



CITY OF BLACK DIAMOND
October 30, 2013 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.

5:30 P.M. – CALL TO ORDER, ROLL CALL

- 1.) 2014 Preliminary Budget (Public Works and Capital Funds) – Mayor Olness, Mr. Hoppen, Ms. Miller
- 2.) Adjournment

CITY OF BLACK DIAMOND



2014 PRELIMINARY BUDGET PROPOSAL

Public Works & Capital Funds

OCTOBER 30, 2013 WORKSTUDY



CITY OF BLACK DIAMOND

Interoffice Memorandum

TO: MAYOR OLNESS, CITY COUNCIL, AND CITY ADMINISTRATOR
FROM: MAY MILLER, FINANCE DIRECTOR
**SUBJECT: OCTOBER 30, 2013 WORKSTUDY-2014 PRELIMINARY
BUDGET-PUBLIC WORKS AND CAPITAL BUDGETS.**
DATE: OCOTBER 23, 2013

The attached packet of material includes the 2014 Preliminary Budget for the Public Works Operating, Capital and Reserve funds plus various other Capital and Equipment Replacement funds. The total estimated city-wide budget estimate has been updated and it also included.

Six year forecasts for Street, Water, Sewer and Stormwater Funds will be updated this week and handed out at the October 30, 2013 Workstudy meeting. The General Fund forecast has been updated to six years and is included in your packet.

Please give me a call if you have any questions. 360-886-5700.

2014 Preliminary Budget-Street Fund

STREET FUND REVENUE		2012 Actual	2013 Adj Budget	Aug 2013	2014 Budget	2014 - 2013 NET CHANGE \$	2014 - 2013 NET CHANGE %
1	Street Gas Tax	85,007	84,000	55,483	85,700		
2	Annex-Diverted Road Tax						
3	Street/Sidewalk cut/Curb variance			897	1,000		
4	Street Civil Inspection Fees			7,017	0		
5	Right of way permit	3,650	1,000	2,535	3,600		
6	Grant Reim. Proj mgmt						
7	Charges for service/Misc	30		300	600		
8	Operating Revenue	88,687	85,000	66,232	90,900	5,900	6.9%
9	YarrowBay-Sal & Ben Reimb	44,116	47,590	26,978	18,655		
10	Investment Interest	554	600	273	600		
11	Total Other Revenue	44,670	48,190	27,251	19,255	(28,935)	-60.0%
12	Total All Revenue	133,357	133,190	93,483	110,155	(23,035)	-17.3%
13	Beginning Cash & Invest. Balance -Unreserved	328,145	262,584	262,584	186,087	(76,497)	-29.1%
14	Total Sources	461,502	395,774	356,067	296,242	(99,532)	-25.1%
15	STREET FUND EXPENDITURES						
16	Salaries	67,496	97,568	63,885	100,386		
17	Benefits	28,992	42,304	26,539	42,292		
18	Grant & Prj Reimb			(11,712)	(20,000)		
19	Total Salaries & Benefits	96,488	139,872	78,712	122,678	(17,194)	-12.3%
20	Allocated Office Supplies, Copies,	1,625	1,850	1,144	1,996		
21	Operating Supplies & Uniforms	1,640	1,950	1,172	2,010		
22	Sand & Salt	1,444	1,300	81	1,300		
23	Fuel	2,556	3,385	1,792	4,000		
24	Small Tools and Equipment	1,027	1,305	906	1,265		
25	Total Supplies	8,292	9,790	5,095	10,571	781	8.0%
26	Street Lights	27,413	28,500	18,976	31,000		
27	Insurance	6,644	9,330	7,612	8,487		
28	Telephone/Postage (communications)	535	775	595	1,500		
29	Prof Services-Prothman	2,216	3,189	1,138	0		
30	Prof Services-Street		1,000	2,697	8,200		
31	Legal -Civil Land Use costs						
32	Prof Svs-Civil Land Use Costs						
33	Mtc Software & GPS		1,000	1,425	1,475		
34	Traffic Signal Maintenance	3,793	3,500	1,806	3,600		
35	Street Sweeping & Cleaning-See Stormwater						
36	Travel, Memberships and Training	774	1,100	513	2,100		
37	Advertising	171	500	150	200		
38	Vehicle & Shop Maintenance & Miscellaneous	3,565	4,076	1,056	3,259		
39	Prof & Grant Vehicle Reimb			(3,155)			
40	Utilities (elect, gas, water, sewer, etc.)	2,198	3,258	1,474	3,270		
41	Legal costs	8,129	10,600	5,463	10,600		
42	Audit - share of costs	0	2,475		440		
43	Cost Alloc- Administration	8,700	5,844	3,760	5,180		
44	Total Services & Charges	64,138	75,147	43,510	79,311	4,164	5.5%
45	Total Operating Expenses	168,918	224,809	127,317	212,560	(12,249)	-5.4%
46	Transfer out-CIP Street Preservation						
47	Transfer back from RR Ave Project						
48	Transfer to 310 Fund						
49	Transfer for Equipment-CIP	10,000	10,000	10,000	10,000		
50	Transfer out Abrams	20,000					
51	Total Other Expenditures	30,000	10,000	10,000	10,000	0	0.0%
52	Total All Expenditures	198,918	234,809	137,317	222,560	(12,249)	-5.2%
53	Three Months Cash and Investments	42,230	58,702	57,139	53,140		
54	Unreserved C&I Balance	240,354	102,263	188,953	20,542		
55	Total Ending Cash & Investments	262,584	160,965	218,750	73,682	(87,283)	-54.2%
56	Total Uses	461,502	395,774	356,067	296,242	(99,532)	-25.1%

