



# 2022 ADOPTED BUDGET



**City of Ridgefield**

230 Pioneer Street  
PO Box 608  
Ridgefield, WA 98642  
(360) 887-3557  
<https://ridgefieldwa.us/>



## ***2022 Adopted Budget***

### ***I. Introduction***



## ***2022 Adopted Budget***

### ***Budget Team/Committee***

#### ***MAYOR***

Don Stose, Mayor

#### ***CITY COUNCIL***

Lee Wells, Mayor Pro Tempore  
Ron Onslow, Councilor  
Rachel Coker, Councilor  
Rob Aichele, Councilor  
Jennifer Lindsay, Councilor  
Judy Chipman, Councilor

#### ***SENIOR MANAGEMENT***

Steve Stuart, City Manager  
Lee Knottnerus, Deputy City Manager  
Kirk Johnson, Finance Director  
Bryan Kast, Public Works Director  
Claire Lust, Community Development Director  
John Brooks, Police Chief

#### ***CITIZEN MEMBER***

Matt Cole



## ***2022 Adopted Budget***

***GFOA Distinguished Budget Presentation Award***



GOVERNMENT FINANCE OFFICERS ASSOCIATION

### *Distinguished Budget Presentation Award*

PRESENTED TO

**City of Ridgefield  
Washington**

For the Fiscal Year Beginning

**January 01, 2021**

*Christopher P. Morill*

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to **City of Ridgefield, Washington**, for its Annual Budget for the fiscal year beginning **January 1, 2021**. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine eligibility for another award.



# **2022 Adopted Budget**

## ***Table of Contents***

<i>I. Introduction</i> .....	<i>i</i>
Budget Team/Committee .....	ii
GFOA Distinguished Budget Presentation Award .....	iii
Table of Contents .....	iv
Reader's Guide to the Budget .....	1
Vision and Mission Statements .....	4
Ridgefield's Origin and Demographics .....	5
2022 City of Ridgefield Organization Chart .....	8
Budget Calendar .....	10
Budget Philosophy .....	11
Budget Policies .....	13
Budget Procedures .....	18
Governmental Accounting .....	26
<i>II. Transmittal Letter</i> .....	27
City Manager Budget Message .....	28
Performance Measurements .....	39
City Council Goals .....	42
2021 and 2022 City Council Strategic Workplan .....	50
<i>III. Executive Summary</i> .....	54
6-Year Financial Sustainability Model .....	55
Operating Budget Forecast: .....	55
General Fund: .....	56
Street Fund: .....	57
Water Fund: .....	57
Storm Fund: .....	57
Capital Service Funds Revenue Forecast: .....	58
Real Estate Excise Tax: .....	58
Park Impact Fee: .....	59



## 2022 Adopted Budget

Traffic Impact Fee: .....	59
Water System Development Charges: .....	59
Transportation Benefit District: .....	60
2022 Budget Highlights .....	61
Operating Funds.....	63
Full Time Equivalent (FTE) Staff: .....	76
Capital Service Funds .....	78
Equipment Replacement Fund (ERF): .....	81
Capital Project Funds: .....	82
Special Revenue Funds.....	87
Municipal Debt.....	88
Debt Management Policies.....	88
Municipal Debt Capacity .....	88
Long Term Debt.....	89
Investments.....	91
Executive Summary by Fund .....	92
2022 Executive Summary - All Funds .....	93
2022 Executive Summary - Operating Funds Comparison .....	94
Boards, Commissions and Committees.....	97
Labor Relations .....	99
IV. <i>Department Summary</i> .....	100
Organizational Matrix – Department Assignments by Fund.....	101
Mayor and City Council .....	102
Executive .....	105
Administration/Human Resources.....	107
Budget/Finance .....	114
Public Safety.....	120
Community Development.....	125
Public Works .....	129



## 2022 Adopted Budget

V. Budget by Fund .....	135
Fund Descriptions .....	136
General Operating Fund – Fund 001.....	136
Utility Operating Funds .....	139
Special Revenue Funds.....	139
Capital Service Funds .....	140
Debt Service Funds.....	140
Capital Project Funds .....	141
Operating Funds Summary Reports.....	142
Fund 001 – General.....	142
Fund 101 – Streets .....	143
Fund 406 – Water Utility.....	143
Fund 408 – Storm Water Utility .....	144
Special Revenue Funds Summary Report .....	144
Fund 111 - Drug.....	144
Fund 140 – Affordable Housing .....	145
Fund 150 – Transportation Benefit District .....	145
Debt Service Funds Summary Report .....	146
Fund 200 – Debt Service .....	146
Capital Service Funds Summary Report .....	147
Fund 105 – Real Estate Excise Tax (REET) .....	147
Fund 114 – Park Impact Fee (PIF) .....	147
Fund 115 – Traffic Impact Fee (TIF) .....	148
Fund 416 – Water System Development Charges (WSDC) .....	148
Capital Project Funds Summary Report .....	149
Fund 300 – General Capital Projects.....	149
Fund 410 – Water Utility Capital Projects.....	149
Fund 412 – Storm Water Utility Capital Projects .....	150
Fund 501 – Equipment Replacement Fund (ERF) .....	150



## 2022 Adopted Budget

Operating Fund Summary Reports by Cost Category .....	151
Fund 001 - General.....	151
Fund 101 – Streets .....	155
Fund 406 – Water Utility.....	156
Fund 408 – Storm Water Utility .....	158
Initiatives/Capital Outlay/Capital Projects.....	160
General Fund Impact.....	160
Street Fund Impact .....	162
Water Operating Fund Impact .....	163
Storm Water Operating Fund Impact .....	163
General Capital Fund Impact .....	164
Water Utility Capital Fund Impact .....	166
Storm Water Utility Capital Fund Impact.....	166
Equipment Replacement Fund Impact (ERF) .....	167
2022 Initiative/Project Funding Summary .....	168
<i>VI. Capital Improvement Program .....</i>	<i>169</i>
Capital Facility Plan Summaries .....	170
Water Capital Facility Plan .....	171
Transportation Capital Facility Plan .....	175
Parks and Trails Capital Facility Plan .....	184
2022 Capital Project List and Funding Source.....	189
2022 Capital Outlay List and Funding Source .....	193
<i>VII. Appendix .....</i>	<i>195</i>
Financial Policy #01: Financial Management .....	196
Financial Policy #10: Debt Management .....	211
Financial procedure #10.1: Post Issuance Compliance (Governmental Bonds) .....	218
Financial Policy #08: Investment Policies.....	227
Financial Policy #09: Capitalization of Assets.....	245
2021 Master Fee Schedule.....	252



## ***2022 Adopted Budget***

Full-Time Equivalent (FTE) Summary by Department.....	270
Budgeted Positions and FTE's by Department.....	271
Total Full Time Equivalent Employees by Function .....	276
2022 Interfund Transfers .....	277
2022 Schedule of Debt Service .....	284
Ordinance No. 1355 – 2022 Proposed Budget.....	289
Glossary of Budget Terms .....	291



## 2022 Adopted Budget

### ***Reader's Guide to the Budget***

The City of Ridgefield must adopt a balanced budget each year. To be prudent, policies have been put into place that direct the City to place some of its resources into reserves to cover future emergencies, capital repair and replacement, debt service, retirement, or downturns in the economy. The City also sets policies that the use of one-time revenues may only be used for one-time expenses. Beyond these basic guidelines, budgets for cities are quite complex. Much of this complexity is created to allow for proper accounting and tracking techniques as required by state law and governmental accounting practices. Cities draw their revenues from a wide variety of sources, divide their expenditures into separate funds and allocate their program expenditures in ways that serve the special needs of municipal services. This reader's guide is being provided to make the City's budget more understandable and usable for the reader.

#### ***Organization of this Document:***

This budget document contains legally required budget information, descriptive background information and various illustrative graphs and tables that will be helpful to the readers' understanding. It is organized into seven sections to facilitate the reader's understanding of the City's budget and to help the reader to find information regarding the city and its budget. Those seven sections are: Introduction, Transmittal Letter, Executive Summary, Department Summary, Budget by Fund, Capital Improvement Program, and Appendix.

***Introduction:*** This section is designed to introduce the reader to the City of Ridgefield and its budget process. It includes the following:

- Budget Team/Committee
- GFOA Distinguished Budget Presentation Award
- Table of Contents
- Reader's Guide to the Budget
- Vision and Mission Statement
- Ridgefield's Origin and Demographics
- City Organization Chart
- Budget Calendar
- Budget Philosophy
- Budget Policies
- Budget Procedures
- Governmental Accounting

***Transmittal Letter:*** This section includes the City Manager's budget message to the City Council and Performance Measures, City Council Goals and Strategic Workplan.

- City Manager Budget Message
- Performance Measurements
- City Council Goals
- 2021 - 2022 City Council Strategic Workplan



## 2022 Adopted Budget

**Executive Summary:** This section provides a high-level view of the proposed budget, an in depth look at the City's revenue sources, projected fund balances, and information about the City's debt. It includes the following:

- 6-Year Financial Sustainability Model Operating Budget forecast
- 6-Year Financial Sustainability Model Capital Service Fund Revenue forecast
- Budget Highlights
- Operating Funds Revenue, Expense and Fund Balance Summary
- Full Time Equivalent (FTE) Staff
- Capital Service Funds Revenue, Expense and Fund Balance Summary
- Equipment Replacement Fund Revenue, Expense and Fund Balance Summary
- Capital Project Funds Revenue, Expense and Fund Balance Summary
- Special Revenue Funds Revenue, Expense and Fund Balance Summary
- Municipal Debt Policy, Debt Capacity, and City Long Term Debt
- Investment Policy Summary
- Executive Summary by Fund
- 2022 Executive Summary – All Funds
- Executive Summary Operating Funds Comparison
- Boards, Commissions and Committees
- Labor Relations

**Department Summary:** This section provides departmental summaries.

- Organizational Matrix Department Assignments by Fund
- Departmental Organizational Chart
- Department Overview
- Key Objectives
- 2021 Goals Status
- 2022 Goals
- Historical Comparison of Total Expenditures and Full-time Equivalents (FTE's)

**Budget by Fund:** This section exhibits the financial condition and provides a historical comparison of each fund. It includes:

- City Fund Descriptions
- Operating Funds Historical Revenue / Expenditure Summary
- Special Revenue Funds Historical Revenue / Expenditure Summary
- Debt Service Funds Historical Revenue / Expenditure Summary
- Capital Service Funds Historical Revenue / Expenditure Summary
- Capital Project / Equipment Replacement Funds Historical Revenue / Expenditure Summary
- Operating Funds Historical Revenue / Expenditure Summary by Cost Category
- Initiatives/Capital Outlay/Capital Grants



## 2022 Adopted Budget

**Capital Improvement Program:** This section identifies the multi-year plan for the three capital funds; General Capital (improvements to Parks, Streets and Facilities), Water System Capital (water system delivery), and Storm Water Drainage Utility (drainage improvements). It includes:

- Capital Facilities Plan Summaries
- Capital Project List & Funding Source
- Capital Outlay List & Funding Source

**Appendix:** This section includes:

- Financial Management Policy
- Debt Management Policy
- Post Issuance Compliance
- Investment Policy
- Capitalization of Assets Policy
- 2021 Master Fee Schedule
- FTE Summary by Department
- Budgeted Positions and FTE's by Department
- Interfund Transfers
- Schedule of Debt Service
- Adopted Ordinance
- Glossary of Budget Terms



## ***2022 Adopted Budget***

*Vision and Mission Statements*

### ***VISION STATEMENT***

*Connecting our historic past with a healthy future where people, nature and business flourish together*

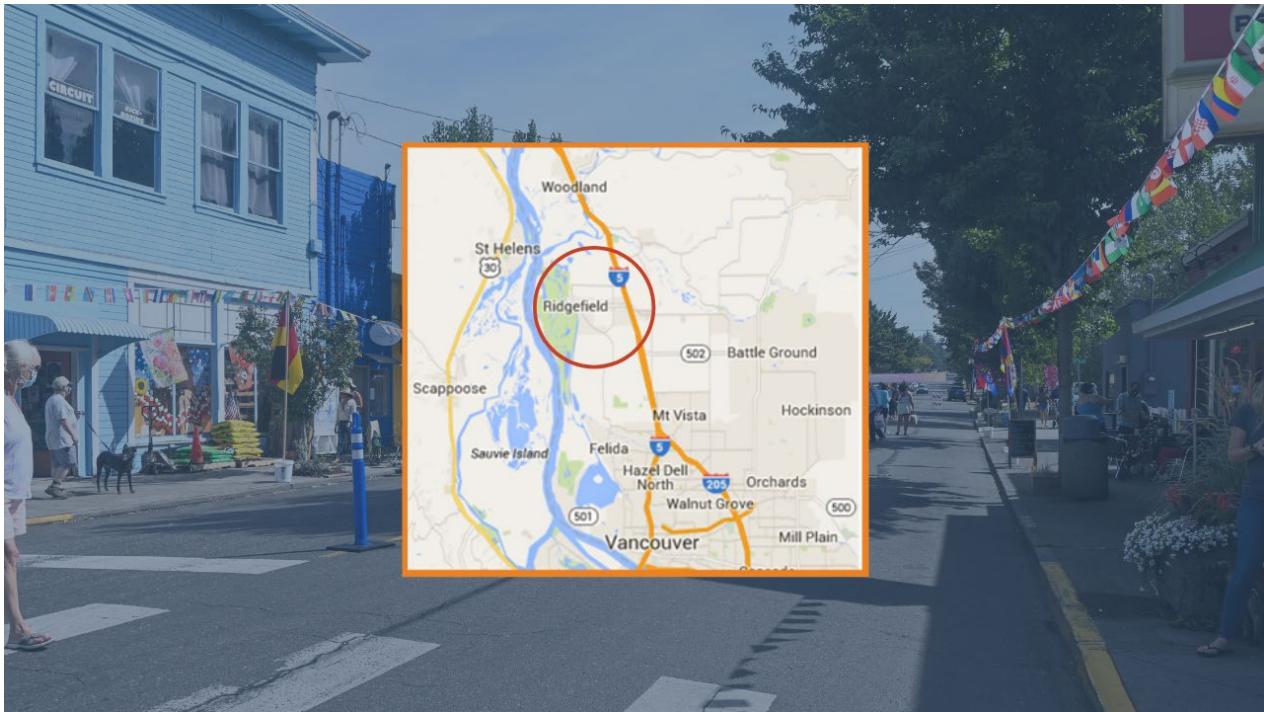
### ***MISSION STATEMENT***

*Committed to providing the community with superior services, building on the proud history and meeting the challenges that shape our future*



## 2022 Adopted Budget

### *Ridgefield's Origin and Demographics*



Ridgefield's origins can be traced back more than 1,000 years to early Native American settlements. The area was known as "Cathlapotle," after the Chinook people, until it began to develop as a real settlement in the early 1850's. In 1851, Stephen Shobert established a crude mud landing on his property to accommodate the steamboats and the settlement came to be known as Shobert's Landing.

After the Civil War, the settlers named the town "Union Ridge" and then changed the name at a public meeting in 1890 to "Ridgefield." A town in the state of Washington is a municipality that has a population of less than 1,500 at the time of organization. Towns are not authorized to operate under a charter and are only permitted to perform functions specifically granted to them by state law.

At a special election on August 20, 1909, the people decided by a vote of 62-12 to incorporate as a city with a strong mayor. The strong mayor-council form of government consists of a mayor who is elected at-large and who serves as the city's chief administrative officer and an elected city council which serves as the municipality's legislative body. The council has the authority to formulate and adopt city policies and the mayor is responsible for carrying them out. This system is modeled after the Federal Constitution structure of government.



## 2022 Adopted Budget

The completion of Interstate 5 in the 1960s made Ridgefield more accessible, and the creation of the National Wildlife Refuge drew increasing numbers of tourists. Between 1990 and 2000, the city grew from 1,332 to 2,147 residents and added 2,200 acres through annexation. As the city grew, the burdens of the mayor's office became too much.

In 1999 the voters changed city government to its current council-manager form. The council-manager form of local government combines the strong political leadership of elected officials with the strong professional experience of an appointed local government manager. The Mayor is appointed by the City Council and serves as the chief spokesperson and head of the city government for the public, political and ceremonial purposes. He has no full-time administrative duties. The seven city councilmembers are elected by the citizens of Ridgefield on a non-partisan basis for four-year terms. Council members are policy makers; adopt a budget for city revenues and expenditures and perform all other actions necessary to govern the City, including the passage of ordinances and resolutions.

In 2009, the City of Ridgefield celebrated the centennial of its incorporation with a population of 4,215 and an optimistic view of the future. The City is continuing to grow with a current population of 11,560. The 2015 update of the City's Urban Area Comprehensive Plan outlined the city's goals; to become a regional employment center, to provide quality neighborhoods, to protect critical environmental areas, and to carefully manage growth.

Demographics	
Population *	11,560
Male/Female **	47%/53%
Median Age **	35.1
% Under 18 **	32.5%
Educational Attainment (Population 25 Years and Over)	
High School Degree or Higher **	97.2%
Bachelor's Degree or Higher **	32.3%
Housing Units *	4,058
Occupied Housing Units *	3,841
Owner Occupied Housing Units **	80.1%
Median Value of Unit **	\$398,600
Median Monthly Rent **	\$1,746
Median Household Income **	\$96,836
Per Capita Income **	\$38,044
Families in Poverty **	2.9%
*Washington State Office of Financial Management (OFM)	
**United States Census 2018 American Community Survey 5-Year Estimates	



## 2022 Adopted Budget

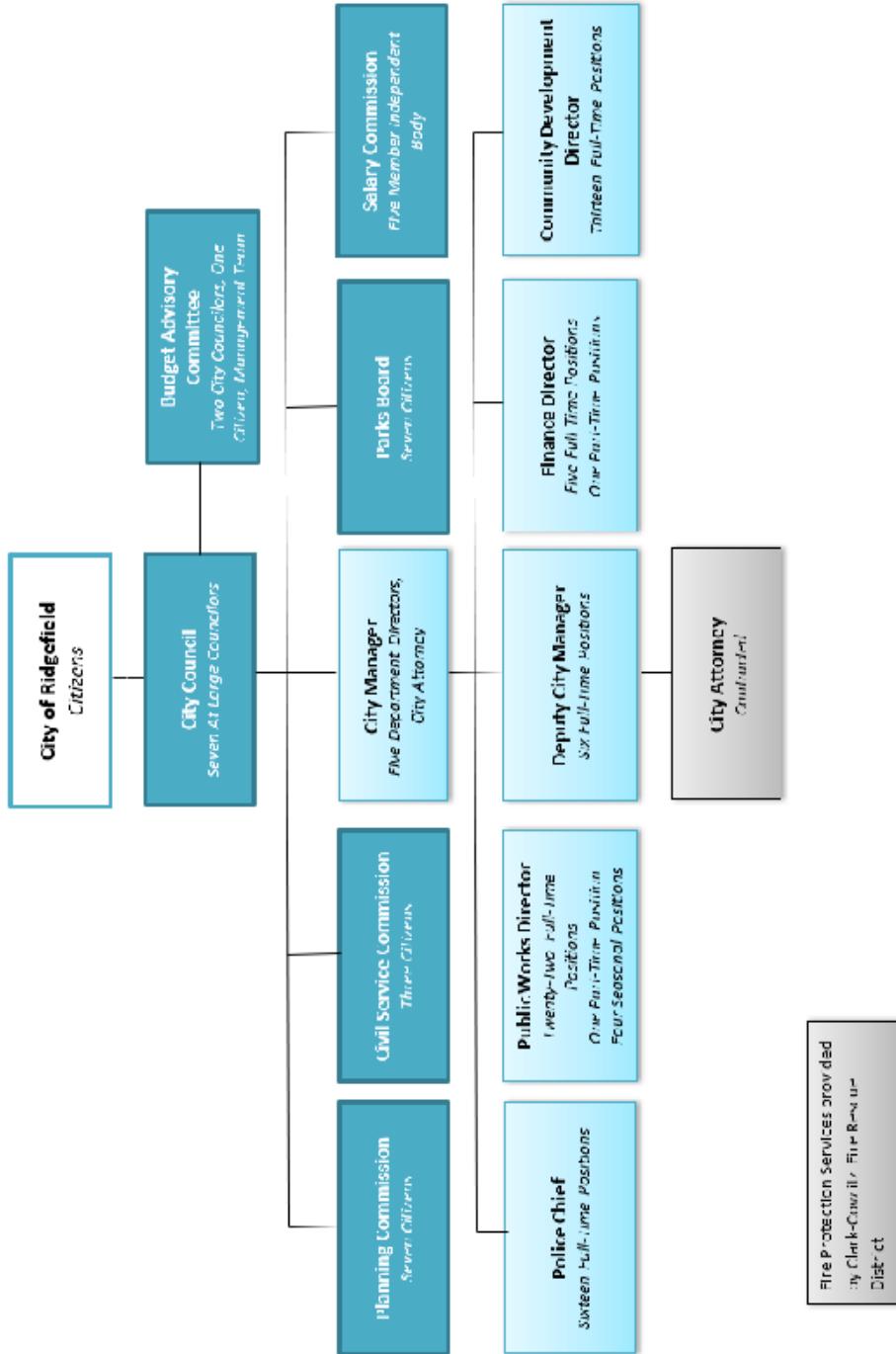
Ridgefield At A Glance	
Elevation (Average)	112 Feet
Land Area	7.4 Sq. Miles
Miles of Streets	54.1
Miles of Trails	8
Park Acreage	159.6
Water Production Daily Capacity (Millions of Gallons)	2.05
City Retail Sales Tax Rate	8.4%
City Employees (FTE) 2022 Projection	69.25
Assessed Valuation 2022 Projection	\$2,639,246,206
Property Tax Levy Rate 2022 Projection	\$0.7233



