

CITY OF NAPAVINE
2022 BUDGET
PRELIMINARY REVENUES



For the Fiscal Year

January 1, 2022

Through

December 31, 2022

This page left blank intentionally.

TABLE OF CONTENTS

2021 BUDGET ESTIMATED ENDING CASH FLOW.....	i
2022 PRELIMINARY BUDGET SUMMARY (CASH FLOW)	ii
FINANCIAL INFORMATION.....	1
GOVERNMENTAL FUND TYPES	1
GENERAL FUND	1
GENERAL FUND REVENUES SUMMARY	2
Tax Revenues	2
Licenses and Permits.....	3
Intergovernmental Revenue	4
Charges for Goods and Services.....	6
Court Fines & Penalties.....	7
Miscellaneous Revenues.....	8
SUBSTANCE ABUSE FUND	9
Substance Abuse Revenue	9
PARK IMPROVEMENT FUND	10
Park Improvement Fund Revenues.....	10
GENERAL GOVERNMENT CAPITAL EQUIPMENT FUND	11
LEOFF I RETIREE OPEB TRUST FUND	11
SPECIAL REVENUE FUND TYPES	12
Street Fund.....	12
Street Fund Revenues	13
Street Capital EQUIPMENT FUND	15
Street Improvement Fund.....	15
Street Improvement Revenues	16
CRIMINAL JUSTICE FUNDS	16
Criminal Justice Revenues.....	18
Taxes	18
Intergovernmental Revenue	18
LOCAL FISCAL RECOVERY FUND 115 (ARPA FUNDS).....	18

CAPITAL PROJECT FUND TYPES.....	20
Project Planning Fund	20
Project Planning Revenues:	20
PROPRIETARY FUND TYPES	21
ENTERPRISE FUNDS.....	21
WATER FUND	21
Water Fund Revenues.....	21
WASTEWATER FUND.....	22
Wastewater Fund Revenue.....	22
USDA BOND RESERVE FUND	23
UTILITY DEPOSIT TRUST FUND	23
PROPRIETARY CAPITAL FUNDS.....	25
WATER SYSTEM IMPROVEMENT FUND	25
Water System Improvement Revenue.....	25
LID 2011-1 REDEMPTION FUND.....	26
WATER CAPITAL EQUIPMENT FUND	26
WASTEWATER SYSTEM IMPROVEMENT FUND.....	27
Wastewater System Improvement Revenue	27
Sewer Capital equipment fund	28
FIDUCIARY FUND TYPES	29
UNEMPLOYMENT COMPENSATION (PRIVATE-PURPOSE TRUST FUND).....	29
Unemployment Compensation Revenue.....	29
PRIVATE PURPOSE TRUST FUND TYPES.....	30
CUSTODIAL TYPE FUNDS	30
MUNICIPAL COURT TRUST FUND.....	30
AGENCY FUND.....	30

2021 BUDGET ESTIMATED ENDING CASH FLOW

2021 Estimated Year End Balance							
Fund		Beginning		Transfers		Transfers	Ending
		Cash & Invest	Revenues	In	Expenditures	Out	Cash & Invest
001	General Fund 001	815,768.73	1,163,250.00	1,430.00	1,004,740.00	-	975,708.73
002	Substance Abuse Fund	6,259.51	5.00		2,435.00		3,829.51
004	Park Improvement Fund 004	128,237.14	35,145.00		-		163,382.14
005	Gen Gov Capital Equip Fund	61,770.95	15.00		23,885.00		37,900.95
101	Street Fund 101	197,290.66	215,430.00		215,450.00	15,000.00	182,270.66
102	Street Capital Equipment Fund	16,000.00		15,000.00			31,000.00
105	Street Improvement Fund 105	173,910.74	577,005.00		554,645.00		196,270.74
110	Criminal Justice Funds	68,101.67	48,625.00		15,375.00	1,430.00	99,921.67
115	Local Recovery Fiscal Fund	-	279,560.00				279,560.00
305	Project Planning Fund	208,518.58	70,235.00		7,225.00		271,528.58
401	Water Fund 401	764,810.59	514,410.00		417,885.00	25,000.00	836,335.59
402	Water System Improvement Fund	413,601.91	82,595.00	10,000.00	22,800.00		483,396.91
403	USDA Bond Reserve Fund	22,710.00	-		-		22,710.00
404	Water Deposit Trust Fund	7,615.03	-		-		7,615.03
406	Wastewater Fund 406	326,361.44	864,475.00		789,230.00	20,000.00	381,606.44
408	Wastewater System Improve Fund	465,442.41	97,060.00	10,000.00	-		572,502.41
409	Sewer Capital Equipment Fund	21,000.00		10,000.00	-		31,000.00
411	Water Capital Equipment Fund	16,000.00		15,000.00	-		31,000.00
415	LID 2011-1 Bond Redemption Fund	393,275.65	222,260.00		113,075.00		502,460.65
502	Private-Purpose Trust Funds	34,836.47		-	-		34,836.47
631	Agency Funds	2,682.12	20,780.00		20,780.00		2,682.12
632	Municipal Court Trust Fund	514.74	28,640.00		28,680.00		474.74
	Grand Total	4,144,708.34	4,219,490.00	61,430.00	3,216,205.00	61,430.00	5,147,993.34
				4,280,920.00		3,277,635.00	

2022 PRELIMINARY BUDGET SUMMARY (CASH FLOW)

		2022 Estimated Year End Balances					
Fund		Beginning		Transfers		Transfers	Ending
		Cash & Invest	Revenues	In	Expenditures	Out	Cash & Invest
001	General Fund 001	975,708.73	1,256,400.00		1,252,315.00	150,000.00	829,793.73
002	Substance Abuse Fund	3,829.51	5.00		2,500.00		1,334.51
004	Park Improvement Fund 004	163,382.14	288,950.00		355,405.00		96,927.14
005	Gen Gov Capital Equip Fund	37,900.95	0.00		22,000.00		15,900.95
006	LEOFF 1 Retiree Trust Fund	0.00		100,000.00	0.00		100,000.00
101	Street Fund 101	182,270.66	237,495.00	10,000.00	247,605.00	15,000.00	167,160.66
102	Street Capital Equipment Fund	31,000.00		15,000.00	31,000.00		15,000.00
105	Street Improvement Fund 105	196,270.74	524,030.00	40,000.00	524,925.00		235,375.74
110	Criminal Justice Funds	99,921.67	51,790.00		115,845.00		35,866.67
115	Local Recovery Fiscal Fund	279,560.00	279,560.00				559,120.00
305	Project Planning Fund	271,528.58	60,130.00		31,000.00		300,658.58
401	Water Fund 401	836,335.59	518,025.00		479,295.00	30,000.00	845,065.59
402	Water System Improvement Fund	483,396.91	43,665.00	15,000.00	25,000.00		517,061.91
403	USDA Bond Reserve Fund	22,710.00	0.00		0.00		22,710.00
404	Water Deposit Trust Fund	7,615.03	0.00		5,500.00		2,115.03
406	Wastewater Fund 406	381,606.44	855,235.00		828,660.00	30,000.00	378,181.44
408	Wastewater System Improve Fund	572,502.41	39,735.00	15,000.00	30,000.00		597,237.41
409	Sewer Capital Equipment Fund	31,000.00		15,000.00	31,000.00		15,000.00
411	Water Capital Equipment Fund	31,000.00		15,000.00	46,000.00		0.00
415	LID 2011-1 Bond Redemption Fund	502,460.65	71,230.00		111,075.00		462,615.65
502	Private-Purpose Trust Funds	34,836.47	0.00		34,000.00		836.47
631	Agency Funds	2,682.12	0.00		0.00		2,682.12
632	Municipal Court Trust Fund	474.74	0.00		0.00		474.74
Grand Total		5,147,993.34	4,226,250.00	225,000.00	4,173,125.00	225,000.00	5,201,118.34
				4,451,250.00		4,398,125.00	

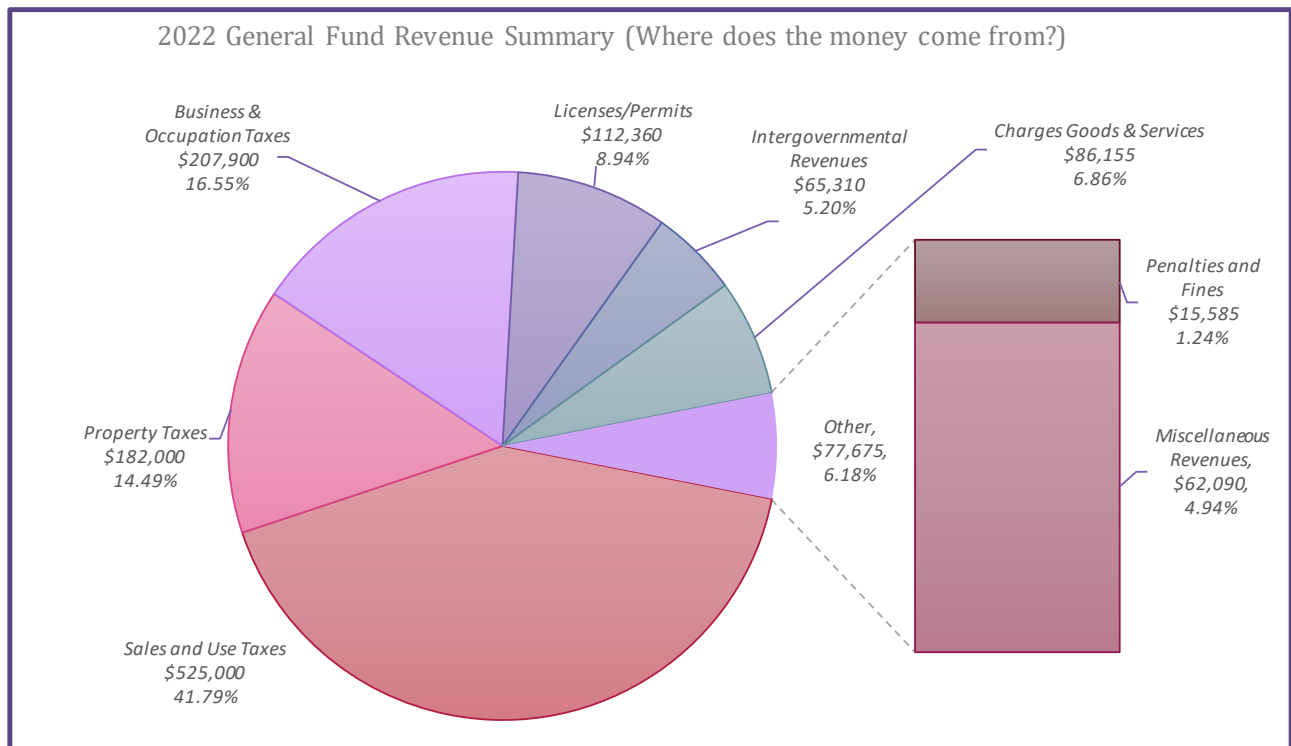
FINANCIAL INFORMATION

GOVERNMENTAL FUND TYPES

All governmental funds share a common measurement focus and basis of accounting. Under the current financial resource's 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. Revenues include taxes, license and permit fees, Intergovernmental revenues (State Shared Revenues), charges for goods and services, court fines, grant funding, and administrative fees.

