



City of Spokane Valley 2020 Annual Budget



10210 E. Sprague Avenue
Spokane Valley, WA 99206
www.SpokaneValley.org



City of Spokane Valley, Washington

Annual Budget

**For the Fiscal Year
January 1 through December 31, 2020**

City Hall
10210 East Sprague Avenue
Spokane Valley, WA 99206
Website: www.spokanevalley.org
Phone: (509) 720-5000

“A community of opportunity where individuals and families can grow and play, and businesses will flourish and prosper.”



This page left intentionally blank.

Table of Contents

City of Spokane Valley, WA

Spokane County

January 1, 2020 through December 31, 2020

Summary of Councilmembers	III
City Manager's Budget Message	1-12
Finance Director's Message - About the 2020 Budget and Budget Development Process ...	13-28
Budget Summary	29-41
Revenues by Fund and Type	42-49
Expenditures by Fund and Department.....	50-53
General Fund Department Changes from 2019 to 2020.....	54-56
 #001- General Fund- Expenditures by Department by Type	
City Council	57-58
City Manager	59-60
City Attorney	61
Public Safety	62-64
Deputy City Manager.....	65
Finance	66
Human Resources	67
Public Works (history)	68
City Hall Operations and Maintenance	69
Community & Public Works	70-74
Community & Economic Development (history).....	75-76
Parks & Recreation	77-81
General Government.....	82-83
 Special Revenue Funds	
#101 - Street Fund	84-85
#103 - Paths & Trails Fund.....	86
#104 - Hotel / Motel Tax –Tourism Facilities Fund.....	87
#105 - Hotel / Motel Tax Fund	87
#106 - Solid Waste Fund	88
#107 - PEG Fund	89
#120 - CenterPlace Operating Reserve Fund.....	89
#121 - Service Level Stabilization Reserve Fund	90
#122 - Winter Weather Reserve Fund	90

Debt Service Funds

#204 - Limited Tax General Obligation (LTGO) Fund	91
---	----

Capital Projects Funds

#301 - REET 1 Capital Projects Fund.....	92
#302 - REET 2 Capital Projects Fund.....	93
#303 - Street Capital Projects Fund.....	94-95
#309 - Parks Capital Projects Fund.....	96
#310 - Civic Facilities Capital Projects Fund.....	97
#311 - Pavement Preservation Fund	98
#312 - Capital Reserve Fund.....	99
#313 - City Hall Construction Fund.....	100
#314 - Railroad Grade Separation Projects Fund	101

Enterprise Funds

#402 - Stormwater Management Fund	102-103
#403 - Aquifer Protection Area Fund	104

Internal Service Funds

#501 - Equipment Rental & Replacement Fund.....	105-106
#502 - Risk Management Fund	106

Capital Expenditures for 2020	107
FTE Count by Year – 2010 through 2020.....	108
Work Force Comparison	109
Appendix A, Employee Position Classification and Salary Schedule	110
Glossary of Budget Terms	111-113
Ordinance 19-017 Adopting the 2020 Budget	114



From left Sam Wood, Ben Wick, Arne Woodard,
Brandi Peetz, Rod Higgins, Linda Thompson, Pam Haley

City Council Members

Rod Higgins, Mayor

Position #1

Pam Haley, Deputy Mayor

Position #5

Brandi Peetz

Position #2

Arne Woodard

Position #3

Ben Wick

Position #4

Sam Wood

Position #6

Linda Thompson

Position #7

Staff

Mark Calhoun, City Manager

John Hohman, Deputy City Manager

Chelsie Taylor, Finance Director

Mike Stone, Parks & Recreation Director

Cary Driskell, City Attorney

William Helbig, City Engineer

Christine Bainbridge, City Clerk



This page intentionally left blank



City Manager's Budget Message 2020 Annual Budget

Dear Citizens, Mayor and City Council of Spokane Valley:

It is with pleasure that I present the 2020 Budget for the City of Spokane Valley and to report that the City continues to remain financially strong as a result of a long history of prudent financial decisions dating back to our 2003 incorporation. Consistently responsible budgeting and restrained spending have again helped us achieve the key Fiscal Policies noted in the following pages.

The City of Spokane Valley continues to be an excellent example of how a City provides key services to the community while holding down taxes, fees and other charges. Additionally, our per capita employee count and personnel expenses are among the lowest (if not the lowest) of comparable size cities in the state and around the U.S.

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

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

I am pleased to report that each of these goals have again been achieved in the 2020 General Fund Budget.

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

Fiscal Policies

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

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

Financial Management

The City will strive to:

1. Maintain basic service levels with minimal resources to achieve success.
2. Minimize personnel costs and overhead by continuing to contract for services when it makes financial sense to do so.
3. Continue the six-year Business Plan process.
4. Leverage City funds with grant opportunities.
5. Minimize City debt with a pay as you go philosophy.
 - The State of Washington sets the maximum level of allowable debt for cities based on assessed value of property. The City of Spokane Valley carries an exceptionally low debt burden and currently utilizes only 1.75% of its total debt capacity, and more importantly, only 8.75% of non-voted bond capacity.
6. Strive to prioritize spending in the annual budget process and minimize the mid-year addition of projects and appropriations.

Financial Objectives

The City's financial objectives are:

1. Adopt a General Fund Budget with recurring revenues equal to, or greater than recurring expenditures.
2. Maintain a minimum General Fund Ending Fund Balance of at least 50% of the recurring expenditure budget. This is adequate to meet cash flow needs and is the equivalent of six months of general fund operations.
3. If necessary, utilize a portion of the Service Level Stabilization Reserve Fund #121 (\$5.5 million) to maintain ending fund balance minimum.
4. Commitment to the strategy that the Service Level Stabilization Reserve Fund #121 will not be reduced below \$3.3 million (60% of \$5.5 million).
5. Maintain the 2020 property tax assessment the same as 2019 with the exception of new construction. As in the previous ten years, the City will forego the one-percent annual increase to property tax allowable by RCW 84.52.050. We anticipate this will result in a levy of \$12,182,400 plus estimated new construction of \$250,000 for a total levy of \$12,432,400. The allowable potential increase will be banked for future use as provided by law. **This represents the eleventh consecutive year that we have not increased our City property tax assessment.**
6. Grow our economy so the existing tax base can support basic programs.

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

2020 Budget Highlights

City Priorities

The City's chief budget priorities are:

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

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

Moderate Growth in Recurring General Fund Expenditures

Investing in essential core services identified by the Council and Community establishes the baseline expenditures we have included in this budget. Similar to the trend experienced in most jurisdictions, we find that the cost of providing these services often increases at a faster rate than the moderate growth we see in the underlying tax revenues that support these core services. With that said however, City staff and Council collectively strive to meet the challenge of continuing to provide historic levels of service and we will again meet this challenge in 2020 where we anticipate recurring revenues will increase over those of 2019 by 6.12%, while expenditures increase by just 3.00%. The 3.00% increase in expenditures reflects service level expansions including the addition of 1.50 full-time equivalent employee positions that will bolster our code compliance efforts as well as a \$100,000 investment in a crisis co-response team in our police department.

Increases at the point of budget adoption over the past 7-years have been:

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

Public Safety Costs

Over the years Council has consistently committed to the maintenance and at times enhancement of public safety service levels and this is again reflected in the 2020 Budget where public safety costs including law enforcement, courts, prosecution, public defense and jail related services total \$26,599,214 which is an amount equal to 214% of anticipated property tax collections (= \$26,599,214 / \$12,432,400). The 2020 Budget includes the addition of a \$100,000 investment in a crisis co-response team that will pair a police officer with a behavioral health specialist whose focus will include responding to individuals experiencing a behavioral health crisis. The intent of the team is to reduce or eliminate involvement and recidivism in the criminal justice system by

working with afflicted individuals through relationship building, providing a better continuity of care and improved case planning.

Staffing Levels

The full time equivalent employee (FTE) count will increase by 1.50 from 93.75 in 2019 to 95.25 in 2020. This includes adding a second 1.0 FTE Code Enforcement Officer whose efforts will be focused on code compliance, which will necessitate increasing an existing .5 FTE Attorney position to 1.0 FTE to accommodate the increased workload. With these additions the City will have a total of 3.0 FTEs dedicated to addressing code compliance issues.

The FTE count allocated among City funds is as follows:

					Difference Between 2019 and 2020
	2019 Budget	2020 Staff Reallocation	2020 New Positions	2020 Budget	
General Fund #001	74.03	0.25	1.50	75.78	1.75
Street O&M Fund #101	7.72	(0.25)	0.00	7.47	(0.25)
Street Capital Projects Fund #303	8.10	0.00	0.00	8.10	0.00
Stormwater Fund #402	3.90	0.00	0.00	3.90	0.00
	93.75	0.00	1.50	95.25	1.50

The personnel costs for the 75.78 FTEs charged to the General Fund represent just 21.2% of recurring expenditures.

Taking into consideration that we contract for police services and are served by Fire and Water districts as well as a Library District, for a major city we operate substantially below the normal employee count and consequently at a significantly reduced payroll cost relative to many cities across the country. Spokane Valley staff levels average about one employee for every 1,047 citizens (= population of 99,703 per the Census Bureau / 95.25 FTEs) while comparably sized cities in the State of Washington have a much higher ratio of employees to citizens.

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

Pavement Preservation

Beginning in 2012, the City initiated spending of general fund, special revenue fund and capital project fund revenues and reserves for the purpose of financing our street preservation efforts. In 2020, our community will again see an aggressive program of repaving our roadways. Some may question paving roads that “don’t look so bad” but the truth is the best time to repave is before a road deteriorates to the point that full reconstruction is necessary. Full reconstruction costs substantially more than pavement preservation treatments such as crack sealing or grinding and repaving and this is why the City has committed critical financial resources to the preservation of our transportation infrastructure. We’re proud of our fine road system and will endeavor to continue to maintain it in the best manner possible with available financial resources.

For 2020, we project total revenues in Pavement Preservation Fund #311 of \$4,037,888 that combined with \$229,635 of fund reserves will be applied against \$4,267,523 in projected expenditures. Sources of revenue in 2020 include \$10,588 in grant proceeds, \$1,500,000 from the Street Wear fee that was adopted by Council in 2018, and \$2,527,300 in transfers from other City funds consisting of:

- \$982,023 from the General Fund
- \$772,639 from REET 1 Capital Projects Fund #301
- \$772,638 from REET 2 Capital Projects Fund #302

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

Transportation and Infrastructure

The 2020 Budget includes \$28,594,710 of capital expenditures that we anticipate will be in-part offset with \$19,897,385 in grant revenues which results in 69.58% of capital projects being financed with State and Federal dollars. The projects we’ll work on in 2020 include:

- \$8.3 million in Street Capital Projects Fund #303
- \$1.5 million in Park Capital Projects Fund #309
- \$4.3 million in Pavement Preservation Fund #311
- \$13.0 million in Grade Separation Projects Fund #314
- \$1.2 million in Stormwater Fund #402 and Aquifer Protection Area Fund #403
- \$265,000 in Equipment Rental and Replacement Fund #501 for the acquisition of a snow plow and a vehicle for the additional 1.0 FTE code enforcement officer noted above in the section titled “Staffing Levels”.

Challenges

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

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

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

- Because the gas tax is a flat amount per gallon, and because each generation of newer vehicles get better gas mileage, we find our gas tax revenues have recently hovered somewhere between flat or declining. Due to the 2015 State Legislature’s increase in the gas tax we’ve seen a bit of an increase in this revenue source with a 2020 revenue projection of \$2,046,700 which represents an increase of \$111,700 (or 5.8%) over 2015 revenues of \$1,935,000.
- The 6% telephone utility tax generated \$3,050,000 million in the first year of collections in 2009. Since that time however we have experienced a decline averaging 5.37% per year and at this point are projecting 2020 revenues of just \$1,521,000 which is half of the 2009 collections. We believe the decline is primarily due to the elimination of land lines by individual households.
- Because of the ongoing decline in telephone utility tax revenues, 2020 will be the fourth consecutive year of budgeted recurring expenditures exceeding recurring revenues.
- We have been able to continue to deliver historic levels of service in the previous 3-years by doing the following:

- 2017 – a \$328,000 operating deficit was resolved by drawing down fund reserves.
- 2018 – a \$415,000 operating deficit was resolved by drawing down fund reserves.
- 2019 – a \$907,000 operating deficit was resolved through a transfer from Capital Reserve Fund #312. This is a noteworthy departure from the historic intended use of these monies which has been for one-time capital projects.
- At the June 11, 2019 Budget Workshop, Council discussed the fact that Street O&M Fund recurring revenues were again substantially exceeded by recurring expenditures but expressed their interest in continuing to deliver historic service levels. At the July 16, 2019 Council meeting, Council reached consensus to again resolve the funding imbalance with a one-time transfer during 2020 of Capital Reserve Fund #312 money. The necessary transfer is \$1,364,706 and this is reflected in both Fund numbers 101 and 312.
- Determining “how” to fully finance Street O&M Fund #101 beyond 2020 will continue to be a Council conversation.

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

- Pavement preservation has historically been financed from a combination of sources including:
 - General Fund dollars,
 - Street O&M Fund dollars,
 - Civic Facility Replacement Fund #123 (Fund #123) reserves that were dedicated towards this purpose until their depletion in 2016.
 - Real estate excise tax (REET) revenues,
 - Grant revenues, and
 - Beginning in 2018, the addition of a street wear fee that was negotiated by the City as part of an updated solid waste collection contract that recognized the damage that heavily laden garbage trucks do to our road system.
 - Following is a table that reflects pavement preservation related revenues over the 10-year period 2011 through 2020:

	Fund							
	001	101	106	123	301/302	310		
	General	Street O&M	Street Wear Fee	Civic Fac. Replace.	REET 1&2	Civic Fac. Capital	Grants	Total
<u>Actual</u>								
2011	584,681	0	0	0	0	500,000	0	1,084,681
2012	2,045,203	0	0	0	0	0	0	2,045,203
2013	855,857	282,000	0	616,284	300,000	0	35,945	2,090,086
2014	888,823	282,000	0	616,284	368,944	0	2,042,665	4,198,716
2015	920,000	206,618	0	616,284	502,098	0	835,224	3,080,224
2016	943,800	67,342	0	559,808	730,572	0	1,654,698	3,956,220
2017	953,200	67,342	0	0	1,320,958	0	89,208	2,430,708
2018	962,700	67,342	1,000,000	0	1,370,658	0	1,422,404	4,823,104
<u>Budget</u>								
2019	972,300	0	1,608,028	0	1,468,600	0	2,869,227	6,918,155
2020	982,023	0	1,500,000	0	1,545,277	0	10,588	4,037,888
	10,108,587	972,644	4,108,028	2,408,660	7,607,107	500,000	8,959,959	34,664,985

- The City used the Civic Facility Replacement Fund #123 reserves over the 4-year period 2013 through 2016 in order to give the City time to determine how best to finance the pavement preservation plan in 2017 and beyond.

- Heavy reliance on REET revenues began in 2017 following the depletion of Fund #123 reserves.
- Although we continue to exist in a robust economy with strong REET collections, we realize that as the economy wanes in the future, so too will REET revenues. As a consequence, overly relying on REET revenues may in the future limit the City's ability to provide the necessary match needed for State and Federal grants that are applied to other street construction and reconstruction projects.
- Over the past 10-12 years Spokane Valley has struggled to develop a pavement management plan that clearly delineates the pavement condition index (PCI) that should be maintained throughout our road system and define the amount of money we should dedicate annually to achieve that plan.
- Our most recent study delivered to Council on April 2, 2019 divided costs between the local access, collector and arterial portions of our street network and suggests the annual cost is \$10 million and that this would be sufficient to cover the needs of both Street O&M Fund #101 and Pavement Preservation Fund #311.
- Even though the City's investment in our street network has consistently fallen short of that figure however we find that the PCI is not in a free fall and is in fact holding fairly steady at a rating of 71.
- We continue to evaluate our pavement management plan with the intent of further refining the PCI across local access, collectors and arterials, and formulating a more realistic cost to maintain these.
- Following that, Council and Staff will work collectively to determine how to finance the plan.

3. Railroad Grade Separation Projects (overpasses and underpasses)

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

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

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

Barker/Trent Grade Separation Project

We reached the point of being fully funded for this project in early 2018, the final design is nearing completion and we have entered into the right-of-way acquisition phase. The construction phase will begin no later than 2020. Revenue sources are comprised of the following:

Barker Grade Separation Project Financing Sources		
City of Spokane Valley		
General Fund reserves	\$	1,421,000
Real Estate Excise Tax (REET)		2,209,000
Total from Spokane Valley	\$	3,630,000
Federal Earmark		721,000
2017 WA Legislature appropriation		1,500,000
National Highway Freight Program		6,000,000
TIGER 9		9,020,000
FMSIB (20% of total)		
(assume \$19.0 million)		3,800,000
	\$	24,671,000

Pines / Trent Grade Separation Project

Progress to date includes:

- We anticipate the project cost will be \$29.0 million and thus far we have secured \$7.8 million including \$4.7 million set aside by the City. Additionally, there exists an inactive Freight Mobility Strategic investment Board (FMSIB) grant in the amount of \$3.36 million. Following is a detailed list of sources secured:

Pines Grade Separation Project (Estimated cost of \$29 million)		
Financing Secured		
City of Spokane Valley		
2016 General Fund Property acquisition	\$	500,000
2017 General Fund dedication		1,200,000
2017 General Fund allocation of fund balance > 50%		721,000
2018 General Fund allocation of fund balance > 50%		764,000
2019 General Fund allocation of fund balance > 50%		1,500,000
Total from Spokane Valley		4,685,000
2018 - SRTC for ROW		1,890,000
2019 - CRISI 2 for Design		1,246,500
	\$	7,821,500
<i>Inactive FMSIB Grant from 2000 that was awarded to WSDOT</i>		
	\$	3,360,000

- In late 2016 the City acquired property valued at approximately \$500,000 that was applied to the acquisition of property that will in-part satisfy the right-of-way needs for this project.
- On July 11, 2017 Council approved a Phase 1 contract with an engineering firm valued at \$124,000 with a scope of services that called for evaluating two potential sites, each of which included a roundabout and signalized intersection alternative.

- Staff presented subsequent reports to Council that provided design progress updates on October 17, 2017, December 13, 2018 and June 4, 2019.
- A total of five public outreach meetings were held between October 2017 and May 2019 to seek input on the design alternatives.
- Input was sought from a variety of stakeholders including BNSF, the Spokane Valley Police Department, Spokane Valley Fire Department, East Valley School District, the Fourth District Legislative Delegation and freight industry representatives.
- On June 18, 2019 Council approved a design alternative that moves the intersection to the east of the current location with a roundabout as intersection control.
- In early June 2019 the City was awarded a Consolidated Rail Infrastructure and Safety Improvements (CRISI) grant in the amount of \$1,246,500, the proceeds of which can be applied towards the design phase.
- Staff are currently in the process of finalizing the CRISI grant documents and once these are complete we will begin negotiations with an engineering firm to begin the final design phase.
- Future property acquisitions will be necessary during the right-of-way phase of the project but this cannot be determined until the final phase of the design is well underway.
- The City has applied for a variety of both state and federal grants including the TIGER, FASTLANE , INFRA and CRISI programs and we currently have a BUILD application in the amount of \$17.4 million outstanding.
- We will continue to apply for grant programs as they become available. We are hopeful that having a 100% design will make us more competitive as we will then have a “shovel ready” project.

Economic Development

To the best of our ability we focus on business retention and expansion of existing businesses and recruitment of new businesses. Examples of ongoing and future economic development efforts are as follows:

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

Retail Recruitment – In 2017 the City expanded into the area of Retail Recruitment by contracting with a firm specializing in this type of service. The services we are seeking in this effort include a review of the retail recruitment strategy; conducting a market and retail gap analysis; development of a recruitment plan; identification of a strategic retail prospect list; and recruitment of retail on behalf of the City. We have again included money in the 2020 Budget to continue this effort.

WA State Department of Commerce Environmental Permitting Grant – In the latter part of 2016 the City received a \$114,200 grant from the Department of Commerce that with an additional investment of \$55,000 from the City, that has resulted in a streamlined environmental permitting

process in the northeast industrial area of our community. This study completed the environmental permitting requirements for the northeast industrial area which lead to the development of a Planned Action Ordinance (PAO) adopted by Council March 12, 2019. The PAO will save industrial developers a minimum of 6 weeks permitting time while providing a predictable path to ensure that adequate infrastructure is in place to serve the expected developments and as a result of the PAO properties can now be marketed as truly “shovel ready”.

Northeast Industrial Area – In addition to the adoption of the Planned Action Ordinance the City engaged in 2 capital projects in our Northeast Industrial Area in 2019 that will expand and improve our infrastructure and have the dual benefit of improving our road system and making the area more attractive for future economic development. These include:

- Improving the City Barker Corridor from Euclid Avenue to the southern limits of the Barker Grade Separation project including the extension of sewer service by Spokane County.
- In partnership with Centennial Properties, the completion of a new one-mile section of Garland Avenue that will stretch from Flora to Barker.

The Budget for 2020

Strong but Guarded

Recognizing that fiscal health is at the core of providing good public services, one of the most important tests of fiscal management is the ability of a municipal enterprise to maintain basic services during an economic downturn. The creation and ongoing maintenance of financial reserves since incorporation has served the intended purpose of providing Spokane Valley the means to sustain critical public services during turbulent economic conditions and this served the City well during the Great Recession that began in 2008. The 2020 budget again reflects a prudent and guarded increase in continuation of service delivery capabilities. These increases are carefully considered and well within the means of the City. Service delivery cannot grow faster than the economic development of the City.

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

Balanced Budget

Means exactly what it says – operating expenses have been balanced with known or reasonably predictable revenues with no increase in property tax or in sales tax rates for the City. The budget is designed to maintain the healthy, positive fund balance at year-end providing for the City’s cash flow needs without costly borrowing. In pursuit of fiscal responsibility, special attention is given to limiting the growth in new programs and financial commitments. This approach allows available resources to be put toward sustaining services consistent with the City Council’s priorities for 2020 and beyond.

Acknowledgments

I would like to acknowledge the Community, City Council and Staff for a long history of financially responsible spending and sensible fiscal planning. By saving and conserving the taxpayers’

money, and by adopting and adhering to prudent long-term fiscal policies, the City can provide essential services and balance its budget for many years to come.

The City Council continues to set a path to ensure the long-term financial sustainability of the City. The management staff and employees have worked together to develop the Business Plan and 2020 Budget recommendations to achieve the Council's ongoing goal of sustainability.

I hope the Citizens of Spokane Valley are proud of the programs and strong financial condition of their City. We invite your examination and questions regarding the 2020 Budget.

Respectfully,

A handwritten signature in blue ink that reads "Mark Calhoun" followed by a horizontal flourish.

Mark Calhoun
City Manager



This page left intentionally blank.



TO: City Manager and Members of the City Council

FROM: Chelsie Taylor, Finance Director

SUBJECT: About the 2020 Budget and Budget Development Process

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

The budget serves four functions:

1. It is a Policy Document

The budget functions as a policy document in that the decisions made within the budget will reflect the general principles or plans that guide the actions taken for the future. As a policy document, the budget makes specific attempts to link desired goals and policy direction to the actual day-to-day activities of the City staff.

2. It is an Operational Guide

The budget of the City reflects its operation. Activities of each City function and organization have been planned, debated, formalized, and described in the following sections. This process will help to maintain an understanding of the various operations of the City and how they relate to each other and to the attainment of the policy issues and goals of the City Council.

3. It is a Link with the General Public

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

4. It is a Legally Required Financial Planning Tool

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

2020 BUDGET DEVELOPMENT PROCESS

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

The 2020 Budget development process began at the February 19, 2019 Council workshop where among other topics, Council and staff discussed the budget in general terms. In mid-April 2019 the Finance Department notified City Departments that their 2020 revenue and expenditure estimates were due by mid-May. Through the balance of May and early June, the City Manager's office and Finance Department worked to prepare budget worksheets that were communicated to the City Council at a Budget workshop held June 11, 2019. Following the workshop, the Finance Department continued work on the budget including refinements of revenue and expenditure estimates and through July and August, the Finance Department and City Manager reviewed updated budget projections.

By the time the 2020 Budget is scheduled to be adopted on November 12, 2019, the Council will have had an opportunity to discuss it on eight separate occasions, including three public hearings to gather input from citizens:

June 11	Council budget workshop
August 20	Admin report: Estimated 2020 revenues and expenditures
September 10	<u>Public hearing #1</u> on 2020 revenues and expenditures
September 24	City Manager's presentation of preliminary 2020 Budget
October 8	<u>Public hearing #2</u> on 2020 Budget
October 22	First reading on ordinance adopting the 2020 Budget
November 12	<u>Public hearing #3</u> on the 2020 Budget
November 12	Second reading on ordinance adopting the 2020 Budget

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

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

The City Manager is authorized to transfer budgeted amounts within a fund; however, any revisions that alter the total expenditures of a fund, or that affect the number of authorized employee positions, salary ranges or other conditions of employment must be approved by the City Council.

When the City Council determines that it is in the best interest of the City to increase or decrease the appropriation for a particular fund, it may do so by ordinance adopted by Council after holding one public hearing.

BUDGET PRINCIPLES

- Department directors have primary responsibility for formulating budget proposals in line with City Council and City Manager priority direction, and for implementing them once they are approved.

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

BASIS OF ACCOUNTING AND BUDGETING

Accounting

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

Basis of Presentation - Fund Accounting

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

Governmental Fund Types

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

1. General Fund

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

2. Special Revenue Funds

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

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

3. Debt Service Funds

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

4. Capital Project Funds

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

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

Proprietary Fund Types

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

1. Enterprise Funds

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

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

2. Internal Service Funds

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

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

Basis of Accounting

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

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

Budgets and Budgetary Accounting

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

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

EXPLANATION OF MAJOR REVENUE SOURCES

General Fund #001

- Property Tax

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

- Retail Sales and Use Tax

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

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

* Indicates voter approved sales taxes.

- Criminal Justice Sales Tax
Local Sales Tax for Criminal Justice funding is to be used solely for criminal justice purposes, such as the City's law enforcement contract. This tax is authorized at 1/10 of 1% of retail sales transacted in the County. Of the total amount collected, the State distributes 10% of the receipts to Spokane County, with the remainder allocated on a per capita basis to the County and cities within the County.
- Public Safety Sales Tax
Beginning in 2005, an additional 0.1% voter approved increase in sales tax was devoted to public safety purposes. This 0.1% was approved by the voters again in August 2009. Of the total amount collected, the State distributes 60% of the receipts to Spokane County, with the remainder allocated on a per capita basis to the cities within the County.
- Gambling Tax
Gambling tax revenues must be spent primarily on law enforcement purposes pertaining to gambling. Funds remaining after necessary expenditures for such enforcement purposes may be used for any general government purpose. Gambling taxes are to be paid quarterly to the City, no later than the last day of January, April, July and October. The City imposes a tax on the following forms of gambling at the following rates: Bingo (5% gross, less prizes); Raffles (5% gross, less prizes); Punchboards and Pull tabs (5% gross, less prizes); Amusement Games (2% gross, less prizes); Card playing (6% gross).
- Leasehold Excise Tax
Taxes on property owned by state or local governments and leased to private parties (City's share).
- Franchise Fees
Cable TV is the only franchise fee levied in the City at a rate of 5% of gross revenues. This is a fee levied on private utilities for the right to use city streets, alleys, and other public properties.

- State-Shared Revenues
State-shared revenues are received from liquor sales, marijuana revenues, and motor vehicle excise taxes. These taxes are collected by the State of Washington and shared with local governments based on population. State-shared revenues are distributed on either a monthly or quarterly basis, although not all quarterly revenues are distributed in the same month of the quarter. The 2019 population figure used in the 2020 Budget is 96,720 as reported by the Office of Financial Management for Washington State on April 1, 2019. This figure is important when determining distribution of State shared revenues on a per capita basis.
- Fines and Forfeitures / Public Safety
Fines and penalties are collected as a result of Municipal Court rulings, false alarm fees, and other miscellaneous rule infractions. All court fines and penalties are shared with the State, with the City, on average, retaining less than 50% of the amount collected.
- Community Development
Community Development revenues are largely composed of fees for building permits, plan reviews, and right-of-way permits.
- Recreation Program Fees
The Parks and Recreation Department charges fees for selected recreation programs. These fees offset direct costs related to providing the program.
- CenterPlace Fees
The Parks and Recreation Department charges fees for use of CenterPlace. Uses include regional meetings, weddings, receptions and banquets. Rental rooms include classrooms, the great room and dining rooms.
- Investment Interest
The City earns investment interest on sales tax money held by the State of Washington prior to the distribution of the taxes to the City, as well as on City initiated investments.

Street Fund #101

- Motor Vehicle Fuel Excise Tax (gas tax)
The State of Washington collects a \$0.494 per gallon motor vehicle fuel tax at the pump. Of this amount, the State remits a portion of the tax back to cities on a per capita basis. For 2020 the Municipal Research and Services Center estimates the distribution back to cities will be \$21.25 per person. Based upon a City of Spokane Valley population of 96,720 (per the Washington State Office of Financial Management on April 1, 2019) we anticipate the City will collect \$2,055,300 in 2020. RCW 47.30.050 specifies that 0.42% of this tax must be expended for paths and trails activities and based upon the 2020 revenue estimate this computes to \$8,600. The balance of \$2,046,700 will be credited to Fund #101 for street maintenance and operations.

- **Telephone Utility Tax**

The City of Spokane Valley levied a 6% telephone utility tax via Ordinance #08-014 with collections beginning in 2009. Telephone companies providing this service pay the tax to the City monthly. Telephone tax has been estimated at \$1.5 million for 2019.

Paths & Trails Fund #103

Cities are required to spend 0.42% of the motor vehicle fuel tax receipts on paths and trails (please see the explanation for Street Fund #101) which we anticipate will be \$8,600 in 2020. Because the amount collected in any given year is relatively small, it is typical to accumulate State distributions for several years until adequate dollars are available for a project.

Hotel / Motel Tax – Tourism Facilities Fund #104

The City imposes a 1.3% tax under RCW 67.28.181 on all charges made for the furnishing of lodging at hotels, motels, and similar establishments (including bed and breakfasts and RV parks) for a continuous period of less than one month. The revenues generated by this tax may only be used for capital expenditures for acquiring, constructing, making improvements to or other related capital expenditures for large sporting venues, or venues for tourism-related facilities. This tax is estimated to generate \$420,000 in 2020.

Hotel / Motel Tax Fund #105

The City imposes a 2% tax under RCW 67.28.180 on all charges made for the furnishing of lodging at hotels, motels, and similar establishments (including bed and breakfasts and RV parks) for a continuous period of less than one month. The tax is taken as a credit against the 6.5% state sales tax, so that the total tax that a patron pays in retail sales tax and hotel/motel tax combined is equal to the retail sales tax in the jurisdiction. The revenues generated by this tax may be used solely for paying for tourism promotion and for the acquisition and/or operation of tourism-related facilities. This tax is estimated to generate \$650,000 in 2020.

Solid Waste Fund #106

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

PEG Fund #107

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

LTGO Debt Service Fund #204

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

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

- \$5,650,000 remained on the original debt used towards the construction of CenterPlace. These bonds will be paid off in annual installments over the 20-year period ending December 1, 2033. Annual debt service payments on these bonds are provided by the Spokane Public Facilities District. At January 1, 2020, the outstanding balance on this portion of the bond issue will be \$4,390,000.
- \$1,385,000 remained on the original debt used towards the road and street improvements. These bonds will be paid off in annual installments over the 10-year period ending December 1, 2023. Annual debt service payments on these bonds are provided by equal distributions from the 1st and 2nd quarter percent real estate excise tax. At January 1, 2020 the outstanding balance on this portion of the bond issue will be \$590,000.

In 2016 the City issued \$7,275,000 in LTGO bonds, the proceeds of which were used to finance the construction of a new City Hall along with \$6.3 million of City cash that has been set aside for this purpose. These bonds will be paid off in annual installments over the 30-year period ending December 1, 2045. Annual debt service payments on these bonds are provided by transfers in from the General Fund. At January 1, 2020, the outstanding balance on the bond issue will be \$6,735,000.

