

# 2012

## City of Spokane Valley



## BUDGET

# *City of Spokane Valley, Washington*

## *Annual Budget*

### *For the Fiscal Year*

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

*City Hall*

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*Spokane Valley, WA 99206*

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

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Spokane County

January 1, 2012 through December 31, 2012

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## **City Council Members**

**Thomas Towey, Mayor**

Position #7

**Gary Schimmels, Deputy Mayor**

Position #4

**Brenda Grassel**

Position #1

**Dean Grafos**

Position #2

**Arne Woodard**

Position #3

**Charles Hafner**

Position #5

**William Gothmann**

Position #6

## **Staff**

Mike Jackson, City Manager

Roger Crum, Deputy City Manager-Interim

Mark Calhoun, Finance Director

John Hohman, Community Development Director

Mike Stone, Parks & Recreation Director

Neil Kersten, Public Works Director

Cary Driskell, City Attorney

Christine Bainbridge, City Clerk

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***City Manager's Budget Message  
Annual Budget For  
Fiscal Year 2012***

***Dear Citizens, Mayor and City Council of Spokane Valley:***

I am pleased to present the attached 2012 proposed budget for the City of Spokane Valley. In a continuing trend of local and national economic challenge, the City of Spokane Valley has benefitted from a history of prudent financial decisions. Careful budgeting and restrained spending has left us almost unique among cities in providing a proposed balanced budget with neither service reductions nor tax increases.

City Council has been heavily involved in the direction leading to this proposed budget by adopting strong, fiscally conservative policies and by working with staff throughout the process to ensure that both policy makers and administrative staff were in concert. Especially important to this process was a budget workshop on June 14, 2011. The draft budget worksheets were reviewed line by line and the impacts of proposed reductions were discussed in detail. The staff and Council solidified the basic fiscal policies (some carried over from 2011 and some new) which will determine the 2012 Budget and guide future spending practices.

The Fiscal Policies adopted by the City Council are an extremely important element in this long range budget view. These policies appropriately dictate that if the economic situation deteriorates even more than anticipated, additional future reductions may be triggered. Such reductions were made in adopting the 2011 budget, and are not being restored. The current budget forecasts give us hope that future reductions or service cuts will not be necessary. That noted, elected officials and the staff remain committed to ensuring that service levels are commensurate with the revenue sources currently in place and to making adjustments if necessary to keep the City's finances healthy.

The City also has reserves which may be needed in future years. With few exceptions for non-recurring expenses, we have not tapped into those reserves to balance our general fund. During each budget cycle, the City will review the reserve balance and determine if additional budget cuts will be more judicious than subsidizing the general fund through reserves.

## ***Fiscal Policies***

**Financial Management** – The City proposes to:

1. Maintain basic service levels with reduced resources
2. Minimize personnel costs/overhead by continuing to contract for many services
3. Continue the 6-year Business Plan process
4. Leverage City funds with grant opportunities
5. Minimize City debt with 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 currently utilizes only 1.52% of its total allowable debt capacity, and more importantly, only 7.61% of non-voted bond capacity. This is extremely low debt.

**Financial Objectives** - The City's financial objectives through 2015 are:

1. Maintain a minimum general fund ending balance of 15% of revenues through 2015
2. Maintain the Service Level Stabilization Fund at the current level of \$5.4 million through 2014
3. On an ongoing basis, transfer to the Street Capital Fund, 40% of the ending fund balance which exceeds \$26 million. This will be done in the first quarter of each year following reconciliation of the previous year's books. This preserves the City's \$26 million ending fund balance while also funding a portion of street capital projects from the General Fund.
4. Hold 2012 property taxes at essentially the same amount as the 2011 levy with no proposed increase in the levy other than for new construction. We anticipate this will result in a \$10,808,900 levy in 2012.

**Commitment** – By committing to these objectives, the City will ensure financial sustainability through 2015 and into the future. The City can achieve this by:

1. Capping 2012 recurring expenses to a maximum 1% increase over 2011. (Notably, 2012 expenditures have been reduced below 2011 levels).

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

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

The new budget format for 2012 divides expenses into recurring and non-recurring categories. This was done to delineate the recurring or “ongoing” expenses of the City and to clearly show that current year recurring expenses are matched to current year revenues. Any/all use of the ending fund balance is specifically documented. Also, in deviation from the past, the 2012 proposed budget does not appropriate the ending fund balance in the general fund. This provides an added margin of security and will require formal council action to spend funds from the ending fund balance. Accompanied with this, we have proposed a 1% general fund contingency.

## ***Budget Highlights***

The 2012 Budget recognizes the economic realities of our times and the necessity to continue to operate within our financial means. The budget process has been used to reinforce the City’s commitment to delivering its core services in a cost effective manner. A summary of key budget highlights for review by the Council and the community follows:

***Budget Reductions:*** Our 2012 General Fund budget recurring expenditures have decreased from 2011 by \$164,186. This deserves recognition. We are essentially maintaining the same service levels - including no reduction in law enforcement - during a period of about 3.6 % inflation in June and July, while at the same time, we are funding important additions to our services such as the new 8 acre Greenacres City Park and televised council meetings.

***Staffing Levels:*** Staffing levels were reduced by 9.5 full-time and 2 temporary unfilled positions in 2011. For 2012 we remain at this same reduced level, operating a city of 90,110<sup>1</sup> residents with a staff of 87.25 employees. Even taking into consideration that we contract for police services, and are served by Fire Districts and a Library District, we are operating substantially below the normal employee count for a major city.

***Cost of Living Adjustments:*** Union represented employees and employees who are not represented by the union - Local 270-V AFSME - will receive a 2.5% Cost of Living Adjustment in 2012. This amount was agreed to by the City in the 2010 – 2012 contract with union employees. The City has historically provided identical wage and benefit terms to non-represented employees; however, in 2011 non-represented employees did not receive an increase. The 2.5% matches the inflation trend over the past 20 years and was considered to be a prudent and reliable method of calculating cost of living increases and was preferred over a “floating” rate that would be determined each year. This methodology may change in future years.

***Street Capital Improvement Fund:*** Established in 2011, the current budgeted amount in this fund is \$1,086,881.

<sup>1</sup> Washington State Department of Financial Management, April 1, 2011.

**No Increase in Property Tax Levy:** The City of Spokane Valley will hold its property tax levy equal with 2011. This decrease in the City's property tax levy is in recognition that the City understands the difficult financial times faced by our citizens.

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

***Other Notable 2012 Budget Items Include:***

- The opening of Greenacres Park at Long and Boone in the spring of 2012 (paid for through direct appropriations of State funds and City capital funds). The 2012 budget reflects an increase of \$100,000 to maintain this facility on an annual basis
- Initiated by private citizens in 2010, the 2012 budget includes the first full year of televised City Council meetings with City equipment and contracted production costs of \$46,000. The equipment was purchased through Comcast Public, Educational and Government funding.

**Public Safety Costs:** In 2012, the Police, Court and Jail related services proposed budget is \$22 million —**an amount equal to 204% of anticipated property tax collections (\$10,808,900) for the entire year.** Council has made a commitment not to reduce public safety service levels and associated costs in 2012.

## ***Progress on 2011 Budget Goals Include:***

- Continued Shoreline Master Program work as required by state law
- Passage of HB 1922 requiring cattle trucks to go through the Washington Port of Entry
- Support for Spokane Valley Partners in their successful bid for \$100,000 from the Washington Legislature for a new sprinkler system in their facility
- After reevaluation, the Sprague and Appleway Corridors Subarea Plan was removed from the Spokane Valley Comprehensive Plan
- Monitoring of the wastewater goal will be complete by the end of this year if Spokane County is issued their Wastewater permit
- The multi-year winter roads maintenance plan has been implemented which included the purchase of equipment and a maintenance facility
- A range of options was discussed for a city hall at or near CenterPlace

## ***Challenges:***

***Grants and Declining Matching Funds:*** City staff actively pursues funding commitments from other sources to help pay the cost of needed capital improvements—roads, bridges and parks—that benefit the community. The 2011 capital construction program totaled \$11,525,343 with \$5,538,819 (48%) coming from outside sources. The 2012 budget projects a total capital construction budget of \$11,263,685 with \$7,755,118 (65%) coming from outside sources.

When the City applies for state and federal grants, the City must provide its share (match) for these projects. In the past, Real Estate Excise Tax was used for most of the City match. However, during the last five years, this tax has declined from \$2.5 million to \$1 million, leaving a potential shortage of local match depending on availability of Federal, State and Local grants.

***Local Street Maintenance Combination of Funding:*** This fund derives its revenues from an allocation of the State Motor Fuel Tax distributed to cities and towns, and a 6% city tax on telephone usage, estimated in 2012 at \$1,897,800 and \$3,000,000 respectively. There is also an anticipated \$2,004,874 Beginning Fund Balance that will carry over into 2012. Therefore, the combination of Fuel Tax and Telephone Utility Tax is able to meet the ongoing need for these funds to pay for street maintenance activities like snow plowing, pothole repair, resurfacing eroded lanes, sweeping, weed control, street lighting, traffic signals and a variety of other repairs/improvements.

While Fuel Tax and Telephone Utility Tax cover annual street maintenance, they do not provide for implementation of the Street Master Plan and therein lies the challenge.

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

### ***The Current Fiscal Year in Review***

The City purchased camera and broadcasting equipment and began televising Council meetings live via the Internet in 2011. The new system also stores council meetings on the City website for use by the citizens or staff.

Residents and business people continue to provide city officials with their views on the broad range of issues related to economic development and land use regulations. A series of public meetings, Planning Commission meetings and Council actions were set in motion to review the Sprague/Appleway Revitalization Plan (SARP) and ultimately, the SARP was removed from the City's Comprehensive Plan. In addition, City codes such as signage, landscaping and others were reviewed to help support the development and retention of local business. The City also began exploring a more active role in the economic development of our City. The City Council welcomes public comments and works to balance the various interests expressed when enacting ordinances intended for the protection and enhancement of the quality of life in Spokane Valley. City representatives embrace continuous public participation, attend to a heavy workload, and take pleasure in achieving results that affect the community in positive ways. A review of the events and accomplishments of 2011 also reveals the following:

- Funds were utilized from the Civic Facilities Fund to pay for full width paving and paving of gravel roads in conjunction with the County sewer projects in Spokane Valley. 2011 marked the last major construction year of the Septic Tank Replacement Program in Spokane Valley.
- Council approved the purchase of a street and stormwater maintenance facility to house City operations.
- Construction of a picnic shelter was completed in Terrace View Park.
- Spokane Valley agreed to assist Airway Heights on an ongoing basis with plan reviews.
- Several new businesses located in Spokane Valley in 2011.

## ***The Budget for Fiscal Year 2012***

### **Balanced Budget Adopted:**

One of the most important tests of fiscal management is the ability of a municipal enterprise to maintain basic services during an economic downturn. The creation and maintenance of financial reserves since incorporation have served their intended purpose and provided the opportunity for Spokane Valley to sustain critical public services during the turbulent economic conditions of 2011. The 2012 budget reflects a continuation of service delivery capabilities during difficult and uncertain economic times.

**The 2012 budget is in balance.** Expenses have been balanced with known or reasonably predictable revenues. The budget is designed to maintain the healthy, positive fund balance at year end that provides for the city's cash flow needs without costly borrowing. In pursuit of fiscal responsibility, special attention was given to limiting the growth in new programs and financial commitments, while City revenue and expenditure patterns further fluctuate with the economy. This approach allows available resources to be put toward sustaining services that are consistent with the City Council's priorities for 2012 and beyond.

Since incorporation, this City has taken a conservative approach to adding new staff. Spokane Valley continues to have the lowest employee count of any Washington city with 50,000 or more in population. A 2011 Work Force Comparison chart is included in the budget document. By all comparisons, the City of Spokane Valley is a lean, productive City government.

### ***Major Goal Statements for 2012:***

The 2012 budget reflects the distribution of resources consistent with the Council's core services priorities. The following goals, some of which are continued from 2011, represent broad areas of concentration important to the well being of the community:

- **Continue monitoring wastewater issues**, including governance of wastewater facilities, and pursuit of the most efficient and economical methods to ensure the continuation of wastewater discharge licenses.
- **Pursue the topic of Solid Waste, to include identifying the issues and obtaining alternatives of joining the consortium or handling it ourselves and the consequences of each alternative.**
- **Review and evaluate** development regulations and compare with surrounding cities.
- **Develop a Shoreline Master Program** to provide appropriate regulatory protection for waters of statewide significance as required by state statute.
- **Pursue a legislative capital budget request – to be identified.**
- **Create an economic development plan** including options for a new city hall.

## ***Future Concepts:***

The budget process is not static and Council, the citizens, and staff must remain vigilant to watch for economic trends that impact current forecasts. Even as we adopt a 2012 budget, we must keep in mind the future economic opportunities and threats that may impact our multi-year forecast. An example of potential impacts and adaptive future concepts are as follows:

- A commitment by Management to review all vacant positions prior to filling them. (In some cases, positions must be filled quickly due to workload.)
- By all indications, the economic recovery of the U.S. and its collective states, counties and cities will be a slow and deliberate process. The City of Spokane Valley does not predict measureable growth in property tax or sales tax revenues through 2015 and we are budgeting with that in mind.
- Because it represents about 63% of the General Fund budget, achieving future budget reductions without impacting Law Enforcement and other Public Safety services will be challenging.

## ***Acknowledgments:***

I would like to acknowledge the City Council and the Staff for a long history of conservative spending and prudent fiscal planning. The City of Spokane Valley is in an enviable position in relation to other Federal, State and local entities. We are not facing 2012 budget shortfalls. Although we must continue to budget and spend wisely, we do not have to make drastic cuts in services to balance our 2012 budget. By saving and conserving the taxpayers' money, and by adopting prudent long-term fiscal policies, the City can balance its budget for many years to come. This is something which is easy to say, but hard to do. Even harder is to forgo property tax increases in the face of declining revenues. However, the City Council felt this reduction was important to reflect to the citizens that we are a City that understands and appreciates the difficult economic times we all face together.

Finally, I would like to say how rewarding it has been to work with the City Council and the staff in developing the budget, achieving substantial reductions and exceeding expectations for budget reductions in 2012. The City Council and the Finance Committee have set a path to ensure the long-term financial sustainability of the City. The management staff and employees have worked together to develop Business Plans and 2012 budget recommendations that achieve Council's goal of sustainability. We continue to demonstrate in difficult financial times that we can work together as an organization in the best interest of the citizens.

Respectfully,

Mike Jackson  
City Manager



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**TO:** City Manager and Members of the City Council

**FROM:** Mark Calhoun, Finance Director

**SUBJECT:** About the 2012 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 moneys and controls those expenditures by limiting the amount of the appropriation at the fund level. The revenues of the City are estimated, along with available cash carry-forward, to indicate funds available. The budget takes into account unforeseen contingencies and provides for the need for periodic adjustments.

## **2012 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 downturn in the economy and resultant reduction in revenues (most notably the decline in sales taxes), both the 2011 and 2012 Budget development processes were amended to consciously review service levels in each department and determine the appropriate level of funding that meets Council goals relative to available resources.

The 2012 Budget development process began at the February 8, 2011 Council Retreat where among other topics, Council and Staff discussed the budget in general terms. In early April 2011 the Finance Department notified City Departments that their 2012 revenue and expenditure estimates were due by May 6. Through the balance of May and early June, the Finance Department then worked to prepare budget worksheets that were communicated to the City Council at a Budget Retreat held on June 14, 2011. Following the retreat, the Finance Department continued work on the budget including refinements of revenue and expenditure estimates and through July and early August the Finance Department and City Manager reviewed updated budget projections.

By the time the 2012 Budget is scheduled to be adopted on November 15, 2011, the Council will have had an opportunity to discuss it on eight separate occasions, including three public hearings to gather input from citizens:

June 14	Council Budget Retreat
August 9	Administrative Report: Estimated 2012 revenues and expenditures
August 23	Public hearing on 2012 revenues
September 6	City Manager's presentation of preliminary 2012 Budget
September 27	Public hearing #1 on 2012 Budget
October 11	Public hearing #2 on 2012 Budget
October 25	First reading of proposed ordinance adopting the 2012 Budget
November 15	Second reading of proposed ordinance adopting the 2012 Budget

Once adopted, the final operating budget is published, distributed, and made available to the public during the first three months of the following year.

After the budget is adopted, the City enters a budget implementation and monitoring stage. Throughout the year, expenditures are monitored by the Finance Department and department directors to ensure that funds are within the approved budget. Finance provides the City Council with monthly reports to keep them current with the City's financial condition. Any budget amendments made during the year are adopted by City Council ordinance.

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

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

## **BUDGET PRINCIPLES**

- Department directors have primary responsibility for formulating budget proposals in line with City Council and City Manager priority direction, and for implementing them once they are approved.
- The Finance Department is responsible for coordinating the overall preparation and administration of the City's budget. This function is fulfilled in compliance with applicable State of Washington statutes governing local government budgeting practices.
- The Finance Department assists department staff in identifying budget problems, formulating solutions and alternatives, and implementing any necessary corrective actions.
- Interfund charges will be based on recovery of costs associated with providing those services.
- Budget adjustments requiring City Council approval will occur through the ordinance process at the fund level prior to fiscal year end.
- The City's budget presentation will be directed at displaying the City's services plan in a Council/constituent friendly format.
- Short term debt shall not exceed 10% of revenues. 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 15% of revenue.

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

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 Debt Service LTGO 03.

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 the Capital Project Fund, Special Capital Projects Fund, Streets Capital Projects Fund, CDBG Fund, Capital Grants Fund, Barker Bridge Federal Grant Fund, and Parks Capital Projects Fund.

Proprietary Fund Types

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

1. Enterprise Funds

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

2. Internal Service Funds

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

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. The City of Spokane Valley uses a modified accrual basis of accounting for all governmental funds. Modified accrual recognizes revenues when they become both measurable and available to finance expenditures of the current period. The basis of accounting for enterprise and internal service funds is full accrual where revenues and expenses are recognized in the period incurred rather than when cash is either received or disbursed. The appropriate basis is used throughout the budgeting, accounting, and reporting processes.

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

#### Budgets and Budgetary Accounting

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

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

### **EXPLANATION OF MAJOR REVENUE SOURCES**

#### **General Fund**

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

- **Local Retail Sales and Use Tax**

The local retail sales and use tax is comprised of two separate .5% options for a total of 1.0%. The Washington State Department of Revenue disburses 15% of the City sales tax to Spokane County, and 85% to the City.

- **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 .1% voter approved increase in sales tax was devoted to public safety purposes. This .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); Games (2% gross, less prizes); Card playing (10% gross).

- **Leasehold Excise Tax**

Taxes on property owned by state or local governments and leased to private parties (City’s share).

- Franchise Fees

Cable TV is the only franchise fee levied in the City at a rate of 5% of gross revenues. This is a fee levied on private utilities for the right to use city streets, alleys, and other public properties.

- State-Shared Revenues

State-shared revenues are received from liquor sales, and motor vehicle excise taxes. These taxes are collected by the State of Washington and shared with local governments based on population. State-shared revenues are distributed on either a monthly or quarterly basis, although not all quarterly revenues are distributed in the same month of the quarter.

- The 2011 population figure used in the 2012 Preliminary Budget is 90,110 as reported by the Office of Financial Management for Washington State on April 1, 2011. This figure is important when determining distribution of State shared revenues on a per capita basis.

- Liquor Board Profits and Liquor Excise Tax

Since cities are responsible for the policing of liquor establishments located within their limits, but are precluded from taxing them because of the State liquor monopoly, State law provides that a share of the State-collected profits and taxes be returned to cities to help defray policing costs.

Liquor Board profits consist of the difference between revenue generated by the Washington State Liquor Control Board and the board's expenditures, specific revenues collected for a dedicated purpose, and administrative fees attributable to specific licensees that serve hard alcohol. Revenues are generated from sales at State liquor stores, taxes collected on wine and beer manufacture and distribution, licensee fees, alcohol related permit fees, penalties, and forfeitures. Liquor profits are divided among the State, counties and cities. Cities get a 40% share, with additional amount distributed to border area cities. These funds are distributed on the last days of March, June, September and December.

- Cities also receive 28% of the liquor excise tax receipts. These funds are distributed on the last days of January, April, July and October.

- Service Revenues

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

- Fines and Forfeitures

Fines and penalties are collected as a result of Municipal Court rulings and other miscellaneous rule infractions. All court fines and penalties are shared with the State, with the City, on average, retaining less than 50% of the amount collected.

- Recreation Program Fees

The Parks and Recreation Department charges fees for selected recreation programs. These fees offset direct costs related to providing the program.

- CenterPlace Fees

The Parks and Recreation Department charges fees for use of CenterPlace. Uses include regional meetings, weddings, receptions and banquets. Rental rooms include classrooms, the great room and dining rooms.

- Investment Interest

The City earns investment interest on sales tax money held by the State of Washington prior to their distribution of the taxes to the City as well as on City initiated investments.