# 2022 Adopted Budget

## 2022 City of Ridgefield Organization Chart

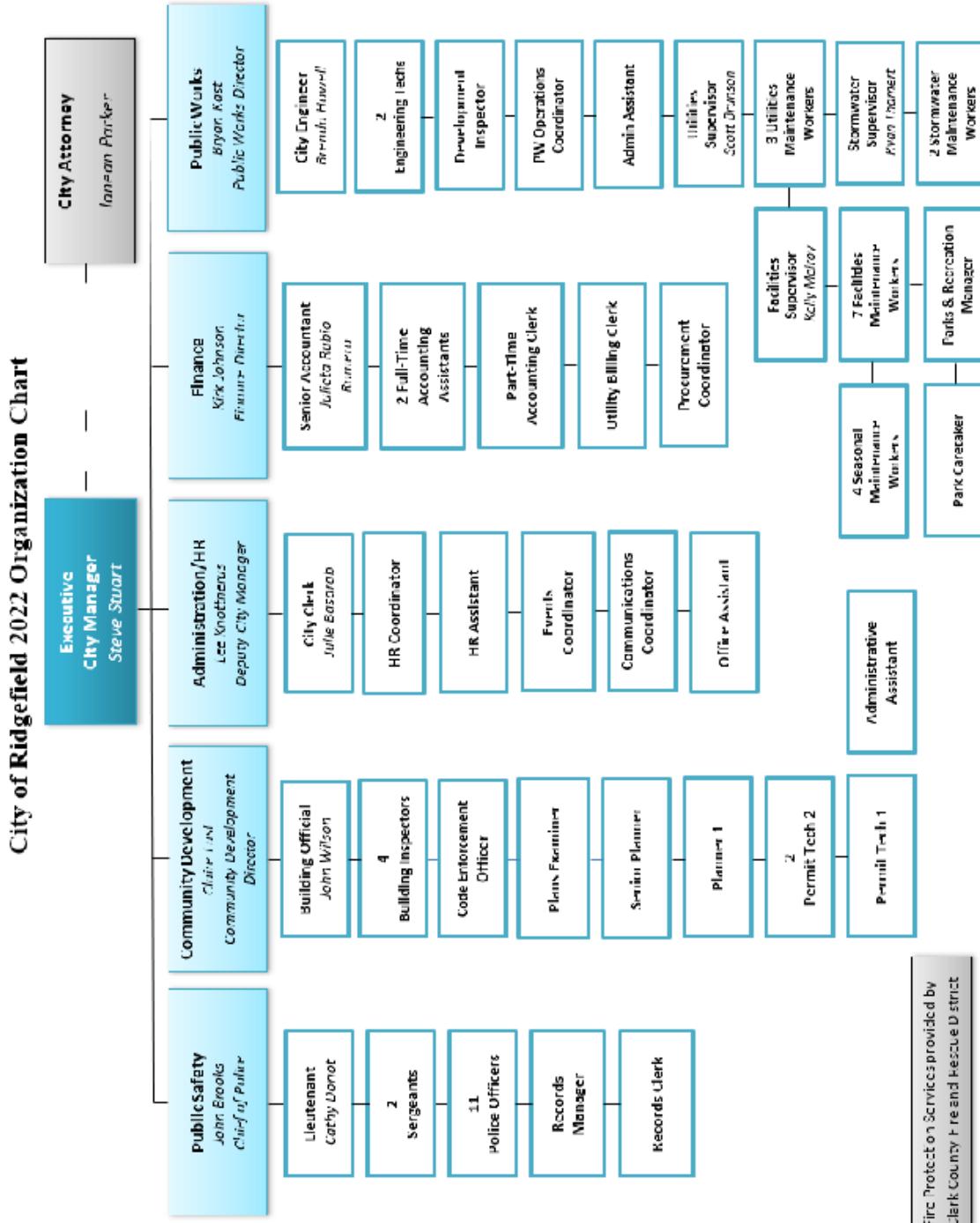
City of Ridgefield 2022 Organizational Chart





# ***2022 Adopted Budget***

# **2022 City of Ridgefield Organization Chart**





# 2022 Adopted Budget

## Budget Calendar

2022 Budget Calendar					
Major Steps in Process	Management Team/City Manager	Budget Advisory Committee (Monthly Meetings)	City Council		
Council and Management Retreats	May-August	Meeting August 17th	Work Session August 26th		
Update 6-Year Financial Sustainability Model					
Review Financial/Budget Policies					
Baseline Budget - Operating Funds Revenue & Expense					
Determine/Discuss Budget Assumptions					
Economic Data - Trends and Comparisons					
Initial Forecast					
Update Indirect Cost Plan and Equipment Replacement Model					
Update Baseline Budget - Revenue & Expense	September	Meeting September 14th	Work Session September 23rd		
Budget Initiatives First Touch					
Capital Budget First Touch					
Complete Preliminary Budget					
<b>Complete Estimated Budget</b>	<b>By October 1st</b>				
Budget Initiatives Second Touch	October	Meeting October 21st	Work Session October 28th if needed		
Capital Budget Second Touch					
Final Budget Update					
<b>Present Proposed Balanced Budget</b>	<b>By November 1st</b>				
File Proposed Budget	November 1st				
Final Touch on Operating and Capital Proposed Budget	November	Meeting November 9th if needed	Work Session November 18th if needed		
City Clerk Publishes Notices of Public Hearing	October 22 - November 19				
<b>Conduct Revenue and Budget Hearings</b>	<b>By End of November</b>				
Make Proposed Budget Available to the Public	November 1st				
Conduct Public Hearing on Revenue Sources	Council Meeting November 4				
Conduct First Reading on Ad Valorem Tax Levy					
Conduct First Reading on Utility Rates					
Conduct Second Reading on Ad Valorem Tax Levy					
Conduct Second Reading on Utility Rates	Council Meeting November 18				
Provide Budget Presentation to City Council					
Conduct First Public Hearing and First Reading on Proposed Budget					
<b>Conduct Final Budget Hearing and Budget Adoption</b>					
Conduct Second Public Hearing and Second Reading on Proposed Budget. Adopt Final Budget	Council Meeting December 2				
Transmit Copies of the Final Budget to SAO and MRSC	By end of December (12/31)				



## ***2022 Adopted Budget***

### ***Budget Philosophy***

Development in the City of Ridgefield exploded in the early to mid-2000 timeframe. As a result, the City increased staff and completed much needed capital projects to support growth projections. In 2008 the nation entered the great recession and Ridgefield suffered economically due to the dependence on growth related revenue sources. City Council and management made difficult and necessary decisions to reduce staffing and focus on core services during the recession. Staff and Council reduced expenditures and trimmed the budget to ensure the City was not operating at a deficit. As a result, the city was able to make it through the recession with limited impact to financial stability. The Great Recession helped define the City's financial outlook going forward. As the city began to rebound from the recession, Council adopted targeted reserves policies, to ensure fiscal sustainability in the event another economic downturn occurred. Due to the decisions Council made, the City was able to build reserves and identify funding sources for much needed infrastructure, that promoted growth in commercial retail. The City experienced a second explosion in growth beginning in 2015 with residential building and commercial retail in 2018. As a result of the commercial retail construction the city has increased sustainable revenue sources that have allowed the city to maintain and improve service levels for residents.

The residential and commercial growth has continued despite the economic downturn from the Covid-19 public health crisis. Due to comprehensive financial policies and strong reserve balances the City has been able to continue to offer core services with limited interruptions in a difficult time. The City continues to maintain a conservative budget approach, maintaining core service levels, while budgeting ongoing revenues to support ongoing expenditures. Council uses one-time revenues to fund one-time expenditures to ensure the City is not facing a structural deficit.

In 2014 City Council approved targeted reserve policies to continue the recovery from the great recession and ensure the City is on sound financial footing for the future. Current financial policies established by City Council include the following. For more information refer to [Financial Management Policies](#):

#### **General Fund**

- The City maintains an operations and maintenance reserve equal to 60 days of the prior year actual operating expenses. This reserve will provide for adequate cash flow to create flexibility to pay operating expenses in the event of fluctuations in revenue and expense.
- The City maintains a revenue stabilization reserve equal to 10% of the prior year revenues less any one-time revenues or interfund transfers. The purpose of this reserve



## ***2022 Adopted Budget***

is to provide the financial ability to cover operating expenses during a longer-term revenue shortfall or a downturn in the economy.

- The City maintains a capital reserve equal to 1% of the prior year net fixed assets. The purpose of this reserve is to provide the financial ability to pay for unanticipated capital needs or damage to City infrastructure.
- The City maintains a debt service reserve equal to the amount of debt service for the following year.
- The City maintains a separation reserve to provide the financial ability to cover retirement payout obligations. The amount is equal to 30% of the estimated leave accrual payouts over the following ten years.

### **Water and Storm Water Drainage Utility Funds**

- The City maintains an operations and maintenance reserve equal to 90 days of the prior year actual operating expenses. This reserve will provide for adequate cash flow to create flexibility to pay operating expenses in the event of fluctuations in revenue and expense.
- The City maintains a capital reserve equal to 1% of the prior year net fixed assets. The purpose of this reserve is to provide the financial ability to pay for unanticipated capital needs or damage to City infrastructure.
- The City maintains a capital repair and replacement reserve in the utility operating funds. The City deposits 5% of rate revenue each year into the reserve. The purpose of the reserve is to create the ability to pay for repair or replacement of existing utility infrastructure in the event of damage or failure.
- The City maintains a debt service reserve equal to the amount of debt service for the following year.
- The City maintains a separation reserve to provide the financial ability to cover retirement payout obligations. The amount is equal to 30% of the estimated leave accrual payouts over the following ten years.

The City also maintains an equipment repair and replacement reserve based on a financial model. The purpose is to have the ability to pay for vehicle and large equipment purchases at the end of their useful life. This reserve is budgeted out of all operating funds.



# ***2022 Adopted Budget***

## ***Budget Policies***

### **PURPOSE**

To establish the framework for overall fiscal planning and management. The budget policies set forth guidelines for both current and long-range planning activities. The policies are reviewed annually for adherence and relevance and provide standards against which current budgetary performance can be measured and proposals for future programs evaluated.

### **BACKGROUND**

Chapter 35A.33 of the Revised Code of Washington (RCW) mandates the city's budget process. The annual budget begins January 1 and lapses December 31 of each fiscal year. The budget, as adopted annually by the City Council, constitutes the legal authority for expenditures. The City's budget is adopted at the fund level and expenditures may not legally exceed appropriations at that level of detail.

Budgeted amounts are authorized to be transferred by the City Manager or designee between departments within any fund and among object classes within departments. However, any revisions that alter the total expenditures of a fund or that affect the number of authorized full-time equivalent positions, labor agreements, or contracts for employment must be approved by the City Council.

Once adopted, the budget becomes the formal expression of the City's objectives and priorities for the forthcoming year and how the resources will be used to meet those objectives.

### **OBJECTIVES**

1. To establish general guidelines for the budget process.
2. To establish revenue guidelines for the budget process.
3. To establish expenditure guidelines for the budget process.
4. Define the overall process for establishing a budget.
5. Define the role of the budget advisory committee.

### **GENERAL GUIDELINES**

The City of Ridgefield's accounting and budgeting systems are organized and operated on a fund level basis. A fund is a self-balancing set of accounts, segregated for specific purposes in accordance with laws and regulations or special restrictions and limitations. Each fund is balanced, meaning total revenues equal total expenditures. The budgeted funds are grouped into five categories: General, Special Revenue, Debt Service, Capital Projects, and Enterprise.

The budget is proposed by the City Manager and adopted by the City Council with legal budgetary control at the fund level. Expenditures may not exceed appropriations. Unexpended appropriations lapse at the end of the budget year.



## ***2022 Adopted Budget***

Any budget adjustments between funds shall be approved by the City Council. Budget adjustments between departments that do not alter the total appropriations at the fund level shall be approved by the City Manager or designee. Budget adjustments within a department that do not alter the total appropriations at the department level may be approved by the City Manager or Finance Director.

The City will strive to ensure that City service priorities keep pace with the needs of the community by incorporating a service level needs review as part of the budget process.

The City budget will support City Council goals and priorities and the needs of the community.

Department Directors have primary responsibility for formulating budget proposals in line with City Council, Management Team, and City Manager direction and priorities. Department Directors are responsible for implementation and management of the adopted department budgets under their control.

The Finance Department is responsible for preparation and administration of the City's budget. This includes maintaining up to date information on revenues and expenditures, organizing data in an understandable fashion, and creating and providing tools for budget development.

The Finance Department will prepare a 6-year financial sustainability revenue and expense forecast, for ongoing operations and maintenance at current service levels. The 6-year forecast will assist City Council in laying the strategic foundation for the new budget year.

The Finance Department assists City Management in identifying budget problems, formulating solutions and alternatives, and implementing any necessary corrective actions as directed by City Council.

Revenues and expenditures shall be coded to the appropriate fund, department, and Budgeting, Accounting and Reporting System (BARS) account code as prescribed by the Washington State Auditor's Office, and not to accounts where an excess of funds may exist.

The City will routinely evaluate its service delivery system to maximize efficiency and effectiveness.

### **REVENUE GUIDELINES:**

Revenue forecasts will be updated and prepared on an annual basis. Forecasts shall be conservatively estimated and subject to revision.

The City utilizes a historic trend analysis to establish baseline estimates of major revenues including incorporating proposed rate increases where applicable.

Utility rates and fees will be reviewed annually and updated and changed as deemed appropriate by City Council. Fees shall be established to recover all appropriate costs for providing the service.



## ***2022 Adopted Budget***

Rate studies for revenues that support Enterprise Funds shall be conducted at least every five years to update assumptions and ensure that revenues are sufficient to recover operating costs, provide for capital improvements that maintain existing levels of service and provide for anticipated growth.

One-time revenues will be used only for one-time expenditures.

Fiduciary activities such as the receipt and remittance of school impact fees will not be included in the City's annual budget. Governmental Accounting Standards Board (GASB) accounting entries to satisfy accounting standards that do not affect cash entries will not be included in the City's annual budget. Examples include the recognition of lease activities over the full term of the lease.

### **EXPENDITURE GUIDELINES:**

The Finance Department will provide to each Department Director a baseline budget, reflective of the current level of service adjusted for inflation, as calculated using the West Region consumer price index for all urban consumers (CPI-U), and exclusive of any one-time only expenditures.

Salaries and benefits will be updated by the Finance Department and included in the baseline budget. The updated amounts will be based upon collectively bargained labor contracts and input from the City Manager and Budget Advisory Committee.

Changes to the baseline budget must be requested and clearly identified, by program, as an Additional Funds Request. Additional Funds Requests will be evaluated by the City Manager and, if approved, incorporated into the City Manager's proposed budget presented to the Budget Advisory Committee and the City Council.

Priorities in evaluating Additional Funds Requests will be given to those proposals that:

1. Are, and will continue to be, self-funding from external sources or are funded through realignment of the existing department budget;
2. Directly serve to satisfy one or more Council goals;
3. Will reduce existing costs of staffing, maintenance, and operation through efficiencies or cost avoidance; and
4. Are necessary to maintain the City's existing investment in facilities and capital structures.

The authorized Full Time Equivalents (FTE) for staffing needs will be established by City Council.

City Council approval is required for all capital purchases.



## ***2022 Adopted Budget***

The City will allocate indirect and administrative costs to funds and departments based on a financial model prepared by the Finance Department. The financial model will use actual data from the most recent fiscal year-end, for the following budget cycle (i.e., 2019 actuals for 2021 budget), to determine the benefit received by each fund or department. The indirect cost allocation will be incorporated into the City Manager's proposed budget.

Capital improvement projects will be prioritized and funded based upon the approved Capital Facilities Plan and available funding. Additionally, the Capital Projects funds will be budgeted to account for the construction of capital projects and/or the purchase of capital assets.

Grant funded projects will be funded and prioritized based upon the grant award and contract.

The City develops a budget for the Debt Service fund to account for the payment of principal and interest.

Fiduciary activities such as the receipt and remittance of school impact fees will not be included in the City's annual budget. Governmental Accounting Standards Board (GASB) accounting entries to satisfy accounting standards that do not affect cash entries will not be included in the City's annual budget. Examples include the recognition of lease activities over the full term of the lease.

Depreciation on capital assets will not be included as a budgeted expense in the annual budget.

### **OVERALL PROCESS:**

The budget will be conducted in accordance to the procedures and timelines established in RCW 35A.33 pertaining to budgets in code cities and will follow the general process listed below.

1. Prepare/update 6-year financial sustainability revenue and expense forecast for ongoing operations and maintenance.
2. Establish Budget Advisory Committee. This committee will meet on an on-going basis and will provide input and guidance throughout the budget process.
3. Prepare budget calendar for review and notice.
4. Prepare and update the baseline budget. The baseline budget will include preliminary estimates for revenues and expenditures and will be organized by fund and department.
5. Provide appropriate copies of the baseline budget to department directors for review and input.
6. Meet with budget advisory committee to review baseline budget. Obtain input and recommendation for submission to City Council.



## ***2022 Adopted Budget***

7. Conduct work session/meeting with City Council. The work session or meeting should include the Budget Advisory Committee, City Manager, Department Directors, and other appropriate staff. The main purpose of the meeting is to provide a draft of the baseline budget, provide economic updates, and share information and make known any issues or concerns.
8. The Finance Department works with the City Manager and Department Directors and compiles the preliminary budget including the baseline budget and any additional funds requests for review by the Budget Advisory Committee.
9. The City Manager presents the draft Preliminary Budget to the Budget Advisory Committee and City Council for review. The draft Preliminary Budget is also made available to the public.
10. An ordinance is prepared to set the property tax levy. A public hearing is conducted on revenues and the property tax ordinance.
11. The Final Budget is completed, and City Council holds a public hearing before considering it for adoption.
12. The Final Budget is adopted by Council and published accordingly.

### **BUDGET ADVISORY COMMITTEE:**

The main role of the Budget Advisory Committee is to serve in an advisory capacity to assist in development of an annual budget that reflects the City's top priorities. The Budget Advisory Committee also provides open and transparent communication among the participants and the citizens of Ridgefield.

The Budget Advisory Committee is charged with giving feedback on budget requests and on the top priorities of the City. In addition to considering requests for funding new initiatives the Committee will advise the City Council on rate increases. The Committee is asked to provide feedback on maintaining a balance between keeping fees for services affordable and providing the resources needed to continue to maintain and improve the level of services for City programs and services.

The Budget Advisory Committee will consist of two City Council members, City Manager, Finance Director, Deputy City Manager, Public Works Director, Chief of Police, Community Development Director and one citizen at large appointed by Council.



# ***2022 Adopted Budget***

## ***Budget Procedures***

### ***Purpose***

The purpose is to establish effective and easy to understand guidelines for the development of the budget, and to identify department responsibilities for gathering and preparing data and information for the Finance Department.

### ***General Information***

#### ***Policies***

Financial and Budget Policies are adopted by Council and an annual review of these policies are included in the budget process. Staff reviews Financial and Budget Policies and makes recommendations to Council for adoption and implementation.

#### ***Responsibilities***

Department directors have primary responsibility for formulating budget proposals in line with City Council and City Manager priority direction, and for implementation once adopted.

The Finance Department is responsible for preparation and management of the City's budget. This includes maintaining up to date information on revenues and expenditures, organizing data in an understandable fashion, and creating and providing tools for budget development.

The Finance Department assists City Management in identifying budget problems, formulating solutions and alternatives, and implementing any necessary corrective actions.

City budgets shall be prepared on an annual basis and implemented in accordance with RCW 35A.33 and Financial Policy #07: Budget.

#### ***Budget System***

The City of Ridgefield's accounting and budgeting systems are organized and operated on a fund basis. Funds are accounting entities used to record revenues and expenditures. Each fund is balanced, meaning total revenues equal total expenditures.

The budgeted funds are grouped into five categories: General, Special Revenue, Debt Service, Capital Projects, and Enterprise.

The budget is prepared at a fund level; however, the General Fund is prepared at a department level.

#### ***Fund Definition***

A fund is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, in addition to recording the related assets, liabilities and fund equity, and changes affecting these accounts. The purpose of the fund is to segregate for the purpose of performing specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.



## ***2022 Adopted Budget***

Funds can fluctuate and can be added or closed, depending upon the circumstances and whether the need to either continue or discontinue a fund exists. Council action is required prior to the official addition or closure of a fund.

### ***Fund Types***

General Fund and General Governmental Funds: Used to account for tax-supported activities, including activities supported by licenses and permits and planning and development fees. General Governmental Funds also incorporates special revenue funds, such as Real Estate Excise Tax (REET), Park Impact Fees (PIF), Transportation Impact Fees (TIF), Transportation Benefit District (TBD) and Affordable Housing Tax. Utilization of restricted revenue sources or sources of funds that are designated for a specific purpose correspondingly account for these activities. These funds are budgeted on a modified accrual basis.

### ***Proprietary/Enterprise Funds***

A fund used to account for activities supported by rates or fees charged to external users of goods or services. Utility services for Water and Storm Water Drainage facilities are treated as enterprise funds. These funds are budgeted on a full accrual basis, but with the following adjustments:

- No appropriation is made for depreciation, amortization, or accrued leave time.
- Capital assets and principal payments on bonds and loans are budgeted as expenditures.

### ***Fund Description and Number Assignment***

#### ***General Fund – 001***

The General fund is the largest fund in the City and is used to account for revenues that are not designated for specific activities or programs. The General Fund includes the Community Development and Building Activities Department. Revenues from these activities are used only to support related activities.

#### ***Special Revenue Funds for General Government***

These funds are used to segregate revenues that are restricted for specific purposes.

- 101 – Streets
- 111 – Drug
- 140 – Affordable Housing
- 150 – Transportation Benefit District (TBD)

#### ***Capital Service Funds (Special Revenue)***

These funds are used to segregate revenues that are restricted for specific capital outlays.

- 105 – Real Estate Excise Tax (REET)
- 114 – Park Impact Fee (PIF)
- 115 – Traffic Impact Fee (TIF)



## 2022 Adopted Budget

### ***Debt Service – 200***

The Debt Service fund accounts for the payment of principal and interest on general long-term debt. It does not include the payment of principal and interest on debt created by an enterprise fund.

### ***Capital Projects – 300***

The Capital Projects fund is used to account for financial resources and expenditures incurred for the purchase of land, purchasing, or constructing buildings and structures used for general purposes, acquisition or construction of street improvements, park development, and cemetery improvements. It also includes the development and updating of capital improvement plans associated with these projects. This fund does not include capital projects associated with an enterprise fund.

### ***Proprietary/Enterprise Funds***

Enterprise funds are the utility funds and account for the operations financed and operated in a manner similar to a private business, where the cost for providing services to the general public are recovered primarily through user fees and/or rates. Enterprise funds are used for Water, and Storm Water Drainage facilities.

- 406 – Water Operating Fund
- 408 – Storm Water Drainage Operating Fund

### ***Capital Service Funds for Utilities***

These funds are used to segregate revenues that are restricted for specific capital outlays.

- 416 – Water System Development Charge (WSDC)

### ***Capital Utility Projects***

The Capital Utility Project funds are used to account for the financial resources and expenditures incurred for purchasing or constructing capital infrastructure projects associated with water and storm water drainage improvements. It also includes the development and updating of capital improvement plans associated with these projects. These funds are consolidated with the associated operating fund at the end of the year.

- 410 – Water System Capital Projects Fund
- 412 – Storm Water Drainage System Capital Projects Fund

### ***Equipment Replacement Fund (ERF) – 501***

The ERF fund is used to account for the financial resources and expenditures incurred for purchasing replacement vehicles and large equipment items at the end of their useful life. The ERF fund is financed through interfund transfers from operating funds that budget expense for these types of purchases and realize a benefit for the item to be replaced. The transfers are based on a financial model that incorporates the replacement cost and useful life to determine when an item will need to be replaced.



## 2022 Adopted Budget

### ***Procedure***

#### ***Update Baseline Budget***

Definition: The current year budget, including amendments to date, increased/modified to include projected revenues and expenses. It excludes any one-time only revenues and expenses.

Review: The existing baseline budget will be examined to assure removal or reduction of any services that could be eliminated or reduced in cost. Remove any one-time revenues and expenses.

#### ***Summary of Process***

1. Identify current levels of service provided.
2. Determine cost to maintain level of service.
3. Forecast expenditures.
  - a. Conduct a trend analysis as appropriate.
  - b. Known contractual obligations.
  - c. Include a CPI factor as appropriate.
4. Determine/update funding for services provided.
5. Forecast revenue based on known factors including any updated rates and fees.
6. Identify shortfalls and/or surpluses.

#### ***Detail Process***

1. Update Expenses
  - a. Personnel - Includes current approved FTE count by fund/department. Add any known or estimated cost of living adjustment (COLA) and step increases in pay associated with contractual requirements.
  - b. Supplies/Services - Includes the cost for supplies, training, utilities, operations and maintenance, services, professional services, and small equipment purchases.
  - c. Overhead costs - Allocated based on the full cost of providing services according to a consistent methodology included in the City's Indirect Cost Plan.
  - d. Planning/update projects and capital projects – based on capital improvement plans.
  - e. Record appropriate interfund transfers.
  - f. Include scheduled principal and interest payments.
2. Update Revenues
  - a. Taxes, licenses, and permits, intergovernmental, charges for goods and services, planning and development, fines and forfeits, miscellaneous and other revenue.
  - b. Update utility rates and fee schedule to ensure level of service.
    - i. Utility Rates – Rates or fees charged to customers that use water and storm water drainage facilities supplied by the City. The City uses a rate model to assist with setting appropriate rates.



