

# City of College Place 2018 Budget



Estimated 2017 and 2018 Revenues  
and 2018 Departmental Expenditure  
Requests

# Budget Calendar

- **July 11, 2017** - Clerk requests department heads to provide 2018 expenditure estimates
- **July 31** – Department heads return 2018 expenditure estimates to clerk.
- **July 31-September 25** – Clerk prepares preliminary budget showing expenditures requested by each department and sources of revenue by which each program will be financed.

# Budget Calendar, continued

- **September 26** – City administrator provides city council with current estimates of 2017 revenues, 2018 departmental expenditure requests, and sources of revenue by which each program will be financed.
- **October 10** – Public hearing on 2018 revenue sources and consideration of possible increases in property tax revenues. After the hearing an ordinance may be passed authorizing a property tax increase.

# Budget Calendar, continued

- **October 24** – Preliminary budget and budget message presented to city council.  
Preliminary budget hearing is conducted.
- **November 28** – Conduct final budget hearing.
- **December 12** – Adopt final budget.

# Budget Basics

- Cash Basis
  - Revenues are recognized when cash is received
  - Expenditures are recognized when paid (when check is issued).
  - Only exception is 20 day open period after year end to provide for fiscal year expenses which were not invoiced until the following year.

# Budget Basics, continued

- Budget by Fund
  - Beginning fund balance is accounted for as a revenue
  - Ending fund balance is accounted for as an expenditure
  - This results in each fund being budgeted in full.

# Budget Basics, continued

- Fund Types

- Governmental Funds

- Current Expense (000s)
    - Special Revenue Funds (100s)
    - Debt Service Funds (200s)
    - Capital Project Funds (300s)
    - Permanent Funds (700s) – We do not have any of these

# Budget Basics, continued

- Fund Types, continued
  - Proprietary Funds
    - Enterprise Funds (400s)
    - Internal Service Funds (500s)
  - Fiduciary Funds
    - Investment Trust Funds (600-609) – Don't have these
    - Pension Trust Funds (610-619) – Don't have these
    - Private-Purpose Trust Funds (620-629)
    - Agency Funds (630-699) – Don't have these



# 2017 Projected Revenues

(does not include beginning balances)

Utility taxes \$100k  
CJTC \$53k  
Permits/Plan Check Fees \$75k

4<sup>th</sup> Street Sidewalks project did not commence

Well #1 project did not commence

Revenue Bond issuance amount increased

Revenues				
Fund	Description	2017 Annualized	2017 Budgeted	Diff
1	Current Expense Fund	5,567,993.45	5,182,189.00	385,804.45
12	Technology Reserve Fund	166,795.29	166,072.00	723.29
61	Employee Benefit Reserve Fund	50,902.25	50,250.00	652.25
100	Street Fund	611,246.45	613,371.00	(2,124.55)
120	Criminal Justice Fund	13,647.30	12,511.00	1,136.30
121	Forfeited Proceeds Fund	2,565.08	2,515.00	50.08
201	ULTGO Bond Fund	490,490.08	490,490.00	0.08
202	South End Bond Fund	52,936.83	52,924.00	12.83
235	Commercial Dr. Bond Debt Service Fund	141,065.82	140,634.00	431.82
301	Street Capital Contribution Fund	31,228.03	115,015.00	(83,786.97)
305	Capital Improvement Fund (REET)	138,821.15	110,025.00	28,796.15
306	Capital Improvement Fund (REET 2)	60,260.15	100,000.00	(39,739.86)
311	Street Improvement Fund	390,647.43	928,619.00	(537,971.57)
315	Facility Maintenance Reserve Fund	1,238.10	500.00	738.10
320	Equipment Reserve Fund	422,673.16	391,000.00	31,673.16
330	Economic Development Fund	122,212.62	115,200.00	7,012.62
340	Economic Development Reserve Fund	-	-	-
400	Water Fund	1,044,727.06	1,061,594.00	(16,866.94)
401	Wastewater Fund	1,863,503.90	1,672,975.00	190,528.90
405	Appointment Keeper Transport Fund	-	-	-
410	Water Capital Reserve Fund	414,514.65	3,324,300.00	(2,909,785.35)
411	Wastewater Capital Reserve Fund	759,261.55	710,800.00	48,461.55
412	Wastewater Debt Service Fund	792,319.09	766,000.00	26,319.09
413	Water Capital Improvement Reserve/Debt Fund	743,884.08	741,000.00	2,884.08
425	Water/Sewer Revenue Bond Fund	555,327.38	223,175.00	332,152.38
426	Water/Sewer Bond Reserve Fund	300,481.50	280,150.00	20,331.50
431	Water System Construction Fund	4,200,000.00	2,000,100.00	2,199,900.00
500	Equipment Rental & Replacement Fund	238,257.67	307,599.00	(69,341.34)
625	Flexible Benefits Plan Fund	12,451.41	17,000.00	(4,548.59)
		19,189,451.44	19,576,008.00	(386,556.56)