### **Street Fund**

- Motor Vehicle Fuel Excise Tax (gas tax)

The State of Washington collects a \$.3750 per gallon motor vehicle fuel tax at the pump and remits \$.0296 of the tax back to cities based on population. In 2012 the Municipal Research and Services Center estimates the per capita distribution back to cities will be \$21.15 per person. Based upon a City of Spokane Valley population of 90,110 (per the Washington State Office of Financial Management on April 1, 2011) we anticipate the City will collect \$1,905,800 in 2012. With the exception of .42% of the collections which must go towards paths and trails activities, all motor vehicle fuel taxes are credited to the Street Fund.

- Telephone Utility Tax

The City of Spokane Valley levied a 6% telephone utility tax via Ordinance #08-014 with collections beginning in 2009. Companies providing this service pay the tax to the City monthly. Telephone tax has been estimated at \$3 million for 2011.

### **Paths & Trails Fund**

Cities are required to spend .42% of the motor vehicle fuel tax receipts on paths and trails. 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 Fund**

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 percent 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.

### **Debt Service Fund – LTGO 03:**

The City issued \$9,430,000 in limited tax general obligation bonds (LTGO) in 2003. Of this total:

- \$7,000,000 of the proceeds were used to finance the construction of CenterPlace at Mirabeau Point. These bonds will be paid off in annual installments over the 30-year period ending December 1, 2033. Annual debt service payments on these bonds are provided by the Spokane Public Facilities District.
- \$2,430,000 of the proceeds were used to finance Road and Street Improvements near CenterPlace. These bonds will be paid off in annual installments over the 20-year period ending December 1, 2023. Annual debt service payments on these bonds are provided by equal distributions from the 1<sup>st</sup> and 2<sup>nd</sup> quarter percent real estate excise tax.

### **Capital Projects Fund**

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

### **Special Capital Projects Fund**

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

### **Stormwater Management Fund:**

A stormwater fee is imposed upon every developed parcel within the City that 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 \$1,750,000 in 2012.

### **Aquifer Protection Area Fund:**

These are voter approved fees to assist the City in protecting the aquifer. The City expects to receive \$500,000 in 2012.

### **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 service or a concentration of revenues for a specific project or purpose. The following funds receive transfers from other funds.

		Out:						Total In
		001	101	105	301	302	402	
In:	001	0	39,600	30,000	0	0	15,000	84,600
	123	397,000	0	0	0	0	0	397,000
	204	0	0	0	92,652	92,651	0	185,303
	303	89,000	0	0	363,627	1,448,059	0	1,900,686
	309	100,000	0	0	0	0	0	100,000
	311	0	0	0	0	0	0	0
	501	0	100,000	0	0	0	0	100,000
	502	319,000	0	0	0	0	0	319,000
								3,086,589 Total in
Total Out		905,000	139,600	30,000	456,279	1,540,710	15,000	3,086,589 Total out
								0

#### **#001 General Fund is budgeted to transfer out \$905,000:**

- \$397,000 to the #123 Civic Facilities Replacement Fund for future renovations or the future replacement of CenterPlace and the police precinct building.
- \$89,000 towards #303 Street Capital Projects Fund.
- \$100,000 towards #309 Park Capital Projects Fund.
- \$319,000 towards the #502 Risk Management Fund for the 2012 property and liability insurance premium.

#### **#101 Street Fund is budgeted to transfer out \$139,600:**

- \$39,600 to the #001 General Fund to cover administrative costs.
- \$100,000 to the #501 Equipment Rental and Replacement Fund for the future replacement of snow plows.

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

#301 Capital Projects Fund is budget to transfer out \$456,279:

- \$92,652 to the #204 Debt Service Fund to pay a portion of the annual payment on the 2003 LTGO bonds.
- \$363,627 towards grant matches in the #303 Street Capital Projects Fund.

#302 Special Capital Projects Fund is budgeted to transfer out \$1,540,710:

- \$92,651 to the #204 Debt Service Fund to pay a portion of the annual payment on the 2003 LTGO bonds.
- \$1,448,059 towards grant matches in the #303 Street Capital Projects Fund.

#402 Stormwater Fund is budgeted to transfer out \$15,000 to the #001 General Fund to cover administrative costs.

## **SIGNIFICANT ASSUMPTIONS IN THE 2012 BUDGET**

### **Budget Summary for All Funds**

- The 2012 budget presumes service levels that are consistent with those provided in 2011 with neither significant enhancements nor reductions in any area of operations.
- Total appropriations for all City Funds of \$57.0 million including \$11.3 million in capital expenditures.
- Budgets will be adopted across 21 separate funds.
- The budget will include a new Aquifer Protection Area Fund.
- The full-time equivalent (FTE) employee count will remain unchanged from 2011 at 87.25 employees.
- 2012 operating expenditures have been held at or below 1% over 2011.
- Positions and salary ranges are based on the City's compensation and classification plan.
- Employee benefit amounts are based on employee benefit plans.
- Contract costs for public safety, park maintenance, aquatics and street maintenance are based on estimates by City staff.
- State required retirements costs (PERS) are included in the budget and additionally the City has set aside \$50,000 to offset future State required increases.
- The Street Fund budget includes an additional \$500,000 for street preservation plus an additional \$100,000 to be set aside for future replacements of snow plows.

### **2012 General Fund Revenues**

- Total recurring 2012 revenues are estimated at \$34,908,800 as compared to \$34,827,125 in 2011.
- The two largest sources of revenue continue to be Sales Tax and Property Tax which are collectively estimated to account for 77% of 2012 General Fund revenues.
- Sales Tax is estimated at \$16.2 million which is identical to 2011.
- The Property Tax levy will not include the 1% increase authorized by the voters in November 2001 through their approval of Initiative #747 and the subsequent action by the State Legislature in November 2007.
  - The 2012 levy is estimated at \$10,808,900.
  - The levy assumes we start with the 2011 levy of \$10,732,863 and add taxes related to new construction of \$76,083.
  - Based upon a tax levy of \$10,808,900 on assessed values of \$7,108,291,375 (the most recent figure provided by the Spokane County Assessor's Office) the 2012 levy rate would be \$1.5206 per \$1,000 of assessed value.
- Franchise fees and business registrations are primarily based on projected receipts in 2011.

- Liquor excise taxes and Liquor Board profits are based upon per capita distribution figures reported by the Municipal Research and Services Center. Initiative #1183 that will come before the voters of Washington State on November 8, 2011 seeks to privatize the distribution and sale of liquor in Washington. It is believed the initiative will have no impact on liquor excise taxes and based upon a fiscal impact statement prepared by the Washington Office of Financial Management it appears 2012 Liquor Board profits will not be impacted either.
- 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.

### **2012 General Fund Expenditures**

- The total recurring 2012 expenditure budget is \$34,660,900 as compared to \$34,825,086 in 2011. This reflects a decrease of \$164,186. If expenditures had increased by 1% they would have grown by \$348,251 and this coupled with the actual decrease of \$164,186 means the budget is \$512,437 less than our goal of no more than a 1% increase.
- The 2012 budget presumes service levels that are consistent with those provided in 2011 with neither significant enhancements nor reductions in any area of operations.
- 2012 Nonrecurring expenditures are \$189,000 as compared to \$2.8 million in 2011.
  - Included in 2012 are:
    - A \$346,600 Contingency/Emergency appropriation that is approximately equal to 1% of recurring expenditures. This money would only be expended with prior approval of the Council.
    - An \$89,000 transfer to Fund #303 – Street Capital Projects Fund.
    - A \$100,000 transfer to Fund #309 – Parks Capital Projects Fund.
  - Included in 2011 were:
    - \$1.5 million in transfers for the full paveback program.
    - \$1.084 million in transfers for street preservation.
    - \$146,000 for building permit software.

### **Other Funds**

- Motor vehicle fuel tax (MVFT) revenue that is collected by the State and remitted to the City is estimated to be \$1,905,800 according to per capita estimates provided by the Municipal Research and Services Center. Of this amount, \$1,897,800 will be credited to the Street O&M Fund and .42% or \$8,000 to the Paths and Trails Fund.
- Telephone taxes that are remitted to the City and support Street Fund operations and maintenance are anticipated at \$3,000,000.
- 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 2003 general obligation bonds. In 2012 we estimate these revenues to be \$950,000.
- Hotel/Motel tax revenues are computed by the City and are dedicated to the promotion of visitors and tourism. In 2012 we estimate these revenues to be \$430,000.
- 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).

**CITY OF SPOKANE VALLEY, WA**  
**2012 Budget Summary**

Fund Number and Title	Estimated Beginning Fund Balance	Revenues	Total Sources	Appropriations	Estimated Ending Fund Balance
001 General Fund	\$ 26,633,061	\$ 34,908,800	\$ 61,541,861	\$ 35,196,500	\$ 26,345,361
101 Street Fund	1,834,574	4,902,800	6,737,374	5,431,263	1,306,111
103 Paths & Trails Fund	36,186	8,000	44,186	-	44,186
105 Hotel/Motel Fund	253,356	430,700	684,056	430,700	253,356
120 CenterPlace Operating Reserve Fund	353,231	700	353,931	-	353,931
121 Service Level Stabilization Fund	5,477,795	10,000	5,487,795	-	5,487,795
122 Winter Weather Reserve Fund	506,168	700	506,868	-	506,868
123 City Facilities Repair & Replacement	2,027,259	399,000	2,426,259	-	2,426,259
204 Debt Service LTGO 03	-	617,623	617,623	617,623	-
301 Capital Projects Fund	194,277	475,400	669,677	456,279	213,398
302 Special Capital Projects	1,547,015	477,000	2,024,015	1,540,710	483,305
303 Street Capital Projects	73,456	9,655,804	9,729,260	9,566,804	162,456
304 Mirabeau Projects Fund	44,302	-	44,302	-	44,302
307 Capital Grants Fund	-	-	-	-	-
309 Parks Capital Projects Fund	123,329	100,000	223,329	170,000	53,329
310 Civic Facilities Capital Projects Fund	2,939,745	6,000	2,945,745	-	2,945,745
311 Street Capital Improvement Fund 2011+	1,084,681	2,200	1,086,881	1,086,881	-
402 Stormwater Management	1,236,400	1,908,667	3,145,067	2,153,441	991,626
403 Aquifer Protection Area	500,000	502,500	1,002,500	-	1,002,500
501 Equipment Rental & Replacement Fund	706,379	100,000	806,379	-	806,379
502 Risk Management Fund	20,420	319,000	339,420	319,000	20,420
Total of all Funds	<u>\$ 45,591,634</u>	<u>\$ 54,824,894</u>	<u>\$ 100,416,528</u>	<u>\$ 56,969,201</u>	<u>\$ 43,447,327</u>

**CITY OF SPOKANE VALLEY, WA**  
**2012 Budget**

10/17/2011

	2010 Actuals	2011			2012 Proposed Budget		
		As Adopted	Amendment	As Amended			
<b>#001 - GENERAL FUND</b>							
<b>RECURRING ACTIVITY</b>							
<u>Revenues</u>							
Property Tax	10,741,306	10,875,000	0	10,875,000	10,808,900		
Sales Tax	16,055,143	16,200,000	0	16,200,000	16,200,000		
Gambling Tax	665,276	425,000	175,000	600,000	640,000		
Franchise Fees/Business Registration	1,266,776	1,111,000	150,000	1,261,000	1,266,000		
Service Revenues	1,472,098	1,600,000	0	1,600,000	1,300,000		
State Shared Revenues	2,042,834	1,665,625	30,000	1,695,625	1,834,300		
Fines and Forfeitures	1,828,410	1,800,000	0	1,800,000	1,900,000		
Recreation Program Fees	630,945	555,500	0	555,500	570,000		
Miscellaneous & Investment Interest	255,006	200,000	0	200,000	305,000		
Transfer-in - #101 (street admin)	34,300	25,000	0	25,000	39,600		
Transfer-in - #105 (h/m tax-CP advertising)	39,675	0	0	0	30,000		
Transfer-in - #402 (storm admin)	13,386	15,000	0	15,000	15,000		
Total Recurring Revenues	35,045,155	34,472,125	355,000	34,827,125	34,908,800		
<u>Expenditures</u>							
Legislative Branch	316,543	324,298	0	324,298	386,249		
Executive and Legislative Support	1,266,411	1,055,906	0	1,055,906	1,066,465		
Public Safety	21,071,640	22,179,880	0	22,179,880	22,000,000		
Deputy City Manager	444,784	559,940	0	559,940	658,884		
Finance	952,004	1,014,342	0	1,014,342	1,047,107		
Human Resources	194,442	236,646	0	236,646	230,231		
Public Works	703,956	892,617	0	892,617	901,519		
Community Development - Administration	311,601	321,049	0	321,049	323,743		
Community Development - Engineering	601,469	669,570	0	669,570	680,796		
Community Development - Planning	863,685	1,023,373	0	1,023,373	994,245		
Community Development - Building	1,169,936	1,215,303	0	1,215,303	1,260,454		
Library	1,012	0	0	0	0		
Parks & Rec - Admin. & Maint.	897,258	948,970	0	948,970	1,059,828		
Parks & Rec - Recreation	188,623	246,628	0	246,628	229,811		
Parks & Rec - Aquatics	420,734	429,250	0	429,250	442,250		
Parks & Rec - Senior Center	73,543	89,653	0	89,653	92,961		
Parks & Rec - CenterPlace	1,099,702	1,098,911	0	1,098,911	1,126,357		
General Government	1,214,659	2,199,750	0	2,199,750	1,841,000		
Transfers out - #502 (insurance premium)	318,000	319,000	0	319,000	319,000		
Total Recurring Expenditures	32,110,002	34,825,086	0	34,825,086	34,660,900		
Recurring Revenues Over (Under)							
Recurring Expenditures	2,935,153	(352,961)	355,000	2,039	247,900		
<b>NONRECURRING ACTIVITY</b>							
<u>Revenues</u>							
Transfer-in - #310 (\$1.5mm to #303 for full paveback & .5mm to #311 for street capital)	929,048	2,000,000	0	2,000,000	0		
<u>Expenditures</u>							
Contingency / Emergency (1% of recur exp)	0	0	0	0	346,600		
Transfers out - #303 (full paveback)	929,048	1,500,000	0	1,500,000	89,000		
Transfers out - #309 (park grant match)	100,000	100,000	0	100,000	100,000		
Transfers out - #311 (street capital improvement)	0	500,000	0	500,000	0		
Transfers out - #311 (40%>\$26mm = \$584,681)	0	0	584,681	584,681	0		
Building permit software purchase	0	0	146,000	146,000	0		
Total Nonrecurrent Expenditures	1,029,048	2,100,000	730,681	2,830,681	535,600		
Nonrecurrent Revenues Over (Under)							
Nonrecurrent Expenditures	(100,000)	(100,000)	(730,681)	(830,681)	(535,600)		
EXCESS (DEFICIT) OF TOTAL REVENUES OVER (UNDER) TOTAL EXPENDITURES	2,835,153	(452,961)	(375,681)	(828,642)	(287,700)		
BEGINNING FUND BALANCE	24,626,550	27,461,703		27,461,703	26,633,061		
ENDING FUND BALANCE	27,461,703	27,008,742		26,633,061	26,345,361		

**CITY OF SPOKANE VALLEY, WA**  
**2012 Budget**

10/17/2011

	2010 Actuals	2011			2012 Proposed Budget		
		As Adopted	Amendment	As Amended			
<b>SPECIAL REVENUE FUNDS</b>							
<b>#101 - STREET FUND</b>							
<b>RECURRING ACTIVITY</b>							
<b>Revenues</b>							
Motor Vehicle Fuel (Gas) Tax	1,928,003	1,875,000	0	1,875,000	1,897,800		
Investment Interest	6,538	12,000	0	12,000	5,000		
Insurance Premiums & Recoveries	14,024	0	0	0	0		
Utility Tax	2,986,138	3,000,000	0	3,000,000	3,000,000		
Miscellaneous Revenue	15,034	0	0	0	0		
Total Recurring Revenues	<b>4,949,737</b>	<b>4,887,000</b>	0	<b>4,887,000</b>	<b>4,902,800</b>		
<b>Expenditures</b>							
Wages / Benefits / Payroll Taxes	319,070	433,931	0	433,931	522,142		
Supplies	65,712	72,200	0	72,200	72,200		
Services & Charges	2,550,065	3,357,296	0	3,357,296	3,310,321		
Intergovernmental Payments	739,172	947,000	0	947,000	847,000		
Interfund Transfers-out - #001	0	25,000	0	25,000	39,600		
Interfund Transfers-out - #103 (MVFT)	0	8,300	0	8,300	0		
Interfund Transfers-out - #501 (plow replace.)	0	0	0	0	100,000		
Interfund Transfers	73,975	44,600	0	44,600	0		
Streets Misc. projects	130,206	0	0	0	0		
Total Recurring Expenditures	<b>3,878,201</b>	<b>4,888,327</b>	0	<b>4,888,327</b>	<b>4,891,263</b>		
Recurring Revenues Over (Under)							
Recurring Expenditures	<b>1,071,536</b>	<b>(1,327)</b>	0	<b>(1,327)</b>	<b>11,537</b>		
<b>NONRECURRING ACTIVITY</b>							
<b>Revenues</b>							
Grants	129,194	0	531,800	531,800	0		
Interfund Transfers in - #401	0	0	159,800	159,800	0		
Miscellaneous	0	0	6,400	6,400	0		
Grants	<b>129,194</b>	<b>0</b>	<b>698,000</b>	<b>698,000</b>	<b>0</b>		
<b>Expenditures</b>							
Bridge/Street Maintenance	0	450,000	0	450,000	0		
Street Preservation	0	0	0	0	500,000		
Interfund Transfers-out - #402 (shop facility)	0	0	375,000	375,000	0		
Grant financed capital	0	0	868,300	868,300	0		
Capital Outlay	35,092	45,000	0	45,000	40,000		
Snow Plow purchase (budgeted in 2010 delivered in 2011)		0	200,000	200,000	0		
Total Recurring Expenditures	<b>35,092</b>	<b>495,000</b>	<b>1,443,300</b>	<b>1,938,300</b>	<b>540,000</b>		
Nonrecurring Revenues Over (Under)							
Nonrecurring Expenditures	<b>94,102</b>	<b>(495,000)</b>	<b>(745,300)</b>	<b>(1,240,300)</b>	<b>(540,000)</b>		
<b>EXCESS (DEFICIT) OF TOTAL REVENUES OVER (UNDER) TOTAL EXPENDITURES</b>	<b>1,165,638</b>	<b>(496,327)</b>	<b>(745,300)</b>	<b>(1,241,627)</b>	<b>(528,463)</b>		
<b>BEGINNING FUND BALANCE</b>	<b>1,910,563</b>	<b>3,076,201</b>		<b>3,076,201</b>	<b>1,834,574</b>		
<b>ENDING FUND BALANCE</b>	<b>3,076,201</b>	<b>2,579,874</b>		<b>1,834,574</b>	<b>1,306,111</b>		

**CITY OF SPOKANE VALLEY, WA**  
**2012 Budget**

10/17/2011

	2010 Actuals	2011			2012 Proposed Budget		
		As Adopted	Amendment	As Amended			
<b>SPECIAL REVENUE FUNDS - continued</b>							
<b>#102 - Arterial Street Fund</b>							
<b>Revenues</b>							
Motor Vehicle Fuel (Gas) Tax	0	0	0	0	0		
Investment Interest	0	0	0	0	0		
Interfund Transfer-in	7,917	0	0	0	0		
Total revenues	7,917	0	0	0	0		
<b>Expenditures</b>							
Interfund Transfers	0	0	58,019	58,019	0		
Total expenditures	0	0	58,019	58,019	0		
Revenues over (under) expenditures	7,917	0	(58,019)	0	0		
Beginning fund balance	50,102	58,019	58,019	0	0		
Ending fund balance	58,019	58,019	0	0	0		
<b>#103 - PATHS &amp; TRAILS</b>							
<b>Revenues</b>							
Motor Vehicle Fuel (Gas) Tax	0	0	0	0	8,000		
Interfund Transfer-in #101 (MVFT)	8,132	8,000	0	8,000	0		
Investment Interest	78	0	0	0	0		
Total revenues	8,210	8,000	0	8,000	8,000		
<b>Expenditures</b>							
IF Transfer for Trails/Paths Cap Prj	0	0	0	0	0		
Miscellaneous	690	0	0	0	0		
Capital Outlay	0	20,000	0	20,000	0		
Total expenditures	690	20,000	0	20,000	0		
Revenues over (under) expenditures	7,520	(12,000)	(12,000)	0	8,000		
Beginning fund balance	40,666	48,186	48,186	0	36,186		
Ending fund balance	48,186	36,186	36,186	0	44,186		
<b>#105 - HOTEL / MOTEL TAX FUND</b>							
<b>Revenues</b>							
Hotel/Motel Tax	448,545	480,000	0	480,000	430,000		
Investment Interest	1,017	1,000	0	1,000	700		
Subtotal revenues	449,562	481,000	0	481,000	430,700		
<b>Expenditures</b>							
Interfund Transfers - #001	37,500	0	0	0	30,000		
Tourism Promotion	362,302	500,000	0	500,000	400,700		
Subtotal expenditures	399,802	500,000	0	500,000	430,700		
Revenues over (under) expenditures	49,760	(19,000)	(19,000)	0	0		
Beginning fund balance	222,596	272,356	272,356	0	253,356		
Ending fund balance	272,356	253,356	253,356	0	253,356		

