

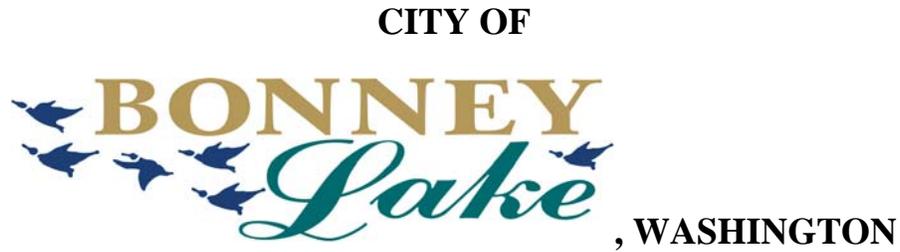


CITY OF
BONNEY
Lake
WASHINGTON

**ADOPTED
BUDGET**

For the Fiscal Years

January 1, 2009 through December 31, 2010



ADOPTED BUDGET

For the Fiscal Years

January 1, 2009 through December 31, 2010

MAYOR

Neil Johnson, Jr.

CITY COUNCIL

Dan Swatman, Deputy Mayor

David Bowen

Laurie Carter

Dan Decker

Mark Hamilton

Dave King

James Rackley

CITY ADMINISTRATOR

Don Morrison

CHIEF FINANCIAL OFFICER

Al Juarez

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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 each section of the budget.

Section 1: General Information

This section contains an overview of the budget. It includes:

- Contact information for the City Council;
- The City Council's Vision statement;
- Bonney Lake At a Glance;
- The mayor's message highlighting key elements of the budget; and
- An opportunity for Citizen comments regarding the budget document.

Section 2: Policies and Ordinances

The Policies and Ordinances section reviews the City's accounting, budgeting, and debt policies. This section includes:

- The budget creation process which explains the steps involved in the preparation and administration of the budget;
- The City Council's Vision, Mission, and Goals table illustrating how the adopted budget responds to the vision, mission and goals of the City Council; and
- The adopting ordinances of the 2009-2010 Biennial Budget.

Section 3: Financial Summary

The Financial Summary contains the City of Bonney Lake's financial picture, including budget highlights, estimated revenues, and financial forecasts for the 2009-2010 biennium.

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

Section 4: General Fund Program Summaries

The Program Summaries contain organizational charts and operating budgets for each City department, including: Mission statement, purpose & description, key accomplishments of 2007-2008, 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

*Local Improvement District Guarantee Fund**2008 LTGO Fund*

Capital Funds

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

Enterprise Funds

*Water**Stormwater**Sewer*

Internal Service Funds

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

This section provides information on how the City of Bonney Lake is organized and operates, including a City organizational chart showing how the City government is organized. It contains 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.

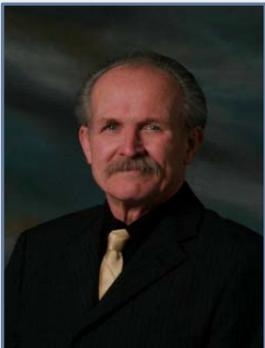
BONNEY LAKE CITY COUNCIL

Neil Johnson



Mayor
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Dan Decker



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Dave King



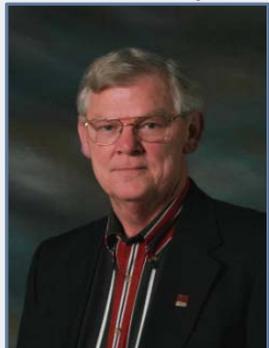
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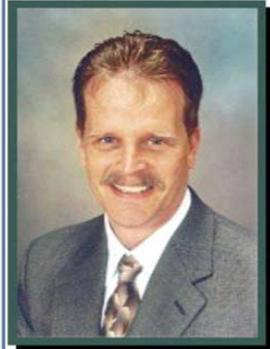
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Dan Swatman



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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
2008 Rank in Size – Washington State	59
2008 Rank in Size – Pierce County	5
2008 Population	16,220
2008 Assessed Valuation	2,301,868,766
2009 Authorized Full-Time Employees	143.90

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November 9, 2008

Dear Council Members, Citizens, and Staff:

I am pleased to present the City's biennial budget for the 2009-2010 fiscal biennium. 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 holds the line on City expenditures. With a strained economy and diminishing local revenues, this budget reflects the Council's goals and provides similar levels of service to the last biennium. The intent of the budget document is to not only lay out the spending plan of the city, but to also make the budget straightforward, readable, and easy to understand. One goal is to help citizens better understand how the City works, where the money comes from, and where it goes.

I would like to especially thank members of my executive staff for their work in developing this biennial budget. Thanks to Chief Financial Officer Al Juarez, Senior Accountant 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 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. I hope you like the layout and format. It is our intent to submit the budget document to the Government Finance Officers Association (GFOA) as a candidate for a national budget award.

Explanation of the Budget Document

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

While this budget is technically a combined 2009-2010 biennial budget, we have broken out 2009 and 2010 revenues and expenditures into separate columns, with distinct goals and initiatives. The funds identified for each individual year will serve as an administrative allocation for each of the two years of the biennium.

Financial Policy Decisions

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

We have no proposal to tap any of the "Rainy Day Fund" (Contingency Fund 126), which is currently at \$1,050,356 (2008).

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. With the downturn in the economy, however, REET revenue collections are running less than half of what

they did in 2006, resulting in reduced funding for capital projects. REET funds are allocated 50% to Streets CIP; 35% to Parks CIP; and 15% to General Government CIP.

Council Priorities

This budget document incorporates key Council priorities from the Council Retreat and subsequent programs and plans adopted by the City Council. A few examples of key priorities include, but are not limited to:

- Continued implementation of the Fennel Creek trail plan via the sidewalk and trail improvements provided by the Safe Routes grant;
- Funding for construction of the Interim Justice Center and related infrastructure;
- Architectural plans and specifications for a new maintenance facility;
- Development of a regional stormwater system to serve the downtown;
- Moving forward on implementation of the Easttown plan.

Revenue Forecast

From 2002 – 2006 , General Fund revenues increased by an average of around \$1.0 million per year, reflecting the rapid pace of growth in the City and the strength of the local economy. Although we anticipated a construction downturn in 2006, it did not materialize until 2007. Since 2007 however, there has been a general declining in housing sales. Accordingly, building permit fees are down nearly 50%, as are Real Estate Excise Tax (REET) revenues.

We anticipate Bonney Lake’s economy to continue to grow, but at a much slower rate. While general City sales tax collections remain consistent due to the increase in new businesses, sales tax growth has slowed dramatically, and sale tax collections from new construction are off more than 25%.

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 estimates to end 2008 with \$3.6M in sales tax collections. For 2007 the amount was \$3.51M. In terms of percentage growth, the growth rate from 2007 to 2008 was 4% while the sales tax growth rate from 2008-2009 is estimated at a conservative 3%. This is a marked change from prior years, which saw an increase of 18% in sales tax collections from 2005 to 2006.

Given anticipated and known commercial retail projects in Midtown and Easttown, we thus anticipate modest growth in sales tax collections, assuming the Puget Sound region does not experience a significant recession.

By state law, property tax is currently capped at 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 1.166 mills (2008 tax rate), which is down from the 1.300 mills (2007 tax rate) levied at the beginning of the last biennium. *Note: A mill is one dollar (\$1.00) in property tax for every thousand dollars of assessed valuation. The City is authorized up to \$1.60 per thousand, but could not exceed 1.01 mills without a vote of the people to "lift the lid" on the levy.*

The Bonney Lake real estate boom has subsided, although building continues at diminished levels. 2005 and 2006 both set new records for building permit revenue. 2005 topped the \$1 million mark for the first time in the City's history. 2007 ended the year at \$1.39M in building permit and related revenue. Given the desirability of the Bonney Lake area, we anticipate some continued in-fill and development. Eastown development will eventually become a reality after WSDOT finishes SR410 widening in 2010. Eastown will be the City's last major commercial development zone, and it 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 expect to explore other means of spurring redevelopment.

We expect some aspects of construction to stay relatively strong for several more years. Nonetheless, building permit revenues have slowed substantially, and we anticipate the downturn in building permits and permit valuation to continue through 2009. We are projecting revenue from licenses and permits to be \$1.26M in 2009, a significant decrease of about 23% from the 2008 Revised budget. We have estimated 2010 revenues consistent with the 2009 estimate, with a conservative growth of 3% from 2009.

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 2008 year end total of \$1.4M in utility tax collections (This excludes taxes on the City's own utilities but includes electric, gas, refuse, cable, and telephone). We anticipate \$1.79M in utility tax receipts in 2009, and \$1.85M in 2010, an anticipated increase of 3.5%.

Overall, General Fund revenues are anticipated to remain flat over the next biennium.

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

The financial resources of the City are discussed more fully in Section Three.

City Staffing

As we all know, the City has grown rapidly over the past few years. This growth has impacted all departments of the City. While most City staff growth has lagged behind general population

growth by about 10%, growth in the public works staff has exceeded general City growth. Part of the reason is the extensive growth of the City's water service area, and the backlog of infrastructure needs facing the City. Due to the stagnant economy, this biennial budget proposes only one new position in 2009 – an additional FTE in the Police Department (Auto Theft Task Force) which is fully funded by grant revenues. Because the City employs fewer staff per capita than comparable cities, we do not foresee the need to layoff employees. There may be a few employees (e.g. building inspector) who are cross-trained in code enforcement and construction inspection, so that we may address those needed areas with existing staff and reduce reliance on contracted construction inspectors. We anticipate that through increased productivity measures we can maintain current service levels, despite an increase service demand generated by a growing population.

There are a few minor employee reclassifications proposed in the budget which better reflect how positions actually function. The Authorized Personnel table illustrates proposed changes.

Should the City annex any substantially populated area during the biennium, the budget would need to be amended to meet additional service demands. The CUGA annexation study currently underway will include a staffing plan, should the City annex a substantial portion of the CUGA.

AFSCME represented employees negotiated a 2009 COLA that is 90% of the CPI, with a 2% minimum and 4% maximum. According to the contract and the June to June CPI upon which the rates is based, AFSCME represented employees will be granted a 3.74% Cost-of-Living-Adjustment (COLA) in accordance with the terms of their collective bargaining agreement. Non-represented employees are granted a 4% COLA for 2009, less than the current area consumer price index rate (CPI-U) which is running at 5.4%. The tentative agreement with the Police Guild calls for a much higher COLA than either the AFSCME or non-represented employee groups are scheduled to receive. The 2010 COLA will be considered during next year's mid-biennium budget review.

Based upon the Association of Washington Cities salary survey, the non-represented salary plan has been updated to reflect current market conditions. The salary ordinance is not part of the budget document, and will be considered separately. However, estimated employee salaries and benefits have been included in the salary budget of the City.

Budget Highlights:

Each department budget outlines the budget highlights and new initiatives for the new biennium.

<i>TOTAL BUDGET</i>	2007/2008 Revised Budget	2009/2010 Adopted Budget	% Change
Total City budget	84,969,890	102,419,153	21%
General Fund (Operating)	28,026,149	27,993,687	-.12%

This budget document strives to discuss each budget program individually. Although, at first glance, the table above shows a significant increase in this biennium compared to the prior biennium, the bulk of the increase consists of a \$10M bond issue for the Civic Center project.

Excluding the Civic Center bond issue from the analysis shows an overall increase of 9%, primarily due to capital projects. Some of the key programs or projects funded in the 2009-2010 biennium include:

- Maintenance of special events, arts, and city beautification programs;
- Addition/expansion of police cadet, reserve, and crime prevention programs;
- Programming hours/air time through the Rainier Cable Commission;
- Continuation of the stream team program;
- A variety of equipment and fleet replacements and acquisitions as described in the Equipment Rental and Replacement Fund budget;
- Continuation of the sidewalk, street lighting, and chip seal programs;
- Continuation of the Capital Improvement Program within the limits of available funding.

Principal capital projects scheduled for construction during the biennium include:

- Completion of the regional (downtown) storm pond;
- Construction of the Interim Justice Center;
- Sumner Old Buckley Highway and SR 410 Intersection Improvements;
- Eastown water main extension;
- “Leaky Water Main” Replacement Continued;
- Tacoma Intertie;
- Sewer Trunk Line Improvements;
- Public Works Maintenance Facility design;
- Fennel Creek Trail Link through the Safe Routes grant;
- Regional stormwater system to serve the downtown area.

What Was Not Funded

As a precautionary note, it is important to also briefly discuss what was not funded in this biennial budget. This budget draws down some of the City’s fund balance in order to meet new debt service payments required for the civic center, and police 800 MHz radio system. Should the Council wish to fund additional projects, it will need to find an additional revenue source or substitute a budgeted project.

There is not enough money to do everything. Some of the potential programs or projects that were *not specifically funded* in this biennial budget include:

- Development of the Moriarty addition to Allan Yorke Park;
- Improvements to Allan Yorke Park (or lake frontage area assuming PSE granted the City the permission);
- Additional improvements to the Ball Park Well;
- Construction of 192nd Street (Some funding for ROW acquisition);
- Neighborhood storm drainage improvements.

- Additional property acquisitions in the downtown to complete the civic campus land assembly

Summary

I am pleased with the positive working relationship we have established between mayor, council, and staff, and I believe we made considerable community progress during the 2007-2008 biennium.

Despite a healthy tax base, our capital needs are great and our resources somewhat limited. 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 our various comprehensive plans. 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.

During this biennium, the City was able to secure more than \$2,000,000 in grant funds for streets, sidewalks, public safety, and community services. We continue to aggressively pursue grants and other available sources of funding.

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. I feel 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 2009-2010 biennial budget. The administration uses these policies to manage and monitor the execution of the budget. City Administration intends to continue work with the Council Finance Committee during the biennium to review and refine the financial as well as the debt policies of the City.

Budget Policies

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

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

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

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

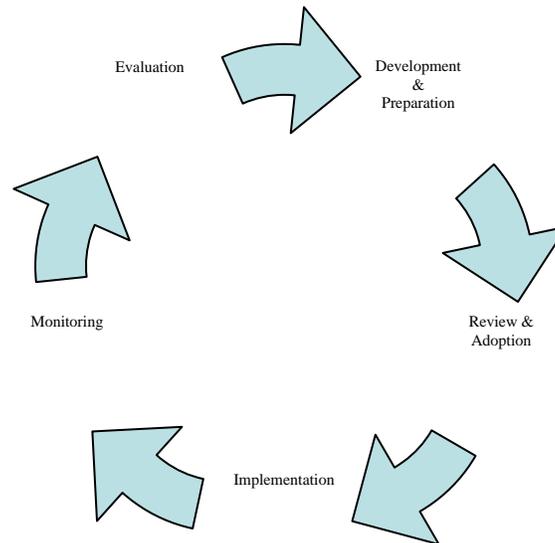
The Budget Process

In Washington, city government fiscal years follow the calendar year (January 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 2009 and 2010. Legally, however, the budget is a biennial budget, meaning that the combined allocations for 2009 and 2010 constitute the official adopted budget for the biennium. Technically, funds anticipated to be spent in 2009 could be deferred to 2010. Likewise, funds anticipated for 2010 could be spent in 2009. 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 2009 the budget will be amended and updated. It is anticipated that the number of amendments will be nominal and primarily address unforeseen or changed circumstances, or major changes in Council policies or priorities.

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



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

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

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

Budget Roles & Responsibilities

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

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

Budget considerations for the next fiscal period begin soon after the Council has adopted the biennial budget in December. During January or February, the City Council holds a two-day 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	July 7-12, 2008
2. Council adopts budget goals for 2009-2010 budget	N/A	July 7-12, 2008
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	July 18, 2008
4. Estimates are to be filed with the Chief Financial Officer	By fourth Monday in September	September 15, 2008
5. Mayor, City Administrator and Chief Financial Officer review proposed budgets with department directors.	N/A	September 12-15, 2008
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.	October 1, 2008
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	October 6, 2008
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	November 4, 2008
9. Copies of proposed (preliminary) budget made available to the public.	No later than six weeks before January 1	November 4, 2008
10. The legislative body, or a committee thereof, must schedule meetings on the budget or parts of the budget.	Prior to the final hearing	October 28, 2008
11. Setting property tax levies: a. Review with Council at workshop b. File certified levy with County	November 30	November 18, 2008 November 25, 2008
12. Clerk publishes notice of filing of	No later than the	November 4, 2008

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

preliminary budget and publishes notice of public hearing on final budget once a week for two consecutive weeks.	first two weeks in November	
13. Adoption of budget for 2009-2010		
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	November 18, 2008 November 25, 2008 December 2, 2008 December 9, 2008
b. Budget Ordinance	Following the public hearing and prior to the beginning of the ensuing fiscal year	December 9, 2008
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	January 1, 2009

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 single-entry accounts that comprises its cash, investments, revenues and expenditures, as appropriate. The city's resources are allocated to and accounted for in individual funds depending on their intended purpose. The City of Bonney Lake's funds are separated into three main fund type classifications:

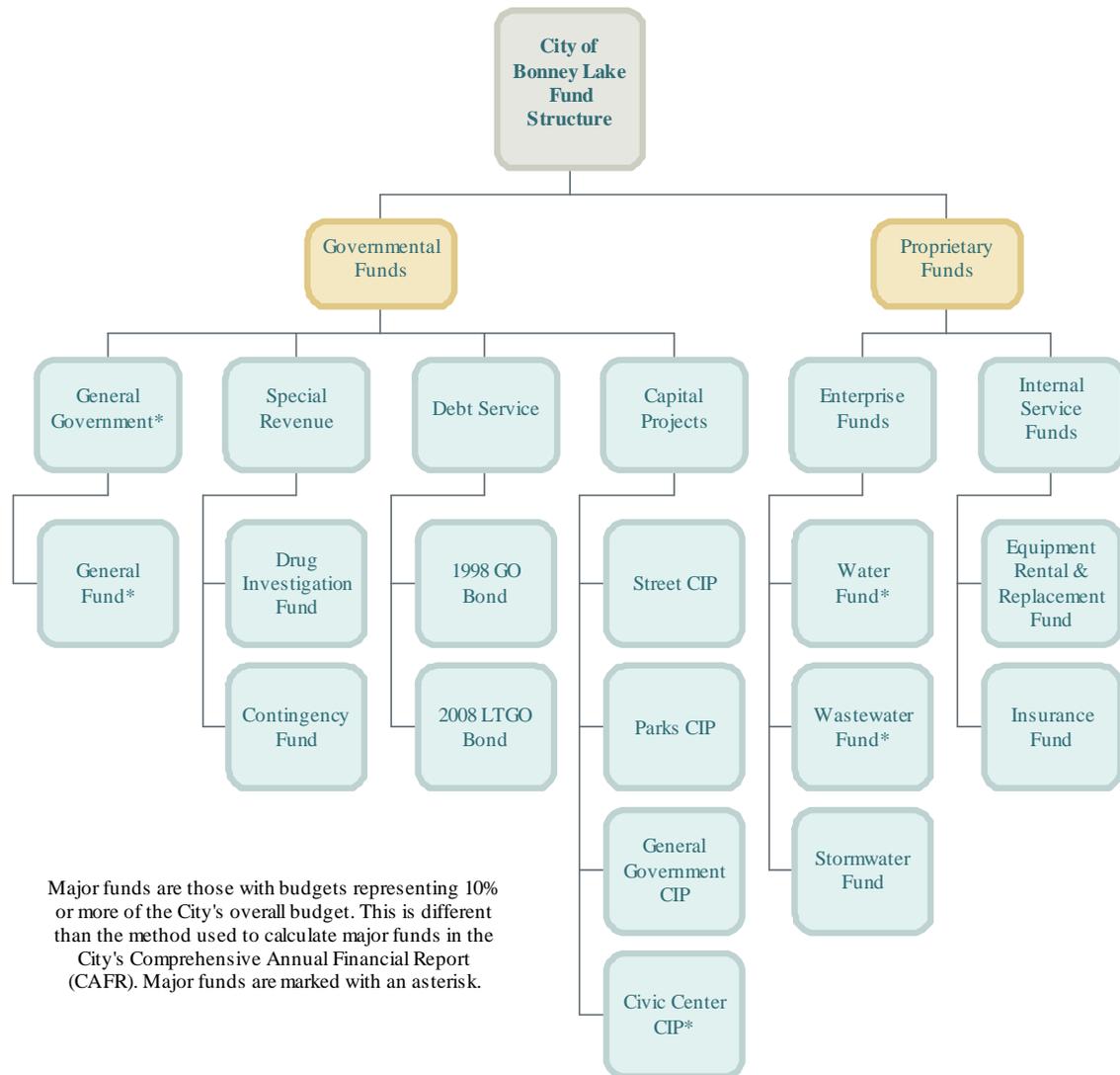
Fund Type	Description
Governmental	Funds that account for the activities of the City that are of a governmental nature.
Proprietary	Funds that account for the activities of the City that are proprietary or "business" in nature
Fiduciary	Funds held by the City as a trustee. <i>Note: The City does not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

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

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

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

The City of Bonney Lake has the following fund structure:



Description of major funds:

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

- Capital Funds account for all capital projects managed and funded by the City.
- 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. These funds are the 1998 Public Safety General Obligation Bond, and the 2008 Civic Center General Obligation Bond.
- 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: General Long-Term Debt Account Group, General Fixed Asset Fund, GASB Clearing 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. In Chapter 7 there is a sheet that lists the cost allocation of administrative charges city-wide.

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 2009-2010 biennium.

1. *Debt Will Not Be Used to Cover Operating Expenses.* When considered necessary, long-term debt may be used to provide for capital acquisitions and construction. Long-term debt will not be used to fund operating expenses except in extraordinary emergency circumstances as authorized by the City Council.
2. *Term of Debt.* Long-term debt will be structured in a manner so the debt payments do not exceed the expected useful life of the project being financed. Whenever possible, the City will fund its capital needs on a pay-as-you-go, especially smaller capital projects.
3. *Refunding Bonds.* As a general rule, existing bonds will not be refunded through the issuance of refunding bonds unless the refunding plan will achieve a net present value savings of at least 5%. As an exception to this general rule, bonds may be refunded to obtain more favorable bond covenants when it is clearly in the City's interests to do so.
4. *Legal Limitation of Indebtedness.* The City will utilize its general obligation (GO or voted) and limited tax general obligation (LTGO or non-voted) debt authority prudently. The City's outstanding debt will never exceed those constitutional limits.
5. *Reserve of Debt Authority.* At a minimum, the City will maintain at least 10% of its legal limit of non-voted general purpose indebtedness (LTGO) as a reserve for emergencies.
6. *Preservation of Credit Rating.* The City will carefully consider the future fiscal impacts of incurring additional long-term debt and will recognize the implicit, additional future costs of any debt issuance that adversely impacts the City's credit rating. Currently, the City carries a AA+ 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 11/24/2008 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).

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

Revenues

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

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

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

Cost Allocations

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

Fiscal Monitoring

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

Financial Planning Model and Capital Investment Policies

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

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

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

CITY COUNCIL GOALS AND OBJECTIVES

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

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

The actions described below include those budgeted activities included in the 2009-2010 biennial budget that address the various goals of the City.

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"> • \$180,000 is allocated for general sidewalk construction over the biennium; • \$2.5M in sidewalks/trails are included in the Parks CIP as we implement the Safe Routes grant project. • The City was successful in obtaining additional TIB funding for SR410 sidewalks in the downtown area. • Budget includes staff time to continue to apply for grants for sidewalks and trails, Staff will continue to explore funding alternatives;

VISION/GOALS/ACTION PLAN	BUDGETED ACTIONS
Increase active participation in regional planning for Growth Management Act Planning (including PSRC, AWC, lobbying)	<ul style="list-style-type: none"> • Time has been allocated for greater participation in regional affairs; • Elected official and staff have increased attendance at a number of regional meetings • Funds budgeted for memberships in PSRC, NLC, AWC • \$20,000 budgeted each year for contract lobbying as needed
Study the implications of CUGA annexation through cost/benefit and fiscal study.	<ul style="list-style-type: none"> • CUGA annexation study initiated during the third quarter of 2008; scheduled for completion late 2008 or early 2009.
<p>Link growth decisions with water-sewer decisions.</p> <ul style="list-style-type: none"> • Preserve Lake Tapps as a recreational water body • Determine the City's role with the Cascade Water Alliance 	<ul style="list-style-type: none"> • City completing agreement for additional water purchase from Tacoma; • Staff time allocated to monitoring Cascade Water Alliance; • Staff will evaluate Valley Water and Tapps Island for potential assumption
Grow within and "square up" the City's borders within the next 10 years.	<ul style="list-style-type: none"> • Staff time allocated to work with Pierce County on UGA and annexation.
Focus first on infrastructure: streets, sidewalks, civic center, and financial sustainability.	<ul style="list-style-type: none"> • The CIP and Financial Plan focuses on streets, sidewalks, civic center and financial sustainability.
Complete East Town Plan to include utilities, roadways, lighting, sidewalks, and streetscapes	<ul style="list-style-type: none"> • Staff time allocated to facilitating Easttown development; most infrastructure developer/property owner funded. SR410 widening scheduled for summer of 2010.
Implement surface-water management plan including storm water SDCs and begin planning for Storm Water CIP projects.	<ul style="list-style-type: none"> • Initial funds dedicated to regional downtown storm pond; Need to prepare stormwater master plan (not funded this biennium). NPDES Permit issues may prove costly in the future.
Preserve open spaces within city limits while providing urban services city-wide.	<ul style="list-style-type: none"> • Staff time allocated to open space preservation and acquisition
Presentation of actions and costs to transfer private street lights and phasing for installation of street lights.	<ul style="list-style-type: none"> • Funds allocated to cover additional costs of adding new street lights per the street lighting plan
Ensure that development codes and land use regulations facilitate the desired Downtown vision	<ul style="list-style-type: none"> • TIF rebate ordinance enacted; Staff time allocated to developing other downtown economic development incentives.

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 Chamber, including involvement in Bonney Lake Days, beautification projects, and farmer's market.</p>	<ul style="list-style-type: none"> • \$12,000 allocated for a contract with the Chamber to assist City with economic development program; • \$25,000 allocated (both years) for beautification projects; • \$39,000 allocated (each year) for BL days and other special events and programs • Casual labor funds included in budget for Intern to assist Special Events Coordinator during summer events season.
<p>Pursue lobbying efforts to implement economic development goals on all governmental levels, hiring lobbyist if appropriate.</p>	<ul style="list-style-type: none"> • Staff time allocated to work on economic development plan; • \$12,000 allocated for a contract with the Chamber to assist City with economic development program; • \$20,000 budgeted each year for contract lobbying as needed
<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
<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"> • Explore possibilities of securing portion of WSU Forest for City park and recreation uses; • Parks maintenance budget increased to improve condition of ball fields • Matching money set aside in Parks CIP for Safe Routes/Fennel Creek Sidewalk/Trail grant project • Explore voted parks bond as needed for YMCA, AYP Expansion, etc.
<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.
<p>Build a small piece of the Fennel Creek Trail and increase recreational programming in the south of City (Victor Falls?).</p>	<ul style="list-style-type: none"> • Matching money set aside in Parks CIP for Safe Routes/Fennel Creek Sidewalk/Trail grant project • City supporting County grant application to acquire Victor Falls area for park purposes.

VISION/GOALS/ACTION PLAN	BUDGETED ACTIONS
<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 the option to purchase additional Tacoma.	<ul style="list-style-type: none"> • Staff working on agreement to acquire an additional 4MGD from the City of Tacoma.
Continue to monitor activities of the Cascade Water Alliance (CWA), and consider potential opportunities for joint cooperation.	<ul style="list-style-type: none"> • Staff time allocated to monitor CWA water rights application for Lake Tapps
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"> • Funds budgeted to continue O&M and leaky main replacement (\$1.9M) • Staff time allocated to pursue additional land for a future water tank near Lakeridge MS.
<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>	
Explore extending sewer services south to Sumner (joint plant) and north to Metro via Auburn.	<ul style="list-style-type: none"> • Staff time allocated to explore membrane package plant to serve south sewer service area.
Create a plan to sewer neighborhoods around Lake Tapps as appropriate.	<ul style="list-style-type: none"> • No specific budget allocation except limited staff time as needed
Pursue development of a new biofilter system in lieu of increasing Sumner capacity.	<ul style="list-style-type: none"> • Only limited staff time allocated to this goal presently.
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 and Pierce County activities

VISION/GOALS/ACTION PLAN	BUDGETED ACTIONS
<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>	
<p>Maintain land acquisition in the downtown for the civic center campus.</p>	<ul style="list-style-type: none"> • Any remaining funds after construction of the IJC will be devoted to acquiring the balance of the property needed for the future civic center.
<p>Zone for mixed use in the town center to encourage density and use of transit.</p>	<ul style="list-style-type: none"> • Planning staff will be assigned to review downtown design standards and zoning as part of their 2009 work plan to fine tune current regulations and work out identified issues and problem areas.
<p>Continue building identity in Downtown</p>	<ul style="list-style-type: none"> • Open up new “main Street” • Install downtown banners; • Construct Interim Justice Center (IJC) • Provide additional redevelopment incentives • Encourage completion of Greenwood project
<p>Explore/facilitate Farmer’s Market for local farmers/gardeners and as an outlet for shoppers</p>	<ul style="list-style-type: none"> • Special Events Coordinator will explore Farmer’s Market possibilities during spring of 2009.
<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>	
<p>Implement the non-motorized transportation plan, including sidewalks, trails and bike lanes, with funding alternatives.</p>	<ul style="list-style-type: none"> • Over \$3M is allocated for sidewalk construction over the biennium, including Safe Routes, TIB, recurring programs, and street reconstruction; • Budget includes staff time to continue to apply for grants for sidewalks and trails; staff will continue to explore funding alternatives; • Sidewalks are included in future street improvement projects.
<p>Continue street resurfacing at 7 miles per year.</p>	<ul style="list-style-type: none"> • Due to reductions in gas tax and REET, funding over biennium for chip seal and overlay program significantly reduced;

VISION/GOALS/ACTION PLAN	BUDGETED ACTIONS
Coordinate with Chamber and local businesses to improve streetscapes including trees, banners, flower baskets and other attractions	<ul style="list-style-type: none"> • \$25,000 budgeted both 2009 & 2010 for image/beautification (city-wide)
<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
Begin discussions immediately with Fire District about space changes.	<ul style="list-style-type: none"> • Staff time allocated to continue work this issue
Improve communications and interoperability	<ul style="list-style-type: none"> • Work in progress to develop 800 MHz system with Puyallup; will construct additional tower and sheds in 2009
Improve dispatching services	<ul style="list-style-type: none"> • Completed transfer of dispatching from Sumner to Puyallup in 2008
Increase communication and participation between the public and the police department	<ul style="list-style-type: none"> • Staff time allocated to develop youth academy in 2008 (to be broader than simply a police citizen's academy for youth) • Continue citizens academy • Include police department in town meetings and BL Days displays, etc. • Continue community crime prevention programs
Provide adequate space and facilities for the municipal court	<ul style="list-style-type: none"> • Construct an Interim Justice Center/City Building planned for 2009
<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>	

VISION/GOALS/ACTION PLAN	BUDGETED ACTIONS
Market an optimistic vision of the City by continuing to: <ul style="list-style-type: none"> • Host/sponsor town hall/neighborhood meetings • Host Bonney Lake Days • Host pancake feeds and other community events • Play an active role in Beautify Bonney Lake 	<ul style="list-style-type: none"> • Funds budgeted to continue BL Reporter • Special events coordinate position refunded • Funds provided in executive budget to continue town hall meetings and open houses, but more limited than extensive 2008 campaign.
Participate in National Night Out	<ul style="list-style-type: none"> • Staff time and funding provided to continue National Night Out
Increase Bonney Lake public access television time through the Rainier Cable Commission through 30 minute summaries of City activity	<ul style="list-style-type: none"> • \$15,000 in Executive budget (each year) to purchase 25 units (1 unit = 8 hours) programming time through public access channel via Rainier Cable Commission (could be used for council meetings, special programs, televised interviews, etc.)
Process City Charter petition	<ul style="list-style-type: none"> • Special Election set for February • Staff will provide factual and neutral public information
Cultivate relationships with community based groups	<ul style="list-style-type: none"> • Staff time allocated for a City representative to regularly attend meetings of major community-based groups

ORDINANCE NO. 1291**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
BONNEY LAKE, PIERCE COUNTY, WASHINGTON, ADOPTING
THE BIENNIAL BUDGET FOR CALENDAR YEARS 2009 AND
2010**

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

WHEREAS, a preliminary biennial budget for fiscal years 2009 and 2010 has been prepared and filed as required by law; and

WHEREAS, on November 18, 2008, the City Council held a public hearing upon notice as prescribed by law, and met for the purpose of fixing the final budget of the City for the 2009-2010 fiscal biennium; and

WHEREAS, the City Council has made adjustments and changes deemed necessary and proper and desires to adopt the 2009-2010 Budget, including the biennial Capital Improvement Program;

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

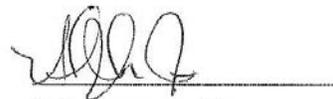
Section 1. The biennial budget for the City of Bonney Lake for the period January 1, 2009 through December 31, 2010 as contained in the 2009-2010 Biennial Preliminary Budget for total revenues/sources (including use of fund balances) and expenditures/uses and as revised by the City Council, is hereby adopted by Total Biennial Revenues and Total Biennial Expenditures for each fund as shown on the attached Exhibit "A" (City of Bonney Lake Adopted 2009-2010 Biennial Budget).

Section 2. That the budget document entitled "City of Bonney Lake 2009-2010 Biennial Budget" attached hereto as Exhibit "B" is hereby adopted at fund level as set forth, three copies of which shall be on file with the City Clerk.

Section 3. The City Clerk is directed to transmit a certified copy of the City of Bonney Lake adopted 2009-2010 Biennial Budget to the Office of State Auditor and to the Association of Washington Cities.

Section 4. This ordinance concerning matters set out in RCW 35A.11.090, it is not subject to referendum, and shall take effect January 1, 2009 after its passage, approval and publication as required by law.

PASSED by the City Council of the City of Bonney Lake this 9TH day of December, 2008.



Neil Johnson, Jr. Mayor

Attested:


Harwood T. Edvalson, City Clerk

Approved as to Form:


James Dionne, City Attorney

Passed: 12/09/08
Valid: 12/09/08
Published: 12/17/08
Effective Date: 1/01/09

Exhibit "A" to Ordinance No. 1291 -- City of Bonney Lake 2009 - 2010 Adopted Biennial Budget

Fund Number	Fund Name	2009	2010	2009	2010	Total Biennial	Total Biennial
		Revenues	Revenues	Expenditures	Expenditures	Revenues	Expenditures
1	General Fund	13,686,357	14,307,330	13,686,357	14,307,330	27,993,687	27,993,687
120	Drug Investigation Fund	0	0	0	0	0	0
126	Contingency Fund	0	0	0	0	0	0
208	1997 - G. O. Public Safety Bldg.	355,305	359,750	355,305	359,750	715,055	715,055
232	LID 12 Debt Redemption	0	0	0	0	0	0
233	LID 13 Debt Redemption	0	0	0	0	0	0
240	LID Guarantee	0	0	0	0	0	0
301	Street Capital Improvement Fund	4,886,688	1,234,625	4,886,688	1,234,625	6,121,313	6,121,313
302	Parks Capital Improvemtn Fund	1,344,687	3,585,532	1,344,687	3,585,532	4,930,219	4,930,219
320	General Government Cap Improv Fund	3,615,698	230,698	3,615,698	230,698	3,846,396	3,846,396
325	Civic Center Cap Improv Fund	7,416,825	664,638	7,416,825	664,638	8,081,463	8,081,463
401	Water Utility	11,095,062	13,127,528	11,095,062	13,127,528	24,222,590	24,222,590
402	Sewer Utility	8,182,037	13,106,534	8,182,037	13,106,534	21,288,571	21,288,571
415	Storm Water Utility	1,524,954	1,312,182	1,524,954	1,312,182	2,837,136	2,837,136
501	Equip Rental and Replacement	751,046	933,250	751,046	933,250	1,684,296	1,684,296
502	Insurance	340,696	357,731	340,696	357,731	698,427	698,427
Total All Funds		<u>53,199,355</u>	<u>49,219,798</u>	<u>53,199,355</u>	<u>49,219,798</u>	<u>102,419,153</u>	<u>102,419,153</u>
						102,419,153	102,419,153

ORDINANCE NO. 1290**AN ORDINANCE OF THE CITY OF BONNEY LAKE, WASHINGTON, SETTING THE AMOUNT OF THE ANNUAL AD VALOREM TAX LEVY NECESSARY FOR THE FISCAL YEAR 2009 FOR THE PURPOSES SET FORTH BELOW:**

WHEREAS, the City Council of the City of Bonney Lake is meeting and discussing a biennial budget for the calendar years 2009 and 2010; and

WHEREAS, the City Council has held a public hearing to discuss the possibility of an increase in property tax revenues for 2009; 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 \$2,457,813 and a special levy in the amount of \$355,305, 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 \$2,327,974; 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 2009 tax year. The dollar amount of the increase over the actual levy amount from the previous year shall be \$23,280 which is a percentage increase of 1.0% 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.

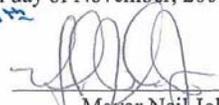
SECTION 2: That this Ordinance also provides funds for the General Obligation Bonds previously issued to construct the public safety building as a result of the vote of the people authorized as the Tax Levy Limit of 2008 collected in 2009 in the amount of \$355,305.

SECTION 3: That the taxes to be collected from the levies hereby fixed and made, together with the estimated revenues from sources other than taxation which constitutes the appropriation of the City of Bonney Lake for the fiscal year 2009 are hereby approved.

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

PASSED BY THE CITY COUNCIL OF THE CITY OF BONNEY LAKE
and approved by the Mayor this 18th day of November, 2008.

25th



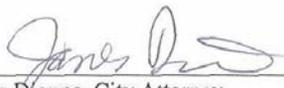
Mayor Neil Johnson, Jr.

AUTHENTICATED:



Harwood T. Edvalson, CMC
City Clerk

APPROVED AS TO FORM:



James Dionne, City Attorney

Passed: 11/25/08
Valid: 11/25/08
Published: 12/03/08
Effective Date: 12/08/08

City of Bonney Lake – Ordinance 9441039

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FINANCIAL SUMMARIES

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City of Bonney Lake 2009-2010 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, with significant impacts seen in the 3rd and 4th quarters.

The change in the economy affects not only future years, but current year (2008) activity as well. 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 some 22% from 2008 to 2009. Revenues have been budgeted conservatively, assuming current recession type conditions.

There are NO proposed tax increases except the 1% property tax increase to help defer an anticipated 5% 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 2009/2010 Biennial Budget is essentially a "status quo" budget, maintaining current operations but not including new or expanded projects, programs, or equipment (with the exception of scheduled equipment replacement).

Although revenues are slowing, inflation is increasing expenditures. In June, inflation reached 6.2%, the highest since 1991. The high inflation has increased the gap between anticipated revenues and expenditures.

To mitigate the budget gap, departments were asked to keep their operating expenditures within a 3.5% increase, 2.7% less than inflation (excluding personnel costs).

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

Fund Balance

The budget does NOT tap any of the City's "Rainy Day Fund"; rather, the General Fund does draw down some operating reserve to balance a shortfall of revenues over expenditures and ensure continued operations with no service level or staffing reduction.

HISTORICAL OVERVIEW

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

The growing retail core helped diversify the economic base of the City. The City has enjoyed steadily increasing sales tax collections each of the past several years. Bonney Lake has become the retail center of the East 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 Interim Justice Center portion of the Civic Center project. The City also has an outstanding General Obligation bond issue (1997 Public Safety Building) that will be fully paid in 2011. While the City has relatively little general bonded indebtedness, it likewise has little by way of desirable general government facilities – except for the Public Safety Building. City Hall is old and undersized. The Public Works shops consist largely of 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.

The City has approximately \$10.3M 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 \$1.05M.

DEBT ADMINISTRATION

Unlike the 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 \$2,301,868,766 for the tax year of 2008. 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 \$34,528,031 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 not chose 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 \$115,093,438 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

Projects the city anticipates will be funded by councilmanic bonds:

- New civic center (city hall)

- New community/recreation center

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

FINANCIAL FORECAST

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

Currently, we see a great amount of volatility in the national economy. We anticipate Bonney Lake's economy to remain stable; however, 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 and again in 2008. Fund balance will again be used in 2009 and 2010 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 illustrated within this section.

REVENUE ASSUMPTIONS

Total revenues to the General Fund (including transfers-in and administrative charges but excluding fund balances) are projected to be \$12.7M in 2009, and \$13.1M in 2009. This reflects an anticipated decrease in General Fund revenues of approximately 2.5% from the 2008 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 2009-2010 biennium.

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.

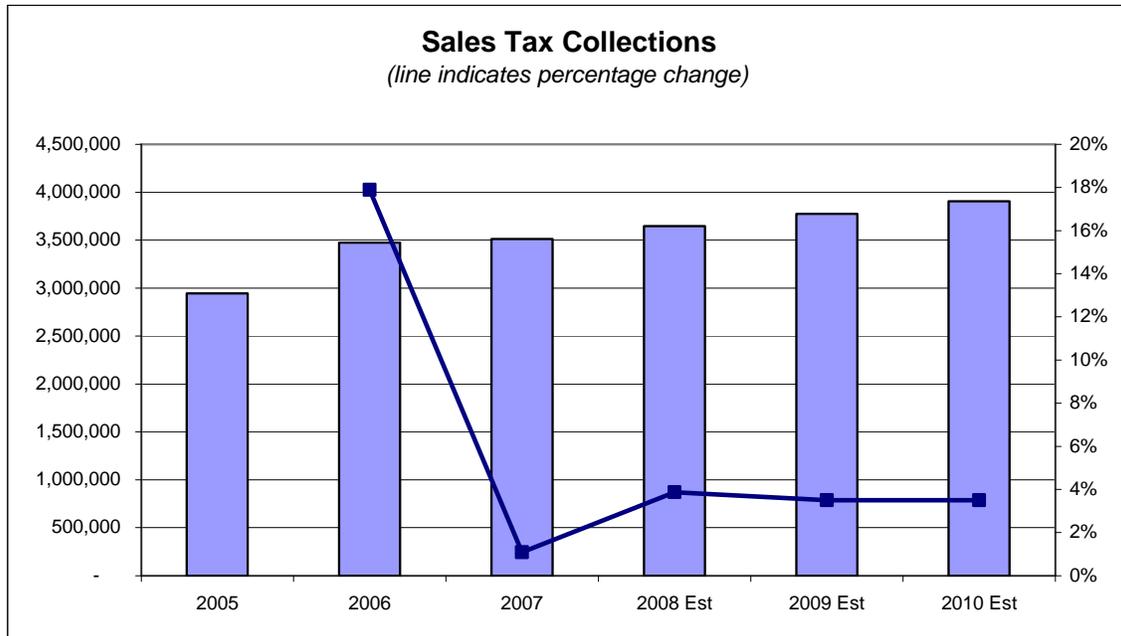
Taxes account for 64% or \$8.9M of 2009 estimated General Fund revenues. The budget breaks down the tax revenue according to four categories: Sales Tax, Property Tax, Utility Tax, and Other Taxes (Gambling and Admissions).

Sales Tax

The City is estimated to end 2008 with \$3.65M in sales tax collections. Although the period of 2005 to 2006 saw an increase in sales tax collections of 18%, later growth has been more modest.

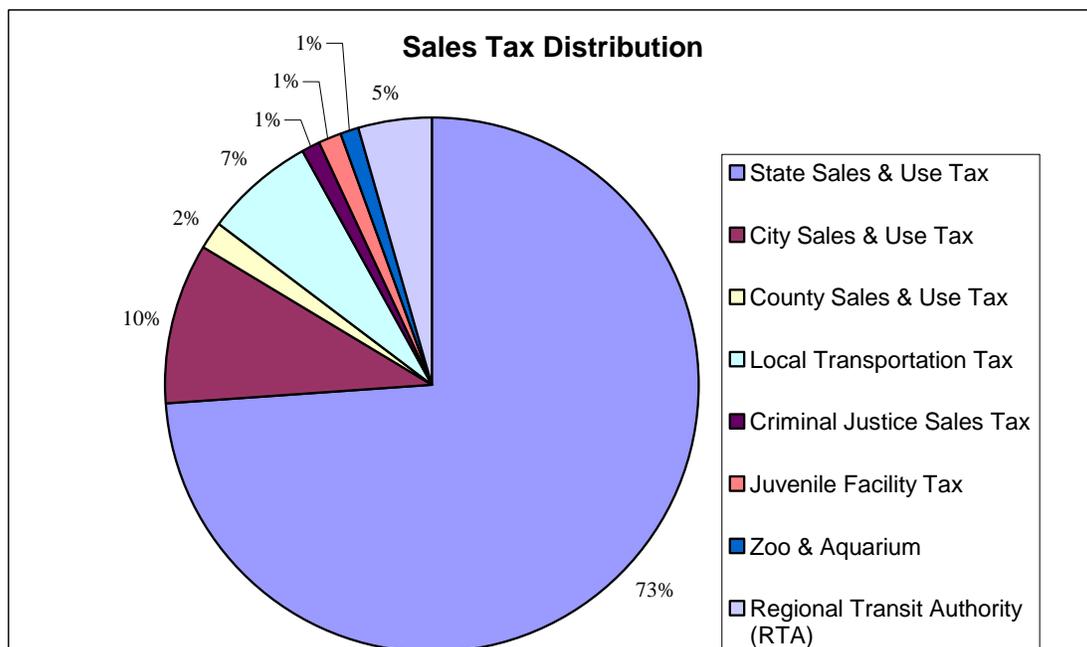
Because of rapid growth in the City of Bonney Lake's commercial area, the regular sales tax collections have been increasing at a greater rate than the real property taxes over the last few years. It is anticipated that growth in sales tax collections will continue at a moderate rate. Due to uncertainties in the economy, the City conservatively estimates a 3.5% increase in sales tax revenues for 2009 and 2010.

Based on historical data combined with various third-party analyses (e.g. state economic forecasts), sales taxes are estimated to provide \$3,820,376 in 2009 or 28% of all General Fund revenues.



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.

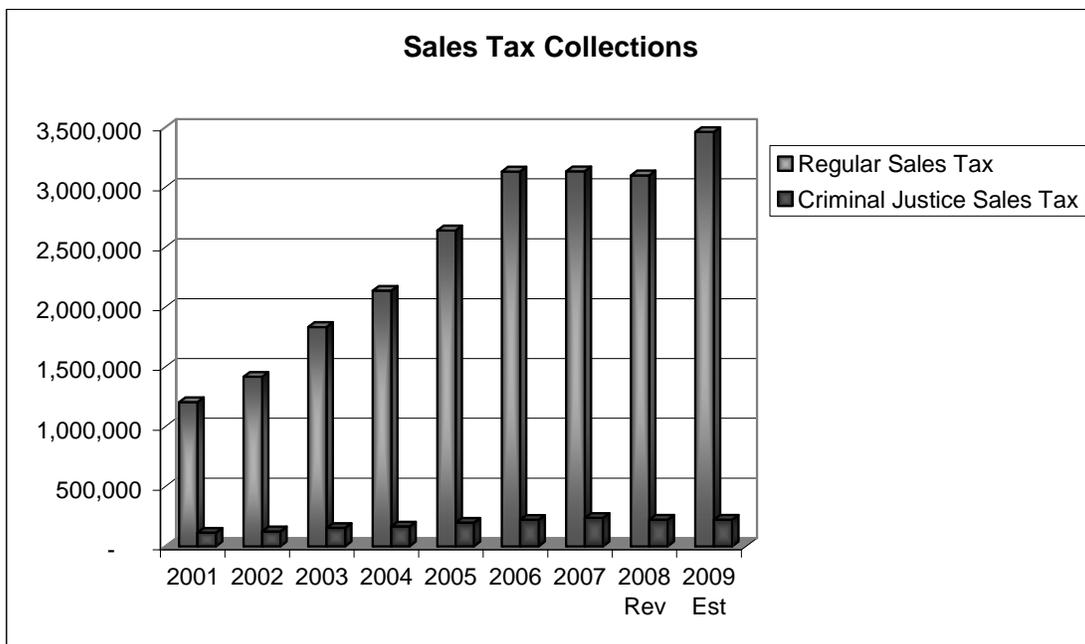
The sales tax is collected by local businesses and transmitted to the State of Washington for distribution. The state retains 1% of the tax collected for administration costs. The total overlapping sales tax within the City is 8.8%.