REET 1 Capital Projects Fund #301

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

REET 2 Capital Projects Fund #302

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

Stormwater Management Fund #402

A stormwater fee is imposed upon every developed parcel within the City, which is an annual charge of \$21 for each single family unit and \$21 per 3,160 square feet of impervious surface for all other properties. These charges are uniform for the same class of customers and service facilities. These fees are estimated to generate \$1,900,000 in 2020.

Aquifer Protection Area (APA) Fund #403

These are voter approved fees, the proceeds of which are applied to aquifer protection related capital construction projects. Fees are collected by Spokane County and remitted to the City twice each year. These fees are estimated to generate \$460,000 in 2020. Fees include:

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

Interfund Transfers

Many funds receive a portion of their revenues from other funds in the form of an interfund transfer. These transfers typically represent payments for either services rendered by one fund for another or a concentration of revenues for a specific project or purpose. The following interfund transfers are planned for 2020:

		Out:						Total In
		001	105	106	301	302	312	
In:	001	0	30,000	0	0	0	0	30,000
	101	0	0	0	0	0	1,364,706	1,364,706
	204	401,450	0	0	80,375	80,375	0	562,200
	303	0	0	0	1,089,148	404,318	114,512	1,607,978
	309	1,660,000	0	0	0	0	7,500	1,667,500
	311	982,023	0	1,500,000	772,639	772,638	0	4,027,300
	314	0	0	0	49,041	0	64,192	113,233
	501	66,600	0	0	0	0	0	66,600
	502	410,000	0	0	0	0	0	410,000
								9,849,517 Total in
Total Out		3,520,073	30,000	1,500,000	1,991,203	1,257,331	1,550,910	9,849,517 Total out
								0

#001 – General Fund is budgeted to transfer out \$3,520,073 including:

- \$401,450 to Fund #204 – LTGO Debt Service Fund for bond payments on the 2016 LTGO Bonds for the City Hall construction.
- \$1,660,000 to Fund #309 – Park Capital Projects Fund for park related projects, including \$1,500,000 for improvements to the CenterPlace west lawn.
- \$982,023 to Fund #311 – Pavement Preservation Fund for pavement preservation projects.
- \$66,600 to Fund #501 – Equipment Rental and Replacement Fund to fund a CenterPlace kitchen equipment replacement reserve for \$36,600 and to fund the purchase of an additional vehicle for the new code enforcement positions for \$30,000.
- \$410,000 to Fund #502 – Risk Management Fund for the 2019 property and liability insurance premium.

#105 – Hotel / Motel Tax Fund is budgeted to transfer \$30,000 to Fund #001 – General Fund for the purpose of financing advertising at CenterPlace.

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

#301 – REET 1 Capital Projects Fund is budgeted to transfer out \$1,991,203 including:

- \$80,375 to Fund #204 – LTGO Debt Service Fund to pay a portion of the annual payment on the 2014 LTGO bonds.
- \$1,089,148 to Fund #303 – Street Capital Projects Fund that will be applied towards grant matches for street construction projects.
- \$772,639 to Fund #311 – Pavement Preservation Fund for pavement preservation projects.
- \$49,041 to Fund #314 – Railroad Grade Separation Projects Fund for the Barker Rd. grade separation project.

#302 – REET 2 Capital Projects Fund is budgeted to transfer out \$1,257,331 including:

- \$80,375 to Fund #204 – LTGO Debt Service Fund to pay a portion of the annual payment on the 2014 LTGO bonds.
- \$404,318 to Fund #303 – Street Capital Projects Fund that will be applied towards grant matches for street construction projects.
- \$772,638 to Fund #311 – Pavement Preservation Fund for pavement preservation projects.

#312 – Capital Reserve Fund is budgeted to transfer out \$1,257,331 including:

- \$1,364,706 to Fund #101 – Street Fund as a one-time coverage of the estimated deficit in recurring activity for the 2020 Budget.
- \$114,512 to Fund #303 – Street Capital Projects Fund that will be applied towards City funded street construction projects.
- \$7,500 to Fund #309 – Parks Capital Projects Fund that will be applied towards segments of the Appleway Trail.
- \$64,192 to Fund #314 – Railroad Grade Separation Projects Fund that will be applied to grade separation projects at Barker and Pines Roads.

SIGNIFICANT ASSUMPTIONS IN THE 2020 BUDGET

Budget Summary for All Funds

- Based upon funding levels anticipated in the 2020 budget, City staff will strive to maintain adequate levels of service.
- Appropriations for all City Funds will total \$90 million including \$28.6 million in capital expenditures, comprised in-part of:
 - \$8.3 million in Fund #303 – Street Capital Projects.
 - \$1.5 million in Fund #309 – Park Capital Projects.
 - \$4.3 million in Fund #311 – Pavement Preservation projects.
 - \$13 million in Fund #314 – Railroad Grade Separation Projects.
 - \$500 thousand in Fund #402 – Stormwater Management projects.
 - \$500 thousand in Fund #403 – Aquifer Protection Area projects.
- To partially offset the \$28.6 million in capital costs, we anticipate \$19.9 million in grant revenues which results in 69.58% of capital expenditures being covered with State and Federal money.
- Budgets will be adopted across 24 separate funds.
- The full time equivalent employee (FTE) count will increase by 1.50 from 93.75 in 2019 to 95.25 in 2020. This includes the addition of a second Code Enforcement Officer in the Community and Public Works Building Division, which necessitates increasing the part-time 0.5 FTE Attorney position to fulltime due to increased workload.

- The 2020 Budget reflects the sixth consecutive year the City will set aside City monies in an amount equivalent to 6% of General Fund recurring expenditures for pavement preservation in Fund #311 – Pavement Preservation. This 6% equals \$2,527,300.
- Positions and salary ranges are based on the City's compensation and classification plan.
- Payroll tax and benefit amounts are based on staff benefit plans.
- Contract costs for public safety, park maintenance, aquatics and street maintenance are based on estimates by City staff.
- The City is setting money aside in Fund #501 – Equipment Rental and Replacement for the eventual replacement of its vehicles as well as a reserve to replace equipment in the kitchen at CenterPlace.

2020 General Fund Revenues

- Total recurring 2020 revenues are estimated at \$48,281,800 as compared to \$45,497,400 in 2019. This is an increase of \$2,784,400 or 6.12%.
- The two largest sources of revenue continue to be Sales Tax and Property Tax which are collectively estimated to account for 83.43% of 2020 General Fund recurring revenues.
- The 2020 general sales tax estimate (excluding criminal justice and public safety sales taxes) is reflective of 2019 receipts to date and are currently estimated at \$24.6 million which reflects an increase of \$1,715,900 or 7.49% over the 2019 estimate.
- The Property Tax levy does not include the potential annual increase allowed by Initiative #747 which was approved by the voters in November 2001 and the subsequent action by the State Legislature in November 2007.
 - The 2020 levy is estimated at \$12,432,400.
 - The levy assumes we start with the 2019 levy of \$12,182,436, forgo the potential annual increase allowed by State law, and finally add taxes related to new construction which we estimate to be \$250,000.
- Franchise fees and business registrations are primarily based on projected receipts in 2019.
- State shared revenues are based upon a combination of historical collections including 2019 collections through July, and per capita distribution figures reported by the Municipal Research and Services Center.
- Fines and forfeitures are estimated by Spokane Valley and based on historical collections.
- Building permit and land use fees are estimated by Spokane Valley and based on historic collections.

2020 General Fund Expenditures

- Total 2020 recurring expenditures are budgeted at \$43,221,986 as compared to \$41,961,471 in 2019. This is an increase of \$1,260,515 or 3.00%.
- The City commitment of 6% of recurring General Fund expenditures to pavement preservation equals \$2,527,300 and is computed by multiplying total recurring expenditures prior to adding the pavement preservation element ($\$2,527,300 / \$42,239,963 = 6\%$). The \$2,527,300 that is transferred to Pavement Preservation Fund #311 is comprised of the following:
 - \$982,023 from General Fund #001
 - \$772,639 from REET 1 Capital Projects Fund #301
 - \$772,638 from REET 2 Capital Projects Fund #302
- 2020 Nonrecurring expenditures total \$1,758,200 and include:
 - \$190,000 for Information Technology expenditures including:
 - \$20,000 to replace outdated copiers
 - \$70,000 to upgrade storage devices at City Hall
 - \$100,000 for replace and upgrade the video security system at CenterPlace
 - \$15,000 for carpet replacement at the police precinct

- \$13,700 for furniture and equipment for the additional code enforcement officer
- \$9,500 for carpet replacement at CenterPlace
- \$1,500,000 transfer out to the Parks Capital Projects Fund #309 to complete improvements to the CenterPlace west lawn
- \$30,000 transfer out to the Equipment Rental and Replacement Fund #501 to acquire a new vehicle for the additional code enforcement officer

General Fund Revenues Over (Under) Expenditures and Fund Balance

- 2020 recurring revenues are anticipated to exceed recurring expenditures by \$5,059,814.
- Total 2020 revenues are anticipated to exceed total expenditures by \$3,371,614.
- The total unrestricted General Fund ending fund balance is anticipated to be \$34,270,468 at the end of 2020 which is 79.29% of total recurring expenditures of \$43,221,986. Our goal is to maintain an ending fund balance of at least 50.0%.

Highlights of Other Funds

Revenues

- Motor vehicle fuel tax (MVFT) revenue that is collected by the State and remitted to the City is estimated to be \$2,055,300 according to per capita estimates provided by the Municipal Research and Services Center. Of this amount, \$2,046,700 will be credited to the Street O&M Fund #101 and 0.42% or \$8,600 to the Paths and Trails Fund #103.
- Telephone taxes that are remitted to the City and support Street Fund operations and maintenance are anticipated at \$1,521,000.
- Real estate excise tax (REET) revenue is computed by the City and is primarily used to match grant funded street projects as well as pay a portion of the annual payment on the 2014 general obligation bonds. In 2020 we estimate these revenues to be \$1,000,000 per each ¼% for a total of \$2,000,000.
- Hotel/Motel tax revenues are computed by the City and are dedicated to the promotion of visitors and tourism. In 2020 we estimate the tax will generate \$1,070,000, which includes \$650,000 in Fund #105 Hotel / Motel Tax Fund from the 2% tax and \$420,000 in Fund #104 Hotel / Motel Tax – Tourism Facilities Fund from the 1.3% tax that was effective as of July 1, 2015.
- The Stormwater Management Fee is based on an equivalent residential unit (ERU) that is equal to 3,160 square feet of impervious surface that is billed at a rate of \$21 per single family residence and \$21 per ERU for commercial properties (an ERU for a commercial property is computed as total square feet of impervious surface divided by 3,160). In 2019 we estimate this will fee will generate \$1,900,000.
- The Aquifer Protection Area Fund is expected to generate \$460,000 in fees that are collected on the City's behalf by Spokane County and remitted in two installments during the year.
- Grant revenues that will be applied to a variety of construction projects are estimated at \$19,897,385 in 2020. By fund we anticipate grant revenues as follows:
 - Fund #001 – General Fund - \$70,000
 - Fund #303 – Street Capital Projects - \$6,596,718
 - Fund #309 – Parks Capital Projects - \$2,500
 - Fund #311 – Pavement Preservation - \$10,588
 - Fund #314 – Railroad Grade Separation Projects Fund - \$12,808,751
 - Fund #402 – Stormwater Fund - \$59,828
 - Fund #403 – Aquifer Protection Area Fund - \$349,000

Expenditures

- Fund #101 – Street Fund appropriations include:
 - \$5,160,906 for maintenance of City streets, including \$543,776 in snow operations and \$922,000 in intergovernmental payments for services.
- Fund #106 – Solid Waste Fund appropriations include:
 - a \$1,500,000 transfer out to the Pavement Preservation Fund #311 for street preservation activities
- Fund #301 – REET 1 Capital Projects Fund includes a \$1,991,203 appropriation to cover:
 - a \$80,375 transfer to LTGO Bond Debt Service Fund #204 to pay one-half of the City's annual repayment of the 2014 LTGO Bonds.
 - a \$1,089,148 transfer to Street Capital Projects Fund #303 to partially offset the cost of street construction / reconstruction projects.
 - a \$772,639 transfer to Pavement Preservation Fund #311 for pavement preservation projects.
 - a \$49,041 transfer to Railroad Grade Separation Projects Fund #314 for the Barker Road Grade Separation Project.
- Fund #302 – REET 2 Capital Projects Fund includes a \$1,257,331 appropriation to cover:
 - a \$80,375 transfer to LTGO Bond Debt Service Fund #204 to pay one-half of the City's annual repayment of the 2014 LTGO Bonds.
 - a \$404,318 transfer to Street Capital Projects Fund #303 to partially offset the cost of street construction / reconstruction projects.
 - a \$772,638 transfer to Pavement Preservation Fund #311 for pavement preservation projects
- Fund #303 – Street Capital Projects Fund includes an appropriation of \$8,315,195 for a variety of street construction projects.
- Fund #309 – Parks Capital Projects includes a \$1,510,000 appropriation to cover a variety of City park improvements that will be financed through a combination of a \$1,660,000 transfer from the General Fund #001, a \$7,500 transfer in from the Capital Reserve Fund #312, and \$2,500 in grant proceeds.
- Fund #311 – Pavement Preservation includes \$4,217,523 of pavement preservation projects that will be financed through transfers from other City funds as outlined above under the heading of General Fund Recurring Expenditures.
- Fund #312 – Capital Reserve includes \$1,364,706 in transfers to Fund #101 – Street O&M to cover the estimated deficit in recurring activity for 2020 and \$114,512 in transfers to Fund #303 – Street Capital Projects. It also includes \$7,500 in transfers to Fund #309 – Parks Capital Projects that will be applied toward segments of the Appleyway Trail.
- Fund #314 – Railroad Grade Separation Projects includes appropriations in the amount of \$13,037,792 towards the Barker Road Grade Separation project and the Pines Road Grade Separation project.

- Fund #402 – Stormwater Fund includes \$680,000 for nonrecurring expenditures including:
 - \$500,000 for various capital projects
 - \$80,000 for the studies related to the City's Stormwater permit and the watershed
 - \$100,000 for an update to the Stormwater Comprehensive Plan
- Fund #403 – Aquifer Protection Area Fund includes a \$500,000 appropriation to various capital projects.



This page left intentionally blank.

**CITY OF SPOKANE VALLEY, WA
2020 Budget Summary**

Annual Appropriation Funds	Fund No.	Estimated Beginning Fund Balance	Revenues	Total Sources	Appropriations	Estimated Ending Fund Balance
General Fund	001	30,898,854	48,351,800	79,250,654	44,980,186	34,270,468
Street Fund	101	644,219	5,160,906	5,805,125	5,160,906	644,219
Paths & Trails Fund	103	14,617	9,000	23,617	0	23,617
Hotel/Motel Tax - Tourism Facilities Fund	104	2,590,072	444,000	3,034,072	0	3,034,072
Hotel/Motel Tax Fund	105	332,929	656,000	988,929	825,000	163,929
Solid Waste	106	323,331	1,737,000	2,060,331	1,737,000	323,331
PEG Fund	107	89,731	79,000	168,731	85,000	83,731
CenterPlace Operating Reserve Fund	120	300,000	0	300,000	0	300,000
Service Level Stabilization Fund	121	5,500,000	0	5,500,000	0	5,500,000
Winter Weather Reserve Fund	122	508,070	5,400	513,470	500,000	13,470
LTGO Bond Debt Service Fund	204	0	1,021,700	1,021,700	1,021,700	0
REET 1 Capital Projects Fund	301	2,158,704	1,035,000	3,193,704	1,991,203	1,202,501
REET 2 Capital Projects Fund	302	3,492,858	1,035,000	4,527,858	1,257,331	3,270,527
Street Capital Projects	303	67,041	8,315,195	8,382,236	8,315,195	67,041
Park Capital Projects Fund	309	66,916	1,670,000	1,736,916	1,510,000	226,916
Civic Facilities Capital Projects Fund	310	848,285	17,000	865,285	0	865,285
Pavement Preservation Fund	311	3,385,649	4,037,888	7,423,537	4,267,523	3,156,014
Capital Reserve Fund	312	10,619,982	100,000	10,719,982	1,550,910	9,169,072
City Hall Construction Fund	313	0	0	0	0	0
Railroad Grade Separation Projects Fund	314	136,472	12,921,984	13,058,456	13,037,792	20,664
		61,977,730	86,596,873	148,574,603	86,239,746	62,334,857

Working Capital Funds	Fund No.	Estimated Beginning Working Capital	Revenues	Total Sources	Appropriations	Estimated Ending Working Capital
Stormwater Management Fund	402	1,872,360	1,999,828	3,872,188	2,563,985	1,308,203
Aquifer Protection Area Fund	403	1,794,605	829,000	2,623,605	500,000	2,123,605
Equipment Rental & Replacement Fund	501	1,459,000	190,600	1,649,600	285,000	1,364,600
Risk Management Fund	502	263,778	410,000	673,778	410,000	263,778
		5,389,743	3,429,428	8,819,171	3,758,985	5,060,186
Total of all Funds		67,367,473	90,026,301	157,393,774	89,998,731	67,395,043

**CITY OF SPOKANE VALLEY, WA
2020 Budget**

11/12/2019

	2019			2020	Difference Between 2019 and 2020	
	As Adopted	Amendment	As Amended	Budget	\$	%
#001 - GENERAL FUND						
RECURRING ACTIVITY						
<u>Revenues</u>						
Property Tax	12,054,400	0	12,054,400	12,432,400	378,000	3.14%
Sales Tax	22,917,000	0	22,917,000	24,632,900	1,715,900	7.49%
Sales Tax - Public Safety	1,081,900	0	1,081,900	1,162,600	80,700	7.46%
Sales Tax - Criminal Justice	1,944,000	0	1,944,000	2,052,300	108,300	5.57%
Gambling Tax and Leasehold Excise Tax	387,000	0	387,000	384,000	(3,000)	(0.78%)
Franchise Fees/Business Registration	1,224,000	0	1,224,000	1,220,000	(4,000)	(0.33%)
State Shared Revenues	1,909,800	0	1,909,800	1,688,200	(221,600)	(11.60%)
Fines and Forfeitures/Public Safety	1,078,500	0	1,078,500	1,077,700	(800)	(0.07%)
Community and Public Works	1,882,300	0	1,882,300	2,129,800	247,500	13.15%
Recreation Program Revenues	628,800	0	628,800	659,200	30,400	4.83%
Miscellaneous Department Revenue	1,000	500	1,500	21,000	19,500	1300.00%
Miscellaneous & Investment Interest	358,200	0	358,200	791,700	433,500	121.02%
Transfers in - #105 (h/m tax-CP advertising)	30,000	0	30,000	30,000	0	0.00%
Total Recurring Revenues	45,496,900	500	45,497,400	48,281,800	2,784,400	6.12%
<u>Expenditures</u>						
City Council	545,903	76,558	622,461	622,187	(274)	(0.04%)
City Manager	948,835	15,692	964,527	997,882	33,355	3.46%
City Attorney	610,549	38,207	648,756	707,942	59,186	9.12%
Public Safety	25,927,304	184	25,927,488	26,599,214	671,726	2.59%
Deputy City Manager	267,044	4,000	271,044	277,187	6,143	2.27%
Finance / IT	1,402,497	25,203	1,427,700	1,478,523	50,823	3.56%
Human Resources	297,421	8,422	305,843	313,316	7,473	2.44%
City Hall Operations and Maintenance	290,543	1,351	291,894	296,270	4,376	1.50%
Community & Public Works - Engineering	1,816,141	25,476	1,841,617	1,971,731	130,114	7.07%
Community & Public Works - Economic Dev	1,018,772	11,965	1,030,737	1,119,829	89,092	8.64%
Community & Public Works - Building & Plan	2,248,698	32,776	2,281,474	2,420,414	138,940	6.09%
Parks & Rec - Administration	335,958	4,162	340,120	352,227	12,107	3.56%
Parks & Rec - Maintenance	893,500	0	893,500	917,500	24,000	2.69%
Parks & Rec - Recreation	253,622	1,196	254,818	325,921	71,103	27.90%
Parks & Rec - Aquatics	491,153	0	491,153	501,853	10,700	2.18%
Parks & Rec - Senior Center	101,215	1,692	102,907	43,447	(59,460)	(57.78%)
Parks & Rec - CenterPlace	949,414	6,918	956,332	965,359	9,027	0.94%
General Government	1,332,650	16,300	1,348,950	1,321,111	(27,839)	(2.06%)
Transfers out - #204 (2016 LTGO debt service)	401,250	0	401,250	401,450	200	0.05%
Transfers out - #309 (park capital projects)	160,000	0	160,000	160,000	0	0.00%
Transfers out - #311 (pavement preservation)	972,300	0	972,300	982,023	9,723	1.00%
Transfers out - #501 (CenterPlace kitchen reserve)	36,600	0	36,600	36,600	0	0.00%
Transfers out - #502 (insurance premium)	390,000	0	390,000	410,000	20,000	5.13%
Total Recurring Expenditures	41,691,369	270,102	41,961,471	43,221,986	1,260,515	3.00%
Recurring Revenues Over (Under)						
Recurring Expenditures	3,805,531	(269,602)	3,535,929	5,059,814		

**CITY OF SPOKANE VALLEY, WA
2020 Budget**

11/12/2019

	2019			2020	Difference Between 2019 and 2020	
	As Adopted	Amendment	As Amended	Budget	\$	%
#001 - GENERAL FUND - continued						
NONRECURRING ACTIVITY						
<u>Revenues</u>						
Transfers in - #106 (solid waste repayment)	40,422	0	40,422	0	(40,422)	(100.00%)
Reimbursement of chamber wall repairs	0	500,000	500,000	0	(500,000)	(100.00%)
Grant Proceeds	0	0	0	70,000	70,000	0.00%
Total Nonrecurring Revenues	40,422	500,000	540,422	70,000	(470,422)	(87.05%)
<u>Expenditures</u>						
General Government - IT capital replacements	107,000	0	107,000	190,000	83,000	77.57%
Public Safety (full facility generator)	0	200,000	200,000	0	(200,000)	(100.00%)
Public Safety (carpet & workstation replacement)	50,000	0	50,000	15,000	(35,000)	(70.00%)
City Hall chamber east wall repairs	0	500,000	500,000	0	(500,000)	(100.00%)
Economic Development (retail recruitment)	25,000	0	25,000	0	(25,000)	(100.00%)
Building (equipment for new Code Enf. Officer)	0	0	0	13,700	13,700	0.00%
Parks & Rec (carpet at CenterPlace)	0	0	0	9,500	9,500	0.00%
General Government (City Hall generator)	0	203,000	203,000	0	(203,000)	(100.00%)
Transfers out - #122 (replenish reserve)	0	120,000	120,000	0	(120,000)	(100.00%)
Transfers out - #309 (Browns Park restroom)	160,000	0	160,000	0	(160,000)	(100.00%)
Transfers out - #309 (Browns Park other)	1,000,000	0	1,000,000	0	(1,000,000)	(100.00%)
Transfers out - #309 (CenterPlace west lawn)	0	500,000	500,000	1,500,000	1,000,000	200.00%
Transfers out - #309 (CenterPlace roof)	0	21,000	21,000	0	(21,000)	(100.00%)
Transfers out - #312 ('17 fund bal > 50%)	0	7,109,300	7,109,300	0	(7,109,300)	(100.00%)
Transfers out - #501 (new Code Enf. Vehicle)	0	0	0	30,000	30,000	0.00%
Total Nonrecurring Expenditures	1,342,000	8,653,300	9,995,300	1,758,200	(8,237,100)	(82.41%)
Nonrecurring Revenues Over (Under)						
Nonrecurring Expenditures	(1,301,578)	(8,153,300)	(9,454,878)	(1,688,200)		
Excess (Deficit) of Total Revenues						
Over (Under) Total Expenditures	2,503,953	(8,422,902)	(5,918,949)	3,371,614		
Beginning unrestricted fund balance	36,817,803		36,817,803	30,898,854		
Ending unrestricted fund balance	39,321,756		30,898,854	34,270,468		
Fund balance as a percent of recurring expenditures	94.32%		73.64%	79.29%		
General Fund Summary						
Total revenues	45,537,322	500,500	46,037,822	48,351,800		
Total expenditures	43,033,369	8,923,402	51,956,771	44,980,186		
Excess (Deficit) of Total Revenues						
Over (Under) Total Expenditures	2,503,953	(8,422,902)	(5,918,949)	3,371,614		
Beginning unrestricted fund balance	36,817,803		36,817,803	30,898,854		
Ending unrestricted fund balance	39,321,756		30,898,854	34,270,468		

**CITY OF SPOKANE VALLEY, WA
2020 Budget**

11/12/2019

	2019			2020	Difference Between	
	As Adopted	Amendment	As Amended	Budget	2019 and 2020	
					\$	%
SPECIAL REVENUE FUNDS						
#101 - STREET FUND						
RECURRING ACTIVITY						
<u>Revenues</u>						
Utility Tax	1,700,000	(100,000)	1,600,000	1,521,000	(79,000)	(4.94%)
Motor Vehicle Fuel (Gas) Tax	2,092,300	(61,400)	2,030,900	2,046,700	15,800	0.78%
Multimodal Transportation Revenue	132,200	0	132,200	131,500	(700)	(0.53%)
Right-of-Way Maintenance Fee	70,000	0	70,000	70,000	0	0.00%
Investment Interest	6,000	0	6,000	17,000	11,000	183.33%
Miscellaneous	10,000	0	10,000	10,000	0	0.00%
Total Recurring Revenues	4,010,500	(161,400)	3,849,100	3,796,200	(52,900)	(1.37%)
<u>Expenditures</u>						
Wages / Benefits / Payroll Taxes	1,044,547	13,197	1,057,744	1,059,613	1,869	0.18%
Supplies	113,300	0	113,300	146,050	32,750	28.91%
Services & Charges	2,308,818	18,156	2,326,974	2,426,467	99,493	4.28%
Snow Operations	497,200	0	497,200	543,776	46,576	9.37%
Intergovernmental Payments	855,000	0	855,000	922,000	67,000	7.84%
Vehicle rentals - #501 (non-plow vehicle rental)	21,250	0	21,250	14,500	(6,750)	(31.76%)
Vehicle rentals - #501 (plow replace.)	77,929	0	77,929	48,500	(29,429)	(37.76%)
Total Recurring Expenditures	4,918,044	31,353	4,949,397	5,160,906	211,509	4.27%
Recurring Revenues Over (Under)						
Recurring Expenditures	(907,544)	(192,753)	(1,100,297)	(1,364,706)		
NONRECURRING ACTIVITY						
<u>Revenues</u>						
Transfers in - #122	0	120,000	120,000	0	(120,000)	(100.00%)
Transfers in - #312	907,544	0	907,544	1,364,706	457,162	50.37%
Total Nonrecurring Revenues	907,544	120,000	1,027,544	1,364,706	337,162	32.81%
<u>Expenditures</u>						
Spare traffic signal equipment	0	68,000	68,000	0	(68,000)	(100.00%)
Total Nonrecurring Expenditures	0	68,000	68,000	0	(68,000)	(100.00%)
Nonrecurring Revenues Over (Under)						
Nonrecurring Expenditures	907,544	52,000	959,544	1,364,706		
Excess (Deficit) of Total Revenues						
Over (Under) Total Expenditures	0	(140,753)	(140,753)	0		
Beginning fund balance	784,972		784,972	644,219		
Ending fund balance	784,972		644,219	644,219		
Street Fund Summary						
Total revenues	4,918,044	(41,400)	4,876,644	5,160,906		
Total expenditures	4,918,044	99,353	5,017,397	5,160,906		
Excess (Deficit) of Total Revenues						
Over (Under) Total Expenditures	0	(140,753)	(140,753)	0		
Beginning unrestricted fund balance	784,972		784,972	644,219		
Ending unrestricted fund balance	784,972		644,219	644,219		

**CITY OF SPOKANE VALLEY, WA
2020 Budget**

11/12/2019

	2019			2020	Difference Between 2019 and 2020	
	As Adopted	Amendment	As Amended	Budget	\$	%
SPECIAL REVENUE FUNDS - continued						
#103 - PATHS & TRAILS FUND						
<u>Revenues</u>						
Motor Vehicle Fuel (Gas) Tax	8,800	0	8,800	8,600	(200)	(2.27%)
Investment Interest	400	0	400	400	0	0.00%
Total revenues	9,200	0	9,200	9,000	(200)	(2.17%)
<u>Expenditures</u>						
Transfers out - #309 (Appleway Trail - Sullivan to Corbin)	0	0	0	0	0	0.00%
Total expenditures	0	0	0	0	0	0.00%
Revenues over (under) expenditures	9,200		9,200	9,000		
Beginning fund balance	5,417		5,417	14,617		
Ending fund balance	14,617		14,617	23,617		
#104 - HOTEL / MOTEL TAX - TOURISM FACILITIES FUND						
<u>Revenues</u>						
Hotel/Motel Tax	390,000	0	390,000	420,000	30,000	7.69%
Investment Interest	7,000	0	7,000	24,000	17,000	242.86%
Transfers in - #105	0	275,000	275,000	0	(275,000)	(100.00%)
Total revenues	397,000	275,000	672,000	444,000	(228,000)	(33.93%)
<u>Expenditures</u>						
Capital Outlay	0	0	0	0	0	0.00%
Total expenditures	0	0	0	0	0	0.00%
Revenues over (under) expenditures	397,000		672,000	444,000		
Beginning fund balance	1,918,072		1,918,072	2,590,072		
Ending fund balance	2,315,072		2,590,072	3,034,072		
#105 - HOTEL / MOTEL TAX FUND						
<u>Revenues</u>						
Hotel/Motel Tax	600,000	0	600,000	650,000	50,000	8.33%
Investment Interest	2,000	0	2,000	6,000	4,000	200.00%
Total revenues	602,000	0	602,000	656,000	54,000	8.97%
<u>Expenditures</u>						
Transfers out - #001	30,000	0	30,000	30,000	0	0.00%
Transfers out - #104	0	275,000	275,000	0	(275,000)	(100.00%)
Tourism Promotion	625,000	(383,000)	242,000	795,000	553,000	228.51%
Total expenditures	655,000	(108,000)	547,000	825,000	278,000	50.82%
Revenues over (under) expenditures	(53,000)		55,000	(169,000)		
Beginning fund balance	277,929		277,929	332,929		
Ending fund balance	224,929		332,929	163,929		
#106 - SOLID WASTE FUND						
<u>Revenues</u>						
Solid Waste Administrative Fee	225,000	0	225,000	225,000	0	0.00%
Solid Waste Road Wear Fee	1,500,000	0	1,500,000	1,500,000	0	0.00%
Investment Interest	1,300	0	1,300	12,000	10,700	823.08%
Total revenues	1,726,300	0	1,726,300	1,737,000	10,700	0.62%
<u>Expenditures</u>						
Education & Contract Administration	185,878	0	185,878	237,000	51,122	27.50%
Transfers out - #001	40,422	0	40,422	0	(40,422)	(100.00%)
Transfers out - #311	1,500,000	108,028	1,608,028	1,500,000	(108,028)	(6.72%)
Total expenditures	1,726,300	108,028	1,834,328	1,737,000	(97,328)	(5.31%)
Revenues over (under) expenditures	0		(108,028)	0		
Beginning fund balance	431,359		431,359	323,331		
Ending fund balance	431,359		323,331	323,331		