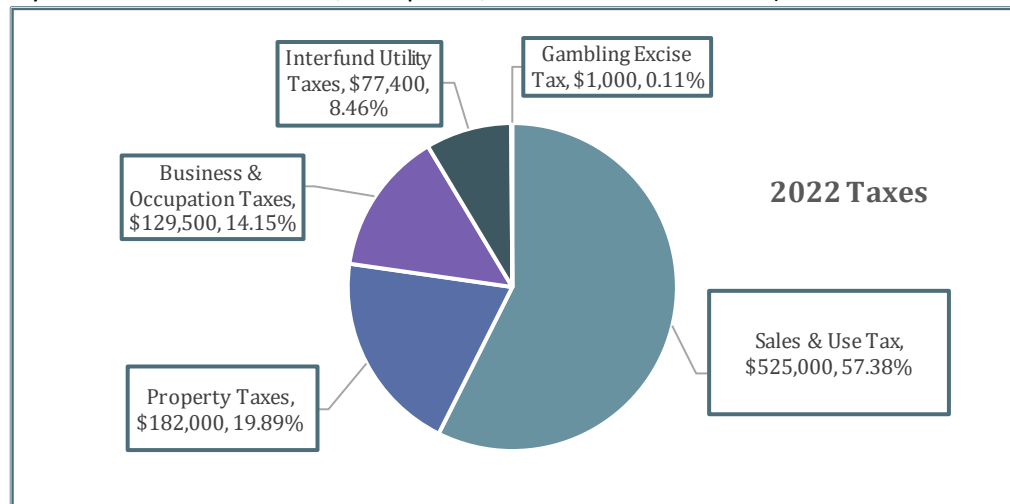


GENERAL FUND REVENUES SUMMARY

CITY OF NAPAVALINE 2022 PRELIMINARY BUDGET						
GENERAL FUND 001						
SUMMARY BY REVENUE TYPE AND EXPENDITURE BY DEPARTMENT						
BEGINNING FUND	Amended	Actual	Amended	Est Y/E	Budget	% Chg
BALANCE:	2020	2020	2021	2021	2022	21-22
January 1	648,589	680,519	672,224	815,769	1,238,169	84.19%
REVENUES						21-22
Property Taxes	196,350	197,761	170,000	174,280	182,000	7.06%
Sales and Use Taxes	390,000	453,126	415,000	496,300	525,000	26.51%
Business & Occupation Taxes	199,000	179,395	196,560	198,025	207,900	5.77%
Licenses/Permits	39,195	51,246	47,485	79,755	112,360	136.62%
Intergovernmental Revenues	73,375	72,073	64,655	88,470	65,310	1.01%
Charges for Goods & Services	37,535	43,836	41,295	48,755	86,155	108.63%
Penalties and Fines	16,430	15,205	17,865	16,270	15,585	-12.76%
Miscellaneous Revenues	65,095	63,281	62,440	61,395	62,090	-0.56%
TOTAL REVENUES	1,016,980	1,075,923	1,015,300	1,163,250	1,256,400	23.75%
Transfers In	-	-	30,000	1,430	-	N/A
TOTAL REVENUES & TRANSFERS-IN	1,016,980	1,075,923	1,045,300	1,164,680	1,256,400	20.20%

Tax Revenues

- Retail Sales Tax estimated in the amount of \$525,000 for 2022 due to new retail businesses in the city limits and an increase in destination-based sales tax.
- Property Taxes (Levy estimated amount \$360,000 split 50/50 with the Street Fund) however the new State Assessed Utilities is not determined until December. In 2021 there was a slight increase in the State Assessed Utilities (\$577,690). The city is anticipating an increase and has provided



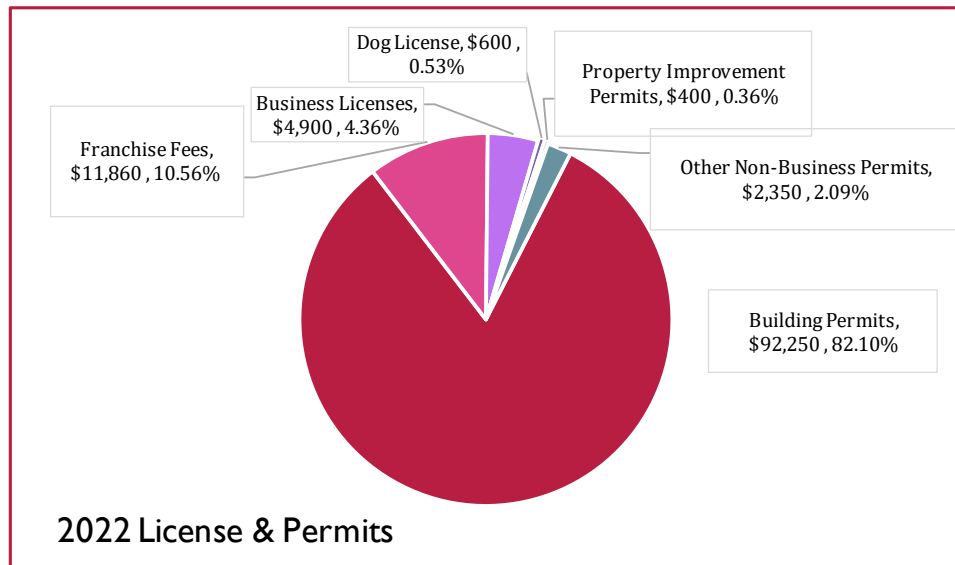
for such in the budget to allow the city to receive property tax on the value of state assessed utilities. The 2021 actual levy amount for City of Napavine was \$333,011.84. The allowable 1% increase over 2021 highest lawful levy limit is estimated to be \$3,334. The value of the new construction in 2021/2022 was \$6,030,700 X last year's (2021) levy rate of \$1.538571512738 allows an increase in property levy for new construction in the amount of \$9,279. The county's real and personal estimates including state assessed utilities for City of Napavine for the 2022 levy is \$248,324,669; which the

2022 levy amount to budget for round up to \$360,000. The estimated levy rate for the 2022 levy is \$1.4449715009990 per \$1,000. The city received notice from Lewis County Treasurer that the city will collect \$1,408.47 in administrative refunds for the 2022 tax year.

- Utility Taxes include telephone, cable, and electric utilities at a 6% rate while reviewing revenues for the General Fund, the telephone utility tax has varied over the past several years. The city anticipates receiving \$28,000 in telecommunications, electric \$98,000 and cable \$3,500 for a grand total of \$129,500 in business & occupation taxes.
- Inter-fund Taxes on water & wastewater services from Utility Billing at a 6% rate of utility services. The city estimates an Inter-fund tax in the amount of \$77,400.
- Gambling Excise Tax based on 1% of gross receipts. (Gross sales less prize awards) with anticipated revenue in the amount of \$1,100.
- The estimated tax revenue for 2022 is \$914,900 in the General Fund.

Licenses and Permits

The City of Napavine partnered with the Department of Revenue's Business Licensing Service (BLS). The partnership allows City of Napavine customers a "one-step shopping" when maintaining or renewing state or city licenses. Existing, new, and expanding



business can apply or renew their city license online along with other state and local licenses that partner with BLS. The expiration date of all business licenses is the following year to date of when the business initially applied for their state business license. Non-residential business whose annual value of products, gross proceeds of sales, or gross income of the business in the city is equal to or less than \$2,000 are exempt in the business license fee.

- New business license fee is \$50.00
- Renewal business license fee is \$25.00
- Franchise Fees are generated by a Franchise Agreements with the City by Ordinance. We have agreements with LeMay Enterprises for Refuse pickup, Wave Broadband for Cable TV Services and Lightspeed Network for Telecommunications Services.
- Building Permits are handled by our Community Development Department for new construction, property improvement permits and commercial building permits.

