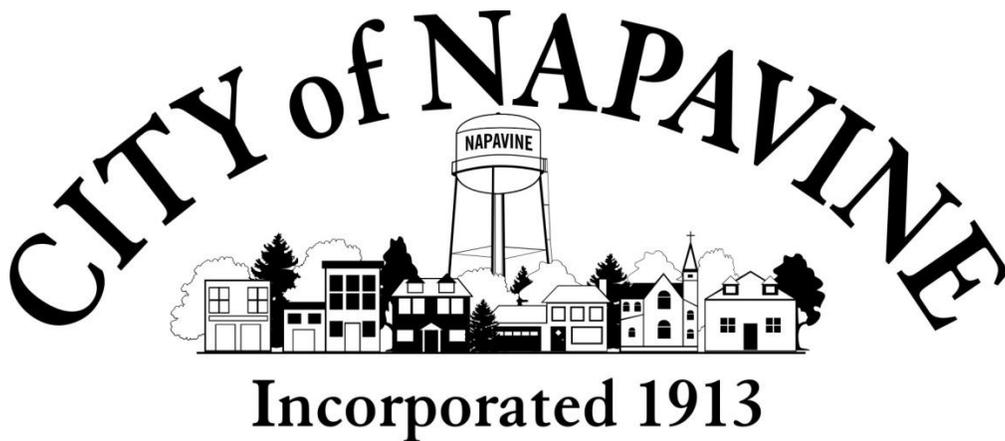


CITY OF NAPAVINE 2017 PRELIMINARY BUDGET



**FOR THE FISCAL YEAR
January 1, 2017
Through
December 31, 2017**

The City of Napavine is an equal opportunity employer and provider

TABLE OF CONTENTS

MAYOR'S BUDGET MESSAGE	I
City of Napavine, Washington	ii
PRINCIPAL OFFICIALS.....	III
CITY-WIDE ORGANIZATION CHART.....	IV
ORDINANCE ADOPTING 2017 BUDGET	V
2016 ESTIMATED YEAR END BALANCES	VII
2016 YEAR END RESTRICTED REVENUES	VIII
2017 BUDGET SUMMARY	XII
FINANCIAL SECTION	1
GOVERNMENTAL FUND TYPES	1
GENERAL FUND.....	1
General Fund Summary Review	1
Tax Revenues	2
Licenses and Permits	2
Intergovernmental Revenue.....	3
Charges for Goods and Services	4
Court Fines & Penalties.....	4
Miscellaneous Revenues	5
General Fund Expenditure Summary	6
GENERAL FUND BUDGET SUMMARY.....	7
SUBSTANCE ABUSE FUND	8
PARK IMPROVEMENT FUND	9
SPECIAL REVENUE FUND TYPES.....	10
STREET FUND	10
Street Fund Revenues.....	10
STREET IMPROVEMENT FUND	12
CRIMINAL JUSTICE FUNDS.....	14
CAPITAL PROJECT FUND TYPES	16
Project Planning Fund	16
PROPRIETARY FUND TYPES	17
ENTERPRISE FUNDS.....	17
WATER FUND.....	17
Water Fund Revenues	17
WASTEWATER FUND	19
Wastewater Fund Revenue	19
WATER DEPOSIT TRUST FUND	21
USDA BOND RESERVE FUND	22

PROPRIETARY CAPITAL FUNDS	23
WATER SYSTEM IMPROVEMENT FUND.....	23
LID 2011-1 (RUSH ROAD WATER PROJECT)	25
LID 2011-1 REDEMPTION FUND	26
EXIT 71 IMPROVEMENT FUND	27
Exit 71 Improvement Revenues.....	27
WASTEWATER SYSTEM IMPROVEMENT FUND.....	28
Wastewater System Improvement Revenue	28
FIDUCIARY FUND TYPES	29
UNEMPLOYMENT COMPENSATION (PRIVATE-PURPOSE TRUST FUND).....	29
MUNICIPAL COURT TRUST FUND	29
AGENCY FUND TYPES	30
AGENCY FUNDS	30
CITY AGENCY FUND.....	30
DEBT SCHEDULE	31
SCHEDULE OF TRANSFERS	32
SALARY SCHEDULE	33
SALARY FUND ALLOCATION	34



MAYOR'S BUDGET MESSAGE

To the Residents of Napavine and City Council:

It is my pleasure to present the 2017 balanced budget for the City of Napavine with approximately \$788,955 in General Fund and a total budget of \$2,814,000. This budget proposal reflects Napavine's core values, and maintains current staffing and service levels. The budget provides the city's financial forecast and plan for the next twelve (12) months. The budget does include a 1% increase in property tax levy, and a 1% increase in utility tax as approved by the council. We started working on the 2017 budget in July of this year, which was comprised of the department heads, a representative from city council and me.

Accomplishments:

- 1) It has been my goal since taking office in 2012 to see that staff hours are brought back and maintained to full-time status, and with this budget we are closer to my overall goal.
- 2) Sidewalks at Mayme Shaddock Park for public safety
- 3) All departments going into the 2016 year operated with bare-bones budget and were able to work within those parameters. In many cases departments were fiscally responsible in their spending and were able to give back funds, yet maintain services to the public.

As always, I am very grateful to our city's dedicated staff, councilmembers and planning commission for their commitment to their work on behalf of the citizens of Napavine. Their jobs are not always easy to effect and enforce policies that the council have made and set forth.

The budget put forth reflects the best information available at this time. We recognize that the budget is a planning document and tool, and know that throughout the year there will be unknowns that will impact the budget.

My goal is for us to continue to provide excellent customer service, government accountability and transparency and to create an environment folks and families want to live and feel safe.

Respectfully submitted,

John Sayers

Mayor John Sayers

CITY OF NAPAVINE, WASHINGTON



The City of Napavine was incorporated November 21, 1913, and operates under the laws of the state of Washington applicable to a Mayor-Council form of government. The City of Napavine uses single-entry, cash basis accounting and reporting.

The City of Napavine is a general purpose government that provides police services, municipal court services, community parks, land use planning, building plan review and code enforcement, street maintenance, water distribution, wastewater collection and general administrative services.

PRINCIPAL OFFICIALS

ELECTED CITY OFFICIALS

(City Council)

John Sayers, Mayor Term Expiration 12/31/2019
Jennifer Slep, Council Position #1 Term Expiration 12/31/2017
LaVerne Haslett, Council Position #2 Term Expiration 12/31/2017
Armondo Galaviz, Council Position #3 Term Expiration 12/31/2019
Vacant, Council Position #4 Term Expiration 12/31/2017
Craig Sullivan, Council Position #5 Term Expiration 12/31/2019

DEPARTMENT HEADS/APPOINTED CITY OFFICIALS

Mark Scheibmeir City Attorney
Penny Jo Haney City Clerk
Mary Wood City Treasurer
Steve Ashley Community Development Director
Bryan Morris Public Works Director
Chris Salyers Police Chief
Joseph Mano Municipal Court Judge
Katie Clark Court Administrator

PLANNING COMMISSION

Mindy Wallace, Chair
Robert Wheeler

William Phipps
Vacant

Brooke Brooling

Mailing Address

P O Box 810
Napavine, WA 98565

Physical Address

407 Birch Ave SW
Napavine, WA 98565

Phone

360-262-3547

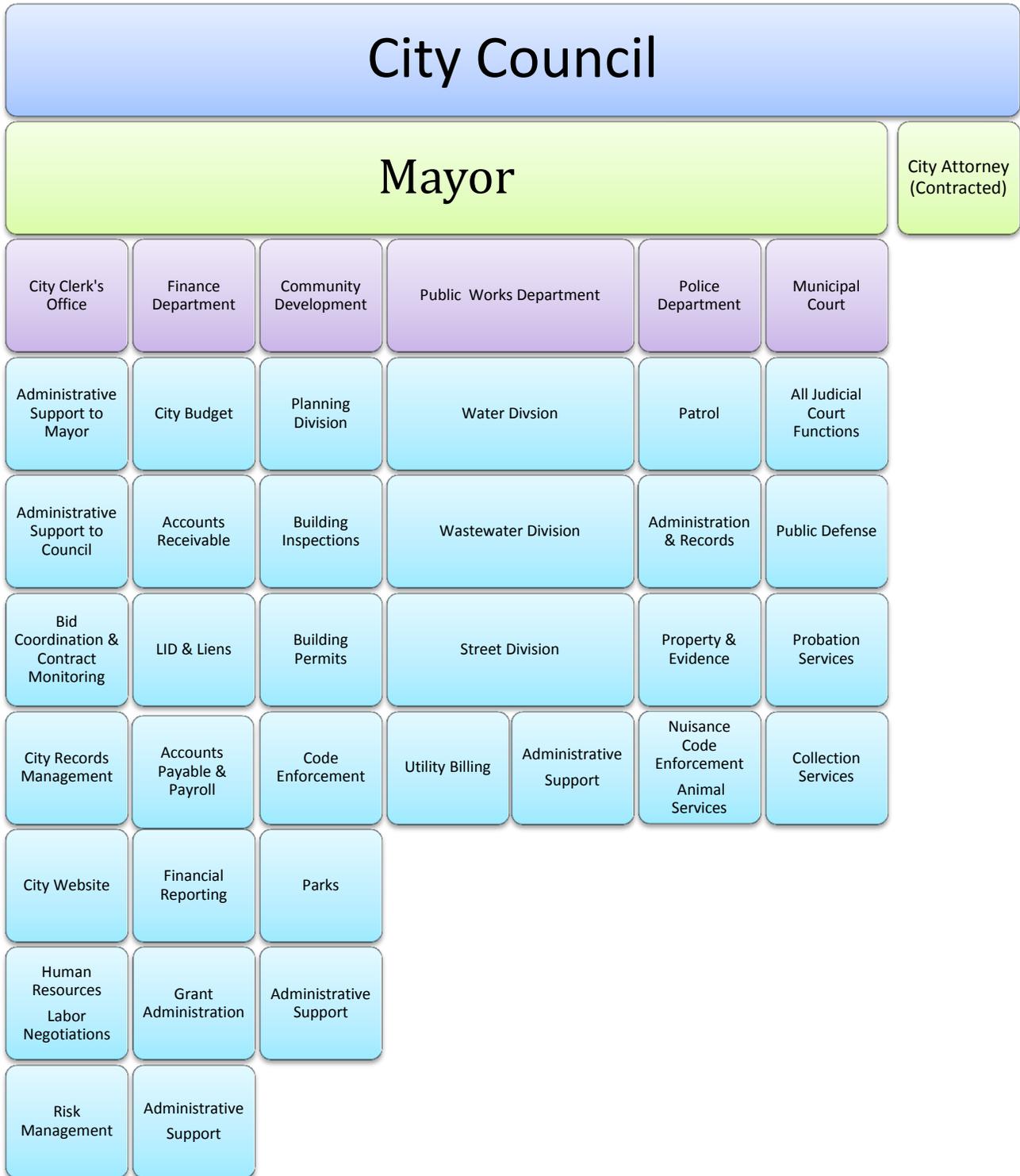
Fax

360-262-9199

Home Page

www.cityofnapavine.com

CITY-WIDE ORGANIZATION CHART



ORDINANCE ADOPTING 2017 BUDGET

ORDINANCE NO. 566

AN ORDINANCE ADOPTING THE BUDGET FOR THE CITY OF NAPAVINE, WASHINGTON, FOR THE FISCAL YEAR ENDING DECEMBER 31, 2017

WHEREAS, the City of Napavine, Washington completed and placed on file with the City Clerk a proposed budget and estimate of the amount of moneys required to meet the public expenses, bond retirement and interest, reserve funds, and expenses of government of the City for the fiscal year ending December 31, 2017 ; and

WHEREAS, a notice was published that the City Council would meet on November 8th and 22nd, 2016, at 6 p.m., in the council chambers of city hall for the purpose of making and adopting a budget for said fiscal year and giving taxpayers within the limits of the City an opportunity to be heard in a public hearing upon said budget; and

WHEREAS, the City Council did hold a public hearing at that time and place and did then consider the matter of the proposed budget for the fiscal year 2017; and

WHEREAS, the proposed budget does not exceed the lawful limit of taxation allowed by law to be levied on the property within the City for the purposes set forth in the budget, and the estimated expenditures set forth in the budget being all necessary to carry on the government of the City for the fiscal year 2017, and being sufficient to meet the various needs of the City during that period;

NOW THEREFORE, the City Council of the City of Napavine, do ordain as follows:

SECTION 1. The budget for the City of Napavine, Washington for the year 2017 is hereby adopted at the fund level in its final form and content as set forth in the comprehensive budget document, “(CITY OF NAPAVINE 2017 BUDGET)”, copies of which are on file in the Office of the City Clerk.

SECTION 2. Estimated resources for each separate fund of the City of Napavine, and aggregate expenditures for all such funds for the year 2017 are set forth in summary form below, and are hereby appropriated for expenditure at the fund level during the year 2017 as set forth in the “(CITY OF NAPAVINE 2017 BUDGET)”.

	Estimated Beginning Balance	Estimated Revenues	Appropriations/ Expenditures	Ending Fund Balance
General Fund 001	239,703	791,080	788,955	241,828
Sustance Abuse Fund	6,364	75	500	5,939
Park Improvement Fund	46,351	10,630	13,500	43,481
Street Fund	167,634	267,825	262,505	172,954
Street Improvement Fund	89,253	15,650	36,000	68,903
Criminal Justice Fund	73,186	30,220	30,400	73,006
Project Planning Fund	65,615	21,390	28,000	59,005
Water Fund	514,951	431,160	418,095	528,016
Water System Improvement Fund	577,864	65,150	317,900	325,114
Utility Deposit Trust Fund	8,000	-	8,000	-
Wastewater Fund	220,431	775,500	714,115	281,816
Wastewater System Improvement Fund	199,772	39,935	115,000	124,707
LID 2011-1 Bond Redemption Fund	210,468	67,395	84,630	193,233
Private Purpose Trust Fund (Unemployment Compensation)	24,336	3,500	22,000	5,836
Total All Funds	2,443,928	2,519,510	2,839,600	2,123,838

SECTION 3. The City Treasurer is directed to transmit a certified copy of the budget hereby adopted to the State Auditors’ Office and to the Association of Washington Cities.

