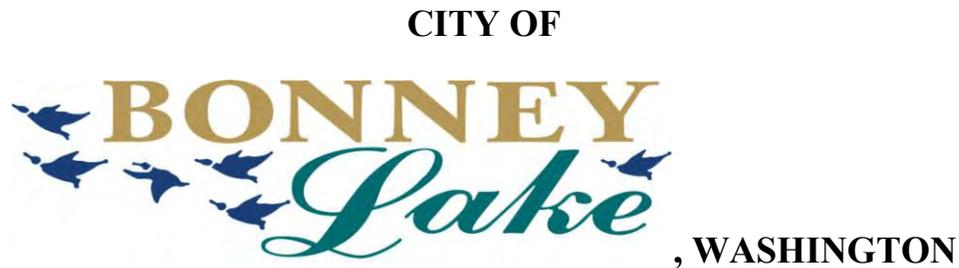


City Of
BONNEY
Lake

Adopted Budget for Fiscal Years
2013 ~ 2014

**BIENNIAL
BUDGET**





ADOPTED BUDGET

For the Fiscal Years

January 1, 2013 through December 31, 2014

MAYOR

Neil Johnson, Jr.

CITY COUNCIL

Dan Swatman, Deputy Mayor
Mark Hamilton
Donn Lewis
Randy McKibbin
Katrina Minton-Davis
James Rackley
Tom Watson

CITY ADMINISTRATOR

Don Morrison

CHIEF FINANCIAL OFFICER

Al Juarez

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The **Government Finance Officers Association of the United States and Canada (GFOA)** presented a Distinguished Budget Presentation Award to the **City of Bonney Lake, Washington** for its biennial budget for the biennium beginning January 1, 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 operations guide, as a financial plan, and as a communications device. This award is valid for a period of two years only.

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READER'S GUIDE TO THE BUDGET

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

Section 1: General Information

This section contains:

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

Section 2: Policies and Ordinances

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

- The city's calendar for budget preparation;
- The City Council's Vision, Mission, and Goals table explains how the proposed budget responds to the vision, mission and goals of the City Council;
- The adopting ordinances of the 2013-2014 Biennial Budget.

Section 3: Financial Summary

The Budget Summary contains a look at the City of Bonney Lake's financial picture, including budget highlights, estimated revenues, and financial forecasts for the 2013-2014 biennium.

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

Section 4: General Fund Program Summaries

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

Section 5: Other Funds

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

Governmental Funds

Special Revenue Funds

Drug Investigation

Contingency

Debt Services Funds

Capital Funds

Street Capital Improvement Program

Parks Capital Improvement Program

General Government Capital Improvement Program

Civic Center Capital Improvement Program

Proprietary Funds

Enterprise Funds

Water

Stormwater

Sewer

Internal Service Funds

Equipment Rental & Replacement

Insurance

Section 6: About the City of Bonney Lake

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

Section 7: Glossary of Terms and Acronyms

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

BONNEY LAKE CITY COUNCIL

Neil Johnson, Jr.



Mayor
Current Term Expires
December 31, 2013
neiljohnsonjr@comcast.net

Dan Swatman



Deputy Mayor
Current Term Expires
December 31, 2013
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Randy McKibbin



Current Term Expires
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Mark Hamilton



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Katrina Minton-Davis



Current Term Expires
December 31, 2015
Minton-davisk@ci.bonney-lake.wa.us

The City of Bonney Lake...

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



BONNEY LAKE AT A GLANCE



CITY OF BONNEY LAKE

General Information

Date of Incorporation	1949
Form of Government	Mayor-Council
Type of Government	Non-Charter, Code City
Location	19 miles east of Tacoma
Land Area	9.21 square miles
2012 Rank in Size – Washington State	57
2012 Rank in Size – Pierce County	5
2012 Population	17,730
2011 Assessed Valuation	1,688,464,255
2013 Authorized Full-Time Employees <i>(Excludes elected officials)</i>	133.75

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January 1, 2013

Dear Council Members, Citizens, and Staff:

On December 11, 2012 the City Council adopted the biennial budget for the 2013-2014 fiscal biennium. There are some budget issues the Council still wants to review, so I anticipate there will be additional budget discussions the first part of this year, possibly during the Council's annual retreat.

The adopted budget incorporated the City's goals and priorities from adopted comprehensive plans, and from various Council workshops and retreats.

The Council, Administration and staff continue to work diligently, within the resources available, to provide effective and efficient service to the citizens of Bonney Lake. This budget again holds the line on City expenditures. Departments were given budget targets that were no greater than the average of the past 3 year's expenditures. With a continued strained economy and diminishing local revenues due to economic stagnation and loss of state-shared revenues, this budget reflects a maintenance of operations budget with similar levels of service to the last biennium. The intent of the budget document is to not only lay out the spending plan of the city, but to also make the budget straightforward, readable, and easy to understand. One goal is to help citizens better understand how the City works, where the money comes from, and where it goes.

I would like to especially thank members of my executive staff for their work in developing this biennial budget. Thanks to the department heads, and to Chief Financial Officer Al Juarez, Accounting Manager Kassandra Raymond, and City Administrator Don Morrison for their dedication and long hours in putting together this budget document. It is no easy task. Kassandra gets my special thanks, as she again took the lead this year in compiling the budget. She has a great deal of experience in this area, and her expertise made it much easier to prepare the budget. Kassandra recently accepted a position with the City of Sumner. I wish her well in her new position, and express my appreciation to her for the great help she has been to the City in putting our last two biennial budgets together. It is our intent to again submit the budget document to the Government Finance Officers Association (GFOA) as a candidate for another national budget award. We first received this prestigious award for the 2009-2010 biennial budget, which was the first time the City had ever received such an award.

Explanation of the Budget Document

It is my belief that the average citizen should be able to read the budget and know what services and projects are provided in the budget. This budget attempts to do just that. I hope you find it readable and informative.

This budget is a combined 2013-2014 biennial budget. However, we have broken out 2013 and 2014 revenues and expenditures into separate columns, with distinct goals and projects. The funds identified for each individual year will serve as a general administrative allocation for each of the two years of the biennium.

Financial Policy Decisions

The adopted budget continues the process of direct charging of service costs (cost allocation) to the appropriate fund so that we can better track expenses by fund. The appropriate fair share of selected General Fund allocation costs to utilities is transferred monthly. Pursuant to recommendation from the state auditor, the City undertook to develop an updated cost allocation plan. The city's cost allocation program had not been updated since the early 2000s. We engaged the FCS Group to develop this updated indirect service plan and schedule for the City. This new cost allocation schedule incorporates best management practices outlined by the State Auditor's office. This budget incorporates their findings and recommendations. In short, the new cost allocation schedule increased the utilities contribution to the General Fund for support services by approximately 15%.

The City's "Rainy Day Fund" (Contingency Fund 126) is currently at \$1,112,545. We made no proposal to use any of those funds, and the Council likewise made no appropriation.

We have retained the same allocation and distribution of Real Estate Excise Tax (REET) funds as we have in previous years. These funds are restricted to capital improvements and infrastructure maintenance. With the downturn in the economy, however, REET revenue collections are running less than half of what they did in 2006, resulting in reduced funding for capital projects. REET funds are allocated 50% to Streets CIP; 35% to Parks CIP; and 15% to General Government CIP. This has been the allocation for each of the past 10 years.

Revenue Forecast

From 2002 – 2006, General Fund revenues increased by an average of nearly \$1.0 million per year, reflecting the rapid pace of growth in the City and the strength of the local economy. Although we anticipated a construction downturn in 2006, it did not materialize until 2007. Since 2007 however, there has been a general decline in housing sales. Accordingly, building permit fees are down nearly 75% over 2007 highs, as are Real Estate Excise Tax (REET) revenues.

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

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

1. Sales taxes
2. Property taxes
3. Building Permits

4. Utility taxes
5. Fines and Forfeitures

The City estimated to end 2012 with \$3.3M in sales tax collections. For 2007 the amount was \$3.8M. While general City sales tax collections from retail sales and food establishments remain flat due to the increases in the number of new businesses, sales tax growth has slowed dramatically. As a result of the stagnant building industry, sale tax collections from new construction is off more than 50% over previous highs. This accounts for the overall decrease in sales tax collections over previous highs.

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

By state law, property tax is currently capped at a 1% increase plus the value of any annexations and new construction. For several years now, the City's net effective tax rate has decreased because the higher assessed valuation from growth and property appreciation spreads the tax over a broader base, resulting in a lower rate. The City rate is now 1.375 mills. Because of declining property valuations, the corresponding tax rates have been slow to increase over the past few years. In 2007 the rate was 1.300 mills. We are starting to see property values begin to rise over previous lows. While that does not affect the amount of property tax collected, it does provide some relief against the likelihood of hitting the 1.60 mill rate cap. *Note: A mill is one dollar (\$1.00) in property tax for every thousand dollars of assessed valuation. The City is authorized up to \$1.60 per thousand.*

The Bonney Lake real estate boom of the mid 2000s has not yet recovered from the nose dive that started at the end of 2007. Both 2005 and 2006 set new records for license and permit revenue. 2005 topped the \$1 million mark for the first time in the City's history. 2006 and 2007 each ended at \$1.7M in license and building permit related revenue. However, as the recession hit, 2008 license and permit revenue dropped to \$687,000, and in 2009 it further dropped to \$376,000. 2010 ended up a bit at \$470,362, but fell again in 2011 to \$430,146. Given the desirability of the Bonney Lake area, we anticipate some continued in-fill and development. Easttown development will eventually become a reality after a sewer liftstation collection system is installed. There is some remaining commercial property in Midtown, and Easttown may likely be the City's last major commercial development zone, and it is anticipated to be built over a span of many years. We also expect a slow but steady transition and renovation of the downtown area. We have added incentives to downtown redevelopment, and hope to explore other means of spurring redevelopment.

We anticipate the previous downturn in building permits and permit valuation to continue through the 2013-2014 biennium with modest growth, but not to prerecession levels.

Utility taxes generally increase as the City grows and adds new utility customers. While conservation can reduce the amount of a utility bill, and thus the City's utility tax collections, utility tax receipts have actually dropped significantly this past year. This was unforeseen and has caused a significant dent in the revenue budget. There are several factors at play. The

slowdown in the economy has caused people to conserve generally. A wetter spring and early summer reduced demand for water. Federal law changes in the taxing of natural gas reduced utility taxes from natural gas utilities. The reduction in hardwired phone lines (dropping land lines and relying solely on cell phones) decreased utility tax collections on tradition phone revenues, and a higher than average vacancy rate (vacant homes without utility service) reduced the demand for utility services. We are projecting a 2012 year end total of \$2.4M in utility tax collections, a slight drop from 2010 and 2011 levels.

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

Additional Financing Options

While I did not propose raising any new taxes to balance this budget, if the revenues programmed to balance the budget do not materialize, then the City will need to make additional spending cuts during the mid-biennial budget process and/or raise additional revenues. Additional sources I have had staff research include a nominal 0.001 B&O tax which would generate approximately \$394,000 annually, a 2% tax increase on water related utilities that would generate approximately \$236,000 generally, and the creation of a transportation benefit district and imposition of a .02 percent sales tax increase (with a vote of the people) that would generate \$807,000 annually that would be dedicated to street improvements, maintenance, and sidewalks.

Expenditure Forecast

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

During 2008 the city elected to engage a biennial (two year) budget therefore adopting their first biennial budget, pursuant to statute, for the period beginning January 1, 2009 through December 31, 2010. The 2013-2014 biennium will be the City's third biennial budget. Municipal budgets in the State of Washington are required to be a balanced document in which revenues and expenditures equal. The city prepares and presents each year of the biennium within distinct columns that illustrate both revenues and expenditures for the applicable year of the biennium. We are further held accountable to the WA State Auditor for compliance with this original planning document and subsequent modifications that occur throughout the year of operations.

In the General Fund, the biggest expenditure allocation goes to the Police Department, which consumes 40% of the General Fund budget, followed by the Community Development Department at 10.4%.

Law enforcement (the Police Department) is segregated into multiple divisions to assist in the management and operation of the overall department, including: Administration, Investigations, Patrol, Marine Services, Community Services Programs, Traffic Enforcement, Evidence and Property, Care and Custody of Prisoners (jail contract), and Communications (dispatch contract).

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

The Finance Department provides central services, accounting, financial management and planning, budgeting assistance, utility billing, and internal support to other departments. In addition to providing salaries and benefits for a staff of ten employees, the following operating services are budgeted within this department: WA State Auditors services, banking and credit card processing services, armored car services for banking activities, and lock box fees.

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

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

City Staffing and Salaries

The City grew rapidly between 2000 and 2007, from 9,687 residents to 15,740, or 62%. This was an average annual growth rate of approximately 8%. From 2007 to 2010, City population grew to 16,690, which was an annual grow rate of only 2%. This early growth impacted all departments of the City. Most City staff growth lagged behind general population growth by about 10%, except in the City utilities and police department. Due to the stagnant economy, no new positions have been added to the budget since 2008 unless they were grant funded, and then very few. Because the City already employed fewer staff per capita than comparable cities, reductions in staffing would likely mean a corresponding reduction in service levels. The only

new position included in the 2013-2014 biennial budget is that of a probation officer. We have found that creating a municipal probation office, and using probation fees and funds that would otherwise go to the state, will fully fund a probation office, and also provide some fiscal relief to the General Fund.

From 2008 through 2012 the City continued to decrease and squeeze operating budgets. Supplies and services were cut. Some operations were “right sized” to better match staffing levels with work loads.

The AFSCME contract which covers all employees other than non-represented employees and police department personnel expired December 31, 2012. As of this writing, we are still in negotiations. The results of those negotiations may have an impact on the adopted budget. Depending on how those contracts are renewed, a budget amendment may be required once a new contract is in place.

The two Police Guild contracts are set through December of 2014 - the entire 2013-2014 biennium. The current contract will give public safety employees a 2.88% increase on January 1st of 2013, and another 2.88% increase on January 1st of 2014. This has been included in the adopted budget.

The salary ordinance covering non-represented employees is not part of the budget document, and is considered separately.

Budget Balancing Actions

Notwithstanding all of the economizing that has been done over the past 4 years, if existing general government debt service (for 800MHz system and Justice Center) were to be paid exclusively from the General Fund, we would have been \$800,000 short of balancing the budget. In order to meet our obligations, I proposed the following, which has been incorporated into the adopted budget:

In accordance with Council direction to present a balanced budget that does not rely on reserves, and spends no more than we take in, two key budget balancing actions were proposed. First, the \$231,000 800MHz police radio system debt payment was budgeted to be paid out of the Drug Investigation Fund – as was originally intended. This assumes that over the biennium, receipts to the fund will be sufficient to cover the expenditures. If not, other revenue sources will need to be identified to make the payments. This may require an interfund loan until the fund receives sufficient revenue to pay off the obligation. Second, the \$681,000 Justice Center debt service bond payment is budgeted to be paid from the General Government Capital Improvement Fund. Funds for the debt payments are scheduled to come from the sale of the former City Hall property the City owns on 192nd Ave near Target. If the property is not sold, or sold in a timely manner, other revenue sources will need to be identified to make the loan payments. The City is also moving ahead with a potential bond refinancing to combine the 800MHz loan and JC bond. This should be a promising means of reducing the costs of our long term debt payments. If an interest only payment schedule is set up for the first five (5) years of the refinancing, it will

significantly ease budget pressures. Even with an interest only payment for the first few years, the subsequent P&I annual payments will still be less than they are today.

Budget Highlights:

Each department budget includes the budget highlights and goals for the new biennium. This budget discusses each budget program individually. Some of the key programs or projects funded in the 2013-2014 biennium include:

- Maintenance of special events, arts, and city beautification programs;
- A variety of equipment and fleet replacements and acquisitions as described in the Equipment Rental and Replacement Fund budget;
- Continuation of the limited street improvement programs;
- Continuation of the Capital Improvement Program within the limits of available funding.

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

- Completion of Phase II tenant improvements the Justice Center;
- Completion of the Fennel Creek Trail Link through the Safe Routes grant;
- Creation of a self-funded probation office in the municipal court
- Completion of SR410 and Main Street intersection improvements
- Easttown sewer lift station
- Angeline Road improvements
- Various sewer trunk line improvements
- Upgrades to the joint Sumner wastewater treatment plant

Metropolitan Park District

My desire to improve and expand the Bonney Lake Parks and Open Space system is shared by the majority of the council and the citizenry at large. However, in order to be able to adequately fund the projects identified in the adopted Parks Plan, a dedicated source of park funding is needed. The creation of a Metropolitan Parks District covering the boundaries of the City is the most feasible option available for us to be able to develop a sports complex, expand parks and playgrounds, build the Fennel Creek trail, construct a community recreation center, and develop the other improvements contained in the plan. On December 11th, the Council voted to put a proposition on the April 2013 ballot to create a park district, which would be the type of financing mechanism needed to develop a viable park system in the City.

Summary

I am pleased with the positive working relationship we have established between mayor, council, and staff. It is a pleasure to work with a group of individuals who are willing to work together for the betterment of Bonney Lake. We have made considerable community progress during this

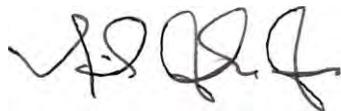
past biennium despite a challenging economy. Everyone has pitched in and helped economize where possible. We have been very successful at doing more with less.

Bonney Lake is fortunate to have a somewhat diverse tax base. However, the City needs to continue to enhance and diversify its tax base. We must be very judicious in how we allocate scarce resources for a variety of capital needs that run into the hundreds of millions of dollars. There is nowhere near enough funding to address all of the projects identified in the various comprehensive plans of the City. We will need to be creative and pursue the full range of available funding sources. The development of our financial planning model tied to our capital plans has helped us realistically plan a viable capital program. It will continue to prove very helpful in identifying our challenges and options, and in achieving our goals.

From 2006 through 2012 the City was active and aggressive in seeking grant funds for streets, sidewalks, public safety, and various community services. Since 2006, the City has secured over \$4 million in grant funds for the community. The Executive Assistant, in his role as chief grant writer and coordinator, was largely responsible for that. Given that the position is not funded for 2013, I do not anticipate much additional grant funding until the position is refilled. The funding for the position is included for 2014.

In closing, the real thanks for the City's success comes from the work performed by city staff, the hours spent by the City Council in formulating policy and conducting the business of the city, and the many volunteer hours spent by citizens on City Boards and committees. I would also like to thank the citizens, service organizations, and community volunteers that make our city what it is. We have made a lot of progress this year, and I am confident that we will see considerably more progress during the next biennium.

Sincerely,



Neil Johnson Jr., Mayor



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

Budget Document Public Comment

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

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

1	2	3	4	5
Difficult	Somewhat Difficult	OK	Easy	Excellent

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

1 = Very Helpful 2 = Helpful 3 = Not Helpful

_____ Introductory Section

_____ Policies & Ordinances

_____ Financial Summary

_____ Program Summaries

_____ Other Funds

_____ About the City

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

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

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

5. General Comments

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



POLICIES

and

ORDINANCES

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BUDGET AND GENERAL FISCAL POLICIES

The following administrative policies have been followed in preparation of the 2013-2014 biennial budget. The administration uses these policies to manage and monitor the execution of the budget. City Administration intends to continue work with the Council Finance Committee during the biennium to review and refine the financial as well as the debt policies of the City.

Budget Policies

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

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

Any use of operating reserve/fund balance over the budgeted amount shall be approved by City Council action and disclosed in budget materials.

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

The Budget Process

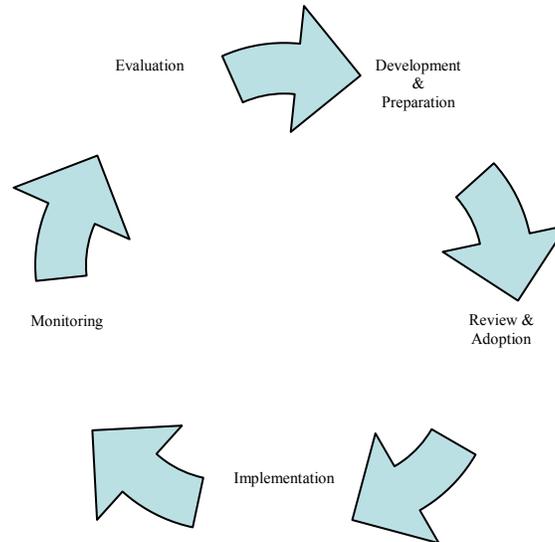
In Washington, city government fiscal years follow the calendar year (January 1st to December 31st). Municipal government fiscal years do not coincide with the fiscal years of the state government (July 1 – June 30) or the federal government (October 1 – September 30).

The City of Bonney Lake began budgeting on a biennial basis for the period of January 1, 2007 – December 31, 2008. For administrative purposes, the biennial budget allocates budgets separately for 2013 and 2014. Legally, however, the budget is a biennial budget, meaning that the combined allocations for 2013 and 2014 constitute the official adopted budget for the biennium. Technically, funds anticipated to be spent in 2013 could be deferred to 2014. Likewise, funds anticipated for 2014 could be spent in 2013. It will be the policy of the Administration to expend the budget according to plan. After the budget is adopted, the Executive Department will issue guidelines to the departments regarding implementation of the biennial budget, including schedules and timelines for certain planned expenditures.

State law provides for a mid-biennial review. Thus, in November or December of 2013 the budget will be amended and updated. It is anticipated that the number of amendments will be

nominal and primarily address unforeseen or changed circumstances, or major changes in Council policies or priorities.

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



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

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

Budget Roles & Responsibilities

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

The financial planning model and Capital Improvement Plan is the estimated amount planned to be expended for capital items in the next six years, and the revenues available or planned to finance the improvements. Capital items are assets such as facilities and equipment. The

financial planning model and capital improvement plan is a blueprint for preparation of both the operation and capital budgets and is integrated with the budget preparation process.

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

Biennial Budget Preparation Timeline (*Odd Years Only*¹)

Major Steps in Budget Preparation	State Law Time Limitations	City of Bonney Lake Schedule
1. Council holds workshop to develop City's mission, vision, and values statements which will guide budget development.	N/A	<i>Carried over from 2011 Council retreat</i>
2. Council adopts budget goals for 2013-2014 budget	N/A	<i>Carried over from 2011 Council retreat</i>
3. Request to all department directors and those in charge of municipal offices to prepare detailed estimates of revenue and expenditures for the next calendar year.	By second Monday in September	08/13/2012
4. Estimates are to be filed with the Chief Financial Officer	By fourth Monday in September	09/21/2012
5. Mayor, City Administrator and Chief Financial Officer review proposed budgets with department directors.	N/A	10/10/2012 10/11/2012 10/12/2012
6. Estimates are presented to the City Mayor and Administrator for modifications, revisions, or additions. Chief Financial Officer must submit to the Mayor and City Administrator a proposed preliminary budget setting forth the complete financial program, showing expenditures requested by each department and sources of revenue by which each program is proposed to be financed.	On or before the first business day in the third month prior to beginning of the fiscal year.	09/05/2012
7. Mayor provides Council with information on revenue estimates in the current budget and proposed preliminary budget.	No later than the first Monday in October	09/04/2012
8. Mayor prepares proposed budget and budget message and files with City Council and City Clerk.	At least sixty days before the ensuing fiscal year	11/06/2012
9. Copies of proposed (preliminary) budget made available to the public.	No later than six weeks before January 1	11/06/2012
10. The legislative body, or a committee thereof, must schedule meetings on the budget or parts of the budget.	Prior to the final hearing	11/20/2012 11/27/2012 12/04/2012
11. Setting property tax levies: a. Review with Council at workshop b. File certified levy with County	November 30	11/13/2012

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

12. Clerk publishes notice of filing of preliminary budget and publishes notice of public hearing on final budget once a week for two consecutive weeks.	No later than the first two weeks in November	11/01/2012
13. Adoption of budget for 2011-2012		
a. Public Hearing	On or before first Monday of December, and may be no later than the 25 th day prior to next fiscal year	11/20/2012 11/27/2012 12/04/2012
b. Budget Ordinance	Following the public hearing and prior to the beginning of the ensuing fiscal year	12/11/2012
14. Copies of the final budget to be transmitted to the Division of the Municipal Corporations in the Office of the State Auditor, the Association of Washington Cities, and the Municipal Research & Services Center	After adoption	01/01/2013

Accounting System and Policies

Basis of Accounting and Budgeting

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

Basis of Budgeting

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

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

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

Budgeting, Accounting, and Reporting System (BARS)

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

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

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

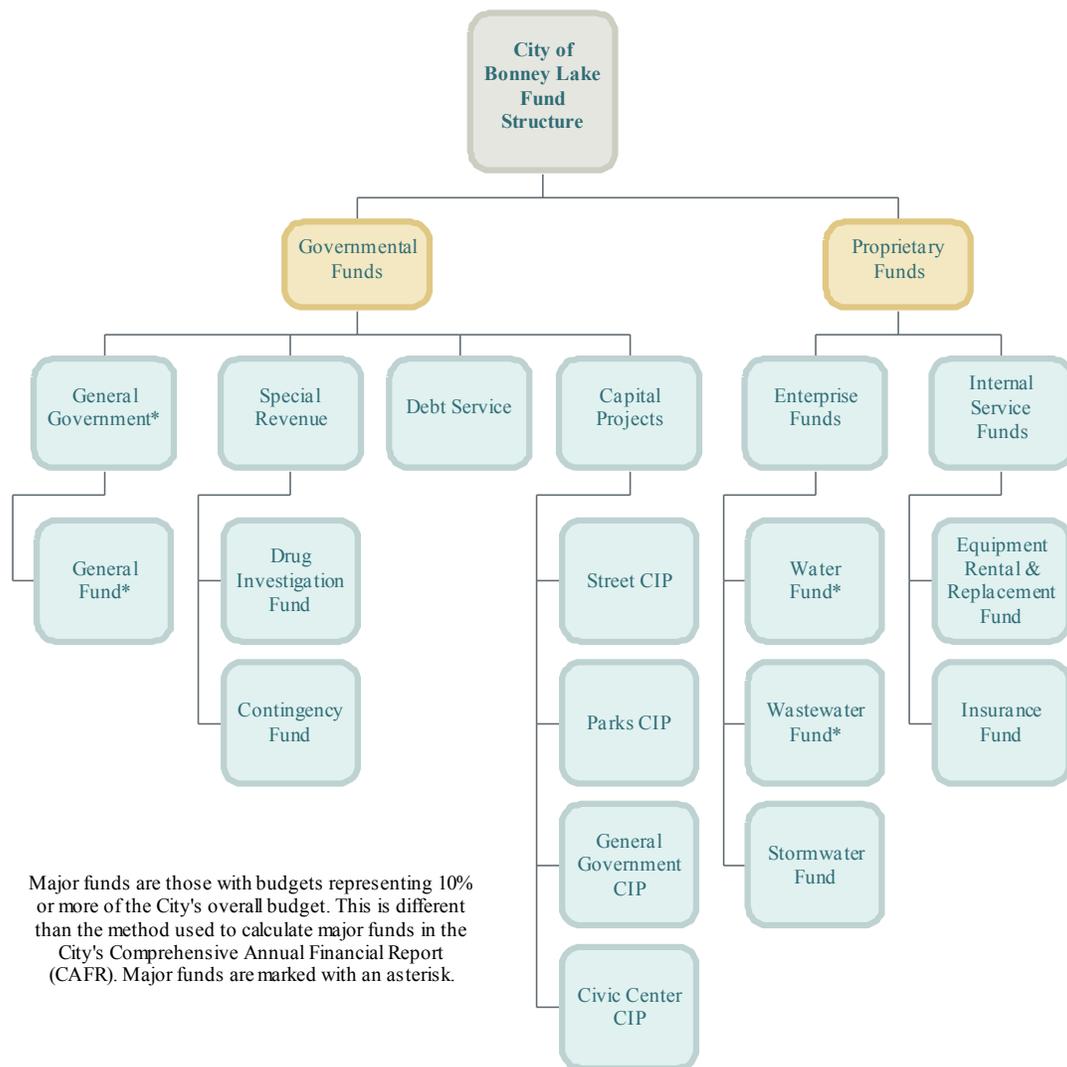
Fund Code	Fund Class	Description
000-099	General Funds	Accounts for all financial resources except those required to be accounted for in another fund.
100-199	Special Revenue Funds	Accounts for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.
200-299	Debt Service Funds	Accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest.
300-399	Capital Projects Funds	Accounts for the financial resources to be used for the acquisition or construction of major capital facilities.
400-499	Enterprise Funds	Used to report any activity for which a fee is charged to external users for goods or services.
500-599	Internal Service Funds	Accounts for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-reimbursement basis.
600-699	Fiduciary Trust Funds	Accounts for assets held by a governmental unit in a trustee capacity or as an agent for individuals,

700-799 Permanent Funds

private organizations, other governmental units, and/or other funds.

Accounts for the resources that are legally restricted so only earnings, not a principal, may be used to support the reporting government programs for the benefit of the government or its citizens (public-purpose).

The City of Bonney Lake has the following fund structure:



Description of major funds:

- The General Government classification is used to group those accounts that are primarily supported by general City taxes. This group includes the General Fund,

which accounts for all general government activity not accounted for in other funds. The General Fund includes most tax revenues and services such as administration, city clerk, finance, human resources, police, planning, engineering, streets, and building.

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

Description of non-major funds:

- Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. These funds are the Drug Investigation Fund and Contingency Fund.
- Debt Service Funds are used to account for the accumulation of resources for, and the repayment of general long-term debt, interest, and related costs. The City has no active debt service funds.
- Capital Funds account for all capital projects managed and funded by the City.
- Internal Service Funds are used to account for those funds which are funded by internal user charges. These funds include the Equipment Rental & Replacement (ER&R) Fund and the Insurance Fund.

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

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

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

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

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

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

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

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

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

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

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

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

Investments

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

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

Capital Assets

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

Long-Term Debt

The information below constitutes the City's current debt policy. As a general rule, the City tries to manage its long-term debt in a manner designed to utilize its credit to optimize City services while balancing overall debt levels and annual debt service obligations. The City recognizes that prudent use of its credit can both facilitate construction of essential capital improvements and serve as a method for sharing the costs of those improvements between current and future beneficiaries. The City intends to adopt a formal debt policy within the next biennium.

1. *Debt Will Not Be Used to Cover Operating Expenses.* When considered necessary, long-term debt may be used to provide for capital acquisitions and construction. Long-term debt will not be used to fund operating expenses except in extraordinary emergency circumstances as authorized by the City Council.
2. *Term of Debt.* Long-term debt will be structured in a manner so the debt payments do not exceed the expected useful life of the project being financed. Whenever possible, the City will fund its capital needs on a pay-as-you-go, especially smaller capital projects.
3. *Refunding Bonds.* As a general rule, existing bonds will not be refunded through the issuance of refunding bonds unless the refunding plan will achieve a net present value savings of at least 5%. As an exception to this general rule, bonds may be refunded to obtain more favorable bond covenants when it is clearly in the City's interests to do so.
4. *Legal Limitation of Indebtedness.* The City will utilize its general obligation (GO or voted) and limited tax general obligation (LTGO or non-voted) debt authority prudently. The City's outstanding debt will never exceed those constitutional limits.
5. *Reserve of Debt Authority.* At a minimum, the City will maintain at least 10% of its legal limit of non-voted general purpose indebtedness (LTGO) as a reserve for emergencies.
6. *Preservation of Credit Rating.* The City will carefully consider the future fiscal impacts of incurring additional long-term debt and will recognize the implicit, additional future costs of any debt issuance that adversely impacts the City's credit rating. Currently, the City carries a AA rating² with Standard & Poors, reflecting a "very strong capacity to meet financial commitments"³, and a Aa3⁴ rating from Moody's. Long-term obligations rated Aa are "judged to be of high quality and are subject to very low credit risk."⁵
7. *Use of Revenue Debt Whenever Possible.* The City recognizes that its ability to pledge its taxing authority as security for debt is a limited resource which should be preserved whenever possible. Therefore, whenever the improvement being financed with debt is expected to produce off-setting revenues that can be used to secure all or part of the debt

² Standard & Poors rating dated 02/29/2012 for underlying rating on 2008 LTGO.

³ Source: http://www2.standardandpoors.com/spf/pdf/fixedincome/SP_CreditRatingsGuide.pdf

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

⁵ Source:

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

in lieu of a pledge of the City's taxing authority that revenue should be used to secure the debt to the maximum practical extent to minimize usage of the City's limited voted and non-voted debt capacity.

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

Reserve and Fund Balance Policies

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

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

Revenues

Budgeted revenues will be estimated realistically, but based on a conservative forecast. Before accepting any state or federal grant, the City will assess the fiscal impacts of the grant in view of any matching requirements, future operations and maintenance costs, and other commitments or obligations. No state or federal grant in excess of \$25,000 may be applied for without express approval from the City Council, regardless of whether the project is included in the adopted budget or Capital Improvement Plan.

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

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

Cost Allocations

The administrative assessment fee from utility and enterprise funds to the General Fund is a payment for various services provided by the General Fund. In 2012, the City contracted with a third party to develop a rate model to calculate the annual assessment to cover General Fund services. This calculation will be reviewed and reconciled annually.

Fiscal Monitoring

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

Financial Planning Model and Capital Investment Policies

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

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

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

CITY COUNCIL GOALS AND OBJECTIVES

Periodically, the Mayor and City Council will use their annual joint retreat to discuss and refine the overall vision for the City, as well as develop distinct visions for various aspects of City government, such as growth, transportation, parks and recreation, etc.

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

The actions described below include those budgeted activities included in the 2013-2014 biennial budget that address the various goals of the City as last considered by the City Council. While the 2012 Council Retreat did not specifically include a review of previous Council vision and goal statements, the goals remain in place until amended by subsequent Council action.

VISION/GOALS/ACTION PLAN	BUDGETED ACTIONS
<p>OVERALL VISION: The City of Bonney Lake is a balanced community with a residential character that conserves natural amenities while supporting a diverse mix of economic activities. The community provides places for children and residents to meet and socialize, and is a center for diverse cultural and social opportunities such as theater, art, social organization meetings and celebrations. The City promotes a safe, attractive and healthful living environment for residents’ various physical, educational, economic and social activities while maintaining an adequate tax base to provide a high level of accountable, accessible, and efficient local government services. The City is an active participant in interlocal and regional services and planning organizations.</p>	
<p>GROWTH VISION: The City of Bonney Lake grows within its UGA, careful not to jeopardize scarce resources, such as water, through unwarranted growth. Needed facilities and services are built concurrent with growth. The City infrastructure features streetlights, sidewalks, and other suburban amenities. Attractive transportation corridors provide easy access to local destinations. The City protects the community’s livable identity and scenic beauty through responsible growth planning and active participation in regional planning and service provision.</p>	
<p>Implement the non-motorized transportation plan, including sidewalks, trails and bike lanes, with funding alternatives</p>	<ul style="list-style-type: none"> • Sidewalks installed on SR410 for SR410 and Main Intersection Improvement project. • Budget includes staff time to continue to apply for grants for sidewalks and trails, Staff will continue to explore funding alternatives.
<p>Annex a portion of the Comprehensive Urban Growth Area (CUGA)</p>	<ul style="list-style-type: none"> • Staff working with Pierce County of a Joint Planning Agreement that would facilitate the future annexation of a portions of the CUGA.
<p>Ensure that development codes and land use regulations facilitate the desired Downtown vision</p>	<ul style="list-style-type: none"> • Staff time allocated to developing additional downtown economic development incentives.
<p>Implement East Town Plan to include utilities, roadways, lighting, sidewalks, and streetscapes</p>	<ul style="list-style-type: none"> • Funds available for Eastown sewer extension

VISION/GOALS/ACTION PLAN	BUDGETED ACTIONS
<p>ECONOMIC DEVELOPMENT VISION: The City of Bonney Lake works to balance retail, office, high technology, and light manufacturing with the residential character of the community. The City attracts sustainable businesses and family wage jobs, particularly to the view corridor. Light industry should be located in East Town.</p>	
<p>Develop a closer relationship with the business community, including involvement in Bonney Lake Days, beautification projects, and special events.</p>	<ul style="list-style-type: none"> • Funds allocated to maintain the Shop Bonney Lake virtual business section of City website (hosted via 3rd party) • Economic Development section of the website expanded with extensive demographic and economic promotion data • Funds allocated (each year) to maintain the current level of City special events and programs.
<p>Implement adopted strategic plan for local economic development</p>	<ul style="list-style-type: none"> • Executive Office staff time allocated to implement various economic development strategies. Will continue to explore incentive options. Planning program includes update of Economic Development element of the Comprehensive Plan
<p>PARKS, RECREATION AND GREEN SPACE VISION: The City of Bonney Lake has its own Parks and Recreation Department, which provides services that are adequate and self-financing. It values creating partnerships with appropriate agencies, such as the school system, to make best use of available facilities and resources. Allan Yorke Park is the anchor for the City’s park system, which incorporates neighborhood and regional parks connected by dual-use trails to each other and community facilities. Lands are identified and acquired for parks and/or preservation.</p>	
<p>Expand the City’s parks and open space</p>	<ul style="list-style-type: none"> • Update of Parks Plan completed in 2012. • Safe Routes/Fennel Creek Sidewalk/Trail grant project finally put out to bit • Proposed April 2013 election to create Bonney Lake Park District.
<p>Pursue YMCA opportunity.</p>	<ul style="list-style-type: none"> • YCMA feasibility study completed in 2008. Staff time allocated to continue to work with Sumner, School District, and YMCA on potential facility, depending on outcome of Orton Junction appeals.
<p>Build a small piece of the Fennel Creek Trail and increase recreational programming in the south of City.</p>	<ul style="list-style-type: none"> • Complete the Safe Routes/Fennel Creek Sidewalk/Trail grant project. • Continue to explore grant opportunities for park funding. • Coordinate with Pierce County on development of 80 acre Bonney Lake-Buckley Regional Park.
<p>Develop and implement trail plan for WSU Forest trails</p>	<ul style="list-style-type: none"> • Funds provided for a master map and better signage of the existing trail network
<p>Acquire Victor Falls site and develop park that would be a destination draw.</p>	<ul style="list-style-type: none"> • Acquisition of this County site is on hold due to budget constraints and park priorities. Will continue to explore possible grants for acquisition.

VISION/GOALS/ACTION PLAN	BUDGETED ACTIONS
Develop a Community Culture element of the Comprehensive Plan, including an historic preservation section.	<ul style="list-style-type: none"> • Council adopted this plan in 2012; limited funds available for plan implementation.
<p>WATER RESOURCES VISION: The City ensures an adequate supply of water for City residents. Water resources are provided outside the City limits only when water supplies are adequate to meet the City’s short term and long term needs. The City has become a purveyor of City of Tacoma water and is pursuing rights and options with other purveyors.</p>	
Pursue options to obtain additional water supply.	<ul style="list-style-type: none"> • None. Exploratory well on former Reed site was not successful. Will revisit in the 2015-2016 biennium. • Revisit water demand and supply projections due to increased conservation and lowered growth trends.
Continue to replace and upgrade existing City facilities to maximize use of City-owned water (thereby decreasing Tacoma reliance wherever possible.	<ul style="list-style-type: none"> • PWTFM budgeted to complete O&M and leaky main replacement. • Water CIP implemented on a funds available based
<p>SEWER SERVICE VISION: The City of Bonney Lake offers sewer services in its service area in order to maintain public health and safety of local water supplies. Growth of the sewer system pays for itself.</p>	
Expand Sumner plant to meet future wastewater treatment needs.	<ul style="list-style-type: none"> • Funds allocated to cost-share in Sumner WWTP expansion.
Recognize that sewer service vision is linked to annexation and growth management and CUGA planning and include discussions of sewer services.	<ul style="list-style-type: none"> • Planned and budgeted actions recognize link between GMA, UGA, CUGA and sewer service
Closely monitor the activities of Cascadia and Pierce County in relation to temporary community septic system and future membrane bioreactor (MBR) system.	<ul style="list-style-type: none"> • Staff time allocated to monitoring Cascadia/Tahelah and Pierce County activities
<p>TOWN CENTER/CIVIC CENTER VISION: The vision of Bonney Lake’s Town Center is evolving. The Town Center is envisioned as a place with a retail core for the City, and may include senior residences, shopping, and a new Civic Center that serves as a cultural center. It has been created through a public-private partnership in cooperation with the City’s economic development goals. The City’s civic services are provided Downtown in integrated community and city facilities that are adequate to meet the needs of its citizens, located centrally to its users, and efficient at providing services. The City has acquired parcels of land over time to provide such facilities, including land for parks and/or preservation, using a financial plan to help it plan for and fund capital investment, including land acquisition. The City actively seeks grant funding for projects, when applicable. <u>Town Center goals are the City Council’s highest priorities.</u></p>	

VISION/GOALS/ACTION PLAN	BUDGETED ACTIONS
Maintain land acquisition program in the downtown for the civic center campus.	<ul style="list-style-type: none"> • None. Funds for acquiring additional downtown properties exhausted.
Continue building identity in Downtown	<ul style="list-style-type: none"> • Complete construction of JC Justice Center tenant improvements • Develop design concepts for multi-purpose Pavilion in the downtown as part of potential park bond. • Work with EPFR on design of future Headquarters in the downtown
<p>TRANSPORTATION VISION: The City of Bonney Lake is an active participant in regional transportation decision making in order to maintain and improve the City’s transportation system, and to exert influence on decisions that affect the City. As a result of this and of local decisions, the City’s transportation system is pedestrian-friendly, interconnected, and meets the needs of its citizens. SR 410 through Bonney Lake is not a barrier to the movement of citizens using any mode of transportation, and 184th/192nd serves as a Main Street for the City. The City annually updates the Transportation Improvement Plan using a 10-15 year time horizon.</p>	
Continue street “recurring programs”, i.e. chip sealing, overlays, sidewalks, reconstruction.	<ul style="list-style-type: none"> • Due to drastic reductions in gas tax and REET, funding over biennium for chip seal and overlay program significantly reduced; Funds allocated for chip sealing and street striping.
Explore local transit alternatives	<ul style="list-style-type: none"> • Staff time allocated to pursue options now that BL no longer part of Pierce Transit District.
Pursue funding for transportation improvement projects	<ul style="list-style-type: none"> • Staff time allocated to continue to pursue available grant and other funding opportunities. Promote creation of a Transportation Benefit District funded primarily with an increase in sales tax (replacement from a portion of the former Pierce Transit sales tax allocation)
<p>PUBLIC SAFETY VISION: The City envisions a community in which citizens feel safe and protected. There is open communication, participation and trust between the public and the City. Police respond quickly when called. The City operates an efficient and effective municipal court. There is a positive working relationship between the City and the fire District, with timely responses to fire and emergency medical calls. The City has an effective emergency management program.</p>	
Implement adopted plan for managing animal control with Sumner.	<ul style="list-style-type: none"> • Funds allocated to continue Interlocal Agreement with Sumner for animal control services at existing service levels.
Develop 800MHz partnerships to recoup system costs	<ul style="list-style-type: none"> • Monitoring South Sound 911 to explore opportunities to recoup reasonable share of tower system development costs

VISION/GOALS/ACTION PLAN	BUDGETED ACTIONS
Increase communication and participation between the public and the police department	<ul style="list-style-type: none"> • Continue citizens academy • Include police department in town meetings and BL Days displays, etc. • Continue community crime prevention programs • Continue SRO program
<p>COMMUNITY OUTREACH VISION: The City of Bonney Lake has an informed and involved citizenry, where citizens participate in their city government. Citizens feel included in civic affairs, and enjoy a considerable sense of community. The City effectively uses available technology to enhance public services and to make information about City governance and services readily accessible. Citizens can contact the City with the assurance that their needs and concerns will be addressed forthrightly by the appropriate City employee.</p>	
Maintain active communications with citizens and increase public input and participation	<ul style="list-style-type: none"> • Funds budgeted to continue BL Reporter. • Special events maintained at current levels. • Web site continues to be expanded. • Expand use of social networks to broadcast City information.
Participate in National Night Out	<ul style="list-style-type: none"> • Staff time and funding provided to continue National Night Out.
Cultivate relationships with community based groups	<ul style="list-style-type: none"> • Time allocated for a City representative to regularly attend meetings of major community-based groups.

Budget Ordinance

ORDINANCE NO. 1447

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
BONNEY LAKE, PIERCE COUNTY, WASHINGTON, ADOPTING
THE BIENNIAL BUDGET FOR CALENDAR YEARS 2013 AND
2014**

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

WHEREAS, a preliminary biennial budget for fiscal years 2013 and 2014 has been prepared and filed as required by law; and

WHEREAS, on November 13; 20; 27; and December 4, 2012 the City Council held public hearings upon notice as prescribed by law, and met for the purpose of fixing the final budget of the City for the 2013-2014 fiscal biennium; and

WHEREAS, the City Council has made adjustments and changes deemed necessary and proper and desires to adopt the 2013-2014 Budget, including the biennial Capital Improvement Program;

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

Section 1. The biennial budget for the City of Bonney Lake for the period January 1, 2013 through December 31, 2014 as contained in the 2013-2014 Biennial Preliminary Budget for total revenues/sources (including use of fund balances) and expenditures/uses and as revised by the City Council, is hereby adopted by Total Biennial Revenues and Total Biennial Expenditures for each fund as shown on the attached Exhibit "A" (City of Bonney Lake, 2013/2014 Biennial Budget).

Section 2. That the budget document entitled "City of Bonney Lake 2013-2014 Biennial Budget" attached hereto as Exhibit "B" is hereby adopted at fund levels as set forth, three copies of which shall be on file with the City Clerk.

Section 3. The City Clerk is directed to transmit a certified copy of the City of Bonney Lake adopted 2013-2014 Biennial Budget to the Office of the WA State Auditor and to the Association of Washington Cities.

Section 4. This ordinance concerning matters set out in RCW 35A.11.090, it is not subject to referendum, and shall take effect January 1, 2013 after its passage, approval and publication as required by law.

PASSED by the City Council of the City of Bonney Lake this 11th day of December, 2012.


Neil Johnson, Jr. Mayor

Attested:


Harwood T. Edvalson, City Clerk

Approved as to Form:

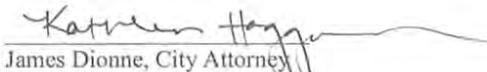

James Dionne, City Attorney

Exhibit "A"
Ordinance D12-157

Fund		2013 Estimated Allocation	
Number	Name	Revenues	Expenditures
001	General	13,458,995	13,625,256
120	Drug Investigation	250,000	230,000
126	Contingency	15,000	-
301	Street CIP	2,184,844	2,184,844
302	Parks CIP	1,473,227	1,473,227
320	General Government CIP	2,166,115	1,482,500
401	Water	10,908,954	10,908,594
402	Wastewater (Sewer)	10,278,428	10,278,428
415	Stormwater	1,760,885	1,659,913
501	Equipment Rental & Replacement	1,159,182	1,159,182
502	Insurance	416,568	416,568
	Total	44,072,198	43,418,512

Fund		2014 Estimated Allocation	
Number	Name	Revenues	Expenditures
001	General	14,284,849	13,986,579
120	Drug Investigation	250,000	230,000
126	Contingency	15,000	-
301	Street CIP	1,219,000	1,219,000
302	Parks CIP	322,524	224,099
320	General Government CIP	680,100	680,100
401	Water	11,646,094	11,646,094
402	Wastewater (Sewer)	10,012,956	10,012,956
415	Stormwater	1,916,224	1,916,224
501	Equipment Rental & Replacement	1,035,657	1,035,657
502	Insurance	429,065	429,065
	Total	41,811,469	41,379,774

Fund		2013/2014 Biennium Adopted Budget	
Number	Name	Revenues	Expenditures
001	General	27,743,844	27,611,835
120	Drug Investigation	500,000	460,000
126	Contingency	30,000	-
301	Street CIP	3,403,844	3,403,844
302	Parks CIP	1,795,751	1,697,326
320	General Government CIP	2,846,215	2,162,600
401	Water	22,555,048	22,554,688
402	Wastewater (Sewer)	20,291,384	20,291,384
415	Stormwater	3,677,109	3,576,137
501	Equipment Rental & Replacement	2,194,839	2,194,839
502	Insurance	845,633	845,633
	Total	85,883,667	84,798,286

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Ad Valorem Property Tax Ordinance

ORDINANCE NO. 1443

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, PIERCE COUNTY, WASHINGTON, SETTING THE AMOUNT OF THE ANNUAL AD VALOREM TAX LEVY NECESSARY FOR THE FISCAL YEAR 2013 FOR THE PURPOSES SET FORTH BELOW

WHEREAS, the City Council of the City of Bonney Lake is meeting and discussing the biennial budget for the fiscal years 2013 and 2014; and

WHEREAS, the City Council held a public hearing on November 13, 2012 and November 20, 2012 to discuss the feasibility of an increase in property tax revenues for collection in year 2013; and

WHEREAS, the City Council of the City of Bonney Lake after hearing and after duly considering all relevant evidence and testimony presented, determined that the City of Bonney Lake requires a regular levy in the amount of \$2,637,042.09, which includes an increase in property tax revenue from the previous year, and amounts resulting from the addition of new construction and improvements to property and any increase in the value of state-assessed property, and amounts authorized by law as a result of any annexations that have occurred and refunds made, in order to discharge the expected expenses and obligations of the City and in its best interest;

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

SECTION 1: The City Council of the City of Bonney Lake, Washington, does hereby resolve the city's actual levy amount from the previous year was \$2,580,172.57; and, the population is more than 10,000; and now therefore, that an increase in the regular property tax levy is authorized for the levy to be collected in the 2013 tax year. The dollar amount of the increase over the actual levy amount from the previous year shall be \$20,414.07, which is a percentage increase of .7912% from the previous year. This increase is exclusive of additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, any increase in the value of state assessed property, any annexations that have occurred and refunds made.

SECTION 2: That the taxes to be collected from the levies hereby fixed and made, together with the estimated revenues from sources other than taxation, which constitutes the appropriation of the City of Bonney Lake for the fiscal year 2013, are hereby approved.

SECTION 3: A certified copy of this Ordinance and original Ad Valorem Levy Certification shall be transmitted on or before November 30th of the year preceding the year in which the levy amounts are to be collected to the Pierce County Assessor-Treasurer (Attn: Levy Department; 2401 S. 35th St. Rm. 142; Tacoma, WA 98409); and,

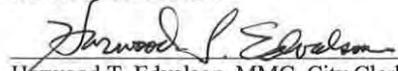
the Pierce County Council (Attn: Clerk, Rm. 1046; County City Building; 930 Tacoma Ave. S.; Tacoma, WA 98402); and, any other governmental office as provided by law.

PASSED BY THE CITY COUNCIL OF THE CITY OF BONNEY LAKE
and approved by the Mayor this 27th day of November, 2012.



Mayor Neil Johnson, Jr.

AUTHENTICATED:



Harwood T. Edvalson, MMC, City Clerk

APPROVED AS TO FORM:



James Dionne, City Attorney



FINANCIAL SUMMARIES

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City of Bonney Lake 2013-2014 Budget Highlights

General Government Overview

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

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

Revenues

The volatility of the national and local economy has affected City of Bonney Lake revenues. The City's budget is funded primarily by a mix of taxes and charges for service. Although property taxes remain stable, collections of sales taxes and real estate excise taxes (REET) have diminished. Due to the housing downturn, building and land use fees have diminished significantly since the high of 2006. Accordingly, since economic recovery in this area has been extremely slow our 2013 estimate reflects a modest 2% recovery. For years hence, revenues have been budgeted conservatively, assuming current economic conditions.

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

Expenditures

The Adopted 2013/2014 Biennial Budget is essentially a "status quo" budget, maintaining current operations with exceptions for new or expanded projects, grant programs, and/or scheduled equipment replacement.

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

To ensure budgets line up with needs, departments were asked to maintain their operating expenditures equivalent with the average expenditures of the past three years, excluding one-time and significant events. In some cases, essential costs necessitate increases (e.g. utility costs); however, departments were asked to offset these increases with savings elsewhere in their budgets.

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

Fund Balance

The budget does NOT tap any of the City's "Rainy Day Fund." Rather, at the end of the biennium, revenues are projected to cover programmed expenditures.

HISTORICAL OVERVIEW

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

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

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

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

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

At December 31, 2012, the City has \$8.7 in outstanding general obligation bonded indebtedness. In addition, the City has incurred considerable debt through the Washington Public Works Trust Fund program as described in the section on debt administration.

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

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

DEBT ADMINISTRATION

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

A complete debt limit calculation as well as detailed information on each debt issuance for the City is included in the Debt Service funds in the “Other Funds” section of this document. For general government purposes, the Revised Code of Washington (RCW 39.36) establishes the legal debt limits for cities. Specifically, this RCW provides that debt cannot be incurred in excess of the following percentages of the value of the taxable property of the City. The City’s current assessed value has been set by the County Assessor at \$1,688,464,255 for the tax year of 2013¹. The legal debt limits are:

- The total indebtedness for general purposes with or without a vote cannot exceed 2.5% of the value of the taxable property.
- The 1.5% is the maximum limit for general purposes without a vote (councilmanic debt). 1.5% without a vote of the people represents a debt capacity of \$25,326,964 for Bonney Lake.
- The limit can be up to 2.5% if a city council chooses to allocate any portion of the councilmanic debt category to the “voted” category. Then there is only 1% of assessed valuation for general purpose capacity. The Council has chosen not to pursue this option at this time.
- Indebtedness for utility or open space, park, and capital facilities associated with economic development purposes with a vote may exceed 2.5 percent of the value of the taxable property (up to 5%). The city has not used any of the \$84,423,213 debt capacity for open space, park, utility and capital facilities.

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

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

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

¹ 2012 Preliminary Assessed Values dated 09/14/2012 from the Pierce County Office of the Assessor-Treasurer.

Projects the city anticipates will be funded by councilmanic bonds:

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

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

FINANCIAL FORECAST

Over the past four years, General Fund revenues have slightly increased, reflecting the strength of the local economy in the current recession. The construction downturn initially expected in 2006 materialized in 2008, along with a significant downturn in housing sales.

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

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

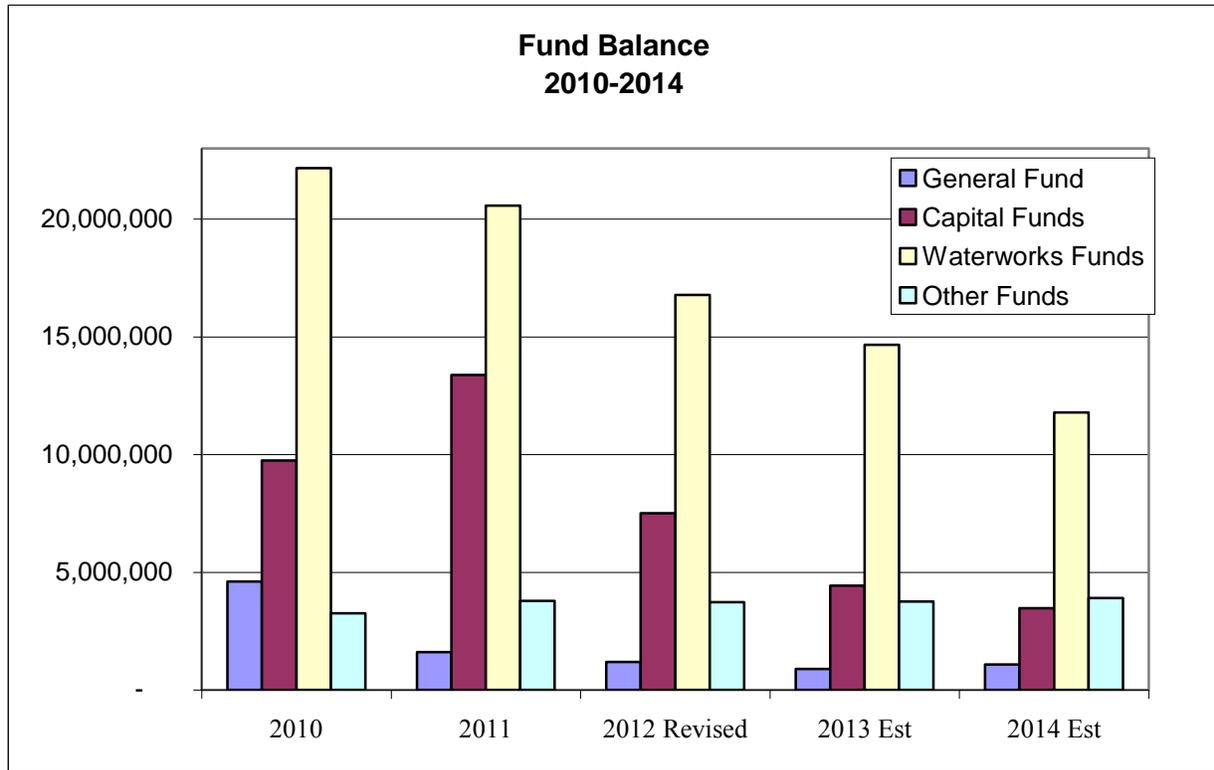
The City has an aggressive capital improvement program. Unfortunately, this addresses only a fraction of the capital needs of the City. The various comprehensive plans of the City (Transportation, Non-Motorized Transportation, Water, Sewer, etc.) identify millions of dollars of needed projects, many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

FUND BALANCE

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

General Fund undesignated fund balance was used in 2007 through 2012 to balance revenues to expenditures. We anticipate using fund balance again in 2013 to offset affects of the economic downturn. The use of fund balance for the General Fund will allow the City to maintain its Contingency Fund at current levels.

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



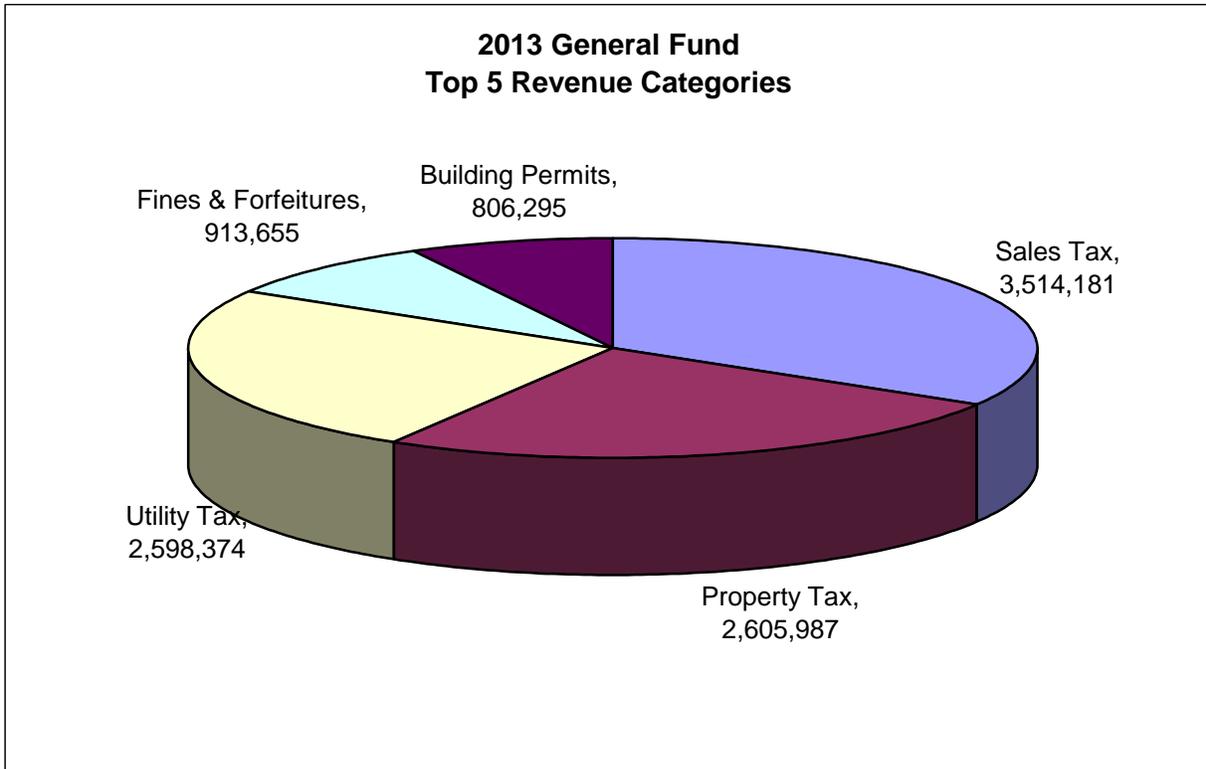
REVENUE ASSUMPTIONS

Total revenues to the General Fund (including transfers-in and administrative charges but excluding fund balances) are projected to be \$13.4M in 2013, and \$14.3M in 2014. This reflects an anticipated increase in General Fund revenues of approximately 6.0% from the 2012 Revised Budget.

There are a number of principal revenue sources of City general government revenue, including taxes, licenses and permit fees, inter-governmental (state shared) revenue, fines and forfeitures, and charges for services. The following illustrates the data used to compile the City’s revenues for the 2013-2014 biennium.

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

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



Taxes account for 65.6% or \$8.8M of 2013 estimated General Fund revenues. The budget breaks down the tax revenue according to five categories: Sales Tax, Property Tax, Excise Tax, Utility Tax, and Other Taxes (Gambling and Admissions).