2014 PRELIMINARY BUDGET- Water Operating Fund

WATER FUND REVENUE		2012 Actual	2013 Budget	Aug 2013 Actual	2014 Budget	2014-2013 NET CHANGE \$	2014-2013 NET CHANGE %
1	User Charges	436,916	430,000	288,974	580,300		
2	Civil Inspections Fee			7,017	0		
3	Late Charges & Name Changes	17,455	16,500	10,571	16,000		
4	Subtotal Operating Revenue	454,371	446,500	306,562	596,300	149,800	33.5%
6	YarrowBay PW Reimbursement	65,558	47,550	29,801	18,655		
8	Deposits and Reimbursements/Misc	1,098	100	1,445	1,000		
9	New water meter setting	2,085	2,000	500	2,000		
10	Investment Interest	121	125	100	130		
11	Insurance Reimbursement	5,006					
12	Transfer from Water Capital Fund	150,000	150,000	150,000	80,000		
13	Debt Reimb from Developer	677,101	671,063	669,597	99,833		
14	Subtotal Other Revenue	900,969	870,838	851,443	201,618	-669,220	-76.8%
15	Total Revenue	1,355,340	1,317,338	1,158,005	797,918	-519,420	-39.4%
16	Beg Cash and Investment Balance - Reserved	89,620	99,392	99,392	98,104		
17	Beg C&I Balance - Unreserved	18,077	8,590	8,590	39,668		
18	Total Beg Cash & Investment	107,697	107,982	107,982	137,772	29,790	27.6%
19	Total Sources	1,463,037	1,425,320	1,265,987	935,690	-489,630	-34.4%
21	WATER FUND EXPENDITURES						
23	Salary	124,874	116,816	79,694	129,286		
24	Proj Mgmt-Staff Credit			(6,573)	(15,000)		
25	Benefits	52,664	52,777	34,247	54,952		
26	Total Salaries and Benefits	177,538	169,593	107,368	169,238	-355	-0.2%
27	Operating & Office Supplies/Uniforms	6,263	8,000	2,980	8,000		
28	Supplies, Copies, Postage, Sys Mtc - Allocation	5,854	5,550	3,432	7,628		
29	Caustic (potassium hydroxide)	11,966	12,500	5,016	12,500		
30	Fuel	3,819	4,000	2,046	3,500		
31	Small tools & Safety Supplies	1,658	1,000	572	1,265		
32	Total Supplies	29,560	31,050	14,046	32,893	1,843	5.9%
33	Insurance	25,973	30,714	30,569	37,689		
34	Telephone/DSL/Radios	2,627	2,200	1,673	2,850		
35	Prof Svs-Prothman	9,250	9,562	3,413	0		
36	Prof Svs-Water		1,700		5,500		
37	Water Testing	1,168	1,500	705	1,500		
38	Health Dept Permit/City Permit	2,294	1,650	1,232	2,100		
39	Health Dept Survey Fee			918	1,000		
40	Repairs & Maintenance/locates/misc.	6,272	8,090	5,063	10,595		
41	Vehicle Reimb-Proj			(1,052)			
42	Travel, Memberships and Training	1,469	2,900	550	2,900		
43	Electricity/Gas	31,607	31,000	17,239	32,000		
44	Water, Sewer Drainage and Garbage	2,176	1,128	774	1,662		
45	Legal Services	12,194	16,000	8,194	16,000		
46	Postage/Printing/Advertising/CC costs	947	2,300	1,850	3,000		
47	Software Mtc	1,656	4,300	3,081	3,175		
48	Audit - Share of costs		6,050		1,100		
49	Cost Allocation	26,100	17,532	11,272	15,580		
50	Taxes Utility	27,169	27,500	18,089	37,000		
51	Taxes B&O	23,073	22,000	14,654	29,000		
52	Total Services & Charges	173,975	186,126	118,224	202,651	16,525	8.9%
53	Total Operating Expenditures	381,073	386,769	239,638	404,782	18,013	4.7%
54	Transfer for Equipment-CIP	10,000	10,000	0	10,000		
	Transfer for Water Comp Plan update				5,000		
55	Wind Damage Pole Replacement						
56	WW Interfund Loan for Meters	47,840	47,944	0	46,920		
57	Debt Services	916,142	908,509	907,041	336,090		
63	Subtotal Other Expenditures	973,982	966,453	907,041	398,010	-568,443	-58.8%
64	Total Expenditures	1,355,055	1,353,222	1,146,679	802,792	-550,430	-40.7%
65	Three Months Cash and Investments	95,268	98,104	98,104	101,195		
66	Unreserved C&I Balance	12,714	(26,006)	21,204	31,703		
67	Total Ending Cash & Investments	107,982	72,098	119,308	132,898	60,800	84.3%
68	Total Uses	1,463,037	1,425,320	1,265,987	935,690	-489,630	-34.4%

City of Black Diamond, Washington

EXHIBIT B

Water Debt Analysis as of December 31, 2013-For 2014 Budget

									2014				Total Debt Service
Issue Date	Issue Amount	Type	Purpose	Maturity Date	12/31/2013 debt owed	2014 Principal	2014 Interest	2014 Debt Svs	Water Operating	Water Capt Res	Total Water	Developer Reimb	
1995	200,000	PWTF	Wtr Repair	2015	21,300	10,650	1,065	11,715	11,715		11,715	0	13,846
2006	180,000	PWTF	Cor Contrl	2022	101,250	11,250	507	11,757	11,757		11,757	0	11,982
2005	3,407,063	PWTF	Tac 500mg	2024	2,214,498	201,318	11,351	212,669	132,669	80,000	212,669		212,669
	256,064	PWTF	Tac city 1st	2024									
	1,784,693	PWTF	Pump Fac, Res & lines	2024	1,036,002	94,182	5,201	99,383				99,383	99,383
	5,447,820	PWTF			3,250,500	295,500	16,552	312,052	132,669	80,000	212,669	99,383	312,052
2004	11,334,510	Tac Water	Tac Wtr 1	2013	0	0	0	0	0	0	0	0	0
Totals	17,162,330				3,373,050	317,400	18,124	335,524	156,141	80,000	236,141	99,383	335,524
Total net Water fund 2013 Debt Service									\$156,141	\$80,000	\$237,141	99,383	336,524
2011	230,000	Int. Loan	Meters Sys	2015	92,000	46,000	920	46,920	\$46,920		\$46,920		46,920
Totals	17,392,330				3,465,050	363,400	19,044	382,444	203,061	80,000	283,061	99,383	382,444

Less developer Responsibility Palmer \$1,036,002

Net City Liability 2,429,048

*The City of Black Diamond holds a letter of credit from Palmer Coking for their balance owing of \$1,036,002 of the PWTF Loan.