SECTION 4. Effective Date. This ordinance shall be in full force and take effect five (5) days after its publication.

PASSED by the Napavine City Council and **APPROVED** by the Mayor of City of Napavine, at a regular open public meeting thereof this _____ day of _____, 2016.

Mayor

Approved as to form and content:

City Attorney, Mark Scheibmeir, WSBA \$12059

Attest:

City Clerk

2016 ESTIMATED YEAR END BALANCES

	2016 Estimated Year End Cash Flow								
	Beginning					Ending			
	Cash & Invest	Revenues	Transfers IN	Expenditures	Transfers Out	Cash & Invest	Restricted \$	Committed \$	Unreserved Bal
General Fund 001	265,283	857,000	-	785,560	97,020	239,703	12,740	97,396	129,567
Substance Abuse Fund	6,294	70	-	-		6,364	6,364		0
Park Improvement Fund 004	33,086	13,530		265		46,351	46,351		0
Street Fund 101	118,764	222,390	48,000	213,020	8,500	167,634	1,890		165,744
Street Improvement Fund 105	87,223	13,530	8,000	19,500		89,253	24,096	15,000	50,157
Criminal Justice Funds	1,350	42,825	48,020	19,010		73,185	73,185		0
Project Planning Fund	44,920	27,225		6,530		65,615	65,615		0
Water Fund 401	620,066	412,445		416,560	101,000	514,951	0		514,951
Water System Improvement Fund	403,839	95,800	100,000	21,775		577,864	0		577,864
USDA Bond Reserve Fund	22,710	-		-		22,710	22,710		0
Water Deposit Trust Fund	10,215	-		2,215		8,000	8,000		0
LID 2011-1 Construction Fund	-	-				-	0		0
Wastewater Fund 406	201,157	730,445	-	690,172	21,000	220,430	0		220,430
Wastewater System Improve Fund	159,307	20,465	20,000	-	-	199,772	0		199,772
Exit 71 Improvement Fund	(108)	29,172	-	29,064		(0)	0		(0)
LID 2011-1 Bond Redemption Fund	204,183	168,015	-	161,730		210,468	210,468		0
Private-Purpose Trust Funds	20,836	-	3,500	-		24,336	0		24,336
Municipal Court Trust Fund	27	120		50		97	97		0
Agency Funds	555	20,000		20,500		55	55		0
Total	2,199,707	2,653,032	227,520	2,385,951	227,520	2,466,788	471,571	112,396	1,882,821
			2,880,552		2,613,471				

2016 YEAR END RESTRICTED REVENUES

2016 Estimated Year End Restricted Funds								
Estimate Amount	Resource	RCW	Use	Restricted \$	Prior Balance	Total	Expended	Balance Restricted
Fund:	General Fund							
8,350	Liquor Excise Tax	70.96A.087	2% Substance abuse treatments	167				
15,540	Liquor Board Profits	70.96A.085	2% Substance abuse treatments	311	-	478	478	(0)
15,540	Liquor Control Board Profits	66.24.065	20.23% Public Safety	3,144	4,235	7,379	-	7,379
-	Sale proceeds RR Property	Council Resolution 14-07-62	Committed for Future Capital Needs	105,796	105,796	105,796	8,400	97,396
-	Internal Service Fund Dollars	Council	Reserved Funds Transferred	-	5,361	5,361		5,361
23,890			Total	109,418	115,392	119,014	8,878	110,136
Public Safety coverage from other governmental agencies								

Two percent (2%) of the total amount of liquor excise tax and liquor board profits must be spent on substance abuse treatment programs. Programs must be approved by the board authorized by RCW 70.96A.300 and the Secretary of the Department of Social and Health Services. In addition, Initiative 1183 added \$10 million dollars to the distribution for enhancing public safety programs. In percentage terms, this means 20.23 percent (20.23%) of the distribution must be spent for programs that enhance public safety. With the privatization of liquor sales, the liquor control board profits are the state distribution of a portion of beer tax and spirit fees. Distribution is based on population.

2016 Estimated Year End Restricted Funds								
Fund:	Park Improvement Fund							
Estimate Amount	Resource	RCW	Use	Restricted \$	Prior Balance	Total	Expended	Balance Restricted
13,500	Real Estate Excise Tax	82.46.010 (2)	Capital Facilities Plan Capital Projects	13,500	33,086	46,586	262	46,324
13,500			Total	13,500	33,086	46,586	262	46,324

Real Estate Excise tax is restricted for capital projects that are recognized in the city’s Capital Facilities Plan which meets capital threshold of \$5,000 or more based on the city’s Capital Asset Policy that was adopted in 2012. In 2016 the city spent \$262 on sidewalk improvements at Mayme Shaddock Park from the pedestrian overpass to the street for safety of the citizens of Napavine. The city is saving funds from the Real Estate Excise tax revenues for an upgrade to the kitchen area at Mayme Shaddock Park with enclosed restrooms and heating by building a new facility or remodel.

RCW 82.46.015 provides for twenty-five percent (25%) of available funds for the maintenance of capital projects if the city will have adequate funding from all sources of public funding to pay for all capital projects as defined in RCW 82.46.010, which are identified in the Capital Facilities Plan for the succeeding two-year period. Maintenance means the use of funds for labor and materials that will preserve, prevent the decline of, or extend the useful life of a capital project. Maintenance does not include labor or material costs for routine operations of a capital project.

2016 Estimated Year End Restricted Funds								
Fund:	Street Fund							
Estimate Amount	Resource	RCW	Use	Restricted \$	Prior Balance	Total	Expended	Balance Restricted
1,890	Multimodal Transportation City	47.66.070	Transportation purpose only	1,890	-	1,890		1,890
1,890	Total			1,890	-	1,890	-	1,890

Multimodal transportation funds is a part of the transportation package that was passed in 2015 legislative session in Section 405 of Engrossed Substitute House Bill 2524, Chapter 14, Laws of 2016 and Section 331 of 2ESSB 5987, Chapter 44, Laws 15. RCW 47.66.070 provides for the multimodal transportation account and states that the funds may be used only for transportation purposes. Transportation is defined as “the movement of people, animals and goods from one location to another.” WSDOT is updating the planning document in phases to meet federal and state requirements for long-range statewide transportation planning and to help guide the development of the state’s multimodal transportation system. That system includes public roads, ferries, public transportation, aviation, freight and passenger rail, ports, and bicycles and pedestrian facilities.

2016 Estimated Year End Restricted Funds								
Fund:	Street Improvement Fund							
Estimate Amount	Resource	RCW	Use	Restricted \$	Prior Balance	Total	Expended	Balance Restricted
13,500	Real Estate Excise Tax	82.46.010 (2)	Capital Facilities Plan/Capital Projects	13,500	20,569	34,069	0	34,069
-	HH Napavine 16		Developers Agreement	0	19,551	19,551	19,500	51
-	HH Napavine 16 Contribution		Developers Agreement	0	15,000	15,000		15,000
13,500	Total			13,500	55,120	68,620	19,500	49,120

Real Estate Excise tax is restricted for capital projects that are recognized in the city's Capital Facilities Plan which meets capital threshold of \$5,000 or more based on the city's Capital Asset Policy that was adopted in 2012. The city maintains this fund for future street projects listed in the Capital Facilities Plan which was updated June 28, 2016.

2016 Estimated Year End Restricted Funds								
Fund:	Criminal Justice Fund							
Estimate Amount	Resource	RCW	Use	Restricted \$	Prior Balance	Total	Expended	Balance Restricted
1,000	Criminal Justice Lo-Pop	82.14.330	Criminal Justice purpose non-recurring (Purchase police cars)	1,000	3,702	4,702	1,000	3,702
1,780	CJ-Special Programs	82.14.330 (2)(b)	Innovative Law Strategies, At-Risk Children, Child Abuse, Domestic Violence	1,780	10,365	12,145	3,000	9,145
325	DUI - Cities		DUI OT Enforcement	325	2,843	3,168	3,135	33
27,000	CJ - Sales Tax	82.14.340	Criminal Justice Purposes	27,000	31,110	58,110	30,975	27,135
30,105			Total	30,105	48,020	78,125	38,110	40,015

The term *criminal justice purposes* indicates a broad definition which would encompass all costs incurred in connection with the administration and enforcement of criminal laws, including those systems for dealing with persons suspected of, accused of, charged with, or convicted of crimes and domestic violence services. Expenditures for extraordinary events not likely to reoccur, changes in contract provisions for criminal justice services, beyond the control of the local jurisdiction receiving the services, and major nonrecurring capital expenditures such as purchase patrol vehicles.

2016 Estimated Year End Restricted Funds								
Fund:	Project Planning							
Estimate Amount	Resource	RCW	Use	Restricted \$	Prior Balance	Total	Expended	Balance Restricted
27,000	2nd Quarter Real Estate Excise Tax	82.46.035 (2)	Capital Projects specified in Capital Facilities Plan	27,000	44,920	71,920	10,000	61,920
27,000			Total	27,000	44,920	71,920	10,000	61,920

The city imposes an additional excise tax on each sale of real property in the in the corporate limits of the city for the city tax at a rate not exceeding one-quarter of one percent of the selling price. Real Estate Excise Tax is restricted in its use by RCW 82.46.03 (3) must be used by cities solely for financing capital projects specified in a capital facilities plan element of a comprehensive plan. Capital Project means those public works projects of a local government for

planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems, and planning, construction, reconstruction, repair, rehabilitation, or improvement of parks. In 2016, the city used this funding source in the amount of \$6,530 through October 2016, for updating the city's Comprehensive Plan which is a requirement for cities under the Growth Management Act.

2017 BUDGET SUMMARY

2017 Preliminary Cash Flow Estimate									
	Beginning					Ending			
	Cash & Invest	Revenues	Transfers IN	Expenditures	Transfers Out	Cash & Invest	Restricted \$	Committed \$	Unreserved Bal
General Fund 001	239,703	791,080	-	739,955	49,000	241,828	15,937	97,395	128,496
Substance Abuse Fund	6,364	75	-	500		5,939	5,939		-
Park Improvement Fund 004	46,351	10,630		13,500		43,481	43,481		-
Street Fund 101	167,634	219,825	48,000	257,005	5,500	172,954			172,954
Street Improvement Fund 105	89,253	10,650	5,000	36,000		68,903	34,696	15,000	19,207
Criminal Justice Funds	73,185	30,220	-	30,400		73,005	73,005		-
Project Planning Fund	65,615	21,390		28,000		59,005	59,005		-
Water Fund 401	514,951	431,160		367,095	51,000	528,016	-		528,016
Water System Improvement Fund	577,864	15,150	50,000	317,900		325,114	-		325,114
USDA Bond Reserve Fund	22,710	-		-		22,710	22,710		-
Water Deposit Trust Fund	8,000	-		8,000		0	-		0
Wastewater Fund 406	220,430	775,500	-	693,115	21,000	281,815	-		281,815
Wastewater System Improve Fund	199,772	19,935	20,000	115,000		124,707	-		124,707
Exit 71 Improvement Fund	(0)	-		-		(0)	-		(0)
LID 2011-1 Bond Redemption Fund	210,468	67,395		84,630		193,233	193,233		-
Private-Purpose Trust Funds	24,336	-	3,500	22,000		5,836	-		5,836
Municipal Court Trust Fund	97					97	97		-
Agency Funds	55					55	55		-
Total	2,466,788	2,393,010	126,500	2,713,100	126,500	2,146,698	448,158	112,395	1,586,145
		2,519,510		2,839,600					

FINANCIAL SECTION

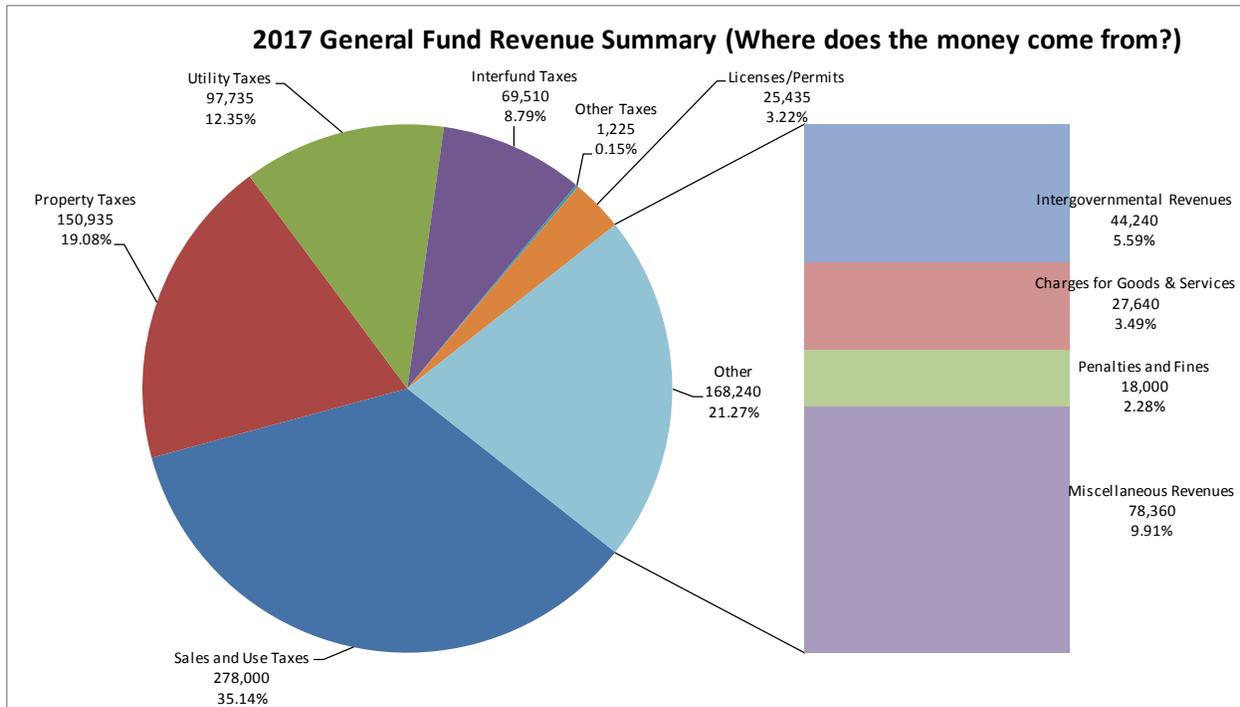
GOVERNMENTAL FUND TYPES

All governmental funds share a common measurement focus and basis of accounting. Under the current financial resources measurement focus, the object of the operating statement is to report near-term inflows and out-flows of financial or spendable resources.