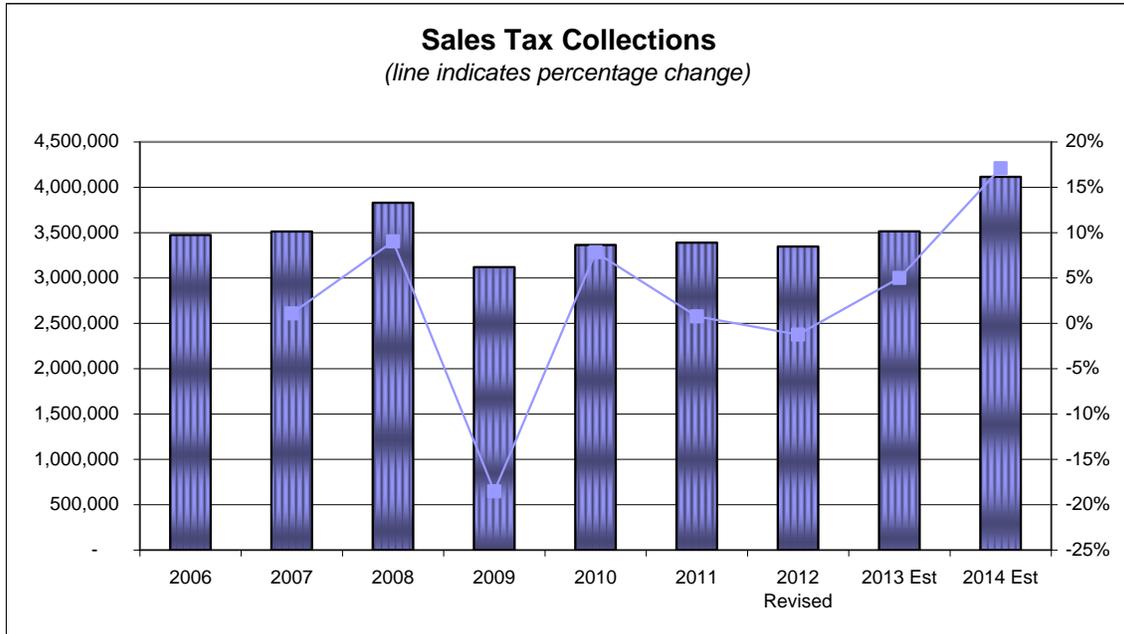
Sales Tax

The City is estimated to end 2012 with \$3.35M in sales tax collections. Although the period of 2005 to 2006 saw an increase in sales tax collections of 18%, later growth has been more modest.

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

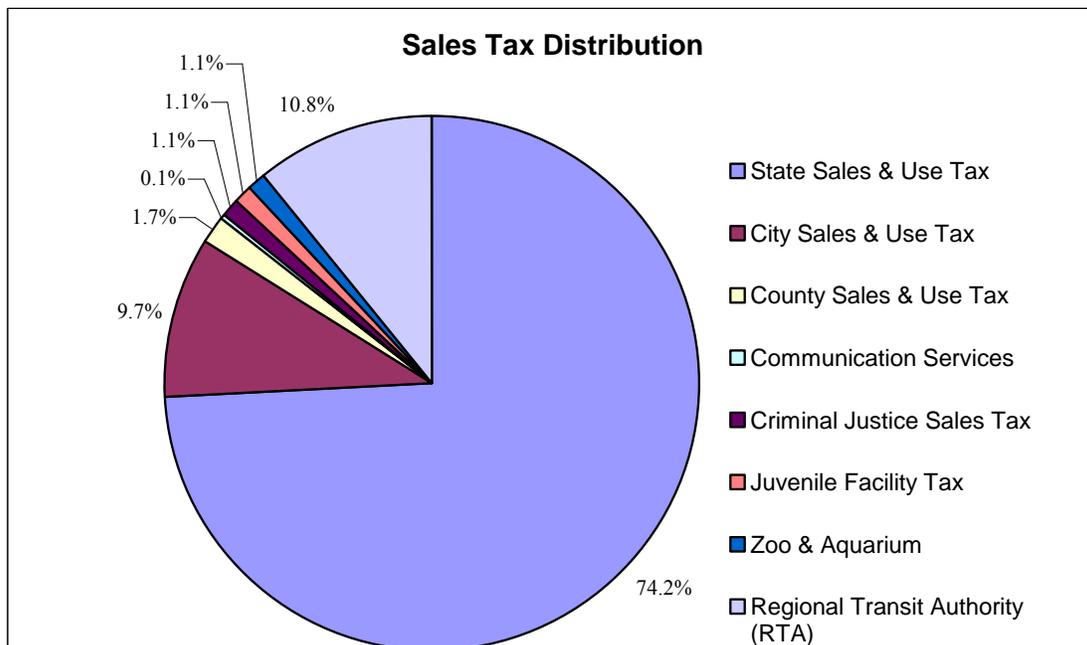
Based on historical data combined with various third-party analyses (e.g. state economic forecasts), sales taxes are estimated to provide \$3,514,181 in 2013 or 26.2% of all General Fund revenues.

In 2014, the City anticipates a \$350K increase in sales tax collections as a result of the City's share of sales tax resulting from the Sumner Wastewater Treatment Plant expansion.



Sales taxes are 8.8% of goods purchased in the City of Bonney Lake. As of July 2008, Washington retailers delivering goods to customers in Washington began collecting sales tax based on where the customer receives the goods – the “destination” of the sale. This destination-based sales tax may have some impact on the City; however, the impact is not currently known.

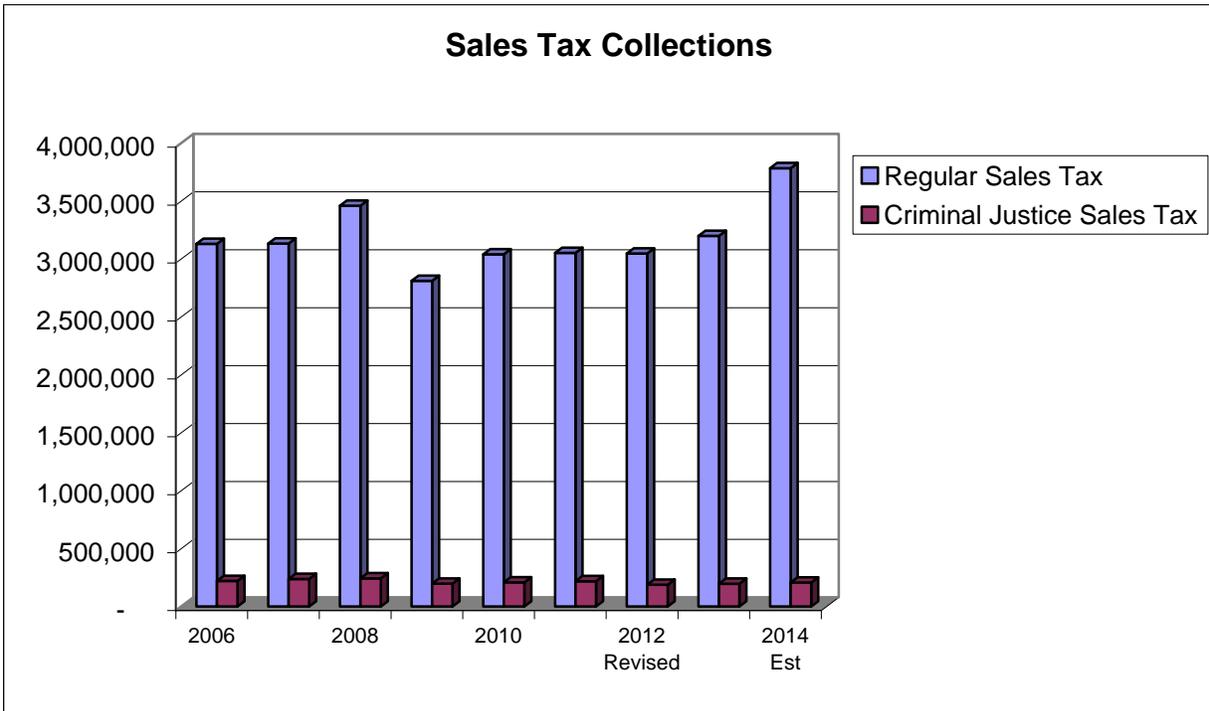
The sales tax is collected by local businesses and transmitted to the State of Washington for distribution. The state retains 1% of the tax collected for administration costs. The total overlapping sales tax within the City is 8.8%.



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

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

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



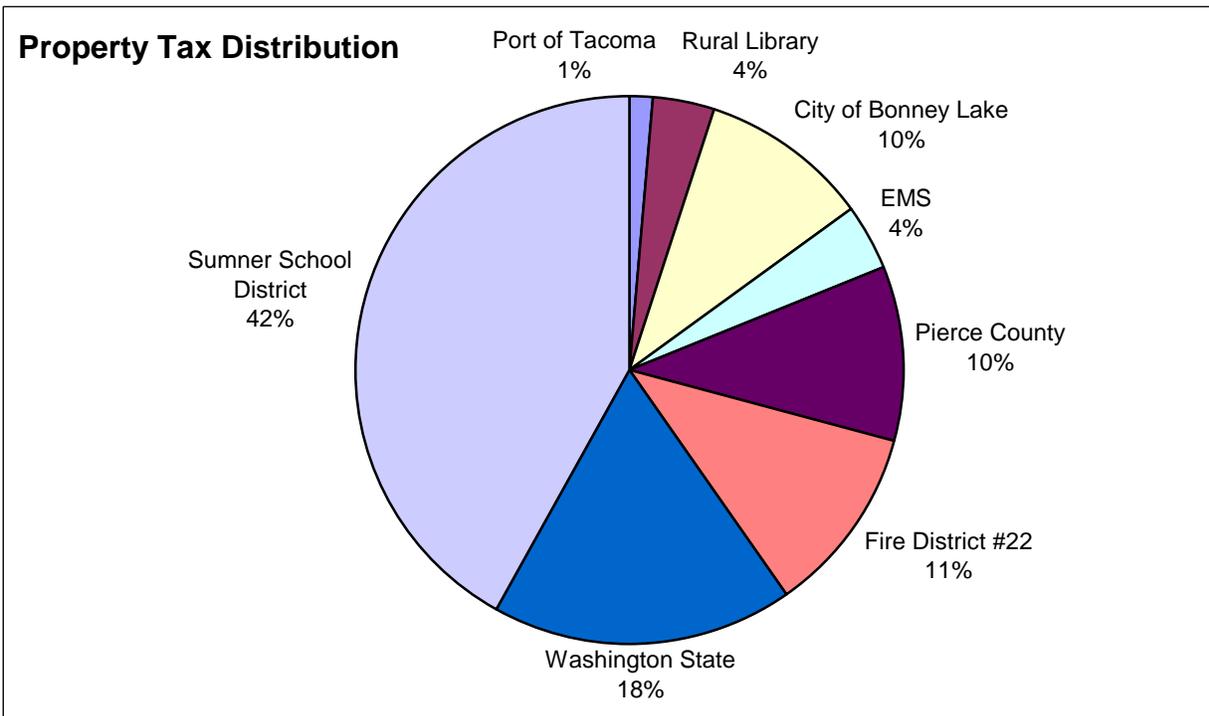
Tax distribution amounts shown above posted on an accrual basis; this means that the revenues are booked based on the month of the actual activity. Sales tax remittances have a two-month lag; therefore, the revenues that the City receives in January are for November purchases, and are posted as November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

Property Tax

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

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

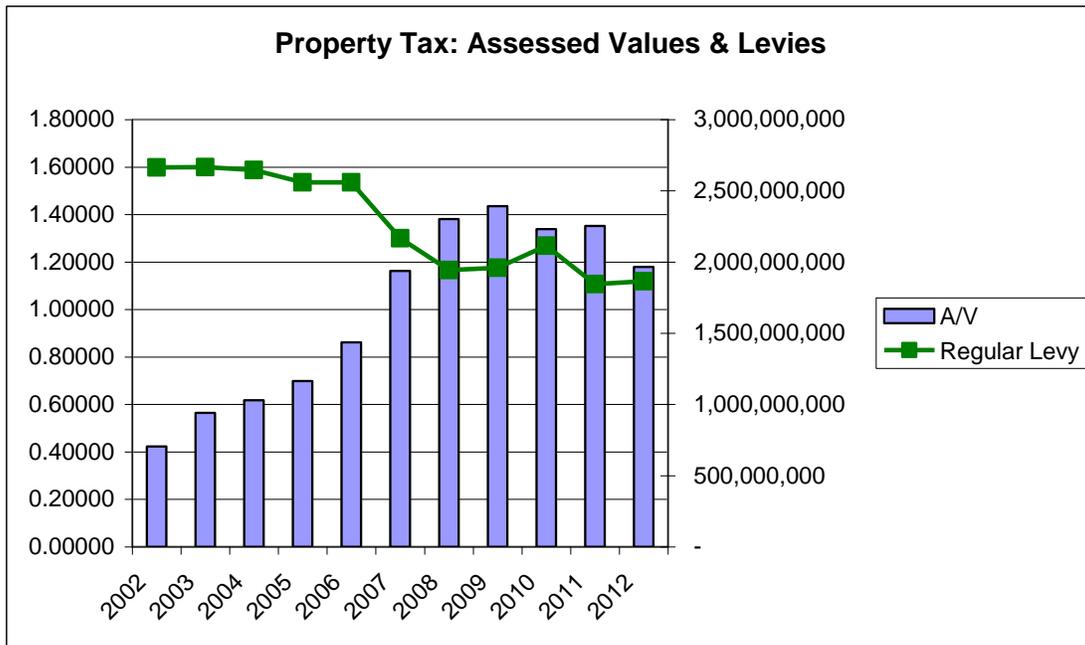
Property taxes are shared by multiple agencies. The chart below reflects 2011 values for 2012 taxes.



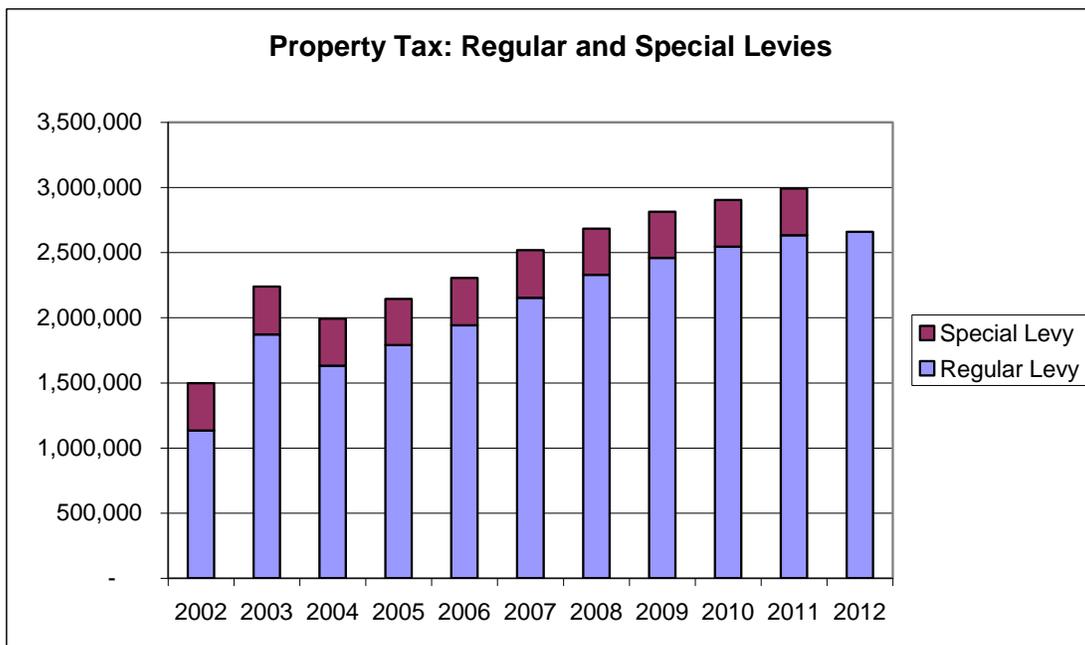
The City is permitted by law to levy up to \$3.6 per \$1,000 of assessed valuation for general governmental services. This amount does not include voter approved special levy for payment of debt on the Public Safety Building. Because the City has annexed into the fire district (#22 East Pierce Fire and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

By state initiative, property tax is currently capped at a 1% increase plus the value of any annexations and new construction. For several years, the City’s net effective tax rate has decreased because the higher assessed valuation from growth and property appreciation spreads the tax over a broader base, resulting in a lower rate. For tax year 2012, the City rate is now 1.375 mills (\$1.38 in property tax for every thousand dollars of assessed valuation). The City is

authorized up to \$1.60 per thousand, but could not exceed 1.1375 mills without a vote of the people to “lift the lid” on the levy.



Property taxes are classified as either regular levy or special levy. The regular levy is used by the jurisdiction for general operations and debt service costs related to non-voter approved bonds. The special levy lapsed in 2011 with the final payment of the 1997 General Obligation Bond for the Public Safety Building.



Building Permits

Although earlier years (2005-2006) set new records for building permit revenue (2005 topped the \$1 million mark for the first time in the City's history), the downturn in the housing industry has and will affect current and future revenues. Given the desirability of the Bonney Lake area, continued in-fill and annexation is anticipated. In 2010, the City began design of the Eastown sewer system, which opens the door for Eastown development in future years. A steady transition and renovation of the downtown area is also anticipated. Due to continuing uncertainties in the housing market, building permit revenues are estimated realistically but on the conservative side, as we anticipate a continued downturn in building permits and permit valuation during fiscal 2013.

Utility Taxes

Utility taxes are collected on telephone, cable television, cellular phones, electric, natural gas, and solid waste companies operating within the City limits. In addition, the Water, Sewer, and Storm Water Utility Funds all pay a utility tax to the General Fund. Utility taxes are estimated at \$2,598,374 for 2013 or 19.4% of all General Fund revenues.

Utility taxes generally increase as the City grows and adds new utility customers. While conservation can reduce the amount of a utility bill, and thus the City's utility tax collections, utility tax receipts have been fairly stable on the growth curve, and are expected to remain so. We are projecting a 2012 year end total of \$2.55M in utility tax . We anticipate \$2.60M in utility tax receipts in 2013, and \$2.68M in 2014.

Fines & Forfeitures

The City collects fines for traffic violations, misdemeanors, and DUI violations. The entire amount paid on a citation does not go to the City. The State and Pierce County also receive a considerable share of the fines. Fines and Forfeitures account for 6.8% of General Fund revenues or \$913,655 in 2013.

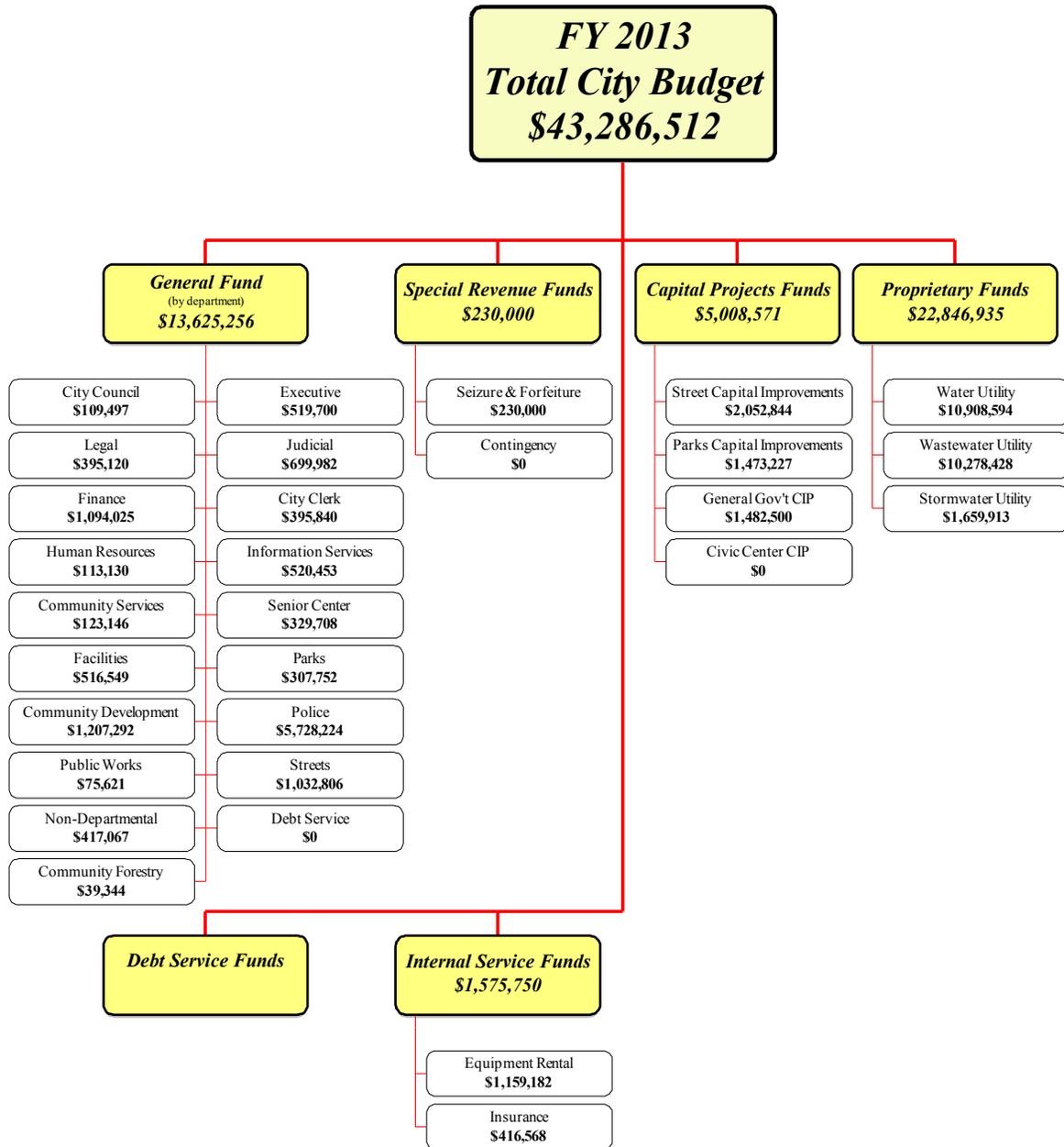
Other Revenues

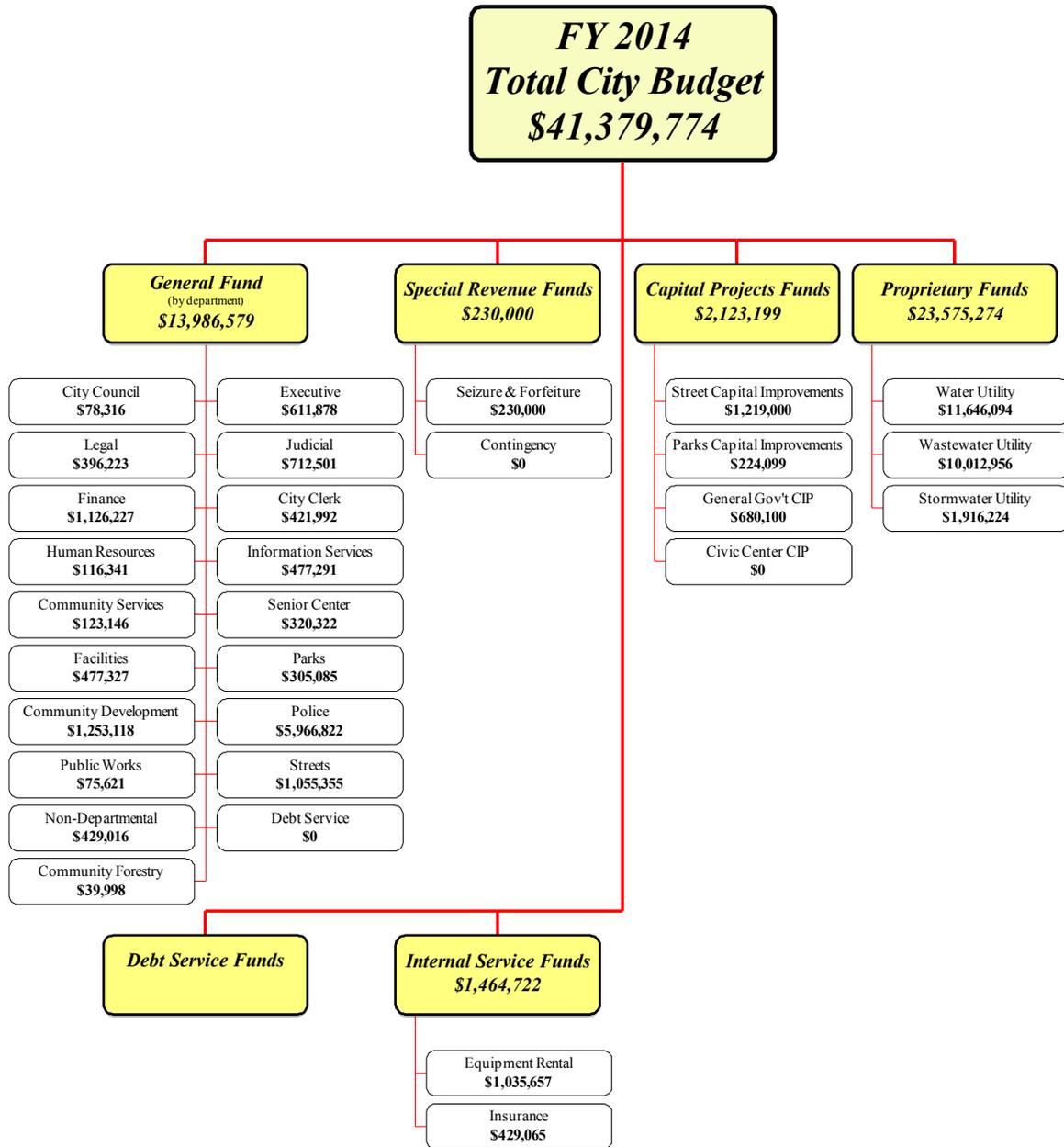
Licenses & Permits

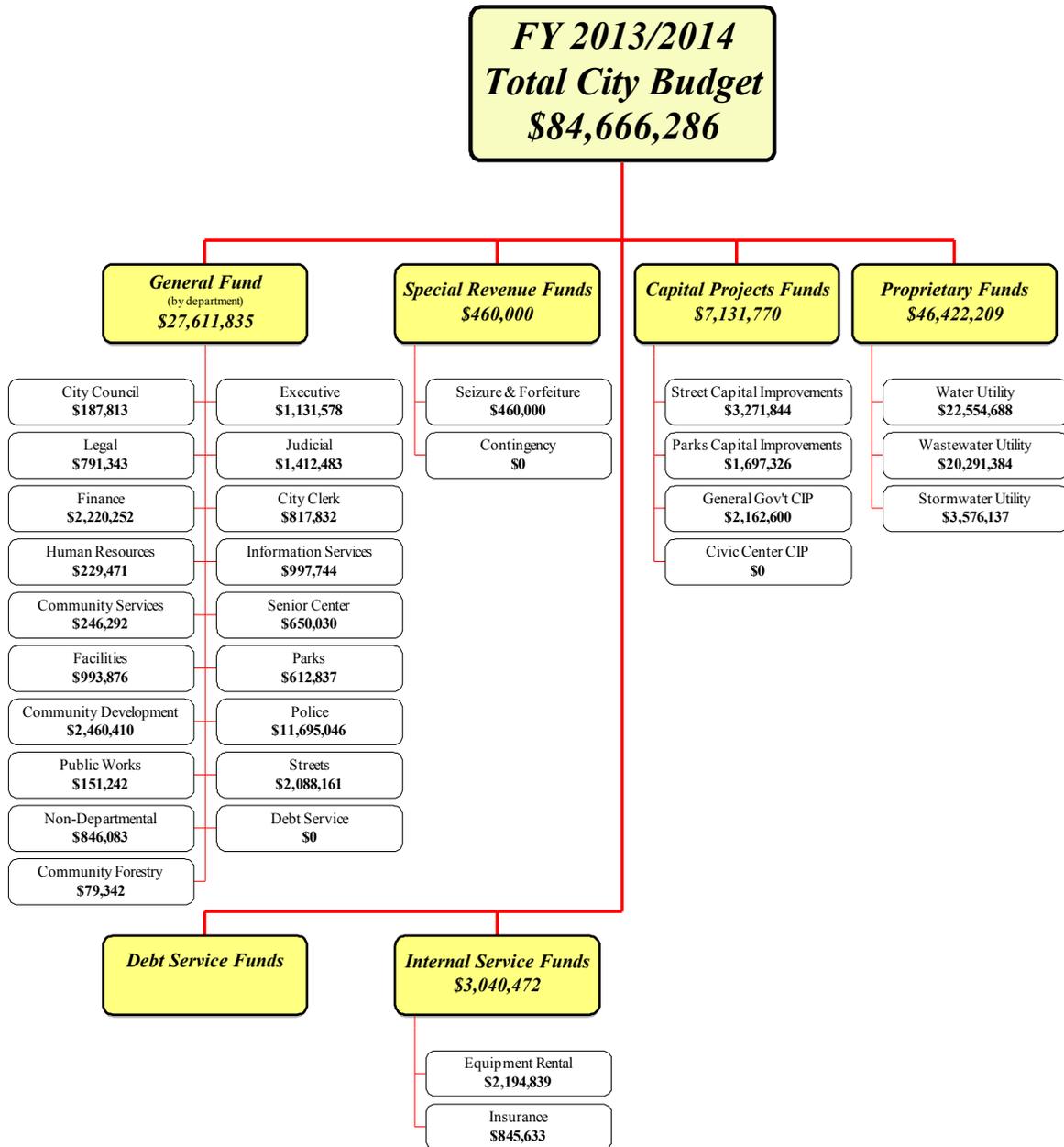
The City of Bonney Lake charges various licenses and permits fees for certain activities. An annual business license fee is collected from all businesses operating with the City limits; alarm registration fees are also collected on an annual basis; building permit fees are collected from new construction, remodels or additions to existing structures. Detailed information about licenses and permit history is located at the top of this page. Licenses and Permits account for 6.8% of General fund revenues or \$908,971 for fiscal 2013.

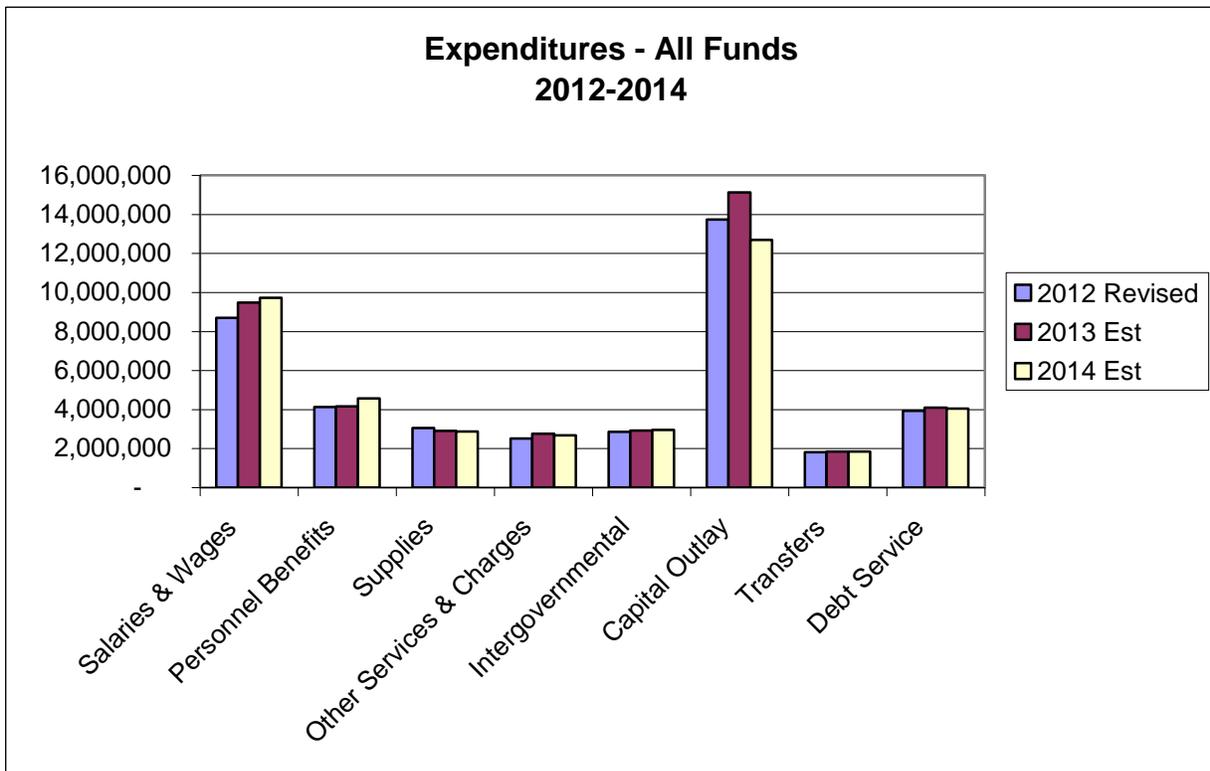
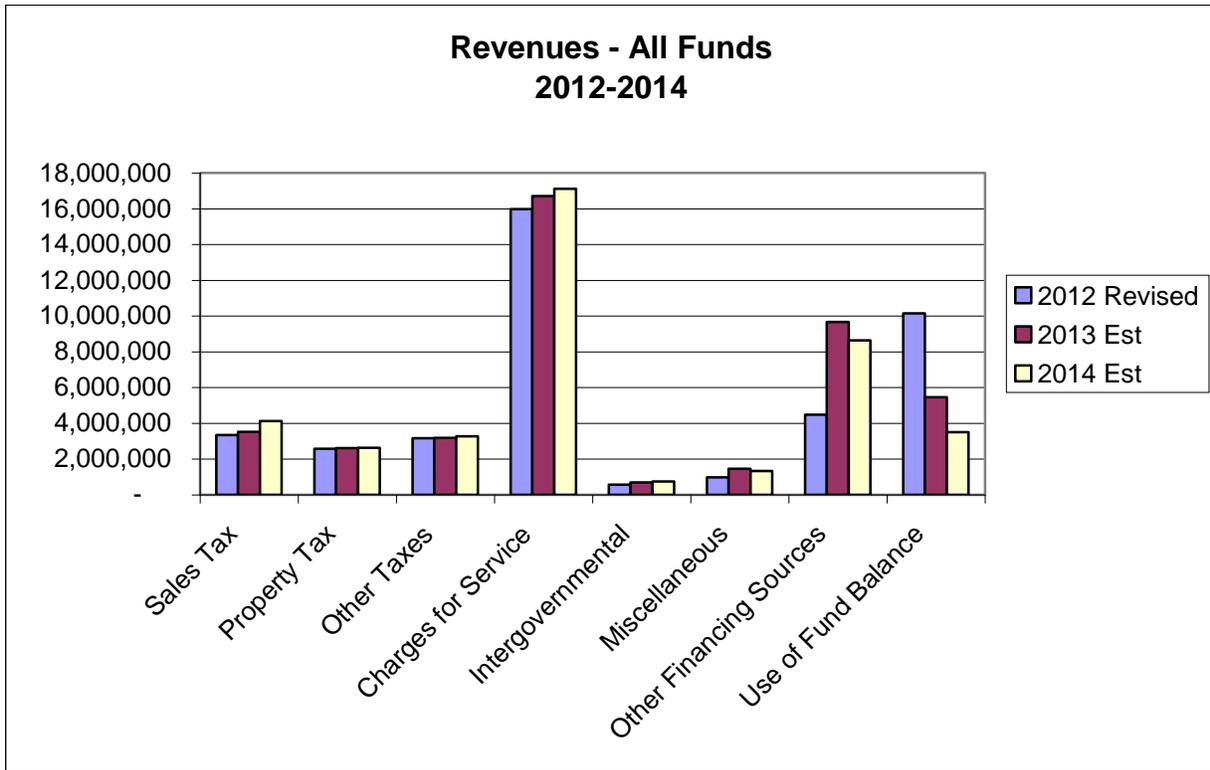
Intergovernmental Revenues

The City of Bonney Lake receives a share of taxes collected by other jurisdictions, such as Liquor Excise taxes, Liquor Board Profits, and Criminal Justice money. Although greatly reduced as a result of the passage of I695, the City does receive some Motor Vehicle Excise taxes. Intergovernmental accounts for 5.1% of General fund revenue or \$685,771 for fiscal 2013.

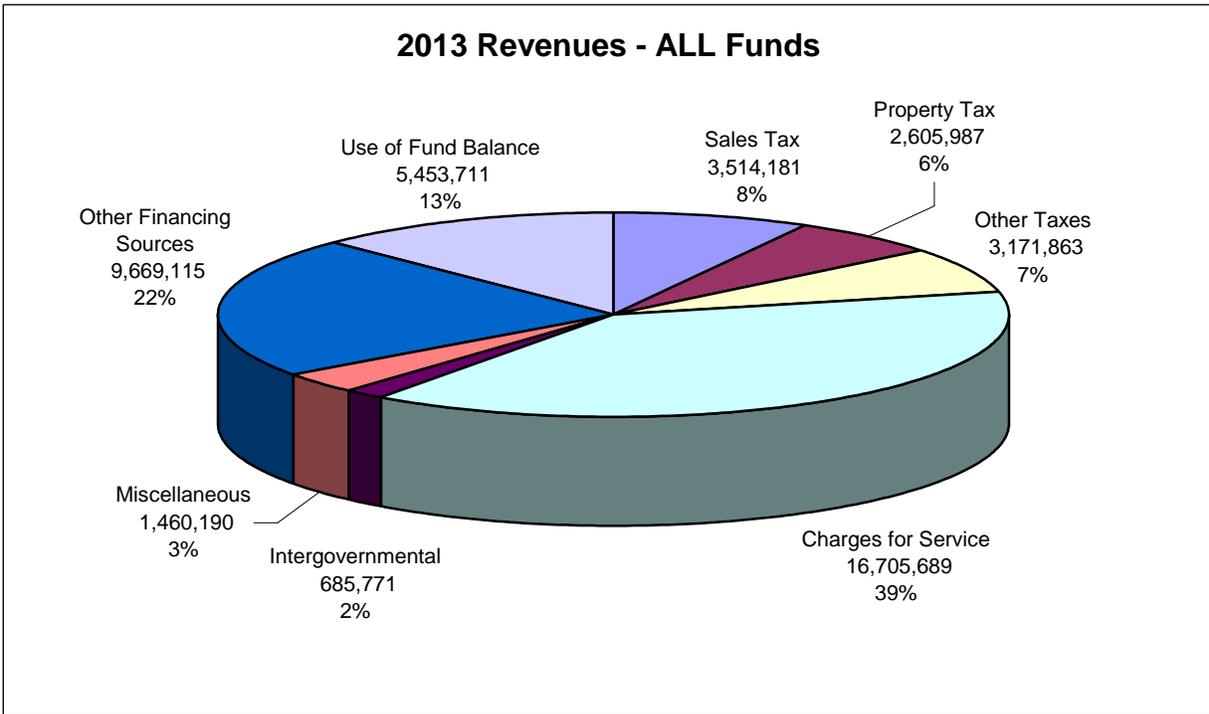




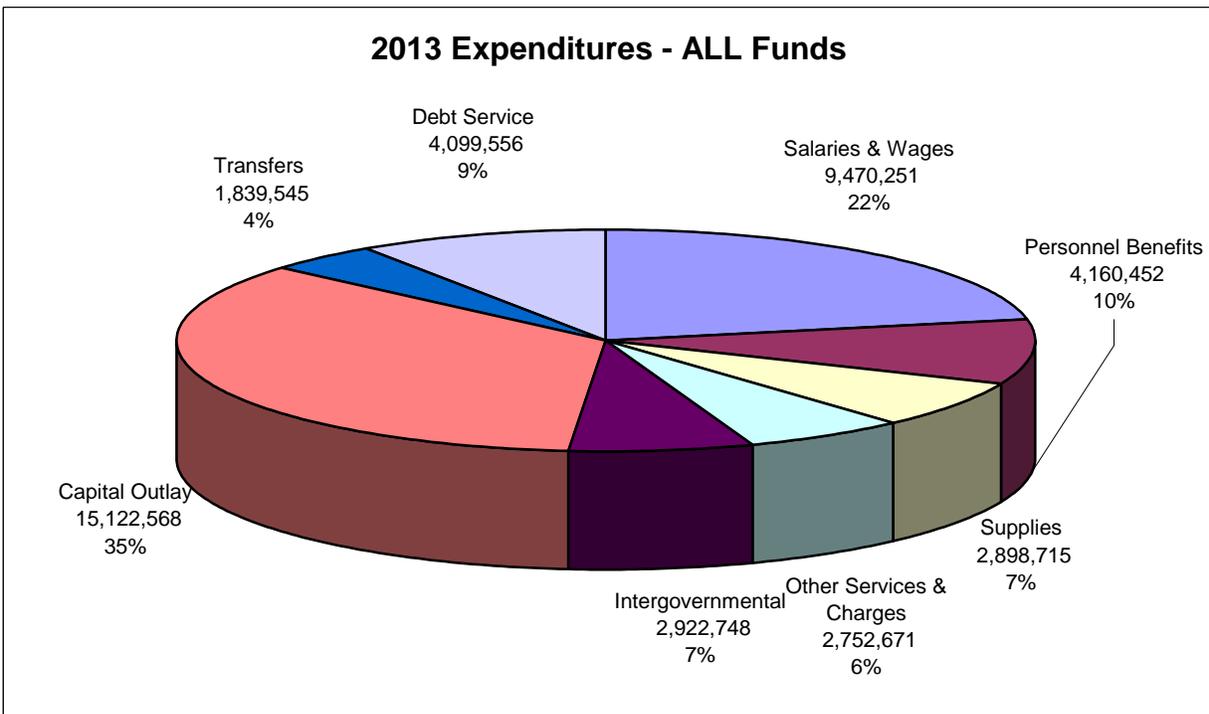




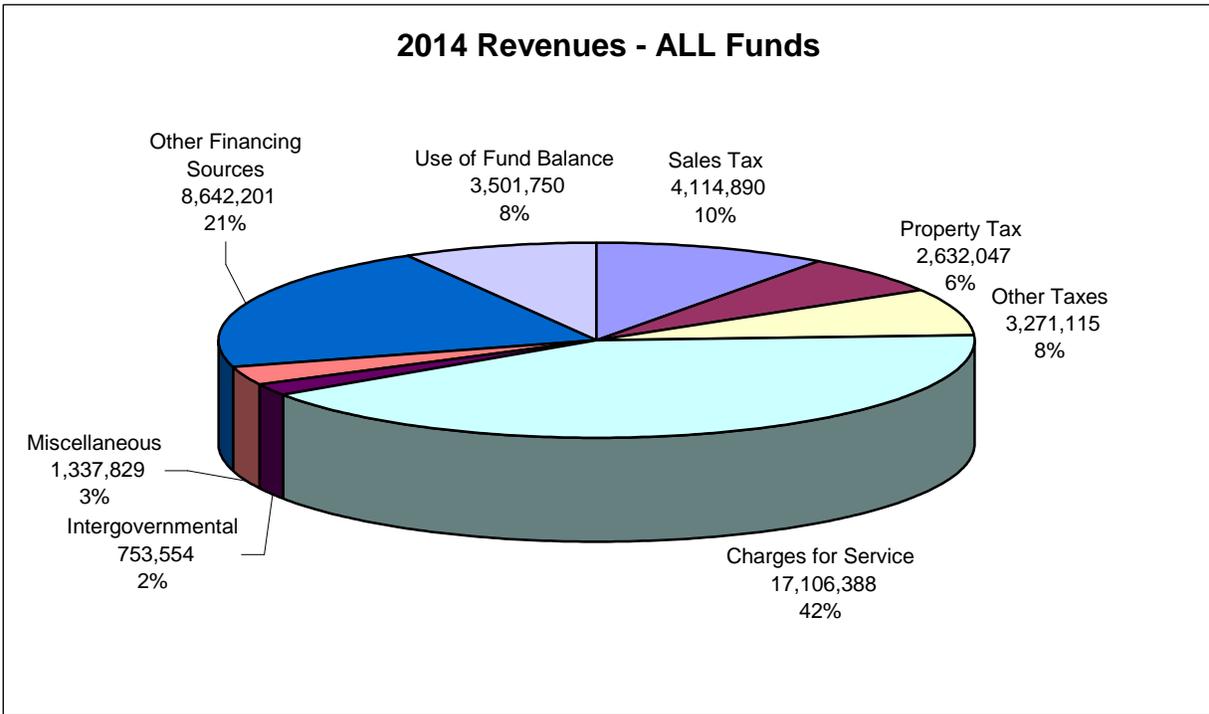
Where Does the Money Come From?



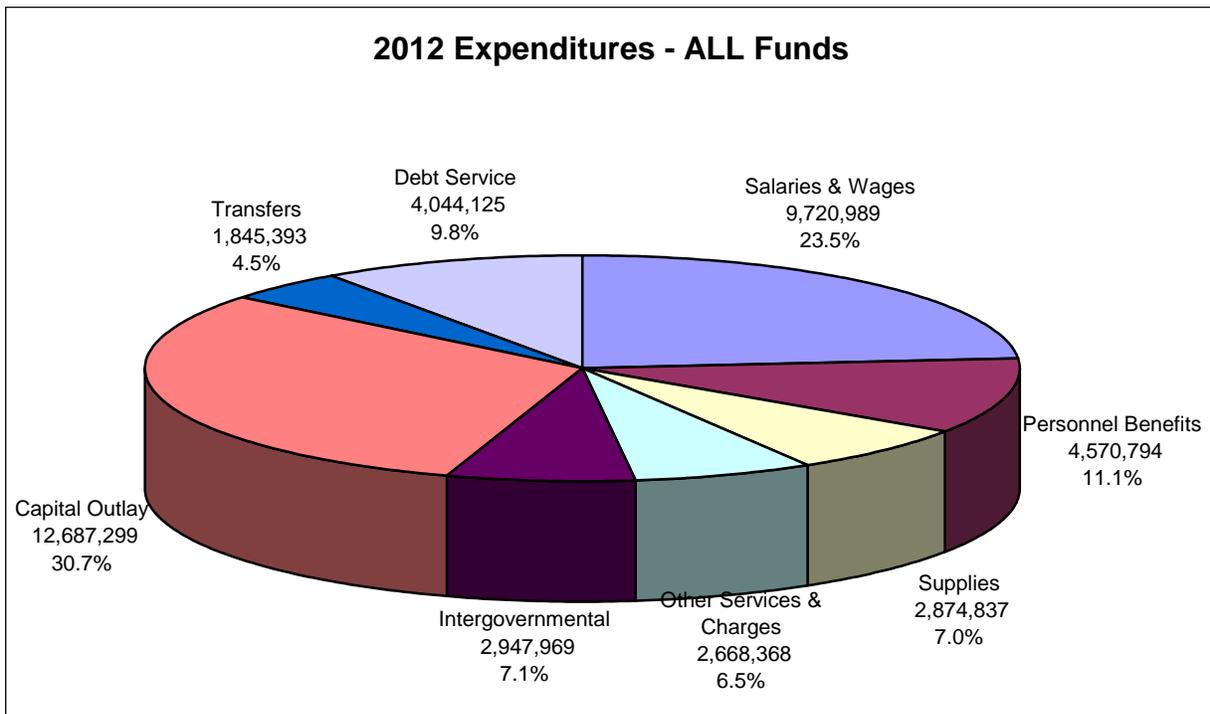
How Is the Money Spent?



Where Does the Money Come From?



How Is the Money Spent?



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**Combined Statement
ALL Funds**

	General Fund				
	2010 Actual	2011 Actual	2012 Revised	2013 Est	2014 Est
Revenues					
Sales Tax	3,363,304	3,388,997	3,346,839	3,514,181	4,114,890
Property Tax	2,479,959	2,523,937	2,580,185	2,605,987	2,632,047
Other Taxes	2,571,800	2,726,157	2,547,426	2,686,964	2,767,329
Charges for Service	2,890,412	2,583,375	3,196,687	3,364,796	3,536,441
Intergovernmental	576,944	618,139	565,735	685,771	753,554
Miscellaneous	372,696	511,603	425,313	570,242	449,223
Other Financing Sources	-	14,185	-	-	-
Total Revenues	12,255,114	12,366,393	12,662,185	13,427,940	14,253,484
Expenditures					
Salaries & Wages	6,276,794	6,407,437	6,090,589	6,938,132	7,170,662
Personnel Benefits	2,290,564	2,437,578	2,973,646	3,031,462	3,331,134
Supplies	342,591	351,178	354,370	383,065	364,187
Other Services & Charges	1,650,667	1,598,465	1,552,902	1,701,281	1,591,061
Intergovernmental	1,507,901	1,525,796	1,419,835	1,486,313	1,511,534
Capital Outlay	11,253	58,343	5,000	85,000	18,000
Transfers	-	2,650,000	-	-	-
Debt Service	659,638	331,278	692,111	-	-
Total Expenditures	12,739,407	15,360,075	13,088,453	13,625,254	13,986,579
Net Increase (Decrease) in Fund Balance	(484,293)	(2,993,681)	(426,268)	(197,314)	266,905
Fund Balance - Jan 1	5,085,578	4,601,285	1,607,604	1,181,336	984,023
Fund Balance - Dec 31	4,601,285	1,607,604	1,181,336	984,023	1,250,928

	Capital Funds				
	2010 Actual	2011 Actual	2012 Revised	2013 Est	2014 Est
Revenues					
Sales Tax	-	-	-	-	-
Property Tax	-	-	-	-	-
Other Taxes	788,567	730,303	608,575	573,489	592,376
Charges for Service	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Miscellaneous	93,713	13,525	179,500	95,761	87,000
Other Financing Sources	5,686,166	7,108,280	2,127,000	1,239,200	468,484
Total Revenues	6,568,447	7,852,108	2,915,075	1,908,450	1,147,860
Expenditures					
Salaries & Wages	-	-	-	-	-
Personnel Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Other Services & Charges	92,509	3,103	-	20,400	20,400
Intergovernmental	-	-	-	-	-
Capital Outlay	6,743,451	3,438,418	7,839,870	4,203,844	1,199,000
Transfers	-	-	500,000	-	-
Debt Service	575,605	788,283	443,825	896,327	883,799
Total Expenditures	7,411,564	4,229,805	8,783,695	5,120,571	2,103,199
Net Increase (Decrease) in Fund Balance	(843,118)	3,622,302	(5,868,620)	(3,212,121)	(955,339)
Fund Balance - Jan 1	10,593,820	9,750,702	13,373,005	7,504,385	4,292,263
Fund Balance - Dec 31	9,750,702	13,373,005	7,504,385	4,292,263	3,336,924

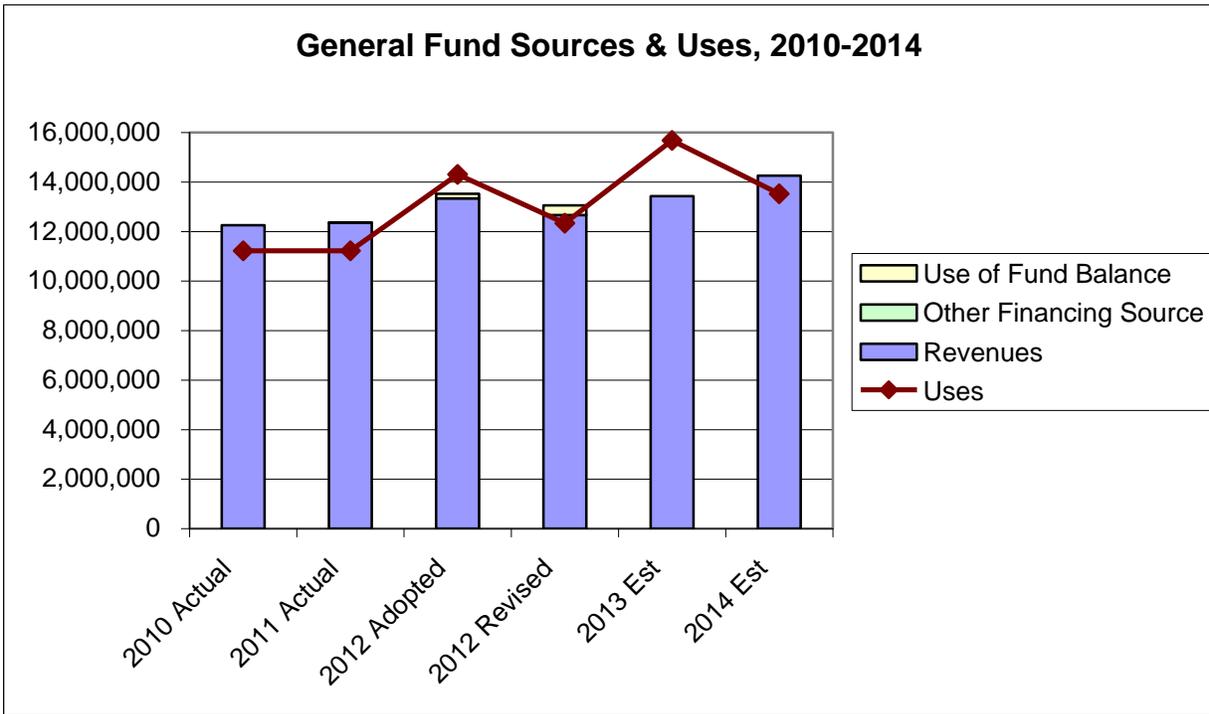
**Combined Statement
ALL Funds**

	Utility Funds				
	2010 Actual	2011 Actual	2012 Revised	2013 Est	2014 Est
Revenues					
Sales Tax	-	-	-	-	-
Property Tax	-	-	-	-	-
Other Taxes	-	-	-	-	-
Charges for Service	10,936,426	11,095,962	11,272,300	11,777,740	11,994,297
Intergovernmental	-	-	-	-	-
Miscellaneous	96,522	36,440	269,600	520,887	528,306
Other Financing Sources	4,921,397	5,797,782	2,347,000	8,429,915	8,173,717
Total Revenues	15,954,345	16,930,184	13,888,900	20,728,542	20,696,320
Expenditures					
Salaries & Wages	2,192,930	2,309,354	2,431,215	2,376,298	2,394,014
Personnel Benefits	838,479	933,482	1,083,513	1,058,748	1,165,735
Supplies	1,983,424	2,066,253	2,697,734	2,515,650	2,510,650
Other Services & Charges	2,934,125	2,989,860	-	-	-
Intergovernmental	1,293,949	1,478,087	1,436,435	1,436,435	1,436,435
Capital Outlay	3,817,044	4,181,065	5,520,134	10,647,027	11,292,722
Transfers	1,699,515	1,699,515	1,816,626	1,839,545	1,845,393
Debt Service	2,642,695	2,854,153	2,696,854	2,973,229	2,930,325
Total Expenditures	17,402,161	18,511,769	17,682,511	22,846,932	23,575,274
Net Increase (Decrease) in Fund Balance	(1,447,816)	(1,581,585)	(3,793,611)	(2,118,390)	(2,878,954)
Fund Balance - Jan 1	23,604,451	22,156,635	20,575,050	16,781,439	14,663,049
Fund Balance - Dec 31	22,156,635	20,575,050	16,781,439	14,663,049	11,784,095
Non-Major Governmental Funds					
	2010 Actual	2011 Actual	2012 Revised	2013 Est	2014 Est
Revenues					
Sales Tax	-	-	-	-	-
Property Tax	-	-	-	-	-
Other Taxes	-	-	-	-	-
Charges for Service	1,507,225	1,502,716	1,504,316	1,563,153	1,575,650
Intergovernmental	-	-	-	-	-
Miscellaneous	271,338	56,783	108,300	273,300	273,300
Other Financing Sources	121,671	750,000	-	-	-
Total Revenues	1,900,234	2,309,499	1,612,616	1,836,453	1,848,950
Expenditures					
Salaries & Wages	135,556	143,898	170,925	155,820	156,313
Personnel Benefits	51,283	61,046	71,551	70,242	73,925
Supplies	21,658	2,766	-	-	-
Other Services & Charges	1,252,288	1,360,018	961,840	1,030,990	1,056,907
Intergovernmental	-	-	-	-	-
Capital Outlay	274,004	235,375	363,831	318,697	177,577
Transfers	743,089	(20,494)	-	-	-
Debt Service	115,349	-	100,000	230,000	230,000
Total Expenditures	2,593,227	1,782,609	1,668,147	1,805,749	1,694,722
Net Increase (Decrease) in Fund Balance	(692,993)	526,890	(55,531)	30,704	154,228
Fund Balance - Jan 1	3,943,885	3,250,892	3,777,782	3,722,251	3,752,955
Fund Balance - Dec 31	3,250,892	3,777,782	3,722,251	3,752,955	3,907,183

Combined Statement
ALL Funds

	TOTAL FUNDS				
	2010 Actual	2011 Actual	2012 Revised	2013 Est	2014 Est
Revenues					
Sales Tax	3,363,304	3,388,997	3,346,839	3,514,181	4,114,890
Property Tax	2,479,959	2,523,937	2,580,185	2,605,987	2,632,047
Other Taxes	3,360,367	3,456,460	3,156,001	3,171,863	3,271,115
Charges for Service	15,334,063	15,182,053	15,973,303	16,705,689	17,106,388
Intergovernmental	576,944	618,139	565,735	685,771	753,554
Miscellaneous	834,269	618,351	982,713	1,460,190	1,337,829
Other Financing Sources	10,729,234	13,670,247	4,474,000	9,669,115	8,642,201
Total Revenues	36,678,140	39,458,184	31,078,776	37,812,795	37,858,024
Expenditures					
Salaries & Wages	8,605,280	8,860,689	8,692,729	9,470,251	9,720,989
Personnel Benefits	3,180,326	3,432,106	4,128,710	4,160,452	4,570,794
Supplies	2,347,673	2,420,198	3,052,104	2,898,715	2,874,837
Other Services & Charges	5,929,589	5,951,446	2,514,742	2,752,671	2,668,368
Intergovernmental	2,801,850	3,003,882	2,856,270	2,922,748	2,947,969
Capital Outlay	10,845,751	7,913,202	13,728,835	15,122,568	12,687,299
Transfers	2,442,604	4,329,021	2,316,626	1,839,545	1,845,393
Debt Service	3,993,286	3,973,713	3,932,790	4,099,556	4,044,125
Total Expenditures	40,146,359	39,884,258	41,222,806	43,266,506	41,359,774
Net Increase (Decrease) in Fund Balance	(3,468,219)	(426,074)	(10,144,030)	(5,453,711)	(3,501,750)
Fund Balance - Jan 1	43,227,734	39,759,515	39,333,440	29,189,410	23,735,699
Fund Balance - Dec 31	39,759,515	39,333,440	29,189,410	23,735,699	20,233,949
General Fund					
<i>General Fund</i>			Capital Funds		
			<i>Street CIP</i>		
			<i>Parks CIP</i>		
			<i>General Government CIP</i>		
			<i>Civic Center CIP</i>		
Utility Funds					
<i>Water</i>			Nonmajor Governmental Funds		
<i>Wastewater (Sewer)</i>			<i>Drug Investigation Fund</i>		
<i>Stormwater</i>			<i>Contingency Fund</i>		
			<i>Equipment Rental &</i>		
			<i>Replacement Fund</i>		
			<i>Insurance Fund</i>		