## ***2022 Adopted Budget***

- ii. Adjust rates to ensure sufficient level of maintenance on existing facilities and coverage of overhead cost.
- iii. Review and update System Development Charges as needed including indexed updates based on the West Region CPI-U.
- c. Fee Schedule – Includes development and permit fees and charges for goods and services provided by the City.
  - i. Adjust the current fees by the West Region CPI-U index as appropriate.
  - ii. Add a component for overhead cost incurred to carry out service as appropriate.
  - iii. Review and update Impact Fees as needed including indexed updates based on the West Region CPI-U.
- d. Grants allocated to the appropriate capital improvement project or project.
- e. Grants are tracked in the same fund where the expenditure occurs.
- f. Loan disbursements.
- g. Interfund transfers.
- h. Use of or additions to fund balance.

### ***Review Increases/Decreases to Baseline***

The City will strive to ensure that City service priorities keep pace with the needs of the community by incorporating a service needs review as part of the budget process. Changes to the baseline are made on a request basis and must include:

- Service impacted: addition or reduction in service provided and how it impacts the City's services. Include reasons and support for making the change.
- Cost of service addition/reduction.
- How cost of additional service will be funded or if a reduction, how is budget impacted. For example, an addition to the budget could be funded by an increase in fees or offset by a corresponding reduction in another cost that is no longer needed.
- Approval by Department Director.

Requests for changes to the baseline will be reviewed and approved by the Budget Advisory Committee and prioritized based on how it best supports the programs and priorities of the City Council. Council and the City Manager will provide input into the prioritization and approval process.

### ***Balance Budget at Fund Level***

Shortfalls or overages are identified, and the Finance Department will work with the Department Directors to resolve.

### ***Timeline***

This timeline is intended to be used as a guide. The work items referenced can be completed sooner if appropriate, but not later than the dates established by RCW.



## ***2022 Adopted Budget***

May - June A budget retreat with City Council, City Manager, and Department Directors will be held to discuss and review programs and priorities for the upcoming budget year.

July Prepare and update baseline budget

- The Finance Department will prepare preliminary revenue estimates, based on updated rates/fees.
- The Finance Department will include preliminary expenditure estimates, based on contractual obligations, projected actual cost, including an inflationary index (CPI-U West Region).
- FTE reports will be generated and will include an estimate for COLA's and step increases.
- Shortfalls/surpluses are identified.
- The baseline budget will be prepared by fund/department and provided to Department Directors.

Department Directors review the baseline budget and FTE report.

- Review and ensure understanding and accuracy.
- Update position descriptions for employees.
- Additions or subtractions will be made using the baseline adjustment process, noted above.
- If a fund is in a deficit situation, identify reductions in cost or increases in funding to cover deficit.

The Finance Department will prepare the budget calendar

August Establish Budget Advisory Committee

- The Budget Advisory Committee will be facilitated by the Finance Department and will normally consist of two Council members, City Manager, Finance Director, Senior Management and one citizen/business owner at large appointed by Council.
- The main purpose of the Budget Advisory Committee is to serve in an advisory capacity to assist in development of an annual budget that reflects the City's top priorities. The Budget Advisory Committee also provides open and transparent communication among the participants and the citizens of Ridgefield.

Department Directors are responsible to forward to the Finance Department changes to their baseline budget and communicate issues/problems to facilitate problem resolution.

The Finance Department will prepare a preliminary baseline budget for the City Manager, Budget Advisory Committee and Department Directors review.



## ***2022 Adopted Budget***

The Budget Advisory Committee meetings shall commence and outcomes and discussions from the meetings shall be provided to the Department Directors. The Finance Department will prioritize the requests for changes to the budget and review with the City Manager and Department Directors.

September	<p>The City Manager, Finance Director and senior management will prepare requested initiatives and capital projects that support council priorities and present to the Budget Advisory Committee and City Council.</p> <p>The Finance Department will update revenue projections and available fund balances and present to the Budget Advisory Committee and City Council.</p>
October	<p>The Finance Department and City Clerk will provide notice for publication on Public Hearing on Revenue Sources and the Preliminary Budget.</p> <p>Draft Preliminary Budget will be made available to the public.</p> <p>The Budget Advisory Committee will meet as necessary for revisions and update of the budget.</p>
November	<p>The Finance Department will provide notice for publication of the Public Hearing on the Final Budget.</p> <p>Proposed Budget will be made available to the public.</p> <p>A Public Hearing will be conducted at the first meeting of the City Council on Revenue Sources for the Proposed Budget.</p> <p>The first and second reading of the Ordinance to set the property tax levy will be conducted. State statute requires a public hearing prior to the time the taxing district levies the taxes or makes the request to have the taxes levied.</p> <p>A Public Hearing and first reading of the Ordinance to set the budget for the upcoming year will be held at the first or second meeting in November.</p> <p>The Budget Advisory Committee will continue to meet as necessary for any revisions and updates to the Final Budget.</p>
December	<p>A Public Hearing and second reading of the Ordinance to set the budget for the upcoming year will be held at the first meeting in December. Meeting must begin prior to the first Monday of December.</p> <p>Finance Department will send a copy of the Final Budget to the State Auditor's Office and to the Municipal Research Services Center (MRSC).</p>



## ***2022 Adopted Budget***

### **Budget Monitoring**

The legal budgetary control is at the fund level with department heads responsible to manage their individual budgets in the General Fund at the department level. All other funds are managed at the fund level.

The Finance Department is responsible to monitor the adopted budget on an ongoing basis. Finance staff prepare and distribute a budget to actual report with a year-end forecast monthly to department heads and supervisors who oversee their individual departmental budgets.

Per budget policy the Finance Director presents a budget to actual report on a quarterly basis to the City Council at a public meeting. The report will review budget to actual and a comparison to the previous year for revenues, expenditures, and current fund balance.

It is the responsibility of each department head to alert the Finance Department of any large unanticipated expenditures. The Finance Director will work with the department head to determine a course of action which could include reallocating budget from another line item or requesting City Council action for a budget amendment.

In the event a budget amendment is requested, the Finance Director will prepare the request and submit the amendment to the City Manager for review. If it is determined a budget amendment is required, the Finance Director will prepare an Ordinance for Council consideration, to amend the adopted budget.



## ***2022 Adopted Budget***

### ***Governmental Accounting***

The City of Ridgefield operates under the laws of the State of Washington applicable to an optional code city (Title 35A RCW) with a council-manager form of government. The City prepares financial statements in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City follows Washington State Law, RCW 43.09.200, using the accounting and reporting guidelines for local governments prescribed by the Washington State Auditor's Office which has developed and implemented the Budgeting, Accounting, and Reporting System (BARS) designed to promote uniformity among cities and counties in Washington.

The diverse nature of City government and the necessity of assuring legal compliance preclude recording and summarizing all City financial transactions and balances in a single accounting entity. Therefore, from an accounting and financial management viewpoint, the City is a combination of several distinctly different fiscal and accounting entities, each having a separate set of accounts and functioning independently of each other. Each accounting entity is accounted for in a separate "fund". A fund is defined as a fiscal accounting entity with a self-balancing set of accounts, recording cash and other financial resources, together with all related liabilities and residual equities or fund balance, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The City's accounting records for the general governmental operations are maintained on a modified accrual basis with revenues being recorded when they become both measurable and available to finance expenditures in the current period. Expenditures are recorded when the related fund liability is incurred. The accounting records for the City's Proprietary Funds are maintained on the accrual basis with revenues recorded when they are earned, and expenses recorded when they are incurred. The types and purposes of each fund are available later in this document – [Fund Descriptions](#).



## ***2022 Adopted Budget***

### ***II. Transmittal Letter***



## ***2022 Adopted Budget***

### ***City Manager Budget Message***

November 1, 2021

Dear Mayor, Stose and City Council Members:

We are pleased to present the City's 2022 Proposed Budget. This budget represents the results of thoughtful direction provided by the City Council along with dedicated efforts of the Budget Advisory Committee, Department Directors and City staff. The City reviewed all 2022 budget requests for initiatives, personnel, and capital improvements to ensure they fit within City Council overall goals approved in 2014. The 2022 budget document also incorporates the most recent citizen survey, as a tool in setting priorities, for services and projects for the upcoming fiscal period. The 2022 Proposed Budget has been discussed by City Council at several meetings beginning in August and will be presented for the final public hearing and adoption on December 2, 2021.

The City's budget is used as a planning and policy document estimating future City revenues and expenditures and allocates resources to accomplish community and Council priorities. It serves to guide the City's operations and capital programs from a fiscal perspective for the upcoming year. The budget is prepared on a fund-by-fund basis. Each fund accounts for different services and activities.

The City of Ridgefield adheres to generally accepted accounting principles (GAAP) applicable to governments. Ridgefield uses proprietary funds to account for water system delivery, and storm water drainage activities. Other activities are recorded in governmental funds (General Fund, Capital Service Funds, Special Revenue Funds, Debt Service Funds, etc.). All City Funds are included in the 2022 Proposed Budget and each fund is described in more detail in this document.

### ***Summary of the 2022 Budget***

#### ***Council Goals and Community Priorities***

As a planning and policy document, one fundamental purpose of the City's budget is to allocate resources that support the community's vision and priorities. The 2019 Ridgefield citizen survey reported that 71% of residents recommend Ridgefield as a good place to live, with 73% having a positive outlook of the city they live in. 68% of residents feel the government is well managed, while 58% feel their tax dollars are spent wisely. The City's 2019 citizen survey was a follow-up to a survey completed in 2015. 2019 numbers were slightly lower, which was expected due to the tremendous growth the city has experienced in the last five years. However, each of these metrics were above the national average benchmark and provide room for continued improvement. In the 2015 survey, multiple areas were highlighted as high priority by citizens,



## 2022 Adopted Budget

such as improved shopping, additional sports fields, parks and walking trails and streets. The city addressed many of these areas by working with a developer to bring in the first grocery store to Ridgefield, and multiple new restaurants and shops mainly around the Royle Road and Pioneer Street intersection. The City also built a regional sports complex and continue to build new or upgrade existing streets and trails each year. The City has implemented a pavement preservation program with a goal to maintain streets in a very good condition per the Pavement Condition Index. The 2022 proposed budget includes a follow-up survey to continue to measure progress and seek citizen input. In 2014 the Council adopted six organizational goals that provide direction for staff and policy decisions to continue to better serve residents. Council implemented an additional goal in 2021 to address Community Engagement. New services or initiatives are considered based on how they assist in meeting these organizational goals. The detailed council goal document is included in the section on performance measures immediately following this letter. Each goal includes metrics city staff have put in place to quantify how the city is performing in meeting Council's goals.

- **Goal No. 1: Plan and Manage the Growth of the City**
- **Goal No. 2: Revitalize Downtown as a Destination Location**
- **Goal No. 3: Create and Maintain Economic Stability for the City**
- **Goal No. 4: Assure the City's Infrastructure is able to Meet Growing Community Needs**
- **Goal No. 5: Retain Culture and History of Ridgefield**
- **Goal No. 6: Maximize the City's Natural Resources and Attractions**
- **Goal No. 7: Actively Engage and Communicate with the Ridgefield Community**

The 2022 budget document includes a section on performance measurements. The performance measurements were implemented to quantify the results of City Councils goals. The measurements include metrics that show the price of government per capita, major revenue sources, and operating forecasts for the next six years. The seven overall Council goals include targeted metrics to show the results of each of the Council goals. The performance measurements are discussed in more detail immediately following the City Manager's budget message.

Each year the Council adopts a strategic workplan for goals and action steps identifying the most important items for the City to accomplish over the next 12 months. The 2022 Proposed Budget allocates resources that staff members will use to successfully accomplish these key goals. The 2021 - 2022 strategic workplan are discussed immediately following the performance measures.



## ***2022 Adopted Budget***

### ***Delivery of Public Services and Organizational Goals***

Although much emphasis is placed on the accomplishment of City Council goals, the primary focus of the City's budget is to provide resources to deliver highly valued public services to the Ridgefield community. This is the primary mission of the City. The 2019 citizen survey reflects a 73% satisfaction in the overall quality of City utility and 74% parks and recreation services. 56% of respondents were satisfied with the quality of transportation services, while 84% were satisfied with the quality of public safety services. The 2022 Proposed Budget includes the allocation of resources to support and enhance these previously identified metrics, in alignment with key organizational goals.

### ***2022 Budget Highlights***

#### ***Challenges***

The City continues to monitor economic changes in our region and on the national landscape. We have seen an improving economy in the Ridgefield area; however, the pandemic continues to weigh on industries such as tourism, restaurants, and many small businesses. Many businesses are struggling to fill job openings and supply chain issues have caused inflationary pressures on residents and the City. The City has seen increased costs for public works construction projects, basic services and supplies that support the public services provided to Ridgefield residents.

The City has continued to embrace a combination of remote and in office work for staff who are able to complete their duties online. The City will monitor the effectiveness to ensure there is no loss of efficiency. The ability to offer the flexible work environment may provide the City with a benefit when recruiting new employees in positions that allow for a flexible work schedule.

As a result of being the fastest growing city in Washington since 2010, the City continues to plan for the needed infrastructure to support the growth. Council has adopted policies that require growth pays for growth. Developers pay impact fees and system development charges to pay their share of growth-related projects. The City continues to work with Regional, State, and Federal partners to find additional funding options to add to local and developer funds to build the infrastructure to support the tremendous growth in Ridgefield.

In 2021 Council increased vehicle licensing fees to fund pavement preservation projects included in the City's transportation capital facilities plan. The increased fee is expected to be effective February of 2022. Council also adopted Resolution No. 596 asking the voters to adopt a 0.2% increase to the sales tax in Ridgefield to fund the pavement preservation program. In the event the voters adopt the sales tax increase the council has indicated they would repeal the vehicle licensing fee.



## ***2022 Adopted Budget***

Local governments including the City of Ridgefield continue to be on watch for potential threats as a result of State and Federal legislation that may shift funding burdens to local governments through elimination of grant funding or shared allocation changes, increase costs through tax policy decisions, or impose unfunded mandates through regulatory actions. The City works with both state and federal affairs consultants as well as various trade organizations to promote the City's platform on these issues.

### ***Opportunities***

The City saw a slight downturn at the onset of the pandemic in 2020, but by third quarter residential and commercial construction had resumed. The 2021 budget reflected a conservative outlook due to regional and national economic concerns. Development has remained strong; retail sales have picked up and the Ridgefield economy continues to grow. City staff forecast a transition to a more sustainable sales tax breakdown in the 2021 – 2022 timeframe. Retail sales have increased to sixty percent commercial retail sales of goods and services and forty percent construction activities. The continued commercial retail development will reduce the reliance on construction activities more over the next five years.

The 2022 budget allows the City to respond to growing demands and service levels. The Proposed Budget includes the addition of nine positions to proactively manage the growth the City is experiencing. The positions include three development related positions, an engineering tech, one finance position, and a human resources position. Council authorized two new police officers and a position for a Parks and Recreation Manager. In addition to the nine new positions, Council authorized two positions that were set to expire at the end of 2021 as regular positions and extended one project position for an additional year. Each of these positions targets an area the City has identified as a need either in the six-year business plan or related to the exponential growth. The addition of these positions will increase the City's ability to maintain high service levels. The addition of the Parks and Recreation Manager allows the City to implement recreational programs for our residents. In the past two community surveys residents have indicated recreational programs are an area the City could improve on.

The City received Coronavirus Local Fiscal Recovery Funds (CLFRF) implemented through adoption of the American Recovery Plan Act (ARPA) in March 2021. The City received \$1.2 million in 2021 and will receive a matching amount in June 2022. Council has indicated a desire to use the funding for strategic investment in infrastructure to expand water system capacity and to build a regional storm water drainage facility to treat runoff in the I-5 junction area. These strategic investments will replace existing water lines and build a new storm water facility to meet Council goals to ensure infrastructure meets the needs of our community along with maintaining a healthy environment.



## ***2022 Adopted Budget***

Council has already approved plans that are allowing the City to use development-related funding sources to complete much needed infrastructure improvements to address the rapid growth Ridgefield has seen since 2010. The development related funding sources are being used as leverage to apply for both state and federal grants to complete the infrastructure projects. The City applied for and received a \$5.8 million grant from the federal government for a transportation project that will assist in opening development opportunity in employment zones for the City. Design and right of way acquisition began in 2021 with construction beginning in 2022.

The 2022 Proposed Budget continues this emphasis, including a project to widen Pioneer Street and build a new roundabout at 51<sup>st</sup> Street to the I-5 junction. This project will provide the transportation needs for a new YMCA and commercial retail at the I-5 junction. The City continues to locate and add additional water rights and sources to continue to offer high quality water service to the residents of Ridgefield. Additional projects are focused on street and multi-modal transportation projects and the outfitting of a new Public Works operations center purchased in 2020. Public Works staff will be moving into the new facility early in 2022. The public/private partnership to have a private developer build a new facility in downtown Ridgefield will open later in 2022. The facility will also house the Ridgefield Police Department as the anchor tenant.

The strong development activity includes multiple commercial retail projects that will address both the shopping and service needs of residents and bring additional revenue to provide long-term stability for retail sales and use tax and additional property tax base.

### ***Current Financial Condition***

In 2017 City staff prepared a six-year business plan. The plan covers each department and identifies projects and staffing needs over the upcoming six-years to maintain current service levels and meet the growth needs identified in the City's Comprehensive Growth Plan. Staff updated the plan in 2019 to account for the additional needs from the tremendous growth Ridgefield has experienced. Staff anticipate beginning the process of revising the plan in 2022 for the following six-year time frame.

In 2018 the City implemented a six-year financial sustainability model for revenue and expenses related to the General Fund, Street Fund, Water Operating Fund, and Storm Water Drainage Operating Fund. The City also implemented a six-year financial sustainability model to project revenue in the Capital Service Funds (Real Estate Excise Tax, Impact Fees, Transportation Benefit District, and Water System Development Charges). Current projections are showing City operating revenues will exceed operating expenses from 2023 through 2027 in all funds. Capital Service Funds are expected to provide the revenue sources for local needs for upcoming capital investment. Staff expect to use these funds as match for grant opportunities over the same



## ***2022 Adopted Budget***

timeframe. The Finance and Public Works Departments have requested funding in the 2022 proposed budget to complete a six-year capital budget. The project is expected to begin in 2022 and be completed by 2023.

Continued development of residential housing and commercial retail continues to bring in stable revenue sources, such as property tax and utility taxes. The City is proposing to use \$1,392,900 in General Fund reserves in 2022 for one-time initiatives and capital projects. \$1.1 million of the reserves is the remaining balance of the 2021 CLFRF funding that will be transferred to the Capital Funds for completion of infrastructure projects.

The City Council proactively implemented financial policies that provide the necessary tools to ensure the City can meet its immediate and long-term financial and service objectives. These policies serve as guidelines for both financial planning and internal financial management of the City. The financial policies address budget development, monitoring, and the use of ongoing or one-time revenue sources. Reserve policies were implemented in 2014 to ensure financial stability. Each of these policies are reviewed annually to insure they incorporate industry best practice and meet the current needs of the City.

To guard against the possibility of a slowdown, Council has proactively implemented reserve policies that exceed national best practice benchmarks to set aside funding in the event of a continued downturn in the economy. General Fund reserves are set at 10% of prior year operating revenues and 60 days of operating expense. The total operating reserves are approximately 26% of 2022 General Fund operating expense. The overall General Fund reserves including capital and retirement obligations are 34% of the 2022 baseline operating budget. The City continues to build additional reserve levels available for use on strategic priorities determined by the City Council. Total reserves are forecast to be \$10.2 million by end of year 2022 with \$3.5 million in policy reserves and \$6.7 million in additional General Fund reserves with \$3.3 million of the additional reserves dedicated to building permit activities.

In the proprietary funds the City reserves up to 90 days of prior year operating expenses to ensure service levels are maintained in the event of a downturn. Operating reserves for water are 25% and 24% for storm water drainage operating expenses respectively. Proprietary funds also reserve for debt service, capital repair and replacement and retirement payout obligations and have an overall 59% for water and 59% for storm water drainage reserve to operating expense ratio. Council has approved the use of reserves from the storm water drainage fund to purchase some critical safety equipment and a vacuum excavation truck for maintenance of the storm water facilities. The capital outlay will add efficiency to ongoing maintenance and reduce contractor costs for assistance with storm facility maintenance.



## 2022 Adopted Budget

### **2022 Proposed Budget Overview**

The City maintains fully funded reserves that meet or exceed industry standards in the General Fund. The City's Revenue Stabilization Fund is estimated to be \$1,180,329 or 10% of prior year operating revenue. The Operations and Maintenance Reserve is equal to 60 days of prior year operating expense or an estimated \$1,492,345. The City also maintains a Separation Reserve and a Capital Reserve at \$158,363 and \$706,661 respectively. The operating reserves in the General Fund total 26% and overall reserves are 34% of estimated 2022 operating expenses. The estimated General Fund balance at the end of 2022 is \$10.2 million including \$6.7 million in additional operating contingency of which \$3.3 million is restricted for permitting and development activities.

As a result of the Council's strong financial policies, diligent financial management, and conservative budget planning, the City continues to maintain its AA bond rating and a Standard & Poor's (S&P) financial management rating of "stable". The City has received an unmodified (clean) Financial Audit Opinion in 14 of the past 15 audits and has received six consecutive GFOA Comprehensive Annual Financial Report Awards. The City recently received their fourth straight GFOA Distinguished Budget Presentation Award for the 2021 Adopted Budget.

### **Revenues**

Budgeted 2022 revenues for all funds total \$59.8 million. This is a \$16.5 million increase (38%) from the 2021 Amended Budget of \$43.3 million. This is the net result of changes to various funds as noted below:

- Operating Funds revenues are budgeted at \$18.6 million. This is a 9.9% decrease over the 2021 Amended Budget. This is primarily due to a \$2.6 million transfer from the water system development charge fund to the water operating fund in 2021 to defease loans related to the I-5 junction well and transmission system and 1-million-gallon reservoir loan.
- Capital Service Funds revenues are budgeted at \$10.4 million. This is a decrease of 1.8%. The primary reason is a reduced estimate for single family residential permits in 2022 compared to 2021.
- Capital Project Construction and Outlay Funds revenues are budgeted at \$29.1 million. This is an increase of \$18.6 million from the 2021 Amended Budget of \$10.5 million (177.4%). This is a result of several capital projects going to construction in 2022. The City is budgeting \$27.2 million in grants, bonds, and developer share funding for new capital project construction.



## ***2022 Adopted Budget***

### ***Expenditures - Overview***

2022 Proposed Budget Expenditures for all funds total \$62.9 million. This is a \$22.3 million (55%) increase from the 2021 Amended Budget, primarily due construction of multiple capital projects. The primary changes between the 2021 Amended Budget and the 2022 Proposed Budget are noted below:

- Operating Funds expenses are budgeted at \$19.5 million, an increase of \$2.1 million (12.1%). This is primarily due to increased personnel cost for salaries and benefits, which include nine new positions in 2022. In addition, there will be \$2.35 million in capital transfers to utility funds from the CLFRF grants.
- Capital Service Funds (REET, Impact Fees, System Development Charges) transfers are budgeted at \$13.3 million an increase of \$2.1 million (19.1%). This is primarily due to transfers from Impact Fees and Water System Development Funds to fund capital projects.
- Capital Project Construction and Outlay Funds are budgeted at \$28.3 million, an increase of \$17.9 million (172.5%) from the 2021 Amended Budget. This is primarily due to expenses related to several capital projects that will be under construction in 2022.