2014 Preliminary Budget - Sewer Fund

SEWER FUND REVENUE	2012 Actual	2013 Adj. Budget	August 2013 Actual	2014 Budget	2014 - 2013 Net Change \$	2014 - 2013 Net Change %
1 User Charges	637,938	693,000	457,795	714,750		
2 Operating Revenue	637,938	693,000	457,795	714,750	21,750	3.1%
1 Other Revenues						
Civil Inspection Fee			5,847	-	-	-
2 Misc Reimb	1,420	1,500	1,825	1,825		
3 YarrowBay PW Director Reimburse	65,558	47,550	29,802	18,655		
4 Investment Interest	84	100	59	100		
5 Insurance Recovery	1,975	1,974		-		
6 Transfer from Capital or Operating	50,000	85,000	85,000	60,000		
11 Total Other Revenue	119,037	136,124	122,533	80,580	-55,544	-40.8%
12 Total Revenue	756,975	829,124	580,328	795,330	-33,794	-4.1%
13 Beg Cash & Investments - Unreserved	52,507	87,738	87,738	138,409		
14 Beg C&I Bal-Reserved	29,378					
15 Total Beg Cash and Investments	81,885	87,738	87,738	138,409	50,671	57.8%
16 Total Sources	838,860	916,862	668,066	933,739	16,877	1.8%
SEWER FUND EXPENDITURES						
19 Salaries	124,853	115,375	78,540	125,986		
20 Capital Proj staff Credit				(15,000)		
21 Benefits	52,387	52,692	34,205	54,325		
22 Total Salaries & Benefits	177,240	168,067	112,745	165,311	-2,756	-1.6%
23 Office and Operating Supplies	1,665	1,550	839	1,817		
24 Sup, Copies, Post, sys mtc (allocated)	5,854	5,550	3,432	7,628		
25 Safety Sup & Uniforms, tools	4,250	2,250	45	1,565		
26 Fuel	3,819	4,000	2,046	3,500		
27 Total Supplies	15,588	13,350	6,362	14,510	1,160	8.7%
28 Insurance	12,105	13,920	11,602	12,864		
29 Professional Services - Prothman	5,794	9,562	3,413	-		
Prof Svs Sewer	475	1,100	1,875	2,000		
30 Repairs & Maintenance	3,609	8,200	4,053	5,200		
Equip Use Credit			(1,052)	-		
31 Travel, Memberships and Training	573	2,375	308	2,110		
32 Electricity & Gas	1,764	1,770	1,066	2,200		
33 Utilities	3,053	1,998	1,161	2,354		
34 Tele, Postage, Mer Card. adv & Misc.	4,730	5,490	4,122	7,640		
35 Software & GPS Maint		1,000	1,425	1,475		
36 Legal Services	12,321	16,700	8,275	16,700		
37 Audit - share of costs	-	6,050		1,100		
38 Cost Allocations	26,100	17,532	11,272	15,580		
39 Taxes Utility	38,054	43,000	27,567	44,120		
40 Taxes B&O	7,804	8,200	5,546	8,500		
41 Total Services & Charges	116,382	136,897	80,633	121,843	-15,054	-11.0%
42 Subtotal Operating Expenses	309,210	318,314	199,740	301,664	-16,650	-5.2%
43 Other Expenses						
44 King County Metro	431,900	494,000	314,142	474,600		
45 Soos Creek	-	0				
46 Total Payment Sewer Treatment	431,900	494,000		474,600		
47 Total Operating Expenditures	741,110	812,314	513,882	776,264	-36,050	-4.4%
48 Capital Expenses						
49 Transfer for Equipment-CIP	10,000	10,000		10,000		
50 Transfer for Sewer portion Comp Pl		0	-	5,000		
51 Subtotal Other Expenditures	10,000	10,000	0	15,000		
52 Total Expenses	751,110	822,314	513,882	791,264	-31,050	-3.8%
53 Three Months Cash and Investments	76,805	80,991	80,991	75,416		
54 Unreserved C&I Balance	10,945	13,557	73,193	67,059		
55 Total Ending Cash and Investments	87,738	94,548	154,184	142,475	47,927	50.7%
56 Total Uses	838,860	916,862	668,066	933,739	16,877	1.8%

City of Black Diamond, Washington

Wastewater Loan and repayment schedule

Loan year	purpose	Fund	Amount	Reason
2007	Gen Fund	1	75000	Capital Furniture
2008	Tech-Police	310	200000	Capital Police Software
2008	Drg Start up	410	100000	Start up
2009	Drg start up	410	50000	Start up
2010	Wtr meters	404	230000	Capital -Water Meter Project
2014	wtr-Paint Res	404	214000	Capital-Water-Paint Reservoir

Total **869000**

Wastewater Repayment Schedule

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Total
General Fund	75000													\$75,000
Tech police		\$40,000	\$40,000	\$40,000	\$40,000	\$40,000								\$200,000
Drg 2008		\$20,000	\$20,000	\$20,000	\$20,000	\$20,000								\$100,000
Drg 2009			\$10,000	\$10,000	\$10,000	\$10,000	\$10,000							\$50,000
Wtr Meters				\$46,000	\$46,000	\$46,000	\$46,000	\$46,000						\$230,000
Wtr-Paint Res								\$42,800	\$42,800	\$42,800	\$42,800	\$42,800	\$42,800	\$214,000
Total Principal	75000	60000	70000	116000	116000	116000	\$56,000	\$88,800	\$42,800	\$42,800	\$42,800	\$42,800	\$42,800	\$869,000

	Interest rate Est											
					0.0015	0.0025	0.01	0.02	0.03	0.04	0.05	0.05
Tech Police	2000	800	1500	120	100							
Drg 2008	400	400	1000	60	50							
Drg 2009		250	500	45	50	200						
Wtr Meters			2875	276	345	920	920					
WStr-Paint Res								4280	5136	5136	4180	2140

