548	-
<b>Total Expenditures</b>	<b>2,466,270</b>	<b>2,003,511</b>	<b>2,622,002</b>	<b>1,969,594</b>	<b>1,316,908</b>
<b>Net Increase (Decrease) in Fund Balance</b>	<b>(795,903)</b>	<b>(167,892)</b>	<b>(455,855)</b>	<b>89,176</b>	<b>187,407</b>
Fund Balance - Jan 1	4,121,745	3,345,011	3,176,678	2,720,824	2,810,000
Fund Balance - Dec 31	3,325,842	3,177,120	2,720,823	2,810,000	2,997,407

Combined Statement  
ALL Funds

	<b>TOTAL FUNDS</b>				
	2008 Actuals	2009 Actual	2010 Revised	2011 Est	2012 Est
<b>Revenues</b>					
Sales Tax	3,828,634	3,119,185	3,351,720	3,519,306	3,780,464
Property Tax	2,659,085	2,810,119	3,090,810	3,230,000	2,900,872
Other Taxes	3,432,563	3,553,868	3,338,471	3,071,006	3,185,598
Charges for Service	15,005,384	15,768,458	15,359,517	15,976,116	16,865,770
Intergovernmental	354,789	564,155	429,216	570,307	553,366
Miscellaneous	1,814,387	1,144,179	1,517,432	1,082,629	1,061,926
Other Financing Sources	8,004,731	2,711,473	13,768,938	10,567,000	2,347,000
<b>Total Revenues</b>	<b>35,099,574</b>	<b>29,671,436</b>	<b>40,856,103</b>	<b>38,016,364</b>	<b>30,694,997</b>
<b>Expenditures</b>					
Salaries & Wages	8,071,141	8,332,828	7,942,600	8,416,708	8,791,700
Personnel Benefits	3,067,069	3,408,372	3,781,744	3,721,639	4,069,237
Supplies	872,791	936,837	930,979	995,797	1,005,397
Other Services & Charges	8,673,563	7,170,946	4,026,009	4,790,494	4,697,936
Intergovernmental	2,298,900	2,834,252	2,862,427	2,926,352	2,877,320
Capital Outlay	10,442,195	11,244,959	12,144,416	23,593,296	10,792,000
Transfers	1,638,392	1,340,838	5,661,181	4,535,181	1,885,181
Debt Service	2,393,504	1,789,711	4,211,804	4,499,747	3,834,789
<b>Total Expenditures</b>	<b>37,457,555</b>	<b>37,058,742</b>	<b>41,561,159</b>	<b>53,479,213</b>	<b>37,953,560</b>
<b>Net Increase (Decrease) in Fund Balance</b>	<b>(2,357,981)</b>	<b>(7,387,306)</b>	<b>(705,056)</b>	<b>(15,462,849)</b>	<b>(7,258,563)</b>
Fund Balance - Jan 1	47,303,432	44,945,451	37,558,145	36,853,089	21,390,240
Fund Balance - Dec 31	44,945,451	37,558,145	36,853,089	21,390,240	14,131,677

General Fund*General Fund*Utility Funds*Water**Wastewater (Sewer)**Stormwater*Capital Funds*Street CIP**Parks CIP**General Government CIP**Civic Center CIP*Nonmajor Governmental Funds*Debt Service Funds**Drug Investigation Fund**Contingency Fund**Equipment Rental &**Replacement Fund**Insurance Fund*

### Capital Project Summary

*Further information on capital projects can be found in both the Program Summary and Other Funds sections of this document.*

*The following is a summary of capital investments by program for the 2011/2012 Biennium.*

<b>Funds</b>	<b>2011 Adopted</b>	<b>2012 Adopted</b>	<b>Total Biennium</b>
<u>General Fund</u>			
Municipal Court	6,800	-	6,800
Executive Office	-	-	-
Information Services	-	-	-
Parks and Recreation	-	-	-
Public Works & Engineering	-	-	-
Community Development	-	-	-
Law Enforcement Services	30,000	5,000	35,000
Subtotal: General Fund	36,800	5,000	41,800
<u>Capital Improvement Funds</u>			
Street/Sidewalk Maintenance <i>Chipsealing, overlay, etc.</i>	328,000	550,000	878,000
Street/Road/Sidewalk Construction	4,035,000	-	4,035,000
Recreation and Parks	2,316,000	-	2,316,000
General Government Capital	1,250,000	2,350,000	3,600,000
Equipment Rental and Replacement	298,496	219,000	517,496
Utilities <i>Water, Wastewater, Stormwater</i>	15,088,000	7,496,000	22,584,000
<b>TOTAL CAPITAL IMPROVEMENT BUDGET</b>	<b>23,352,296</b>	<b>10,620,000</b>	<b>33,972,296</b>

*Potential Cost Impacts of Capital Projects*

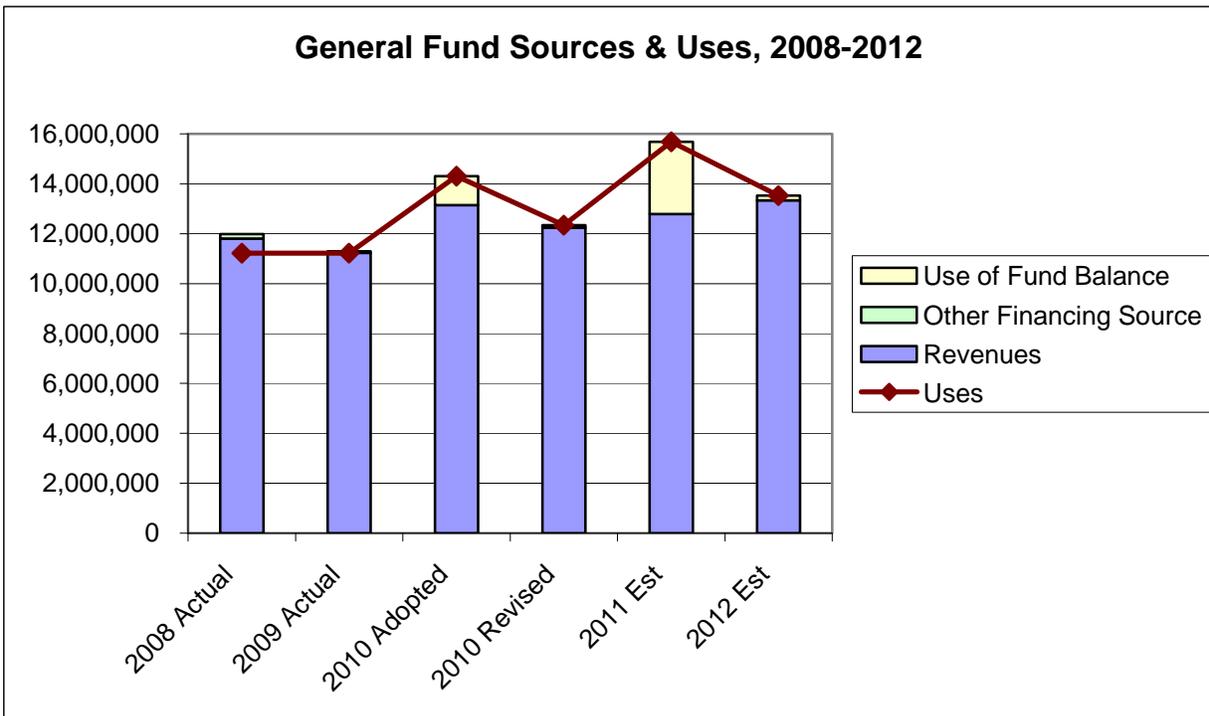
In the General Fund, capital expenditures are primarily equipment and/or furnishings, and are not associated with increased staffing and/or maintenance costs. In many cases, maintenance and/or ancillary costs are simply absorbed within the departmental existing operating budget. For instance, although new server equipment acquired by the IT division will require routine maintenance, such maintenance is already an integral part of the department and no additional cost is realized.

Within the Capital Improvement Funds, projects are classified as either operating capital (e.g. recurring maintenance projects such as chip-sealing and street/sidewalk reconstruction), or new capital (e.g. Civic Center projects and major Public Works projects).

In some cases, such as overlay and chip-sealing, the capital expenditure results in decreased ongoing maintenance and repair costs.

Conversely, projects such as new park equipment, new streetlights, and the Civic Center projects such as the construction of a Justice Center will see an increase in maintenance and utility costs. Although the City recognizes these potential increases, a full analysis has not been completed in time for inclusion in this budget document. Pending a full analysis, additional budget dollars have been included in fiscal 2011 and 2012 within the Facilities program for the Justice Center. All other cost increases will be identified throughout the biennium and, if the cost is deemed prudent and necessary, presented to City Council for potential budget programming.

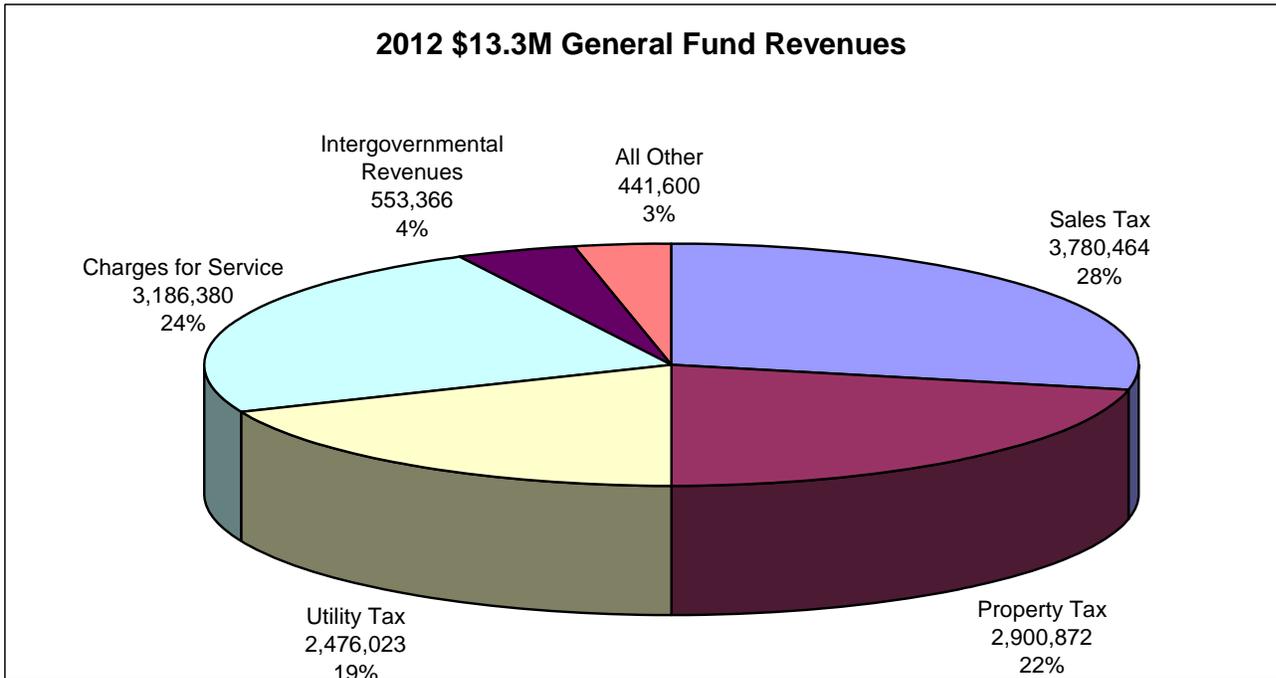
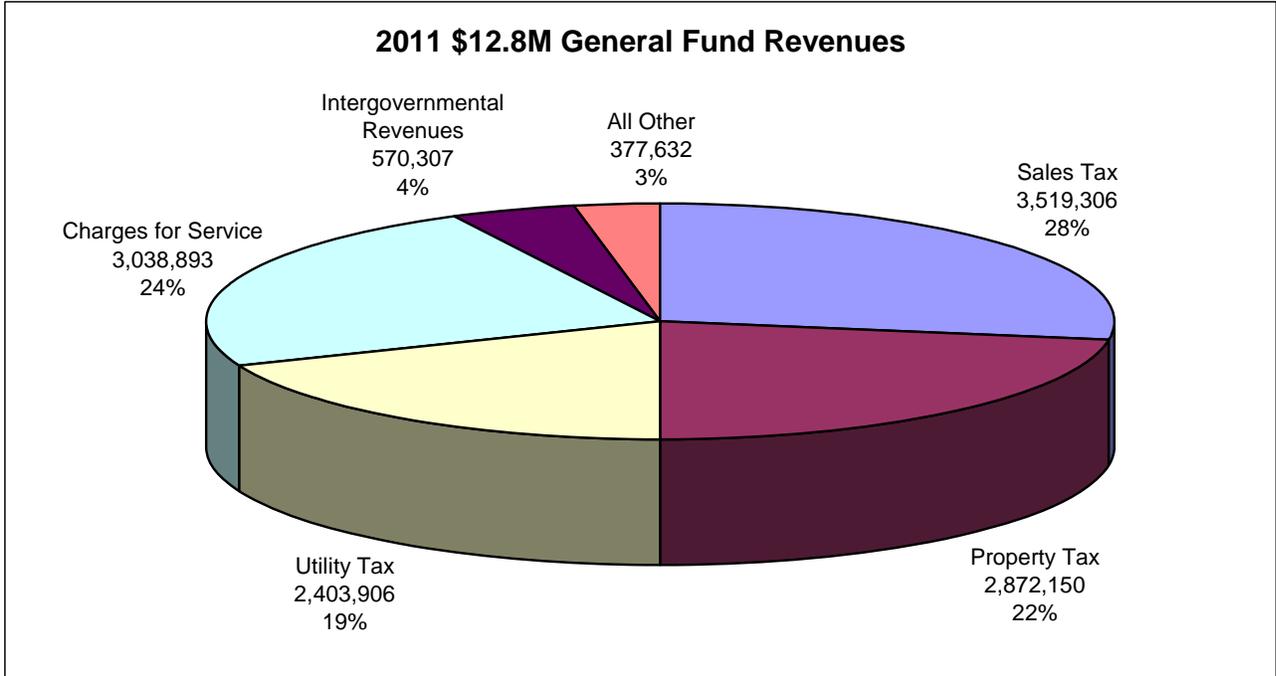
**General Fund Overview**

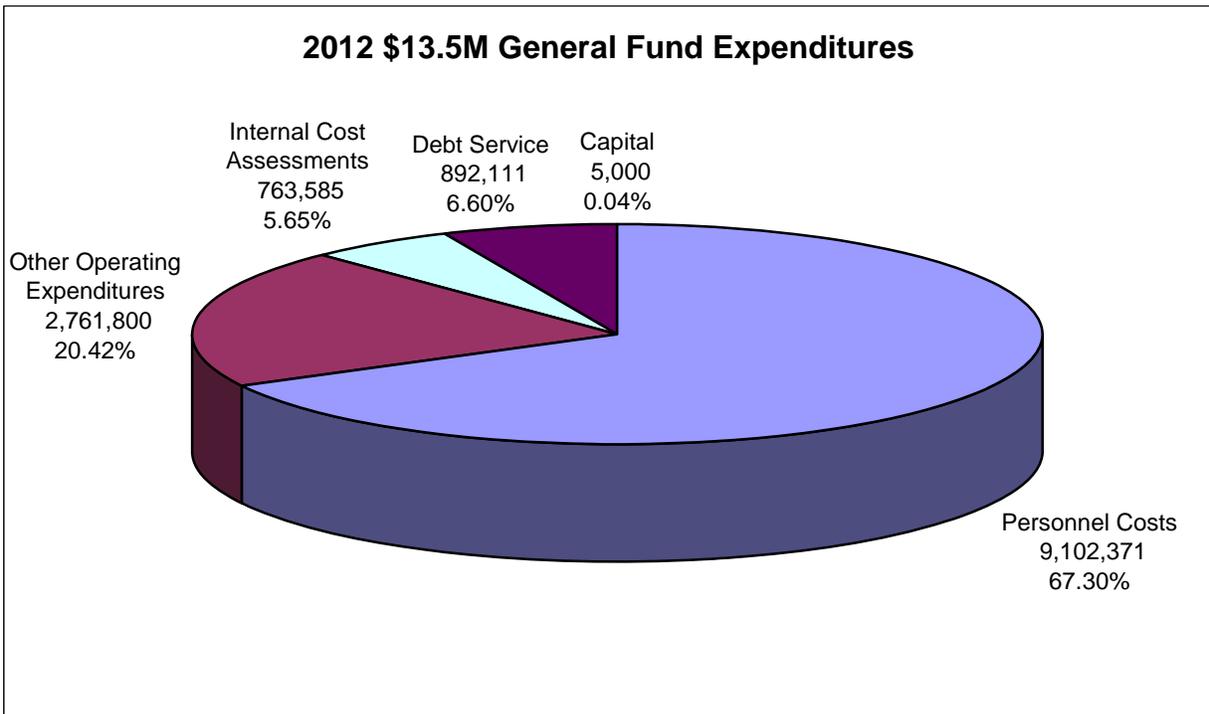
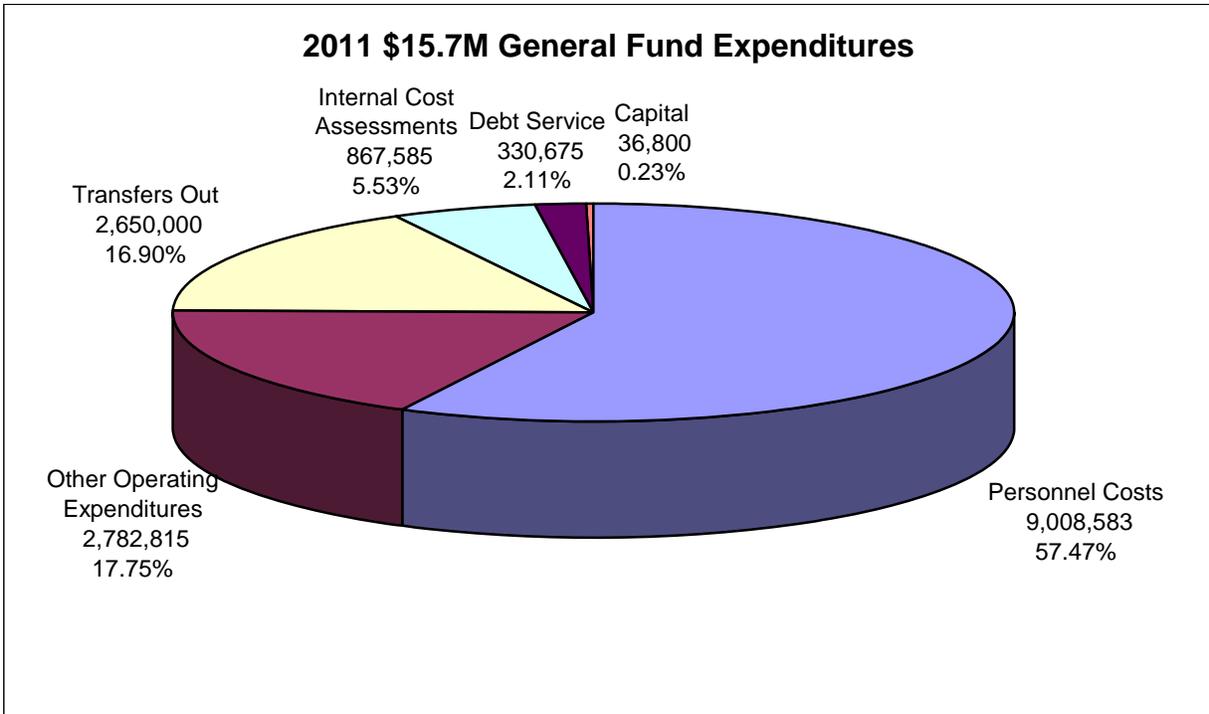


The budget presents the City’s financial operating plan for the stated fiscal period. This plan includes estimated expenditures (costs) of providing services and the estimated revenues (income) to pay for services. State statute requires cities to present a balanced budget (RCW 35.33.075). The budgeted appropriations (expenditures) must by law be balanced with either revenues and/or unreserved fund balances.

**General Fund Revenues  
2008-2012**

<b>General Fund Revenues</b>	<b>2008 Actual</b>	<b>2009 Actual</b>	<b>2010 Adopted</b>	<b>2010 Revised</b>	<b>2011 Estimated</b>	<b>2012 Estimated</b>
Sales Tax	\$ 3,828,634	\$ 3,119,185	\$ 3,954,089	\$ 3,351,720	\$ 3,519,306	\$ 3,780,464
Property Tax	2,304,280	2,454,814	2,593,836	2,731,060	2,872,150	2,900,872
Utility Tax	2,473,597	2,706,708	2,666,160	2,380,105	2,403,906	2,476,023
<u>Charges for Service</u>						
Building Permits	1,025,214	644,593	1,303,376	856,071	936,124	1,010,066
Parks & Recreation	103,494	125,590	122,234	145,410	104,500	107,735
Fines & Forfeitures	730,848	681,190	835,452	744,693	767,134	795,268
General Administration	1,108,611	806,991	835,236	1,132,035	1,132,035	1,165,996
Police	27,320	20,788	27,118	38,179	37,200	39,874
Business License	72,733	94,964	73,433	72,319	61,900	67,441
Charges for Service	<u>3,068,220</u>	<u>2,374,115</u>	<u>3,196,849</u>	<u>2,988,708</u>	<u>3,038,893</u>	<u>3,186,380</u>
All Other	1,094,099	768,956	339,689	352,415	377,632	441,600
Intergovernmental Revenues	354,789	564,155	397,369	429,216	570,307	553,366
Annual Revenues	<u>13,123,620</u>	<u>11,987,932</u>	<u>13,147,992</u>	<u>12,233,223</u>	<u>12,782,194</u>	<u>13,338,706</u>
Other Financing Sources	0	0	0	0	0	0
Use of Fund Balance	0	0	1,159,342	106,457	2,894,264	186,159
Annual Sources	<u>\$ 13,123,620</u>	<u>\$ 11,987,932</u>	<u>\$ 14,307,334</u>	<u>\$ 12,339,680</u>	<u>\$ 15,676,458</u>	<u>\$ 13,524,865</u>





## General Fund Expenditures 2006 – 2010

City of Bonney Lake: General Funds EXPENDITURES	2008 Actual	2009 Actual	2010		2011 Proposed	2012 Proposed
			Adopted	Revised		
<b>General Fund Expenditures</b>						
<b>SALARIES &amp; WAGES</b>						
Regular & Part-Time Wages	5,904,091	6,079,384	6,429,462	5,305,127	6,047,327	5,883,103
Overtime	-	270	294,847	137,272	227,000	223,000
Seasonal & Casual Labor	-	-	93,952	114,500	61,000	79,000
<b>Salaries &amp; Wages Sub-Total</b>	<b>5,904,091</b>	<b>6,079,654</b>	<b>6,818,261</b>	<b>5,556,899</b>	<b>6,335,327</b>	<b>6,185,103</b>
<b>PERSONNEL BENEFITS</b>						
Medical, Etc. Benefits	2,163,542	2,470,734	2,936,524	2,695,120	2,642,577	2,886,287
Uniforms & Clothing	22,686	-	29,910	24,000	30,680	30,980
<b>Personnel Benefits Sub-Total</b>	<b>2,186,228</b>	<b>2,470,734</b>	<b>2,966,434</b>	<b>2,719,120</b>	<b>2,673,257</b>	<b>2,917,267</b>
<b>SUPPLIES</b>						
Office & Operating Supplies	308,418	188,260	340,770	171,298	183,450	183,100
Fuel for Consumption	626	79	-	-	-	-
Items Purchased for Resale	387	25,354	32,000	24,946	28,500	28,500
Small Tools/Minor Equipment	206,154	156,941	174,741	122,872	195,700	193,150
<b>Supplies Sub-Total</b>	<b>515,585</b>	<b>370,634</b>	<b>547,511</b>	<b>319,116</b>	<b>407,650</b>	<b>404,750</b>
<b>OTHER SERVICES &amp; CHARGES</b>						
Professional Services	1,522,775	889,822	1,529,126	933,600	905,820	877,800
Communication	128,632	126,644	154,511	101,347	95,000	95,900
Travel (Miles, Meals, Lodging)	38,702	23,893	93,018	(13,123)	39,500	39,550
Advertising	7,807	17,834	16,730	13,770	17,500	17,500
Operating Rents & Leases	37,098	26,557	23,672	18,790	28,224	28,224
Insurance	-	-	-	-	-	-
Public Utility Service	197,975	240,529	191,000	256,888	290,500	292,000
Repairs & Maintenance	97,779	84,935	109,077	75,140	105,400	96,400
Miscellaneous	122,625	198,670	150,914	171,625	231,964	232,376
<b>Other Services &amp; Charges Sub-Total</b>	<b>2,153,393</b>	<b>1,608,884</b>	<b>2,268,048</b>	<b>1,558,037</b>	<b>1,713,908</b>	<b>1,679,750</b>
<b>INTERGOVERNMENTAL SERVICES</b>						
Intergovernmental Charges	395,435	609,075	804,495	639,785	661,257	677,300
Internal Charges for Service	708,831	903,610	867,585	867,585	867,585	763,585
<b>Intergovernmental Sub-Total</b>	<b>1,104,266</b>	<b>1,512,685</b>	<b>1,672,080</b>	<b>1,507,370</b>	<b>1,528,842</b>	<b>1,440,885</b>
<b>CAPITAL OUTLAYS</b>						
Capital Outlays	93,973	33	35,000	19,500	36,800	5,000
<b>Capital Outlay Sub-Total</b>	<b>93,973</b>	<b>33</b>	<b>35,000</b>	<b>19,500</b>	<b>36,800</b>	<b>5,000</b>
<b>DEBT SERVICE</b>						
Principal	-	-	-	255,000	132,500	441,618
Interest	-	-	-	404,638	198,175	450,493
<b>Debt Service Sub-Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>659,638</b>	<b>330,675</b>	<b>892,111</b>
<b>TRANSFERS</b>						
Transfers-Out	-	-	-	-	2,650,000	-
<b>Transfers Sub-Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,650,000</b>	<b>-</b>
<b>TOTAL GENERAL FUND EXPENDITURES</b>	<b>\$ 11,957,535</b>	<b>\$ 12,042,624</b>	<b>\$ 14,307,334</b>	<b>\$ 12,339,679</b>	<b>\$ 15,676,458</b>	<b>\$ 13,524,866</b>
Annual Change (\$)		\$ 85,088	\$ 2,264,710	\$ 297,056	\$ 3,336,779	\$ (2,151,592)
Annual Change (%)		1%	19%	2%	27%	-14%

General Fund Expenditures by Department/Category  
2011-2012

General Fund 2011	Expenditures									
	Personnel	Supplies	Services/Charges	Intergovernmental	Capital	Debt Service	Election	Interfund	Transfers Out	Total
Legislative	38,044	2,000	15,950	0	0	0	34,000	0	0	89,994
Judicial	505,903	10,700	15,244	0	6,800	0	0	0	0	538,647
Executive	298,417	2,750	64,500	12,000	0	0	0	0	0	377,667
Finance	866,287	9,900	138,100	0	0	0	0	0	0	1,014,287
Legal	96,480	6,000	248,100	0	0	0	0	0	0	350,580
Information Systems	206,371	101,600	161,720	0	0	0	0	0	0	469,691
City Clerk	350,454	450	27,200	0	0	0	450	0	0	378,104
Human Resources	96,976	1,600	15,450	0	0	0	0	0	0	114,026
Law Enforcement	4,117,370	84,650	99,875	561,000	30,000	0	0	350,234	0	5,243,129
Engineering & PW	0	4,450	22,370	0	0	0	0	57,074	0	83,894
Streets	588,070	48,600	173,550	0	0	0	0	115,550	0	925,770
Senior Center	282,423	30,000	4,500	0	0	0	0	8,733	0	325,656
Community Service	254,250	12,000	68,000	34,000	0	0	0	0	0	368,250
Community Development	1,164,741	9,000	152,850	25,000	0	0	0	44,601	0	1,396,192
Facilities	155,635	32,000	342,900	0	0	0	0	15,213	0	545,748
Parks	210,462	33,000	58,100	0	0	0	0	35,451	0	337,013
Non-Departmental	(223,300)	19,300	71,149	29,257	0	330,675	0	240,729	2,650,000	3,117,810
<b>Total General Fund</b>	<b>9,008,583</b>	<b>408,000</b>	<b>1,679,558</b>	<b>661,257</b>	<b>36,800</b>	<b>330,675</b>	<b>34,000</b>	<b>867,585</b>	<b>2,650,000</b>	<b>15,676,458</b>

General Fund 2012	Expenditures									
	Personnel	Supplies	Services/Charges	Intergovernmental	Capital	Debt Service	Election	Interfund	Transfers Out	Total
Legislative	38,577	2,000	15,950	0	0	0	34,000	0	0	90,527
Judicial	524,799	10,700	15,244	0	0	0	0	0	0	550,743
Executive	312,251	2,750	64,500	12,000	0	0	0	0	0	391,501
Finance	916,967	9,900	138,100	0	0	0	0	0	0	1,064,967
Legal	100,160	5,800	248,100	0	0	0	0	0	0	354,060
Information Systems	215,644	104,600	166,975	0	0	0	0	0	0	487,219
City Clerk	369,041	200	27,150	0	0	0	0	0	0	396,391
Human Resources	100,881	1,300	10,675	0	0	0	0	0	0	112,856
Law Enforcement	4,217,890	80,700	100,925	577,000	5,000	0	0	350,234	0	5,331,749
Engineering & PW	0	4,450	22,370	0	0	0	0	57,074	0	83,894
Streets	615,257	49,100	177,650	0	0	0	0	11,550	0	853,557
Senior Center	297,290	30,000	4,500	0	0	0	0	8,733	0	340,523
Community Service	261,983	12,000	68,000	34,000	0	0	0	0	0	375,983
Community Development	1,223,269	9,000	161,950	25,000	0	0	0	44,601	0	1,463,820
Facilities	162,869	30,200	308,100	0	0	0	0	15,213	0	516,382
Parks	223,232	33,000	44,600	0	0	0	0	35,451	0	336,283
Non-Departmental	(477,741)	19,300	70,711	29,300	0	892,111	0	240,729	0	774,410
<b>Total General Fund</b>	<b>9,102,371</b>	<b>405,000</b>	<b>1,645,500</b>	<b>677,300</b>	<b>5,000</b>	<b>892,111</b>	<b>34,000</b>	<b>763,585</b>	<b>0</b>	<b>13,524,866</b>

General Fund 2011-2012 Biennium	Expenditures									
	Personnel	Supplies	Services/Charges	Intergovernmental	Capital	Debt Service	Election	Interfund	Transfers Out	Total
Legislative	76,621	4,000	31,900	0	0	0	68,000	0	0	180,521
Judicial	1,030,702	21,400	30,488	0	6,800	0	0	0	0	1,089,390
Executive	610,668	5,500	129,000	24,000	0	0	0	0	0	769,168
Finance	1,783,254	19,800	276,200	0	0	0	0	0	0	2,079,254
Legal	196,640	11,800	496,200	0	0	0	0	0	0	704,640
Information Systems	422,016	206,200	328,695	0	0	0	0	0	0	956,911
City Clerk	719,495	650	54,350	0	0	0	0	0	0	774,495
Human Resources	197,858	2,900	26,125	0	0	0	0	0	0	226,883
Law Enforcement	8,335,261	165,350	200,800	1,138,000	35,000	0	0	700,468	0	10,574,879
Engineering & PW	0	8,900	44,740	0	0	0	0	114,148	0	167,788
Streets	1,203,327	97,700	351,200	0	0	0	0	127,100	0	1,779,327
Senior Center	579,714	60,000	9,000	0	0	0	0	17,466	0	666,180
Community Service	516,232	24,000	136,000	68,000	0	0	0	0	0	744,232
Community Development	2,388,010	18,000	314,800	50,000	0	0	0	89,202	0	2,860,012
Facilities	318,505	62,200	651,000	0	0	0	0	30,426	0	1,062,131
Parks	433,695	66,000	102,700	0	0	0	0	70,902	0	673,297
Non-Departmental	(701,041)	38,600	141,860	58,557	0	1,222,786	0	481,458	2,650,000	3,892,220
<b>Total General Fund</b>	<b>18,110,954</b>	<b>813,000</b>	<b>3,325,058</b>	<b>1,338,557</b>	<b>41,800</b>	<b>1,222,786</b>	<b>68,000</b>	<b>1,631,170</b>	<b>2,650,000</b>	<b>29,201,325</b>

City of Bonney Lake POSITION SUMMARY	Year	2006	2007	2008	2009	2010	2011	2012
		Authorized F.T.E.	Authorized F.T.E.	Authorized F.T.E.	Adopted F.T.E.	Adopted F.T.E.	Estimated F.T.E.	Estimated F.T.E.
<b>CITY COUNCIL</b>								
Councilmember (Part-Time)		7.000	7.000	7.000	7.000	7.000	7.000	7.000
<b>TOTAL CITY COUNCIL</b>		<b>7.000</b>	<b>7.000</b>	<b>7.000</b>	<b>7.000</b>	<b>7.000</b>	<b>7.000</b>	<b>7.000</b>
<b>EXECUTIVE</b>								
Mayor		1.000	1.000	1.000	1.000	1.000	1.000	1.000
City Administrator		1.000	1.000	1.000	1.000	1.000	1.000	1.000
Executive Assistant		1.000	1.000	1.000	1.000	1.000	1.000	1.000
<b>TOTAL EXECUTIVE</b>		<b>3.000</b>	<b>3.000</b>	<b>3.000</b>	<b>3.000</b>	<b>3.000</b>	<b>3.000</b>	<b>3.000</b>
<b>LEGAL</b>								
City Prosecutor							1.000	1.000
<b>TOTAL LEGAL</b>							<b>1.000</b>	<b>1.000</b>
<b>COURT</b>								
Municipal Judge		0.750	0.750	0.750	0.800	0.850	0.850	0.850
Court Administrator		1.000	1.000	1.000	1.000	1.000	1.000	1.000
Court Clerk I		2.000	3.000	3.000	3.000	3.000	3.000	3.000
Court Clerk II		1.000	1.000	1.000	1.000	1.000	1.000	1.000
<b>TOTAL COURT</b>		<b>4.750</b>	<b>5.750</b>	<b>5.750</b>	<b>5.800</b>	<b>5.850</b>	<b>5.850</b>	<b>5.850</b>
<b>FINANCE</b>								
Chief Financial Officer		1.000	1.000	1.000	1.000	1.000	1.000	1.000
Accounting Manager					1.000	1.000	1.000	1.000
Financial Operations Supervisor					1.000	1.000	1.000	1.000
Senior Accountant		1.000	1.000	1.000				
Accountant		1.000	1.000	1.000	1.000	1.000	1.000	1.000
Utility Billing Supervisor				1.000				
Accounting Specialist I/II		4.000	4.000	4.000	5.000	5.000	5.000	5.000
Accounting Specialist III		1.000	1.000	1.000	1.000	1.000	1.000	1.000
Payroll Officer		1.000	1.000	1.000				
<b>TOTAL FINANCE</b>		<b>9.000</b>	<b>9.000</b>	<b>10.000</b>	<b>10.000</b>	<b>10.000</b>	<b>10.000</b>	<b>10.000</b>

City of Bonney Lake POSITION SUMMARY	Year	2006	2007	2008	2009	2010	2011	2012
	Authorized F.T.E.	Authorized F.T.E.	Authorized F.T.E.	Adopted F.T.E.	Adopted F.T.E.	Estimated F.T.E.	Estimated F.T.E.	
<b>CITY CLERK &amp; ADMINISTRATIVE SERVICES</b>								
Administrative Services Director/City Clerk	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Records/Information Specialist	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Administrative Specialist I/II	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000
Human Resources Officer	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Information Services Coordinator	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
PC/Network Technician		1.000	1.000	1.000	1.000	1.000	1.000	1.000
<b>TOTAL CITY CLERK &amp; ADMINISTRATIVE SERVICES</b>	<b>6.000</b>	<b>7.000</b>	<b>7.000</b>	<b>7.000</b>	<b>7.000</b>	<b>7.000</b>	<b>7.000</b>	<b>7.000</b>

<b>COMMUNITY SERVICES</b>								
Community Services Director	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Special Events Coordinator		1.000	1.000	1.000	1.000	1.000	1.000	1.000
Community Services Specialist	1.000	1.000	1.000	1.000	1.000			
Facilities Maintenance Worker II	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Custodian	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Parks Lead Worker	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Maintenance Worker II (Parks/Forestry)	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Senior Center Manager	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Senior Services Assistant	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cook	0.500	0.800	0.800	0.800	0.800	0.800	0.800	0.800
Kitchen Aide	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300
Senior Center Aide/Van Driver	1.550	1.800	1.800	1.800	1.800	1.800	1.800	1.800
<b>TOTAL COMMUNITY SERVICES</b>	<b>10.350</b>	<b>11.900</b>	<b>11.900</b>	<b>11.900</b>	<b>11.900</b>	<b>10.900</b>	<b>10.900</b>	<b>10.900</b>

<b>POLICE</b>								
Police Chief	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Assistant Police Chief			1.000	1.000	1.000	1.000	1.000	1.000
Police Lieutenant	2.000	2.000	1.000			1.000	1.000	
Department Assistant	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Records Clerk	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000
Police Sergeant	4.000	4.000	4.000	5.000	5.000	4.000	4.000	
Patrol Officers	20.000	20.000	21.000	22.000	22.000	22.000	22.000	
School Resource Officer	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Community Services Officer	2.200	3.200	3.200	3.200	3.200	3.600	3.600	
<b>TOTAL POLICE</b>	<b>34.200</b>	<b>35.200</b>	<b>36.200</b>	<b>37.200</b>	<b>37.200</b>	<b>37.600</b>	<b>37.600</b>	

City of Bonney Lake POSITION SUMMARY	Year	2006	2007	2008	2009	2010	2011	2012
	Authorized F.T.E.	Authorized F.T.E.	Authorized F.T.E.	Adopted F.T.E.	Adopted F.T.E.	Estimated F.T.E.	Estimated F.T.E.	
<b>COMMUNITY DEVELOPMENT</b>								
Community Development Director	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
GIS Analyst	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Planning Manager	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Associate Planner	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Assistant Planner	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Planning Technician			1.000	1.000	1.000			
Code Enforcement Officer	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Development Services Engineer			1.000	1.000	1.000	1.000	1.000	1.000
Construction Inspector			1.000	1.000	1.000	1.000	1.000	1.000
Administrative Specialist I/II	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Building Official	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Permit Coordinator	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Permit Technician I/II	2.000	2.000	2.000	2.000	2.000	2.000	1.000	1.000
Building Inspector 2	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Building Inspector 1	2.000	2.000	2.000	2.000	2.000			
<b>TOTAL COMMUNITY DEVELOPMENT</b>	<b>14.000</b>	<b>14.000</b>	<b>17.000</b>	<b>17.000</b>	<b>17.000</b>	<b>13.000</b>	<b>13.000</b>	
<b>PUBLIC WORKS (Water, Sewer, Streets, Stormwater, ER&amp;R)</b>								
Public Works Director	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Assistant Public Works Director	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Public Works Support Services Coordinator	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Assistant Engineer				1.000	1.000	1.000	1.000	1.000
Administrative Specialist IV	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
City Engineer	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Administrative Specialist I/II	1.000	1.000	1.000	1.000	1.000	3.000	3.000	
Engineering Technician	1.000	1.000	1.000					
Maintenance Worker I	4.000	5.000	7.000	7.000	7.000	6.000	6.000	
Maintenance Worker II	18.000	18.000	18.000	18.000	18.000	17.000	17.000	
Maintenance Electrician	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Mechanic II	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Meter Reader	2.000	2.000	2.000	2.000	2.000	2.000	2.000	
Project Manager	2.000	2.000	2.000	2.000	2.000	2.000	2.000	
Lead Maintenance Worker	3.000	3.000	3.000	3.000	3.000	3.000	3.000	
Utility Supervisor		1.000	1.000	1.000	1.000	1.000	1.000	
Street & Stormwater Supervisor			1.000	1.000	1.000	1.000	1.000	
Assistant City Engineer - Utilities	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
<b>TOTAL ENGINEERING</b>	<b>39.000</b>	<b>41.000</b>	<b>44.000</b>	<b>44.000</b>	<b>44.000</b>	<b>44.000</b>	<b>44.000</b>	
<b>TOTAL STAFFING (excludes elected officials)</b>	<b>119.300</b>	<b>125.850</b>	<b>133.850</b>	<b>134.900</b>	<b>134.950</b>	<b>131.350</b>	<b>131.350</b>	
<b>TOTAL POPULATION</b>	<b>15,230</b>	<b>15,740</b>	<b>16,220</b>	<b>16,500</b>	<b>16,690</b>	<b>16,857</b>	<b>17,025</b>	
<b>F.T.E. per 1,000 population</b>	<b>7.83</b>	<b>8.00</b>	<b>8.25</b>	<b>8.18</b>	<b>8.09</b>	<b>7.79</b>	<b>7.71</b>	

Changes in Staffing

*As illustrated on the preceding Schedule of Authorized Full-Time Equivalent Employees, several departments have changes in personnel positions. Below is a schedule showing the net cost impact of the changes.*

**New Positions:**

Title	Department	FTE's	Estimated Salary	Estimated Benefits	Estimated Total Cost
Prosecuting Attorney	Legal	1.00	72,000	24,480	96,480
Community Services Officer <sup>1</sup>	Police	0.40	13,538	9,470	23,009
Totals		1.40	85,538	33,950	119,489

**Deleted Positions to Offset Increases:**

Title	Department	FTE's	Estimated Salary	Estimated Benefits	Estimated Total Cost
Community Services Specialist	Community Services	1.00	40,881	22,362	63,243
Planning Technician <sup>2</sup>	Community Development	1.00	61,093	33,315	94,408
Permit Technician I/II <sup>2</sup>	Community Development	1.00	45,124	15,891	61,015
Building Inspector 1 <sup>2</sup>	Community Development	2.00	135,373	78,867	214,240
Totals		5.00	282,471	150,435	432,906

Decrease	(3.60)	(196,933)	(116,485)	(313,417)
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The net decrease is the dollar difference between added and deleted positions

<sup>1</sup> The Community Service Officer was increased from a 0.6 FTE employee to a 1.0 FTE employee, with the commensurate salary/benefit differential provided by grant funding.

<sup>2</sup> Although the FTE Summary shows a reduction of four positions in Community Development, in some cases, personnel were transferred to funded but unfilled positions in other departments.

### Out of State Travel

On February 26, 2008, the City Council adopted Resolution 1787 addressing out-of-state travel. As per Section 2C, below is a listing of requested out-of-state travel for the 2011-2012 biennium. The following includes all out-of-state travel for 2011; due to logistics of conference planning, 2012 data is not readily available. This schedule does not include travel authorized by separate contract. A similar schedule for 2012 will be provided with the 2011-2012 Mid-Biennial Budget Review/Adjustment.

<b>Department:</b>	<b>Finance</b>	
<b>BARS Account #</b>	001.000.014.514.23.43.xx (Travel Expenses)	\$2,050
<b>BARS Account #</b>	001.000.014.514.23.49.xx (Miscellaneous/Registration)	\$0
<b>Staff Position(s)</b>	(1) Accounting staff (to be determined) (2) Operations staff (to be determined)	
<b>Destination</b>	Nashville, TN	
<b>Dates</b>	04/26/2011 – 04/29/2011	
<b>Purpose of Travel</b>	Tyler Connects National User Conference (Eden Financial Software)	
<b>Justification</b>	<i>The City has made a substantial investment in the Eden Software suite, which includes financial, permitting, licensing, utility billing, and customer service modules. The Eden National Conference is a valuable training and network tool that helps staff get more utility out of the software. Two staff members from Finance attended this conference in 2008 and found it extraordinarily valuable and have already begun implementing new efficiency measures identified from the conference. The City will have two gratis registrations in 2011, reducing the cost.</i>	



# **GENERAL FUND PROGRAM SUMMARIES**

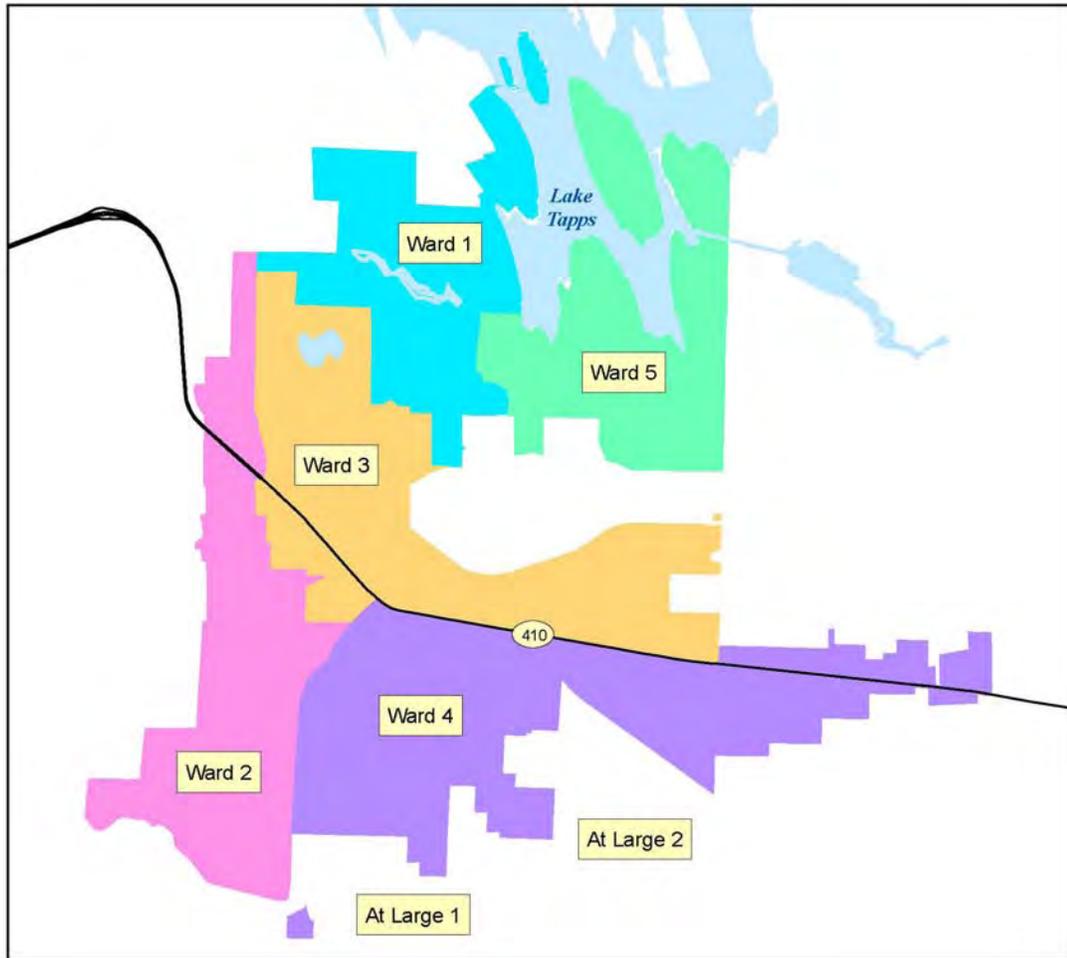
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### City Council Wards and Boundaries

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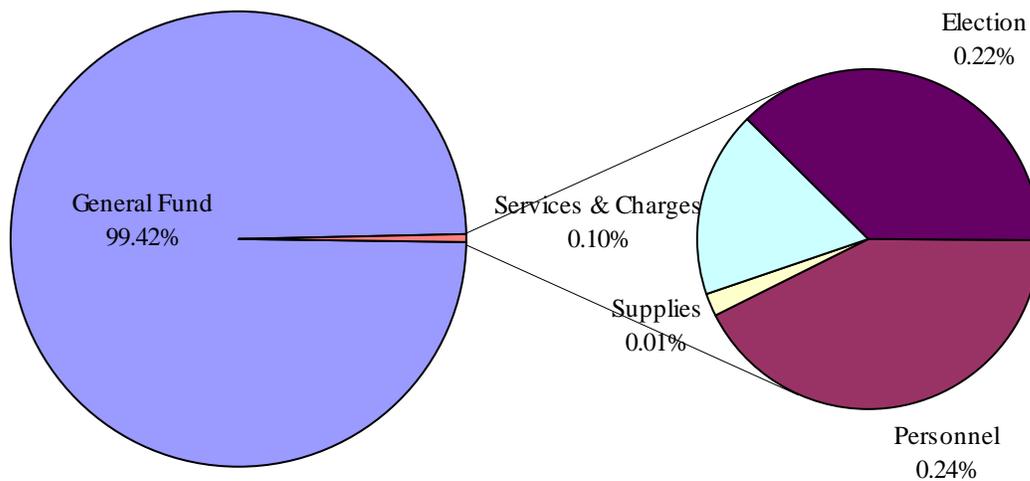


Department: *Legislative*  
 Program(s): *City Council*  
 Fund(s): *General*

**Budget Overview**

2011 Budget	\$89,994	2009 Councilmembers	7.0
Change from 2010:	61%	2010 Councilmembers	7.0
2012 Budget	\$90,527	2011 Councilmembers	7.0
Change from 2011	1%	2012 Councilmembers	7.0

**Legislative by % of General Fund and Activity**



**Mission Statement**

The City of Bonney Lake’s mission is to protect the community’s unique identity and scenic beauty through responsible growth planning and by providing accountable, accessible, and efficient local government services.