### ***Expenditures – Staffing***

The City continues to increase staffing through a thoughtful and measured planning process. The City completed an update to their 2017 six-year business plan in 2019 to help assist Department Directors in planning for staffing needs to maintain core services. The 2022 Proposed Budget includes an increase in full-time equivalent (FTE) positions of 9 positions, increasing the total FTE's to 69.25, including 68 full-time and 2 part-time employees. The City also budgets for 4 seasonal staff members in Public Works to assist with parks and trails, street, and storm facility maintenance. Proposed staffing increases total \$938,200 in ongoing expense requests. The City's staffing since 2010 has remained steady on a comparison per one thousand residents. In 2010 the City had 6.02 employees per one thousand and in 2022 staffing is projected to be 5.21 per one thousand.

### ***Expenditures – One-Time***

The 2022 Proposed Budget includes \$28.5 million in one-time initiative and capital requests. Proposals included \$2.4 million in requests to obtain new water rights, drill wells to increase system capacity and replace aging infrastructure; \$850,000 in construction expense for a new regional storm water facility; \$3.8 million in new park and trail projects; \$19.9 million in new street and multi-modal projects; \$559,000 in new equipment; \$475,000 in facility upgrades and \$275,700 general government and technology initiatives.



## 2022 Adopted Budget

### ***Financial Sustainability***

The City has been proactive in managing their finances since the great recession and adopted strong reserve policies in 2014. In 2020 the City and local economy entered another economic downturn due in most part to the current pandemic and associated measures to address public health concerns. The following strategies were implemented and have allowed the city to remain on strong financial footing:

- Adoption of financial and reserve policies. Refer to appendix [A](#).
- Adoption of [budget policies](#) including ongoing monitoring.
- Adoption of debt issuance and investment policies. Refer to Appendix [B](#) and [C](#).
- Implementation of an updated comprehensive growth management plan.
- Implementation of updated capital facility plans.
- Update and implementation of a six-year business plan.
- Implementation and annual update of a six-year financial sustainability model.
- Implementation and annual update of an equipment replacement financial model.
- Implementation and annual update of utility rate models.
- Implementation of an ongoing LEAN culture.
- Implementation of new software programs and online permitting to add efficiencies.
- Implementation of a mobile app to allow citizens to communicate and notify the City of any issues such as potholes and street light maintenance in their neighborhoods.
- Implementation of Ridgefield Roundtable an online communication portal to obtain feedback from citizens on important topics and projects.
- Implementation of a document management system to reduce paper and manage public records requests.

The City has worked closely with the Washington State Auditor's Office, Center for Government Innovation, to implement several LEAN projects. Staff have embraced the LEAN culture and continue to recommend improvements throughout the organization. As a result of these efforts staff have been able to maintain high quality service levels with the continued growth by recommending less expensive alternatives and process efficiencies. Several financial and payroll related processes have been changed to electronic workflows, reducing labor time, paper, and supplies. Online platforms were added to allow utility accounts to be self-managed from the safety of the account owners home. Community Development will complete a transition to an online permitting module by the end of 2021 to allow residents and developers to submit online permits. Administration and Finance have completed work to add online forms and workflows to allow for 24/7 access to submit forms such as for opening and closing a utility account. Administration and Finance have completed the transition to electronic document signatures for contracts and HR related documents. Each of these efficiency upgrades were



## ***2022 Adopted Budget***

timely and allow the City to offer the same services during the health crisis while reducing the need for in person visits to conduct routine business.

### ***In Closing***

City staff and the Budget Advisory Committee are proud to present a balanced 2022 Proposed Budget. The City's budget maintains current service levels and will bring in a professional position to manage new recreational programs and addresses community and Council goals. In addition, the budget maintains fund balance and reserve policies to ensure financial sustainability.

The City of Ridgefield continues to be one of the fastest growing cities in the State of Washington due to several factors including land availability, proximity to major infrastructure, and location in the Portland-Vancouver Metropolitan Area. The City is proactively assuring that growth is balanced to include expanding its jobs base and attracting additional commercial development, which will assure the City's ability to offer high quality life, work and play options. The City's ability to leverage development related funding such as impact fees and system development charges have been a contributing factor in the increase in both state and federal grant funding. The City continues to look for opportunities for additional outside funding sources to build the infrastructure necessary to serve our community now and in the future. In 2020 the City was notified that we received an award of \$5.8 million to build out a critical extension to Pioneer Street/SR 501 on the East side of the freeway. The road will open additional acreage for employment opportunities, allow access to the future Clark College campus at Boschma Farms and tie into Union Ridge Parkway. In 2021 the City focused on design, planning and ROW acquisition for several important projects. In 2022 the City will focus on construction of a new well system in the Kennedy Farms area, parks and trails, and multiple street and multi-modal projects that will add capacity and assist the City in drawing in additional commercial retail and service-related industries.

Due to the continued residential, job, commercial, and infrastructure development, the City is projecting an increase in property tax base and additional ongoing sales and use tax revenues as the economy rebounds. Staff is confident this will help set the City of Ridgefield up on a sustainable financial foundation for the future.

City Council and staff have focused on maintaining a conservative budget and high efficiency in daily operations to reduce cost to City residents. As shown in the performance measurements the price of government (cost per capita) for Ridgefield residents is 3.3% of aggregated personal income.

City Council and staff have worked proactively to maintain strong reserve levels that allow the City to set aside funds for both current and future needs. As a result of the reserves that have been set aside, the City is planning to strategically invest in infrastructure that will continue to



## ***2022 Adopted Budget***

see a high return on investment while providing shopping and services residents have requested.

The City connects with the community through multiple events and continued to offer a combination of virtual and in person events in 2021. Staff work collaboratively with volunteers, local merchants and organizations and will continue to adjust as needed to keep the community engaged. The events include a diverse array of social, cultural, and economic events that attract both residents and visitors to Ridgefield. The community events provide support for Council goals such as revitalization of the historic downtown as a destination location and retaining the culture and history of Ridgefield. In 2022, the City will begin focusing on recreational activities in addition to the many events to bring in additional tourism and provide fun activities for the residents.

The City Council has tasked staff with becoming more efficient in daily operations as well as providing a more transparent city government that responds to citizen needs. Staff have upgraded software over the past few years and will complete an online permit portal by the end of 2021. Many of these upgrades allowed City staff to pivot to a virtual format to offer services while working from home or in the office. Staff continue to look at daily tasks to add efficiencies and to reduce expenditures while adding value to city services. Staff increased communication efforts in 2021 using social media and an updated website to provide timely information to residents regarding services and the public health crisis. Council has approved additional investment in software programs in 2022 that will allow enhanced citizen engagement and transparency, and aid in our efforts to maintain a culture of continuous improvement. Initiatives approved over the past few years are an investment in the future of Ridgefield. As the City continues to see growth at a higher rate relative to the rest of the state, the City is planning to meet current and future demands, deliver exceptional service, efficiency, and accountability to those we serve.

The City Council continues to adopt policies and provide long-term vision that brings high quality services and development to Ridgefield. The City's staff are committed to the mission statement to provide superior services, build on the proud history, and meet challenges that are shaping the future of Ridgefield.

Respectfully,

Steve Stuart, City Manager



## 2022 Adopted Budget

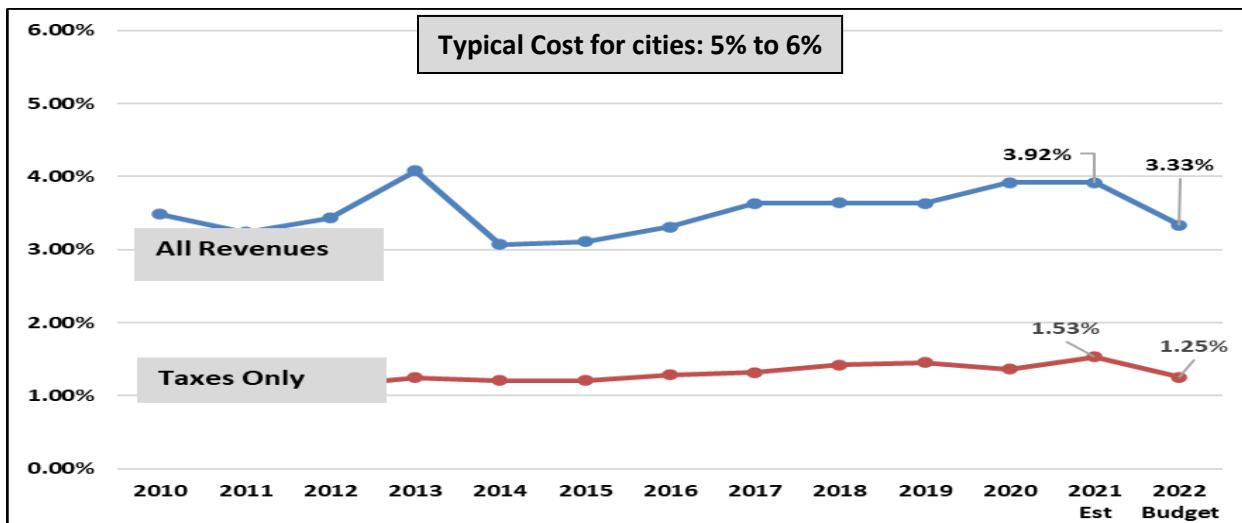
### Performance Measurements

City staff developed performance measurements to quantify results of City Councils goals. The measurements provide a quantifiable way to recognize success and to identify areas needing improvement. Performance measures also offer transparency and allows the public to hold the City accountable for stated objectives. To achieve the transparency the City's progress is measured against data from previous years, community surveys, targets set in master plans and benchmarks with other communities. By measuring our goals using a variety of data, we can see how Ridgefield's present state relates to past indicators and future plans.

As mentioned in the City Managers budget message, Ridgefield uses the six City Council goals adopted in 2014 and a seventh goal added in 2021, to help guide and develop the annual budget. The City further reviews the periodic community surveys to layer the priorities of Ridgefield residents onto the Council goals to base major decisions on service levels, project priorities and future planning. By following these guiding principles, the City will remain on a path to success by considering whether the citizens are satisfied with the community they live in, responsive to the needs of the residents, and financially sustainable. Visual representations and explanation of each strategic goal follows:

### ***The Price of Government***

The price of government is the sum of all the taxes, fees and charges collected by the City divided by the aggregated personal income of its constituents. This yields a percentage that represents what citizens are willing to pay for government. A typical percentage for a city is 5% - 6%. For the City of Ridgefield, the actual price of government for the past several years has been in the 3% - 4% range.

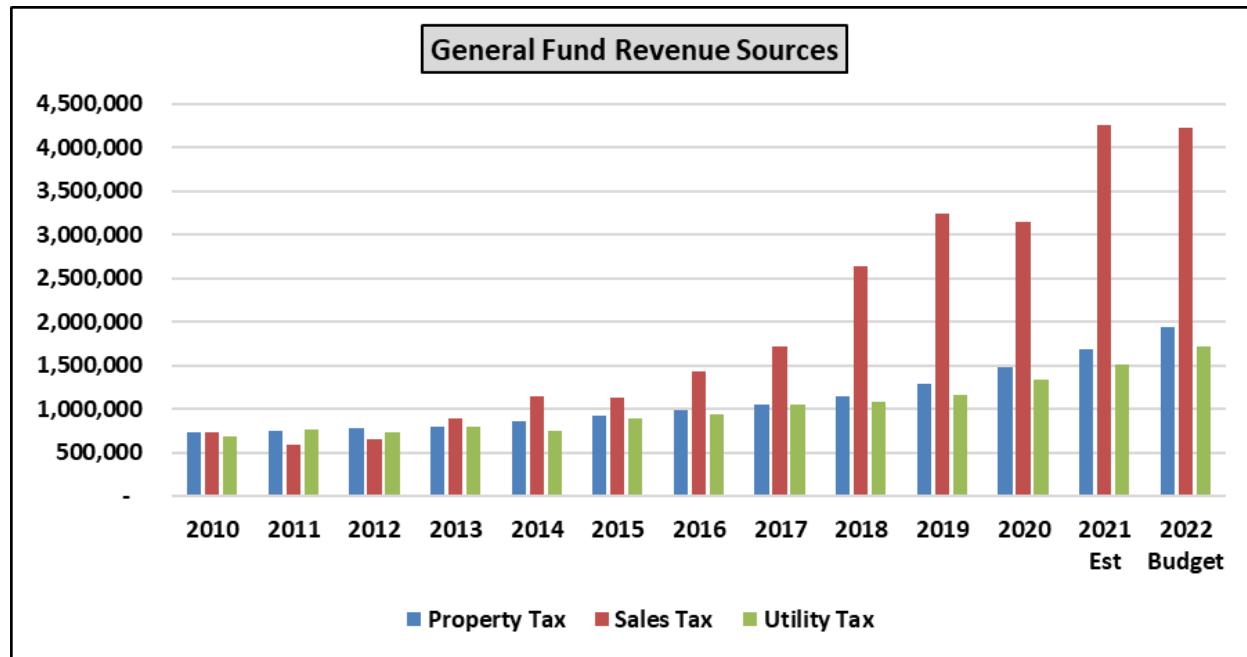




## 2022 Adopted Budget

### Major Revenue Sources

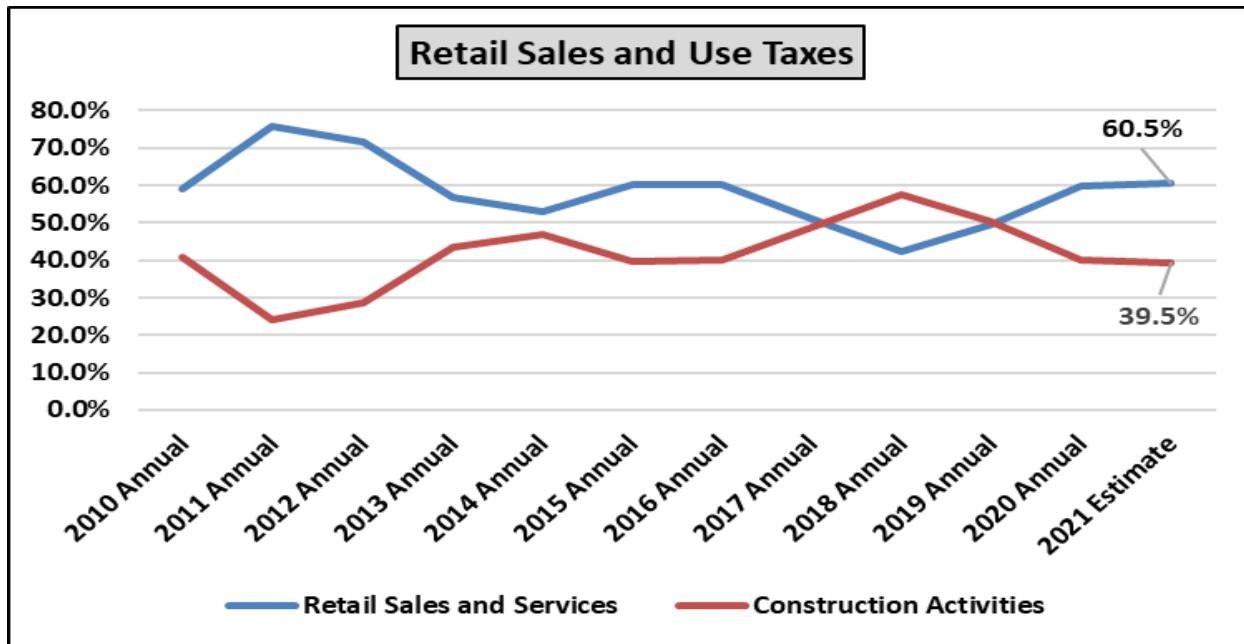
City staff with direction of the City Council, have worked over the past ten years to build a diversified general revenue stream, that would not be dependent on a single source of revenue. In the early 2000's the City's main revenue source was property tax and a high dependence on retail sales tax from the construction industry. As the economy began to recover from the great recession, and building and development picked back up, Ridgefield again saw an unsustainable percentage of retail sales tax dependent on construction activities. City staff began working with a national recruiter to bring in commercial retail and have focused on economic development. Over the past five years the City is now seeing an increase in retail sales tax related to more sustainable sources. General revenue sources (flexible revenue that can be used for all city services) have become more diversified due to the growth in the city.



Sales Tax Revenues are the main general revenue source. Due to the amount of land, proximity to the Portland/Vancouver metro areas and Ridgefield being the fastest growing city since 2010 in Washington, City staff have estimated that 40% of sales tax revenue from construction activities is sustainable over the next six years. The goal is to reduce the percentage of retail sales tax revenues from construction activities to 30% of total sales tax revenues in the six-to-ten-year time frame. The average in Washington State is 20% of retail sales from construction related activities. The City is working on economic development to bring in additional commercial retail and service options for city residents which will continue to build a more sustainable revenue base for the future. In the past two community surveys residents highlighted the lack of shopping and service industry as an area the City should focus on.



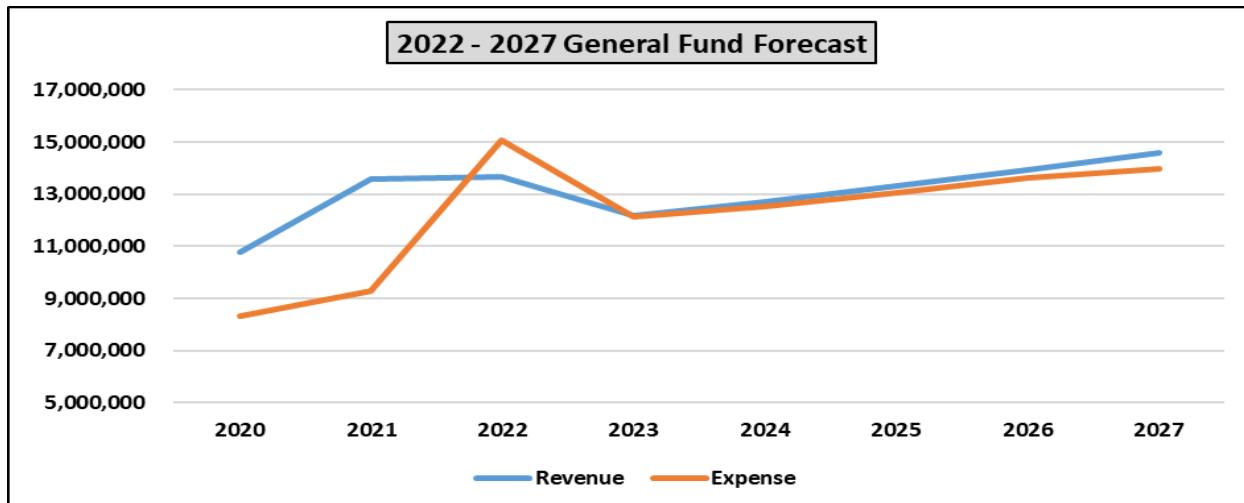
## 2022 Adopted Budget



### The Forecast

The City implemented a financial sustainability model in 2018 for the 2019 annual budget to forecast revenues and expenses for the operating funds. The forecast provides the City Council additional information prior to adding ongoing expenses during the annual budget cycle. City Council decided to use reserves in the General Fund and Storm Water fund for one-time expenses in 2022. In years 2023 – 2027 operating revenues are projected to exceed operating expenses.

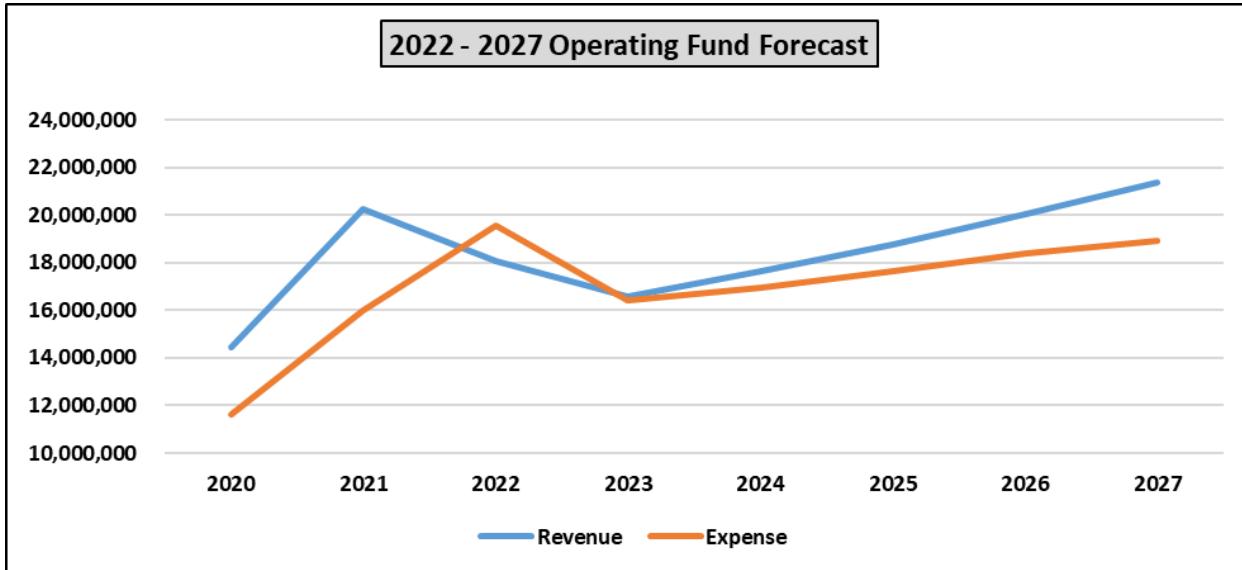
### General Fund





## 2022 Adopted Budget

### All Operating Funds



### City Council Goals

#### **Goal #1: Plan and Manage the Growth of the City**

The City should prepare for, plan, and manage the expected growth and its impacts – so that Ridgefield is recognized for its livability, natural environment, and innovative local economy.

Measure	2016	2017	2018	2019	2020	Target
FTE Per 1,000 Residents	5.75	6.01	5.94	5.48	5.30	5.76
Diversity of City Workforce by %	N/A	5.36%	9.43%	6.78%	8.06%	N/A



## 2022 Adopted Budget

Measure	2016	2017	2018	2019	2020	Target
Avg. SFR Permit Review Time in Weeks	4.7	3	3.4	8.5	5.6	5
Avg Commercial / Industrial Permit Review Time in Weeks	17	13.9	16.7	38.5	11.1	10
Building Inspections Per Day	67	40	45	74	117	N/A
Crime Rate	N/A	N/A	+9.5%	-5%	+55%	Not to Exceed 3-Year Avg. Population Increase
Response Time to Priority Calls	6:53 Goal Not Met	5:33 Goal Met	5:36 Goal Met	6:09 Goal Met	5:12 Goal Met	Response Time Less Than 10% Increase Over 3-Year Avg.



## 2022 Adopted Budget

Measure	2016	2017	2018	2019	2020	Target
Avg. Calls for Service Per Officer	404 Goal Met	487 Goal Not Met	469 Goal Met	487 Goal Met	375 Goal Met	Avg. Calls for Service Less Than 10% Increase Over 3-Year Avg.

### **Goal #2: Revitalize Downtown as a Destination Location**

Create a vibrant downtown destination location that provides quality merchandise, service, and activities within an ambience that is unique to Ridgefield and not readily available elsewhere including a walkable downtown, small town character and regularly scheduled social events.