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. The County receives the remaining .15%.

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

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



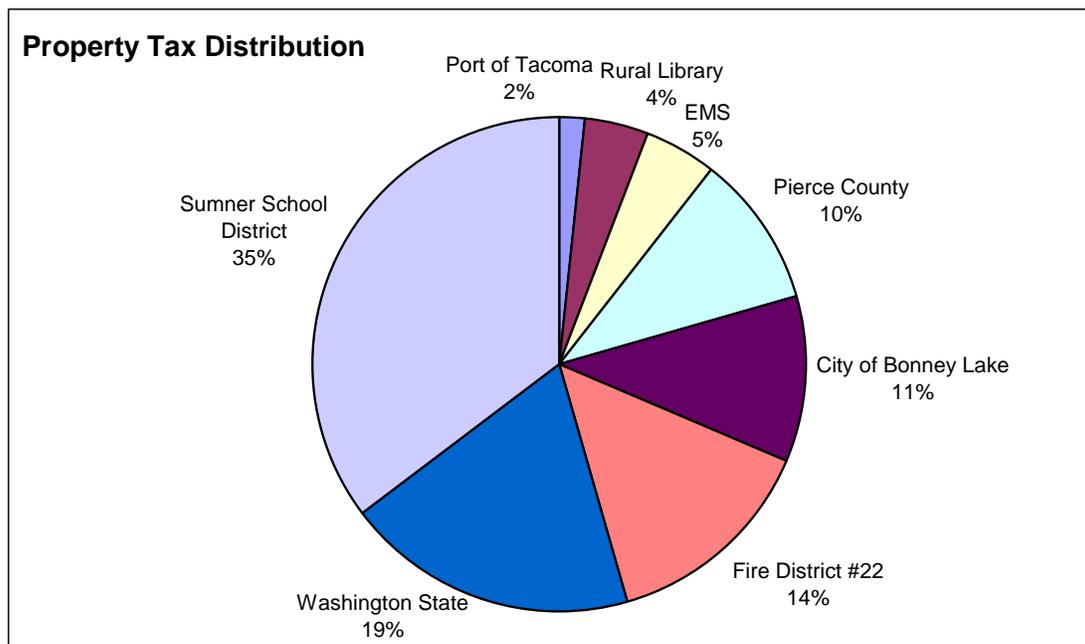
Tax distribution amounts shown above posted on an accrual basis; this means that the revenues are booked based on the month of the actual activity. Sales tax remittances have a two-month lag; therefore, the revenues that the City receives in January are for November purchases, and are posted as November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

Property Tax

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

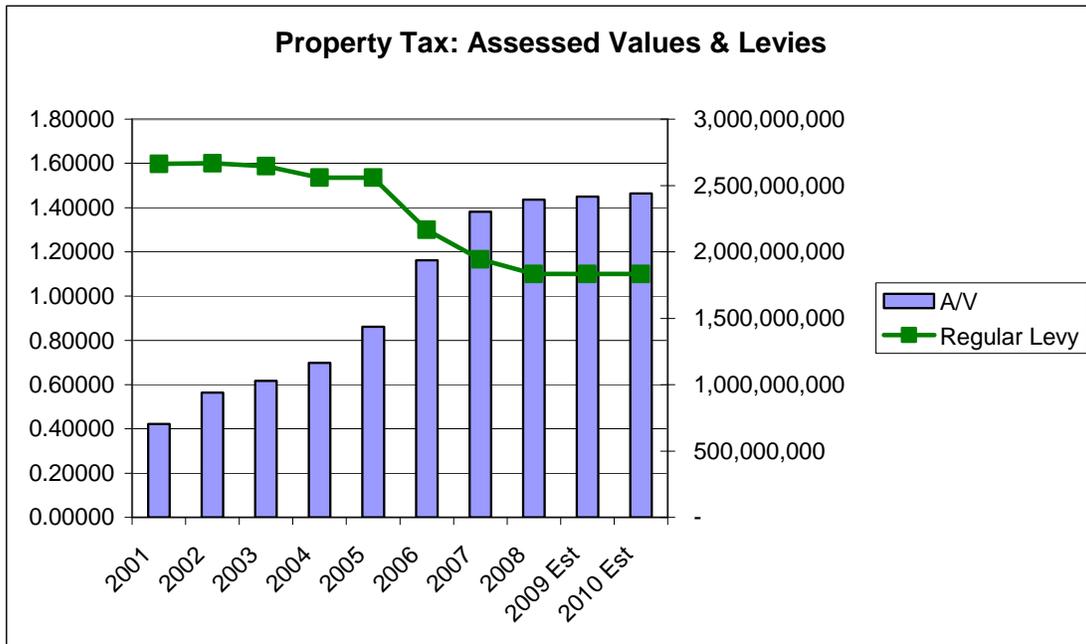
The County Treasurer acts as the City's agent to collect property taxes levied in the county for all taxing authorities. Taxes are due in two equal installments on April 30th and October 31st. Collections are remitted to the month following collections by the County Treasurer to the appropriate taxing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

Property taxes are shared by multiple agencies.

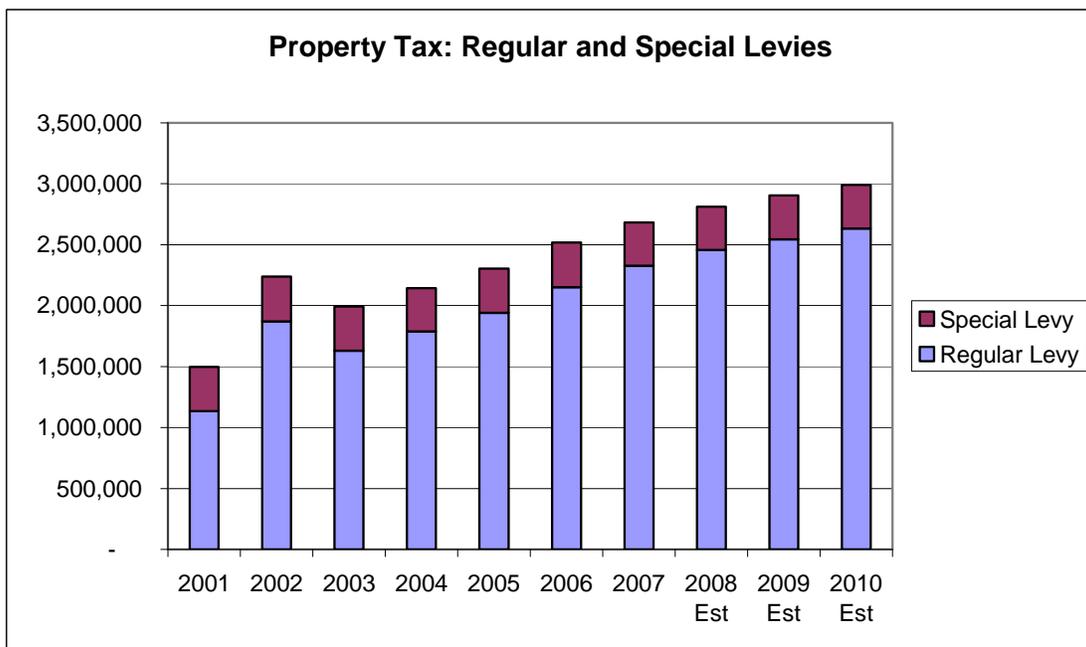


The City is permitted by law to levy up to \$3.6 per \$1,000 of assessed valuation for general governmental services. This amount does not include voter approved special levy for payment of debt on the Public Safety Building. Because the City has annexed into the fire district (#22 East Pierce Fire and 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 .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. The City rate is now 1.3533 mills (\$1.35 in property tax for every thousand dollars of assessed valuation). The City is authorized up to \$1.60 per thousand, but could not exceed 1.3533 mills without a vote of the people to "lift the lid" on the levy.



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



Building Permits

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

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 \$2,576,000 for 2009 or 19% 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 2008 year end total of \$1.4M in utility tax collections (This excludes taxes on the City's own utilities but includes electric, gas, refuse, cable, and telephone). We anticipate \$1.79M in utility tax receipts in 2009, and \$1.85M in 2008.

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% of General Fund revenues or \$807,200 in 2009.

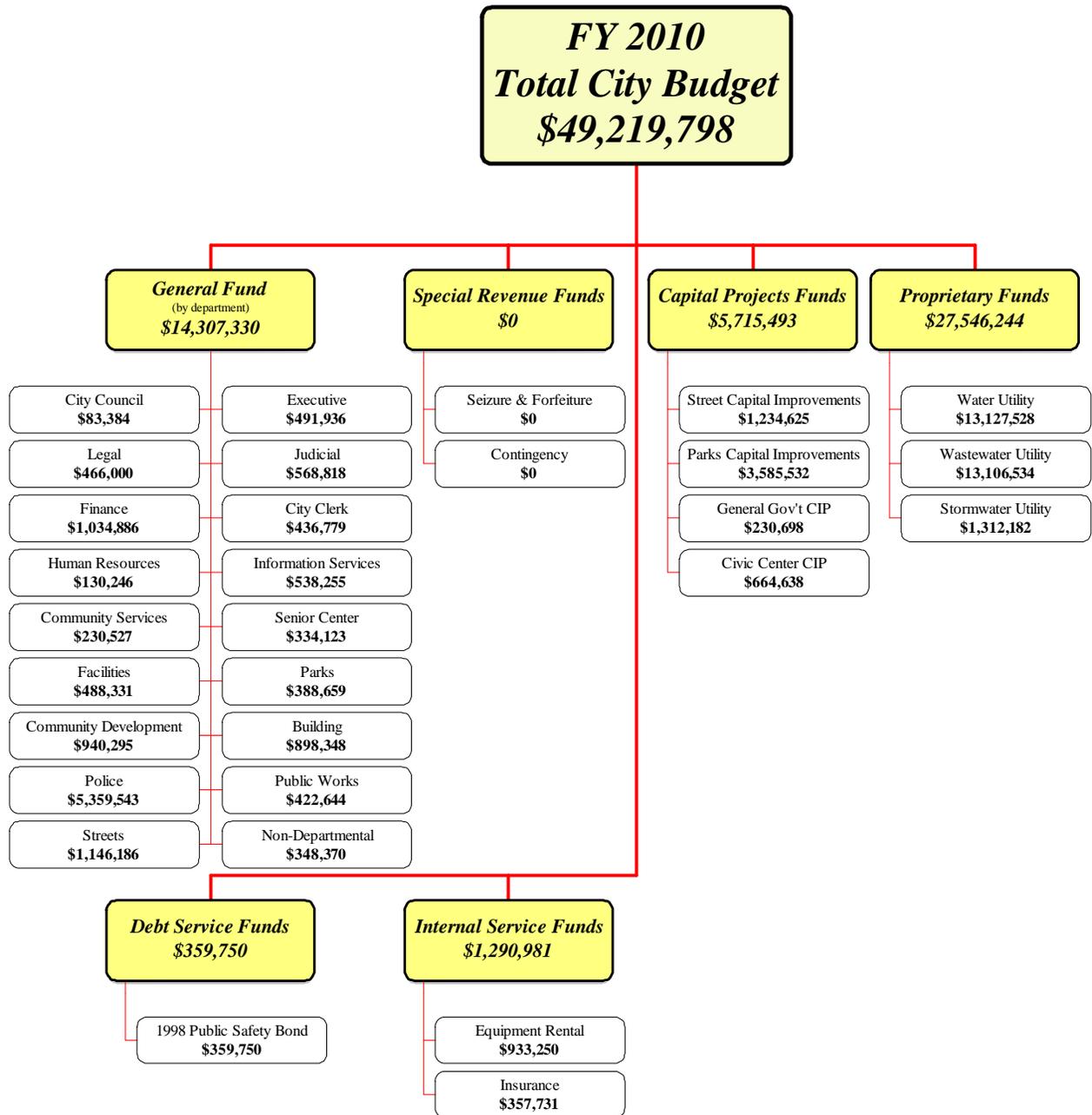
Other Revenues*Licenses & Permits*

The City of Bonney Lake charges various licenses and permits fees for certain activities. An annual business license fee is collected from all businesses operating within the City limits; alarm registration fees are also collected on an annual basis; building permit fees are collected from new construction, remodels or additions to existing structures. Licenses and Permits account for 10% of General fund revenues or \$1,347,250.

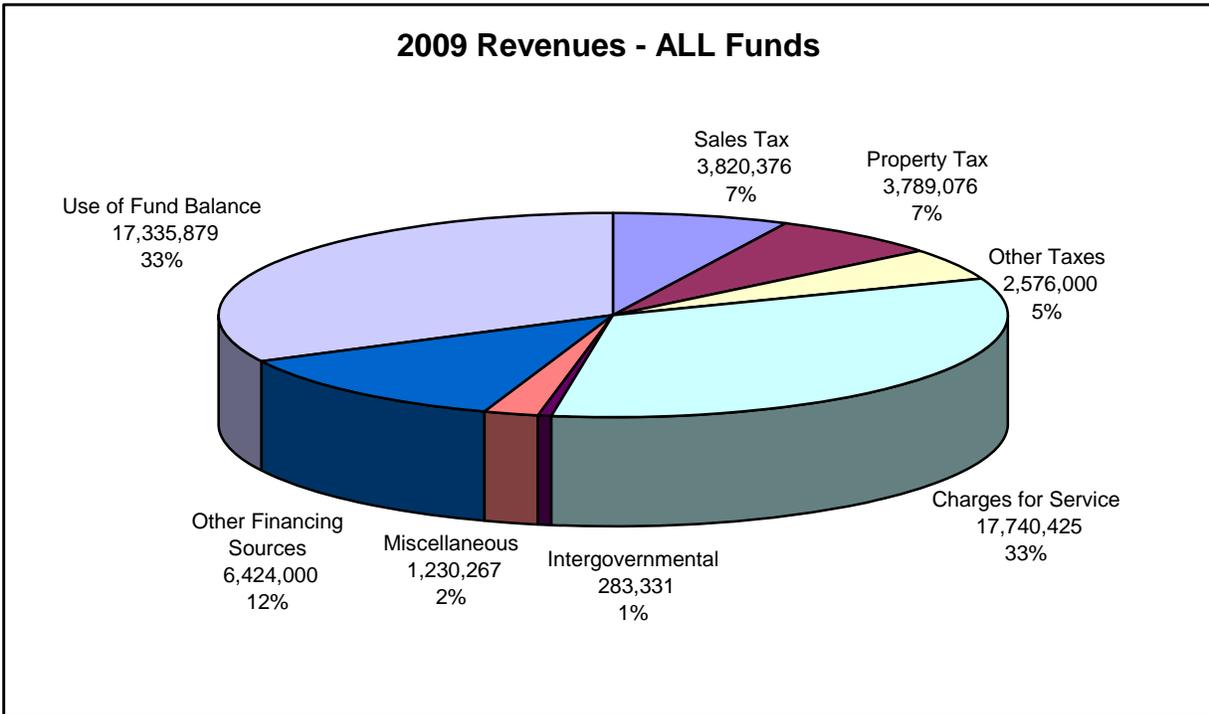
Intergovernmental Revenues

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 1% of General fund revenues, or \$206,000.

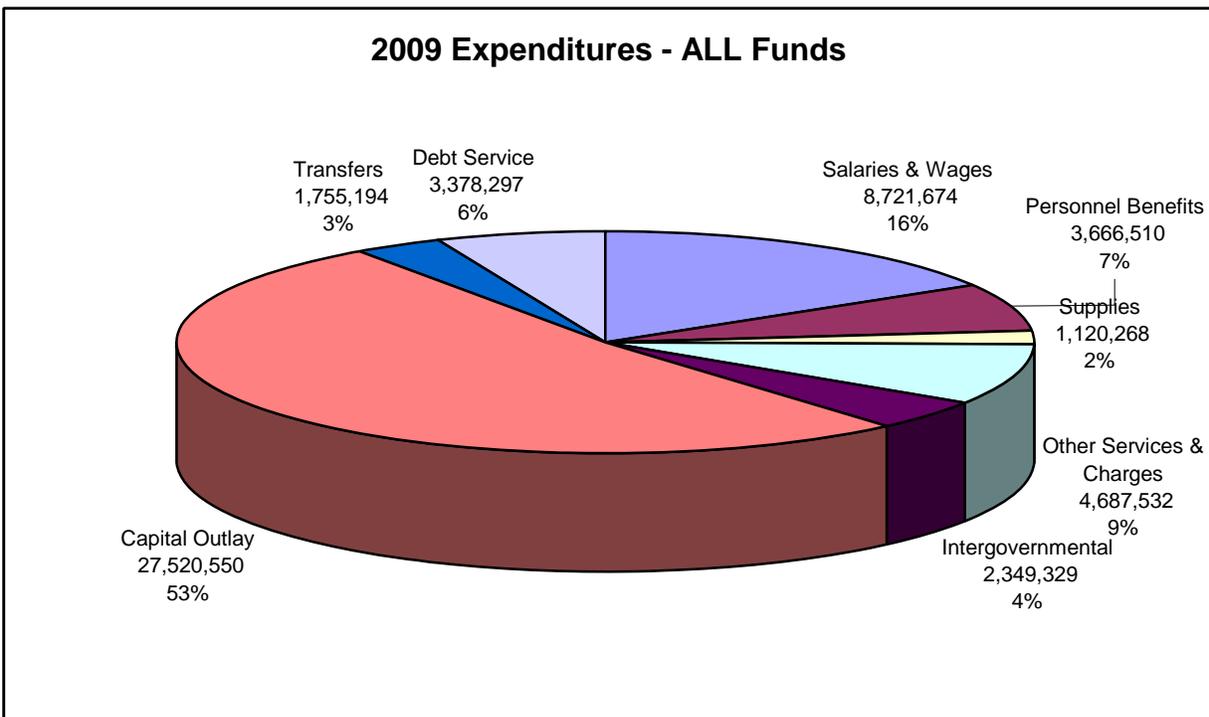
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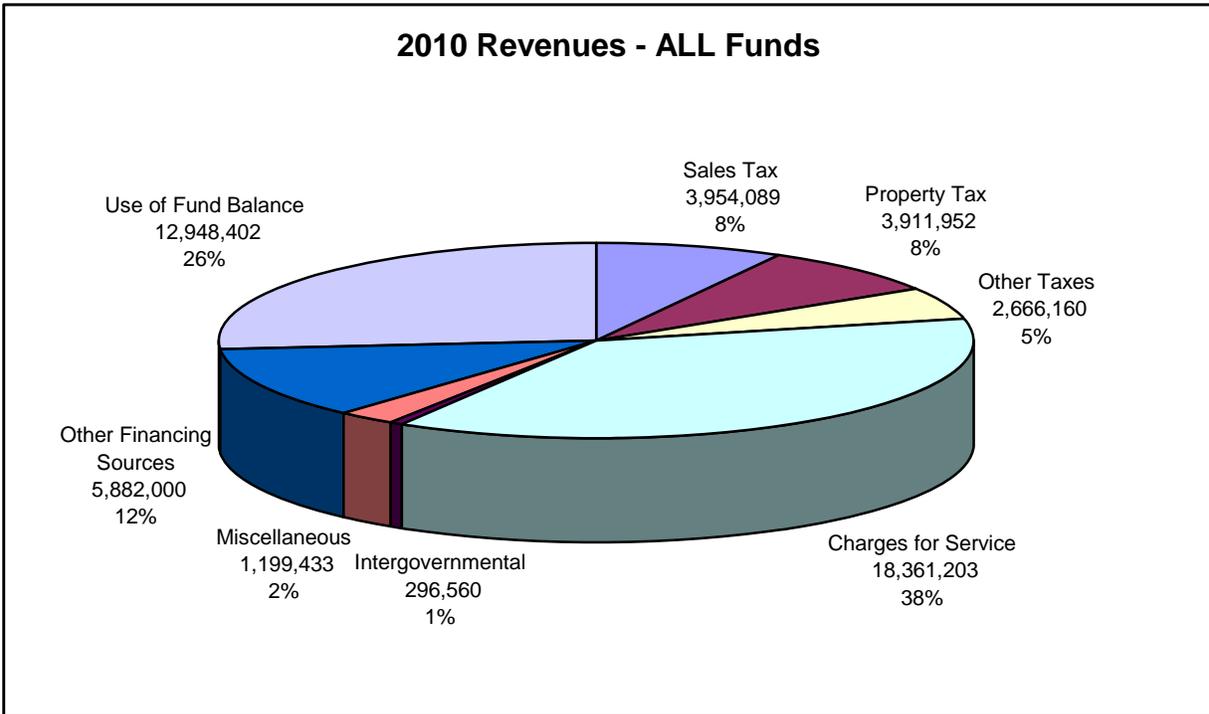
Where Does the Money Come From?



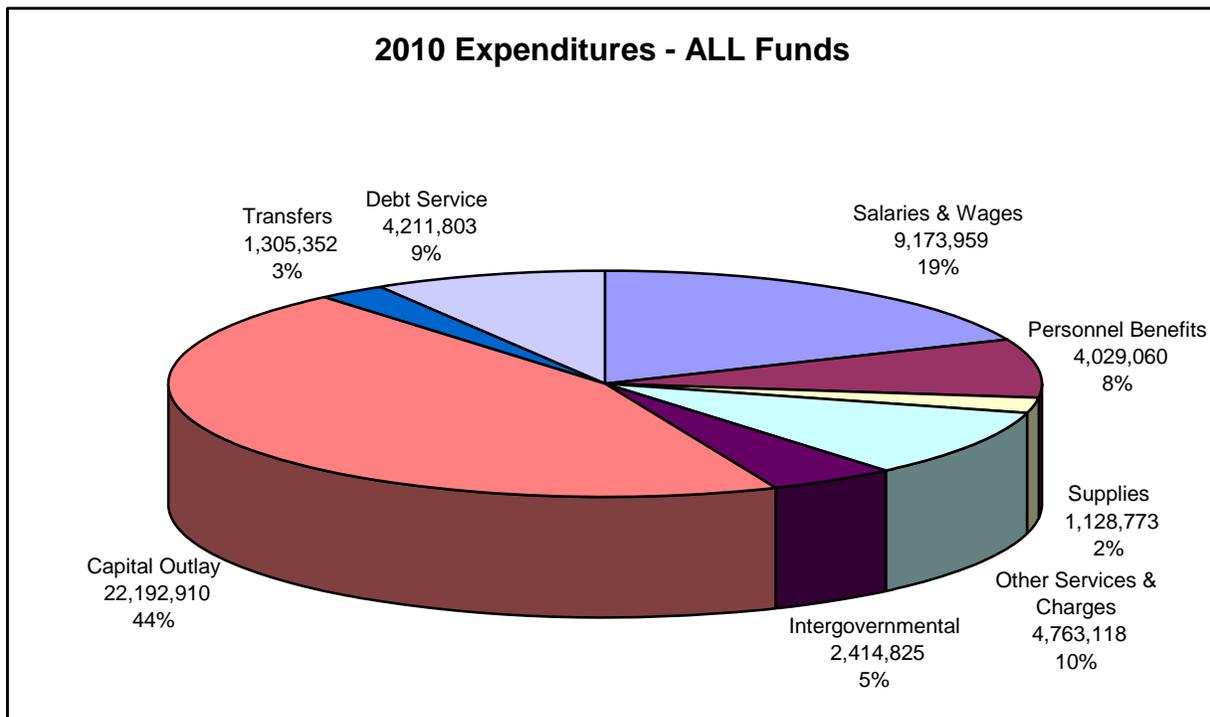
How Is the Money Spent?



Where Does the Money Come From?



How Is the Money Spent?



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**Combined Statement
ALL Funds**

	General Fund				
	2006 Actual	2007 Actual	2008 Revised	2009 Adopted	2010 Adopted
Revenues					
Sales Tax	3,473,570	3,511,492	3,445,000	3,820,376	3,954,089
Property Tax	2,028,022	2,133,842	2,393,348	2,507,813	2,593,836
Other Taxes	1,869,956	2,518,967	2,445,000	2,576,000	2,666,160
Charges for Service	3,333,562	3,898,091	3,625,636	3,186,142	3,297,657
Intergovernmental	205,198	240,597	210,343	283,331	296,560
Miscellaneous	634,215	515,125	359,651	328,200	339,687
Other Financing Sources	203,235	-	-	-	-
Total Revenues	11,747,756	12,818,114	12,478,978	12,701,861	13,147,989
Expenditures					
Salaries & Wages	4,548,830	4,916,857	5,974,220	6,480,392	6,818,258
Personnel Benefits	1,520,660	1,775,466	2,524,470	2,703,396	2,966,435
Supplies	271,466	474,208	446,150	554,699	543,411
Other Services & Charges	1,864,872	1,651,194	2,891,038	2,268,549	2,310,360
Intergovernmental	1,180,778	1,487,433	834,317	1,590,820	1,629,768
Capital Outlay	203,650	173,719	153,400	88,500	39,100
Transfers	-	4,175,000	-	-	-
Debt Service	5,400	-	-	-	-
Total Expenditures	9,595,656	14,653,876	12,823,595	13,686,356	14,307,332
Net Increase (Decrease) in Fund Balance	2,152,100	(1,835,762)	(344,617)	(984,495)	(1,159,342)
Fund Balance - Jan 1	4,721,653	6,873,753	5,037,991	4,693,374	3,708,879
Fund Balance - Dec 31	6,873,753	5,037,991	4,693,374	3,708,879	2,549,536
Capital Funds					
	2006 Actual	2007 Actual	2008 Revised	2009 Adopted	2010 Adopted
Revenues					
Sales Tax	-	-	-	-	-
Property Tax	1,164,885	1,218,714	1,573,000	925,958	958,366
Other Taxes	341,183	346,748	397,000	-	-
Charges for Service	1,911,136	2,463,221	2,746,000	809,992	838,340
Intergovernmental	-	-	-	-	-
Miscellaneous	273,284	350,226	550,535	239,075	186,494
Other Financing Sources	5,124,823	16,049,256	4,262,667	890,000	2,800,000
Total Revenues	8,815,311	20,428,165	9,529,202	2,865,025	4,783,200
Expenditures					
Salaries & Wages	-	-	-	-	-
Personnel Benefits	-	-	-	-	-
Supplies	-	-	-	-	-
Other Services & Charges	-	80,372	10,000	8,000	5,000
Intergovernmental	-	-	-	-	-
Capital Outlay	1,729,422	6,126,903	8,357,900	16,501,000	4,365,000
Transfers	-	3,320,546	-	-	-
Debt Service	571,944	255,193	1,364,114	754,898	1,345,493
Total Expenditures	2,301,366	9,783,014	9,732,014	17,263,898	5,715,493
Net Increase (Decrease) in Fund Balance	6,513,945	10,645,151	(202,812)	(14,398,873)	(932,293)
Fund Balance - Jan 1	-	6,513,945	17,159,096	16,956,284	2,557,411
Fund Balance - Dec 31	6,513,945	17,159,096	16,956,284	2,557,411	1,625,118

**Combined Statement
ALL Funds**

	Utility Funds				
	2006 Actual	2007 Actual	2008 Revised	2009 Adopted	2010 Adopted
Revenues					
Sales Tax	-	-	-	-	-
Property Tax	-	-	-	-	-
Other Taxes	-	-	-	-	-
Charges for Service	16,769,265	13,506,859	15,297,777	12,354,703	12,787,117
Intergovernmental	-	-	-	-	-
Miscellaneous	1,138,853	1,415,549	830,500	601,792	610,216
Other Financing Sources	3,610,112	783,240	1,175,000	5,534,000	3,082,000
Total Revenues	21,518,230	15,705,647	17,303,277	18,490,495	16,479,333
Expenditures					
Salaries & Wages	1,622,948	1,695,590	2,161,582	2,106,478	2,214,724
Personnel Benefits	550,702	604,387	889,261	911,877	1,005,947
Supplies	205,144	202,744	272,643	282,186	292,061
Other Services & Charges	4,255,336	4,560,121	1,755,416	1,879,664	1,892,733
Intergovernmental	1,051,311	1,104,057	1,262,896	758,509	785,057
Capital Outlay	10,728,980	5,879,743	4,384,000	10,840,050	17,543,810
Transfers	2,017,517	1,791,026	2,795,840	1,755,194	1,305,352
Debt Service	2,488,892	824,438	2,516,343	2,268,094	2,506,560
Total Expenditures	22,920,830	16,662,107	16,037,981	20,802,052	27,546,244
Net Increase (Decrease) in Fund Balance	(1,402,600)	(956,461)	1,265,296	(2,311,557)	(11,066,911)
Fund Balance - Jan 1	24,947,783	23,545,184	22,588,723	23,854,019	21,542,462
Fund Balance - Dec 31	23,545,183	22,588,723	23,854,019	21,542,462	10,475,551

	Nonmajor Governmental Funds				
	2006 Actual	2007 Actual	2008 Revised	2009 Adopted	2010 Adopted
Revenues					
Sales Tax	-	-	-	-	-
Property Tax	299,075	365,943	354,805	355,305	359,750
Other Taxes	-	-	-	-	-
Charges for Service	2,345,095	1,735,567	1,503,740	1,389,588	1,438,090
Intergovernmental	-	-	-	-	-
Miscellaneous	343,750	202,023	139,973	61,200	63,036
Other Financing Sources	230,445	650,000	-	-	-
Total Revenues	3,218,365	2,953,533	1,998,518	1,806,093	1,860,876
Expenditures					
Salaries & Wages	112,425	100,992	113,219	134,804	140,977
Personnel Benefits	49,731	33,584	43,534	51,237	56,678
Supplies	224,013	252,563	323,800	283,383	293,301
Other Services & Charges	830,935	884,307	401,934	531,318	555,025
Intergovernmental	-	-	-	-	-
Capital Outlay	1,127,796	430,395	552,000	91,000	245,000
Transfers	-	-	500,000	-	-
Debt Service	362,866	364,199	354,805	355,305	359,750
Total Expenditures	2,707,766	2,066,039	2,289,292	1,447,047	1,650,731
Net Increase (Decrease) in Fund Balance	510,599	887,494	(290,774)	359,046	210,145
Fund Balance - Jan 1	2,783,562	3,294,162	4,181,656	3,890,882	4,249,927
Fund Balance - Dec 31	3,294,162	4,181,656	3,890,882	4,249,927	4,460,072

Combined Statement
ALL FUNDS

	TOTAL FUNDS				
	2006 Actual	2007 Actual	2008 Revised	2009 Adopted	2010 Adopted
Revenues					
Sales Tax	3,473,570	3,511,492	3,445,000	3,820,376	3,954,089
Property Tax	3,491,982	3,718,499	4,321,153	3,789,076	3,911,952
Other Taxes	2,211,139	2,865,715	2,842,000	2,576,000	2,666,160
Charges for Service	24,359,058	21,603,738	23,173,153	17,740,425	18,361,203
Intergovernmental	205,198	240,597	210,343	283,331	296,560
Miscellaneous	2,390,102	2,482,922	1,880,659	1,230,267	1,199,433
Other Financing Sources	9,168,615	17,482,495	5,437,667	6,424,000	5,882,000
Total Revenues	45,299,663	51,905,459	41,309,975	35,863,474	36,271,398
Expenditures					
Salaries & Wages	6,284,203	6,713,439	8,249,021	8,721,674	9,173,959
Personnel Benefits	2,121,093	2,413,437	3,457,265	3,666,510	4,029,060
Supplies	700,624	929,515	1,042,593	1,120,268	1,128,773
Other Services & Charges	6,951,143	7,175,994	5,058,388	4,687,532	4,763,118
Intergovernmental	2,232,089	2,591,490	2,097,213	2,349,329	2,414,825
Capital Outlay	13,789,847	12,610,760	13,447,300	27,520,550	22,192,910
Transfers	2,017,517	9,286,572	3,295,840	1,755,194	1,305,352
Debt Service	3,429,102	1,443,829	4,235,262	3,378,297	4,211,803
Total Expenditures	37,525,618	43,165,037	40,882,882	53,199,354	49,219,800
Net Increase (Decrease) in Fund Balance	7,774,045	8,740,421	427,093	(17,335,879)	(12,948,402)
Fund Balance - Jan 1	32,452,998	40,227,044	48,967,465	49,394,558	32,058,679
Fund Balance - Dec 31	40,227,044	48,967,465	49,394,558	32,058,679	19,110,277

General Fund
General Fund

Utility Funds

Water
Wastewater (Sewer)
Stormwater

Capital Funds

Street CIP
Parks CIP
General Government CIP
Civic Center CIP

Nonmajor Governmental Funds

Debt Service Funds
Drug Investigation Fund
Contingency Fund
*Equipment Rental &
Replacement Fund*
Insurance Fund

Capital Project Summary

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

The following is a summary of capital investments by program for the 2009/2010 Biennium.

Funds	2009 Adopted	2010 Adopted	Total Biennium
General Fund			
Municipal Court	6,000	-	6,000
Executive Office	-	12,000	12,000
Information Services	28,500	7,500	36,000
Parks and Recreation	15,000	10,000	25,000
Public Works & Engineering	5,000	5,500	10,500
Community Development	4,000	4,100	8,100
Law Enforcement Services	30,000	-	30,000
Subtotal: General Fund	88,500	39,100	127,600
Capital Improvement Funds			
Street/Sidewalk Maintenance <i>Chipsealing, overlay, etc.</i>	400,000	400,000	800,000
Street Reconstruction <i>Streets, Sidewalks, Traffic Calming</i>	295,000	295,000	590,000
Street/Road/Sidewalk Construction	4,001,000	350,000	4,351,000
Traffic, Signals, Streetlights	-	-	-
Recreation and Parks	1,070,000	3,320,000	4,390,000
General Government Capital	3,385,000	-	3,385,000
Civic Center Projects	7,350,000	-	7,350,000
Equipment Rental and Replacement	91,000	245,000	336,000
Utilities <i>Water, Wastewater, Stormwater</i>	10,840,050	17,543,810	28,383,860
			-
			-
TOTAL CAPITAL IMPROVEMENT BUDGET	27,520,550	22,192,910	49,713,460

Potential Cost Impacts of Capital Projects

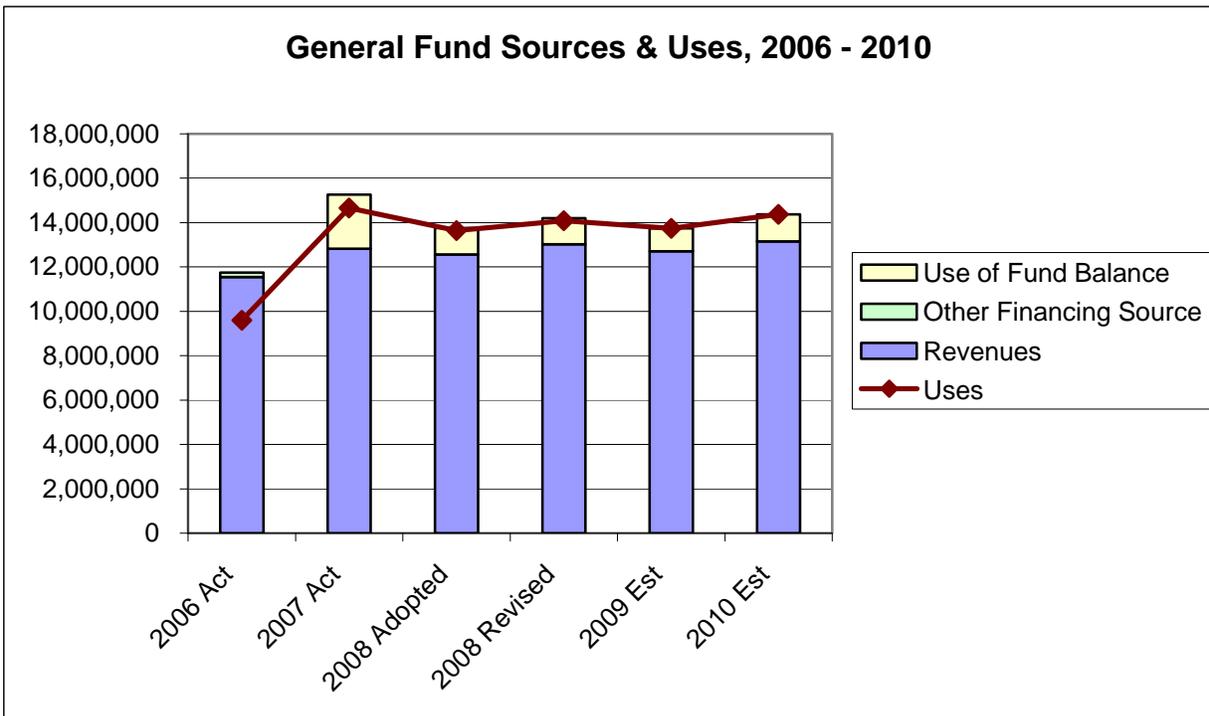
In the General Fund, capital expenditures are primarily equipment and/or furnishings, and are not associated with increased staffing and/or maintenance costs. In many cases, maintenance and/or ancillary costs are simply absorbed within the departmental existing operating budget. For instance, although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

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

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

Conversely, projects such as new park equipment and the Civic Center projects such as the construction of an Interim Justice Center will see an increase in maintenance and utility costs. Although the City recognizes these potential increases, a full analysis has not been completed in time for inclusion in this budget document. Pending a full analysis, an additional \$50,000 has been included in 2010 in the Facilities program for the Interim Justice Center. All other cost increases will be identified throughout the biennium and, if the cost is deemed prudent and necessary, presented to City Council for potential budget programming.

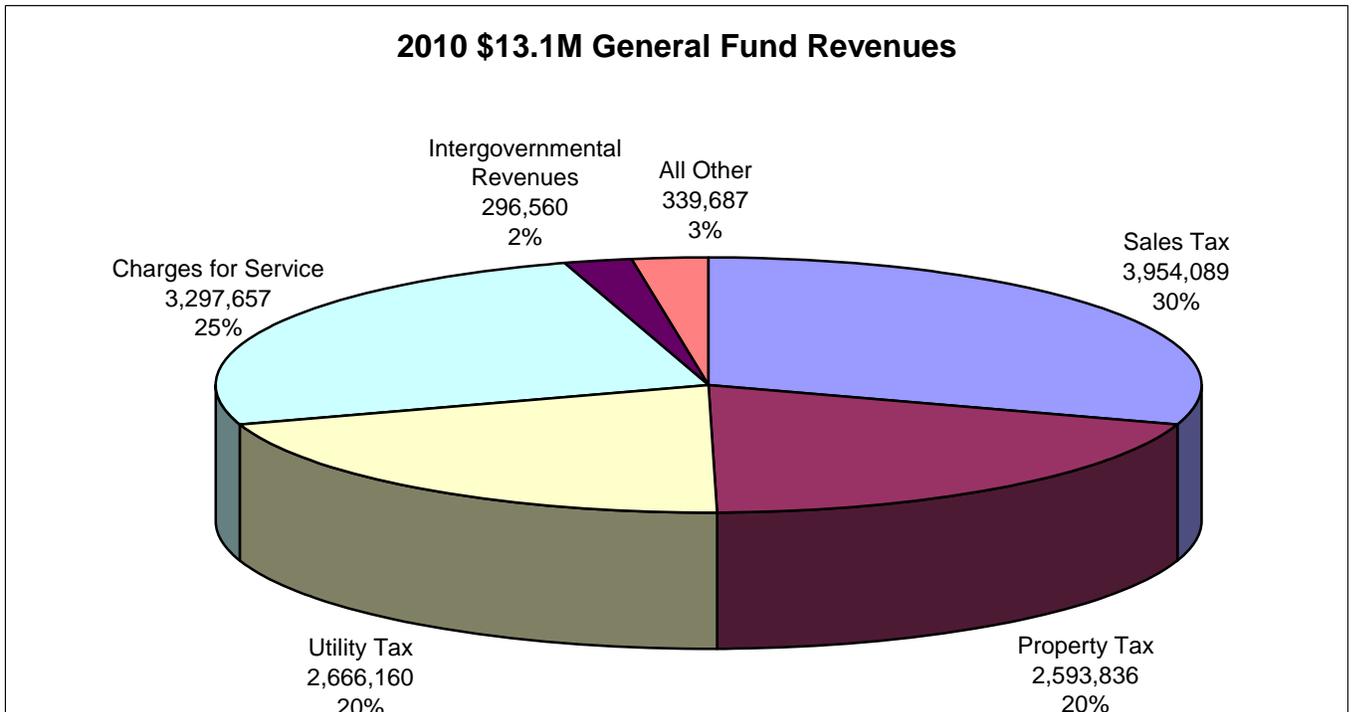
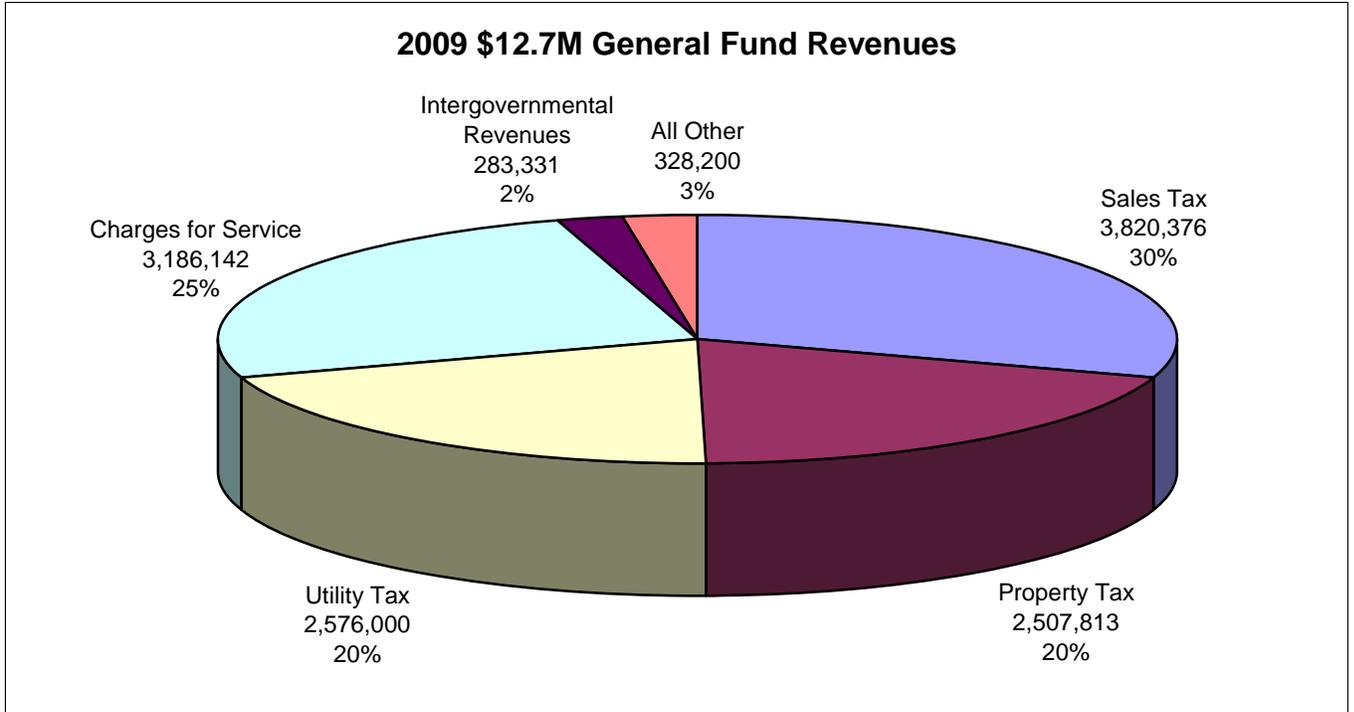
General Fund Overview

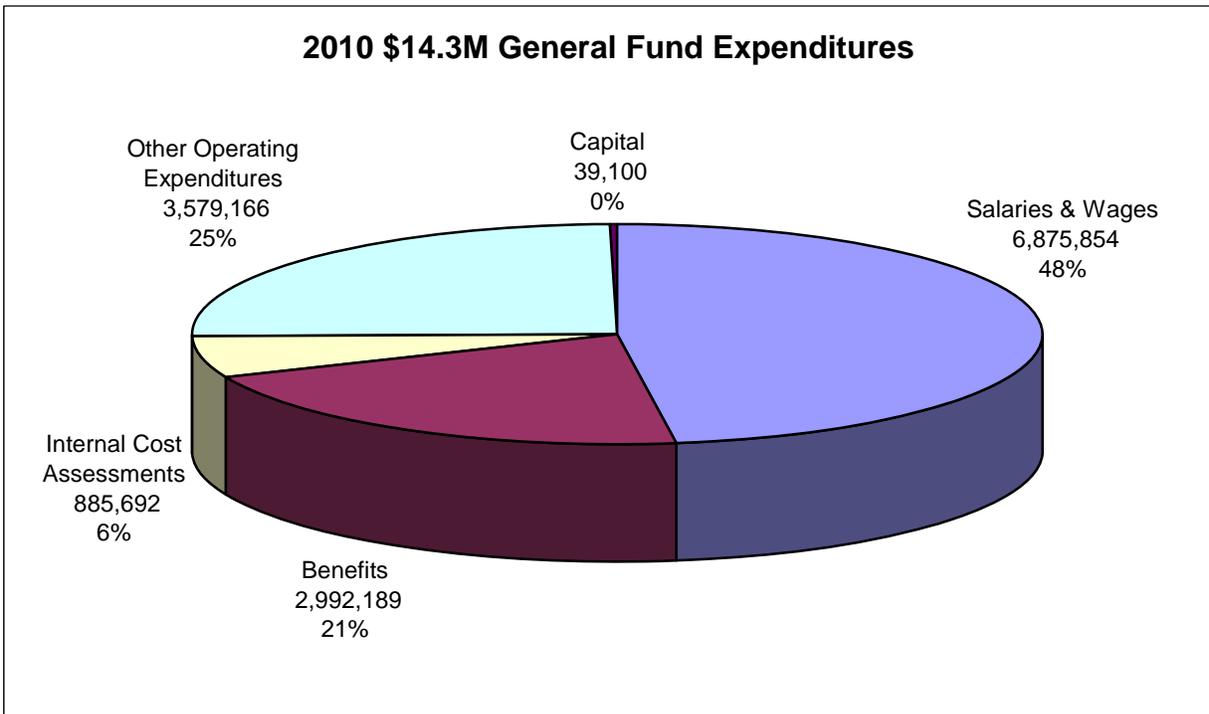
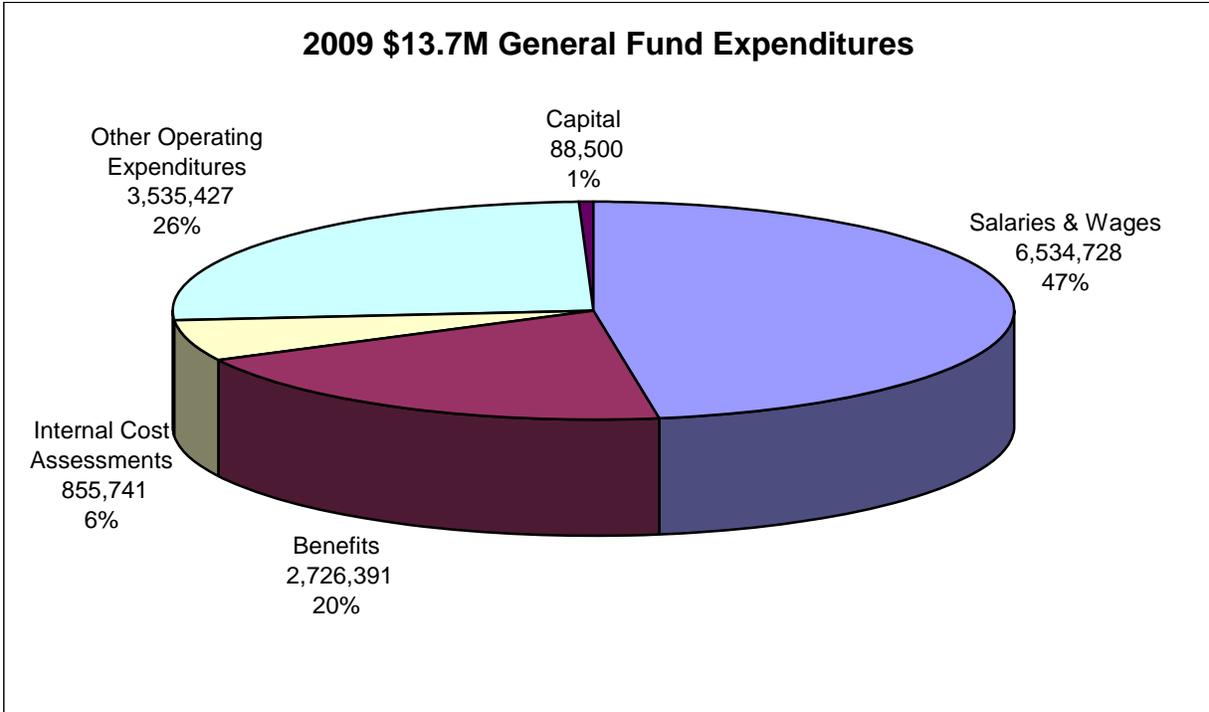