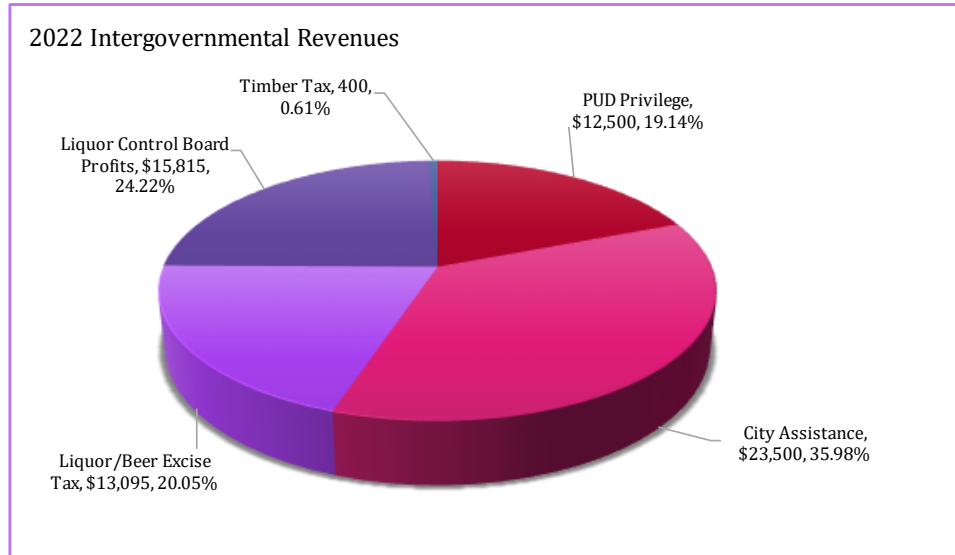
- Animal Licenses are renewed annually and are required for all dogs located within the city limits of Napavine regardless of the size of the animal. The city provides a Senior discount for owners at age 62 or older.
- Miscellaneous Permits consists of city share of gun permits, other zoning permits and any non-business permit.

The estimated license and permits revenue for 2022 is \$112,360.

Intergovernmental Revenue

The estimated revenues for 2022 in Intergovernmental revenues is \$65,310

- Indirect Federal Grants
- Direct Federal Grants
- State Grants
- State Shared Revenues:
- Timber Tax (Local Government Other Payments)
- PUD Privilege
- CITY- ASSISTANCE DISTRIBUTIONS per the 2022 Budget Suggestions Booklet provided by MRSC.



RCW 82.45.060 imposes a real estate excise tax (REET) on each sale of real property within Washington State in addition to any local real estate excise taxes. 1.4% of the state REET is deposited into the city-county assistance account to provide assistance for certain cities and counties that meet the statutory qualifications. Half of these funds are distributed to cities and the other half to the counties.

These funds were originally intended to mitigate the loss of the motor vehicle excise tax (MVET) that was distributed to local governments as a means of equalization of the sales tax.

The formula used to allocate city funding is based on a sales and property tax equalization formula and the 2005 MVET backfill levels. The maximum distribution for any eligible city was originally capped at \$100,000, to be increased each year by the increase in the July implicit price deflator (IPD) for personal consumption expenditures. The 2021 cap is \$129,501.

City Assistance Distributions	
City/Town Population	Distribution Formula
5,000 or less	Greater of
Only eligible if per capita assessed value is less than 2x the statewide average for all cities	• 55% sales tax equalization on “first half” local sales tax;

	<ul style="list-style-type: none"> • 55% property tax equalization based on per capita assessed values (per \$1,000 AV); or • 2005 MVET backfill <p><i>Not to exceed \$129,501 (in 2021)</i></p>
--	--

If there are not enough revenues to fund the city distributions, then they will be reduced proportionately. If there are more revenues than necessary to fund the above distributions, the excess is to be distributed proportionately based on population among those cities that have qualified for city-county assistance and impose the full second half-cent of the sales and use tax under RCW 82.14.030(2).

The city anticipates receiving \$23,500. 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 (2022-2023).

- **Liquor Excise Tax**

The formula works as follows:

- 1.) 35% of liquor excise tax collected is deposited in the “liquor excise tax fund” for distribution to cities, towns, and counties. (RCW 82.08.160(1)).
- 2.) \$2.5 million each quarter (\$10 million per year) shall be deducted from the liquor excise tax fund and remitted to the state general fund. (RCW 82.08.170(3)).
- 3.) Of the remaining amount, 80% of the liquor excise tax is distributed to cities (based on population) and 20% to counties (based on unincorporated population).

The June 2021 forecasts by the ERFC project a fair increase (7%) in liquor excise tax collections, resulting in an increase in distributions. The revised forecast for 2021 distributions is \$34,652,337 for cities and \$8,015,569 for counties.

For calendar year 2022 the ERFC projects a 5.8% decrease to liquor excise tax revenues that are to be deposited into the liquor excise tax fund. After deductions, the total local government distributions are estimated to be \$32,645,124 for cities and \$7,513,766 for counties.

The estimated 2022 distribution for cities is \$6.45 per capita. Office of Financial Management (OFM) estimates Napavine’s 2022 population at 2,030. The anticipated revenue in this category is \$13,095. Per RCW 71.24.555 no less than 2% shall be devoted to support a substance use disorder program licensed or certified by the department of health, which the city remits the 2% (\$260) to Lewis County Treasurer and the remaining 98% (\$12,835) may be used for lawful governmental purpose.

- **Liquor Board Profits**

Initiative 1183 not only privatized liquor sales in Washington, but it also changed the types of liquor revenues collected by the state. The state is now collecting revenue in the form of license fees from distributors and retailers, rather than profits from the state-run liquor stores. However, the Liquor and Cannabis Board (LCB) continues to call these funds “liquor profits.” A portion of these collections go to cities, counties, and border jurisdictions. Codified as RCW 66.24.065, it reads:

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 [MRSC] 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 fund 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.

The “comparable periods prior to December 8, 2011” were determined by the Office of Financial Management (OFM) to be December 2010, March 2011, July 2011, and September 2011. The liquor profit revenue for cities, counties, and border areas for those four quarters was \$39,438,000. To this amount, LCB adds the \$10 million to enhance public safety programs for a total liquor profits distribution of \$49,438,000 each year. Of that amount, 0.3%, which equals \$148,314, is distributed to border cities and counties based on traffic totals, crime statistics, and per capita law enforcement spending. The remaining \$49,289,686 is distributed as follows:

- Cities receive 80%, or \$39,431,749 annually, distributed proportionately by population.
- Counties receive 20%, or \$9,857,937 annually, distributed proportionately by unincorporated population.

As noted in the statute, \$10 million of the \$49,438,000 – just under 20.23% – must be spent on “enhancing public safety programs.” We recommend that each city or county split its distribution so that it can account separately for the portion that must be spent on public safety. To calculate the portion that must be used for public safety purposes, multiply your distribution by 20.23%, or 0.2023. In addition, at least 2% of your distribution must be used for a licensed or certified alcohol or drug addiction program under RCW 71.24.555.

When forecasting liquor profits beyond next year’s budget it’s important to note that the total local distributions (\$39,431,748 for cities and \$9,857,936 for counties) will remain the same from year to year unless the legislature amends the statute. The initiative did not include any measures to account for inflation. They have incorporated a per capita ratio value and will vary slightly each year due to population changes.

“The 2022 estimated distribution is \$7.79 per capita. This distribution is also based on population estimates for 2022 of 2,030 for an anticipated revenue amount of \$15,815 which \$3,199 is restricted for public safety purposes and per RCW 71.24.555 no less than 2% shall be devoted to support a substance use disorder program licensed or certified by the department of health, which the city remits 2% or \$262 is restricted for alcohol and drug addiction programs, the remaining amount of \$12,354 may be used for lawful governmental purpose.

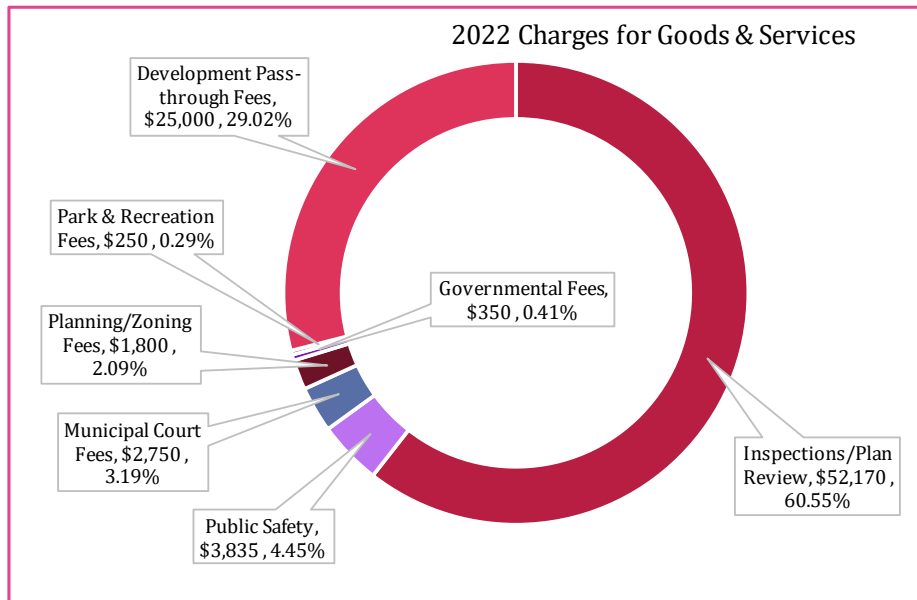
Charges for Goods and Services

Building Code Fees consisting of Inspection Services and Plan Review for a building permit for new construction and remodels.