# 2017 Projected Ending Fund Balances

Fund	Title	1/1/2017 Balance	2017 Annualized Revenues	2017 Annualized Expenditures	Estimated 12/31/2017 Balance
1	Current Expense Fund	2,324,293.16	5,567,993.45	5,712,211.29	2,180,075.32
12	Technology Reserve Fund	196,275.08	166,795.29	110,764.98	252,305.39
61	Employee Benefit Reserve Fund	250,520.86	50,902.25	35,187.93	266,235.18
100	Street Fund	590,747.97	611,246.45	1,119,232.61	82,761.81
120	Criminal Justice Fund	25,673.21	13,647.30	7,134.42	32,186.09
121	Forfeited Proceeds Fund	10,033.29	2,565.08	2,207.16	10,391.21
201	ULTGO Bond Fund	15,042.32	490,490.08	490,561.91	14,970.49
202	South End Bond Fund	51,971.00	52,936.83	52,939.01	51,968.82
235	Commercial Dr. Bond Debt Service Fund	140,794.89	141,065.82	140,514.17	141,346.54
301	Street Capital Contribution Fund	16,025.56	31,228.03	31,220.98	16,032.61
305	Capital Improvement Fund (REET)	142,263.20	138,821.15	273,138.91	7,945.44
306	Capital Improvement Fund (REET 2)		60,260.15	0.43	60,259.72
311	Street Improvement Fund	137.28	390,647.43	290,015.48	100,769.23
315	Facility Maintenance Reserve Fund	338,661.11	1,238.10	225,113.26	114,785.95
320	Equipment Reserve Fund		422,673.16	13.01	422,660.14
330	Economic Development Fund	693,748.97	122,212.62	696,252.05	119,709.54
340	Economic Development Reserve Fund	64.86	-	-	64.86
400	Water Fund	743,485.07	1,044,727.06	980,417.12	807,795.00
401	Wastewater Fund	807,290.15	1,863,503.90	1,982,623.33	688,170.72
405	Appointment Keeper Transport Fund	13,266.84	-	13,266.84	-
410	Water Capital Reserve Fund	109,329.21	414,514.65	131,293.00	392,550.86
411	Wastewater Capital Reserve Fund	445,727.67	759,261.55	665,085.05	539,904.17
412	Wastewater Debt Service Fund	1,046,960.13	792,319.09	1,153,536.03	685,743.19
413	Water Capital Improvement Reserve/Debt Fund	1,118,554.66	743,884.08	608,990.81	1,253,447.92
425	Water/Sewer Revenue Bond Fund	2,781.69	555,327.38	556,441.69	1,667.38
426	Water/Sewer Bond Reserve Fund	116,519.93	300,481.50	116,624.17	300,377.26
431	Water System Construction Fund		4,200,000.00	1,786,521.00	2,413,479.00
500	Equipment Rental & Replacement Fund	266,387.54	238,257.67	386,745.56	117,899.65
625	Flexible Benefits Plan Fund	6,552.10	12,451.41	11,000.00	8,003.51
		→ 9,473,107.75	19,189,451.44	17,579,052.21	→ 11,083,506.98

What does 2018 look like?