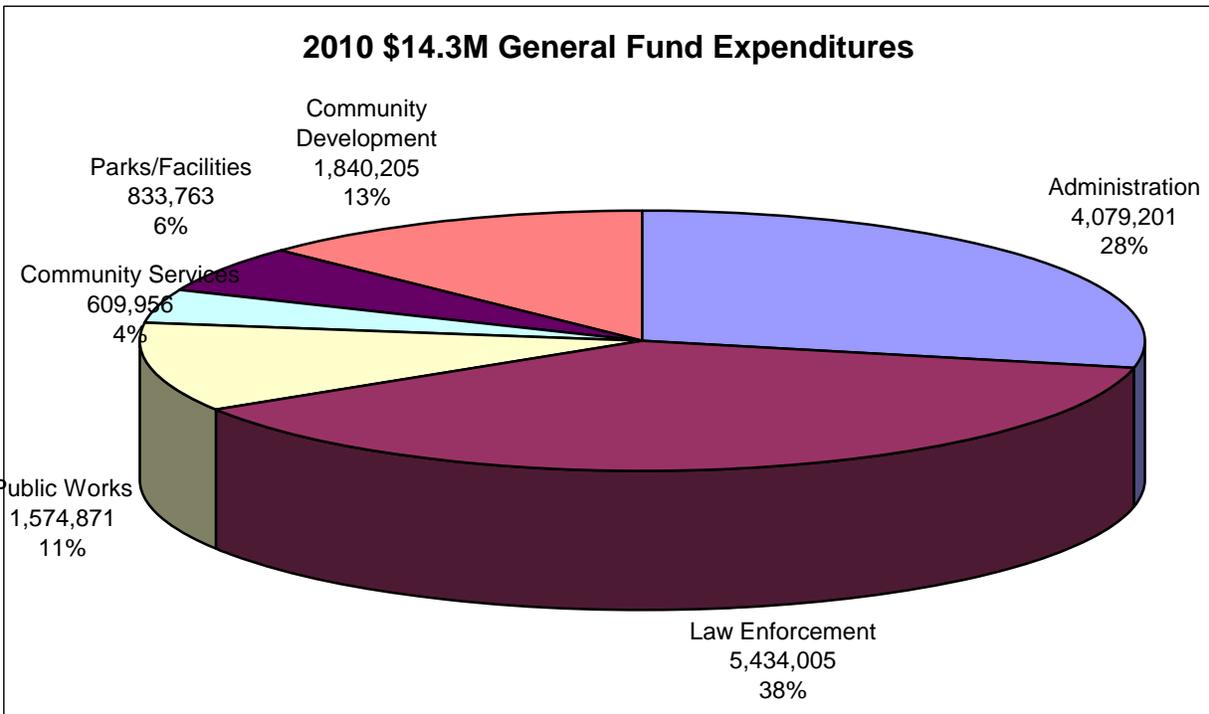
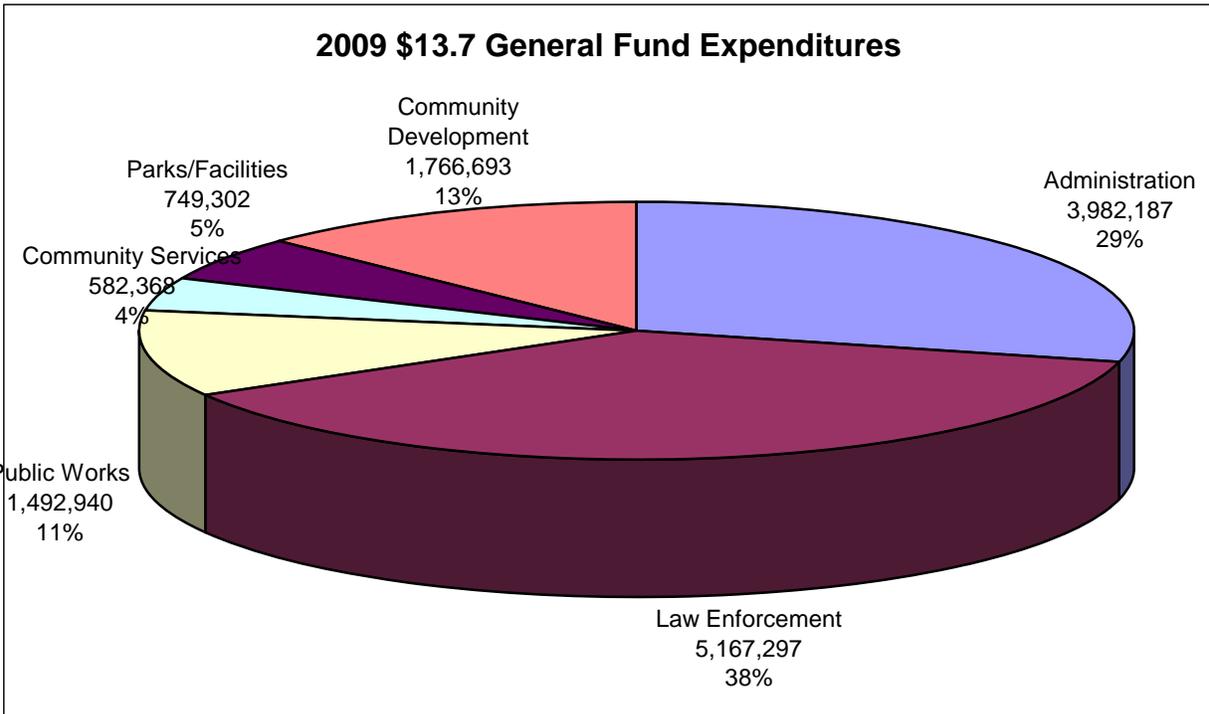
The budget presents the City’s financial operating plan for the stated fiscal period. This plan includes estimated expenditures (costs) of providing services and the estimated revenues (income) to pay for services. State statute requires cities to present a balanced budget (RCW 35.33.075). The budgeted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

**General Fund Revenues
2006 - 2010**

General Fund Revenues	2006 Actual	2007 Actual	2008 Adopted	2008 Revised	2009 Estimated	2010 Estimated
Sales Tax	\$ 3,473,570	\$ 3,511,492	\$ 4,015,585	\$ 3,445,000	\$ 3,820,376	\$ 3,954,089
Property Tax	2,028,022	2,133,842	2,318,663	2,393,348	2,507,813	2,593,836
Utility Tax	1,869,956	2,518,967	2,034,438	2,445,000	2,576,000	2,666,160
<u>Charges for Service</u>						
Building Permits	1,435,945	1,394,266	1,437,847	1,171,043	1,263,800	1,308,033
Parks & Recreation	103,699	100,784	123,150	103,198	118,100	122,234
Fines & Forfeitures	675,985	1,066,236	1,008,646	1,114,635	807,200	835,452
General Administration	945,615	1,055,818	1,033,977	1,033,977	806,992	835,236
Police	111,137	200,476	27,861	122,783	119,600	123,786
Business License	61,182	80,512	73,505	80,000	70,450	72,916
Charges for Service	<u>3,333,562</u>	<u>3,898,091</u>	<u>3,704,986</u>	<u>3,625,636</u>	<u>3,186,142</u>	<u>3,297,657</u>
All Other	634,215	515,125	370,688	359,651	328,200	339,687
Intergovernmental Revenues	205,198	240,597	126,819	210,343	283,331	296,560
Annual Revenues	<u>11,544,523</u>	<u>12,818,114</u>	<u>12,571,179</u>	<u>12,478,978</u>	<u>12,701,861</u>	<u>13,147,989</u>
Other Financing Sources	203,235	0	0	0	0	0
Use of Fund Balance	0	1,835,762	1,178,335	344,617	984,495	1,159,342
Annual Sources	<u>\$ 11,747,759</u>	<u>\$ 14,653,876</u>	<u>\$ 13,749,514</u>	<u>\$ 12,823,595</u>	<u>\$ 13,686,356</u>	<u>\$ 14,307,332</u>







General Fund Expenditures 2006 – 2010

City of Bonney Lake: General Funds EXPENDITURES	2006 Actual	2007 Actual	2008 Adopted	2008 Revised	2009 Proposed	2010 Proposed
General Fund Expenditures						
SALARIES & WAGES						
Regular & Part-Time Wages	3,984,401	4,546,506	5,471,472	5,586,325	6,096,222	6,429,461
Overtime	209,986	238,844	187,370	187,370	293,345	294,846
Seasonal & Casual Labor	354,443	131,506	200,525	200,525	90,825	93,951
Salaries & Wages Sub-Total	4,548,830	4,916,857	5,859,367	5,974,220	6,480,392	6,818,258
PERSONNEL BENEFITS						
Medical, Etc. Benefits	1,488,314	1,749,291	2,474,117	2,518,720	2,673,486	2,936,525
Uniforms & Clothing	32,347	26,175	5,750	5,750	29,910	29,910
Personnel Benefits Sub-Total	1,520,660	1,775,466	2,479,867	2,524,470	2,703,396	2,966,435
SUPPLIES						
Office & Operating Supplies	152,190	206,772	254,060	293,060	324,265	340,770
Fuel for Consumption	-	-	-	-	-	-
Items Purchased for Resale	17,470	26,962	22,000	22,000	30,000	32,000
Small Tools/Minor Equipment	101,806	240,474	131,090	131,090	200,434	170,641
Supplies Sub-Total	271,466	474,208	407,150	446,150	554,699	543,411
OTHER SERVICES & CHARGES						
Professional Services	1,326,071	945,248	2,087,230	2,201,708	1,532,654	1,571,438
Communication	118,989	156,137	159,400	159,400	154,960	154,511
Travel (Miles, Meals, Lodging)	49,811	46,049	85,200	100,200	91,980	93,019
Advertising	8,815	14,864	20,990	20,990	16,520	16,730
Operating Rents & Leases	33,633	33,371	27,270	27,270	23,380	23,672
Insurance	-	-	-	-	-	-
Public Utility Service	184,041	184,855	193,010	193,010	166,000	191,000
Repairs & Maintenance	79,119	116,616	62,050	67,050	76,320	109,077
Miscellaneous	64,393	154,053	116,410	121,410	206,736	150,914
Other Services & Charges Sub-Total	1,864,872	1,651,194	2,751,560	2,891,038	2,268,549	2,310,360
INTERGOVERNMENTAL SERVICES						
Intergovernmental Charges	46,479	562,774	-	-	735,079	762,183
Internal Charges for Service	1,134,298	924,659	834,317	834,317	855,741	867,585
Intergovernmental Sub-Total	1,180,778	1,487,433	834,317	834,317	1,590,820	1,629,768
CAPITAL OUTLAYS						
Buildings	-	-	-	-	-	-
Improvements Other Than Building	-	-	-	-	-	-
Machinery & Equipment	203,650	173,719	128,400	153,400	88,500	39,100
Capital Outlay Sub-Total	203,650	173,719	128,400	153,400	88,500	39,100
DEBT SERVICE						
Principal	5,400	-	-	-	-	-
Interest	-	-	-	-	-	-
Debt Service Sub-Total	5,400	-	-	-	-	-
TRANSFERS						
Transfers-Out	-	4,175,000	-	-	-	-
Contingency	-	-	1,178,335	-	-	-
Transfers Sub-Total	-	4,175,000	1,178,335	-	-	-
TOTAL GENERAL FUND EXPENDITURES	\$ 9,595,657	\$ 14,653,876	\$ 13,638,996	\$ 12,823,595	\$ 13,686,356	\$ 14,307,332
Annual Change (\$)		\$ 5,058,220	\$ (1,014,880)	\$ (1,830,281)	\$ 862,761	\$ 620,976
Annual Change (%)		53%	-7%	-12%	7%	5%

General Fund Expenditures by Department/Category
2009 - 2010

General Fund 2009	Expenditures										
	Personnel	Supplies	Services/Charges	Intergovernmental	Capital	Debt Service	Election	Interfund	Transfers Out	EFB	Total
Legislative	37,568	800	38,000	0	0	0	59,000	0	0	0	135,368
Judicial	494,528	19,625	22,510	0	6,000	0	0	0	0	0	542,663
Executive	271,899	4,400	199,400	0	0	0	0	0	0	0	475,699
Finance	825,405	14,050	136,350	0	0	0	0	0	0	0	975,805
Legal	0	0	466,000	0	0	0	0	0	0	0	466,000
Information Systems	214,858	97,500	188,050	0	28,500	0	0	0	0	0	528,908
City Clerk	341,258	4,800	69,500	0	0	0	0	0	0	0	415,558
Human Resources	98,488	14,835	10,900	0	0	0	0	0	0	0	124,223
Law Enforcement	3,849,973	90,800	109,800	671,004	30,000	0	0	338,390	0	0	5,089,967
Engineering & PW	0	8,000	331,500	0	5,000	0	0	57,074	0	0	401,574
Streets	682,011	120,494	173,311	0	0	0	0	115,550	0	0	1,091,366
Senior Center	267,272	30,000	8,200	0	0	0	0	8,733	0	0	314,205
Community Service	76,163	67,500	124,500	0	0	0	0	0	0	0	268,163
Planning & Comm Dev	707,381	4,295	111,060	23,000	4,000	0	0	21,730	0	0	871,465
Building	829,847	8,500	34,010	0	0	0	0	22,871	0	0	895,228
Facilities	276,342	26,000	96,500	0	0	0	0	15,213	0	0	414,055
Parks	210,796	25,000	49,000	0	15,000	0	0	35,451	0	0	335,247
Non-Departmental	0	18,100	40,959	41,075	0	0	0	240,729	0	0	340,863
Total General Fund	9,183,788	554,699	2,209,549	735,079	88,500	0	59,000	855,741	0	0	13,686,356

General Fund 2010	Expenditures										
	Personnel	Supplies	Services/Charges	Intergovernmental	Capital	Debt Service	Election	Interfund	Transfers Out	EFB	Total
Legislative	37,568	816	38,000	0	0	0	7,000	0	0	0	83,384
Judicial	527,237	17,386	24,196	0	0	0	0	0	0	0	568,818
Executive	290,978	2,958	186,000	0	12,000	0	0	0	0	0	491,936
Finance	891,780	10,400	132,706	0	0	0	0	0	0	0	1,034,886
Legal	0	0	466,000	0	0	0	0	0	0	0	466,000
Information Systems	230,505	107,000	193,250	0	7,500	0	0	0	0	0	538,255
City Clerk	363,429	4,800	68,550	0	0	0	0	0	0	0	436,779
Human Resources	105,906	15,350	8,990	0	0	0	0	0	0	0	130,246
Law Enforcement	4,136,837	72,200	109,800	690,472	0	0	0	350,234	690	0	5,359,543
Engineering & PW	0	8,080	351,990	0	5,500	0	0	57,074	0	0	422,644
Streets	726,547	124,712	179,377	0	0	0	0	115,550	0	0	1,146,186
Senior Center	285,090	32,000	8,300	0	0	0	0	8,733	0	0	334,123
Community Service	81,527	67,500	126,500	0	0	0	0	0	0	0	275,527
Planning & Comm Dev	753,274	4,409	131,781	25,000	4,100	0	0	21,730	0	0	940,295
Building	835,687	5,100	34,690	0	0	0	0	22,871	0	0	898,348
Facilities	296,118	27,000	150,000	0	0	0	0	15,213	0	0	488,331
Parks	222,208	25,000	51,000	0	10,000	0	0	35,451	0	0	343,659
Non-Departmental	0	18,700	42,230	46,711	0	0	0	240,729	0	0	348,370
Total General Fund	9,784,693	543,411	2,303,360	762,183	39,100	0	7,000	867,585	0	0	14,307,332

General Fund 2009-2010 Biennium	Expenditures										
	Personnel	Supplies	Services/Charges	Intergovernmental	Capital	Debt Service	Election	Interfund	Transfers Out	EFB	Total
Legislative	75,136	1,616	76,000	0	0	0	66,000	0	0	0	218,752
Judicial	1,021,764	37,011	46,706	0	6,000	0	0	0	0	0	1,111,481
Executive	562,877	7,358	385,400	0	12,000	0	0	0	0	0	967,635
Finance	1,717,185	24,450	269,056	0	0	0	0	0	0	0	2,010,691
Legal	0	0	932,000	0	0	0	0	0	0	0	932,000
Information Systems	445,363	204,500	381,300	0	36,000	0	0	0	0	0	1,067,163
City Clerk	704,687	9,600	138,050	0	0	0	0	0	0	0	852,337
Human Resources	204,394	30,185	19,890	0	0	0	0	0	0	0	254,469
Law Enforcement	7,986,810	163,000	219,600	1,361,476	30,000	0	0	688,624	0	0	10,449,510
Engineering & PW	0	16,080	683,490	0	10,500	0	0	114,148	0	0	824,218
Streets	1,408,558	245,206	352,687	0	0	0	0	231,100	0	0	2,237,552
Senior Center	552,362	62,000	16,500	0	0	0	0	17,466	0	0	648,328
Community Service	157,690	135,000	251,000	0	0	0	0	0	0	0	543,690
Planning & Comm Dev	1,460,655	8,704	242,840	48,000	8,100	0	0	43,460	0	0	1,811,760
Building	1,665,533	13,600	68,700	0	0	0	0	45,742	0	0	1,793,576
Facilities	572,460	53,000	246,500	0	0	0	0	30,426	0	0	902,386
Parks	433,004	50,000	100,000	0	25,000	0	0	70,902	0	0	678,906
Non-Departmental	0	36,800	83,189	87,786	0	0	0	481,458	0	0	689,233
Total General Fund	18,968,481	1,098,110	4,512,909	1,497,262	127,600	0	66,000	1,723,326	0	0	27,993,688

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

City of Bonney Lake POSITION SUMMARY	Year	2006	2007	2008	2009	2010
		Authorized F.T.E.	Authorized F.T.E.	Authorized F.T.E.	Adopted F.T.E.	Adopted F.T.E.
HUMAN RESOURCES						
Human Resources Officer		1.000	1.000	1.000	1.000	1.000
TOTAL HUMAN RESOURCES		1.000	1.000	1.000	1.000	1.000
CITY CLERK & ADMINISTRATIVE SERVICES						
Administrative Services Director/City Clerk		1.000	1.000	1.000	1.000	1.000
Records/Information Specialist		1.000	1.000	1.000	1.000	1.000
Administrative Specialist I/II		2.000	2.000	2.000	2.000	2.000
Information Services Coordinator		1.000	1.000	1.000	1.000	1.000
PC/Network Technician			1.000	1.000	1.000	1.000
TOTAL CITY CLERK & ADMINISTRATIVE SERVICES		5.000	6.000	6.000	6.000	6.000
COMMUNITY SERVICES						
Community Services Director		1.000	1.000	1.000	1.000	1.000
Special Events Coordinator			1.000	1.000	1.000	1.000
Community Services Specialist		1.000	1.000	1.000	1.000	1.000
Facilities Maintenance Worker II		1.000	1.000	1.000	1.000	1.000
Custodian		1.000	1.000	1.000	1.000	1.000
Parks Lead Worker		1.000	1.000	1.000	1.000	1.000
Maintenance Worker (Parks/Forestry)		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	1.000	1.000	1.000	1.000
Senior Center Aide		0.800	0.800	0.800	0.800	0.800
Cook		0.500	0.800	0.800	0.800	0.800
Kitchen Aide		0.300	0.300	0.300	0.300	0.300
Senior Center Aide/Van Driver		0.750	1.000	1.000	1.000	1.000
TOTAL COMMUNITY SERVICES		10.350	11.900	11.900	11.900	11.900
POLICE						
Police Chief		1.000	1.000	1.000	1.000	1.000
Assistant Police Chief				1.000	1.000	1.000
Police Lieutenant		2.000	2.000	1.000	1.000	1.000
Administrative Specialist I					1.000	1.000
Department Assistant		1.000	1.000	1.000		
Records Clerk		3.000	3.000	3.000	3.000	3.000
Police Sergeant		5.000	5.000	5.000	5.000	5.000
Community Service Officer		1.000	2.000	2.000	2.000	2.000
Patrol Officers		20.000	20.000	21.000	22.000	22.000
School Resource Officer		1.000	1.000	1.000	1.000	1.000
Community Services Officer		1.200	1.200	1.200	1.200	1.200
TOTAL POLICE		35.200	36.200	37.200	38.200	38.200

City of Bonney Lake POSITION SUMMARY	Year	2006	2007	2008	2009	2010
		Authorized F.T.E.	Authorized F.T.E.	Authorized F.T.E.	Adopted F.T.E.	Adopted F.T.E.

COMMUNITY DEVELOPMENT

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
Planning Manager	1.000	1.000	1.000	1.000	1.000
Associate Planner	1.000	1.000	1.000	1.000	1.000
Assistant Planner	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
Development Services Engineer			1.000	1.000	1.000
Construction Inspector			1.000	1.000	1.000
Administrative Specialist I/II	1.000	1.000	1.000	1.000	1.000
Building Official	1.000	1.000	1.000	1.000	1.000
Permit Coordinator	1.000	1.000	1.000	1.000	1.000
Permit Technician I/II	2.000	2.000	2.000	2.000	2.000
Building Inspector 2	1.000	1.000	1.000	1.000	1.000
Building Inspector 1	2.000	2.000	2.000	2.000	2.000
TOTAL COMMUNITY DEVELOPMENT	14.000	14.000	17.000	17.000	17.000

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

Public Works Director	1.000	1.000	1.000	1.000	1.000
Assistant Public Works Director	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
Civil Engineer				1.000	1.000
Administrative Specialist III	1.000	1.000	1.000	1.000	1.000
City Engineer	1.000	1.000	1.000	1.000	1.000
Administrative Specialist I/II	1.000	1.000	1.000	1.000	1.000
Engineering Technician	1.000	1.000	1.000		
Maintenance Worker I	4.000	5.000	7.000	7.000	7.000
Maintenance Worker II	18.000	18.000	18.000	18.000	18.000
Maintenance Electrician	1.000	1.000	1.000	1.000	1.000
Mechanic II	1.000	1.000	1.000	1.000	1.000
Meter Reader	2.000	2.000	2.000	2.000	2.000
Project Manager	2.000	2.000	2.000	2.000	2.000
Lead Maintenance Worker	3.000	3.000	3.000	3.000	3.000
Utility Supervisor		1.000	1.000	1.000	1.000
Street & Stormwater Supervisor			1.000	1.000	1.000
Assistant City Engineer - Utilities	1.000	1.000	1.000	1.000	1.000
TOTAL ENGINEERING	39.000	41.000	44.000	44.000	44.000

TOTAL STAFFING	128.300	134.850	142.850	143.900	143.950
TOTAL POPULATION	15,230	15,740	16,220	16,706	17,290
F.T.E. per 1,000 population	8.42	8.57	8.81	8.61	8.33

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 2009-2010 biennium. The following includes all out-of-state travel for 2009; due to logistics of conference planning, 2010 data is not readily available. A similar schedule for 2010 will be provided with the 2009-2010 Mid-Biennial Budget Review/Adjustment.

Department:	Community Development	
BARS Account #	001.058.558.00.043	\$500
BARS Account #	Free registration	
Staff Position(s)	GIS Analyst (Allan Cataranzo)	
Destination	San Diego, CA	
Dates	July 2009	
Purpose of Travel	ESRI International GIS Users Conference	
Justification	<i>Continue professional growth and development enhancing staff efficiency.</i>	

Department:	Finance	
BARS Account #	001.014.514.10.043 (Travel Expenses)	\$4,125 (\$1,375 x 3)
BARS Account #	001.014.514.10.049 (Miscellaneous/Registration)	\$1,875 (\$625 x 3)
Staff Position(s)	Accountant (Terrina Marchant) (1) Utility Billing staff (to be determined) (2) Operations staff (to be determined)	
Destination	Orlando, FL	
Dates	October 25-28, 2009	
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>	

Department:	Community Development	
BARS Account #	001.058.558.00.043	\$1,500
BARS Account #	001.058.558.00.049	\$700
Staff Position(s)	Planning and Community Development Director (John Vodopich)	
Destination	Minneapolis, MN	
Dates	April 2009	
Purpose of Travel	National APA	
Justification	<i>This conference is approved per Employment Contract, and is therefore exempt from Resolution #1787; however, the detail is provided for informational purposes.</i>	

Department:	Community Development	
BARS Account #	001.058.558.00.043	\$1,750
BARS Account #	001.058.558.00.049	\$675
Staff Position(s)	Building Official (Jerry Hight)	
Destination	Baltimore, MD	
Dates	Fall 2009	
Purpose of Travel	ICC Annual Conference	
Justification	<i>Continue professional growth and development to enhance staff efficiency.</i>	

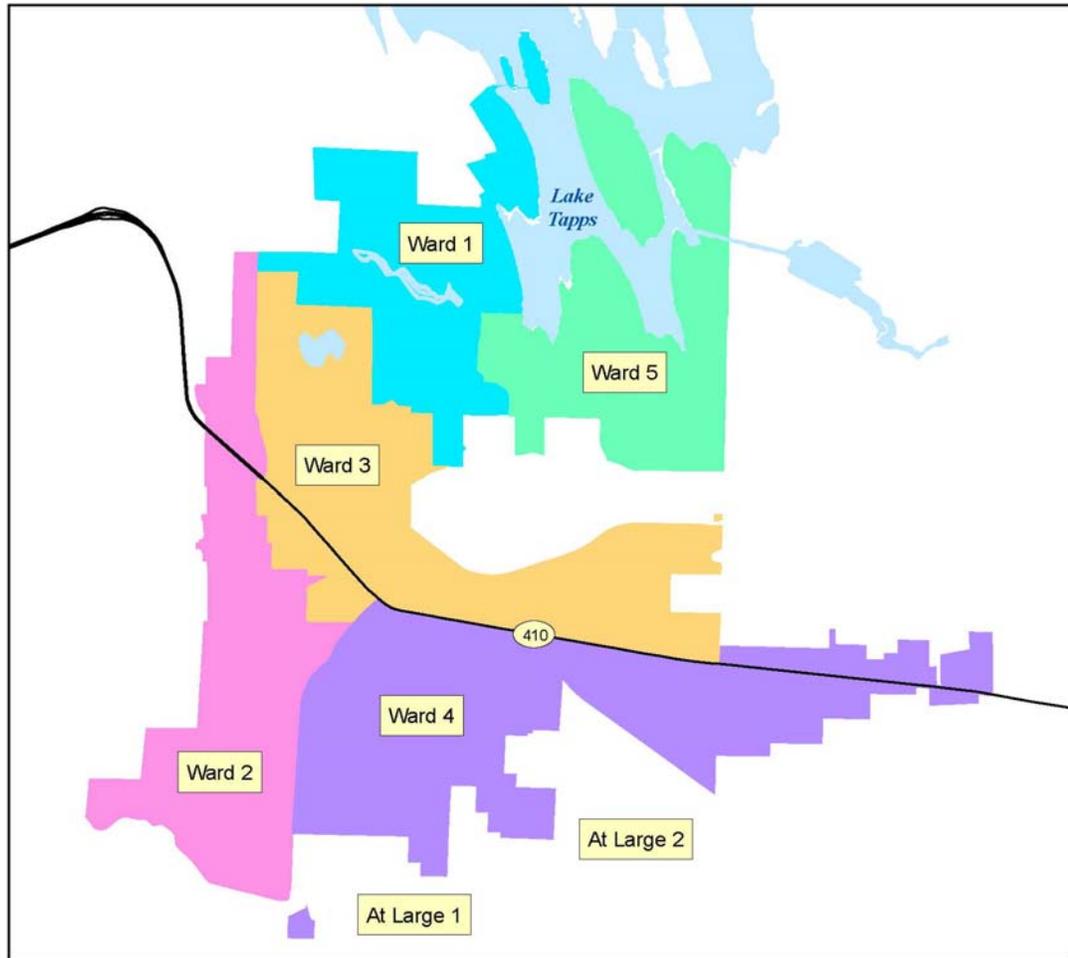
Department:	Community Development	
BARS Account #	001.058.558.00.043	\$1,375
BARS Account #	001.058.558.00.049	\$675
Staff Position(s)	Permit Coordinator (Jen Francis)	
Destination	Orlando, FL	
Dates	October 25-28, 2009	
Purpose of Travel	Tyler Connects National User Conference (Eden Financial Software)	
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 Wards and Boundaries

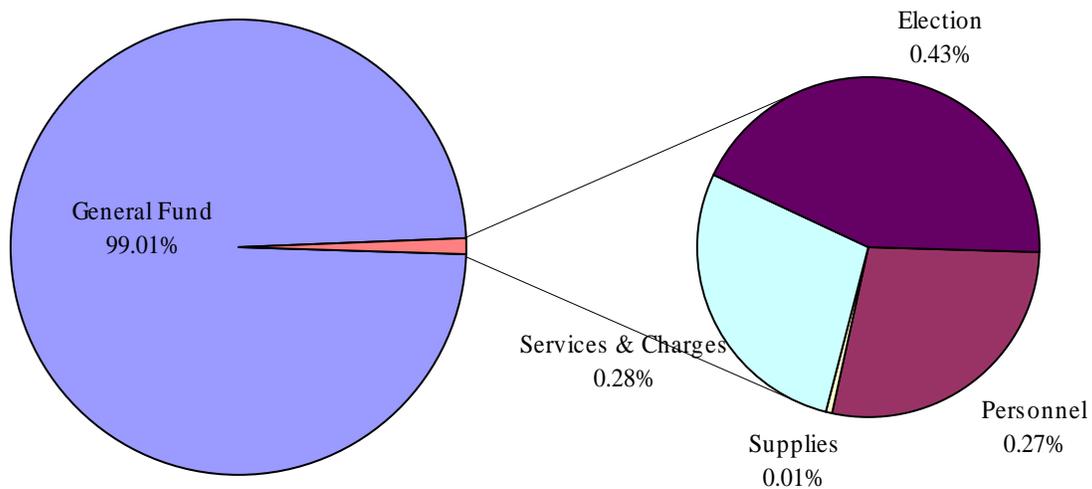


Department: *Legislative*
 Program(s): *City Council*
 Fund(s): *General*

Budget Overview

2009 Budget:	\$135,368	2007 Council Members:	7.0
Change from 2008:	28%	2008 Council Members:	7.0
2010 Budget:	\$83,384	2009 Council Members:	7.0
Change from 2009:	-38%	2010 Council Members:	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. Responsibilities also include policy direction and adoption of local codes and legislation.

2007-2008 Key Accomplishments

- Adopted an updated Downtown Plan and Design Standards;

- Adopted a Non-Motorized Transportation Plan;
- Adopted an updated Transportation Plan;
- Funded the planned Interim Justice Center and civic center land acquisition;
- Revised and streamlined land use fees;
- Joined the WA Master Business License Program;
- Adopted TIF rebate economic incentive ordinance;
- Adopted new noise ordinance;
- Adopted ordinance to place existing utilities underground when development occurs;
- Updated Council Rules.

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

- Effectively deal with the City Charter Petition issue/special election;
- Provide policy direction to the City administration;
- Adopt a biennial budget;
- Hold a City Council retreat;
- Enact legislation deemed necessary to improve the City;
- Adopt various Comprehensive Plan Updates;
- Continue working towards achieving the Council's vision and goals identified in the annual retreat.

Resource Summary

Legislative Legislative (Dept 11)	Actual		Budget			
	2006	2007	2008 Adopted	2008 Revised	2009	2010
10 Personnel Services	33,600	32,200	33,600	33,600	33,600	33,600
20 Personnel Benefits	0	2,500	2,614	2,614	3,968	3,968
30 Supplies	0	1,935	800	800	800	816
40 Services & Charges	0	8,420	40,000	40,000	38,000	38,000
50 Intergovernmental/Interfund	0	0	0	0	0	0
60 Capital Outlays	0	0	0	0	0	0
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
	<u>33,600</u>	<u>45,055</u>	<u>77,014</u>	<u>77,014</u>	<u>76,368</u>	<u>76,384</u>
Election Costs	21,329	55,705	29,000	29,000	59,000	7,000
Total	<u>54,929</u>	<u>100,760</u>	<u>106,014</u>	<u>106,014</u>	<u>135,368</u>	<u>83,384</u>

Budget Notes: The 2009 and 2010 "Services and Charges" include \$10,000 for training and travel, \$1,500 for advertising, \$7,000 in City Council discretionary funds, \$10,000 for City

Council retreat activities, \$3,000 for volunteer/board/employee appreciation, and \$1,500 for City Council open house expenses. The remaining \$5,000 is for a variety of professional services.

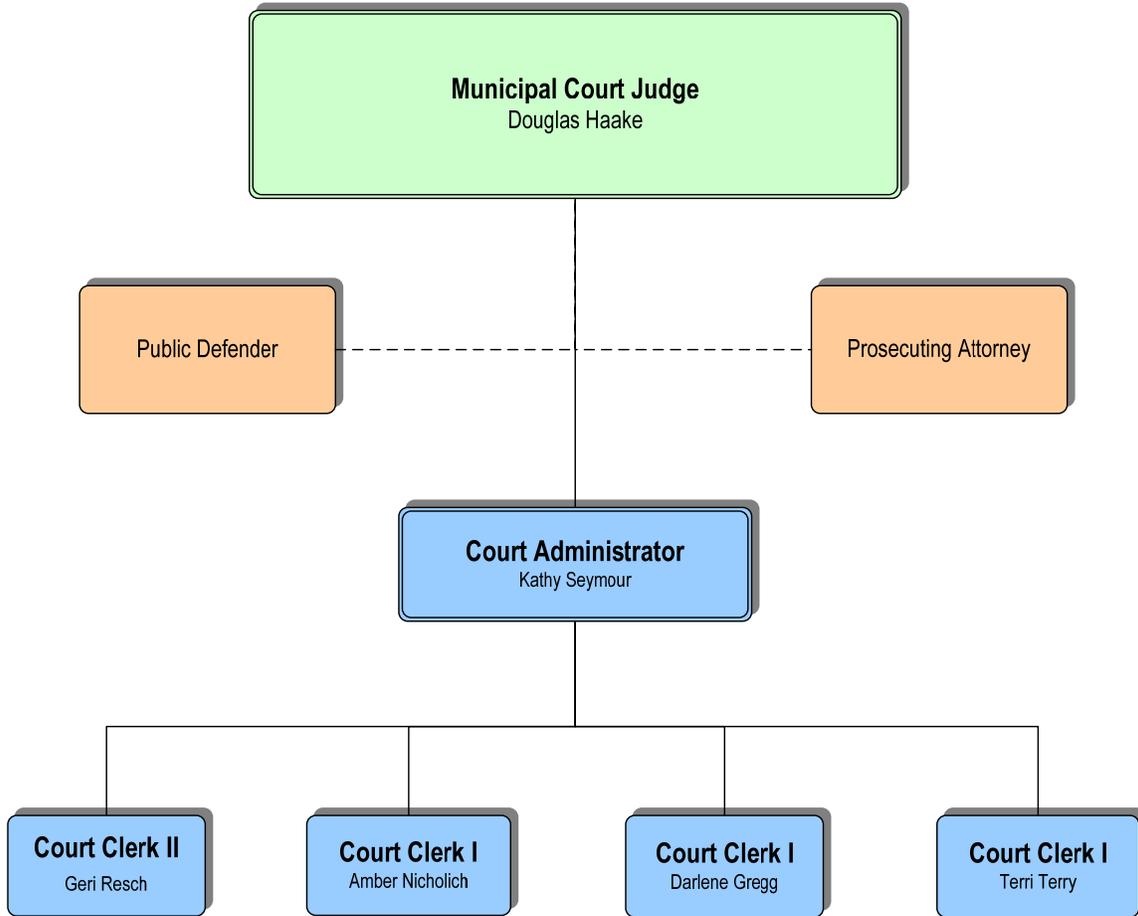
In 2009, election costs increase significantly to absorb anticipated expenditures for a special election to be held in February 2009 regarding an initiative to classify Bonney Lake as a charter city.

Trends & Future Issues

A special election is set for February 3, 2009 to submit to voters if the City of Bonney Lake shall become a charter code city. Regardless of the outcome of the special election, the current volatility in the economy is an issue of great importance for both current and future planning.

The local and national economic volatility remains a high priority for the City Council to monitor and make adjustments as necessary.

Municipal Court

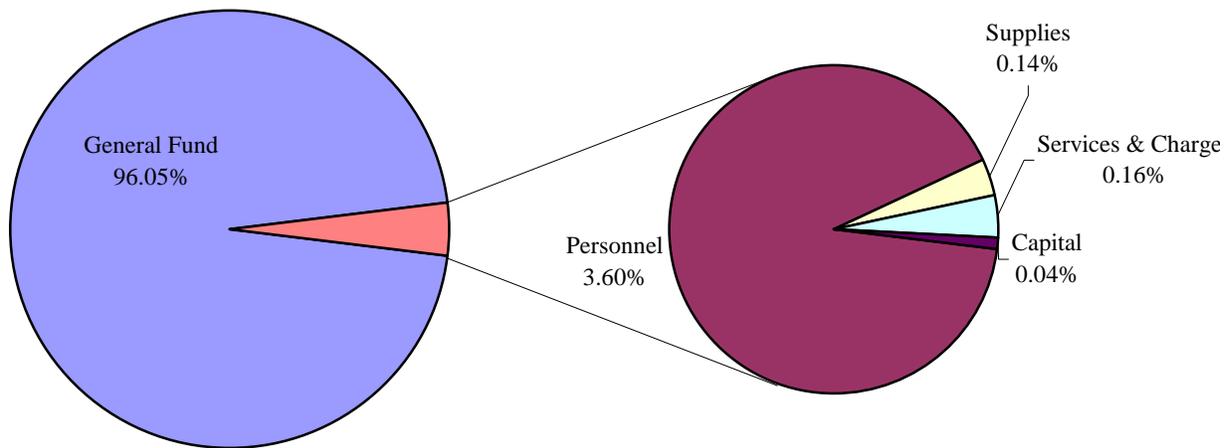


Department: *Judicial*
 Program(s): *Municipal Court*
 Fund(s): *General*

Budget Overview

2009 Budget:	\$542,663	2007 FTE	5.75
Change from 2008:	5%	2008 FTE	5.75
2010 Budget:	\$568,818	2009 FTE	5.80
Change from 2009:	5%	2010 FTE	5.85

Judicial by % of General Fund and Activity



Mission Statement

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

Purpose and Description

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

2007-2008 Key Accomplishments

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

- Streamline court processing by setting all criminal cases for final review rather than having staff do check files;
- Continue to provide municipal court services to the Town of South Prairie;
- Continue to provide location for Domestic Violence Kiosk in cooperation with Pierce County Superior Court Domestic Violence Unit;
- Provided staff with ongoing training through DMCMA regional training and training made available through AOC;
- Processed a record volume of cases and accompanying volume of revenues received;
- Entered into contract for collection services with Puget Sound Collections for all new cases assigned to collections;
- Started process for automated checks to be issued in lieu of manual issuance of checks on bail refunds and restitution payments;
- Increased staff level from part time employee in 2006 to full time in June 2007 to help with the increase in filings;
- Start the implementation for e-citations;
- Staff processing court files in the courtroom to cut down on amount of back log in processing files after court sessions.

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

- Improve LESA records access – in cooperation with police department to access reports for probable cause;
- Initiate video arraignments;
- Continue to provide municipal court services for the Town of South Prairie;
- Add staff to assist process the increase in filings and court hearings;
- Evaluate options for additional court space;
- Implementing e-citations to more officers;

- Set up actual work station for staff in the courtroom to assist them in the operations of their duties.

Resource Summary

Judicial Municipal Court (Dept 12)	Actual		Budget			
	2006	2007	2008 Adopted	2008 Revised	2009	2010
10 Personnel Services	230,704	267,653	306,711	336,351	345,076	362,426
20 Personnel Benefits	74,639	90,267	116,707	125,067	149,452	164,811
30 Supplies	10,072	20,102	18,450	18,450	19,625	17,386
40 Services & Charges	21,748	22,324	39,107	39,107	22,510	24,196
50 Intergovernmental/Interfund	0	0	0	0	0	0
60 Capital Outlays	800	0	0	0	6,000	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
	<u>337,964</u>	<u>400,346</u>	<u>480,975</u>	<u>518,975</u>	<u>542,663</u>	<u>568,818</u>

Budget Notes: Personnel services includes \$9,000 in casual/seasonal labor for clerical assistance. Services and charges include funds for interpreters, judge pro tems, jury trial expenses, and expert witness fees. 2009 expenses in "Supplies" include \$2,000 for computer workstation. The Capital Outlay programmed for 2009 represents the City's proportional share of video arraignment.

Trends & Future Issues

As the City and police department continues to grow, so must the court. This trend requires increased staffing and accompanying court space for staff and files, etc. Current city hall space allocated to the court is already inadequate to accommodate the needs of the court.

The trend in the court is that filings will increase because of the addition of staff at the police department and population growth. With these increases, the demand for court services will escalate rapidly. Staff increases will be necessary in future years (depending on traffic enforcement trends) to meet these demands. In the current location (City Hall), there is inadequate working space for staff and no space to put added filing systems, etc. Additional space is needed for a court room and lobby. Currently clients appearing for court are backing up into the lobby by the utility and court counters awaiting their turn to enter the court room. There is not enough space or seating available for persons appearing for court. With the construction of an Interim Justice Center (IJC) and subsequent relocation of the court and court staff to the IJC in 2009, these space issues should be alleviated.

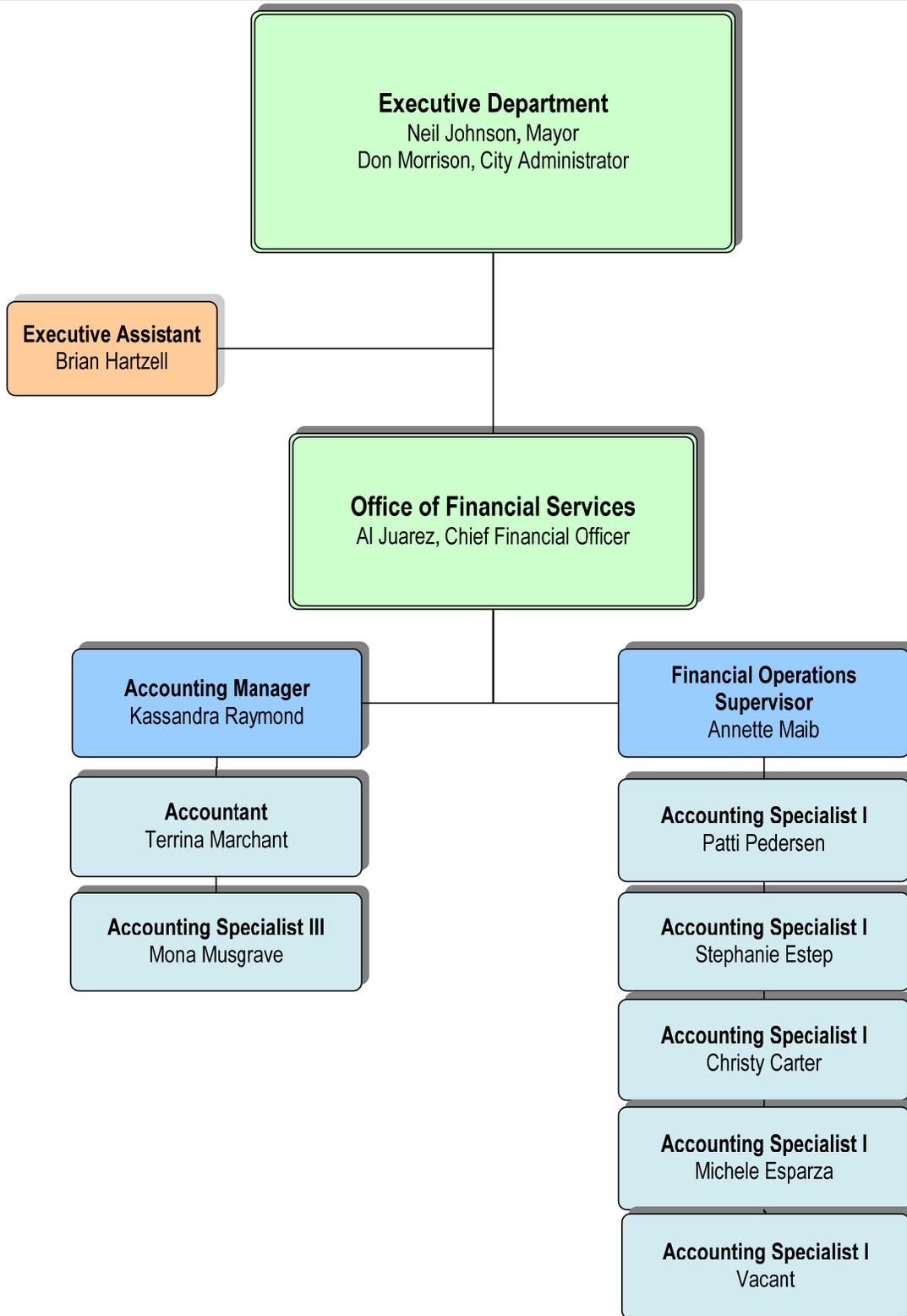
Performance Measures

	2005	2006	2007	Projected
Infraction Filings	1,318	2,947	4,054	4,392
Infraction Hearings	1397	3268	4503	4236
Criminal Filings	632	1353	1574	1534
Criminal Hearings	4,656	6,826	9,180	8,372
Collection Assignments	792 (476621.28)	916 (535311.01)	904 (543534.99)	860 (492718.24)
Collection Recovery	\$122,345	\$127,862	97,569	\$165,454

2008 figures are projected based on current filings with the court. The decrease in hearings is due to the number of DWLS 3rd cases that are being amended at Arraignment by the Prosecution, therefore reducing the number of cases set over for a Pre Trial Hearing. Also the number of review cases has decreased due to number of times a case may be recalled back into court for non payment on fines and/or non compliance.

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Executive Department

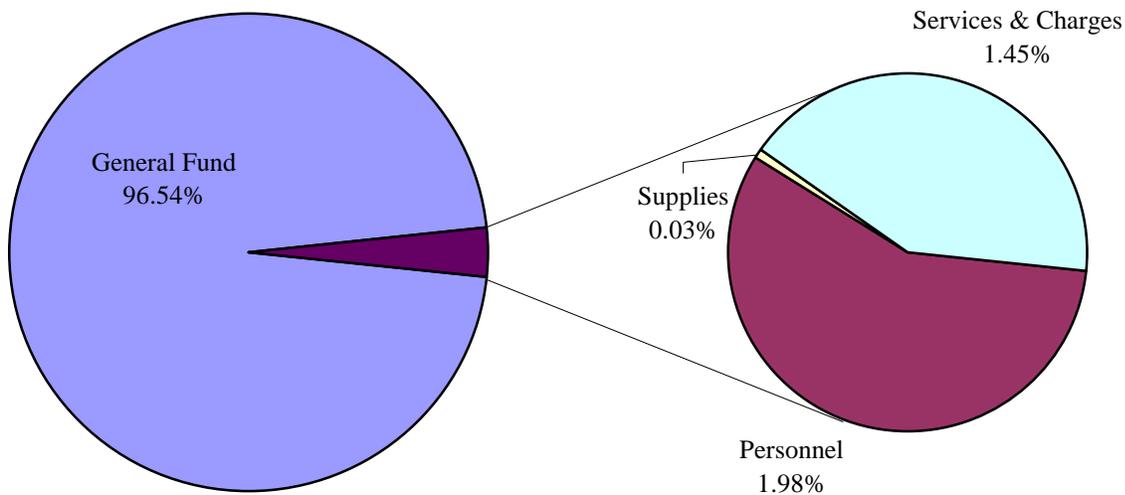


Department: *Executive*
 Program(s): *Mayor and City Administrator*
 Fund(s): *General*

Budget Overview

2009 Budget:	\$475,699	2007 FTE	3.0
Change from 2008:	4%	2008 FTE	3.0
2010 Budget:	\$491,936	2009 FTE	3.0
Change from 2009:	3%	2010 FTE	3.0

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



Mission Statement

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

Purpose and Description

The Executive Department consists of the Mayor, City Administrator, an Executive Assistant, Chief Financial Officer, and the Office of Financial Services. The Executive Department oversees the administration of City government, provides professional advice to the council and operating departments, and facilitates the achievement of Council goals.

