



**CITY OF BLACK DIAMOND**  
**October 29, 2012 Workstudy Agenda**  
25510 Lawson St., Black Diamond, Washington

Workstudies are meetings for Council to review upcoming and pertinent business of the City. Public testimony is only accepted at the discretion of the Council.

**4:30 P.M. – CALL TO ORDER, ROLL CALL**

- 1.) 2013 Budget, Police– Mayor Olness, Mr. Butkus, Ms. Miller, Chief Kiblinger
- 2.) 2013 Budget, Cemetery and Parks – Mayor Olness, Mr. Butkus, Ms. Miller, Mr. Williamson
- 3.) 2013 Budget, Public Works – Mayor Olness, Mr. Butkus, Ms. Miller, Mr. Williamson
- 4.) Adjournment

## 2013 Budget Summary

Police Department	Actual	Budget			Budget Request		Budget	Budget
		2011	2012	2012	2013		Increase (Decrease)	Increase (Decrease)
Operating						\$		%
Wages (1)	969,316	1,017,356	767,443	1,076,117	58,761	5.78%		
Benefits (2)	337,094	362,964	263,537	395,939	32,975	9.08%		
Wages & Benefits Subtotal	1,306,410	1,380,320	1,030,979	1,472,056	91,736	6.65%		
Supplies (3)	52,599	58,400	44,981	57,650	-750	-1.28%		
Services (4)	78,872	81,166	84,648	88,690	7,524	9.27%		
Police Operating Total	1,437,881	1,519,886	1,160,609	1,618,396	98,510	6.48%		
Communication								
Communication Expense (5)	97,652	147,425	96,806	122,100	-25,325	-17.18%		
Safety Equip.								
Safety Equipment	2,287	3,000	940	1,000	-2,000	-66.67%		
Jail								
Jail Expense	18,153	28,000	10,203	23,300	-4,700	-16.79%		
Police Facilities								
Police Facilities	20,569	19,995	20,603	23,298	3,303	16.52%		
Civil Service								
Civil Service	1,757	2,660	2,021	2,550	-110	-4.14%		
Marine								
Marine	24,552	33,429	34,717	36,000	2,571	7.69%		
Criminal Justice								
Criminal Justice	29,181	34,465	26,678	26,410	-8,055	-23.37%		
Total Police Dept.								
Police Department Total	1,632,032.09	1,788,860.00	1,352,576.94	1,853,054.22	64,194	3.59%		

(1) Wages include Step Increases (\$21,803) &amp; 3% Cola (\$34,583) for represented personnel.

(2) Benefits include mandatory employer costs (taxes &amp; medical which represents the majority of the increase).

(3) Supplies includes \$38,000 for fuel, \$7,400 for uniforms and \$7,000 for fire arms.

(4) Services includes \$57,000 for liability, building &amp; vehicle insurance, a \$12,300 increase over 2012 and \$17,000 vehicle maint.

(5) Communication decrease due to reduced Valley Comm fees.

(6) No longer renting the exercise facility (\$7,590).



Total 2013 Parks Analysis	Parks & Comm Maintenance	Museum Costs	Comm Center	Total Parks Mtc	Nat Res/Parks Development	Total Parks Expenditures	Parks Rev or Reimb	Net Tax Cost	comments
<b>Salaries &amp; Benefits</b>	Parks Mtc Costs			Total Parks Budget	Aaron 100%				
Seth-14 hrs mo/Boat				0	146,524	146,524	(146,524)	0	Funding Agree Reimb
Launch/Dock/Trails	10,765			10,765		10,765	(10,745)	0	Funding Agree Reimb
Dan-14 hrs									
Mo/oversee Maint. Ken, Jason, Pt-14 hr mo each, Mow, Clean, Mtc Parks	11,801			11,801		11,801		11,801	
Lk. S. Parking Fees	14,875			14,875		14,875	(13,000)	(13,000)	L. S. Parking Fees
<b>Total Sal &amp; Bene</b>	37,441			37,441	146,524	183,965	(170,269)	13,676	
<b>Supplies</b>									
Port-a-potty	5,000			5,000		5,000		5,000	
Community Event S.	2,000			2,000		2,000		2,000	
Fuel & Mtc Supplies	5,460			5,460	100	5,560		5,560	
<b>Total Supplies</b>	10,460			10,460	100	10,560		10,560	
<b>Services &amp; Charges</b>									
Repair & Maint Cost	3,150			3,150		3,425		3,425	
Lia, Bldg, Equip Ins	6,395	1,582	2,042	10,019	2,553	12,572		12,572	
Utilities	2,720	6,051		8,771		8,771		8,771	
Train, Mem, Miles				0	1,150	1,150		1,150	
Pay Station Costs	2,275			2,275		2,275		2,275	
<b>Total Services &amp; Chg</b>	14,540	7,633	2,042	24,215	3,703	28,193	0	28,193	
<b>Total Park Dev &amp; Mtc</b>	62,441	7,633	2,042	72,116	150,327	222,718	(170,269)	52,429	
<b>Other Costs</b>									
Recycling Costs				0	15,920	15,920	(15,920)	0	Recycle Grants
Puget S. Clean air				0	2,300	2,300		2,300	
<b>Grand Total Budgets</b>	62,441	7,633	2,042	72,116	168,547	240,938	(186,189)	54,729	