- Municipal Court Fees consist of Administrative Fees (Warrant Costs), Legal Services, Probation Fees and Housing Monitor Prisoners

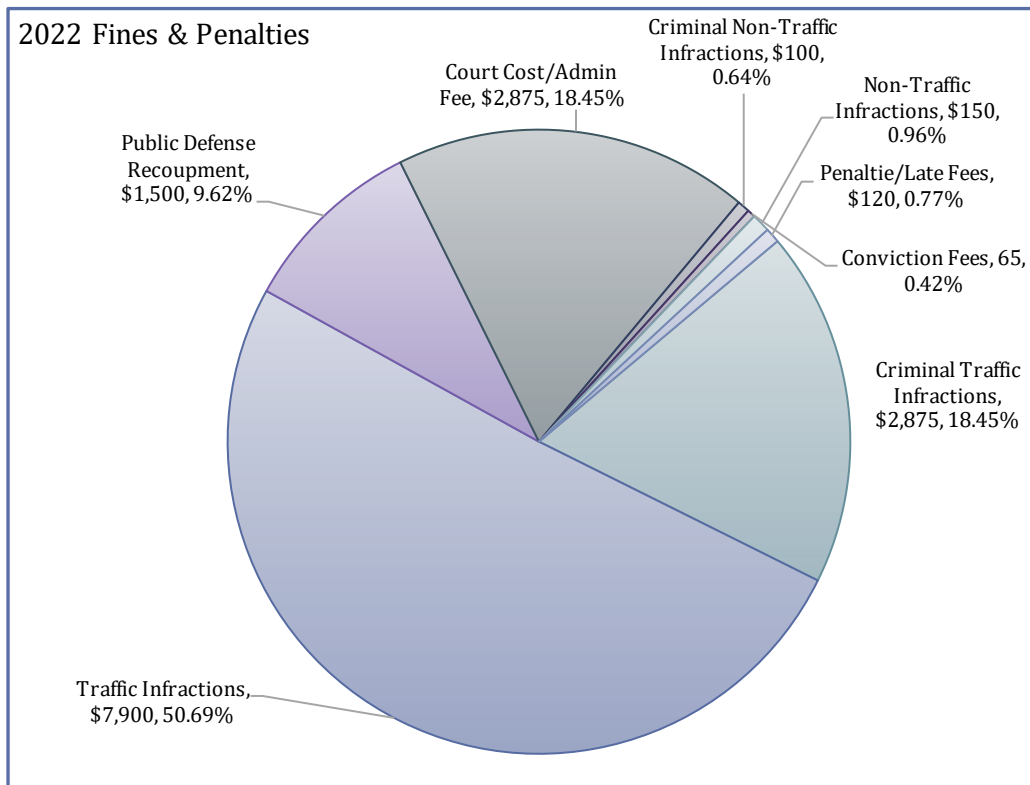
- Planning Fees (Development Pass Through Fees for outsourcing professional services relating to large new developments, Zoning & Subdivision Fees and SEPA, Mitigation)
- Park & Recreation Fees for reimbursement electrical use at the Community Park
- Governmental Fees consist of Dog License, fingerprint fees, Treasurer Fees, public records, and sale of publications
- Public Safety relates to false alarm calls, fire protection services (fire hydrants)

The 2022 estimated revenue for charges of goods and services is \$86,155.



Court Fines & Penalties

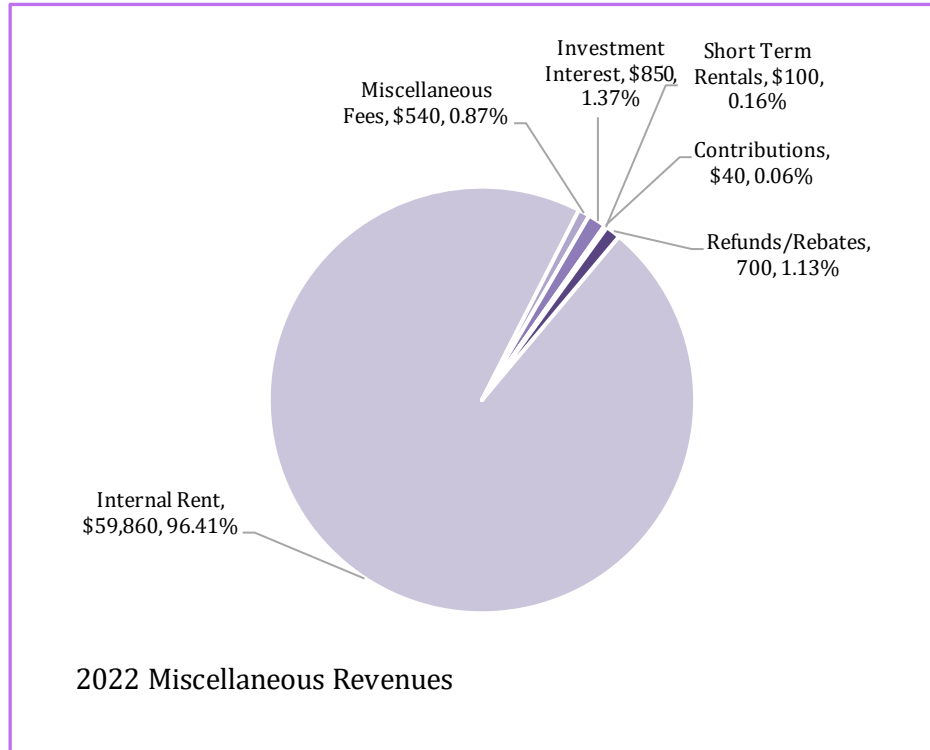
- Criminal Traffic Fines
- Traffic Infraction Fines
- Criminal Court Costs
- Criminal Non-Traffic Fines
- Non-Traffic Fines
- Civil Penalties
- Penalties on dog license and Accounts Receivables late fees



The 2022 estimated revenue for court fines and general penalties is \$15,585.

Miscellaneous Revenues

- Internal Rent
- Other Miscellaneous Fees: Notary Fees, NSF Fees, Workers Comp Refunds, and other Miscellaneous Revenues
- Investment Interest and Sales Interest on Sales Tax



- Contributions/Donations
- Short-term Rentals

The 2022 estimated revenue for miscellaneous revenues is \$62,090.

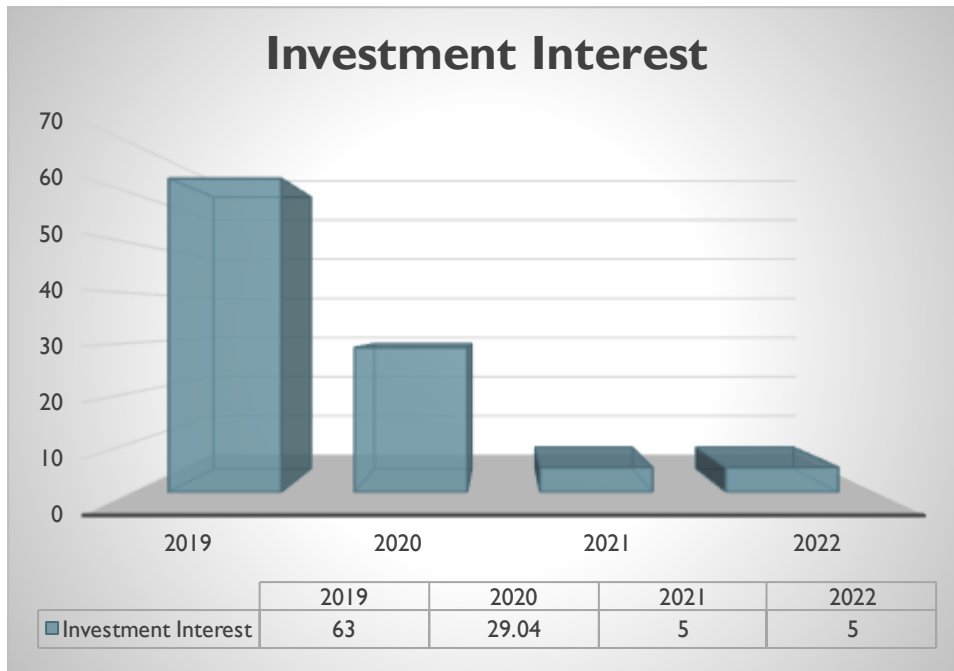
SUBSTANCE ABUSE FUND

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.

2022 - Substance Abuse Summary					
Description	Budget 2020	Actual 2020	Budget 2021	Est Y/E 2021	Budget 2022
Beginning Cash & Investments	6,616	6,625	6,335	6,260	3,855
Fines & Penalties	5	-	-	-	-
Investment Interest	45	63	55	30	20
Total Revenues	50	63	55	30	20
Total Resources	6,666	6,688	6,390	6,290	3,875

Substance Abuse Revenue

- Investment Interest has declined drastically since 2019 as indicated by the chart below

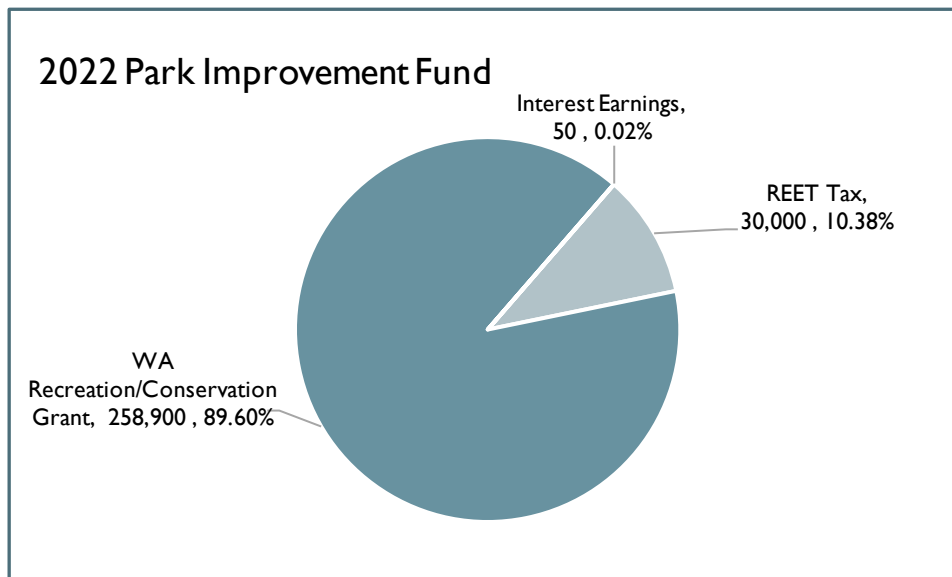


PARK IMPROVEMENT FUND

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). The revenues from this tax must be used by any city or county with a population of five thousand or less and any city or county that does not plan under RCW [36.70A.040](#) for any capital purpose identified in a capital improvements plan and local capital improvements, including those listed in RCW [35.43.040](#).

