

2016

CITY OF WASHOUGAL ADOPTED BUDGET



1701 C Street

Washougal, Washington 98671

(360) 835-8501

<http://cityofwashougal.us>

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Budget Message

Date: October 26, 2015

From: Sean Guard, Mayor

To: The City Council & Residents of Washougal

I am pleased to present my budget recommendations for the City of Washougal 2016 Budget.

Economic activity in our community has improved during 2015, reflecting broader regional trends and confirming that we have turned the corner from the slower economic activity of the past few years. This is great news for the community. The result is that we are able to assume some modest growth in revenues from sales tax and other sources. We remain conservative in our estimates and in our expenditure control; however, in addition to maintaining current service levels, the proposed 2016 budget addresses important City Council priorities for enhanced services to the community.

Two of the top priorities for the City Council and me are to ensure adequate resources are provided for our Police Department, and maintaining our streets. I am pleased to propose a budget that adds an additional police officer to enhance public safety services in the community, and that builds on our recent increased investments in street maintenance, to further enhance our program to maintain our city streets. Other priority initiatives include needed upgrades and maintenance at Hathaway Park and the Police station, continuing funding for enhanced communications with the community and support for our downtown. To ensure we can maintain our current service levels and provide these important service enhancements, the 2016 operating budget assumes that the Council will adopt a 1% increase in our overall property tax levy.

A modest use of our unrestricted general fund reserves is proposed for a very important project. \$150,000 is provided to complete a comprehensive land use visioning project, beginning this fall, which is evaluating how much land we need for future job development and residential growth; how existing areas of the City, including our downtown, the Port and the waterfront, can contribute to meeting this need; whether any land use changes to our urban growth areas on Woodburn Hill and Mt. Norway should be made; and what zoning standards should be applied to the urban growth areas. This important project will guide our future growth plans. \$137,600 is re-directed to the Fire and EMS reserve fund which is maintained by the City of Camas for the Camas-Washougal Fire Department. We are already holding these funds in reserve for Fire and EMS, and they will continue to be held in reserve on our behalf.

The 2016 capital budget continues our efforts to complete important projects from our capital facilities plans for utilities, streets, parks and facilities. Extending the Waterfront Trail from the soon to be

constructed Washougal Waterfront Park at the Port to our downtown, via Steamboat Landing and the Pedestrian Tunnel, is the highlight this year. Funds are being provided to begin the design and permitting process to poise us to be successful in obtaining grant funds to complete this exciting project. Other capital projects leverage our recent success in receiving grant funding and state appropriations.

Both the 2016 operating and capital budgets are designed to be responsive to community and City Council priorities; as reflected in our Strategic Plan, from constituent feedback via the 2014 Community Survey and Council guidance provided during its Strategic Priorities process and several budget workshops. Highlights from the 2016 budgets and their alignment with the Priority Pillars in our Strategic Plan include:

Pillar #1 - Communication

- Enhanced communication efforts (web site, social media)

Pillar #2 - Community Engagement

- Completion of Community/Senior Center upgrades and repairs (kitchen, HVAC, roof, façade)
- Finalize Schmid Park Acquisition
- Hathaway, Hamlik and Hartwood Park enhancements
- Phase One Waterfront Trail (design and permitting)
- Cemetery improvements
- Other opportunities for parks and open space (including possible downtown space)
- Community events

Pillar #3 Core Services – Transportation and Public Infrastructure

- Evergreen/32nd Street improvements
- Railroad Crossing alternatives analysis and environmental review
- Increased funding for street maintenance
- Index/27th Street Reconstruct
- Traffic Information Sign SR14
- Completion of Waste Water Treatment Plant Improvements
- New wastewater employee
- Water, Wastewater and Storm Drainage system improvements
- Completion of Facilities Master Plan

Pillar #3 Core Services – Public Safety

- New Police Officer
- Police Station safety improvements
- Several sidewalk and Safe Routes to School projects

Pillar #4 Economic Development

- Continued partnership with CWEDA and CREDC
- Support for Downtown
- Opportunities for downtown park and open space
- Tourism promotion

The proposed 2016 budget reflects a City that is moving forward. For 2016 we are able to propose a balanced baseline operating budget, maintain all services, enhance services in response to community and Council priorities and continue advancing our capital facilities efforts, delivering important projects. I am pleased to witness our level of activity and the initiation of several exciting projects.

Finally, I would like to thank the Council for their efforts in policy guidance and identifying priorities, and the men and women of the City staff, who work hard every day to deliver outstanding customer service. I am honored to serve as your Mayor.

Respectfully,

A handwritten signature in purple ink, consisting of a stylized 'S' followed by a large loop and a horizontal stroke at the bottom.

Sean Guard
Mayor

City of Washougal

2016 Adopted Budget

Budget Adopted: November 16, 2016

Vision Statement

Washougal will be a safe and economically vibrant community that successfully balances growth and expanding opportunity with fiscally responsible services while preserving the best qualities of small-town living.

Values – Community and Organizational

Community	Organizational
Community involvement	Accountability
Quality education	Customer orientation
Safe community	Excellent services
Small-town feel	Integrity
Strong economy	Strong leadership

Mission Statement

Our mission is to provide leadership and effective, fiscally responsible services that achieves our community's vision.

Vision, Values, and Mission Statements
Adopted by the Elected Officials of

The City of Washougal
Via the Strategic Plan on
February 4, 2013
(Resolution 1063)

City of Washougal
1701 S Street
Washougal, WA 98671
(360) 835-8501

Directory of Officials

ELECTED OFFICIALS

TERM

Mayor

Sean Guard

2010-2017

Council Members

Position #1: Brent Boger

2012-2018

Position #2: Michelle Wagner

2014-2019

Position #3: Paul Greenlee

2007-2018

Position #4: Joyce Lindsay

2011-2019

Position #5: Jennifer McDaniel

2008-2019

Position #6: Dave Shoemaker

2009-2018

Position #7: Dan Coursey

2015-2019

APPOINTED OFFICIALS

Position

Name

City Administrator

David Scott

Public Works Director

Trevor Evers

City Clerk/Finance Director

Jennifer Forsberg

Chief of Police

Ron Mitchell

Community Development Director

Mitch Kneipp

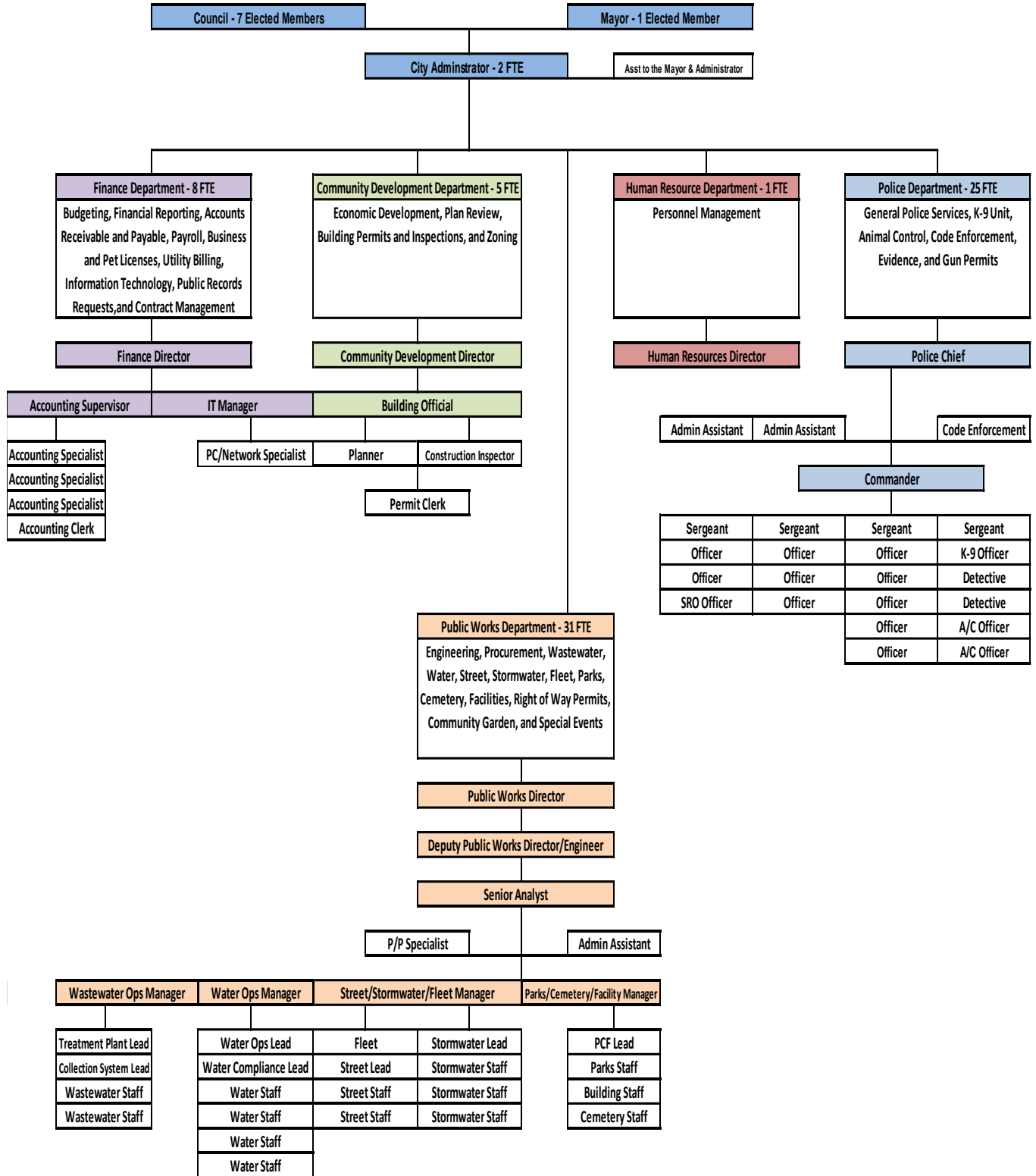
Human Resource Director

Jeanette Cefalo

City Attorney

Don English

2016 City Organizational Chart



*FTE - Full time employee

Community and Council Committees

The City of Washougal has several Boards, Commissions, and Committees. The Boards and Commissions were each created by City Ordinances to serve as advisory bodies to the City Administration, the Mayor and the City Council.

Cemetery Board

The Cemetery Board is appointed by the Mayor and consists of five members plus a nonvoting council liaison; four members shall be residents of the City and one member may be a nonresident. Appointments for this board shall be ratified by the City Council. Seats are filled for an unexpired term. This volunteer board makes recommendations to the City Council. Additional information can be found at WMC 2.44.

Parks Board

The Park Board of Commissioners is comprised of seven members appointed by the Mayor, approved by the City Council, six shall be residents of the City and one may be a nonresident within the Urban Growth Boundary. The term of office is three years. This volunteer board makes recommendations to the City Council. Additional information can be found at WMC 2.20.

Transportation Benefit District No. 1 Board

On April 13, 2014, the Washougal City Council adopted Ordinance 1776 establishing the Washougal Transportation Benefit District No. 1 and specifying the boundaries of the district to coincide with the City boundaries. The board is comprised of the Washougal City Council with the Mayor acting in an ex officio capacity. Additional information can be found at WMC 3.99.

Civil Service Commission

The Civil Service Commission makes general rules and regulations implementing the WMC and state laws. The commission is comprised of three appointees designated by the mayor for six-year terms. At the time of appointment not more than two commissioners shall be adherents of the same political party. Additional information can be found at WMC 2.16.

Planning Commission

The Planning Commission makes recommendations to the City Council on rezone applications and legislative items such as vision statements, comprehensive plan amendments, and code amendments. The Planning Commission consists of nine members; eight members are appointed by the Mayor and confirmed by the City Council; with the Mayor serving as an ex officio member. Members are residents of the City of Washougal; two of the positions may be within the Urban Growth Boundary, and serve for six-year terms. Additional information can be found at WMC 2.12.

Salary Commission

The Salary Commission reviews the salaries paid by the City to the City's elected official. The five commission members are residents and registered voters of the City, and are appointed by the Mayor

with approval of the City Council. Members serve for four-year terms. Additional information can be found at WMC 2.118.

Community Development Committee

The Community Development Committee is one of four standing Council committees each consisting of three members of the Council pursuant to WMC 2.04.050.

Finance Committee

The Finance Committee approves all City expenditures in detail prior to accounts payable going to City Council for final approval to Council pursuant to WMC 2.04.050.

Lodging Tax Advisory Committee

This Committee is for the purpose of approving local tourism activity applications utilizing the Hotel/Motel tax received by the City from our two local hotels. The Committee is represented by one member from each local hotel, a person from a tourism business, general public member, and one City Council appointed official.

Public Safety Committee

The Public Safety Committee is one of four standing council committees each consisting of three members of the council pursuant to WMC 2.04.050.

Public Works Committee

The Public Works Committee is one of four standing council committees each consisting of three members of the council pursuant to WMC 2.04.050.

Shoreline Review Committee

The Shorelines Management Review Committee consists of the Community Development Director, Community Development Committee member, and a member of the Planning Commission. The committee determines if a shoreline substantial development permit application is significant or non-significant and hence the application process. Additional information can be found at WMC 16.16.30.

Ad Hoc Committee

The Ad Hoc Budget Committee consisting of all seven members of the Council was formed in 2014. The Committee was formed to discuss budget line items in detail without dominating City Council Workshops, leaving adequate time for other important City business.

About the City of Washougal

The City of Washougal, known as the “Gateway to the Gorge,” is located 15 minutes west of Portland International Airport, which serves major airlines for domestic and international travel. Washougal is located on the banks of the Columbia River Gorge National Scenic Area which borders Washougal to the east and is a popular tourist and wind surfing area. The Washougal River, which joins the Columbia River here, is noted for its excellent fishing. The City has a population of approximately 15,170.

HISTORICAL POPULATION

<u>Year</u>	<u>City of Washougal</u>	<u>Clark County</u>
2015	15,170	442,800
2014	15,170	435,500
2013	14,584	433,418
2012	14,210	433,418
2011	13,870	432,002
2010	13,870	432,002
2009	13,870	424,200
2008	13,480	415,000
2007	12,000	403,500
2006	11,000	391,500
2005	10,000	383,300

In 1880, the town of Washougal was platted out by two steamship captains. These captains also built a new dock which had year-round deep water since the landing could not be reached by steamships during low water. A store and post office were also built in 1880. A hotel and bar were added shortly thereafter. By the end of 1881, Washougal was the main settlement, in the area, with two stores, a hotel, bar, butcher shop, two blacksmiths, a wharf and several homes.

In 1897 a flouring mill was built along the Washougal River at the river road. In August of 1898, a bridge replaced the ferry that crossed there. In March of 1899, a Portland industrialist built a creamery.

Washougal incorporated in 1908, becoming a non-charter Code City government, operating under the direction of the elected Mayor and seven Council members. The City Council holds two regular meetings every month; a Council workshop precedes the regular meetings which occur on the second and fourth Monday of each month. All Council meetings are open to the public and held at City Hall, 1701 C Street.

The town had telephone service and in 1909 a railroad was built through town. Several Washougal businessmen sold stock to bring a woolen mill to town in 1910. By 1912, the mill was failing and the owners of the successful Pendleton Woolen Mill company, bought the failing mill. By 1915, they were making quality products and became profitable. The Washougal Woolen Mill merged with Pendleton Woolen Mill in 1953. Still operating in 2016, the mill manufactures many top products.

Highway 14 to the east was completed in 1927 across the Cape Horn bluffs, opening up land to the north and east of Washougal.

Washougal was the home of some of the earliest American settlers and pioneers in the Washington Territory. Washougal is beautifully bordered by the Columbia and Washougal Rivers. The Washougal area is filled with many family friendly parks, hiking trails, businesses and neighborhoods.

Visitors can go from downtown Washougal to the Columbia River for fishing at Steamboat Landing or walks down the levee trail to Captain William Clark Park. Steigerwald Lake National Wildlife Refuge features 1,049 acres of former Columbia River floodplain with more than 200 species of birds having been recorded. The Washougal River provides year-round recreation including kayaking, fishing and swimming. Also, just north of City limits is the Washougal Motocross Park which hosts several large events known nationally.

In addition to the services listed on the City's organizational chart, located on page three of this document, the City also contracts with the City of Camas for fire protection services. The Cities combined services in May of 2014.

The following are the City of Washougal's major employers and the number of employees:

Employer	Number of Employees
Washougal School District	302
Pendleton Woolen Mills	189
BBA Nonwovens Washougal, Inc	125
Safeway	110
Exterior Wood	100

City of Washougal Economics

Though largely a residential community, the City of Washougal is home to approximately 179 businesses. These include Pendleton Woolen Mills, Fitesa, Kemira, Westlie Ford Dealership, and Exterior Wood to name a few. The City has two hotels Best Western and the Rama Inn from which the City collects hotel/motel tax revenue.

In 2011, the City of Washougal in conjunction with the City of Camas, Port of Camas-Washougal, Downtown Camas Association, Columbia River Economic Development Council, Camas-Washougal Chamber of Commerce, Southwest Washington Work Force Development Council and Innovate Washington formed Camas-Washougal Economic Development Association (CWEDA). This quasi-municipal entity was created so the leadership from forming organizations were able to work together for the economic health of the entire area. The primary mission is to support existing business and to bring new businesses and jobs into the local area.

Budget Philosophy and Financial Policies

The City of Washougal faced an on-going structural deficit starting in 2009. The City took an aggressive approach and cut spending where possible. In conjunction with increased revenues, from City growth, the on-going deficit was reduced by 2011. The City now has a conservative budget approach of maintaining the same level of service for all departments without increasing budgets each year. When infrastructure projects are needed, the City tries to receive alternative funding, such as grants, to fund the capital projects.

The City has several financial policies for administration of each of the City's major funds. Current financial policies established by City Council include the following:

General Fund – The City maintains a General Fund Operating Reserve to provide for adequate cash flow, budget contingencies, and insurance reserves. The cash flow reserve within the General Fund is an amount equal to 16% of budgeted expenditures.

Water/Sewer and Stormwater Funds –The operating reserve is designed to provide a liquidity cushion to provide for financial viability of the utilities despite short-term variability in revenues and expenses, primarily caused by season fluctuations in billings and receipts, unanticipated cash operating expenses, or lower than expected revenue collections. The Water/Sewer and Stormwater Funds shall maintain the following operating reserves, water 60-90 day of operating and maintenance (O&M) expenses, sewer shall be 45-60 days of O&M, and storm shall be 30-45 days of O&M.

In addition to the operating reserve, the City has a capital contingency. This is an amount of cash set aside in case of an emergency, should a major piece of equipment or a portion of the utility's infrastructure fail unexpectedly. Additionally, the reserve could be used for other unanticipated capital needs or capital cost overruns. The capital account holds debt proceeds, system development charge revenues, system reinvestment funding from rates and any transfers of cash reserves from the operating account. The City will hold a contingency of 1% to 2% of utility fixed assets.

Per an unwritten policy, the budget will not be approved by City Council unless it is operationally balanced. This means operating expenditures may not exceed operating revenues. Excess fund reserves, may be approved by City Council to fund one time capital projects. These are discussed and approved during the budget process.

With the increased population growth, state mandates, and increased costs of doing business, it has been a challenge to keep expenditures relatively level. The City has been aggressive in finding alternative funding methods and keeping costs low. There have also been cost of service studies conducted to ensure we are charging appropriate rates for our utilities based on customer classes (ie residential or commercial). City Council has adopted new rates for utilities based on these studies in order to fund the infrastructure projects deemed necessary based on the City's operating permit with the state. This included a \$16 million wastewater treatment plant expansion to accommodate the increased population.

Budget Process

The budget is a guide for City departments and programs. It maps out the City's plans for the year, including level of service, programs, and projects for the upcoming year. The City Mayor works with the City Administrator and Department Heads to come up with a proposed budget to present to City Council for adoption by Ordinance, in accordance with state law.

In order to be a larger part of the planning process, prior to the budget adoption, the City Council formed an Ad Hoc Budget Committee consisting of all seven members of the Council in 2014. The Committee was formed to discuss budget line items in detail without dominating City Council Workshops, leaving adequate time for other important City business.

Per Washington State Law RCW 43.09, the City reports financial activity using the Cash Basis Budgeting, Accounting and Reporting System (BARS) manual prescribed by the Washington State Auditor's Office. This basis of accounting and reporting is another comprehensive basis of accounting (OCBOA). City Council adopts the budget at the fund level by ordinance to set appropriations for the year.

The City Council receives quarterly financial updates from the City's Finance Director. These reports review budget to actual by each fund for revenues and expenditures, as well as comparing current levels to prior year amounts at same time of year. This information assures the governing body the City is in compliance with the adopted budget. Any fluctuations in the budget to actual are explained by the Finance Director. If changes are necessary in the adopted budget, a budget amendment is completed by ordinance with approval of City Council. Department directors work with the Mayor and City Administrator for any detail line item budget changes within each fund.

Prior to the budgeting process, the Finance Department projects revenues for the following year in order to know what funds are potentially available for expended in the following budget year. This is accomplished by reviewing prior year revenues against inflation factors (provided by consumer price index), expected grant revenues, and any approved rate increases. Once these projections are completed, they are added to each fund and department's detailed revenue and expenditure information which is provided to Department Directors for their review. In addition to the projected revenues, the Directors receive the prior year actual expenditures, current year to date revenues, and an expected budget for each line item based on the current year's budgeted amount. The expectation is remain status quo in all budgets with the exception of salaries, benefits, capital projects, and any expected large purchases.

Salaries and benefits increase each year according to one of the three groups' contract/policy, which are approved by City Council. The City has three groups of employees; non-represented employees (directors, mid-managers, and confidential employee), Police Officers, and remaining staff (public works maintenance workers and administrative staff). Medical expenses increase depending upon the providers and their costs. The City is notified at the end of the year what this increase will be. The City participates in a WellCity program through the City's primary medical provider, Association of Washington Cities, which provides a 2% discount on medical premiums.

The capital projects for the City are included in one of the City's Capital Facility Improvement Plans. The City has four plans including: Park, Traffic, Water, and Sewer. These plans are approved by the City

Council and are applicable for a six year period. These are a long term planning tool for future growth, sustainability, and improvement of current services.

The expected large purchases are determined by each program manager and approved by the department's Director to go forward in the proposed budget. Examples of large purchases are equipment, painting of water towers, and tree removal.

The following is a budget calendar of what steps the City undergoes to get to an approved budget:

Calendar for 2016 Budget Development

August 8, 2015	Request to department directors for estimated revenue and expenditures.
August 31, 2015	Estimates filed with City Clerk.
September 28, 2015	Budget workshop with full Council.
October 26, 2015	Proposed budget available to the public.
October 30, 2015	1 st published notice of public hearing for proposed budget.
November 6, 2015	2 nd published notice of public hearing for proposed budget.
November 9, 2015	Public hearing on proposed 2016 budget.
November 16, 2015	Adoption of 2016 Ad Valorem Property Tax.
November 16, 2016	Adoption of 2016 budget.

As the year progresses, Department Directors are responsible for ensuring their budgets do not go over the appropriated amount. If something unexpected arises which cannot be absorbed in the budget, other things not purchased or projects delayed, a budget amendment is brought forward to the City Finance Director who then takes the amendment to Council for approval.

Governmental Accounting

The City of Washougal follows Washington State Law, RCW 43.09.200, using the accounting and reporting guidelines for local governments prescribed by the Washington State Auditor's Office. The Auditor's Office publishes the Budgetary, Accounting, and Reporting System (BARS) manual and financial reporting package for cash basis Cities, like Washougal. This is a departure from traditional reporting, GAAP (Generally Accepted Accounting Practices), which is used for full accrual accounting. The City uses single-entry accounting cash basis budgeting and reporting procedures which do not conform to GAAP. The difference between full accrual and cash basis is how revenues and expenditures are recognized. In cash basis reporting, expenditures and revenues are recognized as the cash is expended and received. In full accrual, expenditures and revenues are recognized as they are incurred and earned.

Government accounting systems are organized on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Each fund is treated as a separate unit. Each fund has to meet criteria defined by State Laws as well as by the Auditor's Office. These rules dictate where the revenue comes from and what the revenue may be used for. The types of funds and purposes of each of the City are as follows:

General fund

This fund is used to account for all financial resources except those required to be accounted for in another fund. The City identifies the General Fund as 001. The majority of this fund's revenue is made up of general property tax and sales tax. These revenues are used to support several key services for the City such as: City Administration, City Council and Mayor, General Legal Services, Financial Services, City Building Maintenance, Parks, Engineering, Police Services, Court Services, Fire Services, Code Enforcement, Building and Planning Services.

Special Revenue Funds

These funds are used to account for proceeds of externally restricted revenues which are only to be used for specific purposes. The City has the following special revenue funds which will have further details in each Funds budget:

- Street Fund 101
- Cemetery 103
- REET 1st Qtr % 104
- Park Development Fund 105
- REET 2nd Qtr % 106
- Hotel/Motel Tax 108
- Transportation Development Fund 110
- PEG Fees 118
- EMS Services 125
- Fire Impact Fees 126
- Drug Seizure Fund 141

Capital Project Funds

These funds are supported by the general fund and used to account for capital projects the City undertakes for the services supported by the general fund. The City has the following capital project funds:

- Building Contingency Fund 351
- Transportation Capital Projects 353

Debt Service Funds

These funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The City has the following Debt Service Funds:

- UTGO Debt Fund 212
- Downtown Revitalization Fund 215

Enterprise Funds

These funds are used to account for proprietary type activities in which the City charges a fee to operate the service.

Water/Sewer Maintenance and Operations Fund 401
Stormwater Utility Fund 403
Water/Sewer Capital Fund 406
Water/Sewer Bond Fund 408
PW Trust Fund Loan Redemption 410
Water/Sewer Long Term Loan Fund 412
Water/Sewer/Stormwater Revenue Bond Fund 413
Water/Sewer/Stormwater Revenue Bond Reserve Fund 414

Internal Service Funds

These funds account for activities which provides goods or services to other funds, departments or agencies of the government, or to other governments, on a cost-reimbursement basis. The City has the following internal service funds:

Employment Security Fund 510
Equipment Rental and Revolving Vehicles Fund 520
Equipment Rental and Revolving Computer Fund 521

Fiduciary Funds

These funds account for assets held by the City in a trustee capacity. The City has the following fiduciary funds:

Perpetual Care Fund 604
Woodburn/JKL LID Guarantee 608
Downtown Bond Guarantee 610
Gifford Liedtke Guarantee 612
Low Income Assistance 631

Labor Relations

The City has 71 full time employees. There are two represented bargaining units within the City, Local 307W and Washougal Police Officers Association. The Local 307W represents all City staff who are not a police officer, manager or Department Director. There are 37 positions in Washougal represented by this group. The Washougal Police Officers Association represents the City's Police Officers of which there are 18 covered positions.

The City bargains with each of these groups separately and currently the groups are on different contract end dates. Bargaining items include salaries, vacation, sick leave, medical and dental, grievance procedures, and working conditions. The City endeavors to be fair to employees and consistent with applicable federal and state laws. This is to ensure equity and to promote labor policies beneficial to both employees and management.

Employees of government in Washington State are provided pensions through the Washington State Department of Retirement Systems. The City's employees who are not law enforcement officers, are given the choice between two pensions, PERS II and PERS III. Law enforcement officers are part of the LEOFF II pension. All pensions are cost sharing, multiple-employer public employee retirement systems. The following are the 2016 rates of contribution for the City and employee:

Retirement Plan	City Contribution	Employee Contribution
LEOFF II	8.41%	8.41%
PERS II	11.18%	6.12%
PERS III	11.18%	5-15%

WSCCE/Council 2 - Local 307W	Washougal Police Officers Association
PO Box 750	1320 A Street
Everett, WA 98206	Washougal, WA 98671
37 Members	18 Members

The following is a list of regular full time equivalents employee by each Department for which the City has budgeted salaries and benefits, most notable change was the addition of one police officer per council approval:

Full Time Employee Equivalent			
Department	2014 Actual	2015 Actual	2016 Adopted
Council	7.00	7.00	7.00
Administration	2.11	3	3
Human Resources	1	1	1
Finance	6	8	8
Community Development	6	5	5
Animal Control	2	2	2
Police/Public Safety	22	22	23
Parks	3.3	3.2	3.45
Engineering	0.85	0.85	0.85
Facilities	1.7	1.7	0.85
Street	4.98	4.98	4.98
Cemetery	0.55	0.65	1.45
Water	7.82	7.82	7.82
Sewer	6.85	6.85	6.85
Storm	3.95	4.95	4.75
Total	76.11	79.00	80.00

City of Washougal



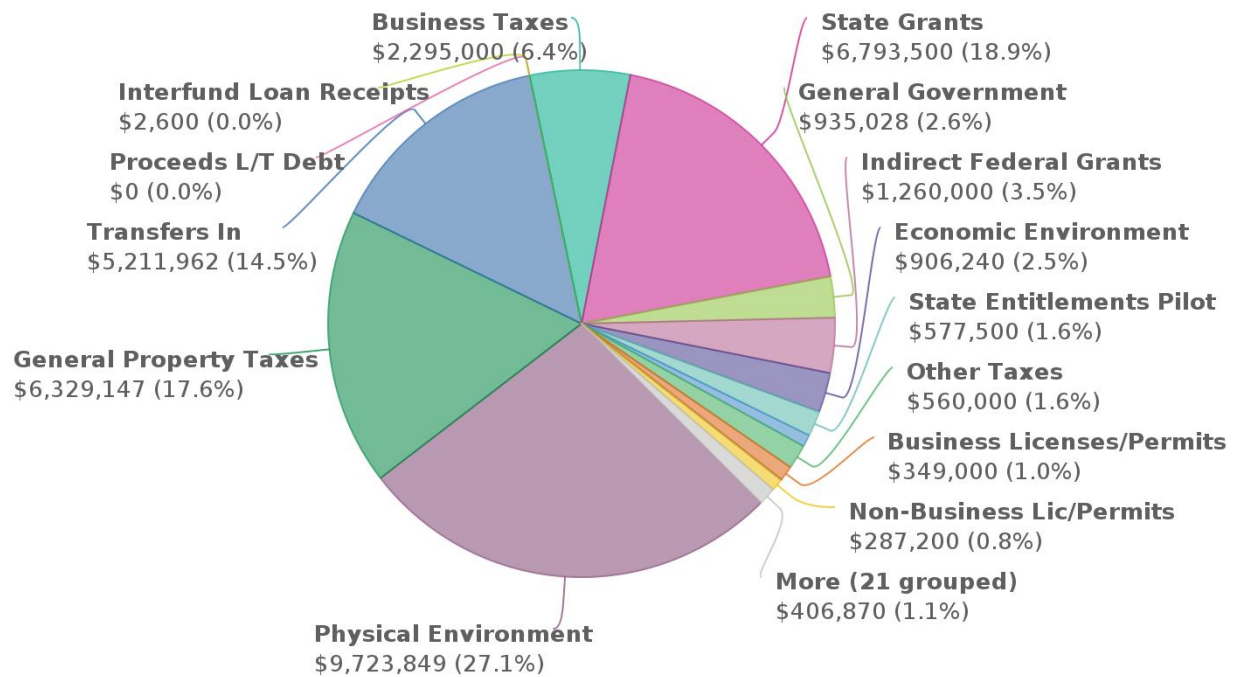
Budget in Brief

Budget Overview

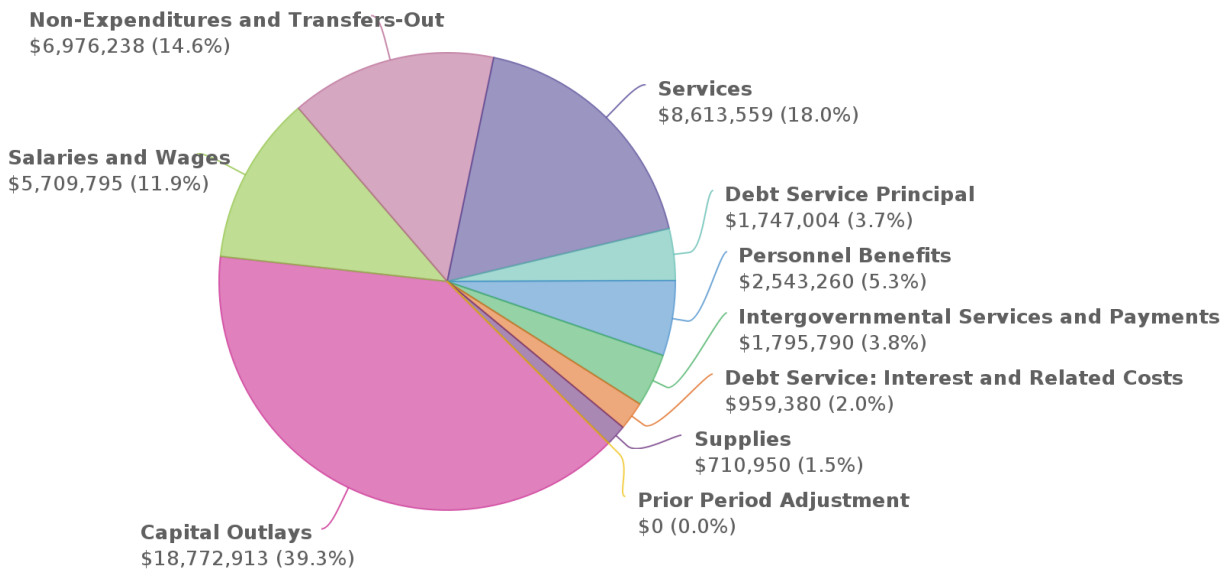
The City of Washougal strives to keep service levels the same while keeping costs low. Due to this effort, the City was able to get through the recession without having to layoff or cut services. The City has continued this philosophy while trying to anticipate future growth and needs of the City and services the City provides. During the recession, the City was unable to complete infrastructure improvements or other capital projects. In the last few years, the City has taken an aggressive approach in getting the neglected capital assets up to compliance with service standards. This has had a significant impact on utilities rates as the City had to increase rates in order to issue bonds to complete \$36 million worth of capital projects related to the Water, Sewer, and Stormwater utilities. In 2016, the City is completing the Wastewater Treatment Plant expansion. There are also budgeted several large transportation projects which the City is hoping to receive grant funds for. Here is the 2016 budget, including beginning and ending fund balances; followed by overall revenues and expenditures by type:

Fund	Description	Beginning Fund Balance	Revenues	Expenditures	Ending Fund Balance
001	General Fund	\$ 3,523,791	\$ 11,177,045	\$ 11,461,498	\$ 3,239,338
003	Abatement Fund	\$ 59,000	\$ -	\$ 19,500	\$ 39,500
101	City Street Fund	\$ -	\$ 1,087,108	\$ 1,087,108	\$ -
103	Cemetery Services Fund	\$ 21,000	\$ 145,700	\$ 145,388	\$ 21,312
104	REET Fund - 1st 1/4%	\$ 690,000	\$ 282,000	\$ 360,000	\$ 612,000
105	Park Impact Fee Fund	\$ 1,035,000	\$ 1,045,000	\$ 2,076,000	\$ 4,000
106	REET Fund - 2nd 1/4%	\$ 11,000	\$ 531,000	\$ 500,000	\$ 42,000
108	Hotel Motel Tax Fund	\$ 110,000	\$ 57,100	\$ 147,500	\$ 19,600
110	Transportation Impact Fee Fund	\$ 1,120,000	\$ 361,000	\$ 1,480,000	\$ 1,000
118	PEG Fee Fund	\$ 129,141	\$ 5,000	\$ 5,000	\$ 129,141
125	EMS Restricted Fund	\$ 644,000	\$ 320	\$ 81,259	\$ 563,061
126	Fire Impact Fee Fund	\$ 224,530	\$ 50,200	\$ 27,013	\$ 247,717
141	Drug Seizure Fund	\$ 30,000	\$ 12,100	\$ 40,300	\$ 1,800
212	UTGO Bond Redemption Fund	\$ 112,700	\$ 70,200	\$ 122,000	\$ 60,900
215	Downtown Debt Service Bond	\$ 2,678	\$ 360,000	\$ 360,000	\$ 2,678
350	Capital Projects Fund	\$ 204,546	\$ -	\$ 204,546	\$ -
351	Facilities Capital Projects	\$ 277,000	\$ 286,500	\$ 538,000	\$ 25,500
353	Transportation Capital Projects	\$ 600,000	\$ 4,869,000	\$ 5,428,000	\$ 41,000
401	Water/Sewer Fund	\$ 5,316,710	\$ 7,621,538	\$ 7,300,102	\$ 5,638,146
403	Stormwater Utility Fund	\$ 1,100,000	\$ 1,447,011	\$ 1,576,891	\$ 970,120
404	Garbage Fund	\$ -	\$ -	\$ -	\$ -
406	Water/Sewer Construction Reserve	\$ 700,000	\$ 3,055,140	\$ 2,490,000	\$ 1,265,140
408	Water/Sewer Bond Redemption	\$ -	\$ -	\$ -	\$ 480
410	PWTF Loan Redemption	\$ -	\$ 312,070	\$ 312,070	\$ -
412	Water/Sewer Bond Redemption	\$ -	\$ -	\$ -	\$ -
413	W/S Revenue Bond Fund	\$ 9,000,000	\$ 2,858,714	\$ 11,706,214	\$ 152,501
414	W/S/Bond Reserve Fund	\$ 1,980,162	\$ -	\$ -	\$ 1,980,162
510	Empl. Security Reserve Fund	\$ 183,533	\$ 350	\$ 30,000	\$ 153,883
520	ER&R - Rolling Stock Fund	\$ 330,000	\$ 175,000	\$ 286,400	\$ 218,600
521	ER&R - IT Fund	\$ 21,000	\$ 30,100	\$ 34,000	\$ 17,100
604	Cemetery Perpetual Care Fund	\$ 325,000	\$ 11,400	\$ -	\$ 336,400
610	Downtown Bond Guarantee Fund	\$ 899,258	\$ 60,000	\$ -	\$ 959,258
631	Agency Fund - Low Income Assist	\$ 5,000	\$ 5,100	\$ 10,100	\$ -
	GRAND TOTAL	\$ 28,655,049	\$ 35,915,696	\$ 47,828,889	\$ 16,742,336

City Wide Revenues by Type



City Wide Expenditures by Type



Changes in Fund Balances

As part of the budget process, the City reviews current capital needs and then determines if it will be a good use of excess reserve fund balances. For 2016, the budget includes multiple projects using fund balances. The following funds included the use of reserve fund balance: Park Impact Fee Fund, REET Fund, Transportation Impact Fee Fund, Capital Projects Fund, Facilities Capital Projects, Transportation Capital Projects, Stormwater Utility Fund, and Water/Sewer Revenue Bond Fund. This is the reason the ending fund balances for these funds are lower than their beginning balances. Funds in these fund balances were intended for use for capital projects and thereby do not have an effect on regular operations of City programs. The capital projects will enhance programs and eliminate some repairs and maintenance expenses in the future years.

The City's Special Revenue Funds, Debt Service, and Internal Service funds also have some changes to fund balances which do not detract from City programs but instead enhance them. For the Hotel Motel Tax Fund, the City has approved to use the Fund Balance for funding of local tourism events, which should then increase the revenues coming into the fund. EMS Restricted Fund is budgeted to be used to pay the City of Camas for EMS services. The Drug Seizure Fund is going to purchase a new K-9 vehicle for the program. The ER&R funds will be purchasing vehicles, IT software, and equipment for the general fund programs. The Employment Security Reserve Fund is not currently being added to, so the expenses are a direct expense of fund balance without any revenue incoming. The UTGO Bond Redemption Fund is strictly debt service which is a principal payment in addition to the annual interest payment.

Budgetary Trends

Since 2011, the City has seen an increase of property tax, sales tax, and development within the City. This is a product of an improving economy. However, things have also been costing the City more. While the City has increased the rates for utility services, the increases have been going towards funding the capital projects and debt service payments, not operations and maintenance. These functions have remained consistent over the last several years helping keep rates lower than they would have been had costs increased with inflation.

The following section, Departmental Budgets, details all of the City's program in detail. Including program descriptions, major revenue sources, operations and maintenance expenditures, debt payments, and capital projects are detailed in each Department overview. The final two sections of this budget go over the City's long term liabilities and future capital projects which have an impact on long term planning for future needs.

City of Washougal



Departmental Budgets

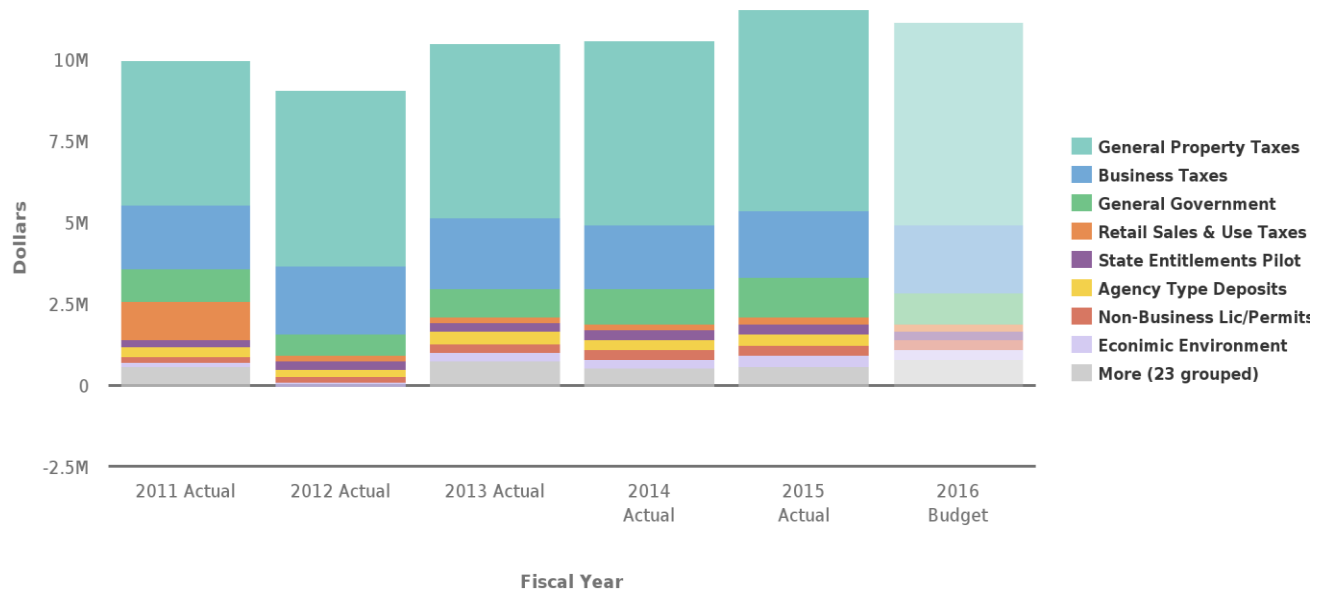
General Fund

The City's General Fund is the City's Operating Fund for a variety of City services. This includes 12 departments which are funded by property tax, sales tax, licenses and permits, intergovernmental revenue, charges for services, grants, and interest income. These departments are Council, Mayor & Administration, Human Resources, Finance, Economic Development, Legal, Police, Fire, Community Development, Public Works Non-Utilities, Animal Control, and General Government. The general fund also subsidizes the Street Fund and Cemetery Fund as the revenues for those funds are insufficient to support the service.

General Fund Revenue/Expenditure History



General Fund Revenue Sources



Revenue	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
General Property Taxes	1,982,078	5,386,819	5,334,697	5,667,356	6,151,454	6,259,147
Business Taxes	1,974,295	2,074,208	2,176,300	1,942,614	2,032,957	2,080,000
General Government	1,000,434	660,973	893,909	1,083,292	1,211,971	933,028
Retail Sales & Use Taxes	1,137,276	162,057	175,921	196,687	217,236	220,000
State Entitlements Pilot	237,953	277,984	250,576	275,869	305,932	277,500
Agency Type Deposits	303,409	217,443	361,393	318,916	349,037	-
Non-Business Lic/Permits	187,686	171,767	275,704	290,697	288,245	287,200
Economic Environment	107,903	114,152	272,699	273,961	346,532	324,240
Business Licenses/Permits	182,686	193,804	208,197	213,444	217,978	224,000
State Shared Revenues	72,151	84,824	82,796	84,480	87,725	87,000
Excise Taxes	64,281	67,840	72,555	84,294	86,463	88,000
Public Safety	49,319	50,078	136,601	40,421	61,911	85,500
Other Misc Revenues	16,806	129,805	10,419	29,380	8,430	7,700
Intergovernmental Services	88,625	91,232	-	-	-	-
Interest/Other Earnings	32,537	4,868	12,970	14,797	26,861	25,000
Rents/Lease/Concession	5,095	13,922	12,752	16,831	14,893	16,000
State Grants	7,938	7,476	10,063	11,462	8,568	6,500
Disposition Of Cap Assets	-	-	32,000	-	-	-
Contr/Donation Privat Src	1,600	-	2,515	19,138	4,152	-
Other Non Revenues	3	-	30	-	22,300	-
Physical Environment	7,859	10,259	-	-	-	-
Culture & Recreation	574	550	413	711	847	1,100
Other: Specify Below	-	-	-	-	1,050	-
Direct Federal Grants	-	-	520	-	-	-
Indirect Federal Grants	232	-	-	-	-	-
Other Incr - Net Cash/Inv	150	-	-	-	-	-
Civil Parking Penalties	-	-	-	100	-	-
Interfund Loan Receipts	-	93	-	-	-	-
Criminal Costs	-	-	-	34	-	-
Transfers In	10,617	(657,104)	173,531	31,272	-	255,130
Total	7,471,507	9,063,050	10,496,561	10,595,756	11,444,542	11,177,045

General Property Taxes: Property taxes are levied on 100% of assessed valuation as determined by the Clark County's Assessor's Office. The following tables present the City's regular, EMS and bond ad valorem tax levy rates with associated amounts for tax collection years 2011 through 2015:

Tax Collec. Year	Levy Rates (Dollars Per \$1,000 of Assessed Value)			
	Regular	EMS	Bond	Total
2016	2.67	0.44	0.05	3.15
2015	2.74	0.45	0.09	3.28
2014	2.90	0.49	0.16	3.55
2013	3.10	0.50	0.10	3.70
2012	3.10	0.50	0.11	3.71
2011	3.10	0.50	0.11	3.71

Tax Collec. Year	Levy Amounts in Dollars			
	Regular	EMS	Bond	Total
2016	4,117,450	677,065	70,000	4,864,515
2015	4,022,520	658,665	130,000	4,811,185
2014	3,758,651	638,099	205,000	4,601,750
2013	3,615,186	583,094	115,000	4,313,280
2012	3,719,373	599,899	129,000	4,448,272
2011	3,755,285	605,691	127,000	4,487,976

Sales Tax: The retail sales tax rate for the City of Washougal is 8.4% of which the City receives .7%. The remainder goes to the State (6.5%) and Clark County (1.2%). Of the County's portion, .09% comes to the City of Washougal for Criminal Justice purposes.

Business and Occupation Tax: These taxes are charged on utilities provided within City limits, such as telephone, electric, garbage, water and sewer. The tax is charged to the company operating the utility against gross sales of the utility. The tax rate is set by City ordinance.

Licenses and Permits: Licenses and permits consist of building permits, business license, franchise permits, animal licenses, and miscellaneous permits. These fees are set by City ordinance.

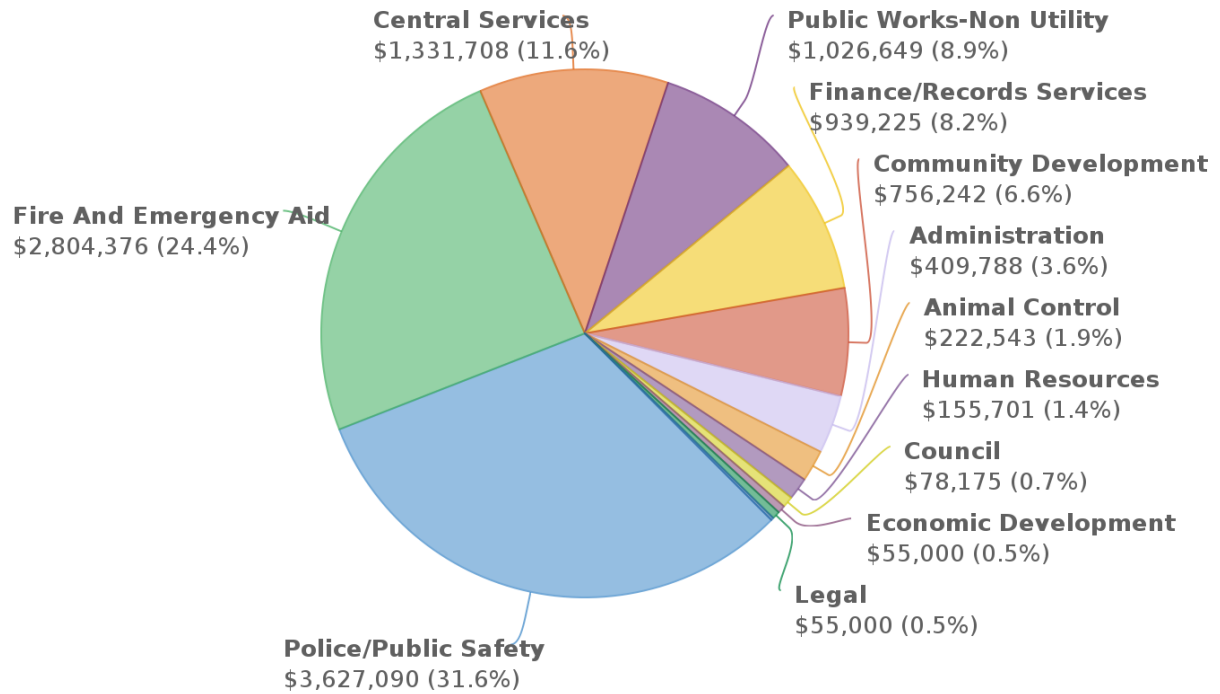
Intergovernmental Revenues: These revenues are those received from the State or County which are not grant funds. These revenues include Liquor Excise Tax and Liquor Board Profits, motor vehicle fuel tax, and City Assistance funds.

Charges for Services: The City recoups costs associated with services such as finger printing, plan reviews, and photo copies.

Interfund Transfers: Since each fund is a unit, when one fund transfers to monies to another fund, it is shown as an interfund transfer. There are strict guidelines for allowable transfers in order to be in compliance with any restrictions on the funds.

General Fund Department Expenditures

There are 12 departments within the General Fund in which expenditures are allocated. These Departments are as follows and discussed in detail on the following pages:



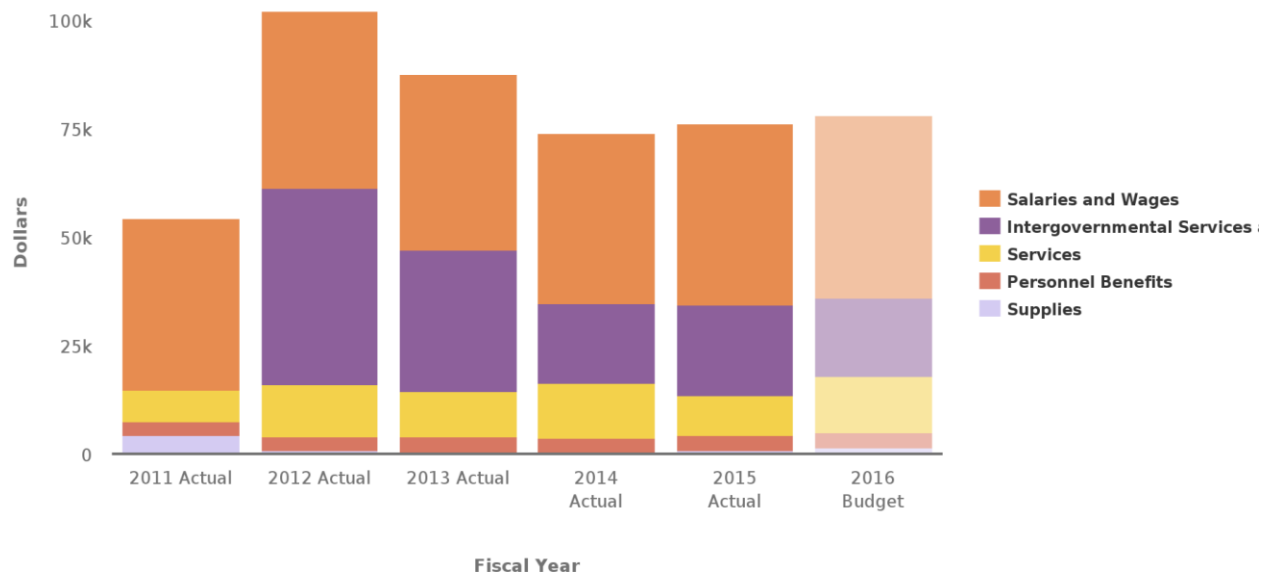
Council

Description:

This department tracks the expenditures associated with the operations of the City Council. Council is responsible for approving City Policies, Budget, Capital Facility Plans, and providing oversight to City operations as the Legislative Body of the City. They are a seven member elected council based on a non-partisan basis for four-year overlapping terms. 2016 is a non-election year for the Council. One member of this Council services as Mayor Pro Tem as appointed by vote of the Council.

Primary Expenditures:

Each Council member received a monthly stipend which is set by a salary commission which is comprised of citizens of Washougal appointed by the Mayor with approval of the City Council. This is the majority of this department's expenses. In addition to the monthly stipend, Council members attend conferences and training, representing the City at the events. This department also pays for voter registration to the Clark County Auditor as well as public meeting notices.



Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Salaries and Wages	39,600	40,650	40,500	39,188	42,000	42,000
Intergovernmental Services and Payments	0	45,161	32,757	18,448	20,904	18,000
Services	7,394	12,060	10,525	12,836	9,192	13,110
Personnel Benefits	3,157	3,233	3,234	3,130	3,342	3,350
Supplies	4,387	899	789	543	946	1,715
Total	54,538	102,003	87,805	74,145	76,384	78,175

Administration

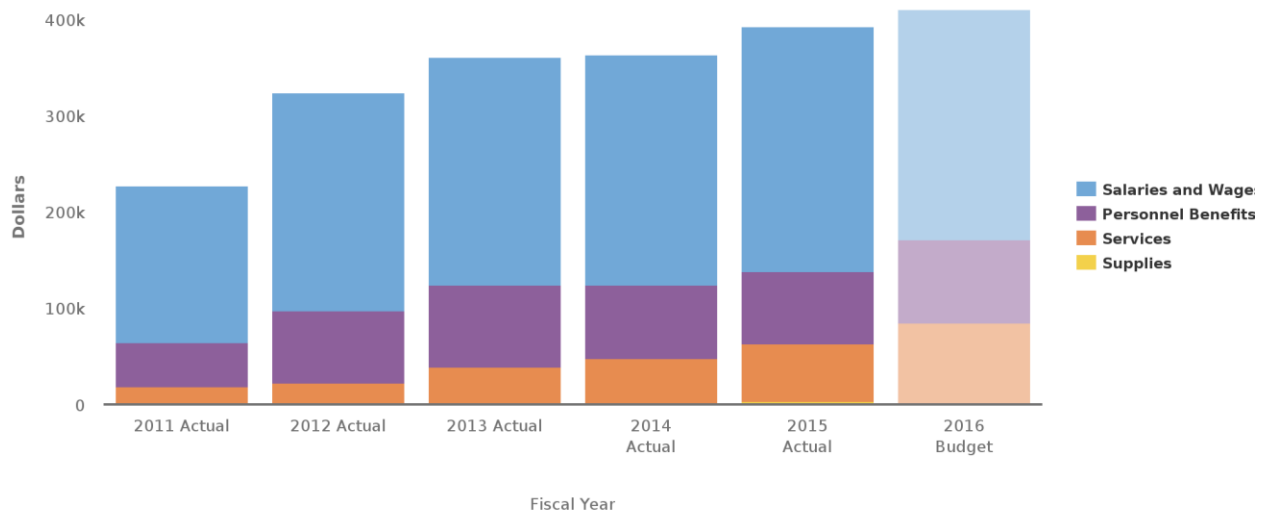
Description:

The Administration Department includes the Mayor, City Administrator, and an Executive Assistant. The Mayor is part time and is elected by the citizens of Washougal, serving as the City's Chief Executive Officer and is assisted by the City Administrator. The City is organized into five operating departments, including: Police, Public Works, Community Development, Finance and Human Resources. Fire and EMS services are provided by the Camas-Washougal Fire Department, administered by the City of Camas. The Mayor appoints directors to each of these departments.

Under the direction of the Mayor, the administrative team: Carries out policies established by the City Council, provides leadership to all City departments, assesses community needs and develop strategies, leads interdepartmental planning efforts, and works collaboratively with regional partners and state government.

Primary Expenditures:

The Mayor receives a monthly stipend set which is set by a salary commission which is comprised of citizens of Washougal appointed by the Mayor with approval of the City Council. This department also funds a City Administrator and Executive Assistant, two full time employees. In addition to salaries and benefits, this department also funds the City's strategic plan, legal services, legislative/infrastructure advocacy, enhanced communications and downtown promotion.



Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Salaries and Wages	161,892	226,494	236,455	238,356	254,570	237,688
Personnel Benefits	46,023	74,149	85,067	76,284	75,240	87,200
Services	17,171	21,372	38,199	47,748	59,511	84,100
Supplies	2,271	1,946	1,103	987	4,039	800
Total	227,357	323,961	360,824	363,375	393,360	409,788

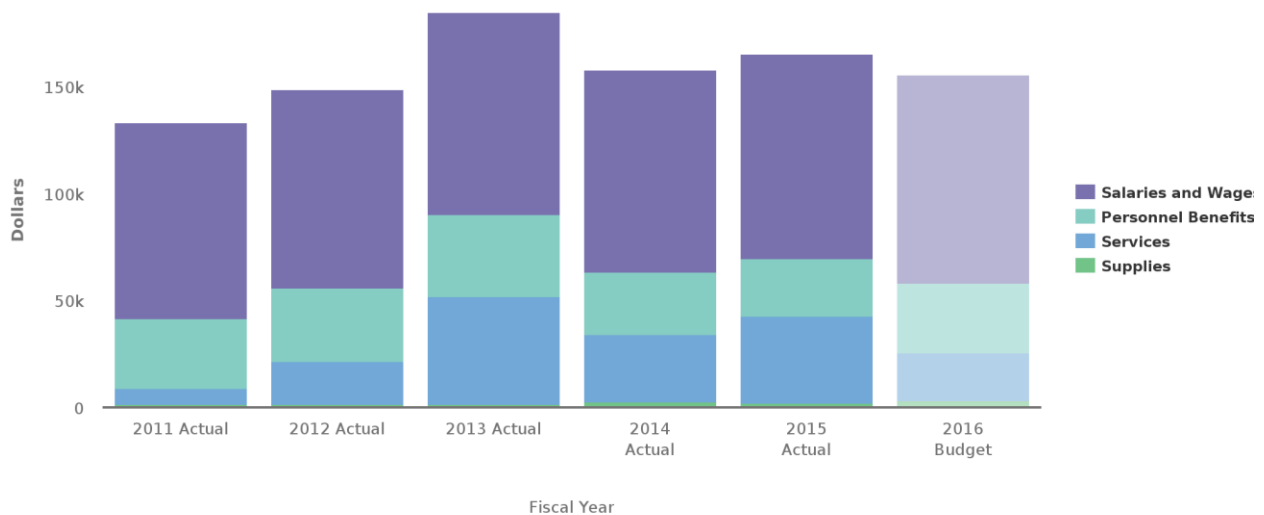
Human Resources

Description:

This Human Resource department provides full-service human resources to the City's workforce including labor relations, recruitment and selection, training and development, compensation and classification, safety, employee benefits and retirement, workers compensation and risk management. The goal of this department is to attract and retain a highly talented and qualified City workforce which reflects the high standards of the community we serve.

Primary Expenditures:

This department consists of one full time Human Resource Director, which is the majority of this department's expense. This department also funds our City's Wellness program which is a program designed to not only receive a health insurance discount, but also promote wellness throughout the City. The City went through arbitration with the Police group in 2014, which required the use of a labor attorney, thereby increasing the services line item.



Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Salaries and Wages	91,968	92,933	93,817	94,755	95,702	96,946
Personnel Benefits	32,616	34,450	38,941	29,306	27,447	32,945
Services	7,698	19,982	50,322	31,516	40,420	22,150
Supplies	1,459	1,845	1,578	2,681	2,304	3,660
Total	133,741	149,210	184,658	158,258	165,873	155,701

Finance

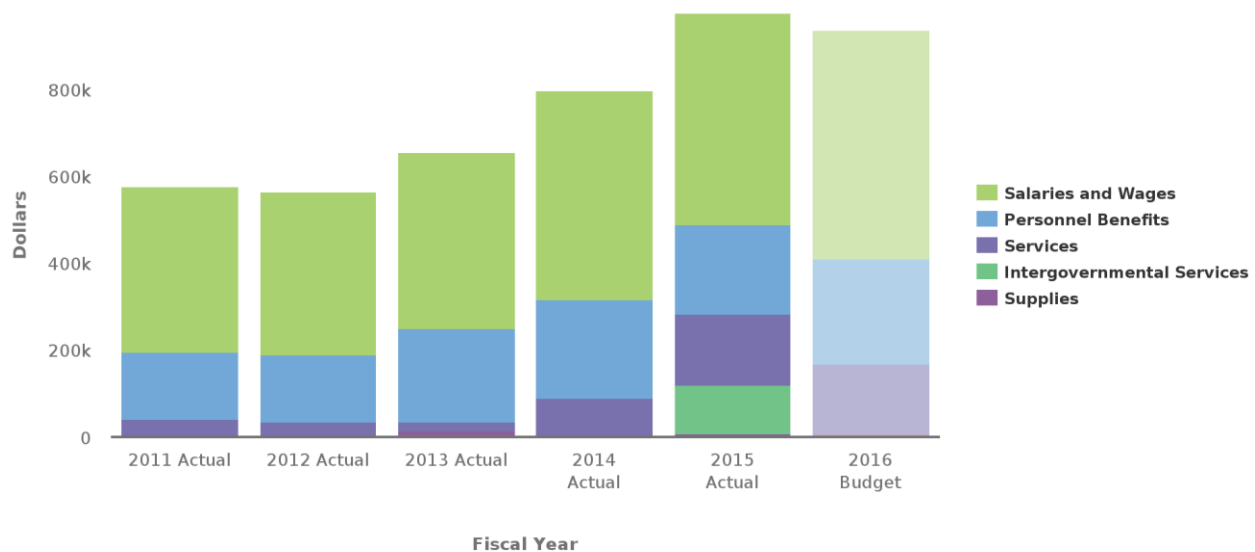
Description:

The Finance Department directs all finance functions for the City. This includes annual budgeting, financial reporting, investment activities, debt management, general accounting, purchasing, payroll, accounts receivable, grant management, utility billing, information technology, dog licensing and customer service. This department is also responsible for management of the City's official records, municipal code, public information disclosure and contract management.

This department is led by the City Finance Director with two mid managers to assist with the functions listed above; Information Technology Manager, and Accounting Supervisor. The Information Technology Manager supervises one staff member. The Accounting Supervisor supervises four staff members.

Primary Expenditures:

With eight full time employees, the majority of this department's expense are for salaries and benefits. The City's annual maintenance contract payments for the operating system along with City wide internet and phone charges are charged to this department. In addition, the City's Municipal Court and indigent defense services were moved from the Police budget, to this department, in 2015 to avoid any conflicts between the courts and Police Department.



Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Salaries and Wages	383,348	373,210	405,075	481,383	485,630	527,704
Personnel Benefits	153,128	155,941	215,548	228,169	204,416	240,821
Services	38,645	28,758	22,945	83,047	162,377	160,200
Intergovernmental Services and Payments	0	0	0	0	112,987	0
Supplies	3,654	7,340	14,210	6,866	9,571	10,500
Total	578,775	565,249	657,778	799,465	974,981	939,225

Economic Development

Description:

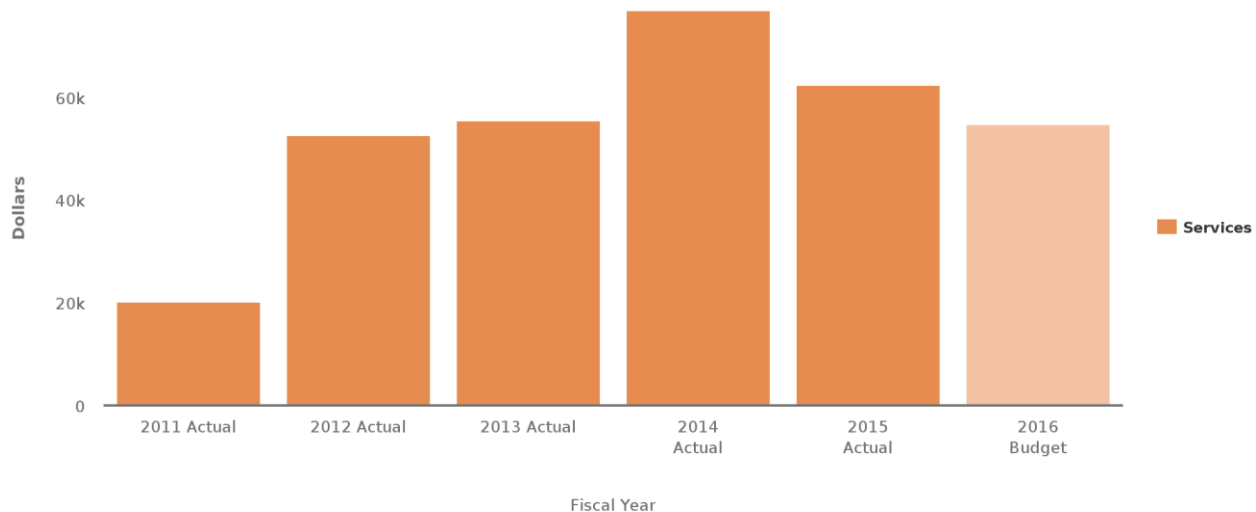
This Department tracks the expenses associated with the Camas-Washougal Economic Development Association (CWEDA) and Columbia River Economic Development Council (CREDC).