**CITY OF SPOKANE VALLEY, WA
2020 Budget**

11/12/2019

	2019			2020	Difference Between 2019 and 2020	
	As Adopted	Amendment	As Amended	Budget	\$	%
SPECIAL REVENUE FUNDS - continued						
#107 - PEG FUND						
<u>Revenues</u>						
Comcast PEG Contribution	76,000	0	76,000	79,000	3,000	3.95%
Total revenues	76,000	0	76,000	79,000	3,000	3.95%
<u>Expenditures</u>						
PEG Reimbursement - CMTV	40,100	0	40,100	39,500	(600)	(1.50%)
Capital Outlay	31,000	0	31,000	45,500	14,500	46.77%
Total expenditures	71,100	0	71,100	85,000	13,900	19.55%
Revenues over (under) expenditures	4,900		4,900	(6,000)		
Beginning fund balance	84,831		84,831	89,731		
Ending fund balance	89,731		89,731	83,731		
#120 - CENTER PLACE OPERATING RESERVE FUND						
<u>Revenues</u>						
Investment Interest	0	0	0	0	0	0.00%
Miscellaneous	0	0	0	0	0	0.00%
Total revenues	0	0	0	0	0	0.00%
<u>Expenditures</u>						
Operations	0	0	0	0	0	0.00%
Total expenditures	0	0	0	0	0	0.00%
Revenues over (under) expenditures	0		0	0		
Beginning fund balance	300,000		300,000	300,000		
Ending fund balance	300,000		300,000	300,000		
#121 - SERVICE LEVEL STABILIZATION RESERVE FUND						
<u>Revenues</u>						
Investment Interest	0	0	0	0	0	0.00%
Miscellaneous	0	0	0	0	0	0.00%
Total revenues	0	0	0	0	0	0.00%
<u>Expenditures</u>						
Operations	0	0	0	0	0	0.00%
Total expenditures	0	0	0	0	0	0.00%
Revenues over (under) expenditures	0		0	0		
Beginning fund balance	5,500,000		5,500,000	5,500,000		
Ending fund balance	5,500,000		5,500,000	5,500,000		
#122 - WINTER WEATHER RESERVE FUND						
<u>Revenues</u>						
Investment Interest	5,000	0	5,000	5,400	400	8.00%
Transfers in - #001	0	120,000	120,000	0	(120,000)	(100.00%)
Subtotal revenues	5,000	120,000	125,000	5,400	(119,600)	(95.68%)
<u>Expenditures</u>						
Transfers out - #101	0	120,000	120,000	0	(120,000)	(100.00%)
Street maintenance expenditures	500,000	0	500,000	500,000	0	0.00%
Total expenditures	500,000	120,000	620,000	500,000	(120,000)	(19.35%)
Revenues over (under) expenditures	(495,000)		(495,000)	(494,600)		
Beginning fund balance	503,070		503,070	508,070		
Ending fund balance	8,070		8,070	13,470		

CITY OF SPOKANE VALLEY, WA
2020 Budget

11/12/2019

	2019			2020	Difference Between 2019 and 2020	
	As Adopted	Amendment	As Amended	Budget	\$	%
DEBT SERVICE FUNDS						
#204 - LTGO BOND DEBT SERVICE FUND						
<u>Revenues</u>						
Spokane Public Facilities District	432,150	0	432,150	459,500	27,350	6.33%
Transfers in - #001	401,250	0	401,250	401,450	200	0.05%
Transfers in - #301	82,475	0	82,475	80,375	(2,100)	(2.55%)
Transfers in - #302	82,475	0	82,475	80,375	(2,100)	(2.55%)
Total revenues	998,350	0	998,350	1,021,700	23,350	2.34%
<u>Expenditures</u>						
Debt Service Payments - CenterPlace	432,150	0	432,150	459,500	27,350	6.33%
Debt Service Payments - Roads	164,950	0	164,950	160,750	(4,200)	(2.55%)
2016 LTGO Bond Principal & Interest	401,250	0	401,250	401,450	200	0.05%
Total expenditures	998,350	0	998,350	1,021,700	23,350	2.34%
Revenues over (under) expenditures	0		0	0		
Beginning fund balance	0		0	0		
Ending fund balance	0		0	0		

**CITY OF SPOKANE VALLEY, WA
2020 Budget**

11/12/2019

	2019			2020	Difference Between 2019 and 2020	
	As Adopted	Amendment	As Amended	Budget	\$	%
CAPITAL PROJECTS FUNDS						
#301 - REET 1 CAPITAL PROJECTS FUND						
<u>Revenues</u>						
REET 1 - Taxes	1,000,000	400,000	1,400,000	1,000,000	(400,000)	(28.57%)
Investment Interest	22,000	0	22,000	35,000	13,000	59.09%
Total revenues	1,022,000	400,000	1,422,000	1,035,000	(387,000)	(27.22%)
<u>Expenditures</u>						
Transfers out - #204	82,475	0	82,475	80,375	(2,100)	(2.55%)
Transfers out - #303	504,172	(28,436)	475,736	1,089,148	613,412	128.94%
Transfers out - #311 (<i>pavement preservation</i>)	734,300	0	734,300	772,639	38,339	5.22%
Transfers out - #314 (<i>Barker Grade Separation</i>)	50,000	401,053	451,053	49,041	(402,012)	(89.13%)
Total expenditures	1,370,947	372,617	1,743,564	1,991,203	247,639	14.20%
Revenues over (under) expenditures	(348,947)		(321,564)	(956,203)		
Beginning fund balance	2,480,268		2,480,268	2,158,704		
Ending fund balance	2,131,321		2,158,704	1,202,501		
#302 - REET 2 CAPITAL PROJECTS FUND						
<u>Revenues</u>						
REET 2 - Taxes	1,000,000	400,000	1,400,000	1,000,000	(400,000)	(28.57%)
Investment Interest	25,000	0	25,000	35,000	10,000	40.00%
Total revenues	1,025,000	400,000	1,425,000	1,035,000	(390,000)	(27.37%)
<u>Expenditures</u>						
Transfers out - #204	82,475	0	82,475	80,375	(2,100)	(2.55%)
Transfers out - #303	167,434	188,153	355,587	404,318	48,731	13.70%
Transfers out - #311 (<i>pavement preservation</i>)	734,300	0	734,300	772,638	38,338	5.22%
Total expenditures	984,209	188,153	1,172,362	1,257,331	84,969	7.25%
Revenues over (under) expenditures	40,791		252,638	(222,331)		
Beginning fund balance	3,240,220		3,240,220	3,492,858		
Ending fund balance	3,281,011		3,492,858	3,270,527		

**CITY OF SPOKANE VALLEY, WA
2020 Budget**

11/12/2019

	2019			2020	Difference Between 2019 and 2020	
	As Adopted	Amendment	As Amended	Budget	\$	%
CAPITAL PROJECTS FUNDS - continued						
#303 - STREET CAPITAL PROJECTS FUND						
<u>Revenues</u>						
Grant Proceeds	4,408,681	(426,353)	3,982,328	6,596,718	2,614,390	65.65%
Developer	35,700	952,521	988,221	110,499	(877,722)	(88.82%)
Transfers in - #301	504,172	(28,436)	475,736	1,089,148	613,412	128.94%
Transfers in - #302	167,434	188,153	355,587	404,318	48,731	13.70%
Transfers in - #312 - Euclid Ave - Flora to Barker	5,000	0	5,000	0	(5,000)	(100.00%)
Transfers in - #312 - 8th & Carnahan Intersection	45,000	(45,000)	0	0	0	0.00%
Transfers in - #312 - Garland Ave Extension	0	1,015,250	1,015,250	75,000	(940,250)	(92.61%)
Transfers in - #312 - Barker Corridor	267,000	2,044,548	2,311,548	39,512	(2,272,036)	(198.29%)
Total revenues	5,432,987	3,700,683	9,133,670	8,315,195	(818,475)	(8.96%)
<u>Expenditures</u>						
123 Mission Ave. - Flora to Barker	5,000	23,791	28,791	0	(28,791)	(100.00%)
142 Broadway @ Argonne/Mullan PCC intersection	12,500	(11,915)	585	0	(585)	(100.00%)
166 Pines Rd (SR27) & Grace Ave. Intersect Safety	5,000	0	5,000	0	(5,000)	(100.00%)
201 ITS Infill Project Phase 1	5,000	0	5,000	0	(5,000)	(100.00%)
205 Sprague/Barker Intersections Improvement	35,700	17,402	53,102	195,499	142,397	268.16%
247 8th & Carnahan Intersection Improvements	45,000	(45,000)	0	0	0	0.00%
249 Sullivan/Wellesley Intersection	1,167,287	(1,087,287)	80,000	100,000	20,000	25.00%
251 Euclid Ave. - Flora to Barker	5,000	0	5,000	0	(5,000)	(100.00%)
258 32nd Ave Sidewalk - SR27 to Evergreen	5,000	(5,000)	0	0	0	0.00%
259 N. Sullivan Corridor ITS Project	730,000	(666,302)	63,698	810,232	746,534	1171.99%
265 Wellesley Sidewalk Project	382,000	209,125	591,125	0	(591,125)	(100.00%)
267 Mission Ave Sidewalk	420,000	(13,119)	406,881	19,852	(387,029)	(95.12%)
273 Barker/I-90 Interchange	500,000	310,000	810,000	90,000	(720,000)	(88.89%)
275 Barker Rd Widening - River to Euclid	132,000	138,857	270,857	3,729,143	3,458,286	1276.79%
276 Barker Rd Widening - Euclid to Garland	81,000	2,510,060	2,591,060	0	(2,591,060)	(100.00%)
277 Barker Rd Widening - Garland to Trent	54,000	(54,000)	0	0	0	0.00%
278 Wilbur Rd Sidewalk - Boone to Broadway	354,500	60,867	415,367	0	(415,367)	(100.00%)
279 Knox Ave Sidewalk - Hutchinson to Sargent	294,000	67,619	361,619	0	(361,619)	(100.00%)
281 Highland Estates Connector	200,000	(154,000)	46,000	0	(46,000)	(100.00%)
285 Indiana Ave Pres - Evergreen to Sullivan	0	0	0	300,000	300,000	0.00%
287 University Pres-Dishman-Mica to 16th	0	79,000	79,000	0	(79,000)	(100.00%)
291 Adams Sidewalk Infill	0	62,406	62,406	444,645	382,239	612.50%
293 2018 CSS Citywide Reflective Signal BP	0	23,250	23,250	99,000	75,750	325.81%
294 Citywide Reflective Signal Post Panels	0	5,200	5,200	47,775	42,575	818.75%
295 Garland Ave Extension	0	1,950,000	1,950,000	150,000	(1,800,000)	(92.31%)
299 Argonne Rd Concrete Pvmnt Indiana to Mont	0	48,000	48,000	32,000	(16,000)	(33.33%)
300 Pines and Mission Intersection Improvement	0	72,000	72,000	516,000	444,000	616.67%
302 Ella Sidewalk - Broadway to Alki	0	30,979	30,979	371,760	340,781	1100.04%
301 Park and Mission Intersection Improvement	0	112,750	112,750	0	(112,750)	(100.00%)
303 S. Conklin Sidewalk	0	16,000	16,000	124,125	108,125	675.78%
069 Park Rd Reconstruction #2 (Repay Grant Funds)	0	0	0	285,164	285,164	0.00%
Contingency	1,000,000	0	1,000,000	1,000,000	0	0.00%
Total expenditures	5,432,987	3,700,683	9,133,670	8,315,195	(818,475)	(8.96%)
Revenues over (under) expenditures	0		0	0		
Beginning fund balance	67,041		67,041	67,041		
Ending fund balance	67,041		67,041	67,041		

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

**CITY OF SPOKANE VALLEY, WA
2020 Budget**

11/12/2019

	2019			2020	Difference Between 2019 and 2020	
	As Adopted	Amendment	As Amended	Budget	\$	%
CAPITAL PROJECTS FUNDS - continued						
#309 - PARK CAPITAL PROJECTS FUND						
<u>Revenues</u>						
Grant Proceeds	572,308	2,132,152	2,704,460	2,500	(2,701,960)	(99.91%)
Transfers in - #001	1,320,000	521,000	1,841,000	1,660,000	(181,000)	(9.83%)
Transfers in - #312	14,788	296,450	311,238	7,500	(303,738)	(97.59%)
Total revenues	1,907,096	2,949,602	4,856,698	1,670,000	(3,186,698)	(65.61%)
<u>Expenditures</u>						
237 Appleway Trail (Sullivan to Corbin)	5,000	11,791	16,791	0	(16,791)	(100.00%)
268 Appleway Trail (Evergreen to Sullivan)	72,500	2,293,021	2,365,521	5,000	(2,360,521)	(99.79%)
280 Appleway Trail Amenities (Univ - Pines)	509,595	177,920	687,515	0	(687,515)	(100.00%)
282 Browns Park volleyball courts	0	1,249	1,249	0	(1,249)	(100.00%)
296 Browns Park improvements	1,160,000	0	1,160,000	5,000	(1,155,000)	(99.57%)
Swing sets	25,000	12,000	37,000	0	(37,000)	(100.00%)
Resurface Discovery Park	40,000	0	40,000	0	(40,000)	(100.00%)
CenterPlace west lawn improvements - Ph.2	0	500,000	500,000	1,500,000	1,000,000	200.00%
CenterPlace roof	0	21,000	21,000	0	(21,000)	(100.00%)
Total expenditures	1,812,095	3,016,981	4,829,076	1,510,000	(3,319,076)	(68.73%)
Revenues over (under) expenditures	95,001		27,622	160,000		
Beginning fund balance	39,294		39,294	66,916		
Ending fund balance	134,295		66,916	226,916		
#310 - CIVIC FACILITIES CAPITAL PROJECTS FUND						
<u>Revenues</u>						
Investment Interest	9,000	0	9,000	17,000	8,000	88.89%
Total revenues	9,000	0	9,000	17,000	8,000	88.89%
<u>Expenditures</u>						
Transfers out - #312	0	18,452	18,452	0	(18,452)	(100.00%)
Total expenditures	0	18,452	18,452	0	(18,452)	(100.00%)
Revenues over (under) expenditures	9,000		(9,452)	17,000		
Beginning fund balance	857,737		857,737	848,285		
Ending fund balance	866,737		848,285	865,285		
<i>Note: The fund balance in #310 includes \$839,285.10 paid by the Library District for 2.82 acres at the Balfour Park site. If the District does not succeed in getting a voted bond approved by October 2022 then the City may repurchase this land at the original sale price of \$839,285.10.</i>						
#311 - PAVEMENT PRESERVATION						
<u>Revenues</u>						
Transfers in - #001	972,300	0	972,300	982,023	9,723	1.00%
Transfers in - #106	1,500,000	108,028	1,608,028	1,500,000	(108,028)	(6.72%)
Transfers in - #301	734,300	0	734,300	772,639	38,339	5.22%
Transfers in - #302	734,300	0	734,300	772,638	38,338	5.22%
Developer	0	1,140,000	1,140,000	0	(1,140,000)	(100.00%)
Grant Proceeds	1,820,000	1,049,227	2,869,227	10,588	(2,858,639)	(99.63%)
Total revenues	5,760,900	2,297,255	8,058,155	4,037,888	(4,020,267)	(49.89%)
<u>Expenditures</u>						
Pavement preservation	7,238,200	2,021,621	9,259,821	4,217,523	(5,042,298)	(54.45%)
Pre-project GeoTech	50,000	0	50,000	50,000	0	0.00%
Total expenditures	7,288,200	2,021,621	9,309,821	4,267,523	(5,042,298)	(54.16%)
Revenues over (under) expenditures	(1,527,300)		(1,251,666)	(229,635)		
Beginning fund balance	4,637,315		4,637,315	3,385,649		
Ending fund balance	3,110,015		3,385,649	3,156,014		

**CITY OF SPOKANE VALLEY, WA
2020 Budget**

11/12/2019

	2019			2020	Difference Between	
	As	Amendment	As	Budget	2019 and 2020	
	Adopted		Amended		\$	%
CAPITAL PROJECTS FUNDS - continued						
#312 - CAPITAL RESERVE FUND						
<u>Revenues</u>						
Transfers in - #001	0	7,109,300	7,109,300	0	(7,109,300)	(100.00%)
Transfers in - #310	0	18,452	18,452	0	(18,452)	(100.00%)
Transfers in - #313	0	88,590	88,590	0	(88,590)	(100.00%)
Investment Interest	50,000	0	50,000	100,000	50,000	100.00%
Total revenues	50,000	7,216,342	7,266,342	100,000	(7,166,342)	(98.62%)
<u>Expenditures</u>						
Transfers out - #101	907,544	0	907,544	1,364,706	457,162	50.37%
Transfers out - #303 (Euclid Ave - Flora to Barker)	5,000	0	5,000	0	(5,000)	(100.00%)
Transfers out - #303 (8th & Carnahan Intersection)	45,000	(45,000)	0	0	0	0.00%
Transfers out - #303 (Garland Ave Extension)	0	1,015,250	1,015,250	75,000	(940,250)	(92.61%)
Transfers out - #303 (Barker Road Corridor)	267,000	2,044,548	2,311,548	39,512	(2,272,036)	(98.29%)
Transfers out - #309 (Appleway Trail - Sullivan-Corbin)	5,000	(5,000)	0	0	0	0.00%
Transfers out - #309 (Appleway Trail - Evergreen-Sullivan)	9,788	301,450	311,238	7,500	(303,738)	(97.59%)
Transfers out - #314 (Pines Rd Underpass)	0	0	0	64,192	64,192	0.00%
Precinct property acquisition	0	226,700	226,700	0	(226,700)	(100.00%)
Park property acquisition	0	844,000	844,000	0	(844,000)	(100.00%)
Total expenditures	1,239,332	4,381,948	5,621,280	1,550,910	(4,070,370)	(72.41%)
Revenues over (under) expenditures	(1,189,332)		1,645,062	(1,450,910)		
Beginning fund balance	8,974,920		8,974,920	10,619,982		
Ending fund balance	7,785,588		10,619,982	9,169,072		
#313 - CITY HALL CONSTRUCTION FUND						
<u>Revenues</u>						
Investment Interest	0	954	954	0	(954)	(100.00%)
Total revenues	0	954	954	0	(954)	(100.00%)
<u>Expenditures</u>						
Transfers out - #312	0	88,590	88,590	0	(88,590)	(100.00%)
Total expenditures	0	88,590	88,590	0	(88,590)	(100.00%)
Revenues over (under) expenditures	0		(87,636)	0		
Beginning fund balance	87,636		87,636	0		
Ending fund balance	87,636		0	0		
#314 - RAILROAD GRADE SEPARATION PROJECTS FUND						
<u>Revenues</u>						
Grant Proceeds	3,750,000	(795,077)	2,954,923	12,808,751	9,853,828	333.47%
Transfers in - #301	50,000	401,053	451,053	49,041	(402,012)	(89.13%)
Transfers in - #312	0	0	0	64,192	64,192	0.00%
Total revenues	3,800,000	(394,024)	3,405,976	12,921,984	9,516,008	279.39%
<u>Expenditures</u>						
143 Barker BNSF Grade Separation	3,800,000	(394,024)	3,405,976	11,475,292	8,069,316	236.92%
223 Pines Rd Underpass	900,000	0	900,000	1,562,500	662,500	73.61%
Total expenditures	4,700,000	(394,024)	4,305,976	13,037,792	8,731,816	202.78%
Revenues over (under) expenditures	(900,000)		(900,000)	(115,808)		
Beginning fund balance	1,036,472		1,036,472	136,472		
Ending fund balance	136,472		136,472	20,664		

**CITY OF SPOKANE VALLEY, WA
2020 Budget**

11/12/2019

	2019			2020	Difference Between 2019 and 2020	
	As Adopted	Amendment	As Amended	Budget	\$	%
ENTERPRISE FUNDS						
#402 - STORMWATER FUND						
RECURRING ACTIVITY						
<u>Revenues</u>						
Stormwater Management Fees	1,890,000	0	1,890,000	1,900,000	10,000	0.53%
Investment Interest	20,000	0	20,000	40,000	20,000	100.00%
Total Recurring Revenues	1,910,000	0	1,910,000	1,940,000	30,000	1.57%
<u>Expenditures</u>						
Wages / Benefits / Payroll Taxes	494,273	8,052	502,325	519,582	17,257	3.44%
Supplies	10,700	0	10,700	14,750	4,050	37.85%
Services & Charges	1,182,109	54,466	1,236,575	1,298,153	61,578	4.98%
Intergovernmental Payments	37,500	0	37,500	37,500	0	0.00%
Vehicle rentals - #501	12,750	0	12,750	14,000	1,250	9.80%
Total Recurring Expenditures	1,737,332	62,518	1,799,850	1,883,985	84,135	4.67%
Recurring Revenues Over (Under)						
Recurring Expenditures	172,668	(62,518)	110,150	56,015		
NONRECURRING ACTIVITY						
<u>Revenues</u>						
Grant Proceeds	106,000	0	106,000	59,828	(46,172)	(43.56%)
Total Nonrecurring Revenues	106,000	0	106,000	59,828	(46,172)	(43.56%)
<u>Expenditures</u>						
Capital - various projects	450,000	0	450,000	500,000	50,000	11.11%
Effectiveness study	10,000	0	10,000	0	(10,000)	(100.00%)
Watershed studies	100,000	0	100,000	80,000	(20,000)	(20.00%)
Stormwater Comprehensive Plan Update	0	0	0	100,000	100,000	0.00%
Total Nonrecurring Expenditures	560,000	0	560,000	680,000	120,000	21.43%
Nonrecurring Revenues Over (Under)						
Nonrecurring Expenditures	(454,000)	0	(454,000)	(620,172)		
Excess (Deficit) of Total Revenues						
Over (Under) Total Expenditures	(281,332)	(62,518)	(343,850)	(564,157)		
Beginning working capital	2,216,210		2,216,210	1,872,360		
Ending working capital	1,934,878		1,872,360	1,308,203		
Stormwater Fund Summary						
Total revenues	2,016,000	0	2,016,000	1,999,828		
Total expenditures	2,297,332	62,518	2,359,850	2,563,985		
Excess (Deficit) of Total Revenues						
Over (Under) Total Expenditures	(281,332)	(62,518)	(343,850)	(564,157)		
Beginning unrestricted fund balance	2,216,210		2,216,210	1,872,360		
Ending unrestricted fund balance	1,934,878		1,872,360	1,308,203		
#403 - AQUIFER PROTECTION AREA						
<u>Revenues</u>						
Spokane County	460,000	0	460,000	460,000	0	0.00%
Grant Proceeds	317,200	0	317,200	349,000	31,800	10.03%
Investment Interest	10,000	0	10,000	20,000	10,000	100.00%
Total revenues	787,200	0	787,200	829,000	41,800	5.31%
<u>Expenditures</u>						
Capital - various projects	832,600	0	832,600	500,000	(332,600)	(39.95%)
Total expenditures	832,600	0	832,600	500,000	(332,600)	(39.95%)
Revenues over (under) expenditures	(45,400)		(45,400)	329,000		
Beginning working capital	1,840,005		1,840,005	1,794,605		
Ending working capital	1,794,605		1,794,605	2,123,605		

**CITY OF SPOKANE VALLEY, WA
2020 Budget**

11/12/2019

	2019			2020	Difference Between	
	As Adopted	Amendment	As Amended	Budget	2019 and 2020	
					\$	%
INTERNAL SERVICE FUNDS						
#501 - ER&R FUND						
<u>Revenues</u>						
Vehicle rentals - #001	30,000	0	30,000	28,000	(2,000)	(6.67%)
Vehicle rentals - #101	21,250	0	21,250	14,500	(6,750)	(31.76%)
Vehicle rentals - #101 (plow replace.)	77,929	0	77,929	48,500	(29,429)	(37.76%)
Vehicle rentals - #402	12,750	0	12,750	14,000	1,250	9.80%
Transfer in - #001 (CenterPlace kitchen reserve)	36,600	0	36,600	36,600	0	0.00%
Transfer in - #001 (Code Enforcement Vehicle)	0	0	0	30,000	30,000	0.00%
Investment Interest	9,500	0	9,500	19,000	9,500	100.00%
Total revenues	188,029	0	188,029	190,600	2,571	1.37%
<u>Expenditures</u>						
Small tools & minor equipment	20,000	0	20,000	20,000	0	0.00%
Vehicle purchase	0	0	0	30,000	30,000	0.00%
Snow plow purchase	0	0	0	235,000	235,000	0.00%
Total expenditures	20,000	0	20,000	285,000	265,000	1325.00%
Revenues over (under) expenditures	168,029		168,029	(94,400)		
Beginning working capital	1,290,971		1,290,971	1,459,000		
Ending working capital	1,459,000		1,459,000	1,364,600		
#502 - RISK MANAGEMENT FUND						
<u>Revenues</u>						
Transfers in - #001	390,000	0	390,000	410,000	20,000	5.13%
Total revenues	390,000	0	390,000	410,000	20,000	5.13%
<u>Expenditures</u>						
Auto & Property Insurance	390,000	0	390,000	410,000	20,000	5.13%
Total expenditures	390,000	0	390,000	410,000	20,000	5.13%
Revenues over (under) expenditures	0		0	0		
Beginning fund balance	263,778		263,778	263,778		
Ending fund balance	263,778		263,778	263,778		
TOTAL OF ALL FUNDS						
Total of Revenues for all Funds	76,657,428	17,424,912	94,082,340	90,026,301		
Total of Expenditures for all Funds	78,269,865	22,600,322	100,870,187	89,998,731		
Total grant revenues (included in total revenues)	10,974,189	1,959,949	12,934,138	19,897,385		
Total Capital expenditures (included in total expenditures)	20,603,882	8,816,261	29,420,143	28,594,710		

CITY OF SPOKANE VALLEY, WA
2020 Budget
Revenues by Fund

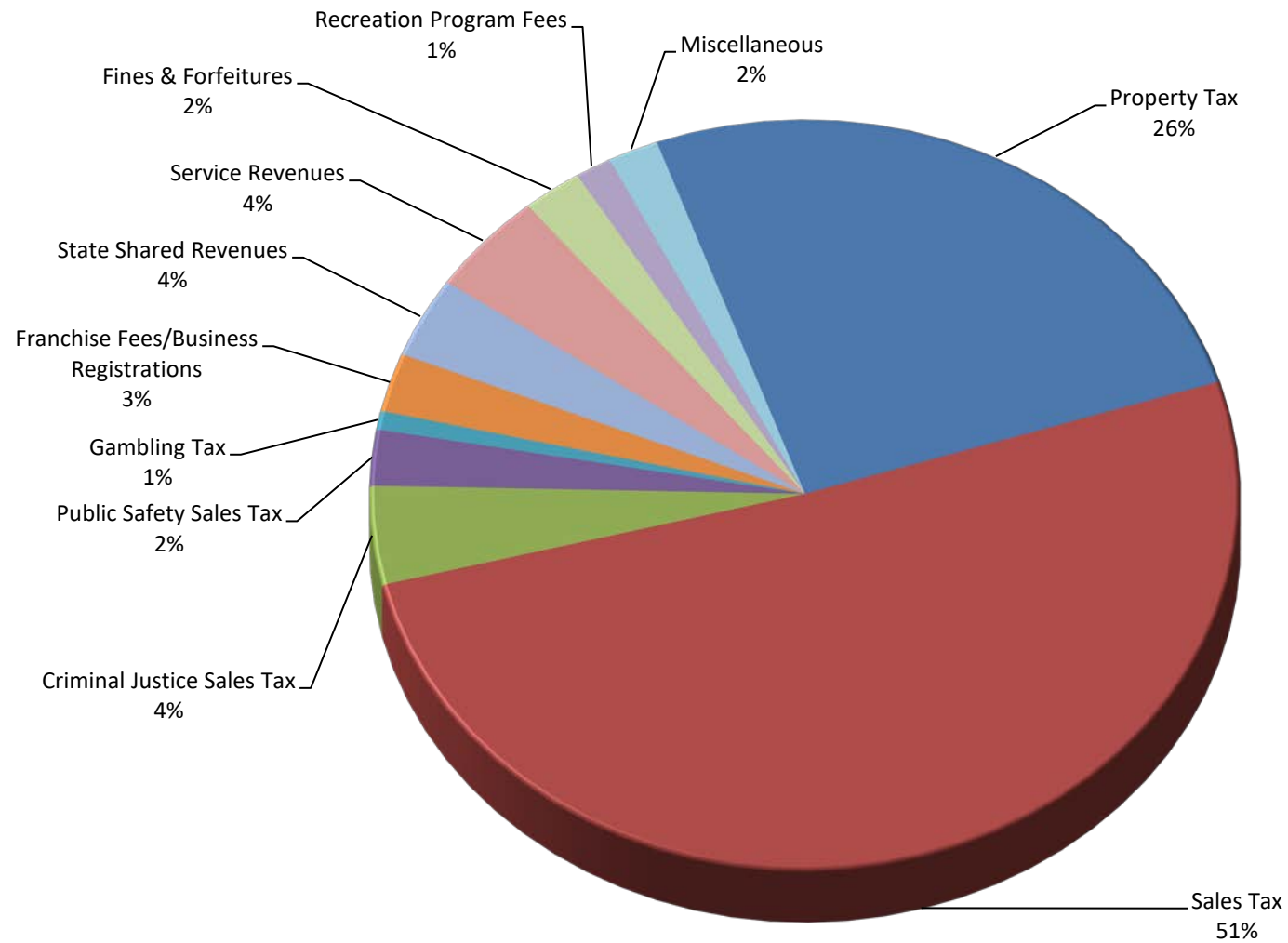
General Fund

Property Tax	\$ 12,432,400
Sales Tax	24,632,900
Sales Tax - Public Safety	1,162,600
Sales Tax - Criminal Justice	2,052,300
Gambling and Leasehold Excise Tax	384,000
Franchise Fees/Business Registration	1,220,000
State Shared Revenues	1,688,200
Service Revenues	2,129,800
Fines and Forfeitures	1,077,700
Recreation Program Fees	659,200
Miscellaneous, Investment Int., Transfers	912,700
Total General Fund	<u>\$ 48,351,800</u>

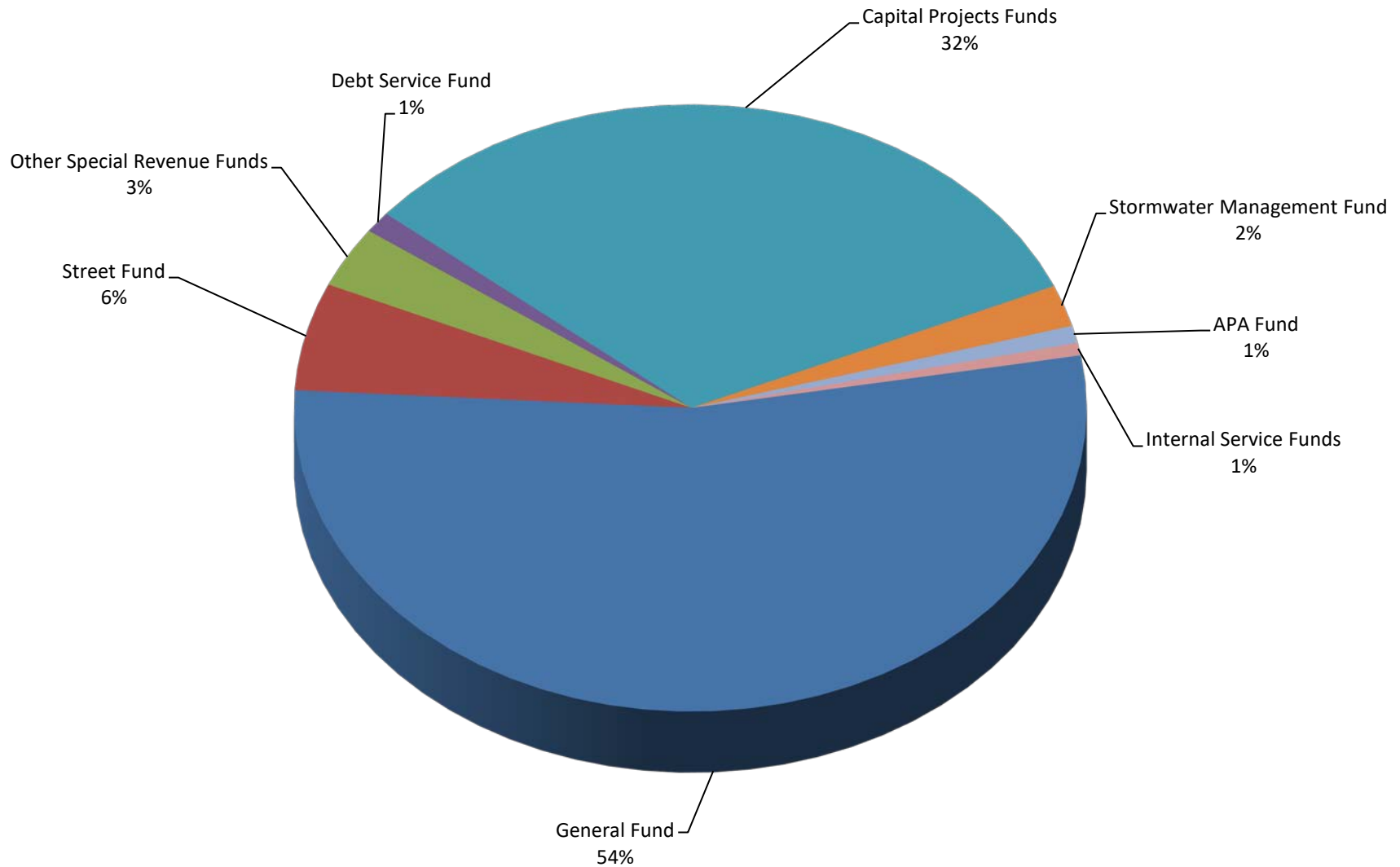
Other Funds

101	Street Fund	\$ 5,160,906
103	Paths & Trails Fund	9,000
104	Hotel/Motel Tax Tourism Facilities Fund	444,000
105	Hotel/Motel Tax Fund	656,000
106	Solid Waste Fund	1,737,000
107	PEG Fund	79,000
122	Winter Weather Reserve Fund	5,400
204	LTGO Bond Debt Service Fund	1,021,700
301	REET 1 Capital Projects Fund	1,035,000
302	REET 2 Capital Projects Fund	1,035,000
303	Street Capital Projects Fund	8,315,195
309	Parks Capital Projects Fund	1,670,000
310	Civic Facilities Capital Projects Fund	17,000
311	Pavement Preservation Fund	4,037,888
312	Capital Reserve Fund	100,000
314	Railroad Grade Separation Projects Fund	12,921,984
402	Stormwater Management Fund	1,999,828
403	Aquifer Protection Area Fund	829,000
501	Equipment Rental & Replacement Fund	190,600
502	Risk Management Fund	410,000
	Total Other Funds	<u>41,674,501</u>
	Total All Funds	<u><u>\$ 90,026,301</u></u>