GENERAL FUND

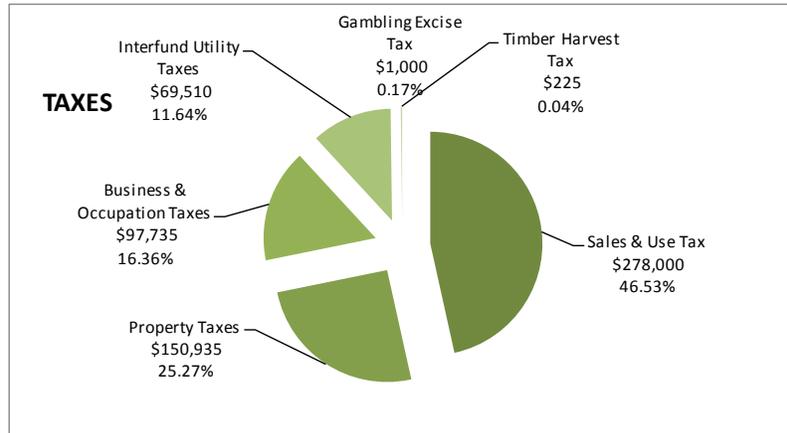
This is the main Operating Fund of the City which includes revenues and expenditures not required by codes to be accounted for separately.

GENERAL FUND SUMMARY REVIEW



Tax Revenues

- Retail Sales Tax \$278,000
- Property Taxes (Levy estimated amount \$292,000 split 50/50 with the Street Fund) however the new State Assessed Utilities is yet to be determined, which the city needs to budget for an increase or the city will not be allowed to collect property taxes on this value. The 2016 actual levy amount for City of Napavine was \$276,760. The allowable 1% increase over 2016 levy limit is estimated to be

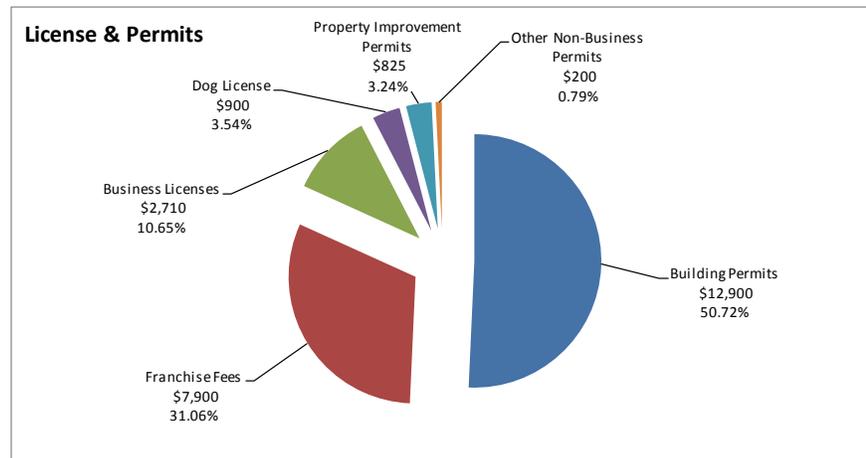


\$2,768. The value of the new construction in 2016 was \$3,208,000 X last year's (2016) levy rate of 2.133372671074 allows an increase in property levy for new construction in the amount of \$6,844. If the State Assessed Utilities increase; the levy estimate could result in an additional levy amount of up to \$46, which is quite conservative since the past two years the value of State Assessed Utilities has gone down. The city annexed properties along Woodard Road and Koontz Road by Ordinance 535 in November 2015, which will increase the city of Napavine's property value by \$1,458,100 resulting in an additional levy amount of \$3,219 totaling the 2017 levy amount to budget for round up to \$290,135. The city certifies to collect \$1,865 in administrative refunds for the 2017 tax year.

- Utility Taxes include telephone, cable, and electric utilities at a 6% rate, which will go into effect on January 1, 2017. While reviewing revenues for the General Fund, the telephone utility tax has steadily declined since 2011 for a total of 37.74% or \$12,505.
- Inter-fund Taxes on water & wastewater services from Utility Billing at a 6% rate of utility services effective 1/1/2017.
- Gambling Excise Tax based on 1% of gross receipts. (Gross sales less prize awards)
- Forest Timber Tax

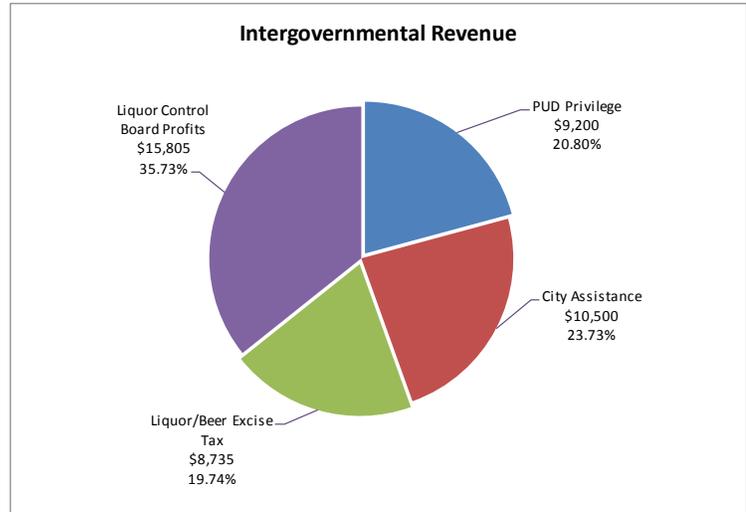
Licenses and Permits

- Business Licenses
- Franchise Fees
- Building Permits
- Animal License
- Miscellaneous Permits



Intergovernmental Revenue

- Indirect Federal Grants
- State Grants
- State Shared Revenues:
- PUD Privilege
- **City Assistance**
- ESSB 6005, ch. 450, Laws of 2005, established the city-county assistance account. This account provided funding for assistance for certain cities and counties for jurisdictions lost funding when the motor vehicle excise tax (MVET) was repealed in 2000. This account received 1.6% of the state real estate excise tax. The city anticipates receiving \$10,500. The



The city assistance funds are distributed quarterly on January, April, July and October. For funds to be distributed on those dates, the transfers must be made in the previous month. January payment is remitted in December of the year in which the certification is made, then in March, June and September of the coming year. This means that, for budgeting purposes, cities are dealing with two different certification years (2017-2018).

The formula used to allocate city funding is based on a sales tax and property tax equalization formula, and the 2005 MVET backfill levels. Cities with a population of 5,000 or less qualify to receive distributions equal to the greater of 1) 55 % sales tax equalization on first 0.5 percent local sales tax or 2) 55% property tax equalization based on per capita assessed values per \$1,000 assessed value; or 3) their 2005 MVET backfill allocation, or \$11,100 for Napavine.

- **Liquor Excise Tax**
Initiative 1183, passed in November 2011, privatized the distribution and retail sale of liquor, effective June 1, 2012. 2012 legislation resulted in a permanent diversion of \$10 million per year of city and county money from the liquor excise tax fund to the state general fund. The reduction in liquor excise tax distributions is applied to cities and counties in the same proportion as the initial tax distribution; 80% of the liquor excise tax is distributed to cities and 20% to counties. The 2015-2017 state budget (ESSB 6052) returned the distribution from the liquor excise tax to 35% of revenues collected. This distribution is based on population or per Capita, which the Office of Financial Management (OFM) estimates Napavine's 2017 population at 1,870. The anticipated revenue in this category is \$8,735
- **Liquor Board Profits**
Under Initiative 1183 the state now collects revenue in the form of license fees from distributors and retailers. A portion of these "liquor profits" (the Liquor Control Board (LCB) continues to call these funds "liquor profits") goes to cities, counties, and border cities and counties. Section 302 of Initiative 1183, now codified as RCW 66.24.065. The distribution of spirits license fees under RCW 66.24.630 and 66.24.055 through the liquor revolving fund to border areas, counties, cities, towns and the municipal research center must be made in a manner that provides that each category of recipients receive, in the aggregate, no less than it received from the liquor revolving funds during comparable periods prior to December 8, 2011. An additional distribution of ten million dollars per year from the spirits license fees must be provided to border areas, counties, cities, and towns through the liquor revolving fund for the purpose of enhancing public safety programs. Three-tenths of one percent (.03) is distributed to border cities and counties. Then the remaining amount gets distributed as follows; 80% to cities (49,289,686) equals \$39,431,748 annually, and 20% to counties (49,289,686) equals \$9,857,936 annually.

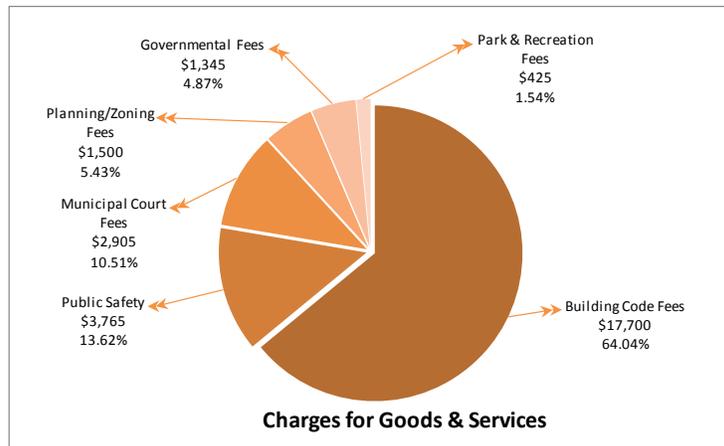
Each city and county has to split its distributions so that it can account separately for the portion that can be spent for any general fund purpose and the portion that must be spent to enhance public safety programs; 20.23% must be used for public safety purposes. This distribution is also based on population estimates for 2017 of 1,870 for an anticipated revenue amount of \$15,805, which \$3,198 is restricted for public safety purposes.

The following Intergovernmental Revenues are restricted in their use by state law:

- Two percent (2%) of liquor taxes and profits must be devoted to support an approved alcoholism or drug addiction program per RCW 70.96A.087 (Note: Cities that do not have their own facility or program for the treatment and rehabilitation of alcoholics and other drug addicts may share in the use of a facility or program maintained by another city or county so long as it contributes no less than 2% of its share of *liquor taxes* and *profits* to the support of the facility or program) in order to be eligible to receive these distributions. The 2% amount of liquor taxes and profits restricted is estimated in the amount of \$495 which the city of Napavine remits to Lewis County for alcoholism or drug addiction programs.

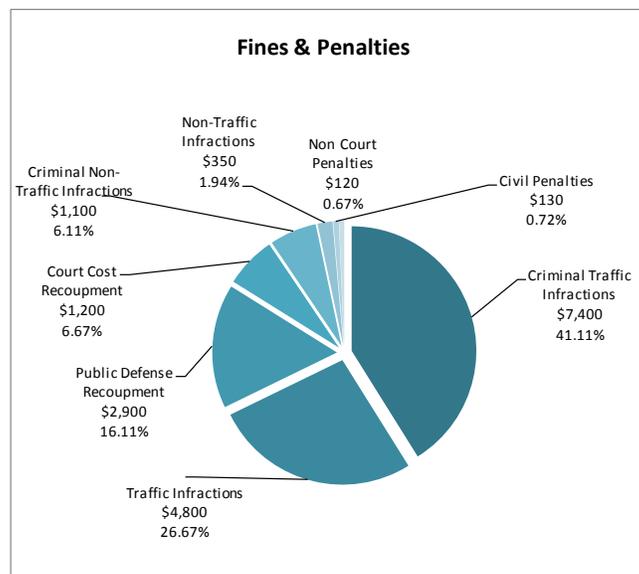
Charges for Goods and Services

- Building Code Fees
- Municipal Court Fees
- Physical Environment
- Planning Fees (SEPA, etc.)
- Park & Recreation Fees
- Governmental Fees



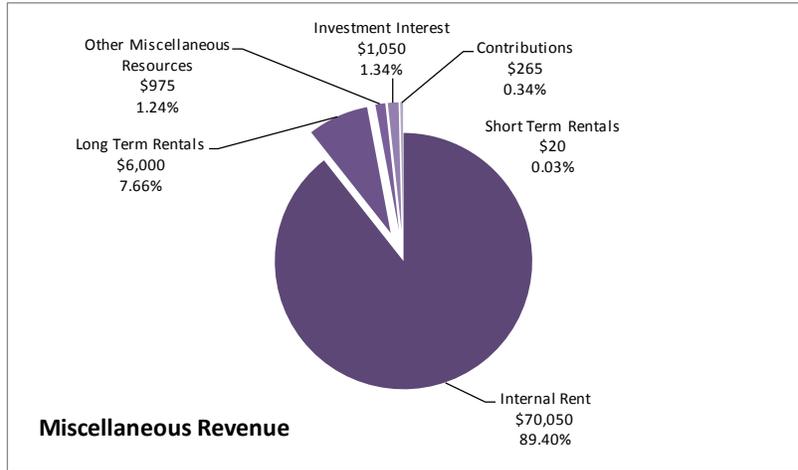
Court Fines & Penalties

- Criminal Traffic Fines
- Traffic Infraction Fines
- Criminal Court Costs
- Criminal Non-Traffic Fines
- Non-Traffic Fines
- Civil Penalties
- Penalties on business licenses