2022 - Park Improvement Summary					
Description	Budget 2020	Actual 2020	Budget 2021	Est Y/E 2021	Budget 2022
Beginning Cash & Investments	109,245	108,149	127,099	128,237	168,382
REET Tax	20,000	20,961	20,000	35,000	30,000
Intergovernmental Revenues	-	-	258,900	-	258,900
Miscellaneous Revenue	40	52	40	145	50
Total Revenue	20,040	21,013	278,940	35,145	288,950
Transfers In	-	-	-	-	-
TOTAL REVENUES & TRANSFERS-IN	20,040	21,013	278,940	35,145	288,950
Total Resources	129,285	129,162	406,039	163,382	457,332

Park Improvement Fund Revenues



City of Napavine applied for a State Grant from Washington State Recreation and Conservation Office to construct a new Kitchen with restrooms at the Mayme Shaddock Park location. The grant funding program is called WWRP-Local Parks which the grant funds amount to \$258,900 with a city match of \$86,503 or 25.04%.

GENERAL GOVERNMENT CAPITAL EQUIPMENT FUND

The General Government Capital Equipment Fund was established by ordinance to restrict the resources from the sale of the old city hall for the purchase of capital equipment, small and attractive asset equipment for the general government offices of the clerk and treasurer, municipal court, community development and the maintenance of city hall. The city has also transferred funds from the General Fund to fund the purchase of equipment needed for the different departments mentioned.

2022 - Gen Gov Equipment Fund Summary					
Description	Budget 2020	Actual 2020	Budget 2021	Est Y/E 2021	Budget 2022
Beginning Cash & Investments	\$2,150	\$2,151	\$61,771	\$61,771	\$37,901
REVENUES					
Miscellaneous Revenue	-	(0)	-	15	-
Other Financing Sources	55,000	55,000	-	-	-
Transfers In	5,000	5,000	-	-	-
Total Revenues	60,000	60,000	-	15	-
Total Resources	62,150	62,151	61,771	61,786	37,901

LEOFF I RETIREE OPEB TRUST FUND

This fund was established by ordinance to establish a trust fund for the city's liability for LEOFF I Retiree's other post-employment benefits other than pension. The city is responsible for all medical, prescriptions, hearing aids, and long-term care for the life of a retiree from the LEOFF I Retirement System Plan 1 pursuant to RCW 41.26. The Washington State Actuary OPEN liability online calculator tool determines the city's liability. The city is establishing the fund with a transfer from the General Fund in the amount of \$100,000.

2022 - LEOFF 1 RETIREE TRUST FUND					
Description	Budget 2020	Actual 2020	Budget 2021	Est Y/E 2021	Budget 2022
Beginning Cash & Investments	-	-	-	-	-
REVENUES					
Transfers In					100,000
Total Revenues	-	-	-	-	100,000
Total Resources	-	-	-	-	100,000

SPECIAL REVENUE FUND TYPES

Special revenue funds account for 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, and where the limitations can be removed only by a similar action of the same governing body. Revenues do not include other financing sources (long-term debt, transfers, etc.)

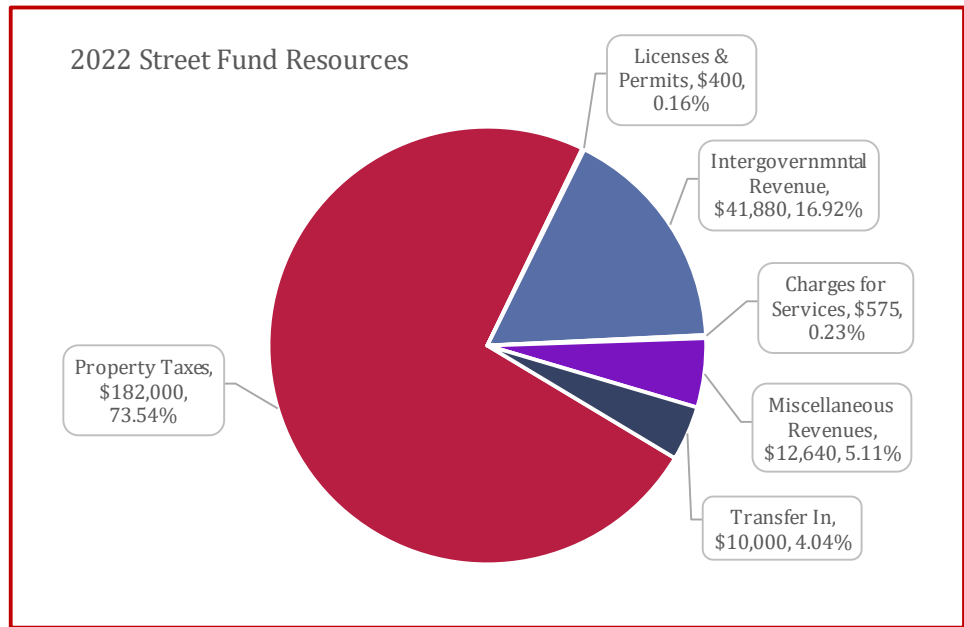
STREET FUND

This fund is used to account for the City's share of motor vehicle fuel tax, Multi-modal distribution, increased gas tax 2ESSB 5987 and 50% property tax to the maintenance of city streets and streetlights.

2022 - Street Operating Fund Summary					
Description	Budget 2020	Actual 2020	Budget 2021	Est Y/E 2021	Budget 2022
Beginning Cash & Investments	194,779	252,076	169,046	197,291	182,271
Property Taxes	132,150	133,100	170,000	115,575	182,000
Licenses & Permits	650	1,000	800	400	400
Intergovernmental Revenue	44,765	39,288	45,380	33,195	41,880
Charges for Services	560	580	575	-	575
Miscellaneous Revenues	820	494	375	32	12,640
Disposition of Capital Assets/Insurance	-	-	-	-	-
NonRevenues - Retainage Deposit	-	-	-	6,268	-
TOTAL REVENUES	178,945	174,461	217,130	155,469	237,495
Transfers In			-	-	10,000
TOTAL REVENUES & TRANSFERS	178,945	174,461	217,130	155,469	247,495
Total Resources	373,724	426,537	386,176	352,760	429,766

Street Fund Revenues

- Property Taxes (Levy estimated amount \$360,000 split 50/50 with the General Fund)
- Goods & Services is for the reimbursement of streetlights at Napavine Highland Park.
- License & Permits consist of Street Permits for the use of the city right of way and push permits
- Intergovernmental Revenues (see Motor Vehicle Fuel Tax below)
- Miscellaneous Revenues is Investment Interest and other miscellaneous revenues
- Retainage Deposits
- Transfers In



Motor Vehicle Fuel Tax

Cities and towns receive MVFT distributions on a per capita basis under RCW 46.68.090(2)(g), (4)(a), and (5)(a), less state adjustments found in RCW 46.68.110(1) and (2) and the Small City Pavement and Sidewalk account.

Fuel taxes in Washington are assessed as cents per gallon, so motor vehicle fuel tax (MVFT) revenues – and therefore the MVFT distributions to cities and counties – depend on the number of gallons sold, not the dollar value of the sales.

Transportation and revenue forecasts are released each quarter by the Transportation Revenue Forecast Council. Each year, we use the calendar year second quarter as the basis for forecasting the MVFT distributions for cities and counties. The June 2021 forecast provides a forecast span of 10 years plus a look back of two years and uses multiple factors in the process.

For cities, WSDOT is projecting total gas tax distributions of \$91,914,993 in calendar year 2022 and \$92,782,358 in 2023. For counties, WSDOT projects total distributions of \$138,931,073 in calendar year 2022 and \$139,239,029 in 2023. However, the tax revenue forecasts provided by WSDOT are updated each quarter and often vary slightly from earlier projections. Unexpected events such as major snowstorms and the COVID-19 pandemic have significantly reduced gas tax collections in the past.

Motor Vehicle Fuel Tax	
Eligible jurisdictions	All cities, towns, and counties

Estimated 2022 distribution	Cities: \$18.15 per capita
Payments Received	At the end of every month
Revenue must be used for	Highway purposes

Increased Motor Vehicle Fuel Tax and Multi-Modal Funds

In addition to the monthly gas tax distributions, counties, cities, and towns receive a share of the multi-modal funds and the 2015 increase in fuel tax (RCW 46.68.126). This legislation provides over \$25 million annually to counties, cities, and towns, allocated as follows:

- Increased MVFT: \$11,719,000 per year
- Multi-modal funds: \$13,393,000 per year

These revenues are split equally between cities and counties and are not impacted by actual fuel sales. City distributions are based on population, while county distributions are established by the same CRAB formula as the MVFT described earlier (RCW 46.68.120(4)) and set at the annual CRAB board meeting in late July, following the release date of Budget Suggestions.

Increased Motor Vehicle Fuel Tax	
Eligible jurisdictions	All cities, towns, and counties
Estimated 2022 distribution	Cities: \$1.16 per capita
Payments Received	Quarterly at the end of March, June, September, and December
Revenue must be used for	Highway purposes

Multimodal Transportation	
Eligible jurisdictions	All cities, towns, and counties
Estimated 2022 distribution	Cities: \$1.32 per capita
Payments Received	At the end of every month Quarterly at the end of March, June, September, and December
Revenue must be used for	Any transportation purposes

The estimated 2022 distribution for cities is \$18.15 per capita for motor vehicle fuel tax. City of Napavine anticipates receiving \$36,845 for MVFT. The Increased Motor Vehicle Fuel Tax estimate for the 2022 distribution for cities is \$1.16 per capita with Napavine receiving an estimate of \$2,355. The Multi-Modal Transportation fuel tax is estimated for 2022 distribution at \$1.32 per capita with Napavine receiving an estimate of \$2,680.

STREET CAPITAL EQUIPMENT FUND

City of Napavine created the Street Capital Equipment Fund 102 for the restricted use for reserving necessary funds which shall be for the sole purpose of saving, budgeting and disbursing resources specifically designated for Street Capital Equipment purposes. Transfers are made from the Street Operating Fund.

