

CITY OF KENNEWICK



2013/2014

BIENNIAL BUDGET

KENNEWICK, WASHINGTON

City of Kennewick, Washington

2013 / 2014 Biennial Budget



210 West 6th Avenue • Kennewick, WA 99336
Phone: (509) 585-4200 / Fax: (509) 585-4383
www.go2kennewick.com

City Council

.....

Steve Young, Mayor
Sharon R. Brown, Mayor Pro-Tem
R.E. (Bob) Olson, Council Member
Paul Parish, Council Member
Bob Parks, Council Member
Don Britain, Council Member
John Hubbard, Council Member

Executive Staff

.....

Marie Mosley, City Manager
Lisa Beaton, City Attorney
Peter Beaudry, Public Works Executive Director
Neil Hines, Fire Chief
Ken Hohenberg, Chief of Police
Jeff Kossow, Economic Development Executive Director
Dan Legard, Finance Director
Christina Palmer, Management Services Executive Director
Terry Walsh, Employee & Community Relations Executive Director

TABLE OF CONTENTS

INTRODUCTION

	<i>PAGE</i>
Budget Message	1
Budget Award.....	12
Budget Ordinance.....	13
Budget Calendar	15

BUDGET SUMMARY

Mayor & City Council Biographies	17
Kennewick Map	20
Community Profile.....	21
Budgeting by Priorities Functional Areas	24
Division Relationship to Priority Areas	25
Department/Division Operating Budget by Fund Type	26
Organizational Chart	27
Property Tax Rates	28
Operating Revenue Narrative	29
Chart: Operating Revenue by Category	38
Chart: Estimated Tax Revenue	39
Revenue Summary – Operating Funds	40
Chart: Operating Expenditures by Category	42
Chart: Operating Expenditures by Function	43
Comparative Budget Summary – All Funds	44
Budget Summary – All Funds	45
Chart: Summarized Revenues – All Funds	46
Chart: Budgeted Expenditures – All Funds	47
Summarized Revenues – All Funds	48
Budgeted Expenditures – All Funds.....	50
Major Fund Summary	52

DEPARTMENT DETAIL

Directory of City Officials	56
City Council.....	57
City Manager	61
City Attorney	65
Finance.....	69
Management Services	79
Planning and Economic Development	96
Police.....	110
Fire	126
Employee & Community Relations	138
Public Works	149

Table of Contents (Continued)

FUND DETAIL

General Fund	164
SPECIAL REVENUE FUNDS	
Street	167
Arterial Street Fund.....	169
Urban Arterial Street Fund.....	170
Bi-Pin Operations Fund	171
MPD Assistant Operations Fund	172
Asset Forfeiture Fund.....	173
Public Safety Fund	174
Solid Waste/Environmental Fund.....	175
Community Development Fund	176
Cash Reserve Fund.....	177
Lodging Tax Fund.....	178
CAPITAL PROJECTS FUNDS	
Capital Improvement Fund	180
Park Development Construction Fund	181
DEBT SERVICE FUNDS	
Debt Service Fund.....	183
LID Guaranty Fund	184
PROPRIETARY FUNDS	
Water and Sewer Fund.....	187
Medical Services Fund.....	189
Building Safety Fund	191
Stormwater Utility Fund	193
Coliseum Fund.....	195
Columbia Park Golf Course Fund	196
INTERNAL SERVICE FUNDS	
Equipment Rental Fund	198
Risk Management Fund	200
Central Stores Fund.....	202
FIDUCIARY FUNDS	
Fireman's Pension Fund.....	204
OPEB Trust Fund	205

Table of Contents (Continued)

CAPITAL IMPROVEMENT PROGRAM

Introduction.....206
Citywide Summary.....209
Major Projects.....216
Arterial Street.....247
Urban Arterial Street Fund.....249
Capital Improvement Fund.....252
Water and Sewer Fund.....266
Stormwater Fund.....269

SALARY SCHEDULES

Personnel Summary271
Non-Contract Employees.....272
Operating Engineers.....275
Fire Contract.....277
Police Contracts.....278

DEBT SCHEDULES

Debt Administration.....279

SUPPLEMENTAL INFORMATION

Major Tax Source Summary.....288
Principal Taxpayers & Employers.....289
Chart: Assessed Valuation.....290
Chart: Taxable Sales Chart.....291
Chart: Sales Tax per Capita.....292
Table: Sales Tax Revenue by Industry.....293
Chart: Governmental Services.....294
Demographic Statistics.....295
Miscellaneous Statistics.....296
Capital Equipment.....297
Detail Policies.....299
Glossary.....310
Revenue and Expenditure Assumptions.....315
Vulnerabilities.....318



City of Kennewick
Office of the City Manager

**BUDGET TRANSMITTAL
LETTER**

Date: October 30, 2012
To: Steve C. Young, Honorable Mayor and Members of the City Council
From: Marie E. Mosley, City Manager
Subject: 2013/2014 Biennial Budget Executive Summary

It is a privilege to present to you the 2013/2014 Biennial Budget for your consideration. This budget was developed with your leadership in identifying the operating and capital priorities that provided the basis for the departments to submit their budget proposals and additional program requests for consideration. The planning process for this budget began in March with a Council retreat where a vision for the community was discussed and developed with our community partners. In addition, due to challenges with our economic model, you had asked that we consider a budgeting by priorities model which is the foundation for this biennial budget and discussed in more detail below.

Council March, 2012 Retreat – Vision for the Opportunity Centers

The March retreat resulted in developing a vision for the major opportunity centers within the City of Kennewick. In addition, the Council reviewed what has been accomplished in these opportunity centers.

- **Southridge** – The Southridge area contains over 2,300 acres. It is estimated that 60% of Kennewick’s future growth will take place in this area. It contains canyons, steep slopes, hilltops and the area’s only perennial creek (Amon). The area is bound on the south by Interstate 82, on the north by Thompson Hill and West 10th Avenue, on the east by State Highway 395 and on the west by Clodfelter Road. The Southridge Development Area focused on three major projects: The Southridge Sports Complex, Hildebrand Boulevard and the Southridge commercial roadways. The Southridge development area is funded in part by Local Revitalization Financing (LRF), which provides a \$500,000 annual sales tax credit from the State to be used for the payment of bonds issued to construct these projects. The intent of the LRF is to help spur development and provide additional sales and property taxes from the new development. In addition to the State contribution, many other partners contributed to this project, including Benton County, the Port of Kennewick, Kennewick General Public Hospital, and several developers in the Southridge area. During this biennium, many goals were achieved in this opportunity center:

- The Southridge Sports and Events Complex was completed in 2012 and held its grand opening in March. It is the host to several tournaments and events that generated \$4.8M in tourism dollars during 2012.
- Kennewick General Hospital held its ground breaking in 2012 and is scheduled to be completed in 2014.
- The 911 Memorial was a volunteer project that brought a steel section from the World Trade Center to Kennewick and with community volunteers built a memorial in Southridge that was dedicated on September 11, 2011.
- The Carousel of Dreams is another community volunteer project that will be built in Southridge next to the Pavilion. During October, 2012 the Carousel Foundation and GESA announced that GESA will be contributing a million dollars to this project and will be the naming rights sponsor for the Carousel of Dreams. A ground breaking ceremony is scheduled for mid-November with completion scheduled for the fall of 2013.
- The major projects completed or currently underway at Southridge have spurred a great deal of additional economic development including the Copper Ridge and Affinity Apartment Complexes, Sagecrest development, Wine & More, Smasne Cellars, Fujiyama Japanese Steakhouse and other retail businesses and restaurants. Southridge continues to be a priority area for Council and a focal point in the city's future growth that is reflected in the 2013/2014 biennial budget.
- **Hildebrand & Steptoe Street Connection** – Steptoe Street, in partnership with the City of Richland is in process and will be completed in the spring, 2013 from Gage Blvd to 4th Avenue. The 2013/2014 biennial budget has established a priority to complete the Hildebrand and Steptoe Street connection. The city has been listed as a recipient of a Public Work Trust Fund Loan that still requires legislative approval and received a grant that will allow us to complete this very important connectivity in our community.
- **Three Rivers Entertainment District** – In conjunction with the Kennewick Public Facilities District (KPF) and local developer Vijay Patel, a SpringHill Suites by Marriott hotel will be constructed with connection to the Convention Center. In addition, the Joint Coliseum Advisory Committee (JCAC), which consists of two KPF members and two Councilmembers are working together with ALSC on a master plan for the Three Rivers Campus, which will include the potential expansion of the Three Rivers Convention Center.
- **Downtown & Bridge to Bridge Area** – In partnership with the Port of Kennewick, we have been working on developing a zoning district from the Cable Bridge to Causeway area. In addition, the Historic Downtown Kennewick Partnership (HDKP) and city have implemented a new zoning district for the downtown that will help implement the vision for this area. The Port of Kennewick and city have been in discussions on potential partnership opportunities for a trail around Duffy's Pond. The city has started the analyses needed to change the buffer requirements around the pond and it is anticipated that the analysis that is required to move forward with this project will be completed in the fall of 2012.

- **South of I-82 – New Urban Growth Area Expansion** – City Council established a priority of replacing the jobs lost at Hanford site and diversifying our economy in the Tri-Cities. An analysis of the city’s vacant land showed that only 4% was zoned as industrial, and much of that 4% consists of railroad property. Recognizing that Southridge (the city’s major growth area) was not conducive to industrial development due to steep slopes and critical areas, the city worked with the State Legislature and was successful in passing legislation that would allow for expansion of our Urban Growth Area (UGA) for industrial development purposes. The application to expand the city’s UGA will be submitted to Benton County by December 1, 2012. The city will continue to work on economic development incentives and infrastructure funding to extend City services to this area during the upcoming biennium.

2013/2014 Biennial Budget Development

Developing the 2013/2014 biennial budget required a variety of creative solutions in order to provide a balanced budget as required by law. Staff is committed to providing our citizens with the most effective service delivery within the city’s available resources. In reviewing how to best provide those services to our citizens, especially as growth in our tax base lags behind inflationary increases in our operating costs, we have looked at several alternatives that will be reviewed and discussed with Council and the citizens in the upcoming biennium.

The 2013/2014 biennial budget, for the most part, maintains our existing services, although there will be areas where lower priority programs may be eliminated due to the reduction of 31 positions since 2005. Reducing or eliminating lower priority programs will allow us to realign our resources to maintain or increase services to the higher priority functions. Maintaining our priority services is possible as a result of the planning efforts that have occurred over the past several bienniums. This biennial budget was developed using a Budgeting by Priorities model where all services have been prioritized based on Council’s overall goals as outlined below:

- **Community Safety** – “I want to be safe where I live, work and play”
Objective: Continue to Ensure the Safety of our Community by Maintaining Current Service Levels & Partnerships.
 - Council objectives are met through the following broad programs in Community Safety:
 - Police Services
 - Emergency Medical Services
 - Safe Drinking Water
 - Fire Services
 - Code Enforcement
 - Building Safety
 - The following are the established Community Safety goals for the upcoming biennium:
 - Identify and implement sustainable funding strategies to maintain or enhance public safety service levels.
 - Work with the Homebuilders Association and Developers to develop appropriate fees and charges that will provide sustainable funding for the city’s building safety and development services functions.

- Provide alternatives for enhancing the city’s code enforcement program to focus on substandard housing.
 - Work with community partners on a cost effective dispatch system that provides better service delivery to our community.
 - Work with the city’s state lobbyist, the Association of Washington Cities (AWC) and local and regional partners to pursue favorable legislation related to the city’s priorities of Anti-Gang legislation, Fire District Ambulance Fees, and Medical Marijuana/Collective Gardens.
- **Economic Development** – “I want a diverse and vibrant economy in Kennewick”
Objective: Support Existing Businesses and the Creation of Sustainable Family Wage Jobs.
 - Council objectives are met through the following broad programs in Economic Development:
 - Tourism
 - Economic Vitality
 - Economic Growth
 - The following are the established Economic Development goals for the upcoming biennium:
 - Creation of new industry jobs in the Urban Growth Area South of I-82.
 - Creation of new businesses in the Southridge area and other priority opportunity centers in Kennewick.
 - Enhance tourism through partnerships with the Tri-Cities Visitor and Convention Bureau and other local and regional partners.
 - Work with AWC and local and regional partners to pursue favorable legislation related to the city’s priorities of economic development incentives (warehouse & distribution centers) and retaining flexibility with hotel/motel tax funding.
- **Infrastructure & Growth** – “I want a well-maintained city whose infrastructure keeps pace with growth”
Objective: Maintain existing infrastructure and build new infrastructure to support economic development & expansion.
 - Council objectives are met through the following broad programs in Infrastructure & Growth:
 - Safe Streets
 - Infrastructure Planning
 - Environment Services
 - The following are the established Infrastructure & Growth goals for the upcoming biennium:
 - Develop a 20-year capital facility program with sustainable funding that will include a fire facilities plan and the use of Public Works Trust Fund loans & grants.
 - Complete the Hildebrand and Steptoe connection.
 - Complete infrastructure improvement in the Urban Growth Area (UGA) and pursue a Local Revitalization Financing project in the UGA and other alternative financing opportunities.

- **Quality of Life** – “I want to enjoy access to a variety of amenities and opportunities in a safe environment”

Objective: Maintain Parks, Provide for Diverse Recreation Programs and a Well Planned Community.

- Council objectives are met through the following broad programs in Quality of Life:
 - Recreation Opportunities
 - Parks & Facilities
 - Livable Community
 - Community Planning
 - The following are the established Quality of Life goals for the upcoming biennium:
 - Continue to work with the Kennewick Public Facilities District on strategic planning efforts in the Three Rivers Campus.
 - Work with Three Rivers Carousel Foundation to complete the Carousel of Dreams with no additional taxpayer dollars.
 - Work with the Port of Kennewick and other partners to implement a project in the Bridge to Bridge area such as improvement around Duffy’s Pond.
 - Continue the work with the Regional and Local Public Facilities District’s (PFD’s) to implement regional projects to enhance quality of life in our community.
 - Work with AWC and local and regional partners to pursue favorable legislation related to the city’s priorities of extending the state sales tax credit for local PFD’s and to relax certain SEPA requirements.
 - **Responsible Government** – “I want a City government that is responsive, responsible and fiscally accountable”
- Objective:** Provide Exceptional Public Service, Transparency and a Sustainable Future.
- Council objectives are met through the following broad programs in Responsible Government:
 - Risk Management
 - Community Outreach & Engagement
 - Sound Financial Management
 - Excellence in Service
 - The following are the established Responsible Government goals for the upcoming biennium:
 - Embrace partnership opportunities.
 - Develop a sustainable budgeting by priorities model that includes identifying the lower priority services for potential reduction or elimination as well as identifying alternative revenues sources.
 - Proactive public relations & community outreach.
 - Work with AWC and local and regional partners to pursue favorable legislation related to the city’s priorities for meet & confer legislation related to public records and preservation of existing state-shared revenues.

These goals and priorities that have been developed by Council are the basis for the 2013/2014 biennial budget. In addition, the community has responded to a citizen survey that was used to confirm that the Council has heard the community as they established these goals and priorities. The results from the community survey indicate that the goals of our citizens are very much aligned with Council goals & priorities for the upcoming biennium. Below are some of the survey results:

- Majority of respondents would maintain existing and current service levels
- 74% would be willing to pay more to combat criminal gang activity
- 39% would be willing to pay more to maintain current response times for emergency fire response
- 35% would be willing to pay more to maintain or expand safe drinking water
- 71% would be willing to reduce hours at City Facilities
- 55% would be willing to eliminate recreation programs when similar programs are offered by other entities, reduce adult recreation programs, and reduce level of financial support to community events
- 56% would not want to eliminate maintenance of small parks nor reduce animal control
- 67% would not be willing to see a reduction in residential street maintenance

Opportunities, Vulnerabilities & Balancing Strategies

In an effort to respond to Council's and the Community's goals and priorities, the 2013/2014 biennial budget incorporates the following balancing strategies that will be used throughout the biennium as unanticipated costs or reductions in revenues occur.

This 2013/2014 biennial budget provides a balance between our capital and operating resources in order to provide a level of service that we believe our citizens expect as well as to maintain and improve the City's infrastructure. Council and staff will continue to evaluate the balance between operating and capital resources and recommend alternatives if we believe either operations or capital are not achieving the overall goals and objectives. The biennial budget includes the following new programs:

- **Community Safety Priority Area** – In response to Council's concern regarding maintaining a safe community and to the Citizen Survey results where 74% of participants were willing to pay more to combat criminal gang activity, the 2013/2014 budget recommends hiring 3 new police officers to help combat criminal gang activity, which could eventually be funded by a County-wide Criminal Justice Sales Tax.

If the County-wide Criminal Justice Sales Tax is implemented, this funding would be reallocated allowing for 3 new fire captain positions that are needed to staff a new fire station that is currently being evaluated by a task force. The funding source for this new program is to maintain the current property tax levy rate of \$2.12/\$1000 assessed valuation (using some of the City's banked capacity and the property tax revenue allowed by State Statute). This new program will maintain the existing property tax levy rate and will be implemented without increasing the tax rate to our citizens and businesses.

- **Economic Development (Tourism) Priority Area** – The 2013/2014 budget includes a recommendation for the First Night Program (\$4k per year), 4th of July Celebration (\$10k per year) and the Toyota Center Subsidy that is not funded with Toyota Center admission tax (\$150k per year) be paid for with lodging tax funds. Under state law, lodging tax funds can be used for marketing and promotion of events as well as operating costs for a facility that provides events (such as the Toyota Center). The Lodging Tax Advisory Committee met in October and concurred with these recommendations for the use of lodging tax funds. This assumes the legislation allowing the use of lodging tax for operating costs of special events continues into the upcoming biennium, which is one of the City’s legislative priorities.
- **Responsible Government (Reallocation of Staffing Resources)** – This biennial budget includes the elimination of an additional position that was left unfilled due to a promotional opportunity. It also continues the reduction of 30 positions that were eliminated since 2005. We continue to evaluate our position vacancies and identify creative ways to deliver priority services to the community. In addition to the above position reductions, we have approximately 8 positions that are currently vacant. Throughout the remainder of this biennium and next biennium we will continue to carefully evaluate which position vacancies will be filled and how they will be filled in order to continue to align our staffing resources to deliver Council’s goals and priorities.
- **Economic Development (Historic Downtown Kennewick Partnership)** – In an effort to reduce the general taxpayer dollars that support the Downtown, the Partnership and City are working together to implement the Mainstreet B&O State tax credit that will provide funding for the HDKP.
- **Responsible Government (Beginning Fund Balance)** – The 2013/2014 budget incorporates the use of approximately \$400,000 in beginning fund balance to fund one-time budget impacts for the biennium (liquor excise tax – one year local distribution to the State & E-911 and 800 MHz costs that are being evaluated with a regional dispatch).
- **Responsible Government (Community Partnerships)** – The City will continue to implement partnerships within the community that will deliver the most cost effective and efficient priority services to our community.

Although the adopted budget for 2013/2014 is balanced, we recognize there are vulnerabilities and are prepared to address them during the upcoming biennium as we continue to work on a Budgeting by Priorities strategic approach to decision making. Some of vulnerabilities that exist in our biennial budget are:

- **Revenue Projections** – Given the uncertainly of the economy and that our largest revenue source, sales tax, is the most vulnerable, we will need to be prepared if our revenue projections do not materialize for the upcoming biennium. In addition, we have seen reductions in telephone utility tax due to consumers using more data services

that are not subject to utility taxes. We will continue to closely monitor all revenue sources and be prepared to respond to any major variances from our projections.

- **Contracted Services** – The City of Kennewick has some very large contracted services, such as Jail, District Court, Dispatch, Emergency Management, Golf Course contract with CourseCo, employee union contract negotiations and others. We will continue to closely monitor these large expenditures and be prepared to modify the budget as needed if our current estimates do not materialize. Currently the jail budget (which is projected to be over \$5.5M in the upcoming biennium) reflects a \$73 bed day rate, which is a significant increase from this biennium. The city will work with the County in an effort to maintain our current \$68 bed day rate and utilize the additional amount budgeted for a new program priority service that is discussed below related to Code Enforcement.
- **State Budget Deficit and Potential Unfunded Mandates** – Given the State’s budget challenges and vulnerabilities associated with national economic conditions, we will be closely monitoring the upcoming legislative session. We will be working to preserve the existing state shared revenues, continuing to support revenue flexibility and trying to assure that additional unfunded mandates are not enacted or that additional fees and charges from the State are not passed onto local governments.

During the upcoming biennium staff will be evaluating and providing council with recommendations on several programs and services. The Blue Ribbon Committee is a citizen committee that was formed by the City Council to evaluate the City’s 20 year capital program and to provide recommendations on priorities and funding alternatives during the upcoming biennium. The strategies and potential new programs that achieve the overall priorities for Council’s consideration are identified below:

- **Community Safety Priority Area (Criminal Justice Sales Tax)** – Benton County Commissioners have provided direction to the Law and Justice Committee to develop a citizen advisory committee to review and evaluate the programs that could be implemented with Criminal Justice Sales Tax. The citizen advisory committee will be providing a recommendation to the Benton County Commissioners for their consideration in placing a Criminal Justice Sales Tax on the ballot during 2013. This funding source will help achieve the City Council and Community’s priority area of a safe community by combating gang activity and will be evaluated during the upcoming biennium.
- **Budgeting by Priorities** – During this biennial budget process over 300 services were identified and prioritized. This effort allows the city to respond quickly to any unanticipated reduction in revenues or increase in costs that occur during the biennium. The lower priority services are identified below and will continue to be evaluated to determine an alternative way to deliver these services, a reduction in service level or elimination of these services as we continue to evaluate the vulnerabilities during the upcoming biennium.

It is important to note that lower priority items are not services deemed needless, inefficient or unwanted by our community. The city takes great pride in delivering every service and citizens have certain expectations for each one. In recent years, city departments have significantly streamlined programs and increased efficiencies to meet priorities with fewer staff and increased population. Due to these recent efforts further reductions or reallocations in any of these services will be challenging to implement, will result in further vulnerabilities and may also be difficult for our citizens to accept.

Lower Priority Services	Rank
• Historic Downtown Kennewick Partnership*	1
• Warehouse Delivery	2
• Subarea Plans*	3
• Kennewick Improvement Board	4
• Residential Sprinkler System Standards	5
• Columbia Park Golf Course	6
• Community Training*	7
• Manual Meter Reading	8
• Regional Revolving Loan Fund	9
• Roadside Herbicide Control Program	10
• Adult Enrichment Programs	11
• Work Zone Traffic Control Compliance	12
• Art in the Roundabouts & Greenway Maintenance	13
• Volunteers in the Park	14
• EMS Non-Emergency Response	15
• Centralized Procurement	16
• Business Appreciation Luncheon	17
• Pavement Rating Program (legislation required)	18
• Chip Sealing Preservation – Residential*	19
• Non-Emergency Fire Response	20
• Service Programs	21
• Fire Administration Center	22
• Risk Management Analysis	23

During the evaluation, it was determined to continue the elimination the following lower priority services from the existing biennial budget and in the case of the Historic Downtown Kennewick Partnership, to work with them on an alternative funding opportunity through the Mainstreet Program that allows for a B&O tax credit from the State:

- Historic Downtown Kennewick Partnership
- Subarea Plans
- Community Training
- Chip Sealing Preservation (residential)

In addition, it is important to identify the highest priority services that should be evaluated for additional resources that may be needed in these areas. The highest priority services are identified below and will be evaluated during the upcoming biennium to determine if there are opportunities to enhance service levels. In addition, there are some potential new programs that will be considered in the upcoming biennium that are described below.

Top Priority Services	Rank
• Patrol	1
• Fire Emergency Response	2
• EMS Emergency Response	3
• Water Treatment Facilities	4
• UGA Expansion	5
• Business Recruitment	6
• Chip Sealing Preservation – Arterials	7
• Budget Preparation & Monitoring	8
• Inspection, Cleaning & Repair – Sewer Lines &	9
• Maintenance & Repair of Existing Facilities	10
• New Construction Building Inspections	11
• Comprehensive Plan & Capital Facilities Element	12
• Refuse Collection Franchise	13
• Sewer Design, Construction & Inspection	14
• Southridge Complex	15
• Website Development & Maintenance	16
• Business Retention	17
• Street Design & Project Management	18
• Citywide Public Information & Outreach	19
• Compliance & Accountability	20
• Online Citizen Services	21
• Sewer System Plan	22
• Three Rivers Campus	23
• Transportation System Plan	24
• Water System Plan	25

- **Community Safety Priority Area (Code Enforcement)** – Council has identified substandard housing and boarded up buildings as a priority for code enforcement. I am recommending that we work with Benton County (as we have with all other contracted services such as BCES, Metro, B/F Council of Governments, BIPIN, etc.) to maintain the current bed day rate of \$68 for the city’s jail services. If this is accomplished, the additional amount we have budgeted for the biennium could then be used to enhance our code enforcement efforts to implement a more proactive program for substandard housing and boarded up buildings.

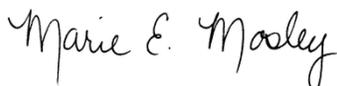
- **Infrastructure & Growth Priority Area (Transportation Benefit District)** – The Blue Ribbon Committee is currently working on prioritizing the city’s 20-year capital program and will be making recommendations to Council for priorities along with potential funding opportunities. Thus far, the committee has been meeting with our community partners to get an understanding of the collaborations between the city and our community partners and their capital planning efforts. One of the potential funding opportunities for the transportation improvements is a Transportation Benefit District that is estimated to provide \$1.2M in annual funding, which could be used for the city’s chip seal maintenance program that provides preservation for the city’s arterial streets.
- **Quality of Life Priority Area (Metropolitan Park District)** – The city will continue to evaluate the potential implementation of a Metropolitan Park District to pay for park maintenance, recreation programs and capital improvements. This is a source that will also be evaluated by the Blue Ribbon Committee for potential consideration in the upcoming biennium.

In summary, I believe this biennial budget is fiscally responsible and provides our citizens with creative means to deliver priority services during these tough economic times. We recognize there are vulnerabilities, and we are prepared to strategically address them in the upcoming biennium using our budgeting by priorities model to allocate resources based on the Council and community priorities for service delivery. During the upcoming biennium we will continue to work with our Blue Ribbon Citizen Advisory Committee, the community and Council to implement the established budgeting by priorities model and recommend a 20-year capital program that will provide a sustainable operating & capital budget and path forward for the upcoming biennium.

I would like to acknowledge and thank our employees who work diligently every day to implement city-wide goals and objectives by providing exceptional customer service to our citizens and who critically evaluate the most innovative and effective manner to deliver those services. I would also like to thank the Department Head team for carefully reviewing their budget submittals and recognizing that there are limited resources to be allocated to city-wide priorities. They have approached this biennial budget as a team and from the perspective of identifying the services our citizens expect as a whole from the city, not from a departmental perspective. They continue to implement innovative solutions for effective service delivery. Finally, I would like to thank Dan Legard for his leadership in preparing the biennial budget document. He and the Finance staff have done an exceptional job, with limited resources under a very tight timeframe.

I would be happy to answer any questions that you have regarding this biennial budget and strategies for continuing to optimize our limited resources into the future and in preparation for any unforeseen circumstances that may occur during the upcoming biennium.

Respectfully,



Marie E. Mosley
City Manager

*“In matters of style, swim with the current; in matters of principle,
stand like a rock.”*

- Thomas Jefferson -

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award for Distinguished Budget Presentation to the City of Kennewick for its biennial budget for the biennium beginning January 1, 2011.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operating guide, as a financial plan and as a communication device.

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



CITY OF KENNEWICK
ORDINANCE NO 5466

AN ORDINANCE ADOPTING THE BIENNIAL BUDGET FOR THE YEARS
2013/2014

THE CITY COUNCIL OF THE CITY OF KENNEWICK, WASHINGTON, DO ORDAIN AS
FOLLOWS:

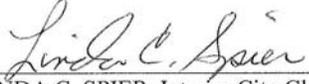
Section 1. The biennial budget containing the total set forth for each fund for the years
2013/2014 is established as follows:

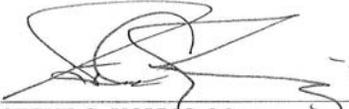
General Fund	\$ 91,674,300
Street Fund	<u>3,979,264</u>
Subtotal - Operating Budget	95,653,564
Arterial Street Fund	2,800,000
Urban Arterial Street Fund	7,400,000
Capital Improvement Fund	32,061,706
Water and Sewer Fund	53,624,565
Building Safety Fund	2,770,000
Medical Services Fund	9,207,050
Coliseum Fund	8,249,623
Stormwater Utility Fund	2,970,849
Columbia Park Golf Course	648,200
Equipment Rental Fund	9,925,866
Risk Management Fund	3,315,984
Central Stores Fund	656,140
Debt Service Fund	6,166,163
LID Guaranty Fund	34,500
Cash Reserve Fund	2,597,500
BI-PIN Operations Fund	629,262
Community Development Fund	1,310,800
MPD Assistant Operations Fund	71,600
Asset Forfeiture Fund	115,400
Public Safety Fund	5,265,416
Lodging Tax Fund	2,700,000
Firemen's Pension Fund	1,135,470
OPEB Trust Fund	<u>2,561,000</u>
GRAND TOTAL	<u>\$251,870,658</u>

Section 2. This Ordinance shall be in full force and effect five (5) days from and after its
passage, approval, and publication as required by law.

PASSED BY THE CITY COUNCIL OF THE CITY OF KENNEWICK, WASHINGTON this 20th day of November, 2012, and signed in authentication of its passage this 20th day of November, 2012.

Attest:

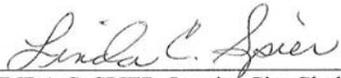

LINDA C. SPIER, Interim City Clerk


STEVE C. YOUNG, Mayor

ORDINANCE NO. 5466 filed and recorded in the office of the City Clerk of the City of Kennewick, Washington this 21st day of November, 2012.

Approved as to Form:


LISA BEATON, City Attorney


LINDA C. SPIER, Interim City Clerk

DATE OF PUBLICATION 11/24/12

Major Steps In Budget Preparation	Status & Update Schedule & Notes	City of Kennewick Schedule
1. Prepare preliminary projections for 2011/2012 and 2013/2014 for operating funds		11/22/11 – Workshop (Mid-biennium review)
2. Council Retreat		3/2/12
3. Prepare revised projections for 2009/2010 and 2011/2012 biennium for the Operating Funds.		5/8/12
4. Spring Budget adjustment		5/15/12
5. Biennial Budget Review (Council Workshops & Budget Committee Meetings & Community Outreach)		June, 2012-Nov, 2012
6. Internal Service Budget Managers meet with Departments to solicit feedback		6/1/12-7/30/12
7. Prepare Internal Service Fund Budgets: a. Fleet Maintenance b. Risk Management c. Central Stores d. Meter Reading e. Information Systems f. Facilities CIP g. Position Allocation		6/1/12-8/3/12
8. Council Workshop to discuss budget instructions		6/26/12
9. Budget instructions delivered to Depts.	By second Monday in September (9/10/12)	7/2/12
10. Departments review and update position allocation.		7/20/12
11. Finance completes other internal items: a. Estimates of '11/'12 beginning fund balance. b. Projected debt service (Internal & External). c. Projected interfund transfers. d. Projected contribution to PFD. e. Interfund charges for service & OH. f. Non-Departmental items. g. Projections on large contract items. h. Preliminary revenue projections. i. Non-Capital, Non-Agency related Special Revenue Funds.		8/3/12
12. Final Internal Service Budgets completed.		8/3/12
13. Budget requests due from Depts. (including new programs)	By fourth Monday in September (9/27/10)	8/3/12
14. Finance finalizes position budgeting		8/17/12
15. Finance completes Internal Service Fund Allocations to Department Budgets		8/17/12

Major Steps In Budget Preparation	Status & Update Schedule & Notes	City of Kennewick Schedule
16. Budgeting by Priorities Completed – priority level, program level & service level sections		9/3/12
17. Toyota Center & Ice Arena budget due to Finance.		9/3/12
18. Draft preliminary budget due to CM for review	On or before the first business day of the third month prior to the beginning of the fiscal year (10/01/12)	9/10/12
19. City Manager reviews proposed budgets with Department Directors		9/17/12 – 9/28/12
20. City Manager decision on new programs		10/5/12
21. City manager prepares preliminary budget and budget message and files with City Clerk	At least 60 days before the ensuing year (11/02/12)	11/01/12
22. Copies of the proposed budget made available to the public	Not later than 6 weeks before January 1 st (11/19/12)	11/01/12
23. The legislative body, or a committee thereof, must schedule meetings on the budget or parts of the budget		Budget Workshops: 10/30/12 & 11/13/12
24. Setting property tax levies:	November 30 th for all Cities and Towns	
a. Review with Council at workshop		a. 11/13/12
b. Public hearing on revenue sources and property tax ordinance		b. 11/20/12
c. File certified levy with County		c. 11/21/12
19. Clerk publishes notice of filing of preliminary budget with City Clerk and publishes notice of public hearing on final budget once a week for two consecutive weeks	Published during the first two weeks in November (11/1/12-11/14/12)	11/01/12 – 11/14/12
20. Adoption of Biennial Budget for 2013/2014:		
a. Public Hearing	On or before the first Monday of December, and may be no later than the 25 th day prior to the next fiscal year (12/06/12)	a. 11/20/12
b. Budget Ordinance	Following the public hearing and prior to the beginning of the ensuing fiscal year	b. 11/20/12

Budget Summary



Steve Young
Mayor

Ward 3



Sharon Brown
Mayor Pro Tem

Ward 2



Don Britain

Ward 1



Bob Olson

Ward 1



Paul Parish

Ward 2



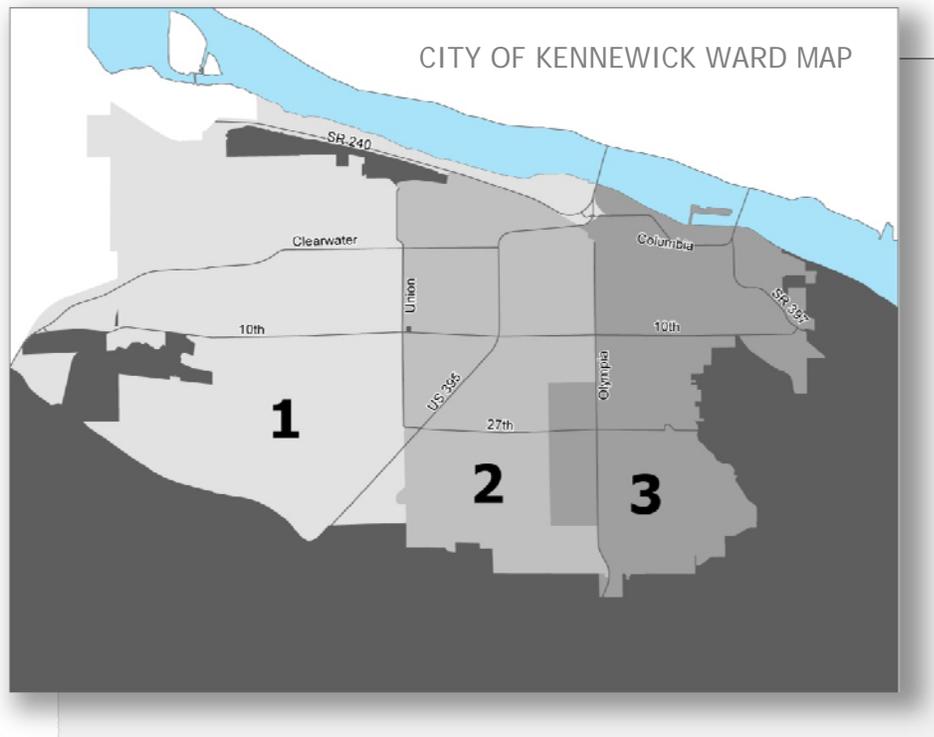
John Hubbard

Ward 3



Bob Parks

At Large



City Council’s Mission

Building on Kennewick’s history and heritage, our vision for Kennewick includes a strong and diverse local economy that takes advantage of our unique location and resources; a process of orderly growth, which supports and strengthens existing neighborhoods; and a governance structure based upon open communications and participation.

Steve Young, Mayor
.....

Mr. Young was appointed to fill a vacant position in December 2008. He was elected and took Office January 2010 and was appointed Mayor. His experience and background will serve him well in his current assignments on the Firemen’s Pension Board, Energy Communities Alliance, Disability Board, Tri-Cities Visitor & Convention Bureau, Tri Cities Development Council Executive Board, Joint City of Kennewick and KGH and Port of Kennewick Committee, Appeals Commission, Interview Committee, Wineries and Zoning Committee, Coliseum Joint Advisory Committee, Council Budget Committee and Blue Ribbon Committee. He also serves as an alternate for the Block Grant Advisory Committee and Benton Franklin Council of Governments Technical Advisory Committee.

Sharon Brown, Mayor Pro Tem
.....

Mrs. Brown took office January 2010 and was elected Mayor Pro Tem. As a result of her 22 years of experience as a business attorney her focus will be increasing economic development in the City. Mrs. Brown is a member of the Block Grant Advisory Committee, Bridge to Bridge River to Rail Task Force, Joint City of Kennewick and KGH and Port of Kennewick Committee, Kennewick FOCUS, Tri-City Regional Chamber of Commerce, and the Council Budget and Economic Development Committees. She also serves as an alternate for the Benton Franklin Council of Governments Policy Advisory Committee, Benton County Law & Justice Council, Benton Franklin Community Action Committee and the Tri Cities Development Council Executive Board.

Don Britain, Council Member
.....

Mr. Britain took office January 2010. He is interested in serving Kennewick in any capacity that will bring family wage jobs, regional recreational opportunities, and advancing Kennewick as the number one place to live in the Tri-Cities area. He currently serves on the West Columbia Park Joint Task Force, Tri Cities Regional Public Facilities District Board of Directors, Joint Kennewick & Richland Committee, Historic Downtown Kennewick Partnership, Interview Committee, Animal Control Facilities Committee, the Council Economic Development Committee and as alternate for the Tri-City Regional Chamber of Commerce Board of Directors.

**.....
John Hubbard, Council Member**

Mr. Hubbard was elected and took office January 2010. His areas of emphasis are building new jobs and inviting greater participation by our citizens. His current assignments include the Regional Facilities Oversight Committee, West Columbia Park Joint Task Force, Benton Franklin Community Action Committee, Joint City of Kennewick and City of Richland Council Committee, Yakima Basin Fish and Wildlife Recovery Board and the Council Infrastructure Committee. He also serves as an alternate for the Bridge to Bridge River to Rail Task Force, Kennewick FOCUS, Benton Franklin Council of Governments, Historic Downtown Kennewick Partnership and Benton County Clean Air Authority.

**City Council
Priority Areas**

- *Community Safety*
- *Responsible Government*
- *Quality of Life*
- *Economic Development*
- *Infrastructure & Growth*

**.....
Bob Olson, Council Member**

Mr. Olson was first elected to City Council in 1988, after serving 9 years on the Board of Adjustment. He is a strong supporter of small local business. He has continued to work towards improving local transportation infrastructure, including a push for greater regional cooperation on transportation issues. He was appointed to the Benton-Franklin Council of Governments (BFCG) in 1992 and continues today serving on the BFCG Policy and Technical Advisory Committees. He also serves on the Ben Franklin Transit Board, Good Roads & Transportation Association, Washington State Transportation Improvement Board, Lodging Tax Advisory Committee, Interview Committee and Council Budget Committee.

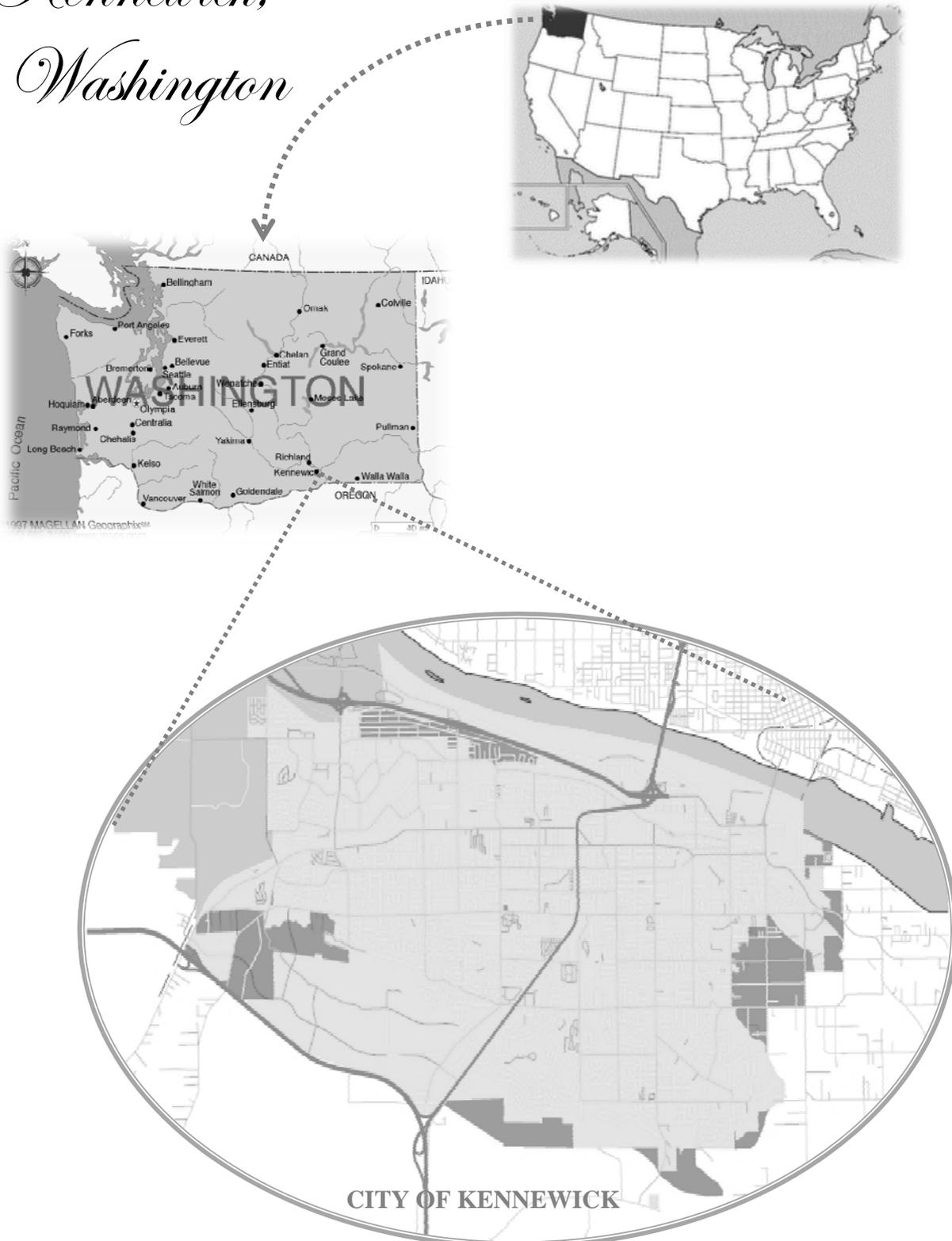
**.....
Paul Parish, Council Member**

Mr. Parish took office January 1996. Among other things, he has sought the enhancement of Columbia Park, the improvement of code enforcement and nuisance abatement, and the purchase of downtown property owned by the railroad to further a revitalization effort in that area of the City. Mr. Parish is currently serving on the Benton County Law and Justice Council, Disability Board, Benton County Clean Air Authority, Hanford Area Economic Investment Fund Committee, Joint City of Kennewick, KGH and Port of Kennewick Committee, Joint City of Kennewick and City of Richland Council Committee, Coliseum Joint Advisory Committee, West Columbia Park Joint Task Force and Council Infrastructure. He is also an alternate for the Ben Franklin Transit Board, Good Roads & Transportation Association, Historic Downtown Kennewick Partnership, and the Tri-Cities Visitor & Convention Bureau.

**.....
Bob Parks, Council Member**

Mr. Parks took office January 2002. His areas of emphasis for the City include economic development and increasing overall citizen involvement and trust in local government. His current assignments include Hanford Advisory Board, Hanford Communities Governing Board, Animal Control Facilities Committee, Wineries and Zoning Committee and the Council Infrastructure and Economic Development Committees. He is also an alternate on the Energy Communities Alliance Board and Lodging Tax Advisory Committee. Mr. Parks also serves as Council liaison to the Parks and Recreation Commission.

*Kennewick,
Washington*



HISTORY

.....

Kennewick is located in southeast Washington at the confluence of the Columbia, Snake and Yakima Rivers, in the heart of the Washington state wine growing region. With its sister cities of Richland and Pasco, the area is commonly known as the Tri-Cities. Kennewick is roughly 27 square miles in size and with a population of 75,160 it is the largest of the Tri-Cities. The Tri-Cities Metropolitan Statistical Area has a population of approximately 264,100.

Kennewick was first home to the Chemnapum Indians. The name ‘Kennewick’ means “Winter Haven”, an appropriate title for an area where the tribe gathered in the mild climate to trade, fish, and pasture their horses. Kennewick was later founded by railroad workers in the 1880's, and was incorporated in 1904. The Northern Pacific Railroad built an irrigation canal in 1903, bringing much needed water to the arid land. With irrigation came agriculture and beginning in 1913, it was Concord grapes that put Kennewick’s name on the map. At one time it was said that there were more acres of Concord grape vineyards in Kennewick than anywhere in the world. Kennewick remained a small agricultural community until World War II. During the war, the Hanford Nuclear Reservation was developed by the federal government just north of the Tri-Cities. This led to tremendous growth in the community and forever changed the course of the area. In the mid-1970's Energy Northwest (previously known as the Washington Public Power Supply System) built three nuclear electric generating plants at the Hanford site. Today Kennewick has a unique blend of agriculture, industry and atomic energy.

ORGANIZATION

.....

The City has a Council-Manager form of government. The City Manager is appointed by the City Council as the chief executive officer of the City and is responsible to the Council for the proper administration of all City business. The Council is comprised of seven Council members, one of whom is appointed by its members to serve as Mayor for two years. Though Chairman of the Council and the presiding member at weekly Council meetings, the Mayor has an equal vote with other Council members. Council members are elected by the citizens of Kennewick to serve a four-year term. Council members are part-time elected officials who exercise the legislative power of the City and determine matters of policy.

The City provides a full range of services normally associated with a municipality. These include police and fire protection, emergency medical services, street construction and maintenance, planning and zoning, parks and recreation, and general administrative services. In addition, the City operates a water and sewer, and a stormwater utility.

The City prepares its biennial budget in accordance with Optional Municipal Code 35A.33 of the Revised Code of Washington. All governmental fund type budgets are prepared on the modified accrual basis of accounting in conformity with generally accepted accounting principles (GAAP). The budget for proprietary funds is prepared on an accrual basis, also in accordance with GAAP. The legal level of budgetary control where expenditures cannot exceed appropriations is at the individual fund level.

Revisions that alter the total expenditures of any fund must be approved by the City Council and adopted by Ordinance. All appropriations, except for capital projects, lapse at the end of the biennium.

In December 2000, the Kennewick Public Facilities District was formed with a primary mission to build and operate a regional convention center as allowed by Washington state statute. The Kennewick Public Facilities District is included in the City’s reporting entity as a discretely presented component unit because of the financial accountability relationship. The City appoints the Public Facilities District five-member board and has the ability to impose its will on the Public Facilities District. The regional convention center, now known as the Three Rivers Convention Center, had its grand opening in June of 2004. The Convention Center is located in an area known as the Vista Entertainment District and resides next to the coliseum, known as the Toyota Center. The ability to market both facilities in conjunction with one another provides a unique potential for expanded tourism and economic development opportunities.

LOCAL ECONOMY

.....

Since the early 1940s, when the Tri-Cities was transformed from a farming community into a mecca for science, Hanford has been the region’s most significant economic driving force. Located north of Richland in Benton County, the Hanford reservation encompasses approximately 586 square miles and involves various nuclear and nuclear-related projects, serving as a national energy resource center. The Department of Energy (DOE), its contractors, and Energy Northwest are the major employers in the Tri-Cities. Federal funding for the Hanford area in recent fiscal years has been relatively consistent at approximately \$2 billion, which includes funding for the site’s \$12.2 billion vitrification plan project. The site’s budget received a significant boost early in 2009 when an additional \$2 billion in federal funding was received under the American Recovery and Reinvestment Act (ARRA) to accelerate clean-up efforts at the site. At the conclusion of 2011, spending of ARRA funding was substantially complete and had greatly accelerated the clean-up efforts at the Hanford site, which led to the loss of approximately 2,200 Hanford-related jobs in the latter half of the year and may also lead to future reductions in federal funding and employment at the site.

Another of the Tri-Cities’ most important and fundamental industries is agriculture. With ample sunshine, good sources for irrigation, ports on the Columbia River with access to the Pacific, and an excellent rail system, farmers are in a good position to produce and market their crops. Currently, the Tri-Cities are one of the premier agricultural regions in the State of Washington.

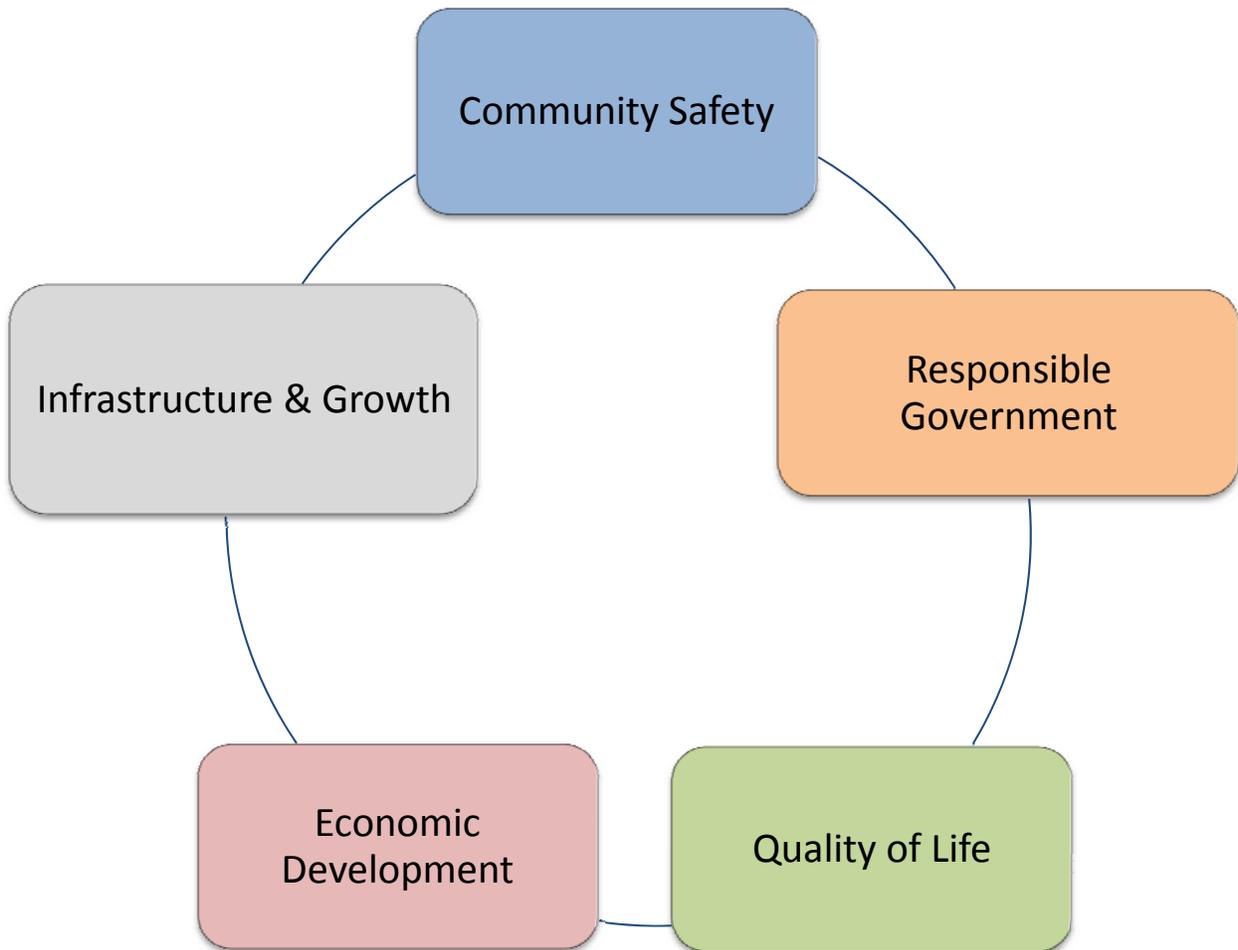
The Tri-Cities has also experienced significant growth in the food processing, wine and health care industries during the last several years. Nearly 1 of every 10 food processing jobs in the state now comes from the Tri-Cities. The Tri-Cities also leads the State in wine-associated jobs and has added a significant number of jobs in the health care industry over the last decade.

The unemployment rate for the Tri-Cities metropolitan area was 8.1% in July of 2012, which is up 1% from July of 2011 and is slightly lower than the statewide rate of 8.5% for this same period. As discussed earlier, these trends primarily reflect the reduction in employment experienced at the Hanford site in the latter half of 2011.

Kennewick continues to be a regional shopping hub, drawing customers from several neighboring communities. As a result, sales tax is the City's largest tax revenue source and Kennewick is very reliant on it as a funding source for its general governmental operating costs. The City's retail district is primarily located in the northwestern section of the City and includes the Columbia Center Mall, as well as several large retailers. In addition, the City has several specialty mini-malls and large retailers located throughout other areas of the City. Kennewick's retail sales activity has been relatively strong in the past two years and in 2011 the City experienced an increase of 7.5% in its sales tax receipts. To date in 2012, the City's sales tax receipts have increased again by just over 1%. These trends reflect a strong local economy centered largely on the growth experienced in the region in recent years as well as the continued efforts by the community to diversify the local economy.

Kennewick continues to experience significant growth. The City's 2011 assessed valuation for its 2012 property tax levy was approximately \$5.06 billion, which represented an overall increase of \$203 million and included \$90 million in new construction that was added to the property tax rolls during the year. Preliminary estimates for the City's 2012 assessed valuation include an overall increase of approximately \$160 million to \$5.22 billion, including \$91 million in new construction. The City's building safety division issued 2,123 permits during 2011 with an estimated valuation of \$146 million, which was an increase of 15% when compared to 2010. Thus far in 2012, the City has issued slightly less permits, but has experienced an increase of over 80% in the valuation of those permits, primarily as a result of the permit associated with the construction of a new hospital in the City's Southridge area.

In general, the local economy for the City of Kennewick and the Tri-Cities region as a whole has outperformed most other areas across the nation over the last few years and has been relatively insulated from the economic difficulties experienced throughout these areas. This has been directly attributable to consistent ongoing federal funding for the Hanford area clean-up and \$2 billion in one-time federal stimulus funding designated for that same purpose. As the City nears the conclusion of its 2011/2012 biennium, its economic trends continue to be relatively positive and demonstrate continued growth. However, with Hanford employment trending downward, the local economy will be challenged to maintain the pace of growth the region has experienced in recent years and replace the living wage jobs previously offered at the site.



**DIVISION RELATIONSHIP TO
PRIORITY AREAS**

Budget Summary

	Community Safety	Responsible Government	Quality of Life	Economic Development	Infrastructure & Growth	Page # Ref
CITY MANAGER	✓	✓	✓	✓	✓	64 - 67
CITY ATTORNEY	✓	✓	✓			68 - 71
FINANCE DEPARTMENT						72 - 81
Finance		✓				
Customer Service		✓				
MANAGEMENT SERVICES DEPARTMENT						82- 98
Purchasing/Fleet Maintenance		✓				
City Clerk		✓				
Information Systems	✓	✓				
Special Projects			✓			
PLANNING & ECONOMIC DEVELOPMENT						100 - 113
Community Planning		✓	✓	✓	✓	
Economic Development		✓		✓		
Building Safety	✓	✓	✓			
POLICE DEPARTMENT						114 - 129
Administration	✓	✓	✓	✓	✓	
Patrol	✓	✓	✓	✓	✓	
Criminal Investigation	✓	✓	✓	✓	✓	
Administrative Services	✓	✓	✓	✓	✓	
FIRE DEPARTMENT						130 - 141
Administration	✓	✓				
Prevention	✓	✓	✓			
Operations	✓	✓	✓		✓	
EMPLOYEE & COMMUNITY RELATIONS						142 - 152
Human Resources		✓				
Parks & Recreation			✓	✓		
PUBLIC WORKS DEPARTMENT						154 - 167
Engineering	✓	✓	✓		✓	
Utility Services	✓	✓	✓		✓	
Streets, Traffic & Stormwater	✓	✓	✓		✓	

**DEPARTMENT / DIVISION
OPERATING BUDGET BY FUND TYPE**

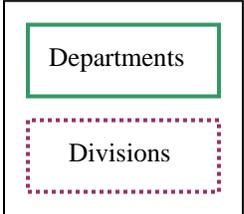
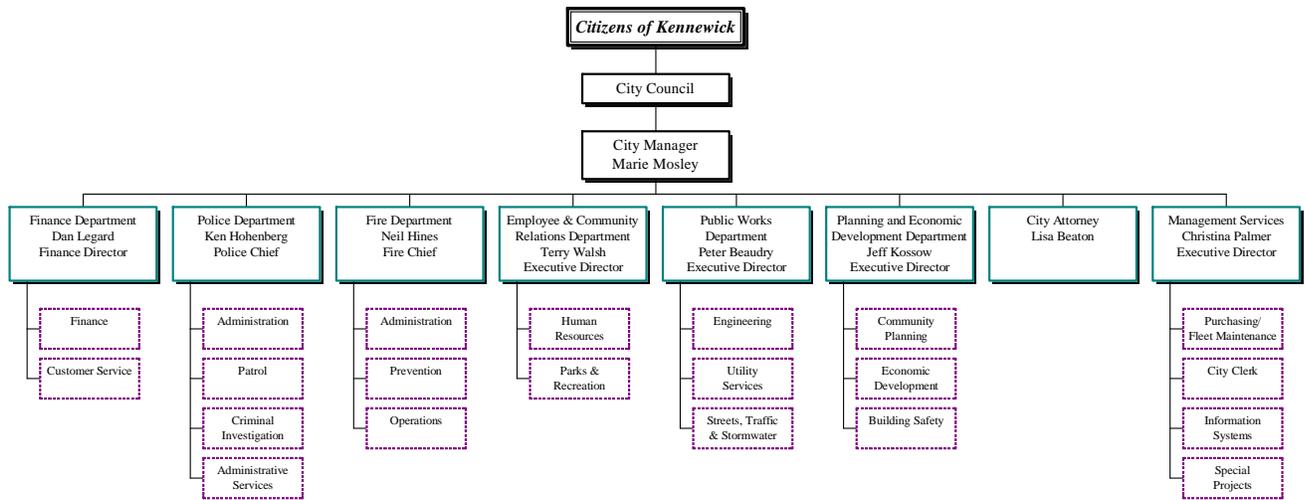
Budget Summary

The following chart provides a summary of each division's operating budget, sorted by department. The summary includes the source(s) of funding by governmental fund accounting type and the number of full-time permanent employees utilized by the department in providing their programs. Further details on the services provided by each department can be found beginning on the page number referenced on the right-hand column of this chart.

DEPARTMENT / DIVISION	FTE	GENERAL FUND	SPECIAL REVENUE FUNDS	ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS	TOTAL	PAGE # REF.
GENERAL GOVERNMENT							
City Council	7.00	\$ 538,994	\$ -	\$ -	\$ -	\$ 538,994	60
City Manager	2.00	646,900	-	-	-	646,900	64
Department Totals:	9.00	1,185,894	-	-	-	1,185,894	
CITY ATTORNEY							
	5.50	1,362,090	-	-	1,686,966	3,049,056	68
FINANCE DEPARTMENT							
Finance	7.65	1,792,558	-	-	-	1,792,558	74
Customer Service	10.35	1,815,155	-	-	-	1,815,155	78
Department Totals:	18.00	3,607,713	-	-	-	3,607,713	
MANAGEMENT SERVICES DEPARTMENT							
Purchasing / Fleet Maintenance	7.33	820,026	-	-	3,014,724	3,834,750	84
City Clerk	1.33	342,093	-	-	-	342,093	88
Information Systems	15.34	4,693,288	629,262	-	-	5,322,550	91
Special Projects	1.00	-	1,000,000	648,200	-	1,648,200	95
Department Totals:	25.00	5,855,407	1,629,262	648,200	3,014,724	11,147,593	
PLANNING & ECONOMIC DEVELOPMENT							
Community Planning	5.04	1,190,107	-	-	-	1,190,107	102
Economic Development	1.50	431,055	-	-	-	431,055	106
Building Safety	8.96	658,010	-	2,199,588	-	2,857,598	110
Department Totals:	15.50	2,279,172	-	2,199,588	-	4,478,760	
POLICE DEPARTMENT							
Administration	2.00	654,438	-	-	-	654,438	116
Patrol	56.00	16,663,367	-	-	-	16,663,367	118
Criminal Investigation	26.00	16,042,031	-	-	-	16,042,031	122
Administrative Services	23.00	4,867,839	77,000	-	-	4,944,839	126
Department Totals:	107.00	38,227,675	77,000	-	-	38,304,675	
FIRE DEPARTMENT							
Administration	2.00	644,223	-	1,892,137	-	2,536,360	132
Prevention	3.50	408,318	-	-	-	408,318	134
Operations	72.50	15,209,155	63,384	6,712,304	-	21,984,843	138
Department Totals:	78.00	16,261,696	63,384	8,604,441	-	24,929,521	
EMPLOYEE & COMMUNITY RELATIONS							
Human Resources	3.50	1,002,489	-	-	139,153	1,141,642	144
Parks & Recreation	29.10	9,552,483	-	-	-	9,552,483	148
Department Totals:	32.60	10,554,972	-	-	139,153	10,694,125	
PUBLIC WORKS DEPARTMENT							
Engineering	13.00	3,102,094	-	-	-	3,102,094	156
Utility Services	34.45	-	-	21,680,746	-	21,680,746	160
Streets, Traffic & Stormwater	15.30	-	3,977,264	1,797,490	-	5,774,754	164
Department Totals:	62.75	3,102,094	3,977,264	23,478,236	-	30,557,594	
Total Program Budget:	353.35	\$ 82,436,713	\$ 5,746,910	\$ 34,930,465	\$ 4,840,843	\$ 127,954,931	



City Organizational Chart



Where does your tax dollar go?



Total 2012 Property Tax - \$11.55

(Per \$1,000 of Assessed Valuation)

	2008	2009	2010	2011	2012
City of Kennewick:					
General Fund	\$2.3425	\$2.2846	\$2.1684	\$2.1593	\$2.1159
Voted G.O. Bonds	0.0973	0.0864	0.0850	0.0831	0.0796
Total City	2.4398	2.3710	2.2534	2.2424	2.1955
State	1.9808	1.9240	2.0057	2.1478	2.3154
County	1.4440	1.3766	1.3433	1.3265	1.2771
School District	4.8215	4.7821	4.9633	4.9195	4.9063
Library District	0.4372	0.4214	0.4014	0.3929	0.3803
Hospital	0.1550	0.1506	0.1467	0.1456	0.1418
Port	0.3603	0.3507	0.3430	0.3410	0.3315
Total	\$11.6386	\$11.3764	\$11.4568	\$11.5157	\$11.5478

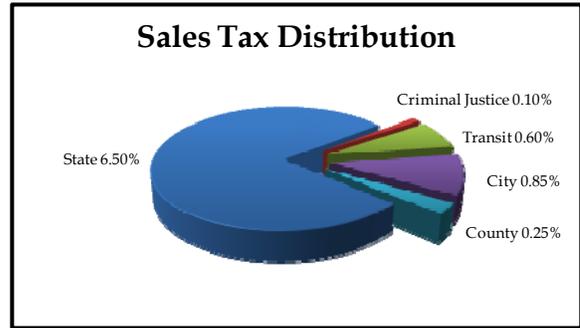
*Per \$1,000 Assessed Valuation

TAXES

Taxes are the City’s most important source of funding and make up 70% of the City’s operating revenues. They include Sales & Use taxes (35%), Property tax (33%), Utility taxes (27%), Gambling taxes (3%), and Admissions and Leasehold taxes (2%).

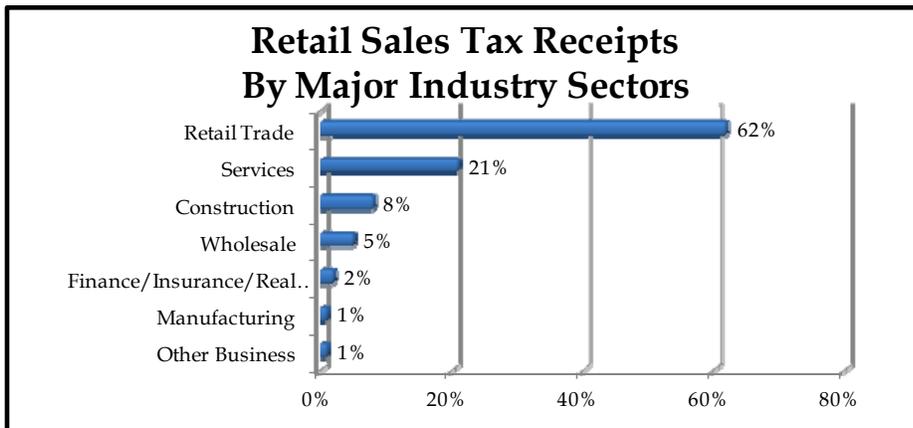
SALES & USE TAXES

Most retail sales within the City of Kennewick are subject to an 8.3% sales tax. The majority of this tax goes to the state (6.5%) with the remainder being distributed to the City of Kennewick (0.85%), Benton County (0.25%), Ben Franklin Transit Authority (0.60%), and Criminal Justice (0.10%).



The projected sales tax receipts for the 2013/2014 biennium are \$32.9 million (including regular, optional and criminal justice sales tax revenues), making it the largest single tax revenue source for the City. Of this amount, \$23.5 million is used to support operating fund services with the remainder (\$9.4 million) allocated to the Capital Improvement Fund for capital improvements and debt service obligations. The 2013/2014 biennial projections for sales tax reflect a growth rate of 3% each year of the biennium based on a projected increase of 2% in 2012, after backing out one time proceeds resulting from the State of Washington’s amnesty program that occurred in 2011. The projected sales tax revenue for 2013/2014 assumes moderate growth in the City’s “base” retail sales activity and also includes an estimate for new sales tax revenue resulting from the City’s ongoing economic development efforts and anticipated growth in the City’s Southridge area. Actual sales tax activity through October of 2012 showed an increase of 3.0%, after backing out the one-time amnesty proceeds from 2011 results as described above. Considering the City’s reliance on this tax revenue source and its volatility, sales tax receipts will have to be monitored closely throughout the biennium.

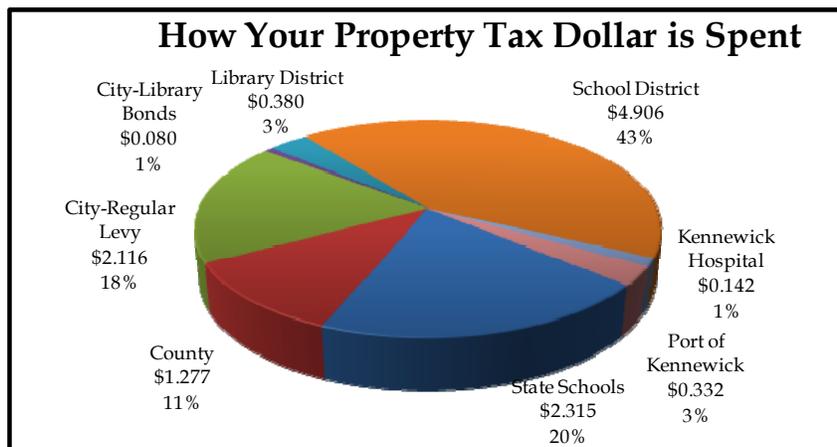
The underlying sources of sales tax revenue were also considered as a factor in our projections. The bar graph shows the City’s sales tax receipts by major industry sector. Retail Trade activity remains the largest industry sector for the City, bringing in roughly 62% of the total revenues



received during 2011. Sales tax revenues from service related activities made up approximately 21% of the total sales tax activity for the year, while the construction sector, which is very volatile, made up 8% of total sales tax revenues in 2011.

PROPERTY TAXES

Property taxes are local taxes assessed on property owned, such as real estate, and are measured by the value of the property as determined either by the fair market value or the appraisal valuation completed by the County Assessor’s office. These taxes are billed by the County Treasurer, who then distributes them upon collection to the various state, school, county, city and district funds as levied. Prior to 1997, a taxing district could increase property tax collections by up to 6%, provided they did not exceed their state statutory limit, which is \$3.10 per \$1,000 of assessed valuation for the City of Kennewick. In November 1997, Washington State voters approved Referendum 47, which added an additional limit factor. This legislation stated that cities with a population of 10,000 or more may only increase their levy by the rate of inflation or 6%, whichever is *less*. However, taxes on new construction, changes in value of state-assessed utility property, and newly annexed property are exempted from the limit factor and may be added to the tax levy. Inflation is defined as the increase in the national Implicit Price Deflator (IPD), which is published annually by the Bureau of Economic Analysis. To levy an amount greater than this limit, a local government was required to declare a substantial need and then approve the levy with a super-majority vote of its legislative body. In November 2001, the Washington State voters again passed an initiative further limiting the annual property tax levy. Initiative-747 limited the increase in property tax levies to the IPD or 1%, whichever is *less*. I-747 was declared unconstitutional in the fall of 2007 by the State Supreme Court. However, the 1% cap established by I-747 was made into state law in an emergency legislative session later in the year. The increase in the IPD from July 2011 to July 2012 was 1.295% which means the maximum allowable levy increase for 2013 is one percent of the 2012 levy (plus taxes on new construction, changes in value of state-assessed utility property, and any newly annexed property). An exception to this limitation is if the jurisdiction has “banked capacity”. Banked capacity is the difference between the maximum amount a taxing district could have levied under the law and the amount it actually levies. The City of Kennewick has roughly \$0.035 per \$1,000 of assessed valuation in banked capacity, or approximately \$177,000.

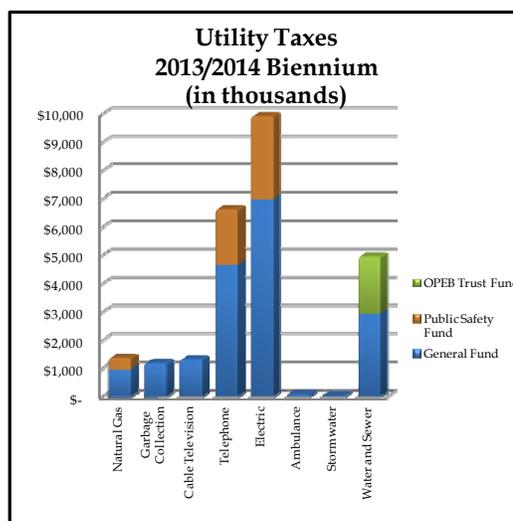


The total 2012 property tax levy for city residents is \$11.55 per \$1,000 in assessed valuation. Of this total, the City of Kennewick levy is \$2.20. What this means is that only 19 cents of every dollar city residents pay in property taxes comes back to the City as revenue. Most of the property taxes paid by residents go to support public schools (63%).

UTILITY TAXES

Utility taxes may be levied on the gross operating revenues earned by public and private utilities from operations within the city limits. The City of Kennewick currently receives utility taxes from natural gas, garbage collection, cable television, telephone, electric and its water/sewer, stormwater and ambulance utilities. Legislation passed in 1982 limits the tax rate that the City may impose on gas, electric, and telephone utilities to 6%, unless a vote of the people authorizes a higher rate. There are no restrictions on the tax rates for water, sewer, ambulance and stormwater utilities. The Cable Communications Policy Act of 1984 governs the rate on cable television and states that the rate cannot be “unduly discriminatory against cable operators and subscribers”. Basically, this means that if a city has set all its tax rates at 6%, then the rate for cable television should not exceed that amount.

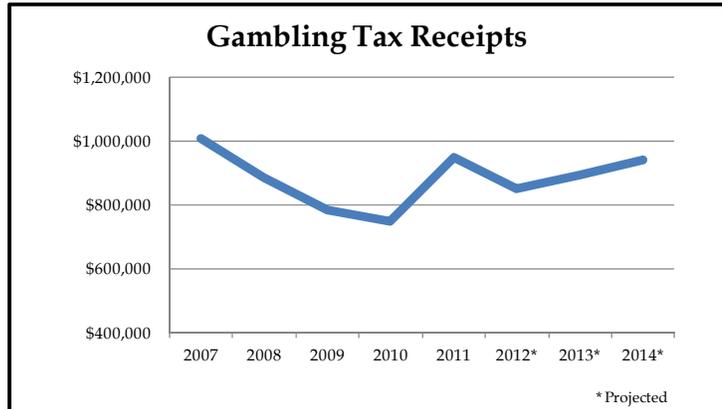
In the spring of 1995 voters approved an additional 2.5% utility tax on electric, natural gas and telephone services which is required to be used for public safety purposes. This 2.5% initially funded 32 positions (21 Police and 11 Fire personnel) and is accounted for separately within the Public Safety Fund. The City of Kennewick currently levies an 8.5% utility tax on electric, natural gas and telephone services. The total levy on cable and garbage is 7%. The total levy on the City’s Water and Sewer Fund is 15.5%, of which 6.5% is receipted directly into the City’s Other Post Employment Benefits (OPEB) Trust Fund to pay the City’s medical costs for LEOFF 1 retirees. Additionally, a 1% tax is levied on the City’s stormwater and ambulance utility service revenues.



GAMBLING EXCISE TAXES

Cities that choose to allow gambling activities within their borders may tax the gambling revenues from those activities. Legislation that became effective in January 2000 limits the rate for bingo and raffles to 5% of the gross revenue less the amount paid for prizes. Amusement games can be taxed at 2% of gross revenues less the amount paid for prizes and card games can be taxed at 20% of the gross receipts. The maximum tax rate and the way that the tax is calculated for punchboards and pull-tabs differ depending on whether the operator is a non-profit organization or a commercial operator. Cities are allowed to tax non-profit operators up to 10% on their net receipts. Commercial operators may be taxed at either 1) up to 10% of their *net* receipts, or 2) up to 5% of the *gross* receipts. State statute requires that cities that assess this tax “shall use the revenue primarily for the purpose of enforcement of the provisions in the gambling code”. The City currently levies at 10% for punchboards, pull-tabs, and card rooms; 5% for bingo; and 2% for amusement games. Card rooms remit their taxes on a monthly basis directly to the City. All other gambling establishments remit their taxes on a quarterly basis.

Gambling tax receipts decreased significantly in 2008 through 2010 due to delinquent tax payments and casino closures during this period. The projection for 2012 receipts is roughly \$853,000, which is a significant decline from 2011 results. However, 2011 results were skewed as a result of a change to the City’s municipal code requiring card rooms to remit taxes, monthly, rather than quarterly, which added an additional 2 months worth of tax revenue from card rooms in 2011. The projected revenue for the 2013/ 2014 biennium was calculated with a 5% growth rate per year based on projected 2012 receipts.



ADMISSIONS & LEASEHOLD TAXES

Admissions Taxes:

The City collects a 5% admissions tax on admission charges greater than \$0.10, with the exception of school events. The admissions tax on events at the Toyota Center are accounted for separately in the General Fund and are dedicated to offsetting the General Fund operating subsidy to the Toyota Center and, in the event that no operating subsidy is needed, will be dedicated to repayment of the debt service. All other admission taxes are accounted for in the General Fund and are used to pay for general operating costs. The 2013/2014 projection for admission taxes reflect a 4% growth rate per year based on projected 2012 receipts.

Leasehold Taxes:

Most leases of publicly-owned real and personal property in Washington State are subject to a leasehold excise tax in lieu of a property tax. The tax is applicable to lease income from tax-exempt properties leased for activities that are not tax-exempt. In 1976, the State established a 12% levy to be collected on either the contract rent (when the lease is established by competitive bidding), or in other instances, by the imputed economic rent as determined by the State Department of Revenue. In 1982, the legislature added a 7% surcharge making the total rate 12.84%.

Cities and counties are authorized to levy up to 6% of this 12.84%. The maximum rate the county can impose is 6% and the maximum that the city may impose is 4%. The county is further required to give a credit against the county tax rate for the full amount of any city tax imposed upon the same taxable event. These taxes are remitted to the Department of Revenue who then distributes them, less an administrative fee, to the local agencies on a bi-monthly basis. The City of Kennewick currently imposes a 4% tax rate on the rental value of leased publicly-owned properties. The 2013/2014 biennial projection for this tax revenue source is approximately \$65,000, making it the smallest tax revenue source for the City.

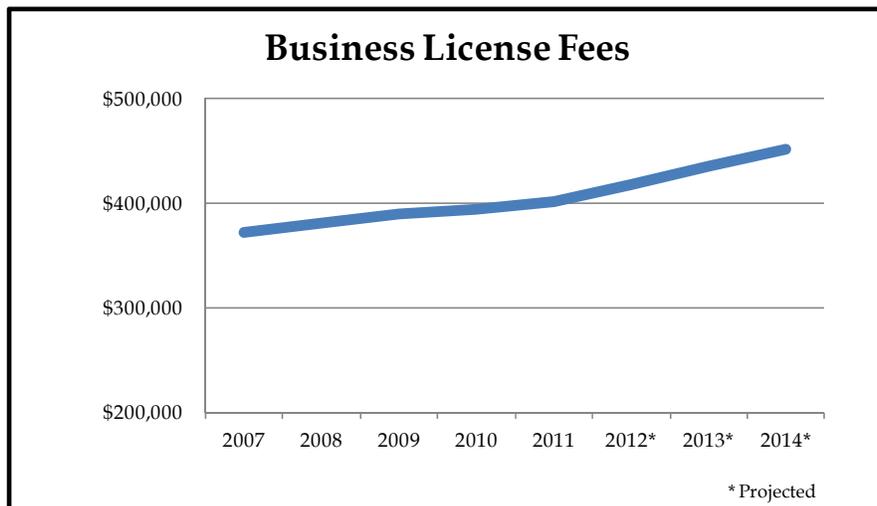
LICENSES & PERMITS

BUSINESS LICENSES & PERMITS

Business taxes and licenses can be classified into three categories:

1. General Business and Occupation Taxes: Excise (percentage) taxes levied on different classes of businesses to raise revenue. These taxes are levied at a percentage rate on the gross receipts of the business less certain deductions.
2. Regulatory License Fees: These fees are collected to cover the cost of registering and ensuring compliance with city ordinances. These fees are set at a flat rate per license in an amount designed to recover the costs of registering the business, issuance and maintenance of the license, and enforcement.
3. Revenue-Generating Regulatory License Fees: These fees have various rates depending on the classification to which the business is categorized. These classifications are defined by the city and each business within a specific classification must be charged the same fee.

The City of Kennewick business license fees fall within the Revenue-Generating Regulatory License Fees category. Businesses pay a \$55 base fee plus \$5 per FTE to operate within the city limits. An FTE is calculated based on an annual estimate of 1,920 hours. Revenue generated from business license fees is projected to increase 4% annually during the 2013/2014 biennium.



OTHER LICENSES & PERMITS

This category includes Construction Engineering Permits and Gun Permits. Construction Engineering Permits are projected to be \$167,000 for the 2013/2014 biennium, which includes a 4% growth rate relative to projected permit revenue for 2012. Gun Permits are projected to be \$32,800 for the 2013/2014 biennium, which also reflects a 4% growth rate annually.

INTERGOVERNMENTAL REVENUES

.....

GRANTS

The 2013/2014 budget includes approximately \$86,000 in federal pass-through grant revenue related to the City’s participation in the Metro Drug Task Force (Metro). This grant funding is reimbursement for a portion of the personnel costs for the City’s Police Captain and Sergeant positions that are partially dedicated to this program, as well as reimbursement for the overtime costs of the detective position dedicated by the City to Metro.

STATE-SHARED REVENUES

State-shared revenues are revenues that are collected by the state and cities, as a group, receive a fixed percentage of the revenues. Allocations to individual jurisdictions are made on a per capita basis. These revenues are derived from two main sources: 1) Liquor receipts and 2) Motor Vehicle Fuel Excise Tax (Gasoline Taxes).

Liquor Board / Liquor Excise Tax

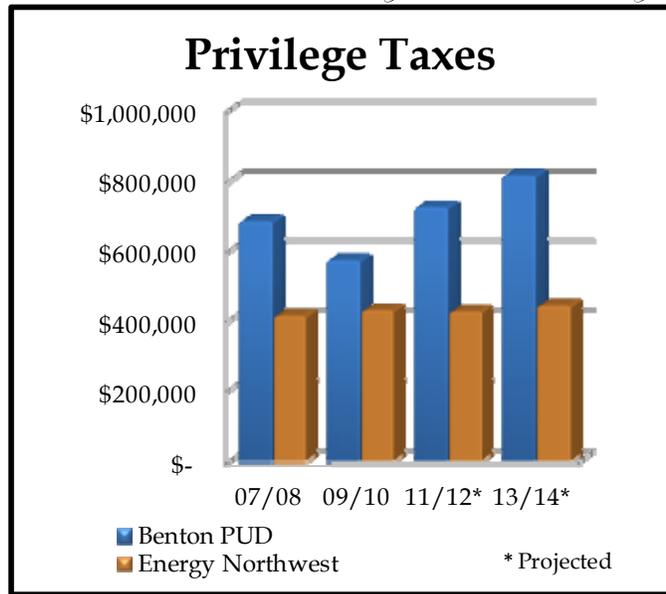
Since cities are responsible for the policing of liquor establishments located within their limits, but were precluded from taxing them because of the state liquor monopoly, state law had historically provided that a share of the state-collected profits and taxes be returned to cities to help defray policing costs. In November of 2011, the citizens of Washington approved Initiative 1183, which privatized the distribution and sale of liquor in the state beginning in July of 2012. Under the initiative, cities receive liquor board profits equal to what they received in 2011, plus an additional \$10 million for public safety, to be distributed on a per capita basis. The Initiative made no change to the historical model for state-shared liquor excise tax distributions. Under this model, cities receive 28% of the Liquor Excise Tax receipts and these funds are distributed on a per capita basis in January, April, July, and October. To be eligible to receive liquor taxes and profits, state law (RCW 70.96A.087) requires the city to devote at least 2% of its distribution to support an approved alcoholism or drug addiction program. However, during the 2012 legislative session, in an effort to help balance the state’s budget deficit, the State Legislature voted to eliminate state-shared liquor excise tax distributions to cities for the period of July of 2012 through June of 2013. Additionally, the legislature permanently reduced city liquor excise tax distributions by \$10 million each year and diverted those funds to the state’s general fund, which effectively eliminated the additional \$10 million in liquor profits that cities were provided under Initiative 1183. The city’s projection for state-shared liquor revenues in the 2013/2014 biennium reflect the changes to liquor profit and excise tax distributions described above, including the one-time loss of approximately \$200,000 in liquor excise tax during 2013 as a result of legislation passed in 2012. In total, the city anticipates receiving \$1.69 in state-shared liquor revenues during the 2013/2014 biennium.

Gasoline Tax

Because the federal and state governments have preempted the taxation of gasoline, the state has provided that the state-collected gasoline tax is to be shared with cities. The state currently levies 37.5 cents per gallon on motor vehicle fuel, of which cities receive 2.96 cents. Cities receive distributions monthly on a per capita basis and proceeds are restricted for street construction or maintenance purposes. The 2013/2014 biennial estimate for gas tax is \$3,128,000 based on projected per capita estimates and population growth for the city.

Privilege Taxes

The state levies a privilege tax on public utility districts (PUDs) that generate, distribute and sell electric energy. This tax is considered to be an excise tax in lieu of property tax and is imposed on facilities other than thermal electrical facilities, at a rate of 2.14% of gross revenues. After various deductions by the state, 37.6% is distributed to public schools and 62.4% is distributed to the counties in proportion to the sales generated in each county. The county is then required to distribute a portion of these funds to the city in a manner they deem most equitable, which must be at least 0.75% of the gross revenues generated from the sale of electricity within the city limits.



The City receives the minimum required distribution of 0.75% from Benton County, which is estimated to be approximately \$814,000 for the 2013/2014 biennium. The City’s privilege tax distribution was reduced significantly in 2010 as a result of a court case that ruled “base charges” not tied to consumption were excludable from gross revenues for purposes of calculating privilege tax. However, the State legislature amended state code the following legislative session to define these charges as taxable revenue. The state also levies a privilege tax on thermal electric generating facilities at a rate of 1.5% of the wholesale value of energy produced for use or sale. This rate only applies to the facility located on the Hanford reservation, which is operated by Energy Northwest. Half of the proceeds from this tax are retained by the state for public schools and the other half is distributed among the local taxing districts within the “impacted area” based on their population relative to the total population within the “impacted area”. The impacted area is defined to mean the area within 35 miles of the southern entrance to the Hanford Reservation. Of the 50% distribution, counties receive 22%, cities receive 23%, fire districts receive 3% and certain library districts receive 2%. The 2013/2014 biennial projection for this tax is \$440,000, which includes a 4% annual growth rate.

Criminal Justice Taxes

Cities may receive two allocations of criminal justice revenue under the terms of RCW 82.14.320 (“High Crime”) and RCW 82.14.330 (“Violent Crime-Population”). Each is funded by a transfer from the state general fund and is distributed in January, April, July, and October. Beginning in fiscal year 2000, this transfer was \$4.6 million for each category and is required to be adjusted annually by a defined growth factor. “Violent Crime - Population” funding is distributed to cities as follows:

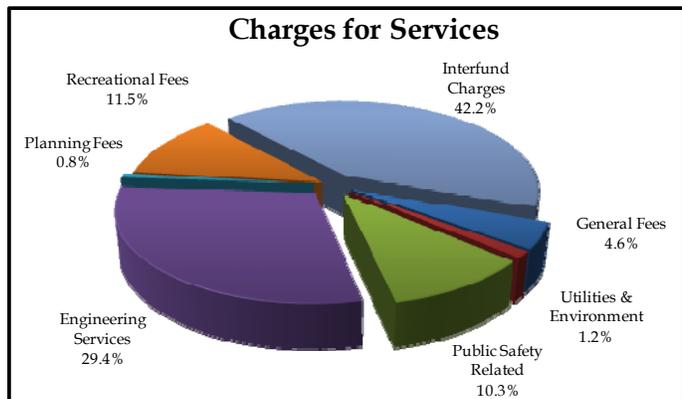
- 20% - Distributed to cities with a three-year average violent crime rate in excess of 150% of the statewide three-year average. Distributions are made on the basis of population; however, no city may receive more than \$1 per capita.
- 16% - Distributed to cities based on population, with each city receiving a minimum of \$1,000 per year.

- 10% - Allocated to cities that contract for law enforcement services.
- 54% - Distributed to cities on a per capita basis and must be used for 1) innovative law enforcement strategies; 2) programs to help at-risk children or child abuse victim response programs; and 3) programs designed to reduce the level of domestic violence or provide counseling for domestic violence victims.

The City of Kennewick does not qualify to receive “High Crime” funding, as we do not have a crime rate in excess of 150% of the statewide average. The City also does not qualify to receive the 10% allocation for law enforcement services since we do not contract for these services. The 2013/2014 biennial projection for the 16% allocation is \$37,000 and was calculated using projected per capita distributions and estimated population growth for the City. The 2013/2014 biennial projection for the 54% allocation is \$135,000 and was also calculated using projected per capita and population factors.

CHARGES FOR SERVICES

The charges for service category includes charges and fees to cover the cost of providing services or programs as well as regulatory activities. These fees are based on the direct and indirect costs associated with the activity including administrative overhead and include general fees, animal control services, public safety related fees, engineering services, planning fees, recreation fees, and interfund overhead charges. General fees and charges include court/warrant fees, reimbursements for city personnel from third party agencies, election candidate filing fees, and legal services fees. Public safety related fees include alarm system charges, record check/police report fees, crime stoppers, police outside employment charges, impounded vehicle charges, housing of prisoners, SRO and Tri-Tech contracts, community resource center reimbursements and fire protection services. Total charges for services in the operating funds are projected at \$9.45 million for 2013/2014 biennium, which is roughly 10% of the total operating budget. This projection was calculated using a 3% growth factor. Interfund charges include the administrative overhead allocations and make up approximately 42% of this total.