Total 2013 Cemetery Analysis	Cemetery Costs	Cemetery Revenue	Net Tax Cost	comments
<b>Salaries &amp; Benefits</b>				
Seth-3.5 hrs mo/Oversee Budget & Dept	2,691	(2,691)	0	Funding Agree Reimb
Luzville-16 hr mo-adm ceme sched, fees, order liners, sites	5,480		5,480	
Dan-3.5 hrs Mo/Verify site, dig & cover, meet w/fam	2,858		2,858	
Ken, Jason, Pt-3.5 Back up for Dan/Ceme Maint	3,812		3,812	
Cemetery Fees		(7,500)	(7,500)	varies by # of burials/Can be as much as \$12,000 Yr.
<b>Total Sal &amp; Bene</b>	14,841	(10,191)	4,650	
<b>Supplies</b>				
Tools, safety Eq, sup	720		720	
Fuel-25 mo	300		300	
Vaults & Liners-Reimb	500	(500)	500	Reimb Fee
<b>Total Supplies</b>	1,220	(500)	1,220	
<b>Services &amp; Charges</b>				
Utilities	470		470	
Insurance	274		274	
Vehicle & Shop costs	500		500	
State Excise Tax	400		400	
<b>Total Services &amp; Chg</b>	1,644	0	1,644	
<b>Total Cemetery Mtc.</b>	17,705	(10,691)	7,514	net tax cost



# General Fund Summary - Preliminary

## 2013 Detail by Category

	2012 Budget	2013 Budget	Chg \$ 2012- 2013	Change %	Public Safety	General Govt	Yarrow Bay
<b>REVENUE</b>							
<b>Public Safety Revenue support</b>							
1 Property Taxes	1,383,500	1,397,335	13,835	1.0%	1,397,335		
2 Utility & Gambling Taxes	468,400	470,950	2,550	0.5%	470,950		
3 Criminal Justice Sales Tax	87,000	91,930	4,930	5.7%	91,930		
4 Liquor Tax	19,800	5,000	-14,800	-74.7%	5,000		
5 Liquor Profits	31,800	36,500	4,700	14.8%	36,500		
6 Business License, Cable Franchise Fees and Misc.	81,250	80,100	-1,150	-1.4%	80,100		
7 Fire EMS Taxes	53,511	53,700	189	0.4%	53,700		
8 Grants & Charges for Service & Misc.	79,243	72,990	-6,253	-7.9%	72,990		
9 Subtotal Public Safety Revenue	2,204,504	2,208,505	4,001	0.2%	2,208,505		
<b>General Government Support</b>							
10 Sales Tax	270,000	270,000	0	0.0%		270,000	
11 Court Fines and Fees	135,900	105,000	-30,900	-22.7%		105,000	
12 Land Use and Permitting Fees	72,050	61,290	-10,760			61,290	
13 State Assistance	39,000	32,000	-7,000	-17.9%		32,000	
14 Recycle Grants & Misc. Grants	19,202	15,920	-3,282			15,920	
15 Grant Reimb. & Charges for Service	26,000	15,180	-10,820	-41.6%		15,180	
16 Parks & Cemetery Fees	18,050	21,000	2,950	16.3%		21,000	
17 Passport Fees & Misc Revenue	9,618	10,625	1,007	10.5%		10,625	
18 Alloc for software Mtc, Cr Card Fees, TR/AP post-print	20,463	22,698	2,235	10.9%		22,698	
19 Alloc for code update. It, Fin, Permit Mtc-non YB	87,000	56,349	-30,651	-35.2%		56,349	
20 Subtotal General Government Revenue	697,283	610,062	-87,221	-12.5%		610,062	
21 Subtotal Operating Revenue	2,901,787	2,818,567	-83,220	-2.9%			
22 YarrowBay Funding Agreement - Preliminary	1,526,680	1,574,230	47,550	3.1%			1,574,230
23 Total General Fund Operating Revenue	4,428,467	4,392,797	-35,670	-0.8%	2,208,505	610,062	1,574,230
<b>EXPENDITURES</b>							
<b>Public Safety Expenditures</b>							
24 Police Department	1,788,860	1,853,054	64,194	3.6%	1,853,054		
25 Fire Department	446,337	459,954	13,617	3.1%	459,954		
26 Subtotal Public Safety Expenditures	2,235,197	2,313,008	77,811	3.5%	2,313,008		
27 Executive	14,076	13,686	-390	-2.8%		13,686	
28 Legislative	12,599	13,408	809	6.4%		13,408	
29 Administration	213,258	259,379	46,121	21.6%		103,128	156,251
30 City Clerk	75,308	80,480	5,172	6.9%		80,480	
31 Finance	283,110	297,470	14,360	5.1%		57,366	240,104
32 Information Services	141,867	143,194	1,327	0.9%		8,294	134,900
33 Legal	56,500	61,750	5,250	9.3%		61,750	
34 Prosecution	48,000	24,000	-24,000	-50.0%		24,000	
35 Municipal Court	204,319	152,934	-51,385	-25.1%		152,934	
36 Natural Resources/Parks	166,094	168,647	2,553	1.5%		22,123	146,524
37 Master Development Review Team	235,231	407,159	171,928	73.1%			407,159
38 Community Development	296,800	237,677	-59,123	-19.9%		44,326	193,351
39 Hearing Examiner(including SEPA Appeal)	5,000	30,000	25,000	500.0%		30,000	
40 Economic Development	45,864	8,064	-37,800	-82.4%		1,050	7,014
41 Facilities-staff & Misc	99,821	101,477	1,656	1.7%		7,384	94,093
42 Facilities Bldg Mtc-Funding agreement	180,000	180,000	0	0.0%			180,000
43 Animal Control	9,762	8,368	-1,394	-14.3%		8,368	
44 Emergency Management	5,000	5,000	0	0.0%		5,000	
45 Parks	69,323	72,116	2,793	4.0%		57,282	14,834
46 Cemetery	17,277	17,755	478	2.8%		17,755	
47 Central Services and Employee Recognition	36,727	46,008	9,281	25.3%		46,008	
48 Subtotal General Government	2,215,936	4,641,580	112,636	5.1%		754,342	1,574,230
49 Total General Fund Operating Expenditures	4,451,133	4,641,580	190,447	4.3%	2,204,434	754,342	1,574,230
50 Total Out of Balance		-248,783			(104,503)	(144,280)	0
51 Economic Development	45,864	8,064	-37,800	-82.4%			
52 Community Development	301,800	237,677	-64,123	-21.2%			
53 Master Development Review Team	235,231	407,159	171,928	73.1%			
54 Total Comm Deve/Ec Deve/MDRT	582,895	652,900	70,005	12.0%			