# 2018 Estimated Revenues and Expenditure Requests by Fund

Fund	Estimated Beginning Fund Balance	Estimated Revenues	Proposed Expenditures	Net Change in Fund Balance	Estimated Ending Fund Balance
1 Current Expense Fund	2,180,075	5,154,113	6,376,970	(1,222,857)	957,218
12 Technology Reserve Fund	252,305	175,500	119,750	55,750	308,055
61 Employee Benefit Reserve Fund	266,235	50,500	31,365	19,135	285,370
100 Street Fund	82,762	721,800	847,600	(125,800)	(43,038)
120 Criminal Justice Fund	32,186	12,950	11,000	1,950	34,136
121 Forfeited Proceeds Fund					10,411
130 Hotel/Motel Tax					4,000
201 ULTGO Bond Fund (CARS)	14,970	489,765	489,750	15	14,985
202 LTGO Bond Fund (Fire Truck)	51,969	52,031	52,021	10	51,979
235 Commercial Drive Bond Debt Service Fund	141,347	140,684	140,495	189	141,536
301 Street Capital Contribution Fund	16,033	85,015	85,000	15	16,048
305 Capital Improvement Fund (REET)	7,945	120,300	70,000	50,300	58,245
306 Capital Improvement Fund (REET 2)	60,260	110,150	65,000	45,150	105,410
311 Street Improvement Fund	100,769	1,465,997	1,513,725	(47,728)	53,041
315 Facility Maintenance Reserve Fund (CE)	114,786	750	115,100	(114,350)	436
320 Equipment Reserve Fund	422,660	529,500	320,000	209,500	632,160
330 Economic Development Fund	119,710	85,050	204,760	(119,710)	(0)
340 Economic Development Reserve Fund	65	-	-	-	65
400 Water Fund	807,795	1,163,544	1,340,527	(176,983)	630,812
401 Wastewater Fund	688,171	1,835,000	2,011,667	(176,667)	511,504
410 Water Capital Reserve Fund	392,551	5,023,300	5,123,570	(100,270)	292,281
411 Wastewater Capital Reserve Fund	539,904	247,400	490,050	(242,650)	297,254
412 Wastewater Debt Service Fund	685,743	711,500	636,978	74,522	760,265
413 Water Capital Improvement Reserve Fund	1,253,448	815,500	966,405	(150,905)	1,102,543
425 Water & Sewer Revenue Bond Fund	1,667	10	300	(290)	1,377
426 2017 Water Revenue Bond Reserve Fund	300,377	300,200	299,125	1,075	301,452
431 Water System Construction Fund	2,413,479	340,000	2,700,050	(2,360,050)	53,429
500 Equipment Rental & Replacement	117,900	308,299	313,406	(5,107)	112,793
625 Flexible Benefits Plan Fund	8,004	13,000	13,000	-	8,004
	11,083,507	19,958,383	24,340,119	(4,381,736)	6,701,771

Even with a \$500,000 transfer from Current Expense!

# DEPARTMENTAL REQUESTS

511	Legislative	118,917
512	Municipal Court	130,000
513	Executive	153,946
514	Finance & Clerk's Office	107,904
515	Legal	65,000
516	Personnel	136,708
517	Employee Benefit Program	75,125
518	Data Processing Services	119,700
519	Other General Gov Services	2,000
521	Law Enforcement	2,339,577
522	Fire Control	1,091,819
523	Detention & Correction	-
524	Building Inspection	377,343
525	Emergency Services	7,988
526	Emergency Medical Services	-
532	Public Works & Engineering	10,370
534	Water Utilities	1,027,327
535	Wastewater Utilities	2,180,067
539	Animal Control	-
542	Road & Street Maintenance	987,030
543	Road & Street General Admin.	-
547	Transportation/Transit Systems	-
548	Equipment Rental & Replacement	340,668
558	Planning/Community Development	432,471
560	Equipment Replacement	-
562	Employee Benefit Reserve	-
565	Welfare	-
567	Alcoholism	2,500
572	Library Services	8,400
573	Spectator & Community Events	4,349
575	Cultural & Recreational	-
576	Parks & Recreation	163,692
580	Non-Expenditures	4,600
590	Interest & Debt Service	2,284,689
594	Capital Improvements	-
596	Capital Expenditures	9,472,200
		24,340,119

**Included again this year:**

Departmental transfers to ER&R for future replacement of equipment

\$9,472,200 in capital shown separately

# Major Capital Expenditure Requests

- Of the **\$24,340,119** in expenditures, **\$9,472,200** is capital.
  - **\$4,500,000** *Well #1/CCF Looped Line*
  - **\$2,700,000** *Well #2*
  - **\$1,513,700** *4<sup>th</sup> St/Academy Way Sidewalks & Roadway*
  - **\$450,000** *Wastewater Upgrades/Replacements*