FINES AND FORFEITURES

This category includes fines for failure to provide proof of insurance, traffic infraction penalties, parking infraction fees, DUI penalties, nuisance abatement fees, misdemeanor penalties, public defense fees, court cost recovery, jury demand fees, drug disposal restitution, court interpreter fees, and JIS/trauma fees. Total fines and forfeitures in the operating funds are projected to be roughly \$2.7 million for 2013/2014 biennium, which is approximately 3% of the total operating budget. This projection was calculated using a 3% growth factor.

MISCELLANEOUS REVENUES

Miscellaneous revenues include interest earnings, rents/leases/concessions, donations, bad debt collections, and other miscellaneous revenues. The 2013/2014 biennial estimate for this category is \$946,200, which generally includes a 3% growth rate.

OTHER FINANCING SOURCES

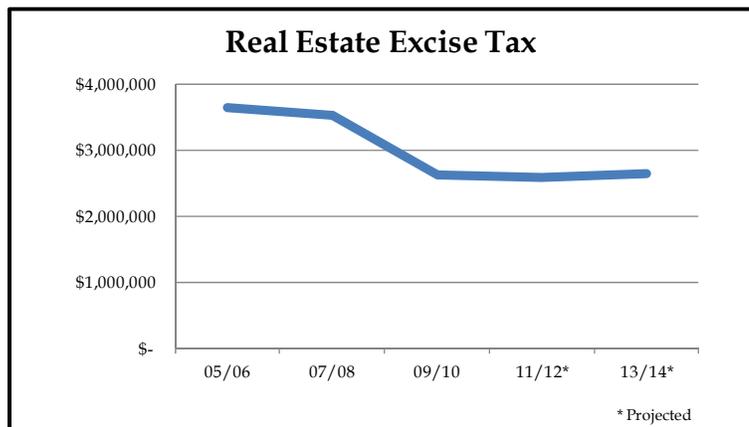
Other financing sources consist entirely of interfund operating transfers. The 2013/2014 operating budget includes approximately \$5.3 million in operating transfers, which consists entirely of projected transfers from the city’s public safety fund to its general fund of the 2 ½% voted utility tax on electric, natural gas and telephone that is dedicated to pay a portion of 32 public safety positions that are paid from the general fund.

REAL ESTATE EXCISE TAX

Real estate excise taxes (REET) are not an operating revenue source for the city as these taxes are legally restricted for capital purposes; however, a discussion was included here as this is a major revenue source for the city.

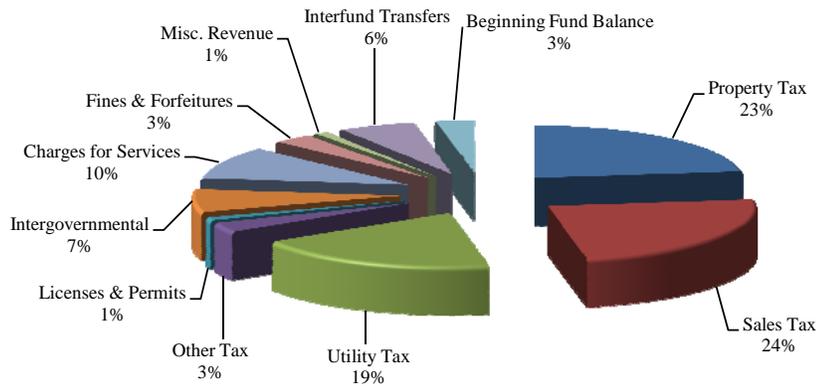
The real estate excise tax is levied on all sales of real estate, measured by the full selling price, including the amount of any liens, mortgages, and other debts given to secure the purchase. The state levies this tax at the rate of 1.28% and the city levies an additional 0.5% for a total levy of 1.78%. These funds are required to be used solely for capital projects that are listed in the Capital Facilities portion of the Comprehensive Plan. The city utilizes all of the funding it receives from this source in the Capital Improvement Fund.

Because this revenue source is dependent upon real estate activity, it can be very volatile. The revised biennial estimate for 2011/2012 for real estate excise tax is \$2.5 million, which is considerably lower than peak levels in past bienniums and reflects only moderate growth in this revenue source since the significant downturn in real estate activity that occurred during the latter half of 2009 and the first several months of 2010. For the 2013/2014 biennium, the city is anticipating growth of 4% per year from this revenue source, which resulted in a projection of \$2.656 million for the two-year period.



SOURCES OF FUNDING – OPERATING FUNDS

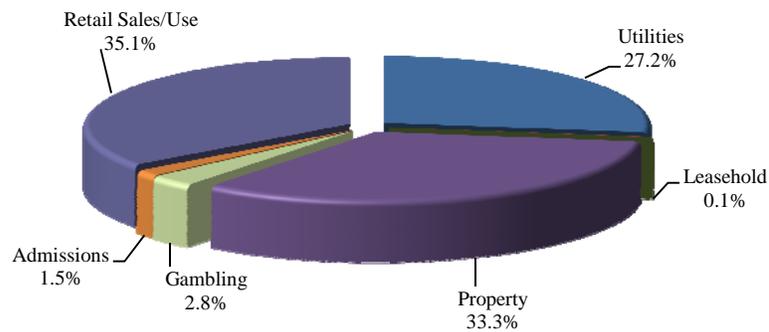
2013/2014 Adopted Budget



Sources of Funding Operating Funds	2009-2010	2011-2012	2013-2014	11/12 - 13/14	
	Actual	Adjusted Budget	Adopted Budget	\$ Change	% Change
Property Tax	\$19,672,149	\$20,761,000	\$22,209,204	\$1,448,204	7%
Sales Tax	19,718,690	21,960,800	23,460,261	1,499,461	7%
Utility Taxes	17,105,983	18,179,400	18,181,932	2,532	0%
Other Taxes	2,504,627	2,806,000	2,930,000	124,000	4%
Licenses & Permits	996,404	1,055,000	1,144,100	89,100	8%
Intergovernmental	5,940,419	6,779,385	6,607,951	(171,434)	-3%
Charges for Services	9,031,358	9,265,016	9,450,600	185,584	2%
Fines & Forfeitures	2,640,637	2,756,800	2,657,900	(98,900)	-4%
Miscellaneous Revenue	800,304	956,550	946,200	(10,350)	-1%
Interfund Transfers	7,045,571	6,369,585	5,265,416	(1,104,169)	-17%
Subtotal Revenues:	85,456,142	90,889,536	92,853,564	1,964,028	2%
Beginning Fund Balance	1,154,640	3,415,596	2,800,000	(615,596)	-18%
Total Sources	\$86,610,782	\$94,305,132	\$95,653,564	\$1,348,432	1%

**ESTIMATED TAX REVENUES
OPERATING FUNDS**

2013/2014 Adopted Budget



Tax Revenue Operating Funds	2009-2010	2011-2012	2013-2014	11/12 - 13/14	
	Actual	Adjusted Budget	Adopted Budget	\$ Change	% Change
Property Tax	\$19,672,149	\$20,761,000	\$22,209,204	\$1,448,204	7%
Sales Tax	19,718,690	21,960,800	23,460,261	1,499,461	7%
Utility Taxes	17,105,983	18,179,400	18,181,932	2,532	0%
Gambling Tax	1,533,291	1,738,000	1,837,000	99,000	6%
Admissions Tax	884,926	997,000	1,028,000	31,000	3%
Leasehold Excise Tax	63,265	71,000	65,000	(6,000)	-8%
Other Taxes	23,145	-	-	-	0%
Total Taxes	\$59,001,449	\$63,707,200	\$66,781,397	\$3,074,197	5%

REVENUE SUMMARY OPERATING FUNDS

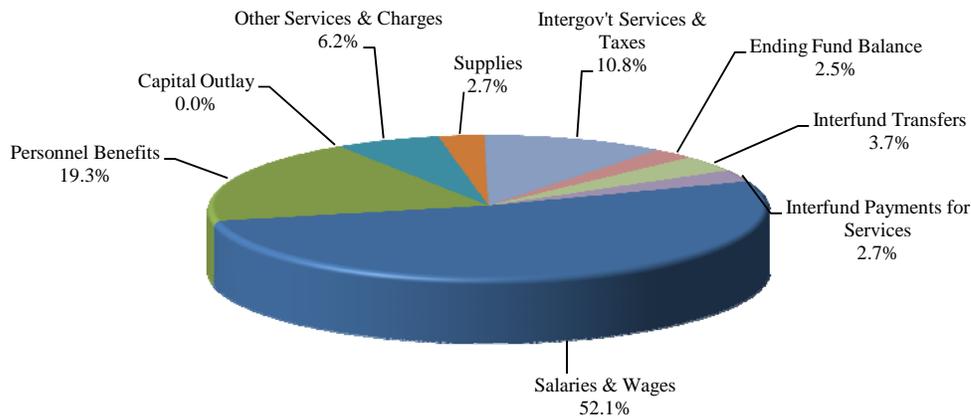
SOURCE OF REVENUE	ACTUAL 2009/2010	ADJUSTED BUDGET 2011/2012	ADOPTED BUDGET 2013/2014	VARIANCE
TAXES				
General Property Taxes	\$19,672,149	\$20,761,000	\$22,209,204	7%
Retail Sales & Use Tax	12,680,387	13,938,800	14,601,000	5%
Optional Sales Tax	4,797,000	5,383,000	6,093,000	13%
Local Sales - Crim Justice	2,241,303	2,639,000	2,766,261	5%
Road Tax	3,331	-	-	-
Business & Utility Taxes				
Admissions Tax - Coliseum	364,706	424,000	481,000	13%
Admissions Tax - General	520,220	573,000	547,000	-5%
Natural Gas	1,160,508	1,078,300	971,000	-10%
Garbage Collection	1,044,033	1,132,000	1,181,000	4%
Cable Television	1,525,120	1,376,300	1,322,000	-4%
Telephone	5,765,417	5,639,400	4,669,000	-17%
Benton County PUD	5,543,933	6,490,400	6,997,000	8%
Water and Sewer	2,002,431	2,392,000	2,941,932	23%
Ambulance Utility	55,832	59,000	80,000	36%
Stormwater Utility	8,709	12,000	20,000	67%
Other Taxes				
Leasehold Tax	63,265	71,000	65,000	-8%
Gambling Tax	1,533,291	1,738,000	1,837,000	6%
Interest on Delinquent Taxes	19,814	-	-	-
LICENSES AND PERMITS				
Business Licenses & Permits	857,417	909,000	944,300	4%
Non-Business Licenses & Permits				
Construction Engineering	122,954	131,000	167,000	27%
Gun Permits	16,033	15,000	32,800	119%
INTERGOVERNMENTAL REVENUE				
Federal Grants	528,931	291,833	-	-100%
State Grants	72,472	4,200	-	-100%
Indirect Federal Grants	189,253	106,110	85,951	-19%
State Shared Revenue				
Motor Vehicle Fuel Tax	1,962,741	3,013,100	3,128,000	4%
PUD Privilege Tax	572,304	636,442	814,000	28%
WPPSS Privilege Tax	427,040	414,000	440,000	6%
Local Gov't Financial Assistance	142,660	184,700	47,000	-75%
Criminal Justice - Violent Crimes/Population	29,233	33,000	37,000	12%
Criminal Justice - Special Programs	111,160	114,000	135,000	18%
DUI/Other Criminal Justice Assistance	34,117	47,000	29,000	-38%
Liquor Excise Tax	656,530	705,000	386,000	-45%
Liquor Board Profits	993,112	1,021,000	1,304,000	28%
Computer Usage Charges	202,000	202,000	202,000	0%
Crisis Intervention Training Services	18,866	7,000	-	-100%
CHARGES FOR SERVICES				
General Fees & Charges	360,494	511,200	433,000	-15%
Security of Persons & Property				
Alarm Violation Charges	46,088	45,000	38,200	-15%
Record Checks/Police Reports	24,656	23,500	31,700	35%
Violent Task Force Services	26,257	12,600	12,000	-5%
Police Outside Employment	33,423	25,000	35,500	42%
Impounded Vehicle Charges	1,000	1,500	800	-47%
Fire Protection Services	150,903	215,300	-	-100%
Housing/Monitoring of Prisoners	277,604	280,100	247,700	-12%
SRO Contract	302,614	322,000	356,900	11%
Tri-Tech Contract	255,866	214,400	231,600	8%
Crime Stoppers/Other Services	14,185	15,000	15,600	4%

Budget Summary

SOURCE OF REVENUE	ACTUAL 2009/2010	ADJUSTED BUDGET 2011/2012	ADOPTED BUDGET 2013/2014	VARIANCE
Engineering Services	2,283,241	2,389,000	2,400,000	0%
Park and Facility Engineering Services	471,644	305,000	370,000	21%
Planning Fees and Charges	66,109	73,300	75,100	2%
Animal Boarding/Impound Fees	18,585	18,900	14,800	-22%
Solid Waste Recycling Fees	-	-	100,000	-
Cultural & Recreational Activities				
Swimming Pool Admission Fees	40,462	35,000	30,000	-14%
Field Usage Fees	8,884	22,000	25,000	14%
Field Lighting Fees	5,764	2,000	8,000	300%
Tournament Field Usage Fees	19,506	10,000	50,000	400%
Swimming Lesson Fees	86,902	85,000	70,000	-18%
Swim Pool Locker Rental Fees	1,083	1,200	1,000	-17%
Special Rec. Program User Fees	693,178	720,900	770,000	7%
Senior Program Fees	125,590	120,000	130,000	8%
Interfund Charges for Services	3,717,320	3,817,116	4,003,700	5%
FINES AND FORFEITURES				
Proof of Motor Vehicle Insurance	34,187	35,000	40,200	15%
Traffic Infraction Penalties	1,113,912	1,145,000	1,246,200	9%
Disabled Parking Infractions	639	200	6,100	2950%
Non-Parking Infraction Penalties	19,041	27,500	26,000	-5%
Parking Infraction Penalties	70	200	-	-100%
DUI Penalties	188,079	190,000	152,500	-20%
DUI Cost Recovery Restitution	2,819	5,000	2,200	-56%
Criminal Traffic Penalties	352,933	375,000	291,300	-22%
Nuisance Abatement Fees	56,486	50,000	52,400	5%
Non-Traffic Misdemeanor Penalties	481,429	505,000	433,800	-14%
Domestic Violence Pentalty Assessments	12,885	12,000	13,600	13%
Public Defense Cost	346,907	377,400	376,600	0%
Court Cost Recoupment	2,109	1,000	2,600	160%
Jury Demand Fee	197	-	-	0%
Drug Disposal Recovery Restitution	25,083	28,000	12,000	-57%
Court Interpreter	211	500	-	-100%
JIS/Trauma	3,650	5,000	2,400	-52%
MISCELLANEOUS REVENUE				
Interest on Investments	151,843	209,500	73,900	-65%
Interest on Sales Tax	54,930	44,300	76,700	73%
Rentals, Leases and Concessions	207,677	209,100	356,700	71%
Contributions and Donations	6,884	41,550	61,900	49%
District Court Bad Debt Collections	294,204	310,600	298,000	-4%
Miscellaneous Revenue	66,093	87,500	79,000	-10%
Sale of Salvage	18,673	54,000	-	-100%
OTHER FINANCING SOURCES				
Operating Transfers (In)				
Transfer from Solid Waste	-	35,000	-	-100%
Transfer from Capital Improvement	900,000	96,881	-	-100%
Transfer from Asset Forfeiture	-	11,000	-	-100%
Transfer from Equipment Rental	290,000	-	-	0%
Transfer from Building Safety	108,474	109,000	-	-100%
Transfer from Public Safety	5,195,784	5,503,304	5,265,416	-4%
Transfer from Stormwater Utility	13,759	16,200	-	-100%
Transfer from Water/Sewer	537,554	598,200	-	-100%
TOTAL OPERATING FUND REVENUE	85,456,142	90,889,536	92,853,564	2%
BEGINNING FUND BALANCE	1,154,640	3,415,596	2,800,000	-18%
TOTAL OPERATING FUNDS	\$86,610,782	\$94,305,132	\$95,653,564	1%

USES OF FUNDING – OPERATING FUNDS

2013/2014 Adopted Budget

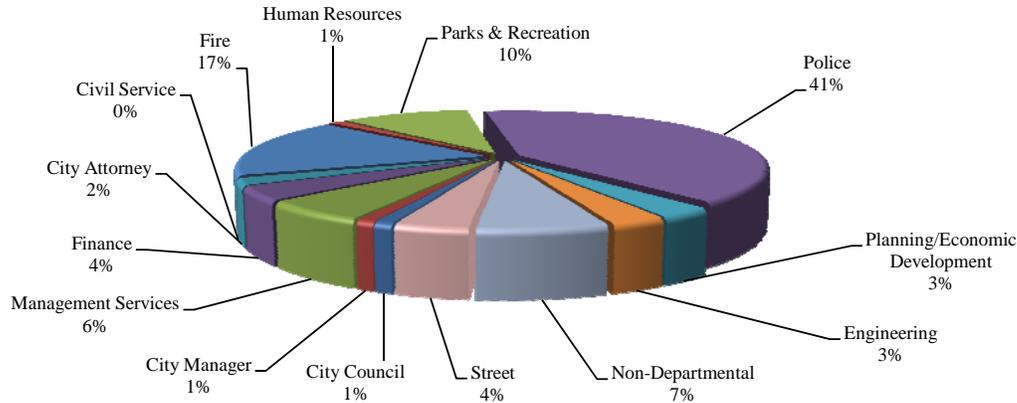


Uses of Funding Operating Funds	2009-2010	2011-2012	2013-2014	11/12 - 13/14	
	Actual	Adjusted Budget	Adopted Budget	\$ Change	% Change
Salaries & Wages	\$43,906,431	\$47,961,930	\$49,895,197	\$1,933,267	4%
Personnel Benefits	14,402,409	16,604,556	18,477,736	1,873,180	11%
Supplies	2,361,437	2,754,279	2,550,052	(204,227)	-7%
Other Services & Charges	5,588,295	6,234,511	5,922,356	(312,155)	-5%
Intergov't Services & Taxes	10,305,076	9,294,237	10,337,114	1,042,877	11%
Interfund Payment for Services	1,847,931	2,132,230	2,561,032	428,802	20%
Interfund Transfers	4,649,948	6,522,447	3,510,000	(3,012,447)	-46%
Capital Outlay	133,659	4,305	2,000	(2,305)	-54%
Subtotal Appropriations:	83,195,186	91,508,495	93,255,487	1,746,992	2%
Ending Fund Balance	3,415,596	2,796,637	2,398,077	(398,560)	-14%
Total Uses:	\$86,610,782	\$94,305,132	\$95,653,564	\$1,348,432	1%

**EXPENDITURE SUMMARY
OPERATING FUNDS**

Budget Summary

2013/2014 Adopted Budget



	2009/2010	2011/2012	2013/2014	11/12- 13/14	
Operating Funds	Actual	Adjusted Budget	Adopted Budget	\$ Change	% Change
General Fund					
City Council	\$460,568	\$503,650	\$538,994	\$35,344	7%
City Manager	464,323	572,587	646,900	74,313	13%
Finance	3,302,457	3,720,748	3,607,714	(113,034)	-3%
Management Services	4,702,206	5,557,088	5,855,407	298,319	5%
City Attorney	1,262,999	1,407,042	1,362,090	(44,952)	-3%
Civil Service	64,278	45,476	41,739	(3,737)	-8%
Planning/Economic Development	1,507,857	2,037,279	2,279,173	241,894	12%
Police	32,551,083	35,394,080	38,227,683	2,833,603	8%
Fire	13,827,553	15,379,978	16,261,696	881,718	6%
Engineering	2,841,156	3,253,600	3,102,094	(151,506)	-5%
Employee & Community Relations					
Human Resources	795,747	992,972	960,750	(32,222)	-3%
Parks & Recreation	7,979,065	8,748,567	9,552,483	803,916	9%
Non-Departmental	9,647,482	9,777,370	6,839,500	(2,937,870)	-30%
Total General Fund	79,406,774	87,390,437	89,276,223	1,885,786	2%
Street Fund	3,788,412	4,118,058	3,979,264	(138,794)	-3%
Ending Fund Balance	3,415,596	2,796,637	2,398,077	(398,560)	-14%
Total Operating Funds	\$86,610,782	\$94,305,132	\$95,653,564	\$1,348,432	1%

**COMPARATIVE BUDGET SUMMARY
ALL FUNDS**

Budget Summary

FUND	ACTUAL 2009/2010	ADJUSTED BUDGET 2011/2012	ADOPTED BUDGET 2013/2014	VARIANCE
GENERAL GOVERNMENT OPERATIONS				
General Fund	\$82,822,370	\$90,187,074	\$91,674,300	2%
Street	3,788,412	4,118,058	3,979,264	-3%
Subtotal	86,610,782	94,305,132	95,653,564	1%
CAPITAL PROJECTS				
Arterial Street	3,667,516	3,953,183	2,800,000	-29%
Urban Arterial Street	7,359,628	17,285,885	7,400,000	-57%
Capital Improvement	39,019,720	39,196,820	32,061,706	-18%
Park Development/Construction	6,727,155	-	-	0%
Subtotal	56,774,019	60,435,888	42,261,706	-30%
ENTERPRISE & INTERNAL SERVICE				
Water & Sewer	50,585,665	46,451,909	53,624,565	15%
Building Safety	2,205,532	2,409,203	2,770,000	15%
Medical Services	7,520,909	8,730,245	9,207,050	5%
Coliseum Fund	8,719,602	8,555,072	8,249,623	-4%
Stormwater	1,346,415	3,507,279	2,970,849	-15%
Columbia Park Golf Course	-	690,695	648,200	-6%
Equipment Rental	7,136,208	8,294,679	9,925,866	20%
Risk Management	4,998,266	6,039,384	3,315,984	-45%
Central Stores	665,541	745,535	656,140	-12%
Subtotal	83,178,138	85,424,001	91,368,277	7%
DEBT SERVICE				
Debt Service	5,376,791	12,678,670	6,166,163	-51%
LID Guaranty	34,106	34,106	34,500	1%
Subtotal	5,410,897	12,712,776	6,200,663	-51%
SPECIAL REVENUE				
Cash Reserve Fund	2,500,000	2,700,000	2,597,500	-4%
BI-PIN Operations	534,749	617,819	629,262	2%
Community Development	2,799,853	2,419,363	1,310,800	-46%
MPD Assistant Operations	57,825	69,563	71,600	3%
Asset Forfeiture Fund	82,438	306,960	115,400	-62%
Public Safety	5,195,784	5,503,304	5,265,416	-4%
Lodging Tax Fund	2,446,255	2,544,824	2,700,000	6%
Solid Waste/Environmental	360,909	470,164	-	-100%
Subtotal	13,977,813	14,631,997	12,689,978	-13%
FIDUCIARY TRUST FUNDS				
Fire Pension Fund	906,834	1,042,970	1,135,470	9%
OPEB Trust Fund	1,799,110	2,239,851	2,561,000	14%
Subtotal	2,705,944	3,282,821	3,696,470	13%
TOTAL	\$248,657,593	\$270,792,615	\$251,870,658	-7%

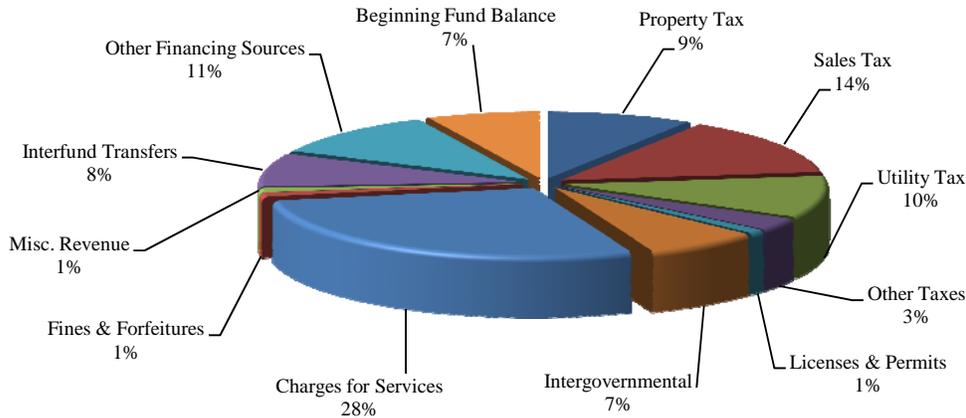
**BUDGET SUMMARY
ALL FUNDS**

Budget Summary

FUND	BEGINNING			ENDING	
	FUND BALANCE	REVENUES	EXPENSES	FUND BALANCE	% CHANGE
GENERAL GOVERNMENT OPERATIONS					
General Fund	\$2,800,000	\$88,874,300	\$89,276,223	\$2,398,077	-14%
Street	-	3,979,264	3,979,264	-	-
Subtotal	2,800,000	92,853,564	93,255,487	2,398,077	-14%
CAPITAL PROJECTS					
Arterial Street	-	2,800,000	2,800,000	-	-
Urban Arterial Street	300,000	7,100,000	7,400,000	-	-
Capital Improvement	3,362,808	28,698,898	28,110,383	3,951,323	18%
Subtotal	3,662,808	38,598,898	38,310,383	3,951,323	8%
ENTERPRISE & INTERNAL SERVICE					
Water & Sewer	3,017,928	50,606,637	47,245,375	6,379,190	111%
Building Safety	450,000	2,320,000	2,199,588	570,412	27%
Medical Services	450,000	8,757,050	8,604,441	602,609	34%
Coliseum Fund	(384,083)	8,633,706	8,638,301	(388,678)	1%
Stormwater	118,849	2,852,000	2,951,436	19,413	-84%
Columbia Park Golf Course Fund	-	648,200	648,200	-	-
Equipment Rental	3,700,000	6,225,866	5,908,004	4,017,862	9%
Risk Management	546,476	2,769,508	2,915,809	400,175	-27%
Central Stores	174,500	481,640	474,632	181,508	4%
Subtotal	8,073,670	83,294,607	79,585,786	11,782,491	46%
DEBT SERVICE					
Debt Service	-	6,166,163	6,166,163	-	0%
LID Guaranty	34,500	-	-	34,500	0%
Subtotal	34,500	6,166,163	6,166,163	34,500	0%
SPECIAL REVENUE					
Cash Reserve Fund	2,597,500	-	-	2,597,500	0%
BI-PIN Fund	-	629,262	629,262	-	-
Community Development	60,000	1,250,800	1,250,000	60,800	1%
MPD Assistant Fund	-	71,600	63,384	8,216	-
Asset Forfeiture Fund	65,000	50,400	77,000	38,400	-41%
Public Safety Fund	-	5,265,416	5,265,416	-	-
Lodging Tax Fund	188,000	2,512,000	2,512,600	187,400	0%
Subtotal	2,910,500	9,779,478	9,797,662	2,892,316	-1%
FIDUCIARY TRUST FUNDS					
Fire Pension Fund	760,470	375,000	276,800	858,670	13%
OPEB Trust Fund	545,000	2,016,000	2,043,000	518,000	-5%
Subtotal	1,305,470	2,391,000	2,319,800	1,376,670	5%
TOTAL	\$18,786,948	\$233,083,710	\$229,435,281	\$22,435,377	19%

SOURCES OF FUNDING – ALL FUNDS

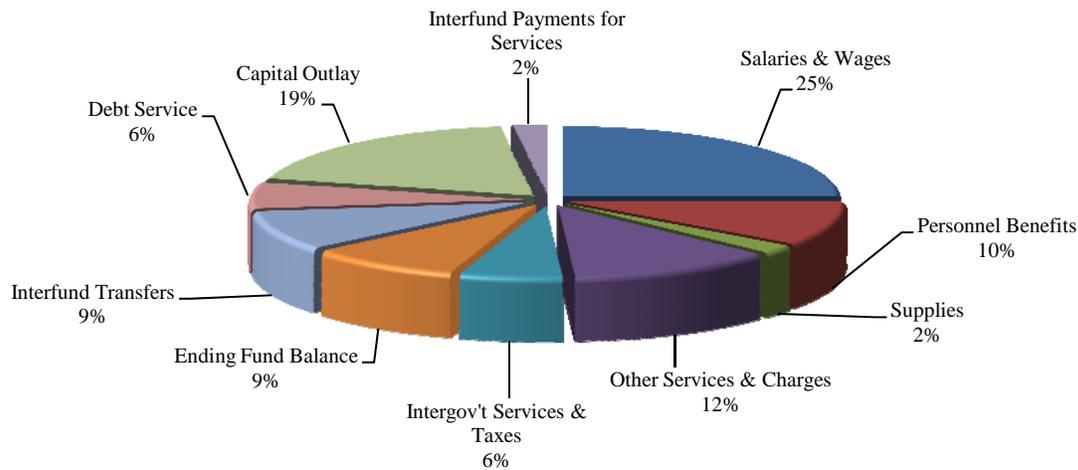
2013/2014 Adopted Budget



Sources of Funding All Funds	2009/2010	2011/2012	2013/2014	11/12- 13/14	
	Actual	Adjusted Budget	Adopted Budget	\$ Change	% Change
Property Tax	\$20,800,149	\$21,997,000	\$23,464,279	\$1,467,279	7%
Sales Tax	27,503,136	31,475,100	33,927,284	2,452,184	8%
Utility Taxes	24,097,440	25,614,704	25,453,348	(161,356)	-1%
Other Taxes	7,315,157	8,228,600	8,096,000	(132,600)	-2%
Licenses & Permits	2,762,569	3,455,500	3,464,100	8,600	0%
Intergovernmental	17,392,849	25,913,523	16,562,163	(9,351,360)	-36%
Charges for Services	58,367,991	62,210,693	69,167,825	6,957,132	11%
Fines & Forfeitures	2,640,635	2,756,800	2,657,900	(98,900)	-4%
Miscellaneous Revenue	3,277,108	2,992,494	1,613,414	(1,379,080)	-46%
Interfund Transfers	24,849,172	31,589,911	21,260,527	(10,329,384)	-33%
Other Financing Sources	21,966,643	9,409,331	27,416,870	18,007,539	191%
Subtotal Revenues:	210,972,849	225,643,656	233,083,710	7,440,054	3%
Beginning Fund Balance	37,684,744	45,148,959	18,786,948	(26,362,011)	-58%
Total Sources	\$248,657,593	\$270,792,615	\$251,870,658	(\$18,921,957)	-7%

USES OF FUNDING – ALL FUNDS

2013/2014 Adopted Budget



Uses of Funding All Funds	2009/2010	2011/2012	2013/2014	11/12 - 13/14	
	Actual	Adjusted Budget	Adopted Budget	\$ Change	% Change
Salaries & Wages	\$55,293,599	\$60,617,223	\$62,937,860	\$2,320,637	4%
Personnel Benefits	19,926,430	23,348,531	25,803,007	2,454,476	11%
Supplies	4,763,804	5,668,250	5,387,742	(280,508)	-5%
Other Services & Charges	27,328,787	31,998,800	29,309,408	(2,689,392)	-8%
Intergov't Services & Taxes	14,212,213	13,784,500	16,062,408	2,277,908	17%
Interfund Payment for Service	3,835,983	4,398,035	4,923,836	525,801	12%
Interfund Transfers	24,849,172	31,618,911	21,260,527	(10,358,384)	-33%
Debt Service	15,301,874	21,941,301	16,051,530	(5,889,771)	-27%
Capital Outlay	37,762,284	62,331,988	47,698,963	(14,633,025)	-23%
Subtotal Appropriations:	203,274,146	255,707,539	229,435,281	(26,272,258)	-10%
Ending Fund Balance	45,383,447	15,085,076	22,435,377	7,350,301	49%
Total Uses:	\$248,657,593	\$270,792,615	\$251,870,658	(\$18,921,957)	-7%

**SUMMARIZED REVENUES
ALL FUNDS**

FUND	TAXES	LICENSES & PERMITS	INTERGOVT REVENUE	CHARGES FOR SERVICES
GENERAL GOVERNMENT OPERATIONS				
General Fund	\$66,042,133	\$1,144,100	\$3,479,951	\$9,339,200
Street	739,264	-	3,128,000	111,400
Subtotal	66,781,397	1,144,100	6,607,951	9,450,600
CAPITAL PROJECTS				
Arterial Street	-	-	1,230,000	-
Urban Arterial Street	-	-	4,260,000	190,540
Capital Improvement	13,345,023	-	15,000	100,000
Subtotal	13,345,023	-	5,505,000	290,540
ENTERPRISE & INTERNAL SERVICE				
Water & Sewer	-	-	2,000,000	35,057,137
Building Safety	-	2,320,000	-	-
Medical Services	-	-	-	8,757,000
Coliseum Fund	-	-	-	6,455,706
Stormwater Utility	-	-	600,000	2,252,000
Columbia Park Golf Course	-	-	-	497,136
Equipment Rental	-	-	-	3,549,696
Risk Management	-	-	-	1,678,008
Central Stores	-	-	-	479,140
Subtotal	-	2,320,000	2,600,000	58,725,823
DEBT SERVICE				
Debt Service	805,075	-	468,212	-
LID Guaranty	-	-	-	-
Subtotal	805,075	-	468,212	-
SPECIAL REVENUE				
Cash Reserve Fund	-	-	-	-
BI-PIN Operations	-	-	-	629,262
Community Development	-	-	1,250,000	-
MPD Assistant Operation	-	-	-	71,600
Asset Forfeiture Fund	-	-	-	-
Lodging Tax Fund	2,510,000	-	-	-
Public Safety	5,265,416	-	-	-
Subtotal	7,775,416	-	1,250,000	700,862
FIDUCIARY TRUST FUNDS				
Fire Pension Fund	228,000	-	131,000	-
OPEB Trust Fund	2,006,000	-	-	-
Subtotal	2,234,000	-	131,000	-
TOTAL	\$90,940,911	\$3,464,100	\$16,562,163	\$69,167,825

Budget Summary

FINES & FORFEITS	MISC REVENUE/ PROCEEDS	OTHER FINANCING SOURCES	INTERFUND TRANSFERS	BEGINNING FUND BALANCE	TOTAL
\$2,657,900	\$945,600	\$ -	\$5,265,416	\$2,800,000	\$91,674,300
-	600	-	-	-	3,979,264
2,657,900	946,200	-	5,265,416	2,800,000	95,653,564
-	-	-	1,570,000	-	2,800,000
-	-	-	2,649,460	300,000	7,400,000
-	121,000	12,800,000	2,317,875	3,362,808	32,061,706
-	121,000	12,800,000	6,537,335	3,662,808	42,261,706
-	199,500	13,350,000	-	3,017,928	53,624,565
-	-	-	-	450,000	2,770,000
-	50	-	-	450,000	9,207,050
-	91,400	-	2,086,600	(384,083)	8,249,623
-	-	-	-	118,849	2,970,849
-	41,064	-	110,000	-	648,200
-	40,000	1,266,870	1,369,300	3,700,000	9,925,866
-	91,500	-	1,000,000	546,476	3,315,984
-	2,500	-	-	174,500	656,140
-	466,014	14,616,870	4,565,900	8,073,670	91,368,277
-	1,000	-	4,891,876	-	6,166,163
-	-	-	-	34,500	34,500
-	1,000	-	4,891,876	34,500	6,200,663
-	-	-	-	2,597,500	2,597,500
-	-	-	-	-	629,262
-	800	-	-	60,000	1,310,800
-	-	-	-	-	71,600
-	50,400	-	-	65,000	115,400
-	2,000	-	-	188,000	2,700,000
-	-	-	-	-	5,265,416
-	53,200	-	-	2,910,500	12,689,978
-	16,000	-	-	760,470	1,135,470
-	10,000	-	-	545,000	2,561,000
-	26,000	-	-	1,305,470	3,696,470
\$2,657,900	\$1,613,414	\$27,416,870	\$21,260,527	\$18,786,948	\$251,870,658

**BUDGETED EXPENDITURES
ALL FUNDS**

FUND	SALARIES & WAGES	PERSONNEL BENEFITS	SUPPLIES	OTHER SVCS & CHARGES	INTERGOVT SERVICES & TAXES
GENERAL GOVERNMENT OPERATIONS					
GENERAL FUND					
City Council	\$173,856	\$326,078	\$3,200	\$31,100	\$ -
City Manager	475,700	149,000	4,200	15,650	-
Finance	2,206,082	885,400	22,095	431,475	-
Management Services	3,175,348	1,308,490	92,730	1,246,429	-
City Attorney	873,357	319,090	4,920	160,403	-
Civil Service	-	-	1,250	39,809	-
Community Planning	1,434,079	565,114	21,800	159,090	72,000
Police	21,077,790	7,657,057	651,146	325,430	7,898,500
Fire	11,070,524	3,414,990	351,899	234,829	306,214
Engineering	2,071,578	877,304	52,936	60,716	-
Employee & Community Relations					
Human Resources	604,268	235,952	18,815	95,825	-
Parks & Recreation	4,973,938	1,996,315	634,930	1,347,150	78,000
Non-Departmental	133,350	70,300	10,500	1,132,800	1,982,400
TOTAL GENERAL FUND	48,269,870	17,805,090	1,870,421	5,280,706	10,337,114
STREET FUND	1,625,325	672,648	679,631	641,650	-
Subtotal	49,895,195	18,477,738	2,550,052	5,922,356	10,337,114
CAPITAL PROJECTS					
Arterial Street	-	-	-	-	-
Urban Arterial Street	-	-	-	-	-
Capital Improvement	-	-	-	58,500	1,234,725
Subtotal	-	-	-	58,500	1,234,725
ENTERPRISE & INTERNAL SERVICE					
Water & Sewer	5,230,273	2,339,692	559,780	8,291,067	4,010,777
Building Safety	1,283,072	535,263	18,520	320,743	-
Medical Services	4,701,339	1,322,727	250,430	1,223,677	412,000
Coliseum Fund	-	-	-	7,247,106	-
Stormwater Utility	689,647	339,983	52,230	330,570	62,792
Columbia Park Golf Course	-	-	-	648,200	-
Equipment Rental	502,785	221,420	1,604,275	159,160	-
Risk Management	174,257	62,955	450	2,677,677	-
Central Stores	-	-	312,500	162,132	-
Subtotal	12,581,373	4,822,040	2,798,185	21,060,332	4,485,569
DEBT SERVICE					
Debt Service	-	-	-	-	-
LID Guaranty	-	-	-	-	-
Subtotal	-	-	-	-	-
SPECIAL REVENUE					
Cash Reserve Fund	-	-	-	-	-
BI-PIN Operations	250,424	108,455	10,405	259,558	-
Community Development	174,256	62,882	2,050	759,282	-
MPD Assistant Operations	36,612	14,892	1,000	10,630	-
Asset Forfeiture	-	-	26,000	10,000	5,000
Public Safety	-	-	-	-	-
Lodging Tax Fund	-	-	-	1,226,000	-
Subtotal	461,292	186,229	39,455	2,265,470	5,000
FIDUCIARY TRUST FUNDS					
Fire Pension Fund	-	274,000	50	2,750	-
OPEB Trust Fund	-	2,043,000	-	-	-
Subtotal	-	2,317,000	50	2,750	-
TOTAL	\$62,937,860	\$25,803,007	\$5,387,742	\$29,309,408	\$16,062,408

Budget Summary

INTERFUND PAYMENT FOR SERVICES	INTERFUND TRANSFERS	DEBT SERVICE	CAPITAL OUTLAY	ENDING FUND BALANCE	TOTAL
\$4,760	\$ -	\$ -	\$ -	\$ -	\$538,994
2,350	-	-	-	-	646,900
62,662	-	-	-	-	3,607,714
32,410	-	-	-	-	5,855,407
4,320	-	-	-	-	1,362,090
680	-	-	-	-	41,739
27,090	-	-	-	-	2,279,173
617,760	-	-	-	-	38,227,683
883,240	-	-	-	-	16,261,696
39,560	-	-	-	-	3,102,094
5,890	-	-	-	-	960,750
522,150	-	-	-	-	9,552,483
150	3,510,000	-	-	2,398,077	9,237,577
2,203,022	3,510,000	-	-	2,398,077	91,674,300
358,010	-	-	2,000	-	3,979,264
2,561,032	3,510,000	-	2,000	2,398,077	95,653,564
-	-	-	2,800,000	-	2,800,000
-	-	-	7,400,000	-	7,400,000
-	10,821,336	1,226,956	14,768,866	3,951,323	32,061,706
-	10,821,336	1,226,956	24,968,866	3,951,323	42,261,706
1,249,156	91,175	6,799,670	18,673,785	6,379,190	53,624,565
41,990	-	-	-	570,412	2,770,000
694,268	-	-	-	602,609	9,207,050
-	-	991,195	400,000	(388,678)	8,249,623
322,268	-	343,946	810,000	19,413	2,970,849
-	-	-	-	-	648,200
52,452	-	523,600	2,844,312	4,017,862	9,925,866
470	-	-	-	400,175	3,315,984
-	-	-	-	181,508	656,140
2,360,604	91,175	8,658,411	22,728,097	11,782,491	91,368,277
-	-	6,166,163	-	-	6,166,163
-	-	-	-	34,500	34,500
-	-	6,166,163	-	34,500	6,200,663
-	-	-	-	2,597,500	2,597,500
420	-	-	-	-	629,262
1,530	250,000	-	-	60,800	1,310,800
250	-	-	-	8,216	71,600
-	36,000	-	-	38,400	115,400
-	5,265,416	-	-	-	5,265,416
-	1,286,600	-	-	187,400	2,700,000
2,200	6,838,016	-	-	2,892,316	12,689,978
-	-	-	-	858,670	1,135,470
-	-	-	-	518,000	2,561,000
-	-	-	-	1,376,670	3,696,470
\$4,923,836	\$21,260,527	\$16,051,530	\$47,698,963	\$22,435,377	\$251,870,658

MAJOR FUND SUMMARY

	GENERAL FUND		
	2009/2010	2011/2012	2013/2014
	Actual	Adjusted Budget	Adopted Budget
REVENUES			
Taxes:			
Property	\$ 18,815,403	\$ 19,679,242	\$ 21,469,940
Sales	19,718,690	21,960,800	23,460,261
Utility	17,105,983	18,179,400	18,181,932
Local Real Estate Excise	-	-	-
Other	2,501,295	2,806,000	2,930,000
Licenses & Permits	996,404	1,055,000	1,144,100
Intergovernmental	3,934,001	3,766,285	3,479,951
Charges for Services	9,010,811	9,242,216	9,339,200
Fines & Forfeitures	2,640,635	2,756,800	2,657,900
Miscellaneous Revenue	798,936	956,150	945,600
Total Revenues	75,522,158	80,401,893	83,608,884
EXPENDITURES			
Salaries and Wages	42,339,581	46,412,872	48,269,871
Personnel Benefits	13,861,809	16,027,991	17,805,089
Supplies	1,839,566	2,030,798	1,870,421
Other Services & Charges	4,694,787	5,288,812	5,280,706
Intergov't Services & Charges	10,305,076	9,294,237	10,337,114
Interfund Payments for Services	1,586,637	1,813,280	2,203,022
Debt Service	-	-	-
Capital Outlay	129,369	-	-
Total Expenditures	74,756,825	80,867,990	85,766,223
OTHER FINANCING SOURCES (USES)			
Transfers In	6,145,571	6,369,585	5,265,416
Transfers Out	(4,649,948)	(6,522,447)	(3,510,000)
Debt Proceeds & Capital Leases	-	-	-
Intergov't Loan Proceeds	-	-	-
Proceeds from Land Sales	-	-	-
Proceeds from Sale of Fixed Assets	-	-	-
Contributed Capital	-	-	-
Total Financing Sources (Uses)	1,495,623	(152,862)	1,755,416
Net Change in Fund Balance	2,260,956	(618,959)	(401,923)
Fund Balances - Beginning	1,154,640	3,415,596	2,800,000
Fund Balances - Ending	\$ 3,415,596	\$ 2,796,637	\$ 2,398,077

Budget Summary

CAPITAL IMPROVEMENT FUND			WATER & SEWER FUND		
2009/2010	2011/2012	2013/2014	2009/2010	2011/2012	2013/2014
Actual	Adjusted Budget	Adopted Budget	Actual	Adjusted Budget	Adopted Budget
\$ -	\$ 218,000	\$ 222,000	\$ -	\$ -	\$ -
7,784,446	9,514,300	10,467,023	-	-	-
-	-	-	-	-	-
-	3,013,600	2,656,000	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
249,716	38,850	15,000	362,643	2,613,143	2,000,000
36,430	-	100,000	29,851,932	31,865,000	35,057,137
-	-	-	-	-	-
519,089	402,000	121,000	480,405	392,000	199,500
8,589,681	13,186,750	13,581,023	30,694,980	34,870,143	37,256,637
-	-	-	4,634,979	5,049,860	5,230,273
-	-	-	1,738,609	2,073,118	2,339,692
-	-	-	528,585	657,597	559,780
91,266	66,000	58,500	7,191,889	7,459,878	8,291,067
473,500	336,844	1,234,725	3,277,926	3,421,044	4,010,777
-	-	-	1,074,193	1,165,849	1,249,156
2,444,220	1,843,609	1,226,956	6,232,242	6,288,081	6,799,670
8,787,847	19,937,770	14,768,866	14,252,874	16,969,519	18,673,785
11,796,833	22,184,223	17,289,047	38,931,297	43,084,946	47,154,200
3,743,543	3,234,937	2,317,875	-	-	-
(8,115,400)	(15,393,273)	(10,821,336)	(1,572,602)	(1,117,487)	(91,175)
13,738,577	-	-	-	-	-
-	-	12,800,000	7,362,922	-	12,250,000
602,033	878,110	-	-	-	-
-	-	-	-	-	-
-	-	-	-	1,500,000	1,100,000
9,968,753	(11,280,226)	4,296,539	5,790,320	382,513	13,258,825
6,761,601	(20,277,699)	588,515	(2,445,997)	(7,832,290)	3,361,262
12,345,889	21,897,023	3,362,808	12,527,763	10,081,766	3,017,928
\$ 19,107,490	\$ 1,619,324	\$ 3,951,323	\$ 10,081,766	\$ 2,249,476	\$ 6,379,190

MAJOR FUND SUMMARY

	NON-MAJOR FUNDS		
	2009/2010	2011/2012	2013/2014
	Actual	Adjusted Budget	Adopted Budget
REVENUES			
Taxes:			
Property	\$ 1,984,746	\$ 2,099,758	\$ 1,772,339
Sales	-	-	-
Utility	6,991,457	7,435,304	7,271,416
Local Real Estate Excise	2,621,888	-	-
Other	2,191,974	2,409,000	2,510,000
Licenses & Permits	1,766,165	2,400,500	2,320,000
Intergovernmental	12,846,489	19,495,245	11,067,212
Charges for Services	19,468,818	21,415,477	24,671,488
Fines & Forfeitures	-	-	-
Miscellaneous Revenue	1,478,678	964,106	347,314
Total Revenues	49,350,215	56,219,390	49,959,769
EXPENDITURES			
Salaries and Wages	8,319,039	9,154,491	9,437,716
Personnel Benefits	4,326,012	5,147,422	5,658,226
Supplies	2,395,653	2,979,855	2,957,541
Other Services & Charges	15,350,845	19,284,110	15,679,135
Intergov't Services & Charges	155,710	732,375	479,792
Interfund Payments for Services	1,175,153	1,418,906	1,471,658
Debt Service	6,625,412	13,809,611	8,024,904
Capital Outlay	14,592,194	25,424,699	14,256,312
Total Expenditures	52,940,018	77,951,469	57,965,284
OTHER FINANCING SOURCES (USES)			
Transfers In	14,960,058	21,985,389	13,677,236
Transfers Out	(10,511,222)	(8,585,704)	(6,838,016)
Debt Proceeds & Capital Leases	-	5,817,459	1,266,870
Intergov't'l Loan Proceeds	-	1,080,000	-
Proceeds from Land Sales	-	-	-
Proceeds from Sale of Fixed Assets	235,278	100,000	-
Contributed Capital	27,832	-	-
Total Financing Sources (Uses)	4,711,946	20,397,144	8,106,090
Net Change in Fund Balance	1,122,143	(1,334,935)	100,575
Fund Balances - Beginning	11,656,452	9,754,574	9,606,212
Fund Balances - Ending	\$ 12,778,595	\$ 8,419,639	\$ 9,706,787

Budget Summary

TOTAL FUNDS		
2009/2010	2011/2012	2013/2014
Actual	Adjusted Budget	Adopted Budget
\$ 20,800,149	\$ 21,997,000	\$ 23,464,279
27,503,136	31,475,100	33,927,284
24,097,440	25,614,704	25,453,348
2,621,888	3,013,600	2,656,000
4,693,269	5,215,000	5,440,000
2,762,569	3,455,500	3,464,100
17,392,849	25,913,523	16,562,163
58,367,991	62,522,693	69,167,825
2,640,635	2,756,800	2,657,900
3,277,108	2,714,256	1,613,414
164,157,034	184,678,176	184,406,313
55,293,599	60,617,223	62,937,860
19,926,430	23,248,531	25,803,007
4,763,804	5,668,250	5,387,742
27,328,787	32,098,800	29,309,408
14,212,212	13,784,500	16,062,408
3,835,983	4,398,035	4,923,836
15,301,874	21,941,301	16,051,530
37,762,284	62,331,988	47,698,963
178,424,973	224,088,628	208,174,754
24,849,172	31,589,911	21,260,527
(24,849,172)	(31,618,911)	(21,260,527)
13,738,577	5,817,459	1,266,870
7,362,922	1,080,000	25,050,000
602,033	878,110	-
235,278	100,000	-
27,832	1,500,000	1,100,000
21,966,642	9,346,569	27,416,870
7,698,703	(30,063,883)	3,648,429
37,684,744	45,148,959	18,786,948
\$ 45,383,447	\$ 15,085,076	\$ 22,435,377

Department Detail

**DIRECTORY OF
CITY OFFICIALS**

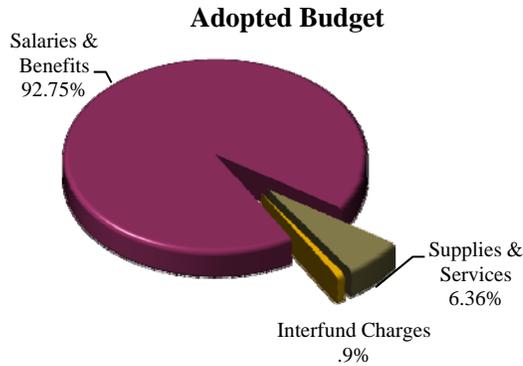
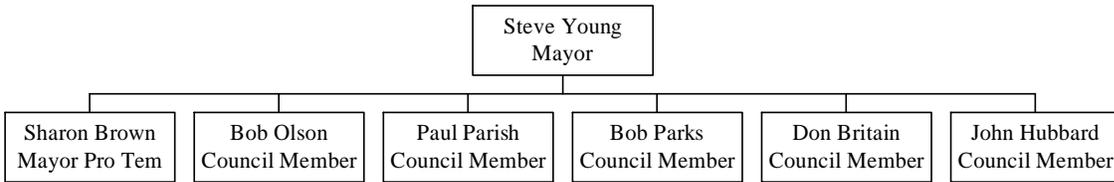
ELECTED OFFICIALS

	<u>Length of Service</u>	<u>Term Expires</u>	<u>Ward</u>
MAYOR			
Steve Young	4 Years	December 31, 2015	3
COUNCILMEMBERS			
Sharon Brown	3 Year	December 31, 2013	2
R. E. (Bob) Olson	25 Years	December 31, 2015	1
Paul Parish	17 Years	December 31, 2015	2
Bob Parks	11 Years	December 31, 2013	At Large
Don Britain	3 Year	December 31, 2013	1
John Hubbard	3 Year	December 31, 2013	3

ADMINISTRATIVE OFFICIALS

	<u>Length in Position</u>	<u>Length of Employment</u>
CITY MANAGER		
Marie E. Mosley	2 Years	16 Years
CITY ATTORNEY		
Lisa Beaton	6 Years	12 Years
ECONOMIC DEVELOPMENT EXECUTIVE DIRECTOR		
Jeff Kossow	3 Years	3 Years
EMPLOYEE AND COMMUNITY RELATIONS EXECUTIVE DIRECTOR		
Terry Walsh	5 Years	21 Years
FINANCE DIRECTOR		
Dan Legard	2 Years	10 Years
FIRE CHIEF		
Neil F. Hines	7 Years	26 Years
PUBLIC WORKS EXECUTIVE DIRECTOR		
Peter Beaudry	4 Years	18 Years
CHIEF OF POLICE		
Ken Hohenberg	9 Years	34 Years
DIRECTOR OF PROJECT MANAGEMENT		
Christina Palmer	2 Years	9 Years

City Council



Resources by Type				
	2009-2010	2011-2012	2011-2012	2013-2014
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 460,568	\$ 495,520	\$ 503,650	\$ 538,994
Total Program Revenues:	\$ 460,568	\$ 495,520	\$ 503,650	\$ 538,994
Expenditures by Program				
	2009-2010	2011-2012	2011-2012	2013-2014
	Actual	Adopted	Adjusted	Adopted
Salaries & Benefits	\$ 396,267	\$ 460,590	\$ 460,590	\$ 499,934
Supplies & Services	59,431	29,560	37,690	34,300
Interfund Charges	4,870	5,370	5,370	4,760
Total Division Budget:	\$ 460,568	\$ 495,520	\$ 503,650	\$ 538,994

City Council

Mission

Building a Better Community



Council Purpose / Description

The City operates under a Council/Manager form of government with seven councilmen elected to four year staggered terms. The Mayor serves a 2-year term and is appointed to that position through majority vote of the Council. The City Manager is hired by the Council to act as the Chief Executive Officer and serves at the Council's pleasure.

Kennewick has three Council wards, roughly dividing the city into thirds. Two councilmembers are elected in each ward during the primary election, and one councilmember is elected at large. Positions are non-partisan and councilmembers are elected to these respective positions by all of the voters during the general election.

The Council derives its power from the Revised Code of Washington and State Constitution. In State law, Kennewick is classified as a Class I City. The Council authorizes public improvements and expenditures, provides for public safety, adopts regulations, levies taxes, controls finances and property of the City and performs related legislative tasks.

Highlights / Changes

The Council held a retreat in March with our community partners, where they established overall objectives for the opportunity centers in the City of Kennewick, which include:

- Southridge
- Downtown & Bridge to Bridge
- Urban Growth Area – South of I-82
- Three Rivers Entertainment District
- Columbia Park

2013/2014 Goals & Objectives

Council established goals & objectives for the upcoming biennium based on several workshops during 2012 that ultimately led to the goals for the upcoming biennium during a workshop on August 14th:

Community Safety – Continue to ensure the safety of our community by maintaining current service levels & partnerships:

- Sustainable public safety service levels
- Develop appropriate fees and charges that will provide sustainable building safety funding
- Provide alternatives for enhancing the City's code enforcement program
- Implement a cost effective regional dispatch system that provides better service delivery for our community
- Work on legislative priorities for anti-gang, collective gardens, fire district ambulance fees

Responsible Government – Provide exceptional public service, transparency and a sustainable future:

- Develop a sustainable budgeting by priorities model
- Proactive public relations & outreach
- Embrace partnership opportunities
- Work on legislative priorities to preserve existing state shared revenues and public records meet & confer

Quality of Life – Maintain parks, provide for diverse recreation programs and a well planned community:

- Work with Kennewick Public Facilities District (KPF) on strategic planning efforts at three rivers district
- Work with Port of Kennewick to implement a project in bridge to bridge
- Work with Carousel Foundation to complete the carousel with no additional taxpayer dollars

City Council Priority Areas

- **Community Safety** – I want to be safe where I live, work and play.
- **Responsible Government** – I want a City government that is responsive, responsible and fiscally accountable.
- **Quality of Life** – I want to enjoy access to a variety of amenities and opportunities in a safe environment.
- **Economic Development** – I want a diverse and vibrant economy in Kennewick.
- **Infrastructure & Growth** – I want a well-maintained City whose infrastructure keeps pace with growth.

Division Staffing				
	2011	2012	2013	2014
	Actual	Actual	Adopted	Adopted
M A Y O R	1.00	1.00	1.00	1.00
M A Y O R P R O - T E M	1.00	1.00	1.00	1.00
C O U N C I L M E M B E R	5.00	5.00	5.00	5.00
TOTAL DEPARTMENT FTE'S:	7.00	7.00	7.00	7.00



- Work on legislative priorities to extend PFD sales tax credit and relax certain SEPA requirements

Economic Development – Support existing businesses and the creation of sustainable family wage jobs:

- Create new industry job in the urban growth area south of I-82
- Recruit new businesses to the opportunity centers
- Enhance tourism in partnership with the VCB and other partners
- Work on legislative priorities to provide economic development incentives & retain flexibility with hotel/motel tax dollars

Infrastructure & Growth – Maintain existing infrastructure and build new infrastructure to support economic development & expansion:

- Develop a 20-year capital improvement program with sustainable funding
- Complete Hildebrand & Steptoe
- Complete infrastructure improvements in the UGA and pursue financing opportunities

Prior Year Accomplishments

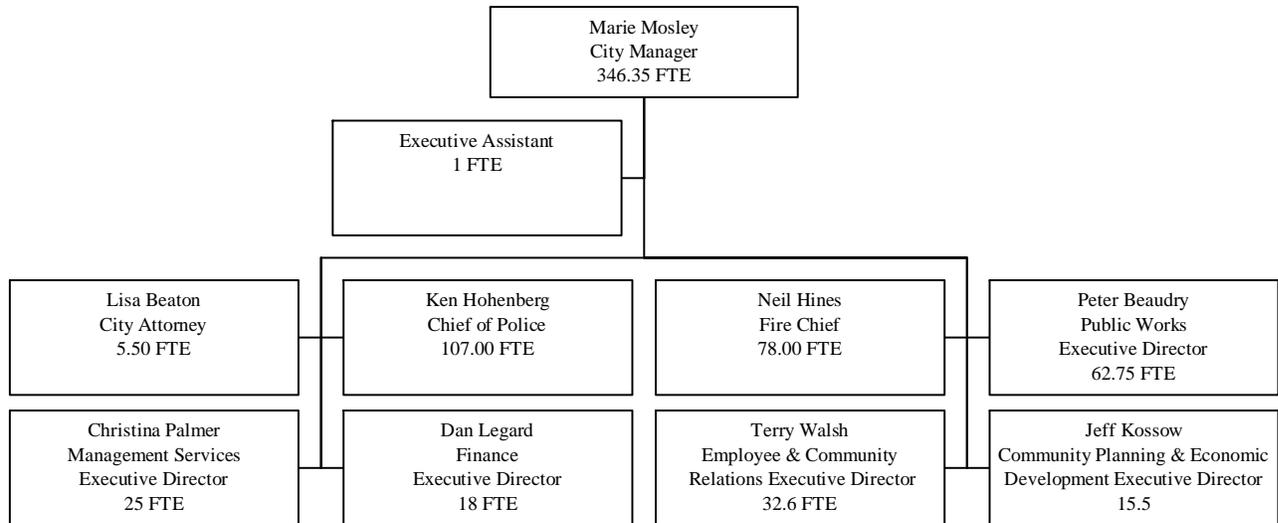
- Attended numerous ribbon cutting ceremonies that further develop our partnerships with City of Kennewick businesses and provide support in our economic development efforts.
- Developed a Budgeting by Priorities model that provides a method to evaluate the top priority services for additional funding and lower priority services for reduction, elimination or alternative service delivery.
- Continued to develop community partnerships to provide the most effective service delivery to our citizens.
- Developed work programs for the Council committees that were aligned with Council’s overall goals & objectives
- Developed legislation that allowed expansion of the Urban Growth Area (UGA) for industrial development
- Held 2nd annual business appreciation luncheon

REVENUES	2009/10	2011/12	2011/12	2013/2014
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 460,568	\$ 495,520	\$ 503,650	\$ 538,994
Current Funding Sources	\$ 460,568	\$ 495,520	\$ 503,650	\$ 538,994
EXPENDITURES				
	2009/10	2011/12	2011/12	2013/2014
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 173,808	\$ 173,856	\$ 173,856	\$ 173,856
Benefits	222,459	286,734	286,734	326,078
Salaries & Benefits	396,267	460,590	460,590	499,934
Supplies	7,414	2,700	4,830	3,200
Community Events	33,783	6,000	6,000	8,000
Travel & Training	12,338	14,000	20,000	18,000
Dues & Subscriptions	5,000	5,000	5,000	5,000
Other Services & Charges	896	1,860	1,860	100
Supplies & Services	59,431	29,560	37,690	34,300
Purchases from Central Stores	4,870	5,370	5,370	4,760
Interfund Charges	4,870	5,370	5,370	4,760
Total Expenditures	\$ 460,568	\$ 495,520	\$ 503,650	\$ 538,994
Expenditures by Fund				
General Fund	\$ 460,568	\$ 495,520	\$ 503,650	\$ 538,994
Total Expenditures by Fund	\$ 460,568	\$ 495,520	\$ 503,650	\$ 538,994

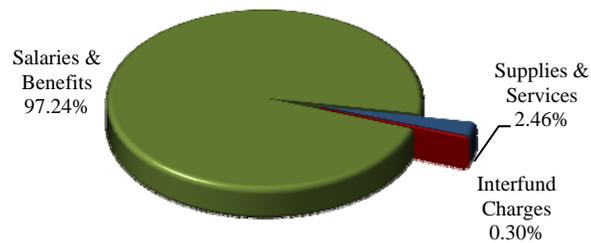
**DETAIL
BUDGET**



City Manager's Office



Adopted Budget



Resources by Type				
	2009-2010	2011-2012	2011-2012	2013-2014
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 464,323	\$ 1,618,165	\$ 1,609,165	\$ 646,900
Total Program Revenues:	\$ 464,323	\$ 1,618,165	\$ 1,609,165	\$ 646,900
Expenditures by Program				
	2009-2010	2011-2012	2011-2012	2013-2014
	Actual	Adopted	Adjusted	Adopted
Salaries & Wages	\$ 443,136	\$ 1,594,745	\$ 1,585,745	\$ 624,700
Supplies & Services	18,576	20,960	20,960	19,850
Interfund Charges	2,611	2,460	2,460	2,350
Total Division Budget:	\$ 464,323	\$ 1,618,165	\$ 1,609,165	\$ 646,900

City Manager's Office

Mission

This mission of the City Manager's Office is to develop and mobilize resources within the parameters of the adopted budget in order to achieve the community's service needs as set forth by the City Council's vision and direction.



Department Purpose / Description

The City Manager provides the organizational leadership necessary to successfully implement and deliver the Strategic Work Program developed by the City Council, which were designed to effectively respond to the needs of the City of Kennewick.

Department Broad Goals

- Implement industrial development in the expanded UGA
- Provide a sustainable operating and capital budget
- Expand economic development efforts in the community to provide for a livable and sustainable community
- Work on strategic planning efforts in the Three Rivers Entertainment District
- Work with our community partners to implement opportunities that provide efficiencies throughout the community
- Evaluate and recommend the feasibility of alternative revenue opportunities
- Develop a strategic operating plan for public safety that achieves Council's goals & priorities
- Provide a plan & path forward for fire station planning & staffing
- Enhance community partnerships and continue communication with Council and the organization
- Continue work on several Council priority projects

Highlights / Changes

Aligned staffing resources to most effectively achieve Council's overall goals and objectives. Established strategic work plans for our Council Committees, Council Workshops & Commission meetings based on Council goals & objectives.

2013/2014 Goals & Objectives

Council Priority: Community Safety

- **Regional Dispatch** -
 - ✓ Work with community partners to establish a regional dispatch system that provides a safer community
- **Sustainable Public Safety Funding** -
 - ✓ Provide a recommendation on sustainable funding to meet Council goals for public safety

Council Priority: Infrastructure & Growth

- **Urban Growth Area (UGA)** -
 - ✓ Develop a plan for implementation of the state statute in the UGA
 - ✓ Evaluate growth area for potential annexation
- **Capital Planning Efforts** -
 - ✓ Work with Blue Ribbon Committee on sustainable funding for the 20-year capital plan
 - ✓ Complete Steptoe & Hildebrand

Council Priority: Economic Development

- **Expand Econ Development Efforts**
 - ✓ Create 100 new jobs in 2013 & 100 new jobs in 2014
 - ✓ Provide recommendation for parcel at 395 & Hildebrand

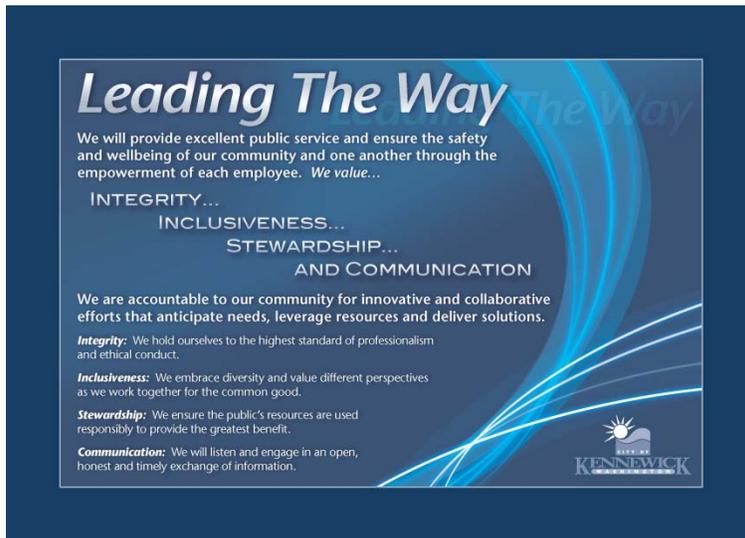
Council Priority: Responsible Government

- **Efficiencies and Effectiveness** -
 - ✓ Hold annual meetings with community partners to determine opportunities in the community
 - ✓ Develop strategy to improve employee safety

Council Priority: Quality of Life

- **Partnerships** -
 - ✓ Complete the Carousel with no additional taxpayer dollars
 - ✓ Work with PFD to finalize strategy for master plan at Three Rivers Campus
 - ✓ Develop a plan to implement a project with the Port in the Bridge to Bridge area

Leading the Way



Division Staffing				
	2011	2012	2013	2014
	Actual	Actual	Adopted	Adopted
CITY MANAGER	1.00	1.00	1.00	1.00
EXECUTIVE ASSISTANT	0.00	0.00	1.00	1.00
ASST TEAM:				
ADMINISTRATIVE OFFICE SUPERVISOR	1.00	1.00	0.00	0.00
EXECUTIVE ASSISTANT	1.00	1.00	0.00	0.00
ADMINISTRATIVE ASSISTANT	3.00	3.00	0.00	0.00
TOTAL DEPARTMENT FTE'S:	6.00	6.00	2.00	2.00



Kennewick Ferry Christening at Vigor Shipyard

Prior Year Accomplishments

- Developed a budgeting by priorities model with 5 priority areas, 3-5 programs within each priority area, and over 300 services classified within the programs & priority areas that will be used to make decisions that will provide a sustainable budget
- Established strategic work programs for council workshops, council committees, and our boards & commissions that are aligned with Council's strategic goals & objectives
- Worked with our state legislators and lobbyist on a bill that allowed for expansion of our UGA for industrial development that will add jobs
- Established a performance based contract with the Historic Downtown Kennewick Partnership based on Council goals for the downtown, including a new zoning district
- Worked with the Port of Kennewick on zoning in the bridge to bridge area, including a contract to analyze the critical area around Duffy's Pond
- Held our first citizen academy in the Spring, 2011 and annually thereafter each Spring
- Established new partnerships with the wine industry (meetings with Terra Blanca, Analare & others) & Technology Cities
- Continued partnership efforts with:
 - ✓ Homebuilders Association
 - ✓ Strategic economic development partnerships
 - ✓ Business Contacts throughout the Community
 - ✓ Regional Dispatch System
 - ✓ Carousel Foundation
- Realigned staffing resources to:
 - ✓ Provide a proactive public relations & outreach program
 - ✓ Combined Park & Recreation to provide support for priority areas such as Southridge
- Provided updates to Council on Department accomplishments, service areas and staffing levels during biennial budget process

City Manager's Office

REVENUES	2009/10 Actual	2011/12 Adopted	2011/12 Adjusted	2013/14 Adopted
General Governmental	\$ 464,323	\$ 1,618,165	\$ 1,609,165	\$ 646,900
Current Funding Sources	\$ 464,323	\$ 1,618,165	\$ 1,609,165	\$ 646,900
EXPENDITURES	2009/10 Actual	2011/12 Adopted	2011/12 Adjusted	2013/14 Adopted
Salaries	\$ 366,149	\$ 1,065,812	\$ 1,065,812	\$ 316,850
Overtime	-	200	200	200
Part-Time	-	151,000	118,000	158,650
Benefits	76,987	377,733	401,733	149,000
Salaries & Benefits	443,136	1,594,745	1,585,745	624,700
Supplies	5,044	2,700	5,700	4,200
Travel & Training	8,776	13,000	10,000	11,500
Dues & Subscriptions	2,899	3,200	3,200	3,900
Other Services & Charges	1,857	2,060	2,060	250
Supplies & Services	18,576	20,960	20,960	19,850
Purchases from Central Stores	2,611	2,460	2,460	2,350
Interfund Charges	2,611	2,460	2,460	2,350
Total Expenditures	\$ 464,323	\$ 1,618,165	\$ 1,609,165	\$ 646,900
Expenditures by Fund				
General Fund	\$ 464,323	\$ 572,587	\$ 572,587	\$ 646,900
ASST Team *	-	1,045,578	1,036,578	-
Total Expenditures by Fund	\$ 464,323	\$ 1,618,165	\$ 1,609,165	\$ 646,900

**DETAIL
BUDGET**



* Administrative Services Support Team was added beginning in the 2009/2010 biennium and removed 2013/2014.

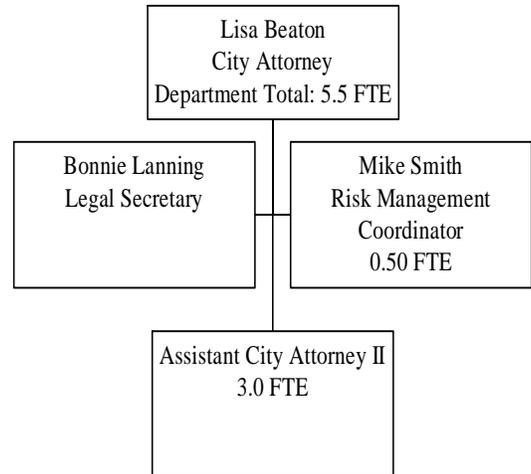


Summer 2012 Commercial Yard of the Season

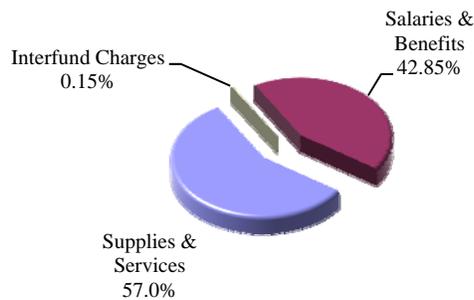
City Attorney's Office

Mission

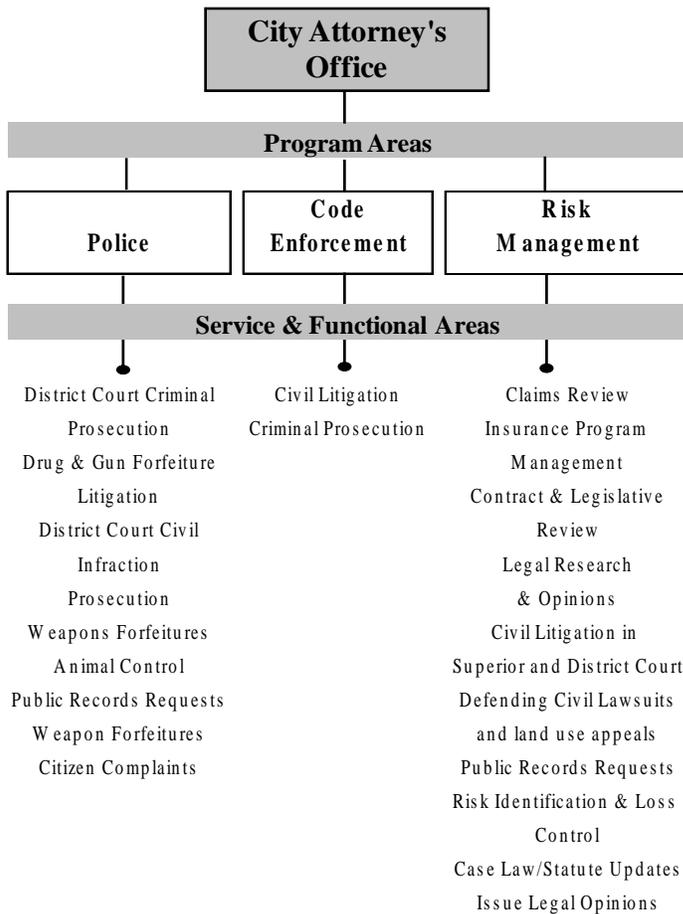
Our mission is to provide timely and reliable legal advice and zealously and competently represent the City's interest in all judicial and quasi-judicial matters while maintaining the highest level of professional ethics.



Adopted Budget



Departmental Staffing				
	2009-2010	2011-2012	2011-2012	2013-2014
	Actual	Adopted	Adjusted	Adopted
Full-Time Equivalent	5.50	5.50	5.50	5.50
% of City's FTE's	1.58%	1.58%	1.60%	1.59%
Departmental Expenditures by Type				
	2009-2010	2011-2012	2011-2012	2013-2014
	Actual	Adopted	Adjusted	Adopted
Salaries & Benefits	\$ 1,192,232	\$ 1,316,723	\$ 1,316,723	\$ 1,311,052
Supplies & Services	1,634,194	1,372,023	4,204,173	1,733,448
Interfund Transfers	-	-	259,711	-
Interfund Charges	3,973	5,395	5,395	4,556
Total Department Budget:	\$ 2,830,399	\$ 2,694,141	\$ 5,786,002	\$ 3,049,056
Funding Sources				
	2009-2010	2011-2012	2011-2012	2013-2014
	Actual	Adopted	Adjusted	Adopted
General Fund	\$ 1,262,999	\$ 1,407,042	\$ 1,407,042	\$ 1,362,090
Risk Management Fund	1,567,400	1,287,099	4,378,960	1,686,966
Total Sources:	\$ 2,830,399	\$ 2,694,141	\$ 5,786,002	\$ 3,049,056



Department Purpose / Description

The City Attorney is the legal advisor to the City Manager, Administrative Staff, and City Council. Responsibilities include the preparation and review of all contracts, ordinances, and resolutions presented to City Council for consideration, counseling staff about legal matters within their respective departmental operations, and representing the City in litigation.

The Assistant City Attorneys primarily prosecute misdemeanor cases for the City of Kennewick. They advise police officers and city departments, review reports for charging decisions, conduct case settlement negotiations, prepare cases for trial and try cases in court. When necessary they fill in for the City Attorney.

Department Broad Goals

Continue reducing the cost of providing legal services while maintaining the highest quality of representation.

Highlights / Changes

In line with Council's goal of community safety, we are continuing to handle a large criminal case load with the same staffing level since 2000. On average 4,000 criminal cases are filed in District Court per year; of those filed cases approximately 2,500-2,800 cases per year are handled by two Assistant City Attorneys. The City Attorney's Office continues to support Council's goal of responsible government in the area of risk management through contract and ordinance review as well as conducting training for staff.

2013/2014 Goals & Objectives

Council Priority: Community Safety - Code Enforcement

- Code Enforcement – Modernize the City's code enforcement process by repealing current Nuisance and Environmental Conservation Codes and adopt International Property Maintenance Code, amend appeal process sections to improve clarity, and work with code enforcement staff to prioritize problem properties, and focus enforcement efforts.

Council Priority: Responsible Government - Risk Management

- Continue to utilize Insurance Risk Pool training programs to reduce claims, pursue onsite training seminars for high risk areas such as land use and public records.

Council Priority: Quality of Life – Well Planned Community, Maintain Parks

- Work with Planning Dept. to address Council's concerns regarding Comprehensive Plan density requirements, zoning district density requirements, and change of zone criteria.
- Work with Parks and Facilities Dept. to coordinate the Carousel project in compliance with Carousel Lease Agreement.

Prior Year Accomplishments

- Implemented Hearing Examiner System;
- Amended Gambling Tax Code;
- Completed Criminal Case Management System update to track case outcomes and review performance;
- Helped formulate and adopt a Code of Ethics, and completed training;
- Trained administrative staff regarding topic of attorney-client privilege;
- Created and co-presented Public Records training for management staff;
- Completed ADA accessibility code amendment per Federal mandate.

Performance Measures

Program / Service Outputs					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Number of criminal cases prosecuted	4,033	4,010	4,020	4,030	4,040
Number of written legal opinions provided	258	346	350	360	370
Number of cases reviewed for charges	1,904	1,766	1,775	1,800	1,825
Number of claims received	43	49	37	36	35
Number of claims represented by Counsel	4	8	4	4	4
Number of third party damage billings	61	55	62	62	64

Program / Service Efficiency Measures					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Average time spent per criminal case	1 hour	1 hour	1 hour	1 hour	1 hour
Cost per written opinion provided	\$89.02	\$ 91.69	\$ 76.77	\$78.69	\$ 80.66
Average time spent per case reviewed	10 minutes	10 minutes	10 minutes	10 minutes	10 minutes
Paid claims less than annual aggregate stop loss	Yes	Yes	Yes	Yes	Yes
Reduction in number of claims submitted	-10%	-14%	25%	3%	3%
Percentage of third party billings resolved	87%	96%	95%	95%	95%

Program / Service Quality					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Elapsed time from request to opinion	2 days	2 days	2 days	2 days	2 days
Percentage non-litigated claims resolved 30 days	67%	76%	75%	75%	75%
Percentage non-litigated claims resolved 60 days	77%	84%	85%	85%	85%
Percentage resolved without litigation	91%	92%	92%	92%	92%

Department Staffing				
	2011	2012	2013	2014
	Actual	Actual	Adopted	Adopted
CITY ATTORNEY	1.00	1.00	1.00	1.00
ASSISTANT CITY ATTORNEY II	1.00	1.00	1.00	1.00
ASSISTANT CITY ATTORNEY I	1.00	1.00	1.00	1.00
LEGAL SECRETARY	1.00	1.00	1.00	1.00
DOCKET CLERK	1.00	1.00	1.00	1.00
RISK MANAGEMENT COORDINATOR	0.50	0.50	0.50	0.50
TOTAL FULL-TIME STAFF:	5.50	5.50	5.50	5.50
LEGAL INTERN	0.25	0.25	0.25	0.25
TOTAL PART-TIME STAFF:	0.25	0.25	0.25	0.25
TOTAL DEPARTMENT FTE'S:	5.75	5.75	5.75	5.75

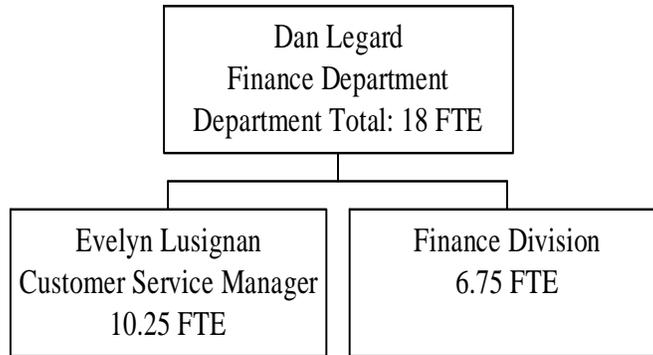
City Attorney's Office

REVENUES	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 1,321,073	\$ 1,521,529	\$ 1,289,529	\$ 1,227,029
Legal Services	-	-	-	-
Risk Management Services	279,287	311,375	311,375	447,880
Safety Coordinator Charges	124,526	131,250	131,250	140,438
Charges for Services	403,813	442,625	442,625	588,318
Insurance Recoveries/Settlements	84,472	20,000	387,500	86,000
Interest/Miscellaneous	(601)	500	500	500
Miscellaneous Revenue	83,871	20,500	388,000	86,500
General Fund	969,000	667,000	1,725,000	1,000,000
Water Sewer Fund	36,685	-	-	-
Capital Improvement Fund	250,000	-	1,495,150	-
Medical Services Fund	1,771	-	-	-
Building Safety Fund	8,096	-	-	-
Solid Waste Fund	-	-	325,000	-
Equipment Rental Fund	4,554	1,000	-	-
Interfund Transfers	1,270,106	668,000	3,545,150	1,000,000
Total Revenues	\$ 3,078,863	\$ 2,652,654	\$ 5,665,304	\$ 2,901,847
Risk Management Fund	(248,464)	41,487	120,698	147,209
Decrease (Increase) to Fund Balance	(248,464)	41,487	120,698	147,209
Current Funding Sources	\$ 2,830,399	\$ 2,694,141	\$ 5,786,002	\$ 3,049,056
EXPENDITURES	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 876,474	\$ 950,632	\$ 950,632	\$ 942,484
Part-Time Wages	16,335	18,000	18,000	18,000
Benefits	299,424	348,091	348,091	350,568
Salaries & Benefits	1,192,232	1,316,723	1,316,723	1,311,052
Supplies	4,427	5,145	5,145	5,145
Contractual Services	144,353	162,600	257,600	140,100
Payments to Claimants	183,451	85,000	185,000	200,000
Travel & Training	8,156	12,800	12,800	12,550
Insurance Premiums	733,975	762,350	929,350	1,038,200
Self-Insured Retention Payments	543,725	325,000	2,795,150	325,000
Other Services & Charges	16,108	19,128	19,128	12,453
Supplies & Services	1,634,194	1,372,023	4,204,173	1,733,448
Equipment Rental Fund	-	-	202,500	-
Capital Improvement Fund	-	-	57,211	-
Interfund Transfers	-	-	259,711	-
Purchases from Central Stores	3,973	5,395	5,395	4,556
Interfund Charges	3,973	5,395	5,395	4,556
Total Expenditures	\$ 2,830,399	\$ 2,694,141	\$ 5,786,002	\$ 3,049,056
Expenditures by Fund				
General Fund	\$ 1,262,999	\$ 1,407,042	\$ 1,407,042	\$ 1,362,090
Risk Management Fund	1,567,400	1,287,099	4,378,960	1,686,966
Total Expenditures by Fund	\$ 2,830,399	\$ 2,694,141	\$ 5,786,002	\$ 3,049,056

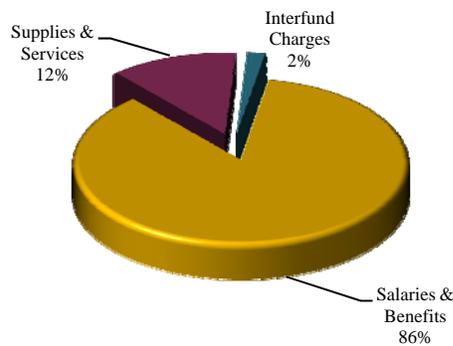
**DETAIL
BUDGET**



Finance Department



Adopted Budget



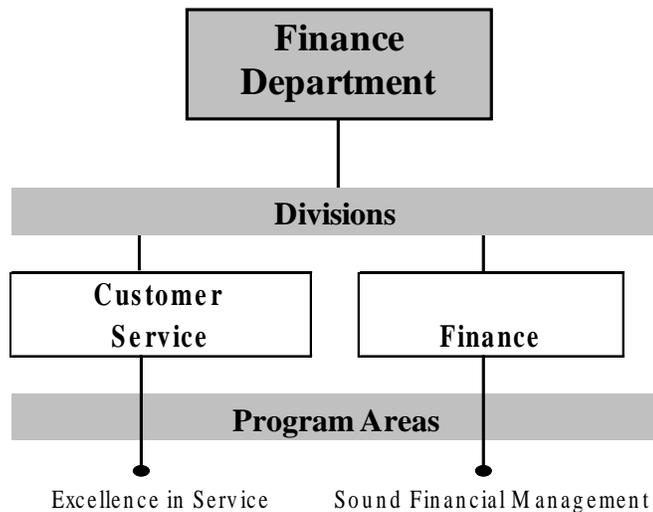
Division Expenditures	2009-2010 Actual	2011-2012 Adopted	2011-2012 Adjusted	2013-2014 Adopted
Finance	\$ 1,744,623	\$ 1,962,564	\$ 1,962,564	\$ 1,792,558
Customer Service	1,557,834	1,736,604	1,758,184	1,815,155
Total:	\$ 3,302,457	\$ 3,699,168	\$ 3,720,748	\$ 3,607,713

Funding Sources	2009-2010 Actual	2011-2012 Adopted	2011-2012 Adjusted	2013-2014 Adopted
General Fund	\$ 3,302,457	\$ 3,699,168	\$ 3,720,748	\$ 3,607,713
Total Sources:	\$ 3,302,457	\$ 3,699,168	\$ 3,720,748	\$ 3,607,713

Finance Department

Mission

Our mission is to enhance the efficiency and effectiveness of City operations by providing exceptional leadership in financial and customer service, to City staff and the citizen's of our community. Powered by excellent people, we are a quality driven, high performance team committed to attainment of our mission through our core service values.



Departmental Staffing				
	2009-2010	2011-2012	2011-2012	2013-2014
	Actual	Adopted	Adjusted	Adopted
Full-time Equivalent (FTE)	15.75	15.75	18.75	18.00
% of City's FTE's	4.52%	4.52%	5.45%	5.20%
Departmental Expenditures by Type				
	2009-2010	2011-2012	2011-2012	2013-2014
	Actual	Adopted	Adjusted	Adopted
Salaries & Benefits	\$ 2,848,049	\$ 3,188,646	\$ 3,188,646	\$ 3,091,481
Supplies & Services	390,924	448,682	470,282	453,570
Interfund Charges	52,675	61,840	61,820	62,662
Capital Outlay	10,809	-	-	-
Total Department Budget:	\$ 3,302,457	\$ 3,699,168	\$ 3,720,748	\$ 3,607,713



Division Purpose/Description

The Finance Division is responsible for the accounting, budgeting, reporting, treasury functions, and fiscal controls of the City of Kennewick, including the water/sewer utility and ambulance, building safety and stormwater utility programs. Other functions of the Finance Division include general ledger, payroll, accounts payable, debt administration, grant accounting and capital assets.

Division Broad Goals

- Strengthen communication with internal departments and the community.
- Strengthen relationships with our peers at other municipal agencies.
- Establish backup resources for all major operational areas.
- Provide meaningful financial reports in a timely manner.
- Maintain the highest standards in financial reporting.

Highlights / Changes

During the 2011/2012 biennium, the Finance Division continued to provide financial services to all city departments while striving to be more efficient and effective in delivery of those services. As outlined in the Prior Year Accomplishments section below, the Division completed a number of critical initiatives during the biennium and provided financial support citywide that helped the City to meet City Council’s goals and objectives.

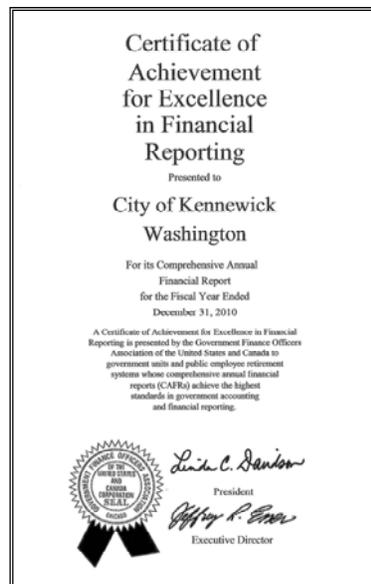
2013/14 Goals and Objectives

- Working in partnership with Public Works, prioritize potential capital projects in the Urban Growth Area (UGA) within the City’s 6-year capital plan and provide recommendations on funding strategies.
- Working in partnership with the Kennewick Public Facilities District (KPFD), identify a potential funding strategy to expand the Three Rivers Convention Center.
- Provide support in developing a potential strategy for the implementation of a Metropolitan Parks District (MPD).
- Complete the implementation of the state’s new Budgeting and Reporting System (BARS) prescribed account structure.