CITY OF SPOKANE VALLEY, WA
2020 General Fund Revenues
\$48,351,800



CITY OF SPOKANE VALLEY, WA
2020 City Wide Revenues
\$ 90,026,301



CITY OF SPOKANE VALLEY, WA
2020 Budget - General Fund
Detail Revenues by Type

	2016	2017	2018	2019	2020
	Actual	Actual	Actual	Budget	Proposed Budget
<u>Property Tax</u>					
Property Tax	11,250,832	11,433,071	11,511,773	12,054,400	12,432,400
Property Tax - Delinquent	163,275	179,986	197,138	0	0
	<u>11,414,107</u>	<u>11,613,057</u>	<u>11,708,911</u>	<u>12,054,400</u>	<u>12,432,400</u>
<u>Sales Taxes</u>					
Sales Tax	19,887,049	21,089,134	22,642,855	22,917,000	24,632,900
Sales Tax - Public Safety	910,798	983,025	1,074,037	1,081,900	1,162,600
Sales Tax - Criminal Justice	1,642,805	1,765,040	1,906,001	1,944,000	2,052,300
	<u>22,440,652</u>	<u>23,837,199</u>	<u>25,622,893</u>	<u>25,942,900</u>	<u>27,847,800</u>
<u>Gambling and Leasehold Excise Tax</u>					
Amusement Games	13,671	14,841	13,456	14,000	13,000
Card Games	288,199	279,611	284,720	280,000	285,000
Bingo & Raffles	839	1,060	1,278	1,000	1,000
Punch Boards & Pull Tabs	69,001	72,292	64,303	72,000	67,000
Leasehold Excise Tax	6,567	11,073	5,469	11,000	7,000
Leasehold Excise Tax (State)	3,513	9,175	11,140	9,000	11,000
	<u>381,790</u>	<u>388,052</u>	<u>380,366</u>	<u>387,000</u>	<u>384,000</u>
<u>Licenses & Permits</u>					
General Business Licenses	111,906	124,006	117,917	124,000	120,000
Franchise Fees	1,145,319	1,152,203	1,092,287	1,100,000	1,100,000
	<u>1,257,225</u>	<u>1,276,209</u>	<u>1,210,204</u>	<u>1,224,000</u>	<u>1,220,000</u>
<u>State Shared Revenues</u>					
City Assistance State Revenue	0	0	27,311	0	0
Streamline Mitigation of Sales Tax	559,044	550,976	333,140	204,500	0
Payment in Lieu of Taxes - DNR	0	7,738	0	4,000	4,000
CJ - High Crime	0	190,802	268,009	0	0
MVET Criminal Justice - Population	25,940	26,834	27,780	31,600	30,000
CJ Contracted Services	159,936	165,647	171,356	165,000	165,000
CJ Special Programs	94,462	98,475	100,300	104,400	108,300
Marijuana Enforcement	54,213	34,147	0	0	0
Marijuana Excise Tax Distribution	0	41,164	259,242	112,100	110,200
DUI - Cities	14,471	14,187	14,004	14,000	14,000
Liquor Board Excise Tax	442,294	458,560	487,739	492,400	531,000
Liquor Board Profits	804,057	794,980	786,251	781,800	725,700
	<u>2,154,417</u>	<u>2,383,510</u>	<u>2,475,132</u>	<u>1,909,800</u>	<u>1,688,200</u>
<u>Service Revenues</u>					
Accessory Dwelling	0	588	420	200	300
Building & Planning Fees	134,686	175,123	77,010	138,800	186,200
Building Permits	1,534,333	1,327,855	1,414,420	1,000,000	1,130,000
Code Enforcement	2,185	8,198	15,050	5,000	7,000
Demolition Permits	3,232	4,143	4,074	3,800	4,000
Developer Contributions	23,587	0	0	0	0
Entertainment License	17,548	11,649	0	15,700	0
Grading Permits	6,271	11,610	22,619	5,600	9,000
Home Profession Fee	3,780	5,124	3,192	3,600	3,600
Mechanical Permits	102,639	129,766	146,519	99,000	110,000
Misc. Permits & Fees	3,925	5,967	18,492	5,600	6,000
Planning Fees	721,851	475,409	751,859	448,000	490,000
Plumbing Permits	77,523	62,542	79,097	57,600	62,000
Right of Way Permits	97,037	123,067	204,963	97,700	120,000
Street Vacation Permits	0	1,365	0	1,300	1,300
Temporary Use Permit Fees	471	471	157	400	400
	<u>2,729,068</u>	<u>2,342,877</u>	<u>2,737,872</u>	<u>1,882,300</u>	<u>2,129,800</u>

CITY OF SPOKANE VALLEY, WA
2020 Budget - General Fund
Detail Revenues by Type

	2016	2017	2018	2019	2020
	Actual	Actual	Actual	Budget	Proposed Budget
<u>Fines and Forfeitures</u>					
Public Safety False Alarm Services	150,058	5,534	27,134	151,000	100,000
Public Safety Grants	25,628	0	0	50,000	50,000
Fines & Forfeits - Traffic	477,743	421,240	414,647	414,800	447,000
Other Criminal- Non Traffic Fines	606,463	464,056	536,505	462,700	480,700
	<u>1,259,892</u>	<u>890,830</u>	<u>978,286</u>	<u>1,078,500</u>	<u>1,077,700</u>
<u>Recreation Program Charges</u>					
Activity Fees (To use a recreational facility)	433,842	467,504	459,368	446,200	469,500
Program Fees (To participate in a program)	204,527	271,566	205,289	182,600	189,700
	<u>638,369</u>	<u>739,070</u>	<u>664,657</u>	<u>628,800</u>	<u>659,200</u>
<u>Miscellaneous</u>					
AWC Health & Wellness	492	0	949	500	1,000
Copy Charges	262	595	766	500	0
Scholarship Donation	0	0	0	500	0
Insurance Recoveries	44,474	0	0	0	0
Interest on Gambling Tax	174	271	70	500	500
Investment Interest	136,811	309,826	690,528	300,000	700,000
Judgments and Settlements	25,000	44,489	0	0	0
Miscellaneous Revenue & Grant Proceeds	105,465	170,760	20,776	2,000	92,000
Police Precinct Maintenance	19,059	12,891	14,694	12,500	15,000
Police Precinct Rent	38,842	37,446	38,244	37,000	38,000
Sales Tax Interest	13,477	18,315	34,772	5,000	35,000
SCRAPS pass-through/nonrecurring	1,209	1,145	1,137	1,200	1,200
Reimbursement of chamber wall repairs	0	0	0	500,000	0
	<u>385,265</u>	<u>595,738</u>	<u>801,936</u>	<u>859,700</u>	<u>882,700</u>
<u>Transfers</u>					
Transfers in - #101 (street admin)	39,700	39,700	39,700	0	0
Transfers in - #105 (h/m tax-CP advertising)	30,000	15,778	26,037	30,000	30,000
Transfers in - #106 (solid waste repayment)	40,425	40,425	40,425	40,422	0
Transfers in - #310	198,734	498,500	0	0	0
Transfers in - #402 (storm admin)	13,400	13,400	13,400	0	0
Transfers in - #501	0	77,000	0	0	0
	<u>322,259</u>	<u>684,803</u>	<u>119,562</u>	<u>70,422</u>	<u>30,000</u>
 Total General Fund Revenue	 <u>42,983,044</u>	 <u>44,751,345</u>	 <u>46,699,819</u>	 <u>46,037,822</u>	 <u>48,351,800</u>

CITY OF SPOKANE VALLEY, WA
2020 Budget - Other Funds
Detail Revenues by Type

	2016	2017	2018	2019	2020
	Actual	Actual	Actual	Budget	Proposed Budget
<u>101 - Street Fund</u>					
Utilities tax	2,069,309	1,982,391	1,854,641	1,600,000	1,521,000
Motor Vehicle Fuel (Gas) Tax	2,005,909	2,032,175	2,063,390	2,030,900	2,046,700
Multimodal Transportation Revenue	95,509	98,994	133,525	132,200	131,500
Right-of-Way Maintenance Fee	56,035	136,112	94,571	70,000	70,000
Investment Interest	5,886	7,842	17,504	6,000	17,000
Other Miscellaneous Revenues & Grants	71,679	135,826	97,958	10,000	10,000
Nonrecurring Transfer in - #122	0	0	0	120,000	0
Nonrecurring Transfer in - #312	0	0	0	907,544	1,364,706
	<u>4,304,327</u>	<u>4,393,340</u>	<u>4,261,589</u>	<u>4,876,644</u>	<u>5,160,906</u>
<u>103 - Paths & Trails Fund</u>					
Motor Vehicle Fuel (Gas) Tax	8,460	8,571	8,703	8,800	8,600
Investment interest	170	370	390	400	400
	<u>8,630</u>	<u>8,941</u>	<u>9,093</u>	<u>9,200</u>	<u>9,000</u>
<u>104 - Hotel/Motel Tax - Tourism Facilities Fund</u>					
Hotel/Motel Tax	387,333	400,509	415,295	390,000	420,000
Transfers in - #105	0	250,000	250,000	275,000	0
Investment interest	1,552	6,854	24,183	7,000	24,000
	<u>388,885</u>	<u>657,363</u>	<u>689,478</u>	<u>672,000</u>	<u>444,000</u>
<u>105 - Hotel/Motel Tax Fund</u>					
Hotel/Motel Tax	596,373	615,981	646,975	600,000	650,000
Investment Interest	1,274	3,548	7,058	2,000	6,000
	<u>597,647</u>	<u>619,529</u>	<u>654,033</u>	<u>602,000</u>	<u>656,000</u>
<u>106 - Solid Waste</u>					
Solid Waste Administrative fee	125,000	172,550	182,900	225,000	225,000
Solid Waste Road Wear fee	0	0	1,108,028	1,500,000	1,500,000
Grant Proceeds	17,677	59,389	0	0	0
Investment Interest	184	1,335	12,486	1,300	12,000
	<u>142,861</u>	<u>233,274</u>	<u>1,303,414</u>	<u>1,726,300</u>	<u>1,737,000</u>
<u>107 - PEG Fund</u>					
Comcast PEG contribution	79,427	76,471	81,322	76,000	79,000
Investment Interest	784	1,676	971	0	0
	<u>80,211</u>	<u>78,147</u>	<u>82,293</u>	<u>76,000</u>	<u>79,000</u>
<u>121 - Service Level Stabilization Reserve Fund</u>					
Investment Interest	21,636	16,575	0	0	0
	<u>21,636</u>	<u>16,575</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>122 - Winter Weather Reserve Fund</u>					
FEMA Grant Proceeds	38,804	3,170	0	0	0
Investment Interest	1,961	3,712	5,354	5,000	5,400
Transfer in - #001	15,043	258,000	490,000	120,000	0
	<u>55,808</u>	<u>264,882</u>	<u>495,354</u>	<u>125,000</u>	<u>5,400</u>
<u>123 - Civic Facilities Replacement Fund</u>					
Investment Interest	696	0	0	0	0
	<u>696</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>204 - Debt Service - LTGO 03 Fund</u>					
Facilities District Revenue	380,300	379,750	414,050	432,150	459,500
Transfers in - #001	198,734	397,350	399,350	401,250	401,450
Transfers in - #301	83,400	79,426	82,000	82,475	80,375
Transfers in - #302	83,400	79,425	82,000	82,475	80,375
	<u>745,834</u>	<u>935,951</u>	<u>977,400</u>	<u>998,350</u>	<u>1,021,700</u>

CITY OF SPOKANE VALLEY, WA
2020 Budget - Other Funds
Detail Revenues by Type

	2016	2017	2018	2019	2020
	Actual	Actual	Actual	Budget	Proposed Budget
<u>301 - REET 1 Capital Projects Fund</u>					
REET 1 - 1st Quarter Percent	1,176,911	1,503,787	1,968,317	1,400,000	1,000,000
Investment Interest	7,609	21,599	47,045	22,000	35,000
	<u>1,184,520</u>	<u>1,525,386</u>	<u>2,015,362</u>	<u>1,422,000</u>	<u>1,035,000</u>
<u>302 - REET 2 Capital Projects Fund</u>					
REET 2 - 2nd Quarter Percent	1,176,911	1,503,787	1,968,317	1,400,000	1,000,000
Investment Interest	8,189	25,594	61,879	25,000	35,000
	<u>1,185,100</u>	<u>1,529,381</u>	<u>2,030,196</u>	<u>1,425,000</u>	<u>1,035,000</u>
<u>303 - Street Capital Projects Fund</u>					
Grant Proceeds	4,951,033	3,499,888	6,566,816	3,982,328	6,596,718
Developer Contributions	151,629	124,488	29,144	988,221	110,499
Transfers in - #301	579,636	294,558	901,287	475,736	1,089,148
Transfers in - #302	164,151	81,613	1,031,071	355,587	404,318
Transfers in - #312	2,060,878	2,138,145	(547,287)	3,331,798	114,512
	<u>7,907,327</u>	<u>6,138,692</u>	<u>7,981,031</u>	<u>9,133,670</u>	<u>8,315,195</u>
<u>309 - Parks Capital Projects Fund</u>					
Grant Proceeds	209,784	1,657,548	1,605,948	2,704,460	2,500
Investment Interest	723	215	183	0	0
Transfers in - #001	230,300	160,000	583,206	1,841,000	1,660,000
Transfers in - #103	9,300	0	50,000	0	0
Transfers in - #105	58,388	0	0	0	0
Transfers in - #312	37,132	277,437	289,661	311,238	7,500
	<u>545,627</u>	<u>2,095,200</u>	<u>2,528,998</u>	<u>4,856,698</u>	<u>1,670,000</u>
<u>310 - Civic Facilities Capital Projects Fund</u>					
Investment Interest	5,145	9,029	14,049	9,000	17,000
Transfers in - #001		0	0		
<i>Future C.H. bond pmt > \$424.6k lease pmt</i>	67,600	0	0	0	0
<i>Future C.H. o&m costs</i>	276,600	0	0	0	0
	<u>349,345</u>	<u>9,029</u>	<u>14,049</u>	<u>9,000</u>	<u>17,000</u>
<u>311 - Pavement Preservation Fund</u>					
Grants	1,654,698	89,209	1,422,404	2,869,227	10,588
Developer Contributions	0	0	0	1,140,000	0
Investment Interest	7,519	20,536	54,724	0	0
Transfers in - #001	943,800	953,200	962,700	972,300	982,023
Transfers in - #101	67,342	67,342	67,342	0	0
Transfers in - #106	0	0	1,000,000	1,608,028	1,500,000
Transfers in - #123	559,804	0	0	0	0
Transfers in - #301	365,286	660,479	685,329	734,300	772,639
Transfers in - #302	365,286	660,479	685,329	734,300	772,638
	<u>3,963,735</u>	<u>2,451,245</u>	<u>4,877,828</u>	<u>8,058,155</u>	<u>4,037,888</u>
<u>312 - Capital Reserve Fund</u>					
Investment Interest	16,028	52,170	126,565	50,000	100,000
Sale of Land	0	0	405,056	0	0
Transfers in - #001	1,828,723	3,003,929	3,795,429	7,109,300	0
Transfers in - #310	0	0	0	18,452	0
Transfers in - #313	0	0	0	88,590	0
	<u>1,844,751</u>	<u>3,056,099</u>	<u>4,327,050</u>	<u>7,266,342</u>	<u>100,000</u>
<u>313 - City Hall Construction Fund</u>					
Investment Interest	26,536	18,894	1,416	954	0
2016 LTGO Bond Issue Proceeds/Premium	7,946,088	0	0	0	0
	<u>7,972,624</u>	<u>18,894</u>	<u>1,416</u>	<u>954</u>	<u>0</u>

CITY OF SPOKANE VALLEY, WA
2020 Budget - Other Funds
Detail Revenues by Type

	2016	2017	2018	2019	2020
	Actual	Actual	Actual	Budget	Proposed Budget
<u>314 - Railroad Grade Separation Projects Fund</u>					
Grant Proceeds	0	87,610	571,136	2,954,923	12,808,751
Investment Interest	0	4,072	16,591	0	0
Transfers in - #001	3,893	1,200,000	0	0	0
Transfers in - #301	12,975	111,941	(8,147)	451,053	49,041
Transfers in - #312	0	482,216	0	0	64,192
	<u>16,868</u>	<u>1,885,839</u>	<u>579,580</u>	<u>3,405,976</u>	<u>12,921,984</u>
<u>402 - Stormwater Management Fund</u>					
Stormwater Management Fee	1,898,210	1,895,033	1,920,509	1,890,000	1,900,000
Grant Proceeds - Nonrecurring	61,403	370,207	128,695	106,000	59,828
Investment Interest	7,690	20,564	40,465	20,000	40,000
	<u>1,967,303</u>	<u>2,285,804</u>	<u>2,089,669</u>	<u>2,016,000</u>	<u>1,999,828</u>
<u>403 - Aquifer Protection Area Fund</u>					
Spokane County	388,590	452,110	462,980	460,000	460,000
Grant Proceeds	0	58,722	597,733	317,200	349,000
Investment Interest	2,590	10,238	28,620	10,000	20,000
	<u>391,180</u>	<u>521,070</u>	<u>1,089,333</u>	<u>787,200</u>	<u>829,000</u>
<u>501 - Equipment Rental & Replacement Fund</u>					
Interfund Vehicle Lease	106,000	146,429	141,929	0	0
Vehicle rentals - #001	0	36,600	36,600	30,000	28,000
Vehicle rentals - #101	0	0	0	21,250	14,500
Vehicle rentals - #101 (plow replace.)	0	0	0	77,929	48,500
Vehicle rentals - #402	0	0	0	12,750	14,000
Transfers in - #001 (CenterPlace kitchen reserve)	0	0	0	36,600	36,600
Transfers in - #001 (Code Enforcement Vehicle)	0	0	0	0	30,000
Investment Interest	4,395	9,651	19,874	9,500	19,000
	<u>110,395</u>	<u>192,680</u>	<u>198,403</u>	<u>188,029</u>	<u>190,600</u>
<u>502 - Risk Management Fund</u>					
Transfers in - #001	325,000	350,000	370,000	390,000	410,000
Investment Interest	423	1,107	2,135	0	0
	<u>325,423</u>	<u>351,107</u>	<u>372,135</u>	<u>390,000</u>	<u>410,000</u>
Total of "Other Fund" Revenues	<u>34,110,733</u>	<u>29,268,428</u>	<u>36,577,704</u>	<u>48,044,518</u>	<u>41,674,501</u>
General Fund Revenues	<u>42,983,044</u>	<u>44,751,345</u>	<u>46,699,819</u>	<u>46,037,822</u>	<u>48,351,800</u>
Total Revenues	<u><u>77,093,777</u></u>	<u><u>74,019,773</u></u>	<u><u>83,277,523</u></u>	<u><u>94,082,340</u></u>	<u><u>90,026,301</u></u>

CITY OF SPOKANE VALLEY, WA
2020 Budget
Expenditures by Fund and Department

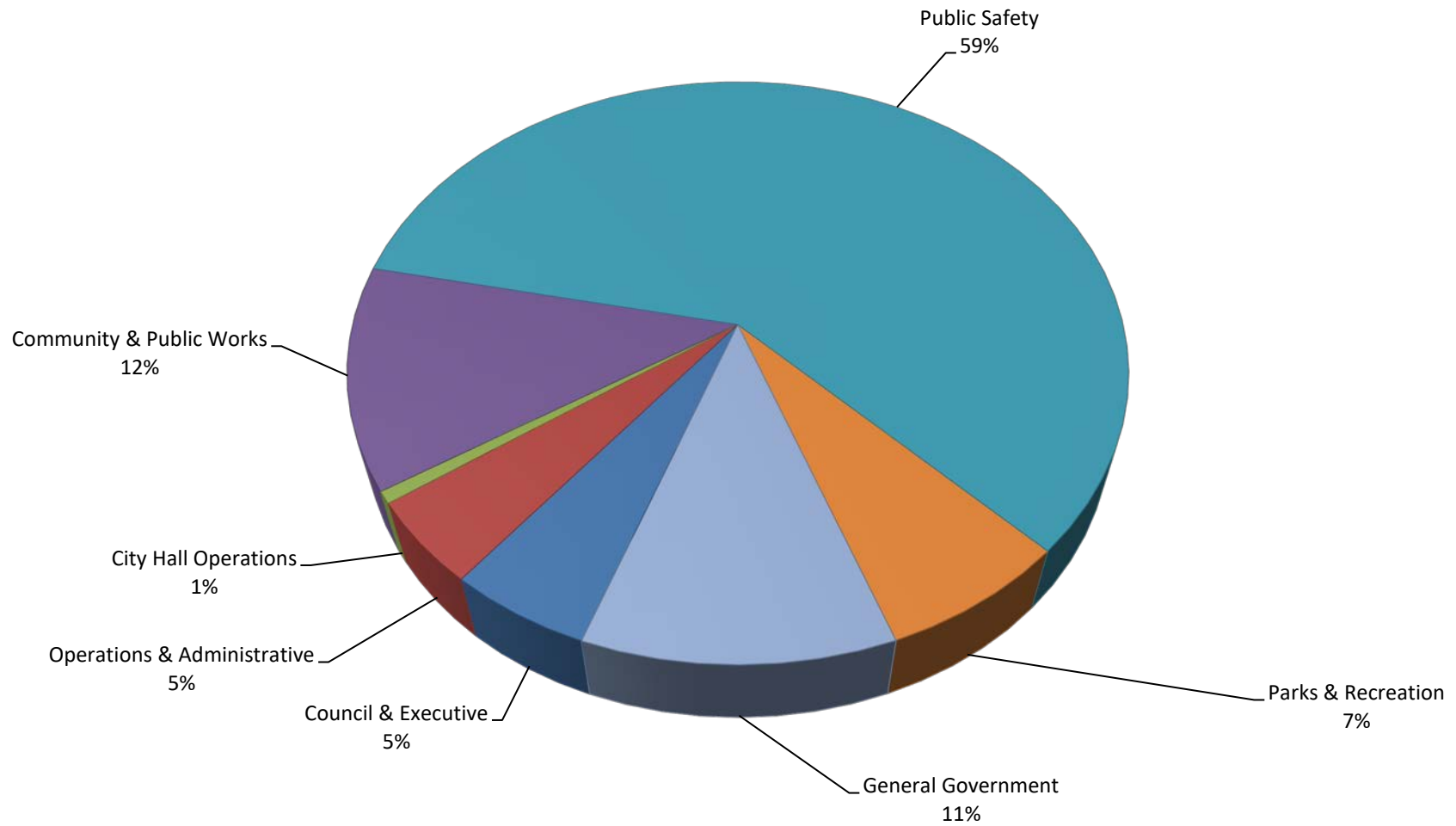
General Fund

Council	\$	622,187
City Manager		997,882
City Attorney		707,942
Public Safety		26,614,214
Operations & Administrative		
Deputy City Manager		277,187
Finance		1,478,523
Human Resources		313,316
City Hall Operations and Maintenance		296,270
Community & Public Works		
Engineering		1,971,731
Economic Development		1,119,829
Building and Planning		2,434,114
Parks & Recreation		
Administration		352,227
Maintenance		917,500
Recreation		325,921
Aquatics		501,853
Senior Center		43,447
CenterPlace		974,859
General Government		5,031,184
Total General Fund	\$	44,980,186

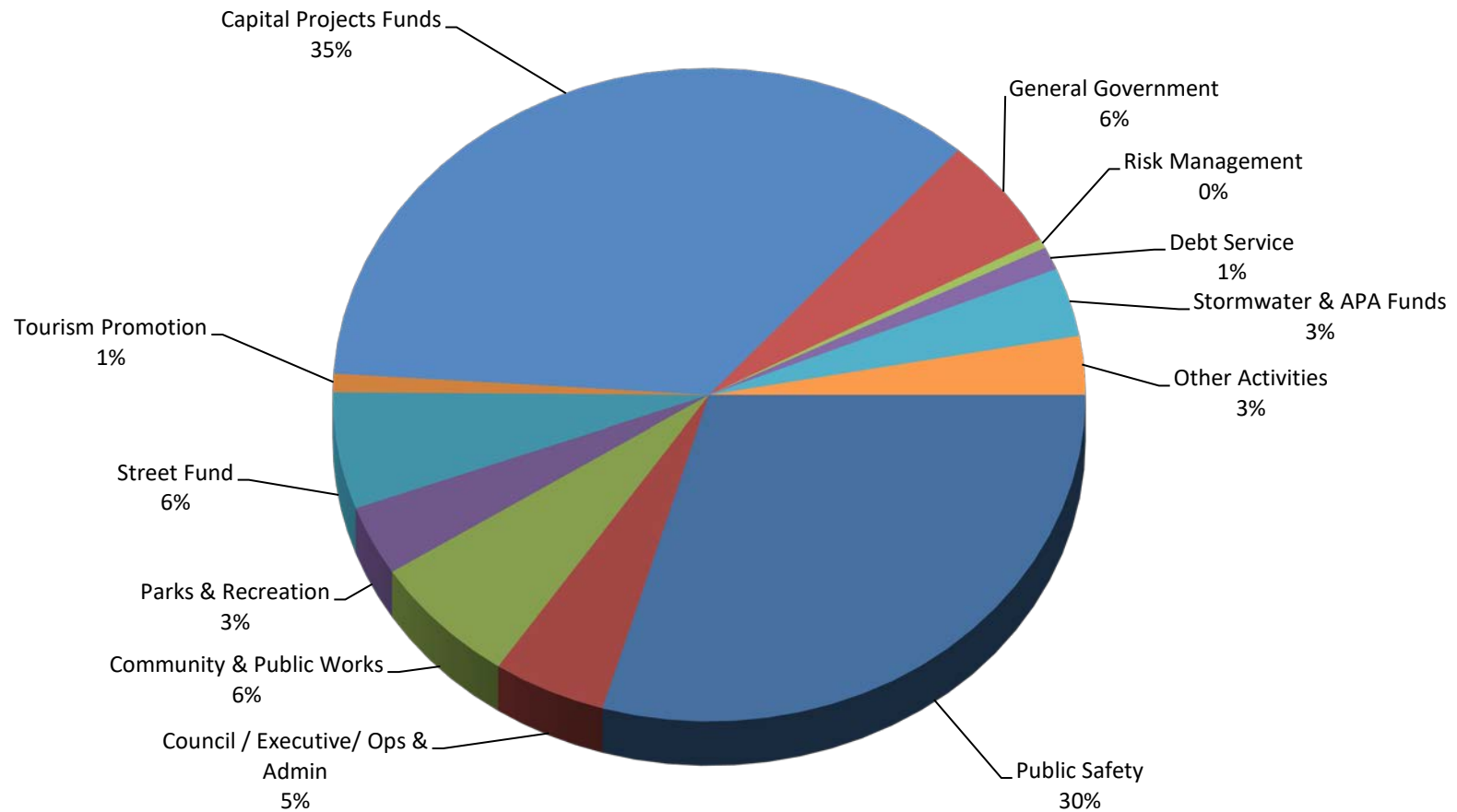
Other Funds

101	Street Fund	\$	5,160,906
105	Hotel/Motel Tax Fund		825,000
106	Solid Waste		1,737,000
107	PEG Fund		85,000
122	Winter Weather Reserve Fund		500,000
204	LTGO Bond Debt Service Fund		1,021,700
301	REET 1 Capital Projects Fund		1,991,203
302	REET 2 Capital Projects Fund		1,257,331
303	Street Capital Projects Fund		8,315,195
309	Parks Capital Projects Fund		1,510,000
311	Pavement Preservation		4,267,523
312	Capital Reserve Fund		1,550,910
314	Railroad Grade Separation Projects		13,037,792
402	Stormwater Management Fund		2,563,985
403	Aquifer Protection Area		500,000
501	Equipment Rental & Replacement (ER&R)		285,000
502	Risk Management Fund		410,000
	Total Other Funds	\$	45,018,545
	Total All Funds	\$	89,998,731

CITY OF SPOKANE VALLEY, WA
2020 General Fund Expenditures
\$44,980,186



CITY OF SPOKANE VALLEY, WA
2020 City Wide Expenditures
\$ 89,998,731



CITY OF SPOKANE VALLEY, WA
2020 Budget
General Fund Expenditures by Department and Type

	Wages, Benefits & Payroll Taxes	Supplies	Services & Charges	Intergovernmental	Interfund	Capital Expenditures	Total
City Council	\$ 290,187	\$ 4,950	\$ 327,050	\$ 0	\$ 0	\$ 0	\$ 622,187
City Manager	920,892	4,300	72,690	0	0	0	997,882
City Attorney	616,403	4,414	87,125	0	0	0	707,942
Public Safety	13,266	30,500	602,515	25,967,933	0	0	26,614,214
<u>Operations & Administrative</u>							
Deputy City Manager	234,012	950	42,225	0	0	0	277,187
Finance	1,443,953	6,450	28,120	0	0	0	1,478,523
Human Resources	281,331	1,280	30,705	0	0	0	313,316
City Hall Operations and Maintenance	94,270	28,000	174,000	0	0	0	296,270
<u>Community & Public Works</u>							
Engineering	1,726,845	32,850	212,036	0	0	0	1,971,731
Economic Development	724,084	3,000	392,745	0	0	0	1,119,829
Building and Planning	2,044,559	60,700	328,855	0	0	0	2,434,114
<u>Parks & Recreation</u>							
Administration	283,127	5,000	64,100	0	0	0	352,227
Maintenance	0	3,500	914,000	0	0	0	917,500
Recreation	231,081	8,650	86,190	0	0	0	325,921
Aquatics	0	2,000	499,853	0	0	0	501,853
Senior Center	36,347	1,600	5,500	0	0	0	43,447
CenterPlace	538,083	85,537	351,239	0	0	0	974,859
General Government	0	99,000	802,100	362,511	3,520,073	247,500	5,031,184
Total	<u>\$ 9,478,440</u>	<u>\$ 382,681</u>	<u>\$ 5,021,048</u>	<u>\$ 26,330,444</u>	<u>\$ 3,520,073</u>	<u>\$ 247,500</u>	<u>\$ 44,980,186</u>