# Other Capital Project Requests

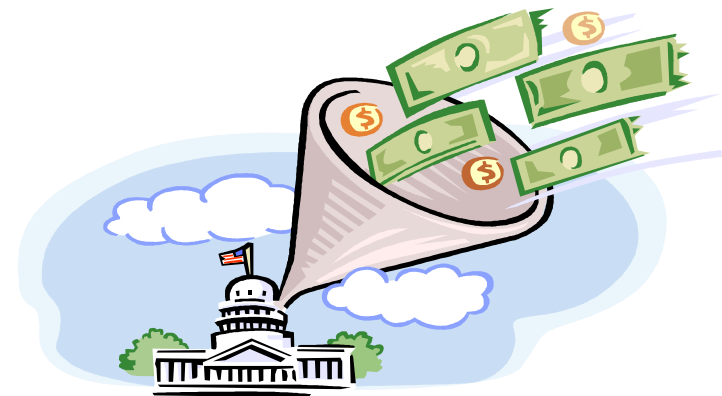
- Annual Chipseal Program
- Stormwater Facility Planning
- Remodel Planning/PW Side of City Hall
- Southside Parking Lot Reconstruction
- Remodel FD Kitchen & Upgrade FD HVAC
- Engineering for Lions' Park Pond Project

How are we going to fund it all?

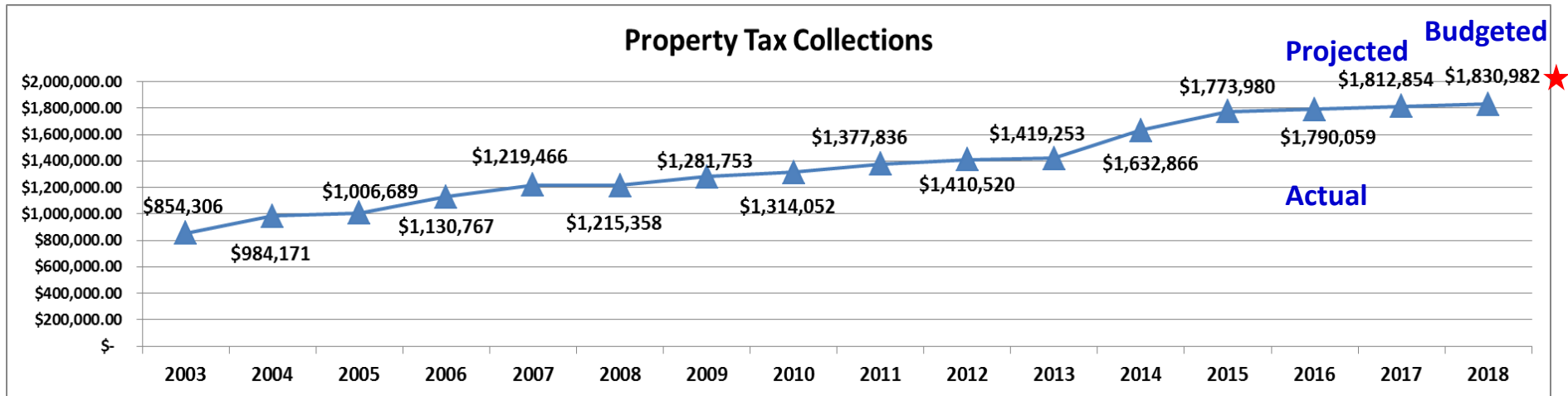


# 2018 Current Expense Revenues

- ***General city services*** including public safety are funded from Current Expense Fund.
- 90% of Current Expense is funded by:
  - Property Tax
  - Retail Sales Tax
  - Utility Tax
  - Permits