Prior Year Accomplishments

- Implemented the \$500,000 state sales tax credit authorized for the City’s Southridge Local Revitalization Financing (LRF) program.
- Completed a refunding (refinancing) of the City’s 2003B limited tax general obligation bonds and the Kennewick Public Facilities District’s 2003 limited sales tax obligation bonds at a net present value savings of \$282,000 and \$442,000, respectively.
- Received affirmation of the City’s A+ bond rating from Standard & Poor’s.
- Received recognition from the Office of the State Auditor for having 15 consecutive years of audits without a finding at the conclusion of the 2010 annual audit.

Division Staffing				
	2011	2012	2013	2014
	Actual	Actual	Adopted	Adopted
SUPPORT SERVICES EXEC DIRECTOR	1.00	1.00	0.00	0.00
FINANCE DIRECTOR	0.90	0.90	0.90	0.90
ACCOUNTING SUPERVISOR	1.00	1.00	1.00	1.00
ACCOUNTANT	1.75	1.75	2.00	2.00
PAYROLL ACCOUNTANT	1.00	1.00	0.75	0.75
ACCOUNTING TECHNICIAN	1.00	1.00	1.00	1.00
ACCOUNTING SPECIALIST	1.00	2.00	2.00	2.00
TOTAL DIVISION FTE'S:	7.65	8.65	7.65	7.65



Prior Year Accomplishments (Cont'd).

- Attained Government Finance Officer Association's (GFOA) Certificate of Excellence in Financial Reporting for the 26th consecutive year for the City's 2010 Comprehensive Annual Financial Report (CAFR).
- Attained the GFOA Distinguished Budget Presentation Award for the 13th consecutive time for the City's 2011/2012 Budget Document.
- Attained the GFOA Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR) for the 3rd consecutive year. The PAFR is a simplified, easier to read version of the City's CAFR.
- Completed implementation of a new special assessments module to account for the City's local improvement districts (LIDs).
- Completed implementation of Governmental Accounting Standards Board (GASB) statement No. 54 relating to fund balance reporting.
- Completed implementation of a new Accounts Payable process utilizing the City's Oracle workflow software, which allows the City to capture an image of the invoice being paid up front that is then automatically stored in the City's records management system at the conclusion of the process.
- Completed two in-house cost of service studies for the City's ambulance and stormwater utilities along with the implementation of funding strategies that allow both utilities to operate as true stand-alone utilities.
- Completed a comprehensive development fees and rate study and citywide cost allocation plan update, which resulted in updates to the City's OMB-A87 federal overhead rates and full-cost citywide overhead rates and overhead charges..

City Council's Priority Area(s)

- Responsible Government

Performance Measures

Program / Service Outputs

	2010 Actual	2011 Actual	2012 Estimated	2013 Projected	2014 Projected
Number of payroll disbursements processed	10,908	10,734	10,800	10,800	10,800
Number of AP invoices processed	14,442	14,912	15,300	15,700	16,100
Average Investment Portfolio	\$ 44,194,711	\$ 39,939,540	\$ 33,500,000	\$ 32,000,000	\$ 32,000,000
Number of accounting funds maintained	31	31	31	28	28
Total dollars appropriated (adjusted biennial)	\$ 266,640,916	\$ -	\$ 265,000,000	\$ -	\$ 273,000,000

Program / Service Efficiency Measures

	2010 Actual	2011 Actual	2012 Estimated	2013 Projected	2014 Projected
Percentage of months where general ledger is closed by the 20th of the following month	100%	100%	100%	100%	100%
Percentage of payroll disbursements issued electronically	89.75%	89.04%	90.00%	90.00%	90.00%
Direct personnel cost per AP invoice	\$ 5.15	\$ 5.15	\$ 5.15	\$ 5.15	\$ 5.15

Program / Service Quality

	2010 Actual	2011 Actual	2012 Estimated	2013 Projected	2014 Projected
Number of years/bienniums GFOA distinguished budget award received since 1991	-	13	-	14	-
Number of consecutive years GFOA award for excellence in financial reporting received	25	26	27	28	29
Number of audit findings	-	-	-	-	-



REVENUES	2009/10 Actual	2011/12 Adopted	2011/12 Adjusted	2013/14 Adopted
General Governmental	\$ 1,744,623	\$ 1,962,564	\$ 1,962,564	\$ 1,792,558
Current Funding Sources	\$ 1,744,623	\$ 1,962,564	\$ 1,962,564	\$ 1,792,558
EXPENDITURES	2009/10 Actual	2011/12 Adopted	2011/12 Adjusted	2013/14 Adopted
Salaries	\$ 1,242,754	\$ 1,381,326	\$ 1,381,326	\$ 1,239,036
Benefits	381,175	463,815	463,815	445,897
Salaries & Benefits	1,623,929	1,845,141	1,845,141	1,684,933
Supplies	5,658	6,660	6,660	6,100
Contractual Services	67,069	64,005	64,005	62,615
Postage	5,977	6,510	6,510	6,800
Travel & Training	8,831	12,710	12,710	9,100
Other Services & Charges	6,292	6,568	6,568	4,460
Supplies & Services	93,827	96,453	96,453	89,075
Purchases from Central Stores	16,058	20,970	20,970	18,550
Interfund Charges	16,058	20,970	20,970	18,550
Capital Outlay	10,809	-	-	-
Total Expenditures	\$ 1,744,623	\$ 1,962,564	\$ 1,962,564	\$ 1,792,558
Expenditures by Fund				
General Fund	\$ 1,744,623	\$ 1,962,564	\$ 1,962,564	\$ 1,792,558
Total Expenditures by Fund	\$ 1,744,623	\$ 1,962,564	\$ 1,962,564	\$ 1,792,558

DETAIL
BUDGET

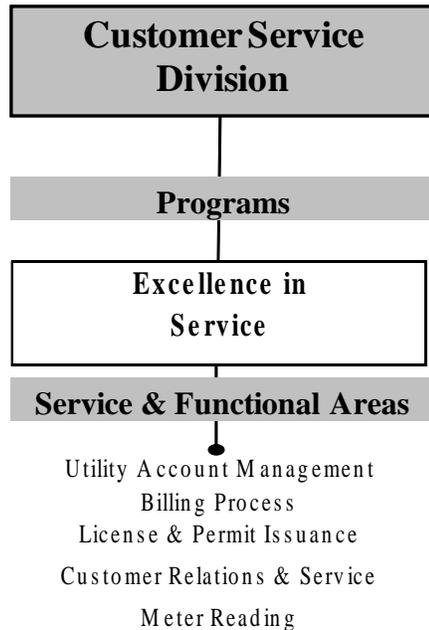


Popular Annual Financial Report

City of Kennewick



**For the year ended
December 31, 2011
Kennewick, WA**



Division Purpose / Description

The Customer Service Division provides centralized cash receipting of all City revenues, billing for the water/sewer utility, business licensing, switchboard, customer assistance, meter reading, and inter-departmental customer service coordination.

Division Broad Goals

- Strengthen city-wide customer service to our citizens through continued cross training of One Stop Service staff and customer service focused processes.
- Increase use of technology for customer information through on-line services, City Hall kiosk access, and automated meter reading efforts.
- Promote creative ways to tap process team resources in order to implement enhancements to customer service programs and economic development efforts.
- Expand evaluation of service priorities and processes in order to focus resources on high priority work. Eliminate appropriate low priority items and duplications of effort.
- Continue to evaluate service and licensing fees. Also continue to increase efforts in contacting unlicensed businesses and ensure proper reporting of sales tax data to the City of Kennewick.

Highlights / Changes

A major change in 2012 was the reallocation of resources towards the City's public relations efforts. The Customer Service Manager assumed responsibility for coordinating public outreach and internal communications. This position has focused on building relationships with the local media and providing a centralized point of contact for all media at City Hall.

At the end of 2011, the Customer Service lead position was upgraded to a supervisory position and filled externally. This has improved coordination within the One Stop service area and provided the opportunity for the Customer Service Manager to devote efforts to her new public relations focus.

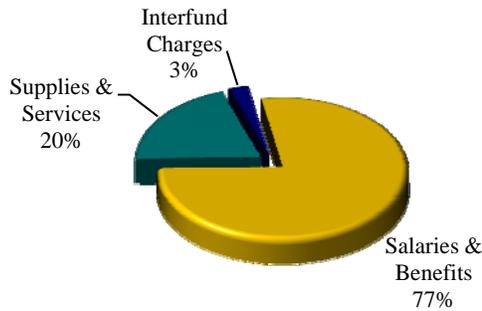
Another focus of the biennium was the continued development of the One Stop area and staff cross-training. Job descriptions for the front line customer service staff were updated to focus on customer care and new training objectives included achieving permit technician certifications by the end of 2012.

2013/2014 Goals and Objectives

- Expand public relations outreach efforts to include enhanced communication through City web page and social media.
- Continue work with Department of Revenue on transitioning the City of Kennewick to the State's business licensing system.
- Continue to expand and promote the City's on-line services where customers are able to do more of their business with the City via the web at their convenience, 24/7, vs. City business hours only.
- Continued city-wide customer service and public relations training.
- Further promote electronic billing to get more customers to receive their utility billing statements via e-mail in order to save on postage and processing costs.
- Enhanced delivery of services at the One Stop to include increased assistance with building and planning permitting for both residential and commercial customers.
- Coordinate with the Public Work Department on expanded implementation of Automated Reading (AMR) technology.



2013/2014 Expenditures



Division Staffing				
	2011	2012	2013	2014
	Actual	Actual	Adopted	Adopted
FINANCE DIRECTOR	0.10	0.10	0.10	0.10
CUSTOMER SERVICE & PR MANAGER	1.00	1.00	1.00	1.00
CUSTOMER SERVICE SUPERVISOR	1.00	1.00	1.00	1.00
METER READER	3.00	3.00	3.00	3.00
CUSTOMER CARE REPRESENTATIVE	4.00	4.00	4.50	4.50
OFFICE SPECIALIST	1.00	1.00	0.75	0.75
TOTAL DIVISION FTE'S:	10.10	10.10	10.35	10.35

Prior Year Accomplishments

- Reallocated resources to align public relations and outreach responsibilities to the Customer Service Manager position.
- Continued to promote the City’s web based license renewal process. Over 1,100 customers renewed on-line in 2012.
- Assisted in developing user-friendly interfaces and instructions for City Hall kiosk so customers can easily access selected information relating to permitting, employment opportunities, recreational programs, utility services, economic development information and GIS data.
- Assisted with transition of recreation personnel to the Southridge Complex and adding cashiering at the location. Also coordinated continued support of recreation program registration at City Hall.
- Re-aligned staffing resources to enhance services and cross-training of personnel at the One Stop Customer Service. Front-line staffing obtained permit technician certifications in 2012 meeting goals of providing cross-functional back-up.
- Continued to promote the City’s web based utility account access and bill pay option. In 2012, approximately 33,000 payments were made quarterly with 43% received electronically. Of the electronic payments: 25% were through the automatic payment plan; 36% from customers paying via their personal banking software and 39% were payments made on the City’s webpage.
- City wide customer service training to reinforce exceptional service principals and city core values of “Leading the Way”.
- Coordinated removal of glass doors to the One Stop entrance and installation of new signage to provide a more welcoming access and realigned service delivery.
- Provided training on public relations and media communications to expanded management team, leadership 200 class, and Fire Department Battalion Chiefs.

City Council’s Priority Area(s)

- Excellence in Service

Performance Measures

Program / Service Outputs

	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Number of licenses & permits issued	4,529	4,581	4,627	4,700	4,800
Number of utility bills processed	131,882	133,921	135,930	137,970	140,000
Number of meters read	132,618	134,442	136,459	138,505	140,580
Number of service orders processed	1,566	1,462	1,484	1,506	1,529

Program / Service Efficiency Measures

	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Cost per license/permit issued	48.43	54.38	54.93	56.03	57.15
Number of accounts per FTE	5,622	5,706	5,792	5,908	6,026
Cost per account maintained	14.63	16.37	16.45	16.78	17.12
Cost per meter reading	1.55	1.50	1.51	1.54	1.57
Cost per service order	15.40	16.20	16.28	16.61	16.94

Program / Service Quality

	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
License/permits issued on time & accurately	99%	99%	99%	99%	99%
Accounts billed within 5 days of route reading	99%	99%	99%	99%	99%
Water/sewer revenue collected	99.98%	99.98%	99.98%	99.98%	99.98%
Meters read on time	97%	97%	97%	96%	96%
Meters read accurately	99%	99%	99%	99%	99%
Service orders completed on time	99%	99%	99%	99%	99%



One Stop Customer Service

**CUSTOMER SERVICE
DIVISION**

Finance Department

REVENUES	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 1,112,518	\$ 1,240,969	\$ 1,262,569	\$ 1,291,796
Meter Reading Overhead	445,316	495,635	495,635	523,359
Charges for Services	445,316	495,635	495,635	523,359
Current Funding Sources	\$ 1,557,834	\$ 1,736,604	\$ 1,758,204	\$ 1,815,155
EXPENDITURES	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 899,331	\$ 953,515	\$ 953,515	\$ 964,496
Overtime	2,072	2,550	2,550	2,550
Part-Time Wages	344	-	-	-
Benefits	322,373	387,440	387,440	439,502
Salaries & Benefits	1,224,120	1,343,505	1,343,505	1,406,548
Supplies	9,404	11,195	11,195	15,995
Contractual Services	71,682	82,900	82,900	80,200
Postage	117,541	144,400	144,400	128,000
Travel & Training	247	4,000	4,000	5,640
Credit Card Fees	91,600	100,800	122,400	124,740
Other Services & Charges	6,623	8,934	8,934	9,920
Supplies & Services	297,097	352,229	373,829	364,495
Purchases from Central Stores	6,735	6,240	6,240	6,600
Fleet Maintenance Charges	29,882	34,630	34,630	37,512
Interfund Charges	36,617	40,870	40,870	44,112
Total Expenditures	\$ 1,557,834	\$ 1,736,604	\$ 1,758,204	\$ 1,815,155
Expenditures by Fund				
General Fund	\$ 1,557,834	\$ 1,736,604	\$ 1,758,204	\$ 1,815,155
Total Expenditures by Fund	\$ 1,557,834	\$ 1,736,604	\$ 1,758,204	\$ 1,815,155

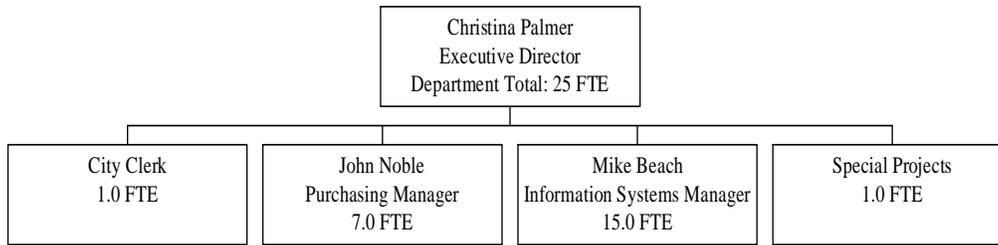
**DETAIL
BUDGET**



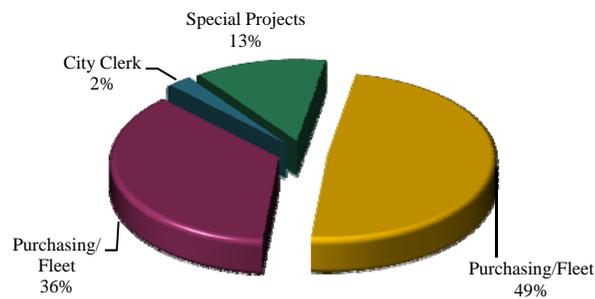
The City of Kennewick has on-line access to city services for permitting, utility billing payments, economic development, recreation programs, and employment opportunities. www.go2kennewick.com/



Management Services Department



Adopted Budget

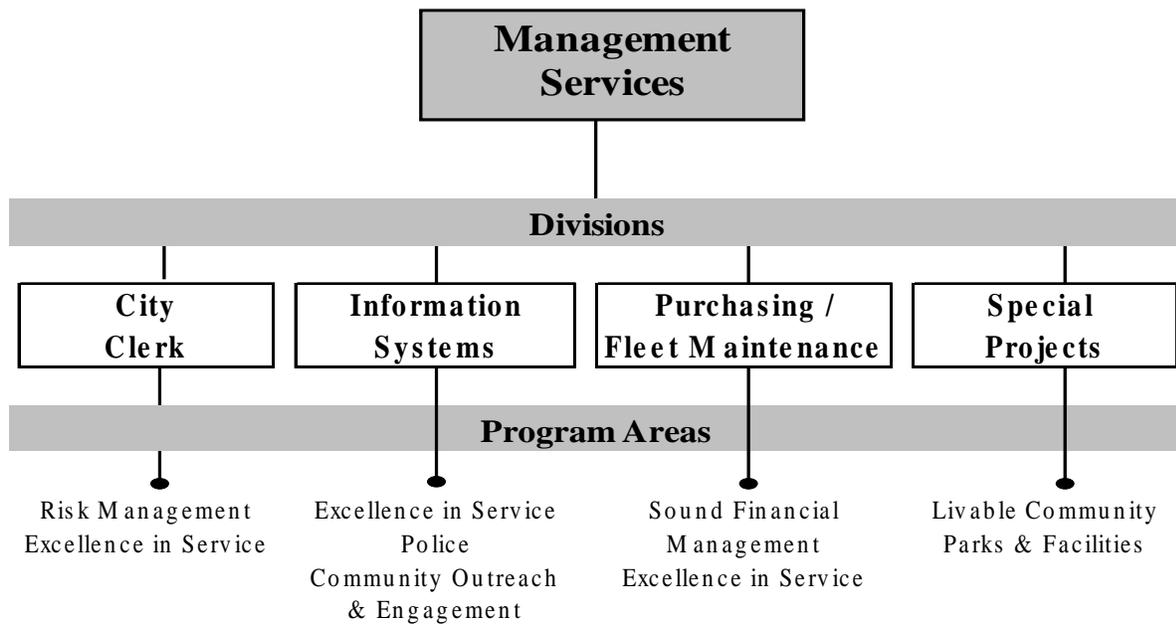


Division	2009-2010	2011-2012	2011-2012	2013-2014
Expenditures	Actual	Adopted	Adjusted	Adopted
Information Services	\$ 4,092,569	\$ 4,901,130	\$ 4,957,197	\$ 5,322,550
Purchasing / Fleet	5,212,272	5,159,549	6,655,088	7,202,662
City Clerk	393,160	373,682	373,682	342,093
Special Projects	<u>2,677,185</u>	<u>1,970,000</u>	<u>3,022,119</u>	<u>1,898,200</u>
Total:	<u>\$ 12,375,186</u>	<u>\$ 12,404,361</u>	<u>\$ 15,008,086</u>	<u>\$ 14,765,505</u>
Funding Sources	2009-2010	2011-2012	2011-2012	2013-2014
	Actual	Adopted	Adjusted	Adopted
General Fund	\$ 4,702,206	\$ 5,524,569	\$ 5,552,789	\$ 5,855,407
Community Development Fund	\$ 2,677,185	\$ 1,520,000	\$ 2,331,424	\$ 1,250,000
Equipment Rental Fund	4,057,779	3,859,280	5,357,819	5,908,004
Central Stores Fund	403,267	457,540	457,540	474,632
BiPIN Operations Fund	534,749	592,972	617,819	629,262
Columbia Park Golf Course	-	450,000	690,695	648,200
Total Sources:	<u>\$ 12,375,186</u>	<u>\$ 12,404,361</u>	<u>\$ 15,008,086</u>	<u>\$ 14,765,505</u>

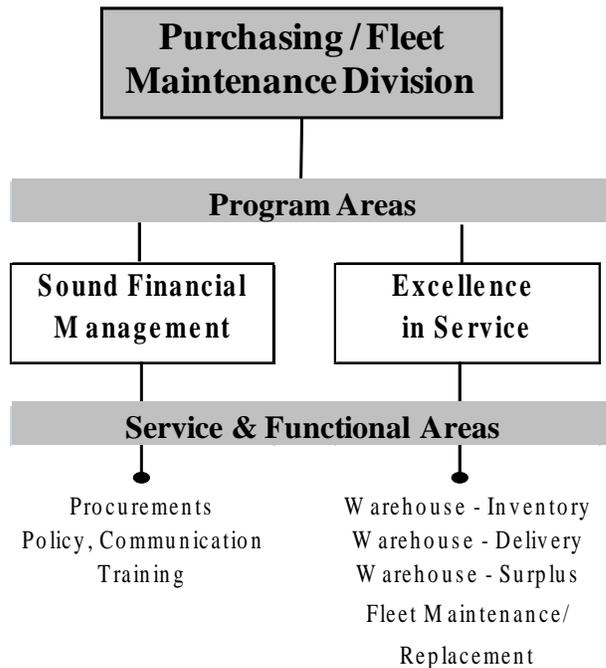
Management Services Department

Mission

Our mission is to enhance the efficiency and effectiveness of City operations by providing exceptional leadership in financial, purchasing, fleet, customer service, legislative & records management, and technological services to City staff and the citizen's of our community. Powered by excellent people, we are a quality driven, high performance team committed to attainment of our mission through our core service values.



Departmental Staffing				
	2009-2010	2011-2012	2011-2012	2013-2014
	Actual	Adopted	Adjusted	Adopted
Full-time Equivalent (FTE)	26.00	26.00	25.00	25.00
% of City's FTE's	7.46%	7.47%	7.27%	7.22%
Departmental Expenditures by Type				
	2009-2010	2011-2012	2011-2012	2013-2014
	Actual	Adopted	Adjusted	Adopted
Salaries & Benefits	\$ 4,899,781	\$ 5,611,246	\$ 5,585,245	\$ 5,804,061
Supplies & Services	4,015,073	4,931,010	5,617,970	5,230,520
Interfund Charges	92,512	106,700	106,876	113,012
Interfund Transfers	372,254	200,000	636,970	250,000
Debt Service	-	-	19,700	523,600
Capital Outlay	2,995,566	1,555,405	3,041,325	2,844,312
Total Department Budget:	\$ 12,375,186	\$ 12,404,361	\$ 15,008,086	\$ 14,765,505



Division Purpose / Description

The Purchasing/Fleet Maintenance Division is responsible for the centralized procurement, fleet maintenance and warehousing/inventory functions of the City. The Division is also responsible for the administration of the Central Stores Fund, which includes copiers and central stores inventory, procurement cards, coordination with all departments on maintenance and contract agreements, fleet replacement and surplus disposal.

Division Broad Goals

- To provide the best practices in procurement, fleet maintenance and warehousing to all city departments through collaborative partnerships, customer service, efficiencies and proactive management to better provide these services.
- Organizational alignment & staff development/solidifying City’s ongoing financial position.

Highlights / Changes

We have continued the partnership with the City of Richland to share our Purchasing Manager to better leverage resources. There have been significant savings realized through right sizing of staff and organizational changes. Our focus is now on strengthening and developing processes to eliminate duplication of efforts where possible.

2013/2014 Goals & Objectives

- Implement initiatives for increased integration of buyer and Warehouse staff and processes with the City of Richland.
- Collaborate with departments to expand partnership opportunities on procurement and other areas where feasible.
- Continue process reviews to identify and implement changes to gain efficiencies through improved workflow and optimization of resources.

Prior Year Accomplishments

- Reduced number of low dollar purchase orders for the fifth consecutive year through p-card program and other tools.
- Our fleet management software has progressed to streamline data entry tasks and provide some reporting capabilities.
- Scanned our contracts into the ECM records management system. Created contract log to monitor and track current contracts.
- Expanded the utilization of the Intranet to communicate procurement tools available to our partners.
- Maintained shop workload with one less mechanic through productivity and support of purchasing/warehouse staff.



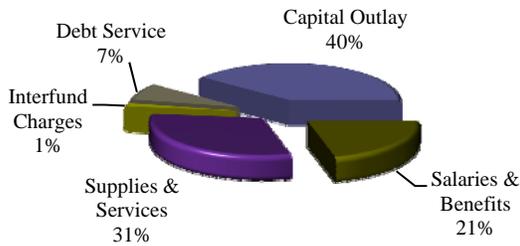
Prior Year Accomplishments (Cont'd)

- Use of electronic document attachments within Eden to improve processing of requisitions, quotes and bids.
- Coordination with field crews to eliminate low use and obsolete items in the water/ sewer and fleet inventories.
- Electronic distribution of monthly cell phone bills for payment and required reviews.

City Council's Priority Area

- Responsible Government

2013/2014 Expenditures



Division Staffing				
	2011 Actual	2012 Actual	2013 Adopted	2014 Adopted
MANAGEMENT SERVICES DIRECTOR	0.33	0.33	0.33	0.33
PURCHASING MANAGER	1.00	1.00	1.00	1.00
ACCOUNTING SPECIALIST	1.00	1.00	1.00	1.00
BUYER	1.00	1.00	1.00	1.00
MECHANIC CREW LEADER	1.00	1.00	1.00	1.00
MECHANIC	2.00	2.00	2.00	2.00
WAREHOUSE WORKER	1.00	1.00	1.00	1.00
TOTAL DIVISION FTE'S:	7.33	7.33	7.33	7.33



Performance Measures

Program / Service Outputs					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Purchasing - No. of requisitions processed	901	872	880	880	870
Purchasing - No. of PO's Issued	827	772	780	780	760
Inventory - No. of items sold	24,072	24,160	24,244	23,500	23,500
Fleet - No. of repair tickets completed	2,908	2,805	2,958	3,000	3,000

Program / Service Efficiency Measures					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Purchasing - cost per PO issued	\$ 81.97	\$ 88.81	\$ 88.90	\$ 90.00	\$ 91.23
Inventory - year end value	\$ 406,641	\$ 423,213	\$ 478,000	\$ 420,000	\$ 400,000
Fleet - cost/repair ticket	\$ 208	\$ 234	\$ 222	\$ 230	\$ 230

Program / Service Quality					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Number of PO's under \$2500	646	596	580	570	560
Inventory turn rate	0.91	0.91	0.89	0.892	0.937
Fleet Technician productivity rate	82%	87%	86%	87%	88%



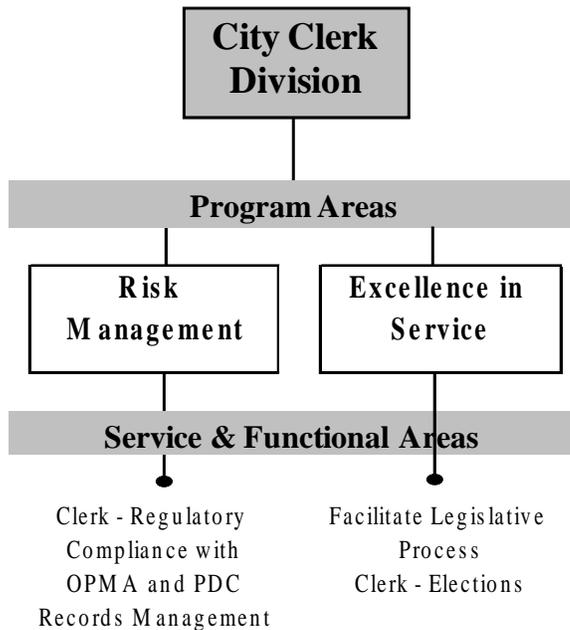
**PURCHASING AND
FLEET MAINTENANCE**

Management Services Department

REVENUES	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 751,225	\$ 842,729	\$ 839,729	\$ 820,026
Charges for Fleet Maintenance	3,050,326	3,173,200	3,173,200	3,549,696
Copier & Inventory Sales	451,140	478,260	478,260	479,140
Charges for Services	3,501,466	3,651,460	3,651,460	4,028,836
Miscellaneous Revenue	140,496	90,000	55,000	42,500
General Fund	478,512	-	20,700	-
Park Development/Construction Fund	40,385	-	-	-
Capital Improvement Fund	108,052	1,266,000	1,308,700	1,310,000
Water/Sewer Fund	52,338	-	5,700	23,300
Asset Forfeiture Fund	-	18,000	107,500	36,000
Stormwater Fund	-	210,700	229,950	-
Risk Management	-	-	202,500	-
Interfund Transfers	679,287	1,494,700	1,875,050	1,369,300
Proceeds from Sale of Fixed Assets	235,282	-	100,000	-
Capital Lease Proceeds	27,832	-	18,000	1,266,870
Other Financing Sources	263,114	-	118,000	1,266,870
Total Revenues	\$ 5,335,588	\$ 6,078,889	\$ 6,539,239	\$ 7,527,532
Equipment Rental Fund	(69,662)	(893,620)	141,569	(317,862)
Central Stores Fund	(53,654)	(25,720)	(25,720)	(7,008)
Decrease (Increase) to Fund Balance	(123,316)	(919,340)	115,849	(324,870)
Current Funding Sources	\$ 5,212,272	\$ 5,159,549	\$ 6,655,088	\$ 7,202,662
EXPENDITURES	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 1,053,229	\$ 1,114,759	\$ 1,088,759	\$ 1,038,272
Overtime	855	500	500	2,000
Benefits	366,137	439,827	439,827	464,745
Salaries & Benefits	1,420,221	1,555,086	1,529,086	1,505,017
Supplies	1,470,399	1,657,950	1,860,550	1,920,030
Rentals/Leases	77,265	97,440	97,440	104,232
Travel & Training	7,716	10,846	10,846	8,600
Utility Charges	26,698	31,000	31,000	28,000
Repair & Maintenance	118,869	128,050	147,050	141,270
Other Services & Charges	23,092	23,382	49,381	23,349
Supplies & Services	1,724,039	1,948,668	2,196,267	2,225,481
Admin/Financial Overhead	23,300	25,000	25,000	26,200
Purchases from Central Stores	5,393	5,960	5,960	5,980
Fleet Maintenance Charges	59,760	69,430	66,430	72,072
Interfund Charges	88,453	100,390	97,390	104,252
Transfer to Columbia Park Golf Course	-	-	34,300	-
Transfer to Risk Management Fund	4,554	-	-	-
Transfer to General Fund	290,000	-	-	-
Interfund Transfers	294,554	-	34,300	-
Debt Service	-	-	19,700	523,600
Transportation Equipment	1,685,005	1,555,405	2,778,345	2,844,312
Capital Outlay	1,685,005	1,555,405	2,778,345	2,844,312
Total Expenditures	\$ 5,212,272	\$ 5,159,549	\$ 6,655,088	\$ 7,202,662
Expenditures by Fund				
General Fund	\$ 751,226	\$ 842,729	\$ 839,729	\$ 820,026
Equipment Rental Fund	4,057,779	3,859,280	5,357,819	5,908,004
Central Stores Fund	403,267	457,540	457,540	474,632
Total Expenditures by Fund	\$ 5,212,272	\$ 5,159,549	\$ 6,655,088	\$ 7,202,662

**DETAIL
BUDGET**





Division Purpose / Description

The purpose of the City Clerk’s division is to provide timely and accurate statutory and policy-related services to Council and staff so they can make informed decisions and efficiently conduct city business; and to manage, preserve and provide access to all official city records.

Division Broad Goals

- Immediate online access to all official records
- Provide a welcoming environment to citizens and visitors to ensure maximum accessibility to city government
- Increase movement towards paperless environment
- Report and preserve the history of the City in a fair and impartial manner
- Maximize efficiency through the utilization of existing resources and technology with innovation and creativity

Highlights / Changes

The City Clerk’s Office continues to focus on technology to maintain service levels. Additionally, we continue to work with departments in migrating their files to an electronic environment in order to make information more readily available to all departments.

2013/2014 Goals & Objectives

- Implementation of workflow tracking for Public Record Requests.
- Continued migration/indexing of records into the new records management system.
- Upgrade to Oracle 11g version of ECM system.
- Sharepoint integration with Oracle ECM.
- Public access to City Clerk records.

Prior Year Accomplishments

- Remodel of City Council Chambers including conversion of audio recordings to digital format.
- Expanded implementation of the city-wide imaging system to include applications for the Fire Department and City Attorney’s office.
- Issuance of iPads to City Council to fully automate the e-packet process & completely eliminate paper agenda packets.
- Provided records management training to staff in conjunction with City Attorney’s office.
- Participated in the processing of Local Improvement District 226.
- Processed approximately 746 agenda items for consideration by City Council
- Continued efforts to migrate paper records into ECM system. Indexed an additional 3,000+ records.

City Council’s Priority Area(s)

- Responsible Government

Performance Measures

Program / Service Outputs					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Number of agenda items processed	379	371	375	400	400
Number of public records requests	147	176	205	215	215
Number of documents indexed & stored	1,657	1,192	1,852	2,500	2,500

Program / Service Efficiency Measures					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Number of hours processing public record requests	339	540	557	700	700
Number of agenda items processed per FTE	379	371	375	400	400

Program / Service Quality					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Cost per public record request filled	\$ 19,796.60	\$ 31,986.13	\$ 36,200.00	\$ 45,000.00	\$ 45,000.00
Percentage of documents filed within 3 days of Council Action	100%	100%	100%	100%	100%

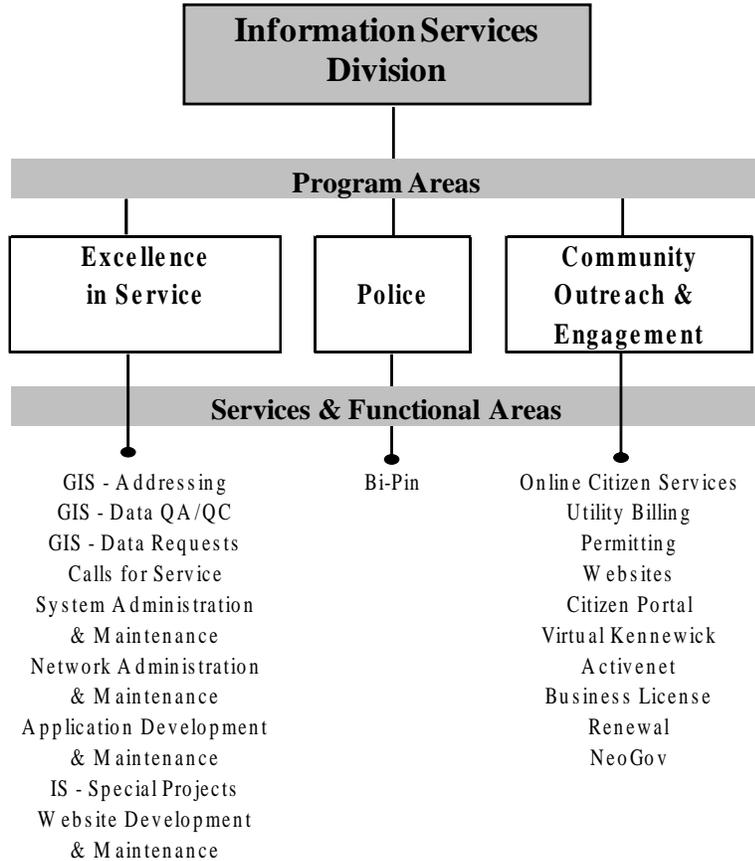
Division Staffing				
	2011	2012	2013	2014
	Actual	Actual	Adopted	Adopted
MANAGEMENT SERVICES DIRECTOR	0.33	0.33	0.33	0.33
CITY CLERK	1.00	1.00	1.00	1.00
TOTAL DIVISION FTE'S:	1.33	1.33	1.33	1.33



REVENUES	2009/10 Actual	2011/12 Adopted	2011/12 Adjusted	2013/14 Adopted
General Governmental	\$ 393,160	\$ 373,682	\$ 373,682	\$ 342,093
Current Funding Sources	<u>\$ 393,160</u>	<u>\$ 373,682</u>	<u>\$ 373,682</u>	<u>\$ 342,093</u>
EXPENDITURES	2009/10 Actual	2011/12 Adopted	2011/12 Adjusted	2013/14 Adopted
Salaries	\$ 271,973	\$ 246,395	\$ 246,395	\$ 232,130
Benefits	97,307	96,040	96,040	70,983
Salaries & Benefits	369,280	342,435	342,435	303,113
Supplies	1,909	4,100	4,100	2,600
Postage	783	1,600	1,600	750
Travel & Training	6,206	7,446	7,446	17,270
Advertising	7,940	9,000	9,000	9,000
Other Services & Charges	5,983	7,431	7,431	7,840
Supplies & Services	22,821	29,577	29,577	37,460
Purchases from Central Stores	1,059	1,670	1,670	1,520
Interfund Charges	1,059	1,670	1,670	1,520
Total Expenditures	\$ 393,160	\$ 373,682	\$ 373,682	\$ 342,093
Expenditures by Fund				
General Fund	\$ 393,160	\$ 373,682	\$ 373,682	\$ 342,093
Total Expenditures by Fund	\$ 393,160	\$ 373,682	\$ 373,682	\$ 342,093

**DETAIL
BUDGET**





Division Purpose / Description

The Information Systems Division is a citywide support group that is working to provide high quality, reliable, creative, and diverse solutions in support of the City’s functions.

Division Broad Goals

To provide a stable, reliable computer system that can be leveraged by the City to more efficiently and effectively perform their jobs in order to provide the residents of Kennewick the highest service level possible. Additionally, it is the goal of the Information Systems Division to build and maintain a skilled Information Systems staff that is customer oriented to support the City’s systems and staff, leveraging existing technology and implementing useful emerging technologies to better provide these services.

Highlights / Changes

The Information Systems division continues to work towards improving the efficiency & effectiveness of city services throughout the organization by maximizing the use of technology.

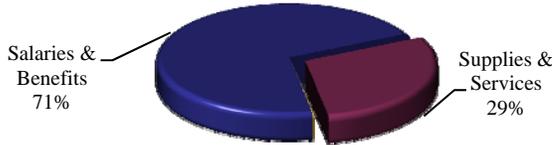
2013/2014 Goals & Objectives

- Implementation of Oracle 11g ECM Suite.
- Development and replacement of the current Intranet based on SharePoint 2010.
- Continued Enterprise implementation of Hansen 8 Work order and asset management.
- Upgrade to the Enterprise GIS software platform.
- Network and systems analysis for further integration via interfaces and systems tuning.
- Phone system upgrade.
- Upgrade of desktop operating systems to Microsoft Windows 7 Professional
- Replacement of public safety in-car computers.
- Implementation of a new network backup system.
- Further development of Enterprise applications to enhance efficiencies including streamlining public records requests, special events planning, data warehousing, and interactive voice response system.
- Continued migration to Server Virtualization technologies.

Prior Year Accomplishments

In addition to its ongoing support of the City’s employees, the Information Systems Division has been very busy improving the City’s network infrastructure. These improvements have prepared the City’s computer systems to be the most efficient, flexible, and secure systems possible to prepare for future challenges. Some of the major projects are outlined on the following page:

2013/2014 Expenditures



Division Staffing				
	2011	2012	2013	2014
	Actual	Actual	Adopted	Adopted
MANAGEMENT SERVICES DIRECTOR	0.34	0.34	0.34	0.34
INFORMATION SERVICES MANAGER	1.00	1.00	1.00	1.00
NETWORK SUPERVISOR	1.00	1.00	1.00	1.00
SYSTEMS SUPERVISOR	1.00	1.00	1.00	1.00
GIS SUPERVISOR	1.00	1.00	1.00	1.00
IS ANALYST	4.00	4.00	4.00	4.00
IS TECHNICIAN	1.50	1.50	1.50	1.50
GIS ANALYST II	2.00	2.00	2.00	2.00
GIS TECHNICIAN	1.00	1.00	1.00	1.00
ENGINEERING TECHNICIAN I	1.00	1.00	1.00	1.00
BIPIN ANALYST II	1.00	1.00	1.00	1.00
BIPIN TECHNICIAN	0.50	0.50	0.50	0.50
TOTAL DIVISION FTE'S:	15.34	15.34	15.34	15.34



Prior Year Accomplishments (Cont'd)

- Continued and expanded use of the Enterprise implementation of Hansen 8 work order and asset management.
- Began to virtualize City servers to improve flexibility, reduce power consumption, and ease of recovery during a failure.
- Upgrades to the latest Microsoft Server OS, SQL, and Exchange Email.
- Development and implementation of a new Internet website.
- Implementation of an Email Archive solution.
- Continued Enterprise GIS Development.
- Implemented network intrusion detection and auditing solution.
- Implemented use of Apple iPad's for council members.
- Network and systems analysis for further integration of systems via interfaces and systems tuning.
- Completed Council Chamber's remodel
- Expansion of the City's SAN network storage capacity.
- Implementation of the City's financial system to include Special Assessments.

City Council's Priority Area(s)

- Community Safety
- Responsible Government

Performance Measures

Program / Service Outputs

	2010 Actual	2011 Actual	2012 Estimated	2013 Projected	2014 Projected
Number of network calls for service	973	1,012	1,604	1,500	1,200
Number of system calls for service	2,520	2,067	3,225	3,000	3,000
Number of servers maintained	56	70	69	55	45
Number of W/S maintained	500	520	520	520	520
Number of users accessing system	400	550	550	550	550

Program / Service Efficiency Measures

	2010 Actual	2011 Actual	2012 Estimated	2013 Projected	2014 Projected
Cost per server to maintain	\$1,750	\$2,200	\$1,789	\$2,000	\$2,000
Cost per w/s to maintain	\$210	\$245	\$260	\$200	\$200

Program / Service Quality

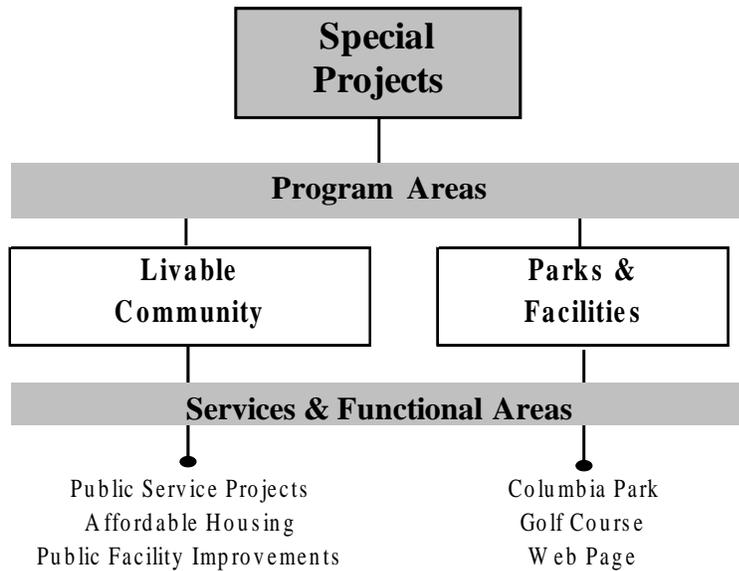
	2010 Actual	2011 Actual	2012 Estimated	2013 Projected	2014 Projected
% Up-time during business hours	97%	94%	97%	98%	98%
% unscheduled down-time	1%	6%	3%	1%	1%



REVENUES	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 3,557,820	\$ 4,308,158	\$ 4,339,378	\$ 4,693,288
Computer Usage - BiPIN	534,749	592,972	617,819	629,262
Intergovernmental Revenue	534,749	592,972	617,819	629,262
Current Funding Sources	\$ 4,092,569	\$ 4,901,130	\$ 4,957,197	\$ 5,322,550
EXPENDITURES	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 2,117,074	\$ 2,456,971	\$ 2,456,971	\$ 2,656,156
Overtime	10	-	-	-
Benefits	754,193	992,718	992,718	1,102,637
Salaries & Benefits	2,871,277	3,449,689	3,449,689	3,758,793
Supplies	44,568	52,638	89,785	97,280
Communications Charges	257,690	273,143	280,083	270,156
Travel & Training	61,007	79,149	79,149	78,365
Repair & Maintenance	734,274	992,324	991,304	1,032,406
Other Services & Charges	41,858	51,557	61,557	79,840
Supplies & Services	1,139,397	1,448,811	1,501,878	1,558,047
Purchases from Central Stores	1,519	2,630	5,630	5,710
Interfund Charges	1,519	2,630	5,630	5,710
Capital Outlay	80,376	-	-	-
Total Expenditures	\$ 4,092,569	\$ 4,901,130	\$ 4,957,197	\$ 5,322,550
Expenditures by Fund				
General Fund	\$ 3,557,820	\$ 4,308,158	\$ 4,339,378	\$ 4,693,288
BiPIN Operations Fund	534,749	592,972	617,819	629,262
Total Expenditures by Fund	\$ 4,092,569	\$ 4,901,130	\$ 4,957,197	\$ 5,322,550

**DETAIL
BUDGET**





Division Purpose / Description

The Special Projects Division is tasked with management of unique projects that typically involve multiple City departments and outside agencies.

Division Broad Goals

- Facilitate interagency relationships and create strategic partnerships.
- Manage each project from inception to completion with integrity and professionalism.
- Continue to use CDBG assets to stimulate economic development in the Bridge-to-Bridge/River-to-Railroad area.

Highlights / Changes

The Special Projects program continues to provide leadership and management to the department’s divisions, and coordinate the implementation of various city-wide projects.

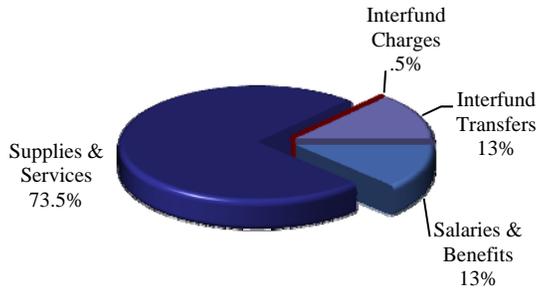
2013/2014 Goals & Objectives

- Project management regarding the on-going implementation of automated workflow applications.
- Training of staff to provide most effective use of newly implemented technology solutions.
- Continued support role to all departments to facilitate implementation of various key projects.
- Involvement with the design and deployment of SharePoint 2010.
- Continued management of the Downpayment Assistance program.

Prior Year Accomplishments

- Transitioned to new management company for Columbia Park Golf Course.
- Replacement of the City’s web page.
- Implementation of automated workflow processes for accounts payable processing and Fire Department operations.
- Involvement with the design & implementation of an Email Archive solution.
- Participated in the implementation of performance management program.
- Updated computer use and cell phone policies.
- Provided Downpayment Assistance for over 70 first-time homebuyers using a mixture of CDBG & HOME funds.

2013/2014 Expenditures



Division Staffing				
	2011 Actual	2012 Actual	2013 Adopted	2014 Adopted
COMMUNITY BLOCK GRANT COORDINATOR	1.00	1.00	1.00	1.00
TOTAL DIVISION FTE'S:	1.00	1.00	1.00	1.00

Prior Year Accomplishments (cont.)

- CDBG funds were used to install an ADA compliant elevator for the Toyota Center.
- Upgraded all pedestrian crossings on Columbia Center Blvd. to the most current ADA standards using CDBG funds.
- Provided over 1,000 recreation scholarships for low and moderate income youth using CDBG funds.
- 52 developmentally disadvantaged youth were able to attend ARC of the Tri-Cities summer Partners 'n Pals program through CDBG sponsored scholarships.

City Council's Priority Area(s)

- Quality of Life



Performance Measures

Program / Service Outputs

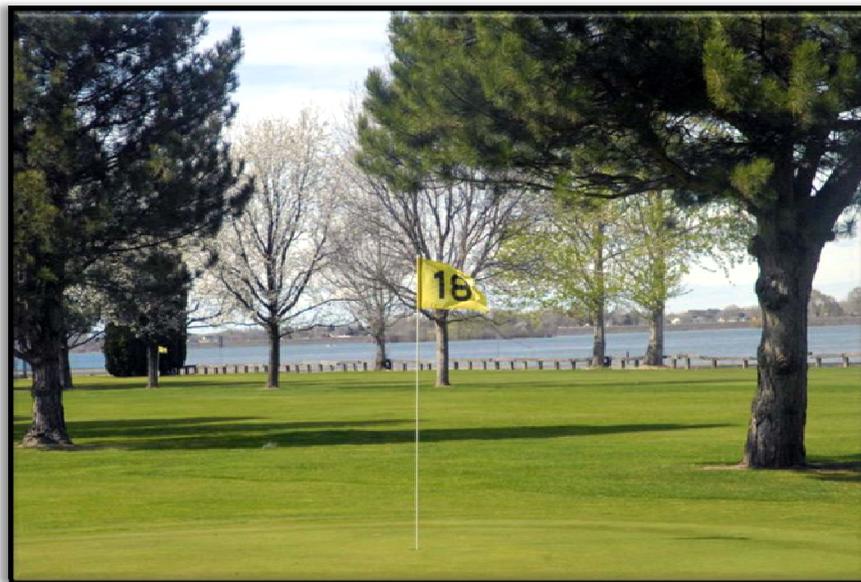
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Number of down payment assistance applications reviewed	73	40	60	50	50
Number of down payment assistance applications accepted	46	28	45	37	37
Number of CDBG applications reviewed	16	12	8	12	12
Number of CDBG applications awarded	10	7	6	7	7
Number of HOME infill projects	1	0	0	0	0
Number of recreation scholarships	428	462	528	540	600

Program / Service Efficiency Measures

	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Dollars expended down payment assistance	\$576,275	\$330,000	\$420,000	\$350,000	\$350,000
Dollars expended CDBG program assistance	\$618,526	\$528,077	\$512,392	\$500,000	\$480,000
Dollars expended HOME infill assistance	\$199,000	\$0	\$0	\$0	\$0
Dollars used for recreation scholarships	\$31,248	\$33,105	\$34,000	\$30,000	\$25,000

Program / Service Quality

	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Number of Washington state audit findings	0	0	0	0	0
Number of HUD Labor & Industry audit findings	0	0	0	0	0
Number of HUD Office CPD audit findings	0	0	0	0	0
Number of HUD Environmental Office audit findings	0	0	0	0	0



Columbia Park Golf Links

SPECIAL PROJECTS

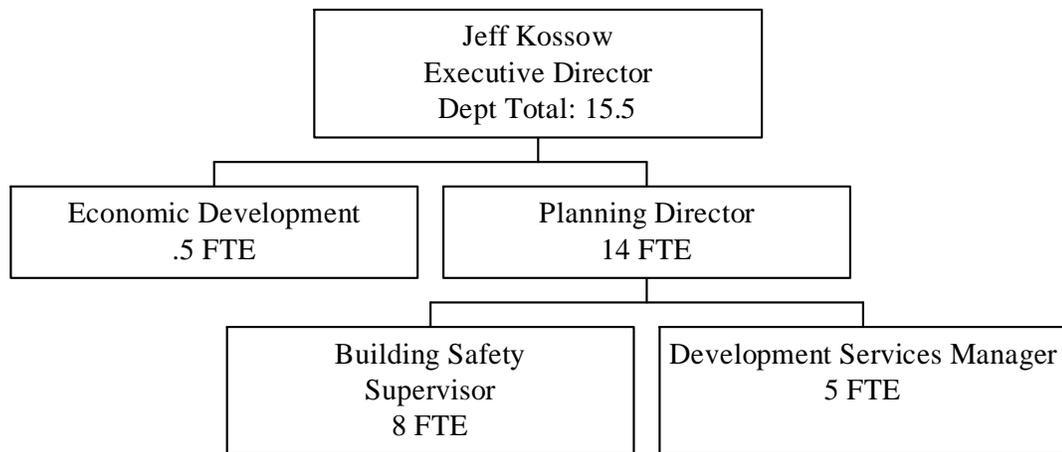
Management Services Department

REVENUES	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Golf Course Operations	\$ -	\$ 450,000	\$ 392,561	\$ 538,200
Charges for Services	-	450,000	392,561	538,200
CDBG Grant	1,599,898	1,120,000	1,703,249	1,000,000
HOME Grant	907,544	400,000	485,574	250,000
Intergovernmental Revenue	2,507,442	1,520,000	2,188,823	1,250,000
General Fund	-	-	176,747	110,000
Equipment Rental	-	-	34,300	-
Capital Improvement Fund	-	-	74,509	-
Interfund Transfers	-	-	285,556	110,000
Program Income	173,090	-	105,371	-
Interest	2,203	2,500	15,078	800
Miscellaneous Revenue	175,293	2,500	120,449	800
Total Revenues	\$ 2,682,735	\$ 1,972,500	\$ 2,987,389	\$ 1,899,000
Community Development Fund	(5,550)	(2,500)	34,730	(800)
Decrease (Increase) to Fund Balance	(5,550)	(2,500)	34,730	(800)
Current Funding Sources	\$ 2,677,185	\$ 1,970,000	\$ 3,022,119	\$ 1,898,200
EXPENDITURES	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 171,864	\$ 185,092	\$ 185,092	\$ 174,256
Benefits	67,139	78,944	78,943	62,882
Salaries & Benefits	239,003	264,036	264,035	237,138
Supplies	1,970	2,400	2,400	2,050
Contractual Services	58,895	77,950	77,060	77,600
Travel & Training	6,471	7,000	6,000	6,000
Advertising	5,405	4,000	4,000	4,000
CDBG Subrecipient Programs	198,849	610,109	753,600	460,002
HOME Programs	857,073	350,721	466,595	210,280
Golf Course Operation Costs	-	450,000	578,568	648,200
Other Services & Charges	153	1,774	2,025	1,400
Supplies & Services	1,128,816	1,503,954	1,890,248	1,409,532
Purchases from Central Stores	1,481	2,010	2,186	1,530
Interfund Charges	1,481	2,010	2,186	1,530
Arterial Street Funds - Projects	12,700	-	-	-
Coliseum Fund	-	-	229,000	-
Capital Improvement Fund - Projects	65,000	200,000	373,670	250,000
Interfund Transfers	77,700	200,000	602,670	250,000
Capital Outlay	1,230,185	-	262,980	-
Total Expenditures	\$ 2,677,185	\$ 1,970,000	\$ 3,022,119	\$ 1,898,200
Expenditures by Fund				
Columbia Park Golf Course	\$ -	\$ 450,000	\$ 690,695	\$ 648,200
Community Development Fund	2,677,185	1,520,000	2,331,424	1,250,000
Total Expenditures by Fund	\$ 2,677,185	\$ 1,970,000	\$ 3,022,119	\$ 1,898,200

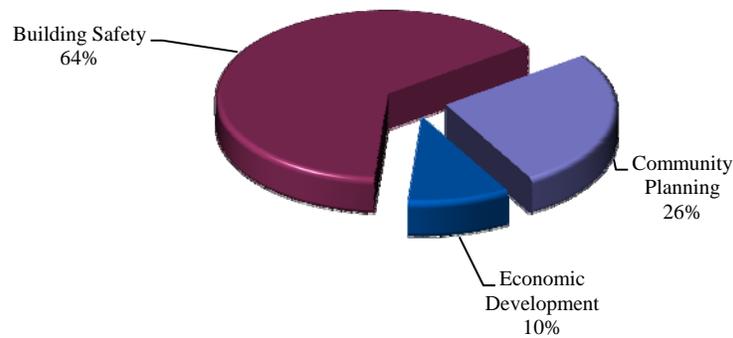
**DETAIL
BUDGET**



Planning and Economic Development



Adopted Budget

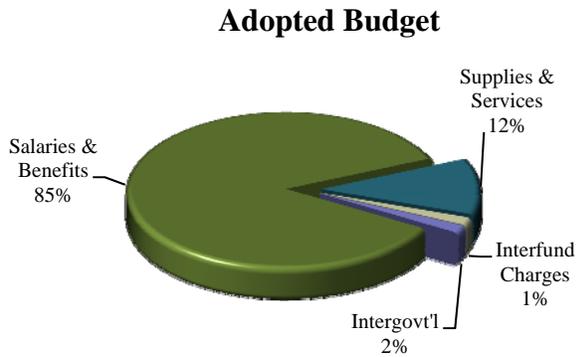
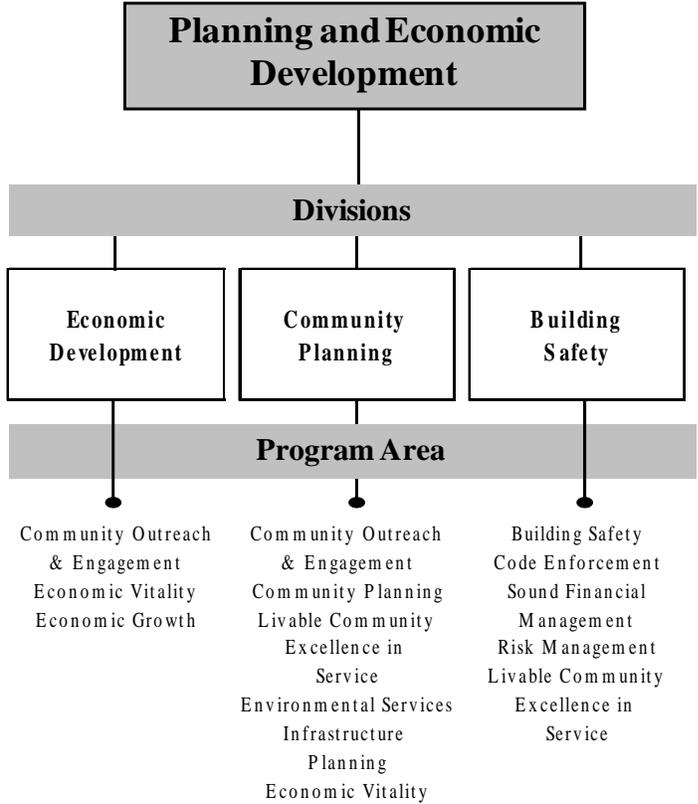


Division	2009-2010	2011-2012	2011-2012	2013-2014
Expenditures	Actual	Adopted	Adjusted	Adopted
Economic Development	\$ 360,343	\$ 332,760	\$ 408,260	\$ 431,055
Building Safety	2,786,275	2,934,983	2,984,719	2,857,598
Community Planning	844,825	827,642	996,307	1,190,107
Total:	\$ 3,991,443	\$ 4,095,385	\$ 4,389,286	\$ 4,478,760
Funding Sources	Actual	Adopted	Adjusted	Adopted
General Fund	\$ 1,791,014	\$ 1,793,304	\$ 2,037,279	\$ 2,279,172
Building Safety Fund	2,200,429	2,302,081	2,352,007	2,199,588
Total Sources:	\$ 3,991,443	\$ 4,095,385	\$ 4,389,286	\$ 4,478,760

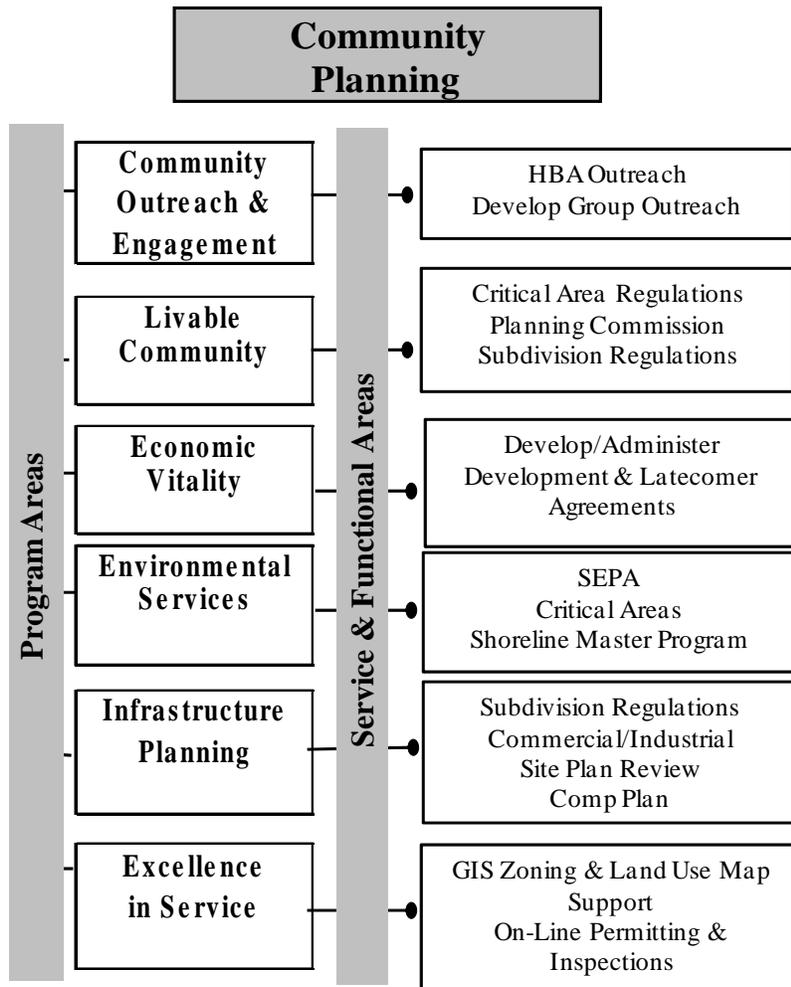
Planning and Economic Development

Mission

The mission of Planning and Economic Development Department is to improve the economic foundation of the community and provide the path to realize our community vision.



Departmental Staffing				
	2009-2010	2011-2012	2011-2012	2013-2014
	Actual	Adopted	Adjusted	Adopted
Full-time Equivalent (FTE)	9.00	14.13	14.50	15.50
% of City's FTE's	2.58%	4.06%	4.21%	4.48%
Departmental Expenditures by Type				
	2009-2010	2011-2012	2011-2012	2013-2014
	Actual	Adopted	Adjusted	Adopted
Salaries & Benefits	\$ 2,991,956	\$ 3,308,517	\$ 3,468,617	\$ 3,817,527
Supplies & Services	666,220	519,493	659,934	520,153
Interfund Charges	67,171	70,350	63,710	69,080
Intergovernmental Services	70,625	71,400	71,400	72,000
Interfund Transfers	195,471	125,625	125,625	-
Total Department Budget:	\$ 3,991,443	\$ 4,095,385	\$ 4,389,286	\$ 4,478,760



Division Purpose / Description

The purpose of the Community Planning Program is to provide leadership and professional skills to define the community's direction, coordinate diverse City functions, prepare the Comprehensive Plan and provide timely and predictable development review to ensure that Kennewick becomes a better community.

Highlights / Changes

Council's priorities of responsible government, quality of life, economic development, and infrastructure and growth are supported by a focus on continued improvement in the development review process, increased efficiencies in the permitting process, developing outreach opportunities, maintain and refine the Comprehensive Plan, encourage citizen participation, and meet Council's goals for the urban growth expansion.

2013/14 Goals & Objectives

Council Priority: Responsible Government

- **HBA and developers outreach**
 - Maintain communication with the development community to identify areas for improvement to increase efficiencies within the permitting and development process

Council Priority: Quality of Life

- **Comprehensive Plan Amendment and Development Regulation Updates**
 - Continue to align the regulations with policy direction of the Comprehensive Plan
- **Hearing Examiner and Planning Commission**
 - The Hearing Examiner and Planning Commission process creates a fair and equitable public hearing process helping reduce liability exposure

Council Priority: Economic Development

- Urban Growth Area Expansion

Council Priority: Infrastructure & Growth

- Maintain a current Capital Facilities Element of the Comprehensive Plan in order to remain eligible for State and Federal funding

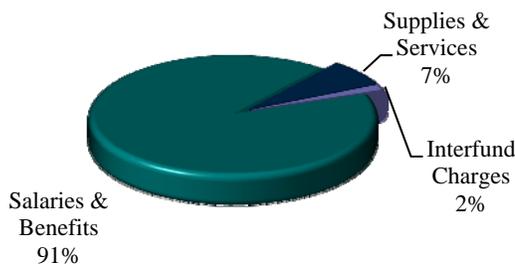
Division Broad Goals

- To provide, maintain and promote a comprehensive plan that is functionally and philosophically related to the contributions of all City departments in reaching the community vision.
- To provide staff support to the Planning Commission and City Council for community visioning, strategy and land planning; community improvement through code development and related services.
- To provide Comprehensive Planning meeting state requirements for interrelatedness, content and timeliness – thereby maintaining City eligibility for sources of state shared revenue, grants and loans.
- To provide and manage sub-area and contract planning in the Kennewick urban area where such inclusive and appropriately scaled efforts are needed to yield guidance and perspective on land use, capital investment urban design and economic return.
- To provide review and approval of land use permits for property and business owners, developers, and citizens in order to facilitate growth that enhances the City’s physical environment.

Prior Year Accomplishments

- Implemented the Hearing Examiner process
- Duffy’s Pond wetland delineation and functional assessment
- Sign code revisions
- Phasing out agricultural zoning within the City limits to comply with the State GMA
- Helped economic development projects; developed a strategy for under-utilized parcels within the urban area
- Various code amendments and Title 17 and 18 updates
- Provided an assessment of the adequacy of Kennewick’s urban area for population growth and economic development
- Central Business District zone
- Refined the pre-application/feasibility meetings

2013/2014 Expenditures



City Council’s Priority Area(s)

- Community Planning
- Quality of Life
- Economic Growth
- Responsible Government

Division Staffing				
	2011	2012	2013	2014
	Actual	Actual	Adopted	Adopted
PLANNING DIRECTOR	1.00	0.67	0.67	0.67
DEVELOPMENT SERVICES MANAGER	0.90	1.00	1.00	1.00
PLANNER	0.50	0.90	0.90	0.90
PERMIT TECHNICIAN	0.80	0.80	0.80	0.80
OFFICE TECHNICIAN	1.00	1.00	1.00	1.00
ADMINISTRATIVE ASSISTANT	0.00	0.00	0.67	0.67
TOTAL DIVISION FTE'S:	4.20	4.37	5.04	5.04



Southridge Area

Performance Measures

Program / Service Outputs

	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Zoning Code revisions	3	7	6	2	2
Maintain the GMA compliant Comprehensive Plan	1	1	1	1	1
UGA Expansion for Industrial purposes	0	0	0	1	1
Number of land use permits reviewed	249	243	250	250	250

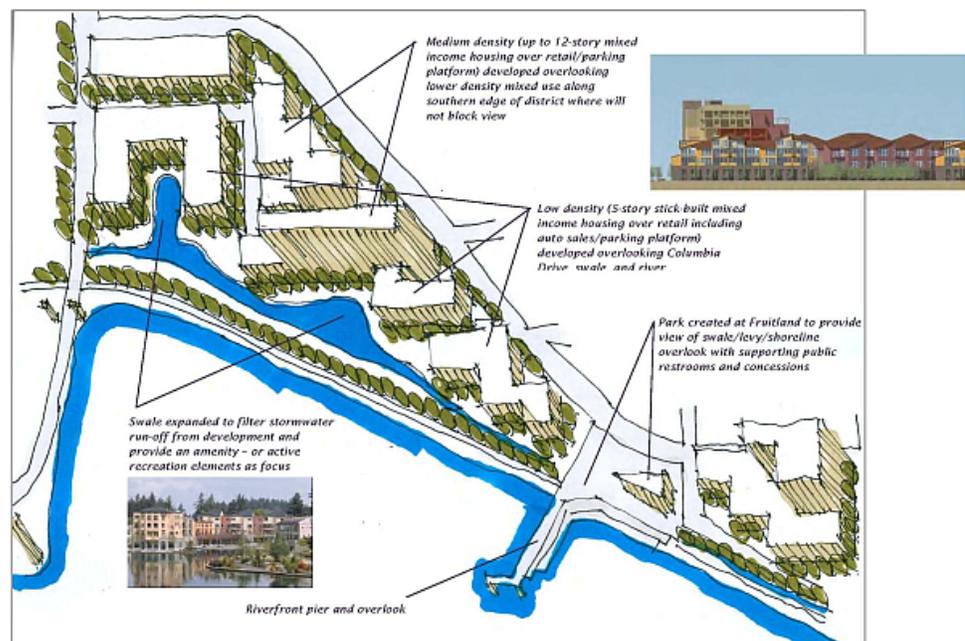
Program / Service Efficiency Measures

	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
UGA Expansion application	0	0	1	0	0
Comprehensive Plan updated on schedule	1	1	1	1	1
Percentage of data gathering accomplished electronically	90%	90%	90%	90%	90%

* There are not any subarea plans that are expected to be submitted for review

Program / Service Quality

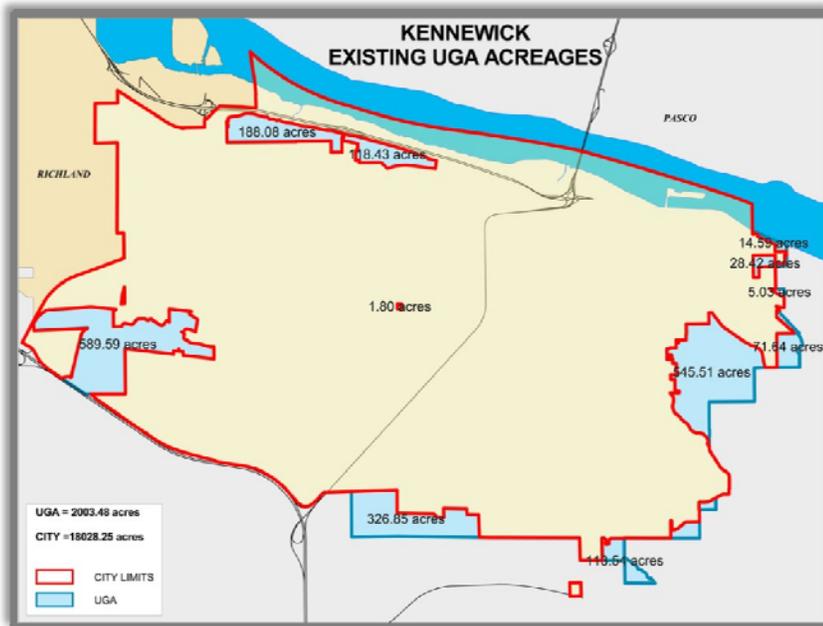
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Comprehensive Plan compliance	1	1	1	1	1
Council acceptance of Planning Commission Report	1	1	1	1	1
Percentage of increase in permit processing time	5%	7%	9%	13%	15%

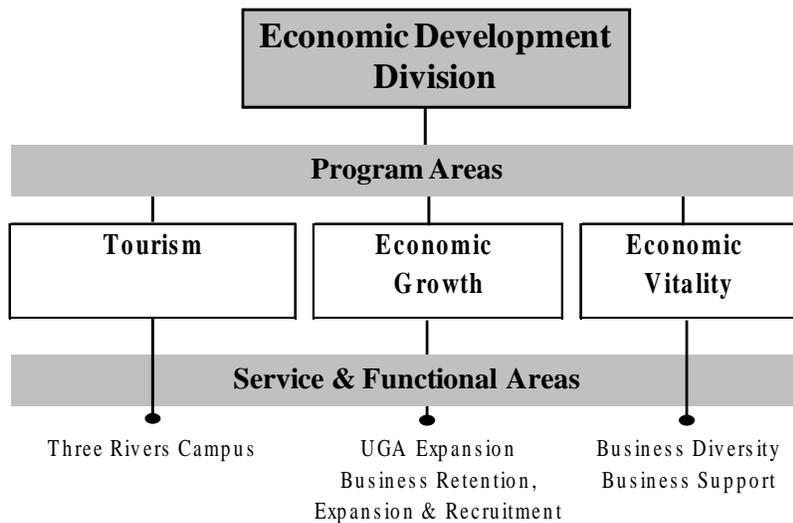


Illustrative developments - Fruitland-Washington Streets

REVENUES	2009/10 Actual	2011/12 Adopted	2011/12 Adjusted	2013/14 Adopted
General Governmental	\$ 758,716	\$ 754,342	\$ 923,007	\$ 1,115,007
Growth Management Act Grant	20,000	-	-	-
Intergovernmental Revenues	20,000	-	-	-
Planning Fees and Charges	66,109	73,300	73,300	75,100
Charges for Services	66,109	73,300	73,300	75,100
Current Funding Sources	\$ 844,825	\$ 827,642	\$ 996,307	\$ 1,190,107
EXPENDITURES	2009/10 Actual	2011/12 Adopted	2011/12 Adjusted	2013/14 Adopted
Salaries	\$ 432,496	\$ 489,611	\$ 566,611	\$ 795,802
Overtime	3,993	8,000	8,000	4,000
Part-Time Wages	-	-	9,000	-
Benefits	118,451	166,181	172,281	286,735
Salaries & Benefits	554,940	663,792	755,892	1,086,537
Supplies	9,300	11,210	11,210	8,800
Contractual Services	229,743	100,000	167,565	35,000
Travel & Training	8,933	9,600	9,600	9,400
Other Services & Charges	23,796	25,800	34,800	33,190
Supplies & Services	271,772	146,610	223,175	86,390
Purchases from Central Stores	18,113	17,240	17,240	17,180
Interfund Charges	18,113	17,240	17,240	17,180
Total Expenditures	\$ 844,825	\$ 827,642	\$ 996,307	\$ 1,190,107
Expenditures by Fund				
General Fund	\$ 844,825	\$ 827,642	\$ 996,307	\$ 1,190,107
Total Expenditures by Fund	\$ 844,825	\$ 827,642	\$ 996,307	\$ 1,190,107

**DETAIL
BUDGET**





Division Purpose / Description

The Economic Development Division seeks to provide increased wealth and prosperity in Kennewick through enhanced integration of regional partnerships, targeted infrastructure funding, and business recruitment, expansion and retention activities.

Division Broad Goals

- Consolidate Economic Development with Development Services to enhance public/private partnerships and the business climate
- Promote the Tri-Cities and Kennewick as a Region through the use of electronic media via the thumb drive concept and website
- Continue to work on business retention and expansion through personal interaction with business leaders
- Raise the profile of Kennewick in the business community
- Continue to enhance interagency relationships and create strategic partnerships for economic development
- Continue to implement the Economic Development Strategic Plan collaborating with partners

Highlights / Changes

Economic Development seeks to continue increased retail and commercial business recruitment, retention and expansion. Recruit light industrial businesses for the expanded urban growth area

2013/14 Goals & Objectives

Council Priority: Economic Development

- **Tourism**
 - Partner with the Three Rivers Campus on the development of the hotel and convention center expansion
 - Support of the Carousel of Dreams presented by GESA
- **Economic Growth**
 - Urban Growth Area expansion for light industrial recruitment
 - Continued business recruitment
 - Retention and expansion efforts through implementation of the economic gardening model
- **Economic Vitality**
 - Support business diversity through recruitment across all sectors of business
 - Continue business support through participation in community organizations

Prior Year Accomplishments

- Economic Development Strategic Plan
- Kennewick General Hospital
- Great Harvest Bread Company
- Kadlec Free Standing Emergency
- Twigs
- Texas Roadhouse
- Fujiyama
- Mizu Sushi
- Osaki
- Pediatrics for You
- Cadwell Laboratory
- Copper Ridge



Division Staffing				
	2011	2012	2013	2014
	Actual	Actual	Adopted	Adopted
ECONOMIC DEVELOPMENT DIRECTOR	1.00	1.00	1.00	1.00
ECONOMIC DEVELOPMENT SPECIALIST	0.50	0.50	0.50	0.50
TOTAL DIVISION FTE'S:	1.50	1.50	1.50	1.50

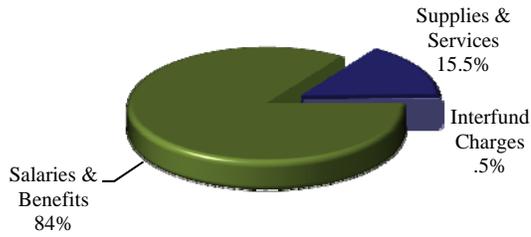
Prior Year Accomplishments (continued)

- Affinity
- Precision Automotive
- Hapo
- Pacific Recycling
- J. Lieb expansion

City Council's Priority Area(s)

- Responsible Government
- Economic Development

2013/2014 Expenditures



Performance Measures

Program / Service Outputs					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Number of businesses contacted or surveyed	76	85	120	160	175
Number of recruitment packets prepared and mailed	95	125	255	350	350

Program / Service Efficiency Measures					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Number of businesses contacted per FTE	36	42	60	80	88
Number of hours spent per newsletter	24	25	22	18	18

Program / Service Quality					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Number of hits to Econ. Development Website	n/a	27,740	29,200	31,390	32,120
Sq Ft. of retail/office/manufacturing added	103,655	151,504	144,942	334,940	136,000
Number of businesses brought into, or expanding, in Kennewick	100	52	100	95	125



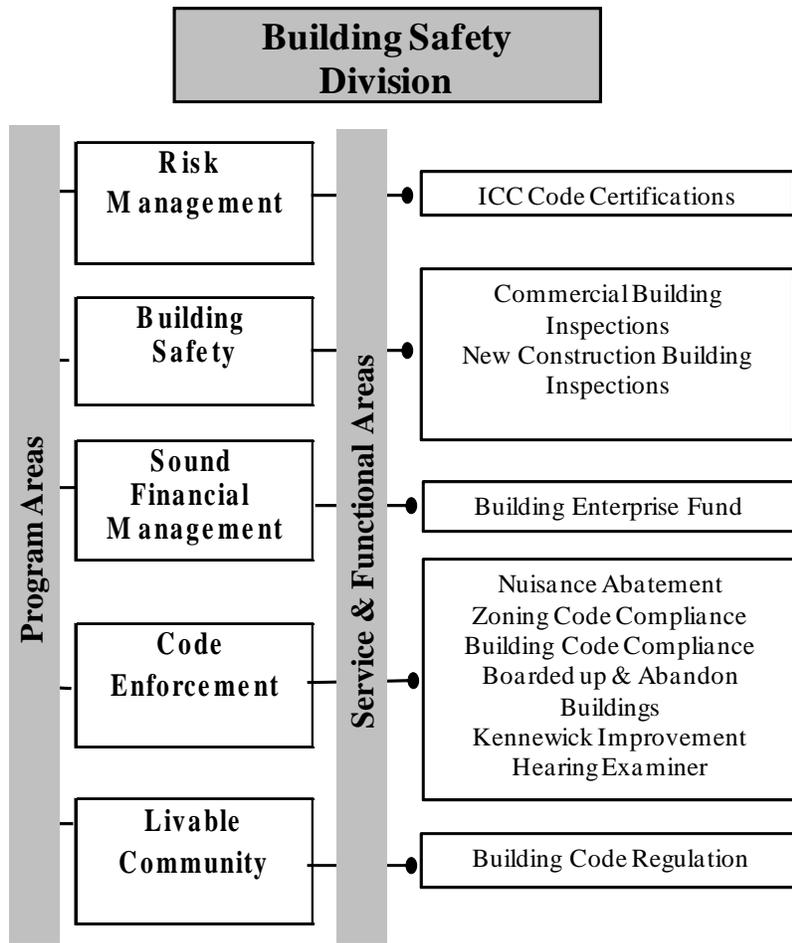
Copper Ridge Apartments

REVENUES	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 360,343	\$ 332,760	\$ 408,260	\$ 431,055
Current Funding Sources	\$ 360,343	\$ 332,760	\$ 408,260	\$ 431,055
EXPENDITURES	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 206,015	\$ 206,363	\$ 250,363	\$ 273,234
Benefits	52,728	58,717	82,717	90,331
Salaries & Benefits	258,743	265,080	333,080	363,565
Supplies	6,480	6,000	13,500	6,000
Contractual Services	47,851	-	-	-
Travel & Training	23,229	28,000	28,000	27,250
Advertising	17,704	25,000	25,000	30,000
Other Services & Charges	5,641	7,950	7,950	3,050
Supplies & Services	100,905	66,950	74,450	66,300
Purchases from Central Stores	695	730	730	1,190
Interfund Charges	695	730	730	1,190
Total Expenditures	\$ 360,343	\$ 332,760	\$ 408,260	\$ 431,055
Expenditures by Fund				
General Fund	\$ 360,343	\$ 332,760	\$ 408,260	\$ 431,055
Total Expenditures by Fund	\$ 360,343	\$ 332,760	\$ 408,260	\$ 431,055

**DETAIL
BUDGET**



Fujiyama's Japanese Restaurant Ribbon Cutting



Division Purpose / Description

The purpose of the Building Safety Division is to enhance and promote safety, security and quality of life for the citizens of Kennewick, through the administration of building codes.



Highlights / Changes

Council’s priorities of responsible government and community safety are supported by a focus on continued improvement in the development review process, increased efficiencies in the permitting process, developing outreach opportunities, plan review, building inspections and code enforcement to insure an inventory of safe structures and environment in the city.

2013/2014 Goals & Objectives

Council Priority: Responsible Government

- Meet regularly with the Home Builders Association to continue communication on increasing efficiencies in the permitting process
- Maintain existing ICC and obtain additional necessary certifications.
- Implement “over-the-counter” permit program to complement the 24-hour field inspection program and online permitting

Council Priority: Community Safety

- Adoption and implementation of the 2012 International Property Maintenance Code
- Enforce city codes relating to nuisance abatement, boarded up buildings and zoning code compliance
- Adoption of the International Codes for 2012

Prior Years Accomplishments

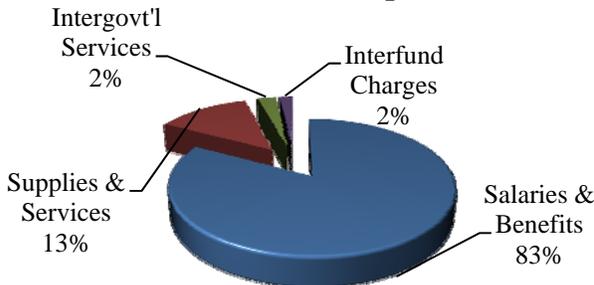
- In 2011, there were 11,771 inspections performed and through the end of September 2012 there have been 11,043 inspections performed by the division.
- Approximately 1,542 permits have been issued through the end of September 2012 for the 2011/2012 biennium for a total of \$1,439,275 in fees collected. This includes 212 new single-family dwelling permits issued for a valuation of \$52,871,972 and 50 new commercial permits issued, for a valuation of \$76,174,185.

Division Broad Goals

- Demonstrate positive problem solving abilities.
- Strive to improve the quality and efficiency of our services.
- Encourage willing compliance by promoting public awareness of construction regulations and their purpose.
- Employ a helpful, creative approach in assisting members of the public and contractors in resolving their construction problems.
- Administer the building codes of the City of Kennewick in an unbiased and consistent manner.
- Provide quality customer service to all.
- Lead the City's interdepartmental code enforcement task force.

Division Staffing				
	2011	2012	2013	2014
	Actual	Actual	Adopted	Adopted
PLANNING DIRECTOR	0.00	0.33	0.33	0.33
BUILDING OFFICIAL	1.00	1.00	1.00	1.00
DEVELOPMENT SERVICES MANAGER	0.10	0.00	0.00	0.00
PLANNER	0.50	0.10	0.10	0.10
PLANS EXAMINER	1.00	1.00	1.00	1.00
BUILDING INSPECTOR II	2.00	2.00	2.00	2.00
BUILDING INSPECTOR I	1.00	1.00	1.00	1.00
CODE ENFORCEMENT OFFICER	2.00	2.00	2.00	2.00
ADMINISTRATIVE ASSISTANT	0.00	0.00	0.33	0.33
BUILDING TECHNICIAN	1.00	1.00	1.00	1.00
PLANNING TECHNICIAN	0.20	0.20	0.20	0.20
TOTAL DIVISION FTE'S:	8.80	8.63	8.96	8.96

2013/2014 Expenditures



Prior Year Accomplishments (Cont'd)

- Front counter staff obtaining Permit Technician certification
- Kennewick General Hospital
- Great Harvest Bread Company
- Kadlec Free Standing Emergency
- Twigs
- Texas Roadhouse
- Fujiyama
- Mizu Sushi
- Osaki
- Pediatrics for You
- Cadwell Laboratory
- McCurley Mercedes Dealership
- Copper Ridge
- Affinity
- Precision Automotive
- Hapo
- Pacific Recycling
- J. Lieb expansion
- Pacific Cataract & Laser Institute
- Winco expansion
- Kennewick School District remodels
- Water Follies storage building
- Standard Paint
- Ark of Salvation
- 27th Ave Storage Units
- Papa Murphy's
- Columbia Building Medical Offices
- Anderson Law Offices
- Ridgeview Real Estate
- Neil F. Lampson Inc. storage building
- Benton-Franklin Humane Society Animal Shelter
- Columbia Rheumatology
- St. Joseph Catholic School
- Davita (Hem Dialysis Clinic)
- Southridge Sports Complex
- Tri-City Court Club
- Landin Center
- Jose Chavallo Office Shell
- Desert Valley Eye Care
- The Flooring Store
- Farmers Insurance

City Council's Priority Area(s)

- Community Safety
- Responsible Government
- Quality of Life

Performance Measures

Program / Service Outputs

	2010 Actual	2011 Actual	2012 Estimated	2013 Projected	2014 Projected
Number of permits issued	2,161	2,123	2,145	2,187	2,230
Number of inspections performed	11,360	11,771	14,724	15,018	15,048
Number of plans reviewed	1,145	1,166	1,250	1,275	1,301

Program / Service Efficiency Measures

	2010 Actual	2011 Actual	2012 Estimated	2013 Projected	2014 Projected
Cost per permit issued	\$ 142	\$ 148	\$ 150	\$ 153	\$ 156
Cost per inspection performed	\$ 66	\$ 68	\$ 69	\$ 70	\$ 72
Cost per plan reviewed	\$ 721	\$ 724	\$ 727	\$ 730	\$ 733

Program / Service Quality

	2010 Actual	2011 Actual	2012 Estimated	2013 Projected	2014 Projected
Percentage of permit applications completed & routed within 24 hours of time of submittal	95%	95%	95%	95%	95%
Percentage of inspections completed within 24 hours of request	95%	95%	95%	95%	95%
Percentage of plan reviews completed within 5-10 days	95%	95%	95%	95%	95%
Number of cases to KIB from code enforcement	1,909	1,262	1,156	1,315	1,390
Number of cases heard by KIB	34	43	20	40	50

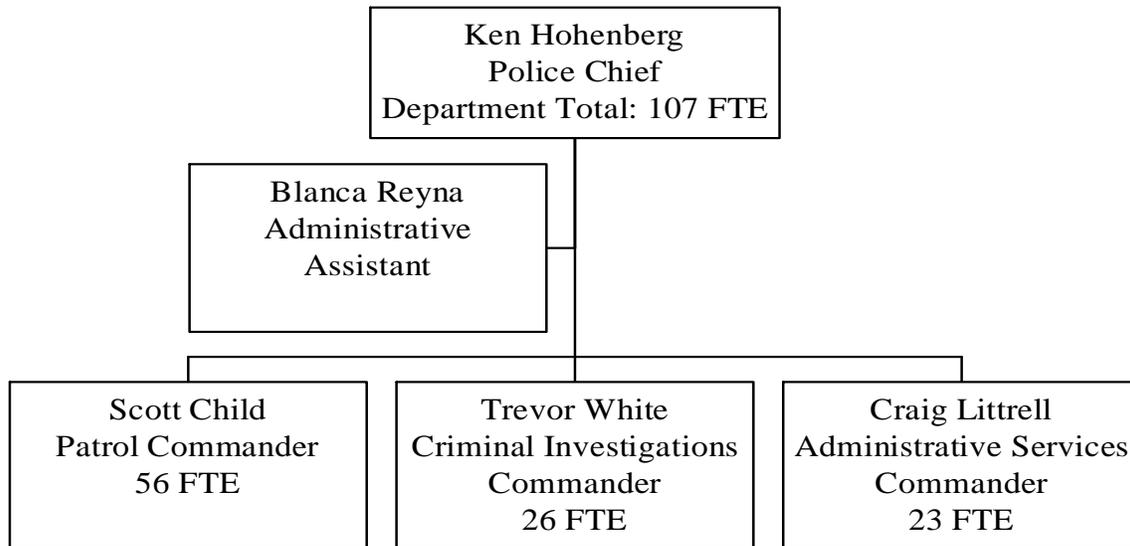


REVENUES	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
General Government	\$ 529,360	\$ 582,902	\$ 582,712	\$ 605,610
Licenses & Permits	1,766,165	2,400,500	2,400,500	2,320,000
Fines & Forfeitures	56,486	50,000	50,000	52,400
Miscellaneous Revenue	6,813	3,600	3,600	-
Interfund Transfers	100,000	-	-	-
Total Revenues	\$ 2,458,824	\$ 3,037,002	\$ 3,036,812	\$ 2,978,010
Building Safety Fund	327,451	(102,019)	(52,093)	(120,412)
Decrease (Increase) to Fund Balance	327,451	(102,019)	(52,093)	(120,412)
Current Funding Sources	\$ 2,786,275	\$ 2,934,983	\$ 2,984,719	\$ 2,857,598
EXPENDITURES	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 1,609,752	\$ 1,713,683	\$ 1,713,683	\$ 1,640,115
Overtime	7,943	1,000	1,000	4,000
Part-Time Wages	-	-	-	-
Benefits	560,578	664,962	664,962	723,310
Salaries & Benefits	2,178,273	2,379,645	2,379,645	2,367,425
Supplies	31,960	33,120	33,120	25,520
Contractual Services	163,490	174,300	224,226	230,400
Travel & Training	10,613	17,500	17,500	16,000
Utility Charges	11,200	11,200	11,200	11,200
Insurance Premiums	14,245	15,200	15,200	18,930
Other Services & Charges	62,035	54,613	61,063	65,413
Supplies & Services	293,543	305,933	362,309	367,463
Gaffiti Abatement Program	70,625	71,400	71,400	72,000
Intergovernmental Services	70,625	71,400	71,400	72,000
Purchases from Central Stores	7,928	13,380	6,740	8,590
Fleet Maintenance Charges	40,435	39,000	39,000	42,120
Interfund Charges	48,363	52,380	45,740	50,710
General Fund	108,474	109,000	109,000	-
Risk Management	8,096	-	-	-
Capital Improvement Fund	78,901	16,625	16,625	-
Interfund Transfers	195,471	125,625	125,625	-
Total Expenditures	\$ 2,786,275	\$ 2,934,983	\$ 2,984,719	\$ 2,857,598
Expenditures by Fund				
General Fund	\$ 585,846	\$ 632,902	\$ 632,712	\$ 658,010
Building Safety Fund	\$ 2,200,429	\$ 2,302,081	\$ 2,352,007	\$ 2,199,588
Total Expenditures by Fund	\$ 2,786,275	\$ 2,934,983	\$ 2,984,719	\$ 2,857,598

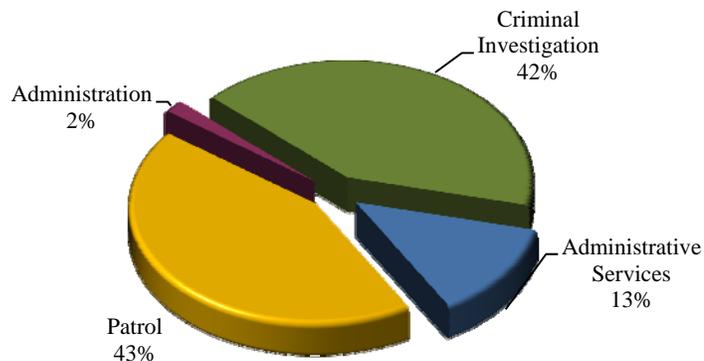
**DETAIL
BUDGET**



Police Department



Adopted Budget



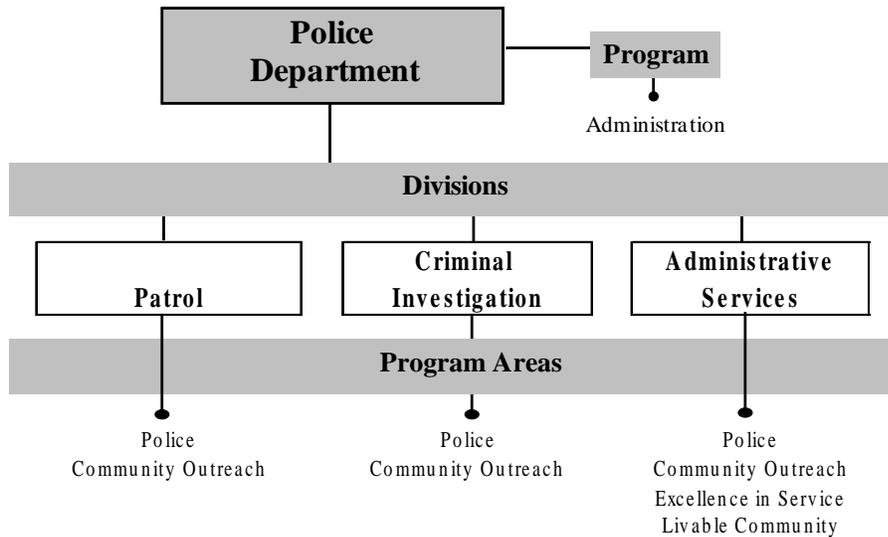
Division Expenditures	2009-2010 Actual	2011-2012 Adopted	2011-2012 Adjusted	2013-2014 Adopted
Administration	\$ 646,149	\$ 618,613	\$ 697,270	\$ 654,438
Patrol	12,864,510	14,658,719	14,760,782	16,663,376
Criminal Investigation	13,603,631	14,941,554	14,979,444	16,042,031
Administrative Services	4,894,976	4,968,783	5,155,233	4,944,838
Total:	\$ 32,009,266	\$ 35,187,669	\$ 35,592,729	\$ 38,304,683

Funding Sources	2009-2010 Actual	2011-2012 Adopted	2011-2012 Adjusted	2013-2014 Adopted
General Fund	\$ 31,965,238	\$ 35,146,519	\$ 35,394,079	\$ 38,227,683
Asset Forfeiture Fund	44,028	41,150	198,650	77,000
Total Sources:	\$ 32,009,266	\$ 35,187,669	\$ 35,592,729	\$ 38,304,683

Police Department

Mission

Our mission is to promote a safe community and enhance quality of life.