**Purpose and Description**

The City Council assures citizen representation in local government. Primary responsibilities also include adopting the budget and setting legislative policy through the adoption of local codes and legislation.

## **2009-2010 Key Accomplishments**

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- Adopted updated comprehensive plans (capital facilities);
- Resolved to annex a portion of the Comprehensive Urban Growth Area (CUGA);
- Approved the design contract for the Eastown Sewer Liftstation;
- Held a Council retreat;
- Sponsored a town hall meeting and open house at the Senior Center;
- Amended BLMC 10.04 relating to inattentive driving and intersection avoidance providing City police officers and the Municipal Court with another tool to keep our roads safe;
- Adopted updated versions of building and fire codes;
- Revised BLMC 9.66 to clarify requirements for a permit and other restrictions that affect peddling activity;
- Established policies to reduce greenhouse gas emissions as required under RCW 70.235.070;
- Opposed Bonney Lake's inclusion in the Pierce County Council's formation of a flood district;
- Supported a single cottage housing project as a demonstration of a housing choice not currently available in Bonney Lake.

## **Level of Service**

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The City Council meets on the 2<sup>nd</sup> & 4<sup>th</sup> Tuesday of each month for regular City Council meetings; they meet on the 1<sup>st</sup> and 3<sup>rd</sup> Tuesday of each month for Council workshops. Council members also serve on a variety of committees, boards, and commissions both locally and regionally. In addition Council members respond to constituent questions and concerns on a regular basis.

## **Goals & New Initiatives**

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- Adopt new Comprehensive Plan Elements such as a Midtown Plan and Community Culture Plan;
- Adopt an updated Shoreline Master Program;
- Adopt comprehensive plans and zoning regulations for the CUGA if the annexation proposal is successful;
- Provide policy direction to the City administration;
- Adopt a biennial budget;
- Hold a City Council retreat;
- Enact legislation deemed necessary to improve the City;
- Continue working towards achieving the Council's vision and goals identified in the annual retreat.

## Resource Summary

Legislative Legislative (Dept 11)	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
10 Personnel Services	34,800	33,600	33,600	33,600	33,600	33,600
20 Personnel Benefits	2,711	2,637	3,968	3,968	4,444	4,977
30 Supplies	1,612	1,978	816	2,500	2,000	2,000
40 Services & Charges	9,216	5,897	38,000	15,800	15,950	15,950
50 Intergovernmental/Interfund	0	0	0	0	0	0
60 Capital Outlays	0	0	0	0	0	0
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
	48,339	44,112	76,384	55,868	55,994	56,527
Election Costs	26,334	61,869	7,000	0	34,000	34,000
Total	74,673	105,982	83,384	55,868	89,994	90,527

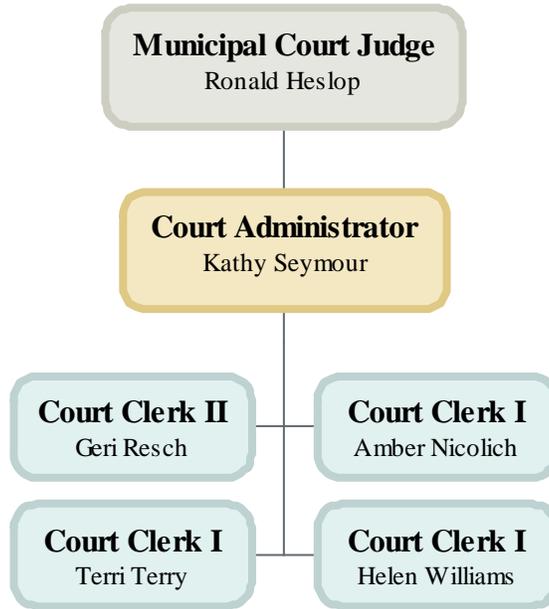
Budget Notes: The 2011 and 2012 “Election Costs” include the anticipated CUGA annexation.

## Trends & Future Issues

It is anticipated that a special election will be set for April for the residents of the CUGA to vote on whether they want to be annexed into the City. The annexation, if successful, would increase the City’s population by 42%. The bankruptcy of Cascadia has left several unknowns that could impact the City depending on how HomeStreet Bank approaches the project now that they have assumed ownership of most of the project. The continued downturn in the economy has had a significant impact on the City budget, and required the Council to more closely monitor revenues and expenditures and make adjustments as necessary.

## Municipal Court

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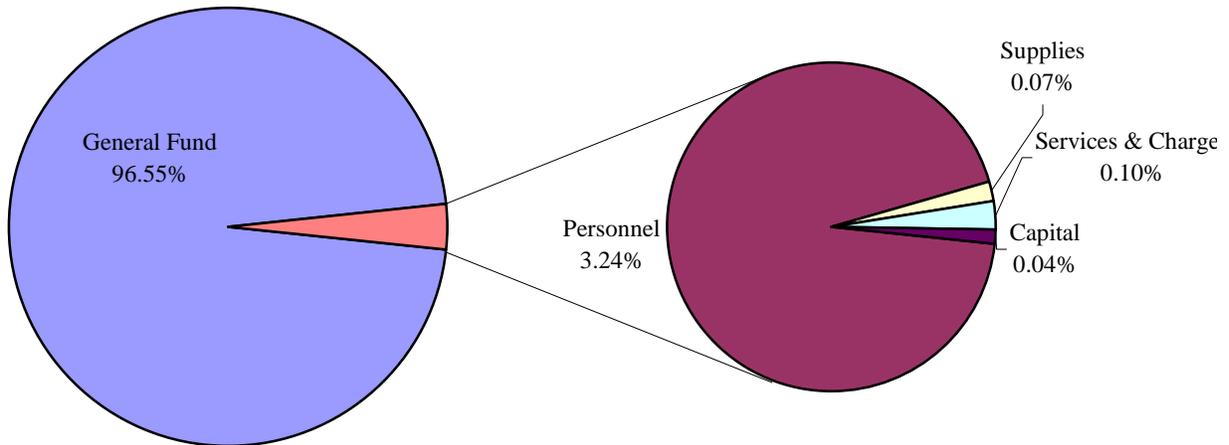


Department: *Judicial*  
 Program(s): *Municipal Court*  
 Fund(s): *General*

**Budget Overview**

2011 Budget	\$538,647	2009 FTE	5.80
Change from 2010:	9%	2010 FTE	5.85
2012 Budget	\$550,743	2011 FTE	5.85
Change from 2011	2%	2012 FTE	5.85

**Judicial by % of General Fund and Activity**



**Mission Statement**

To provide professional and prompt services dedicated to ensuring equal justice in the resolution of infraction matters and criminal prosecutions; and to provide the best possible service at minimum expense.

**Purpose and Description**

The Municipal Court is the judicial arm of the City, providing a forum for the hearing and adjudication of City infractions, misdemeanors and gross misdemeanors.

## **2009-2010 Key Accomplishments**

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Throughout the year, the Municipal Court has processed a variety of cases. Court staff continues to keep current with RCW's, State Court Rules and other legal requirements, and provide information & resources to those who utilize the judicial system. Overall court activity is up over this same time last year. Key accomplishments include:

- Streamline court processing by setting all criminal cases for final review rather than having staff do check files;
- Continue to provide municipal court services to the Town of South Prairie;
- Continue to provide location for Domestic Violence Kiosk in cooperation with Pierce County Superior Court Domestic Violence Unit;
- Provided staff with ongoing training through DMCMA regional training and other training made available through AOC;
- Processed a record volume of cases and accompanying volume of revenues received;
- Continue to work with Puget Sound Collections for all new cases assigned to collections;
- Awarded a grant to purchase a second monitor for each work station to assist in the e-citation processing, permit staff to research other programs to avoid having to cancel out of programs they are currently in and increase staff production;
- Staff processing court files in the courtroom to cut down on amount of back log in processing files after court sessions;
- Implemented an early week schedule allowing staff to come in early for a full week once every three weeks to provide them with quiet time to work on back log of case processing;
- Added a 3<sup>rd</sup> Thursday for traffic hearings, due to the increased requests for hearings;
- Assist in the Design for the Courtroom/Council Chambers for the Justice Center and Court Offices;
- Added the Prosecutors Office to the Administrative Office of the Courts Judicial Information System (JIS) to allow them access to order their own court calendars, Abstract of Driving Records (ADRs) and Defendant Case History's (DCHs) as needed for court.

## **Level of Service**

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The Municipal court is now held three (3) days a week. In addition, Fridays are reserved for "incustodies" as needed. Currently in custody review is by phone or email with a staff person and judge to reduce costs in transports, etc.

This budget provides a level of service that allows the court to process citations, and infractions filed by the police department. It also provides for the increased demand in hearings for criminal and traffic matters due to increased filings and population growth within the city.

## Goals & New Initiatives

- Improve LESA records access – in cooperation with police department to access reports for probable cause;
- Expand the Community Service Program and Day Reporting in lieu of jail;
- Continue to provide municipal court services for the Town of South Prairie;
- Add staff to assist process the increase in filings and court hearings (to include the annexation);
- Review Imaging Systems and grants to streamline and assist with the courts budget in decreasing staff time and supplies in copying documents.

## Resource Summary

Judicial Municipal Court (Dept 12)	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
10 Personnel Services	364,044	342,855	362,426	329,422	349,934	354,316
20 Personnel Benefits	143,782	134,569	164,811	145,293	155,969	170,483
30 Supplies	15,925	20,813	17,386	10,550	10,700	10,700
40 Services & Charges	18,741	19,718	24,196	11,053	15,244	15,244
50 Intergovernmental/Interfund	0	0	0	0	0	0
60 Capital Outlays	0	0	0	0	6,800	0
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
Total	542,491	517,955	568,819	496,318	538,647	550,743

Budget Notes: Services and Charges include funds for interpreters, judge pro tems, jury trial expenses, and expert witness fees. The increase in Services and Charges consists of the addition of deposit courier services for the new Justice Center. The Capital Outlay programmed for 2011 includes \$1,200 for a depository safe in the new Justice Center, and \$5,600 for a new security system in the new Justice Center.

## Trends & Future Issues

The trend in the court is that filings will increase because of the addition of staff at the police department and population growth. With these increases, the demand for court services will escalate rapidly. Staff increases will be necessary in future years (depending on traffic enforcement trends and possible annexations) to meet these demands. The City Council approved for a Justice Center to be built with expanded court office space and a new courtroom/council chambers combination. It is anticipated that the Justice Center will open in early 2011.

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**Performance Measures**


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	2007	2008	2009	2010 Est
Infraction Filings	7,742	4,789	7,206	6,660
Infraction Hearings	3,117	3,015	4,545	4,974
Criminal Filings	1,585	1,644	1,662	1,760
Criminal Hearings	3,737	6,034	6,378	6,120
Collection Assignments	792	916	904	860
	\$ 476,621	\$ 535,311	\$ 543,535	\$ 492,718
Collection Recovery	\$ 122,345	\$ 127,862	\$ 97,569	\$ 165,454

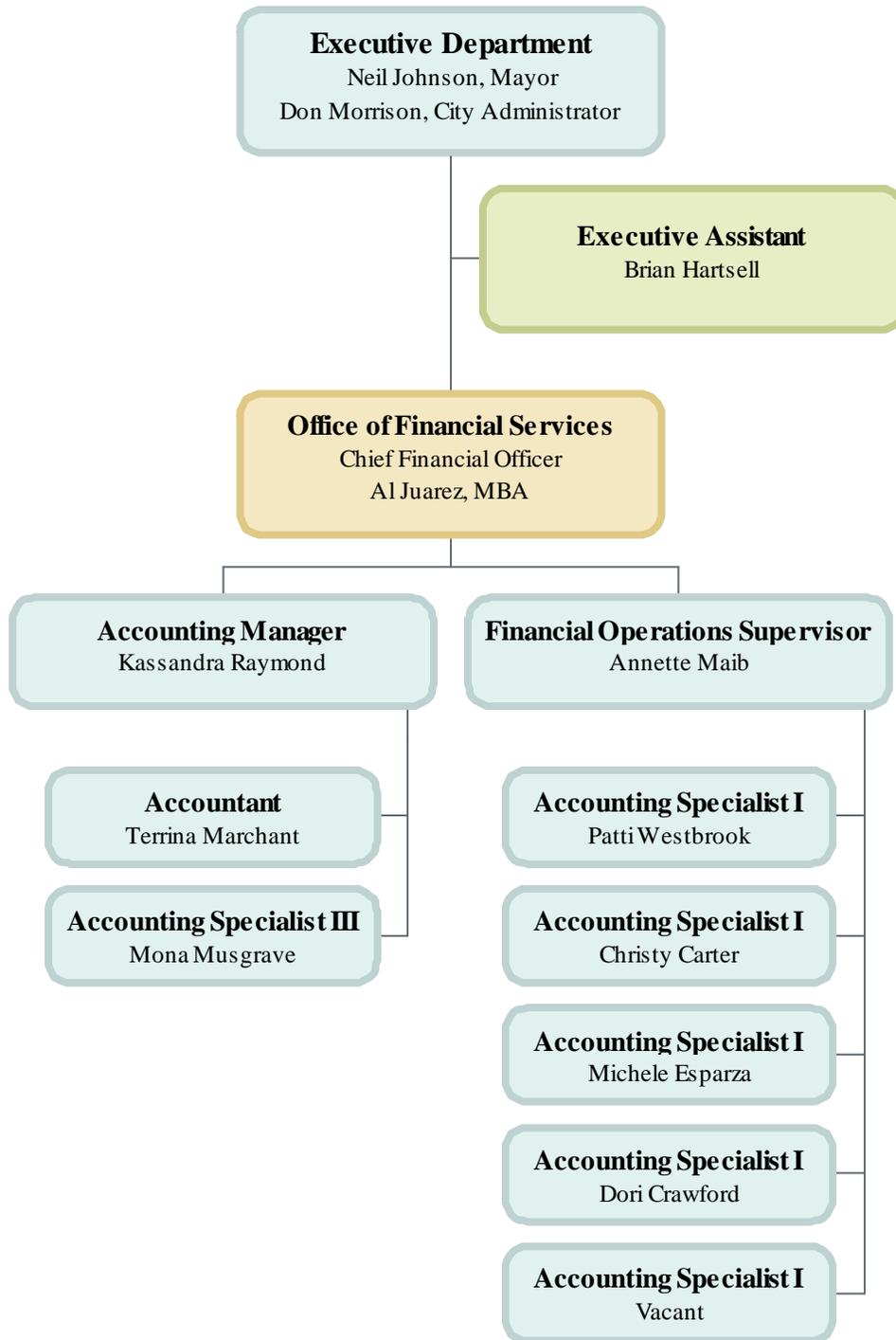
2010 figures are projected based on current filings with the court. The decrease in hearings is due to the number of DWLS 3<sup>rd</sup> cases that are being amended at arraignment by the prosecution, therefore reducing the number of cases set over for a pre-trial hearing. The number of review cases has increased in 2010 due to number of times a case may be recalled back into court for non payment on fines and/or non compliance. The 2007 Infraction Filings includes 3,692 parking infractions of which the majority were photo infractions.

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**Executive Department**

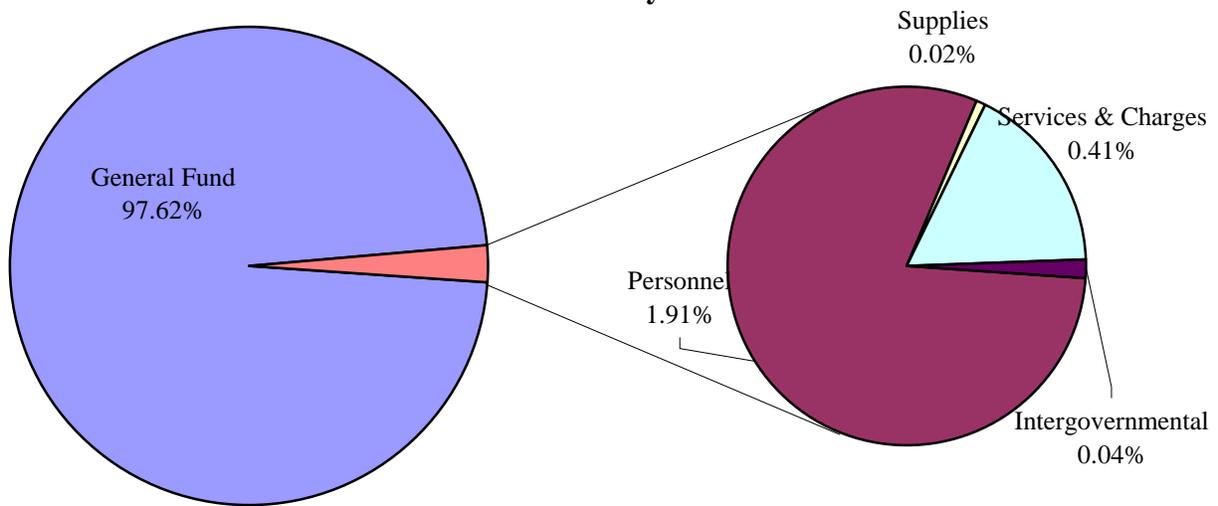


Department: *Executive*  
 Program(s): *Mayor and City Administrator*  
 Fund(s): *General*

**Budget Overview**

2011 Budget	\$377,667	2009 FTE	3.0
Change from 2010:	8%	2010 FTE	3.0
2012 Budget	\$391,501	2011 FTE	3.0
Change from 2011	4%	2012 FTE	3.0

**Executive (Mayor/City Administrator) by % of General Fund and Activity**



**Mission Statement**

The mission of the Executive Department is to uphold the constitutional government and the laws of the community, to provide sound administration of all city programs and basic governmental services, to encourage appropriate and economically sound development and assure the infrastructure necessary for its support, to improve the quality of life of Bonney Lake citizens, and to assure public safety for the citizens of Bonney Lake.

**Purpose and Description**

The Executive Department consists of the Mayor, City Administrator, an Executive Assistant, Chief Financial Officer, and the Office of Financial Services. The Executive Department oversees the administration of City government, coordinates intergovernmental relations and

grant administration, provides professional advice to the council and operating departments, and facilitates the achievement of Council goals.

### 2009-2010 Key Accomplishments

- Coordinated a Council Retreat to review the City's vision, goals, and priorities;
- Developed and administered the biennial budget, mid-biennial budget adjustments, and the long range financial plan;
- Coordinated/sponsored grant applications resulting in more than \$2,000,000 in grant awards to the City;
- Developed a variety of proposed ordinances and resolutions.

### Level of Service

This budget provides adequate resources to manage the City and respond to a variety of issues as they arise. It provides staff hours to develop grant and other funding applications, and resources to lobby in behalf of the City's interests, communicate with the citizenry, and promote the economy of the City.

### Goals & New Initiatives

- Organize and carry-out the work plan of the city in cooperation with the City Council;
- Continue to pursue YMCA or recreation center opportunities;
- Complete the Justice Center and continue work on the downtown civic center;
- Promote Bonney Lake as an ideal place to work, live, shop, and play;
- Seek a variety of grant opportunities;
- Maintain the communications program of the City (Bonney Lake Reporter, Mayor's Weekly Updates, Open Houses, etc.)

### Resource Summary

Executive Mayor & Administrator (Dept 13)	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
10 Personnel Services	162,057	181,184	198,709	184,204	209,933	215,703
20 Personnel Benefits	66,468	71,395	92,269	89,589	88,484	96,548
30 Supplies	6,649	1,866	2,958	1,800	2,750	2,750
40 Services & Charges	120,240	48,699	186,000	61,407	64,500	64,500
50 Intergovernmental/Interfund	0	6,000	0	0	12,000	12,000
60 Capital Outlays	539	0	12,000	12,000	0	0
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
Total	355,954	309,144	491,936	349,000	377,667	391,501

Budget Notes: The addition of \$12,000 in Intergovernmental reflects an Interlocal with the Sumner School District for the Sumner Family Center.

The bulk of this departmental budget resides in professional services, and includes:

Description	2011	2012
Economic Development services	12,000	12,000
Bonney Lake Reporter/Communications	2,600	2,600
City-Wide Management Training Program	3,000	3,000
City-Wide Employee Recognition	2,000	2,000
Other Professional Services	10,000	10,000
<i>Total</i>	\$29,600	\$29,600

### **Trends & Future Issues**

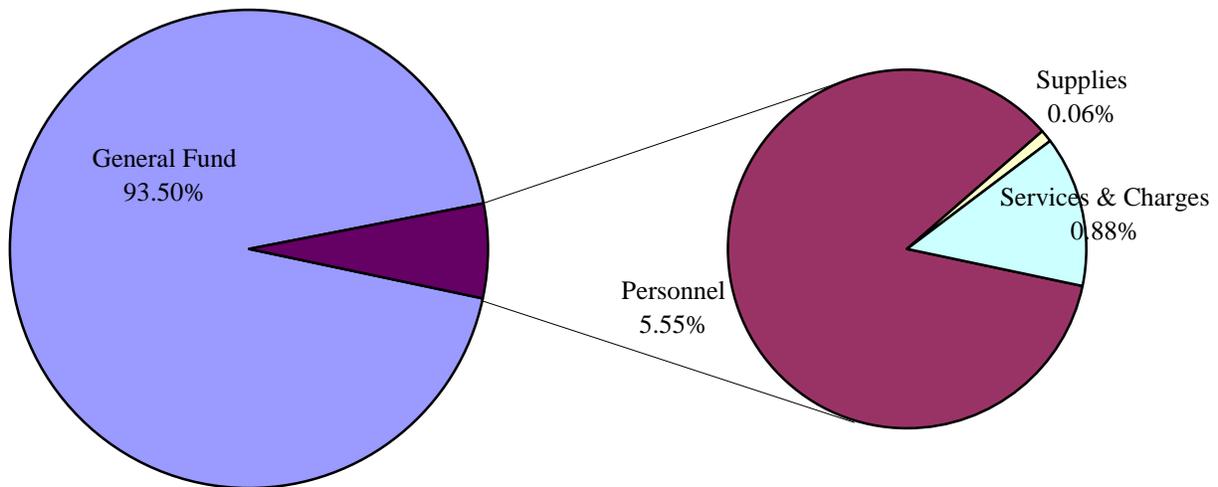
The current state of the economy has resulted in a marked decrease in City revenue, but an increased demand for City services. This has placed more pressure on the City to do “more with less”. The CUGA annexation, if successful, would increase the City’s population by 42%. The bankruptcy of Cascadia has left several unknowns that could impact the City depending on how HomeStreet Bank approaches the project now that they have assumed ownership of most of the project. The continued Great Recession has had a significant impact on the City budget, and required the Administration to tighten the belt and make a number of budget cuts.

Department: *Executive*  
 Program(s): *Office of Financial Services*  
 Fund(s): *General*

**Budget Overview**

2011 Budget	\$1,014,287	2009 FTE	10.0
Change from 2010:	3%	2010 FTE	10.0
2012 Budget	\$1,064,967	2011 FTE	10.0
Change from 2011	5%	2012 FTE	10.0

**Financial Services by % of General Fund and Activity**



**Mission Statement**

The Office of Financial Services (OFS) safeguards the assets of the City while maximizing the use of limited resources in order to create the most effective and efficient operating environment that best serves the City and the Community.

**Purpose and Description**

The Office of Financial Services provides central services, accounting, financial management and planning, budgeting assistance, utility billing, and internal support to other departments.

## **2009-2010 Key Accomplishments**

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- Received the GFOA Distinguished Budget Presentation Award for the 2009/2010 Budget Document (first-time award for the City);
- Prepared the 2011-2012 Biennial Budget;
- Successful Audits for FY 2008 and FY 2009;
- Participated in an RFP process to rebid our Utility Billing and Lockbox services;
- Transitioned to a new Utility Billing and Lockbox service provider;
- Implemented enhanced payment options for our customers by providing acceptance of credit cards at our City Hall location;
- Refined our Purchasing Card Program enabling download of vendor transaction history directly into our financial management software;
- Implemented revised policies to facilitate compliance with new FTC laws applicable to customer account safety and security, commonly referred to as “Red Flag” rules;
- Implemented Accounts Receivable aging and collection policies by contracting with a local collection agency;
- Implemented fund tracking processes for SDC and Impact Fees;
- Implemented professional training opportunities for all staff;
- Reviewed/revised multiple operating processes for productivity and customer service.

## **Level of Service**

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This budget provides adequate resources to manage the City and respond to a variety of issues as they arise. Funding is adequate to allow the OFS to continue to provide the following financial services in a reasonable manner: Accounts payable/receivable, state/other tax reporting, general ledger control, utility billing & accounting, Local Improvement District (LID) billing & accounting, internal services fund accounting, debt administration, accounts receivable, cash management services, budgeting & revenue estimating, capital improvement program coordination, budget preparation & monitoring, enterprise/utility asset accounting, equipment rental fund accounting and administration, general capital assets, comprehensive annual financial report, payroll processing, and business license administration.

## **Goals & New Initiatives**

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- Continue to refine the long-range financial planning model and six year capital improvement plan;
- Review staffing and task assignments in order to provide efficiency and/or process improvement;
- Review budgeting processes in order to implement a performance based or a hybrid performance based budget and assessment process;
- Review internal cost assessment methodologies;
- Create rate model for ER&R and other internal charges.

## Resource Summary

Finance Finance Operations (Dept 14)	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
10 Personnel Services	478,242	519,460	600,213	558,765	608,081	626,575
20 Personnel Benefits	190,455	231,739	291,568	283,013	258,206	290,392
30 Supplies	13,055	7,872	10,400	10,400	9,900	9,900
40 Services & Charges	212,448	83,467	132,706	127,822	138,100	138,100
50 Intergovernmental/Interfund	0	0	0	0	0	0
60 Capital Outlays	6,157	0	0	0	0	0
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
<b>Total</b>	<b>900,358</b>	<b>842,538</b>	<b>1,034,887</b>	<b>980,000</b>	<b>1,014,287</b>	<b>1,064,967</b>

### Budget Notes:

The majority of Services & Charges resides in Professional Services as follows:

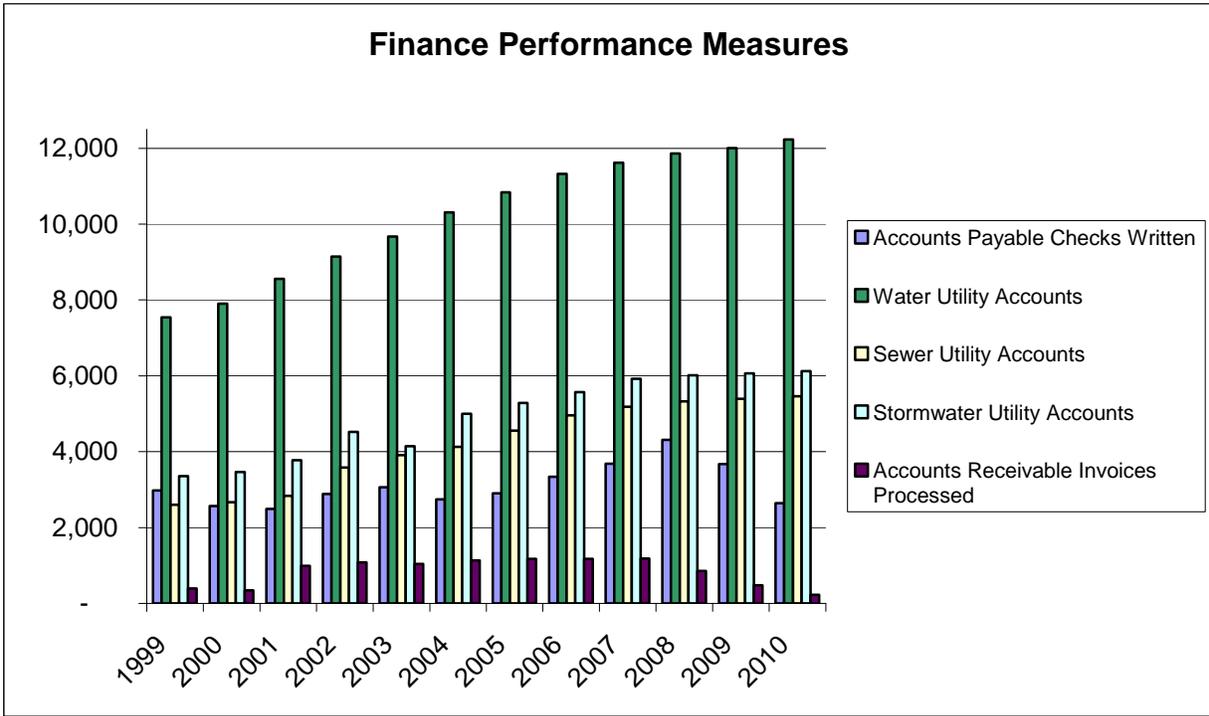
Description	2011	2012
Microflex auditing services (Sales Tax)	\$6,000	\$6,000
State Auditor costs	54,000	54,000
Banking Services	15,000	15,000
Daily Deposit/Courier Service	4,200	4,200
Web Payment Processing Fees	600	600
Lockbox Processing Fees	21,600	21,600
Eden Custom Report Fees	1,500	1,500
Credit Card Processing Fees	13,000	13,000
Other Professional Services	4,100	4,100
<b>Total</b>	<b>\$120,000</b>	<b>\$120,000</b>

### Trends & Future Issues

The Finance Department is committed to providing excellent stewardship and customer service to both internal and external customers. As the economy requires us to do more with less, we will need to review our processes for continual improvement, as well as explore innovative ways to offer enhanced customer services. Some future projects include:

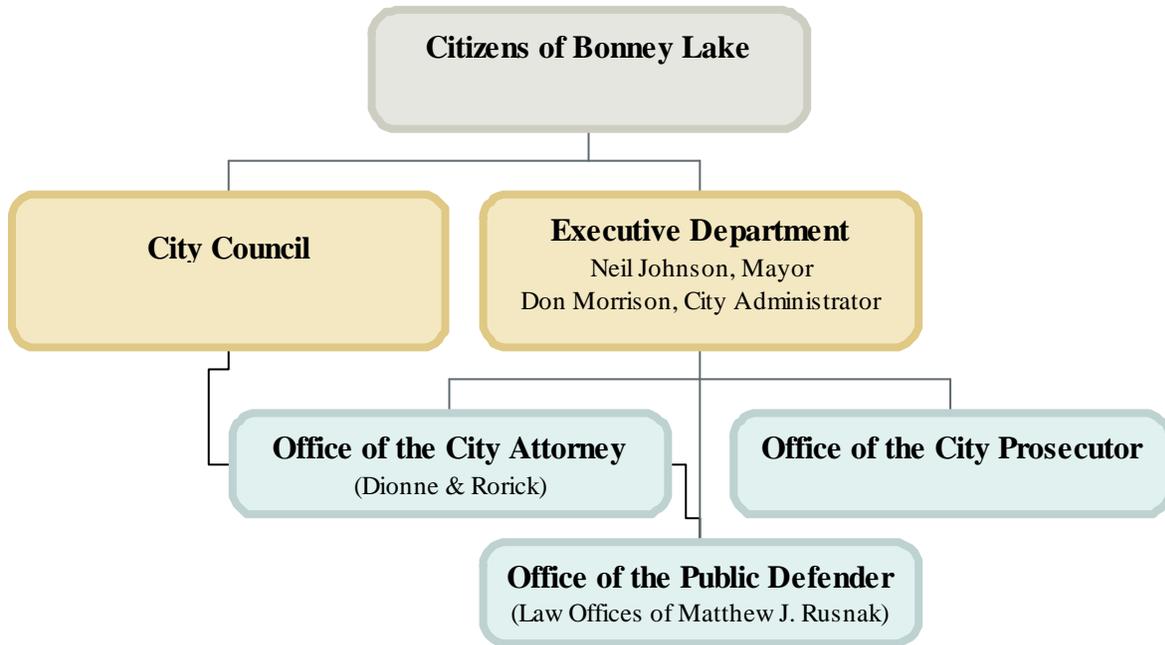
- Enhanced payment options for our customers, including IVR (interactive voice recognition) phone capability and utility account auto pay capabilities;
- Analysis of all city-paid utility bills to identify potential cost savings;
- Develop and implement a comprehensive Accounts Receivable policy and Investment policy.

**Performance Measures**



**Legal Services**

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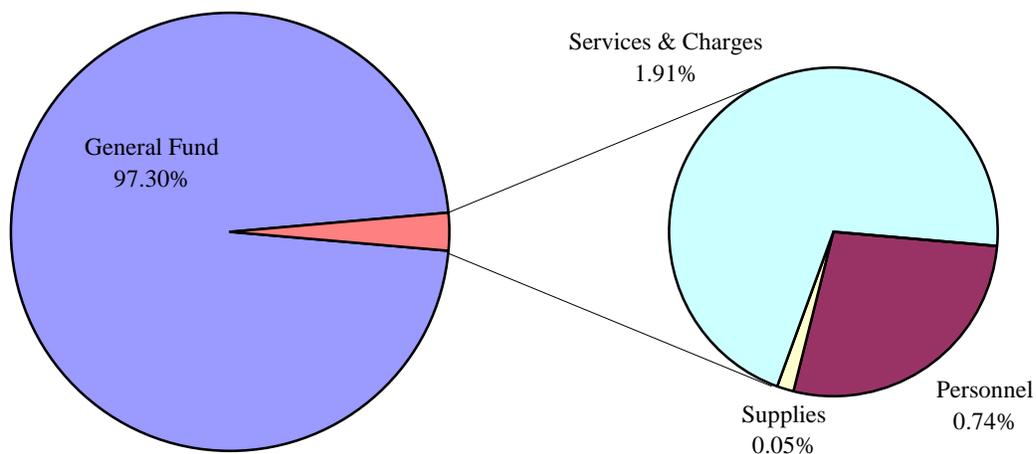


Department: *Legal Services*  
 Program(s): *Legal*  
 Fund(s): *General*

**Budget Overview**

2011 Budget	\$350,580	2009 FTE	-
Change from 2010:	-23%	2010 FTE	-
2012 Budget	\$354,060	2011 FTE	1.0
Change from 2011	1%	2012 FTE	1.0

**Legal Services by % of General Fund and Activity**



**Mission Statement**

The mission of the City’s legal department is to provide highly professional, ethical, efficient and effective legal services to the City of Bonney Lake and its elected officials, officers, employees, agencies, boards and commissions, and to promote the public safety by vigorously and fairly prosecuting violations of the law while protecting and preserving the rights of its citizens.

**Purpose and Description**

The Office of City Attorney provides civil and criminal services to the City. These are provided by a combination of City legal staff and contracted legal services provided by a private law firm.

## 2009-2010 Key Accomplishments

- Prepared numerous ordinances and resolutions;
- Defended City interests in a variety of litigations;
- Reviewed and approved all City contracts;
- Researched a variety of legal issues.

## Level of Service

Budgeted resources are adequate to maintain the current level of legal assistance. Funds are not adequate to engage in lengthy legal proceedings unless covered by WCIA.

## Goals & New Initiatives

- Prepare ordinances and resolutions as directed by the Mayor and/or City Council;
- Successfully defend the City's interests in court matters;
- Prosecute misdemeanors in Municipal Court;
- Review all contracts and/or agreements.

## Resource Summary

Legal Legal Services (Dept 15)	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
10 Personnel Services	0	0	0	0	72,000	74,160
20 Personnel Benefits	0	0	0	0	24,480	26,000
30 Supplies	0	0	0	0	6,000	5,800
40 Services & Charges	492,044	492,044	466,000	455,000	248,100	248,100
50 Intergovernmental/Interfund	0	0	0	0	0	0
60 Capital Outlays	0	0	0	0	0	0
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
Total	492,044	492,044	466,000	455,000	350,580	354,060

Budget Notes: In this biennium, the City intends to explore the option of bringing some legal services in-house. This will reallocate a portion of expenses from professional services to personnel and supplies. In addition, the City initiated an RFP for public defender services, and a new contract was approved by City Council on 10/26/2010. We anticipate a cost savings for public defender services with this new contract.

## Trends & Future Issues

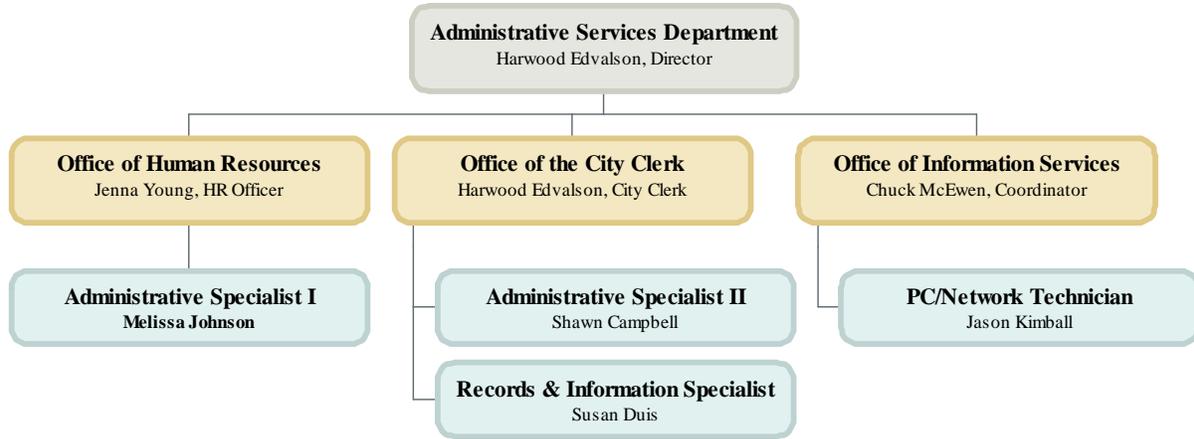
As the city continues to grow and develop at a rapid pace, legal issues, especially those related to development, will continue to grow.

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## Administrative Services

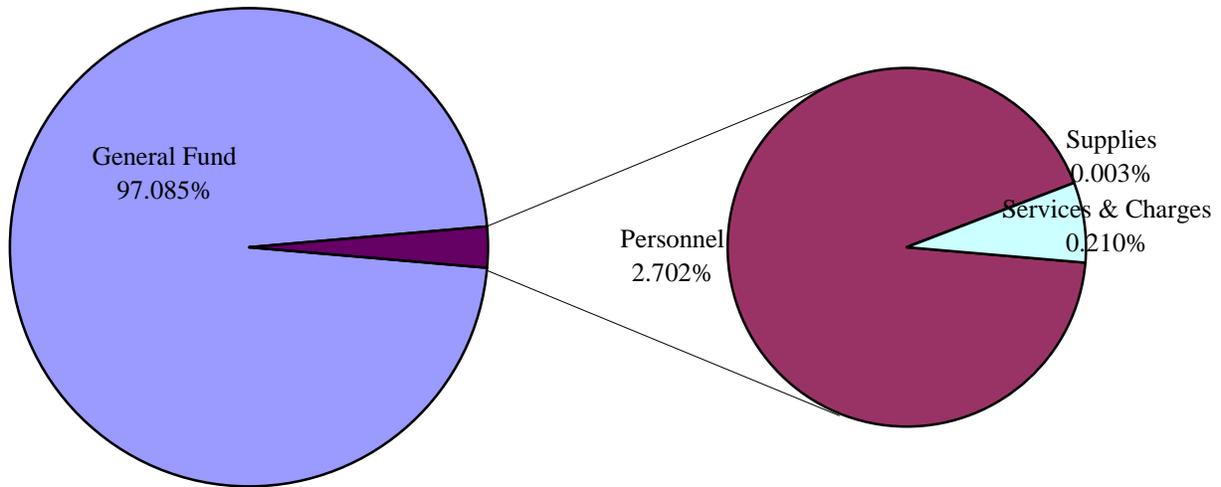


Department: *Administrative Services*  
 Program(s): *City Clerk*  
 Fund(s): *General*

**Budget Overview**

2011 Budget	\$378,104	2009 FTE	4.0
Change from 2010:	0%	2010 FTE	4.0
2012 Budget	\$396,391	2011 FTE	4.0
Change from 2011	5%	2012 FTE	4.0

**City Clerk by % of General Fund and Activity**



**Mission Statement**

It is the mission of the Administrative Services Department to protect vital information, recruit and retain qualified employees, and provide information and resources to the public and government in a prompt and effective manner, using technology to improve efficiencies and increase general availability of information and services.

**Purpose and Description**

The Administrative Services Department consists of the Office of the City Clerk, Office of Information Services, and the Office of Human Resources. The Director of Administrative Services also serves as the City Clerk.

The Clerk's Office is responsible for community relations, records management, risk management and employee safety. The City Clerk serves as the Clerk of the Council and oversees the preparation of the Council's agendas, minutes and other official proceedings. The Clerk's Office supports the community relations function by providing switchboard and reception support for general city business, publishing Council brochures; providing for the codification and publication of the City's Municipal Code; processing press releases and legal notices; updating the city web site, and coordinating responses to public disclosure requests. The Clerk's Office also processes risk management claims, coordinates insurance coverage for the City and provides management oversight to the employee safety committee.

### **2009-2010 Key Accomplishments**

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- Processed in excess of 22,500 pages of documents for public records disclosure requests in the last biennium, an increase of over 7% above the 2009-2010 biennium; and
- Staff prepared agendas and minutes and processed documents for 95 regular and special Council meetings and workshops in the past biennium, including in excess of 60 ordinances, 142 resolutions and 265 agenda bills; and
- Reduced agenda management expense by replacing an on-line service with an in-house process.

### **Level of Service**

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The City Clerk's Office is currently able to meet service level demands with existing personnel. An unknown variable may be increased demand for individual disclosure of public records and other requests for records information. These may require an increased focus and resources in records management. The proposed budget currently provides adequate funds to meet the department's goals.

### **Goals & New Initiatives**

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The City Clerk's Office will continue its efforts to streamline processes and increase public access to the City's records. As funds become available in future bienniums, an electronic records management system and possible live-streaming of audio and video for council meetings will be considered. Otherwise, the division will continue to work to streamline and increase the efficiency of existing processes.

## Resource Summary

Administrative Services City Clerk (Dept 18)		Actual		Budget			
		2008	2009	2010 Adopted	2010 Revised	2011	2012
10	Personnel Services	198,609	210,185	238,289	213,840	239,595	246,557
20	Personnel Benefits	99,389	98,743	125,141	121,469	110,858	122,484
30	Supplies	2,418	501	4,800	825	450	200
40	Services & Charges	66,602	45,688	68,550	42,613	27,200	27,150
50	Intergovernmental/Interfund	0	0	0	0	0	0
60	Capital Outlays	0	0	0	0	0	0
70	Debt Service - Principal	0	0	0	0	0	0
80	Debt Service - Interest	0	0	0	0	0	0
90	Transfers Out	0	0	0	0	0	0
	<b>Total</b>	<b>367,018</b>	<b>355,116</b>	<b>436,780</b>	<b>378,747</b>	<b>378,104</b>	<b>396,391</b>

Budget Notes: Services & Charges includes \$7,500 for updating of the Municipal Code. The City has discontinued using a specialized software program for agenda and meeting management automation, instead developing internal processes for efficiencies. This change saves approximately \$7,000 annually.

## Performance Measures

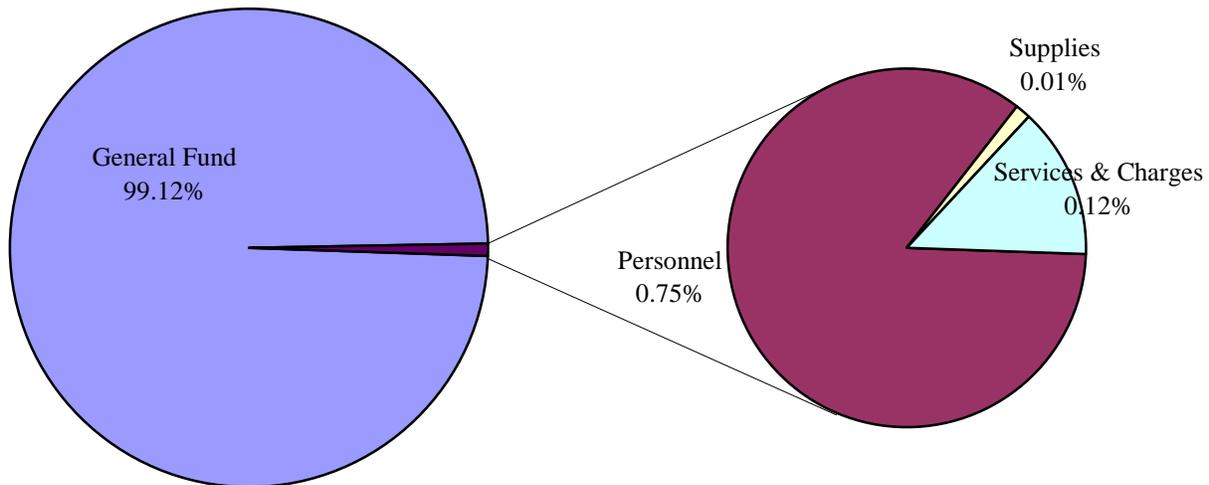
Measures	2009-10 Est.	2011 Est.	2012 Est.
Number pages public records provided	22,500	12,000	13,000
Avg number of days to respond to disclosure requests	4	4	5
Avg number of mail pieces processed per day	124	130	140

Department: *Administrative Services*  
 Program(s): *Human Resources*  
 Fund(s): *General*

**Budget Overview**

2011 Budget	\$114,026	2009 FTE	1.0
Change from 2010:	12%	2010 FTE	1.0
2012 Budget	\$112,856	2011 FTE	1.0
Change from 2011	-1%	2012 FTE	1.0

**Human Resources by % of General Fund and Activity**



**Mission Statement**

It is the mission of the Administrative Services Department to protect vital information, recruit and retain qualified employees, and provide information and resources to the public and government in a prompt and effective manner, using information technology to improve efficiencies and increase general availability of information and services.

**Purpose and Description**

The Human Resources Office coordinates and administers the human resources (HR) systems of the City, including classification, compensation, recruitment and retention, selection, labor and employee relations, and training.

**2009-2010 Key Accomplishments**

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- Recruited for and filled nine regular benefited positions, five of which were promotional opportunities for internal candidates;
- Once again coordinated the City's employee wellness program, which was one of twenty-eight cities awarded in 2009 and one of thirty-five cities awarded in 2010 Association of Washington Cities Well-City Award;
- Led an employee benefits review committee that performed a review of benefits offered to staff to ensure that the city is remaining competitive to recruit and retain qualified staff and was prepared for the elimination of the City's medical plan in 2012 by our benefits administrator. The committee made a recommendation to administration to change the medical benefit plan for general staff, which resulted in approximately \$102,000 savings to the budget in 2010;
- Created and implemented a comprehensive employee orientation process that will integrate new employees into the City culture and will ensure that the new employees are positioned for success;
- Successfully represented the City in preparing for and participating in a human resources systems liability audit by the Washington Cities Insurance Authority, including updating of over twenty personnel-related administrative policies and procedures.

**Level of Service**

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The proposed budget provides adequate funds to meet the department's goals.

**Goals & New Initiatives**

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- Continue to work with managers and supervisors to analyze, develop, and implement a Supervisor's Academy by the 1<sup>st</sup> Quarter of 2011 to ensure our staff has the tools needed to lead the organization in the desired direction;
- Review and update the job descriptions;
- Complete the update and rewrite of Personnel Policies and Procedures;
- Continue to coordinate an award winning Wellness program in order that the City will be eligible for a reduction in premiums in 2012;
- Review and update, as necessary, the City's general staff performance planning and evaluation process.

## Resource Summary

Administrative Services Human Resources (Dept 16)		Actual		Budget			
		2008	2009	2010 Adopted	2010 Revised	2011	2012
10	Personnel Services	68,688	70,024	80,623	72,112	75,632	77,901
20	Personnel Benefits	19,704	19,174	25,283	24,541	21,344	22,980
30	Supplies	1,784	946	15,350	4,050	1,600	1,300
40	Services & Charges	5,840	4,890	8,990	1,350	15,450	10,675
50	Intergovernmental/Interfund	0	0	0	0	0	0
60	Capital Outlays	0	0	0	0	0	0
70	Debt Service - Principal	0	0	0	0	0	0
80	Debt Service - Interest	0	0	0	0	0	0
90	Transfers Out	0	0	0	0	0	0
Total		96,016	95,034	130,246	102,053	114,026	112,856

Budget Notes: The increase in Services & Charges includes the addition of labor negotiation services for upcoming contract negotiations with the Police Guild.

## Trends & Future Issues

A recurring theme in 2011 and 2012 is doing less with more. Because of this, a key area of focus will be employee work/life balance, morale and satisfaction and employee retention. Recruitment and staffing has not been as significant a challenge as it has in the past five years due to the downturn in the economy. However, fewer organizations are recruiting, which has resulted in a larger applicant pool and a greater amount of time in the review process. In addition, many people that would normally be eligible for retirement are pushing back their projected retirement dates due to the economic situation, adding to the increased dynamics of a multi-generational workforce. Finally, the Federal Health Care Reform Act and the resulting changes in healthcare may present an increase in benefit requirements, reporting, and costs.