CITY OF SPOKANE VALLEY, WA
2020 Budget
General Fund Department Changes from 2019 to 2020

	2019 Amended Budget	2020 Budget	Difference Between 2019 and 2020	
			Increase (Decrease)	
			\$	%
<u>City Council</u>				
Wages, Payroll Taxes & Benefits	270,873	290,187	19,314	7.13%
Supplies	4,950	4,950	0	0.00%
Services & Charges	346,638	327,050	(19,588)	(5.65%)
Total	622,461	622,187	(274)	(0.04%)
<u>City Manager</u>				
Wages, Payroll Taxes & Benefits	887,537	920,892	33,355	3.76%
Supplies	4,300	4,300	0	0.00%
Services & Charges	72,690	72,690	0	0.00%
Total	964,527	997,882	33,355	3.46%
<u>City Attorney</u>				
Wages, Payroll Taxes & Benefits	529,951	616,403	86,452	16.31%
Supplies	2,351	4,414	2,063	87.75%
Services & Charges	116,454	87,125	(29,329)	(25.19%)
Total	648,756	707,942	59,186	9.12%
<u>Public Safety</u>				
Non-Departmental (Fines & Forfeits)	589,150	516,550	(72,600)	(12.32%)
Wages/Payroll Taxes/Benefits	12,184	13,266	1,082	8.88%
Supplies	25,750	30,500	4,750	18.45%
Other Services and Charges	748,266	587,515	(160,751)	(21.48%)
Intergovernmental Services	24,552,138	25,451,383	899,245	3.66%
Total	25,927,488	26,599,214	671,726	2.59%
<u>Deputy City Manager</u>				
Wages, Payroll Taxes & Benefits	224,619	234,012	9,393	4.18%
Supplies	2,000	950	(1,050)	(52.50%)
Services & Charges	44,425	42,225	(2,200)	(4.95%)
Total	271,044	277,187	6,143	2.27%
<u>Finance/IT</u>				
Wages, Payroll Taxes & Benefits	1,393,130	1,443,953	50,823	3.65%
Supplies	6,450	6,450	0	0.00%
Services & Charges	28,120	28,120	0	0.00%
Total	1,427,700	1,478,523	50,823	3.56%
<u>Human Resources</u>				
Wages, Payroll Taxes & Benefits	269,980	281,331	11,351	4.20%
Supplies	1,630	1,280	(350)	(21.47%)
Services & Charges	34,233	30,705	(3,528)	(10.31%)
Total	305,843	313,316	7,473	2.44%
<u>City Hall Operations & Maintenance</u>				
Wages, Payroll Taxes & Benefits	90,839	94,270	3,431	3.78%
Supplies	30,500	28,000	(2,500)	(8.20%)
Services & Charges	170,555	174,000	3,445	2.02%
Total	291,894	296,270	4,376	1.50%
<u>Community & Public Works - Engineering</u>				
Wages, Payroll Taxes & Benefits	1,628,048	1,726,845	98,797	6.07%
Supplies	27,100	32,850	5,750	21.22%
Services & Charges	186,469	212,036	25,567	13.71%
Total	1,841,617	1,971,731	130,114	7.07%
<u>Community & Public Works - Economic Dev</u>				
Wages, Payroll Taxes & Benefits	670,942	724,084	53,142	7.92%
Supplies	3,000	3,000	0	0.00%
Services & Charges	356,795	392,745	35,950	10.08%
Total	1,030,737	1,119,829	89,092	8.64%
(Continued to next page)				

CITY OF SPOKANE VALLEY, WA
2020 Budget
General Fund Department Changes from 2019 to 2020

	2019 Amended Budget	2020 Budget	Difference Between 2019 and 2020	
			Increase (Decrease)	
			\$	%
(Continued from previous page)				
<u>Community & Public Works - Building & Planning</u>				
Wages, Payroll Taxes & Benefits	1,926,519	2,044,559	118,040	6.13%
Supplies	44,200	47,000	2,800	6.33%
Services & Charges	285,755	328,855	43,100	15.08%
Intergovernmental Services	25,000	0	(25,000)	(100.00%)
Total	2,281,474	2,420,414	138,940	6.09%
<u>Parks & Rec- Admin</u>				
Wages, Payroll Taxes & Benefits	271,865	283,127	11,262	4.14%
Supplies	4,750	5,000	250	5.26%
Services & Charges	63,505	64,100	595	0.94%
Total	340,120	352,227	12,107	3.56%
<u>Parks & Rec- Maintenance</u>				
Supplies	4,000	3,500	(500)	(12.50%)
Services & Charges	889,500	914,000	24,500	2.75%
Total	893,500	917,500	24,000	2.69%
<u>Parks & Rec- Recreation</u>				
Wages, Payroll Taxes & Benefits	161,863	231,081	69,218	42.76%
Supplies	8,650	8,650	0	0.00%
Services & Charges	84,305	86,190	1,885	2.24%
Total	254,818	325,921	71,103	27.90%
<u>Parks & Rec- Aquatics</u>				
Supplies	2,000	2,000	0	0.00%
Services & Charges	489,153	499,853	10,700	2.19%
Total	491,153	501,853	10,700	2.18%
<u>Parks & Rec- Senior Center</u>				
Wages, Payroll Taxes & Benefits	96,407	36,347	(60,060)	(62.30%)
Supplies	1,600	1,600	0	0.00%
Services & Charges	4,900	5,500	600	12.24%
Total	102,907	43,447	(59,460)	(57.78%)
<u>Parks & Rec- CenterPlace</u>				
Wages, Payroll Taxes & Benefits	541,273	538,083	(3,190)	(0.59%)
Supplies	70,774	85,537	14,763	20.86%
Services & Charges	344,285	341,739	(2,546)	(0.74%)
Total	956,332	965,359	9,027	0.94%
<u>General Government</u>				
Supplies	86,350	99,000	12,650	14.65%
Services & Charges	841,900	802,100	(39,800)	(4.73%)
Intergovernmental Services	355,700	362,511	6,811	1.91%
Capital outlays	65,000	57,500	(7,500)	(11.54%)
Total	1,348,950	1,321,111	(27,839)	(2.06%)
<u>Transfers out - #204</u>	401,250	401,450	200	0.05%
<u>Transfers out - #309</u>	160,000	160,000	0	0.00%
<u>Transfers out - #311</u>				
Pavement Preservation	972,300	982,023	9,723	1.00%
<u>Transfers out - #501</u>	36,600	36,600	0	0.00%
<u>Transfers out - #502</u>	390,000	410,000	20,000	5.13%
Total recurring expenditures	41,961,471	43,221,986	1,260,515	3.00%
(Continued to next page)				

CITY OF SPOKANE VALLEY, WA
2020 Budget
General Fund Department Changes from 2019 to 2020

	2019 Amended Budget	2020 Budget	Difference Between 2019 and 2020	
			Increase (Decrease)	
			\$	%
(Continued from previous page)				
Summary by Category				
Wages, Payroll Taxes & Benefits	8,976,030	9,478,440	502,410	5.60%
Supplies	330,355	368,981	38,626	11.69%
Services & Charges	5,107,948	4,996,548	(111,400)	(2.18%)
Transfers out - #204	401,250	401,450	200	0.05%
Transfers out - #309	160,000	160,000	0	0.00%
Transfers out - #311	972,300	982,023	9,723	1.00%
Transfers out - #501	36,600	36,600	0	0.00%
Transfers out - #502	390,000	410,000	20,000	5.13%
Non-Departmental (fines & forfeits)	589,150	516,550	(72,600)	(12.32%)
Intergovernmental Svc (public safety)	24,552,138	25,451,383	899,245	3.66%
Intergovernmental Svc	380,700	362,511	(18,189)	(4.78%)
Capital outlay	65,000	57,500	(7,500)	(11.54%)
	41,961,471	43,221,986	1,260,515	3.00%

Fund: 001**General Fund****Spokane Valley****Dept: 011****Legislative Branch****2020 Budget**

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

Accomplishments for 2019

- Adopted a 2020 State Legislative Agenda.
- Adopted the City's first Federal Legislative Agenda.
- Worked with State and Federal Legislators and Lobbyists on behalf of City interests including lobbying trips to both Olympia and Washington D.C.
- Updated the City's Park Master Plan.
- Began the right-of-way acquisition process on the Barker/BNSF Grade Separation Project.
- Worked Staff through a process that lead to the selection of a specific design alternative for the Pines Grade Separation Project.
- Worked with Staff to continue discussions to address transportation concerns in the City's NE Industrial Area which is a prime area for business recruitment. These discussions lead to the decision to complete:
 - A portion of Barker Avenue stretching from Euclid Avenue to the southern limits of the future Barker Grade Separation Project at a total estimated cost of \$2.6 million that includes \$2.1 million of Capital Reserve Fund #312 money plus \$550,000 from Spokane County to install sewer.
 - A new section of Garland Avenue stretching from Flora to Barker at a total estimated cost of \$3.0 million that includes \$1.5 million of Capital Reserve Fund #312 money plus \$1.5 million from Centennial Properties.
- Expanded Sullivan Park through the acquisition of a 13.84 acre parcel.
- Awarded the bid to complete the Evergreen to Sullivan portion of the Appleway Trail.
- Adopted a balanced 2020 Budget and for the eleventh consecutive year did so without taking the 1% increase in property taxes that is allowed by State Law.
- Adopted a 2020 Budget with a General Fund recurring expenditure increase of just 3.00% that maintains historic levels of service in all programs except code compliance where we have bolstered the program with the addition of 1.50 FTEs and public safety where we are making a \$100,000 investment in a crisis co-response team.

Goals for 2020

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

(continued on next page)

Fund: 001	General Fund	Spokane Valley
Dept: 011	Legislative Branch	2020 Budget

(continued from prior page)

	<u>Budget Summary</u>				
	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Personnel - FTE Equivalents					
Mayor	1.0	1.0	1.0	1.0	1.0
Council	6.0	6.0	6.0	6.0	6.0
Total FTEs	<u>7.0</u>	<u>7.0</u>	<u>7.0</u>	<u>7.0</u>	<u>7.0</u>
Budget Detail					
Wages, Payroll Taxes & Benefits	\$ 204,931	\$ 219,902	\$ 198,884	\$ 270,873	\$ 290,187
Supplies	4,535	1,974	6,923	4,950	4,950
Services & Charges	166,826	186,243	197,306	346,638	327,050
Total Legislative Branch	<u>\$ 376,292</u>	<u>\$ 408,119</u>	<u>\$ 403,113</u>	<u>\$ 622,461</u>	<u>\$ 622,187</u>

013 - City Manager Division

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

Accomplishments for 2019

- Worked to support City Council's 2019 Goals as referenced in the Legislative Branch Budget.
- Worked with all City departments to update the 2020 Business Plan that is a precursor to the development of the 2020 Budget which is accomplished by linking community priorities, financial projections and City Council goals.
- Prepared a 2020 Budget with a recurring expenditure increase of just 3.00% that maintains historic levels of service in all programs except code compliance where we have bolstered the program with the addition of 1.50 FTEs and public safety where we are making a \$100,000 investment in a crisis co-response team.
- Worked with Council to prepared a 2020 State Legislative Agenda that was discussed by Council on three separate occasions. This was followed by a separate meeting with our 4th District Legislative Delegation where Councilmembers and Legislators discussed areas of common interest, including our legislative agenda.
- Worked with Council and Staff to select a Federal Lobbyist and develop the City's first Federal Legislative Agenda.
- Worked with State and Federal Legislators and Lobbyists on behalf of City interests including lobbying trips to both Olympia and Washington D.C.
- Continued to work with state and federal legislators towards obtaining financial assistance for the Pines Grade Separation Project and received a Federal CRISI 2 grant in the amount of \$1,246,000.
- Worked with Council and Staff through a process that lead to the selection of a specific design alternative for the the Pines Grade Separation Project which will lead to the development of a contract with a design consultant to begin the final design.
- Continued discussions focused on developing a sustainable plan to finance the City's Pavement Preservation Program including Street O&M Fund #101 and Pavement Preservation Fund #311.
- Worked with Council and Staff to continue discussions to address transportation concerns in the City's NE Industrial Area which is a prime area for business recruitment. These discussions lead to the decision to complete:
 - A portion of Barker Avenue stretching from Euclid Avenue to the southern limits of the future Barker Grade Separation Project at a total estimated cost of \$2.6 million that includes \$2.1 million of Capital Reserve Fund #312 money plus \$550,000 from Spokane County to install sewer.
 - A new section of Garland Avenue stretching from Flora to Barker at a total estimated cost of \$3.0 million that includes \$1.5 million of Capital Reserve Fund #312 money plus \$1.5 million from Centennial Properties.

Goals for 2020

- Focus staff efforts on the City's budget priorities that are composed of public safety, pavement preservation, transportation and infrastructure and economic development.
- Work to support City Council's 2020 Goals as referenced under the Legislative Branch Budget.
- Present Council with a balanced 2021 Budget that includes General Fund recurring revenues exceeding recurring expenditures and an ending fund balance that is at least 50% of recurring expenditures.
- Work with Federal and State Legislators and Lobbyists on behalf of the interests of our City.
- Prepare the 2021 Legislative Agenda for Council consideration.

(continued on next page)

Fund: 001

General Fund

Spokane Valley

Dept: 013

Executive Branch

2020 Budget

(continued from prior page)

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Personnel - FTE Equivalents					
City Manager	1.0	1.0	1.0	1.0	1.0
City Clerk	1.0	1.0	1.0	1.0	1.0
Deputy City Clerk	1.0	1.0	1.0	1.0	1.0
Administrative Analyst	0.0	0.0	1.0	1.0	1.0
Senior Administrative Analyst	0.0	0.0	1.0	1.0	1.0
Administrative Assistant (CC)	1.0	1.0	1.0	0.5	0.5
Executive Assistant (CM)	1.0	1.0	1.0	1.0	1.0
Total FTEs	<u>5.0</u>	<u>5.0</u>	<u>7.0</u>	<u>6.5</u>	<u>6.5</u>

Budget Detail

Wages, Payroll Taxes & Benefits	\$ 785,184	\$ 580,529	\$ 783,650	\$ 887,537	\$ 920,892
Supplies	1,014	3,569	3,470	4,300	4,300
Services & Charges	30,803	26,059	48,380	72,690	72,690
Nonrecurring expenditures	242,561	0	7,341	0	0
Total City Manager Division	<u>\$ 1,059,562</u>	<u>\$ 610,157</u>	<u>\$ 842,841</u>	<u>\$ 964,527</u>	<u>\$ 997,882</u>

Fund: 001

General Fund

Spokane Valley

Dept: 013

Executive Branch

2020 Budget

015 - City Attorney Division**Accomplishments for 2019**

- Continuing to advise Community and Public Works regarding Painted Hills.
- Provide training to Council, appointed officials, and staff on records, open meetings, and contracts.
- Hired new half-time attorney for Code Enforcement; significant progress on case backlog and implementing chronic nuisance regulations.
- Assisted with working on right-of-way acquisition for Barker/Trent Grade Separation project.
- Assisted in acquiring an additional parcel of land behind the Police Precinct for future expansion when needed.
- Assisted in finalizing agreement with Arts Council.
- Assisted drafting City's first federal legislative agenda for adoption.
- Assisted with and finalized the 2018 Salary Commission process and recommendation.
- Assisted in preparation of code text amendment for marijuana transportation within the City.
- Preparation and assistance in City's adoption of Northeast Industrial Area Planned Action Ordinance.
- Provided research and advice on homelessness issues.
- Assisted in code text amendment for street addressing standards.
- Assisted Council and staff in developing neighborhood restoration program.
- Assisted staff and Council on a proposed code text amendment for affordable housing in an R-3 zone in conjunction with a church or school use.
- Work on resolving City Hall construction issues.
- Assisted staff in preparation of an RFQ for the state lobbyist contract.
- Work with staff and Council on a resolution pursuant to SHB 1406 to impose sales and use tax for affordable and supportive housing.

Goals for 2020

- Have a fully-operational office that proactively assists in program development, advises all departments on legal issues in a timely manner and manages all potential and existing litigation.
- Work with Community and Public Works and Finance in identifying and implementing economic development options.
- Assist other departments in analyzing and mapping existing processes to determine compliance with laws and whether higher levels of customer service can be achieved.
- Assist Council and staff in accomplishing items on the 2020 state Legislative Agenda.

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Personnel - FTE Equivalents					
City Attorney	1.0	1.0	1.0	1.0	1.0
Deputy City Attorney	1.0	1.0	1.0	1.0	1.0
Attorney	0.0	0.0	0.5	0.5	1.0
Administrative Assistant - Legal	1.0	1.0	1.0	1.0	1.0
Total FTEs	<u>3.0</u>	<u>3.0</u>	<u>3.5</u>	<u>3.5</u>	<u>4.0</u>
Interns	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>
Budget Detail					
Wages, Payroll Taxes & Benefits	\$ 407,008	\$ 411,988	\$ 472,873	\$ 529,951	\$ 616,403
Supplies	623	1,030	1,340	2,351	4,414
Services & Charges	80,362	66,130	49,896	116,454	87,125
Nonrecurring expenditures	0	0	5,919	0	0
Total City Attorney Division	<u>\$ 487,993</u>	<u>\$ 479,148</u>	<u>\$ 530,028</u>	<u>\$ 648,756</u>	<u>\$ 707,942</u>

Fund: 001	General Fund	Spokane Valley
Dept: 016	Public Safety	2020 Budget

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

Recurring Expenditures:

Judicial System - The Spokane County District Court is contracted to provide municipal court services. The contract provides for the services of judge and court commissioner with related support staff. Budgeted amount also includes jury management fees.	\$ 2,363,823
--	--------------

Law Enforcement - The Spokane County Sheriff's Office is responsible for maintaining law and order and providing police services to the community under the direction of the Police Chief. The office provides for the preservation of life, protection of property, and reduction of crime.	21,876,652
---	------------

Jail System - Spokane County provides jail and probation services for persons sentenced by any City of Spokane Valley Municipal Court Judge for violating laws of the city or state.	1,467,189
---	-----------

Animal Control - Spokane County will provide animal control services to include licensing, care and treatment of lost or stray animals, and response to potentially dangerous animal confrontations.	350,000
---	---------

Non-Departmental	
Fines and forfeitures to the State of Washington	516,550
Grant expenditures	25,000
Total Recurring Expenditures	<u>26,599,214</u>

Nonrecurring Expenditures:

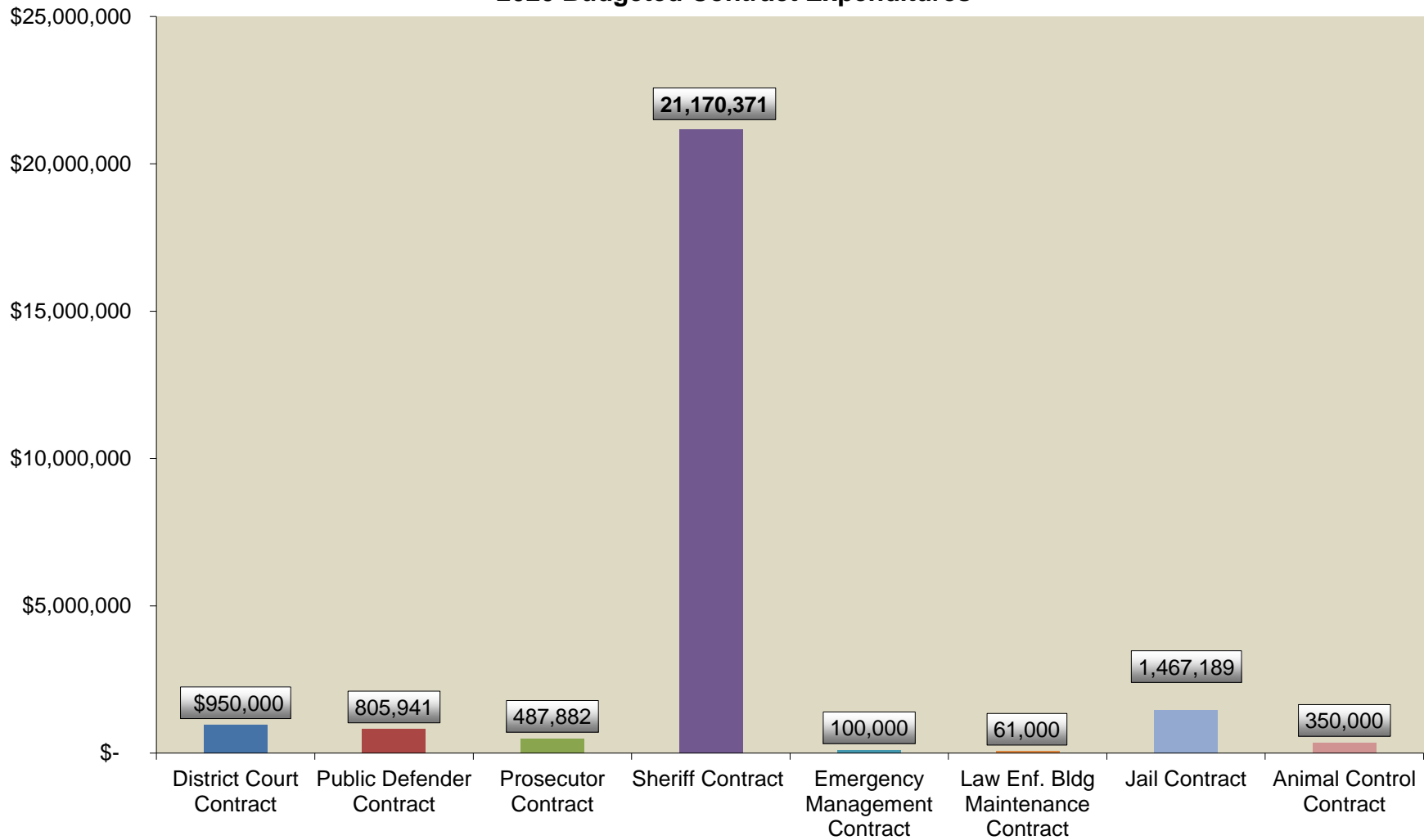
Building repair and office furniture	<u>15,000</u>
--------------------------------------	---------------

Total Recurring and Nonrecurring Expenditures	<u><u>\$ 26,614,214</u></u>
--	-----------------------------

**City of Spokane Valley
2020 Budget
016 - Public Safety**

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Recurring:					
Judicial System:					
District Court Contract	\$ 658,049	\$ 712,168	\$ 921,216	\$ 855,539	\$ 950,000
Public Defender Contract	703,665	697,986	789,656	816,167	805,941
Prosecutor Contract	535,121	464,250	450,454	463,968	487,882
Pretrial Services Contract	120,722	107,807	116,847	120,352	120,000
Subtotal Judicial System	<u>2,017,557</u>	<u>1,982,211</u>	<u>2,278,173</u>	<u>2,256,026</u>	<u>2,363,823</u>
Law Enforcement System:					
Sheriff Contract	18,812,096	17,792,178	19,458,384	20,444,845	21,170,371
Emergency Management Contract	87,718	97,094	92,900	105,687	100,000
Wages, Payroll Taxes & Benefits	2,376	2,819	9,802	12,184	13,266
Operating Supplies	3,092	3,509	2,346	3,750	2,500
Clothing & Uniform	0	0	358	0	0
Repair & Maintenance. Supplies	994	1,202	2,730	2,000	3,000
Professional Services	0	0	3,373	0	3,500
Cell Phones	0	0	279	0	0
Postage	3,316	0	0	0	0
Electricity/Gas	16,976	18,283	16,505	20,000	18,000
Water	1,366	1,621	1,806	1,750	2,000
Sewer	2,307	2,102	1,348	2,200	2,300
Waste Disposal	3,400	3,442	585	3,600	0
Janitorial Services	0	0	32,325	0	0
Law Enf. Bldg Maintenance Contract	61,682	74,108	26,234	70,000	61,000
Taxes and Assessments	715	715	715	716	715
Miscellaneous Services/Contingency	132	0	0	650,000	500,000
False Alarm Charges & Fees	43,792	3,135	404	0	0
Bank Fees	8,789	2,333	0	0	0
Subtotal Law Enforcement System	<u>19,048,751</u>	<u>18,002,541</u>	<u>19,650,094</u>	<u>21,316,732</u>	<u>21,876,652</u>
Jail System:					
Jail Contract	<u>1,437,784</u>	<u>1,331,721</u>	<u>1,610,938</u>	<u>1,395,580</u>	<u>1,467,189</u>
Subtotal Jail System	<u>1,437,784</u>	<u>1,331,721</u>	<u>1,610,938</u>	<u>1,395,580</u>	<u>1,467,189</u>
Other:					
Fines & Forfeitures State Remittance	561,476	464,056	495,683	589,150	516,550
Animal Control Contract	291,209	293,425	299,139	350,000	350,000
Non-Capital Equipment for JAG Grant	0	0	0	20,000	25,000
Settle & Adjust	(441,761)	(1,087,807)	0	0	0
Office Furniture & Equipment	67,187	0	0	0	0
Subtotal Other	<u>478,111</u>	<u>(330,326)</u>	<u>794,822</u>	<u>959,150</u>	<u>891,550</u>
Subtotal Recurring	<u>22,982,203</u>	<u>20,986,147</u>	<u>24,334,027</u>	<u>25,927,488</u>	<u>26,599,214</u>
Nonrecurring:					
Building Repair and Maintenance	49,004	0	0	10,000	15,000
Building & Structures	6,343	0	0	0	0
Office Furniture & Equipment	0	0	0	40,000	0
Equipment Repair and Maintenance	1,586	0	0	0	0
LEC Labor Contract Settlement	0	323,445	0	0	0
Full Facility Generator	0	0	0	200,000	0
Capital outlay - CAD / RMS	177,126	131,018	22,372	0	0
Subtotal Nonrecurring	<u>234,059</u>	<u>454,463</u>	<u>22,372</u>	<u>250,000</u>	<u>15,000</u>
Total Public Safety	<u><u>\$ 23,216,262</u></u>	<u><u>\$ 21,440,610</u></u>	<u><u>\$ 24,356,399</u></u>	<u><u>\$ 26,177,488</u></u>	<u><u>\$ 26,614,214</u></u>

**City of Spokane Valley
2020 Budgeted Contract Expenditures**



Fund: 001	General Fund	Spokane Valley
Dept: 018	Operation & Administrative Services	2020 Budget

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

013 - Deputy City Manager Division

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

Accomplishments for 2018

- Supported the 2018 Goals of the Legislative and Executive Branch.
- Worked with the City Manager and Staff to develop the 2019 Business Plan.
- Continued to improve staff communication and efficiency as part of the 2017 reorganization.
- Completed the recruitment processes for ongoing large industrial projects.
- Completed the designs for the Barker Grade Separation Projects.

Goals for 2019

- Support the 2019 Goals of the Legislative and Executive Branch.
- Continue work on acquiring funds and completing design for the Pines Road Grade Separation Project.
- Complete the implementation of the Pavement Management Program.
- Implement marketing strategies to attract and retain businesses and increase tourism.

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Personnel - FTE Equivalents					
Deputy City Manager	1.0	1.0	1.0	1.0	1.0
Senior Administrative Analyst	1.0	1.0	0.0	0.0	0.0
Public Information Officer	1.0	1.0	0.0	0.0	0.0
Administrative Analyst	1.0	1.0	0.0	0.0	0.0
Office Assistant I	1.0	1.0	1.0	0.0	0.0
Office Assistant II	1.0	1.0	1.0	0.0	0.0
Total FTEs	<u>6.0</u>	<u>6.0</u>	<u>3.0</u>	<u>1.0</u>	<u>1.0</u>
Intern	<u>1.0</u>	<u>1.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Budget Detail					
Wages, Payroll Taxes & Benefits	\$ 518,914	\$ 637,606	\$ 354,918	\$ 224,619	\$ 234,012
Supplies	1,137	1,277	425	2,000	950
Services & Charges	89,147	52,555	83,335	44,425	42,225
Nonrecurring Software Purchase (Q-Alert)	0	0	13,195	0	0
Total Deputy City Manager Division	<u>\$ 609,198</u>	<u>\$ 691,438</u>	<u>\$ 451,873</u>	<u>\$ 271,044</u>	<u>\$ 277,187</u>

Fund: 001

General Fund

Spokane Valley

Dept: 018

Operation & Administrative Services

2020 Budget

014 - Finance Division

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

Accomplishments for 2019

- Implemented audit recommendations.
- Completed the 2018 CAFR by May 30, 2019, and received a "clean audit opinion".
- Maintained consistent levels of service in payroll, accounts payable, budget development, periodic financial report preparation, and information technology services.
- Continued with the ongoing process of refining the replacement program for IT resources.

Goals for 2020

- Maintain a consistent level of service in payroll, accounts payable, budget development, periodic and annual financial report preparation and information technology services.
- Work with Finance staff to cross-train position responsibilities and knowledge base where possible. The Finance department will implement further cross training procedures among department personnel to provide adequate coverage if or when unforeseeable circumstances arise.
- Provide adequate training opportunities to allow staff members to remain current with changes in pronouncements by the Governmental Accounting Standards Board (GASB), changes in the Eden financial management system, and changes in the electronic technology that allows all City employees to be more efficient and effective.
- Continue with the ongoing process of refining the replacement program for IT hardware resources including server hardware, network hardware, printers, and network-based appliances (firewalls, email backup, network switches, intrusion prevention hardware, etc.), desktop computers, and the phone system. This will continue to be the foundation for future budget developments and in large part dictate operational workload through the course of the next year.
- Explore new software to replace GASB 34 reporter to improve the efficiency of preparing the financial report.

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Personnel - FTE Equivalents					
Finance Director	1.00	1.00	1.00	1.00	1.00
Accounting Manager	1.00	1.00	1.00	1.00	1.00
Accountant/Budget Analyst	3.75	3.75	3.75	3.75	3.75
Accounting Technician	2.00	2.00	2.00	2.00	2.00
IT Manager	0.00	0.00	0.00	0.00	1.00
IT Specialist	2.00	3.00	3.00	3.00	2.00
GIS/Database Administrator	1.00	1.00	1.00	1.00	1.00
Help Desk Technician	1.00	0.00	0.00	0.00	0.00
Total FTEs	11.75	11.75	11.75	11.75	11.75
Budget Detail					
Wages, Payroll Taxes & Benefits	\$ 1,149,070	\$ 1,209,761	\$ 1,269,966	\$ 1,393,130	\$ 1,443,953
Supplies	5,147	3,507	3,350	6,450	6,450
Services & Charges	19,181	20,764	20,667	28,120	28,120
Total Finance Division	\$ 1,173,398	\$ 1,234,032	\$ 1,293,983	\$ 1,427,700	\$ 1,478,523

Fund: 001

General Fund

Spokane Valley

Dept: 018

Operation & Administrative Services

2020 Budget

016 - Human Resources Division

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

Accomplishments for 2019

- Implemented changes to personnel systems in response to collective bargaining.
- Reviewed employee policies for necessary changes.
- Reviewed City risk management practices for possible improvements and/or savings.
- Attained the AWC WellCity Award for 2019.
- Provided City-wide training in First Aid

Goals for 2020

- Implement the City's comprehensive employee emergency response plan.
- Provide anti harassment training for all staff.
- Continue to grow and develop the City's Wellness program and Achieve the 2020 WellCity Award.
- Enhance the City's employee recruitment program to address challenges to fill vacancies.
- Support efforts to enhance the security of City employees through Training and Automated Systems.