Departmental Staffing				
	2009-2010	2011-2012	2011-2012	2013-2014
	Actual	Adopted	Adjusted	Adopted
Full-time Equivalent (FTE)	108.00	108.00	104.00	107.00
% of City's FTE's	31.00%	31.00%	30.00%	31.00%
Departmental Expenditures by Type				
	2009-2010	2011-2012	2011-2012	2013-2014
	Actual	Adopted	Adjusted	Adopted
Salaries & Benefits	\$ 23,050,087	\$ 25,919,884	\$ 25,968,834	\$ 28,734,847
Supplies & Services	1,271,700	1,000,515	1,164,378	1,017,576
Intergovernmental Services	7,201,059	7,703,500	7,788,607	7,898,500
Interfund Charges	448,373	545,770	552,410	617,760
Interfund Transfers	-	18,000	118,500	36,000
Capital Outlay	38,047		-	-
Total Department Budget:	\$ 32,009,266	\$ 35,187,669	\$ 35,592,729	\$ 38,304,683

Program Purpose / Description

Administration is accountable for the oversight as well as ensuring the day-to-day functioning of the organization. Primary responsibilities are hiring, promotions, and discipline within the department to ensure Community Safety and Public Trust. “Leading the Way” by incorporating our city-wide core values of Integrity, Inclusiveness, Stewardship, and Communication throughout the department.

Program Broad Goals

- Community Safety
- Budget Development and Oversight
- Department Personnel (hiring, training, promotions, and discipline)
- Collaboration and developing relationships
- Public Information

Division Staffing				
	2011	2012	2013	2014
	Actual	Actual	Proposed	Proposed
POLICE CHIEF	1.00	1.00	1.00	1.00
ADMINISTRATIVE ASSISTANT	1.00	1.00	1.00	1.00
TOTAL DIVISION FTE'S:	2.00	2.00	2.00	2.00



Highlights / Changes

KPD is working with neighborhoods to identify and abate conditions in the community that contribute to the occurrence of crime; by providing effective and efficient officer response; conducting effective investigations of crimes; operating crime prevention and community awareness programs; cooperating with other law enforcement agencies; and providing strong internal support to our officers. We have also been focused on responding to quickly evolving crime trends within our community; aggressively pursuing grants and other funding as well as monitoring performance based budgeting to ensure adequate funding for the current and future bienniums.

2013/14 Goals & Objectives

- Continue to collaborate and facilitate local, state and federal partnerships.
- Leading efforts to combat criminal gang activity throughout Tri-Cities.
- Evaluate how we deliver our services to the community and see if there are more efficient methods.
- Work with citizen groups to look at possible sustainable funding sources to promote criminal justice programs.

Prior Year Accomplishments

- Oversight of budget to ensure costs were kept within acceptable limits.
- Utilized existing budget to maintain our fleet of vehicles and equipment in preparation for the next replacement cycle.

City Council Priority Area(s)

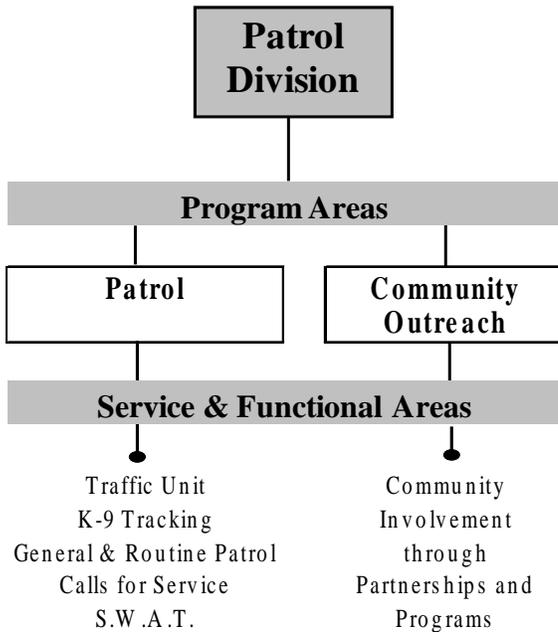
- Community Safety
- Economic Development
- Infrastructure and Growth
- Quality of Life
- Responsible Government

REVENUES	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 646,149	\$ 618,613	\$ 697,270	\$ 654,438
Current Funding Sources	\$ 646,149	\$ 618,613	\$ 697,270	\$ 654,438
EXPENDITURES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 372,387	\$ 388,463	\$ 388,463	\$ 409,602
Benefits	99,091	111,360	111,360	120,216
Salaries & Benefits	471,478	499,823	499,823	529,818
Supplies	1,989	2,100	2,100	2,100
Contractual Services	13,458	14,000	14,000	14,000
Travel & Training	8,398	7,000	7,000	7,000
Repair & Maintenance	3,004	3,000	3,000	3,000
Other Services & Charges	31,665	33,400	26,950	34,600
Supplies & Services	58,514	59,500	53,050	60,700
Benton County Pass-through	55,154	-	85,107	-
Intergovernmental Services	55,154	-	85,107	-
Purchases from Central Stores	47,143	41,770	41,770	44,240
Fleet Maintenance Charges	13,860	17,520	17,520	19,680
Interfund Charges	61,003	59,290	59,290	63,920
Total Expenditures	\$ 646,149	\$ 618,613	\$ 697,270	\$ 654,438
Expenditures by Fund				
General Fund	\$ 646,149	\$ 618,613	\$ 697,270	\$ 654,438
Total Expenditures by Fund	\$ 646,149	\$ 618,613	\$ 697,270	\$ 654,438

**DETAIL
BUDGET**



Southridge Complex
National Night Out/City Night



Division Purpose / Description

The Kennewick Police Department Patrol Division is the largest division within the Department. This Division provides services to our citizens twenty four hours a day seven days a week. The Division consists of four eleven officer patrol shifts, a seven officer traffic unit and a two officer K-9 unit attached to the graveyard patrol shifts. Our full time police officers are supported by a six officer reserve unit that assists with calls for service and special events. Each patrol shift has specialty officers who are assigned to the Tri-City Regional SWAT Team and members who serve as Public Information Officers, Gang Officers and Police Training Officers. The Patrol Division also works closely with other Law Enforcement Divisions both internally and externally to address ever changing criminal trends.

Division Broad Goals

- Promote community safety and quality of life for our citizens.
- Maintain the highest level of integrity through professionalism, ethical decision making and individual conduct.
- Reduce criminal victimization while enhancing public safety through education and enforcement efforts.
- Continue to hold criminal offenders accountable.
- Effective communication while engaging our customers with timely and accurate exchange of information.
- Engage our partners to address community safety and quality of life issues.

Highlights / Changes

Commander Scott Child continues to lead the Patrol Division for the Kennewick Police Department. He serves as the SWAT Team Incident Commander. He works with Sgt Lattin related to all special events that occur within Kennewick. This includes the River of Fire event, Water Follies, Benton/Franklin County Fair, Columbia Park events, Southridge Complex events, and Traffic Safety emphasis. Each patrol squad now has a dedicated gang officer, firearms instructor, SWAT officer, public information officer and others who are specialists in a variety of disciplines. Supervisory changes include Sergeant Walters from investigations to patrol and Sergeant Guerrero from patrol to investigations.

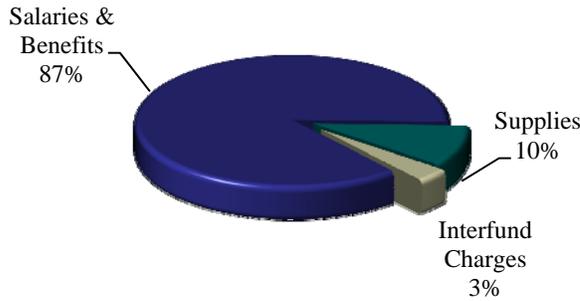
2013/14 Key Projects

- Transition to a new evaluation process for all officers.
- Develop our in house training program to address high liability and low frequency events that occur in our community.
- Develop future leaders in the organization who exemplify a willingness to exceed expectations.
- Enhance relationships with media sources to actively engage with customers to identify and solve criminal activity.
- Enhance community policing efforts include partnership with organizations, businesses, and citizen groups to address community safety and quality of life issues.

Prior Year Accomplishments

- Patrol officers received the state mandated 24 hours of annual in service training. Many of the officers exceeded this state standard. The Traffic Unit participated in the North American Motor Officers Association Portland Oregon competition/conference.

2013/2014 Expenditures



Division Staffing

	2011	2012	2013	2014
	Actual	Actual	Adopted	Adopted
POLICE CAPTAIN	1.00	1.00	1.00	1.00
POLICE SERGEANT	5.00	5.00	5.00	5.00
POLICE CORPORAL	4.00	4.00	4.00	4.00
POLICE PATROL OFFICER	38.00	38.00	38.00	38.00
POLICE TRAFFIC OFFICER	6.00	6.00	6.00	6.00
POLICE K-9 OFFICER	2.00	2.00	2.00	2.00
TOTAL DIVISION FTE'S:	56.00	56.00	56.00	56.00



Prior Year Accomplishments (continue)

- Added four new firearms instructors to our training cadre which added more diversity to our already successful program. We have increased the number of live firearms range training to four times a year.
- After researching several different motorcycle platforms we transitioned to a new motorcycle for our traffic officers, which enhanced officer safety and lowered operating costs.
- We successfully transitioned from Glock to the American made Smith & Wesson weapon system for all sworn personnel.
- We worked with the Historic Downtown Association and Washington State Liquor Control to address community safety issues in downtown Kennewick.
- Obtained a new SWAT armored vehicle through a federal grant that enhanced our ability to protect our SWAT officers.



City Council Priority Area(s)

- Community Safety
- Economic Development
- Infrastructure and Growth
- Quality of Life
- Responsible Government

Performance Measures

Program / Service Outputs					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Number of calls for service (Patrol)	100,337	101,500	102,000	103,000	105,000
Number of traffic related citations issued	7,666	10,879	11,200	11,500	12,000
Number of K-9 assists	116	104	106	110	110
Number of SWAT call outs	25	24	20	25	25

Program / Service Efficiency Measures					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Number of citations issued per officer	137	195	212	213	223
Number of assists per K-9	58	52	53	55	55
Number of SWAT call outs per SWAT member	5.0	4.8	4.0	5.0	5.0
Number of officers per 1,000 population	1.31	1.21	1.21	1.21	1.17

Program / Service Quality					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Actual arrests (DUI)	215	187	190	200	210
Number of hours worked by reserves	3,000	2,706	3,000	3,200	3,400
Traffic accidents	2,564	2,600	2,680	2,760	2,800
Number of reserve officers	8	7	6	7	8



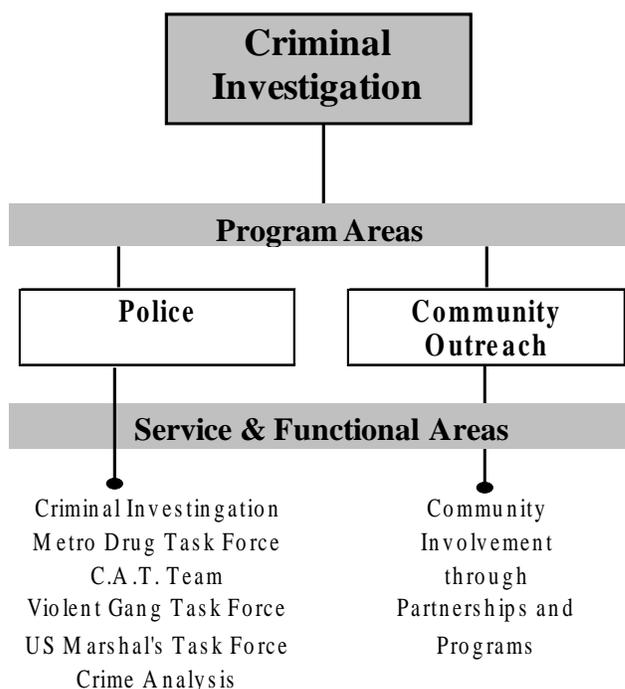
PATROL

Police Department

REVENUES	2009/10 Actual	2011/12 Adopted	2011/12 Adjusted	2013/14 Adopted
General Governmental	\$ 10,560,468	\$ 12,349,319	\$ 12,405,072	\$ 14,428,776
Grants	70,504	-	21,310	-
Intergovernmental Revenue	70,504	-	21,310	-
Charges for Services	34,423	26,500	26,500	36,300
Fines & Forfeits	2,193,109	2,282,900	2,282,900	2,198,300
Miscellaneous Revenue	6,006	-	25,000	-
Current Funding Sources	\$ 12,864,510	\$ 14,658,719	\$ 14,760,782	\$ 16,663,376
EXPENDITURES	2009/10 Actual	2011/12 Adopted	2011/12 Adjusted	2013/14 Adopted
Salaries	\$ 8,803,684	\$ 10,192,189	\$ 10,192,189	\$ 11,506,040
Overtime	150,597	170,000	182,060	170,000
Benefits	2,942,247	3,596,950	3,596,950	4,255,176
Salaries & Benefits	11,896,528	13,959,139	13,971,199	15,931,216
Supplies	410,680	197,000	287,003	176,300
Contractual Services	3,302	3,000	3,000	3,000
Travel & Training	30,350	35,000	35,000	35,000
Repair & Maintenance	18,301	20,000	20,000	20,000
Other Services & Charges	23,398	24,100	24,100	24,100
Supplies & Services	486,031	279,100	369,103	258,400
Benton County Pass-through	112,744	-	-	-
Intergovernmental Services	112,744	-	-	-
Fleet Maintenance Charges	331,160	420,480	420,480	473,760
Interfund Charges	331,160	420,480	420,480	473,760
Capital Outlay	38,047	-	-	-
Total Expenditures	\$ 12,864,510	\$ 14,658,719	\$ 14,760,782	\$ 16,663,376
Expenditures by Fund				
General Fund	\$ 12,864,510	\$ 14,658,719	\$ 14,760,782	\$ 16,663,376
Total Expenditures by Fund	\$ 12,864,510	\$ 14,658,719	\$ 14,760,782	\$ 16,663,376

**DETAIL
BUDGET**





Division Broad Goals

- Community Safety
- Support Kennewick Police Department’s Patrol Division
- Collaboration and developing partnerships
- Maintain internal and external customer satisfaction
- Foster and develop mutually beneficial relationships with all local police agencies
- Provide a safe and friendly work environment to all our employees
- Be part of the City of Kennewick Team

Division Purpose / Description

The Kennewick Police Department Criminal Investigations Division is comprised of nine specialized investigative teams. Those teams are: Criminal Apprehension, Property Crimes Persons Crimes, Metro Drug Task Force, FBI Violent Gang Task Force, US Marshals’ Pacific Northwest Violent Offender Task Force, Internet Crimes against Children, Special Investigations Unit and Crime Analysis.

Highlights / Changes

Commander Trevor White oversees the Criminal Investigation Division. The Criminal Investigation Division participated in several community events aimed at positive community relations. Kennewick Police Department detectives provided over 100 officer hours of community training related to criminal street gangs to various school, civic and community organizations. The department hosted four Prescription Drug Take Back events teaming up with Drug Enforcement Administration, The Metro Drug Task Force and Crime Prevention.

2013/14 Key Projects

- Reduce criminal victimization.
- Enhance safety and “quality of life” issues in public spaces.
- Use force and authority fairly, efficiently and effectively.
- Develop and train personnel to constantly update their investigative knowledge base by utilizing analysis tools and mapping information available to Kennewick Police Department for indentifying and responding to crime trends.
- Continue to monitor and combat gang activity.
- Maintain “high-liability” training at current levels (i.e. firearms, defensive tactics, and emergency vehicle operation).
- Maintain an overall clearance rate above the national average.
- Strive to clear more than 50% of investigative cases within 60 days of assignment.

Prior Year Accomplishments

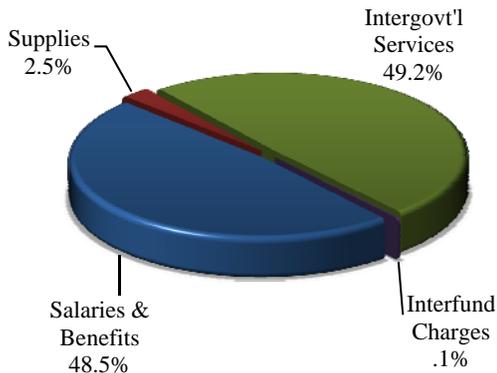
- Investigated and closed/cleared the 2011 homicides of Tyler Stock and Liam Smith.
- Solved 1982 Cold Case Homicide. Jack Welch was indentified and charged with Rose Baugh’s cold case murder.

Division Purpose/Description Cont'd

The Criminal Investigations is responsible for crimes requiring investigation beyond the initial patrol officer response. The Criminal Apprehension Team investigates street level narcotics and criminal gangs as well as directed target crimes. The Metro Drug Task Force and FBI Violent Gang Task Force focus on mid and upper level criminal organizations linked to narcotics trafficking and firearms violations. The US Marshals Task Force tracks and arrests violent offenders hiding in eastern Washington.

The Criminal Investigation Division does its part in holding offenders accountable by diligently investigating major felony crimes. They also work street level crimes related to narcotics and gangs while using crime analysis to respond to crime trends

2013/2014 Expenditures



Division Staffing				
	2011	2012	2013	2014
	Actual	Actual	Adopted	Adopted
POLICE CAPTAIN	1.00	1.00	1.00	1.00
POLICE SERGEANT	4.00	4.00	4.00	4.00
POLICE CORPORAL	1.00	1.00	1.00	1.00
POLICE OFFICER - DETECTIVE	13.00	13.00	13.00	13.00
POLICE OFFICER - C.A.T TEAM	6.00	6.00	6.00	6.00
CRIME ANALYST	1.00	1.00	1.00	1.00
TOTAL DIVISION FTE'S:	26.00	26.00	26.00	26.00

Prior Year Accomplishments (Cont'd)

- Over \$13.5 million (street value) in narcotics was seized by the Metro Drug Task Force and FBI's Violent Gang Task Force. Metro and the FBI's VGTF investigate criminal organizations involved with gangs, guns, and narcotics.
- Criminal Investigation Division participated in neighborhood awareness meetings, providing information and resources to educate citizens about combating criminal activity and street gangs in their neighborhood.
- United States Marshal's Task Force (one detective assigned) responsible for 795 felony warrants served, clearing \$2.75 million in outstanding bail.
- The regional Special Investigation Unit, made up of investigators from all area law enforcement agencies, investigated two officer involved shootings.
- Hosted two Prescription Drug Back events partnering with the Drug Enforcement Administration and Metro Drug Task.



City Council Priority Area(s)

- Community Safety
- Economic Development
- Infrastructure and Growth
- Quality of Life
- Responsible Government

Performance Measures

Program / Service Outputs					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Detectives/cases handled	470	522	461	500	500
Metro/cases opened in Kennewick	85	105	120	130	140
Crime analysis assists	1,600	1,625	1,700	1,700	1,700
Program / Service Efficiency Measures					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Detectives/cases per detective	43	46	41	46	47
Metro/cases in Kennewick per employee	42	52	60	65	70
Program / Service Quality					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Clearance rate (violent crime)	64%	71%	80%	80%	80%
Actual arrests (detectives)	400	440	485	485	485
Targeted crime clearance rate	64%	70%	75%	75%	75%
Actual arrests (CAT)	140	150	120	150	150



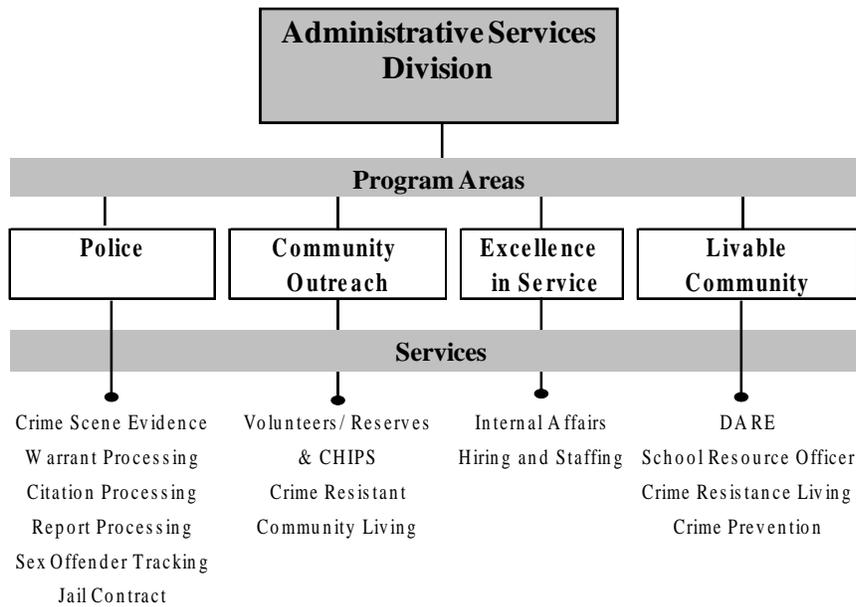
CRIMINAL INVESTIGATION

Police Department

REVENUES	2009/10 Actual	2011/12 Adopted	2011/12 Adjusted	2013/14 Adopted
General Governmental	\$ 12,690,463	\$ 14,606,954	\$ 14,509,107	\$ 15,782,331
Grants	609,307	-	177,637	-
Intergovernmental Revenue	609,307	-	177,637	-
Charges for Services	303,861	334,600	292,700	259,700
Total Revenues	\$ 13,603,631	\$ 14,941,554	\$ 14,979,444	\$ 16,042,031
Current Funding Sources	\$ 13,603,631	\$ 14,941,554	\$ 14,979,444	\$ 16,042,031
EXPENDITURES	2009/10 Actual	2011/12 Adopted	2011/12 Adjusted	2013/14 Adopted
Salaries	\$ 4,475,895	\$ 5,078,382	\$ 5,078,382	\$ 5,652,276
Overtime	143,431	90,825	127,715	95,325
Benefits	1,521,076	1,677,957	1,677,957	1,993,700
Salaries & Benefits	6,140,402	6,847,164	6,884,054	7,741,301
Supplies	296,612	246,500	246,500	256,500
Columbia Dive & Rescue Services	17,622	18,900	18,900	18,900
CDPD Access Fee	35,528	42,500	42,500	40,000
Travel & Training	37,481	31,000	32,000	31,000
Special Investigatons	15,400	17,500	17,500	17,500
Other Services & Charges	3,885	4,730	4,730	4,730
Supplies & Services	406,528	361,130	362,130	368,630
Jail Services	4,793,582	5,272,500	5,272,500	5,500,500
BiPIN Services	108,759	112,000	112,000	119,000
SECOMM	2,027,195	2,205,000	2,205,000	1,896,000
Other Services & Charges	103,625	114,000	114,000	383,000
Intergovernmental Services	7,033,161	7,703,500	7,703,500	7,898,500
Fleet Maintenance Charges	23,540	29,760	29,760	33,600
Interfund Charges	23,540	29,760	29,760	33,600
Total Expenditures	\$ 13,603,631	\$ 14,941,554	\$ 14,979,444	\$ 16,042,031
Expenditures by Fund				
General Fund	\$ 13,603,631	\$ 14,941,554	\$ 14,979,444	\$ 16,042,031
Total Expenditures by Fund	\$ 13,603,631	\$ 14,941,554	\$ 14,979,444	\$ 16,042,031

**DETAIL
BUDGET**





Division Purpose/Description

The Kennewick Police Department Administrative Services Division provides service to both internal and external customers. The division is comprised of several units that include, Records, Evidence, Internal Affairs, Youth Services, Training, Crime Prevention, Crime Resistant Community Living and the CHIPS Volunteer Program. The division continues to be focused on state and federal mandates as well as maintain the highest standards for both internal and external customer service.

Division Broad Goals

- Provide a professional and friendly work environment.
- Maintain internal and external customer satisfaction.
- Collaboration and developing partnerships with other agencies.
- Provide support to all divisions within this organization.
- Maintain the most current mandates by utilizing the most cost effective and efficient use of division resources.
- Community Safety.

Highlights / Changes

Commander Craig Littrell oversees the Administrative Services Division. The division includes day to day operations, recruitment and hiring efforts, training, professional standards, rules and regulation updates and accreditation standards. The division is also responsible for quarter-master supplies, supervision of the CHIPS Volunteers, Youth Services, Crime Resistant Community Living program, monitoring sex offenders, and the Kennewick Police Crime Prevention program.

2013/14 Key Projects

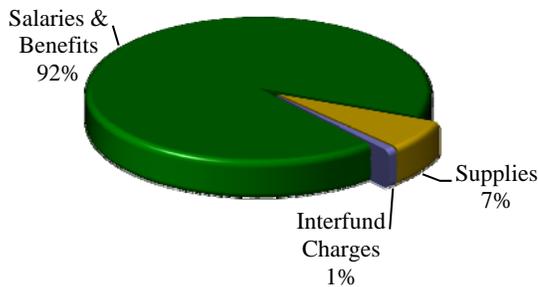
- Continue partnerships with neighboring law enforcement agencies.
- Continue partnerships with Kennewick School District to provide DARE and Family Great programs.
- Oversee and document trends and efficiencies/deficiencies.
- Conduct audit of retention files and archive/destroy as necessary.
- Continue to identify areas that can be technologically enhanced or streamlined.
- Oversee and document annual in-service training of all personnel on agency Use the Force policies and annual qualifications with all approved lethal weapons.
- Partner with Human Resources to facilitate physical ability testing and recruitment. Conduct background investigations of all new hire applicants.
- Continue to identify and host regional training at the Kennewick Police Department.
- Facilitate programs such as National Night Out, Citizens Academy, Crime Stoppers, Crime Prevention, School Patrol Picnic and Every-15-Minutes.
- Continue to foster professional relationships with multi-living unit properties through the Crime Resistant Community Living program.

Division Staffing				
	2011	2012	2013	2014
	Actual	Actual	Adopted	Adopted
POLICE COMMANDER	1.00	1.00	1.00	1.00
POLICE SERGEANT	1.00	1.00	1.00	1.00
POLICE OFFICER	5.00	5.00	8.00	8.00
POLICE TRAINING OFFICER	1.00	1.00	1.00	1.00
POLICE RECORDS SUPERVISOR	1.00	1.00	1.00	1.00
CRIME PREVENTION SPECIALIST	1.00	1.00	1.00	1.00
POLICE TECHNICIAN	1.00	1.00	1.00	1.00
POLICE SUPPORT SPECIALIST	9.00	9.00	9.00	9.00
TOTAL DIVISION FTE'S:	20.00	20.00	23.00	23.00

Prior Year Accomplishments

- Implemented DocView program to disseminate crash reports.
- Implemented LeadsOnline program to seamlessly download pawn reports while utilizing that information as an investigative system.
- Conducted full touch audit of 17,135 recorded evidence items. Completed a computer system cleanup and disposal of estimated 10,000 items.
- New performance appraisals for all employees.
- Implemented electronic log and template procedures for public records request. Kept up with a 92% increases in overall requests.
- Conversion of Uniform Crime Reporting (UCR) to National Incident- Based Reporting System (NIBRS)

2013/2014 Expenditures



City Council Priority Area(s)

- Community Safety
- Economic Development
- Infrastructure and Growth
- Quality of Life
- Responsible Government

Performance Measures

Program / Service Outputs					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Staff services/number of warrants processed	5,232	4,457	5,291	5,820	6,402
Staff services/number of citations processed	9,831	11,922	10,242	10,498	10,760
Staff services/number of reports processed	43,061	40,964	35,135	36,013	36,913
Volunteers (C.H.I.P.S.)	10,705	10,329	10,500	10,800	11,000
Youth service/number of students taught	2,704	2,720	2,720	2,740	2,760
Number of training hours (109 FTE's)	8,613	10,270	10,600	10,800	11,000
Crime prevention referrals	10,914	13,201	14,000	14,500	15,000
Crime resistant living referrals	3,328	4,583	4,700	4,850	4,900

Program / Service Efficiency Measures					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Staff services/number of warrants per PSS	1,308	1,486	1,764	1,940	2,134
Staff services/number of citations per PSS	2,458	3,974	3,414	3,499	3,587
Staff services/number of reports per PSS	4,306	4,552	3,904	4,001	4,101
Youth service/students taught per employee	676	680	680	685	690
Number of volunteer hours per volunteer	223	207	238	245	250
Number of hours trained per employee	96	114	118	120	122
Crime prevention referrals per officer	248	235	239	268	273

Program / Service Quality					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Error rate on warrants entered	>1%	>1%	>1%	>1%	>1%
Percentage of citations processed within 3 days	95%	96%	95%	95%	95%
Percentage of reports returned due to error	5%	5%	9%	7%	5%
Volunteers - equivalent of FTE's saved	5.1	5.0	5.0	5.2	5.3
Number of complaints made	15	10	10	12	12
Registered sex offenders monitored	190	195	188	190	195



ADMINISTRATIVE SERVICES

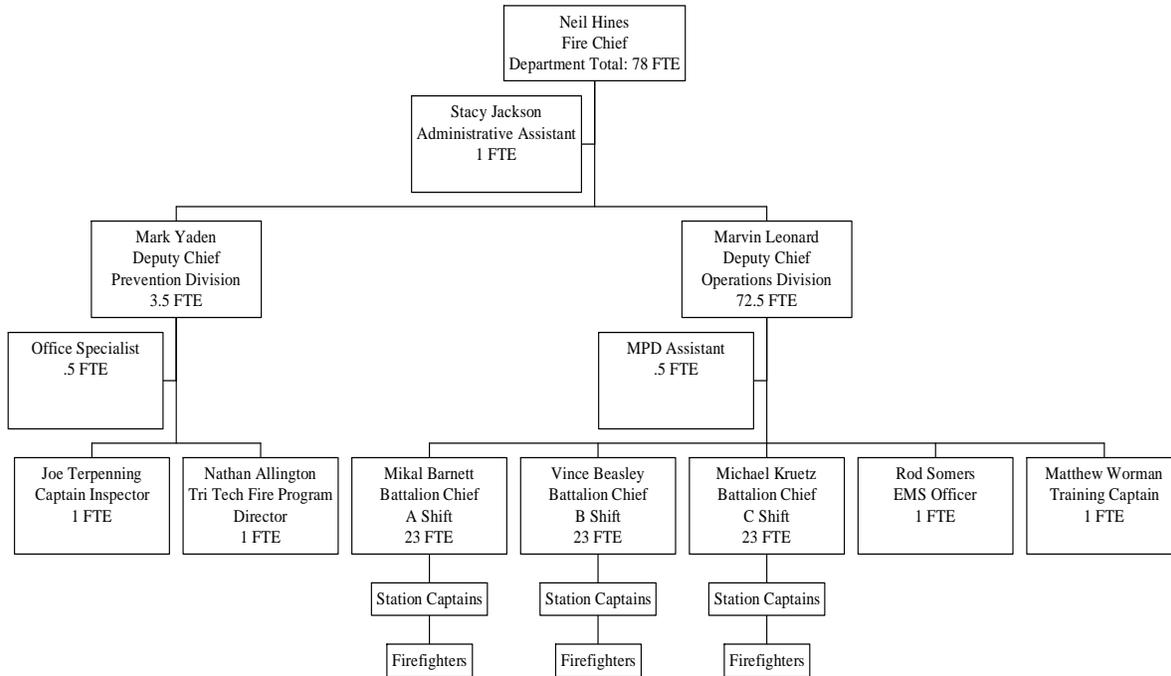
Police Department

REVENUES	2009/10 Actual	2011/12 Adopted	2011/12 Adjusted	2013/14 Adopted
General Governmental	\$ 4,056,328	\$ 3,793,133	\$ 3,899,283	\$ 3,936,438
Licenses & Permits	16,033	15,000	15,000	32,800
Charges for Services	387,543	700,600	623,400	442,400
Fines & Forfeits	387,392	418,900	418,900	391,200
Miscellaneous Revenue	76,628	63,550	268,550	115,400
Total Revenues	\$ 4,923,924	\$ 4,991,183	\$ 5,225,133	\$ 4,918,238
Asset Forfeiture Fund	(28,948)	(22,400)	(69,900)	26,600
Decrease (Increase) to Fund Balance	(28,948)	(22,400)	(69,900)	26,600
Current Funding Sources	\$ 4,894,976	\$ 4,968,783	\$ 5,155,233	\$ 4,944,838
EXPENDITURES	2009/10 Actual	2011/12 Adopted	2011/12 Adjusted	2013/14 Adopted
Salaries	\$ 3,304,621	\$ 3,308,695	\$ 3,308,695	\$ 3,180,046
Overtime	50,627	62,750	62,750	64,500
Benefits	1,186,431	1,242,313	1,242,313	1,287,966
Salaries & Benefits	4,541,679	4,613,758	4,613,758	4,532,512
Supplies	238,987	223,035	283,835	242,246
Contractual Services	12,772	7,300	24,150	6,150
Travel & Training	20,637	23,800	24,310	23,800
Repair & Maintenance	5,438	5,500	5,500	5,500
Other Services & Charges	42,793	41,150	42,300	52,150
Supplies & Services	320,627	300,785	380,095	329,846
Purchases from Central Stores	4,050	-	6,640	5,680
Fleet Maintenance Charges	28,620	36,240	36,240	40,800
Interfund Charges	32,670	36,240	42,880	46,480
Interfund Transfers	-	18,000	118,500	36,000
Total Expenditures	\$ 4,894,976	\$ 4,968,783	\$ 5,155,233	\$ 4,944,838
Expenditures by Fund				
General Fund	\$ 4,850,948	\$ 4,927,633	\$ 4,956,583	\$ 4,867,838
Asset Forfeiture Fund	44,028	41,150	198,650	77,000
Total Expenditures by Fund	\$ 4,894,976	\$ 4,968,783	\$ 5,155,233	\$ 4,944,838

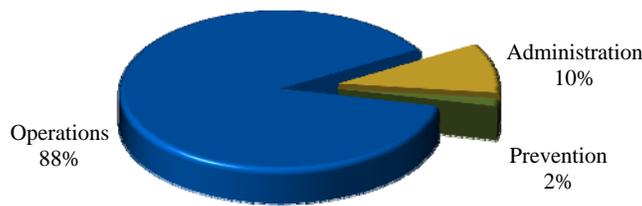
**DETAIL
BUDGET**



Fire Department



Adopted Budget

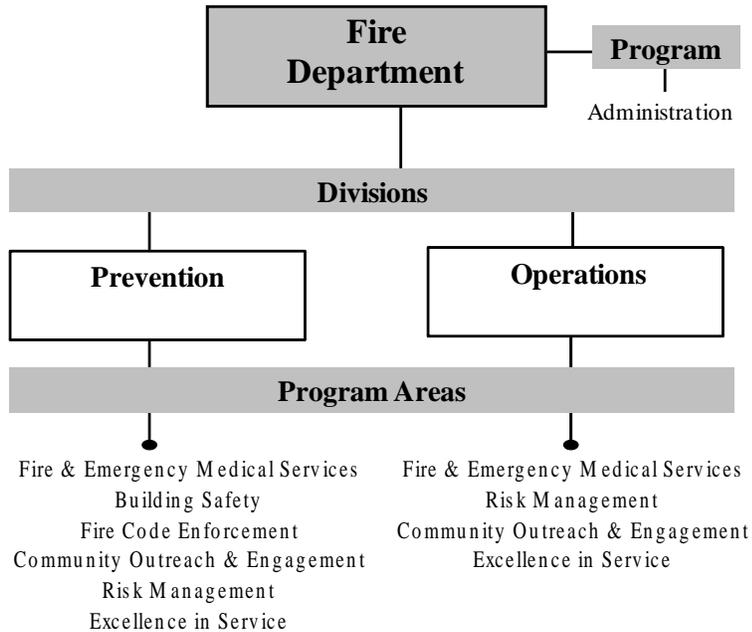


Division	2009-2010	2011-2012	2011-2012	2013-2014
Expenditures	Actual	Adopted	Adjusted	Adopted
Administration	\$ 1,529,557	\$ 1,943,020	\$ 2,368,864	\$ 2,536,360
Prevention	226,771	236,991	339,971	408,318
Operations	19,119,996	20,216,637	20,898,663	21,984,843
Total:	\$ 20,876,324	\$ 22,396,648	\$ 23,607,498	\$ 24,929,521
Funding Sources	2009-2010	2011-2012	2011-2012	2013-2014
	Actual	Adopted	Adjusted	Adopted
General Fund	\$ 13,827,554	\$ 14,664,624	\$ 15,379,978	\$ 16,261,696
Medical Services Fund	6,990,946	7,662,461	8,157,957	8,604,441
MPD Assistant Operations Fund	57,824	69,563	69,563	63,384
Total Sources:	\$ 20,876,324	\$ 22,396,648	\$ 23,607,498	\$ 24,929,521

Fire Department

Mission

The Kennewick Fire Department is committed to serving the community with the highest level of life safety and property protection. The department accomplishes its mission by delivering our services with well trained and skilled personnel who display our core values of Integrity, Inclusiveness, Stewardship, and Communication.



Departmental Staffing

	2009-2010	2011-2012	2011-2012	2013-2014
	Actual	Adopted	Adjusted	Adopted
Full-time Equivalent (FTE)	85.00	79.00	78.00	78.00
% of City's FTE's	24.38%	22.69%	22.67%	22.52%

Departmental Expenditures by Type

	2009-2010	2011-2012	2011-2012	2013-2014
	Actual	Adopted	Adjusted	Adopted
Salaries & Benefits	\$ 17,510,342	\$ 19,062,258	\$ 19,460,158	\$ 20,561,084
Supplies & Services	1,339,953	1,433,571	2,002,621	2,068,565
Intergovernmental Services	689,384	763,150	771,050	722,114
Interfund Charges	1,206,053	1,013,610	1,249,610	1,577,758
Interfund Transfers	17,984	39,604	39,604	-
Debt Service	112,608	84,455	84,455	-
Total Department Budget:	\$ 20,876,324	\$ 22,396,648	\$ 23,607,498	\$ 24,929,521

Program Purpose / Description

The purpose of the Administrative Division is to provide oversight of the Department’s budget, records management, public inquiries, as well as ensuring the day-to-day administrative functions of the organization. The division is responsible for department planning, policy review, development and compliance of contractual agreements and providing the City Manager with accurate information regarding the state of the fire department.

Program Broad Goals

- Continue joint efforts to collaborate with other fire agencies.
- Aggressively seek out and present alternative funding ideas.
- Look for new ways to improve service delivery while stabilizing costs.
- Continue to be good stewards of the tax dollars entrusted to the department.
- Solidify the department’s financial position through joint purchasing agreements with other agencies.

Division Staffing				
	2011	2012	2013	2014
	Actual	Actual	Proposed	Proposed
FIRE CHIEF	1.00	1.00	1.00	1.00
ADMINISTRATIVE ASSISTANT	1.00	1.00	1.00	1.00
TOTAL DIVISION FTE'S:	2.00	2.00	2.00	2.00



Highlights / Changes

Administration currently works out of a joint Fire Administration Center (FAC) with Benton County FPD#1 and the City of Richland Fire Department. The agencies are exploring options to move from a rented facility to a new jointly purchased facility. Collaboration between the Tri-Cities fire agencies continues to be a high priority.

2013/14 Goals & Objectives

Council Priority: Community Safety

- **Regional Dispatch -**
 - Continue to work toward a Bi-County Emergency Communications Center.
- **Fire & EMS Services -**
 - In conjunction with Human Resources, continue utilization of rigorous hiring process to acquire excellent fire recruits.

Council Priority: Infrastructure & Growth

- **Fire Facility Plan & Funding -**
 - Work with Finance to develop a funding mechanism for future department expansion.
 - Participate in the purchase and construction of a fire administration center.
 - Work with City of Richland on a joint fire facilities plan to construct additional fire stations.
 - Work with BCFPD#1 to jointly secure land for future joint station in southeast Kennewick.

Prior Year Accomplishments

- ✓ Adopted budgeting by priorities process.
- ✓ Implemented pay-for-performance.
- ✓ Continued improvement of auto aid and mutual aid agreements with partner agencies.
- ✓ Expanded VHF users to reduce the cost of emergency radio communications system.
- ✓ Expanded the cooperation between fire agencies within the Tri-Cities area.

City Council Priority Area(s)

- Community Safety
- Responsible Government

ADMINISTRATION

Fire Department

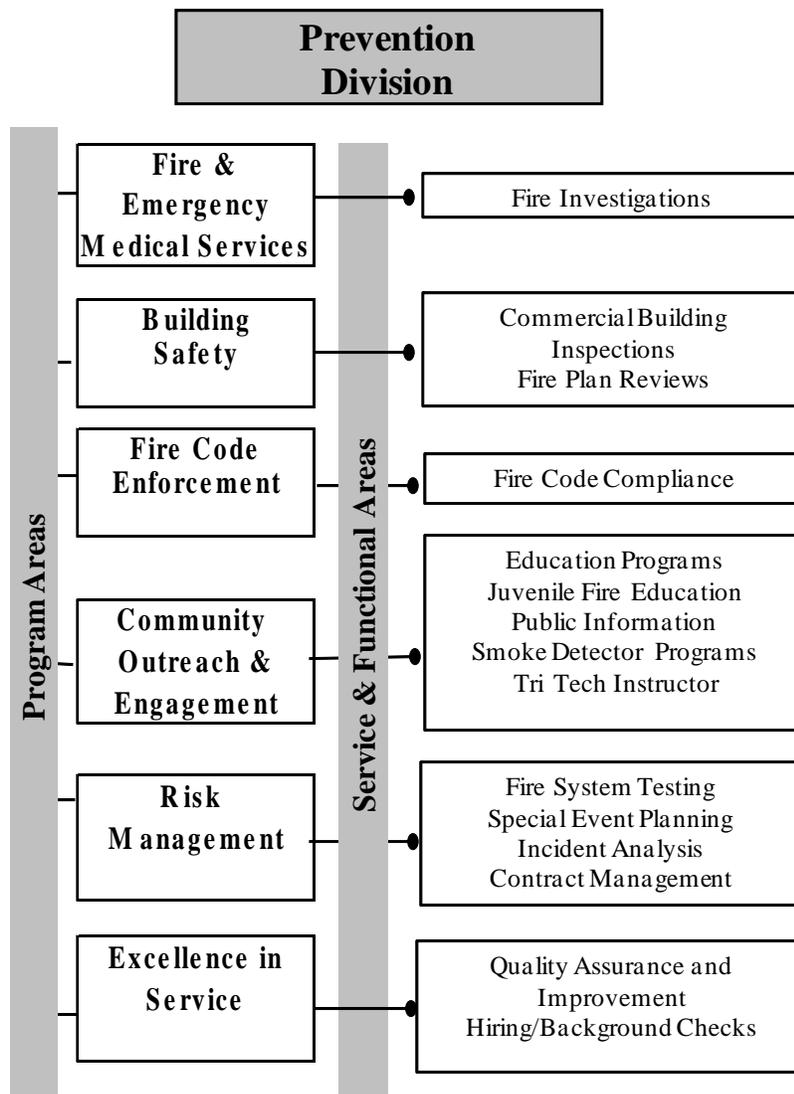
REVENUES	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 1,529,557	\$ 1,943,020	\$ 2,368,864	\$ 2,536,360
Total Revenues	\$ 1,529,557	\$ 1,943,020	\$ 2,368,864	\$ 2,536,360

EXPENDITURES	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 445,525	\$ 713,265	\$ 713,265	\$ 765,473
Overtime	37	500	500	500
Benefits	121,443	236,136	236,136	250,800
Salaries & Benefits	567,005	949,901	949,901	1,016,773
Supplies	28,062	35,975	35,975	38,940
Contractual Services	75,468	118,224	118,224	48,348
Ambulance Billing Overhead	-	-	309,544	324,000
Travel & Training	3,452	9,000	9,000	13,000
Bad Debt Expense	487,575	415,000	523,400	634,000
Repair & Maintenance	18,908	20,400	20,400	22,849
Insurance	31,673	36,050	36,050	45,060
Other Services & Charges	54,560	56,300	56,300	57,300
Supplies & Services	699,698	690,949	1,108,893	1,183,497
Benton County - Emergency Services	89,260	108,750	108,750	72,000
State Excise Tax	88,799	105,000	112,900	146,000
City Utility Tax - Ambulance	55,832	58,100	58,100	81,000
Hazardous Materials Team	9,783	10,000	10,000	10,000
Intergovernmental Services	243,674	281,850	289,750	309,000
Purchases from Central Stores	19,180	20,320	20,320	27,090
Interfund Charges	19,180	20,320	20,320	27,090
Total Expenditures	\$ 1,529,557	\$ 1,943,020	\$ 2,368,864	\$ 2,536,360

Expenditures by Fund				
General Fund	\$ 421,961	\$ 635,130	\$ 635,130	\$ 644,223
Medical Services Fund	1,107,596	1,307,890	1,733,734	1,892,137
Total Expenditures by Fund	\$ 1,529,557	\$ 1,943,020	\$ 2,368,864	\$ 2,536,360

**DETAIL
BUDGET**





Division Purpose / Description

The Fire Prevention Division exists to proactively market fire prevention and life safety awareness throughout our community. This is performed through public education programs, code enforcement, building permit plan reviews/inspections, and fire origin and cause investigations.

The Division also provides logistical support to the department in areas such as the electronic records management system, new hire background checks, internal reviews, department liaison with internal and external groups, etc.

Highlights / Changes

The Prevention Division is an active participant in the “One-Stop” Program. Captain Terpenning now works directly out of this group located within City Hall, which provides a more coordinated approach to fire and building code inspection services. Working closely with the Building Safety Division, inspection services have been studied and improved through a partnership of fire and building inspectors. Further process review streamlining services and creating more partnerships with local agencies is a major goal to continue into 2013/14.

The Prevention Division provides a key role in ensuring that professional standards are maintained by Department personnel through the Quality Assurance program. This also includes assisting with pre-employment background reviews and working closely with Human Resources.

2013/2014 Goals & Objectives

Council Priority: Community Safety

- **Code Enforcement -**
 - Establish field data entry and retrieval capabilities for incident reporting, fire investigation, and code enforcement activities. Application of a Federal SAFER grant has been submitted to fund this program.
- **Work with HBA & Developers -**
 - Conduct outreach with stakeholders pertaining to the establishment of fire code permit fees to maintain demands for fire code inspection services.

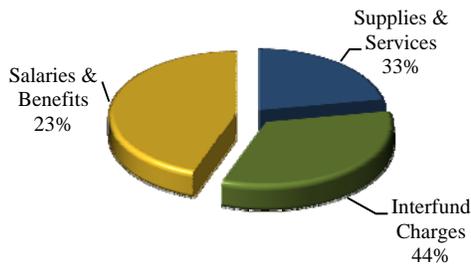
Council Priority: Responsible Government

- **Excellence in Service -**
 - Revise the current business self-inspection program to provide a more proactive public out-reach effort promoting fire and life safety within commercial occupancies.

Division Broad Goals

- Conduct and manage the programs of annual fire and life safety inspections within commercial, institutional, assembly, educational and multi-family occupancies within the City.
- Develop and implement proactive public fire safety and accident prevention programs.
- Actively participate in the multi-agency fire investigation task force.
- Conduct origin and cause fire investigations with IFSAC certified fire investigation personnel. Maintain training and education to retain such certifications.
- Continue to actively support and participate with the One-Stop group for property development and inspection services.

2013/2014 Expenditures



Division Staffing				
	2011	2012	2013	2014
	Actual	Actual	Adopted	Adopted
DEPUTY CHIEF	1.00	1.00	1.00	1.00
CAPTAIN INSPECTOR	1.00	1.00	1.00	1.00
TRI TECH FIRE PROGRAM DIRECTOR	1.00	1.00	1.00	1.00
ACCOUNTING SPECIALIST	1.00	0.00	0.00	0.00
OFFICE SPECIALIST	1.00	1.00	0.50	0.50
TOTAL DIVISION FTE'S:	5.00	4.00	3.50	3.50

Council Priority: Responsible Government Cont'd

- **Excellence in Service -**
 - Develop a long-term strategy and policy to significantly reduce false alarms generated by fire detection and suppression.

Prior Year Accomplishments

- ✓ Worked with the Human Resources Division and City Attorney's Office to establish a comprehensive policy for conducting pre-employment background checks and assuring an excellent quality hiring practice.
- ✓ Amended the City's Fire Prevention Code (KMC 15.30) through City Council to comply with RCW and promote more consistency with neighboring jurisdictions.
- ✓ Significantly increased collaboration with neighboring county and city jurisdictions to promote more commonality and consistency with fire and building code interpretation and application.

City Council Priority Area(s)

- Responsible Government
- Community Safety
- Quality of Life

Performance Measures

Program / Service Outputs

	2010 Actual	2011 Actual	2012 Estimated	2013 Projected	2014 Projected
Number of fires requiring further investigation for cause	22	30	30	35	35
Number of fire code plan reviews assigned	489	511	511	537	564
Number of company inspections assigned *	259	311	351	369	388

Program / Service Efficiency Measures

	2010 Actual	2011 Actual	2012 Estimated	2013 Projected	2014 Projected
Number of incidents where cause could be determined	124	152	140	145	150
Number of fire code plan reviews completed	489	511	511	537	564
Number of company inspections completed *	259	311	351	369	388

Program / Service Quality

	2010 Actual	2011 Actual	2012 Estimated	2013 Projected	2014 Projected
Percentage of incidents where cause could be determined from investigation	87%	87%	87%	87%	87%
Percent of fire code plan reviews completed	100%	100%	100%	100%	100%
Percentage of inspections completed	100%	100%	100%	100%	100%

* Self inspection program discontinued in 2010



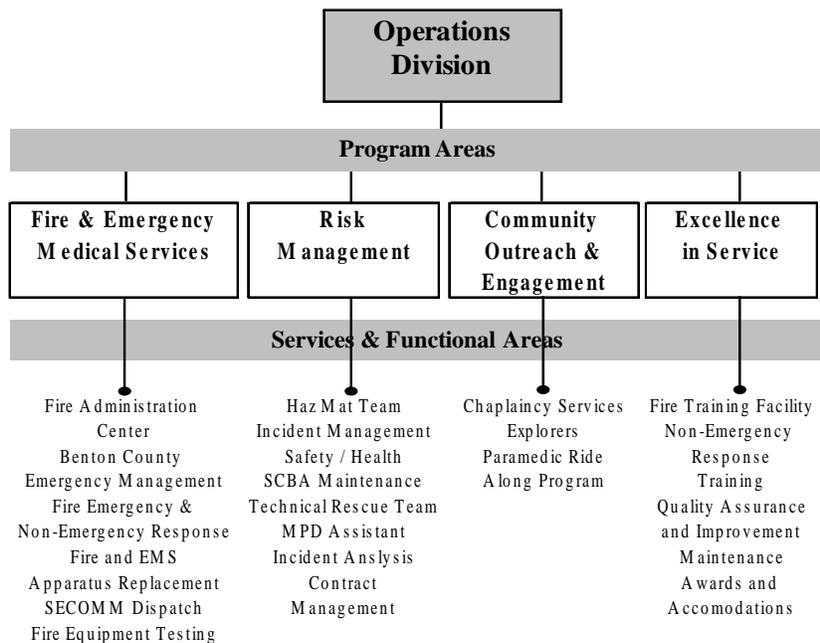
PREVENTION

Fire Department

REVENUES	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 226,771	\$ 236,991	\$ 339,971	\$ 408,318
Total Revenue Sources	\$ 226,771	\$ 236,991	\$ 339,971	\$ 408,318
EXPENDITURES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 168,825	\$ 162,645	\$ 262,245	\$ 304,421
Benefits	7,527	35,804	39,104	70,665
Salaries & Benefits	176,352	198,449	301,349	375,086
Supplies	10,334	12,770	12,770	8,770
Travel & Training	3,616	3,670	3,670	3,670
Other Services & Charges	28,843	12,322	12,322	12,962
Supplies & Services	42,793	28,762	28,762	25,402
Purchases from Central Stores	126	180	260	150
Fleet Maintenance Charges	7,500	9,600	9,600	7,680
Interfund Charges	7,626	9,780	9,860	7,830
Total Expenditures	\$ 226,771	\$ 236,991	\$ 339,971	\$ 408,318
Expenditures by Fund				
General Fund	\$ 226,771	\$ 236,991	\$ 339,971	\$ 408,318
Total Expenditures by Fund	\$ 226,771	\$ 236,991	\$ 339,971	\$ 408,318

**DETAIL
BUDGET**





Division Purpose / Description

The Operations Division provides fire suppression, emergency medical, technical rescue, hazardous materials and incident management services for our citizens. The Division also provides training, quality assurance and safety/health services to our department’s members. The Division supports the activities of the Fire Prevention Division through public education and safety inspection programs.

Division Broad Goals

- Continue to refine equipment replacement schedules in an effort to maintain budgetary stability.
- Maintain and improve response coverage objectives adopted by council through innovative action plans and close coordination with our partner agencies.
- Provide for a safe and healthy work environment through proactive risk management in all activities.
- Provide first class training opportunities. Develop our skills and build upon our competencies through coordinated weekly training.

Highlights / Changes

A major staffing change occurred when the Department eliminated the Training/ Safety & Health Battalion Chief position in lieu of adding a Deputy Chief of Operations. In addition to this change, the Division has worked with partnering agencies to make significant changes in resource deployment which have improved response times and firefighter safety. Within the professional standards program, our Training Officer has collaborated with training officers from other agencies to align programs with the end result of improved overall response effectiveness. This is especially crucial considering that a federal audit of FLSA training procedures has eliminated outside training opportunities and may potentially affect future operations.

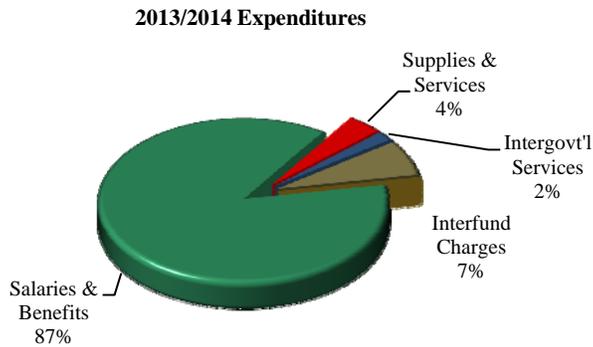
2013/2014 Goals & Objectives

Council Priority: Community Safety

- **Fire & EMS Services -**
 - ✓ Continue to develop more commonality in supplies and practices with partner EMS agencies including joint ambulance specifications.
 - ✓ Improve and enhance our water response program through partnerships with BCSO, USCG, & CBDR.
 - ✓ Complete regional infrastructure up-grades to VHF radio system.
 - ✓ Move to install Mobile Data Terminals (MDTs) in all first line apparatus.
 - ✓ Functional consolidation of Training Divisions of the five fire agencies.

Council Priority: Infrastructure & Growth

- **Fire Facility Plan & Funding -**
 - ✓ Complete construction of support building at the Fire Training Center.



Division Staffing				
	2011	2012	2013	2014
	Actual	Actual	Adopted	Adopted
DEPUTY CHIEF	0.00	1.00	1.00	1.00
BATTALION CHIEF	4.00	3.00	3.00	3.00
FIRE CAPTAIN	4.00	4.00	4.00	4.00
EMS CAPTAIN*	1.00	1.00	1.00	1.00
TRAINING CAPTAIN	1.00	1.00	1.00	1.00
CAPTAIN PARAMEDIC*	8.00	8.00	8.00	8.00
FIREFIGHTER	35.00	35.00	35.00	35.00
FIREFIGHTER PARAMEDIC*	19.00	19.00	19.00	19.00
MPD ASSISTANT	0.00	0.00	0.50	0.50
TOTAL DIVISION FTE'S:	72.00	72.00	72.50	72.50

*Up to 31 paramedic positions are authorized, including the EMS Captain position.



2013/2014 Goals & Objectives (Cont'd)

Council Priority: Responsible Government

- **Excellence in Service -**
 - ✓ Incorporate an Officer II JATC Training program.
- **Risk Management -**
 - ✓ Develop an Occupational Health and Safety Program.

Prior Year Accomplishments

- ✓ Video conferencing incorporated into all fire stations and the Fire Training Center to allow efficient communication while maintaining response areas.
- ✓ Worked with other City departments to provide leadership and succession training.
- ✓ Developed a morning roll-call briefing to foster clear communication and a daily safety message to all personnel.
- ✓ Worked with SECOMM to develop a revised or new criteria-based dispatching system for Fire and EMS.
- ✓ As part of a five-agency taskforce, aligned all Benton County municipal and district fire service agencies in the purchase of self-contained breathing apparatus, personal protective equipment, and radios.
- ✓ Expanded the Incident Safety Officer Program to ensure qualified safety personnel on working fire incidents.
- ✓ Developed a procedure to cycle surplus apparatus with our partner agencies which allows delayed purchase of new units, maintains quality equipment, and enhances our response capability.

City Council's Priority Area(s)

- Community Safety
- Responsible Government
- Quality of Life
- Infrastructure & Growth

Performance Measures

Program / Service Outputs					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Number of structure fires requiring suppression	96	116	115	118	122
Number of cardiac calls involving defibrillation	12	14	16	16	17
WAC training hours required per firefighter	77	103	80	100	105

Program / Service Efficiency Measures					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Percent of structure fire response times meeting the enroute to arrival goal of 5 minutes or less for the first due unit 80% of the time (travel time only)	92%	94%	94%	93%	92%
Percent of structure fire response times meeting the full first alarm goal of 8 minutes or less for the first due unit 80% of the time (enroute to arrival of the last required apparatus)	82%	83%	83%	85%	87%
Percent of cardiac arrest response times meeting the enroute to arrival goal of 4 minutes or less for the first due unit 80% of the time (travel time only)	74%	68%	72%	74%	78%
Percent of cardiac arrest response times meeting the full first alarm goal of 8 minutes or less for the first due unit 80% of the time (Enroute to arrival of the last required apparatus)	99%	99%	99%	99%	99%
Number of personnel meeting required training : 76 uniformed personnel	60	61	64	63	69

Program / Service Quality					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Percentage of working structure fires contained to room of origin	75%	71%	80%	80%	80%
Percent of cardiac arrest's return of heart rate after application of defibrillation	33%	43%	50%	50%	50%
Percent of personnel meeting mandatory training hours	93%	83%	95%	95%	95%

OPERATIONS

Fire Department

REVENUES	2009/10 Actual	2011/12 Adopted	2011/12 Adjusted	2013/14 Adopted
General Governmental	\$ 11,733,005	\$ 12,484,613	\$ 12,592,243	\$ 13,089,318
Intergovernmental Revenue	3,912	-	3,272	-
Emergency Ambulance Service	5,604,281	5,562,000	6,136,000	6,659,000
Fire Protection Services	150,903	-	78,900	-
MPD Contractual Services	57,824	69,563	69,563	59,484
Tri Tech Contract	187,380	-	-	231,600
Household Ambulance Charge	2,220,546	2,767,000	2,767,000	4,220,000
Insurance/Utility Charge Adjustments	(1,815,940)	(1,690,000)	(2,107,000)	(2,122,000)
Charges for Services	6,404,994	6,708,563	6,944,463	9,048,084
Miscellaneous Revenue	3,607	1,000	1,000	50
General Fund	1,025,000	962,000	1,400,000	-
Interfund Transfers	1,025,000	962,000	1,400,000	-
Total Revenue Sources	\$ 19,170,518	\$ 20,156,176	\$ 20,940,978	\$ 22,137,452
Medical Services Fund	(50,522)	60,461	(42,315)	(152,609)
Decrease (Increase) to Fund Balance	(50,522)	60,461	(42,315)	(152,609)
Current Funding Sources	\$ 19,119,996	\$ 20,216,637	\$ 20,898,663	\$ 21,984,843
EXPENDITURES	2009/10 Actual	2011/12 Adopted	2011/12 Adjusted	2013/14 Adopted
Salaries	\$ 12,048,105	\$ 12,960,717	\$ 12,960,717	\$ 13,539,081
Overtime	985,980	1,056,500	1,317,200	1,199,000
Part-Time Wages	11,205	-	-	-
Benefits	3,721,695	3,896,691	3,930,991	4,431,144
Salaries & Benefits	16,766,985	17,913,908	18,208,908	19,169,225
Supplies	368,721	419,820	576,926	555,619
Contractual Services	18,268	20,700	20,700	21,064
Travel & Training	32,853	61,100	61,100	78,600
Repair & Maintenance	45,859	34,200	34,200	41,636
Other Services & Charges	131,761	178,040	172,040	166,647
Supplies & Services	597,462	713,860	864,966	863,566
B/C Fire District #1 - Training Facility	85,200	95,000	95,000	95,000
MDT - AVL Software	-	-	-	6,214
SECOMM	360,510	386,300	386,300	308,000
Intergovernmental Services	445,710	481,300	481,300	409,214
Purchases from Central Stores	21,155	25,440	25,360	27,230
Fleet Maintenance Charges	1,100,092	900,070	900,070	985,608
Fire Hydrant Services	-	-	236,000	472,000
Facility Maintenance	58,000	58,000	58,000	58,000
Interfund Charges	1,179,247	983,510	1,219,430	1,542,838
Risk Management	1,771	-	-	-
Capital Improvement Fund	16,213	39,604	39,604	-
Interfund Transfers	17,984	39,604	39,604	-
Debt Service	112,608	84,455	84,455	-
Total Expenditures	\$ 19,119,996	\$ 20,216,637	\$ 20,898,663	\$ 21,984,843
Expenditures by Fund				
General Fund	\$ 13,178,822	\$ 13,792,503	\$ 14,404,877	\$ 15,209,155
MPD Assistant Fund	57,824	69,563	69,563	63,384
Medical Services Fund	5,883,350	6,354,571	6,424,223	6,712,304
Total Expenditures by Fund	\$ 19,119,996	\$ 20,216,637	\$ 20,898,663	\$ 21,984,843

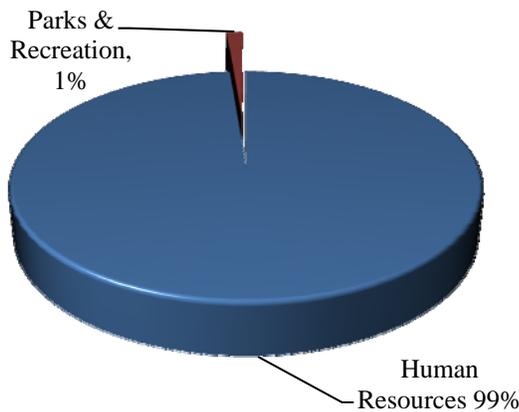
**DETAIL
BUDGET**



Employee & Community Relations Department



Adopted Budget

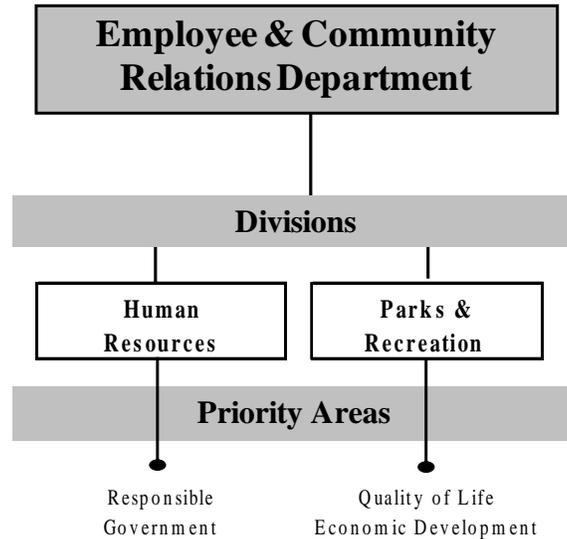


Division	2009-2010	2011-2012	2011-2012	2013-2014
Expenditures	Actual	Adopted	Adjusted	Adopted
Human Resources	\$ 1,029,316	\$ 1,127,742	\$ 1,176,642	\$ 1,141,642
Parks & Recreation	7,979,065	8,688,567	8,748,566	9,552,483
Total:	\$ 9,008,381	\$ 9,816,309	\$ 9,925,208	\$ 10,694,125
Funding Sources	2009-2010	2011-2012	2011-2012	2013-2014
Funding Sources	Actual	Adopted	Adjusted	Adopted
General Fund	\$ 8,838,763	\$ 9,686,294	\$ 9,795,193	\$ 10,554,972
Risk Management Fund	169,618	130,015	130,015	139,153
Total Sources:	\$ 9,008,381	\$ 9,816,309	\$ 9,925,208	\$ 10,694,125

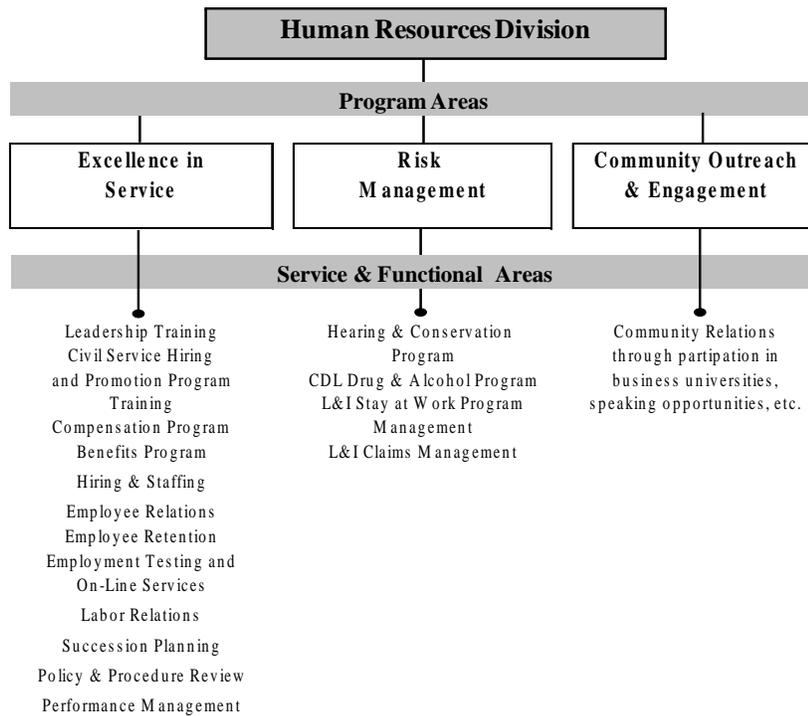
Employee & Community Relations Department

Mission

Building a better community by providing an exceptional place to live, work and play.



Departmental Staffing				
	2009-2010	2011-2012	2011-2012	2013-2014
	Actual	Adopted	Adjusted	Adopted
Full-time Equivalent (FTE) *	31.60	30.98	31.60	32.60
% of City's FTE's	9%	9%	9%	9%
Departmental Expenditures by Type				
	2009-2010	2011-2012	2011-2012	2013-2014
	Actual	Adopted	Adjusted	Adopted
Salaries & Benefits	\$ 6,744,471	\$ 7,256,020	\$ 7,311,020	\$ 7,929,080
Supplies & Services	1,800,932	1,985,144	2,039,043	2,158,091
Interfund Charges	76,636	86,875	86,875	84,804
Intergovernmental Services	386,342	488,270	488,270	522,150
Total Department Budget:	\$ 9,008,381	\$ 9,816,309	\$ 9,925,208	\$ 10,694,125



Division Purpose / Description

The purpose of the Human Resources Program is to centralize human resource functions including talent acquisition, classification and compensation, employee relations, training, succession planning and organizational development in partnership with all City Departments to build an empowered, creative, and customer driven workforce reflecting the diversity of the community.

The purpose of the Employee Safety Services Program is to provide for the preservation of the health, safety and welfare of City employees and to administer the L&I industrial insurance program and related injury and safety-based programs and training for the City of Kennewick to avoid or minimize accident and injury costs and time lost from productive service to our citizens.

Highlights / Changes

Council’s priorities of community safety and responsible government are supported by a focus on recruitment, staff development, and increased efficiencies in services provided by Human Resources.

2013/14 Goals & Objectives

Council Priority: Community Safety

- **Talent Acquisition -**
 - Streamline the hiring process and continue use of NEOGOV to power our talent acquisition in all areas, including Police and Fire staffing, seeking the best qualified candidates to select and retain
 - Assume all hiring tasks for Fire
- **Labor Relations -**
 - Successfully negotiate four labor contracts with the bargaining groups for Police and Fire.

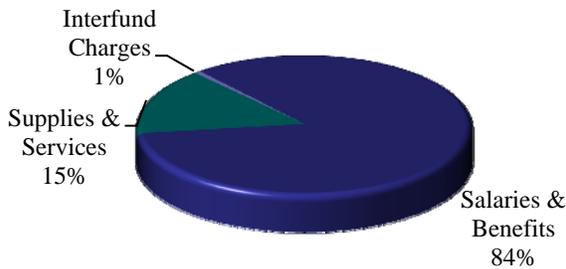
Council Priority: Responsible Government

- **Policy Development -**
 - Implement HR Strategic Plan in the areas of leadership training, succession planning, and performance management.
 - Continue to manage and improve the Pay-for-Performance program.
- **Benefit Changes & Enhancements -**
 - ✓ Continue to follow Well City application strategies to achieve a 2% premium reduction.
 - ✓ Utilize L&I’s Stay at Work program to recoup costs and shorten injury-related absences by offering appropriate light duty assignments.
- **Employee Safety -**
 - ✓ Evaluate and develop proactive workplace and training processes to decrease potential injuries and illnesses.
 - ✓ Expand AED program by placing AEDs in other critical City facilities (City Hall, Frost, KPD, Senior Center).
 - ✓ Evaluate safety sensitive position designations and the applicability of our CDL program to limit liability and program cost.

Division Broad Goals

- 100% of customer service ratings with 4+ on 5 point scale.
- Continued outreach to increase workforce diversity statistics.
- Implementation of the HR Strategic Initiative which integrates performance evaluations, succession planning and leadership development.
- Integration of Well City Programs with the Association of Washington Cities, our healthcare provider.
- Prudent management of loss time injuries.
- Review and implementation of experience rating reduction strategies.

2013/2014 Expenditures



Division Staffing				
	2011	2012	2013	2014
	Actual	Actual	Adopted	Adopted
EMPLOYEE & COMMUNITY RELATIONS DIRECTOR	0.50	0.50	0.50	0.50
HUMAN RESOURCES DIRECTOR	1.00	1.00	1.00	1.00
HUMAN RESOURCES ANALYST	1.00	1.00	1.00	1.00
HUMAN RESOURCES TECHNICIAN	0.50	0.50	0.50	0.50
RISK MANAGEMENT COORDINATOR	0.50	0.50	0.50	0.50
TOTAL DIVISION FTE'S:	3.50	3.50	3.50	3.50

2013/14 Goals & Objectives Cont'd

- **Employee Involvement -**
 - ✓ Coordinate Appreciation
 - ✓ Employee communication

Prior Year Accomplishments

- **Talent Acquisition -**
 - ✓ New hires in a protected class: 17.14% in 2010, 21.05% in 2011, 23.44% (estimated) in 2012.
- **Diversity & Community Outreach -**
 - ✓ Coordinated and provided City representation at various job fairs.
- **Policy Development-**
 - ✓ Completed comprehensive class & compensation study; results used to create a new salary schedule.
 - ✓ Implemented a merit-based pay-for-performance program with non-contract employees.
- **Benefit Changes & Enhancements -**
 - ✓ Acquired the well city award, resulting in a 2% premium reduction.
- **Employee Safety -**
 - ✓ Enhanced and strengthened safety programs in 2011 and 2012.
 - ✓ Reduced KFD injuries by providing stair chairs and power stretchers; implemented fall protection policy, partnered with Richland to update chemical hazard communication policy; Certified 5 employees as Certified Safety Coordinators to achieve 1% premium reduction;
- **Historic Preservation -**
 - ✓ Awarding plaques to local register applicants in 2012.
 - ✓ 1912 historic concrete stamps linked in GIS to adjacent property owners to ensure preservation.

City Council Priority Area(s)

- Responsible Government

Performance Measures

Program / Service Outputs					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Number of applications received per year (non-uniformed)	1191	2012	1400	1450	1500
Number of applications received per year (uniformed)	503	518	525	550	600
Number of open recruitments (non-uniformed)	32	37	30	32	34
Number of open recruitments (uniformed)	3	8	8	8	8
Number of L&I claims administered	33	29	32	31	30
Number of Safety RM/departmental consultations	65	70	70	70	70
Risk management training hours per FTE	1850	1825	1705	1800	1800

Program / Service Efficiency Measures					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Cost per hire (non-uniformed)	\$1,773	\$1,006	\$1,278	\$1,300	\$1,300
Cost per hire (uniformed)	\$4,343	\$2,409	\$3,400	\$3,400	\$3,400
Number of time loss days	180	113	110	105	100
Number of worker days lost per claim	5.5	3.9	3.5	3.4	3.3
Number of L&I claims per 100 employees	7.2	6.4	6.9	6.7	6.5
% of minority applications received (non-uniformed)	21.0%	23.0%	23.0%	23.0%	24.0%
% of minority applications received (uniformed)	14.3%	16.1%	15.0%	16.0%	17.0%
Overall satisfactory rating of customer service	NA	NA	99%	100%	100%

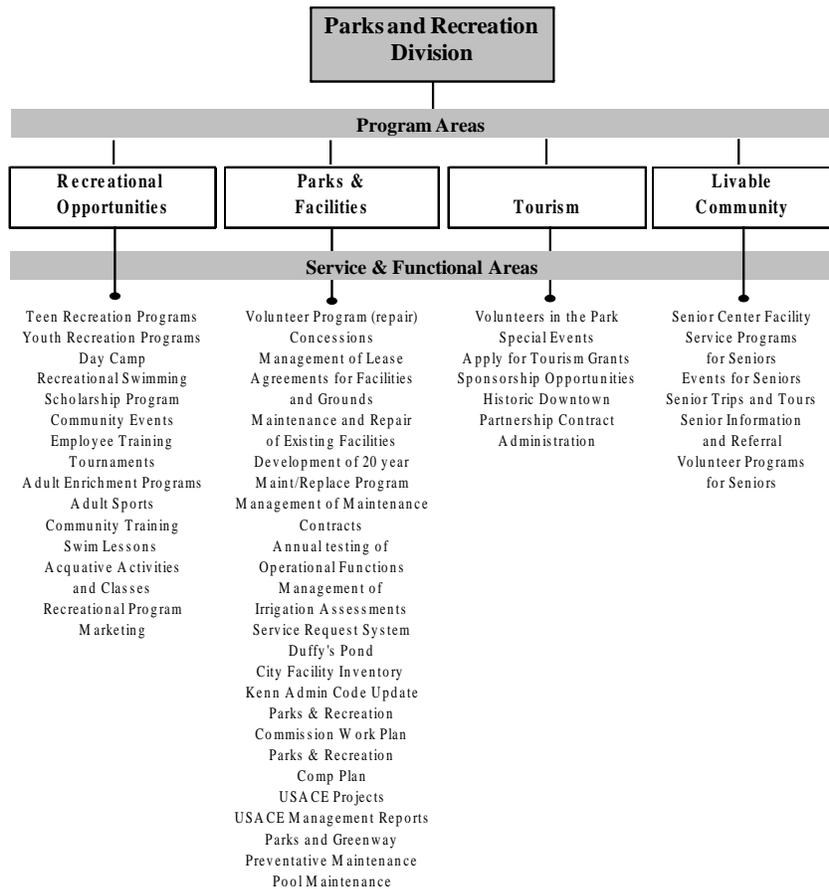
Program / Service Quality					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Percentage of employees passing probation	100%	100%	100%	100%	100%
Reduction in claims	3.0%	12.0%	9.0%	3%	3%
Reduction in high claim departmental claims	-25.0%	17.0%	-10.0%	5%	5%
Time loss injury claims	10	7	6	5	5



REVENUES	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 1,029,316	\$ 1,127,742	\$ 1,176,642	\$ 1,141,642
Current Funding Sources	\$ 1,029,316	\$ 1,127,742	\$ 1,176,642	\$ 1,141,642
EXPENDITURES	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 594,702	\$ 701,237	\$ 728,537	\$ 691,397
Overtime	662	-	-	-
Part-Time Wages	6,685	-	-	-
Benefits	170,558	238,284	265,984	267,430
Salaries & Benefits	772,606	939,521	994,521	958,827
Supplies	67,159	20,074	18,974	20,290
Contractual Services	78,238	62,305	62,305	54,109
Travel & Training	29,490	37,350	32,350	33,550
Advertising	40,658	18,760	18,760	16,500
Other Services & Charges	35,878	43,157	43,157	51,562
Supplies & Services	251,422	181,646	175,546	176,011
Purchases from Central Stores	5,289	6,575	6,575	6,804
Interfund Charges	5,289	6,575	6,575	6,804
Total Expenditures	\$ 1,029,316	\$ 1,127,742	\$ 1,176,642	\$ 1,141,642
Expenditures by Fund				
General Fund	\$ 859,698	\$ 997,727	\$ 1,046,627	\$ 1,002,489
Risk Management Fund	169,618	130,015	130,015	139,153
Total Expenditures by Fund	\$ 1,029,316	\$ 1,127,742	\$ 1,176,642	\$ 1,141,642

**DETAIL
BUDGET**





Division Purpose/Description

Kennewick Parks and Recreation Division provides parks and recreation programs where every person can participate in safe, quality activities of their choice. The Division will work in partnership with other service providers to provide programs and services. Kennewick Parks and Recreation will expand the community's investment in attractive, publicly owned parks, greenways, open space and buildings for future generations.

Division Broad Goals

- To align and integrate programs and services into a comprehensive community services model to improve efficiency of service and staff utilization. (parks, facilities recreation, special events, senior center, volunteers, customer service, and staff training)
- Increase accessibility and participation in parks and recreation programs and services.

Kennewick Parks and Recreation supports the Council priority areas of Quality of Life, Economic Development and Responsible Government by providing sustained and quality parks, recreation programs and special events to the local community and visitors to Kennewick.

2013/14 Goals and Objectives

Council Priority: Quality of Life

- *Recreation Programs* – Implement a comprehensive program plan for recreation services.
- *Parks Level of Service* – complete a level of service study for each park zone.
- *Sponsorships* – expand the sponsorship program to other parks and facilities.

Council Priority: Economic Development

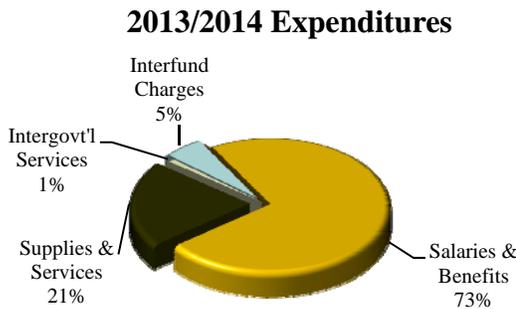
- *Tournaments* - Host 5 new large scale tournaments in Kennewick.
- *Southridge Pavilion* - Expand events and activities at the pavilion at the Southridge Sports and Events Complex.
- *Sports Marketing* – Work with new partner agencies in the development of event, marketing and outreach to sports planners.
- *Rivershore Master Plan II* – Work with partner agencies to implement key projects and priorities of the plan.

Responsible Government

- *Partnerships* – Expand opportunities for program and cost sharing with neighboring jurisdictions for facilities, program and equipment.
- *Volunteer Program* – Expand the program to offer a more varied list of opportunities to individuals and groups.
- *Standardized Processes* – Complete process plans for turf management, herbicide/pesticide and roof maintenance.
- *Facilities Inventory* – Complete a facilities inventory and provide recommendations on maintenance and capital needs..

Division Broad Goals (Cont'd)

- To provide opportunities to the public for involvement and enjoyment of parks, recreation, lifelong learning, special events and leisure programs in a fiscally responsible manner.
- To provide volunteer opportunities to the public to engage in the community through community outreach activities such as volunteer projects, support of recreation programs and special events.



Division Staffing				
	2011	2012	2013	2014
	Actual	Actual	Adopted	Adopted
EXECUTIVE DIRECTOR OF EMPLOYEE & COMMUNITY RELATIONS	0.50	0.50	0.50	0.50
PARKS & RECREATION DIRECTOR	1.00	1.00	1.00	1.00
COMMUNITY SERVICES SUPERVISOR I	1.80	1.80	1.80	1.80
PARKS & RECREATION OPERATIONS SUPERVISOR	1.00	1.00	1.00	1.00
RECREATION COORDINATOR	1.00	1.00	1.00	1.00
SPORTS MARKETING COORDINATOR	1.00	1.00	1.00	1.00
PARKS MAINTENANCE COORDINATOR	0.00	1.00	1.00	1.00
FACILITIES COORDINATOR	0.00	0.00	1.00	1.00
CREW LEADER	2.00	2.00	2.00	2.00
GENERAL CRAFTSWORKER	4.00	4.00	4.00	4.00
M & C CRAFTSWORKER	12.00	10.00	10.00	10.00
UTILITY WORKER	0.00	2.00	2.00	2.00
ADMINISTRATIVE ASSISTANT	2.00	1.00	1.00	1.00
OFFICE SPECIALIST	1.80	1.80	1.80	1.80
TOTAL FULL-TIME STAFF:	28.10	28.10	29.10	29.10
SEASONAL PROGRAM SPECIALIST	15.68	15.68	15.68	15.68
TOTAL PART-TIME STAFF:	15.68	15.68	15.68	15.68
TOTAL DIVISION FTE'S:	43.78	43.78	44.78	44.78

Prior Year Accomplishments

Activenet

- The Recware Safari system was converted to Activenet with the addition of online field & facility reservations.

Unification of Parks & Recreation

- Kennewick Parks and Recreation was unified into the Employee and Community Relations Department.

Southridge Sports and Events Complex

- The 52 acres complex opened in March 2012.
- 50,000 visitors to the complex from March to July 2012.
- \$100,000 in cash and trade sponsorships to the complex.
- Tournaments generated \$4.7 million in tourism dollars to the area.

Volunteer Projects

- Columbia Center Rotary – played a key role in several projects including: purchasing playground equipment at Hansen Park, remodel of the rotary stage and signage at Southridge Sports and Events Complex.
- Day of Service– 7 projects in 2011, 39 projects in 2012, over \$40,000 in capital project value to the City.
- Sharefest – over 118 volunteers completed 425 hours of volunteer projects across parks and facilities.

Planning and Facilities

- Rivershore Master Plan II – was completed through a cooperative effort of the cities, counties and ports on the future of the rivershore.
- Completed Parks and Recreation Comprehensive Plan for 2013-18.
- The Columbia Park West End Master Plan – a cooperative project with the City, The U.S. Corps of Engineers and the community was completed in 2011.
- Senior Center remodel and pergola addition was completed in 2011.