In 2011, the City of Washougal together with the City of Camas, The Port of Camas-Washougal, Downtown Camas Association, Columbia River Economic Development Council, Camas-Washougal Chamber of Commerce, Southwest Washington Work Force Development Council and Innovate Washington formed CWEDA. This quasi-municipal entity was created so the leadership from forming organizations are able to work together for the economic health of the entire area. The primary mission is to support existing business and to bring new businesses and jobs into the local area.

The CREDC is a private-public partnership of over 130 investors and strategic partners working together to advance the economic vitality of Clark County through business relocation, growth, and innovation. Serving as your first point of contact to leverage 20 years of community connections and 80+ local and state resources.

Primary Expenditures:

The only expenditures from this department are the contributions to CWEDA and CREDC.



Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Services	20,285	52,875	55,625	76,875	62,500	55,000
Total	20,285	52,875	55,625	76,875	62,500	55,000

Community Development

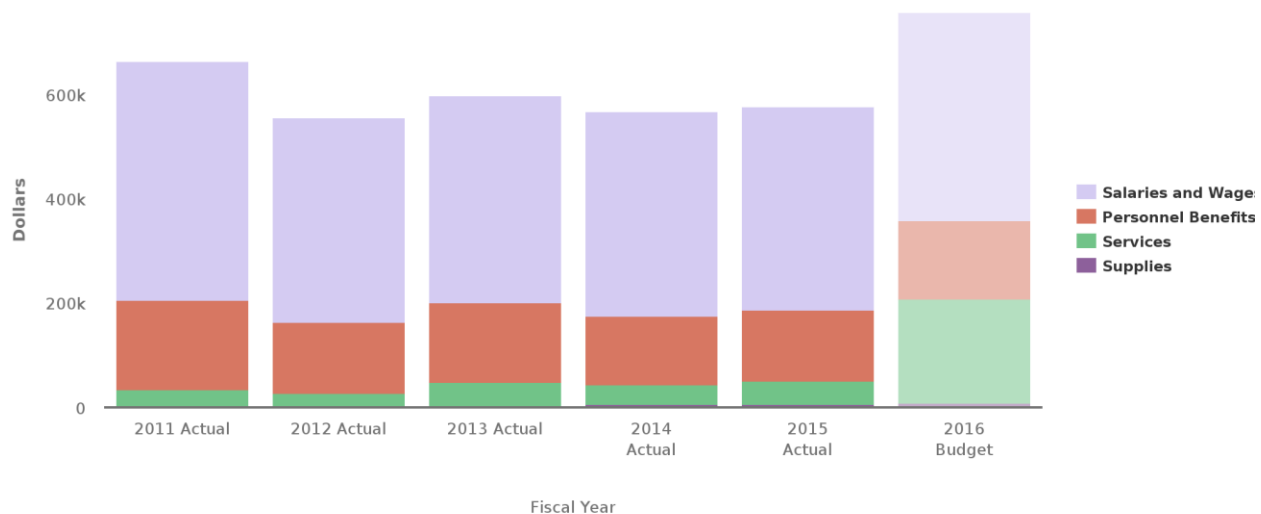
Description:

This Department has two divisions, Building and Planning. The Department is led by the Community Development Director. The Building Division team are responsible for receiving building permit applications, assuring contractors are properly licensed, reviewing plans for compliance with the Washington State Building Code, routing applications to other departments for review, issuing permits, performing inspections and maintaining construction records. This team consists of a Building Official, Building Inspector, and Permit Technician.

The Planning Division represents the public interest by promoting systematic deliberation regarding the development of Washougal. This is achieved by: encouraging economic development; designating appropriate land uses within the urban area; implementing design standards for Washougal's physical development and conforming to Washington State's Growth Management Act and the City's Comprehensive Plan. This division offers assistance on zoning, platting, environmental, land use and site plan review. The division provides both current and long range planning services to the general public. This work is primarily completed by the City Planner who works under the direction of the Community Development Director.

Primary Expenditures:

With five full time employees, this department's primary expenditures are salaries and wages. The City also contracts with an engineering firm for private land use development review.



Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Salaries and Wages	457,057	393,767	396,736	392,323	389,489	396,445
Personnel Benefits	171,150	135,323	153,277	132,537	135,551	150,347
Services	30,469	24,589	42,981	37,926	45,113	200,500
Supplies	4,985	3,429	5,632	6,294	7,161	8,950

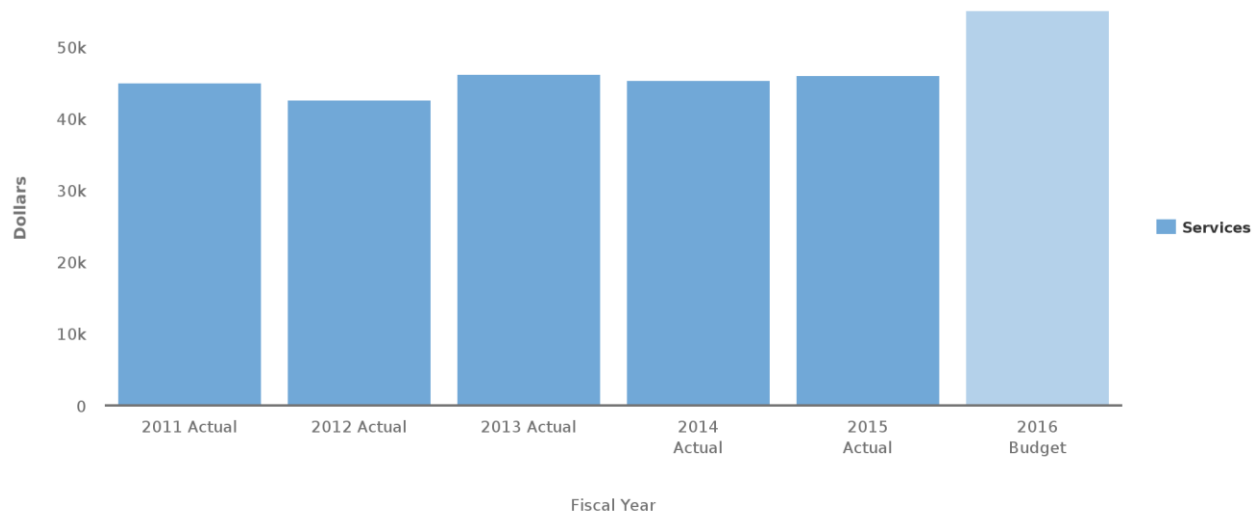
Legal

Description:

The City contracts for all legal services. This department tracks the general legal expenses for the City. Items which are specific to various departments are charged to each department's professional service line item.

Primary Expenditures:

The City has English, Lane, And Marshall on retainer to serve as the City's Attorney, and is paid a monthly retainer. Expenses beyond the monthly retainer vary depending on legal issues which arise during the year.



Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Services	45,162	42,711	46,349	45,420	46,064	55,000
Total	45,162	42,711	46,349	45,420	46,064	55,000

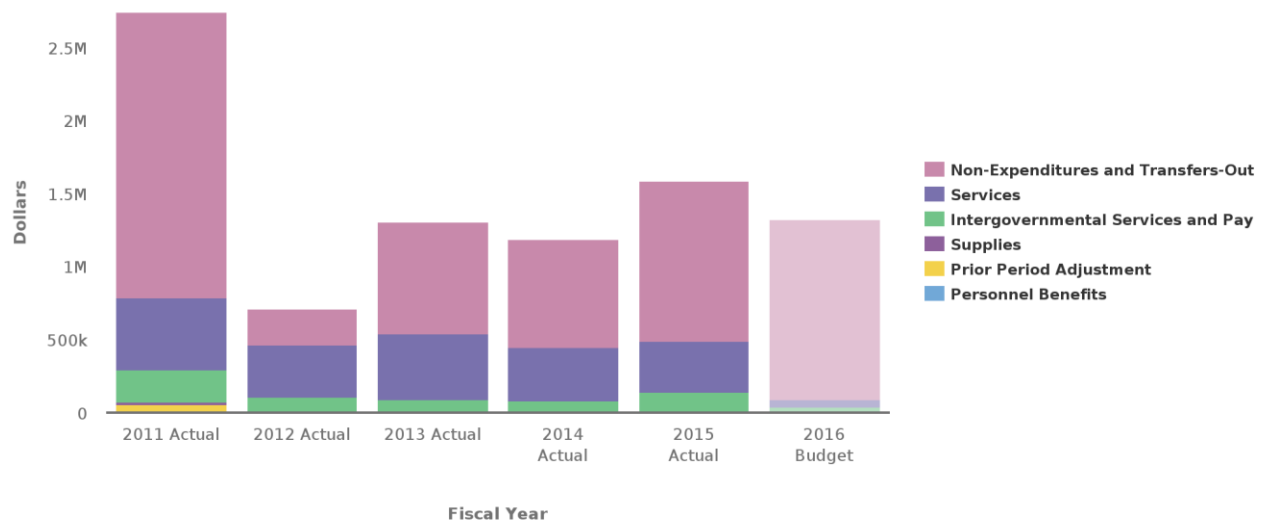
Central Services

Description:

This department includes costs not directly associated with another department.

Primary Expenditures:

Intergovernmental costs which includes the costs for the state audit as well as program support for the East County Social Services, Clark County Alcoholism, and Community Schools. All transfers from the General fund to other funds come from this department such as; Equipment Replacement, Cemetery, Street, Transportation Capital, Facilities Capital, and REET. All agency type disbursements are paid out of this department such as School Impact Fees, State Court Remittances, Building Code Fee, and Excise Tax.



Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Non-Expenditures and Transfers-Out	1,950,000	246,000	759,314	737,543	1,099,000	1,238,408
Services	495,324	356,117	454,969	371,539	351,410	49,100
Intergovernmental Services and Payments	218,170	100,355	80,598	72,056	133,531	26,000
Supplies	16,598	10,581	13,227	10,023	9,688	18,200
Prior Period Adjustment	59,973	0	0	0	0	0
Personnel Benefits	0	0	42	41	0	0
Total	2,740,065	713,053	1,308,150	1,191,202	1,593,629	1,331,708

Fire and Emergency Aid

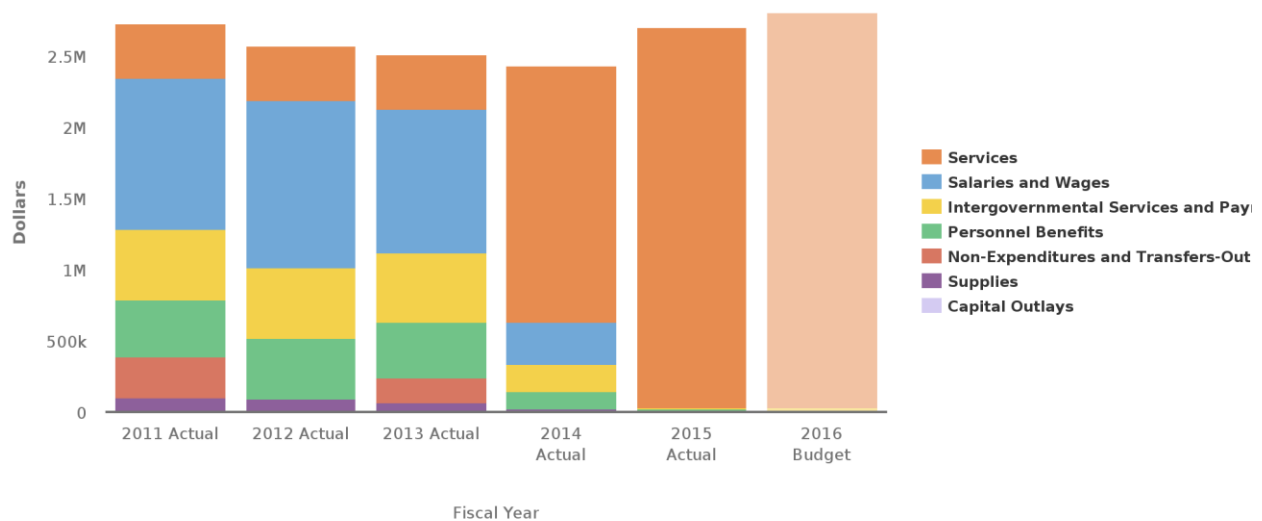
Description:

The Camas-Washougal Fire Department (CWFD) provides both fire and emergency medical services to citizens. CWFD personnel also provide emergency medical services to citizens outside the Camas and Washougal City limits along with mutual aid fire protection to neighboring departments.

In May of 2014, the City of Washougal and the City of Camas combined their services for better coverage across the area. The City of Camas manages the fire services with the City of Washougal paying a monthly fee for fire services to the City of Camas.

Primary Expenditures:

The primary expenditures for this department are payments to the City of Camas for the City of Washougal's share of the fire service costs. The LEOFF 1 charges and per capita emergency management fee remained the responsibility of the City and are included in this department.



Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Services	379,189	384,710	385,070	1,806,762	2,674,756	2,768,376
Salaries and Wages	1,067,535	1,173,433	1,008,015	291,096	0	0
Intergovernmental Services and Payments	496,593	492,559	488,234	189,400	12,758	15,000
Personnel Benefits	396,257	425,378	393,321	123,458	20,818	21,000
Non-Expenditures and Transfers-Out	291,819	0	173,531	0	0	0
Supplies	98,510	100,033	66,563	27,750	1,467	0
Capital Outlays	5,070	0	0	0	0	0
Total	2,734,973	2,576,113	2,514,734	2,438,466	2,709,799	2,804,376

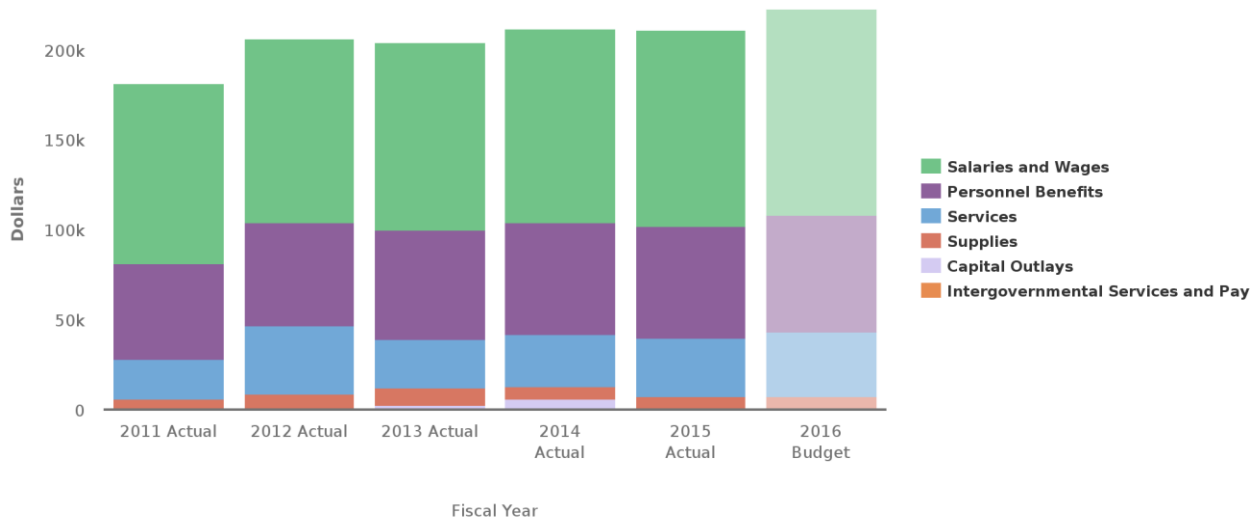
Animal Control

Description:

This department serves both the City of Washougal and the City of Camas. The City of Washougal manages this service. The Animal Control Division works within the community to address neglected, abused, loose and vicious dogs, barking dog complaints, dog bites, and lost and found dogs. The City of Camas reimburses the City of Washougal for 50% of the costs of this program.

Primary Expenditures:

This department has two full time Animal Control Officers of which their salaries and benefits make up the primary expense for this department. The City also pays for animal impounds at the Humane Societies where abandoned dogs are taken.



Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Salaries and Wages	100,002	102,172	104,772	107,611	109,154	114,060
Personnel Benefits	53,250	57,054	60,612	62,029	61,856	64,868
Services	22,125	38,376	26,904	29,418	32,630	35,750
Supplies	5,600	7,101	9,713	6,844	6,797	6,875
Capital Outlays	0	0	2,090	5,229	0	0
Intergovernmental Services and Payments	670	1,641	648	820	820	990
Total	181,647	206,344	204,739	211,951	211,257	222,543

Police/Public Safety

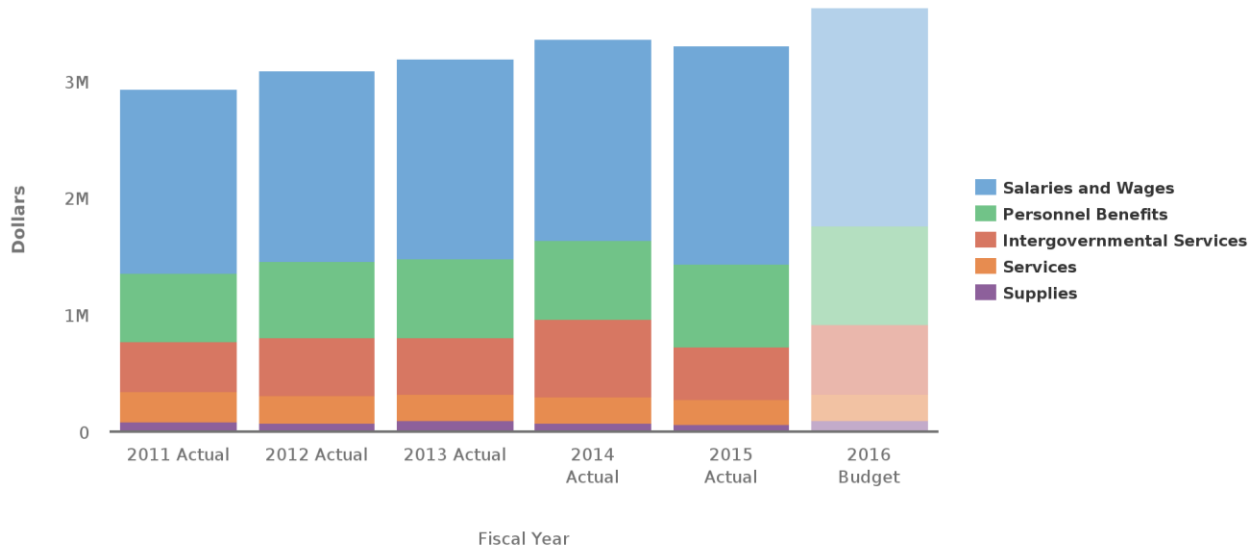
Description:

The Police department enforces the law, protects property, and limits civil disorder. This department also provides City code enforcement, concealed pistol license, and finger printing.

The Police Chief is the head of the department with the assistance of the Commander. The department has four Sergeants, two detectives, one School Resource Officer, one K-9 officer, ten officers, and one code enforcement officer. The department also is supported by two administrative assistants.

Primary Expenditures:

With 19 full time employees, the primary expense for the police department are employee salaries and benefits. The department also pays for the prosecuting attorney, and incarceration costs.



Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Salaries and Wages	1,578,599	1,635,175	1,717,023	1,728,994	1,871,984	1,855,025
Personnel Benefits	591,983	653,587	672,541	674,638	702,966	845,010
Intergovernmental Services and Payments	419,656	492,661	483,186	667,468	453,204	603,400
Services	269,443	238,361	236,021	225,236	217,061	224,905
Supplies	85,015	80,654	95,881	76,995	65,351	98,750
Total	2,944,696	3,100,438	3,204,652	3,373,331	3,310,566	3,627,090

Public Works Non-Utilities (Parks, Engineering, Facilities)

Description:

This department accounts for non-capital public works services which are not revenue based (utilities). There are three sub-departments within this department; Parks, Engineering, and Facilities.

The Parks department maintains 19 parks and several acres of undeveloped open space. Washougal strives to augment recreationally deficient parkland and acquire ideal properties for future needs, while maintaining a high level of service for the public.

The Engineering department manages the design and oversees construction on capital projects as well as quality control to ensure each project meets or exceeds city specifications. Engineering also works closely with the Planning Department on private development projects to ensure the engineers and contractors plans and building infrastructure meets City standards. Engineering also writes applications for grants and loans for helping to fund infrastructure projects.

The Facilities department maintains City offices, maintenance buildings, and park buildings throughout the City. This includes custodial, landscape, structural, mechanical, cosmetic, accessibility, and repair projects for all general fund operated buildings.

Primary Expenditures:

Parks

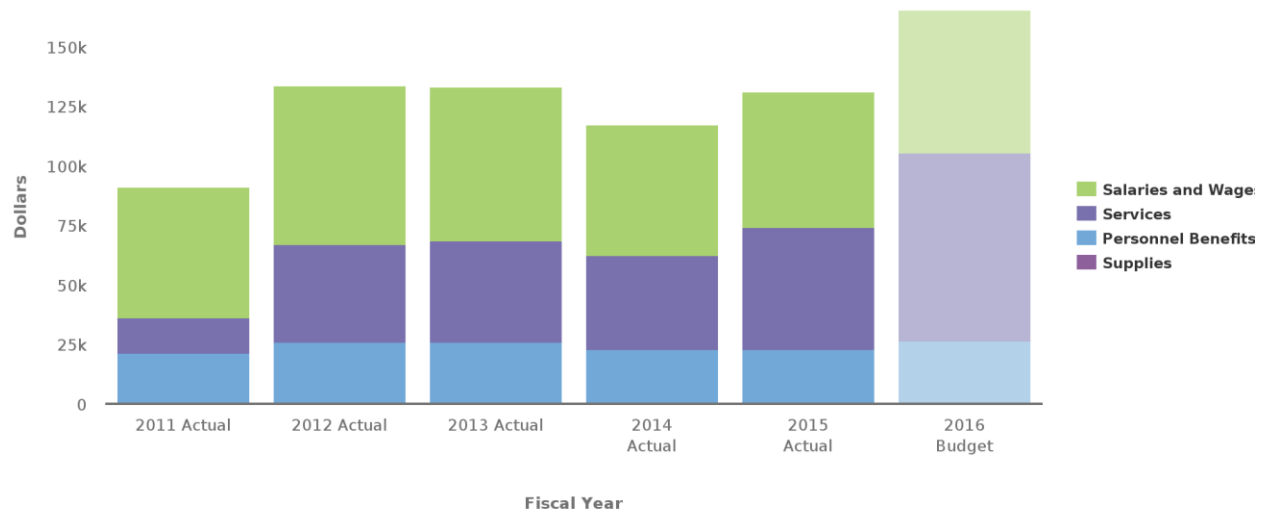
The Parks department has a Manager who splits their time with two other departments and reports to the Public Works Director. There are additional support staff who also support this department and maintenance workers whom also work in other departments. The total FTE for this department is 3.45. In the spring time, seasonal maintenance workers are hired for six months to assist with maintenance of the parks. Salaries and benefits are the primary expense for this department.



Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Salaries and Wages	250,061	252,990	279,570	286,432	277,866	293,230
Personnel Benefits	95,223	108,822	125,590	125,152	119,813	121,572
Services	48,394	54,563	55,169	76,435	60,364	65,042
Supplies	27,384	28,630	27,605	28,554	37,993	30,700
Total	421,062	445,005	487,934	516,573	496,036	510,544

Engineering

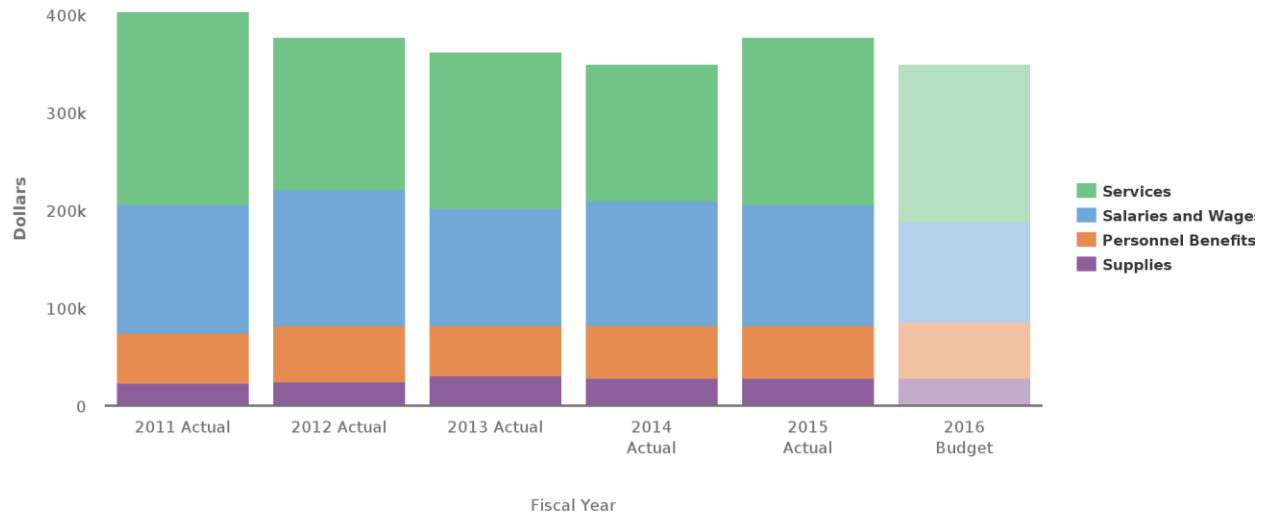
The Engineering department has one City Engineer and an Engineering Technician. However, both employees also have their time allocated to other departments as well. The total FTE for engineering services is .85 for these two staff members. The City uses an engineering firm for the services provided to Community Development for contract engineering plan review services.



Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Salaries and Wages	55,090	66,487	64,862	55,151	57,025	59,750
Services	14,837	41,188	42,790	39,431	51,632	78,700
Personnel Benefits	21,062	26,220	25,597	23,021	22,815	25,719
Supplies	386	18	327	168	125	1,100
Total	91,375	133,913	133,576	117,771	131,597	165,269

Facilities

The Facilities department has a Manager who splits their time with two other departments and reports to the Public Works Director. There are also support staff who perform the maintenance work on the facilities, however they split their time with other departments. The total FTE for this department is .85 FTE. This department also pays for the City's security system and contracted custodial service. Any major repairs needed for City facilities is contracted out of house.



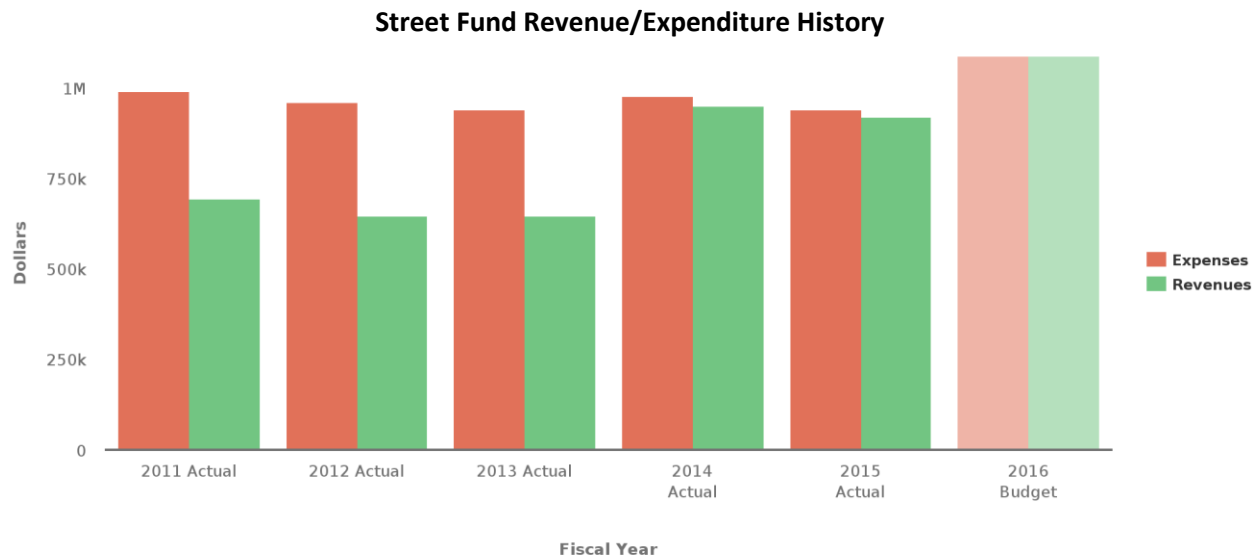
Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Services	197,084	156,243	160,817	140,907	171,132	161,400
Salaries and Wages	130,498	139,454	120,214	127,072	124,634	103,010
Personnel Benefits	51,327	57,727	51,596	53,953	52,654	57,226
Supplies	24,085	24,871	30,726	28,786	29,361	29,200
Total	402,994	378,295	363,353	350,718	377,781	350,836

Street Fund

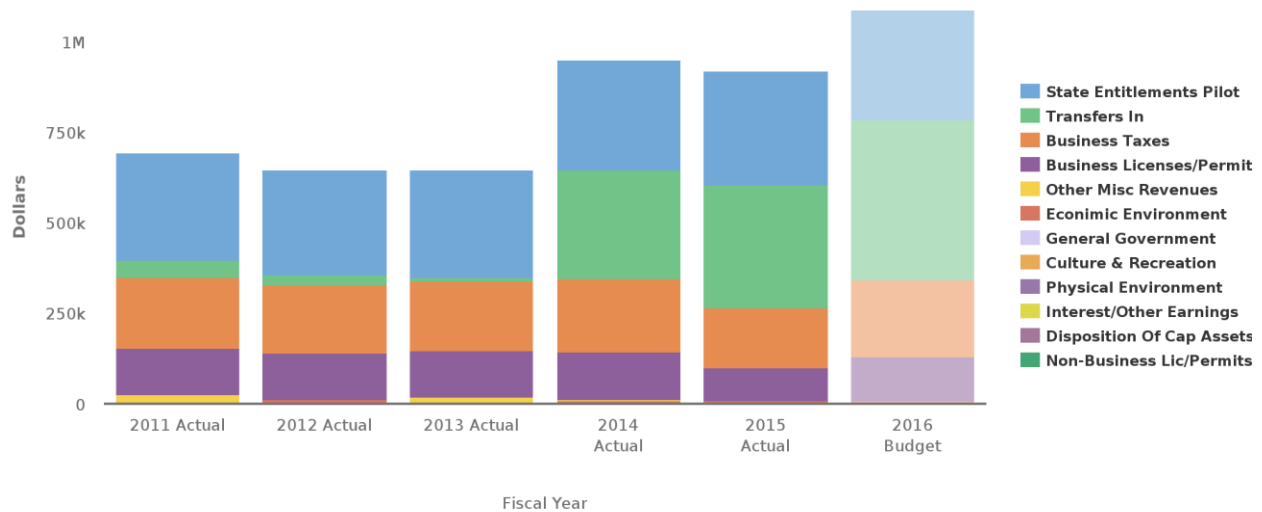
The City's Street Fund preserves and maintains the community's investment in over 150 lane miles of roads, sidewalks, drainage systems, bridges, signs, vegetation and rights-of-way. It utilizes summer-temporary employees to augment its four full-time employees; who respond to various emergency situations, including: winter storms, flooding, vehicular accidents and spills.

Our Street department schedules and performs maintenance of streets and street signs. The street crew responds to calls regarding hazardous conditions, damaged or missing street signs, and roadside vegetation.

The street Department works in conjunction with emergency response agencies during inclement weather to remove snow, ice and storm debris from the roadways. Snowplow, sanding and de-icing routes have been pre-planned in order to facilitate a quick response when necessary.



Street Fund Revenue Sources



Revenue	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
State Entitlements Pilot	295,684	290,360	296,449	300,744	314,183	300,000
Transfers In	48,956	26,515	12,687	301,150	339,000	441,908
Business Taxes	194,952	190,946	192,086	202,349	164,969	215,000
Business Licenses/Permits	127,534	127,534	127,534	131,199	91,546	120,000
Other Misc Revenues	21,628	1,229	12,554	6,562	856	300
Economic Environment	4,100	3,750	6,177	5,000	6,550	7,000
General Government	-	-	-	2,564	2,416	2,000
Culture & Recreation	-	2,318	572	1,023	1,186	900
Physical Environment	417	4,966	-	-	-	-
Interest/Other Earnings	1,491	835	293	2	5	-
Disposition Of Cap Assets	-	-	285	-	-	-
Non-Business Lic/Permits	-	-	-	-	250	-
Total	694,762	648,453	648,637	950,593	920,961	1,087,108

State Entitlements: This is the motor vehicle fuel tax received by the City from the State to be used for city roads.

