



CITY FINANCE 101

May, 2009

CITY OF SPOKANE VALLEY

Community Vision Statement

"A community of opportunity where individuals and families can grow and play and businesses will flourish and prosper."

City of Spokane Valley Statistics

88,920 in population

44,144 jobs (from LMEA- Labor Market & Economic Analysis)

6100 registered businesses

38.5 sq miles service area

438 miles of city streets

172 acres in parks and open space

2nd largest city in Spokane County

7th largest city in Washington

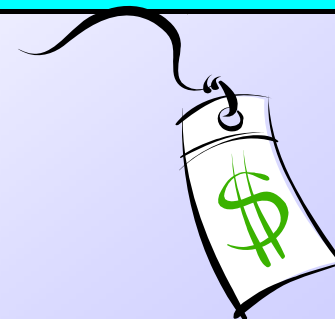


City of Spokane Valley

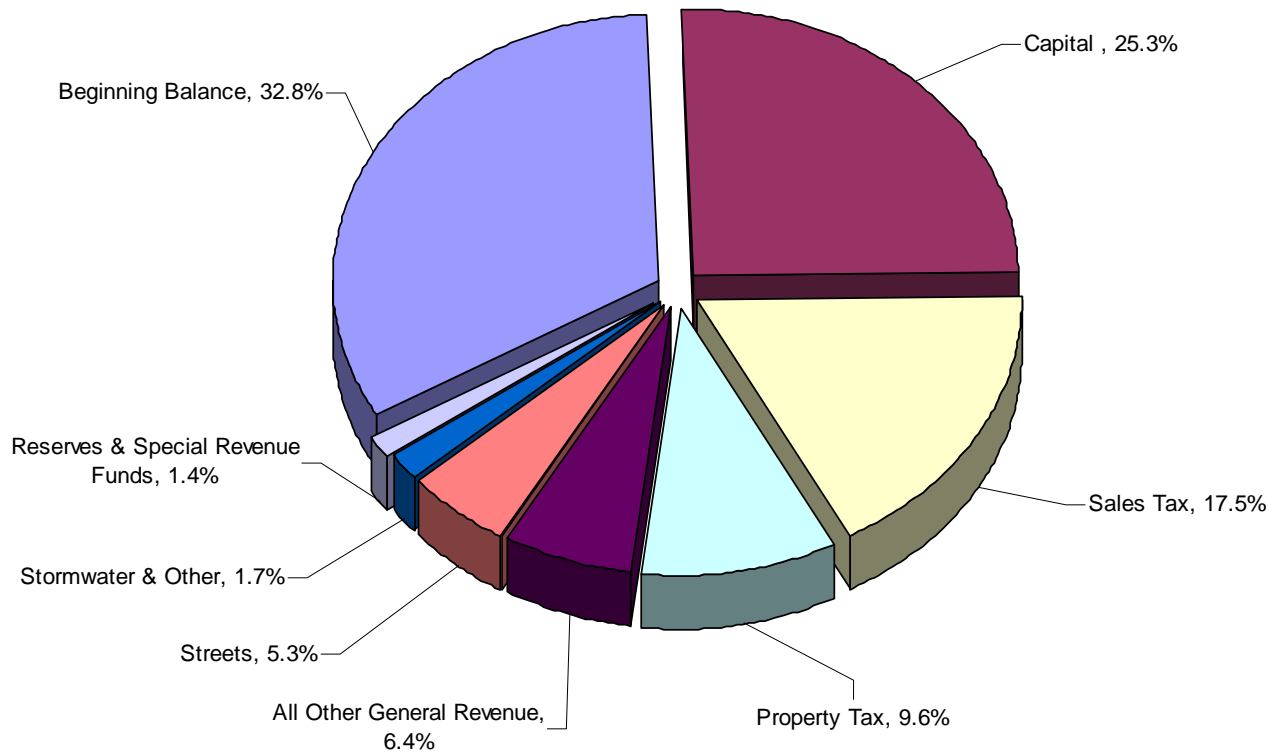
Estimated Gross Sales by Category

2008

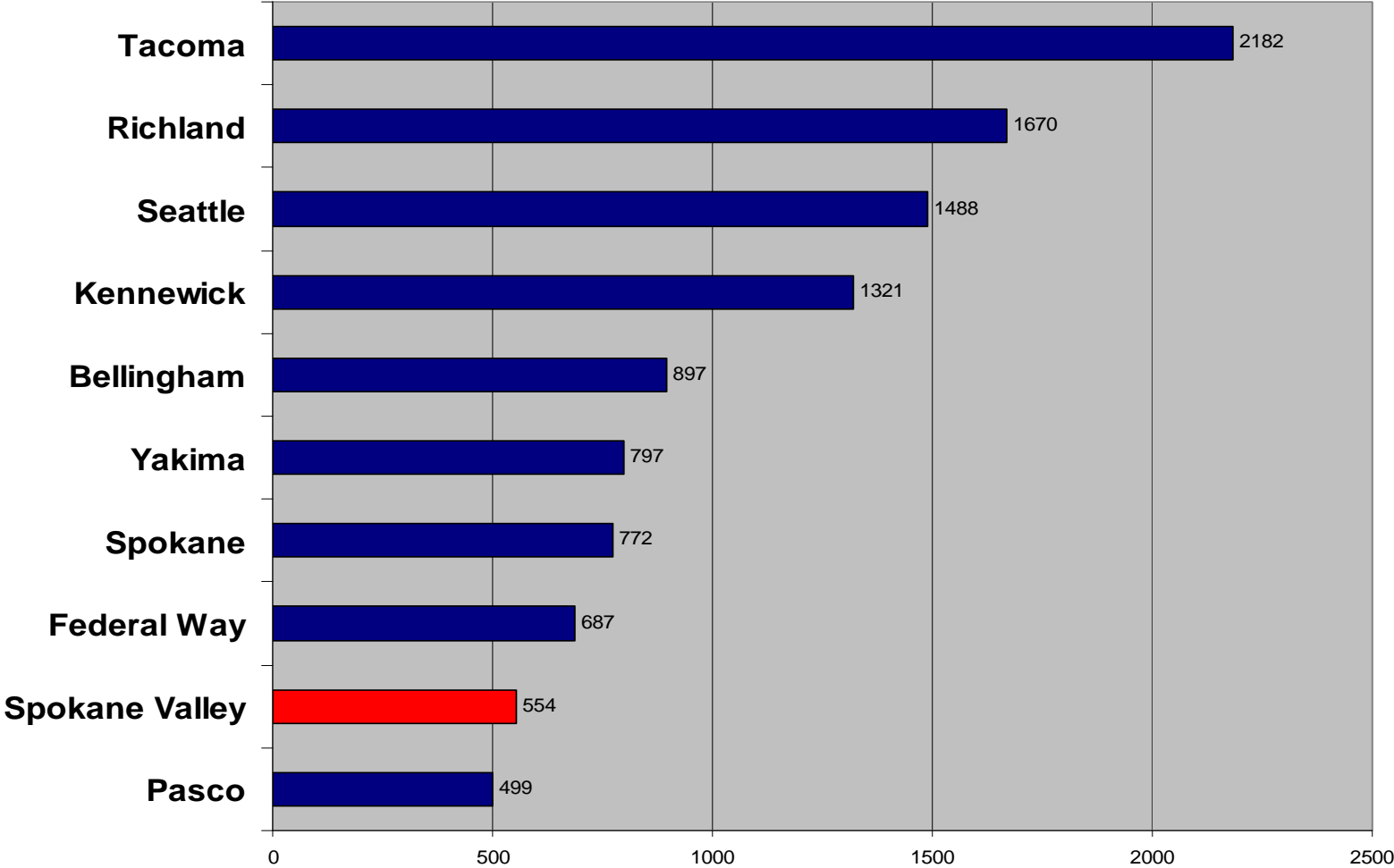
CATEGORY	Gross by Category	%
Retail Trade/Service	\$1,478,899,309	78%
Contracting	\$141,918,477	8%
Wholesaling	\$104,662,375	6%
Manufacturing	\$59,865,763	3%
Financial, Insurance, Real Estate	\$38,446,065	2%
Transportation, Communication, Utilities	\$61,685,486	3%
Other	\$1,849,318	0.1%
Totals	\$1.9 Billion	100%