2014 PRELIMINARY BUDGET-Stormwater Fund

STORMWATER REVENUE FUND	2012 Actual	2013 Adj. Budget	August 2013 Actual	2014 Budget	2014 - 2013 NET CHANGE \$	2015 - 2013 NET CHANGE %
REVENUE						
Stormwater Charges	284,647	295,000	197,585	334,000		
Operating Revenue	284,647	295,000	197,585	334,000	39,000	13.2%
Other Revenue						
Civil Inspection Fees			3,837	0		
2009/2010 DOE Grant						
2010/2011 DOE Grant						
YarrowBay-PW Dir Reimburse	65,558	47,550	29,802	18,655		
Insurance recovery	1,975					
Investment Interest	90	100	28	50		
Total Other Revenue	67,623	47,650	33,667	18,705	(28,945)	-60.7%
Total Revenue	352,270	342,650	231,252	352,705	10,055	2.9%
Beg Cash & Inv Bal-Unreserved	57,826	82,200	82,200	98,456	16,256	19.8%
Total Sources	410,096	424,850	313,452	451,161	26,311	6.2%
EXPENDITURES						
Salaries	127,006	114,047	79,138	123,067		
Project Sal & Bene Credit				(10,000)		
Benefits	52,420	52,506	34,318	53,830		
Total Salaries & Benefits	179,426	166,553	113,456	166,897	344	0.2%
Operating Supplies and Uniforms	2,247	3,450	1,189	3,537		
Office Sup, Copies, Postage, Sys Mtc.	6,314	5,550	3,431	7,628		
Fuel	3,819	4,000	2,046	2,296		
Small Tools and Equipment	1,689	1,000	567	1,265		
Total Supplies	14,069	14,000	7,233	14,726	726	5.2%
Insurance	5,170	6,654	4,548	5,244		
KC-Water Quality Testing	6,075	7,000		7,000		
Repairs & Maintenance/Security	4,046	3,600	1,769	4,609		
Equip Use Credit			(1,052)			
Professional Services-Prothman	6,269	8	5,287	0		
Professional Services/WIRA	4,971	4,708	3,593	4,200		
Professional Services-Rate Study			2,185	2,500		
DOE & Stowmwater Permits	1,020	2,000	0	2,000		
Travel, memberships and training	1,082	2,400	308	2,400		
Tele, DSL, Radio, Post, Adv & Misc	4,290	4,340	3,828	7,890		
Utilities (elect, gas, water, sewer, etc)	2,670	1,685	1,003	1,801		
Software & GPS Maint		1,400	1,425	1,475		
Legal Services	12,194	16,000	8,194	16,000		
Audit - share of costs	0	6,050		1,100		
Cost Allocation- Administration	23,925	17,532	11,273	15,580		
Stormwater-Grant Reimb for Op costs						
Utility Tax	16,967	30,300	23,750	63,487		
Taxes Excise B&O	5,062	5,310	3,457	8,350		
Total Service & Charges	93,741	108,987	69,568	143,636	34,649	31.8%
Total Operating Expenses	287,236	289,540	190,257	325,259	35,719	12.3%
Transfer for Equipment-CIP	10,000	10,000		10,000		
Debt repayment-100,000	20,300	20,300		20,300		
Debt Repayment-50,000	10,360	10,200		10,200		
Transfer Storm portion Comp plan	0			5,000		
Total Other Expenditures	40,660	40,500	0	45,500	5,000	12.3%
Total Expenditures	327,896	330,040	190,257	370,759	40,719	12.3%
Reserved C&I Balance	71,809	76,186	76,186	80,402		
Unreserved C&I Balance	10,391	10,624	47,009			
Total Ending Cash & Investments	82,200	94,810	123,195	80,402	(14,408)	-15.2%
Total Uses	410,096	424,850	313,452	451,161	26,311	6.2%

310-099 REET I Gen Gov't Fund	Actual 2012	2013 Amended Budget	2013 Actual	2014 Budget	13 to 14 Budget Change	% Budget Change
REVENUE						
R1 1/4% REET	43,456	42,500	34,028	56,000		
LGIP Investment Interest	529	500	290	500		
Transfer in from REET II	93,500					
Subtotal Revenue	137,485	43,000	34,318	56,500		
Beginning Cash & Investments	325,165	283,984	283,984	272,768		
Total REET I 104 Fund Sources	462,650	326,984	318,302	329,268	2,284	0.7%
EXPENDITURES						
Transfer to 310 Gen Gov't Capital Fund	97,500	103,150	59,850	45,173		
Trans 510 Fund - Police & Fire Equipment	81,166	10,000	10,000	45,000		
Subtotal Expenditures	178,666	113,150	69,850	90,173		
Ending Cash & Investments	283,984	213,834	248,452	239,095		
Total REET I 104 Fund Uses	462,650	326,984	318,302	329,268	2,284	0.7%

310 Government Capital Fund	Actual 2012	2013 Amended Budget	2013 Actual	2014 Budget	13 to 14 Budget Change	% Budget Change
REVENUE						
Transfer in REET I	97,500	103,150	59,850	45,173		
Transer in - Water, Sewer, Storm for Comp Plan				15,000		
Comp Plan Update Grant				9,000		
King Co Parks Tax Levy	8,728	8,000	4,592	8,000		
Tree Mitigation		1,000		1,000		
RCO Boat Launch Grant		85,000				
DOE Grant for Lake Sawyer Weed Management		25,000	2,984			
King Co Regional Park Environmental Grant						
Environmental Grant		10,000				
In Kind Grant Matching		80,000				
KC Conservation Grant-Cultural		15,000				
DOE Grant for Shoreline MP	13,776					
Conservation Grant-Futures		165,000				
Future Fire Eq/Bldg In Kind Donation		25,000				
Subtotal Revenue	120,004	517,150	67,426	78,173		
Beginning Cash & Investments	250,304	209,119	261,546	228,297		
Total 310 Govt Capital Fund Sources	370,308	726,269	328,972	306,470	(419,799)	-57.8%
EXPENDITURES						
Grant Matching		84,769		54,770		
Comp Plan Update				74,000		
Trails Projects-Ginder Creek		33,283		49,300		
Police Roof Replacement				24,000		
Street Capt. Revenue Options	12,908			20,500		
General Government technology	17,029	39,595	11,511	20,200		
Council Chambers, Police & Court Building Remodel	4,880	39,469	214	40,000		
Police Technology	14,501	21,092	4,210	15,000		
Parks Signs	5,030	11,484		5,000		
Tree Mitigation	1,283	2,727		3,700		
Lake Sawyer Boat Launch Improvement		115,000				
Lake Sawyer Acuatic Weed Mgmt Plan	45	40,000	2,984			
Ginder Creek Easement		30,000				
Ginder Creek ROW Acquisition		150,000				
Ginder Creek Trail Restoration		28,000				
Mine Hazard Assesment Study/Map		15,000				
Lake Sawyer Regional Park bulkhead		10,000				
Shoreline Master Plan	11,537					
Prior year & Carry over park projects	749					
Police Tiberon required revision-added		15,250				
Police record system loan payment - principal fund 2013	40,000	40,000				
Police record system loan - interest	800	1,600				
Fire Station 99 study & design		25,000	870			
Way Finding Signs		24,000				
Subtotal General Govt Capital Projects	108,762	702,269	19,788	306,470		
Ending Cash & Investments	261,546	24,000	309,184			
Total 310 Gen Govt Capital Fund Uses	370,308	726,269	328,972	306,470	(419,799)	-57.8%

* Note that fire and police vehicles and equipment are funded out of the 510 Fund