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Personnel - FTE Equivalents					
Human Resource Manager	1.0	1.0	1.0	1.0	1.0
Human Resource Technician	1.0	1.0	1.0	1.0	1.0
Total FTEs	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>
Budget Detail					
Wages, Payroll Taxes & Benefits	\$ 226,290	\$ 235,127	\$ 251,995	\$ 269,980	\$ 281,331
Supplies	234	1,469	1,227	1,630	1,280
Services & Charges	15,710	15,947	21,949	34,233	30,705
Total Human Resources Division	<u>\$ 242,234</u>	<u>\$ 252,543</u>	<u>\$ 275,171</u>	<u>\$ 305,843</u>	<u>\$ 313,316</u>

Fund: 001	General Fund	Spokane Valley
Dept: 032	Public Works	2020 Budget

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

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Personnel - FTE Equivalents					
Public Works Director	1.0	1.0	0	0	0
Administrative Assistant	2.0	2.0	0	0	0
Capital Improvements Program Manager	1.0	1.0	0	0	0
Engineer	1.0	1.0	0	0	0
Engineering Technician I	2.0	2.0	0	0	0
Engineering Technician II	1.0	1.0	0	0	0
Maint/Const Inspector	0.5	0.5	0	0	0
Planning Grants Engineer	0.375	0.375	0	0	0
Senior Engineer	0.0	0.0	0	0	0
Senior Engineer - Proj Mgmt	2.0	2.0	0	0	0
Total FTEs	<u>10.875</u>	<u>10.875</u>	<u>0</u>	<u>0</u>	<u>0</u>
Budget Detail					
Wages, Payroll Taxes & Benefits	\$ 660,386	\$ 658,439	\$ 0	\$ 0	\$ 0
Supplies	9,209	12,469	0	0	0
Services & Charges	102,733	88,179	0	0	0
Total Public Works	<u>\$ 772,328</u>	<u>\$ 759,087</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Fund: 001**General Fund****Spokane Valley****Dept: 033****City Hall Operations and Maintenance****2020 Budget**

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

Accomplishments for 2019

- Successfully filled maintenance staff position.
- Coordinated emergency back-up generator installation w/Engineering.
- Address condensate drainage (ice hazard) in vehicle cage.

Goals for 2020

- Explore opportunities for cost savings related to contract services: landscape maintenance, etc.
- Enhance newly-created maintenance request system to more easily prioritize requests.
- Continue to coordinate maintenance activities with SVPD Precinct staff.
- Continue to coordinate maintenance activities with Street Maintenance Shop staff.
- Refine City Hall security system functions to reduce false alarms.
- Create annual building systems maintenance schedule: elevator, alarm, suppression, etc.
- Coordinate emergency preparedness drills with affected staff and coordinating agencies.
- Complete City Hall façade improvements following maintenance/repair activities.

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Personnel - FTE Equivalents					
Maintenance Worker - Facilities	0.0	1.0	1.0	1.0	1.0
Total FTEs	<u>0.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>

Budget Detail

Wages, Payroll Taxes & Benefits	\$ 0	\$ 0	\$ 74,264	\$ 90,839	\$ 94,270
Supplies	0	3,289	27,757	30,500	28,000
Services & Charges	0	55,159	163,323	170,555	174,000
Nonrecurring expenditures	0	36,509	0	500,000	0
Total Administrative Division	<u>\$ 0</u>	<u>\$ 94,957</u>	<u>\$ 265,344</u>	<u>\$ 791,894</u>	<u>\$ 296,270</u>

Fund: 001**General Fund****Spokane Valley****Dept: 040****Community & Public Works****2020 Budget**

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

041 - Engineering Division

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

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

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

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

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

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

Accomplishments for 2019

- Implemented approved capital projects.
- Administered and managed state and federal funds received for capital projects.
- Assisted with the preparation of grant applications for capital projects.
- Finalized and selected the preferred alternative for the Pines Road Grade Separation Project.
- Continued final design engineering and right-of-way acquisition for the Barker Road Grade Separation Project.
- Continued work on permit process and customer service improvement.
- Continued to coordinate regional transportation issues with Spokane Regional Transportation Council, adjoining municipalities, and the Washington State Department of Transportation.
- Implemented enhanced workflow procedures for following state and federal funding guidelines.
- Continued development of a comprehensive Pavement Preservation Program.

Goals for 2020

- Implement approved capital projects.
- Complete the design and right-of-way acquisition processes for the Barker Road Grade Separation Project.
- Continue work on acquiring funds for completion of the Pines Road Grade Separation Project.
- Administer and manage state and federal funds received for capital projects.
- Assist in the preparation of grant applications for capital projects.
- Continue to coordinate regional transportation issues with SRTC, WSDOT, and other agencies.
- Maintain development engineering plan review times of less than two weeks.
- Finalize a comprehensive Pavement Preservation Program, including funding source identification.
- Begin the process of developing a city-wide, comprehensive Asset Management Program.

(continued on next page)

Fund: 001

General Fund

Spokane Valley

Dept: 040

Community & Public Works

2020 Budget

(continued from prior page)

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Personnel - FTE Equivalents					
Administrative Assistant	0.0	0.0	2.0	2.0	2.0
Assistant Engineer	0.0	0.0	0.0	0.45	0.20
City Engineer	0.0	0.0	1.0	1.0	1.0
Engineer	0.0	0.0	1.0	0.5	1.0
Engineering Manager	0.0	0.0	1.0	1.0	1.0
Engineering Tech I	0.0	0.0	1.0	1.5	1.5 *
Engineering Tech II	0.0	0.0	0.5	0.75	0.75 *
Main/Construction Inspector	0.0	0.0	2.0	2.0	2.0
Planning Grants Engineer	0.0	0.0	0.0	0.375	0.375 *
Senior Dev Engineer	0.0	0.0	1.0	1.0	1.0
Senior Engineer-Proj Mgmt.	0.0	0.0	1.5	1.7	1.7 *
Water Resource Sr. Engineer	0.0	0.0	1.0	1.0	1.0
Total FTEs	0.0	0.0	12.0	13.275	13.525
Budget Detail					
Wages, Payroll Taxes & Benefits	\$ 0	\$ 0	\$ 1,234,170	\$ 1,628,048	\$ 1,726,845
Supplies	0	0	22,772	27,100	32,850
Services & Charges	0	0	149,142	186,469	212,036
Total Engineering Division	\$ 0	\$ 0	\$ 1,406,084	\$ 1,841,617	\$ 1,971,731

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

042 - Economic Development Division

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

Accomplishments for 2019

- Continued to work with Retail Strategies to implement the retail improvement strategy.
- Updated implementation strategies in the Comprehensive Plan through the annual process.
- Pursued infrastructure improvements in the Northeast Industrial Area to foster economic development.
- Used targeted marketing campaigns to promote business growth, attraction, and retention.
- Implemented marketing strategies to attract and retain businesses and increase tourism.
- Collaborated with economic development partners and related service providers.
- Identified and applied for a CERB grant to further our economic development initiatives.
- Used CDBG funds to further complete the SRTS network in low and moderate income areas.
- Continued to develop our social media presence to expand communications.
- Attended Inland Northwest Partners quarterly meetings and SRTC planning committees.
- Developed and coordinated the transportation improvement program.
- Assisted in the evaluation of transportation and traffic impacts relating to development.
- Evaluated capital projects to further implement the tourism strategy.
- Purchased radio ads to promote Crave NW, Cycle Celebration, Valleyfest and Oktoberfest.
- Continued to seek partnerships with schools and workforce development agencies.
- Updated multimodal policies and maps in the Comprehensive Plan through the annual process.

Goals for 2020

- Implement the retail recruitment strategy
- Collaborate with the private sector to facilitate the successful development of Mirabeau Point.
- Evaluate and develop criteria to assist in the evaluation of annexations.
- Promote the completion of the Appleway Trail.
- Research and identify target industries for recruitment, retention and expansion.
- Collaborate with economic development partners and related service providers.
- Identify infrastructure improvements needed to foster economic development.
- Participate in regional economic, transportation and planning committees.
- Use CDBG funds to support economic vitality in low and moderate income areas.
- Seek grants to support economic development initiatives.
- Seek opportunities to implement the tourism strategy.
- Continue to implement new methods and technologies to expand communications and enhance public engagement.
- Continue to implement marketing strategies to increase tourism.
- Work with community partners to enhance existing events and bring new events to Spokane Valley venues.
- Seek partnership opportunities with schools and workforce development agencies.
- Improve and prioritize website content to better serve the needs of city residents.
- Develop a branded series of print materials informing citizens of city services and how to access them.
- Update the city's newsletter to produce fewer issues with more comprehensive customer-focused information.
- Implement a city Instagram page and maintain it with timely and interesting photos.
- Utilize new and existing social media platforms to increase citizen pride and the public's awareness of city services.
- Continue to evaluate the city's website and investigate potential improvements.
- Develop brand imagery into Constant Contact for emails and news release correspondence.
- Coordinate with chamber to plan and execute a successful state of the city event.
- Develop an introductory email message to new subscribers.
- Form PIO group of local organizations to partner on sharing information and communication strategies.
- Develop an citywide Communications Plan.
- Increase media contacts and establish and retain media relationships for greater sharing of city services.

(continued on next page)

Fund: 001

General Fund

Spokane Valley

Dept: 040

Community & Public Works

2020 Budget

(continued from prior page)

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Personnel - FTE Equivalents					
Economic Development Manager	0.0	0.0	1.0	1.0	1.0
Economic Development Specialist	0.0	0.0	2.0	2.0	2.0
Planning Grants Engineer	0.0	0.0	0.375	0.0	0.0
Public Information Officer	0.0	0.0	1.0	1.0	1.0
Senior Transportation Planner	0.0	0.0	1.0	1.0	1.0
Office Assistant I	0.0	0.0	1.0	1.0	1.0
Total FTEs	<u>0.0</u>	<u>0.0</u>	<u>6.375</u>	<u>6.000</u>	<u>6.000</u>
Interns	<u>0.0</u>	<u>0.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
Budget Detail					
Wages, Payroll Taxes & Benefits	\$ 0	\$ 0	\$ 655,942	\$ 670,942	\$ 724,084
Supplies	0	0	3,008	3,000	3,000
Services & Charges	0	0	294,699	356,795	392,745
Nonrecurring - Retail Recruiter	0	0	23,000	25,000	0
Total Engineering Division	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 976,649</u>	<u>\$ 1,055,737</u>	<u>\$ 1,119,829</u>

Fund: 001

General Fund

Spokane Valley

Dept: 040

Community & Public Works

2020 Budget

043 - Building and Planning Division

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

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

Accomplishments for 2019

- Implemented electronic submittals and plan review.
- Continued to expand online permitting.
- Began Code Enforcement educational awareness program to inform the public.
- Continued cross training of staff to facilitate coverage during times of lean staffing.
- Maintained relationships with regional jurisdictions and outside review agencies.
- Processed 2019 Comprehensive Plan amendments.
- Successfully recruited and filled five vacant positions.

Goals for 2020

- Enhance electronic plan submittal/review capabilities.
- Continue to expand online permitting to include additional project types.
- Begin process for scanning commercial address files.
- Continue to develop educational opportunities for public awareness of Code Enforcement Program.
- Seek additional opportunities to develop relationships with outside agencies.
- Repair/enhance SMARTGov reporting accuracy.
- Participate in SMARTGov system focus group with other jurisdictions.
- Utilize Office of City Attorney staff expertise related to legal aspects of code enforcement to improve case close-out.
- Work with Economic Development team to improve website content/function.
- Install customer terminal in Permit Center for self-help services.
- Implement 2018 building codes as per SBCC adoption; process CTA related to SVMC Title 24 accordingly.

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Personnel - FTE Equivalents					
Administrative Assistant	0.0	0.0	1.0	1.0	1.0
Assistant Building Official	0.0	0.0	1.0	1.0	1.0
Building Inspector II	0.0	0.0	3.0	3.0	3.0
Building Official	0.0	0.0	1.0	1.0	1.0
Code Enforcement Officer	0.0	0.0	1.0	1.0	2.0
Development Service Coordinator	0.0	0.0	1.0	1.0	1.0
Engineering Tech	0.0	0.0	1.0	1.0	1.0
Office Assistant I	0.0	0.0	2.0	3.0	3.0
Office Assistant II	0.0	0.0	0.0	1.0	1.0
Permit Facilitator	0.0	0.0	2.0	1.0	0.0
Permit Specialist/Facilitator	0.0	0.0	0.0	1.0	2.0
Planner	0.0	0.0	3.0	3.0	3.0
Plans Examiner	0.0	0.0	1.0	1.0	1.0
Senior Planner	0.0	0.0	1.0	1.0	1.0
Senior Plans Examiner	0.0	0.0	1.0	0.0	0.0
Total FTEs	0.0	0.0	19.0	20.0	21.0
Budget Detail					
Wages, Payroll Taxes & Benefits	\$ 0	\$ 0	\$ 1,614,227	\$ 1,926,519	\$ 2,044,559
Supplies	0	0	25,114	44,200	47,000
Services & Charges	0	0	228,090	285,755	328,855
Intergovernmental Payments	0	0	38,718	25,000	0
Nonrecurring expenditures	0	0	0	0	13,700
Total Building Division	\$ 0	\$ 0	\$ 1,906,149	\$ 2,281,474	\$ 2,434,114

Fund: 001

General Fund

Spokane Valley

Dept: 058

Community & Economic Development

2020 Budget

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

050 - Administration Division**Budget Summary**

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Personnel - FTE Equivalents					
Community Development Director	1.0	1.0	0	0	0
Administrative Assistant	1.0	1.0	0	0	0
Total FTEs	2.0	2.0	0	0	0

Budget Detail

Wages, Payroll Taxes & Benefits	\$ 247,129	\$ 77,974	\$ 0	\$ 0	\$ 0
Supplies	3,207	2,463	0	0	0
Services & Charges	11,381	9,484	0	0	0
Nonrecurring expenditures	335,204	0	0	0	0
Total Administrative Division	\$ 596,921	\$ 89,921	\$ 0	\$ 0	\$ 0

051 - Economic Development Division**Budget Summary**

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Personnel - FTE Equivalents					
Engineer	0.65	0.65	0	0	0
Senior Planner - CD	1.0	1.0	0	0	0
E.D. Project Specialist	1.0	1.0	0	0	0
Total FTEs	2.65	2.65	0	0	0

Budget Detail

Wages, Payroll Taxes & Benefits	\$ 291,881	\$ 439,185	\$ 0	\$ 0	\$ 0
Supplies	965	1,517	0	0	0
Services & Charges	191,615	231,253	0	0	0
Nonrecurring expenditures	0	144,200	0	0	0
Total Economic Development Division	\$ 484,461	\$ 816,155	\$ 0	\$ 0	\$ 0

Fund: 001

General Fund

Spokane Valley

Dept: 058

Community & Economic Development

2020 Budget

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

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Personnel - FTE Equivalents					
Development Services Manager	1.0	1.0	0	0	0
Engineer	2.0	2.0	0	0	0
Assistant Engineer	1.0	1.0	0	0	0
Senior Planner	1.0	1.0	0	0	0
Planner	2.0	2.0	0	0	0
Maint/Construction Inspector	1.0	1.0	0	0	0
Code Enforcement Officer	1.0	0.0	0	0	0
ROW Inspector	1.0	1.0	0	0	0
Office Assistant I	1.0	1.0	0	0	0
Senior Engineer	0.0	0.0	0	0	0
Engineering Technician	0.0	0.0	0	0	0
Total FTEs	<u>11.0</u>	<u>10.0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Budget Detail

Wages, Payroll Taxes & Benefits	\$ 1,158,836	\$ 843,860	\$ 0	\$ 0	\$ 0
Supplies	10,657	10,374	0	0	0
Services & Charges	251,364	227,112	0	0	0
Intergovernmental Payments	21,662	39,546	0	0	0
Total Development Services Division	<u>\$ 1,442,519</u>	<u>\$ 1,120,892</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

057 - Building Division**Budget Summary**

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Personnel - FTE Equivalents					
Building Official	1.0	1.0	0	0	0
Building Inspector II	3.0	3.0	0	0	0
Planner	2.0	1.0	0	0	0
Development Service Coordinator	1.0	1.0	0	0	0
Engineering Tech	1.0	1.0	0	0	0
Office Assistant I	2.0	2.0	0	0	0
Permit Facilitator	2.0	2.0	0	0	0
Plans Examiner	1.0	1.0	0	0	0
Senior Plans Examiner	1.0	1.0	0	0	0
Code Enforcement Officer	0.0	1.0	0	0	0
Assistant Planner	0.0	0.0	0	0	0
Total FTEs	<u>14.0</u>	<u>14.0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Budget Detail

Wages, Payroll Taxes & Benefits	\$ 1,900,828	\$ 1,096,598	\$ 0	\$ 0	\$ 0
Supplies	25,894	10,413	0	0	0
Services & Charges	287,341	75,917	0	0	0
Total Building Division	<u>\$ 2,214,063</u>	<u>\$ 1,182,928</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Fund: 001**General Fund****Spokane Valley****Dept: 076****Parks & Recreation****2020 Budget**

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

000 - Parks Administration Division

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

Accomplishments for 2019

- Construct new restroom at Browns Park.
- Complete the Appleway Trail University to Pines Amenities project.
- Add a swingset to Edgecliff Park.
- Repair/replace poured in place surfacing at Discovery Playground.
- Completed one land acquisition.
- Begin the design of the Evergreen to Sullivan section of the Appleway Trail.
- Completed the update to the Parks and Recreation Master Plan.
- Continue to implement the Browns Park Master Plan.

Goals for 2020

- Complete Phase 2 of CenterPlace West Lawn Master Plan.
- Complete construction of play equipment, restroom and shelter at Browns Park.
- Complete construction of the Evergreen to Sullivan section of the Appleway Trail.
- Work with DNR on the partnership for the 100 acre natural area adjacent to Mirabeau Park.
- Complete one land acquisition.

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Personnel - FTE Equivalents					
Parks & Recreation Director	1.0	1.0	1.0	1.0	1.0
Administrative Assistant	1.0	1.0	1.0	1.0	1.0
Total FTEs	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>
Budget Detail					
Wages, Payroll Taxes & Benefits	\$ 232,889	\$ 242,763	\$ 249,140	\$ 271,865	\$ 283,127
Supplies	3,258	2,468	2,626	4,750	5,000
Services & Charges	22,803	42,953	36,520	63,505	64,100
Nonrecurring expenditures	83,951	364,346	0	0	0
Total Parks Administration Division	<u>\$ 342,901</u>	<u>\$ 652,530</u>	<u>\$ 288,286</u>	<u>\$ 340,120</u>	<u>\$ 352,227</u>

Fund: 001	General Fund	Spokane Valley
Dept: 076	Parks & Recreation	2020 Budget

300 - Maintenance Division

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

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Budget Detail					
Supplies	\$ 13,809	\$ 1,625	\$ 414	\$ 4,000	\$ 3,500
Services & Charges	876,115	845,108	886,122	889,500	914,000
Total Maintenance Division	<u>\$ 889,924</u>	<u>\$ 846,733</u>	<u>\$ 886,536</u>	<u>\$ 893,500</u>	<u>\$ 917,500</u>

301 - Recreation Division

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

Accomplishments for 2019

- Provided a new summer camp for teens entering 6th -9th grades.
- Created new community event - Game On at Terrace View Park for parks and recreation month.
- Continue to provide quality recreation programs for the Spokane Valley Community.
- Created position description for Recreation Specialist position.
- Offer affordable community events for families, teens, and the Community.

Goals for 2020

- Expand and continue the summer camp for teens.
- Continue National Parks and Recreation community celebration at Terrace View Park.
- Provide walking program for community members.
- Continue to provide quality Recreation programs for Spokane Valley Community.
- Enhance Summer Parks Programs Kick-Off events.
- Foster relationships with Community partners.

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Personnel - FTE Equivalents					
Recreation Coordinator	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.6</u>
Budget Detail					
Wages, Payroll Taxes & Benefits	\$ 157,707	\$ 95,062	\$ 128,784	\$ 161,863	\$ 231,081
Supplies	5,773	3,976	3,968	8,650	8,650
Services & Charges	72,052	54,312	65,745	84,305	86,190
Total Recreation Division	<u>\$ 235,532</u>	<u>\$ 153,350</u>	<u>\$ 198,497</u>	<u>\$ 254,818</u>	<u>\$ 325,921</u>

Fund: 001	General Fund	Spokane Valley
Dept: 076	Parks & Recreation	2020 Budget

302 - Aquatics Division

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

Accomplishments for 2019

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

Goals for 2020

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

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Budget Detail					
Supplies	\$ 1,517	\$ 42	\$ 240	\$ 2,000	\$ 2,000
Services & Charges	460,474	474,626	471,427	489,153	499,853
Total Aquatics Division	<u>\$ 461,991</u>	<u>\$ 474,668</u>	<u>\$ 471,667</u>	<u>\$ 491,153</u>	<u>\$ 501,853</u>

Fund: 001

General Fund

Spokane Valley

Dept: 076

Parks & Recreation

2020 Budget

304 - Senior Center Division

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

Accomplishments for 2019

- Continued to enhance the resource and referral information at the reception desk to be better equipped to handle calls.
- Continued to work with the Board on providing board training classes.
- Worked closely with the Parks & Recreation Director on programs being offered to seniors.
- Developed transition plan for retiring Senior Center Specialist.

Goals for 2020

- Continue to enhance the resource and referral information at the reception desk to be better equipped to handle calls.
- Continue to work with the Board on providing board training classes.
- Work closely with the Parks & Recreation Director on programs being offered to seniors.
- Develop transition plan for new Senior Center staff.

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Personnel - FTE Equivalents					
Senior Center Specialist	1.0	1.0	1.0	1.0	0.4
Total FTEs	1.0	1.0	1.0	1.0	0.4
Budget Detail					
Wages, Payroll Taxes & Benefits	\$ 85,521	\$ 88,210	\$ 90,998	\$ 96,407	\$ 36,347
Supplies	1,170	592	212	1,600	1,600
Services & Charges	1,645	1,473	870	4,900	5,500
Total Senior Center Division	\$ 88,336	\$ 90,275	\$ 92,080	\$ 102,907	\$ 43,447

Fund: 001	General Fund	Spokane Valley
Dept: 076	Parks & Recreation	2020 Budget

305 - CenterPlace Division

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

Accomplishments for 2019

- Added a Farmer's Market event to CenterPlace.
- Seek funding opportunities to finish construction of the CenterPlace West Lawn Master Plan.
- Updated Business and Marketing plan for CenterPlace.
- Developed a checklist of permits required for community events held on outdoor space to assist groups.
- Developed plan to attract more community events to outdoor venue space.

Goals for 2020

- Continue to improve Farmer's Market event at CenterPlace.
- Update/create a marketing plan to include new West Lawn venue improvements.
- Replace carpet in Park Admin offices and Rooms 108 and 111.
- Create marketing materials for West Lawn venue.
- Complete Phase 2 of the West Lawn Master Plan.

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Personnel - FTE Equivalents					
Customer Relations/Facilities Coordinator	1.0	1.0	1.0	1.0	1.0
Administrative Assistant	1.0	1.0	1.0	1.0	1.0
Office Assistant I	1.0	1.0	1.0	1.0	1.0
Maintenance Worker	2.0	2.0	2.0	2.0	2.0
Total FTEs	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>
Budget Detail					
Wages, Payroll Taxes & Benefits	\$ 467,950	\$ 491,576	\$ 440,345	\$ 541,273	\$ 538,083
Supplies	59,418	81,169	74,498	70,774	85,537
Services & Charges	309,359	297,318	303,321	344,285	341,739
Nonrecurring Expenditures	21,420	1,000	8,255	0	9,500
Total CenterPlace Division	<u>\$ 858,147</u>	<u>\$ 871,063</u>	<u>\$ 826,419</u>	<u>\$ 956,332</u>	<u>\$ 974,859</u>

Fund: 001	General Fund	Spokane Valley
Dept: 090	General Government	2020 Budget

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

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
<u>Supplies</u>					
Employee Recognition-Operating Supplies	\$ 599	\$ 1,674	\$ 2,975	\$ 1,700	\$ 1,700
Office & Operating Supplies	41	552	432	0	0
Small Tools & Minor Equipment	5,825	3,030	2,907	6,900	5,600
Computer Hardware - Non Capital	54,773	46,050	24,674	42,250	46,700
Computer Software - Non Capital	20,859	11,249	8,417	25,800	35,300
Office & Operating Supplies	9,196	8,876	4,242	9,700	9,700
	<u>91,293</u>	<u>71,431</u>	<u>43,646</u>	<u>86,350</u>	<u>99,000</u>
<u>Other Services & Charges</u>					
Professional Services - Misc Studies	99,509	81,667	173,310	245,000	218,000
Accounting & Auditing	82,775	83,684	86,302	95,000	95,000
Employee Recognition & Safety Program	917	0	0	1,000	1,000
Postage	82	0	215	2,500	2,500
Telephone Service	7,077	11,205	12,319	12,300	12,500
Cell Phones	1,680	1,649	2,297	5,700	3,000
Internet Service	8,114	7,696	8,639	9,000	9,000
Taxes and Assessments	0	912	781	1,000	1,000
Electricity	0	0	1,462	0	0
City Wide Records Management	0	0	0	10,000	10,000
Sewer	0	523	949	500	0
City Hall Rent	437,864	0	0	0	0
Facility Repairs & Maintenance	1,595	4,003	8,508	0	5,000
Professional Services	0	0	1,400	0	0
Equip Repair & Maint-Hardware Support	34,611	35,959	26,572	36,800	32,200
IT Support	12,659	18,716	30,312	29,200	27,500
Software Licenses & Maintenance	82,967	88,525	86,169	91,900	91,200
Merchant Charges (Bankcard Fees)	287	186	226	500	500
Network Infrastructure Access	17,662	4,732	4,714	6,000	5,000
Equipment Rental	4,261	4,264	4,264	4,300	4,300
Interfund Vehicle Lease	500	1,000	500	500	500
Printing & Binding	589	0	646	600	600
Miscellaneous Services	5,378	4,919	6,992	5,400	7,000
General Operating Leases: Computer	46,480	57,556	53,894	65,000	55,000
Economic Development-Site Selector	9,041	9,373	10,897	10,000	11,000
Outside Agencies- Social Svc & Econ. Dev.	0	91,924	82,381	182,000	182,000
Professional Services - Economic Dev.	60,216	0	0	0	0
Contracted economic dev.	43,000	0	0	0	0
Professional Services - Social Services	43,496	55,911	66,251	0	0
Alcohol Treatment: Liquor Excise Tax	8,710	9,077	9,594	9,000	9,600
Alcohol Treatment: Liquor Profits	16,081	15,900	15,725	16,000	16,000
	<u>\$ 1,025,551</u>	<u>\$ 589,383</u>	<u>\$ 695,319</u>	<u>\$ 839,200</u>	<u>\$ 799,400</u>

(continued to next page)

Fund: 001	General Fund	Spokane Valley
Dept: 090	General Government	2020 Budget

(continued from previous page)

	<u>Budget Summary</u>				
	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
<u>Intergovernmental Services</u>					
Election Costs	\$ 0	\$ 69,973	\$ 91,980	\$ 106,300	\$ 110,000
Voter Registration	85,893	86,932	20	100,000	100,000
Taxes and assessments	892	0	0	12,100	12,100
Spokane County Air Pollution Authority	116,432	130,928	134,493	137,300	140,411
	<u>203,217</u>	<u>287,834</u>	<u>226,493</u>	<u>355,700</u>	<u>362,511</u>
<u>Capital Outlays</u>					
Computer Hardware - Capital	23,802	7,387	125,799	65,000	57,500
	<u>23,802</u>	<u>7,387</u>	<u>125,799</u>	<u>65,000</u>	<u>57,500</u>
<u>Debt Service: Principal</u>					
Interest and Other Debt Service Costs	624	600	600	600	600
<u>Interfund Payments for Service</u>					
Transfer out - #204 (City Hall bond payment)	198,734	397,350	399,350	401,250	401,450
Transfer out - #309 (park capital proj)	260,122	160,000	160,000	160,000	160,000
Transfer out - #310 (bond pmt > \$434.6 lease)	72,500	0	0	0	0
Transfer out - #310 (city hall o&m costs)	271,700	0	0	0	0
Transfer out - #311 (pvmnt preservation)	943,800	953,200	962,700	972,300	982,023
Transfer out - #501 (CenterPlace kitchen reserve)	0	36,600	36,600	36,600	36,600
Transfer out - #502 (risk management)	325,000	350,000	370,000	390,000	410,000
	<u>2,071,856</u>	<u>1,897,150</u>	<u>1,928,650</u>	<u>1,960,150</u>	<u>1,990,073</u>
<u>Miscellaneous</u>					
SCRAPS pass through	1,209	1,145	1,137	1,300	1,300
Leasehold Excise Tax Pass-Through	628	778	544	800	800
	<u>1,837</u>	<u>1,923</u>	<u>1,681</u>	<u>2,100</u>	<u>2,100</u>
Subtotal Recurring Expenditures	\$ 3,418,180	\$ 2,855,707	\$ 3,022,188	\$ 3,309,100	\$ 3,311,184
<u>Nonrecurring/Nonrecurring Capital</u>					
City Hall lease payment (2017 final year)	0	438,565	0	0	0
IT capital replacement	0	26,386	0	0	0
Computer Hardware - Capital	76,119	111,451	23,877	102,000	190,000
Computer Software - Capital	10,870	0	0	5,000	0
City Hall Generator	0	0	0	203,000	0
Transfer out - #122 (Replenish Winter Weather Resen	15,043	258,000	490,000	120,000	0
Transfer out - #309 (Park Capital)	0	0	423,206	1,681,000	1,500,000
Transfer out - #312 (capital reserve fund)	1,828,723	3,003,929	3,795,429	7,109,300	0
Transfer out - #314 (RR Grade Separation)	0	1,200,000	0	0	0
Transfer out - #501 (new code enf. vehicle)	0	0	0	0	30,000
	<u>1,930,755</u>	<u>5,038,331</u>	<u>4,732,512</u>	<u>9,220,300</u>	<u>1,720,000</u>
Total Governmental Division	\$ 5,348,935	\$ 7,894,039	\$ 7,754,700	\$ 12,529,400	\$ 5,031,184

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

Accomplishments for 2019

- Continued development of a comprehensive Pavement Preservation Program.
- Renewed contracts with private contractors for street maintenance services.
- Continued the evaluation of the traffic management system to keep in-house or integrate into SRTMC.
- Developed a preliminary maintenance program for traffic signal components to address aging infrastructure.
- Continued evaluations of traffic signal timings for improved traffic through the Argonne, Pines, and Sullivan Corridors.
- Continued on-going roadway maintenance and repairs utilizing in-house and contracted services.

Goals for 2020

- Implement new contracts with private contractors for street maintenance services.
- Continue on-going roadway and bridge maintenance and repairs.
- Finalize the 6-year Bridge Maintenance Program and begin its implementation.
- Implement identified signal timing plans for the Argonne, Pines, and Sullivan Corridors.
- Work with other departments in developing a city-wide, comprehensive Asset Management Program, which will include transportation operations facilities.
- Finalize a comprehensive Pavement Preservation Program, including funding source identification.