**CITY OF SPOKANE VALLEY, WA**  
**2012 Budget**

10/17/2011

	2010 Actuals	2011			2012 Proposed Budget		
		As Adopted	Amendment	As Amended			
<b>SPECIAL REVENUE FUNDS - continued</b>							
<b>#120 - CENTER PLACE OPERATING RESERVE FUND</b>							
<u>Revenues</u>							
Investment Interest	1,047	3,000	0	3,000	700		
Interfund Transfer	0	0	0	0	0		
Total revenues	<u>1,047</u>	<u>3,000</u>	<u>0</u>	<u>3,000</u>	<u>700</u>		
<u>Expenditures</u>							
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	1,047	3,000		3,000	700		
Beginning fund balance	<u>349,184</u>	<u>350,231</u>		<u>350,231</u>	<u>353,231</u>		
Ending fund balance	<u>350,231</u>	<u>353,231</u>		<u>353,231</u>	<u>353,931</u>		
<b>#121 - SERVICE LEVEL STABILIZATION RESERVE FUND</b>							
<u>Revenues</u>							
Investment Interest	16,794	54,000	0	54,000	10,000		
Interfund Transfer	0	0	0	0	0		
Total revenues	<u>16,794</u>	<u>54,000</u>	<u>0</u>	<u>54,000</u>	<u>10,000</u>		
<u>Expenditures</u>							
Operations	0	0	0	0	0		
Total expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>		
Revenues over (under) expenditures	16,794	54,000		54,000	10,000		
Beginning fund balance	<u>5,407,001</u>	<u>5,423,795</u>		<u>5,423,795</u>	<u>5,477,795</u>		
Ending fund balance	<u>5,423,795</u>	<u>5,477,795</u>		<u>5,477,795</u>	<u>5,487,795</u>		
<b>#122 - WINTER WEATHER RESERVE FUND</b>							
<u>Revenues</u>							
Investment Interest	1,131	5,000	0	5,000	700		
Interfund Transfer	0	0	0	0	0		
Subtotal revenues	<u>1,131</u>	<u>5,000</u>	<u>0</u>	<u>5,000</u>	<u>700</u>		
<u>Expenditures</u>							
Reserve for Winter Weather	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	1,131	5,000		5,000	700		
Beginning fund balance	<u>500,037</u>	<u>501,168</u>		<u>501,168</u>	<u>506,168</u>		
Ending fund balance	<u>501,168</u>	<u>506,168</u>		<u>506,168</u>	<u>506,868</u>		
<b>#123 - CIVIC FACILITIES REPLACEMENT FUND</b>							
<u>Revenues</u>							
Investment Interest	3,211	12,000	0	12,000	2,000		
Interfund Transfer - #001	397,000	407,000	0	407,000	397,000		
Total revenues	<u>400,211</u>	<u>419,000</u>	<u>0</u>	<u>419,000</u>	<u>399,000</u>		
<u>Expenditures</u>							
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	400,211	419,000		419,000	399,000		
Beginning fund balance	<u>1,208,048</u>	<u>1,608,259</u>		<u>1,608,259</u>	<u>2,027,259</u>		
Ending fund balance	<u>1,608,259</u>	<u>2,027,259</u>		<u>2,027,259</u>	<u>2,426,259</u>		

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<b>DEBT SERVICE FUNDS</b>							
<b>#204 - DEBT SERVICE FUND</b>							
<b>Revenues</b>							
Spokane Public Facilities District	421,520	460,000	0	460,000	432,320		
Interfund Transfer-in - #301	91,978	110,000	0	110,000	92,652		
Interfund Transfer-in - #302	91,979	115,000	0	115,000	92,651		
Total revenues	605,477	685,000	0	685,000	617,623		
<b>Expenditures</b>							
Debt Service Payments - CenterPlace	421,522	460,000	0	460,000	432,320		
Debt Service Payments - Roads	184,051	225,000	0	225,000	185,303		
Total expenditures	605,573	685,000	0	685,000	617,623		
Revenues over (under) expenditures	(96)	0		0	0		
Beginning fund balance	96	(0)		(0)	(0)		
Ending fund balance	(0)	(0)		(0)	(0)		

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<b>CAPITAL PROJECTS FUNDS</b>							
<b>#301 - CAPITAL PROJECTS FUND</b>							
<u>Revenues</u>							
REET 1 - Taxes	487,110	400,000	0	400,000	475,000		
Investment Interest	3,661	15,000	0	15,000	400		
Interfund Transfer-in - #303	135,000	0	0	0	0		
Total revenues	<u>625,771</u>	<u>415,000</u>	<u>0</u>	<u>415,000</u>	<u>475,400</u>		
<u>Expenditures</u>							
Intergovernmental Services	0	0	0	0	0		
Interfund Transfer-out - #204	0	112,500	0	112,500	92,652		
Interfund Transfer-out - #303	0	901,098	0	901,098	363,627		
Interfund Transfers	991,543	0	0	0	0		
Total expenditures	<u>991,543</u>	<u>1,013,598</u>	<u>0</u>	<u>1,013,598</u>	<u>456,279</u>		
Revenues over (under) expenditures	(365,772)	(598,598)		(598,598)	19,121		
Beginning fund balance	<u>1,158,647</u>	<u>792,875</u>		<u>792,875</u>	<u>194,277</u>		
Ending fund balance	<u>792,875</u>	<u>194,277</u>		<u>194,277</u>	<u>213,398</u>		
<b>#302 SPECIAL CAPITAL PROJECTS FUND</b>							
<u>Revenues</u>							
REET 2 - Taxes	475,194	400,000	0	400,000	475,000		
Investment Interest	4,584	15,000	0	15,000	2,000		
Interfund Transfer-in	7,841	0	0	0	0		
Total revenues	<u>487,619</u>	<u>415,000</u>	<u>0</u>	<u>415,000</u>	<u>477,000</u>		
<u>Expenditures</u>							
Interfund Transfer-out - #101	0	0	0	0	0		
Interfund Transfer-out - #204	0	112,500	0	112,500	92,651		
Interfund Transfer-out - #303	0	897,393	0	897,393	1,448,059		
Interfund Transfer-out - #307	0	11,176	30,000	41,176	0		
Interfund Transfer-out - #308	0	0	150,000	150,000	0		
Interfund Transfers	594,536	0	0	0	0		
Total expenditures	<u>594,536</u>	<u>1,021,069</u>	<u>180,000</u>	<u>1,201,069</u>	<u>1,540,710</u>		
Revenues over (under) expenditures	(106,917)	(606,069)		(786,069)	(1,063,710)		
Beginning fund balance	<u>2,440,001</u>	<u>2,333,084</u>		<u>2,333,084</u>	<u>1,547,015</u>		
Ending fund balance	<u>2,333,084</u>	<u>1,727,015</u>		<u>1,547,015</u>	<u>483,305</u>		

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<b>CAPITAL PROJECTS FUNDS - continued</b>							
<b>#303 STREET CAPITAL PROJECTS FUND</b>							
<u>Revenues</u>							
Grant Proceeds	2,264,783	5,038,819	0	5,038,819	7,755,118		
Developer Contribution	70,860	0	0	0	0		
Miscellaneous	1,350	0	0	0	0		
Interfund Transfer-in - #001	0	1,500,000	0	1,500,000	89,000		
Interfund Transfer-in - #301	0	901,095	0	901,095	363,627		
Interfund Transfer-in - #302	0	897,393	0	897,393	1,448,059		
Interfund Transfer-in - #401	0	100,000	0	100,000	0		
Interfund Transfer-in	1,317,918	0	0	0	0		
Total revenues	3,654,911	8,437,307	0	8,437,307	9,655,804		
<u>Expenditures</u>							
005 Pines/Mansfield, Wilbur Rd. to Pines	110,178	450,000	0	450,000	463,312		
060 Argonne Rd Corridor Upgrade SRTC 06-31	22,587	581,886	0	581,886	802,792		
061 Pines (SR27) ITS Imporvement SRTC 06-26	3,721	1,843,221	0	1,843,221	1,766,201		
063 Broadway Avenue Safety Project Pines- Park	74,127	834,000	0	834,000	0		
065 Sprague/Sullivan PCC Intersection	957,843	0	0	0	0		
066 Broadway Ave. Rehabilitation Proj # 2	949	0	0	0	0		
069 Park Road - #2 (PE Only) - Broadway to Indiana	87,146	0	0	0	0		
100 16th & Bettman Stormwater Drainage	0	0	0	0	0		
102 Sprague/Evergreen PCCP Intersection	104	0	0	0	0		
103 Sprague/Pines PCCP Intersection	7,182	0	0	0	0		
104 Sprague/McDonald PCCP Intersection	1,312	0	0	0	0		
110 Sprague Resurface - E'green to University	55,313	0	0	0	0		
112 Indiana Ave. Extension - 3600	189,479	200,000	0	200,000	0		
113 Indiana /Sullivan Intersection PCC	54,060	1,171,200	0	1,171,200	0		
114 Broadway/Sullivan PCC Intersection	723,739	0	0	0	0		
115 Sprague Ave Resurfacing-Evergreen to Sullivan	2,946	0	0	0	1,582,000		
127 2009 ADA Improvements	96,449	0	0	0	0		
139 Park Rd RR Crosing Safety Improvements	8,938	0	0	0	0		
STEP Projects (106,107,109,128,129,130,131)	1,213,840	0	0	0	0		
WSDOT Urban Ramp Projects	45,000	0	0	0	0		
Contingency	0	500,000	0	500,000	1,500,000		
Misc. Road Projects	0	1,935,000	0	1,935,000	0		
123 Mission Ave -Flora to Barker	0	488,000	0	488,000	300,000		
141 Sullivan & Euclid PCC	0	163,000	0	163,000	26,289		
142 Broadway @ Argonne/Mullan	0	271,000	0	271,000	138,150		
145 Spokane Valley-Millwood Trail	0	0	0	0	447,000		
146 24th Ave Sidewalk - Adams to Sullivan	0	0	0	0	278,520		
148 Greenacres Trail - Design	0	0	0	0	60,000		
149 In-House Design - Sidewalk Infill	0	0	0	0	398,250		
154 Sidewalk & Tansit Stop Accessibility	0	0	0	0	182,290		
155 Sullivan Rd W Bridge Replacement	0	0	0	0	600,000		
Mansfield Ave. Connection	0	0	0	0	738,000		
University Rd / I-90 Overpass Study	0	0	0	0	284,000		
Total expenditures	3,654,911	8,437,307	0	8,437,307	9,566,804		
Revenues over (under) expenditures	0	0	0	0	89,000		
Beginning fund balance	73,456	73,456		73,456	73,456		
Ending fund balance	73,456	73,456		73,456	162,456		

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<b>CAPITAL PROJECTS FUNDS - continued</b>							
<b>#304 - MIRABEAU PROJECTS FUND</b>							
<b>Revenues</b>							
Other Miscellaneous Revenue	0	0	0	0	0		
Investment Interest	0	0	0	0	0		
Total revenues	0	0	0	0	0		
<b>Expenditures</b>							
Capital Outlays	0	0	0	0	0		
Transfers	0	0	0	0	0		
Total expenditures	0	0	0	0	0		
Revenues over (under) expenditures	0	0	0	0	0		
Beginning fund balance	44,302	44,302	44,302	44,302	44,302		
Ending fund balance	44,302	44,302	44,302	44,302	44,302		
<b>#307 - CAPITAL GRANTS FUND</b>							
<b>Revenues</b>							
Grant Proceeds	1,685,541	0	120,000	120,000	0		
Miscellaneous	1,000	55,000	0	55,000	0		
Interfund Transfer-in - #302	0	0	30,000	30,000	0		
Interfund Transfer-in	311,226	0	0	0	0		
Total revenues	1,997,767	55,000	150,000	205,000	0		
<b>Expenditures</b>							
019 Broadway Ave. Rehab-Bates to Sullivan	4,986	0	0	0	0		
039 Argonne Road Overlay - Indiana to Montgomery	2,931	0	0	0	0		
054 44th Ave Pathway: Woodruff Rd. to Sands Rd.	360,234	5,000	0	5,000	0		
062 Appleway/Sprague/Dishman ITS I90-Dishman-01	2,880	50,000	0	50,000	0		
088 Broadway - Moore to Flora	1,626,735	0	150,000	150,000	0		
Miscellaneous	0	0	129	129	0		
Total expenditures	1,997,767	55,000	150,129	205,129	0		
Revenues over (under) expenditures	0	0	(129)	0	0		
Beginning fund balance	129	129	129	0	0		
Ending fund balance	129	129	0	0	0		

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<b>CAPITAL PROJECTS FUNDS - continued</b>							
<b>#308 - BARKER BRIDGE FUND</b>							
<b>Revenues</b>							
Grant Proceeds	494,897	0	0	0	0		
Developer Contribution	83,676	0	0	0	0		
Interfund Transfer-in - #302	669,779	0	150,000	150,000	0		
Total revenues	1,248,352	0	150,000	150,000	0		
<b>Expenditures</b>							
Bridge Reconstruction	1,248,352	0	150,000	150,000	0		
Total expenditures	1,248,352	0	150,000	150,000	0		
Revenues over (under) expenditures	0	0		0	0		
Beginning fund balance	0	0		0	0		
Ending fund balance	0	0		0	0		
<b>#309 - PARKS CAPITAL PROJECTS FUND</b>							
<b>Revenues</b>							
Grant Proceeds	0	500,000	0	500,000	0		
Interfund Transfer-in - #001	0	<b>100,000</b>	0	100,000	100,000		
Interfund Transfers	209,031	0	0	0	0		
Investment Interest	2,612	13,000	0	13,000	0		
Total revenues	211,643	613,000	0	613,000	100,000		
<b>Expenditures</b>							
Terrace View Park Shelter	23,489	80,000	0	80,000	0		
Terrace View Park Play Equipment	0	0	0	0	120,000		
Contingency	0	320,000	(220,000)	100,000	50,000		
Greenacres Park	55,106	1,559,036	0	1,559,036	0		
Valley Mission Park	39,132	0	0	0	0		
Discovery (Universal) Park	191,305	0	0	0	0		
Total expenditures	309,031	1,959,036	(220,000)	1,739,036	170,000		
Revenues over (under) expenditures	(97,388)	(1,346,036)		(1,126,036)	(70,000)		
Beginning fund balance	1,346,752	1,249,365		1,249,365	123,329		
Ending fund balance	1,249,365	(96,671)		123,329	53,329		

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<b>CAPITAL PROJECTS FUNDS - continued</b>							
<b>#310 - CIVIC FACILITIES CAPITAL PROJECTS FUND</b>							
<u>Revenues</u>							
Interfund Transfers	0	0	0	0	0		
Investment Interest	18,060	40,000	0	40,000	6,000		
Total revenues	<u>18,060</u>	<u>40,000</u>	<u>0</u>	<u>40,000</u>	<u>6,000</u>		
<u>Expenditures</u>							
Interfund Transfers	929,048	0	0	0	0		
Interfund Transfers-out - #001	0	2,000,000	0	2,000,000	0		
Facilities	17,866	0	0	0	0		
Total expenditures	<u>946,914</u>	<u>2,000,000</u>	<u>0</u>	<u>2,000,000</u>	<u>0</u>		
Revenues over (under) expenditures	(928,855)	(1,960,000)		(1,960,000)	6,000		
Beginning fund balance	5,828,600	4,899,745		4,899,745	2,939,745		
Ending fund balance	<u>4,899,745</u>	<u>2,939,745</u>		<u>2,939,745</u>	<u>2,945,745</u>		
<b>#311 - STREET CAPITAL IMPROVEMENTS 2011+</b>							
<u>Revenues</u>							
Interfund Transfers-in - #001	0	500,000	0	500,000	0		
Interfund Transfers in - #001 (40%>\$26mm = \$584,681)		0	584,681	584,681	0		
Investment Interest	0	0	0	0	2,200		
Total revenues	<u>0</u>	<u>500,000</u>	<u>584,681</u>	<u>1,084,681</u>	<u>2,200</u>		
<u>Expenditures</u>							
Facilities	0	500,000	(500,000)	0	1,086,881		
Total expenditures	<u>0</u>	<u>500,000</u>	<u>(500,000)</u>	<u>0</u>	<u>1,086,881</u>		
Revenues over (under) expenditures	0	0		1,084,681	(1,084,681)		
Beginning fund balance	0	0		0	1,084,681		
Ending fund balance	<u>0</u>	<u>0</u>		<u>1,084,681</u>	<u>0</u>		

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<b>ENTERPRISE FUNDS</b>							
<b>#402 - STORMWATER FUND</b>							
<b>RECURRING ACTIVITY</b>							
<u>Revenues</u>							
Stormwater Management Fees	1,742,244	1,710,000	0	1,710,000	1,750,000		
Investment Interest	7,360	0	0	0	5,000		
Miscellaneous	6,324	22,000	0	22,000	0		
Total Recurring Revenues	1,755,928	1,732,000	0	1,732,000	1,755,000		
<u>Expenditures</u>							
Wages / Benefits / Payroll Taxes	337,055	418,000	0	418,000	438,614		
Supplies	12,287	43,100	0	43,100	32,540		
Services & Charges	885,283	1,221,905	0	1,221,905	1,244,287		
Intergovernmental Payments	22,135	46,640	0	46,640	23,000		
Depreciation	50,582	0	0	0	0		
Interfund Transfers-out - #001	0	0	0	0	15,000		
Total Recurring Expenditures	1,307,343	1,729,645	0	1,729,645	1,753,441		
Recurring Revenues Over (Under)							
Recurring Expenditures	448,586	2,355	0	2,355	1,559		
<b>NONRECURRING ACTIVITY</b>							
<u>Revenues</u>							
Grant Proceeds	19,754	0	0	0	153,667		
Interfund Transfers-in - #101 ( <i>shop facility</i> )	0	0	375,000	375,000	0		
Total Nonrecurring Revenues	19,754	0	375,000	375,000	153,667		
<u>Expenditures</u>							
Interfund Transfers-out	90,170	100,000	0	100,000	0		
Contracted maintenance	0	120,000	0	120,000	0		
Div. 055 NPDES-Phase II program dev.	21,670	0	0	0	0		
Capital - various projects	334,887	300,000	0	300,000	400,000		
Shop Facility	0	0	750,000	750,000	0		
Interfund Transfers out - #101	0	0	159,800	159,800	0		
Total Nonrecurring Expenditures	446,727	520,000	909,800	1,429,800	400,000		
Nonrecurring Revenues Over (Under)							
Nonrecurring Expenditures	(426,973)	(520,000)	(534,800)	(1,054,800)	(246,333)		
<b>EXCESS (DEFICIT) OF TOTAL REVENUES OVER (UNDER) TOTAL EXPENDITURES</b>							
BEGINNING FUND BALANCE	21,612	(517,645)	(534,800)	(1,052,445)	(244,774)		
ENDING FUND BALANCE	2,267,232	2,288,845		2,288,845	1,236,400		
	2,288,845	1,771,200		1,236,400	991,626		

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<b>ENTERPRISE FUNDS - continued</b>							
<b>#403 - AQUIFER PROTECTION AREA</b>							
<u>Revenues</u>							
Spokane County	0	0	500,000	500,000	500,000		
Investment Interest	0	0	0	0	2,500		
Total revenues	<u>0</u>	<u>0</u>	<u>500,000</u>	<u>500,000</u>	<u>502,500</u>		
<u>Expenditures</u>							
Facilities	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		500,000	502,500		
Beginning fund balance	0	0		0	500,000		
Ending fund balance	<u>0</u>	<u>0</u>		<u>500,000</u>	<u>1,002,500</u>		