Measure	2016	2017	2018	2019	2020	Target
Public Investment in Downtown Core	\$759k	\$925k	\$5.3m	\$1.5m	\$25m	N/A
Private Investment in Downtown Core	N/A	N/A	\$610,000	\$10,000	\$300,000	N/A
Number of Businesses in the Downtown Core	N/A	N/A	54	56	55	N/A
Vacant Business Space	N/A	N/A	2	2	4	N/A
Number of In Person and Virtual Events	N/A	27	22	22	16	N/A



## 2022 Adopted Budget

Measure	2016	2017	2018	2019	2020	Target
First Saturday Vendor Attendance	N/A	N/A	N/A	76	19	N/A

### **Goal #3: Create and Maintain Economic Stability for the City**

Provide for a “complete community” where people can live, work, shop, and play. Build a robust economy that provides a wealth of living wage employment opportunities for residents.

Measure	2016	2017	2018	2019	2020	Target
Reserve Levels Within Policy	90%	89%	90%	92%	93%	80%
Assessed Value	\$890,239,033	\$1,062,451,903	\$1,216,398,789	\$1,463,452,195	\$1,754,424,282	N/A
Credit Rating	N/A	AA	AA	AA	AA	AA
Ridgefield Jobs Per Capita	0.23	0.22	0.23	0.28	0.35	N/A
New Commercial / Industrial Space (Sq Ft)	0	80,302	183,356	316,744	201,643	N/A



## 2022 Adopted Budget

### **Goal #4: Assure the City's Infrastructure is able to Meet Growing Community Needs**

Plan for, manage and maintain the City's infrastructure (access, streets, water/sewer, etc.), schools, transportation, and City services to meet the population and business growth.

Measure	2016	2017	2018	2019	2020	Target
City Investment in Infrastructure	\$5.0m	\$10.2m	\$22.1m	\$3.0m	\$1.9m	N/A
Water Consumption in gallons per ERU	206	257	229	217	216	191
Water Loss/Leakage by % (Water produced but not billed)	5%	12%	8%	6%	9%	<10%
Pavement Condition Index (PCI)	66.0	68.8	70.5	71.9	79.0	80.0
Road Maintenance Funding (\$/per Center Lane Mile)	\$3,053.88	\$5,258.72	\$2,058.82	\$2,910.64	\$3,808.13	\$10,000



## 2022 Adopted Budget

### **Goal #5: Retain Culture and History of Ridgefield**

Build upon the City's friendly inviting small-town atmosphere, existence, and appearance of historic elements of the community, walkable main streets, and animated storefronts by preserving and enhancing them in a way that recovers, uncovers, and celebrates its history.

Measure	2016	2017	2018	2019	2020	Target
Volunteer Hours	N/A	408	219	362	100	N/A
Artwork	12	14	16	20	20	N/A
Performing Arts Locations	3	3	4	3	3	N/A

### **Goal #6: Maximize the City's Natural Resources and Attractions**

Integrate the area's natural resources such as the Wildlife Refuge, archeological resources, waterfront area, the Lewis & Clark and Native American connections and the building environments. Maintain a healthy environment with abundant opportunities for outdoor recreation and public access to the waterfront; and promote Ridgefield as a place to visit for outdoor recreation and appreciation of the area's natural assets.

Measure	2016	2017	2018	2019	2020	Target
% of Catch Basins Inspected Annually	N/A	37.5%	56.4%	100%	100%	50%
% of Stormwater Facilities Inspected Annually	0%	56%	86%	100%	100%	95%



## 2022 Adopted Budget

Measure	2016	2017	2018	2019	2020	Target
Open Space Level of Service (Acres per 1,000 Pop.)	26.39	28.62	31.01	30.60	28.85	9.5
Community Park Level of Service (Acres per 1,000 Pop.)	6.43	6.11	5.74	8.90	9.15	6
Neighborhood Park Level of Service (Acres per 1,000 Pop.)	3.04	2.89	2.71	2.35	2.68	1.56
Trail Level of Service (Miles per 1,000 Pop.)	1.18	1.25	1.33	1.20	1.16	0.75

### **Goal #7: Actively Engage and Communicate with the Ridgefield Community**

Create a community where the City works collaboratively with and listens to residents, organizations, and businesses to develop meaningful solutions to complex issues, realize sustainable visions for the City's future and increase the capacity of the community to do something better by ensuring an open and accountable government, providing timely information on issues that impact the community and offering continuous public engagement opportunities.

Measure	2016	2017	2018	2019	2020	Target
On-line Engagement	N/A	54,165 website	63,245 website	88,544 website	87,119 website 74,373 social media	N/A



## 2022 Adopted Budget

Measure	2016	2017	2018	2019	2020	Target
Number of Public Records Requests	N/A	N/A	51	61	39	N/A
Avg. Time to Respond to Public Records Request in Days	N/A	N/A	4.5	4	6	14

### Community Survey

Survey Question	2015 Survey	2019 Survey	Benchmark (US Overall)
Community Satisfaction Overall	70	65	61
Local Government Overall	69	68	56
Economic Health Overall	60	57	55
Property Taxes Overall	64	60	58
Community Events Overall	71	74	59
Shopping Opportunities Overall	29	27	70
Police Department Overall	83	84	75
Transportation Overall	63	56	56
Utility Services Overall	74	73	73
Parks & Recreation overall	74	74	68



## 2022 Adopted Budget

### 2021 and 2022 City Council Strategic Workplan

**Community Transparency and Engagement.** Enhance communication between the City and residents, continue to explore use of technology to provide information and updates and increase opportunities for residents to provide input and feedback, perform community survey. Created and implemented a new City website with an improved navigation system and additional information/interactive tools about City business and growth, enhanced the community newsletter content and distribution (paper and electronic), implemented a text outreach program, enhanced the City's mobile app with information and ability for residents to provide input, completed the community survey.

**Economic Development.** Support and encourage current projects such as the Pioneer Street Overpass and Clark College. Attract commercial development to create a live, work, play community and to expand the job base. Secure a commitment for a family fitness facility and a boutique hotel. The City supported and signed on to required permits to move the Pioneer Street overpass project forward. City Council has adopted legislative policies that support the construction of the Clark College campus. In 2021 the City is beginning a project to complete a new road to service commercial land including the new Clark College campus. Staff have an ongoing contract with a national recruiting firm to locate matches for retail and commercial investment in Ridgefield including a boutique hotel. Staff will complete a request for qualifications in 2021 for a contract for a project manager as a single point of contact for large retail and commercial projects to expedite permitting and review. The City has purchased land and is in negotiation with an investor to locate a family fitness facility along Pioneer Street.

**Develop and Strengthen Partnerships with City Partners and stakeholders** such as Clark Regional Wastewater District, Clark Regional Economic Development Council, Regional Transportation Council, Clark Public Utility District, Port of Ridgefield, Ridgefield School District, and local community organizations. Strengthened working relationships with Ridgefield Main Street through membership on the Board of Directors and Design Committee and partnering on projects such as creating an app highlighting downtown artwork and businesses and providing outdoor seating for restaurants and parks in the downtown core. With the Chamber of Commerce by partnering on projects such as Welcome Bags, fundraising efforts to support local businesses and appointing a Councilmember to the Board for 2021. With the Ridgefield Art Association through placemaking and art projects as well as community events. City Council members continue to be active board members for partner agencies in our region.

**Plan for city facilities** that will provide comfortable workspace for employees and enable the City to provide effective services. Focus on land for a Public Works Operations facility and equipment, and completion of the Police Department building. Purchased land and a commercial building for the Public Works Operations Center. Tenant improvements will be



## **2022 Adopted Budget**

completed early in 2022 and professional staff will move to the facility in the 4<sup>th</sup> quarter 2021 with the maintenance crew moving in the 1<sup>st</sup> quarter 2022. The City is signed a lease agreement to rent space at a new building in downtown Ridgefield for Public Safety. Construction is estimated to be completed mid-2022.

**Preserve natural resources and provide outdoor recreation activities** through repair at Abrams Park, design for annex area at Overlook Park and development of additional parks, multi-modal trails, and completion of at least one trail loop each calendar year. Complete segment from Reimann to Smythe. Staff completed upgrades for Bennett Kitchen to add a fireplace so the facility can be rented year-around. In 2021 staff will complete additional safety upgrades to allow larger events. Staff continue to plan for one trail segment in construction and one trail segment in design each year to fill in the gaps in the trail network. This is in addition to requiring developers to build trail and multi modal segments in new subdivisions. Design is scheduled for Mayor Meadow to Reiman Road in 2021. Construction is scheduled for the Hillhurst Road multi modal trail to Ridgefield High School.

**Provide events and activities that build community and support the revitalization of downtown.** Provide and/or support a diverse variety of events that celebrates Ridgefield's assets and provides activities for all residents including families, people with disabilities and senior citizens. Virtual events and take-home activity bags continued during COVID, when in-person events were not possible. Re-imagined some events to provide an in-person component, such as a drive-thru holiday light show.

**Provide infrastructure for growing population** including locating additional water resources, providing pavement repair and road preservation for aging streets, assuring developers pay for growth they create and traffic flow such as I-5 overpass and exit. Council has approved multiple projects for additional water rights and capacity. The City completed construction on well 11 in the Abrams Park well field. The City is in the final steps to procure additional water rights from the former Kennedy Farm. Design of a new well field in the Kennedy vicinity will be started in 2021 with construction planned for 2022. The City has worked with developers to complete several new road and park projects that support the growth in the City. Staff have issued impact fee credits for both traffic and parks due to the projects completed by the developers. Council has approved an ongoing pavement preservation program to continue street maintenance. Staff conducted a pavement condition index study to assist with prioritization of the projects.

**Preserve, manage, and increase arts presence** throughout Ridgefield with focus on Arts Quarter in downtown. Create artwork for overpass on I-5 and the Pioneer Street extension. Through partnership with Ridgefield Main Street and Ridgefield Art Association, created an app that includes an art walk, created a Game Park with artistic components, developed an "adopt a



## **2022 Adopted Budget**

tree well" project, started beautification of an alley with murals/crosswalk design/arch at the entrance, and implemented a call for artists for a mural at the community garden and an increased number of sculptures in the Arts Quarter.

**Create a tree-lined boulevard type entry into Ridgefield along Pioneer Street** through enforcing view scape standards and creating a design for roundabouts. The City has worked with developers to complete construction from Royle Road to 35<sup>th</sup> Street which will be complete by the end of 2020 on the Western most section of the tree lined boulevard. A developer completed early in 2020, the section from Royle Road East to 51<sup>st</sup>, to complete the section to the future Pioneer and 51<sup>st</sup> Roundabout. The City will begin design of the roundabout in 2021. Staff are currently looking at funding options to complete construction of the final section and roundabout to the I-5 junction.

**Pursue grant funding** for City projects and operations of the City where possible. The City was awarded \$1,150,822 in grants, issued \$3,935,000 (2.42%) in General Obligation Bonds, and received \$193,000 in low interest (0.79%) Public Works Trust Fund loans in 2020. The City is estimating they will receive \$1,393,635 in grants for 2021, will issue \$406,000 in remaining General Obligation bonds, and draw the remaining \$166,000 for the Public Works Trust Fund loan in 2021. The City has also been awarded a \$5,800,000 grant that will be used in 2022 for construction of a new arterial roadway that will open additional acreage for employment and access to the new Clark College campus at Boschma Farms. Staff have submitted and are waiting for notification for several additional grant awards as well.

**Review annexations for a more coherent city boundary**, create sub-area plans where appropriate including Carty Road area pursue including I-5 corridor in urban growth boundary. The Carty Road Subarea Plan has been drafted based on extensive existing conditions research and outreach with residents of the subarea. It is ready to bring to Planning Commission and City Council for public hearings, but these actions have been put on hold due to limits on gathering in person and poor internet service posing challenges to local participation in virtual meetings. Two annexation applications for a total of four lots in the Gee Creek Plateau Subarea are also on hold due to COVID-19 related restrictions.

**Cultivate and preserve a culture that champions diversity, values inclusion, and connectedness, encourages respect for each other's differences** and provides a safe and healthy community for all residents, businesses, and visitors. Drafted and implemented a Diversity, Equity, and Inclusion policy; conducted a Community Experiences Survey.

**Provide support for residents and local businesses** that continue to experience negative economic and other impacts due to the Covid-19 public health crisis. Provided grant funding for businesses and non-profit organizations negatively impacted by COVID, provided outside



## ***2022 Adopted Budget***

seating areas for restaurants, created a t-shirt campaign with profits to the Family Resource Center, and provided program for payment of utility bills.



## ***2022 Adopted Budget***

### ***III. Executive Summary***



## 2022 Adopted Budget

### 6-Year Financial Sustainability Model

#### ***Operating Budget Forecast:***

The City implemented a six-year budget forecast for operating revenues and expenses in 2018 for the 2019 budget cycle. The projection includes the forecast for the upcoming annual budget and includes a projection for the following five years. The City implemented the process to ensure financial sustainability as the City grows. Development has continued to remain steady with residential building increasing significantly after construction activity was able to restart in 2020. Commercial construction did not ramp up as quickly as residential. City staff began to see commercial construction activity starting in July 2020. As a result of the delayed start in commercial construction, staff are expecting many of the existing projects to complete in the 2021 – 2022 timeframe. Over the past five years the City remained heavily dependent on development related sales and use tax revenues. Staff cautioned that the dependence was not sustainable in the long run and budgets remained conservative to ensure the City did not have a structural deficit. Staff were forecasting a shift in the sales and use taxes to more sustainable sources by 2021 – 2022 with the completion of the anchor businesses at Discovery Ridge. Sales and use tax revenues have shifted to more sustainable retail sources quicker than forecast as more shops and restaurants opened in the Pioneer and Royle Road subarea. The City has also seen a significant increase in online taxable sales with items delivered to the Ridgefield area. In the second half of 2020 and 1<sup>st</sup> quarter of 2021 taxable sales have transitioned to 60% sustainable retail sales and 40% construction related activities. Staff are confident this is sustainable for the next 6 years and would like to see the construction related sales at a 30% clip in the 6 – 10-year time frame.

With additional retail shopping and restaurants opening over the next two years City staff are expecting a continued transition to more sustainable tax revenues. The significant surge in single family residential and commercial building has increased the property tax base and utility taxes as a direct result of the development. The shift will add more sustainable and diversified revenue sources as the City continues to grow.

The model uses a growth factor identified in the City's Comprehensive Growth Management Plan to project other revenue sources. Staff also review Office of Financial Management annual population estimates and look at the averages since the last census to update the growth factor as needed. User fees for utility offerings are projected using a rate model that factors operating costs, capital repair and replacement and reserve requirements. The forecast for expenditures includes known contractual commitments and operating costs indexed by an inflationary and growth factor.

The 2022 Proposed Budget allocates excess reserves for one-time initiatives in the General Fund and Storm Water Fund. In addition, the CLFRF grant funds will be transferred from the General Fund to capital funds for strategic capital investment. Budget years 2023–2027 project



## 2022 Adopted Budget

operating revenues exceeding operating expenses in each of the funds. The model looks at current service levels and any contractual commitments during that time frame.

Below are the current projections for operating revenues and expenses:

### General Fund:

Description	2020	2021	2022	2023	2024	2025	2026	2027					
	Actual	Year-End Est.	Proposed Budget										
<b>001 General Fund</b>													
<b>Revenue</b>													
Property Tax	1,472,230	1,680,048	1,940,000	2,097,140	2,267,008	2,450,636	2,649,138	2,863,718					
Retail Sales & Other Tax	3,151,630	4,276,183	4,232,050	4,333,025	4,441,163	4,552,003	4,665,615	4,782,069					
Utility Taxes	1,244,333	1,405,610	1,589,810	1,711,847	1,881,031	2,061,034	2,252,799	2,457,316					
License & Permits	2,116,847	2,198,303	1,950,710	1,619,362	1,656,393	1,694,875	1,734,897	1,776,552					
Planning & Development	1,299,777	1,337,910	1,417,400	1,215,374	1,235,806	1,256,734	1,278,169	1,300,125					
Fines & Forfeits	57,825	68,472	64,000	64,640	65,286	65,939	66,599	67,265					
Charge for Goods & Svrc	503,187	616,862	644,030	642,903	662,094	681,861	702,220	723,190					
Intergovernmental/Grant	601,388	1,600,093	1,643,785	289,505	317,752	347,598	379,126	412,465					
Other Revenue/Donations	307,619	406,041	191,900	184,900	187,071	189,316	191,639	194,043					
Transfers In													
<b>Total Revenue</b>	<b>10,754,836</b>	<b>13,589,522</b>	<b>13,673,685</b>	<b>12,158,695</b>	<b>12,713,605</b>	<b>13,299,996</b>	<b>13,920,201</b>	<b>14,576,742</b>					
<b>Expense</b>													
City Council	78,521	78,835	113,512	116,052	118,665	121,352	124,118	126,962					
Judicial	169,244	195,536	263,000	253,700	259,543	265,531	271,669	277,961					
Executive	267,035	276,843	315,829	331,058	347,034	363,795	381,379	399,827					
Legal	38,471	35,904	50,000	52,500	55,125	57,881	60,775	63,814					
Finance	608,409	654,574	865,966	904,247	944,316	986,261	1,030,170	1,076,140					
Human Resources	208,857	286,216	356,260	372,396	389,296	406,998	425,542	444,967					
Administration	433,497	526,247	577,951	606,384	636,226	667,549	700,426	734,934					
Gen Gov/Facilities	1,237,389	1,559,228	4,071,247	1,412,224	1,480,440	1,579,377	1,731,475	1,607,333					
Information Tech	193,338	209,437	401,700	483,743	422,036	432,587	443,402	454,487					
Public Safety	2,036,241	2,231,141	3,470,267	3,230,355	3,370,170	3,515,372	3,667,269	3,826,188					
Civil Service	92	118	1,000	1,000	1,000	1,000	1,000	1,000					
Cemetery	47,751	32,147	61,654	64,394	67,263	70,266	73,411	76,703					
Street Transfers	616,751	878,222	938,169	855,418	844,914	832,809	818,937	803,057					
Community Development	1,841,175	1,774,067	2,631,385	2,568,225	2,677,327	2,791,484	2,910,938	3,035,944					
Parks	541,699	528,290	948,645	875,097	911,083	948,673	987,944	1,028,974					
<b>Total Expense</b>	<b>8,318,470</b>	<b>9,266,805</b>	<b>15,066,585</b>	<b>12,126,791</b>	<b>12,524,438</b>	<b>13,040,935</b>	<b>13,628,455</b>	<b>13,958,291</b>					
<b>Net Total</b>	<b>2,436,366</b>	<b>4,322,717</b>	<b>(1,392,900)</b>	<b>31,904</b>	<b>189,167</b>	<b>259,061</b>	<b>291,746</b>	<b>618,451</b>					
<b>Fund Balance</b>													
Beginning Fund Balance	4,826,242	7,262,608	11,585,325	10,192,425	10,224,329	10,413,496	10,672,557	10,964,303					
Ending Fund Balance	7,262,608	11,585,325	10,192,425	10,224,329	10,413,496	10,672,557	10,964,303	11,582,754					
Gen Fund Reserve Bal	2,331,040	2,462,776	2,889,315	3,685,389	3,368,473	3,481,161	3,591,534	3,745,329					
Building Reserve Bal	538,567	612,292	648,382	772,495	707,824	730,790	746,417	771,337					
Restricted for Building	660,998	3,149,925	3,290,199	2,389,059	2,698,538	2,428,900	2,095,760	1,678,372					
Fund Balance Available	3,732,003	5,360,332	3,364,529	3,377,386	3,638,660	4,031,706	4,530,592	5,387,715					



## 2022 Adopted Budget

### Street Fund:

Description	2020	2021	2022	2023	2024	2025	2026	2027					
	Actual	Year-End Est.	Proposed Budget										
<b>101 Street Fund</b>													
<b>Revenue</b>													
Utility Tax/Franchise Fee	91,842	113,042	120,715	126,418	140,567	156,023	172,933	191,461					
Permits	21,297	13,538	20,000	20,000	20,000	20,000	20,000	20,000					
Grants	15,711	-	-	-	-	-	-	-					
Intergovernmental	174,043	200,498	238,485	332,468	366,473	402,398	440,333	480,435					
Other Revenue	3	-	525	1,025	1,025	1,025	1,025	1,025					
Transfers In	401,850	624,438	577,170	494,418	483,914	471,809	457,937	442,057					
<b>Total Revenue</b>	<b>704,746</b>	<b>951,516</b>	<b>956,895</b>	<b>974,328</b>	<b>1,011,980</b>	<b>1,051,255</b>	<b>1,092,228</b>	<b>1,134,978</b>					
Expense	693,579	868,162	946,890	964,328	1,001,980	1,041,255	1,082,228	1,124,978					
<b>Net Total</b>	<b>11,167</b>	<b>83,354</b>	<b>10,005</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>					
<b>Fund Balance</b>													
Beginning Fund Balance	2,586	13,753	97,107	107,112	117,112	127,112	137,112	147,112					
Ending Fund Balance	13,753	97,107	107,112	117,111	127,111	137,111	147,111	157,111					
Reserves in GF	-	-	-	-	-	-	-	-					
Fund Balance Available	13,753	97,107	107,112	117,111	127,111	137,111	147,111	157,111					

### Water Fund:

Description	2020	2021	2022	2023	2024	2025	2026	2027					
	Actual	Year-End Est.	Proposed Budget										
<b>406 Water Utility Fund</b>													
<b>Revenue</b>													
Charge for Goods and Svrc	2,285,249	2,819,057	2,843,555	2,727,709	3,061,899	3,440,537	3,869,533	4,355,586					
Grants	22,056	-	-	-	-	-	-	-					
Other Revenue	4,995	571	11,000	11,000	11,000	11,000	11,000	11,000					
Transfers In	198,530	2,564,193	-	-	-	-	-	-					
<b>Total Revenue</b>	<b>2,510,830</b>	<b>5,383,821</b>	<b>2,854,555</b>	<b>2,738,709</b>	<b>3,072,899</b>	<b>3,451,537</b>	<b>3,880,533</b>	<b>4,366,586</b>					
Expense	2,000,215	4,836,777	2,396,016	2,314,099	2,389,959	2,471,261	2,555,681	2,643,352					
<b>Net Total</b>	<b>510,615</b>	<b>547,044</b>	<b>458,539</b>	<b>424,610</b>	<b>682,940</b>	<b>980,276</b>	<b>1,324,852</b>	<b>1,723,234</b>					
<b>Fund Balance</b>													
Beginning Fund Balance	1,473,776	1,984,391	2,531,435	2,989,974	3,414,584	4,097,524	5,077,799	6,402,651					
Ending Fund Balance	1,984,391	2,531,435	2,989,974	3,414,584	4,097,524	5,077,799	6,402,651	8,125,885					
Reserves	881,874	1,077,370	1,316,564	1,459,449	1,576,699	1,732,858	1,904,419	2,109,951					
Fund Balance Available	1,102,517	1,454,065	1,673,410	1,955,135	2,520,824	3,344,941	4,498,231	6,015,934					

### Storm Fund:

Description	2020	2021	2022	2023	2024	2025	2026	2027					
	Actual	Year-End Est.	Proposed Budget										
<b>408 Stormwater Utility Fund</b>													
<b>Revenue</b>													
Charge for Goods and Svrc	849,327	952,873	1,155,395	1,210,360	1,325,109	1,450,782	1,588,419	1,739,159					
Grants	15,731	-	-	-	-	-	-	-					
Other Revenue	4,022	(2,786)	3,000	3,000	3,000	3,000	3,000	3,000					
<b>Total Revenue</b>	<b>869,080</b>	<b>950,087</b>	<b>1,158,395</b>	<b>1,213,360</b>	<b>1,328,109</b>	<b>1,453,782</b>	<b>1,591,419</b>	<b>1,742,159</b>					
Expense	619,740	1,019,799	1,141,622	1,018,795	1,057,151	1,097,146	1,138,854	1,182,355					
<b>Net Total</b>	<b>249,340</b>	<b>(69,712)</b>	<b>16,773</b>	<b>194,565</b>	<b>270,958</b>	<b>356,636</b>	<b>452,565</b>	<b>559,804</b>					
<b>Fund Balance</b>													
Beginning Fund Balance	260,432	509,772	440,060	456,833	651,398	922,356	1,278,993	1,731,558					
Ending Fund Balance	509,772	440,060	456,833	651,398	922,356	1,278,993	1,731,558	2,291,361					
Reserves	398,183	497,449	612,693	667,898	739,227	816,714	900,923	992,472					
Fund Balance Available	111,589	(57,389)	(155,860)	(16,500)	183,129	462,279	830,635	1,298,889					



## 2022 Adopted Budget

### **Capital Service Funds Revenue Forecast:**

The City projects revenues for the six-year budget forecast for the capital service funds (REET, Impact Fees and System Development Charges) prior to a call for initiatives and capital projects during the annual budget process.