2022 - Street Cap Equipment Fund Summary					
Description	Budget 2020	Actual 2020	Budget 2021	Est Y/E 2021	Budget 2022
Beginning Cash & Investments	5,000	5,000	16,000	16,000	31,000
REVENUES					
Transfers In	11,000	11,000	15,000	15,000	15,000
Total Revenues	11,000	11,000	15,000	15,000	15,000
Total Resources	16,000	16,000	31,000	31,000	46,000

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. These proceeds were required to be used "solely for financing capital projects specified in a Capital Facilities Plan element of a Comprehensive Plan."

The City of Napavine will be applying for a Transportation Improvement Board grant in 2022 to resurface all arterial streets in the city limits of Napavine. The total project cost is estimated at \$500,000 with a city match of 5% equal to \$25,000 and \$475,000 in TIB Funds.

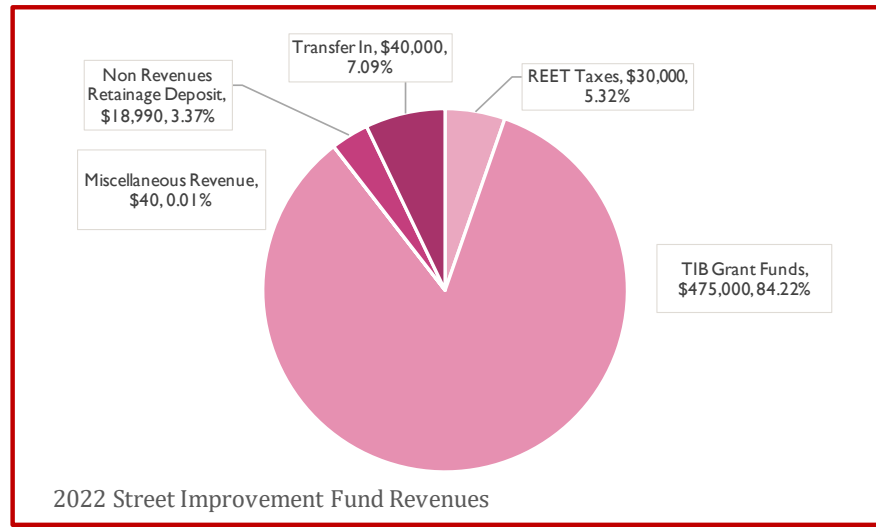
The city has established a process for retainage bonds or aka performance bonds to developers to allow to complete their project enough to obtain occupancy rights without delay due to the shortage and delay in streetlights availability. The city has received cash bonds/deposits from developers in the amount of about \$70,000 for streetlights which are held in the Street Improvement Fund.

2022 - Street Improvement Fund Summary					
Description	Budget 2020	Actual 2020	Budget 2021	Est Y/E 2021	Budget 2022
Beginning Cash & Investments	153,941	152,875	172,945	173,911	196,271
REET Taxes	20,000	20,961	34,675	34,482	30,000
TIB Grant Funds	470,505	-	473,350	3,716	475,000
Miscellaneous Revenue	35	75	40	73	40
Non Revenues (Retainage/Performance Bonds)	-	-	50,590	50,589	18,990
TOTAL REVENUE	490,540	21,036	508,065	38,271	505,040
Transfers In	-	-	-	-	40,000
Total Revenue & Transfers	490,540	21,036	508,065	38,271	545,040
Total Resources	644,481	173,911	681,010	212,182	741,311

Street Improvement Revenues

REET Tax

- Intergovernmental Grants
- Investment Interest
- Retainage /Performance Bonds
- Transfers In



CRIMINAL JUSTICE FUNDS

The Criminal Justice Fund was established in 2016 to simplify the tracking of the restricted criminal justice funds in their use by the Revised Code of Washington.

There are two separate criminal justice distributions for cities, created by RCW 82.14.320 and 82.14.330. Each program originally (in state fiscal year 2000) appropriated a total of \$4.6 million, to be increased each July by the “fiscal growth factor” set forth in RCW 43.135.025. The fiscal growth factor is the average annual growth in state personal income for the prior ten fiscal years, and the distributions have now grown to total \$10,829,607 (as of 2021) for each of these two separate criminal justice resources. The amount to be distributed for 2022 will be \$11,456,641 for each program, an increase of 5.79%.

Criminal justice revenues created by RCW 82.14.320 – the “Criminal Justice – High Crime” distributions – are distributed partially based on crime rates and we cannot forecast them. The cities that may qualify for these funds know who they are and are aware of the problems they have in forecasting these revenues. As mentioned earlier, HB 1069 temporarily allows these funds to supplant existing revenues through December 31, 2023.

Criminal justice funds created by RCW 82.14.330 have four different components for distribution:

- **Population:** 16%, or \$1,833,063, is distributed to all cities and towns on a per capita basis, with each city receiving a minimum of \$1,000 no matter how small its population.
- **Special Programs:** 54%, or \$6,186,586, is distributed to all cities and towns on a strictly per capita basis to be used for innovative law enforcement strategies, programs to help at-risk children or child abuse victims, and programs to reduce the level of domestic violence or to provide counseling for domestic violence victims. While these funds must be spent in these specific areas, there is no requirement for how

much must be spent in each area. The city’s entire distribution could be spent in only one of these areas if the city wishes.

- **Contracted Services:** 10%, or \$1,145,664, goes to cities that contract with another governmental agency for the majority of their law enforcement services. Cities that qualify for this distribution must notify the Department of Commerce by **November 30, 2021** to receive 2022 distributions. Cities are responsible for notifying Commerce of any changes regarding these contractual relationships. However, any cities that are added to or removed from this list will only impact distributions for the next calendar year, and no adjustments will be made retroactively.

- **Violent Crime:** 20%, or \$2,291,328, goes to cities with a three-year average violent crime rate (per 1,000 population) above 150% of the three-year statewide average. No city may receive more than \$1.00 per capita.

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 a new patrol vehicle.

City Criminal Justice - Population	
Eligible jurisdictions	All cities and towns
Estimated 2022 distribution	\$0.35 per capita; minimum distribution of \$1,000 per city/town, which is factored into MRSC calculations.
Payment Received	Quarterly at the end of January, April, July, and October
Revenue must be used for	Criminal justice purposes; may temporarily replace or supplant existing criminal justice funding through December 31, 2023.

City Criminal Justice – Special Programs	
Eligible jurisdictions	All cities and towns
Estimated 2022 distribution	\$1.24 per capita;
Payment Received	Quarterly at the end of January, April, July, and October
Revenue must be used for	Innovative law enforcement strategies, programs for child abuse victims/at-risk children, and/or domestic violence programs

2022 - Criminal Justice Fund Summary

Description	Budget 2020	Actual 2020	Budget 2021	Est Y/E 2021	Budget 2022
Beginning Cash & Investments	34,919	31,953	65,494	68,102	99,917
Taxes:					
Local Criminal Justice	39,000	40,127	40,400	45,000	48,000
Total Taxes	39,000	40,127	40,400	45,000	48,000
State Shared Revenues:					
CJ LoPop	1,000	1,000	1,000	1,000	1,000
CJ Special Programs	2,215	2,220	2,350	2,350	2,515
CJ DUI & Other Assistance	275	288	275	275	275
Total Intergovernmental Revenues	3,490	3,508	3,625	3,625	3,790
Miscellaneous Revenue-Sale Surplus	-	-	-		
TOTAL REVENUES	42,490	43,635	44,025	48,625	51,790
Total Resources	77,409	75,588	109,519	116,727	151,707

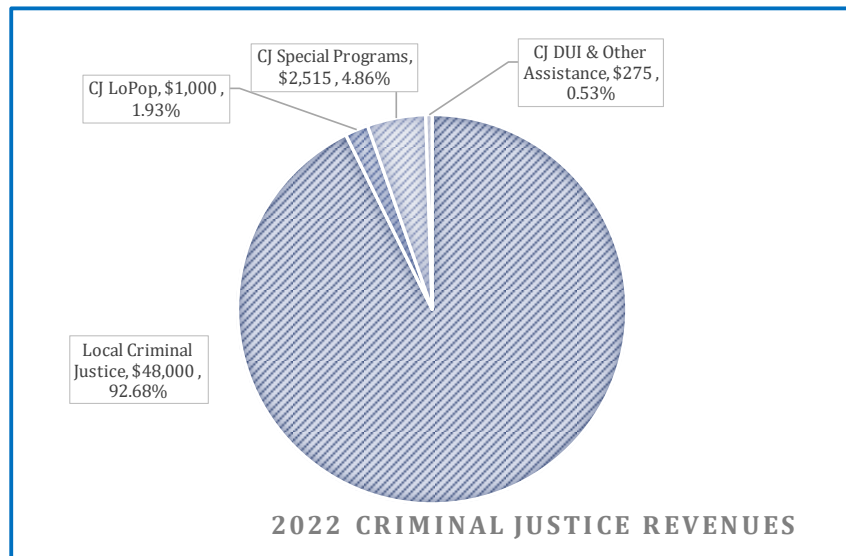
Criminal Justice Revenues

Taxes

- Local Criminal Justice Sales Tax

Intergovernmental Revenue

- Lo-Pop
- Special Programs
- DUI



LOCAL FISCAL RECOVERY FUND 115 (ARPA FUNDS)

On March 11, 2021, the President of the United States signed into law the American Rescue Plan Act (“ARPA”), which included \$362 billion in federal fiscal recovery aid to the state and local governments. City of Napavine was notified by the Washington State Office of Financial Management that its share of the Fund for Nonentitlement Units of Local Government (NEUs) will be approximately \$558,575, where funds will be distributed in two equal payments, occurring in 2021 and 2022, to be distributed through the State of Washington.

The period of performance for this award ends on December 31, 2026. The city may use award funds to cover eligible costs incurred during the period that begins on March 3, 2021, and ends of December 31, 2024. Costs sharing or matching funds are not required to be provided by the Recipient (City of Napavine). The funds may be used to make necessary investments in water, sewer, or broadband infrastructure.