## Revenue Options – 2013 Budget

Revenue source	Annual \$	Notes
<b>Increase Utility Tax</b>		
A. Electrical, Gas, Phone & Garbage	A. Based on 01 JULY 2013 implementation an increase from 6% to 7% would generate approximately \$63,000 annually and with 5 months on collection in 2013 \$26,250.	A. Requires a vote of the electorate for any amount in excess of 6% (the current level) and “special election” costs.
B. City (only) water, sewer, stormwater utilities.	B. Based on 01 JULY 2013 implementation (1) All utilities in applicable areas: An increase from 6% to 7% would generate approximately \$14,500 annually and \$6,000 for 5 months collection in 2013.  (2) Stormwater only: \$2,720 annually, \$1,133 for 5 Mon.	B. (1) May be done by the Council. For water & sewer, applies only to “old town” and Morganville.  (2) Stormwater may apply city-wide.
C. Cable Utility Tax (only), city-wide	C. Cable Utility Tax increase from 1% to 5% would generate approximately \$57,000 annually and \$23,750 for 5 month collection in 2013. Cable already has a 5% Franchise Fee.	C. Cable may apply city-wide. A Council decision. Existing Ordinance is a mix of franchise fee and utility tax – staff suggests the current mix be looked reviewed. A 6% Utility Tax & 5% Franchise would equal an 11% Cable charge.



Establish a Transportation Benefit District and then impose the "car tab tax" at the \$20 level	Based on 01 JULY 2013 implementation (6 mo. delay as / RCW 36.73.065) with 4,794 vehicles in city:  \$20/vehicle= \$47,900 in 2013; \$95,800 in 2014.  \$40 per vehicle = \$95,880 in 2013; \$191,760 in 2014	Car tax @ \$20 is Council-imposed. A vote of the people required for more than \$20 per vehicle.  This gives NO benefit to the General Fund, as there is no GF \$ going to "streets." The sole benefit is to generate more \$ for street M & O.
Implement B&O Tax	\$20,000 to \$80,000 1%-4% on Local Business	Council approval required, but might cause businesses to close or move, which would reduce Sales Tax Revenue.
Increase Permit Fees to cover annual cost of Permit software maintenance	A 10% increase in Permit Fees could generate between \$2,500-3,500 toward the Annual Software Maintenance Cost of \$9,000 a year. This amount would increase as building activity increases	Would require Council approval.
Increase Business License	Increase renewals from \$60 a year to \$70 may generate up to \$3,500 a year.	Would require council approval. May discourage businesses from locating in Black Diamond. Minimal \$ received.
Increase Misc. Park & Cemetery Charges	Difficult to estimate ongoing effect of a possible \$1,000 to \$2,000 a year increase	Would require Council approval. Staff now reviewing current fees and charges for later consideration of selected fee increases. Minimal \$ received.