## Performance Measures

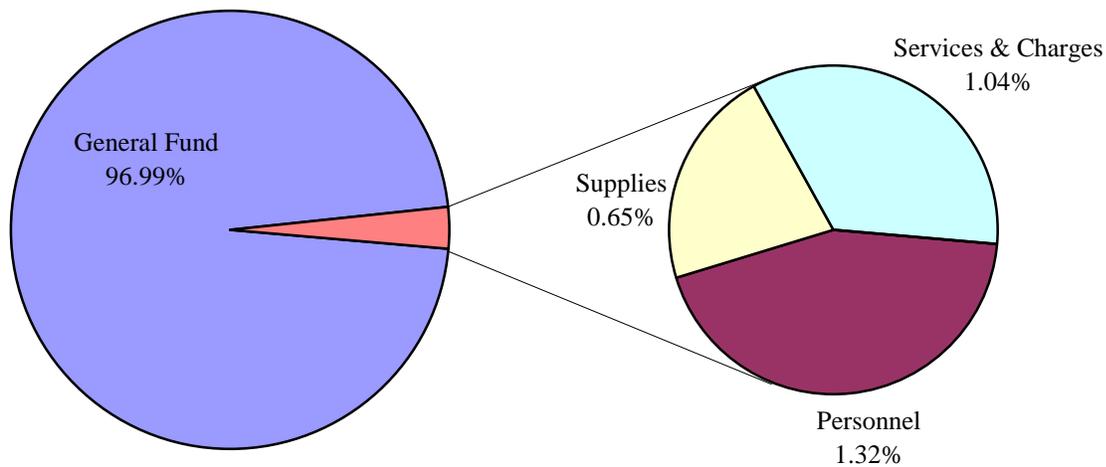
Measures	2009/2010	2011 Est.	2012 Est.
Number of Staff Positions Filled	9	1	1
Number of Personnel Actions Processed	467	230	230
Contract Negotiations	2	1	1
Labor Management Meetings	6	3	3
Grievances Filed and Settled	1	0	0

Department: *Administrative Services*  
 Program(s): *Information Services*  
 Fund(s): *General*

**Budget Overview**

2011 Budget	\$469,691	2009 FTE	2.0
Change from 2010:	0%	2010 FTE	2.0
2012 Budget	\$487,219	2011 FTE	2.0
Change from 2011	4%	2012 FTE	2.0

**Information Services by % of General Fund and Activity**



**Mission Statement**

It is the mission of the Administrative Services Department to protect vital information, recruit and retain qualified employees, and provide information and resources to the public and government in a prompt and effective manner, using information technology to improve efficiencies and increase general availability of information and services.

**Purpose and Description**

The Information Services Office serves the City for all data processing and computer needs. IS also coordinates all land and cellular phone systems, and assists with the City’s radio communications infrastructure. This office manages the procurement of hardware and software as well as temporary or contracted support as needed for special projects, backup, and peak support.

## 2009-2010 Key Accomplishments

- Coordinated the purchasing, setup and installation of a virtual server array allowing to virtualized new and existing city servers which reduces the power consumption, replacement costs, and recoverability of the city's servers;
- Migrated the city's virus and malware protection to Symantec End Point protection allowing ongoing monitoring of deployed clients and quicker response time to threats;
- Installed fiber connections between City Hall and the Public Safety Building and the Public Safety Building and Annex thus reducing the least T-1 costs and vastly improving network bandwidth between city facilities;
- Upgraded the City's municipal applications to the newest version (Tyler Technologies, Eden Systems 5.x);
- Migrated the City's cashiering system to live posting of utility payments;
- Migrated 15% of the city computers to Windows 7;
- Purchased and configured an Email Message Archive to maintain the City's email archives and allow of quicker public discloser request searches.

## Level of Service

The proposed budget provides adequate funds to meet the department's goals.

## Goals & New Initiatives

Information Services continues its programs for computer equipment replacement, improving network connection speed between buildings, and increasing database and application performance. The City has outgrown its out-dated phone system and will begin replacing the 12-year old system in 2011.

## Resource Summary

Administrative Services Information Services (Dept 18)	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
10 Personnel Services	127,550	140,758	152,845	140,088	140,223	142,761
20 Personnel Benefits	55,095	63,258	77,660	75,381	66,148	72,884
30 Supplies	78,589	73,508	107,000	81,372	101,600	104,600
40 Services & Charges	132,637	146,524	193,250	165,350	161,720	166,975
50 Intergovernmental/Interfund	7,500	0	0	0	0	0
60 Capital Outlays	60,064	10,312	7,500	7,500	0	0
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
Total	461,435	434,359	538,255	469,691	469,691	487,219

Budget Notes: The increase in supplies includes regularly scheduled desktop replacements.

## Trends & Future Issues

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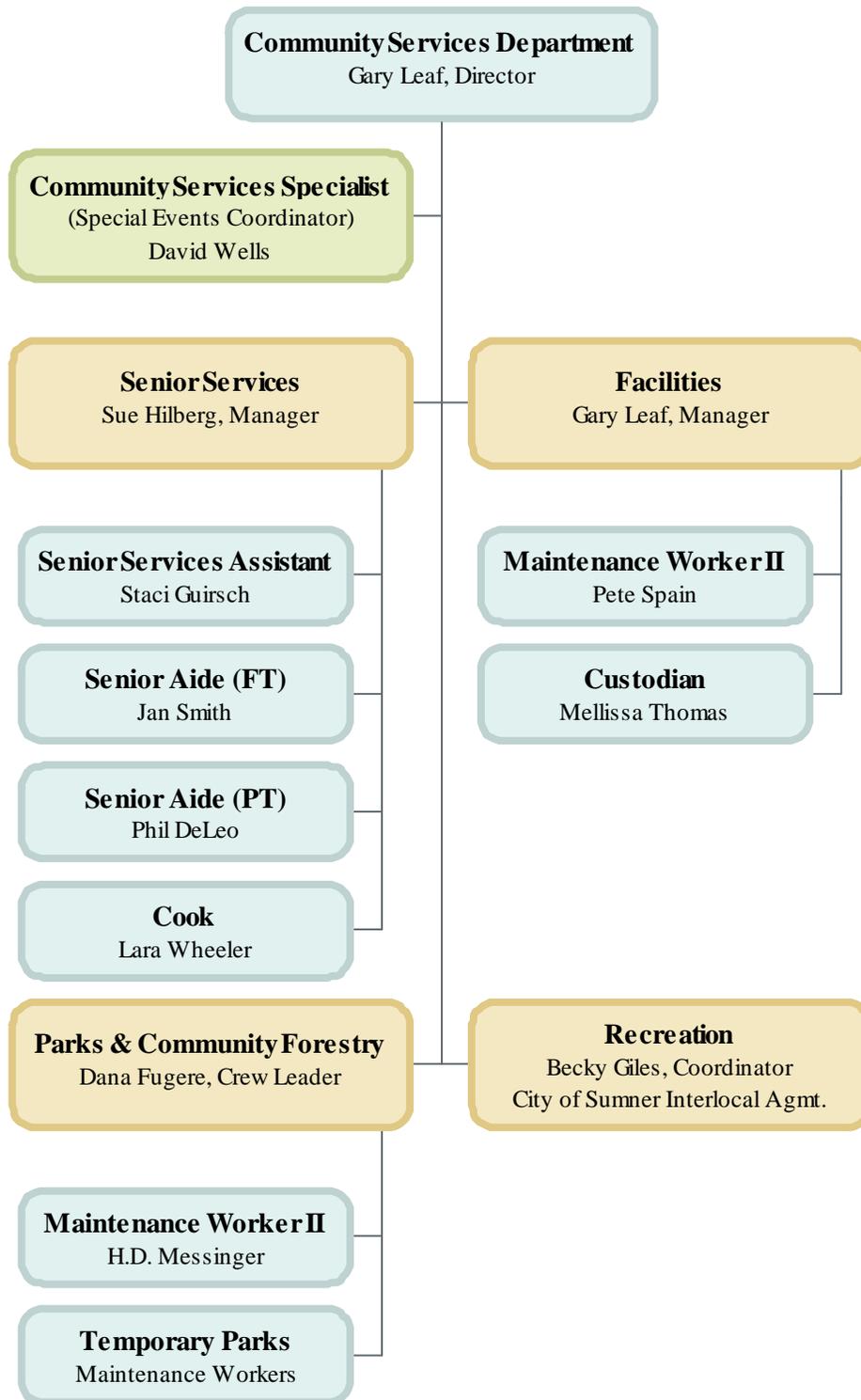
In information services, the current city phone systems have no additional capacity to add phone lines or extensions. Currently, new city employees are placed on either non-City system land lines or cell phone plans due to the lack of city phone capacity. Funds are budgeted in the General Government CIP to acquire a new phone system. The replacement system will be timed to coincide with the building of the new Justice Center with migration of the Police and Annex phone systems to a new VoIP phone solution in 2011. Migration of the City Hall phone system is projected for 2013. Cerium Network will install Avaya's Communication Manager. Disaster recovery and continuation of vital computing services is in the forefront of the City's plans. Due to economic restraints the City is looking at taking advantage of existing facilities for disaster planning.

## Performance Measures

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Measures	2009/2010	2011 Est.	2012 Est.
Number of help desk requests (Internal)	5,200	3,000	2,550
Number of help desk request (Citizens)	500	300	325
% of help desk calls resolved within 1 hour	60%	70%	75%
Maximum time for initial response	1 hour	55 mins.	45 mins.

**Community Services**

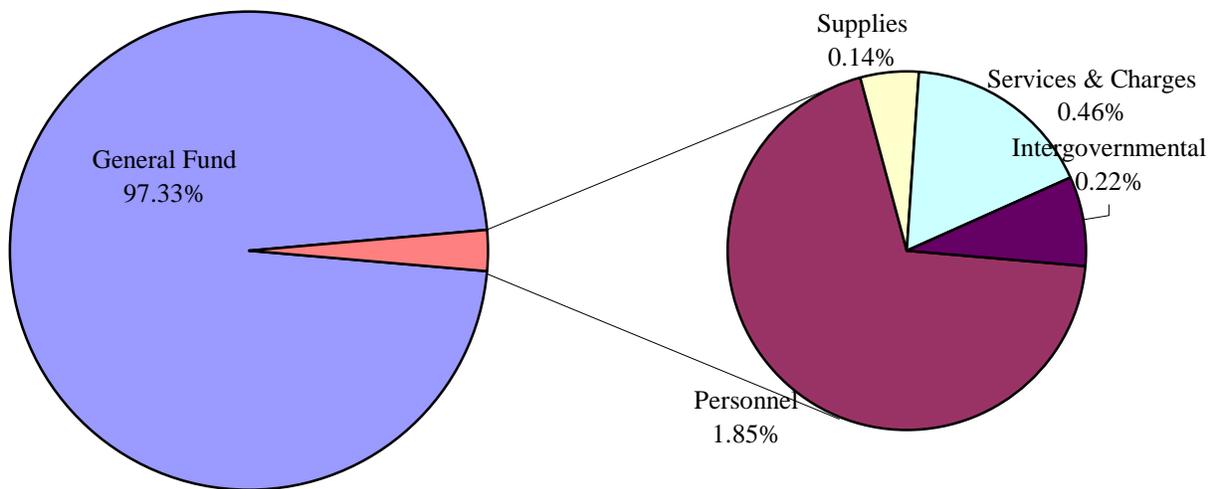


Department: *Community Services*  
 Program(s): *Community Services, Community Events*  
 Fund(s): *General*

**Budget Overview**

2011 Budget	\$368,250	2009 FTE	2.0
Change from 2010:	-15%	2010 FTE	2.0
2012 Budget	\$375,983	2011 FTE	2.0
Change from 2011	2%	2012 FTE	2.0

**Community Services by % of General Fund and Activity**



**Mission Statement**

The mission of the Community Services Department is to provide parks/trails, recreation, and senior services/activities to the citizens of Bonney Lake in an efficient and effective manner, and to enhance customer service to the general citizenry, and to plan and maintain City facilities.

**Purpose and Description**

In 2006, the City created a new Department of Community Services, drawing staff (in part) from Administrative Services (Senior Center) and Public Works (Parks, Facilities). The Department of Community Services emphasizes parks, trails, open spaces, community forestry, and general community service. This department coordinates and oversees volunteer efforts throughout the community.

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## 2009-2010 Key Accomplishments

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- *Summertime Special Events:* Bonney Lake Days continued to thrive even as it was limited to just Friday evening and Saturday, with 2010's event attracting approximately 5,000 visitors. Community Services also: added weekly Kids Club performances at Cedarview Park, created the Tunes at Tapps summer concert series, hosted Missoula Children's Theater and Shakespeare plays, and added "Friday Night Flix" and Bark in the Park;
- *Other Special Events:* The City's annual Easter Egg Hunt now draws more than 1,000 children. The Senior Health Fair has been expanded to a Community Health Fair and is now held at Allan Yorke Park;
- *Beautify Bonney Lake and Parks Appreciation Day:* The City continues to support these important volunteer events. There are typically about 500 participants for BBL and 50 for PAD. Highlights include constructing a bioswale at Ken Simmons Park, a rain garden in front of the Public Safety Building, a memorial pond for Dan Packer, and planting a wetland in the Crystal Meadows subdivision;
- *Safe Routes to School Program:* Staff coordinated numerous largely grant-funded Safe Routes events including walk/bike-to-school events, bike rodeos, poster contests, Willie Weir performances, a community open house, and two field trips for elementary and high school students to Fennel Creek;
- *Community Forestry:* The City received its fourth Tree City USA Award and third Growth Award. An Arbor Day celebration is held each April in conjunction with Parks Appreciation Day and typically draws about 40 to 50 participants;
- *Lake Bonney and Lake Debra Jane:* In 2009 and 2010 Lake Bonney was treated for three types of aquatic weeds. Staff worked with volunteers take and process water samples at Lake Bonney and Lake Debra Jane which also helps the Stormwater Utility meet its NPDES permit requirements;
- *Ascent Gateway:* Requested renewal of a lease agreement with WSDOT property for the Ascent gateway.

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## Level of Service

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Resources are sufficient to provide customer service for the programs. The current Special Event Program includes Bonney Lake Days, Kids Club, Bark in the Park, Friday Night Flix, Tunes at Tapps, and Shakespeare in the Park. Current resources provide support for Beautify Bonney Lake, Parks Appreciation Day, and the Tree City USA program.

**Goals & New Initiatives**

- Maintain and improve special events;
- Analyze events lineup and recommend changes based on value vs. cost;
- Complete a cultural resource comprehensive plan element;
- Finalize lake water sample program;
- Complete the Safe Routes project.

**Resource Summary**

<b>Community Services</b>		Actual		Budget			
				2010 Adopted	2010 Revised	2011	2012
<b>Recreation Services (Dept 57)</b>		2008	2009				
10	Personnel Services	79,814	188,040	0	207,379	177,577	180,211
20	Personnel Benefits	35,157	76,396	0	102,150	76,673	81,772
30	Supplies	2,134	1,590	2,000	1,000	1,000	1,000
40	Services & Charges	5,889	2,603	11,000	5,222	3,000	3,000
50	Intergovernmental/Interfund	31,500	33,500	33,500	34,000	34,000	34,000
60	Capital Outlays	0	0	0	0	0	0
70	Debt Service - Principal	0	0	0	0	0	0
80	Debt Service - Interest	0	0	0	0	0	0
90	Transfers Out	0	0	0	0	0	0
Total		154,493	302,130	46,500	349,751	292,250	299,983

Budget Notes: The change in personnel services results in a combination of a reduction of one FTE in 2010, as well as a reallocation of existing staff costs to different programs. The intergovernmental expense consists of an interlocal with the City of Sumner for recreation programs.

<b>Community Services</b>		Actual		Budget			
				2010 Adopted	2010 Revised	2011	2012
<b>Beautification Program (Dept 57)</b>		2008	2009				
10	Personnel Services	0	0	0	0	0	0
20	Personnel Benefits	0	0	0	0	0	0
30	Supplies	14,846	11,043	30,000	20,000	10,000	10,000
40	Services & Charges	9,652	3,921	5,000	6,000	5,000	5,000
50	Intergovernmental/Interfund	0	59	0	0	0	0
60	Capital Outlays	0	22,898	0	0	0	0
70	Debt Service - Principal	0	0	0	0	0	0
80	Debt Service - Interest	0	0	0	0	0	0
90	Transfers Out	0	0	0	0	0	0
Total		24,498	37,922	35,000	26,000	15,000	15,000

Budget Notes: As community donations for beautification efforts increase, City expenditures reflect a decrease.

<b>Community Services</b>		Actual		Budget			
		2008	2009	2010 Adopted	2010 Revised	2011	2012
<b>Community Events (Dept 57)</b>							
10	Personnel Services	0	0	60,359	0	0	0
20	Personnel Benefits	0	0	21,168	0	0	0
30	Supplies	14,526	4,368	500	500	1,000	1,000
40	Services & Charges	49,625	52,296	67,000	59,500	60,000	60,000
50	Intergovernmental/Interfund	0	0	0	0	0	0
60	Capital Outlays	0	0	0	0	0	0
70	Debt Service - Principal	0	0	0	0	0	0
80	Debt Service - Interest	0	0	0	0	0	0
90	Transfers Out	0	0	0	0	0	0
Total		64,151	56,664	149,027	60,000	61,000	61,000

Budget Notes: This budget has no significant increase from 2010; rather, costs are held steady with no decrease in services.

### **Trends & Future Issues**

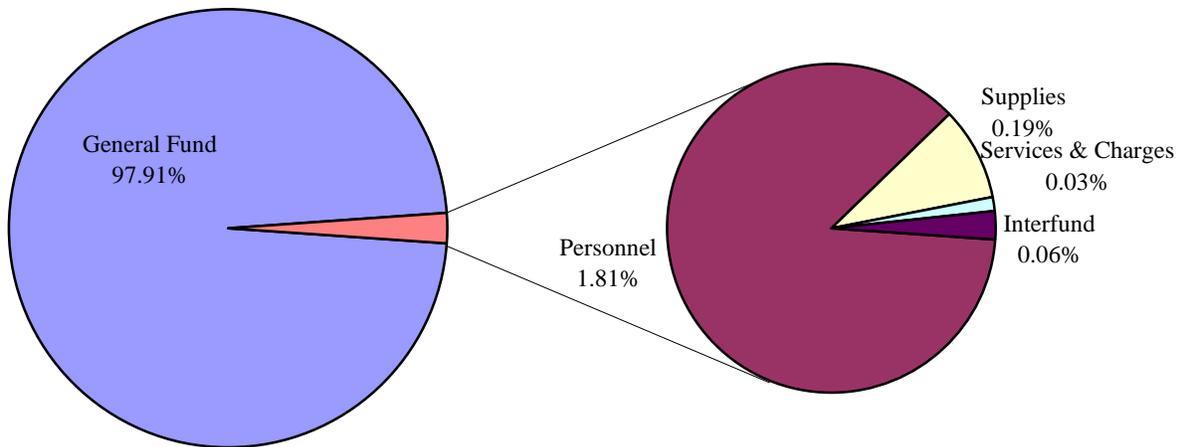
In a deteriorating economy, more and more citizens continue to seek low/no-cost cost events and programs, placing more demand on the city at a time the City's capacity to fund recreational and cultural programs is decreasing. The City needs to continue utilizing volunteers, donations, and grants to continue funding existing programs.

Department: *Community Services*  
 Program(s): *Senior Center*  
 Fund(s): *General*

**Budget Overview**

2011 Budget	\$325,656	2009 FTE	4.90
Change from 2010:	2%	2010 FTE	4.90
2012 Budget	\$340,523	2011 FTE	4.90
Change from 2011	5%	2012 FTE	4.90

**Senior Center by % of General Fund and Activity**



**Mission Statement**

The mission of the Community Services Department is to provide parks/trails, recreation, and senior services/activities to the citizens of Bonney Lake in an efficient and effective manner, and to enhance customer service to the general citizenry, and to plan and maintain City facilities.

**Purpose and Description**

In 2006, the City created a new Department of Community Services, drawing staff (in part) from Administrative Services (Senior Center) and Public Works (Parks, Facilities).

**2009-2010 Key Accomplishments**

- The seniors took a number of trips but restricted them to instate-only;

- Annual events included the 4<sup>th</sup> of July barbecue, annual luau, Thanksgiving and Christmas dinners, rummage sale, and the Healthy Living Expo.

### Level of Service

The Senior Center program a lunch program five days a week (weekdays), including available busing service. Funds are available for a limited number of senior programs and field trips.

### Goals & New Initiatives

- Maintain nutritional, health, and social programs;
- Provide a warm, comfortable atmosphere for the seniors of Bonney Lake and the surrounding area;
- Provide assistance and referrals for housing, utility assistance, support groups, Medicare updates, legal support, etc.

### Resource Summary

Community Services Senior Center (Dept 50)	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
10 Personnel Services	162,044	184,035	176,755	175,755	188,686	193,452
20 Personnel Benefits	75,195	90,200	108,335	105,156	93,738	103,838
30 Supplies	35,197	31,538	32,000	24,946	30,000	30,000
40 Services & Charges	24,577	5,688	8,300	4,800	4,500	4,500
50 Intergovernmental/Interfund	7,605	8,733	8,733	8,733	8,733	8,733
60 Capital Outlays	1,169	0	0	0	0	0
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
Total	305,788	320,195	334,123	319,390	325,656	340,523

Budget Notes: This budget has no significant increase from 2010; rather, costs are held steady with no decrease in services.

### Trends & Future Issues

As the senior population continues to grow, more demands will be placed on the senior center and its services. The popular senior lunch program is starting to reach the capacity of the senior center to accommodate it. When it exceeds the number of persons that can be served at one time in the Center, policy decisions will need to be made about how to accommodate the interest.

### Performance Measures

	2009 Actual
Van Rides	3,095
Volunteer Hours	7,000
Lunches Served	10,900
Community Service Hours	700

Health Related Classes & Services	855 Participants
Educational and Informational Classes	5,600 Participants
Social & Recreational Activities	7,500 Participants
Senior Trips	625 Participants

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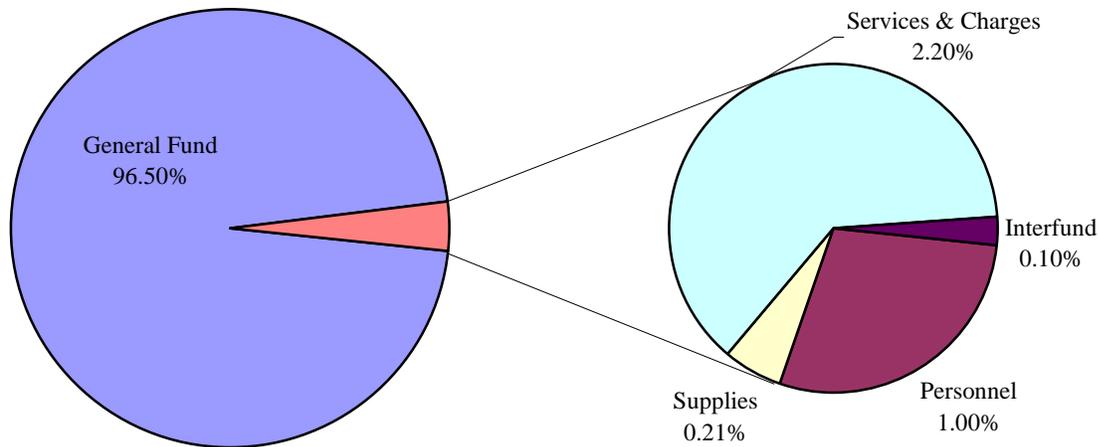
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Department: *Community Services*  
 Program(s): *Facilities*  
 Fund(s): *General*

**Budget Overview**

2011 Budget	\$545,748	2009 FTE	2.0
Change from 2010:	31%	2010 FTE	2.0
2012 Budget	\$516,382	2011 FTE	2.0
Change from 2011	-5%	2012 FTE	2.0

**Facilities by % of General Fund and Activity**



**Mission Statement**

The mission of the Community Services Department is to provide parks/trails, recreation, and senior services/activities to the citizens of Bonney Lake in an efficient and effective manner, and to enhance customer service to the general citizenry, and to plan and maintain City facilities.

**Purpose and Description**

In 2006, the City created a new Department of Community Services, drawing staff (in part) from Administrative Services (Senior Center) and Public Works (Parks, Facilities). The Department of Community Services emphasizes parks, trails, open spaces, community forestry, and general community service. The facilities section manages and coordinates facility planning, operations and maintenance throughout the City, and also provides janitorial services to City facilities.

## 2009-2010 Key Accomplishments

- Repaired and improved maintenance of the HVAC system at Public Safety Building;
- Constructed (along with volunteers) a memorial pond for Dan Packer and a rain garden, both in front of the Public Safety Building;
- Worked with volunteers to construct a community garden in the future civic center area;
- Completed an addition to the Senior Center;
- Removed numerous hazardous trees near City Hall and the Public Works Shop;
- Improved the rear and side entries to City Hall.

## Level of Service

The facilities budget allows for basic repair and maintenance of City buildings, but no major remodeling. As in past years, the custodial budget provides one custodian to service all City buildings, so no single building can receive more than a couple hours of attention.

## Goals & New Initiatives

- Continue to research/identify efficiencies in costs and processes;
- Incorporate maintenance and operation of the new Justice Center into the facilities maintenance function;
- Complete the demolition of a building in the civic center for additional downtown parking.

## Resource Summary

Community Services Facilities (Dept 60)		Actual		Budget			
		2008	2009	2010 Adopted	2010 Revised	2011	2012
10	Personnel Services	164,648	133,535	204,029	140,382	111,914	114,591
20	Personnel Benefits	58,736	50,529	92,090	46,115	43,722	48,278
30	Supplies	41,901	28,641	27,000	24,000	32,000	30,200
40	Services & Charges	133,496	157,084	150,000	188,939	342,900	308,100
50	Intergovernmental/Interfund	24,244	15,213	15,213	16,213	15,213	15,213
60	Capital Outlays	0	0	0	0	0	0
70	Debt Service - Principal	0	0	0	0	0	0
80	Debt Service - Interest	0	0	0	0	0	0
90	Transfers Out	0	0	0	0	0	0
	Total	423,025	385,002	488,332	415,649	545,748	516,382

Budget Notes: The increase in Services and Charges consists of \$110,400 for Resource Conservation consulting services. This expenditure is offset by grant revenues.

## Trends & Future Issues

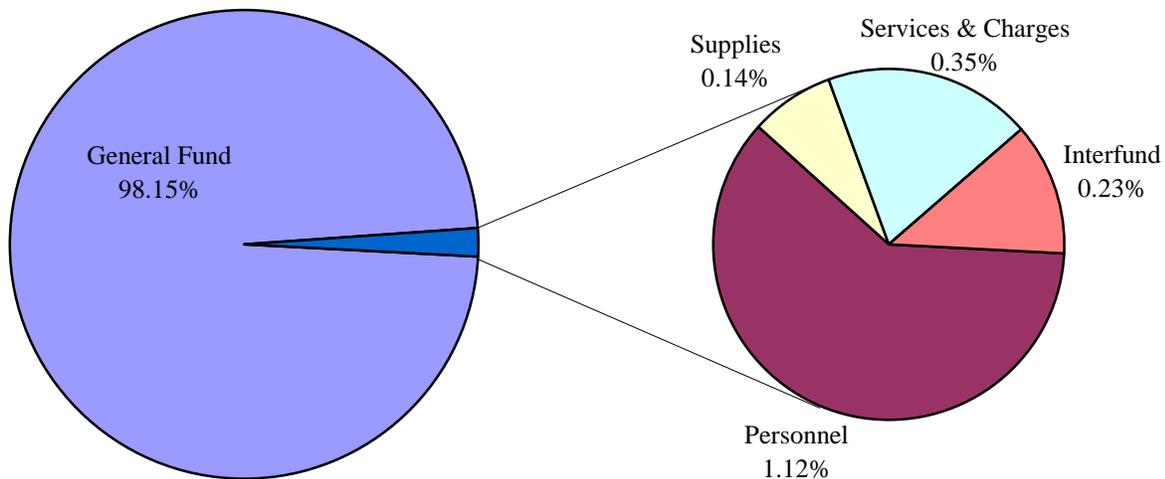
The opening of the new Justice Center will increase the workload of the Facilities division. Although the operating budget includes additional funds for maintenance of the new building and its utility costs, no additional staffing is programmed. Janitorial services are expected to be provided by a contracted janitorial firm.

Department: *Community Services*  
 Program(s): *Parks and Community Forestry*  
 Fund(s): *General*

**Budget Overview**

2011 Budget	\$337,013	2009 FTE	2.0
Change from 2010:	7%	2010 FTE	2.0
2012 Budget	\$336,283	2011 FTE	2.0
Change from 2011	0%	2012 FTE	2.0

**Parks by % of General Fund and Activity**



**Mission Statement**

The mission of the Community Services Department is to provide parks/trails, recreation, and senior services/activities to the citizens of Bonney Lake in an efficient and effective manner, and to enhance customer service to the general citizenry, and to plan and maintain City facilities.

**Purpose and Description**

The City has acquired significant new park lands in the past five years and parks and trails continue to be a stated priority of the Council. The Parks Division is responsible for the maintenance and operation of the City-owned parks and for the grounds maintenance of the City Hall, City Annex, City Shops, and Senior Center. This division includes community forestry activities and acts as liaison with the Park Board.

## 2009-2010 Key Accomplishments

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- *Allan Yorke Park:* Parks staff continues to annually “top dress” our ballfields. The automated gate system at the boat launch has been improved but continues to malfunction. A new picnic shelter was constructed in Allan Yorke Park;
- *Ken Simmons Park:* Installed new picnic shelters and bench swings. Volunteers planted more native plants and trees and installed a bioswale;
- *Viking Park:* Worked with volunteers to construct and maintain a new “offleash dog park” at Viking Park;
- *Fennel Creek Trail:* Received environmental permits for Safe Routes Trail. Received approval for Conservation Futures grants for two parcels along Fennel Creek. Requested a lease agreement for easement on WSDOT property used as a mitigation site on Kelly Farm;
- *Historical Markers:* The City installed ten historical markers, coordinating data provided by the Greater Bonney Lake Historical Society and sharing the cost with Pierce County;
- *Park Plan Update:* Worked with Park Board to complete community surveys for the park plan update;
- *WSU Forest:* The City added 47 acres of park land through a development agreement with Quadrant and WSU. Staff and volunteers have improved the property so it can be used by the public.

## Level of Service

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Parks maintenance funds allows for a standard level of park and field maintenance.

## Goals & New Initiatives

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- Complete the Safe Routes project and construct the Safe Routes trail;
- Finalize acquisition of second Conservation Futures funded parcel along Fennel Creek;
- Complete requirements for the DNR grant for an urban tree canopy assessment;
- Complete the park element update;
- Complete wetland studies and prepare an interim master plan for the Moriarty property;
- Coordinate with Public Works and WSDOT to landscape medians in the expanded SR 410 roadway between 214<sup>th</sup> and 234<sup>th</sup> Avenues.

## Resource Summary

Community Services Parks Facilities (Dept 76)		Actual		Budget			
		2008	2009	2010 Adopted	2010 Revised	2011	2012
10	Personnel Services	167,915	138,768	169,531	140,838	133,823	137,968
20	Personnel Benefits	57,427	44,909	52,677	52,328	41,725	48,133
30	Supplies	55,095	24,444	25,000	26,500	22,500	22,500
40	Services & Charges	45,973	37,279	51,000	43,233	54,600	41,100
50	Intergovernmental/Interfund	65,950	35,451	35,451	35,451	35,451	35,451
60	Capital Outlays	10,848	(49,008)	10,000	0	0	0
70	Debt Service - Principal	0	0	0	0	0	0
80	Debt Service - Interest	0	0	0	0	0	0
90	Transfers Out	0	0	0	0	0	0
	Total	403,208	231,843	343,659	298,350	288,099	285,151

Budget Notes: This budget has no significant increase from 2010; rather, costs are held steady with no decrease in services.

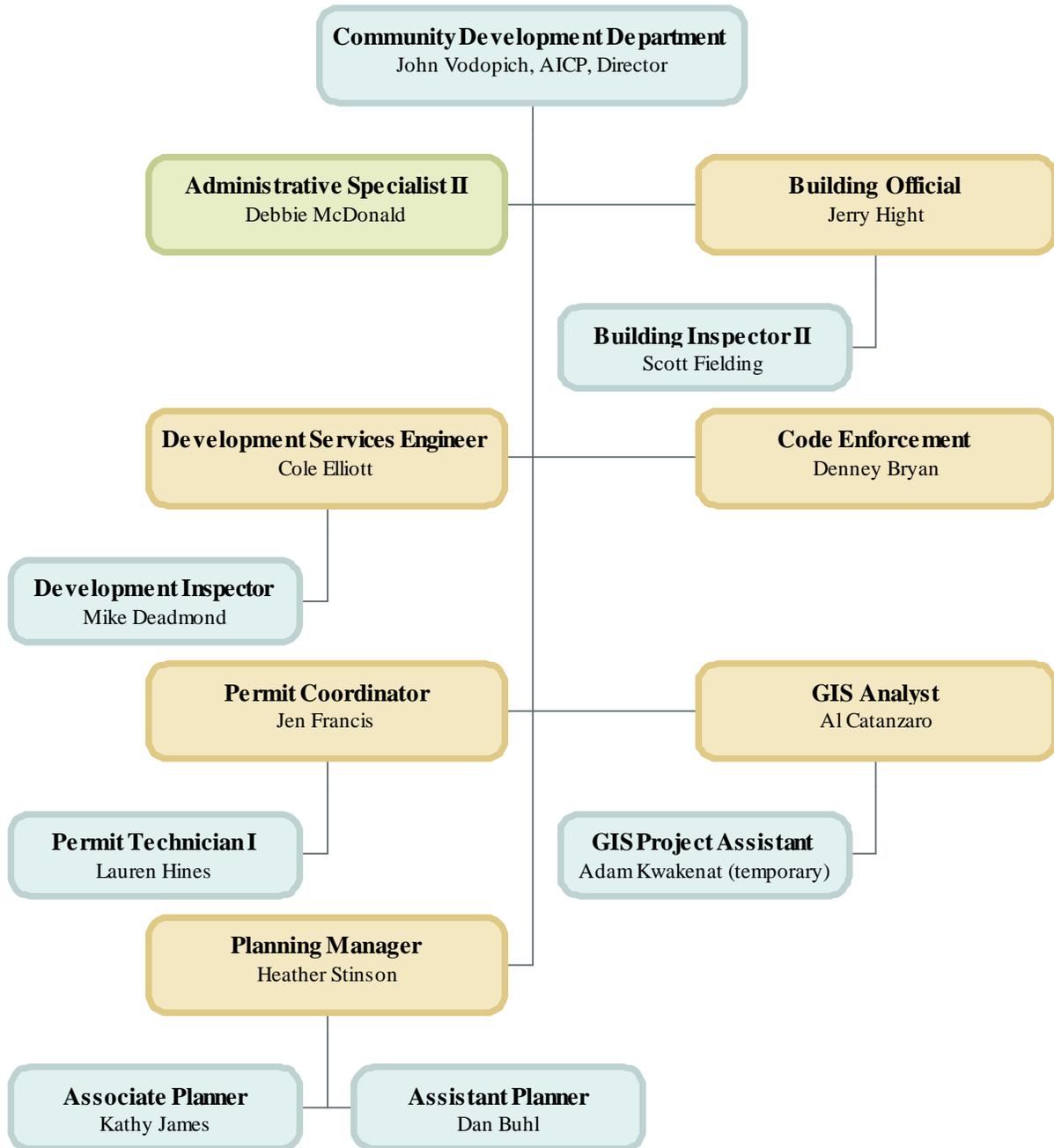
Community Services Community Forestry (Dept 57)		Actual		Budget			
		2008	2009	2010 Adopted	2010 Revised	2011	2012
10	Personnel Services	0	0	0	0	25,254	26,020
20	Personnel Benefits	0	0	0	0	9,661	11,113
30	Supplies	16,480	10,524	35,000	16,000	10,500	10,500
40	Services & Charges	0	373	10,000	0	3,500	3,500
50	Intergovernmental/Interfund	0	0	0	0	0	0
60	Capital Outlays	0	0	0	0	0	0
70	Debt Service - Principal	0	0	0	0	0	0
80	Debt Service - Interest	0	0	0	0	0	0
90	Transfers Out	0	0	0	0	0	0
	Total	16,480	10,897	45,000	16,000	48,915	51,132

Budget Notes: The increase in salaries and benefits reflects changes in overall labor allocation costs.

## Trends & Future Issues

Grant funding for parks and trails continues to get more competitive. The City was fortunate to qualify for some transportation funding to get the Fennel Creek Trail started (this will complete about 20% of the trail) and help acquire two parcels along Fennel Creek. Although the City has not been successful to-date with IAC grant applications, we plan to continue our efforts in future application cycles. Major park improvements such as new ballfields, a community center, and completion of the Fennel Creek Trail will likely need a successful bond ballot effort to come to fruition. This could come after adopting the new park element and determining whether the CUGA annexation is successful. Another area to review will be whether it would be more advantageous to the City to create a city-wide park district as a supplemental funding mechanism for parks and recreation services.

### Community Development Department

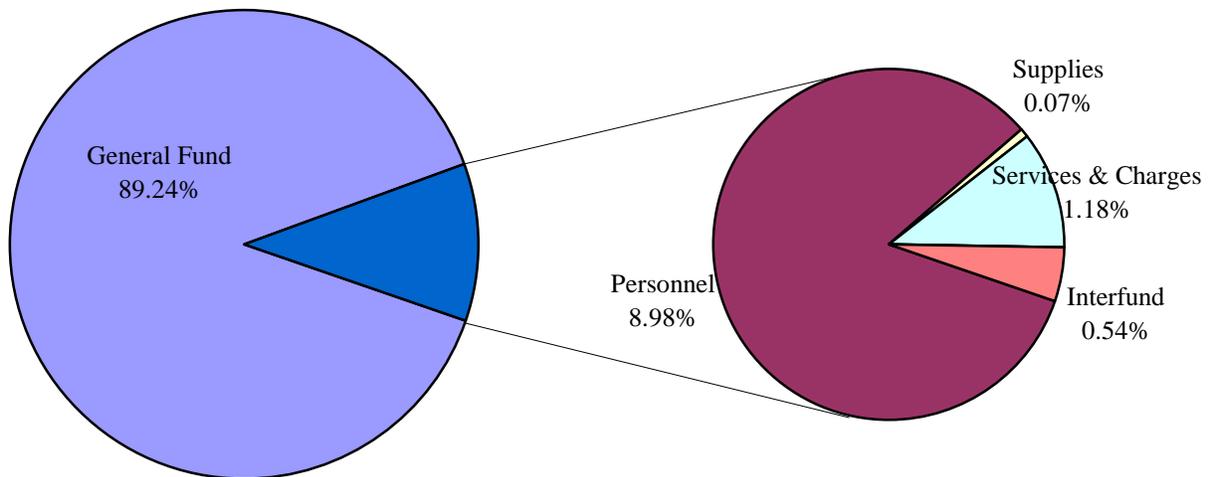


Department: *Community Development Department*  
 Program(s): *Planning and Building*  
 Fund(s): *General*

**Budget Overview**

2011 Budget	\$1,396,192	2009 FTE	17.0
Change from 2010:	15%	2010 FTE	17.0
2012 Budget	\$1,463,820	2011 FTE	13.0
Change from 2011	5%	2012 FTE	13.0

**Community Development by % of General Fund and Activity**



**Mission Statement**

To promote the general health, safety, and welfare of the citizens of Bonney Lake by working with the community in achieving the long-range planning and economic development goals and by working together with other City departments to ensure that the development review process is a coordinated, seamless effort.

**Purpose and Description**

The Community Development Department provides professional policy guidance to the Mayor, City Council, Planning Commission, Design Commission and other city Departments on all matters related to land use; development review; environmental regulation; building safety; geographic information systems (GIS), code enforcement; and long range comprehensive planning within the city and its unincorporated urban growth area (UGA).

The Department provides direction for community planning and facilitates citizen participation in city planning efforts. The Department administers the City of Bonney Lake's land use permitting process along with the infrastructure permitting process for the review and processing of development proposals as adopted and set forth in the Bonney Lake Municipal Code.

The Department provides for the administration and compliance of codes and standards adopted by the City and the State of Washington that regulate building construction and development; provides information to the public to assist them in understanding the application of adopted codes and ordinances; insures that those doing business in the City meet the regulatory standards set forth in state statutes and local ordinances for the business and occupation which they are operating; and provides for the development of a coordinated geographical information system (GIS) for the City.

### **2009-2010 Key Accomplishments**

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#### *Overall Departmental Accomplishments*

- Provided Geographic Information System (GIS) services City-wide and excellent support for various meetings/events held throughout the year;
- Filled the Development Review Engineer and Construction Inspector positions;
- Entered into contracts with the City of Buckley and the Towns of Wilkeson and Ruston to provide Planning Services;
- Applied for and received a grant from the Washington State Department of Ecology to update the City's Shoreline Master Plan by 2012;
- Oversaw the design; development; and construction of the Justice Center and associated road improvements to 90th street;
- Assisted in the preparation and submission of a Notice of Intent to the Pierce County Boundary Review Board for the for the proposed annexation of the CUGA;
- Initiated the process of review and amendment of the nuisance code in conjunction with legal staff.

#### *Long Range Planning*

Comprehensive Plan Amendments: In 2009 and 2010 staff facilitated the GMA compliance process for updating the City's Comprehensive Plan, including environmental review for:

- Changing the Comprehensive Plan future land-use designations and zoning of the WSU Forest;
- Adopting the Comprehensive Water and Sewer Comprehensive Plans by reference and Updating the Utilities element;
- Processing the Woodyard private application requesting a change of land-use designation;
- Replacing the "Other Capital Facilities" element with a "Capital Facilities" element;
- Adopting by reference the Sumner and White River School District capital facilities plans;
- Adding language to our Transportation Element acknowledging future work is needed to ensure consistent population numbers;

- Updating the Eastown Subarea Plan to allow more flexible design of building sites in Eastown; and
- Began work on 2011 updates to the Parks Element, a Midtown Plan, a Cultural Resource Element and land-use pre-designation of the CUGA annexation area.

Code Changes: In 2009 and 2010 staff facilitated updates to the Bonney Lake Municipal Code including:

- The adoption of Cottage Development design regulations;
- Updating the boundaries of “Downtown”;
- Updating the code in regards to SEPA review;
- Worked with Public Works in providing for a fee in lieu of construction of sidewalks for short plats;
- A review of the protection of View Sheds;
- Updating the Critical Areas Code by creating a wetland variance process and criteria;
- Developing a new R-3 overlay zone and minimum densities in R-3 zoning;
- Allowing for townhouse development in R-2 zoning and replacing the minimum lot size requirements with density requirements;
- Updating Downtown Core and Downtown Mixed zoning to clarify allowed uses;
- Requiring maintenance of required landscaping; and
- Considering the allowance of Accessory Dwelling Units in R-1 zoning.

Shoreline Master Plan: In 2009 staff applied for and received a grant from the Washington State Department of Ecology to perform an update to the City’s Shoreline Master Plan by 2012. Staff successfully met grant deliverable deadlines by submitting the Shoreline Inventory and Analysis, created and updated the required shoreline maps, recruited for and organized a Citizen’s Advisory Committee, and facilitated a Shoreline Plan update Open House.

Major Comprehensive Plan Update: In 2009 staff applied for and received preliminary approval from the Washington State Department of Commerce for a grant to help the City perform its mandatory major update of its Comprehensive Plan. The City did not receive the grant due to the State budget being cut and the 2011 deadline of the major update was postponed by the State legislature until 2014. Staff anticipates beginning work on that update in 2012.

Floodplains: Staff has been working with FEMA in anticipation of updating the City’s floodplain ordinance to meet the requirements of the Endangered Species Act. Any updates will be required by September 2011.

Countywide Planning Policies: Staff continues to represent the City on Pierce County’s Growth Management Coordinating Committee which drafts updates to the Countywide Planning Policies.

Buildable Lands / Population: Staff continued to work with Pierce County and the Washington State Office of Financial Management in updating and maintaining Buildable Lands and Population data.

*Current Planning*

Staff in Current Planning continued to field phone calls and visits by citizens inquiring about development related issues. Current Planners provided assistance to the GIS division where needed, reviewed business licenses for zoning compliance and issued approvals for Home Occupations. The following summarizes the Current Planning permits reviewed in 2009 and 2010:

- Pre-Application Appointments
  - Short Plats (9 or less lots) 1
  - Plats (10 or more lots) 1
  - Multi-Family Projects 4
  - Commercial Projects 10
- Accessory Dwelling Unit (ADU) Submittals 1
- Boundary Line Adjustment Submittals 6
- SEPA Reviews 14
- Home Occupation Permits 168
- Rezones 2
- Conditional Use Permits 5
- Variances 2
- Short Plat Submittals 2
- Preliminary Plat Submittals 0
- Final Plat Submittals 1
  - GMG
- Commercial Development Applications 10
  - Sonic Drive-In
  - Sound Credit Union
  - Java Angels Relocation
  - Safe routes to school trail and bridge
  - Kahne Commercial Center
  - Bonney Lake High School Expansion
  - Henschell Chiropractic
  - Bonney Lake Elementary Remodel
  - WSU Medical Office Building
  - Clark Commercial Center
- Design Review 7
  - Hulburt Duplexes
  - Burger King remodel
  - United Rentals remodel
  - Sound Credit Union
  - Java Angels Relocation
  - Henschell Chiropractic
  - Bonney Lake Elementary Remodel
- Multi-Family Developments 1
  - Hulburt Duplexes
- Tree Removal Permits 17

• Shoreline Permits	13 (5 projects)
• Sign Permit Submittals	39
• <u>Temporary Permit Applications</u>	<u>12</u>
Total Planning Permits reviewed:	316

*Permitting Division*

Processed (Issued/Approved) the following permits:

- **Building Division**  
488 Building Permits with a combined valuation of \$49,773,562  
Issued 109 new single family residence permits.
- **Development Engineering Division**  
53 Civil Permits
- **Fire Division**  
46 Fire Permits
- **Licenses**  
1 Peddlers License  
691 Business Licenses
- **Public Works**  
184 Right of Way/Approach Permits  
5 Cost Recovery Permits  
148 Certificates of Water Availability  
103 Sewer Permits  
4 Certificates of Sewer Availability  
107 City Water Meter Permits  
217 County Water Meter Permits

Accomplishments:

- Implementation of the Peddler's License process;
- Civil Permit Transition from the Public Works Department to the Community Development Department;
- Implementation of the City's Erosion Sediment Control Inspection process;
- Review of Business Licenses;
- Coordinated and conducted weekly inter-departmental project status meetings;
- Assisted in the development of the Quickview Layers for Eden;
- Attended pre-construction meetings for all developer driven projects;
- Participated in the following committees: Eden Super Users; Wellness; NW Eden Permit Users Group; and the South Puget Sound Permit Technicians Supervisors Group;
- Issued permits for several restaurants including Hop Jacks, Zato's Grill, Sonic Drive In Restaurant, Subway and Happy Pho Time;

- Issued permits for the Justice Center; 800 Mhz project; Bonney Lake Elementary modernization project; Bonney Lake High School addition; and the WSU Medical Office Building; and
- Attended 18 pre-application meetings.

### *Building Division*

- Reviewed a number of commercial projects, including:
  - Bonney Lake Medical Office Building;
  - Zato Grill;
  - Bonney Lake Dental;
  - Goodwill;
  - Bonney Lake High School (Two new wings);
  - Sound Credit Union;
  - Discount Tire;
  - Justice Center;
  - Sonic Drive In;
  - Greenwood North;
  - Java Angels;
  - Bonney Lake Elementary remodel; and
  - Bright Now Dental.
- Attended 18 pre-application meetings;
- Preserved the city's #2 rating from the Washington Surveying and Rating Bureau Evaluation maintaining lower insurance ratings for our citizens;
- Attended weekly project status meetings; and
- Updated the BLMC for the 2009 I-codes and implemented fire sprinklers for all R occupancies.

### **Level of Service**

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Funding is sufficient to process all land use applications and building permits in a professional and timely manner. As the level of development increases and future annexations occur, additional staff and resources will be needed. However, turnaround times may slip if record levels of permit applications return and staff/resources are not increased commensurately.

### **Goals & New Initiatives**

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- Continue to refine the organization of the Department to the 'Community Development Department' to better reflect the true nature of the Department's role and improve services provided to our customers;
- Continue to maintain three week single family residential permit turn around time once a complete application is received;
- As budget allows, undertake an outside third-party review of the Department's business practices related to the processing and flow of applications through the development review process;

- Continue to seek and make application for a grant's in support of the required unfunded mandates;
- Oversee tenant improvements at the Justice Center; and
- Continue to update the Bonney Lake Municipal Code to clarify permit processing procedures including the development and implementation of the Civil Permit code and process.