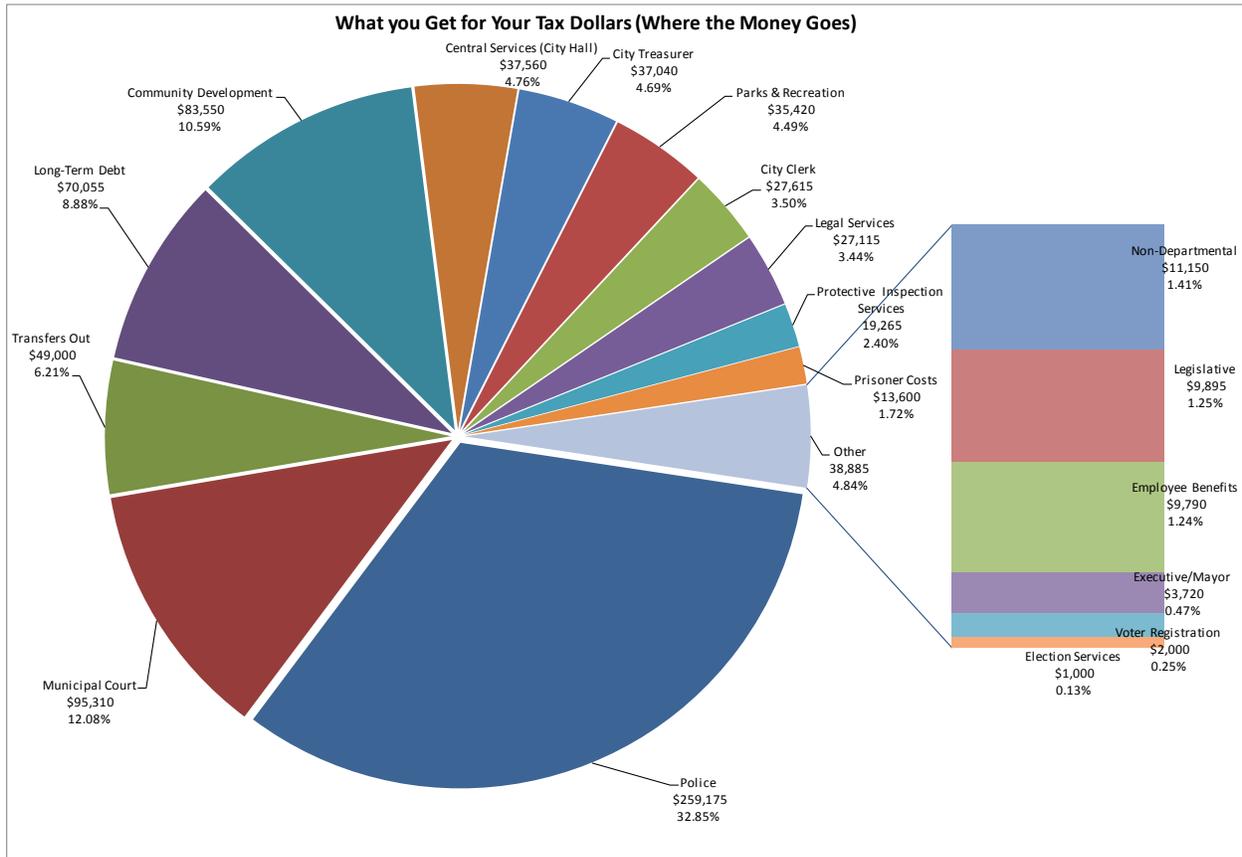


Miscellaneous Revenues

- Internal Rent
- Other Miscellaneous Resources
- Investment Interest
- Contributions/Donations
- Short-term Rentals



GENERAL FUND EXPENDITURE SUMMARY



Departments supported by the General Fund include: Legislative (City Council), Municipal Court, Executive (Mayor's Office), Treasurer's Office, Clerk's Office, Legal (City Attorney), Police Department, Protective Inspection Services (Community Service Officer [CSO]), Community Development, Parks, City Hall Maintenance and Debt Services.

GENERAL FUND BUDGET SUMMARY

CITY OF NAPA VINE 2017 PRELIMINARY BUDGET						
GENERAL FUND						
SUMMARY BY REVENUE TYPE AND EXPENDITURE BY DEPARTMENT						
BEGINNING FUND	Amended	Actual	Amended	Estimate Y/E	Preliminary	% Chg
BALANCE:	2015	2015	2016	2016	2017	16-17
January 1	194,970	216,086	216,181	265,283	239,703	10.88%
REVENUES						16-17
Property Taxes/Timber Harvest	139,050	140,078	141,120	139,855	151,160	7.11%
Sales and Use Taxes	250,000	277,979	275,000	278,500	278,000	1.09%
CJ Sales Tax (move to 110 CJ Fund)	25,000	26,657	-	-	-	N/A
Business & Occupation Taxes	144,835	135,926	146,385	141,910	168,245	14.93%
Licenses/Permits	51,795	28,304	24,705	25,730	25,435	2.95%
Intergovernmental Revenues	40,195	47,283	37,100	44,255	44,240	19.25%
Charges for Goods & Services	40,955	34,597	21,540	28,735	27,640	28.32%
Penalties and Fines	29,665	18,101	18,630	16,845	18,000	-3.38%
Miscellaneous Revenues	72,500	75,366	76,565	78,900	78,360	2.34%
Other Financing Sources	-	38	100,000	100,000	-	N/A
Non-Revenues/Insurance Recoveries	-	-	2,275	2,270	-	N/A
TOTAL REVENUES	793,995	784,329	843,320	857,000	791,080	-6.19%
Transfers In	0	0	10,025	-	-	-100.00%
TOTAL REVENUES & TRANSFERS-IN	793,995	784,329	853,345	857,000	791,080	-7.30%
EXPENDITURES						16-17
Legislative	10,880	8,374	11,815	11,815	9,895	-16.25%
Municipal Court	97,585	92,001	95,765	92,500	95,310	-0.48%
Mayor/Executive	2,715	2,423	3,555	3,350	3,720	4.64%
Treasurer	50,880	47,156	34,925	32,500	37,040	6.06%
Clerk's Office	41,795	39,698	31,080	30,000	27,615	-11.15%
Election Services	1,000	1,652	1,000	-	1,000	0.00%
Voter Registration	2,000	1,993	2,000	2,000	2,000	0.00%
Legal	27,155	20,149	27,100	20,150	27,115	0.06%
Employee Benefits	8,985	6,633	8,985	7,250	9,790	8.96%
Centralized Services (City Hall)^	28,535	26,958	27,400	26,900	37,560	37.08%
Police/Public Safety (Law Enforcement)	270,865	238,257	249,035	247,000	259,175	4.07%
Detention & Correction (Prisoner Costs)	13,000	10,023	14,000	13,000	13,600	-2.86%
Protective Inspection Services-CSO (524)	13,575	12,208	19,265	16,950	15,960	-17.16%
Community Development	67,175	62,021	64,555	64,000	83,550	29.42%
Parks & Recreation	21,595	23,537	28,375	28,300	35,420	24.83%
NonDepartmental*	11,010	7,179	11,530	10,680	11,150	-3.30%
Long-Term Debt	70,150	70,146	173,775	169,385	70,055	-59.69%
Non-Expenditure			1,385	1,380	-	N/A
Capital Equipment Expenditures	17,000	16,725	8,400	8,400	-	N/A
TOTAL OPERATING BUDGET	755,900	687,132	813,945	785,560	739,955	-9.09%
Transfers Out	48,000	48,000	98,350	97,020	49,000	-50.18%
TOTAL APPROPRIATIONS	803,900	735,132	912,295	882,580	788,955	-13.52%
ENDING FUND BALANCE:	2015	2015	2016	EYE 2016	2017	16-17
December 31	185,065	265,283	157,231	239,703	241,828	53.80%
Committed Resources for future Capital use	105,795	105,796	105,795	97,395	97,395	-7.94%

*NonDepartmental: Fire Investigation, Emergency Mngmnt, Pollution Control, Animal Control, Substance Abuse

Budget amendment for the refinane of the Craft3 loan payoff and the loan proceeds and phone system, Ordinance 552.

2016 Adopted Budget	Amended	Actual	Amended	Estimate Y/E	Preliminary	% Chg
General Fund	2015	2015	2016	2016	2017	16-17
NonDepartmental*						
<i>Fire Investigation 522</i>	600	-	600	-	200	-66.67%
<i>emergency services 525</i>	8,970	5,969	9,485	9,485	9,545	0.63%
<i>Conservation 553 (Flood/Pollution)</i>	600	592	600	600	610	1.67%
<i>Animal Control 554(Environmental Svcs)</i>	450	201	450	200	300	-33.33%
<i>Chemical Dependency 566 (2% Liquor Revenue)</i>	390	417	395	395	495	25.32%
TOTAL NON-DEPARTMENTAL	11,010	7,179	11,530	10,680	11,150	-3.30%

SUBSTANCE ABUSE FUND

This fund was established from the proceeds of seized evidence from drug trafficking cases and establishing a fine for all drug cases that was prosecuted by the Napavine Police Department. The resources in this fund may be used for the care and custody of evidence, training and education related to drugs.

CITY OF NAPAIVINE 2017 PRELIMINARY BUDGET						
SUBSTANCE ABUSE FUND						
SUMMARY BY REVENUE TYPE AND EXPENDITURE BY DEPARTMENT						
BEGINNING FUND	Adopted	Actual	ADOPTED	Estimate Y/E	Preliminary	% Change
BALANCE:	2015	2015	2016	2016	2017	16-17
January 1	6,230	6,222	6,410	6,294	6,364	-0.72%
	Adopted	Actual	ADOPTED	Estimate Y/E	Preliminary	% Change
REVENUES	2015	2015	2016	2016	2017	16-17
Fines & Penalties	160	43	45	40	45	0.00%
Investment Interest	25	29	25	30	30	20.00%
Total Revenues	185	72	70	70	75	7.14%
	Adopted	Actual	ADOPTED	Estimate Y/E	Preliminary	% Change
EXPENDITURES	2015	2015	2016	2016	2017	16-17
Property Room Equipment	5,000	-	200	-	500	150.00%
Total Expenditures	5,000	-	200	-	500	150.00%
	Adopted	Actual	ADOPTED	Estimate Y/E	Preliminary	% Change
ENDING FUND	2015	2015	2016	2016	2017	16-17
BALANCE:	2015	2015	2016	2016	2017	16-17
December 31	1,415	6,294	6,280	6,364	5,939	-5.43%

PARK IMPROVEMENT FUND

This fund is used for capital improvement to the city's parks. This fund is used to account for one-half the money collected from the first quarter percent real estate excise tax (REET) authorized under RCW 82.46.010 (2). Previously, these proceeds were required to use "solely for financing capital projects specified in a Capital Facilities Plan element of a Comprehensive Plan." However, with the passage of Washington State House Bill 1953 in 2011, a city or county is allowed to use available REET funds, with certain limitations, for the operations and maintenance of existing capital projects. From July 22, 2011, until December 31, 2016, a city may use thirty-five percent (35%) of available funds, for the operations and maintenance of existing capital projects.

CITY OF NAPAVINE 2017 PRELIMINARY BUDGET						
PARK IMPROVEMENT FUND						
SUMMARY BY REVENUE TYPE AND EXPENDITURE BY DEPARTMENT						
BEGINNING FUND	Amended	Actual	ADOPTED	Estimate Y/E	Preliminary	% Change
BALANCE:	2015	2015	2016	2016	2017	16-17
January 1	30,037	29,667	30,550	33,086	46,351	51.72%
	Amended	Actual	ADOPTED	Estimate Y/E	Preliminary	% Change
REVENUES	2015	2015	2016	2016	2017	16-17
REET Tax	12,480	10,596	5,135	13,500	10,600	106.43%
Miscellaneous Revenue	20	1,024	20	30	30	50.00%
Total Revenue	12,500	11,620	5,155	13,530	10,630	106.21%
Transfers In	-	-	-	-	-	N/A
TOTAL REVENUES & TRANSFERS-IN	12,500	11,620	5,155	13,530	10,630	106.21%
	Amended	Actual	ADOPTED	Estimate Y/E	Preliminary	% Change
EXPENDITURES	2015	2015	2016	2016	2017	16-17
General Parks	6,125	6,111	-	-	-	N/A
Community Park Dugouts	-	-	-	-	-	N/A
Park Building Imprvmnt Project	-	-	5,000	-	10,000	100.00%
Park Improvements	3,875	2,090	1,000	265	3,500	250.00%
Park Capital Equipment	-	-	2,500	-	-	-100.00%
TOTALS	10,000	8,202	8,500	265	13,500	58.82%
ENDING FUND	Amended	Actual	ADOPTED	Estimate Y/E	Preliminary	% Change
BALANCE:	2015	2015	2016	2016	2017	16-17
December 31	32,537	33,086	27,205	46,351	43,481	59.83%

SPECIAL REVENUE FUND TYPES

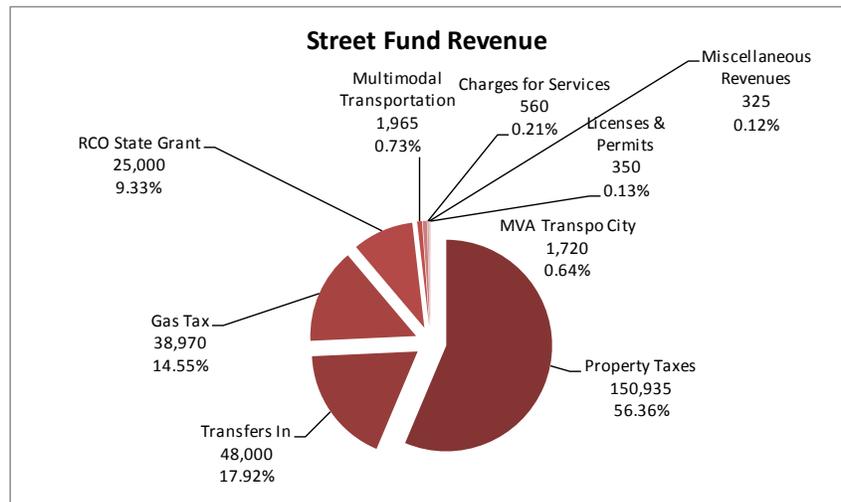
Special revenue funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects. *Restricted* revenues are resources externally restricted by creditors, grantors, contributors or laws or regulations of other governments or restricted by law through constitutional provisions or enabling legislation. *Committed* revenues are resources with limitations imposed by the highest level of the government (city council) through a formal action of resolution or ordinance and where the limitations can be removed only by a similar action of the city council. Revenues do not include other financing sources (long-term debt, transfers, etc.)