## MEMORANDUM

TO: Mayor and City Council  
FROM: Pete Butkus  
RE: Council question on payment for Hearing Examiner costs  
DATE: 23 OCT 2012

### Question:

Why does the Mayor's proposed 2013 General Fund Budget show a planned expenditure of \$30,000 for the Hearing Examiner?

### Response:

This amount is suggested to cover our normal GF budget allocation for Hearing Examiner costs of \$5000 as well as an anticipated cost of \$25,000 for the appeal before the Hearing Examiner related to the SEPA determination for the Phase 1 Preliminary Plat of the Villages AND one other such appeal in 2013. Further, it is estimated that the SEPA Appeal will incur 80 hours of the Hearing Examiner's time at \$145/hr. equals \$11,600. It is likely that a second preliminary plat application (and its SEPA determination) will be completed in 2013. Given the history of proposed YB projects in Black Diamond it is reasonable that this second SEPA determination will also be appealed.  $\$11,600 \times 2 = \$23,200$  which is then rounded up to \$25,000. NOTE: the anticipated hours for the SEPA hearing are the only parts calculated here, the costs of the Hearing Examiner process related to the Preliminary Plat hearing are not paid for by the City.

### Second Question (paraphrased):

Why does Yarrow Bay (YB) not pay for this?

### Research & response:

On or about 30 NOV 2007 the City entered into a "SEPA Processing Agreement" with Yarrow Bay. This was established for preparation of the two Environmental Impact Statements for the two MPDs. At that time, Blumen Consulting Group was being retained to prepare the EIS documents. However, the City retained the right to substitute a new consultant, which it did the following April when Parametrix was hired. The key language relating to the budget question for the MPD's is found in that agreement, Section 4.D, which states:



*"Yarrow Bay shall pay for Blumen's services, as well as those of City staff and consultants involved in the SEPA review process. Go to last sentence: City costs associated with the SEPA review process that are not already funded by the Funding Agreement shall be paid by Yarrow Bay in advance."* Full text of this Section is attached

The term "SEPA review process" was interpreted by staff (and agreed by YB) to include the entire SEPA process, including the (on-going) appeal process related to the MPD.

The City has no similar agreement for other YB permit activities, such as the Phase 1A Preliminary Plat. Through the new Funding Agreement (FA), YB has agreed to pay for the MDRT staff, plus all MDRT consultants. This includes the City Attorney.

However, the Hearing Examiner is not listed in the FA as a consultant. YB is obligated to pay for the Examiner's time as it relates to the plat application. But they are not obligated to pay for the Examiner's time spent on considering the SEPA appeal, which is an appeal of a decision made by the City's "responsible official" charged with providing SEPA analysis and decisions.

Finally, the existing fee for filing a SEPA appeal is \$250. Considerably less than the time expected to be invested in the hearing process and charged to the City by the Hearing Examiner. There is no development account to charge the "hearing" activity to, thus it is appropriate to have this as GF expenditure.

I trust the forgoing will be of assistance as we move through the 2013 Budget processes.

Attachment

D. Funding

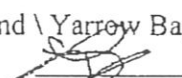
Yarrow Bay shall pay for Blumen's services, as well as those of City staff and consultants involved in the SEPA review process. This shall include time spent on the SEPA review process by the City Administrator, who is the SEPA Responsible Official for the Yarrow Bay projects, as well as time spent on the SEPA review process by the City Attorney, who is serving as the City's principal contact for the SEPA process as well as advising the SEPA official with regards to said process. Yarrow Bay shall not be separately charged for work by City staff that is already funded under the Funding Agreement. City costs associated with the SEPA review process that are not already funded by the Funding Agreement shall be paid by Yarrow Bay in advance.

E. Anticipated Schedule

The Parties agree to use good faith efforts to meet or exceed the following anticipated schedule for SEPA review of the MPD Projects. Provided, however, all Parties acknowledge that this time line is only an expression of the Parties' desire to allow the SEPA process to proceed in an expeditious, yet thorough manner, allowing for sufficient time for adequate review and public input. This timeline notwithstanding, the City reserves the right to modify the timeline as it deems necessary and appropriate to assure that the SEPA documents are comprehensive and unbiased, and that the public has had sufficient time to consider the documents and to have meaningful and timely input. If the City determines that a new consultant should be used to prepare the SEPA documents, or that the time line is not allowing sufficient time for adequate review and/or public input, then a new timeline will be prepared.

October 2007	City approves early SEPA review for MPD Projects City approves preparation of EISs by Blumen
November 2007	City and Yarrow Bay meet to discuss EIS scoping
December 10, 2007	City provides Yarrow Bay transportation consultants with information requested from City transportation consultant for EIS purposes
January , 2008	City and Yarrow Bay agree on EIS alternatives for MPD Projects
January 2008	City issues DSs to Yarrow Bay

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SEPA Processing Agreement  
Page 4 of 8  
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## MEMORANDUM

TO: City Council  
FROM: Rebecca Olness  
RE: Mayor's 2013 Proposed Public Works Budget  
DATE: 25 OCT 12

Attached are the budget summary sheets for the Public Works funds. Items to note for each fund are:

### Street Maintenance & Operations

Fuel tax revenue which is distributed on a per-capita basis is declining as people drive less or purchase more energy-efficient vehicles. This trend is expected to continue. Many cities transfer some funds from the General Fund to Streets but this has not been the case in Black Diamond. The loss of Motor Vehicle Excise Tax revenue (Initiative 695) in 2000 reduced revenue to the Street Fund by approximately \$60K per year. As a result, reserves have been used to maintain our current level of service. This is not sustainable; about three years of reserves remain to continue the current level of service.