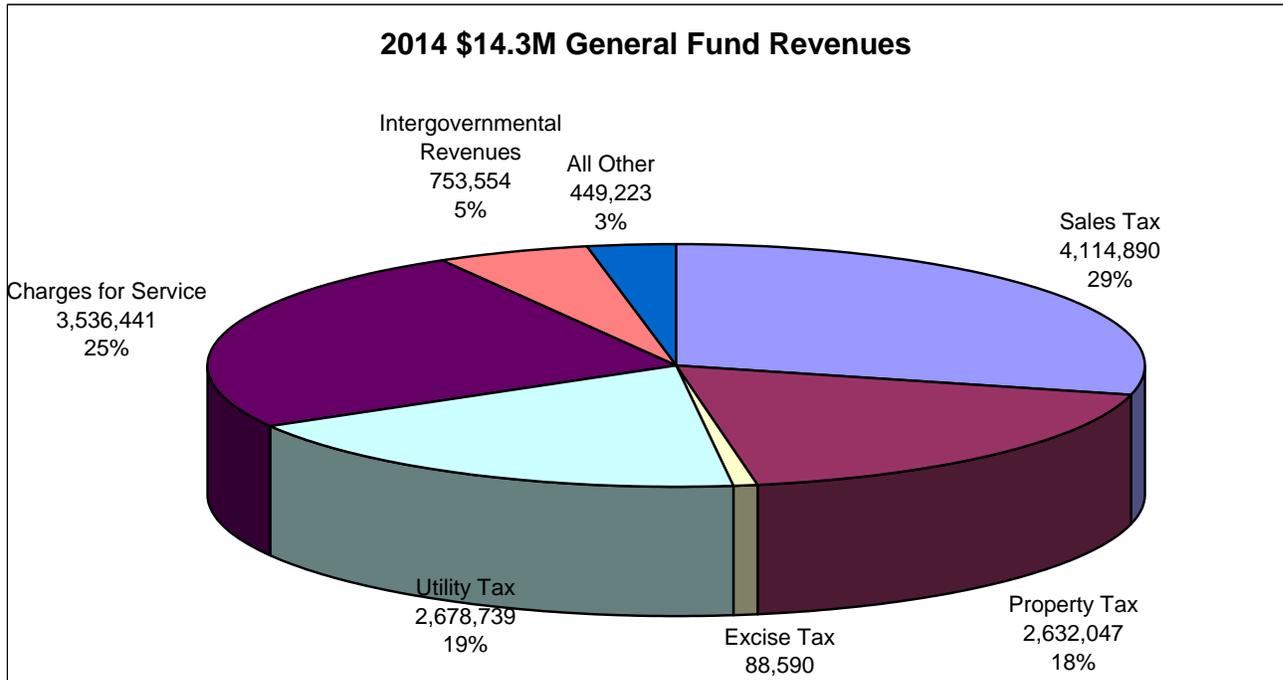
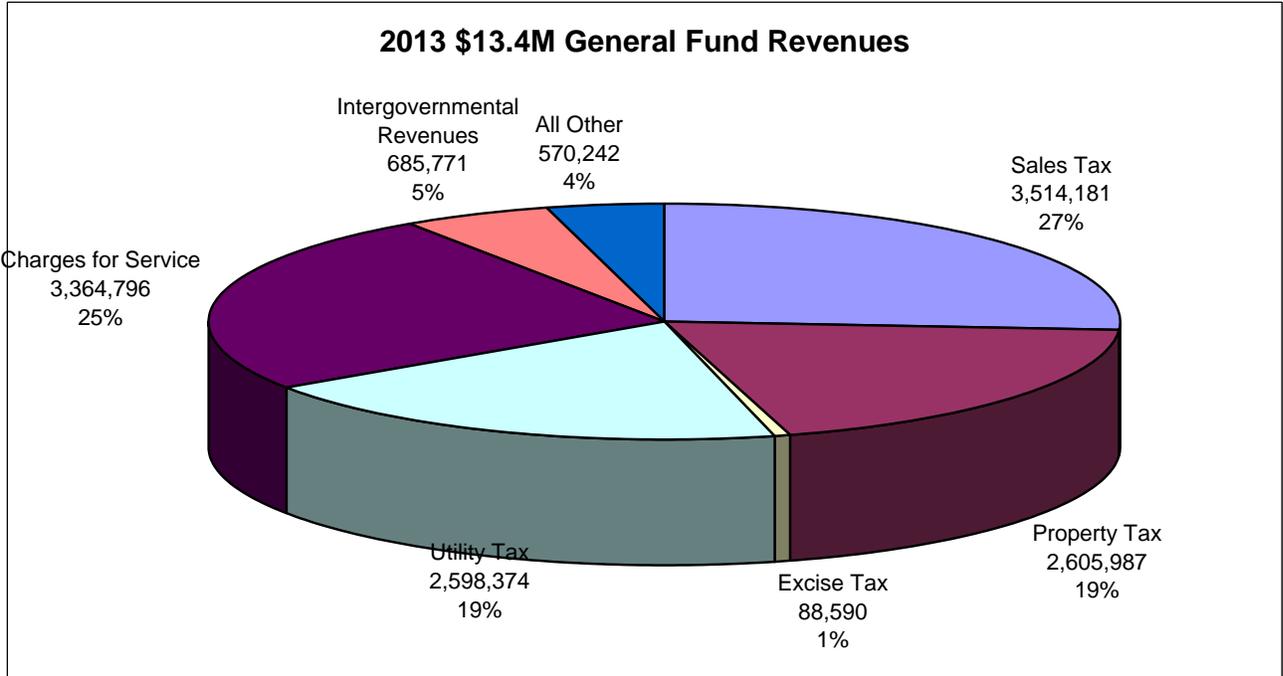
General Fund Overview

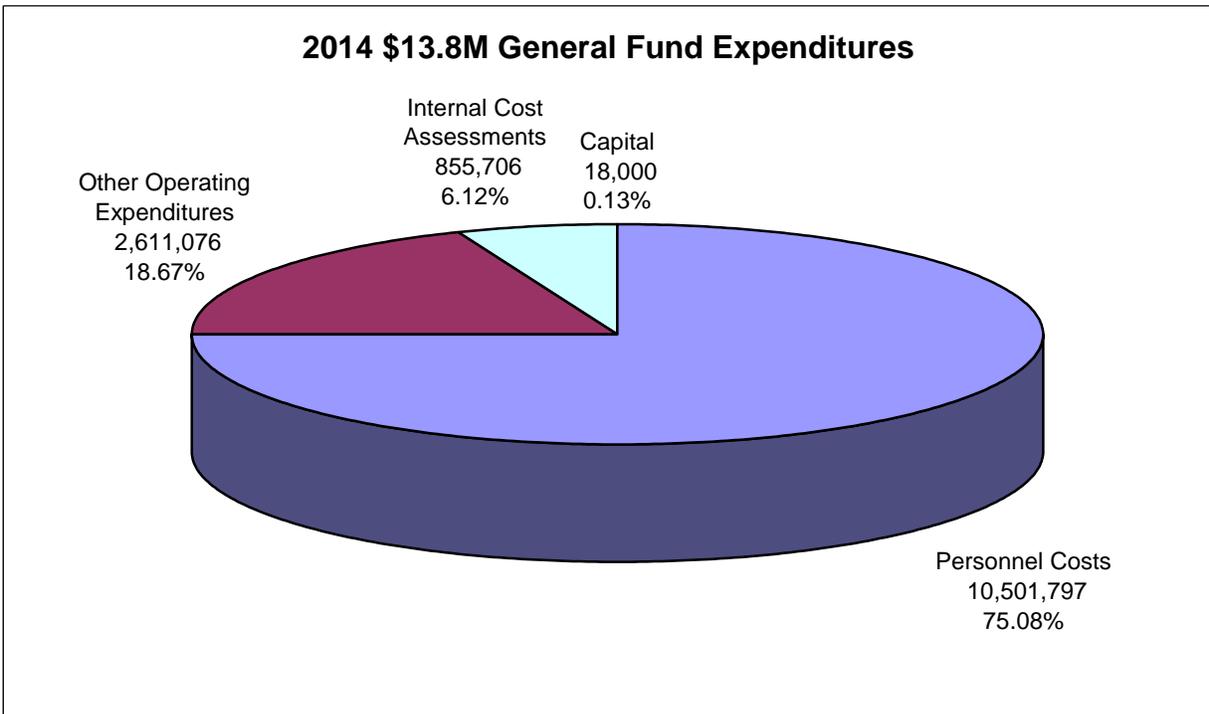
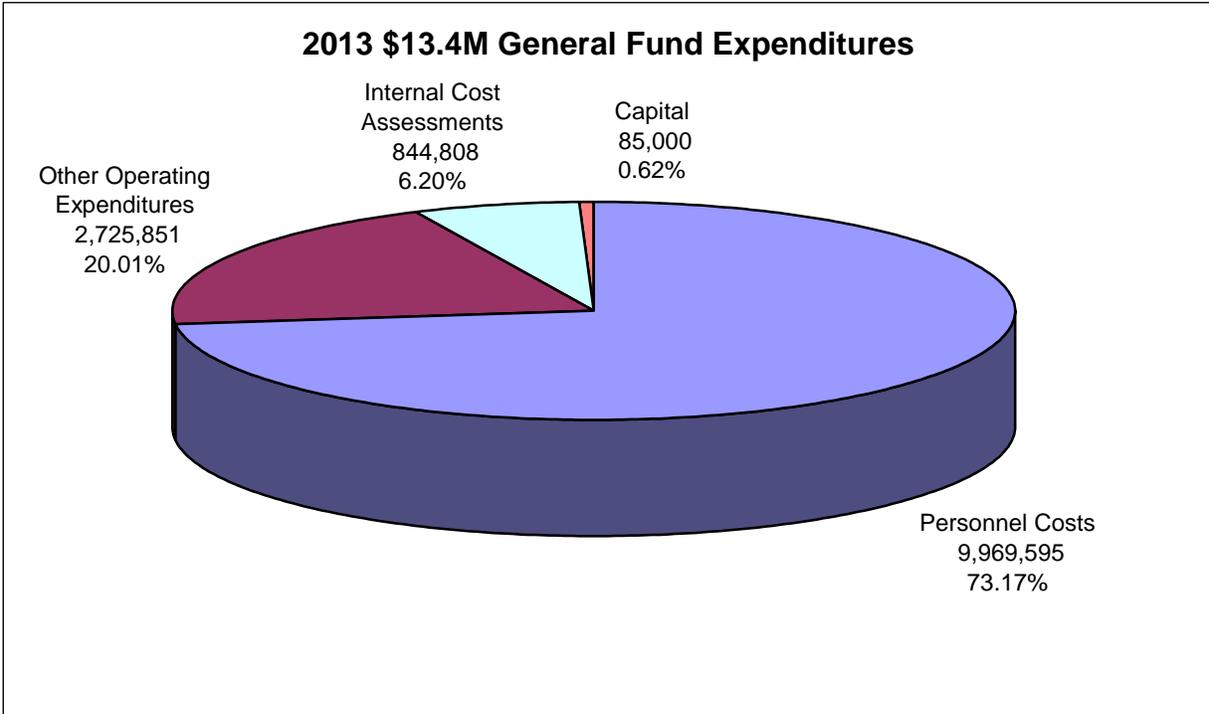


The budget presents the City’s financial operating plan for the stated fiscal period. This plan includes estimated expenditures (costs) of providing services and the estimated revenues (income) to pay for services. State statute requires cities to present a balanced budget (RCW 35.33.075). The budgeted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

**General Fund Revenues
2010-2014**

General Fund Revenues	2010 Actual	2011 Actual	2012 Revised	2013 Estimated	2014 Estimated
Sales Tax	\$ 3,363,304	\$ 3,388,997	\$ 3,346,839	\$ 3,514,181	\$ 4,114,890
Excise Tax	0	0	0	88,590	88,590
Property Tax	2,479,959	2,523,937	2,580,185	2,605,987	2,632,047
Utility Tax	2,571,800	2,726,157	2,547,426	2,598,374	2,678,739
<u>Charges for Service</u>					
Building Permits	778,129	524,224	777,401	806,295	865,294
Parks & Recreation	103,395	106,971	102,803	120,695	124,727
Fines & Forfeitures	784,914	715,343	797,570	913,655	998,171
General Administration	1,132,035	1,132,035	1,409,067	1,409,067	1,423,158
Police	12,085	16,263	12,060	12,407	13,175
Business License	79,855	88,539	97,787	102,676	111,917
Charges for Service	<u>2,890,412</u>	<u>2,583,375</u>	<u>3,196,687</u>	<u>3,364,796</u>	<u>3,536,441</u>
All Other	372,696	511,603	425,313	570,242	449,223
Intergovernmental Revenues	576,944	618,139	565,735	685,771	753,554
Annual Revenues	<u>12,255,114</u>	<u>12,352,208</u>	<u>12,662,185</u>	<u>13,427,940</u>	<u>14,253,484</u>
Other Financing Sources	0	14,185	0	0	0
Use of Fund Balance	0	0	393,174	0	0
Annual Sources	<u>\$ 12,255,114</u>	<u>\$ 12,366,393</u>	<u>\$ 13,055,359</u>	<u>\$ 13,427,940</u>	<u>\$ 14,253,484</u>





General Fund Expenditures 2010-2014

City of Bonney Lake: General Funds EXPENDITURES	2010 Actual	2011 Actual	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
General Fund Expenditures						
SALARIES & WAGES						
Regular & Part-Time Wages	5,209,314	5,385,811	5,883,104	5,800,589	6,645,486	6,850,016
Overtime	284,474	187,764	223,000	211,500	223,546	251,546
Seasonal & Casual Labor	91,309	52,499	79,000	78,500	69,100	69,100
Salaries & Wages Sub-Total	5,585,098	5,626,073	6,185,104	6,090,589	6,938,132	7,170,662
PERSONNEL BENEFITS						
Medical, Etc. Benefits	2,028,395	2,129,911	2,886,288	2,942,666	3,000,012	3,299,684
Uniforms & Clothing	-	350	30,980	30,980	31,450	31,450
Personnel Benefits Sub-Total	2,028,395	2,130,261	2,917,268	2,973,646	3,031,462	3,331,134
SUPPLIES						
Office & Operating Supplies	141,805	136,533	183,100	157,620	148,901	155,101
Fuel for Consumption	75	-	-	-	-	-
Items Purchased for Resale	26,178	24,427	28,500	26,500	26,500	26,500
Small Tools/Minor Equipment	166,778	184,683	193,150	170,250	207,664	182,586
Supplies Sub-Total	334,835	345,643	404,750	354,370	383,065	364,187
OTHER SERVICES & CHARGES						
Professional Services	880,657	765,487	872,800	753,003	803,382	768,675
Communication	93,758	109,613	99,900	109,918	114,382	114,401
Travel (Miles, Meals, Lodging)	16,064	20,851	39,650	36,815	41,707	42,418
Advertising	16,168	15,776	17,400	14,900	19,100	19,100
Operating Rents & Leases	22,856	22,236	28,224	23,740	20,078	17,728
Insurance	40	-	-	-	-	-
Public Utility Service	249,249	298,387	292,050	306,050	350,150	350,150
Repairs & Maintenance	96,711	134,283	96,400	90,300	132,289	97,289
Miscellaneous	160,975	167,246	232,376	218,176	220,193	181,300
Other Services & Charges Sub-Total	1,536,478	1,533,879	1,678,800	1,552,902	1,701,281	1,591,061
INTERGOVERNMENTAL SERVICES						
Intergovernmental Charges	204,167	198,855	352,300	331,300	641,505	655,828
Internal Charges for Service	472,749	479,528	413,301	413,301	844,808	855,706
Intergovernmental Sub-Total	676,916	678,383	765,601	744,601	1,486,313	1,511,534
CAPITAL OUTLAYS						
Capital Outlays	5,396	32,692	-	-	85,000	18,000
Capital Outlay Sub-Total	5,396	32,692	-	-	85,000	18,000
DEBT SERVICE						
Principal	659,638	331,278	892,111	692,111	-	-
Interest	-	-	-	-	-	-
Debt Service Sub-Total	659,638	331,278	892,111	692,111	-	-
TRANSFERS						
Transfers-Out	-	2,650,000	-	-	-	-
Transfers Sub-Total	-	2,650,000	-	-	-	-
TOTAL GENERAL FUND EXPENDITURES	\$ 10,826,755	\$ 13,328,209	\$ 12,843,634	\$ 12,408,219	\$ 13,625,254	\$ 13,986,579
Annual Change (\$)		\$ 2,501,454	\$ (484,575)	\$ (435,415)	\$ 1,217,035	\$ 361,325
Annual Change (%)		23%	-4%	-3%	10%	3%

General Fund Expenditures by Department/Category
2013-2014

General Fund 2013	Expenditures									
	Personnel	Supplies	Services/Charges	Intergovernmental	Capital	Debt Service	Election	Interfund	Transfers Out	Total
Legislative	36,272	1,650	9,575	0	0	0	62,000	0	0	109,497
Judicial	630,970	14,750	27,263	0	27,000	0	0	0	0	699,983
Executive	470,945	16,525	109,375	46,000	0	0	0	0	0	642,845
Finance	920,125	6,800	167,100	0	0	0	0	0	0	1,094,025
Legal	108,570	450	286,100	0	0	0	0	0	0	395,120
Information Systems	214,029	128,674	135,750	0	42,000	0	0	0	0	520,453
City Clerk	372,890	350	22,600	0	0	0	0	0	0	395,840
Human Resources	108,591	550	3,989	0	0	0	0	0	0	113,130
Law Enforcement	4,561,644	64,880	202,690	548,777	0	0	0	350,234	0	5,728,225
Engineering & PW	0	3,340	15,207	0	0	0	0	57,074	0	75,621
Streets	672,756	38,650	205,850	0	0	0	0	115,550	0	1,032,806
Senior Center	269,650	31,400	3,925	0	16,000	0	0	8,733	0	329,708
Community Forestry	24,294	9,750	5,300	0	0	0	0	0	0	39,344
Community Development	1,087,584	7,050	61,757	6,300	0	0	0	44,601	0	1,207,292
Facilities	200,390	27,946	273,000	0	0	0	0	15,213	0	516,549
Parks	191,901	17,300	63,100	0	0	0	0	35,451	0	307,752
Non-Departmental	98,987	13,000	46,700	40,428	0	0	0	217,952	0	417,067
Total General Fund	9,969,598	383,065	1,639,281	641,505	85,000	0	62,000	844,808	0	13,625,257

General Fund 2014	Expenditures									
	Personnel	Supplies	Services/Charges	Intergovernmental	Capital	Debt Service	Election	Interfund	Transfers Out	Total
Legislative	36,291	1,850	10,175	0	0	0	30,000	0	0	78,316
Judicial	669,987	11,250	28,263	0	3,000	0	0	0	0	712,500
Executive	563,124	16,525	109,375	46,000	0	0	0	0	0	735,024
Finance	952,327	6,800	167,100	0	0	0	0	0	0	1,126,227
Legal	109,673	450	286,100	0	0	0	0	0	0	396,223
Information Systems	225,867	100,074	136,350	0	15,000	0	0	0	0	477,291
City Clerk	389,092	10,300	22,600	0	0	0	0	0	0	421,992
Human Resources	111,802	550	3,989	0	0	0	0	0	0	116,341
Law Enforcement	4,812,717	73,652	167,670	562,549	0	0	0	350,234	0	5,966,822
Engineering & PW	0	3,340	15,207	0	0	0	0	57,074	0	75,621
Streets	695,305	38,650	205,850	0	0	0	0	115,550	0	1,055,355
Senior Center	279,964	27,700	3,925	0	0	0	0	8,733	0	320,322
Community Forestry	24,948	9,750	5,300	0	0	0	0	0	0	39,998
Community Development	1,133,410	5,050	63,757	6,300	0	0	0	44,601	0	1,253,118
Facilities	201,568	27,946	232,600	0	0	0	0	15,213	0	477,327
Parks	196,734	17,300	55,600	0	0	0	0	35,451	0	305,085
Non-Departmental	98,987	13,000	47,200	40,979	0	0	0	228,850	0	429,016
Total General Fund	10,501,796	364,187	1,561,061	655,828	18,000	0	30,000	855,706	0	13,986,578

General Fund 2013-2014 Biennium	Expenditures									
	Personnel	Supplies	Services/Charges	Intergovernmental	Capital	Debt Service	Election	Interfund	Transfers Out	Total
Legislative	72,563	3,500	19,750	0	0	0	92,000	0	0	187,813
Judicial	1,300,957	26,000	55,526	0	30,000	0	0	0	0	1,412,483
Executive	1,034,069	33,050	218,750	92,000	0	0	0	0	0	1,377,869
Finance	1,872,452	13,600	334,200	0	0	0	0	0	0	2,220,252
Legal	218,243	900	572,200	0	0	0	0	0	0	791,343
Information Systems	439,896	228,748	272,100	0	57,000	0	0	0	0	997,744
City Clerk	761,982	10,650	45,200	0	0	0	0	0	0	817,832
Human Resources	220,393	1,100	7,978	0	0	0	0	0	0	229,471
Law Enforcement	9,374,361	138,532	370,360	1,111,326	0	0	0	700,468	0	11,695,047
Engineering & PW	0	6,680	30,414	0	0	0	0	114,148	0	151,242
Streets	1,368,061	77,300	411,700	0	0	0	0	231,100	0	2,088,161
Senior Center	549,614	59,100	7,850	0	16,000	0	0	17,466	0	650,030
Community Service	49,242	19,500	10,600	0	0	0	0	0	0	79,342
Community Development	2,220,994	12,100	125,514	12,600	0	0	0	89,202	0	2,460,410
Facilities	401,958	55,892	505,600	0	0	0	0	30,426	0	993,876
Parks	388,635	34,600	118,700	0	0	0	0	70,902	0	612,837
Non-Departmental	197,974	26,000	93,900	81,407	0	0	0	446,802	0	846,083
Total General Fund	20,471,394	747,252	3,200,342	1,297,333	103,000	0	92,000	1,700,514	0	27,611,835

City of Bonney Lake POSITION SUMMARY	Year	2008	2009	2010	2011	2012	2013	2014
	Authorized F.T.E.	Adopted F.T.E.	Estimated F.T.E.	Estimated F.T.E.				
CITY COUNCIL								
Councilmember (Part-Time)		7.000	7.000	7.000	7.000	7.000	7.000	7.000
TOTAL CITY COUNCIL		7.000	7.000	7.000	7.000	7.000	7.000	7.000
EXECUTIVE								
Mayor		1.000	1.000	1.000	1.000	1.000	1.000	1.000
City Administrator		1.000	1.000	1.000	1.000	1.000	1.000	1.000
Executive Assistant		1.000	1.000	1.000	1.000	1.000		1.000
Facilities, Special Events, and Projects Manager					1.000	1.000	1.000	1.000
Special Events Coordinator					1.000	1.000	1.000	1.000
Facilities Maintenance Worker II					1.000	1.000	1.000	1.000
Custodian					1.000	1.000	1.000	1.000
TOTAL EXECUTIVE		3.000	3.000	3.000	7.000	7.000	6.000	7.000
LEGAL								
City Prosecutor					1.000	1.000	1.000	1.000
TOTAL LEGAL					1.000	1.000	1.000	1.000
COURT								
Municipal Judge		0.750	0.800	0.850	0.850	0.850	0.850	0.850
Court Administrator		1.000	1.000	1.000	1.000	1.000	1.000	1.000
Court Clerk I		3.000	3.000	3.000	3.000	3.000	3.000	3.000
Court Clerk II		1.000	1.000	1.000	1.000	1.000	1.000	1.000
Probation Officer							1.000	1.000
TOTAL COURT		5.750	5.800	5.850	5.850	5.850	6.850	6.850
FINANCE								
Chief Financial Officer		1.000	1.000	1.000	1.000	1.000	1.000	1.000
Accounting Manager			1.000	1.000	1.000	1.000	1.000	1.000
Financial Operations Supervisor			1.000	1.000	1.000	1.000	1.000	1.000
Senior Accountant		1.000						
Accountant		1.000	1.000	1.000	1.000	1.000	1.000	1.000
Utility Billing Supervisor		1.000						
Accounting Specialist I/II		4.000	5.000	5.000	5.000	5.000	5.000	5.000
Accounting Specialist III		1.000	1.000	1.000	1.000	1.000	1.000	1.000
Payroll Officer		1.000						
TOTAL FINANCE		10.000	10.000	10.000	10.000	10.000	10.000	10.000

City of Bonney Lake POSITION SUMMARY	Year	2008	2009	2010	2011	2012	2013	2014
	Authorized F.T.E.	Adopted F.T.E.	Adopted F.T.E.	Adopted F.T.E.	Adopted F.T.E.	Adopted F.T.E.	Estimated F.T.E.	Estimated F.T.E.

CITY CLERK & ADMINISTRATIVE SERVICES

Administrative Services Director/City Clerk	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Records/Information Specialist	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Administrative Specialist I/II	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000
Human Resources Manager						1.000	1.000	1.000
Human Resources Officer	1.000	1.000	1.000	1.000				
Information Services Manager						1.000	1.000	1.000
Information Services Coordinator	1.000	1.000	1.000	1.000				
PC/Network Technician	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Senior Center Manager				1.000	1.000	1.000	1.000	1.000
Senior Services Assistant						1.000	0.200	0.200
Cook						0.800	0.800	0.800
Kitchen Aide						0.300	0.300	0.300
Senior Center Aide/Van Driver						1.800	2.000	2.000
TOTAL CITY CLERK & ADMINISTRATIVE SERVICES	7.000	7.000	7.000	8.000	11.900	11.300	11.300	11.300

COMMUNITY SERVICES

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

POLICE

Police Chief	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Assistant Police Chief	1.000	1.000	1.000	1.000	1.000	2.000	2.000	2.000
Police Lieutenant	1.000			1.000	1.000			
Department Assistant	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Records Clerk	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000
Police Sergeant	4.000	5.000	5.000	4.000	4.000	5.000	5.000	5.000
Patrol Officers	21.000	22.000	22.000	22.000	22.000	22.000	22.000	22.000
School Resource Officer	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Community Services Officer	3.200	3.200	3.200	3.600	3.600	3.600	3.600	3.600
Child Passenger Safety Program Manager					1.000	1.000	1.000	1.000
TOTAL POLICE	36.200	37.200	37.200	37.600	38.600	39.600	39.600	39.600

City of Bonney Lake POSITION SUMMARY	Year	2008	2009	2010	2011	2012	2013	2014
		Authorized F.T.E.	Adopted F.T.E.	Adopted F.T.E.	Adopted F.T.E.	Adopted F.T.E.	Estimated F.T.E.	Estimated F.T.E.

COMMUNITY DEVELOPMENT

Community Development Director/Building Official						1.000	1.000	1.000
Community Development Director	1.000	1.000	1.000	1.000	1.000			
GIS Analyst	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
GIS Assistant						1.000	1.000	1.000
Planning Manager	1.000	1.000	1.000	1.000	1.000	1.000		
Senior Planner							1.000	1.000
Associate Planner	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Assistant Planner	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Planning Technician	1.000	1.000	1.000					
Code Enforcement Officer	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Development Services Engineer	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Construction Inspector	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Administrative Specialist I/II	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Building Official	1.000	1.000	1.000	1.000				
Permit Coordinator	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Permit Technician I/II	2.000	2.000	2.000	1.000	1.000	1.000	1.000	1.000
Building Inspector 2	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Building Inspector 1	2.000	2.000	2.000					
TOTAL COMMUNITY DEVELOPMENT	17.000	17.000	17.000	13.000	13.000	13.000	13.000	13.000

PUBLIC WORKS (Water, Sewer, Streets, Stormwater, ER&R)

Public Works Director	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Assistant Public Works Director	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Public Works Support Services Coordinator	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Assistant Engineer		1.000	1.000	1.000	1.000	1.000	1.000	1.000
Administrative Specialist IV	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
City Engineer	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Administrative Specialist I/II	1.000	1.000	1.000	3.000	3.000	3.000	3.000	3.000
Engineering Technician	1.000							
Maintenance Worker I	7.000	7.000	7.000	6.000	6.000	6.000	6.000	6.000
Maintenance Worker II	18.000	18.000	18.000	17.000	17.000	17.000	17.000	17.000
Maintenance Electrician	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Mechanic II	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Meter Reader	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000
Project Manager	2.000	2.000	2.000	2.000	2.000	2.000	2.000	2.000
Lead Maintenance Worker	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000
Utility Supervisor	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Street & Stormwater Supervisor	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Assistant City Engineer - Utilities	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Parks Lead Worker					1.000	1.000	1.000	1.000
Maintenance Worker II (Parks/Forestry)					1.000	1.000	1.000	1.000
TOTAL ENGINEERING	44.000	44.000	44.000	44.000	46.000	46.000	46.000	46.000

TOTAL STAFFING (excludes elected officials)	134.850	135.900	135.950	126.450	133.350	133.750	134.750
TOTAL POPULATION	16,220	16,500	16,690	16,857	17,025	17,196	17,368
F.T.E. per 1,000 population	8.31	8.24	8.15	7.50	7.83	7.78	7.76

Changes in Staffing

As illustrated on the preceding Schedule of Authorized Full-Time Equivalent Employees, several departments have changes in personnel positions (2012 to 2013). Below is a schedule showing the net cost impact of the changes.

New Positions:

Title	Department	FTE's	Estimated Salary	Estimated Benefits	Estimated Total Cost
Probation Officer ¹	Judicial	1.00	44,856	34,563	79,419
Community Services Officer ²	Police	0.40	13,538	9,470	23,009
Senior Center Aide/Van Driver ³	Senior Center	0.40	12,080	8,248	20,328
Totals		1.80	70,474	52,281	122,756

Deleted Positions

Title	Department	FTE's	Estimated Salary	Estimated Benefits	Estimated Total Cost
Executive Assistant ⁴	Executive	1.00	68,700	21,803	90,503
Senior Services Assistant ³	Senior Center	1.00	39,035	20,359	59,394
Totals		2.00	107,735	42,162	149,897

Decrease	(0.20)	(37,261)	10,119	(27,141)
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The net decrease is the dollar difference between added and deleted positions

¹ The Probation Officer position will be funded for nine months in 2013 (beginning April), and a full twelve months in 2014.

² The Community Services Officer position is increased from 0.60 FTE to 1.0 FTE. The increase is grant funded.

³ The Senior Services Assistant position was deleted, and a Senior Center Aide position was increased by 0.40. The additional 0.40 was distributed among existing staff; no new positions were added.

⁴ The Executive Assistant position has not been funded for 2013; however, funding is restored in 2014.

Out of State Travel

On February 26, 2008, the City Council adopted Resolution 1787 addressing out-of-state travel. As per Section 2C, below is a listing of requested out-of-state travel for the 2013-2014 biennium. The following includes all out-of-state travel for 2013; due to logistics of conference planning, 2014 data is not readily available. This schedule does not include travel authorized by separate contract.

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

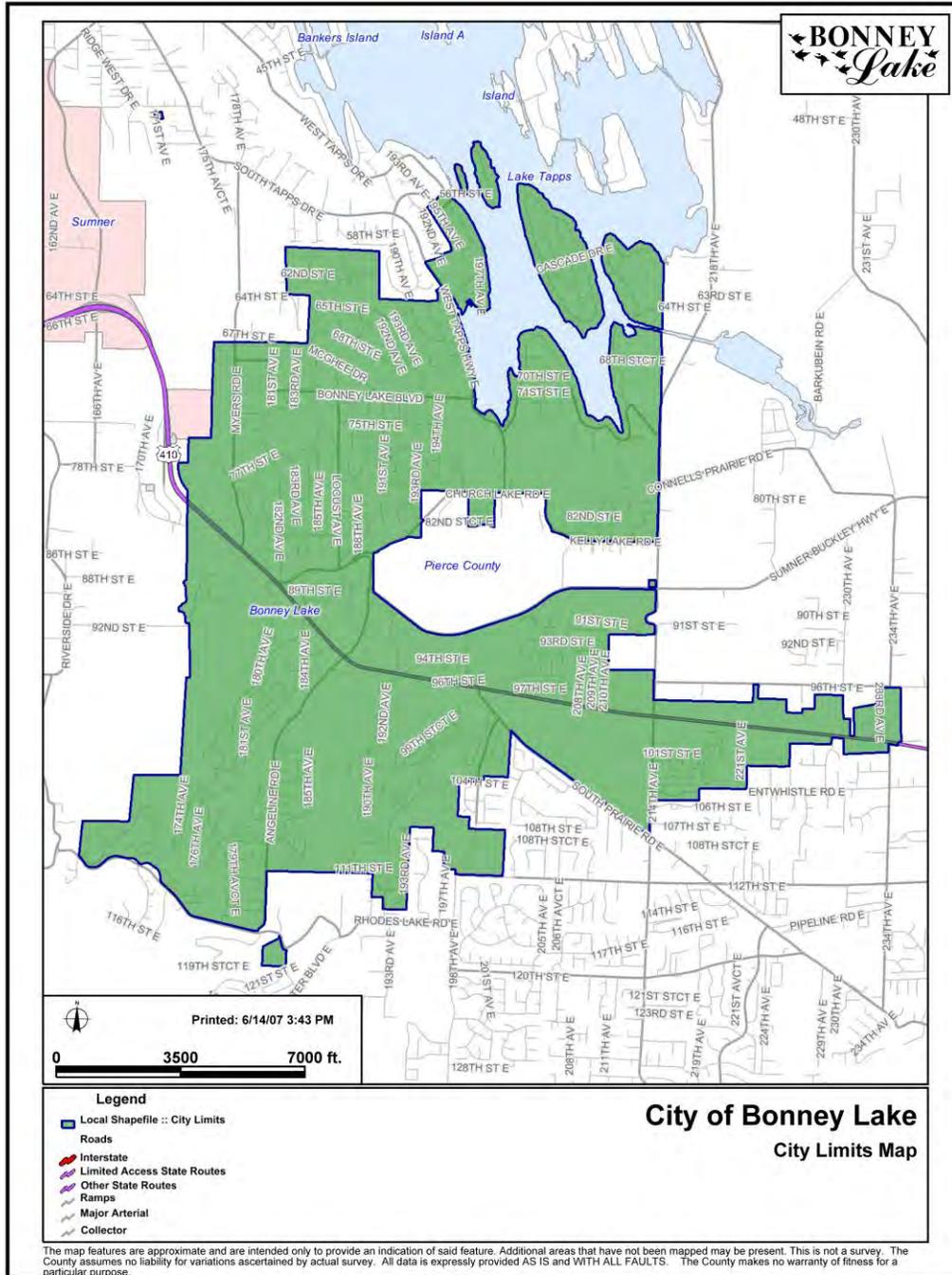


**GENERAL
FUND
PROGRAM
SUMMARIES**

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City Council Boundaries

As of April 2011, the Council ward system is no longer in use. Ordinance 1383, approved on March 8, 2011, provided for an "At-Large" system of Council representation.

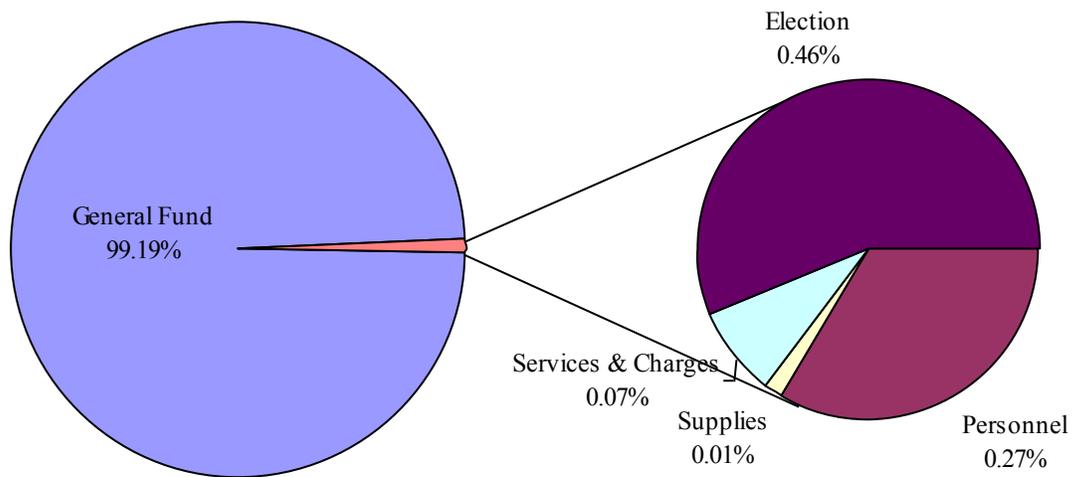


Department: *Legislative*
 Program(s): *City Council*
 Fund(s): *General*

Budget Overview

2013 Budget	109,497	2011 Councilmembers	7.0
Change from 2012:	28%	2012 Councilmembers	7.0
2014 Budget	78,316	2013 Councilmembers	7.0
Change from 2013	(28%)	2014 Councilmembers	7.0

Legislative by % of General Fund and Activity



Mission Statement

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

Purpose and Description

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

2011-2012 Key Legislative Accomplishments

- Adopted updated comprehensive plans (mid-town subarea plan, community culture, parks and recreation);
- Completed the design for the Easttown Sewer Liftstation;
- Held a Council retreat;
- Adopted a number of ordinances to facilitate economic development;
- Clarified policies on vehicle impoundment;
- Dealt with medical marijuana community gardens issue;
- Reduced water rates with a corresponding increase in sewer rates;
- Adopted new zoning for Midtown and Easttown;
- Enhanced the City's ability to enforce nuisance codes.

Level of Service

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

Goals & New Initiatives

- Adopt an updated Transportation Plan Element;
- Adopt an updated Shoreline Master Program;
- Support the formation of a Bonney Lake Park District;
- Support the formation of a Transportation Benefit District funded by a voter-approved sales tax;
- Adopt a biennial budget;
- Hold a City Council retreat;
- Enact legislation deemed necessary to improve the City;
- Continue working towards achieving the Council's vision and goals identified in the annual retreat;
- Develop and adopt a joint planning agreement with Pierce County that facilitates the annexation of a portion of the CUGA;
- Facilitate the installation of Easttown sewers.

Resource Summary

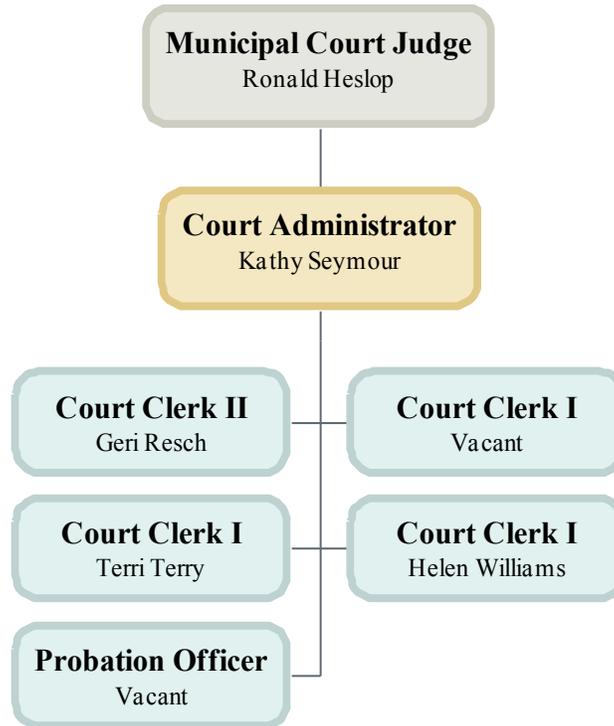
Legislative Legislative (Dept 11)	Actual		Budget			
	2010	2011	2012 Adopted	2012 Revised	2013	2014
10 Personnel Services	33,600	33,600	33,600	33,600	33,600	33,600
20 Personnel Benefits	2,631	2,639	4,977	4,977	2,672	2,691
30 Supplies	1,606	966	2,000	1,200	1,650	1,850
40 Services & Charges	5,355	7,152	14,950	11,750	9,575	10,175
50 Intergovernmental/Interfund	0	0	0	0	0	0
60 Capital Outlays	0	0	0	0	0	0
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
	43,192	44,357	55,527	51,527	47,497	48,316
Election Costs	21,965	30,303	34,000	34,000	62,000	30,000
Total	65,157	74,659	89,527	85,527	109,497	78,316

Budget Notes: The 2013 “Election Costs” anticipate a proposed special ballot measure for the formation of a Metropolitan Park District.

Trends & Future Issues

The continued downturn in the economy has had a significant impact on the City budget. During the early 2000s, the City was able to undertake many new programs and projects as revenues continued to grow. During the Great Recession years of 2008-present, revenues either decreased or flatlined. Thus, budgets tended to simply maintain operations as no new revenues were available to expand operations. This requires the City to more closely monitor revenues and expenditures and make adjustments as necessary.

Municipal Court

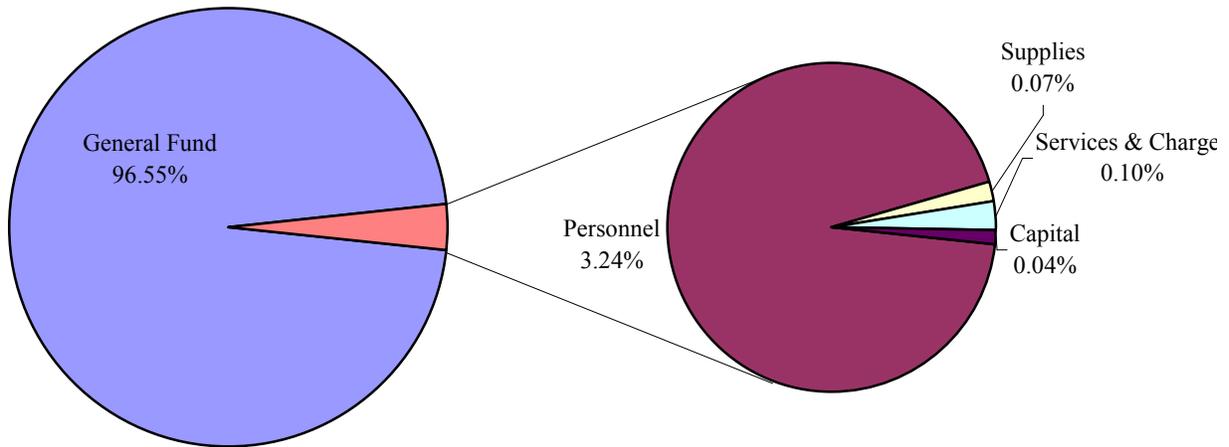


Department: *Judicial*
 Program(s): *Municipal Court*
 Fund(s): *General*

Budget Overview

2013 Budget	\$699,982	2011 FTE	5.85
Change from 2012:	28%	2012 FTE	5.85
2014 Budget	\$712,501	2013 FTE	6.85
Change from 2013	2%	2014 FTE	6.85

Judicial by % of General Fund and Activity



Mission Statement

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

Purpose and Description

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

2011-2012 Key Accomplishments

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

- Moved Court Services to Justice Center;
- Public Defender appears at all Arraignment Calendars as stand by counsel as needed;
- Full time Prosecutor hired and available for all court sessions;
- Streamline court processing by setting all criminal cases for final review rather than having staff do check files;
- Continue to provide municipal court services to the Town of South Prairie;
- Continue to provide location for Domestic Violence Kiosk in cooperation with Pierce County Superior Court Domestic Violence Unit;
- Provided staff with ongoing training through DMCMA regional training and other training made available through AOC;
- Processed a record volume of cases and accompanying volume of revenues received;
- Continue to work with Puget Sound Collections for all new cases assigned to collections;
- Staff come in early for a full week once every three weeks to provide them with quiet time to work on back log of case processing;
- Judge Heslop participated in the Bonney Lake High School Street Law Class for the 2011/2012 school year;
- Judge Heslop presided over a Mock Trial for the 7th/8th grade class from Lakeridge Middle School held in the Justice Center in 2011 and 2012;
- Implemented Day Reporting Program, in lieu of serving jail time;
- Working with Community Services Department implementing Community Service Program.

Level of Service

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

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

Goals & New Initiatives

- Add Probation Services to monitor open court cases as referred for monitoring;
- Expand the Community Service Program and Day Reporting in lieu of jail;
- Provide municipal court services to the Town of Eatonville;
- Continue to provide municipal court services for the Town of South Prairie;
- Add court form to website;
- Provide for traffic hearings by mail/e-filing, so allow for alternate means of persons to have their case heard;
- Review Imaging Systems and grants to streamline and assist with the courts budget in decreasing staff time and supplies in copying documents.

Resource Summary

Judicial Municipal Court (Dept 12)		Actual		Budget			
		2010	2011	2012 Adopted	2012 Revised	2013	2014
10	Personnel Services	330,413	353,170	354,316	348,842	379,136	382,529
20	Personnel Benefits	132,570	149,688	170,483	171,145	172,415	184,919
30	Supplies	7,985	11,514	10,700	7,950	9,250	9,250
40	Services & Charges	13,690	20,655	15,244	16,994	23,763	23,763
50	Intergovernmental/Interfund	0	0	0	0	0	0
60	Capital Outlays	0	5,552	0	0	0	0
70	Debt Service - Principal	0	0	0	0	0	0
80	Debt Service - Interest	0	0	0	0	0	0
90	Transfers Out	0	0	0	0	0	0
Total		484,658	540,580	550,743	544,931	584,563	600,462

Budget Notes: Services and Charges include funds for interpreters, judge pro tems, jury trial expenses, and expert witness fees.

Judicial Probation (Dept 12)		Actual		Budget			
		2010	2011	2012 Adopted	2012 Revised	2013	2014
10	Personnel Services	0	0	0	0	44,856	59,808
20	Personnel Benefits	0	0	0	0	34,563	42,731
30	Supplies	0	0	0	0	5,500	2,000
40	Services & Charges	0	0	0	0	3,500	4,500
50	Intergovernmental/Interfund	0	0	0	0	0	0
60	Capital Outlays	0	0	0	0	27,000	3,000
70	Debt Service - Principal	0	0	0	0	0	0
80	Debt Service - Interest	0	0	0	0	0	0
90	Transfers Out	0	0	0	0	0	0
Total		0	0	0	0	115,419	112,039

Budget Notes: In 2013, the capital expense includes office setup as well as a work van for probation use.

Trends & Future Issues

Marked decreases in economy has resulted in doing more with less and the court will continue to look at enhancing its jail alternative programs by utilizing/expanding its day reporting program and community service program. The addition of a probation officer position will help structure many jail alternative programs and will help elevate cost saving measures by keeping court ordered fines with the court.

Filings are expected to increase due to the addition of the court contracting with Eatonville to provide court services. The court will continue to look at alternative ways for persons with infraction cases to appear in court, i.e.; hearings by mail or email.

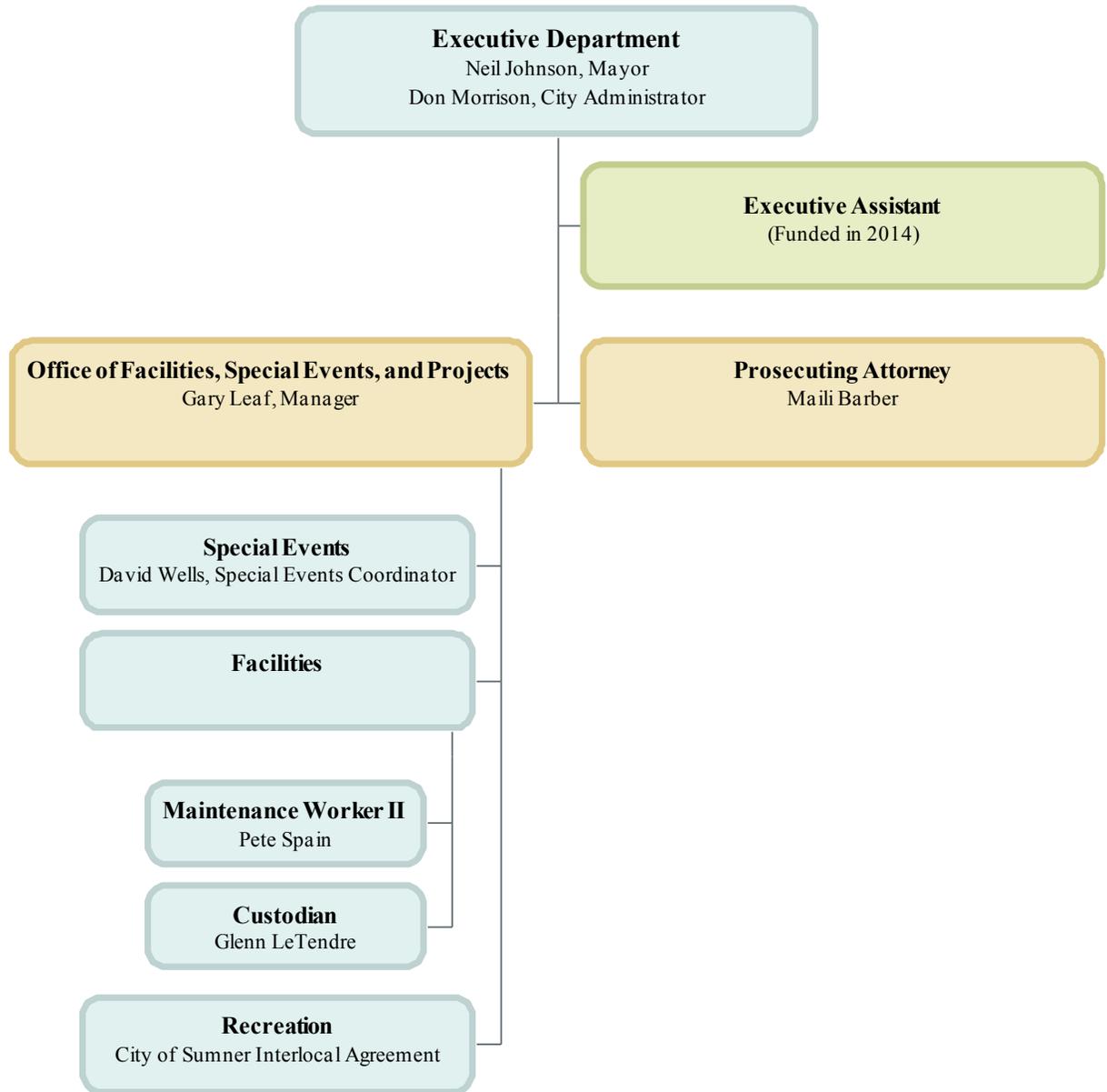
Performance Measures

	2007	2008	2009	2010	2011	2012 Est
Infraction Filings	7,742	4,789	7,206	6,062	4,657	5,472
Infraction Hearings	3,117	3,015	4,545	5,197	3,120	3,915
Criminal Filings	1,585	1,644	1,662	1,672	1,221	1,020
Criminal Hearings	3,737	6,034	6,378	5,902	4,424	4,915

2012 figures are projected based on current filings with the court. The decrease in criminal hearings is due to the number of DWLS 3rd cases that are being amended at the defendants first appearance.

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Executive Department

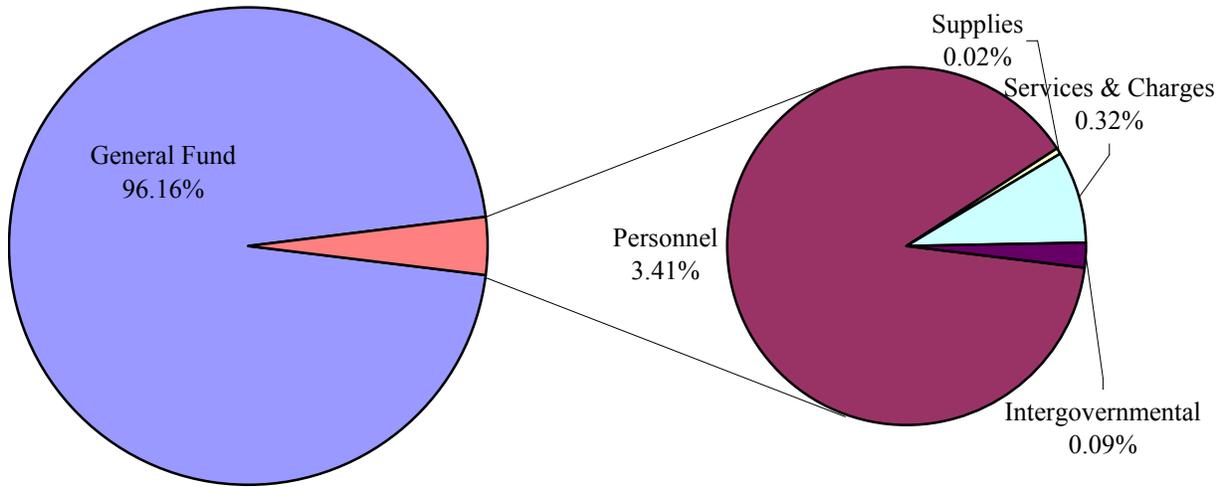


Department: *Executive*
 Program(s): *Mayor and City Administrator*
 Fund(s): *General*

Budget Overview

2013 Budget	\$519,700	2011 FTE	3.0
Change from 2012:	(17%)	2012 FTE	3.0
2014 Budget	\$611,878	2013 FTE	2.0
Change from 2013	18%	2014 FTE	3.0

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



Mission Statement

The mission of the Executive Department is to oversee the Executive Branch of the City government, and “see that all laws and ordinances are faithfully enforced and that law and order is maintained in the city, and have general supervision of the administration of city government and all city interests” (RCW 35A.12.100), to provide sound administration of all city programs and basic governmental services, and to improve the quality of community life for Bonney Lake citizens.

Purpose and Description

The Executive Department consists of the Mayor, City Administrator, an Executive Assistant (when budgeted and filled), Prosecuting Attorney, and the Office of Facilities, Special Events and Projects. The Executive Department oversees the administration of City government,

coordinates inter-governmental relations and grant administration, provides prosecution of civil infractions and misdemeanors, provides professional advice to the council and operating departments, and facilitates the achievement of Council goals. The Office of Facilities, Special Events and Projects provides custodial and facility services to the City, oversees park planning and development, and administers a variety of special recreational and cultural events and projects.

2011-2012 Key Accomplishments

- Coordinated Council Retreats to review the City's vision, goals, and priorities;
- Developed and administered the biennial budget, mid-biennial budget adjustments, and the long range financial plan;
- Brought the position of City Prosecutor in-house;
- Coordinated/sponsored grant applications resulting in more than \$2,000,000 in grant awards to the City;
- Developed a variety of proposed ordinances and resolutions;
- Planned and carried out a variety cultural and leisure related activities and programs, including Bonney Lake Days, Tunes at Tapps, Friday Night Flix, Parks Appreciation Day, Bark in Bonney Lake, and many other events;
- Oversaw the construction of the Justice Center.

Level of Service

This budget provides adequate resources to manage the City and respond to a variety of issues as they arise. Modest resources are provided to communicate with the citizenry and promote the economy of the City. When the position of Executive Assistant is filled, it will again provide staff hours to develop grant and other funding applications.

Goals & New Initiatives

- Organize and carry-out the work plan of the city in cooperation with the City Council;
- Continue to pursue creation of a park district and accompanying park bond;
- Pursue the development of a transportation benefit district;
- Complete the Justice Center Phase II tenant improvements;
- Promote Bonney Lake as an ideal place to work, live, shop, and play;
- Seek a variety of grant opportunities;
- Maintain the communications program of the City (BL Reporter, Mayor's Weekly Updates, Open Houses, etc.);
- Continue to pursue the annexation of the CUGA.

Resource Summary

Executive Mayor & Administrator (Dept 13)	Actual		Budget			
	2010	2011	2012 Adopted	2012 Revised	2013	2014
10 Personnel Services	193,401	198,672	215,703	400,825	336,223	410,544
20 Personnel Benefits	75,866	83,418	96,548	152,125	125,876	143,734
30 Supplies	2,664	5,408	2,750	3,750	2,525	2,525
40 Services & Charges	33,461	30,701	64,500	58,400	43,075	43,075
50 Intergovernmental/Interfund	6,000	12,000	12,000	12,000	12,000	12,000
60 Capital Outlays	0	0	0	0	0	0
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
Total	311,393	330,199	391,501	627,100	519,700	611,878

Budget Notes: The decrease in Personnel in 2013 reflects the un-funding of the Executive Assistant position for 2013. The position is reinstated in 2014.

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

Description	2013	2014
Economic Development services	10,000	10,000
Bonney Lake Reporter/Communications (including postage)	14,500	14,500
City-Wide Management Training Program	750	750
City-Wide Employee Recognition	500	500
Other Professional Services	5,000	5,000
Total	\$30,750	\$30,750

Trends & Future Issues

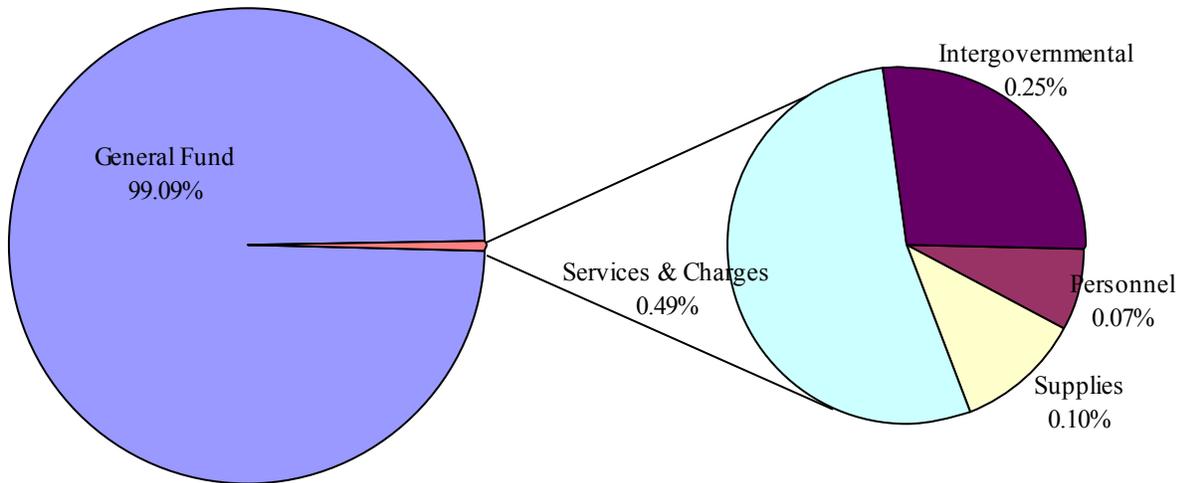
The current state of the economy has resulted in a marked decrease in City revenue, but an increased demand for City services. This has placed more pressure on the City to do “more with less.” This trend will continue for the foreseeable future.

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

Budget Overview

2013 Budget	\$123,146	2011 FTE	2.0
Change from 2012:	10%	2012 FTE	2.0
2014 Budget	\$123,146	2013 FTE	2.0
Change from 2011	0%	2014 FTE	2.0

Community Services by % of General Fund and Activity



Mission Statement

The mission of Community Services, Park and Cultural Resources Planning, and Community Events is to provide parks/trails, recreation, and special events to the citizens of Bonney Lake in an efficient and cost-effective manner.

Purpose and Description

In 2011, the City consolidated Community Services into the Executive Department. Community Services plans for new parks and trails, coordinates special events, represents the Administration to various boards (i.e. Park Board) and community organizations, oversees volunteer efforts throughout the community, and serves as the liaison with D.M. Disposal.

2011-2012 Key Accomplishments

- *Summertime Special Events:* Bonney Lake Days continued to thrive, with the 2012 event attracting approximately 5,000 visitors. Community Services also: Added Monday evening Kids Club performances in addition to Tuesday morning, and continued the Tunes at Tapps summer concert series, a Shakespeare play, “Friday Night Flix,” and Bark in Bonney Lake. Constructed a semi-permanent stage for summer events;
- *Park Plan and Cultural Resources Plan:* Staff oversaw the update to the Park and Open Space Plan and participated in adoption of the City’s first Cultural Resources Element of the Comp Plan. The Park Plan was approved by the Resource and Conservation Office to qualify the City to apply for future grant programs for parks.
- *Other Special Events:* The City’s annual Easter Egg Hunt now draws more than 1,000 children. The Senior Health Fair has been revised into a family services fair (Family Fun Fest) and is now coordinated with the Bonney Lake Chamber of Commerce and the Sumner School District. Staff also supports Relay for Life and other events;
- *Beautify Bonney Lake and Parks Appreciation Day:* The City continues to actively support these important volunteer events. There are typically about 500 participants for BBL and 50 for PAD;
- *Safe Routes to School Program:* Staff completed numerous grant-funded Safe Routes events and required real estate acquisition for the trail along Fennel Creek;
- *Lake Bonney and Lake Debra Jane:* Staff completed a re-evaluation of the water sampling program and continues to work with volunteers take and process water samples at Lake Bonney and Lake Debra Jane which also helps the Stormwater Utility meet its NPDES permit requirements;
- *Ascent Gateway:* Received WSDOT approval to extend a lease agreement with WSDOT property for the Ascent gateway.
- *Allan Yorke Park Improvements:* Staff completed an upgrade to the boat launch bollard system and a major rehabilitation of the basketball and tennis courts. Completed planning, design, and permitting for the Dike fill-in project.

Level of Service

The current Special Event Program includes Bonney Lake Days, Kids Club, Bark in Bonney Lake, Friday Night Flix, Tunes at Tapps, Family Fun Fest, and Shakespeare in the Park. Current resources provide support for Beautify Bonney Lake and Parks Appreciation Day. Staff also participates actively in the Lions Club, Historical Society, Chamber of Commerce, and Veterans’ Memorial Committee.

Goals & New Initiatives

- Analyze events lineup and recommend changes based on value vs. cost;
- Complete the Dike fill-in project at Allan Yorke Park;
- Coordinate efforts for a voter measure for expanded parks and recreations;
- Complete the Safe Routes trail construction (with Public Works).

Resource Summary

Community Services Community Services (Dept 57)		Actual		Budget			
		2010	2011	2012 Adopted	2012 Revised	2013	2014
10	Personnel Services	206,379	167,430	180,211	5,000	8,846	8,846
20	Personnel Benefits	82,392	76,894	81,772	0	0	0
30	Supplies	9,426	6,031	12,000	11,700	14,000	14,000
40	Services & Charges	80,397	58,571	68,000	60,200	66,300	66,300
50	Intergovernmental/Interfund	33,500	33,500	34,000	34,000	34,000	34,000
60	Capital Outlays	0	4,983	0	0	0	0
70	Debt Service - Principal	0	0	0	0	0	0
80	Debt Service - Interest	0	0	0	0	0	0
90	Transfers Out	0	0	0	0	0	0
Total		412,093	347,409	375,983	110,900	123,146	123,146

Budget Notes: The increase in Personnel services is for intern assistance for summer events.

Trends & Future Issues

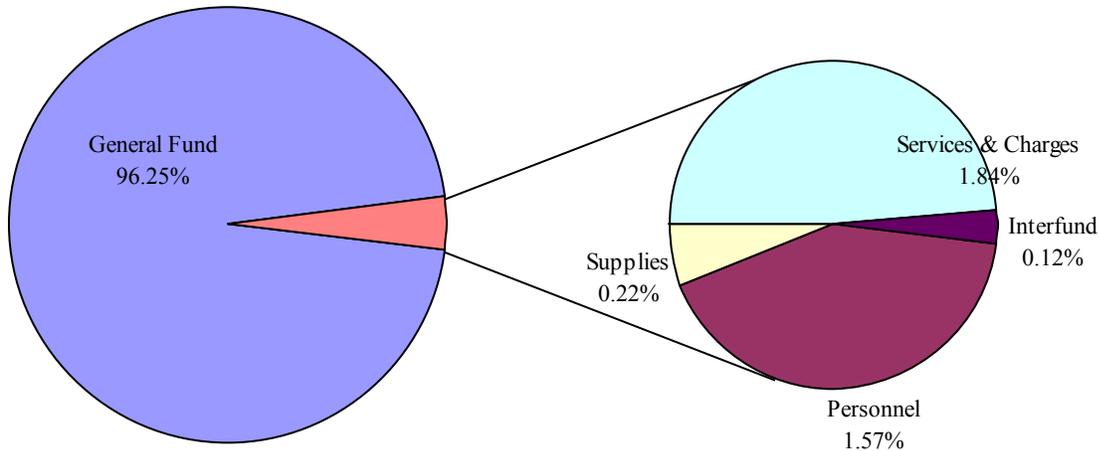
In a deteriorating economy, more and more citizens continue to seek low/no-cost cost events and programs, placing more demand on the city at a time the City's capacity to fund recreational and cultural programs is decreasing. The City will continue coordinating efforts with other agencies and utilize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

Department: *Executive*
 Program(s): *Facilities*
 Fund(s): *General*

Budget Overview

2013 Budget	\$516,549	2011 FTE	2.0
Change from 2012:	(6%)	2012 FTE	2.0
2014 Budget	\$477,327	2013 FTE	2.0
Change from 2013	(8%)	2014 FTE	2.0

Facilities by % of General Fund and Activity



Mission Statement

The mission of Facilities is to plan for and maintain City facilities in the most cost-effective manner.