City Council adopted a vehicle licensing fee in 2018 that was effective June 2019 to fund the pavement preservation program. Council increased the fee in 2021 which will be effective February of 2022. Council also adopted Resolution No. 596 to ask the voters to approve a 0.2% increase to the retail sale and use tax. The sales tax increase would fund the pavement preservation program and will be on the ballot in November 2021. Council has indicated they would repeal the vehicle licensing fee if the voters approved the sales tax options to fund pavement preservation.

Revenue forecasts use data from the Clark County Assessor's office to estimate potential real property sales in addition to estimates on future building permits for REET. REET is the primary source for repayment of General Obligation Bonds that were issued for the construction of the Ridgefield Outdoor Recreation Complex and the purchase and tenant improvements of a new Public Works Operations Center. Debt service payments are included in the six-year forecast for this fund. Impact fees and water SDC charges are forecast using an estimate of single-family residential permits and commercial permits less any outstanding impact fee or SDC credits issued.

Below are the current projections for capital project fund revenues and fund balance:

### **Real Estate Excise Tax:**

Description	2020 Actual	2021 Year-End Est.	2022 Proposed Budget	2023 Estimate	2024 Estimate	2025 Estimate	2026 Estimate	2027 Estimate
<b>105 Real Estate Excise Tax (REET)</b>								
<b>Revenue</b>								
Real Estate Excise Tax	1,778,422	3,087,465	2,350,000	2,456,596	2,575,889	2,700,974	2,832,133	2,969,661
Other Revenue	36,194	19,544	20,000	20,000	20,000	20,000	20,000	20,000
Transfers In	-	-	-	-	-	-	-	-
<b>Total REET Fund Revenue</b>	<b>1,814,616</b>	<b>3,107,009</b>	<b>2,370,000</b>	<b>2,476,596</b>	<b>2,595,889</b>	<b>2,720,974</b>	<b>2,852,133</b>	<b>2,989,661</b>
<b>Expense</b>								
Transfers to Capital	46,246	-	-	-	-	-	-	-
Transfers to Debt Service	791,148	1,413,405	1,414,003	1,409,075	1,413,625	1,409,425	1,413,225	1,410,825
<b>Total Expense</b>	<b>837,394</b>	<b>1,413,405</b>	<b>1,414,003</b>	<b>1,409,075</b>	<b>1,413,625</b>	<b>1,409,425</b>	<b>1,413,225</b>	<b>1,410,825</b>
<b>Net Total</b>	<b>977,222</b>	<b>1,693,604</b>	<b>955,997</b>	<b>1,067,521</b>	<b>1,182,264</b>	<b>1,311,549</b>	<b>1,438,908</b>	<b>1,578,836</b>
<b>Fund Balance</b>								
Beginning Fund Balance	1,159,388	2,136,610	3,830,214	4,786,211	5,853,732	7,035,996	8,347,544	9,786,452
Ending Fund Balance	2,136,610	3,830,214	4,786,211	5,853,732	7,035,996	8,347,544	9,786,452	11,365,289
Debt Service Reserve	1,413,405	1,414,003	1,409,075	1,413,552	1,409,391	1,413,184	1,410,820	1,411,487
Ending Available Fund Balance	723,205	2,416,211	3,377,136	4,440,180	5,626,605	6,934,360	8,375,632	9,953,802



## 2022 Adopted Budget

### Park Impact Fee:

Description	2020 Actual	2021 Year-End Est.	2022 Proposed Budget	2023 Estimate	2024 Estimate	2025 Estimate	2026 Estimate	2027 Estimate
<b>114 Park Impact Fee (PIF)</b>								
<b>Revenue</b>								
<b>Planning and Development</b>								
Park Impact Fees	1,908,172	2,292,947	1,856,535	1,522,358	1,560,417	1,599,428	1,639,414	1,680,399
Other Revenue	83	50	250	250	250	250	250	250
Transfers	-	-	-	-	-	-	-	-
<b>Total PIF Fund Revenue</b>	<b>1,908,255</b>	<b>2,292,997</b>	<b>1,856,785</b>	<b>1,522,608</b>	<b>1,560,667</b>	<b>1,599,678</b>	<b>1,639,664</b>	<b>1,680,649</b>
<b>Expense</b>								
Transfers to Capital	404,633	631,032	3,793,200	-	-	-	-	-
<b>Total Expense</b>	<b>404,633</b>	<b>631,032</b>	<b>3,793,200</b>	-	-	-	-	-
<b>Net Total</b>	<b>1,503,622</b>	<b>1,661,965</b>	<b>(1,936,415)</b>	<b>1,522,608</b>	<b>1,560,667</b>	<b>1,599,678</b>	<b>1,639,664</b>	<b>1,680,649</b>
<b>Fund Balance</b>								
Beginning Fund Balance	331,524	1,835,146	3,497,111	1,560,696	3,083,304	4,643,972	6,243,650	7,883,313
Ending Fund Balance	1,835,146	3,497,111	1,560,696	3,083,304	4,643,972	6,243,650	7,883,313	9,563,962

### Traffic Impact Fee:

Description	2020 Actual	2021 Year-End Est.	2022 Proposed Budget	2023 Estimate	2024 Estimate	2025 Estimate	2026 Estimate	2027 Estimate
<b>115 Traffic Impact Fee (TIF)</b>								
<b>Revenue</b>								
<b>Planning and Development</b>								
Transportation Impact Fees	1,569,834	1,681,728	1,322,665	1,807,642	1,852,833	1,899,153	1,946,632	1,995,298
Transp Imp Fees-Non Resident	106,521	572,887	1,887,035	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
Other Revenue	23,155	3,131	3,000	3,000	3,000	3,000	3,000	3,000
Transfers In	-	-	-	-	-	-	-	-
<b>Total TIF Fund Revenue</b>	<b>1,699,510</b>	<b>2,257,746</b>	<b>3,212,700</b>	<b>3,610,642</b>	<b>3,655,833</b>	<b>3,702,153</b>	<b>3,749,632</b>	<b>3,798,298</b>
<b>Expense</b>								
Transfers to Capital	107,991	1,355,000	5,104,797	-	-	-	-	-
<b>Total Expense</b>	<b>107,991</b>	<b>1,355,000</b>	<b>5,104,797</b>	-	-	-	-	-
<b>Net Total</b>	<b>1,591,519</b>	<b>902,746</b>	<b>(1,892,097)</b>	<b>3,610,642</b>	<b>3,655,833</b>	<b>3,702,153</b>	<b>3,749,632</b>	<b>3,798,298</b>
<b>Fund Balance</b>								
Beginning Fund Balance	1,411,944	3,003,463	3,906,209	2,014,112	5,624,754	9,280,586	12,982,740	16,732,372
Ending Fund Balance	3,003,463	3,906,209	2,014,112	5,624,754	9,280,586	12,982,740	16,732,372	20,530,670

### Water System Development Charges:

Description	2020 Actual	2021 Year-End Est.	2022 Proposed Budget	2023 Estimate	2024 Estimate	2025 Estimate	2026 Estimate	2027 Estimate
<b>416 Water SDC</b>								
<b>Revenue</b>								
<b>Contributed Capital</b>								
Water Connection Fees	2,595,963	2,675,290	2,685,000	1,913,352	1,961,186	2,010,216	2,060,471	2,111,983
Water Connect Fees-NonRes	227,508	218,418	182,000	191,335	196,119	201,022	206,047	211,198
Other Revenue	65,508	15,573	50,000	50,000	50,000	50,000	50,000	50,000
<b>Total Water SDC Fund</b>	<b>2,888,979</b>	<b>2,909,281</b>	<b>2,917,000</b>	<b>2,154,688</b>	<b>2,207,305</b>	<b>2,261,237</b>	<b>2,316,518</b>	<b>2,373,181</b>
<b>Expense</b>								
Transfers to Capital	1,025,721	46,864	2,515,000	-	-	-	-	-
Transfer to Debt Service	198,530	2,564,193	-	-	-	-	-	-
Intergovernmental	45,731	640,698	36,865	31,570	32,360	33,169	33,998	34,848
<b>Total Expense</b>	<b>1,269,982</b>	<b>3,251,755</b>	<b>2,551,865</b>	<b>31,570</b>	<b>32,360</b>	<b>33,169</b>	<b>33,998</b>	<b>34,848</b>
<b>Net Total</b>	<b>1,618,997</b>	<b>(342,474)</b>	<b>365,135</b>	<b>2,123,117</b>	<b>2,174,945</b>	<b>2,228,069</b>	<b>2,282,521</b>	<b>2,338,334</b>
<b>Fund Balance</b>								
Beginning Fund Balance	7,196,708	8,815,705	8,473,231	8,838,366	10,961,483	13,136,429	15,364,498	17,647,018
Ending Fund Balance	8,815,705	8,473,231	8,838,366	10,961,483	13,136,429	15,364,498	17,647,018	19,985,352



## 2022 Adopted Budget

### Transportation Benefit District:

Description	2020 Actual	2021 Year-End Est.	2022 Proposed Budget	2023 Estimate	2024 Estimate	2025 Estimate	2026 Estimate	2027 Estimate
<b>150 Transportation Benefit District (TBD)</b>								
<b>Revenue</b>								
<b>Vehicle Licensing Fees</b>								
Vehicle Licensing Fees	153,806	170,223	301,725	200,550	218,610	238,300	259,735	283,120
Other Revenue	8	7	25	25	25	25	25	25
<b>Total TBD Fund Revenue</b>	<b>153,814</b>	<b>170,230</b>	<b>301,750</b>	<b>200,575</b>	<b>218,635</b>	<b>238,325</b>	<b>259,760</b>	<b>283,145</b>
<b>Expense</b>								
Transfers to Capital	-	175,000	350,000	-	-	-	-	-
<b>Total Expense</b>	<b>-</b>	<b>175,000</b>	<b>350,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Total</b>	<b>153,814</b>	<b>(4,770)</b>	<b>(48,250)</b>	<b>200,575</b>	<b>218,635</b>	<b>238,325</b>	<b>259,760</b>	<b>283,145</b>
<b>Fund Balance</b>								
Beginning Fund Balance	45,977	199,791	195,021	146,771	347,346	565,981	804,306	1,064,066
Ending Fund Balance	199,791	195,021	146,771	347,346	565,981	804,306	1,064,066	1,347,211



## ***2022 Adopted Budget***

### ***2022 Budget Highlights***

The 2022 Adopted Budget represents the proposed fiscal plans for the City of Ridgefield for the 2022 calendar year. It brings together the direction and policies of our City Council working in a collaborative effort with the citizens, city staff, and other interested parties, and best determines the financial resources available to establish the operating and capital plans for the next budget cycle. The City conducted a citizen survey in 2019 and released the results in early 2020. The Council and Budget Advisory Committee utilized the citizen survey as a tool to assist in development of the 2022 Adopted Budget.

The 2022 Budget was developed based on Council adopted financial and budget policies and current and future economic forecasts. These policies provide the framework for the budget, starting with a baseline, a review of new requests/initiatives to determine what can be funded, staff and staff allocations, and the development of the special revenue and capital project budgets. The baseline budget requires the use of realistic revenue estimates and a modest level of increases to ongoing expenditures to account for growth, contractual obligations, and inflation. Baseline budgets are based on projecting current revenues that will fund the cost to provide core services. It excludes one-time only revenues and expenses, such as grants and capital purchases. New requests or initiatives are then received from each department based on staff knowledge of anticipated needs or implementation of Council policy. The capital budgets are developed from the approved capital facilities plan and prioritized based on critical need, available funding, and what can reasonably be accomplished by City staff.

Available funding is conservatively projected, and the major assumptions used for projecting the 2022 revenues include:

- Current population of 11,560 residents, an 18.3% increase from 2020.
- Population estimates of 13,300 residents in 2022, a 15% increase over 2021.
- 500 new residential permits, an increase of 200 permits over the original 2021 adopted budget.
- Commercial projects adding 350,000 + square feet of commercial and retail space.
- 1% increase in the property tax levy.
- \$318.7 million increase in assessed property valuation due to new construction.
- 2% increase in retail sales tax over the 2021 amended budget.
- 17% increase in utility tax revenue over the 2021 amended budget.
- Increase in storm water utility rate of \$0.65 per bi-monthly billing cycle, per equivalent dwelling unit.
- No increase in water utility rates in 2022.
- 23% increase in the number of utility accounts in 2022.
- 1% interest earnings on our short-term cash investments.



## 2022 Adopted Budget

- Inflationary increases for traffic and park impact fees and system development charges of 5.1%.
- System development charge and impact fee revenues based on projected number of permits less an estimate for the use of development issued credits.
- Estimates in secured grants and other revenue sources to fund capital improvement projects.

The 2022 Budget consists of the operating, special revenue, debt service and capital budgets. The operating budget comprises the General, and Street Funds under General Government, and the Water and Storm Water Drainage Funds under the Utility Government.

Special revenue funds include the Drug Fund, Capital Service Funds, Affordable Housing and Transportation Benefit District. The Debt Service Fund includes General Government related debt service, for the issuance of Limited Tax General Obligation bonds related to the construction of a multi-purpose shared use facility, Ridgefield Outdoor Recreation Complex (RORC) and the issuance of Limited Tax General Obligation bonds for the purchase of land and a commercial building for a new Public Works Operations Center.

The Capital Service Funds include the Real Estate Excise Tax (REET), Park Impact Fee (PIF), Traffic Impact Fee (TIF), and Water System Development Charge (WSDC) funds for the receipt of revenues and expenditures related to capital projects. Additionally, General and Utility Capital Projects and the Equipment Replacement Fund are included to record the expenditures related to the design and construction of capital projects in the City. The Equipment Replacement Fund is used to record the funding and purchasing of replacement vehicles and large equipment items.

The 2022 combined budget for all funds is \$62.9 million, an increase of \$22.3 million (55%) from the 2021 amended budget. The total operating budget for 2022 is \$19.5 million, an increase of \$2.1 million when compared to the 2021 amended operating budget of \$17.4 million. Additionally, the 2022 Budget incorporates \$29.5 million of new personnel requests, initiatives, and capital projects. Out of this amount, \$1,598,650 is associated with the General and Street Operating Funds, \$216,800 associated with Building Permit activities, \$165,340 is associated with the Water Operating Fund and \$111,330 is associated with the Storm Water Drainage Operating Fund.

The debt service budget for 2022 is \$1.4 million. The debt service is mainly for expenditures related to General Obligation Bonds issued for the construction of the Ridgefield Outdoor Recreation Complex and purchase and tenant improvements for the Public Works Operations Center.



## 2022 Adopted Budget

The capital projects budget for 2022 is \$28.3 million, an increase of \$17.9 million when compared to the 2021 amended budget. The capital projects budget increase is mainly due to several capital projects going to construction in 2022.

The \$28.3 million in capital projects and equipment replacement purchases will be funded by using \$9.1 million in grant and developer share funding, \$6.1 million in new debt issuance, \$250,000 in remaining bond funding for the Public Works Operations Center, \$11.8 million from City capital service fund transfers or expenditures – Park Impact Fee, Traffic Impact Fee and the Water System Development Charge funds, \$443,500 from operating fund transfers, \$350,000 from the Transportation Benefit District, and \$309,000 from Equipment Replacement Fund reserves.

### ***Operating Funds***

#### ***General Fund Revenue:***

Major revenues that support the General Fund budget come primarily from retail sales and use, property, and utility taxes. General Fund revenues are projected to be \$13.7 million an increase of \$294,368 or 2.2%, in 2022, when compared to the 2021 amended budget of \$13.4 million. The increased revenue projection is due to increased utility tax and property tax related to the growth in new single family residential housing. The City saw tremendous development in 2020 and 2021 when the State allowed construction activity to restart after the initial shutdown due to Covid-19.

2022 revenue increases are projected for the following when compared to the 2021 amended budget: Property taxes 16.5%, sales and use tax 1.6% and utility taxes 17.4%. Development revenue is expected to decrease 1.1% with grants reduced 1.6%. The 2022 revenue budget amounts to \$13,673,685 and is summarized as follows:

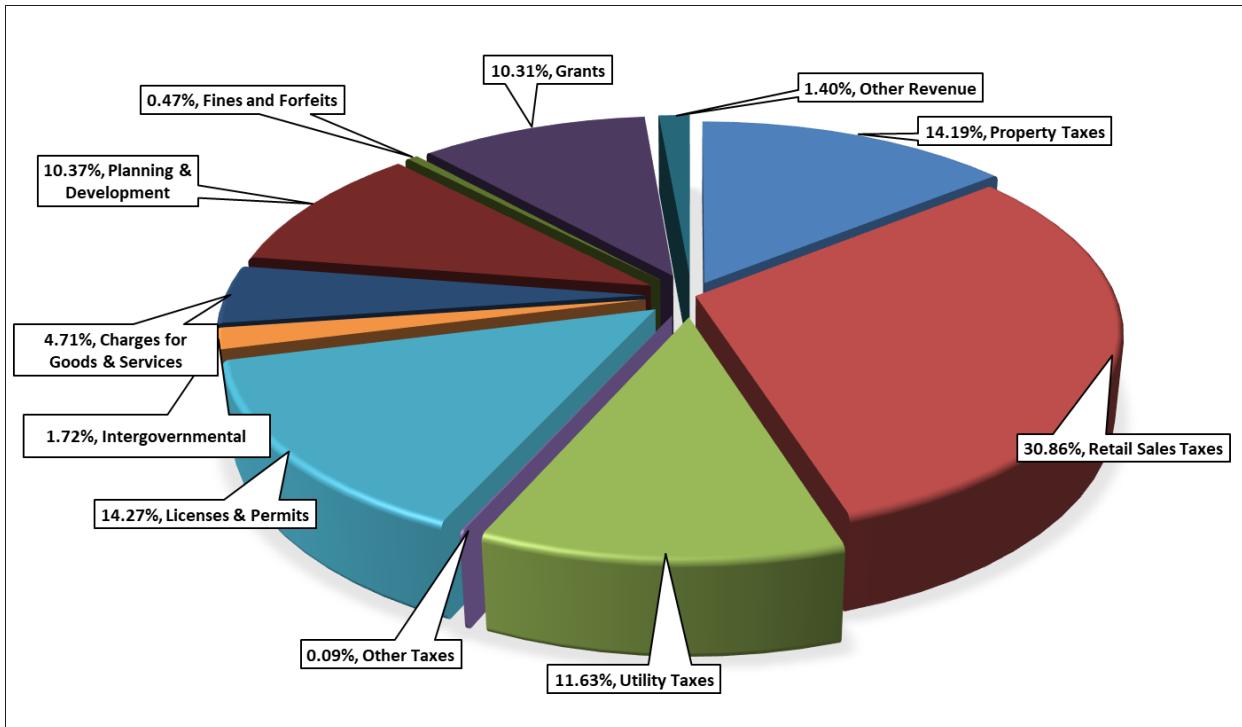
#### ***2022 General Fund Revenue:***

Property Tax	\$1,940,000
Retail Sales Tax	4,220,025
Utility Tax	1,589,810
Other Taxes	12,025
License and Permits	1,950,710
Intergovernmental	234,505
Charge for Goods and Services	644,030
Planning & Development	1,417,400
Fines and Forfeits	64,000
Grants	1,409,280
Other Revenue	191,900
<b>General Fund Revenue</b>	<b>\$13,673,685</b>



## 2022 Adopted Budget

### 2022 General Fund Revenue:



### General Fund Expense:

The 2022 General Fund expense budget is \$15,066,585, an increase of \$4.7 million (45.3%) over the 2021 amended budget of \$10.4 million. The 2022 budget includes ongoing expenses of \$10.5 million, plus \$4.6 million, that was added to account for new department and Council priority initiatives, including \$373,930 to the amount transferred to support street fund initiatives and transportation capital projects. The City anticipates using General Fund excess reserves in the amount of \$1,392,900 for one-time expenses to balance the budget. This includes \$1.1 million in CLFRF grant funds received in 2021 and expended in 2022. The General Fund operating budget is allocated by department as follows:

### 2022 General Fund Expense:

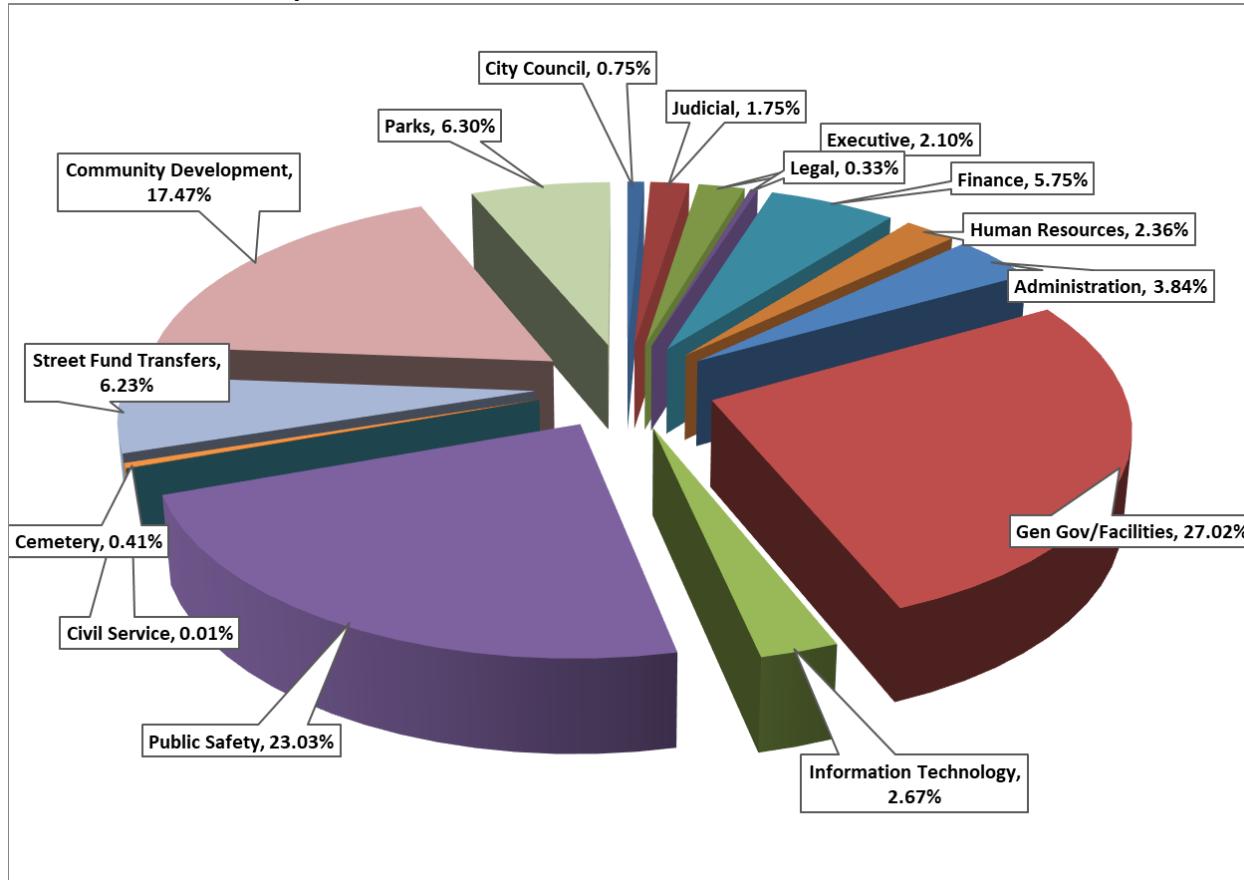
Department	Budget
City Council	\$113,512
Judicial	263,000
Executive	315,829
Legal	50,000
Finance	865,966
Human Resources	356,260
Administration	577,951



## 2022 Adopted Budget

Department	Budget
General Government/Facilities	4,071,247
Information Technology	401,700
Public Safety	3,470,267
Civil Service	1,000
Cemetery	61,654
Street Transfers	938,169
Community Development	2,631,385
Parks	948,645
<b>General Fund Expense</b>	<b>\$15,066,585</b>

### 2022 General Fund Expense:



Additionally, the General Fund budget allocation by major cost category comprises 1) personnel cost of \$6.86 million, 2) supplies, services, and operations/maintenance at \$3.64 million, and 3)



## ***2022 Adopted Budget***

other costs that include transfers to other funds, capital leases and capital outlays of \$4.57 million.