The end of these reserves coincides with the loss of the availability of Real Estate Excise Tax (REET) funds, as provided for under state law, allowing transfer of funds for maintenance and operations of existing capital assets. This provision in state law will sunset in late 2016.

Elected officials are strongly encouraged to address this issue well in advance of budget year 2017. Possible options include: reduction of service levels; increased tax (local utility tax increase with a dedication to streets or a designated portion of a future property tax lid lift); transfer from the General Fund; and formation of a Transportation Benefit District (TBD) imposing a per-vehicle tax (commonly known as the car tab tax).

### Water Maintenance & Operations

Water utility revenues are relatively flat due to decrease in water use – largely due to personal reduction in use and the advent of water-efficient fixtures. The Utility is paying for operations and maintenance as well as debt service. Capital projects (not in this Fund) are grant funded with local match from REET revenues. Transfer for debt service results in the remaining funds for operations and maintenance not fully covering operations and maintenance costs.

In order to fully fund maintenance and operations, the utility is using reserve funds. This is not sustainable and should be addressed in early 2013 by a rate study and subsequent options.

### Sewer Maintenance and Operations

The Sewer Fund is healthy and has remained so since Council action in mid-2012 increased the rate to customers, accommodating the King County Metro rate increase for transmission and treatment of sewage. However, that rate adjustment will generate 11 months of revenue, while the City pays King County 12 monthly bills. There are four outstanding loans from this fund: one to the Water Utility (new meters); one to General Government Capital Projects (police records ); and two to the Stormwater Fund for operating capital that will continue to be paid and will help maintain the health of the Sewer Fund.

### Stormwater Maintenance and Operations

The Stormwater Utility is relatively healthy and is benefiting from the accelerated effort to collect delinquent accounts. Anticipated receipt of a Public Works Trust Fund (PWTF) loan will be an additional debt for the utility. This loan, if received, will partially fund a stormwater facility addressing existing run-off from the area of SR 169 and Roberts Drive. A future look at rates and debt payment capacity is anticipated for the budget year 2015.

### Attachments

# 101 Street Fund Finance Report

	2011 Actual	2012 Budget	Sept 2012 (75%)	2012 YE Est Act	2013 Budget	% Change 2012 to 2013
<b>STREET FUND REVENUE</b>						
1 Street Gas Tax	87,246	85,870	62,524	83,295	84,000	-2.2%
2 Annex-Diverted Road Tax	6,200	0		0		
3 Street/Sidewalk cut/Curb variance	300	300		0		-100.0%
4 Right of way permit	3,000	3,000	1,650	2,000	1,000	-66.7%
5 Grant Reim. Proj mgmt	18,276	0		0		
6 Charges for service/Misc	1,620	0	30	30		
7 <b>Operating Revenue</b>	<b>116,642</b>	<b>89,170</b>	<b>64,204</b>	<b>85,325</b>	<b>85,000</b>	<b>-4.7%</b>
8 YarrowBay-Sal & Ben Reimb	40,765	42,946	33,031	42,946	49,941	16.3%
9 Investment Interest	629	610	423	560	600	-1.6%
10 <b>Total Other Revenue</b>	<b>41,394</b>	<b>43,556</b>	<b>33,454</b>	<b>43,506</b>	<b>50,541</b>	<b>16.0%</b>
11 <b>Total All Revenue</b>	<b>158,036</b>	<b>132,726</b>	<b>97,658</b>	<b>128,831</b>	<b>135,541</b>	<b>2.1%</b>
12 Beginning Cash & Invest. Balance -Unreserved	323,854	328,145	328,145	328,145	258,379	-21.3%
13 <b>Total Sources</b>	<b>481,890</b>	<b>460,871</b>	<b>425,803</b>	<b>456,976</b>	<b>393,920</b>	<b>-14.5%</b>
<b>STREET FUND EXPENDITURES</b>						
15 Salaries 1	67,440	69,497	50,988	69,497	75,132	8.1%
16 Benefits 2	25,354	27,769	21,748	27,769	33,814	21.8%
17 <b>Total Salaries and Benefits</b>	<b>92,794</b>	<b>97,266</b>	<b>72,736</b>	<b>97,266</b>	<b>108,946</b>	<b>12.0%</b>
18 Supplies 3	5,701	7,019	5,563	7,219	8,600	22.5%
19 Services 4	62,498	69,424	47,879	64,112	71,517	3.0%
20 <b>Total Operating Expenses</b>	<b>160,993</b>	<b>173,709</b>	<b>126,178</b>	<b>168,597</b>	<b>189,063</b>	<b>8.8%</b>
21 <b>Total Transfers for Equip &amp; Projects 5</b>	<b>(7,248)</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>10,000</b>	<b>-66.7%</b>
22 <b>Total All Expenditures</b>	<b>153,745</b>	<b>203,709</b>	<b>156,178</b>	<b>198,597</b>	<b>199,063</b>	<b>-2.3%</b>
23 Three Months Cash and Investments	40,248	42,959	42,959	42,959	47,435	10.4%
24 Unreserved C&I Balance	287,897	214,203	226,666	215,420	147,422	-31.2%
25 <b>Total Ending Cash &amp; Investments</b>	<b>328,145</b>	<b>257,162</b>	<b>269,625</b>	<b>258,379</b>	<b>194,857</b>	<b>-24.2%</b>
26 <b>Total Uses</b>	<b>481,890</b>	<b>460,871</b>	<b>425,803</b>	<b>456,976</b>	<b>393,920</b>	<b>-14.5%</b>