STREET FUND

This fund is used to account for the City's share of motor vehicle fuel tax, 50% property tax revenue and general fund resources designated to the maintenance of city streets.

Street Fund Revenues

- Property Taxes
- Intergovernmental Revenue (State Gas Tax)
- Multimodal Transpo City
- Recreation & Conservation State Grant
- Goods/Services
- Street Permits
- Miscellaneous Revenue
- Transfers-In



The 2015 legislative session adopted a transportation package 2ESSB 5987, which increased the motor

vehicle fuel tax of 11.9 cents. The legislation required that these distributions be phased in over the 2015-17 and 2017-19 biennium. The result is an annual distribution to counties, cities, and towns starting with the state fiscal year 2018 (7/1/17 – 6/30/18), of \$12,556,000. These direct transfers are to be split equally between cities and counties and the distributions based on population. They will be distributed on the last day of the month in September, December, March and June.

A **reminder** that fuel taxes in Washington are assessed as cents per gallon, so fuel tax revenue depends on the number of gallons sold, not the dollar value of the sales. Also the motor vehicle fuel tax dollars are based on per capita, which Napavine's estimated population for 2017 is 1870.

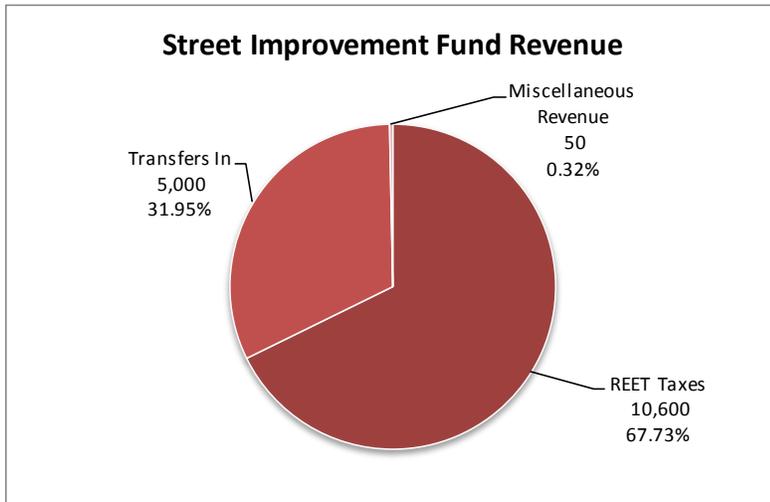
CITY OF NAPA VINE 2017 PRELIMINARY BUDGET						
STREET FUND						
SUMMARY BY REVENUE TYPE AND EXPENDITURES						
	BUDGET	Actual	Amended	Estimate Y/E	Preliminary	% Change
BEGINNING FUND BALANCE:	2015	2015	2016	2016	2017	16-17
January 1	109,786	118,574	60,960	118,764	167,634	174.99%
REVENUES						16-17
Property Taxes	139,000	139,952	141,000	139,630	150,935	7.05%
Licenses & Permits	300	350	250	325	350	40.00%
Intergovernmental Revenue	36,830	38,246	78,515	81,490	67,655	-13.83%
Charges for Services	520	551	545	555	560	2.75%
Miscellaneous Revenues	370	843	340	390	325	-4.41%
TOTAL REVENUES	177,020	179,942	220,650	222,390	219,825	-0.37%
Transfers In	47,000	47,000	48,000	48,000	48,000	0.00%
Total Transfers In	47,000	47,000	48,000	48,000	48,000	0.00%
TOTAL REVENUES & TRANSFERS	224,020	226,942	268,650	270,390	267,825	-0.31%
EXPENDITURES						
Maintenance	14,220	89,434	181,480	138,000	197,250	8.69%
Administration	69,190	66,502	72,020	72,020	51,755	-28.14%
Planning	2,000	2,595	3,000	2,000	3,000	0.00%
Total Operating Expenses	85,410	158,531	256,500	212,020	252,005	-1.75%
Long-Term Debt:						
Interfund Loan*	26,725	26,720	0	0	0	N/A
Total Debt	26,725	26,720	0	0	0	N/A
Capital Expenditures	5,000	5,000	1,000	1,000	5,000	400.00%
Total Operating Budget	117,135	190,251	257,500	213,020	257,005	-0.19%
Transfers Out	36,500	36,500	8,500	8,500	5,500	-35.29%
Total Appropriations	153,635	226,751	266,000	221,520	262,505	-1.31%
ENDING FUND BALANCE:	2015	2015	2016	2016	2017	16-17
December 31	180,171	118,765	63,610	167,634	172,954	171.90%
Capital Expenditures: Heavy Equipment \$5,000						

STREET IMPROVEMENT FUND

This fund is used to account for one half of the first quarter percent real estate excise tax (REET) authorized under RCW 82.46.010 (2) and special grants that are legally restricted to the construction or maintenance of state highways within the City's boundaries. This fund is also used for capital projects recognized with developers with a developer's agreement for improvements to Exit 72 area for future traffic signals, sidewalks and other improvements for public safety.

Real Estate Excise tax is restricted for capital projects that are recognized in the city's Capital Facilities Plan which meets capital threshold of \$5,000 or more based on the city's Capital Asset Policy that was adopted in 2012. The city maintains this fund for future street projects listed in the Capital Facilities Plan which was updated June 28, 2016.

RCW 82.46.015 provides for twenty-five percent (25%) of available funds for the maintenance of capital projects if the city will have adequate funding from all sources of public funding to pay for all capital projects as defined in RCW 82.46.010, which are identified in the Capital Facilities Plan for the succeeding two-year period. Maintenance means the use of funds for labor and materials that will preserve, prevent the decline of, or extend the useful life of a capital project. Maintenance does not include labor or material costs for routine operations of a capital project.



CITY OF NAPAVINE 2017 PRELIMINARY BUDGET						
STREET IMPROVEMENT FUND						
SUMMARY BY REVENUE TYPE AND EXPENDITURES						
	BUDGET	Actual	Amended	Estimate Y/E	Preliminary	% Change
BEGINNING FUND BALANCE:	2015	2015	2016	2016	2017	16-17
January 1	41,238	48,870	55,120	87,223	89,253	61.93%
	BUDGET	Actual	Amended			% Change
REVENUES	2015	2015	2016			16-17
REET Taxes	6,230	10,596	5,135	13,500	10,600	106.43%
TIB Grant Funds	589,230	74,925	-	-	-	N/A
H & H Napavine 16 (Restricted)	-	-	-	-	-	N/A
H & H Napavine Interest (Restricted)	20	29	30	20	30	0.00%
Investment Interest	-	-	-	10	20	N/A
HH Nap 16 Exit 72 Infrastructure (Restricted)	-	-	-			N/A
TOTAL REVENUE	595,480	85,551	5,165	13,530	10,650	106.20%
Transfers In	36,000	36,000	8,000	8,000	5,000	-37.50%
Total Revenue & Transfers	631,480	121,551	13,165	21,530	15,650	18.88%
	BUDGET	Actual	Amended	Estimate Y/E	Preliminary	% Change
EXPENDITURES	2015	2015	2016	2016	2017	16-17
Engineering	-	5,625	-	-	-	N/A
Advertising Professional Services	-	-	31,000	-	1,000	-96.77%
Street Improvements	620,230	77,572	5,000	-	30,000	500.00%
Street Lighting Improvements	5,000	-	5,000	-	5,000	0.00%
Non-Expenditure			-	19,500	-	N/A
TOTALS	625,230	83,198	41,000	19,500	36,000	-12.20%
	BUDGET	Actual	Amended	Estimate Y/E	Preliminary	% Change
ENDING FUND BALANCE	2015	2015	2016	2016	2017	16-17
December 31	47,488	87,223	27,285	89,253	68,903	152.53%
Restricted Revenues:						
H & H Napavine 16 Developers Agreement - Future need for traffic signals at Exit 72 near Loves/Request for a replacement of cash with Bond in 2016						
HH Nap 16 Exit 72 Infrastructure - Developers Agreement for future improvements at Starbucks area						

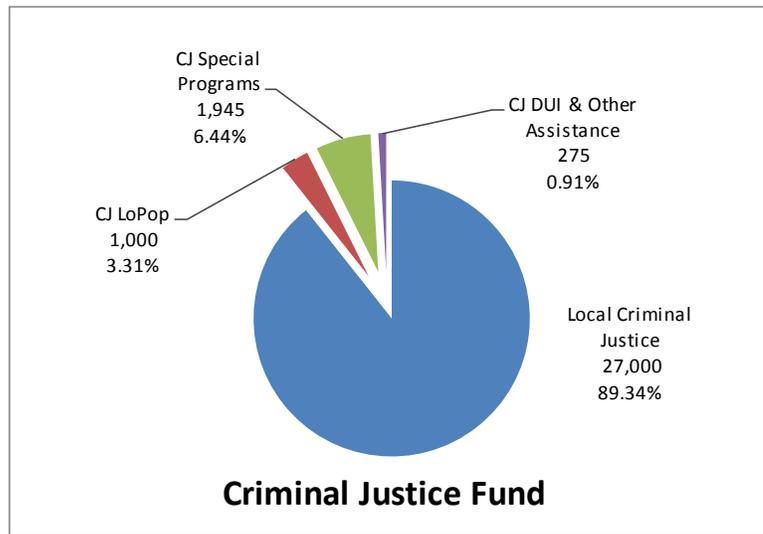
CRIMINAL JUSTICE FUNDS

The Criminal Justice Funds were previously included in the General Fund and tracked separately from the other funds and expenditures of the fund. To simplify the tracking of the criminal justice funds which are restricted in their use by the Revised Code of Washington, in 2017 the revenues and expenditures of this nature will be moved to the Criminal Justice Fund 110.

With the repeal of the motor vehicle excise tax, the only money that cities receive by statute comes from language that says that beginning July 1, 2000; a transfer would be made from the general fund to both city accounts under RCW 82.14.320 and RCW 82.14.330. Each transfer was appropriated originally at \$4.6 million, to be increased each July by “the fiscal growth factor” in RCW 43.135.025, which is the average growth in state personal income for the prior ten years. By 2015, the distributions had grown to \$8.2 million.

Seventy percent (70%) of the revenue distributed under RCW 82.14.330 (1) (a) (ii) is handed out on a purely per capita basis.

- Criminal Justice Lo-Pop which each city receiving a minimum of \$1,000, no matter how small their population.
 - Criminal Justice Lo-Pop is restricted per RCW 82.14.330 for criminal justice purposes for non-recurring expenditures, which may also be used for criminal judicial purposes.



RCW 82.14.330 (2) (a) (ii) allocates 54 percent to innovative law enforcement strategies, programs to help at-risk children or child abuse victim response programs and programs designed to reduce the level of domestic violence or to provide counseling for domestic violence victims. The funds for these

areas are distributed by the Office of the State Treasurer on a strictly per capita basis. While there is a requirement that these funds be spent in these specific areas, there is not a requirement of how much must be spent in each area. All of the distribution could be spent in one area if the city wishes.

- Criminal Justice Special Programs
 - The Criminal Justice Special Programs, formerly referred to as CTED Funds is restricted per RCW 82.14.330 (2)(b) for Innovative Law Strategies, At-Risk Children, Child Abuse Prevention Programs, and Domestic Violence Prevention Programs.
- Dui Cities
 - Dui Cities and Criminal Justice Sales tax may be used for criminal justice purposes with a broad use of these funds.

The city also receives 1% sales tax for Local Criminal Justice which may be used for criminal justice purposes as law enforcement deems necessary. Currently the city is utilizing the local criminal justice funds for two new patrol vehicles.

The ending restricted fund balance of the criminal justice dollars for criminal justice purposes was transferred from the General Fund to the Criminal Justice Fund in February 2016.

CITY OF NAPAVINE 2017 PRELIMINARY BUDGET

CRIMINAL JUSTICE FUND 110

SUMMARY BY REVENUE TYPE AND EXPENDITURE BY DEPARTMENT

BEGINNING FUND	Amended	Actual	ADOPTED	Estimate Y/E	Preliminary	% Chg
BALANCE:	2015	2015	2016	2016	2017	16-17
January 1	-	-	-	1,350	73,186	N/A
REVENUES	Amended	Actual	ADOPTED	Estimate Y/E	Preliminary	% Chg
	2015	2015	2016	2016	2017	16-17
Taxes:						
Local Criminal Justice			26,250	27,000	27,000	2.86%
Total Taxes			26,250	27,000	27,000	2.86%
State Shared Revenues:						
CJ LoPop			1,000	1,000	1,000	0.00%
CJ Special Programs			1,780	1,870	1,945	9.27%
CJ DUI & Other Assistance			325	290	275	-15.38%
Total State Entitle Revenues			3,105	3,160	3,220	3.70%
Goods & Services			-	12,000	-	N/A
Miscellaneous Revenue-Sale Surplus	1,350	1,350	-	665	-	N/A
TOTAL REVENUES	1,350	1,350	29,355	42,825	30,220	2.95%
Transfer In (GF Restricted \$)		-	49,350	48,020	-	-100.00%
TOTAL REVENUES & TRANSFERS-IN	1,350	1,350	78,705	90,845	30,220	-61.60%
EXPENDITURES						
Police Operations			2,500	1,310	12,000	380.00%
Crime Prevention			3,000	750	1,000	-66.67%
Training			1,500	-	-	-100.00%
Traffic Police - DUI Enforcement			3,135	-	-	-100.00%
Capital Equipment (Lease)			16,950	16,950	17,400	2.65%
TOTAL EXPENDITURES			27,085	19,010	30,400	12.24%
Transfers Out			10,025	-	-	-100.00%
TOTAL APPROPRIATIONS			37,110	19,010	30,400	-18.08%
ENDING FUND BALANCE:						
December 31		1,350	41,595	73,186	73,006	75.52%

CAPITAL PROJECT FUND TYPES

Capital project funds account for financial resources which are designated for the acquisition, construction, renovation, or major maintenance of general government capital assets.