2007-2008 Key Accomplishments

- Spearheaded a number of town meetings and Ward open houses to gain citizen input into the City's long range goals and plans;
- Coordinated a Council Retreat to review the City's vision, goals, and priorities;
- Developed 2008 budget amendment and long range financial plan;
- Coordinated/sponsored grant applications resulting in more than \$2,000,000 in grant awards to the City;
- Developed a variety of ordinances and resolutions: purchasing, land use fees, master business licenses, night club, TIF rebate incentive, facility naming.

Level of Service

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

Goals & New Initiatives

- Organize and carry-out the work plan of the city in cooperation with the City Council;
- Pursue YMCA or recreation center opportunities;
- Continue work towards a civic center in the downtown;
- Construct an Interim Justice Center;
- Facilitate downtown development;
- Develop a closer relationship with the Chamber of Commerce;
- Update the Emergency Management Plan ;
- Increase Bonney Lake public access television time through the Rainier Cable Commission;
- Promote Bonney Lake as an ideal place to work, live, shop, and play;
- Seek a variety of grant opportunities;
- Institute a city-wide employee development program to make continual incremental improvements.

Resource Summary

Executive Mayor & Administrator (Dept 13)	Actual		Budget			
	2006	2007	2008 Adopted	2008 Revised	2009	2010
10 Personnel Services	128,554	149,968	166,120	166,120	187,193	198,709
20 Personnel Benefits	44,144	56,715	70,262	70,262	84,706	92,269
30 Supplies	4,793	6,503	4,000	4,000	4,400	2,958
40 Services & Charges	36,366	34,459	193,500	213,500	199,400	186,000
50 Intergovernmental/Interfund	0	0	0	0	0	0
60 Capital Outlays	4,913	7,270	2,500	2,500	0	12,000
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
	218,771	254,914	436,382	456,382	475,699	491,936

Budget Notes: In 2009, Small Tools and Equipment includes \$1,500 for the purchase of a laptop. In 2010, Capital Outlay includes \$12,000 for furnishings in the Interim Justice Center.

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

Description	2009	2010
City lobbying/professional representation	\$20,000	\$25,000
Economic Development services	25,000	30,000
Human Services Contracts	20,000	20,000
Rainier Cable Commission Programming	15,000	20,000
Bonney Lake Reporter/Communications	20,000	22,000
Community Outreach	15,000	17,000
City-Wide Management Training Program	49,000	15,000
City-Wide Employee Recognition	5,000	8,000
<i>Total</i>	\$169,000	\$157,000

Trends & Future Issues

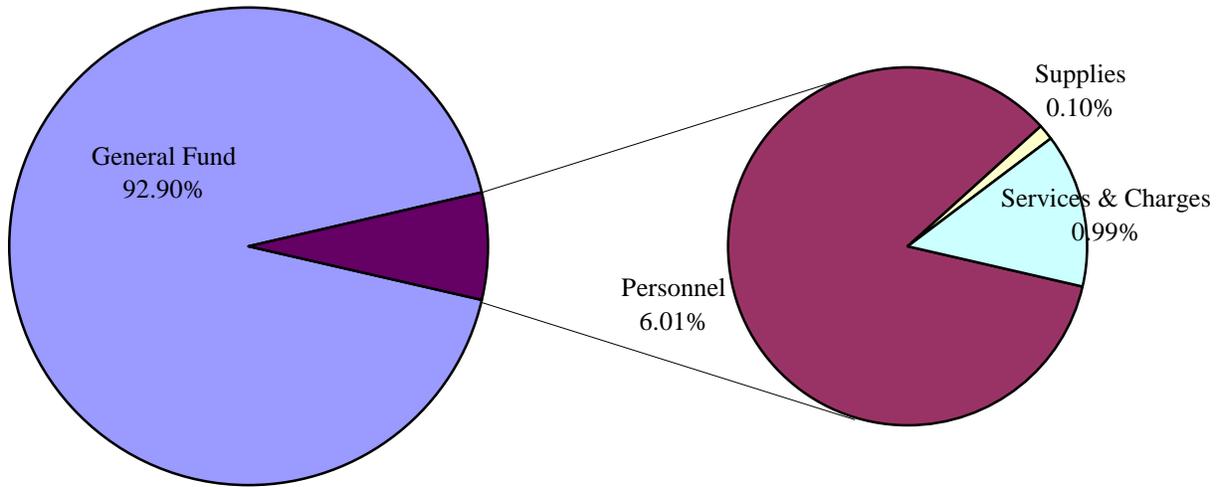
The current state of the economy has resulted in a marked decrease in City revenue, but an increased demand for City services. This has placed more pressure on the City to do “more with less”.

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

Budget Overview

2009 Budget:	\$975,805	2007 FTE	9.0
Change from 2008:	2%	2008 FTE	10.0
2010 Budget:	\$1,034,866	2009 FTE	10.0
Change from 2009:	6%	2010 FTE	10.0

Financial Services by % of General Fund and Activity



Mission Statement

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

Purpose and Description

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

2007-2008 Key Accomplishments

- Rebid primary banking services agreement
- Prepared the 2009-2010 Biennial Budget
- Recruited and retained experienced Chief Financial Officer, Senior Accountant, and Accountant;
- Reorganized department for higher productivity;
- Initiated purchasing card program;
- Successful audits for FY2006 and FY2007;
- Implemented professional training opportunities for all staff;
- Adopted new capital asset policy;
- Completed review of City infrastructure valuation;
- Transitioned to WA State Master License Service for business licenses;
- Issued Civic Center LTGO debt and Water/Sewer Refunding Debt;
- Reviewed/revised multiple operating processes for productivity and customer service.

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

Beginning in 2009, the Finance Department completes a departmental reorganization by reclassifying the Senior Accountant to Accounting Manager, and the Payroll Officer to Financial Operations Supervisor. These reclassifications bring the positions more in line with expected responsibilities, as well as increased efficiencies both within the department and to our customers.

Goals & New Initiatives

- Continue to refine the long-range financial planning model and six year capital improvement plan;
- Revise City chart of accounts for further flexibility and enhanced management data;
- Review all internal cost assessment methodology;
- Create rate model for ER&R and other internal charges.

Resource Summary

Executive Finance Operations (Dept 14)	Actual		Budget			
	2006	2007	2008 Adopted	2008 Revised	2009	2010
10 Personnel Services	412,638	390,268	506,398	506,398	562,086	600,212
20 Personnel Benefits	126,801	138,266	211,383	211,383	263,319	291,568
30 Supplies	12,315	14,716	9,000	9,000	14,050	10,400
40 Services & Charges	89,212	95,932	105,775	135,775	136,350	132,706
50 Intergovernmental/Interfund	0	0	0	0	0	0
60 Capital Outlays	4,302	0	1,500	1,500	0	0
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
	645,268	639,181	834,056	864,056	975,805	1,034,886

Budget Notes: In Supplies (Small Tools & Minor Equipment), the Finance Department will procure a laptop and two rotary safes in 2009.

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

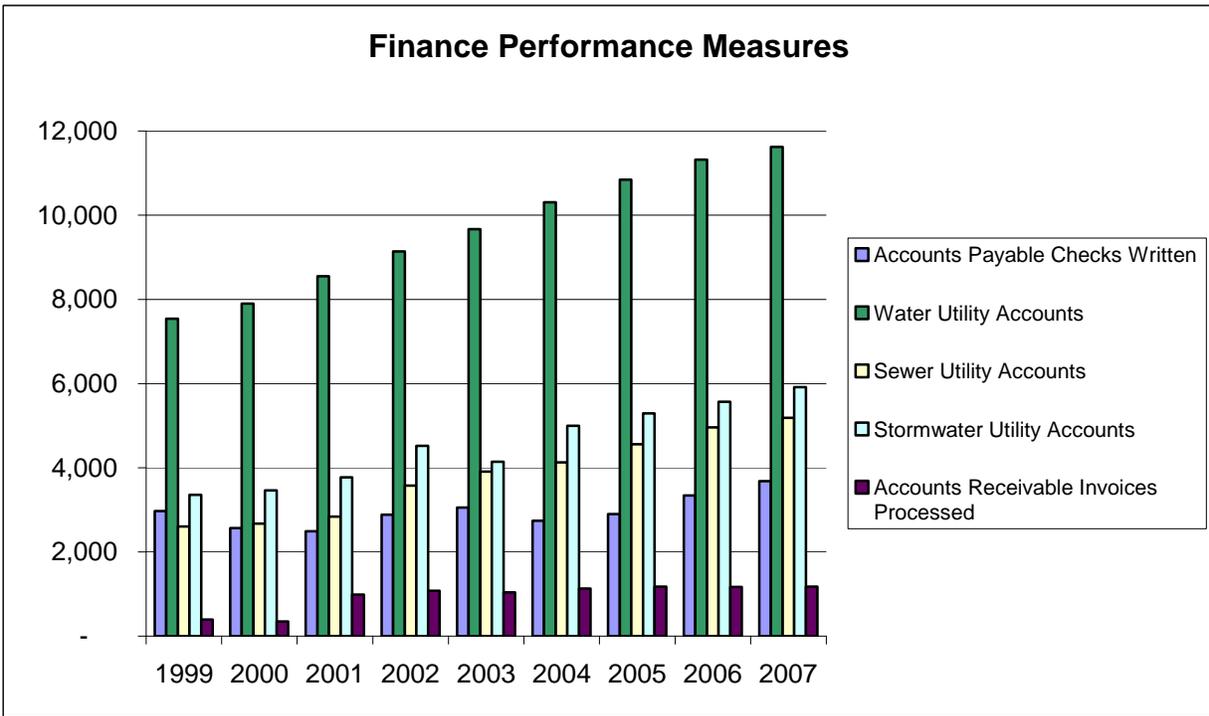
Description	2009	2010
Microflex auditing services (Sales Tax)	\$6,000	\$6,000
State Auditor costs	55,000	55,000
Lockbox services	35,000	36,500
General Professional Services	8,000	8,000
Daily Deposit/Courier Service (new safety measure)	4,100	4,300
Department Retreat Facilitator	1,000	1,000
Financial Statement Preparation	10,000	4,000
<i>Total</i>	\$119,100	\$114,800

Trends & Future Issues

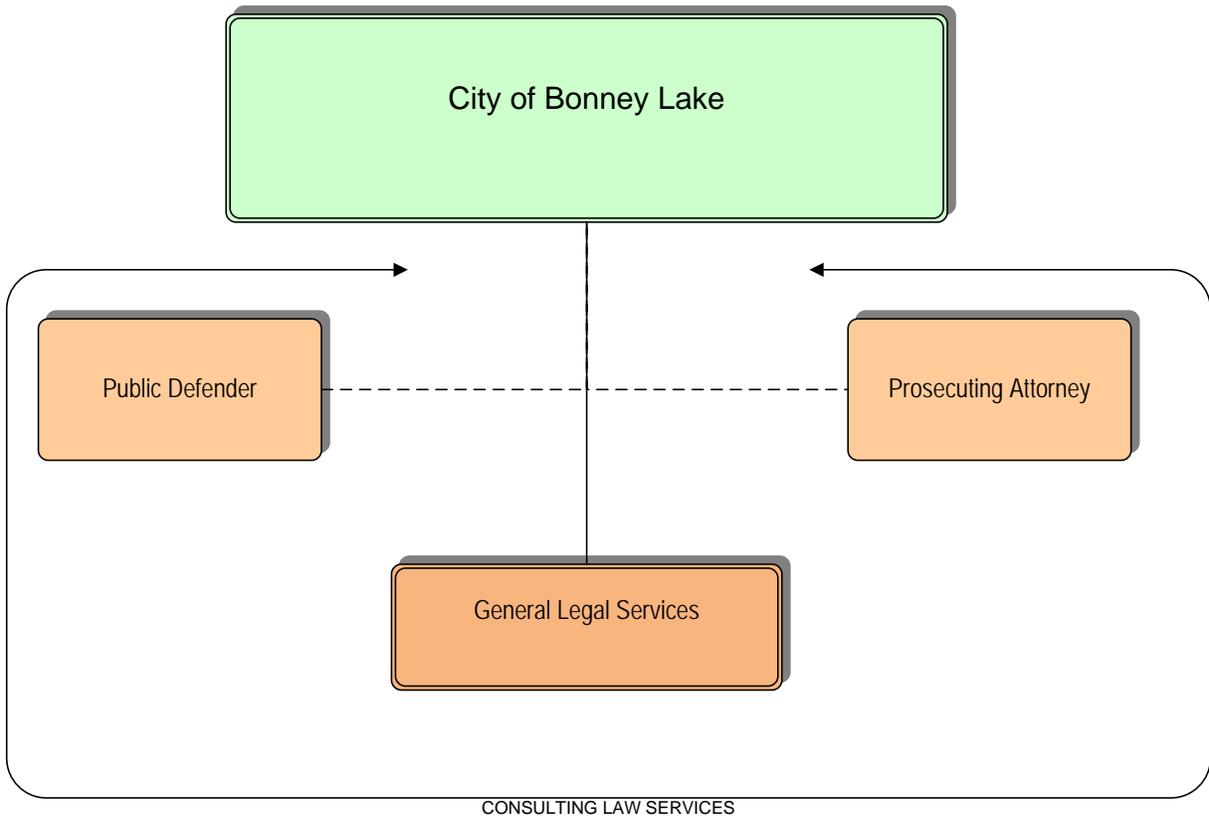
The Finance Department is committed to providing excellent stewardship and customer service to both internal and external customers. As the economy requires us to do more with less, we will need to review our processes for continual improvement, as well as explore innovative ways to offer enhanced customer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

- Enhanced payment options for our customers, including IVR (interactive voice recognition) phone capability, enhanced bankcard services, autopay, etc.;
- Analysis of all city-paid utility bills to identify potential cost savings.

Performance Measures



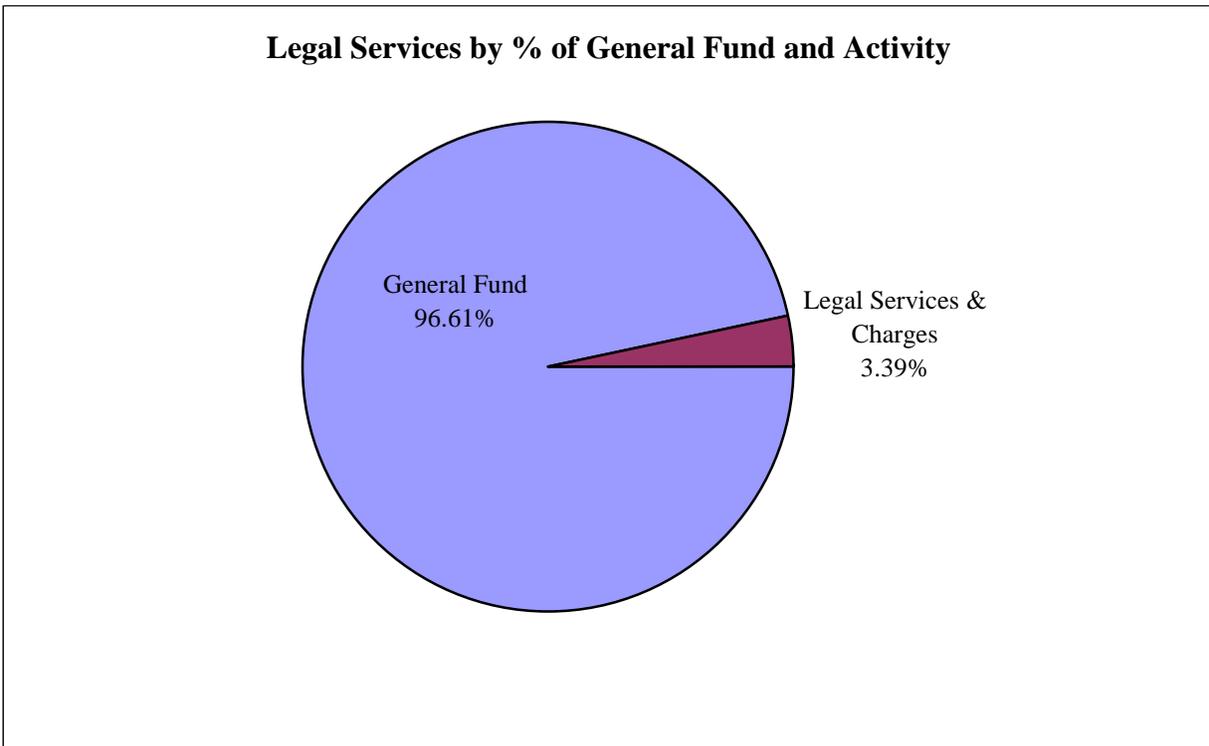
Legal Services



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

Budget Overview

2009 Budget:	\$466,000	2007 FTE	-
Change from 2008:	37%	2008 FTE	-
2010 Budget:	\$466,000	2009 FTE	-
Change from 2009:	0%	2010 FTE	-



Mission Statement

The mission of the City Attorney's Office is to deliver outstanding legal services to the City by providing sound legal advice and superior legal representation to City officials to help them achieve their goals, representing the City in litigation matters, and protecting public health, safety, and welfare by effectively and creatively prosecuting misdemeanor level crimes.

Purpose and Description

The Office of City Attorney provides judicial services (public defender), prosecution and corporate legal services to the City. These are contracted services provided by a private law firm.

2007-2008 Key Accomplishments

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

Level of Service

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

Goals & New Initiatives

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

Resource Summary

Legal Legal Services (Dept 15)	Actual		Budget			
	2006	2007	2008 Adopted	2008 Revised	2009	2010
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	491,753	550,791	493,500	493,500	466,000	466,000
50 Intergovernmental/Interfund	0	0	0	0	0	0
60 Capital Outlays	0	0	0	0	0	0
70 Debt Service - Principal	0	0	0	0	0	0
80 Debt Service - Interest	0	0	0	0	0	0
90 Transfers Out	0	0	0	0	0	0
	491,753	550,791	493,500	493,500	466,000	466,000

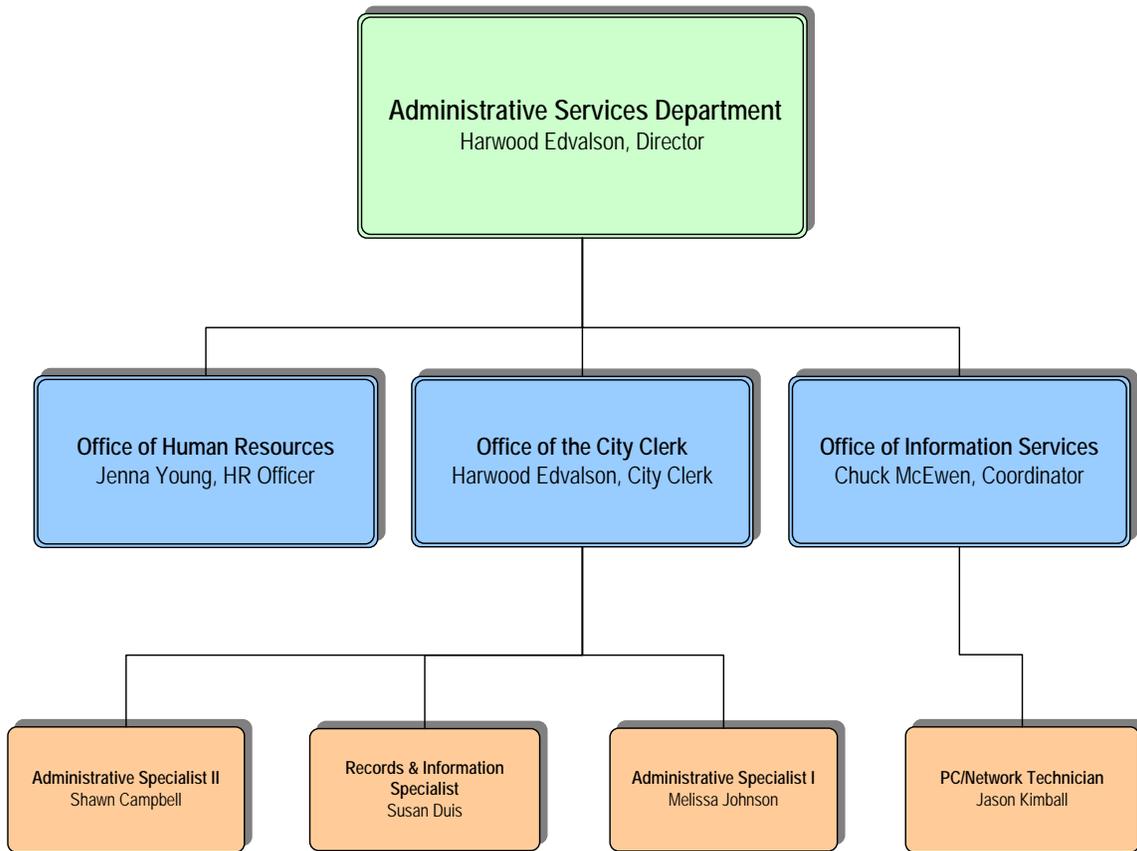
Budget Notes: The 2009 Budget includes funding for general legal services (\$195,000), prosecuting services (\$140,000) and public defender services (\$131,000).

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

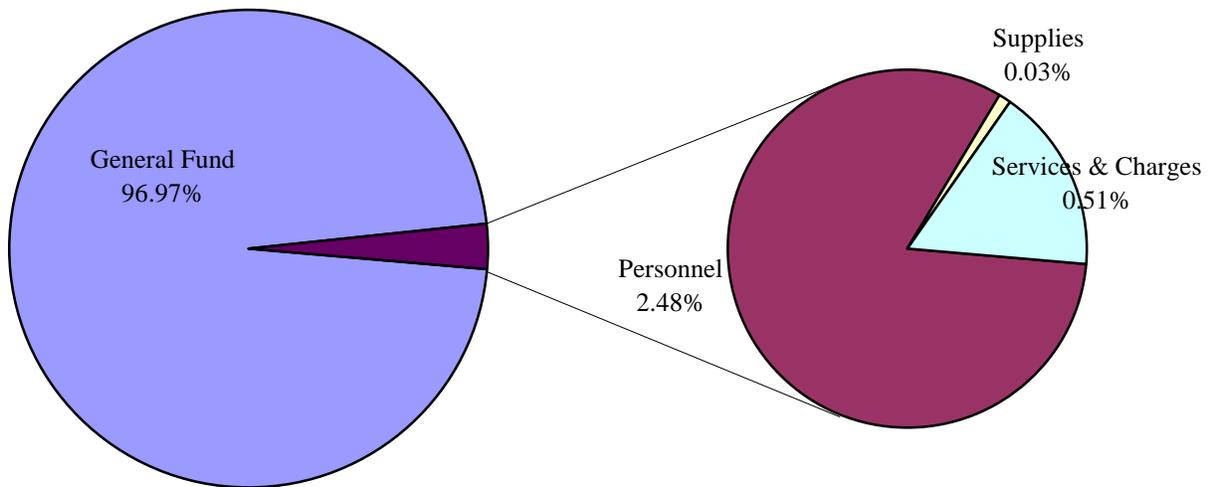


Department: *Administrative Services*
 Program(s): *City Clerk*
 Fund(s): *General*

Budget Overview

2009 Budget:	\$415,558	2007 FTE	3.0
Change from 2008:	2%	2008 FTE	3.0
2010 Budget:	\$436,779	2009 FTE	3.0
Change from 2009:	5%	2010 FTE	3.0

City Clerk by % of General Fund and Activity



Mission Statement

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

Purpose and Description

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

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

2007-2008 Key Accomplishments

- Managed a grant from the Washington State Archives to microfilm and digitize a portion of the City Council's agendas, minutes, ordinances and resolutions;
- Processed in excess of 21,000 pages of documents for public records disclosure requests in the last biennium an increase of over 130% from 2006;
- Staff prepared agendas and minutes and processed documents for 97 regular and special Council meetings and workshops in the past biennium.

Level of Service

The Department's divisions are currently able to meet service level demands with existing personnel. Although not currently budgeted, increasing demand for individual disclosure of public records and other requests for records information may require increased focus and resources in records management. The proposed budget currently provides adequate funds to meet the department's goals.

Goals & New Initiatives

The City Clerk's Office has purchased access to a new on-line service to assist with agenda, minute and meeting management. This service will become fully operational during the current biennium. The City Clerk's Office will continue its efforts to streamline processes and increase public access to the City's records.

Resource Summary

Administrative Services City Clerk (Dept 18)	Actual		Budget			
	2006	2007	2008 Adopted	2008 Revised	2009	2010
10 Personnel Services	160,037	188,546	212,818	212,818	227,565	238,289
20 Personnel Benefits	66,125	82,799	100,308	100,308	113,693	125,141
30 Supplies	4,197	2,918	5,000	5,000	4,800	4,800
40 Services & Charges	61,049	61,011	83,000	87,478	69,500	68,550
50 Intergovernmental/Interfund	0	0	0	0	0	0
60 Capital Outlays	0	10,400	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
	291,408	345,674	401,126	405,604	415,558	436,779

Budget Notes: Services & Charges includes \$20,000 for updating of the Municipal Code, and \$8,000 annual maintenance for CivicWeb (the City's software solution for agenda and meeting management automation.)

Performance Measures

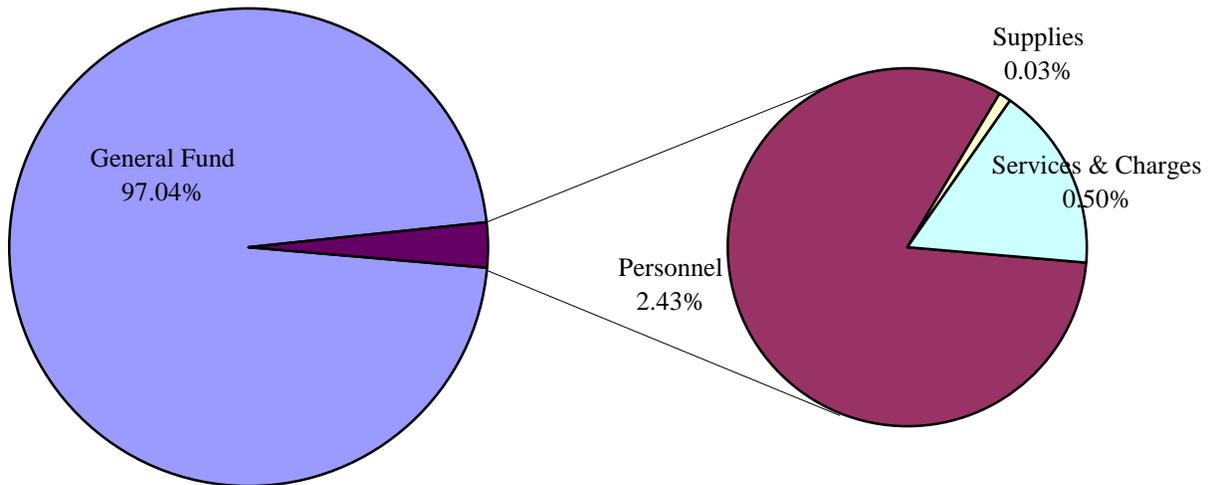
Measures	2007-8 Est.	2009 Est.	2010 Est.
Number pages public records provided	10,500	12,000	13,000
Ave number of phone calls processed per day	100	100	110
Ave number of mail pieces processed per day	124	130	140

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

Budget Overview

2009 Budget:	\$124,223	2007 FTE	1.0
Change from 2008:	13%	2008 FTE	1.0
2010 Budget:	\$130,246	2009 FTE	1.0
Change from 2009:	5%	2010 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 relations, and training.

2007-2008 Key Accomplishments

- Recruited for, and filled, 32 regular benefited positions, seven of which were promotional opportunities for internal candidates;
- Coordinated the City's employee wellness program, which was one of twenty-eight cities awarded a 2008 Association of Washington Cities Well-City Award;
- Led initiatives to increase knowledge of employee benefits and wellness through monthly newsletter updates and by sponsoring an employee benefits and wellness fair, which noted the highest attendance on record by employees and their families.

Level of Service

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

Goals & New Initiatives

- Lead an employee benefits review committee to perform a review of benefits currently being offered to staff to ensure that our city remains competitive to recruit and retain qualified staff and will make a recommendation to the Executive department for changes to future benefit plans;
- Work with managers and supervisors to analyze, develop, and implement a Supervisor's Academy to ensure our staff has the tools needed to lead the organization in the desired direction;
- Continue to review and update the City's Personnel Policies and Procedures;
- Implement a comprehensive employee orientation process that will integrate new employees into the City culture and will ensure that the new employees are positioned for success.

Resource Summary

Administrative Services	Actual		Budget			
	2006	2007	2008 Adopted	2008 Revised	2009	2010
Human Resources (Dept 18)						
10 Personnel Services	56,342	59,021	65,672	65,672	75,221	80,623
20 Personnel Benefits	13,620	15,189	18,206	18,206	23,267	25,283
30 Supplies	418	837	8,850	17,850	14,835	15,350
40 Services & Charges	1,595	5,509	8,400	8,400	10,900	8,990
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
	<u>71,974</u>	<u>80,556</u>	<u>101,128</u>	<u>110,128</u>	<u>124,223</u>	<u>130,246</u>

Budget Notes: The increase in this budget is within the Professional Services portion of Services & Charges to adjust costs for a variety of training and testing. In addition, the budget includes \$4,000 in 2009 for a summer intern, and \$6,000 in 2010.

Trends & Future Issues

In human resources, fluctuations in the economy may lead to some unique changes in recruitment and retention. Filling positions and retaining quality staff will continue to be a challenge. Offering a variety of benefits and work/life quality improvements has come to the forefront for many employers and municipalities must respond in order to retain quality staff.

Performance Measures

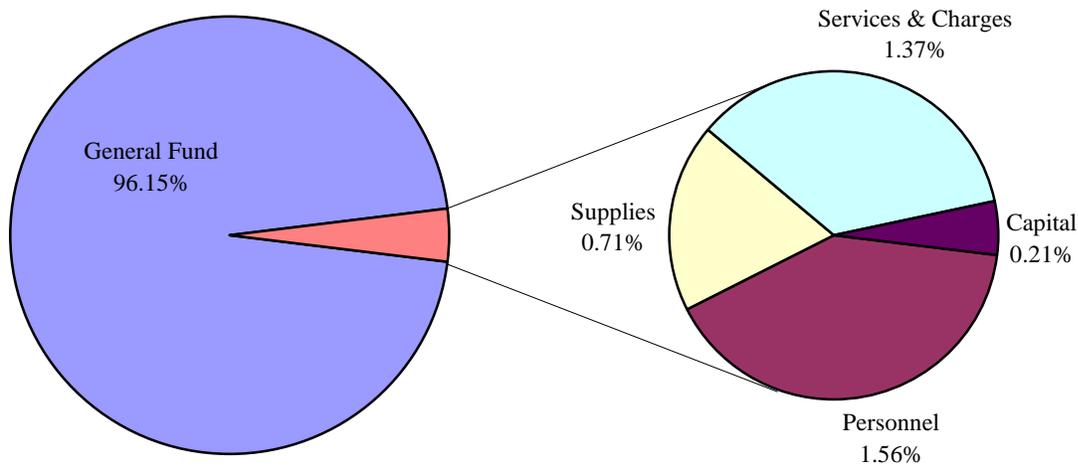
Measures	2007-8 Est.	2009 Est.	2010 Est.
Number of staff positions filled.	32	5	9

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

Budget Overview

2009 Budget:	\$528,908	2007 FTE	2.0
Change from 2008:	3%	2008 FTE	2.0
2010 Budget:	\$538,255	2009 FTE	2.0
Change from 2009:	2%	2010 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.

2007-2008 Key Accomplishments

- Coordinated the purchasing, setup and installation of two customer-service computer kiosks;
- Supported Police Communications 800 MHz radio upgrade project; expected to complete project in 2009-2010;
- Migrated City's primary municipal database from an aging SQL 2000 server to a new SQL 2005 server;
- Established a new Information Services asset tracking program, this allows the office of Information Services to establish a replacement cycle based on warranty expiration dates of computer equipment.

Level of Service

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

Goals & New Initiatives

Information Services continues its programs for computer equipment replacement, improving network connection speed between buildings, and increasing database and application performance. The City has outgrown its out-dated phone system and will begin replacing the 12-year old system in 2009.

Resource Summary

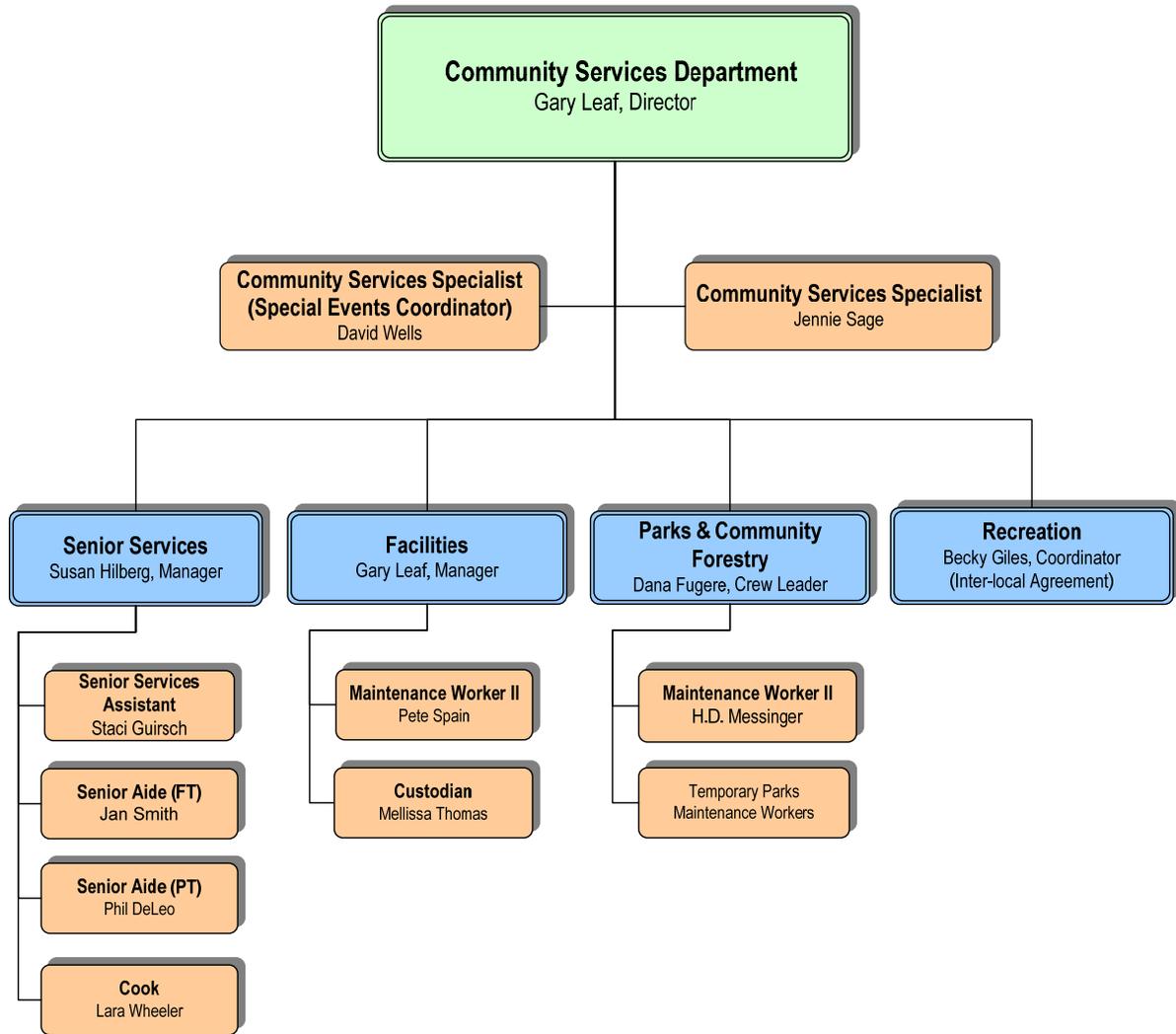
Administrative Services Information Technology (Dept 18)		Actual		Budget			
		2006	2007	2008 Adopted	2008 Revised	2009	2010
10	Personnel Services	80,939	77,084	134,117	134,117	144,345	152,845
20	Personnel Benefits	27,746	29,325	63,740	63,740	70,513	77,660
30	Supplies	39,521	68,338	50,000	50,000	97,500	107,000
40	Services & Charges	149,092	178,792	166,750	166,750	188,050	193,250
50	Intergovernmental/Interfund	0	7,500	0	0	0	0
60	Capital Outlays	144,853	65,477	100,000	100,000	28,500	7,500
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
		442,151	426,515	514,607	514,607	528,908	538,255

Budget Notes: In 2008, the City adopted a new capital asset policy that raised the threshold of capital assets from \$1,000 to \$5,000; therefore, purchases that were previously budgeted in Capital Outlay are now budgeted in Supplies (Small Tools & Minor Equipment) as seen in the resource summary above. In this budget, the department has programmed \$57,500 for laptop/desktop replacements, server upgrades, and standard annual licensing. The Capital Outlay in 2009 is a replacement of a web server and associated costs, and a new VoIP (voice over internet-protocol) ready switch.

Trends & Future Issues

In information services, the current city phone systems have no additional capacity to add phone lines or extensions. Currently, new city employees are placed on either non-City system land lines or cell phone plans due to the lack of city phone capacity. Funds are budgeted in the CIP to acquire a new phone system. The replacement system will be timed to coincide with the building of the new interim Criminal Justice Center with migration of the Police and Annex phone systems to a new VoIP phone solution in 2009. Migration of the City Hall phone system is projected for 2010-2011.

Community Services

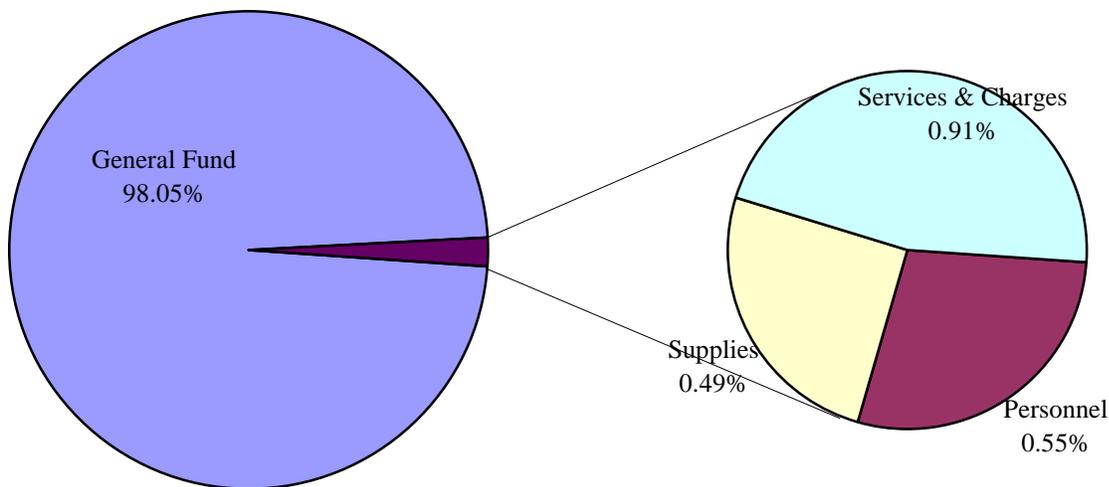


Department: *Community Services*
 Program(s): *Community Services, Community Events*
 Fund(s): *General*

Budget Overview

2009 Budget:	\$223,163	2007 FTE	3.0
Change from 2008:	-20%	2008 FTE	3.0
2010 Budget:	\$230,527	2009 FTE	3.0
Change from 2009:	3%	2010 FTE	3.0

Community Services by % of General Fund and Activity



Mission Statement

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

Purpose and Description

In 2006, the City created a new Department of Community Services, drawing staff (in part) from Administrative Services (Senior Center) and Public Works (Parks, Facilities). The Department of Community Services emphasizes parks, trails, open spaces, community forestry, and general community service. This division coordinates customer service requests, the 311 line, community events, and other custom services.

2007-2008 Key Accomplishments

- *Summertime Special Event:* Bonney Lake Days continues to expand, with 2008's event attracting approximately 4,000 visitors. Community Services also: added weekly Kids Club performances at Cedarview Park, created "Stars on Stage" as part of the summer concert series, hosted Missoula Children's Theater and Shakespeare plays, added "Friday Night Flix" and Bark in the Park, and sponsored a pep rally for local Olympian Melanie Roach. All events were well received with average attendance of about 200 per event.
- *Other Special Event:* The City's third annual Easter Egg Hunt drew about 1,000 children. The Senior Health Fair has been expanded to a Community Health Fair. Community Services also provides support for National Night Out and the annual Public Safety Open House.
- *Beautify Bonney Lake and Parks Appreciation Day:* The City continues to support these important volunteer events. We have averaged about 500 participants for BBL and 50 for PAD. Highlights include constructing a waterfall at Ascent Gateway and art work and landscaping at "Millers' Corner."

Level of Service

Resources are sufficient to staff a customer service component of the 311 Service line and citizen service request system. The current Special Event Program includes Bonney Lake Days, Cedarview Kids Club, Bark in the Park, Friday Night Flix, Stars on Stage, Tunes at Tapps, Wooden O at the Park, and Missoula Children's Theater. Current resources provide support for Beautify Bonney Lake, Parks Appreciation Day, and the Tree City USA program.

Goals & New Initiatives

- Maintain and improve special events;
- Coordinate with School District on Safe Routes project;
- Enhance the 311 Information Service Line.

Resource Summary

Community Services		Actual		Budget			
		2006	2007	2008 Adopted	2008 Revised	2009	2010
Community Services (Dept 57)							
10	Personnel Services	120,500	78,199	79,265	79,265	57,092	60,359
20	Personnel Benefits	36,908	23,898	47,127	47,127	19,071	21,168
30	Supplies	5,142	43,255	29,000	39,000	32,500	32,500
40	Services & Charges	4,687	49,769	81,000	81,000	81,000	83,000
50	Intergovernmental/Interfund ¹	0	31,500	33,500	33,500	33,500	33,500
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
		167,237	226,622	269,892	279,892	223,163	230,527

Budget Notes: The reduction from 2008 to 2009 in Personnel Services/Personnel Benefits results from the reallocation of an existing FTE. The programmed amount for Intergovernmental charges reflects the Interlocal Agreement with the City of Sumner and Sumner School District for recreational programs. Services & Charges include Bonney Lake Days, Special Events, and community beautification.

Trends & Future Issues

In a deteriorating economy, more and more citizens will 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.

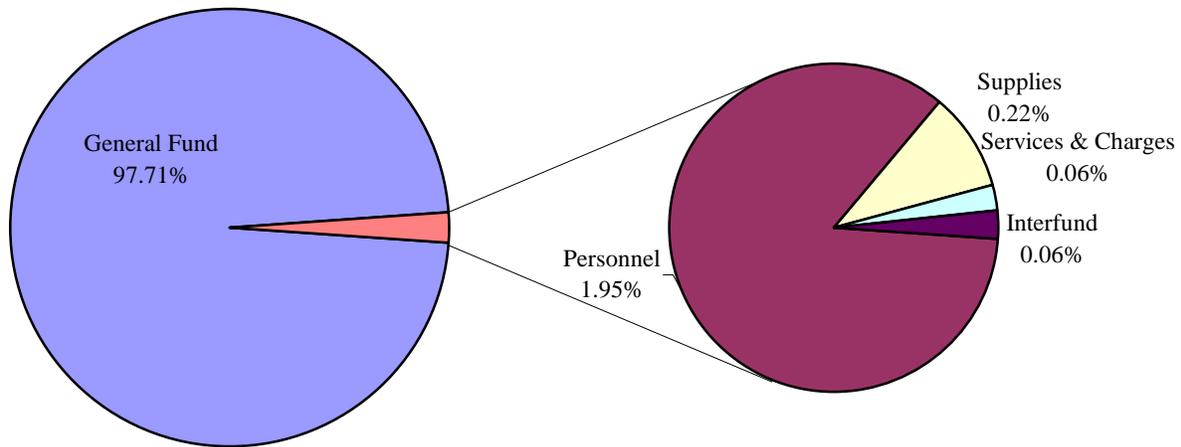
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Department: *Community Services*
 Program(s): *Senior Center*
 Fund(s): *General*

Budget Overview

2009 Budget:	\$314,205	2007 FTE	4.90
Change from 2008:	8%	2008 FTE	4.90
2010 Budget:	\$334,123	2009 FTE	4.90
Change from 2009:	6%	2010 FTE	4.90

Senior Center by % of General Fund and Activity



Mission Statement

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

Purpose and Description

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

2007-2008 Key Accomplishments

- The seniors took a number of trips;

- Annual events included the 4th of July barbecue, annual luau, Thanksgiving and Christmas dinners, rummage sale, and a variety of cooking contests

Level of Service

The Senior Center program offers a 5-day lunch with busing available. Funds are available for a limited number of senior programs and field trips.

Goals & New Initiatives

- Maintain meal, health, and social programs.

Resource Summary

Community Services Senior Center (Dept 50)	Actual		Budget			
	2006	2007	2008 Adopted	2008 Revised	2009	2010
10 Personnel Services	137,943	144,909	164,808	164,808	168,485	176,755
20 Personnel Benefits	40,122	54,814	69,909	69,909	98,787	108,335
30 Supplies	20,017	35,893	25,700	25,700	30,000	32,000
40 Services & Charges	21,253	19,176	19,240	19,240	8,200	8,300
50 Intergovernmental/Interfund ¹	8,307	10,198	9,783	9,783	8,733	8,733
60 Capital Outlays	15,363	17,998	10,400	10,400	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
	<u>243,005</u>	<u>282,987</u>	<u>299,840</u>	<u>299,840</u>	<u>314,205</u>	<u>334,123</u>

Budget Notes: The decrease in Services and Charges results from moving programmed facility utility expenses to the Facilities budget.

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 fed at one time in the Center, policy decisions will need to be made about how to accommodate the interest.