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<b>INTERNAL SERVICE FUNDS</b>							
<b>#501 - ER&amp;R FUND</b>							
<u>Revenues</u>							
Interfund Transfer-in - #001	0	0	0	0	0		
Interfund Transfer-in - #101 (plow replace.)	0	0	0	0	100,000		
Investment Interest	301	9,000	0	9,000	0		
Total revenues	<u>301</u>	<u>9,000</u>	<u>0</u>	<u>9,000</u>	<u>100,000</u>		
<u>Expenditures</u>							
Computer replacement lease	0	0	0	0	0		
Software/Hardware replacement	0	0	0	0	0		
Vehicle Replacement	0	0	0	0	0		
Capital Outlay	0	209,000	0	209,000	0		
Total expenditures	<u>0</u>	<u>209,000</u>	<u>0</u>	<u>209,000</u>	<u>0</u>		
Revenues over (under) expenditures	301	(200,000)		(200,000)	100,000		
Beginning fund balance	<u>906,078</u>	<u>906,379</u>		<u>906,379</u>	<u>706,379</u>		
Ending fund balance	<u>906,379</u>	<u>706,379</u>		<u>706,379</u>	<u>806,379</u>		
<b>#502 - RISK MANAGEMENT FUND</b>							
<u>Revenues</u>							
Investment Interest	50	0	0	0	0		
Interfund Transfer - #001	318,000	319,000	0	319,000	319,000		
Total revenues	<u>318,050</u>	<u>319,000</u>	<u>0</u>	<u>319,000</u>	<u>319,000</u>		
<u>Expenditures</u>							
Services & Charges	309,724	319,000	0	319,000	319,000		
Total expenditures	<u>309,724</u>	<u>319,000</u>	<u>0</u>	<u>319,000</u>	<u>319,000</u>		
Revenues over (under) expenditures	8,326	0	0	0	0		
Beginning fund balance	<u>12,094</u>	<u>20,420</u>		<u>20,420</u>	<u>20,420</u>		
Ending fund balance	<u>20,420</u>	<u>20,420</u>		<u>20,420</u>	<u>20,420</u>		

**CITY OF SPOKANE VALLEY, WA**  
**2012 Budget**

10/17/2011

	2010 Actuals	2011			2012 Proposed Budget
		As Adopted	Amendment	As Amended	
Total of Revenues for all Funds	52,881,639	55,549,432	2,812,681	58,362,113	54,824,894
Total of Expenditures for all Funds	49,865,255	61,277,068	2,901,929	64,178,997	56,969,201
Total Capital expenditures (included in total expenditures)		11,525,343	1,544,429	13,069,772	11,263,685

**City of Spokane Valley  
2012 Budget  
Revenues by Type**

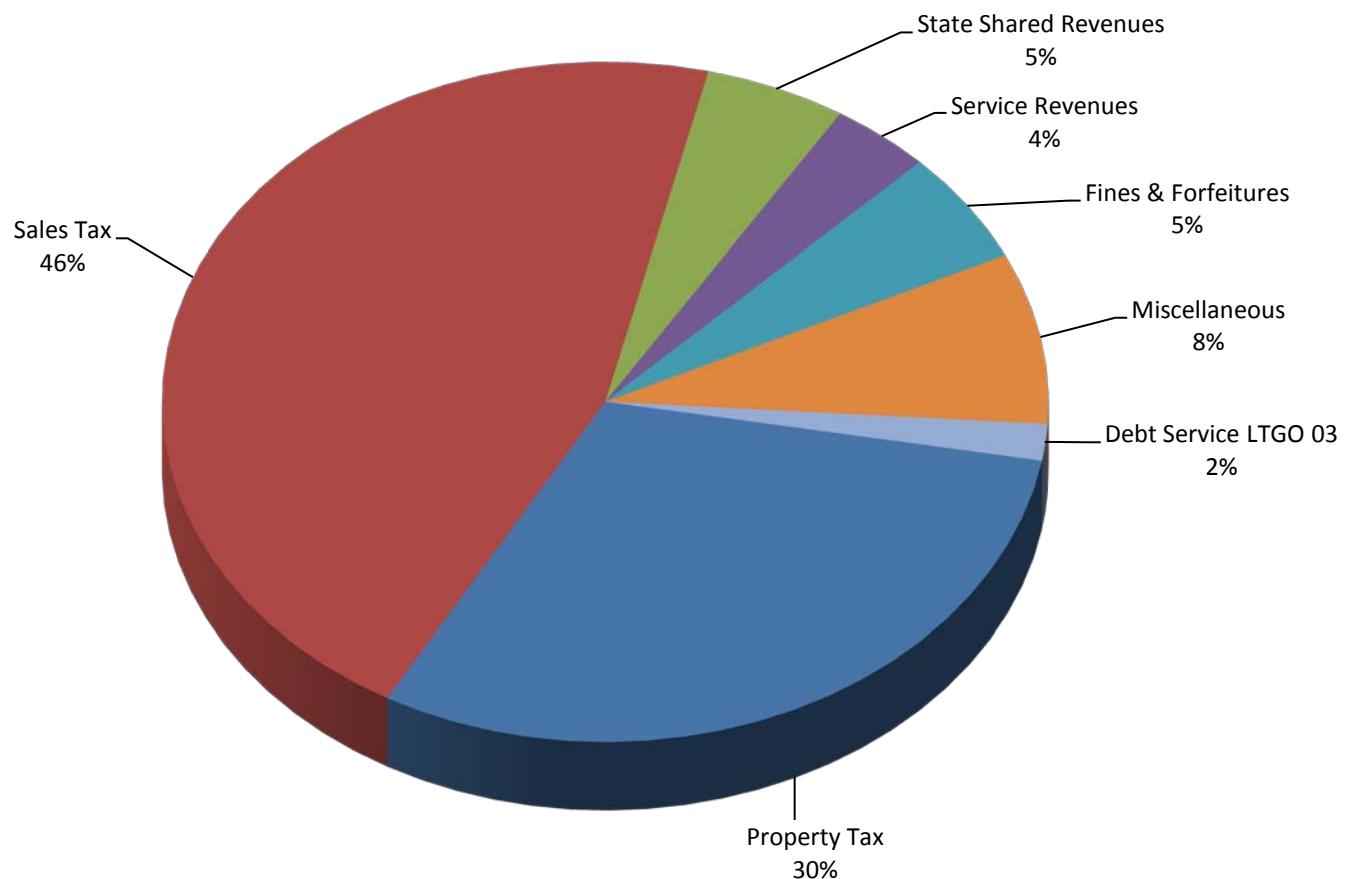
**General Fund**

Property Tax	10,808,900
Sales Tax	16,200,000
Gambling Tax	640,000
Franchise Fees/Business Registration	1,266,000
State Shared Revenues	1,834,300
Service Revenues	1,300,000
Fines and Forfeitures	1,900,000
Recreation Program Fees	570,000
Miscellaneous, Investment Int. ,Transfers	<u>389,600</u>
Total General Fund	34,908,800

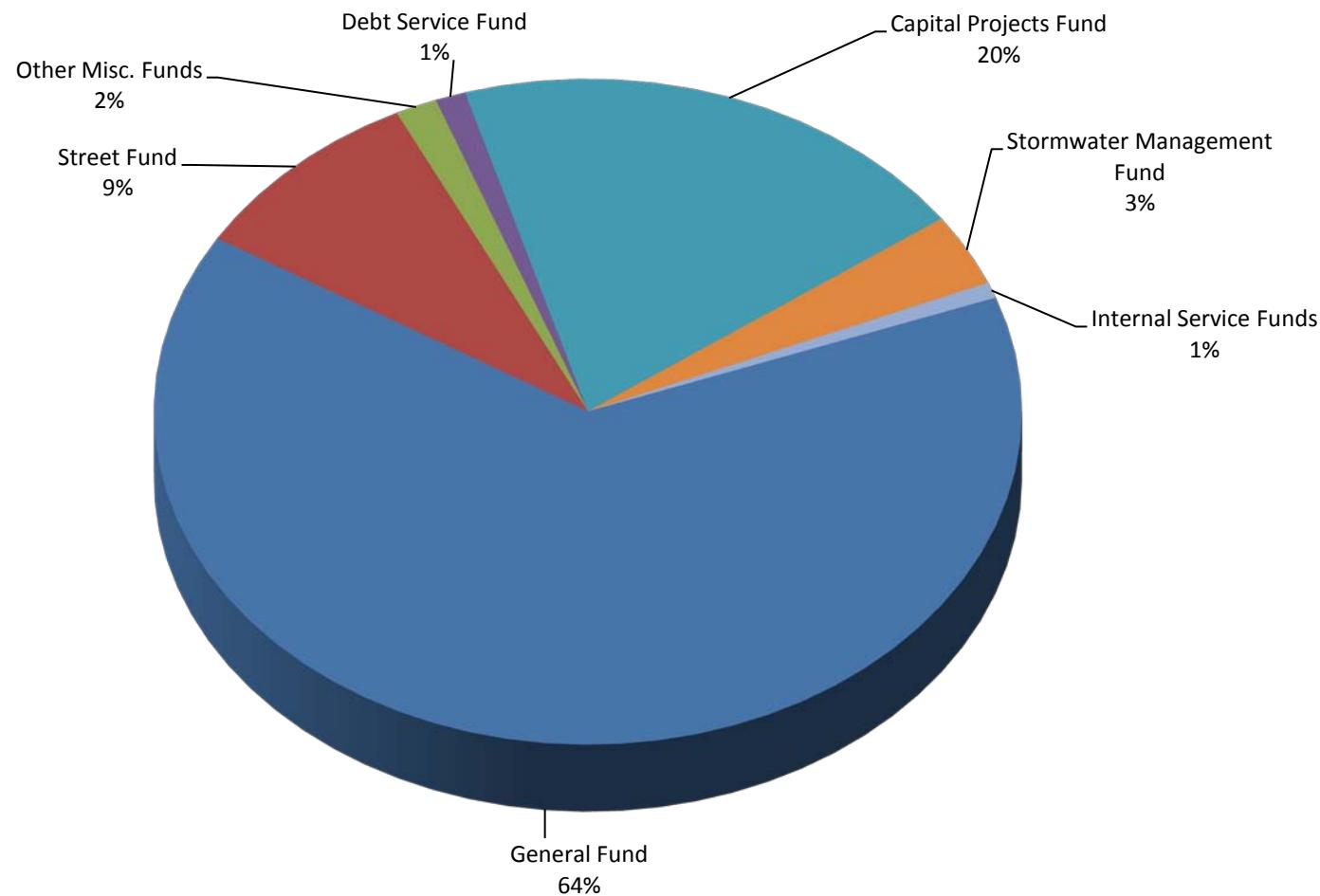
**Other Funds**

101 Street Fund	4,902,800
103 Paths & Trails Fund	8,000
105 Hotel/Motel Fund	430,700
120 CenterPlace Operating Reserve Fund	700
121 Service Level Reserve Fund	10,000
122 Winter Weather Reserve Fund	700
123 City Facilities Repair & Replacement	399,000
204 Debt Service LTGO 03	617,623
301 Capital Projects Fund	475,400
302 Special Capital Projects Fund	477,000
303 Street Capital Projects Fund	9,655,804
304 Mirabeau Point Project Fund	-
306 CDBG Fund Revenues	-
307 Capital Grants Fund	-
308 Barker Bridge - Federal Grant Fund	-
309 Parks Capital Fund	100,000
310 Civic Facilities Capital Fund	6,000
311 Street Capital Improvement Fund 2011+	2,200
402 Stormwater Management Fund	1,908,667
403 Aquifer Protection Area	502,500
501 Equipment Rental & Replacement Fund	100,000
502 Risk Management Fund	<u>319,000</u>
Total Other Funds	19,916,094
Total All Funds	<u>\$ 54,824,894</u>

**City of Spokane Valley  
2012 General Fund Revenues  
\$34,908,800**



**City of Spokane Valley  
2012 City Wide Revenues  
\$ 54,824,894**



**City of Spokane Valley  
2012 Budget  
Detail Revenues by Type**

	2010 Actual	2011 Budget	2012 Proposed Budget
<b>General Fund Revenues</b>			
<u>Beginning Fund Balance</u>	\$ -	\$ -	\$ -
<u>Property Tax</u>			
Property Tax	\$ 10,555,192	\$ 10,700,000	\$ 10,658,900
Property Tax - Delinquent	<u>186,114</u>	<u>175,000</u>	<u>150,000</u>
	<u>10,741,306</u>	<u>10,875,000</u>	<u>10,808,900</u>
<u>Sales Taxes</u>			
Sales Tax	14,097,300	14,210,000	14,210,000
Sales Tax - Criminal Justice	1,241,917	1,200,000	1,200,000
Sales Tax - Public Safety	<u>715,926</u>	<u>790,000</u>	<u>790,000</u>
	<u>16,055,143</u>	<u>16,200,000</u>	<u>16,200,000</u>
<u>Gambling Taxes</u>			
Amusement Games	10,888	2,000	10,000
Card Games	563,477	518,000	550,000
Interest on Gambling Tax	19,133	10,000	10,000
Punch Boards & Pull Tabs	<u>71,778</u>	<u>70,000</u>	<u>70,000</u>
	<u>665,276</u>	<u>600,000</u>	<u>640,000</u>
<u>Licenses &amp; Permits</u>			
Business Licenses	89,477	90,000	90,000
Franchise Fees	<u>1,177,299</u>	<u>1,171,000</u>	<u>1,176,000</u>
	<u>1,266,776</u>	<u>1,261,000</u>	<u>1,266,000</u>
<u>State Shared Revenues</u>			
City Assistance State Revenue	61,713	10,000	10,000
Criminal Justice Area #4	131,088	130,000	130,000
Criminal Justice Special Programs	75,804	74,000	76,600
DUI - Cities	16,503	29,000	17,000
False Alarm Svrs	-	-	-
Liquor Board Excise Tax	443,362	410,000	451,400
Liquor Board Profits	715,439	641,859	557,800
MVET Criminal Justice - Population	20,043	19,000	22,500
Payment in Lieu of Taxes - DNR	3,805	3,500	3,500
Streamline Mitigation of Sales Tax	569,899	372,000	560,000
Work Study Reimbursement	<u>5,179</u>	<u>6,266</u>	<u>5,500</u>
	<u>2,042,835</u>	<u>1,695,625</u>	<u>1,834,300</u>
<u>Service Revenues</u>			
Airway Heights Bldg. Plan Rev.	21,489	-	-
Building Permits	738,696	722,800	722,800
Code Enforcement	17,034	-	-
Cry Wolf Fees 001.000.000.342.28.02	154,643	100,000	145,000
Demolition Permits	3,204	5,200	5,200
Grading Permits	1,221	5,000	5,000
Mechanical Permits	83,475	92,000	92,000
Misc. Permits & Fees	5,891	100,000	5,000
Planning Fees	313,019	290,000	290,000
Plans Check Fees	-	250,000	-
Plumbing Permits	47,039	35,000	35,000
Right of Way Permits	<u>86,387</u>	-	-
	<u>1,472,098</u>	<u>1,600,000</u>	<u>1,300,000</u>
<u>Fines and Forfeitures</u>			
Fines & Forfeits - Traffic	851,996	820,000	900,000
Other Criminal- Non Traffic Fines	<u>976,414</u>	<u>980,000</u>	<u>1,000,000</u>
	<u>1,828,410</u>	<u>1,800,000</u>	<u>1,900,000</u>
<u>Recreation Program Charges</u>			
Activity Fees (To use a recreational facility)	264,701	205,000	200,000
Program Fees (To participate in a program)	<u>366,244</u>	<u>350,500</u>	<u>370,000</u>
	<u>630,945</u>	<u>555,500</u>	<u>570,000</u>
<u>Miscellaneous</u>			
Investment Interest	130,195	100,000	145,000
Sales Tax Interest	20,147	50,000	50,000
Property Tax Interest	-	-	-
Police Precinct Rent	53,708	50,000	55,000
Office of Public Def-Re-Licensing Grant	-	-	-
Miscellaneous Revenue & Grants	<u>50,955</u>	-	<u>55,000</u>
	<u>255,006</u>	<u>200,000</u>	<u>305,000</u>
<u>Transfers</u>			
Transfer-in - #101 (street admin)	34,300	25,000	39,600
Transfer-in - #105 (h/m tax-CP advertising)	39,675	-	30,000
Transfer-in - #310 (full paveback)	929,048	2,000,000	-
Transfer-in - #402 (storm admin)	<u>13,386</u>	<u>15,000</u>	<u>15,000</u>
	<u>1,016,409</u>	<u>2,040,000</u>	<u>84,600</u>
Total General Fund Revenue	<u>\$ 35,974,204</u>	<u>\$ 36,827,125</u>	<u>\$ 34,908,800</u>
Total General Fund Revenue and Beginning Fund Balance	<u>\$ 35,974,204</u>	<u>\$ 36,827,125</u>	<u>\$ 34,908,800</u>

**City of Spokane Valley  
2012 Budget  
Detail Revenues by Type**

<b>Other Fund Revenues</b>	<b>2010 Actuals</b>	<b>2011 Budget</b>	<b>2012 Proposed Budget</b>
<b>101 Street Fund</b>			
Unreserved Fund Balance	-	-	-
FEMA-18025-DR-WA Grant Funds	436	-	-
Insurance Premiums & Recoveries	14,024	-	-
Investment Interest	6,538	12,000	5,000
Motor Fuel (Gas) Tax	1,928,004	1,875,000	1,897,800
Other Miscellaneous Revenues & Grants	138,221	-	-
Street Maintenance & Repair Charges	5,571	-	-
Utilities tax	<u>2,986,138</u>	<u>3,000,000</u>	<u>3,000,000</u>
	<u>5,078,932</u>	<u>4,887,000</u>	<u>4,902,800</u>
<b>102 Arterial Street Fund</b>			
Unreserved Fund Balance	-	-	-
Transfer from: Capital Grants Fund	7,917	-	-
	<u>7,917</u>	<u>-</u>	<u>-</u>
<b>103 Paths &amp; Trails Fund</b>			
Unreserved Fund Balance	-	-	-
Interfund Transfer-in - #101 (MVFT)	-	8,000	-
Investment Interest	78	-	-
Motor Fuel (Gas) Tax	<u>8,132</u>	<u>-</u>	<u>8,000</u>
	<u>8,210</u>	<u>8,000</u>	<u>8,000</u>
<b>105 Hotel/Motel Fund</b>			
Unreserved Fund Balance	-	-	-
Hotel/Motel Tax	448,545	480,000	430,000
Investment Interest	1,017	1,000	700
	<u>449,562</u>	<u>481,000</u>	<u>430,700</u>
<b>120 CenterPlace Operating Reserve</b>			
Unreserved Fund Balance	-	-	-
Investment Interest	1,047	3,000	700
	<u>1,047</u>	<u>3,000</u>	<u>700</u>
<b>121 Service Level Stabilization Reserve</b>			
Unreserved Fund Balance	-	-	-
Investment Interest	16,795	54,000	10,000
	<u>16,795</u>	<u>54,000</u>	<u>10,000</u>
<b>122 Winter Weather Reserve</b>			
Unreserved Fund Balance	-	-	-
Interfund Transfer	-	-	-
Investment Interest	1,131	5,000	700
	<u>1,131</u>	<u>5,000</u>	<u>700</u>
<b>123 City Facilities Repair &amp; Replacement</b>			
Unreserved Fund Balance	-	-	-
Investment Interest	3,211	12,000	2,000
Interfund Transfer #001	397,000	407,000	397,000
	<u>400,211</u>	<u>419,000</u>	<u>399,000</u>

**City of Spokane Valley  
2012 Budget  
Detail Revenues by Type**

<b>Other Fund Revenues</b>	<b>2010 Actuals</b>	<b>2011 Budget</b>	<b>2012 Proposed Budget</b>
<b>Other Fund Revenues</b>			
<b>204 Debt Service - LTGO 03</b>			
Unreserved Fund Balance	-	-	-
Facilities District Revenue	421,520	460,000	432,320
Interfund Transfer-in- #301	91,978	110,000	92,652
Interfund Transfer-in- #302	91,978	115,000	92,651
	<u>605,477</u>	<u>685,000</u>	<u>617,623</u>
<b>301 Capital Projects Fund</b>			
Unreserved Fund Balance	-	-	-
Investment Interest	3,661	15,000	400
REET 1 - 1st .25 Percent	487,110	400,000	475,000
Transfer from: Street Capital Projects	135,000	-	-
	<u>625,771</u>	<u>415,000</u>	<u>475,400</u>
<b>302 Special Capital Projects Fund</b>			
Unreserved Fund Balance	-	-	-
Investment Interest	4,584	15,000	2,000
REET 2 - 2nd .25 Percent	475,194	400,000	475,000
Transfer from: Street Capital Projects	7,841	-	-
	<u>487,619</u>	<u>415,000</u>	<u>477,000</u>
<b>303 Street Capital Projects</b>			
Unreserved Fund Balance	-	-	-
Developer Contributions	70,860	-	-
Grant Proceeds	2,266,605	4,738,819	7,755,118
Interfund Transfer-in - #001	929,048	1,500,000	89,000
Interfund Transfer-in - #301	63,837	901,098	363,627
Interfund Transfer-in - #302	275,929	897,390	1,448,059
Interfund Transfer-in - #401	48,630	100,000	-
Transfer from Block Grant	-	300,000	-
Transfer from General Fund	-	-	-
	<u>3,654,911</u>	<u>8,437,307</u>	<u>9,655,804</u>
<b>307 Capital Grants Fund</b>			
Unreserved Fund Balance	-	-	-
Capital Grant Proceeds	1,686,541	120,000	-
Interfund Transfer-in - #302	-	30,000	-
Miscellaneous/Private Development	-	55,000	-
Transfer from Capital Project (301)	56,918	-	-
Transfer from Stormwater	28,154	-	-
Transfers from Special Capital Projects Fund	226,154	-	-
	<u>1,997,767</u>	<u>205,000</u>	<u>-</u>