## Resource Summary

Community Development Planning & Building (Dept 58)	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
10 Personnel Services	796,545	721,818	1,059,358	677,493	830,677	856,327
20 Personnel Benefits	327,017	286,683	529,604	321,173	334,065	366,942
30 Supplies	9,585	4,690	13,609	6,030	9,000	9,000
40 Services & Charges	132,900	55,085	166,471	135,823	152,850	161,950
50 Intergovernmental/Interfund	31,515	68,662	69,601	69,601	69,601	69,601
60 Capital Outlays	0	0	0	0	0	0
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
Total	1,297,562	1,136,938	1,838,643	1,210,120	1,396,192	1,463,820

Budget Notes: This department was presented in prior budgets as two operating units: Planning & Community Development and Building. For operational efficiencies, these two units have been combined and are now presented as "Community Development".

The increase in personnel services and benefits includes the filling of authorized positions that were not filled in 2010, as well as a reallocation of staffing costs based on a revised allocation model.

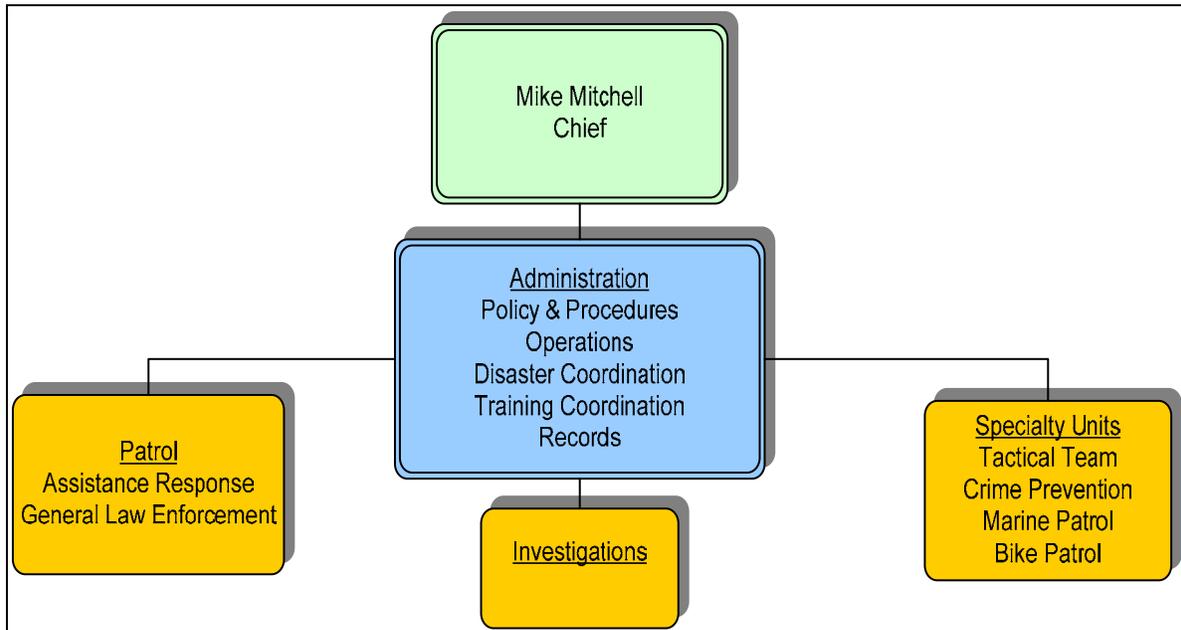
## Trends & Future Issues

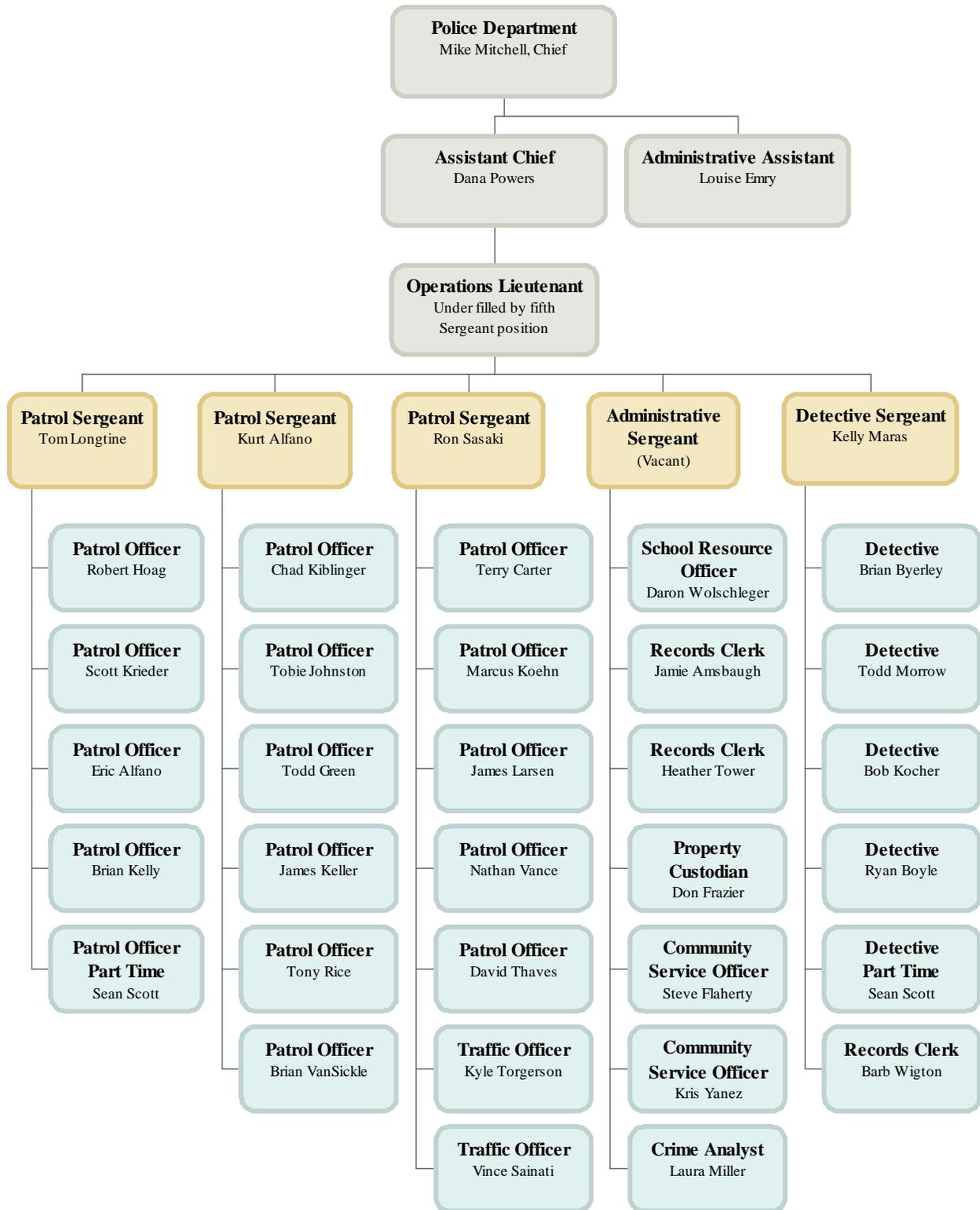
Given the current state of the worldwide economy and the severe slowdown in housing starts nationally and in the Puget Sound region, building permits and overall permit valuation was down significantly in 2009. A climb in overall valuation was experienced in 2010 due to several big projects - school remodel's and the Medical Office Building on the former WSU forest site. Rebounding of the overall economy is expected to be slow well into 2011 and 2012.

## Performance Measures

	2004	2005	2006	2007	2008	2009	2010 YTD
Residential Lots Created (recorded)	386	358	266	293	114	8	3
Annexations (acres)	0	76	0	328	17	0	0
Code Violations Investigated	n/a	213	170	180	173	177	168
Building Permit Valuation (millions of dollars)	\$54	\$61.6	\$72.2	\$79.4	\$33.1	\$18.8	\$31

**Police Department**



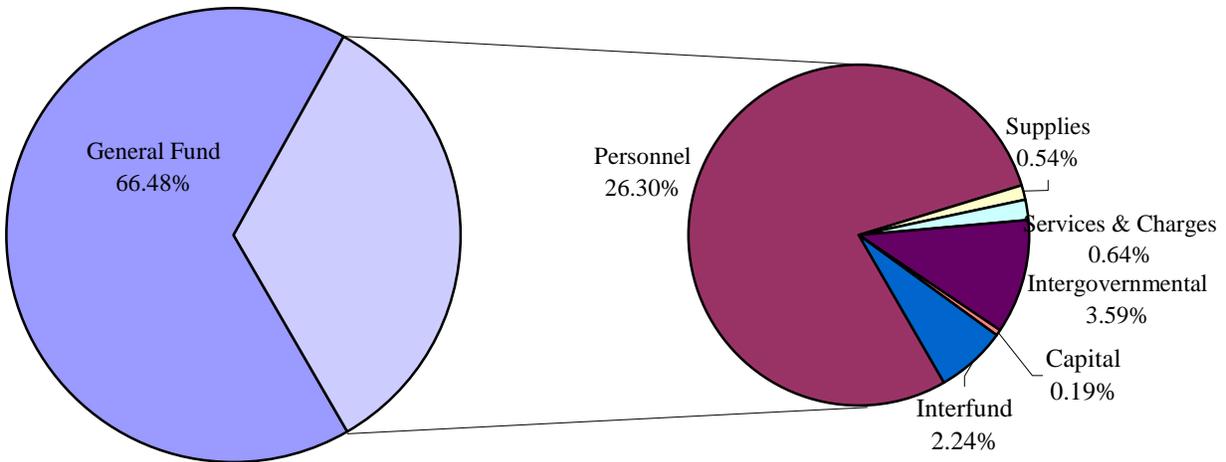


Department: *Police Department*  
 Program(s): *Police Department*  
 Fund(s): *General*

**Budget Overview**

2011 Budget	\$5,243,129	2009 FTE	37.2
Change from 2010:	9%	2010 FTE	37.2
2012 Budget	\$5,331,749	2011 FTE	37.6
Change from 2011	2%	2012 FTE	37.6

**Police Department by % of General Fund and Activity**



**Mission Statement**

Provide quality police service with trust, integrity and respect, while enforcing state and municipal law to provide a safe environment while encouraging active community participation.

## Resource Summary

Police All Divisions (Dept 21)	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
10 Personnel Services	2,741,826	2,765,050	2,973,506	2,736,300	2,949,186	2,960,186
20 Personnel Benefits	853,563	931,961	1,163,331	1,145,441	1,168,184	1,257,704
30 Supplies	71,749	68,322	72,200	12,013	84,650	80,700
40 Services & Charges	257,591	96,445	109,800	21,050	99,875	100,925
50 Intergovernmental/Interfund	638,561	871,636	1,040,706	890,819	911,234	927,234
60 Capital Outlays	5,012	15,832	0	0	30,000	5,000
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
<b>Total</b>	<b>4,568,302</b>	<b>4,749,245</b>	<b>5,359,543</b>	<b>4,805,623</b>	<b>5,243,129</b>	<b>5,331,749</b>

Budget Notes: Changes are discussed more fully in each operational section following.

Department: *Police Department*  
 Program(s): *Administration*  
 Fund(s): *General*

### Budget Overview

2011 Budget	\$822,013	2009 FTE	<i>See summary page</i>
Change from 2010:	-4%	2010 FTE	<i>See summary page</i>
2012 Budget	\$842,946	2011 FTE	<i>See summary page</i>
Change from 2011	3%	2012 FTE	<i>See summary page</i>

### Mission Statement

Provide quality police service with trust, integrity and respect, while enforcing state and municipal law to provide a safe environment while encouraging active community participation.

### Purpose and Description

The City's Police Department Administrative unit is the administrative arm of the police department. Administration also coordinates animal control (through an Interlocal Agreement with Metro Animal Services led by the City of Sumner), SWAT, Crime Response Unit, Auto Theft Task Force, DEA Task Force, Civil Disobedience Team, Lab Team and Metro Collision Team.

### 2009-2010 Key Accomplishments

- Held 14th and 15th Annual Citizens Academy;
- National Night Out success in August 2009 and 2010 at Ken Simmons and Cedar View Parks;
- Open House partnership with East Pierce Fire and Rescue;
- Revitalized the Reserve Officer's Program;
- Received funding for Sector equipment. Sector is a program that allows officers to scan a drivers license and insurance cards, thus minimizing time spent on a traffic stop for both the officer and the violator.

### Level of Service

Resources provide for 1.91 commissioned personnel per 1,000 population, which is higher than most comparable Central Puget Sound cities and much higher than the Pierce County Sheriff's Office. Future measures of resource levels will be measured by actual service call volume demands.

## Goals & New Initiatives

- Participate in National Night Out
- Participate in Bonney Lake Days
- Participate in the open house put on at the Public Safety Building by East Pierce
- Maintain high quality of service while being fiscally responsible

## Resource Summary

Police Administration	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
10 Personnel Services	499,935	511,357	612,242	536,500	529,686	529,686
20 Personnel Benefits	176,908	181,143	280,150	269,059	232,327	253,260
30 Supplies	3,250	2,689	2,200	100	6,000	6,000
40 Services & Charges	8,766	2,932	4,800	700	4,000	4,000
50 Intergovernmental/Interfund	306,307	44,605	40,580	49,835	50,000	50,000
60 Capital Outlays	5,012	6,381	0	0	0	0
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
<b>Total</b>	<b>1,000,178</b>	<b>749,107</b>	<b>939,972</b>	<b>856,194</b>	<b>822,013</b>	<b>842,946</b>

Budget Notes: The increase in supplies and services/charges from 2010 to 2011 reflects increases in ammunition costs, the acquisition of new technical equipment, and increases in travel/training and professional fees.

## Trends & Future Issues

One major issue facing the City and other local police agencies is decreased revenue funding. The Bonney Lake Police Department has been part of cooperatives cities which continually strive to share resources and personnel. This cooperation continues through future budget cycles.

Another potential issue is the provision of animal control services. Currently, the City contracts with Metro Animal Services (Sumner/Puyallup). A new service agreement has been discussed for the past few years. This may have additional fiscal impacts on service costs.

Department: *Police Department*  
 Program(s): *Operations*  
 Fund(s): *General*

### Budget Overview

2011 Budget	\$4,016,116	2009 FTE	<i>See summary page</i>
Change from 2010:	13%	2010 FTE	<i>See summary page</i>
2012 Budget	\$4,068,803	2011 FTE	<i>See summary page</i>
Change from 2011	1%	2012 FTE	<i>See summary page</i>

### Mission Statement

Provide quality police service with trust, integrity and respect, while enforcing state and municipal law to provide a safe environment while encouraging active community participation.

### Purpose and Description

The City's Police Department provides law enforcement services, which include Vehicle Patrols, Investigations, SWAT, Bike Patrol, Lab Team, School Resource Officer, Community Service Officers, Marine Services, Civil Disobedience Team, Metro Collision Team, Crime Response Unit, Traffic Unit, Auto Theft Task Force, DEA Task Force, Firearms and Less Lethal Instructors.

### 2009-2010 Key Accomplishments

- Fleet and equipment upgrades including the purchase of a new vessel for Marine Services (funded by drug seizure proceeds);
- Traffic Safety Grant for DUI, Target Zero, Party Intervention Patrol and Speeding in the amount of \$15,619.00;
- (2010) radar grant for \$2,000 for school zone citations;
- Boating Safety Grant 2009 for \$25,449 and in 2010 \$30,557;
- Received additional funding for our Crime Analysis to take part in the multi jurisdictional Auto Theft Task Force through a grant from the Washington Auto Theft Prevention Authority (WATPA). This funding source has already paid for an additional officer;

### Level of Service

The budget funds a 24/7 Police Patrol units, five Detectives which includes a Detective Sergeant, two generalist Detectives, one task force officer participating in a regional Drug Enforcement Unit and one task force officer participating in a regional Auto Theft Task Force, three Community Service Officers, ten officers on the Lake Tapps Marine Services Unit, five Bike Patrol Officer's, two full time Traffic Officers, two Party Intervention Patrol Officer, a Target Zero officer, one full time School Resource Officer, one Narcotic K-9, four firearms and less lethal instructors, four Emergency Vehicle Operations Course (EVOC) instructors, two officer

that participate in the multi jurisdictional Lab Team, four SWAT officers, three Public Information Officers and one officer participating in the Metro Civil Disobedience Team as well as three officer participating in the newly formed Metro Collision Team.

Officers and Detectives from our department usually were several hats and participate in more than one team listed above.

### Goals & New Initiatives

- Continue summer time patrols at Allan Yorke Park and Lake Tapps enforcement;
- Continue to build the reserve officer and volunteer program;
- To continue the high level of service while being fiscally responsible.

### Resource Summary

Police Operations	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
10 Personnel Services	2,241,891	2,253,692	2,361,264	2,199,800	2,419,500	2,430,500
20 Personnel Benefits	676,655	750,818	883,181	876,382	935,857	1,004,444
30 Supplies	68,494	65,633	69,500	11,913	78,650	74,700
40 Services & Charges	88,323	93,513	105,000	20,350	95,875	96,925
50 Intergovernmental/Interfund	96,004	435,514	460,126	450,234	456,234	457,234
60 Capital Outlays	0	9,450	0	0	30,000	5,000
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
Total	3,171,367	3,608,621	3,879,071	3,558,679	4,016,116	4,068,803

Budget Notes: The increase in Supplies includes the acquisition of two investigative computers, as well as dash cameras and taser supplies. The increase in Services and Charges includes the cost of mandatory training for officers.

### Trends & Future Issues

The trend in law enforcement is to provide a video in-car recording system systems to the patrol fleet. Currently, the Bonney Lake Police Department does not have a video in-car recording system and are somewhat behind the times in this area. Should grant funds become available or the economy sufficiently rebound, the City would like to test a few in-car systems to determine their cost-effectiveness. Another issue that will need addressed in the future is increasing the security of the police department and storage facilities.

### Performance Measures

Measures	2007	2008	2009	2010 est
UCR/NIBRS <sup>1</sup> Crimes	807	624	1104	1116
DUI Citations	142	156	99	100
Citations/Infractions	5,711	5,416	8,177	8864
Police Reports Filed	3,591	3,475	3,589	3750

<sup>1</sup> Uniform Crime Reports/National Incident Based Reporting System

<p>Department: <i>Police Department</i>  Program(s): <i>Contracted Services (Jail and Dispatch)</i>  Fund(s): <i>General</i></p>
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### Budget Overview

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2011 Budget	\$405,000	2009 FTE	-
Change from 2010:	4%	2010 FTE	-
2012 Budget	\$420,000	2011 FTE	-
Change from 2011	4%	2012 FTE	-

### Mission Statement

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Provide quality police service with trust, integrity and respect, while enforcing state and municipal law to provide a safe environment while encouraging active community participation.

### Purpose and Description

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The City's Police Department contracts for jail services (through a variety of local providers) and 911 dispatch services (through a multi-year agreement with the City of Puyallup).

### 2009-2010 Key Accomplishments

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- Executed multi-year agreement with the City of Puyallup to provide dispatch services (2008);
- Constructed an 800MHz radio communication tower at Allen Yorke Park and at the Bonney Lake Water Tower;
- 2010 went live with the new 800 MHz radio system.

### Level of Service

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The City transitioned its contracted dispatch services from the City of Sumner to the City of Puyallup in 2008. The transition provides for enhanced 800 MHz capabilities as well as higher levels of service with response times. As the contract continues, the City will obtain more specific benchmarks for the service.

### Goals & New Initiatives

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- Complete an analysis of jail costs.

**Resource Summary**

Police Care/Custody of Prisoners	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
10 Personnel Services	0	0	0	0	0	0
20 Personnel Benefits	0	0	0	0	0	0
30 Supplies	5	0	500	0	0	0
40 Services & Charges	88,674	0	0	0	0	0
50 Intergovernmental/Interfund	0	76,517	190,000	75,000	90,000	95,000
60 Capital Outlays	0	0	0	0	0	0
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
<b>Total</b>	<b>88,679</b>	<b>76,517</b>	<b>190,500</b>	<b>75,000</b>	<b>90,000</b>	<b>95,000</b>

Budget Notes: The increase in intergovernmental services reflects an adjustment to jail services based on historical expenditures.

Police Dispatch Services	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
10 Personnel Services	0	0	0	0	0	0
20 Personnel Benefits	0	0	0	0	0	0
30 Supplies	0	0	0	0	0	0
40 Services & Charges	71,829	0	0	0	0	0
50 Intergovernmental/Interfund	236,250	315,000	350,000	315,750	315,000	325,000
60 Capital Outlays	0	0	0	0	0	0
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
<b>Total</b>	<b>308,079</b>	<b>315,000</b>	<b>350,000</b>	<b>315,750</b>	<b>315,000</b>	<b>325,000</b>

Budget Notes: The increase in care/custody of prisoners is based on historical actuals and anticipated needs.

**Trends & Future Issues**

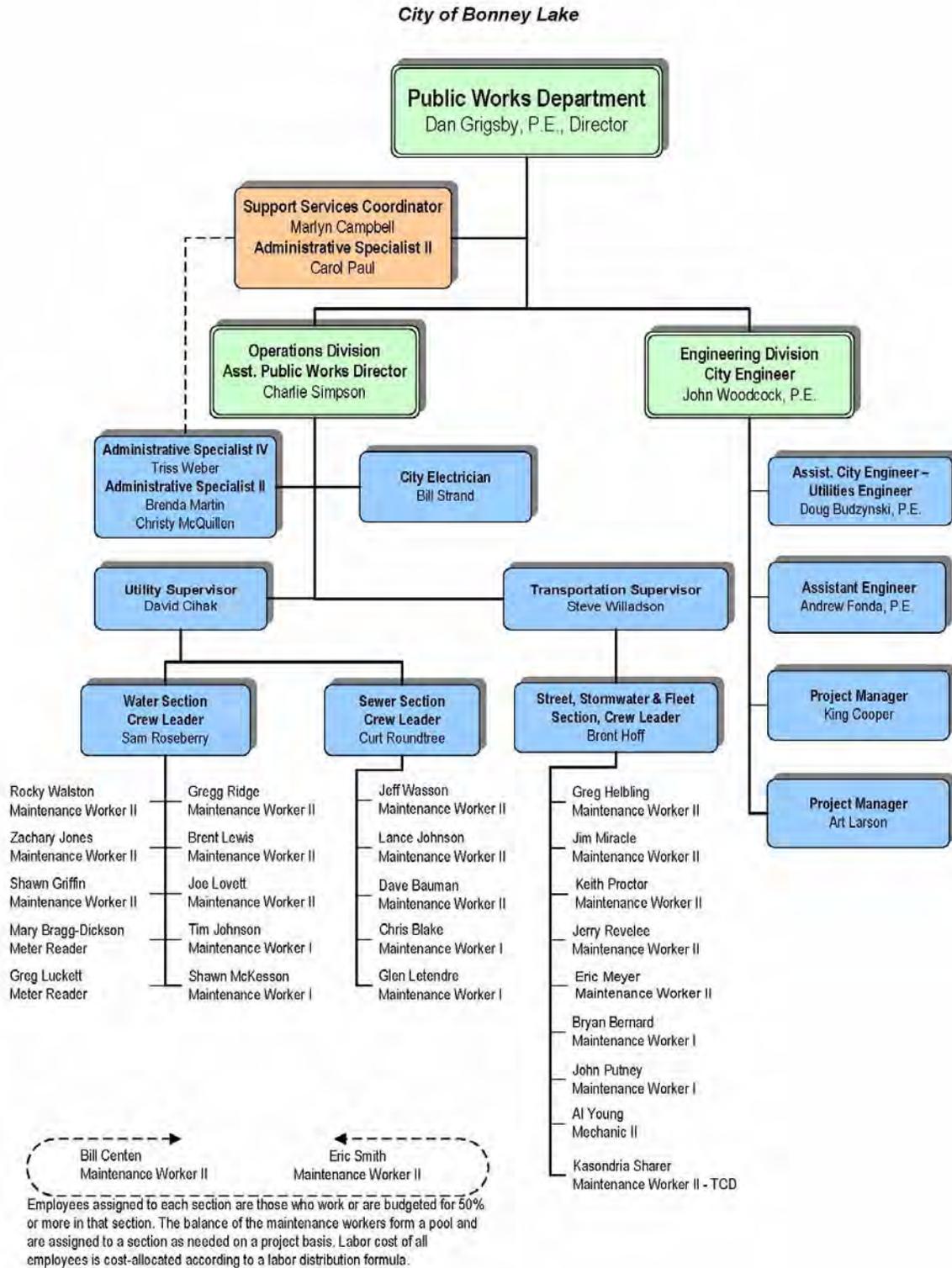
The region is continuing to make strides with 800 MHz communication system and plan to be part of a regional system. It is anticipated that the City will recoup much of its investment into the 800 MHz system when other agencies (e.g. Pierce County, Pierce Transit, EPFR) buy into the system over the coming years.

**Performance Measures**

Measures	2005	2006	2007	2008	2009	2010 est
Dispatched Calls for Service	16,837	19,537	20,111	n/a	n/a	n/a
Calls for Service*	n/a	n/a	n/a	15,584	22,716	21,604
911 Calls from Bonney Lake*	n/a	n/a	n/a	6,509	7,584	6,774
Warrant Confirmation/Recall Work for Bonney Lake*	n/a	n/a	n/a	629	812	821

\* Information from City of Puyallup Communications Center; 2008 information is provided as of April 2008, when contracted services began. Previously, service was provided by City of Sumner..

**Public Works**



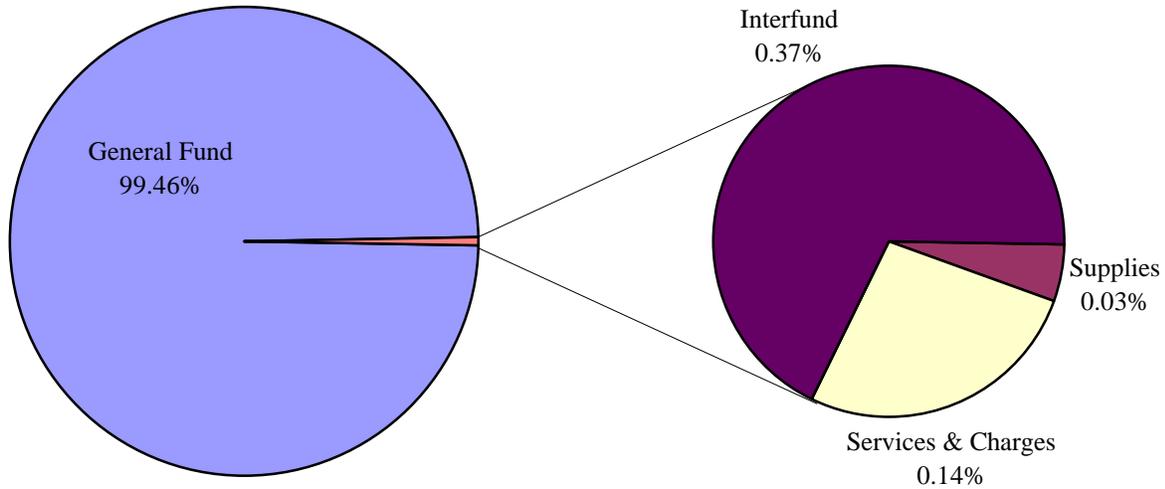
Department: *Public Works*  
 Program(s): *Administration, Engineering*  
 Fund(s): *General*

**Budget Overview**

2011 Budget	\$83,894	2009 FTE	44.0
Change from 2010:	-7%	2010 FTE	44.0
2012 Budget	\$83,894	2011 FTE	44.0
Change from 2011	0%	2012 FTE	44.0

<sup>1</sup> Includes all Public Works Staff, including streets, water, sewer, storm, and ER&R.

**Public Works Administration/Engineering by % of General Fund and Activity**



**Mission Statement**

The Public Works Department’s (PWD) mission is to be a good steward of the public’s investment in municipal infrastructure and fleet equipment. Responsibilities include planning for, construction, operation, maintenance and repair of municipal systems for roadways (pavement, signage, sidewalks, traffic signals, & street lighting) and utilities (water, sewer, & storm water) in a manner that provides safe, cost effective, and reliable service to our customers. Fleet equipment is maintained in a condition that is safe to operate and is replaced when it is most cost effective to do so. The department actively seeks information from the general public and elected officials that is used to accomplish the work of the department in a courteous, environmentally friendly, and professional manner. Public Works staff participates in decision making processes and is encouraged to seek self improvement that benefits the City and the individual.

PWD is organized into two operational areas: Engineering & Contract Administration (PW-ENGR) and Operations & Maintenance (PW-OPS). Within PW-OPS there are two (2) main sections: Utilities (Water and Sewer) and Transportation (Streets, Stormwater, and Fleet Maintenance).

### **Purpose and Description**

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The purpose of Engineering and Contract Administration Division is to plan, design, and construct Public Works Capital Improvement Projects, to prepare Public Works design standards to be used in both city CIP and commercial development projects, and to ensure that these design standards are rigorously adhered to during design and construct. To accomplish this, comprehensive plans have been prepared and six year financial planning models are developed for each city utility and the public transportation system.

### **2009-2010 Key Accomplishments**

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- Updated multiple design standards. Significant new standards created include requirement to place future private utilities underground and added requirement to place fire sprinkler systems in all new residential houses;
- Participated in negotiations to create a development agreement for the WSU Forest area;
- Provide Downtown Public Works infrastructure improvements that support future commercial development and development of the Downtown core area;
- Worked closely with GIS staff in Community Development Department to update GIS and GPS data. Incorporated Public Works infrastructure as-built drawings from completed City and developer projects.

#### Motorized and Non-Motorized Transportation Systems:

- Reconstructed Old Sumner Buckley Highway and Main Street intersection that added a traffic signal, added lanes to both roads, placed utility lines underground, and extended the water and stormwater systems;
- Worked closely with developer design and construction teams to extend Sky Island Drive to Rhodes Lake Road during construction of the Panorama West sub-division. This included both new sidewalks and roads;
- Negotiated several agreements with Sumner School district for utility and roadway/sidewalk improvements throughout the city;
- Coordinated design and construction with WSDOT and Eastown property owners to widen SR410 from 214<sup>th</sup> Avenue to 234<sup>th</sup> Avenue that converted a two lane highway to four lanes, added street lighting, and added a landscaped median.

#### Water Utility System:

- Established agreement with Cascade Water Alliance to purchase 4 MGD perpetual water supply;
- Replaced leaky steel water lines around the West side and North end of Lake Tapps;
- Installed a new water line on the East side of Lake Tapps that completed the loop around the lake and connected to the 2 MGD water supply purchased in 2005 from TPU;
- Activated the new 15 MG peaking storage tank to serve city water customers.

**Sanitary Sewer Utility System:**

- Updated and adopted the Comprehensive Sewer and Water Elements of the City Comprehensive Plans;
- Developed plans to construct Future Eastown Road Network and Future Eastown Sewer System. Worked closely with Eastown property owners to implement these plans;
- Replaced and lined sewer main from Waste Water Treatment Plant up to Myers Road and replaced sewer pressure line on Angeline Road;
- Connected Panorama West, Naches Terrace, and several subdivisions on Angeline Road to the city sewer system;
- Constructed first two Septic System Abatement projects in Kelly Creek Vista.

**Stormwater Utility System:**

- Constructed a regional downtown stormwater pond;
- Developed NPDES Stormwater Management Program. Updated the Comprehensive Stormwater Plan;
- Agreement reached for Bonney Lake to maintain the three new stormwater ponds in Eastown built by WSDOT; in two years, these three parcels will be transferred to the city;
- Expanded/located two storm water ponds being built by WSDOT to serve future expansion of intersection and roadways in Eastown.

**Level of Service**

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The Engineering and Contract Administration staff worked closely with elected officials providing information on which informed decisions impacting Public Works were based. CIP construction was accomplished in a way that maximized use of available resources, minimized expenditures, and that minimized disruption of public works services during construction. Public Works infrastructure was provided that supported development in a timely and cost effective manner.

**Goals & New Initiatives**

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- Design and construct Eastown sewer lift station and sewer lines that will “prime the pump” so development can occur;
- Partner with the City of Sumner to make improvements to and expand the Waste Water Treatment Plant capacity;
- Develop water rights on the Reed Farm purchased in 2010;
- Continue expansion of Non-Motorized Transportation Facilities (sidewalks and trails);
- Explore every opportunity to obtain grants and low interest loans that leverage the revenue received from impact fees and utility system development charges;
- Improve disaster preparedness readiness;
- Closely monitor and minimize all expenditures, while obtaining reimbursement from grants and loans at the earliest opportunity.;
- Advertise, administer and close out all CIP contracts in a timely and comprehensive manner;

- Continue to encourage and support professional development of individual Public Works employees.

## Resource Summary

Public Works Engineering & PW Admin (Dept 32)	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
10 Personnel Services	0	0	0	0	0	0
20 Personnel Benefits	0	0	0	0	0	0
30 Supplies	10,933	4,072	8,080	4,936	4,450	4,450
40 Services & Charges	118,601	102,283	351,990	27,990	22,370	22,370
50 Intergovernmental/Interfund	34,215	86,766	57,074	57,074	57,074	57,074
60 Capital Outlays	0	0	5,500	0	0	0
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
Total	163,750	193,121	422,644	90,000	83,894	83,894

Budget Notes: No personnel charges are assigned to this budget; rather, all staff costs are allocated through use of a labor matrix to Streets, Water, Sewer, Stormwater, and ER&R.

*The Public Works Department includes Water, Sewer, Stormwater, and ER&R Operations. The operating and capital budgets for those activities can be found in the "Other Funds" section of this document.*

## Trends & Future Issues

- During 2011-2012, it is anticipated that construction costs will continue to be 15-30% below normal due to the local and national economic downturn. Public Works will expedite designs and construction contracts to maximize the benefit of available funding;
- Engineering and Contract Administration staff will need to continue to find ways to minimize costs and increase productivity without increases in staffing. Staff will be flexible in taking on new duties while continuing to accomplish current assignments;
- Completion of the Eastown sewer lift station and upgrades to the SR410-214<sup>th</sup> Avenue intersection will support and encourage rapid development in Eastown and WSU Forest;
- Continued emphasis on improvements to sidewalks and trails will increase pedestrian and bicyclist safety while enhancing the "walkable community" that Bonney Lake is noted for.

**Performance Measures**

		<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
		<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
<b><u>Engineering Service Projects:</u></b>						
Project Planning/Studies	Each				2	
Design Contracts	Each		4	5	7	11
Comprehensive Plans	Each			1		2
Other Engineering Services	Each					
<b><u>Construction Projects:</u></b>						
Residential Development Projects	Each		8	10	13	14
Commercial Development Projects	Each		10	9	11	12
Right-Of-Way Permits	Each		120	125	113	168
Residential Storm Water Permits	Each			306	258	189
Commercial Storm Water Permits	Each				2	6
City Water	Each		4	5	6	1
City Sewer	Each			1	2	0
City Storm Water	Each					0
City Transportation	Each					1
<b>TOTAL Projects Managed</b>	<b>Each</b>		<b>146</b>	<b>462</b>	<b>414</b>	<b>404</b>
		<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	
		<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	
<b><u>Engineering Service Projects:</u></b>						
Project Planning/Studies	Each	2	3	0	0	
Design Contracts	Each	11	7	14	7	
Comprehensive Plans	Each	2	2	1	0	
Other Engineering Services	Each					
<b><u>Construction Projects:</u></b>						
Residential Development Projects	Each	16	28	21	5	
Commercial Development Projects	Each	12	9	11	13	
Right-Of-Way Permits	Each	161	180	125	190	
Residential Storm Water Permits	Each	263	215	96	41	
Commercial Storm Water Permits	Each	0	8	3	1	
City Water	Each	3	2	2	1	
City Sewer	Each	0	1	0	2	
City Storm Water	Each	0	0	0	1	
City Transportation	Each	1	1	2	0	
<b>TOTAL Projects Managed</b>	<b>Each</b>	<b>471</b>	<b>456</b>	<b>275</b>	<b>261</b>	

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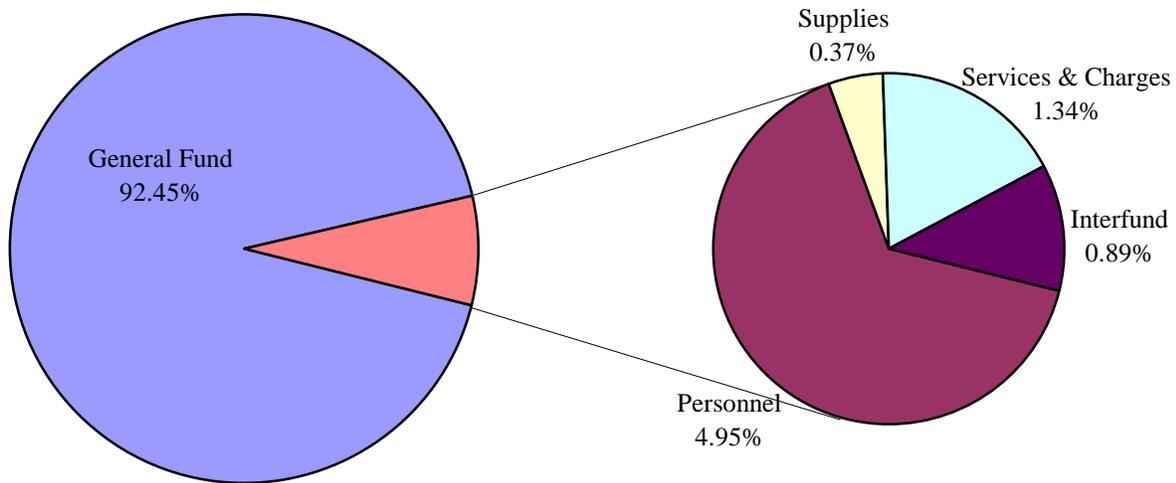
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Department: *Public Works*  
 Program(s): *Streets*  
 Fund(s): *General*

**Budget Overview**

2011 Budget	\$925,770	2009 FTE	-
Change from 2010:	-5%	2010 FTE	-
2012 Budget	\$853,557	2011 FTE	-
Change from 2011	-8%	2012 FTE	-

**Streets by % of General Fund and Activity**



**Mission Statement**

To provide streets, sidewalks, street lights, and traffic signals that ensures the greatest possible accessibility, mobility, and safety of residential and commercial users of the city’s transportation system.

**Purpose and Description**

The Transportation section of the Public Works Operations Division continues to provide safe streets, bicycle routes, and pedestrian walkways consistent with the Bonney Lake motorized and non-motorized Comprehensive Plan elements and current design standards.

## **2009-2010 Key Accomplishments**

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- Pavement Condition. While revenue constraints required stopping road maintenance overlays and reconstruction, PW-OPS continues chip sealing, street striping and pavement marking at the same pace of \$300,000 a year.
- Street Signs. New larger, more reflective street signs continue to be installed. Green signs indicate public roads and blue signs indicate private roads.
- Street Lights. Funding was diverted to installing center lane lighting in the Easttown Widening Project being performed by the Washington State Department of Transportation.
- Sidewalks. Even during the recession, sidewalks and trails continue to be built utilizing grant and loan funds. Since 2005, the city has increased the amount of sidewalks by 70 percent. Sidewalks have been added to SR410, 90<sup>th</sup> Street, Main Street, and along Old Sumner Buckley in the Downtown area. Sidewalks supporting Safe Routes to School have been added to both sides of 192<sup>nd</sup> Avenue from Bonney Lake High School to Rhodes Lake Road and along 109<sup>th</sup> Street and 111<sup>th</sup> Street connecting to Victor Falls Elementary School to the system. Additionally, sidewalks have been added throughout the city during construction of new developments.
- A Transportation Supervisor position was created that supervises the street, stormwater, and fleet maintenance staff and programs.
- Extended Main Street from Old Sumner Buckley Highway to 182<sup>nd</sup> Ave. Renamed 184<sup>th</sup> Avenue, in the Downtown area, as Main Street East.

## **Level of Service**

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Street services provide for safe operation by motorized and non-motorized transportation users. Impacts associated with new development are addressed by collection of Traffic Impact Fees and construction of mitigation projects. Focused available resources to maintain existing streets and minimize reduction in Remaining Service Life (RSL) of roadway pavement. Street identification signs are being replaced each year using much more visible signs (as funds are available). Traffic control signs are replaced immediately when they are damaged.

## **Goals & New Initiatives**

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- Continue expansion of the sidewalks and trails addressed by the Non-Motorized Transportation Plan. In 2011, we will construct sidewalk on the north side of SR410 from 198<sup>th</sup> to 208<sup>th</sup> Avenue utilizing a Transportation Improvement Board (TIB)\$1 million grant.
- Partnering with Sumner School district, we will build sidewalks on both sides of the Bonney Lake Elementary school in 2010.
- Continue the chip seal, maintenance overlay, and sidewalk programs on a funds available basis.
- Will add nineteen new street lights to SR410 in the median and others next to turn lanes as part of the WSDOT SR410 Widening project.

- Sumner School District will construct a new traffic signal at the 200<sup>th</sup> Avenue Court intersection with 104<sup>th</sup> Avenue East.
- WSDOT will install a new traffic signal at the intersection of SR410 with 233<sup>rd</sup> Avenue East.
- Begin using GBA Pavement Management Module (software) to increase effectiveness of available road maintenance funding.

## Resource Summary

Public Works Road & Street Maintenance (Dept 42)	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
10 Personnel Services	357,308	450,342	508,018	477,145	412,514	422,517
20 Personnel Benefits	136,476	188,815	218,529	203,503	175,556	192,740
30 Supplies	104,621	58,875	124,712	47,194	48,600	49,100
40 Services & Charges	168,325	153,509	179,377	131,608	173,550	177,650
50 Intergovernmental/Interfund	88,216	115,584	115,550	115,550	115,550	11,550
60 Capital Outlays	10,184	0	0	0	0	0
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
Total	865,130	967,124	1,146,186	975,000	925,770	853,557

Budget Notes: Changes in personnel services and benefits are the result of a reallocation of staffing costs based on a revised labor matrix. Changes in services and charges are primarily the result of increased streetlighting costs incurred with the addition of over sixty new streetlights.

## Trends & Future Issues

Funding for street improvements continues to be a challenge. There is more competition for fewer grant dollars and road maintenance and construction needs are skyrocketing. The costs to construct CIP projects identified in the Transportation Plan and the Non-Motorized Transportation Plan are far beyond the City's existing and expected resources. At the same time, it is becoming extremely difficult to find funding to adequately maintain existing roads and sidewalks. Focus will continue to be applied to maintenance of existing streets over construction and improvements until revenue is improved.

While the proposed Regional Transportation Investment District (RTID) improvement package, if funded by voters, will provide needed funds to improve regional transportation facilities, it will provide little or no funding to correct local roadway deficiencies.

If the state legislature fails to provide cities with adequate funding mechanisms for transportation improvements, the City will continue to see a decreased level of service due to a rapidly growing use of our streets. The growth in use of city streets is occurring both from inside the city as well as development in Pierce County areas surrounding the City.

**Performance Measures**

**Public Works Infrastructure Summary -- Streets**

		<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
		<b>Actual</b>								
Paved Centerline Miles	Miles	48.49	58.75	59.98	59.98	62.46	66.7	73	74	74
Paved Lane Miles	Miles	96.98	117.5	119.96	119.9	124.92	133.4	148	157	157
Paved Roadway Surfaces	Sq Yd				676,636	827,244	829,676	994,212	1,018,883	1,019,315
Chip Seal/Seal Coat Centerline Miles	Miles		2.9	2.4	3.3	6.2	6.2	5	5	5
Unpaved Centerline Miles	Miles	1.4	1.4	1.4	1.4	1.4	1.2	1	1	1
Street Identification Signs	Each	282	282	291	291	307	411	455	477	821
Traffic Control Signs	Each	651	651	691	691	814	977	1,266	1,406	1,478
Traffic Signals	Each	0	1	1	2	4	4	4	4	5
Cross Walks	Each	52	52	53	55	56	60	61	62	72
Stripped Centerline Miles	Miles	40.4	52.56	52.56	52.56	77	79	62	62	62
Street Lights	Each	549	549	549	549	549	590	618	662	662
ROW Mowed (.5 Acres/Mile)	Acres	63.47	63.47	63.47	63.47	63.47	66.39	68.00	66.60	67.00
Sidewalks	Miles				30.97				53.55	

**Public Works CIP Projects – Completed in 2009-2010**

#	Year Initiated	Capital Improvement Project	CIP Group	Approximate Dollars Spent	Revenue Source	General Location
1	2008	Downtown/SBH Street Improvement Design	Streets	\$ 322,675	TIF	Inside City Limits
2	2009	Downtown - SBH Street and Main Street Improvements	Streets	\$3,516,000	COR/TIF	Inside City Limits
3	2010	SR 410 & Main St Intersection - 30% Design	Streets	\$ 226,761	COR/TIF	Inside City Limits
4	2010	SR 410 & 214th Intersection 30% and 100% Design	Streets	\$ 611,000	COR/TIF	Inside City Limits

**Streets Fund Total \$4,676,436**

*2010 -- 192<sup>nd</sup> Avenue Sidewalk Construction -- Safe Routes to Schools Grant*



*2009-2010 Downtown Development Project --- Streets, Sidewalks, Utility Line Undergrounding, Stormwater and Water System Improvements --- Old Sumner Buckley Highway and Main Street*

*2010 Project Completion:*



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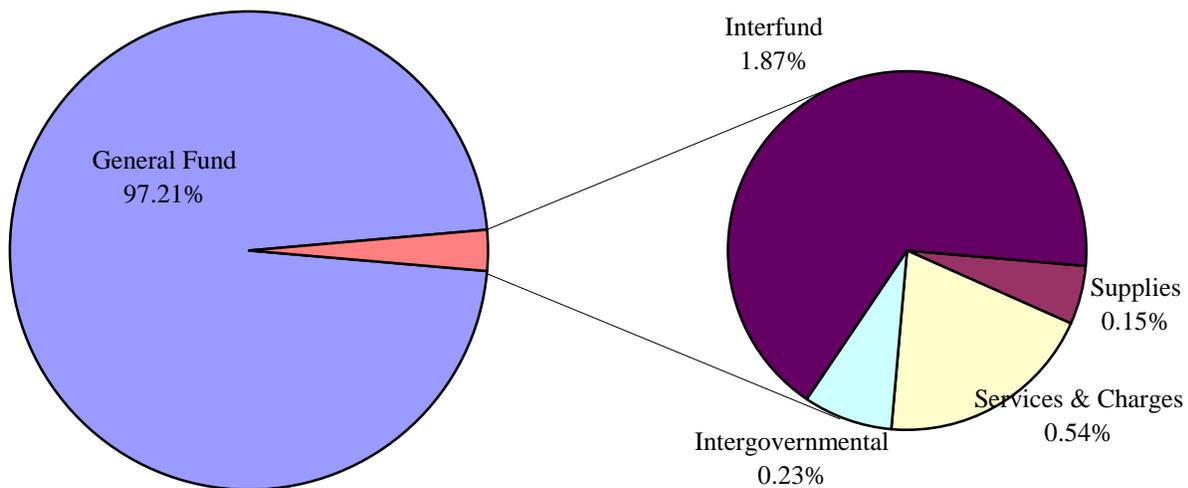
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Department: *Non-Departmental*  
 Program(s): *Non-Departmental*  
 Fund(s): *General*

**Budget Overview**

2011 Budget	\$3,117,810	2009 FTE	-
Change from 2010:	540%	2010 FTE	-
2012 Budget	\$774,410	2011 FTE	-
Change from 2011	-75%	2012 FTE	-

**Non-Departmental by % of General Fund and Activity**



**Mission Statement**

The Non-Departmental account in the General Fund accounts for those costs that are programmed in the General Fund but are not specific to any one department.

**Purpose and Description**

The Non-Departmental budget manages non-departmental general government charges and expenditures, as well as expenditures for Department of Retirement excess compensation and employee leave expense on an accrual basis. Interfund Services includes transfers to the Insurance and Equipment Rental & Replacement Funds.

**Resource Summary**

Administrative Services Non-Departmental (Dept 90)	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
10 Personnel Services	0	0	0	(530,424)	(223,300)	(477,741)
20 Personnel Benefits	65,054	179,725	0	0	0	0
30 Supplies	18,469	15,043	18,700	24,500	19,300	19,300
40 Services & Charges	23,854	38,221	33,418	53,477	71,149	70,711
50 Intergovernmental/Interfund	174,959	266,380	296,252	279,929	269,986	270,029
60 Capital Outlays	0	0	0	0	0	0
70 Debt Service - Principal	0	0	0	255,000	132,500	449,268
80 Debt Service - Interest	0	0	0	404,638	198,175	442,842
90 Transfers Out	0	0	0	0	2,650,000	0
<b>Total</b>	<b>282,335</b>	<b>499,369</b>	<b>348,370</b>	<b>487,120</b>	<b>3,117,810</b>	<b>774,410</b>

Budget Notes: In 2011, the General Fund will absorb one-half of the debt service for the 2008 LTGO Bond Issue (Civic Center). Fund 320 (General Government CIP) will absorb the remainder. In 2012, 100% of the debt service payment for the 2008 LTGO Bond Issue (Civic Center) will be programmed into the General Fund. In addition, in 2012, the General Fund will absorb the debt service payment for the 800MHz project if the Drug Seizure Fund (Fund 120) does not have sufficient fund balance to fund the payment.