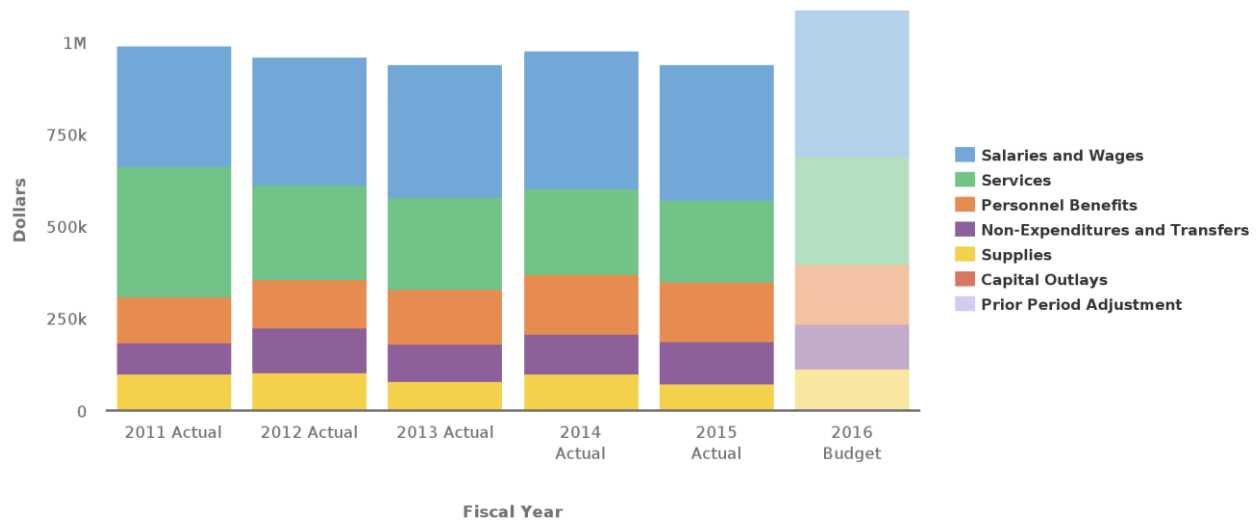
Business & Occupation Taxes: The fees charged against electric utilities are dedicated to the Street fund, per Council. The tax rate is set by City ordinance to the company operating the utility.

Transfers In: The General Fund subsidizes the operations of the Street department as other revenues are not sufficient to pay for the operation of this department.

Disposition of Capital Assets: When a City vehicle or piece of equipment is sold, the revenue goes to this fund.

Street Fund Expenditures

The Street department is managed by the Street Manager who also manages two other departments under the guidance of the Public Works Director. There are three full time maintenance employees in this department. In addition there are other support staff. Total FTE for this department is 4.98. In the spring time the City hires seasonal workers to help maintain the roadways. Salaries and benefits are the primary expense for this fund. Another primary expense for this fund are repairs to the roadways. The City also pays Clark County Public Utility District for street light repairs.



Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Salaries and Wages	326,821	349,058	362,361	373,706	367,516	396,015
Services	353,744	253,770	248,795	233,324	223,866	291,150
Personnel Benefits	123,895	133,877	149,996	160,864	163,094	164,943
Non-Expenditures and Transfers-Out	84,300	119,535	101,153	109,478	113,162	120,000
Supplies	97,952	100,109	80,727	100,428	74,301	115,000
Capital Outlays	0	5,913	0	0	0	0
Prior Period Adjustment	4,998	0	0	0	0	0
Total	991,710	962,262	943,032	977,800	941,939	1,087,108

Revenue	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Transfers In	50,000	55,000	71,756	75,000	100,000	97,500
Physical Environment	27,331	38,044	42,473	53,342	38,159	42,000
Interfund Loan Receipts	-	-	16,240	1,644	-	-
Contr/Donation Privat Src	256	341	15,100	1,038	853	-
Special Assessments	845	2,500	2,559	3,107	2,244	2,500
Agency Type Deposits	484	694	782	1,000	690	800
Other Misc Revenues	-	152	103	72	720	2,900
Interest/Other Earnings	(231)	41	1	52	41	-
Total	78,685	96,772	149,014	135,255	142,707	145,700

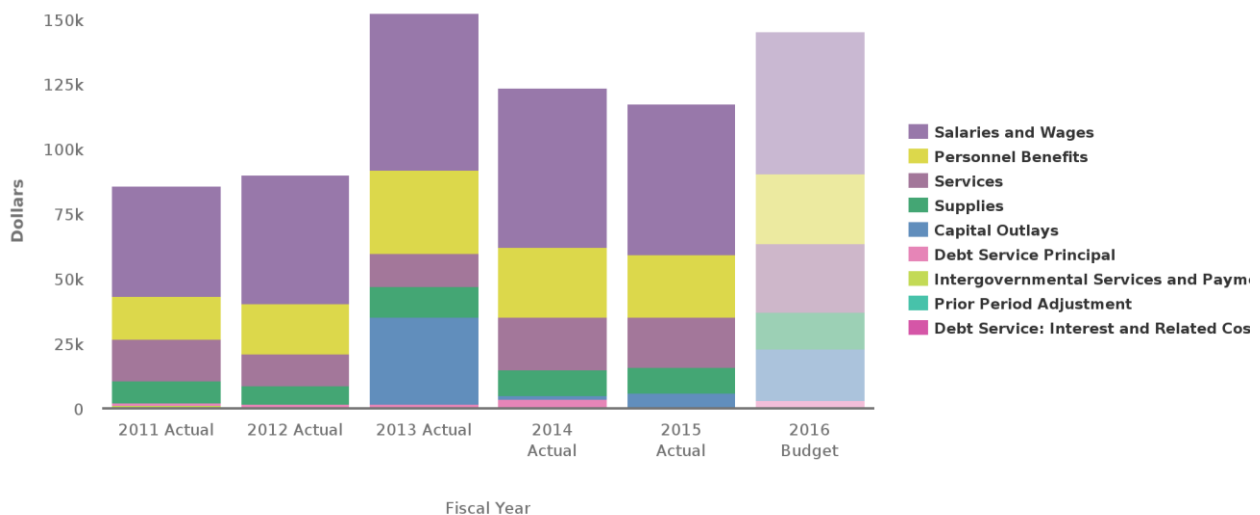
Transfers In: The cemetery fund is supported by the General Fund because Cemetery revenues do not cover all expenses. This is received via this revenue source.

Physical Environment: The Cemetery collects fees for cemetery services including plot sales (65% of the proceeds go to operation of this fund), burials, and niche wall placement.

Special Assessments: The Cemetery sells plots to citizens and a portion of these sales goes towards capital needs of the cemetery at a rate of 10% of the plot sale.

Cemetery Expenditures

In addition to being overseen by the Public Works Director, the Cemetery Fund is managed by the Parks, Facilities, and Cemetery Manager. For 2016, the Cemetery has one full time staff with additional part time help from other maintenance workers. Total FTE for this fund is 1.45 making salaries and benefits the largest expense to this fund. For 2016 a \$5,500 planter bench project and \$10,000 for new Cemetery plot tracking software are included in the services budget.



Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Salaries and Wages	42,192	49,886	59,816	61,309	58,173	54,791
Personnel Benefits	16,536	19,281	32,229	27,222	24,063	26,787
Services	16,091	12,112	12,858	19,861	19,235	26,310
Supplies	8,592	7,282	11,707	10,025	10,161	14,500
Capital Outlays	0	0	33,652	1,644	5,246	19,500
Debt Service Principal	1,000	1,000	1,000	2,788	0	2,600
Intergovernmental Services and Payments	559	789	878	865	702	900
Prior Period Adjustment	833	0	0	0	0	0
Debt Service: Interest and Related Costs	0	0	0	19	0	0
Total	85,803	90,350	152,140	123,733	117,580	145,388

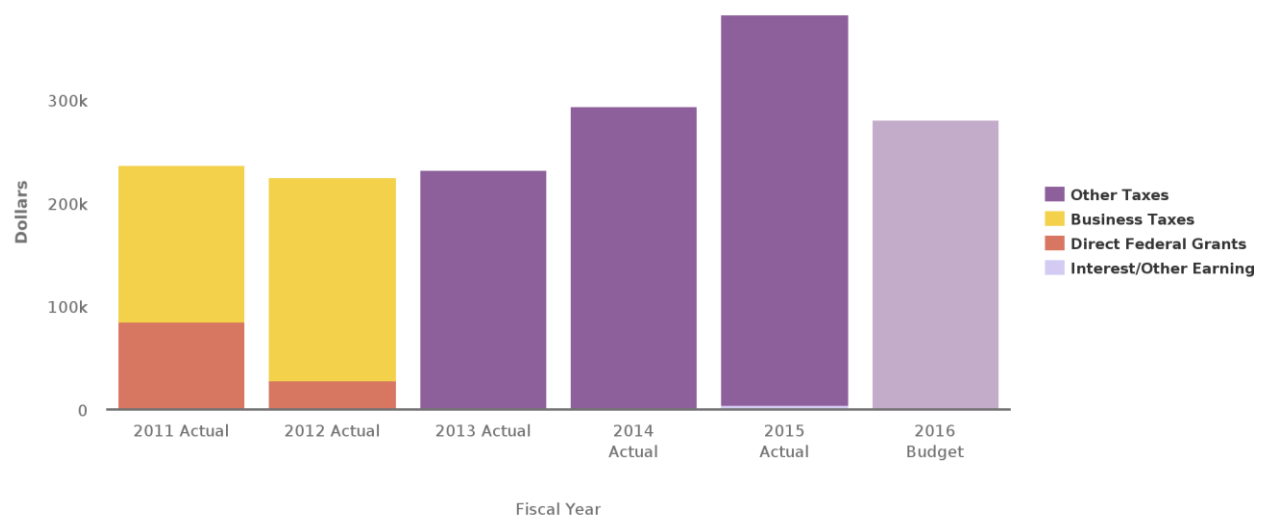
First Quarter Percent REET Fund

The Real Estate Excise Tax (REET) is levied on all sales of real estate. The revenue received is limited by state statute to expenditures for the planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, sidewalks, parks, trails, and bridges. These funds are earmarked for future debt payment for the downtown bonds. The .25 percent of the tax is tracked in this fund as it has different requirements than the second .25 percent.

First Quarter Percent REET Fund Revenues and Expenditures



First Quarter Percent REET Fund Revenue Sources

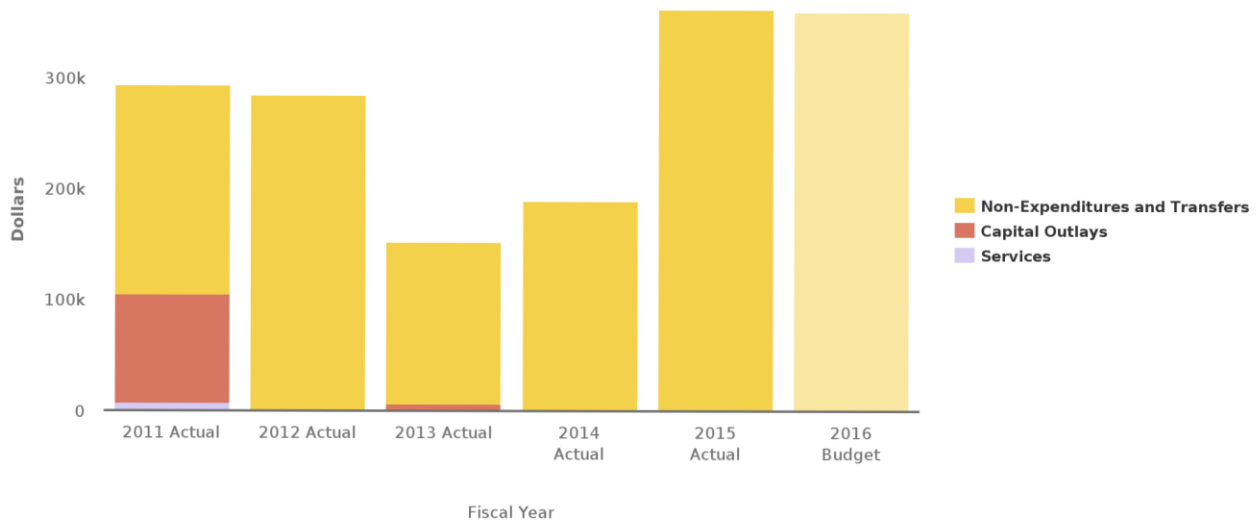


Revenue	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Other Taxes	-	-	230,906	292,854	377,226	280,000
Business Taxes	151,524	197,878	-	-	-	-
Direct Federal Grants	84,341	26,382	-	-	-	-
Interest/Other Earnings	1,166	1,559	2,003	1,731	5,162	2,000
Total	237,031	225,819	232,909	294,585	382,388	282,000

Other Taxes: These are the First .25% Real Estate Excise Tax which is an excise tax on sale of real property. Proceeds are to be used solely for financing capital projects specified in a capital facilities plan.

First Quarter Percent REET Fund Expenditures

The proceeds of this fund are used for the payment of the Downtown Improvement Bonds, General Obligation Debt.

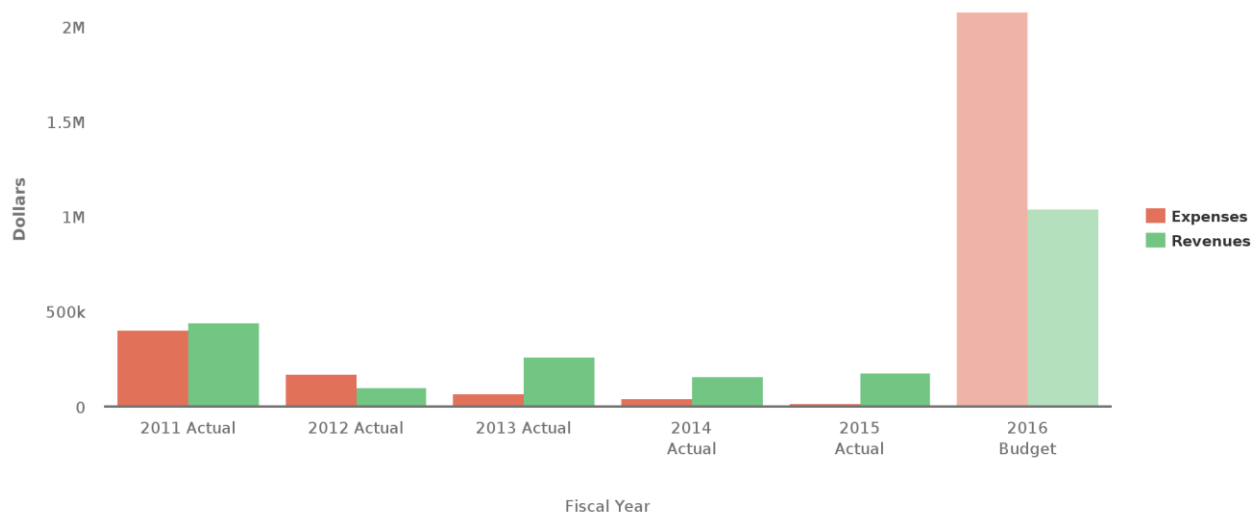


Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Non-Expenditures and Transfers-Out	188,801	284,903	146,669	189,540	361,611	360,000
Capital Outlays	98,160	0	6,254	0	0	0
Services	7,747	0	0	0	0	0
Total	294,708	284,903	152,923	189,540	361,611	360,000

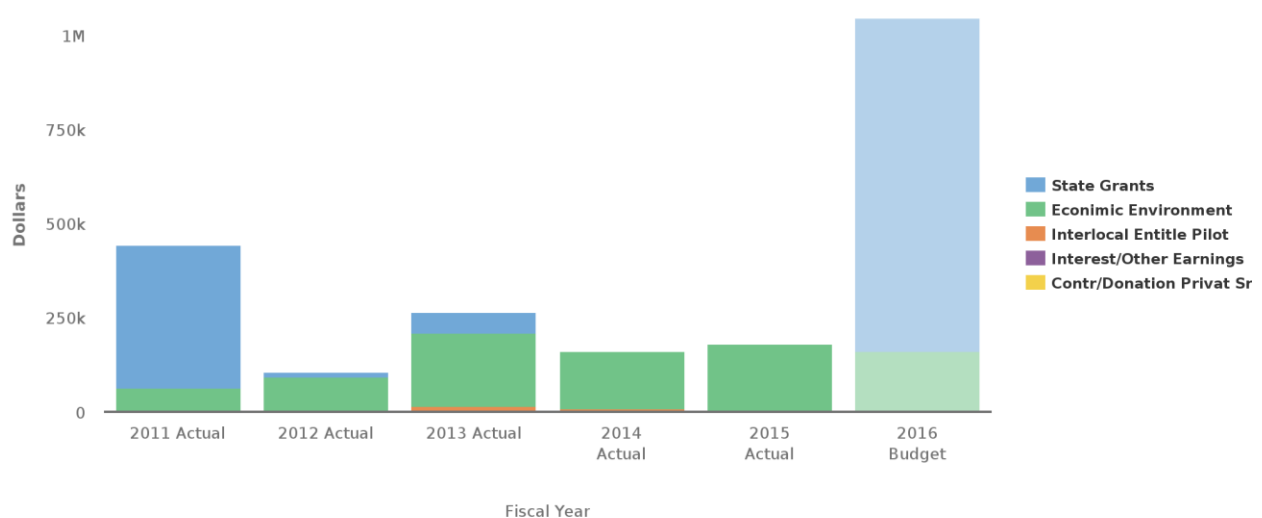
Park Development Fund

Park Impact Fees are collected at the time of building permit issuance and can be used for the acquisition and development parks, open space and recreation facilities. This fund tracks those revenues and capital improvements to the City parks. In addition, the City occasionally receives grants from the state for proposed capital projects. Operations and maintenance expenses are not allowed. Park Impact Fee revenue also must be spent within a ten year time from the date they are received. Funds are appropriated for the projects contained in the Parks Capital Facility Plan. All acquisitions require Council approval.

Park Development Fund Revenues and Expenditures



Park Development Fund Revenue Sources



Revenue	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
State Grants	380,095	11,595	53,200	-	-	884,000
Economic Environment	63,920	90,240	195,520	153,830	181,080	160,000
Interlocal Entitle Pilot	-	-	15,379	8,100	-	-
Interest/Other Earnings	630	1,171	937	721	1,563	1,000
Contr/Donation Privat Src	-	2,920	500	-	-	-
Total	444,645	105,926	265,536	162,651	182,643	1,045,000

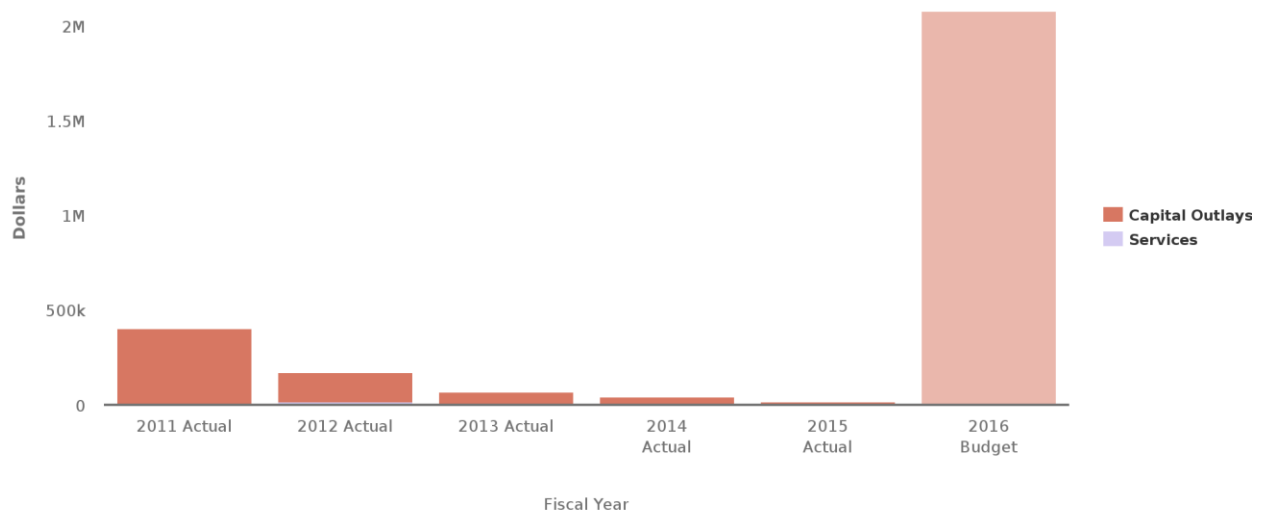
Economic Environment: These are the Park Impact Fees collected on development activity to be used as a part of financing for public parks.

State Grants: Grants are awarded by the state after an application process is completed on a project basis. The grant funds budgeted for 2016 were for a Waterfront Train Construction project.

Park Development Expenditures

All expenditures out of this fund are for projects contained in the Parks Capital Facility Plan. For 2016 the City has approved the following projects for funding to purchase future park locations, improve existing parks for community use:

Hartwood Playground Project	179,000
Water Front Trail Construction Phase	1,000,000
Schmid Property Purchase	600,000
Hamlik Park Pump Track	32,000
Water Front Trail 30% Design	60,000
Park Acquisition and Development	205,000

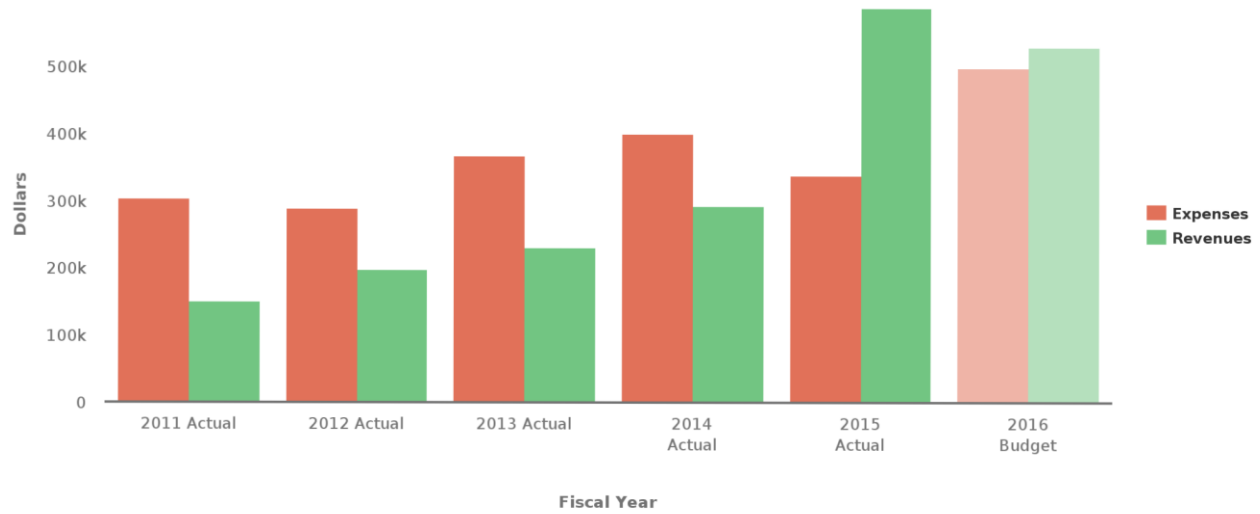


Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Capital Outlays	405,882	155,418	64,750	39,497	4,693	2,076,000
Services	2,898	17,033	3,960	4,912	12,861	0
Total	408,780	172,451	68,710	44,409	17,554	2,076,000

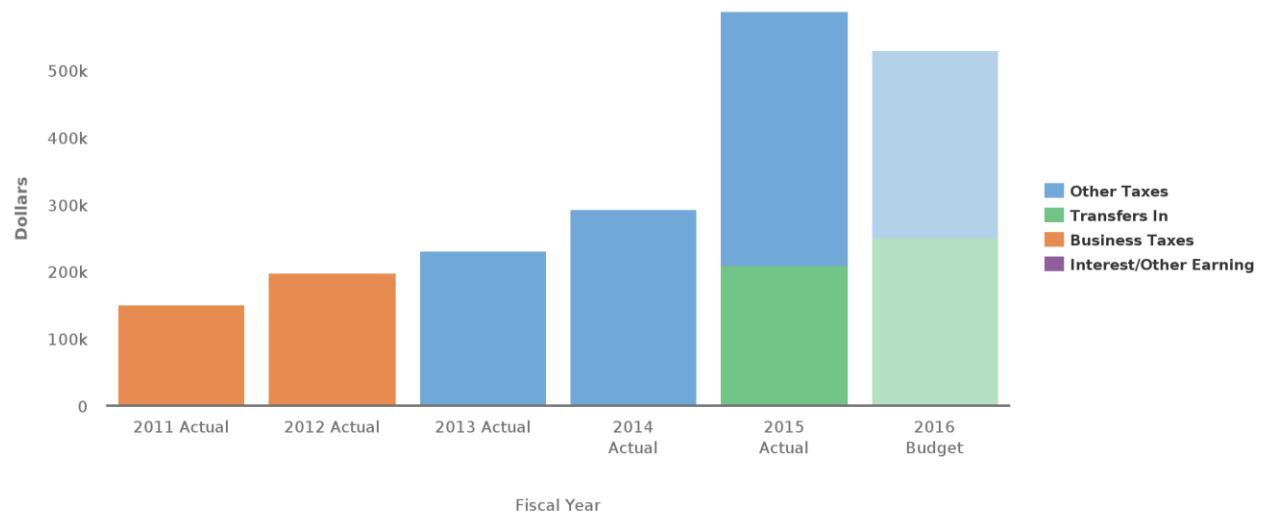
Second Quarter Percent REET Fund

The second quarter percent of Real Estate Excise Tax (REET), may be spent similarly to the first quarter percent of REET, except the planning and acquisition costs are not allowed. The City has historically used this revenue to fund pavement management expenses, which will continue in 2016. In addition, this fund pays debt payments for the downtown bond.

Second Quarter Percent REET Fund Revenues and Expenditures



Second Quarter Percent REET Fund Revenue Sources



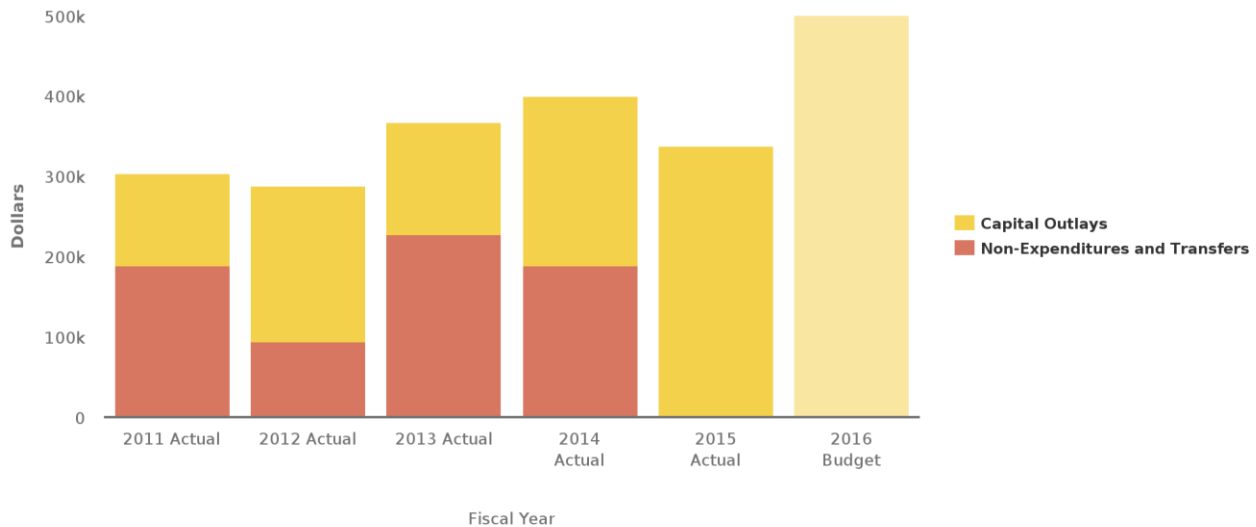
Revenue	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Other Taxes	0	0	230,906	292,854	377,226	280,000
Transfers In	0	0	0	0	210,000	250,000
Business Taxes	150,857	197,878	0	0	0	0
Interest/Other Earnings	966	501	414	152	104	1,000
Total	151,823	198,379	231,320	293,006	587,330	531,000

Other Taxes: These are the First .25% Real Estate Excise Tax which is an excise tax on sale of real property. Proceeds are to be used solely for financing capital projects specified in a capital facilities plan.

Transfers In: The transfers into this fund are from the General fund in the amount of \$250,000 in support of the pavement management program.

Second Quarter Percent REET Fund Expenditures

The primary expenditure for this fund is for the 2016 pavement management program which includes street overlay and paving of existing streets.

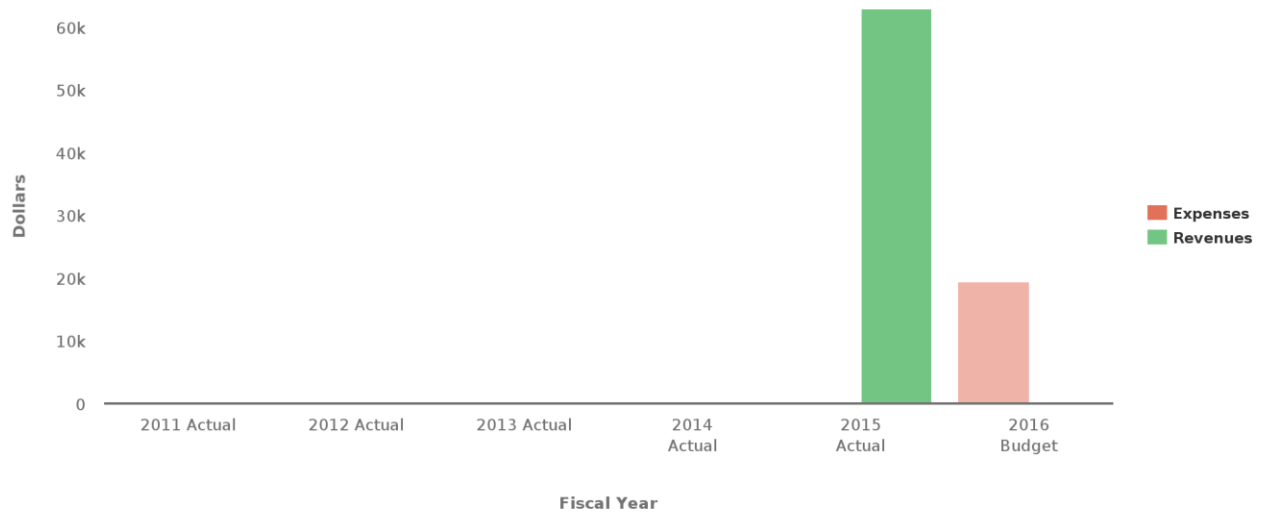


Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Capital Outlays	115,944	194,600	140,808	211,205	338,968	500,000
Non-Expenditures and Transfers-Out	188,801	94,903	227,687	189,540	0	0
Total	304,745	289,503	368,495	400,745	338,968	500,000

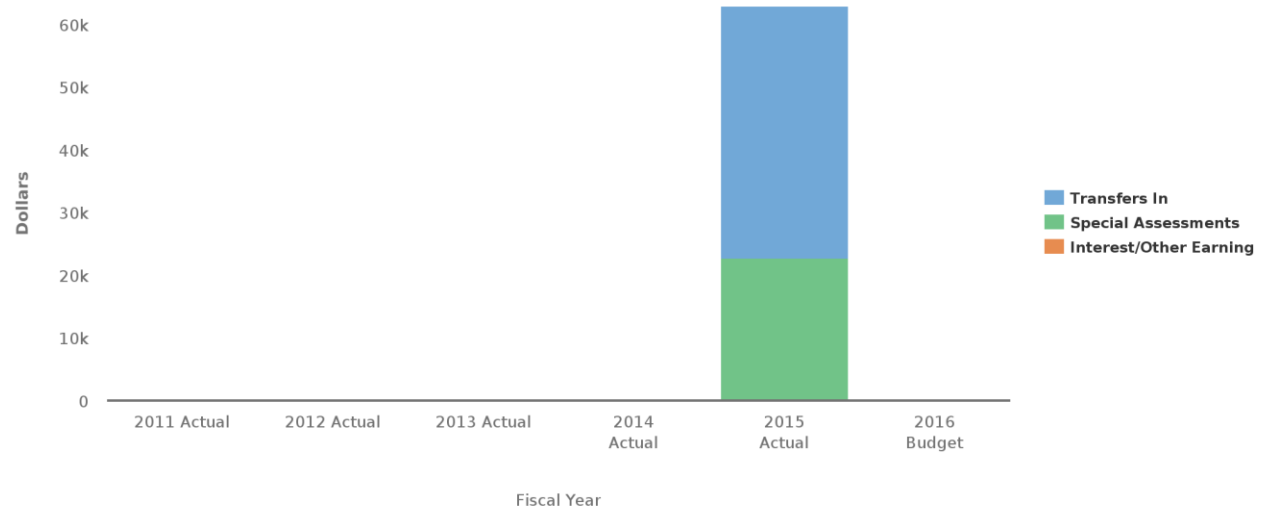
Abatement Fund

This is a new fund to provide for any nuisance abatements that may be necessary for the City to undertake. Expenditures are proposed in case abatements are necessary. Costs can be liened against abated properties, generating unknown revenues in the future.