**City of Spokane Valley  
2012 Budget  
Detail Revenues by Type**

<b>Other Fund Revenues</b>	<b>2010 Actuals</b>	<b>2011 Budget</b>	<b>2012 Proposed Budget</b>
<b>308 Barker Bridge Reconstruction - Fed Grant</b>			
Coordination Revenue	83,676	-	-
Federal Grant Proceeds	494,897	-	-
Interfund Transfer-in - #302	-	150,000	-
Transfer from Capital Project (301)	669,779	-	-
	<u>1,248,352</u>	<u>150,000</u>	<u>-</u>
<b>309 Parks Capital Projects</b>			
Unreserved Fund Balance	-	-	-
Investment Interest	2,612	13,000	-
State Rec & Conservation Grant Rev	-	500,000	-
Transfer from Cap. Proj. (301)	109,031	-	-
Transfer from the General Fund	100,000	100,000	100,000
	<u>211,643</u>	<u>613,000</u>	<u>100,000</u>
<b>310 Civic Facilities Capital Projects</b>			
Unreserved Fund Balance	-	-	-
Investment Interest	18,060	40,000	6,000
	<u>18,060</u>	<u>40,000</u>	<u>6,000</u>
<b>311 Street Capital Improvement 2011+</b>			
Unreserved Fund Balance	-	-	-
Investment Interest	-	-	2,200
Interfund Transfers-in - #001 (40%>\$26mm=\$584,6	-	584,681	-
Interfund Transfers-in - #001	-	500,000	-
	<u>-</u>	<u>1,084,681</u>	<u>2,200</u>
<b>402 Stormwater Management Fund</b>			
Unreserved Fund Balance	-	-	-
Grant Proceeds	19,754	-	153,667
Interfund Transfers-in - #101 (shop facility)	-	375,000	-
Investment Interest	7,360	22,000	5,000
Miscellaneous	6,324	-	-
Stormwater Management Fee	1,742,244	1,710,000	1,750,000
	<u>1,775,682</u>	<u>2,107,000</u>	<u>1,908,667</u>
<b>403 Aquifer Protection Area</b>			
Investment Interest	-	-	2,500
Spokane County	-	500,000	500,000
	<u>-</u>	<u>500,000</u>	<u>502,500</u>
<b>501 Equipment Rental &amp; Replacement Fund</b>			
Unreserved Fund Balance	-	-	-
Investment Interest	301	9,000	-
Interfund Transfer-in- #101 (plow replace)	-	-	100,000
	<u>301</u>	<u>9,000</u>	<u>100,000</u>
<b>502 Risk Management Fund</b>			
Unreserved Fund Balance	-	-	-
Employment Security Transfers	-	-	-
Interfund Transfer - #001	318,000	319,000	319,000
Investment Interest	50	-	-
	<u>318,050</u>	<u>319,000</u>	<u>319,000</u>
Total all other Funds Revenue	<u>16,907,437</u>	<u>20,836,988</u>	<u>19,916,094</u>
General Fund Revenues	<u>35,974,204</u>	<u>36,827,125</u>	<u>34,908,800</u>
Total Revenues	<u>52,881,639</u>	<u>57,664,113</u>	<u>54,824,894</u>

**City of Spokane Valley  
2012 Budget**

**Expenditures by Department**

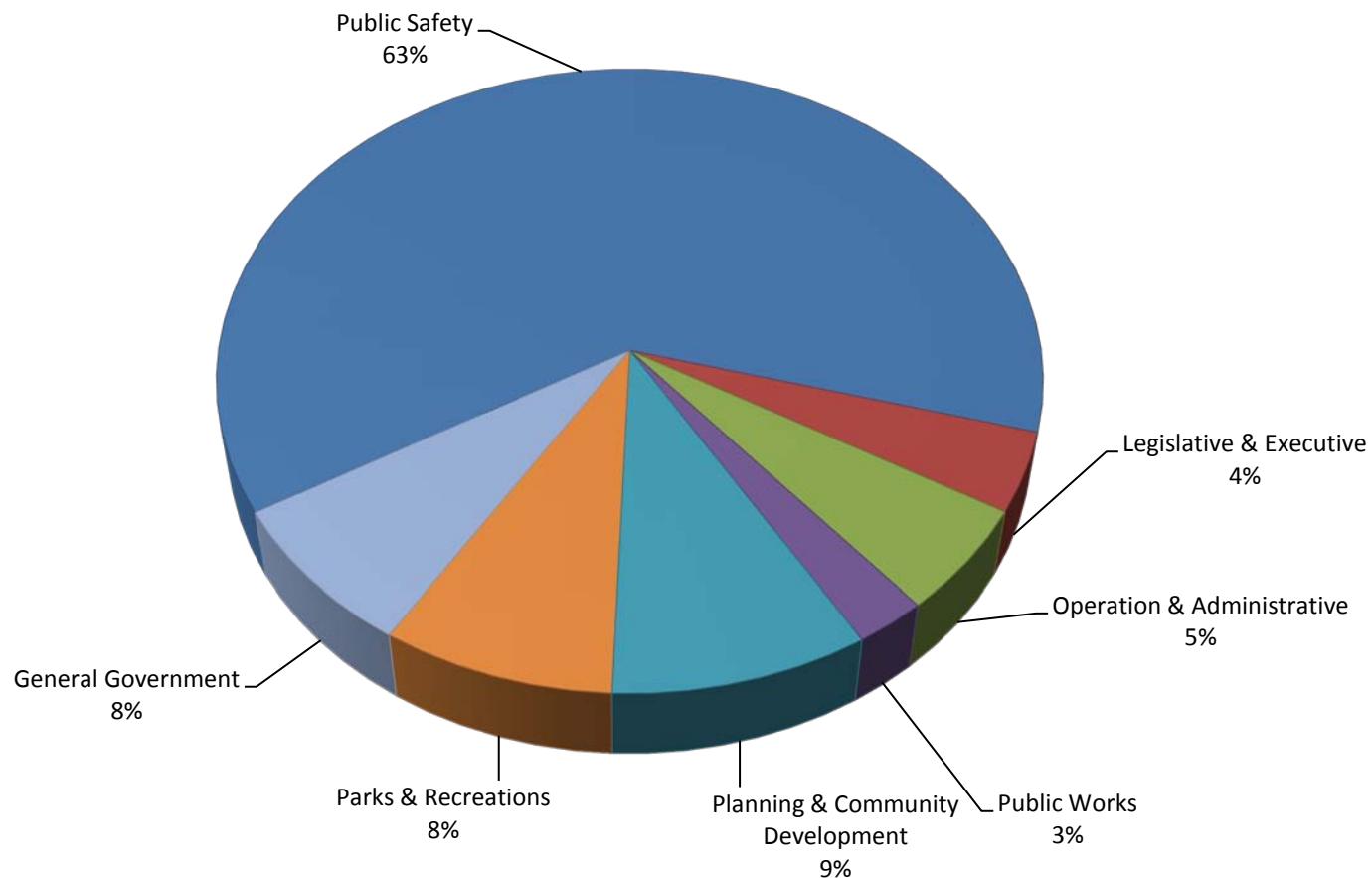
**General Fund**

Council	\$ 386,249
City Manager	1,066,465
Public Safety	22,000,000
Operations & Administrative	
Deputy City Manager	658,884
Finance	1,047,107
Human Resources	230,231
Public Works	901,519
Planning & Community Development	
Admin	323,743
Planning	994,245
Building	1,260,454
Development Engineering	680,796
Library	-
Parks & Recreation	
Administration & Maintenance	1,059,828
Recreation	229,811
Aquatics	442,250
Senior Center	92,960
CenterPlace	1,126,357
General Government	<u>2,695,600</u>
Total General Fund	<u>35,196,500</u>

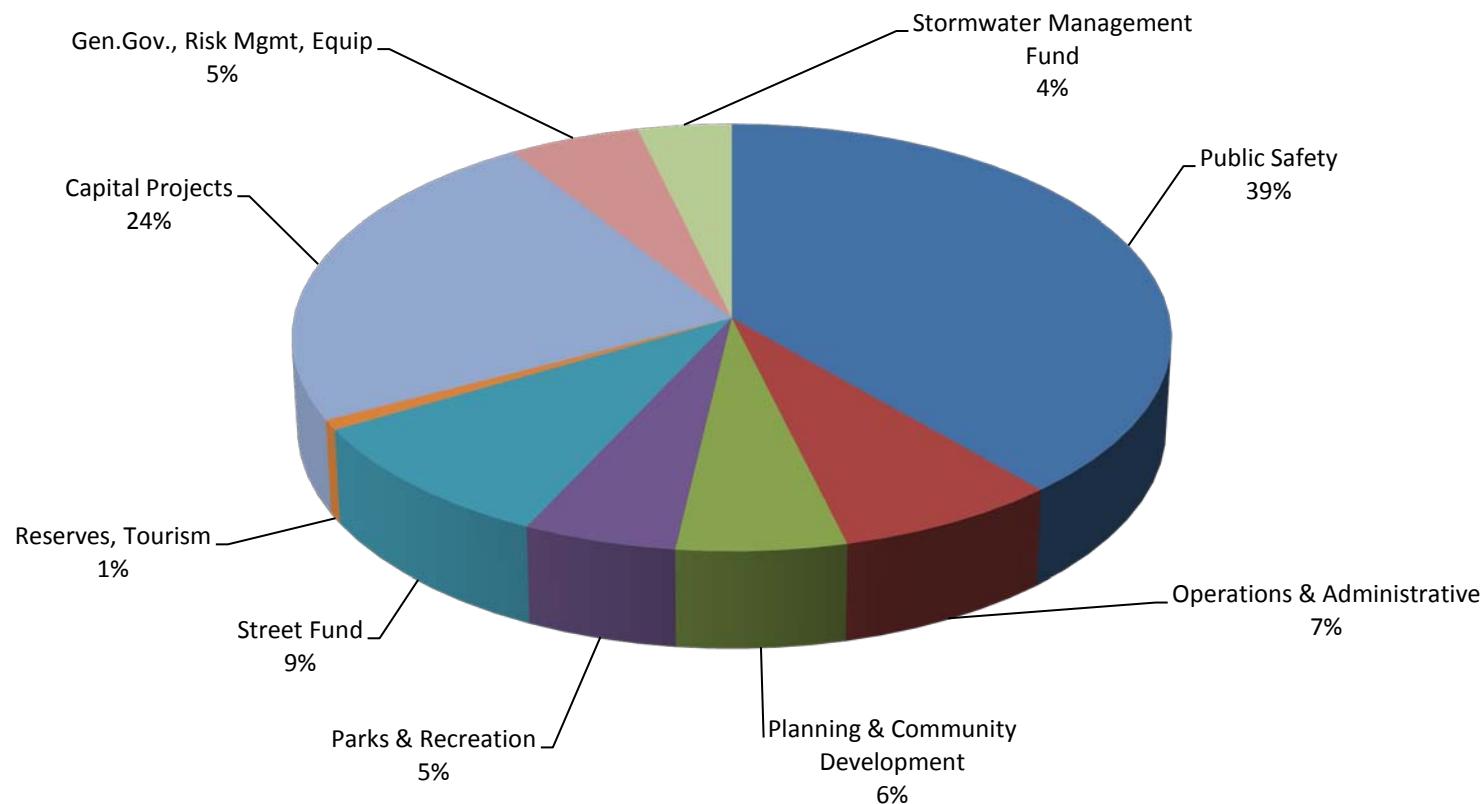
**Other Funds**

101 Street Fund	5,431,263
103 Paths & Trails Fund	-
105 Hotel/Motel Fund	430,700
204 Debt Service - LTGO 03	617,623
301 Capital Projects Fund	456,279
302 Special Capital Projects Fund	1,540,710
303 Street Capital Projects Fund	9,566,804
309 Parks Capital Projects Fund	170,000
311 Street Capital Improvement 2011+	1,086,881
402 Stormwater Management Fund	2,153,441
403 Aquifer Protection Area	-
501 Equipment Rental & Replacement	-
502 Risk Management Fund	<u>319,000</u>
Total All Funds	<u>\$ 56,969,201</u>

**City of Spokane Valley  
2012 General Fund Expenditures  
\$ 35,196,500**



**City of Spokane Valley**  
**2012 City Wide Expenditures**  
**\$ 56,969,201**



**City of Spokane Valley  
2012 Budget**  
**General Fund Expenditures by Department by Type**

	<u>Wages &amp; Benefits</u>	<u>Services &amp; Charges</u>				<u>Intergovernmental</u>	<u>Interfund</u>	<u>Capital Expenditures</u>	<u>Total</u>
		<u>Supplies</u>	<u>Charges</u>	<u>Intergovernmental</u>	<u>Interfund</u>				
<b>General Fund</b>									
Legislative Branch	\$ 174,867	\$ 6,250	\$ 205,132	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 386,249
Legislative & Executive	906,951	7,720	151,794	-	-	-	-	-	1,066,465
Public Safety	-	-	-	21,920,000	80,000	-	-	-	22,000,000
Operations & Administrative									
Deputy City Manager	600,149	2,850	55,885	-	-	-	-	-	658,884
Finance	1,011,932	3,500	31,675	-	-	-	-	-	1,047,107
Human Resources	189,459	1,847	38,925	-	-	-	-	-	230,231
Public Works	754,769	36,000	103,750	-	-	-	-	7,000	901,519
Planning & Community Development									
Admin	292,643	4,100	12,000	15,000	-	-	-	-	323,743
Planning	822,895	10,250	86,100	75,000	-	-	-	-	994,245
Building	1,066,404	35,300	85,350	65,000	8,400	-	-	-	1,260,454
Development Engineering	578,346	7,800	49,650	45,000	-	-	-	-	680,796
Library									
Parks & Recreation									
Parks Administration	202,978	61,600	781,050	11,000	3,200	-	-	-	1,059,828
Recreation	149,911	9,250	64,650	-	6,000	-	-	-	229,811
Aquatics	-	3,000	439,250	-	-	-	-	-	442,250
Senior Center	77,320	5,240	10,400	-	-	-	-	-	92,960
CenterPlace	381,403	78,876	342,078	-	324,000	-	-	-	1,126,357
General Government	-	33,500	564,000	1,022,500	1,075,600	-	-	-	2,695,600
<b>Total General Fund</b>	<b>\$ 7,210,028</b>	<b>\$ 307,083</b>	<b>\$ 3,021,689</b>	<b>\$ 23,153,500</b>	<b>\$ 1,497,200</b>	<b>\$ 7,000</b>	<b>\$ 35,196,500</b>		

### **011 - Council**

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

#### **Accomplishments for 2011**

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

This goal will be complete if Spokane County is issued their Wastewater permit by the end of the year.

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

The Sprague and Appleway Corridors Subarea Plan was removed from the Spokane Valley Comprehensive Plan.

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

Shoreline Master Program, Shoreline Inventory and the Goals and Policies have been drafted and processed through the public hearing process.

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

No state funds were available for this project; however, HB1922 was passed requiring certain vehicles to stop at a port of entry upon entering the state and Spokane Valley Partners received \$100,000 in capital funds to improve its facility.

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

The winter plan has been implemented. Equipment and maintenance facility have been purchased. We will continue to monitor and make recommended changes.

- **Explore a range of options for a City Hall**

Discussed option of constructing a city hall at or near CenterPlace.

**011 - Council**

**Goals for 2012**

- **Continue monitoring wastewater issues**, including governance of wastewater facilities, and pursuit of the most efficient and economical methods to ensure the continuation of wastewater discharge licenses.
- **Solid Waste to include identifying the issue and research alternatives of joining the consortium or handling it ourselves and examining the consequences of each alternative.**
- **Review and Evaluate** development regulations and compare with surrounding cities.
- **Develop a Shoreline Master Program** to provide appropriate regulatory protection for waters of statewide significance as required by state statute.
- **Pursue a legislative capital budget request** - to be identified
- **Create an Economic Development Plan** including options for a city hall.

**Budget Summary**

	2010 Actual	2011 Budget	2012 Proposed Budget
<b><u>Personnel - FTE Equivalents</u></b>			
Mayor	1.0	1.0	1.0
Council	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>
Total FTEs	7.0	7.0	7.0
<b><u>Budget Detail</u></b>			
Salaries, Wages, & Benefits	\$ 138,277	\$ 143,718	\$ 174,867
Supplies	7,308	7,000	6,250
Services & Charges	<u>170,958</u>	<u>173,580</u>	<u>205,132</u>
Total Legislative Branch	<u>\$ 316,543</u>	<u>\$ 324,298</u>	<u>\$ 386,249</u>

#### 013 - City Manager

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 2011

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

This goal will be complete if Spokane County is issued their Wastewater permit by the end of the year.

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

Advised the Council and staff on re-evaluating the regulations specified in the Sprague/Appleway Revitalization Plan, including the means to legally repeal the entire subarea plan.

The Sprague and Appleway Corridors Subarea Plan was removed from the Spokane Valley Comprehensive Plan.

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

Advised the Council and staff on identifying appropriate regulatory framework for regulations under the Washington State Shoreline Management Act, including scope of permissible City discretion.

Shoreline Master Program, Shoreline Inventory and the Goals and Policies have been drafted and processed through the public hearing process.

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

No state funds were available for this project; however, HB1922 was passed requiring certain vehicles to stop at a port of entry upon entering the state and Spokane Valley Partners received \$100,000 in capital funds to improve its facility.

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

The winter plan has been implemented. Equipment and maintenance facility have been purchased. We will continue to monitor and make recommended changes.

- **Explore a range of options for a City Hall**

Discussed option of constructing a city hall at or near CenterPlace.

**013 - City Manager**

**Goals for 2012**

- **Continue monitoring wastewater issues**, including governance of wastewater facilities, and pursuit of the most efficient and economical methods to ensure the continuation of wastewater discharge licenses.
- **Solid Waste to include identifying the issue and research alternatives of joining the consortium or handling it ourselves and examining the consequences of each alternative.**
- **Review and Evaluate** development regulations and compare with surrounding cities.
- **Develop a Shoreline Master Program** to provide appropriate regulatory protection for waters of statewide significance as required by state statute.
- **Pursue a legislative capital budget request** - to be identified
- **Create an Economic Development Plan** including options for a city hall.