Purpose and Description

Facilities manages and coordinates facility planning, operations and maintenance throughout the City, and also provides custodial services to City facilities.

2011-2012 Key Accomplishments

- Completed the demolition of a building in the civic center for additional downtown parking;

- Completed demolition of a nuisance building that was damaged by fire and a shed on property acquired for road right-of-way;
- Incorporated maintenance and operation of the Justice Center into the facilities maintenance function;
- Completed planning for new offices in the Justice Center;
- Completed a customer service survey of custodial services and revised services accordingly;
- Facilitated repairs to incidental rental properties acquired by the City;
- Erected a new gateway sign in Eastown;
- Incorporated occasional use of Community Service Workers at Justice Center grounds;
- Reduced costs for Facilities supplies and services.

Level of Service

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

Goals & New Initiatives

- Continue to research/identify efficiencies in costs and processes;
- Revise custodial services to accommodate transition of new offices into the Justice Center;
- Complete Tenant Improvement project for new offices in the Justice Center;
- Incorporate maintenance of new offices in the Justice Center.

Resource Summary

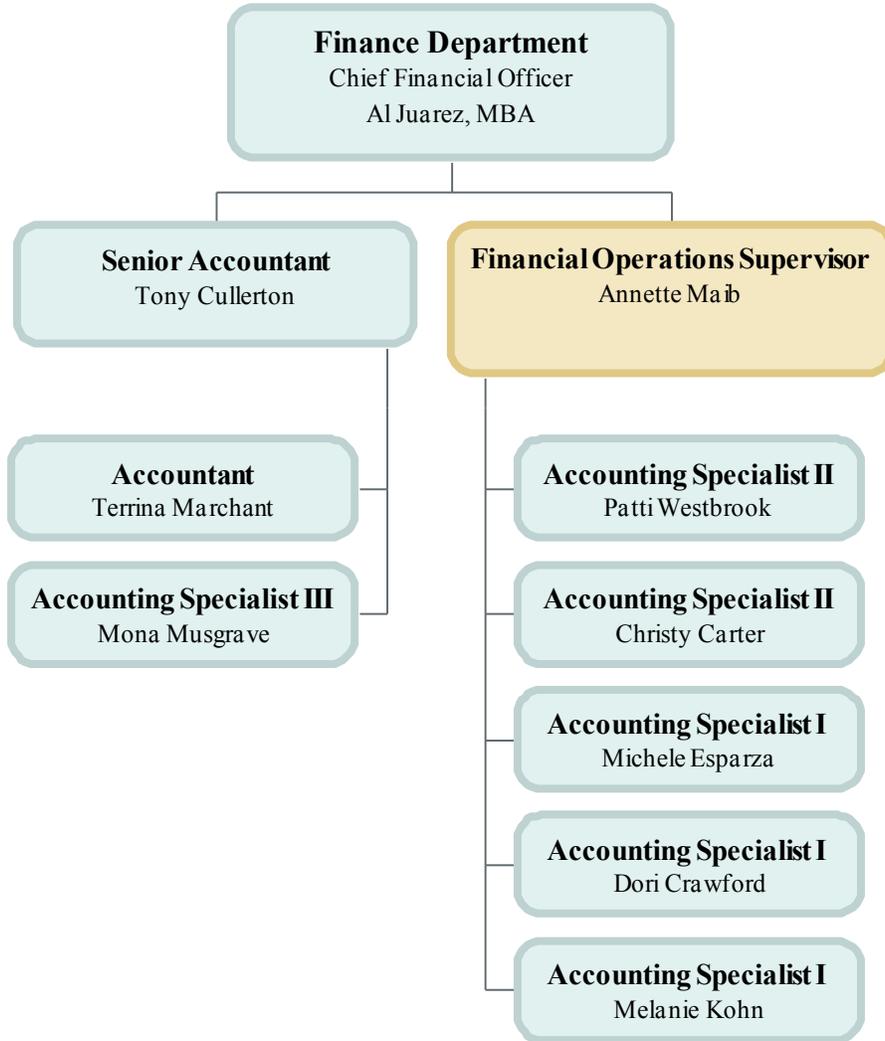
Community Services Facilities (Dept 60)	Actual		Budget			
	2010	2011	2012 Adopted	2012 Revised	2013	2014
10 Personnel Services	117,129	115,646	114,591	136,257	138,481	138,481
20 Personnel Benefits	36,584	38,066	48,278	72,405	61,909	63,087
30 Supplies	28,855	27,611	30,200	26,850	27,946	27,946
40 Services & Charges	211,672	364,196	308,100	297,450	273,000	232,600
50 Intergovernmental/Interfund	15,213	22,015	15,213	15,213	15,213	15,213
60 Capital Outlays	0	0	0	0	0	0
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
Total	409,454	567,534	516,382	548,175	516,549	477,327

Budget Notes: In Services & Charges, custodial costs are decreased by \$10,000 from 2012 to 2013. This category includes \$38,000 in 2013 for Resource Conservation activities, which are offset by a grant by Puget Sound Energy.

Trends & Future Issues

The opening of the new Justice Center increased the workload of the Facilities division without additional staff.

Finance Department

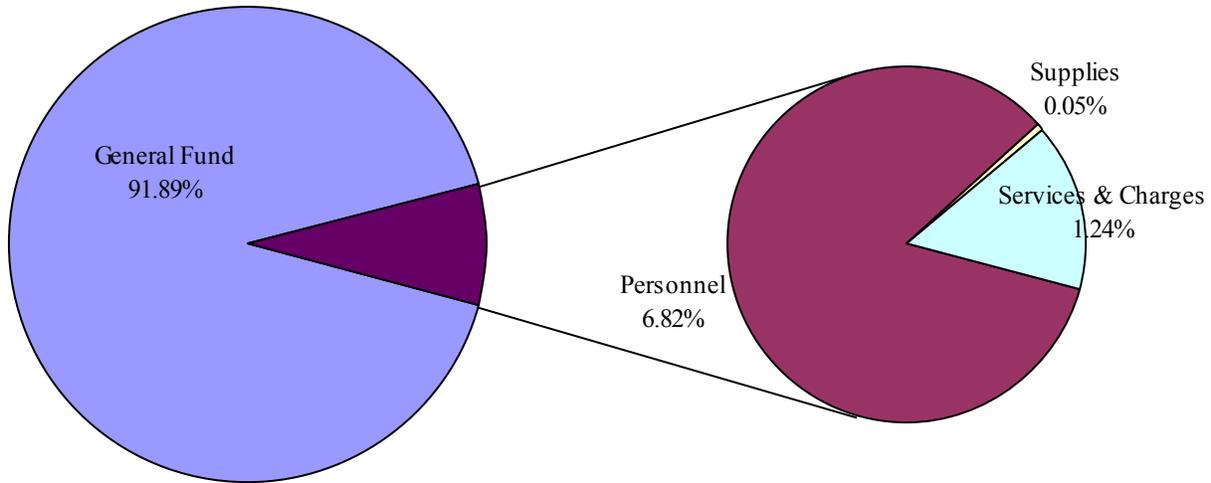


Department: *Finance*
 Program(s): *Financial Services*
 Fund(s): *General*

Budget Overview

2013 Budget	\$1,094,025	2011 FTE	10.0
Change from 2012:	0%	2012 FTE	10.0
2014 Budget	\$1,126,227	2013 FTE	10.0
Change from 2013	3%	2014 FTE	10.0

Financial Services by % of General Fund and Activity



Mission Statement

The Finance Department safeguards the assets of the City while maximizing the use of limited resources in order to create the most effective and efficient operating environment that best serves the City and the Community.

Purpose and Description

The Finance Department provides central services, accounting, financial management and planning, budgeting assistance, utility billing, and internal support to other departments.

2011-2012 Key Accomplishments

- Prepared the 2011- 2012 Biennial Budget;
- Received the GFOA Distinguished Budget Presentation Award for the 2011 - 2012 Budget Document;
- Prepared Comprehensive Annual Financial Reports for FY 2010 and 2011;
- Successful Audits for FY 2010 and FY 2011;
- Coordinated and implemented administration of a new home monitoring system false alarm ordinance;
- Migrated all credit card transaction processing to a single third party vendor;
- Established administrative procedures and protocols to enable credit card acceptance for building permits issued at the Annex;
- Director conducted a self assessed 360 degree session with each department team member to receive feedback about the quality and effectiveness of his leadership style;
- Implemented enhanced payment options for our utility customers by providing e-statements and Auto Pay services via our web based application;
- Developed a project accounting application to enable ER&R staff to monitor costs associated with specific pieces of machinery and/or equipment;
- Revised procedures and updated fund tracking of SDC and Impact Fees;
- Facilitated professional training opportunities for all staff.

Level of Service

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

Goals & New Initiatives

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

Resource Summary

Finance Finance Operations (Dept 14)	Actual		Budget			
	2010	2011	2012 Adopted	2012 Revised	2013	2014
10 Personnel Services	527,943	555,471	626,575	655,015	638,978	647,018
20 Personnel Benefits	212,226	213,472	290,392	296,613	281,147	305,309
30 Supplies	8,115	4,751	9,900	7,300	6,800	6,800
40 Services & Charges	136,669	128,412	138,100	131,100	167,100	167,100
50 Intergovernmental/Interfund	0	0	0	0	0	0
60 Capital Outlays	0	0	0	0	0	0
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
Total	884,952	902,106	1,064,967	1,090,028	1,094,025	1,126,227

Budget Notes: The increase in Services and Charges reflects increases due to expanded credit card acceptance capabilities.

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

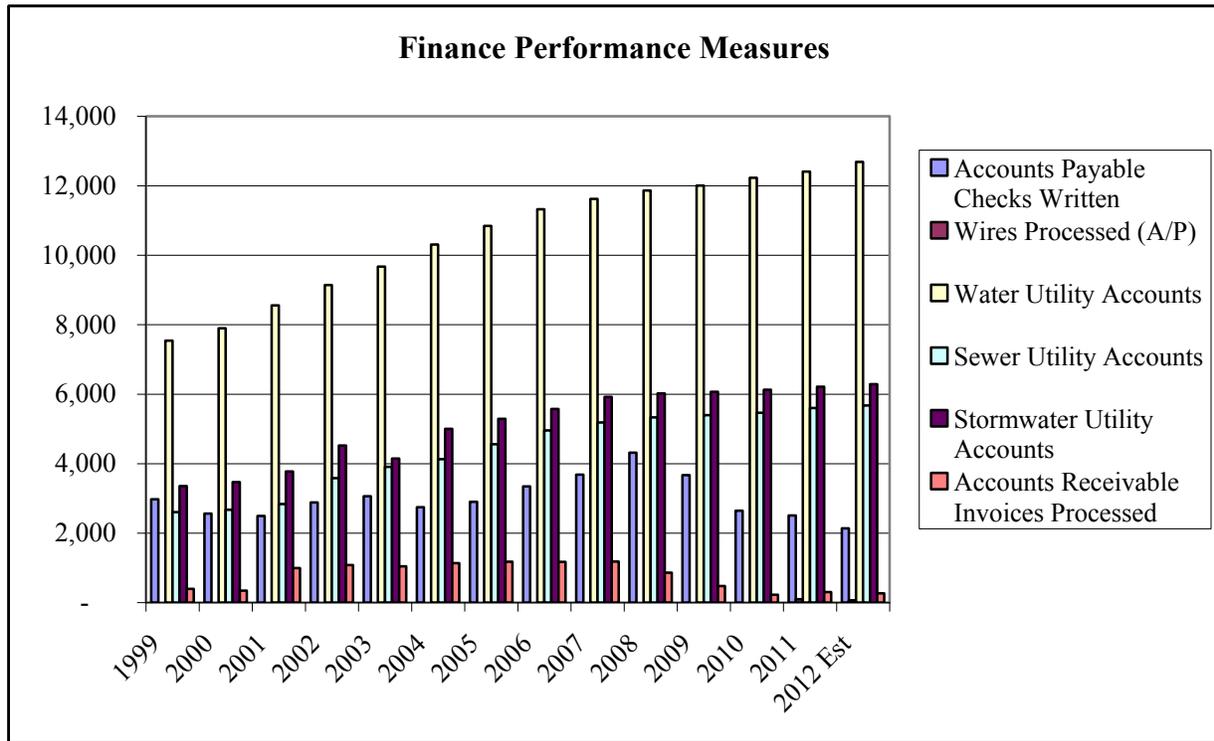
Description	2013	2014
Microflex auditing services (Sales Tax)	\$6,000	\$6,000
State Auditor costs	49,000	49,000
Banking Services	75,500	75,500
Daily Deposit/Courier Service	5,000	5,000
Lockbox Processing Fees	16,000	16,000
Eden Custom Report Fees	5,000	5,000
<i>Total</i>	\$156,500	\$156,500

Trends & Future Issues

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

- Research and development of an interactive voice recognition (IVR) phone system specific to utility billing functions;
- Develop and implement a comprehensive Accounts Receivable policy and Investment policy;
- Develop and implement an RFP process for City wide Banking Services;
- Enhance specific CAFR and Budget reporting applications pursuant to new Governmental Accounting Standards Board (GASB) and Governmental Finance Officers Association (GFOA) standards;
- Review current City Imprest Funds for effectiveness and efficiency;
- Facilitate relevant and applicable training for all Finance department staff.

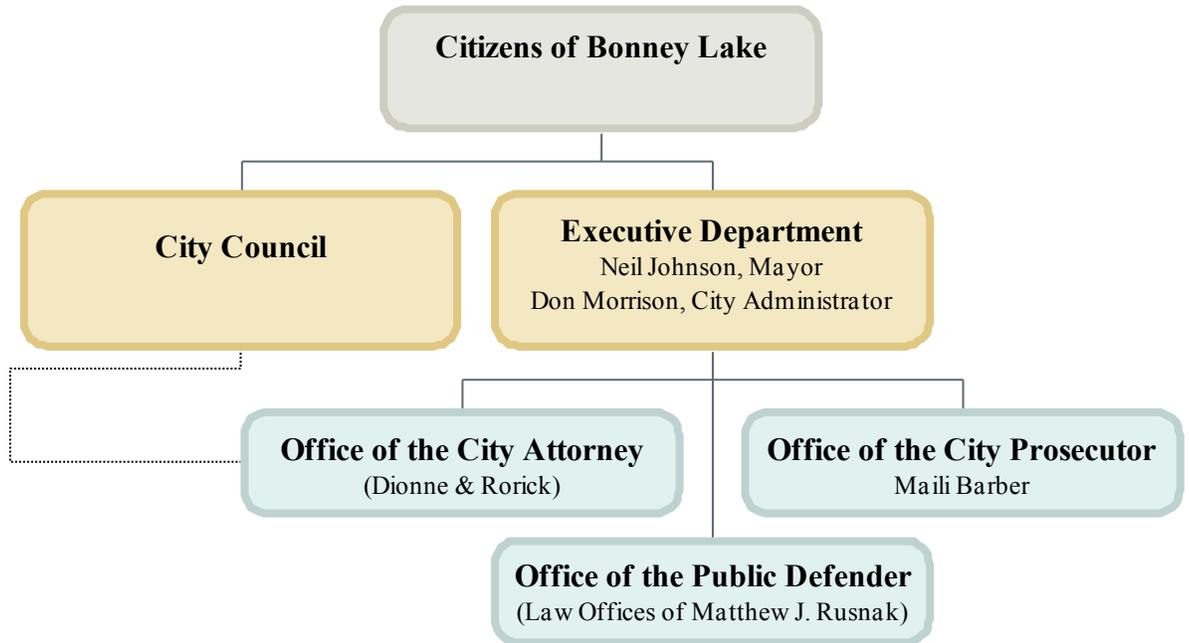
Performance Measures



Note: The Finance Department started tracking wires sent in 2011.

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Legal Services

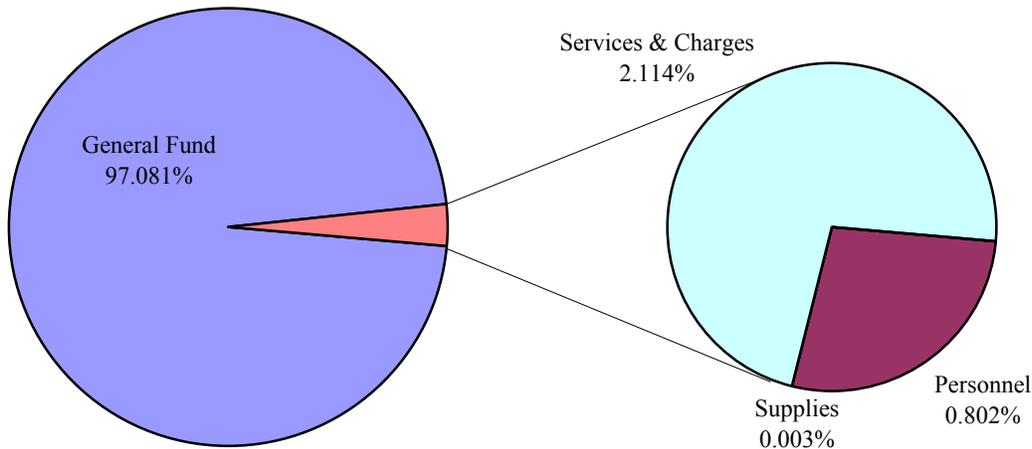


Department: *Legal Services*
 Program(s): *Legal*
 Fund(s): *General*

Budget Overview

2013 Budget	\$395,120	2011 FTE	1.0
Change from 2012:	15%	2012 FTE	1.0
2014 Budget	\$396,223	2013 FTE	1.0
Change from 2013	0%	2014 FTE	1.0

Legal Services by % of General Fund and Activity



Mission Statement

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

Purpose and Description

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

2011-2012 Key Accomplishments

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

Level of Service

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

Goals & New Initiatives

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

Resource Summary

Legal Legal Services (Dept 15)	Actual		Budget			
	2010	2011	2012 Adopted	2012 Revised	2013	2014
10 Personnel Services	0	22,400	74,160	77,492	85,993	88,444
20 Personnel Benefits	0	5,833	26,000	35,740	22,577	21,229
30 Supplies	0	1,531	5,800	1,600	450	450
40 Services & Charges	487,895	287,615	248,100	228,100	286,100	286,100
50 Intergovernmental/Interfund	0	0	0	0	0	0
60 Capital Outlays	0	0	0	0	0	0
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
Total	487,895	317,379	354,060	342,932	395,120	396,223

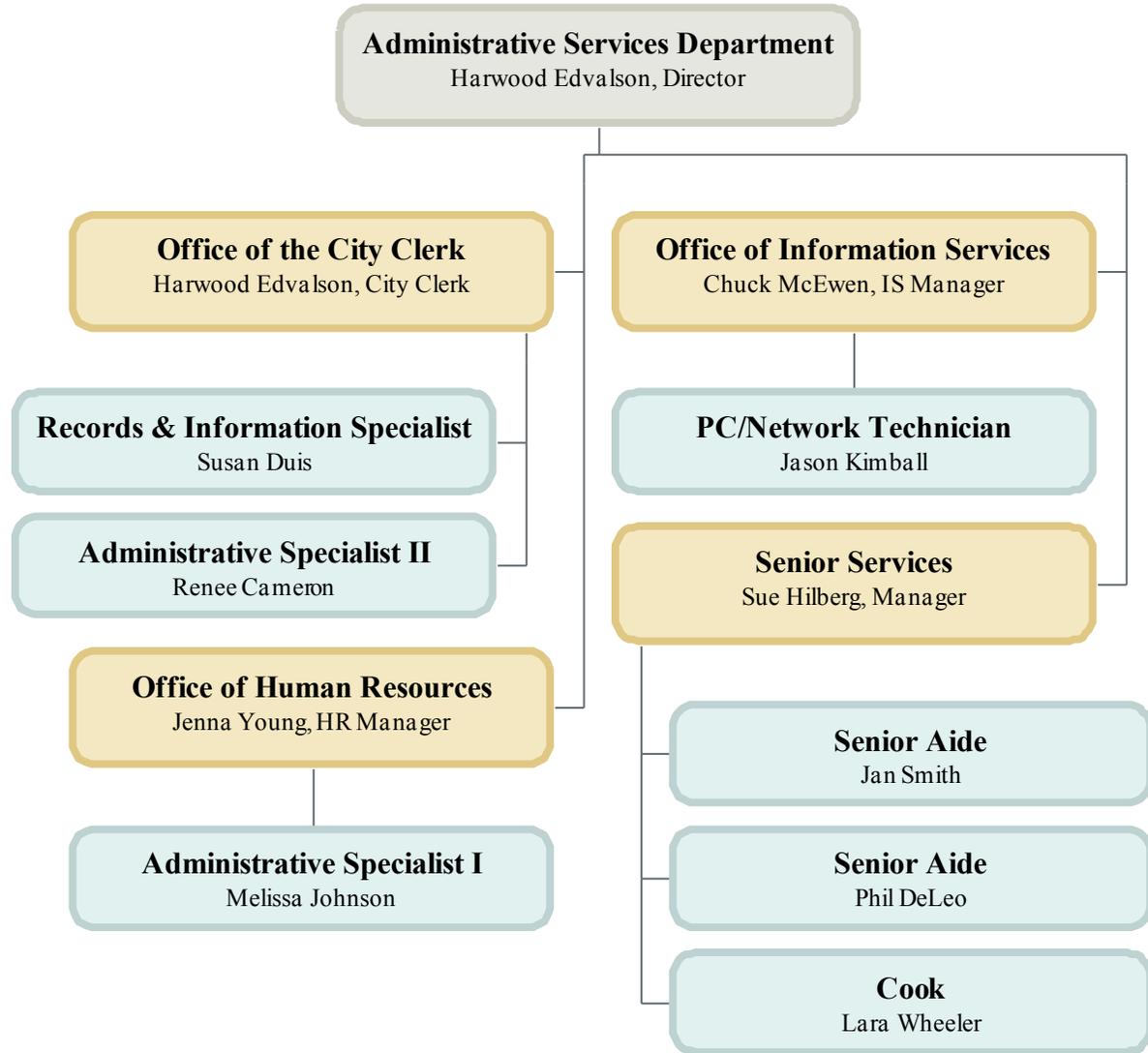
Budget Notes: The increase in Services & Charges consists primarily of increases for public defender costs.

Trends & Future Issues

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

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Administrative Services

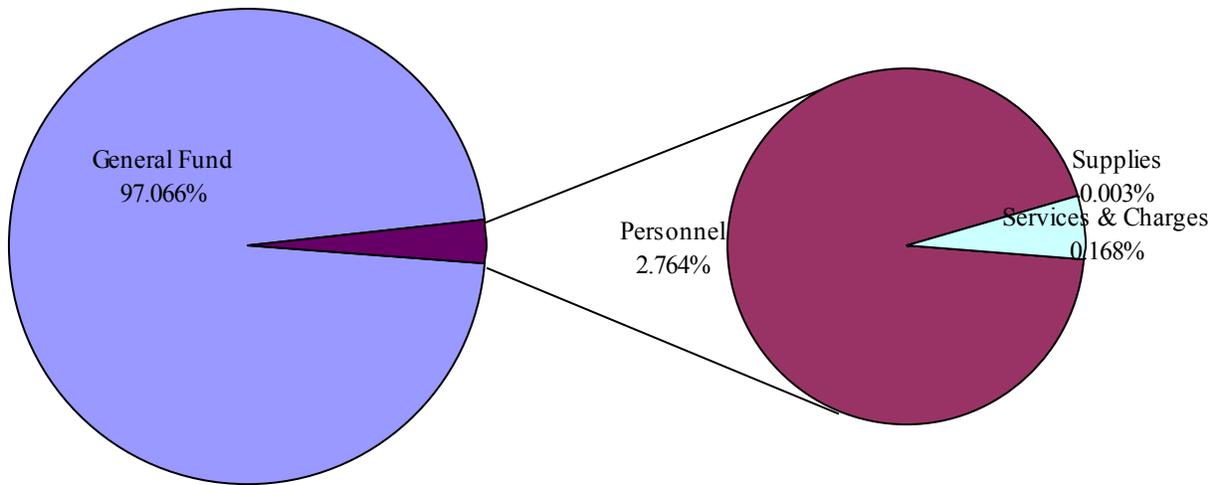


Department: *Administrative Services*
 Program(s): *City Clerk*
 Fund(s): *General*

Budget Overview

2013 Budget	\$395,840	2011 FTE	4.0
Change from 2012:	(2%)	2012 FTE	4.0
2014 Budget	\$421,992	2013 FTE	4.0
Change from 2013	7%	2014 FTE	4.0

City Clerk by % of General Fund and Activity



Mission Statement

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

Purpose and Description

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

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

2011-2012 Key Accomplishments

- Prepared agendas and minutes and processed documents for 97 regular and special Council meetings and workshops in the past biennium, including in excess of 58 ordinances, 134 resolutions and 290 agenda bills; and
- Records management projects included: digitizing and posting 1,400 past ordinances and 1,900 past resolutions on the City website for public records search and retrieval; transferring over 50 cubic feet of records from department offices to inactive storage; and properly disposing of over 100 cubic feet of records per State records retention requirements.
- Developed a social media policy and established a social media committee for the City blog, Facebook, and Twitter sites. These new outlets reach over 1,000 people each month and drive readers back to the City's official website, which now receives over 1,000,000 'hits' each month. The City Facebook page reached 500 'fans' since its establishment in May 2011.

Level of Service

The City Clerk's Office is currently able to meet service level demands with existing personnel. The proposed budget currently provides adequate funds to meet the department's goals. Unknown variables which may impact service levels include the processing of extensive public records requests and liability claims filed with the City. Increases in these activities may require a greater focus and additional resources for records management and coordination of information in defense of the City and general public's interest.

Goals & New Initiatives

The City Clerk's Office continues its efforts to streamline processes and increase access to public records. Staff will continue to explore options for electronic management of records, reduction of paperwork and possible live-streaming of audio and video for council meetings.

Resource Summary

Administrative Services City Clerk (Dept 18)		Actual		Budget			
		2010	2011	2012 Adopted	2012 Revised	2013	2014
10	Personnel Services	221,245	240,383	246,557	254,755	257,494	260,515
20	Personnel Benefits	95,657	106,950	122,484	124,450	115,396	128,577
30	Supplies	599	161	200	200	350	10,300
40	Services & Charges	38,856	22,933	27,150	25,850	22,600	22,600
50	Intergovernmental/Interfund	0	0	0	0	0	0
60	Capital Outlays	0	0	0	0	0	0
70	Debt Service - Principal	0	0	0	0	0	0
80	Debt Service - Interest	0	0	0	0	0	0
90	Transfers Out	0	0	0	0	0	0
Total		356,357	370,428	396,391	405,255	395,840	421,992

Budget Notes: For the upcoming biennium, the department is holding costs flat from prior years.

Performance Measures

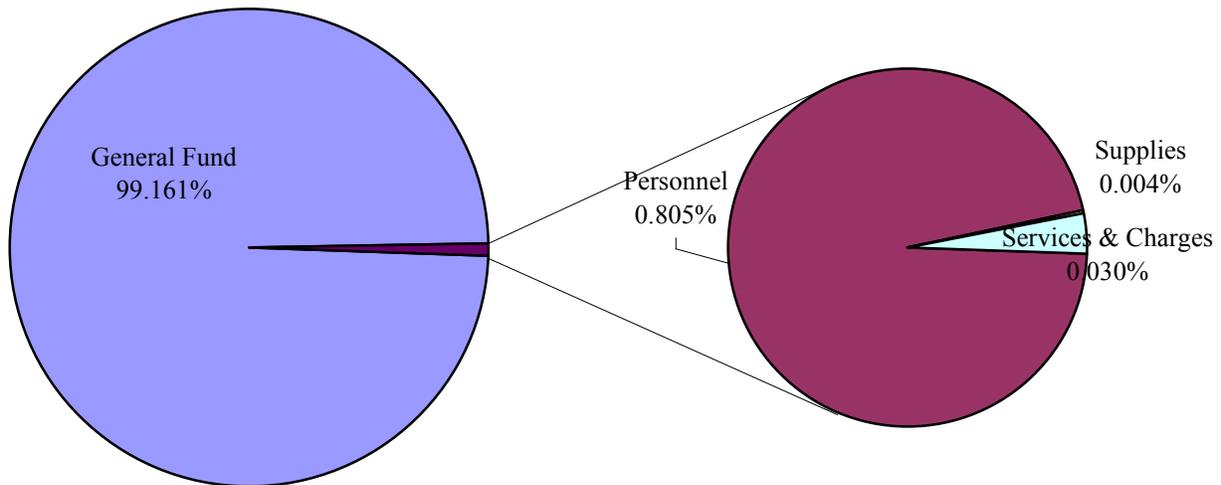
Measures	2011-12 Est.	2013 Est.	2014 Est.
Number pages public records provided	25,500	11,500	12,000
Avg # of days to give initial response to disclosure request/Avg # of days to complete disclosure request	4/ 7	5/ 7	5/ 7
Avg number of auto, property and liability claims processed.	53	25	22

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

Budget Overview

2013 Budget	\$113,130	2011 FTE	1.0
Change from 2012:	2%	2012 FTE	1.0
2014 Budget	\$116,341	2013 FTE	1.0
Change from 2013	3%	2014 FTE	1.0

Human Resources by % of General Fund and Activity



Mission Statement

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

Purpose and Description

The Human Resources Office coordinates and administers the human resources (HR) systems of the City, including classification, compensation, recruitment and retention, selection, labor and employee relations, and training. The Human Resources Office is also responsible for providing switchboard and reception support for general city business.

2011-2012 Key Accomplishments

- Recruited for and filled eleven regular benefited positions, two of which were promotional opportunities for internal candidates;
- Once again coordinated the City’s employee wellness program, which was one of eighty-two cities awarded in 2011 and one of eighty-four cities awarded in 2012 Association of Washington Cities Well-City Award. Through this award, the City was able to save approximately \$24,000 on our health benefits in 2012;
- Successfully negotiated a successor agreement with the Bonney Lake Police Guild;
- Began a review of the City’s performance planning and evaluation system in an effort to revamp and automate the process.

Level of Service

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

Goals & New Initiatives

- Automate the City’s Personnel Action Form process;
- Review and update the City’s general staff performance planning and evaluation process;
- Continue to review and update the job descriptions;
- Continue to work on the review, update and rewrite of Personnel Policies and Procedures;
- Continue to coordinate an award winning Wellness program in order to provide a quality program to employees and the City will be eligible for a reduction in healthcare premiums in 2013.

Resource Summary

Administrative Services	Actual		Budget			
	2010	2011	2012 Adopted	2012 Revised	2013	2014
Human Resources (Dept 16)						
10 Personnel Services	71,438	75,632	77,901	78,388	81,442	81,546
20 Personnel Benefits	18,253	20,136	22,980	25,494	27,149	30,256
30 Supplies	304	1,381	1,050	850	550	550
40 Services & Charges	1,728	1,698	10,925	6,425	3,989	3,989
50 Intergovernmental/Interfund	0	0	0	0	0	0
60 Capital Outlays	0	0	0	0	0	0
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
Total	91,722	98,847	112,856	111,157	113,130	116,341

Budget Notes: For the upcoming biennium, the department is holding costs flat from prior years.

Trends & Future Issues

A recurring theme in 2012 and 2013 is doing less with more. Because of this, a key area of focus will be employee work/life balance, morale and satisfaction and employee retention. Recruitment and staffing has not been as significant a challenge as it has in the past five years due to the downturn in the economy. However, fewer organizations are recruiting, which has resulted in a larger applicant pool and a greater amount of time in the review process. In addition, many people that would normally be eligible for retirement are pushing back their projected retirement dates due to the economic situation, which adds the increased dynamics of a multi-generational workforce. Finally, the Federal Health Care Reform Act and the resulting changes in healthcare may present an increase in benefit requirements, reporting, and costs.

Performance Measures

Measures	2009/2010	2011/2012	2013 Est	2014 Est
Number of Staff Positions Filled	9	11	0	0
Number of Personnel Actions Processed	467	450	225	225
Contract Negotiations	2	2	0	0
Labor Management Meetings	6	6	3	3
Grievances Filed and Settled	1	3	0	0

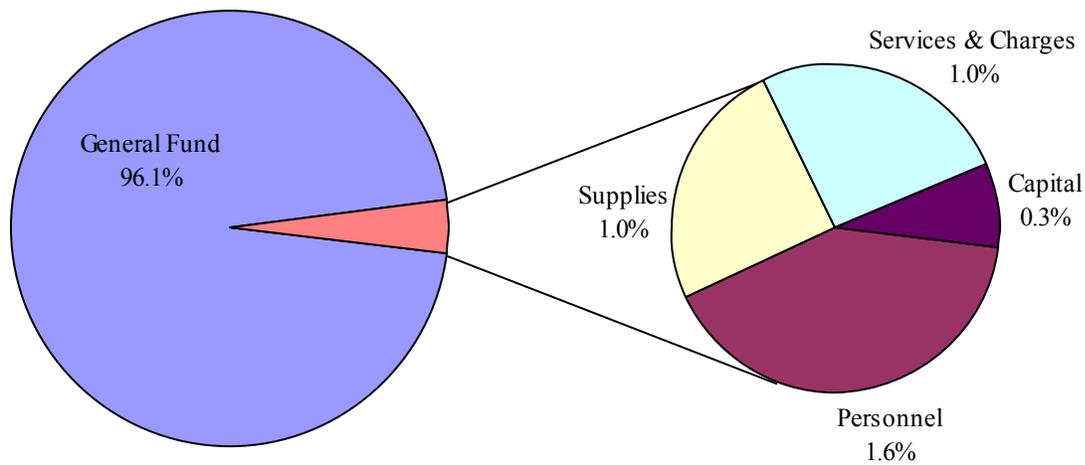
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Department: *Administrative Services*
 Program(s): *Information Services*
 Fund(s): *General*

Budget Overview

2013 Budget	\$520,453	2011 FTE	2.0
Change from 2012:	8%	2012 FTE	2.0
2013 Budget	\$477,291	2013 FTE	2.0
Change from 2013	(8%)	2014 FTE	2.0

Information Services by % of General Fund and Activity



Mission Statement

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

Purpose and Description

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

2011-2012 Key Accomplishments

- Completed the Interim Justice Center low voltage cabling and network equipment as well as installing a fiber optic link to the City's expanded fiber optic network;
- Migrated City cashiering system to a new vendor for increased usage and at a cost savings;
- Implemented electronic utility billing, allowing for the emailing of monthly utility statements;
- Implemented a process for secure re-occurring credit card payment for monthly utility bills;
- Completed Police Laptop transition to a new hardware vendor; General Dynamics;
- Migrated City cellular phones and data modems from Nextel/Sprint to Verizon to improve availability and at a cost savings;
- Purchased and implemented a new firewall system;
- Purchased and implemented a new VPN solution;
- Purchased and implemented a new fiber optic internet connection for Comcast to increase the City's internet bandwidth and at a cost savings;
- Moved the wireless link for Allen Yorke Park to dramatically increase the throughput and availability;
- Coordinated network and system improvements to the Allen Yorke Park boat launch access control system to increase availability and functionality;
- Implemented new VoIP phone system for the Public safety building, Annex, and Justice Center;
- Coordinated, planning, and implemented a new electronic fingerprint system for the Police Department;
- Setup social media accounts and archive for Facebook and Twitter; increasing awareness and improved citizen notification of emergencies and community events;
- Replaced Police Copier partially using grant funds;
- Implemented a public free "wifi" at the Public safety building, Annex, and Justice Center as well as a Senior Center;
- Rewired Public Safety Building network cabling;
- Coordinated technical aspects of the Police 800Mhz radio transition.

Level of Service

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

Goals & New Initiatives

Information Services continues its programs for computer equipment replacement, increasing network storage capacity. Two large multi-function copiers will need to be replaced in 2013/2014; Information Services will analyze existing usage to scale the replacement machines for the current and future needs. The City continues to leverage technology where available to stimulate cost savings. The City plans to upgrade the existing mail system to the latest version on new hardware in 2013 and the existing database server in 2014.

Resource Summary

Administrative Services Information Services (Dept 18)	Actual		Budget			
	2010	2011	2012 Adopted	2012 Revised	2013	2014
10 Personnel Services	145,202	145,056	142,761	147,044	151,969	155,197
20 Personnel Benefits	62,044	58,858	72,884	73,870	62,060	70,670
30 Supplies	90,472	101,697	104,600	110,900	128,674	100,074
40 Services & Charges	168,460	150,115	166,975	150,197	135,750	136,350
50 Intergovernmental/Interfund	0	0	0	0	0	0
60 Capital Outlays	5,396	7,790	0	0	42,000	15,000
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
Total	471,575	463,516	487,220	482,011	520,453	477,291

Budget Notes: In 2013, the Supplies line includes \$55,000 for an upgrade to Microsoft Office 2013. The majority of the City computers run Microsoft 2003; Mainstream support of this product ended in April 2009, and extended support ends in April 2014.

The capital programming includes:

Description	2013	2014
Exchange Server (Hardware)	\$15,000	-
NAS	27,000	-
SQL Server (Hardware)	-	15,000
Total	\$42,000	\$15,000

Trends & Future Issues

In information services, the network storage environment will be reviewed in 2013. A tiered storage system will be implemented so that network file storage can expand without sacrificing throughput for higher availability systems such as databases and email storage. Microsoft Office licensing will be reviewed regarding continued requirements and the updates needed to remain current with existing systems. Information services will be migrating to a new help desk application that will automate additional tasks and reduce the licensing costs for the city. The city is reviewing cost involved in completing the build out of the Justice Center, Information services will continue to support this project with low voltage cabling and network equipment estimates.

Performance Measures

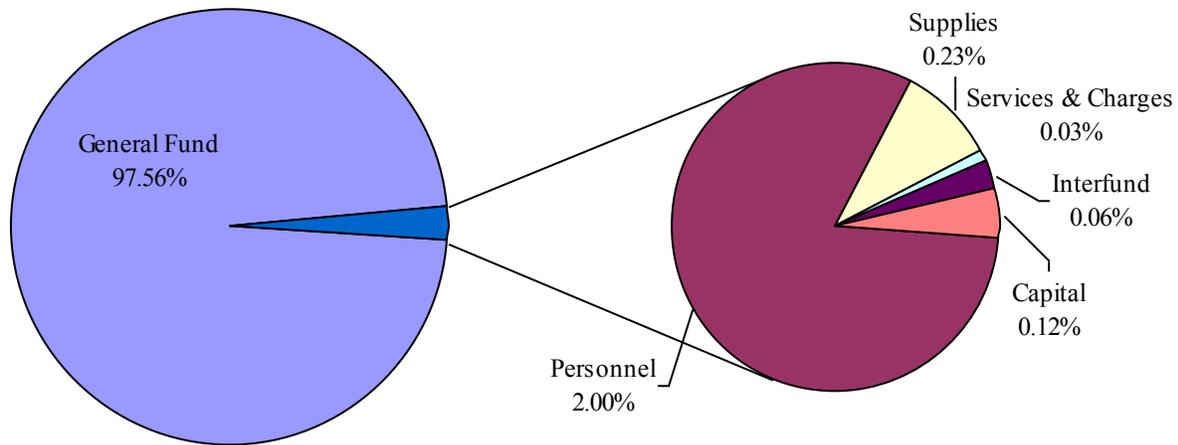
Measures	2009/2010	2011/2012	2013 Est	2014 Est
Number of help desk requests (Internal)	5,200	5,721	3,000	3,000
Number of help desk requests (Citizens)	500	1,547	400	375
% of help desk calls resolved within 1 hour	60%	75.8%	76%	78%
Maximum time for initial response	1 hour	30 min.	30 min.	30 min.

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

Budget Overview

2013 Budget	\$329,708	2011 FTE	4.90
Change from 2012	(2%)	2012 FTE	4.90
2014 Budget	\$320,322	2013 FTE	4.90
Change from 2013	(3%)	2014 FTE	4.90

Senior Center by % of General Fund and Activity



Mission Statement

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

Purpose and Description

The Bonney Lake Senior Center strives to affirm the dignity and self-worth of older adults by providing services and activities in an atmosphere that encourages and supports senior life to the fullest. Its programs include a variety of programs for the active senior, including served hot meals, van transportation, trips and a large number of social, health and wellness activities for those age 55 and over.

2011-2012 Key Accomplishments

- The seniors took several trips, including Camp Wrinkle Ranch, Grandview Grape Stomp, Seaside Jazz Festival, Chuckanut Bay Crab Cruise, and Northwest Trek;
- Classes on driver safety, Medicare/Medicaid benefits, estate planning, advanced healthcare directives, home health care, and exercise were offered;
- Annual events included the 4th of July barbecue, Luau, Thanksgiving and Christmas dinners, Senior Olympics, Father’s Day fishing trip and BBQ, and Easter Egg hunt;
- Over \$20,000 was raised by the senior participants to be used for the purchase of a new senior center shuttle bus.

Level of Service

The Senior Center offers a 5-day lunch, referral and recreation program with transportation available. Funds are available from the 501c(3) Advisory Board for a limited number of senior programs and field trips.

Goals & New Initiatives

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

Resource Summary

Community Services Senior Center (Dept 50)		Actual		Budget			
		2010	2011	2012 Adopted	2012 Revised	2013	2014
10	Personnel Services	174,023	186,480	193,452	190,452	172,661	174,063
20	Personnel Benefits	84,629	99,832	103,838	103,838	96,989	105,901
30	Supplies	29,953	25,216	30,000	27,400	31,400	27,700
40	Services & Charges	4,926	5,285	4,500	4,500	3,925	3,925
50	Intergovernmental/Interfund	9,086	9,086	8,733	8,733	8,733	8,733
60	Capital Outlays	0	0	0	0	16,000	0
70	Debt Service - Principal	0	0	0	0	0	0
80	Debt Service - Interest	0	0	0	0	0	0
90	Transfers Out	0	0	0	0	0	0
Total		302,616	325,900	340,523	334,923	329,708	320,322

Budget Notes: The 2013 budget includes capital expenditures to replace the Senior Center’s aging oven, sanitizing apparatus, and main room flooring. The Center hopes to obtain grant funding for these projects; without grant funding, the projects may not be authorized to move forward.

Trends & Future Issues

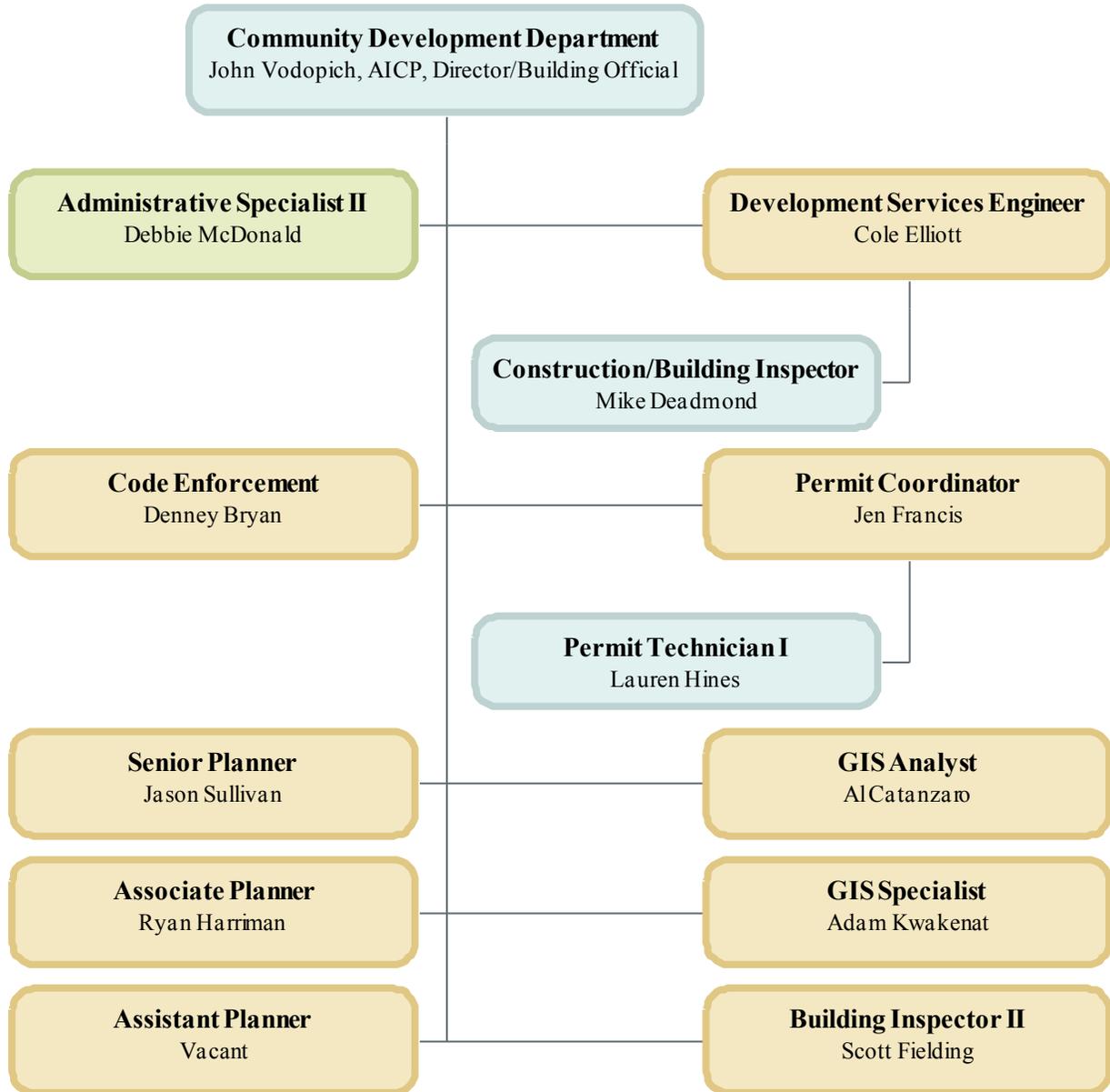
As the senior population continues to grow, more demands will be placed on the senior center and its services. The popular senior lunch program is starting to reach the capacity of the senior center to accommodate it. When it exceeds the number of persons that can be served at one time in the Center,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

The use of the senior center building has increased over time by not only the senior participants but also by the public through the city's rental program. This use has caused wear and tear on the senior center building. The wear is evident in some of the kitchen equipment as well as in the flooring in the main room. The current need of the senior center is for new flooring in the main room, a new oven and a new dishwashing machine.

Performance Measures

	2011-12 Est.	2013 Est.	2014 Est.
Van Rides	10,300	7,315	9,290
Volunteer Hours	13,158	8,041	8,845
Lunches Served	32,113	17,110	18,821
Health Related Classes & Services	1,542	849	933
Educational and Informational Classes	2,054	1,130	1,243
Social & Recreational Activities	13,308	7,319	8,051
Senior Trips	392	216	237

Community Development Department

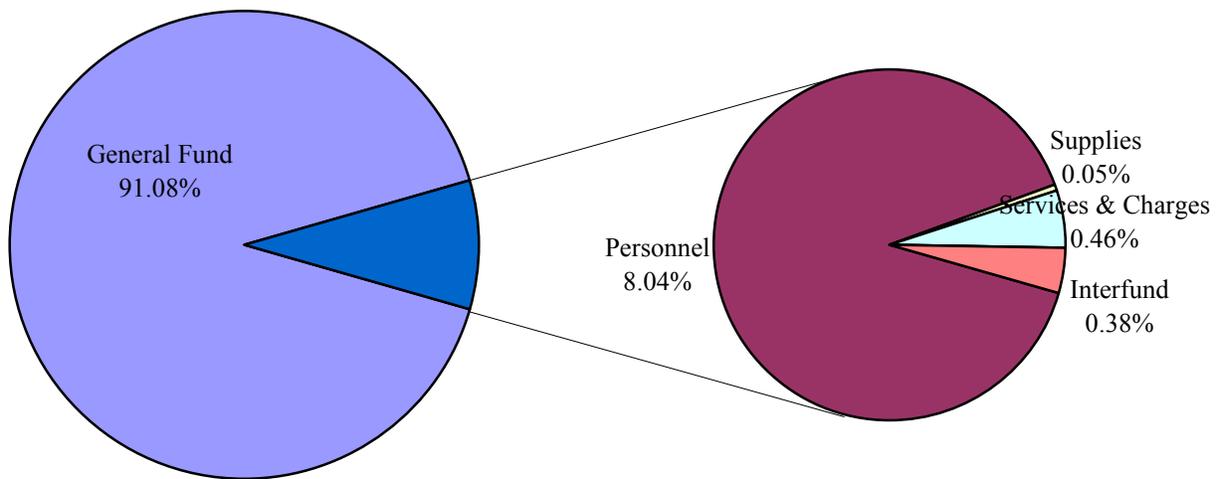


Department: *Community Development Department*
 Program(s): *Planning, Building, Development Review, Geographic Information Services (GIS), and Code Enforcement*
 Fund(s): *General*

Budget Overview

2013 Budget	\$1,207,292	2011 FTE	13.0
Change from 2012:	(16%)	2012 FTE	13.0
2014 Budget	\$1,253,118	2013 FTE	13.0
Change from 2013	4%	2014 FTE	13.0

Community Development by % of General Fund and Activity



Mission Statement

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

Purpose and Description

The Community Development Department provides professional policy guidance to the Mayor, City Council, Planning Commission, Design Commission and other city Departments on all matters related to land use; development review; environmental regulation; building safety;

geographic information systems (GIS), code enforcement; and long range comprehensive planning within the city and its unincorporated urban growth area (UGA).

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

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

2011-2012 Key Accomplishments

Overall Departmental Accomplishments

- Provided Geographic Information System (GIS) services City-wide and excellent support for various meetings/events held throughout the year;
- Filled the Assistant Planner and Senior Planner positions;
- Departmental reorganization led to the elimination of the Planning Manager (reclassified to a Senior Planner position) and Building Official Positions which resulted in a reduction in overall department salaries and benefits, duties have been reassigned to other staff accordingly;
- Continued to work on the update of the City's Shoreline Master Plan using funds received through a grant from the Washington State Department of Ecology;
- Oversaw the design, development, and construction of the first phase of tenant improvements at the Justice Center and conducted plan review of the second phase of anticipated tenant improvements; and
- Assisted in the presentation of the proposed annexation of the CUGA before the Pierce County Boundary Review Board and the subsequent appeal before the Pierce County Superior Court

Long Range Planning/Planning Commission

In 2011-12 biennium, the Planning Commission reviewed and forwarded recommendations to the City Council on:

- Administrative provisions for Civil Permits;
- Updating the Comprehensive Plan Land Use Element to include CUGA subareas 1, 2, and 3;
- Pre-zoning CUGA subareas 1, 2, and 3;
- Updating the Comprehensive Plan with a Cultural Resource Plan;
- Development of a Midtown Plan and Midtown Core zoning;
- Updating of Title 18 to include a land use matrix;

- Updating of the Easttown Plan;
- Updating of the Parks Element;
- Update of Title 16.14 to enhance landscape buffering between incompatible uses;
- Recommended a model lighting ordinance and lighting zone map;
- Added ‘proposed UGA’s’ to the Future Land Use Map
- Updating of the Comprehensive Plan Future Land Use Map to identify Falling Water as a proposed UGA and designate it as single-family residential
- Updating of the Comprehensive Plan Future Land Use Map to identify Tehaleh as a proposed UGA; &
- Reviewed an Ordinance related to cannabis collective gardens and dispensaries.

Shoreline Master Plan

In 2009 staff applied for and received a grant from the Washington State Department of Ecology to perform an update to the City’s Shoreline Master Plan. Staff successfully met the grant deliverable deadlines through the 2011-12 biennium. It is anticipated that the update of the Shoreline Master Plan will be completed in mid 2013.

Countywide Planning Policies

Staff continues to represent the City on Pierce County’s Growth Management Coordinating Committee (GMCC) which drafts updates to the Countywide Planning Policies and reviews proposed amendments to the Pierce County Comprehensive Plan.

Buildable Lands/Population

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

Current Planning

Current Planning Staff continued to field phone calls and visits by citizens inquiring about development related issues. Current Planners provided assistance to the GIS division where needed, reviewed business licenses for zoning compliance and issued approvals for Home Occupations. The following summarizes the Current Planning permits reviewed in 2011-12 biennium:

- Pre-Application Appointments

Short Plats (9 or less lots)	3
Plats (10 or more lots)	0
Multi-Family Projects	3
Commercial Projects	8
Single Family Projects	1
Civil Projects	1
- Accessory Dwelling Unit (ADU) Submittals 0
- Boundary Line Adjustment Submittals 3
- Lot Combination 3
- SEPA Reviews 10
- Home Occupation Permits 113
- Rezones 1

• Conditional Use Permits	1
• Variances	2
• Short Plat Submittals	0
• Preliminary Plat Submittals	0
• Final Plat Submittals	1
○ Orchard Grove II	
• Commercial Development Applications	1
○ Franciscan Medical Pavilion	
• Design Review	6
○ Hulburt Duplexes	
○ Dairy Queen Remodel	
○ Franciscan Medical	
○ Quickmart	
○ McDonalds	
○ Pistol Annie's	
• Multi-Family Developments	1
○ Hulburt Duplexes	
• Tree Removal Permits	6
• Shoreline Permits	10 (6 projects)
• Sign Permit Submittals	36
• Temporary Permit Applications	13
• Temporary Sign Permits	12
• Wireless Communication Facilities	3
• Special Event Permits	5
Total Planning Permits reviewed:	243

Permitting Division

Processed (Issued/Approved) the following permits during the 2011-12 biennium:

- Building Division
427 Building Permits with a combined valuation of \$58,542,557
Issued 148 new single family residence permits.
- Engineering Development Review Division
22 Civil Permits
- Fire Department (East Pierce Fire & Rescue)
171 Fire Permits
- Licenses
10 Peddlers Licenses
318 Business Licenses
328 total licenses reviewed
- Public Works Department

145 Right of Way/Approach Permits
 17 Cost Recovery Permits
 135 Certificates of Water Availability
 150 Sewer Permits
 7 Certificates of Sewer Availability
 179 City Water Meter Permits
 229 County Water Meter Permits
 862 total Public Works Department permits issued

Accomplishments:

- Weekly review of Business Licenses;
- Coordinated and conducted weekly inter-departmental project status meetings;
- Attended pre-construction meetings for all developer driven projects;
- Participated in the following committees: Eden Super Users Group; Wellness Committee; Safety Committee; NW Eden Permit Users Group; and the South Puget Sound Permit Technicians Supervisors Group;
- Issued permits for the AT&T Store; Target remodel; WSU Medical Office Building; Panda Express; Franciscan Healthcare Pavilion; Henschell's professional office building; remodel of the McDonald's drive-thru; Dairy Queen exterior remodel; several cellular tower alterations/antenna additions; Safeway & Rite Aid pharmacy remodels; GO Wireless store; Key Bank remodel; Midtown Grill meeting/banquet room; Glamour Nail & Spa; Apple Physical Therapy; Pistol Anne's Jewelry & Pawn; and tenant improvement permits for the Justice Center, Burger King, BECU, PacLab, Iron Dragon, SK Metals, John L. Scott, and Dickeys Barbeque; &
- Attended 16 pre-application meetings.

Building Division

- The Administration circulated a customer service survey in early 2012 and we found that:
 - Customers are greeted and helped promptly;
 - Counter staff makes an effort to understand needs;
 - Counter staff is accessible, responsive, knowledgeable, and courteous;
 - City staff gives complete answers, coordinates well amongst themselves, responds in a timely manner, makes themselves available and provides alternatives that are helpful.;
 - There is satisfaction with the State Electrical Inspectors and the preference is that the City not take over electrical inspections;
 - In response to the survey we implemented the following improvements:
 - Printed business cards with the phone number for the inspection request line that will list an applicant's permit number and handed out at the time of permit issuance;
 - Our weekly staff project status meetings now include a review of building plan review status;
 - Council, Committee and Commission reports and updates are provide to all staff regularly;
 - We 'pre-build' applications in the Eden permit tracking system for applicants to save time at counter intake appointments;

- Revised the ‘wet stamp’ policy to no longer require two complete sets of wet stamped plans;
- We provide review and updates on Ordinances and Resolution passed by the City Council which impact our Department;
- Implemented internal polices related to expected review times for entering permits into the Eden system and conducting planning/setback reviews;
- Entered into an ‘on-call’ agreement with a permit review consultant to expedite more complicated plan reviews;
- Articulated the expectation that staff is to come to the counter when asked;
- Activated all ‘action items’ in Eden so that applicants can see their inspection results and inspectors notes online.
- Conducted plan review and inspection on residential and commercial projects;
- Attended regularly scheduled pre-application meetings and weekly project status meetings.

Engineering Development Review Division

- Reviewed a number of commercial projects including:
 - Franciscan Medical Pavilion
 - Dairy Queen remodel
 - Pistol Annie’s
 - Lakeland Villas water main extension
 - William’s Pipeline Odorization Building
 - Tacoma Point Cellular Antenna Review
 - Bonney Lake Estates sewer extension
- Observed the construction and testing at many projects including:
 - Church Lake Subdivision
 - Orchard Grove II
 - Franciscan Medical Pavilion
 - Henschell Professional Building
 - Erdahl Short Plat
 - 104th and 199th Intersection Improvements
 - Ptarmigan Ridge Fill and Grade
 - Woodside Manor sewer repair and testing.
 - McDonald’s remodel
 - Iron Dragon
 - Panda Express
- Revamped the Civil permitting code section in the Bonney Lake Municipal Code;
- Attended Pre-application and weekly project status meetings; &
- Lead all private development pre-construction meetings.

Level of Service

Funding is sufficient to process all land use applications and building permits in a professional and timely manner. As the level of development increases and future annexations occur,

additional staff and resources will be needed. Turnaround times may slip if record levels of permit applications return and staff/resources are not increased commensurately.

Goals & New Initiatives

- Continue to seek out and implement new initiatives which improve our customer service;
- Continue to refine the organization of the Department to the ‘Community Development Department’ to better reflect the true nature of the Department’s role and improve services provided to our customers;
- Continue to maintain three week single family residential permit turnaround time once a complete application is received;
- As budget allows, undertake an outside third-party review of the Department’s business practices related to the processing and flow of applications through the development review process;
- Continue to seek out and make applications for grant’s and other funding opportunities in support of State required unfunded mandates;
- Complete the relocation of the Department to the Justice Center in 2013;
- Continue to update the Bonney Lake Municipal Code to clarify permit processing procedures and fully implement the Civil Permit code and process.

Resource Summary

Community Development Planning & Building (Dept 58)		Actual		Budget			
		2010	2011	2012 Adopted	2012 Revised	2013	2014
10	Personnel Services	691,696	781,363	856,327	876,166	723,311	731,809
20	Personnel Benefits	262,169	307,317	366,942	372,961	364,273	401,601
30	Supplies	7,755	5,535	9,000	5,800	7,050	5,050
40	Services & Charges	114,190	64,585	161,950	95,350	61,757	63,757
50	Intergovernmental/Interfund	67,972	74,951	69,601	78,601	50,901	50,901
60	Capital Outlays	0	0	0	0	0	0
70	Debt Service - Principal	0	0	0	0	0	0
80	Debt Service - Interest	0	0	0	0	0	0
90	Transfers Out	0	0	0	0	0	0
Total		1,143,782	1,233,752	1,463,820	1,428,878	1,207,292	1,253,118

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

The decrease in Personnel Services and Benefits reflects the net staffing reduction. The decrease in Services & Charges from 2012 to 2013 reflects the reduction of various professional services, including Engineering, Plan Review, and Building/Land Development review. The reduction in Intergovernmental/Interfund reflects the reassignment of the City’s Geographic Information Services (GIS) subscription costs from this department to the General Fund Non-Departmental budget, with subsequent allocation to all user funds.