The savings reflected in Personnel Services represents the freezing of vacant positions as well as potential staffing changes.

In 2011, several transfers out are planned:

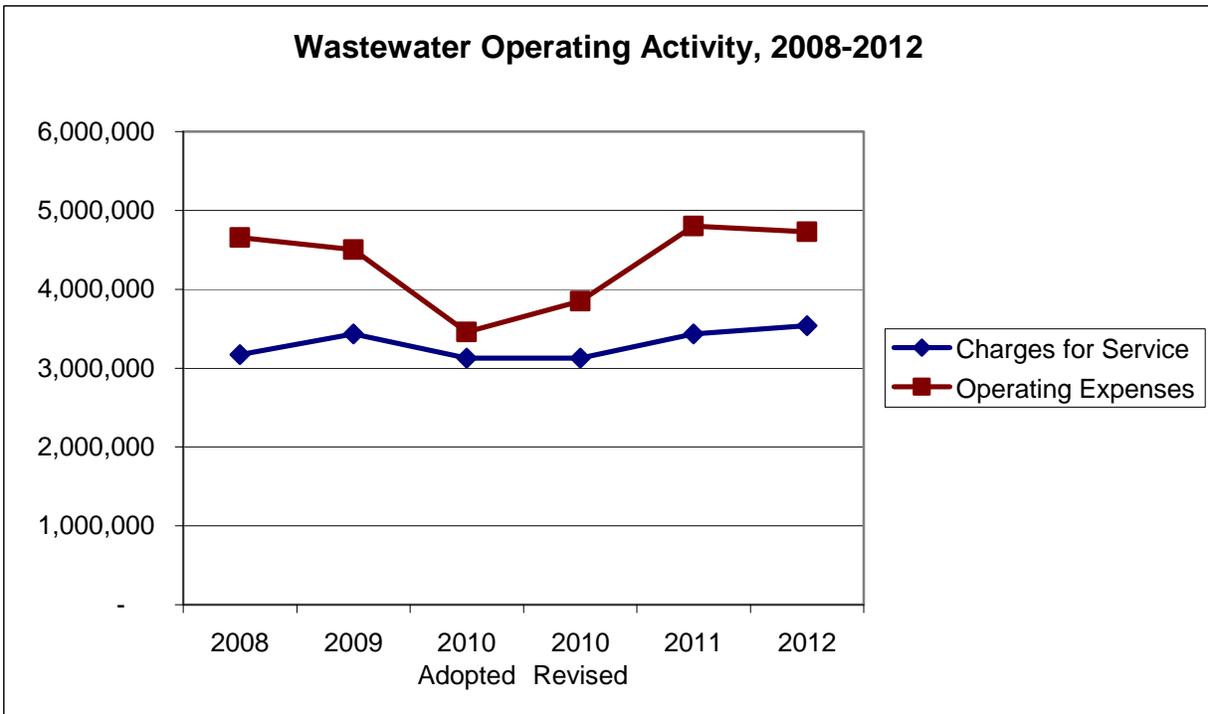
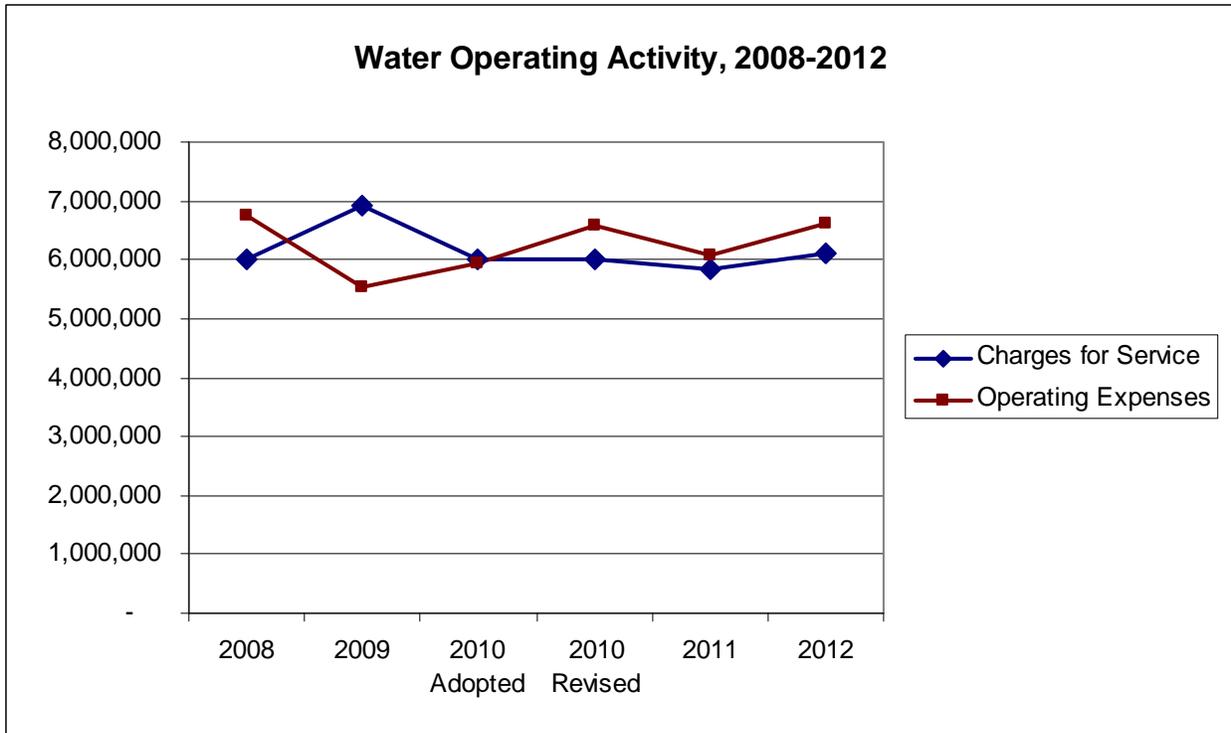
Description	Amount	Description
Transfer out to Fund 501 (ER&R)	\$700,000	Catch-up unfunded general fund portion of depreciation
Transfer out to Fund 501 (ER&R)	\$50,000	Purchase (3) law enforcement vehicles ( <i>base model Ford Fusion</i> )
Transfer out to Fund 301 (Street CIP)	300,000	Neighborhood sidewalk improvements
Transfer out to Fund 301 (Street CIP)	100,000	Install approximately 10 RU2 radar units around parks, schools, and Sky Island. These traffic calming devices are pole mounted radar speed feedback signs to advise drivers of their current speed and to slow down, if necessary. Studies have shown these devices to be effective in reducing traffic speeds.
Transfer out to Fund 302 (Parks CIP)	1,000,000	Community Recreation Center/YMCA
Transfer out to Fund 320 General Government CIP	500,000	<ol style="list-style-type: none"> <li>1. Downtown civic center land acquisition and related work;</li> <li>2. Tenant improvements in the Justice Center to convert more space for City use;</li> <li>3. Economic development initiatives for Downtown, Midtown, and Eastown.</li> </ol>
<b>Total</b>	<b>2,650,000</b>	

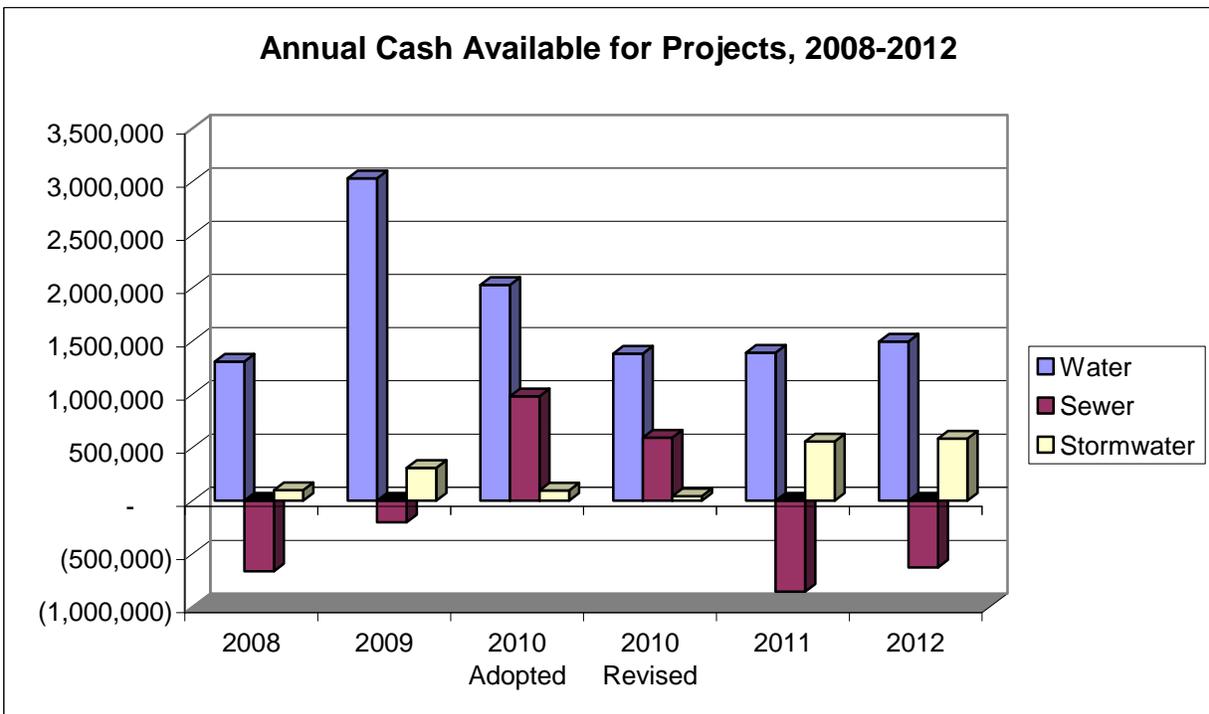
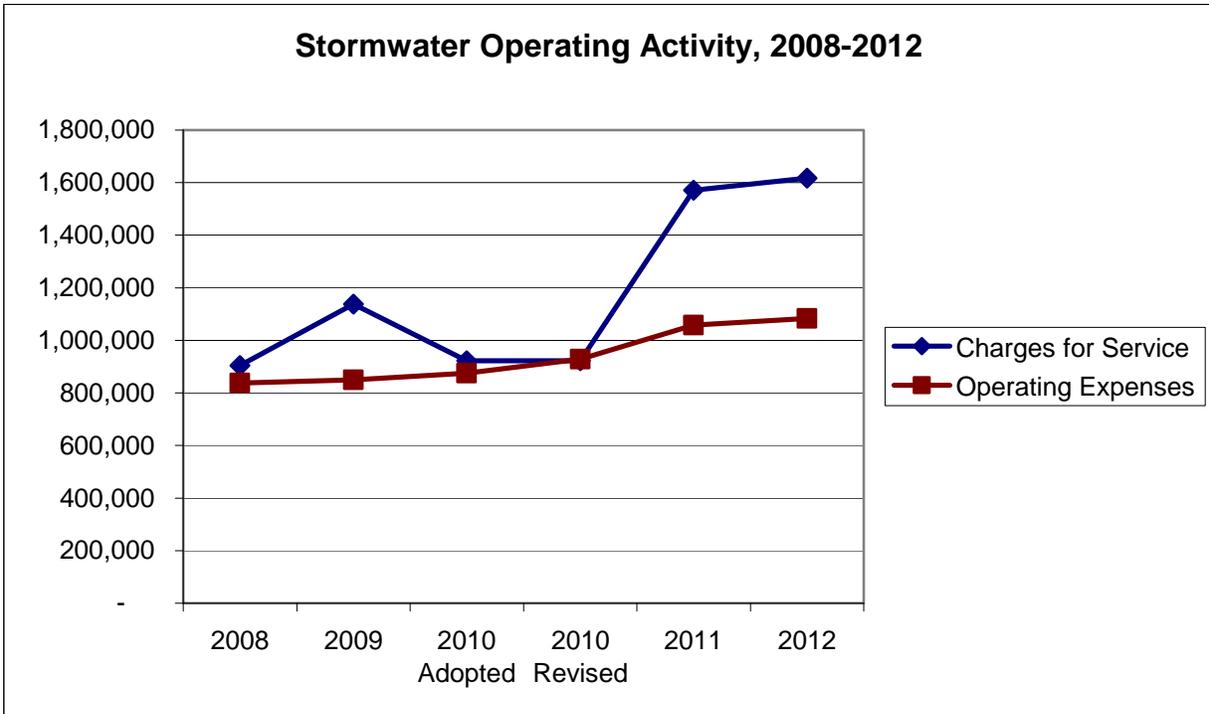
Intergovernmental and Miscellaneous include the following planned expenditures:

Description	2011	2012
Pierce County Emergency Preparedness	\$15,000	\$15,000
Puget Sound Clean Air Pollution Control	8,757	8,800
Pierce County (Alcoholism)	5,500	5,500
Daffodil Festival Contribution	2,000	2,000
General Services Administration Subscription Fee	1,000	1,000
Puget Sound Regional Council	5,770	5,770
Association of Washington Cities	10,268	10,330
<i>Total</i>	\$48,295	\$48,400



# **WATERWORKS FUNDS**





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## WATER FUND

### **Mission Statement**

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To provide safe, reliable water service that meets or exceeds the needs of this rapidly growing City. Expand and improve the water system consistent with the City of Bonney Lake Comprehensive Plan within available funding. Ensure that new construction complies with current design standards. Acquire and protecting water supply sources required currently and by future generations within the water service area.

### **Fund Description**

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This enterprise fund accounts for the operations of the City's water utility. Activities of the fund include administration, billing and collections, operations, maintenance, repairs, planning, design and construction. The expenses are completely funded by monthly user fees and new development System Development Charges (SDC).

### **2009-2010 Key Accomplishments**

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- Provided water and fire flow service to approximately 30,000 people on 12,000 accounts.
- Cities of Bonney Lake, Sumner, Buckley, and Auburn reached agreement with Cascade Water Alliance (CWA) for CWA to sell water to the four cities without their becoming members of CWA. Bonney Lake will purchase four MGD of water resulting from these negotiations. This results in a total water supply to the City of 14.8 MGD, which will meet city needs through at least the year 2040.
- Installed water line on South Prairie road that will connect the City to TPU water line number one from which 4 MGD will ultimately be supplied to the City.
- Completed design and advertised construction contract to build a 4 MGD booster pump station to make use of water supply from TPU pipeline one on Prairie Ridge Road.
- Extended water line east on SR410 to 221<sup>st</sup> Avenue.
- Replaced several thousand feet of leaky water main on and around Interlake Island, West Tapps Highway, Church Lake Road, and Cedar View. In the process we upgraded the water lines to 8-inch and repaved extensive amounts of roadways. Utilized Public Works Trust Fund Loan to accomplish these projects.
- City Council adopted updated Water Comprehensive Plan Element with System Development Charge (SDC) rate analysis prepared by FCS Group.
- Increased capacity and extended location of water lines in the Downtown core to support future commercial development.
- Sold water to City of Auburn for several months when their well field underwent emergency repairs. Required use of TPU water using the Connells Prairie intertie. Renegotiated Interlocal agreement with Auburn as part of this process.
- Monitoring approximately 1,800 backflow prevention devices for proper operation.

**Level of Service**

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Water quality far exceeds that of much larger nearby water utilities. Water quality routinely exceed water quality standards set by the state and federal governments. Water quantity is sufficient to meet all peak demand periods. Water mains are repaired when leaks are detected. Water lines that are leaking are being rapidly replaced.

## Budget Overview

RESOURCE SUMMARY: Water Fund 401	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
Charges for Service	\$ 6,005,034	\$ 6,920,897	\$ 6,042,803	\$ 6,042,803	\$ 5,825,400	\$ 6,116,700
Connection Fees	1,743,437	1,501,966	1,622,906	1,622,906	1,450,000	1,800,000
Interest	292,466	120,719	302,738	302,738	84,000	86,500
Other Revenues	33,345	32,132	20,000	20,000	118,000	120,000
Revenues	<u>8,074,282</u>	<u>8,575,714</u>	<u>7,988,447</u>	<u>7,988,447</u>	<u>7,477,400</u>	<u>8,123,200</u>
Salary	1,123,563	1,068,884	1,134,165	1,144,165	684,542	1,188,768
Benefits	469,263	461,652	536,605	536,605	496,587	545,013
Internal and External Taxes	801,769	886,548	318,340	888,340	914,990	942,440
Other Operating Expenses	1,567,688	892,505	943,334	943,334	1,012,105	1,013,205
Depreciation	1,310,906	1,319,394	-	-	-	-
Transfers Out	841,295	732,761	1,005,558	1,005,558	1,005,558	1,005,558
Subtotal - Operating Expenses	<u>6,114,485</u>	<u>5,361,744</u>	<u>3,938,002</u>	<u>4,518,002</u>	<u>4,113,782</u>	<u>4,694,985</u>
Operating Capital						
Construction Projects (O&M)	16,061	-	53,561	53,561	-	-
Replacement Water Meters	39,997	16,801	42,849	42,849	-	-
Tank Video & Cleaning	-	-	-	67,000	-	-
Leak Detection Program	12,999	-	51,000	51,000	-	-
Debt Service Expense	583,138	165,858	1,856,716	1,856,716	1,972,329	1,932,869
Total Operating Expense	<u>6,766,681</u>	<u>5,544,403</u>	<u>5,942,128</u>	<u>6,589,128</u>	<u>6,086,110</u>	<u>6,627,853</u>
Annual Cash Available for Projects	<u>1,307,602</u>	<u>3,031,310</u>	<u>2,046,319</u>	<u>1,399,319</u>	<u>1,391,290</u>	<u>1,495,347</u>
Beginning of the Year Cash Available	11,263,296	10,906,566	11,486,824	11,486,824	10,135,743	7,767,633
Total Cash Available for Projects	<u>12,570,898</u>	<u>13,937,876</u>	<u>13,533,143</u>	<u>12,886,143</u>	<u>11,527,033</u>	<u>9,262,979</u>
Other Financing Sources						
Project Specific Revenue						
FEMA Grant	-	-	-	-	-	-
Proposed Loan	-	-	-	-	-	-
PWTFL (Watermains)	-	-	-	-	-	-
PWTFL (Ballpark Well Facility)	-	-	-	-	-	-
PWTFL (Leak Reduction Program I)	-	-	-	-	-	-
PWTFL (Leak Reduction Program II)	-	(400)	1,784,000	1,605,600	2,943,600	-
VFD Energy Conservation Grant	-	-	-	-	-	-
Capital Contributions	-	-	-	-	-	-
Transfer In	-	-	-	-	-	-
Transfer Out (to GGCIIP for PW Facility)	-	-	-	(1,700,000)	-	-
Construction Projects (detailed on next page)	1,664,331	2,450,652	7,185,400	2,656,000	6,703,000	2,920,000
End of Year Cash Available	<u>\$ 10,906,566</u>	<u>\$ 11,486,824</u>	<u>\$ 8,131,743</u>	<u>\$ 10,135,743</u>	<u>\$ 7,767,633</u>	<u>\$ 6,342,979</u>
Less Cash Restricted for Future Obligations	(998,001)	(998,001)	(998,001)	(998,001)	(998,001)	(998,001)
End of Year Cash Available	<u>\$ 9,908,565</u>	<u>\$ 10,488,823</u>	<u>\$ 7,133,742</u>	<u>\$ 9,137,742</u>	<u>\$ 6,769,632</u>	<u>\$ 5,344,978</u>

### Budget Notes:

Connection fees include system development charges that are dependent on development activities, which are slowing significantly due to the recent economic conditions.

As a result of the economy, interest earnings are estimated to be significantly less than in prior years.

The 2009-2010 budget includes funding for both recurring operations and new initiatives, including new debt service for the potential purchase of an additional 4MGD water capacity from the City of Tacoma.

The restricted amount of \$998,000 is the remaining funding from a prior Revenue Bond dedicated specifically to the development of a Public Works Maintenance Facility.

2010 anticipated projects will be reviewed carefully prior to development to preserve fund balance.

## Capital Listing

RESOURCE SUMMARY:	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
Construction Projects						
191st/79th Study	49,004	211,261	-	-	-	-
206th Ave	-	9,132	-	-	-	-
At Grade Storage - Peaking Reservoir	105,539	-	-	-	-	-
Capital Administration	36,425	6,444	-	-	-	-
Cascade Water Alliance Water Rights	-	-	-	-	200,000	200,000
Cedarview & 188th Water Main Replacement	-	590,197	-	-	-	-
Downtown/184th Corridor Waterline	14,663	74,171	-	-	-	-
Downtown/OSB Corridor Waterline	-	231,852	-	-	-	-
Eastown Waterlines (96th/SR410)	-	29,878	710,000	-	-	-
Eastown Waterline Extension: SR410 Leg (ULA)	-	-	-	10,000	58,000	-
Eastown Waterline Extension: 96th St Leg (ULA)	-	-	-	-	-	-
GBA Workmaster Software	29,625	-	-	5,000	-	-
Lake Bonney & Jane Drainage @ 188th	25,519	-	-	-	-	-
Lakeridge 748 Zone Tank Video and Cleaning	283,030	-	34,000	-	-	-
Lakeridge 810 Zone Water Tank	-	-	400,000	-	250,000	250,000
Leaky Mains (PWTF 1)	-	-	-	-	-	-
Leaky Mains (PWTF 2)	-	957,026	-	-	-	-
Leaky Mains (PWTF 2): Phase 2A - Cedarview	-	-	1,925,000	-	-	-
Leaky Mains (PWTF 2): Phase 2B - Church Lake Dr.	-	-	-	72,000	-	-
Leaky Mains (PWTF 2): Phase 2B2 - Interlake	-	-	-	763,000	-	-
Leaky Mains (PWTF 2): Phase 2C: Lake Debra Jane	-	-	-	125,000	1,400,000	-
Leaky Mains (PWTF 2): Phase 2D	-	-	-	-	600,000	-
Leaky Mains (PWTF 2): Phase 2E	-	-	-	-	175,000	400,000
Main Street Waterline Replacement (IJC)	-	-	-	45,000	-	-
Meter Replacements & Unscheduled Projects	-	-	71,000	4,000	100,000	100,000
New Meter Installation Program	42,255	89,750	45,000	22,000	20,000	20,000
Public Works Facility	6,734	195,604	1,700,000	-	1,500,000	1,500,000
Reed Property and CWA Regional Water Purchase	-	-	-	1,061,000	-	-
Reed Well Testing & Hydrogeologic Study	-	-	-	-	80,000	450,000
SCADA Telemetry Upgrade	-	-	-	-	40,000	-
SDC Plan Update	15,945	-	-	-	-	-
TWD Intertie, Booster Pump Station, and Main	-	26,399	1,100,400	-	-	-
Tacoma Water Dept. Booster Pump Station	-	-	-	198,000	1,680,000	-
Tacoma Water Dept. Intertie	-	-	-	351,000	300,000	-
VFD Grant Project	-	-	-	-	300,000	-
Water Main Replacements	1,055,593	28,937	-	-	-	-
Water Rights Banking Program	-	-	1,200,000	-	-	-
Total Construction/Capital	<u>\$ 1,664,331</u>	<u>\$ 2,450,652</u>	<u>\$ 7,185,400</u>	<u>\$ 2,656,000</u>	<u>\$ 6,703,000</u>	<u>\$ 2,920,000</u>

## Goals & New Initiatives

- Begin first of four annual installment payments to CWA for System Development Charges on 2 MGD water TPU water supply.
- Construct 4 MGD booster pump station on South Prairie Road to use TPU water supply.

- Continue replacing deteriorating water mains as part of the Leaky Main replacement program utilizing Public Works Trust Fund loan money.
- Continue work towards a site study, purchase land, and design for future water tank to support the City's western water service area in the 810 zone near the Lakeridge water tank.
- Design water booster pump station in the 800 zone at the intersection of 84<sup>th</sup> Street and 183<sup>rd</sup> Avenue on site currently used for a storm water pond. Construction is planned for 2013.
- Develop Reed Property well field over the next 2-3 years.
- Develop a CMOM (Capacity, Management, Operations, and Maintenance) type system to proactively maintain the water system infrastructure.
- Evaluate the aging analog Supervisory Control and Data Acquisition System (SCADA) and make recommendations on how to best replace the analog pump monitoring and well/reservoir control system.
- Utilize GBA Work Management system for shop scheduling.

### **Trends & Future Issues**

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The City has an adequate water supply to last another forty years, once the well field on the Reed Farm is developed. The water system still has considerable deferred maintenance that will require continual repair and replacement in the coming years. This includes water tanks and deteriorated PVC, asbestos cement, and steel water mains. While it appears that the water fund is financially sound, given the extensive capital needs of the system, a rate increase may be needed during the biennium to generate funds required to support the capital replacement needs of the system.

## Performance Measures

### Public Works Infrastructure Summary – Water System

		2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Actual	2009 Actual
Waterlines	miles	165	172	185	192	198	201	199
Water Connections	each	9,671	10,307	10,852	11,323	11,621	11,865	11,892
PRV Stations	each	7	13	18	27	27		26
Booster Pump Stations	each	2	2	3	4	4		5
Filter Plants	each	0	0	1	1	1		1
Chlorine Stations	each	4	4	4	4	4		6
Emergency Generators	each	5	7	7	7	10		11
Emergency Interties	each	3	3	5	5	6		5
Routine Bacteria Samples	each	300	300	360	360	360	460	360
New Construction samples	each	75	65	152	118	76	58	72
Billion Gallons Pumped Each Year	BG	1.13	1.15	1.16	1.30	1.22	1.28	1
Water Tanks - Reservoirs	each	4.00	4.00	4.00	4.00	5.00	5	5
Water Tanks - Reservoirs - Capacity	MG	5.85	5.85	5.85	5.85	20.85	20.85	20.85
<b>Water Supply Capacity:</b>								
Victor Falls	gpm	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Grainger Springs	gpm	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Ball Park #1	gpm	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Ball Park #2	gpm			270	270	270	270	270
Tacoma Pt. #2, #4, #6	gpm	2,300	2,300	2,300	2,300	2,300	2,300	2,300
Reed Well Field (Approx. 2 MGD)	gpm							<b>TBD</b>
<b>Total Owned by City</b>	gpm	5,900	5,900	6,170	6,170	6,170	6,170	6,170
	mgpd	8.50	8.50	8.88	8.88	8.88	8.88	8.88
Tacoma Public Utility 2005 Water	mgpd			2.00	2.00	2.00	2.00	2.00
CWA-TPU 2009 Water	mgpd	-	-	-	-	-	-	2.00
<b>TOTAL Water Supply Available</b>	mgpd	8.50	8.50	10.88	10.88	10.88	10.88	12.88

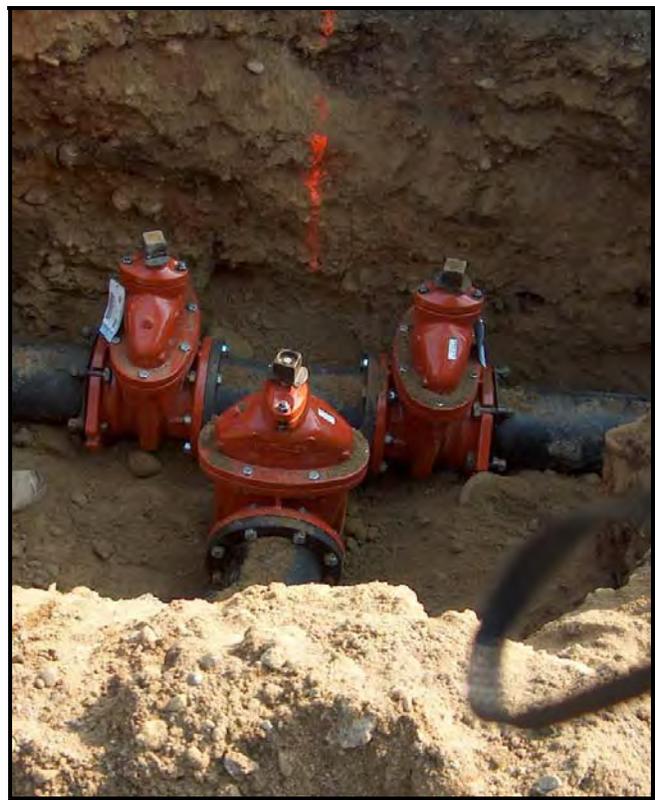
**Water Capital Improvement Projects Funded:**

<b>Year Initiated</b>	<b>Capital Improvement Project</b>	<b>CIP Group</b>	<b>Approximate Dollars Spent</b>	<b>Revenue Source</b>	<b>General Location</b>
2009	Leaky Main Replacement: Cedar View	Water	\$590,101	SDC/PWTF	Inside City Limits
2009	Leaky Main Replacement: Church Lake Drive	Water	\$415,333	SDC/PWTF	Inside City Limits
2009	Downtown Water Main Improvements	Water	\$388,000	SDC	Inside City Limits
2009	TPU Intertie: Pump Station & Watermain Design	Water	\$452,000	SDC	Inside City Limits
2009	Leaky Main Replacement: Interlake Island, 194th & W. Tapps Water	Water	\$1,086,000	SDC/PWTF	Inside City Limits
2009	Leaky Main Replacement - Phase 2C Design	Water	\$252,464	SDC/PWTF	Inside City Limits
2010	TPU Intertie: Pump Station & Watermain Construction	Water	\$568,361	SDC	Outside City Limits
2010	New Easttown Water Main - SR410	Water	\$58,000	SDC	Inside City Limits
2010	Leaky Main Replacement: North Debra Jane	Water	\$950,000	SDC/PWTF	Inside City Limits

**Water Fund Total            \$4,760,259**

**Typical Water Line Replacement Project:**

*Church Lake Drive: Replaced four-inch rusty steel pipeline with 8-inch ductile iron pipeline.*



## WASTEWATER FUND

### **Mission Statement**

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The mission of the Wastewater utility is to provide reliable wastewater (sewage) collection and treatment service that meets or exceeds the needs of our customers in this rapidly growing city. It is the intent of the City to operate the wastewater utility in an economical manner consistent with the City of Bonney Lake Comprehensive Plan, current design standards, and state and federal laws.

### **Fund Description**

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This fund accounts for the operations of the City's wastewater utility. Activities of the fund include administration, billing and collections, operations, maintenance, repairs, engineering, and construction. The expenses are completely funded by user fees and system development charges.

### **2009-2010 Key Accomplishments**

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- City Council adopted the updated Sewer Comprehensive Plan Element. A System Development Charge (SDC) analysis and Sewer O&M rate analysis were prepared by FCS Group.
- Continued replacement of sewer transmission line connecting City of Bonney Lake with Sumner Waste Water Treatment Plant (WWTP).
- Continued installation of new lining inside sewer line between lift station 17 and the Waste Water Treatment Plant in Sumner.
- Awarded construction contract to replace force main between lift station 17 and lift station 19 along Angeline Road.
- Awarded design contract to design Eastown lift station, Lift Station 18 upgrade with construction of force main and gravity sewer lines.
- Provided service to approximately 16,000 customers using 5,359 service connections;
- Cleaned and inspected sewer lift stations and residential grinder pumps;
- Continued operation and maintenance of Falling Water gravity sewer system and community septic field;
- Septic systems are being decommissioned in areas that we have expanded the city sewer system into with the Septic System Abatement program.

### **Level of Service**

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The City's sewer utility consists of a sanitary sewer collection and transmission system. All City effluent is treated and discharged in accordance with state and federal regulations. Lines are regularly inspected and repaired when warranted.

The City does not own its own wastewater treatment plant, but has purchased capacity in the City of Sumner wastewater treatment plant and works closely with Sumner in the planning and improvement of the treatment plant. The City partners with Sumner to fund new construction, operation, and maintenance costs associated with the Wastewater Treatment Plant (WWTP). Costs to the City increase when the amount of use exceeds 50%. Current Bonney Lake use is estimated at 58%. Expansion plans are under development.

## Budget Overview

RESOURCE SUMMARY: Wastewater Fund 402	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
Charges for Service						
User Charges	\$ 3,171,940	\$ 3,435,414	\$ 3,128,986	\$ 3,128,986	\$ 3,435,500	\$ 3,538,600
Connection Fees	750,968	789,018	1,029,661	1,029,661	450,000	500,000
Interest	69,387	75,611	276,268	276,268	51,500	53,500
Other Revenues	400	1,671	5,000	5,000	5,700	6,100
Revenues	<u>3,992,694</u>	<u>4,301,714</u>	<u>4,439,915</u>	<u>4,439,915</u>	<u>3,942,700</u>	<u>4,098,200</u>
Salary	703,076	784,337	788,667	792,667	814,044	825,728
Benefits	274,449	309,045	343,910	343,910	323,964	355,732
Internal and External Taxes	312,080	328,255	371,378	371,378	382,519	393,995
Other Operating Expenses	1,366,395	1,214,189	1,178,734	1,178,734	1,761,658	1,706,158
Depreciation	1,262,940	1,265,631	-	-	-	-
Transfers Out	469,017	398,615	-	511,274	511,274	511,274
Subtotal - Operating Expenses	<u>4,387,957</u>	<u>4,300,073</u>	<u>2,682,689</u>	<u>3,197,963</u>	<u>3,793,459</u>	<u>3,792,887</u>
Operating Capital						
Construction Projects (O&M)	19,118	8,136	-	-	-	-
Sewer Lift Station Improvements (O&M)	25,519	-	-	-	16,000	16,000
Replacement & Unscheduled (O&M)	-	-	-	-	-	-
Equipment Upgrades	22,753	-	24,000	-	25,000	26,000
Video Upgrades/Inspections	16,342	-	23,000	-	24,000	25,000
Sewer Line Repair	69,622	142,954	-	-	-	-
Telemetry Upgrades	10,111	-	-	-	20,000	20,000
Manhole Repair	5,599	-	79,000	-	156,000	85,000
Debt Service Expense	100,499	53,854	649,845	649,845	766,961	763,985
Total Operating Expense	<u>4,657,520</u>	<u>4,505,017</u>	<u>3,458,534</u>	<u>3,847,808</u>	<u>4,801,420</u>	<u>4,728,872</u>
Annual Cash Available for Projects	<u>(664,826)</u>	<u>(203,304)</u>	<u>981,381</u>	<u>592,107</u>	<u>(858,720)</u>	<u>(630,672)</u>
Beginning of the Year Cash Available	9,985,264	9,340,040	6,968,641	6,968,641	8,513,348	3,381,028
Total Cash Available for Projects	<u>9,320,438</u>	<u>9,136,736</u>	<u>7,950,022</u>	<u>7,560,748</u>	<u>7,654,628</u>	<u>2,750,356</u>
Other Financing Sources / (Uses)						
Project Specific Revenue						
FEMA Grant	-	-	-	-	-	-
PWTFL (Sewer Treatment Plant)	-	-	-	2,091,600	2,556,400	-
PWTFL (Sewer Treatment Plant) <i>Proposed</i>	-	-	-	-	1,112,000	-
PWTFL (Sewer Line Replacement)	-	-	1,298,000	1,298,000	-	-
Capital Contributions	4,544	5,869	-	-	-	-
Prior Year Correction	425,767	-	-	-	-	-
Transfer In	-	-	-	-	-	-
Transfer Out (to GGCIP for Public Works Facility)	-	-	-	(1,000,000)	-	-
Construction Projects (detailed on next page)	410,708	2,173,965	9,648,000	1,437,000	7,942,000	4,296,000
End of Year Cash Available	<u>\$ 9,340,040</u>	<u>\$ 6,968,641</u>	<u>\$ (399,978)</u>	<u>\$ 8,513,348</u>	<u>\$ 3,381,028</u>	<u>\$ (1,545,644)</u>
Less Cash Restricted for Future Obligations	-	-	-	-	-	-
End of Year Cash Available	<u>\$ 9,340,040</u>	<u>\$ 6,968,641</u>	<u>\$ (399,978)</u>	<u>\$ 8,513,348</u>	<u>\$ 3,381,028</u>	<u>\$ (1,545,644)</u>

RESOURCE SUMMARY:	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
Construction Projects						
82nd Street Sanitary Sewer	-	179,355	-	-	-	-
Church Lake Drive Sewer	-	220,065	-	23,000	-	-
Eastown ULA: Design Efforts	-	-	-	-	370,000	-
Eastown ULA: Lift Station, Pressure Line, LS18 Upgrade	-	-	-	-	1,500,000	-
Eastown ULA: SR410 & 225th Ave Sewer Line Crossing	-	-	-	5,000	-	-
Eastown ULA: SR410 & 233rd Sewer Line Crossing	-	-	-	-	-	-
Eastown ULA: LS18 Upgrade and SR410 Crossing	-	-	-	-	-	400,000
Eastown ULA: Kontos Agmt & LS Site Preservation	-	-	-	-	50,000	-
Eastown ULA: 226th Easement Acquisition	-	-	-	-	50,000	-
Eastown ULA: North Gravity Extension (214th to 216th)	-	-	-	-	250,000	-
Eastown ULA: North Gravity Extension (LS to 226th)	-	-	-	-	-	550,000
Eastown ULA: SR410 & 226th Sewer Crossing	-	-	-	-	-	120,000
Fennel Creek Lift Station	-	-	750,000	-	-	-
GBA Workmaster Software	-	-	-	5,000	-	10,000
Lift Station 17 Improvements	-	-	137,000	-	200,000	-
Lift Station Improvements	-	-	16,000	-	-	-
Public Works Facility	-	74,176	1,000,000	7,000	1,000,000	1,000,000
Replacements & Unscheduled Projects	11,414	109,336	180,000	14,000	185,000	185,000
SCADA Telemetry Update	-	-	-	-	20,000	30,000
Septic System Reduction Program	13,514	18,639	265,000	-	285,000	285,000
Septic System Reduction Program (Kelly Creek Vista Phase 2)	-	-	-	178,000	20,000	-
Septic System Reduction Program (2010 Design)	-	-	-	5,000	-	-
Sewer Lift Station Improvements	2,803	-	-	-	-	-
Sewer Trunk Line Improvements	-	-	1,800,000	-	-	-
Sewer Trunk Line Improvements (PWTF) Angeline Road	-	-	-	13,000	1,500,000	-
Sewer Trunk Line Improvements (PWTF) Phase 3	-	-	-	297,000	-	-
Sewer Trunk Line Improvements (PWTF) Phase 4: 18" Rehab	-	-	-	110,000	1,200,000	-
Sewer Trunk Line Improvements (PWTF) Phase 5	-	-	-	600,000	-	-
SR410 Sewer Main Improvements	-	-	1,300,000	-	-	125,000
SR410 Main Repair (Phase IV)	-	15,214	-	-	-	-
SR 410 Valley Slip Line	-	863,599	-	-	-	-
SR410/Elhi Hill Sanitary Sewer Interceptor	-	437,525	-	-	-	-
Sumner WWTP True-Up Payment	34,276	168,840	200,000	180,000	200,000	200,000
Sumner WWTP Upgrade	-	-	4,000,000	-	1,112,000	1,391,000
Trunk Line Replacement (SR162nd Crossing)	348,701	87,215	-	-	-	-
Total Construction/Capital	\$ 410,708	\$ 2,173,965	\$ 9,648,000	\$ 1,437,000	\$ 7,942,000	\$ 4,296,000

Budget Notes: Connection fees include system development charges that are dependent on development activities, which are slowing significantly due to the recent economic conditions. As a result of the economy, interest earnings are estimated to be 50% less than in prior years.

## Goals & New Initiatives

- Complete design and construction of Waste Water Treatment Plant flood wall and plant expansion.
- Complete design and construction of Eastown sewer lift station project that will extend the city sewer system into Eastown.
- Coordinate with Eastown property owners/developers to extend the sewer system to their properties.
- Complete final section lining of the sewer main line to the Sumner Wastewater Treatment Plant (WWTP);
- Complete construction contract to replace force main on Angeline Road.
- Prepare master plan and prioritized list of construction projects. Start design of future construction projects to implement the Septic System Abatement program began in 2008;
- Continue to work with developers in the Southern Sewer Service Area to construct a membrane bio-reactor (MBR) type wastewater treatment facility. Alternatively, expand the Sumner WWTP and connect with new sewer lines extending down off the plateau along Rhodes Lake Road to River Road. Attempt to divert some effluent into this plant in

lieu of sending to the Sumner WWTP in order to stay at or under 55 percent of that plant's total capacity.

- Work with WSU Forest developer to replace and upsize lift station 18 and increase capacity of gravity sewer line on SR410 between 198<sup>th</sup> Avenue and lift station 17.
- Develop and implement a Wastewater Capacity, Management, Operations, and Maintenance (CMOM) program. Fully incorporate into GBA work management system.
- Clean flat grade sewer mains yearly to prevent sediment build up and reduce copper spikes at the WWTP;

## Trends & Future Issues

The WWTP is operating at 80% of capacity. Anticipating continued growth in the customers served by Bonney Lake and Sumner, a plant expansion project is being prepared for construction in 2012 and 2013.

The Sewer utility is not currently generating sufficient revenue to meet operating costs, and a rate increase will need to be implemented during the biennium. The O&M rate needs to incorporate funding for infrastructure renewal anticipating that the System Development Charge income will gradually diminish in the future.

The City will need to continue exploring the feasibility of using a Membrane BioReactor (MBR) system to provide service to the Southern Sewer Service Area.

## Performance Measures

		2001	2002	2003	2004	2005	2006	2007	2008	2009
		Actual								
<b>Sewer Lines</b>	Miles				61	70.9	72	72.3		75
Grease Traps (private and public)	Each							115		
Grinder Pumps - City Owned	Each	90	90	90	90	90	90	87	87	87
Grinder Pumps - Private (converted from City owned)	Each							3		3
Lift Stations	Each	16	16	17	18	20	21	22	22	22
Emergency Generators	Each	16	18	19	20	22	24	26		26
Sewer Connections	each	3,331	3,598	3,909	4,128		4,727	5,183		5,300
Budgeted Staff Positions	FTE	7.34	6.23	7.8	8.72	10.66	11	11	11	12
Sewer Lines/Sewer Staff	ratio				7.0	6.7	6.5	6.6		6.2
Connections/Sewer Staff	ratio	492.0	624.9	542.8	513.5	431.5	429.7	429.7	429.7	429.7
Lift Stations/Sewer Staff	ratio	2.2	2.6	2.2	2.1	1.9	1.9	2.0	2.0	1.8
Population/Sewer Staff	ratio	1,360	1,984	1,660	1,576	1,348	1,385	1,431	1,475	1,375

<b>Year Initiated</b>	<b>Capital Improvement Project</b>	<b>CIP Group</b>	<b>Approximate Dollars Spent</b>	<b>Revenue Source</b>	<b>General Location</b>
2009	Sewer Main Replacement - SR410 16-inch	Sewer	\$ 432,463	SDC/PWTF	Inside City Limits
2009	Sewer Septic Reduction Program - 82nd Street	Sewer	\$ 206,743	SDC/PWTF	Inside City Limits
2009	Proposed Sewer Slip Line - 30-inch Valley Main	Sewer	\$ 2,100,000	SDC/PWTF	Outside City Limits
2009	Proposed Church Lake Drive Sewer Rehabilitation	Sewer	\$ 335,000	SDC	Inside City Limits
2010	Sewer Septic Reduction Program - 199th Avenue	Sewer	\$ 186,168	SDC	Inside City Limits
2010	Angeline Road Force Main Replacement Project	Sewer	\$1,500,000	SDC	Inside City Limits
2010	Easttown ULA Design Effort	Sewer	<u>\$ 370,000</u>	SDC	Inside City Limits
<b>Sewer Fund Total</b>			<b>\$ 5,130,374</b>		

*Bonney Lake to Sumner WWTP Sewer Transmission Line – 2009 Replacement on SR410 with HDPE Pipe:*

*Boring under SR410:*



*Installing HDPE pipe adjacent to SR410 inside Bonney Lake city limits:*



*Septic System Abatement Project: 2009 and 2010 in Kelly Creek Vista*



## STORMWATER FUND

### **Mission Statement**

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The mission of the stormwater utility of the city is to protect property and improve environmental quality through the development and maintenance of a surface water management system that meets or exceeds the requirements of the Clean Water Act and implements the provisions of the National Pollutant Discharge Elimination System Phase II Program.

### **Fund Description**

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This fund accounts for the operations of the City's stormwater utility. This is an enterprise fund wherein activities of the fund include administration, billing and collections, operations, maintenance, repairs, engineering, and construction expenditures and revenue. The expenses are completely funded by monthly user charges and new construction System Development Charges (SDC).

### **2009-2010 Key Accomplishments**

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- Completed preparation of a Stormwater Management Plan required by our NPDES permit that has been validated by the state.
- Completed construction of the regional stormwater pond in 2009 that supports development of the Downtown area of the City. This \$776,000 contract installed stormwater pipes throughout the downtown area, under SR410 to the stormwater pond, and construction of the pond.
- Created an ordinance addressing Illicit Discharge Elimination.
- Negotiated acceptance of maintenance responsibility and property ownership of three stormwater ponds built in Easttown by WSDOT in 2010.
- Updated design standards to comply with NPDES Phase II permit requirements.
- Designated one city engineer responsibility for overseeing compliance with NPDES, updating the Stormwater Master Plan, and the Stormwater Management Program.
- Applied for and received \$50,000 and \$114,000 stormwater grants.
- Mowed 48 storm water ponds using temporary laborers and the DeWeez Mower.
- Maintained 32 miles of stormwater lines and almost 1,600 catch basins.
- Revalidated the amount of Equivalent Service Units (ESUs) within the City.
- As part of the public education element of the NPDES permit, we had schools compete in a stormwater/pollution prevention art contest. The 12 winners each received a \$50 gift certificate. A 2011 calendar has been prepared using these drawings and 750 copies will be distributed to Sumner School District schools and the public for free.

### **Level of Service**

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Stormwater utility services provide adequate stormwater flood and erosion control throughout the city. The City is continually improving existing stormwater facilities to ensure that the

quality of water discharged into Lake Debra Jane, Bonney Lake, Church Lake, Lake Tapps, Fennel Creek, and ultimately into the Puyallup River and Puget Sound comply with or exceed all environmental standards set by the NPDES Phase II Permit.

## Budget Overview

RESOURCE SUMMARY: Stormwater Fund 415	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
Charges for Service	\$ 904,765	\$ 1,137,808	\$ 922,590	\$ 922,590	\$ 1,570,700	\$ 1,617,000
System Development Charges	28,830	18,658	40,171	40,171	41,000	47,000
Interest	-	-	6,210	6,210	2,500	3,500
Other Revenues	736	431	-	-	-	-
Revenues	934,331	1,156,897	968,971	968,971	1,614,200	1,667,500
Salary	222,906	272,001	291,892	307,892	436,426	440,542
Benefits	89,121	113,678	125,431	125,431	173,805	191,527
Internal and External Taxes	80,785	106,764	95,339	95,339	100,000	100,000
Other Operating Expenses	50,039	59,786	62,725	99,725	77,371	81,371
Depreciation	152,308	153,441	-	-	-	-
Transfers Out	241,943	143,646	299,794	299,794	299,794	299,794
Subtotal - Operating Expenses	837,101	849,317	875,181	928,181	1,087,396	1,113,235
Operating Capital						
Construction Projects (O&M)	-	-	-	-	-	-
Debt Service Expense	-	-	-	-	-	-
Total Operating Expense	837,101	849,317	875,181	928,181	1,087,396	1,113,235
Annual Cash Available for Projects	97,230	307,580	93,790	40,790	526,804	554,265
Beginning of the Year Cash Available	342,162	10,373	(202,604)	(202,604)	(466,814)	(269,010)
Total Cash Available for Projects	439,392	317,953	(108,814)	(161,814)	59,990	285,256
Other Financing Sources						
Project Specific Revenue						
DOE Grant	75,000	-	-	50,000	114,000	-
Capital Contributions	-	36,892	-	-	-	-
Transfer In	-	-	-	-	-	-
Transfer Out (to Storm CIP)	-	-	-	(299,000)	-	-
Construction Projects						
Public Works Facility	-	9,683	-	-	100,000	100,000
Regional Downtown Drainage Facility	475,188	547,766	-	-	-	-
Drainage Improvements (Angeline Rd 95th to 104th))	-	-	-	-	100,000	-
Church Lake Park Storm Improvements	28,831	-	-	-	-	-
GBA Module Updates	-	-	-	-	5,000	5,000
NPDES Compliance	-	-	35,000	41,000	123,000	-
NPDES Phase II Permit Study	-	-	15,000	-	-	-
Regional Storm Pond Land Purchase (Locust & 82nd)	-	-	-	-	-	75,000
Storm Pond Reconstruction Program	-	-	35,000	-	-	-
Stormwater Comprehensive Plan	-	-	15,000	15,000	15,000	15,000
Drainage Improvements (197th Ave/Interlake)	-	-	38,000	-	-	-
SR410 TIB Sidewalk (Storm Portion)	-	-	299,000	-	-	-
Unscheduled Projects	-	-	-	-	50,000	35,000
Water Quality Treatment Upgrades (DOE Phase II)	-	-	-	-	50,000	50,000
Other Capitalized Projects	-	-	-	-	-	-
End of Year Cash Available	\$ 10,373	\$ (202,604)	\$ (545,814)	\$ (466,814)	\$ (269,010)	\$ 5,256
Less Cash Restricted for Future Obligations	-	-	-	-	-	-
End of Year Cash Available	\$ 10,373	\$ (202,604)	\$ (545,814)	\$ (466,814)	\$ (269,010)	\$ 5,256

Budget Notes: Projects programmed in the next biennium will be reviewed carefully prior to development to preserve fund balance.