**Budget Summary**

	2010 Actual	2011 Budget	2012 Proposed Budget
<b><u>Personnel - FTE Equivalents</u></b>			
City Manager	1.0	1.0	1.0
City Attorney	1.0	1.0	1.0
City Clerk	1.0	1.0	1.0
Deputy City Attorney	1.0	1.0	1.0
Deputy City Clerk	1.0	1.0	1.0
Administrative Assistant - Legal	1.0	1.0	1.0
Administrative Assistant (CC)	1.0	1.0	1.0
Administrative Assistant (CM)	1.0	1.0	1.0
Total FTEs	8.0	8.0	8.0
Interns	3.5	2.0	3.0
<b><u>Budget Detail (*)</u></b>			
Salaries, Wages, & Benefits	\$ 1,126,988	\$ 900,371	\$ 906,951
Supplies	4,350	17,400	7,720
Services & Charges	135,072	138,135	151,794
Total Executive & Legislative Support	<u>\$ 1,266,411</u>	<u>\$ 1,055,906</u>	<u>\$ 1,066,465</u>

### **016 - Public Safety**

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

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

Budgeted contract amount: \$ 2,212,698

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

Budgeted contract amount: \$ 16,730,138

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

Budgeted contract amount: \$ 1,333,131

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

Budgeted contract amount: \$ 315,516

**Fines & Forfeitures State Remittance**

Budgeted contract amount: \$ 1,057,363

**Communications**

Budgeted contract amount: \$ 271,154

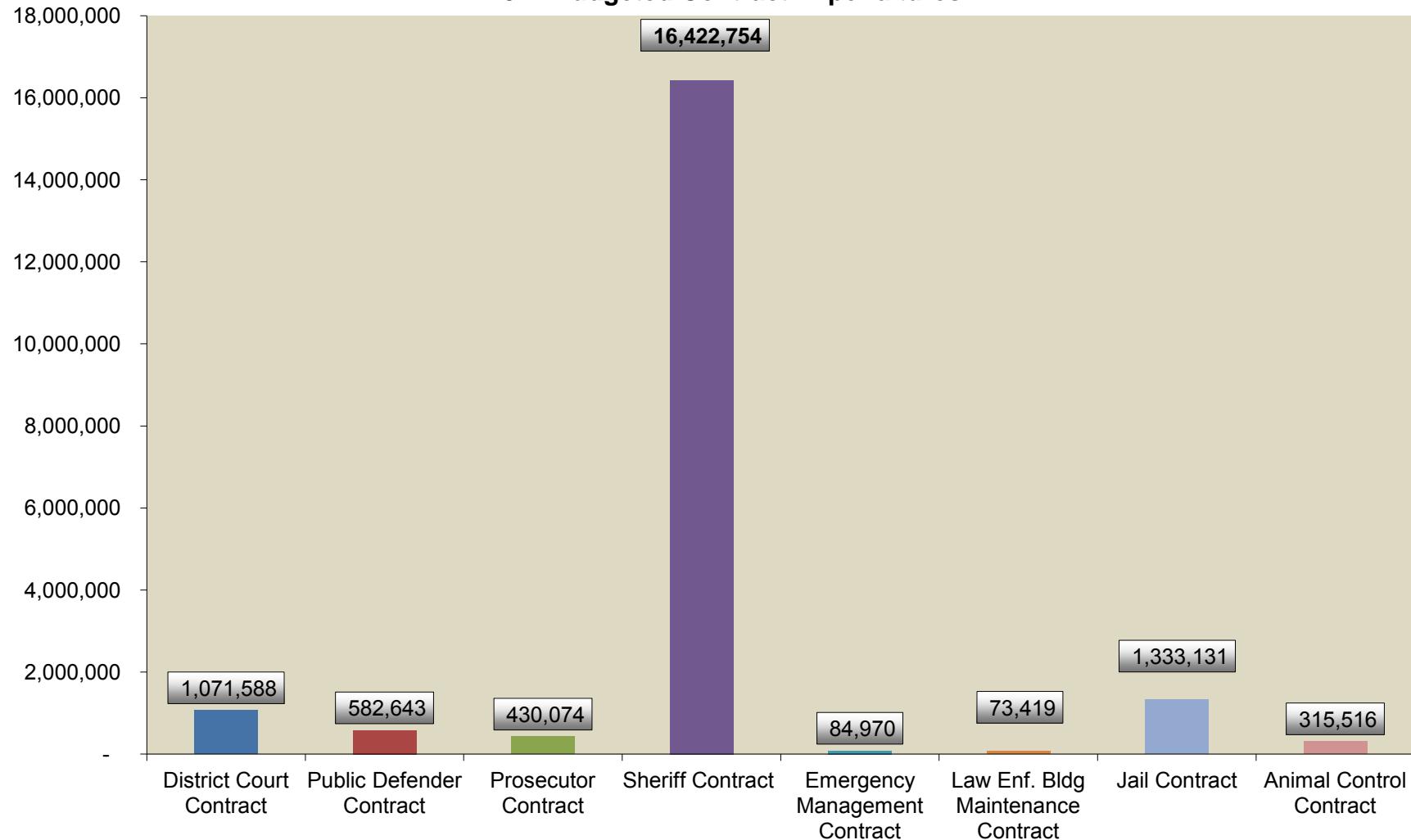
**Interfund Transfers** - Transfer to Fund #123 to cover future building improvements or the eventual replacement of the precinct building \$ 80,000

Total \$ 22,000,000

**City of Spokane Valley**  
**2012 Budget**  
**016 - Public Safety**

	<b>2010 Actual</b>	<b>2011 Budget</b>	<b>2012 Proposed Budget</b>
<b>Judicial System:</b>			
District Court Contract	814,284	819,345	1,071,588
Jury Management Contract	-	-	-
Intergovernmental Payments	30,855	-	-
Public Defender Contract	485,456	510,476	582,643
Prosecutor Contract	396,151	400,342	430,074
Pretrial Services Contract	83,137	96,111	128,393
Prosecutor - Funded by JAG Grant	12,403	-	-
Subtotal Judicial System	1,822,285	1,826,274	2,212,698
<b>Law Enforcement System:</b>			
Sheriff Contract	16,296,352	16,797,534	16,422,754
Emergency Management Contract	81,116	90,233	84,970
Wages & Benefits	2,618	-	4,887
Operating Supplies	1,696	2,425	2,449
Repair & Maintenance. Supplies	1,713	2,425	2,449
Gas, Oil, & Tires	945	-	-
Small Tools & Minor Equipment	493	970	980
Electricity/Gas	23,866	33,213	33,545
Water	2,080	2,491	2,516
Sewer	754	830	839
Waste Disposal	3,423	2,906	2,935
Copier Maintenance	-	519	-
Law Enf. Bldg Maintenance Contract	52,730	77,012	73,419
Contingency	-	970,000	53,395
Crywolf Charges & Fees	36,616	-	45,000
Sterling Bank Fees	4,316	-	-
Crywolf Refunds	1,360	-	-
Subtotal Law Enforcement System:	16,510,081	17,980,558	16,730,138
<b>Jail System:</b>			
Jail Contract	492,620	437,661	1,333,131
Jail - Geiger Corrections Center	127,520	-	-
Work Release (Geiger)	471,530	400,000	-
Subtotal Jail System:	1,091,670	837,661	1,333,131
<b>Other:</b>			
Capital Outlays/Communications	243,670	273,004	271,154
Fines & Forfeitures State Remittance	974,099	873,000	1,057,363
Animal Control Contract	314,255	311,783	<b>315,516</b>
Non-Capital Equipment for JAG Grant	1,707	-	-
Non-Capital Equip for ARRA JAG Grant	1,946	-	-
Travel/Mileage	212	-	-
Building Replacement Costs	80,000	77,600	80,000
Nighttime Seatbelt Patrol Overtime	3,196	-	-
Hwy 27 Traffic Safety Overtime	4,799	-	-
X-52 DUI Overtime	7,891	-	-
Traffic Safety Emergency	5,565	-	-
Child Car Seat Overtime	3,587	-	-
Slow Down or Pay Up	6,677	-	-
Subtotal Other:	1,647,604	1,535,387	1,724,033
<b>Total Public Safety</b>	<b>21,071,640</b>	<b>22,179,880</b>	<b>22,000,000</b>

**City of Spokane Valley  
2012 Budgeted Contract Expenditures**



### **018 - Operations & Administrative Services**

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

#### **013 - Deputy City Manager Division**

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

#### **Accomplishments for 2011**

- Draft and implement a Strategic Communications Plan
  - Drafted - begin plan in 2012
- Provide media training for authorized spokespersons
  - Carryover to 2012 Goals
- Explore opportunities for economic development
  - See Legislative and Executive/Legislative accomplishments
- Involved all departments in implementation of a citywide comprehensive customer satisfaction program
  - Customer service request system completed
  - Communications Plan will be fully implemented upon approval
- Help complete contract and purchasing procedures
  - A draft has been completed and is under review.
- Propose service contract amendments to ease administration and allow control of costs
  - Accomplished. District court and precinct maintenance contracts to be revised to simplify administration and provide equitable cost distribution
- Conduct biannual community survey
  - Survey completed. Results were available in early October.

**013- Deputy City Manager Division cont.**

**Goals for 2012**

- Provide media training for authorized spokespersons.
- Involve all departments in updating and implementing Strategic Communications Plan.
- Implement an interactive relationship with prosecution services allowing for comprehensive case management.
- Add low cost alternatives to incarceration as options to meet the criminal justice goals of the City.
- Begin planning ten year anniversary celebration for the year of 2013 toward promoting city identity for economic development, tourism, and to build community.

**Budget Summary**

	<b>2010 Actual</b>	<b>2011 Budget</b>	<b>2012 Proposed Budget</b>
<b><u>Personnel - FTE Equivalents</u></b>			
Deputy City Manager	1.0	1.0	1.0
Senior Administrative Analyst	1.0	1.0	1.0
Public Information Officer	1.0	1.0	1.0
Administrative Analyst	1.0	1.0	1.0
Administrative Assistant	2.0	0.0	1.0
Office Assistant I	1.0	1.0	1.0
Office Assistant II	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
Total FTEs	8.0	6.0	7.0
Intern	1.0	1.0	1.0
<b><u>Budget Detail</u></b>			
Salaries, Wages, & Benefits	\$ 415,269	\$ 507,410	\$ 600,149
Supplies	1,846	2,800	2,850
Services & Charges	<u>27,669</u>	<u>49,730</u>	<u>55,885</u>
Total Deputy City Manager Division	<u>\$ 444,784</u>	<u>\$ 559,940</u>	<u>\$ 658,884</u>

### **014 - Finance Division**

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

#### **Accomplishments for 2011**

- Implemented State Auditor recommendations.
- Improved financial statement process and accuracy
- Worked with the Community Development Department to search for and ultimately select the Paladin SmartGov permit tracking software. Began the conversion to the new software in late summer.
- Replaced 63 personal computers that reached the end of their life cycle.
- Upgraded SQL servers and domain controllers to 2008.
- Rolled out WiFi at City buildings.
- Began broadcasting and web streaming of City Council meetings.

#### **Goals for 2012**

- Consider 2010 audit recommendations
- Work towards continued improvement and accuracy in the financial statement preparation process.
- Complete the installation of the Paladin SmartGov permit tracking software and work with the Community Development Department to monitor actual results against City expectations.
- Work with the City Manager and Community Development to move the Permit Center into the main City Hall building and relocate Finance to another location in the building. Assist in negotiations for a revised building lease that is a consequence of the departmental relocations.
- Evaluate existing City purchasing system and consider implementing a revision to procurement including the use of purchase requisitions and purchase orders.
- Develop a system to audit sales tax receipts and ensure that sales taxes collected by businesses located in Spokane Valley are actually credited to the City as opposed to other municipalities.
- Replace 30 personal computers that will reach the end of their life cycle.
- Replace 3 servers that will reach the end of their life cycle.
- Roll out Microsoft Office 2010.

Fund: 001	General Fund	Spokane Valley
Dept: 018	Operations & Administrative Services	2012 Budget

**014 - Finance Division cont.**

	2010 Actual	2011 Budget	2012 Proposed Budget
<b><u>Personnel - FTE Equivalents</u></b>			
Finance & Admin Services Director	1.0	1.0	1.0
Accounting Manager	1.0	1.0	1.0
Accountant/Budget Analyst	4.0	4.0	4.0
Accounting Technician	2.0	2.0	2.0
IT Specialist	3.0	2.0	2.0
GIS/Database Administrator	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
Total FTEs	12.0	11.0	11.0
Intern	1.0	1.0	0.0
<b><u>Budget Detail</u></b>			
Salaries, Wages, & Benefits	\$ 840,309	\$ 944,992	\$ 1,011,932
Supplies	4,228	6,700	3,500
Services & Charges	<u>107,467</u>	<u>62,650</u>	<u>31,675</u>
Total Finance Division	<u>\$ 952,004</u>	<u>\$ 1,014,342</u>	<u>\$ 1,047,107</u>

Fund: 001  
Dept: 018

**General Fund  
Operations & Administrative Services**

Spokane Valley  
2012 Budget

**016 - Human Resources Division**

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

**Accomplishments for 2011**

- Created, tested and implemented the City's On-line Employment Application System
- Met the AWC requirements to achieve the WellCity Award
- Conducted and/or assisted in recruitment and selection to fill executive vacancies
- Researched, reviewed and implemented a new employee performance management system
- Assisted in the support of the implementation of on-line employee services

**Goals for 2012**

- Explore AWC Retro Program for possible reductions in workman's compensation rates
- Negotiate on behalf of the City to reach a successor labor contract agreement for 2013
- Review and revise City Website to increase service and functionality
- Provide employee training in the areas of harrassment prevention and safe-driving.

**Budget Summary**

	<b>2010 Actual</b>	<b>2011 Budget</b>	<b>2012 Proposed Budget</b>
<b>Personnel - FTE Equivalents</b>			
Human Resource Manager	1.0	1.0	1.0
Human Resources Technician	1.0	1.0	1.0
Total FTEs	2.0	2.0	2.0
<b>Budget Detail</b>			
Salaries, Wages, & Benefits	\$ 177,182	\$ 182,500	\$ 189,459
Supplies	1,052	1,967	1,847
Services & Charges	<u>16,208</u>	<u>52,179</u>	<u>38,925</u>
Total Human Resources Division	<u>\$ 194,442</u>	<u>\$ 236,646</u>	<u>\$ 230,231</u>

### **032 - Public Works**

The Public Works Department oversees the City's transportation system, which includes construction and maintenance of streets and stormwater systems, operations and maintenance of traffic signs and signals and transportation planning.

#### **Accomplishments for 2011**

- Designed and constructed funded capital projects.
- Developed the 2012-2017 Six Year Transportation Improvement Plan.
- Submitted grants for various capital projects

#### **Goals for 2012**

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

#### **Budget Summary**

	2010 Actual	2011 Budget	2012 Proposed Budget
<b>Personnel - FTE Equivalents</b>			
Public Works Director	1.0	1.0	1.0
Administrative Assistant	2.0	2.0	2.0
Senior Engineer (CIP)	1.0	1.0	1.0
Senior Engineer	2.0	2.0	2.0
Assistant Engineer (CIP)	1.0	1.0	1.0
Limited Term Construction Inspector-Bridge	0.0	1.0	1.0
Maint./Construction Inspector (ROW)	1.0	0.0	0.0
Engineering Technician I	1.0	1.0	1.0
Engineering Technician II	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>
Total FTEs	11.0	11.0	11.0
<b>Budget Detail</b>			
Salaries, Wages, & Benefits	\$ 610,394	\$ 705,554	\$ 754,769
Supplies	13,733	52,108	36,000
Services & Charges	73,483	134,955	103,750
Capital Outlay	<u>6,346</u>	<u>-</u>	<u>7,000</u>
Total Public Works	<u>\$ 703,956</u>	<u>\$ 892,617</u>	<u>\$ 901,519</u>

### Administrative Division

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

#### Accomplishments for 2011

- Continued to provide department wide training to facilitate customer service, teamwork and efficiency
- Provided staff support to the Planning Commission.
- Provided training to support staff to cover the Planning Commission.
- Co-filed Planning and Development Engineering files
- Received Certified Floodplain Manager status
- Began implementation of the roadmap for enhanced permitting

#### Goals for 2012

- Implement customer service improvements for the department
- Assist with new permitting software transition
- Improve department website pages.
- Continue work on permit process and customer service improvement plan including consolidation of Permit Center into City Hall.
- Implement a document control system for documents and forms

#### Budget Summary

	2010 Actual	2011 Budget	2012 Proposed Budget
<u>Personnel - FTE Equivalents</u>			
Community Development Director	1.0	1.0	1.0
Administrative Assistant	1.0	1.0	1.0
Office Assistant I	<u>1.0</u>	<u>0.5</u>	<u>1.0</u>
Total FTEs	3.0	2.5	3.0
<u>Budget Detail</u>			
Salaries, Wages, & Benefits	\$ 278,014	\$ 279,534	\$ 292,643
Supplies	2,510	4,256	4,100
Services & Charges	3,711	22,259	12,000
Intergovernmental Payments	<u>27,366</u>	<u>15,000</u>	<u>15,000</u>
Total Building Division	<u>\$ 311,601</u>	<u>\$ 321,049</u>	<u>\$ 323,743</u>

### Community Development

#### Planning Division

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

#### Accomplishments for 2011

- Completed the Shoreline Master Program Inventory and Goals and Policies.
- Completed the Bike and Pedestrian Plan.
- Worked on revisions to the Sprague/Appleway Subarea Plan as directed by Council.
- Through the 2011 Comprehensive Plan Amendment Process, eliminated the Sprague Appleway Plan and processed the St John Vianney Comprehensive Map change request.
- Continued to work with the region on UGA update process with hopeful adoption by end of 2011.
- Began initial work on Economic Development Program.
- Completed code amendments for chicken keeping and adult retail uses
- Provided training to the Planning Commission on Roberts Rules of Order, permit processing.
- Assisted with the ADA Inventory and Plan.
- Implementation of the Permit Tracking Software.
- Staff attended customer service training and other in-house training to make processes consistent.
- Obtained a \$125,000 grant to assist with the development of the Shoreline Master Program.
- Started parking inventory for multi-tenant buildings in commercial corridors to facilitate tenant improvements.

#### Goals for 2012

- Complete the Shoreline Master Program
- Continue to work on Economic Development issues for the City
- Complete the 2012 Comprehensive Plan update with a focus on the economic development information.
- Continue to work on customer service and improvements to the permit process, including consolidation of the Permit Center into City Hall.
- Complete parking inventory project.
- 2012 Annual Comprehensive Plan amendments

Fund: 001	General Fund	Spokane Valley	
Dept: 056	Community Development - Planning Division	2012 Budget	
<b><u>Community Development Services - Planning Division</u></b>			
<b><u>Budget Summary</u></b>			
	2010 Actual	2011 Budget	2012 Proposed Budget
<b>Personnel - FTE Equivalents</b>			
Senior Planner	2.0	2.0	2.0
Planning Manager	1.0	1.0	1.0
Associate Planner	2.0	2.0	2.0
Assistant Planner	3.0	2.5	2.5
Planning Technician	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
Total FTEs	9.0	8.5	8.5
<b>Budget Detail</b>			
Salaries, Wages, & Benefits	\$ 720,832	\$ 796,685	\$ 822,895
Supplies	6,764	10,588	10,250
Services & Charges	81,415	141,100	86,100
Intergovernmental Services	<u>54,675</u>	<u>75,000</u>	<u>75,000</u>
Total Planning Division	<u><u>\$ 863,685</u></u>	<u><u>\$ 1,023,373</u></u>	<u><u>\$ 994,245</u></u>

Fund: 001	General Fund	Spokane Valley
Dept: 055	Community Development - Dev. Engineering	2012 Budget

### Community Development

#### Engineering Division

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

#### Accomplishments for 2011

- Completed Hydrology Study for the Forker Draw Floodplain Study
- Completed the Sprague/Appleway Business Directional Sign Update
- Updated Floodplain and Grading permit Application Forms
- Obtained National Floodplain Management Certification
- Initiated and Completed the Hanson Industrial Development Agreement
- Assisted with the Bike and Pedestrian Plan
- Assisted with the ADA Inventory and Plan

#### Goals for 2012

- Update Standard Plans of Street Standards
- Continue work on permit process and customer service improvement plan including consolidation of Permit Center into City Hall.
- Complete Mapping for the Forker Draw floodplain restudy.
- Update Development Engineering's Webpage.

#### Budget Summary

	2010 Actual	2011 Budget	2012 Proposed Budget
<b>Personnel - FTE Equivalents</b>			
Senior Engineer	1.0	1.0	1.0
Engineer	1.5	1.5	1.5
Assistant Engineer	1.0	0.0	0.0
Engineering Technician	2.5	1.5	1.5
Construction Inspector	1.0	1.0	1.0
Office Assistant I	1.0	1.0	1.0
Total FTEs	8.0	6.00	6.00
<b>Budget Detail</b>			
Salaries, Wages, & Benefits	\$ 485,976	\$ 544,990	\$ 578,346
Supplies	8,095	8,304	7,800
Services & Charges	40,919	71,276	49,650
Intergovernmental Payments	66,479	45,000	45,000
Total Building Division	\$ 601,470	\$ 669,570	\$ 680,796

### Community Development

#### Building Division

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

#### Accomplishments for 2011

- Evaluated Express permitting process resulting in a slightly expanded program and updated information forms.
- Completed final legal steps on one abatement. Abatement action pending
- Partnered with Spokane County on procurement process for new permit tracking/workflow system. System design and implementation anticipated to be complete by December 2011
- Partnered and coordinated with local builders, Spokane and Spokane County on the implementation of the 2009 Washington State Energy Code.
- Completed, compiled and evaluated responses to ADA survey. Continuing work on report and transition plan. Expect to complete project by end of the year.
- Participated in and completed initial work on City web-site update. Continuing work on fact checking Community Development website pages.
- Finalized long-term interlocal agreement to provide building plan review service to Airway Heights.

#### Goals for 2012

- Continue work on permit process and customer service improvement plan including consolidation of Permit Center into City Hall.
- Complete code compliance procedure manual update with legal office.
- Monitor and prepare updates for the ADA transition plan.
- Maintain partnering efforts with Spokane and Spokane County.
- Develop web-access for permit system with IT staff.

Fund: 001 Dept: 058	General Fund Community Development - Building Division		Spokane Valley 2012 Budget
<u>Budget Summary</u>			
	2010 Actual	2011 Budget	2012 Proposed Budget
<u>Personnel - FTE Equivalents</u>			
Building Official	1.0	1.0	1.0
Building Inspector II	4.0	3.0	3.0
Code Enforcement Officer BP	2.0	2.0	2.0
Construction Inspector	1.0	0.0	0.0
Senior Permit Specialist	1.0	1.0	1.0
Permit Specialist	2.0	2.0	2.0
Senior Plans Examiner	1.0	1.0	1.0
Plans Examiner	0.75	0.75	0.75
Maint/Const Inspector (ROW)	1.0	1.0	1.0
Office Assistant I	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
Total FTEs	14.75	12.75	12.75
<u>Budget Detail</u>			
Salaries, Wages, & Benefits	\$ 968,755	\$ 999,983	\$ 1,066,404
Supplies	26,107	40,479	35,300
Services & Charges	76,417	101,441	85,350
Intergovernmental Payments	47,890	65,000	65,000
Division 140 Bike & Ped MP- EECBG	50,766	-	-
Interfund Charges	<u>-</u>	<u>8,400</u>	<u>8,400</u>
Total Building Division	<u>\$ 1,169,935</u>	<u>\$ 1,215,303</u>	<u>\$ 1,260,454</u>

### 076 - Parks & Recreation

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

### 000 - Parks Administration & Maintenance Division

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

#### Accomplishments for 2011

- Completed construction of Greenacres Park.
- Constructed new picnic shelter at Terrace View Park.
- Renovated turf & irrigation at south end of Mirabeau Point Park campus.
- Intend to finalize Centennial Trail maintenance agreement.
- Continued discussions on development of dog park.