Abatement Fund Revenues and Expenditures



Abatement Fund Revenues

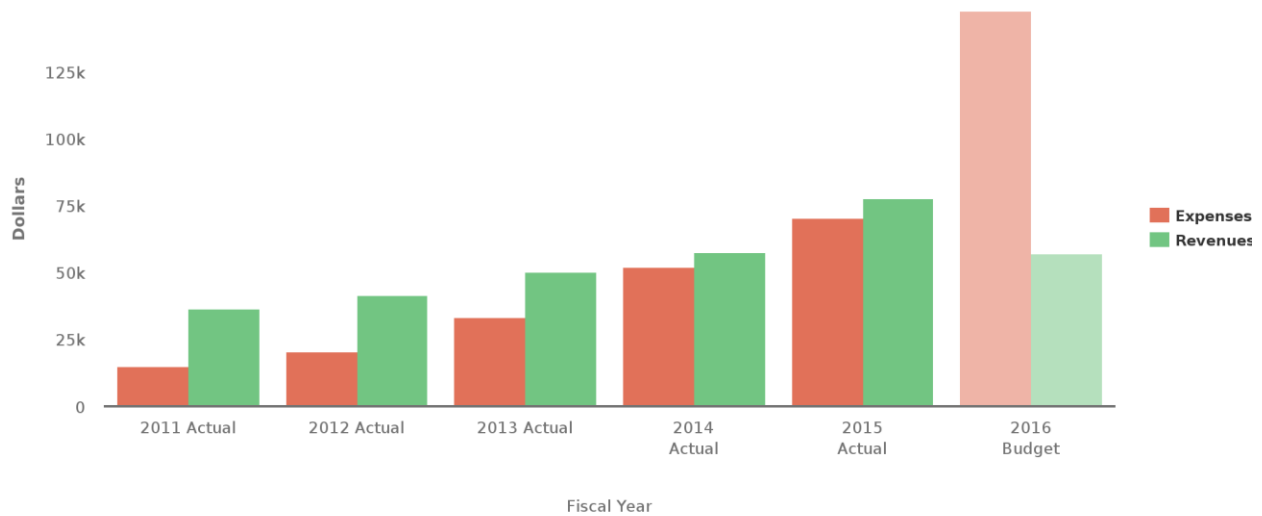


Revenue	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Transfers In	-	-	-	-	40,000	-
Special Assessments	-	-	-	-	22,848	-
Interest/Other Earnings	-	-	-	-	13	-
Total	-	-	-	-	62,861	-

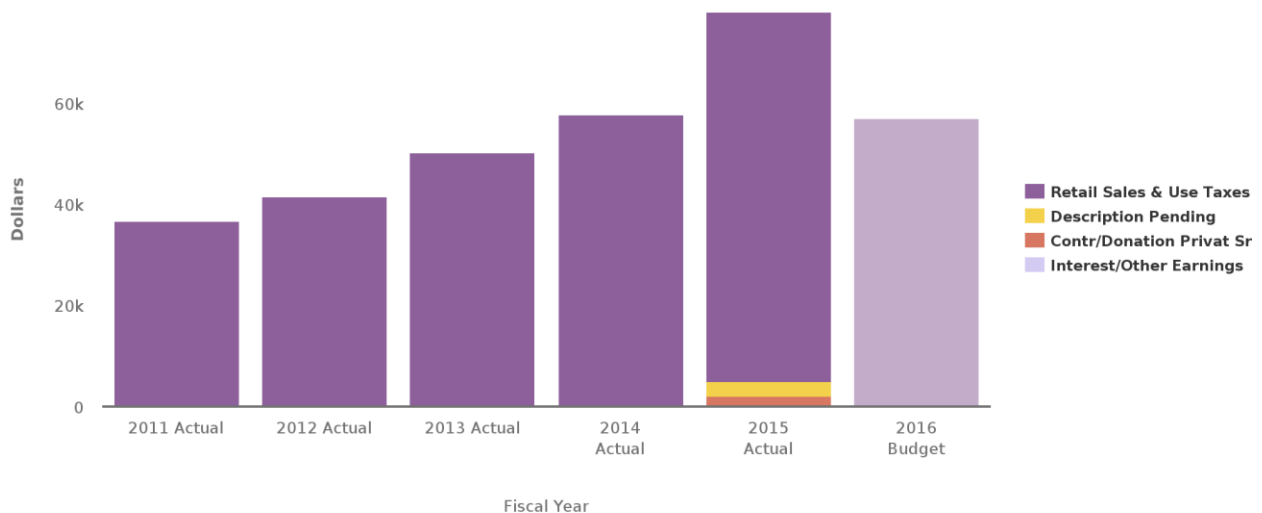
Hotel Motel Tax Fund

The City receives Hotel/Motel taxes from room stays at local hotels. These funds are restricted by statute to the promotion and operation of tourism, increasing visitors and overnight stays to the City. The City has a Lodging Tax Committee whom approves local applications for event funding, including those of the City. Once the Committee approves the application, it is then approved through the budget process by City Council. Council sets an amount for events as they come up throughout the year at the discretion of the Lodging Tax Committee.

Hotel Motel Tax Fund Revenues and Expenditures



Hotel Motel Tax Fund Revenue Sources



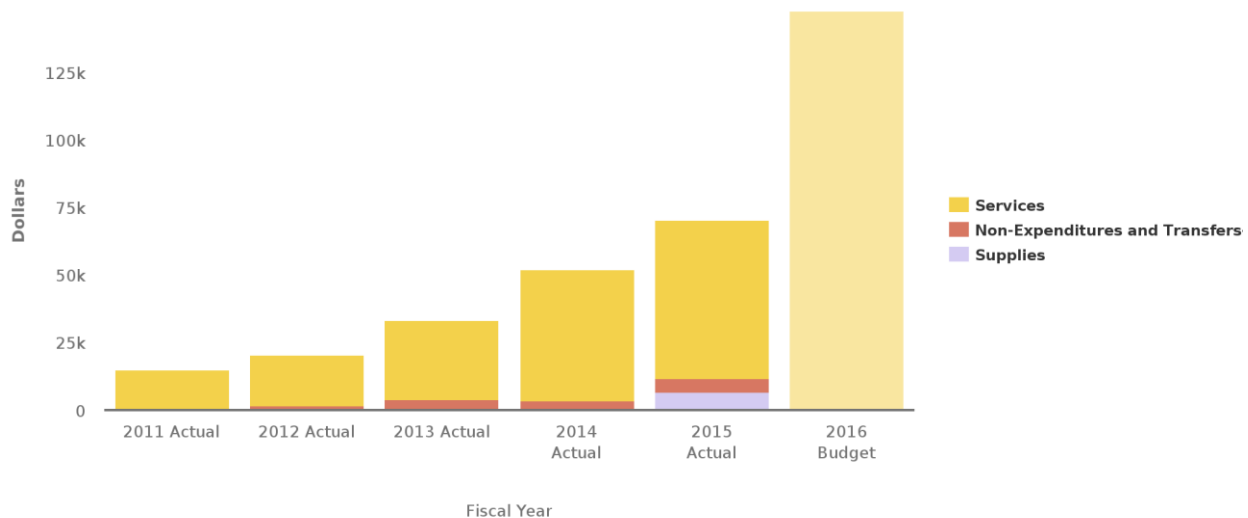
Revenue	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Retail Sales & Use Taxes	36,761	41,573	50,170	57,855	72,937	57,000
Description Pending	0	0	0	0	2,841	0
Contr/Donation Privat Src	0	0	0	0	2,000	0
Interest/Other Earnings	77	116	107	90	186	100
Total	36,838	41,689	50,277	57,945	77,964	57,100

Retail Sales & Use Taxes: These are the Hotel/Motel taxes received by the City from local hotels generated based on a tax on room stays. The City has two hotels from which they receive this tax.

Hotel Motel Tax Fund Expenditures

Expenditures for this fund are for tourism events and promotion of the City. The following events were approved during the 2016 budget process to promote overnight stays in the City:

Tourism Consultant	20,000
Museum brochure holders	600
Two Rivers Information cards	1,200
City of Washougal tourism videos	4,000
Downtown Washougal Oktoberfest	6,000
Weird Beer Festival – CMD	4,000
Firework Show	16,500
Website promotion and advertising	10,000
Additional event/tourism support	84,200

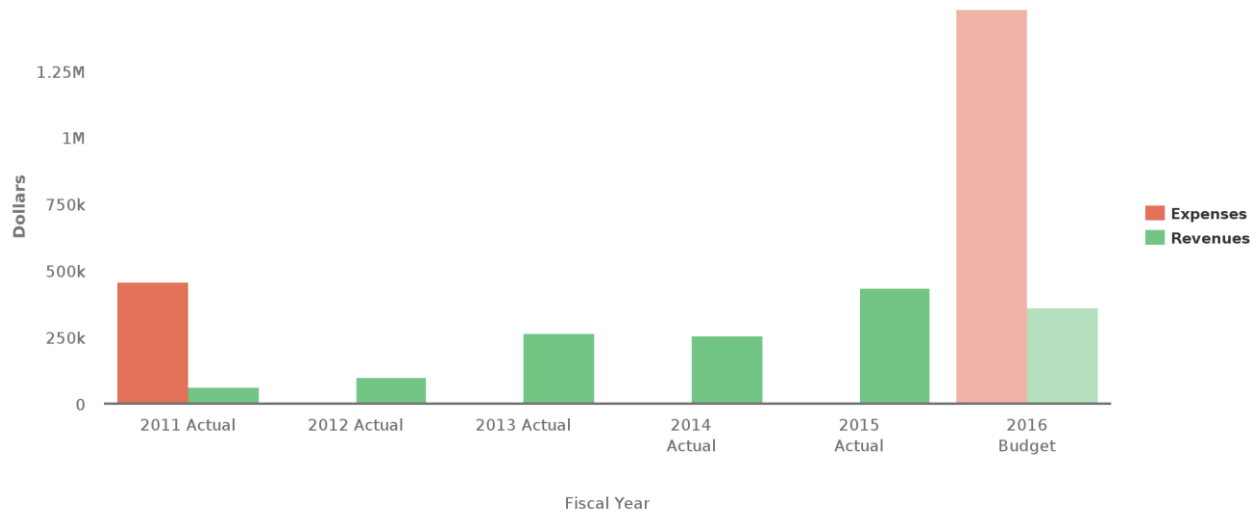


Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Services	15,000	18,678	29,569	48,203	58,549	146,500
Non-Expenditures and Transfers-Out	0	1,947	3,952	3,890	5,211	1,000
Supplies	0	0	0	0	6,702	0
Total	15,000	20,625	33,521	52,093	70,462	147,500

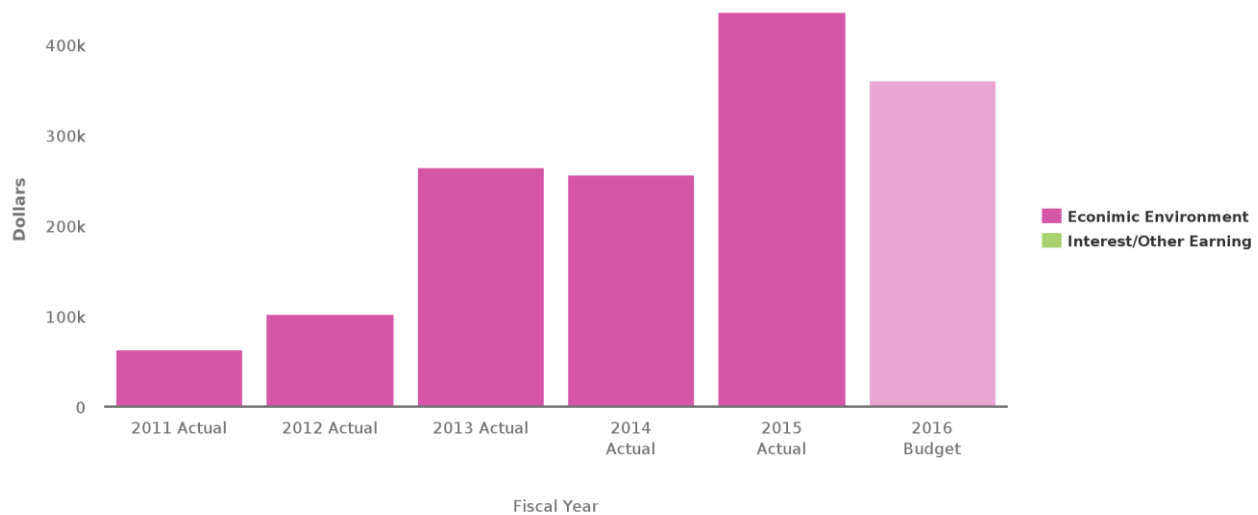
Transportation Development Fund

Traffic Impact Fees are collected at the time of building permit issuance and can be used for transportation projects identified in the City's Transportation Capital Facility Plan. This fund tracks those revenues and capital improvements to the City streets paid with these funds.

Transportation Development Fund Revenues and Expenditures



Transportation Development Fund Revenue Sources



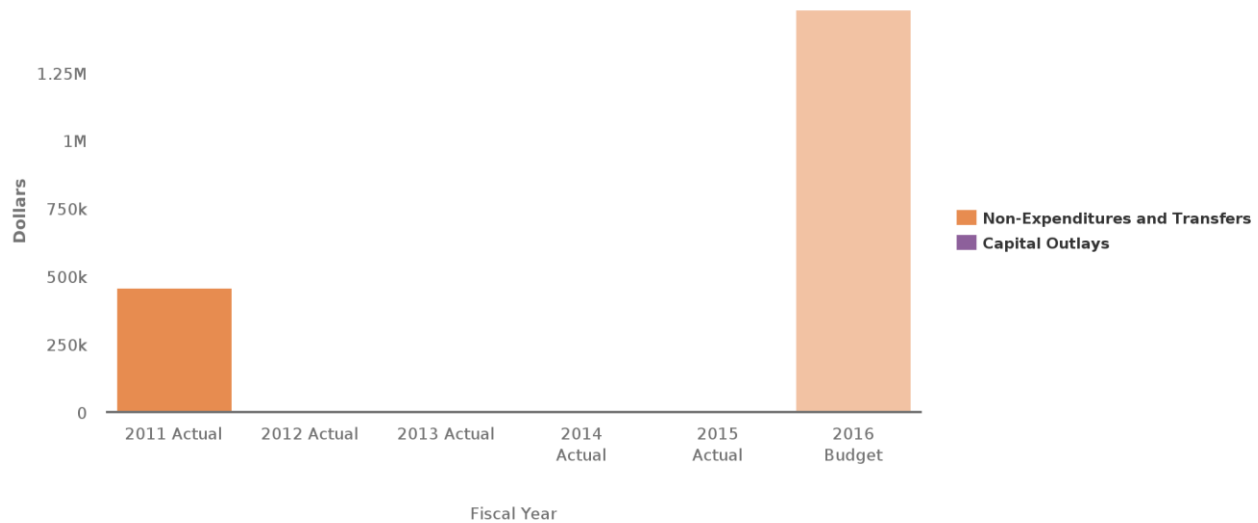
Revenue	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Economic Environment	63,371	102,592	264,279	255,820	433,848	360,000
Interest/Other Earnings	396	67	278	522	1,382	1,000
Total	63,767	102,659	264,557	256,342	435,230	361,000

Economic Environment: These are the Transportation Impact Fees collected on development activity to be used as a part of financing for public roads.

Transportation Development Fund Expenditures

The revenues from this fund are used to pay for Capital Transportation Projects which are tracked out of the Transportation Capital Fund. The funds are transferred from this fund as a City match to grant proceeds received for the following projects in 2016 to improve roadways, sidewalks, and Transportation in the City:

32 nd /Evergreen – TIF portion	180,000
Street & Walking Paths at Schmid Fields	250,000
Water Front Trail Construction	1,000,000
Railroad Overpass Environmental Review	50,000

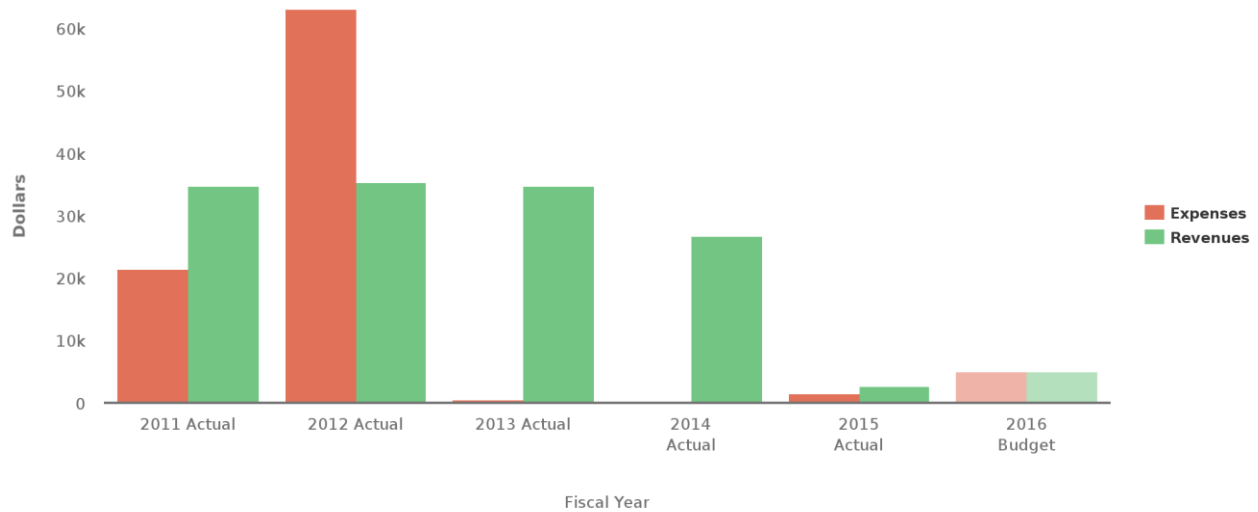


Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Non-Expenditures and Transfers-Out	458,530	0	0	0	0	1,480,000
Capital Outlays	0	0	0	0	11,174	0
Total	458,530	0	0	0	11,174	1,480,000

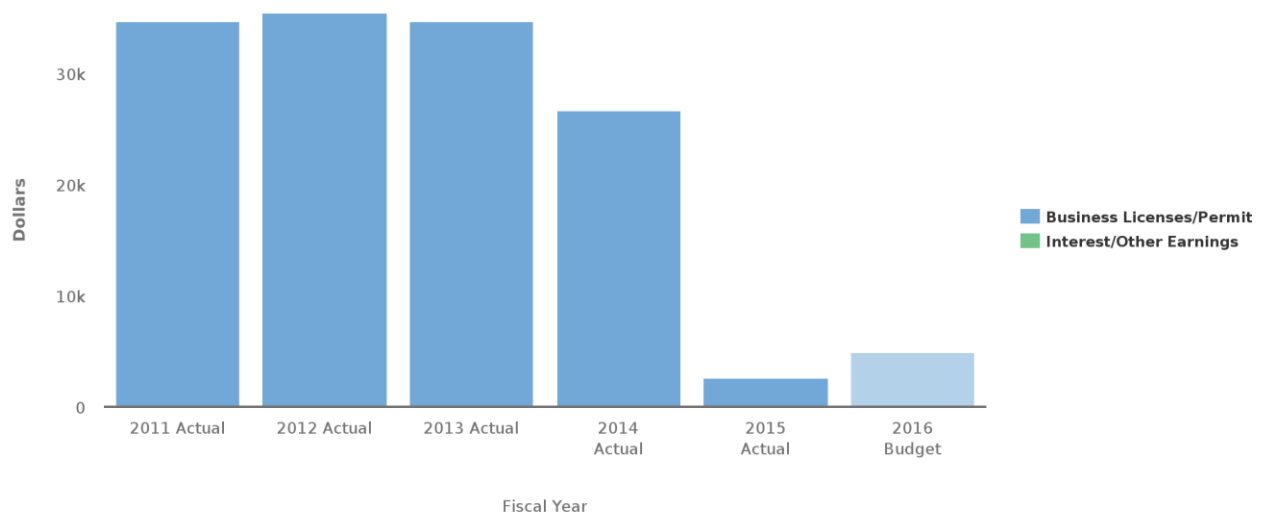
PEG Fee Fund

Public, Educational, and Governmental Access Channels fees are collected from cable subscribers by the cable company and can be used for informational and educational purposes on government and public access channels. Due to the limits on what the funds can be spent for, we are no longer collecting the fee and the fund balance will be used to replace capital equipment when depreciated. The City will reinstate the fee when necessary to ensure recording equipment can be replaced in the future when necessary.

PEG Fee Fund Revenues and Expenditures



PEG Fee Fund Revenue Sources

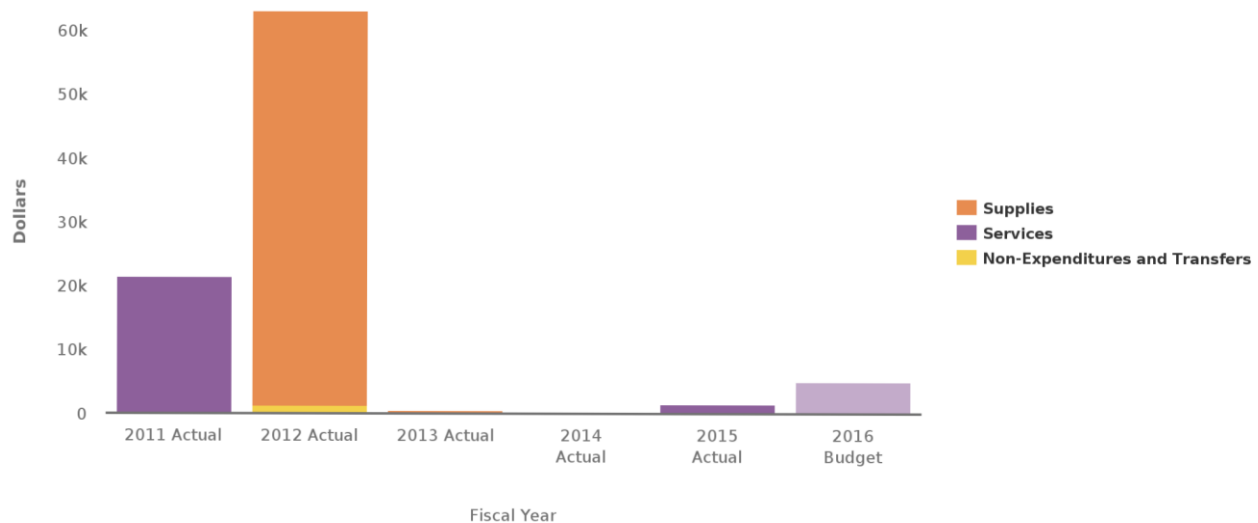


Revenue	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Business Licenses/Permits	34,582	35,256	34,619	26,610	2,443	5,000
Interest/Other Earnings	160	166	115	125	215	0
Total	34,742	35,422	34,734	26,735	2,658	5,000

PEG Fee: Fees collected from cable subscribers for use in broadcasting government on local access channels.

PEG Fee Fund Expenditures

The primary expenditure for this fund is video server maintenance.

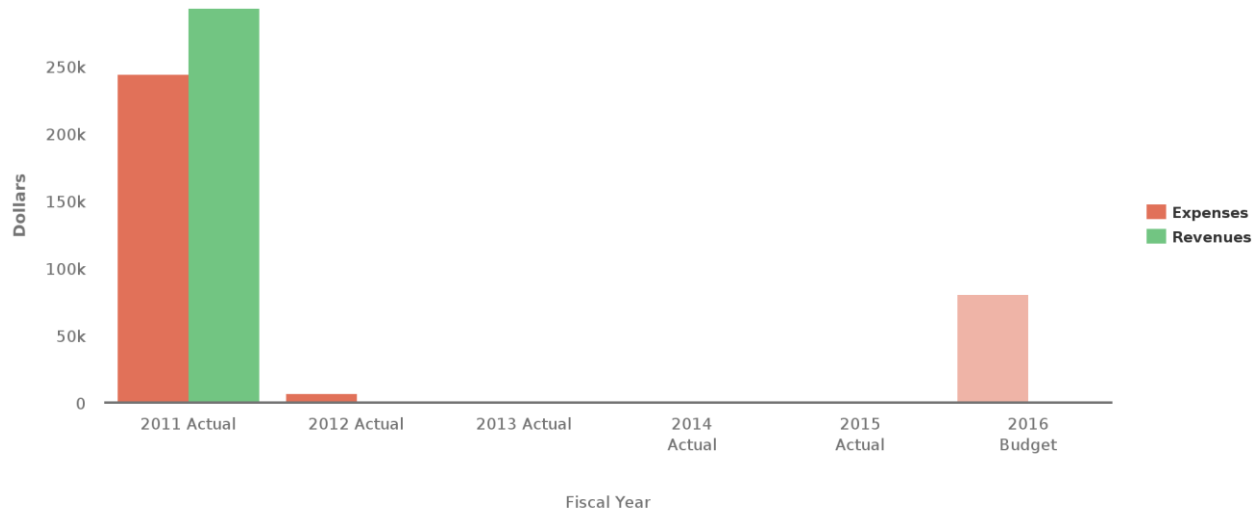


Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Supplies	0	61,570	582	0	179	0
Services	21,468	0	0	0	1,436	5,000
Non-Expenditures and Transfers-Out	0	1,431	0	0	38	0
Total	21,468	63,001	582	0	1,653	5,000

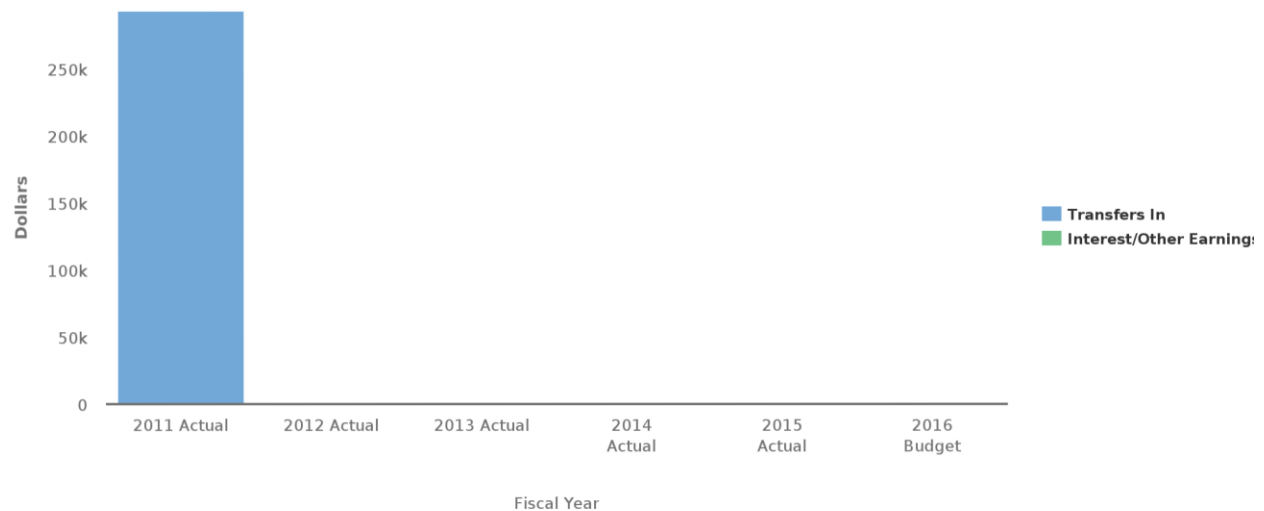
EMS Restricted Revenue Fund

This fund was established to track restricted Emergency Service revenues from a levy lid lift approved by voters in 2006, which expired at the end of 2012.

EMS Restricted Revenue Fund Revenues and Expenditures



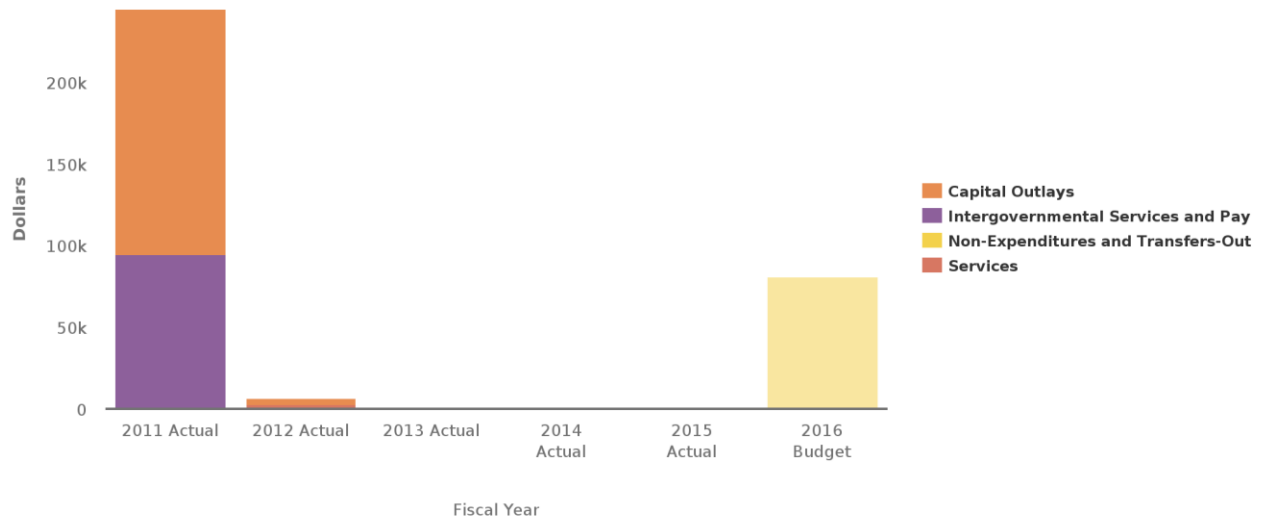
EMS Restricted Revenue Fund Revenue Sources



Revenue	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Transfers In	291,819	-	-	-	-	-
Interest/Other Earnings	1,121	1,219	959	646	1,065	320
Total	292,940	1,219	959	646	1,065	320

EMS Restricted Revenue Fund Expenditures

A portion of the fund balance will be transferred to the General Fund in support of the EMS payment to the City of Camas who operates those services for the City of Washougal.



Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Capital Outlays	149,515	4,155	0	0	0	0
Intergovernmental Services and Payments	95,000	0	0	0	0	0
Non-Expenditures and Transfers-Out	0	166	0	0	0	81,259
Services	298	2,750	0	0	0	0
Total	244,813	7,071	0	0	0	81,259

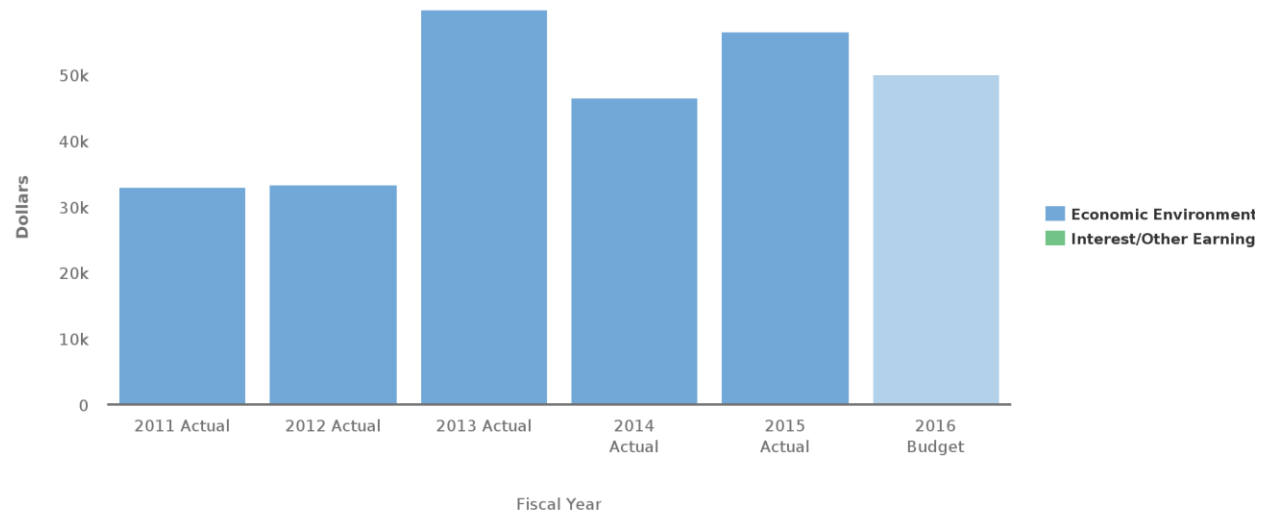
Fire Impact Fees Fund

Fire Impact Fees are collected at the time of building permit issuance and can be used for fire projects identified in the City's Capital Facility Plan. This fund tracks the revenues and expenditures for this restricted revenue source.