City of Spokane Valley 2009 Budget Resources \$110,915,000



2009 General Fund Revenue Per Capita

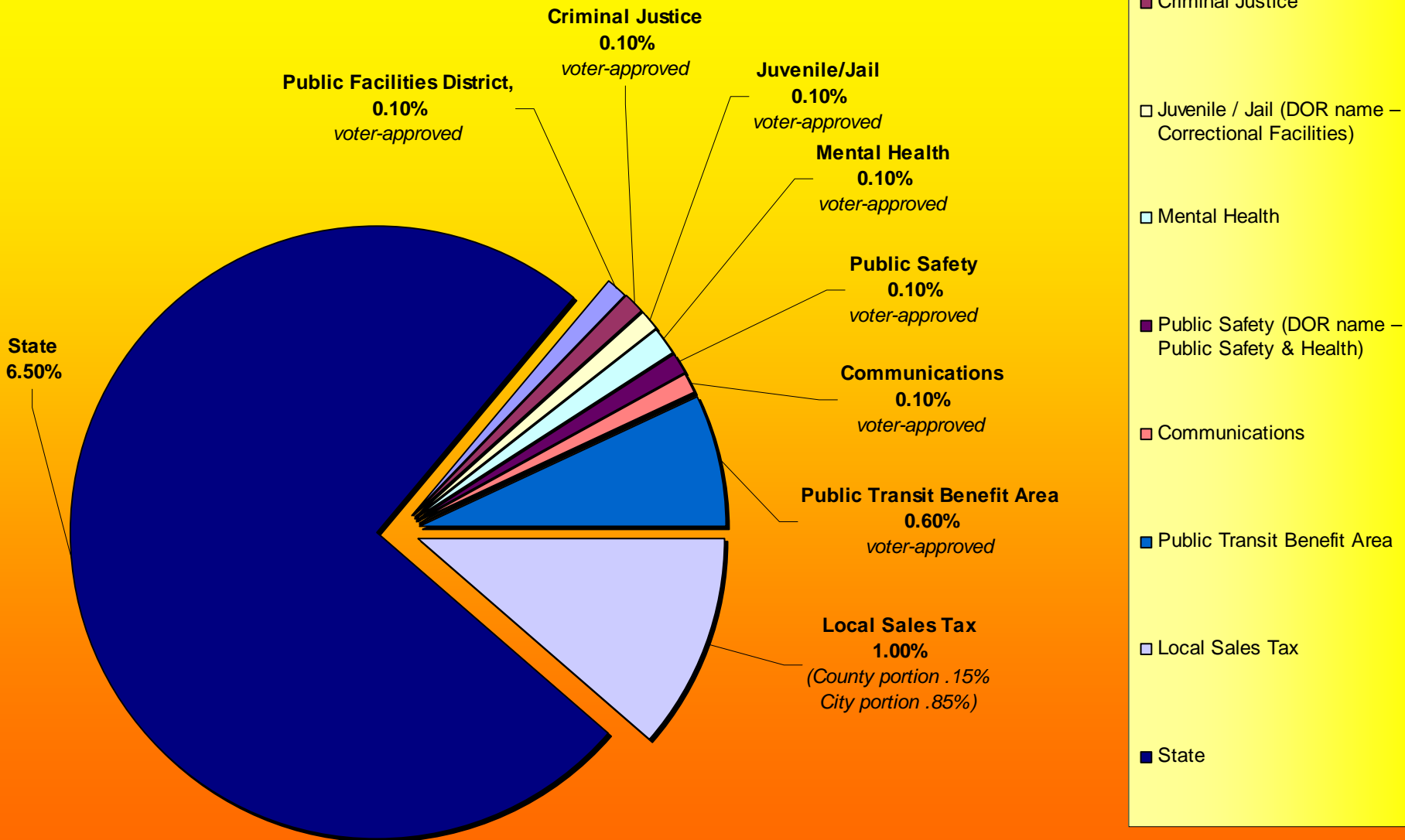


Services provided by cities vary –

Source – City websites

8.7% Sales Tax Allocation

Tax Year 2009

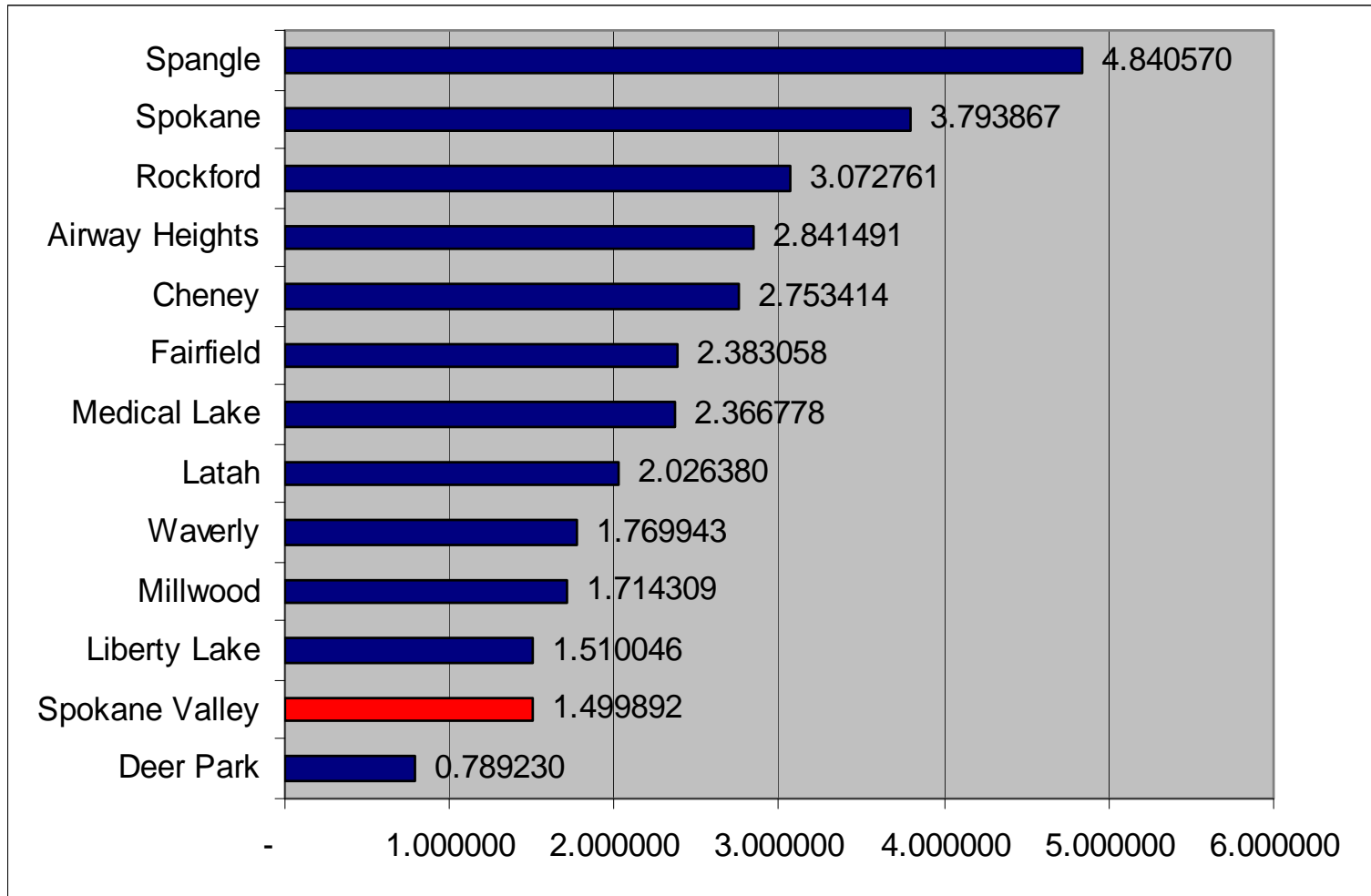


Property Tax Rates

City Comparisons within Spokane County

Per \$1000 of Assessed Valuation

Tax Year 2008

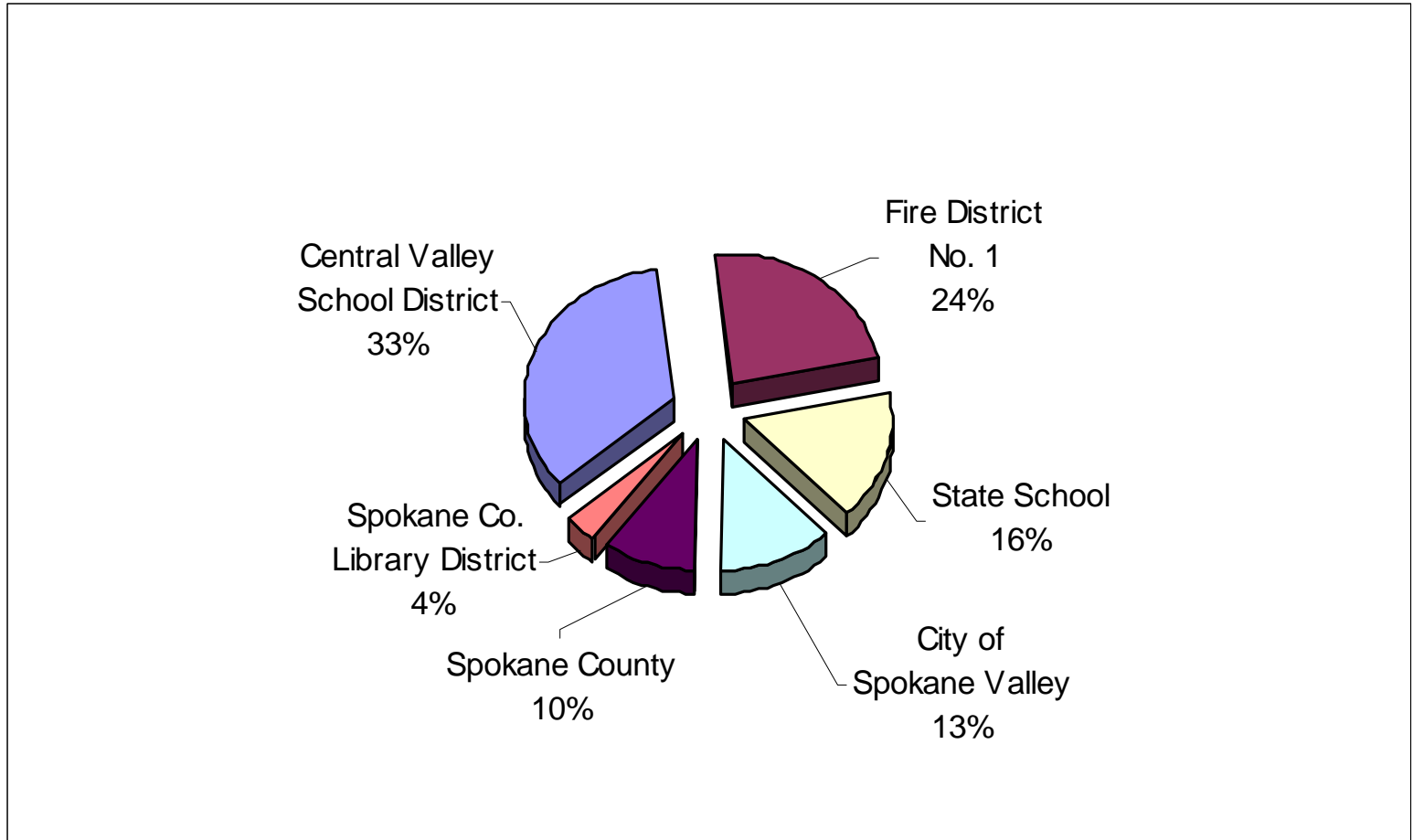


Property Tax Rates

All Taxing Districts in Spokane Valley
per thousand of valuation

District	Rate
West Valley School (General + B&I + Capital)	\$ 5.82
Spokane School (General + B&I)	\$ 4.34
Central Valley School (General + B&I)	\$ 4.10
Fire District No. 1 (General + Special Levy)	\$ 2.82
East Valley School	\$ 2.73
State School	\$ 1.90
Fire District No. 8 (General + Bond)	\$ 1.63
<i>City of Spokane Valley</i>	<i>\$ 1.50</i>
Spokane County (General + Conservation)	\$ 1.19
Spokane Co. Library District	\$ 0.44
Fire District No. 9 Bond	\$ 0.08

Where Your Property Taxes Go



Example of a house in the most populous tax code area



\$164,325

Median House Value
in Spokane Valley

\$1.50

Property Tax Rate
per thousand of valuation

\$246.49

Annual homeowner cost
for police protection,
community planning, building
services, parks and recreation,
general government and more



\$20.54

per month*

Spokane Valley 2009 city tax rate
per thousand of valuation:

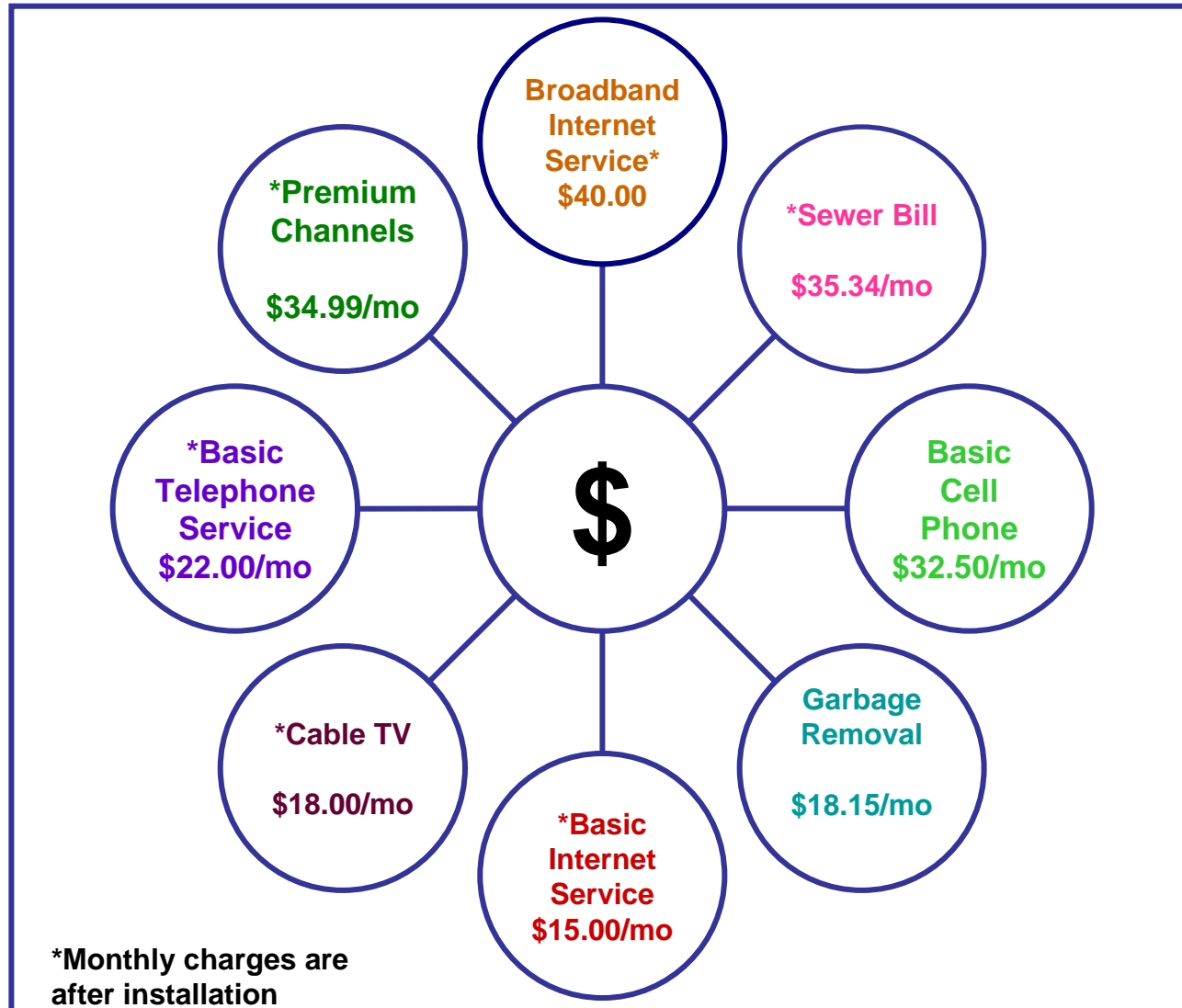
\$1.50

* Median home value in Spokane Valley

\$164,325

OTHER CONSUMER SPENDING

Monthly Costs March 2009



Other Consumer Spending

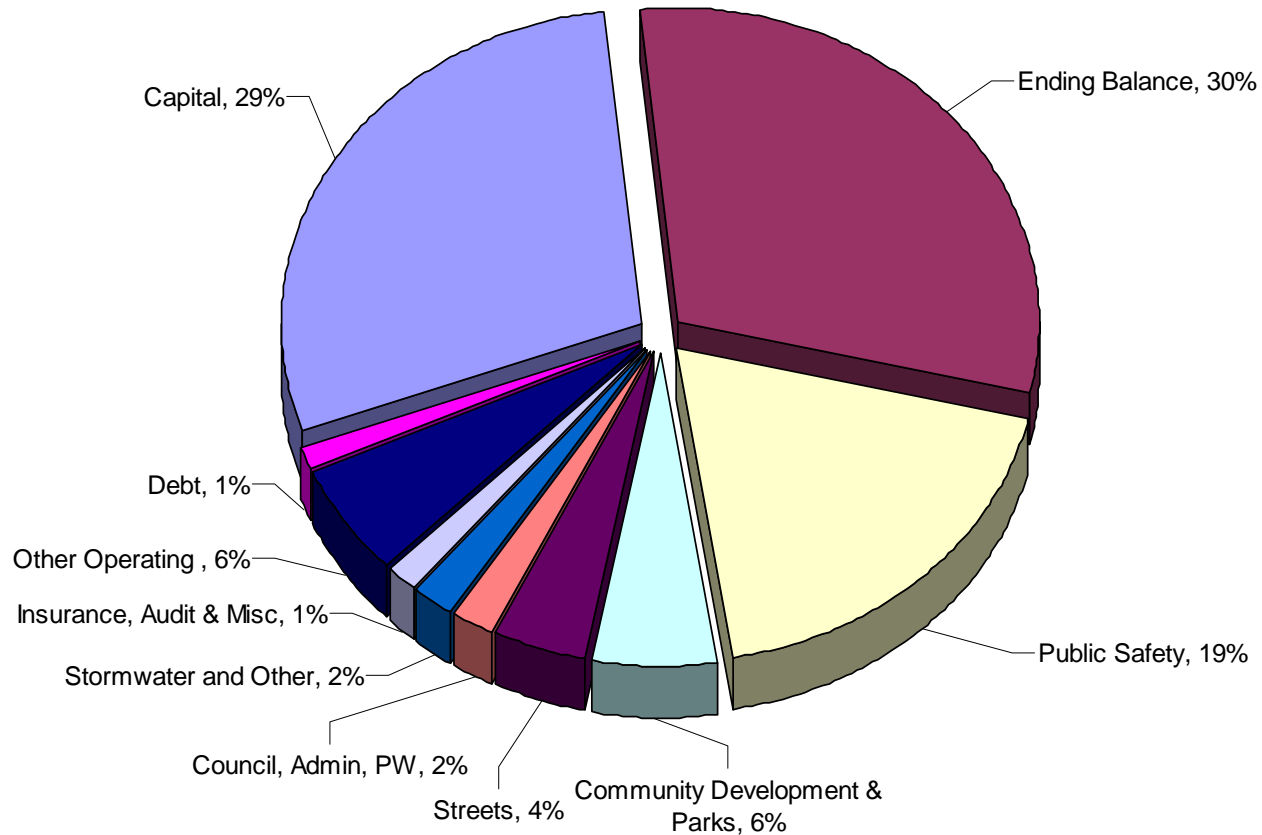
March 2009

Broadband Internet	\$40.00*
Sewer Bill	\$35.34*
Premium Channels	\$34.99*
Cell Phone	\$32.50*
Basic Telephone Service (1 line)	\$22.00
Garbage Removal	\$18.15
Basic Cable	\$18.00*
Internet Service Provider (dial-up)	\$15.00*

*Monthly charge after installation

City of Spokane Valley 2009 Budget Expenditures

\$110,915,000



Where Spokane Valley Property Taxes Go

Public Safety Emphasis

Service Description	2009 Budget	% of Property Tax Revenues \$10,675,000
Judicial System		
District Court	\$ 787,200	7.37%
Jury Management	5,000	0.05%
Public Defender	351,500	3.29%
Prosecutor	374,900	3.51%
Pretrial Services	47,400	0.44%
Subtotal	1,566,000	14.67%
Law Enforcement System		
Sheriff Contract	17,054,909	159.76%
Emergency Management	121,900	1.14%
Copier and Vehicle Usage	5,500	0.05%
Precinct Building Maint.	120,000	1.12%
Subtotal	17,302,309	162.08%
Jail System		
Jail	404,200	3.79%
Geiger	278,200	2.61%
Subtotal	682,400	6.39%
Other		
Communications Maint.	176,800	1.66%
Animal Control	333,575	3.12%
Subtotal	510,375	4.78%
PUBLIC SAFETY TOTAL	\$ 20,061,084	187.93%

Then & Now

a look back at five years ago

	2004 Expenses	2009 Expenses
Total Budgeted	\$50.9 million	\$110.9 million
Capital Projects	\$16.2 million	\$33.0 million
Operations	\$31.0 million	\$43.8 million
Debt	\$0.8 million	\$0.7 million
Total actual expenditures	\$48.0 million	\$77.5 million
Unspent funds and reserves carried over into the following year	\$2.9 million	\$33.4 million

City of Spokane Valley 2009 Budget Summary