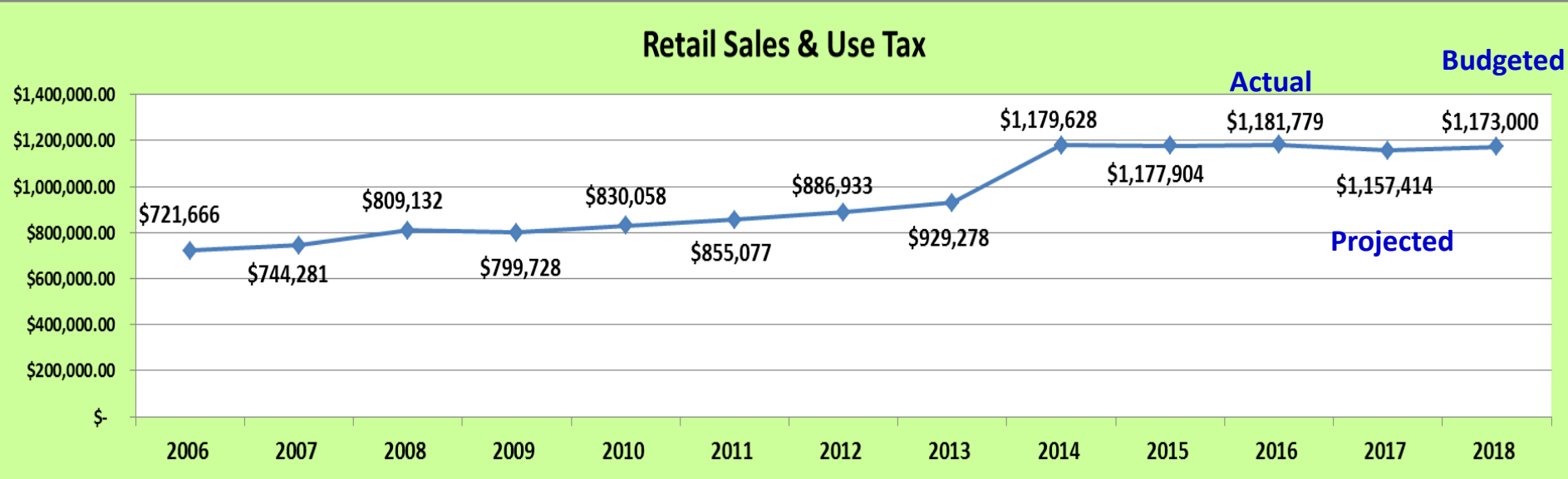


# Property Tax



★ Includes 1% increase and \$7,278,820 New Construction tax base, which equates to approximately \$20,000 in new revenue.