2022 - LOCAL FISCAL RECOVERY FUND SUMMARY

Description	Budget 2020	Actual 2020	Budget 2021	Est Y/E 2021	Budget 2022
Beginning Cash & Investments	-	-	-	-	279,591
Intergovernmental Revenues					
COVID-19 ARPA Fiscal Recovery				279,591	279,290
Total Intergovernmental Revenues	-	-	-	279,591	279,290
Total Local Fiscal Recovery Fund	-	-	-	279,591	279,290
Total Resources	-	-	-	279,591	558,881

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.

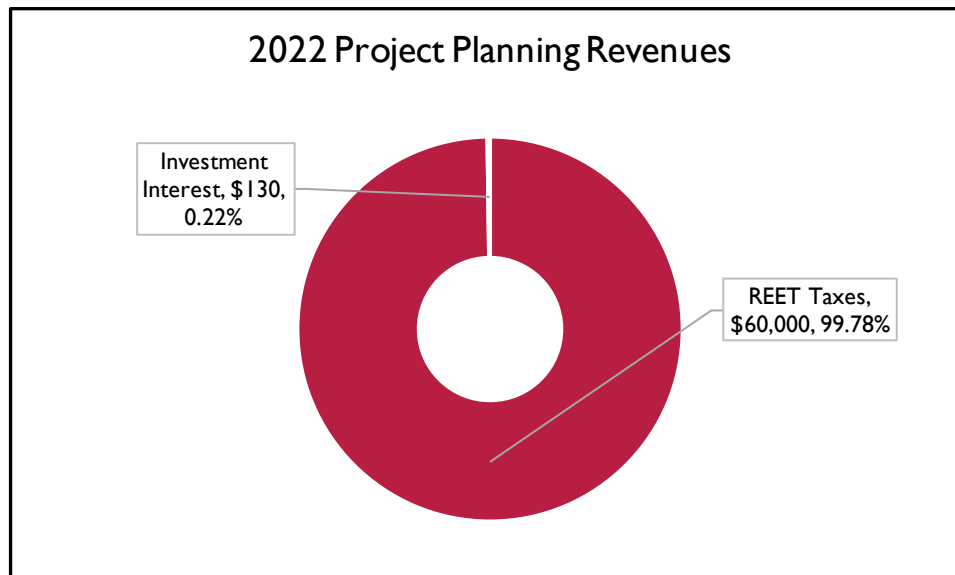
PROJECT PLANNING FUND

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). 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.

2022 - Project Planning Summary					
Description	Budget 2020	Actual 2020	Budget 2021	Est Y/E 2021	Budget 2022
Beginning Cash & Investments	168,337	166,145	206,590	271,529	309,885
REVENUES					
REET Taxes	40,000	41,921	40,000	70,000	60,000
Investment Interest	400	452	325	235	130
Total Revenue	40,400	42,373	40,325	70,235	60,130
Total Resources	208,737	208,519	246,915	341,764	370,015

Project Planning Revenues:

- 2nd Quarter REET
- Investment Interest



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, such as water service, wastewater (sewer) service, which provides a service to customers.

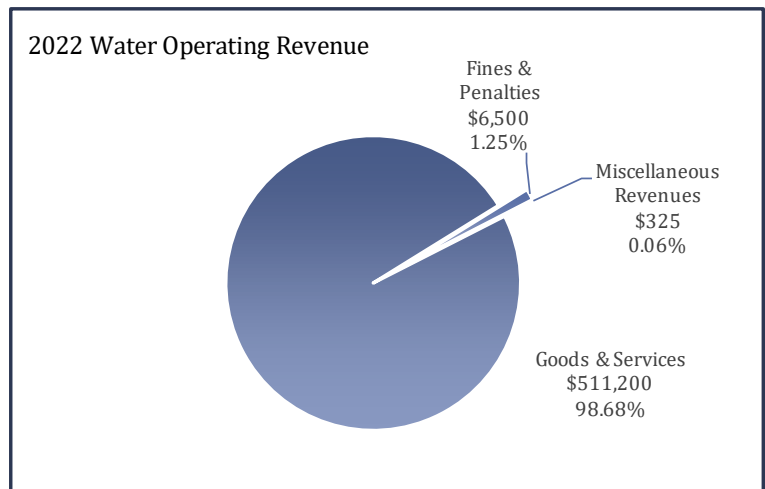
WATER FUND

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

2022 - Water Operating Fund Summary					
Description	Budget 2020	Actual 2020	Budget 2021	Est Y/E 2021	Budget 2022
Beginning Cash & Investments	767,181	782,930	739,000	764,811	836,336
Revenues					
Intergovernmental Resources	-	931	-	-	-
Goods and Services	455,600	457,941	469,600	544,270	511,200
Fines & Penalties	7,000	2,843	7,000	135	6,500
Miscellaneous Revenues	5,100	4,105	1,550	1,955	325
Non Revenues	-	-	-	55	-
Total Revenues	467,700	465,821	478,150	546,415	518,025
Total Resources	1,234,881	1,248,751	1,217,150	1,311,226	1,354,361

Water Fund Revenues

- Goods & Services:
 - Water Demand base rates are proposed to increase \$1 per month, which have not increased in 11 years.
 - A Senior Citizen and Disabled Citizen discount is 50% off the demand rate.
 - Water Connection Fees (No fee increases for 2022; 50% of connection fee is recorded in the Water Fund and 50% in the Water System Improvement Fund)
 - The city adopted Ordinance 597 to provide a discount on Single Family Homes to benefit from the multiple connections discount when purchased in a one lump sum within the jurisdiction of the city. The rate for multiple connections is \$2,100 for 2-20. Each dwelling will be charged for the \$1,000 infrastructure fee.
- **Fines & Penalties:** The Governor’s order and the Proclamation prohibiting late fees and disconnections fees expired September 30, 2021, therefore, the city may start imposing late fees and disconnection fees starting with the December 2021 billing cycle. The city has not billed late fees to customers since February 2020. The 2022 Budget does include late fees and shut offs.



- Late Fees - 10% of balance owed as of the 26th of the billing month with a minimum fee of \$5.00. Fee is based on the balance due for the water service.
- Shut off Fees \$25.00 with a turn on fee of \$10 for nonpayment on account and \$10 turn on fee for customer request
- Other Fees (Provide landlord with copies of tenant’s utility bill & any other non-usage fees)
- Miscellaneous Revenue:
 - Investment Interest
 - Miscellaneous Revenue

WASTEWATER FUND

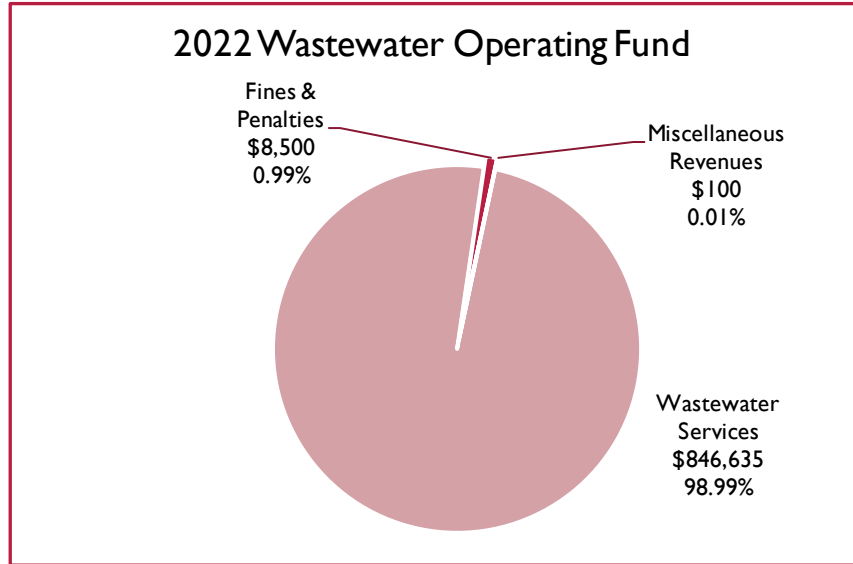
This fund is used to account for the operations of the City’s wastewater (sewer) utility.

2022 - Wastewater Operating Fund Summary					
Description	Budget 2020	Actual 2020	Budget 2021	Est Y/E 2021	Budget 2022
Beginning Cash & Investments	345,097	346,649	281,934	326,361	381,606
REVENUES					
Intergovernmental Revenues	-	931	-	-	-
Goods and Services	834,950	800,376	814,950	898,815	846,635
Fines & Penalties	8,500	3,780	8,500	125	8,500
Miscellaneous Revenues	915	1,263	530	485	100
Non Revenue	-	-	-	55	-
Total Revenue	844,365	806,350	823,980	899,480	855,235
Total Resources	1,189,462	1,152,999	1,105,914	1,225,841	1,236,841

Wastewater Fund Revenue

- Goods & Services:
- Wastewater Service Demand rates are \$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. A senior citizen rate was established for those that meet the criteria of an age and income bracket.
- Wastewater connection Fee 50% of connection fee is receipted into the Wastewater Fund and 50% in the Wastewater System Improvement Fund
- The city adopted Ordinance 598 to provide a discount on Single Family Homes to benefit from the multiple connections discount when purchased in a one lump sum within the jurisdiction of the city. The rate for multiple connections is \$2,500 for 2-20. Each dwelling will be charged for the \$1,000 infrastructure fee.

- **Fines & Penalties:** The Governor’s order and the Proclamation prohibiting late fees and disconnections fees expired September 30, 2021, therefore, the city may start imposing late fees and disconnection fees starting with the December 2021 billing cycle. The city has not billed late fees to customers since February 2020. The 2022 Budget does include late fees and shut offs.



- Late Charge Fees –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 consisting of Investment Interest

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.

2022 - USDA Bond Reserve Fund					
Description	Budget 2020	Actual 2020	Budget 2021	Est Y/E 2021	Budget 2022
Beginning Cash & Investments	22,710	22,710	22,710	22,710	22,710
REVENUES					
Transfers In	-	-	-	-	-
Total Revenues	-	-	-	-	-
Total Resources	22,710	22,710	22,710	22,710	22,710

UTILITY 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 or transferred to the customer’s utility account.