#### Goals for 2012

- Replace play equipment at Terrace View Park.
- Bring new Greenacres Park online.
- Begin development of a dog park.

#### Budget Summary

	2010 Actual	2011 Budget	2012 Proposed Budget
<u>Personnel - FTE Equivalents</u>			
Parks & Recreation Director	1.0	1.0	1.0
Administrative Assistant	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
Total FTEs	2.0	2.0	2.0
<u>Budget Detail</u>			
Salaries, Wages, & Benefits	\$ 192,316	\$ 199,420	\$ 202,978
Supplies	46,621	59,100	61,600
Services & Charges	647,942	677,250	781,050
Intergovernmental Services	10,379	10,000	11,000
Interfund Charges	-	3,200	3,200
Total Parks Administration	<u>\$ 897,258</u>	<u>\$ 948,970</u>	<u>\$ 1,059,828</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 2011

- Continued to provide Recreation Programs for a variety of ages.
- Offered an Outdoor Summer Dodge Ball League with Spokane County and the City of Spokane.
- Hosted Environmental Special Event & Tree Planting Event "Discovery Spring" at Discovery Playground.
- Continued to partner with the City of Liberty Lake to jointly offer and advertise Recreation Programs.
- Started to offer very successful "Mommy and Me" music program for preschool aged children and their parents.
- In partnership with the Valley YMCA, hosted a Zumbathon event bringing over 300 people into CenterPlace.

#### Goals for 2012

- Continue to partner and jointly offer programs with Liberty Lake, Spokane County and the City of Spokane
- Create wellness and health service provider partnerships within the Community.
- Solicit sponsorships for the summer outdoor movies

#### Budget Summary

	2010 Actual	2011 Budget	2012	
			Proposed Budget	
Personnel - FTE Equivalents				
Recreation Coordinator	1.0	1.0	1.0	
Budget Detail				
Salaries, Wages, & Benefits	\$ 130,323	\$ 145,365	\$ 149,911	
Supplies	4,051	10,943	9,250	
Services & Charges	47,595	82,720	64,650	
Interfund Charges	6,654	7,600	6,000	
Capital Outlay	-	-	-	
Total Parks Administration	<u>\$ 188,623</u>	<u>\$ 246,628</u>	<u>\$ 229,811</u>	

### 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 2011

- Worked with the "Make a Splash" campaign and Spokane Valley Partners to increase scholarship funding.
- A rental package for swimming pools was developed.

#### Goals for 2012

- Maintain full summer swimming program.

#### Budget Summary

Budget Detail	2010 Actual	2011 Budget	2012 Proposed Budget	
Supplies	\$ 945	\$ 3,000	\$ 3,000	
Services & Charges	419,789	426,250	439,250	
Intergovernmental Services	-	-	-	
Total Aquatics Division	<u>\$ 420,734</u>	<u>\$ 429,250</u>	<u>\$ 442,250</u>	

Fund: 001	General Fund	Spokane Valley
Dept: 076	Parks & Recreation	2012 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 2011

- Researched and organized information to complete a notebook at the Reception Desk for Volunteers with numerous agencies and contact information that seniors request. Along with the notebook, on hand is The Senior Directory Resource Guide to Spokane and the Inland Northwest.
- Hosted 3rd Annual Resource Fair/Senior Empowerment Exposition. There were 39 vendors and approximately 250 attendees.
- New for 2011: Hospice Bereavement Group, Chair Massage, Mandela Art, SHIBA with Aging and Long Term Care of Eastern Washington assisting people with the best Medicare choice for their individual needs.
- Continued to work with the Board of Directors regarding their training and educational opportunities.
- provided training for front desk volunteers.
- Advertised and offered activities and trips through other senior centers.

#### Goals for 2012

- Assist the Board of Directors to be in compliance with the Washington State Department of Revenue regarding their non-profit status.
- Continue to utilize the Wellness Center and offer more services.
- Continue to work with the Retirement Communities to involve their residents in activities.
- Continue outreach and involvement with the Washington State Association of Senior Centers.

#### Budget Summary

	2010 Actual	2011 Budget	2012 Proposed Budget
<b>Personnel - FTE Equivalents</b>			
Senior Center Specialist	1.0	1.0	1.0
Total FTEs	1.0	1.0	1.0
Intern	1.0	1.0	1.0
<b>Budget Detail</b>			
Salaries, Wages, & Benefits	\$ 69,848	\$ 74,953	\$ 77,320
Supplies	958	5,100	5,240
Services & Charges	2,737	8,900	10,400
Capital Outlay	-	700	-
Total Senior Center Division	<u>\$ 73,543</u>	<u>\$ 89,653</u>	<u>\$ 92,960</u>

### 305 - CenterPlace Division

Construction of Mirabeau Point CenterPlace began in late 2003, and was completed mid-year 2005. The project represents the culmination of eight years of planning and fundraising by Mirabeau Point Inc. and the joint involvement of the City and Spokane County.

The approximately 54,000 square foot facility houses the City of Spokane Valley Senior Center, a great room (banquet facility), numerous meeting rooms, multi-purpose rooms, and a high tech lecture hall.

The facility combines with Mirabeau Meadows Parks and Mirabeau Springs to form a regional focal point for Northeast Washington and Northern Idaho.

### Accomplishments for 2011

- Developed a list of meeting planners to promote CenterPlace through target marketing.
- Utilized CenterPlace marketing materials to promote tourism to Spokane Valley.
- Enclosed patio area with a fence to add value to the great room rental.
- Encouraged diversity in our facility rentals by evaluating our forms and brochures for language barriers.

### Goal for 2012

- Create an updated marketing plan for the next five years. This marketing plan will help create name recognition for CenterPlace and develop more corporate reservations.
- Implement changes to our forms and brochures that would decrease language barriers and encourage diversity.
- Continue to work with other agencies to promote tourism to Spokane Valley.

### Budget Summary

	2010 Actual	2011 Budget	2012 Proposed Budget
<b>Personnel - FTE Equivalents</b>			
Customer Relations/Facilities Coordinator	1.0	1.0	1.0
Administrative Assistant	2.0	1.0	1.0
Office Assistant I	0.0	1.0	1.0
Custodian	2.0	0.0	0.0
Maintenance Worker	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>
Total FTEs	7.0	5.0	5.0
<b>Budget Detail</b>			
Salaries, Wages, & Benefits	\$ 343,598	\$ 370,955	\$ 381,403
Supplies	70,411	70,952	78,876
Services & Charges	351,360	336,877	342,078
Interfund Charges	334,332	354,000	324,000
Total CenterPlace Division	<u>\$ 1,099,701</u>	<u>\$ 1,132,784</u>	<u>\$ 1,126,357</u>

**090 - General Government**

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

**Budget Summary**

	2010 Actual	2011 Budget	2012 Proposed Budget
<b><u>Budget Detail</u></b>			
<i>General Citywide Costs</i>			
Accounting & Audit Services	\$ 67,061	\$ 95,000	\$ 90,000
Advertising	212	-	-
Merchant Charges (Bankcard Fees)	18,273	25,000	25,000
Copier	18,502	20,000	20,000
Economic Development - Site Selector	9,973	15,000	15,000
Election Costs	-	30,000	80,000
Employee Recognition Safety & Bicycle Safety	2,192	8,000	10,000
EECBG Utilities Partnering Program	1,542	-	-
Equipment Repair & Maintenance	33,241	30,000	35,000
Gas, Oil, & Tires	553	-	-
General Operating Leases: Computers	29,847	60,000	45,000
IT Support - Network	78,521	160,000	100,000
Miscellaneous	1,154	15,000	15,000
Non Capital Comp. soft/hardware	21,082	-	30,000
Office and Operating Supplies	13,827	20,000	20,000
Office Supplies	2,077	-	-
Other Governmental Services	-	25,000	-
Postage	2,611	20,000	5,000
Printing and Binding	2,142	5,000	5,000
Non Capital Office Furniture & Equip.	749	-	-
Registrations	1,784	2,000	2,000
Small Tools & Minor Equipment	1,224	-	1,500
Software Licenses and Maintenance	11,812	100,000	55,000
Telephone/DSL Charges	29,022	25,000	30,000
Vehicle Rental	6,613	12,000	7,000
Taxes & assessments	4,923	7,000	7,000
Web Site Services	3,000	-	-
<i>Interfund</i>			
If Risk Mng. Insurance premium 502	318,000	319,000	319,000
Interfund Loan to Street Fund (winter weather reserve)	-	-	-
Interfund Transfer to Capital Projects	100,000	-	-
Interfund Transfer to Street Capital 2011+	-	500,000	-
Interfund Transfer to full paveback-Fund 303	929,048	1,500,000	89,500
Interfund Transfer to Parks Capital Fund	-	100,000	100,000
<i>Facilities</i>			
Facility Repairs & Maintenance	1,375	5,000	30,000
Computer Software/Hardware	6,898	-	-
Computer Software/Hardware Replacement	-	-	-
Office Furniture & Equipment	-	65,000	35,000
Energy Conservation Improvement	-	50,000	-
ADA Inventory	-	-	-
<i>City Hall Leasing Costs:</i>			
City Hall Rent	452,602	465,000	480,000
Leasehold Improvements	-	-	-

Fund: 001	General Fund	Spokane Valley 2012 Budget			
Dept: 090	General Government				
<b>090 - General Government</b>					
<b><u>Budget Summary - continued</u></b>					
<i>Outside Services</i>					
Alcohol Treatment	23,176	23,000	25,000		
City Economic Development	-	3,000	75,000		
Community Survey	92	-	-		
Professional Services-Project Access	20,000	-	-		
Memberships - SRTC	34,300	-	-		
Records Management	27,474	100,000	70,000		
Requests from Outside Agencies-Economic Development	60,000	114,000	105,000		
Requests from Outside Agencies-Social Services	53,985	45,000	60,000		
Spokane County Air Pollution Authority	115,084	117,000	117,000		
Voter Registrations	57,736	62,000	62,000		
<i>Contingency &amp; Reserves</i>					
Contingency / Emergency (1% of recurring expenditures)	-	-	346,600		
Broadcasting Council meetings	-	46,000	-		
PERS/ L&I Set Aside	-	100,000	50,000		
Contingency	-	330,750	134,000		
	<hr/>	<hr/>	<hr/>		
	<u>\$ 2,561,707</u>	<u>\$ 4,618,750</u>	<u>\$ 2,695,600</u>		

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

Fund: 101	Street Fund	Spokane Valley 2012 Budget
Dept: 042		

### 101 - Street Fund

The Street Operating Program is established to provide efficient and safe movement of both motorized and non-motorized vehicles, as well as pedestrians within the limits of the City, and coordinate convenient interconnect to the regional transportation system.

Maintenace 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 2011

- Updated the 2011 Street Master Plan.
- Optimized traffic signals on selected corridors.
- Applied for grants and work with various schools to install flashing beacons at crosswalks.
- Renewed Contracts with private contractors for street maintenance services.
- Purchased street maintenance shop and facility.
- Completed LED traffic signal upgrades supported by funds from Federal Energy Efficiency and Conservation Block Grant Program.

#### Goals for 2012

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

#### Budget Summary

	2010 Actual	2011 Budget	2012 Proposed Budget
<b>Personnel - FTE Equivalents</b>			
Senior Engineer - Traffic	1.0	1.0	1.0
Public Works Superintendent	1.0	1.0	1.0
Maintenance/Construction Inspector	1.0	1.5	1.5
Assistant Engineer - Traffic/Planning	2.0	1.0	1.0
Senior Engineer (Planning/Grants)	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total FTEs	5.0	4.5	4.5
Interns	1.0	1.0	1.0
<b>Budget Detail</b>			
Salaries, Wages, & Benefits	\$ 326,561	\$ 433,931	\$ 522,142
Supplies	65,712	72,200	72,200
Services & Charges	2,679,369	3,807,296	3,910,321
Capital Outlay	35,092	45,000	40,000
Intergovernmental Payments	732,584	947,000	847,000
Interfund Charges and End Fund Bal	<u>73,975</u>	<u>77,900</u>	<u>39,600</u>
Total Street Fund	<u>\$ 3,913,293</u>	<u>\$ 5,383,327</u>	<u>\$ 5,431,263</u>

Fund: 103  
Dept: 103

**Trails & Paths Fund**

Spokane Valley  
2012 Budget

**103 - Trails & Paths Fund**

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

**\$0**

Fund: 105  
Dept: 105

**Hotel/Motel Fund**

Spokane Valley  
2012 Budget

**105 - Hotel/Motel Fund**

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

**Budget Summary**

	<b>2010 Actual</b>	<b>2011 Budget</b>	<b>2012 Proposed Budget</b>
<b><u>Budget Detail</u></b>			
Tourism Promotion	\$ 362,302	\$ 500,000	\$ 400,700
Interfund Transfers - #001	37,500	-	30,000
<b>Total Hotel/Motel Fund</b>	<b>\$ 399,802</b>	<b>\$ 500,000</b>	<b>\$ 430,700</b>

Fund: 120  
Dept: 120

### CenterPlace Operating Reserve Fund

Spokane Valley  
2012 Budget

#### 120 - CenterPlace Operating Reserve Fund

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

#### Budget Summary

	2010 Actual	2011 Budget	2012 Proposed Budget
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#### Budget Detail

Reserve for CenterPlace Operations

\$	-	\$	-	\$	-
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Fund: 121  
Dept: 121

### Service Level Stabilization Reserve Fund

Spokane Valley  
2012 Budget

#### 121 - Service Level Stabilization Reserve Fund

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

#### Budget Summary

	2010 Actual	2011 Budget	2012 Proposed Budget
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#### Budget Detail

Reserve For Service Level Stabilization

\$	-	\$	-	\$	-
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Fund: 122  
Dept: 122

**Winter Weather Reserve Fund**

Spokane Valley  
2012 Budget

**122 - Winter Weather Reserve Fund**

The Winter Weather Reserve Fund was established to provide emergency services during an unusually harsh winter.

**Budget Summary**

	<b>2010 Actual</b>	<b>2011 Budget</b>	<b>2012 Proposed Budget</b>
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**Budget Detail**

Reserve for Winter Weather

\$	-	\$ 505,000	\$ -
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Fund: 123  
Dept: 122

**Civic Facility Replacement Fund**

Spokane Valley  
2012 Budget

**123 - Civic Facility Replacement Fund**

This fund was created to set aside money for the eventual replacement of CenterPlace and the Police Precinct Building on East Sprague. Source of funds is an annual transfer from the General Fund.

**Budget Summary**

	<b>2010 Actual</b>	<b>2011 Budget</b>	<b>2012 Proposed Budget</b>
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**Budget Detail**

Reserve for Facility Replacement

\$	-	\$ -	\$ -
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Fund: 204  
Dept: 204

**Limited Tax General Obligation - Debt Service Fund**

Spokane Valley  
2012 Budget

**204 - Limited Tax General Obligation - Debt Service Fund**

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

**Budget Summary**

	<b>2010 Actual</b>	<b>2011 Budget</b>	<b>2012 Proposed Budget</b>
<b><u>Budget Detail</u></b>			
Debt Service on Mirabeau Bonds	\$ 421,987	\$ 460,000	\$ 432,320
Debt Service on Street Bonds	<u>183,586</u>	<u>225,000</u>	<u>185,303</u>
Total Debt Service Fund	<u>\$ 605,573</u>	<u>\$ 685,000</u>	<u>\$ 617,623</u>

**301/302 - Capital Projects & Special Capital Projects Funds**

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

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

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

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

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

**Budget Summary**

	2010 Actual	2011 Budget	2012 Proposed Budget
<b><u>301 - Capital Projects Fund</u></b>			
Intergovernmental Services	\$ 899,565	\$ 901,098	\$ 363,627
Interfund Transfer-out - #204	91,978	112,500	92,652
Interfund Transfer-out - #303	-	-	-
Interfund Transfers	-	-	-
<b>Total Capital Projects Fund</b>	<b>\$ 991,543</b>	<b>\$ 1,013,598</b>	<b>\$ 456,279</b>
<b><u>302 - Special Capital Projects Fund</u></b>			
Interfund Transfer-out - #204	\$ -	\$ 112,500	\$ 92,651
Interfund Transfer-out - #303	-	897,393	1,448,059
Interfund Transfer-out - #307	-	41,176	-
Interfund Transfer-out - #308	-	150,000	-
Interfund Transfers	<b>594,536</b>	<b>-</b>	<b>-</b>
<b>Total Special Capital Projects Fund</b>	<b>\$ 594,536</b>	<b>\$ 1,201,069</b>	<b>\$ 1,540,710</b>

Fund: 303

Street Capital Projects Fund

Spokane Valley  
2012 Budget**303 - Street Capital Projects Fund**

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

**Budget Summary**

	2010 Actual	2011 Budget	2012 Proposed Budget
<b><u>Budget Detail</u></b>			
<i>Road Design &amp; Construction Projects</i>			
24th Ave - Sullivan to 22nd	-	-	278,520
Argonne Road - 190 to Trent	22,587	581,886	802,792
Broadway @ Argonne & Mullan PCC, (PE, RW)	-	271,000	138,150
Broadway Avenue Safety Project Pines- Park	74,127	834,000	-
Broadway Ave. Rehabilitation proj #2	949	-	-
Broadway/Sullivan PCC Intersection	723,739	-	-
Greenacres Trail - Design	-	-	60,000
In-House Design - Sidewalk Infill	-	-	398,250
Indiana /Sullivan Intersection PCC	54,061	1,171,200	-
Indiana Avenue Extension - 3600' e/o Sullivan	189,479	200,000	-
Mansfield Ave. Connection	-	488,000	738,000
Mission Ave - Flora to Barker (PE & RW)	-	-	300,000
Park Road - #2 (PE Only) - Broadway to Indiana	87,146	35,000	-
Pines (SR27) ITS Improvement SRTC 06-26	3,721	1,843,221	1,766,201
Pines/Mansfield	110,178	450,000	463,312
2009 ADA Improvements	96,449	-	-
Sprague Resurface - E'green to Sull. ADA	2,946	-	1,582,000
Sidewalk & Transit Stop Accessibility	-	-	182,290
Spokane Valley-Millwood Trail	-	-	447,000
Sullivan Euclid PCC PE, ROW	-	163,000	26,289
Sullivan Rd W Bridge Replacement	-	-	600,000
STEP Projects	1,213,837	1,900,000	-
Misc. Road Projects - Safety	72,849	-	-
Sullivan/Sprague PCC	957,843	-	-
University Rd/I-90 Overpass Study	-	-	284,000
WSDOT Urban Ramp Projects	45,000	-	-
Contingency	-	500,000	1,500,000
Total Street Capital Projects Fund	<u>\$ 3,654,911</u>	<u>\$ 8,437,307</u>	<u>\$ 9,566,804</u>

Fund: 304  
Dept: 304

**Mirabeau Point Capital Project Fund**

Spokane Valley  
2012 Budget

**304 - Mirabeau Point Capital Project Fund**

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

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

**Budget Summary**

	<b>2010 Actual</b>	<b>2011 Budget</b>	<b>2012 Proposed Budget</b>
<b>Budget Detail</b>			
Transfer to Civic Facility Replacement Fund	\$ -	\$ -	\$ -
Reserve for Replacement	-	-	-
Construction in Progress	-	-	-
Total Mirabeau Point Project Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Fund: 306  
Dept: 306

**CD Block Grant Fund**

Spokane Valley  
2012 Budget

**306 - CD Block Grant Fund**

**Budget Summary**

	<b>2010 Actual</b>	<b>2011 Budget</b>	<b>2012 Proposed Budget</b>
<b>Budget Detail</b>			
Transfer to Street Capital Projects (303)	\$ -	\$ -	\$ -
Transfer to Capital Grant Fund	-	-	-
Total CD Block Grant Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Fund: 307  
Dept: 307

**Capital Grants Fund**

Spokane Valley  
2012 Budget

**307 - Capital Grants Fund**

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

**Budget Summary**

	2010 Actual	2011 Budget	2012 Proposed Budget
<b>Budget Detail</b>			
44th Ave Pathway: Woodruff Rd. to Sands Rd.	\$ 360,234	\$ 5,000	\$ -
Broadway Ave. Rehab - Bates to Slvn	4,986	-	-
Appleway/Sprague/Dishman ITS I90-Dishman-066	2,880	50,000	-
Argonne Road Overlay - Indiana to Montgomery	2,931	-	-
Broadway Ave - Moore to Flora	1,626,735	150,000	-
Miscellaneous	-	129	-
Total Capital Grants Fund	<u>\$ 1,997,766</u>	<u>\$ 205,129</u>	<u>\$ -</u>

Fund: 308  
Dept: 308

**Barker Bridge - Federal Grant Fund**

Spokane Valley  
2012 Budget

**308 - Barker Bridge - Federal Grant Fund**

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

**Budget Summary**

	2010 Actual	2011 Budget	2012 Proposed Budget
<b>Budget Detail</b>			
Barker Road Bridge Reconstruction	<u>\$ 1,248,352</u>	<u>\$ 150,000</u>	<u>\$ -</u>

Fund: 309  
Dept: 309

**Parks Capital Projects Fund**

Spokane Valley  
2012 Budget

**309 - Parks Capital Projects Fund**

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

**Budget Summary**

	2010 Actual	2011 Budget	2012 Proposed Budget
<u><b>Budget Detail</b></u>			
Contingency	\$ 55,106	\$ 100,000	\$ 50,000
Greenacres Park	-	1,559,036	-
Terrace View Park Shelter	-	\$ 80,000	\$ -
Terrace View Park Play Equipment	23,489	-	120,000
Valley Mission Park	-	-	-
Discovery (Universal) Park	39,133	-	-
	191,305	-	-
Total Parks Capital Project Fund	<u>309,032</u>	<u>1,739,036</u>	<u>170,000</u>

Fund: 310  
Dept: 310

**Civic Facilities Capital Projects Fund**

Spokane Valley  
2012 Budget

**310 -Civic Facilities Capital Projects Fund**

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

**Budget Summary**

	2010 Actual	2011 Budget	2012 Proposed Budget
<u><b>Budget Detail</b></u>			
Transfer to General Fund	946,914	2,000,000	-
Total Civic Buildings Capital Fund	<u>\$ 946,914</u>	<u>\$ 2,000,000</u>	<u>\$ -</u>

Fund: 311  
Dept: 311

**Street Capital Improvement 2011+**

Spokane Valley  
2012 Budget

**311 - Street Capital Improvement 2011+**

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. In the 2011 Budget the City Council made the decision to make an initial transfer of \$500,000 from the General Fund to this Fund #311. In addition, the Council made the decision to transfer from the General Fund an additional amount equal to 40% of the General Fund's audited fund balance at December 31, 2010. The 2010 ending fund balance was \$27,461,703 which resulted in an additional 2011 transfer of \$584,681 (computed as  $(\$27,461,703 - \$26,000,000) \times 40\%$ ).