City Council Priority Area(s)

- Quality of Life
- Economic Development

Performance Measures

Program / Service Outputs					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Recreation					
Total number of participants (total units of participation)	84,022	85,494	84,758	86,453	88,182
Total number of registrants	9,711	11,516	10,614	10,826	11,042
Total number of programs	264	205	234	239	244
Total number of volunteers	346	403	374	382	389
Total number of volunteer hours	8,210	5,301*	6,755	6,890	7,028
* number of volunteers dropped in day camp					
Pool					
Total number of participants - public swim	11,337	11,239	11,288	11,513	11,744
Total number of registrants - lessons	1,782	1,520	1,400	1,400	1,500
Total number of participants - lessons (total units of participation)	16,038	13,680	12,600	12,600	13,500
Senior Center					
Total number of participants (total units of participation)	47,925	58,584	53,255	54,320	55,406
Total number of programs	82	96	89	90	91
Total number of volunteers	192	161	176	177	178
Total number of volunteer hours	14,398	13,714	14,056	14,337	14,623
Capital Projects:					
City Facilities - square feet	287,008	287,008	287,008	287,008	287,008
Parks - acres	367	405	558	558	558
Park Facilities - square Feet	68,808	68,808	100,008	100,008	100,008
Greenways - acres	21	23	36	36	36
Program / Service Efficiency Measures					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Recreation (does not include the pool)					
Number of participants per FTE	19,095	19,430	19,262	19,648	20,040
Number of programs per FTE	60	46	53	54	55
Number of volunteers per FTE	79	96	85	87	88
Number of volunteer hours per FTE (2010 - 2011 based on 4.4 FTE's)	1,357	1,121	1,239	1,263	1,289
Cost savings by use of volunteers in programs (based on \$11.00/hr)	\$90,310	\$58,311	\$74,305	\$75,790	\$77,308
Senior Center (2010 - 2011 based on 1.85 FTE's)					
Number of participants per FTE	25,905	31,667	28,786	29,362	29,949
Number of programs per FTE	44	52	48	49	50
Number of volunteers per FTE	103	87	95	96	97
Number of volunteer hours per FTE	7,782	7,412	7,598	7,750	7,904
Cost savings by use of volunteers in programs (based on \$11.00/hr)	\$158,378	\$150,554	\$148,500	\$149,600	\$150,700

Performance Measures

Program / Service Efficiency Measures

	2010 Actual	2011 Actual	2012 Estimated	2013 Projected	2014 Projected
Capital Projects:					
City Facilities - cost per sq. ft.	\$ 3.07	\$ 3.16	\$ 3.25	\$ 3.25	\$ 3.25
Parks - cost per acre	\$ 4,667.00	\$ 4,795.00	\$ 4,939.00	\$ 5,087.00	\$ 5,240.00
Park Facilities - cost per sq. ft.	\$ 3.89	\$ 4.00	\$ 4.12	\$ 4.25	\$ 4.38
Greenways - cost per acre	\$ 4,607.00	\$ 4,747.00	\$ 4,887.00	\$ 5,034.00	\$ 5,185.00

Program / Service Quality

	2010 Actual	2011 Actual	2012 Estimated	2013 Projected	2014 Projected
Senior Ctr. customer rating as "good" or better	100%	100%	97%	97%	97%
Recreation customer rating as "good" or better	98%	95%	96%	97%	97%

Surveys taken in the following programs:

youth basketball, flag football, soccer starz, day camp, karate, mini-mite soccer, zumba, art camp, science camp,

Capital Projects:

City Facilities - sq. ft. maintained at LOS	100%	100%	100%	100%	100%
Parks - acres maintained at LOS	80%	75%	75%	75%	75%
Park Facilities -sq. ft. maintained at LOS	100%	100%	100%	100%	100%
Greenways - acres maintained at LOS	90%	80%	80%	80%	80%
Park & Special Events - percent of successes	0%	0%	0%	0%	0%

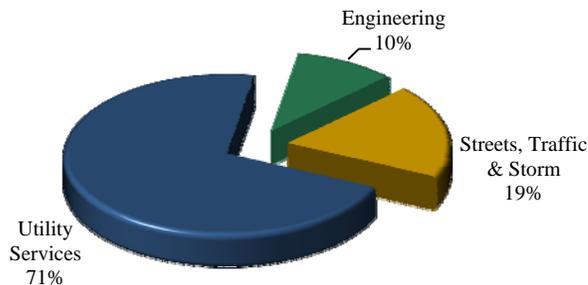
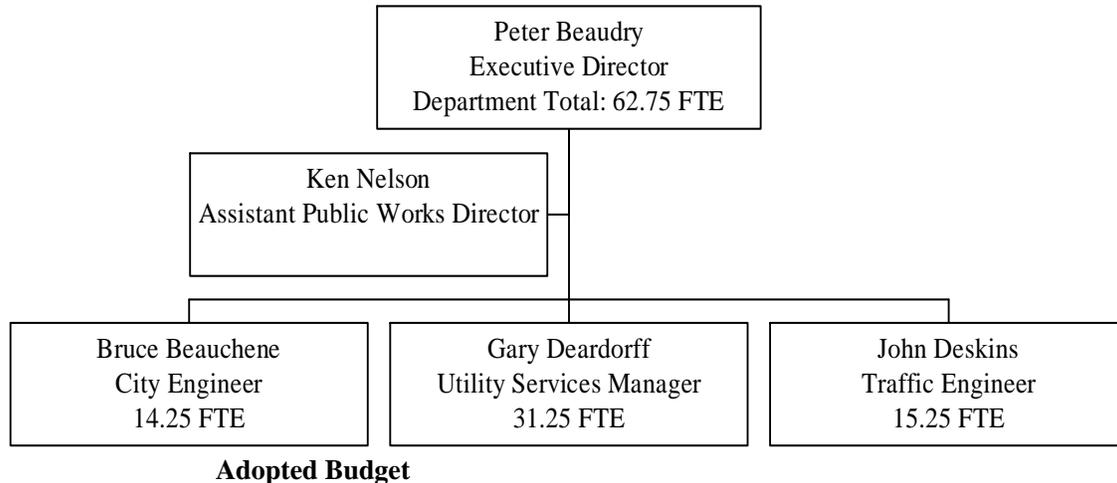


REVENUES	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 7,078,143	\$ 7,654,467	\$ 7,714,466	\$ 8,409,783
Recreation User Fees	742,111	876,100	876,100	954,000
Senior Program Fees	136,825	120,000	120,000	130,000
Charges for Services	878,936	996,100	996,100	1,084,000
Miscellaneous Revenue	21,986	38,000	38,000	58,700
Total Revenue Sources	\$ 7,979,065	\$ 8,688,567	\$ 8,748,566	\$ 9,552,483
EXPENDITURES	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 3,282,800	\$ 3,351,953	\$ 3,351,953	\$ 3,678,068
Overtime	54,691	38,610	38,610	72,230
Part-Time Wages	1,140,218	1,255,867	1,255,867	1,223,640
Benefits	1,494,156	1,670,069	1,670,069	1,996,315
Salaries & Benefits	5,971,865	6,316,499	6,316,499	6,970,253
Supplies	545,894	644,340	644,340	634,930
Contractual Services	374,783	419,300	419,300	461,500
Travel & Training	22,126	23,500	37,700	22,000
Advertising	1,956	5,600	5,600	9,000
Electricity Charges	379,007	415,000	415,000	485,000
Natural Gas	143,620	171,000	171,000	186,000
Senior Programs	25,179	32,500	32,500	38,000
Other Services & Charges	56,946	92,258	138,057	145,650
Supplies & Services	1,549,511	1,803,498	1,863,497	1,982,080
Excise tax	3,426	6,000	6,000	6,000
Irrigation Assessments	67,921	74,300	74,300	72,000
Intergovernmental Services	71,347	80,300	80,300	78,000
Purchases from Central Stores	166,042	208,430	208,430	206,790
Equipment Pool Charges	220,300	279,840	279,840	315,360
Interfund Charges	386,342	488,270	488,270	522,150
Total Expenditures	\$ 7,979,065	\$ 8,688,567	\$ 8,748,566	\$ 9,552,483
Expenditures by Fund				
General Fund	\$ 7,979,065	\$ 8,688,567	\$ 8,748,566	\$ 9,552,483
Total Expenditures by Fund	\$ 7,979,065	\$ 8,688,567	\$ 8,748,566	\$ 9,552,483

**DETAIL
BUDGET**



Public Works Department



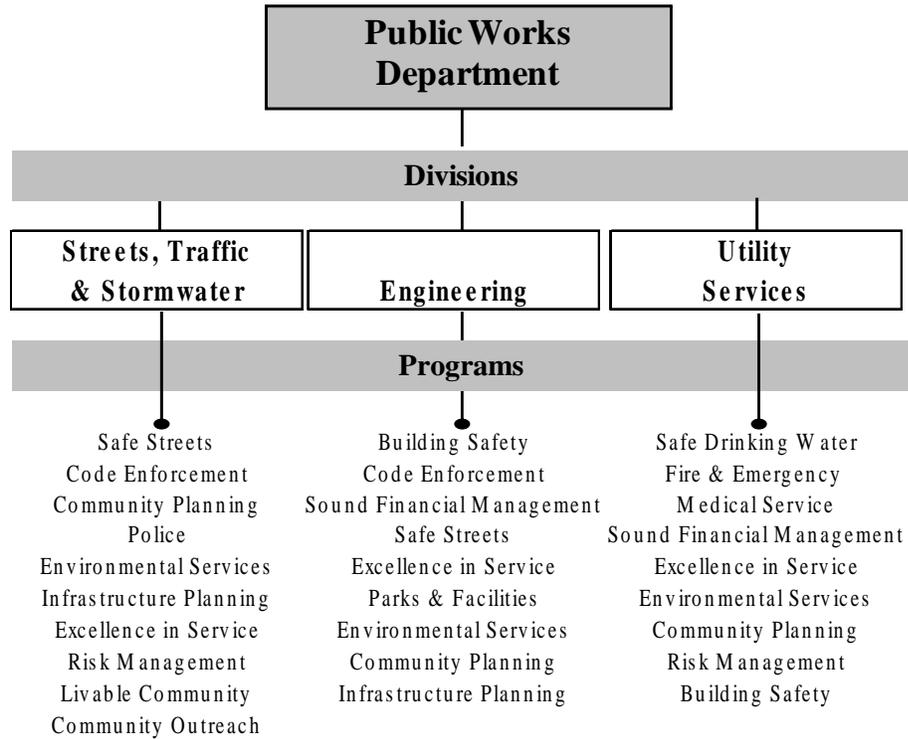
Division	2009-2010	2011-2012	2011-2012	2013-2014
Expenditures	Actual	Adopted	Adjusted	Adopted
Public Works-Engineering	2,841,156	3,253,599	3,253,599	3,102,094
Public Works-Utility Services	18,446,189	20,068,920	19,827,345	21,680,746
Public Works-Street, Traffic & Storm	4,932,331	5,886,749	6,154,708	5,774,754
Interfund Transfers	1,586,362	1,722,927	1,755,861	91,175
Debt Service	8,181,946	7,951,884	7,951,884	8,166,797
Capital Projects	45,853,467	46,773,099	75,173,922	56,772,987
Total:	\$ 81,841,451	\$ 85,657,178	\$ 114,117,319	\$ 95,588,553

Funding Sources	2009-2010	2011-2012	2011-2012	2013-2014
Funding Sources	Actual	Adopted	Adjusted	Adopted
General Fund	\$ 2,841,156	\$ 3,253,599	\$ 3,253,599	\$ 3,102,094
Street Fund	3,788,412	3,906,458	4,118,058	3,979,264
Arterial Street Fund	3,116,627	2,600,000	3,953,183	2,800,000
Urban Arterial Street Fund	6,579,528	9,850,000	17,285,885	7,400,000
Solid Waste/Environmental Fund	22,745	40,000	470,000	-
Capital Improvement Fund	19,912,230	22,490,535	37,577,496	28,110,383
Park Development/Construction Fund	3,937,622	-	-	-
Stormwater Utility Fund	1,139,224	3,151,056	3,256,665	2,951,436
Water/Sewer Fund	40,503,907	40,365,530	44,202,433	47,245,376
Total Sources:	\$ 81,841,451	\$ 85,657,178	\$ 114,117,319	\$ 95,588,553

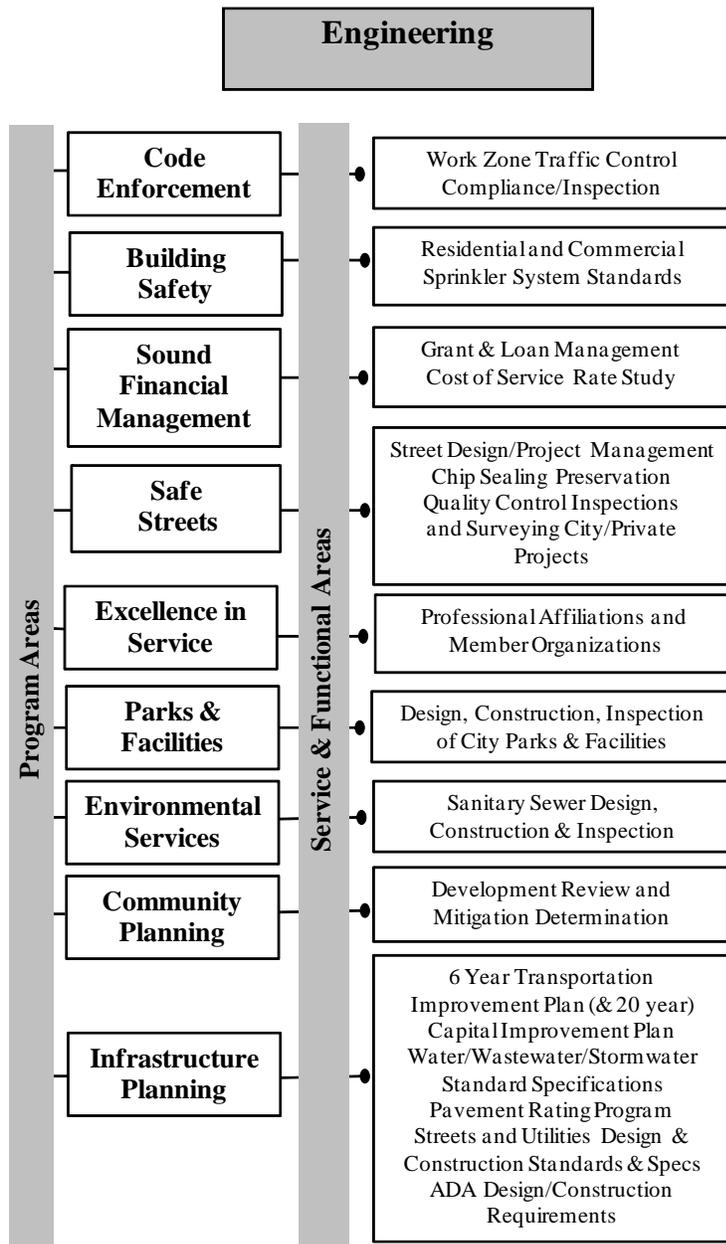
Public Works Department

Mission

Enhance Kennewick's quality of life through the construction, maintenance and operation of a safe, effective physical environment, to protect public health and safety and the natural environment, and to provide our neighborhoods, our businesses and our visitors with the efficient, quality services necessary to meet the demands of our growing and diverse community.



Departmental Staffing				
	2009-2010	2011-2012	2011-2012	2013-2014
	Actual	Adopted	Adjusted	Adopted
Full-time Equivalent (FTE)	62.75	61.75	60.75	62.75
% of City's FTE's	18%	18%	18%	18%
Departmental Expenditures by Type				
	2009-2010	2011-2012	2011-2012	2013-2014
	Actual	Adopted	Adjusted	Adopted
Salaries & Benefits	\$ 11,837,953	\$ 13,190,875	\$ 13,249,476	\$ 13,846,453
Supplies & Services	9,493,124	10,917,655	10,649,438	10,668,578
Intergovernmental Services	3,299,980	3,220,419	3,456,419	4,073,569
Interfund Charges	1,588,619	1,880,319	1,880,319	1,968,994
Interfund Transfers	1,586,362	1,722,927	1,755,861	91,175
Debt Service	8,181,946	7,951,884	7,951,884	8,166,797
Capital Outlay	45,853,467	43,773,099	75,173,922	56,772,987
Total Department Budget:	\$ 81,841,451	\$ 82,657,178	\$ 114,117,319	\$ 95,588,553



Division Purpose / Description

The purpose of the Design/Planning program is to provide civil engineering design, review and planning for the City of Kennewick to ensure that safety and efficiency of the infrastructure is obtained.

The purpose of the CIP inspections/survey program is to ensure compliance with contract documents and city standard specifications.

Highlights / Changes

In continued response to budget limitations and increasing costs and demands and in an effort to maintain City streets at an expectable level, the chip-seal (BST) process was continued in 2011 and 2012. City staff has become very knowledgeable with the BST process and effectively administered a total of 37 miles of arterial streets in 2011 and 2012. This cost effective maintenance program will continue into the next biennium.

2013/14 Goals & Objectives

Council Priority: Economic Development – UGA Expansion

- Steptoe Phase 3: City Limits to 4th Ave.
- Hildebrand Blvd.: Sherman St. to City Limits

Council Priority: Infrastructure & Growth – Safe Streets

- Annual chip-seal (BST) program for arterial, collector and local streets.
- Dayton St. Bridge Replacement
- Olympia Street: SR 397 to 27th Ave.
- Edison Street Widening: Clearwater to Canal Dr.

Council Priority: Infrastructure & Growth – Environmental Services

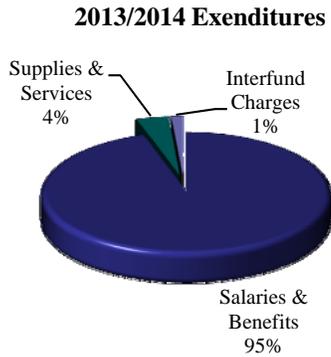
- Water and Sewer Renewals and Replacements

Council Priority: Infrastructure & Growth – Infrastructure Planning

- Updates to City Standard Specifications and Details
- Updates to 6-year Streets Capital Improvement Program
- Utilize Pavement Rating Program in assessment of condition of arterial street

Division Broad Goals

To serve residents of Kennewick by providing quality civil design and public works construction.



Division Staffing	2011	2012	2013	2014
	Actual	Actual	Adopted	Adopted
PUBLIC WORKS DIRECTOR	0.10	0.10	0.10	0.10
ASSISTANT PUBLIC WORKS DIRECTOR	0.20	0.20	0.20	0.20
ADMINISTRATIVE ASSISTANT	0.00	0.00	0.20	0.20
CITY ENGINEER	1.00	1.00	1.00	1.00
ENGINEERING SERVICES MANAGER	1.00	1.00	1.00	1.00
OFFICE ENGINEER	1.00	1.00	1.00	1.00
PROJECT ENGINEER	1.00	1.00	1.00	1.00
FIELD ENGINEER I	1.00	1.00	1.00	1.00
FIELD ENGINEER II	2.00	2.00	2.00	2.00
SENIOR ENGINEERING TECHNICIAN	1.00	1.00	1.00	1.00
ENGINEERING TECHNICIAN I	2.00	2.00	2.00	2.00
ENGINEERING TECHNICIAN II	1.00	1.00	1.00	1.00
ENGINEERING TECHNICIAN III	1.00	1.00	1.00	1.00
UTILITIES ENGINEER	0.50	0.50	0.50	0.50
TOTAL FULL-TIME STAFF:	12.80	12.80	13.00	13.00
TOTAL DIVISION FTE'S:	12.80	12.80	13.00	13.00

Prior Year Accomplishments

- Began construction of Steptoe St. Phase 2: 4th Ave. to Center Parkway
- Began construction of Steptoe St. Grade Separation
- Constructed Hildebrand Blvd.: Sherman St. to SR395
- Constructed Southridge Blvd.: Hildebrand Blvd. to 27th Ave.
- Constructed Southridge Commercial Roads (Plaza Way, Ridgeline)
- Constructed Clearwater Overlay: Edison St. to SR 395
- Completed Chip-seal pavement preservation program.
- Completed Kennewick Street Light Replacements – ARRA
- Constructed Beech St. Sewer
- Building Energy Savings project completed.
- Continued design and right-of-way for the remaining Steptoe and Hildebrand Corridor phases.

City Council's Priority Area(s)

- Community Safety
- Responsible Government
- Quality of Life
- Infrastructure & Growth

Steptoe Street Project



Before



After

Performance Measures**Program / Service Outputs**

	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Total plan sheets reviewed	251	166	210	220	230
Number of in-house projects designed & delivered	13	17	15	15	15
Number of change orders written	30	21	20	20	20
Total feet of projects inspected	15,346	24,137	20,000	20,000	20,000
Total engineering revenue	\$1,200,596	\$1,354,512	\$1,489,963	\$1,638,960	\$1,802,855

Program / Service Efficiency Measures

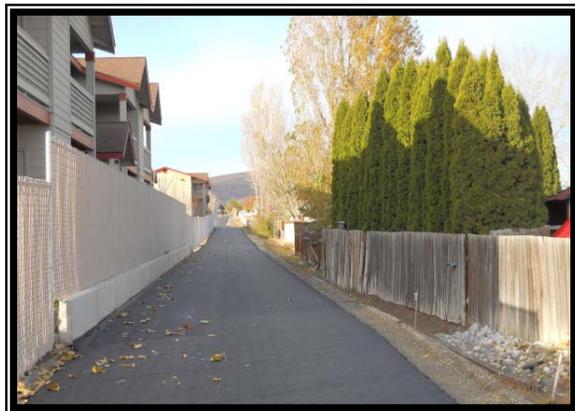
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Cost per plan sheet	\$ 9,262	\$ 3,759	\$ 6,500	\$ 6,825	\$ 7,166
Cost per in-house project designed & delivered	\$ 97,566	\$ 86,167	\$ 96,460	\$ 101,283	\$ 106,347
Total cost per change order written	\$ 9,064	\$ 19,007	\$ 9,200	\$ 9,660	\$ 10,143
Total cost per foot of project inspected	\$ 27.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00
Engineering revenue per personnel cost	77%	87%	75%	75%	75%

Program / Service Quality

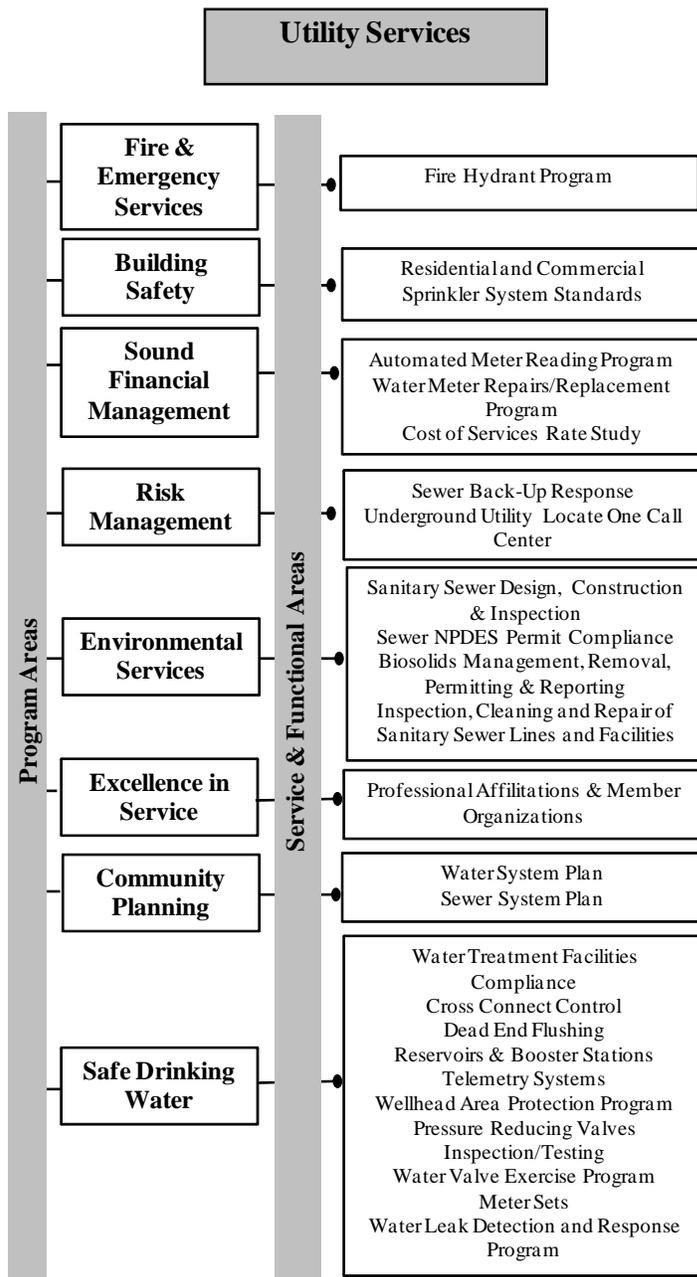
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Percentage completed per project budgeted	85%	90%	90%	90%	90%
Percentage of change orders cost to contract cost	2.2%	4.1%	4.0%	4.0%	4.0%
Percentage of total inspections completed within projected time frame of the project	100%	100%	100%	100%	100%
Percentage of projects surveyed per total projects received	100%	100%	100%	100%	100%
Percentage of projects surveyed per total projects received	100%	100%	100%	100%	100%

REVENUES	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 434,962	\$ 733,599	\$ 733,599	\$ 535,094
Licenses & Permits	122,954	131,000	131,000	167,000
Engineering Services	2,283,241	2,389,000	2,389,000	2,400,000
Charges for Services	2,283,241	2,389,000	2,389,000	2,400,000
Current Funding Sources	\$ 2,841,157	\$ 3,253,599	\$ 3,253,599	\$ 3,102,094
EXPENDITURES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 1,958,723	\$ 2,154,967	\$ 2,154,967	\$ 1,994,671
Overtime	26,317	30,350	30,350	32,300
Part-Time Wages	24,552	42,483	42,483	44,607
Benefits	719,339	871,724	871,724	877,305
Salaries & Benefits	2,728,931	3,099,524	3,099,524	2,948,883
Supplies	50,061	52,725	52,725	52,936
Contractual Services	15,907	34,200	34,200	30,500
Travel & Training	7,341	13,800	13,800	15,200
Other Services & Charges	9,719	16,280	16,280	15,015
Supplies & Services	83,028	117,005	117,005	113,651
Purchases from Central Stores	4,378	5,630	5,630	4,040
Fleet Maintenance Charges	24,820	31,440	31,440	35,520
Interfund Charges	29,198	37,070	37,070	39,560
Total Expenditures	\$ 2,841,157	\$ 3,253,599	\$ 3,253,599	\$ 3,102,094
Expenditures by Fund				
General Fund	\$ 2,841,157	\$ 3,253,599	\$ 3,253,599	\$ 3,102,094
Total Expenditures by Fund	\$ 2,841,157	\$ 3,253,599	\$ 3,253,599	\$ 3,102,094

**DETAIL
BUDGET**



UPRR Trail Extension



Division Purpose / Description

The Public Works Utility Services Division is responsible for providing safe, adequate, dependable, and affordable drinking water by providing professional operation and maintenance of the

Highlights / Changes

Utility Services strives to maintain ongoing effective and efficient operational programs and practices that assure continued reliable service at competitive rates. We completed the biosolids removal at the WWTP Lagoon #1; eliminated a major bottleneck in our wastewater collection system with the first phase of Beech St. sewer interceptor completed; received an award from the DOE for the 5th Consecutive Year for excellence in operation at our WWTP. The division continues to keep cost effectiveness, efficiencies and reliability as high priorities and will look to implementation of an automated water meter reading program and staffing alignments in the 2013/2014 biennium as examples of our dedication to improving our systems.

2013/14 Goals & Objectives

- Automated Meter Reading Implementation
- Construction of Zone 4 Thompson Hill Reservoir and Zone 5 Booster Station
- Construction of Zone 6 Thompson Hill Booster Station
- Design and construction for the south end of the Beech Street sanitary sewer interceptor
- Construction on ASR Pilot project intended to expand water source flexibility and use of Quad-Cities water right
- Arrowhead and Jefferson Lift Station Improvements
- Design of diffused air system for high rate treatment @ WWTP
- Add membrane filtration at WTP to improve water quality

Division Purpose / Description (Cont'd)

City’s water filtration plant, wastewater treatment plant, sewer collection system, and water distribution system. Staff work efforts ensure compliance with state and federal regulations that are required for the utility to continue to provide water and wastewater services to our customers. The Division also provides services required to support capital improvements at key facilities such as the Ranney Collectors and the Wastewater Treatment Plant.

Division Broad Goals

To improve efficiency through the use of technology or improvement in maintenance and operation procedures in order to strive to maintain the lowest user fee rates while maintaining a top quality, safe, and reliable infrastructure.

Division Staffing				
	2011	2012	2013	2014
	Actual	Actual	Adopted	Adopted
PUBLIC WORKS DIRECTOR	0.65	0.65	0.65	0.65
ASSISTANT PUBLIC WORKS DIRECTOR	0.50	0.50	0.50	0.50
ADMINISTRATIVE ASSISTANT	0.00	0.00	1.30	1.30
UTILITY SERVICES M ANAGER	1.00	1.00	1.00	1.00
FIELD SERVICES SUPERVISOR	1.00	1.00	1.00	1.00
PLANT SERVICES SUPERVISOR	1.00	1.00	1.00	1.00
CREW LEADER	3.00	3.00	3.00	3.00
UTILITY ENGINEER	0.50	0.50	0.50	0.50
SR. TRAFFIC ELECTRICIAN	0.25	0.25	0.25	0.25
TRAFFIC/STREET ELECTRICIAN	0.25	0.25	0.25	0.25
ELECTRONICS TECHNICIAN	1.00	1.00	1.00	1.00
CHIEF PLANT OPERATOR	1.00	1.00	1.00	1.00
PLANT OPERATOR	5.00	5.00	5.00	5.00
GENERAL CRAFTSWORKER	8.00	8.00	8.00	8.00
EQUIPMENT OPERATOR	3.00	3.00	3.00	3.00
M & C CRAFTSWORKER	6.00	6.00	6.00	6.00
UTILITY WORKER	1.00	1.00	1.00	1.00
TOTAL FULL-TIME STAFF:	33.15	33.15	34.45	34.45
SEASONAL WORKERS	1.50	1.50	1.50	1.50
TOTAL PART-TIME STAFF:	1.50	1.50	1.50	1.50
TOTAL DIVISION FTE'S:	34.65	34.65	35.95	35.95

Prior Year Accomplishments

- Southridge Zone 5 Water Main
- Zone 5 Reservoir
- Wastewater Biosolids Removal at Lagoon #1
- Completed design of the Zone 4 Thompson Hill Reservoir & Booster Station
- Preliminary design work on the Zone 6 Booster Station for Thompson Hill
- Completed design of Arrowhead & Jefferson Sanitary Sewer Lift Station
- Completed the north end of the Beech Street sanitary sewer interceptor.

City Council’s Priority Area(s)

- Community Safety
- Responsible Government
- Quality of Life
- Infrastructure & Growth



Performance Measures

Program / Service Outputs					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Water Treatment Plant - Water Plant & Well Operations: million gallons produced	3,667	3,536	3,690	3,726	3,763
Wastewater Treatment Plant - Plant Operations: million gallons treated	1,925	1,925	1,900	1,910	1,930
Water Distribution - Pipeline Maintenance/Operations: total # of work orders completed	1,353	1,755	1,808	1,862	1,918
Wastewater Collection - Pipeline Maintenance: total items maintained	1,992	2,837	1,500	1,545	1,591
Program / Service Efficiency Measures					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Water Treatment Plant - Water Plant & Well Operations: cost per million gallons	\$ 1,087	\$ 1,164	\$ 1,098	\$ 1,125	\$ 1,207
Wastewater Treatment Plant - Plant Operations: cost per million gallons	\$ 1,651	\$ 1,796	\$ 1,953	\$ 1,812	\$ 1,943
Water Distribution - M & O Maintenance: cost per work order completed	\$ 774	\$ 418	\$ 399	\$ 576	\$ 606
Wastewater Collection - Pipeline Maintenance: cost per item of infrastructure	\$ 300	\$ 248	\$ 469	\$ 572	\$ 602
Program / Service Quality					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Water Treatment Plant - Water Plant & Well Operations: % gallons of non-compliant water per total gallons produced	0%	0%	0%	0%	0%
Wastewater Treatment Plant-Plant Operations: % of effluent testing within operating parameters per number of tests run annually	100%	100%	100%	100%	100%
Water Distribution - Pipeline Maintenance/Repair: % of customer calls for no water per total # of services	1%	1%	1%	2%	2%
Wastewater Collection - Pipeline Maintenance: % of system cleaned and maintained	30%	35%	36%	35%	34%

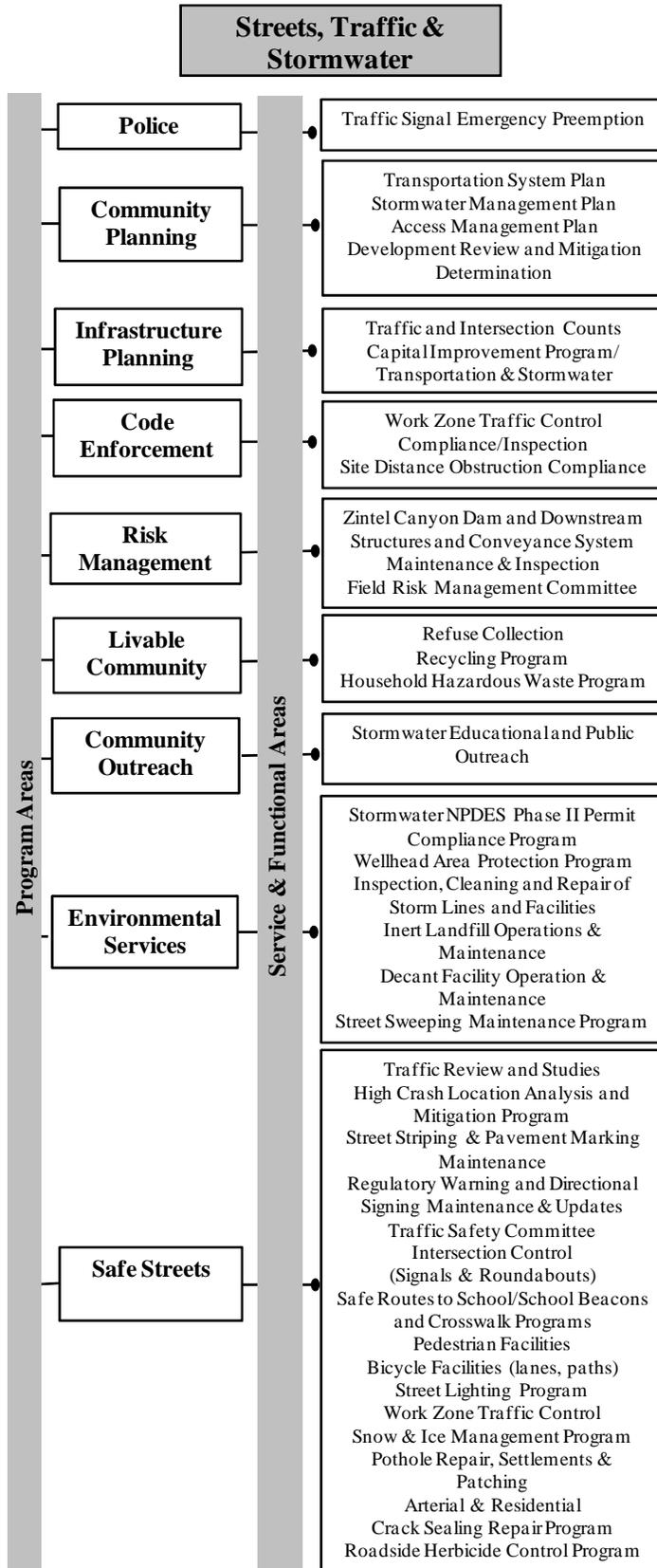
UTILITY SERVICES

Public Works Department

REVENUES	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Water Services	\$ 15,807,760	\$ 16,699,000	\$ 16,699,000	\$ 17,890,866
Sewer Services	12,798,395	13,460,000	13,460,000	14,797,271
Other Utility Fees and Charges	1,245,777	1,470,000	1,706,000	2,369,000
Charges for Services	29,851,932	31,629,000	31,865,000	35,057,137
Miscellaneous Revenue	480,414	392,000	392,000	199,501
Grants	111,857	1,675,000	2,613,143	2,000,000
Contributed Capital	250,785	1,500,000	1,500,000	1,100,000
Proceeds of General L-T Debt	7,362,922	-	-	12,250,000
Other Financing Sources	7,725,564	3,175,000	4,113,143	15,350,000
Total Revenues	\$ 38,057,910	\$ 35,196,000	\$ 36,370,143	\$ 50,606,638
Water and Sewer Fund	2,445,997	5,169,530	7,832,290	(3,361,262)
Decrease (Increase) to Fund Balance	2,445,997	5,169,530	7,832,290	(3,361,262)
Current Funding Sources	\$ 40,503,907	\$ 40,365,530	\$ 44,202,433	\$ 47,245,376
EXPENDITURES	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 4,552,708	\$ 4,855,702	\$ 4,855,702	\$ 5,045,574
Overtime	56,222	120,337	120,337	111,800
Part-Time Wages	26,050	73,821	73,821	72,900
Benefits	1,738,609	2,073,118	2,073,118	2,339,692
Salaries & Benefits	6,373,589	7,122,978	7,122,978	7,569,966
Supplies	528,585	657,597	657,597	559,780
Contractual Services	3,607,386	3,787,916	3,310,341	3,566,468
Travel & Training	28,055	51,975	51,975	47,700
Utility Charges	1,792,731	2,009,264	2,009,264	2,092,659
Repair & Maintenance	1,342,460	1,501,443	1,501,443	1,885,240
Other Services & Charges	421,257	586,854	586,854	699,000
Supplies & Services	7,720,474	8,595,049	8,117,474	8,850,847
State Excise Tax	1,030,122	1,060,470	1,060,470	1,054,845
Utility Tax	2,002,431	2,112,074	2,348,074	2,941,932
Other Services & Charges	245,371	12,500	12,500	14,000
Intergovernmental Services	3,277,924	3,185,044	3,421,044	4,010,777
Work Performed by Other Depts	329,254	367,500	367,500	370,000
Purchases from Central Stores	22,002	31,529	31,529	20,580
Fleet Maintenance Charges	722,946	766,820	766,820	858,576
Interfund Charges	1,074,202	1,165,849	1,165,849	1,249,156
Capital Improvement Fund	471,025	138,587	138,587	67,875
General Fund	537,554	598,200	598,200	-
Stormwater Utility Fund	475,000	750,000	375,000	-
Risk Management Fund	36,685	-	-	-
Equipment Rental Fund	52,338	-	5,700	23,300
Interfund Transfers	1,572,602	1,486,787	1,117,487	91,175
Debt Service	6,232,242	6,288,081	6,288,081	6,799,670
Building	-	-	25,000	-
Machinery & Equipment	24,997	131,742	223,580	92,785
Projects	14,227,877	12,390,000	16,720,940	18,581,000
Capital Outlay	14,252,874	12,521,742	16,969,520	18,673,785
Total Expenditures	\$ 40,503,907	\$ 40,365,530	\$ 44,202,433	\$ 47,245,376
Expenditures by Fund				
Water and Sewer Fund	40,503,907	40,365,530	44,202,433	47,245,376
Total Expenditures by Fund	\$ 40,503,907	\$ 40,365,530	\$ 44,202,433	\$ 47,245,376

**DETAIL
BUDGET**





Highlights / Changes

The Traffic, Streets and Storm Division seeks to meet Council priorities by enhancing community safety by constructing and maintaining our transportation infrastructure and monitoring the stormwater system for illicit discharges which could have negative impacts on water supplies. By participating heavily in community planning efforts we are working to ensure that our quality of life in Kennewick is maintained into the future.

2013/14 Goals and Objectives

Council Priority: Infrastructure & Growth – Infrastructure Planning

- Complete the new traffic signal communication system and set up automated data collection of logs.
- Better integrate private development and city maintenance operations into Hansen and GIS.

Council Priority: Infrastructure & Growth – Safe Streets

- Perform Citywide Traffic Signal Timing project. Continue upgrades to pedestrian signal equipment with countdown and audible signals with grant funding.
- Clearwater Access Management project which includes an Adaptive Traffic Signal Control project.
- Continue to refine crack sealing, patching, and striping programs to meet the needs of the BST projects.
- Continue to refine the use of our equipment and material to provide a high level of service for snow and ice control.

Council Priority: Infrastructure & Growth – Environmental Services

- Develop a program to meet requirements for illicit discharge detection to the city storm sewer system to insure protection of our water supply. Develop enforcement similar to the FOG program.
- Retrofit project for drywells & catch basins in wellhead protection areas to protect water supply. Complete demonstration project for low impact development.

Division Purpose / Description

The purpose of the Streets and Traffic programs are to provide the citizens and businesses of Kennewick a safe and efficient transportation network to use while conducting daily business. Providing a well planned and well maintained transportation system is an important and necessary part of meeting all five of the City Council’s Priority Areas. The Stormwater program is built around the goals of addressing drainage problems in the city and providing compliance with the National Pollution Discharge Elimination System (NPDES) Phase 2 permit. The program provides management of many facilities including the Zintel Dam, Duffy’s Pond, and others. The program also entails street sweeping to limit point source entry of pollutants into the stormwater system as well as a catch basin cleanout program.

Division Broad Goals

- Maintain all City traffic control devices including signals, roundabouts, school beacons, signing, and markings.
- Respond promptly to signs knocked down and spills in the roadway.
Respond to citizen concerns, complaints and requests regarding traffic, streets and stormwater.

Division Staffing				
	2011	2012	2013	2014
	Actual	Actual	Adopted	Adopted
PUBLIC WORKS DIRECTOR	0.25	0.25	0.25	0.25
ASSISTANT PUBLIC WORKS DIRECTOR	0.30	0.30	0.30	0.30
ADMINISTRATIVE ASSISTANT	0.00	0.00	0.50	0.50
TRAFFIC ENGINEER	1.00	1.00	1.00	1.00
ASSISTANT CITY ENGINEER	1.00	1.00	1.00	1.00
CREW LEADER	1.00	1.00	1.00	1.00
EQUIPMENT OPERATOR	6.00	6.00	6.00	6.00
M & C CRAFTSWORKER	3.00	3.00	3.00	3.00
ENGINEERING TECHNICIAN II	0.75	0.75	0.75	0.75
SR. TRAFFIC ELECTRICIAN	0.75	0.75	0.75	0.75
TRAFFIC ELECTRICIAN	0.75	0.75	0.75	0.75
TOTAL FULL-TIME STAFF:	14.80	14.80	15.30	15.30
SEASONAL STAFFING	1.34	1.34	1.34	1.34
TOTAL PART-TIME STAFF:	1.34	1.34	1.34	1.34
TOTAL DIVISION FTE'S:	16.14	16.14	16.64	16.64

2011/12 Accomplishments

Council Priority: Infrastructure & Growth – Infrastructure Planning

- Providing design and construction support for Southridge area roadway projects which include two new traffic signals and two new roundabouts.
- Upgrading older video and loop detection systems to latest generation of video detection.
- Upgrades to the school beacon system to improve reliability.

Council Priority: Infrastructure & Growth – Safe Streets

- Completion of 2012 traffic count program.
- Populated FHWA mandated sign inventory in Hansen and established means for asset management of signs to meet retroreflective standards
- Crack sealing program increased to better meet the needs of chip sealing.
- Maintained striping and marking program on city streets.
- Completed the installation of the New Salt Shed at the Frost Complex and switched to salt verses sand for winter snow and ice control.

Council Priority: Infrastructure & Growth – Environmental Services

- Updated Stormwater Management Plan (SWMP) and developed new Illicit Discharge Detection and Elimination (IDDE) program.
- Updated and refined inventory of outfalls.
- Conducted the street sweeping program for point source control of pollutants.
- Conducted drywell and catch basin cleanout programs

City Council’s Broad Goal(s)

- Infrastructure & Growth
- Community Safety
- Quality of Life
- Responsible Government

Performance Measures

Program / Service Outputs					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Total number of traffic signals maintained	59	59	62	62	62
Total number of roundabouts	16	17	19	21	22
Total number of traffic control signs upgraded to meet minimum reflectivity requirements (800/year needed for FHWA requirements)	300	275	275	275	275
Total number of sign knockdowns replaced	41	27	35	40	40
Total lane miles restriped	35	231	248	265	282
Total number of pavement markings renewed	105	54	120	140	140
Time spent on design and review of traffic control plans (signals, signs, and pavement markings)	281	234	60	60	60
Time spent by Traffic Engineer reviewing signal timing & detection	215	260	140	600	200
Hours spent responding to citizen traffic concerns	240	380	320	250	250
Hours spent for review and comment on SPA's and civil plan review	245	475	450	450	450
Streets maintenance & operation - lane miles	655	663	571	579	588
Storm maintenance & operation - curb miles	570	576	582	588	574
Program / Service Efficiency Measures					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Streets - cost per lane mile	\$ 1,107	\$ 1,140	\$ 1,174	\$ 1,210	\$ 1,246
Storm - cost per curb mile	\$ 1,321	\$ 2,139	\$ 2,203	\$ 2,269	\$ 2,337
Cost per traffic signal maintained	\$ 5,800	\$ 6,000	\$ 6,200	\$ 6,400	\$ 6,600
Cost per upgraded traffic control sign	\$ 175	\$ 180	\$ 185	\$ 190	\$ 195
Cost per sign installation	\$ 230	\$ 235	\$ 240	\$ 245	\$ 250
Cost per lane line mile restriped	\$ 550	\$ 650	\$ 700	\$ 725	\$ 750
Cost per worn marking renewed each year	\$ 200	\$ 220	\$ 240	\$ 250	\$ 260
Cost per traffic control plan design (signals, signs, and pavement markings)	\$ 1,500	\$ 1,550	\$ 1,600	\$ 1,650	\$ 1,700
Cost per response to requests, complaints or concerns	\$ 150	\$ 155	\$ 160	\$ 165	\$ 170
Cost per SPA reviewed	\$ 600	\$ 625	\$ 650	\$ 675	\$ 700
Program / Service Quality					
	2010	2011	2012	2013	2014
	Actual	Actual	Estimated	Projected	Projected
Streets maintained at LOS goal for crack sealing, ROW maint	70%	70%	80%	70%	60%
Catch basin, dry well cleaning, and TV lines at LOS goal	60%	60%	50%	60%	50%
Street sweeping maintenance at LOS goal	100%	100%	90%	100%	90%
Percentage of traffic signals provided routine maintenance each year (goal 100%)	50%	50%	25%	50%	50%
Percentage of city traffic control signs brought into compliance each year (15 year replacement cycle) - (goal 6.7%)	2.5%	2.3%	2.3%	2.3%	6.7%
Percentage of knockdowns replaced within 5 days	90%	90%	90%	90%	90%
Percentage of paint stripes that are restriped each year (goal 100%)	13%	100%	100%	100%	100%
Percentage of all worn plastic pavement markings are renewed each year (goal 33%)	20%	17%	17%	20%	20%
Percentage of traffic control designs complete on time to match City Engineer's schedule (goal 100%)	100%	85%	75%	80%	80%
Percentage of all citizen concerns, complaints of requests responded to within 14 days of receipt (goal 100%)	90%	90%	85%	75%	75%
Percentage of SPA's reviewed and commented on within 10-days of receipt (goal 100%)	90%	85%	80%	75%	75%

**STREETS, TRAFFIC &
STORMWATER**

Public Works Department

REVENUES	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Property	\$ 856,746	\$ 870,158	\$ 1,081,758	\$ 739,264
Other Taxes	3,331	-	-	-
Taxes	860,077	870,158	1,081,758	739,264
Motor Vehicle Fuel Tax	1,962,741	3,013,100	3,013,100	3,128,000
Intergovernmental Revenue	1,962,741	3,013,100	3,013,100	3,128,000
Stormwater Utility Charges	870,922	1,150,000	1,525,000	2,252,000
Indirect Federal Grant	43,677	-	-	-
Solid Waste Recycling Fees	110,137	100,000	120,000	100,000
Other Intergovernmental Revenue	22,545	24,800	24,800	11,400
Charges for Services	1,047,281	1,274,800	1,669,800	2,363,400
Miscellaneous Revenue	12,446	10,400	10,400	600
Water/Sewer Fund	475,000	750,000	375,000	-
Capital Improvement Fund	900,000	-	-	-
Interfund Transfers	1,375,000	750,000	375,000	-
Grants	54	251,250	320,088	600,000
Proceeds of General L-T Debt	-	1,080,000	1,080,000	-
Other Financing Sources	54	1,331,250	1,400,088	600,000
Total Revenues	\$ 5,257,599	\$ 7,249,708	\$ 7,550,146	\$ 6,831,264
Solid Waste Fund	(100,027)	(72,000)	338,000	-
Stormwater Utility Fund	(207,191)	(80,194)	(43,423)	99,436
Decrease (Increase) to Fund Balance	(307,218)	(152,194)	294,577	99,436
Current Funding Sources	\$ 4,950,381	\$ 7,097,514	\$ 7,844,723	\$ 6,930,700
EXPENDITURES	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 1,849,504	\$ 1,931,596	\$ 1,978,396	\$ 2,119,823
Overtime	52,962	44,341	44,341	38,020
Part-Time Wages	125,801	157,412	157,412	157,130
Benefits	707,167	835,024	846,825	1,012,631
Salaries & Benefits	2,735,434	2,968,373	3,026,974	3,327,604
Supplies	553,203	784,181	784,181	731,861
Contractual Services	135,259	179,125	196,646	197,300
Travel & Training	11,012	26,200	26,200	27,200
Utility Charges	865,059	746,000	899,000	551,200
Repair & Maintenance	39,323	70,220	70,220	86,500
Stormwater Permits	33,487	42,500	42,500	39,770
Stormwater Capacity Permit Compliance	54	251,250	320,088	-
Other Services & Charges	52,225	106,125	76,124	70,249
Supplies & Services	1,689,622	2,205,601	2,414,959	1,704,080
State Excise Tax	13,346	21,200	21,200	40,540
Utility Tax	8,710	14,175	14,175	22,252
Intergovernmental Services	22,056	35,375	35,375	62,792
Work Performed by Other Depts	26,164	80,000	80,000	30,000
Purchases from Central Stores	17,557	24,230	24,230	26,230
Fleet Maintenance Charges	441,498	573,170	573,170	624,048
Interfund Charges	485,219	677,400	677,400	680,278
Risk Management Fund	-	-	325,000	-
Capital Improvement Fund	-	9,240	109,240	-
General Fund	-	16,200	51,200	-
Equipment Rental Fund	13,760	210,700	229,950	-
Interfund Transfers	13,760	236,140	715,390	-
Debt Service	-	40,320	40,320	343,946
Capital	4,290	934,305	934,305	812,000
Total Expenditures	\$ 4,950,381	\$ 7,097,514	\$ 7,844,723	\$ 6,930,700
Expenditures by Fund				
Street Fund	\$ 3,788,412	\$ 3,906,458	\$ 4,118,058	\$ 3,979,264
Solid Waste Fund	22,745	40,000	470,000	-
Stormwater Fund	1,139,224	3,151,056	3,256,665	2,951,436
Total Expenditures by Fund	\$ 4,950,381	\$ 7,097,514	\$ 7,844,723	\$ 6,930,700

**DETAIL
BUDGET**



Fund Detail

Governmental accounting systems are established on a fund basis in 3 major categories. Those are Governmental funds, Proprietary funds, and Fiduciary funds. Governmental funds are further subdivided into 4 fund types: 1) General Fund, 2) Special Revenue funds, 3) Capital Project funds, and 4) Debt Service funds. Only one general fund may be created but more than one of each of the other types of governmental funds may be created based on the specific needs of the agency. This document includes 2013/14 biennial budgets for 14 individual governmental funds and historical information for two governmental funds that have been closed.

The modified accrual method is used when the measurement focus of the fund is the flow of current financial resources. The modified accrual method includes some aspects of accrual accounting and some aspects of cash-basis accounting. Under this method, revenues are recorded in the accounting period in which the funds are measurable and available. Available means that the funds are collectible within the current period or within 60 days of the end of the current period. Expenditures are recognized in the period in which the liabilities are both measurable and incurred, as under accrual accounting. Since governmental funds focus on the near-term aspect of the city's financial resources that are available for spending, these funds utilize the modified accrual method.

GENERAL FUND

The general fund accounts for all financial resources except those required to be accounted for in another fund. It includes transactions for the general governmental services provided by the agency.

SPECIAL REVENUE FUNDS

Special revenue funds account for the proceeds of revenue sources that are legally restricted for specified purposes.

CAPITAL PROJECT FUNDS

Capital project funds account for the financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds and trust funds.

DEBT SERVICE FUNDS

Debt service funds account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Revenues for this purpose include ad valorem property taxes on voted bond issues and assessments on local improvement districts.

GENERAL FUND

Fund Detail

REVENUES	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Beginning Fund Balance	\$ 1,154,640	\$ 2,100,000	\$ 3,415,596	\$ 2,800,000
Property	18,815,403	19,890,842	19,679,242	21,469,940
Sales & Use	14,921,690	16,027,800	16,577,800	17,367,261
Optional Sales	4,797,000	5,383,000	5,383,000	6,093,000
Utility	17,105,983	17,943,400	18,179,400	18,181,932
Gambling	1,533,290	1,738,000	1,738,000	1,837,000
Other Taxes	968,006	1,068,000	1,068,000	1,093,000
Taxes	58,141,372	62,051,042	62,625,442	66,042,133
Licenses & Permits	996,404	1,055,000	1,055,000	1,144,100
State Shared Revenues	999,345	1,050,442	1,050,442	1,254,000
State Entitlements	1,966,812	2,104,700	2,104,700	1,938,000
Other Intergovernmental Revenue	967,844	291,000	611,143	287,951
Intergovernmental Revenue	3,934,001	3,446,142	3,766,285	3,479,951
Engineering Services	2,283,241	2,389,000	2,389,000	2,400,000
Interfund Services	3,696,775	3,894,900	3,794,316	3,992,300
Other Charges for Services	3,030,795	2,843,600	3,058,900	2,946,900
Charges for Services	9,010,811	9,127,500	9,242,216	9,339,200
Fines & Forfeits	2,640,635	2,756,800	2,756,800	2,657,900
Miscellaneous Revenue	798,936	915,400	956,150	945,600
Solid Waste Fund	-	-	35,000	-
Asset Forfeiture Fund	-	-	11,000	-
Public Safety Fund	5,195,784	5,503,304	5,503,304	5,265,416
Capital Improvement Fund	-	92,881	96,881	-
Stormwater Utility Fund	13,759	16,200	16,200	-
Water/Sewer Fund	537,554	598,200	598,200	-
Building Safety Fund	108,474	109,000	109,000	-
Equipment Rental Fund	290,000	-	-	-
Interfund Transfers	6,145,571	6,319,585	6,369,585	5,265,416
Total Revenue Sources	\$ 82,822,370	\$ 87,771,469	\$ 90,187,074	\$ 91,674,300

GENERAL FUND

Fund Detail

EXPENDITURES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 39,857,909	\$ 43,327,887	\$ 43,549,787	\$ 45,567,169
Overtime	1,177,190	1,171,785	1,419,735	1,283,105
Part-Time Wages	1,304,484	1,443,350	1,443,350	1,419,597
Benefits	13,861,809	15,937,271	16,027,991	17,805,089
Salaries & Benefits	56,201,392	61,880,293	62,440,863	66,074,960
Supplies	1,839,566	1,723,522	2,030,798	1,870,421
Contractual Services	1,934,875	1,789,950	1,938,336	1,770,504
Travel & Training	330,228	374,473	400,183	410,995
Utility Charges	1,249,658	1,372,527	1,379,467	1,444,313
Repair & Maintenance	613,639	871,188	851,838	903,638
Other Services & Charges	566,385	648,588	718,988	751,256
Supplies & Services	6,534,351	6,780,248	7,319,610	7,151,127
District Court	2,185,887	2,381,200	2,381,200	2,772,000
Jail Services	4,793,582	5,272,500	5,272,500	5,500,500
SECOMM	2,171,399	2,359,300	2,359,300	2,019,000
Other Services & Charges	1,154,209	1,096,130	1,181,237	1,345,614
Allowance for Underexpenditure	-	(450,000)	(1,900,000)	(1,300,000)
Intergovernmental Services	10,305,077	10,659,130	9,294,237	10,337,114
Fire Hydrant Services	-	-	236,000	472,000
Purchases from Central Stores	305,355	353,690	353,690	356,950
Fleet Maintenance Charges	1,281,282	1,223,590	1,223,590	1,374,072
Interfund Charges	1,586,637	1,577,280	1,813,280	2,203,022
Capital Improvement Fund	1,520,361	2,000,000	2,500,000	2,000,000
Coliseum Fund	557,075	500,000	500,000	400,000
Medical Services Fund	1,025,000	962,000	1,400,000	-
Risk Management Fund	969,000	900,000	1,725,000	1,000,000
Building Safety Fund	100,000	-	-	-
Columbia Park Golf Course Fund	-	-	176,747	110,000
Equipment Rental Fund	478,512	-	20,700	-
Other Interfund Transfers	-	-	200,000	-
Interfund Transfers	4,649,948	4,362,000	6,522,447	3,510,000
Capital Outlay	129,369	-	-	-
Ending Fund Balance	3,415,596	2,512,518	2,796,637	2,398,077
Total Expenditures	\$ 82,822,370	\$ 87,771,469	\$ 90,187,074	\$ 91,674,300

PERSONNEL SUMMARY						
Division	Number of FTEs					
	2009	2010	2011	2012	2013	2014
City Manager	1.00	1.00	2.00	1.00	2.00	2.00
Finance	15.75	15.75	15.75	15.75	14.50	14.50
Management Services	18.50	19.50	18.50	18.50	18.70	18.70
City Attorney	5.00	5.00	5.00	5.00	5.00	5.00
Community Planning / Economic Development	4.40	4.40	6.90	7.77	8.69	8.69
Police	108.00	108.00	104.00	104.00	107.00	107.00
Fire	55.86	55.36	55.42	56.00	56.00	56.00
Engineering	14.67	14.00	13.00	12.00	12.20	12.20
Employee & Community Relations	31.44	30.44	31.31	31.10	31.85	31.85
Admin Services Support Team	5.60	5.60	5.00	5.00	-	-
Total General Fund	260.22	259.05	256.88	256.12	255.94	255.94

"Whether you think you can or think you can't, you're right."

- Henry Ford -

SPECIAL REVENUE FUNDS

The **Street Fund** is responsible for the maintenance of all City streets, bridges, city-owned street lights, traffic control devices, and storm sewers. Major sources of revenue include state shared revenue and a set percentage of property tax receipts.

The **Arterial Street Fund** accounts for the continued development of the arterial street system within the City. Revenue sources include federal and state grants.

The **Urban Arterial Street Fund** accounts for the continued development of the urban arterial street system within the City. The primary source of revenue is continuing grants from the State Transportation Improvement Board.

The **Bi-PIN Operations Fund** was established as a result of a service agreement with the Bi-County Police Information Network Agency. The agency pays the City to provide computer processing, financial, management and administrative services.

The **MPD Assistant Operations Fund** accounts for the administrative clerical support provided to the Medical Program Director (MPD) for Benton and Franklin Counties in accordance with an interlocal cooperation agreement.

The **Asset Forfeiture Fund** was established to record the value of cash and property seized during police investigations.

The **Public Safety Fund** was created to account for the proceeds of the voted 2 1/2% utility tax increase on electricity, telephone service, natural gas and steam. The tax proceeds and earned interest will be used to fund Police and Fire operations and capital costs.

The **Solid Waste/Environmental Fund** was established to record the cost of participation in a regional program to encourage waste reduction and recycling education. This fund has been closed and these activities are reflected in the Street Fund beginning in 2013/14.

The **Community Development Fund** accounts for the proceeds of specific revenue sources, other than those for major capital projects, which are restricted legally to expenditures for specified purposes of community development.

The **Cash Reserve Fund** was created to provide a source for City Council priorities, revenue stabilization, expenditure contingencies, emergencies, capital projects or general operations.

The **Lodging Tax Fund** accounts for revenues from a 4% hotel/motel tax collected by the state for lodging within the City's boundaries. State law requires the funds be used for the acquisition, construction and operation of tourism facilities or for tourism promotion.

STREET FUND

Fund Detail

REVENUES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -
Property	856,746	870,158	1,081,758	739,264
Road	3,331	-	-	-
Taxes	860,077	870,158	1,081,758	739,264
Motor Vehicle Fuel Tax	1,962,741	3,013,100	3,013,100	3,128,000
Snow Removal Assistance	43,677	-	-	-
Intergovernmental Revenue	2,006,418	3,013,100	3,013,100	3,128,000
Charges for Services	20,544	22,800	22,800	111,400
Miscellaneous Revenue	1,373	400	400	600
Capital Improvement Fund	900,000	-	-	-
Interfund Transfers	900,000	-	-	-
Total Revenue Sources	\$ 3,788,412	\$ 3,906,458	\$ 4,118,058	\$ 3,979,264
EXPENDITURES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Salaries	1,396,108	1,305,504	1,352,304	1,440,675
Overtime	44,940	40,341	40,341	28,020
Part-Time Wages	125,801	156,412	156,412	156,630
Benefits	540,600	564,765	576,565	672,648
Salaries & Benefits	2,107,449	2,067,022	2,125,622	2,297,973
Supplies	521,871	723,481	723,481	679,631
Contractual Services	560	2,475	2,475	2,750
Travel & Training	10,038	17,000	17,000	18,000
Utility Charges	865,059	746,000	899,000	545,000
Repair & Maintenance	10,711	11,200	11,200	36,000
Other Services & Charges	7,141	16,025	16,025	39,900
Supplies & Services	1,415,380	1,516,181	1,669,181	1,321,281
Purchases from Central Stores	17,296	23,990	23,990	25,850
Fleet Maintenance Charges	243,998	294,960	294,960	332,160
Interfund Charges	261,294	318,950	318,950	358,010
Sidewalk Replacement	4,289	4,305	4,305	2,000
Capital Outlay	4,289	4,305	4,305	2,000
Ending Fund Balance	-	-	-	-
Total Expenditures	\$ 3,788,412	\$ 3,906,458	\$ 4,118,058	\$ 3,979,264

STREET FUND*Fund Detail*

PERSONNEL SUMMARY	Number of FTEs					
	2009	2010	2011	2012	2013	2014
Public Works Director	0.10	0.10	0.10	0.20	0.20	0.20
Assistant Public Works Services Director	0.20	0.20	0.20	0.30	0.30	0.30
Parks, Streets and Facilities Manager	0.21	0.21	0.21	-	-	-
Traffic Engineer	1.00	1.00	1.00	0.95	0.95	0.95
Assistant City Engineer	-	-	-	0.60	0.60	0.60
Maintenance & Operations Supervisor	0.33	0.33	0.33	-	-	-
Engineering Technician II	0.75	0.75	0.75	0.75	0.75	0.75
Administrative Assistant	-	-	-	-	0.40	0.40
Senior Traffic Electrician	0.75	0.75	0.75	0.75	0.75	0.75
Crewleader	0.75	0.75	0.75	0.75	0.75	0.75
Traffic Electrician	0.75	0.75	0.75	0.75	0.75	0.75
Equipment Operator	1.50	1.50	1.50	1.50	1.50	1.50
Maintenance & Construction Crafts worker	3.00	3.00	3.00	3.00	3.00	3.00
Total Street Fund	9.34	9.34	9.34	9.55	9.95	9.95

ARTERIAL STREET FUND

Fund Detail

REVENUES					
	2009/10	2011/12	2011/12	2013/14	
	Actual	Adopted	Adjusted	Adopted	
Beginning Fund Balance	\$ 559,575	\$ -	\$ 550,889	\$ -	
Federal and State Grants	1,015,592	-	929,848	1,230,000	
Motor Vehicle Fuel Tax	918,687	-	-	-	
Intergovernmental Revenue	1,934,279	-	929,848	1,230,000	
Miscellaneous Revenue	23,522	-	-	-	
Capital Improvement Fund	1,137,440	2,600,000	2,472,446	1,570,000	
Community Development Fund	12,700	-	-	-	
Interfund Transfers	1,150,140	2,600,000	2,472,446	1,570,000	
Total Revenue Sources	\$ 3,667,516	\$ 2,600,000	\$ 3,953,183	\$ 2,800,000	
EXPENDITURES					
	2009/10	2011/12	2011/12	2013/14	
	Actual	Adopted	Adjusted	Adopted	
Intergovernmental Services	\$ -	\$ -	\$ 290,000	\$ -	
Capital Improvement Fund	64,500	-	-	-	
Urban Arterial Street Fund	593,651	-	-	-	
Interfund Transfers	658,151	-	-	-	
Projects	2,458,476	2,600,000	3,663,183	2,800,000	
Capital Outlay	2,458,476	2,600,000	3,663,183	2,800,000	
Ending Fund Balance	550,889	-	-	-	
Total Expenditures	\$ 3,667,516	\$ 2,600,000	\$ 3,953,183	\$ 2,800,000	

URBAN ARTERIAL STREET FUND

Fund Detail

REVENUES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Beginning Fund Balance	\$ 69,326	\$ 18,700	\$ 780,099	\$ 300,000
Federal and State Grants	4,812,280	4,538,733	11,626,964	4,260,000
Contributions from Other Govt's	351,590	1,195,000	845,000	-
Intergovernmental Revenue	5,163,870	5,733,733	12,471,964	4,260,000
Contributions	11,935	-	-	190,540
Charges for Services	11,935	-	-	190,540
Arterial Street Fund	593,651	-	-	-
Capital Improvement Fund	1,520,846	4,097,567	4,033,822	2,649,460
Interfund Transfers	2,114,497	4,097,567	4,033,822	2,649,460
Total Revenue Sources	\$ 7,359,628	\$ 9,850,000	\$ 17,285,885	\$ 7,400,000
EXPENDITURES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Projects	\$ 6,579,528	\$ 9,850,000	\$ 17,285,885	\$ 7,400,000
Capital Outlay	6,579,528	9,850,000	17,285,885	7,400,000
Ending Fund Balance	780,100	-	-	-
Total Expenditures	\$ 7,359,628	\$ 9,850,000	\$ 17,285,885	\$ 7,400,000

BI-PIN OPERATIONS FUND

Fund Detail

REVENUES					
	2009/10		2011/12		2013/14
	Actual	Adopted	Adjusted	Adopted	
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -	-
Computer Operations	534,749	592,972	617,819		629,262
Charges for Services	534,749	592,972	617,819		629,262
Total Revenue Sources	\$ 534,749	\$ 592,972	\$ 617,819	\$	629,262
EXPENDITURES					
	2009/10		2011/12		2013/14
	Actual	Adopted	Adjusted	Adopted	
Salaries	\$ 219,572	\$ 233,350	\$ 233,350		\$ 250,424
Overtime	10	-	-		-
Benefits	85,904	101,836	101,836		108,455
Salaries & Benefits	305,486	335,186	335,186		358,879
Supplies	1,794	7,600	14,117		10,405
Contractual Services	1,475	1,350	1,350		1,350
Travel & Training	12,166	20,000	20,000		12,000
Utility Charges	-	4,230	4,230		4,380
Rentals/Leases	12,000	12,000	12,000		12,000
Repair & Maintenance	197,612	205,296	223,626		226,328
Other Services & Charges	4,184	6,650	6,650		3,500
Supplies & Services	229,231	257,126	281,973		269,963
Purchases from Central Stores	32	660	660		420
Interfund Charges	32	660	660		420
Ending Fund Balance	-	-	-		-
Total Expenditures	\$ 534,749	\$ 592,972	\$ 617,819	\$	629,262

PERSONNEL SUMMARY						
	Number of FTEs					
	2009	2010	2011	2012	2013	2014
Programmer/Analyst II	1.00	1.00	1.00	1.00	1.00	1.00
BiPin Technician	0.50	0.50	0.50	0.50	0.50	0.50
Total Bi-Pin Operations Fund	1.50	1.50	1.50	1.50	1.50	1.50

MPD ASSISTANT OPERATIONS FUND

Fund Detail

REVENUES					
	2009/10		2011/12		2013/14
	Actual		Adopted	Adjusted	Adopted
Beginning Fund Balance	\$	-	\$	-	\$ -
Contractual Services		57,825		69,563	-
Certification Fees		-		-	71,600
Charges for Services		57,825		69,563	71,600
Total Revenue Sources	\$	57,825	\$	69,563	\$ 71,600
EXPENDITURES					
	2009/10		2011/12		2013/14
	Actual		Adopted	Adjusted	Adopted
Salaries	\$	36,640	\$	42,961	\$ 36,612
Part-Time Wages		1,167		-	-
Benefits		13,747		18,272	14,892
Salaries & Benefits		51,554		61,233	51,504
Supplies		246		1,200	1,000
Contractual Services		1,475		1,200	5,100
Travel & Training		248		900	900
Rentals/Leases		3,600		3,600	3,600
Other Services & Charges		690		1,070	1,030
Supplies & Services		6,259		7,970	11,630
Purchases from Central Stores		12		360	250
Interfund Charges		12		360	250
Ending Fund Balance		-		-	8,216
Total Expenditures	\$	57,825	\$	69,563	\$ 71,600

PERSONNEL SUMMARY						
	2009	2010	Number of FTEs			
			2011	2012	2013	2014
Office Specialist	0.50	0.50	0.50	0.50	0.50	0.50
Total EMS Operations Fund	0.50	0.50	0.50	0.50	0.50	0.50

ASSET FORFEITURE FUND

Fund Detail

REVENUES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Beginning Fund Balance	\$ 9,462	\$ 10,000	\$ 38,410	\$ 65,000
Forfeited Property	72,332	62,800	267,800	50,000
Interest Earnings	644	750	750	400
Miscellaneous Revenue	72,976	63,550	268,550	50,400
Total Revenue Sources	\$ 82,438	\$ 73,550	\$ 306,960	\$ 115,400
EXPENDITURES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Supplies	\$ 35,529	\$ 18,000	\$ 64,000	\$ 26,000
Travel & Training	180	-	-	-
Other Services & Charges	1,114	1,150	12,150	10,000
Supplies & Services	36,823	19,150	76,150	36,000
Intergovernmental Services	7,205	4,000	4,000	5,000
General Fund	-	-	11,000	-
Equipment Rental	-	18,000	107,500	36,000
Interfund Transfers	-	18,000	118,500	36,000
Ending Fund Balance	38,410	32,400	108,310	38,400
Total Expenditures	\$ 82,438	\$ 73,550	\$ 306,960	\$ 115,400

PUBLIC SAFETY FUND

Fund Detail

REVENUES						
	2009/10		2011/12		2013/14	
	Actual		Adopted	Adjusted	Adopted	
Beginning Fund Balance	\$	-	\$	-	\$	-
Natural Gas Utility Tax		483,546		449,268		404,585
Telephone Utility Tax		2,402,508		2,350,264		1,945,416
Electricity Utility Tax		2,309,730		2,703,772		2,915,415
Taxes		5,195,784		5,503,304		5,265,416
Total Revenue Sources	\$	5,195,784	\$	5,503,304	\$	5,265,416
EXPENDITURES						
	2009/10		2011/12		2013/14	
	Actual		Adopted	Adjusted	Adopted	
General Fund	\$	5,195,784	\$	5,503,304	\$	5,265,416
Interfund Transfers		5,195,784		5,503,304		5,265,416
Total Expenditures	\$	5,195,784	\$	5,503,304	\$	5,265,416

SOLID WASTE / ENVIRONMENTAL FUND

Fund Detail

REVENUES					
	2009/10	2011/12	2011/12	2013/14	
	Actual	Adopted	Adjusted	Adopted	
Beginning Fund Balance	\$ 238,137	\$ 285,000	\$ 338,164	\$ -	-
State Grant	2,000	2,000	2,000	-	-
Intergovernmental Revenue	2,000	2,000	2,000	-	-
Solid Waste Recycling Fees	110,137	100,000	120,000	-	-
Charges for Services	110,137	100,000	120,000	-	-
Miscellaneous Revenue	10,635	10,000	10,000	-	-
Total Revenue Sources	\$ 360,909	\$ 397,000	\$ 470,164	\$ -	-
EXPENDITURES					
	2009/10	2011/12	2011/12	2013/14	
	Actual	Adopted	Adjusted	Adopted	
Recycling	\$ -	\$ 15,000	\$ -	\$ -	-
Hazardous Wastes - Contracting	22,745	25,000	10,000	-	-
Supplies & Services	22,745	40,000	10,000	-	-
General Fund	-	-	35,000	-	-
Capital Improvement Fund	-	-	100,000	-	-
Risk Management Fund	-	-	325,000	-	-
Interfund Transfers	-	-	460,000	-	-
Ending Fund Balance	338,164	357,000	164	-	-
Total Expenditures	\$ 360,909	\$ 397,000	\$ 470,164	\$ -	-

* The Solid Waste/Environmental Fund was closed effective 12/31/2012. Activity previously accounted for in this fund is now accounted for in the Street Fund.

COMMUNITY DEVELOPMENT FUND

Fund Detail

REVENUES					
	2009/10	2011/12	2011/12	2013/14	
	Actual	Adopted	Adjusted	Adopted	
Beginning Fund Balance	\$ 117,119	\$ 60,000	\$ 122,669	\$ 60,000	
CDBG Grant	1,188,394	1,120,000	1,603,078	1,000,000	
NSP Grant	411,504	-	66,409	-	
HOME Grant	907,544	400,000	485,574	250,000	
Intergovernmental Revenue	2,507,442	1,520,000	2,155,061	1,250,000	
Program Income	173,090	-	139,133	-	
Interest	2,203	2,500	2,500	800	
Miscellaneous Revenue	175,293	2,500	141,633	800	
Total Revenue Sources	\$ 2,799,854	\$ 1,582,500	\$ 2,419,363	\$ 1,310,800	
EXPENDITURES					
	2009/10	2011/12	2011/12	2013/14	
	Actual	Adopted	Adjusted	Adopted	
Salaries	\$ 171,865	\$ 185,092	\$ 185,092	\$ 174,256	
Benefits	67,139	78,943	78,943	62,882	
Salaries & Benefits	239,004	264,035	264,035	237,138	
Supplies	1,970	2,400	2,400	2,050	
Contractual Services	58,895	77,700	77,060	77,600	
Travel & Training	6,471	7,000	6,000	6,000	
Subrecipient Programs	1,061,478	966,855	1,226,220	675,682	
Supplies & Services	1,128,814	1,053,955	1,311,680	761,332	
Purchases from Central Stores	1,481	2,010	2,186	1,530	
Interfund Charges	1,481	2,010	2,186	1,530	
Arterial Street Fund - Projects	12,700	-	-	-	
Capital Improvement Fund - Projects	-	-	373,670	250,000	
Coliseum Fund - Projects	65,000	200,000	229,000	-	
Interfund Transfers	77,700	200,000	602,670	250,000	
Capital Outlay	1,230,186	-	150,853	-	
Ending Fund Balance	122,669	62,500	87,939	60,800	
Total Expenditures	\$ 2,799,854	\$ 1,582,500	\$ 2,419,363	\$ 1,310,800	

PERSONNEL SUMMARY						
	Number of FTEs					
	2009	2010	2011	2012	2013	2014
Economic & Community Development Coordinator	0.75	0.75	0.75	0.75	1.00	1.00
Housing Specialist	0.63	0.63	-	-	-	-
Total Community Development Fund	1.38	1.38	0.75	0.75	1.00	1.00

CASH RESERVE FUND*Fund Detail*

REVENUES				
	2009/10 Actual	2011/12 Adopted	2011/12 Adjusted	2013/14 Adopted
Beginning Fund Balance	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,597,500
General Fund	-	-	200,000	-
Interfund Transfers	-	-	200,000	-
Total Revenue Sources	\$ 2,500,000	\$ 2,500,000	\$ 2,700,000	\$ 2,597,500
EXPENDITURES				
	2009/10 Actual	2011/12 Adopted	2011/12 Adjusted	2013/14 Adopted
Ending Fund Balance	\$ 2,500,000	\$ 2,500,000	\$ 2,700,000	\$ 2,597,500
Total Expenditures	\$ 2,500,000	\$ 2,500,000	\$ 2,700,000	\$ 2,597,500

LODGING TAX FUND

Fund Detail

REVENUES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Beginning Fund Balance	\$ 247,901	\$ 102,760	\$ 130,824	\$ 188,000
Hotel/Motel	1,480,853	1,560,000	1,655,000	1,726,000
Tourism Promotion Area	707,790	739,000	754,000	784,000
Taxes	2,188,643	2,299,000	2,409,000	2,510,000
Interest	9,711	5,000	5,000	2,000
Miscellaneous Revenue	9,711	5,000	5,000	2,000
Total Revenue Sources	\$ 2,446,255	\$ 2,406,760	\$ 2,544,824	\$ 2,700,000
EXPENDITURES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Event Promotion	\$ 10,000	\$ 28,000	\$ 28,000	\$ 28,000
Marketing	-	20,000	20,000	20,000
Tourism Promotion Area	707,790	739,000	754,000	784,000
T/C Visitor & Convention Bureau	311,041	352,000	357,000	394,000
Supplies & Services	1,028,831	1,139,000	1,159,000	1,226,000
Coliseum Fund	1,286,600	1,186,600	1,186,600	1,286,600
Interfund Transfers	1,286,600	1,186,600	1,186,600	1,286,600
Ending Fund Balance	130,824	81,160	199,224	187,400
Total Expenditures	\$ 2,446,255	\$ 2,406,760	\$ 2,544,824	\$ 2,700,000

CAPITAL PROJECTS FUNDS

The **Capital Improvements Fund** accounts for the financial resources to be used for the acquisition or construction of major capital facilities and infrastructure (other than those financed by Proprietary Funds and Trust Funds).

The **Park Development Construction Fund** has been closed and park development activities are reflected in the Capital Improvements Fund beginning in 2011/12. This fund accounted for the development of the City parks and sources of revenue included admissions tax, state grants, donations and allocations from the General Fund.

CAPITAL IMPROVEMENT FUND

Fund Detail

REVENUES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Beginning Fund Balance	\$ 12,345,889	\$ 11,509,402	\$ 21,897,023	\$ 3,362,808
Property	-	218,000	218,000	222,000
Sales & Use	-	1,174,000	1,174,000	1,074,000
Optional Sales Tax	7,784,446	8,340,300	8,340,300	9,393,023
Local Real Estate Excise	-	3,013,600	3,013,600	2,656,000
Taxes	7,784,446	12,745,900	12,745,900	13,345,023
Federal and State Grants	180,597	15,000	30,000	15,000
Kennewick School District	-	-	8,850	-
BI-PIN	69,118	-	-	-
Intergovernmental Revenue	249,715	15,000	38,850	15,000
Contributions	36,430	900,000	-	100,000
Charges for Services	36,430	900,000	-	100,000
Miscellaneous Revenue	519,089	402,000	402,000	121,000
General Fund	1,520,361	2,000,000	2,500,000	2,000,000
Medical Services Fund	16,213	39,604	39,604	-
Park Develop/Const Fund	1,527,542	-	-	-
Community Development Fund	65,000	200,000	373,670	250,000
Solid Waste/Environmental Fund	-	-	100,000	-
Building Safety Fund	78,901	16,625	16,625	-
Water/Sewer Fund	471,025	138,587	138,587	67,875
Other Interfund Transfers	64,500	9,240	66,451	-
Interfund Transfers	3,743,542	2,404,056	3,234,937	2,317,875
Proceeds from Long Term Debt	13,738,577	-	-	-
Long Term Intergov't'l Loan Proceeds	-	-	-	12,800,000
Proceeds from Land Sale	602,033	878,110	878,110	-
Other Financing Sources	14,340,610	878,110	878,110	12,800,000
Total Revenue Sources	\$ 39,019,721	\$ 28,854,468	\$ 39,196,820	\$ 32,061,706
EXPENDITURES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Contractual Services	\$ 91,266	\$ 66,000	\$ 66,000	\$ 58,500
Supplies & Services	91,266	66,000	66,000	58,500
Intergovernmental Transfer for KPPFD	419,743	336,844	336,844	1,034,725
Animal Control Facility	-	-	-	200,000
Property Taxes	53,757	-	-	-
Intergovernmental Services	473,500	336,844	336,844	1,234,725
Arterial Street Fund	1,137,440	2,600,000	2,472,446	1,570,000
Coliseum Fund	277,380	550,000	300,000	400,000
CP Golf Course Fund	-	-	74,509	-
Debt Service Fund	3,921,682	5,647,561	5,611,765	4,891,876
Equipment Rental Fund	108,052	1,266,000	1,308,700	1,310,000
General Fund	-	92,881	96,881	-
Street Fund	900,000	-	-	-
Risk Management Fund	250,000	-	1,495,150	-
Urban Arterial Street Fund	1,520,846	4,097,567	4,033,822	2,649,460
Interfund Transfers	8,115,400	14,254,009	15,393,273	10,821,336
Debt Service	2,444,220	1,843,609	1,843,609	1,226,956
Street Projects	3,044,980	1,976,000	11,603,903	13,449,540
Land and Facilities	302,774	505,000	1,145,000	650,000
Parks Projects	3,548,539	2,865,918	6,356,378	133,000
Other Improvements	96,632	-	53,259	-
Machinery & Equipment	1,794,920	643,155	779,230	536,326
Capital Outlay	8,787,845	5,990,073	19,937,770	14,768,866
Ending Fund Balance	19,107,490	6,363,933	1,619,324	3,951,323
Total Expenditures	\$ 39,019,721	\$ 28,854,468	\$ 39,196,820	\$ 32,061,706

PARK DEVELOPMENT / CONSTRUCTION FUND

Fund Detail

REVENUES					
	2009/10	2011/12	2011/12	2013/14	
	Actual	Adopted	Adjusted	Adopted	
Beginning Fund Balance	\$ 3,485,271	\$ -	\$ -	\$ -	-
Local Real Estate Excise	2,621,887	-	-	-	-
Taxes	2,621,887	-	-	-	-
Grants	277,262	-	-	-	-
Motor Vehicle Fuel Tax	14,480	-	-	-	-
Port of Kennewick	45,886	-	-	-	-
Intergovernmental Revenue	337,628	-	-	-	-
Park Development Fees	109,941	-	-	-	-
Charges for Services	109,941	-	-	-	-
Miscellaneous Revenue	172,428	-	-	-	-
Total Revenue Sources	\$ 6,727,155	\$ -	\$ -	\$ -	-
EXPENDITURES					
	2009/10	2011/12	2011/12	2013/14	
	Actual	Adopted	Adjusted	Adopted	
Supplies	\$ 62,495	\$ -	\$ -	\$ -	-
Supplies & Services	62,495	-	-	-	-
Equipment Rental Fund	40,385	-	-	-	-
Debt Service Fund	487,334	-	-	-	-
Capital Improvement Fund	1,527,542	-	-	-	-
Coliseum Fund	715,957	-	-	-	-
Interfund Transfers	2,771,218	-	-	-	-
Facilities	60,479	-	-	-	-
Columbia Park	606,938	-	-	-	-
Other Parks	426,362	-	-	-	-
Machinery & Equipment	10,130	-	-	-	-
Capital Outlay	1,103,909	-	-	-	-
Ending Fund Balance	2,789,533	-	-	-	-
Total Expenditures	\$ 6,727,155	\$ -	\$ -	\$ -	-

* Park development activities are budgeted in the Capital Improvement Fund beginning in 2011/12.

DEBT SERVICE FUNDS

The **Debt Service Fund** accounts for the accumulation of resources for, and the payment of, general long-term obligation principal and interest. Revenues for this purpose include ad valorem property taxes on voted bond issues and assessments on local improvement districts.

The **LID Guaranty Fund** accounts for the accumulation and expenditure of monies obtained from local improvement district (LID) assessments and the sale of property obtained from the foreclosure of improvement liens on property. The ultimate purpose of the fund is to make up any deficiency that may exist in any LID Debt Service Fund from the redemption of any bonds still outstanding after all assessments have been collected. The LID Guaranty Fund guarantees all unpaid special assessment bonds. State law requires that the Guaranty Fund maintain a balance of at least 10% of the outstanding obligations guaranteed by the fund in any single year. This balance is established and maintained by a tax levy not to exceed 12% of the amount guaranteed.

DEBT SERVICE FUND

Fund Detail

REVENUES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Beginning Fund Balance	\$ 37,206	\$ 24,970	\$ 5,734	\$ -
Property	770,000	790,000	790,000	805,075
Taxes	770,000	790,000	790,000	805,075
Intergovernmental Revenue	156,721	468,212	468,212	468,212
Miscellaneous Revenue	3,848	-	3,500	1,000
Capital Improvement Fund	3,921,682	5,647,561	5,611,765	4,891,876
Park Develop/Const Fund	487,334	-	-	-
Interfund Transfers	4,409,016	5,647,561	5,611,765	4,891,876
Refunding Bond Premium	-	-	469,459	-
Refunding Bond Issued	-	-	5,330,000	-
Other Financing Sources	-	-	5,799,459	-
Total Revenue Sources	\$ 5,376,791	\$ 6,930,743	\$ 12,678,670	\$ 6,166,163
EXPENDITURES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Debt Service	\$ 5,371,057	\$ 6,914,873	\$ 12,678,537	\$ 6,166,163
Ending Fund Balance	5,734	15,870	133	-
Total Expenditures	\$ 5,376,791	\$ 6,930,743	\$ 12,678,670	\$ 6,166,163

LID GUARANTY FUND

Fund Detail

REVENUES				
	2009/10 Actual	2011/12 Adopted	2011/12 Adjusted	2013/14 Adopted
Beginning Fund Balance	\$ 32,824	\$ 34,150	\$ 34,106	\$ 34,500
Miscellaneous Revenue	1,282	-	-	-
Total Revenue Sources	\$ 34,106	\$ 34,150	\$ 34,106	\$ 34,500
EXPENDITURES				
	2009/10 Actual	2011/12 Adopted	2011/12 Adjusted	2013/14 Adopted
Ending Fund Balance	\$ 34,106	\$ 34,150	\$ 34,106	\$ 34,500
Total Expenditures	\$ 34,106	\$ 34,150	\$ 34,106	\$ 34,500

PROPRIETARY FUNDS

Some activities of a government, such as operation of a municipal water system, are similar to those of commercial enterprises. The objective of the government unit is to recover its costs in these operations through a system of user charges. Proprietary funds are used to account for such operations. Because these activities have a measurement focus of income determination and capital maintenance, the accrual method of accounting is used in proprietary funds.

There are two types of proprietary funds: 1) Enterprise funds, and 2) Internal Service funds. The City of Kennewick uses 6 enterprise funds and 3 internal service funds.

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the City is that the costs and expenses (including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units on a cost-reimbursement basis.

ENTERPRISE FUNDS

The **Water and Sewer Fund** operates the water distribution system, the sewer treatment plant, sewage pumping stations and collection systems. The intent of the City is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The **Medical Services Fund** provides ambulance services. Revenues for this fund include household charges and transport service fees.

The **Building Safety Fund** accounts for the building inspection function. Building permit fees provide the major revenue source for this fund.

The **Coliseum Fund** accounts for activities of the Toyota Center and Arena operations.

The **Stormwater Utility Fund** accounts for storm drainage maintenance and construction activities. The primary source of revenue is customer utility charges.

The **Columbia Park Golf Course Fund** accounts for the operation of the 18-hole golf course and driving range located in Columbia Park.