2022 - Water Deposit Trust Fund Summary

Description	Budget 2020	Actual 2020	Budget 2021	Est Y/E 2021	Budget 2022
Beginning Cash & Investments	7,715	7,815	7,615	7,615	7,615
Ordinance 521 on 4/23/13 suspended deposits					
REVENUES					
Utility Deposits	-	-	-	-	-
Total Revenues	-	-	-	-	-
Total Resources	7,715	7,815	7,615	7,615	7,615

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.

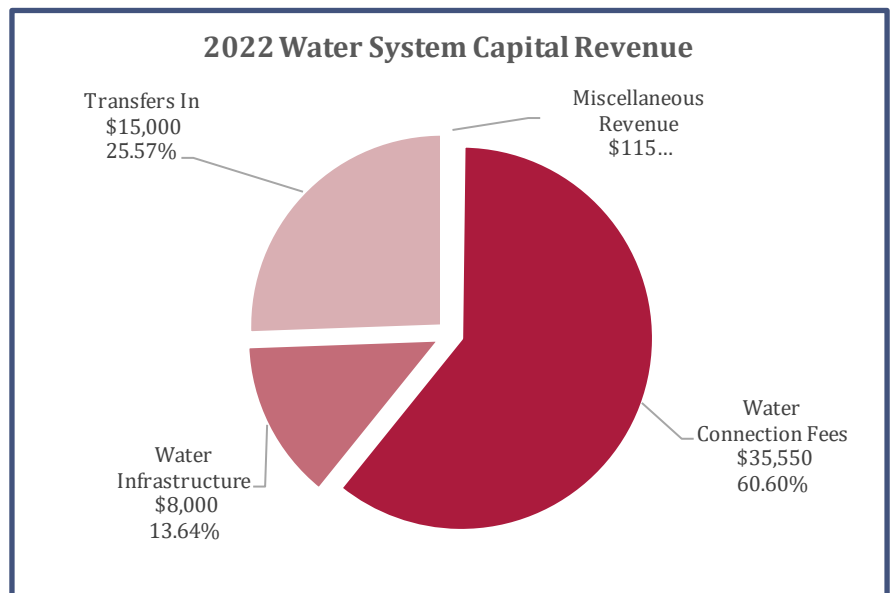
WATER SYSTEM IMPROVEMENT FUND

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.

2022 - Water System Improvement Summary					
Description	Budget 2020	Actual 2020	Budget 2021	Est Y/E 2021	Budget 2022
Beginning Cash & Investments	686,683	601,274	395,689	413,602	483,397
REVENUES					
<i>Miscellaneous Revenues:</i>					
Investment Interest	1,400	830	750	325	115
Water Connection Fees	12,950	16,100	12,950	86,270	35,550
Water Infrastructure	7,000	10,000	7,000	30,000	8,000
Total Miscellaneous Revenue	21,350	26,930	20,700	116,595	43,665
Non Revenues	-	-	-	-	-
Total Revenues	21,350	26,930	20,700	116,595	43,665
Transfers In	100,000	100,000	10,000	10,000	15,000
Total Revenues & Transfers	121,350	126,930	30,700	126,595	58,665
Total Resources	808,033	728,204	426,389	540,197	542,062

Water System Improvement Revenue

- Water Connection Fees
- Infrastructure Fees
- Interest
- Transfers In



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 is making 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 annual installment of assessments by the City Treasurer by notice that the assessment roll is due annually in November/December to include a 1% interest and a 10% penalty on unpaid annual assessments.

2022 - LID 2011-1 Bond Redempt Summary					
Description	Budget 2020	Actual 2020	Budget 2021	Est Y/E 2021	Budget 2022
Beginning Cash & Investments	292,290	296,742	299,982	393,276	502,461
REVENUES					
Fines & Penalties	150	669	-	-	-
Investment Interest	630	421	600	1,100	900
Accrued Interest	-	(11)	-	(500)	
Gains on Bonds	-	156	-	685	
Assessment Interest	9,260	7,866	8,080	7,335	7,200
Special Assessments	45,020	169,214	213,580	213,640	63,130
Total Revenues	55,060	178,314	222,260	222,260	71,230
Total Resources	347,350	475,055	522,242	615,536	573,691

WATER CAPITAL EQUIPMENT FUND

City of Napavine created the Water Capital Equipment Fund 411 for the restricted use for reserving necessary funds which shall be for the sole purpose of saving, budgeting and disbursing resources specifically designated for Water Capital Equipment purposes. Transfers are made from the Water Operating Fund.

2022 - Water Capital Equip Fund Summary					
Description	Budget 2020	Actual 2020	Budget 2021	Est Y/E 2021	Budget 2022
Beginning Cash & Investments	5,000	5,000	16,000	16,000	31,000
REVENUES					
Transfers In	11,000	11,000	15,000	15,000	15,000
Total Revenues	11,000	11,000	15,000	15,000	15,000
Total Resources	16,000	16,000	31,000	31,000	46,000

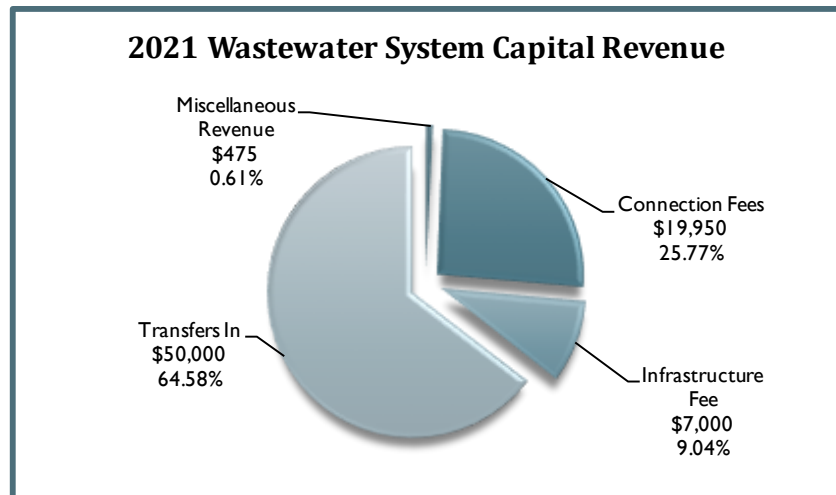
WASTEWATER SYSTEM IMPROVEMENT FUND

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.

2022 - Wastewater System Improvement Summary					
Description	Budget 2020	Actual 2020	Budget 2021	Est Y/E 2021	Budget 2022
Beginning Cash & Investments	376,053	378,361	465,451	465,442	572,502
REVENUES					
Investment Interest	1,350	532	475	250	100
Wastewater Connection Fees	19,950	26,550	19,950	103,805	31,635
Infrastructure Fee	7,000	10,000	7,000	30,000	8,000
Total Revenue	28,300	37,082	27,425	134,055	39,735
Transfers In	50,000	50,000	10,000	10,000	15,000
Total Revenues & Transfers	78,300	87,082	37,425	144,055	54,735
Total Resources	454,353	465,442	502,876	609,497	627,237

Wastewater System Improvement Revenue

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



SEWER CAPITAL EQUIPMENT FUND

City of Napavine created the Sewer Capital Equipment Fund 409 for the restricted use for reserving necessary funds which shall be for the sole purpose of saving, budgeting and disbursing resources specifically designated for Sewer Capital Equipment purposes. Transfers are made from the Sewer Operating Fund.

2022 - Sewer Capital Equip Fund Summary					
Description	Budget 2020	Actual 2020	Budget 2021	Est Y/E 2021	Budget 2022
Beginning Cash & Investments	5,000	5,000	21,000	21,000	31,000
REVENUES					
Transfers In	11,000	11,000	15,000	15,000	15,000
Total Revenues	11,000	11,000	15,000	15,000	15,000
Total Resources	16,000	16,000	36,000	36,000	46,000

FIDUCIARY FUND TYPES

Fiduciary Funds account for assets held in a trustee or agency capacity for others and therefore cannot be used to support the government’s own programs.

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.

2022 - Unemployment Comp Fund Summary					
Description	Budget 2020	Actual 2020	Budget 2021	Est Y/E 2021	Budget 2022
Beginning Cash & Investments	31,336	31,336	34,836	34,836	34,836
REVENUES					
Transfers In					
Total Revenues					
Total Resources	31,336	31,336	34,836	34,836	34,836

Unemployment Compensation Revenue

Resources were from Transfers – In from the General Fund, Street Fund, Water Fund and Wastewater Fund.

When a claim is received from Employment Security Department cost allocation shall be based on the payroll cost allocation the employee was assigned for the periods of eligibility for benefits. Once the fund contribution has been exhausted, then the remaining cost shall be allocated based on salary allocation of the claimant.

The Unemployment Compensation Trust Fund shall maintain a balance to cover the city’s liability for claims by an employee to receive unemployment compensation benefits. Based on benefits for an employee(s) for 26 weeks of unemployment benefits, the recommended fund balance shall be a minimum of \$30,000. Annually the city shall review the city’s liability and adjust the required minimum balance based on the wages of employees and the maximum weekly benefit amount by ESD. Once the balance is sufficient to cover the city’s liability; the transfers may be suspended. Should the balance fall below the necessary amount due to claims for unemployment or the maximum weekly benefit amount by Employment Security Department (ESD) then the transfers shall resume to maintain the necessary fund balance.

If claims exhaust the fund balance, such fund shall contribute to the trust fund to retain the necessary balance. For example, if the General Fund cost allocation for reimbursement was \$6,000, the General Fund shall contribute additional funds to the Trust Fund to bring the Fund Balance back up to maintain the required balance.

PRIVATE PURPOSE TRUST FUND TYPES

CUSTODIAL TYPE FUNDS

Agency Funds account for funds held in an agency capacity for others by the City.

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

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. 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.