Performance Measures

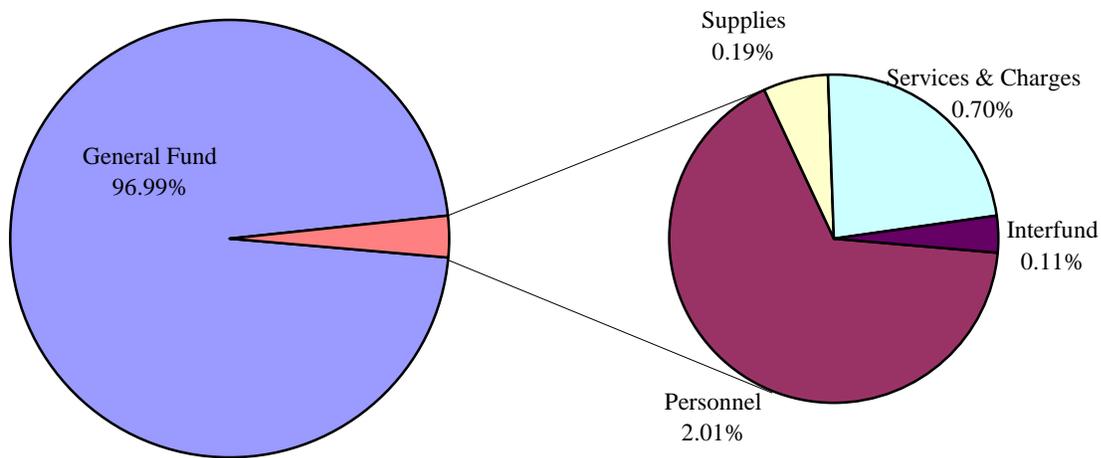
	2008 Est
Van Rides	2,300
Volunteer Hours	4,400
Lunches Served	8,400
Community Service Hours	400
Health Related Classes & Services	590 Participants
Senior Trips	375 Participants

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

Budget Overview

2009 Budget:	\$414,055	2007 FTE	2.0
Change from 2008:	-5%	2008 FTE	2.0
2010 Budget:	\$488,331	2009 FTE	2.0
Change from 2009:	18%	2010 FTE	2.0

Facilities by % of General Fund and Activity



Mission Statement

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

Purpose and Description

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

2007-2008 Key Accomplishments

- Repaired roof at City Hall;
- New roof at Public Safety Building;
- Developed overflow parking lot at Annex;
- Improved Police Impound Yard.

Level of Service

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

Goals & New Initiatives

- Continue to research/identify efficiencies in costs and processes;

Resource Summary

Community Services Facilities (Dept 60)	Actual		Budget			
	2006	2007	2008 Adopted	2008 Revised	2009	2010
10 Personnel Services	76,603	161,320	194,105	194,105	193,110	204,029
20 Personnel Benefits	26,658	56,369	72,150	72,150	83,232	92,090
30 Supplies	28,825	31,601	24,080	34,080	26,000	27,000
40 Services & Charges	95,143	122,346	87,058	92,058	96,500	150,000
50 Intergovernmental/Interfund ¹	14,638	20,316	35,612	35,612	15,213	15,213
60 Capital Outlays	4,572	12,678	0	10,000	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
	246,440	404,630	413,005	438,005	414,055	488,331

Budget Notes: The major increase from 2009 to 2010 is an additional \$50,000 programmed in Services & Charges for maintenance on the new Interim Justice Center, and an additional \$32,000 in utility charges for the new building. In addition, facility utility expense in other departments was moved to this budget to allow for consolidation and more efficient analysis.

Trends & Future Issues

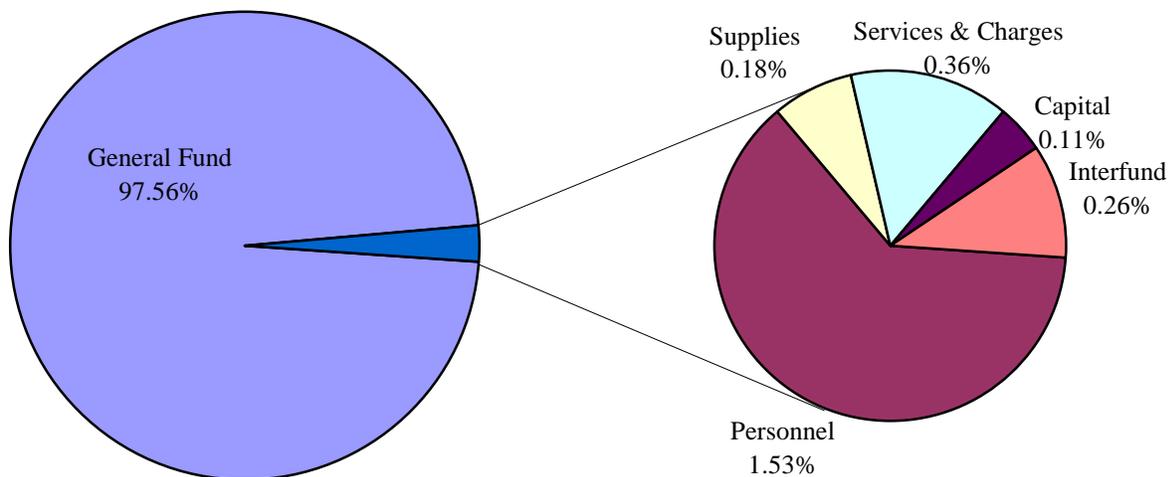
The construction and opening of the new Interim Justice Center (scheduled opening 2010) will increase the workload of the Facilities division. Although the operating budget includes an additional \$50,000 for maintenance of the new building, no additional staffing is programmed.

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

Budget Overview

2009 Budget:	\$335,247	2007 FTE	2.0
Change from 2008:	37%	2008 FTE	2.0
2010 Budget:	\$343,659	2009 FTE	2.0
Change from 2009:	3%	2010 FTE	2.0

Parks by % of General Fund and Activity



Mission Statement

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

Purpose and Description

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

2007-2008 Key Accomplishments

- Allan Yorke Park Improvements: Parks staff purchased equipment to perform annual “top dressing” on all of our ballfields. An automated gate system was installed in order to better control traffic and lake usage. New picnic shelters have been purchased and will be installed soon.
- Ken Simmons Park Improvements: Installed play toys, bench swings, and picnic shelters, lighting, and a water fountain. Volunteers planted many native plants and trees.
- Community Forestry: The City received its second Tree City USA Award and conducts an Arbor Day celebration in conjunction with Parks Appreciation Day. More than 200 trees were planted by community volunteers in 2008.
- Cedarview Park Improvements: Community Services replaced the basketball court, installed irrigation facilities, upgraded the ballfield, added a trike path, and installed a new water fountain.
- Lake Bonney Treatment: In 2008 Lake Bonney was treated for three types of aquatic weeds.
- Completed Madrona Park Improvements.

Level of Service

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

Goals & New Initiatives

- Design and construct trails and sidewalks specified in the City’s Safe Routes to School and Pedestrian Safety grants;
- Install historical markers listed in the City’s recently approved grant with Pierce County;
- Complete requirements for the DNR grant for tree plantings;
- Coordinate with WSDOT to landscape medians in the expanded SR 410 roadway between 214th and 234th Avenues.

Resource Summary

Community Services Parks (Dept 76)		Actual		Budget			
		2006	2007	2008 Adopted	2008 Revised	2009	2010
10	Personnel Services	122,134	168,709	245,863	245,863	163,131	169,531
20	Personnel Benefits	34,034	57,114	79,065	79,065	47,665	52,677
30	Supplies	45,992	36,837	24,000	34,000	25,000	25,000
40	Services & Charges	53,845	56,224	59,000	59,000	49,000	51,000
50	Intergovernmental/Interfund ¹	56,337	30,879	96,902	96,902	35,451	35,451
60	Capital Outlays	3,789	11,638	0	15,000	15,000	10,000
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
		316,131	361,400	504,830	529,830	335,247	343,659

Budget Notes: The decrease seen in Intergovernmental/Interfund from 2008 to 2009 is the result of a reallocation of internal service charges (primarily Equipment Rental & Replacement). The Capital Outlay programmed for 2009 is \$10,000 for dugouts at Field #4 and \$5,000 for bleachers at Field #4. The 2010 Capital Outlay of \$10,000 is programmed for ADA improvements at Allen Yorke Park.

Community Services Community Forestry		Actual		Budget			
		2006	2007	2008 Adopted	2008 Revised	2009	2010
10	Personnel Services	0	0	0	0	0	0
20	Personnel Benefits	0	0	0	0	0	0
30	Supplies	0	0	0	0	35,000	35,000
40	Services & Charges	0	23,184	35,000	35,000	10,000	10,000
50	Intergovernmental/Interfund ¹	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
		0	23,184	35,000	35,000	45,000	45,000

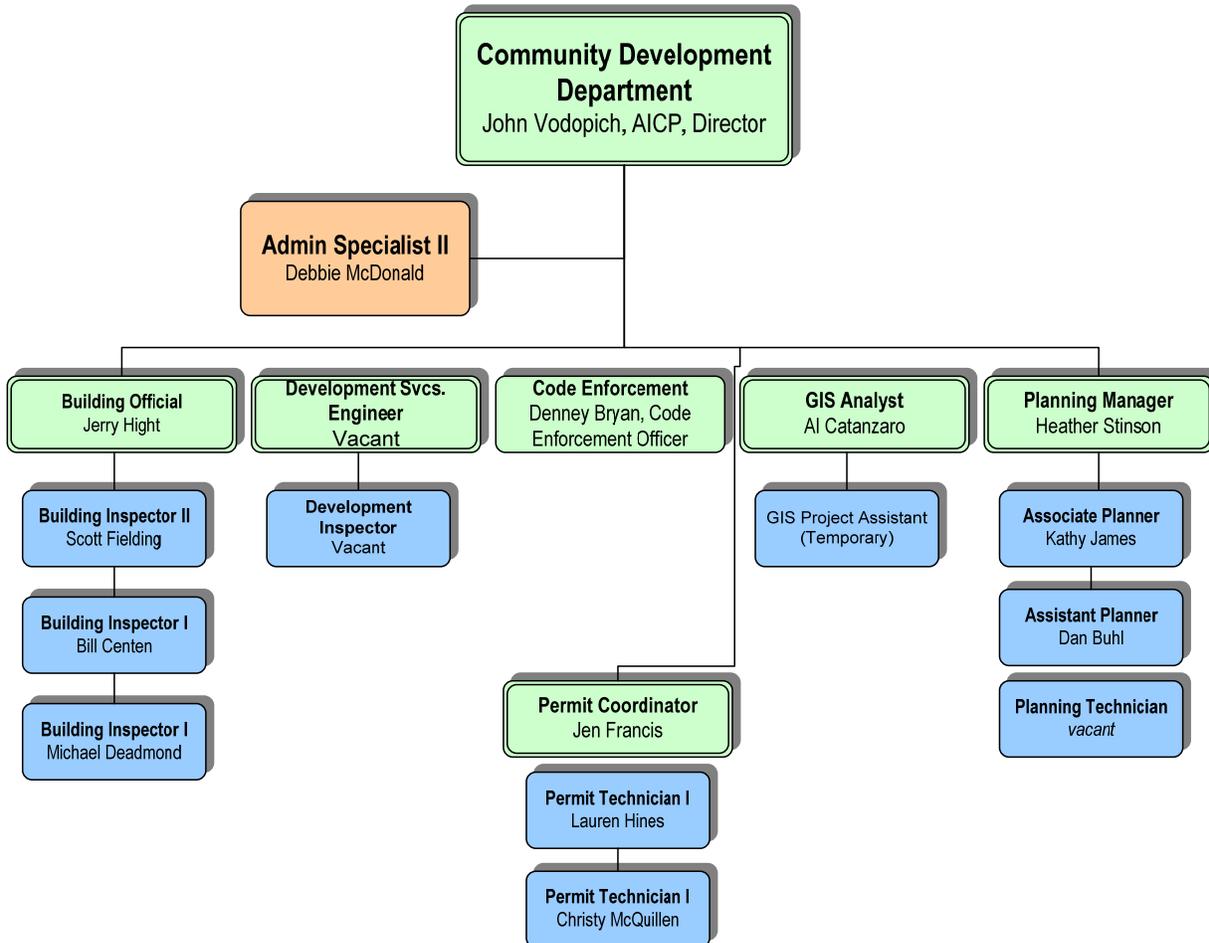
Budget Notes: The 2009-2010 biennial budget reallocates \$35,000 from services/charges to supplies, and adds \$10,000 for a consulting arborist.

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). Although the City has not been successful to-date with IAC grant applications, we plan to continue our efforts in future application cycles. Major park improvements such as new ballfields, a community center, and completion of the Fennel Creek Trail will likely need a successful bond issue to come to fruition.

The City is working with the Pierce County YMCA to investigate the possibility of a joint venture for a "Y" facility on the plateau. A recently completed marketing study suggests such a facility has a good chance of being viable.

Community Development Department

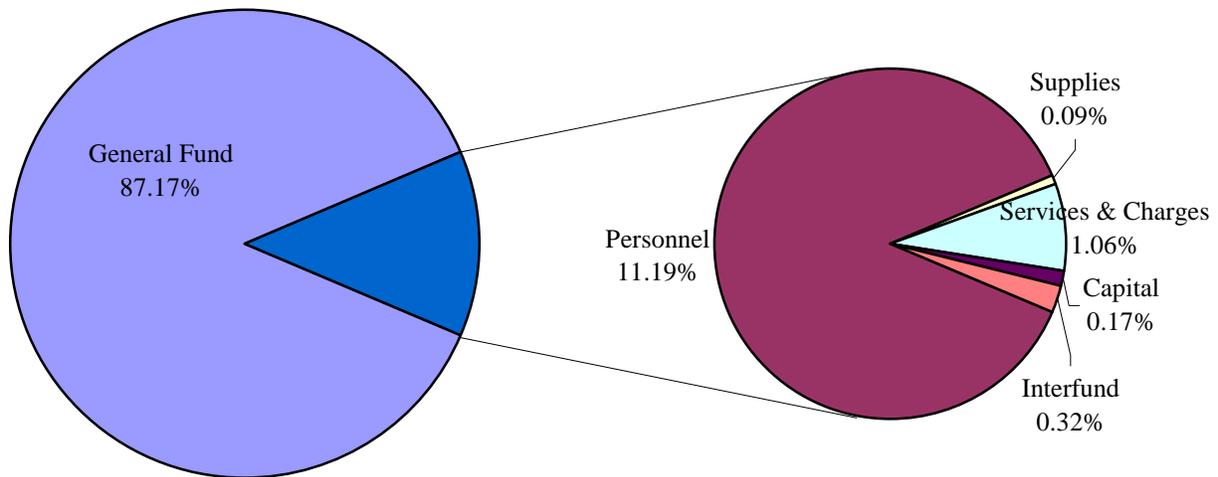


Department: *Community Development Department*
 Program(s): *Planning and Building*
 Fund(s): *General*

Budget Overview

2009 Budget:	\$1,763,193	2007 FTE	14.0
Change from 2008:	12%	2008 FTE	17.0
2010 Budget:	\$1,838,643	2009 FTE	17.0
Change from 2009:	4%	2010 FTE	17.0

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 effort.

Purpose and Description

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 (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 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.

2007-2008 Key Accomplishments

Overall Departmental Accomplishments

- Providing Geographic Information System (GIS) services City-wide and excellent support for the series of Council Ward meetings held throughout the year;
- Filling of the Planning Manager, Associate Planner, and Assistant Planner positions;
- Completing the Southern Sewer Service Area Annexation study through a consultant services contract;
- Overseeing the design and development of plans for the interim Justice Center (anticipated bid in April 2009);
- Revision of the City's noise and electronic signs regulations.

Long Range Planning

Comprehensive Plan amendments: Processed City-initiated Comprehensive Plan amendments including an update of the implementation chart; land use designations of various city owned properties; as well as changing the land-use designations on Inlet Island, Church Lake Tracts, the Hulburt short plat, and 5 lots adjacent to Lowe's.

Critical Area Code: Revising the code with regards to wetland variances and minor work permitted in buffer areas.

Floodplain Code: Revising the code to reflect the model ordinance suggested by the Department of Ecology.

Short Courses: Hosted a CTED short course on planning law and a second course on code revision

Street Vacation Procedures: Revised the code to adopt detailed procedures for processing Right-of-Way vacation requests.

Current Planning

- Pre-Application Appointments
 - Short Plats (9 or less lots) 4
 - Plats (10 or more lots) 3
 - Multi-Family Projects 1
 - Commercial Projects 9
- Boundary Line Adjustment Submittals 8
- Accessory Dwelling Unit (ADU) Submittals 4
- SEPA Reviews 6
- Short Plat Submittals 6
- Preliminary Plat Submittals 1
 - Greenwood Heights, 50 lots on 3.12 acres
- Final Plat Submittals 0
- Commercial Development Applications 7
 - Fred Meyer fueling facility in the existing Fred Meyer parking lot;
 - Stor-It Here self-storage facility comprised of six self-storage buildings on the same lot and south of United Rentals east of 214th;
 - Cole Office Building – a three story office building on 184th across from the Windermere building;
 - City of Bonney Lake Interim Justice Center – a three story municipal/office building on the corner of 90th Street and Main Street East;
 - Greenwood Dental Office – a two story office/retail building on the NW corner of Sumner-Buckley Highway and Main Street East;
 - Coffee Time Espresso Stand – a drive-through espresso in the existing parking lot of the AM/PM north of Tall Firs Cinema;
 - Discount Tires – a tire store and service station north of Lowes.
- Multi-Family Developments 1
 - Fennel Creek Apartments, 288 units on 14.44 acres
- Tree Removal Permits 15
- Sign Permit Submittals 36
- Special Event/Vendor Signs 8
- Temporary Permit Applications 3

A number of large projects were completed, including:

- Lowes;
- Junction 192;
- Bonney Lake Plaza West

Building Staff

Building staff

- Reviewed a number of commercial projects, including:
 - Stor-It Here self-storage;
 - Yun Office Building;

- Fred Meyer Fuel Station
- Attended 30 weekly Pre-Application meetings;
- Conducted weekly project status meetings;
- Issued 902 permits (as of 10/31/2008) for a total construction valuation of \$30,339,419.

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, the budgeted yet vacant engineering related positions would be filled in order to better serve our customers. However, turn around times may slip if record levels of permit applications continue. The goal is to issue a single-family residential permit within 3 weeks once a complete application is received.

Goals & New Initiatives

- Reorganization of the Department to the 'Community Development Department' to better reflect the true nature of the Department's role and services provided to our customers;
- Continue to maintain three week single family residential permit turn around time once a complete application is received;
- 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;
- Make application for a grant in support of the required update of the City's shoreline master program;
- Conduct the annual Comprehensive Plan amendment process (consideration of citizen initiated amendments in 2009);
- Development of a monthly report which will identify and track key workload indicators over time;
- Oversee the construction of the Interim Justice Center;
- Adopt the 2009 Building Codes consistent with the State's anticipated adoption of the codes in July 2009;
- Continue drafting written procedures for all application types and updating forms as needed;
- Continue to update the Bonney Lake Municipal Code to clarify permit processing procedures and making the subdivision code consistent with the Public Works design standards;
- Develop a process for tracking address changes;
- Map collected wetland delineations.

Resource Summary

Community Development Department Community Development (Dept 58)		Actual		Budget			
		2006	2007	2008 Adopted	2008 Revised	2009	2010
10	Personnel Services	372,941	372,213	516,407	601,620	500,857	525,307
20	Personnel Benefits	94,437	109,987	192,015	230,187	206,524	227,967
30	Supplies	3,796	10,153	4,150	4,150	4,295	4,409
40	Services & Charges	124,239	104,778	95,650	140,650	111,060	131,781
50	Intergovernmental/Interfund ¹	16,051	44,593	20,995	20,995	44,730	46,730
60	Capital Outlays	1,323	0	4,000	4,000	4,000	4,100
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
		612,788	641,724	833,217	1,001,602	871,465	940,295

Budget Notes: The decrease in Personnel Services and Benefits is the result of a reallocation; no staffing change is programmed.

In Services and Charges, the programmed items include:

Description	2009	2010
Miscellaneous wetland consulting services	\$ 10,000	\$ 10,000
Miscellaneous surveying (legal description review)	10,000	10,000
Miscellaneous arborist services	5,000	5,000
Hearing Examiner services	10,000	10,000
Planning/Annexation services	10,000	10,000
Business Practice evaluation	30,000	-
Shoreline Plan Update (apply for grant in 2009)	-	50,000
Total	\$ 75,000	\$ 95,000

The change in Intergovernmental/Interfund services is the result of a reallocation in internal services charges; primarily ER&R.

Resource Summary

Community Development Department Building (Dept 59)		Actual		Budget			
		2006	2007	2008 Adopted	2008 Revised	2009	2010
10	Personnel Services	292,172	351,415	395,644	395,644	548,277	534,050
20	Personnel Benefits	108,512	136,960	174,323	174,323	281,570	301,637
30	Supplies	3,156	5,716	5,000	5,000	8,500	5,100
40	Services & Charges	14,561	50,821	29,300	29,300	34,010	34,690
50	Intergovernmental/Interfund	14,562	34,642	19,440	19,440	22,871	22,871
60	Capital Outlays	-	-	-	-	-	-
70	Debt Service - Principal	-	-	-	-	-	-
80	Debt Service - Interest	-	-	-	-	-	-
90	Transfers Out	-	-	-	-	-	-
		432,963	579,554	623,707	623,707	895,228	898,348

Budget Notes: This budget includes \$20,000 in Services and Charges for engineering/structural reviews. The increase in Personnel Services and Benefits reflects the addition of a Development Services Engineer and Construction Inspector to replace other consulting hours. This budget also includes \$3,500 in 2009 for the purchase of updated code books.

Trends & Future Issues

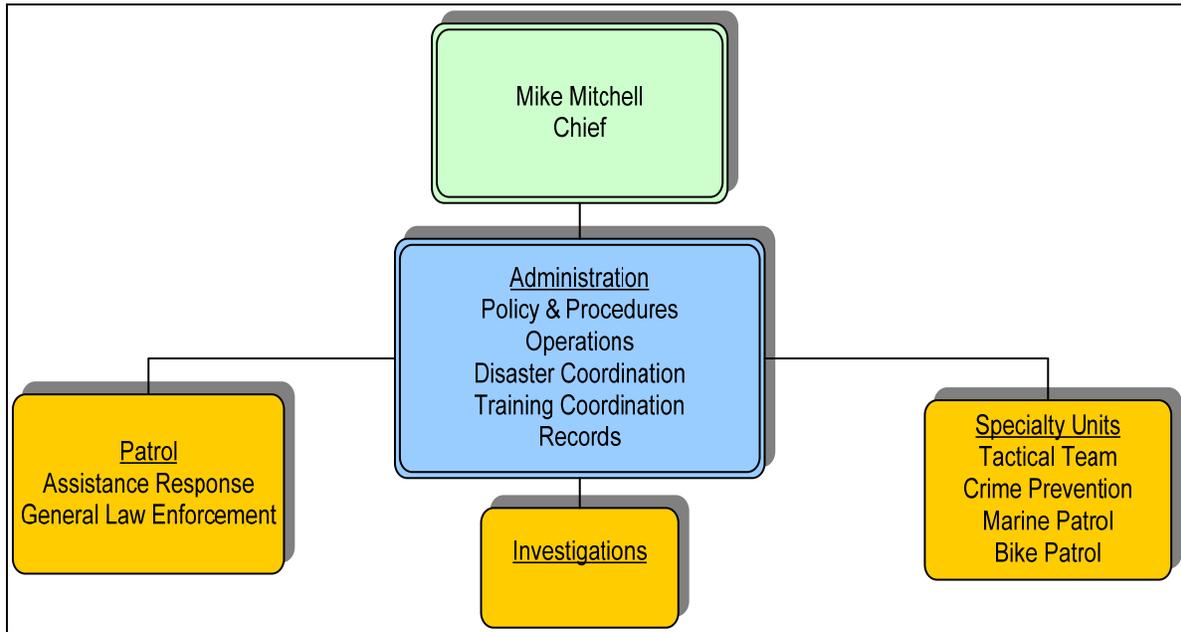
Given the current state of the worldwide economy and the severe slowdown in housing starts nationally and in the Puget Sound region, building permits and overall permit valuation was down in 2008 and is expected to continue to be slow well into 2009.

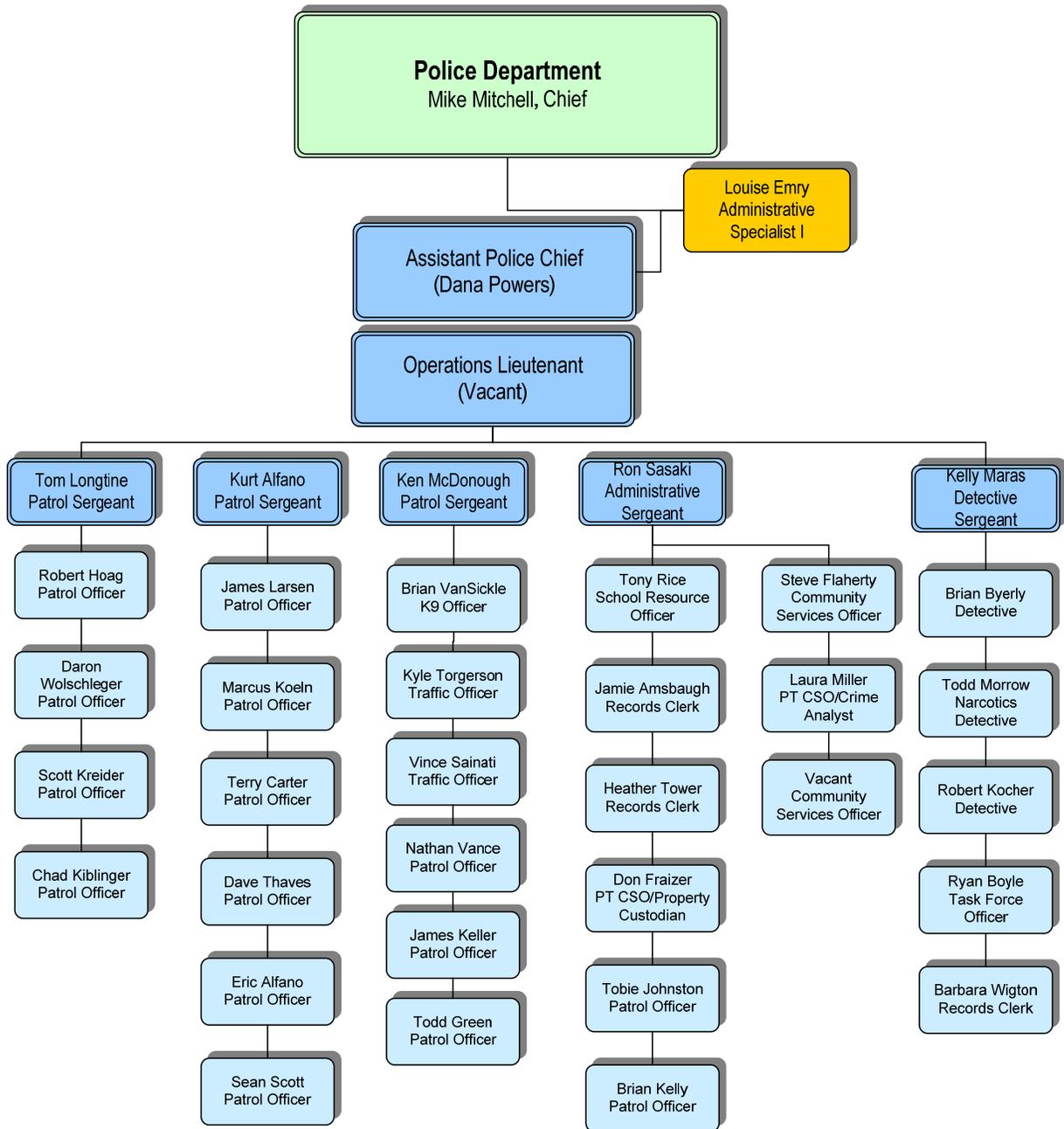
Performance Measures

	2004	2005	2006	2007	2008 Est
Residential Lots Created (recorded)	386	358	266	293	114
Annexations (acres)	0	76	0	328	17
Code Violations Investigated	n/a	213	170	180	180

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Police Department



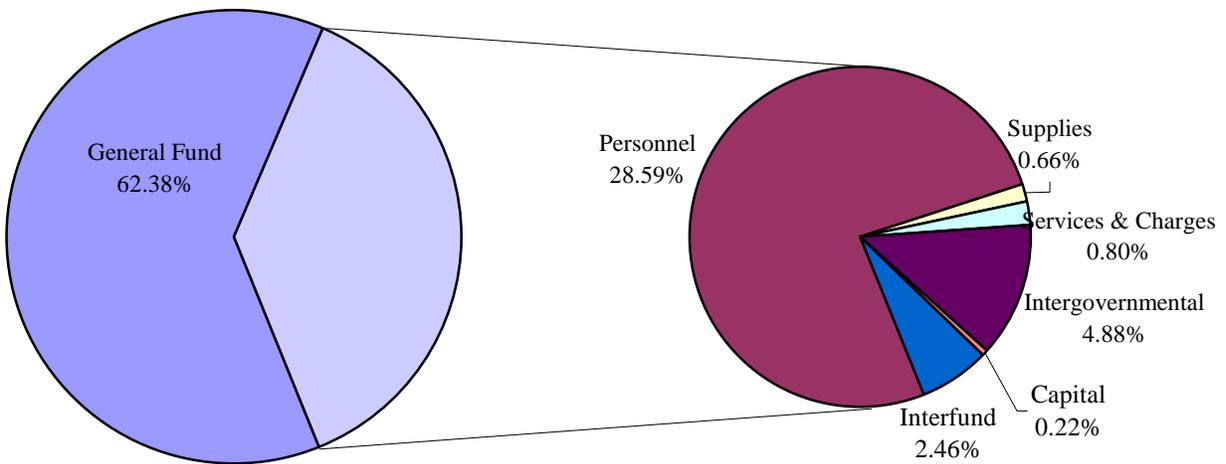


Department: *Police Department*
 Program(s): *Police Department*
 Fund(s): *General*

Budget Overview

2009 Budget:	\$5,089,967	2007 FTE	36.2
Change from 2008:	15%	2008 FTE	37.2
2010 Budget:	\$5,359,543	2009 FTE	38.2
Change from 2009:	8%	2010 FTE	38.2

Police Department by % of General Fund and Activity



Mission Statement

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

Resource Summary

Police All Divisions (Dept 21)	Actual		Budget			
	2006	2007	2008 Adopted	2008 Revised	2009	2010
10 Personnel Services	2,015,373	2,192,407	2,447,341	2,447,341	2,785,877	2,969,507
20 Personnel Benefits	662,840	732,749	963,956	963,956	1,064,096	1,167,331
30 Supplies	38,170	65,572	57,700	57,700	90,800	72,200
40 Services & Charges	263,285	216,827	531,700	490,200	109,800	109,800
50 Intergovernmental/Interfunc	353,048	815,989	820,117	896,617	1,009,394	1,040,706
60 Capital Outlays	23,736	16,759	0	0	30,000	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
	<u>3,356,452</u>	<u>4,040,303</u>	<u>4,820,814</u>	<u>4,855,814</u>	<u>5,089,967</u>	<u>5,359,543</u>

Budget Notes: In 2009, an additional FTE is added to Patrol for Auto Theft Task Force activities. This position is 100% funded by the P.A.T.R.O.L Task Force, a multi-jurisdictional cooperative funded by the Washington Auto Theft Prevention Authority. Bonney Lake is a participator along with the City of Auburn, King County Sheriff, Kent PD (lead agency), Tukwila PD, Des Moines PD, Federal Way PD, and Sumner PD. The increase in Operation reflects the replacement of several protective vests, many of which expire in 2009.

Other changes are discussed more fully in each operational section following.

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

Budget Overview

2009 Budget:	\$883,970	2007 FTE	<i>See summary page</i>
Change from 2008:	13%	2008 FTE	<i>See summary page</i>
2010 Budget:	\$939,972	2009 FTE	<i>See summary page</i>
Change from 2009:	6%	2010 FTE	<i>See summary page</i>

Mission Statement

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

Purpose and Description

The City's Police Department Administrative division is the administrative arm of the police department. Administration also coordinates animal control (through an Interlocal Agreement with Metro Animal Services led by the City of Sumner).

2007-2008 Key Accomplishments

- Held 12th and 13th Annual Citizens Academy;
- Quarterly department training program;
- National Night Out success in August 2007 and 2008 at Allan Yorke Park;
- Open House partnership with East Pierce Fire and Rescue 2007 and 2008.

Level of Service

Resources provide for 1.91 commissioned personnel per 1,000 population, which is higher than most comparable Central Puget Sound cities and much higher than the Pierce County Sheriff's Office.

Goals & New Initiatives

- Participate in National Night Out
- Participate in Bonney Lake Days
- Develop Youth Academy

Resource Summary

Police Administration	Actual		Budget			
	2006	2007	2008 Adopted	2008 Revised	2009	2010
10 Personnel Services	337,098	367,799	504,739	504,739	576,184	612,242
20 Personnel Benefits	88,916	118,898	188,098	188,098	258,786	280,150
30 Supplies	3,720	3,150	5,700	5,700	2,200	2,200
40 Services & Charges	135,519	127,805	80,500	80,500	4,800	4,800
50 Intergovernmental/Interfunc	0	83,994	0	41,500	42,000	40,580
60 Capital Outlays	310	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
	565,562	701,646	779,037	820,537	883,970	939,972

Budget Notes: The reduction in Services and Charges reflects the relocation of charges associated with LESA (Law Enforcement Support Agency) charges to Patrol (Operations). The Intergovernmental line item is for Metro Animal Services. All other changes in Administration are labor increases.

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.

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

Budget Overview

2009 Budget:	\$3,684,997	2007 FTE	<i>See summary page</i>
Change from 2008:	5%	2008 FTE	<i>See summary page</i>
2010 Budget:	\$4,024,071	2009 FTE	<i>See summary page</i>
Change from 2009:	9%	2010 FTE	<i>See summary page</i>

Mission Statement

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

Purpose and Description

The City's Police Department provides law enforcement services, which include vehicle patrols, investigations, SWAT, bikes, Lab Team, School Resource Officer and Marine Services.

2007-2008 Key Accomplishments

- Fleet and equipment upgrades including the purchase of a new armored vehicle for SWAT;
- Traffic Safety Grant for a mobile radar trailer \$13,000, X-52 DUI & Speeding grant;
- (2007) \$10,950 and 2008 \$12,000, 2007 Lidar grant \$6,984.38, 2007 (6) radar units grant for \$3,344;
- (2008) radar grant for \$2,000;
- Boating Safety Grant 2007 for \$11,000 and in 2008 \$23,000;
- Part of a one million dollar WATPA grant to fund a new officer's position;
- Received a \$10,000 CBRNE grant for gas masks, filters, carrying bag and 6 voice amplifiers;
- Narcotic K9.

Level of Service

The budget funds a 24/7 patrol unit, five detectives which includes a detective sergeant, two generalist detectives, one task force officer participating in a regional drug enforcement unit and one task force officer participating in a regional auto theft task force, a limited (summer) Lake Tapps marine services unit, 2 traffic officers and one school resource officer.

Goals & New Initiatives

- Increase Allan Yorke Park and Lake Tapps enforcement;
- Create a multi-agency pro active unit;
- Continue to build the reserve officer and volunteer program;
- New vessel to replace the aging vessel. The anticipated cost of this replacement is approximately \$145,000. The Department will research potential grant funding for this project, as it is not budgeted for replacement.

Resource Summary

Police Operations	Actual		Budget			
	2006	2007	2008 Adopted	2008 Revised	2009	2010
10 Personnel Services	1,678,275	1,824,608	1,942,602	1,942,602	2,209,693	2,357,264
20 Personnel Benefits	573,924	613,851	775,858	775,858	805,310	887,180
30 Supplies	34,450	61,880	52,000	52,000	88,100	69,500
40 Services & Charges	127,766	85,888	451,200	409,700	105,000	105,000
50 Intergovernmental/Interfunc	0	350,046	343,737	343,737	439,394	460,126
60 Capital Outlays	23,426	16,759	0	0	30,000	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
	2,437,841	2,953,033	3,565,397	3,523,897	3,677,497	3,879,071

Budget Notes: The Capital Outlay in 2009 is for acquisition of E-Ticket equipment for existing patrol cars. The decrease in Services & Charges is the net of the removal of charges for photo-enforcement and the addition of LESA support charges moved from Administration.

Trends & Future Issues

Performance Measures

Measures	2005	2006	2007	2008 Est.
UCR Crimes	787	783	807	816
DUI Citations	105	135	142	154
Citations/Infractions	4,386	5,204	5,711	5,836
Police Reports Filed	3,198	3,589	3,591	3,683

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

Budget Overview

2009 Budget:	\$528,500	2007 FTE	-
Change from 2008:	3%	2008 FTE	-
2010 Budget:	\$540,500	2009 FTE	-
Change from 2009:	2%	2010 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.

Purpose and Description

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

2007-2008 Key Accomplishments

- Executed multi-year agreement with the City of Puyallup to provide dispatch services (2008);
- Initiated and progressing on partnership with Pierce Transit to provide a \$185,000 radio communication tower at Allen Yorke Park;

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. As the contract continues, the City will obtain more specific benchmarks for the service.

Goals & New Initiatives

- Continue transition to 800 MHz communications standard, including construction of new infrastructure;
- Complete an analysis of jail costs.

Resource Summary

Police		Actual		Budget			
		2006	2007	2008 Adopted	2008 Revised	2009	2010
Care/Custody of Prisoners (Dept 21)							
10	Personnel Services	0	0	0	0	0	0
20	Personnel Benefits	0	0	0	0	0	0
30	Supplies	0	542	0	0	500	500
40	Services & Charges	0	3,133	0	0	0	0
50	Intergovernmental/Interfund ¹	108,276	117,785	190,000	190,000	190,000	190,000
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
		108,276	121,459	190,000	190,000	190,500	190,500

Budget Notes:

The budget for this contracted service is held steady from 2008 levels.

Police		Actual		Budget			
		2006	2007	2008 Adopted	2008 Revised	2009	2010
Dispatch Services (Dept 21)							
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 ¹	244,772	264,164	286,380	321,380	338,000	350,000
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
		244,772	264,164	286,380	321,380	338,000	350,000

Budget Notes: The increase from 2008 to 2009 is the result of a transition from the City of Sumner to the City of Puyallup for dispatch services. The increase in 2010 is by contract.

Trends & Future Issues

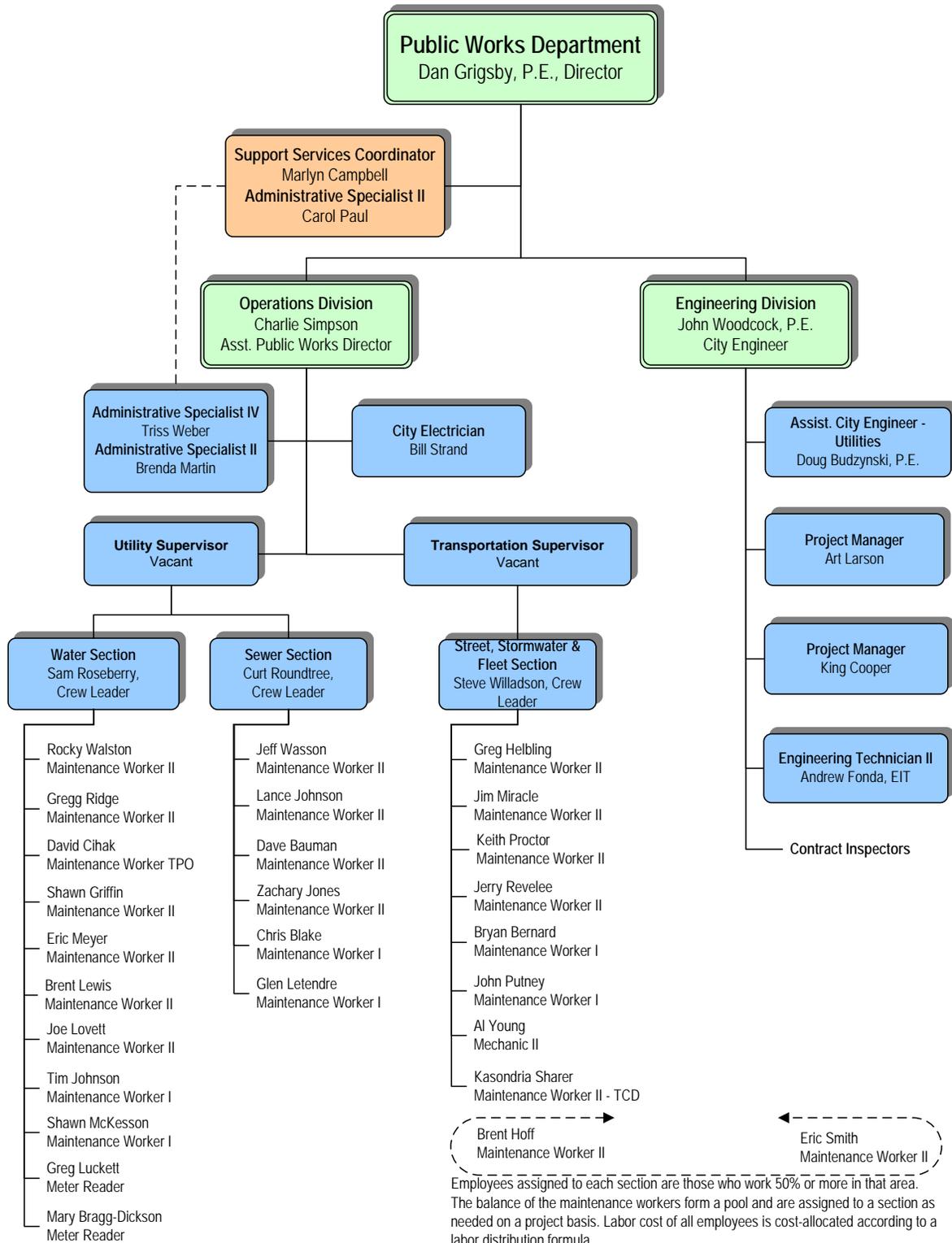
We are continuing to make strides with 800 MHz communication system and will join Tacoma, Lakewood, Puyallup as well as many King County departments when our system goes live tentatively in August 2009.

Another potential issue is the provision of animal control services. Currently, the City contracts with Metro animal control (Sumner/Puyallup).

Performance Measures

Measures	2005	2006	2007	2008 Est.
Dispatched Calls for Service	16,837	19,537	20,111	21,309

Public Works



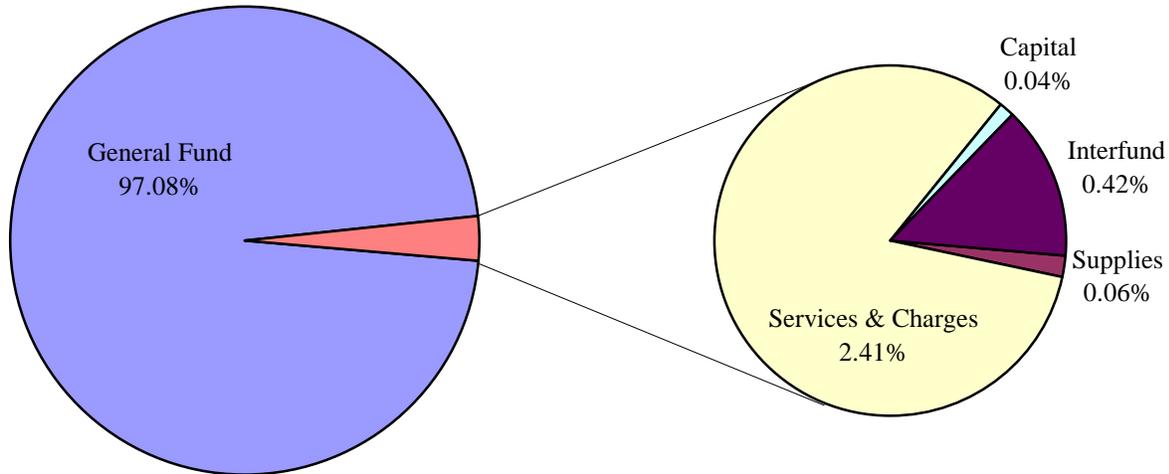
Department: *Public Works*
 Program(s): *Administration, Engineering*
 Fund(s): *General*

Budget Overview

2009 Budget:	\$401,574	2007 FTE	44.0
Change from 2008:	575%	2008 FTE	44.0
2010 Budget:	\$422,644	2009 FTE	44.0
Change from 2009:	6%	2010 FTE	44.0

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 (PWD) mission is to be good stewards of the public’s investment in municipal infrastructure and fleet equipment. Responsibilities include planning for, construction, operation, maintenance and repair of municipal systems for roadways (pavement, signage, sidewalks, traffic signals, & street lighting) and utilities (water, sewer, & storm water) in a manner that is safe, cost effective, and reliable. The Department actively seeks information from the general public and elected officials, and accomplishes the work of the department in a courteous, environmentally friendly, and professional manner.

The public works department is organized into two main divisions: Administration and Engineering, and Operations and Maintenance. Within the Operations and Maintenance Division are three (3) main sections: Water, Sewer, and Streets/Stormwater/Fleet.

The mission of the engineering division (PW-ENGR) is to plan, design, engineer and construct the transportation and utility infrastructure of the City to meet the needs of the rapidly growing population and commercial businesses in a way that is safe, cost effective, timely, and consistent with the Comprehensive Plan and current design standards. PW-ENGR also ensures that the public infrastructure constructed by developers, that will be dedicated to the City for public use, complies with current design and construction standards.

Purpose and Description

The essential purpose of the Public Works Department is to plan, construct, operate, and maintain the City's municipal infrastructure including utilities and roadways. To accomplish this, comprehensive plans have been prepared and a six year financial planning model developed that estimates revenues and allocates expenditures in order to address the operating and capital needs of the City.

2007-2008 Key Accomplishments

- Utilized in house staff to perform all maintenance of roads and utilities;
- Prepared for and participated in the Bonney Lake Day festivities;
- Continued support of Parks and Recreation Department when construction equipment and electrical system work is identified;
- Worked closely with developers and builders to ensure city design standards and municipal codes were complied with;
- Continually updated city design standards and details;
- Prepared numerous ordinances and resolutions to clarify Bonney Lake Municipal Code and contract awards/closeout;
- Prepared ordinance that was adopted by City Council to place all future and existing utilities underground when new construction occurs in the City;
- Partnered with Community Development staff to develop and implement new fee structure for new Civil Plan Review and Inspection program. This new Land Use Fee system benefits developers by setting fixed fees that are paid one time only, resulting in increased customer service by replacing the uncertainty of a deposit system using multiple payments/variable costs. The new methodology also decreases the workload on City staff to invoice developers and process payments requesting reimbursement for City expenses on each project;
- Participated in the design and construction of the Annex parking lot;
- Participated in a regional exercise Sound Shake 2008 to coordinate use of staff and equipment to respond to a natural disaster.

Level of Service

The Public Works Department provides detailed information used by elected officials to make informed decisions.

Goals & New Initiatives

- Improve Disaster Preparedness plans and train personnel in their use.
- Continue emphasis on safety in the workplace.
- Continue seeking opportunities to partner with other public and private organizations to improve the roadways and utilities in the City.
- Implement a Career Ladder program for Maintenance workers and administrative staff. Plan and provide training accordingly.
- Begin design on the new Public Works Center to be built on 96th Street. In the interim, purchase and set up a trailer to be used for lunch/break room, three lead worker offices, and restrooms.
- Continue to update the Public Works Design Standards and policies.
- Purchase and implement GBA WorkMaster work management software with traffic sign, ER&R, water, sewer, and pavement modules.

Resource Summary

Public Works Engineering & PW Admin (Dept 32)		Actual		Budget			
		2006	2007	2008 Adopted	2008 Revised	2009	2010
10	Personnel Services	0	0	0	0	0	0
20	Personnel Benefits	0	0	0	0	0	0
30	Supplies	357	9,253	7,500	7,500	8,000	8,080
40	Services & Charges	5,520	24,347	42,000	42,000	331,500	351,990
50	Intergovernmental/Interfund ¹	24,446	31,875	31,875	31,875	57,074	57,074
60	Capital Outlays	0	0	10,000	10,000	5,000	5,500
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
		<u>30,324</u>	<u>65,475</u>	<u>91,375</u>	<u>91,375</u>	<u>401,574</u>	<u>422,644</u>

Budget Notes: The increase from 2008 to 2009 is the addition of \$275,000 in civil engineering fees and \$50,000 for National Pollutant Discharge Elimination System (NPDES) compliance.

In 2007, the City transitioned from a deposit system for land use reviews (in which the third-party review costs were passed on to the applicant) to a land use fee system. Therefore, the City is now absorbing the costs of the civil review fees, rather than passing them on to the applicant. As the City continues to analyze land use fee revenues to ensure equitable offsets to the expenditure, adjustments may ensue in future budgets.

The Capital Outlay programmed for 2009 and 2010 is to acquire field laptops for remote staff.