1 Salaries include step increases & a 1% COLA for non management personnel.

2 Benefit increase includes mandatory employer costs (taxes, retirement and medical-which represents the majority of the increase).

3 Supplies include sand & salt (\$1,300), fuel (\$3,000), and operating supplies, tools, uniforms and small parts.

4 Services include the PSE street light cost (\$28,500), insurance (\$7,674), street portion of the City Administrator contract (\$3,189), traffic signal maint. (\$3,500), professional services (\$1,000), and the balance for equipment and street maintenance cost.

5 Transfer to Equipment Replacement Fund for future radio replacment.



# 401 Water Fund Financial Report

September 30, 2012

	2011 Actual	2012 Budget	2012 Actual thru Sept 2012 (75%)	2012 YE Est Act	2013 Budget	% Change 2012 to 2013
<b>WATER FUND REVENUE</b>						
1 User Charges	426,263	454,000	320,063	430,000	430,000	-5.3%
2 Surcharge @ \$2.30 per customer	28	0	28	0		
3 Late Charges & Name Changes	16,127	15,000	12,885	16,500	16,500	10.0%
4 <b>Subtotal Operating Revenue</b>	<b>442,418</b>	<b>469,000</b>	<b>332,976</b>	<b>446,500</b>	<b>446,500</b>	<b>-4.8%</b>
6 YarrowBay PW Reimbursement	47,724	70,013	42,458	70,013	64,719	-7.6%
7 Deposits and Reimbursements	1,326	700	-2	100	100	-85.7%
8 New water meter setting & Misc.	3,929	4,000	2,085	2,090	2,000	-50.0%
9 Investment Interest	228	260	99	132	125	-51.9%
10 Insurance Reimbursement	26,584	0	5,006	5,006	0	
11 Transfer from Water Capital Fund	125,000	125,000	125,000	150,000	150,000	20.0%
12 <b>Subtotal Other Revenue</b>	<b>204,791</b>	<b>199,973</b>	<b>174,646</b>	<b>227,341</b>	<b>216,944</b>	<b>8.5%</b>
13 <b>Total Revenue</b>	<b>647,209</b>	<b>668,973</b>	<b>507,622</b>	<b>673,841</b>	<b>663,444</b>	<b>-0.8%</b>
14 Beg Cash and Investment Balance - Reserved	78,790	89,620	89,620	89,620	99,392	10.9%
15 Beg C&I Balance - Unreserved	67,271	18,077	18,077	18,077	-1,964	-110.9%
16 Total Cash & Investment	146,061	107,697	107,697	107,697	97,428	-9.5%
17 <b>Total Sources</b>	<b>793,270</b>	<b>776,670</b>	<b>615,319</b>	<b>781,538</b>	<b>760,872</b>	<b>-2.0%</b>
<b>WATER FUND EXPENDITURES</b>						
19 Salary 1	119,019	133,050	93,832	133,050	131,154	-1.4%
20 Furlough Days 2		(1,099)		(1,099)	(1,053)	-4.2%
21 Benefits 3	44,587	54,692	39,067	54,692	58,942	7.8%
22 <b>Total Salaries and Benefits</b>	<b>163,606</b>	<b>186,643</b>	<b>132,899</b>	<b>186,643</b>	<b>189,043</b>	<b>1.3%</b>
23 Supplies 4	28,942	32,476	19,573	27,498	31,050	-4.4%
24 Services 5	165,931	178,448	132,547	174,583	186,126	4.3%
25 <b>Total Operating Expenditures</b>	<b>358,479</b>	<b>397,567</b>	<b>285,019</b>	<b>388,724</b>	<b>406,219</b>	<b>2.2%</b>
26 <b>Subtotal Other Expenditures (Net Debt Payment) 6</b>	<b>327,096</b>	<b>296,770</b>	<b>295,386</b>	<b>295,386</b>	<b>293,557</b>	<b>-1.1%</b>
27 <b>Total Expenditures</b>	<b>685,575</b>	<b>694,337</b>	<b>580,405</b>	<b>684,110</b>	<b>699,776</b>	<b>0.8%</b>
28 Three Months Cash and Investments	89,620	99,392	99,392	99,392	101,555	2.2%
29 Unreserved C&I Balance	18,075	-17,059	-61,478	-1,964	-40,459	137.2%
30 <b>Total Ending Cash &amp; Investments</b>	<b>107,695</b>	<b>82,333</b>	<b>38,914</b>	<b>97,428</b>	<b>61,096</b>	<b>-25.8%</b>
31 <b>Total Uses</b>	<b>793,270</b>	<b>776,670</b>	<b>619,319</b>	<b>781,538</b>	<b>760,872</b>	<b>-2.0%</b>