Trends & Future Issues

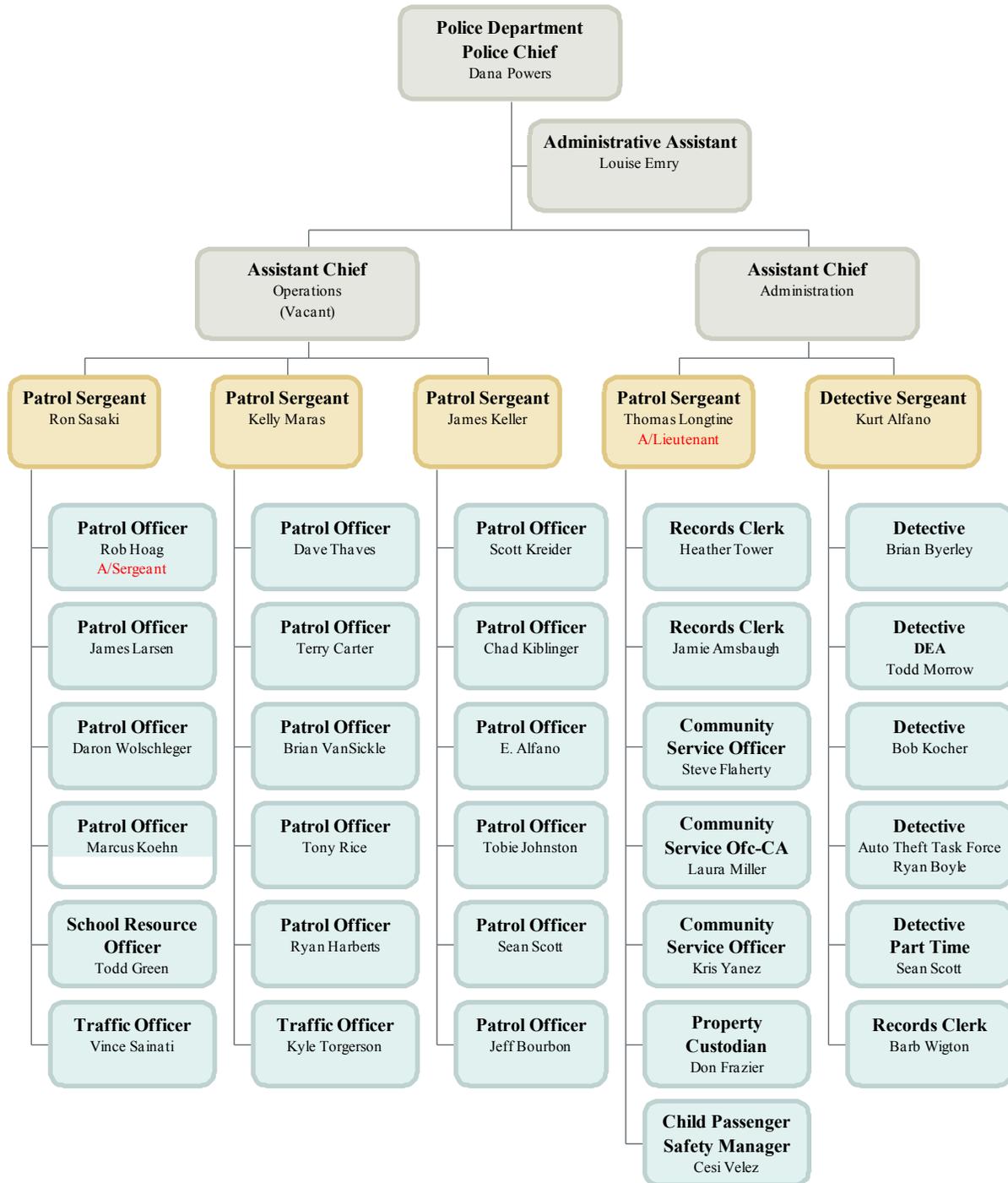
Given the current state of the economy and the slowdown in building activity nationally and in the Puget Sound region, building permits and overall permit valuation is down from 2006/07. A climb in overall valuation was experienced in 2010 due to several big projects - school remodels and the Medical Office Building on the former WSU forest site while 2012 brought the Franciscan Medical Pavilion project. Rebounding of the overall economy is expected to be slow in the coming 2013-14 biennium.

Performance Measures

	2004	2005	2006	2007	2008	2009	2010	2011	2012 Est.
Residential Lots Created (recorded)	386	358	266	293	114	8	3	0	54
Annexations (acres)	0	76	0	328	17	0	0	0	0
Code Violations Investigated	n/a	213	170	180	173	177	200	210	158
Building Permit Valuation (millions of dollars)	\$54	\$61.6	\$72.2	\$79.4	\$33.1	\$18.8	\$44.1	\$25.6	\$32.8
Total Number of Permits Issued through Permit Center	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1,218	1,303

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Police Department

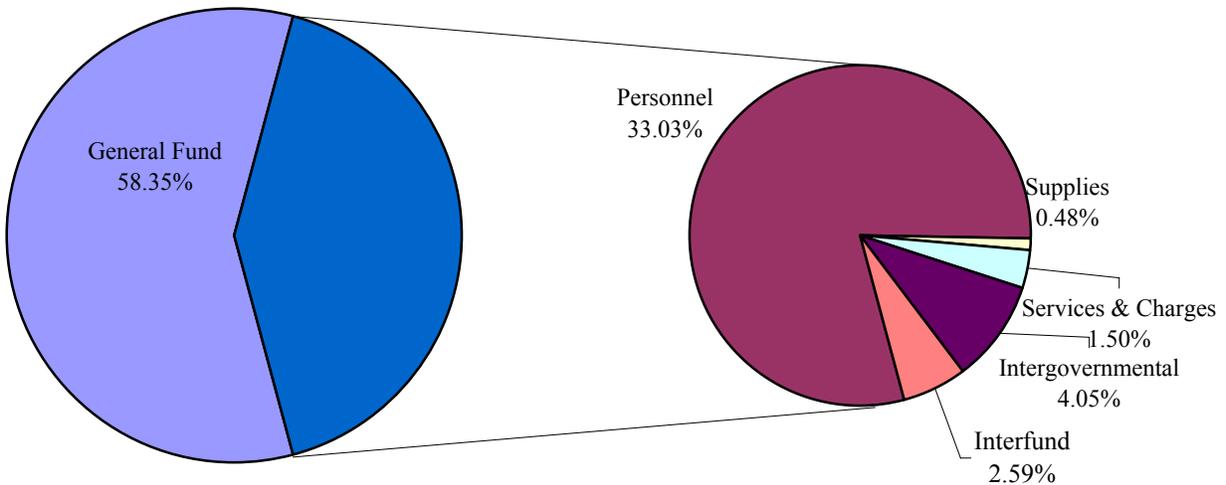


Department: *Police Department*
 Program(s): *Police Department*
 Fund(s): *General*

Budget Overview

2013 Budget	\$5,728,224	2011 FTE	37.6
Change from 2012:	7%	2012 FTE	38.6
2014 Budget	\$5,966,822	2013 FTE	39.6
Change from 2013	4%	2014 FTE	39.6

Police Department by % of General Fund and Activity



Mission Statement

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

Core Values

VERITAS – Vigilance, Excellence, Respect, Integrity, Teamwork, Accountability, Service

Resource Summary

Police All Divisions (Dept 21)	Actual		Budget			
	2010	2011	2012 Adopted	2012 Revised	2013	2014
10 Personnel Services	2,903,178	2,911,712	2,960,186	3,016,932	3,176,023	3,286,841
20 Personnel Benefits	987,727	1,036,253	1,257,704	1,275,478	1,385,621	1,525,876
30 Supplies	64,476	66,459	80,700	51,200	64,880	73,652
40 Services & Charges	81,339	104,058	100,925	116,925	202,690	167,670
50 Intergovernmental/Interfund	899,249	881,581	927,234	897,234	899,011	912,783
60 Capital Outlays	5,857	25,652	5,000	5,000	0	0
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
Total	<u>4,941,825</u>	<u>5,025,715</u>	<u>5,331,749</u>	<u>5,362,769</u>	<u>5,728,224</u>	<u>5,966,822</u>

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

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

Budget Overview

2013 Budget	\$883,792	2011 FTE	<i>See summary page</i>
Change from 2012:	(5%)	2012 FTE	<i>See summary page</i>
2014 Budget	\$939,612	2013 FTE	<i>See summary page</i>
Change from 2011	6%	2014 FTE	<i>See summary page</i>

Mission Statement

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

Core Values

VERITAS – Vigilance, Excellence, Respect, Integrity, Teamwork, Accountability, Service

Purpose and Description

The City's Police Department Administrative unit is the administrative arm of the police department. The Administration which includes a Chief, Assistant Chief and an Administration Assistant who coordinates the operations of the police department as well as animal control (through an Interlocal Agreement with Metro Animal Services led by the City of Sumner) SWAT, Crime Response Unit, Auto Theft Task Force, DEA Task Force, Civil Disobedience Team, Lab Team, Metro Collision Team and Child Passenger Safety Manager. The department's administration writes grants, policies and procedures, coordinates operations in patrol, traffic and investigations.

2011-2012 Key Accomplishments

- Held 16th and 17th Annual Citizens Academy with one of the highest enrollment to date;
- Held our annual Shop with a Cop which provided for more service to underprivileged children than ever before;
- National Night Out had very good participation in August 2011 and 2012 at Ken Simmons, Sky Island and Debra Jane Parks;
- Open House partnership with East Pierce Fire and Rescue;
- Received a grant to hire a fully funded Child Passenger Safety Manager;
- Received funding for live-scan fingerprinting machine.

Level of Service

Current staffing level for the police administration is the Chief, an Assistant Chief and one Administrative Assistant.

Goals & New Initiatives

- Re-organization of the Police Department;
- Participate in National Night Out;
- Shop with a Cop;
- Participate in Bonney Lake Days;
- Participate in the open house put on at the Public Safety Building by East Pierce Fire & Rescue;
- Maintain high quality of service while being fiscally responsible.

Resource Summary

Police Administration	Actual		Budget			
	2010	2011	2012 Adopted	2012 Revised	2013	2014
10 Personnel Services	554,683	527,889	529,686	614,671	575,107	591,810
20 Personnel Benefits	196,899	193,474	253,260	283,167	274,131	312,857
30 Supplies	14,268	4,425	6,000	3,800	5,328	6,000
40 Services & Charges	4,012	12,001	4,000	25,200	29,226	28,945
50 Intergovernmental/Interfund	45,375	52,289	50,000	50,000	54,077	55,849
60 Capital Outlays	5,857	0	0	0	0	0
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
Total	821,094	790,077	842,946	976,838	937,869	995,461

Budget Notes: The Intergovernmental costs reflect animal control costs.

Trends & Future Issues

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

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

Budget Overview

2013 Budget	\$4,397,655	2011 FTE	<i>See summary page</i>
Change from 2012:	10%	2012 FTE	<i>See summary page</i>
2014 Budget	\$4,571,661	2013 FTE	<i>See summary page</i>
Change from 2013	4%	2014 FTE	<i>See summary page</i>

Mission Statement

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

Core Values

VERITAS – Vigilance, Excellence, Respect, Integrity, Teamwork, Accountability, Service

Purpose and Description

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

2011-2012 Key Accomplishments

- The Department continues to be successful in obtaining grant funding to support the department activities.

Program	2011	2012
Child Passenger Safety Manager (<i>offsets the total budget for this program, which serves the entire State of Washington</i>)		\$270,000
Traffic Safety Grant (DUI, Target Zero, Party Intervention Patrol, Speeding Emphasis)		
Boating Safety Grant (Vessel Registration)	\$7,517	\$10,272
US Coast Guard Recreational Boating Safety Funds	\$35,869	\$19,806
National Night Out		\$700
Shop with a Cop		\$2,400
Chief For A Day		\$2,696

- We continue to receive additional funding for our Crime Analysis to take part in the multi jurisdictional Auto Theft Task Force through a grant from the Washington Auto Theft Prevention Authority (WATPA). This funding source has already paid for an additional officer.
- Fleet and equipment upgrades;
- Our volunteer's help us during our events throughout the year. In 2011 our volunteers donated 393 hours which included having an intern. This is equal to a value of \$6189.75* in donated time. In 2012 we have had a total of 62 hours which is equivalent to \$976.50* in donated time. (* at 15.75 an hour)

Level of Service

Current staffing level is 29 commissioned personnel with one vacancy. Two (2) commissioned positions are grant funded. Staffing level is 1.67 commissioned officers per 1,000 populations. The budget funds a 24/7 Police Patrol coverage of 14 Patrol Officers and 4 Patrol Sergeants, 2 Traffic Officers, 1 School Resource Officer, 1 Narcotic K-9 Officer, 5 Detectives which includes a Detective Sergeant, 2 generalist Detectives, 1 task force officer participating in a regional Drug Enforcement Unit and 1 task force officer participating in a regional Auto Theft Task Force (both task force officers are grant funded positions), three Community Service Officers and 3 records clerks and 1 part time property room officer.

Officers and Detectives from our department usually wear several hats and participate in more than one team listed: Marine Services Unit has 12 Officers and 1 Sergeant, 4 Bike Patrol Officer's, 2 Party Intervention Patrol Officer's, an Officer that works on the county wide Target Zero Team, 4 firearms and 1 less lethal instructors, 3 Emergency Vehicle Operations Course (EVOC) instructors, 2 officers that participate in the multi-jurisdictional Lab Team, 3 SWAT officers, 3 Public Information Officers and 1 position in the Metro Civil Disobedience Team, as well as 5 officers participating in the newly formed Metro Collision Team.

Goals & New Initiatives

- Continue summer time patrols at Allan Yorke Park and on Lake Tapps;
- Continue to build the reserve officer and volunteer program;
- Start participating in the Metro Cadet Officer program;
- To continue the high level of service while being fiscally responsible.

Resource Summary

Police Operations	Actual		Budget			
	2010	2011	2012 Adopted	2012 Revised	2013	2014
10 Personnel Services	2,348,495	2,383,823	2,430,500	2,402,261	2,600,915	2,695,031
20 Personnel Benefits	790,828	842,779	1,004,444	992,311	1,111,489	1,213,019
30 Supplies	50,208	62,033	74,700	47,400	59,552	67,652
40 Services & Charges	76,855	92,057	96,925	91,725	173,464	138,725
50 Intergovernmental/Interfund	446,579	449,565	457,234	457,234	452,234	457,234
60 Capital Outlays	0	25,652	5,000	5,000	0	0
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
Total	3,712,965	3,855,910	4,068,803	3,995,931	4,397,655	4,571,661

Budget Notes: The increase in Services & Charges includes the operations of the child passenger safety program (100% offset by grant revenues) as well as increases in communications costs.

Trends & Future Issues

- The trend in law enforcement continues to be part of the metro policing concept. Small cities in this area all the way to Lakewood have pooled resources in the area of the Crime Response Unit, K-9, Metro Collision, Metro Civil Disobedience, Drug Enforcement, Auto Theft, Lab Team and SWAT. When an incident in the City of Bonney Lake occurs we receive an abundance of assistance to help us process and deal with any scene.
- Another area and future issues we face is the security of our police department and storage facilities.
- We are looking at ways to implement a traffic school in Bonney Lake.

Performance Measures

Measures	2007	2008	2009	2010	2011	2012 Est
UCR/NIBRS¹ Crimes	807	624	1,104	1,202	1,092	1,100
DUI Citations	142	156	99	100	61	45
Citations/Infractions	5,711	5,416	8,177	9,339	6,852	7,000
Police Reports Filed	3,591	3,475	3,589	3,675	3,267	3,000

¹ Uniform Crime Reports/National Incident Based Reporting System

Department: *Police Department*
 Program(s): *Contracted Services (Animal Control, Jail and Dispatch)*
 Fund(s): *General*

Budget Overview

2013 Budget	\$446,777	2011 FTE	-
Change from 2012:	2%	2012 FTE	-
2014 Budget	\$455,549	2013 FTE	-
Change from 2013	2%	2014 FTE	-

Mission Statement

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

Core Values

VERITAS – Vigilance, Excellence, Respect, Integrity, Teamwork, Accountability, Service

Purpose and Description

The City's Police Department contracts animal control services with Metro Animal Control (Sumner). Dispatch services (911) is contracted through a multi-year agreement with the City of Puyallup. The City of Bonney Lake contracts with several local jails.

2011-2012 Key Accomplishments

911 Dispatch:

- Exceeded both national standards for 911 call answering times (2011 - 94.88% for 10 second standard, 99.84% for 20 second standard);
- Provided monthly statistical reporting tools using Computer Aided Dispatch data (2011 – 18,371 Calls for Service, 846 Warrants Processed);
- Assisted with the implementation and reports for the False Alarm Reporting program;
- Provided Communications Center tours for the Citizen Academies;
- Established the City Comm User Group committee with all partner agencies;
- Implemented interoperable 800MHz talk-groups for East Pierce County;
- Improved interoperability with other agencies using shared resource availability not previously capable.

Metro Animal Control:

- Increase adoption by 11% ;
- Continue to work with contract cities to adopt consistent ordinances;
- Algona, Pacific and Bonney Lake all adopted consistent potentially dangerous and dangerous dog ordinances;

- Replace the shelter phone system to facilitate better customer service;
- Develop and implement temporary animal license for enforcement purposes;
- Increase enforcement activity (infractions) - Infractions increased by 571% due in part to Temporary Tags;
- Increase public/private partnerships;
- Created “Paws A Moment” newsletter to highlight the mission and accomplishments of Metro;
- Launched a Facebook page to highlight events, adoptable animals and success stories;
- Private donations have increased by 71% over 2010;
- Provide ongoing financial reports to participating cities;
- Renew founding Interlocal between the cities of Puyallup and Sumner.

Level of Service

The City transitioned its contracted dispatch services from the City of Sumner to the City of Puyallup in 2008. The transition provides for enhanced 800 MHz capabilities as well as higher levels of service with response times.

Metro Animal Control services Algona, Bonney Lake, Edgewood, Milton, Pacific, Puyallup and Sumner. The resident population in this service area is 90,230 covering approximately 41 square miles. In 2011 they had 536 calls for service and 67 patrol events as well as 383 total incoming animals into the shelter from Bonney Lake. Metro Animal Control has 1 ACO Supervisor, 2 ACO's, 1 Shelter Assistant, .33 Kennel Tech (13 hours at shelter), .15 department manager (Sumner PD) as well as 79 volunteers.

Goals & New Initiatives

With budget cuts throughout the region and increase service costs we are continually analyzing our jail services. The courts have provided for more day court, and our electronic home monitoring program has helped lower jail costs while keeping offenders accountable for their actions. We are looking at other locations to house long term offenders with the closing of Buckley Jail.

Resource Summary

Police	Animal Control	Actual		Budget			
		2010	2011	2012 Adopted	2012 Revised	2013	2014
10	Personnel Services	0	0	0	0	0	0
20	Personnel Benefits	0	0	0	0	0	0
30	Supplies	0	0	0	0	0	0
40	Services & Charges	0	0	0	0	0	0
50	Intergovernmental/Interfund	45,375	47,567	50,000	50,000	54,077	55,849
60	Capital Outlays	0	0	0	0	0	0
70	Debt Service - Principal	0	0	0	0	0	0
80	Debt Service - Interest	0	0	0	0	0	0
90	Transfers Out	0	0	0	0	0	0
	Total	45,375	47,567	50,000	50,000	54,077	55,849

Budget Notes: The 2013 charge is 3.05 per capita. The 2014 charge is \$3.15 per capita.

Police	Care/Custody of Prisoners	Actual		Budget			
		2010	2011	2012 Adopted	2012 Revised	2013	2014
10	Personnel Services	0	0	0	0	0	0
20	Personnel Benefits	0	0	0	0	0	0
30	Supplies	0	0	0	0	0	0
40	Services & Charges	471	0	0	0	0	0
50	Intergovernmental/Interfund	90,861	56,831	95,000	65,000	74,700	74,700
60	Capital Outlays	0	0	0	0	0	0
70	Debt Service - Principal	0	0	0	0	0	0
80	Debt Service - Interest	0	0	0	0	0	0
90	Transfers Out	0	0	0	0	0	0
	Total	91,332	56,831	95,000	65,000	74,700	74,700

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

Police	Dispatch Services	Actual		Budget			
		2010	2011	2012 Adopted	2012 Revised	2013	2014
10	Personnel Services	0	0	0	0	0	0
20	Personnel Benefits	0	0	0	0	0	0
30	Supplies	0	0	0	0	0	0
40	Services & Charges	0	0	0	0	0	0
50	Intergovernmental/Interfund	316,434	322,897	325,000	325,000	318,000	325,000
60	Capital Outlays	0	0	0	0	0	0
70	Debt Service - Principal	0	0	0	0	0	0
80	Debt Service - Interest	0	0	0	0	0	0
90	Transfers Out	0	0	0	0	0	0
	Total	316,434	322,897	325,000	325,000	318,000	325,000

Budget Notes: The intergovernmental cost is based on a contract with the City of Puyallup.

Trends & Future Issues

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

Metro Animal Control will be developing and implementing a nuisance reporting packet and procedure as well as new shelter software to improve efficiency. They are looking to increase volunteer activity at local events, increase private donations, and explore online pet licensing as well as research pet licensing sub-agent options and implement if feasible.

Performance Measures

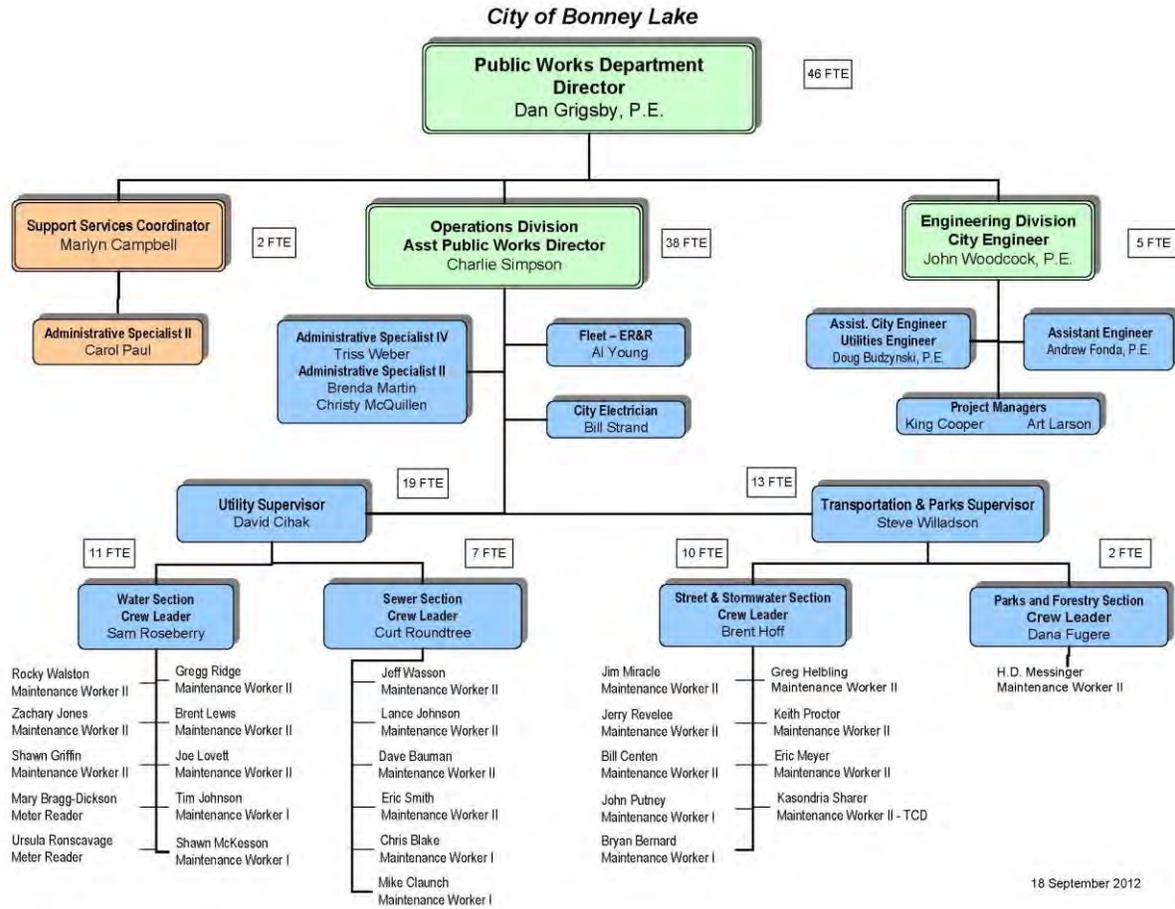
Dispatch

Measures	2009	2010	2011	2012 Est
Calls for Service	22,716	22,034	18,371	18,860
Warrant Confirmation	812	821	846	800

Metro Animal Services

Measures	2009	2010	2011	2012 Est
Calls for Service	514	411	603	620

Public Works



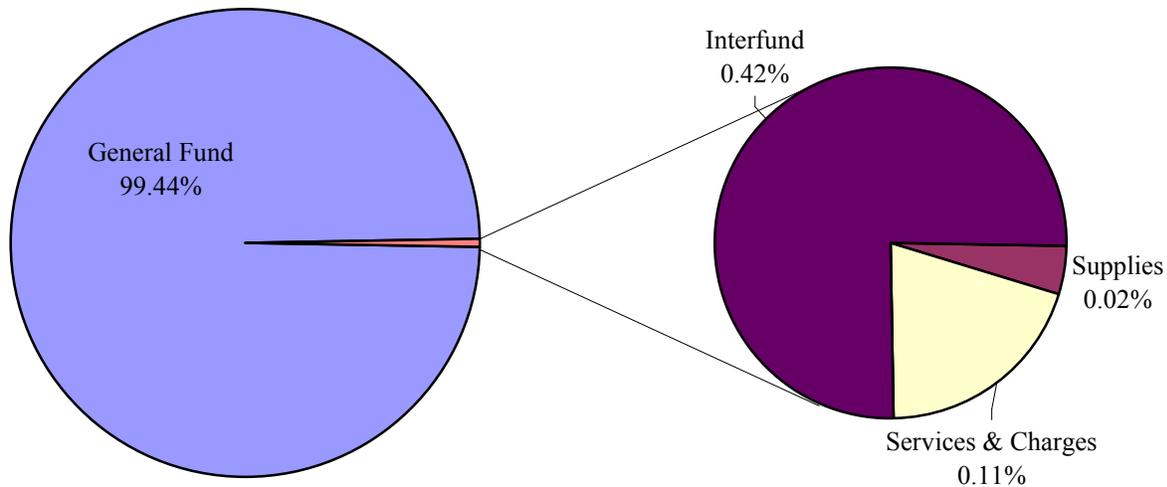
Department: *Public Works*
 Program(s): *Administration, Engineering*
 Fund(s): *General*

Budget Overview

2013 Budget	\$75,621	2011 FTE	44.0
Change from 2012:	4%	2012 FTE	46.0
2014 Budget	\$75,621	2013 FTE	46.0
Change from 2013	0%	2014 FTE	46.0

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

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



Mission Statement

The Public Works Department’s (PWD) mission is to be a good steward of the public’s investment in municipal infrastructure and fleet equipment. Responsibilities include planning/design, construction, operation, maintenance and repair of municipal systems for roadways (pavement, signage, sidewalks, traffic signals, & street lighting), utilities (water, sewer, & storm water) and Recreation Facilities (Parks and Forest) in a manner that provides safe, cost effective, and reliable service to our customers.

Fleet equipment is maintained in a condition that is safe to operate and maximizes equipment life. Equipment is replaced when it is most cost effective to do so.

The department actively seeks information from the general public, co-workers, other agencies, and elected officials that is used to accomplish the work of the department in a courteous,

environmentally friendly, and professional manner. Public Works staff participates in decision making processes and is encouraged to seek self improvement that benefits the City and the individual.

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

Purpose and Description

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

2012 Key Accomplishments

Streets:

- Street Overlay. West Tapps Highway from Church Lake Drive to Church Lake Road.
- Street Lights. The center lane lighting in the Easttown SR410 Widening project was installed putting the final touches on the work performed by the Washington State Department of Transportation. Partial funding of \$115,000 was received through efforts of state Senator Pam Roach.
- Renamed Sumner-Buckley Highway to Veterans Memorial Drive.
- Participated in negotiations with Tehaleh (formerly Cascadia) to create a new partnership for the ultimate construction of the SR 410 – Veterans Memorial Drive Intersection Improvement Project.
- The City secured Federal grants to design and overlay portions of Angeline Road and Church Lake Road in 2013.

Sidewalks and Trails:

- Added to SR410 from 198th Avenue East to 208th Avenue East completing the missing link in the MIDTOWN area of Bonney Lake. Funding for the project was supported by an \$800,000 WSDOT Pedestrian and Bicycle Safety grant.
- Constructed new sidewalks in the Cedarview sub-division that connected SR 410 to Cedarview Park along 208th Ave. and added additional sidewalk from 208th Ave. to 210th Ave along 97th St.
- Built a new sidewalk along West Tapps Hwy, in Allen Yorke Park, Bonney Lake Boulevard to the boat trailer parking area. This provided much safer access to the beach and park recreation areas.
- The Fennel Creek Trail project has been designed and is anticipated to begin construction during 2012-2013. This trail will connect cross Fennel Creek and connects the Angeline

Road sub-divisions to the 111th St and 192nd Ave sidewalk completed in Phase 1 of this project.

- Additionally, sidewalks have been added throughout the city during construction of new developments.

Water Utility System:

- Completed design to replace leaking/undersized water lines in both the Ponderosa Estates community south of the City and the Evergreen Point community on the north end of Lake Tapps. Both projects are planned to be built in 2013.
- Construction of the Prairie Ridge Booster Pump Station is now complete and in operation as part of the TPU Agreement from 2005. The pump station will be able to supply up to 2 MGD of water from TPU pipeline to our system. A supplemental agreement with Cascade Water Alliance added an additional 2 MGD capability to this pump station. Land for this pump station is leased from Pierce County and is paid for by the City providing water to the Pierce County street maintenance vehicles at a new automated water dispensing station on 96th Street.
- The City replaced several thousand feet of leaky water pipelines around North Lake Debra Jane, 208th Avenue East, 97th Street East, 185th Avenue East, and Locust Ave extension. In the process, water lines were increased to 8-inch (from 2 and 4-inch lines) and extensive amounts of streets were repaved. These projects utilized the City's existing Public Works Trust Fund Loan to accomplish these projects.

Sanitary Sewer Utility System:

- Designed the Eastown sewer lift station and sewer lines that will be the back bone of the future sewer system in Eastown. Construction phase is currently on hold. Worked closely with Eastown property owners to not only obtain easements on which to build the future Eastown sewer system, but also to keep them up to date with the on going design and funding process.
- Septic System Abatement.
 - A master plan was completed to replace septic systems inside the City. This master plan identified, with planning costs, areas inside the city that are still without a city sewer system and prioritized how to systematically construct a sewer system in those areas.
 - Cedarview Sub-division. Built a "Dry" sewer line on 208th Ave as part of the project to install sidewalks in Cedarview. This "Dry" sewer line is the first phase of a new sewer system that will eventually connect Cedarview homes to the City sewer system.
- Sewer Transmission Line Replacement. This transmission line connects the City sewer system to the Sumner Waste Water Treatment Facility (WWTF). Completed the last phase of this project that started in 2006 when this sewer line failed. This phase installed a new lining inside the main sewer trunk line from Myers Road to Main Street on SR410. The project utilized an existing Public Works Trust Fund Loan to complete design and construction.
- Sumner Waste Water Treatment Facility.

- An Interlocal Agreement was finalized for the joint use and expansion of this facility. This provided both cities with the ability to grow without sewer treatment capacity constraints.
- Expansion of the perimeter wall around the WWTF, jointly funded by both cities, was completed. This will provide much better flood protection around the plant.
- City of Bonney Lake and City of Sumner partnered in a design effort to increase the WWTF capacity from 4.3 to 6.7 MGD. Design for the expansion started in 2012 with plans for construction to start in the second half of 2013.

Stormwater Utility System:

- Continued in-house development of the Comprehensive Stormwater Plan.
- Completed in-house preparation of a Stormwater Management Plan required by our NPDES permit. This plan has been validated by the state.
- Updated design standards to comply with NPDES Phase II permit requirements.
- Utilized two stormwater grants (\$50,000 and \$114,000) to help meet our NPDES permit requirements.
- Updated the amount of Equivalent Service Units (ESUs) for each commercial parcel within the City utilizing new Pierce County ortho-photos.
- As part of the public education element of the NPDES permit, we had schools compete in a stormwater/pollution prevention art contest. The 12 winners each received a \$50 gift certificate. A 2013 calendar has been prepared using these drawings and 750 copies will be distributed to Sumner School District schools and the public for free.

Note: Further information on the capital aspects of Water, Wastewater, and Stormwater can be found in the respective Fund budgets in Section 5.

Level of Service

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

Goals & New Initiatives

- Continue planning, design, and construction of projects included in the Transportation and Utility Comprehensive Plans.
- Continue to encourage and support professional development of individual Public Works employees.

Transportation.

- Continue implementing the Non-Motorized Transportation Plan. Continued emphasis on improvements to sidewalks and trails that will increase pedestrian and bicyclist safety while enhancing the “walkable community” that Bonney Lake is noted for.

- Acquire Right of Way needed to build future City streets on that will not be dedicated by new developments.
- Complete construction of the SR410 & Main Street Intersection Improvement project in 2013.
- Complete construction of the SR 410 & Veterans Memorial Drive Intersection Improvement project in 2014.
- Complete construction of the SR410 & 214th Avenue Intersection Improvement project in 2015. Finish acquiring Right of Way in 2013 and 2014.
- Ensure that mapped streets in Eastown are built in accordance with the comprehensive plan.

Utilities.

- Work closely with the City of Sumner during the design and construction phases to expand the Waste Water Treatment Facility (WWTF) plant capacity and improve existing facilities.
- Develop new City water rights in order to utilize the Cascade Water Alliance water rights in the White River basin.
- Extend the City Sewer system into Eastown.
- Continue to repair the Water System in order to reduce the unaccounted for water use.

Engineering.

- Explore every opportunity to obtain grants and low interest loans that leverage the revenue received from impact fees and utility system development charges. Improve all utility systems in a way that will support new development and comply with regulatory demands.
- Continue to convert hard copy plans to digitized plans and get GPS coordinates for all Public Works infrastructure. Work with GIS staff to improve the street and utility layers in the GIS system.
- Improve disaster preparedness.

Contract Administration.

- Advertise, administer and close out all CIP contracts in a timely and comprehensive manner.
- Obtain reimbursement from grants and loans at the earliest opportunity.
- Continue coordinating BARS accounting actions for CIP projects closely with the Finance Department staff.

Resource Summary

Public Works Engineering & PW Admin (Dept 32)	Actual		Budget			
	2010	2011	2012 Adopted	2012 Revised	2013	2014
10 Personnel Services	0	0	0	0	0	0
20 Personnel Benefits	0	0	0	0	0	0
30 Supplies	4,562	2,555	4,450	2,970	3,340	3,340
40 Services & Charges	15,514	16,370	22,370	12,850	15,207	15,207
50 Intergovernmental/Interfund	57,074	57,074	57,074	57,074	57,074	57,074
60 Capital Outlays	0	0	0	0	0	0
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
Total	77,150	75,998	83,894	72,894	75,621	75,621

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

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

Trends & Future Issues

- During 2013-2014, it is anticipated that construction costs will begin to come back to "normal pricing" as the local and national economic situation stabilizes. Public Works will continue to expedite designs and construction contracts to maximize use of available funding during this period when bids are received well under the Engineers Estimate.
- Engineering and Contract Administration staff has become adept at finding ways to minimize costs and increase productivity without increases in staffing. Staff will continue to be flexible in taking on new duties while continuing to accomplish current assignments.

Performance Measures

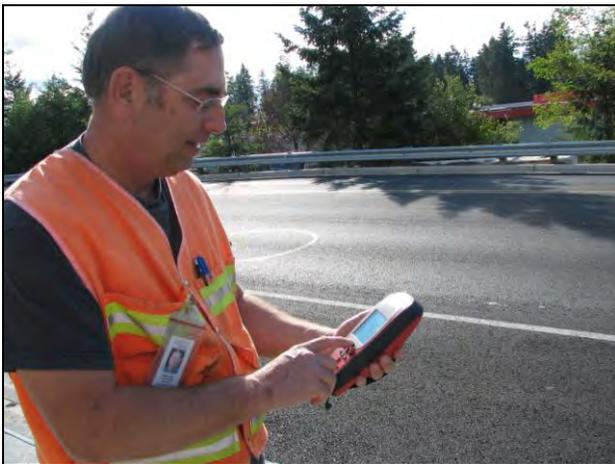
PW – Engineering Division	2007	2008	2009	2010	2011	2012
	Actual	Actual	Actual	Actual	Actual	Est.
Professional Services Agreements						
Project Planning Studies	3	0	1	1	1	2
Design Contracts	7	14	9	10	12	7
Comprehensive Plans	2	1	0	1	1	1
Other Engineering Services						
Total PSA Managed	12	15	10	12	14	10
Construction Projects						
Residential Development Projects	28	21	5	1	1	1
Commercial Development Projects	9	11	13	2	6	2
Total Construction Projects Managed	37	32	18	3	7	3
Permits						
Approach/Right of Way Permits	180	125	190	92	91	93
Residential Stormwater Permits	215	96	41	105	98	86
Commercial Stormwater Permits	8	3	1	9	2	2
Total Permits Managed	403	224	232	206	191	181
CIP Projects Managed						
Water	2	2	3	3	1	1
Wastewater	1	0	3	2	2	2
Stormwater	0	0	1	0	2	1
Transportation	1	2	0	2	2	2
Total CIP Projects Managed	4	4	7	7	7	6

Capital Improvement Projects - Fund Summary

Year	Sewer SDC Funds	Storm Funds	Street Funds	Water SDC Funds	Total
2005	\$ -	\$ -	\$ 30,122	\$ 5,839,460	\$ 5,869,582
2006	2,195,927	-	2,384,890	2,916,429	7,497,246
2007	271,840	150,000	256,000	9,529,864	10,207,704
2008	482,075	874,833	1,420,092	1,267,760	4,044,760
2009	3,124,122	-	3,637,185	3,233,799	9,995,106
2010	2,046,099	-	1,241,165	2,012,057	5,299,321
2011	573,266	321,786	2,640,610	2,586,210	6,121,872
2012	2,010,760	20,000	1,962,669	1,258,025	5,251,454
2013	1,195,000	-	337,000	2,041,000	3,573,000
Total	\$ 11,899,089	\$ 1,366,619	\$ 13,909,733	\$ 30,684,604	\$ 57,860,045
Total % of Funds	20.57%	2.36%	24.04%	53.03%	100.00%

Source: Public Works Engineering

Creating and Updating GIS and GPS Data – Maintaining Control and Preparation of Records for Construction Projects:



Cedarview Sub-division Sidewalk, Utility and Street Improvements:

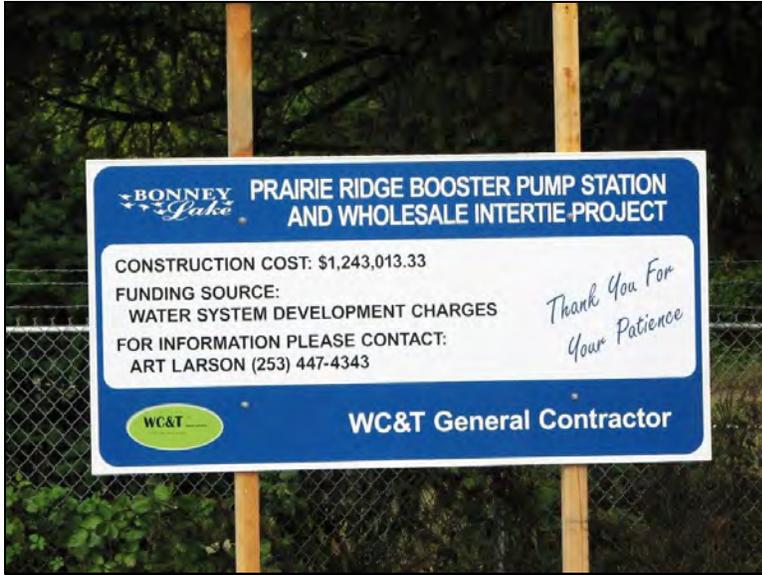


Leaky Watermain Replacement:



Prairie Ridge Dr - Water Booster Pump Station Construction – Next to TPU Water Line #1:



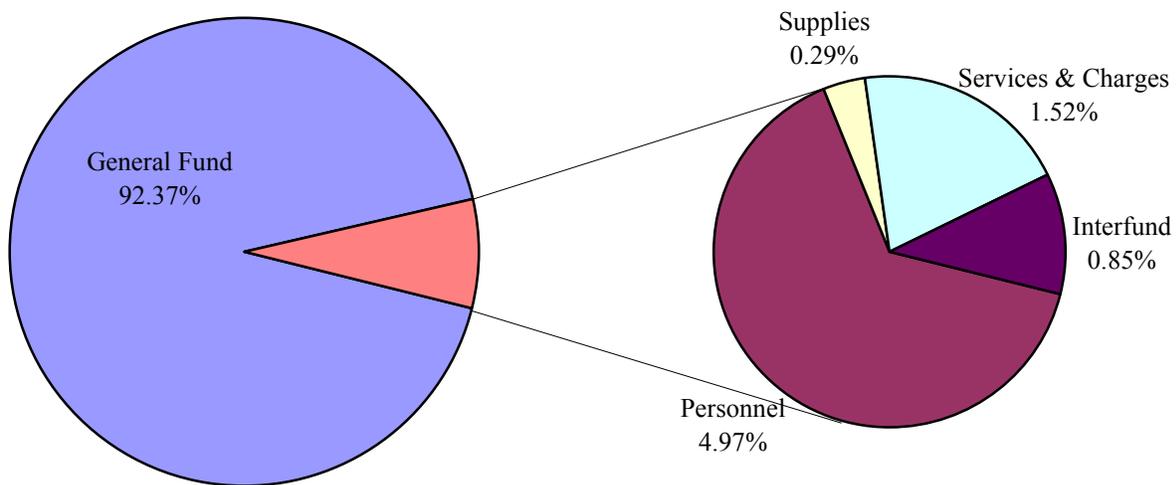


Department: *Public Works*
 Program(s): *Road and Streets Operations & Maintenance*
 Fund(s): *General*

Budget Overview

2013 Budget	\$1,032,806	2011 FTE	-
Change from 2012:	13%	2012 FTE	-
2014 Budget	\$1,055,355	2013 FTE	-
Change from 2013	2%	2014 FTE	-

Streets by % of General Fund and Activity



Mission Statement

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

Purpose and Description

To provide good stewardship of existing transportation facilities to ensure that the City’s investment in those facilities is not lost due to insufficient maintenance and repairs.

The Transportation section of the Public Works Operations Division (PW-OPS) will maintain safe streets, bicycle routes, and pedestrian walkways. Development of new or improved transportation facilities will be consistent with the Bonney Lake motorized and non-motorized Comprehensive Plan elements and current design standards.

2011-2012 Key Accomplishments

- Pavement Condition. PW-OPS continued chip sealing, street striping and pavement marking at a reduced pace of \$179,000 a year. West Tapps Highway was overlaid with existing revenue. Federal grants to design and overlay portions of Angeline Road and Church Lake Road have been obtained for use in 2013.
- Street Lights. The center lane lighting in the Easttown SR410 Widening Project was completed putting the final touches on the work performed by the Washington State Department of Transportation.
- Sidewalks. Sidewalks supporting Safe Routes to School have been added to SR410 from 198th Avenue East to 208th Avenue East completing the missing link in the Mid-Town section of the City. The city used the Neighborhood Sidewalk Fund to complete both the missing sidewalk link from SR 410 to Cedarview Park and to connect 208th Avenue to 210th Ave. Sidewalk was added to West Tapps Hwy in Allen Yorke Park that provided a safe connection between parking and recreation areas. Additionally, sidewalks have been added throughout the city during construction of new developments.
- Trails. The Fennel Creek Trails project has been designed and is anticipated to begin construction during this budget cycle. This project will connect the Angeline Road subdivisions to 192nd Ave that provides safe access to Victor Falls Elementary School, Bonney Lake High School and Mountain View Middle School.
- Renamed Sumner-Buckley Highway to Veterans Memorial Drive.
- Partnered with Sumner School district, to build sidewalks on both sides of Bonney Lake Elementary school in 2010. Added parking stalls on 82nd St for Viking Park use.
- January Snow-Ice Storm Emergency Response:
 - Worked 24 hours a day for four days responding first to a snow storm that was followed by the worst ice storm in a decade.
- January Snow-Ice Storm Recovery:
 - City crews spent 6 weeks cleaning City streets, parks, trails, and other municipal facilities. This included weekends and regular days off.
 - Established a green waste drop off site for residents to use after the snow-ice storm caused widespread damage to trees. Moved 7,500 yards of green waste from the Field 4 parking lot to the Moriarty property due to concerns over an established Eagle nest. Used a contractor to chip and dispose of this green waste.
- Chip Seal Preparation: (5 center line miles)
 - Trimmed Trees
 - Mowed roadsides
 - Cleaned stormwater swales
 - Made permanent repairs to utility patches using 76 tons of asphalt.
- Provided weed abatement city wide in street right-of-ways, stormwater ponds, Reed farm, and other city owned property.
- Roadsides were mowed in developments that are not built out, (IE GMG, Ptarmigan Ridge, Panorama West, and Ashton Village) including the over grown storm ponds.
- Veterans Memorial Drive. Removed and replaced Sumner-Buckley Hwy street signs.
- Allan Yorke Park (AYP) Public Safety.
 - Ordered security signs at AYP Boat Launch for Police Dept.

- Updated swimming area warning devices.
- Life buoys were purchased and installed
- Set Swim dock in April and removed in July.
- Updated swimming area rule sign and replaced “No Life Guard on Duty” signs.
- “Hyperthermia” signs are on order.
- Allan Yorke Park Decant Facility. Design and upgrade required by Pierce County Health Department was completed. Registered the site as a “Solid Waste Site” with Pierce County.
- Provided parks support:
 - Built stairs to loft inside Moriarty barn.
 - Changed boat trailer parking lot to West Tapps Hwy instead of Bonney Lake Blvd parking lot. Ordered and changed parking lot guide signs.
 - Dike 13 project test pits were made.
 - Supported “Special Events” programs throughout the year
 - Raised access road along tennis court sidewalk.
- Built berm and installed Eastown “Welcome to Bonney Lake” marquis on 234th Ave.
- Removed “shanty town” materials from WSU Forest.
- Felled trees and built 103rd St emergency access road.
- Removed tree limbs throughout the City that were encroaching on streets/sidewalks, blocking traffic control and street name signs and solar panel blinking yellow school zone signs. There was much more work this year due to the January snow-ice storm. PW-OPS Street and Forestry sections jointly funded renting a boom lift to accomplish this work.
- New street lights were added to SR410 that provide continuous illumination from 214th Avenue to 234th Avenue in Eastown. This was a joint WSDOT and City funded project.
- WSDOT widened SR410 in Eastown and installed a new traffic signal at the intersection of SR410 & 233rd Avenue.
- Sumner School District built a new traffic signal at the 200th Avenue Court & 104th Street intersection.

Level of Service

Provide for safe streets, sidewalks, and trails for use by motorized and non-motorized transportation. Impacts associated with new development are addressed by Traffic Impact Fees and construction of mitigation projects. Focused available resources to maintain existing streets and minimize reduction in Remaining Service Life (RSL) of roadway pavement. Traffic control signs are replaced immediately when they are damaged.

Goals & New Initiatives

- Increase road shoulder rehabilitation city wide including grading, and adding shoulder ballast.
- Improve street tree maintenance city wide.
- Use federal grant to overlay South end of Angeline Rd. and Church Lake Road from Veterans Memorial Drive to Evergreen Drive in 2013.

- Use GBA Pavement Management Module to increase effectiveness of road maintenance with limited funding and available personnel-equipment.
- Overlay roads that are too distressed for chip sealing.
- Continue expansion of the sidewalks and trails addressed by the Non-Motorized Transportation Plan, if funding is available to do so.
- Continue the chip seal, maintenance overlay, street reconstruction, ADA ramp improvements, and new street light installation, if funding is available to do so.
- Investigate use of *Adaptive Signal Control Technology (ASCT)* with traffic signals on SR410.
- Establish a Transportation Benefit District in Bonney Lake.

Resource Summary

Public Works Road & Street Maintenance (Dept 42)	Actual		Budget			
	2010	2011	2012 Adopted	2012 Revised	2013	2014
10 Personnel Services	494,331	445,318	422,517	442,796	453,671	455,973
20 Personnel Benefits	186,982	186,715	192,740	211,724	219,085	239,332
30 Supplies	48,268	42,386	49,100	48,600	38,650	38,650
40 Services & Charges	157,176	195,389	177,700	197,100	205,850	205,850
50 Intergovernmental/Interfund	115,550	115,550	11,500	11,500	115,550	115,550
60 Capital Outlays	0	0	0	0	0	0
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
Total	1,002,306	985,357	853,557	911,720	1,032,806	1,055,355

Budget Notes: The increase in Intergovernmental/Interfund reflects a correction from the 2012 Revised Budget.

Trends & Future Issues

Finding funding for street maintenance and improvements continues to be a challenge. There is more competition for fewer grant dollars and road maintenance and construction costs are steadily increasing, primarily due to the increase in the cost of oil. The funding needed to construct CIP projects identified in the Transportation Plan and the Non-Motorized Transportation Plan are far beyond the City’s existing and expected revenue. Focus will continue to be applied to maintenance of existing streets over construction and improvements until revenue is improved.

The City will continue to see a decreased level of service due to a rapidly growing use of our streets from development occurring from inside the city as well as development in Pierce County, and other communities surrounding the Bonney Lake.

Performance Measures

Public Works Infrastructure Summary – Streets

PW – Streets Division	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual
Paved Centerline Miles	66.7	73	74	74	74	76
Paved Line Miles	133.4	148	157	157	158	167
Paved Roadway Surfaces	829,676	1,019,315	1,024,456	1,026,466	1,081,036	1,081,242
Chip Seal/Seal Coat Centerline Miles	6.2	5	5	5	5.4	4.5
Unpaved Centerline Miles	1.2	1	1	1	1	1
Street Identification Signs	411	455	477	821	864	878
Traffic Control Signs	977	1,266	1,406	1,478	1,519	1,553
Traffic Signals	4	4	4	5	6	6
Crosswalks	60	61	62	72	72	73
Striped Centerline Miles	79	32	32	33	33	32
Streelights	590	618	662	662	671	718
Right of Way Mowed (.5 Acres/Mile)	66.39	68.00	66.60	67.00	67.00	67.00
Sidewalks		47.90	49.80	50.20	56.12	58.30

PW – Streets Division	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual
Budgeted Staff Positions	6.8	6.8		8.0	8.0	8.0
Centerline Miles/Street Staff	19.61	21.61		9.2	9.3	9.5
Population/Street Staff	2,240	2,315		2,062.5	2,171.8	2,216.3

Public Works – Street System Construction Projects Completed

Year	Description	Cost	Funding
2011	192nd Ave, 109th St, 111th St Sidewalks	\$ 581,381	Grant/COR
2011	198th to 208th SR410 Sidewalk	1,073,943	Grant/COR
2011	80th and 82nd Street Improvements	344,700	Mitigation/COR
2011	West Tapps Sidewalk	502,639	COR
2011	SR410 Street Light Installation	137,947	Grant/COR
	2011 Subtotal	<u>2,640,610</u>	
2012	97th and 208th Sidewalk	\$ 357,817	COR
2012	SR410 and Main St. Intersection (Design & Construction)	1,492,328	Mitigation/TIF
2012	West Tapps Overlay	112,524	COR
2012	Fennel Creek Trail - Phase II	-	Grant/COR
	2012 Subtotal	<u>1,962,669</u>	
	2011/2012 Total	<u><u>4,603,279</u></u>	

Source: Public Works Engineering

January 18-20, 2012 -- Snow-Ice Storm Emergency Response and Recovery:



Old Sumner-Buckley Highway Change to Veterans Memorial Drive:



Construct 103rd Street Emergency Access Road:





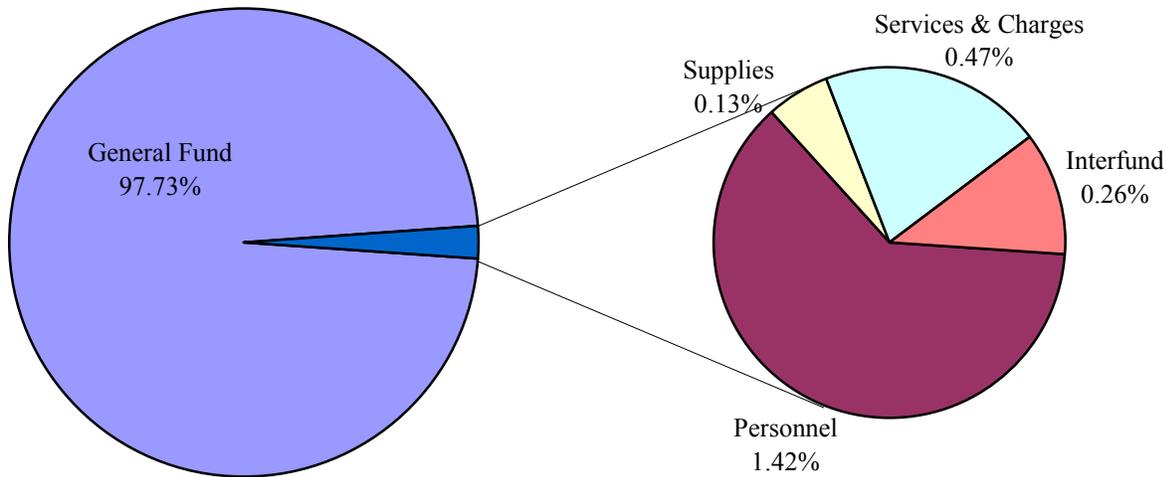
Looking West:

Department: *Public Works*
 Program(s): *Park Facilities*
 Fund(s): *General*

Budget Overview

2013 Budget	\$307,752	2011 FTE	2.0
Change from 2012:	11%	2012 FTE	2.0
2014 Budget	\$305,085	2013 FTE	2.0
Change from 2013	(1%)	2014 FTE	2.0

Parks by % of General Fund and Activity



Mission Statement

Provide recreational sites and trails that are safe and convenient for all users of these facilities. Continually expand and improve parks, trails, and recreational facilities throughout the city.

Purpose and Description

In 2011, the City moved the responsibility for maintenance and operation of Park facilities into the Public Works Department. The City has invested substantial funding to acquire park land and improve park facilities the last six years. This continues to be a priority of the Mayor and City Council.

The Public Works parks staff and supervisors (PW-Parks) ensure that we are good stewards of this investment. This is accomplished by staff committing themselves to create a safe and pleasant environment for all users of these recreational facilities. Staff accomplishes work year

round in order to maintain the grounds and facilities in a very high state of readiness to serve our customers. In addition, a nursery is maintained to grow future trees that are replanted in the parks and in City owned right-of-way adjacent to public streets.

2012 Key Accomplishments

Weather Event: A major snow and ice storm occurred 18-20 January. This resulted in many fallen tree limbs that needed to be picked up and disposed of. Additionally, many trees damaged by the ice storm needed special pruning to promote healthy growth. Some minor damage also occurred to park facilities and trails that were repaired.

Special Event Support: Easter Egg Hunt, Kids club, Tunes at Tapps, Bonney Lake Days, National Night Out, Beautify Bonney Lake, Arbor Day/Parks Appreciation, and Christmas Lights.

Allan Yorke Park:

- Parks staff “top dress” the infields of the four baseball diamonds on a weekly basis throughout the spring, summer and fall.
- The automated bollard system at the boat launch was repaired and improved in order to provide reliable service to boat launchers.
- Through a series of trials, it was determined that boat trailers are best parked in the gravel lot next to West Tapps Hwy and other vehicles are parked in the gravel and paved parking lots next to Bonney Lake Blvd. This provides much better parking for special events. It also reduces conflict between the large truck-trailer units and individual cars. To this end, stripping of individual parking stalls and boat trailer lanes in the two gravel parking lots was accomplished.
- Public Works assisted in construction of a new stage in time for the “Tunes At Tapps” program to use.
- The old barn on the Moriarty portion of the park was completed cleaned, reorganized, and a stairway was built to reach the loft.
- The Lake Tapps swimming area safety was given a thorough review after one swimmer drowned. Signage was enhanced, buoys were improved, and the City is assessing whether adding life guards would measurably enhance swimmer safety. The swimming dock was removed until a determination of whether or not it should be used is completed.

Cedar View Park:

- Replaced damaged play toys in Cedar View Park.
- Added new top soil and reseeded the grass areas.

Viking Park:

- Made several improvements to increase parking for this park.
- Added sidewalk on 82nd Street adjacent to the park.
- Worked with customers to enhance the off-leash dog park use and impact on neighbors.

Fennel Creek Trail:

- Completed design and permitting process to construct a trail connecting Angeline Road with 192nd Avenue that crosses Fennel Creek and wetland areas with a boardwalk.

Level of Service

The 2011-2012 Parks maintenance budget allowed for a basic level of park and field maintenance. The 2013 and 2014 budgets for Park Facilities was reviewed thoroughly to determine actual costs and the need for additional funding to provide reasonable levels of park maintenance and operations.

Goals & New Initiatives

Allan Yorke Park:

- Paint inside/outside and upgrade interior of restrooms;
- Restroom roof repair or replacement;
- Installation of shelter with table @ picnic area Allen Yorke (shelter already purchased);
- Replacement of drinking fountains;
- Replace sidewalk at Allen Yorke Field to enhance ADA compliance.

Cedar View Park:

- Refurbish large picnic pavilion;
- Install a new picnic shelter in opposite corner of park from the pavilion. (Kits have been purchased but funding is lacking for seating and table).

Develop CIP program for Parks:

- Chip seal parking lot field #4;
- Build restrooms at Cedarview Park;
- Upgrade irrigations systems to enhance water conservation while keeping the grass green;
- Replace swings at picnic areas to meet current playground regulations;
- Purchase laptop for field entry of equipment, facility and landscape data;
- Evaluate and developed a replacement program for playground equipment;
- Turf Aeration, over seeding, topdressing all sport fields.

Resource Summary

Community Services Parks Facilities (Dept 76)		Actual		Budget			
		2010	2011	2012 Adopted	2012 Adopted	2013	2014
10	Personnel Services	166,815	147,145	137,968	137,724	139,243	139,243
20	Personnel Benefits	50,390	48,249	48,133	46,720	52,658	57,491
30	Supplies	11,365	24,099	22,500	17,300	17,300	17,300
40	Services & Charges	40,187	38,911	41,100	37,800	63,100	55,600
50	Intergovernmental/Interfund	35,451	35,451	35,451	35,451	35,451	35,451
60	Capital Outlays	0	14,366	0	0	0	0
70	Debt Service - Principal	0	0	0	0	0	0
80	Debt Service - Interest	0	0	0	0	0	0
90	Transfers Out	0	0	0	0	0	0
Total		304,208	308,221	285,152	274,995	307,752	305,085

Budget Notes: The increase from 2012 to 2013 in Services & Charges reflects additional lease charges for portable restrooms, as well as increased utility costs for irrigation. In addition, \$7,500 has been included for safety improvements at Allen Yorke Park. All other costs are held steady with no decrease in services.

Trends & Future Issues

Grant funding for parks and trails continues to get more competitive. The City was fortunate to qualify for some transportation funding to get the Fennel Creek Trail started (this will complete about 20% of the trail) and help acquire two parcels along Fennel Creek. Although the City has not been successful to-date with IAC grant applications, we plan to continue our efforts in future application cycles.

Major park improvements such as new ball fields, a community center, and completion of the Fennel Creek Trail will likely need a successful bond ballot effort to come to fruition. Specific projects would be identified to be accomplished as a way of gaining support for this bond.

Another area to review will be whether it would be more advantageous to the City to create a city-wide park district as a supplemental funding mechanism for parks and recreation services. This would provide funding both new park facilities and improvement, but would also provide a dedicated revenue source to maintain and operate of park facilities and landscaping.

Lake Tapps is a major attraction in Allan Yorke Park. Continued emphasis on providing a safe and friendly environment for both families, swimmers, and boaters must remain a priority.

Boat Launch Facilities:



Recreational Swimming:



Swimming Platform Installation/Removal



Swim Area

Allan Yorke Park, Public Parking for Special Events, Recreation, and Boating:

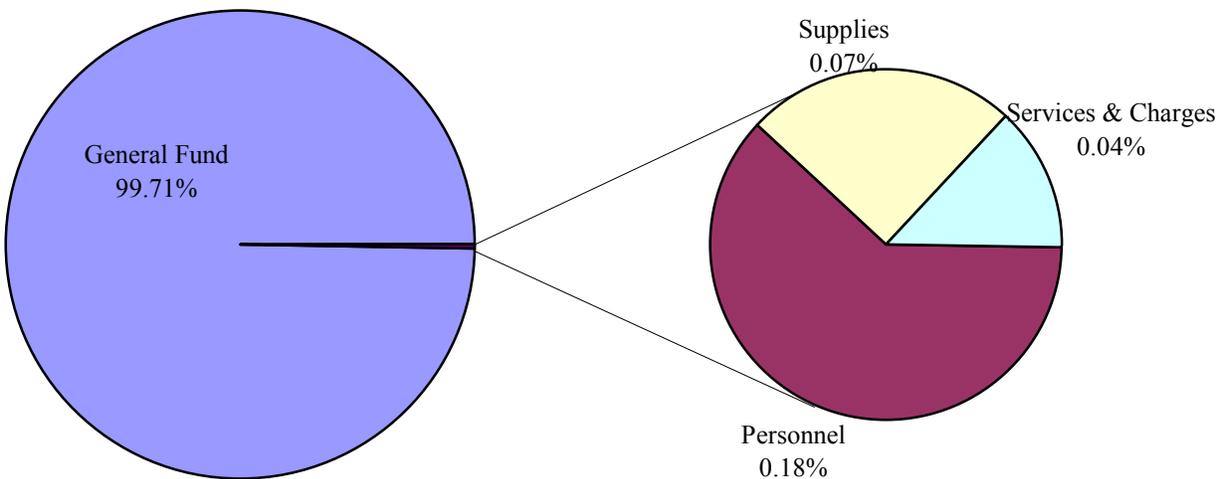


Department: *Public Works*
 Program(s): *Community Forestry*
 Fund(s): *General*

Budget Overview

2013 Budget	\$39,344	2011 FTE	0.0
Change from 2012:	19%	2012 FTE	2.0
2014 Budget	\$39,998	2013 FTE	2.0
Change from 2013	2%	2014 FTE	2.0

Forestry by % of General Fund and Activity



Mission Statement

The mission of the Community Forestry program is to provide an urban forest that is appealing to the view, healthy, is draught tolerant, and that receives the Tree City USA recognition every year.