The increase in Intergovernmental/Interfund is the result of a reallocation of internal service charges; primarily 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

Hiring and retaining qualified technical and professional engineering staff has been a challenge. The candidate pools for vacant positions are fairly shallow. Given decreased local enrollments in technical and engineering schools, the City may need to implement incentives for certain technical or professional positions. In 2009, a new Assistant Public Works Director, Utility Supervisor, and Street/Stormwater/R&R Supervisor positions will be filled begin work in PW-OPS.

Performance Measures

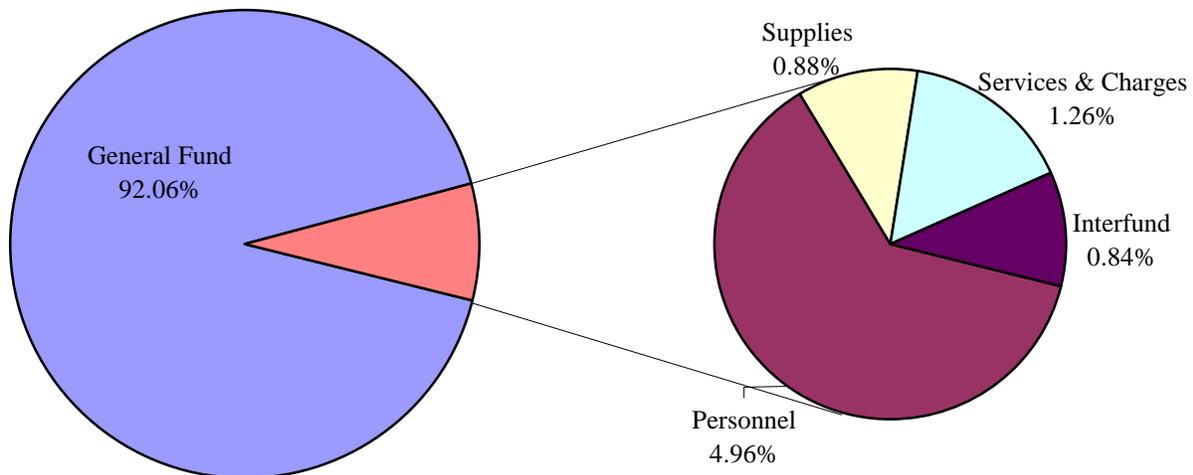
Measures	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Est	2009 Est	2010 Est
Total projects managed (each)	462	414	414	508	213	230		
Total CIP Budget managed (in millions)	12.43	11.06	8.69	21.34	18.26	14.85	15.02	21.42

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

Budget Overview

2009 Budget:	\$1,091,366	2007 FTE	See PW
Change from 2008:	32%	2008 FTE	See PW
2010 Budget:	\$1,146,186	2009 FTE	See PW
Change from 2009:	5%	2010 FTE	See PW

Streets by % of General Fund and Activity



Mission Statement

The mission of the maintenance and operations division (PW-OPS) is to maintain and operate the various public works infrastructure systems of the city in such a manner as to provide reliable, safe, and high quality water, sewer, stormwater, and street services.

Purpose and Description

To provide safe streets, bicycle routes, and pedestrian walkways consistent with the Bonney Lake motorized and non-motorized Comprehensive Plan elements and current design standards.

2007-2008 Key Accomplishments

- Chip Sealing:

- Pruned trees on all chip sealed streets.
- Graded twelve centerline miles of shoulders.
- Removed and replaced 8,794 square yards of deteriorated asphalt prior to chip sealing and 4,609 square yards prior to seal coat.
- Completed 8.3 miles (113,629 square yards) of chip seal and 1.3 miles (56,969 SY) of seal coat.
- Swept all newly chip-sealed streets three times.
- Completed construction to improve the intersection of South Prairie Road at SR410 and 200th Street Court East. LOWE's developer built a triple left turn onto westbound SR410 and added a third lane with curb, gutter and sidewalk from 198th to 192nd Avenue.
- Completed land acquisitions as part of the 192nd ROW corridor.
- Completed design for improvements to the Main Street corridor, OSB Highway channelization, and the OSB Highway and Main Street intersection.
- Built road, sidewalk, and storm water improvements along Bonney Lake Boulevard from 181st Ave to Locust Ave, along 183rd Avenue, and along 75th Street.
- Completed replacement of 60% of street identification signs with the larger signs.
- Repaired or replaced 390 traffic signs.
- Installed solar power blinking lights in two school zones.
- Partnered with CASCADIA to cost share and design roadway and sidewalk additions on SR410 and Old Sumner Buckley Highway from SR410 to the fire station.

Level of Service

Street services provide for safe operation by motorized and non-motorized transportation users. Impacts associated with new development are addressed by collection of Traffic Impact Fees and construction of mitigation projects. Focused available resources to maintain existing streets and minimize reduction in Remaining Service Life (RSL) of roadway pavement. Street identification signs are being replaced each year using much more visible signs (as funds are available). Traffic control signs are replaced immediately when they are damaged. The funded level of service allows the department to sweep streets year round, fill pot holes as needed, and accomplish some chip sealing and maintenance overlays, with a small amount available for street reconstruction.

Goals & New Initiatives

- Continue implementing the Non-Motorized Transportation Plan by constructing sidewalks with \$380,000 budgeted over the 2009-2010 biennium;
- Continue street resurfacing at 7 miles per year with annual budgets of \$300,000 for chipsealing, \$100,000 for maintenance overlays, and \$205,000 for street reconstruction;
- Continue to improve street lighting in accordance with the plan approved by City Council;
- Seek additional funding to supplement the annual budget of \$90,000 to replace failing road sections;
- Construct improvements along Main Street and Old Sumner Buckley Highway including the intersection with new signalization;

- Construct new improvements along 192nd Avenue as indentified in the 192nd Ave Corridor plan adopted by City Council;
- Purchase GBA Pavement Management Module (software) to increase effectiveness of available road maintenance funding.

Resource Summary

Public Works Road & Street Maintenance (Dept 42)	Actual		Budget			
	2006	2007	2008 Adopted	2008 Revised	2009	2010
10 Personnel Services	308,349	282,946	390,498	390,498	484,478	508,018
20 Personnel Benefits	96,011	91,925	151,273	151,273	197,533	218,529
30 Supplies	53,930	100,636	116,420	116,420	120,494	124,712
40 Services & Charges	128,261	137,311	167,450	167,450	173,311	179,377
50 Intergovernmental/Interfund ¹	339,333	297,149	122,681	122,681	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
	925,885	909,967	948,322	948,322	1,091,366	1,146,186

Budget Notes: Operating capital (e.g. chipsealing and sidewalk/street reconstruction) is reflected in the Other Funds portion of this document (Street CIP Fund 302). A review and adjustment of the labor distribution for Public Works staffing required an increase in the funding share for street personnel.

Trends & Future Issues

Funding for street improvements continues to be challenging. There is more competition for fewer grant dollars and road maintenance and construction costs are skyrocketing. In 2009 only seven projects statewide will be funded by TIB. In the past, 20-30 projects have been funded. The costs to construct CIP projects identified in the Transportation Plan and the Non-Motorized Transportation Plan are far beyond the City's existing and expected resources. At the same time, it is becoming extremely difficult to find funding to adequately maintain existing roads and sidewalks. Due to rapid increase in road material costs, maintenance funding needs to be stabilized and, if fiscally feasible, expanded to prevent deterioration of our existing infrastructure.

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

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

Performance Measures

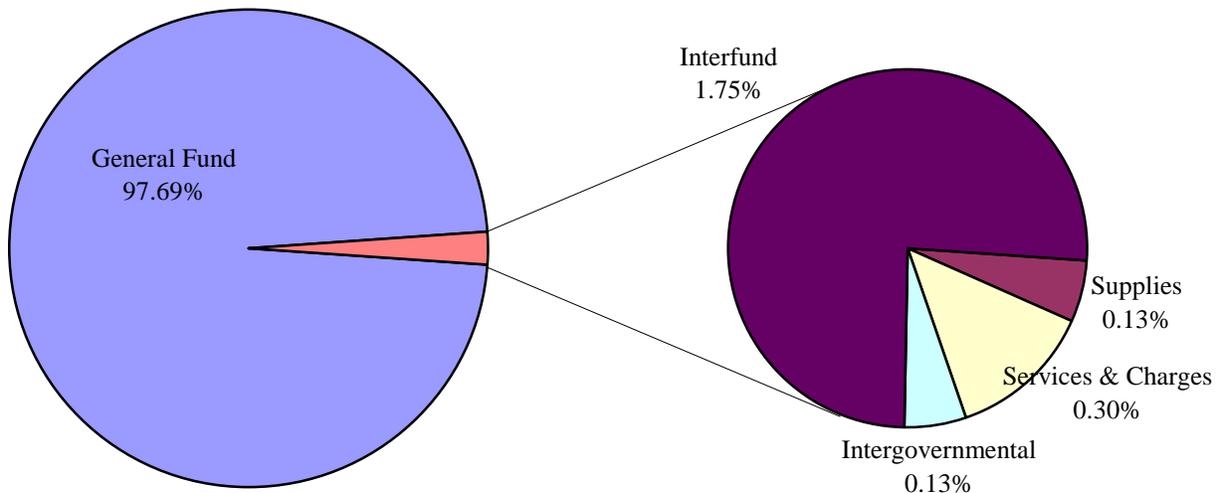
Measures	Units	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 YTD	2009 Est	2010 Est
Paved centerline miles	Miles	59.98	59.98	62.46	66.7	73.0	73.5	74	74.5
Paved line miles	Miles	119.96	119.9	124.92	144.2	148.0	157.0	160	163
Unpaved centerline miles	Miles	1.4	1.4	1.4	1.2	1.0	1.0	1.0	1.0
Street identification signs	Each	291	291	307	411	455	495	500	530
Traffic control signs	Each	691	691	814	977	1,266	1,370	1,450	1,530
Traffic signals	Each	1	2	3	4	4	4	4	6
Striped centerline miles	Miles	52.56	52.56	77	79	62	63	63	63
Streetlights	Each	549	549	549	590	650	700		
Right of way mowed	Acres	63.47	63.47	63.47	66.39	68	68	68	68

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

Budget Overview

2009 Budget:	\$340,863	2007 FTE	-
Change from 2008:	27%	2008 FTE	-
2010 Budget:	\$348,370	2009 FTE	-
Change from 2009:	3%	2010 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 Miscellaneous Non-Departmental budget manages non-departmental general government charges and expenditures, as well as, expenditures for Department of Retirement excess compensation and employee leave expense on an accrual basis. Interfund Services includes transfers to the Insurance and Equipment Rental & Replacement Funds.

Resource Summary

Administrative Services Non-Departmental (Dept 90)		Actual		Budget			
		2006	2007	2008 Adopted	2008 Revised	2009	2010
10	Personnel Services	0	0	0	0	0	0
20	Personnel Benefits	48,518	96,591	144,900	144,900	0	0
30	Supplies	17,500	19,943	17,500	17,500	18,100	18,700
40	Services & Charges	51,465	42,650	61,500	61,500	32,445	33,418
50	Intergovernmental/Interfund	24,379	22,209	26,000	26,000	49,589	55,523
60	Capital Outlays	351,870	172,083	153,292	153,292	240,729	240,729
70	Debt Service - Principal	0	0	0	0	0	0
80	Debt Service - Interest	0	0	0	0	0	0
90	Transfers Out	10,292	4,175,000	0	0	0	0
		504,023	4,528,475	403,192	403,192	340,863	348,370

Budget Notes: Non-Departmental expenditures have seen several changes from 2008 to 2009.

Personnel Benefits: In prior years, the City charged payoffs of leave balances and DRS (Department of Retirement Systems) fees for excess compensation in instances of retirements and/or death to Non-Departmental. Beginning with 2009, these costs will be charged to the account code for the individual employee.

Services & Charges: Several items which have been previously coded to Miscellaneous in the Services & Charges classification are now charged to Intergovernmental.

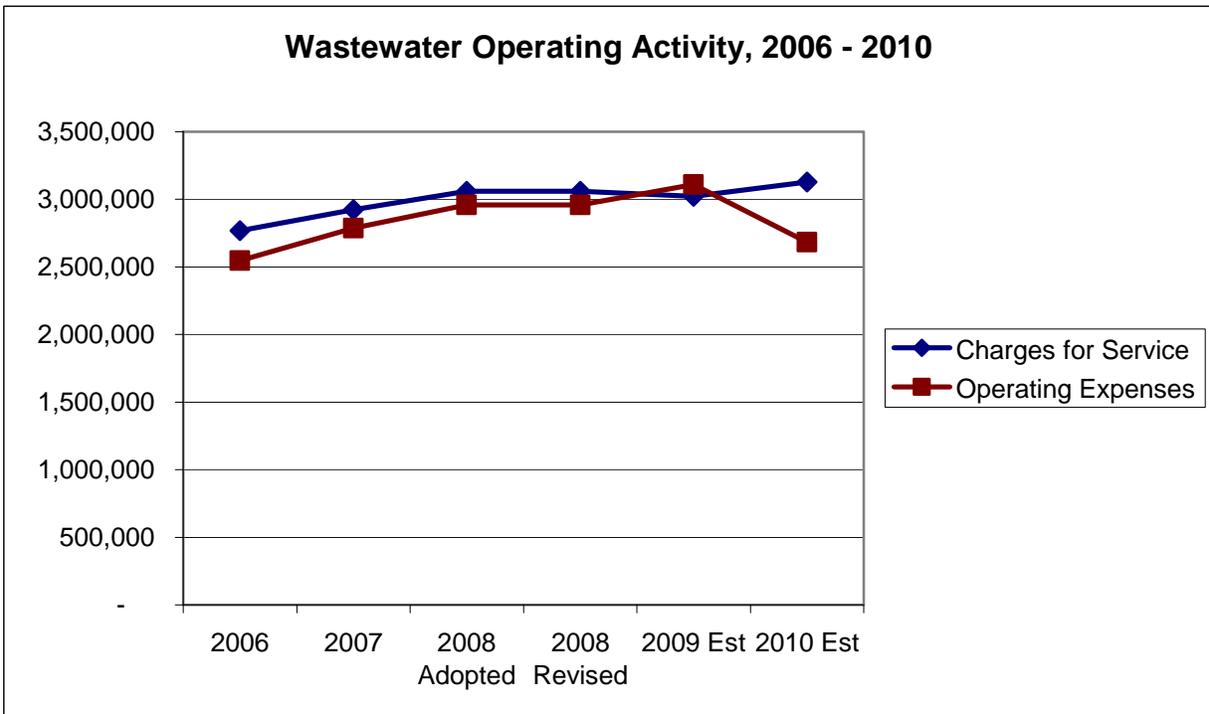
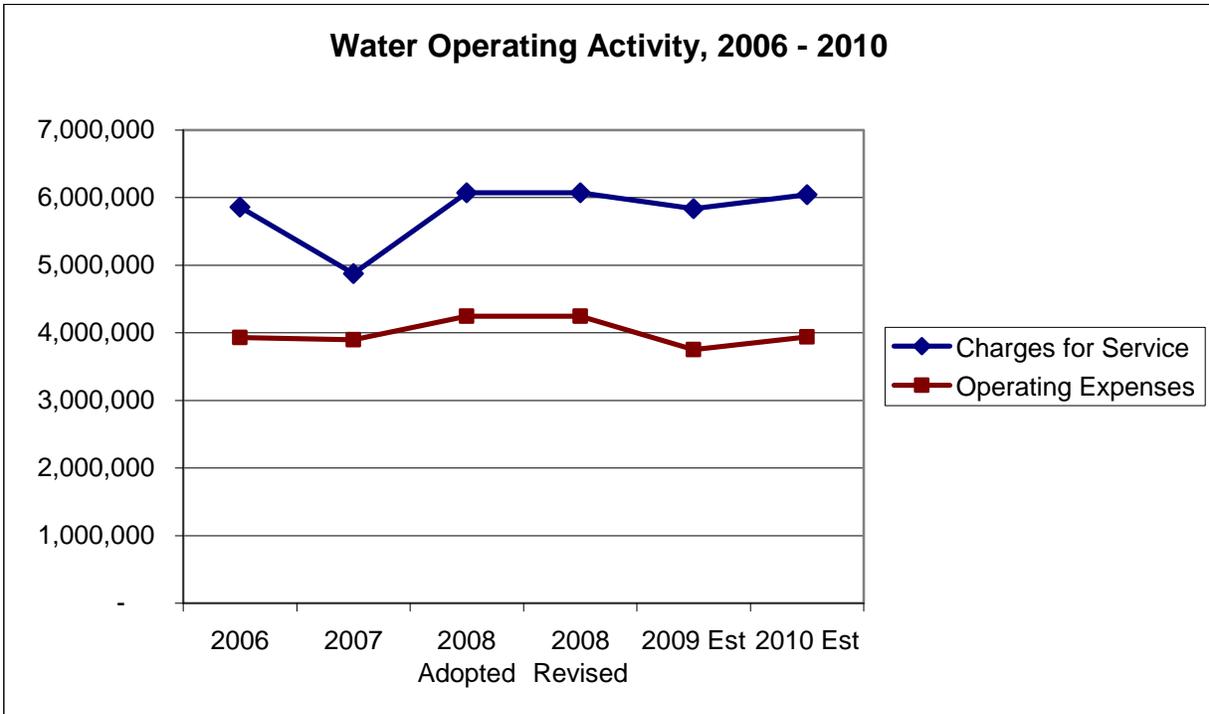
Intergovernmental includes the following planned expenditures:

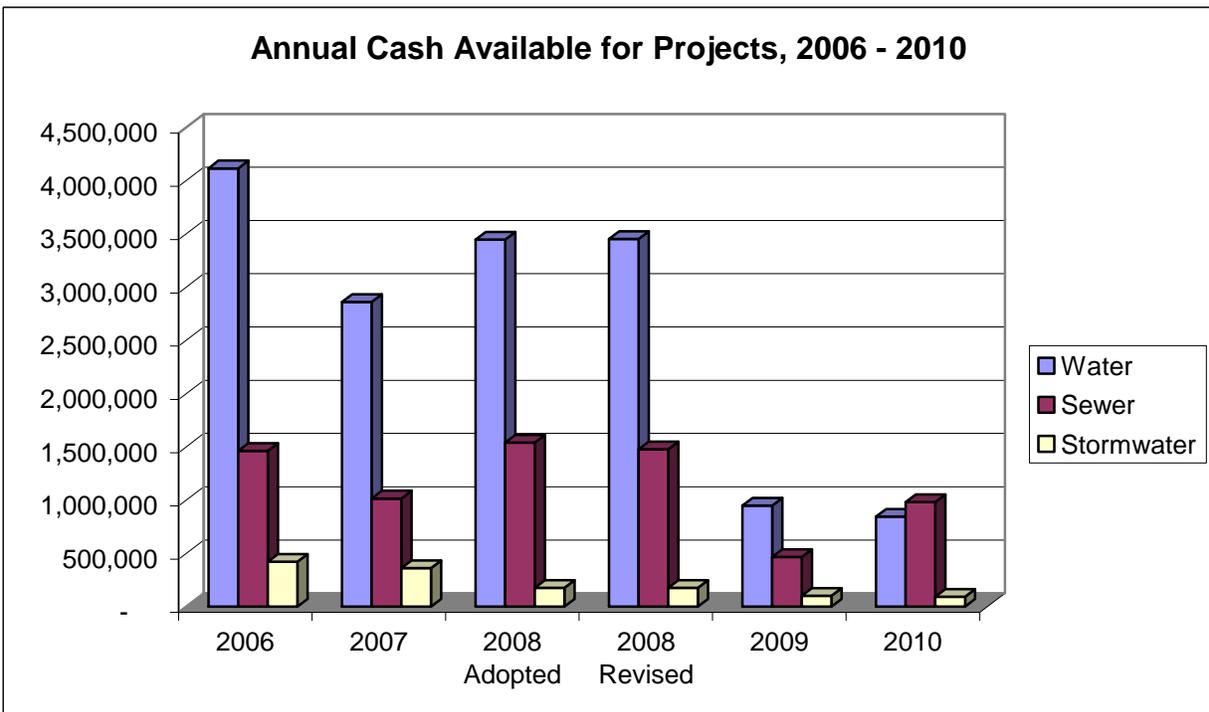
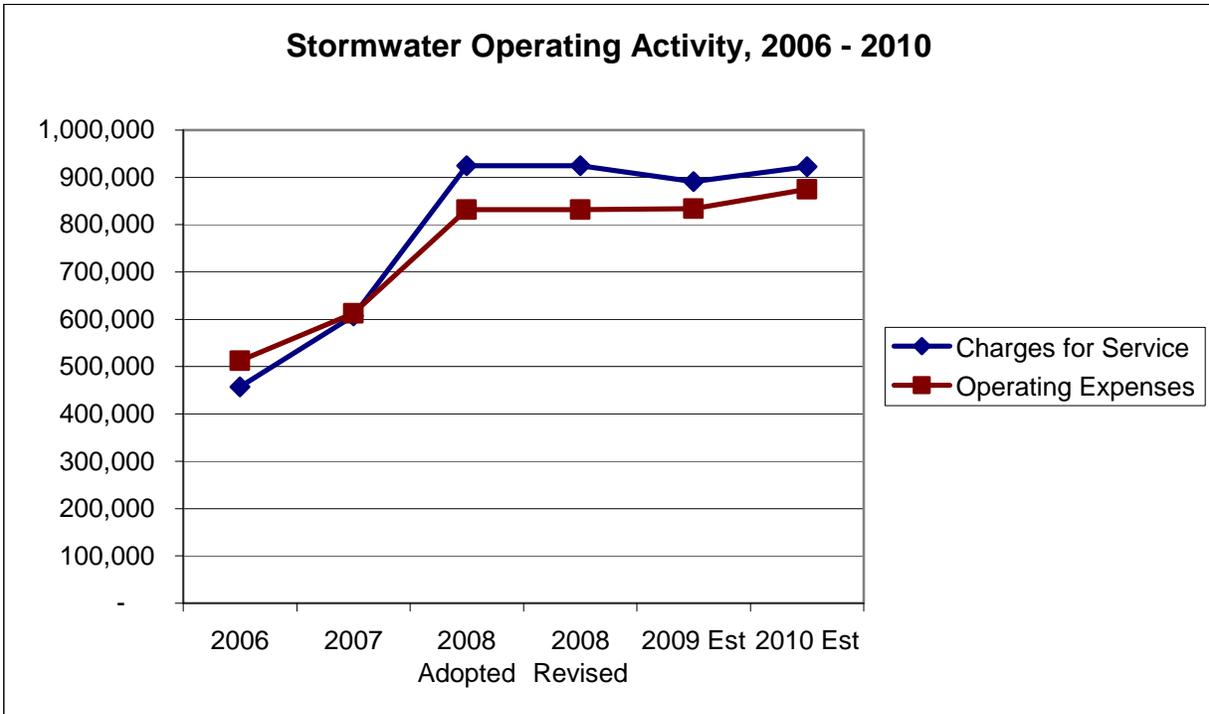
Description	2009	2010
Pierce County Emergency Preparedness	\$13,000	\$13,455
Puget Sound Clean Air Pollution Control	8,514	8,812
Pierce County (Alcoholism)	5,175	5,356
Daffodil Festival Contribution	2,000	2,000
General Services Administration Subscription Fee	900	900
Emergency Services/EOC	20,000	25,000
<i>Total</i>	49,589	55,523

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WATERWORKS FUNDS





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WATER FUND

Mission Statement

To provide safe, reliable water service that meets the needs of a rapidly growing City in the most economical manner consistent with the City of Bonney Lake Comprehensive Plan and current design standards while acquiring and protecting water supply sources.

Fund Description

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

2007-2008 Key Accomplishments

- Developed updated Water Comprehensive Plan Element with System Development Charge (SDC) report;
- Operated the new Ball Park Well water treatment facility in a safe and effective manner;
- Completed construction of the 15 million gallon peaking storage tank and booster pump station. Utilized this summer on two separate weekends;
- Completed leaky water main replacement projects on Island 21, Deer Island, 181st Ave., 95th Loop Street, 197th Ave., 211th Ave., and 206th Ave;
- Lakeridge Tanks was sandblasted, painted, sterilized, and placed back into service;
- Tracking approximately 1,800 backflow prevention devices for proper operation;
- Provided water and fire flow to approximately 11,882 customers;
- Replaced water mains as part of the Bonney Lake Blvd Project and 75th Street Project;
- Complete lease agreement with Pierce County for site of future water pump facility that will connect City's system to Tacoma Public Utilities water system.

Level of Service

Water utility services meet all requirements for potable water and 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.

Budget Overview

RESOURCE SUMMARY: Water Fund 401	Actual		Budget			
	2006	2007	2008 Adopted	2008 Revised	2009	2010
Charges for Service	\$ 5,860,786	\$ 4,874,870	\$ 6,070,769	\$ 6,070,769	\$ 5,838,457	\$ 6,042,803
Connection Fees	4,585,121	3,047,289	3,030,000	3,030,000	1,568,025	1,622,906
Interest	611,298	947,048	390,000	390,000	292,500	302,738
Other Revenues	32,190	29,055	-	20,000	20,000	20,000
Revenues	<u>11,089,394</u>	<u>8,898,262</u>	<u>9,490,769</u>	<u>9,510,769</u>	<u>7,718,982</u>	<u>7,988,447</u>
Salary	891,380	922,232	1,140,829	1,140,829	1,074,030	1,134,165
Benefits	303,677	336,840	471,380	471,380	486,487	536,605
Internal and External Taxes	714,945	737,475	827,211	827,211	307,575	318,340
Other Operating Expenses	763,021	933,566	868,592	868,592	911,493	943,334
Depreciation	1,272,973	1,309,823	-	-	-	-
Transfers Out	1,259,777	968,704	938,699	938,699	971,553	1,005,558
Subtotal - Operating Expenses	<u>5,205,773</u>	<u>5,208,639</u>	<u>4,246,711</u>	<u>4,246,711</u>	<u>3,751,139</u>	<u>3,938,002</u>
Operating Capital						
Construction Projects (O&M)	20,755	-	50,000	-	51,750	53,561
Replacement Water Meters	27,214	40,724	40,000	42,000	41,400	42,849
Tank Video & Cleaning	-	-	-	32,000	-	-
Leak Detection Program	14,446	10,679	48,000	48,000	49,000	51,000
Debt Service Expense	1,705,653	777,943	1,659,673	1,689,936	1,664,873	1,856,716
Total Operating Expense	<u>6,973,840</u>	<u>6,037,985</u>	<u>6,044,384</u>	<u>6,058,647</u>	<u>5,558,162</u>	<u>5,942,128</u>
Annual Cash Available for Projects	<u>4,115,554</u>	<u>2,860,277</u>	<u>3,446,385</u>	<u>3,452,122</u>	<u>2,160,820</u>	<u>2,046,319</u>
Beginning of the Year Cash Available	15,002,072	14,362,931	12,261,297	12,261,297	12,496,419	10,904,339
Total Cash Available for Projects	<u>19,117,626</u>	<u>17,223,207</u>	<u>15,707,682</u>	<u>15,713,419</u>	<u>14,657,239</u>	<u>12,950,658</u>
Other Financing Sources						
Project Specific Revenue						
FEMA Grant	-	18,100	-	-	-	-
Proposed Loan	-	-	1,781,000	-	-	-
PWTFL (Watermains)	58,735	-	-	-	-	-
PWTFL (Ballpark Well Facility)	-	168,750	-	-	-	-
PWTFL (Leak Reduction Program I)	2,258,000	-	-	-	-	-
PWTFL (Leak Reduction Program II)	-	-	-	-	1,784,000	1,784,000
Capital Contributions	-	-	-	-	-	-
Transfer In	-	-	-	-	-	-
Interfund Loan to 415 for Regional Storm Pond)	-	-	-	(1,100,000)	-	-
Construction Projects (detailed on next page)	7,071,430	5,148,760	5,704,000	2,117,000	5,536,900	7,185,400
End of Year Cash Available	<u>\$ 14,362,931</u>	<u>\$ 12,261,297</u>	<u>\$ 11,784,682</u>	<u>\$ 12,496,419</u>	<u>\$ 10,904,339</u>	<u>\$ 7,549,258</u>
Less Cash Restricted for Future Obligations	(998,001)	(998,001)	(998,001)	(998,001)	(998,001)	(998,001)
End of Year Cash Available	<u>\$ 13,364,930</u>	<u>\$ 11,263,296</u>	<u>\$ 10,786,681</u>	<u>\$ 11,498,418</u>	<u>\$ 9,906,338</u>	<u>\$ 6,551,257</u>

Budget Notes:

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

As a result of the economy, interest earnings are estimated to be 50% less than in prior years.

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

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

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

Capital Listing

RESOURCE SUMMARY:	Actual		Budget			
	2006	2007	2008 Adopted	2008 Revised	2009	2010
Construction Projects						
184th Corridor Waterline	-	-	-	-	-	-
191st/79th Study	-	-	1,032,000	-	-	-
192nd Corridor Waterline	-	-	-	-	-	-
214th Booster Pump Station	3,298	-	-	-	-	-
4MGD Water Purchase	-	-	-	-	-	-
90th St / 186th Corridor Waterline	-	-	-	-	-	-
At Grade Storage - Peaking Reservoir	4,372,796	3,624,845	-	-	-	-
Ballpark Well Facility	574,067	-	-	-	-	-
Capital Administration	-	30,130	145,000	-	-	-
Check Valve at Locust 810/748 Zone	11,170	-	-	-	-	-
Downtown/184th Corridor Waterline	-	-	-	-	-	-
East Lake Tapps Watermain @ 214th	115,612	-	-	-	-	-
Eastown Waterlines (96th/SR410)	-	50,482	-	-	20,000	710,000
Lake Bonney & Jane Drainage @ 188th	-	-	450,000	-	-	-
Lakeridge 748 Zone Tank Video and Cleaning	-	13,721	-	300,000	33,000	34,000
Lakeridge 810 Zone Water Tank	-	-	-	-	200,000	400,000
Leaky Mains (PWTF 1)	-	-	-	1,280,000	-	-
Leaky Mains (PWTF 2)	-	-	-	-	1,875,000	1,925,000
Main Street Waterline Replacement (IJC)	-	-	-	-	210,000	-
Meter Replacements & Unscheduled Projects	-	-	-	67,000	69,000	71,000
New Meter Installation Program	59,057	40,418	42,000	-	44,000	45,000
Other Environmental Services	-	-	-	-	-	-
Pressure Relief Stations	10,864	-	-	-	-	-
Public Works Facility	4,276	54,929	1,500,000	-	500,000	1,700,000
SDC Plan Update	-	67,195	-	-	-	-
South Prairie Water Main	184,654	-	-	-	-	-
SR410 & OSB Highway Water Improvement	-	-	-	-	275,000	-
Tacoma Point Well	-	32,586	-	-	-	-
Tank Painting and Cleaning	3,469	-	-	-	-	-
Telemetry Upgrade	42,151	8,443	10,000	10,000	-	-
TWD Intertie, Booster Pump Station, and Main	326	14,237	-	460,000	1,100,900	1,100,400
Water Main Replacements	1,670,904	1,191,866	1,875,000	-	-	-
Water Rights Banking Program	18,787	19,908	650,000	-	1,210,000	1,200,000
Total Construction/Capital	\$ 7,071,430	\$ 5,148,760	\$ 5,704,000	\$ 2,117,000	\$ 5,536,900	\$ 7,185,400

Goals & New Initiatives

- Purchase an additional 4-MGD (peak demand) supply of water from Tacoma Water Utility. Supports future growth in demand within our water service area;
- Complete extension of the East side water line to Prairie Ridge Road and construct a booster pump station on land leased from Pierce County. This will provide a permanent connection to Tacoma Public Utility water supply.;
- Continue replacing deteriorating water mains as part of the Leaky Main replacement program;
- Complete site study, purchase land, and design for future water tank to support the City's western water service area.

Trends & Future Issues

The City has an adequate water supply to last another ten (10) years. The City plans to pursue purchasing an additional 4 MGD (total of 6 MGD) peak hour use capacity from Tacoma Public Utilities. The water system still has considerable deferred maintenance that will require continual and extensive repair and replacement in the coming years. This includes water tanks and deteriorated PVC, asbestos cement, and steel water mains. While it appears that the water fund is financially sound, given the extensive capital needs of the system, another rate increase will need to be implemented during the biennium.

Performance Measures

Measures	Units	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 YTD	2009 Est	2010 Est
Waterlines	Miles	165	172	185	192	197	199	200	205
Water Connections	Each	9,671	10,307	10,852	11,323	11,621	11,892	11,992	12,192
PRV Stations	Each	7	13	18	27	26	26	26	27
Booster Pump Stations	Each	2	2	3	4	5	5	6	7
Chlorine Stations	Each	4	4	4	4	5	6	5	5
Emergency Generators	Each	5	7	7	7	10	11	11	12
Emergency Interties	Each	3	3	5	5	5	5	5	6
Routine Bacteria Samples	Year	300	300	360	360	360	360	360	360
New Construction Samples	Year	75	65	152	118	76	72	90	96
Billion Gallons Pumped Per Year	BG	1.13	1.15	1.16	1.30	1.22	1.25	1.30	1.33

WASTEWATER FUND

Mission Statement

To provide reliable sewer service that meets the needs of a rapidly growing city in the most economical manner consistent with the City of Bonney Lake Comprehensive Plan and current design standards while protecting the local environment.

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 charges and system development charges.

2007-2008 Key Accomplishments

- Developed new Sewer Comprehensive Plan Element with System Development Charge (SDC) report;
- Provided service to approximately 16,000 customers using 5,289 service connections;
- Finished video inspection of 214,000 feet of city sewer main;
- Lined concrete sewer force main under State Hwy 162 and under Burlington Northern Rail Road Tracks;
- Cleaned and inspected 22 Lift Stations and 88 residential grinder pumps;
- Continued operation and maintenance of Falling Water gravity sewer system;
- Developed design criteria with City of Sumner staff to upgrade the Wastewater Treatment Plant (WWTP);
- Worked with developers to create two new regional lift stations in Eastown and Midtown.

Level of Service

Sewer utility services provide sanitary sewer collection and treatment services for all City effluent to be treated and discharged in accordance with state and federal regulations. Lines are regularly inspected and repaired when warranted. The city partners in 50 percent of new construction, operations, and maintenance costs associated with the Sumner Wastewater Treatment Plant.

Budget Overview

RESOURCE SUMMARY: Wastewater Fund 402	Actual		Budget			
	2006	2007	2008 Adopted	2008 Revised	2009	2010
Charges for Service						
User Charges	\$ 2,767,501	\$ 2,922,339	\$ 3,061,000	\$ 3,061,000	\$ 3,023,175	\$ 3,128,986
Connection Fees	3,024,807	1,871,399	2,136,000	2,136,000	994,842	1,029,661
Interest	483,422	429,297	407,500	407,500	278,292	276,268
Other Revenues	689	1	5,000	5,000	5,000	5,000
Revenues	<u>6,276,419</u>	<u>5,223,036</u>	<u>5,609,500</u>	<u>5,609,500</u>	<u>4,301,309</u>	<u>4,439,915</u>
Salary	561,233	581,507	734,417	734,417	754,410	788,667
Benefits	188,861	202,034	300,306	300,306	312,024	343,910
Internal and External Taxes	298,600	307,655	346,685	346,685	358,819	371,378
Other Operating Expenses	963,136	1,135,777	1,100,680	1,100,680	1,189,579	1,178,734
Depreciation	1,381,970	1,216,113	-	-	-	-
Transfers Out	535,010	559,888	477,280	477,280	493,985	-
Subtotal - Operating Expenses	<u>3,928,810</u>	<u>4,002,974</u>	<u>2,959,368</u>	<u>2,959,368</u>	<u>3,108,816</u>	<u>2,682,690</u>
Operating Capital						
Construction Projects (O&M)	101,518	39,041	-	-	-	-
Sewer Lift Station Improvements (O&M)	-	12,368	-	-	-	-
Replacement & Unscheduled (O&M)	-	7,204	100,000	-	-	-
Equipment Upgrades	-	19,272	22,000	22,000	23,000	24,000
Video Upgrades	-	55,469	21,000	21,000	22,000	23,000
Sewer Line Repair	-	8,573	103,000	195,000	-	-
Telemetry Upgrades	-	14,985	10,000	10,000	-	-
Manhole Repair	-	-	27,000	10,000	77,000	79,000
Debt Service Expense	783,239	46,495	826,407	826,407	603,220	649,845
Total Operating Expense	<u>4,813,567</u>	<u>4,206,381</u>	<u>4,068,775</u>	<u>4,043,775</u>	<u>3,834,037</u>	<u>3,458,534</u>
Annual Cash Available for Projects	<u>1,462,852</u>	<u>1,016,656</u>	<u>1,540,725</u>	<u>1,565,725</u>	<u>467,272</u>	<u>981,381</u>
Beginning of the Year Cash Available	9,499,021	8,874,159	9,985,264	9,985,264	10,767,989	10,237,261
Total Cash Available for Projects	<u>10,961,873</u>	<u>9,890,815</u>	<u>11,525,989</u>	<u>11,550,989</u>	<u>11,235,261</u>	<u>11,218,642</u>
Other Financing Sources / (Uses)						
Project Specific Revenue						
FEMA Grant	-	14,525	-	-	-	-
PWTF (Sewer Treatment Plant)	673,138	59,552	-	-	-	-
PWTF (Emergency Main Repl)	-	500,000	-	-	-	-
PWTF (Sewer Line Replacement)	500,000	-	-	-	3,350,000	1,298,000
Capital Contributions	18,680	15,654	-	-	-	-
Gain / (Loss) on Sale of Capital Asset	(62,508)	-	-	-	-	-
Transfer In	164,067	-	-	-	-	-
Construction Projects						
192nd Corridor Project	-	-	350,000	-	-	-
Church Lake Drive Sewer	-	-	120,000	-	450,000	-
Fennel Creek Lift Station	-	-	-	-	100,000	750,000
Kelly Creek Vista Sewer Design	-	-	-	-	-	-
Lift Station 17 Improvements	234,598	-	40,000	-	-	137,000
Lift Station Improvements	-	-	-	16,000	16,000	16,000
Public Works Facility	1,833	6,398	-	-	350,000	1,000,000
Replacements & Unscheduled Projects	-	-	67,000	87,000	175,000	180,000
Septic System Reduction Program	-	-	-	55,000	257,000	265,000
Sewer Lift Station Improvements	-	-	16,000	-	-	-
Sewer SDC Study	-	-	-	-	-	-
Sewer Trunk Line Improvements	-	-	-	425,000	2,080,000	1,800,000
Sewer Trunk Line Replacement (Meyers)	1,808,839	335,026	-	-	-	-
Sewer Trunk Main Rehabilitation	-	-	-	-	-	-
SR 410 Sewer Main Improvements	-	-	-	-	120,000	1,300,000
Sumner WWTP True-Up Payment	-	153,858	200,000	200,000	200,000	200,000
Sumner WWTP Upgrade	835,821	-	-	-	600,000	4,000,000
Trunk Line Replacement (SR162nd Crossing)	-	-	980,000	-	-	-
Valley Sewer Main (Emergency)	500,000	-	-	-	-	-
End of Year Cash Available	<u>\$ 8,874,159</u>	<u>\$ 9,985,264</u>	<u>\$ 9,752,989</u>	<u>\$ 10,767,989</u>	<u>\$ 10,237,261</u>	<u>\$ 2,868,642</u>
Less Cash Restricted for Future Obligations	-	-	-	-	-	-
End of Year Cash Available	<u>\$ 8,874,159</u>	<u>\$ 9,985,264</u>	<u>\$ 9,752,989</u>	<u>\$ 10,767,989</u>	<u>\$ 10,237,261</u>	<u>\$ 2,868,642</u>

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

At this time, we have not included any project specific revenue sources for 2009-2010; however, we continue to pursue grant and other alternate funding for the listed projects.

Goals & New Initiatives

- Continue replacement and lining of the sewer main line to the Sumner Wastewater Treatment Plant (WWTP);
- Construct new sewer lines in Vista Creek development as part of the sewer septic reduction program;
- Clean flat grade sewer mains yearly to prevent sediment build up and reduce copper spikes at the WWTP;
- Design and construct new sewer force main along Angeline road to replace the existing continually failing force main;
- Work with developer to build the Eastown sewer lift station and pressure line;
- Continue to work with developers to construct a membrane type satellite wastewater treatment facility in the southern sewer service area. Alternatively, expand the Sumner WWTP and connect with new sewer lines extending down off the plateau on Rhodes Lake Road to River Road;
- Continue commitment to Septic System Reduction Program begun in 2008 using a 2009-2010 biennial budget of \$522,000. This will reduce the amount of septic systems, improving the environmental quality and protecting water quality;
- Work closely with the City of Sumner to design expansion of the WWTP in 2090, with plant construction occurring in 2010 or 2011. Determine if the City of Bonney Lake should apply for a Public Works Trust Fund to finance the City's share of this project.

Trends & Future Issues

The Sewer utility is not currently generating sufficient revenue to meet operating costs, and a rate increase will need to be implemented during the biennium. The City will need to continue exploring the feasibility of using a Membrane BioReactor (MBR) system for providing service to the Southern sewer service area. In addition, the City should continue exploring the feasibility of modifying the northern sewer service area boundaries with Auburn and Sumner.

Performance Measures

Measures	Units	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 YTD	2009 Est	2010 Est
Lift Stations	Each	17	18	20	21	21	22	23	25
Sewer Connections	Each	3,909	4,128	4,428	4,956	5,183	5,300	5,350	5,400
Sewer Lines	Miles	<i>Not avail</i>	<i>Not avail</i>	<i>Not avail</i>	72	73	74.5	75	77

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STORMWATER FUND

Mission Statement

To maintain the existing drainage system and expand it into older parts of the City. To ensure that new development complies with current design standards to minimize the impact of storm water runoff quantity and quality during and after construction occurs. To implement the Federal National Pollutant Discharge Elimination System (NPDES) mandate to improve storm water quality discharged into streams, rivers, lakes and the Puyallup Water System. To minimize areas where standing water occurs in City owned storm water ponds.

Fund Description

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

2007-2008 Key Accomplishments

- Completed the drainage basin study for Bonney Lake and Lake Debra Jane;
- The Lake Bonney Aquatic Vegetation study was completed;
- Storm water quality and capacity projects were studied to determine where the new funding provided by increased monthly use and System Development Charges (SDC) could best be applied;
- Design standards were modified to implement new NPDES Federal mandates and to improve the appearance of the city;
- Mowed 46 storm water ponds using temporary laborers and the Deweze Mower;
- Cleaned 12 centerline miles of roadside ditches in preparation for the street chip seal program;
- Replaced storm water drainage system through Church Lake Park and surrounding basin;
- Completed study and constructed regional stormwater pond for the downtown area.

Level of Service

Stormwater utility services provide adequate stormwater runoff services to prevent flooding and environmental pollution for the average storm event. Facilities are insufficient to meet the requirements for a 100 year storm event. Specific emphasis has been placed on stormwater draining into Lake Bonney and Lake Debra Jane. Funding for all projects in the six year capital improvement plan remains a problem.

Budget Overview

RESOURCE SUMMARY: Stormwater Fund 415	Actual		Budget			
	2006	2007	2008 Adopted	2008 Revised	2009	2010
Charges for Service	\$ 457,291	\$ 606,967	\$ 925,008	\$ 925,008	\$ 891,391	\$ 922,590
System Development Charges	73,760	183,995	75,000	75,000	38,813	40,171
Interest	10,393	10,148	8,000	8,000	6,000	6,210
Other Revenues	861	-	-	-	-	-
Revenues	542,305	801,109	1,008,008	1,008,008	936,204	968,971
Salary	170,336	191,851	286,336	286,336	278,038	291,892
Benefits	58,164	65,514	117,575	117,575	113,367	125,431
Internal and External Taxes	37,766	58,927	89,000	89,000	92,115	95,339
Other Operating Expenses	23,622	33,816	58,787	58,787	60,778	62,725
Depreciation	55,758	133,771	-	-	-	-
Transfers Out	222,730	262,434	279,861	279,861	289,656	299,794
Subtotal - Operating Expenses	568,376	746,313	831,559	831,559	833,954	875,182
Operating Capital						
Construction Projects (O&M)	-	-	-	-	-	-
Debt Service Expense	-	-	-	-	-	-
Total Operating Expense	568,376	746,313	831,559	831,559	833,954	875,182
Annual Cash Available for Projects	(26,071)	54,796	176,449	176,449	102,250	93,789
Beginning of the Year Cash Available	446,690	308,094	342,162	342,162	589,611	400,861
Total Cash Available for Projects	420,619	362,890	518,611	518,611	691,861	494,650
Other Financing Sources						
Project Specific Revenue						
FEMA Grant	-	6,659	-	-	-	-
DOE Grant	-	-	-	75,000	-	-
PWTF (192nd Corridor Project) <i>Proposed</i>	-	-	-	-	200,000	-
Capital Contributions	-	-	-	-	200,000	-
Transfer In	-	-	-	-	-	-
Interfund Loan (from 401 for Regional Storm Pond)	-	-	-	1,100,000	-	-
Construction Projects						
Lake Bonney and Jane Drainage (188th)	-	-	70,000	-	-	-
191st & 79th Study	-	17,971	50,000	-	-	-
Public Works Facility	-	-	70,000	-	70,000	-
Drainage Basin Study	112,526	9,416	-	-	-	-
Regional Downtown Drainage Facility	-	-	-	950,000	176,000	-
Drainage Improvements (183rd/64th)	-	-	42,000	-	-	-
Drainage Improvements (182nd/90th)	-	-	52,000	-	-	-
Emergency Stormwater Repair (192nd)	-	-	-	-	-	-
Church Lake Park Storm Improvements	-	-	-	28,000	-	-
NPDES Compliance	-	-	-	-	-	35,000
NPDES Phase II Permit Study	-	-	-	126,000	-	15,000
Storm Pond Reconstruction Program	-	-	-	-	-	35,000
Stormwater Comprehensive Plan	-	-	-	-	-	15,000
Drainage Improvements (197th Ave/Interlake)	-	-	-	-	-	38,000
SR410 TIB Sidewalk (Storm Portion)	-	-	-	-	45,000	299,000
192nd Corridor Project (Storm Portion)	-	-	-	-	200,000	-
Other Capitalized Projects	-	-	-	-	200,000	-
End of Year Cash Available	\$ 308,094	\$ 342,162	\$ 234,611	\$ 589,611	\$ 400,861	\$ 57,650
Less Cash Restricted for Future Obligations	-	-	-	-	-	-
End of Year Cash Available	\$ 308,094	\$ 342,162	\$ 234,611	\$ 589,611	\$ 400,861	\$ 57,650

Budget Notes:

System development charges 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.

An interfund loan is proposed in late 2008/early 2009 to facilitate the development and construction of a Regional Stormwater Facility. This facility is necessary to accommodate the development/redevelopment of the downtown core.

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

Goals & New Initiatives

- Continue to update the City's stormwater program to meet the Department of Ecology's Phase II requirements;
- Update the Storm Water Comprehensive plan;
- Construct a regional downtown stormwater pond.

Trends & Future Issues

The City has an outdated Storm Water Comprehensive Plan Element that does not reflect current NPDES federal and state unfunded mandates. This plan needs to be updated in order to better evaluate and plan for the future stormwater needs of the City. Scope of this project would identify necessary storm water projects and the number of new Equivalent Service Units (ESUs) associated with growth of the city's storm water system and customers. Based on these projects and demographics, updated monthly use charges and System Development Charges would also be identified. Critical elements that would be addressed are: Evaluate and implement the new Washington State rule implementing the Federal NPDES Phase II program. Restore storm water ditches throughout the City. Add storm water ponds and other stormwater infrastructure to prevent direct entry of storm water into streams, rivers, and lakes without adequate treatment.