PROJECT PLANNING FUND

This fund is used to account for the money collected from the second quarter percent real estate excise tax (REET) authorized under RCW 82.46.035 (2). Previously, these proceeds were required to be used for “public works projects of a local government for planning, acquisition, construction, reconstruction, repair, replacement rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems, and planning, construction, reconstruction, repair, rehabilitation, or improvement of parks.

CITY OF NAPA VINE 2017 PRELIMINARY BUDGET						
PROJECT PLANNING						
SUMMARY BY REVENUE TYPE AND EXPENDITURES						
BEGINNING FUND	Adopted	Actual	ADOPTED	Estimate Y/E	Preliminary	% Change
BALANCE:	2015	2015	2016	2016	2017	16-17
January 1	59,863	63,443	35,443	44,920	65,615	85.13%
	Adopted	Actual	ADOPTED	Estimate Y/E	Preliminary	% Change
REVENUES	2015	2015	2016	2016	2017	16-17
REET Taxes	12,460	21,192	10,270	27,000	21,200	106.43%
Investment Interest	155	192	140	225	190	35.71%
Total Revenue	12,615	21,384	10,410	27,225	21,390	105.48%
Transfers In	-	-	-	-	-	N/A
REVENUE TOTALS	12,615	21,384	10,410	27,225	21,390	105.48%
	Adopted	Actual	ADOPTED	Estimate Y/E	Preliminary	% Change
EXPENDITURES	2015	2015	2016	2016	2017	16-17
Planning	10,000	4,511	10,500	-	8,000	-23.81%
Economic Development	35,000	35,397	22,500	6,530	20,000	-11.11%
TOTAL EXPENDITURES	45,000	39,907	33,000	6,530	28,000	-15.15%
	Adopted	Actual	ADOPTED	Estimate Y/E	Preliminary	% Change
ENDING FUND BALANCE:	2015	2015	2016	2016	2017	16-17
December 31	27,478	44,920	12,853	65,615	59,005	359.08%

PROPRIETARY FUND TYPES

Proprietary funds are used to account for a government's business-type activities.

ENTERPRISE FUNDS

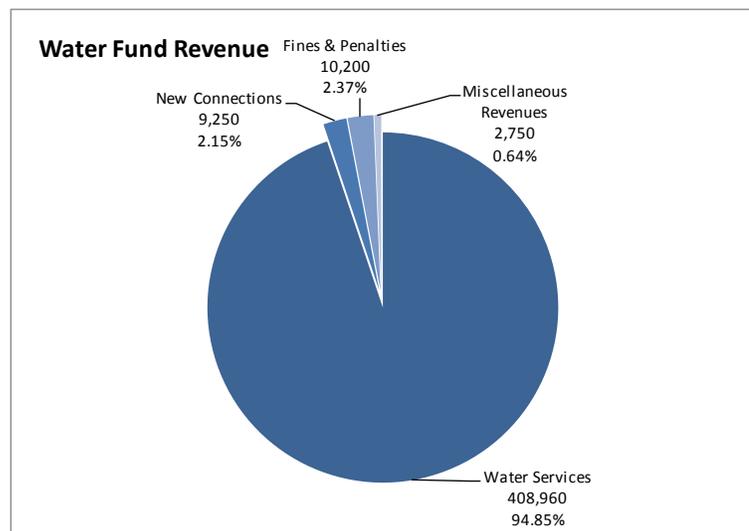
Enterprise funds account for resources that are supported with user fees for goods or services, such as water service, wastewater (sewer) service, which provides a service to customers.

WATER FUND

This fund is used to account for the operations of the City's water utility.

Water Fund Revenues

- Goods & Services:
 - Water Service (Rates have not increased since 2010)
 - Water Connection Fees (No fee increase for 2017; 50% of connection fee is recorded in the Water Fund and 50% in the Water System Improvement Fund)
- Fines & Penalties:
 - Late Fees - Ordinance #516 established new terms of the billing cycle adopted 12/6/2012. (Rate changed on 1/1/13, to 10% of balance owed as of the 26th of the billing month). Fee is based on the balance due for the water service.
 - Shut off Fees (Shorter time frame for customers to pay on account established in 2013)
- Other Fees (Provide landlord with copies of tenant's utility bill & any other non-usage fees)
- Miscellaneous Revenue:
 - Investment Interest
 - Miscellaneous Revenue



CITY OF NAPA VINE 2017 PRELIMINARY BUDGET						
WATER FUND						
SUMMARY BY REVENUE TYPE AND EXPENDITURES						
BEGINNING FUND	Adopted	Actual	ADOPTED	Estimate Y/E	Preliminary	% Change
BALANCE:	2015	2015	2016	2016	2017	16-17
January 1	658,805	662,501	650,596	620,066	514,951	-20.85%
REVENUES						16-17
Goods and Services	456,175	390,684	416,375	400,495	418,210	0.44%
Fines & Penalties	9,735	7,572	7,300	8,300	10,200	39.73%
Miscellaneous Revenues	2,390	2,863	1,500	3,650	2,750	83.33%
Total Revenues	468,300	401,120	425,175	412,445	431,160	1.41%
EXPENDITURES						
Engineering	2,500	2,070	3,500	3,500	5,000	42.86%
Administration	225,655	216,616	255,735	255,735	247,055	-3.39%
Maintenance	61,000	43,662	51,000	51,000	22,550	-55.78%
Utility Operating Expenditures	33,805	28,414	50,350	50,350	38,850	-22.84%
Total Enterprise Expenses	322,960	290,762	360,585	360,585	313,455	-13.07%
LONG-TERM DEBT:						
PWTF - Water System Upgrade 98-791-493	16,095	15,749	15,655	15,655	15,500	-0.99%
USDA - Water Reservoir	22,715	22,710	22,715	22,715	22,715	0.00%
Dept of Ecology-Stormwater Study	2,435	2,420	2,420	2,420	2,425	0.21%
LID 2011-1 Bond Redemption	-	-	2,685	2,685	-	N/A
Total Debt	41,245	40,879	43,475	43,475	40,640	-6.52%
Capital Expenditures	15,000	10,914	12,500	12,500	13,000	4.00%
Total Operating Budget	379,205	342,555	416,560	416,560	367,095	-11.87%
Transfers Out	101,000	101,000	108,535	101,000	51,000	-53.01%
Total Expenditures	480,205	443,555	525,095	517,560	418,095	-20.38%
ENDING FUND BALANCE	2015	2015	2016	2016	2017	0.05%
DECEMBER 31	646,900	620,066	550,676	514,951	528,016	-4.11%
<i>* PWTF Water System Upgrade 98-791-493 Final Payment July 2018</i>						
Capital Expenditures:						
Heavy Duty Equipment \$7,500, Vehicle & Equipment \$2,500, Billing Software Upgrade \$3,000						

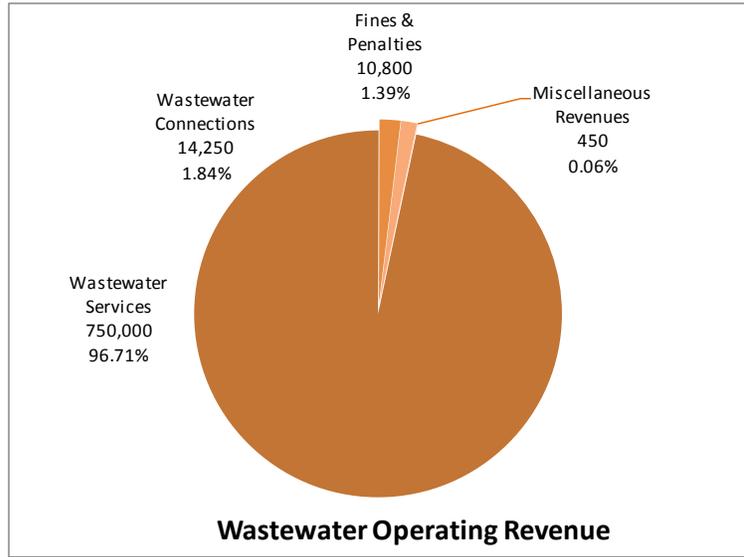
Transfers: \$50,000 excess balance to Water Capital Improvement Fund, \$1,000 to Unemployment Fund

WASTEWATER FUND

This fund is used to account for the operations of the City's wastewater (sewer) utility.

Wastewater Fund Revenue

- Goods & Services:
 - Wastewater Service (Rates were increased in 2015 which became effective on the August billing) Base rates were increased from \$47 per month to \$58 per month and the consumption rate for customers using 0-3,499 CF is \$4.50 per 100 CF and customers using greater than 3,500 CF is \$5.00 per 100 CF.
 - Wastewater connection Fee (No fee increase for 2017, 50% of connection fee is receipted into the Wastewater Fund and 50% in the Wastewater System Improvement Fund)
- Fines & Penalties
 - Late Charge Fees – Ordinance #516 established new terms of the billing cycle adopted 12/6/2012. (Rate changed on 1/1/13, to 10% of balance owed as of the 26th of the billing month). Fee is based on the balance due for the wastewater service.
- Miscellaneous Revenue:
 - Investment Interest
 - Miscellaneous



CITY OF NAPAVINE 2017 PRELIMINARY BUDGET						
WASTEWATER FUND						
SUMMARY BY REVENUE TYPE AND EXPENDITURES						
BEGINNING FUND	Adopted	Actual	Adopted	Estimate Y/E	Preliminary	% Chg
BALANCE:	2015	2015	2016	2016	2017	16-17
January 1	110,425	131,128	139,218	201,157	220,431	58.33%
	Adopted	Actual	Adopted	Estimate Y/E	Preliminary	% Chg
REVENUES	2015	2015	2016	2016	2017	16-17
Goods and Services	688,630	666,795	766,445	719,510	764,250	-0.29%
Fines & Penalties	8,500	9,707	9,900	10,400	10,800	9.09%
Miscellaneous Revenues	475	1,051	375	535	450	20.00%
Total Revenue	697,605	677,553	776,720	730,445	775,500	-0.16%
	Adopted	Actual	Adopted	Estimate Y/E	Preliminary	% Chg
EXPENDITURES	2015	2015	2016	2016	2017	16-17
Engineering	2,500	0	3,500	0	3,500	0.00%
Administration	162,025	135,760	198,860	198,860	199,040	0.09%
Maintenance	26,500	2,523	28,500	28,500	25,000	-12.28%
Utility Operating Expenditures	136,080	160,058	186,570	186,570	189,645	1.65%
Total Operating Expenses	327,105	298,341	417,430	413,930	417,185	-0.06%
LONG-TERM DEBT:						
PPWTF -Rush Rd Force Main	62,110	60,535	60,450	60,445	59,895	-0.92%
LID 2011-1 Bond Redemption	-	-	265	262	-	N/A
12% Regional Wastewater Plant	258,300	208,034	208,035	208,035	208,035	0.00%
Total Debt	320,410	268,569	268,750	268,742	267,930	-0.31%
Capital Expenditures	10,000	8,614	7,500	7,500	8,000	6.67%
Total Operating Budget	657,515	575,524	693,680	690,172	693,115	-0.08%
Transfers Out	32,000	32,000	21,000	21,000	21,000	0.00%
Total Expenditures	689,515	607,524	714,680	711,172	714,115	-0.08%
	Adopted	Actual	Adopted	Estimate Y/E	Preliminary	% Chg
ENDING CASH BALANCE	2015	2015	2016	2016	2017	16-17
December 31	118,515	201,157	201,258	220,431	281,816	40.03%
Capital Purchases:						
Heavy Duty Equipment \$5,000, Billing Software Upgrade \$3,000						

Transfers: \$20,000 Wastewater Capital Improvement Fund, \$1,000 Unemployment Fund.

WATER DEPOSIT TRUST FUND

This fund is used to account for utility deposits placed with the City by utility customers, which are not funds that belong to the City. Ordinance 520 established the “customer” and/or “user” as the “property owner” and the responsible party for the utility billing on all properties, which was adopted on April 23, 2013. On April 23, 2013, the City Council eliminated the requirement of utility deposits with Ordinance 521 and the current deposits held by the city will remain until such time as the utility account is closed.

CITY OF NAPAVINE 2017 PRELIMINARY BUDGET						
UTILITY DEPOSIT TRUST FUND						
SUMMARY BY REVENUE TYPE AND EXPENDITURES						
BEGINNING FUND	Budget	Actual	Adopted	Estimate Y/E	Preliminary	% Chg
BALANCE:	2015	2015	2016	2016	2017	16-17
January 1	10,540	11,340	10,000	10,215	8,000	-20.00%
Ordinance 521 on 4/23/13 suspended deposits	Budget	Actual	Adopted	Estimate Y/E	Preliminary	% Chg
REVENUES	2015	2015	2016	2016	2017	16-17
Utility Deposits	0	0	0	0	0	N/A
TOTALS	0	0	0	0	0	N/A
	Budget	Actual	Adopted	Estimate Y/E	Preliminary	% Chg
EXPENDITURES	2015	2015	2016	2016	2017	16-17
Refunds	540	278	500	415	500	0.00%
Transfers	10,000	847	9,500	1,800	7,500	-21.05%
TOTALS	10,540	1,125	10,000	2,215	8,000	-20.00%
	Budget	Actual	Adopted	Estimate Y/E	Preliminary	% Chg
ENDING FUND BALANCE	2015	2015	2016	2016	2017	16-17
DECEMBER 31	-	10,215	-	8,000	-	0.00%
<i>Note: Utility Deposits remain in trust until customer accounts are closed.</i>						

USDA BOND RESERVE FUND

This fund is used to account for the reserved amount required by USDA-Rural Development for the loan the City obtained in 1999 for the Reservoir Capital Project. The balance of this account must equal a one year payment in the amount of \$22,710. The funds in this account must remain for the life of the loan, which is anticipated to mature in 2039.