### **Goals & New Initiatives**

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- Reduce the number of stormwater ponds by constructing regional stormwater ponds.
- Upgrade older stormwater ponds to bring them into compliance with current NPDES and Public Works design standards. Minimize/eliminate standing water in ponds.
- Complete update to the Comprehensive Stormwater Plan.
- Implementation of the Stormwater Pollution Prevention Plan (SWPPP) that is required by the NPDES Phase II permit.
- Participate with Pierce County and DOE in reducing the level of fecal coliform measurements in Fennel Creek just outside the City limits.
- Create a Low Impact Development (LID) ordinance that meets NPDES requirements.
- Complete GPS and GIS mapping of the Municipal Separate Storm Sewer System (MS4) inside the city limits.
- Develop funding strategy to construct stormwater CIP projects.
- Continue installing curb markers next to catch basins as Boy Scout Eagle Scout projects.

### **Trends & Future Issues**

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The City administration plans to have completed an update of Stormwater Master Plan by the end of the biennium. CIP projects identified will be prioritized and completed depending on availability of funding. This plan will support NPDES federal and state requirements. Based on the number of Equivalent Service Units (ESUs) projected and the CIP projects identified, the System Development Charge will be evaluated to determine if changes are needed to the rate structure. There is one more base rate increase scheduled to take effect in 2011. Funding appears to be sufficient to cover operations and maintenance through the next few years. However, depending on the capital needs identified during the comprehensive planning process, the rate structure may need modification to in order to accomplish the capital needs of the system.

**Performance Measures**

Public Works Infrastructure Summary - Stormwater

		<b>2003 Actual</b>	<b>2004 Actual</b>	<b>2005 Actual</b>	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Actual</b>	<b>2009 Actual</b>
Storm Water Lines	Miles	17	17	19	23	30	32	32
Detention/Infiltration Ponds	Acres	74	74	83	84	94	95	95
Detention/Infiltration Ponds	Each	25	25	31	38	44	46	48
Dry Well-Gallery	Each	55	55	55	55	55	58	58
Catch Basins/Inlets	Each	928	929	1,053	1,241	1,423	1,522	1,583
Storm Water Manholes	Each	158	158	180	192	224	267	299
Billable Equivalent Service Units	ESU		4,418	7,807	15,207			
Swells-Ditches	Miles	77	77	79	81	87	85	85

Public Works CIP Projects – Stormwater Projects Completed in 2009-2010

#	Year Initiated	Capital Improvement Project	CIP Group	Approximate Dollars Spent	Revenue Source	General Location
1	2007	Downtown Regional Pond Design	Storm	\$ 150,000.00	COR/Grant	Inside City Limits
2	2008	Downtown Regional Pond	Storm	\$ 819,832.81	COR	Inside City Limits
3	2008	Church Lake Drive Storm Drainage Improvements	Storm	\$ 55,000.00	COR	Inside City Limits

**Storm Total \$ 1,024,832.81**

*2010 Construction of Downtown Regional Stormwater System - Pipe Boring Under SR410:*



*2010 Construction of Downtown Regional Stormwater System – Stormwater Infiltration Pond:*





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# **SPECIAL REVENUE FUNDS**

## DRUG INVESTIGATION FUND

### Budget Overview

RESOURCE SUMMARY:	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
Revenues						
Forfeitures & Seizures	\$ 19,169	\$ 556	\$ -	\$ 265,000	\$ 230,000	\$ -
Interest	-	-	-	20,700	-	-
Transfers In	-	-	-	-	-	-
Revenues	<u>\$ 19,169</u>	<u>\$ 556</u>	<u>\$ -</u>	<u>\$ 285,700</u>	<u>\$ 230,000</u>	<u>\$ -</u>
Expenditures						
Salaries & Wages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Operating Expenditures	3,452	32,797	-	21,000	-	-
Internal Charges	-	-	-	-	-	-
Capital	113,673	-	-	121,000	-	-
Debt Service	-	-	-	-	230,698	-
Transfers Out	8,000	-	-	777,000	-	-
Expenses	<u>\$ 125,124</u>	<u>\$ 32,797</u>	<u>\$ -</u>	<u>\$ 919,000</u>	<u>\$ 230,698</u>	<u>\$ -</u>
Net Annual Cash	(105,955)	(32,241)	-	(633,300)	(698)	-
Beginning of the Year Cash	774,391	668,436	636,196	636,196	2,896	2,197
End of the Year Cash	<u>668,436</u>	<u>636,196</u>	<u>636,196</u>	<u>2,896</u>	<u>2,197</u>	<u>2,197</u>

Budget Notes: In 2010, a transfer out of \$777K was processed to reimburse the General Government CIP Fund (Fund 320) for debt service associated with the 800 MHz system. In 2010 capital, City Council authorized the purchase of a new marine services boat. The 2010 increase in Other Operating Expenditures reflects the lease of three undercover enforcement vehicles.

For the 2009-2010 Biennium, expenditures are not programmed; rather, reserves may be utilized for 800MHz related expenditures. Reserves are anticipated for future use to assist with debt service for the 800MHz system.

### Fund Description

This fund was established to account for seized and forfeited property resulting from law enforcement activities. Expenditures are restricted to those directly related to seizure activity as well as certain law enforcement activities. The intent of this fund is to accumulate cash to finance large police projects and initiatives.

### 2009-2010 Key Accomplishments

- Acquired new police boat;
- Helped fund 800MHz interoperability project;
- Provided funding for investigations vehicles.

**Goals & New Initiatives**

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- Continue support for the 800MHz interoperability project

**Level of Service**

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Because this fund does not program regular recurring expenditures, no level of service is established.

**Trends & Future Issues**

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Receipts into the drug investigation fund are dependent on drug related seizures and forfeitures, which can vary widely year to year. Currently the fund has little fund balance. Anticipating forfeiture revenue, the only expenditure programmed for 2011 is the debt service for the 800MHz project. Expenditures for 2012 will be incorporated into the Mid-Biennial Budget Adjustment should the Fund experience any significant income during the 2011 fiscal year.

## CONTINGENCY FUND

### Budget Overview

RESOURCE SUMMARY:	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
Transfers In	\$ -	\$ 80,460	\$ -	\$ -	\$ -	\$ -
Interest:	-	-	18,270	18,270	-	-
Revenues	\$ -	\$ 80,460	\$ 18,270	\$ 18,270	\$ -	\$ -
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Service Charges	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Annual Cash	-	80,460	18,270	18,270	-	-
Beginning of the Year Cash	1,032,086	1,032,086	1,112,546	1,112,546	1,130,816	1,130,816
End of the Year Cash (Reserves)	1,032,086	1,112,546	1,130,816	1,130,816	1,130,816	1,130,816

Budget Notes: In 2009, the balance of Fund 240 (Lid Guarantee Fund) was closed to the Contingency Fund. For the 2011-2012 Biennium, no expenditures are programmed; rather, reserves may be utilized upon Council action.

### Fund Description

This fund is established as the City's emergency or "rainy day" fund. There are no expenditures proposed to be made from this fund during the biennium. The Contingency Fund requires an ordinance approved by the City Council before expenditures can be made from the fund. Interest earnings are credited to the fund.

### 2009-2010 Key Accomplishments

- In the 2009-2010 biennium, the City met both revenue and expenditure needs without necessitating transfers from the Contingency Fund.

### Level of Service

Because this fund does not program regular recurring expenditures, no level of service is established.

### Goals & New Initiatives

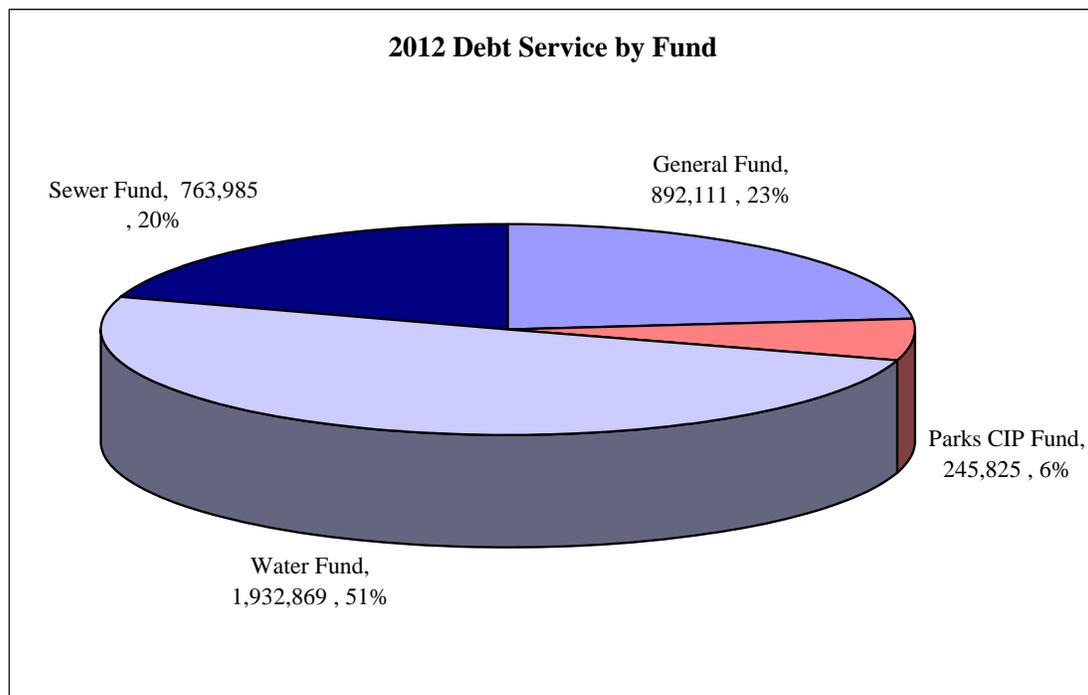
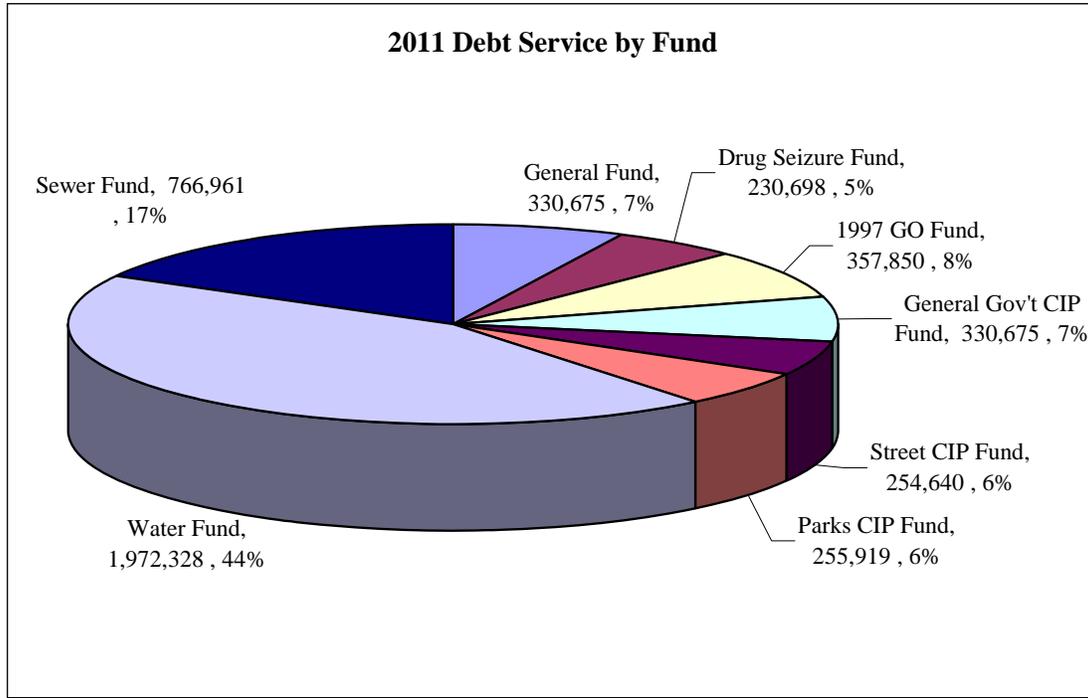
A future goal of the Administration is to maintain a Contingency Fund that is not less than 10% of the General Fund.



# **DEBT SERVICE FUNDS**

## DEBT SERVICE FUNDS

### Budget Overview



**Fund Description**

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Debt service funds account for the accumulation of resources for principal and interest payments for governmental fund debt. The City has five types of outstanding debt: Voter Approved General Obligation (GO) Debt, Council Approved GO Debt, Council Approved Revenue Debt, Public Works Trust Fund Loan Debt, and Installment Loan Debt. GO Debt means the City pledges its full faith and credit for repayment of the debt.

The City has only one active debt service fund: Fund 208 accounts for the debt service payable on the 1997 General Obligation Bond for the Public Safety Building. This bond is scheduled to be fully retired in 2011. All other debt service is programmed within the related fund; e.g. General Fund, Drug Seizure Fund, Street Capital, Civic Center Capital, General Government Capital, Water, Sewer.

**2009-2010 Key Accomplishments**

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- Issued \$10M Limited Tax General Obligation (LTGO) Bonds for the construction of a Justice Center;
- Entered into a financing agreement with Motorola for acquisition of 800 MHz communications equipment;
- Issued \$4.57M in Water/Sewer Refunding bonds;

### Debt Service Summary

PRINCIPAL			2011	2012	
Debt Type	Reference Number	Description	Est	Est	Fund
General Obligation	BONGO97	1997 Public Safety Building Refunding	340,000	-	208
General Obligation	BONLTGO08	2008 Justice Center	132,500	275,000	001
General Obligation	BONLTGO08	2008 Justice Center	132,500	-	320
Pledged Revenue	BONWAT07	2007 Water/Sewer Refunding Bond	323,848	340,246	401
Pledged Revenue	BONWAT07	2007 Water/Sewer Refunding Bond	71,152	74,754	402
Installment Contract	City of Tacoma	City of Tacoma SDCs	462,128	462,128	401
Installment Contract	Motorola	Motorola 800MHz	-	174,268	001
Installment Contract	Motorola	Motorola 800MHz	166,618	-	120
Interfund Loan	Allan Yorke Park	Allan Yorke Park: Parks CIP to Sewer Fund	200,145	200,145	302
Public Works Trust Fund	PW-97-791-017	Ponderosa Reservoir #2 - Construction	50,468	50,468	401
Public Works Trust Fund	PW-98-78898-07	Corrosion Control Facility	14,974	14,974	401
Public Works Trust Fund	PW-98-78898-08	Lakeridge Booster Pump Station	37,657	37,657	401
Public Works Trust Fund	PW-98-791-006	Ponderosa Reservoir #2 - 800 Zone Overflow Construction	14,995	14,995	401
Public Works Trust Fund	PW-00-691-008	McGhee Water Main Replacement	38,306	38,306	401
Public Works Trust Fund	PW-02-691-006	Sumner Sewer Treatment Plant Upgrade	373,047	373,047	402
Public Works Trust Fund	PW-03-691-003	Spring Sources Water Quality Treatment Facilities	63,715	63,715	401
Public Works Trust Fund	PW-04-691-007	Sumner Sewer Treatment Plant Upgrade	105,450	105,450	402
Public Works Trust Fund	PW-04-691-008	Ball Park Well Water Quality Treatment Facility	178,676	178,676	401
Public Works Trust Fund	PW-04-691-009	Leak Reduction Program	232,402	232,402	401
Public Works Trust Fund	PW-05-96-791-004	Church Lake/Inlet Island Watermain Replacement	66,057	66,057	401
Public Works Trust Fund	PW-06-962-ELP-302	Emergency Sewer Main Replacement	26,316	26,316	402
Public Works Trust Fund	PW-06-962-PRE-101	192nd Ave E Corridor	253,578	-	301
Public Works Trust Fund	PC08-951-004	Leak Reduction Program Phase II	126,758	126,758	401
Public Works Trust Fund	PC08-951-005	Reconstruct Trunk Sewer to Sumner WWTP	110,084	110,084.21	402
Total Principal:			3,521,376	2,965,449	

INTEREST			2011	2012	
Debt Type	Reference Number	Description	Est	Est	Fund
General Obligation	BONGO97	1997 Public Safety Building Refunding	17,850	-	208
General Obligation	BONLTGO08	2008 Justice Center	198,175	386,413	001
General Obligation	BONLTGO08	2008 Justice Center	198,175	-	320
Pledged Revenue	BONWAT07	2007 Water/Sewer Refunding Bond	141,116	117,258	401
Pledged Revenue	BONWAT07	2007 Water/Sewer Refunding Bond	28,608	25,762	402
Installment Contract	City of Tacoma	City of Tacoma SDCs	135,842	108,674	401
Installment Contract	Motorola	Motorola 800MHz	-	56,430	001
Installment Contract	Motorola	Motorola 800MHz	64,080	-	120
Interfund Loan	Allan Yorke Park	Allan Yorke Park: Parks CIP to Sewer Fund	55,774	45,680	302
Public Works Trust Fund	PW-97-791-017	Ponderosa Reservoir #2 - Construction	3,533	3,028	401
Public Works Trust Fund	PW-98-78898-07	Corrosion Control Facility	5,862	5,211	401
Public Works Trust Fund	PW-98-78898-08	Lakeridge Booster Pump Station	14,743	13,105	401
Public Works Trust Fund	PW-98-791-006	Ponderosa Reservoir #2 - 800 Zone Overflow Construction	1,200	1,050	401
Public Works Trust Fund	PW-00-691-008	McGhee Water Main Replacement	3,831	3,448	401
Public Works Trust Fund	PW-02-691-006	Sumner Sewer Treatment Plant Upgrade	22,383	20,518	402
Public Works Trust Fund	PW-03-691-003	Spring Sources Water Quality Treatment Facilities	4,142	3,823	401
Public Works Trust Fund	PW-04-691-007	Sumner Sewer Treatment Plant Upgrade	7,382	6,854	402
Public Works Trust Fund	PW-04-691-008	Ball Park Well Water Quality Treatment Facility	12,507	11,614	401
Public Works Trust Fund	PW-04-691-009	Leak Reduction Program	16,268	18,592	401
Public Works Trust Fund	PW-05-96-791-004	Church Lake/Inlet Island Watermain Replacement	11,890	9,909	401
Public Works Trust Fund	PW-06-962-ELP-302	Emergency Sewer Main Replacement	12,632	11,842	402
Public Works Trust Fund	PW-06-962-PRE-101	192nd Ave E Corridor	1,063	-	301
Public Works Trust Fund	PC08-951-004	Leak Reduction Program Phase II	11,408	10,774	401
Public Works Trust Fund	PC08-951-005	Reconstruct Trunk Sewer to Sumner WWTP	9,908	9,357.16	402
Total Interest:			957,055	849,209	

Combined Principal & Interest By Fund			
	2011	2012	2011/2012
	Est	Est	Biennium
General Fund	330,675	892,111	1,222,786
Seizure & Forfeiture Fund	230,698	-	230,698
Debt Service Funds	357,850	-	357,850
Parks Capital Improvement Fund	255,919	245,825	501,745
Street Capital Improvement Fund	254,640	-	254,640
General Government Capital Improvement Fund	330,675	-	330,675
Civic Center Capital Improvement Fund	-	-	-
Water Fund	1,972,329	1,932,869	3,905,197
Wastewater (Sewer) Fund	766,961	763,985	1,530,945
<b>Total</b>	<b>3,938,374</b>	<b>2,942,679</b>	<b>6,881,053</b>

## **Debt Summary**

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### Voter Approved Unlimited Tax General Obligation (UTGO) Bonds

Bonds can be issued as either 1) General Purpose, 2) Parks and Open Space, or 3) Utility.

#### 1. General Purpose Bonds

The December 31, 2011 outstanding amount is limited to \$19,650,576, 1.0% of the City's assessed value of \$1,965,057,585. These bonds are issued for large general government construction projects approved by the voters in which the City pledges its full faith and credit for payment.

#### Outstanding Issues

##### 1. 1997 General Obligation Bonds: Public Safety Building

The General Obligation Bond was issued to construct the Public Safety Building. The 1997 General Obligation Bond Fund accounts for the principal, interest, and debt service costs on the refinanced portions of the 1991 Public Safety G.O. Bonds. This bond was issued in order to save the taxpayers interest on the refundable and outstanding principal from the 1991 G.O. Bond. The bond will be paid off in 2011. At 12/31/2011, there will no outstanding voter approved unlimited tax obligation debt and the full capacity will be available.

There are no outstanding voter approved Parks and Open Space or Utility Bonds.

### Council Approved UTGO Bonds

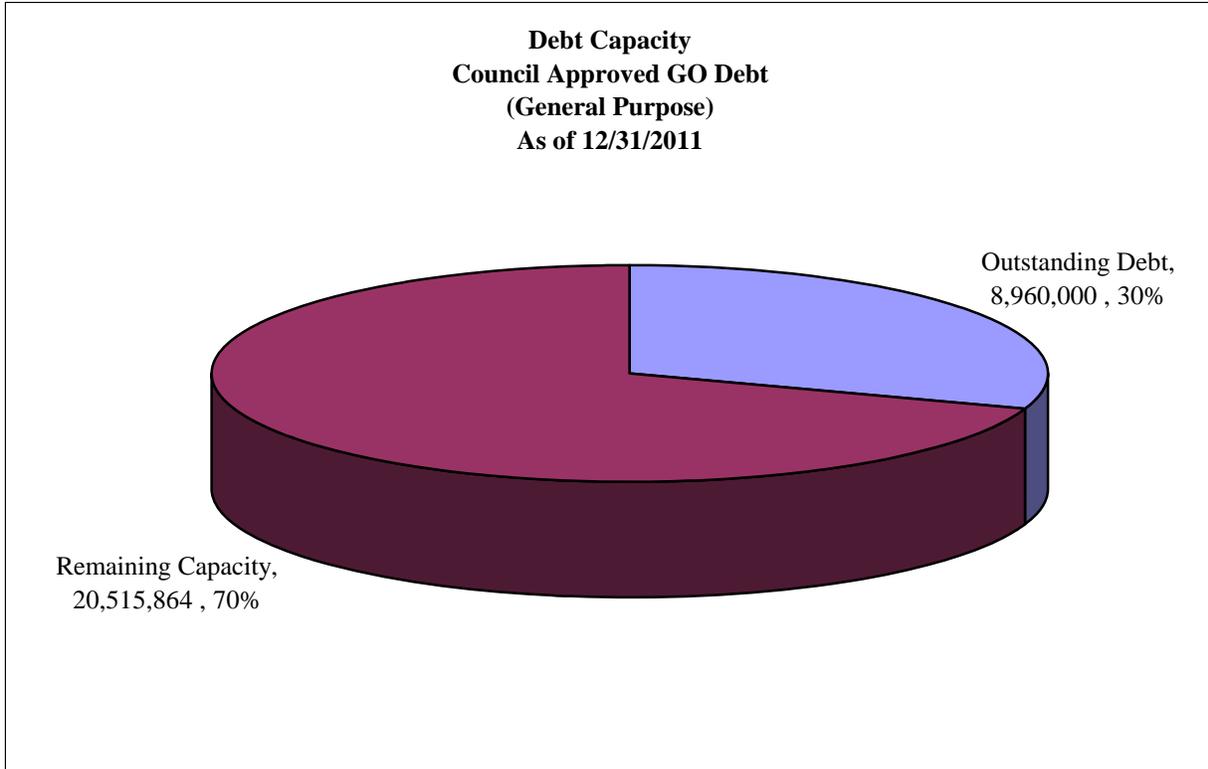
Bonds can be issued as either 1) General Purpose, 2) Parks and Open Space, or 3) Utility.

#### 1. General Purpose Bonds

The December 31, 2011 outstanding amount is limited to \$29,475,864, 1.5% of the City's assessed value of \$1,965,057,585. These bonds are backed by the City's full faith and credit.

#### Outstanding Issues

- 2007 Limited Tax General Obligation (LTGO): Civic Center



Revenue Debt

As of December 31, 2010, the City has \$3,960,000 in outstanding revenue bonds.

1. Council Approved Revenue Bonds

Issued by the Council for water, wastewater, and stormwater (waterworks) projects in which only the revenues of the waterworks are pledged to secure the debt service payments.

Outstanding Issues

- 2007 Refunding Bonds

BONWAT072007 Water/Sewer Refunding Bond

These refunding bonds were issued to advance refund the callable portion of the City's outstanding Water and Sewer Revenue Bonds, 1999 (maturities 2010 through 2019, and to refund on a current basis, the 1998 Refunded Revenue Bonds.

Issue Date:	12/03/2007	Payoff Date:	09/01/2019
Approved Amount:	\$4,570,000	Interest:	3.5% - 4.0%
Draws To-Date:	n/a	Principal Paid to Date:	\$610,000
Project Status:	n/a	Principal Balance:	\$3,960,000

Council Approved Other Debt

This type of debt includes notes and state loans issued by the City Council for specific construction projects, in which the City pledges its full faith and credit for payment.

## Outstanding Issues

Public Works Trust Fund (PWTF) Loans    *All to-date data as of 12/31/2010*Loan #PW-5-96-791-004                      Church Lake/Inlet Island Water Main Replacement

Replacement of approximately 17,000 feet of 12" water mains from West Tapps Highway to the north end of Inlet Island along Church Lake Drive, Church Lake Road, 71 Street East, Old Vandermark Road East, 207 Avenue East, 60 Street East, Aqua Drive and North Island Drive. Replacement of existing water services and installation of new fire hydrants, with a new full asphalt overlay of the above streets.

Issue Date:	12/10/1996	Payoff Date:	06/01/2016
Approved Amount:	\$1,298,700	Interest:	3%
Draws To-Date:	\$1,246,003	Principal Paid to Date:	\$849,661
Project Status:	Completed	Principal Balance:	\$396,342

Loan #PW-97-791-017                      Ponderosa Construction

The Ponderosa Reservoir No. 2 project includes the construction of an approx. 2.5 to 3.0 million gallon water tank at the City's existing Ponderosa Reservoir No. 1 site. This project includes: the installation of the water main, appurtenances, and equipment necessary to connect the new reservoir to the existing water system; installation of telemetry and control systems compatible with the City's existing system; improvements to the site such as grading, fencing, and landscaping. The design of these improvements was financed by a PWTF pre-construction loan.

Issue Date:	07/31/1997	Payoff Date:	07/01/2017
Approved Amount:	\$953,595	Interest:	1%
Draws To-Date:	\$953,595	Principal Paid to Date:	\$600,319
Project Status:	Completed	Principal Balance:	\$353,276

Loan #PW-98-791-006                      Ponderosa Reservoir No. 2 800 Zone Overflow

The Ponderosa Reservoir No. 2 – 800 Zone Overflow project includes the construction of an approximately 2.8 million gallon water tank at the existing Ponderosa Reservoir No. 1 site. This project also includes the installation of a water main, appurtenances, and equipment necessary to connect the new reservoir to the existing water system and to expand the 800 pressure zone; the installation of telemetry and control systems compatible with the City's existing system; and improvements to the site such as grading, fencing, and erosion control. If funding is available additional water main and a pressure reducing station will be constructed to complete the looping of this tank to the 800-pressure zone.

Issue Date:	07/22/1998	Payoff Date:	07/01/2018
Approved Amount:	\$281,597	Interest:	1%
Draws To-Date:	\$281,597	Principal Paid to Date:	\$161,635
Project Status:	Completed	Principal Balance:	\$119,962

Loan #PW-98-78898-07                      Tacoma Point Corrosion Control Facility

The Corrosion Control Facility Project will construct a corrosion control facility to treat groundwater from the City of Bonney Lake's Tacoma Point Well field. The City is under a Bilateral Compliance Agreement (BCA) with the Department of Health to reduce the City's customer's exposure to lead and copper in their drinking water. This project will bring the City into compliance and ensure a safe and healthy drinking water source for its customers. The treatment consists of pH adjustments in order to

reduce corrosivity of the City's water supply. The construction phase of this project will consist of building the corrosion control facility as designed. Included in this phase will be all necessary site work, installation of storage tanks and metering pumps, installation of electrical and control systems, construction of a building, and installation of safety related items such as safety showers, eyewashes, and spill containment

Issue Date:	10/01/1999	Payoff Date:	10/01/2019
Approved Amount:	\$284,512	Interest:	4.35%
Draws To-Date:	\$284,512	Principal Paid to Date:	\$149,743
Project Status:	Completed	Principal Balance:	\$134,769

Loan #PW-98-78898-08Lakeridge Booster Pump Station

Replace an existing booster pump station and replace and extend water main as necessary to increase pressure in the Bonney Lake Water Service Area. Both pre-design and final designs have already been completed. No property acquisition will be necessary, as the City already owns the property on which the existing booster pump station is located. In addition to the booster pump station, the existing 8" water main will be replaced with approximately 1,200 feet of 16" water main to supply the new booster pump station. The new transmission main will improve the existing suction and discharge main. An on-site generator will be installed to provide emergency backup power in the case of power failure. As funds are available, this project will also include the installation of approximately 3,000 LF of ductile iron water main in South Tapps Drive to loop the booster pump station improvements to the southern portion of the 800-pressure zone.

Issue Date:	10/01/1998	Payoff Date:	10/01/2019
Approved Amount:	\$715,488	Interest:	4.35%
Draws To-Date:	\$715,488	Principal Paid to Date:	\$376,573
Project Status:	Completed	Principal Balance:	\$338,915

Loan #PW-00-691-008McGhee Drive Water Main

This project is part of the Lakeridge 800 Pressure Zone Reconfiguration Project. This construction consists of replacement of the existing 4" steel and 6" asbestos cement water main with approximately 11,000 lineal feet of 12" ductile iron water main. Replacement of fire hydrants and service lines up to the meters and full roadway overlay along the alignment are included. It also includes: construction of three (3) pressure reducing valves in underground vaults; construction of approximately five (5) zone valves and approximately 35 individual service pressure reducing valves.

Issue Date:	07/01/2000	Payoff Date:	07/01/2020
Approved Amount:	\$723,800	Interest:	1%
Draws To-Date:	\$723,800	Principal Paid to Date:	\$340,736
Project Status:	Completed	Principal Balance:	\$383,064

Loan #PW-02-691-006Sumner Treatment Plant Improvement

The Sumner Wastewater Treatment Plant (WWTP) upgrade and expansion will implement BOD and ammonia removal using an expanded activated sludge system incorporating nitrification and denitrification. The WWTP upgrade will implement ammonia removal and increased treatment capacity. The project will include new primary clarifiers, a new aeration basin, new blowers, a new UV disinfection system, a new influent pump station, new headworks, additional secondary clarifiers, a new anaerobic digester, a new centrifuge for sludge de-watering, lab/administration space, and improved flood control. The WWTP capacity will increase from 2.62 MGD to 4.59 MGD.

Issue Date:	01/14/2002	Payoff Date:	07/01/2022
Approved Amount:	\$7,386,500	Interest:	.05%
Draws To-Date:	\$7,076,727	Principal Paid to Date:	\$2,600,163
Project Status:	Completed	Principal Balance:	\$4,476,564

Loan #PW-03-691-003Spring Sources Water Quality Facilities

This project includes the construction of a treatment facility that will increase disinfection and raise pH of the Grainger Springs source water. Increased disinfection will be obtained by building a facility that will provide on-site generation of chlorine and install approximately 175 linear feet of 48 inch diameter water main at the Victor Falls source and approximately 310 linear feet of 42 inch diameter water main at the Grainger Springs source or as necessary to obtain adequate residence times. In addition, a caustic soda injection system will be installed at the Grainger Springs Source to raise the pH of this source of water. The construction phase of this project will consist of building the corrosion control and disinfection facilities as designed. Included in this phase will be all necessary site work, installation of storage tanks and chemical metering pumps, on-site chlorination generation equipment, installation of electrical and control systems, construction of buildings, and installation of safety related items such as a safety shower, eye washes, and spill containment. The objective of this task is to construct the corrosion control facility and disinfection facilities as mandated by DOH.

Issue Date:	08/13/2003	Payoff Date:	08/14/2023
Approved Amount:	\$1,174,700	Interest:	.05%
Draws To-Date:	\$1,174,700	Principal Paid to Date:	\$346,399
Project Status:	Complete	Principal Balance:	\$828,301

Loan #PW-04-691-007Sumner Treatment Plant Upgrade

The Sumner Wastewater Treatment Plant (WWTP) upgrade and expansion will implement BOD and ammonia removal using an expanded activated sludge system incorporating nitrification and denitrification. The WWTP upgrade will implement ammonia removal and increased treatment capacity. The project will include new primary clarifiers, a new aeration basin, new blowers, a new UV disinfection system, a new influent pump station, new head works, additional secondary clarifiers, a new anaerobic digester, a new centrifuge for sludge de-watering, a new sludge dryer for Class A bio-solids, a lab/administration space, and improved flood control. The WWTP capacity will increase from a de-rated nitrification capacity of 2.0 MGD to 4.59 MGD.

Issue Date:	05/25/2004	Payoff Date:	07/01/2024
Approved Amount:	\$2,109,000	Interest:	.05%
Draws To-Date:	\$2,003,550	Principal Paid to Date:	\$527,250
Project Status:	Complete	Principal Balance:	\$1,476,300

Loan #PW-04-691-008Ballpark Well Water Quality Treatment Facility

This project will develop a new well at the Ball Park source. In 2003 the City drilled a new well for this source and will develop and equip the well in 2004. This project includes construction of a well pump and treatment facility that will remove iron and manganese from source water from both Ball Park Wells.

Issue Date:	05/25/2004	Payoff Date:	07/01/2024
Approved Amount:	\$3,375,000	Interest:	.05%
Draws To-Date:	\$3,375,000	Principal Paid to Date:	\$873,529
Project Status:	Complete	Principal Balance:	\$2,501,471

Loan #PW-04-691-009Leak Reduction Program

The main goal of this project is to increase supply capacity by decreasing leaking or unaccounted for water. It is the City's goal to reduce unaccounted for water from 25% to 15% with implementation of this project. This project will replace approximately 71,000 lineal feet of substandard material water main that has been identified to have a high potential of leakage. It is the City's goal to replace 40% of all the water mains in its system that were constructed with substandard materials (i.e. asbestos cement and steel) within the next five years. These substandard material water mains will be replaced with 8-inch and 12-inch diameter ductile iron pipe.

Issue Date:	05/25/2004	Payoff Date:	07/01/2024
Approved Amount:	\$4,516,000	Interest:	.05%
Draws To-Date:	\$4,290,200	Principal Paid to Date:	\$1,036,567
Project Status:	Ongoing	Principal Balance:	\$3,253,633

Loan #PW-06-962-PRE-101      Design for 192<sup>nd</sup> Street Corridor

This loan provides funds for preparing a corridor plan which will identify the arterial roadway improvements for the 192nd Street corridor and connector roadways, between the commercial areas of SR 410 and Rhodes Lake Road. It is the final link on 192<sup>nd</sup> that will complete this minor arterial between Sumner-Buckley Highway and Rhodes Lake Road. Construction will include improvements to 103<sup>rd</sup> Street which will connect 192<sup>nd</sup> Avenue and provide a third exit for the Brookside development. In addition to roadway improvements, the project will extend utilities along 192<sup>nd</sup> Avenue and 103<sup>rd</sup> Streets and will add sidewalks, street lights, bicycle lanes, curbs, and gutters.

Issue Date:	2006	Payoff Date:	2011
Approved Amount:	\$1,000,000	Interest:	.05%
Draws To-Date:	\$948,234	Principal Paid to Date:	\$694,656
Project Status:	Design	Principal Balance:	\$253,578

Loan #PW-06-962-ELP-302      Emergency Sewer Main Replacement

This project replaced segments of the City's SR 410 interceptor sewer system that experienced failure caused by significant damage from H2S and microbiologically induced corrosion. The replacement pipe follows the existing pipe alignment and will be located in existing easement areas and within City and County roadway rights-of-way.

Issue Date:	08/14/2006	Payoff Date:	09/01/2026
Approved Amount:	\$500,000	Interest:	3%
Draws To-Date:	\$500,000	Principal Paid to Date:	\$78,947
Project Status:	Complete	Principal Balance:	\$421,053

Loan #PC08-951-005      Reconstruct Trunk Sewer to Sumner WWTP

The results of this project will reduce the number of pipe failures from 15% chance of failure to less than 1% chance of failure. The number of staff hours will be decreased from 300 staff hours to less than 40 staff hours per year on maintenance and operation of this pipe area. The number of events of untreated sewage flowing into adjacent rivers and aquifers will be reduced from 15% chance per year to less than 1% to assure the City a safe and reliable conveyance system.

Issue Date:	09/03/2008	Payoff Date:	09/01/2028
Approved Amount:	\$4,648,000	Interest:	.5%
Draws To-Date:	\$2,091,600	Principal Paid to Date:	\$110,084
Project Status:	Initiated	Principal Balance:	\$1,981,516

Loan #PC08-951-004      Leak Reduction Program Phase II

This project will allow the City to replace 40% of standard water pipe to reduce unaccounted water from 16% to 6% by project completion and come into compliance with Department of Health standards of no more than 10% unaccounted water loss. The water supply capacity will increase from the current level of 75% to 85% by reducing unaccounted for water loss. Finally, the number of crew hours for repair will decrease from 150 overtime hours and 180 regular crew hours to 75 overtime and 90 regular crew hours, representing a savings of \$7,250 per year.

Issue Date:	09/03/2008	Payoff Date:	09/01/2028
Approved Amount:	\$5,352,000	Interest:	.5%
Draws To-Date:	\$2,408,400	Principal Paid to Date:	\$126,758
Project Status:	Initiated	Principal Balance:	\$2,281,642

Other Notes Payable*City of Tacoma*

## Emergency Intertie #3

In 2005 the City entered into an agreement to purchase 2 MGD of additional water supply from the City of Tacoma, enough to supply the water utility's next ten years of growth. In addition to making payments on the loan for ten years, Bonney Lake will construct an intertie and pay monthly usage charges for water consumption.

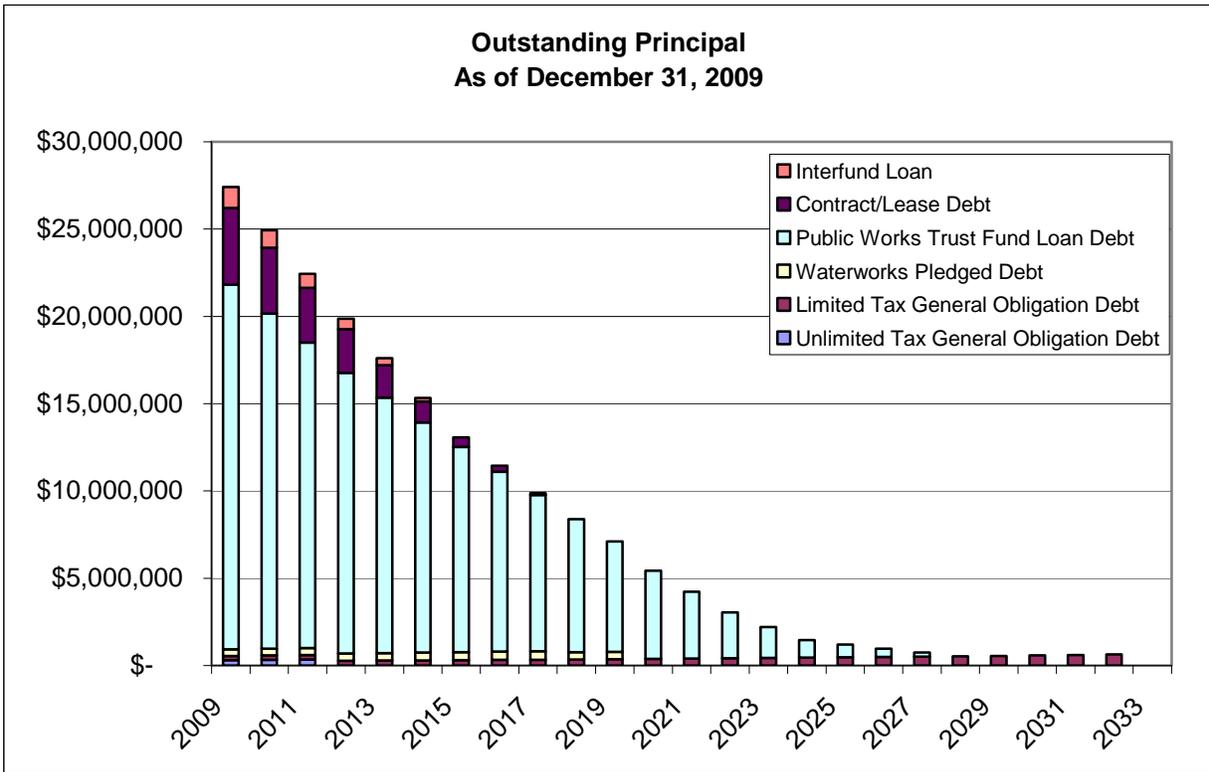
Issue Date:	01/27/2005	Payoff Date:	01/01/2015
Approved Amount:	\$5,776,598	Interest:	Prime less 2%
Draws To-Date:	n/a	Principal Paid to Date:	\$3,465,959
Project Status:	n/a	Principal Balance:	\$2,310,639

*Motorola*

## 800MHz Equipment

Financing of radios and other equipment required for conversion to 800MHz communication frequency.

Issue Date:	03/25/2008	Payoff Date:	12/01/2018
Approved Amount:	\$1,938,528	Interest:	4.54%
Draws To-Date:	\$1,938,528	Principal Paid to Date:	\$485,883
Project Status:	Ongoing	Principal Balance:	\$1,452,645



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# **CAPITAL PROJECTS FUNDS**

## STREET CAPITAL IMPROVEMENT FUND

### Fund Description

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The Streets CIP is for capital improvements that are street related, and includes sidewalks, curb and gutter, and street lights. Street CIP revenues come from a variety of sources, including grants, transportation impact fees, transportation mitigation fees, public works trust fund loans, general funds, fuel taxes, and a 50% share of the Real Estate Transfer Tax (REET) receipts.

Recurring expenditures for general overlay, chip seal, street lighting, and sidewalk programs are treated as operating capital expenditures and shown under “Operating Capital” in the Street CIP.

### 2009-2010 Key Accomplishments

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- Completed chip seal program;
- Completed Old Sumner-Buckley Highway from State Route 410 to Main Street;
- Completed 90<sup>th</sup> Street improvements to support Justice Center;
- Installed signal at Old Sumner-Buckley Highway and Main Street;
- Sidewalks installed on 82nd, Main, SR410, and 192nd;
- Repaved several streets on Interlake Island as a result of water main improvements

### Goals & New Initiatives

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- Continue right-of-way acquisition along 192<sup>nd</sup>;
- Continue implementing the Non-Motorized Transportation Plan by constructing new sidewalks;
- Intersection Improvement at SR410 & OSB Hwy-Phase II;
- Intersection Improvements at SR410 & Main Street
- Design and ROW acquisition of Intersection Improvement at SR410 and 214<sup>th</sup>
- Stormwater Pond A Expansion for 214th Ave Intersection
- SR410 Sidewalk Improvement: 198th to 208th (WSDOT Grant)
- SR410 Eastown Median Street Light Project
- Bonney Lake Elementary School - Sidewalk & On-Street Parking – SEPA mitigation project
- Stormwater Pond C Relocation for future mapped street
- Continue the “recurring” program for sidewalks, chip sealing, overlays, and additional street lighting on a funds available basis.

**Resource Summary**

RESOURCE SUMMARY: Street CIP Fund 301	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
Charges for Service						
Real Estate Excise Taxes	\$ 288,162	\$ 244,238	\$ 410,728	\$ 410,728	\$ 201,500	\$ 211,575
Motor Vehicle Fuel Tax	382,641	358,685	-	-	282,600	297,000
Impact/Mitigation Fees	499,941	310,288	419,170	419,170	490,000	750,000
Interest	-	-	23,171	23,171	25,000	35,000
Other Revenues	725	3	-	-	-	-
Revenues	<u>1,171,470</u>	<u>913,214</u>	<u>853,069</u>	<u>853,069</u>	<u>999,100</u>	<u>1,293,575</u>
Salary	-	-	-	-	-	-
Benefits	-	-	-	-	-	-
Other Operating Expenses	8,920	7,396	-	-	-	-
Subtotal - Operating Expenses	<u>8,920</u>	<u>7,396</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating Capital						
Chip Seal Program	207,631	202,303	300,000	247,000	178,000	200,000
Overlay Maintenance Program	260,397	-	100,000	7,000	-	300,000
Street Reconstruction Program	382,301	-	205,000	-	150,000	50,000
Sidewalk Reconstruction Program	168,284	1,691	90,000	90,000	-	-
Debt Service Expense	191,250	256,889	189,625	189,625	254,640	-
Total Operating Expense	<u>1,218,783</u>	<u>468,279</u>	<u>884,625</u>	<u>533,625</u>	<u>582,640</u>	<u>550,000</u>
Annual Cash Available for Projects	<u>(47,313)</u>	<u>444,935</u>	<u>(31,556)</u>	<u>319,444</u>	<u>416,460</u>	<u>743,575</u>
Beginning of the Year Cash Available	6,959,471	7,251,558	5,385,241	5,385,241	3,176,250	(42,290)
Total Cash Available for Projects	<u>6,912,158</u>	<u>7,696,493</u>	<u>5,353,685</u>	<u>5,704,685</u>	<u>3,592,710</u>	<u>701,285</u>
Other Financing Sources						
Grant - Safe Routes to Streets (Fennel Creek Trail)	334,556	-	-	290,000	-	-
Public Works Trust Fund	198,233	-	-	-	-	-
Special Assessments Receivable	(7,815)	-	-	5,000	-	-
Developer/Capital Contributions	500,873	38,227	-	-	-	-
Transfer In: General Fund (Neighborhood Sidewalk Improvements)	-	-	-	-	300,000	-
Transfer In: General Fund (Traffic Calming Signage)	-	-	-	-	100,000	-
Interfund Loan	-	-	-	-	-	-
Construction Projects						
Capitalized Projects	-	-	-	-	-	-
192nd Ave Construction	-	-	350,000	-	-	-
Old Buckley Highway & SR410 (w/Signal)	95,398	215,582	-	-	-	-
192nd Ave Connection Phase 1A	54,021	292,749	-	-	-	-
75th Street East Overlay	339,054	5,963	-	-	-	-
214th (96th St E to SR410)	57,971	123,463	-	-	-	-
184th (OSB to SR410) (w/Signal upgrade)	81,421	19,399	-	-	-	-
Street Light Project	58,582	1,122	-	-	-	-
SR410 Street Light Project	-	-	-	-	-	-
Main St/OSB Intersection Improvements	-	276,370	-	1,866,000	-	-
OSB Highway Improvements (SR410 to Main Street)	-	1,414,832	-	-	-	-
192nd Avenue Connection Phase 2B	-	-	-	-	-	-
90th St Improvements (Justice Center to 186th St)	-	-	-	155,435	-	-
SR410 Sidewalk (OSB to Main St) (TIB)	-	-	-	138,000	-	-
Intersection Improvements (SR410 & OSB) Phase II	-	-	-	264,000	95,000	-
Intersection Improvements (SR410 & Main Street)	-	-	-	100,000	45,000	-
Intersection Improvements (SR410 & 214th)	-	-	-	241,000	1,800,000	-
214th Ave Intersection Stormwater Pond A Expansion	-	-	-	-	134,000	-
SR410 Sidewalk (198th to 208th) (WSDOT)	-	-	-	59,000	921,000	-
Bonney Lake Elementary School (Sidewalk & On-Street Parking)	-	-	-	-	305,000	-
Stormwater Pond C Relocation	-	-	-	-	145,000	-
Eastown SR410 Street Light Project	-	-	-	-	200,000	-
Transportation Comprehensive Plan Update	-	-	-	-	90,000	-
One Time Reserve Sidewalk Installation	-	-	-	-	300,000	-
End of Year Cash Available	<u>\$ 7,251,558</u>	<u>\$ 5,385,241</u>	<u>\$ 5,003,685</u>	<u>\$ 3,176,250</u>	<u>\$ (42,290)</u>	<u>\$ 701,285</u>
Less Cash Restricted for Future Obligations	-	-	-	-	-	-
End of Year Cash Available	<u>\$ 7,251,558</u>	<u>\$ 5,385,241</u>	<u>\$ 5,003,685</u>	<u>\$ 3,176,250</u>	<u>\$ (42,290)</u>	<u>\$ 701,285</u>

**Budget Notes:**

As a result of the economy, interest earnings are estimated to be significantly less than in prior years. In addition, the downturn in housing sales has decreased REET (Real Estate Excise Tax)

collections by 35%. Finally, as impact and mitigation fees bear a direct correlation to development activity, decreased revenues are anticipated.

At this time, we have not included any project specific revenue sources for 2011-2012; however, we continue to pursue grant and other alternate funding for the listed projects.

Projects programmed in the next biennium will be reviewed carefully prior to development to preserve fund balance.