Performance Measures

Measures	Units	2003	2004	2005	2006	2007	2008	2009	2010
		Actual	Actual	Actual	Actual	Actual	YTD	Est	Est
Stormwater Lines	Miles	17	17	19	23	30	31	31	32
Detention/Infiltration Ponds	Each	25	25	31	38	44	48	50	51
Catch Basins/Inlets	Each	928	929	1,053	1,241	1,423	1,500	1,540	1,575
Ditches	Miles	75	75	77	81	87	87	87	87

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SPECIAL REVENUE FUNDS

DRUG INVESTIGATION FUND

Budget Overview

RESOURCE SUMMARY:	Actual		Budget			
	2006	2007	2008 Adopted	2008 Revised	2009	2010
Revenues						
Forfeitures & Seizures	\$ 174,742	\$ 46,463	\$ -	\$ 18,000	\$ -	\$ -
Interest	31,870	29,787	34,703	34,703	-	-
Transfers In	-	-	-	-	-	-
Revenues	<u>\$ 206,612</u>	<u>\$ 76,250</u>	<u>\$ 34,703</u>	<u>\$ 52,703</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures						
Salaries & Wages	\$ 26,624	\$ 17,972	\$ -	\$ -	\$ -	\$ -
Other Operating Expenditures	7,825	-	6,500	-	-	-
Internal Charges	78,666	-	12,000	-	-	-
Capital	70,275	-	-	93,000	-	-
Debt Service	-	-	-	-	-	-
Transfers Out	-	-	-	500,000	-	-
Expenses	<u>\$ 183,391</u>	<u>\$ 17,972</u>	<u>\$ 18,500</u>	<u>\$ 593,000</u>	<u>\$ -</u>	<u>\$ -</u>
Net Annual Cash	23,222	58,278	16,203	(540,297)	-	-
Beginning of the Year Cash	692,891	716,113	774,391	774,391	234,094	234,094
End of the Year Cash (Reserves)	<u>716,113</u>	<u>774,391</u>	<u>790,594</u>	<u>234,094</u>	<u>234,094</u>	<u>234,094</u>

Budget Notes:

For the 2009-2010 Biennium, expenditures are not programmed; rather, reserves may be utilized for 800MHz related expenditures. Reserves are anticipated for future use to assist with debt service for the 800MHz system.

Fund Description

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

2007-2008 Key Accomplishments

- In 2008, reserves from this fund were used to acquire a SWAT vehicle.
- In 2008, \$500,000 from this fund was transferred to the General Government CIP Fund to initiate funding for the 800MHz interoperability project.

Level of Service

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

CONTINGENCY FUND

Budget Overview

RESOURCE SUMMARY:	Actual		Budget			
	2006	2007	2008 Adopted	2008 Revised	2009	2010
Transfers In	\$ 230,445	\$ 650,000	\$ -	\$ -	\$ -	\$ -
Interest:	14,271	31,832	18,270	18,270	-	-
Revenues	\$ 244,716	\$ 681,832	\$ 18,270	\$ 18,270	\$ -	\$ -
Operating Expenditures	\$ -	\$ -	\$ -	-	-	-
Interfund Service Charges	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Annual Cash	244,716	681,832	18,270	18,270	-	-
Beginning of the Year Cash	105,538	350,254	1,032,086	1,032,086	1,050,356	1,050,356
End of the Year Cash (Reserves)	350,254	1,032,086	1,050,356	1,050,356	1,050,356	1,050,356

Budget Notes:

For the 2009-2010 Biennium, no expenditures are not 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.

2007-2008 Key Accomplishments

- In the 2007-2008 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.

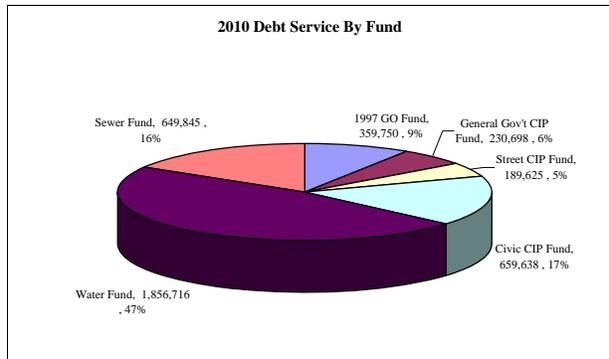
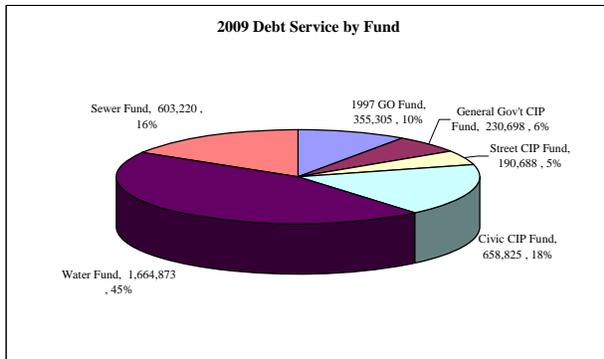
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DEBT SERVICE FUNDS

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 only one active debt service fund: Fund 208 accounts for the debt service payable on the 1997 General Obligation Bond for the Public Safety Building. This bond is scheduled to be fully retired in 2011. All other debt service is programmed within the related fund; e.g. Civic Center Capital, General Government Capital, Water, Sewer.

2007-2008 Key Accomplishments

- Issued \$10M Limited Tax General Obligation (LTGO) Bonds for the construction of an Interim Justice Center;
- Entered into a financing agreement with Motorola for acquisition of 800 MHz communications equipment;
- Issued \$4.57M in Water/Sewer Refunding bonds;

Debt Service Summary

PRINCIPAL			2009	2010	
Debt Type	Reference Number	Description	Adopted	Adopted	Fund
General Obligation	BONGO97	1997 Public Safety Building Refunding	305,000	325,000	208
General Obligation	BONLTGO08	2008 Justice Center	245,000	255,000	325
Pledged Revenue	BONWAT07	2007 Water/Sewer Refunding Bond	81,987	311,550	401
Pledged Revenue	BONWAT07	2007 Water/Sewer Refunding Bond	18,013	68,450	402
Installment Contract	City of Tacoma	City of Tacoma SDCs	462,128	462,128	401
Installment Contract	Motorola	Motorola 800MHz	152,310	159,303	320
Public Works Trust Fund	PW-97-791-017	Ponderosa Reservoir #2 - Construction	50,468	50,468	401
Public Works Trust Fund	PW-98-78898-07	Corrosion Control Facility	14,974	14,974	401
Public Works Trust Fund	PW-98-78898-08	Lakeridge Booster Pump Station	37,657	37,657	401
Public Works Trust Fund	PW-98-791-006	Ponderosa Reservoir #2 - 800 Zone Overflow Construction	14,995	14,995	401
Public Works Trust Fund	PW-00-691-008	McGhee Water Main Replacement	38,306	38,306	401
Public Works Trust Fund	PW-02-691-006	Sumner Sewer Treatment Plant Upgrade	373,047	373,047	402
Public Works Trust Fund	PW-03-691-003	Spring Sources Water Quality Treatment Facilities	63,715	63,715	401
Public Works Trust Fund	PW-04-691-007	Sumner Sewer Treatment Plant Upgrade	105,450	105,450	402
Public Works Trust Fund	PW-04-691-008	Ball Park Well Water Quality Treatment Facility	178,676	178,676	401
Public Works Trust Fund	PW-04-691-009	Leak Reduction Program	232,402	232,402	401
Public Works Trust Fund	PW-05-96-791-004	Church Lake/Inlet Island Watermain Replacement	66,057	66,057	401
Public Works Trust Fund	PW-06-962-ELP-302	Emergency Sewer Main Replacement	26,316	26,316	402
Public Works Trust Fund	PW-06-962-PRE-101	192nd Ave E Corridor	187,500	187,500	301

Total Principal: 2,654,003 2,970,997

INTEREST			2009	2010	
Debt Type	Reference Number	Description	Adopted	Adopted	Fund
General Obligation	BONGO97	1997 Public Safety Building Refunding	50,305	34,750	208
General Obligation	BONLTGO08	2008 Justice Center	413,825	404,638	325
Pledged Revenue	BONWAT07	2007 Water/Sewer Refunding Bond	143,985	141,116	401
Pledged Revenue	BONWAT07	2007 Water/Sewer Refunding Bond	31,635	31,004	402
Installment Contract	City of Tacoma	City of Tacoma SDCs	190,179	163,011	401
Installment Contract	Motorola	Motorola 800MHz	78,388	71,395	320
Public Works Trust Fund	PW-97-791-017	Ponderosa Reservoir #2 - Construction	4,542	4,037	401
Public Works Trust Fund	PW-98-78898-07	Corrosion Control Facility	7,165	6,514	401
Public Works Trust Fund	PW-98-78898-08	Lakeridge Booster Pump Station	18,019	16,381	401
Public Works Trust Fund	PW-98-791-006	Ponderosa Reservoir #2 - 800 Zone Overflow Construction	1,500	1,350	401
Public Works Trust Fund	PW-00-691-008	McGhee Water Main Replacement	4,597	4,214	401
Public Works Trust Fund	PW-02-691-006	Sumner Sewer Treatment Plant Upgrade	26,113	24,248	402
Public Works Trust Fund	PW-03-691-003	Spring Sources Water Quality Treatment Facilities	4,779	4,460	401
Public Works Trust Fund	PW-04-691-007	Sumner Sewer Treatment Plant Upgrade	8,436	7,909	402
Public Works Trust Fund	PW-04-691-008	Ball Park Well Water Quality Treatment Facility	14,294	13,401	401
Public Works Trust Fund	PW-04-691-009	Leak Reduction Program	18,592	17,430	401
Public Works Trust Fund	PW-05-96-791-004	Church Lake/Inlet Island Watermain Replacement	15,854	13,872	401
Public Works Trust Fund	PW-06-962-ELP-302	Emergency Sewer Main Replacement	14,211	13,421	402
Public Works Trust Fund	PW-06-962-PRE-101	192nd Ave E Corridor	3,188	2,125	301

Total Interest: 1,049,606 975,274

Combined Principal & Interest By Fund			
	2009	2010	2009/2010
	Adopted	Adopted	Biennium
Debt Service Funds	355,305	359,750	715,055
Street Capital Improvement Fund	190,688	189,625	380,313
General Government Capital Improvement Fund	230,698	230,698	461,396
Civic Center Capital Improvement Fund	658,825	659,638	1,318,463
Water Fund	1,664,873	1,856,716	3,521,589
Wastewater (Sewer) Fund	603,220	649,845	1,253,065
Total	3,703,609	3,946,271	7,649,880

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.

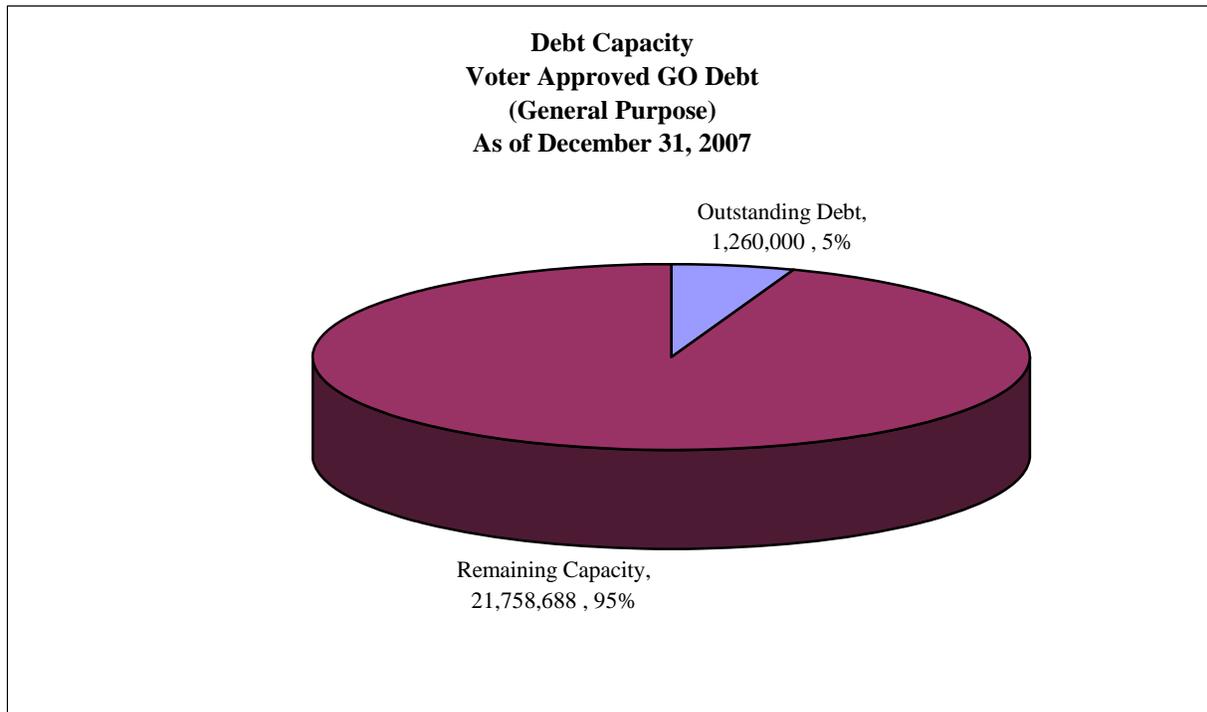
1. General Purpose Bonds

The December 31, 2007 outstanding amount is limited to \$23,018,688, 1.0% of the City’s assessed value of \$2,301,868,766. These bonds are issued for large general government construction projects approved by the voters in which the City pledges its full faith and credit for payment.

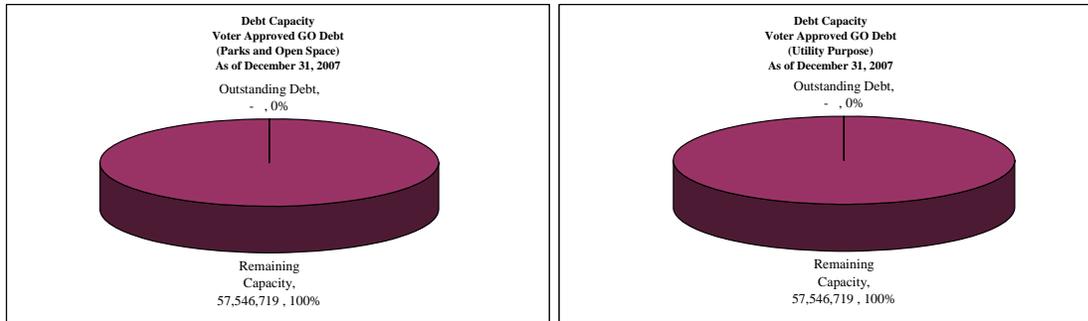
Outstanding Issues

1. 1997 General Obligation Bonds: Public Safety Building

The General Obligation Bond was issued to construct the Public Safety Building. The 1997 General Obligation Bond Fund accounts for the principal, interest, and debt service costs on the refinanced portions of the 1991 Public Safety G.O. Bonds. This bond was issued in order to save the taxpayers interest on the refundable and outstanding principal from the 1991 G.O. Bond. The bond will be paid off in 2011.



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



Council Approved UTGO Bonds

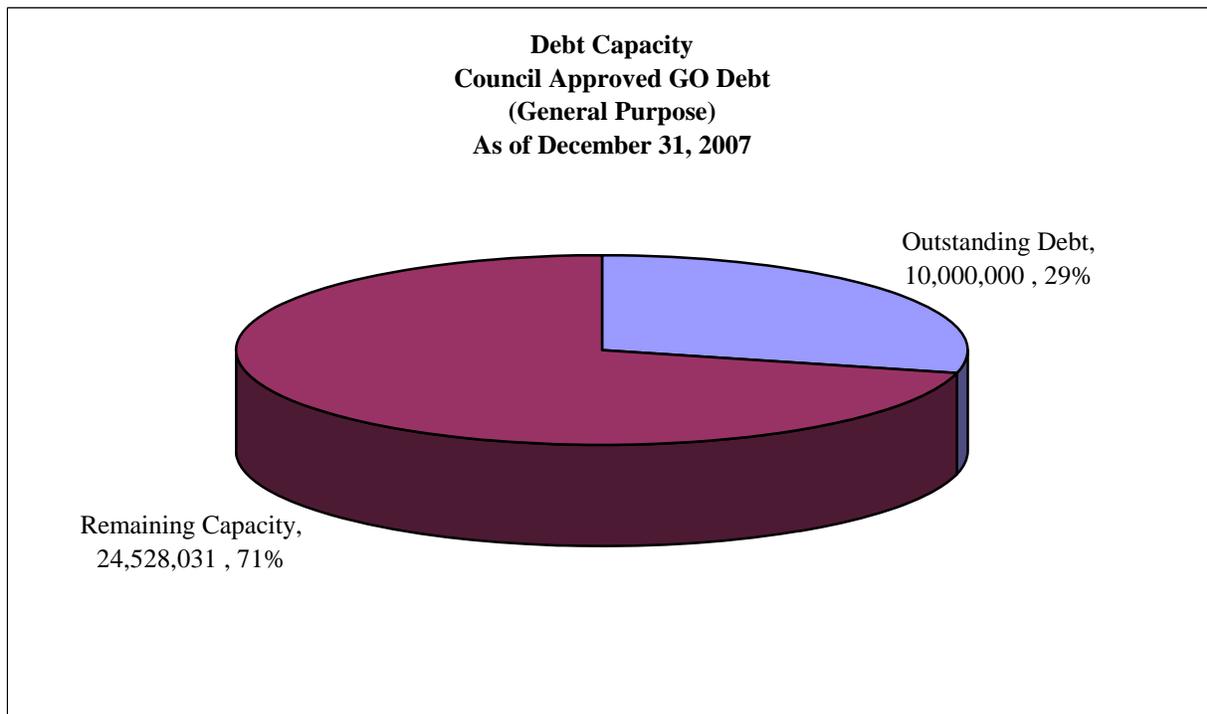
Bonds can be issued as either 1) General Purpose, 2) Parks and Open Space, or 3) Utility.

1. General Purpose Bonds

The December 31, 2007 outstanding amount is limited to \$34,528,031, 1.5% of the City’s assessed value of \$2,301,868,766. 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, 2007, the City has \$5,115,000 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.

BONWAT981998 Water/Sewer Refunding Bonds

These revenue bonds provided matching funds for three water and one sewer capital projects which were funded primarily by Public Works Trust Fund loans and Drinking Water State Revolving Fund loans. The water projects were: (1) a corrosion control facility (mandated by the state Department of Health), (2) a booster pump station in the Lakeridge pressure zone, (3) a new reservoir behind Bonney Lake High School, and (4) a new sewer mains on Inlet Island.

Issue Date:	02/27/1998	Payoff Date:	09/01/2012
Approved Amount:	\$1,335,000	Interest:	4.1 – 5.2%
Draws To-Date:	n/a	Principal Paid to Date:	Refunded
Project Status:	Refunded	Principal Balance:	Refunded

BONWAT991999 Water/Sewer Revenue Bond

These revenue bonds provided matching funds for numerous water projects and the Sumner Wastewater Treatment Plant that were funded primarily by Public Works Trust Fund loans. The water projects included numerous water main replacements, new pressure reducing valves in the Lakeridge pressure zone, and water quality improvements at Victor Falls and Grainger Springs.

Issue Date:	12/01/1999	Payoff Date:	09/01/2019
Approved Amount:	\$6,035,000	Interest:	4.0 – 5.7%
Draws To-Date:	n/a	Principal Paid to Date:	Refunded
Project Status:	Refunded	Principal Balance:	Refunded

Outstanding Issues

- 2007 Refunding Bonds

BONWAT072007 Water/Sewer Refunding Bond

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

Issue Date:	12/03/2007	Payoff Date:	09/01/2019
Approved Amount:	\$4,570,000	Interest:	3.5% - 4.0%
Draws To-Date:	n/a	Principal Paid to Date:	\$0
Project Status:	n/a	Principal Balance:	\$4,570,000

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 12/31/2008

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:	\$717,547
Project Status:	Completed	Principal Balance:	\$528,456

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:	\$499,383
Project Status:	Completed	Principal Balance:	\$454,212

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:	\$131,644
Project Status:	Completed	Principal Balance:	\$149,953

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:	\$119,795
Project Status:	Completed	Principal Balance:	\$164,717

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:	\$301,258
Project Status:	Completed	Principal Balance:	\$414,230

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:	\$264,124
Project Status:	Completed	Principal Balance:	\$454,676

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:	\$1,854,069

Project Status: Completed Principal Balance: \$5,222,658

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:	\$218,968
Project Status:	Complete	Principal Balance:	\$955,732

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:	\$316,350
Project Status:	Complete	Principal Balance:	\$1,687,200

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:	\$516,176
Project Status:	Complete	Principal Balance:	\$2,858,824

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:	\$571,763
Project Status:	Ongoing	Principal Balance:	\$3,718,437

Loan #PW-06-962-PRE-101 Design for 192nd Street Corridor

This loan provides funds for preparing a corridor plan which will identify the arterial roadway improvements for the 192nd Street corridor and connector roadways, between the commercial areas of SR 410 and Rhodes Lake Road. It is the final link on 192nd that will complete this minor arterial between Sumner-Buckley Highway and Rhodes Lake Road. Construction will include improvements to 103rd Street which will connect 192nd Avenue and provide a third exit for the Brookside development. In addition to roadway improvements, the project will extend utilities along 192nd Avenue and 103rd Streets and will add sidewalks, street lights, bicycle lanes, curbs, and gutters.

Issue Date:	2006	Payoff Date:	2011
Approved Amount:	\$1,000,000	Interest:	.05%
Draws To-Date:	\$750,000	Principal Paid to Date:	\$187,500
Project Status:	Design	Principal Balance:	\$562,500

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:	\$26,316
Project Status:	Complete	Principal Balance:	\$473,684

The following two Public Trust Fund Loans were approved by City Council in August 2008. Both are 20-year loans with a .5% interest rate. The first debt payment will be in 2009 for interest only; the first full debt service payment will be in 2010 for both interest and principal. The execution of these two loan agreements will utilize the City's \$10 million biennium loan capacity for PWTF loans (restriction of the Public Works Board.) Because debt service is based upon the amount drawn, and as no amount as been drawn to-date on these projects, debt service is not included in the programmed budgets, and will be reviewed as part of the mid-biennial budget adjustment.

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

This is a new loan executed in September 2008. This 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:	\$0	Principal Paid to Date:	\$0
Project Status:	Initiated	Principal Balance:	\$0 at 12/31/2008

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

This is a new loan executed in September 2008. 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:	\$0	Principal Paid to Date:	\$0
Project Status:	Initiated	Principal Balance:	\$0 at 12/31/2007

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:	\$2,079,575
Project Status:	n/a	Principal Balance:	\$3,697,023

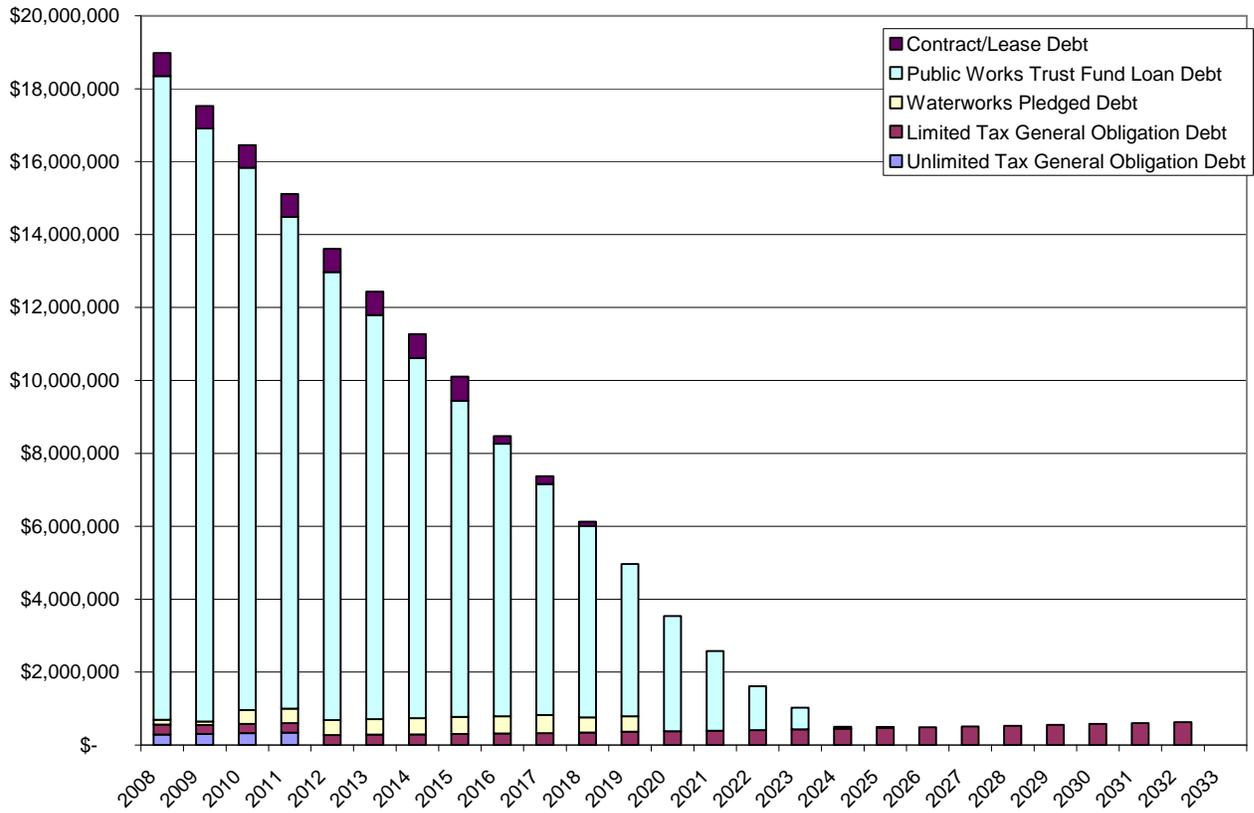
Motorola

800MHz Equipment

Financing of radios and other equipment required for conversion to 800MHz communication frequency.

Issue Date:	03/25/2008	Payoff Date:	12/01/2018
Approved Amount:	\$1,938,528	Interest:	4.54%
Draws To-Date:	\$1,938,528	Principal Paid to Date:	\$0 at 12/31/2007
Project Status:	Ongoing	Principal Balance:	\$1,938,528

**Outstanding Principal
As of December 31, 2008**





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, 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.

2007-2008 Key Accomplishments

- Completed chip seal program;
- Reconstructed portion of Bonney Lake Boulevard;
- Reconstructed portion of 183rd St.;
- Reconstructed portion of 75th St.

Goals & New Initiatives

- Complete Old Sumner-Buckley Highway from State Route 410 to Main Street;
- 90th Street improvements to support Interim Justice Center;
- Install signal at Old Sumner-Buckley Highway and Main Street;
- Continue right-of-way acquisition along 192nd;
- Continue street resurfacing at 7 miles per year with annual budgets of \$300,000 for chipsealing, \$100,000 for maintenance overlay, and \$205,000 for street reconstruction;
- Continue implementing the Non-Motorized Transportation Plan by constructing sidewalks with \$380,000 budgeted over the 2009-2010 biennium;
- Continue to improve streetlighting in accordance with the plan approved by the City Council.

Resource Summary

RESOURCE SUMMARY: Street CIP Fund 301	Actual		Budget			
	2006	2007	2008 Adopted	2008 Revised	2009	2010
Charges for Service						
Real Estate Excise Taxes	\$ 582,443	\$ 609,357	\$ 786,500	\$ 786,500	\$ 396,839	\$ 410,728
Motor Vehicle Fuel Tax	341,183	346,748	397,000	397,000	-	-
Impact/Mitigation Fees	1,249,686	1,846,884	2,187,000	2,187,000	404,996	419,170
Interest	189,311	218,987	168,000	168,000	22,387	23,171
Other Revenues	-	-	6,400	6,400	-	-
Revenues	<u>2,362,623</u>	<u>3,021,976</u>	<u>3,544,900</u>	<u>3,544,900</u>	<u>824,222</u>	<u>853,069</u>
Salary	-	-	-	-	-	-
Benefits	-	-	-	-	-	-
Other Operating Expenses	-	-	-	-	-	-
Subtotal - Operating Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating Capital						
Chip Seal Program	130,798	183,393	204,000	204,000	300,000	300,000
Overlay Maintenance Program	116,100	10,653	182,000	305,000	100,000	100,000
Street Reconstruction Program	36,447	29,037	218,000	344,000	205,000	205,000
Sidewalk Reconstruction Program	10,404	-	90,000	239,000	90,000	90,000
Debt Service Expense	-	9,921	216,750	191,250	190,688	189,625
Total Operating Expense	<u>293,749</u>	<u>233,004</u>	<u>910,750</u>	<u>1,283,250</u>	<u>885,688</u>	<u>884,625</u>
Annual Cash Available for Projects	<u>2,068,874</u>	<u>2,788,972</u>	<u>2,634,150</u>	<u>2,261,650</u>	<u>(61,466)</u>	<u>(31,556)</u>
Beginning of the Year Cash Available	-	4,805,275	6,959,471	6,959,471	8,136,121	4,073,655
Total Cash Available for Projects	<u>2,068,874</u>	<u>7,594,247</u>	<u>9,593,621</u>	<u>9,221,121</u>	<u>8,074,655</u>	<u>4,042,099</u>
Other Financing Sources						
Project Specific Revenue	-	-	-	-	-	-
Special Assessments Receivable	-	5,586	-	-	-	-
Developer/Capital Contributions	5,850	892,361	-	-	-	-
Transfer In	2,905,811	-	-	-	-	-
Interfund Loan	750,000	-	477,000	-	-	-
Construction Projects						
Capitalized Projects	370,930	-	-	-	-	-
South Prairie Road East	281,247	345,725	-	-	-	-
192nd Ave Construction	256,365	-	-	-	-	-
184th to 182nd	-	347,120	500,000	-	-	-
Signal (200th Ave Ct E/104th)	1,918	12,635	-	-	-	-
104th Street Improvements	14,801	37,703	-	-	-	-
Meyers Road Connection	-	-	250,000	-	-	-
Old Buckley Highway & SR410 (w/Signal)	-	92,391	1,300,000	-	-	-
192nd Ave Connection Phase 1A	-	616,907	500,000	350,000	50,000	-
75th Street East Overlay	-	19,382	315,000	315,000	-	-
214th (96th St E to SR410)	-	-	1,250,000	-	-	-
184th (OSB to SR410) (w/Signal upgrade)	-	-	-	360,000	-	-
Street Light Project	-	60,860	60,000	60,000	60,000	-
SR410 Street Light Project	-	-	80,000	-	-	-
Main St/OSB Intersection Improvements	-	-	-	-	590,000	-
OSB Highway Improvements (SR410 to Main Street)	-	-	-	-	1,500,000	-
192nd Avenue Connection Phase 2B	-	-	-	-	350,000	350,000
Main Street Improvements Phase 1	-	-	-	-	711,000	-
90th Street Improvements (IJC)	-	-	-	-	740,000	-
TIB Sidewalk Program	-	-	-	-	-	-
End of Year Cash Available	<u>\$ 4,805,275</u>	<u>\$ 6,959,471</u>	<u>\$ 5,815,621</u>	<u>\$ 8,136,121</u>	<u>\$ 4,073,655</u>	<u>\$ 3,692,099</u>
Less Cash Restricted for Future Obligations	-	-	-	-	-	-
End of Year Cash Available	<u>\$ 4,805,275</u>	<u>\$ 6,959,471</u>	<u>\$ 5,815,621</u>	<u>\$ 8,136,121</u>	<u>\$ 4,073,655</u>	<u>\$ 3,692,099</u>

Budget Notes:

As a result of the economy, interest earnings are estimated to be 50% less than in prior years. In addition, the downturn in housing sales has decreased REET (Real Estate Excise Tax) collections

by 35%. Finally, as impact and mitigation fees bear a direct correlation to development activity, decreased revenues are anticipated.

At this time, we have not included any project specific revenue sources for 2009-2010; 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.

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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, park mitigation funds, and a 35% share of the Real Estate Transfer Tax (REET) receipts.

2007-2008 Key Accomplishments

- Completed Cedarview Park Improvements;
- Began Lake Bonney Park Improvements;
- Created City tree nursery;
- Secured \$1.5M in grant funding for Safe Routes project;
- Made improvements to Viking Park;
- Obtained Conservation Futures grant;
- Obtained Historical Marker Grant.

Goals & New Initiatives

- Complete Safe Routes trail/sidewalk project;
- Acquire additional property for Fennel Creek Trail;
- Install historical markers.

Resource Summary

RESOURCE SUMMARY: Parks CIP Fund 302	Actual		Budget			
	2006	2007	2008 Adopted	2008 Revised	2009	2010
Charges for Service						
Real Estate Excise Taxes	\$ 403,523	\$ 426,550	\$ 589,875	\$ 589,875	\$ 396,839	\$ 410,728
Impact Fees	661,450	616,337	559,000	559,000	404,996	419,170
Interest	56,007	82,596	28,840	28,840	22,387	23,171
Other Revenues	7,200	-	-	-	-	-
Revenues	<u>1,128,181</u>	<u>1,125,483</u>	<u>1,177,715</u>	<u>1,177,715</u>	<u>824,222</u>	<u>853,069</u>
Salary	-	-	-	-	-	-
Benefits	-	-	-	-	-	-
Other Operating Expenses	-	76,961	-	-	-	-
Subtotal - Operating Expenses	<u>-</u>	<u>76,961</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating Capital	-	-	-	-	-	-
Debt Service Expense	571,944	93,934	465,677	283,406	274,687	265,532
Total Operating Expense	<u>571,944</u>	<u>170,895</u>	<u>465,677</u>	<u>283,406</u>	<u>274,687</u>	<u>265,532</u>
Annual Cash Available for Projects	<u>556,237</u>	<u>954,588</u>	<u>712,038</u>	<u>894,309</u>	<u>549,535</u>	<u>587,537</u>
Beginning of the Year Cash Available	-	1,140,187	677,157	677,157	615,466	895,000
Total Cash Available for Projects	<u>556,237</u>	<u>2,094,775</u>	<u>1,389,195</u>	<u>1,571,466</u>	<u>1,165,000</u>	<u>1,482,537</u>
Other Financing Sources / (Uses)						
Project Specific Revenue	-	-	-	-	-	-
IAC Grant	-	-	373,000	-	-	-
Safe Routes Grant	-	-	-	-	400,000	1,100,000
Transfer In	776,490	2,119,237	-	-	400,000	1,100,000
Construction Projects						
Capitalized Projects	25,224	216,309	-	-	400,000	1,100,000
Boat Trailer Parking Improvements	15,496	-	-	-	-	-
Lake Bonney Park Improvements	8,128	-	-	-	-	-
Fennel Creek Trail	73,242	-	845,000	845,000	200,000	50,000
Cedarview Park Improvements	15,929	-	-	-	-	-
Allen Yorke Park Expansion	26,586	-	-	-	-	-
Gateway Improvements	27,935	-	11,000	11,000	-	-
Allen Yorke Park - Ballfield & Other	-	-	100,000	100,000	20,000	20,000
Wetland Analysis Studies	-	-	-	-	-	-
Safe Routes Trail/Sidewalk Project	-	-	-	-	400,000	2,100,000
Parks & Open Space Acquisition	-	-	-	-	50,000	50,000
End of Year Cash Available	<u>\$ 1,140,187</u>	<u>\$ 3,997,703</u>	<u>\$ 806,195</u>	<u>\$ 615,466</u>	<u>\$ 895,000</u>	<u>\$ 362,537</u>
Prior Period Adjustment (Interfund Loan)	-	(3,320,546)	-	-	-	-
End of Year Cash Available	<u>\$ 1,140,187</u>	<u>\$ 677,157</u>	<u>\$ 806,195</u>	<u>\$ 615,466</u>	<u>\$ 895,000</u>	<u>\$ 362,537</u>

Budget Notes:

As a result of the economy, interest earnings are estimated to be 50% less than in prior years. In addition, the downturn in housing sales has decreased REET (Real Estate Excise Tax) collections by 35%. Finally, as impact and mitigation fees bear a direct correlation to development activity, decreased revenues are anticipated.

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

GENERAL GOVERNMENT CAPITAL IMPROVEMENT FUND

Fund Description

The General CIP 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.

2007-2008 Key Accomplishments

- Acquired core parcels for Civic Center campus;
- Designed Interim Justice Center;
- Replaced roof at Public Safety Building.

Level of Service

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

Goals & New Initiatives

- Upgrade City phone systems;
- Completion of Interim Justice Center;
- \$3,125,000 to be transferred back to the Civic Center Bond Fund to cover Interim Justice Center project costs.

Resource Summary

RESOURCE SUMMARY: General Government CIP Fund 320	Actual		Budget			
	2006	2007	2008 Adopted	2008 Revised	2009	2010
Charges for Service						
Real Estate Excise Taxes	\$ 178,919	\$ 182,807	\$ 196,625	\$ 196,625	\$ 132,280	\$ 136,910
Space & Facility Rentals	-	15,661	-	-	-	-
Interest	20,765	32,982	27,295	27,295	21,187	21,929
Other Revenues	-	-	-	-	-	-
Revenues	199,684	231,450	223,920	223,920	153,467	158,839
Salary	-	-	-	-	-	-
Benefits	-	-	-	-	-	-
Other Operating Expenses	-	3,411	-	-	-	-
Subtotal - Operating Expenses	-	3,411	-	-	-	-
Operating Capital	-	-	-	-	-	-
Debt Service Expense	-	-	-	230,698	230,698	230,698
Total Operating Expense	-	3,411	-	230,698	230,698	230,698
Annual Cash Available for Projects	199,684	228,039	223,920	(6,778)	(77,231)	(71,859)
Beginning of the Year Cash Available	-	568,484	(433,265)	(433,265)	3,572,624	110,393
Total Cash Available for Projects	199,684	796,523	(209,345)	(440,043)	3,495,393	38,534
Other Financing Sources / (Uses)						
Project Specific Revenue	89,800	-	-	-	-	-
Transfer In	596,872	2,925,000	-	4,262,667	-	-
Transfer Out (to Civic Center CIP for IJC)	-	-	-	-	(3,125,000)	-
Interfund Loan	-	-	-	-	-	-
Construction Projects						
800MHz Interoperability	-	-	-	250,000	-	-
Land & Building Acquisition/Development	317,872	4,154,788	302,000	-	-	-
Phone System	-	-	168,000	-	160,000	-
School Zone Improvements	-	-	60,000	-	-	-
Roof Repairs (City Hall)	-	-	-	-	25,000	-
HVAC Repairs (City Hall)	-	-	-	-	25,000	-
HVAC Repairs (Annex) (Carryover)	-	-	-	-	50,000	-
End of Year Cash Available	\$ 568,484	\$ (433,265)	\$ (739,345)	\$ 3,572,624	\$ 110,393	\$ 38,534
Less Cash Restricted for Future Obligations	-	-	-	-	-	-
End of Year Cash Available	\$ 568,484	\$ (433,265)	\$ (739,345)	\$ 3,572,624	\$ 110,393	\$ 38,534

Budget Notes:

As a result of the economy, interest earnings are estimated to be 50% less than in prior years. In addition, the downturn in housing sales has decreased REET (Real Estate Excise Tax) collections by 35%.

The transfer-in in 2008 includes \$500,000 from the Drug Seizure Fund (Fund 120) for costs associated with the 800MHz program, and \$3,762,667 for reimbursement of land acquisition costs expended by this fund in 2007 (transfer-in from Civic Center Fund (Fund 325)).

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 was created in 2007 to account for the 2008 Limited Tax General Obligation debt issue of \$10 Million for the construction of an Interim Justice Center (including all associated land acquisition).

2007-2008 Key Accomplishments

- Reimbursed General Government CIP Fund \$3.76M for land acquisition;
- Executed contract with Group Mackenzie for design of the Interim Justice Center (IJC);

Level of Service

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

Goals & New Initiatives

- Complete the Interim Justice Center and attendant infrastructure.

Resource Summary

RESOURCE SUMMARY: Civic Center CIP Fund 325	Actual		Budget			
	2006	2007	2008 Adopted	2008 Revised	2009	2010
Charges for Service						
Space & Facilities Rentals	\$ -	\$ -	\$ -	\$ 40,000	\$ 30,000	\$ 65,000
Interest	-	-	-	280,000	140,000	50,000
Other Revenues	-	-	-	-	3,114	3,223
Revenues	-	-	-	320,000	173,114	118,223
Salary						
Benefits	-	-	-	-	-	-
Other Operating Expenses	-	-	-	10,000	8,000	5,000
Subtotal - Operating Expenses	-	-	-	10,000	8,000	5,000
Operating Capital	-	-	-	-	-	-
Debt Service Expense	-	151,338	-	658,759	58,825	659,638
Total Operating Expense	-	151,338	-	668,759	66,825	664,638
Annual Cash Available for Projects	-	(151,338)	-	(348,759)	106,289	(546,415)
Beginning of the Year Cash Available	-	-	9,955,734	9,955,734	4,632,075	603,364
Total Cash Available for Projects	-	(151,338)	9,955,734	9,606,975	4,738,364	56,949
Other Financing Sources						
Bond Proceeds	-	10,107,072	-	-	-	-
Transfer In (from Fund Balance)	-	-	-	-	3,215,000	600,000
Construction Projects						
Civic Campus (Reimb to Fund 320)	-	-	-	3,762,667	-	-
Civic Campus	-	-	-	319,078	-	-
Interim Justice Center - Construction	-	-	-	893,155	7,200,000	-
Interim Justice Center - Furnishings	-	-	-	-	150,000	-
End of Year Cash Available	\$ -	\$ 9,955,734	\$ 9,955,734	\$ 4,632,075	\$ 603,364	\$ 656,949
Less Cash Restricted for Future Obligations	-	-	-	-	-	-
End of Year Cash Available	\$ -	\$ 9,955,734	\$ 9,955,734	\$ 4,632,075	\$ 603,364	\$ 656,949

Budget Notes:

The 2009-2010 budget programs funding for the completion of the Interim Justice Center (with related land acquisition). This fund was created in 2007 to account for the bond issue associated with the Interim Justice Center project.

As a result of the economy, interest earnings are estimated to be 50% less than in prior years. The other revenue source to this fund is lease earnings. As tenant leases from existing property end, lease revenues from the retail portions of the constructed Interim Justice Center will begin.

The cost estimate for the Interim Justice Center has increased from initial estimates due to the City's commitment to construct the facility as a "Green" building.

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INTERNAL SERVICE FUNDS

EQUIPMENT RENTAL & REPLACEMENT FUND

Budget Overview

RESOURCE SUMMARY:	Actual		Budget			
	2006	2007	2008 Adopted	2008 Revised	2009	2010
Charges for Service:						
Interfund Charges for Service						
General Fund	\$ -	\$ -	\$ 679,174	\$ 679,174	\$ 620,932	\$ 639,560
Drug Investigation Fund	-	-	12,000	12,000	-	-
Water Fund	-	-	366,123	366,123	256,383	264,074
Sewer Fund	-	-	81,316	81,316	108,681	111,942
Stormwater Fund	-	-	118,712	118,712	40,960	42,189
ER&R Fund (self-funded)	-	-	6,645	6,645	21,936	22,594
Charges for Service	2,104,209	1,490,434	-	-	-	-
Interest:	61,123	76,965	60,000	60,000	61,200	63,036
Other Non-Operating Revenue	42,561	3,689	-	-	-	-
Revenues	<u>\$ 2,207,893</u>	<u>\$ 1,571,087</u>	<u>\$ 1,323,970</u>	<u>\$ 1,323,970</u>	<u>\$ 1,110,092</u>	<u>\$ 1,143,395</u>
Salary	\$ 85,801	\$ 83,020	\$ 113,219	\$ 113,219	\$ 134,804	\$ 140,977
Benefits	49,731	33,584	43,534	43,534	51,237	56,678
Other Operating Expenses	299,706	427,636	393,979	393,979	407,769	422,040
Transfers Out	70,520	75,700	79,268	79,268	66,237	68,555
Sub-Total Operating Expenses	<u>\$ 505,758</u>	<u>\$ 619,940</u>	<u>\$ 630,000</u>	<u>\$ 630,000</u>	<u>\$ 660,046</u>	<u>\$ 688,250</u>
Rolling Stock (new)	-	-	-	-	-	-
Depreciation Expense	357,345	356,361	-	-	-	-
Total Operating Expenses	<u>863,103</u>	<u>976,301</u>	<u>630,000</u>	<u>630,000</u>	<u>660,046</u>	<u>688,250</u>
Annual Cash Available for Replacement	<u>1,344,791</u>	<u>594,786</u>	<u>693,970</u>	<u>693,970</u>	<u>450,046</u>	<u>455,145</u>
Beginning of the Year Cash	1,581,354	1,868,624	2,033,016	2,033,016	2,267,986	2,627,031
Total Cash Available for Replacement	<u>2,926,145</u>	<u>2,463,410</u>	<u>2,726,986</u>	<u>2,726,986</u>	<u>2,718,031</u>	<u>3,082,176</u>
Capital Replacement per Schedule	1,057,520	430,395	459,000	459,000	91,000	245,000
End of Year Cash	<u>1,868,624</u>	<u>2,033,016</u>	<u>2,267,986</u>	<u>2,267,986</u>	<u>2,627,031</u>	<u>2,837,176</u>
Fund Staffing	1.0	1.0	1.0	1.0	1.0	1.0

Mission Statement

To maintain and repair equipment assigned to the Equipment Rental and Replacement Fund, including motor vehicles and generators used by all City departments.

Fund Description

The equipment rental and replacement (ER&R) fund is used as a revolving fund to pay for the salaries, benefits, and operations required for the repair, replacement, purchase and operation of motor vehicles and contractor's equipment, and for the purchase of all gas, oil, parts, and other supplies necessary for the operation and maintenance of the city's equipment fleet. Assessments are paid by City departments based on the number and types of vehicles and equipment used.

The Office of Financial Services is assigned responsibility for the financial administration of the Fund, including maintaining accounts and records relating to each individual piece of capital

equipment. The public works department is responsible for the maintenance and repair of the equipment in the fund, including maintenance records. The Office of Financial Services is responsible for acquiring new or replacement equipment and to surplus and dispose of old equipment in cooperation with the public works department.

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

Expenses of this fund are largely financed through interfund charges for service assessed to other departments/funds to pay for their proportionate share of equipment, operating and maintenance costs.

2008 Charges for Service, Paid By	Maintenance	Replacement	Expansion	Excess	Total
General Fund	322,623	214,229	111,000	31,322	679,174
Drug Investigation Fund	-	-	-	12,000	12,000
Water Fund	184,317	103,806	-	78,000	366,123
Sewer Fund	63,000	18,316	-	-	81,316
Stormwater Fund	57,750	29,640	-	31,322	118,712
Equipment Rental & Replacement Fund	2,310	4,335	-	-	6,645
	<u>630,000</u>	<u>370,326</u>	<u>111,000</u>	<u>152,644</u>	<u>1,263,970</u>

The following are tentatively scheduled to be replaced during the 2009-2010 biennium:

Equip #	Department	Equipment Being Replaced	2009	2010
94	Community Development	1997 Ford Focus Station Wagon	\$ 17,000	\$ -
47	Police	2004 Patrol Car	25,000	-
48	Police	2004 Patrol Car	25,000	-
41	Police	2004 Patrol Car	-	25,000
42	Police	2004 Patrol Car	-	25,000
43	Police	2004 Patrol Car	-	25,000
97	Water	1994 Chevrolet Pickup Truck	24,000	-
Lakeridge	Water	Cummins/Onan 50kW Generator	-	35,000
80	Wastewater	1995 Ford 350	-	55,000
173	Street	1989 Dynapac CC10 Street Roller	-	45,000
22	All	1987 Toyota FHG-20 Forklift	-	35,000
			<u>\$ 91,000</u>	<u>\$ 245,000</u>

Note: A full study/analysis of the ER&R Fund is in progress. The above schedule and/or departmental assessments may change based on the end results of the study.

2007-2008 Key Accomplishments

- Purchased
 - Parks Dept. ¾ ton Pickup Truck
 - Administration Pool Vehicle

- Road Grader
- Crack Sealer
- Weed Sprayer
- Electrician Van
- Equipment Tilt Trailer
- Water Service Truck
- Emergency Portable Sewer Pump
- Vactor Truck
- (2) 5 Yard Dump Trucks
- (2) Water 1 Ton Service Trucks
- 1 Ton Sewer Service Truck
- (4) 1 ½ Ton Side Dump Trucks
- Brush Chipper, Snow Plow and Sander
- Meter Reading Truck
- Backhoe
- Side Cast Broom
- HTC Truck Conveyor

Level of Service

Equipment services include maintenance and repair of current equipment to achieve maximum service life and reliability. Equipment specifications are continually upgraded to reflect current workplace demands and flexibility in use.