WATER AND SEWER FUND

Fund Detail

REVENUES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Beginning Working Capital	\$ 12,527,763	\$ 6,454,938	\$ 10,081,766	\$ 3,017,928
Intergovernmental Revenue	362,643	1,675,000	2,613,143	2,000,000
Water Sales	15,807,760	16,699,000	16,699,000	17,890,866
Sewer Sales	12,798,395	13,460,000	13,460,000	14,797,271
Other Utility Fees and Charges	1,245,777	1,470,000	1,706,000	2,369,000
Charges for Services	29,851,932	31,629,000	31,865,000	35,057,137
Miscellaneous Revenue	480,405	392,000	392,000	199,500
Contributed Capital	-	1,500,000	1,500,000	1,100,000
Long Term Intergov't'l Loan Proceeds	7,362,921	-	-	12,250,000
Other Financing Sources	7,362,921	1,500,000	1,500,000	13,350,000
Total Revenue Sources	\$ 50,585,664	\$ 41,650,938	\$ 46,451,909	\$ 53,624,565
EXPENDITURES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 4,552,708	\$ 4,855,702	\$ 4,855,702	\$ 5,045,573
Overtime	56,222	120,337	120,337	111,800
Part-Time Wages	26,050	73,821	73,821	72,900
Benefits	1,738,609	2,073,118	2,073,118	2,339,692
Salaries & Benefits	6,373,589	7,122,978	7,122,978	7,569,965
Supplies	528,585	657,597	657,597	559,780
Contractual Services	3,607,386	3,787,916	3,310,341	3,566,468
Travel & Training	28,055	51,975	51,975	47,700
Utility Charges	1,792,731	2,009,264	2,009,264	2,092,659
Repair & Maintenance	1,342,460	1,501,443	1,501,443	1,885,240
Other Services & Charges	421,257	586,855	586,855	699,000
Supplies & Services	7,720,474	8,595,050	8,117,475	8,850,847
State Excise Tax	1,030,122	1,060,470	1,060,470	1,054,845
Utility Tax	2,002,431	2,112,074	2,348,074	2,941,932
Other Intergovernmental Services	245,372	12,500	12,500	14,000
Intergovernmental Services	3,277,925	3,185,044	3,421,044	4,010,777
Work Performed by Other Depts	329,254	367,500	367,500	370,000
Purchases from Central Stores	21,994	31,529	31,529	20,580
Fleet Maintenance Charges	722,946	766,820	766,820	858,576
Interfund Charges	1,074,194	1,165,849	1,165,849	1,249,156
General Fund	537,554	598,200	598,200	-
Capital Improvement Fund	471,025	138,587	138,587	67,875
Stormwater Utility Fund	475,000	750,000	375,000	-
Risk Management Fund	36,685	-	-	-
Equipment Rental Fund	52,338	-	5,700	23,300
Interfund Transfers	1,572,602	1,486,787	1,117,487	91,175
Debt Service	6,232,242	6,288,081	6,288,081	6,799,670
Buildings	-	-	25,000	-
Machinery & Equipment	24,997	131,742	223,580	92,785
Projects	14,227,875	12,390,000	16,720,939	18,581,000
Capital Outlay	14,252,872	12,521,742	16,969,519	18,673,785
Ending Working Capital	10,081,766	1,285,407	2,249,476	6,379,190
Total Expenditures	\$ 50,585,664	\$ 41,650,938	\$ 46,451,909	\$ 53,624,565

WATER AND SEWER FUND

Fund Detail

PERSONNEL SUMMARY	Number of FTEs					
	2009	2010	2011	2012	2013	2014
Public Works Director	0.8	0.8	0.8	0.65	0.65	0.65
Assistant Director of Public Works	0.5	0.5	0.5	0.5	0.5	0.5
Maintenance & Operations Manager	1	1	1	1	1	1
Parks, Streets & Facilities Manager	0.33	0.33	0.33	-	-	-
City Engineer	-	-	-	0.1	0.1	0.1
Assistant City Engineer	-	-	-	0.1	0.1	0.1
Field Services Supervisor	0.6	0.6	0.6	0.95	0.95	0.95
Plant Services Supervisor	1	1	1	1	1	1
Parks, Streets & Facilities Supervisor	0.2	0.2	0.2	-	-	-
Public Works Technician	1	1	1	1	1	1
Permit Technician	0.8	0.8	0.8	0.8	0.8	0.8
Utility Engineer	1	1	1	1	1	1
Office Engineer	0.2	0.2	0.2	0.2	0.2	0.2
Engineering Technician	0.33	-	-	-	-	-
Economic Development Specialist	0.25	0.25	0.25	0.25	-	-
Facilities Coordinator	-	-	-	-	0.25	0.25
Administrative Assistant	-	-	-	-	1.3	1.3
Senior Traffic Electrician	0.25	0.25	0.25	0.25	0.25	0.25
Crewleader	3	3	3	3	3	3
Chief Plant Operator	2	2	2	1	1	1
Traffic Electrician	0.25	0.25	0.25	0.25	0.25	0.25
Electronics Technician	-	1	1	1	1	1
Plant Operator	4	4	4	5	5	5
General Craftsworker	7	8	8	8	8	8
Equipment Operator	3	3	3	3	3	3
Maintenance & Construction Craftsworker	8	7	7	6	6	6
Utility Worker	-	-	-	1	1	1
Total Water and Sewer Fund	35.51	36.18	36.18	36.05	37.35	37.35

* In addition to the personnel outlined above, the costs associated with 3 full-time Meter Reader positions paid from the General Fund are charged back directly to the Water and Sewer Fund.

MEDICAL SERVICES FUND

Fund Detail

REVENUES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Beginning Working Capital	\$ 479,451	\$ 414,000	\$ 529,973	\$ 450,000
Department of Health Grant	3,912	-	3,272	-
Intergovernmental Revenue	3,912	-	3,272	-
Emergency Ambulance Service	5,604,281	5,562,000	6,136,000	6,659,000
Household Ambulance Charge	2,220,546	2,767,000	2,767,000	4,220,000
Insurance/Utility Charge Adjustments	(1,815,940)	(1,690,000)	(2,107,000)	(2,122,000)
Charges for Services	6,008,887	6,639,000	6,796,000	8,757,000
Miscellaneous Revenue	3,658	1,000	1,000	50
General Fund	1,025,000	962,000	1,400,000	-
Interfund Transfers	1,025,000	962,000	1,400,000	-
Total Revenue Sources	\$ 7,520,908	\$ 8,016,000	\$ 8,730,245	\$ 9,207,050
EXPENDITURES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 3,658,757	\$ 4,099,935	\$ 4,099,935	\$ 4,343,839
Overtime	243,581	288,500	350,200	357,500
Benefits	1,048,929	1,139,177	1,143,857	1,322,727
Salaries & Benefits	4,951,267	5,527,612	5,593,992	6,024,066
Supplies	207,236	227,515	236,787	250,430
Contractual Services	71,205	97,674	407,218	345,482
Travel & Training	19,363	44,500	44,500	42,600
Repair & Maintenance	45,967	43,900	43,900	50,685
Bad Debt	487,575	415,000	523,400	634,000
Other Services & Charges	116,431	137,901	131,901	150,910
Supplies & Services	947,777	966,490	1,387,706	1,474,107
State Excise Tax	88,799	105,000	112,900	146,000
Utility Tax	55,832	58,100	58,100	81,000
SECOMM	216,306	232,000	232,000	185,000
Intergovernmental Services	360,937	395,100	403,000	412,000
Purchases from Central Stores	21,230	26,410	26,410	28,420
Fleet Maintenance Charges	521,132	564,790	564,790	607,848
Facility Maintenance	58,000	58,000	58,000	58,000
Interfund Charges	600,362	649,200	649,200	694,268
Capital Improvement Fund	16,213	39,604	39,604	-
Risk Management Fund	1,771	-	-	-
Interfund Transfers	17,984	39,604	39,604	-
Debt Service	112,608	84,455	84,455	-
Ending Working Capital	529,973	353,539	572,288	602,609
Total Expenditures	\$ 7,520,908	\$ 8,016,000	\$ 8,730,245	\$ 9,207,050

MEDICAL SERVICES FUND*Fund Detail*

PERSONNEL SUMMARY	Number of FTEs					
	2009	2010	2011	2012	2013	2014
Fire Chief	0.50	0.50	0.50	0.50	0.50	0.50
Deputy Fire Chief	-	0.50	0.50	0.50	0.50	0.50
EMS Captain	1.00	1.00	1.00	1.00	1.00	1.00
Captain/Paramedic	6.00	6.00	6.00	6.00	6.00	6.00
Firefighter/Paramedic	12.00	12.00	12.00	12.00	12.00	12.00
Administrative Assistant	0.50	0.50	0.50	0.50	0.50	0.50
Accounting Specialist	1.00	1.00	1.00	1.00	1.00	1.00
Office Specialist	0.06	0.06	0.25	0.25	0.25	0.25
Total Medical Service Fund	21.06	21.56	21.75	21.75	21.75	21.75

BUILDING SAFETY FUND

Fund Detail

REVENUES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Beginning Working Capital	\$ 332,554	\$ 1,952	\$ 5,103	\$ 450,000
Building Permits	1,766,165	2,400,500	2,400,500	2,320,000
Licenses & Permits	1,766,165	2,400,500	2,400,500	2,320,000
Miscellaneous Revenue	6,814	3,600	3,600	-
General Fund	100,000	-	-	-
Interfund Transfers	100,000	-	-	-
Total Revenue Sources	\$ 2,205,533	\$ 2,406,052	\$ 2,409,203	\$ 2,770,000
EXPENDITURES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 1,272,947	\$ 1,358,525	\$ 1,358,525	\$ 1,279,072
Overtime	7,943	1,000	1,000	4,000
Benefits	425,268	505,339	505,339	535,263
Salaries & Benefits	1,706,158	1,864,864	1,864,864	1,818,335
Supplies	15,827	18,220	18,220	18,520
Contractual Services	152,475	161,800	211,725	217,900
Travel & Training	7,853	13,000	13,000	13,000
Rentals/Leases of Facilities	38,213	38,213	38,213	38,213
Utility Charges	11,200	14,200	14,200	14,200
Other Services & Charges	29,949	26,900	26,900	37,430
Supplies & Services	255,517	272,333	322,258	339,263
Purchases from Central Stores	7,929	6,740	6,740	7,070
Fleet Maintenance Charges	35,355	32,520	32,520	34,920
Interfund Charges	43,284	39,260	39,260	41,990
General Fund	108,474	109,000	109,000	-
Capital Improvement Fund	78,901	16,625	16,625	-
Risk Management Fund	8,096	-	-	-
Interfund Transfers	195,471	125,625	125,625	-
Ending Working Capital	5,103	103,970	57,196	570,412
Total Expenditures	\$ 2,205,533	\$ 2,406,052	\$ 2,409,203	\$ 2,770,000

BUILDING SAFETY FUND*Fund Detail*

PERSONNEL SUMMARY	Number of FTEs					
	2009	2010	2011	2012	2013	2014
Fire Marshal	0.33	0.33	0.33	-	-	-
Planning Director	-	-	-	0.33	0.33	0.33
Development Services Manager	0.10	0.10	0.10	-	-	-
Building Official	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	-	-	-	-	0.33	0.33
Captain Inspector	1.00	1.00	1.00	0.75	0.75	0.75
Building Inspector II	2.00	2.00	2.00	2.00	2.00	2.00
Building Inspector I	1.00	1.00	1.00	1.00	1.00	1.00
Code Enforcement Officer	-	-	-	-	0.10	0.10
Plans Examiner	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Planner	0.50	0.50	0.50	0.10	0.10	0.10
Planning Technician	0.20	0.20	0.20	0.20	0.20	0.20
Building Technician	1.00	1.00	1.00	1.00	1.00	1.00
Office Technician	1.00	1.00	1.00	0.30	0.45	0.45
Total Building Safety Fund	9.13	9.13	9.13	7.68	8.26	8.26

STORMWATER UTILITY FUND

Fund Detail

REVENUES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Beginning Working Capital	\$ -	\$ 176,396	\$ 207,191	\$ 118,849
Intergovernmental Revenue	54	251,250	320,088	600,000
Stormwater Utility Charges	870,922	1,150,000	1,525,000	2,252,000
Charges for Services	870,922	1,150,000	1,525,000	2,252,000
Miscellaneous Revenue	438	-	-	-
Water/Sewer Fund	475,000	750,000	375,000	-
Interfund Transfers	475,000	750,000	375,000	-
Long Term Intergovt'l Loan Proceeds	-	1,080,000	1,080,000	-
Other Financing Sources	-	1,080,000	1,080,000	-
Total Revenue Sources	\$ 1,346,414	\$ 3,407,646	\$ 3,507,279	\$ 2,970,849
EXPENDITURES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 453,396	\$ 626,092	\$ 626,092	\$ 679,147
Overtime	8,022	4,000	4,000	10,000
Part-Time Wages	-	1,000	1,000	500
Benefits	166,567	270,259	270,259	339,983
Salaries & Benefits	627,985	901,351	901,351	1,029,630
Supplies	31,332	60,700	60,700	52,230
Contractual Services	134,700	176,650	194,171	194,550
Travel & Training	974	9,200	9,200	9,200
Public Information Program	9,247	32,400	32,400	12,000
Repair & Maintenance	28,612	59,020	59,020	50,500
Stormwater Permits	33,541	293,750	362,588	39,770
Other Services & Charges	13,091	17,700	17,700	24,550
Supplies & Services	251,497	649,420	735,779	382,800
State Excise Tax	13,347	21,200	21,200	40,540
Utility Tax	8,709	14,175	14,175	22,252
Intergovernmental Services	22,056	35,375	35,375	62,792
Work Performed by Other Depts	26,164	80,000	80,000	30,000
Purchases from Central Stores	262	240	240	380
Fleet Maintenance Charges	197,500	278,210	278,210	291,888
Interfund Charges	223,926	358,450	358,450	322,268
General Fund	13,759	16,200	16,200	-
Capital Improvement Fund	-	9,240	9,240	-
Equipment Rental Fund	-	210,700	229,950	-
Interfund Transfers	13,759	236,140	255,390	-
Debt Service	-	40,320	40,320	343,946
Machinery & Equipment	-	-	-	10,000
Projects	-	930,000	930,000	800,000
Capital Outlay	-	930,000	930,000	810,000
Ending Working Capital	207,191	256,590	250,614	19,413
Total Expenditures	\$ 1,346,414	\$ 3,407,646	\$ 3,507,279	\$ 2,970,849

STORMWATER UTILITY FUND*Fund Detail*

PERSONNEL SUMMARY	Number of FTEs					
	2009	2010	2011	2012	2013	2014
Public Works Director	-	-	-	0.05	0.05	0.05
Parks, Streets and Facilities Manager	0.125	0.125	0.13	-	-	-
Traffic Engineer	-	-	-	0.05	0.05	0.05
Assistant City Engineer	-	-	-	0.30	0.30	0.30
Field Services Supervisor	0.2	0.2	0.20	0.05	0.05	0.05
Administrative Assistant	-	-	-	-	0.10	0.10
Crewleader	0.25	0.25	0.25	0.25	0.25	0.25
Equipment Operator	4.5	4.5	4.50	4.50	4.50	4.50
Total Stormwater Utility Fund	5.075	5.075	5.08	5.20	5.30	5.30

COLISEUM FUND

Fund Detail

REVENUES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Beginning Working Capital	\$ (387,049)	\$ (385,685)	\$ (350,832)	\$ (384,083)
Advertising/Sponsorship Revenue	748,516	1,000,252	1,000,252	1,170,630
Event Revenue	1,891,115	1,578,952	1,890,952	1,567,950
Food & Beverage Revenue	2,239,429	3,042,600	3,042,600	3,007,874
Ice Arena Revenue	659,936	777,700	777,700	709,252
Charges for Services	5,538,996	6,399,504	6,711,504	6,455,706
PNNL Grant	609,301	-	-	-
Intergovernmental Services	609,301	-	-	-
Miscellaneous Revenue	121,342	7,800	7,800	91,400
General Fund	557,075	500,000	500,000	400,000
Lodging Tax Fund	1,286,600	1,186,600	1,186,600	1,286,600
Capital Improvement Fund	277,380	550,000	300,000	400,000
Park Development/Construction Fund	715,957	-	-	-
Community Development Fund	-	-	200,000	-
Interfund Transfers	2,837,012	2,236,600	2,186,600	2,086,600
Total Revenue Sources	\$ 8,719,602	\$ 8,258,219	\$ 8,555,072	\$ 8,249,623
EXPENDITURES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Personnel	\$ 2,609,934	\$ 2,201,870	\$ 2,201,870	\$ 3,330,660
General and Administrative	84,573	85,580	85,580	82,420
Occupancy	1,123,928	1,106,724	1,106,724	1,124,804
Event Expenses	1,264,275	450,740	762,740	1,348,336
Services/Operations	1,287,399	3,215,268	3,215,268	1,336,886
Travel & Training	27,772	45,520	45,520	24,000
Supplies & Services	6,397,881	7,105,702	7,417,702	7,247,106
Debt Service	1,141,749	986,600	986,600	991,195
Buildings	324,114	-	-	-
Other Improvements	509,345	550,000	500,000	400,000
Machinery & Equipment	697,345	-	-	-
Capital Outlay	1,530,804	550,000	500,000	400,000
Ending Working Capital	(350,832)	(384,083)	(349,230)	(388,678)
Total Expenditures	\$ 8,719,602	\$ 8,258,219	\$ 8,555,072	\$ 8,249,623

COLUMBIA PARK GOLF COURSE FUND

Fund Detail

REVENUES						
	2009/10		2011/12		2013/14	
	Actual		Adopted	Adjusted	Adopted	
Beginning Working Capital	\$	-	\$	-	\$	-
Sales of Merchandise		-		17,306		22,907
Green Fees and Other Charges		-		341,553		460,627
Golf Lessons		-		10,157		13,602
Income from Operations		-	450,000	-		-
Charges for Services		-	450,000	369,016		497,136
Miscellaneous Revenue		-		36,123		41,064
General Fund		-		176,747		110,000
Equipment Rental Fund		-		34,300		-
Capital Improvement Fund		-		74,509		-
Interfund Transfers		-		285,556		110,000
Total Revenue Sources	\$	-	\$	450,000	\$	690,695
					\$	648,200
EXPENDITURES						
	2009/10		2011/12		2013/14	
	Actual		Adopted	Adjusted	Adopted	
General & Administrative	\$	-	\$	216,347	\$	218,921
Maintenance		-		160,897		195,811
Operations Costs		-	450,000	172,499		194,136
Other Operating Expenses		-		28,825		39,332
Supplies & Services		-	450,000	578,568		648,200
Capital Outlay		-		112,127		-
Ending Working Capital		-				-
Total Expenditures	\$	-	\$	450,000	\$	690,695
					\$	648,200

"Do not let what you cannot do interfere with what you can do. "

- John Wooden -

INTERNAL SERVICE FUNDS

The **Equipment Rental Fund** is responsible for the management, maintenance, and repair of all City-owned equipment. The major source of revenue is user charges to other departments within the City. The maintenance and operation rates are established with the intent that the operation will break even. The replacement rates are established to create a reserve for the necessary replacement of City equipment and vehicles.

The **Risk Management Fund** is responsible for self-insurance services to all City departments, including provision for losses on unemployment compensation claims, dental insurance claims, sewer back-up claims, and other non-contractual claims against the City. All expenses, including insurance premiums, are paid by the Risk Management Fund and rates are charged to departments based on use and/or coverage requirements.

The **Central Stores Fund** is responsible for the purchasing, warehousing, and disbursement of office supplies for all departments within the City. The major source of revenue is user charges to other departments for supplies, irrigation parts, and use of city copier machines. Maintenance charges are established with the intent that the operation will break even. The replacement charges for the copier machines are assessed to create a reserve for the future replacement of copier machines.

EQUIPMENT RENTAL FUND

Fund Detail

REVENUES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Beginning Working Capital	\$ 3,008,767	\$ 3,570,000	\$ 3,078,429	\$ 3,700,000
Maintenance & Replacement Charges	3,050,326	3,173,200	3,173,200	3,549,696
Charges for Services	3,050,326	3,173,200	3,173,200	3,549,696
Proceeds from Sale of Assets	12,244	-	-	-
Interest/Miscellaneous	121,540	85,000	50,000	40,000
Miscellaneous Revenue	133,784	85,000	50,000	40,000
General Fund	478,512	-	20,700	-
Park Development Fund	40,385	-	-	-
Capital Improvement Fund	108,052	1,266,000	1,308,700	1,310,000
Water/Sewer Fund	52,338	-	5,700	23,300
Stormwater Fund	-	210,700	229,950	-
Asset Forfeiture Fund	-	18,000	107,500	36,000
Risk Management Fund	-	-	202,500	-
Interfund Transfers	679,287	1,494,700	1,875,050	1,369,300
Contributed Capital	27,832	-	-	-
Proceeds from Sale of Fixed Assets	235,282	-	100,000	-
Capital Lease Proceeds	930	-	18,000	1,266,870
Other Financing Sources	264,044	-	118,000	1,266,870
Total Revenue Sources	\$ 7,136,208	\$ 8,322,900	\$ 8,294,679	\$ 9,925,866
EXPENDITURES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 516,163	\$ 537,727	\$ 537,727	\$ 500,785
Overtime	855	500	500	2,000
Part-Time Wages	2,660	-	-	-
Benefits	184,530	215,098	215,098	221,420
Salaries & Benefits	704,208	753,325	753,325	724,205
Supplies	373,255	355,350	383,950	372,650
Gasoline	820,084	997,500	1,171,500	1,231,625
Travel & Training	3,378	5,800	5,800	5,400
Utility Charges	26,699	31,000	31,000	28,000
Repair & Maintenance	71,274	73,650	92,650	86,610
Other Services & Charges	34,958	38,000	38,000	39,150
Supplies & Services	1,329,648	1,501,300	1,722,900	1,763,435
Purchases from Central Stores	2,164	2,140	2,140	2,220
Fleet Maintenance Charges	42,200	47,110	47,110	50,232
Interfund Charges	44,364	49,250	49,250	52,452
General Fund	290,000	-	-	-
CP Golf Course Fund	-	-	34,300	-
Risk Management	4,554	-	-	-
Interfund Transfers	294,554	-	34,300	-
Debt Service	-	-	19,700	523,600
Transportation Equipment	1,685,005	1,555,405	2,778,345	2,844,312
Capital Outlay	1,685,005	1,555,405	2,778,345	2,844,312
Ending Working Capital	3,078,429	4,463,620	2,936,859	4,017,862
Total Expenditures	\$ 7,136,208	\$ 8,322,900	\$ 8,294,679	\$ 9,925,866

EQUIPMENT RENTAL FUND

Fund Detail

PERSONNEL SUMMARY	Number of FTEs					
	2009	2010	2011	2012	2013	2014
Purchasing/Warehouse Manager	0.50	0.50	0.50	0.50	0.20	0.20
Accounting Specialist	0.50	0.50	0.50	0.50	0.30	0.30
Crewleader	1.00	1.00	1.00	1.00	1.00	1.00
Mechanic	2.00	2.00	2.00	2.00	2.00	2.00
Warehouse Person	-	-	-	-	0.30	0.30
Total Equipment Rental Fund	4.00	4.00	4.00	4.00	3.80	3.80

RISK MANAGEMENT FUND

Fund Detail

REVENUES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Beginning Working Capital	\$ 312,949	\$ 199,000	\$ 561,419	\$ 546,476
Risk Management Services	279,287	311,375	311,375	447,880
Dental Premiums	882,370	1,089,690	1,089,690	1,089,690
Medical Premiums	1,417,231	-	-	-
Safety Coordinator Charges	124,525	131,250	131,250	140,438
Charges for Services	2,703,413	1,532,315	1,532,315	1,678,008
Insurance Recoveries/Settlements	700,470	20,000	387,500	86,000
Interest/Miscellaneous	11,328	13,000	13,000	5,500
Miscellaneous Revenue	711,798	33,000	400,500	91,500
General Fund	969,000	900,000	1,725,000	1,000,000
Capital Improvement Fund	250,000	-	1,495,150	-
Water/Sewer Fund	36,685	-	-	-
Solid Waste/Environmental Fund	-	-	325,000	-
Medical Services Fund	1,771	-	-	-
Building Safety Fund	8,096	-	-	-
Equipment Rental Fund	4,554	-	-	-
Interfund Transfers	1,270,106	900,000	3,545,150	1,000,000
Total Revenue Sources	\$ 4,998,266	\$ 2,664,315	\$ 6,039,384	\$ 3,315,984
EXPENDITURES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 158,610	\$ 165,052	\$ 165,052	\$ 174,257
Benefits	23,190	53,472	53,472	62,955
Salaries & Benefits	181,800	218,524	218,524	237,212
Supplies	49,731	450	450	450
Dental Insurance	953,475	1,092,771	1,092,771	1,089,690
Medical Insurance	1,691,906	-	-	-
Payment to Claimants	197,610	95,000	195,000	200,000
Insurance Premiums	733,975	752,350	919,350	1,038,200
Self-Insured Retention Payments	543,725	325,000	2,795,150	325,000
Travel & Training	3,781	4,600	4,600	4,100
Other Services & Charges	80,445	17,517	112,517	20,687
Supplies & Services	4,254,648	2,287,688	5,119,838	2,678,127
Purchases from Central Stores	399	590	590	470
Interfund Charges	399	590	590	470
Capital Improvement Fund	-	-	57,211	-
Equipment Rental Fund	-	-	202,500	-
Interfund Transfers	-	-	259,711	-
Ending Working Capital	561,419	157,513	440,721	400,175
Total Expenditures	\$ 4,998,266	\$ 2,664,315	\$ 6,039,384	\$ 3,315,984

RISK MANAGEMENT FUND*Fund Detail*

PERSONNEL SUMMARY	Number of FTEs					
	2009	2010	2011	2012	2013	2014
Safety Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Total Risk Management Fund	1.00	1.00	1.00	1.00	1.00	1.00

CENTRAL STORES FUND

Fund Detail

REVENUES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Beginning Working Capital	\$ 208,621	\$ 240,000	\$ 262,275	\$ 174,500
Copier & Inventory Sales	451,140	478,260	478,260	479,140
Charges for Services	451,140	478,260	478,260	479,140
Interest/Miscellaneous	5,780	5,000	5,000	2,500
Miscellaneous Revenue	5,780	5,000	5,000	2,500
Total Revenue Sources	\$ 665,541	\$ 723,260	\$ 745,535	\$ 656,140
EXPENDITURES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Inventory Supplies	\$ 274,236	\$ 303,000	\$ 303,000	\$ 312,500
Rental/Lease of Equipment	77,265	97,440	97,440	104,232
Repair & Maintenance	52,378	54,600	54,600	55,400
Other Services & Charges	(613)	2,500	2,500	2,500
Supplies & Services	403,266	457,540	457,540	474,632
Ending Working Capital	262,275	265,720	287,995	181,508
Total Expenditures	\$ 665,541	\$ 723,260	\$ 745,535	\$ 656,140

FIDUCIARY FUNDS

Fiduciary Funds (Trust and Agency funds) are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. These funds are used to account for resources that are legally held in a trust or agency capacity for others, which therefore cannot be used to support the city's own programs.

TRUST FUNDS

The **Firemen's Pension Fund** is used to account for the City's administration of a closed, small single-employer defined benefit plan. The City of Kennewick's obligations under the Firemen's Pension Fund are limited to the benefits provided to firefighters retired prior to March 1, 1970. As of December 31, 2011, there were 13 individuals covered by the Fund, all of which were drawing benefits. To meet these obligations, the City may contribute annually to the Fund the amount raised by levying all or part of a tax of up to \$0.225 per \$1,000 of true and fair market value, the maximum provided by law for maintaining the Fund. Contributions also include donations and income from state fire insurance premium collection.

The **OPEB Trust Fund** accounts for the post-employment benefits associated with medical coverage of firefighters and police officers who have retired under the LEOFF I plan. The expenditures are funded by a 6.5% utility tax on water and sewer service revenues.

FIREMEN'S PENSION FUND

Fund Detail

REVENUES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Beginning Fund Balance	\$ 404,336	\$ 661,000	\$ 662,270	\$ 760,470
Property	358,000	228,000	228,000	228,000
Taxes	358,000	228,000	228,000	228,000
Fire Insurance Premium	124,865	131,700	131,700	131,000
Intergovernmental Revenue	124,865	131,700	131,700	131,000
Miscellaneous Revenue	19,633	21,000	21,000	16,000
Total Revenue Sources	\$ 906,834	\$ 1,041,700	\$ 1,042,970	\$ 1,135,470
EXPENDITURES				
	2009/10	2011/12	2011/12	2013/14
	Actual	Adopted	Adjusted	Adopted
Retirement	\$ 243,934	\$ 273,700	\$ 273,700	\$ 274,000
Salaries & Benefits	243,934	273,700	273,700	274,000
Supplies	48	50	50	50
Actuarial Study	-	8,500	8,500	-
Travel & Training	582	-	-	2,500
Other Services & Charges	-	250	250	250
Supplies & Services	630	8,800	8,800	2,800
Ending Fund Balance	662,270	759,200	760,470	858,670
Total Expenditures	\$ 906,834	\$ 1,041,700	\$ 1,042,970	\$ 1,135,470

OPEB TRUST FUND

Fund Detail

REVENUES					
	2009/10	2011/12	2011/12	2013/14	
	Actual	Adopted	Adjusted	Adopted	
Beginning Fund Balance	\$ -	\$ 313,550	\$ 297,851	\$ 545,000	
Water/Sewer Utility Tax	1,795,673	1,932,000	1,932,000	2,006,000	
Taxes	1,795,673	1,932,000	1,932,000	2,006,000	
Interest/Miscellaneous	3,437	10,000	10,000	10,000	
Miscellaneous Revenue	3,437	10,000	10,000	10,000	
Total Revenue Sources	\$ 1,799,110	\$ 2,255,550	\$ 2,239,851	\$ 2,561,000	
EXPENDITURES					
	2009/10	2011/12	2011/12	2013/14	
	Actual	Adopted	Adjusted	Adopted	
Medical Insurance	\$ 1,330,805	\$ 1,497,000	\$ 1,497,000	\$ 1,748,000	
Other Medical Coverage	170,454	410,000	410,000	295,000	
Salaries & Benefits	1,501,259	1,907,000	1,907,000	2,043,000	
Ending Fund Balance	297,851	348,550	332,851	518,000	
Total Expenditures	\$ 1,799,110	\$ 2,255,550	\$ 2,239,851	\$ 2,561,000	

Capital Improvement Program

In an effort to improve the effectiveness of the Capital Improvement planning process, the City consolidates its Capital Improvement Program (CIP) document into the Comprehensive Plan and biennial budget document. The CIP project summaries and fund detail reports are presented in a section of the budget document titled “Capital Improvement Program”. The detailed project worksheets and future project listings are also integrated into the Capital Facility Element of the Comprehensive Plan.

The CIP provides the means through which the City of Kennewick takes a planned and programmed approach to utilizing its financial resources in the most responsive and efficient manner to meet service and facility needs. The CIP correlates funding sources to needed improvements and identifies projects for dedicated revenues such as the optional 1/2% sales tax and 1/2% real estate excise tax. The process encourages long-range decision-making. It also helps to assure the continuity of Council goals and objectives and identifies the impacts in future years of decisions made currently. New projects are viewed not only in terms of how much they will cost, but consideration is also given to what impact the project will have on the City’s current and future operating costs.

The long range planning process associated with the Capital Improvement Program is the link between accommodating Kennewick’s financing capability, the provision of adequate capital facilities and the ability of these facilities to meet existing and future identified needs. The adoption of the Capital Improvement Program serves to align the priorities recognized in the Comprehensive Land Use Plan and Biennial Budget with appropriate funding mechanisms for provision of community facilities. The CIP process is guided by the following policies, which have been adopted by City Council to provide for consistency between the Capital Improvement Program, the City’s Comprehensive Plan, and the biennial budget process:

- *Ensure Kennewick’s land use and infrastructure elements are internally consistent.*
- *Reassess Kennewick’s land use plan periodically to ensure consistency between capital facility needs and financing.*
- *Use adopted level of service standards, operating criteria and/or performance standards to evaluate capital facility needs.*
- *Base capital facility needs on employment and population projections developed by the City in conjunction with County and State estimates.*
- *Update the CIP in conjunction with the annual Comprehensive Plan process.*
- *Ensure that necessary capital facilities are provided as required by the City’s concurrency ordinance.*

In addition to the general policies identified above, the process of preparing the CIP is also guided by the following debt and budget related fiscal goals and policies:

- *When capital funding decisions are made, priorities shall be given to maintaining existing capital assets over the acquisition or construction of new facilities.*

- *Financing for the majority of capital assets, other than infrastructure, shall normally be made over the life of the asset, or 20 years, whichever comes first.*
- *Revenue bonds and LIDs shall be used to finance improvements when applicable.*
- *Councilmanic bonds and lease financing can be used to fund infrastructure where positive cost/benefit ratios exist or where there is no other source of funds.*
- *Voter approved general obligation bonds and special levies shall be used to finance major projects with high visibility such as fire stations, swimming pools, fire equipment, trails, waterfront projects, community parks and facilities, etc.*
- *Proceeds of the optional one-half of one percent sales tax and proceeds from both the first and second quarter of one percent real estate excise tax (as allowed by state statute) shall be used to fund City Council's priority Capital Improvement Program ("CIP") except for funds used to:*
 - *Replace Federal Revenue Sharing Funds in the amount of \$500,000;*
 - *Replace the lost 35% of motor vehicle tax that occurred in 1986 upon implementation of the one-half cent optional sales tax in an amount calculated based on past historical motor vehicle excise tax inflated by 10% per year beginning in 2002 when motor vehicle excise tax was eliminated and no additional historical information was available;*
 - *Provide repayment of debt service on the 2003 CIP projects in the amount of approximately \$670,000 per year beginning on January 1, 2009, until the bonds are paid-in-full;*
 - *Provide repayment of debt service on the police facility in the amount of approximately \$725,000 per year beginning on January 1, 2007, until the bonds are paid-in-full;*
 - *Support the City's economic development efforts in an amount equal to the optional sales tax received from economic development efforts up to a maximum of \$500,000 per year beginning on January 1, 2009;*
 - *Support the Public Facilities District for a portion of the debt service related to the construction of the Three Rivers Convention Center beginning in 2001 as per Ordinance No. 5001 in the amount of \$725,000 per year;*
 - *Provide for up to \$150,000 annually to fund priority facility related improvements beginning January 1, 2011;*
 - *Provide for up to \$250,000 annually to fund priority technology related improvements beginning January 1, 2011;*
 - *Provide contributions to the Police, Fire and Public Works/Parks vehicle and apparatus replacement programs, respectively, beginning in 2011.*
- *Each year, City Council shall evaluate making a \$1 million transfer from the General Fund to the Capital Fund in order to implement Council priority programs.*

The selection and prioritization of capital improvement projects included in the CIP is ultimately based on City Council approval. The CIP is recommended to the full City Council by the Council Infrastructure Committee, which consists of three council members and is led by the Director of Public Works. The Infrastructure Committee's recommendation represents a consensus of the Committee and is based on a thorough review and prioritization of potential projects and the capital program as a whole. While working within the established policies for the City's CIP, the Committee utilizes the following guiding principles to evaluate and prioritize potential projects:

- ***Quality of Life*** – Does the project enhance the overall quality of life for Kennewick residents?
- ***Economic Development*** – Does the project contribute to the financial stability and sustainability of the community?
- ***Rate of Return*** – Is there the probability that the added value of the completion of the project will exceed the cost of the project both in terms of added quality of life and financial stability?
- ***Leveraging Ability*** – Can the City contribution be leveraged to increase our chances of gaining outside funding?
- ***Partnering*** – Is the project conducive to developing public and private partnerships that will provide financial assistance?
- ***Effectiveness*** – Is the project a wise use of public funds?
- ***Positioning*** – Does the project help to position the City for short and long-term opportunities?
- ***Preservation*** – Is the City able to keep the excellent infrastructure foundation that is currently in place at its current level?
- ***Timeliness*** – Does waiting on a project that won't be completed for several years have as much value as a project of lesser importance that can be completed quicker?

The CIP is continually updated and modified, not just at budget time and during the Comprehensive Plan updates. It is intended to be a flexible, dynamic tool for the City. The capital budget encompasses all capital project funds, and each fund will continue to stand on its own merit. Projects recommended for the CIP will include source and application of funds and cash flow projections. The multi-year cash flows by fund are found in this Capital Improvement Program section of the Biennial Budget.

Growth Management Act Review - The Capital Improvement Program (CIP) of the biennial budget document has been reviewed by the Community Planning Department for consistency with the City of Kennewick's Comprehensive Plan. The CIP is formally updated every 2 years with the biennial budget in order to ensure financial resources are consistent with the Plan. The major project section of the Capital Improvement Program has been incorporated into the Comprehensive Plan as the Capital Facilities Element. All projects contained within the CIP are located within the adopted urban growth boundary. All projects in the CIP have an identified funding source within the six-year span of the document. All projects are in conformance with land uses depicted on the City's adopted land use plan map.

CITYWIDE SUMMARY

Capital Improvement Program

	ACTUAL 2009/2010	ADJUSTED BUDGET 20011/2012	PROJECTION					
			2013	2014	2015	2016	2017	2018
BEGINNING FUND BALANCE								
Arterial Street	\$ 559,576	\$ 550,890	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Urban Arterial Street	69,326	780,099	875,428	5,500	-	-	-	-
Capital Improvement Fund	15,831,559	21,904,273	4,749,563	2,923,024	3,436,048	2,707,110	9,069,308	3,520,786
Stormwater Fund	-	-	87,497	3,597	10,578	13,118	15,658	24,918
Water and Sewer Fund	11,347,319	8,760,428	9,954,655	8,940,730	3,549,634	4,755,124	15,10,613	85,1271
Total Beginning Fund Balance	27,807,380	31,995,690	15,667,143	11,872,851	6,996,260	7,475,352	10,595,579	4,396,975
REVENUES								
TAXES								
Arterial Street Gas Tax	918,687	-	-	-	-	-	-	-
Trails & Paths Gas Tax	14,480	15,000	7,500	7,500	7,500	7,500	7,500	7,500
Optional Sales Tax	7,784,446	8,759,660	4,696,500	4,696,523	4,368,291	4,363,080	4,342,822	4,303,727
LRP Sales Tax	-	732,292	500,000	500,000	500,000	500,000	500,000	500,000
LRP Tax Increment - Sales Tax	-	47,127	37,000	37,000	37,000	37,000	37,000	37,000
Real Estate Excise Tax	1,310,944	1,252,463	664,000	664,000	704,100	732,300	761,600	792,100
Real Estate Excise Tax (2nd 1/4%)	1,310,943	1,252,463	664,000	664,000	704,100	732,300	761,600	792,100
LRP Property Tax	-	31,077	44,000	88,000	199,000	278,000	318,000	358,000
LRP Tax Increment - Property Tax	-	20,000	30,000	60,000	106,000	106,000	106,000	106,000
Subtotal Taxes	11,339,500	12,110,082	6,643,000	6,717,023	6,625,991	6,756,180	6,834,522	6,896,427
STATE ENTITLEMENTS								
Transportation Benefit District	-	-	-	1,230,000	1,260,750	1,292,269	1,324,575	1,357,690
INTERGOVERNMENTAL								
Assistance to Firefighters Grant	79,107	-	-	-	-	-	-	-
HES Grant	864,595	8,528	-	-	-	-	-	-
ARRA Grant	122,831	579,086	-	-	-	-	-	-
Ecology Stormwater Grant (GAIN)	94,393	-	-	-	-	-	-	-
Tourism Competitive Grant	7,097	-	-	-	-	-	-	-
RCO Grant	277,262	-	-	-	-	500,000	-	-
STP Local Grant	2,996,484	1,231,946	803,733	-	-	-	-	-
STP State	-	75,000	454,400	-	-	-	-	-
STP Federal - Omnibus	-	680,000	2,100,000	-	-	-	600,000	1,800,000
STP Regional - Steptoe	-	1,200,000	-	-	-	-	-	-
Rapid Action Grant	-	1,833,363	-	-	-	-	-	-
Highway Safety Grant	-	-	770,000	1,700,000	-	-	-	-
Student Pedestrian Grant	38,780	21,320	-	-	-	-	-	-
TIB Grant	1,703,640	-	-	-	600,000	600,000	-	720,000
TPP Grant	101,542	389,000	1,792,758	3,725,700	-	-	-	-
WTSC Grant	-	15,000	-	-	-	-	-	-
Bi-Pin	69,118	-	-	-	-	-	-	-
Kennewick School District	-	8,850	-	-	-	-	-	-
Port of Kennewick	45,886	-	-	-	-	-	-	-
Kennewick Irrigation District	51,590	-	-	-	-	-	-	-
Benton PUD	-	290,000	-	-	-	-	-	-
City of Richland	300,000	5,237	-	-	-	-	-	-
DOE Grant	111,857	2,933,088	2,000,000	-	-	-	-	-
EDA Grant	318,679	-	600,000	-	-	-	-	-
Energy Efficiency Rebate	-	850,000	-	-	-	-	-	-
Subtotal Intergovernmental	7,182,861	10,120,418	8,520,891	5,425,700	600,000	1,100,000	600,000	2,520,000

CITYWIDE SUMMARY

Capital Improvement Program

	ADJUSTED		PROJECTION					
	ACTUAL	BUDGET	2013	2014	2015	2016	2017	2018
	2009/2010	20011/2012						
CHARGES FOR SERVICES								
Revenue from Water/Sewer Rates	5,424,645	5,294,680	2,452,843	2,452,842	2,559,865	2,559,864	2,982,158	2,982,158
Revenue from Stormwater Rates	-	50,000	65,000	65,881	51,440	51,440	58,160	58,160
Water Area Charges	45,454	100,000	112,500	112,500	118,125	118,125	124,000	124,000
Sewer Area Charges	278,275	350,000	210,000	210,000	215,000	215,000	230,000	230,000
Subtotal Charges for Services	5,748,374	5,794,680	2,840,343	2,841,223	2,944,430	2,944,429	3,394,318	3,394,318
MISCELLANEOUS								
Interest/Miscellaneous	532,157	487,039	43,015	47,310	52,203	56,867	52,203	56,867
Rentals and Lease	36,868	16,000	8,000	8,000	8,000	8,000	8,000	8,000
Proceeds from Land Sale	602,033	25,000	-	-	-	-	-	-
Donations	35,754	14,000	15,000	15,000	15,000	15,000	15,000	15,000
Park Development Fees	109,941	191,660	25,000	50,000	510,000	679,009	50,000	50,000
Interfund Loan Principal & Interest	117,511	85,711	36,085	31,790	26,897	22,233	17,526	12,768
Developer Contributions	64,664	2,059,107	1,100,000	190,540	1,350,000	1,200,000	1,050,000	3,930,000
Subtotal Miscellaneous	1,498,928	2,878,517	1,227,100	342,640	1,962,100	1,981,109	1,192,729	4,072,635
INTERFUND TRANSFERS								
Transfer from Capital Improvement Fund:								
Urban Arterial Fund	1,520,846	2,770,318	2,629,800	1,521,260	-	-	-	-
Arterial Street Fund	1,137,440	2,161,763	1,400,000	170,000	339,250	307,731	371,425	338,310
Capital Improvement Fund - Facilities	-	323,644	546,935	271,464	1,224,400	215,300	225,400	226,400
Capital Improvement Fund - Capital	1,337,315	486,789	268,163	268,163	262,500	262,500	275,600	275,600
Capital Improvement Fund - Streets	241,823	622,028	-	-	-	-	-	-
Capital Improvement Fund - 2006 GO Bond	19,077	-	-	-	-	-	-	-
Capital Improvement Fund - PWTF	-	-	275,000	100,000	-	-	-	-
Transfer from General Fund:								
Capital Improvement Fund - Street	999,000	2,500,000	1,500,000	500,000	1,000,000	1,000,000	1,000,000	1,000,000
Capital Improvement Fund - Capital	221,361	-	-	-	-	-	-	-
Capital Improvement Fund - Facilities	300,000	-	-	-	-	-	-	-
Capital Improvement Fund - LRF Tax	-	830,496	611,000	685,000	842,000	921,000	961,000	1,001,000
Transfer from Arterial Street Fund								
Arterial Street Fund	593,651	-	-	-	-	-	-	-
Capital Improvement Fund - Streets	64,500	-	-	-	-	-	-	-
Transfer from Medical Services Fund								
Capital Improvement Fund - Streets	1,400	-	-	-	-	-	-	-
Capital Improvement Fund - Capital	14,812	39,604	-	-	-	-	-	-
Transfer from Solid Waste Fund								
Capital Improvement Fund - Facilities	-	100,000	-	-	-	-	-	-
Transfer from Risk Management Fund								
Capital Improvement Fund - Capital	-	57,211	-	-	-	-	-	-
Transfer from Building Safety Fund								
Capital Improvement Fund - Capital	58,800	16,625	-	-	-	-	-	-
Capital Improvement Fund - Streets	20,100	-	-	-	-	-	-	-
Transfer from Water/Sewer								
Capital Improvement Fund - Streets	347,912	-	-	-	-	-	-	-
Capital Improvement Fund - Facilities	77,542	73,917	34,490	33,385	-	-	-	-
Capital Improvement Fund - Capital	45,570	64,670	-	-	-	-	-	-
Transfer from Stormwater								
Capital Improvement Fund - Capital	-	9,240	-	-	-	-	-	-

CITYWIDE SUMMARY

Capital Improvement Program

	ADJUSTED		PROJECTION					
	ACTUAL	BUDGET	2013	2014	2015	2016	2017	2018
	2009/2010	20011/2012						
Transfer from Community Development Fund:								
Capital Improvement Fund	65,000	373,670	125,000	125,000	925,000	275,000	552,500	282,500
Arterial Street Fund	12,700	-	-	-	-	-	-	-
Subtotal Interfund Transfers	7,078,849	10,429,975	7,390,388	3,674,272	4,593,150	2,981,531	3,385,925	3,123,810
OTHER FINANCING SOURCES								
Interfund Loan Proceeds	162,866	400,004	364,352	-	-	-	-	-
Bond Proceeds	13,738,577	-	-	-	-	10,650,000	-	-
State Revolving Loan Fund Proceeds	2,358,274	1,080,000	-	-	-	-	-	-
Solid Reserve	-	2,430,000	-	-	-	-	-	-
Public Works Trust Fund Loan Proceeds	5,004,647	-	15,122,000	9,928,000	5,950,000	-	-	-
Subtotal Other Financing Sources	21,264,364	3,910,004	15,486,352	9,928,000	5,950,000	10,650,000	-	-
Total Revenues	54,112,876	45,243,676	42,108,074	30,158,858	23,936,421	27,705,518	16,732,069	21,364,880
TOTAL	\$ 81,920,256	\$ 77,239,366	\$ 57,775,217	\$ 42,031,709	\$ 30,932,681	\$ 35,180,870	\$ 27,327,648	\$ 25,761,855

EXPENDITURES

STREET CONSTRUCTION/RECONSTRUCTION

Arterial Street Fund:

W 4th - CCB to Union	\$ 2,747,753	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Downtown Revitalization - Phase IX	12,700	-	-	-	-	-	-	-
Edison St & Metairie Ave Intersection	1,039,664	13,966	-	-	-	-	-	-

Urban Arterial Street Fund:

Edison Widening	-	65,000	885,000	1,000,000	-	-	-	-
W. Gage - Center Parkway	2,821	-	-	-	-	-	-	-
UPRR Tail Extension	-	75,000	-	-	-	-	-	-
Stephoe Street - Phase I	3,626,726	474,925	-	-	-	-	-	-
Stephoe Street - Phase II	-	4,235,605	1,500,000	-	-	-	-	-
Stephoe Street - Phase III	-	-	772,000	4,443,000	-	-	-	-
Olympia - SR 397 to 27th	182,381	350,000	3,537,619	-	-	-	-	-
Hildebrand Blvd. - 10th to City Limits	-	200,000	1,300,000	-	-	-	-	-
Dayton - CID Bridge Replacement	-	63,000	656,000	-	-	-	-	-
Citywide Safety Project	-	-	350,000	-	-	-	-	-
Clearwater - Leslie to US 395	-	-	420,000	1,700,000	-	-	-	-
Underground Utility Lines	-	400,000	-	-	-	-	-	-

Capital Improvement Fund:

W 7th - SR 395 to Vancouver	345,112	-	-	-	-	-	-	-
Southridge Street Improvements	203,289	75,456	-	-	-	-	-	-
Hildebrand Blvd. - Sherman to SR 395	13,217	1,406,783	-	-	-	-	-	-
Plaza Way - Ridgeline north to existing	58,925	931,075	-	-	-	-	-	-
Ridgeline Dr - Plaza Way to Southridge	58,957	501,043	-	-	-	-	-	-
Ridgeline Dr - US 395 to Plaza Way	49,428	515,572	-	-	-	-	-	-
Ridgeline Dr - Southridge to 36th	-	310,000	-	-	-	-	-	-
Southridge Blvd. - Hildebrand/27th	96,636	2,622,000	-	-	-	-	-	-
Ridgeline Dr - Zintel Way to US 395	5,670	91,118	-	-	-	-	-	-
Southridge Roads	-	-	2,000,000	6,339,540	-	-	-	-
Hildebrand - City Limits to Sherman	-	-	375,000	2,565,000	-	-	-	-
Concrete Railroad Crossing	38,472	-	-	-	-	-	-	-
W 10th Ave - Clodfelter to CCB	300,691	-	-	-	-	-	-	-
Hood/Jefferson	-	-	-	125,000	-	-	-	-
Subtotal Street Reconstruction	8,782,442	12,330,543	11,795,619	16,172,540	-	-	-	-

CITYWIDE SUMMARY

Capital Improvement Program

	ACTUAL 2009/2010	ADJUSTED BUDGET 20011/2012	PROJECTION					
			2013	2014	2015	2016	2017	2018
STREET OVERLAYS								
Arterial Street Fund:								
Pavement Preservation Program	15,225	2,161,500	1,400,000	1,400,000	1,600,000	1,600,000	1,696,000	1,696,000
Clearwater Overlay - SR 395 to Edison	7,283	1,177,035	-	-	-	-	-	-
27th Ave - Union to SR 395	92,139	-	-	-	-	-	-	-
Columbia Overlook Phase I	131,776	-	-	-	-	-	-	-
Columbia Dr - SR 395 to Hartford	322,112	-	-	-	-	-	-	-
Morain/Neel Clearwater to Canal - BST	47,595	-	-	-	-	-	-	-
Washington Street - 27th to 10th	43,821	-	-	-	-	-	-	-
Clearwater - Leslie to CCB	212,574	-	-	-	-	-	-	-
Union St - 10th to Clearwater	55,187	-	-	-	-	-	-	-
Kennewick Ave - SR 395 to Morain	44,089	-	-	-	-	-	-	-
Union St - 27th to 10th	51,494	-	-	-	-	-	-	-
10th - Union to SR 395 - BST	57,673	-	-	-	-	-	-	-
10th - SR 395 to Olympia - BST	76,808	-	-	-	-	-	-	-
Ely St - 10th to 36th - BST	74,899	-	-	-	-	-	-	-
Kennewick Ave - Olympia to Dayton - BST	56,486	-	-	-	-	-	-	-
Fruitland - 1st to Columbia Dr - BST	51,695	-	-	-	-	-	-	-
Capital Improvement Fund:								
Miscellaneous Street Projects	75,155	100,000	150,000	150,000	156,000	156,000	162,200	162,200
Residential Overlays	-	-	-	-	-	-	-	-
Commercial Street Overlays	45,896	-	-	-	-	-	-	-
Crack Sealing	206,824	-	110,000	110,000	116,600	116,600	123,600	123,600
Subtotal Street Overlays	1,668,731	3,438,535	1,660,000	1,660,000	1,872,600	1,872,600	1,981,800	1,981,800
STORM DRAINAGE								
Stormwater Fund:								
Drywell Storm Systems (misc locations)	-	-	-	-	50,000	50,000	50,000	50,000
Decant Facility	-	-	750,000	50,000	-	-	-	-
Wellhead Area Retrofit	-	440,000	-	-	-	-	-	-
Low Impact Development Project	-	390,000	-	-	-	-	-	-
Stormwater Capacity Permit	-	320,088	-	-	-	-	-	-
Stormwater - NPDES Phase II	77,998	-	-	-	-	-	-	-
Subtotal Storm Drainage	77,998	1,150,088	750,000	50,000	50,000	50,000	50,000	50,000
STREET LIGHTS/SIGNALS								
Arterial Street Fund:								
Citywide Flashing Yellow Arrow Implementation	7,594	-	-	-	-	-	-	-
4th Ave/Amistad Elementary Ped Signal	57,661	-	-	-	-	-	-	-
Urban Arterial Street Fund:								
Energy Savings Program	-	2,470,000	-	-	-	-	-	-
ARRA Street Lighting Project	19,847	569,854	-	-	-	-	-	-
Capital Improvement Fund:								
Flashing School Beacon	-	23,850	-	-	-	-	-	-
Traffic Sign Inventory	16,568	71,135	-	-	-	-	-	-
Traffic Volume Counts	18,963	33,240	-	-	-	-	-	-
ADA Pedestrian Ramps	-	-	100,000	100,000	100,000	100,000	100,000	100,000
Audible Pedestrian Signals	-	50,000	25,000	25,000	25,000	25,000	25,000	25,000
St. Lts. Misc. Locations (Arterials)	29,552	135,000	-	-	100,000	100,000	125,000	125,000
Misc Traffic Signals or Roundabouts	555,089	417,000	250,000	250,000	260,000	260,000	270,400	270,400
Subtotal Street Lights/Signals	705,274	3,770,079	375,000	375,000	485,000	485,000	520,400	520,400

CITYWIDE SUMMARY

Capital Improvement Program

	ACTUAL 2009/2010	ADJUSTED BUDGET 20011/2012	PROJECTION					
			2013	2014	2015	2016	2017	2018
WATER/SEWER SYSTEM IMPROVEMENTS								
Water/Sewer Fund:								
Water System Improvements	2,004,412	5,510,182	12,954,691	6,750,000	3,925,000	2,675,000	2,450,000	1,950,000
Sewer System Improvements	717,922	1,621,935	5,881,407	1,150,000	600,000	1,500,000	880,000	880,000
Combined Utility Improvements	779,370	849,553	260,285	232,500	337,500	337,500	362,500	362,500
Land Purchase	-	-	-	-	-	1,500,000	-	-
Public Works Trust Fund Loan Projects	11,225,582	-	-	-	-	-	-	-
Sewer Area Charge Projects	8,000	3,200,000	350,000	-	2,800,000	-	-	-
Subtotal W/S Improvements	14,735,286	11,181,670	19,446,383	8,132,500	7,662,500	6,012,500	3,692,500	3,192,500
LAND & FACILITIES								
Capital Improvement Fund:								
Facilities Maintenance Program	-	-	175,000	175,000	183,800	183,800	193,000	193,000
City Facility HVAC Replacement	38,643	15,000	-	-	-	-	-	-
City Hall	138,236	80,500	-	-	-	-	-	-
Fire Station #1	-	95,000	-	-	-	-	-	-
Fire Station #2	75,733	15,000	-	-	-	-	-	-
Fire Station #3	719	95,000	-	-	-	-	-	-
Fire Station #4	49,442	-	-	-	-	-	-	-
Police Station	-	7,000	-	-	-	-	-	-
Old Police Station	-	25,000	-	-	-	-	-	-
New Fire Station	-	-	300,000	-	-	4,650,000	6,000,000	-
Purchasing/Central Stores	-	21,000	-	-	-	-	-	-
Senior Center	60,479	22,500	-	-	-	-	-	-
Frost Facility	-	244,000	-	-	-	-	-	-
City Pool Pump Building	-	10,000	-	-	-	-	-	-
Golf Course Pro Shop	-	-	-	-	300,000	-	-	-
Vista District Common Area O&M	36,998	56,000	28,800	29,700	30,600	31,500	32,400	33,400
Land Acquisition	9,571	450,000	-	-	710,000	-	-	-
Property Tax	53,757	-	-	-	-	-	-	-
Contractual/Consulting Services	44,696	10,000	-	-	-	-	-	-
Subtotal Land & Facilities	508,274	1,146,000	503,800	204,700	1,224,400	4,865,300	6,225,400	226,400
OTHER IMPROVEMENTS								
Capital Improvement Fund:								
SR 395 Corridor Study	24,269	65,000	-	-	-	-	-	-
Urban Area Corridor Model	21,669	-	-	-	-	-	-	-
Southridge Softball Complex	3,548,438	6,430,350	-	-	-	-	-	-
Southridge Infrastructure	11,258	-	-	-	-	-	-	-
Cost Allocation Plan	8,041	52,156	-	-	-	-	-	-
Energy Services Contract	10,593	-	-	-	-	-	-	-
Columbia River Crossing Study	12,152	-	-	-	-	-	-	-
Step to Clearwater to Gage R-O-W	414,006	322,430	-	-	-	-	-	-
Downtown Area	-	-	-	-	250,000	-	270,000	-
City Facility Paving	65,718	-	-	-	-	-	-	-
Sidewalk Program	-	18,000	-	150,000	75,000	75,000	75,000	75,000
Welcome Sign	30,432	-	-	-	-	-	-	-
Bridge to Bridge Master Plan	155,221	2,640	-	-	550,000	150,000	157,500	157,500
Regional Development Portal	-	25,000	-	-	-	-	-	-
Public Art	-	5,000	-	-	-	-	-	-
UPRR Relocation	40,559	1,009,342	-	-	-	-	-	-
Tapteal Bridge Repairs and Monitoring	79,018	-	-	-	-	-	-	-
UGA Expansion Roads	-	-	250,000	500,000	1,500,000	1,500,000	-	1,800,000
UGA - US 395/Ridgeline Intersection	-	-	-	-	-	-	1,500,000	4,500,000

CITYWIDE SUMMARY

Capital Improvement Program

	ADJUSTED		PROJECTION					
	ACTUAL	BUDGET	2013	2014	2015	2016	2017	2018
	2009/2010	20011/2012						
Capital Improvement Fund (Continued):								
Miscellaneous ADA Improvements	72,235	323,670	-	-	-	-	-	-
Data Processing Equipment	372,452	717,212	268,163	278,163	262,500	262,500	275,600	275,600
Software	47,664	34,807	-	-	-	-	-	-
800 MHZ Digital Upgrade	1,387,315	-	-	-	-	-	-	-
Subtotal Other Improvements	6,301,040	9,005,607	518,163	928,163	2,637,500	1,987,500	2,278,100	6,808,100

PARK IMPROVEMENTS

Capital Improvement Fund:

Park Development/Construction:								
Civic Center Athletic Area	-	-	240,000	-	-	-	-	-
Eastgate Park	-	132,711	-	-	-	-	-	-
Hansen Park	407,424	125	-	-	-	500,000	-	-
Columbia Park Improvements	606,936	17,000	91,883	-	-	-	-	-
Ballfield Improvements	2,268	70,823	-	-	-	-	-	-
Tree City Board - Grant Enhancement Program	-	6,000	-	-	-	-	-	-
Irrigation - Automatic Upgrades	6,280	-	-	-	-	-	-	-
Tennis and Hard Court Repairs	-	13,000	-	-	-	-	-	-
Recreation and Park Equipment	10,130	-	-	-	-	-	-	-
4W 10th/CCB & Park Site	-	79,875	85,000	-	-	700,000	-	-
1W Sunset Park	-	120,000	-	-	-	-	-	-
2E Zintel/Underwood/Vancouver	-	-	3,000	-	-	-	-	-
2W Scott	-	-	12,000	-	-	-	-	-
3E Civic Area	10,491	-	3,000	-	-	-	-	-
6E Cascade	-	-	-	-	460,000	-	-	-
6W Southridge	-	1,451	-	20,000	-	-	-	-
5W Grange	-	-	-	10,000	-	-	-	-
Park Appurtenances	49,985	-	-	-	30,000	30,000	30,000	30,000
Subtotal Park Improvements	1,093,514	440,985	434,883	30,000	490,000	1,230,000	30,000	30,000

DEBT SERVICE

Capital Improvement Fund:

P WTF Loan - W. 10th Avenue	82,066	-	-	-	-	-	-	-
P WTF Loan - Washington St.	127,449	-	-	-	-	-	-	-
P WTF Loan - W. Hood	163,259	79,298	-	-	-	-	-	-
P WTF Loan - 10th Av/SR 395 to Olympia	341,641	328,870	-	-	-	-	-	-
P WTF Loan - 19th Avenue	104,907	102,899	50,696	-	-	-	-	-
P WTF Loan - Comp Street Imp - Phase I	445,147	437,017	215,459	213,427	211,394	209,361	207,329	205,296
P WTF Loan - Comp Street Imp - Phase II	548,267	538,432	265,528	263,070	260,611	258,153	255,694	253,235
P WTF Loan - Southridge	-	-	-	15,000	720,000	735,000	730,000	725,000
CCWF Loan	136,968	136,968	-	-	-	-	-	-
Frost Facility Loan	234,867	218,126	103,625	100,149	-	-	-	-
Interfund Loan Debt Service	626	2,000	-	-	-	-	-	-
Debt Issue Costs	259,023	-	-	-	-	-	-	-
Subtotal Debt Service	2,444,220	1,843,610	635,308	591,646	1,192,005	1,202,514	1,193,023	1,183,531

MISCELLANEOUS

Arterial Street Fund:

Transfer to Community Development Fund	64,500	-	-	-	-	-	-	-
Transfer to Urban Arterial Fund	593,651	-	-	-	-	-	-	-
Intergov'tl Agreement - West Richland	-	290,000	-	-	-	-	-	-

Stormwater Utility Fund:

Transfer to Equipment Rental	-	210,700	-	-	-	-	-	-
Transfer to Capital Improvement Fund	-	9,240	-	-	-	-	-	-

CITYWIDE SUMMARY

Capital Improvement Program

	ACTUAL 2009/2010	ADJUSTED BUDGET 2011/2012	PROJECTION					
			2013	2014	2015	2016	2017	2018
Water/Sewer Fund:								
Transfer to General Fund	537,554	173,200	-	-	-	-	-	-
Transfer to Equipment Rental	52,338	-	23,300	-	425,000	425,000	453,000	453,000
Transfer to CIP - Streets	351,538	-	-	-	-	-	-	-
Transfer to CIP - Facilities for Frost Loan	73,917	138,587	33,937	33,938	-	-	-	-
Transfer to Capital Purchases	45,570	-	-	-	-	-	-	-
Transfer to Risk Management	36,685	-	-	-	-	-	-	-
Transfer to Stormwater	475,000	-	-	-	-	-	-	-
Capital Improvement Fund:								
Equipment	69,912	-	-	-	-	-	-	-
Transfer to Arterial Fund	1,137,440	2,161,763	1,400,000	170,000	339,250	307,731	371,425	338,310
Transfer to Urban Arterial Fund	1,520,846	2,770,318	2,629,800	1,521,260	-	-	-	-
Transfer to Equipment Rental-69,912	78,525	1,308,700	630,000	680,000	687,800	687,800	722,200	722,200
Transfer to General Fund	-	96,881	-	-	-	-	-	-
Transfer to Street Fund	900,000	-	-	-	-	-	-	-
Transfer to Public Facilities District - Conv Ctr	126,474	50,219	114,475	529,750	725,000	725,000	725,000	725,000
Transfer to CIP - Streets	19,077	830,496	611,000	685,000	842,000	921,000	961,000	1,001,000
Transfer to CIP - Facilities for Frost Loan	155,085	143,002	-	-	-	-	-	-
Transfer to Capital Improvement - Facilities	-	323,644	546,935	271,464	1,224,400	215,300	225,400	226,400
Transfer to Capital Purchases	1,424,053	486,789	268,163	268,163	262,500	262,500	275,600	275,600
Transfer to LRF GO Bond 2010B	-	479,026	-	-	-	-	-	-
Transfer to CIP P WTF Loan	-	-	275,000	100,000	-	-	-	-
Transfer to Coliseum	993,337	300,000	200,000	200,000	200,000	200,000	200,000	200,000
Transfer to Golf Course	-	99,000	-	-	-	-	-	-
Transfer to Animal Control Facility	-	-	200,000	-	900,000	900,000	-	-
Transfer to Risk Management	250,000	1,495,150	-	-	-	-	-	-
Transfer to Debt Service Fund (2003A)	1,026,981	1,113,756	414,825	-	-	-	-	-
Transfer to Debt Service Fund (2006)	1,463,465	1,463,865	729,858	728,608	731,358	732,858	733,108	728,608
Transfer to Debt Service Fund (2003B)	1,340,834	1,050,135	414,825	-	-	-	-	-
Transfer to Debt Service Fund (2010A)	286,953	854,000	429,925	427,775	-	-	-	-
Transfer to Debt Service Fund (2010B)	290,782	869,536	435,092	435,092	859,766	860,238	864,067	862,001
Transfer to Debt Service Fund (2011)	-	260,474	230,825	644,600	646,250	642,450	643,650	649,050
Transfer to Debt Service Fund (2016)	-	-	-	-	-	-	785,000	785,000
Transfer to Conv Ctr - City of Pasco	293,270	286,625	195,250	195,250	-	-	-	-
Subtotal Miscellaneous	13,607,787	17,265,106	9,783,210	6,890,900	7,843,324	6,879,877	6,959,450	6,966,169
Total Expenditures	49,924,566	61,572,223	45,902,366	35,035,449	23,457,329	24,585,291	22,930,673	20,958,900
ENDING FUND BALANCE	31,995,690	15,667,143	11,872,851	6,996,260	7,475,352	10,595,579	4,396,975	4,802,955
TOTAL	\$ 81,920,256	\$ 77,239,366	\$ 57,775,217	\$ 42,031,709	\$ 30,932,681	\$ 35,180,870	\$ 27,327,648	\$ 25,761,855

MAJOR PROJECTS

Major Projects
Arterial Street Fund

Capital Improvement Program

Project Name: Pavement Preservation Program - BST

Project Description/Purpose:

This project is for the preservation of City streets, by seal coating (BST), of the existing roadways. These roadways are at the point in their life cycle where they will deteriorate without this preservation and will require reconstruction at a significantly higher cost.

Estimated Impact on Future Operating Costs:

Routine costs for restriping annually will be mostly offset by reduced costs for crack sealing and patching.

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$1,400,000	\$1,400,000	\$1,600,000	\$1,600,000	\$1,696,000	\$1,696,000	\$9,392,000
Project Revenues:							
CIP Fund Transfer	1,400,000	170,000	339,250	307,731	371,425	338,310	2,926,716
Trans Benefit District	-	1,230,000	1,260,750	1,292,269	1,324,575	1,357,690	6,465,284



Project Name: Steptoe Street Phase 3 – 4th Avenue to 5-Corners (10th Ave)

Project Description/Purpose:

Reconstruction of the existing roadway (Clodfelter – to be renamed). The project includes widening, full reconstruction, curb and gutter, sidewalk, storm drainage and illumination. The project will be constructed in conjunction with the Hildebrand Extension – 5-corners to City Limit project.

Estimated Impact on Future Operating Costs:

Future O&M costs will be for street sweeping, storm drainage maintenance and landscape/irrigation maintenance.

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$772,000	\$4,443,000	\$ -	\$ -	\$ -	\$ -	\$5,215,000
<u>Project Revenues:</u>							
TIB Funds	-	3,129,000	-	-	-	-	3,129,000
PWTF Funds	-	1,122,960	-	-	-	-	1,122,960
Transfer from CIP Fund	772,000	49,779	-	-	-	-	821,779
<u>On-Going M&O Costs:</u>							
Employee Costs	\$ -	\$ -	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 48,000
Other Equipment	-	-	7,000	7,000	7,000	7,000	28,000
Total On-Going Costs	\$ -	\$ -	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 76,000



Major Projects
Urban Arterial Street Fund

Capital Improvement Program

Project Name: Olympia Street – SR 397 to 27th

Project Description/Purpose:

This project will consist of roadway reconstruction from SR 397 (Finley Intertie) to 27th Avenue. Included in the project are curb and gutter improvements, storm drainage, sidewalk, street lighting, and a roundabout at 45th Avenue.

Estimated Impact on Future Operating Costs:

Future O&M costs will be for street sweeping, storm drainage maintenance and landscape/irrigation maintenance.

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$3,537,619	\$ -	\$ -	\$ -	\$ -	\$ -	\$3,537,619
<u>Project Revenues:</u>							
TPP	1,258,458	-	-	-	-	-	1,258,458
STP Grant	1,403,733	-	-	-	-	-	1,403,733
Transfer from CIP Fund	875,428	-	-	-	-	-	875,428
<u>On-Going M&O Costs:</u>							
Employee Costs	\$ -	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 60,000
Other Equipment	-	7,000	7,000	7,000	7,000	7,000	35,000
Total On-Going Costs	\$ -	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 95,000



Project Name: Steptoe Street – Phase II

Project Description/Purpose:

This project will consist of new roadway construction from Clearwater Avenue to Center Parkway. Included in the project are curb and gutter improvements, storm drainage, sidewalk, landscaping, street lighting, a traffic signal at Clearwater Avenue, and a grade separated crossing under the BNSF Railway tracks.

Estimated Impact on Future Operating Costs:

Future maintenance costs will be split between Kennewick and Richland. O&M costs will be for street sweeping, storm drainage maintenance and landscape/irrigation maintenance.

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$1,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$1,500,000
<u>Project Revenues:</u>							
STP Federal Funds	1,500,000	-	-	-	-	-	1,500,000
<u>On-Going M&O Costs:</u>							
Employee Costs	\$ -	\$ -	\$ 12,000	\$12,000	\$12,000	\$12,000	\$ 48,000
Other Equipment	-	-	7,000	7,000	7,000	7,000	28,000
Total On-Going Costs	\$ -	\$ -	\$ 19,000	\$19,000	\$19,000	\$19,000	\$ 76,000



Project Name: Clearwater Avenue – Leslie Road to US395

Project Description/Purpose:

The project includes development and implementation of an access management plan, intersection improvements, pedestrian improvements, right of way acquisition, construction of turn lanes and driveway consolidations.

Estimated Impact on Future Operating Costs:

Future O&M costs will be for traffic signal maintenance increases to street maintenance.

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$420,000	\$1,700,000	\$ -	\$ -	\$ -	\$ -	\$2,120,000
<u>Project Revenues:</u>							
STP Grant	420,000	1,700,000	-	-	-	-	2,120,000
<u>On-Going M&O Costs:</u>							
Employee Costs	\$ -	\$ -	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 20,000
Other Equipment	-	-	2,000	2,000	2,000	2,000	8,000
Total On-Going Costs	\$ -	\$ -	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 28,000

Project Name: Edison Street Widening – Clearwater to Canal

Project Description/Purpose:

This project will add a center turn lane and bike paths from Clearwater to Canal. The project also adds turn lanes at the Clearwater and Canal intersections.

Estimated Impact on Future Operating Costs:

Future O&M costs will be for street sweeping associated with the widening.

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$885,000	\$1,000,000	\$ -	\$ -	\$ -	\$ -	\$1,885,000
<u>Project Revenues:</u>							
TIB Grant	534,300	596,700	-	-	-	-	1,131,000
Transfer from CIP Fund	356,200	397,800	-	-	-	-	754,000
<u>On-Going M&O Costs:</u>							
Employee Costs	\$ -	\$ -	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 12,000
Other Equipment	-	-	1,000	1,000	1,000	1,000	4,000
Total On-Going Costs	\$ -	\$ -	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 16,000

Major Projects
Urban Arterial Street Fund

Capital Improvement Program

Project Name: Hildebrand Extension –5-Corners (10th Ave) to City Limit

Project Description/Purpose:

New roadway construction - the project includes roadway construction, median, curb and gutter, sidewalk, storm drainage and illumination. The project will be constructed in conjunction with the Steptoe Street Phase 3 – 4th Avenue to 5-corners project.

Estimated Impact on Future Operating Costs:

Future O&M costs will be for street sweeping, storm drainage maintenance and landscape/irrigation maintenance.

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$1,300,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$1,300,000
<u>Project Revenues:</u>							
Capital Improvement Funds	1,300,000	-	-	-	-	-	1,300,000
<u>On-Going M & O Costs:</u>							
Employee Costs	\$ -	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 60,000
Other Equipment	-	7,000	7,000	7,000	7,000	7,000	35,000
Total On-Going Costs	\$ -	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 95,000



Project Name: Hildebrand Extension – City Limit to Sherman Street

Project Description/Purpose:

New roadway construction - the project includes construction of the center two lanes, median w/curb and gutter, storm drainage and illumination. The project may be constructed in conjunction with the Steptoe Street Phase 3 – 4th Avenue to 5-corners/Hildebrand Extension – 5-corners to City Limit project.

Estimated Impact on Future Operating Costs:

Future O&M costs will be for street sweeping, storm drainage maintenance and landscape/irrigation maintenance.

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$375,000	\$2,565,000	\$ -	\$ -	\$ -	\$ -	\$2,940,000
<u>Project Revenues:</u>							
PWTF Funds	375,000	2,565,000	-	-	-	-	2,940,000
<u>On-Going M&O Costs:</u>							
Employee Costs	\$ -	\$ -	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 48,000
Other Equipment	-	-	7,000	7,000	7,000	7,000	28,000
Total On-Going Costs	\$ -	\$ -	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000	\$ 76,000



Major Projects
Urban Arterial Street Fund

Capital Improvement Program

Project Name: Southridge Roads

Project Description/Purpose:

New roadway construction - the project includes construction of the center two lanes, median w/curb and gutter, storm drainage and illumination. Ridgeline Drive – Sherman to Leslie, Center Parkway – Hildebrand to I-82, Christiansen Road reconstruction.

Estimated Impact on Future Operating Costs:

Future O&M costs will be for street sweeping, storm drainage maintenance and landscape/irrigation maintenance.

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$2,000,000	\$6,339,540	\$ -	\$ -	\$ -	\$ -	\$8,339,540
<u>Project Revenues:</u>							
PWTF Funds	2,000,000	6,339,540	-	-	-	-	8,339,540
<u>On-Going M&O Costs:</u>							
Employee Costs	\$ -	\$ -	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000	\$ 96,000
Other Equipment	-	-	14,000	14,000	14,000	14,000	56,000
Total On-Going Costs	\$ -	\$ -	\$ 38,000	\$ 38,000	\$ 38,000	\$ 38,000	\$ 152,000

Major Projects
Urban Arterial Street Fund

Capital Improvement Program

Project Name: Citywide Safety Project

Project Description/Purpose:

Signal retiming, implement new coordination plans, pedestrian signal heads and push button assemblies, rear facing rapid flash school beacons.

Estimated Impact on Future Operating Costs:

Future O&M costs will be for traffic signal maintenance.

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$350,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$350,000
<u>Project Revenues:</u>							
STP Grant	350,000	-	-	-	-	-	350,000
<u>On-Going M&O Costs:</u>							
Employee Costs	\$ -	\$ -	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 10,000
Total On-Going Costs	\$ -	\$ -	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 10,000

Major Projects
Capital Improvement Fund

Capital Improvement Program

Project Name: UGA Expansion Roads Ridgeline – US395

Project Description/Purpose:

Intersection reconstruction - the project includes ITS components, new traffic signal acceleration and deceleration lanes, ramp realignment.

Estimated Impact on Future Operating Costs:

Future O&M will be by WSDOT.

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$ -	\$ -	\$ -	\$ -	\$1,500,000	\$4,500,000	\$6,000,000
<u>Project Revenues:</u>							
CIP Funds	-	-	-	-	\$1,500,000	\$4,500,000	\$6,000,000

Project Name: UGA Expansion Roads

Project Description/Purpose:

New roadway construction - the project includes construction of the center two lanes, median w/curb and gutter, storm drainage and illumination. Center Parkway Extension, Christiansen Road Extension, internal roadways.

Estimated Impact on Future Operating Costs:

Future O&M costs will be for street sweeping, storm drainage maintenance and landscape/irrigation maintenance.

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$250,000	\$500,000	\$1,500,000	\$1,500,000	\$ -	\$1,800,000	\$5,550,000
<u>Project Revenues:</u>							
CIP Funds	250,000	500,000	1,500,000	1,500,000	-	1,800,000	5,550,000
<u>On-Going M & O Costs:</u>							
Employee Costs	\$ -	\$ -	\$ 12,000	\$ 24,000	\$ 24,000	\$ 36,000	\$ 96,000
Other Equipment	-	-	7,000	14,000	14,000	21,000	56,000
Total On-Going Costs	\$ -	\$ -	\$ 19,000	\$ 38,000	\$ 38,000	\$ 57,000	\$ 152,000

Project Name: New Fire Station # 5

Project Description/Purpose:

Construct a new 15,000 sq ft fire station in 10th and Kellogg vicinity of the city, this project has been in the comp plan and CIP plan for several years.

The new Fire Station will improve fire and EMS service delivery to our citizens by reducing overall response time into southwest Kennewick. The station will be position on major arterial streets which will provide for excellent response into other fire station districts when those units are out on other emergency calls.

Estimated Impact on Future Operating Costs:

Ongoing personnel cost for 3 Fire Captains. Ongoing M&O costs and replacement costs for a fire engine and a medic unit.

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$300,000	\$ -	\$ -	\$4,650,000	\$ -	\$ -	\$4,950,000
<u>Project Revenues:</u>							
Optional Sales Tax	300,000	-	-	-	-	-	300,000
Bond Proceeds	-	-	-	4,650,000	-	-	4,650,000
<u>On-Going M&O Costs:</u>							
Employee Costs	\$ -	\$ -	\$ -	\$ -	\$ 461,298	\$ 475,113	\$ 936,411
Other Equipment	-	-	-	-	107,700	107,700	215,400
Total On-Going Costs	\$ -	\$ -	\$ -	\$ -	\$ 568,998	\$ 582,813	\$ 1,151,811

Project Name: New Fire Station # 6

Project Description/Purpose:

Construct a new 15,000 sq ft fire station, including a new fire engine and a new medic unit, in the Southridge area of the city.

The new Fire Station will improve fire and EMS service delivery to our citizens by reducing overall response time in Kennewick. The station will be positioned on major arterial streets which will provide for excellent response into other fire station districts when those units are out on other emergency calls.

Estimated Impact on Future Operating Costs:

Ongoing personnel cost for 3 Fire Captains, 6 Paramedics and 3 Firefighters. Ongoing M&O costs and replacement costs for a fire engine and a medic unit.

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$ -	\$ -	\$ -	\$ -	\$6,000,000	\$ -	\$6,000,000
<u>Project Revenues:</u>							
Bond Proceeds	-	-	-	6,000,000	-	-	6,000,000
<u>On-Going M&O Costs:</u>							
Employee Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,808,829	\$ 1,808,829
Other Equipment	-	-	-	-	-	107,700	107,700
Total On-Going Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,916,529	\$ 1,916,529

Major Projects
Water and Sewer Fund

Capital Improvement Program

Project Name: Hildebrand – 10th to Southridge – Sewer

Project Description/Purpose:

This project provides for the installation of sanitary sewer mains within streets being constructed as part of the Hildebrand project in the Southridge area.

Estimated Impact on Future Operating Costs:

Added costs for staff & equipment to maintain new sewer mainline

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$2,270,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$2,270,000
<u>Project Revenues:</u>							
Developer Contributions	750,000	-	-	-	-	-	750,000
Rates Revenues	1,520,000	-	-	-	-	-	1,520,000
<u>On-Going M&O Costs:</u>							
Maintenance Costs	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 5,000
Total Ongoing Costs	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 5,000



Major Projects
Water and Sewer Fund

Capital Improvement Program

Project Name: Hildebrand – 10th to Southridge – Water

Project Description/Purpose:

This project provides for the installation of water mains within streets being constructed as part of the Hildebrand project in the Southridge area.

Estimated Impact on Future Operating Costs:

Added maintenance costs will be incurred with the additional water lines.

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
Project Revenues:							
Developer Contributions	300,000	-	-	-	-	-	300,000
Rates Revenues	700,000	-	-	-	-	-	700,000
On-Going M&O Costs:							
Maintenance Costs	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 5,000
Total Ongoing Costs	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 5,000



Project Name: Lift Station Improvements

Project Description/Purpose:

The Arrowhead & Jefferson lift station is a factory built dry well with adjacent wet well. This project would convert the station to a Flygt submersible pump package and would install a bypass pumping port. These improvements would bring the station up to the design standard that has been used throughout the city.

Estimated Impact on Future Operating Costs:

The station continues to require ongoing responses to address pump failures associated with air bound pumps. The project would eliminate this problem.

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$700,000	\$ 50,000	\$ -	\$ -	\$ 250,000	\$ 250,000	\$ 1,250,000
<u>Project Revenues:</u>							
Rates Revenues	700,000	50,000	-	-	250,000	250,000	1,250,000
<u>On-Going M&O Costs:</u>							
Employee Costs	\$ -	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (5,000)
Total On-Going Costs	\$ -	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (5,000)



Project Name: Sewerline Renewals and Replacements

Project Description/Purpose:

This project provides ongoing replacement of sewer mains that are identified by the City’s sewer capital improvement program committee. This committee compiles ongoing maintenance information to assemble a list of projects that are needed to address ongoing maintenance problems.

Estimated Impact on Future Operating Costs:

The replacement of the problem sewer mains will save ongoing maintenance and operational cost.

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$ 811,407	\$ 250,000	\$ 600,000	\$ 250,000	\$ 500,000	\$ 500,000	\$ 2,911,407
<u>Project Revenues:</u>							
Rates Revenues	811,407	250,000	600,000	250,000	500,000	500,000	2,911,407
<u>On-Going M & O Costs:</u>							
Maintenance Costs	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (6,000)
Total On-Going Costs	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (6,000)



Project Name: Waterline Renewals and Replacements

Project Description/Purpose:

This project provides ongoing replacement of water mains that are identified by the City’s water capital improvement program committee. This committee compiles ongoing maintenance information to assemble a list of projects that are needed to address ongoing maintenance problems.

Estimated Impact on Future Operating Costs:

The replacement of the problem water mains will save ongoing maintenance cost.

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$ 740,612	\$ 250,000	\$ 625,000	\$ 625,000	\$ 1,100,000	\$ 1,100,000	\$ 4,440,612
Project Revenues:							
Rates Revenues	740,612	250,000	625,000	625,000	1,100,000	1,100,000	4,440,612
On-Going M&O Costs:							
Maintenance Costs	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (6,000)
Total On-Going Costs	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (6,000)



Project Name: UGA Sanitary Sewer Extension

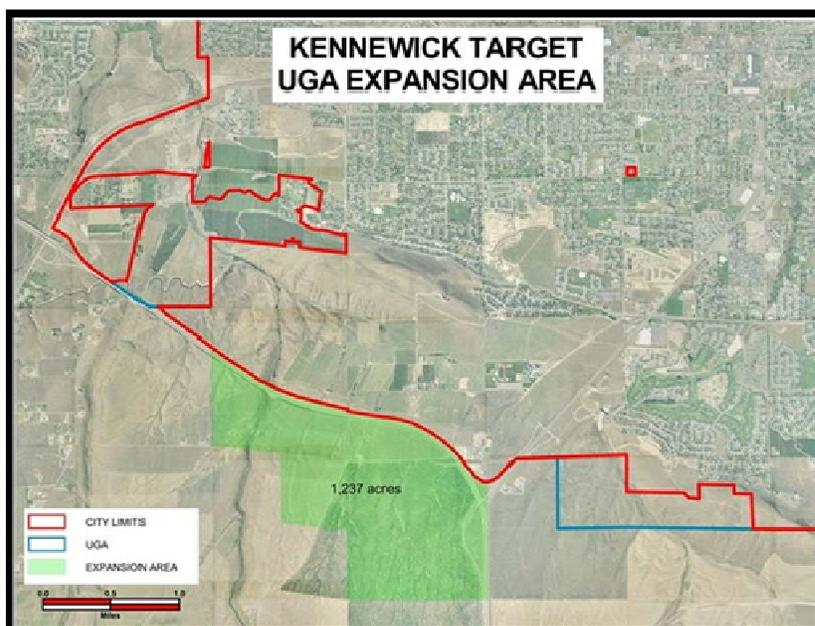
Project Description/Purpose:

This project provides extension of the sanitary sewer lines to the UGA Expansion area south of I-82.

Estimated Impact on Future Operating Costs:

The addition of sanitary sewer lines will increase maintenance costs.

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$ -	\$ -	\$ -	\$ 1,250,000	\$ -	\$ -	\$ 1,250,000
Project Revenues:							
PWTF Loan	-	-	-	1,250,000	-	-	1,250,000
On-Going M&O Costs:							
Maintenance Costs	\$ -	\$ -	\$ -	\$ -	\$ 500	\$ 500	\$ 1,000
Total On-Going Costs	\$ -	\$ -	\$ -	\$ -	\$ 500	\$ 500	\$ 1,000



Major Projects
Water and Sewer Fund

Capital Improvement Program

Project Name: UGA Water Extension

Project Description/Purpose:

This project provides extension of the water main lines to the UGA Expansion area south of I-82.

Estimated Impact on Future Operating Costs:

The addition of water main lines will increase maintenance costs.

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$ -	\$ -	\$ -	\$1,750,000	\$ -	\$ -	\$ 1,750,000
Project Revenues:							
PWTF Loan	-	-	1,750,000	-	-	-	1,750,000
On-Going M&O Costs:							
Maintenance Costs	\$ -	\$ -	\$ -	\$ -	\$ 500	\$ 500	\$ 1,000
Total On-Going Costs	\$ -	\$ -	\$ -	\$ -	\$ 500	\$ 500	\$ 1,000

Project Name: Automated Meter Reading

Project Description/Purpose:

This project will replace existing manual read meters and drive-by meter reading with an all automated system that will report meter reads on determined intervals back to City Hall. The system will eliminate the need for (3) field personnel directly required to read the city on a bi-monthly basis. Implementation will provide better customer service, reduce the carbon footprint of manual reads, add to community safety by sending alarms when our system is being compromised by a backflow event and improving meter reading accuracy and revenue generated.

Estimated Impact on Future Operating Costs:

The project will reduce operational costs related to meter reading and increase revenue with improved meter read accuracy.

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$3,000,000	\$3,000,000	\$ -	\$ -	\$ -	\$ -	\$6,000,000
<u>Project Revenues:</u>							
PWTF Loan	6,000,000	-	-	-	-	-	6,000,000
<u>On-Going M&O Costs:</u>							
Employee Costs	\$ -	\$ (77,280)	\$ (217,823)	\$ (222,498)	\$ (227,267)	\$ (232,132)	\$ (977,000)
Total On-Going Costs	\$ -	\$ (77,280)	\$ (217,823)	\$ (222,498)	\$ (227,267)	\$ (232,132)	\$ (977,000)
<u>Increased Revenue Forecast</u>							
Rate Revenue	\$ -	\$ 152,000	\$ 310,080	\$ 316,282	\$ 322,607	\$ 329,059	\$ 1,430,028



Project Name: Beech St. – E. Kennewick Ave. to E. 10th Ave.

Project Description/Purpose:

The Beech Street interceptor provides service to the southern Kennewick area east of US 395. This interceptor is currently operating above its design capacity and has been identified in the City’s sewer system plan as needing replacement with a larger diameter sewer main. This project will replace the last undersized portion of the existing sewer interceptor.

Estimated Impact on Future Operating Costs:

No additional costs for upgrading existing sewer mainline

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$1,120,000	\$850,000	\$ -	\$ -	\$ -	\$ -	\$1,970,000
Project Revenues:							
Rates Revenues	-	120,000	-	-	-	-	120,000
PWTF Loan	1,850,000	-	-	-	-	-	1,850,000



Project Name: Aquifer Storage and Recovery Project

Project Description/Purpose:

The project will evaluate the feasibility of developing an Aquifer Storage and Recovery (ASR) facility in the Southridge area. The project will store water from the City’s production sources underground during non-peak water use periods. The stored water will then be withdrawn for use during high-demand periods. Storing the water in the aquifer will benefit the environment by reducing Columbia River withdraws during July and August. The facility will maximize the use of the Quad-Cities water right which has use restrictions during low water years.

Estimated Impact on Future Operating Costs:

This project will increase operation and maintenance cost due to pumping cost and additional operational water quality monitoring associated with the ASR well.