Fire Impact Fees Fund Revenues and Expenditures



Fire Impact Fees Fund Revenue Sources

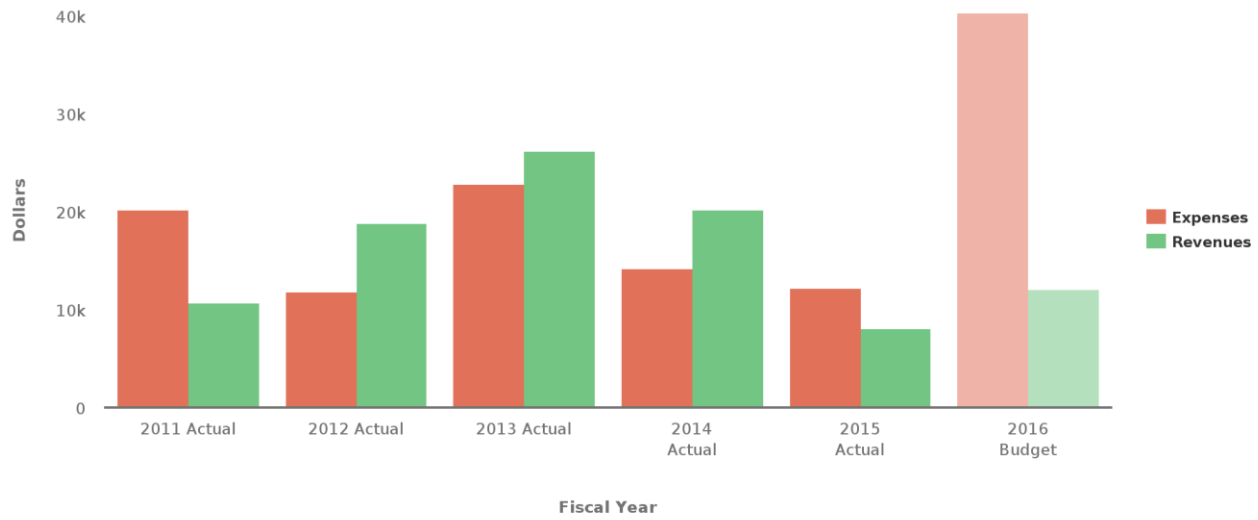


Revenue	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Economic Environment	32,997	33,325	59,722	46,408	56,333	50,000
Interest/Other Earnings	0	84	110	161	336	200
Total	32,997	33,409	59,832	46,569	56,669	50,200

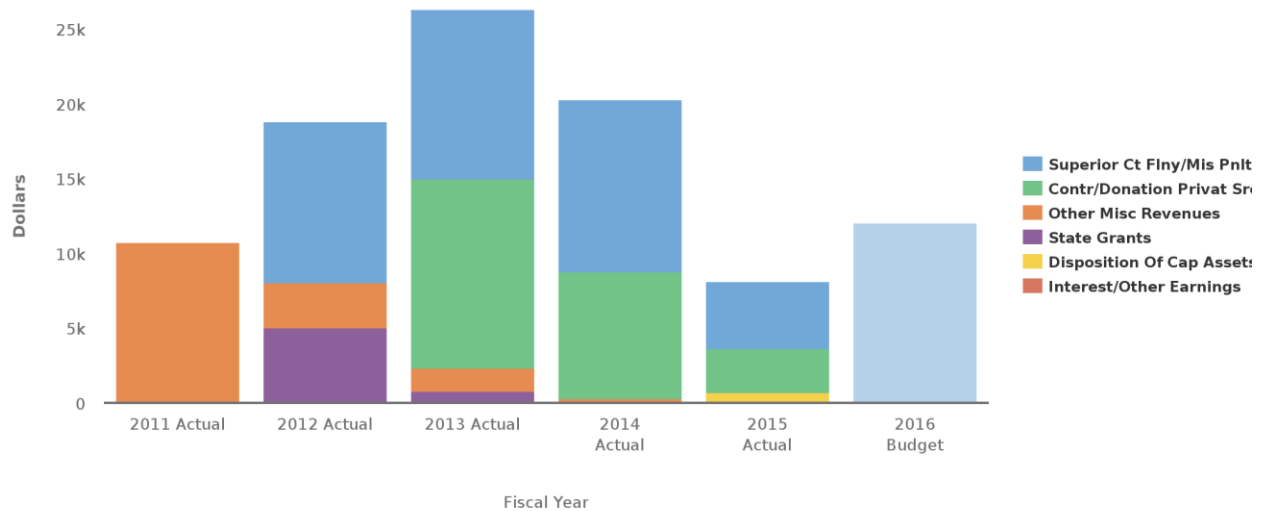
Drug Seizure Fund

Money retained through drug seizures which is not required to be submitted to the State can only be used for the expansion or improvement of controlled substances, related law enforcement activity, and cannot supplant pre-existing funding sources. Typically these funds are used to provide training and other purchases to enhance the City's K-9 program.

Drug Seizure Fund Revenues and Expenditures



Drug Seizure Fund Revenue Sources

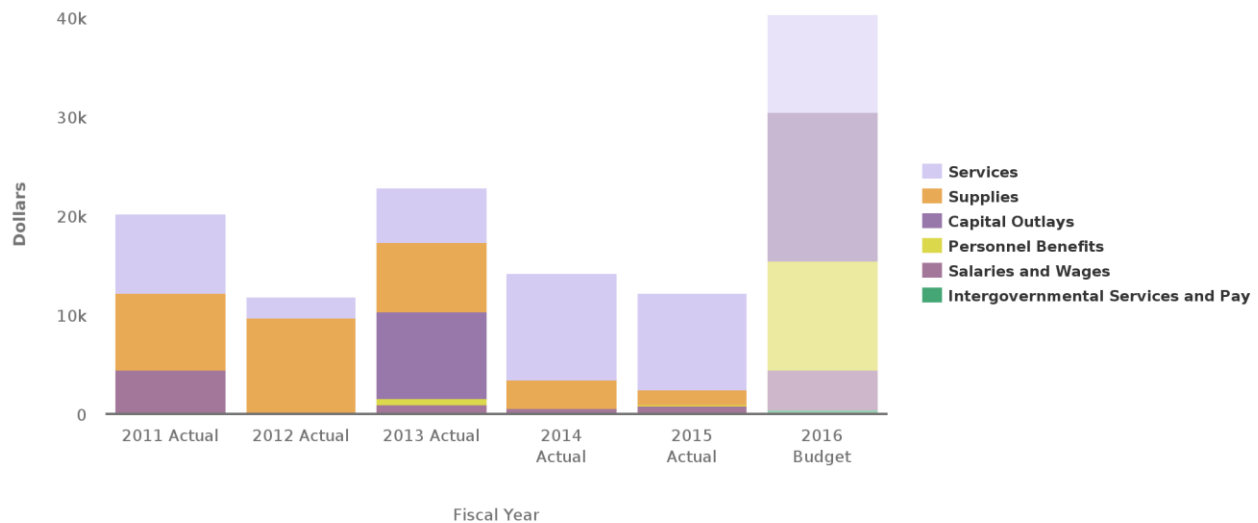


Revenue	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Superior Ct Flny/Mis Pnlty	-	10,853	11,249	11,489	4,425	12,000
Contr/Donation Privat Src	-	-	12,715	8,458	3,000	-
Other Misc Revenues	10,719	2,983	1,543	322	-	-
State Grants	-	5,023	756	-	-	-
Disposition Of Cap Assets	-	-	-	-	648	-
Interest/Other Earnings	48	41	32	42	65	100
Total	10,767	18,900	26,295	20,311	8,138	12,100

Superior Court Felony: These are the investigative funds a court orders a defendant to contribute to a local fund for investigations.

Drug Seizure Fund Expenditures

For 2016, these funds will support the purchase of a new vehicle for the K-9 program. The City has one K-9 officer, these funds pay for overtime associated with drug investigations. This fund also supports the K-9 program.

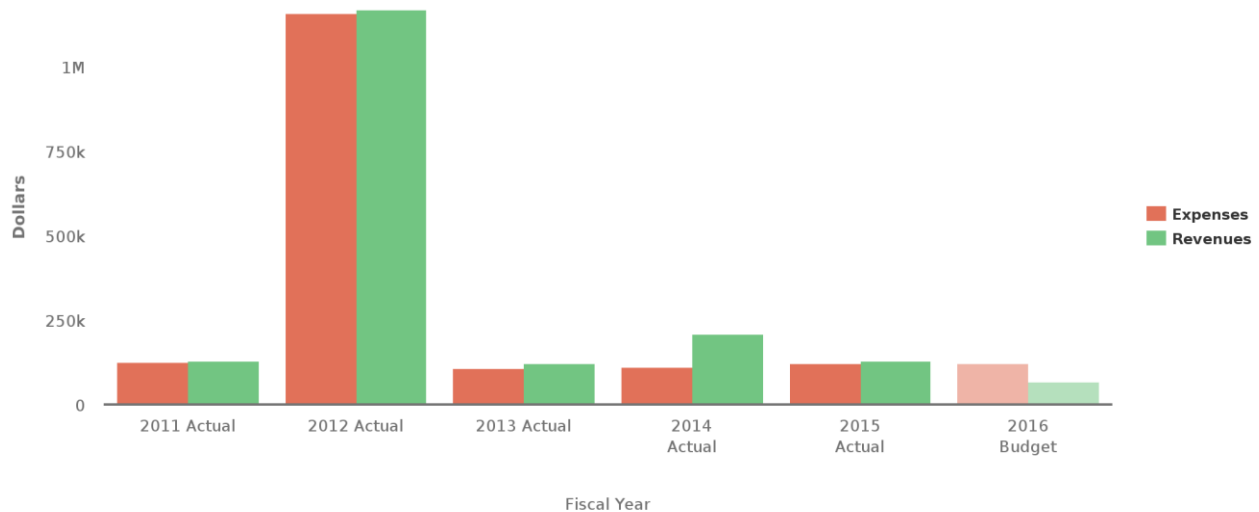


Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Services	8,062	2,214	5,536	10,861	9,776	9,800
Supplies	7,801	9,604	7,034	2,773	1,448	0
Capital Outlays	0	0	8,710	0	0	15,000
Personnel Benefits	0	0	670	87	133	11,000
Salaries and Wages	4,229	0	912	588	891	4,000
Intergovernmental Services and Payments	218	110	40	0	0	500
Total	20,310	11,928	22,902	14,309	12,248	40,300

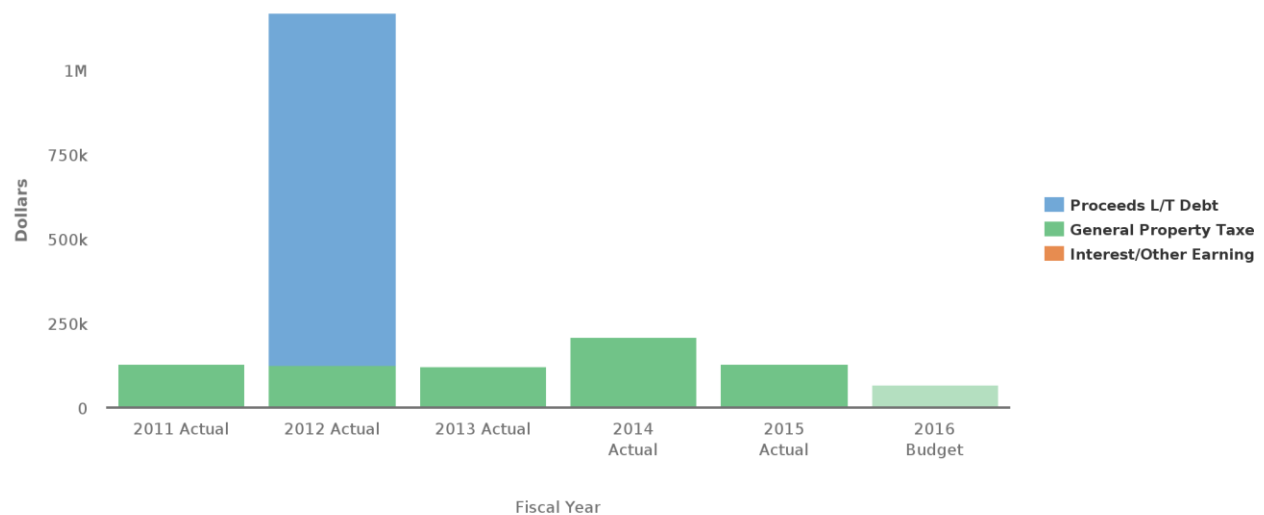
Unlimited General Obligation Debt Fund

This is a debt service fund which pays for the outstanding General Obligation debt which was used for the City's Police Station building. This was a voted general obligation bond which incurred an additional property tax levy which pays the debt service for this debt.

Unlimited General Obligation Debt Fund Revenues and Expenditures



Unlimited General Obligation Debt Fund Revenue Sources

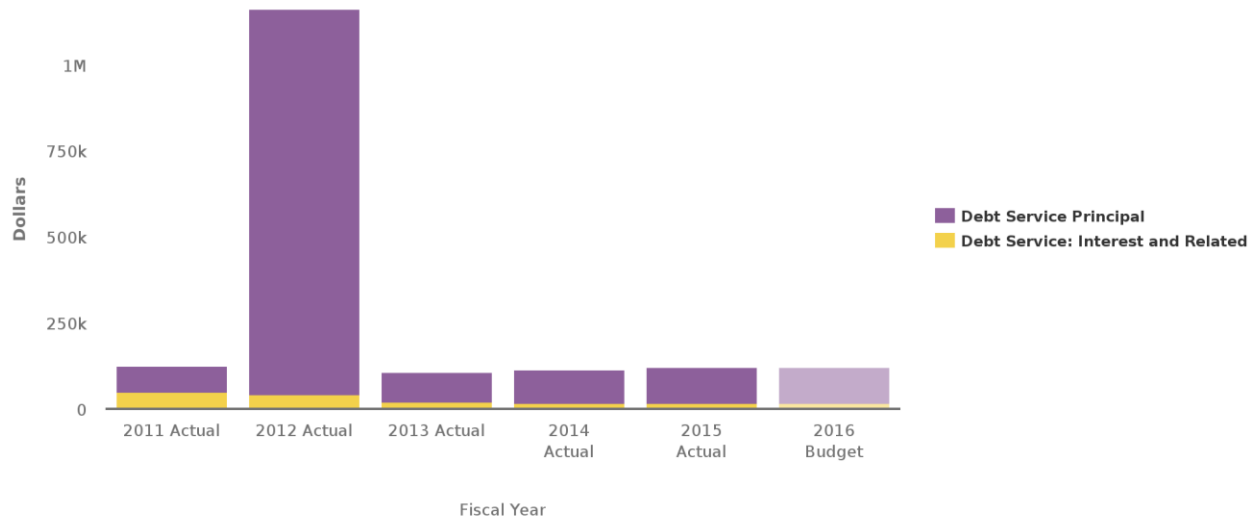


Revenue	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Proceeds L/T Debt	0	1,039,968	0	0	0	0
General Property Taxes	131,475	127,534	123,421	208,908	131,189	70,000
Interest/Other Earnings	67	59	83	194	301	200
Total	131,542	1,167,561	123,504	209,102	131,490	70,200

General Property Taxes: As part of a voted levy, a portion of property taxes goes to this fund to support the debt payments on the City's Police Station building.

Unlimited General Obligation Debt Fund Expenditures

Expenditures from this fund are for the annual principal and interest payments on the outstanding General Obligation bonds.

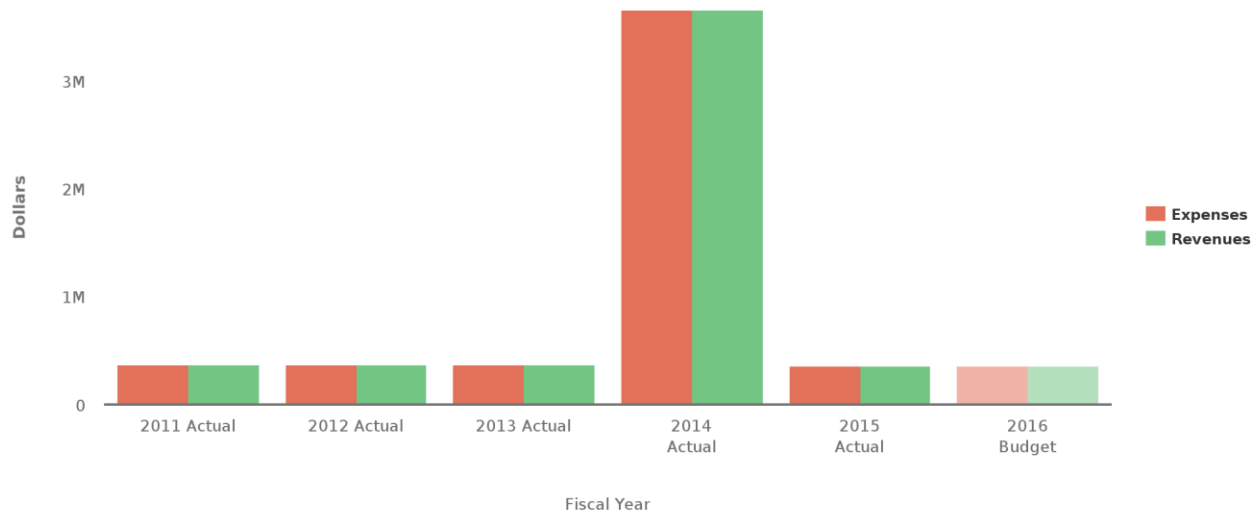


Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Debt Service Principal	75,000	1,118,296	90,000	95,000	105,000	105,000
Debt Service: Interest and Related Costs	51,668	42,369	19,894	18,823	18,298	17,000
Total	126,668	1,160,665	109,894	113,823	123,298	122,000

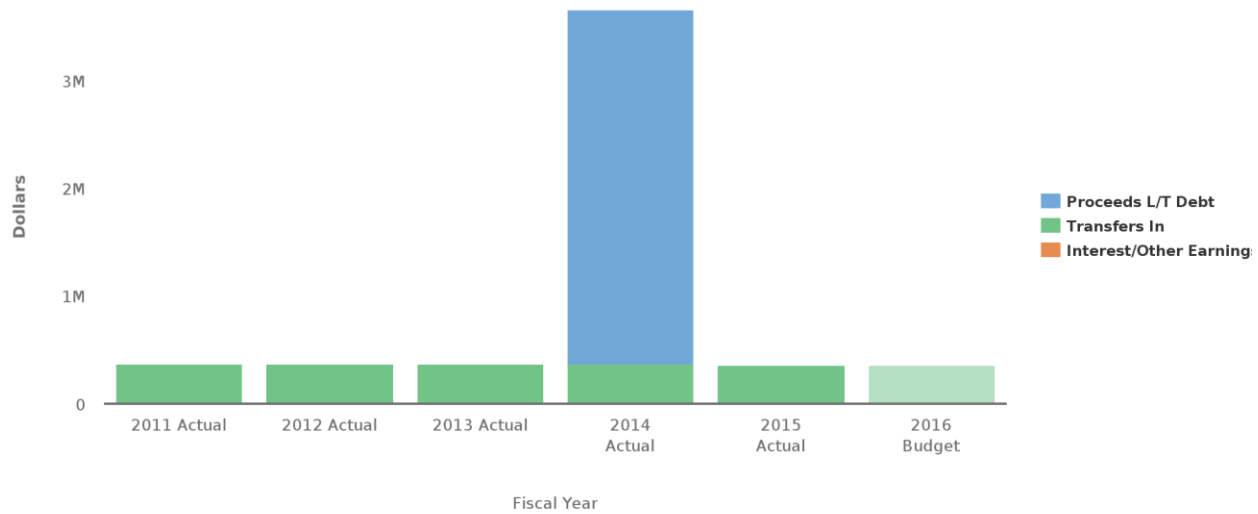
Downtown Revitalization Bond Fund

This is a debt service fund which pays for the outstanding General Obligation debt which was used for the City's Downtown Revitalization. The debt is paid with monies transferred from the REET Funds.

Downtown Revitalization Bond Fund Revenues and Expenditures



Downtown Revitalization Bond Fund Revenue Sources

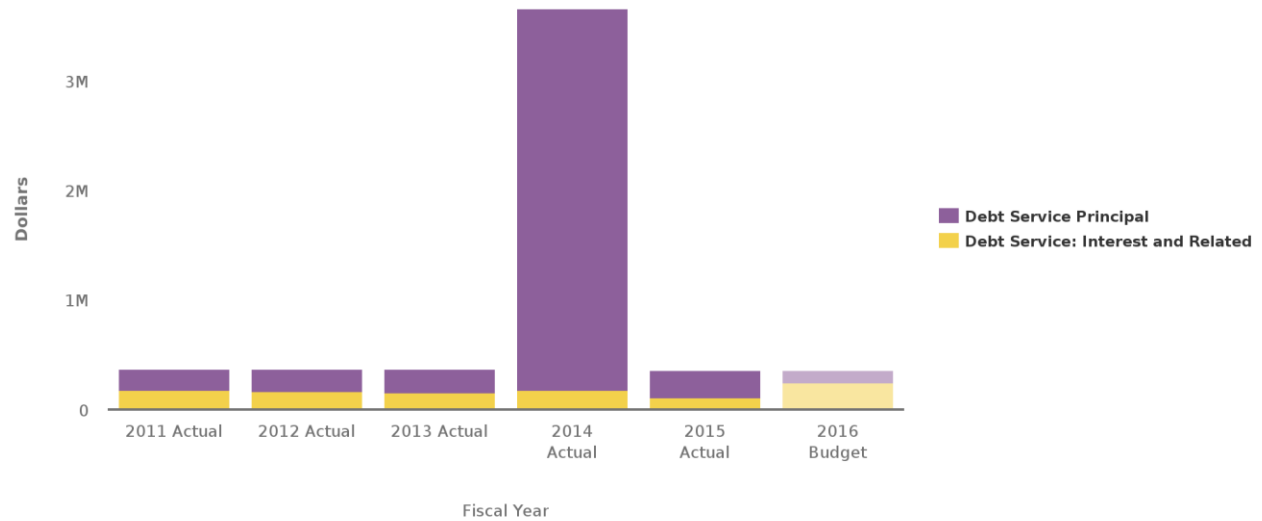


Revenue	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Proceeds L/T Debt	-	-	-	3,278,422	-	-
Transfers In	377,603	379,805	374,356	379,080	361,611	360,000
Interest/Other Earnings	344	124	1	-	1	-
Total	377,947	379,929	374,357	3,657,502	361,612	360,000

Transfer In: The two REET Funds pay for the principal and interest on these bonds through a Transfer.

Downtown Revitalization Bond Fund Expenditures

The expenditures from this fund are principal and interest payments on the General Obligation debt for the downtown revitalization.

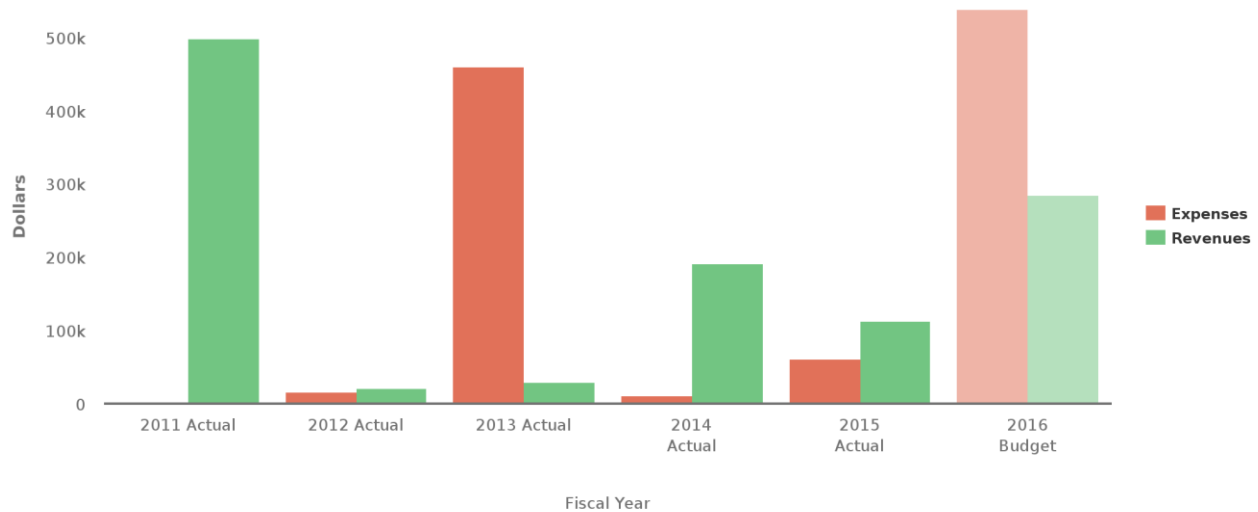


Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Debt Service Principal	200,000	210,000	215,000	3,479,182	245,000	115,000
Debt Service: Interest and Related Costs	177,205	169,805	162,035	177,580	116,611	245,000
Total	377,205	379,805	377,035	3,656,762	361,611	360,000

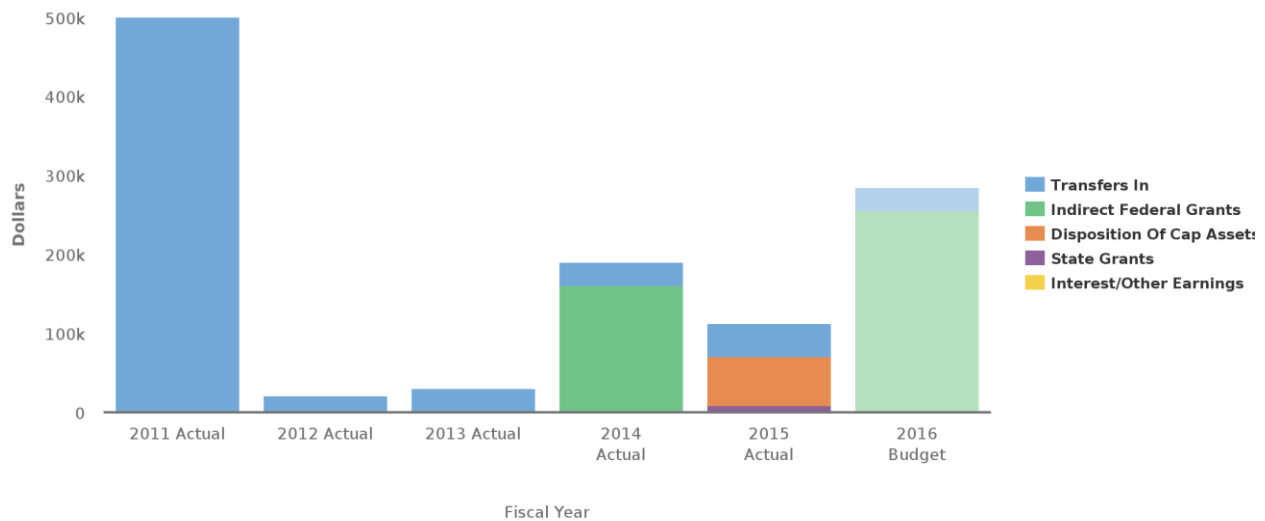
Building Contingency Fund

This is a Capital Project Fund to track the City's Facility Capital Projects. Funds for the projects come from the general fund and grants.

Building Contingency Fund Revenues and Expenditures



Building Contingency Fund Revenue Sources



Revenue	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Transfers In	500,000	20,500	30,000	30,000	42,000	30,000
Indirect Federal Grants	-	-	-	161,603	-	256,000
Disposition Of Cap Assets	-	-	-	-	62,400	-
State Grants	-	-	-	-	8,806	-
Interest/Other Earnings	36	921	481	156	444	500
Total	500,036	21,421	30,481	191,759	113,650	286,500

Indirect Federal Grants: The City received an award for CDBG funds to pay for the City's Community Center Kitchen Remodel.

State Grants: The City received an award for the Community Center HVAC and Re-roof project from the Department of Commerce.

Transfers In: The City's General Fund transfers funds for the Capital Projects tracked by this fund.

Building Contingency Fund Expenditures

This project pays for Capital Projects for the City's Facilities. For 2016 the following were the approved projects to improve and repair City Facilities:

Community Room Project	300,000
Building Capital Facility Plan	25,000
City Hall/Civic Center Façade Replacement	100,000
Building Capital Facility Plan recommendations	113,000

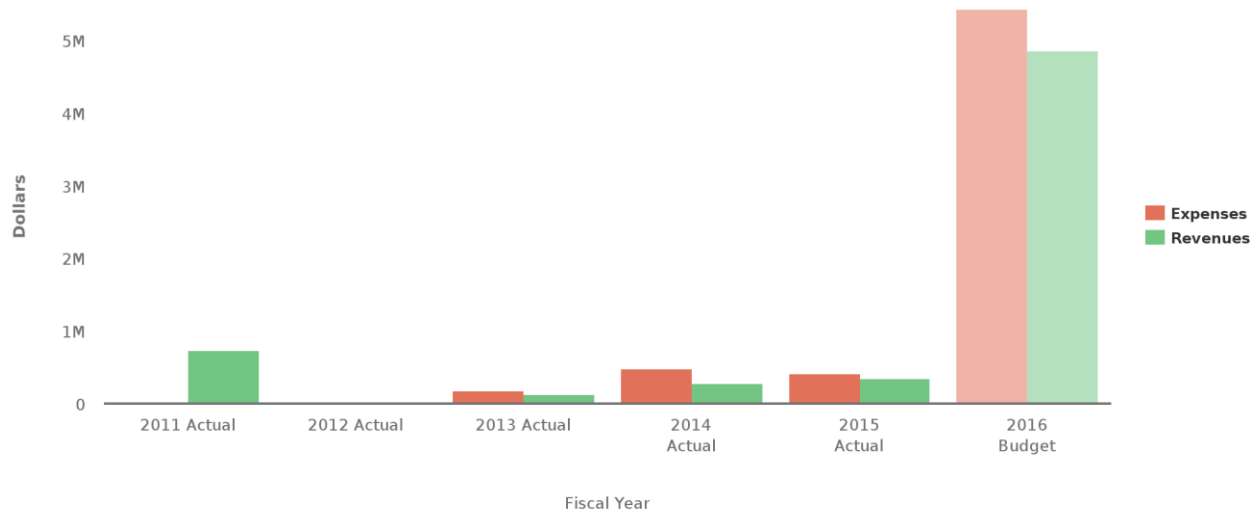


Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Capital Outlays	0	0	427,546	7,770	19,604	513,000
Services	0	16,079	34,035	4,065	42,608	25,000
Total	0	16,079	461,581	11,835	62,212	538,000

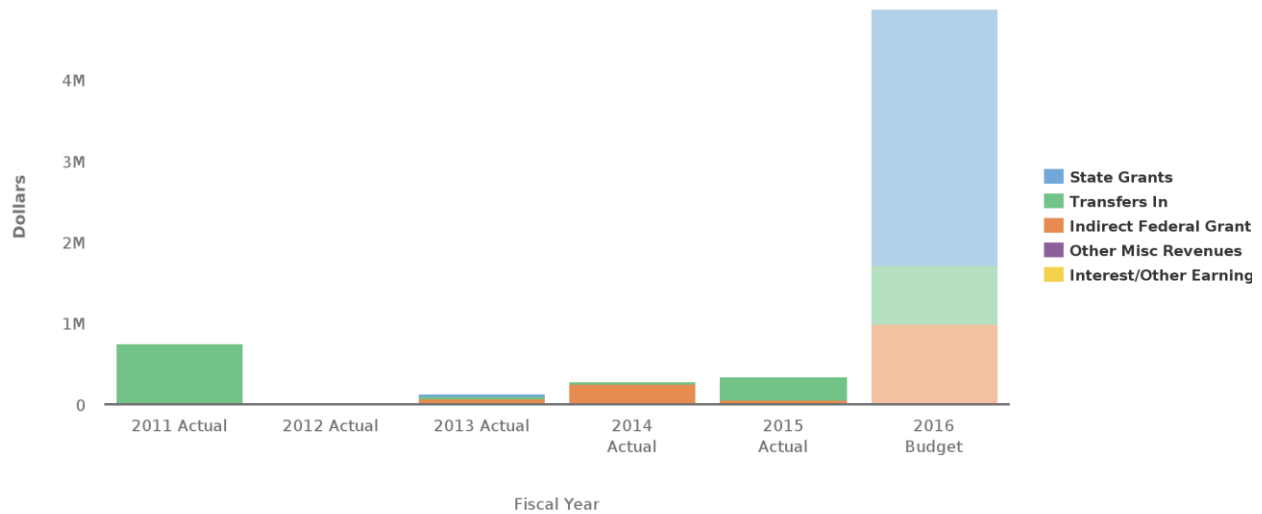
Capital Transportation Projects Fund

This is a Capital Project Fund to track the City's Transportation Capital Projects. Funds for the projects come from the General Fund, Transportation Development Fund, and grants.