CITY OF NAPA VINE 2017 PRELIMINARY BUDGET						
USDA BOND RESERVE FUND						
SUMMARY BY REVENUE TYPE AND EXPENDITURES						
BEGINNING FUND	Budget	Actual	Adopted	Estimate Y/E	Preliminary	% Chg
BALANCE:	2015	2015	2016	2016	2017	16-17
January 1	22,710	22,710	22,710	22,710	22,710	0.00%
	Budget	Actual	Adopted	Estimate Y/E	Preliminary	% Chg
REVENUES	2015	2015	2016	2016	2017	16-17
Transfers In	0	0	0	0	0	N/A
Totals	0	0	0	0	0	N/A
	Budget	Actual	Adopted	Estimate Y/E	Preliminary	% Chg
EXPENDITURES	2015	2015	2016	2016	2017	16-17
Transfers Out	0	0	0	0	0	N/A
TOTALS	0	0	0	0	0	N/A
	Budget	Actual	Adopted	Estimate Y/E	Preliminary	% Chg
ENDING FUND BALANCE	2015	2015	2016	2016	2017	16-17
DECEMBER 31	22,710	22,710	22,710	22,710	22,710	0.00%
Hold in reserve until debt is paid in full, per amortization schedule this will be June 2039						
Once USDA RD loan is paid in full, transfer back to Water Operating Fund or Capital Improvement						

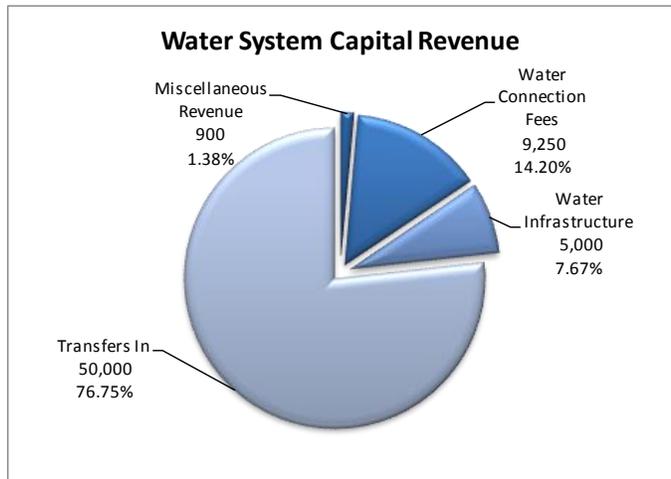
PROPRIETARY CAPITAL FUNDS

These funds account for capital projects to upgrade the water system, referred to as Water System Improvement Fund and the wastewater system referred to as the Wastewater System Improvement Fund.

WATER SYSTEM IMPROVEMENT FUND

This fund is to account for capital expenditures to upgrade the water system, which funds are supported from 50% of connection fees for new connections to the water system and an infrastructure fee of \$1,000 per connection and transfers from the Water Fund.

In 2017 the city capital project is improving Well #6 with an Ozone treatment of the well in the amount of \$220,800, purchase water rights in the amount of \$100,000.



CITY OF NAPA VINE 2017 PRELIMINARY BUDGET						
WATER SYSTEM IMPROVEMENT FUND						
SUMMARY BY REVENUE TYPE AND EXPENDITURES						
BEGINNING FUND	Amended	Actual	ADOPTED	Estimate Y/E	Preliminary	% Change
BALANCE:	2015	2015	2016	2016	2017	16-17
January 1	368,372	373,893	336,753	403,839	577,864	71.60%
REVENUES	Amended	Actual	ADOPTED	Estimate Y/E	Preliminary	% Change
	2015	2015	2016	2016	2017	16-17
Miscellaneous Revenue	760	931	760	1,580	900	18.42%
Total Miscellaneous	760	931	760	1,580	900	18.42%
Capital Contributions:						
Water Connection Fees	48,100	20,600	9,250	11,875	9,250	0.00%
Water Infrastructure	26,000	9,000	5,000	5,000	5,000	0.00%
Total Capital Contributions	74,100	29,600	14,250	16,875	14,250	0.00%
Interfund Loan Proceeds	-	-	-	77,345	-	N/A
Total Revenues	74,860	30,531	15,010	95,800	15,150	0.93%
Transfers In	100,000	100,000	100,000	100,000	50,000	-50.00%
Total Revenues & Transfers	174,860	130,531	115,010	195,800	65,150	-43.35%
EXPENDITURES	Amended	Actual	ADOPTED	Estimate Y/E	Preliminary	% Change
	2015	2015	2016	2016	2017	16-17
Interfund Loan/LID 2011-1Bond Redemption Fund	77,350	77,346	-	-	-	N/A
Capital Expenditures:						
Professional Services				500		
Engineering Services	-	4,817	-	21,275	1,000	N/A
Land & Land Improvements	12,000	449	10,000	-	7,500	-25.00%
Water Rights Purchase	100,000	-	100,000	-	100,000	0.00%
Water System Improvements	100,000	1,977	100,000	-	209,400	109.40%
Construction Rush Rd Upgrade	-	11,683	-	-	-	N/A
Software	-	4,312	-	-	-	N/A
Total Capital Expenditures	289,350	23,238	210,000	21,775	317,900	51.38%
Total Expenditures	366,700	100,584	210,000	21,775	317,900	51.38%
ENDING FUND BALANCE	Amended	Actual	ADOPTED	Estimate Y/E	Preliminary	% Change
	2015	2015	2016	2016	2017	16-17
DECEMBER 31	176,532	403,839	241,763	577,864	325,114	34.48%

LID 2011-1 (RUSH ROAD WATER PROJECT)

This Fund accounted for the capital project funded with resources from the Drinking Water State Revolving Fund (DWSRF) through the Public Works Board (PWB) and the Department of Commerce, Office of Drinking Water as an Indirect Federal Grant. This source of revenue was a 50% grant and 50% loan. The loan repayment was established through a LID (Local Improvement District) where property owners benefitting from this project will be assessed their share of the loan amount. The total project cost was \$2,832,000. The construction project was completed and closed out on November 30, 2015.

CITY OF NAPA VINE 2017 PRELIMINARY BUDGET						
LID 2011-1 CONSTRUCTION FUND						
SUMMARY BY REVENUE TYPE AND EXPENDITURES						
BEGINNING FUND	Amended	Actual	Adopted	Estimate Y/E	Preliminary	% Chg
BALANCE:	2015	2015	2016	2016	2017	16-17
January 1	0	-2,293	0	0	0	N/A
	Amended	Actual	Adopted	Estimate Y/E	Preliminary	% Chg
REVENUES	2015	2015	2016	2016	2017	16-17
State/Federal Grants	856,705	709,615	0	0	0	N/A
TOTALS	856,705	709,615	0	0	0	N/A
	Amended	Actual	Adopted	Estimate Y/E	Preliminary	% Chg
EXPENDITURES	2015	2015	2016	2016	2017	16-17
Administrations	6,610	31	0	0	0	N/A
Professional Services	49,600	39,654	0	0	0	N/A
Capital Outlay	667,125	667,637	0	0	0	N/A
Debt Service	131,075	0	0	0	0	N/A
Total Expenditures	854,410	707,322	0	0	0	N/A
Transfers Out	0	0				N/A
TOTAL EXPENDITURE	854,410	707,322	0	0	0	N/A
	Amended	Actual	Adopted	Estimate Y/E	Preliminary	% Chg
ENDING FUND BALANCE	2015	2015	2016	2016	2017	16-17
DECEMBER 31	2,295	0	0	0	0	N/A

Project Complete November 2015

LID 2011-1 REDEMPTION FUND

This fund accounts for the loan repayment established through a LID (Local Improvement District). Property owners assessments are based on buildable square footage of land (wetlands and stream buffers removed) with the property owners paying back 50% of the project cost (since WSDOH/Commerce made 50% of the loan forgivable, basically a 50% grant). The project included installing water main, equipping a well, constructing a booster pump station and a water storage reservoir. The total project cost was \$2,832,000, resulting in a loan repayment of \$1,416,000 at a 1% interest rate over a 20 year period. The first installment of assessments on the assessment roll was mailed out on December 17, 2015, stating the City Treasurer's notice that the assessment roll was in her hands for collection payable during the 30-day period property owners could pay the assessment in full with no interest assessed. Annually thereafter each succeeding installment shall become due and payable in a 30-day period of November to December 17, 2017. The city took an Interfund Loan from the Water System Improvement Fund in 2016, in the amount of \$77,345.89 authorized by Ordinance 544 to comply with the loan terms with Department of Commerce Public Works Trust Fund, which will be repaid in 2016 from the assessments collected from property owners.

CITY OF NAPA VINE 2017 PRELIMINARY BUDGET						
LID 2011-1 BOND REDEMPTION FUND 415						
SUMMARY BY REVENUE TYPE AND EXPENDITURES						
BEGINNING FUND	Amended	Actual	Amended	Estimate Y/E	Preliminary	% Chg
BALANCE:	2015	2015	2016	2016	2017	16-17
January 1	-	-	-	204,183	210,468	N/A
	Amended	Actual	Amended	Estimate Y/E	Preliminary	% Chg
REVENUES	2015	2015	2016	2016	2017	16-17
Miscellaneous Revenue	-	-	-	11,985	11,235	N/A
Special Assessments	1,000	54,986	161,735	156,030	56,160	-65%
Interfund Loan Receipts	77,345	77,346	-	-	-	N/A
Debt Issued	-	149,197	-	-	-	N/A
Transfers In	-	-	2,950	-	-	-100%
Total Revenues	78,345	281,529	164,685	168,015	67,395	-59%
	Amended	Actual	Amended	Estimate Y/E	Preliminary	% Chg
EXPENDITURES	2015	2015	2016	2016	2017	16-17
Debt Redemption	64,855	64,855	71,115	71,115	71,115	0.00%
Interest	12,495	12,491	13,270	13,270	13,515	1.85%
Interfund Loan Payment	-	-	77,350	77,345	-	N/A
Total Expenditures	77,350	77,346	161,735	161,730	84,630	-47.67%
	Amended	Actual	Amended	Estimate Y/E	Preliminary	% Chg
ENDING FUND BALANCE	2015	2015	2016	2016	2017	16-17
DECEMBER 31	995	204,183	2,950	210,468	193,233	N/A
First Annual Billing of assessments with interest will start October/November 2016						
Amended per Ordinance 552 11/8/2016						

EXIT 71 IMPROVEMENT FUND

This fund will be used to account for activity to extend water and sewer services down along Forest Napavine Road to Exit 71. The city is considering forming a utility improvement district to finance the project. The city received a \$30,000 indirect federal grant from Environmental Protection Agency and Department of Health for a feasibility study on forming a LID in September 2015. The city accepted a Pre-Construction Loan in the amount of \$300,000 with Department of Commerce/Public Works Trust Fund in regards to the Local Improvement District for this area at a 1.5% interest rate. However, on October 25, 2016 City Council Meeting, the Napavine City Council voted to return the pre-construction loan to Department of Commerce/Public Works Trust Fund.

Exit 71 Improvement Revenues

- Intergovernmental Revenue
 - Department of Health Federal Indirect Grant for benefit analysis.
 - Pre-Construction Loan with Department of Commerce/Public Works Trust Fund for formation of Local Improvement District (LID) formation and design down to Exit 71.

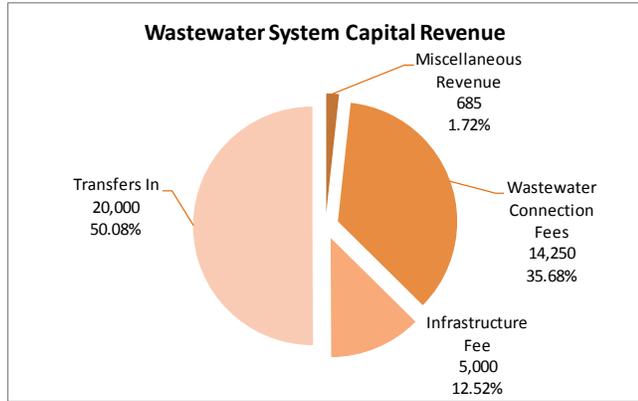
CITY OF NAPAVINE 2017 PRELIMINARY BUDGET						
EXIT 71 IMPROVEMENT FUND 410						
SUMMARY BY REVENUE TYPE AND EXPENDITURES						
BEGINNING FUND	Amended	Actual	Adopted	Estimate Y/E	Preliminary	% Chg
BALANCE:	2015	2015	2016	2016	2017	16-17
January 1	-	-	-	(108)	-	N/A
	Amended	Actual	Adopted	Estimate Y/E	Preliminary	% Chg
REVENUES	2015	2015	2016	2016	2017	16-17
DOH/EPA Federal Grant	30,000	-	30,000	29,172	-	-100.00%
Pre-Construction Loan	-	-	300,000	-	-	-100.00%
Total Revenues	30,000	-	330,000	29,172	-	-100.00%
	Amended	Actual	Adopted	Estimate Y/E	Preliminary	% Chg
EXPENDITURES	2015	2015	2016	2016	2017	16-17
Professional Services	30,000	108	330,000	29,064	-	-100.00%
Total Expenditures	30,000	108	330,000	29,064	-	-100.00%
	Amended	Actual	Adopted	Estimate Y/E	Preliminary	% Chg
ENDING FUND BALANCE	2015	2015	2016	2016	2017	16-17
DECEMBER 31	-	(108)	-	-	-	N/A

WASTEWATER SYSTEM IMPROVEMENT FUND

This fund accounts for the capital expenditures to upgrade the wastewater system, which funds are supported from 50% of connection fees for new connections to the wastewater system and an infrastructure fee of \$1,000 per connection.