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$2,231,926	\$ -	\$ -	\$ -	\$ -	\$ -	\$2,231,926
<u>Project Revenues:</u>							
Ecology Grant	2,000,000	-	-	-	-	-	2,000,000
Rates Revenues	231,926	-	-	-	-	-	231,926
<u>On-Going M&O Costs:</u>							
Electricity Costs	\$ -	\$ -	\$1,000	\$1,000	\$1,000	\$1,000	\$4,000
Testing	-	-	500	500	500	500	2,000
Total On-Going Costs	\$ -	\$ -	\$1,500	\$1,500	\$1,500	\$1,500	\$6,000



Project Name: Water Treatment Plant – Membrane & Clearwell

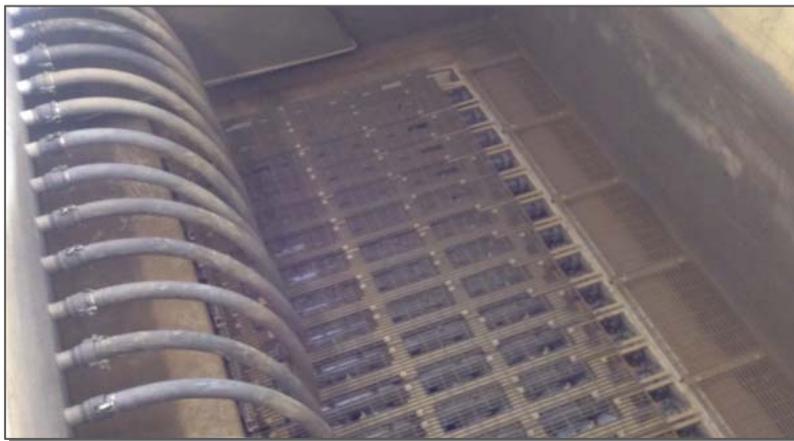
Project Description/Purpose:

This project will replace existing membranes and add additional water filter membranes for increased capacity and expand the clearwell to manage the water produced.

Estimated Impact on Future Operating Costs:

The project is not expected to increase O&M costs.

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$ 851,000	\$ -	\$ 300,000	\$ 300,000	\$ 950,000	\$ 650,000	\$ 3,051,000
Project Revenues:							
Rates Revenues	851,000	-	300,000	300,000	950,000	650,000	3,051,000



Major Projects
Water and Sewer Fund

Capital Improvement Program

Project Name: Wastewater Treatment Plant – Diffused Air System

Project Description/Purpose:

This project will design and install a diffused air treatment system to our high rate treatment cells at the Wastewater Treatment Plant. Diffused air provides a better overall processing of the wastewater influent, reduces energy use and overall labor costs.

Estimated Impact on Future Operating Costs:

The project will reduce labor and power costs associated with the HRT cells process.

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$ 350,000	\$ -	\$ 2,800,000	\$ -	\$ -	\$ -	\$ 3,150,000
Project Revenues:							
PWTF Loan	-	-	2,800,000	-	-	-	2,800,000
Rates Revenues	350,000	-	-	-	-	-	350,000
On-Going M&O Costs:							
Maintenance Costs	\$ -	\$ -	\$ -	\$(14,000)	\$(14,000)	\$(14,000)	\$ (42,000)
Equipment/Electricity	-	-	-	(47,000)	(47,000)	(47,000)	(141,000)
Total On-Going Costs	\$ -	\$ -	\$ -	\$(61,000)	\$(61,000)	\$(61,000)	\$ (183,000)



Project Name: Zone 2 Transmission Main

Project Description/Purpose:

This project will install a water transmission main between the Golf Course Booster Station and the 10 million gallon Kellogg water reservoir. The final portion lies between W. 4th Ave. at SR 395 and W. 10th Ave. @ Kellogg St. Previous sections of the transmission main have been installed as part of street improvement projects or water mains installed as part of the Creekstone Development. This project will complete the remaining portion of the transmission main, improving our overall system capacity and efficiency.

Estimated Impact on Future Operating Costs:

The project will reduce cost associated with pumping water to the reservoir.

Total Project Cost	\$	-	\$150,000	\$3,000,000	\$	-	\$	-	\$	-	\$3,150,000
Project Revenues:											
PWTF Loan		-	-	150,000		-	-	-		-	150,000
Rates Revenues		-	150,000	2,850,000		-	-	-		-	3,000,000
On-Going M&O Costs:											
Maintenance Costs (Electricity)	\$	-	\$	-	\$	-	\$(1,000)	\$(1,000)	\$(1,000)	\$(1,000)	\$(3,000)
Equipment		-	-	-		-	-	-		-	-
Total On-Going Costs	\$	-	\$	-	\$	-	\$(1,000)	\$(1,000)	\$(1,000)	\$(1,000)	\$(3,000)



Project Name: Zone 4 & Zone 5 Transmission Mainlines

Project Description/Purpose:

This project will construct a new Zone 4 supply Transmission Main between Panoramic Hts. reservoir and the new Thompson Hill Reservoir. It will also construct a new Zone 5 Transmission Main between the new Zone 5 Booster Station @ Thompson Hill Reservoir and Sherman Street. Both transmission mains are required to provide adequate storage, redundancy in our water system and future growth capacity for the Southridge area and the UGA Expansion south of I-82.

Estimated Impact on Future Operating Costs:

The project will increase operation and maintenance cost associated with the operation of the new mainlines.

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$ 973,427	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 973,427
<u>Project Revenues:</u>							
PWTF Loan	150,000	-	-	-	-	-	150,000
Rates Revenues	823,427	-	-	-	-	-	823,427
<u>On-Going M&O Costs:</u>							
Employee Costs	\$ -	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 2,500
Testing	-	500	500	500	500	500	1,500
Total On-Going Costs	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 4,000



Project Name: Zone 4 Reservoir & Zone 5 Booster Station @ Thompson Hill

Project Description/Purpose:

This project will construct a new 3 MG Zone 4 water reservoir and a Zone 5 booster station on a City owned site near the Panoramic Height Development property on the east end of Thompson Hill. The project will provide redundancy, additional storage necessary to accommodate growth in the Zone 4 in Southridge and water system capacity to support the UGA Expansion south of I-82

Estimated Impact on Future Operating Costs:

The project will increase operation and maintenance cost associated with the operation of the facility.

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$2,600,000	\$2,500,000	\$ -	\$ -	\$ -	\$ -	\$ 5,100,000
<u>Project Revenues:</u>							
PWTF Loan	4,250,000	-	-	-	-	-	4,250,000
Rates Revenues	-	850,000	-	-	-	-	850,000
<u>On-Going M&O Costs:</u>							
Employee Costs	\$ -	\$ -	\$ -	\$ 500	\$ 500	\$ 500	\$ 1,500
Testing	-	-	-	500	500	500	1,500
Total On-Going Costs	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ 3,000



Major Projects
Water and Sewer Fund

Capital Improvement Program

Project Name: Utility Services Land Purchase

Project Description/Purpose:

This funding is for land purchase at the westerly end of Kennewick for future Utility Services operations related to the growth of the Southridge area and the UGA Expansion south of I-82. The funding also includes purchase of land in the UGA area for a future reservoir site needed to serve the area as it builds out.

Estimated Impact on Future Operating Costs:

None

	2013	2014	2015	2016	2017	2018	Total 2013-2018
Total Project Cost	\$ -	\$ -	\$1,000,000	\$ 500,000	\$ -	\$ -	\$ 1,500,000
<u>Project Revenues:</u>							
Rates Revenues	-	-	1,000,000	500,000	-	-	1,500,000

ARTERIAL STREET FUND

The **Arterial Street Fund** accounts for the continued development of the arterial street system within the City. Revenue sources include state shared revenue (gas tax), along with federal and state grants.

H.E.S. (Hazard Elimination Safety Program) - This program makes Federal dollars available to the Department of Transportation. When funds are available, the DOT will solicit submittals of projects that qualify to eliminate hazards or safety problems. The DOT sets the priority for projects submitted and funds the projects according to priority and funds available. Federal funding pays 90% of the cost to a maximum amount of \$300,000. This funded the recent improvements at Edison and Metaline. The project is nearly complete. We will make application for future grants under this program.

STP Direct Allocation - The City receives these funds annually based on a per capita distribution of gas tax revenues. Currently by local agreement STP direct allocation funds are distributed based on a population formula and the MPO allotment, which totals approximately \$400,000/year. Only streets that are Functionally Classified, as shown on the FHWA Functional Classification map, qualify for this program. STP funds may not be used for maintenance, but may be used for reconstruction, resurfacing and overlays. This funding is running out however, we will be expending the last of our funds from this program on the Olympia Street project.

STP Competitive – Funded from the 1993 ISTEA and continued in 1998 by TEA 21 these funds are available on a competitive basis from the local MPO and from a Statewide Competitive program. This funding is on going.

FUND DETAIL
ARTERIAL STREET FUND

Capital Improvement Program

	ACTUAL		ESTIMATE		PROJECTION				
	2009/2010	2011/2012	2013	2014	2015	2016	2017	2018	
BEGINNING FUND BALANCE	\$ 559,576	\$ 550,890	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
REVENUES									
TAXES									
Arterial Street Gas Tax	918,687	-	-	-	-	-	-	-	
INTERGOVERNMENTAL									
HES Grant	864,595	8,528	-	-	-	-	-	-	
ARRA Grant	112,217	-	-	-	-	-	-	-	
STP Local	-	900,000	-	-	-	-	-	-	
Student Pedestrian Grant	38,780	21,320	-	-	-	-	-	-	
STATE ENTITLEMENTS									
Transportation Benefit District	-	-	-	1,230,000	1,260,750	1,292,269	1,324,575	1,357,690	
MISCELLANEOUS									
Interest	23,521	-	-	-	-	-	-	-	
Developer Contributions	-	-	-	-	-	-	-	-	
Transfer from Capital Improvement	1,137,440	2,161,763	1,400,000	170,000	339,250	307,731	371,425	338,310	
Transfer from CDBG	12,700	-	-	-	-	-	-	-	
TOTAL REVENUES	3,107,940	3,091,611	1,400,000	1,400,000	1,600,000	1,600,000	1,696,000	1,696,000	
TOTAL	\$ 3,667,516	\$ 3,642,501	\$ 1,400,000	\$ 1,400,000	\$ 1,600,000	\$ 1,600,000	\$ 1,696,000	\$ 1,696,000	
EXPENDITURES									
STREET RECONSTRUCTION									
Downtown Revitalization - Phase VIII	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Downtown Revitalization - Phase IX	-	-	-	-	-	-	-	-	
Edison St & Metaline Ave Intersection	1,039,664	13,966	-	-	-	-	-	-	
STREET OVERLAYS									
Pavement Preservation Program	15,225	2,161,500	1,400,000	1,400,000	1,600,000	1,600,000	1,696,000	1,696,000	
Columbia Dr - SR 395 to Hartford	322,112	-	-	-	-	-	-	-	
Clearwater - Leslie to CCB	212,574	-	-	-	-	-	-	-	
27th - Union to SR 395	92,139	-	-	-	-	-	-	-	
Washington - 27th to 10th	43,821	-	-	-	-	-	-	-	
Union St - 10th to Clearwater	55,187	-	-	-	-	-	-	-	
Kennewick - Morain to SR 395	44,089	-	-	-	-	-	-	-	
Union - 27th to 10th	51,494	-	-	-	-	-	-	-	
Morain/Neel Clearwater	47,595	-	-	-	-	-	-	-	
10th - Union to SR 395	57,673	-	-	-	-	-	-	-	
10th - SR 395 - Olympia	76,808	-	-	-	-	-	-	-	
Ely - 36th to 10th	74,899	-	-	-	-	-	-	-	
Kennewick - Olympia to Dayton	56,486	-	-	-	-	-	-	-	
Fruitland - 1st to Columbia Dr	51,695	-	-	-	-	-	-	-	
Clearwater Overlay - SR 395 to Edison	7,283	1,177,035	-	-	-	-	-	-	
Downtown Revitalization Phase IX	12,700	-	-	-	-	-	-	-	
Columbia Overlook Phase I	131,776	-	-	-	-	-	-	-	
4th Ave/Amistad Elementary Ped Signal	57,661	-	-	-	-	-	-	-	
TRAFFIC AND PEDESTRIAN SERVICES									
Citywide Flashing Yellow Arrow	7,594	-	-	-	-	-	-	-	
4th Ave/Amistad Elementary Ped Signal	-	-	-	-	-	-	-	-	
MISCELLANEOUS									
Transfer to Capital Improvement Fund	-	-	-	-	-	-	-	-	
Transfer to Community Development	64,500	-	-	-	-	-	-	-	
Transfer to Urban Arterial Street Fund	593,651	-	-	-	-	-	-	-	
Intergov't Agreement - Richland	-	290,000	-	-	-	-	-	-	
TOTAL EXPENDITURES	3,116,626	3,642,501	1,400,000	1,400,000	1,600,000	1,600,000	1,696,000	1,696,000	
ENDING FUND BALANCE	550,890	-							
TOTAL	\$ 3,667,516	\$ 3,642,501	\$ 1,400,000	\$ 1,400,000	\$ 1,600,000	\$ 1,600,000	\$ 1,696,000	\$ 1,696,000	

URBAN ARTERIAL STREET FUND

The **Urban Arterial Street Fund** accounts for the continued development of the urban arterial street system within the City. The primary source of revenue is continuing grants from the State Transportation Improvement Board. The City of Kennewick has been one of the most successful agencies statewide in receiving these funds.

A.I.P. Funds – The Arterial Improvement Program, on an annual basis, reviews projects submitted by all cities in the State and establishes priorities for grant funding. This program was formerly known as the Urban Arterial Trust Account (UATA).

The City of Kennewick has funded many projects from these funds since 1987. These include West 4th Avenue - Garfield to SR 395; Columbia Center Boulevard - Quinault to Clearwater; Clearwater - Irving to Quay; 10th Avenue - Ione to Olympia Street; Clearwater - Quay to Columbia Center Boulevard; Volland - Clearwater to Canal Drive; and Kellogg - W. 4th to Clearwater. Our region (Southeast) includes Pasco, Richland, Walla Walla, and Yakima.

T.P.P. Funds - The Transportation Partnership Program (formerly known as the Transportation Improvement Account (TIA)) was created in 1988 by the State Legislature. Approximately fifteen percent of funds are allocated to the Eastern Washington Region. Projects that are multi-agency, multi-modal, and provide economic development receive priority. Some of the many projects funded by this program include: Edison Street - SR240 - 10th, 27th - Union to Ely, Union - 10th to 27th, Clearwater-Columbia Center Blvd. to I-82, Columbia Center Blvd. Signal Enhancements, Gum St. - Yew Street to Cable Bridge, Steptoe – SR240 to Gage Blvd., City Wide Signal Enhancements, and the Columbia Center Blvd. Widening/ Tapteal Overpass project.

STP Competitive Funds - created by the 1993 ISTEA act and continued by the 1998 TEA 21 act, these funds are available on a competitive basis from the local MPO and on a Statewide Competitive Program. Some projects funded by the Statewide STP Competitive program include: in 1995 a \$1 million grant for the Columbia Center Blvd. Signal Enhancement Project, and in 1999 \$3,700,000 for the BNSF Railroad/Columbia Center Boulevard Grade Separation Project. Some projects funded by the Local STP Competitive program include: \$758,000 in 1994 for the Edison St. project, \$360,000 for Gage Blvd and Center Parkway in 1999, and \$420,000 for the BNSF Railroad/Columbia Center Boulevard Grade Separation Project.

FUND DETAIL
URBAN ARTERIAL STREET FUND

Capital Improvement Program

	ACTUAL ESTIMATE		PROJECTON					
	2009/2010	2011/2012	2013	2014	2015	2016	2017	2018
BEGINNING FUND BALANCE	\$ 69,326	\$ 780,099	\$ 875,428	\$ 5,500	\$ -	\$ -	\$ -	\$ -
REVENUES								
INTERGOVERNMENTAL								
STP Grant - Clearwater - Leslie to US395	-	-	420,000	1,700,000	-	-	-	-
STP Grant - Citywide Safety Project	-	-	350,000	-	-	-	-	-
ARRA EEC Block Grant - Energy Efficiency	10,614	579,086	-	-	-	-	-	-
Rapid Action Grant - Steptoe Phase II	-	1,833,363	-	-	-	-	-	-
Energy Efficiency Rebate	-	850,000	-	-	-	-	-	-
STP Federal - Omnibus - Steptoe - Phase II	-	680,000	1,500,000	-	-	-	-	-
STP Federal - Olympia	-	-	600,000	-	-	-	-	-
STP Regional Grant - Steptoe - Phase II	-	1,200,000	-	-	-	-	-	-
STP Local Grant - Steptoe - Phase I	2,996,484	331,946	-	-	-	-	-	-
STP State Grant - UPRR Trail Extension	-	75,000	-	-	-	-	-	-
STP State Grant - Dayton - CID Bridge	-	-	454,400	-	-	-	-	-
STP State Grant - Olympia - Finley Intertie	-	-	803,733	-	-	-	-	-
TPP Grant - Olympia 27th/SR 395	10,542	350,000	1,258,458	-	-	-	-	-
TIB Grant - W 4th - Kellogg to Union	1,703,640	-	-	-	-	-	-	-
TIB Grant - Edison Street Widening	-	39,000	534,300	596,700	-	-	-	-
TIB Grant - Steptoe Phase 3	-	-	-	3,129,000	-	-	-	-
Benton PUD	-	290,000	-	-	-	-	-	-
Kennewick Irrigation District - 4th	51,590	-	-	-	-	-	-	-
City of Richland - Steptoe Phase I	300,000	-	-	-	-	-	-	-
MISCELLANEOUS								
Developer Contributions - 4th	11,934	-	-	-	-	-	-	-
Developer Contributions - Steptoe 3	-	-	-	190,540	-	-	-	-
Transfer from Arterial Street Fund	593,651	-	-	-	-	-	-	-
Transfer from CIP Fund - Energy Efficiency	-	1,610,620	-	-	-	-	-	-
Transfer from CIP Fund - Underground Utilities	-	110,000	-	-	-	-	-	-
Transfer from Capital Improvement Fund - Olympia	182,381	238,456	-	-	-	-	-	-
Transfer from Capital Improvement Fund - Hildebrand	-	200,000	1,300,000	-	-	-	-	-
Transfer from Capital Improvement Fund - Gage	2,821	-	-	-	-	-	-	-
Transfer from Capital Improvement Fund - Dayton	-	63,000	201,600	-	-	-	-	-
Transfer from Capital Improvement Fund - 4th	1,015,644	-	-	-	-	-	-	-
Transfer from Capital Improvement Fund - Steptoe 3	-	-	772,000	1,123,460	-	-	-	-
Transfer from Capital Improvement Fund - Edison	-	26,000	356,200	397,800	-	-	-	-
Transfer from Capital Improvement Fund - Steptoe 2	320,000.00	522,242	-	-	-	-	-	-
TOTAL REVENUES	7,290,301	8,998,713	8,550,691	7,137,500	-	-	-	-
TOTAL	\$ 7,359,627	\$ 9,778,812	\$ 9,426,119	\$ 7,143,000	\$ -	\$ -	\$ -	\$ -

FUND DETAIL
URBAN ARTERIAL STREET FUND

Capital Improvement Program

	ACTUAL ESTIMATE		PROJECTON					
	2009/2010	2011/2012	2013	2014	2015	2016	2017	2018
EXPENDITURES								
STREET RECONSTRUCTION								
W. Gage - Center Parkway	\$ 2,821	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Steptoe Street - Phase 1	3,626,726	474,925	-	-	-	-	-	-
Steptoe Street - Phase 2	-	4,235,605	1,500,000	-	-	-	-	-
Steptoe Street - Phase 3	-	-	772,000	4,443,000	-	-	-	-
ARRA Street Lighting Project	19,847	569,854	-	-	-	-	-	-
W 4th - CCB to Union - construction	2,747,753	-	-	-	-	-	-	-
Southridge Infrastructure:								
Underground Utilities - Southridge Blvd.	-	400,000	-	-	-	-	-	-
Hildebrand Blvd. - 10th to City Limits	-	200,000	1,300,000	-	-	-	-	-
Olympia - SR397 to 27th	182,381	350,000	3,537,619	-	-	-	-	-
Edison Widening	-	65,000	885,000	1,000,000	-	-	-	-
Energy Savings Program	-	2,470,000	-	-	-	-	-	-
UPRR Trail Extension	-	75,000	-	-	-	-	-	-
Dayton St/CID Canal Bridge Replacement	-	63,000	656,000	-	-	-	-	-
TRAFFIC CONTROL								
Citywide Safety Project	-	-	350,000	-	-	-	-	-
Clearwater - Leslie to US395	-	-	420,000	1,700,000	-	-	-	-
TOTAL EXPENDITURES	6,579,528	8,903,384	9,420,619	7,143,000	-	-	-	-
ENDING FUND BALANCE								
	780,099	875,428	5,500	-	-	-	-	-
TOTAL	\$ 7,359,627	\$ 9,778,812	\$ 9,426,119	\$ 7,143,000	\$ -	\$ -	\$ -	\$ -

Capital Improvement Program

CAPITAL IMPROVEMENT FUND

The **Capital Improvement Fund** is used to account for the expenditures incurred for the acquisition or construction of major capital assets that are not identified with other capital funds. Sources of revenue include that portion of optional local taxes designated for capital improvements, state grants, Public Works Trust Fund (PWTF) loans, and allocations from other funds. Activity in the fund is accounted for in various departments including streets, City facilities, and PWTF loan projects.

Optional sales tax is locally levied and distributed by the state to each city on the basis of collections within the jurisdiction. State law authorizes up to 1/2 of 1%. If both the county and city are levying the local sales tax, the city must allocate 15% of the amount it receives to the county. Kennewick's optional sales tax became effective July 1, 1986. By Resolution No. 95-43, the City Council designated the use of the proceeds of the optional sales tax to fund a street improvement program. A minimum of \$4,000,000 per year of optional sales tax is projected for the next five years.

The **1/4% real estate tax** is locally levied on each sale of real property within the city. The tax is collected by the county and distributed to the city monthly. All proceeds must be used for capital purposes. Kennewick imposed this tax effective July 1, 1986. A second **1/4% real estate tax** was approved effective January 1, 1999. At that time the second 1/4% was specifically designated for use in the development of Columbia Park. Council took action on October 16, 2001 that re-designated \$725,000 for other capital purposes effective January 1, 2001.

Recreational Trails and Paths receives revenue from one-half of one percent of the **motor vehicle fuel tax**, according to provisions of RCW 46.68. In accordance with RCW 47.30.030 the funds are to be expended for the planning, accommodation, establishment, and maintenance of facilities for pedestrian, equestrian, or bicycle traffic.

The Washington State **Public Works Trust Fund** program was established in 1985 to offer low interest loans to eligible local governments for public works projects. The program is designed to encourage local effort in managing local needs. To date, the City currently has twelve loans five for street projects and seven water/sewer projects. The annual debt service for the street loans is approximately \$805,000. This leaves approximately \$3,195,000 to use for the street improvement program and for matching federal and state grants.

Park Reserves - A condition of approval of any short plat or new development in the City, residential purposes, requires land be dedicated for park purposes. **Park fees** in lieu of land dedication are collected when property is subdivided or improved for residential purposes and has inadequate acreage to meet the park needs in the neighborhood or the land is already available. These "fees in lieu" are used for the acquisition or development of park and recreation facilities within the designated park service area for which the fees were imposed. The fee requirement is based on a formula using the number of proposed residential units; the population per household as indicated on the comprehensive plan; and the current assessed value of the property to be subdivided or improved.

**FUND DETAIL
CAPITAL IMPROVEMENT FUND
STREETS**

Capital Improvement Program

	ACTUAL	ESTIMATE	PROJECTON					
	2009/2010	2011/2012	2013	2014	2015	2016	2017	2018
BEGINNING FUND BALANCE	\$ 10,988,546	\$ 8,162,410	\$ 3,850,210	\$ 2,124,671	\$ 2,614,695	\$ 1,862,757	\$ 2,272,946	\$ 2,701,424
REVENUES								
TAXES								
Optional Sales Tax	7,784,446	8,759,660	4,696,500	4,696,523	4,368,291	4,363,080	4,342,822	4,303,727
Admissions Tax	-	-	-	-	-	-	-	-
Property Tax	-	-	-	-	-	-	-	-
Local Real Estate Excise Tax	1,310,944	1,252,463	664,000	664,000	704,100	732,300	761,600	792,100
Local Real Estate Excise Tax (2nd 1/4)	1,310,943	1,252,463	664,000	664,000	704,100	732,300	761,600	792,100
Trails & Paths Gas Tax	14,480	15,000	7,500	7,500	7,500	7,500	7,500	7,500
INTERGOVERNMENTAL								
Ecology Stormwater Grant (GAIN)	94,393	-	-	-	-	-	-	-
Tourism Competitive Grant	7,097	-	-	-	-	-	-	-
RCO Grant - Hansen Park	63,768	-	-	-	-	500,000	-	-
RCO Grant - Levee Improvements	213,494	-	-	-	-	-	-	-
STP Grant - UGA US 395/Ridge Line Intersection	-	-	-	-	-	-	600,000	1,800,000
TIB Grant - UGA Expansion Roads	-	-	-	-	600,000	600,000	-	720,000
WTSC Grant	-	15,000	-	-	-	-	-	-
Kennewick School District	-	8,850	-	-	-	-	-	-
Port of Kennewick	45,886	-	-	-	-	-	-	-
MISCELLANEOUS								
Developer Contributions	36,430	407,107	-	-	900,000	900,000	900,000	3,780,000
Interest/Miscellaneous	215,467	362,325	38,915	43,210	48,103	52,767	48,103	52,767
Donations - General	28,374	10,000	9,000	9,000	9,000	9,000	9,000	9,000
Donations - Field Development	7,380	4,000	6,000	6,000	6,000	6,000	6,000	6,000
Rentals and Leases	20,140	16,000	8,000	8,000	8,000	8,000	8,000	8,000
Transfer from General Fund	999,000	2,500,000	1,500,000	500,000	1,000,000	1,000,000	1,000,000	1,000,000
Transfer from Water/Sewer (7th Ave)	347,912	-	-	-	-	-	-	-
Transfer from Building Safety	20,100	-	-	-	-	-	-	-
Transfer from Medical Services	1,400	-	-	-	-	-	-	-
Transfer from Community Development	65,000	373,670	125,000	125,000	925,000	275,000	552,500	282,500
Transfer from Arterial Street Fund	64,500	-	-	-	-	-	-	-
Transfer from 2006 GO Bond	19,077	-	-	-	-	-	-	-
Transfer from CIP LRF Tax	-	830,496	611,000	685,000	842,000	921,000	961,000	1,001,000
Coliseum - Interfund Loan Interest	110,261	85,711	36,085	31,790	26,897	22,233	17,526	12,768
TOTAL REVENUES	12,780,492	15,892,745	8,366,000	7,440,023	10,148,991	10,129,180	9,975,651	14,567,462
TOTAL	\$ 23,769,038	\$ 24,055,155	\$ 12,216,210	\$ 9,564,694	\$ 12,763,686	\$ 11,991,937	\$ 12,248,597	\$ 17,268,886
EXPENDITURES								
STREET RECONSTRUCTION								
Southridge Street Improvements	\$ 203,289	\$ 75,456	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hood/Jefferson	-	-	-	125,000	-	-	-	-
Concrete Railroad Crossings	38,472	-	-	-	-	-	-	-
W. 7th - SR 395 to Vancouver	345,112	-	-	-	-	-	-	-
W. 10th - Clodfelter to CCB	300,691	-	-	-	-	-	-	-
Subtotal Street Reconstruction	887,564	75,456	-	125,000	-	-	-	-
STORM DRAINAGE								
Stormwater - NPDES Phase II	77,998	-	-	-	-	-	-	-
Subtotal Storm Drainage	77,998	-	-	-	-	-	-	-
STREET OVERLAYS/GRAVEL STREETS								
Miscellaneous Street Projects	75,155	100,000	150,000	150,000	156,000	156,000	162,200	162,200
Commercial Street Overlays	45,896	-	-	-	-	-	-	-
Crack Sealing/Preleveling Program	206,824	-	110,000	110,000	116,600	116,600	123,600	123,600
Subtotal Street Overlays	327,875	100,000	260,000	260,000	272,600	272,600	285,800	285,800

**FUND DETAIL
CAPITAL IMPROVEMENT FUND
STREETS**

Capital Improvement Program

	ACTUAL	ESTIMATE	PROJECTON					
	2009/2010	2011/2012	2013	2014	2015	2016	2017	2018
TRAFFIC CONTROL DEVICES								
Audible Navigator Buttons	-	50,000	25,000	25,000	25,000	25,000	25,000	25,000
Pedestrian Ramps	-	-	100,000	100,000	100,000	100,000	100,000	100,000
Traffic Sign Inventory	16,568	71,135	-	-	-	-	-	-
Traffic Volume Counts	18,963	33,240	-	-	-	-	-	-
Subtotal Traffic Control Devices	35,531	154,375	125,000	125,000	125,000	125,000	125,000	125,000
STREET LIGHTS/SIGNALS								
St. Lts. Misc. Locations (Arterials)	29,552	135,000	-	-	100,000	100,000	125,000	125,000
Flashing School Beacon Upgrade	-	23,850	-	-	-	-	-	-
Misc Traffic Signals or Roundabouts	555,089	417,000	250,000	250,000	260,000	260,000	270,400	270,400
Subtotal Lights/Signals	584,641	575,850	250,000	250,000	360,000	360,000	395,400	395,400
OTHER IMPROVEMENTS								
City Facility Paving	65,517	-	-	-	-	-	-	-
Sidewalk Program	-	18,000	-	150,000	75,000	75,000	75,000	75,000
SR 395 Corridor Study	24,269	65,000	-	-	-	-	-	-
Bridge to Bridge Master Plan/River to Rail	155,221	2,640	-	-	550,000	150,000	157,500	157,500
UGA - US 395/Ridge line Intersection	-	-	-	-	-	-	1,500,000	4,500,000
UGA - Expansion Roads	-	-	250,000	500,000	1,500,000	1,500,000	-	1,800,000
Cost Allocation Study	8,041	52,156	-	-	-	-	-	-
Downtown Area	-	-	-	-	250,000	-	270,000	-
Public Art	-	5,000	-	-	-	-	-	-
Southridge LRF Application Process	11,258	-	-	-	-	-	-	-
Urban Area Corridor Model	21,669	-	-	-	-	-	-	-
Regional Development Portal	-	25,000	-	-	-	-	-	-
Steptoe - Clearwater to Gage	414,006	322,430	-	-	-	-	-	-
Miscellaneous ADA Projects	72,235	323,670	-	-	-	-	-	-
UPRR Relocation (Center Parkway)	-	1,009,342	-	-	-	-	-	-
UPRR Relocation	31,559	-	-	-	-	-	-	-
UPRR Relocation Trail Extension	9,000	-	-	-	-	-	-	-
Energy Services Contract	10,593	-	-	-	-	-	-	-
Columbia River Crossing Study	12,152	-	-	-	-	-	-	-
Tapteal Bridge Repairs and Monitoring	79,018	-	-	-	-	-	-	-
Welcome Sign	30,432	-	-	-	-	-	-	-
Senior Center	60,479	-	-	-	-	-	-	-
Vista Gravel Parking Lot	201	-	-	-	-	-	-	-
Subtotal Other Improvements	1,005,650	1,823,238	250,000	650,000	2,375,000	1,725,000	2,002,500	6,532,500
PARK IMPROVEMENTS								
Ballfield Improvements	2,268	70,823	-	-	-	-	-	-
Civic Center Athletic Area	-	-	240,000	-	-	-	-	-
Eastgate Park	-	132,711	-	-	-	-	-	-
Irrigation - Automatic Upgrades	6,280	-	-	-	-	-	-	-
Hansen Park	407,424	125	-	-	-	500,000	-	-
Tennis and Hard Court Repairs	-	13,000	-	-	-	-	-	-
Subtotal Park Improvements	415,972	216,659	240,000	-	-	500,000	-	-
COLUMBIA PARK IMPROVEMENTS								
Irrig./Landscaping (Volunteer Support)	9,378	-	-	-	-	-	-	-
Off Leash Dog Park	2,356	-	-	-	-	-	-	-
CP Volunteers/Irrigation Projects	-	17,000	91,883	-	-	-	-	-
River Levees/Duffy's Pond	496,522	-	-	-	-	-	-	-
Master Plan	98,680	-	-	-	-	-	-	-
Subtotal Columbia Park Improvements	606,936	17,000	91,883	-	-	-	-	-
MISCELLANEOUS								
Tree City Board - Grant Enhancement Program	-	6,000	-	-	-	-	-	-
Fire Grant Match (Equipment)	-	-	-	-	-	-	-	-
Small Tools/Office Equipment	10,008	-	-	-	-	-	-	-
Computer Hardware/Printers	2,501	-	-	-	-	-	-	-
Recreation and Park Equipment	10,130	-	-	-	-	-	-	-

**FUND DETAIL
CAPITAL IMPROVEMENT FUND
STREETS**

Capital Improvement Program

	ACTUAL	ESTIMATE	PROJECTON					
	2009/2010	2011/2012	2013	2014	2015	2016	2017	2018
Transfers:								
Transfer to Arterial Fund	1,137,440	2,161,763	1,400,000	170,000	339,250	307,731	371,425	338,310
Transfer to Urban Arterial Fund - Steptoe	1,520,846	522,242	-	-	-	-	-	-
Transfer to Urban Arterial Fund - Edison Widenir	-	26,000	356,200	397,800	-	-	-	-
Transfer to Urban Arterial Fund - Underground U	-	10,000	-	-	-	-	-	-
Transfer to Urban Arterial Fund - Energy Efficient	-	1,610,620	-	-	-	-	-	-
Transfer to Urban Arterial Fund - Olympia	-	238,456	-	-	-	-	-	-
Transfer to Urban Arterial Fund - Hildebrand	-	200,000	1,300,000	-	-	-	-	-
Transfer to Urban Arterial Fund - Dayton	-	63,000	201,600	-	-	-	-	-
Transfer to Equipment Rental	69,912	1,308,700	630,000	680,000	687,800	687,800	722,200	722,200
Transfer to Risk Management	-	1,495,150	-	-	-	-	-	-
Transfer to Street Fund	900,000	-	-	-	-	-	-	-
Transfer to CIP - Facilities	-	323,644	546,935	271,464	1,224,400	215,300	225,400	226,400
Transfer to Capital Improvement - Frost Loan	155,085	143,002	-	-	-	-	-	-
Transfer to CIP - P WTF Loan	-	-	275,000	100,000	-	-	-	-
Transfer to LRF GO Bond 2010B	-	479,026	-	-	-	-	-	-
Transfer to Capital Purchases	86,738	486,789	268,163	268,163	262,500	262,500	275,600	275,600
Transfer to Debt Service Fund - Park Dev	487,334	-	-	-	-	-	-	-
Transfer to Debt Service Fund - 2010A	286,953	854,000	429,925	427,775	-	-	-	-
Transfer to Debt Service Fund 2010B	290,783	869,536	435,092	435,093	859,766	860,238	864,068	862,002
Transfer to Debt Service Fund 2003B	1,340,834	1,050,135	414,825	-	-	-	-	-
Transfer to Debt Service Fund 2006	976,131	1,463,865	729,858	728,608	731,358	732,858	733,108	728,608
Transfer to Debt Service Fund 2003A	1,026,981	1,113,756	414,825	-	-	-	-	-
Transfer to Debt Service Fund 2011	-	260,474	230,825	644,600	646,250	642,450	643,650	649,050
Transfer to Debt Service Fund 2016	-	-	-	-	-	-	785,000	785,000
Transfer to Conv Ctr - City of Pasco	293,270	286,625	195,250	195,250	-	-	-	-
Transfer to Public Facilities District - Conv Ctr	126,474	50,219	114,475	529,750	725,000	725,000	725,000	725,000
Transfer to Animal Control Facility	-	-	200,000	-	900,000	900,000	-	-
Transfer to General Fund	-	96,881	-	-	-	-	-	-
Transfer to Golf Course Fund	-	99,000	-	-	-	-	-	-
Transfer to Coliseum	993,337	300,000	200,000	200,000	200,000	200,000	200,000	200,000
Subtotal Miscellaneous	9,714,757	15,618,883	8,342,973	5,048,503	6,576,324	5,533,877	5,545,450	5,512,170
DEBT SERVICE								
P WTF Loan - W. 10th Avenue	82,066	-	-	-	-	-	-	-
P WTF Loan - Washington St.	127,449	-	-	-	-	-	-	-
P WTF Loan - W. Hood	163,259	79,298	-	-	-	-	-	-
P WTF Loan - 10th Av/SR 395 to Olympia	341,641	328,870	-	-	-	-	-	-
P WTF Loan - 19th Avenue	104,907	102,899	50,696	-	-	-	-	-
P WTF Loan - Comp Street Imp - Phase I	445,147	437,017	215,459	213,427	211,394	209,361	207,329	205,296
P WTF Loan - Comp Street Imp - Phase II	548,267	538,432	265,528	263,070	260,611	258,153	255,694	253,235
CCWF Loan	136,968	136,968	-	-	-	-	-	-
P WTF Loan - Southridge	-	-	-	15,000	720,000	735,000	730,000	725,000
Subtotal Debt Service	1,949,704	1,623,484	531,683	491,497	1,192,005	1,202,514	1,193,023	1,183,531
TOTAL EXPENDITURES	15,606,628	20,204,945	10,091,539	6,950,000	10,900,929	9,718,991	9,547,173	14,034,401
ENDING FUND BALANCE	8,162,410	3,850,210	2,124,671	2,614,695	1,862,757	2,272,946	2,701,424	3,234,486
TOTAL	\$ 23,769,038	\$ 24,055,155	\$ 12,216,210	\$ 9,564,694	\$ 12,763,686	\$ 11,991,937	\$ 12,248,597	\$ 17,268,886
Ending Fund Balance	\$ 8,162,410	\$ 3,850,210	\$ 2,124,671	\$ 2,614,695	\$ 1,862,757	\$ 2,272,946	\$ 2,701,424	\$ 3,234,486
Fund Balance Reserved for Coliseum Debt	4,609,671	2,276,214	1,987,851	1,696,605	1,402,447	1,105,347	805,276	502,205
SURPLUS (DEFICIT) CASH FLOW	\$ 3,552,739	\$ 1,573,996	\$ 136,820	\$ 918,090	\$ 460,310	\$ 1,167,599	\$ 1,896,148	\$ 2,732,281

**FUND DETAIL
CAPITAL IMPROVEMENT FUND
LAND & FACILITIES**

Capital Improvement Program

	ACTUAL		ESTIMATE	PROJECTION					
	2009/2010	2011/2012		2013	2014	2015	2016	2017	2018
BEGINNING FUND BALANCE	\$ 1,697,203	\$ 726,563	\$ 26,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER FINANCING SOURCES:									
Rentals & Leases	16,728	-	-	-	-	-	-	-	-
BIP IN (Generator Contribution)	69,118	-	-	-	-	-	-	-	-
Assistance to Firefighters Grant	79,107	-	-	-	-	-	-	-	-
Interest on Investments	71,625	-	-	-	-	-	-	-	-
Proceeds from Sale of Land *	602,033	25,000	-	-	-	-	-	-	-
Interfund Loan	7,250	-	-	-	-	-	-	-	-
Transfer from Solid Waste	-	100,000	-	-	-	-	-	-	-
Transfer from CIP Street	-	323,644	546,935	271,464	1,224,400	215,300	225,400	226,400	
Transfer from CIP Streets - Frost Loan	155,085	143,002	-	-	-	-	-	-	-
Transfer from Water/Sewer	77,542	73,917	34,490	33,385	-	-	-	-	-
Transfer from General Fund	300,000	-	-	-	-	-	-	-	-
TOTAL REVENUES	1,378,488	665,563	581,425	304,849	1,224,400	215,300	225,400	226,400	
TOTAL	\$ 3,075,691	\$ 1,392,126	\$ 607,425	\$ 304,849	\$ 1,224,400	\$ 215,300	\$ 225,400	\$ 226,400	
EXPENDITURES									
City Facility HVAC Replacement	\$ 38,643	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City Hall	138,236	80,500	-	-	-	-	-	-	-
Fire Station # 1	-	95,000	-	-	-	-	-	-	-
Fire Station # 2	75,733	15,000	-	-	-	-	-	-	-
Fire Station # 3	719	95,000	-	-	-	-	-	-	-
Fire Station # 4	49,442	-	-	-	-	-	-	-	-
New Fire Station	-	-	300,000	-	-	-	-	-	-
Police Department	-	7,000	-	-	-	-	-	-	-
Old Police Department	-	25,000	-	-	-	-	-	-	-
Purchasing/Central Stores	-	21,000	-	-	-	-	-	-	-
Frost Facility	-	244,000	-	-	-	-	-	-	-
Senior Center	-	22,500	-	-	-	-	-	-	-
Golf Course Pro Shop	-	-	-	-	300,000	-	-	-	-
City Pool Pump Bldg	-	10,000	-	-	-	-	-	-	-
Facilities Maintenance Program	-	-	175,000	175,000	183,800	183,800	193,000	193,000	
Vista District Common Area O&M	36,998	56,000	28,800	29,700	30,600	31,500	32,400	33,400	
Contractual/Consulting Services	44,696	10,000	-	-	-	-	-	-	-
Title and Appraisal Fees	9,571	-	-	-	-	-	-	-	-
Property Tax	53,757	-	-	-	-	-	-	-	-
Land Acquisition	-	450,000	-	-	710,000	-	-	-	-
Transfer to Capital Purchases	1,337,315	-	-	-	-	-	-	-	-
Transfer to Equipment Rental	78,525	-	-	-	-	-	-	-	-
Transfer to Risk Management	250,000	-	-	-	-	-	-	-	-
Frost Facility Loan - Principal	200,000	200,000	100,000	100,000	-	-	-	-	
Frost Facility Loan - Interest	34,867	18,126	3,625	149	-	-	-	-	
Interfund Loan Debt Service	626	2,000	-	-	-	-	-	-	
TOTAL EXPENDITURES	2,349,128	1,366,126	607,425	304,849	1,224,400	215,300	225,400	226,400	
ENDING FUND BALANCE	726,563	26,000	-	-	-	-	-	-	
TOTAL	\$ 3,075,691	\$ 1,392,126	\$ 607,425	\$ 304,849	\$ 1,224,400	\$ 215,300	\$ 225,400	\$ 226,400	

**FUND DETAIL
CAPITAL IMPROVEMENT FUND
2006 G.O. BOND**

Capital Improvement Program

	ACTUAL 2009/2010
BEGINNING FUND BALANCE	\$ 118,706
REVENUES	
OTHER FINANCING SOURCES	
MISCELLANEOUS	
Interest/Miscellaneous	<u>1,419</u>
TOTAL REVENUES	<u>1,419</u>
TOTAL	<u>\$ 120,125</u>
EXPENDITURES	
Debt Issue Costs	\$ 101,048
Transfer to Capital Improvement Streets	<u>19,077</u>
TOTAL EXPENDITURES	120,125
ENDING FUND BALANCE	<u>-</u>
TOTAL	<u>\$ 120,125</u>

**FUND DETAIL
CAPITAL IMPROVEMENT FUND
CAPITAL PURCHASES**

Capital Improvement Program

	ACTUAL	ESTIMATE	PROJECTION					
	2009/2010	2011/2012	2013	2014	2015	2016	2017	2018
BEGINNING FUND BALANCE	\$ 106,819	\$ 77,880	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER FINANCING SOURCES:								
Transfer from General Fund	221,361	-	-	-	-	-	-	-
Transfer from Capital Improvement - Streets	86,738	486,789	268,163	268,163	262,500	262,500	275,600	275,600
Transfer from Capital Improvement - Facilities	1,337,315	-	-	-	-	-	-	-
Transfer from Water/Sewer Fund	45,570	64,670	-	-	-	-	-	-
Transfer from Medical Services Fund	14,812	39,604	-	-	-	-	-	-
Transfer from Risk Management Fund	-	57,211	-	-	-	-	-	-
Transfer from Building Safety Fund	58,800	16,625	-	-	-	-	-	-
Transfer from Storm water Utility Fund	-	9,240	-	-	-	-	-	-
Interest on Investments	1,387	-	-	-	-	-	-	-
TOTAL REVENUES	1,765,983	674,139	268,163	268,163	262,500	262,500	275,600	275,600
TOTAL	\$ 1,872,802	\$ 752,019	\$ 268,163	\$ 268,163	\$ 262,500	\$ 262,500	\$ 275,600	\$ 275,600
EXPENDITURES								
CAPITAL PURCHASES								
Software:								
GIS System	\$ 16,959	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hansen Project	13,808	-	-	-	-	-	-	-
Records Management Project	16,897	-	-	-	-	-	-	-
GIS Additional Application Modules	-	34,807	-	-	-	-	-	-
Data Processing Equipment:								
Data Processing Equipment	359,943	-	268,163	268,163	262,500	262,500	275,600	275,600
Fire MDT's	-	90,000	-	-	-	-	-	-
IS Upgrade/Replacement Program	-	627,212	-	-	-	-	-	-
800 MHZ Digital Upgrade	1,387,315	-	-	-	-	-	-	-
TOTAL EXPENDITURES	1,794,922	752,019	268,163	268,163	262,500	262,500	275,600	275,600
ENDING FUND BALANCE	77,880	-						
TOTAL	\$ 1,872,802	\$ 752,019	\$ 268,163	\$ 268,163	\$ 262,500	\$ 262,500	\$ 275,600	\$ 275,600

**FUND DETAIL
CAPITAL IMPROVEMENT FUND
PARK RESERVES**

Capital Improvement Program

	ACTUAL	ESTIMATE	PROJECTION					
	2009/2010	2011/2012	2013	2014	2015	2016	2017	2018
BEGINNING FUND BALANCE	\$ 790,403	\$ 871,319	\$ 873,353	\$ 798,353	\$ 821,353	\$ 844,353	\$ 796,362	\$ 819,362
REVENUES								
Park Development Fees	109,941	191,660	25,000	50,000	510,000	679,009	50,000	50,000
Interest Earnings	31,451	11,700	3,000	3,000	3,000	3,000	3,000	3,000
TOTAL REVENUES	141,392	203,360	28,000	53,000	513,000	682,009	53,000	53,000
	\$ 931,795	\$ 1,074,679	\$ 901,353	\$ 851,353	\$ 1,334,353	\$ 1,526,362	\$ 849,362	\$ 872,362
EXPENDITURES								
PARK IMPROVEMENTS								
1E Fruitland	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1W Sunset Park	-	120,000	-	-	-	-	-	-
2E Zintel/Underwood/Vancouver	-	-	3,000	-	-	-	-	-
2W Scott	-	-	12,000	-	-	-	-	-
3E Civic Area	10,491	-	3,000	-	-	-	-	-
3W John Day/Hawthorne	-	-	-	-	-	-	-	-
4E Eastgate/Arboretum	-	-	-	-	-	-	-	-
4W 10th/CCB & Park Site	-	79,875	85,000	-	-	700,000	-	-
5E HH/CL/Insp Estates	-	-	-	-	-	-	-	-
5W Grange	-	-	-	10,000	-	-	-	-
6E Cascade	-	-	-	-	460,000	-	-	-
6W Southridge	-	1,451	-	20,000	-	-	-	-
Park Appurtenances	49,985	-	-	-	30,000	30,000	30,000	30,000
TOTAL EXPENDITURES	60,476	201,326	103,000	30,000	490,000	730,000	30,000	30,000
ENDING FUND BALANCE	871,319	873,353	798,353	821,353	844,353	796,362	819,362	842,362
TOTAL	\$ 931,795	\$ 1,074,679	\$ 901,353	\$ 851,353	\$ 1,334,353	\$ 1,526,362	\$ 849,362	\$ 872,362

**FUND DETAIL
CAPITAL IMPROVEMENT FUND
2003B G.O. BOND**

Capital Improvement Program

	ACTUAL 2009/2010
BEGINNING FUND BALANCE	\$ 2,129,482
OTHER FINANCING SOURCES:	
Interest on Investments	<u>77,022</u>
TOTAL REVENUES	<u>77,022</u>
TOTAL	<u><u>\$ 2,206,504</u></u>
EXPENDITURES	
Southridge Softball Complex	<u>\$ 2,206,504</u>
TOTAL EXPENDITURES	2,206,504
ENDING FUND BALANCE	<u>-</u>
TOTAL	<u><u>\$ 2,206,504</u></u>

**FUND DETAIL
CAPITAL IMPROVEMENT FUND
2010A G.O. BOND**

Capital Improvement Program

	ACTUAL 2009/2010	ESTIMATE 2011/2012
BEGINNING FUND BALANCE	\$ -	\$ 562,424
REVENUES		
MISCELLANEOUS		
Interest	15,079	814
OTHER FINANCING SOURCES		
Bond Proceeds	1,840,000	-
Bond Premium	73,577	-
TOTAL REVENUES	<u>1,928,656</u>	<u>814</u>
TOTAL	<u>\$ 1,928,656</u>	<u>\$ 563,238</u>
EXPENDITURES		
Southridge Softball Complex	\$ 1,341,760	\$ 563,238
Debt Issue Costs	24,472	-
TOTAL EXPENDITURES	<u>1,366,232</u>	<u>563,238</u>
ENDING FUND BALANCE	<u>562,424</u>	<u>-</u>
TOTAL	<u>\$ 1,928,656</u>	<u>\$ 563,238</u>

**FUND DETAIL
CAPITAL IMPROVEMENT FUND
2010B G.O. BOND**

Capital Improvement Program

	ACTUAL		ESTIMATE		PROJECTION			
	2009/2010	2011/2012	2013	2014	2015	2016	2017	2018
BEGINNING FUND BALANCE	\$ -	\$11,503,677	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER FINANCING SOURCES:								
Local Revitalization Bond Proceeds	11,825,000	-	-	-	-	-	-	-
Interest Earnings	95,186	110,000	-	-	-	-	-	-
Developer Contribution	-	152,000	-	-	-	-	-	-
Transfer from CIP - Streets	-	479,026	-	-	-	-	-	-
TOTAL REVENUES	11,920,186	741,026	-	-	-	-	-	-
TOTAL	\$11,920,186	\$12,244,703	\$ -					
EXPENDITURES								
Debt Issue Costs	\$ 133,502	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Southridge Softball Complex	174	5,867,112	-	-	-	-	-	-
Hildebrand Blvd - SR395 to Sherman	13,217	1,406,783	-	-	-	-	-	-
Plaza Way - Ridgeline north to existing	58,925	931,075	-	-	-	-	-	-
Ridgeline Dr - Plaza Way to Southridge	58,957	501,043	-	-	-	-	-	-
Ridgeline Dr - Southridge to 36th	-	310,000	-	-	-	-	-	-
Ridgeline Dr - US395 to Plaza Way	49,428	515,572	-	-	-	-	-	-
Southridge Blvd. - Hildebrand/27th	96,636	2,622,000	-	-	-	-	-	-
Ridgeline Dr - Zintel Way to US395	5,670	91,118	-	-	-	-	-	-
TOTAL EXPENDITURES	416,509	12,244,703	-	-	-	-	-	-
ENDING FUND BALANCE	11,503,677	-	-	-	-	-	-	-
TOTAL	\$11,920,186	\$12,244,703	\$ -					

**FUND DETAIL
CAPITAL IMPROVEMENT FUND
LRF TAX**

Capital Improvement Program

	ESTIMATE			PROJECTION			
	2011/2012	2013	2014	2015	2016	2017	2018
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER FINANCING SOURCES:							
LRF Property Tax	31,077	44,000	88,000	199,000	278,000	318,000	358,000
LRF Tax Increment - Property Tax	20,000	30,000	60,000	106,000	106,000	106,000	106,000
LRF Sales Tax	732,292	500,000	500,000	500,000	500,000	500,000	500,000
LRF Tax Increment - Sales Tax	47,127	37,000	37,000	37,000	37,000	37,000	37,000
TOTAL REVENUES	830,496	611,000	685,000	842,000	921,000	961,000	1,001,000
TOTAL	\$ 830,496	\$ 611,000	\$ 685,000	\$ 842,000	\$ 921,000	\$ 961,000	\$ 1,001,000
EXPENDITURES							
Transfer to CIP - Streets Debt Service	\$ 830,496	\$ 611,000	\$ 685,000	\$ 842,000	\$ 921,000	\$ 961,000	\$ 1,001,000
TOTAL EXPENDITURES	830,496	611,000	685,000	842,000	921,000	961,000	1,001,000
ENDING FUND BALANCE	-						
TOTAL	\$ 830,496	\$ 611,000	\$ 685,000	\$ 842,000	\$ 921,000	\$ 961,000	\$ 1,001,000

**FUND DETAIL
CAPITAL IMPROVEMENT FUND
NEW G.O. BOND**

Capital Improvement Program

	PROJECTION		
	2016	2017	2018
BEGINNING FUND BALANCE	\$ -	\$ 6,000,000	\$ -
OTHER FINANCING SOURCES:			
Bond Proceeds	10,650,000	-	-
TOTAL REVENUES	10,650,000	-	-
TOTAL	\$ 10,650,000	\$ 6,000,000	\$ -
EXPENDITURES			
Columbia Park Golf Course	\$ -	\$ -	\$ -
New Fire Station (10th/Kellogg)	4,650,000	-	-
New Fire Station #3 Replacement	-	6,000,000	-
Frost Campus Phase 2a	-	-	-
Frost Campus Phase 2b	-	-	-
Transfer to UAB - US395/Ridgeline Intersection	-	-	-
Transfer to CIP - Hansen Park	-	-	-
Transfer to UAB - Steptoe Phase II	-	-	-
Transfer to UAB - Steptoe Phase III	-	-	-
TOTAL EXPENDITURES	4,650,000	6,000,000	-
ENDING FUND BALANCE	6,000,000	-	-
TOTAL	\$ 10,650,000	\$ 6,000,000	\$ -

**FUND DETAIL
CAPITAL IMPROVEMENT FUND
PWTF LOAN**

Capital Improvement Program

	PROJECTION					
	2013	2014	2015	2016	2017	2018
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER FINANCING SOURCES:						
PWTF Loan	2,872,000	9,928,000	-	-	-	-
Transfer from Streets	275,000	100,000	-	-	-	-
TOTAL REVENUES	3,147,000	10,028,000	-	-	-	-
TOTAL	\$ 3,147,000	\$ 10,028,000	\$ -	\$ -	\$ -	\$ -
EXPENDITURES						
Southridge Roads	\$ 2,000,000	\$ 6,339,540	\$ -	\$ -	\$ -	\$ -
Hildebrand - City limits to Sherman	375,000	2,565,000	-	-	-	-
Transfer to UAB - Steptoe Phase 3	772,000	1,123,460	-	-	-	-
TOTAL EXPENDITURES	3,147,000	10,028,000	-	-	-	-
ENDING FUND BALANCE	-	-	-	-	-	-
TOTAL	\$ 3,147,000	\$ 10,028,000	\$ -	\$ -	\$ -	\$ -

WATER/SEWER FUND

The **Water/Sewer Fund** accounts for all revenue derived from and expenses incurred in the operation and maintenance of the City's Water and Sewer Utility. All activities necessary to provide the production, treatment, storage and distribution of water and for the collection, treatment and disposal of sewage are accounted for in this fund.

The water and sewer rate structure, which was established during the last rate study in 1994, was designed to recover an amount 1.25 times the annual depreciation from rate revenues to fund capital improvements. It was estimated by the rate study that rate revenues would generate \$1.525 million per year for capital improvements during the CIP period.

Other sources of revenue will be necessary to fund water and sewer capital improvements during the next five years. These sources might include Public Works Trust Fund Loans, revenue bonds, interfund loans, grants, or other financing mechanisms.

Sewer Cumulative Reserve – In 1952 the Corps of Engineers built a Lift Station for the City. The agreement with the Corps of Engineers provided that we would use the money plus accumulated interest to maintain the Lift Station.

Sewer Area Charge – Customers must pay a set fee to buy into the existing sewer system. The fee was adjusted through the 1994 rate study to reflect remaining capacity of the sewer system and Urban Growth Area limits set through GMA. This money is set aside for future plant expansion.

**FUND DETAIL
WATER AND SEWER FUND**

WATER/SEWER SYSTEM IMPROVEMENTS *Capital Improvement Program*

	ACTUAL ESTIMATE		PROJECTION					
	2009/2010	2011/2012	2013	2014	2015	2016	2017	2018
BEGINNING FUND BALANCE *	\$ 11,347,319	\$ 8,760,428	\$ 9,954,655	\$ 8,940,730	\$ 3,549,634	\$ 4,755,124	\$ 1,510,613	\$ 851,271
REVENUES								
Revenue from Rates for Capital	5,424,645	5,294,680	2,452,843	2,452,842	2,559,865	2,559,864	2,982,158	2,982,158
P W T F Loan Proceeds	5,004,647	-	12,250,000	-	5,950,000	-	-	-
State Revolving Fund Loan	2,358,274	-	-	-	-	-	-	-
DOE Grant	111,857	2,613,000	2,000,000	-	-	-	-	-
EDA Grant	318,679	-	-	-	-	-	-	-
City of Richland/City of West Richland	-	-	-	-	-	-	-	-
Developer Contributions	16,300	1,500,000	1,100,000	-	450,000	300,000	150,000	150,000
Water Area Charge	45,454	100,000	112,500	112,500	118,125	118,125	124,000	124,000
Sewer Area Charge	278,275	350,000	210,000	210,000	215,000	215,000	230,000	230,000
Reserve from Biosolids	-	2,430,000	-	-	-	-	-	-
Interfund Loan Proceeds	162,866	400,004	364,352	-	-	-	-	-
TOTAL REVENUES	13,720,997	12,687,684	18,489,695	2,775,342	9,292,990	3,192,989	3,486,158	3,486,158
TOTAL	\$ 25,068,316	\$ 21,448,112	\$ 28,444,350	\$ 11,716,072	\$ 12,842,624	\$ 7,948,113	\$ 4,996,771	\$ 4,337,429

*Beginning Fund Balance is calculated revenue for capital, revenue needed for maintenance and operations has been removed.

EXPENDITURES

WATER SYSTEM IMPROVEMENTS

Water System Improvements	\$ 23,818	\$ 176,182	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ 400,000	\$ 300,000
Grant Match	388,956	-	-	-	-	-	-	-
Creekstone	-	-	-	-	-	-	-	-
Southridge Subdivision	-	-	201,863	-	-	-	-	-
Pasco Intertie	45,437	-	-	-	-	-	-	-
Southridge Booster Station and Reservoir	-	-	300,000	-	-	-	-	-
Arterial/Collector Overlays	-	-	50,863	-	-	-	-	-
Filter Plant Improvements *	-	-	851,000	-	300,000	300,000	950,000	650,000
Zone 4 Reservoir - Thompson Hill	-	300,000	2,600,000	2,500,000	-	-	-	-
Zone 5 Reservoir Transmission Main	441,386	-	580,000	-	-	-	-	-
Zone 4 Reservoir Transmission Main	5,000	-	393,427	-	-	-	-	-
Waterline - Renewals & Replacement	459,349	50,000	740,612	250,000	625,000	625,000	1,100,000	1,000,000
Lakeview Ranchettes	121	-	-	-	-	-	-	-
ASR	118,074	1,150,000	2,231,926	-	-	-	-	-
Zone 5 Reservoir	136,038	1,964,000	-	-	-	-	-	-
W 7th Ave - SR 395 to Vancouver	162,698	-	-	-	-	-	-	-
W 10th Ave - Clodfelter to CCB	103,053	-	-	-	-	-	-	-
Southridge Zone 5 Water Main	-	950,000	150,000	-	-	-	-	-
Water Meter Replacements	-	-	-	-	-	-	-	-
Zone 3 Transmission Main	6,574	-	-	-	-	-	-	-
Zone 2 Transmission Main	-	-	-	150,000	3,000,000	-	-	-
Automated Meter Reading	-	-	3,000,000	3,000,000	-	-	-	-
Thompson Hill Zone 6 Booster	-	-	-	800,000	-	-	-	-
Steptoe - Clearwater to Center Parkway	-	100,000	200,000	-	-	-	-	-
Steptoe - 10th to Clearwater	-	-	-	-	-	-	-	-
Steptoe - Center Parkway to Gage	113,908	-	-	-	-	-	-	-
Southridge LRF	-	400,000	400,000	-	-	-	-	-
Hildebrand - 10th to Southridge	-	300,000	1,000,000	-	-	-	-	-
Olympia St - CR 397 to 27th	-	120,000	205,000	-	-	-	-	-
UGA Utility Expansion	-	-	-	-	-	1,750,000	-	-
Subtotal Water System Improvements	2,004,412	5,510,182	12,954,691	6,750,000	3,925,000	2,675,000	2,450,000	1,950,000

**FUND DETAIL
WATER AND SEWER FUND**

WATER/SEWER SYSTEM IMPROVEMENTS *Capital Improvement Program*

	ACTUAL ESTIMATE		PROJECTION					
	2009/2010	2011/2012	2013	2014	2015	2016	2017	2018
SEWER SYSTEM IMPROVEMENTS								
Sewer System Improvements	3,466	30,000	30,000	-	-	-	130,000	130,000
Lift Station Improvements	-	100,000	700,000	50,000	-	-	250,000	250,000
Grant Match - Streets	234,210	-	-	-	-	-	-	-
Olympia St - CR 397 to 27th	-	110,000	440,000	-	-	-	-	-
Sewerline Renewals and Replacements	418,465	20,000	811,407	250,000	600,000	250,000	500,000	500,000
Steptoe - Clearwater to Center Parkway	-	-	210,000	-	-	-	-	-
Steptoe - 10th to Clearwater	-	-	-	-	-	-	-	-
US 395 Interceptor	-	-	-	-	-	-	-	-
W 7th Ave - SR 395 to Vancouver	18,716	-	-	-	-	-	-	-
Beech St - 8th to Bruneau	43,065	711,935	1,120,000	850,000	-	-	-	-
Southridge LRF	-	200,000	300,000	-	-	-	-	-
Southridge Subdivision	-	-	-	-	-	-	-	-
Hildebrand - 10th to Southridge	-	330,000	2,270,000	-	-	-	-	-
Arterial/Collector Overlays	-	120,000	-	-	-	-	-	-
UGA Plant Expansion	-	-	-	-	-	1,250,000	-	-
Subtotal Sewer System Improvements	717,922	1,621,935	5,881,407	1,150,000	600,000	1,500,000	880,000	880,000
SEWER AREA CHARGE								
Wastewater Treatment Plant Upgrade	-	-	350,000	-	2,800,000	-	-	-
Diffuser Study	8,000	-	-	-	-	-	-	-
Biosolids Removal	-	3,200,000	-	-	-	-	-	-
Subtotal Sewer Area Charge	8,000	3,200,000	350,000	-	2,800,000	-	-	-
PUBLIC WORKS TRUST FUND LOAN								
Water Filter Plant	2,238	-	-	-	-	-	-	-
Ranney Well	3,895,248	-	-	-	-	-	-	-
Wastewater Treatment Plant Upgrade	7,328,096	-	-	-	-	-	-	-
Subtotal Public Works Trust Fund Loan Project	11,225,582	-	-	-	-	-	-	-
COMBINED UTILITY IMPROVEMENTS								
Land Purchase	-	-	-	-	-	1,500,000	-	-
Frost Building	-	25,000	-	-	-	-	-	-
Field Machinery & Equipment	24,997	41,538	36,285	22,500	-	-	-	-
Plant Machinery & Equipment	-	141,000	24,000	10,000	-	-	-	-
Data Processing Equipment	-	-	-	-	-	-	-	-
Computer Software	-	46,742	-	-	-	-	-	-
Support Development Projects	519,887	595,273	200,000	200,000	337,500	337,500	362,500	362,500
Intergovernmental Payments	234,486	-	-	-	-	-	-	-
Transfer to General Fund	537,554	173,200	-	-	-	-	-	-
Transfer to Equipment Rental	52,338	-	23,300	-	425,000	425,000	453,000	453,000
Transfer to Risk Management	36,685	-	-	-	-	-	-	-
Transfer to Stormwater	475,000	-	-	-	-	-	-	-
Transfer to Capital Improvement - IS Projects	45,570	-	-	-	-	-	-	-
Transfer to Capital Improvement - 7th Ave	351,538	-	-	-	-	-	-	-
Transfer to Capital Improvement - Frost Bldg	73,917	138,587	33,937	33,938	-	-	-	-
Subtotal Combined Improvements	2,351,972	1,161,340	317,522	266,438	762,500	2,262,500	815,500	815,500
TOTAL EXPENDITURES	16,307,888	11,493,457	19,503,620	8,166,438	8,087,500	6,437,500	4,145,500	3,645,500
ENDING FUND BALANCE	8,760,428	9,954,655	8,940,730	3,549,634	4,755,124	1,510,613	851,271	691,929
TOTAL	\$ 25,068,316	\$ 21,448,112	\$ 28,444,350	\$ 11,716,072	\$ 12,842,624	\$ 7,948,113	\$ 4,996,771	\$ 4,337,429

STORMWATER FUND

The **Stormwater Fund** accounts for all revenue derived from and expenses incurred in the operation of storm drainage maintenance and capital improvements of the Stormwater Utility. Sources of revenue include customer utility charges from residential, multi-family, commercial and other non-residential customers, and an operating transfer from the Water Sewer Utility Fund.

FUND DETAIL
STORMWATER FUND

Capital Improvement Program

	ESTIMATE		PROJECTION				
	2011/2012	2013	2014	2015	2016	2017	2018
BEGINNING FUND BALANCE	\$ -	\$ 87,497	\$ 3,597	\$ 10,578	\$ 13,118	\$ 15,658	\$ 24,918
OTHER FINANCING SOURCES :							
Revenue from Rates for Capital	50,000	65,000	65,881	51,440	51,440	58,160	58,160
DOE Grant	320,088	600,000	-	-	-	-	-
City of Richland	1,879	-	-	-	-	-	-
City of West Richland	391	-	-	-	-	-	-
City of Pasco	2,967	-	-	-	-	-	-
State Revolving Loan	1,080,000	-	-	-	-	-	-
Interest/Miscellaneous	2,200	1,100	1,100	1,100	1,100	1,100	1,100
TOTAL REVENUES	1,457,525	666,100	66,981	52,540	52,540	59,260	59,260
TOTAL	\$ 1,457,525	\$ 753,597	\$ 70,578	\$ 63,118	\$ 65,658	\$ 74,918	\$ 84,178
EXPENDITURES							
Drywell - Misc Locations	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Decant Facility	-	750,000	50,000	-	-	-	-
Wellhead Area Retrofit	440,000	-	-	-	-	-	-
Low Impact Development Project	390,000	-	-	-	-	-	-
Stormwater Capacity Permit	320,088	-	-	-	-	-	-
Data Processing Equipment	-	-	10,000	-	-	-	-
Transfer to Equipment Rental	210,700	-	-	-	-	-	-
Transfer to Capital Improvement Fund	9,240	-	-	-	-	-	-
TOTAL EXPENDITURES	1,370,028	750,000	60,000	50,000	50,000	50,000	50,000
ENDING FUND BALANCE	87,497	3,597	10,578	13,118	15,658	24,918	34,178
TOTAL	\$ 1,457,525	\$ 753,597	\$ 70,578	\$ 63,118	\$ 65,658	\$ 74,918	\$ 84,178

Personnel Schedules

PERSONNEL SUMMARY

Salary Schedules

**CITY OF KENNEWICK
PERSONNEL SUMMARY**

	2009	2010	2011	2012	2013	2014
CITY MANAGER	1.00	1.00	1.00	1.00	2.00	2.00
FINANCE*****	-	-	15.75	15.75	14.50	14.50
MANAGEMENT SERVICES*****	-	-	18.50	18.50	18.70	18.70
SUPPORT SERVICES*****	34.25	35.25	-	-	-	-
CITY ATTORNEY	5.00	5.00	5.00	5.00	5.00	5.00
PLANNING/ECONOMIC DEVELOPMENT****	4.40	4.40	6.90	7.77	8.69	8.69
POLICE	108.00	108.00	104.00	104.00	107.00	107.00
FIRE	55.86	55.36	55.42	56.00	56.00	56.00
PUBLIC WORKS - ENGINEERING	14.67	14.00	13.00	12.00	12.20	12.20
EMPLOYEE & COMMUNITY RELATIONS**	12.23	12.23	31.31	31.10	31.85	31.85
PUBLIC WORKS - FACILITIES & GROUNDS**	19.21	18.21	-	-	-	-
NON-DEPARTMENTAL - ASST*	5.60	5.60	5.00	5.00	-	-
TOTAL GENERAL FUND	260.22	259.05	255.88	256.12	255.94	255.94
STREET	9.34	9.34	9.34	9.55	9.95	9.95
TOTAL GENERAL GOVERNMENT	269.56	268.39	265.22	265.67	265.89	265.89
COMMUNITY DEVELOPMENT	1.38	1.38	0.75	0.75	1.00	1.00
WATER/SEWER	35.50	36.18	36.18	36.05	37.35	37.35
EQUIPMENT RENTAL	4.00	4.00	4.00	4.00	3.80	3.80
RISK MANAGEMENT	1.00	1.00	1.00	1.00	1.00	1.00
EMS OPERATIONS	0.50	0.50	0.50	0.50	0.50	0.50
BUILDING SAFETY	9.13	9.13	9.13	7.68	8.26	8.26
MEDICAL SERVICES	21.06	21.56	21.75	21.75	21.75	21.75
STORM WATER UTILITY***	5.08	5.08	5.08	5.20	5.30	5.30
BI-PIN OPERATIONS	1.50	1.50	1.50	1.50	1.50	1.50
TOTAL EMPLOYEES	348.71	348.72	345.11	344.10	346.35	346.35
					Estimate	Estimate
POPULATION	67,180	73,917	74,665	75,160	76,663	78,196
POPULATION PER EMPLOYEE	193	212	216	218	221	226

*The City's Administrative Services Support Team (ASST) was formed during the 2007/2008 biennium and these personnel were budgeted to a non-departmental section of the General Fund. In the 2013/2014 biennium, these positions were reallocated to their respective functional areas.

**In the fall of 2011, the city's Facilities & Grounds division was reorganized and moved under the Employee & Community Relations department as part of the Parks & Recreation division.

***Effective June 1, 2009, the City formed a Stormwater Utility. Personnel associated with the City's stormwater program were reallocated to this fund from the Street and Water/Sewer funds.

****In the Fall of 2009, the City's Community Planning and Economic Development departments were combined under the Executive Director of Economic Development. In the summer of 2011, the city's code enforcement program was moved under the Planning & Economic Development department in the Building Safety division.

*****In January of 2011, the city's Support Services department was reorganized and split into the Finance and Management Services departments.

NON-CONTRACT EMPLOYEES

**SALARY SCHEDULE
NON-CONTRACT EMPLOYEES
2013**

RANGE	POSITION TITLE	Range		
		MIN	MID	MAX
O	City Manager	\$ 9,953	\$ 11,944	\$ 13,934
N	Chief of Police	8,916	10,700	12,483
M	City Attorney, Director of Management Services, Executive Director of Economic Development, Executive Director of Employee & Community Relations, Public Works Director, Finance Director, Fire Chief	8,552	10,263	11,973
L	Deputy Fire Chief, Planning Director, Police Commander	7,684	9,221	10,757
K	Assistant Public Works Director, City Engineer, HR Director, Information Systems Manager, Parks & Recreation Director	6,995	8,395	9,794
J	Assistant City Attorney II, Customer Service Manager, Maintenance & Operations Manager, Purchasing, Fleet & Warehouse Manager, Traffic Engineer, Utility Services Manager	6,619	7,943	9,267
I	Assistant City Engineer, Building Official, Development Services Manager, Engineering Services Manager	6,309	7,571	8,832
H	Accounting Supervisor, GIS Supervisor, IS System Supervisor, IS Network Supervisor, Plant Services Supervisor, Senior Planner	5,957	7,149	8,341
G*	Accountant II, Assistant City Attorney I, Community Services Supervisor II, Field Services Supervisor, GIS Analyst II, IS Applications Developer II, IS Analyst II, Parks & Recreation Operations Supervisor, Project Engineer, Public Relations & Marketing Supervisor	5,459	6,551	7,642

**SALARY SCHEDULE - CONTINUED
NON-CONTRACT EMPLOYEES
2013**

RANGE	POSITION TITLE	Range		
		MIN	MID	MAX
F	Accountant I, City Clerk, Community Block Grant Coordinator, Community Services Supervisor I, Customer Service Supervisor, GIS Analyst I, Human Resources Analyst, IS Applications Developer I, IS Analyst I, Planner, Plans Examiner, Police Records Supervisor, Risk Management Coordinator, Senior Design Engineer, Utilities Coordinator	4,787	5,745	6,702
E	Assistant Planner, Engineering Technician III, Facilities Coordinator, Field Engineer II, Human Resources/Economic Development Specialist, Park Maint. Coordinator	4,554	5,465	6,376
D	Building Inspector, Code Enforcement Officer, Crime Analyst, Crime Prevention Specialist, Engineering Technician II, Field Engineer I, GIS Technician/GIS As-Built Technician, IS/BI-PIN Technician, Payroll Accountant, Recreation Coordinator, Sports Marketing Coordinator	4,340	5,208	6,076
C	Accounting Technician, Buyer II, Engineering Technician I, Executive Assistant, Planning Technician	3,938	4,726	5,514
B	Accounting Specialist, Administrative Assistant, Buyer I, Customer Care Representative, Docket Clerk, Legal Secretary, Office Engineer, Office Technician, Police Technician	3,534	4,242	4,950
A	Office Specialist	2,913	3,496	4,079

**Positions included in the G range and above require a 4-year degree in order to obtain the maximum salary.*

NON-CONTRACT EMPLOYEES

Salary Schedules

**SALARY SCHEDULE
PART TIME EMPLOYEES
January 2013**

POSITION TITLE	M in	M id	M ax
Program Specialist III <i>Program Instructor III, Pool Manager, Program Supervisor III</i>	\$ 15.00	\$ 17.00	\$ 20.00
Program Specialist II <i>Program Instructor II, Asst Pool Manager, Lead Recreation Asst (Southridge), Program Supervisor II</i>	10.50	12.50	14.50
Program Specialist I <i>Program Instructor I, Program Leader I, WSI, Maintenance (rec), Recreation Assistant (Southridge) Cashier**, Program Aide**, Sports Official**, Gym/Building Supervisor I**</i>	*9.19	9.60	10.35
Office Clerk	*9.19	10.00	11.00
Intern	*10.00	11.50	13.00

* Fulltime high school or college students who work part-time for up to 20 hours of work per week may be paid at the Washington Student Minimum Wage rate.

** Maximum wage rate is to the mid point

ADMINISTRATIVE POLICY: All movement within these ranges is based upon skill level and satisfactory performance of job duties. Unless otherwise justified because of experience and skill, all part time employees will start at the beginning step. When warranted, with budget approval, part time employees may be upgraded. Increases require the prior approval of the Department Director and the City Manager or designee.

OPERATING ENGINEERS

Salary Schedules

**SALARY SCHEDULE
OPERATING ENGINEERS
January 1, 2013**

POSITION TITLE	A	B	C	D	E	F	G	Annotations
Seasonal Maintenance	\$ 9.19	\$ 9.50	\$ 10.00	\$ 10.50	\$ 11.00	\$ 11.50	\$ 12.00	
Utility Worker	13.58	14.63	15.67	16.71				No CDL or certification required.
Maintenance & Construction (M&C) Crafts worker I	20.54	21.62	22.70	23.81	24.98			CDL or approved certification(s) required per job description.
Maintenance & Construction (M&C) Crafts worker II	20.57	21.65	22.73	23.84	25.01	25.30		CDL and approved certification(s) required per job description.
General Crafts worker (GC) I	25.19	25.69	26.21					CDL required. [Current warehouse person, Equipment Operator w/o 2 pieces of equipment / 40 hours.]
General Crafts worker (GC) II	25.19	25.69	26.21	26.95				CDL/endorsements and certification(s) required per job description. [Carpenter w/o Journeyman, Equipment Operator w/2 pieces of equipment / 40 hours.]
General Crafts worker (GC) III	25.19	25.69	26.21	26.95	27.75			CDL/endorsements and certification(s) required per job description. [Signs & Markings, Irrigation/Herbicide/Pesticide Specialist, Plumber/Aquatic Facility Operator, Carpenter w/ Journeyman.]
W/S M & C	-	-	-	-	-	25.60		[Plants Level I, Water Distribution I, Wastewater Collection I - CDL for Field Crews. Grandfathered - August 2012.]
W/S GC - Operator	25.19	25.69	26.21	26.95	27.75			CDL/endorsements and certification(s) required per job description. [Plants Level II, Water Distributions II, Wastewater Collection II, Pump Maintenance.]
Water/Wastewater Division GC/Operator holding Level III	25.69	26.19	26.71	27.45	28.25			Extra \$0.50/hour for level III WTP or WWTP level III certification. Extra \$1.00/hour for Level IV WTP or WWTP IV certification.
Water/Wastewater Division GC/Operator holding Level IV	26.19	26.69	27.21	27.95	28.75			
Mechanic I	25.19	25.69	26.47	27.20	28.00			1 Certification within 24 months: ASE Master (Auto A series), Med/Heavy Duty Truck (T series), EVT Master Level 3 Fire or Ambulance.
Mechanic II	25.69	26.19	26.72	27.45	28.25			2 Certifications: ASE Master (Auto A series), Med/Heavy Duty Truck (T series), EVT Master Level 3 Fire or Ambulance.
Mechanic III	25.94	26.44	26.97	27.70	28.50			3 Certifications: ASE Master (Auto A series), Med/Heavy Duty Truck (T series), EVT Master Level 3 Fire or Ambulance.

OPERATING ENGINEERS

Salary Schedules

**SALARY SCHEDULE - CONTINUED
OPERATING ENGINEERS
January 1, 2013**

POSITION TITLE	A	B	C	D	E	F	Annotations
Crewleader	\$ 28.00	\$ 28.29	\$ 28.85	\$ 29.30	\$ 29.72	\$ 30.61	CDL/endorsements and certification(s) required per job description.
Mechanic Crewleader	28.26	28.54	29.11	29.55	29.98	30.87	If no certification upon entry/promotion to position, step A & B of crewleader. Must obtain 1 certification within 24 months.
2 certifications	28.51	28.79	29.36	29.80	30.23	31.12	
3 certifications	28.76	29.04	29.61	30.05	30.48	31.37	
W/S Crewleader I	28.51	28.79	29.36	29.80	30.23	31.12	Crewleader holding either Water Treatment Plant III or W W T P III (W ater Distribution III, W astewater Collection III) - \$0.50/hour increase for level III certification per MOU.
W/S Crewleader II	29.01	29.29	29.86	30.30	30.73	31.62	Crewleader holding either Water Treatment Plant Plant IV or W W T P IV (W ater Distribution IV, W astewater Collection IV) - \$1.00/hour increase for level IV certification per MOU.
Automated Control & Telemetry (ACT) Specialist	28.00	28.84	29.70	30.59	31.50	32.47	Certification(s) required per job description. [CCST Level I Certification, W A Level II W ater Treatment Plant Operator.]
Electrician, Signal Electrician	28.00	28.84	29.70	30.59	31.50	32.47	Certification(s) required per job description. [W A State Journeyman Electrician License, IM SA Level I Traffic Signal, IM SA Traffic Signal Level II.]
Sr. Signal Electrician	31.36	32.31	33.24	34.26	35.29		Class B CDL and certifications required per job description. [IM SA Level II, W A State Journeyman's License.]

All annotations are illustrative and for reference only. See job descriptions for certification and CDL requirements (including endorsements) for each position.

After completion of six (6) months of employment, the City will contribute 5.0% of deferred compensation based upon a maximum of 173.3 regular monthly hours. Employees are eligible to participate in the ICMA-RC 457 loan provision under the terms and conditions established for the plan by ICMA.

Pursuant to the CBA, Utility Workers, Mechanics and Mechanic Crewleader progress through the pay steps on an annual basis (hire/promotion anniversary date). All other employees are eligible for step increases in six-month increments. Seasonal employees have no timeline for step progression.

Mechanic I, II, & III are a series and advancement to the higher classification occurs automatically upon acquiring additional certifications. No open position is necessary for movement into the higher Mechanic classification. For all other positions (M & C I, M & C II, GC I, II, & III), a vacant position must exist, and employees must apply and compete for promotion into the vacancy.

Per the CBA, advancement through the steps while serving in an upgraded capacity occurs on an annual basis, from the anniversary date of the initial upgrade. Separate annual step advancement applies to each upgraded position. Employees must possess the certification required for the upgraded position, as provided in the job description, in order to be upgraded to the top step in the upgraded band.

**SALARY SCHEDULE
FIRE CONTRACT
January 1, 2013**

	Hire	1 Year	2 Year	3 Year	
Firefighter	\$ 4,846	\$ 5,356	\$ 5,866	\$ 6,376	
Firefighter/Paramedic	5,484	5,994	6,504	7,014	
Captain	6,631	6,950	7,269		
Administrative Captain	6,877	7,207	7,538		
Captain/Paramedic	7,269	7,588	7,907		
Battalion Chief	7,970	8,225	8,416		
Battalion Chief/Training Officer	8,265	8,530	8,728		
CLASSIFICATION PROGRAM	8 YRS	13 YRS	18 YRS	23 YRS	28 YRS
45 College Credits (27 in core fire science)	1.0%	2.0%	2.5%	3.0%	3.5%
90 College Credits (27 in core fire science)	2.0%	3.0%	4.0%	5.0%	6.0%
135 College Credits (36 in core fire science)	3.0%	4.0%	5.0%	6.0%	7.0%
180 College Credits (45 in core fire science)	4.0%	5.0%	6.0%	7.0%	8.0%

Note:

Firefighters who qualify for Hazmat Specialist Pay and/or Technical Rescue or SCBA pay, shall receive an additional 2.1% of top step firefighter, added to their salary or \$134 per month.

Firefighters upgraded to the Captain position will receive an additional \$2.66 per hour.

Captains upgraded to the Battalion Chief position will receive an additional \$4.43 per hour.

Retired Fire Pension employees received a percentage of the above rates of pay.

Effective 1/1/2010 the City will pay 4% towards Deferred Compensation with ICMA

**SALARY SCHEDULE
POLICE CONTRACTS**

**POLICE OFFICERS
January 1, 2013**

	Hire	18 Mos	30 Mos	42 Mos	First Class *	Senior *	Master *
Police Officer	\$ 5,723	\$ 5,922	\$ 6,275	\$ 6,622	\$ 6,788	\$ 7,019	\$ 7,284
Specialty Pay at 2% **	5,837	6,040	6,401	6,754	6,924	7,159	7,430

* Must have met special requirements. Increases: First Class 2.5%, Senior 6% and Master 10%

** Traffic, METRO, K-9, SWAT, CAT, Detective, Training Officer, Crime Resistant Community Living Officer, & Youth Services: DARE, SRO & Tri-tech.

Effective 1/1/2011 the City pays 2% of monthly salary for employees who meet the bilingual language requirements.

The City pays 4.0% of salary toward deferred compensation, no employee participation is required.

**POLICE MANAGEMENT ASSOCIATION
January 1, 2013**

	Hire	5%	7%	Top	5%	7%
Corporal	\$ 7,021	\$ 7,372	\$ 7,512	\$ 7,794	\$ 8,184	\$ 8,340
Sergeant	7,346	7,713	7,860	8,534	8,961	9,131

Effective 1/1/09, the City pays 4.5% of salary toward deferred compensation.

Effective 1/1/2011 the City pays 2% for those with qualified bilingual skills.

The following education incentives apply:

	<u>Additional Pay</u>
90 Quarter Credits	5%
BA/BS Degree	7%

**NON-COMMISSIONED BARGAINING UNIT
January 1, 2013**

	Step					
	A	B	C	D	E	F
Police Support Specialist	\$ 3,135	\$ 3,451	\$ 3,767	\$ 4,086	\$ 4,422	\$ 4,644

The COLA for 2013 is 2.5% .

At the discretion of the Division Captain a lead may be appointed; Appointed Lead position pay is 10% above the top step

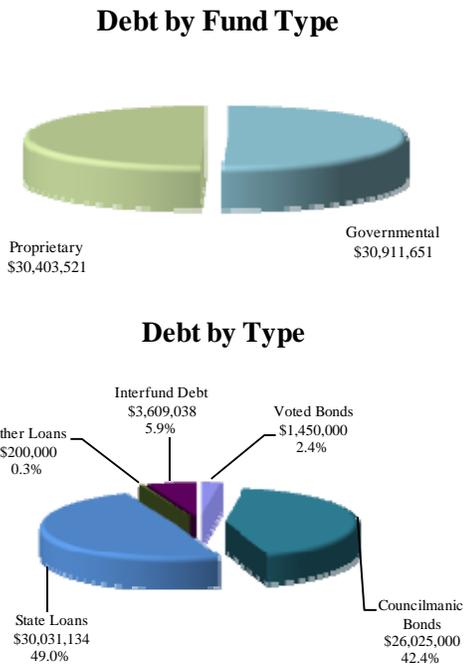
Swing and graveyard shifts shall receive an additional \$0.50 per hour for all hours worked.

The City will contribute 4.5% of salary toward deferred compensation and employee participation is not required.

Debt Administration

Kennewick is typical of most cities in the types of debt incurred. We have issued general obligation bonds, both voted and non-voted, revenue bonds, and special assessment bonds. In recent years, the City has taken advantage of several low-interest loans through the state for major street and water/sewer utility capital projects. In 2000, the purchase of the remaining 51% ownership in the Toyota Center & Arena was financed internally to avoid the additional expenses associated with debt issuance. The City also has a contingent loan agreement supporting the Kennewick Public Facility District's (KPF) tax obligation bonds which is reflected in the debt capacity computation, but not included in the current outstanding debt schedules. As the following graphics indicate, the overall debt is fairly evenly divided between governmental and proprietary funds.

OUTSTANDING DEBT



OUTSTANDING DEBT	
	Balance 12/31/2012
General Obligation Debt	
<i>Voted Bonds</i>	
2005 Refunding Bonds	\$ 1,450,000
<i>Councilmanic Bonds</i>	
2003A GO Bonds - Regional Center	400,000
2003B GO Bonds - Capital Projects	400,000
2011 GO Bonds - Capital Projects	5,295,000
2006 GO Bonds - Police Station	7,285,000
2010A GO Bonds - LRF Bonds	820,000
2010B GO Bonds - LRF Tax America	11,825,000
Bonds	27,475,000
State Loans	3,236,651
Frost Loans	200,000
Other Debt	3,436,651
Total General Obligation Debt	\$ 30,911,651
Proprietary Debt	
Interfund Loans	\$ 3,609,038
State Loans	26,794,483
Other Debt	30,403,521
Total Proprietary Debt	\$ 30,403,521

GENERAL OBLIGATION DEBT

As of December 31, 2012, the City's available debt capacity for general purposes was \$85,823,497 of which \$34,988,435 was for non-voted indebtedness. The City has used 41% of its non-voted debt capacity and currently has one voted bond issue and two refunding bond issues, five active non-voted bond issues, nine general obligation loans, one private loan and a contingent agreement to support a bond issue with a partial refunding for a total outstanding balance of \$30,911,651 at the end of the year. The City of Kennewick received an underlying rating of A+ from Standard & Poor's for its general obligation debt for its most recent bond issue in October of 2011.

The City issued \$5,330,000 of general obligation refunding bonds during 2011. The Bonds were used to provide funds to establish an irrevocable trust escrow to advance refund \$5,210,000 of the City's outstanding 2003B General Obligation Bonds. The proceeds will remain in the escrow account until the call provision for the 2003B bond issue of December 1, 2013. The total cost of the refunding exceeded the net carrying amount of the old debt, which will be amortized over the remaining life of the new debt. The advance refunding was undertaken to reduce total debt service payments over the next eleven years. With the interest rates on the new debt (3% - 4%) as opposed to the old debt of (3.5% - 5%), the City will recognize lower interest payments over the outstanding life of the bonds for a net present value savings of \$282,510.