In the 2012 Budget the City is appropriating all money estimated to be available for street related capital improvement projects.

**Budget Summary**

	<b>2010 Actual</b>	<b>2011 Budget</b>	<b>2012 Proposed Budget</b>
<b><u>Budget Detail</u></b>			
Street Capital Improvement 2011+	\$ -	\$ -	\$ 1,086,881
Total Street Capital Improvement Fund	<u>-</u>	<u>-</u>	<u>1,086,881</u>

**402 - Stormwater Management Fund**

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

The stormwater funds are used for stormwater management, maintenance and construction of the City's stormwater system.

**Accomplishments for 2011**

- Designed/Constructed stormwater improvements at over 20 locations throughout the City
- Completed/implemented major tasks associated with the State mandated Phase II Stormwater Permit.
- Completed initial assessment work on State mandated Underground Injection Control Program (due 2013).
- Acquired maintenance property for future decant facility.
- Completed stormwater assessment rolls, updated the commercial impervious surfaces map.
- Bid contracts for Landscaping, and Structure Cleaning Services.
- Secured grant dollars to support sweeping and structure cleaning operations.

**Goals for 2012**

- Further refine structure inspection program and cleaning (vactoring) intervals
- Complete Underground Injection Control (UIC) Assessment/Testing (due early 2013)
- Begin designing projects and/or securing property for Stormwater Capital Improvements
- Continue work on receiving permits for, and design, a vactor liquid decant facility.
- Begin work to eliminate stormwater discharges to surface waters of the state from city streets.

**Budget Summary**

	2010 Actual	2011 Budget	2012 Proposed Budget
<b><u>Personnel - FTE Equivalents</u></b>			
Engineer	1.0	1.0	1.0
Engineering Technician II	1.0	1.0	1.0
Assistant Engineer	1.0	1.0	1.0
Maintenance/Construction Inspector	1.0	1.5	1.5
Total FTEs	4.0	4.5	4.5
Interns	2.0	2.0	1.0
<b><u>Budget Detail</u></b>			
Salaries, Wages, & Benefits	\$ 344,654	\$ 418,000	\$ 438,614
Supplies	26,358	43,100	32,540
Services & Charges	885,284	1,341,905	1,242,720
Intergovernmental Services	50,289	146,640	23,000
Capital Outlays	275,120	300,000	400,000
Interfund Transfers/Unassigned Ending FB	62,016	-	16,567
Total Stormwater Fund	<u>\$ 1,643,721</u>	<u>\$ 2,249,645</u>	<u>\$ 2,153,441</u>

Fund: 403  
Dept: 403

**Aquifer Protection Area**

Spokane Valley  
2012 Budget

**403 - Aquifer Protection Area**

The Aquifer Protection Area Fund was created in 2011 to account for aquifer protection area fees collected by Spokane County and remitted to the City. Historically, Spokane County has collected the fee from local residents and expended the proceeds on projects in Spokane Valley. By mutual agreement, beginning in 2011 all monies collected by the County are now remitted to the City for use in City directed projects that will protect the aquifer.

We estimate the fees will generate annual revenue of approximately \$500,000. Neither the 2011 or 2012 City Budgets have appropriated any of the annual revenues or fund balance for projects. When appropriate projects are identified in 2012, the budget will be amended to accommodate the expected expenditures.

**Budget Summary**

	<b>2010 Actual</b>	<b>2011 Budget</b>	<b>2012 Proposed Budget</b>
<b><u>Budget Detail</u></b>			
Facilities	\$ -	\$ -	\$ -
Total Aquifer Protection Area	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**501 - Equipment Rental & Replacement Fund**

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

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

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

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

**Goals for 2011**

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

**Budget Summary**

	2010 Actual	2011 Budget	2012 Proposed Budget
<b>Budget Detail</b>			
Computer replacement lease	\$ -	\$ -	\$ -
Software/Hardware replacement	-	-	-
Vehicle Replacement	-	-	-
All other	-	<u>209,000</u>	-
Total ER&R Fund	<u>\$ -</u>	<u>\$ 209,000</u>	<u>\$ -</u>

Fund: 502  
Dept: 502

**Risk Management Fund**

Spokane Valley  
2012 Budget

**502 - Risk Management Fund**

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

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

**Budget Summary**

	<b>2010 Actual</b>	<b>2011 Budget</b>	<b>2012 Proposed Budget</b>
<b><u>Budget Detail</u></b>			
Interfund Transfer - #001	\$ 309,724	\$ 319,000	\$ 319,000
Total Risk Management Fund	<u>\$ 309,724</u>	<u>\$ 319,000</u>	<u>\$ 319,000</u>

**City of Spokane Valley  
Capital Expenditures for 2012**

Department	Capital Outlay Description	2012 Proposed Budget	301 Real Estate Excise Tax 1	302 Real Estate Excise Tax 2	Surface Transportation Program	Congestion Management	FTA through Spokane Transit Authority	TIB: SP	BR	WA Dept. of Ecology	EECBG	Various Grant Sources	
			City Funds		Grants								
<b>303 Street Capital Fund</b>													
	<u>CIP #</u> <u>Road Design &amp; Construction Projects</u>												
0146	24th Ave Sidewalk Adams to Sullivan	\$ 278,520		144,600				133,920					
0060	Argonne Road - I90 to Trent	802,792	46,540			756,252							
0142	Broadway @ Argonne & Mullan PCC int, (PE/RW)	138,150	18,650		119,500								
0148	Greenacres Trail - Design	60,000									60,000		
0149	In-House Design - Sidewalk Infill	398,250		79,050		316,200					3,000		
-	Mansfield Ave. Connection	738,000		100,000		638,000							
0123	Mission Ave - Flora to Barker (PE & RW)	300,000		39,090	260,910								
0061	Pines (SR27) ITS Improvements	1,766,201	238,437			1,527,764							
0005	Pines Mansfield	463,312		463,312									
0154	Sidewalk & Transit Stop Accessibility	182,290		36,458		145,832							
0145	Spokane Valley-Millwood Trail	447,000			447,000								
0115	Sprague Ave. Resurfacing - Evergreen to Sullivan	1,582,000		188,000	1,394,000								
0155	Sullivan Rd W Bridge Replacement	600,000		120,000				480,000					
0141	Sullivan Rd/Euclid PCC (PE/RW)	26,289		3,549	22,740								
	University Rd/I-90 Overpass Study	284,000		34,000		250,000							
	Contingency <sup>1</sup>	1,500,000	60,000	240,000								1,200,000	
	<b>303 Street Capital Fund Subtotal</b>	<b>\$ 9,566,804</b>	<b>363,627</b>	<b>1,448,059</b>	<b>2,244,150</b>	<b>3,488,216</b>	<b>145,832</b>	<b>133,920</b>	<b>480,000</b>	<b>-</b>	<b>63,000</b>	<b>1,200,000</b>	
<b>309 Parks Capital Projects <sup>2</sup></b>													
	Terrace View Park Play Equipment	\$ 120,000											
	Contingency <sup>1</sup>	50,000											
	<b>309 Parks Capital Projects</b>	<b>\$ 170,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>402 Stormwater Fund <sup>2</sup></b>													
0150	Sullivan Rd. Bridge Drain Retrofit	\$ 204,889									204,889		
	<b>402 Stormwater Fund</b>	<b>\$ 204,889</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>204,889</b>	<b>-</b>	
	<b>Total Capital Expenditures</b>	<b>\$ 9,941,693</b>	<b>\$ 363,627</b>	<b>\$ 1,448,059</b>	<b>\$ 2,244,150</b>	<b>\$ 3,488,216</b>	<b>\$ 145,832</b>	<b>\$ 133,920</b>	<b>\$ 480,000</b>	<b>\$ 204,889</b>	<b>\$ 63,000</b>	<b>\$ 1,200,000</b>	

<sup>1</sup> Contingency amount is to cover unforeseen overruns, costs related to projects that were expected to complete in 2011 and the costs of projects that have not yet had funding sources identified.

<sup>2</sup> Amounts not assigned to a city fund or a grant source will be paid by fund project is listed under.

**City of Spokane Valley**  
**FTE Count by Year**  
**2012 Budget**

Department	2010 Authorized FTEs	2011 Budget Changes to FTEs	2011 Budget Authorized FTEs	Interns for 2011	2012 Proposed FTEs	Interns for 2012
Executive & Legislative Support						
City Manager	5.0	-	5.0	(1.0)	5.0	-
Legal	3.0	-	3.0	2.0	3.0	3.0
Operations & Administrative Services:						
Deputy City Manager	8.0	(2.0)	6.0	1.0	7.0	1.0
Finance	12.0	(1.0)	11.0	1.0	11.0	-
Human Resources	2.0	-	2.0	-	2.0	-
Public Works	11.0	-	11.0	-	11.0	-
Planning & Community Development:						
Admin	3	-	3.00	-	3.00	-
Engineering	8	(2.0)	6.00	-	6.00	-
Planning	9	(0.5)	8.50	-	8.50	-
Building	14.75	(2.0)	12.75	-	12.75	-
Parks & Recreation:						
Parks Admin	2.0	-	2.0	-	2.0	-
Recreation	1.0	-	1.0	-	1.0	-
Senior Center	1.0	-	1.0	1.0	1.0	1.0
CenterPlace	7.0	(2.0)	5.0	-	5.0	-
Street Fund	5.0	(0.5)	4.5	1.0	4.5	1.0
Stormwater Fund	4.0	0.5	4.5	2.0	4.5	1.0
<b>TOTAL</b>	<b><u>95.75</u></b>	<b><u>(9.50)</u></b>	<b><u>86.25</u></b>	<b><u>7.00</u></b>	<b><u>87.25*</u></b>	<b><u>7.00</u> **</b>

\* No change in staffing level from 2011. Actual Authorized position count in 2011 was 87.25

\*\*The intern count is not reported as a full-time equivalent employee (2,080 hours) but instead simply represents the number of individuals working in a given department.

## 2011 Work Force Comparison:

### The 29 Washington Communities with a Population of 100,000 or Less

CITY	POPULATION	FULL-TIME	PART-TIME
Bellingham	81,070	748	30
Yakima	91,630	690	18
Renton	92,590	647	19
Redmond	55,150	594	25
Olympia *	46,780	No Response	No Response
Richland	49,090	466	30
Kirkland	49,020	436	28
Auburn	70,705	408	4
Bremerton	38,790	332	21
Lynnwood	35,860	329	13
Kennewick	74,665	327	7
Federal Way	89,370	289	17
Longview	36,730	286	9
Bothell	33,720	281	14
Pasco	61,000	277	8
Puyallup	37,240	275	20
Lacey	42,830	247	3
Walla Walla	31,670	241	15
Marysville	60,660	238	10
Lakewood	58,190	235	9
Issaquah	30,690	228	24
Edmonds	39,800	207	6
Mount Vernon	31,940	184	22
Wenatchee	32,090	177	5
Shoreline	53,200	127	15
<b>Spokane Valley*</b>	<b>90,110</b>	<b>87</b>	<b>5</b>
Sammamish	46,940	66	4
Burien	47,660	64	12
University Place	31,170	45	7
<b>AVERAGE</b>		<b>305</b>	<b>16</b>

Source: Association of Washington Cities Survey: 2011 Full Time

8/31/2011

\* Not Calculated in Average

**Appendix A**  
**EMPLOYEE POSITION CLASSIFICATION**  
**MONTHLY SALARY SCHEDULE**  
**2012 Salary Schedule**  
**Effective 1/1/2012**

<b>Position Title</b>	<b>Grade</b>	<b>2012 Range</b>	
City Manager		Unclassified	
Deputy City Manager	21-22	8,888.29	- 12,661.08
City Attorney	21	8,888.39	- 11,395.08
Community Development Director	21	8,888.39	- 11,395.08
Finance Director	21	8,888.39	- 11,395.08
Public Works Director	21	8,888.39	- 11,395.08
Parks and Recreation Director	19	7,199.37	- 9,230.79
Human Resources Manager	18	6,480.26	- 8,307.29
Planning Manager	18	6,480.26	- 8,307.29
Building Official	18	6,480.26	- 8,307.29
Senior Engineer - Capital Projects, Development	18	6,480.26	- 8,307.29
Deputy City Attorney	18	6,480.26	- 8,307.29
Senior Engineer - Traffic, CIP Planning/Grants	17	5,831.91	- 7,476.25
Accounting Manager	17	5,831.91	- 7,476.25
City Clerk	16	5,248.20	- 6,728.20
Engineer	16	5,248.20	- 6,728.20
Senior Plans Examiner	16	5,248.20	- 6,728.20
Public Works Superintendent	16	5,248.20	- 6,728.20
Senior Administrative Analyst	16	5,248.20	- 6,728.20
Senior Planner	16	5,248.20	- 6,728.20
Associate Planner	15	4,724.02	- 6,055.80
CenterPlace Coordinator	15	4,724.02	- 6,055.80
Assistant Engineer	15	4,724.02	- 6,055.80
IT Specialist	15	4,724.02	- 6,055.80
Engineering Technician II	15	4,724.02	- 6,055.80
GIS/Database Administrator	15	4,724.02	- 6,055.80
Human Resource Analyst	14	4,251.88	- 5,450.64
Accountant/Budget Analyst	14	4,251.88	- 5,450.64
Administrative Analyst	14	4,251.88	- 5,450.64
Assistant Planner	14	4,251.88	- 5,450.64
Building Inspector II	14	4,251.88	- 5,450.64
Plans Examiner	14	4,251.88	- 5,450.64
Public Information Officer	14	4,251.88	- 5,450.64
Engineering Technician I	14	4,251.88	- 5,450.64
Senior Permit Specialist	14	4,251.88	- 5,450.64
Maintenance/Construction Inspector	13-14	3,826.38	- 5,450.64
Recreation Coordinator	13-14	3,826.38	- 5,450.64
Customer Relations/Facilities Coordinator	13	3,826.38	- 4,905.37
Code Enforcement Officer	13	3,826.38	- 4,905.37
Building Inspector I	13	3,826.38	- 4,905.37
Planning Technician	13	3,826.38	- 4,905.37
Deputy City Clerk	12-13	3,445.00	- 4,905.37
Senior Center Specialist	12-13	3,445.00	- 4,905.37
Human Resources Technician	12-13	3,445.00	- 4,905.37
Administrative Assistant	11-12	3,099.55	- 4,414.73
Permit Specialist	11-12	3,099.55	- 4,414.73
Accounting Technician	11-12	3,099.55	- 4,414.73
Maintenance Worker	11-12	3,099.55	- 4,414.73
Office Assistant II	10-11	2,789.41	- 3,973.46
Custodian	10	2,789.41	- 3,973.46
Office Assistant I	9-10	2,510.78	- 3,575.28

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

## CITY OF SPOKANE VALLEY

### Glossary of Budget Terms

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

that define accepted accounting principles.

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

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

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

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

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

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

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

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

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

**Modified Accrual Accounting** – A basis of accounting in which

expenditures are accrued but revenues are accounted for when they become measurable and available. Since this type of accounting basis is a conservative financial approach, it is recommended as the standard for most governmental funds.

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

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

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

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

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

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

**Revenue** – Sources of income financing the operations of government.

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

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

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

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

**CITY OF SPOKANE VALLEY  
SPOKANE COUNTY, WASHINGTON  
ORDINANCE NO. 11-017**

**AN ORDINANCE OF THE CITY OF SPOKANE VALLEY, SPOKANE COUNTY, WASHINGTON, ADOPTING A BUDGET FOR THE PERIOD JANUARY 1, 2012 THROUGH DECEMBER 31, 2012; APPROPRIATING FUNDS, CREATING A NEW FUND (403): AQUIFER PROTECTION AREA; 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 sixty (60) days before the beginning of the City fiscal year beginning January 1, 2012 and ending December 31, 2012; 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 August 23, September 27 and October 11, 2011. The City Council met and received public comment in the City Council Chambers during each public hearing; and

WHEREAS, following the filing of the preliminary budget with the City Clerk, notice of the same and three hearings on the budget, the City Council desires to adopt the 2012 budget, including all allowances and an appropriation for each fund is adopted for the City, and

WHEREAS, the City of Spokane Valley property tax levy for 2011 for collection in 2012, will be \$10,732,863, which represents a 0% increase in the 2012 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 2012 Budget.** The budget for the City of Spokane Valley for the year 2012 is adopted at the fund level. The final budget for 2012 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:

Fund No.	Fund Title	Estimated Beginning Fund Balance	Estimated Revenues	Total Sources	Appropriations	Estimated Ending Fund Balance
001	General	26,633,061	34,908,800	61,541,861	35,196,500	26,345,361
101	Street O&M	1,834,574	4,902,800	6,737,374	5,431,263	1,306,111
103	Paths & Trails	36,186	8,000	44,186	0	44,186
105	Hotel/Motel Tax	253,356	430,700	684,056	430,700	253,356
120	CenterPlace Operating Reserve	353,231	700	353,931	0	353,931
121	Service Level Stabilization	5,477,795	10,000	5,487,795	0	5,487,795
122	Winter Weather Reserve	506,168	700	506,868	0	506,868
123	City Facilities Repair & Replacement	2,027,259	399,000	2,426,259	0	2,426,259
204	Debt Service LTGO 03	0	617,623	617,623	617,623	0
301	Capital Projects	194,277	475,400	669,677	456,279	213,398
302	Special Capital Projects	1,547,015	477,000	2,024,015	1,540,710	483,305
303	Street Capital Projects	73,456	9,655,804	9,729,260	9,566,804	162,456
304	Mirabeau Projects	44,302	0	44,302	0	44,302
309	Parks Capital Projects	123,329	100,000	223,329	170,000	53,329
310	Civic Facilities Capital Projects	2,939,745	6,000	2,945,745	0	2,945,745
311	Street Capital Improvement 2011+	1,084,681	2,200	1,086,881	1,086,881	0
402	Stormwater Management	1,236,400	1,908,667	3,145,067	2,153,441	991,626
403	Aquifer Protection Area	500,000	502,500	1,002,500	0	1,002,500
501	Equipment Rental & Replacement	706,379	100,000	806,379	0	806,379
502	Risk Management	20,420	319,000	339,420	319,000	20,420
Total of all Funds		45,591,634	54,824,894	100,416,528	56,969,201	43,447,327

The total balance of all funds appropriated for 2012 is \$56,969,201.

**Section 2. Creating Fund 403.** There is hereby created Fund 403 Aquifer Protection Area Fund which will be used solely for projects or other activities that specifically protect the aquifer as defined in RCW 36.36.040.

**Section 3. 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 the Association of Washington Cities.

**Section 4. 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 5. Effective Date.** This Ordinance shall be in full force and effect five (5) 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 15<sup>th</sup> day of November 2011.

ATTEST:

Christine Bainbridge, City Clerk

Approved As To Form:

Office of the City Attorney

Date of Publication: November 18, 2011

Effective Date: November 23, 2011