Budget Summary

	2016 Actual	2017 Actual	2018 Budget	2019 Budget	2020 Budget
Personnel - FTE Equivalents					
Assistant Engineer	1.0	1.0	1.0	0.25	0.0
Construction Inspector	0.0	0.0	0.0	1.50	1.50 *
Engineering Tech II	0.0	0.0	0.0	0.25	0.25 *
Maintenance/Construction Inspector	2.35	2.35	2.35	2.35	2.35 *
Planning Grants Engineer	0.375	0.375	0.375	0.375	0.375 *
Public Works Superintendent	1.0	1.0	1.0	1.0	1.0
Senior Engineer - Traffic	1.0	1.0	1.0	1.0	1.0
Traffic Engineer	0.0	0.0	0.0	1.0	1.0
Total FTEs	<u>5.725</u>	<u>5.725</u>	<u>5.725</u>	<u>7.725</u>	<u>7.475</u>

(continued to next page)

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

Fund: 101

Street Fund

Spokane Valley

2020 Budget

(continued from previous page)

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Revenues					
Utility Tax	\$ 2,069,309	\$ 1,892,906	\$ 1,758,370	\$ 1,600,000	\$ 1,521,000
Motor Vehicle Fuel Tax	2,005,870	2,032,175	2,063,390	2,030,900	2,046,700
Multimodal Transportation Revenue	95,509	98,994	133,525	132,200	131,500
Right-of-Way Maintenance Fee	56,035	136,112	94,571	70,000	70,000
Investment Interest	5,886	7,844	17,503	6,000	17,000
Miscellaneous	226	0	22,265	10,000	10,000
Insurance proceeds	59,426	85,074	11,711	0	0
Total revenues	4,292,261	4,253,105	4,101,335	3,849,100	3,796,200
Nonrecurring Revenues					
Grant Proceeds	12,066	1,340	0	0	0
Utility Tax Recovery	0	138,896	160,254	0	0
Transfers in - #122	0	0	0	120,000	0
Transfers in - #312	0	0	0	907,544	1,364,706
Total Nonrecurring Revenues	12,066	140,236	160,254	1,027,544	1,364,706
Expenditures					
Wages, Payroll Taxes & Benefits	728,627	811,264	774,688	1,057,744	1,059,613
Supplies	87,533	98,747	94,918	113,300	146,050
Services & Charges	2,122,931	2,125,091	2,014,797	2,326,974	2,426,467
Snow Operation	409,635	637,358	580,166	497,200	543,776
Intergovernmental Payments	836,101	748,291	824,175	855,000	922,000
Transfers out - #001	39,700	39,700	39,700	0	0
Transfers out - #311 (pvmnt pres)	67,342	67,342	67,342	0	0
Interfund Vehicle Lease - #501 (non-plow)	31,000	23,250	21,250	21,250	14,500
Interfund Vehicle Lease - #501 (plow replace)	40,000	77,929	77,929	77,929	48,500
Nonrecurring Expenditures					
Storage Unit at the Maintenance Facility	4,871	0	0	0	0
Construction	0	0	21,216	0	0
Traffic control improvements	59,695	0	17,252	68,000	0
Transportation Mgmt Center	1,465	0	0	0	0
Traffic Control Devices- Repair & Maint	0	0	10,478	0	0
Battery Backups for Intersections	0	15,579	0	0	0
Total Nonrecurring expenditures	4,428,900	4,644,551	4,543,911	5,017,397	5,160,906
Revenues over (under) expenditures	(124,573)	(251,210)	(282,322)	(140,753)	0
Beginning fund balance	1,443,077	1,318,504	1,067,294	784,972	644,219
Ending fund balance	\$ 1,318,504	\$ 1,067,294	\$ 784,972	\$ 644,219	\$ 644,219

The State of Washington collects a \$0.494 per gallon motor vehicle fuel tax at the pump. Of this amount, the State remits a portion of the tax back to cities on a per capita basis. For 2020 the Municipal Research and Services Center estimates the distribution back to cities will be \$21.25 per person. Based upon a City of Spokane Valley population of 96,720 (per the Washington State Office of Financial Management on April 1, 2019) we anticipate the City will collect \$2,055,300 in 2020. RCW 47.030.050 specifies that 0.42% of this tax must be expended for the construction of paths and trails and based upon the 2020 revenue estimate this computes to \$8,600. The balance or \$2,046,700 will be credited to Fund #101 for Street maintenance and operations.

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

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Revenues					
Motor Vehicle Fuel (Gas) Tax	\$ 8,460	\$ 8,571	\$ 8,703	\$ 8,800	\$ 8,600
Investment Interest	170	369	390	400	400
Total revenues	<u>8,630</u>	<u>8,940</u>	<u>9,092</u>	<u>9,200</u>	<u>9,000</u>
Expenditures					
Capital Outlay	0	0	0	0	0
Transfers out- #309	9,300	0	50,000	0	0
Total expenditures	<u>9,300</u>	<u>0</u>	<u>50,000</u>	<u>0</u>	<u>0</u>
Revenues over (under) expenditures	(670)	8,940	(40,908)	9,200	9,000
Beginning fund balance	38,054	37,384	46,325	5,417	14,617
Ending fund balance	<u>\$ 37,384</u>	<u>\$ 46,325</u>	<u>\$ 5,417</u>	<u>\$ 14,617</u>	<u>\$ 23,617</u>

Fund: 104**Hotel/Motel Tax - Tourism Facilities Fund****Spokane Valley****2020 Budget**

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

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Revenues					
Hotel/Motel Tax	\$ 387,333	\$ 400,509	\$ 415,295	\$ 390,000	\$ 420,000
Investment Interest	1,552	6,854	24,182	7,000	24,000
Transfers in - #105	0	250,000	250,000	275,000	0
Total revenues	<u>388,885</u>	<u>657,363</u>	<u>689,477</u>	<u>672,000</u>	<u>444,000</u>
Expenditures					
Capital Outlay	0	0	0	0	0
Total expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Revenues over (under) expenditures	388,885	657,363	689,477	672,000	444,000
Beginning fund balance	182,347	571,232	1,228,595	1,918,072	2,590,072
Ending fund balance	<u>\$ 571,232</u>	<u>\$ 1,228,595</u>	<u>\$ 1,918,072</u>	<u>\$ 2,590,072</u>	<u>\$ 3,034,072</u>

Fund: 105**Hotel/Motel Tax Fund****Spokane Valley****2020 Budget**

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

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Revenues					
Hotel/Motel Tax	\$ 596,373	\$ 615,980	\$ 646,975	\$ 600,000	\$ 650,000
Investment Interest	1,275	3,549	7,058	2,000	6,000
Total revenues	<u>597,648</u>	<u>619,529</u>	<u>654,033</u>	<u>602,000</u>	<u>656,000</u>
Expenditures					
Tourism Promotion	498,172	351,674	321,934	242,000	795,000
Transfers out- #001	30,000	15,778	26,037	30,000	30,000
Transfers out- #104	0	250,000	250,000	275,000	0
Transfers out- #309	58,387	0	0	0	0
Total expenditures	<u>586,559</u>	<u>617,452</u>	<u>597,971</u>	<u>547,000</u>	<u>825,000</u>
Revenues over (under) expenditures	11,089	2,077	56,062	55,000	(169,000)
Beginning fund balance	208,701	219,790	221,867	277,929	332,929
Ending fund balance	<u>\$ 219,790</u>	<u>\$ 221,867</u>	<u>\$ 277,929</u>	<u>\$ 332,929</u>	<u>\$ 163,929</u>

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

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

In June 2017, the City entered a contract with Waste Management for the collection of garbage, recyclables, and compostables for the period of April 1, 2018 through March 31, 2028 with the option of two additional two-year extensions. Terms of the contract require Waste Management to pay the City a one-time fee of \$47,500 upon contract execution to reimburse the City for the costs of procuring the contract. Waste Management is also required to pay the City an monthly administrative fee of 12.5% of gross receipts, which is estimated to be approximately \$1,500,000 in 2020.

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

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Revenues					
Administrative fees	\$ 125,000	\$ 172,550	\$ 182,900	\$ 225,000	\$ 225,000
Solid Waste Road Wear Fee	17,677	59,389	1,108,028	1,500,000	1,500,000
Investment interest	184	1,334	12,487	1,300	12,000
Total revenues	<u>142,861</u>	<u>233,273</u>	<u>1,303,415</u>	<u>1,726,300</u>	<u>1,737,000</u>
Expenditures					
Education & Contract Administration	66,188	81,288	22,313	185,878	237,000
Transfers out - #001	40,425	40,425	40,425	40,422	0
Transfers out - #311	0	0	1,000,000	1,608,028	1,500,000
Total expenditures	<u>106,613</u>	<u>121,713</u>	<u>1,062,738</u>	<u>1,834,328</u>	<u>1,737,000</u>
Revenues over (under) expenditures	36,248	111,560	240,677	(108,028)	0
Beginning fund balance	42,874	79,122	190,682	431,359	323,331
Ending fund balance	<u>\$ 79,122</u>	<u>\$ 190,682</u>	<u>\$ 431,359</u>	<u>\$ 323,331</u>	<u>\$ 323,331</u>

Fund: 107**PEG Fund****Spokane Valley****2020 Budget**

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

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Revenues					
Comcast PEG contribution	\$ 79,427	\$ 76,471	\$ 81,322	\$ 76,000	\$ 79,000
Investment interest	784	1,676	971	0	0
Total revenues	<u>80,211</u>	<u>78,147</u>	<u>82,293</u>	<u>76,000</u>	<u>79,000</u>
Expenditures					
PEG Reimbursement - CMTV	117,000	0	38,955	40,100	39,500
New City Hall Council Chambers	5,435	208,714	0	0	0
Capital Outlay	18,617	54,937	13,344	31,000	45,500
Total expenditures	<u>141,052</u>	<u>263,651</u>	<u>52,299</u>	<u>71,100</u>	<u>85,000</u>
Revenues over (under) expenditures	(60,841)	(185,504)	29,994	4,900	(6,000)
Beginning fund balance	301,182	240,341	54,837	84,831	89,731
Ending fund balance	<u>\$ 240,341</u>	<u>\$ 54,837</u>	<u>\$ 84,831</u>	<u>\$ 89,731</u>	<u>\$ 83,731</u>

Fund: 120**CenterPlace Operating Reserve Fund****Spokane Valley****2020 Budget**

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

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Revenues					
Investment Interest	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Transfers in	0	0	0	0	0
Total revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures					
Operations	0	0	0	0	0
Total expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Revenues over (under) expenditures	0	0	0	0	0
Beginning fund balance	300,000	300,000	300,000	300,000	300,000
Ending fund balance	<u>\$ 300,000</u>	<u>\$ 300,000</u>	<u>\$ 300,000</u>	<u>\$ 300,000</u>	<u>\$ 300,000</u>

Fund: 121**Service Level Stabilization Reserve Fund****Spokane Valley
2020 Budget**

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

If an event such as a downturn in the economy resulted in the General Fund reserves dropping below 50% of recurring expenditures, then the Service Level Stabilization Reserve Fund could be drawn against to maintain the fund balance minimum. In no event would the Service Level Stabilization Reserve Fund be reduced to less than 60% of the current \$5.5 million balance or \$3.3 million. During 2018, this reserve balance was capped at \$5.5 million and any additional interest earned was accumulated in the General Fund. This represents a Fiscal Policy of the City that is also stated in the City Manager's 2020 Budget Message located near the front of this budget document.

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Revenues					
Investment Interest	\$ 21,636	\$ 16,575	\$ 0	\$ 0	\$ 0
Transfers in	0	0	0	0	0
Total revenues	<u>21,636</u>	<u>16,575</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures					
Operations	0	0	0	0	0
Total expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Revenues over (under) expenditures	21,636	16,575	0	0	0
Beginning fund balance	5,461,789	5,483,425	5,500,000	5,500,000	5,500,000
Ending fund balance	<u>\$ 5,483,425</u>	<u>\$ 5,500,000</u>	<u>\$ 5,500,000</u>	<u>\$ 5,500,000</u>	<u>\$ 5,500,000</u>

Fund: 122**Winter Weather Reserve Fund****Spokane Valley
2020 Budget**

The Winter Weather Reserve Fund was established through Ordinance No. 05-018 to provide an emergency reserve for use during unusually harsh winters and storms where the Street Fund #101 budget and fund balance are inadequate to accommodate the amount of related street maintenance, including but not limited to snow plowing, sanding, and deicing, that may be necessary. In the event the City draws against this fund in any given winter, we will strive to replenish the balance back to approximately \$500,000 through subsequent years' transfers. Due to the uncertainty of when this fund might be drawn upon we actually budget the same \$500,000 in both 2019 and 2020 even though we recognize there exists only \$500,000 to address this issue if it should arise.

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Revenues					
Investment Interest	\$ 1,961	\$ 3,712	\$ 5,353	\$ 5,000	\$ 5,400
Transfers in - #001	15,043	258,000	490,000	120,000	0
FEMA Grant Proceeds	38,804	3,170	0	0	0
Total revenues	<u>55,808</u>	<u>264,882</u>	<u>495,353</u>	<u>125,000</u>	<u>5,400</u>
Expenditures					
Transfer out - #101	0	0	0	120,000	0
Street Maintenance Expenditures	257,445	500,000	0	500,000	500,000
Total expenditures	<u>257,445</u>	<u>500,000</u>	<u>0</u>	<u>620,000</u>	<u>500,000</u>
Revenues over (under) expenditures	(201,637)	(235,118)	495,353	(495,000)	(494,600)
Beginning fund balance	444,472	242,835	7,717	503,070	508,070
Ending fund balance	<u>\$ 242,835</u>	<u>\$ 7,717</u>	<u>\$ 503,070</u>	<u>\$ 8,070</u>	<u>\$ 13,470</u>

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

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

- \$5,650,000 remained on the original debt used towards the construction of CenterPlace. These bonds will be paid off in annual installments over the 20-year period ending December 1, 2033. Annual debt service payments on these bonds are provided by the Spokane Public Facilities District. At January 1, 2020, the outstanding balance on this portion of the bond issue will be \$4,390,000.
- \$1,385,000 remained on the original debt used towards the road and street improvements. These bonds will be paid off in annual installments over the 10-year period ending December 1, 2023. Annual debt service payments on these bonds are provided by equal distributions from the 1st and 2nd quarter percent real estate excise tax (Funds #301 and #302). At January 1, 2020, the outstanding balance on this portion of the bond issue will be \$590,000.

In 2016 the City issued \$7,275,000 in LTGO bonds, the proceeds of which will be used to finance the construction of a new City Hall building along with \$6.3 million of City cash that has been set aside for this purpose. These bonds will be paid off in annual installments over the 30-year period ending December 1, 2045. Annual debt service payments on these bonds are provided by transfers in from the General Fund. At January 1, 2020, the outstanding balance on the bond issue will be \$6,735,000.

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Revenues					
Spokane Public Facilities District	\$ 380,300	\$ 379,750	\$ 414,050	\$ 432,150	\$ 459,500
Transfers in - #001	198,734	397,350	399,350	401,250	401,450
Transfers in - #301	83,400	79,426	82,000	82,475	80,375
Transfers in - #302	83,400	79,425	82,000	82,475	80,375
Total revenues	<u>745,834</u>	<u>935,951</u>	<u>977,400</u>	<u>998,350</u>	<u>1,021,700</u>
Expenditures					
Debt Service Payment - CenterPlace	380,300	379,750	414,050	432,150	459,500
Debt Service Payment - Roads	166,800	162,900	164,000	164,950	160,750
Debt Service Payments - City Hall/LTGO'16	198,734	397,350	399,350	401,250	401,450
Total expenditures	<u>745,834</u>	<u>940,000</u>	<u>977,400</u>	<u>998,350</u>	<u>1,021,700</u>
Revenues over (under) expenditures	0	(4,049)	0	0	0
Beginning fund balance	4,049	4,049	0	0	0
Ending fund balance	<u>\$ 4,049</u>	<u>\$ 0</u>	<u>0</u>	<u>0</u>	<u>0</u>

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

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

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

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Revenues					
REET 1 - Taxes	\$ 1,176,911	\$ 1,503,787	\$ 1,968,317	\$ 1,400,000	\$ 1,000,000
Investment Interest	7,609	21,598	47,046	22,000	35,000
Total revenues	<u>1,184,520</u>	<u>1,525,385</u>	<u>2,015,363</u>	<u>1,422,000</u>	<u>1,035,000</u>
Expenditures					
Transfers out - #204	83,400	79,426	82,000	82,475	80,375
Transfers out - #303	579,636	294,558	901,287	475,736	1,089,148
Transfers out - #311 (<i>pavement preservation</i>)	365,286	660,479	685,329	734,300	772,639
Transfers out - #314 (<i>Barker Grade Separation</i>)	3,893	111,941	(8,147)	451,053	49,041
Total expenditures	<u>1,032,215</u>	<u>1,146,404</u>	<u>1,660,469</u>	<u>1,743,564</u>	<u>1,991,203</u>
Revenues over (under) expenditures	152,305	378,981	354,894	(321,564)	(956,203)
Beginning fund balance	<u>1,594,088</u>	<u>1,746,393</u>	<u>2,125,374</u>	<u>2,480,268</u>	<u>2,158,704</u>
Ending fund balance	<u>\$ 1,746,393</u>	<u>\$ 2,125,374</u>	<u>\$ 2,480,268</u>	<u>\$ 2,158,704</u>	<u>\$ 1,202,501</u>

Fund: 302**REET 2 Capital Projects Fund****Spokane Valley****2020 Budget**

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

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

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

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

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Revenues					
REET 2 - Taxes	\$ 1,176,911	\$ 1,503,787	\$ 1,968,317	\$ 1,400,000	\$ 1,000,000
Investment Interest	8,189	25,594	61,879	25,000	35,000
Total revenues	<u>1,185,100</u>	<u>1,529,381</u>	<u>2,030,196</u>	<u>1,425,000</u>	<u>1,035,000</u>
Expenditures					
Transfers out - #204	83,400	79,425	82,000	82,475	80,375
Transfers out - #303	164,151	81,613	1,031,071	355,587	404,318
Transfers out - #311 (<i>pavement preservation</i>)	365,286	660,479	685,329	734,300	772,638
	<u>612,837</u>	<u>821,517</u>	<u>1,798,400</u>	<u>1,172,362</u>	<u>1,257,331</u>
Revenues over (under) expenditures	572,263	707,864	231,796	252,638	(222,331)
Beginning fund balance	<u>1,728,297</u>	<u>2,300,560</u>	<u>3,008,424</u>	<u>3,240,220</u>	<u>3,492,858</u>
Ending fund balance	<u>\$ 2,300,560</u>	<u>\$ 3,008,424</u>	<u>\$ 3,240,220</u>	<u>\$ 3,492,858</u>	<u>\$ 3,270,527</u>

Fund: 303

Street Capital Projects Fund

Spokane Valley

2020 Budget

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

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Revenues					
Grant Proceeds	\$ 4,951,033	\$ 3,561,989	\$ 6,562,793	\$ 3,982,328	\$ 6,596,718
Developer Contribution	151,600	62,244	33,032	988,221	110,499
Miscellaneous	29	0	136	0	0
Transfers in - #301	579,636	294,701	901,287	475,736	1,089,148
Transfers in - #302	164,151	81,613	1,031,071	355,587	404,318
Transfers in - #312 - Euclid Ave - Flora to Barker	2,022,865	455,465	(1,251,465)	5,000	0
Transfers in - #312 - 8th & Carnahan Intersection	26,326	1,464,381	241,466	0	0
Transfers in - #312 - Barker Corridor	11,687	218,299	428,774	2,311,548	39,512
Transfers in - #312 - Garland Ave	0	0	33,938	1,015,250	75,000
Total revenues	7,907,327	6,138,693	7,981,032	9,133,670	8,315,195
Expenditures					
060 Argonne Rd Corridor Upgrade SRTC 06-31	4,355	0	0	0	0
069 Park Rd Reconstruction #2 (Repay Grant Fund)	0	0	0	0	285,164
123 Mission Ave -Flora to Barker	72,909	250,119	3,081,873	28,791	0
141 Sullivan & Euclid PCC	62,939	1,512,193	14,722	0	0
142 Broadway @ Argonne/Mullan	29,030	3,702	1,956,617	585	0
149 In-House Design - Sidewalk Infill	105	0	0	0	0
155 Sullivan Rd W Bridge Replacement	5,538,823	722,384	898	0	0
156 Mansfield Ave. Connection	738	0	0	0	0
166 Pines Rd (SR27) & Grace Ave. Intersect study	115,820	60,574	567,749	5,000	0
167 City wide safety improvements	89,158	3,055	0	0	0
201 ITS Infill Project Phase 1	47,756	7,006	411,320	5,000	0
205 Sprague/Barker Intersection Improvement	0	0	0	53,102	195,499
206 Sprague/Long Sidewalk Project	235	0	0	0	0
207 Indiana & Evergreen Transit Access Improv.	102,684	0	0	0	0
211 Sullivan Trent to Wellesley	0	(17,811)	0	0	0
221 McDonald Rd Diet (16th to Mission)	436,143	675	0	0	0
222 Citywide Reflective Signal Backplates	0	38,355	15,548	0	0
229 32nd Ave Preservation Project	434,801	0	0	0	0
233 Broadway Ave Street Pres-Sullivan to Moore	56,085	0	0	0	0
234 Seth Woodard Sidewalk Improvements	393,046	0	0	0	0
238 Mirabeau Pkwy & Pines (SR-27) Traffic Signal	410,454	(21)	0	0	0
239 Bowdish Sidewalk - 8th to 12th	63,282	389,898	0	0	0

(continued to next page)

Fund: 303

Street Capital Projects Fund

Spokane Valley

2020 Budget

(continued from previous page)

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Expenditures, continued					
247 8th & Carnahan Intersection Improvements	11,687	218,299	428,774	0	0
249 Sullivan/Wellesley Intersection	400	15,112	90,162	80,000	100,000
250 9th Ave. Sidewalk	10,523	181,053	0	0	0
251 Euclid Ave. - Flora to Barker	26,326	2,601,774	293,956	5,000	0
258 32nd Ave Sidewalk - SR27 to Evergreen	0	32,157	428,840	0	0
259 N. Sullivan Corridor ITS Projects (PE start 201	0	96,567	58,713	63,698	810,232
263 Citywide Signal Backplates	0	143	96,218	0	0
264 8th Ave Sidewalk	0	11,606	355,465	0	0
265 Wellesley Sidewalk Project	0	20,727	26,314	591,125	0
267 Mission Ave Sidewalk	0	0	34,453	406,881	19,852
273 Barker/I-90 Interchange	0	0	0	810,000	90,000
275 Barker Rd Widening - River to Euclid	0	0	29,144	270,857	3,729,143
276 Barker Rd Widening - Euclid to Garland	0	0	33,938	2,591,060	0
278 Wilbur Rd Sidewalk - Boone to Broadway	0	0	16,631	415,367	0
279 Knox Ave Sidewalk - Hutchinson to Sargent	0	0	11,687	361,619	0
281 Highland Estates Connector	0	0	27,661	46,000	0
285 Indiana Ave Pres - Evergreen to Sullivan	0	0	0	0	300,000
287 University Pres - Dishman-Mica to 16th	0	0	0	79,000	0
291 Adams Sidewalk Infill	0	0	0	62,406	444,645
293 2018 CSS Citywide Reflective Signal BP	0	0	0	23,250	99,000
294 Citywide Reflective Signal Post Panels	0	0	0	5,200	47,775
295 Garland Avenue Extension	0	0	0	1,950,000	150,000
299 Argonne Rd Concrete Pvmnt Indiana to Mont	0	0	0	48,000	32,000
300 Pines & Mission Intersection Improvement	0	0	0	72,000	516,000
301 Park & Mission Intersection Improvement	0	0	0	112,750	0
302 Ella Sidewalk - Broadway to Alki	0	0	0	30,979	371,760
303 S. Conklin Sidewalk	0	0	0	16,000	124,125
Contingency	0	0	0	1,000,000	1,000,000
Total expenditures	7,907,299	6,147,567	7,980,683	9,133,670	8,315,195
Revenues over (under) expenditures	28	(8,874)	349	0	0
Beginning fund balance	75,538	75,566	66,692	67,041	67,041
Ending fund balance	\$ 75,566	\$ 66,692	\$ 67,041	\$ 67,041	\$ 67,041

Fund: 309

Park Capital Projects Fund

Spokane Valley

2020 Budget

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

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Revenues					
Grant Proceeds	\$ 150,230	\$ 1,657,548	\$ 1,605,948	\$ 2,704,460	\$ 2,500
FEMA Grant Proceeds - Windstorm	21,875	0	0	0	0
Transfers in - #001 (<i>General Fund</i>)	260,122	160,000	583,206	1,841,000	1,660,000
Transfers in - #103 (<i>Paths & Trails</i>)	9,300	0	50,000	0	0
Transfers in - #105	58,388	0	0	0	0
Transfers in - #312 (<i>Capital Reserve</i>)	37,132	277,437	289,661	311,238	7,500
Investment Interest	722	215	183	0	0
Insurance Proceeds	7,857	0	0	0	0
Total revenues	545,626	2,095,200	2,528,998	4,856,698	1,670,000
Expenditures					
176 Appleway Trail (<i>Univ. to Pines</i>)	25,325	0	0	0	0
227 Appleway Trail (<i>Pines to Evergreen</i>)	137,063	1,816,928	14,860	0	0
237 Appleway Trail (<i>Sullivan to Corbin</i>)	41,123	129,986	2,127,384	16,791	0
241 Pocket dog park - phase 2	81,064	0	0	0	0
242 Browns Park Splashpad	121,959	11,222	0	0	0
243 Browns Park championship volleyball	58,388	0	0	0	0
244 Park signs (3)	7,898	0	0	0	0
245 Terrace View playground equip (<i>Windstorm</i>)	59,553	0	0	0	0
261 Edgecliff Park Splashpad	0	122,577	0	0	0
268 Appleway Trail (<i>Evergreen to Sullivan</i>)	0	0	29,479	2,365,521	5,000
270 CenterPlace outdoor venue - Phase 1	0	0	204,302	0	0
271 Browns Park lighting and pathway	0	0	22,602	0	0
274 Park signs (<i>Sullivan, Park Rd, Balfour</i>)	0	0	13,837	0	0
280 Appleway Trail Amenities (<i>Univ - Pines</i>)	0	0	19,894	687,515	0
282 Browns Park volleyball courts	0	0	170,879	1,249	0
283 Electrical Upgrade Mirabeau Point Park	0	0	7,693	0	0
288 Heart of the Valley Sculpture Placement	0	0	4,975	0	0
296 Browns Park improvements	0	0	0	1,160,000	5,000
Swing sets	0	0	0	37,000	0
Resurface Discovery Park	0	0	0	40,000	0
CenterPlace west lawn improvements - Ph. 2	0	0	0	500,000	1,500,000
CenterPlace roof	0	0	0	21,000	0
Total expenditures	532,373	2,080,713	2,615,905	4,829,076	1,510,000
Revenues over (under) expenditures	13,253	14,487	(86,907)	27,622	160,000
Beginning fund balance	98,461	111,714	126,201	39,294	66,916
Ending fund balance	\$ 111,714	\$ 126,201	\$ 39,294	\$ 66,916	\$ 226,916

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

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

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

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

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

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

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Revenues					
Investment Interest	\$ 5,144	\$ 9,029	\$ 14,049	\$ 9,000	\$ 17,000
Transfers in - #001:					
-Future C.H. bond pmt > \$434.6k lease pmt	72,500	0	0	0	0
-Future C.H. o&m costs	271,700	0	0	0	0
Total revenues	<u>349,344</u>	<u>9,029</u>	<u>14,049</u>	<u>9,000</u>	<u>17,000</u>
Expenditures					
Transfers out - #001	198,734	498,500	0	0	0
Transfers out - #312	0	0	0	18,452	0
Total expenditures	<u>198,734</u>	<u>498,500</u>	<u>0</u>	<u>18,452</u>	<u>0</u>
Revenues over (under) expenditures	150,610	(489,471)	14,049	(9,452)	17,000
Beginning fund balance	1,182,549	1,333,159	843,688	857,737	848,285
Ending fund balance	<u>\$ 1,333,159</u>	<u>\$ 843,688</u>	<u>\$ 857,737</u>	<u>\$ 848,285</u>	<u>\$ 865,285</u>

Fund: 311**Pavement Preservation Fund****Spokane Valley****2020 Budget**

This fund was created during the 2011 Budget development process for the purpose of setting money aside for yet to be determined street capital improvement projects. Since inception, the pavement preservation program has been funded through a series of transfers from other City funds as well as grant proceeds. Below is a table summarizing the funding sources for Fund #311, including actuals for 2011 through 2018 and budgeted amounts for 2019 and 2020:

	Fund							
	001	101	106	123	301/302	310		
	General	Street O&M	Street Wear Fee	Civic Fac. Replace.	REET 1&2	Civic Fac. Capital	Grants	Total
Actual								
2011	584,681	0	0	0	0	500,000	0	1,084,681
2012	2,045,203	0	0	0	0	0	0	2,045,203
2013	855,857	282,000	0	616,284	300,000	0	35,945	2,090,086
2014	888,823	282,000	0	616,284	368,944	0	2,042,665	4,198,716
2015	920,000	206,618	0	616,284	502,098	0	835,224	3,080,224
2016	943,800	67,342	0	559,808	730,572	0	1,654,698	3,956,220
2017	953,200	67,342	0	0	1,320,958	0	89,208	2,430,708
2018	962,700	67,342	1,000,000	0	1,370,658	0	1,422,404	4,823,104
Budget								
2019	972,300	0	1,608,028	0	1,468,600	0	2,869,227	6,918,155
2020	982,023	0	1,500,000	0	1,545,277	0	10,588	4,037,888
	10,108,587	972,644	4,108,028	2,408,660	7,607,107	500,000	8,959,959	34,664,985

NOTE: Not included in this chart for 2019 is a budgeted amount of \$1,140,000 that is being charged to fund 311. This amount is for waterline work being done for Model Irrigation District No. 18, under an MOU dated 4/10/19.

Beginning in 2013, the City committed to finance pavement preservation at a level equivalent to 6% of General Fund recurring expenditures, which has continued from that year through the 2020 budget development. Because this is a Capital Project Fund whose sole purpose is to provide for Pavement Preservation projects, any money not expended in a given year will remain in the fund and will be available for re-appropriation in subsequent years.

The fund balance of Fund #123 was exhausted with the 2016 transfer of \$559,808 as a consequence of following this funding strategy. In order to maintain the City's practice of setting aside funds for pavement preservation in an amount equivalent to 6% of General Fund recurring expenditures, the City began to rely more heavily on REET funds. We have determined that the 2020 funding level representing approximately 6% of General Fund recurring expenditures is \$2,527,300 and that this level of funding is sustainable through 2023 assuming a General Fund contribution of \$982,023 and a collective contribution of \$1,545,277 from the REET 1 Capital Projects Fund #301 and the REET 2 Capital Projects Fund #302. The City will take advantage of grant programs directed at pavement preservation as they become available.

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Revenues					
Transfers in - #001	\$ 943,800	\$ 953,200	\$ 962,700	\$ 972,300	\$ 982,023
Transfers in - #101	67,342	67,342	67,342	0	0
Transfers in - #106	0	0	1,000,000	1,608,028	1,500,000
Transfers in - #123	559,804	0	0	0	0
Transfers in - #301	365,286	660,479	685,329	734,300	772,639
Transfers in - #302	365,286	660,479	685,329	734,300	772,638
Investment Interest	7,519	20,535	54,724	0	0
Grant Proceeds	1,654,698	89,209	1,422,404	2,869,227	10,588
Developer Contributions	0	0	0	1,140,000	0
Total revenues	3,963,735	2,451,244	4,877,828	8,058,155	4,037,888
Expenditures					
Pavement preservation	3,615,389	2,042,305	3,559,755	9,259,821	4,217,523
Pre-project GeoTech	0	0	43,261	50,000	50,000
Total expenditures	3,615,389	2,042,305	3,603,016	9,309,821	4,267,523
Revenues over (under) expenditures	348,346	408,939	1,274,812	(1,251,666)	(229,635)
Beginning fund balance	2,605,218	2,953,564	3,362,503	4,637,315	3,385,649
Ending fund balance	\$ 2,953,564	\$ 3,362,503	\$ 4,637,315	\$ 3,385,649	\$ 3,156,014

This fund was created in 2013 to be used to account for the accumulation of resources for yet to be determined capital projects. The initial source of funds was a 2013 General Fund transfer of \$7,826,207 which was followed by additional transfers from the General Fund from 2014 through 2018 in the amount of \$10,059,671.

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

- \$1,713,284 for the City's share of the \$15.5 million Sullivan Road West Bridge Replacement
- \$2,396,813 for construction of various sections of the Appleway Trail.
- \$5,143,844 for construction of a new City Hall building.
- \$1,800,000 to remove and reconstruct Euclid Ave. from Flora to Barker after County installation of sewer.
- \$500,000 towards a Pines Road / BNSF Grade Separation project right-of-way acquisition.

Commitments to future projects include:

- \$1,421,321 towards a Barker Road / BNSF Grade Separation project.
- \$2,985,417 towards a Pines Road / BNSF Grade Separation project.
- \$3,033,983 towards Barker Road corridor improvements.
- \$1,985,417 towards Balfour Park development.
- \$460,715 towards improvements at the Spokane County Library's proposed Balfour site.

Future projects are yet to be determined.