Goals & New Initiatives

- Purchase and implement GBA work management module to better manage utilization, maintenance, operation and repair of street and construction motor vehicles and generators;
- Replace older equipment beyond its useful life for which repair parts are prohibitively expensive, not cost-effective, or unavailable;
- Improve level of maintenance service work performed on all vehicles to fully comply with manufacturer's guidelines and to improve maintenance and operation costs;
- Verify that all city employees are properly following refueling procedures;
- Award contract for outside preventive maintenance and repair of Public Works and Police motor vehicles;
- Improve revenue and cost allocation tracking of this internal service fund.

Trends & Future Issues

The City plans a thorough analysis in the 2009-2010 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.

Performance Measures

Measures	Units	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 YTD	2009 Est	2010 Est
Total ER&R Equipment	Pieces	100	113	139	160	171	195	200	205

INSURANCE FUND

Budget Overview

RESOURCE SUMMARY:	Actual		Budget			
	2006	2007	2008 Adopted	2008 Revised	2009	2010
Charges for Service:						
Interfund Charges for Service						
General Fund	\$ 165,133	\$ 165,133	\$ 146,069	\$ 146,069	\$ 234,809	\$ 246,550
Water Fund	34,139	25,500	30,189	30,189	45,506	47,781
Sewer Fund	31,449	47,000	55,637	55,637	28,267	29,680
Stormwater Fund	10,165	7,500	7,875	7,875	10,493	11,018
ER&R Fund	-	-	-	-	21,621	22,702
Interest:	10,258	6,691	-	-	-	-
Revenues	\$ 251,144	\$ 251,824	\$ 239,770	\$ 239,770	\$ 340,696	\$ 357,731
Insurance Costs						
Auto (Physical Damage)	\$ -	\$ -	\$ -	\$ -	\$ 17,873	\$ 18,767
Crime/Fidelity	-	-	-	-	702	738
Boiler/Machinery	-	-	-	-	2,877	3,021
Property	-	-	-	-	67,712	71,098
Liability	240,886	277,173	252,487	252,487	251,531	264,108
Expenses	\$ 240,886	\$ 277,173	\$ 252,487	\$ 252,487	\$ 340,696	\$ 357,731
Net Annual Cash	10,258	(25,349)	(12,717)	(12,717)	-	-
Beginning of the Year Cash	297,343	307,602	282,253	282,253	269,536	269,536
End of the Year Cash (Reserves)	307,602	282,253	269,536	269,536	269,536	269,536

Fund Description

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

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

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



About the City of Bonney Lake

Elected Officials

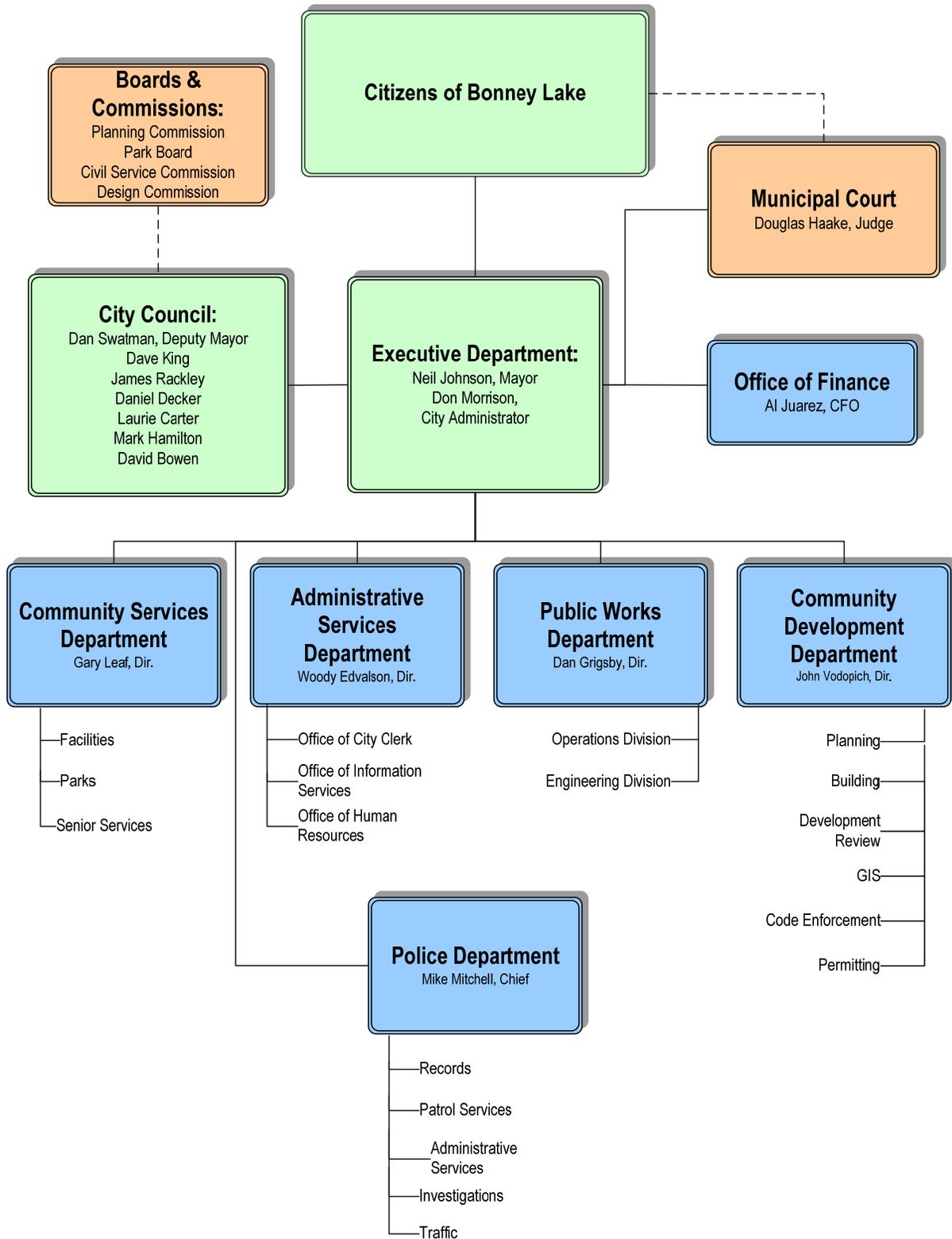


From Left to Right

Dave King Ward 1	Neil Johnson Mayor	Dan Decker Ward 5	James Rackley Ward 2	Laurie Carter Ward 3	Dan Swatman At-Large	Dave Bowen Ward 4	Mark Hamilton At-Large
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Neil Johnson, Jr.	Mayor
Don Morrison	City Administrator
Al Juarez	Chief Financial Officer
John Vodopich	Planning & Community Development Director
Harwood Edvalson	Administrative Services Director/City Clerk
Mike Mitchell	Police Chief
Dan Grigsby	Public Works Director
Gary Leaf	Community Services Director
Douglas Haake	Municipal Court Judge
Kathy Seymour	Municipal Court Administrator

General City Organization Chart



Management Team

Mayor Johnson's management team consists of:

Executive Department

Don Morrison, City Administrator
Al Juarez, MBA, Chief Financial Officer
Brian Hartzell, Executive Assistant

Administrative Services Department

Harwood Edvalson, Director of Administrative Services/City Clerk
Chuck McEwen, Information Services Coordinator
Jenna Young, Human Resources Officer

Public Works Department

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

Community Development Department

John Vodopich, AICP, Planning and Community Development Director
Heather Stinson, Planning Manager
Jerry Hight, Building Official

Community Services Department

Gary Leaf, Community Services Director
Sue Hilberg, Senior Services Manager

Police Department

Mike Mitchell, Chief of Police
Dana Hubbard, Deputy Chief

Municipal Court

Douglas Haake, Judge
Kathy Seymour, Court Administrator

FORM OF GOVERNMENT

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

The City of Bonney Lake is lead by a publicly-elected Mayor and a seven-member City Council, two of whom are elected at-large, and 5 of whom are elected by ward (district). The City Council elects a president, known as the Deputy Mayor. The Bonney Lake Municipal Code (BLMC) Chapter 2.04 contains the City Council's Rules of Procedure.

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

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

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

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

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

The Council does not normally meet on any 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, finance director, senior human resources analyst and administrative services coordinator. The Finance Committee meets the second and fourth Tuesdays at 4:30pm for Voucher Review, and at 5:30pm for committee meeting.
2. *Voucher Review Committee.* The membership of the voucher review committee is the same as the Finance Committee. The voucher review committee was created for the purpose of reviewing all monthly city payable vouchers and payroll and to make recommendations to the city council for payment approval of the city's expenditures at a minimum of twice per month. The Committee meets the second and fourth Tuesdays at 4:30pm.
3. *Public Safety Committee.* The Public Safety Committee consists of three (3) council members appointed by the Deputy Mayor. The public safety committee was created for the purpose of advising the city council on matters concerning the overall safety of the citizens who live within our community that pertain to police and fire protection, the municipal court, emergency services and animal control in coordination with the police department, fire department (District #22) and civil service commission. The Committee meets the first Monday of the month at 5:00 p.m., with an additional meeting the third Monday of the month if needed.
4. *Community Development Committee.* The Community Development Committee (CDC) consists of three (3) council members appointed by the Deputy Mayor. The community development committee was created for the purpose of advising the city council on matters related to the planning of the physical, economic, aesthetic, cultural and social development of the city zoning codes, building codes, sign codes, annexation policies, parks and recreation and all city utilities in coordination with the planning department,

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

CITY ADMINISTRATION AND DEPARTMENT ORGANIZATION

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

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

Executive Department. The Executive Department consists of the Mayor, City Administrator, and Office of Financial Services. The Executive Department oversees and coordinates the activities of all departments of the City, and provides financial support services to them.

Administrative Services. The Administrative Services Department includes the offices of City Clerk, Human Resources, and Information Technology (IT). The department provides services such as public information, City Council agenda preparation, human resources administration, records maintenance, and computer support. The IT office coordinates and maintains all of the computer, phone and related systems of the City.

Community Services. The Community Services Department includes parks, recreation, senior services, and facilities. The parks division plans and maintains the parks system of the City. Recreation services are provided primarily through an inter-local agreement between the City of Bonney Lake, City of Sumner, and the Sumner School District. The School District administers the joint recreation program. The Senior Services Division operates the Bonney Lake Senior Center and administers the City's senior citizen programs and services. The Facilities Division provides custodial services and maintains all of the City's primary buildings and grounds, including the City Hall, Senior Center, Public Safety Building, and City Hall Annex.

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

Police. The Police Department is located in the City's public safety building, which it currently shares with Fire District #22. The City of Bonney Lake has annexed into Fire District #22, which is a separate municipal 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, supervision of construction and inspection for all public works construction; the development and maintenance of city parks and open spaces; and the cleaning and maintenance of certain public buildings.

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

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

Public works administration and engineering is located in the Annex. Operations and Maintenance is located in the shops behind city hall.

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

BOARDS AND COMMISSIONS

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

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

Planning Commission

Meets 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.

Members:

Randy McKibbin (Chair)	Katrina Minton-Davis
Grant Sulham (Vice-Chair)	L. Winona Jacobsen
David P. Eck	Donn Lewis
Dennis C. Poulsen	

Design Commission

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

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

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

Members:

Debbie Strous-Boyd (Chair)	Jamie Bendon
Steve Boerstler	David Colberth

Thomas Kennedy
Paul Webber

Raymond Bunk III

Civil Service Commission

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

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

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

Members:

Robert Dalton (chair)
Tim Jacobson
Roy Nishiyori

Park Board

Meets 2nd Monday of month at 5:30 p.m. at the City Hall Annex conference room

The Park Board is comprised of seven members appointed by the mayor with the consent of the city council.

Responsibilities: The Park Board is responsible for reviewing park and recreation matters in the City. They also review and recommend the draft park element of the comprehensive plan prior to review by the planning commission and city council. The Park Board also sits as the City's "Tree Board", and as such reviews the community forestry plan and acts as the body that considers designation of heritage trees.

Members:

Carol Ujick (Chair)
Brian Cebe
Fred Jacobsen
Leota Musgrave

Darren Proctor
Richards Rawlings
Valeria Zifka

CITY SERVICES – WHO DOES WHAT?

Police. Police services are provided by the City of Bonney Lake Police Department. The Police Department consists of 34.2 commissioned officers and 4 civilian support positions. The Bonney Lake Police Department provides the citizens of Bonney Lake with a broad range of law enforcement services, comprised of three core areas providing traditional law enforcement services plus several small units staffed by officers throughout the department on an additional duty basis, to provide specialty services when needed. The mission of the police department is *to provide quality law enforcement and preserve the peace within the framework of the Constitution and enforcement of federal, state and municipal law, we embrace the highest principles of public service adhering to legislative standards of fairness, impartiality and equality.*

In fulfillment of that mission, the department provides the following services:

- Patrol services, including initial response to calls for police service and coordination of relations with external agencies;
- Criminal investigations, including investigation of criminal offenses and provision of liaison with other law enforcement agencies, and dissemination of crime information to the public and other agencies;
- Community services, including management of and response to domestic violence and youth-related complaints, provision of education-related services such as the school resource officer program and crime prevention services;
- Tactical and marine specialty services;
- Administrative services including planning and fiscal management, crime analysis, police records, and automated recordkeeping in support of the city, state and federal criminal justice systems; and
- Personnel management services, including internal affairs (complaint investigations), training, and personnel services.

To support the department's mission, the overall organization of the department is structured around three functional areas: patrol, investigations and administration.

Animal Control. Up until 2006, the City provided for animal control services through a service agreement with the Pierce County Humane Society. In early 2005, the Society notified all Pierce County cities that it would no longer provide animal control services (they have since decided that they would continue to offer sheltering services). Upon receipt of the notice, the City began looking at alternative means of providing animal control services. Effective 1/1/06, the City began contracting with the City of Sumner (later organized as Metro Animal Services) for animal control services. Metro Animal Services, in cooperation with the City of Puyallup, has a joint animal shelter located at 1200 39th Ave. SE, Puyallup, WA 98374, phone: (253) 841-5595.

Fire. In 1994, the City of Bonney Lake completed a new Public Safety Building to house the City's Police and Fire Departments. In fall of 1999, the citizens of Bonney Lake voted affirmatively to annex into Pierce County Fire Protection District No. 22, commonly known as

East Pierce Fire and Rescue, effectively completing a merger of the City's municipal fire department with that of District 22. The Fire District serves most of the plateau area, including the City of Sumner (which annexed into the Fire District in 2008). Since the effective date of the annexation all fire protection and emergency medical services throughout the City of Bonney Lake have been provided by the Fire Protection District. In December of 2000, the City entered into an agreement with the Fire District to lease a portion (16,000sf) of the City's public safety building, together with a portion of the parking lot associated with the premises, to the District for the purpose of operating a fire station serving the citizens and residents of the City of Bonney Lake and surrounding areas, as well as for administrative offices for the District. That lease expired December 31, 2005. The lease provides that if terms of a new successor lease are not successfully negotiated prior to the end of the 12/31/05 lease period, the District may remain in the building for up to two more years and the rent payment will be determined by arbitration. Negotiations with the Fire District are ongoing.

The Fire District provides a variety of fire and life safety services, including:

- *Fire Prevention:* East Pierce Fire & Rescue participates in a number of fire prevention programs, as well as Fire Stoppers of Pierce County. If you need more information or have questions, call East Pierce Fire & Rescue at 253-863-1800.
- *Fire Suppression:* The District operates 8 fire suppression trucks.
- *Wild Fire Response:* East Pierce Fire & Rescue has, over the years, developed a small group of firefighters to combat the dangers of "Brush Fires". The District has 2 brush fire trucks.
- *Emergency Medical Services:* The district operates 5 medic/aid units.
- *Water Rescue:* The East Pierce Fire & Rescue dive team consists of nine divers, both career and volunteer firefighters. All divers hold a minimum of Open Water, Dive Rescue, and EMT certifications. The district has a rescue water boat, and two (2) Sea Doos.

Emergency Medical Services. Emergency medical services are provided by East Pierce Fire and Rescue (Pierce County Rural Fire Protection District #22). The district operates 5 medic/aid 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.

Ambulance Service. In addition to the transport and ALS services described above, there is also private ambulance service available should the District be otherwise occupied on other calls. Private ambulance is available out of Buckley or Sumner, primarily provided by American Medical Response. The can be reached at (253) 272-5899.

Water. The City of Bonney Lake owns and operates a public water system within its corporate boundaries, within portions of unincorporated Pierce County, and within portions of the corporate boundaries of the City of Auburn. The WA Department of Health classifies the system as a Type Group A - Community - Public Water System.

The City provides service to approximately 11,892 water customers within the City's water service area (WSA), which extends beyond the city limits. 5,600 of those are inside residential accounts. The City limits comprise an area of approximately 6.7 square miles and the water service area is approximately 25 square miles.

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 (gpm) gallons per minute or 8.8 (mgd) million gallons per day. 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, 4 booster pump stations, and more than 198 miles of water main. The City also has a long term water supply contract with the City of Tacoma for up to 2 million gallons per day to supplement the City's existing water supply sources, and is currently in negotiations for an additional 4 million gallons per day capacity. The combined water capacity 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. The City's owns and maintains the sewage collection system, however sewage treatment is provided by the City of Sumner through an Interlocal agreement. The sewer division of the Public Works department is headed by a leadworker who reports to the Assistant Public Works Director.

Stormwater. The City operates a storm water utility as an enterprise fund, with established rates and charges for service. BLMC 15.13 requirements and standards for storm water facilities, while BLMC 15.14. Each single family residence in the City is assessed a flat 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 units are charged based on the number of equivalent system units (ESUs). Credit against the charges can be received, up to 50% of the charge, for those pacers with a qualifying Stormwater detention or retention system serving the site.

Generally, the City does not have a fully-developed storm sewer system. In most of the older areas of the City, storm water is handled by a variety of ditches. In newer developments, storm water is channeled to detention ponds. Storm water facility maintenance is provided by the City's public works department, under the Operations Division.

Street Maintenance. Street maintenance, including street sweeping, is provided by the City's public works department, under the Operations Division. Major city streets are swept regularly, at least one time per month.

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. The current contract runs through 2/28/2009. 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 43 cents per person per year. 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 2008 population of Bonney Lake is 16,220, with a total estimated population of 28,560 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 4,942 single-family residences inside the City limits, along with 886 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.

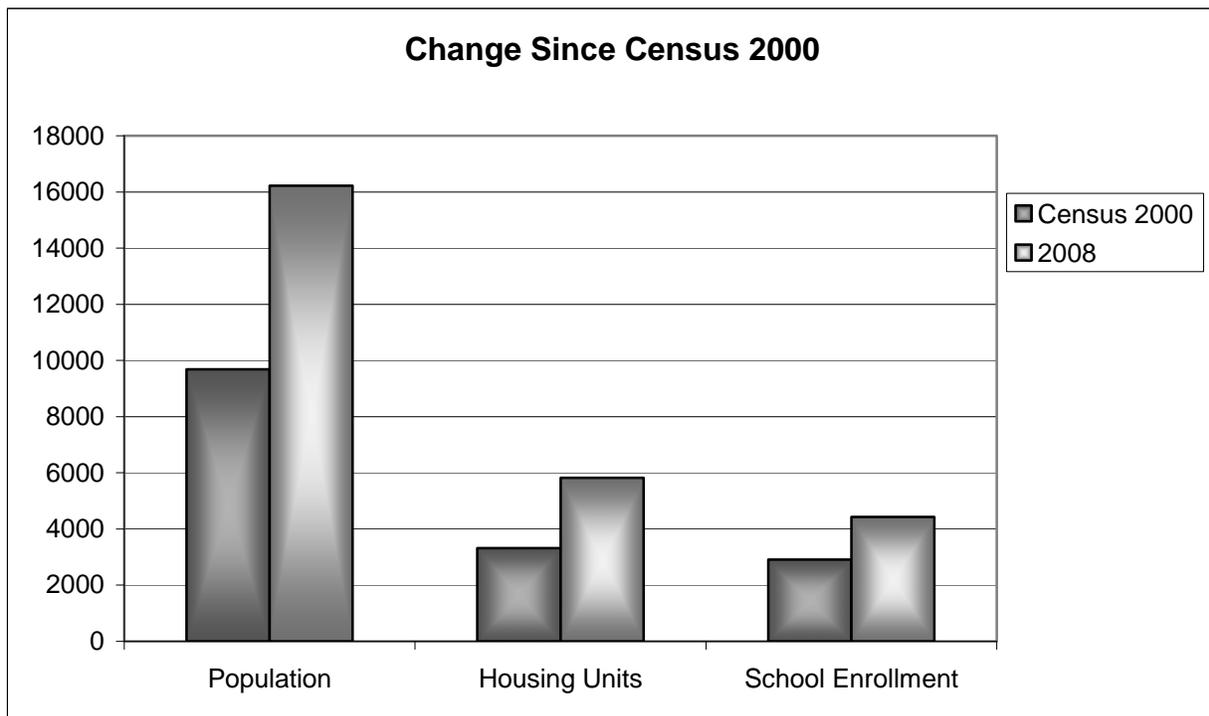
The City of Bonney Lake provides a variety of recreational opportunities through a joint arrangement with the City of Sumner and the Sumner School District. There are a variety of classes and competitive sports in which both youth and adults can participate.

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 some 5,400 residents. The south end of the Lake is within the incorporated limits of the City of Bonney Lake. The City operates one of two public boat launches on the lake.

Bonney Lake's close proximity to Mount Rainier National Park, a favorite of both tourists and locals, gives hikers, bikers, climbers, campers and nature lovers a direct route to choice Washington terrain.

Demographic Profiles

The most recent U.S. Census was completed April 1, 2000 (<http://www.ofm.wa.gov/census2000>). In the past 10 years, the City of Bonney Lake has experienced significant growth in both population and demographics (for instance, at the time of the census, the population of Bonney Lake was 9,687...current population has increased 67% from the census)! The next U.S. Census will be conducted in April 2010.



Additional information about the City of Bonney Lake can be found at our website www.ci.bonney-lake.wa.us.

Economic Profile

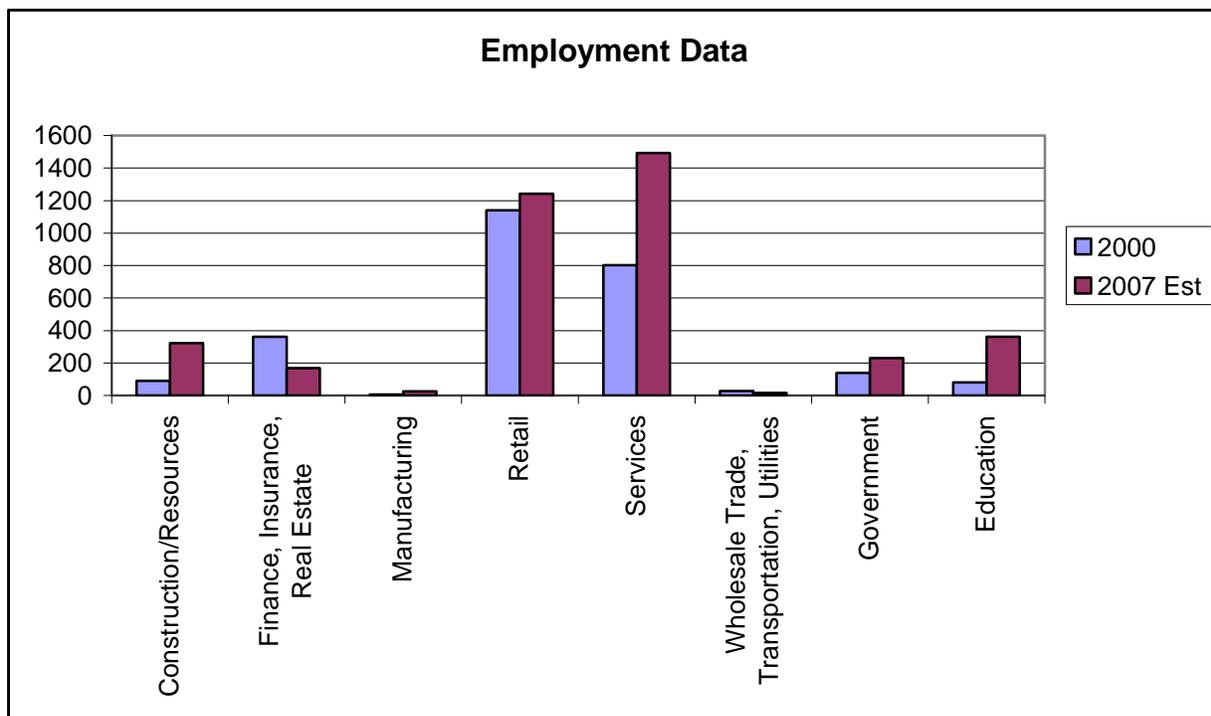
Extensive economic data at the community level for small cities in Pierce County is not readily available. Most economic data is at the state and county level. Much of the economic data the City has to work with is dated. This is complicated by the fact that Bonney Lake is one of the fastest growing cities in the state, especially in terms of commercial retail growth.

Property Tax

As discussed in the Financial Summary section, property taxes make up a significant amount of the City’s operating revenues. For the tax year 2008, the following are the top ten property tax payers:

TAXPAYER	Tax Year 2008		
	TAX RECEIPTS	RANK	PERCENTAGE OF TOTAL
WalMart Stores Inc. # 2403	\$ 28,752,076	1	1.2%
Buffalo-Bonney Lake Associates, LLC	22,690,100	2	1.0%
Panorama West, LLC	20,601,100	3	0.9%
HD Development of Maryland, Inc.	16,334,400	4	0.7%
Bonney Lake Village Associates Et Al	16,173,400	5	0.7%
Lake Tapps Equities, LLC	16,069,150	6	0.7%
Target Stores #349	13,427,900	7	0.6%
Safeway Stores Inc #1844	12,710,810	8	0.6%
New Albertsons, Inc	11,058,200	9	0.5%
Northwest Heritage Group Inc.	9,457,700	10	0.4%
Michael R Mastro	8,218,400	11	0.4%
Boardwalk Homes, Inc.	8,122,800	12	0.4%
Soundbuilt Townhomes, LLC	7,877,200	13	0.3%
Bonney Lake Plaza LLC	7,670,800	14	0.3%
Puget Sound Energy	7,246,247	15	0.3%
TOTAL PRINCIPAL TAXPAYERS	\$ 206,410,283		8.97%
All Other Taxpayers	\$ 2,095,458,483		91.03%

The PSRC reported that the following employment data in Bonney Lake by industry sector:



Source: http://www.psrc.org/data/econ/employment_est.htm

Bonney Lake partners with the Washington State Master License Service (MLS) for business licensing. In 2008, MLS received 567 renewals for Bonney Lake, and 471 new applications. With the recent growth of the Bonney Lake commercial centers (Downtown, Midtown, and Eastown), the retail employment base has expanded considerably. Also, with the opening of the Bonney Lake High School, Bonney Lake employment in the education sector increased significantly. 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 (143+ full-time employees) and the Sumner School District (#320).

Most of the economic activity in Bonney Lake is located along the State Route 410 corridor. For discussion and planning purposes, the City has divided the commercial sector of the City into three (3) major activity areas: Downtown, Midtown, and Eastown. Downtown is occasionally referred to as Old Town, as it was the initial commercial center developed in the City.

Downtown

Downtown is generally described as that area along SR 410 from Meyers Road to Main Street. Downtown is the original commercial center of the City and serves as the western gateway of the present day City limits.

A downtown redevelopment concept plan was prepared for the area in 2001, entitled the "Strategic Commercial District Plan". That plan is currently being updated, in part through a CTED grant from the State. 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. 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.

The north side of Downtown (north side of SR410) is fairly new in its development, including the Park and Ride Lot, and the Rainier Plaza 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. Albertson's Grocery and Lowe's are on the southeastern boarder of Midtown. The north side of Midtown is anchored by Target, Marshalls, and Petco.

Eastown

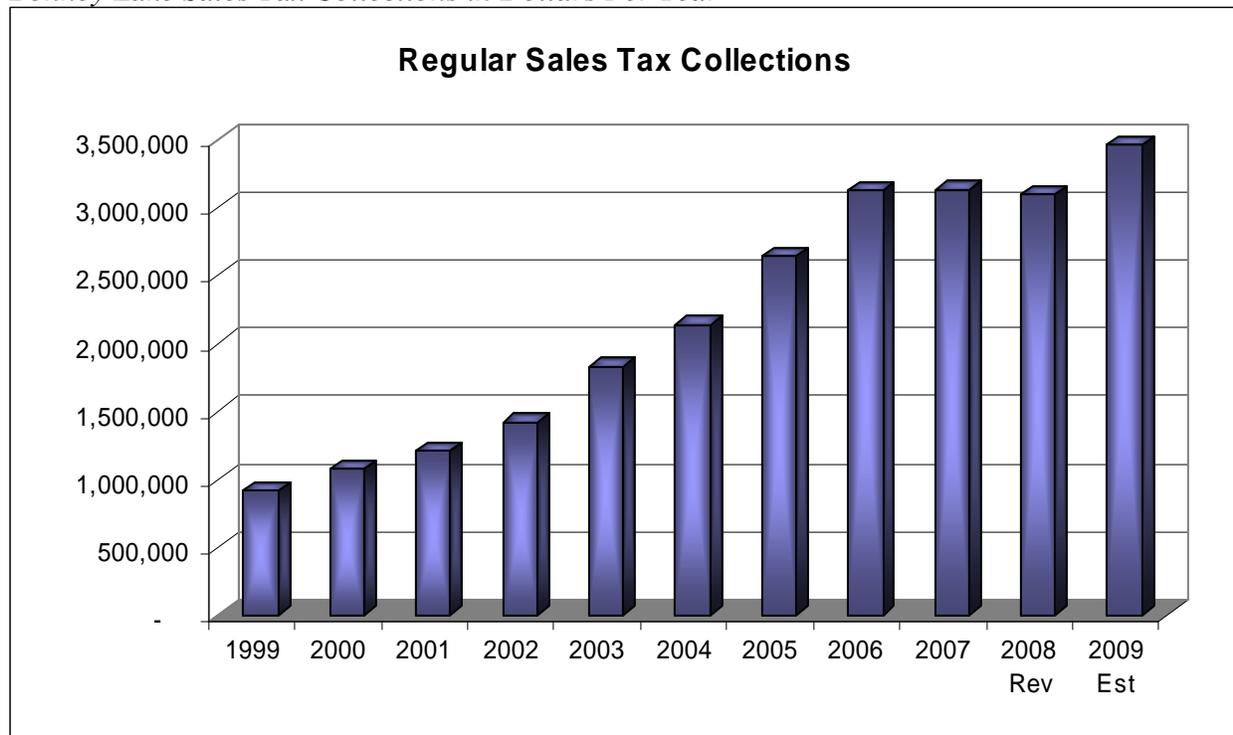
Eastown is generally described as that area along SR 410 from East 208th to East 234th. Eastown is generally developed from 208th to 214th. The major commercial activity in this section of Eastown currently includes Fred Meyers, Safeway, Regal Cinemas, and Home Depot.

The City’s most significant commercial development opportunity lies in the portion of Easttown running along SR 410 from East 214th to East 234th. However, sewer service has not yet been extended to this section of Easttown. The City has completed an Easttown study and plan to determine how to best complete the Easttown infrastructure, including sewer and road circulation. Developers are moving ahead with plans to extend the sewer, while the City has budgeted funds to assist with water main extension.

Sales Tax Collections.

A key indicator of a city’s economic health and vitality is the local sales tax collections. The graph below shows the City of Bonney Lake’s share of state sales tax collections for the past several years. This figure excludes the amount of the sales tax that is dedicated for park and criminal justice purposes. As shown, the City has enjoyed steadily increasing sales tax collections each of the past several years as the City has become the retail center of the east county plateau region. It is anticipated that with the planned growth of the region and the future development of the Easttown area, this trend will continue.

Bonney Lake Sales Tax Collections in Dollars Per Year



CITY EMPLOYMENT

A list of City positions that are funded in the Biennial Budget and are authorized by the City Council to be filled during the Biennium can be found in the “Financial Summary” section of this document.

Cities often use a variety of performance indicators regarding staffing, including staffing per capita, a comparison of FTE (full-time equivalent) employee increase compared to population increases, as well as growth of personnel by functional activity. For our readers, we’ve included each of these measures.

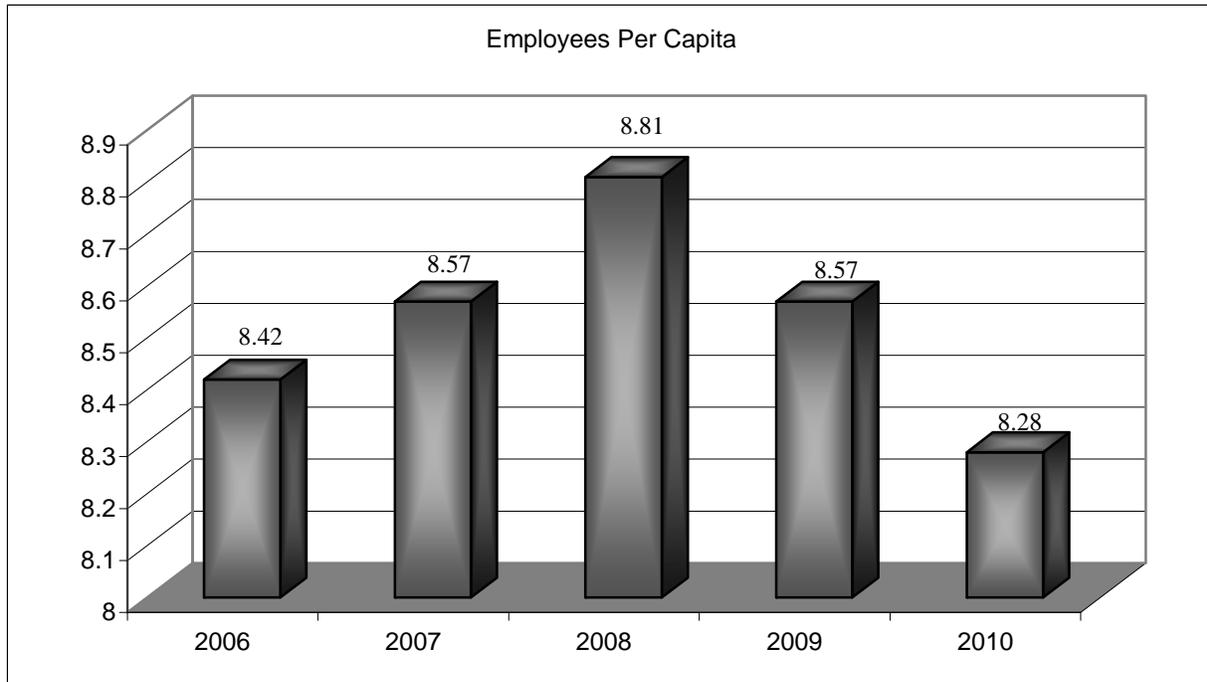
Relationship Between Population and City Employment Growth 2002-2010

FY Year	*Population / %Growth	Public Safety	Public Works	Community Development	All Other	Total Employees
2001	(9,980)					
2002	(12,360) 23.8%	(27) 0%	(30) 25.0%	(12) 29%	(19) 18.7%	88
2003	(12,950) 4.8%	(29) 7.4%	(30) 0%	(12) 0%	(20) 5.3%	91
2004	(13,470) 4.0%	(34) **13.8%	(35) 16.6%	(12) 0%	(20) 0%	101
2005	(14,370) 6.7%	(37) **5.8%	(41) 14.3%	(13) 8.3%	(21) 5.0%	113
2006	(15,230) 6.0%	(39) **5.5%	(45) 10.0%	(14) 7.8%	(22) 4.7%	120
2007	(15,740) 3.3%	(41) 5.1%	(47) 4.4%	(14) 0%	(24) 9%	126
2008	(16,220) 3.0%	(42) 2.4%	(50) 6.4%	(17) 7.1%	(25) 4.2%	133
2009	(16,706 Est.) 3.0%	(43) 2.9%	(50) 0%	(17) 0%	(25) 0%	134
2010	(17,290 Est) 3.5%	(43) 0%	(50) 0%	(17) 0%	(25) 0%	134

Notes:

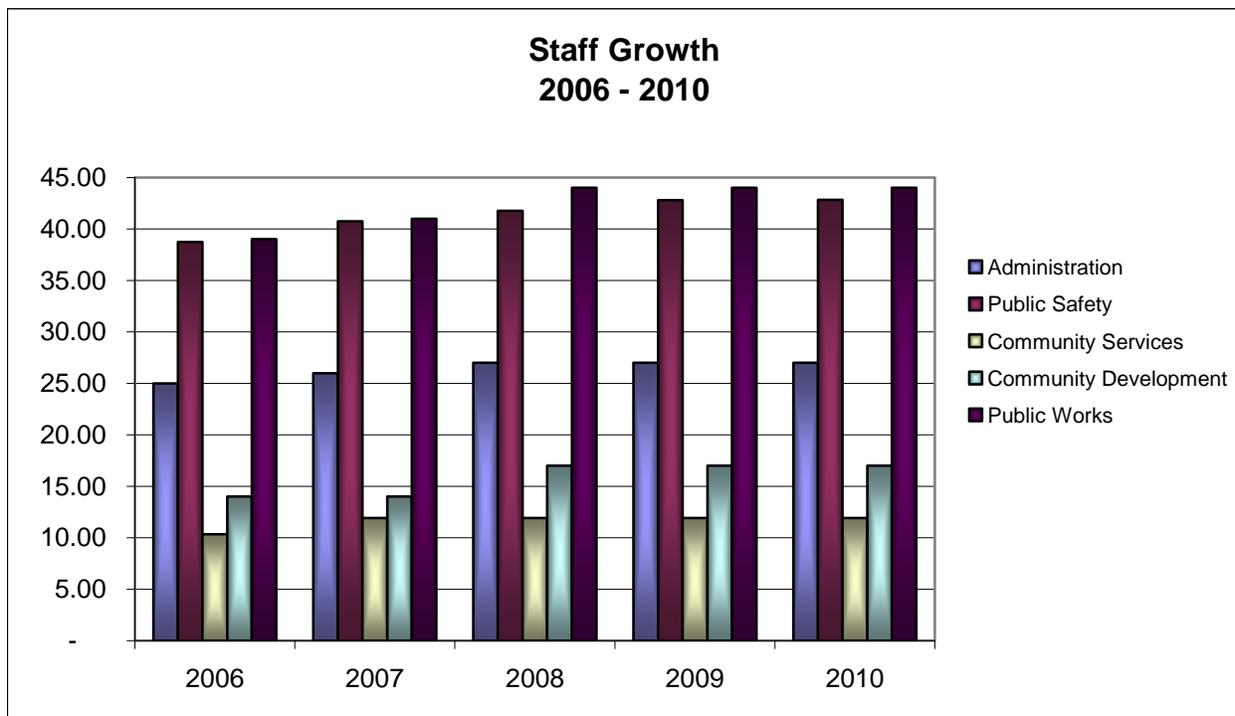
1. *The number in parentheses is population or number of regular FTE employees;*
2. ** Population and employment growth over previous calendar year;*
3. *** Does not factor outsourcing of the dispatch function;*
4. *Public Safety includes both police and court;*
5. *Public Works includes parks, facilities, 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.*

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.

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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 prescribed **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. 2009 and 2010).

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 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.

Fixed Assets

Long-lived tangible assets obtained or controlled as a result of past transactions, events or circumstances. Fixed assets include buildings, equipment, improvements other than buildings and land. Note: Fixed asset is an obsolete term that has been replaced with "Capital" asset.

Fund

An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities, which are segregated for the purpose of carrying on specific activities or attaining certain objectives. See the fund divider pages for specific fund category definitions.

Fund Balance

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

Generally Accepted Accounting Principles (GAAP)

Standards for accounting and reporting used for both private industry and government.

General Fund

The fund used to account for all financial resources, except those required to be accounted for in another fund.

General Obligation Bonds

Bonds for which the full faith and credit of the insuring government are pledged for payment.

Interfund Payments for Services

Expenditures made to other funds (or other departments of the same fund) for services rendered.

Interfund Services

Payments for services rendered made by one City department or fund to another. Internal Service Fund billings are included in this category.

Intergovernmental Revenue

Grants, entitlements, shared revenues and payments for goods and services by one government to another.

Interfund Transfers

Contributions from one city fund to another in support of activities of the receiving fund. Equity transfers to internal service funds in support of “first time” asset acquisitions are included.

Intergovernmental Services

Services purchased from other governmental agencies, and normally include types of services that only government agencies provide.

Licenses & Permits

Charges for the issuance of licenses and permits. Licenses are required by municipalities for selected trades, occupations and other activities for regulatory purposes. Permits are issued to aid regulation of new business activities.

Legal Level of Budgetary Control

The level at which spending in excess of budgeted amounts would be a violation of law.

Level of Budgetary Control

One of the three possible levels of budgetary control and authority to which organizations, programs, activities and functions may be subject. These levels of budgetary control are (a) appropriated budget, (b) legally authorized non-appropriated budget process or (c) non-budgeted financial activities, which are not subject to the appropriated budget and the appropriation process or to any legally authorized non-appropriated budget review and approval process, but still are relevant for sound financial management and oversight.

Levy

(1) (Verb) To impose taxes, special assessments or service charges for the support of government activities. (2) (Noun) The total amount of taxes, special assessments or service charges imposed by a government.

Local Improvement District (LID)

A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

Miscellaneous Revenues

All revenues not otherwise provided for; i.e., interest earnings, rents, insurance recoveries, etc.

Modified Accrual Basis

The modified accrual basis of accounting is used in governmental funds (general, special revenue, debt service, and capital project funds), and in expendable trust and agency funds. Under it, revenues and other financial resources increments are recognized when they become both measurable and available to finance expenditures of the current period. Expenditures are generally recognized when they are incurred (bring forth a liability). The city budgets all funds on the modified accrual basis.

Multi-Year Budgeted Fund

A fund that is not part of an annual operating budget since it is budgeted on a multi-year or project oriented basis. The appropriation authority for these funds remains in effect until totally expended or the project has been changed or completed.

National Pollution Discharge Elimination System (NPDES) Permit

A permit which is required under the 1972 Clean Water Drinking Act and is administered in Washington State by the Department of Ecology.

Object

As used in expenditure classification, this term applies to the type of item purchased or the service obtained (as distinguished from the results obtained from expenditures). Examples include personal services, contractual services, and material and supplies.

Operating Budget

Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending and service delivery activities of a government are controlled. The use of annual operating budgets is usually required by law. Even when not required by law, however, annual operating budgets are essential to sound financial management and should be adopted by every government.

Operating Transfers

All inter-fund transfers other than residual equity transfers (e.g., legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended).

Other Services & Charges

This is basic classification for services other than personal services which are needed by the governmental unit. Such services may be provided by a governmental agency or by private business organizations.

Preliminary Budget

The recommended and unapproved city budget submitted to the city council and public in November of each year.

Program Budget

A budget wherein expenditures are based primarily on programs of work and secondarily on character and object class.

Proprietary Fund Types

Sometimes referred to as income determination or commercial-type funds, the classification used to account for a government's ongoing organizations and activities that are similar to those often found in the private sector. The GAAP used are generally those applicable to similar businesses in the private

sector and the measurement focus is on determination of net income, financial position and changes in financial position.

Proprietary/Trust Gains (losses) & Other Income (Expenses)

These accounts are provided for the segregation of special transactions that affect the net income of enterprise (proprietary), internal service, and non-expendable trust funds.

Reserve

An account used to indicate that a portion of fund equity is legally restricted for a specific purpose.

Residual Equity Transfers

Non-recurring or non-routine transfers of equity between funds (e.g., contribution of enterprise fund or internal service fund capital by the general fund, subsequent return of all or part of such contribution to the general fund and transfers of residual balances of discontinued funds to the general fund or a debt service fund).

Resources

Total dollars available for appropriations including estimated revenues, fund transfers, and beginning fund balances.

Retained Earnings

An equity account reflecting the accumulated earnings or a proprietary (internal service or enterprise) fund. In this budget document, the balance derived excludes asset depreciation expenditures. When depreciation is charged to user organizations, as in internal service funds, the cash balance remaining (ending retained earnings) therefore includes the asset replacement reserve being accumulated.

Revenue

Income received by the City in support of a program of services to the community. It includes such items as property taxes, fees, user charges, grants, fines and forfeitures, interest income, and miscellaneous revenue.

Revenue Estimate

A formal estimate of how much revenue will be earned from a specific revenue source for some future period, typically a future fiscal year.

Revised Code of Washington (RCW)

State law as adopted by the legislature and codified.

Salaries and Wages (Personnel Services)

Amounts paid for personal services rendered by employees in accordance with rates, hours, terms, and connotations authorized by law or stated in employment contracts. This category also includes overtime, temporary help, and car allowances.

Services and Charges

Services acquired from and fees/payments made to vendors. These include printing, publications, auditing, police protection, street maintenance, public health programs, office rent, telecommunications, and social welfare programs.

Special Revenue Fund

A fund used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes. GAAP only require the use of special revenue funds when legally mandated.

Supplies

Items used to deliver services, such as office supplies, short-lived minor equipment with no material value, periodicals and books and generic computer software.

Taxes

Compulsory charges levied by a government to finance services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits, such as special assessments. Neither does the term include charges for services rendered only to those paying such charges (e.g., sewer service charges).

Tax Levy Ordinance

An ordinance through which taxes are levied.

Tax Rate

The amount of tax stated in terms of a unit of the tax base (e.g., specified amount per \$1,000 of assessed valuation of taxable property).

Tax Rate Limit

The maximum rate at which a government may levy a tax. The limit may apply to taxes raised for a particular purpose or to taxes imposed for all purposes, and may apply to a single government or to a class of governments operating in a particular area. Overall tax-rate limits usually restrict levies for all purposes and of all governments, state and local, having jurisdiction in a given area.

GLOSSARY OF ACRONYMS

ACC – Airport Communities Coalition
AFIS – Automated Fingerprint Identification System
ATZ - Approach Transition Zone
AWC- Association of Washington Cities
BIA - Business Improvement Association.
BEDP – Business & Economic Development Partnership
B&O Tax – Business and Occupation Tax
CCS – Catholic Community Services
CDBG - Community Development Block Grant.
CIP – Capital Improvement Program
COLA – Cost of Living Adjustment
CPTED – Crime Prevention Through Environmental Design
DBA – Discover Burien Association
DOE - State of Washington's Dept of Ecology.
DUI/DWI – Driving Under the Influence /Driving While Intoxicated
DWLS – Driving While License Suspended
EDC – Economic Development Council of Seattle and King County
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
HCC – Highline Community College
HUD – U.S. Dept of Housing and Urban Development
HVAC - Heating, Ventilating & Air Conditioning system.
IUGA - Interim Urban Growth Area.
KCHA – King County Housing Authority
LEOFF - Law Enforcement Officers & Fire Fighters retirement system.
LID - Local Improvement District
MIS Plan – Mgt Information System Plan
MVET – Motor Vehicle Excise Tax
NESPA – Northeast Special Planning Area
NEST - New Economic Strategy Triangle
NLC – National League of Cities
NPDES Permit - National Pollution Discharge Elimination System permit
OEDP - Overall Environmental Development Plan.
PERS - Public Employees Retirement System.
PSRC – Puget Sound Regional Council
PWSF - Personal Wireless Service Facility
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.

RCAA – Regional Commission on Airport Affairs

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.

SEPA - State Environmental Policy Act.

SR 518 – State Route 518

SWKCC – Southwest King County Chamber of Commerce

SWM – Surface Water Management

TOD – Transit Oriented Development

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

WD 20 – Water District #20

WRIA – Water Resource Inventory Area (Watershed Management Project)

WSDOT – Washington State Department of Transportation

YMCA – Young Men’s Christian Association

City of Bonney Lake, Washington

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