<u>Fund</u>	<u>Estimated Beg. Fund Balance</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Anticipated Fund Balance</u>
001 General Fund	\$ 12,116,644	\$ 37,172,311	\$ 49,288,955	\$ 13,224,561
101 Street Fund	1,542,000	5,850,000	7,392,000	3,228,404
102 Arterial Street Fund	581,000	10,000	591,000	200,000
103 Trails & Paths Fund	34,000	9,000	43,000	43,000
105 Hotel/Motel Fund	80,000	520,000	600,000	100,000
120 CenterPlace Operating Reserve Fund	330,000	10,000	340,000	340,000
121 Service Level Stabilization Fund	5,300,000	100,000	5,400,000	5,400,000
122 Winter Weather Reserve Fund	-	500,000	500,000	-
123 City Facilities Repair & Replacement	355,000	412,000	767,000	767,000
204 Debt Service LTGO 03	-	650,000	650,000	-
301 Capital Projects Fund	4,948,000	1,000,000	5,948,000	1,000,000
302 Special Capital Projects	1,880,000	1,100,000	2,980,000	1,000,000
303 Street Capital Projects	-	16,725,000	16,725,000	-
304 Mirabeau Point Capital Projects Fund	360,000	10,000	370,000	370,000
306 CD Block Grant Fund	-	300,000	300,000	-
307 Capital Grants Fund	-	1,573,000	1,573,000	-
308 Barker Bridge Federal Fund	-	5,977,000	5,977,000	-
309 Parks Capital Projects Fund	550,000	670,000	1,220,000	-
310 Civic Building Capital Projects Fund	5,800,000	-	5,800,000	5,600,000
402 Stormwater Management	1,800,000	1,640,000	3,440,000	1,357,000
501 Equipment Rental & Replacement Fund	700,000	80,000	780,000	750,000
502 Risk Management Fund	30,000	200,000	230,000	20,000
	<u>\$ 36,406,644</u>	<u>\$ 74,508,311</u>	<u>\$ 110,914,955</u>	<u>\$ 33,399,965</u>
		<u>\$ 36,406,644</u>		
	Total Resources	\$ 110,914,955		

The City budgets all resources of each fund. It is recognized that all resources will not be spent.

* This column is staff's best estimate of the fund balance at year end.