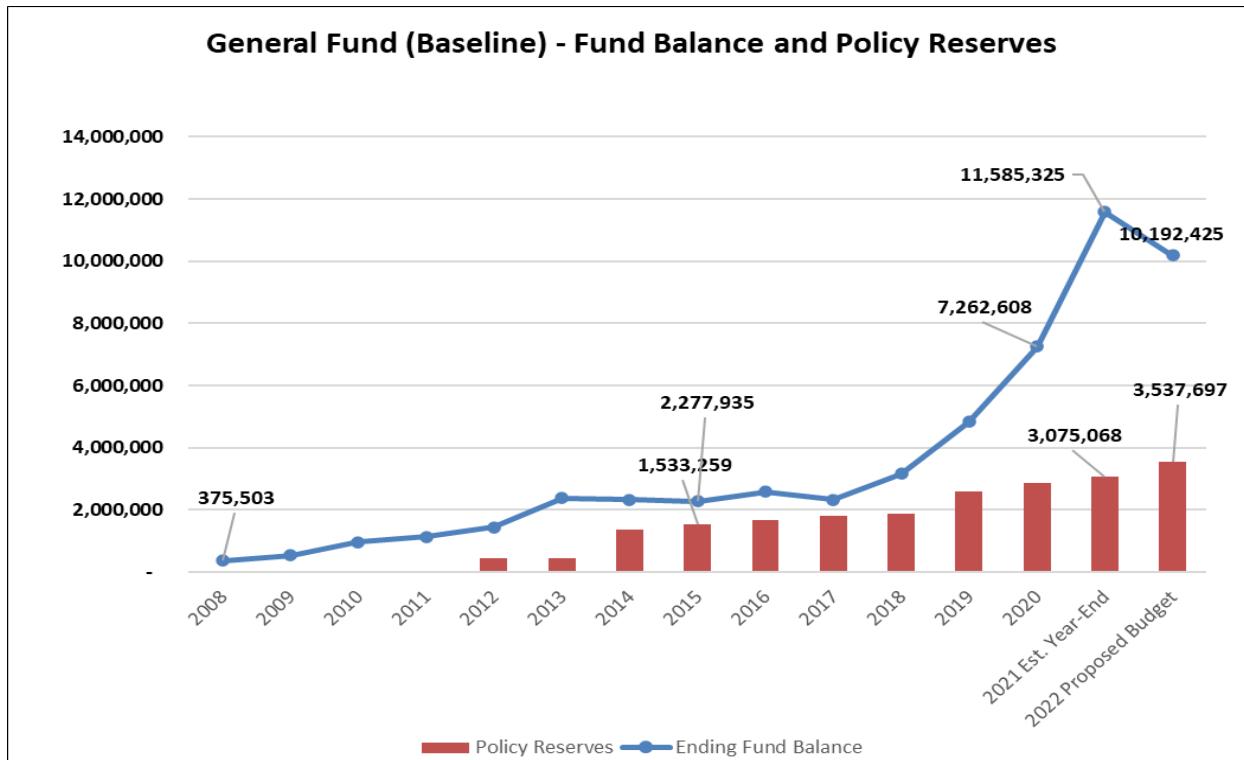
The main expenditure increase in the General Fund is related to transfers to other funds, which increased \$2.66 million, or 237%. The transfer increases are for CLFRF grant funding for two capital infrastructure projects in the amount of \$2.35 million, and an increase in the General Fund transfer to the Equipment Replacement Fund of \$300,000. The main operating expense increase is for personnel cost which will increase from the 2021 amended budget, increasing from \$5.63 million to \$6.86 million. The percent of personnel cost as it relates to the total expense budget decreased 8.8% when compared with the 2021 amended budget, accounting for 45.5% of the total expense budget including one-time expense. Personnel expense is 65.6% of operating expenses. Full time equivalent staff assigned to the General Fund will increase to 54.86, up from 46.5 or 8.36 full-time equivalents when compared to the 2021 amended FTE budget. The City will add 9 FTE's in 2029 compared to 8.5 new FTE's in 2021. The 2021 FTE's include two police officers, a parks and recreation manager, a HR assistant, an accounting/utility clerk, a code enforcement officer, an engineering tech, a senior planner, and an administrative assistant. Cost of living increases were budgeted for management (exempt) and Teamsters union staff per employment policy or labor agreement. The Police Officers Association was budgeted per labor agreement. Health insurance costs are estimated to increase 10% from the 2021 amended budget.

### ***General Fund - Fund Balance:***

City Council adopted financial management policies in 2014 to identify reserve requirements to ensure financial stability. As a result, the fund balance in the General Fund has grown as the City continues to develop. The estimated 2022 policy operating reserves are 26% of 2022 General Fund operating expense. Total reserves including debt service, separation and capital reserves are 34% of 2021 operating expense. In addition, the City is estimating an additional \$6.65 million in contingency reserves including \$3.3 million for building permit activities by year-end 2022. Despite the economic downturn as a result of the public health crisis the City is forecasting a surplus of \$4.3 million in the General Fund in 2021. \$1.1 million of the surplus is in CLFRF grant funds received from the United States Treasury, \$1.4 million is related to development funds and restricted for permitting activities. The remaining surplus is from an increase in retail sales and use taxes and conservative spending in 2021. This continues the trend of surpluses from 2018 through 2020. This is a result of the significant development and growth. The surpluses have allowed the City to increase reserve balances while maintaining core services during the significant growth. The 2022 proposed budget includes the use of \$1.4 million in contingency reserves, including the \$1.1 million in CLFRF funding, to be used for new one-time initiatives and capital outlay.



## 2022 Adopted Budget



### Street Fund Revenue:

The main components of the revenue budget are the motor vehicle fuel tax, utility tax and transfers from the General Fund to support the street maintenance activities. City Council has dedicated 2% of water and sewer utility taxes to street fund operations. The 2022 revenue budget is expected to decrease \$4,669 compared to the 2021 amended budget. Utility taxes and motor vehicle fuel taxes are expected to increase 26.4% and 8.1% respectively while the General Fund transfer will decrease 8% in 2022. The increase in utility tax and motor vehicle fuel tax are due to the growth in households and 18.3% population increase for per capita distributions for the fuel tax.

Following is a summary of the revenue budget:

### 2022 Street Fund Revenue:

Utility Tax/Franchise Fee	\$120,715
Permits	20,000
Intergovernmental	238,485
Transfers from General Fund	577,170
Other Revenue	525
<b>Street Fund Revenue</b>	<b>\$956,895</b>



## ***2022 Adopted Budget***

### ***Street Fund Expense:***

The 2022 Street Fund expense budget is \$946,890, an increase of \$3,022 (0.3%) from the 2021 amended budget. The 2022 budget incorporates \$50,000 that will be transferred to the Equipment Replacement Fund. An additional \$12,930 was added for new FTE allocations.

### ***Street Fund – Fund Balance***

The Street Fund major sources of revenue are utility taxes, motor vehicle fuel tax and subsidies from the General Fund. As a result, the City does not maintain a significant fund balance in the Street Fund. Reserves are maintained in the General Fund.

### ***General and Street Fund New Initiatives:***

The total combined General and Street Fund expense budget equals \$16,013,475, and out of this amount, \$1,815,450 has been allocated to cover new initiatives, new FTE's, or capital outlays. The City's commitment to street fund initiatives, include continuing the pavement preservation program and sidewalk restoration, and street and multi-modal improvements will be funded from a General Fund transfer in the amount of \$361,000 in 2022. The funding for these programs has been used as matching funds to receive grant funding for projects to preserve roads, improve storm drainage and construct sidewalks in the downtown core and major arterials in the City.

In December 2018 City Council adopted a vehicle licensing fee to provide an additional source of funding for the pavement preservation program. In 2021 Council increased vehicle licensing fees to fund pavement preservation projects included in the City's transportation capital facilities plan. The increased fee is expected to be effective February of 2022. Council also adopted Resolution No. 596 asking the voters to adopt a 0.2% increase to the sales tax in Ridgefield to fund the pavement preservation program. In the event the voters adopt the sales tax increase the council has indicated they would repeal the vehicle licensing fee. Council approved a transfer from the Transportation Benefit District of \$350,000 for pavement preservation in 2022.

The following projects were completed using a combination of pavement preservation funding and grants: In 2021 the City completed a project to overlay Hillhurst Road to complete the restoration of Hillhurst Road from Pioneer Street to the Southern border of the City. Staff also completed a slurry seal and chip seal of the neighborhoods in the Heron Drive area of the City. Staff anticipate increasing the pavement preservation program in 2022 with the additional funding.

The new initiatives have been divided between "one-time only" expenses that will end when the project is complete and "ongoing" expenses that will continue from one budget year to the next. A description of these new initiatives is summarized below:



## 2022 Adopted Budget

### General & Street Fund One-Time Only Expense:

<u>Description</u>	<u>General Fund</u>	<u>Street Fund</u>	<u>Total</u>
Accounting/Utility Clerk (2-year sunset)	\$5,000	\$0	\$5,000
HR Assistant	5,000	-	5,000
CDD Admin Assistant (Increase from 0.5 FTE to 1.0 FTE)	5,000	-	5,000
Code Enforcement Officer	40,000	-	40,000
Senior Planner (2-year sunset)	5,000	-	5,000
Engineering Tech	3,000	500	3,500
Parks & Recreation Manager	5,000	-	5,000
Police Officer	120,000	-	120,000
Police Officer (Detective Assignment)	120,000	-	120,000
Public Safety Staffing Study	40,000	-	40,000
Six-Year Capital Budget	75,000	-	75,000
Watershed Community Engagement and Plantings	50,000	-	50,000
Community Survey	15,000	-	15,000
Budget Software	10,000	-	10,000
HRIS Software	20,000	-	20,000
Mass Communications System	2,000	-	2,000



## 2022 Adopted Budget

<u>Description</u>	<u>General Fund</u>	<u>Street Fund</u>	<u>Total</u>
Laserfiche Public Portal	25,000	-	25,000
Video & Photo Library	20,000	-	20,000
Ridgefield Soofa Signs	9,500	-	9,500
GIS Updates	25,000	-	25,000
Public Safety Building Tenant Improvements	104,720	-	104,720
10k Capacity Dump Trailer	13,000	-	13,000
7x12 Flatbed Trailer	5,000	-	5,000
Events Box Truck	30,000	-	30,000
Crossover Utility Vehicle	30,000	-	30,000
Vacuum Excavation Truck	20,000	-	20,000
N 8 <sup>th</sup> Ave & Simons (Grant Match)	41,000	-	41,000
Abrams Park Upgrades	40,000	-	40,000
Abrams Park Bridge Maintenance	20,000	-	20,000
<b>One-Time Expense</b>	<b>\$903,220</b>	<b>\$500</b>	<b>\$903,720</b>

### General & Street Fund Ongoing Expense:

<u>Description</u>	<u>General Fund</u>	<u>Street Fund</u>	<u>Total</u>
Accounting/Utility Clerk (2-year sunset)	\$83,000	\$0	\$83,000



## 2022 Adopted Budget

<u>Description</u>	<u>General Fund</u>	<u>Street Fund</u>	<u>Total</u>
HR Assistant	85,000	-	85,000
PW Admin Assistant (Increase from 0.5 FTE to 1.0 FTE)	22,300	2,230	24,530
CDD Admin Assistant (Increase from 0.5 FTE to 1.0 FTE)	44,600	-	44,600
Code Enforcement Officer	92,600	-	92,600
Senior Planner (2-year sunset)	120,600	-	120,600
Engineering Tech	61,800	10,200	72,000
Parks & Recreation Manager	110,000	-	110,000
Police Officer	114,600	-	114,600
Police Officer (Detective Assignment)	140,600	-	140,600
HRIS Software	15,000	-	15,000
Mass Communications System	2,200	-	2,200
Laserfiche Public Portal	5,000	-	5,000
Ridgefield Soofa Signs	2,000	-	2,000
<b>Ongoing Expense</b>	<b>\$899,300</b>	<b>\$12,430</b>	<b>\$911,730</b>



## 2022 Adopted Budget

### **Water and Storm Water Drainage Utility Funds:**

#### **Utility Operating Funds:**

The water and storm water drainage operating budgets are funded by fees charged to customers for services provided. Debt service for water projects were paid in full in 2021 from water system development charges. Debt service for storm projects will be paid from operating revenues for storm drainage service fees.

Water and storm water fees for services are set as needed to meet the required costs to properly fund the operating program and capital maintenance plan for each utility fund. The City conducted a rate study in 2016 to analyze revenue requirements for the next 10 years for the water and storm water utilities. The City updated the storm water capital facilities plan (CFP) in 2018 and revised the storm water rate model to incorporate the updated CFP. The revenues from water and storm water utility rates include a projected 23% increase in new accounts in 2022 due to an increased utility customer base. Storm water utility rates include a rate increase from \$19.65 to \$20.30 bi-monthly per equivalent development unit (EDU). Water utility rates will not see an increase in 2022. The 2022 water utility rate structure is below.

***The bi-monthly water rates per residential equivalent dwelling unit are shown below:***

<b><u>2022 Two-month Base Rate</u></b>	<b><u>CF of Water</u></b>	<b><u>2022 Volume Rate per CF</u></b>
\$43.93	Up to 1,000 cf	\$0.0060
	>= 1,001 – 2,000 cf	0.0233
	>= 2,001 – 4,000 cf	0.0258
	Over 4,000 cf	0.0293

***The bi-monthly water rates for commercial are shown below:***

<b><u>Meter Type or Size</u></b>	<b><u>Two-Month Base Rate</u></b>	<b><u>Volume Used (cf)</u></b>	<b><u>2022 Volume Rate per CF</u></b>
1 inch and under	\$43.93	No Minimum	\$0.0297
1.5 inch	\$87.85		
2 inch	\$140.57		
3 inch	\$263.55		
4 inch	\$439.28		
6 inch	\$878.53		
8 inch	\$1,405.66		
10 inch	\$5,051.60		
12 inch	\$9,444.29		



## 2022 Adopted Budget

### Water Conservation Rate:

<u>2022 Two-month Base Rate</u>	<u>CF of Water</u>	<u>2022 Volume Rate per CF</u>
No Base Charge 1" Meter and Under	No Minimum	\$0.0497

The Water and Storm Water Utility Funds 2022 combined total revenue budget from fees for services, miscellaneous revenues, and transfers in from other funds is \$4.01 million and is detailed below:

### 2022 Utility Fund Revenue:

Charges for Goods and Services	\$3,998,950
Other Revenue	14,000
Transfers In	0
<b>Utility Operating Revenue</b>	<b>\$4,012,950</b>

The Water Fund operating expense will see a decrease of approximately 51.7% when compared to the 2021 Amended Budget. This is due to the City defeating \$2.56 million in debt associated with the construction of the junction well and transmission system and a 1-million-gallon reservoir.

The 2022 Storm Water operating budget will see a decrease of approximately 2% when compared to the 2021 Amended Budget. This is due to the 2021 transfer of funds for a capital project to rehabilitate several storm swales and storm ponds in the downtown area.

The Water and Storm Water Utility Funds 2022 combined total operating budget is \$3.5 million. The expense budget summarized by utility is shown below:

### 2022 Utility Operating Expense:

Water Utility	\$2,396,016
Storm Water Utility	1,141,622
<b>Utility Operating Expense</b>	<b>\$3,537,638</b>

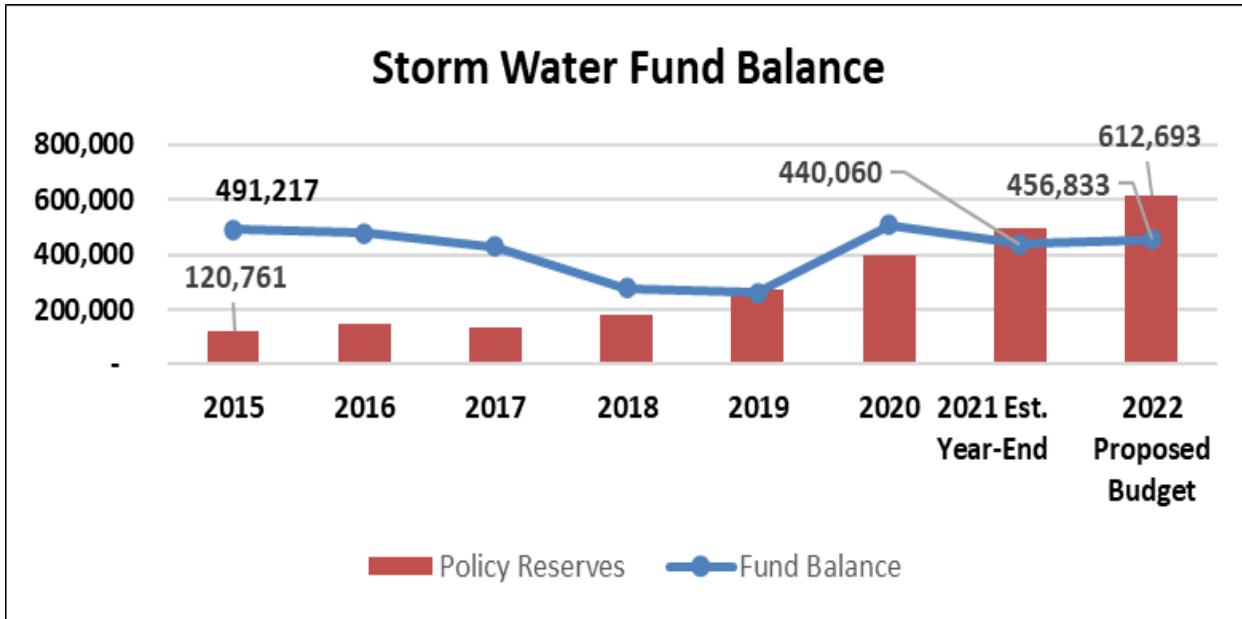
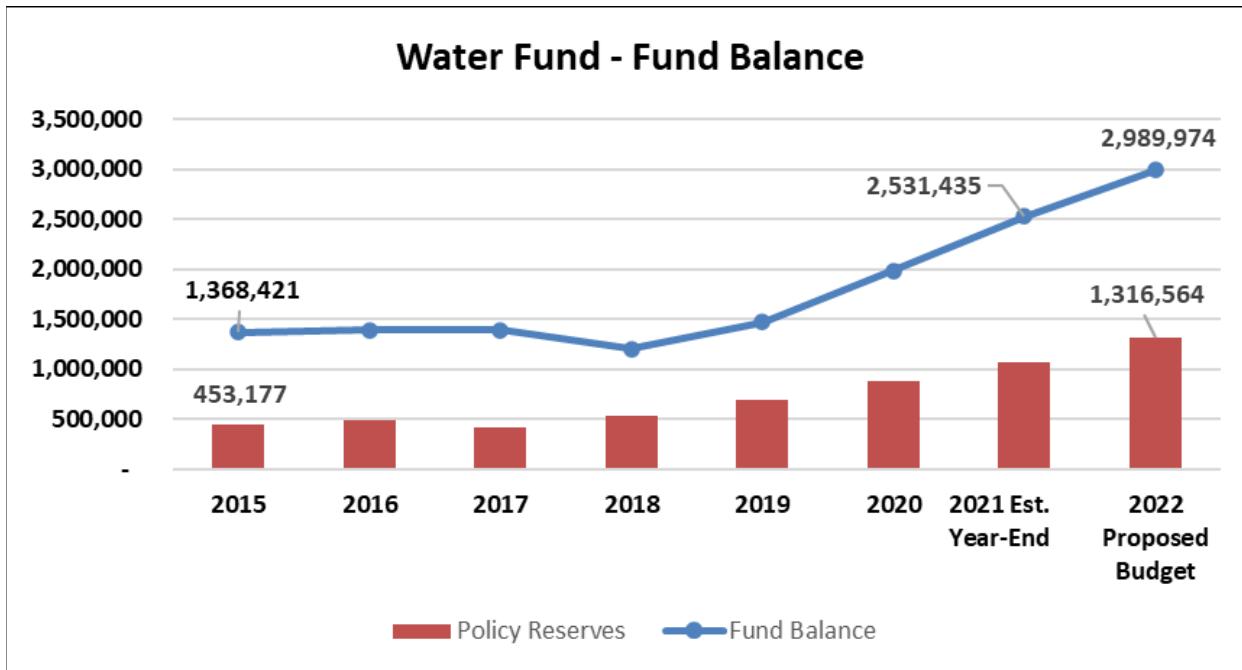
### Utility Fund – Fund Balance:

City Council adopted financial management policies in 2014 to identify reserve requirements to ensure financial stability. As a result, the reserve fund balance in the Water and Storm Water Funds have grown as the City continues to develop. The estimated 2022 operating reserves are 25% in the Water Fund and 24% in the Storm Water Fund when compared to 2022 operating expense. Total reserves including capital and retirement accrual payout reserves are 59% in the Water Fund and 59% in the Storm Fund of 2022 operating expense. In addition, the City is estimating an additional \$1.7 million in excess reserves in the Water Fund.



## 2022 Adopted Budget

City Council has approved the use of capital reserves in the Storm Water Fund of \$155,860 for capital outlay including the purchase of a vacuum excavation truck. Use of the reserves will reduce maintenance cost ongoing. City staff will prepare a financial plan to reimburse the reserve funds over the next 3 - 5 years and present to Council in 2022 during the 2023 budget process.





## 2022 Adopted Budget

### ***Utility Fund New Initiatives:***

New initiatives included in the 2022 operating budget for the utility operating funds total \$276,670 including \$72,500 in transfers to utility capital. In addition, the 2022 capital budget includes \$4.9 million for utility projects identified in the City's capital facilities plans.

The City continues to commit additional resources to the Storm Water fund to address maintenance needs for detention and treatment facilities. In 2022 Council will allocate \$850,000 in CLFRF grant funds to construct a regional storm water treatment facility at the I-5 junction. The regional facility will capture and treat storm water runoff for the area north of Pioneer and west of the freeway. The additional focus on storm needs will address Council goals to be good stewards of the environment.