Capital Transportation Projects Fund Revenues and Expenditures



Capital Transportation Projects Fund Revenue Sources



Revenue	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
State Grants	0	0	20,000	0	11,067	3,150,500
Transfers In	750,000	20,500	30,000	30,000	280,000	714,000
Indirect Federal Grants	0	0	81,023	252,806	50,702	1,004,000
Other Misc Revenues	0	0	0	0	10,700	0
Interest/Other Earnings	28	2,339	959	529	574	500
Total	750,028	22,839	131,982	283,335	353,043	4,869,000

State and Federal Grants: The City applies for state and federal grants to help fund projects. Typically if a grant is not awarded, the project does not occur. The City has several grants applications in for in 2016, which include:

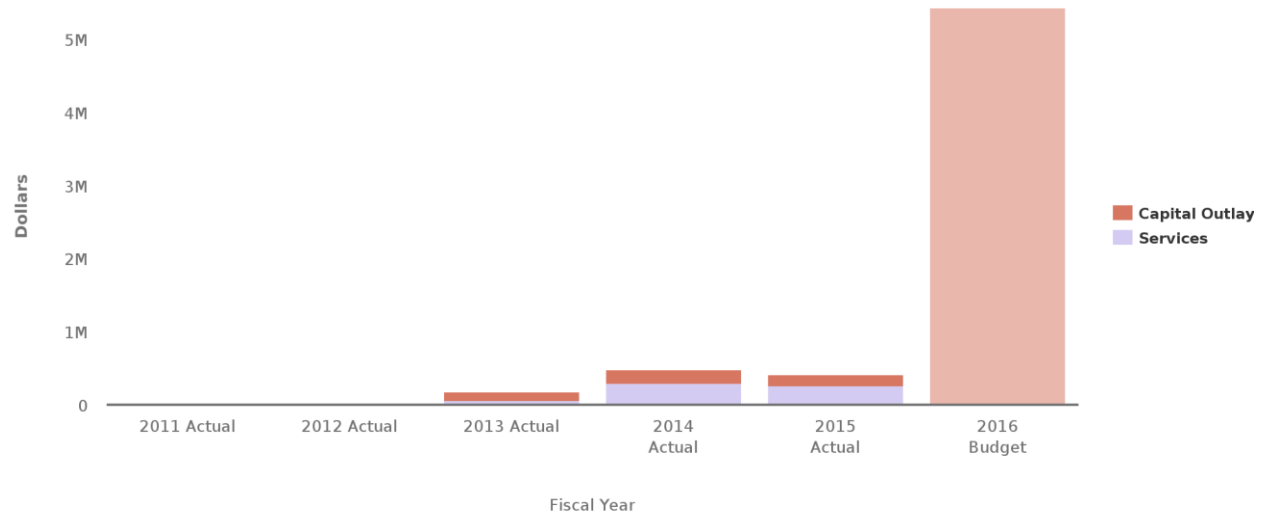
State Appropriation	750,000
WSDOT Grant	961,000
CMAQ Grant	212,500
RTC Grant	43,000
TIB Grant	668,000
STP Grant	1,520,000

Transfers In: The City transfers funding from the Transportation Development Fund to this fund to assist with local match and project costs.

Capital Transportation Projects Fund Expenditures

This project pays for Capital Projects for the City's Transportation Facilities. For 2016 the following were approved projects to improve the roadways, sidewalks, and transportation in the City:

Evergreen/32 nd Intersection Improvement	1,300,000
Safe Routes to School – Jemtegaard Trail North	530,000
Safe Routes to School – 34 th St to J St – Gause	523,000
Sidewalks 34 th to 36 th /Evergreen	210,000
Index/27 th Street Reconstruction	1,000,000
Traffic Information Sign/WSDOT	250,000
Rail Road Overpass	800,000
Street & Walking Path Improvements at Schmid	250,000
Re-stabilization/Slope Improvements	125,000
Police security fencing	20,000
Sidewalk replacement program	50,000
Pickleball sound mitigation	20,000
Other transportation opportunities	350,000



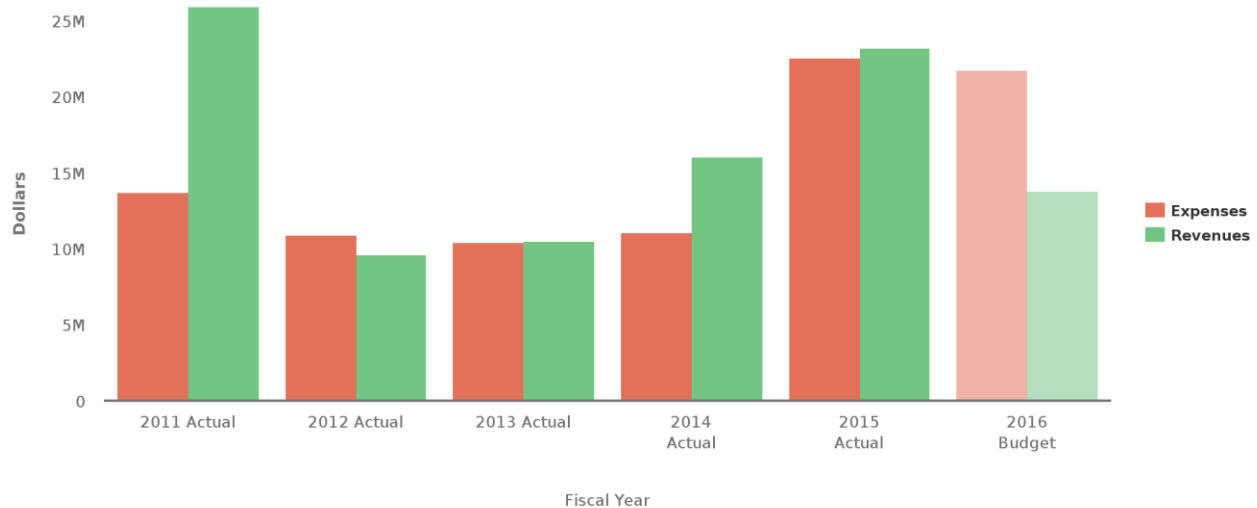
Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Capital Outlays	0	0	106,453	173,310	154,904	5,428,000
Services	0	39,204	75,545	311,494	274,693	0
Total	0	39,204	181,998	484,804	429,597	5,428,000

Water/Sewer Funds

The City utilizes several funds for tracking of the operation, maintenance, debt service, and capital projects of the City's Water and Sewer utilities. While combined in the same funds, water and sewer operations are tracked and treated as their own restricted sources of revenues. Water revenues support water operations, maintenance, debt, and infrastructure improvements. Sewer revenues support sewer operations, maintenance, debt, and infrastructure improvements.

The City contracts with a third party contractor, procured through a selective open request for proposals, to set the utility rates for each utility separately. Future infrastructure needs, labor costs, debt service payments, operations and maintenance costs, and cost inflation are all taken into account for each utility separately. The last rate study was completed in 2015 for commercial sewer accounts to establish equity among the sewer classes. Previously the water and sewer rate study was completed in 2013 establishing rates through 2018. City Council approves the proposed rates through City Ordinance which is then codified in the Washougal Municipal Code.

Water/Sewer Funds Revenues and Expenses



Water Utility

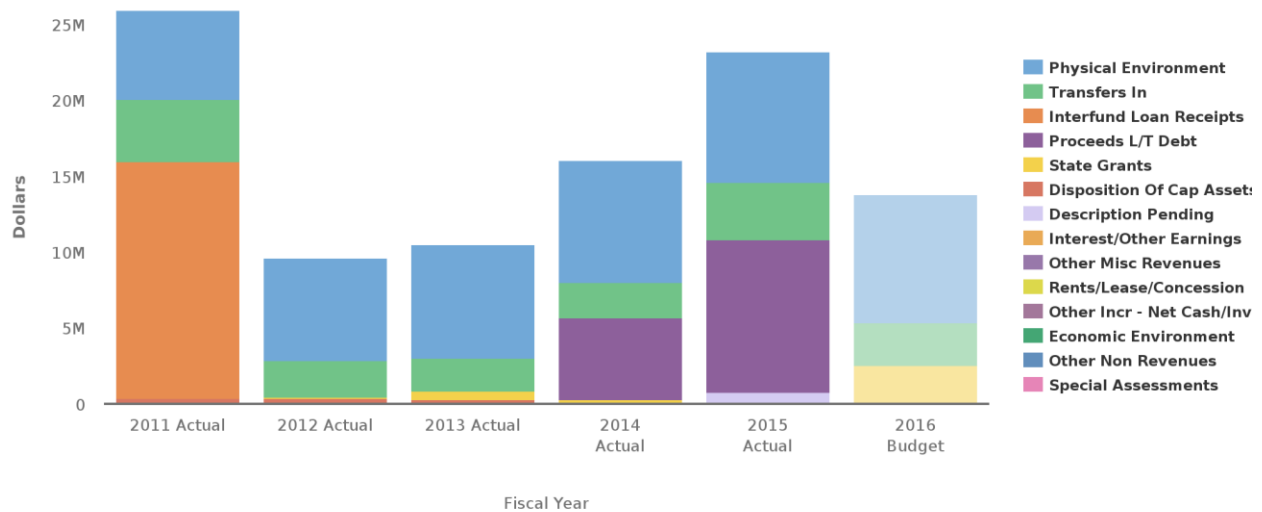
The Water Division of Public Works is responsible for the daily operation and maintenance of water production, storage and delivery facilities. Examples of typical duties in the water division include well pump checks, reservoir and pump station inspections, leak repairs, customer calls for service, meter reading and a variety of preventative programs. Both the water and wastewater division perform daily tests and take daily samples to help ensure good quality drinking water is delivered to our customers and clean safe water is discharged to the Columbia River.

Sewer Utility

The Wastewater Division of public works is responsible for the collection, conveyance and treatment of sanitary sewer. The sewer collection system is designed to carry wastewater throughout the City's sewer lines. A vast system of underground sewers collects the wastewater from the homes of the City's

residents and businesses and delivers it to the wastewater treatment plant. Wastewater discharged from a home or business enters the sewer system through service lines. These service lines carry the flow of wastewater to the City's trunk lines. Collection systems are built to utilize the natural flow of gravity when possible. When wastewater cannot travel through the lines by gravity, pump stations are utilized. At the Washougal's treatment plant sanitary waste is treated through biological treatment. Sanitary waste entering the plant is processed through our headworks and is then pumped to our Oxidation Ditch which is our primary treatment process. From the oxidation ditch the treated waste runs through a clarifier then on to our ultra violet disinfection process before being discharged as treated effluent to the Columbia River.

Water/Sewer Funds Revenue Sources



Revenue	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Physical Environment	5,810,517	6,754,914	7,527,502	8,047,411	8,655,110	8,418,338
Transfers In	4,051,167	2,462,906	2,165,514	2,339,417	3,793,163	2,833,424
Interfund Loan Receipts	15,672,159	-	-	-	-	-
Proceeds L/T Debt	-	-	-	5,419,899	10,030,000	-
State Grants	-	81,972	524,537	230,338	-	2,562,500
Disposition Of Cap Assets	256,000	256,000	256,000	-	-	-
Refunding Revenue Bonds	-	-	-	-	701,837	-
Interest/Other Earnings	57,652	65,043	6,884	25,334	39,629	10,000
Other Misc Revenues	37,944	14,342	15,566	8,581	30,337	5,000
Rents/Lease/Concession	13,200	13,200	13,975	13,200	21,400	13,200
Other Incr - Net Cash/Inv	-	15,400	39,200	5,620	-	-
Economic Environment	1,447	-	-	4,996	4,833	5,000
Other Non Revenues	-	-	-	267	334	-
Special Assessments	-	519	-	-	-	-
Total	25,900,086	9,664,296	10,549,178	16,095,063	23,276,643	13,847,462

Physical Environment: The fees for utility service are the primary source of revenue for these funds. They are the basis for operating the Water/Sewer utilities. For 2016 the City anticipates the following revenue from the Water and Sewer utilities for services:

Water Utility Revenue	3,396,214
Sewer Utility Revenue	4,108,324

Transfers In: As the graph above is for all Water/Sewer Funds, it includes transfers from the operations and maintenance fund to the capital and debt service funds to pay for current and future capital projects, and debt payments.

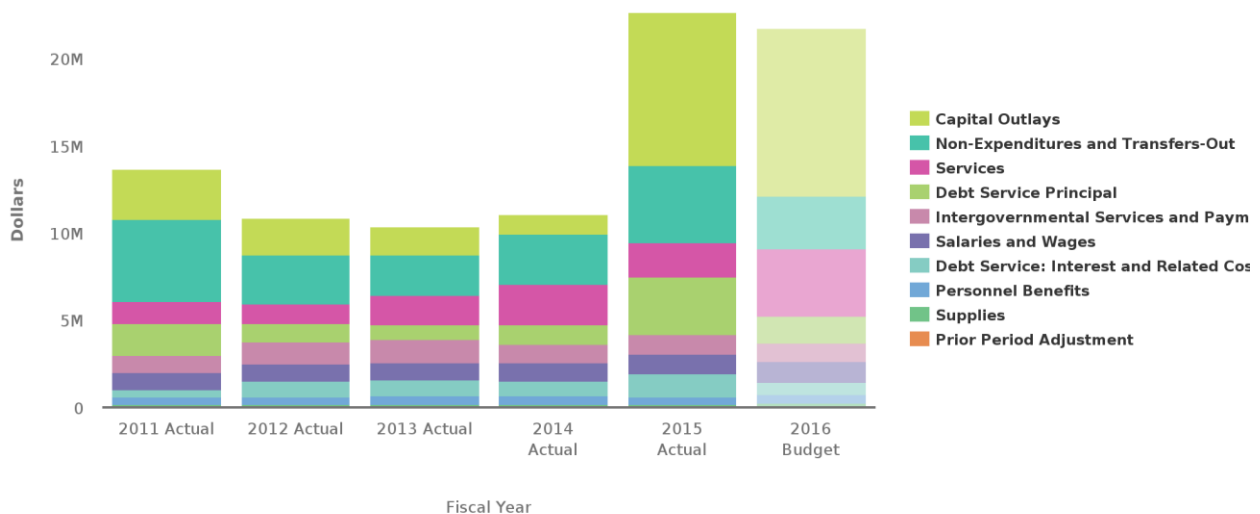
State Grants: For 2016, the state appropriated 1,000,000 to the City for the construction of the Wastewater Treatment Plant expansion. The City has also submitted a grant application for 1,000,000 for an automated water meter reading system.

Economic Environment: When developers and residents connect to our Water and Sewer utilities, they pay a system development charge which goes towards the cost of the infrastructure for each utility. This revenue source is dependent on development activity.

Water System Development Charges	360,000
Sewer System Development Charges	550,000

Water/Sewer Funds Expenses

The Water and Sewer Utilities each have a system Manager to oversee operations in addition to oversight by the Public Works Director. Like Revenues, each utility's expenses are tracked separately for Water and Sewer services. The graph below shows all the expenses for all the Water/Sewer Funds rolled up together which includes operations, maintenance, debt service, and capital projects. Also included are the transfers out from the operations and maintenance fund to the capital and debt service funds for capital projects and debt service payments.



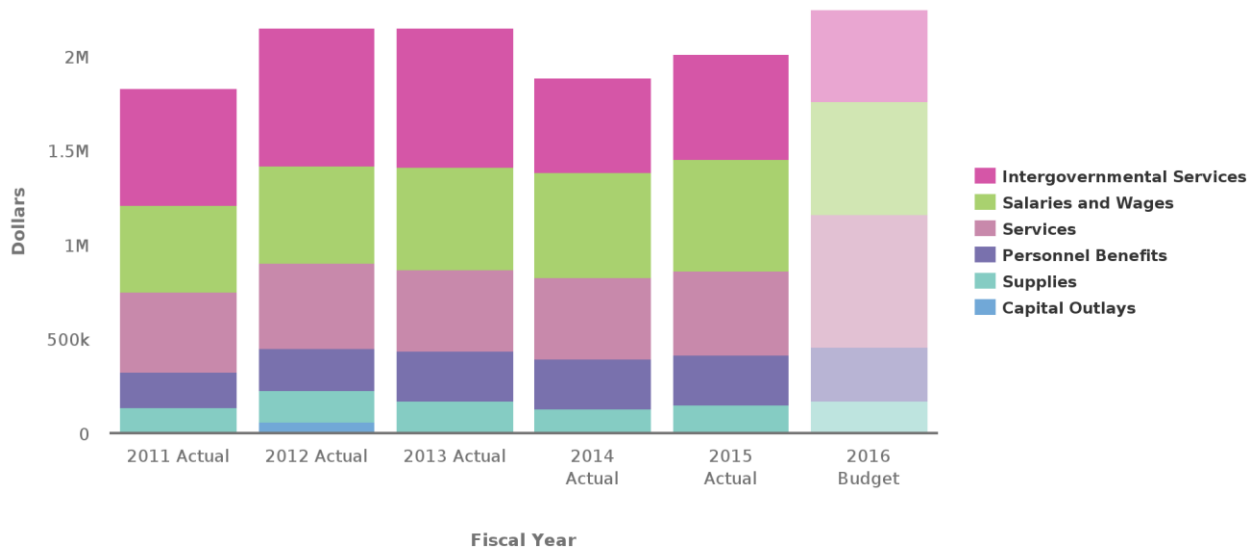
Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Capital Outlays	2,908,512	2,106,555	1,616,762	1,148,420	8,697,080	9,640,000
Non-Expenditures and Transfers-Out	4,689,809	2,850,916	2,318,282	2,864,345	4,413,136	3,037,025
Services	1,286,075	1,122,539	1,732,411	2,340,541	1,982,578	3,858,466
Debt Service Principal	1,813,462	1,046,823	784,933	1,112,462	3,300,875	1,524,404
Intergovernmental Services and Payments	1,025,354	1,222,810	1,372,096	1,060,982	1,165,352	1,101,000
Salaries and Wages	915,849	989,411	1,002,381	1,039,107	1,088,098	1,151,950
Debt Service: Interest and Related Costs	467,708	922,253	892,172	896,620	1,315,189	697,380
Personnel Benefits	392,892	433,109	474,504	479,699	466,322	535,161
Supplies	213,982	215,862	228,943	195,945	200,193	263,000
Prior Period Adjustment	13,327	0	0	0	0	0
Total	13,726,970	10,910,278	10,422,484	11,138,121	22,628,823	21,808,386

Water Utility Operation and Maintenance Expenses

The Water Operations Manager, manages six full-time maintenance workers for the operations of the Utility. In addition support staff are employed during the spring to assist with water operations, as needed. Total FTE charged to this department on a regular basis is 7.82. Thereby making salaries and benefits the largest operations and maintenance expense for the utility. The support the Utility receives from other departments, such as Finance for Utility Billing and Customer Service, are charged through an indirect cost recovery plan, this is the second largest expense for the Utility. The City assesses a business and occupation tax on all utilities operating in the City which also includes the City's Water Utility. These funds are paid to the General Fund. In addition for 2016, some major repairs were included for the Water Utility as follows:

Water main installation	50,000
SCADA Maintenance – system operation	75,000
Reservoir 1A & 1B Painting/Repair	100,000

The following are the operations and maintenance expenses for the Water Utility:



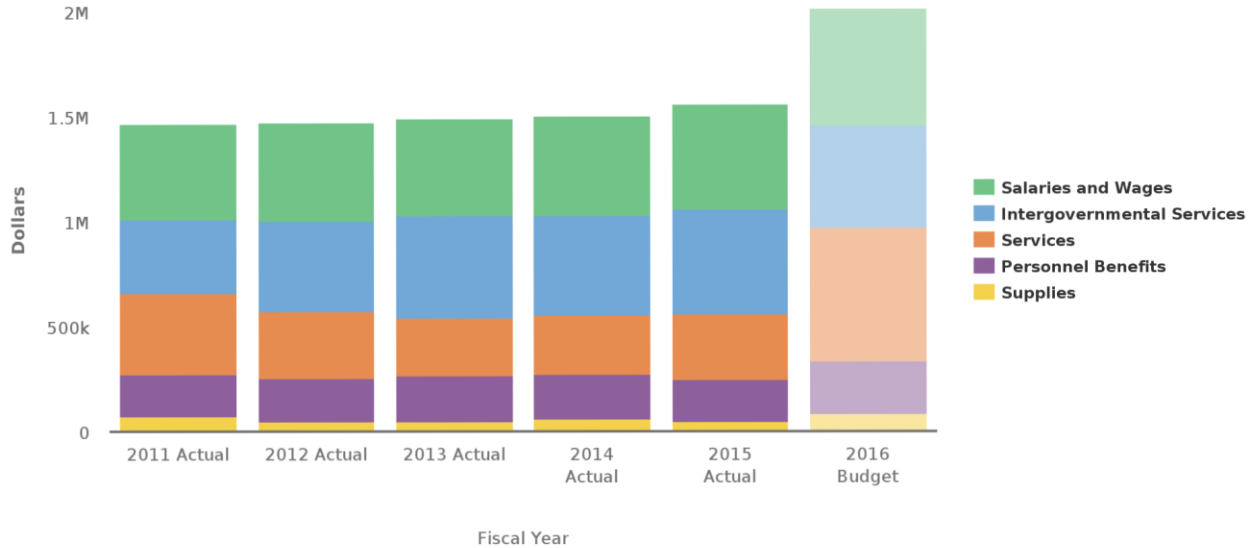
Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Intergovernmental Services and Payments	615,663	729,606	739,018	498,152	559,771	481,000
Salaries and Wages	463,587	517,254	542,024	560,946	592,846	601,370
Services	424,524	453,760	435,113	427,516	444,173	702,000
Personnel Benefits	187,410	224,665	259,446	267,346	268,611	285,621
Supplies	141,276	167,674	177,642	133,234	150,823	176,500
Capital Outlays	0	59,821	0	0	0	0
Total	1,832,460	2,152,780	2,153,243	1,887,194	2,016,224	2,246,491

Sewer Utility Operation and Maintenance Expenses

The Wastewater Operations Manager, manages four full-time maintenance workers for the operations of the Utility. Total FTE charged to this department on a regular basis is 6.85, thereby making salaries and benefits the largest operations and maintenance expense for the utility. The support the Utility receives from other departments, such as Finance for Utility Billing and Customer Service, are charged through an indirect cost recovery plan, this is the second largest expense for the Utility. The City assess a business and occupation tax on all utilities operating in the City which also includes the City's Sewer Utility. These funds are paid to the General Fund. In addition for 2016, some major repairs were included for the Sewer Utility as follows:

Sewer Operations Building Rehabilitation	143,000
SCADA Maintenance – system operation	75,000
Pump & Motor Services – system operation	150,000

The following are the operations and maintenance expenses for the Sewer Utility:



Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Salaries and Wages	452,262	472,157	460,357	478,161	495,253	550,580
Intergovernmental Services and Payments	350,632	429,392	488,219	475,843	500,283	490,000
Services	386,948	319,012	278,769	280,026	317,248	636,466
Personnel Benefits	205,482	208,444	215,058	212,353	197,711	249,540
Supplies	72,706	48,188	51,301	62,710	49,370	86,500
Total	1,468,030	1,477,193	1,493,704	1,509,093	1,559,865	2,013,086

Water/Sewer Utility Capital Project Expenses

The City has two funds to track Capital Projects for Water/Sewer Utilities. The City has issued \$29,120,000 in Revenue bonds since 2011 to fund infrastructure projects for Water, Sewer, and Storm Utilities, in order to be in compliance with state regulations and maintain the City's operating permit for each utility. The City tracks the bond projects from one fund as they have to be approved per the bond covenants. The other Water/Sewer projects funded by system development charges, grants, and system reinvestment funds are tracked out of a separate fund. See below for the list of approved 2016 Water and Sewer Capital Projects:

Water Capital Projects

Water Utility Vehicles – two operating trucks	90,000
Automated Metering Infrastructure – customer service improvement	1,300,000
Zone 1 Assessment – future planning	100,000
Design Zone 6 Reservoir – water needs	1,500,000
Well #1 Replacement – water needs	1,500,000

Water line replacements, per plan	1,000,000
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Sewer Capital Projects

Sewer Capital Facility Plan – future needs	120,000
Wastewater Treatment Plant Expansion	5,000,000

Water/Sewer Debt Service

As of 2016, the City has \$34,214,280 in outstanding debt for w-

ater, sewer, and storm infrastructure. Of this amount, \$3,579,280 are from Public Works Trust Fund Loans and 30,635,000 are Revenue Bonds. The City makes annual principal and interest payments for these funds based upon amortization schedules as set during the loan and bond issuance. For 2016, the total debt service, principal and interest, funded by Water/Sewer rate revenues is \$2,677,660.

Stormwater Fund

In general terms, Stormwater is rainfall or snowmelt which flows over the ground. Impervious surfaces such as rooftops, driveways, sidewalks, and streets prevent Stormwater runoff from naturally soaking into the ground. Stormwater runoff can pick up pollutants such as fertilizers, pesticides, animal waste, debris, and oil, among other toxins. This untreated runoff flows into storm drains and eventually reaches streams, rivers, lakes, and oceans.

The runoff which enters the Stormwater systems is treated in a Stormwater facility before being released to a local waterway. Stormwater is not piped to the wastewater treatment plant which is why it is important to properly maintain the many independent Stormwater facilities around the City.

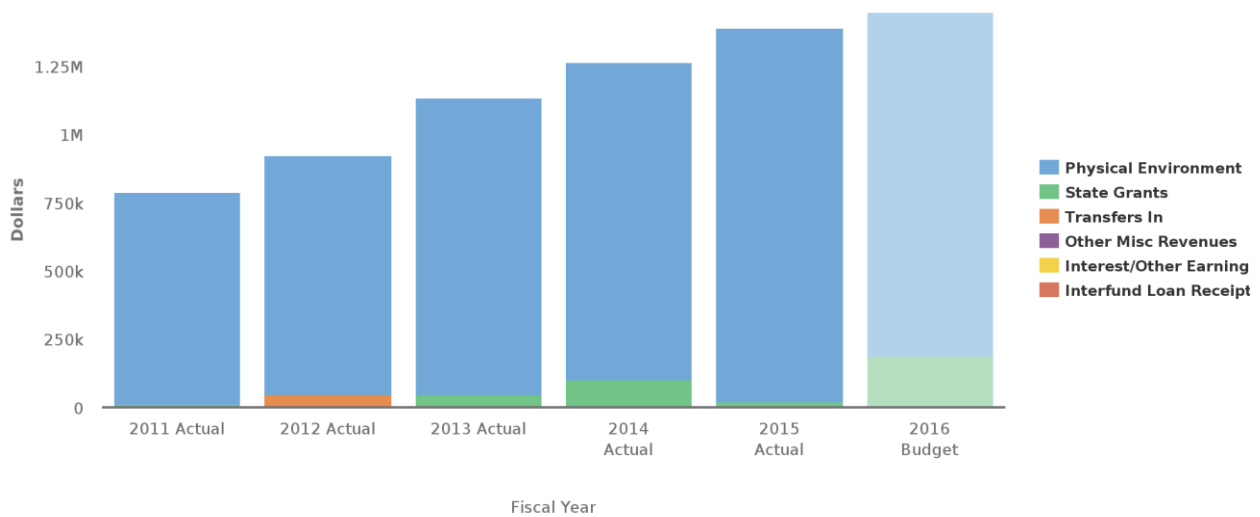
The City has developed a comprehensive Stormwater Management Plan (SWMP), outlining the City's efforts to prevent Stormwater pollution and minimize runoff. Generally, the SWMP has five components: public education, public outreach and involvement, the formation of an illicit dumping elimination program, modified regulations for new and redevelopment and construction, as well as a pollution prevention program, to be implemented within City operations. Currently, the City is responsible for the maintenance of 1500 catch basins and 25 detention ponds. Washougal's unique location on the banks of the Columbia River makes it extremely important Stormwater runoff be adequately treated and discharged in the cleanest form possible. The Columbia is not only comprised of the water that runs between its banks, but also of all the water that enters from the communities that line its shores. Working together, the City of Washougal and its community can improve the quality of our valuable water resources, ensuring availability to future generations.

The City contracts with a third party contractor, procured through a selective open request for proposals, to set the utility rates for each utility separately. Future infrastructure needs, labor costs, debt service payments, operations and maintenance costs, and cost inflation are all taken into account for each utility separately. The rates currently in place were set by a rate study in 2010. The next analysis is set to occur in 2016 for future rates.

Stormwater Fund Revenues and Expenses



Stormwater Fund Revenue Sources



Revenue	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Physical Environment	776,804	874,047	1,085,066	1,165,430	1,369,772	1,256,511
State Grants	11,974	0	50,000	98,879	18,599	190,000
Transfers In	1,344	48,856	221	579	603	0
Other Misc Revenues	706	802	0	1,653	1,662	0
Interest/Other Earnings	576	472	350	577	1,588	500
Interfund Loan Receipts	0	1	0	0	0	0
Total	791,404	924,178	1,135,637	1,267,118	1,392,224	1,447,011

Physical Environment: The fees for utility service are the primary source of revenue for this fund. They are the basis for operating the Stormwater Utility.

State Grant: The City was awarded a grant from the state for a loader and shaker for 2016.

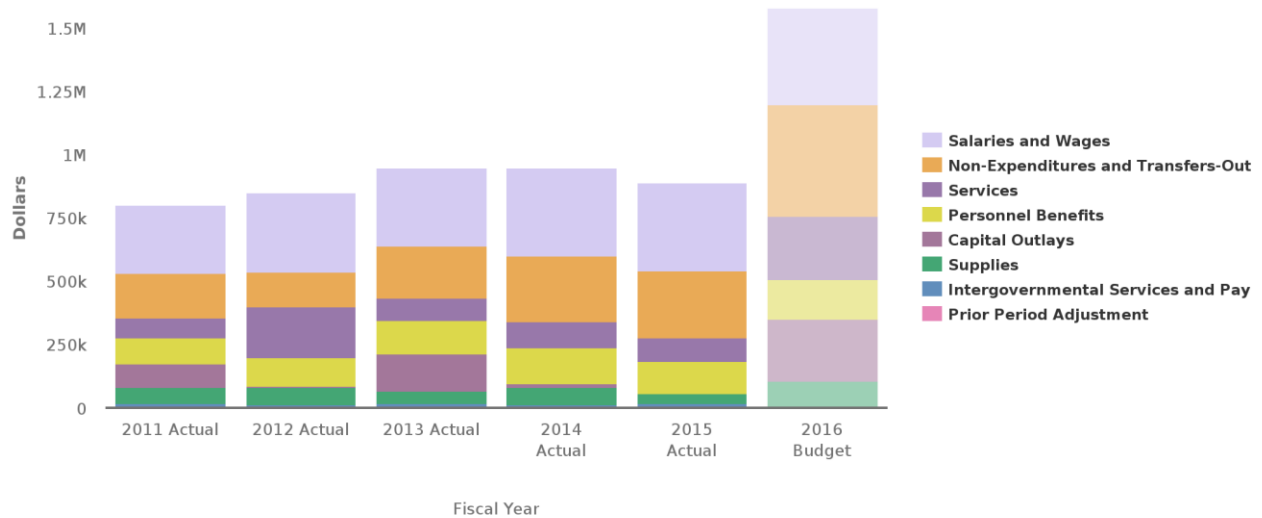
Stormwater Fund Expenses

The Fleet, Street, and Stormwater Manager oversee this fund with oversight by the Public Works Director. There are four full-time maintenance workers who maintain this Utility. Total FTE regularly charging to this fund is 4.75. In the spring the City hires additional seasonal workers to assist with the maintenance of the system, as needed. This fund also pays a portion of the outstanding Utility Debt. The portion of Revenue bonds outstanding this fund is responsible for is \$1,138,200. This fund transfers funds to a Utility debt fund from which the payments are made. Total principal and interest for 2016 is \$97,599.74

In addition to regular maintenance and operations of the stormwater fund, the following capital projects funded by previously issued revenue bonds, grants, and system development fees were approved for 2016:

Front Deck Mower – equipment	26,000
Utility Truck – equipment	30,000
Loader and Shaker – equipment	190,000

39 th Street Drainage – improve storm system	750,000
W Street Culverts – improve storm system	800,000

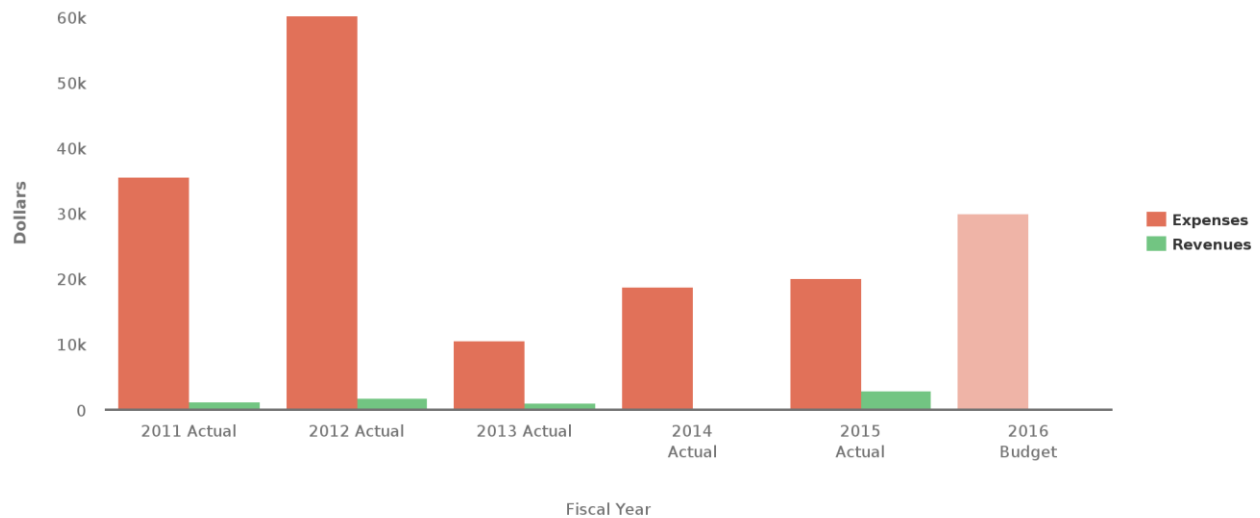


Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Salaries and Wages	267,944	309,373	307,000	347,906	346,259	374,680
Non-Expenditures and Transfers-Out	176,661	137,148	207,151	261,758	264,250	443,900
Services	80,342	200,529	88,211	100,134	92,417	251,000
Personnel Benefits	100,487	112,764	132,315	142,536	129,442	153,311
Capital Outlays	92,259	7,837	148,023	17,003	0	246,000
Supplies	63,699	66,870	47,795	65,685	38,700	108,000
Intergovernmental Services and Payments	16,097	15,539	19,458	15,630	20,149	0
Prior Period Adjustment	4,165	0	0	0	0	0
Total	801,654	850,060	949,953	950,652	891,217	1,576,891

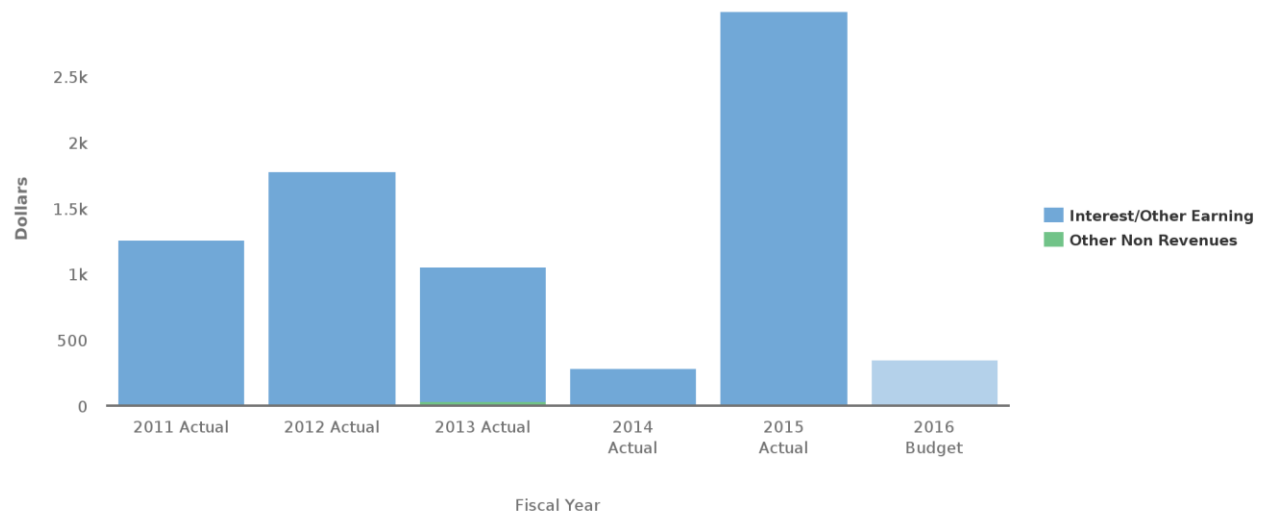
Employment Security Fund

This fund is used to provide unemployment compensation to City employees and from which reimbursements to the Washington State Department of Employment Security shall be made for these claims. This is an established self-insured fund for unemployment claims, the City Council set an ordinance establishing the fund and minimum fund balance requirements. There is a sufficient balance in this Fund for 2016 which allows the City to forego continued contributions until such time which warrants the contributions to begin.