Purpose and Description

In 2011, the City moved responsibility for maintenance and operation of the City’s Urban Forest program into the Public Works Department. This includes trees in public parks, around public buildings, and in the street right of way. The City maintains a tree nursery to grow future trees that are replanted in the parks and in City owned right-of-way adjacent to public streets.

A Street Tree Plan was prepared and is used to determine the type of trees allowed to be installed within the City owned right-of-way. The City has identified the Tree Canopy coverage within the

City stormwater management areas. This study will play a large role in extending tree canopy where it's always protected, increase stormwater-retention efficiency, and improve water quality through infiltration of root systems using "mini forests".

2012 Key Accomplishments

- To better understand how trees and canopy cover are affecting stormwater management in Bonney Lake, the City created a map of stormwater management areas (SWMA). This information is being used by Bonney Lake's city forester, public works and planning departments to recognize the contribution of tree canopy within each SWMA. Understanding that if common stormwater events are taxing the capacity of a specific SWMA, the loss of additional canopy within that SWMA should be avoided.
- A major snow and ice storm occurred 18-20 January 2012. This resulted in many fallen tree limbs that needed to be picked up and disposed of. Additionally, many trees damaged by the ice storm needed special pruning to promote healthy growth. Some minor damage also occurred to park facilities and trails that were repaired. Tree limbs were collected City-wide and then they were chipped with a tub-grinder and sold.
- Trees were planted in the Downtown Area. These trees required frequent watering until they are well established.
- Six landscaped medians were built in Eastown by WSDOT. Staff is working with WSDOT to ensure these new trees and ground cover are well established during the contract warranty period. At the end of the warranty period, the City will assume responsibility for maintaining the landscaping in these islands.

Level of Service

Forestry funds allows for a standard level of forestry maintenance. Expenditures of \$2.00 per capital are required in order for the City to maintain Tree City USA status.

Goals & New Initiatives

- Continue updating tree inventories with GPS locations.
- Increase actions supporting the Tree City USA program.
- Ensure irrigation systems for street trees in the Downtown area and in SR410 landscaped medians are sufficient to keep trees and ground cover healthy.
- Provide volunteer project coordination (Scouts, High School, Civic Groups) for parks and forestry.

Resource Summary

Community Services Community Forestry (Dept 57)		Actual		Budget			
		2010	2011	2012 Adopted	2012 Revised	2013	2014
10	Personnel Services	0	0	26,020	14,752	17,220	17,220
20	Personnel Benefits	0	0	11,113	6,106	7,074	7,728
30	Supplies	16,480	10,524	10,500	9,500	9,750	9,750
40	Services & Charges	0	373	3,500	1,500	5,300	5,300
50	Intergovernmental/Interfund	0	0	0	0	0	0
60	Capital Outlays	0	0	0	0	0	0
70	Debt Service - Principal	0	0	0	0	0	0
80	Debt Service - Interest	0	0	0	0	0	0
90	Transfers Out	0	0	0	0	0	0
	Total	16,480	10,897	51,133	31,858	39,344	39,998

Budget Notes: The increase in Services & Charges reflects the addition of irrigation charges for planted trees.

Trends & Future Issues

It is often quicker and cheaper to remove trees when new development occurs. It is also safer to replant new trees rather than keeping old trees in place whose root structure may not survive independently without support from surrounding trees.

When redevelopment occurs, replacement trees are required to be installed. As new development occurs, the City will need to ensure that the forest in and around the City is maintained or improved. To this end, urban forestry plans and street tree plans have been prepared and are being implemented with development/design standards that are consistently applied to commercial, residential, and municipal development projects.

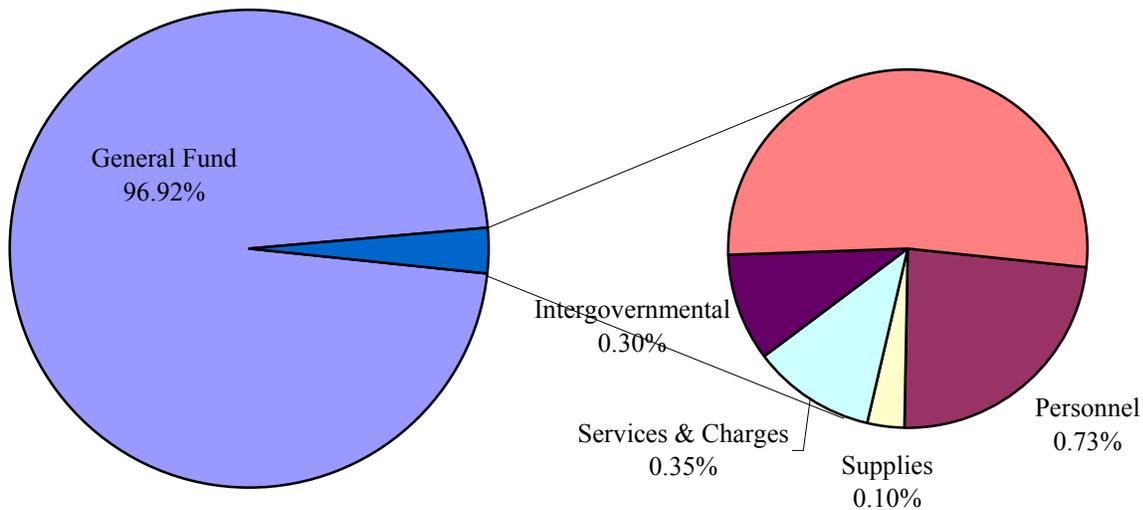
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Department: *Non-Departmental*
 Program(s): *Non-Departmental*
 Fund(s): *General*

Budget Overview

2013 Budget	\$417,067	2011 FTE	-
Change from 2012:	29%	2012 FTE	-
2014 Budget	\$429,016	2013 FTE	-
Change from 2013	3%	2014 FTE	-

Non-Departmental by % of General Fund and Activity



Mission Statement

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

Purpose and Description

The Non-Departmental budget manages non-departmental general government charges and expenditures such as annual charges from: (a) Pierce County Emergency Preparedness; (b) Association of WA Cities; (c) Puget Sound Clean Air Pollution Control; (e) Puget Sound Regional Council; (f) Pierce County Alcoholism; etc. etc. Also included in Non-Departmental are expenditures for the Department of Retirement Systems excess compensation and employee

leave expense expressed on an accrual basis. Interfund Services are also included and consist of transfers to the Insurance and Equipment Rental & Replacement Funds.

Resource Summary

Administrative Services Non-Departmental (Dept 90)		Actual		Budget			
		2010	2011	2012 Adopted	2012 Revised	2013	2014
10	Personnel Services	0	0	(477,741)	(725,451)	98,987	98,987
20	Personnel Benefits	446	0	0	0	0	0
30	Supplies	16,416	14,303	19,300	19,300	13,000	13,000
40	Services & Charges	31,610	55,589	70,711	66,411	46,700	47,200
50	Intergovernmental/Interfund	268,807	284,588	270,029	270,029	258,380	269,829
60	Capital Outlays	0	0	0	0	0	0
70	Debt Service - Principal	0	0	441,618	241,618	0	0
80	Debt Service - Interest	0	0	450,493	450,493	0	0
90	Transfers Out	0	0	0	0	0	0
Total		317,279	354,480	774,410	322,400	417,067	429,016

Budget Notes: The budget for Personnel Services represents a proposed 1.5% cost of living adjustment (COLA) for represented and non-represented employees.

Intergovernmental and Miscellaneous include the following planned expenditures:

Description	2013	2014
Pierce County Emergency Preparedness	\$15,200	\$15,400
Puget Sound Clean Air Pollution Control	8,812	8,875
Pierce County (Alcoholism)	2,000	2,000
Pierce County GIS Fees (General Fund Portion)	14,416	14,704
General Services Administration Subscription Fee	1,000	1,000
Puget Sound Regional Council	5,770	5,770
Association of Washington Cities	10,908	10,908
<i>Total</i>	\$58,106	\$58,657



WATERWORKS FUNDS

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WATER FUND

Mission Statement

To provide safe, reliable water service that meets or exceeds the needs and quality expected from our customers. Expand and improve the water system consistent with the Comprehensive Water System Plan within available funding. Ensure that new construction complies with current design standards. Acquire and protect water supply sources and supplies needed for current and future operations within the Bonney Lake Water Service Area. This service area extends outside the City limits and serves customers in the developments surrounding Lake Tapps.

Fund Description

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

2012 Key Accomplishments

- Provided service to approximately 35,344 customers using 12,523 service connections. This is less than the actual amount due to multi-family connections serving more than one living unit.
- Completed designs to replace leaky water mains in the Ponderosa Estates and Evergreen Point developments. Construction is planned for 2013.
- Completed construction of the Prairie Ridge Booster Pump Station that will now be able to supply 2 MGD of water from TPU pipeline #1 into the Bonney Lake water system.
- Replaced several thousand feet of leaky water main on and around the north side of Lake Debra Jane, 208th Avenue, 97th Street, 185th Avenue, and Locust Ave Extension. In the process we upgraded the water lines to 8-inch and repaved extensive amounts of roadways. Utilized Public Works Trust Fund Loan to accomplish these projects.
- Continued collecting GPS data for water pipes, valves, and meter boxes in the City and Pierce County. This data is entered into the GIS data base.
- Cleaned, disinfected, and inspected Tacoma Point Water Tank. Replaced vent and repaired damage from vandalism.
- Finished the Variable Frequency Drive (VFD) retrofit at Tacoma Point, Granger Springs, and Victor Fall booster pump stations. Utilized an Energy Conservation grant to fund this project.
- Made driveway and fencing improvements at the Peaking Storage Tank site to accommodate the new automated water fill station installed as part of the Prairie Ridge Booster Pump Station contract.
- Tacoma Point Water Tank. Installed a tank drain pipe for draining to allow inspections and cleaning to occur.

- Cleaned around the Victor Falls collection boxes for fence repair.
- Removed the 2” intertie meter with Tacoma Public Utility that was next to Rhodes Lake Road.
- With new fire sprinkler requirements, crew is assisting contractors by freezing of service lines for installation of 1” water meters.
- Installed water line from 198th Ave to a new fire hydrant in Swiss Park.
- Pot holing sites to provide information needed to design Water, Street and Sewer projects throughout city and county.
- Worked with Finance Department staff and meter readers to update routes and improve customer service.
- Continued replacing older touch read water meters throughout the system.
- Began replacing commercial water meters with radio read meters. This will increase accuracy and speed when reading these meters. Rebuilding commercial setters and by-pass piping as needed.
- Rebuilt access road to Granger Springs pump house.
- Monitoring approximately 1,800 backflow prevention devices for proper operation and compliance with RCW.

Level of Service

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

Budget Overview

RESOURCE SUMMARY: Water Fund 401	Actual		Budget			
	2010	2011	2012 Adopted	2012 Revised	2013	2014
Charges for Service	\$ 6,182,661	\$ 6,088,339	\$ 6,116,700	\$ 6,116,700	\$ 6,015,923	\$ 6,076,083
Connection Fees	1,567,398	2,746,852	1,800,000	1,800,000	2,121,388	2,142,602
Interest	63,912	-	86,500	86,500	284,829	287,677
Other Revenues	28,307	32,983	120,000	120,000	29,709	29,999
Revenues	7,842,278	8,868,174	8,123,200	8,123,200	8,451,849	8,536,361
Salary	1,078,659	1,119,786	1,188,768	1,113,996	1,137,286	1,144,545
Benefits	422,730	473,237	545,013	520,024	524,826	571,823
Internal and External Taxes	828,431	840,217	942,440	942,440	942,440	942,440
Other Operating Expenses	778,219	802,481	1,013,205	1,103,205	971,889	971,889
Depreciation	1,476,476	1,503,785	-	-	-	-
Transfers Out (Interfund Services)	922,002	922,002	1,005,558	1,005,558	972,531	975,480
Subtotal - Operating Expenses	5,506,518	5,661,508	4,694,984	4,685,223	4,548,972	4,606,177
Operating Capital						
Construction Projects (O&M)	-	-	-	-	-	-
Replacement Water Meters	86,090	-	-	-	250,000	250,000
New Meter Installation Program	-	-	-	-	-	-
Tank Video & Cleaning	-	18,455	-	-	35,000	36,000
Leak Detection Program	12,054	9,687	-	-	25,000	25,000
Debt Service Expense	1,876,818	1,951,488	1,932,869	1,932,869	2,073,825	2,035,695
Total Operating Expense	7,481,480	7,641,139	6,627,853	6,618,092	6,932,797	6,952,872
Annual Cash Available for Projects	360,798	1,227,035	1,495,347	1,505,108	1,519,052	1,583,489
Beginning of the Year Cash Available	13,255,793	10,551,777	9,591,918	9,591,918	8,395,611	7,004,530
Total Cash Available for Projects	13,616,591	11,778,812	11,087,265	11,097,026	9,914,664	8,588,018
Other Financing Sources						
Project Specific Revenue						
FEMA Grant	-	-	-	-	-	-
Proposed Loan	-	-	-	-	-	-
PWTFL (Watermains)	-	-	-	-	-	-
PWTFL (Ballpark Well Facility)	-	-	-	-	-	-
PWTFL (Leak Reduction Program I)	228,800	-	-	-	-	-
PWTFL (Leak Reduction Program II)	1,335,000	1,338,000	-	-	1,065,660	1,076,317
VFD Energy Conservation Grant	-	-	-	-	-	-
Capital Contributions	-	-	-	-	-	-
Transfer In	-	-	-	-	-	-
Transfer Out (to GGCIIP for PW Facility)	(1,700,000)	(1,500,000)	-	-	-	-
Construction Projects (detailed on next page)	2,928,614	2,024,894	2,920,000	2,701,415	3,975,794	4,693,222
End of Year Cash Available	\$ 10,551,777	\$ 9,591,918	\$ 8,167,265	\$ 8,395,611	\$ 7,004,530	\$ 4,971,113
Less Cash Restricted for Future Obligations	-	-	-	-	-	-
End of Year Cash Available	\$ 10,551,777	\$ 9,591,918	\$ 8,167,265	\$ 8,395,611	\$ 7,004,530	\$ 4,971,113

Budget Notes:

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

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

2013/2014 anticipated projects will be reviewed carefully prior to development to preserve fund balance.

Capital Listing

RESOURCE SUMMARY:	Actual		Budget			
	2010	2011	2012 Adopted	2012 Revised	2013	2014
Construction Projects						
214th Ave Intersection Improvements	717,609	-	-	-	-	-
Cascade Water Alliance Water Rights	-	-	200,000	200,000	391,222	391,222
City Hall Remodel	-	-	-	-	15,000	-
Downtown/OSB Corridor Waterline	37,794	-	-	-	-	-
Eastown Waterlines (96th/SR410)	38,454	-	-	-	-	-
GBA Workmaster Software	5,137	-	-	-	-	-
Grainger Springs Building Upgrade	-	-	-	-	30,000	170,000
Lakeridge 748 Zone Tank Video and Cleaning	-	-	-	-	-	-
Lakeridge 810 Zone BPS at 84th Street	-	-	-	-	200,000	1,850,000
Lakeridge 810 Zone Water Tank	-	-	250,000	-	-	-
Leaky Mains (PWTFL 1)	-	-	-	-	-	-
Leaky Mains (PWTFL 2)	-	-	-	-	-	-
Leaky Mains (PWTFL 2): Phase 2A - Cedarview	-	-	-	-	-	-
Leaky Mains (PWTFL 2): Phase 2B - Church Lake Dr.	8,990	-	-	-	-	-
Leaky Mains (PWTFL 2): Phase 2B2 - Interlake	653,684	-	-	-	-	-
Leaky Mains (PWTFL 2): Phase 2C: Lake Debra Jane	139,010	959,817	-	-	-	-
Leaky Mains (PWTFL 2): Phase 2D	-	349,928	-	346,630	1,800,000	-
Leaky Mains (PWTFL 2): Phase 2E	-	53,869	400,000	-	-	-
Leaky Mains (PWTFL 2): Phase 2F	-	-	-	40,000	461,357	-
Locust Street/184th Watermain Replacement	-	-	-	29,785	168,215	-
Meter Replacements & Unscheduled Projects	21,498	598	100,000	-	-	-
New Meter Installation Program	22,010	21,233	20,000	20,000	-	-
New Meter Installation Program - New Development	-	-	-	-	50,000	50,000
Public Works Facility	23,102	-	1,500,000	-	-	1,452,000
Reed Property and CWA Regional Water Purchase	1,261,324	-	-	-	-	-
Reed Property Improvements	-	-	-	-	50,000	-
Reed Well Testing & Hydrogeologic Study	-	-	450,000	90,000	20,000	-
Replacement Water Meters Upgrades	-	-	-	-	250,000	250,000
SCADA Telemetry Upgrade	-	4,179	-	30,000	240,000	-
Service Line Replacement (IDQ Contract)	-	-	-	-	100,000	100,000
Swiss Park Fire Hydrant and Waterline	-	-	-	60,000	-	-
Tacoma Point Water Tank Replacement (Design)	-	-	-	-	-	250,000
Tacoma Water Dept. Booster Pump Station	-	507,923	-	-	-	-
TWD Intertie, Booster Pump Station, and Main	-	-	-	1,670,000	-	-
VFD Grant Project	-	127,347	-	215,000	-	-
Victor Falls Watershed Fencing	-	-	-	-	200,000	-
Water Comp Plan/SDC Study	-	-	-	-	-	180,000
Total Construction/Capital	\$ 2,928,614	\$ 2,024,894	\$ 2,920,000	\$ 2,701,415	\$ 3,975,794	\$ 4,693,222

Goals & New Initiatives

- Continue to support GPS/GIS program with data collection for all water features.
- Continue replacing older manual read water meters with touch read meters.
- Continue replacing commercial water meters with radio read meters.
- Evaluate and replace the ancient analog SCADA (Supervisory Control and Data Acquisition System) and make recommendations on how to best replace the analog pump monitoring and well/reservoir control system. This is critical to be able to control pressure zones in our rapidly expanding water distribution system.
- Develop a CMOM (Capacity, Management, Operations, and Maintenance) type system to proactively maintain the water system infrastructure.
- Utilize GBA Work Management system for shop scheduling.
- Replace aged power generator at Tacoma Point well site.
- Develop formal hydrant, valve, and dead end flushing maintenance program.

- Upgrade water tank security with reconstruction of fencing, lighting and intrusion alarms as needed.
- Modify analysis procedures, “plug leaks”, and improve water meter reading to reduce unaccounted-for-water to less than 10%.
- Evaluate and make recommendations to PW Engineering for Grainger Springs upgrades. Continue payments to CWA and TPU for System Development Charges on 4 MGD TPU water supply.
- Operate Prairie Ridge Booster Pump Station for the warranty period to ensure all equipment is broken in and working well.
- Continue replacing deteriorating water mains as part of the Leaky Main replacement program utilizing Public Works Trust Fund loan money. This includes new service connects and water meters.
- Continue work towards a site study, purchase land, and design for future water tank to support the City’s western water service area in the 810 zone near the Lakeridge water tank.
- Design water booster pump station in the 800 zone at the intersection of 84th Street and 183rd Avenue on site currently used for a storm water pond. Must first connect development to Downtown Regional stormwater pond.
- Find alternate site on which to explore and establish new water rights in accordance with our agreement with CWA. Once found, develop a booster pump station and connect the well field to the city water system.

Trends & Future Issues

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

Performance Measures

Public Works Infrastructure Summary – Water System

PW – Water Division	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual
Waterlines	192	198	201	199	200	202
Water Connections	11,323	11,621	11,865	11,892	12,185	12,410
Backflow Preventers Monitored					1,481	1,845
PRV Stations	27	27		26	26	26
Booster Pump Stations	4	4		5	5	5
Filter Plants	1	1		1	1	1
Chlorine Stations	4	4		6	5	5
Emergency Generators	7	10		11	11	11
Emergency Interties	5	6		5	7	7
Routine Bacteria Samples	360	360	460	360	453	411
New Construction Samples	118	76	58	72	24	27
Billion Gallons Pumped Each Year	1.30	1.22	1.28	1.25	1.18	1.23
Water Tanks – Reservoirs	4	5	5	5	5	5
Water Tanks – Reservoir Capacity	5.85	20.85	20.85	20.85	20.85	20.85

PW – Water Supply Capacity	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual
Victor Falls	1,100	1,100	1,100	1,100	1,100	1,100
Grainger Springs	1,500	1,500	1,500	1,500	1,500	1,500
Ball Park #1	1,000	1,000	1,000	1,000	1,000	1,000
Ball Park #2	270	270	270	270	270	270
Tacoma Point #2, #4, #6	2,300	2,300	2,300	2,300	2,300	2,300
Reed Well Field				TBD	TBD	TBD
Total Owned By City	6,170	6,170	6,170	6,170	6,170	6,170
Tacoma Public Utility 2005 Water	2.0	2.0	2.0	2.0	2.0	2.0
CWA – TPU* 2009 Water				2.0	2.0	2.0
Total Available	10.88	10.88	10.88	12.88	12.88	12.88
<i>* Cascade Water Alliance – Tacoma Public Utilities</i>						

PW – Water Division	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual
Budgeted Staff Positions	20.8	20.8	201	18.0	18.0	18.0
Connections/Water Staff	567	567		661	677	689
Water Lines/Water Staff	9.2	9.5		11.1	11.1	11.2
Population/Water Staff	732	757		917	985	972

Public Works – Water System Construction Projects Completed

Year	Project	Cost	Funding Source	City Limits?
2011	80 th and 82 nd Water Improvements	69,438	SDC/PWTF*	Inside
2011	Tacoma Public Utilities Intertie Station	1,994,086	SDC	Outside
2011	West Tapps Waterline Replacement	522,686	SDC	Inside
	2011 Subtotal	2,586,210		
2012	Variable Frequency Drive Installation	358,370	SDC/Grant	Inside
2012	Reed Well Investigation	233,250	SDC	Outside
2012	97 th and 208 th Water Main Replacement	408,105	SDC/PWTF	Inside
2012	Ponderosa Estate Water Main Replacement (Design)	219,657	SDC/PWTF	Outside
2012	Evergreen Point (184 th) Water Main Replacement (Design)	38,643	SDC/PWTF	Outside
	2012 Subtotal	1,258,025	SDC/PWTF	
	2011/2012 Total	3,844,235		

* *PWTF = Public Works Trust Fund Loan Financing*

Tacoma Public Utility Water Supply Sold to the City of Bonney Lake
City Water System Costs and History

Project Contracts	Year Contract Complete	Design	Construction	Water Purchase	Total
TPU 2MGD Water Supply Purchase	2005	\$ -	\$ -	\$ 5,776,598	\$ 5,776,598
214th Ave Watermain (Tapps Island to Kelly Lake Road)	2006	178,733	2,533,922	-	2,712,655
TPU Intertie and Watermain (Connells Prairie Road)	2006	-	88,500	-	88,500
South Prairie Road Water Line	2010	138,660	642,456	-	781,116
Land Acquisition Appraisals (Prairie Ridge Site)	2010	13,762	-	-	13,762
TPU Design and Connection Construction	2011	-	185,000	-	185,000
CWA-TPU Water Supply Purchase	2011	-	-	2,747,334	2,747,334
Prairie Ridge Booster Pump Station Construction	2012	326,877	1,497,926	-	1,824,803
214th Ave Watermain (under SR410)	TBD	TBD	1,500,000	-	1,500,000
Total		\$ 658,032	\$ 6,447,804	\$ 8,523,932	\$ 15,629,768

Source: Public Works Engineering

Installed Water Service Line from Water Main on 198th Ave to a Fire Hydrant on Swiss Park Property:

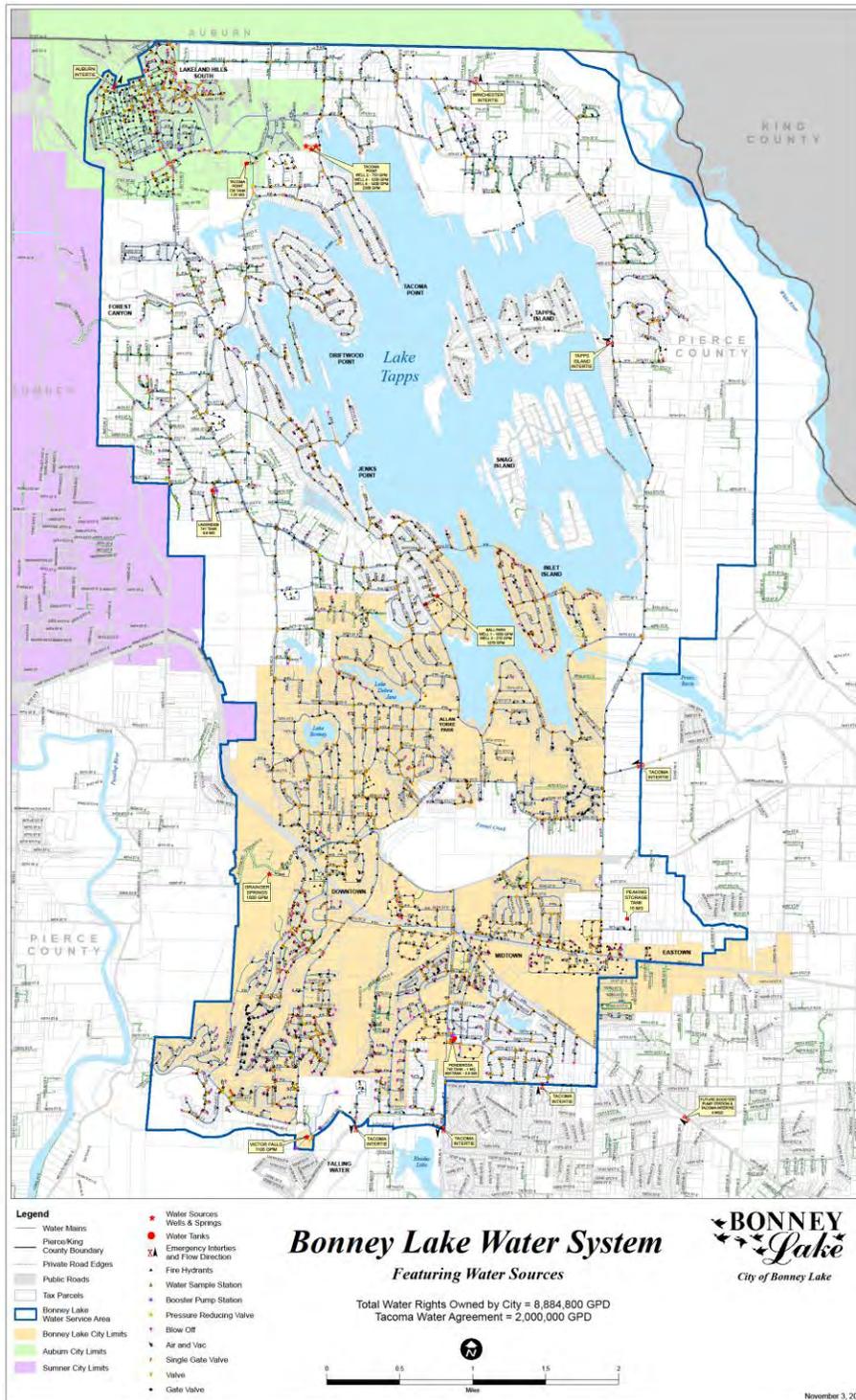


Typical Water Line Replacement Project:

Replaced four-inch rusty steel pipeline with 8-inch ductile iron pipeline.



Bonney Lake Water Service Area



WASTEWATER FUND

Mission Statement

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

Fund Description

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

2012 Key Accomplishments

- Provided service to approximately 16,000 customers using 5,359 service connections
- Created a Master Septic System Abatement Plan to systematically connect homes that are currently on septic systems to the City sewer system.
- Completed the last installment of new lining inside sewer line between lift station 17 and the Waste Water Treatment Plant in Sumner.
- Installed a dry sewer line on 208th Avenue East in the Cedarview sub-division as the first phase of the Septic System Abatement Program in this area.
- Partnered with the City of Sumner in a planning and design effort to expand the WWTF to meet a future demand of 6.7 MGD. An Interlocal Agreement was adopted for future use and cost allocation for the WWTF. The perimeter wall around the WWTF was expanded.
- Smoke tested Naches Terrace and contacted customers that had possibly illegally connected to sewer system
- Installed a flow meter at lift station #17 and replaced the under ground fuel storage tank with an above-ground tank.
- Replaced 16 grinder pumps as part of the Grinder Pump preventive maintenance program.
- Installed 4 Anue systems in sewer lift station wet wells to enhance functionality and reduce odors.
- Replaced 6 twenty year old pump motors in lift stations #13, #14, and #18
- Rebuilt pumps motors at lift station #11.
- GBA work order system will be operational at years end.
- Repaired sewer main line on Locus that had been identified by the annual video survey.
- Continued collecting GPS data for sewer mainline and manholes that are added to the GIS data base.

- Continued maintenance and repair activities on the Falling Water septic system.
- Assisted Department of Health officials to identify illegal discharges by property owners.
- Completed replacement contract that replaced a force main between lift station 17 and lift station 19 along Angeline Road.
- Completed design contract to extend the city sewer system into Eastown. Awaiting City Council decision on how and when to fund construction of this project.
- Completed first year contract to repair sewer manholes and reduce I&I that increases WWTF costs and reduces available plant capacity.

Level of Service

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

The City does not own its own wastewater treatment plant, but has purchased capacity in the City of Sumner wastewater treatment plant and works closely with Sumner in the planning and improvement of the treatment plant. The City partners with Sumner to fund new construction, operation, and maintenance costs associated with the Wastewater Treatment Plant (WWTP). A contract to increase plant capacity and upgrade equipment is under design and will be built in 2013-2014. At that time, Bonney Lake will have rights to approximately 70% of the plant capacity.

Budget Overview

RESOURCE SUMMARY: Wastewater Fund 402	Actual		Budget			
	2010	2011	2012 Adopted	2012 Revised	2013	2014
Charges for Service						
User Charges	\$ 3,363,632	\$ 3,459,949	\$ 3,538,600	\$ 3,538,600	\$ 4,127,032	\$ 4,250,771
Connection Fees	527,356	487,704	500,000	500,000	899,407	917,396
Interest	4,303	3,457	53,500	53,500	117,575	119,927
Other Revenues	-	-	6,100	6,100	86,059	87,780
Revenues	<u>3,895,291</u>	<u>3,951,110</u>	<u>4,098,200</u>	<u>4,098,200</u>	<u>5,230,073</u>	<u>5,375,874</u>
Salary	820,674	780,611	825,728	869,543	805,751	814,242
Benefits	303,532	302,690	355,732	376,599	350,322	395,092
Internal and External Taxes	329,380	487,640	393,995	393,995	393,995	393,995
Other Operating Expenses	1,170,797	1,215,892	1,706,158	1,513,158	1,446,611	1,437,111
Depreciation	1,283,720	1,309,696	-	-	-	-
Transfers Out (Interfund)	511,274	511,274	511,274	511,274	547,412	549,386
Subtotal - Operating Expenses	<u>4,419,377</u>	<u>4,607,803</u>	<u>3,792,887</u>	<u>3,664,569</u>	<u>3,544,091</u>	<u>3,589,826</u>
Operating Capital						
Construction Projects (O&M)	-	-	-	-	-	-
Sewer Lift Station Improvements (O&M)	8,589	13,552	16,000	16,000	16,000	16,000
Replacement & Unscheduled (O&M)	-	50,924	-	92,500	50,000	50,000
Equipment Upgrades	21,638	25,095	26,000	26,000	26,000	26,000
Video Upgrades/Inspections	12,413	12,443	25,000	25,000	25,000	25,000
Sewer Line Repair	1,548	-	-	-	-	-
Telemetry Upgrades	-	-	20,000	20,000	-	-
Scada Analog Telemetry O&M	-	-	-	-	20,000	20,000
Manhole Repair	-	66,240	85,000	85,000	85,000	85,000
Debt Service Expense	765,876	902,665	763,985	763,985	899,404	894,630
Total Operating Expense	<u>5,229,442</u>	<u>5,678,722</u>	<u>4,728,872</u>	<u>4,693,054</u>	<u>4,665,495</u>	<u>4,706,456</u>
Annual Cash Available for Projects	<u>(1,334,151)</u>	<u>(1,727,612)</u>	<u>(630,672)</u>	<u>(594,854)</u>	<u>564,578</u>	<u>669,418</u>
Beginning of the Year Cash Available	10,246,963	8,392,009	4,939,412	4,939,412	2,239,339	1,411,059
Total Cash Available for Projects	<u>8,912,812</u>	<u>6,664,397</u>	<u>4,308,740</u>	<u>4,344,558</u>	<u>2,803,917</u>	<u>2,080,477</u>
Other Financing Sources / (Uses)						
Project Specific Revenue						
Revenue Bond or Supplemental PWTFL (Sewer Treatment Plant)	-	-	-	-	-	3,000,000
PWTFL (Sewer Treatment Plant)	-	-	-	-	-	-
PWTFL (Sewer Treatment Plant)	1,162,000	1,162,000	-	-	894,885	912,783
PWTFL (Sewer Line Replacement)	-	-	-	-	-	-
Bond Proceeds (Eastown ULA)	-	-	-	-	3,325,190	-
Capital Contributions	-	-	-	-	-	-
Prior Year Correction	-	-	-	-	-	-
Transfer In	-	-	-	-	-	-
Transfer Out (to GGCIP for Public Works Facility)	(1,000,000)	(1,000,000)	-	-	-	-
Construction Projects (detailed on next page)	682,803	1,886,985	4,296,000	2,105,219	5,612,933	5,306,500
End of Year Cash Available	<u>\$ 8,392,009</u>	<u>\$ 4,939,412</u>	<u>\$ 12,740</u>	<u>\$ 2,239,339</u>	<u>\$ 1,411,059</u>	<u>\$ 686,760</u>
Less Cash Restricted for Future Obligations	-	-	-	-	-	-
End of Year Cash Available	<u>\$ 8,392,009</u>	<u>\$ 4,939,412</u>	<u>\$ 12,740</u>	<u>\$ 2,239,339</u>	<u>\$ 1,411,059</u>	<u>\$ 686,760</u>

RESOURCE SUMMARY:

	Actual		Budget			
	2010	2011	2012 Adopted	2012 Revised	2013	2014
Construction Projects						
82nd Street Sanitary Sewer	8,282	753	-	-	-	-
Church Lake Drive Sewer	8,990	-	-	-	-	-
City Hall Remodel	-	-	-	-	15,000	-
Eastown ULA: Lift Station, Pressure Line, LS18 Upgrade	108,275	329,952	-	17,307	1,230,000	-
Eastown ULA: SR410 & 225th Ave Sewer Line Crossing	-	-	-	-	-	-
Eastown ULA: SR410 & 233rd Sewer Line Crossing	-	-	-	-	-	-
Eastown ULA: LS18 Upgrade and SR410 Crossing	-	-	400,000	-	400,000	-
Eastown ULA: North Gravity Extension (214th to 216th)	-	-	-	-	250,000	-
Eastown ULA: North Gravity Extension (LS to 226th)	-	-	550,000	-	550,000	-
Eastown ULA: SR410 & 226th Sewer Crossing	-	-	120,000	10,708	120,000	-
Fennel Creek Lift Station	-	-	-	-	-	1,000,000
GBA Workmaster Software	-	-	10,000	10,000	10,000	-
Lift Station 17 Improvements	7,701	62,507	-	198,604	-	-
Lift Station Improvements (Sewer Pumps)	-	-	-	-	43,000	-
Public Works Facility	-	-	1,000,000	-	-	924,000
Unscheduled Projects (Emergency)	13,590	23,646	185,000	48,730	50,000	50,000
SCADA Telemetry Upgrade to Digital	-	1,436	30,000	2,676	225,000	225,000
Septic System Reduction Program	-	-	285,000	208,761	300,000	-
Septic System Reduction Program (Kelly Creek Vista Phase 2)	187,963	-	-	-	-	-
Septic System Reduction Program (2010 Design)	-	104,805	-	-	-	-
Sewer Comprehensive Plan/SDC Update	-	-	-	-	-	90,000
Sewer Lift Station Improvements	-	-	-	-	-	-
Sewer Trunk Line Improvements (PWTF) Angeline Road	52,281	1,363,886	-	-	-	-
Sewer Trunk Line Improvements (PWTF) Phase 3	-	-	-	-	-	-
Sewer Trunk Line Improvements (PWTF) Phase 4: 18" Rehab	119,088	-	-	564,361	-	-
Sewer Trunk Line Improvements (PWTF) Phase 5	-	-	-	-	-	-
SR410 Sewer Main Improvements	-	-	125,000	-	-	-
SR410 Main Repair (Phase IV)	-	-	-	-	-	-
SR 410 Valley Slip Line	176,634	-	-	-	-	-
Sumner WWTP True-Up Payment	-	-	200,000	200,000	-	-
Sumner WWTP Upgrade	-	-	1,391,000	844,072	2,419,933	3,017,500
Total Construction/Capital	\$ 682,803	\$ 1,886,985	\$ 4,296,000	\$ 2,105,219	\$ 5,612,933	\$ 5,306,500

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

Goals & New Initiatives

- Continue to support GPS/GIS development with data collection for all water features.
- Replace 30 residential grinder pumps to complete replacement of these 20-year old pumps.
- Continue Flygt Pump replacement program for all lift stations.
- Continue IDQ contract for manhole refurbishing and I&I reduction.
- Develop and implement a 20% per year schedule for main line flushing and cleaning.
- Develop and implement a 5 year program for the video taping the pipes in the sewer system. This will result in minor repair being made to avoid major repairs or system break down from occurring.
- Further develop the program of I/I flow monitoring.
- Update the analog SCADA system controls used for water and sewer system operation.
- Purchase additional confined entry equipment (winches, cables, harnesses, additional gas monitors, blowers, truck improvements for equipment).
- Continue the purchase and installation of Annue system in the lift station wet wells.
- Develop and implement a Wastewater Capacity, Management, Operations, and Maintenance (CMOM) program. Fully incorporate into GBA work management system. This is required by the Interlocal Agreement with Sumner for the WWTF.

- Complete design and construction of WWTF expansion and improvement contract.
- Complete construction of Eastown sewer lift station project that will extend the city sewer system into Eastown.
- Coordinate with Eastown property owners/developers to extend the sewer system to their properties.
- Continue incrementally implementing the Septic System Abatement program began in 2008.
- Work with WSU Forest developer to replace and upsize lift station 18 and increase capacity of gravity sewer line on SR410 between 198th Avenue and lift station 17.
- Clean flat grade sewer mains yearly to prevent sediment build up and reduce solid waste spikes at the WWTP;

Trends & Future Issues

The WWTP is operating at 80% of capacity. Anticipating continued growth in the customers served by Bonney Lake and Sumner, a plant expansion project is being prepared for construction in 2013 and 2014.

The Sewer utility is not currently generating sufficient revenue to meet operating costs, and a rate increase was implemented in 2012 that will increase revenue by 10% for each of the next four years. Future O&M rate increases need to incorporate funding for infrastructure renewal anticipating that the System Development Charge income will gradually diminish in the future.

Performance Measures

PW – Sewer Division	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual
Sewer Lines	72	72.3		75	76	77
Sewer Manholes				1,554	1,650	1,657
Greasetraps (Public & Private)		115			53	66
Grinder Pumps (City Owned)	90	87	87	87	87	87
Grinder Pumps (Private)		3		3	3	3
Sewer Lift Stations	21	22	22	22	22	22
Emergency Generators	24	26		26	29	29
Sewer Connections	4,727	5,183		5,300	5,494	5,601

PW – Sewer Division	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual
Budgeted Staff Positions	11.0	11.0	11.0	12.1	12.1	12.1
Sewer Lines/Sewer Staff	6.5	6.6		6.2	6.3	6.4
Connections/Sewer Staff	429.7	429.7	429.7	429.7	454.0	462.9
Lift Stations/Sewer Staff	1.9	2.0	2.0	1.8	1.8	1.8
Population/Sewer Staff	1,385	1,431	1,475	1,364	1,436	1,465

Sewer System CIP Project Completion

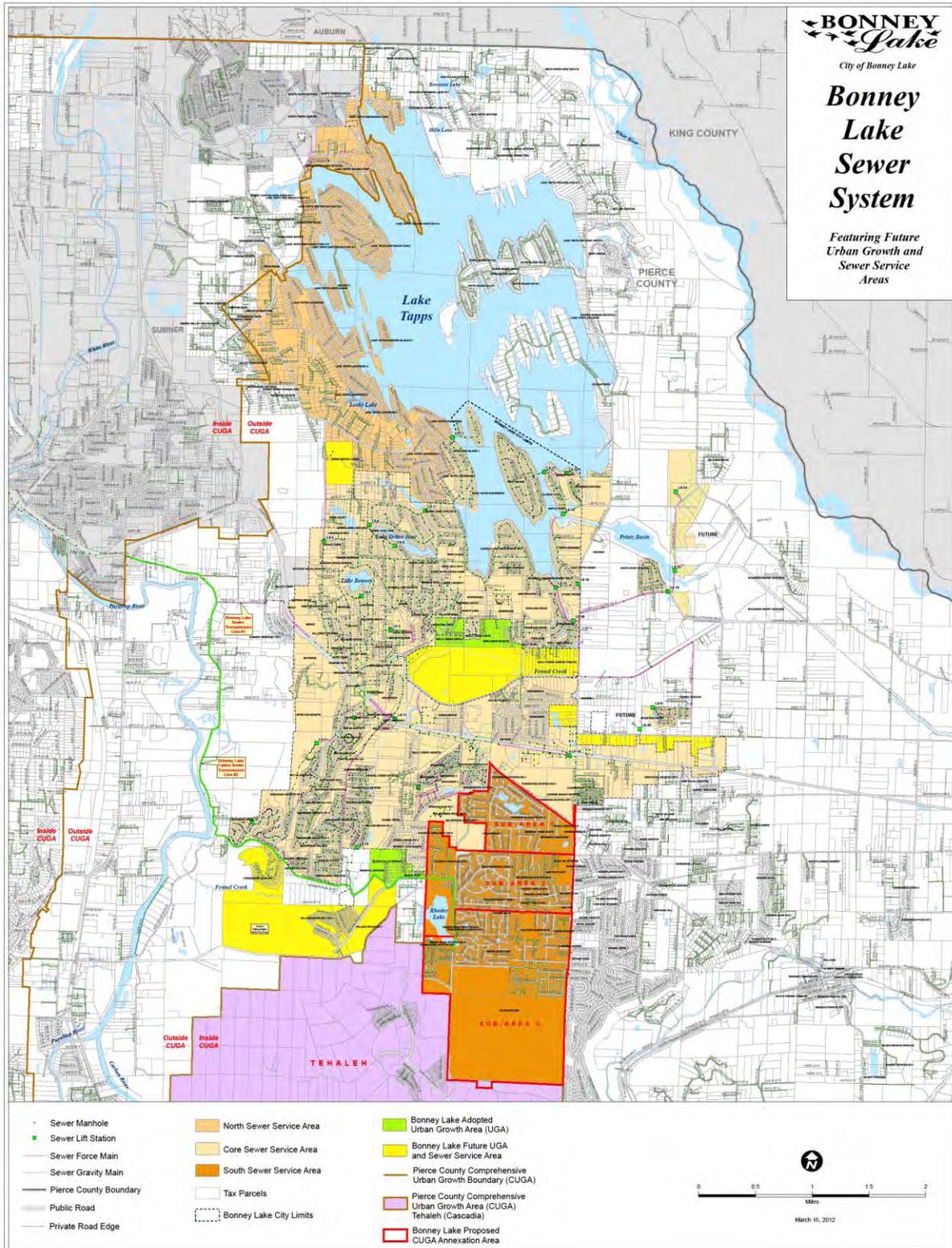
Year	Description	Cost	Funding
2011	Lift Station #17 Improvements	\$ 258,877	SDC
2011	83rd St. Septic System Reduction Design	65,860	SDC
2011	Kontos Utility - Eastown Mitigation	41,600	SDC
2011	Sewer Abatement Plan	49,100	SDC
2011	Sewer Manhole Rehabilitation Program	157,829	SDC
2011	WWTF - Perimeter Wall Design and Construction (CoBL Share)	-	SDC/PWTF
	2011 Subtotal	<u>573,266</u>	
2012	Sewer Replacement - Phase 4	\$ 681,670	SDC
2012	208th (Cedarview) Dry Sewer	161,703	SDC
2012	WWTP - Perimeter Wall Design and Construction (CoBL Share)	442,454	SDC/PWTF
2012	WWTP - Effluent Pump Upgrade (CoBL Share)	75,000	SDC/PWTF
2012	WWTP - Expansion Design (CoBL Share)	<u>649,933</u>	SDC/PWTF
	2012 Subtotal	<u>2,010,760</u>	
	2011/2012 Total	<u><u>2,584,026</u></u>	

Source: Public Works Engineering

Sewer Lift Station Maintenance and Repair:



Bonney Lake Sewer System



STORMWATER FUND

Mission Statement

Protect property and improve environmental quality through the development and maintenance of a surface water management system that meets or exceeds the requirements of the Clean Water Act (CWA) and implements the provisions of the National Pollutant Discharge Elimination System (NPDES) Phase II Program.

Fund Description

This utility enterprise fund accounts for operation of the City's stormwater system. This is an enterprise fund that includes administration, billing and collections, operations, maintenance, repairs, engineering, and construction expenditures and revenue. The expenses are completely funded by monthly user charges and System Development Charges (SDC) applied to new construction. The basis for monthly rate and SDC charges is the amount of impermeable surface there is on each parcel in the City. Single family homes are assessed one Equivalent Service Unit (ESU). Non-single family residential and commercial properties are assessed one ESU for every 2,600 square feet of impermeable surface there are on each parcel. A 30% reduction in the monthly rate is provided to commercial properties that build and maintain on site stormwater facilities.

2011-2012 Key Accomplishments

- Completed preparation of a Stormwater Management Plan required by our NPDES permit. This plan has been endorsed by the state.
- Updated design standards to comply with NPDES Phase II permit requirements.
- Maintained 37 miles of stormwater lines with 1,814 catch basins, and 49 stormwater ponds.
- Spent the \$50,000 and \$114,000 stormwater grants on necessary items to help meet our NPDES permit requirements.
- Updated the amount of Equivalent Service Units (ESUs) within the City based using new Pierce County ortho-photos.
- As part of the public education element of the NPDES permit, we had schools compete in a stormwater/pollution prevention art contest. The 12 winners each received a \$50 gift certificate. 2011-2013 calendars have been prepared using these drawings and 750 copies will be distributed to Sumner School District schools and the public for free.
- Installed 400 feet of tight line sewer with 4 catch basins on Church Lake Rd.
- Designated one city engineer responsibility for overseeing compliance with NPDES, updating the Stormwater Master Plan, and the Stormwater Management Program.

Level of Service

Stormwater utility services provide adequate stormwater flood and erosion control throughout the city. The City is continually improving existing stormwater facilities to ensure that the quality of water discharged into Lake Debra Jane, Bonney Lake, Church Lake, Lake Tapps,

Fennel Creek, and ultimately into the Puyallup River and Puget Sound comply with or exceed all environmental standards set by the NPDES Phase II Permit.

Budget Overview

RESOURCE SUMMARY: Stormwater Fund 415	Actual		Budget			
	2010	2011	2012 Adopted	2012 Revised	2013	2014
Charges for Service	\$ 1,390,133	\$ 1,547,674	\$ 1,617,000	\$ 1,617,000	\$ 1,634,785	\$ 1,667,443
System Development Charges	57,694	31,432	47,000	47,000	76,946	77,716
Interest	-	-	3,500	3,500	2,435	2,640
Other Revenues	-	-	-	-	280	283
Revenues	<u>1,447,827</u>	<u>1,579,106</u>	<u>1,667,500</u>	<u>1,667,500</u>	<u>1,714,446</u>	<u>1,748,082</u>
Salary	293,597	408,957	440,542	447,676	433,261	435,227
Benefits	112,217	157,555	191,527	186,890	183,600	198,820
Internal and External Taxes	136,137	150,230	100,000	100,000	100,000	100,000
Other Operating Expenses	34,408	47,881	81,371	81,371	97,150	101,650
Depreciation	173,929	176,379	-	-	-	-
Transfers Out (Interfund)	266,239	266,239	299,794	299,794	319,602	320,527
Subtotal - Operating Expenses	<u>1,016,527</u>	<u>1,207,241</u>	<u>1,113,234</u>	<u>1,115,731</u>	<u>1,133,613</u>	<u>1,156,224</u>
Operating Capital						
Construction Projects (O&M)	-	-	-	-	-	-
Debt Service Expense	-	-	-	-	-	-
Total Operating Expense	<u>1,016,527</u>	<u>1,207,241</u>	<u>1,113,234</u>	<u>1,115,731</u>	<u>1,133,613</u>	<u>1,156,224</u>
Annual Cash Available for Projects	<u>431,300</u>	<u>371,865</u>	<u>554,266</u>	<u>551,769</u>	<u>580,833</u>	<u>591,858</u>
Beginning of the Year Cash Available	101,695	512,849	843,719	843,719	946,488	1,047,460
Total Cash Available for Projects	<u>532,995</u>	<u>884,714</u>	<u>1,397,985</u>	<u>1,395,488</u>	<u>1,527,321</u>	<u>1,639,318</u>
Other Financing Sources						
Project Specific Revenue						
DOE Grant	43,149	31,794	-	-	46,439	46,903
Capital Contributions	-	-	-	-	-	-
Transfer In	-	-	-	-	-	-
Transfer Out (to GGCIP for Public Works Facility)	(299,000)	(100,000)	-	-	-	-
Construction Projects						
Public Works Facility	-	-	100,000	-	264,000	660,000
Drainage Improvements (Angeline Rd 95th to 104th)	-	-	-	100,000	-	-
GBA Module Updates	-	-	5,000	10,000	5,000	-
NPDES Compliance	43,250	33,031	-	59,000	82,300	-
Regional Storm Pond Land Purchase (Locust & 82nd)	-	-	75,000	75,000	75,000	-
Storm Pond Reconstruction Program	20,045	-	-	-	-	-
Stormwater Comprehensive Plan	-	-	15,000	20,000	-	-
Unscheduled Projects (Emergency)	-	-	35,000	85,000	50,000	50,000
Water Quality Treatment Upgrades (DOE Phase II)	-	-	50,000	100,000	50,000	50,000
Other Capitalized Projects	-	39,759	-	-	-	-
End of Year Cash Available	<u>\$ 512,849</u>	<u>\$ 843,719</u>	<u>\$ 1,117,985</u>	<u>\$ 946,488</u>	<u>\$ 1,047,460</u>	<u>\$ 926,221</u>
Less Cash Restricted for Future Obligations	-	-	-	-	-	-
End of Year Cash Available	<u>\$ 512,849</u>	<u>\$ 843,719</u>	<u>\$ 1,117,985</u>	<u>\$ 946,488</u>	<u>\$ 1,047,460</u>	<u>\$ 926,221</u>

Budget Notes: Projects programmed in the next biennium will be reviewed carefully prior to development to preserve fund balance.

Goals & New Initiatives

- Take over ownership and maintenance of three Eastown stormwater ponds from WSDOT that were built in 2010 when SR410 was widened.
- Reconstruct 56th Street bulkhead.
- Continue implementing the Stormwater Pollution Prevention Plan required by the NPDES Phase II permit.
- Rebuild part of the GMG Short Plat storm pond inlet and outlets where elevations are wrong. Both the pond inlet and outlet pipes are underwater.
- The \$114K grant was increased by \$50K and needs to be expended in 2013.
- Reduce the number of stormwater ponds by constructing regional stormwater ponds.
- Upgrade older stormwater ponds to bring them into compliance with current NPDES and Public Works design standards. Minimize/eliminate standing water in ponds.
- Complete update to the Comprehensive Stormwater System Plan (CSWP) element.
- Create a Low Impact Development (LID) ordinance that meets NPDES requirements and that encourages developers to incorporate LID features into their projects.
- Complete GPS and GIS mapping of the Municipal Separate Storm Sewer System (MS4) inside city limits.
- Develop funding strategy to construct stormwater CIP projects identified in the CSWP.
- Continue installing curb markers next to catch basins as Boy Scout Eagle Scout projects.

Trends & Future Issues

Prioritize CIP projects identified in the CSWP and accomplish design and construction of these projects. Future revenue will determine the speed with which these projects are constructed. Staff will follow every avenue possible to obtain grants for these projects. This plan will support NPDES federal and state requirements.

Based on the number of Equivalent Service Units (ESUs) projected and the CIP projects identified, the System Development Charge will be evaluated to determine if changes are needed to the rate structure.

The current monthly service fee appears to be sufficient to cover operations and maintenance through the next few years. However, depending on the capital needs identified during the comprehensive planning process, the monthly rate may need to be modified to address infrastructure renewal costs.

Performance Measures

PW – Stormwater Division	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual
Stormwater Lines (Miles)	23	30	32	32	33	37
Detention/Infiltration Ponds	84	94	95	95	111	111
Retention/Infiltration Ponds	38	44	46	48	48	49
Dry Well – Gallery	55	63	66	67	71	75
Catch Basins/Inlets	1,286	1,468	1,567	1,628	1,646	1,814
Stormwater Manholes	192	224	267	299	315	347
Billable Equivalent Service Units	8,745	9,181	9,342	9,431	9,628	9,027
Swells/Ditches	81	87	85	85	85	79
Oil/Water Separators					15	15
Storm Service Connections					6,133	6,214

PW – Stormwater Division	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual
Budgeted Staff Positions	3.6	3.6		5.3	5.3	5.3
Storm Lines/Stormwater Staff	6.5	8.3		6.1	6.1	7.0
Population/Stormwater Staff	4,290	4,434		3,113	3,278	3,345

Public Works CIP Projects – Stormwater Projects Completed in 2011-2012

Year	Description	Cost	Funding
2011	Storm Comprehensive Plan Update	\$ 15,000	SDC
2011	WSDOT Storm Pond Expansion	279,427	SDC
2011	West Tapps Highway/Allan Yorke Park	27,359	SDC
	2011 Subtotal	<u>321,786</u>	
2012	Storm Comprehensive Plan Update	20,000	SDC
	2012 Subtotal	<u>20,000</u>	
	2011/2012 Total	<u><u>341,786</u></u>	

Source: Public Works Engineering

Stormwater Catch Basin Cleaning on SR410:



GMG Stormwater Pond:



Stormwater Calendar:



Friendly Vehicle Washing
 Artwork Courtesy of Baylee Littlefield, Mountain View Middle School, Grade 8

Wash your vehicle on a lawn or at a licensed facility. Car wash water contains dirt, road grime, heavy metals, oils, and soaps which are toxic to fish and aquatic life. Contact the City of Bonney Lake at (253) 447-3270 for more information.

SUN	MON	TUE	WED	THU	FRI	SAT
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17 Saint Patrick's Day
18	19	20	21	22	23	24
25	26	27	28	29	30	31

February 2012 April 2012

March 2012



Our actions within our watersheds have a direct impact on our lakes, streams, and wetlands. These Best Management Practices help conserve water and prevent pollution from going down the storm drain and into our water bodies.



Good Practices For the Residence



Properly dispose of household chemicals. Never wash or pour chemicals, cleaners, or solvents into the storm drain. Take hazardous substances to an approved location. Two approved locations include Hidden Valley Transfer Station Hazardous Waste Facility located at 17926 Meridian Street East, Puyallup WA (253) 847-7555 and Tacoma Hazardous Waste Facility located at 3010 South Mullen, Tacoma WA (253) 591-5543. There is no fee to dispose of household hazardous waste at the Hidden Valley Transfer Station Hazardous Waste Facility and Tacoma Landfill Hazardous Waste Facility, but you must show proof of Pierce County residency (driver's license).

Properly recycle used oil at one of the following locations in the Bonney Lake area: Bonney Lake Auto Parts (253) 883-0486, Schuck's Auto Supply (253) 891-8858, Jiffy Lube (253) 891-2494, or South Prairie Transfer Station (253) 862-1704. Jiffy Lube and Schuck's accept up to 5 gallons. Tacoma Landfill and transfer station sites accept larger volumes. Most sites are self-serve and you will empty your own container into the tank. Use 5 gallon or smaller oil containers (No drums or barrels). Puncture used oil filters and let the oil drain out for at least 24 hours. Then place the oil filter in the garbage. Never mix oil with any other substance. Use dry methods for drip and spill cleanup (For example, absorb spills with cat litter and sweep it up). Don't hose down driveways.



Just Do It; clean up after your pet. Cleaning up after your pet can be as simple as taking plastic bags along with you on your next walk. Then choose one of the following disposal options; When Walking - Bag It: Bring plastic bags with you when you walk your dog. Use a bag to pick up the pet waste. Tie bag closed and place in the trash. Options at Home; Trash It - Double bag dog waste or kitty litter, tie securely and place in garbage. Flush It - Flush dog and cat waste down the toilet if you are on a sewer system (not on a septic system). Kitty litter should not be flushed because it can clog your toilet. Bury It - Dig a hole in your yard at least one foot deep and 100 feet from any well, ditch, stream, or lake. Cover pet waste with plenty of soil.

Conserve water at home - wasted water is wasted money. Water your lawn only when it needs it. If you leave footprints on the grass, it is usually time to water. Apply as little fertilizer to your lawn as possible and always sweep up excess fertilizer from the street, sidewalk, and driveway. Applying excess fertilizer increases water consumption and creates more mowing. Use iron-based fertilizers to simply "green-up" your lawn instead. Pay attention to your water bill and become familiar with your water meter - use them to track your water use and to detect leaks. Try to keep showers under 5 minutes and switch to an ultra low-flow showerhead. Turn faucets off while shaving, lathering hands, and brushing teeth. In the kitchen, let pots and pans soak instead of letting the water run while you clean them. Thaw foods in the refrigerator or in a bowl of water instead of using running water.



Wash your vehicle on a lawn or at a licensed facility. Car wash water contains dirt, road grime, heavy metals, oils, and soaps which are toxic to fish and aquatic life. Sending soap runoff down the driveway and into a storm drain is not only harmful to the environment, it is a violation of state, local, and federal laws. Use a broom to sweep up debris instead of hosing off or pressure washing your driveway. Not only is the sediment harmful, but there can also be residue from vehicles on the driveway. Use kitty litter, sawdust, or commercial absorbent pads to dry up any spilled oils or hazardous liquids, then sweep it up and place it in the garbage. Don't wash it into the street or storm drain. Inspect your vehicle and driveway for leaks and repair all leaks as soon as they are discovered.

Please report pollution. It is illegal to dump oils, hazardous wastes, and other materials. If you notice a spill, call the City of Bonney Lake Spill Hotline at (253) 447-4320 or Bonney Lake 311 during business hours or call (253) 841-6536 to report a spill after hours and on weekends. Pick up litter and clean up any trash to reduce the chance of litter or contaminants entering the stormwater system. Share the importance of adopting water conservation and stormwater pollution prevention practices with your neighbors.



Clean Waters Start Here

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SPECIAL REVENUE FUNDS

DRUG INVESTIGATION FUND

Budget Overview

RESOURCE SUMMARY:	Actual		Budget			
	2010	2011	2012 Adopted	2012 Revised	2013	2014
Revenues						
Forfeitures & Seizures	\$ 243,900	\$ 24,665	\$ -	\$ 100,000	\$ 250,000	\$ 250,000
Interest	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-
Revenues	<u>\$ 243,900</u>	<u>\$ 24,665</u>	<u>\$ -</u>	<u>\$ 100,000</u>	<u>\$ 250,000</u>	<u>\$ 250,000</u>
Expenditures						
Salaries & Wages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Operating Expenditures	21,658	2,766	-	-	-	-
Internal Charges	-	-	-	-	-	-
Capital	-	-	-	-	-	-
Debt Service	115,349	20,494	-	100,000	231,000	231,000
Transfers Out	743,089	-	-	-	-	-
Expenses	<u>\$ 880,096</u>	<u>\$ 23,261</u>	<u>\$ -</u>	<u>\$ 100,000</u>	<u>\$ 231,000</u>	<u>\$ 231,000</u>
Net Annual Cash	(636,197)	1,404	-	-	19,000	19,000
Beginning of the Year Cash	636,196	(1)	1,403	1,403	1,403	20,403
End of the Year Cash	<u>(1)</u>	<u>1,403</u>	<u>1,403</u>	<u>1,403</u>	<u>20,403</u>	<u>39,403</u>

Budget Notes: For the 2013-2014 Biennium, expenditures are not programmed; rather, reserves may be utilized for 800MHz related expenditures. Reserves are anticipated for future use to assist with debt service for the 800MHz system.

Fund Description

This fund was established to account for seized and forfeited property resulting from law enforcement activities. Expenditures are restricted to those directly related to seizure activity as well as certain law enforcement activities. The intent of this fund is to accumulate cash to finance large police projects and initiatives.

2011-2012 Key Accomplishments

- Helped fund 800MHz interoperability project

Goals & New Initiatives

- Continue support for the 800MHz interoperability project

Level of Service

Because this fund does not program regular recurring expenditures, no level of service is established.

Trends & Future Issues

Receipts into the drug investigation fund are dependent on drug related seizures and forfeitures, which can vary widely year to year. Currently the fund has no fund balance. Accordingly, the only expenditures programmed for 2013-2014 are to assist with the 800MHz system loan debt service payments. Expenditures for 2014 will be incorporated into the Mid-Biennial Budget Amendment should the Fund experience any significant income during the 2013 fiscal year.