BOND DEBT SCHEDULE

Voted Bonds

2005 GO Refunding Bonds

Original Issue:	\$3,285,000	Dated:	December 1, 1995	Interest Dates:	Jun 1 & Dec 1
Principal Balance:	\$1,450,000	Maturity Date:	December 1, 2016	Interest Rates:	4.0% - 4.6%

Councilmanic Bonds

2003A GO Bonds - Regional Center Construction

Original Issue:	\$3,995,000	Dated:	July 15, 2003	Interest Dates:	Jun 1 & Dec 1
Principal Balance:	\$400,000	Maturity Date:	December 1, 2013	Interest Rates:	2.0% - 3.625%

2003B Refunded GO Bonds - Capital Projects

Original Issue:	\$3,415,000	Dated:	December 1, 2003	Interest Dates:	Jun 1 & Dec 1
Principal Balance:	\$400,000	Maturity Date:	December 1, 2023	Interest Rates:	2.0% - 4.6%

2006 GO Bonds - Police Station

Original Issue:	\$9,790,000	Dated:	February 1, 2006	Interest Dates:	Jun 1 & Dec 1
Principal Balance:	\$7,285,000	Maturity Date:	December 1, 2025	Interest Rates:	3.75% - 5.0%

2010A GO Bonds - LRF Projects

Original Issue:	\$1,840,000	Dated:	March 30, 2010	Interest Dates:	Jun 1 & Dec 1
Principal Balance:	\$820,000	Maturity Date:	December 1, 2014	Interest Rates:	3%

2010B GO Taxable Build America Bonds - LRF Project

Original Issue:	\$11,825,000	Dated:	March 30, 2010	Interest Dates:	Jun 1 & Dec 1
Principal Balance:	\$11,825,000	Maturity Date:	December 1, 2034	Interest Rates:	3.45% - 6.323%

2011 Refunding GO Bonds - Capital Projects

Original Issue:	\$5,330,000	Dated:	December 1, 2011	Interest Dates:	Jun 1 & Dec 1
Principal Balance:	\$5,295,000	Maturity Date:	December 1, 2023	Interest Rates:	3.0% - 4.0%

Direct Debt

GO Bonds - Councilmanic	\$ 26,025,000
GO Bonds - Voted	1,450,000
Public Works Trust Fund Loans	3,236,651
Frost Loan	200,000

Total Direct Debt 30,911,651

Less: 2011 Tax Levy for Debt Service	(1,995,000)
Prior Year Tax Levies	(388,619)
Amount Available in Debt Service Funds	(9,417)
Amount Available in Capital Funds	(768,000)

Net Direct Debt \$ 27,750,615

As the following schedule indicates, the City's voted general obligation debt is a very small percentage of the City's total debt capacity.

	<u>Outstanding</u>	<u>Legal Debt Capacity Utilized</u>	<u>Ratio of Debt to Assessed Valuation</u>	<u>Debt per Capita</u>
Net Direct Debt	\$27,750,615	7.3%	0.5%	\$372

FROST FACILITY LOAN

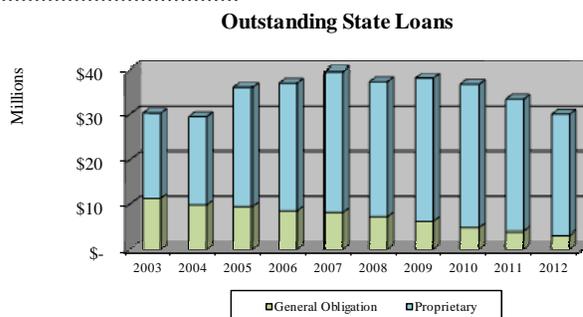
The City has entered into a loan with Cascade Columbia Foods, LLC, a Washington limited liability company to purchase land that is located next to the Frost Facility for \$600,000. The loan will be repaid at a rate of 3.625% with the final payment due in 2014.

PUBLIC WORKS TRUST FUND LOANS

The City has ten active Public Works Trust Fund (PWTF) loans. The PWTF is a revolving loan account managed by the State to provide below market rate financing for health and safety related public works improvement projects through a competitive application process. The loans have financed major street reconstruction and utility projects with interest rates ranging from one-half to three percent. There are seven outstanding loans payable from the Water and Sewer Utility and three general obligation loans for total outstanding Public Works Trust Fund Loans of \$18,743,185 at December 31, 2012.

STATE REVOLVING FUND LOANS

The City received a \$10,063,642 State Revolving Fund Loan for the expansion of the Wastewater Treatment Plant. The Sewer Plant reached 85% capacity during 1994, and the City was required by the State Department of Ecology and the Federal Environmental Protection Agency to expand the Treatment Plant in order to remain in compliance with our discharge permit to the Columbia River. The loan will be repaid by the Water and Sewer Utility.



The City was able to obtain a \$300,000 State Revolving Fund Loan at 0.5% to finance the preparation of a stormwater management program required by federal law, as well as two loans, one for \$390,000, and one for \$690,000 both at 1.4% to finance the LID manual and a wellhead area retrofit project.

The City received one \$4,040,000, one \$4,080,000 and one \$3,030,000 Drinking Water State Revolving Fund Loans at 1.5% for the construction of a new reservoir, for the addition of membrane filtration facilities at the Columbia River Water Treatment Plant and for ranney improvements. These loans will be repaid by the Water and Sewer Utility. The balance as of December 31, 2012 for all City outstanding State Revolving Fund Loans is \$11,205,444.

COMMUNITY ECONOMIC REVITALIZATION BOARD LOAN

The City received a \$500,000 grant and a \$125,000 loan from the Community Economic Revitalization Board (CERB) to aid in financing the cost of a sewerline relocation and upgrade, waterline relocation, a pre-treatment device on the wastewater effluent and road improvements in the downtown area. The interest rate is 4.7% and the term of the loan is 20 years, with the final payment due in 2021. The loan will be repaid by the Water and Sewer Utility, the current outstanding balance is \$82,505.

LIMITATION OF INDEBTEDNESS
December 31, 2012

		General Capacity			
		(Limited) Councilmanic	(Unlimited) Excess Levy	Open Space and Parks	Utility Purposes
Assessed Valuation - 2011	\$5,061,564,485				
Statutory Debt Limit:					
1.5% of Assessed Value		\$75,923,467			
2.5% of Assessed Value			\$126,539,112	\$126,539,112	\$126,539,112
Add: 2012 Tax Levy for Debt Service		335,000	1,995,000		
Add: Prior Year Tax Levies		388,619	388,619		
Add: Amount available in Debt Service Funds*			9,417		
Add: Amount available in Capital Funds		768,000	768,000		
Less: Limited Tax Debt Outstanding (1)		(29,461,651)	(29,461,651)		
Less: Unlimited Tax Debt Outstanding (2)			(1,450,000)		
Less: Limited Contingent Debt Outstanding (3)		(12,965,000)	(12,965,000)		
Total Available Debt Capacity		\$34,988,435	\$85,823,497	\$126,539,112	\$126,539,112

(1) The outstanding councilmanic debt consists of:

2003A G.O. Bond Issue	\$ 400,000
2003B G.O. Bond Issue	400,000
2006 G.O. Bond Issue	7,285,000
2010A G.O. Bond Issue	820,000
2010B G.O. Bond Issue	11,825,000
2011 G.O. Bond Issue	5,295,000
Frost Loan	200,000
PWTF Loans	3,236,651
	\$ 29,461,651

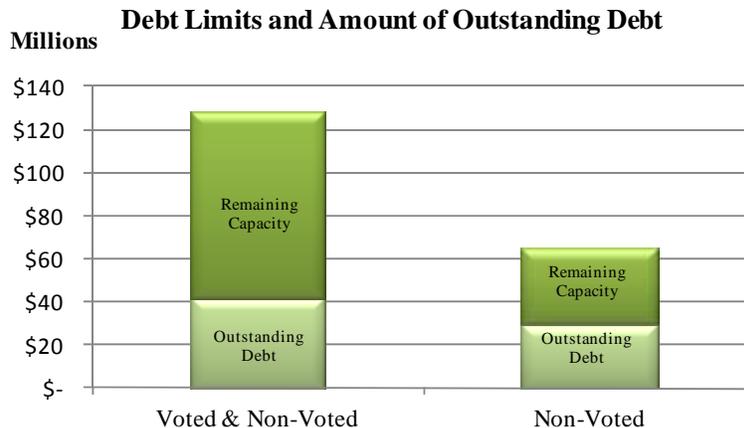
(2) Voted issue:

2005 G.O. Bond Issue	\$ 1,450,000
	\$ 1,450,000

(3) Contingent debt:

2003 KPFD Bond Issue	3,620,000
2011 KPFD Refunding Bond Issue	9,345,000
	\$ 12,965,000

Washington State law limits the amount of general obligation debt cities may incur. Without an authorizing vote of the citizens, a city may not incur general obligation debt exceeding 1.5 percent of the assessed value of the taxable property. With a vote of its citizens, cities may incur general obligation debt up to 2.5 percent of its assessed taxable value.



TOTAL DEBT SERVICE REQUIREMENTS TO MATURITY

Year	BONDS		STATE LOANS		NOTES	
	Principal	Interest	Principal	Interest	Principal	Interest
General Obligation						
2013	\$ 1,995,000	\$ 1,292,881	\$ 499,319	\$ 32,367	\$ 100,000	\$ 3,625
2014	1,660,000	1,214,381	449,123	27,373	100,000	149
2015	1,730,000	1,150,356	449,123	22,882	-	-
2016	1,785,000	1,081,519	449,123	18,391	-	-
2017	1,460,000	1,003,461	449,123	13,900	-	-
2018	1,510,000	945,799	449,123	9,408	-	-
2019	1,570,000	884,666	245,860	4,917	-	-
2020	1,620,000	820,416	245,860	2,459	-	-
2021	1,685,000	752,074	-	-	-	-
2022	1,740,000	676,820	-	-	-	-
2023	1,810,000	598,515	-	-	-	-
2024	1,235,000	519,026	-	-	-	-
2025	1,285,000	460,251	-	-	-	-
2026	605,000	399,142	-	-	-	-
2027	625,000	361,796	-	-	-	-
2028	650,000	323,214	-	-	-	-
2029	680,000	283,090	-	-	-	-
2030	705,000	241,113	-	-	-	-
2031	735,000	197,594	-	-	-	-
2032	765,000	151,120	-	-	-	-
2033	795,000	102,749	-	-	-	-
2034	830,000	52,481	-	-	-	-
General Obligation	\$ 27,475,000	\$ 13,512,466	\$ 3,236,654	\$ 131,697	\$ 200,000	\$ 3,774
Proprietary						
2013	\$ -	\$ -	\$ 2,698,143	\$ 369,800	\$ -	\$ -
2014	-	-	2,718,198	312,921	-	-
2015	-	-	2,749,942	265,098	-	-
2016	-	-	2,782,197	224,249	-	-
2017	-	-	2,447,097	172,730	-	-
2018	-	-	2,482,525	123,277	-	-
2019	-	-	1,716,980	81,533	-	-
2020	-	-	1,716,378	67,128	-	-
2021	-	-	1,586,295	51,126	-	-
2022	-	-	1,427,321	39,598	-	-
2023	-	-	1,427,739	28,052	-	-
2024	-	-	1,191,735	16,486	-	-
2025	-	-	979,102	7,625	-	-
2026	-	-	290,278	1,954	-	-
2027	-	-	290,278	1,303	-	-
2028	-	-	290,274	651	-	-
Proprietary	\$ -	\$ -	\$ 26,794,482	\$ 1,763,531	\$ -	\$ -
TOTAL	\$ 27,475,000	\$ 13,512,466	\$ 30,031,136	\$ 1,895,228	\$ 200,000	\$ 3,774

**FUTURE DEBT SERVICE
GENERAL OBLIGATION DEBT**

YEAR	PRINCIPAL	INTEREST	TOTAL
Future Debt Service Payments for Voted Bond Issues:			
2013	\$ 335,000	\$ 65,250	\$ 400,250
2014	355,000	50,175	405,175
2015	375,000	34,200	409,200
2016	385,000	17,325	402,325
	1,450,000	166,950	1,616,950
Future Debt Service Payments for Councilmanic Bond Issues:			
2013	\$ 1,660,000	\$ 1,227,631	\$ 2,887,631
2014	1,305,000	1,164,206	2,469,206
2015	1,355,000	1,116,156	2,471,156
2016	1,400,000	1,064,194	2,464,194
2017	1,460,000	1,003,461	2,463,461
2018	1,510,000	945,799	2,455,799
2019	1,570,000	884,666	2,454,666
2020	1,620,000	820,416	2,440,416
2021	1,685,000	752,074	2,437,074
2022	1,740,000	676,820	2,416,820
2023	1,810,000	598,515	2,408,515
2024	1,235,000	519,026	1,754,026
2025	1,285,000	460,251	1,745,251
2026	605,000	399,142	1,004,142
2027	625,000	361,796	986,796
2028	650,000	323,214	973,214
2029	680,000	283,090	963,090
2030	705,000	241,113	946,113
2031	735,000	197,594	932,594
2032	765,000	151,120	916,120
2033	795,000	102,749	897,749
2034	830,000	52,481	882,481
	26,025,000	13,345,516	39,370,516
Future Debt Service Payments for Notes:			
2013	100,000	3,625	103,625
2014	100,000	149	100,149
	200,000	3,774	203,774

YEAR	PRINCIPAL	INTEREST	TOTAL
Future Debt Service Payments for Public Works Trust Fund Loans:			
2013	\$ 499,319	\$ 32,367	\$ 531,685
2014	449,123	27,373	476,497
2015	449,123	22,882	472,005
2016	449,123	18,391	467,514
2017	449,123	13,900	463,023
2018	449,123	9,408	458,532
2019	245,860	4,917	250,777
2020	245,860	2,459	248,318
	3,236,654	131,697	3,368,351
GENERAL OBLIGATION DEBT	\$30,911,654	\$13,647,937	\$44,559,591

**FUTURE DEBT SERVICE
PROPRIETARY DEBT**

YEAR	PRINCIPAL	INTEREST	TOTAL
Future Debt Service Payments for Community Economic Revitalization Board Loan:			
2013	\$ 6,134	\$ 3,881	\$ 10,015
2014	6,411	3,603	10,014
2015	7,669	3,327	10,996
2016	7,973	3,023	10,996
2017	8,057	2,702	10,759
2018	8,390	2,369	10,759
2019	8,739	2,020	10,759
2020	8,137	1,641	9,778
2021	8,519	1,258	9,777
2022	8,920	858	9,778
2023	9,338	439	9,777
	88,287	25,121	113,408

Future Debt Service Payments for State Revolving Fund Loans:

2013	1,208,904	281,408	1,490,312
2014	1,231,750	244,500	1,476,251
2015	1,262,236	206,195	1,468,431
2016	1,294,187	166,424	1,460,611
2017	1,327,673	125,119	1,452,791
2018	1,362,768	82,204	1,444,972
2019	596,873	47,016	643,889
2020	596,873	39,196	636,069
2021	596,873	31,376	628,249
2022	596,873	23,556	620,430
2023	596,873	15,736	612,610
2024	370,207	7,917	378,123
2025	157,575	2,364	159,939
	11,199,666	1,273,011	12,472,677

YEAR	PRINCIPAL	INTEREST	TOTAL
Future Debt Service Payments for Public Works Trust Fund Loans:			
2013	\$ 1,483,105	\$ 84,511	\$ 1,567,615
2014	1,480,037	64,818	1,544,854
2015	1,480,037	55,576	1,535,613
2016	1,480,037	54,802	1,534,839
2017	1,111,367	44,909	1,156,277
2018	1,111,367	38,703	1,150,071
2019	1,111,367	32,497	1,143,865
2020	1,111,367	26,291	1,137,659
2021	980,903	18,492	999,395
2022	821,528	15,184	836,712
2023	821,528	11,877	833,405
2024	821,528	8,569	830,097
2025	821,528	5,262	826,790
2026	290,278	1,954	292,232
2027	290,278	1,303	291,581
2028	290,274	651	290,925
	15,506,530	465,399	15,971,929
PROPRIETARY DEBT	\$26,794,483	\$1,763,531	\$28,558,014

INTERFUND DEBT

.....

As mentioned earlier, interfund loans were used to finance the acquisition of the remaining 51% interest in the Toyota Center & Arena and installation of a second sheet of ice in 2000. The \$8 million dollar purchase price was financed through interfund loans from three funds. The Water/Sewer Fund loan was repaid within three years at a 6% interest rate. The Cash Reserve Fund loan was repaid within five years at a 6% interest rate. The loan from the Capital Improvement Fund is at 1% and will receive the final principal payment in 2025. \$1,500,000 of the Capital Improvement Fund Interfund loan was purchased by the Water/Sewer Fund in 2012. The following table shows a schedule of the future Coliseum debt service payments from the Capital Improvement Fund and the Water/Sewer Fund.

**FUTURE DEBT SERVICE
INTERFUND FINANCING**

YEAR	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	TOTAL
Future Debt Service Payments for Coliseum from:					
	<u>Water/Sewer Fund</u>		<u>Capital Improvement Fund</u>		
2013	\$ 168,848	\$ 13,328	\$ 288,363	\$ 22,761	\$ 493,300
2014	170,536	11,640	291,246	19,878	493,300
2015	172,242	9,934	294,158	16,966	493,300
2016	173,964	8,212	297,100	14,024	493,300
2017	175,703	6,472	300,071	11,054	493,300
2018	177,460	4,715	303,072	8,053	493,300
2019	179,235	2,940	306,103	5,022	493,300
2020	114,835	1,148	196,102	1,961	314,046
	<u>\$ 1,332,824</u>	<u>\$ 58,389</u>	<u>\$ 2,276,214</u>	<u>\$ 99,719</u>	<u>\$ 3,767,146</u>

Supplemental Information

MAJOR TAX SOURCES

Supplemental Information

Tax Source (RCW Citation)	Tax Base	Tax Rate	Collection Procedure
Local Property Taxes (84.52 & others)	Assessed value of taxable real and personal property at 100% of true and fair value	2012 Rate per \$1,000 AV: General Levy \$2.1159 Library Bonds 0.0796 Total <u>\$ 2.1955</u>	Paid by owners to county, 50% due April 30th, balance due Oct. 31st
Local Retail Sales and Use Tax (82.14)	Selling price of tangible personal property and selected services by consumers	Total rate 8.30% Breakdown: State 6.50% Kennewick 0.85% County 0.25% Transit 0.60% Criminal Justice 0.10% <u>8.30%</u>	Paid by purchaser to retailers who report sales by local code areas
Utility Tax (82.16.020)	Gross operating revenue of public & privately owned public utilities	Ambulance & Stormwater Utility - 1.0% Water/Sewer - 15.5% 6.5% dedicated to LEOFF I Medical Refuse & Cable TV - 7.0% Telephone, Electricity & Natural Gas - 8.5%	Included as part of utility bill
Municipal Business Taxes & Licenses (35 & 35A)	Flat fee based on number of FTE employees	Basic fee of \$55 plus \$5/FTE	Paid by local firms annually for license
Gambling Taxes (9.46.110)	Gross receipts less prizes paid	Pull tabs - 10.0% Punchboards - 10.0% Card Rooms - 10.0% Bingo - 5.0% Amusement Games - 2.0%	Paid by sponsor
Real Estate Excise Tax (82.46)	Sales of real property	1.78% of selling price, of which 0.50% is distributed back to the City	Sellers pay to county when affidavit is recorded
Admission Taxes (35.21.280)	Admission charges to any place or to any place or event (except school events)	5% of admission charge	Included in ticket price
Leasehold Excise Tax (82.29A.090)	Rental value of leased publicly	State tax rate of 12.84%, of which 6% is distributed back to cities and counties	Paid by lessors

**PRINCIPAL TAXPAYERS
AND EMPLOYERS**

Supplemental Information

December 31, 2011

	Assessed Valuation (1)	Percentage of Total Assessed Valuation
Columbia Mall Partnership	\$71,436,220	1.5%
GTE Northwest Inc.	29,428,438	0.6
Crosspointe Apartments LLC	19,944,720	0.4
Wolff Grandridge Apartments LLC	19,420,130	0.4
La Serena-Hansen Park LLC	19,369,769	0.4
Seasons on 4th Avenue LLC	18,116,580	0.4
Curtis Trustee, E Ardell	18,114,280	0.4
MGP XXXIX LLC	17,360,990	0.4
Heatherstone ICP Apartment On the Boulevard Apartments	17,150,296	0.4
	17,130,020	0.4
Subtotal	247,471,443	5.1
Other Taxpayers	4,611,493,220	94.9
Total Assessed Value	<u>\$4,858,964,663</u>	<u>100.0%</u>

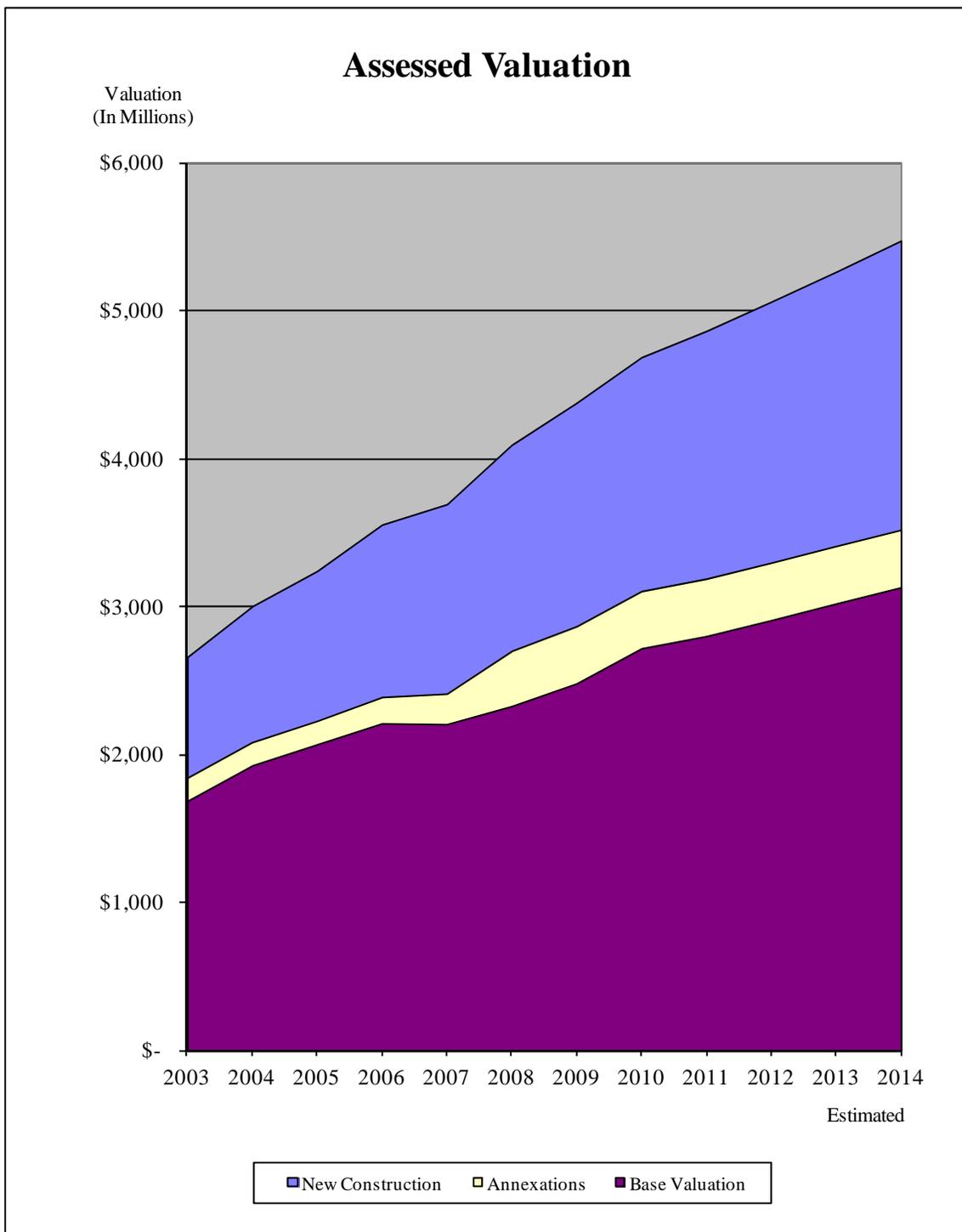
PRINCIPAL EMPLOYERS: (2)

NUMBER OF EMPLOYEES

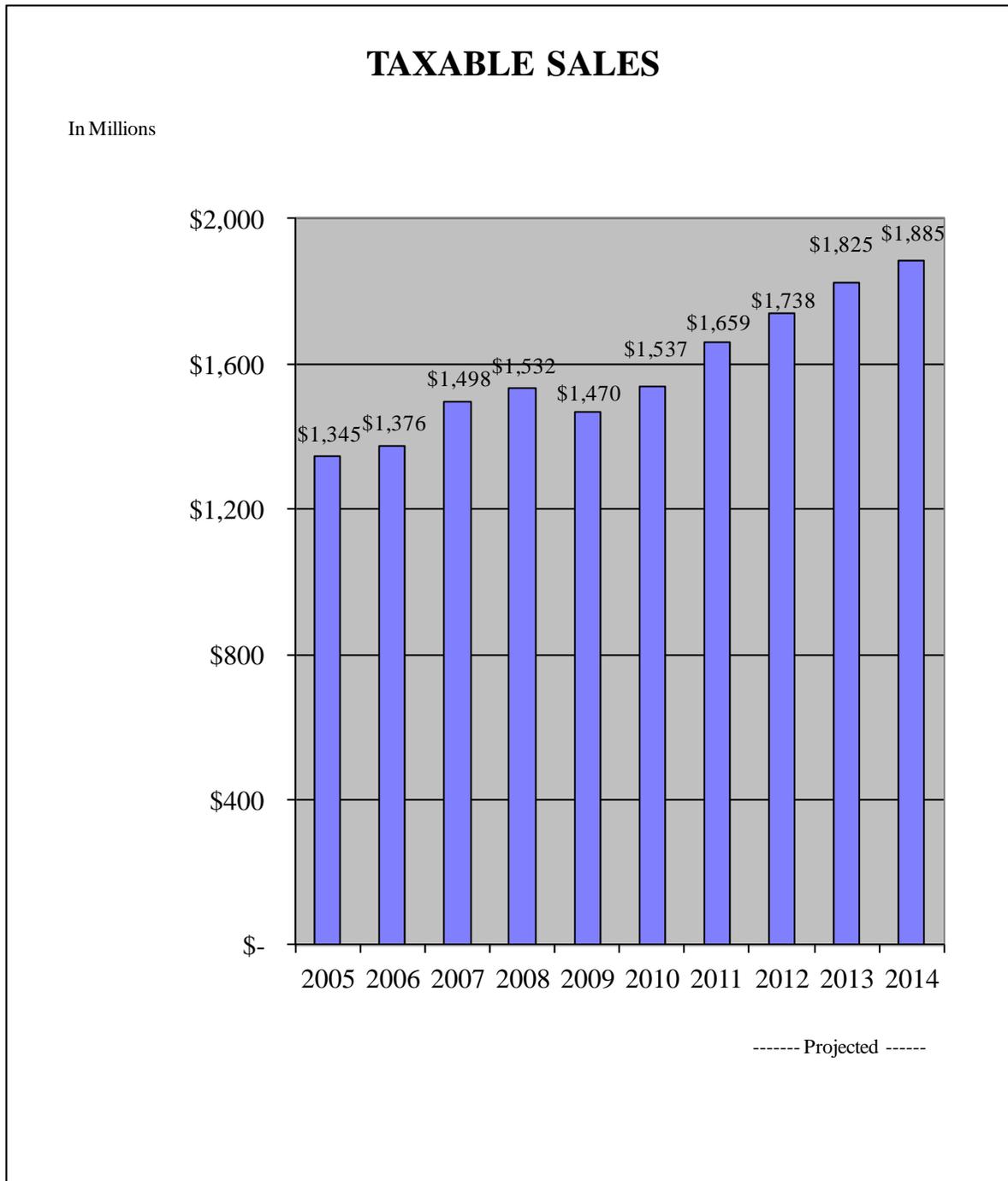
Pacific Northwest National Laboratory/Battelle	4,485
URS	3,500
CH2M Hill Hanford Group, Inc.	3,260
ConAgra/Lamb-Weston	3,057
Bechtel National	2,850
Kadlec Medical Center	2,175
Pasco School District	2,065
Washington River Protection Solutions	1,686
Mission Support Alliance	1,478
Kennewick School District	1,473

Sources:

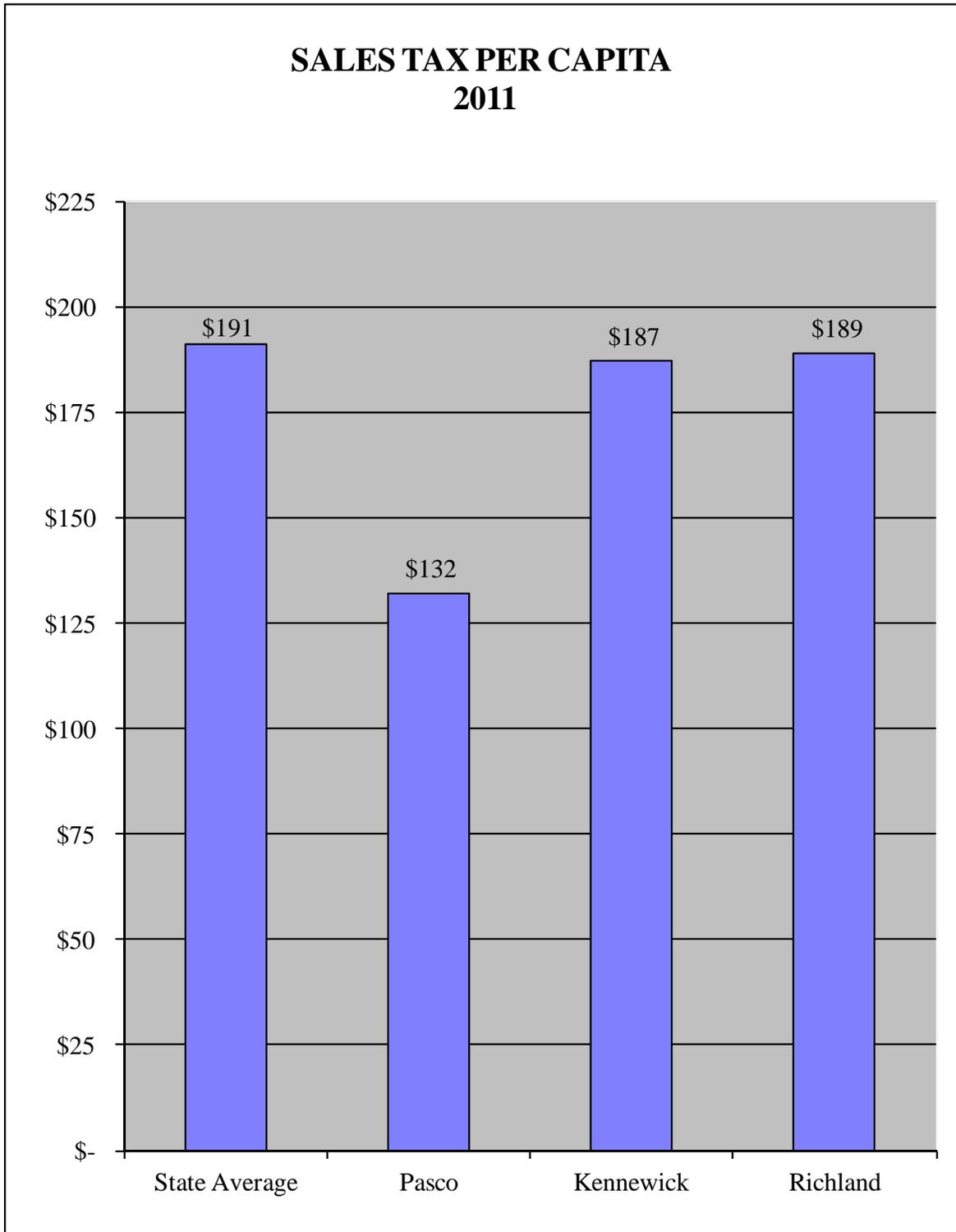
- (1) Benton County Assessor's Office
- (2) Tri-City Industrial Development Council (TRIDEC) and respective school districts



This graph illustrates the increase in the City’s assessed valuation attributable to annexations, new construction, and growth in the base valuation over the last ten years. New construction provides for most of the increase in overall valuations.



This graph illustrates Kennewick’s commercial activity in recent years and projected activity for 2013-2014. The negative impact of the national recession is reflected in the reduction of sales tax revenue in 2009 and 2010, but also shows the partial recovery beginning in 2010. The 2013/2014 biennial projections for sales tax revenue reflect an anticipated growth rate of 3% each year.



The historical increase in retail sales has created somewhat of a misconception by the public that Kennewick’s sales tax revenues are overly excessive compared to other cities. In reality, Kennewick’s sales tax revenue of \$187 per capita is still below the State average of \$191.

SALES TAX REVENUE BY INDUSTRY

Supplemental Information

	FISCAL YEAR 2011			
	Number of Filers	Percentage of Total	Taxable Sales (in thousands)	Percentage of Total
RETAIL TRADE				
General merchandise stores	26	0.88 %	\$ 302,567	31.43 %
Motor vehicle and parts dealers	179	6.06	201,872	20.97
Clothing and clothing accessories stores	229	7.75	96,385	10.01
Building material/garden equipment/supplies dealers	153	5.18	66,121	6.87
Miscellaneous store retailers	826	27.96	61,227	6.36
Sporting goods, hobby, book, and music stores	211	7.14	53,939	5.60
Electronics and appliance stores	247	8.36	49,385	5.13
Food and beverage stores	89	3.01	31,462	3.27
Furniture and home furnishings stores	118	3.99	30,848	3.20
Gasoline stations	19	0.64	25,054	2.60
Health and personal care stores	170	5.75	23,013	2.39
Nonstore retailers	687	23.28	20,712	2.17
Total Taxable Sales from Retail Trade	\$ 2,954	100.00 %	\$ 962,585	100.00 %

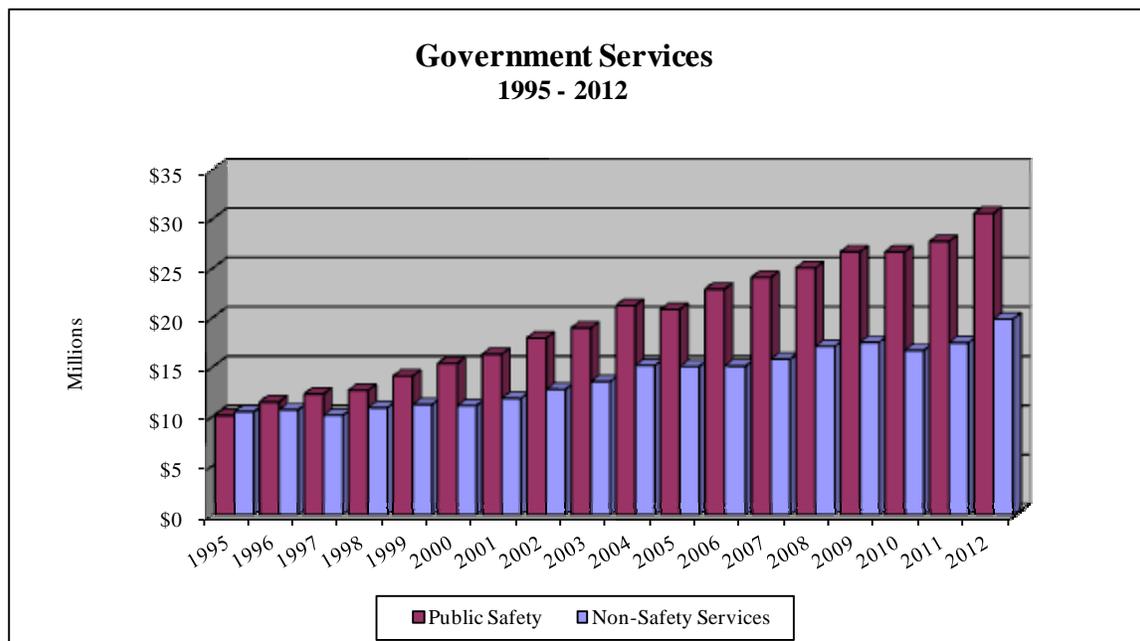
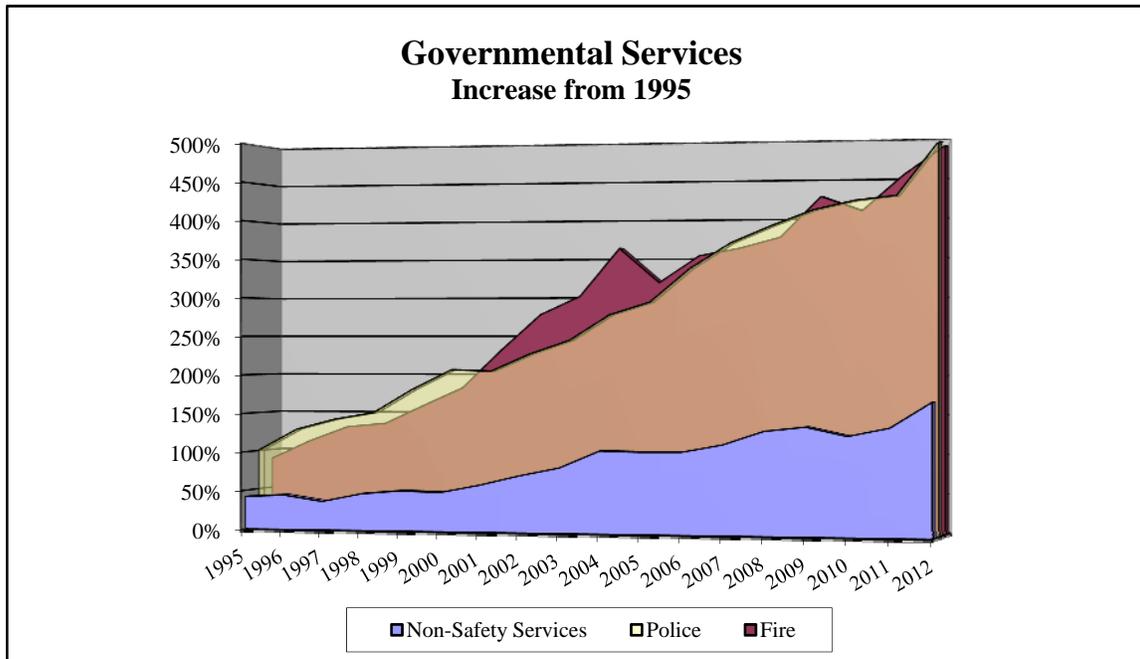
ALL TAXABLE ACTIVITIES

Retail trade (detail above)	2,954	31.13 %	\$ 962,585	61.77 %
Accommodation and food services	243	2.56	177,112	11.37
Construction	1,347	14.20	128,613	8.25
Wholesale trade	1,647	17.36	77,979	5.00
Information	381	4.02	51,695	3.32
Other services	490	5.16	47,093	3.02
Administrative, support, waste mngmt and remediation srv	531	5.60	20,782	1.33
Real estate and rental and leasing	268	2.82	19,641	1.26
Professional, scientific, and technical services	518	5.46	19,308	1.24
Manufacturing	663	6.99	19,236	1.23
Arts, entertainment, and recreation	86	0.91	14,175	0.91
Finance and insurance	101	1.06	13,139	0.84
Other activities	260	2.73	6,983	0.46
Total Taxable Sales	\$ 9,489	100.00 %	\$ 1,558,341	100.00 %

**Sales Tax Revenue
2011**



Retail sales account for 62% of all taxable sales activity. Additional detail is provided for the retail sales category.



These graphs illustrate the emphasis which has been placed on funding safety services during the past seventeen years. The first graph shows the percentage increase in spending over the 1995 level, and the second graph shows the actual level of expenditures.

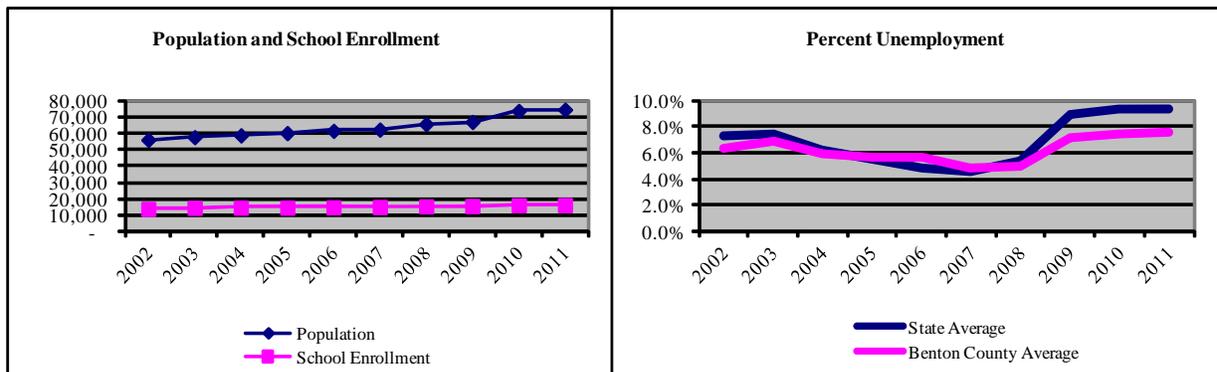
In 1995, Kennewick voters approved a 2.5% increase in utility tax applied to telephone, electricity, and natural gas service that is committed to fund safety services. This has created a major source of revenue that is used exclusively for the addition of new Police and Fire personnel.

DEMOGRAPHIC STATISTICS

Supplemental Information

Year	Population (1)	Personal Income (thousands of dollars)	Per Capita Personal Income (2)	Median Age (1)	Median Household Income (1)	School Enrollment (3)	Unemployment Rate (4)
2002	56,280	\$ 1,551,189	\$ 27,562	34.65	\$ 53,736	\$ 14,113	6.3%
2003	57,900	1,635,386	28,245	34.83	55,409	14,763	6.9%
2004	58,970	1,699,928	28,827	34.97	57,613	14,850	6.0%
2005	60,410	1,771,402	29,323	35.18	56,200	14,884	5.7%
2006	61,770	1,853,718	30,010	35.23	54,942	15,112	5.7%
2007	62,520	2,037,089	32,583	35.27	55,361	15,280	4.8%
2008	65,860	2,298,053	34,893	35.29	57,114	15,595	5.0%
2009	67,180	2,322,950	34,578	35.34	58,496	15,857	7.2%
2010	73,917	2,628,932	35,566	35.55	60,070	16,285	7.4%
2011	74,665	N/A	N/A	35.84	60,608	16,437	7.6%

Source: (1) Office of Financial Management (www.ofm.wa.gov)
 (2) Per Capita Personal Income - Bureau of Economic Analysis (MSA Kennewick-Richland-Pasco)
 (3) Kennewick School District
 (4) Washington State Employment Security Department (Benton County Annual Average)



MISCELLANEOUS STATISTICS

Supplemental Information

Date of Incorporation:	February 5, 1904
Form of Government:	Non-Charter Code City
Type of Government:	Council - Manager
Council Composed of:	Mayor, Mayor Pro-Tem, and Five Councilmembers
Terms of Office:	
Mayor	2 Year Term
Mayor Pro-Tem	2 Year Term
Council	4 Year Term
Manager	Appointed by Council

* Every two years the Council elects the Mayor and Mayor Pro-Tem for the City of Kennewick, Washington.

2012 Assessed Valuation:	\$5,061,564
Population:	74,665
Area: (Square Miles)	24
Miles of Streets	285
Business Licenses Issued	4,627
Building Permits Issued	2,123

FACILITIES

Fire Protection:		Police Protection:	
Number of Stations	4	Number of Stations	1
Number of Firefighters	76	Number of Police Officers	93
Water Services:		Sewer Services:	
Number of Connections	22,407	Number of Connections	17,514
Daily Consumption (Per Capita)	139 gallons	Daily Usage (Per Capita)	73 gallons
Miles of Distribution/ Transmission Lines	382	Miles of Sanitary Sewer Lines	267

PARKS	SIZE (Acres)	PARKS	SIZE (Acres)
Arboretum	5.00	Jay Perry	0.50
Canyon Lakes	5.60	John Day Park	2.30
Civic Center Area	24.30	Keewaydin Park	8.90
Columbia Center Estates	2.00	Kenwood Park	1.50
Columbia Park	387.00	Lawrence Scott Park	26.00
Duffy's Pond/Levee Riverfront	70.00	Layton Park	3.00
Eastgate Park	14.40	Monopoly Park	1.60
Fruitland Park	2.50	Penn Park	0.80
Grange Park	26.00	Southridge Sports Complex	49.00
Hansen Park	25.00	Sunset Park	7.60
Hatfield Park	3.50	Underwood Park	3.10
Hawthorne Park	1.50	Vancouver Park	3.00
Horse Heaven Hills Park	20.00	Westgate Park	5.00
Inspiration Estates Park	5.00	Yelm Park	3.00

CAPITAL EQUIPMENT*Supplemental Information*

DEPARTMENT	EQUIPMENT	2013/2014
CAPITAL IMPROVEMENT FUND		
<i>Capital Purchases</i>		
300.900.594.18.64.09	Hardware Upgrade 60 PC's	\$60,000
300.900.594.18.64.10	Software GIS Data Viewer upgrade As-Built database upgrade Phone system upgrade Windows 7 upgrade Network backup system	2,711 1,084 286,550 49,350 136,631
TOTAL CAPITAL IMPROVEMENT FUND		\$536,326
WATER/SEWER FUND		
<i>Water/Sewer Utility Combined</i>		
401.010.594.38.64.03	Field Machinery & Equipment Valve Maintenance/Vacuum System Vibratory hoe-pac GPS Unit	\$30,000 12,500 16,285
401.010.594.38.64.21	Plant Equipment & Machinery Chlorine Analyzer (4) UV Ballast	28,000 6,000
<i>Subtotal Water/Sewer Utility Combined</i>		<i>92,785</i>
TOTAL WATER/SEWER FUND		\$92,785
STORMWATER FUND		
405.010.594.40.64.06	IS Equipment Server storage for stormsewer pipe video	\$10,000
TOTAL STORMWATER FUND		\$10,000

CAPITAL EQUIPMENT*Supplemental Information*

DEPARTMENT	EQUIPMENT	2013/2014
EQUIPMENT RENTAL FUND		
501.010.594.48.64.08	Transportation Equipment	
	<i>Funded from Reserves</i>	
	Replace #0035 3/4 Ton Cab/Chassis & Utility bed	\$45,076
	Replace #0133 F450 Superduty Cab/Chassis w/ hydraulic dump bed	74,055
	Replace #0028 - SCADA	30,324
	Flatbed truck (\$50,000) and truck mount camera system (\$102,000)	152,000
	F150 4x4 Crew Cab Pickups to replace #200, #201, #211	114,000
	F150 4x4 Crew Cab Pickup, new	38,000
	Replace Lifepak unit (2)	67,687
	Type 1 structure engine to replace #228	552,000
	ATV for pest/herbicide application	8,000
	Dump attachment for Hooklift truck	27,000
	Replace #124, #705, #775 with HO's, repaint/graphics	10,000
	<i>Funded from LOCAL Lease Program</i>	
	Metro undercover vehicle	19,500
	CAT vehicles (4)	152,456
	Kawasaki motorcycles (2) (\$36,000 Asset Forfeiture Fund)	8,000
	Ford Police Interceptors (22)	914,914
	MDT replacements	172,000
	<i>Funded from Asset Forfeiture Fund</i>	
	Kawasaki motorcycles (2) (\$8,000 LOCAL Lease Program)	36,000
	<i>Funded from Capital Improvement Fund</i>	
	Replace #166 with Ford Explorer FWD	28,300
	Replace #53 dump truck	93,000
	Eliminate #50 dump truck, retrofit Patch King on a Hooklift Skid	15,000
	Replace #56 with flatbed dump truck	50,000
	Replace #38	40,000
	Replace #521	90,000
	Replace #518	11,000
	ATV for ballfields/tournament support	8,000
	Plow for #133	8,000
	Scissor Lift (funded \$29,700 from CIP Fund, \$15,300 from W/S Fund)	29,700
	Small pickup for Southridge	18,000
	Flatbed attachment for Hooklift truck	9,000
	<i>Funded from Water/Sewer Fund</i>	
	Scissor Lift (funded \$29,700 from CIP Fund, \$15,300 from W/S Fund)	15,300
	Trailer for generator	8,000
	TOTAL EQUIPMENT RENTAL FUND	\$2,844,312
	TOTAL CAPITAL OUTLAY	\$3,483,423

FINANCIAL/BUDGETARY POLICIES

◆ *Keep the City in a fiscally sound position in both the short and long terms.*

- Ongoing operations of the City shall be funded from ongoing revenues.
- Budgets for all funds shall be flexible in nature, with expenditures expanding and contracting based on actual revenues authorized by periodic budget adjustments.
- Two-year budget projections for all operating and capital funds shall be prepared.
- Revenues and expenditures should be budgeted as accurately as possible based upon historic trends and current conditions.
- The City will maintain existing service levels and continue to evaluate how to most effectively deliver those services. The City should accept new requirements for service delivery only when adequate funding is made available.
- Service levels will be reviewed by Council periodically and modified as necessary.

◆ *Maintain sufficient financial liquidity to meet normal operating and contingency obligations.*

- Maintain Fund Balances equal to 5% of operating expenditures to meet cash flow requirements in the general governmental operating funds (General Fund and Street Fund).
- Land sale proceeds, other unanticipated revenues and budget under-expenditures shall be reviewed at least annually with Council to determine the priority use for these funds, including pre-payment of debt service, increase in General and Street Fund reserves, unanticipated projects, budget vulnerabilities and other priority new programs. This funding source would first be used to replenish the Cash Reserve Fund and General Fund Operating Reserve if either was to fall below the target.
- Maintain a Cash Reserve Fund for revenue stabilization and contingencies equal to \$2,500,000 in 2010. Beginning in 2011, the City will increase the Cash Reserve Fund annually by CPI (not less than 2%). The funding source for increasing the Cash Reserve Fund annually shall be undesignated Fund Balances, capital project funding that is not allocated for Council priority programs, or other operating revenues, in this order.
- The purpose of the Cash Reserve Fund is to provide a fiscal means for the City to respond to potential adversities such as public emergencies, natural disasters or similarly major, unanticipated projects or circumstances, that were not foreseen when the biennial budget was prepared.

- The Cash Reserve Fund should be replenished as soon as possible and always within three years from the time the reserve is used or falls below the target. Sources to replenish these reserves shall be from undesignated Fund Balances, deferring non-life safety capital, and operating revenues, in this order.
 - Beginning in 2009, the City will implement an additional 6.5% utility tax on water and sewer utility services to be solely dedicated to fund the unfunded mandate of LEOFF I medical costs (bringing the total utility tax to 13.5%). As the LEOFF I medical liability is reduced and eventually eliminated, the utility tax rate will be reduced accordingly until such time as it is back to the original 7%.
- ◆ ***Protect the City from catastrophic losses.***
- Maintain an insurance reserve for property, casualty, unemployment, sewer backup, medical and dental claims in an amount equal to consultant or actuarial requirements.
 - Purchase medical, property and liability insurance to cover major losses as deemed appropriate by the City's risk management program.
- ◆ ***Have service users pay their fair share of program costs.***
- City utilities shall be 100% user supported.
 - Development fees and charges will be reviewed every two years during the biennial budget process and compared with the cost of providing each service to determine if an appropriate level of cost recovery is attained. In all cases, the level of cost recovery shall be calculated based on the full cost of providing service, which includes all direct and indirect costs associated with the service being provided, including city-wide indirect costs. The appropriate level of cost recovery shall be determined based on the following criteria:
 - Whether the service benefits the community in general or only the individual or group receiving the service;
 - Whether the service is provided only by the public sector, or also by the private sector;
 - Whether the amount of the fee or charge would pose a hardship on specific service users;
 - Whether the amount of the fee or charge would place the city at an economic disadvantage;
 - Whether or not the amount of the fee or charge would cause an unrealistic demand on service;
 - Whether the amount of the fee or charge is reasonable and in line with the level of service being provided and requested.

- Annually, a CPI factor (no more than 4% and no less than 0%) will be applied to all development fees and charges. However, development fees and charges shall not be increased in any year until such time that the cumulative increase based on the CPI factors since the last fee or charge increase is at least \$5. In all cases, development fees and charges shall be rounded down to the nearest \$5 increment.
- User fees shall contribute an average of 60% towards direct youth recreation services and operations. Adult programs will contribute an average of 100% toward direct recreation services and operations.
- Annually a CPI factor (no more than 4% and no less than 2%) will be applied to all recreation and senior center programs.
- Annually a CPI factor (no more than 4% and no less than 2%) will be applied to facility rental, administrative and usage fees and a local market comparison will be conducted where fees may be adjusted accordingly.
- A minimum of 20% Administrative Fee will apply to the direct labor costs for all recreation and senior center programs in order to help recover some of the indirect costs associated with the recreation programs.
- The cost to maintain a developed acre in Columbia Park will be calculated and annually a CPI factor (no more than 4% and no less than 2%) will be added to determine the appropriate rental fee in Columbia Park.
- All City fees, charges and rates shall be reviewed periodically to determine whether they meet targeted cost coverage. Adjustments shall be made in conjunction with the budget process.

◆ *Operate utilities in a responsive and fiscally sound manner.*

- Utility rate studies shall be conducted at least every five years to update assumptions and ensure the long term solvency and viability of City utilities.
- Utility rates should be reviewed annually and adjusted if necessary to reflect inflation, construction goals, maintain bond covenants and avoid major periodic increases.
- Rates for the water/sewer utility shall include an annual capital contribution equal to the recovery of annual depreciation.
- Fund balances in enterprise funds shall be maintained at levels established through rate studies or at levels necessary to meet operating capital and contingency requirements.
- Excess fund balances shall be used to offset rate increases where possible, with any remaining balances being used for approved capital purposes.

- Automatic Consumer Price Index (CPI) increases, up to a maximum of 4% per year, will be applied on an annual basis to Water & Sewer.
- ◆ *Maintain existing infrastructure and capital assets.*
 - When capital funding decisions are made, priorities shall be given to maintaining existing capital assets over the acquisition or construction of new facilities.
 - Fully fund equipment replacement for all Enterprise Funds over the vehicle's estimated useful life.
 - Provide for a comprehensive equipment and apparatus replacement schedule for fire department by utilizing the medical service fund equipment reserves & ongoing biennial contribution amounts for both General Fund (\$300k plus inflation beginning in 2009) & Medical Services Fund (\$350k). The policy includes utilizing external financing for the purchase of the ladder truck when market conditions dictate that it is most economical to do so, with the remainder of the vehicle and apparatus replacements being cash transactions. Beginning in 2011, the biennial contribution previously made from the General Fund shall be made from the Capital Improvement Fund (\$315k).
 - Beginning in 2011, provide for a comprehensive equipment and vehicle replacement schedule for the police department by utilizing an ongoing biennial contribution amount for the Capital Improvement Fund (\$551k plus inflation beginning in 2011). The policy includes utilizing external financing through the State Local Option Capital Asset Lending (LOCAL) lease program or other external financing programs when market conditions dictate that it is most economical to do so.
 - Proceeds of the optional one-half of one percent sales tax and proceeds from the quarter of one percent real estate excise tax (as allowed by State Statute) shall be used to fund City Council's priority Capital Improvement Program ("CIP") except for funds used to:
 - Replace Federal Revenue Sharing Funds in the amount of \$500,000;
 - Replace the lost 35% of motor vehicle tax that occurred in 1986 upon implementation of the one-half percent optional sales tax in an amount calculated based on past historical motor vehicle excise tax inflated by 10% per year beginning in 2002 when motor vehicle excise tax was eliminated and no additional historical information was available;
 - Provide repayment of debt service on the 2003 CIP projects in the amount of approximately \$670,000 per year beginning on January 1, 2009, until the bonds are paid-in-full;
 - Provide repayment of debt service on the police facility in the amount of approximately \$725,000 per year beginning on January 1, 2007, until the bonds are paid-in-full;

- Support the City's economic development efforts in an amount equal to the optional sales tax received from economic development efforts up to a maximum of \$500,000 per year beginning on January 1, 2009;
 - Support the Public Facilities District for a portion of the debt service related to the construction of the Three Rivers Convention Center beginning in 2001 as per Ordinance No. 5001 in the amount of \$725,000 per year;
 - Provide for up to \$150,000 annually to fund priority facility related improvements beginning January 1, 2011;
 - Provide for up to \$250,000 annually to fund priority technology related improvements beginning January 1, 2011;
 - Provide contributions to the Police and Fire vehicle and apparatus replacement programs, respectively, beginning in 2011 (see items above).
-
- Each year, City Council shall evaluate making a \$1 million transfer from the General Fund to the Capital Fund in order to implement Council priority programs.
 - The admissions tax shall be receipted into the General Fund and used as determined based on budgetary priorities, except for the amount collected from the Toyota Center for admissions, which is receipted into the General Fund to help offset the General Fund operating subsidy to the Toyota Center. In the event that no operating subsidy is needed, this amount will be dedicated to repayment of debt service at the facility.
 - The basic 2% hotel/motel tax in the Lodging Tax Fund will continue to support the City's portion of Tri-Cities Visitor and Convention Bureau, event promotion funding and a portion of the debt service on the Toyota Center. An additional 2% hotel/motel tax was enacted in 1998 and is dedicated to debt service related to the purchase of the Toyota Center and Ice Arena. Beginning in 2009, an additional \$50,000 in ongoing lodging tax revenues will be used to pay down the debt service on the Toyota Center. Beginning in 2013, \$150,000 in ongoing lodging tax revenues will support the Toyota Center operating subsidy.
 - The City shall review the annual operating results for the Toyota Center & Arena and compare the results to the budgeted operating subsidy for the year as approved by the Kennewick Public Facilities District (KPFDD). Subject to any legal restrictions attached to the revenue source(s) utilized by the City to fund its operating subsidy to the Toyota Center & Arena, any positive variance between the actual net operating loss and the operating subsidy level budgeted for the year shall be retained by the facilities and designated for the following purposes:
 - To provide funding for unanticipated capital projects, improvements, maintenance or major repairs required at the facilities. These projects shall be subject to the review and approval of the Joint Coliseum Advisory Committee (JCAC), or the Committee's designee, prior to the commencement of the projects.

- To supplement the operating subsidy provided to the Toyota Center & Arena in any year that the annual operating loss for the facilities exceeds the operating subsidy budgeted for the year. Any use of designated funds for this purpose shall also be subject to the review and approval of the JCAC.

◆ ***Establish accountability in budget monitoring.***

- The City Council shall set total appropriations at the fund level.
- Department heads are responsible for managing their budgets within the total appropriated budget.
- Any budget adjustment between funds shall be approved by the Council in budget amendments and by adopted ordinances.
- Budget adjustments within a fund shall be approved by the City Manager and reported to the City Council. Adjustments affecting program implementation or modification of total appropriation require Council approval.
- Department expenditures shall be made from appropriate Budgeting, Accounting and Reporting System (BARS) accounts, not an account where an excess of funds may exist.

◆ ***Provide financial reports in a timely and understandable manner.***

- Quarterly financial reports discussing major trends, the status of Kennewick's financial operations, and other related information shall be distributed to all managers, the Mayor, the City Council and made available to the interested public.
- A Comprehensive Annual Financial Report, prepared in accordance with generally accepted accounting principles, shall be distributed to interested parties and to GFOA for certification.
- The City's budget document shall be prepared in a manner to best implement the budgetary policies of the Council.

DEBT POLICIES

.....

- Revenue bonds and LIDs shall be used to finance improvements when applicable.
- Financing for the majority of capital assets, other than infrastructure, shall normally be made over the life of the asset, or 20 years, whichever comes first.
- Councilmanic bonds and lease financing can be used to fund infrastructure where positive cost/benefit ratios exist or where there is no other source of funds.

- Voter approved general obligation bonds and special levies shall be used to finance major projects with high visibility such as fire stations, library, swimming pools, trails, waterfront projects, community parks, etc.

CASH MANAGEMENT POLICIES
.....

- The City’s cash management philosophy is to invest public funds in a manner that provides for the highest investment return with the maximum security while meeting daily cash flow demands. The City’s investment policy defines authorized investment instruments in accordance with State law. The City’s portfolio consists of certificates of deposit, U.S. agency issues and the State Treasurer’s Investment Pool.
- The primary objective of the City’s investment activities is safety of principal. To attain this objective, no more than half of the portfolio is invested in a single security type or with a single financial institution.
- To the extent possible, the City attempts to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City does not directly invest in securities maturing more than five years from the date of purchase.
- Reserve or CIP Funds may be invested in securities exceeding five years if the maturity of such investments are made to coincide as nearly as practicable with the expected use of the funds.

ECONOMIC DEVELOPMENT POLICIES
.....

◆ *Develop and implement an economic development strategy that supports and expands the City’s existing retail, wholesale, service, light industrial, distribution and the tourism sectors of the local economy.*

- Support the implementation of the adopted Clearwater / I-82 Subarea Plan.
- Support the implementation of the adopted Vista Entertainment District Plan.
- Support the implementation of the adopted Downtown Revitalization Plan.
- Support and find opportunities for the implementation of the Bridge to Bridge Plan.
- Support the implementation of the adopted subarea plan for the Southridge Business Park area at Highways 395 and 36th Avenue.

◆ *Create jobs that pay livable wages and broaden the tax base.*

- Enhance and develop the tourism sector of the local economy.

- Support a strategy that expands industrial development.
 - Support a strategy that expands primary job creation of a non-industrial nature.
 - Develop a distinct Economic Development plan utilizing recognized principals as the plan basis and as a way to improve access to federal, state, and private aid programs.
 - Encourage affordable infill single-family construction through flexibility in development techniques and subsidy through special funding sources.
 - Recognize manufactured housing as an important component of the single-family market.
 - Authorize opportunities for special needs housing within a variety of residential settings.
 - Identify strategies for promoting affordable housing.
 - Permit condominium, zero lot line and other non-traditional and innovative residential development opportunities throughout the urban area.
 - Encourage an assortment of multi-family residential developments to increase the residential rental supply.
 - Monitor housing supply and composition to assure that Kennewick does not assume a disproportionate share of a particular segment of the housing market.
- ◆ ***Promote neighborhoods which contain appropriate support facilities, and promote quality of life through aesthetic considerations.***
- Continue to promote development of park and/or recreational facilities jointly with the school district.
 - Encourage the extension and use of irrigation services throughout all residential areas to support and maintain a healthy landscape environment.
 - Provide code enforcement services to support aesthetic and public or private property improvements.
- ◆ ***Promote a variety of residential densities throughout the urban area.***
- Low-density residential areas are characterized by developments of up to four units per acre.
 - Medium-density residential areas are characterized by developments of 5-13 units per acre.

- High-density residential areas are characterized by developments of 14-27 units per acre.
- ◆ ***Encourage the preservation of the existing housing stock through a broad strategy of public and private investments.***
 - Use Community Development Block Grant (CDBG) and HOME funds to rehabilitate single-family homes.
 - Coordinate the rehabilitation with other agencies which provide similar services or functions.
 - Establish a renewable source of funds to assist the rehabilitation of rental properties.
 - Maintain an inventory of residential properties which possess one or more qualities of local historic significance.
 - Bolster private efforts to preserve local historic properties.
 - Pursue the abatement of dilapidated residential structures.

URBAN DESIGN POLICIES

.....

- ◆ ***Enhance the aesthetics of the urban area.***
 - Develop logical circulation patterns for vehicles and pedestrians.
 - Landscape public right-of-ways with special emphasis given to those areas which have heavy pedestrian and motor traffic.
 - Enhance public pedestrian areas with benches, lighting, and similar amenities.
 - Develop and implement a program of making traffic control boxes less noticeable.
 - Encourage all existing commercial and industrial uses along state highways and major and minor arterials to develop and implement landscaping and building façade programs consistent with city ordinances and policies.
 - Beautify cluttered and unkempt public areas.
 - Encourage better accessibility to water recreational areas.
 - Encourage the Historic Downtown Kennewick Partnership to improve the appearance of their buildings and premises.

- Encourage the establishment of a palette of colors that can be referenced whenever businesses decide to improve the exterior appearance of their business in order to create a homogenous appearance.
- Encourage better designed public buildings with a variety of landscaping.
- Encourage and provide a means for local artists to display their works in public buildings.
- Provide the opportunity for local artists to locate permanent artwork in public places.
- Develop a program whereby persons talented in the performing arts have the opportunity to perform in public places with minimal or no cost to the audience.

REGIONAL RELATIONSHIP POLICIES.....

◆ *Promote and develop a proactive relationship with area and state agencies, public entities and other government bodies.*

- Establish inter-local agreements between the City and Benton County that will provide joint standards for development within the urban growth area.
- The City will limit its extension of utilities to development that conforms to inter-local agreements developed in accordance with this policy.
- The City and outside utility providers will develop land use and utility plans that are consistent and are developed to accommodate future build-out scenarios within the urban growth area.
- The City and Benton-Franklin Fair Board will encourage a relationship that promotes multiple use, resource growth, and facility enhancement of the fairgrounds complex at E. 10th Avenue and Oak Street.
- The public entities within the “Civic Core” area at or near 6th Avenue and Dayton Street will be encouraged to make long-term capital commitments for maintaining the maximum number of civic uses at this location.
- The irrigation districts will be encouraged to retrofit open canals to underground and pressurized systems.
- The irrigation districts will be encouraged to allow right-of-ways for irrigation systems to be used as paths or trails.

DETAIL POLICIES

- Kennewick School District #17 will be encouraged to assume a proactive role in coordinating its long-range plans with the comprehensive planning process of the City.
- Policies within the City’s Comprehensive Plan that affect other jurisdictions will be consistent and coordinated with such jurisdictions.
- Benton County Planning policies #11, #12, and #13 will be utilized to develop regional processes for citing essential public facilities and providing waste-related services and processes.
- The Kennewick Chamber of Commerce, Port District, and the Tri-Cities Industrial Development Council (TRIDEC) will be encouraged to promote the long term interests of the community in the comprehensive planning processes.

ANNEXATION POLICIES

.....

◆ *Develop an annexation policy emphasizing public education, service levels and timing of infrastructure improvements.*

- Establish pre-annexation zoning for all lands in Kennewick’s urban growth area. Lands in the urban growth area that have pre-annexation zoning designations will have such designations updated as necessary as part of the Comprehensive Plan review process.
- Systematic review of the expected service demand of each annexation proposal will be accomplished. Demands for additional service or capital improvements resulting from annexation proposals should be accommodated within six years of the effective date of the annexation.
- Develop fiscal analysis showing estimates of expected revenues/costs for each proposed annexation.
- Annexations that decrease existing city-wide service levels for general governmental operations will be discouraged.
- Annexations of county “islands” (areas surrounded on at least 80% of its boundaries by corporate limits) are considered “first priority” annexations and all necessary steps will be taken to ensure their incorporation.

Accounting System - The total structure of records and procedures designed to discover, record, classify, and report information on the financial position and results of operations of a government or any of its funds, account groups or organizational components.

Ad Valorem Taxes - (Property Tax) A tax levied on the assessed value of real property.

Agency Fund - A fund used to account for assets held by a government as an agent for individuals, private organizations, other governments, and/or other funds.

Appropriation - A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and as to the time when it may be expended.

Appropriation Ordinance - An ordinance by means of which appropriations are given legal effect. It is the method by which the expenditure side of the annual operating budget is enacted into law by the legislative body.

Assessed Valuation - A valuation set upon real estate or other property by the County Assessor as a basis for levying property taxes.

Basis of Accounting – A term used to refer to when revenues, expenditures, expenses, and transfers, and the related assets and liabilities, are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, on either the cash or accrual method.

Cash Basis – A basis of accounting under which transactions are recognized only when cash is received or disbursed.

Accrual Basis – A basis of accounting under which transactions are recorded in the periods in which those transactions occur, rather than only in the periods in which cash is received or paid by the government. This basis of accounting is used for proprietary and internal service funds.

Modified Accrual Basis – A basis of accounting under which revenues and other financial resources are recognized when they become both measurable and available to finance expenditures of the current period. Expenditures are recognized when the fund liability is incurred. This basis of accounting is used for all governmental funds.

Beginning Balance - The residual non-restricted funds brought forward from the previous fiscal year (ending balance).

Biennial Budget - A budget applicable to a two year period beginning January 1 of each odd-numbered year through December 31 of the next succeeding even-numbered year.

Bond - A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity date(s), together with periodic interest at a specified rate.

Budget - A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them.

Budgetary Control - The control or management of a government or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

Budget Document - The instrument used by the budget-making authority to present a comprehensive financial program to the appropriating body. The budget document usually consists of two parts. The first part contains a message from the budget-making authority, together with a summary of the proposed expenditures and the means of financing them. The second consists of schedules supporting the summary. These schedules show in detail the information as to the past biennium's actual revenues, expenditures, and other data used in making the estimates. In addition to the budget document, an appropriation ordinance is necessary to formally approve the budget.

Capital Improvement Program - A plan for capital expenditures to be incurred each year over a fixed period of years to meet capital needs arising from the long-term work program or otherwise. It sets forth each project or other contemplated expenditure in which the government is to have a part and specifies the full resources estimated to be available to finance the projected expenditures.

Capital Improvement Fund - A fund created to account for financial resources to be used for the acquisition or construction of major capital facilities.

Capital Outlays - Expenditures that result in the acquisition of or addition to fixed assets.

Debt - An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of governments include bonds, registered warrants, notes, contracts and accounts payable.

Debt Limit - The maximum amount of gross or net debt that is legally permitted.

Deficit - (1) The excess of the liabilities of a fund over its assets. (2) The excess of expenditures over revenues during an accounting period; or, in the case of proprietary funds, the excess of expense over income during an accounting period.

Depreciation - The portion of the cost of a fixed asset which is charged as an expense during a particular period. In accounting for depreciation, the cost of a fixed asset, less any salvage value, is prorated over the estimated service life of such an asset, and each period is charged with a portion of such cost. Through this process, the entire cost of the asset is ultimately charged off as an expense.

Effectiveness – Refers to how well a program achieves its stated goals, objectives, and outcomes.

Efficiency – Refers to how well inputs are utilized to produce outputs.

Encumbrance - Obligations in the form of purchase orders, contracts, or other commitments. They cease to be encumbrances when paid, cancelled, or when the actual liability is established.

Ending Balance - The residual non-restricted funds that are spendable or available for appropriation at the end of the fiscal year.

Enterprise Fund - A fund established to account for operations financed in a manner similar to a private business enterprise where the costs of providing goods and services to the public are financed through user charges.

Expenditures - Decreases in net current assets. Expenditures include debt service, capital outlays, and those current operating costs which require the use of current assets.

Expenses - Decreases in net total assets. Expenses represent the total cost of operations during a period regardless of the timing of related expenditures.

Fixed Assets - Assets that are intended to be held or used for a long term, such as land, buildings, improvements other than buildings, machinery and equipment. In common usage, the term refers only to operating facilities and equipment, not to long-term investments and other non-current assets. The City's capitalization threshold is \$5,000.

Full-Time Equivalent (FTE) - A calculation used to convert part-time hours to equivalent full-time positions. Full-time employee salaries are based on 2,080 hours per year. The full-time equivalent of a part-time employee is calculated by dividing the number of hours budgeted by 2,080.

Fund - A fiscal and accounting entity with self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Fund Balance - The fund equity of governmental funds and trust funds.

GAAP - Generally Accepted Accounting Principles are standards used for accounting and reporting used for both private industry and governments.

GASB - Government Accounting Standards Board established in 1985 to regulate the rules and standards for all governmental units.

General Fund – The fund used to account for all financial resources except those required to be accounted for in another fund.

Goal – Refers to a statement of direction, purpose or intent based on the needs of the community. Operationally, a goal is a broad statement of what a program expects to achieve sometime in the future.

General Obligation Bonds - Bonds for the payment of which the full faith and credit of the issuing government are pledged.

Inputs - Resources allocated for the execution of activities and work processes so that stated goals, objectives, and outcomes can be achieved.

Intergovernmental Revenues - Levied by one government but shared on a predetermined basis with another government or class of governments.

Internal Service Fund - Funds used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis.

LID - Local Improvement District or Special Assessments made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

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

Mission - Defines the primary purpose of the City and is intended to guide all organizational decisions, policies, and activities on a daily basis.

Operating Budget - Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing of acquisition, spending, and service delivery activities of a government are controlled. The use of annual operating budgets is usually required by law. Even where not required by law, however, annual operating budgets are essential to sound financial management and should be adopted by every government.

Operating Transfer - Routine and/or recurring transfers of assets between funds.

Outputs - Refers to goods and services performed by a government and/or delivered to customers.

Park Reserve Fees – Fees received by the City as a condition of approval of any short plat or new development in the City that will be used for residential purposes. These fees shall be used for the acquisition or development of park and recreation facilities within the designated park service area for which the fees were imposed.

Performance Measure - Refers to a specific quantitative or qualitative assessment of results obtained through a program or activity.

Performance Measurement - Refers to the process for determining how a program is accomplishing its mission, goals, and objectives through the delivery of products, services or processes. Performance measurement also is defined as a systematic process of evaluating the outcomes of inputs and outputs for specific government programs and services that are delivered to customers with respect to effectiveness, efficiency, quality, and return on investment.

Program - Refers to a group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the government is responsible, such as administering recreation programming, maintaining the infrastructure, or providing public safety services.

Program Budget - A budget which allocates money to the functions or activities of a government rather than to specific items of cost or to specific departments.

Proprietary Funds – Sometimes referred to as commercial-type funds, this classification of funds is used to account for a government’s ongoing organizations and activities that are similar to those found in the private sector (enterprise and internal service funds).

Quality - Refers to the level of satisfaction expressed by customers of a particular program with respect to the goods and services delivered to them by a governmental unit or department.

Refunding Bonds - Bonds issued to retire bonds already outstanding. The refunding bonds may be sold for cash and outstanding bonds redeemed in cash, or the refunding bonds may be exchanged with holders of outstanding bonds.

Reserve - (1) An account used to segregate a portion of fund balance to indicate that it is not available for expenditure; and (2) an account used to segregate a portion of fund equity as legally set aside for a specific future use.

Revenue - Income received by the City in support of a program of services to the community. It includes such items as property taxes, fees, user charges, grants, fines and forfeits, interest income and miscellaneous revenue. The term designates an increase to a fund's assets from other than expense refunds, capital contributions, and residual equity transfers.

Revenue Bonds – Bonds whose principal and interest are secured by and payable exclusively from earnings of an enterprise fund.

Special Revenue Fund - A fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

Transfers - The authorized exchanges of cash or other resources between funds, divisions, departments, and/or capital projects.

Several assumptions were utilized during preparation of the biennial budget to project the revenues the city will receive and expenditures the city will incur during the 2013/2014 biennium. The following is a summary of the major assumptions utilized:

REVENUES

- ◆ Most major revenues are expected to increase by 3%-4% in 2013 relative to projected 2012 revenues and by 3%-4% again in 2014 relative to projected 2013 revenues.
- ◆ Sales tax is projected to increase by 3% in 2013 relative to projected 2012 sales tax receipts and by 3% again in 2014 relative to projected 2013 revenues. All sales tax receipts received from the construction of a new hospital in the city's Southridge area will be receipted into the city's Capital Improvement Fund (capital program) to replenish reserve levels. Normally, only a portion of the optional sales tax, which represents half of the city's portion of the overall sales tax rate in Kennewick, is receipted into the Capital Improvement Fund.
- ◆ Optional Sales tax relating to the city's economic development efforts will be receipted into the General Fund to help fund the ongoing economic development efforts up to an amount not to exceed \$500,000 annually.
- ◆ Property tax revenue was projected utilizing the following assumptions:
 - New construction is estimated to be \$90.8 million for the 2013 levy based on preliminary assessed values provided by the County Assessor. Of this amount, \$8 million is estimated to be new construction within the city's Southridge Local Revitalization Area (LRA), and therefore 75% of the property tax generated from the new construction is dedicated to the LRA under state law.
 - New construction is estimated to be \$100 million for 2014 and it is assumed that 50% of the new construction will occur in the Southridge Local Revitalization Area (LRA). Again, the property tax generated from that new construction will be dedicated to the LRA under the requirements of the State's Revitalization Financing (LRF) program.
 - The city will devote \$114,000 of its annual operating levy each year during the biennium to the Firemen's Pension Fund based on the recommendation of the most recent actuarial study performed for the fund.
 - The city will maintain its 2012 levy rate of \$2.12/\$1,000 of assessed valuation and utilize \$35,000 of its existing banked capacity with its 2013 levy to help fund a portion of three (3) new entry level police officer positions. The city's remaining banked capacity will be approximately \$142,000.

- ◆ Electric utility tax revenue generated through gross sales of electricity from the Benton Public Utilities District (PUD) is projected to increase by 4% in both 2013 and 2014 due to minor growth in consumption and customers and minor anticipated rate increases of 1% - 2% each year.
- ◆ Telephone utility tax is projected to remain flat in 2013 when compared to 2012 and then increase by 3% in 2014. The city has experienced declines of 5% - 6% in this tax revenue source in both 2011 and 2012 due to an increase in the prominence of non-taxable data services within cell phone plans and the elimination of land line phones by residents. Current trends suggest that the reductions experienced thus far during the 2011/2012 biennium have begun to diminish and the city should see a minor upward trend from this revenue source starting in 2014.
- ◆ State shared revenues were projected utilizing Municipal Research & Services Center of Washington (MRSC) and Washington Office of Financial Management (OFM) estimates, which are typically based on a per capita distribution. These estimates reflect the deferral of liquor excise tax revenue historically allocated to cities to the State of Washington's General Fund from July of 2012 through June of 2013 as a result of legislation passed to help the state balance its 2011-2013 biennial budget. The assumption utilized for the 2013/2014 biennium is that cities will begin receiving liquor excise tax revenue again starting with the distribution for the 3rd quarter of 2013.
- ◆ Grant revenues were projected only for awarded operating grants within the General Fund. Assumptions for certain grant revenues have been incorporated into the budget for the city's capital funds with the understanding that the completion of the capital projects associated with the projected grant proceeds are contingent on the grants being awarded to the city.
- ◆ Annual rate adjustments based on the annual change to the consumer price index (CPI) are projected in both 2013 and 2014 on water and sewer services as well as the city's monthly household stormwater utility charge pursuant to existing Council policies and the Kennewick Municipal Code.
- ◆ The city's monthly household ambulance utility charge is projected at its current rate of \$5.50 plus annual increases each year of the biennium based on the consumer price index (CPI). In conjunction with revenue generated from transport charges, the revenue generated from the monthly household ambulance utility charge allows the city's ambulance utility to be completely self-sufficient (no contribution is required from the city's General Fund).
- ◆ Pursuant to Kennewick City Council's budget policy, all fuel taxes are now receipted into its Street Fund in support of operations. However, the city has also discontinued its previous policy of transferring \$450,000 annually (\$900,000 for the biennium) from the Capital Improvement Fund to the Street Fund to pay for street lighting costs.

- ◆ The 2013/2014 budget for the city's Capital Improvement Fund (CIP Fund) assumes the implementation of a Transportation Benefit District (TBD), or other similar alternative revenue source that will provide approximately \$1.2 million in ongoing funding for the city's capital program beginning in 2014. The Kennewick City Council has formed a Blue Ribbon Committee that is in the process of evaluating the city's 20-year capital program to identify needs and funding alternatives. A recommendation will be presented to the Council in 2013 for potential implementation in 2014.

EXPENDITURES

- ◆ The city will provide a cost of living adjustment to existing salaries and wages in 2013 and 2014 based on contract settlements (or projected contract settlements) for union personnel. The 2013/2014 budget also allows for an increase to the non-contract salary schedule each year of the biennium based on the annual change in the consumer price index (CPI) and changes implemented by the city's comparator agencies. However, non-contract annual pay increases are not automatic. Instead, these increases are based on attainment of pay-for-performance goals, demonstration of core competencies and mastery of technical skill requirements for each position.
- ◆ The city's cost for medical insurance are projected to increase by approximately 6% in 2013 and 10% in 2014. Dental insurance is expected to increase by 7.5% in both years, while vision insurance costs are projected to remain flat in 2013 and increase by 5% in 2014. Life and disability insurance are expected to increase by 3% each year of the biennium. And lastly, L & I (workers' compensation) premiums are expected to increase by 5% in both 2013 and 2014.
- ◆ The city's employer retirement contribution rates were projected based on the most recent recommendations by the Office of the State Actuary. The rates included in the 2013/2014 biennial budget are as follows: PERS Plan contribution rates will increase from the current rate of 7.08% to 9.10% on 7/1/13 and rates will remain at that level through the conclusion of the biennium. LEOFF II contribution rates for the city will remain at their current rate of 5.24% for the entirety of the biennium. Employer contribution rates for LEOFF 1 plan participants will also remain unchanged at 0.16%.
- ◆ The city's costs for jail services for 2013/2014 were estimated utilizing a bed day rate of approximately \$73 and assumed that the number of bed days utilized would be similar to current levels (approximately 2,968 per month).
- ◆ Expenditures for District Court services and the Office of Public Defense are projected based on the preliminary 2013/2014 biennial budget submitted by each agency to the Benton County Commissioners and the city's projected allocation based on caseloads. The city's allocation factors for District Court and the Office of Public Defense are projected to be 29.93% and 38.5%, respectively.
- ◆ Dispatch and emergency service costs were also projected based on the 2013 budget for each agency as approved by their Executive Board. Additionally, a 5% increase is projected for 2014.

- ◆ The city will provide a subsidy of \$700,000 to the Toyota Center (an Enterprise Fund) during the 2013/2014 biennium. This subsidy will consist of \$400,000 from the General Fund and \$300,000 from the Lodging Tax Fund using excess lodging tax revenues.
- ◆ The city will provide a subsidy of \$110,000 to its Columbia Parks Golf Links golf course during the 2013/2014 biennium. This subsidy will be provided from the General Fund.
- ◆ The 2013/2014 budget includes a transfer of \$1,000,000 from the General Fund to the Capital Improvement Fund each year of the biennium in accordance with the city's budgetary policy for City Council to evaluate such a transfer each year to fund Council priority capital programs.
- ◆ An allowance for under-expenditures of \$1.3 million has been budgeted within the General Fund for the 2013/2014 biennium. This item reflects expected savings in budgeted expenditures during the biennium, primarily through personnel savings generated from vacant positions.
- ◆ The city has reduced its overall workforce by 31 positions since the close of the 2003/2004 biennium. These reductions were created through attrition and all future position vacancies will be evaluated to determine city-wide needs and how they most appropriately will be filled.

Several vulnerabilities exist that may have a significant impact on the City of Kennewick's 2013/2014 biennial budget. The following is a list of the major vulnerabilities identified during the budget process:

- ◆ Statewide initiatives that impact the city's revenue base will continue to be a major vulnerability during the 2013/2014 biennium and will be closely monitored. Specifically, the city is evaluating the impact of initiatives that require a 2/3 vote in the legislature to increase taxes at the state level and that legalized marijuana in Washington State. Both initiatives could have a significant impact to cities in Washington both from a budgetary and operational perspective.
- ◆ Cities continue to be faced with unfunded state and federal mandates. Initial projections for the State of Washington's 2013-2015 biennial budget indicate that the state may again be facing a significant deficit within its General Fund. In order to balance this deficit, the State will likely be pushing down unfunded mandates to the city as well as increases to fees for services and state permits. Additionally, the city's state-shared revenues are vulnerable to potential reallocation to the State's General Fund. The city will closely monitor major legislation at the state level and will work with our local legislators, state lobbyist and the Association of Washington Cities (AWC) to minimize the impacts of new legislation on the City of Kennewick.
- ◆ Approximately \$2 billion in federal stimulus funding for clean-up projects at the Hanford site circulated through the local economy from 2009 through 2011, which provided a significant boost and spurred growth in the area. With that funding now gone, the local economy is vulnerable to some level of retraction. Current economic conditions and indicators support the revenue assumptions utilized to prepare the 2013/2014 budget.

However, should economic conditions change drastically during the course of the biennium, revenue projections, including projections for sales, utility and real estate excise taxes, may need to be reevaluated and adjusted accordingly.

- ◆ Non-personnel budget requests within the General and Street Funds for the 2013/2014 biennium increased by roughly 3% when compared to the 2011/2012 adjusted budget. However, this very moderate increase to the budget results in a number of vulnerabilities within nearly every department. As the city progresses through the 2013/2014 biennium, it will be imperative to monitor the General and Street Funds closely and proactively address any potential budgetary shortfalls in non-personnel line-item budgets.
- ◆ Jail costs represent a significant operating cost for the city and represent a vulnerability in the 2013/2014 biennial budget. Any increases to the jail bed day rate above the projected rate for the biennium of \$73 per bed day or significant increases in jail usage could result in a significant increase to the city's costs for jail services. Conversely, if the County is able to generate additional contracted bed days with outside agencies and reduce the bed day rate below \$73 per day, the city may experience significant savings that could be utilized for other priority programs and services.
- ◆ In 2012 Benton County Emergency Services (BCES) lost its CSEPP funding. This, coupled with increased costs per radio associated with of the new 800 MHz radio system, resulted in an increase to the per radio charge to each participating agency. BCES is currently working with Franklin County to determine the feasibility of adding their agencies to the dispatch program, which would result in a more efficient and cost effective system for all participants. The city's 2013/2014 budget for dispatch and 800 MHz radios does not reflect the addition of Franklin County to the system. If this partnership can be accomplished, it may result in significant budgetary savings.
- ◆ In June of 2012, the Washington State Supreme Court adopted misdemeanor caseload standards that will become effective September 1, 2013 and that limit the maximum caseload of full-time public defenders to 300 or 400 cases per year, depending on whether a jurisdiction has developed a case weighting system. The city is currently in the process of working with the Benton County Office of Public Defense to develop a case weighting system and minimize the financial implications of the new caseload standards. However, the potential exists that the new standards could result in a significant increase to the city's current costs for indigent defense.
- ◆ The city's collective bargaining agreements with 4 of its 5 labor unions will expire at the conclusion of 2013. Negotiations with these groups for new contract will begin in 2013 and assumptions have been included in the 2013/2014 biennial budget regarding the expected outcome of these negotiations. However, until these labor contracts have been settled, there is uncertainty regarding the budgetary implications of the agreements.
- ◆ Fuel costs continue to be a vulnerability due to their volatility. The city is estimating the next biennium at an average of \$3.65 per gallon and consumption similar to what has been experienced during the 2011/2012 biennium with a small contingency for increased prices or consumption.

- ◆ The city continues to evaluate how to fund additional growth (due to new construction and annexations) with existing resources. Currently our inflationary increases (or in some cases less than inflationary increases) of our major revenue sources do not cover existing program inflationary increases, therefore requiring us to use our growth revenues to cover existing programs rather than to cover the cost to maintain the growth.
- ◆ The city has numerous new program requests that would help provide a more effective work environment. The new program requests were all reviewed and prioritized during the 2013/2014 biennial budget and only a few were able to be funded due to our resource constraints. These new programs will continue to be evaluated during the biennium if any funding opportunities arise.
- ◆ The current trend in the Building Safety Fund is a significant upturn in building permit revenue during 2012, due in large part to significant new construction occurring in the city's Southridge area, including residential homes, apartment and senior living complexes, and a new Kennewick General Hospital (KGH) facility. Building permit revenues are projected to remain similar to levels experienced in 2011 and 2012, after backing out the significant one-time permit revenue generated by the new KGH hospital facility. Should market conditions change, it could create vulnerability in our Building Safety Fund both in terms of ongoing revenue and existing Fund Balance reserves.
- ◆ With the exception of some capital funding that has been dedicated for police and fire vehicle and apparatus replacement programs and some street and park equipment, the city is currently not collecting replacement charges for equipment dedicated to general governmental programs, including much of the city's facility & grounds fleet and major equipment. Reserve funds for equipment replacement may not be adequate to cover future fleet and equipment needs in these funds and alternative sources of funding may need to be explored.
- ◆ The city has already begun planning for its next biennial budget and initial projections indicate that the city will most likely be facing a shortfall from meeting its 5% reserve requirement in 2015/2016. It will be imperative for the city to begin addressing this deficit during the course of the 2013/2014 biennium to solidify its financial position for the future.