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Revenues					
Transfers in - #001	\$ 1,828,723	\$ 3,003,929	\$ 3,795,429	\$ 7,109,300	\$ 0
Transfers in - #310	0	0	0	18,452	0
Transfers in - #313	0	0	405,056	88,590	0
Investment Interest	16,027	52,170	126,565	50,000	100,000
Total revenues	<u>1,844,750</u>	<u>3,056,099</u>	<u>4,327,050</u>	<u>7,266,342</u>	<u>100,000</u>
Expenditures					
City Hall Sculpture Siting	0	41,376	5,383	0	0
Professional Services	0	0	31,659	0	0
Transfers out - #101	0	0	0	907,544	1,364,706
Transfers out - #303 - Sullivan Rd W Bridge	2,060,878	455,465	0	0	0
Transfers out - #303 - Euclid Ave - Flora to Barker	0	1,464,381	(547,287)	5,000	0
Transfers out - #303 - 8th & Carnahan Intersection	0	218,300	0	0	0
Transfers out - #303 - Barker Road Corridor	0	0	0	2,311,548	39,512
Transfers out - #303 - Garland Ave	0	0	0	1,015,250	75,000
Transfers out - #309 - Appleway Trail - Pines-Eve	37,132	277,437	0	0	0
Transfers out - #309 - Appleway Trail - Corbin	0	0	289,661	0	0
Transfers out - #309 - Appleway Trail - Evergreen-	0	0	0	311,238	7,500
Transfers out - #314 - Pines Grade Separation	12,975	482,216	0	0	64,192
Precinct property acquisition	0	0	0	226,700	0
Park property acquisition	0	0	0	844,000	0
Total expenditures	<u>2,110,985</u>	<u>2,939,175</u>	<u>(220,584)</u>	<u>5,621,280</u>	<u>1,550,910</u>
Revenues over (under) expenditures	(266,235)	116,924	4,547,634	1,645,062	(1,450,910)
Beginning fund balance	<u>4,576,597</u>	<u>4,310,362</u>	<u>4,427,286</u>	<u>8,974,920</u>	<u>10,619,982</u>
Ending fund balance	<u>\$ 4,310,362</u>	<u>\$ 4,427,286</u>	<u>\$ 8,974,920</u>	<u>\$10,619,982</u>	<u>\$ 9,169,072</u>

Fund: 313**City Hall Construction Fund****Spokane Valley****2020 Budget**

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

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Revenues					
2016 LTGO Bond Proceeds	\$ 7,946,088	\$ 0	\$ 0	\$ 0	\$ 0
Investment Interest	26,536	18,894	1,416	954	0
Total revenues	<u>7,972,624</u>	<u>18,894</u>	<u>1,416</u>	<u>954</u>	<u>0</u>
Expenditures					
Capital Outlay - City Hall	6,517,094	6,065,879	9,573	0	0
Services & Charges	0	0	5,283	0	0
Transfers out - #312	0	0	0	88,590	0
2016 LTGO Bond Issue Costs	96,515	0	0	0	0
Total expenditures	<u>6,613,609</u>	<u>6,065,879</u>	<u>14,856</u>	<u>88,590</u>	<u>0</u>
Revenues over (under) expenditures	1,359,015	(6,046,985)	(13,440)	(87,636)	0
Beginning fund balance	4,789,046	6,148,061	101,076	87,636	0
Ending fund balance	<u>\$ 6,148,061</u>	<u>\$ 101,076</u>	<u>\$ 87,636</u>	<u>\$ 0</u>	<u>\$ 0</u>

This fund was created to account for the design and construction costs of various railroad grade separation projects that are included in the Bridging the Valley concept. Due to the anticipated size, scope, and duration of these projects, managing them in a separate fund allows for the necessary monitoring without being obscured by the variety and quantity of the other projects in the Street Capital Projects Fund #303 as well as keeping these projects from skewing the average volume of activity in Fund #303. Revenues for this fund consist of grant proceeds and transfers in from other City funds, such as the General Fund #001, the REET 1 Capital Project Fund #301 and the Capital Reserve Fund #312. Expenditures in the years of 2018 and 2019 are related to design costs for the Pines Road Underpass project and the Barker Road Overpass project.

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Revenues					
Grant Proceeds	\$ 0	\$ 87,611	\$ 571,136	\$ 2,954,923	\$ 12,808,751
Investment Interest	0	4,072	16,591	0	0
Transfers in - #001	0	1,200,000	0	0	0
Transfers in - #301	3,893	111,941	(8,147)	451,053	49,041
Transfers in - #312	12,975	482,216	0	0	64,192
Total revenues	<u>16,868</u>	<u>1,885,840</u>	<u>579,580</u>	<u>3,405,976</u>	<u>12,921,984</u>
Expenditures					
Barker BNSF Grade Separation	3,893	199,552	562,988	3,405,976	11,475,292
Pines Rd Underpass	12,975	617,484	48,923	900,000	1,562,500
Total expenditures	<u>16,868</u>	<u>817,036</u>	<u>611,911</u>	<u>4,305,976</u>	<u>13,037,792</u>
Revenues over (under) expenditures	0	1,068,804	(32,331)	(900,000)	(115,808)
Beginning fund balance	0	0	1,068,803	1,036,472	136,472
Ending fund balance	<u>\$ 0</u>	<u>\$ 1,068,804</u>	<u>\$ 1,036,472</u>	<u>\$ 136,472</u>	<u>\$ 20,664</u>

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

Accomplishments for 2019

- Continued the work on the Glenrose and Central Basins Floodplain Delineation Project (FEMA Mapping).
- Executed stormwater capital improvement grants with outside funding agencies.
- Evaluated street sweeping program, with recommended improvements.
- Coordinated and financed stormwater system improvements with capital projects developed by the City.
- Continued coordination efforts with other Eastern Washington agencies.
- Continued collaborations with local jurisdictions to meet State and Federal stormwater regulations.
- Provided a map of all drainage sheds within the City.
- Continued inventorying percolation areas utilized by City streets for treatment and local flood mitigation.
- Developed Standard Operating Procedures for addressing routine inquiries and processes.
- Completed comprehensive review of new National Pollution Discharge Elimination System (NPDES) Permit.

Goals for 2020

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

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Personnel - FTE Equivalents					
Engineer	1.0	1.0	1.0	1.0	1.0
Engineering Technician II	1.0	1.0	1.0	1.0	1.0
Assistant Engineer	1.0	1.0	1.0	0.5	0.5
Maintenance/Construction Inspector	1.15	1.15	1.15	1.15	1.15
Planning Grants Engineer	0.25	0.25	0.25	0.25	0.25
	<u>4.40</u>	<u>4.40</u>	<u>4.40</u>	<u>3.90</u>	<u>3.90</u>
Interns	<u>2.0</u>	<u>3.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>

(continued to next page)

Fund: 402	Stormwater Management Fund	Spokane Valley
		2020 Budget

(continued from previous page)

Budget Summary					
Recurring Activity	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Revenues					
Stormwater Management fees	\$ 1,898,210	\$ 1,895,033	\$ 1,920,509	\$ 1,890,000	\$ 1,900,000
Investment Interest	7,690	20,564	40,465	20,000	40,000
Miscellaneous & Grants Proceeds	61,403	25,000	0	0	0
	<u>1,967,303</u>	<u>1,940,597</u>	<u>1,960,974</u>	<u>1,910,000</u>	<u>1,940,000</u>
Expenditures					
Wages, Payroll Taxes & Benefits	465,790	465,102	403,470	502,325	519,582
Supplies	12,286	11,064	12,418	10,700	14,750
Services & Charges	1,095,429	997,893	1,136,421	1,236,575	1,298,153
Intergovernmental Services	31,765	32,661	35,430	37,500	37,500
Transfers out - #001	13,400	13,400	13,400	0	0
Interfund vehicle lease - #501	11,000	12,750	12,750	12,750	14,000
	<u>1,629,670</u>	<u>1,532,870</u>	<u>1,613,889</u>	<u>1,799,850</u>	<u>1,883,985</u>
Recurring revenues over (under)					
Recurring Expenditures	<u>337,633</u>	<u>407,727</u>	<u>347,085</u>	<u>110,150</u>	<u>56,015</u>
Nonrecurring Activity					
Revenues					
Grant Proceeds	0	338,384	128,695	106,000	59,828
FEMA Grant Proceeds - Windstorm	0	6,823	0	0	0
	<u>0</u>	<u>345,207</u>	<u>128,695</u>	<u>106,000</u>	<u>59,828</u>
Expenditures					
Capital - Various Projects	94,451	331,953	354,084	450,000	500,000
Stormwater Comprehensive Plan	0	0	0	0	100,000
Effectiveness study	110,055	196,480	0	10,000	0
Watershed studies	0	0	64,541	100,000	80,000
	<u>204,506</u>	<u>528,433</u>	<u>418,625</u>	<u>560,000</u>	<u>680,000</u>
Nonrecurring revenues over (under)					
Nonrecurring Expenditures	<u>(204,506)</u>	<u>(183,226)</u>	<u>(289,930)</u>	<u>(454,000)</u>	<u>(620,172)</u>
Excess (Deficit) of Total Revenues					
Over (Under) Total Expenditures	133,127	224,501	57,155	(343,850)	(564,157)
Beginning working capital	<u>1,639,975</u>	<u>1,761,416</u>	<u>1,973,424</u>	<u>2,216,210</u>	<u>1,872,360</u>
Ending working capital	<u>\$ 1,773,102</u>	<u>\$ 1,985,917</u>	<u>\$ 2,030,579</u>	<u>\$ 1,872,360</u>	<u>\$ 1,308,203</u>

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

All fees are collected by Spokane County and include:

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

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

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

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

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

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Revenues					
Spokane County	\$ 391,180	\$ 521,070	\$ 462,981	\$ 460,000	\$ 460,000
Grant Proceeds	0	0	597,733	317,200	349,000
Investment Interest	0	0	28,620	10,000	20,000
Total Revenues	391,180	521,070	1,089,334	787,200	829,000
Expenditures					
Capital - Various projects	362,115	58,722	662,402	832,600	500,000
Total Expenditures	362,115	58,722	662,402	832,600	500,000
Revenues over (under) expenditures	29,065	462,348	426,932	(45,400)	329,000
Beginning working capital	921,660	950,725	1,413,073	1,840,005	1,794,605
Ending working capital	\$ 950,725	\$ 1,413,073	\$ 1,840,005	\$ 1,794,605	\$ 2,123,605

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

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

Snow Plow Replacement Program

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

The 2020 Budget includes the purchase of a single axle plow truck for approximately \$235,000. Future replacements are estimated at that cost according to the below replacement schedule.

Snow Plow Fleet

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

(continued to next page)

Fund: 501**Equipment Rental & Replacement Fund****Spokane Valley****2020 Budget***(continued from previous page)***Budget Summary**

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Revenues					
Vehicle rentals - #001	\$ 24,000	\$ 32,500	\$ 30,000	\$ 30,000	\$ 28,000
Vehicle rentals - #101	31,000	23,250	21,250	21,250	14,500
Vehicle rentals - #101 (plow replace.)	40,000	77,929	77,929	77,929	48,500
Vehicle rentals - #402	11,000	12,750	12,750	12,750	14,000
Transfers in - #001 (CenterPlace kitchen reserve)	0	36,600	36,600	36,600	36,600
Transfers in - #001 (Ccode Enforcement Vehicle)	0	0	0	0	30,000
Investment Interest	4,394	9,651	19,873	9,500	19,000
Total Revenues	<u>110,394</u>	<u>192,680</u>	<u>198,402</u>	<u>188,029</u>	<u>190,600</u>
Expenditures					
Wages, Payroll Taxes & Benefits	0	0	3,714	0	0
Vehicle maintenance equipment	0	46,039	0	20,000	20,000
Snow plow purchase	134,761	110,309	0	0	235,000
Vehicle Purchase	87,679	0	0	0	30,000
Transfer out - #001 (networking equipment)	0	77,000	0	0	0
Total Expenditures	<u>222,440</u>	<u>233,348</u>	<u>3,714</u>	<u>20,000</u>	<u>285,000</u>
Revenues over (under) expenditures	(112,046)	(40,668)	194,688	168,029	(94,400)
Beginning working capital	1,248,997	1,136,951	1,096,283	1,290,971	1,459,000
Ending working capital	<u>\$ 1,136,951</u>	<u>\$ 1,096,283</u>	<u>\$ 1,290,971</u>	<u>\$ 1,459,000</u>	<u>\$ 1,364,600</u>

Fund: 502**Risk Management Fund****Spokane Valley****2020 Budget**

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

Budget Summary

	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2020 Budget
Revenues					
Transfers in - #001	\$ 325,000	\$ 350,000	\$ 370,000	\$ 390,000	\$ 410,000
Investment Interest	422	1,107	2,135	0	0
Total Revenues	<u>325,422</u>	<u>351,107</u>	<u>372,135</u>	<u>390,000</u>	<u>410,000</u>
Expenditures					
Auto & Property insurance	277,298	311,467	345,769	390,000	410,000
Unemployment Claims	8,820	29,066	6,849	0	0
Total Expenditures	<u>286,118</u>	<u>340,533</u>	<u>352,618</u>	<u>390,000</u>	<u>410,000</u>
Revenues over (under) expenditures	39,304	10,574	19,517	0	0
Beginning working capital	194,383	233,687	244,261	263,778	263,778
Ending working capital	<u>\$ 233,687</u>	<u>\$ 244,261</u>	<u>\$ 263,778</u>	<u>\$ 263,778</u>	<u>\$ 263,778</u>

CITY OF SPOKANE VALLEY, WA
Capital Expenditures for 2020

Capital Outlay Description	2020 Expenditure Budget	SOURCE OF FUNDS														
		#001 General	#101 Street	#106 Solid Waste	#107 PEG	#301 REET 1 Capital Projects	#302 REET 2 Capital Projects	#309 Park Capital Projects	#311 Pavement Preservation	#312 Capital Reserve	#314 Grade Separation	#402 Stormwater Management	#403 Aquifer Protection Area	#501 Equipment Rental & Replacement	Grants	Developer Contributions
General Fund																
- IT capital replacements	190,000	190,000														
- Code Enforcement Officer Equipment	13,700	13,700														
Subtotal	203,700	203,700	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PEG Fund																
- PEG Capital outlay	45,500				45,500											
Subtotal	45,500	0	0	0	45,500	0	0	0	0	0	0	0	0	0	0	0
Street Capital Projects Fund																
069 Park Rd Reconstruction (Repay Grant Funds)	285,164					163,478	121,686									
205 Sprague/Barker Intersection Improvements	195,499						21,600								138,400	35,499
249 Sullivan/Wellesley Intersection	100,000					13,500									86,500	
259 N. Sullivan Corridor ITS Project (PE start 2017)	810,232					181,987									628,245	
267 Mission Ave Sidewalk	19,852					5,578									14,274	
273 Barker/I-90 Interchange	90,000														90,000	
275 Barker Rd Widening - River to Euclid	3,729,143					193,631				39,512					3,496,000	
285 Indiana Ave Pres - Evergreen to Sullivan	300,000					300,000										
291 Adams Sidewalk Infill	444,645						88,930								355,715	
293 2018 CSS Citywide Reflective Signal BP	99,000														99,000	
294 Citywide Reflective Signal Post Panels	47,775						140								47,635	
295 Garland Avenue Extension	150,000									75,000						75,000
299 Argonne Rd Concrete Pmnt Indiana to Mont	32,000						32,000									
300 Pines & Mission Intersection Improvement	516,000					69,660									446,340	
302 Ella Sidewalk - Broadway to Alki	371,760						39,962								331,798	
303 S. Conklin Sidewalk	124,125					61,314									62,811	
Contingency ¹	1,000,000					100,000	100,000								800,000	
Subtotal	8,315,195	0	0	0	0	1,089,148	404,318	0	0	114,512	0	0	0	0	6,596,718	110,499
Parks Capital Projects Fund																
268 Appleway Trail - Evergreen to Sullivan	5,000									2,500					2,500	
296 Browns Park Improvements	5,000	5,000														
304 CenterPlace West Lawn Phase 2	1,500,000	1,500,000														
Subtotal	1,510,000	1,505,000	0	0	0	0	0	0	0	2,500	0	0	0	0	2,500	0
Pavement Preservation Fund																
- Pavement preservation	4,217,523	982,023		1,500,000		772,639	772,638		179,635						10,588	
Subtotal	4,217,523	982,023	0	1,500,000	0	772,639	772,638	0	179,635	0	0	0	0	0	10,588	0
Grade Separation Fund																
143 Barker BNSF Grade Separation	11,475,292					49,041									11,426,251	
223 Pines Rd Underpass @ BNSF & Trent	1,562,500									64,192	115,808				1,382,500	
	13,037,792	0	0	0	0	49,041	0	0	0	64,192	115,808	0	0	0	12,808,751	0
Stormwater Management Fund																
- Capital - various projects	500,000											440,172			59,828	
Subtotal	500,000	0	0	0	0	0	0	0	0	0	0	440,172	0	0	59,828	0
Aquifer Protection Area Fund																
- Capital - various projects	500,000												151,000		349,000	
Subtotal	500,000	0	0	0	0	0	0	0	0	0	0	0	151,000	0	349,000	0
Equipment Rental and Replacement Fund																
- Snow Plow Purchase	235,000													235,000		
- Vehicle Purchase	30,000													30,000		
Subtotal	265,000	0	0	0	0	0	0	0	0	0	0	0	0	265,000	0	0
Total Capital Expenditures and Related Financing	28,594,710	2,690,723	0	1,500,000	45,500	1,910,828	1,176,956	0	179,635	181,204	115,808	440,172	151,000	265,000	19,827,385	110,499

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

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

**CITY OF SPOKANE VALLEY, WA
Full Time Equivalent Employees**

	Adopted										Proposed 2020	Difference from 2018 to 2019 + (-)
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019		
#001 - General Fund								(1)	(2)			
City Manager / City Clerk	5	5	5	5	5	5	5	5	7	6.5	6.5	0.000
City Attorney	3	3	3	3	3	3	3	3	3.5	3.5	4	0.500 (5)
Public Safety	0	0	0	0	0	0	0	0	0	0.12	0.12	0.000
Deputy City Manager	8	7	7	6	6	6	6	6	3	1	1	0.000
Finance	12	11	11	10.75	11.75	11.75	11.75	11.75	11.75	11.75	11.75	0.000
Human Resources	2	2	2	2	2	2	2	2	2	2	2	0.000
Public Works	7.5	7.5	7.5	7	7.375	7.375	7.375	6.375	0	0	0	0.000
City Hall Operations & Maintenance	0	0	0	0	0	0	0	1	1	0.88	0.88	0.000
CPW - Engineering	0	0	0	0	0	0	0	0	12.5	13.275	13.525	0.250 (3)
CPW - Economic Development	0	0	0	0	0	0	0	0	6.375	6	6	0.000
CPW - Building and Planning	0	0	0	0	0	0	0	0	18	20	21	1.000 (5)
CED - Administration	3	3	3	2	2	2	2	1	0	0	0	0.000
CED - Economic Development	0	0	0	0	0	2.5	2.65	4	0	0	0	0.000
CED - Development Services	0	0	0	0	0	11	11	10	0	0	0	0.000
CED - Engineering	8	6	6	8	7	0	0	0	0	0	0	0.000
CED - Planning	9	8.5	8.5	8	8	0	0	0	0	0	0	0.000
CED - Building	14.75	12.75	12.75	11.5	12.5	14	14	15	0	0	0	0.000
Parks & Rec - Admin	2	2	2	2	2	2	2	2	2	2	2	0.000
Parks & Rec - Recreation	1	1	1	1	1	1	1	1	1	1	1.6	0.600 (4)
Parks & Rec - Senior Center	1	1	1	1	1	1	1	1	1	1	0.4	(0.600) (4)
Parks & Rec - CenterPlace	7	5	5	5	5	5	5	5	5	5	5	0.000
Total General Fund	83.25	74.75	74.75	72.25	73.625	73.625	73.775	74.125	74.125	74.025	75.775	1.750
#101 - Street Fund	5	5	4.5	5	5.375	5.725	5.725	5.725	5.725	7.725	7.475	(0.250) (3)
#303 - Street Capital Project Fund	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	5	8.1	8.1	0.000
#402 - Stormwater Fund	4	4	4.5	4.5	4.75	4.4	4.4	4.4	4.4	3.9	3.9	0.000
Total FTEs	95.75	87.25	87.25	85.25	87.25	87.25	87.4	87.75	89.25	93.75	95.25	1.500

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

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

(3) Allocation of one position changed by 0.25 FTE between the Engineering Division of the General Fund #001 and the Street Fund #101 to reflect actual work performed.

(4) Vacant Senior Center Specialist position was converted to a Recreation Specialist and allocated 60% to Recreation and 40% to the Senior Center.

(5) Added an additional Code Enforcement Officer, which necessitated increasing the part time Attorney to full time for a total addition of 1.5 FTEs.

2019 Work Force Comparison

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

City	Population	Full-time	Part-time
Auburn	80,615	445	1
Bellingham	88,500	885	16
Bothell	45,260	336	12
Bremerton	41,500	345	19
Burien	51,850	75	6
Des Moines	31,140	147	3
Edmonds	41,820	228	7
Federal Way	97,440	324	7
Issaquah	37,110	250	10
Kennewick	81,850	397	7
Kirkland	87,240	627	12
Lacey	50,170	267	3
Lake Stevens	32,570	86	4
Lakewood	59,350	205	4
Longview	37,710	303	7
Lynnwood	38,260	290	6
Marysville	67,040	275	5
Mount Vernon*	35,180	210	50
Olympia	52,490	600	25
Pasco	73,590	370	0
Pullman	33,730	215	31
Puyallup	41,100	281	8
Redmond	64,050	623	10
Richland*	55,320	475	23
Sammamish**	63,470	106	7
Shoreline	55,730	172	14
Spokane Valley	95,810	90	2
University Place	32,820	44	9
Walla Walla	34,000	276	14
Wenatchee	34,530	172	4
Yakima	94,190	684	27

Source: AWC's 2019 Salary and Benefits Survey, participants data for cities and towns

* 2019 data not reported. Numbers from 2018

** Neither 2019 nor 2018 data reported. Numbers from 2017.

Appendix A
EMPLOYEE POSITION CLASSIFICATION
MONTHLY SALARY SCHEDULE
Effective January 1, 2020

Position Title	Grade	2020 Range
City Manager		Unclassified
Deputy City Manager	22	10,063.44 - 15,966.22
City Attorney	21	9,066.16 - 14,369.72
Finance Director	21	9,066.16 - 14,369.72
Parks and Recreation Director	20	8,159.44 - 12,933.70
City Engineer	19	7,343.36 - 11,640.45
Deputy City Attorney	19	7,343.36 - 11,640.45
Human Resources Manager	19	7,343.36 - 11,640.45
Planning Manager	18	6,609.87 - 10,475.89
Building Official	18	6,609.87 - 10,475.89
Engineering Manager	18	6,609.87 - 10,475.89
Economic Development Manager	18	6,609.87 - 10,475.89
Senior Engineer	17	5,948.55 - 9,427.91
Accounting Manager	17	5,948.55 - 9,427.91
Assistant Building Official	17	5,948.55 - 9,427.91
Public Works Superintendent	17	5,948.55 - 9,427.91
Senior Administrative Analyst	17	5,948.55 - 9,427.91
IT Manager	17	5,948.55 - 9,427.91
Attorney	16	5,353.16 - 8,484.58
City Clerk	16	5,353.16 - 8,484.58
Engineer	16	5,353.16 - 8,484.58
Senior Planner	16	5,353.16 - 8,484.58
Development Services Coordinator	16	5,353.16 - 8,484.58
GIS/Database Administrator	16	5,353.16 - 8,484.58
Accountant/Budget Analyst	16	5,353.16 - 8,484.58
Associate Planner	15	4,818.50 - 7,636.64
Assistant Engineer	15	4,818.50 - 7,636.64
IT Specialist	15	4,818.50 - 7,636.64
Engineering Technician II	15	4,818.50 - 7,636.64
Economic Development Project Specialist	15	4,818.50 - 7,636.64
Senior Plans Examiner	15	4,818.50 - 7,636.64
Public Information Officer	15	4,818.50 - 7,636.64
Administrative Analyst	15	4,818.50 - 7,636.64
Human Resource Analyst	14	4,336.92 - 6,873.51
CenterPlace Coordinator	14	4,336.92 - 6,873.51
Planner	14	4,336.92 - 6,873.51
Building Inspector II	14	4,336.92 - 6,873.51
Plans Examiner	14	4,336.92 - 6,873.51
Engineering Technician I	14	4,336.92 - 6,873.51
Senior Permit Specialist	14	4,336.92 - 6,873.51
Code Enforcement Officer	14	4,336.92 - 6,873.51
Maintenance/Construction Inspector	13-14	3,902.91 - 6,873.51
Recreation Coordinator	13	3,902.91 - 6,185.92
Deputy City Clerk	13	3,902.91 - 6,185.92
Customer Relations/Facilities Coordinator	13	3,902.91 - 6,185.92
Building Inspector I	13	3,902.91 - 6,185.92
Executive Assistant	13	3,902.91 - 6,185.92
Planning Technician	13	3,902.91 - 6,185.92
Human Resources Technician	13	3,902.91 - 6,185.92
Senior Center Specialist	12	3,513.90 - 5,567.19
Permit Facilitator	12	3,513.90 - 5,567.19
Help Desk Technician	12	3,513.90 - 5,567.19
Accounting Technician	12	3,513.90 - 5,567.19
Administrative Assistant	12	3,513.90 - 5,567.19
Recreation Specialist	12	3,513.90 - 5,567.19
Maintenance Worker	11-12	3,161.54 - 5,567.19
Permit Specialist	11	3,161.54 - 5,010.71
Office Assistant II	10-11	2,845.20 - 5,010.71
Custodian	10	2,845.20 - 4,508.59
Office Assistant I	9-10	2,561.00 - 4,508.59

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

CITY OF SPOKANE VALLEY, WA

Glossary of Budget Terms

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Revenue – Sources of income financing the operations of government.

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

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

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

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

**CITY OF SPOKANE VALLEY
SPOKANE COUNTY, WASHINGTON
ORDINANCE NO. 19-017**

AN ORDINANCE OF THE CITY OF SPOKANE VALLEY, SPOKANE COUNTY, WASHINGTON, ADOPTING A BUDGET FOR THE PERIOD JANUARY 1, 2020 THROUGH DECEMBER 31, 2020; APPROPRIATING FUNDS; ESTABLISHING SALARY SCHEDULES FOR ESTABLISHED POSITIONS; AND OTHER MATTERS RELATING THERETO.

WHEREAS, State law requires the City Manager to prepare a preliminary budget for the City of Spokane Valley at least 60 days before the beginning of the City fiscal year beginning January 1, 2020 and ending December 31, 2020; and

WHEREAS, the City Manager, in consultation with the Finance Director and department heads, has prepared and placed on file with the City Clerk a preliminary budget, together with an estimate of the amount of money necessary to meet the expenses of the City including payment of outstanding obligations; and

WHEREAS, notice was posted and published for public hearings held on September 10, October 8, and November 12, 2019. The City Council met and invited public comment in the City Council Chambers during each public hearing; and

WHEREAS, proper notice was given and the preliminary budget was filed with the City Clerk September 24, 2019; and

WHEREAS, the City Council desires to adopt the 2020 budget, including all allowances, and an appropriation for each fund; and

WHEREAS, the City of Spokane Valley property tax levy in 2019 for collection in 2020, will be \$12,182,436, which represents a 0% increase in the 2020 levy. This levy is exclusive of additional revenue resulting from new construction, improvements to property, any increase in the value of State assessed property, any annexations that have occurred, and refunds made.

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

Section 1. Adoption of 2020 Budget. The budget for the City of Spokane Valley for the year 2020 is adopted at the fund level. The final budget for 2020 is attached hereto, and by this reference is incorporated herein pursuant to RCW 35A.33.075. For summary purposes, the total estimated appropriations for each separate fund, plus the aggregate total for all such funds, is set forth as follows:

Annual Appropriation Funds	Fund No.	Estimated Beginning Fund Balance	Revenues	Total Sources	Appropriations	Estimated Ending Fund Balance
General Fund	001	30,898,854	48,351,800	79,250,654	44,980,186	34,270,468
Street Fund	101	644,219	5,160,906	5,805,125	5,160,906	644,219
Paths & Trails Fund	103	14,617	9,000	23,617	0	23,617
Hotel/Motel Tax - Tourism Facilities Fund	104	2,590,072	444,000	3,034,072	0	3,034,072
Hotel/Motel Tax Fund	105	332,929	656,000	988,929	825,000	163,929
Solid Waste	106	323,331	1,737,000	2,060,331	1,737,000	323,331
PEG Fund	107	89,731	79,000	168,731	85,000	83,731
CenterPlace Operating Reserve Fund	120	300,000	0	300,000	0	300,000
Service Level Stabilization Fund	121	5,500,000	0	5,500,000	0	5,500,000
Winter Weather Reserve Fund	122	508,070	5,400	513,470	500,000	13,470
LTGO Bond Debt Service Fund	204	0	1,021,700	1,021,700	1,021,700	0
REET 1 Capital Projects Fund	301	2,158,704	1,035,000	3,193,704	1,991,203	1,202,501
REET 2 Capital Projects Fund	302	3,492,858	1,035,000	4,527,858	1,257,331	3,270,527
Street Capital Projects	303	67,041	8,315,195	8,382,236	8,315,195	67,041
Park Capital Projects Fund	309	66,916	1,670,000	1,736,916	1,510,000	226,916
Civic Facilities Capital Projects Fund	310	848,285	17,000	865,285	0	865,285
Pavement Preservation Fund	311	3,385,649	4,037,888	7,423,537	4,267,523	3,156,014
Capital Reserve Fund	312	10,619,982	100,000	10,719,982	1,550,910	9,169,072
City Hall Construction Fund	313	0	0	0	0	0
Railroad Grade Separation Projects Fund	314	136,472	12,921,984	13,058,456	13,037,792	20,664
		61,977,730	86,596,873	148,574,603	86,239,746	62,334,857

Working Capital Funds	Fund No.	Estimated Beginning Working Capital	Revenues	Total Sources	Appropriations	Estimated Ending Working Capital
Stormwater Management Fund	402	1,872,360	1,999,828	3,872,188	2,563,985	1,308,203
Aquifer Protection Area Fund	403	1,794,605	829,000	2,623,605	500,000	2,123,605
Equipment Rental & Replacement Fund	501	1,459,000	190,600	1,649,600	285,000	1,364,600
Risk Management Fund	502	263,778	410,000	673,778	410,000	263,778
		5,389,743	3,429,428	8,819,171	3,758,985	5,060,186
Total of all Funds		67,367,473	90,026,301	157,393,774	89,998,731	67,395,043

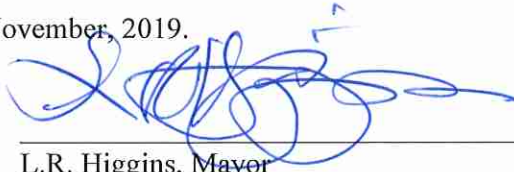
The total balance of all funds appropriated for 2020 is \$89,998,731.

Section 2. Transmittal of Budget. A complete copy of the budget as adopted, together with a copy of this Ordinance, shall be transmitted by the City Clerk to the Division of Municipal Corporations in the Office of the State Auditor and to the Association of Washington Cities.

Section 3. Severability. If any section, sentence, clause or phrase of this Ordinance shall be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

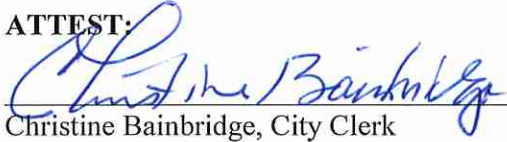
Section 4. Effective Date. This Ordinance shall be in full force and effect five days after the date of publication of this Ordinance or a summary thereof in the official newspaper of the City.

PASSED by the City Council this 12th day of November, 2019.



L.R. Higgins, Mayor

ATTEST:



Christine Bainbridge, City Clerk

Approved As To Form:



Office of the City Attorney

Date of Publication: 11-22-2019

Effective Date: 11-22-2019