CONTINGENCY FUND

Budget Overview

RESOURCE SUMMARY:	Actual		Budget			
	2010	2011	2012 Adopted	2012 Revised	2013	2014
Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest:	-	-	-	-	15,000	15,000
Revenues	\$ -	\$ -	\$ -	\$ -	\$ 15,000	\$ 15,000
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Service Charges	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Annual Cash	-	-	-	-	15,000	15,000
Beginning of the Year Cash	1,112,545	1,112,545	1,112,545	1,112,545	1,112,545	1,127,545
End of the Year Cash (Reserves)	1,112,545	1,112,545	1,112,545	1,112,545	1,127,545	1,142,545

Budget Notes: For the 2013-2014 Biennium, no expenditures are programmed; rather, reserves may be utilized upon Council action.

Fund Description

This fund is established as the City’s emergency or “rainy day” fund. There are no expenditures proposed to be made from this fund during the biennium. The Contingency Fund requires an ordinance approved by the City Council before expenditures can be made from the fund. Interest earnings are credited to the fund.

2011-2012 Key Accomplishments

- In the 2011-2012 biennium, the City met both revenue and expenditure needs without necessitating transfers from the Contingency Fund.

Level of Service

Because this fund does not program regular recurring expenditures, no level of service is established.

Goals & New Initiatives

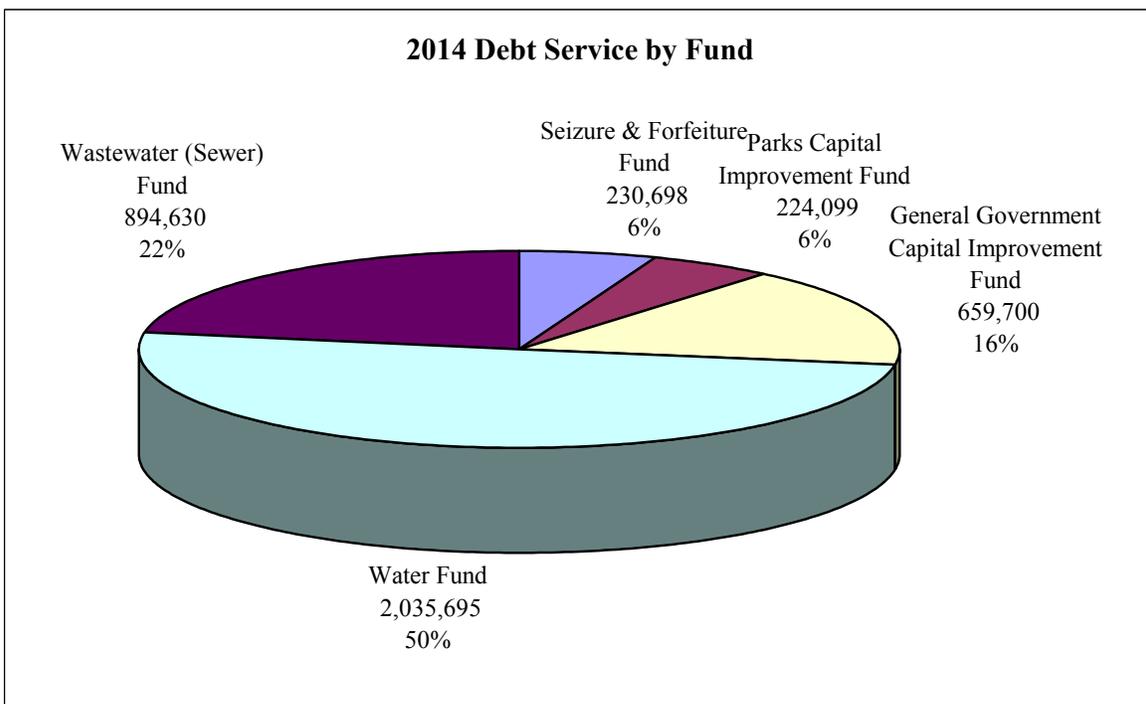
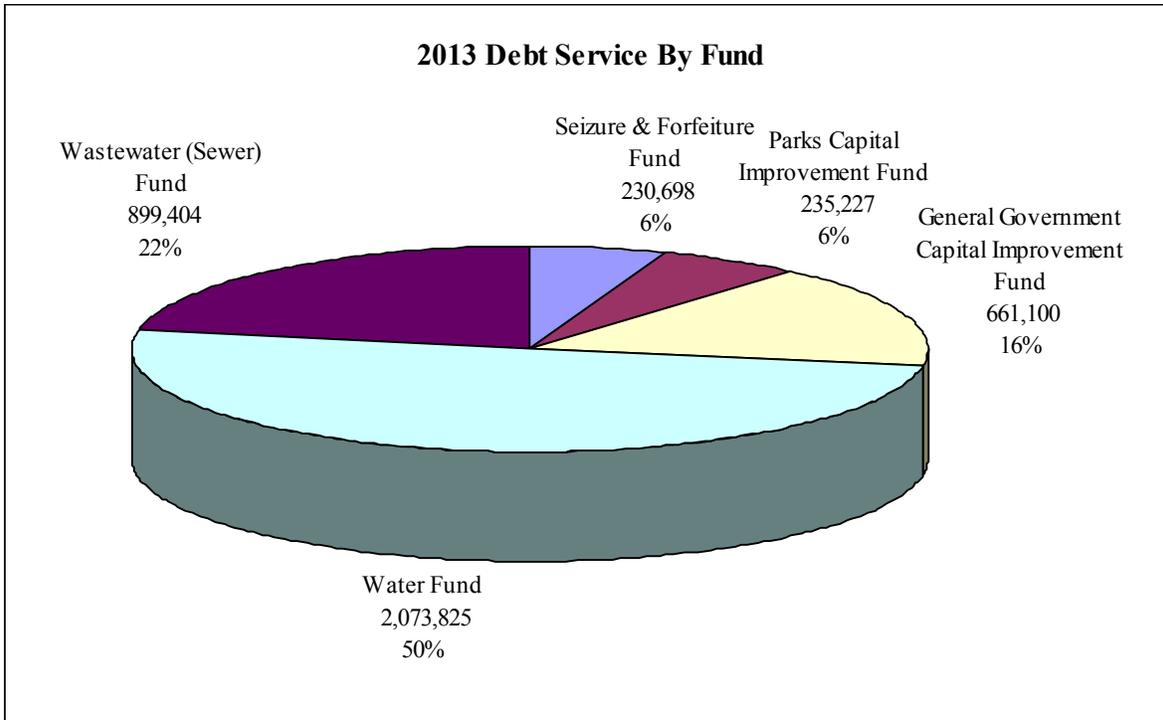
A future goal of the Administration is to maintain a Contingency Fund that is not less than 10% of the General Fund.



DEBT SERVICE FUNDS

DEBT SERVICE FUNDS

Budget Overview



Fund Description

Debt service funds account for the accumulation of resources for principal and interest payments for governmental fund debt. The City has five types of outstanding debt: Voter Approved General Obligation (GO) Debt, Council Approved GO Debt, Council Approved Revenue Debt, Public Works Trust Fund Loan Debt, and Installment Loan Debt. GO Debt means the City pledges its full faith and credit for repayment of the debt.

The City has no active debt service funds. Fund 208, which accounted for the debt service payable on the 1997 General Obligation Bond for the Public Safety Building, was closed in 2011 with the final payment. All other debt service is programmed within the related fund; e.g. General Fund, Drug Seizure Fund, Street Capital, Civic Center Capital, General Government Capital, Water, Sewer.

2011-2012 Key Accomplishments

- Fully retired 1997 General Obligation Debt (Public Safety Building)

Debt Service Summary

PRINCIPAL			2013	2014	
Debt Type	Reference Number	Description	Adopted	Adopted	Fund
General Obligation	BONLTGO08	2008 Justice Center	285,000	295,000	320
Pledged Revenue	BONWAT07	2007 Water/Sewer Refunding Bond	352,544	364,842	401
Pledged Revenue	BONWAT07	2007 Water/Sewer Refunding Bond	77,456	80,158	402
Installment Contract	City of Tacoma	City of Tacoma SDCs	462,128	462,128	401
Installment Contract	Motorola	Motorola 800MHz	182,270	190,639	120
Interfund Loan	Allan Yorke Park	Allan Yorke Park: Parks CIP to Sewer Fund	200,145	200,145	302
Public Works Trust Fund	PW-97-791-017	Ponderosa Reservoir #2 - Construction	50,468	50,468	401
Public Works Trust Fund	PW-98-78898-07	Corrosion Control Facility	14,974	14,974	401
Public Works Trust Fund	PW-98-78898-08	Lakeridge Booster Pump Station	37,657	37,657	401
Public Works Trust Fund	PW-98-791-006	Ponderosa Reservoir #2 - 800 Zone Overflow Construction	14,995	14,995	401
Public Works Trust Fund	PW-00-691-008	McGhee Water Main Replacement	38,306	38,306	401
Public Works Trust Fund	PW-02-691-006	Sumner Sewer Treatment Plant Upgrade	373,047	373,047	402
Public Works Trust Fund	PW-03-691-003	Spring Sources Water Quality Treatment Facilities	63,715	63,715	401
Public Works Trust Fund	PW-04-691-007	Sumner Sewer Treatment Plant Upgrade	105,450	105,450	402
Public Works Trust Fund	PW-04-691-008	Ball Park Well Water Quality Treatment Facility	178,676	178,676	401
Public Works Trust Fund	PW-04-691-009	Leak Reduction Program	247,456	247,456	401
Public Works Trust Fund	PW-05-96-791-004	Church Lake/Inlet Island Watermain Replacement	66,057	66,057	401
Public Works Trust Fund	PW-06-962-ELP-302	Emergency Sewer Main Replacement	26,316	26,316	402
Public Works Trust Fund	PC08-951-004	Leak Reduction Program Phase II	279,797	279,797	401
Public Works Trust Fund	PC08-951-005	Reconstruct Trunk Sewer to Sumner WWTP	239,195	239,195.33	402
Total Principal:			3,295,654	3,329,023	

INTEREST			2013	2014	
Debt Type	Reference Number	Description	Adopted	Adopted	Fund
General Obligation	BONLTGO08	2008 Justice Center	376,100	364,700	320
Pledged Revenue	BONWAT07	2007 Water/Sewer Refunding Bond	103,648	89,546	401
Pledged Revenue	BONWAT07	2007 Water/Sewer Refunding Bond	22,772	19,674	402
Installment Contract	City of Tacoma	City of Tacoma SDCs	81,505	54,337	401
Installment Contract	Motorola	Motorola 800MHz	48,428	40,059	120
Interfund Loan	Allan Yorke Park	Allan Yorke Park: Parks CIP to Sewer Fund	35,082	23,954	302
Public Works Trust Fund	PW-97-791-017	Ponderosa Reservoir #2 - Construction	2,523	2,019	401
Public Works Trust Fund	PW-98-78898-07	Corrosion Control Facility	4,560	3,908	401
Public Works Trust Fund	PW-98-78898-08	Lakeridge Booster Pump Station	11,467	9,829	401
Public Works Trust Fund	PW-98-791-006	Ponderosa Reservoir #2 - 800 Zone Overflow Construction	900	750	401
Public Works Trust Fund	PW-00-691-008	McGhee Water Main Replacement	3,065	2,681	401
Public Works Trust Fund	PW-02-691-006	Sumner Sewer Treatment Plant Upgrade	18,652	16,787	402
Public Works Trust Fund	PW-03-691-003	Spring Sources Water Quality Treatment Facilities	3,504	3,186	401
Public Works Trust Fund	PW-04-691-007	Sumner Sewer Treatment Plant Upgrade	6,327	5,800	402
Public Works Trust Fund	PW-04-691-008	Ball Park Well Water Quality Treatment Facility	10,721	9,827	401
Public Works Trust Fund	PW-04-691-009	Leak Reduction Program	14,847	13,610	401
Public Works Trust Fund	PW-05-96-791-004	Church Lake/Inlet Island Watermain Replacement	7,927	5,945	401
Public Works Trust Fund	PW-06-962-ELP-302	Emergency Sewer Main Replacement	11,053	10,263	402
Public Works Trust Fund	PC08-951-004	Leak Reduction Program Phase II	22,384	20,985	401
Public Works Trust Fund	PC08-951-005	Reconstruct Trunk Sewer to Sumner WWTP	19,136	17,939.65	402
Total Interest:			763,081	676,875	

Combined Principal & Interest By Fund	2013	2014	2013/2014
	Est	Est	Biennium
General Fund	-	-	-
Seizure & Forfeiture Fund	230,698	230,698	461,396
Debt Service Funds	-	-	-
Parks Capital Improvement Fund	235,227	224,099	459,327
Street Capital Improvement Fund	-	-	-
General Government Capital Improvement Fund	661,100	659,700	1,320,800
Civic Center Capital Improvement Fund	-	-	-
Water Fund	2,073,825	2,035,695	4,109,520
Wastewater (Sewer) Fund	899,404	894,630	1,794,034
Total	4,100,254	4,044,823	8,145,077

Debt Summary

Voter Approved Unlimited Tax General Obligation (UTGO) Bonds

Bonds can be issued as either 1) General Purpose, 2) Parks and Open Space, or 3) Utility.

1. General Purpose Bonds

The December 31, 2012 outstanding amount is limited to \$16,884,643, 1.0% of the City's assessed value of \$1,688,464,255. These bonds are issued for large general government construction projects approved by the voters in which the City pledges its full faith and credit for payment.

There are no outstanding voter approved General Purpose, Parks and Open Space or Utility Bonds.

Council Approved UTGO Bonds

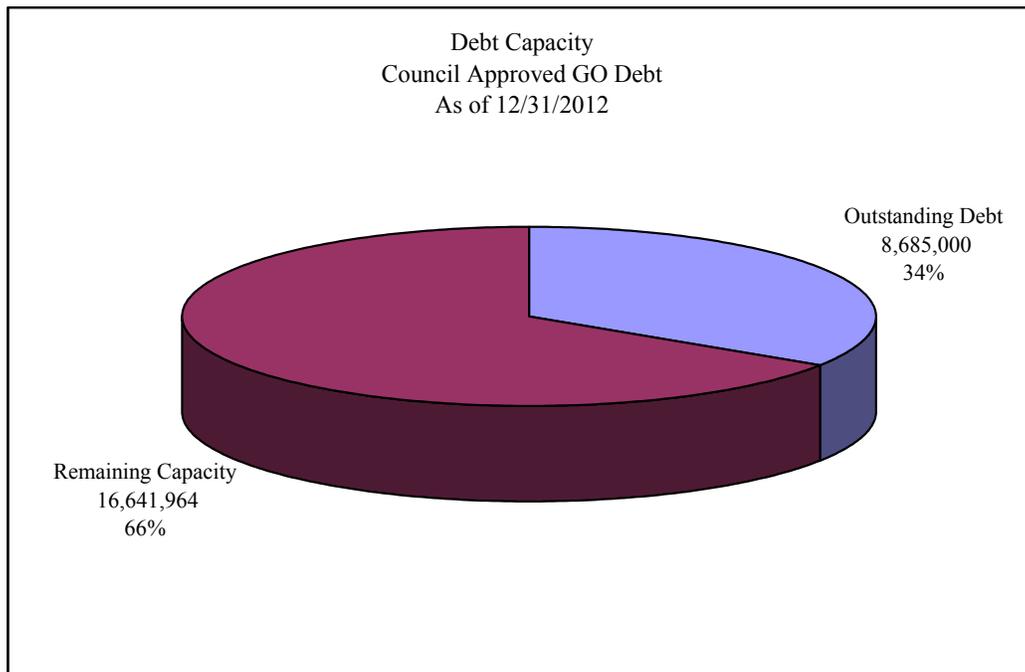
Bonds can be issued as either 1) General Purpose, 2) Parks and Open Space, or 3) Utility.

1. General Purpose Bonds

The December 31, 2012 outstanding amount is limited to \$25,326,964, 1.5% of the City's assessed value of \$1,688,464,255. These bonds are backed by the City's full faith and credit.

Outstanding Issues

- 2007 Limited Tax General Obligation (LTGO): Civic Center



Revenue Debt

As of December 31, 2012, the City has \$3,150,000 in outstanding revenue bonds.

1. Council Approved Revenue Bonds

Issued by the Council for water, wastewater, and stormwater (waterworks) projects in which only the revenues of the waterworks are pledged to secure the debt service payments.

Outstanding Issues

- 2007 Refunding Bonds

BONWAT07

2007 Water/Sewer Refunding Bond

These refunding bonds were issued to advance refund the callable portion of the City's outstanding Water and Sewer Revenue Bonds, 1999 (maturities 2010 through 2019, and to refund on a current basis, the 1998 Refunded Revenue Bonds.

Issue Date:	12/03/2007	Payoff Date:	09/01/2019
Approved Amount:	\$4,570,000	Interest:	3.5% - 4.0%
Draws To-Date:	n/a	Principal Paid to Date:	\$1,420,000
Project Status:	n/a	Principal Balance:	\$3,150,000

Council Approved Other Debt

This type of debt includes notes and state loans issued by the City Council for specific construction projects, in which the City pledges its full faith and credit for payment.

Outstanding Issues

Public Works Trust Fund (PWTF) Loans *All to-date data as of 12/31/2012*

Loan #PW-5-96-791-004 Church Lake/Inlet Island Water Main Replacement

Replacement of approximately 17,000 feet of 12” water mains from West Tapps Highway to the north end of Inlet Island along Church Lake Drive, Church Lake Road, 71 Street East, Old Vandermark Road East, 207 Avenue East, 60 Street East, Aqua Drive and North Island Drive. Replacement of existing water services and installation of new fire hydrants, with a new full asphalt overlay of the above streets.

Issue Date:	12/10/1996	Payoff Date:	06/01/2016
Approved Amount:	\$1,298,700	Interest:	3%
Draws To-Date:	\$1,246,003	Principal Paid to Date:	\$981,776
Project Status:	Completed	Principal Balance:	\$264,228

Loan #PW-97-791-017 Ponderosa Construction

The Ponderosa Reservoir No. 2 project includes the construction of an approx. 2.5 to 3.0 million gallon water tank at the City’s existing Ponderosa Reservoir No. 1 site. This project includes: the installation of the water main, appurtenances, and equipment necessary to connect the new reservoir to the existing water system; installation of telemetry and control systems compatible with the City’s existing system; improvements to the site such as grading, fencing, and landscaping. The design of these improvements was financed by a PWTF pre-construction loan.

Issue Date:	07/31/1997	Payoff Date:	07/01/2017
Approved Amount:	\$953,595	Interest:	1%
Draws To-Date:	\$953,595	Principal Paid to Date:	\$701,255
Project Status:	Completed	Principal Balance:	\$252,340

Loan #PW-98-791-006 Ponderosa Reservoir No. 2 800 Zone Overflow

The Ponderosa Reservoir No. 2 – 800 Zone Overflow project includes the construction of an approximately 2.8 million gallon water tank at the existing Ponderosa Reservoir No. 1 site. This project also includes the installation of a water main, appurtenances, and equipment necessary to connect the new reservoir to the existing water system and to expand the 800 pressure zone; the installation of telemetry and control systems compatible with the City’s existing system; and improvements to the site such as grading, fencing, and erosion control. If funding is available additional water main and a pressure reducing station will be constructed to complete the looping of this tank to the 800-pressure zone.

Issue Date:	07/22/1998	Payoff Date:	07/01/2018
Approved Amount:	\$281,597	Interest:	1%
Draws To-Date:	\$281,597	Principal Paid to Date:	\$191,625
Project Status:	Completed	Principal Balance:	\$89,972

Loan #PW-98-78898-07 Tacoma Point Corrosion Control Facility

The Corrosion Control Facility Project will construct a corrosion control facility to treat groundwater from the City of Bonney Lake’s Tacoma Point Well field. The City is under a Bilateral Compliance Agreement (BCA) with the Department of Health to reduce the City’s customer’s exposure to lead and copper in their drinking water. This project will bring the City into compliance and ensure a safe and healthy drinking water source for its customers. The treatment consists of pH adjustments in order to

reduce corrosivity of the City's water supply. The construction phase of this project will consist of building the corrosion control facility as designed. Included in this phase will be all necessary site work, installation of storage tanks and metering pumps, installation of electrical and control systems, construction of a building, and installation of safety related items such as safety showers, eyewashes, and spill containment

Issue Date:	10/01/1999	Payoff Date:	10/01/2019
Approved Amount:	\$284,512	Interest:	4.35%
Draws To-Date:	\$284,512	Principal Paid to Date:	\$179,692
Project Status:	Completed	Principal Balance:	\$104,820

Loan #PW-98-78898-08 Lakeridge Booster Pump Station

Replace an existing booster pump station and replace and extend water main as necessary to increase pressure in the Bonney Lake Water Service Area. Both pre-design and final designs have already been completed. No property acquisition will be necessary, as the City already owns the property on which the existing booster pump station is located. In addition to the booster pump station, the existing 8" water main will be replaced with approximately 1,200 feet of 16" water main to supply the new booster pump station. The new transmission main will improve the existing suction and discharge main. An on-site generator will be installed to provide emergency backup power in the case of power failure. As funds are available, this project will also include the installation of approximately 3,000 LF of ductile iron water main in South Tapps Drive to loop the booster pump station improvements to the southern portion of the 800-pressure zone.

Issue Date:	10/01/1998	Payoff Date:	10/01/2019
Approved Amount:	\$715,488	Interest:	4.35%
Draws To-Date:	\$715,488	Principal Paid to Date:	\$451,887
Project Status:	Completed	Principal Balance:	\$263,601

Loan #PW-00-691-008 McGhee Drive Water Main

This project is part of the Lakeridge 800 Pressure Zone Reconfiguration Project. This construction consists of replacement of the existing 4" steel and 6" asbestos cement water main with approximately 11,000 lineal feet of 12" ductile iron water main. Replacement of fire hydrants and service lines up to the meters and full roadway overlay along the alignment are included. It also includes: construction of three (3) pressure reducing valves in underground vaults; construction of approximately five (5) zone valves and approximately 35 individual service pressure reducing valves.

Issue Date:	07/01/2000	Payoff Date:	07/01/2020
Approved Amount:	\$723,800	Interest:	1%
Draws To-Date:	\$723,800	Principal Paid to Date:	\$417,349
Project Status:	Completed	Principal Balance:	\$306,451

Loan #PW-02-691-006 Sumner Treatment Plant Improvement

The Sumner Wastewater Treatment Plant (WWTP) upgrade and expansion will implement BOD and ammonia removal using an expanded activated sludge system incorporating nitrification and denitrification. The WWTP upgrade will implement ammonia removal and increased treatment capacity. The project will include new primary clarifiers, a new aeration basin, new blowers, a new UV disinfection system, a new influent pump station, new headworks, additional secondary clarifiers, a new anaerobic digester, a new centrifuge for sludge de-watering, lab/administration space, and improved flood control. The WWTP capacity will increase from 2.62 MGD to 4.59 MGD.

Issue Date:	01/14/2002	Payoff Date:	07/01/2022
Approved Amount:	\$7,386,500	Interest:	.05%
Draws To-Date:	\$7,076,727	Principal Paid to Date:	\$3,346,257
Project Status:	Completed	Principal Balance:	\$3,730,470

Loan #PW-03-691-003

Spring Sources Water Quality Facilities

This project includes the construction of a treatment facility that will increase disinfection and raise pH of the Grainger Springs source water. Increased disinfection will be obtained by building a facility that will provide on-site generation of chlorine and install approximately 175 linear feet of 48 inch diameter water main at the Victor Falls source and approximately 310 linear feet of 42 inch diameter water main at the Grainger Springs source or as necessary to obtain adequate residence times. In addition, a caustic soda injection system will be installed at the Grainger Springs Source to raise the pH of this source of water. The construction phase of this project will consist of building the corrosion control and disinfection facilities as designed. Included in this phase will be all necessary site work, installation of storage tanks and chemical metering pumps, on-site chlorination generation equipment, installation of electrical and control systems, construction of buildings, and installation of safety related items such as a safety shower, eye washes, and spill containment. The objective of this task is to construct the corrosion control facility and disinfection facilities as mandated by DOH.

Issue Date:	08/13/2003	Payoff Date:	08/14/2023
Approved Amount:	\$1,174,700	Interest:	.05%
Draws To-Date:	\$1,174,700	Principal Paid to Date:	\$473,830
Project Status:	Complete	Principal Balance:	\$700,870

Loan #PW-04-691-007

Sumner Treatment Plant Upgrade

The Sumner Wastewater Treatment Plant (WWTP) upgrade and expansion will implement BOD and ammonia removal using an expanded activated sludge system incorporating nitrification and denitrification. The WWTP upgrade will implement ammonia removal and increased treatment capacity. The project will include new primary clarifiers, a new aeration basin, new blowers, a new UV disinfection system, a new influent pump station, new head works, additional secondary clarifiers, a new anaerobic digester, a new centrifuge for sludge de-watering, a new sludge dryer for Class A bio-solids, a lab/administration space, and improved flood control. The WWTP capacity will increase from a de-rated nitrification capacity of 2.0 MGD to 4.59 MGD.

Issue Date:	05/25/2004	Payoff Date:	07/01/2024
Approved Amount:	\$2,109,000	Interest:	.05%
Draws To-Date:	\$2,003,550	Principal Paid to Date:	\$738,150
Project Status:	Complete	Principal Balance:	\$1,265,400

Loan #PW-04-691-008

Ballpark Well Water Quality Treatment Facility

This project will develop a new well at the Ball Park source. In 2003 the City drilled a new well for this source and will develop and equip the well in 2004. This project includes construction of a well pump and treatment facility that will remove iron and manganese from source water from both Ball Park Wells.

Issue Date:	05/25/2004	Payoff Date:	07/01/2024
Approved Amount:	\$3,375,000	Interest:	.05%
Draws To-Date:	\$3,375,000	Principal Paid to Date:	\$1,230,882
Project Status:	Complete	Principal Balance:	\$2,144,118

Loan #PW-04-691-009

Leak Reduction Program

The main goal of this project is to increase supply capacity by decreasing leaking or unaccounted for water. It is the City's goal to reduce unaccounted for water from 25% to 15% with implementation of this project. This project will replace approximately 71,000 lineal feet of substandard material water main that has been identified to have a high potential of leakage. It is the City's goal to replace 40% of all the water mains in its system that were constructed with substandard materials (i.e. asbestos cement and steel) within the next five years. These substandard material water mains will be replaced with 8-inch and 12-inch diameter ductile iron pipe.

Issue Date:	05/25/2004	Payoff Date:	07/01/2024
Approved Amount:	\$4,516,000	Interest:	.05%
Draws To-Date:	\$4,290,200	Principal Paid to Date:	\$1,546,532
Project Status:	Ongoing	Principal Balance:	\$2,969,468

Loan #PW-06-962-ELP-302 Emergency Sewer Main Replacement

This project replaced segments of the City's SR 410 interceptor sewer system that experienced failure caused by significant damage from H2S and microbiologically induced corrosion. The replacement pipe follows the existing pipe alignment and will be located in existing easement areas and within City and County roadway rights-of-way.

Issue Date:	08/14/2006	Payoff Date:	09/01/2026
Approved Amount:	\$500,000	Interest:	3%
Draws To-Date:	\$500,000	Principal Paid to Date:	\$131,579
Project Status:	Complete	Principal Balance:	\$368,421

Loan #PC08-951-005 Reconstruct Trunk Sewer to Sumner WWTP

The results of this project will reduce the number of pipe failures from 15% chance of failure to less than 1% chance of failure. The number of staff hours will be decreased from 300 staff hours to less than 40 staff hours per year on maintenance and operation of this pipe area. The number of events of untreated sewage flowing into adjacent rivers and aquifers will be reduced from 15% chance per year to less than 1% to assure the City a safe and reliable conveyance system.

Issue Date:	09/03/2008	Payoff Date:	09/01/2028
Approved Amount:	\$4,648,000	Interest:	.5%
Draws To-Date:	\$4,415,600	Principal Paid to Date:	\$588,475
Project Status:	Ongoing	Principal Balance:	\$3,827,125

Loan #PC08-951-004 Leak Reduction Program Phase II

This project will allow the City to replace 40% of substandard water pipe to reduce unaccounted water from 16% to 6% by project completion and come into compliance with Department of Health standards of no more than 10% unaccounted water loss. The water supply capacity will increase from the current level of 75% to 85% by reducing unaccounted for water loss. Finally, the number of crew hours for repair will decrease from 150 overtime hours and 180 regular crew hours to 75 overtime and 90 regular crew hours, representing a savings of \$7,250 per year.

Issue Date:	09/03/2008	Payoff Date:	09/01/2028
Approved Amount:	\$5,352,000	Interest:	.5%
Draws To-Date:	\$5,084,400	Principal Paid to Date:	\$607,646
Project Status:	Ongoing	Principal Balance:	\$4,476,754

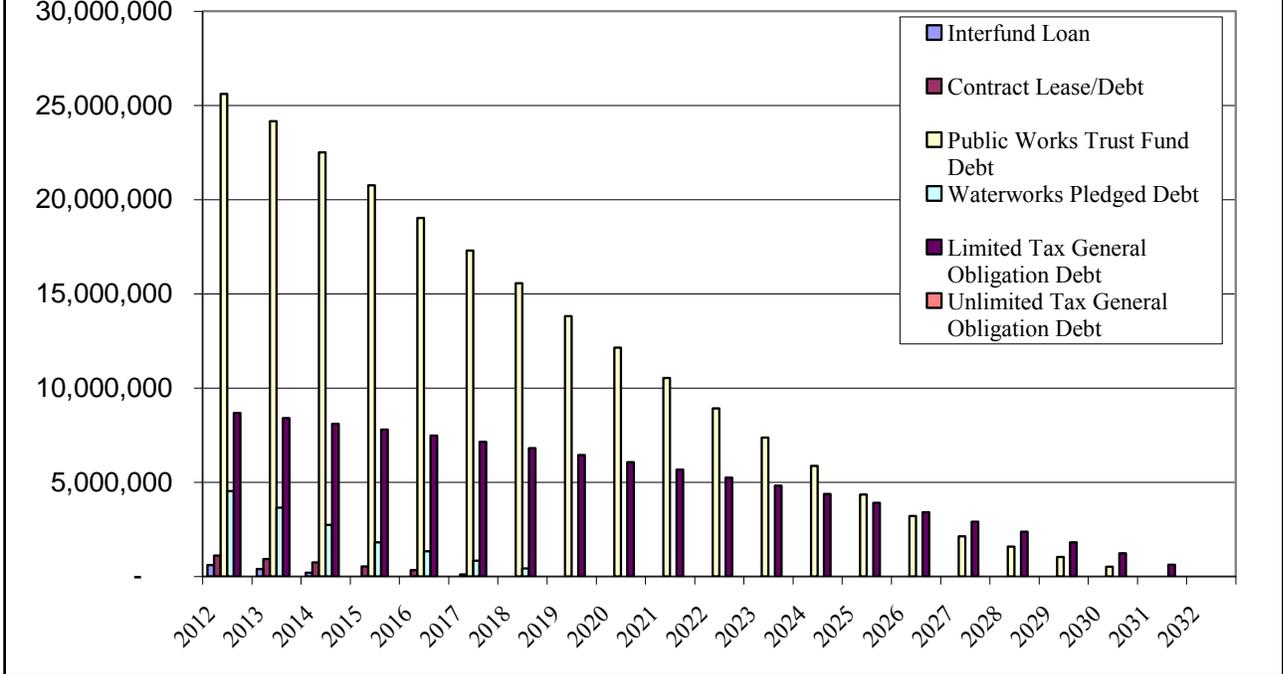
Other Notes Payable

City of Tacoma Emergency Intertie #3

In 2005 the City entered into an agreement to purchase 2 MGD of additional water supply from the City of Tacoma, enough to supply the water utility's next ten years of growth. In addition to making payments on the loan for ten years, Bonney Lake will construct an intertie and pay monthly usage charges for water consumption.

Issue Date:	01/27/2005	Payoff Date:	01/01/2015
Approved Amount:	\$5,776,598	Interest:	Prime less 2%
Draws To-Date:	n/a	Principal Paid to Date:	\$4,390,214
Project Status:	n/a	Principal Balance:	\$1,386,384

**Outstanding Principal By Year
As of 12/31/2012**





CAPITAL PROJECTS FUNDS

STREET CAPITAL IMPROVEMENT FUND

Fund Description

The Streets CIP is for capital improvements that are street related, and includes sidewalks, curb and gutter, and street lights. Street CIP revenues come from a variety of sources, including grants, transportation impact fees, transportation mitigation fees, public works trust fund loans, general funds, fuel taxes, and a 50% share of the Real Estate Transfer Tax (REET) receipts.

Recurring expenditures for general overlay, chip seal, street lighting, and sidewalk programs are treated as operating capital expenditures and shown under “Operating Capital” in the Street CIP.

2011-2012 Key Accomplishments

- Repaved parts of several streets in the Lake Debra Jane neighborhood as a result of utility improvements
- Sidewalks and Trails were installed or dedicated to the City on West Tapps Highway, SR410 from 198th Ave to 208th Ave (WSDOT Grant), around Bonney Lake Elementary School on 80th and 82nd Streets, on 97th Street and 208th Ave in Cedar Grove, 103rd Street, 200th Avenue Court, SR410 from 216th Ave to 219th Ave, Angeline Road, and various new residential sub-divisions around the City such as the GMG plat.
- Intersection Improvements at SR410 & Main Street
- Design and ROW acquisition of Intersection Improvement at SR410 and 214th
- SR410 Eastown Median Street Light Project
- Continued the “recurring” program for sidewalks, chip sealing, overlays, and additional street lighting on a funds available basis.

Goals & New Initiatives

- Complete the SR410 and Main Street intersection improvements necessitated by the Franciscan Medical Office Building project
- Continue the “recurring” program for sidewalks, chip sealing, overlays, and additional street lighting on a funds available basis.

Resource Summary

RESOURCE SUMMARY: Street CIP Fund 301	Actual		Budget			
	2010	2011	2012 Adopted	2012 Revised	2013	2014
Charges for Service						
Real Estate Excise Taxes	\$ 216,326	\$ 182,679	\$ 211,575	\$ 211,575	\$ 128,000	\$ 138,000
Motor Vehicle Fuel Tax	356,143	362,210	297,000	297,000	273,135	275,058
Impact/Mitigation Fees	1,138,113	324,996	750,000	750,000	400,000	250,000
Interest	1,218	13,525	35,000	35,000	-	-
Other Revenues	-	-	-	-	-	-
Revenues	1,711,800	883,410	1,293,575	1,293,575	801,135	663,058
Salary	-	-	-	-	-	-
Benefits	-	-	-	-	-	-
Other Operating Expenses	-	-	-	-	-	-
Subtotal - Operating Expenses	-	-	-	-	-	-
Operating Capital						
Chip Seal Program	253,929	172,411	200,000	179,000	179,000	185,000
Overlay Maintenance Program	31,758	-	300,000	250,000	125,000	164,000
Street Reconstruction Program	-	19,811	50,000	50,000	-	-
Sidewalk Reconstruction Program	-	25,167	-	-	41,000	50,000
Streetlights	-	-	-	21,000	20,000	20,000
Debt Service Expense	256,114	254,846	-	-	-	-
Total Operating Expense	541,801	472,234	550,000	500,000	365,000	419,000
Annual Cash Available for Projects	1,169,999	411,175	743,575	793,575	436,135	244,058
Beginning of the Year Cash Available	5,417,591	4,608,308	5,641,743	5,641,743	2,837,448	1,453,739
Total Cash Available for Projects	6,587,590	5,019,483	6,385,318	6,435,318	3,273,583	1,697,797
Other Financing Sources						
Grant - Safe Routes to Streets (Fennel Creek Trail)	-	1,622,907	-	-	-	-
Special Assessments	7,405	4,441	-	-	-	-
Developer/Capital Contributions	55,000	288,299	-	-	-	-
Transfer In	-	400,000	-	-	-	-
Transfer In (TIF Rebate from Fund 302)	-	-	-	500,000	-	-
Grant - Transportation Improvement Board	154,503	-	-	-	-	-
Construction Projects						
184th (OSB to SR410) (w/Signal upgrade)	248,540	-	-	-	-	-
214th Ave Intersection Improvements	192,674	480,891	-	-	-	-
214th Ave Intersection Stormwater Pond A Expansion	-	-	-	122,000	-	-
90th St Improvements (IJC to 186th St)	171,234	-	-	-	-	-
Easttown SR410 Street Light Project	-	-	-	200,000	-	-
Interlake Island Causeway Repair	-	-	-	-	25,000	-
Intersection Improvements (SR410 & 214th)	-	-	-	1,000,000	200,000	800,000
Intersection Improvements (SR410 & Main Street)	-	-	-	1,855,400	1,210,844	-
Intersection Improvements (SR410 & OSB) Phase II	-	-	-	37,470	-	-
Main Street/SR410 Intersection Improvements	120,176	79,297	-	-	-	-
Neighborhood Sidewalk Improvements	-	-	-	300,000	-	-
Old Buckley Highway & SR410 (w/Signal)	8,164	-	-	-	-	-
One Time Reserve Sidewalk Installation	-	-	-	263,000	-	-
OSB Highway Improvements (SR410 Intersection)	1,205,613	86,762	-	-	-	-
Sidewalks - 80th & 82nd (near Bonney Lake Elementary)	40,823	254,795	-	-	-	-
SR410 Sidewalk (198th to 200th)	132,690	791,643	-	100,000	-	-
SR410 Sidewalk (Main Street to 192nd St) (TIB)	-	-	-	-	132,000	-
Street Light Project	76,277	-	-	-	100,000	-
Traffic Calming Signage	-	-	-	100,000	-	-
Transportation Comprehensive Plan Update	-	-	-	120,000	152,000	-
End of Year Cash Available	\$ 4,608,308	\$ 5,641,743	\$ 6,385,318	\$ 2,837,448	\$ 1,453,739	\$ 897,797
Less Cash Restricted for Future Obligations	-	-	-	-	-	-
End of Year Cash Available	\$ 4,608,308	\$ 5,641,743	\$ 6,385,318	\$ 2,837,448	\$ 1,453,739	\$ 897,797

Budget Notes:

As a result of the economy, interest earnings are estimated to be significantly less than in prior years. In addition, the downturn in housing sales has decreased REET (Real Estate Excise Tax) collections by 40%. Finally, as impact and mitigation fees bear a direct correlation to development activity, decreased revenues are anticipated.

At this time, we have not included any project specific revenue sources for 2013-2014; however, we continue to pursue grant and other alternate funding for the listed projects.

Projects programmed in the next biennium will be reviewed carefully prior to development to preserve fund balance.

Trends and Future Issues

As growth has slowed so have Traffic Impact Fee (TIF) collections, which are fees charged to each new house and development project. TIF fees are used to fund major transportation system improvements.

A drastic halt in home sales has reduced Real Estate Excise Tax (REET) collections by 56% over the past 5 years. The REET funds are used for the so called “recurring program”, that pot of money used for local street overlays, chip sealing, new street lights, and sidewalks. With state passed initiatives that eliminated much of the previous funds available for street improvements, and REET revenues having decreased for a significant period of time, street improvements and maintenance will continue to decrease and consequently place the street systems at risk. A Transportation Benefit District funded by a sales tax and modest tab fee would restore a significant portion of the funding that has been lost over the past 5 years.

PARKS CAPITAL IMPROVEMENT FUND

Fund Description

The Parks CIP is for capital improvements that are parks related. Park CIP revenues include general funds, park impact fees, SEPA park mitigation funds, and a 35% share of the Real Estate Transfer Tax (REET) receipts.

2011-2012 Key Accomplishments

- Safe Routes sidewalk project put out to bid;
- Completed design and obtained permits for improvements to the Allan Yorke Park dike swim area extension;
- Completed improvements to AYP tennis and basketball courts
- Installed Welcome to Bonney Lake gateway sign in Easttown.
- Completed updated Parks Plan

Goals & New Initiatives

- Complete Safe Routes sidewalk project
- Complete expansion of the Allan Yorke Park dike swim area;
- Undertake extensive list of park improvements through bonds issued by a new BL Park District

Resource Summary

RESOURCE SUMMARY: Parks CIP Fund 302	Actual		Budget			
	2010	2011	2012 Adopted	2012 Revised	2013	2014
Charges for Service						
Real Estate Excise Taxes	\$ 151,201	\$ 131,175	\$ 152,000	\$ 100,000	\$ 102,000	\$ 104,040
Impact Fees	223,964	218,808	219,000	210,000	214,200	218,484
Interest	-	-	2,500	2,500	-	-
Other Revenues	-	-	-	-	-	-
Revenues	375,165	349,983	373,500	312,500	316,200	322,524
Salary	-	-	-	-	-	-
Benefits	-	-	-	-	-	-
Other Operating Expenses	-	3,103	-	-	-	-
Subtotal - Operating Expenses	-	3,103	-	-	-	-
Operating Capital	-	-	-	-	-	-
Debt Service Expense	204,142	202,762	245,825	245,825	235,227	224,099
Total Operating Expense	204,142	205,866	245,825	245,825	235,227	224,099
Annual Cash Available for Projects	171,022	144,117	127,675	66,675	80,973	98,425
Beginning of the Year Cash Available	234,523	244,662	1,507,418	1,507,418	761,093	229,065
Total Cash Available for Projects	405,545	388,779	1,635,093	1,574,093	842,065	327,490
Other Financing Sources / (Uses)						
Project Specific Revenue	-	-	-	-	-	-
Grant - Safe Routes To Schools	486,763	148,828	-	-	625,000	-
Transfer In: General Fund	-	1,000,000	-	(500,000)	-	-
Construction Projects						
Allen Yorke Park - Ballfield & Other	13,021	-	-	-	-	-
Allen Yorke Park - Sport & Tennis Court	-	-	-	58,000	-	-
Allen Yorke Park Expansion (Dike 13)	-	-	-	45,000	300,000	-
Boat Trailer Parking Improvements	-	-	-	-	-	-
Fennel Creek Trail	634,625	-	-	-	-	-
Gateway Improvements	-	-	-	-	-	-
Parks & Open Space Acquisition	-	-	-	7,000	-	-
Safe Routes Trail/Sidewalk Project	-	30,189	-	203,000	938,000	-
Wetland Analysis Studies	-	-	-	-	-	-
End of Year Cash Available	\$ 244,662	\$ 1,507,418	\$ 1,635,093	\$ 761,093	\$ 229,065	\$ 327,490
Prior Period Adjustment (Interfund Loan)	-	-	-	-	-	-
End of Year Cash Available	\$ 244,662	\$ 1,507,418	\$ 1,635,093	\$ 761,093	\$ 229,065	\$ 327,490

Budget Notes:

As a result of the economy, interest earnings are estimated to be significantly less than in prior years. In addition, the downturn in housing sales has significantly decreased REET (Real Estate Excise Tax) collections. Finally, as impact and mitigation fees bear a direct correlation to development activity, decreased revenues are anticipated.

The transfer out of \$500,000 to the General Fund in the 2012 Revised column reflects City Council action decreasing impact fees to spur development.

Projects programmed in the next biennium will be reviewed carefully prior to development to preserve fund balance.

Trends and Issues

As growth has slowed so have Park Impact Fee (PIF) collections, which are fees charged to each new house and development project. PIF fees are used to fund major park system improvements. A drastic halt in home sales has reduced Real Estate Excise Tax (REET) collections by 49%. This is now into the 5th years of reduced fees. The Parks share of REET funds are used for park land acquisition and development. All PIF fees are committed to existing projects, and all future PIF fees will be needed to fund the conservation futures and related land acquisitions.

GENERAL GOVERNMENT CAPITAL IMPROVEMENT FUND

Fund Description

The General Government CIP (Fund 320) is for capital improvements that are funded primarily out of the general fund for general government improvements that don't fit any of the other CIP categories. The types of projects that would be included in the General Government CIP include the public safety building, the senior center, city hall, city hall annex, etc. The only dedicated source of funding for the General Government CIP is 15% of real estate excises taxes (REET), and revenues generated by lease payments from buildings acquired with Fund 320 revenues.

2011-2012 Key Accomplishments

- Completed construction of the Justice Center (JC);
- Developed plans for JC Phase II tenant improvements
- Funded painting of the interior of the Public Safety Building (fire side)

Level of Service

This fund provides for capital improvements for general government, including City Hall, the Annex, the Public Safety Building, and the Justice Center.

Goals & New Initiatives

- Completion of basic Justice Center Phase II tenant improvements.
- Lease out the City Hall Annex

Trends & Future Issues

The current state of the economy and drastic decrease in real estate sales have resulted in a marked decrease in dedicated City revenue for the Fund, as REET receipts are coming in at less than half of what they were in 2006, resulting in reduced funding for capital projects from 2008 to the present. REET revenues (Fund 320 share) are estimated at \$70,000 for 2013, and a similar amount for 2014.

Resource Summary

RESOURCE SUMMARY: General Government CIP Fund 320	Actual		Budget			
	2010	2011	2012 Adopted	2012 Revised	2013	2014
Charges for Service						
Real Estate Excise Taxes	\$ 64,898	\$ 54,239	\$ 49,000	\$ -	\$ 70,354	\$ 75,278
Space & Facility Rentals	-	-	79,000	29,000	95,761	87,000
Interest	-	-	20,000	15,000	-	-
Other Revenues	-	-	-	-	-	-
Revenues	64,898	54,239	148,000	44,000	166,115	162,278
Salary	-	-	-	-	-	-
Benefits	-	-	-	-	-	-
Other Operating Expenses	-	-	-	-	20,400	20,400
Subtotal - Operating Expenses	-	-	-	-	20,400	20,400
Operating Capital	-	-	-	-	-	-
Debt Service Expense	115,349	330,675	-	100,000	661,100	659,700
Total Operating Expense	115,349	330,675	-	100,000	681,500	680,100
Annual Cash Available for Projects	(50,451)	(276,436)	148,000	(56,000)	(515,385)	(517,822)
Beginning of the Year Cash Available	2,354,858	4,897,731	6,223,844	6,223,844	3,217,844	1,901,459
Total Cash Available for Projects	2,304,407	4,621,296	6,371,844	6,167,844	2,702,459	1,383,637
Other Financing Sources / (Uses)						
Local Award - 800MHz	-	-	-	-	-	-
Transfer In: General Fund	-	500,000	-	-	-	-
Transfer In: Water Fund (PW Facility)	1,700,000	1,500,000	-	-	-	-
Transfer In: Sewer Fund (PW Facility)	1,000,000	1,000,000	-	-	-	-
Transfer In: Stormwater Fund (PW Facility)	299,000	100,000	-	-	-	-
Transfer In: Drug Seizure Fund	621,418	-	-	-	-	-
Transfer Out	(901,914)	(123,293)	-	-	-	-
Property Sale (192nd/Veterans Memorial Drive)	-	-	-	-	2,000,000	-
Construction Projects						
800MHz Interoperability	106,662	112,125	-	-	-	-
Public Works Maintenance Center	-	-	2,100,000	2,100,000	-	-
Justice Center	18,518	1,236,736	-	-	-	-
Civic Center Land Assembly	-	25,298	250,000	250,000	-	-
Justice Center Tenant Improvements (Phase 3)	-	-	-	600,000	801,000	-
End of Year Cash Available	\$ 4,897,731	\$ 6,223,844	\$ 4,021,844	\$ 3,217,844	\$ 1,901,459	\$ 1,383,637
Less Cash Restricted for Future Obligations	-	-	-	-	-	-
End of Year Cash Available	\$ 4,897,731	\$ 6,223,844	\$ 4,021,844	\$ 3,217,844	\$ 1,901,459	\$ 1,383,637

Budget Notes:

As a result of the economy, interest earnings are estimated to be significantly less than in prior years. In addition, the downturn in housing sales has decreased REET (Real Estate Excise Tax) collections by 35%.

Projects programmed in the next biennium will be reviewed carefully prior to development to preserve fund balance.

CIVIC CENTER CAPITAL IMPROVEMENT FUND

Fund Description

This fund (325) was created to account for the 2008 Limited Tax General Obligation debt issue of \$10 Million for the construction of an Interim Justice Center (including associated land acquisition in the civic center area).

Having served its purpose, this Fund will be closed out. No expenditures will be budgeted for 2013-2014, and any residual funds will be transferred back to Fund 320.

2011-2012 Key Accomplishments

- Funded construction of the Justice Center (JC)
- Assisted in the construction of improvements to Main Street and 90th Street.

Level of Service

This is a temporary fund created to account for the Civic Center Limited Tax General Obligation (LTGO) Bond Issue.

Goals & New Initiatives

- None. It is anticipated that this fund will be closed out at the end of 2012. Remaining debt service on the IJC will be charged to the General Government CIP Fund 320 or General Fund. Future improvements to the civic center campus are anticipated to be budgeted and accounted for in the General Government CIP Fund 320.

Resource Summary

RESOURCE SUMMARY: Civic Center CIP Fund 325	Actual		Budget			
	2010	2011	2012 Adopted	2012 Revised	2013	2014
Charges for Service						
Space & Facilities Rentals	\$ 61,686	\$ -	\$ 49,000	\$ 49,000	\$ -	\$ -
Interest	22,892	-	79,000	29,000	-	-
Other Revenues	7,917	-	20,000	20,000	-	-
Revenues	92,495	-	148,000	98,000	-	-
Salary						
Benefits	-	-	-	-	-	-
Other Operating Expenses	92,509	-	-	-	-	-
Subtotal - Operating Expenses	92,509	-	-	-	-	-
Operating Capital	-	-	-	-	-	-
Debt Service Expense	-	-	148,000	98,000	-	-
Total Operating Expense	92,509	-	148,000	98,000	-	-
Annual Cash Available for Projects	(14)	-	-	-	-	-
Beginning of the Year Cash Available	2,586,848	1	(0)	(0)	(0)	(0)
Total Cash Available for Projects	2,586,834	1	(0)	(0)	(0)	(0)
Other Financing Sources						
Bond Proceeds	-	-	-	-	-	-
Transfer In	901,914	123,293	-	-	-	-
Construction Projects						
Civic Campus (Reimb to Fund 320)	-	-	-	-	-	-
Civic Campus	-	-	-	-	-	-
Justice Center - Construction	3,465,780	105,883	-	-	-	-
Justice Center - Furnishings	2,458	17,411	-	-	-	-
90th St Improvements	20,509	-	-	-	-	-
End of Year Cash Available	\$ 1	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)
Less Cash Restricted for Future Obligations	-	-	-	-	-	-
End of Year Cash Available	\$ 1	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)

Budget Notes:

This fund will be closed as of 12/31/2012. All remaining activity shall be reflected in the General Government Capital Improvement Fund (320).

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INTERNAL SERVICE FUNDS

EQUIPMENT RENTAL & REPLACEMENT FUND

Budget Overview

RESOURCE SUMMARY:	Actual		Budget			
	2010	2011	2012 Adopted	2012 Revised	2013	2014
Charges for Service:						
Interfund Charges for Service						
General Fund	\$ 402,496	\$ 402,496	\$ 407,907	\$ 407,907	\$ 407,907	\$ 407,907
Drug Investigation Fund	-	-	-	-	-	-
Water Fund	197,445	197,445	158,631	158,631	158,631	158,631
Sewer Fund	67,486	67,486	77,049	77,049	77,049	77,049
Stormwater Fund	61,863	61,863	18,129	18,129	18,129	18,129
ER&R Fund (self-funded)	17,601	17,601	18,129	18,129	18,129	18,129
Charges for Service	-	-	-	-	-	-
Interfund Charges for Replacement						
General Fund	230,279	230,279	231,654	231,654	231,654	231,654
Drug Investigation Fund	-	-	-	-	-	-
Water Fund	111,200	111,200	105,443	105,443	105,443	105,443
Sewer Fund	19,621	19,621	34,892	34,892	34,892	34,892
Stormwater Fund	31,749	31,749	24,060	24,060	24,060	24,060
ER&R Fund (self-funded)	4,335	4,335	4,465	4,465	4,465	4,465
Interest:	-	-	66,226	66,226	66,226	66,226
Other Non-Operating Revenue	27,438	32,118	-	8,300	8,300	8,300
Capital Contributions	121,671	750,000	-	-	-	-
Transfers In	-	-	-	-	-	-
Revenues	<u>\$ 1,293,183</u>	<u>\$ 1,926,193</u>	<u>\$ 1,146,585</u>	<u>\$ 1,154,885</u>	<u>\$ 1,154,885</u>	<u>\$ 1,154,885</u>
Salary	\$ 135,556	\$ 143,898	\$ 151,557	\$ 170,925	\$ 155,820	\$ 156,313
Benefits	51,283	61,046	59,698	71,551	70,242	73,925
Other Operating Expenses	418,362	460,067	404,850	484,850	558,988	572,121
Transfers Out (Interfund)	68,556	68,555	68,555	68,555	55,434	55,721
Sub-Total Operating Expenses	<u>\$ 673,757</u>	<u>\$ 733,565</u>	<u>\$ 684,660</u>	<u>\$ 795,881</u>	<u>\$ 840,485</u>	<u>\$ 858,080</u>
Rolling Stock (new)	274,004	235,375	-	19,831	-	-
Depreciation Expense	356,415	396,457	-	-	-	-
Total Operating Expenses	<u>1,304,176</u>	<u>1,365,397</u>	<u>684,660</u>	<u>815,712</u>	<u>840,485</u>	<u>858,080</u>
Annual Cash Available for Replacement	<u>(10,993)</u>	<u>560,797</u>	<u>461,925</u>	<u>339,173</u>	<u>314,400</u>	<u>296,805</u>
Beginning of the Year Cash	1,982,996	1,972,003	2,532,799	2,532,799	2,527,972	2,523,676
Total Cash Available for Replacement	<u>1,972,003</u>	<u>2,532,799</u>	<u>2,994,724</u>	<u>2,871,972</u>	<u>2,842,373</u>	<u>2,820,480</u>
Capital Replacement per Schedule	-	-	219,000	344,000	318,697	177,577
End of Year Cash	<u>1,972,003</u>	<u>2,532,799</u>	<u>2,775,724</u>	<u>2,527,972</u>	<u>2,523,676</u>	<u>2,642,903</u>

Mission Statement

Maintain and repair of rolling stock and other equipment assigned to the Equipment Rental and Replacement Fund (ER&R), including motor vehicles, construction equipment and generators used by all City departments. Maximize reliability and minimize down time while preserving a high quality appearance of all equipment.

Fund Description

The ER&R fund is an Internal Service Fund that is used as a revolving fund to pay for the salaries, benefits, and operations required for the repair, replacement, purchase and operation of motorized vehicles and various high dollar equipment such as emergency generators. It includes costs to purchase fuel, oil, parts, and other supplies necessary for the operation and maintenance of the city's equipment fleet.

This fund is financed through interfund charges for service assessed to each department's budget to pay for their proportionate share of equipment, operating and maintenance costs. Assessments are charged to each City department based on the number and types of vehicles assigned to a department. Annual rental costs are based on life expectancy (depreciation) and current replacement value, less anticipated revenue from surplus that equipment.

The Public Works Department is responsible for maintenance and repair of all equipment in the ER&R fund, including documenting maintenance records. Determination of the cost allocation to individual departments is managed by the CFO and City Administrator. Concurrence from the City Administrator is required prior to acquiring new or replacement equipment and to surplus and dispose of old equipment.

All motor vehicles, equipment, parts, accessories and supplies acquired by the Fund are deemed to be owned by, and are maintained by, the ER&R fund.

2011-2012 Key Accomplishments

- Contracts were awarded/renewed to provide routine maintenance on police cruisers and administrative vehicles.
- Purchases:
 - Water meter reader pickup truck
 - (9) Police Patrol Cars
 - (1) Parks Truck-Water Service Truck
 - (1) Community Development Vehicle
 - (1) Wastewater Dept. Service Truck
 - (15) Vehicles and equipment were surplus.
- Continue implementing City ER&R policies and procedures.
- Implement use of GBA work management module to better manage utilization, maintenance, operation and repair City ER&R equipment. This includes both motorized and non-motorized equipment including administrative and construction vehicles, and sewer/water/facility emergency generators.
- Evaluation of submitted ER&R study by outside contractor.
- Utilize a NPDES grant to refurbish RS#498 (Hydro-Flusher truck) by the end of 2012.

Level of Service

Equipment receives routine preventive maintenance to ensure equipment dependability/reliability. Life extension for vehicles will be considered only where economically feasible and when the equipment is fully capable of performing the duties assigned.

During routine operator inspections, vehicles are serviced immediately when safety deficiencies occur; or, the vehicle is deadlined until parts and/or repairs can be accomplished. Equipment specifications are continually upgraded to reflect current workplace demands and flexibility in use. Manufacturers recommended maintenance schedules are adhered to.

Goals & New Initiatives

- Purchase 2013 and 2014 vehicles as identified in budgets early each fiscal year.
- Use GBA work order system to record and monitor all expenditures on vehicles and equipment.
- Develop shop supply inventory system.
- Improve revenue and cost allocation tracking of equipment in this Internal Service Fund.
- Inventory all equipment and provide cost analysis for possible inclusion into ER&R fund.
- Redesign ER&R in-house maintenance program to fit current funding and labor.
- Investigate feasibility of adding maintenance services contracts for Heavy duty Truck and Heavy-Construction equipment. Compare to cost of hiring a second mechanic.
- Track and require warranty work with vendors when applicable.
- Replace older equipment beyond its useful life for which repair parts are prohibitively expensive, not cost-effective, or unavailable.
- Where feasible, extend the life of vehicles (without serious mechanical deficiencies) by detailing or repainting the exterior and making other minor repairs.
- Improve level of maintenance service work performed on all vehicles to fully comply with manufacturer's guidelines and minimize maintenance and operation costs.
- When possible, without compromising equipment reliability and capability, purchase equipment that can be utilized for multiple purposes.

Scheduled Replacements

Asset #	Department	Equipment Being Replaced	2013	2014	Note
RS133	Community Development	Dodge Stratus 2004	\$ 9,500	\$ -	
RS222	ER&R	Ford F250	30,000	-	1
RS135	Executive/Information Services	Dodge Stratus 2004	9,800	-	
RS221	Facilities	Ford F150	9,000	-	2
RS291	Park Facilities	Ford Ranger	-	-	3
RS463	Park Facilities	Paint Stripper	4,000	-	
RS601	Park Facilities	Mower - Grasshopper	14,500	-	
PD202	Police	Ford Crown Victoria 2000	40,706	-	
PD052	Police	Ford Crown Victoria 2004	37,622	-	
PD0053	Police	Ford Crown Victoria 2004	37,622	-	
PD057	Police	Mercury Mountaineer 2000	11,000	-	
PD059	Police	Ford Crown Victoria 2005	38,270	-	
PD061	Police	Dodge Charger 2006	40,177	-	
PD023	Police	Ford Crown Victoria 2002	-	44,616	4
PD055	Police	Dodge Intrepid 2005	-	16,261	
PD511	Police	Ford Crown Victoria 2005	-	39,020	
PD062	Police	Ford Crown Victoria 2006	-	39,680	
RS297	Street	Chevrolet C2500 1995	-	19,000	
RS225	Street	Ford F250 1995	-	19,000	
RS283	Water	Ford Ranger 1999	4,000	-	7
RS284	Water	Chevrolet Silverado	26,000	-	8
subtotal			\$312,197	\$177,577	

Asset #	Department	Equipment Being Refurbished	2013	2014	Note
RS137	PW Admin	Ford Taurus 2004	1,500	-	5
RS244	Sewer	Tommy Gate Lift 2005	5,000	-	6
subtotal			\$ 6,500	\$ -	
Total cost of replacement/refurbishment			<u>318,697</u>	<u>177,577</u>	

- 1 & 2. RS222 will be reallocated to Facilities and replace RS221 that is being surplusd;
3. RS291 is being surplusd and replaced with RS284 (Water Dept);
4. PD023 is being surplusd a year early due to chronic electric/electronic issues;
5. RS137 is in excellent condition; requires painting;
6. RS244 is in excellent condition; hydraulic lift no longer serviceable;
7. RS284 is in excellent mechanical condition; requires body work and painting.

Trends & Future Issues

The City plans a thorough analysis in the 2013-2014 biennium to address several outstanding issues in the ER&R Fund. In 2008, the City Council approved a service analysis of the ER&R fleet. Finance will utilize that data to develop a rate model to ensure appropriate assessments to user departments, review depreciation and useful life activities, and develop an inflation component to replacement funding to ensure adequate replacement reserves. In reviewing the financing of the ER&R Fund, it was noted that the Fund is not fully funded. In other words, each year departments contribute funds to pay for operations and maintenance of the vehicles, and some to pay for future replacement. In the past, replacement funds were based on the purchase price of the vehicle, not on the future replacement cost of the vehicle. Thus over the years, the fund fell behind such that when it came time to replace a vehicle, the funds are not fully available, and if the department does not have extra funds somewhere in its budget to cover the difference, either the equipment purchase is deferred or the Fund makes the purchase which puts the remaining pieces of equipment more underfunded (rob Peter to pay Paul). This biennial budget proposes to “catch up” underfunded depreciation by transferring fund balances into the ER&R Fund.