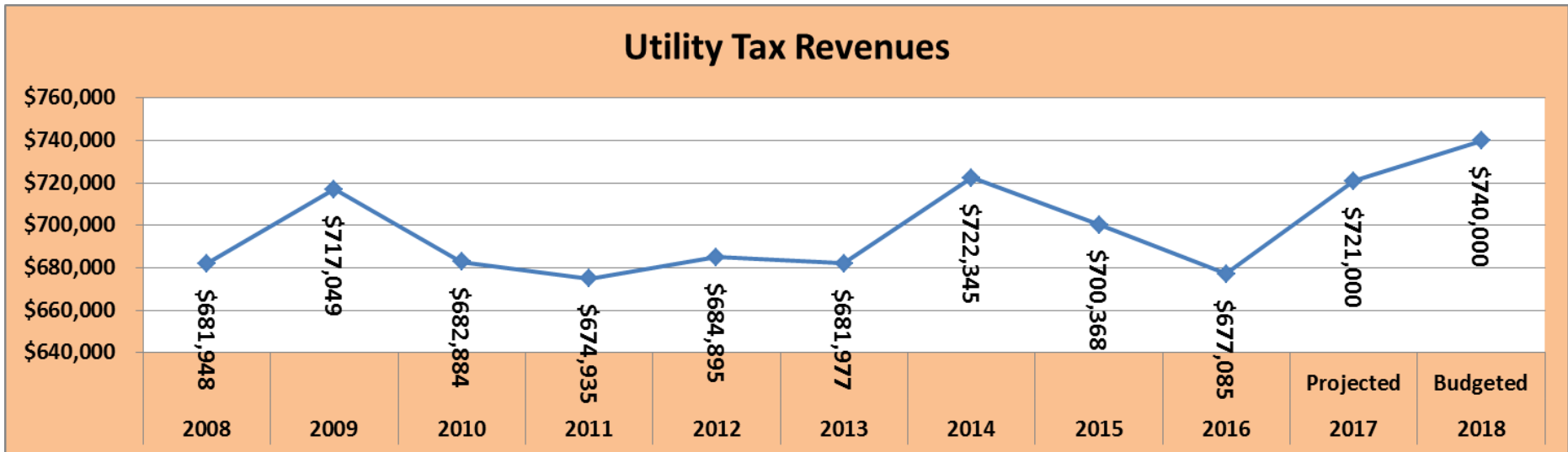
# Retail Sales Tax



**The spike between 2013 and 2014 was due to one time sales tax resulting from new construction (primarily schools).**

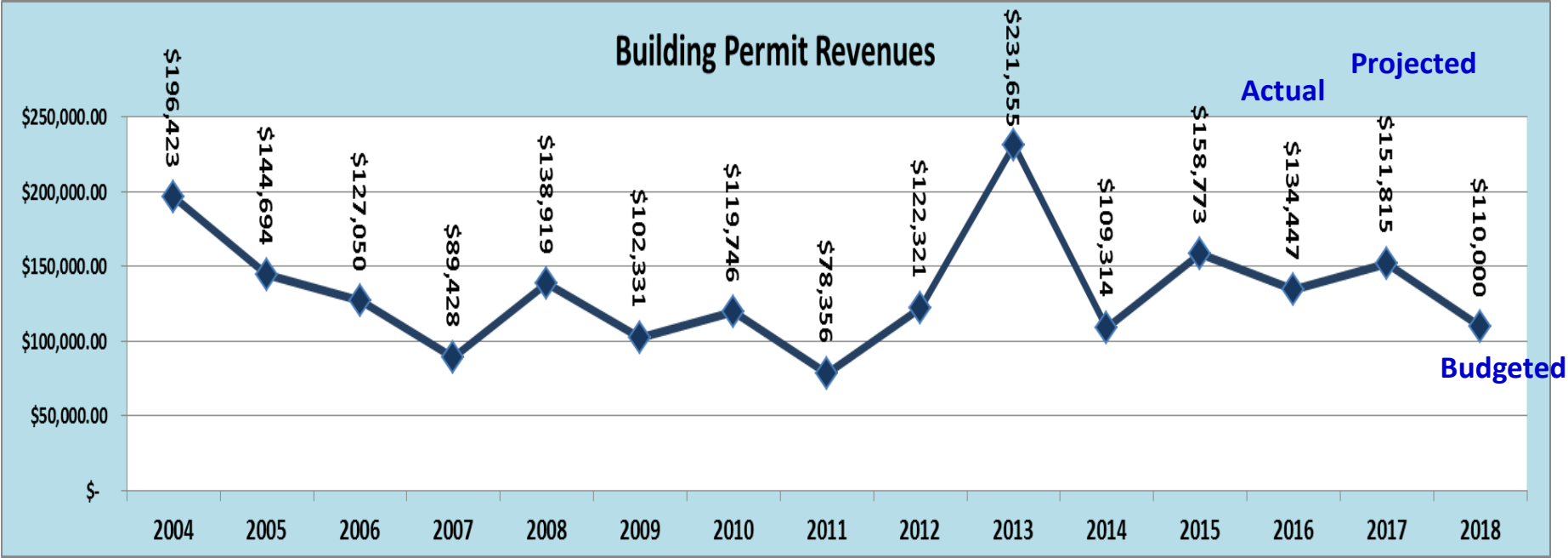
**Budgeted figure includes \$13,000 in Marketplace Fairness Act revenue.**