1 Salary increase includes step increases and a 1% COLA for non management personnel.

2 Furlough represents unpaid days off for office and management personnel.

3 Benefit increase includes mandatory employer costs (taxes, retirement and medical which represents the majority of the increase).

4 Supplies include caustic (\$12,500), fuel (\$4,000), and operating and maintenance supplies, uniforms and small tools.

5 Services include insurance (\$30,714), Electricity/Gas (\$32,000), utility & B&O taxes (\$49,500), water portion of the City Administrator contract (\$9,562), legal & professional services (\$17,000), audit (\$6,050), with the remainder for other maintenance and operating costs.

6 Includes the transfer to equipment replacement fund for future equipment (\$10,000) and the 2013 debt payment on the Public Works infrastructure loans and internal sewer loan for meter replacement (\$283,557).



# 407 Sewer Fund Financial Report

September 30, 2012

	2011 Actual	2012 Budget	2012 Actual thru Sept 2012(75%)	2012 YE Est Actual	2013 Budget	% Change 2012 to 2013
<b>WASTEWATER FUND REVENUE</b>						
1 User Charges	622,521	650,000	474,076	634,000	693,000	6.6%
2 <b>Operating Revenue</b>	<b>622,521</b>	<b>650,000</b>	<b>474,076</b>	<b>634,000</b>	<b>693,000</b>	
3 <b>Other Revenues</b>						
4 Misc Reimb	3,402	2,100	1,320	1,500	1,500	-28.6%
5 YarrowBay PW Director Reimburse	47,724	70,013	48,233	70,013	64,719	-7.6%
6 Investment Interest	176	150	63	100	100	-33.3%
7 Insurance Recovery			1,975	1,975	1,974	100.0%
8 Transfer from Capital or Operating	50,000	50,000	50,000	50,000	85,000	70.0%
9 <b>Total Other Revenue</b>	<b>101,302</b>	<b>122,263</b>	<b>101,591</b>	<b>123,588</b>	<b>153,293</b>	<b>25.4%</b>
10 <b>Total Revenue</b>	<b>723,823</b>	<b>772,263</b>	<b>575,667</b>	<b>757,588</b>	<b>846,293</b>	<b>9.6%</b>
11 Beg Cash & Investments - Unreserved	79,000	81,085	81,085	81,085	81,240	0.2%
12 Beg C&I Bal-Reserved	30,589	799	799	799	(403)	-150.4%
13 Total Beg Cash and Investments	109,589	81,884	81,884	81,884	77,449	-5.4%
14 <b>Total Sources</b>	<b>833,412</b>	<b>854,147</b>	<b>657,551</b>	<b>839,472</b>	<b>927,130</b>	<b>8.5%</b>
<b>WASTEWATER FUND EXPENDITURES</b>						
16 Salaries 1	119,018	131,250	93,782	131,250	130,017	-0.9%
17 Furlough Days 2		(1,099)		(1,099)	(1,053)	-4.2%
18 Benefits 3	44,588	55,175	39,067	55,175	58,752	6.5%
19 <b>Total Salaries &amp; Benefits</b>	<b>163,606</b>	<b>185,326</b>	<b>132,849</b>	<b>185,326</b>	<b>187,716</b>	<b>1.3%</b>
20 Supplies 4	12,781	14,976	9,978	13,523	13,350	-10.9%
21 Services 5	118,696	124,038	87,142	118,529	136,897	10.4%
22 <b>Subtotal Operating Expenses</b>	<b>295,083</b>	<b>324,340</b>	<b>229,969</b>	<b>317,378</b>	<b>337,963</b>	<b>4.2%</b>
23 <b>Other Expenses</b>						
24 King County Metro 6	446,413	448,000	325,983	434,645	494,000	10.3%
25 <b>Total Operating Expenditures</b>	<b>741,496</b>	<b>772,340</b>	<b>555,952</b>	<b>752,023</b>	<b>831,963</b>	<b>7.7%</b>
26 Capital Expenses 7	10,000	10,000	10,000	10,000	10,000	0.0%
27 <b>Total Expenses</b>	<b>751,496</b>	<b>782,340</b>	<b>565,952</b>	<b>762,023</b>	<b>841,963</b>	<b>7.6%</b>
28 Three Months Cash and Investments	73,779	81,085	81,085	81,240	84,491	4.2%
29 Unreserved C&I Balance	8,137	(9,278)	10,514	(403)	676	-107.3%
30 <b>Total Ending Cash and Investments</b>	<b>81,916</b>	<b>71,807</b>	<b>91,599</b>	<b>77,449</b>	<b>85,167</b>	<b>18.6%</b>
31 <b>Total Uses</b>	<b>833,412</b>	<b>854,147</b>	<b>657,551</b>	<b>839,472</b>	<b>927,130</b>	<b>8.5%</b>

1 Salaries include step increases for non office and non management personnel and a 1% COLA for non management personnel.