Multi-Year Financial Plan – General Fund

Six Year Forecast:

	2009 Estimate	2010 Estimate	2011 Estimate	2012 Estimate	2013 Estimate	2014 Estimate
General Fund Revenues:						
Sales Tax	\$ 18,300,000	\$ 17,600,000	\$ 17,600,000	\$ 17,600,000	\$ 17,600,000	\$ 17,600,000
Property Tax	\$ 10,675,000	\$ 10,881,750	\$ 11,090,568	\$ 11,301,474	\$ 11,527,503	\$ 11,742,779
Gambling Tax	\$ 525,000	\$ 525,000	\$ 525,000	\$ 525,000	\$ 525,000	\$ 525,000
Franchise Fees/Bus. Reg.	\$ 1,000,000	\$ 1,010,000	\$ 1,020,100	\$ 1,030,301	\$ 1,051,010	\$ 1,061,520
State Shared Revenues	\$ 1,400,000	\$ 1,435,000	\$ 1,470,875	\$ 1,507,647	\$ 1,583,971	\$ 1,623,570
Service Fees	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000	\$ 1,900,000	\$ 1,900,000
Fines & Forfeitures	\$ 1,700,000	\$ 1,700,000	\$ 1,350,000	\$ 1,300,000	\$ 1,300,000	\$ 1,300,000
Recreation Program Fees	\$ 525,000	\$ 530,250	\$ 535,553	\$ 540,908	\$ 551,780	\$ 557,298
Interfund Transfers	\$ 165,000	\$ 174,900	\$ 185,394	\$ 196,518	\$ 220,807	\$ 234,056
Repayment from St. fund	\$ -	\$ 650,000	\$ 650,000	\$ 650,000	\$ -	\$ -
Investment Int. & Misc.	\$ 450,000	\$ 454,500	\$ 454,500	\$ 454,500	\$ 100,000	\$ -
Carryover from prior yr	\$ 18,000,000	\$ 13,475,606	\$ 13,036,660	\$ 9,498,677	\$ 3,063,223	\$ (7,520,145)
Total General Fund	\$ 54,540,000	\$ 50,237,006	\$ 49,718,650	\$ 46,405,024	\$ 39,423,295	\$ 29,024,077
General Fund Expenditures:						
Legislative	\$ 330,900	\$ 357,372	\$ 385,962	\$ 416,839	\$ 450,186	\$ 486,201
Executive & Legislative	\$ 1,033,321	\$ 1,115,987	\$ 1,205,266	\$ 1,301,687	\$ 1,405,822	\$ 1,518,288
Public Safety	\$ 20,841,084	\$ 22,508,371	\$ 24,309,040	\$ 26,253,764	\$ 28,354,065	\$ 30,622,390
Deputy City Manager	\$ 661,420	\$ 714,334	\$ 771,480	\$ 833,199	\$ 899,855	\$ 971,843
Finance	\$ 878,437	\$ 948,712	\$ 1,024,609	\$ 1,106,578	\$ 1,195,104	\$ 1,290,712
Human Resources	\$ 236,285	\$ 255,188	\$ 275,603	\$ 297,651	\$ 321,463	\$ 347,180
Public Works	\$ 817,068	\$ 882,433	\$ 953,028	\$ 1,029,270	\$ 1,111,612	\$ 1,200,541
Dev. Engineering	\$ 870,199	\$ 939,815	\$ 1,015,000	\$ 1,096,200	\$ 1,183,896	\$ 1,278,608
Planning	\$ 1,393,427	\$ 1,504,901	\$ 1,625,293	\$ 1,755,317	\$ 1,895,742	\$ 2,047,401
Building	\$ 1,325,213	\$ 1,431,230	\$ 1,545,728	\$ 1,802,938	\$ 2,102,946	\$ 2,271,182
Parks Admin	\$ 956,933	\$ 1,033,488	\$ 1,116,167	\$ 1,205,460	\$ 1,301,897	\$ 1,406,049
Recreation	\$ 232,187	\$ 250,762	\$ 270,823	\$ 292,489	\$ 315,888	\$ 341,159
Aquatics	\$ 403,616	\$ 435,905	\$ 470,778	\$ 508,440	\$ 549,115	\$ 593,044
Senior Center	\$ 94,194	\$ 101,730	\$ 109,868	\$ 118,657	\$ 128,150	\$ 138,402
Library Services	\$ 20,000	\$ 5,000	\$ -	\$ -	\$ -	\$ -
CenterPlace	\$ 1,125,110	\$ 1,215,119	\$ 1,312,328	\$ 1,417,315	\$ 1,530,700	\$ 1,653,156
Transfer to Capital	\$ 123,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Inc. Bus. Plans	\$ -	\$ 400,000	\$ 425,000	\$ 535,000	\$ 700,000	\$ 756,000
General Government	\$ 4,722,000	\$ 3,000,000	\$ 3,304,000	\$ 3,271,000	\$ 3,397,000	\$ 3,634,000
Total General Fund	36,064,394	37,200,346	40,219,973	\$ 43,341,802	\$ 46,943,440	\$ 50,656,155
Net	18,475,606	13,036,660	9,498,677	3,063,223	(7,520,145)	(21,632,078)
Less cash flow reserve	(5,000,000)					
Carryover to next yr	13,475,606	13,036,660	9,498,677	3,063,223	(7,520,145)	(21,632,078)