# Utility Tax



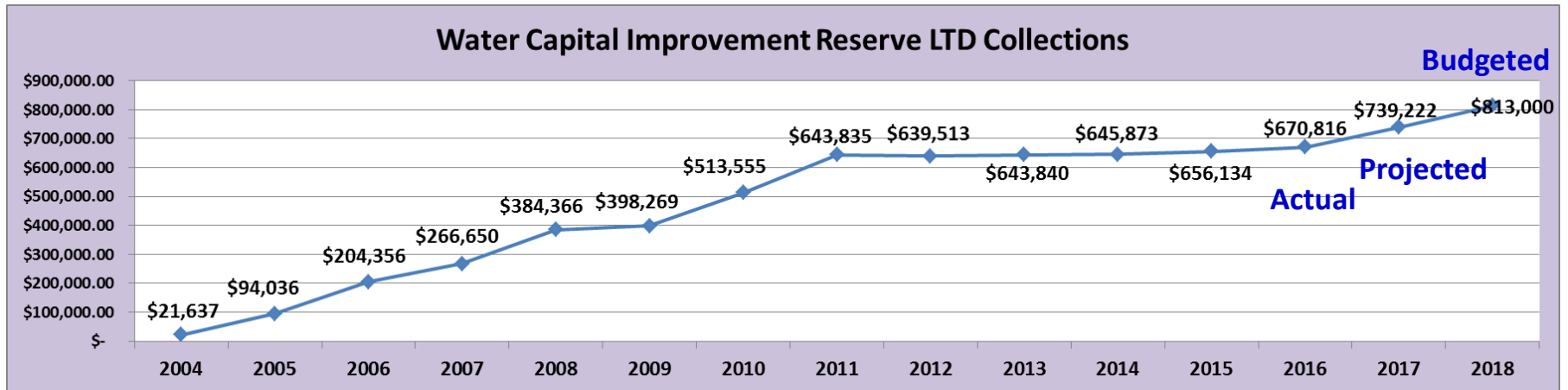
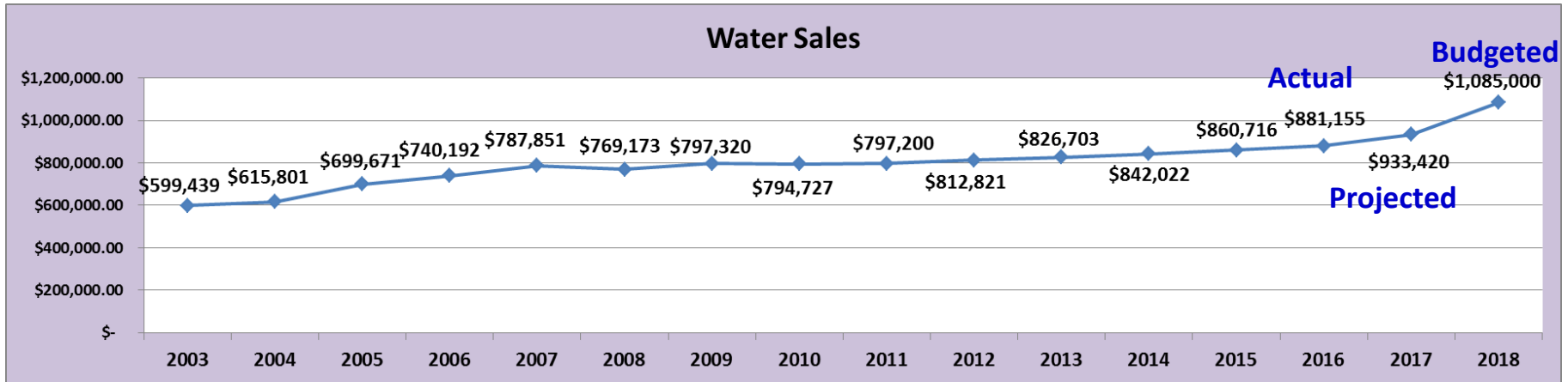
**Utility tax revenue is somewhat dependent on weather/usage.**