Wastewater System Improvement Revenue

- Capital Contributions
 - Connection Fees
 - Infrastructure Fees
- Miscellaneous Revenue
 - Investment Interest
 - Loan Interest
- Interfund Loan Repayment
- Transfers In



CITY OF NAPAVINE 2017 PRELIMINARY BUDGET						
WASTEWATER SYSTEM IMPROVEMENT FUND						
SUMMARY BY REVENUE TYPE AND EXPENDITURES						
BEGINNING FUND	Adopted	Actual	ADOPTED	Estimate Y/E	Preliminary	% Chg
BALANCE:	2015	2015	2016	2016	2017	16-17
January 1	57,896	75,869	134,264	159,307	199,772	48.79%
	Adopted	Actual	ADOPTED	Estimate Y/E	Preliminary	% Chg
REVENUES	2015	2015	2016	2016	2017	16-17
Miscellaneous Revenue	625	701	500	815	685	37.00%
Wastewater Connection Fees	74,100	24,550	14,250	15,650	14,250	0.00%
Infrastructure Fee	26,000	8,000	5,000	4,000	5,000	0.00%
Interfund Loan Principle	26,670	26,720	0	0	0	N/A
Total Revenue	127,395	59,971	19,750	20,465	19,935	0.94%
Transfers In	31,000	31,000	20,000	20,000	20,000	0.00%
Total Revenues & Transfers	158,395	90,971	39,750	40,465	39,935	0.47%
	Adopted	Actual	ADOPTED	Estimate Y/E	Preliminary	% Chg
EXPENDITURES	2015	2015	2016	2016	2017	16-17
Professional Services	-	800	-	-	35,000	N/A
Wastewater Improve Projects	100,000	6,733	50,000	-	-	-100.00%
Capital Equipment Purchases	-	-	-	-	80,000	N/A
Billing Software	-	-	-	-	-	N/A
Total Operating Expenses	100,000	7,533	50,000	-	115,000	130.00%
	Adopted	Actual	ADOPTED	Estimate Y/E	Preliminary	% Chg
ENDING CASH BALANCE	2015	2015	2016	2016	2017	16-17
December 31	116,291	159,307	124,014	199,772	124,707	0.56%
Replace Generator for Rush Road Pump Station						

FIDUCIARY FUND TYPES

Fiduciary Funds account for assets held by a government in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. These include (a) investment trust funds, (b) pension (and other employee benefit) trust funds, (c) private-purpose trust funds, and (d) agency funds.

UNEMPLOYMENT COMPENSATION (PRIVATE-PURPOSE TRUST FUND)

This fund accounts for the accumulation of resources for unemployment compensation to qualified employees terminated from employment. The City is self-insured for unemployment benefits.

CITY OF NAPA VINE 2017 PRELIMINARY BUDGET						
UNEMPLOYMENT COMPENSATION FUND						
SUMMARY BY REVENUE TYPE AND EXPENDITURES						
BEGINNING FUND	Adopted	Actual	Adopted	Estimate Y/E	Preliminary	% Change
BALANCE:	2015	2015	2016	2016	2017	16-17
January 1	17,336	17,336	20,835	20,836	24,336	16.80%
	Adopted	Actual	Adopted	Estimate Y/E	Preliminary	% Change
REVENUES	2015	2015	2016	2016	2017	16-17
Transfers In	3,500	3,500	3,500	3,500	3,500	0.00%
Total Revenues	3,500	3,500	3,500	3,500	3,500	0.00%
	Adopted	Actual	Adopted	Estimate Y/E	Preliminary	% Change
EXPENDITURES	2015	2015	2016	2016	2017	16-17
Unemployment Compensation	20,000	-	20,000	-	22,000	10.00%
Total Expenditures	20,000	-	20,000	-	22,000	10.00%
	Adopted	Actual	Adopted	Estimate Y/E	Preliminary	% Change
Ending FUND Balance	2015	2015	2016	2016	2017	16-17
December 31	836	20,836	4,335	24,336	5,836	34.63%

MUNICIPAL COURT TRUST FUND

The Municipal Court Trust Fund is used for reporting purposes to account for the monetary transactions of the Napavine Municipal Court.

AGENCY FUND TYPES

AGENCY FUNDS

The City Agency Fund –is used to report resources held by the government in a purely custodial capacity (assets and liabilities). Agency funds typically involve only the receipts, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

CITY AGENCY FUND

This fund is used primarily to account for municipal court funds of the state share of court fines and crime victim court fines that is remitted to Lewis County Treasurer. This fund also accounts for state share of the building permit fees, concealed pistol license, state sales tax and leasehold excise tax and Community Park Deposit fund.

**These transactions were previously reported in the General Fund as Non-Revenues and Non-Expenditures.*

DEBT SCHEDULE

SCHEDULE OF LONG TERM DEBT									
2017 PRELIMINARY BUDGET									
Loan/Year & Project/Fund#/Interest Rate	Original Loan Amt	Bal 1/1/2016	Payments 2016	2017	2018	2019	2020	2021-2049	Final Year
Color Key: GENERAL FUND STREET WATER WASTEWATER (SEWER)									
General Fund									
USDA-RD-GO Bond/2009-City Hall Purchase/001/4.375%	1,125,000	1,053,135	59,828	59,828	59,828	59,858	59,828	753,965	2049
Craft 3/Lending Network 2009-City Hall Purchase/001/5.5%	125,000	98,864	98,864	-	-	-	-	-	2029
Umpqua Bank Refinance 2016 4.5%	100,000	-	2,555	10,222	10,222	10,222	10,222	56,558	2029
Hincklease Capital Lease Patrol Cars	65,273	41,276	7,981	15,488	7,981	9,826	-	0	2019
Total General Fund Loans	1,415,273	1,193,275	169,228	85,538	78,031	79,905	70,050	810,523	
Water Fund									
PW10-952-006 Rush Rd LID 2011-1	2,832,000	1,351,144	84,383	84,383	83,913	83,202	82,491	932,771	2034
PWTF/1998 - Reservoir #3/401/1%	506,500	45,576	15,655	15,500	14,421	-	-	-	2018
USDA -RD-1999 - 350,000 Gal Reservoir/401/3.25%	500,000	376,381	22,710	22,710	22,710	22,710	22,710	262,831	2039
Dept of Ecology/2004 -Stormwater Study/401/1.5%	40,617	18,176	2,420	2,420	2,420	2,420	2,420	6,076	2023
Total Water Fund Loans	1,047,117	1,791,277	125,168	125,013	123,464	108,332	107,621	1,201,678	
Wastewater Fund									
PWTF Loan/2004 - Rush Rd Force Main/406/1%	1,067,080	499,068	60,443	59,888	59,334	58,779	58,225	202,400	2024
City of Chehalis/2008 - 12% Regional Wastewater Plant/406/0.5%	4,160,675	2,496,404	208,034	208,034	208,034	208,034	208,034	1,456,234	2028
Total Wastewater Loans	5,227,755	2,995,472	268,477	267,922	267,368	266,813	266,259	1,658,634	
CITY INTERFUND LOANS									
LID 2011-1 Bond Redemption	77,346	-	77,346	0	-	-	-	-	2016
Street Preservation Loan/2012/0.20%	80,000	26,720	26,720	-	-				2015
Total Street Loans	80,000	26,720	26,720	-	-				

SCHEDULE OF TRANSFERS

CITY OF NAPA VINE			
2017 PRELIMINARY BUDGET			
SCHEDULE OF TRANSFERS			
TRANSFERS IN	AMOUNT	TRANSFERS OUT	AMOUNT
General Fund	-	Criminal Justice Fund	-
Street Fund	48,000	General Fund	48,000
Street Improvement Fund	5,000	Street Fund	5,000
Criminal Justice Fund	-	General Fund	-
Water System Improvement Fund	50,000	Water Fund	50,000
Wastewater System Improvement Fund	20,000	Wastewater Fund	20,000
LID 2011-1 Redemption Fund	-	Water Fund	-
		Wastewater Fund	-
Unemployment Compensation Fund	3,500	General Fund	1,000
		Street Fund	500
		Water Fund	1,000
		Wastewater Fund	1,000
Total Transfers In	126,500	Total Transfers Out	126,500
Recap by Fund:			
General Fund	-	General Fund	49,000
Street Fund	48,000	Street Fund	5,500
Street Improvement Fund	5,000	Street Improvement Fund	-
Criminal Justice Fund	-	Criminal Justice Fund	-
Water Fund	-	Water Fund	51,000
Water System Improvement Fund	50,000	Water System Improvement Fund	-
Wastewater Fund	-	Wastewater Fund	21,000
Wastewater System Improvement Fund	20,000	Wastewater System Improvement Fund	-
LID 2011-1 Redmeption Fund	-	LID 2011-1 Redmeption Fund	-
Unemployment Compensation Fund	3,500	Unemployment Compensation Fund	-
Total by Fund	126,500		126,500

SALARY SCHEDULE

The salary and hourly amounts DO NOT include any cost-of-living raises for all employees in the teamsters bargaining unit and non-union department heads and part-time employees.

2017 SALARY SCHEDULE						
Union Positions	Step A	Step B	Step C	Step D	Step E	FTE
Classification	0-6 mos	7-12 mos	13-24 mos	25-36 mos	37+ mos	FTE
City Treasurer	3,808	3,963	4,222	4,470	4,801	1
Police Chief	4,569	4,755	5,067	5,364	5,761	1
PW Director	3,808	3,963	4,222	4,470	4,801	1
Patrol Officer	2,869	3,028	3,268	3,588	3,825	1
Utility Worker	2,693	2,852	3,091	3,205	3,649	1
Court Administrator	3,186	3,314	3,546	3,758	4,021	0.8
Building Inspector	3,293	3,521	3,634	3,748	3,861	0.8
Police Clerk	2,347	2,470	2,646	2,896	3,091	0
Billing Clerk	2,218	2,341	2,517	2,767	2,962	0.8
Administrative Assistant	2,218	2,341	2,517	2,767	2,962	1
<u>DEPARTMENT HEADS:</u>			<u>SALARY</u>		<u>FTE</u>	
Community Development Director			\$3,399.94	39.23 HR	0.5	20 hrs wk
City Clerk			\$2,400.67	27.70 HR	0.6	24 hrs wk
City Attorney		Contracted (\$1,500 month)				
Municipal Court Judge		Contracted (\$1,100 month)				
<u>Police Department:</u>			<u>HOURLY RATE</u>		<u>FTE</u>	
Police Clerk - PT (19 hours per week)			\$13.50 hr		0.475	19 hrs wk
<u>Union Positions:</u>			<u>Salary</u>	<u>Hour rate</u>	<u>FTE</u>	
City Treasurer			4,801.21	\$ 27.70	1	40 hrs wk
Chief of Police			5,066.54	\$ 29.23	1	40 hrs wk
Patrol Officer			3,531.20	\$ 22.07	1	40 hrs wk
Public Works Director			4,801.21	\$ 27.70	1	40 hrs wk
Utility Worker #1			2,695.68	\$ 21.06	1	40 hrs wk
Court Administrator			2,969.60	\$ 23.20	0.8	32 hrs wk
Building Inspector			2,767.36	\$ 21.62	0.8	32 hrs wk
Billing Clerk			2,058.24	\$ 16.08	0.8	32 hrs wk
Administrative Assistant			3,482.27	\$ 20.09	1	40 hrs wk

This salary schedule is based on a four weeks' pay, however the city pays employees bi-weekly with 26 pay periods annually.

SALARY FUND ALLOCATION

City of Napavine										
Salary Allocation By Fund										
	2016					2017				
	Budget					Budget				
	General	Street	Water	Waste-water		General	Street	Water	Waste-water	
	Fund	Fund	Fund	Fund	Total	Fund	Fund	Fund	Fund	Total
NON-UNION POSITIONS										
City Clerk	50.0%	0.0%	25.0%	25.0%	100.0%	38.0%	7.0%	29.0%	26.0%	100.0%
City Treasurer	27.0%	15.0%	36.0%	22.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Comm. Dev. Director	24.0%	13.0%	42.0%	21.0%	100.0%	35.0%	15.0%	35.0%	15.0%	100.0%
Police Chief	100.0%				100.0%	0.0%				0.0%
Police Records Clerk	100.0%				100.0%	100.0%				100.0%
Public Works Director	0.0%	18.0%	40.0%	42.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
UNION POSITIONS										
City Treasurer	0.0%	0.0%	0.0%	0.0%	0.0%	32.0%	10.0%	34.0%	24.0%	100.0%
Administrative Assistant	35.0%	15.0%	30.0%	20.0%	100.0%	35.0%	15.0%	30.0%	20.0%	100.0%
Billing Clerk	0.0%	0.0%	50.0%	50.0%	100.0%	0.0%	0.0%	50.0%	50.0%	100.0%
Police Chief	0.0%				0.0%	100.0%				100.0%
Patrol Officer	100.0%				100.0%	100.0%				100.0%
Court Administrator	100.0%				100.0%	100.0%				100.0%
Building Inspector	19.0%	43.0%	19.0%	19.0%	100.0%	25.0%	25.0%	25.0%	25.0%	100.0%
Code Enforcement	24.0%				24.0%	20.0%				20.0%
Parks/Street Maintenance	24.0%	42.0%	10.0%	0.0%	76.0%	35.0%	33.0%	0.0%	0.0%	68.0%
Facilities Maintenance					0.0%	12.0%				12.0%
Public Works Director	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	33.3%	33.3%	33.3%	100.0%
Utility Worker #1		10.0%	50.0%	40.0%	100.0%		33.3%	33.3%	33.3%	100.0%