320-099 REET II Public Works Capital Projects	Actual 2012	2013 Amended Budget	2013 Actual	2014 Budget	13 to 14 Budget Change	% Budget Change
REVENUE						
R2 1/4% REET Tax	43,456	42,500	33,362	56,000		
LGIP Investment Interest	716	2,000	352	1,000		
Subtotal REET II Fund Revenue	44,172	44,500	33,714	57,000		
Beg Cash & Investments	487,785	329,674	329,674	276,418		
Total REET II Fund Sources	531,957	374,174	363,388	333,418	(40,756)	-10.9%
EXPENDITURES						
Transfer to REET I	93,500					
Transfer out 320 PW Capital	108,783	80,000	80,000	70,000		
Transfer out to 404 Water Projects			30,000			
Total REET I Fund Expenditures	202,283	80,000	110,000	70,000		
Ending Cash & Investments	329,674	294,174	253,388	263,418		
Total REET II Fund Uses	531,957	374,174	363,388	333,418	(40,756)	-10.9%

320 REET II Public Works Capital Projects	Actual 2012	2013 Amended Budget	2013 Actual	2014 Budget	13 to 14 Budget Change	% Budget Change
REVENUE						
TIB Grants - Jones Lake Road	203,790	130,000	69,802	110,000		
Transfers REET II	108,783	80,000	80,000	70,000		
Reflective Street Signs Grant			20,923			
Transfers Street Fund	20,000					
Rock Creek Bridge - Grant				112,500		
Grant Matching				12,500		
FEMA Disaster Clean up	84,475		250			
Insurance Recovery	5,554					
Grant Matching and Reimbursements		10,000				
Subtotal PW Capital Fund Revenue	422,602	220,000	170,975	305,000		
Beginning Cash & Investments	170,635	181,022	181,022	162,080		
Total PW Capital Fund Sources	593,236	401,022	351,997	467,080	66,058	16.5%
EXPENDITURES						
Jones Lake Road				122,000		
St Mtc, Asphalt, Chip Seal, Striping, Signs	81,933	88,274	1,668	119,869		
Grant Matching - Streets	8,992	103,211		100,211		
Reflective Street Signs			20,923			
Abrahms preliminary engineering	8,397	11,603	1,231			
Lawson & Misc Street paving	1,773					
288th Street Overlay		150,000	152,079			
Roberts Sidewalk/ Morgan St to KC Library	224,904	36,526	81,923			
Roberts Drive/Sr 169 Roundabout						
Railroad Avenue Project						
Morgan Street Project						
Rock Crk Bridge prelim engr (grant matching)	16,587			125,000		
FEMA Disaster Clean up	81,037	11,408	11,408			
Subtotal PW Capital Fund Projects	423,622	401,022	269,232	467,080		
Ending Cash & Investments Unreserved	169,614		82,765			
Total PW Capital Fund Uses	593,236	401,022	351,997	467,080	66,058	16.5%

402 WSFFA Fund*	Actual 2012	2013 Amended Budget	2013 Actual	2014 Budget	13 to 14 Budget Change	% Budget Change
*Water Supply Facility Funding Agreement						
REVENUE						
Developer Contribution Springs/Task 3	66,467	225,000	9,139			
Springs/Task 3	22,844					
LGIP Investment Interest	77		99			
Subtotal WSFFA Revenue	89,388	225,000	9,238			
Beg Cash & Investments	33,262	120,011	120,011	105,180		
Total WSFFA Fund Sources	122,650	345,011	129,249	105,180	(239,831)	-69.5%
EXPENDITURES						
Reservoir Construction-Tacoma Water						
Springs/Task 3- Engineering	2,639	225,035	14,796	35,180		
WSFFA Legal Services			376			
WSFFA-BD Staff Cost Alloc			10,133			
Total WSFFA Expenditures	2,639	225,035	25,305	35,180		
Ending Cash & Investments Unreserved	120,011	119,976	103,944	70,000		
Total WSFFA Fund Uses	122,650	345,011	129,249	105,180	(239,831)	-69.5%

404 Water Capital Fund	Actual 2012	2013 Amended Budget	2013 Actual	2014 Budget	13 to 14 Budget Change	% Budget Change
REVENUE						
In From REET II		30,000	30,000	25,000		
LGIP Investment Interest	742		508	900		
Water Connection Charges	17,929	20,000	5,976	20,000		
CDBG Grant 5th Ave Water Main	9,143	187,150	27,857	40,858		
Downtown Water Line Replacement - Grant				225,000		
Paint Reservoir - Interfund Loan				214,000		
Transfer reimb from Developer Contribution	281,115					
Subtotal Water Capital Fund Revenue	308,930	237,150	64,341	525,758		
Beg Cash & Investment Unreserved	392,225	504,125	504,126	349,941		
Total Water Capital Fund Sources	701,155	741,275	568,466	875,699	134,424	18.1%
EXPENDITURES						
5th Ave Water Main Replacement	36,293	175,000	72,380			
New Water Meters	541	5,519		5,000		
Reservoir Painting & Mtc.		15,000		214,000		
Transfer out to Water Fund 401-for debt	150,000	150,000	150,000	80,000		
Professional Services - Water	3,719	1,281	2,185	3,000		
Downtown Water Line Replacement				250,000		
Previous year WSFFA Transfer	6,476					
Subtotal Water Capital Fund Expenditures	197,030	346,800	224,565	552,000		
Ending Cash & Investments	504,126	394,475	343,901	323,699		
Total Water Capital Fund Uses	701,156	741,275	568,466	875,699	134,424	18.1%

408 Sewer Capital Fund	Actual 2012	2013 Amended Budget	2013 Actual	2014 Budget	13 to 14 Budget Change	% Budget Change
REVENUE						
Connection/Hook up Fees	4,800	6,000	3,200	6,000		
Loan Repay - Stormwater	30,000			10,000		
Loan Repay - Technology	40,000					
Loan Repay - Water Meters	46,000			46,000		
Loan repay, Interfund	1,840	116,000	116,000			
LGIP Investment Interest	3,014	3,780	3,780	2,000		
Insurance Claim recovery	37,367					
Trans in from Wastewater Projects						
Subtotal Wastewater Capital Revenue	163,021	125,780	122,980	64,000		
Beginning Cash & Investments	765,050	870,554	870,554	805,767		
Total Wastewater Capital Sources	928,071	996,334	993,534	869,767	(126,567)	-12.7%
EXPENDITURES						
Infiltration & Inflow	2,640	30,000	30,000	30,000		
Lawson Lift Station Engineering		50,000	40,000	10,000		
Decommission Old Lagoon		24,456	30,000	24,000		
Professional Services	3,381	4,108	2,767	3,000		
Wastewater Storage Project/RH2 Engineering						
Emergency Repairs	1,495					
Morganville Sewer Lift Station		80,000		80,000		
Transfer to Sewer Operating Fund	50,000	85,000	85,000	80,000		
Internal Loan - Paint Water Reservoir				214,000		
Subtotal Wastewater Capital Expenditures	57,517	273,564	187,767	441,000		
Ending Cash & Investments	870,554	722,770	805,767	428,767		
Total Wastewater Capital Fund Uses	928,071	996,334	993,534	869,767	(126,567)	-12.7%