# Permitting Revenues



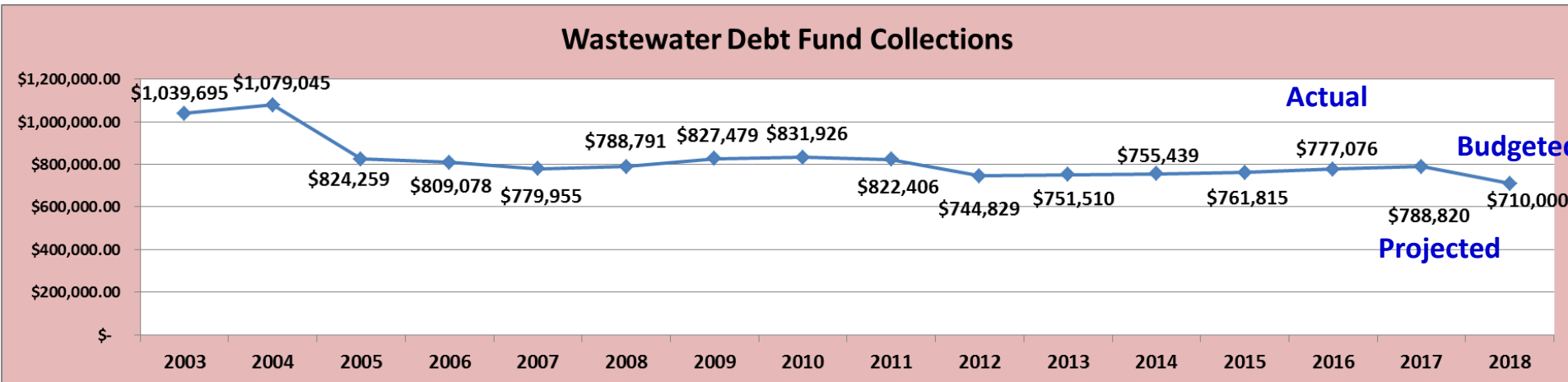
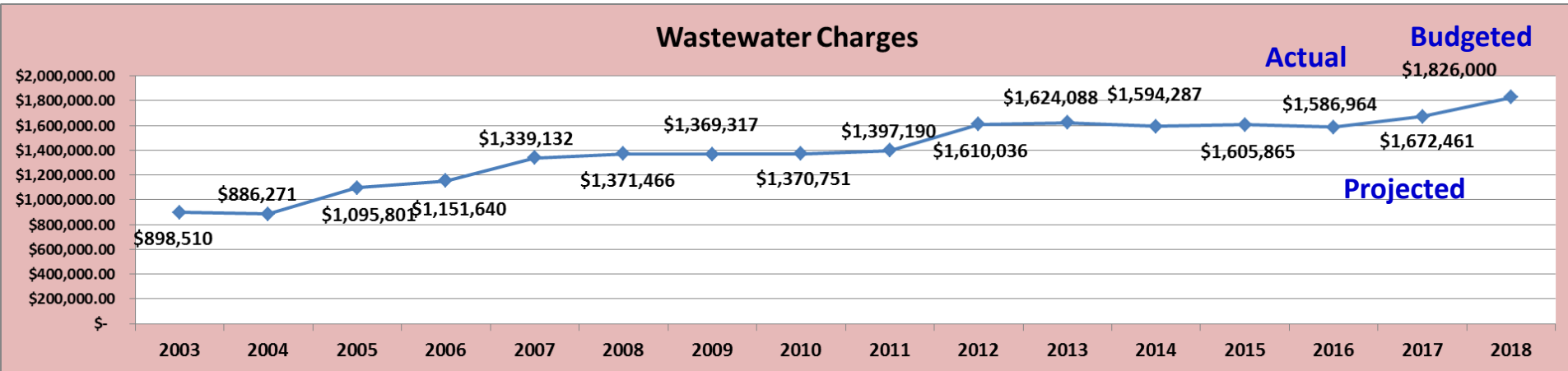
The spike in 2013 was due to the College Place Public School District projects.

# Water Utility Charges



**Water Budget includes a 15% increase in the O&M Charges and 10% increase in the Debt Charges**

# Wastewater Utility Charges



**Wastewater budget includes a 10% increase in the combined O&M and Debt/Capital charge as of January 1.**

# Funding of Capital Expenditures

- **Fund Balances**
- **Rate-funding** of some of the Water and Wastewater Capital
- **\$6,915,000** funded by new debt (all belonging to the Water Utility)
  - *DOH Loan*
  - *Revenue Bond Issuance (2017)*
- **\$1,270,000** funded by grants
  - *TIB \$1,021,000 (applied for)*
  - *TA \$250,000 (secured)*
- **\$130,000 REET 1 & 2**



# Operating Budget

(Excludes Interfund Transfers, Capital, and Outside Funding for Capital)

- Expected Revenues: **\$10,603,797**
- Requested Expenditures: **\$11,285,705**
- Net Operating Loss: **(\$681,908)**

**We have some work to do!**

# In Summary:

- Revenues Expected: **\$19,958,383**
- Expenditures Requested: **\$24,340,119**
- Net Spend Down: **(\$4,381,736)**