### **Trends and Future Issues**

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As growth has slowed so have Traffic Impact Fee (TIF) collections, which are fees charged to each new house and development project. TIF fees are used to fund major transportation system improvements.

A drastic halt in home sales has reduced Real Estate Excise Tax (REET) collections by 75%. The REET funds are used for the so called “recurring program”, that pot of money used for local street overlays, chip sealing, new street lights, and sidewalks. With state passed initiatives that eliminated much of the previous funds available for street improvements, if the economy doesn’t turn around soon, street maintenance will continue to decrease and consequently place the street systems at risk.

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## PARKS CAPITAL IMPROVEMENT FUND

### **Fund Description**

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The Parks CIP is for capital improvements that are parks related. Park CIP revenues include general funds, park impact fees, SEPA park mitigation funds, and a 35% share of the Real Estate Transfer Tax (REET) receipts.

### **2009-2010 Key Accomplishments**

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- Acquired 9.75 acres via Conservation Futures and City funds along Fennel Creek (former Cimmer property);
- Completed Ken Simmons Park Improvements;
- Obtained \$750 K Conservation Futures grant;
- Acquired 47 acres from Quadrant/WSU development agreement;
- Completed Safe Routes sidewalks and education program;
- Completed Historical Marker project.

### **Goals & New Initiatives**

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- Complete design for improvements to the Allan Yorke Park extension (former Moriarty property);
- Complete Safe Routes trail project. There is approximately \$781,000 in work yet to be completed. The project will be completed in 2011
- Complete Conservation Futures and associated land acquisition.
- Install Welcome to Bonney Lake gateway sign in Eastown.

**Resource Summary**

RESOURCE SUMMARY: Parks CIP Fund 302	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
Charges for Service						
Real Estate Excise Taxes	\$ 201,714	\$ 170,966	\$ 410,728	\$ 410,728	\$ 138,000	\$ 152,000
Impact Fees	232,218	200,349	419,170	419,170	209,000	219,000
Interest	-	-	23,171	23,171	5,000	2,500
Other Revenues	-	-	-	-	-	-
Revenues	<u>433,932</u>	<u>371,315</u>	<u>853,069</u>	<u>853,069</u>	<u>352,000</u>	<u>373,500</u>
Salary	-	-	-	-	-	-
Benefits	-	-	-	-	-	-
Other Operating Expenses	-	3,236	-	-	-	-
Subtotal - Operating Expenses	<u>-</u>	<u>3,236</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating Capital	-	-	-	-	-	-
Debt Service Expense	<u>68,301</u>	<u>74,542</u>	<u>265,532</u>	<u>265,532</u>	<u>255,919</u>	<u>245,825</u>
Total Operating Expense	<u>68,301</u>	<u>77,778</u>	<u>265,532</u>	<u>265,532</u>	<u>255,919</u>	<u>245,825</u>
Annual Cash Available for Projects	<u>365,631</u>	<u>293,538</u>	<u>587,537</u>	<u>587,537</u>	<u>96,081</u>	<u>127,675</u>
Beginning of the Year Cash Available	677,157	771,751	277,126	277,126	1,264,663	44,744
Total Cash Available for Projects	<u>1,042,788</u>	<u>1,065,289</u>	<u>864,663</u>	<u>864,663</u>	<u>1,360,744</u>	<u>172,418</u>
Other Financing Sources / (Uses)						
Project Specific Revenue	-	-	-	-	-	-
IAC Grant	-	-	-	-	-	-
Safe Routes Grant	-	185,784	1,100,000	1,098,000	-	-
Transfer In: General Fund	-	-	1,100,000	-	1,000,000	-
Construction Projects						
Capitalized Projects	-	-	1,100,000	-	-	-
Boat Trailer Parking Improvements	-	-	-	-	20,000	-
Lake Bonney Park Improvements	61,076	(227)	-	-	-	-
Fennel Creek Trail	130,454	855,709	50,000	79,000	-	-
Cedarview Park Improvements	31,034	-	-	-	-	-
Allen Yorke Park Expansion	46,597	-	-	-	-	-
Gateway Improvements	-	-	-	-	15,000	-
Allen Yorke Park - Ballfield & Other	-	6,360	20,000	20,000	-	-
Wetland Analysis Studies	1,875	-	-	-	-	-
Safe Routes Trail/Sidewalk Project	-	-	2,100,000	594,000	781,000	-
Parks & Open Space Acquisition	-	112,104	50,000	5,000	1,500,000	-
End of Year Cash Available	<u>\$ 771,751</u>	<u>\$ 277,126</u>	<u>\$ (255,337)</u>	<u>\$ 1,264,663</u>	<u>\$ 44,744</u>	<u>\$ 172,418</u>
Prior Period Adjustment (Interfund Loan)	-	-	-	-	-	-
End of Year Cash Available	<u>\$ 771,751</u>	<u>\$ 277,126</u>	<u>\$ (255,337)</u>	<u>\$ 1,264,663</u>	<u>\$ 44,744</u>	<u>\$ 172,418</u>

**Budget Notes:**

As a result of the economy, interest earnings are estimated to be significantly less than in prior years. In addition, the downturn in housing sales has decreased REET (Real Estate Excise Tax) collections by 35%. Finally, as impact and mitigation fees bear a direct correlation to development activity, decreased revenues are anticipated.

Projects programmed in the next biennium will be reviewed carefully prior to development to preserve fund balance.

**Trends and Issues**

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As growth has slowed so have Park Impact Fee (PIF) collections, which are fees charged to each new house and development project. PIF fees are used to fund major park system improvements. A drastic halt in home sales has reduced Real Estate Excise Tax (REET) collections by 75%. The Parks share of REET funds are used for park land acquisition and development. All PIF fees are committed to existing projects, and all future PIF fees will be needed to fund the conservation futures and related land acquisitions. It is anticipated that a major parks bond issue will be needed in late 2012 or 2013 to fund the Allan Yorke Park extension, WSU Park Development, Community Center/YMCA, and other park projects.

The City still owes the Sewer Utility for funds loaned to it for the acquisition of the Moriarty property. The payments are \$256,000 and \$246,000 for 2011 and 2012, respectively (including principal and interest). An environmental analysis for an Allan Yorke extension site plan was completed in 2010. A rough estimate for installing a grassy play field on the Moriarty site would be around \$300,000 plus the cost of removing and replacing the existing storage shed. A new masterplan for the Allen Yorke Park extension is needed.

## GENERAL GOVERNMENT CAPITAL IMPROVEMENT FUND

### **Fund Description**

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The General Government CIP (Fund 320) is for capital improvements that are funded primarily out of the general fund for general government improvements that don't fit any of the other CIP categories. The types of projects that would be included in the General Government CIP include the public safety building, the senior center, city hall, city hall annex, etc. The only dedicated source of funding for the General Government CIP is 15% of real estate excises taxes (REET).

### **2009-2010 Key Accomplishments**

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- Designed and constructed the Justice Center (JC);
- Replaced the roof at the Public Safety Building (PSB);
- Issued bids for a new phone system for the PSB, Annex, and JC

### **Level of Service**

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This fund provides for capital improvements for general government, including City Hall, the Annex, the Public Safety Building, and the Justice Center.

### **Goals & New Initiatives**

---

- Completion of Justice Center, including installation of new phone system for the JC, Annex, and PSB.
- Continue land acquisition for the civic center on a funds available basis.
- Complete minor remodeling of City Hall to better accommodate the Finance and Admin. Services Departments after Executive and Community Services Departments move to the Justice Center (\$20,000 anticipated).

### **Trends & Future Issues**

---

The current state of the economy and drastic decrease in real estate sales have resulted in a marked decrease in dedicated City revenue for the Fund, as REET receipts are coming in at less than half of what they were in 2006, resulting in reduced funding for capital projects. REET revenues (Fund 320 share) are estimated at \$60,000 for 2011, and a similar number for 2012.

## Resource Summary

RESOURCE SUMMARY: General Government CIP Fund 320	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
Charges for Service						
Real Estate Excise Taxes	\$ 86,449	\$ 73,271	\$ 136,910	\$ 136,910	\$ 45,000	\$ 49,000
Space & Facility Rentals	42,467	46,945	-	-	22,000	79,000
Interest	-	-	21,929	21,929	15,000	20,000
Other Revenues	-	-	-	-	-	-
Revenues	128,915	120,216	158,839	158,839	82,000	148,000
Salary	-	-	-	-	-	-
Benefits	-	-	-	-	-	-
Other Operating Expenses	-	-	-	-	-	-
Subtotal - Operating Expenses	-	-	-	-	-	-
Operating Capital	-	-	-	-	-	-
Debt Service Expense	430,698	230,698	230,698	230,698	330,675	-
Total Operating Expense	430,698	230,698	230,698	230,698	330,675	-
Annual Cash Available for Projects	(301,783)	(110,482)	(71,859)	(71,859)	(248,675)	148,000
Beginning of the Year Cash Available	(433,265)	2,864,126	2,354,858	2,354,858	4,982,999	3,984,324
Total Cash Available for Projects	(735,048)	2,753,644	2,282,999	2,282,999	4,734,324	4,132,324
Other Financing Sources / (Uses)						
Local Award - 800MHz	-	55,000	-	-	-	-
Transfer In: General Fund	-	-	-	-	500,000	-
Transfer In: Water Fund (PW Facility)	3,762,666	-	-	1,700,000	-	-
Transfer In: Sewer Fund (PW Facility)	-	-	-	1,000,000	-	-
Transfer In: Stormwater Fund (PW Facility)	-	-	-	-	-	-
Transfer Out (to Civic Center CIP for JC)	-	-	-	-	-	-
Interfund Loan	-	-	-	-	-	-
Construction Projects						
800MHz Interoperability	163,492	453,786	-	-	-	-
Public Works Maintenance Center	-	-	-	-	-	2,100,000
Civic Center Land Assembly	-	-	-	-	250,000	250,000
Justice Center Completion	-	-	-	-	1,000,000	-
Phone System	-	-	-	-	-	-
School Zone Improvements	-	-	-	-	-	-
Roof Repairs (City Hall)	-	-	-	-	-	-
HVAC Repairs (City Hall)	-	-	-	-	-	-
HVAC Repairs (Annex) (Carryover)	-	-	-	-	-	-
End of Year Cash Available	\$ 2,864,126	\$ 2,354,858	\$ 2,282,999	\$ 4,982,999	\$ 3,984,324	\$ 1,782,324
Less Cash Restricted for Future Obligations	-	-	-	-	-	-
End of Year Cash Available	\$ 2,864,126	\$ 2,354,858	\$ 2,282,999	\$ 4,982,999	\$ 3,984,324	\$ 1,782,324

### Budget Notes:

As a result of the economy, interest earnings are estimated to be significantly less than in prior years. In addition, the downturn in housing sales has decreased REET (Real Estate Excise Tax) collections by 35%.

The transfer-in in 2011 includes \$500,000 from the General Fund for:

1. Downtown civic center land acquisition and related work;

2. Tenant improvements in the Justice Center to convert more space for City use;
3. Economic development initiatives for Downtown, Midtown, and Eastown

Projects programmed in the next biennium will be reviewed carefully prior to development to preserve fund balance.

## CIVIC CENTER CAPITAL IMPROVEMENT FUND

### **Fund Description**

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This fund (325) was created in 2007 to account for the 2008 Limited Tax General Obligation debt issue of \$10 Million for the construction of a Justice Center (including associated land acquisition in the civic center area).

### **2009-2010 Key Accomplishments**

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- Executed contract with Group Mackenzie for design of the Justice Center (JC);
- Executed contract with MJ Takasaki for construction of the Justice Center (JC);
- Assisted in the construction of improvements to Main Street and 90<sup>th</sup> Street.

### **Level of Service**

---

This is a temporary fund created to account for the Civic Center Limited Tax General Obligation (LTGO) Bond Issue.

### **Goals & New Initiatives**

---

- Complete the Justice Center and attendant infrastructure.
- It is anticipated that this fund will be closed out in 2011. Debt service on the Justice Center will be charged to the General Government CIP Fund 320, while operating costs will be transferred to the facilities budget in the Community Services department. Future improvements to the civic center campus are anticipated to be budgeted and accounted for in the General Government CIP Fund 320.

**Resource Summary**

<b>RESOURCE SUMMARY: Civic Center CIP Fund 325</b>	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
Charges for Service						
Space & Facilities Rentals	\$ 9,061	\$ 6,729	\$ 65,000	\$ 65,000	\$ 45,000	\$ 49,000
Interest	267,078	80,670	50,000	50,000	22,000	79,000
Other Revenues	-	46	3,223	3,223	15,000	20,000
Revenues	<u>276,139</u>	<u>87,444</u>	<u>118,223</u>	<u>118,223</u>	<u>82,000</u>	<u>148,000</u>
Salary						
Benefits	-	-	-	-	-	-
Other Operating Expenses	12,811	16,841	5,000	5,000	-	-
Subtotal - Operating Expenses	<u>12,811</u>	<u>16,841</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>-</u>
Operating Capital	-	-	-	-	-	-
Debt Service Expense	664,813	652,564	659,638	-	-	-
Total Operating Expense	<u>677,624</u>	<u>669,405</u>	<u>664,638</u>	<u>5,000</u>	<u>-</u>	<u>-</u>
Annual Cash Available for Projects	<u>(401,486)</u>	<u>(581,961)</u>	<u>(546,415)</u>	<u>113,223</u>	<u>82,000</u>	<u>148,000</u>
Beginning of the Year Cash Available	9,955,734	4,877,243	2,586,848	2,586,848	(230,000)	(148,000)
Total Cash Available for Projects	<u>9,554,248</u>	<u>4,295,282</u>	<u>2,040,433</u>	<u>2,700,071</u>	<u>(148,000)</u>	<u>0</u>
Other Financing Sources						
Bond Proceeds	-	-	-	-	-	-
Transfer In (from Fund Balance)	-	-	600,000	600,000	-	-
Construction Projects						
Civic Campus (Reimb to Fund 320)	3,762,666	-	-	-	-	-
Civic Campus	-	-	-	-	-	-
Justice Center - Construction	914,340	1,686,145	-	3,530,071	-	-
Justice Center - Furnishings	-	-	-	-	-	-
90th St Improvements	-	22,288	-	-	-	-
End of Year Cash Available	<u>\$ 4,877,243</u>	<u>\$ 2,586,848</u>	<u>\$ 2,640,433</u>	<u>\$ (230,000)</u>	<u>\$ (148,000)</u>	<u>\$ 0</u>
Less Cash Restricted for Future Obligations	-	-	-	-	-	-
End of Year Cash Available	<u>\$ 4,877,243</u>	<u>\$ 2,586,848</u>	<u>\$ 2,640,433</u>	<u>\$ (230,000)</u>	<u>\$ (148,000)</u>	<u>\$ 0</u>

**Budget Notes:**

The 2009-2010 budget programs funding for the completion of the Justice Center (with related land acquisition). This fund was created in 2007 to account for the bond issue associated with the Justice Center project.

As a result of the economy, interest earnings are estimated to be significantly less than in prior years. The other revenue source to this fund is lease earnings. As tenant leases from existing property end, lease revenues from the retail portions of the constructed Justice Center will begin.

The cost estimate for the Justice Center has increased from initial estimates due to the City's commitment to construct the facility as a "Green" building.

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# **INTERNAL SERVICE FUNDS**

## EQUIPMENT RENTAL & REPLACEMENT FUND

### Budget Overview

RESOURCE SUMMARY:	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
Charges for Service:						
Interfund Charges for Service						
General Fund	\$ -	\$ 620,931	\$ 639,560	\$ 639,560	\$ 620,932	\$ 639,560
Drug Investigation Fund	-	-	-	-	-	-
Water Fund	-	256,383	264,074	264,074	256,383	264,074
Sewer Fund	-	108,681	111,942	111,942	108,681	111,942
Stormwater Fund	-	40,960	42,189	42,189	40,960	42,189
ER&R Fund (self-funded)	-	21,936	22,594	22,594	21,936	22,594
Charges for Service	883,496	-	-	-	-	-
Interest:	-	-	63,036	63,036	64,297	66,226
Other Non-Operating Revenue	(2,973)	10,267	-	-	-	-
Capital Contributions	187,672	-	-	-	-	-
Transfers In	-	-	-	-	1,126,385	-
Revenues	\$ 1,068,196	\$ 1,059,158	\$ 1,143,395	\$ 1,143,395	\$ 1,113,189	\$ 1,146,585
Salary	\$ 117,505	\$ 127,951	\$ 140,977	\$ 140,977	\$ 146,370	\$ 151,557
Benefits	48,009	53,263	56,678	56,678	54,026	59,698
Other Operating Expenses	445,588	379,240	422,040	422,040	400,350	404,850
Transfers Out	78,137	65,816	68,555	68,555	68,555	68,555
Sub-Total Operating Expenses	\$ 689,238	\$ 626,270	\$ 688,250	\$ 688,250	\$ 669,301	\$ 684,660
Rolling Stock (new)	-	-	-	-	50,000	-
Depreciation Expense	389,775	425,356	-	-	-	-
Total Operating Expenses	1,079,013	1,051,626	688,250	688,250	719,301	684,660
Annual Cash Available for Replacement	(10,818)	7,532	455,145	455,145	393,888	461,925
Beginning of the Year Cash	2,033,015	1,421,424	1,223,626	1,223,626	1,433,771	1,529,163
Total Cash Available for Replacement	2,022,197	1,428,956	1,678,771	1,678,771	1,827,659	1,991,088
Capital Replacement per Schedule	600,773	205,329	245,000	245,000	298,496	219,000
End of Year Cash	1,421,424	1,223,626	1,433,771	1,433,771	1,529,163	1,772,088

### Mission Statement

Provide maintenance, repair, and service calls for the maintenance and repair of rolling stock and other equipment assigned to the Equipment Rental and Replacement Fund, including motor vehicles, construction equipment and generators used by all City departments.

### Fund Description

The equipment rental and replacement (ER&R) fund is used as a revolving fund to pay for the salaries, benefits, and operations required for the repair, replacement, purchase and operation of motor vehicles and contractor's equipment, and for the purchase of all gas, oil, parts, and other supplies necessary for the operation and maintenance of the city's equipment fleet. Assessments are paid by City departments based on the number and types of vehicles and equipment used.

The Public Works department is responsible for the maintenance and repair of the equipment in the fund, including maintenance records. The Executive Department is responsible for acquiring

new or replacement equipment and to surplus and dispose of old equipment in cooperation with the operating departments of the City and the ER&R fund administrators.

All motor vehicles, equipment, parts, accessories and supplies acquired by the Fund are deemed to be owned by, and are maintained by, the equipment rental fund.

This fund is financed through interfund charges for service assessed to other departments/funds to pay for their proportionate share of equipment, operating and maintenance costs.

In 2011, the fund will purchase three (3) base-model vehicles for law enforcement use, funded by a transfer-in from the General Fund.

The following are tentatively scheduled to be replaced during the 2009-2010 biennium:

Asset #	Department	Equipment Being Replaced	2011	2012
29	Water	2004 Grumman Van	\$ 25,296	\$ -
79*	Water	1980 Hyd Boom Truck	125,200	-
PD022	Police	2003 Ford Sedan	37,000	-
PD044	Police	2004 Ford Sedan	37,000	-
PD047	Police	2004 Ford Sedan	37,000	-
PD045	Police	2004 Ford Sedan	37,000	-
PD043	Police	2003 Ford Sedan	-	37,000
PD052	Police	2004 Ford Sedan	-	37,000
PD053	Police	2004 Ford Sedan	-	37,000
PD054	Police	2004 Ford Sedan	-	37,000
PD042	Police	2004 Ford Sedan	-	37,000
37	PW Admin	2001 Ford Taurus Sedan	-	16,000
73	Parks	1992 Ford Pickup	-	18,000
			<u>\$ 298,496</u>	<u>\$ 219,000</u>

*Note: A full study/analysis of the ER&R Fund is in progress. The above schedule and/or departmental assessments may change based on the end results of the study.*

*\* \$57,664 was budgeted to replace this unit. It is proposed that this unit not be replaced, but rather an exiting vehicle (Unit #101) be retrofitted to fill a variety of needs, saving other equipment purchases in the long run. We would modify dump truck #101, a 9 yard truck, to accept a hook lift system. This would cost \$125,200. This is similar to what you see in off load large dump box containers. The modification would allow us to mount and dismount truck bodies such as the dump box, man lift system, a crane lift, snow sander and many more applications with just the driver backing up to those pieces of equipment. Each piece of equipment will be installed on a skid that the truck can back up to, hook into the skid and lift it onto the truck and be mobile within minutes. The boom truck is no longer serviceable and we are renting crane lifts to place and remove snow sanders, motors and pumps, and grinder pumps. In the past we were able to use the boom truck to assist in trimming of trees, but can no longer use it because of changes in L&I requirements. With this modification and purchase of a man lift basket we will again be able to have a unit capable of tree trimming. In short with the modification of the truck and purchase of various modular components the City would be able to do tree trimming, lifting*

*of heavy objects with the ability of a crane, dump truck box, on and off loading of winter street sanding equipment with the use of a single multi-purpose vehicle.*

### **2009-2010 Key Accomplishments**

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- Purchased
  - PW Admin Fusion
  - (5) Police Patrol Cars
  - Water Dept. Service Truck
  - Wastewater Dept. Service Truck
  - Street Roller
  - ER&R Forklift
- Developed and adopted Equipment Rental and Replacement Policy for City;
- Implementation of GBA work management module to better manage utilization, maintenance, operation and repair of street and construction motor vehicles and generators;
- Replace older equipment beyond its useful life for which repair parts are prohibitively expensive, not cost-effective, or unavailable;
- Awarded contract with outside vendor for preventive maintenance and repair for Police Department vehicles;
- Awarded and implementation of contract for fuel card usage;
- Improve level of maintenance service work performed on all vehicles to fully comply with manufacturer's guidelines and to improve maintenance and operation costs;
- Evaluation of submitted ER&R study by outside contractor.

### **Level of Service**

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Equipment services include maintenance and repair of current equipment to achieve maximum service life and reliability. Equipment specifications are continually upgraded to reflect current workplace demands and flexibility in use.

### **Goals & New Initiatives**

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- Improve revenue and cost allocation tracking of this internal service fund;
- Inventory all equipment and provide cost analysis for possible inclusion into ER&R fund;
- Redesign ER&R in-house maintenance program to fit current funding and labor;
- Investigate further maintenance services contracts with heavy duty truck and heavy equipment;
- Track warranty work with vendors

## Trends & Future Issues

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The City plans a thorough analysis in the 2011-2012 biennium to address several outstanding issues in the ER&R Fund. In 2008, the City Council approved a service analysis of the ER&R fleet. Finance will utilize that data to develop a rate model to ensure appropriate assessments to user departments, review depreciation and useful life activities, and develop an inflation component to replacement funding to ensure adequate replacement reserves. In reviewing the financing of the ER&R Fund, it was noted that the Fund is not fully funded. In other words, each year departments contribute funds to pay for operations and maintenance of the vehicles, and some to pay for future replacement. In the past, replacement funds were based on the purchase price of the vehicle, not on the future replacement cost of the vehicle. Thus over the years, the fund fell behind such that when it came time to replace a vehicle, the funds are not fully available, and if the department does not have extra funds somewhere in its budget to cover the difference, either the equipment purchase is deferred or the Fund makes the purchase which puts the remaining pieces of equipment more underfunded (rob Peter to pay Paul). This biennial budget proposes to “catch up” underfunded depreciation by transferring fund balances into the ER&R Fund.

## Performance Measures

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Measures	Units	2004	2005	2006	2007	2008	2009	2010	2011
		Actual	Est						
Total ER&R Equipment	Pieces	113	139	160	171	195	200	205	205

## INSURANCE FUND

### Budget Overview

RESOURCE SUMMARY:	Actual		Budget			
	2008	2009	2010 Adopted	2010 Revised	2011	2012
<b>Charges for Service:</b>						
Interfund Charges for Service						
General Fund	\$ 146,069	\$ 234,809	\$ 246,550	\$ 246,550	\$ 246,550	\$ 246,550
Water Fund	30,189	45,506	47,781	47,781	47,781	47,781
Sewer Fund	55,637	28,267	29,680	29,680	29,680	29,680
Stormwater Fund	7,875	10,493	11,018	11,018	11,018	11,018
ER&R Fund	-	21,621	22,702	22,702	22,702	22,702
Insurance Recoveries:	7,596	-	-	-	-	-
Interest:	-	-	-	-	-	-
Revenues	<u>\$ 247,366</u>	<u>\$ 340,696</u>	<u>\$ 357,731</u>	<u>\$ 357,731</u>	<u>\$ 357,731</u>	<u>\$ 357,731</u>
<b>Insurance Costs</b>						
Auto (Physical Damage)	\$ -	\$ -	\$ 18,767	\$ 18,767	\$ 18,806	\$ 18,767
Crime/Fidelity	-	-	738	738	775	814
Boiler/Machinery	-	-	3,021	3,021	3,021	3,021
Property	-	-	71,098	71,098	71,098	71,098
Liability	306,554	359,451	264,108	316,377	319,549	319,549
Expenses	<u>\$ 306,554</u>	<u>\$ 359,451</u>	<u>\$ 357,732</u>	<u>\$ 410,001</u>	<u>\$ 413,249</u>	<u>\$ 413,249</u>
Net Annual Cash	(59,188)	(18,755)	(1)	(52,270)	(55,518)	(55,518)
Beginning of the Year Cash	282,253	223,065	204,310	204,310	152,040	96,522
End of the Year Cash (Reserves)	<u>223,065</u>	<u>204,310</u>	<u>204,309</u>	<u>152,040</u>	<u>96,522</u>	<u>41,005</u>

### Fund Description

The City has insurance for liability, property, unemployment, and workers' compensation (L&I) claims. This fund pays for the related premiums, claims, and deductibles. Assessments are made to other City funds based on a proportional allocation of FTE for all premiums except Auto (Physical Damage), which are allocated wholly to the ER&R Fund. If actual expenditures are less than departmental assessments, the difference remains in the Fund to accumulate a reserve.

Since 2002, the City has been a member of the Washington Cities Insurance Authority (WCIA). WCIA is a pool of cities that jointly insure and manage their risks. The City uses WCIA for the full range of insurance coverage, including liability, errors and omissions, auto, property and casualty, inland marine, boiler and machinery, and fidelity. The Insurance Fund was established to pay insurance premiums and membership costs for participation in the WCIA. Expenses of this Fund are largely financed through user fees charged to various Funds or Departments based on the employees, property and equipment assigned to each fund.

Limits of insurance for liability include \$15,000,000 per occurrence subject to annual aggregates, with no deductible. Auto coverage is actual cash value with a \$500 deductible (excludes glass repair, fire and lightning). Property damage coverage has a \$300 million per occurrence limit, with a \$5000 deductible. Boiler and machinery coverage has a \$50 million limit with variable deductibles. Fidelity coverage is limited to \$2,500,000 with a \$10,000 deductible.



# About the City of Bonney Lake

## Elected Officials



*Councilmembers--From Left to Right*

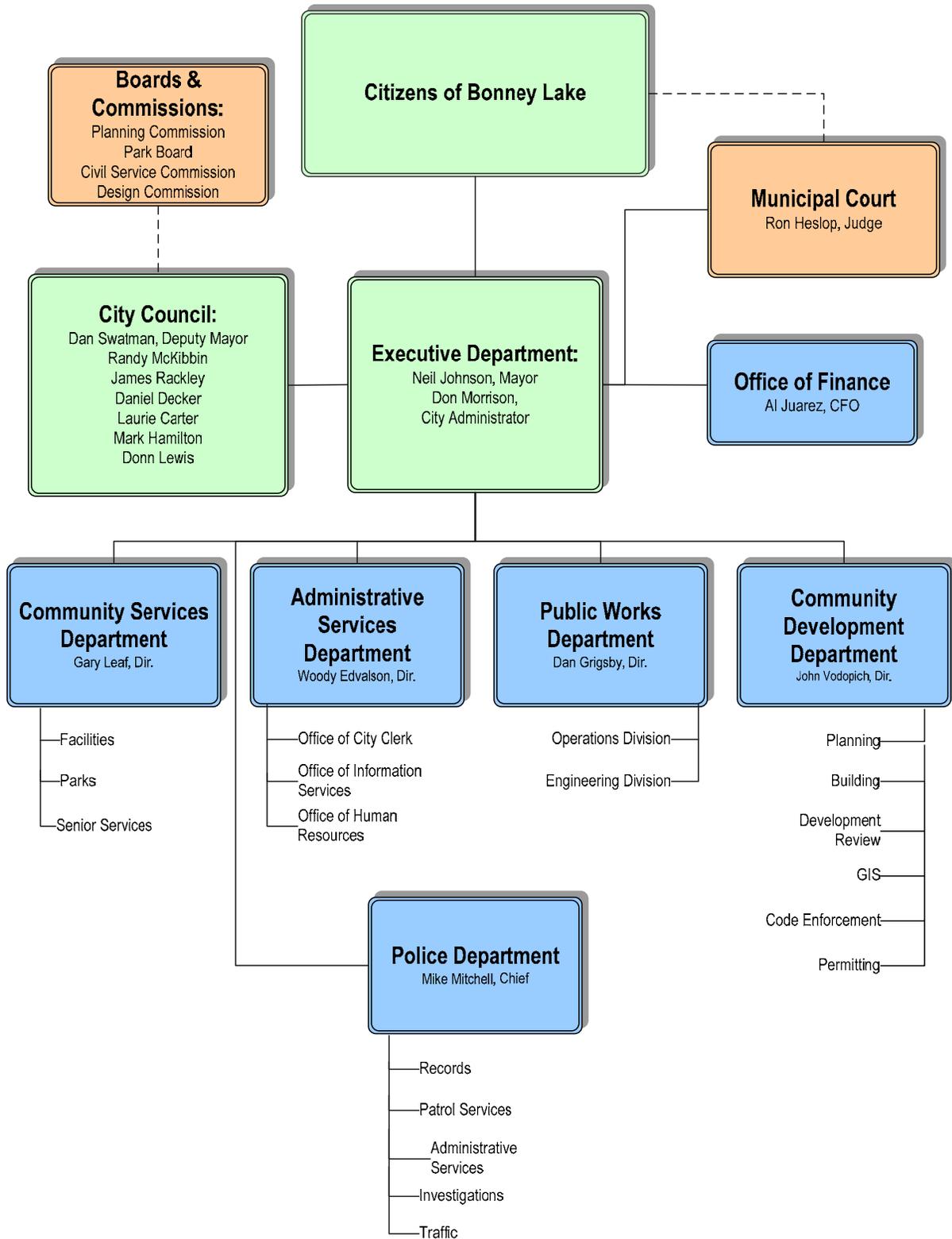
Dan Swatman Ward 1	Dan Decker Ward 5	Randy McKibbin At-large	Donn Lewis Ward 4	James Rackley Ward 2	Laurie Carter Ward 3	Mark Hamilton At-Large
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Neil Johnson  
Mayor

Neil Johnson, Jr.	Mayor
Don Morrison	City Administrator
Al Juarez	Chief Financial Officer
John Vodopich	Community Development Director
Harwood Edvalson	Administrative Svcs Director/City Clerk
Mike Mitchell	Police Chief
Dan Grigsby	Public Works Director
Gary Leaf	Community Services Director
Ron Heslop	Municipal Court Judge
Kathy Seymour	Municipal Court Administrator

### General City Organization Chart



**Management Team**

*Mayor Johnson's management team consists of:*

**Executive Department**

Don Morrison, City Administrator  
Brian Hartzell, Executive Assistant  
Al Juarez, MBA, Chief Financial Officer  
Kassandra Raymond, Accounting Manager  
Annette Maib, Financial Operations Supervisor

**Administrative Services Department**

Harwood Edvalson, Director of Administrative Services/City Clerk  
Chuck McEwen, Information Services Coordinator  
Jenna Young, Human Resources Officer

**Public Works Department**

Dan Grigsby, P.E., Public Works Director  
John Woodcock, P.E., City Engineer  
Charlie Simpson, Assistant Public Works Director

**Community Development Department**

John Vodopich, AICP, Planning and Community Development Director  
Heather Stinson, Planning Manager  
Jerry Hight, Building Official

**Community Services Department**

Gary Leaf, Community Services Director  
Sue Hilberg, Senior Services Manager

**Police Department**

Mike Mitchell, Chief of Police  
Dana Powers, Deputy Chief

**Municipal Court**

Ron Heslop, Judge  
Kathy Seymour, Court Administrator

## FORM OF GOVERNMENT

Bonney Lake is currently organized as a non-charter code city, under the mayor-council form of government. The optional municipal code, Title 35A RCW, was devised as an alternative to the existing statutory system of municipal government in Washington. The basic objective of the code was to increase the abilities of cities to cope with complex urban problems by providing broad statutory home rule authority in matters of local concern to all municipalities, regardless of population. Cities operating under the optional municipal code are commonly referred to as code cities. Under the optional municipal code, cities may take any action on matters of local concern so long as that action is neither prohibited by the State Constitution nor in conflict with the general law of the state. The powers granted to code cities include all the powers granted to any other class of city in any existing or future legislative enactment, unless the legislature specifically makes a statute inapplicable to code cities.

The City of Bonney Lake is lead by a publicly-elected Mayor and a seven-member City Council, two of whom are elected at-large, and 5 of whom are elected by ward (district). The City Council elects a president, known as the Deputy Mayor. The Bonney Lake Municipal Code (BLMC) Chapter 2.04 contains the City Council's Rules of Procedure.

Every even numbered year (bi-annually) in January, the City Council elects one of its members to serve as the Deputy Mayor (Council President). BLMC 04.510 outlines the duties of the deputy mayor: *"The deputy mayor presides at meetings of the council, administers oaths and signs instruments in the absence of the mayor. When the deputy mayor presides over a council meeting he/she shall retain his or her councilmanic vote. In addition to serving in the absence of the mayor, the deputy mayor shall serve as finance committee chair for the term of office as established for the deputy mayor, shall serve as voucher review committee chair, shall be responsible for overseeing council agendas with the city clerk and the mayor and shall perform any other duties prescribed by the council."* (Ord. 1061 § 1, 2004).

The city attorney or assistant city attorney acts as the council's parliamentarian (BLMC 2.04.210).

Most WA cities have adopted council rules of procedure. Most cities adopt them by resolution. However, in Bonney Lake, the council rules have been adopted by ordinance and are codified as BLMC Chapter 2.04. These rules govern the way the city council conducts its business, and covers such topics as council meetings, voting, citizen participation, meeting decorum, etc.

*Workshops:* The Council meets in Workshop (as a Committee of the Whole) on the first and third Tuesdays of the month, beginning at 5:30 p.m.

*Regular Meetings:* The Council meets in regular session on the second and fourth Tuesdays of the month, beginning at 7:00 p.m.

The Council does not normally meet on any 5<sup>th</sup> Tuesdays of the month, but may on occasion schedule those few fifth Tuesdays of a month to meet in a joint session with one of the City's advisory boards.

*Council Committees.* There are four (4) standing committees of the City Council: Finance, Voucher Review, Public Safety, and Community Development. Each council standing committee meets at least monthly and is supposed to hold meetings a minimum of 12 times per year. Council committee members are to notify the committee chair of planned absences at least 24 hours in advance of the meeting and the chair of the committee may contact the deputy mayor or any other councilmember to serve in their absence.

Committee membership is determined by the council biennially on even numbered years at the first meeting in January (same as deputy mayor) or more often as the council determines is necessary. Each committee consists of three councilmembers, and each councilmember generally serves on at least one committee. The public safety and community development committees each choose their own chairperson.

1. *Finance Committee.* The deputy mayor is the chair of the finance committee. The chairs of the community development committee and the public safety committee shall also serve on this committee with the deputy mayor. The finance committee was created for the purpose of advising the city council on matters concerning the general fiscal and financial operations of the city, budget and financial reports, policy matters related to city finances and personnel, including, but not limited to, the salary grade schedule, position classifications and salary changes in coordination with the mayor, finance director, human resources officer and administrative services coordinator. The Finance Committee meets the second and fourth Tuesdays at 4:30pm for Voucher Review, and at 5:30pm for committee meeting.
2. *Voucher Review Committee.* The membership of the voucher review committee is the same as the Finance Committee. The voucher review committee was created for the purpose of reviewing all monthly city payable vouchers and payroll and to make recommendations to the city council for payment approval of the city's expenditures at a minimum of twice per month. The Committee meets the second and fourth Tuesdays at 4:30pm.
3. *Public Safety Committee.* The Public Safety Committee consists of three (3) council members appointed by the Deputy Mayor. The public safety committee was created for the purpose of advising the city council on matters concerning the overall safety of the citizens who live within our community that pertain to police and fire protection, the municipal court, emergency services and animal control in coordination with the police department, fire department (District #22) and civil service commission. The Committee meets the first Monday of the month at 5:00 p.m., with an additional meeting the third Monday of the month if needed.
4. *Community Development Committee.* The Community Development Committee (CDC) consists of three (3) council members appointed by the Deputy Mayor. The community development committee was created for the purpose of advising the city council on matters related to the planning of the physical, economic, aesthetic, cultural and social development of the city zoning codes, building codes, sign codes, annexation policies, parks and recreation and all city utilities in coordination with the planning department,

planning commission, building department, parks department and the public works department. The CDC considers policy and legislative matters relating to public works and planning/development issues that are not considered by the planning commission, design commission, or hearing examiner. The CDC meets the first and third Mondays of the month at 5:00pm.

## CITY ADMINISTRATION AND DEPARTMENT ORGANIZATION

The executive branch of City government is headed by the Mayor who is assisted by a City Administrator. The City administration currently consists of six (6) official departments and the municipal court.

1. Executive
2. Administrative Services
3. Community Services
4. Community Development
5. Public Works
6. Police
7. Municipal Court

*Executive Department.* The Executive Department consists of the Mayor, City Administrator, and Office of Financial Services. The Executive Department oversees and coordinates the activities of all departments of the City, and provides financial support services to them.

*Administrative Services.* The Administrative Services Department includes the offices of City Clerk, Human Resources, and Information Technology (IT). The department provides services such as public information, City Council agenda preparation, human resources administration, records maintenance, and computer support. The IT office coordinates and maintains all of the computer, phone and related systems of the City.

*Community Services.* The Community Services Department includes parks, recreation, senior services, and facilities. The parks division plans and maintains the parks system of the City. Recreation services are provided primarily through an interlocal agreement between the City of Bonney Lake, City of Sumner, and the Sumner School District. The School District administers the joint recreation program. The Senior Services Division operates the Bonney Lake Senior Center and administers the City's senior citizen programs and services. The Facilities Division provides custodial services and maintains all of the City's primary buildings and grounds, including the City Hall, Senior Center, Public Safety Building, and City Hall Annex.

*Community Development.* The Community Development Department plans and coordinates all aspects of the City's physical development. Planners do this through preparation of the City's Comprehensive Plan, development regulations, adopted building codes, and other long-range plans. They also evaluate and revise the zoning and subdivision ordinances as needed. In addition, planners work with our local boards and commissions concerned with the appearance and use of land in Bonney Lake. The department is housed in the Annex.

*Police.* The Police Department is located in the City's public safety building, which it currently shares with Fire District #22. The City of Bonney Lake has annexed into Fire District #22, which is a separate municipal entity. Services offered by the police department include security surveys, investigation, crime prevention, coordination of some special events, community oriented policing, traffic control and crisis-intervention assistance.

*Public Works.* The Public Works Department includes the construction, operation and maintenance of all public streets, sidewalks, alleys, bridges, viaducts, highways and rights-of-way, including the placement and operation of signs, signals and lighting fixtures; the construction, operation and maintenance of all public water supply, storage and distribution facilities, including water mains, pumping stations, reservoirs, and wells; the construction, operation and maintenance of all sanitary sewers, sewer facilities and appurtenances, including sanitary sewers, and pumping stations; the construction and maintenance of all storm sewer facilities and appurtenances, including storm sewers, drains, ditches, culverts and streams and watercourses under jurisdiction of the city; the construction, maintenance and operation of all public parking lots; the cleaning of all streets and alleys including snow removal operations; the control, management and supervision of the equipment rental fund, including all associated city shops and garages; the making of all necessary surveys, maps, drawings and documents and the preparation of contract drawings, specifications, cost estimates, and supervision of construction and inspection for all public works construction.

The Engineering Division of public works oversees the environmental, transportation, utility, and other Public Works related engineering projects and programs of the City to ensure technical competence and compliance with standards and codes.

The Operations and Maintenance Division of public works operates and maintains the water, sanitary sewer collection, street, and storm water systems of the City. The Operations and Maintenance Division also maintains the City's fleet.

Public works administration and engineering is located in the Annex. Operations and Maintenance is located in the shops behind city hall.

*Municipal Court.* The municipal court is a legally independent branch of city government, but is subject to the ordinances, resolutions, policies, and procedures of the City. The Bonney Lake Municipal Court is a court of limited jurisdiction. The court adjudicates violations of city ordinances, including the traffic code, infractions, and other misdemeanors. Municipal court judges may impose fines up to \$5,000, a year in jail, or both, although many ordinances will specify the maximum penalty in the ordinance. The Municipal Judge and Court Administrator administer the activities of the municipal court. Prosecution is provided by the contracted City Attorney's Office. The judge is appointed by the mayor for a four (4) year term.

## **BOARDS AND COMMISSIONS**

The City has four (4) standing boards and commissions:

1. Planning Commission
2. Design Commission
3. Civil Service Commission
4. Park Board (Also serves as Tree Board)

### **Planning Commission**

Meets 1<sup>st</sup> and 3<sup>rd</sup> Wednesday of each month at 5:30 p.m.

The Planning Commission is comprised of seven citizens appointed by the Mayor to six-year terms. A special meeting may be called at any time, with notices posted not less than 24 hours in advance. The Planning Commission agenda is available one week prior to the meeting date. These meetings may be cancelled or changed, so please call (253) 862-8602 prior to attending. Meetings are conducted according to by-laws adopted by the Agency.

*Responsibilities:* The Planning Agency acts as the land use advisory body for the City Council and reviews and makes recommendations to the City Council on the City's Comprehensive Plan, Shoreline Plan and amendments to the SEPA and environmentally sensitive area codes, subdivision, zoning and sign codes. They are also responsible for making recommendations to the city council for Type 3 permits.

*Members:*

Grant Sulham (Chair)  
David P. Eck  
Brandon Frederick  
Brad Doll

Katrina Minton-Davis (Vice-Chair)  
L. Winona Jacobsen  
Richards Rawlings

### **Design Commission**

Meets 2<sup>nd</sup> Wednesday at 6:00 p.m. (and possibly 4<sup>th</sup> Wednesday with 24 hours notice)

The Design Commission is comprised of seven persons appointed by the Mayor. Five of the members shall be practicing professionals within the fields of architecture, planning, civil engineering, landscape architecture, and development

*Responsibilities:* The Design Commission provides advice to the Planning Department and Planning Commission on issues related to design and they advocate quality design through education, promotion, and other means, as may be appropriate.

*Members:*

Debbie Strous-Boyd (Chair)  
Tom Watson

Jamie Bendon  
David Colbeth

Thomas Kennedy  
Paul Webber

Raymond Bunk III

### **Civil Service Commission**

Meets on the fourth Monday of the month at 5:30 p.m.

The Civil Service Commission is comprised of three persons appointed by the mayor to six-year terms.

*Responsibilities:* The Civil Service Commission shall perform all the duties and obligations required and provided by the laws of the State of Washington per RCW 41.12.040 as the same is or may now hereafter be amended.

*Members:*

Robert Dalton (chair)  
Roy Nishiyori  
Raymond Bunk

### **Park Board**

Meets 2<sup>nd</sup> Monday of month at 6:00 p.m. in the City Hall Council Chambers.

The Park Board is comprised of seven members appointed by the mayor with the consent of the city council.

*Responsibilities:* The Park Board is responsible for reviewing park and recreation matters in the City. They also review and recommend the draft park element of the comprehensive plan prior to review by the planning commission and city council. The Park Board also sits as the City's "Tree Board", and as such reviews the community forestry plan and acts as the body that considers designation of heritage trees.

*Members:*

Darren Proctor (Chair)  
Brian Cebe (Vice Chair)  
Fred Jacobsen

Karen Witters  
Valerie Zifka  
2 Vacancies

## CITY SERVICES – WHO DOES WHAT?

**Police.** Police services are provided by the City of Bonney Lake Police Department. The Police Department consists of 33.6 commissioned officers and 4 civilian support positions. The Bonney Lake Police Department provides the citizens of Bonney Lake with a broad range of law enforcement services, comprised of three core areas providing traditional law enforcement services plus several small units staffed by officers throughout the department on an additional duty basis, to provide specialty services when needed. The mission of the police department is *to provide quality law enforcement and preserve the peace within the framework of the Constitution and enforcement of federal, state and municipal law, we embrace the highest principles of public service adhering to legislative standards of fairness, impartiality and equality.*

In fulfillment of that mission, the department provides the following services:

- Patrol services, including initial response to calls for police service and coordination of relations with external agencies;
- Criminal investigations, including investigation of criminal offenses and provision of liaison with other law enforcement agencies, and dissemination of crime information to the public and other agencies;
- Community services, including management of and response to domestic violence and youth-related complaints, provision of education-related services such as the school resource officer program and crime prevention services;
- Tactical and marine specialty services;
- Administrative services including planning and fiscal management, crime analysis, police records, and automated recordkeeping in support of the city, state and federal criminal justice systems; and
- Personnel management services, including internal affairs (complaint investigations), training, and personnel services.

To support the department's mission, the overall organization of the department is structured around three functional areas: patrol, investigations and administration.

**Animal Control.** Up until 2006, the City provided for animal control services through a service agreement with the Pierce County Humane Society. In early 2005, the Society notified all Pierce County cities that it would no longer provide animal control services (they have since decided that they would continue to offer sheltering services). Upon receipt of the notice, the City began looking at alternative means of providing animal control services. Effective 1/1/06, the City began contracting with the City of Sumner (later organized as Metro Animal Services) for animal control services. Metro Animal Services, in cooperation with the City of Puyallup, has a joint animal shelter located at 1200 39th Ave. SE, Puyallup, WA 98374, phone: (253) 841-5595.

**Fire.** In 1994, the City of Bonney Lake completed a new Public Safety Building to house the City's Police and Fire Departments. In fall of 1999, the citizens of Bonney Lake voted affirmatively to annex into Pierce County Fire Protection District No. 22, commonly known as

East Pierce Fire and Rescue, effectively completing a merger of the City's municipal fire department with that of District 22. The Fire District serves most of the plateau area, including the City of Sumner (which annexed into the Fire District in 2008). Since the effective date of the annexation all fire protection and emergency medical services throughout the City of Bonney Lake have been provided by the Fire Protection District.

The Fire District provides a variety of fire and life safety services, including:

- *Fire Prevention:* East Pierce Fire & Rescue Prevention Division provides plan review, code enforcement, juvenile fire setter intervention program, and fire investigation. If you need more information or have questions, call East Pierce Fire & Rescue at 253-863-1800.
- *Fire Suppression:* The District operates 13 Fire Stations. Six are staffed 24 hours a day, 7 days a week, by career firefighters. The other seven include six that are volunteer stations, and a water rescue facility located on Lake Tapps.
- *Wild Fire Response:* East Pierce Fire & Rescue has, over the years, developed a group of firefighters to combat the dangers of "Brush Fires". The District has 3 brush fire trucks.
- *Emergency Medical Services:* The district operates 6 Paramedic Units that provide Advanced Life Support along with seven reserve aid units.
- *Water Rescue:* The East Pierce Fire & Rescue dive team consists of both career and volunteer firefighters. All divers hold a minimum of Open Water, Dive Rescue, and EMT certifications. The district has two rescue water boats.

**Emergency Medical Services.** Emergency medical services are provided by East Pierce Fire and Rescue (Pierce County Rural Fire Protection District #22). The district operates six paramedic units. One Medic Unit is housed in the Bonney Lake station. The district offers both Basic Life Support (BLS), which are basic services such as transport, first aid, CPR and other noninvasive assistance, and Advanced Life Support (ALS), which are paramedic provided services such as EKG monitoring, chest decompression, medication administration, or IV therapy. Paramedics accompany both engines and aid units responding to emergencies. The District also provides transport services (from home to hospital, or rest home to hospital, etc.) at no direct charge to the patient if they live in District 22. However, the District will bill the patient's insurance for the service.

**Water.** The City of Bonney Lake owns and operates a public water system within its corporate boundaries as an enterprise fund. The City provides service to approximately 12,229 water customer accounts, which equates to a population of over 32,500. Of these accounts, 5,693 are within City limits. The water service area extends outside the city limits of Bonney Lake, to unincorporated areas in Pierce County around Lake Tapps, and serves customers inside the City of Auburn that reside in Pierce County. The City limits comprise an area of approximately 6.7 square miles and the water service area is approximately 25 square miles. The Washington Department of Health classifies the system as a Type Group A - Community - Public Water System. The Water Section of the Public Works Operations Division is headed by the Assistant Public Works Director who reports to the Public Works Director.