Employment Security Fund Revenues and Expenses



Employment Security Fund Revenue Sources

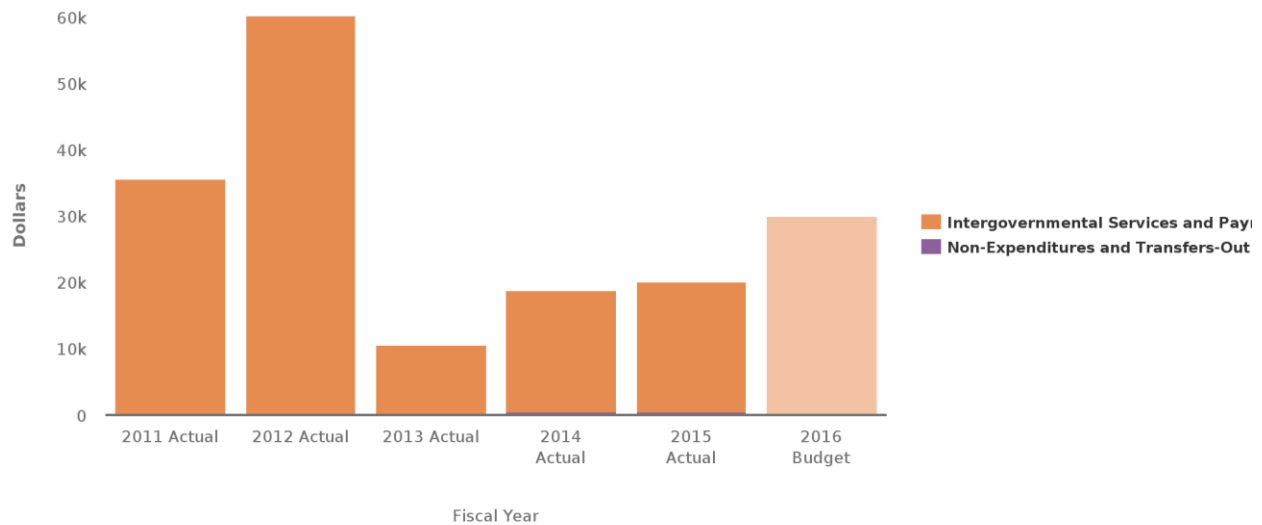


Revenue	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Interest/Other Earnings	1,264	1,780	1,022	284	2,992	350
Other Non Revenues	0	0	40	0	0	0
Total	1,264	1,780	1,062	284	2,992	350

Interest Earnings: The fund balance for this fund is earning interest each year.

Employment Security Fund Expenses

When an employee is terminated, they make a claim to the Washington State Employment Security Department (ESD). Once the claim is processed, the ESD sends the City a bill for the unemployment claim.

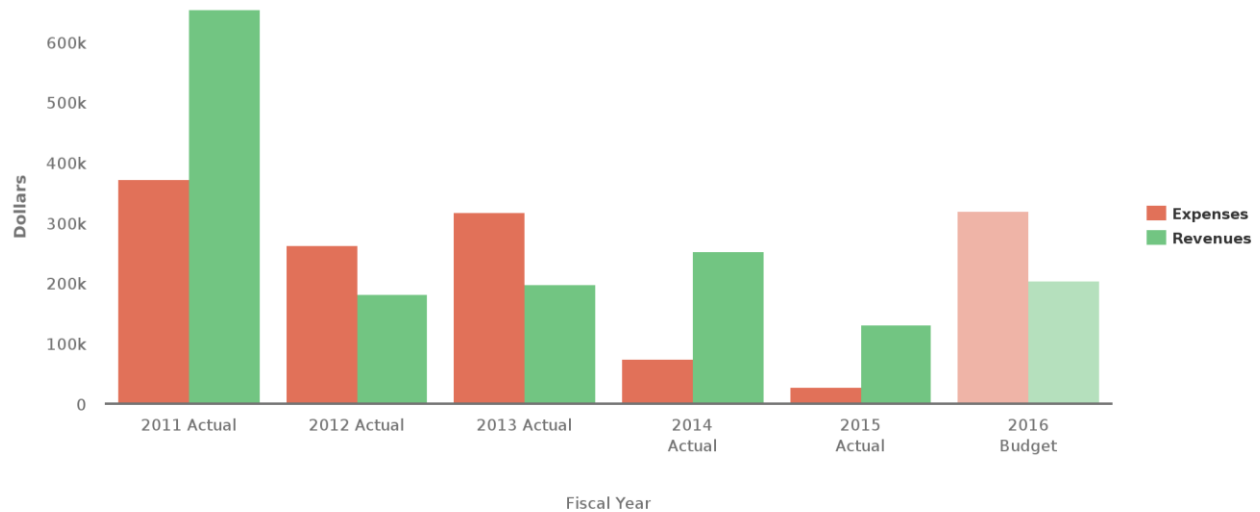


Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Intergovernmental Services and Payments	35,710	60,173	10,367	18,440	19,734	30,000
Non-Expenditures and Transfers-Out	0	0	271	523	473	0
Total	35,710	60,173	10,638	18,963	20,207	30,000

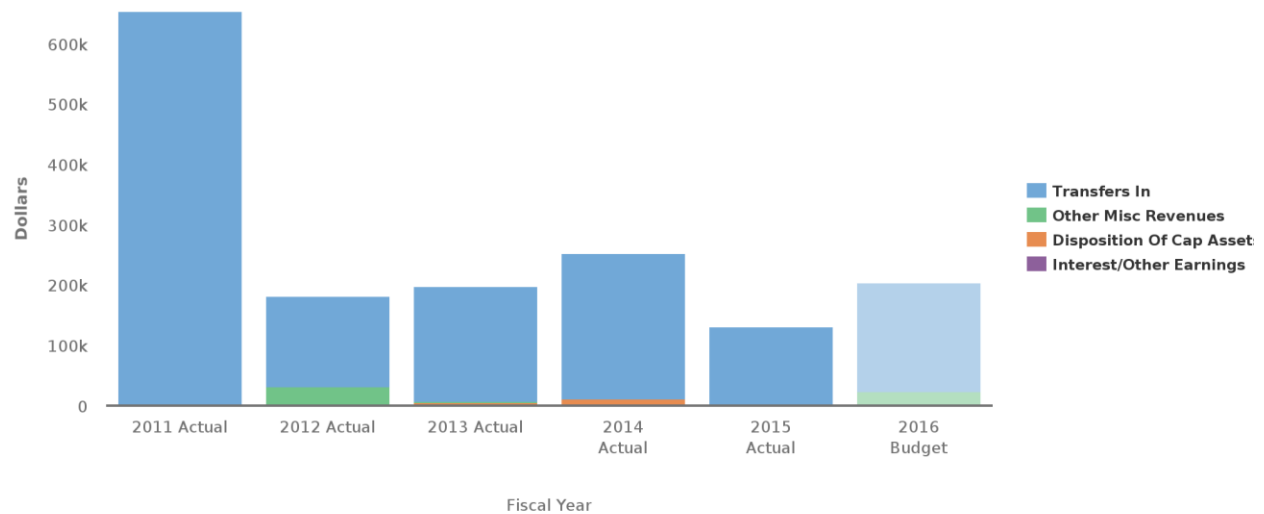
Equipment, Rental, and Revolving Funds

The City has two Internal Service funds for Vehicles and IT hardware for departments funded by the General Fund. Rolling stock is replaced from here according to a depreciation schedule. IT resources are also replaced from here according to a replacement schedule.

Equipment, Rental, and Revolving Funds Revenues and Expenses



Equipment, Rental, and Revolving Funds Revenue Sources



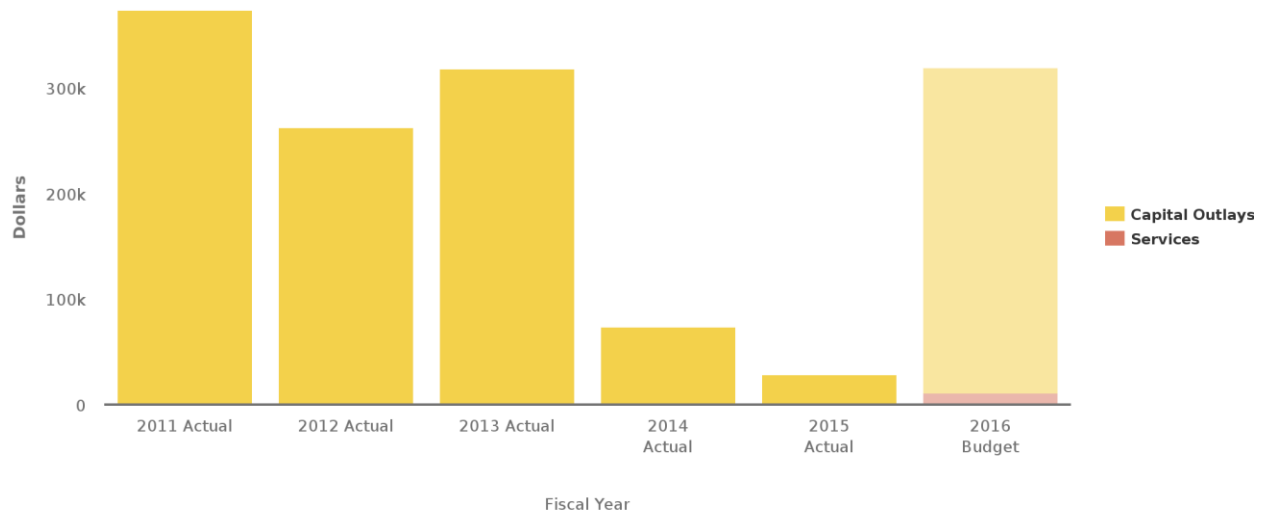
Revenue	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Transfers In	650,000	150,000	191,678	242,000	130,000	180,000
Other Misc Revenues	2,275	29,446	1,706	68	831	25,000
Disposition Of Cap Assets	0	2,963	5,985	11,344	0	0
Interest/Other Earnings	580	218	118	71	562	100
Total	652,855	182,627	199,487	253,483	131,393	205,100

Transfers In: The General Fund pays for all expenditures from this fund. The revenue for the vehicles comes through an interfund transfer.

Equipment, Rental, and Revolving Funds Expenses

These funds pay for Vehicles and IT resources. For 2016 the following was approved for replacement:

Dump Truck #664	64,000
Lawn Mower #11	8,300
Lawn Mower #3	8,300
Police Patrol Sedan – crown vic #74	45,000
Police Patrol Sedan – Taurus #506	28,000
Buildings Pick Up Truck #658	27,000
Parks Pick Up Truck #697	30,800
Streets SF Roller #15	30,000
Police K-9 vehicle	45,000
Computers/monitors replacement	10,000
Software licensing	12,000
Server/Network upgrades	12,000



Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Capital Outlays	373,538	262,953	319,041	74,494	28,622	308,400
Services	0	0	0	0	0	12,000
Total	373,538	262,953	319,041	74,494	28,622	320,400

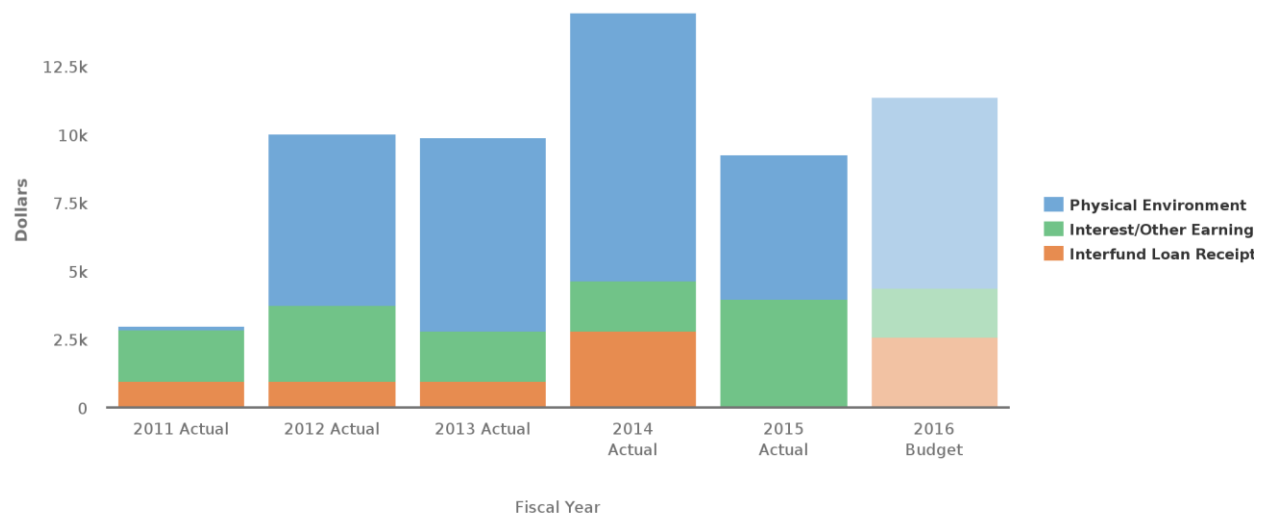
Perpetual Care Fund

This fund was established by Ordinance to maintain the Cemetery in the future. A portion of the Cemetery lot sales, 25%, shall be deposited in the Cemetery Perpetual Care Trust Fund, until such time as the fund shall be of a sufficient amount that the revenue received therefrom will provide ample funds for the perpetual care and keep of the Cemetery. The principal of the fund shall be kept intact and not diminished. The interest therefrom shall be used for the expenses of operation, and any excess may be used for capital improvements and additions to the Cemetery, or if not needed for such purposes shall be added to the principal amount.

Perpetual Care Fund Revenues and Expenses



Perpetual Care Fund Revenue Sources

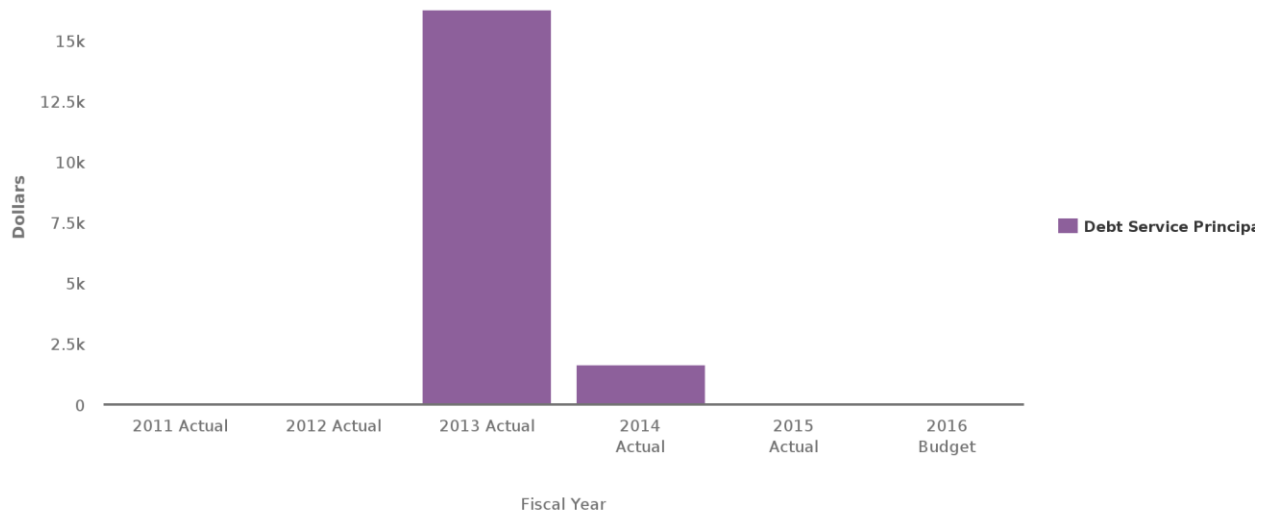


Revenue	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Physical Environment	151	6,250	7,085	9,777	5,298	7,000
Interest/Other Earnings	1,874	2,785	1,812	1,857	3,995	1,800
Interfund Loan Receipts	1,000	1,000	1,000	2,807	0	2,600
Total	3,025	10,035	9,897	14,441	9,293	11,400

Physical Environment: A portion of Cemetery lot sales, 25% goes to this fund.

Perpetual Care Fund Expenses

No expenses are budgeted for 2016.



Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Debt Service Principal	0	0	16,240	1,644	0	0
Total	0	0	16,240	1,644	0	0

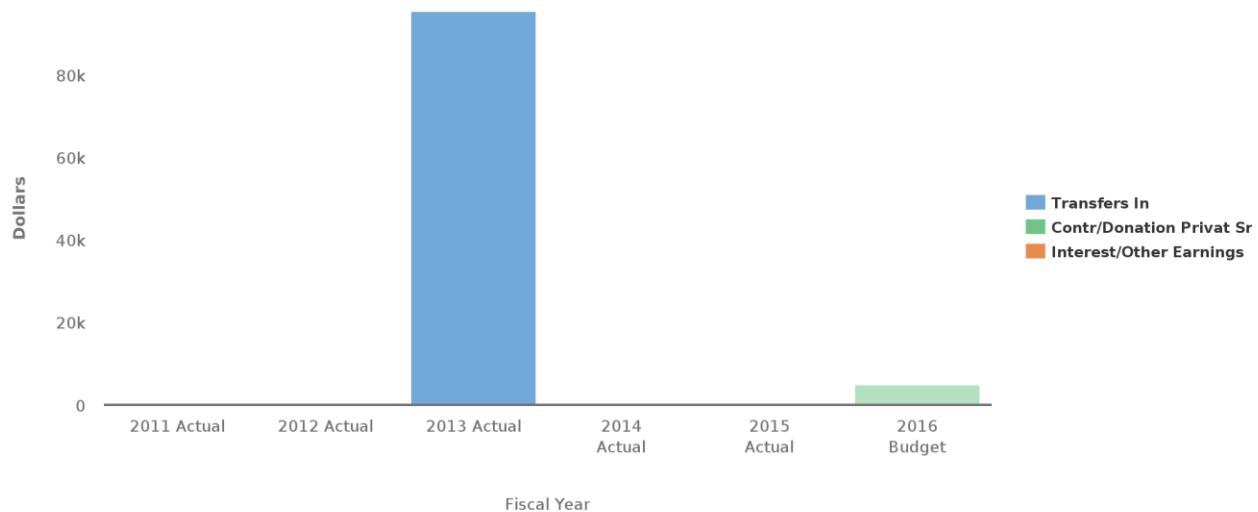
Low Income Assistance Fund

This fund was established in 2013, and is used to assist low income citizens with their utility bills. The initial seeding money came from the utility reserves in the amount of \$95,000 which represents approximately one year of late fee/penalty revenue. The intent is for citizens to donate funds to keep the program operational.

Low Income Assistance Fund Revenues and Expenses



Low Income Assistance Fund Revenue Sources

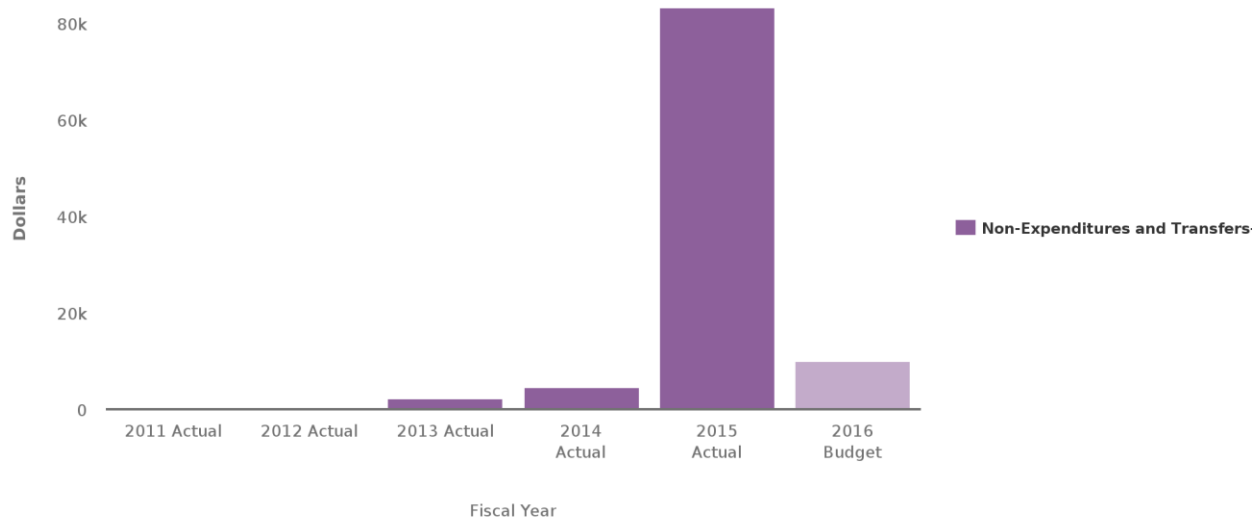


Revenue	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Transfers In	-	-	95,000	-	-	-
Contr/Donation Privat Src	-	-	250	340	80	5,000
Interest/Other Earnings	-	-	27	91	19	100
Total	-	-	95,277	431	99	5,100

Contributions/Private Donations: Citizens make donations to this fund to support low income customers who cannot afford their utility bill.

Low Income Assistance Fund Expenses

Utility Customers submit an application for assistance, once approved it goes to the Finance Committee for approval, and City Council then has the final approval on the application. There is a maximum of \$250 per customer per year in assistance. In 2015 the Council moved \$75,000 back to the Operations and Maintenance Fund.



Expense	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Non-Expenditures and Transfers-Out	0	0	2,244	4,757	83,131	10,100
Total	0	0	2,244	4,757	83,131	10,100

City of Washougal



City Long Term Liabilities

Long Term Liabilities

The City has several different types of long term liabilities which have funded City Capital Projects. In addition to principal payments, the City also pays annual interest payments for each of the outstanding liabilities. The City does not have an official debt policy. The City uses each debt's amortization schedule to budget for the debt service payments. Each liability class is described below.

General Obligation Bonds

The City has two general obligation bonds outstanding, one was voted on to fund the construction of a new Police Station. The other was a non-voted bond for the downtown revitalization project. The City is only allowed to have so much outstanding debt in general obligation bonds based upon property taxes being the revenue source in which repayment occurs. For the voted bonds, an additional levy was incurred thereby increasing tax payer's property taxes in order to repay those bonds. The non-voted bonds at the City are paid with REET funds. The following describes the City's general obligation limit as of December 31, 2015:

Total Taxable Property Value (2015 Assessment for 2016 Revenue)	<u>\$ 1,458,273,421</u>	<u>Remaining Debt Capacity</u>
<u>FOR GENERAL PURPOSES</u>		
<u>NON-VOTED DEBT LIMITS</u>		
(1) 2.5% general purposes limit is allocated between:	\$ 36,456,836	
(2) Up to 1.5% debt without a vote (councilmanic)	\$ 21,874,101	
(3) Less: Outstanding Debt	\$ (3,155,000)	
(4) Less: Contracts Payable	\$ -	
(5) Less: Excess of debt with a vote	\$ -	
(6) Add: Available Assets	\$ -	
(7) Equals: Remaining debt capacity without a vote		<u>\$ 18,719,101</u>
<u>VOTED DEBT LIMITS:</u>		
(8) 1% general purposes debt with a vote	\$ 14,582,734	
(9) Less: Outstanding Debt	\$ (715,000)	
(10) Less: Contracts Payable	\$ -	
(11) Add: Available Assets	\$ -	
(12) Equals: Remaining debt capacity with a vote		<u>\$ 13,867,734</u>

Public Works Trust Fund Loans

These are loans through the Washington State Public Works Board. They are low-interest loans for local governments to finance public infrastructure construction and rehabilitation. Eligible projects must improve public health and safety, respond to environmental issues, promote economic development, or upgrade performance. The City has five outstanding Public Trust Fund Loans for a total outstanding principal balance of \$3,579,280.

Revenue Bonds

In order to fund the City's utility infrastructure projects, the City has issued four Revenue Bonds. These bonds are supported and paid for by utility rates. The City underwent several rate studies by a third party consulting company to support the issuance of these bonds. Total principal Revenue bonds outstanding are \$30,635,000 as of December 31, 2015.

City of Washougal



Capital Projects

Capital Projects

The City has four different Capital Facility Plans for water, sewer, transportation, and parks. Each plan is completed by a third party contractor procured through a public request for proposals. These Facility Plans take into account current and future needs of the City and systems. These plans are updated every six years. The City has approximately \$1.5 billion in capital assets. As the City is cash basis, assets are expensed when purchased.

Water Capital Facility Plan

The City has six reservoirs which serve five pressure zones, which are further divided into sub-zones by pressure reducing valves. Underlying aquifers are the current source of water supply to the City. Water is extracted from two wellfields – the Westside Wellfield and Hathaway Park Wellfield. This plan conducts an analysis of six years and 20 years for the system to operate at current levels. During this review approximately \$24 million of capital projects were found to be needed for 20 year projections to keep the system at current levels. The six year projection anticipated \$7 million in projects.

Sewer Capital Facility Plan

The City operates and maintains approximately 35 miles of sanitary sewer collection lines and mains. The City's current system relies upon an activated sludge treatment plant that discharges to the Columbia River. By state law, sanitary sewer system improvements need to conform to a State-approved General Sewer Plan which is formally adopted by City Council. During this review approximately \$29 million of capital projects were found to be needed for 20 year projects to keep the system at current levels. The six year projection anticipated \$3 million in projects.

Transportation Capital Facility Plan

Washougal is located along SR-14 in eastern Clark County, Washington. Traffic on SR-14 is forecasted to nearly double during the evening peak traffic hour in the easterly peak direction. The plan lays the groundwork for a street network which adequately provides a safe and efficient movement of people and goods. The plan grades roads and establishes the priorities of transportation projects. Total projects through 2035 are \$214 million.

Parks Capital Facility Plan

The Park and Recreation Plan identifies a vision for Washougal's park system, and presents recommendations for achieving that vision. The plan identifies and evaluates existing park and recreation areas; assesses the need for additional park land, open space and recreation facilities; establishes goals and objectives for the City's leisure services; and offers specific policies and recommendations to achieve these goals and objectives. Total Parks and open space project total from this review is \$29 million.

Glossary

Adopted Budget – Financial program which forms the basis for appropriations, adopted by the governing body.

Allocate – To divide a lump-sum appropriation which is designed for expenditure by specific organization units and/or for specific purposes, activities, or objects.

Appropriation – An authorization made by the legislative body of a government which permits officials to incur obligations against and to make expenditures of governmental resources. Specific appropriations are usually made at the fund level and are granted for a one-year period.

Assessed Value – the value set on real and personal taxable property as a basis for levying taxes.

Assets – Resources owned or held by the City which monetary value.

Audit – Conducted by the Washington State Auditor's Office, the primary objective of an audit is to determine if the City's financial statement presentation fairly present the City's financial position.

Balanced Budget – A budget in which planned expenditures do not exceed projected funds available.

Bond – A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity date, together with periodic interest at a specified rate.

Budget – Written report showing the City's financial plan for one fiscal year. It includes a balanced statement of actual revenues and expenditures during the last year, and estimated revenues and expenditures during the last year, and estimated revenues and expenditures, as budgeted, for the current and upcoming year.

Capital Outlay/Capital Expenditures – Items which generally have a useful life of more than one year, such as machinery, land, furniture, equipment or buildings.

Comprehensive Plan – The plan, or portions thereof, which has been adopted by the City Council. It is a land use policy statement that guides future growth of the City.

Debt Service Fund – A fund used to account for the monies set aside for the payment of interest principal to holders City debt.

Department – A major organization unit of the City which has been assigned overall management responsibility for an operation or group of related operations within a functional area.

Enterprise Fund – A fund established to finance and account for the acquisition, operation, and maintenance of governmental facilities and services which are entirely or predominately self – supporting by user charges and fees.

Expenditures – The outflow of funds paid or to be paid for an asset obtained or goods and services obtained.

FTE – Full time equivalent – the combination of one or more employees whose work hours equal that of a full-time position, 40 hours a week, 52 weeks a year.

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 operations. (January 1 through December 31 for the City)

Fixed Assets – Assets of a long-term character which are intended to be held or used, such as land, buildings, improvements other than buildings, machinery and equipment that have a value of \$5,000 or more and that have useful life over a year.

Franchise Fee – A franchise fee is charged for the privilege of using public right-of-way and property within the City for public or private purposes. The City currently assesses franchise fees on cable TV.

Fund – A fiscal and accounting entity with self-balancing accounts to record cash and other financial resources, related liabilities, balances and changes, all segregated for specific, regulated activities and objectives.

Fund Balance – The excess of a funds' total assets over its total expenditures. A negative fund balance is often referred to as a deficit.

General Funds – Financial transactions relating to all governmental activities for which specific types of funds are not required are recorded in a General Fund. This fund is used for all receipts not dedicated for a specific purpose.

Governmental Funds – Funds through most governmental functions are financed. The fund types included in this category are general, special revenue, capital projects, debt service and special assessments funds.

Grant – Contributions of cash or other assets from another governmental agency to be used or expended for a specified purpose, activity of facility.

Growth Management – State requirements related to development and its impact on public infrastructure.

Impact Fee – A fee charged on new development to finance required infrastructure such as roads, parks, schools and fire facilities.

Infrastructure – The portion of a City's assets located at or below ground level, including the water, sewer, street, and storm systems.

Interfund Transactions – Amounts distributed from one fund to finance activities in another fund. Shown as an expenditure in the originating fund and a revenue in the receiving fund.

Investment Revenue – Revenue received as interest from the investment of funds not immediately required to meet cash disbursement obligations.

LEOFF I and II – Law Enforcement Officers retirement system plan.

PERS – Public Employees Retirement System.

Proposed Budget – Financial program prepared by the City’s administration and submitted to the public and Council for review.

RCW – Revised Code of Washington which contains all laws of a general and permanent nature enacted by the State.

Reserve – An account used to indicate a portion of fund resources is restricted for a specific purpose, or is not available for appropriation and subsequent spending.

Revenues – All amounts of money received by a government from external sources other than expense refunds, capital contributions, and residual equity transfers.

Special Revenue Fund – Special revenue funds are established only for special tax levies and other dedicated revenues whenever required by statutes, charter provisions, or the terms under which revenue is dedicated.

System Development Charges (SDC) – A fee charged on new development to finance require water, sewer, and drainage infrastructure.

Tax Rate – A percentage applied to all taxable property to raise general fund revenues. It is derived by dividing the total tax levy by the taxable net property valuation.

Taxes – Compulsory charges levied by a government for the purpose of financing services performed for the common benefit.

Washington Administrative Code (WAC) – Laws adopted by State agencies to implement State Legislation.