x Law enf. Sales tax ends after 2009

+ sales tax reduced for actual collections

Street Fund: Six year Forecast

3-17-09

	2009	2010	2011	2012	2013	2014
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Street Fund -						
Beginning Fund Bal	\$ 1,300,000	\$ 3,290,000	\$ 3,187,000	\$ 2,719,120	\$ 1,855,330	\$ 1,159,276
Interest Income	\$ 15,000	\$ 33,000	\$ 31,000	\$ 27,000	\$ 18,000	\$ 12,000
Utility tax-telephones	\$ 2,500,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,150,000
Loans from Gen. Fund	\$ 1,675,000	\$ -	\$ -	\$ -	\$ -	\$ -
Motor fuel tx & misc	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>
	\$ 7,490,000	\$ 8,323,000	\$ 8,218,000	\$ 7,746,120	\$ 6,873,330	\$ 6,321,276
Expenditures	\$ 4,200,000	\$ 4,536,000	\$ 4,898,880	\$ 5,290,790	\$ 5,714,054	\$ 6,171,178
Repay loans	\$ -	\$ 600,000	\$ 600,000	\$ 600,000	\$ -	\$ -
	<u>\$ 3,290,000</u>	<u>\$ 3,187,000</u>	<u>\$ 2,719,120</u>	<u>\$ 1,855,330</u>	<u>\$ 1,159,276</u>	<u>\$ 150,098</u>

5/2009

Source – City Finance Department

City of Spokane Valley

Transportation Capital Needs

March 2009

	Year	2009	2010	2011	2012	2013	2014
RESOURCES:							
BEG. BAL		\$ 6,800,000	\$ 1,013,000	\$ (452,000)	\$ (617,000)	\$ 997,000	\$ 2,611,000
CAP PROJECTS REET 1		\$ 900,000	\$ 900,000	\$ 900,000	\$ 900,000	\$ 900,000	\$ 900,000
SPEC. CAP PROJECTS REET 2		\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000
INVESTMENT EARNINGS		\$ 100,000	\$ 25,000	\$ -	\$ -	\$ -	\$ -
BLOCK GRANT		\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
ADDTL STA GRANT		\$ 400,000					
STORM WATER		\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
TOTAL RESOURCES		\$ 9,100,000	\$ 2,838,000	\$ 1,348,000	\$ 1,183,000	\$ 2,797,000	\$ 4,411,000
EXPENDITURES:							
DEBT SERVICE PYMTS		\$ 187,000	\$ 184,000	\$ 185,000	\$ 186,000	\$ 186,000	\$ 190,000
2009-14 SECURED PROJECTS *		\$ 7,900,000	\$ 3,106,000	\$ 1,780,000	\$ -	\$ -	\$ -
TOTAL EXPENDITURES		\$ 8,087,000	\$ 3,290,000	\$ 1,965,000	\$ 186,000	\$ 186,000	\$ 190,000
CARRYOVER TO NEXT YEAR		\$ 1,013,000	\$ (452,000)	\$ (617,000)	\$ 997,000	\$ 2,611,000	\$ 4,221,000
Unfunded planned TIP projects		\$ (121,000)	\$ (3,602,000)	\$ (1,906,000)	\$ (3,521,000)	\$ (3,629,000)	\$ (1,747,000)
Pavement Mgmt. Program		\$ (4,300,000)	\$ (4,300,000)	\$ (4,300,000)	\$ (4,300,000)	\$ (4,300,000)	\$ (4,300,000)

Weathering the Current Economic Storm Through Sound Financial Management

Maintain basic service levels with reduced resources---

Minimize personnel overhead by contracting---

Six-year Business Plan and Budget---

Leverage city funds with grants---

Minimize debt (pay as you go)---

Spend less than budgeted---



Leveraging Community Dollars

For each dollar budgeted* for capital projects, the City averages an additional \$2.84 in grant funding

- Barker Road Bridge Replacement
- 24th Avenue Sidewalk project
- Appleway Boulevard resurfacing from Tschirley to Hodges

Collaborative projects with other agencies help save on capital costs

- Full width repaving of sewer projects – Spokane County
- Pines/Mansfield project – Washington State DOT
- Sprague Intersections resurfacing – Spokane Transit Authority

2008 Work Force Comparison:

The 18 Washington Communities with Population of

50,000 & Over

CITY	POPULATION	FULL-TIME	PART-TIME
Seattle	586,200	10000	1002
Tacoma	201,700	3486	48
Spokane	202,900	2149	42
Bellevue	118,100	1263	48
Everett	101,800	1144	7
Vancouver	160,800	1097	44
Bellingham	75,220	915	65
Kent	86,660	771	23
Yakima	82,940	708	20
Renton	60,290	669	20
Redmond	50,680	589	25
Auburn	50,470	417	6
Kennewick	62,520	354	6
Federal Way	87,390	318	25
Pasco	50,210	274	3
Lakewood	58,950	242	17
Shoreline	53,190	127	21
Spokane Valley	88,280	84	4
AVERAGE		1367	79



2008 Workforce Comparison Continued

15 Communities with Population of 30,000 - 49,999

Olympia	44,460	538	42
Richland	45,070	468	20
Kirkland	47,890	438	32
Bremerton	35,810	356	50
Lynwood	35,490	334	27
Longview	35,710	291	55
Bothell	32,400	281	11
Walla Walla	30,900	264	8
Edmonds	40,560	263	8
Marysville	36,210	241	20
Lacey	35,870	237	8
Wenatchee	30,270	186	5
Sammamish	40,260	75	0
University Place	31,300	64	6
Burien	31,410	45	11
AVERAGE		272	20

Source: Association of Washington Cities Survey: 2008 Full Time

7/25/2008

Participation is key

*Community input and involvement
are critical components of
representative government.*



In person: Regular City Council meetings
2nd & 4th Tuesdays, 6:00pm, Council Chambers
Budget hearings – as announced
Council agendas at www.spokanevalley.org

By mail: Spokane Valley City Council
11707 E. Sprague Avenue, Suite 106
Spokane Valley, WA 99206-6124

Online: Email – citycouncil@spokanevalley.org