Performance Measures

Equipment/Infrastructure Summary

<u>ER&R</u>	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual
Police Cruisers	9	13	22	28	34	29	29	30	30	33
Other Sedans	10	10	10	10	11	11		11	11	12
Police Motorcycles	1	1	1	2	2	1	1	1	1	1
Passenger van/shuttle	2	2	2	2	3	3		3	3	3
Compact Pickup Trucks	3	5	5	12	14	15		15	15	15
Larger Pickup Trucks	2	4	4	4	5	6		7	8	8
Utility Trucks	5	5	5	7	7	7		9	9	9
Flat Bed Trucks	2	2	3	3	3	6		9	9	9
Trailers	4	4	4	5	6	6		6	6	6
Portable Generators	7	6	6	6	6	5		5	5	5
Fixed Generators	21	25	26	30	32	42		42	42	42
Trailer Mount Arrow Board	0	1	1	1	1	1		1	1	1
10/9 YD Dump Truck	1	1	1	1	1	1		2	2	2
7/5 YD Dump Truck	3	4	4	4	4	5		3	3	3
Grader	1	1	1	1	1	2		1	1	1
Tractor-Mower	1	1	1	1	2	2		2	2	2
Backhoe	3	3	3	4	5	6		4	4	4
Vacuum Truck	1	1	1	2	2	2	2	2	2	2
Street Sweeper	0	0	0	1	1	1	1	2	2	2
Mowers	1	1	1	2	3	3		3	3	3
Mower Attachments	1	1	2	2	3	3		3	3	3
Other (Not Included Above)	9	9	10	11	13	15		16	14	14
TOTAL ER&R Equipment	87	100	113	139	159	172	33	177	176	180
ER&R Staff (Mechanics)	1.0									
TOTAL ER&R Equipment / Mechanics	87	100	113	139	159	172	33	177	176	180
Population / Total Equipment	142	130	122	103	96	92	492	93	99	97

INSURANCE FUND

Budget Overview

RESOURCE SUMMARY:	Actual		Budget			
	2010	2011	2012 Adopted	2012 Revised	2013	2014
Charges for Service:						
Interfund Charges for Service						
General Fund	\$ 234,809	\$ 234,809	\$ 246,550	\$ 246,550	\$ 212,033	\$ 218,394
Water Fund	32,339	32,339	47,781	47,781	98,310	101,259
Sewer Fund	59,600	59,600	29,680	29,680	65,818	67,792
Stormwater Fund	8,436	8,436	11,018	11,018	30,826	31,751
ER&R Fund	24,361	24,361	22,702	22,702	9,581	9,868
Insurance Recoveries:	3,606	(904)	-	-	-	-
Interest:	-	-	-	-	-	-
Revenues	<u>\$ 363,151</u>	<u>\$ 358,641</u>	<u>\$ 357,731</u>	<u>\$ 357,731</u>	<u>\$ 416,568</u>	<u>\$ 429,065</u>
Insurance Costs						
Auto (Physical Damage)	\$ -	\$ -	\$ 18,767	\$ 21,372	\$ 22,441	\$ 23,114
Crime/Fidelity	-	-	814	1,093	1,093	1,126
Boiler/Machinery	-	-	3,021	3,574	3,574	3,681
Property	-	-	71,098	89,351	93,819	96,633
Liability	-	-	319,549	293,045	295,642	304,511
Insurance	408,955	434,939	-	-	-	-
Expenses	<u>\$ 408,955</u>	<u>\$ 434,939</u>	<u>\$ 413,249</u>	<u>\$ 408,435</u>	<u>\$ 416,568</u>	<u>\$ 429,065</u>
Net Annual Cash	(45,804)	(76,298)	(55,518)	(50,704)	-	-
Beginning of the Year Cash	212,148	166,344	90,047	90,047	39,343	39,343
End of the Year Cash (Reserves)	<u>166,344</u>	<u>90,047</u>	<u>34,529</u>	<u>39,343</u>	<u>39,343</u>	<u>39,343</u>

Fund Description

The City has insurance for liability, property, unemployment, and workers' compensation (L&I) claims. This fund pays for the related premiums, claims, and deductibles. Assessments are made to other City funds based on a proportional allocation of FTE for all premiums except Auto (Physical Damage), which are allocated wholly to the ER&R Fund. If actual expenditures are less than departmental assessments, the difference remains in the Fund to accumulate a reserve.

Since 2002, the City has been a member of the Washington Cities Insurance Authority (WCIA). WCIA is a pool of cities that jointly insure and manage their risks. The City uses WCIA for the full range of insurance coverage, including liability, errors and omissions, auto, property and casualty, inland marine, boiler and machinery, and fidelity. The Insurance Fund was established to pay insurance premiums and membership costs for participation in the WCIA. Expenses of this Fund are largely financed through user fees charged to various Funds or Departments based on the employees, property and equipment assigned to each fund.

Limits of insurance for liability include \$15,000,000 per occurrence subject to annual aggregates, with no deductible. Auto coverage is actual cash value with a \$500 deductible (excludes glass repair, fire and lightning). Property damage coverage has a \$300 million per occurrence limit, with a \$5000 deductible. Boiler and machinery coverage has a \$50 million limit with variable deductibles. Fidelity coverage is limited to \$2,500,000 with a \$10,000 deductible.

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About the City of Bonney Lake

Elected Officials



Councilmembers – From Left to Right

Mark Hamilton	Donn Lewis	Tom Watson	Dan Swatman	Katrina Minton- Davis	Randy McKibbin	James Rackley
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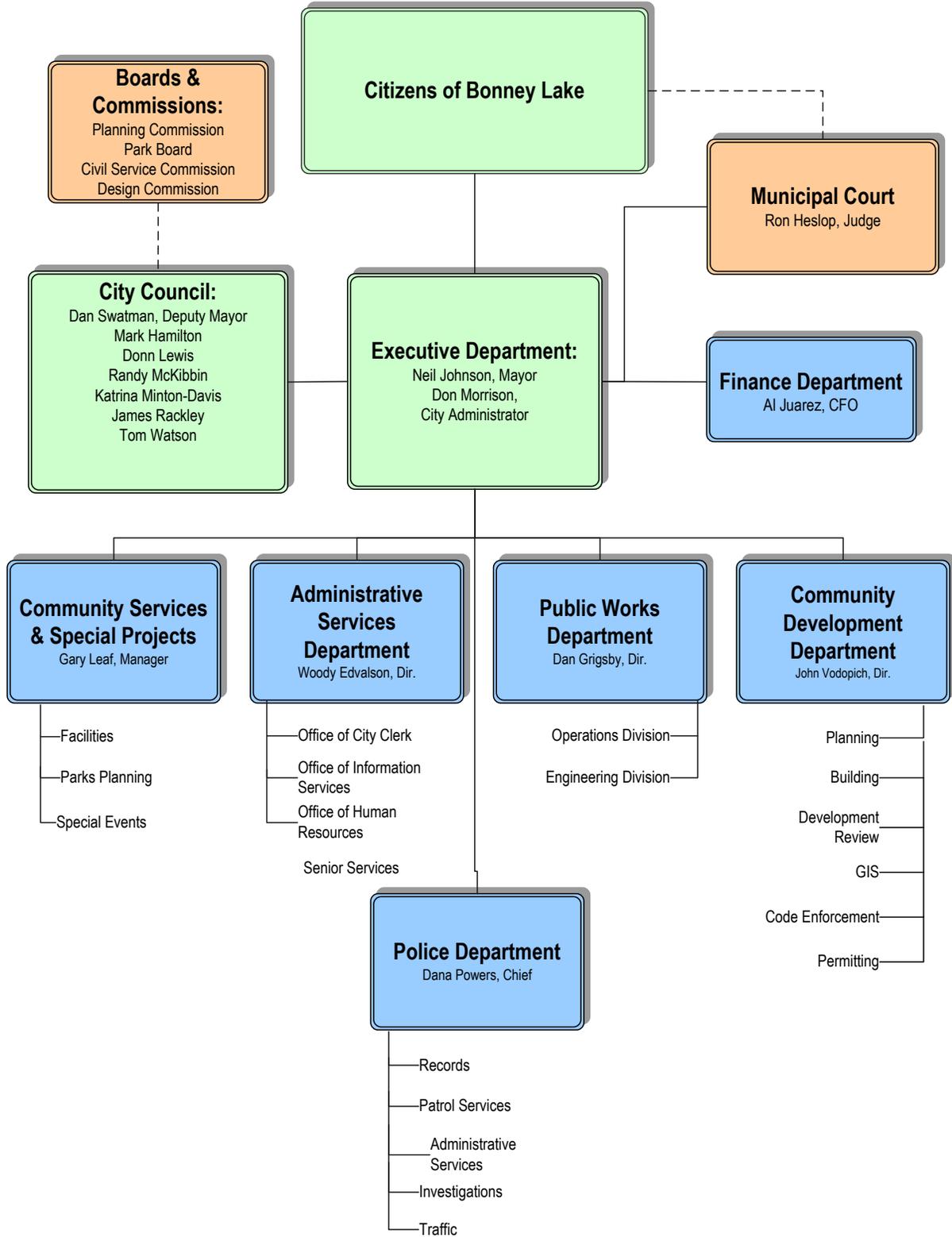


Neil Johnson
Mayor

Neil Johnson, Jr.	Mayor
Don Morrison	City Administrator
Al Juarez	Chief Financial Officer
John Vodopich	Community Development Director
Harwood Edvalson	Administrative Svcs Director/City Clerk
Dana Powers	Police Chief
Dan Grigsby	Public Works Director
Ron Heslop	Municipal Court Judge
Kathy Seymour	Municipal Court Administrator

General City Organization Chart

Finance Department



Management Team

Mayor Johnson's management team consists of:

Executive Department

Don Morrison, City Administrator
Maili Barber, Prosecuting Attorney
Gary Leaf, Facilities and Special Projects Manager

Finance Department

Al Juarez, MBA, Chief Financial Officer
Annette Maib, Financial Operations Manager

Administrative Services Department

Harwood Edvalson, Director of Administrative Services/City Clerk
Chuck McEwen, Information Services Manager
Jenna Young, Human Resources Manager
Sue Hilberg, Senior Services Manager

Public Works Department

Dan Grigsby, P.E., Public Works Director
John Woodcock, P.E., City Engineer
Charlie Simpson, Assistant Public Works Director

Community Development Department

John Vodopich, AICP, Community Development Director

Police Department

Dana Powers, Chief of Police

Municipal Court

Ron Heslop, Judge
Kathy Seymour, Court Administrator

FORM OF GOVERNMENT

Bonney Lake is currently organized as a non-charter code city, under the mayor-council form of government. The optional municipal code, Title 35A RCW, was devised as an alternative to the existing statutory system of municipal government in Washington. The basic objective of the code was to increase the abilities of cities to cope with complex urban problems by providing broad statutory home rule authority in matters of local concern to all municipalities, regardless of population. Cities operating under the optional municipal code are commonly referred to as code cities. Under the optional municipal code, cities may take any action on matters of local concern so long as that action is neither prohibited by the State Constitution nor in conflict with the general law of the state. The powers granted to code cities include all the powers granted to any other class of city in any existing or future legislative enactment, unless the legislature specifically makes a statute inapplicable to code cities.

The City of Bonney Lake is led by a publicly-elected Mayor and a seven-member City Council, who are all elected at-large. The Bonney Lake Municipal Code (BLMC) Chapter 2.04 contains the City Council's Rules and Procedures.

Every even numbered year (bi-annually) in January, the City Council elects one of its members to serve as the Deputy Mayor (Council President). BLMC 04.510 outlines the duties of the deputy mayor: "*The deputy mayor presides at meetings of the council, administers oaths and signs instruments in the absence of the mayor. When the deputy mayor presides over a council meeting he/she shall retain his or her councilmanic vote. In addition to serving in the absence of the mayor, the deputy mayor shall serve as finance committee chair for the term of office as established for the deputy mayor, shall serve as voucher review committee chair, shall be responsible for overseeing council agendas with the city clerk and the mayor, and, shall perform any other duties prescribed by the council.*" (Ord. 1061 § 1, 2004).

The city attorney or assistant city attorney acts as the council's parliamentarian (BLMC 2.04.210).

Most WA cities adopt council rules of procedure by resolution. However, in Bonney Lake, the council rules have been adopted by ordinance and are codified as BLMC Chapter 2.04. These rules govern the way the city council conducts its business, and covers such topics as council meetings, voting, citizen participation, meeting decorum, etc.

Workshops: The Council meets in Workshop (as a Committee of the Whole) on the first and third Tuesdays of the month, beginning at 5:30 p.m.

Regular Meetings: The Council meets in regular session on the second and fourth Tuesdays of the month, beginning at 7:00 p.m.

The Council does not normally meet on any 5th Tuesdays of the month, but may on occasion schedule those few fifth Tuesdays of a month to meet in a joint session with one of the City's advisory boards.

Council Committees. There are four (4) standing committees of the City Council: Finance, Voucher Review, Public Safety, and Community Development. Each council standing committee meets at least monthly and is supposed to hold meetings a minimum of 12 times per year. Council committee members are to notify the committee chair of planned absences at least 24 hours in advance of the meeting and the chair of the committee may contact the deputy mayor or any other councilmember to serve in their absence.

Committee membership is determined by the council biennially on even numbered years at the first meeting in January (same as deputy mayor) or more often as the council determines is necessary. Each committee consists of three councilmembers, and each councilmember generally serves on at least one committee. The public safety and community development committees each choose their own chairperson.

1. *Finance Committee.* The deputy mayor is the chair of the finance committee. The chairs of the community development committee and the public safety committee shall also serve on this committee with the deputy mayor. The finance committee was created for the purpose of advising the city council on matters concerning the general fiscal and financial operations of the city, budget and financial reports, policy matters related to city finances and personnel, including, but not limited to, the salary grade schedule, position classifications and salary changes in coordination with the mayor, chief financial officer, human resources manager and administrative services director/city clerk. The Finance Committee meets the second and fourth Tuesdays at 5:20pm for Voucher Review, and at 5:30pm for committee meeting.
2. *Voucher Review Committee.* The membership of the voucher review committee is the same as the Finance Committee. The voucher review committee was created for the purpose of reviewing all city payable vouchers and payroll and to make recommendations to the city council for payment approval of the city's expenditures at a minimum of twice per month. The Committee meets the second and fourth Tuesdays at 5:30pm.
3. *Public Safety Committee.* The Public Safety Committee consists of three (3) council members appointed by the city council. The public safety committee was created for the purpose of advising the city council on matters concerning the overall safety of the citizens who live within our community that pertain to police and fire protection, the municipal court, emergency services and animal control in coordination with the police department, fire department (District #22) and civil service commission. The Committee meets the first Monday of the month at 5:00 p.m., with an additional meeting the third Monday of the month if needed.
4. *Community Development Committee.* The Community Development Committee (CDC) consists of three (3) council members appointed by the city council. The community development committee was created for the purpose of advising the city council on matters related to the planning of the physical, economic, aesthetic, cultural and social development of the city zoning codes, building codes, sign codes, annexation policies, parks and recreation and all city utilities in coordination with the planning department, planning commission, building department, parks department and the public works

department. The CDC considers policy and legislative matters relating to public works and planning/development issues that are not considered by the planning commission, design commission, or hearing examiner. The CDC meets the first and third Mondays of the month at 5:00pm.

CITY ADMINISTRATION AND DEPARTMENT ORGANIZATION

The executive branch of City government is headed by the Mayor who is assisted by a City Administrator. City administration currently consists of six (6) official departments and the municipal court.

1. Executive
2. Administrative Services
3. Finance
4. Community Development
5. Public Works
6. Police
7. Municipal Court

Executive Department. The Executive Department consists of the Mayor, City Administrator, Prosecuting Attorney, and Facilities and Special Events staff. The Executive Department oversees and coordinates the activities of all departments of the City. The Facilities and special events staff plans park improvements, carries out a variety of special events, and administers the community culture programs of the City. The facilities section provides custodial services and maintains all of the City's primary buildings and grounds, including the Justice & Municipal Center, Public Works Center, Senior Center, Public Safety Building, and City Hall Annex.

Administrative Services. The Administrative Services Department includes the offices of City Clerk, Human Resources, Information Technology (IT), and Senior Services. The department provides services such as public information, City Council agenda preparation, human resources administration, records maintenance, and computer support. The IT office coordinates and maintains all of the computer, phone and related systems of the City. The Senior Services Division operates the Bonney Lake Senior Center and administers the City's senior citizen programs and services.

Finance. The Finance department assists the mayor and city administrator in the preparation of the annual budget and all work incidental thereto, serves as city treasurer; is responsible for the disbursement of all monies; maintains the general accounting system of the city and each of its offices and departments; administers the payroll system of the city; complies financial statements and reports; supervises the collection of all taxes, special assessments, license fees and other revenues of the city; and assists with, and facilitates, the purchase of supplies, materials, equipment and other articles used by any office or department of the city government.

Community Development. The Community Development Department plans and coordinates all aspects of the City's physical development. Planners do this through preparation of the City's Comprehensive Plan, development regulations, adopted building codes, and other long-range plans. They also evaluate and revise the zoning and subdivision ordinances as needed. In addition, Planners work with our local boards and commissions concerned with the appearance and use of land in Bonney Lake.

Police. The Police Department is located in the City's public safety building, which it currently shares with Fire District #22. The City of Bonney Lake has annexed into Fire District #22, which is a separate municipal corporation. Services offered by the police department include security surveys, investigation, crime prevention, coordination of some special events, community oriented policing, traffic control and crisis-intervention assistance.

Public Works. The Public Works Department includes the construction, operation and maintenance of all public streets, sidewalks, alleys, bridges, viaducts, highways and rights-of-way, including the placement and operation of signs, signals and lighting fixtures; the construction, operation and maintenance of all public water supply, storage and distribution facilities, including water mains, pumping stations, reservoirs, and wells; the construction, operation and maintenance of all sanitary sewers, sewer facilities and appurtenances, including sanitary sewers, and pumping stations; the construction and maintenance of all storm sewer facilities and appurtenances, including storm sewers, drains, ditches, culverts and streams and watercourses under jurisdiction of the city; the construction, maintenance and operation of all public parking lots; the cleaning of all streets and alleys including snow removal operations; the control, management and supervision of the equipment rental fund, including all associated city shops and garages; the making of all necessary surveys, maps, drawings and documents and the preparation of contract drawings, specifications, cost estimates, and supervision of construction and inspection for all public works construction. The parks and forestry section maintains the parks system of the City and administers the community forestry program.

The Engineering Division of public works oversees the environmental, transportation, utility, and other Public Works related engineering projects and programs of the City to ensure technical competence and compliance with standards and codes. The engineering division takes the lead and manages most of the capital improvement projects of the City.

The Operations and Maintenance Division of public works operates and maintains the water, sanitary sewer collection, street, and storm water systems of the City. The Operations and Maintenance Division also maintains the City's fleet.

Municipal Court. The municipal court is a legally independent branch of city government, but is subject to the ordinances, resolutions, policies, and procedures of the City. The Bonney Lake Municipal Court is a court of limited jurisdiction. The court adjudicates violations of city ordinances, including the traffic code, infractions, and other misdemeanors. Municipal court judges may impose fines up to \$5,000, a year in jail, or both, although many ordinances will specify the maximum penalty in the ordinance. The Municipal Judge and Court Administrator administer the activities of the municipal court. Prosecution is provided an internal position of Prosecuting Attorney. The judge is appointed by the mayor for a four (4) year term.

BOARDS AND COMMISSIONS

The City has four (4) standing boards and commissions:

1. Planning Commission
2. Design Commission
3. Civil Service Commission
4. Park Board (Also serves as Tree Board)

Planning Commission

Meets 1st and 3rd Wednesday of each month at 5:30 p.m.

The Planning Commission is comprised of seven citizens appointed by the Mayor to six-year terms. A special meeting may be called at any time, with notices posted not less than 24 hours in advance. The Planning Commission agenda is available one week prior to the meeting date. These meetings may be cancelled or changed, so please call (253) 862-8602 prior to attending. Meetings are conducted according to by-laws adopted by the Agency.

Responsibilities: The Planning Agency acts as the land use advisory body for the City Council and reviews and makes recommendations to the City Council on the City's Comprehensive Plan, Shoreline Plan and amendments to the SEPA and environmentally sensitive area codes, subdivision, zoning and sign codes. They are also responsible for making recommendations to the city council for Type 3 permits.

Design Commission

Meets 2nd Wednesday at 6:00 p.m. (and possibly 4th Wednesday with 24 hours notice)

The Design Commission is comprised of seven persons appointed by the Mayor. Five of the members shall be practicing professionals within the fields of architecture, planning, civil engineering, landscape architecture, and development

Responsibilities: The Design Commission provides advice to the Planning Department and Planning Commission on issues related to design and they advocate quality design through education, promotion, and other means, as may be appropriate.

Civil Service Commission

Meets on the fourth Monday of the month at 5:30 p.m.

The Civil Service Commission is comprised of three persons appointed by the mayor to six-year terms.

Responsibilities: The Civil Service Commission shall perform all the duties and obligations required and provided by the laws of the State of Washington per RCW 41.12.040 as the same is or may now hereafter be amended.

Park Board

Meets 2nd Monday of month at 6:00 p.m.

The Park Board is comprised of seven members appointed by the mayor with the consent of the city council.

Responsibilities: The Park Board is responsible for reviewing park and recreation matters in the City. They also review and recommend the draft park element of the comprehensive plan prior to review by the planning commission and city council. The Park Board also sits as the City's "Tree Board", and as such reviews the community forestry plan and acts as the body that considers designation of heritage trees.

CITY SERVICES – WHO DOES WHAT?

Police. Police services are provided by the City of Bonney Lake Police Department. The Police Department consists of commissioned officers and civilian support positions. The Bonney Lake Police Department provides the citizens of Bonney Lake with a broad range of law enforcement services, comprised of three core areas providing traditional law enforcement services plus several small units staffed by officers throughout the department on an additional duty basis, to provide specialty services when needed. The mission of the police department is *to provide quality law enforcement and preserve the peace within the framework of the Constitution and enforcement of federal, state and municipal law, we embrace the highest principles of public service adhering to legislative standards of fairness, impartiality and equality.*

In fulfillment of that mission, the department provides the following services:

- Patrol services, including initial response to calls for police service and coordination of relations with external agencies;
- Criminal investigations, including investigation of criminal offenses and provision of liaison with other law enforcement agencies, and dissemination of crime information to the public and other agencies;
- Community services, including management of and response to domestic violence and youth-related complaints, provision of education-related services such as the school resource officer program and crime prevention services;
- Tactical and marine specialty services;
- Administrative services including planning and fiscal management, crime analysis, police records, and automated recordkeeping in support of the city, state and federal criminal justice systems; and

- Personnel management services, including internal affairs (complaint investigations), training, and personnel services.

To support the department's mission, the overall organization of the department is structured around three functional areas: patrol, investigations and administration.

Animal Control. Prior to 2006, the City provided for animal control services through a service agreement with the Pierce County Humane Society. In early 2005, the Society notified all Pierce County cities that it would no longer provide animal control services (they have since decided that they would continue to offer sheltering services). Upon receipt of the notice, the City began looking at alternative means of providing animal control services. Effective 1/1/06, the City began contracting with the City of Sumner (later organized as Metro Animal Services) for animal control services. Metro Animal Services, in cooperation with the City of Puyallup, has a joint animal shelter located at 1200 39th Ave. SE, Puyallup, WA 98374, phone: (253) 841-5595.

Fire. In 1994, the City of Bonney Lake completed a new Public Safety Building to house the City's Police and Fire Departments. In fall of 1999, the citizens of Bonney Lake voted affirmatively to annex into Pierce County Fire Protection District No. 22, commonly known as East Pierce Fire and Rescue, effectively completing a merger of the City's municipal fire department with that of District 22. The Fire District serves most of the plateau area, including the City of Sumner (which annexed into the Fire District in 2008). Since the effective date of the annexation all fire protection and emergency medical services throughout the City of Bonney Lake have been provided by Fire Protection District 22.

The Fire District provides a variety of fire and life safety services, including:

- *Fire Prevention:* East Pierce Fire & Rescue Prevention Division provides plan review, code enforcement, juvenile fire setter intervention program, and fire investigation. If you need more information or have questions, call East Pierce Fire & Rescue at 253-863-1800.
- *Fire Suppression:* The District operates 13 Fire Stations. Six are staffed 24 hours a day, 7 days a week, by career firefighters. The other seven include six that are volunteer stations, and a water rescue facility located on Lake Tapps.
- *Wild Fire Response:* East Pierce Fire & Rescue has, over the years, developed a group of firefighters to combat the dangers of "Brush Fires". The District has 3 brush fire trucks.
- *Emergency Medical Services:* The district operates 6 Paramedic Units that provide Advanced Life Support along with seven reserve aid units.
- *Water Rescue:* The East Pierce Fire & Rescue dive team consists of both career and volunteer firefighters. All divers hold a minimum of Open Water, Dive Rescue, and EMT certifications. The district has two rescue water boats.

Emergency Medical Services. Emergency medical services are provided by East Pierce Fire and Rescue (Pierce County Rural Fire Protection District #22). The district operates six paramedic units. One Medic Unit is housed in the Bonney Lake station. The district offers both Basic Life Support (BLS), which are basic services such as transport, first aid, CPR and other noninvasive assistance, and Advanced Life Support (ALS), which are paramedic provided

services such as EKG monitoring, chest decompression, medication administration, or IV therapy. Paramedics accompany both engines and aid units responding to emergencies. The District also provides transport services (from home to hospital, or rest home to hospital, etc.) at no direct charge to the patient if they live in District 22. However, the District will bill the patient's insurance for the service.

Water. The City of Bonney Lake owns and operates a public water system within its corporate boundaries as an enterprise fund. The City provides service to approximately 12,500 water customer accounts. Of these accounts, 5,693 are within City limits. The water service area extends outside the city limits of Bonney Lake, to unincorporated areas in Pierce County around Lake Tapps, and serves customers inside the City of Auburn that reside in Pierce County. The City limits comprise an area of approximately 6.7 square miles and the water service area is approximately 25 square miles. The Washington Department of Health classifies the system as a Type Group A - Community - Public Water System. The Water Section of the Public Works Operations Division is headed by the Assistant Public Works Director who reports to the Public Works Director.

The City's water supply consists of two well fields and two spring sources. Both springs are classified as not under the influence of surface water. Combined water source capacity is 6,175 gallons per minute (GPM) or 8.8 million gallons per day (MGD). System storage capacity is provided by five water tanks that have a total capacity of 20.7 million gallons (MG). In addition, the Bonney Lake water system has fourteen major pressure zones with 27 pressure reducing stations, 5 booster pump stations, and more than 198 miles of water main. The City also has a long term water supply contract with Tacoma Public Utilities (TPU) for up to 2 MGD to supplement the City's existing water supply sources, and has recently negotiated the purchase of an additional 2 MGD from TPU with Cascade Water Alliance (CWA). Additionally, CWA will hold 2 MGD in White River water rights for the City. The combined water supply of 14.8 MGD will support projected growth in our water service area at least through the year 2040.

Sewer. The City operates a municipal sewerage utility as an enterprise fund. Sewer services are provided to approximately 5,463 customers. The sewer service area is broken into three areas: Core, Northern, and Southern areas. The core area covers the area within the City limits and Urban Growth Areas. The Northern and Southern service areas are outside the City within the Pierce County Comprehensive Urban Growth Areas. The City owns and maintains the sewage collection system, however sewage treatment is provided by the City of Sumner through an Interlocal agreement. Customers are charged based on the amount of water they consume up to 10 CCF each month. This 10 CCF cap is used to avoid water users paying for waste water treatment services on water they use for irrigation. The Sewer Section of the Public Works Operations Division is headed by the Assistant Public Works Director who reports to the Public Works Director.

Stormwater. The City operates a storm water utility as an enterprise fund, with established rates and charges for service. Stormwater services are provided to approximately 6,126 customers. The City does not have a fully-developed storm water system. In most of the older areas of the City, storm water is handled by a variety of drainage swells and natural drainage basins. In newer developments, storm water is channeled to detention ponds. Each single family residence in the

City is assessed a flat monthly rate (see BLMC 15.14.030) for storm water service. Multi-family developments are charged a fixed monthly rate for each meter for those units having a separate meter for each unit. All other multi-family and commercial properties are charged based on the number of equivalent system units (ESUs) calculated for their property. ESUs are determined by the amount of impermeable surface there is on the property. Credit against the charges can be received, up to 50% of the charge, for those customers with a qualifying stormwater detention or infiltration system serving the site.

Street Maintenance. In 2012, street maintenance was provided to 17, 730 residents using 157 lane miles of roadways in the City. Additionally, SR410 runs east to west through the middle of the City. City crews maintain all public road pavements, street signs, traffic signs, pavement marking, street lights, and traffic signals. Major city streets are swept regularly. The Street Section of the Public Works Operations Division is headed by the Assistant Public Works Director who reports to the Public Works Director.

Refuse, Yard Waste and Recycling. Solid waste collection services in Bonney Lake, including curb side yard waste collection and one-source curbside recycling, are provided by DM Disposal through a contract with the City. Refuse collection is provided on a weekly basis. Yard waste and recycling are collected on a bi-weekly basis. The refuse and recycling service is mandatory, while yard waste collection is optional.

The single-cart curbside recycling program allows customers to put all recyclable into a single cart. All recyclables must be in the cart to be collected. The automated trucks have a mechanical arm that picks up the cart, so items left outside the cart will not be collected. Extra recyclables can be taken to the So. Prairie Road Recycling Station. Customers can also recycle glass at the BL Supermarket or the Prairie Ridge Transfer Station at the corner of Prairie Ridge and So. Prairie Road. Items that can be recycled include paper, card board, tag board, aluminum, plastic bottles (but not the bottle caps) and paper milk-style cartons.

Under the City's contract with DM, the company is allowed to pass-through any cost increases in tipping fees (the rates charged for disposing solid waste into the landfill). Also, effective March 1st of each year, DM receives an annual adjustment equivalent to 80% of the CPI.

Electricity/Natural Gas. Electrical and natural gas service in Bonney Lake is provided by Puget Sound Energy.

Parks. The City of Bonney Lake operates a modest park system. The principal park is Allan Yorke Park which features ball fields, a skateboard park, a beach, and a boat launch onto Lake Tapps. The city parks operation is part of the Community Services department.

Recreation. The City has an interlocal agreement with the City of Sumner and the Sumner School District to fund a joint recreation program. The School District is the lead agency in the agreement, and provides the staff for the program. All three (3) agencies contribute funds and use of their fields toward a comprehensive recreation program.

Senior Services. The City operates a senior center as part of the Administrative Services Department. The City provides a lunch program, plus a variety of social and cultural activities for the seniors of the area. The Center is assisted by the Bonney Lake Area Senior Citizens, a 501(C)3 nonprofit corporation, which provides operational support through volunteers, a bingo program, and other fund raising programs to benefit the senior citizens. The center is open Monday-Friday. The senior center is available for group rental when not in use by the seniors.

Library. Several years ago, the City annexed into the Pierce County Library District. Property owners are assessed .5 mil (one mil = \$1 for each \$1,000 of assessed value) for library services. The Bonney Lake branch of the Pierce County Library System is located at 18501-90 St. East. The Bonney Lake Branch of the Pierce County Library provides a broad range of print, electronic, and audiovisual material.

Public Health. By state law, the City must provide basic public health services, either on its own or as a part of a regional system (e.g. Tacoma Pierce County Health Department - TPCHD). The cost of developing and operating a local health department and providing the minimal levels of service would be cost-prohibitive, so the City has opted to be a part of the TPCHD. Historically, the city paid an annual assessment for the City's share of health department services; however, the state now pays all of the costs, a concession made to cities for reducing other state shared revenues.

Air Pollution Control. The Puget Sound Clean Air Agency – or PSCAA (formerly known as the Puget Sound Air Pollution Control Agency - PSAPCA) is a separate governmental body chartered by state law in 1967 ([RCW Chapter 70.94](#)). They are responsible to ensure that residents of King, Kitsap, Pierce and Snohomish counties have clean air to breathe. They protect health and improve air quality by adopting and enforcing air quality regulations, sponsoring voluntary initiatives to improve air quality, and educating people and businesses about clean-air choices.

Their funding comes from a variety of sources: Registration fees and operating permits from businesses; Federal, state and local grants; Fees paid by cities and counties; Fees for Notice of Construction (pre-construction permits) and asbestos removal permits. Contributions from cities and counties amount to about 56 cents per person per year (see <http://www.pscleanair.org/about/funding.aspx>). Annual fees for cities and counties are calculated proportionally based on the population count of the prior year and the assessed valuation provided by the county.

COMMUNITY AND ECONOMIC PROFILE

Community Profile

In 1850, the first settlers arrived in the Bonney Lake area. They traveled across the Naches Trail, following paths made by Native American tribes on their east-west crossing, a route that closely parallels today's Old Sumner-Buckley Highway.

It wasn't until 1946 that Bonney Lake was established as a town, on a 1,000 acre parcel. Until 1946, there was no electricity or water available. The Simmons family was the driving force for development and incorporation, with Kenneth Simmons serving three terms as Bonney Lake's first mayor.

Incorporation was finally accomplished in 1949, when the city population reached 327. By 1950, the new town had streets, a water system, electricity, telephone lines, refuse disposal, and a blood bank. By 1957, there were 12 businesses in Bonney Lake, with several new shopping developments underway.

The official 2012 population of Bonney Lake is 17,730, with a total estimated population of 32,508 living inside the water service area provided by the City's water utility.

The City of Bonney Lake is a residential suburban community located near and along the shores of Lake Tapps. Also included within the City are Lake Bonney and Lake Debra Jane. There are approximately 5,109 single-family residences inside the City limits, along with 930 multi-family residences (units).

Quality of Life in Bonney Lake

There are many factors which contribute to Bonney Lake's exceptional quality of life. These include availability of goods and services locally, excellent schools, a local library, desirable residential neighborhoods, exceptional local government services, and excellent recreational opportunities.

Parks and Recreation. Bonney Lake's principal park, Allan Yorke Park, features Lake Tapps beach front, a boat launch, a first-class skate board park, picnicking, trails, basketball court, and ball fields.

The City of Bonney Lake provides a variety of recreational opportunities through a joint arrangement with the City of Sumner and the Sumner School District. There are a variety of classes and competitive sports in which both youth and adults can participate.

Lake Tapps is a 4.5 square mile lake that contains 45 miles of shoreline. It is a popular place to boat, ski or fish. The shoreline of Lake Tapps is home to over 5,400 residents. The south end of the Lake is within the incorporated limits of the City of Bonney Lake. The City operates one of two public boat launches on the lake.

Bonney Lake's close proximity to Mount Rainier National Park, a favorite of both tourists and locals, gives hikers, bikers, climbers, campers and nature lovers a direct route to choice Washington terrain.

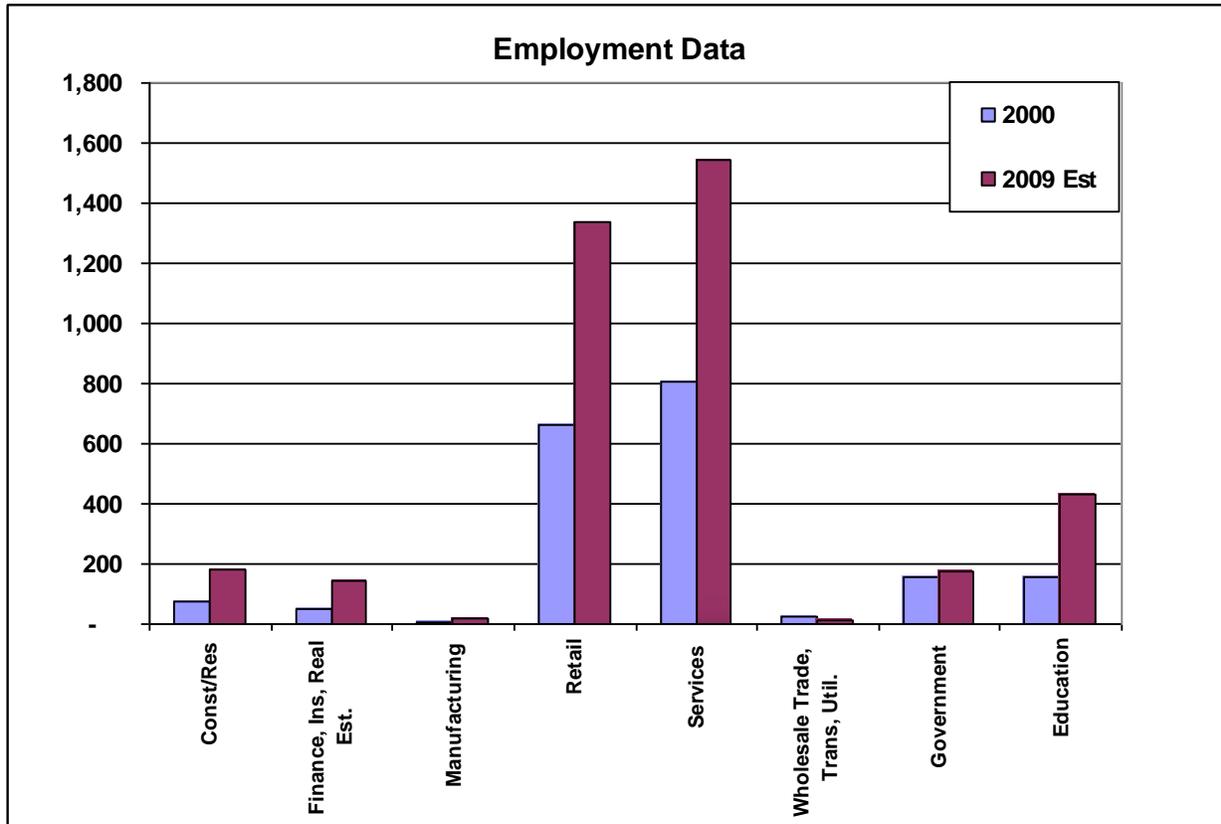
Demographic and Economic Profiles

In the past 10 years, the City of Bonney Lake has experienced significant growth in both population and demographics. Extensive economic data at the community level for Bonney Lake and its 98391 zip code trade area can be found on the City's website at http://www.ci.bonney-lake.wa.us/section_business/community_development/economic_development.shtml

Property Tax

As discussed in the Financial Summary section, property taxes make up a significant amount of the City’s operating revenues.

The PSRC reported that the following employment data in Bonney Lake by industry sector:



Source: <http://www.psrc.org/data/employment/covered-emp>

Bonney Lake partners with the Washington State Master License Service (MLS) for business licensing. In 2010, MLS reported 1,191 active/current general business licenses. These numbers reflect a decade of tremendous growth of the Bonney Lake commercial centers (Downtown, Midtown, and Eastown). The City’s major employers include big box retail such as Wal-Mart, Fred Meyer, Target, Safeway, and Home Depot, as well as the City itself (128+ full-time employees) and the Sumner School District (#320).

Sales Tax:

Since 2004 sales tax collections in the City has grown an annual average of 6.58%. The growth has not been steady, however. During 2005 and 2006, sales tax receipts grew a18% each year. When the Great Recession hit, sales tax collections flattened, growing less than 1% from 2007 to 2008. In 2008, grow was 1% negative, while in 2009 there was 9% negative growth. Sales tax collections bounced back in 2010 with a 12% increase over the previous year. Most of the

flatline in sales tax collections was from the significant drop in construction sales tax, as the construction of new commercial and residential projects hit rock bottom.

Most of the economic activity in Bonney Lake is located along the State Route 410 corridor. For discussion and planning purposes, the City has divided the commercial sector of the City into three (3) major activity areas: Downtown, Midtown, and Eastown. Downtown is occasionally referred to as Old Town, as it was the initial commercial center developed in the City.

Downtown

Downtown is generally described as that area along SR 410 from Meyers Road to Main Street. Downtown is the original commercial center of the City and serves as the western gateway of the present day City limits.

A downtown redevelopment concept plan was prepared for the area in 2001, entitled the “Strategic Commercial District Plan”. The Downtown area serves as a civic center of the city, with the existing park and ride lot, post office, public safety building, city hall annex and library as anchors. The new Justice Center opened on Main Street in early 2012. It was envisioned that a new city hall and/or community center could also be built in Downtown to further solidify it as the civic center of the City. The principal business anchor on the north side of SR410 in the Downtown area is the Grocery Outlet. The south side is anchored by the Rainier Office Building.

Midtown

Midtown is generally described as the area along SR 410 from East 192nd to East 202nd. Midtown is developed on both the north and south sides of SR 410.

Midtown is currently anchored on the south by Wal-Mart, and Office Depot. Lowe’s is on the southeastern boarder of Midtown. The north side of Midtown is anchored by Target, Marshalls, and Petco.

Eastown

Eastown is generally described as that corridor along SR 410 from 214th Avenue East to 234th Avenue East. Eastown is commercially developed from 214th Ave to 216th Ave. The major commercial activity in this section of Eastown currently includes, but is not limited to, Blockbuster, Mazatlan restaurant, other restaurants, used car dealers, several medical/dental/physical therapy offices, auto parts stores and a gas station. The rest of Eastown is either residential or undeveloped farm land. The City’s most significant commercial development opportunity lies in the portion of Eastown running along SR 410 from 216th Avenue East to 234th Avenue East. However, development has been held up pending extension of the city sewer system into this area. The City has completed an Eastown Sub-area study and plan that was incorporated in our Comprehensive Plan in 2005. As a result, the future water, sewer, stormwater, and road systems have all been evaluated and plans adopted for full build out of Eastown. In 2010, the City extended the water system further into Eastown along the SR410 corridor. Future water system expansion will be accomplished by developers. Also in 2010, the

City Council authorized design of the sewer system extension, which has been completed. The actual construction of the sewer lift station and collection system will be undertaken as soon as the City Council authorizes bids to be issued, or a developer undertakes the project. Funds have been set aside in the budget to undertake the work.

CITY EMPLOYMENT

A list of City positions that are funded in the Biennial Budget and are authorized by the City Council to be filled during the Biennium can be found in the “Financial Summary” section of this document.

Cities often use a variety of performance indicators regarding staffing, including staffing per capita, a comparison of FTE (full-time equivalent) employee increase compared to population increases, as well as growth of personnel by functional activity. For our readers, we’ve included each of these measures.

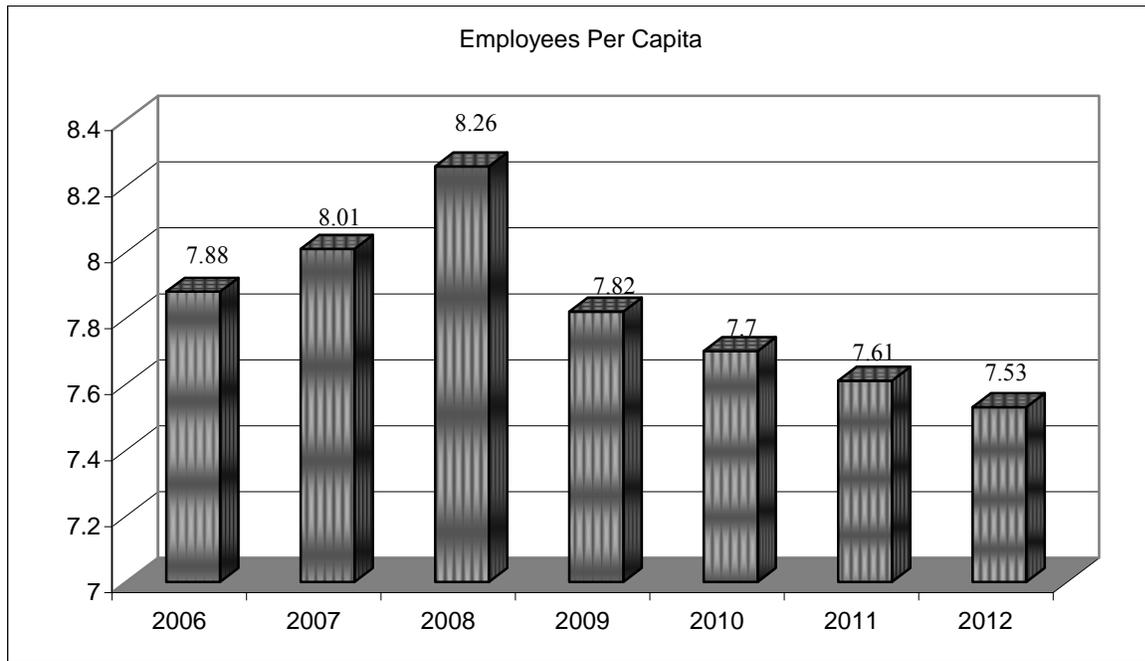
Relationship Between Population and City Employment Growth 2002-2012

FY Year	*Population / %Growth	Public Safety	Public Works	Community Development	All Other	Total Employees
2001	(9,980)					
2002	(12,360) 23.80%	(27) 0%	(30) 25.00%	(12) 29%	(19) 18.70%	88
2003	(12,950) 4.80%	(29) 7.40%	(30) 0%	(12) 0%	(20) 5.30%	91
2004	(13,470) 4.00%	(34) **13.8%	(35) 16.60%	(12) 0%	(20) 0%	101
2005	(14,370) 6.70%	(37) **5.8%	(41) 14.30%	(13) 8.30%	(21) 5.00%	113
2006	(15,230) 6.00%	(39) **5.5%	(45) 10.00%	(14) 7.80%	(22) 4.70%	120
2007	(15,740) 3.30%	(41) 5.10%	(47) 4.40%	(14) 0%	(24) 9%	126
2008	(16,220) 3.00%	(42) 2.40%	(50) 6.40%	(17) 7.10%	(25) 4.20%	134
2009	(16,500) 1.73%	(43.0) 2.38%	(47.0) -6.00%	(14.0) -17.65%	(25.0) 0.00%	129.0
2010	(16,690) 1.15%	(43.5) 1.05%	(49.0) 4.26%	(13.0) -7.14%	(23.00) -8.00%	128.50
2011	(16,882) 1.15%	(43.5) 0.00%	(49.0) 0.00%	(13.0) 0.00%	(23.00) 0.00%	128.50
2012	(17,076) 1.15%	(43.5) 0.00%	(49.0) 0.00%	(13.0) 0.00%	(23.00) 0.00%	128.50

Notes:

1. *The number in parentheses is population or number of regular FTE employees (does not include elected officials);*
2. ** Population and employment growth over previous calendar year;*
3. *** Does not factor outsourcing of the dispatch function;*
4. *Public Safety includes both police and court;*
5. *Public Works includes parks, facilities, water, sewer, street, stormwater. With the 2006 reorganization, parks and facilities are now budgeted in Community Services, but retained here for historical comparisons.*
6. *2006 planning staff growth is the transfer of the GIS Analyst from IT to P&CD.*
7. *Public Works added several Community Service Dept positions in 2009/2010 and added two positions that moved from Community Development.*

Employment Per Capita



Note: Per capita is per 1,000 population.

Employment Growth by Function

Note: Public Safety includes both Judicial (court) and Law Enforcement (Police) staffing.

GLOSSARY OF BUDGET TERMS

The following are definitions and explanations for common terms found in the City of Bonney Lake Adopted Budget.

Accounting System

The methods and records established to identify, assemble, analyze, classify, record, and report a government's transactions and to maintain accountability for the related assets and liabilities.

Accrual Basis

The accrual basis of accounting is used in proprietary (enterprise and internal service) and non-expendable trust funds. Under it, transactions are recognized when incurred. "When" cash is received or disbursed is not a determining factor.

Advanced Refunding Bonds

Bonds issued to refund an outstanding bond issue prior to the date on which the outstanding bonds become due or callable. Proceeds of the advance refunding bonds are deposited with a trustee, invested in U.S. Treasury Bonds or other authorized securities, and use to redeem the underlying bonds at maturity or call date and to pay interest on the bonds being refunded or the advance refunding bonds.

Ad Valorem Tax

A tax based on value (e.g. a property tax).

Annual Budget

A budget applicable to a single fiscal year.

Annual Operating Budgeted Funds

Funds, which have their budgeted appropriations, lapse at the end of the fiscal year.

Appropriation

An authorization made by the City Council, which permits officials to incur obligations against and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one-year period, though multi-year appropriations can be established for capital project and other special purpose funds. Multi-year appropriation authority remains in effect until the amount appropriated has been totally expended or until the fund, program, or project is closed because its assigned purpose has been changed or accomplished.

Assessed Valuation

The estimated value placed upon real and personal property by the Pierce County Assessor as the basis for levying property taxes.

Basis of Accounting

At term used in reference to when revenues, expenditures, expenses, transfers, and related assets and liabilities are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the nature of the measurement, on either the cash or the accrual method.

B.A.R.S.

The State of Washington proscribed **B**udgeting, **A**ccounting, and **R**eporting System Manual for which compliance is required for all governmental entities in the State of Washington.

Benefits (Personnel)

Employer contributions paid by the City as part of the conditions of employment. Examples include health/dental insurance, state public employees' retirement system, city retirement system, and employment security.

Biennial Budget

A budget prepared and adopted to cover a two-year period to time. In Bonney Lake, the biennial budget includes an odd followed by an even year (e.g. 2011 and 2012).

Bond

A written promise to pay (debt) a specified sum of money (called principal or face value) at a specified future date (called the maturity date) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt to pay for specific capital expenditures.

Bonded Debt.

That portion of indebtedness represented by outstanding bonds.

Budget

A plan of financial operation embodying an estimate of proposed expenditures for a given period (typically a fiscal year) and the proposed means of financing them (revenue estimates). The term is also sometimes used to denote the officially approved expenditure ceilings under which the City and its departments operate.

Budget Document

The instrument used to present a comprehensive financial program to the appropriating governing body. The budget document usually consists of three parts. The first part contains a message from the budget-making authority, together with a summary of the proposed expenditures and the means of financing them. The second consists of schedules supporting the summary. These schedules show in detail the past years' actual revenues, expenditures and other data used in making the estimates. The third part is composed of drafts of the appropriation, revenue and borrowing measures necessary to put the budget into effect.

Budget Amendment

A change to a budget adopted in accordance with State law. A budget may be amended to increase expenditures/expenses at the fund level by ordinance without public notice or public hearing requirements, when unanticipated revenues occur or emergencies exist (RCW 35A.33.080 and 35A.33.120).

Budget Calendar

The schedule of key dates or milestones which the City follows in the preparation and adoption of the budget.

Budget Message

A general discussion of the proposed budget as presented in writing by the budget-making authority to the legislative body. The budget message should contain an explanation of the principal budget items, an outline of the government's actual financial experience during the past period and its financial status at the time of the message, and recommendations regarding the financial policy for the coming period.

Budgetary Control

The control or management of a government or enterprise in accordance with an approved budget to keep expenditures within the limitations of available appropriations and available revenues.

Capital

Expenditures made to acquire, reconstruct, or construct major fixed or capital assets. A capital asset is a tangible object of a long-term character, which will continue to be held or used, such as land, buildings, machinery, furniture, and other equipment. A capital asset must exceed \$5,000 in cost and have an expected useful life expectancy of two years. For purposes of this definition, a “capital asset” includes a group of items purchased together that will be used “for a single purpose” and which could not be used effectively by themselves.

Capital Assets

Long-lived tangible assets obtained or controlled as a result of past transactions, events or circumstances. Capital assets include buildings, equipment, improvements other than buildings and land. Note: Capital assets were in the past referred to as “fixed” assets.

Capital Improvement Program

A plan for capital expenditures to be incurred each year over a period of five or more future years setting forth each capital project, identifying the expected beginning and ending date for each project, the amount to be expended in each year, and the method of facing those expenditures.

Capital Outlay

Expenditures which result in the acquisition of, rights to, or additions to capital assets, including incidental costs such as legal, appraisal and brokerage fees, land preparation and demolishing buildings, fixtures and delivery costs.

Capital Project Fund

A fund created to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Councilmanic Bonds

Councilmanic bonds refer to bonds issued with the approval of the Council, as opposed to voted bonds, which must be approved by the vote of the public. Councilmanic bonds must not exceed .75% of the assessed valuation.

Debt

An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of governments include bonds, time warrants and notes.

Debt Service

Payment of interest and repayment of principal to holders of the City’s debt instruments.

Debt Service Fund

A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Delinquent Taxes

Taxes remaining unpaid on and after the date to which a penalty for nonpayment is attached. Even though the penalty may be subsequently waived and a portion of the taxes may be abated or canceled, the unpaid balances continue to be delinquent taxes until abated, canceled, paid or converted into tax liens.

Department

An organizational unit usually within a fund, though in a broader sense, a department can encompass more than one fund. Departments can be further segregated into Divisions.

Depreciation

(1) Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence. (2) That portion of the cost of a capital asset, which are charges as an expense during a particular period.

Enterprise Fund

(1) A fund established to account for operations financed and operated in a manner similar to private business enterprises (e.g., water, gas and electric utilities; airports; parking garages; or transit systems). In this case the governing body intends that costs (i.e., expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. (2) A fund established because the government body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, or accountability.

Expenditures/Expenses

Where accounts are kept on the modified accrual bases (expenditures) or accrual basis (expenses) of accounting, the cost of goods received or services rendered whether cash payments have been made or not. Where accounts are kept on a cash basis, expenditures are recognized only when the cash payments for the above purposes are made.

Fines & Forfeits

A fine is a pecuniary penalty, commonly imposed as a result of conviction for crimes or infractions. A forfeiture is a penalty by which one loses his rights and interest in property, whether because of commission of an offense or because of nonperformance of some obligation or duty; forfeitures include amounts confiscated from deposits held as guarantees and collections on officials' bonds.

Fiscal Year

A 12 -month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations.

Fund

An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities, which are segregated for the purpose of carrying on specific activities or attaining certain objectives. See the fund divider pages for specific fund category definitions.

Fund Balance

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

Generally Accepted Accounting Principles (GAAP)

Standards for accounting and reporting used for both private industry and government.

General Fund

The fund used to account for all financial resources, except those required to be accounted for in another fund.

General Obligation Bonds

Bonds for which the full faith and credit of the insuring government are pledged for payment.

Interfund Payments for Services

Expenditures made to other funds (or other departments of the same fund) for services rendered.

Interfund Services

Payments for services rendered made by one City department or fund to another. Internal Service Fund billings are included in this category.

Intergovernmental Revenue

Grants, entitlements, shared revenues and payments for goods and services by one government to another.

Interfund Transfers

Contributions from one city fund to another in support of activities of the receiving fund. Equity transfers to internal service funds in support of “first time” asset acquisitions are included.

Intergovernmental Services

Services purchased from other governmental agencies, and normally include types of services that only government agencies provide.

Licenses & Permits

Charges for the issuance of licenses and permits. Licenses are required by municipalities for selected trades, occupations and other activities for regulatory purposes. Permits are issued to aid regulation of new business activities.

Legal Level of Budgetary Control

The level at which spending in excess of budgeted amounts would be a violation of law.

Level of Budgetary Control

One of the three possible levels of budgetary control and authority to which organizations, programs, activities and functions may be subject. These levels of budgetary control are (a) appropriated budget, (b) legally authorized non-appropriated budget process or (c) non-budgeted financial activities, which are not subject to the appropriated budget and the appropriation process or to any legally authorized non-appropriated budget review and approval process, but still are relevant for sound financial management and oversight.

Levy

(1) (Verb) To impose taxes, special assessments or service charges for the support of government activities. (2) (Noun) The total amount of taxes, special assessments or service charges imposed by a government.

Local Improvement District (LID)

A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

Miscellaneous Revenues

All revenues not otherwise provided for; i.e., interest earnings, rents, insurance recoveries, etc.

Modified Accrual Basis

The modified accrual basis of accounting is used in governmental funds (general, special revenue, debt service, and capital project funds), and in expendable trust and agency funds. Under it, revenues and other financial resources increments are recognized when they become both measurable and available to finance expenditures of the current period. Expenditures are generally recognized when they are incurred (bringing forth a liability). The city budgets all funds on the modified accrual basis.

Multi-Year Budgeted Fund

A fund that is not part of an annual operating budget since it is budgeted on a multi-year or project oriented basis. The appropriation authority for these funds remains in effect until totally expended or the project has been changed or completed.

National Pollution Discharge Elimination System (NPDES) Permit

A permit which is required under the 1972 Clean Water Drinking Act and is administered in Washington State by the Department of Ecology.

Object

As used in expenditure classification, this term applies to the type of item purchased or the service obtained (as distinguished from the results obtained from expenditures). Examples include personal services, contractual services, and material and supplies.

Operating Budget

Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending and service delivery activities of a government are controlled. The use of annual operating budgets is usually required by law. Even when not required by law, however, annual operating budgets are essential to sound financial management and should be adopted by every government.

Operating Transfers

All inter-fund transfers other than residual equity transfers (e.g., legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended).

Other Services & Charges

This is basic classification for services other than personal services which are needed by the governmental unit. Such services may be provided by a governmental agency or by private business organizations.

Preliminary Budget

The recommended and unapproved city budget submitted to the city council and public in November of each year.

Program Budget

A budget wherein expenditures are based primarily on programs of work and secondarily on character and object class.

Proprietary Fund Types

Sometimes referred to as income determination or commercial-type funds, the classification used to account for a government's ongoing organizations and activities that are similar to those often found in the private sector. The GAAP used are generally those applicable to similar businesses in the private

sector and the measurement focus is on determination of net income, financial position and changes in financial position.

Proprietary/Trust Gains (losses) & Other Income (Expenses)

These accounts are provided for the segregation of special transactions that affect the net income of enterprise (proprietary), internal service, and non-expendable trust funds.

Reserve

An account used to indicate that a portion of fund equity is legally restricted for a specific purpose.

Residual Equity Transfers

Non-recurring or non-routine transfers of equity between funds (e.g., contribution of enterprise fund or internal service fund capital by the general fund, subsequent return of all or part of such contribution to the general fund and transfers of residual balances of discontinued funds to the general fund or a debt service fund).

Resources

Total dollars available for appropriations including estimated revenues, fund transfers, and beginning fund balances.

Retained Earnings

An equity account reflecting the accumulated earnings or a proprietary (internal service or enterprise) fund. In this budget document, the balance derived excludes asset depreciation expenditures. When depreciation is charged to user organizations, as in internal service funds, the cash balance remaining (ending retained earnings) therefore includes the asset replacement reserve being accumulated.

Revenue

Income received by the City in support of a program of services to the community. It includes such items as property taxes, fees, user charges, grants, fines and forfeitures, interest income, and miscellaneous revenue.

Revenue Estimate

A formal estimate of how much revenue will be earned from a specific revenue source for some future period, typically a future fiscal year.

Revised Code of Washington (RCW)

State law as adopted by the legislature and codified.

Salaries and Wages (Personnel Services)

Amounts paid for personal services rendered by employees in accordance with rates, hours, terms, and connotations authorized by law or stated in employment contracts. This category also includes overtime, temporary help, and car allowances.

Services and Charges

Services acquired from and fees/payments made to vendors. These include printing, publications, auditing, police protection, street maintenance, public health programs, office rent, telecommunications, and social welfare programs.

Special Revenue Fund

A fund used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes. GAAP only require the use of special revenue funds when legally mandated.

Supplies

Items used to deliver services, such as office supplies, short-lived minor equipment with no material value, periodicals and books and generic computer software.

Taxes

Compulsory charges levied by a government to finance services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits, such as special assessments. Neither does the term include charges for services rendered only to those paying such charges (e.g., sewer service charges).

Tax Levy Ordinance

An ordinance through which taxes are levied.

Tax Rate

The amount of tax stated in terms of a unit of the tax base (e.g., specified amount per \$1,000 of assessed valuation of taxable property).

Tax Rate Limit

The maximum rate at which a government may levy a tax. The limit may apply to taxes raised for a particular purpose or to taxes imposed for all purposes, and may apply to a single government or to a class of governments operating in a particular area. Overall tax-rate limits usually restrict levies for all purposes and of all governments, state and local, having jurisdiction in a given area.

GLOSSARY OF ACRONYMS

AFIS – Automated Fingerprint Identification System
AWC - Association of Washington Cities
AYP – Allen Yorke Park
B&O Tax – Business and Occupation Tax
CDBG - Community Development Block Grant.
CIP – Capital Improvement Program
COLA – Cost of Living Adjustment
CUGA – Comprehensive Urban Growth Area
CWA – Cascade Water Alliance
DOE - State of Washington's Dept of Ecology.
DUI/DWI – Driving Under the Influence /Driving While Intoxicated
DWLS – Driving While License Suspended
EHM - Electric Home Monitoring program.
EIS – Environmental Impact Statement
EMS --Emergency Medical Service.
EOC -- Emergency Operation's Center
EPA -- Environmental Protection Agency
FEMA-- Federal Emergency Mgt Agency
FEMA CERT – Federal Emergency Mgmt Agency, Community Emergency Response Team
FTE – Full Time Equivalent
GAAP-- Generally Accepted Accounting Principles
GASB - Government Accounting Standards Board established in 1985 to regulate the rules and standards for all governmental units.
GIS – Geographic Information System
GMA - Growth Management Act
HUD – U.S. Dept of Housing and Urban Development
HVAC - Heating, Ventilating & Air Conditioning system.
LEOFF - Law Enforcement Officers & Fire Fighters retirement system.
LID - Local Improvement District
MVET – Motor Vehicle Excise Tax
NLC – National League of Cities
NPDES Permit - National Pollution Discharge Elimination System permit
PERS - Public Employees Retirement System.
PSRC – Puget Sound Regional Council
PWTF - Public Works Trust Fund. Established by the state as a trust fund for public utility purposes. Funds are loaned at minimal rate of interest for qualifying projects.
RCW - Revised Code of Washington
REET – Real Estate Excise Tax
ROW – Right Of Way
SCA – Suburban Cities Association
SCADA - Supervisory Control & Automatic Data Acquisition, a computer automated control system used at the wastewater treatment plant.
SDC – System Development Charge
SEPA - State Environmental Policy Act.
SWKCC – Southwest King County Chamber of Commerce
SWM – Surface Water Management
TIF – Traffic Impact Fee

TMDL Study - A study of the Total Maximum Daily Load for a particular body of water that has been identified as having certain environmental problems. This is a federal requirement and administered by the Department of Ecology.

WASPC – Washington Association of Sheriffs and Police Chiefs

WCIA – Washington Cities Insurance Authority

WRIA – Water Resource Inventory Area (Watershed Management Project)

WSDOT – Washington State Department of Transportation

WSU – Washington State University