The City's water supply consists of two well fields and two spring sources. Both springs are classified as not under the influence of surface water. Combined water source capacity is 6,175 gallons per minute (GPM) or 8.8 million gallons per day (MGD). System storage capacity is provided by five water tanks that have a total capacity of 20.7 million gallons (MG). In addition, the Bonney Lake water system has fourteen major pressure zones with 27 pressure reducing stations, 5 booster pump stations, and more than 198 miles of water main. The City also has a long term water supply contract with Tacoma Public Utilities (TPU) for up to 2 MGD to supplement the City's existing water supply sources, and has recently negotiated the purchase of an additional 2 MGD from TPU with Cascade Water Alliance (CWA). Additionally, CWA will hold 2 MGD in White River water rights for the City until we can build a well field on the Reed Property that the City purchased in 2010. The combined water supply of 14.8 MGD will support projected growth in our water service area at least through the year 2040.

**Sewer.** The City operates a municipal sewerage utility as an enterprise fund. Sewer services are provided to approximately 5,463 customers. The sewer service area is broken into three areas: Core, Northern, and Southern areas. The core area covers the area within the City limits and Urban Growth Areas. The Northern and Southern service areas are outside the City within the Pierce County Comprehensive Urban Growth Areas. The City owns and maintains the sewage collection system, however sewage treatment is provided by the City of Sumner through an Interlocal agreement. Customers are charged based on the amount of water they consume up to 10 CCF each month. This 10 CCF cap is used to avoid water users paying for waste water treatment services on water they use for irrigation. The Sewer Section of the Public Works Operations Division is headed by the Assistant Public Works Director who reports to the Public Works Director.

**Stormwater.** The City operates a storm water utility as an enterprise fund, with established rates and charges for service. Stormwater services are provided to approximately 6,126 customers. The City does not have a fully-developed storm water system. In most of the older areas of the City, storm water is handled by a variety of drainage swales and natural drainage basins. In newer developments, storm water is channeled to detention ponds. Each single family residence in the City is assessed a flat monthly rate (see BLMC 15.14.030) for storm water service. Multi-family developments are charged a fixed monthly rate for each meter for those units having a separate meter for each unit. All other multi-family and commercial properties are charged based on the number of equivalent system units (ESUs) calculated for their property. ESUs are determined by the amount of impermeable surface there is on the property. Credit against the charges can be received, up to 50% of the charge, for those customers with a qualifying stormwater detention or infiltration system serving the site.

**Street Maintenance.** In 2010, street maintenance was provided to 16,690 residents using 157 lane miles of roadways in the City. Additionally, SR410 runs east to west through the middle of the City. City crews maintain all public road pavements, street signs, traffic signs, pavement marking, street lights, and traffic signals. Major city streets are swept regularly, at least one time per month. The Street Section of the Public Works Operations Division is headed by the Assistant Public Works Director who reports to the Public Works Director.

**Refuse, Yard Waste and Recycling.** Solid waste collection services in Bonney Lake, including curb side yard waste collection and one-source curbside recycling, are provided by DM Disposal through a contract with the City. Refuse collection is provided on a weekly basis. Yard waste and recycling are collected on a bi-weekly basis. The refuse and recycling service is mandatory, while yard waste collection is optional.

The single-cart curbside recycling program allows customers to put all recyclable into a single cart. All recyclables must be in the cart to be collected. The automated trucks have a mechanical arm that picks up the cart, so items left outside the cart will not be collected. Extra recyclables can be taken to the So. Prairie Road Recycling Station. Customers can also recycle glass at the BL Supermarket or the Prairie Ridge Transfer Station at the corner of Prairie Ridge and So. Prairie Road. Items that can be recycled include paper, card board, tag board, aluminum, plastic bottles (but not the bottle caps) and paper milk-style cartons.

Under the City's contract with DM, the company is allowed to pass-through any cost increases in tipping fees (the rates charged for disposing solid waste into the landfill). Also, effective March 1<sup>st</sup> of each year, DM receives an annual adjustment equivalent to 80% of the CPI.

**Electricity/Natural Gas.** Electrical and natural gas service in Bonney Lake is provided by Puget Sound Energy.

**Parks.** The City of Bonney Lake operates a modest park system. The principal park is Allan Yorke Park which features ball fields, a skateboard park, a beach, and a boat launch onto Lake Tapps. The city parks operation is part of the Community Services department.

**Recreation.** The City has an interlocal agreement with the City of Sumner and the Sumner School District to fund a joint recreation program. The School District is the lead agency in the agreement, and provides the staff for the program. All three (3) agencies contribute funds and use of their fields toward a comprehensive recreation program.

**Senior Services.** The City operates a senior center as part of the Administrative Services Department. The City provides a lunch program, plus a variety of social and cultural activities for the seniors of the area. The Center is assisted by the Bonney Lake Area Senior Citizens, a 501(C)3 nonprofit corporation, which provides operational support through volunteers, a bingo program, and other fund raising programs to benefit the senior citizens. The center is open Monday-Friday. The senior center is available for group rental when not in use by the seniors.

**Library.** Several years ago, the City annexed into the Pierce County Library District. Property owners are assessed .5 mil (one mil = \$1 for each \$1,000 of assessed value) for library services. The Bonney Lake branch of the Pierce County Library System is located at 18501-90 St. East. The Bonney Lake Branch of the Pierce County Library provides a broad range of print, electronic, and audiovisual material.

**Public Health.** By state law, the City must provide basic public health services, either on its own or as a part of a regional system (e.g. Tacoma Pierce County Health Department - TPCHD). The cost of developing and operating a local health department and providing the minimal levels of

service would be cost-prohibitive, so the City has opted to be a part of the TPCHD. Historically, the city paid an annual assessment for the City's share of health department services; however, the state now pays all of the costs, a concession made to cities for reducing other state shared revenues.

**Air Pollution Control.** The Puget Sound Clean Air Agency – or PSCAA (formerly known as the Puget Sound Air Pollution Control Agency - PSAPCA) is a separate governmental body chartered by state law in 1967 (RCW Chapter 70.94). They are responsible to ensure that residents of King, Kitsap, Pierce and Snohomish counties have clean air to breathe. They protect health and improve air quality by adopting and enforcing air quality regulations, sponsoring voluntary initiatives to improve air quality, and educating people and businesses about clean-air choices.

Their funding comes from a variety of sources: Registration fees and operating permits from businesses; Federal, state and local grants; Fees paid by cities and counties; Fees for Notice of Construction (pre-construction permits) and asbestos removal permits. Contributions from cities and counties amount to about 56 cents per person per year (see <http://www.pscleanair.org/about/funding.aspx>). Annual fees for cities and counties are calculated proportionally based on the population count of the prior year and the assessed valuation provided by the county.

## COMMUNITY AND ECONOMIC PROFILE

### Community Profile

In 1850, the first settlers arrived in the Bonney Lake area. They traveled across the Naches Trail, following paths made by Native American tribes on their east-west crossing, a route that closely parallels today's Old Sumner-Buckley Highway.

It wasn't until 1946 that Bonney Lake was established as a town, on a 1,000 acre parcel. Until 1946, there was no electricity or water available. The Simmons family was the driving force for development and incorporation, with Kenneth Simmons serving three terms as Bonney Lake's first mayor.

Incorporation was finally accomplished in 1949, when the city population reached 327. By 1950, the new town had streets, a water system, electricity, telephone lines, refuse disposal, and a blood bank. By 1957, there were 12 businesses in Bonney Lake, with several new shopping developments underway.

The official 2010 population of Bonney Lake is 16,690, with a total estimated population of 32,508 living inside the water service area provided by the City's water utility.

The City of Bonney Lake is a residential suburban community located near and along the shores of Lake Tapps. Also included within the City are Lake Bonney and Lake Debra Jane. There are approximately 5,109 single-family residences inside the City limits, along with 930 multi-family residences (units).

### **Quality of Life in Bonney Lake**

There are many factors which contribute to Bonney Lake's exceptional quality of life. These include availability of goods and services locally, excellent schools, a local library, desirable residential neighborhoods, exceptional local government services, and excellent recreational opportunities.

**Parks and Recreation.** Bonney Lake's principal park, Allan Yorke Park, features Lake Tapps beach front, a boat launch, a first-class skate board park, picnicking, trails, basketball court, and ball fields.

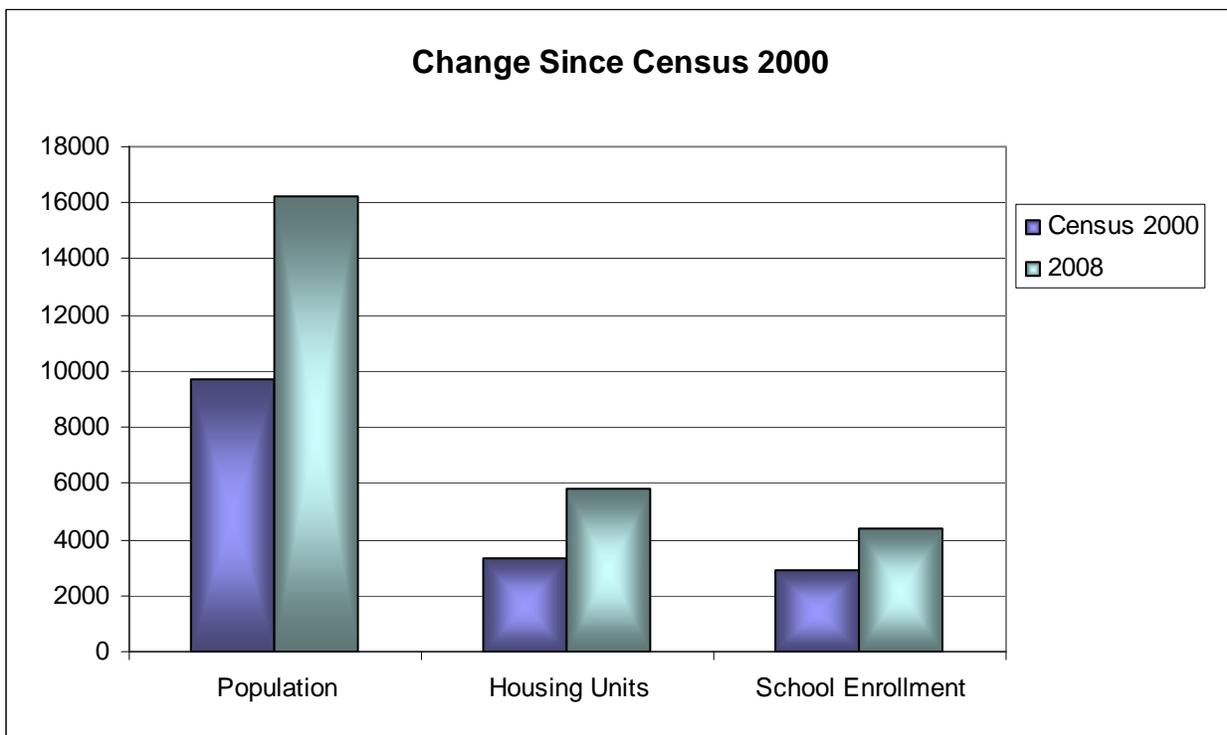
The City of Bonney Lake provides a variety of recreational opportunities through a joint arrangement with the City of Sumner and the Sumner School District. There are a variety of classes and competitive sports in which both youth and adults can participate.

Lake Tapps is a 4.5 square mile lake that contains 45 miles of shoreline. It is a popular place to boat, ski or fish. The shoreline of Lake Tapps is home to over 5,400 residents. The south end of the Lake is within the incorporated limits of the City of Bonney Lake. The City operates one of two public boat launches on the lake.

Bonney Lake's close proximity to Mount Rainier National Park, a favorite of both tourists and locals, gives hikers, bikers, climbers, campers and nature lovers a direct route to choice Washington terrain.

### Demographic Profiles

The most recent U.S. Census was completed April 1, 2000 (<http://www.ofm.wa.gov/census2000>). In the past 10 years, the City of Bonney Lake has experienced significant growth in both population and demographics (for instance, at the time of the 2000 Census, the population of Bonney Lake was 9,687...current population has increased 72% from the census)! Results from the April 2010 U.S. Census will become available after publication of this document.



Additional information about the City of Bonney Lake can be found at our website [www.ci.bonney-lake.wa.us](http://www.ci.bonney-lake.wa.us).

### Economic Profile

Extensive economic data at the community level for small cities in Pierce County is not readily available. Most economic data is at the state and county level. Much of the economic data the City has to work with is dated. This is complicated by the fact that Bonney Lake is one of the fastest growing cities in the state, especially in terms of commercial retail growth.

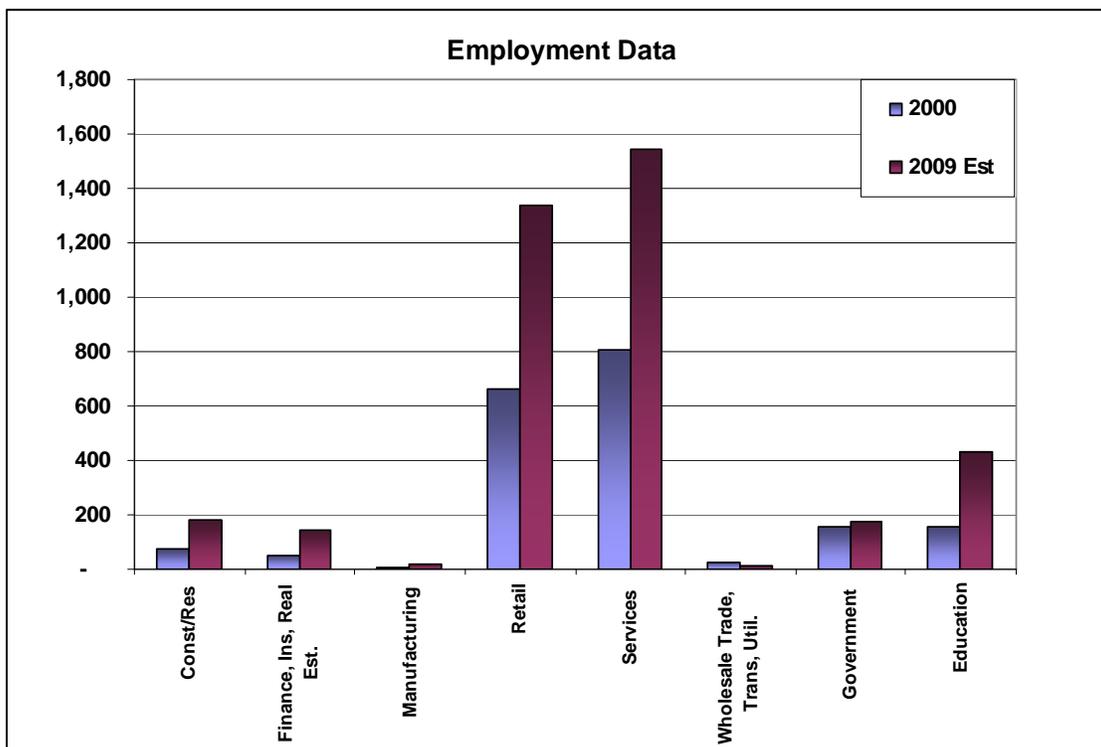
*Property Tax*

As discussed in the Financial Summary section, property taxes make up a significant amount of the City’s operating revenues. For the tax year 2009, the following are the top ten property tax payers:

TAXPAYER	2009		% OF TOTAL CITY TAXABLE ASSESSED VALUE
	TAXABLE ASSESSED VALUE	RANK	
Wal-Mart Stores Inc. #2403	\$ 29,129,233	1	1.2%
Buffalo - Bonney Lake Associates LLC	23,266,600	2	1.0%
Panorama West LLC	19,859,200	3	0.8%
Bonney Lake Village Association	18,087,800	4	0.8%
Lowe's of Lakewood	15,964,000	5	0.7%
Bonney Lake Town Center LLC	15,701,800	6	0.7%
Lake Tapps Equities LLC	15,544,737	7	0.6%
HD Development of Maryland Inc	13,180,800	8	0.6%
Target Stores #349	13,147,000	9	0.5%
MWSH Bonney Lake LLC Et Al	13,088,200	10	0.5%
<b>TOTAL PRINCIPAL TAXPAYERS</b>	<b>147,840,137</b>		<b>6.18%</b>
<b>TOTAL ASSESSED VALUE</b>	<b>\$ 2,393,756,664</b>		<b>100.00%</b>

SOURCE: Pierce County Assessor/Treasurer's Office; Top Taxpayers for Tax Year 2009

The PSRC reported that the following employment data in Bonney Lake by industry sector:



Source: <http://www.psrc.org/data/employment/covered-emp>

Bonney Lake partners with the Washington State Master License Service (MLS) for business licensing. In 2010, MLS reported 1,191 active/current general business licenses. These numbers reflect a decade of tremendous growth of the Bonney Lake commercial centers (Downtown, Midtown, and Eastown). The City's major employers include big box retail such as Wal-Mart, Fred Meyer, Target, Safeway, and Home Depot, as well as the City itself (128+ full-time employees) and the Sumner School District (#320).

Most of the economic activity in Bonney Lake is located along the State Route 410 corridor. For discussion and planning purposes, the City has divided the commercial sector of the City into three (3) major activity areas: Downtown, Midtown, and Eastown. Downtown is occasionally referred to as Old Town, as it was the initial commercial center developed in the City.

### **Downtown**

Downtown is generally described as that area along SR 410 from Meyers Road to Main Street. Downtown is the original commercial center of the City and serves as the western gateway of the present day City limits.

A downtown redevelopment concept plan was prepared for the area in 2001, entitled the "Strategic Commercial District Plan". The Downtown area serves as a civic center of the city, with the existing park and ride lot, post office, public safety building, city hall annex and library as anchors. The new Justice Center is scheduled to open on Main Street in early 2011. It is envisioned that a new city hall and/or community center could also be built in Downtown to further solidify it as the civic center of the City. The principal business anchor on the north side of SR410 in the Downtown area is the Grocery Outlet. The south side is anchored by the Rainier Office Building.

### **Midtown**

Midtown is generally described as the area along SR 410 from East 192<sup>nd</sup> to East 202<sup>nd</sup>. Midtown is developed on both the north and south sides of SR 410.

Midtown is currently anchored on the south by Wal-Mart, and Office Depot. Albertson's Grocery and Lowe's are on the southeastern boarder of Midtown. The north side of Midtown is anchored by Target, Marshalls, and Petco.

### **Eastown**

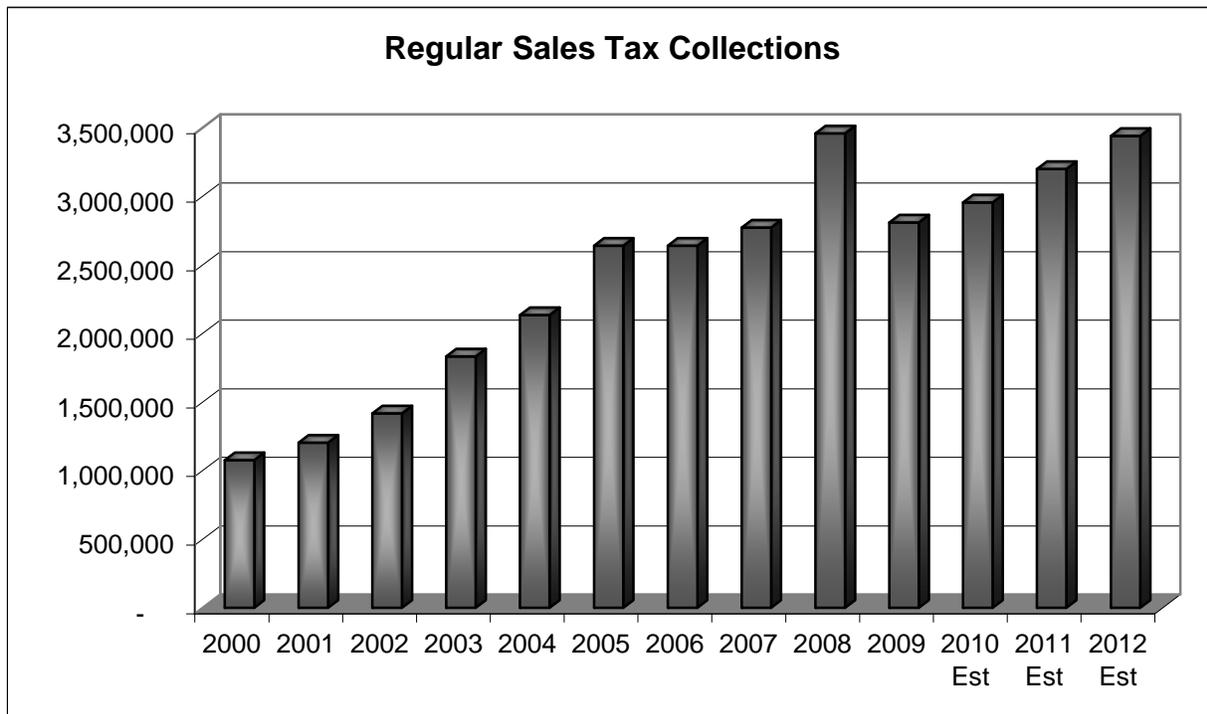
Eastown is generally described as that corridor along SR 410 from 214<sup>th</sup> Avenue East to 234<sup>th</sup> Avenue East. Eastown is commercially developed from 214<sup>th</sup> Ave to 216<sup>th</sup> Ave. The major commercial activity in this section of Eastown currently includes, but is not limited to, Blockbuster, Mazatlan restaurant, other restaurants, used car dealers, several medical/dental/physical therapy offices, auto parts stores and a gas station. The rest of Eastown is either residential or undeveloped farm land. The City's most significant commercial development opportunity lies in the portion of Eastown running along SR 410 from 216<sup>th</sup> Avenue East to 234<sup>th</sup> Avenue East. However, development has been held up pending extension of

the city sewer system into this area. The City has completed an Eastown Sub-area study and plan that was incorporated in our Comprehensive Plan in 2005. As a result, the future water, sewer, stormwater, and road systems have all been evaluated and plans adopted for full build out of Eastown. In 2010, the City extended the water system further into Eastown along the SR410 corridor. Future water system expansion will be accomplished by developers. Also in 2010, the City Council authorized design of the sewer system extension, which will be completed in early 2011. Depending on availability of funds, construction of the sewer system extension will also be completed in 2011. Based on this information, property owners are moving ahead with plans to market their properties to developers or are initiating their own construction of commercial projects.

**Sales Tax Collections.**

A key indicator of a city’s economic health and vitality is the local sales tax collections. The graph below shows the City of Bonney Lake’s share of state sales tax collections for the past several years. This figure excludes the amount of the sales tax that is dedicated for park and criminal justice purposes. As shown, the City has enjoyed steadily increasing sales tax collections each of the past several years as the City has become the retail center of the east county plateau region. It is anticipated that with the planned growth of the region and the future development of the Eastown area, this trend will continue.

*Bonney Lake Sales Tax Collections in Dollars Per Year*



## CITY EMPLOYMENT

A list of City positions that are funded in the Biennial Budget and are authorized by the City Council to be filled during the Biennium can be found in the “Financial Summary” section of this document.

Cities often use a variety of performance indicators regarding staffing, including staffing per capita, a comparison of FTE (full-time equivalent) employee increase compared to population increases, as well as growth of personnel by functional activity. For our readers, we’ve included each of these measures.

### Relationship Between Population and City Employment Growth 2002-2012

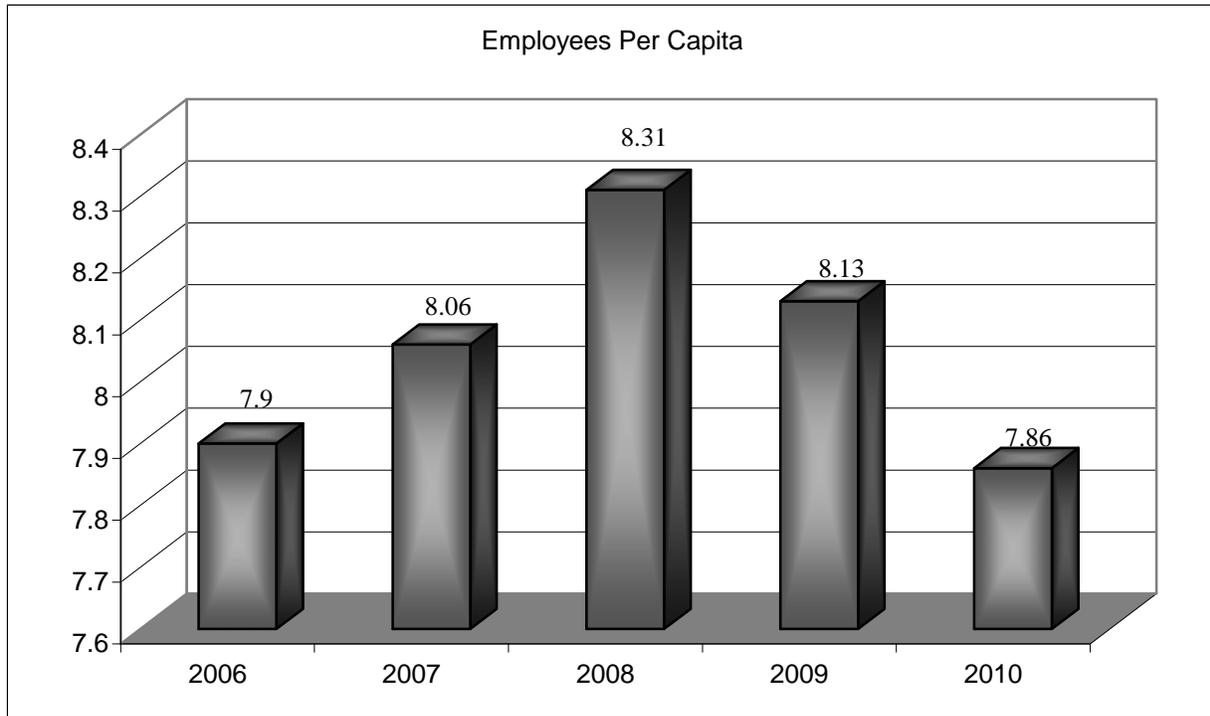
<b>Fiscal Year</b>	<b>*Population / %Growth</b>	<b>Public Safety</b>	<b>Public Works</b>	<b>Community Development</b>	<b>All Other</b>	<b>Total Employees</b>
<b>2001</b>	(9,980)					
<b>2002</b>	(12,360) 23.80%	(27) 0%	(30) 25.00%	(12) 29%	(19) 18.70%	88
<b>2003</b>	(12,950) 4.80%	(29) 7.40%	(30) 0%	(12) 0%	(20) 5.30%	91
<b>2004</b>	(13,470) 4.00%	(34) **13.8%	(35) 16.60%	(12) 0%	(20) 0%	101
<b>2005</b>	(14,370) 6.70%	(37) **5.8%	(41) 14.30%	(13) 8.30%	(21) 5.00%	113
<b>2006</b>	(15,230) 6.00%	(39) **5.5%	(45) 10.00%	(14) 7.80%	(22) 4.70%	120
<b>2007</b>	(15,740) 3.30%	(41) 5.10%	(47) 4.40%	(14) 0%	(24) 9%	126
<b>2008</b>	(16,220) 3.00%	(42) 2.40%	(50) 6.40%	(17) 7.10%	(25) 4.20%	134
<b>2009</b>	(16,500) 1.73%	(43.0) 2.38%	(44.0) -12.00%	(17.0) 0.00%	(30.9) 23.60%	134.90
<b>2010</b>	(16,690) 1.15%	(43.1) 0.12%	(44.0) 0.00%	(17.0) 0.00%	(30.9) 0.00%	134.95
<b>2011</b>	(16,857) 1.00%	(43.5) 0.93%	(44.0) 0.00%	(13.0) -23.53%	(30.90) 0.00%	131.35
<b>2012</b>	(17,026) 1.00%	(43.5) 0.00%	(44.0) 0.00%	(13.0) 0.00%	(30.90) 0.00%	131.35

*Notes:*

- The number in parentheses is population or number of regular FTE employees (does not include elected officials);*

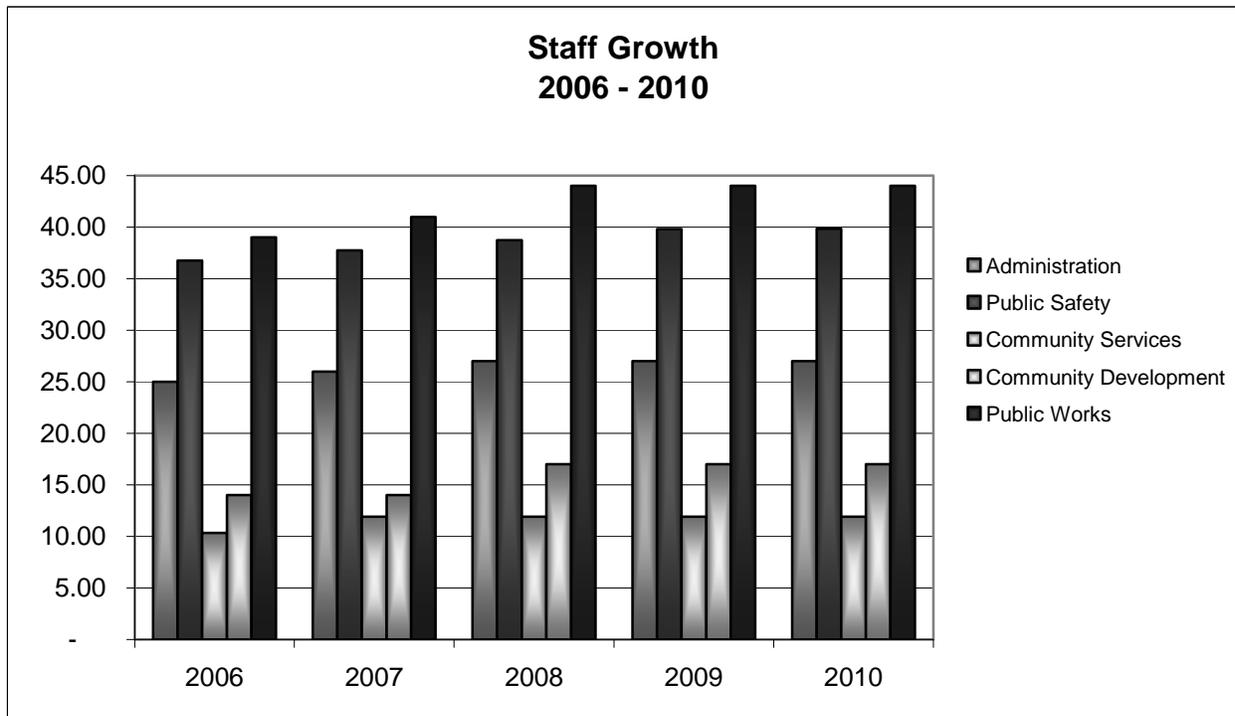
2. *\* Population and employment growth over previous calendar year;*
3. *\*\* Does not factor outsourcing of the dispatch function;*
4. *Public Safety includes both police and court;*
5. *Public Works includes parks, facilities, water, sewer, street, stormwater.*
6. *2006 planning staff growth is the transfer of the GIS Analyst from IT to P&CD.*
7. *“All Others” includes Community Services, Administrative Services, and the Executive Department (including Finance). Positions previously budgeted in Public Works are now budgeted in Community Services.*

**Employment Per Capita**



*Note: Per capita is per 1,000 population. Excludes elected officials.*

**Employment Growth by Function**



*Note: Public Safety includes both Judicial (court) and Law Enforcement (Police) staffing.*

## GLOSSARY OF BUDGET TERMS

*The following are definitions and explanations for common terms found in the City of Bonney Lake Adopted Budget.*

### **Accounting System**

The methods and records established to identify, assemble, analyze, classify, record, and report a government's transactions and to maintain accountability for the related assets and liabilities.

### **Accrual Basis**

The accrual basis of accounting is used in proprietary (enterprise and internal service) and non-expendable trust funds. Under it, transactions are recognized when incurred. "When" cash is received or disbursed is not a determining factor.

### **Advanced Refunding Bonds**

Bonds issued to refund an outstanding bond issue prior to the date on which the outstanding bonds become due or callable. Proceeds of the advance refunding bonds are deposited with a trustee, invested in U.S. Treasury Bonds or other authorized securities, and use to redeem the underlying bonds at maturity or call date and to pay interest on the bonds being refunded or the advance refunding bonds.

### **Ad Valorem Tax**

A tax based on value (e.g. a property tax).

### **Annual Budget**

A budget applicable to a single fiscal year.

### **Annual Operating Budgeted Funds**

Funds, which have their budgeted appropriations, lapse at the end of the fiscal year.

### **Appropriation**

An authorization made by the City Council, which permits officials to incur obligations against and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one-year period, though multi-year appropriations can be established for capital project and other special purpose funds. Multi-year appropriation authority remains in effect until the amount appropriated has been totally expended or until the fund, program, or project is closed because its assigned purpose has been changed or accomplished.

### **Assessed Valuation**

The estimated value placed upon real and personal property by the Pierce County Assessor as the basis for levying property taxes.

### **Basis of Accounting**

At term used in reference to when revenues, expenditures, expenses, transfers, and related assets and liabilities are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the nature of the measurement, on either the cash or the accrual method.

### **B.A.R.S.**

The State of Washington proscribed **B**udgeting, **A**ccounting, and **R**eporting System Manual for which compliance is required for all governmental entities in the State of Washington.

**Benefits (Personnel)**

Employer contributions paid by the City as part of the conditions of employment. Examples include health/dental insurance, state public employees' retirement system, city retirement system, and employment security.

**Biennial Budget**

A budget prepared and adopted to cover a two-year period to time. In Bonney Lake, the biennial budget includes an odd followed by an even year (e.g. 2011 and 2012).

**Bond**

A written promise to pay (debt) a specified sum of money (called principal or face value) at a specified future date (called the maturity date) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt to pay for specific capital expenditures.

**Bonded Debt.**

That portion of indebtedness represented by outstanding bonds.

**Budget**

A plan of financial operation embodying an estimate of proposed expenditures for a given period (typically a fiscal year) and the proposed means of financing them (revenue estimates). The term is also sometimes used to denote the officially approved expenditure ceilings under which the City and its departments operate.

**Budget Document**

The instrument used to present a comprehensive financial program to the appropriating governing body. The budget document usually consists of three parts. The first part contains a message from the budget-making authority, together with a summary of the proposed expenditures and the means of financing them. The second consists of schedules supporting the summary. These schedules show in detail the past years' actual revenues, expenditures and other data used in making the estimates. The third part is composed of drafts of the appropriation, revenue and borrowing measures necessary to put the budget into effect.

**Budget Amendment**

A change to a budget adopted in accordance with State law. A budget may be amended to increase expenditures/expenses at the fund level by ordinance without public notice or public hearing requirements, when unanticipated revenues occur or emergencies exist (RCW 35A.33.080 and 35A.33.120).

**Budget Calendar**

The schedule of key dates or milestones which the City follows in the preparation and adoption of the budget.

**Budget Message**

A general discussion of the proposed budget as presented in writing by the budget-making authority to the legislative body. The budget message should contain an explanation of the principal budget items, an outline of the government's actual financial experience during the past period and its financial status at the time of the message, and recommendations regarding the financial policy for the coming period.

**Budgetary Control**

The control or management of a government or enterprise in accordance with an approved budget to keep expenditures within the limitations of available appropriations and available revenues.

**Capital**

Expenditures made to acquire, reconstruct, or construct major fixed or capital assets. A capital asset is a tangible object of a long-term character, which will continue to be held or used, such as land, buildings, machinery, furniture, and other equipment. A capital asset must exceed \$5,000 in cost and have an expected useful life expectancy of two years. For purposes of this definition, a “capital asset” includes a group of items purchased together that will be used “for a single purpose” and which could not be used effectively by themselves.

**Capital Assets**

Long-lived tangible assets obtained or controlled as a result of past transactions, events or circumstances. Capital assets include buildings, equipment, improvements other than buildings and land. Note: Capital assets were in the past referred to as “fixed” assets.

**Capital Improvement Program**

A plan for capital expenditures to be incurred each year over a period of five or more future years setting forth each capital project, identifying the expected beginning and ending date for each project, the amount to be expended in each year, and the method of facing those expenditures.

**Capital Outlay**

Expenditures which result in the acquisition of, rights to, or additions to capital assets, including incidental costs such as legal, appraisal and brokerage fees, land preparation and demolishing buildings, fixtures and delivery costs.

**Capital Project Fund**

A fund created to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

**Councilmanic Bonds**

Councilmanic bonds refer to bonds issued with the approval of the Council, as opposed to voted bonds, which must be approved by the vote of the public. Councilmanic bonds must not exceed .75% of the assessed valuation.

**Debt**

An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of governments include bonds, time warrants and notes.

**Debt Service**

Payment of interest and repayment of principal to holders of the City’s debt instruments.

**Debt Service Fund**

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

**Delinquent Taxes**

Taxes remaining unpaid on and after the date to which a penalty for nonpayment is attached. Even though the penalty may be subsequently waived and a portion of the taxes may be abated or canceled, the unpaid balances continue to be delinquent taxes until abated, canceled, paid or converted into tax liens.

**Department**

An organizational unit usually within a fund, though in a broader sense, a department can encompass more than one fund. Departments can be further segregated into Divisions.

**Depreciation**

(1) Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence. (2) That portion of the cost of a capital asset, which are charges as an expense during a particular period.

**Enterprise Fund**

(1) A fund established to account for operations financed and operated in a manner similar to private business enterprises (e.g., water, gas and electric utilities; airports; parking garages; or transit systems). In this case the governing body intends that costs (i.e., expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. (2) A fund established because the government body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, or accountability.

**Expenditures/Expenses**

Where accounts are kept on the modified accrual bases (expenditures) or accrual basis (expenses) of accounting, the cost of goods received or services rendered whether cash payments have been made or not. Where accounts are kept on a cash basis, expenditures are recognized only when the cash payments for the above purposes are made.

**Fines & Forfeits**

A fine is a pecuniary penalty, commonly imposed as a result of conviction for crimes or infractions. A forfeiture is a penalty by which one loses his rights and interest in property, whether because of commission of an offense or because of nonperformance of some obligation or duty; forfeitures include amounts confiscated from deposits held as guarantees and collections on officials' bonds.

**Fiscal Year**

A 12 -month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations.

**Fund**

An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities, which are segregated for the purpose of carrying on specific activities or attaining certain objectives. See the fund divider pages for specific fund category definitions.

**Fund Balance**

The excess of an entity's assets over its liabilities. A negative fund balance is sometimes called a deficit. An undesignated fund balance reflects historical receipts less historical expenditures in non-proprietary funds. Since all designated and reserved resources have been removed or deducted in arriving at the year end undesignated fund balance, this value is available for budgetary appropriation.

**Generally Accepted Accounting Principles (GAAP)**

Standards for accounting and reporting used for both private industry and government.

**General Fund**

The fund used to account for all financial resources, except those required to be accounted for in another fund.

**General Obligation Bonds**

Bonds for which the full faith and credit of the insuring government are pledged for payment.

**Interfund Payments for Services**

Expenditures made to other funds (or other departments of the same fund) for services rendered.

**Interfund Services**

Payments for services rendered made by one City department or fund to another. Internal Service Fund billings are included in this category.

**Intergovernmental Revenue**

Grants, entitlements, shared revenues and payments for goods and services by one government to another.

**Interfund Transfers**

Contributions from one city fund to another in support of activities of the receiving fund. Equity transfers to internal service funds in support of “first time” asset acquisitions are included.

**Intergovernmental Services**

Services purchased from other governmental agencies, and normally include types of services that only government agencies provide.

**Licenses & Permits**

Charges for the issuance of licenses and permits. Licenses are required by municipalities for selected trades, occupations and other activities for regulatory purposes. Permits are issued to aid regulation of new business activities.

**Legal Level of Budgetary Control**

The level at which spending in excess of budgeted amounts would be a violation of law.

**Level of Budgetary Control**

One of the three possible levels of budgetary control and authority to which organizations, programs, activities and functions may be subject. These levels of budgetary control are (a) appropriated budget, (b) legally authorized non-appropriated budget process or (c) non-budgeted financial activities, which are not subject to the appropriated budget and the appropriation process or to any legally authorized non-appropriated budget review and approval process, but still are relevant for sound financial management and oversight.

**Levy**

(1) (Verb) To impose taxes, special assessments or service charges for the support of government activities. (2) (Noun) The total amount of taxes, special assessments or service charges imposed by a government.

**Local Improvement District (LID)**

A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

**Miscellaneous Revenues**

All revenues not otherwise provided for; i.e., interest earnings, rents, insurance recoveries, etc.

**Modified Accrual Basis**

The modified accrual basis of accounting is used in governmental funds (general, special revenue, debt service, and capital project funds), and in expendable trust and agency funds. Under it, revenues and other financial resources increments are recognized when they become both measurable and available to finance expenditures of the current period. Expenditures are generally recognized when they are incurred (bring forth a liability). The city budgets all funds on the modified accrual basis.

**Multi-Year Budgeted Fund**

A fund that is not part of an annual operating budget since it is budgeted on a multi-year or project oriented basis. The appropriation authority for these funds remains in effect until totally expended or the project has been changed or completed.

**National Pollution Discharge Elimination System (NPDES) Permit**

A permit which is required under the 1972 Clean Water Drinking Act and is administered in Washington State by the Department of Ecology.

**Object**

As used in expenditure classification, this term applies to the type of item purchased or the service obtained (as distinguished from the results obtained from expenditures). Examples include personal services, contractual services, and material and supplies.

**Operating Budget**

Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending and service delivery activities of a government are controlled. The use of annual operating budgets is usually required by law. Even when not required by law, however, annual operating budgets are essential to sound financial management and should be adopted by every government.

**Operating Transfers**

All inter-fund transfers other than residual equity transfers (e.g., legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended).

**Other Services & Charges**

This is basic classification for services other than personal services which are needed by the governmental unit. Such services may be provided by a governmental agency or by private business organizations.

**Preliminary Budget**

The recommended and unapproved city budget submitted to the city council and public in November of each year.

**Program Budget**

A budget wherein expenditures are based primarily on programs of work and secondarily on character and object class.

**Proprietary Fund Types**

Sometimes referred to as income determination or commercial-type funds, the classification used to account for a government's ongoing organizations and activities that are similar to those often found in the private sector. The GAAP used are generally those applicable to similar businesses in the private

sector and the measurement focus is on determination of net income, financial position and changes in financial position.

**Proprietary/Trust Gains (losses) & Other Income (Expenses)**

These accounts are provided for the segregation of special transactions that affect the net income of enterprise (proprietary), internal service, and non-expendable trust funds.

**Reserve**

An account used to indicate that a portion of fund equity is legally restricted for a specific purpose.

**Residual Equity Transfers**

Non-recurring or non-routine transfers of equity between funds (e.g., contribution of enterprise fund or internal service fund capital by the general fund, subsequent return of all or part of such contribution to the general fund and transfers of residual balances of discontinued funds to the general fund or a debt service fund).

**Resources**

Total dollars available for appropriations including estimated revenues, fund transfers, and beginning fund balances.

**Retained Earnings**

An equity account reflecting the accumulated earnings or a proprietary (internal service or enterprise) fund. In this budget document, the balance derived excludes asset depreciation expenditures. When depreciation is charged to user organizations, as in internal service funds, the cash balance remaining (ending retained earnings) therefore includes the asset replacement reserve being accumulated.

**Revenue**

Income received by the City in support of a program of services to the community. It includes such items as property taxes, fees, user charges, grants, fines and forfeitures, interest income, and miscellaneous revenue.

**Revenue Estimate**

A formal estimate of how much revenue will be earned from a specific revenue source for some future period, typically a future fiscal year.

**Revised Code of Washington (RCW)**

State law as adopted by the legislature and codified.

**Salaries and Wages (Personnel Services)**

Amounts paid for personal services rendered by employees in accordance with rates, hours, terms, and connotations authorized by law or stated in employment contracts. This category also includes overtime, temporary help, and car allowances.

**Services and Charges**

Services acquired from and fees/payments made to vendors. These include printing, publications, auditing, police protection, street maintenance, public health programs, office rent, telecommunications, and social welfare programs.

**Special Revenue Fund**

A fund used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes. GAAP only require the use of special revenue funds when legally mandated.

**Supplies**

Items used to deliver services, such as office supplies, short-lived minor equipment with no material value, periodicals and books and generic computer software.

**Taxes**

Compulsory charges levied by a government to finance 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 paying such charges (e.g., sewer service charges).

**Tax Levy Ordinance**

An ordinance through which taxes are levied.

**Tax Rate**

The amount of tax stated in terms of a unit of the tax base (e.g., specified amount per \$1,000 of assessed valuation of taxable property).

**Tax Rate Limit**

The maximum rate at which a government may levy a tax. The limit may apply to taxes raised for a particular purpose or to taxes imposed for all purposes, and may apply to a single government or to a class of governments operating in a particular area. Overall tax-rate limits usually restrict levies for all purposes and of all governments, state and local, having jurisdiction in a given area.

## GLOSSARY OF ACRONYMS

*AFIS* – Automated Fingerprint Identification System  
*AWC*- Association of Washington Cities  
*AYP* – Allen Yorke Park  
*B&O Tax* – Business and Occupation Tax  
*CDBG* - Community Development Block Grant.  
*CIP* – Capital Improvement Program  
*COLA* – Cost of Living Adjustment  
*CUGA* – Comprehensive Urban Growth Area  
*CWA* – Cascade Water Alliance  
*DOE* - State of Washington's Dept of Ecology.  
*DUI/DWI* – Driving Under the Influence /Driving While Intoxicated  
*DWLS* – Driving While License Suspended  
*EHM* - Electric Home Monitoring program.  
*EIS* – Environmental Impact Statement  
*EMS* --Emergency Medical Service.  
*EOC* -- Emergency Operation's Center  
*EPA* -- Environmental Protection Agency  
*FEMA*-- Federal Emergency Mgt Agency  
*FEMA CERT* – Federal Emergency Mgmt Agency, Community Emergency Response Team  
*FTE* – Full Time Equivalent  
*GAAP*-- Generally Accepted Accounting Principles  
*GASB* - Government Accounting Standards Board established in 1985 to regulate the rules and standards for all governmental units.  
*GIS* – Geographic Information System  
*GMA* - Growth Management Act  
*HUD* – U.S. Dept of Housing and Urban Development  
*HVAC* - Heating, Ventilating & Air Conditioning system.  
*LEOFF* - Law Enforcement Officers & Fire Fighters retirement system.  
*LID* - Local Improvement District  
*MVET* – Motor Vehicle Excise Tax  
*NLC* – National League of Cities  
*NPDES Permit* - National Pollution Discharge Elimination System permit  
*PERS* - Public Employees Retirement System.  
*PSRC* – Puget Sound Regional Council  
*PWTF* - Public Works Trust Fund. Established by the state as a trust fund for public utility purposes. Funds are loaned at minimal rate of interest for qualifying projects.  
*RCW* - Revised Code of Washington  
*REET* – Real Estate Excise Tax  
*ROW* – Right Of Way  
*SCA* – Suburban Cities Association  
*SCADA* - Supervisory Control & Automatic Data Acquisition, a computer automated control system used at the wastewater treatment plant.  
*SDC* – System Development Charge  
*SEPA* - State Environmental Policy Act.  
*SWKCC* – Southwest King County Chamber of Commerce  
*SWM* – Surface Water Management  
*TIF* – Traffic Impact Fee

*TMDL* Study - A study of the Total Maximum Daily Load for a particular body of water that has been identified as having certain environmental problems. This is a federal requirement and administered by the Department of Ecology.

*WASPC* – Washington Association of Sheriffs and Police Chiefs

*WCIA* – Washington Cities Insurance Authority

*WRIA* – Water Resource Inventory Area (Watershed Management Project)

*WSDOT* – Washington State Department of Transportation

*WSU* – Washington State University

**City of Bonney Lake**  
**Allan Yorke Park Revenue & Expenditures**

February 11, 2011

<u>Expenditures</u>	<u>Expenses</u>	<u>2009</u> <u>Revenue</u>	<u>2010</u> <u>Revenue</u>
Park O&M	\$12,500		
Boat Launch O&M	\$85,000		
Police Patrols (Park and Marine)	\$50,000		
Police Boat & Vehicle O&M	TBD		
	<b>\$147,500</b>		
2010 Purchase of new boat	\$125,000		

**2009 Revenue**

**Total boat launch revenue**

218 **annual launch passes** were sold @ \$25 ea.

NET Revenue from Boat Launch **daily passes** =

*\$17 per day (one launch & one retrieval)*

**\$43,825**

\$5,450

\$38,375

**2010 Revenue**

**Total boat launch revenue** received

182 annual launch passes were sold @ \$25 ea.

NET Revenue from Boat Launch **daily passes** =

*\$17 per day (one launch & one retrieval)*

**\$15,736**

\$4,550

\$11,186

**Notes:**

1. All boat launch passes are annual – no daily, weekly, or monthly passes
2. Applicant must reside within City Limits to qualify for a boat launch pass
3. The automated boat launch facility has not functioned properly for one entire boating season since installation, thus the numbers above may not be all inclusive
4. During boating season 2010 the automated boat launch was inoperable for at least half of the boating season – thus the big swing in total revenues listed above
5. Revenue that is collected at the launch kiosk is reported in daily batch and does not illustrate residents of the community vs. non-residents – not sure how this information could be captured in our system