410 Stormwater Capital Fund	Actual 2012	2013 Amended Budget	2013 Actual	2014 Budget	13 to 14 Budget Change	% Budget Change
REVENUE						
Department of Ecology Grant #3				33,000		
Department of Ecology Grant #2	17,406	130,276	113,171			
Design Stormwater Pond - Grant				120,000		
Transfer In - Grant Matching				40,000		
Transfer from Stormwater operating for capital						
Total Stormwater Capital Revenue	17,406	130,276	113,171	193,000		
Beginning Cash & Investments		(53,015)	(53,014)			
Total Stormwater Capital Sources	17,406	77,261	60,156	193,000	115,739	149.8%
EXPENDITURES						
Design Stormwater Pond - Grant				160,000		
Dept of Ecology Grant #2	70,420	42,261	18,340			
DOE Grant #2 Catch Basin Cleaning		35,000	23,351			
Dept of Ecology Grant #3				33,000		
Total Stormwater Capital Expenditures	70,420	77,261	41,691	193,000		
Ending Cash & Investments	(53,014)		18,465			
Total Stormwater Capital Uses	17,406	77,261	60,156	193,000	115,739	149.8%

107 Fire Impact Fees	Actual 2012	2013 Amended Budget	2013 Actual	2014 Budget	13 to 14 Budget Change	% Budget Change
REVENUE						
Fire Impact Fees			3,234	15,000		
LGIP Investment Interest						
Subtotal Fire Impact Fees Revenue			3,234	15,000		
Beg Cash & Investments				5,000		
Total Fire Impact Fees Fund Sources			3,234	20,000	20,000	100.0%
EXPENDITURES						
Transfer to Fire Equipment Reserves				20,000		
Total Fire Impact Fees Expenditures				20,000		
Ending Cash & Investments						
Total Fire Impact Fees Fund Uses				20,000	20,000	100.0%

510 -1 Fire Equipment Replacement	Actual 2012	2013 Amended Budget	2013 Actual	2014 Budget	13 to 14 Budget Change	% Budget Change
REVENUE						
Transfer from Fire Impact Fees				20,000		
LGIP Investment Interest Fire Equipment	77		26	100		
Transfer in REET I	36,165		44,219	25,000		
Sale of Fire Surplus Vehicles		10,000	2,201			
Fire Fee - Eagle Creek Plat						
Subtotal Revenue	36,242	10,000	46,446	45,100		
Beg Cash & Invest Unreserved - Fire Equip	34,636	1,378	1,378	47,724		
Total Fire Equipment Revenue	70,878	11,378	47,824	92,824	81,446	715.8%
EXPENDITURES						
Repairs & Maintenance - Surplusing		1,378		500		
Fire Equipment Replacement	69,500		100	92,324		
Subtotal Fire Expenditures	69,500	1,378	100	92,824		
Ending Cash & Investments - Fire	1,378	10,000	47,724			
Subtotal 510 Fire Equipment Uses	70,878	11,378	47,824	92,824	81,446	715.8%

510 -2 PW Equipment Replacement	Actual 2012	2013 Amended Budget	2013 Actual	2014 Budget	13 to 14 Budget Change	% Budget Change
REVENUE						
LGIP Investment Interest City Equipment	254	300	148	300		
Sale of PW Equip	9,500		472			
Subtotal Interest & Other Revenue	9,754	300	620	300		
Transfer in from Water Fund	10,000	10,000		10,000		
Transfer in from Wastewater Fund	10,000	10,000		10,000		
Transfer in from Stormwater Fund	10,000	10,000		10,000		
Transfer in from Street Fund	10,000	10,000		10,000		
Subtotal 510 Fund Transfers	40,000	40,000		40,000		
Subtotal 510 Fund Revenue	49,754	40,300	620	40,300		
Beg Cash & Invest Unreserved - City Equip	134,578	150,321	150,321	140,000		
Total 510 Fire Equip. Fund Sources	184,332	190,621	150,942	180,300	(10,321)	-5.4%
EXPENDITURES						
Grader Engine Repair				10,000		
Grass mower Deck or Attachment		6,500		5,000		
Shop Generator			3,531			
Utility Truck Purchase	25,761	37,943	32,707			
Pw Sander/Snow Plow	2,785					
Pw Utility Trailer	4,735					
Radios for Utilities		5,000	717			
Surplus Costs	730	1,500	102			
Subtotal City Equipment Expenditures	34,011	50,943	37,057	15,000		
Ending Cash & Investments - City	150,321	139,678	113,885	165,300		
Total 510 City Equip. Fund Sources	184,332	190,621	150,942	180,300	(10,321)	-5.4%

510 -3 Police Vehicle Replacement	Actual 2012	2013 Amended Budget	2013 Actual	2014 Budget	13 to 14 Budget Change	% Budget Change
REVENUE						
LGIP Interest Income			6			
Transfer in REET I	45,000	10,000	10,000	20,000		
Police Sale of Surplus Equipment	11,050		1,641			
Subtotal Police Vehicle Revenue	56,050	10,000	11,647	20,000		
Beginning Cash & Investments		11,051	11,051	17,500		
Total Police Equipment Revenue	56,050	21,051	22,698	37,500	16,449	100%
EXPENDITURES						
Police Vehicles	44,999	1,500	624			
Replace Police Radios		19,551		37,500		
Ending Cash & Investments - City	11,051		22,074			
Total Police Vehicle Expenditures	56,050	21,051	22,698	37,500	16,449	100%