2 Furlough represents unpaid days off for office and management personnel.

3 Benefit increase includes mandatory employer costs (taxes, retirement and medical which represents the majority of the increase).

4 Supplies include fuel (\$4,000), and other maintenance and operating supplies.

5 Services include insurance (\$13,900), sewer portion of City Administrator contract (\$9,562), legal & professional services (\$17,700), Utility and B&O taxes (\$51,200), audit (\$6,050), with the remainder for other maintenance and operating costs.

6 King County Metro includes a 10.2% rate increase for 2013.

7 Transfer to Equipment Replacement Fund for future equipment and radio replacement.



# 410 Stormwater Fund Financial Report

September 30, 2012

	2011 Actual	2012 Budget	2012 Actual thru Sept 2012(75%)	2012 YE Est Actual	2013 Budget	% Change 2012 to 2013
<b>REVENUE</b>						
1 <b>Operating Revenue</b>	267,265	270,000	210,596	280,800	275,000	1.9%
2 <b>Other Revenue</b>						
3 YarrowBay-PW Dir Reimburse	47,724	70,012	48,233	70,012	64,719	-7.6%
4 Insurance recovery			1,975	1,975	0	
5 Investment Interest	89	200	71	100	100	-50.0%
6 <b>Total Other Revenue</b>	<b>47,813</b>	<b>70,212</b>	<b>50,279</b>	<b>72,087</b>	<b>64,819</b>	<b>-7.7%</b>
8 Beginning Cash and Investment Balance-Unreserved	41,287	57,827	41,287	57,827	80,840	39.8%
9 <b>Total Sources</b>	<b>356,365</b>	<b>398,039</b>	<b>302,162</b>	<b>410,714</b>	<b>420,659</b>	<b>5.7%</b>
<b>EXPENDITURES</b>						
11 Salaries 1	119,018	129,647	95,957	129,647	127,744	-1.5%
12 Furlough Days 2		(1,099)		(1,099)	(1,053)	-4.2%
13 Benefits 3	44,588	54,144	39,100	54,144	58,372	7.8%
14 <b>Total Salaries &amp; Benefits</b>	<b>163,606</b>	<b>182,692</b>	<b>135,057</b>	<b>182,692</b>	<b>185,063</b>	<b>1.3%</b>
15 Supplies 4	12,094	11,828	11,290	14,748	14,000	18.4%
16 Services 5	96,384	97,659	60,492	92,268	106,196	8.7%
17 <b>Total Operating Expenses</b>	<b>272,084</b>	<b>292,179</b>	<b>206,839</b>	<b>289,708</b>	<b>305,259</b>	<b>4.5%</b>
18 <b>Total Other Expenditures 6</b>	<b>41,500</b>	<b>48,400</b>	<b>40,165</b>	<b>40,165</b>	<b>40,165</b>	<b>-17.0%</b>
19 <b>Total Expenditures</b>	<b>313,584</b>	<b>340,580</b>	<b>247,004</b>	<b>329,874</b>	<b>345,424</b>	<b>1.4%</b>
20 Reserved C&I Balance	68,021	68,021	68,021	68,021	76,315	12.2%
21 Unreserved C&I Balance	(25,240)	(10,562)	(12,863)	12,819	(1,080)	-89.8%
22 <b>Total Ending Cash &amp; Investments</b>	<b>42,781</b>	<b>57,459</b>	<b>55,158</b>	<b>80,840</b>	<b>75,235</b>	<b>30.9%</b>
23 <b>Total Uses</b>	<b>356,365</b>	<b>398,039</b>	<b>302,162</b>	<b>410,714</b>	<b>420,659</b>	<b>5.7%</b>

1 Salaries include step increases for non office and non management personnel and a 1% COLA for non management personnel.

2 Furlough represents unpaid days off for office and management personnel.

3 Benefit increase includes mandatory employer costs (taxes, retirement and medical which represents the majority of the increase).

4 Supplies include fuel (\$4,000), and other maintenance and operating supplies.

5 Services include insurance (\$6,654), Stormwater portion of City Administrator contract (\$9,562), legal & professional services (\$20,708), Utility and B&O taxes (\$32,500), audit (\$6,050), with the remainder for other maintenance and operating costs.

6 Transfer to Equipment Replacement Fund for future equipment and radio replacement (\$10,000), debt repayment on internal sewer loan for stormwater start-up (30,165).