2014 Employee Allocations by Funding Source							
Positions	Full Time Equivalent (FTE)	Funding Agreement	General Fund	Street Fund	Water Fund	Sewer Fund	Storm water Fund
Municipal Court							
Court Administrator	0.85		0.85				
Court Clerk	0.14		0.14				
Total Court	0.99	0.00	0.99	0.0	0.0	0.0	0.0
Administration							
City Administrator	0.80		0.600	0.020	0.060	0.060	0.060
Admin Assistant I	1.00		0.100		0.300	0.300	0.300
Total Administration	1.80		0.70	0.02	0.36	0.36	0.36
City Clerk							
City Clerk	1.00	1.00					
Deputy City Clerk	1.00		0.60	0.04	0.12	0.12	0.12
Total City Clerk	2.00	1.00	0.60	0.04	0.12	0.12	0.12
Finance Department							
Finance Director	0.80	0.80					
Deputy Finance Director	1.00	1.00					
Total Finance	1.80	1.80					
Information Services							
Information Services Manager	1.00	1.00					
Total Information Services	1.00	1.00	0.0	0.0	0.0	0.0	0.0
Police Department							
Police Chief	1.00		1.00				
Police Commander	1.00		1.00				
Sergeant	2.00		2.00				
Police Officer (1 Vacant)	4.00		4.00				
Police Records Coordinator	1.00		1.00				
Police Clerk	0.63		0.63				
Total Police Department	9.63	0.00	9.63	0.00	0.00	0.00	0.00
Community Development							
Permit Technician Supervisor	1.00	1.00					
Total Community Development	1.00	1.00					
Master Development Review Team (MDRT)							
Executive Director Public Works/MDRT	1.00	1.00					
Exec Dir Community Development	1.00	1.00					
Utilities Construction Supervisor	1.00	1.00					
Senior Accountant	0.75	0.75					
Total Economic Development	3.75	3.75	0.00	0.00	0.00	0.00	0.00
Facilities Department							
Facilities Equipment Coordinator	0.80	0.80					
Total Facilities	0.80	0.80	0.00	0.00	0.00	0.00	0.00
Stewardship							
Stewardship Director	0.80	0.80					
Total Stewardship	0.80	0.80	0.00	0.00	0.00	0.00	0.00
Public Works							
Public Works Director - 1/2 Funding	1.00	0.50		0.125	0.125	0.125	0.125
Admin Assistant III	1.00			0.25	0.25	0.25	0.25
Total Funding	2.00		0.00	0.375	0.375	0.375	0.375
Utilities Supervisor	1.00		0.04	0.3	0.22	0.22	0.22
Utility Worker	1.00		0.10	0.15	0.25	0.25	0.25
Utilities Operator	1.00		0.10	0.15	0.25	0.25	0.25
Seasonal Help for Parks	0.12		0.06	0.02	0.02	0.00	0.02
Total Public Works	3.12	0.50	0.30	0.62	0.74	0.72	0.74
Grand Total Budget Positions (FTE's)	28.69	10.65	12.22	1.06	1.60	1.58	1.60

City of Black Diamond**2014 Budget- Preliminary Estimated Revenue & Expenditures**

	Revenue	Expenditures
Operating Funds		
General Fund/Cemetery	\$5,145,563	\$5,145,563
Street Fund	\$296,242	\$296,242
Water Fund	\$935,690	\$935,690
Sewer Fund	\$933,739	\$933,739
Stormwater Fund	\$451,161	\$451,161
Total Operating funds	\$7,762,395	\$7,762,395

Capital funds-Early Estimates		
REET I General Govern	\$329,268	\$329,268
REET II Public Works	\$333,418	\$333,418
Capital Proj-Gen Gov	\$306,470	\$306,470
Capital Proj-Pub Works	\$467,080	\$467,080
WSFFS-Water Projects	\$105,180	\$105,180
Water Res/Capt Proj	\$875,699	\$875,699
Sewer Res/Capt Proj	\$869,767	\$869,767
Stormwtr Capt Proj	\$193,000	\$193,000
Fire Equip Replacement	\$92,824	\$92,824
Pw Equipment replacement	\$180,000	\$180,000
Police Equipment Replacement	\$37,500	\$37,500
Fire Impact Fees	\$20,000	\$20,000
Total 2014 Capital/Res Budget Est.	\$3,810,206	\$3,810,206

Total Prim 2014 Budget Estimates	\$11,572,601	\$11,572,601
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CITY OF BLACK DIAMOND

2013 Calendar for 2014 Budget

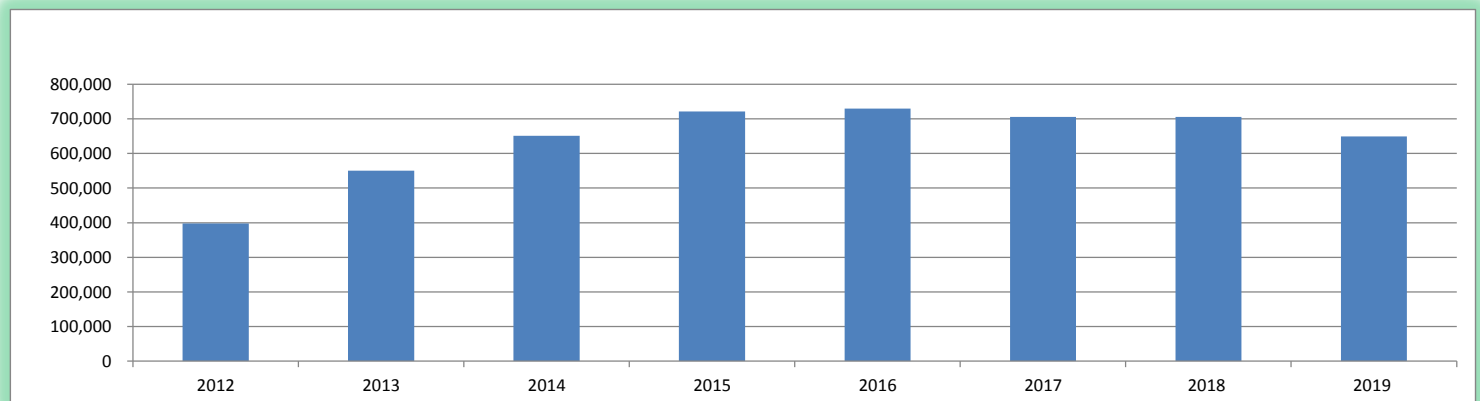
	Process	Internal Due Date	Workstudy	City Council Meetings	State Law Limitations
1	Budget requests and instructions go out to all departments	July 30			Sep 9
2	Finance prepares revenue sources and preliminary expenditures for salaries and benefits	Aug 21			N/A
3	Introduction to the 2014 budget process – 5:30 PM		Aug 15		
4	Departments provide budget requests to City Administrator's office	Aug 15			N/A
5	Estimates to be filed with the City Clerk and Administration	Sept 11			Sep 23
6	City Clerk submits to CAO the proposed preliminary budget setting forth the complete financial program	Sept 25			Oct 1
7	CAO provides Council with current info on revenue from all sources as adopted in 2013 budget, and provides the Clerk's proposed preliminary budget setting forth the proposed General Fund revenues	Oct 1	Oct 10		Oct 7
8	Mayor and department heads review General Fund expenditure budgets with Council. 5:30 PM		Oct 10		
9	Council reviews Public Works budgets for revenues and expenditures for all Public Works budgets including street, water, sewer, stormwater and all associated fund. 5:30 PM		Oct 30		Nov 2
10	Council workstudy - REET 1 & 2 and Gen Govt, Utilities & Capital Projects. 5:30 PM		Oct 30		
11	City Clerk publishes notice of public hearing on 2014 Budget and filing of preliminary budget – once a week for two consecutive weeks – Draft budget submittal ready	Oct 25 and Nov 1			Nov 1-15
12	Copies of preliminary budget made available to public				Nov 19
13	City Council holds 1 st public hearing on revenue sources and expenditures for the upcoming budget year including possible increases in property tax revenue			Nov 21	Nov 4-30
14	Public hearing and adoption of property tax for 2014			Nov 21	Nov 30
15	City Council holds final public hearing on 2014 Budget – Special Meeting 7:00 PM			Dec 2	Dec 2
16	City Council adopts Final 2014 Budget and transmits to the State Auditor's Office (plus possible amendment to property taxes) –Special Meeting			Dec 12	Dec 31

CITY OF BLACK DIAMOND

General Fund Ending Fund Balance Forecast
Six Years with Funding Reduction

Finance Conservative Forecast

	2012	2013	2014	2015	2016	2017	2018	2019	
General Fund Revenue	Actual	Budget-adj	Budget	Budget	Budget	Budget	Budget	Budget	
Property Tax	1,373,558	1,403,648	1,421,983	1,436,203	1,450,565	1,465,071	1,465,071	1,479,721	1%
Sales Tax	262,973	270,000	280,000	285,600	291,312	297,138	297,138	303,081	2%
Utility Taxes	468,797	532,150	579,100	590,682	602,496	614,546	614,546	626,836	2%
Other Revenue **	763,871	690,304	684,340	698,027	711,987	726,227	726,227	740,752	2%
Fund Agree MDRT	345,637	443,250	588,351	600,118	612,120	624,363	624,363	636,850	2%
Fund Agree Core Revenue	1,089,115	1,136,690	1,113,804	1,113,804	1,113,804	1,113,804	1,113,804	1,113,804	
Funding Agree reductions									
1st Yr Reduction-GF Only		(66,500)							
2nd Yr Reduction-GF Only			(191,015)						
3rd Yr Reduction-GF Only				(431,015)					
4th Yr Reduction-GF Only					(701,015)				
5th & 6th Yr Red-GF Only						(941,015)	(1,113,804)	(1,113,804)	
Total Operating Revenue	4,303,951	4,409,542	4,476,563	4,293,419	4,081,269	3,900,133	3,727,344	3,787,240	
General Fund Expenditures		PS 3%	P/S 3%	P/S 2%	P/S 2%	P/S 2%	P/S 2%	P/S 2%	
Police & Fire	2,203,439	2,089,136	2,107,093	2,149,235	2,192,220	2,236,064	2,236,064	2,280,785	2%
Other General Fund	2,125,221	2,167,075	2,268,910	2,314,288	2,360,574	2,407,785	2,407,785	2,455,941	2%
Reclassify Deve Exp to Gen Gov	1,943								
Additional Funding Reductions*				(240,000)	(480,000)	(720,000)	(892,789)	(892,789)	
Total Operating Spending	4,330,603	4,256,211	4,376,003	4,223,523	4,072,794	3,923,849	3,751,060	3,843,937	
* Approximate # Staff Red				2.0	2.0	2.0	0.4	0.4	6.8
	2012	2013	2014	2015	2016	2017	2018	2019	
Change in Reserves	(26,652)	153,331	100,560	69,896	8,476	(23,716)	(23,716)	(56,697)	
Ending Reserves	397,417	550,748	651,308	721,204	729,679	705,963	705,963	649,266	
	9.18%	12.94%	14.88%	17.08%	17.92%	17.99%	18.82%	16.89%	



** Other Revenue includes Cable Franchise Fees, Business Licenses, Permits & Land Use Fees, Police Criminal Justice Sales Tax & other Police Fees & Grants, Liquor Tax & Profits, State Tax Assistance, Lake Sawyer Parking Fees, Cemetery Fees, Court Fines,

Model assumes no growth and now new revenue. Model forecasts the continual reduction revenue for the 6.8 core Funding Agreement positions. Reduction amounts could be covered by several options including reducing FF&E costs as well as any other General Fund staff costs that would be needed to cover the loss of Funding Revenue. Any growth would change this model.



CITY OF BLACK DIAMOND

Memorandum

TO: CITY COUNCIL MEMBERS, CITY OF BLACK DIAMOND
FROM: MARK HOPPEN, CITY ADMINISTRATOR *MH*
SUBJECT: INFORMATION SERVICES ALTERNATIVES
DATE: OCTOBER 23, 2013

BACKGROUND

Council member Taylor requested that administrative staff explain how information services might be provided in the future through contract, as an alternative to our current Information Service Manager position.

The City of Black Diamond has contracted with the City of Auburn for contract information services for the Police Department. These information services are for the purpose of improved IS service level and staff education. City of Auburn information services personnel have police systems like our police department systems. Auburn IS also has multiple staff members versed in those systems. Consequently, City of Auburn information services is well-suited to maintain and repair City of Black Diamond police information systems. Also, both line police staff and IS Manager, Chip Hanson, can improve awareness of these systems through interaction with Auburn IS.

POLICY CONSIDERATION

City of Auburn IS service could potentially be expanded to general information systems services, based in part on the current agreement already approved by the City Council. It would also be possible to hire similar, private, outside consultant services. The exact terms of such services would need to be negotiated.

In addition to general information services functions, City of Black Diamond information services require maintenance and management of related technology concerns, including: telephones, sound equipment, meetings (set-up and attendance at meetings to run equipment), weekly audio conversion, website posting, long range planning for software and equipment needs, regular backups of all system data, website maintenance, disaster recovery, vendor liaison, systems research, preparation of audit information, and purchasing of software and equipment. Considering this, reliable and

sufficient on-site presence would be an important term of any agreement. An additional concern would be management of the city's Vision financial software, which may involve the City of Auburn, or Vision technicians or interlocal agreement with another municipality.

FISCAL CONSIDERATION

A program assessment would enable the City Council to evaluate the efficiency, effectiveness and cost of both internal and external delivery models.

RECOMMENDATION

In order to do this, I propose: 1) to evaluate the performance of Auburn IS through the first quarter of the year; 2) to report back to the City Council with qualitative and quantitative assessment of Auburn IS performance at the beginning of April, 2014; and 3) to develop a scope of work and cost for Auburn IS to assume IS service for all City of Black Diamond IS functions. Additionally, I propose to assess private vendors who can fill the same role.