The new initiatives have been divided between “one-time only” expenses that will end when the project is complete and “ongoing” expenses that will continue from one budget year to the next. A description of these new initiatives is summarized below:

### ***Utility Operating Fund One-Time Only Expense:***

<u>Description</u>	<u>Water</u>	<u>Storm</u>	<u>Total</u>
Engineering Tech	-	1,500	1,500
Confined Space Entry Equipment	-	17,000	17,000
Small Tools & Equipment (One-Time Increase)	-	10,000	10,000
Vacuum Excavation Truck	30,000	50,000	80,000
Utility Pickup	45,000	-	45,000
Hydrant Replacement Project	37,500	-	37,500
Water Tower Ladder Replacement S 56 <sup>th</sup> Settlement Basin	35,000	-	35,000
<b>Utility One-time Expense</b>	<b>\$147,500</b>	<b>\$78,500</b>	<b>\$226,000</b>



## 2022 Adopted Budget

### ***Utility Operating Fund Ongoing Expense:***

<u>Description</u>	<u>Water</u>	<u>Storm</u>	<u>Total</u>
PW Admin Assistant (Increase from 0.5 FTE to 1.0 FTE)	\$17,840	\$2,230	\$20,070
Engineering Tech	-	30,600	30,600
<b>Utility Ongoing Expense</b>	<b>\$17,840</b>	<b>\$32,830</b>	<b>\$50,670</b>

### ***Utility Capital Fund One-Time Only Expense:***

<u>Description</u>	<u>Water</u>	<u>Storm</u>	<u>Total</u>
N 8 <sup>th</sup> Ave and Simons St. Improvements (WSDC and PWTF Loan)	\$215,000	\$0	\$215,000
Pioneer Widening Construction (CLFRF Grant)	1,500,000	-	1,500,000
Ridgefield Junction Regional Storm Facility (CLFRF Grant)	-	850,000	850,000
Royle Road Water Main	650,000	-	650,000
Hydrant Replacement Project	37,500	-	37,500
DT Water Main Improvements Design & Construction	930,000	-	930,000
Kennedy Well Field Construction	720,000	-	720,000
Water Tower Ladder Replacement S 569 <sup>th</sup> Settlement Basin	35,000	-	35,000
<b>Utility One-time Expense</b>	<b>\$4,087,500</b>	<b>\$850,000</b>	<b>\$4,937,500</b>

### ***Full Time Equivalent (FTE) Staff:***

Personnel expense, including salary and benefits are the largest operating expense representing an overall 44.4% or \$8.7 million of the total \$19.5 million operating budget. The 2022 budget reflects 69.25 full-time equivalents, an increase of 9 FTE's when compared to the 2021 year-end



## 2022 Adopted Budget

FTE total. The increase in FTE's includes three positions as 2-year sunset positions. They include an accounting/utility clerk, code enforcement officer, and a senior planner. The budget also includes the following regular positions; HR assistant, admin assistant, engineering tech, parks, and recreation manager and two police officers. In addition, Council approved transitioning two positions that were set to expire at the end of 2021 as regular positions which includes a building inspector and a planner I. Council also approved extending one project position for administrative support one additional year.

The following table provides the allocation of the FTE's by department. For additional information refer to appendix – [Full Time Equivalent Summary](#):

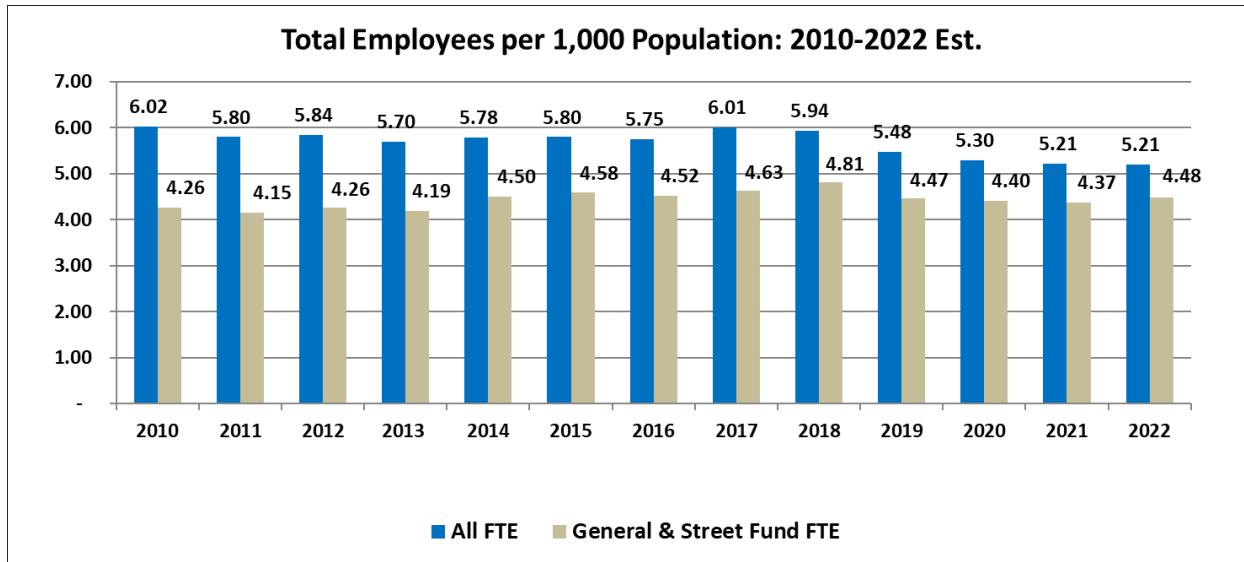
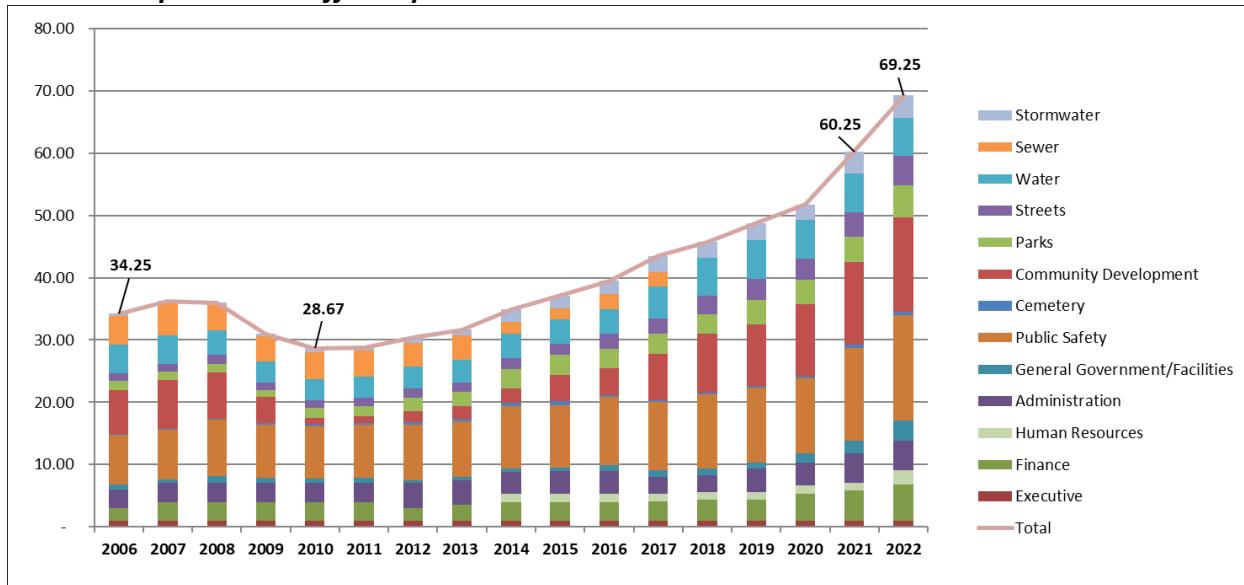
### ***Allocation by Department of Full Time Equivalents:***

<b>Department</b>	<b>2020 Year-End FTE</b>	<b>2021 Year-End FTE</b>	<b>2022 Budget</b>
Executive	1.00	1.00	1.00
Finance	4.30	4.80	5.80
Human Resources	1.30	1.30	2.30
Administration	3.70	4.70	4.70
General Govt/Facilities	1.54	1.97	3.22
Public Safety	12.00	15.00	17.00
Cemetery	0.24	0.47	0.47
Community Development	11.72	13.29	15.17
Parks	3.80	3.97	5.20
Streets	3.42	4.02	4.70
Water Utility	6.22	6.18	6.02
Storm Water Utility	2.51	3.55	3.67
<b>Total Full Time Equivalents</b>	<b>51.75</b>	<b>60.25</b>	<b>69.25</b>



## 2022 Adopted Budget

### Full Time Equivalent Staff Comparison:



### Capital Service Funds

#### REET, Impact Fees and Water System Development Charge Funds:

The combined 2022 revenue budget for these funds total \$10,356,485, a \$194,452 decrease from the 2021 amended budget. The decrease is due to an estimate in reduced single family residential construction in 2022 when compared to 2021. Staff also expect additional use of impact fee credits for both transportation and park impact fees. Impact fees and system development charge revenues are charged to developers on a new development when a



## 2022 Adopted Budget

building permit is issued. The rate charged is based on infrastructure projects identified in a capital facilities plan, indexed by inflation, to consider increasing costs for these facilities. These projects would need to be constructed to meet the increased capacity demand on the city's infrastructure, including parks, streets, and water as a result of growth. Impact fees are associated with transportation and parks. System development charges are associated with water.

The City is forecasting an additional 350,000 square feet of commercial development in 2022. The City expects 500 single family residential permits in 2022, which is a reduction of over 100 permits from the actual permits issued in 2021. For comparison, as of the end of September 2021 the community development department had issued 492 single family residential permits and have an additional 189 permits pending review.

The City does not collect system development charges for sewer, as a result, of the transfer of the sewer collection system to Clark Regional Wastewater District January 1, 2014. School impact fees are collected by the City and remitted to the Ridgefield School District.

Real Estate Excise Tax revenue is generated and charged on the sale of real property when property is sold and is charged as a tax on the sale of real estate.

The 2022 budget reflects a conservative approach and accounts for credits that are issued to developers and used in place of paying for an impact fee. Developers have completed multiple road and park projects from the capital facilities plans. As a result, they received credits toward the payment of impact fees on their projects. The revenue estimates include the expected use of these credits. For traffic impact fees the forecast is for 60% of traffic impact fees to be paid in cash and 40% to be paid by redeeming credits. For park impact fees the estimate is for 85% - 90% of fees to be paid with cash and the remaining 10% - 15% to be paid by redeeming credits. Developer credits result in a reduction in revenue and the City has worked with developers to expand and complete construction of road and park projects listed on the City's capital facilities plan. As a result, of the developers completing several of these projects, additional impact fees credits were issued in the past three years. They're a major consideration in developing the revenue budget. As of the end of September 2021, traffic and park impact fees have a balance in unused credits that can be used towards future building permits, with \$4.6 million associated with traffic and \$47,358 with parks. Water system development charge credit totaled \$220,235. Of the \$4.6 million in traffic impact fee credits \$1.2 million of those are restricted and may only be used in the Union Ridge development, which is commercially zoned on the East side of I-5 and the West side along the freeway corridor North of Pioneer Street. The restricted credits are anticipated to be used in 2022 for commercial development in the Union Ridge area. Revenue estimates for impact fees and water system development charges are based on the City's forecast for 500 single family residential permits and completion of 350,000 square feet of commercial/industrial permits to be issued, less the anticipated credits that will be redeemed.



## 2022 Adopted Budget

The 2021 park impact fee is \$3,533, traffic impact fee is \$4,195 for single family and \$2,569 for multi-family, with an inflationary factor added on January 1 of each year. The water system development charge fee is \$4,440 per equivalent dwelling unit for a 5/8" – 3/4" meter, with an inflationary factor added on January 1 of each year. The inflationary factor effective January 1, 2022 is 5.1%. The City uses the West Region CPI-U to calculate the index. The index is from July 2020 through June of 2021 and is effective on the following January 1.

Following is a summary of the total revenue budget that includes investment earnings in addition to the development fees or charges:

### **2022 Capital Service Fund Revenue:**

Real Estate Excise Tax	\$2,370,000
Park Impact Fee	1,856,785
Traffic Impact Fee	3,212,700
Water System Development Charge	2,917,000
<b>Capital Fund Revenue</b>	<b>\$10,356,485</b>

Capital fund expense consists of transfers to capital projects or debt service funds to cover capital improvements and debt service. Following is a summary of the total expense budget:

### **2022 Capital Service Fund Expense:**

Real Estate Excise Tax	\$1,414,003
Park Impact Fee	3,793,200
Traffic Impact Fee	5,530,000
Water System Development Charge	2,551,865
<b>Capital Fund Expense</b>	<b>\$13,289,068</b>

### **2022 Capital Service Fund – Fund Balance:**

The fund balance in the Capital Service Funds has grown since the great recession and were being set aside for capital improvement projects to help manage the development in Ridgefield. City Council approved use of these funds beginning in 2017 for several high priority projects that were completed in 2018 and 2019. The City budgeted for reduced capital spending in 2020 and 2021 related to design and right of way acquisition. The City has been awarded grant funding for several road projects, including a federal award for \$5.8 million, and will use impact fee funding as a match for these projects. The City will be going to construction on multiple road, park and trail, water, and storm water projects in 2022 with completion likely in 2023. The 2022 projected fund balance for the capital service funds is expected to total \$16.8 million.

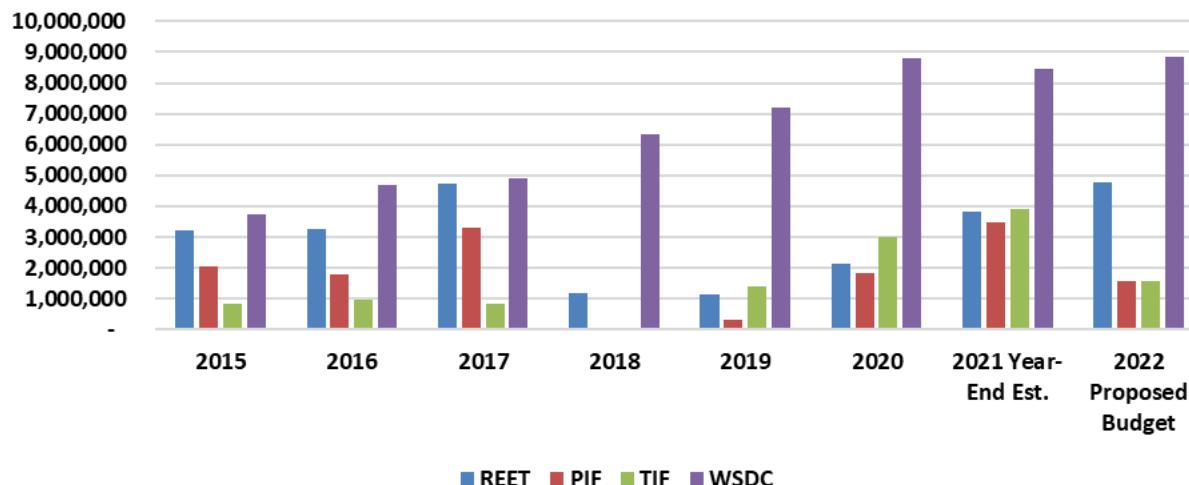


## 2022 Adopted Budget

### 2022 Capital Service Fund Balance:

Real Estate Excise Tax	\$4,786,211
Park Impact Fee	1,560,696
Traffic Impact Fee	1,588,909
Water System Development Charge	8,838,366
<b>Capital Fund Expense</b>	<b>\$16,774,182</b>

### Capital Service Funds - Fund Balance



### Equipment Replacement Fund (ERF):

This fund was created to account for the transfers from operating funds and the expenditures incurred to pay for the replacement of vehicles and large equipment purchases. The associated revenues and expenses are based on a replacement model approved by the City Council. The model is revised and updated annually as a part of the budget process.

### 2022 Equipment Replacement Fund Revenue:

General Fund Transfer	\$400,00
Community Development Transfer	30,000
Street Fund Transfer	50,000
Water Fund Transfer	45,915
Storm Water Fund Transfer	79,000
Other Revenue	125
<b>Equipment Replacement Fund Revenue</b>	<b>\$605,040</b>



## 2022 Adopted Budget

In 2021 Council approved a fleet study to review the replacement policies for vehicles and large equipment items. The study found the City has a higher average age for the fleet than recommended. As a result of the study there are multiple replacements in 2022 for public works vehicles past their useful life. The study also focused on green replacement options. Public Safety began replacing patrol vehicles over the past few years with hybrid models. In 2022 Public Works will begin replacing many of their pickups with hybrid models as well. The study also looked at options for all electric vehicles (EV). City staff are looking at options for potential EV test projects in the future. In 2021 the City will replace the following equipment:

### ***2022 Equipment Replacement Fund Expense:***

Replace 2003 Ford F150	\$48,000
Replace 1997 Ford Ranger	30,000
Replace 2001 Chevrolet K1500	43,500
Replace 1997 John Deere Lawn Mower	17,000
Replace 2005 Chevrolet 3500	53,000
Replace 1998 Chevrolet K1500	43,500
Replace 2013 Ford Taurus	74,000
<b>Equipment Replacement Fund Expense</b>	<b>\$309,000</b>

### ***Capital Project Funds:***

Capital projects are prioritized based on the associated capital facilities plan, the needs of the community, and demands anticipated from new development. The 2022 capital budget is \$28 million. Out of this amount, \$23.1 million is associated with General Government capital projects, which include streets, parks, and building projects. The utility capital projects total budget is \$4.9 million.

### ***Operating Fund Impacts:***

The City is projecting impacts to ongoing operating expense for 2022 projects. The city is hiring a parks and recreation manager in 2022 to assist with the additional parks and trails added through development and construction of City facilities. Council has directed staff to begin offering recreational programs for city residents beginning in the 2022 - 2023 calendar years. The estimated additional personnel expense is \$110,000 indexed annually for cost-of-living adjustments and paid from the General Fund. Equipment is estimated to be an additional \$5,000 in one-time expense. Expense related to recreational programs has not been determined. The new parks and recreation manager will be tasked with recommending programs the City will offer. Many of these programs are expected to be offered beginning in 2023.

The City is also hiring a new engineering tech to assist with the tremendous growth in the city. The Tech will focus on engineering review for new development and storm water permit



## ***2022 Adopted Budget***

management related to the storm water runoff construction projects the city has completed over the past two years and upcoming projects in 2022 – 2025. The 2022 ongoing expense will be \$102,600 and will be indexed annually for cost-of-living adjustments and paid from the General Fund, Storm Fund and through building permit revenue. Staff are expecting limited additional expense related to the road projects. Staffing will be reallocated for right of way maintenance. The additional parks projects will add future needs for additional staffing as the city improves parkland at three additional sites in the city. Staff will review maintenance needs during the preparation of the updated 6-year business plan to determine the additional labor implications. City Council approved a plan to add two seasonal positions for facilities and storm maintenance. Seasonal staff will increase from two positions to four positions. The estimated expense is \$27,600 in General Fund, \$27,600 in the Street Fund, and \$55,300 in the Storm Water Fund.

Limited additional expense is expected from the City's 2022 capital projects. As the City completes construction of new road projects, adding additional roads to the City, it is expected there will be costs in the 2023 – 2024 timeframe ongoing for road and storm water system maintenance.

No additional personnel expense is expected in the water department related to the new Kennedy well field. Initial estimates have not been calculated to date on increased energy cost as a result of the new well. Staff are expecting an increase despite using energy efficient pumps for the project. Prior wells added in 2020 were estimated to increase energy cost by \$2,200 annually. The well fields are expected to be outfitted and placed into use in 2023. Staff will need to add additional telemetry monitoring to the ongoing contract with our engineering contractor. The 2022 budget increased \$5,000 annually to absorb the additional quarterly monitoring as the City begins construction. The Royle Road water main project is expected to improve water system reliability in the Royle Road area where significant development has occurred. This should reduce the need for on call staff to work additional hours during the high usage months. Replacement of the water lines in the downtown area from 4" and 6" lines that are close or past their useful lives, to 8" lines will reduce maintenance and water leakage, in an area that has the oldest remaining water lines in the City.

The City is forecasting a slight increase of \$15,000 in utility expense at the new Public Works Operations Facility when compared to usage at the old facility. Staff are expected to transition to the facility in the first quarter of 2022.



## 2022 Adopted Budget

### Operating Funds Impact:

Expense	Description	Ongoing Expense	One-Time Expense
Engineering Tech	Hire in 2022	\$102,600	\$5,000
Parks & Recreation Manager	Hire in 2022	110,000	5,000
Seasonal Workers - Parks	Hire in 2022	27,600	-
Seasonal Workers – Streets	Hire in 2022	27,600	-
Seasonal Workers – Storm	Hire in 2022	55,300	-
Telemetry Expense	2022 – 2023	5,000	-
Public Works Operations Facility	Utility and operating expense in 2022 ongoing	15,000	-

Funding for these projects, is summarized below:

### 2022 Capital Project Fund Revenue:

General Fund	\$104,720
Grants	9,012,280
General Obligation Bonds	250,000
Debt Funding	6,130,000
General Fund Transfer	371,000
Park Impact Fees Transfer	3,793,200
Traffic Impact Fees Transfer	5,530,000
Transportation Benefit District Transfer	350,000
Developer Share	99,000
Water Operating Fund Transfer	72,500
Water System Develop Charge Transfer	2,515,000
<b>Capital Project Revenue</b>	<b>\$28,227,700</b>



## 2022 Adopted Budget

The 2022 capital budget includes the following projects:

### 2022 Capital Project Fund Expense:

Fund	Description	Expense
General Fund	Public Safety Building Tenant Improvements	225,000
General Capital – Facilities	Public Works Operation Facility Tenant Improvements	250,000
General Capital – Streets	Royle Road Final Design & ROW Acquisition	1,595,000
General Capital – Streets	Royle Road Roundabout Construction	2,600,000
General Capital – Streets	S 35 <sup>th</sup> Ave Extension Alternatives Analysis	99,000
General Capital – Streets	Pioneer Street East Extension Roundabout Design	650,000
General Capital – Streets	Pioneer Street East Extension Construction	5,872,000
General Capital – Streets	N 8 <sup>th</sup> Ave & Simons – Road and Storm Water	296,000
General Capital – Streets	Hillhurst Multi Modal Trail Construction	275,000
General Capital – Streets	I-5 and Pioneer Street Overpass Art	50,000
General Capital – Streets	I-5 Safety Screen	250,000
General Capital – Streets	Pioneer Street & 51 <sup>st</sup> Ave Roundabout Design	350,000
General Capital – Streets	Pioneer Street Widening Construction – Road and Storm Water	6,130,000
General Capital – Streets	Pavement Preservation Program	600,000



## 2022 Adopted Budget

<b>Fund</b>	<b>Description</b>	<b>Expense</b>
General Capital – Streets	Sidewalk Restoration program	20,000
General Capital – Parks	Overlook Park Splash Pad Construction	500,000
General Capital – Parks	Horns Corner Park Ph 1	260,000
General Capital – Parks	Abrams Park Upgrades	40,000
General Capital – Parks	Abrams Park Bridge Maintenance	20,000
General Capital – Parks	Gee Creek Trail Heron Drive to Main Ave.	93,200
General Capital – Parks	Boyse Park Planning & Design	165,000
General Capital – Parks	Smythe to Reiman Trail Construction	775,000
General Capital – Parks	Parkland Purchase	1,000,000
General Capital – Parks	YMCA Site Plan and Design	205,000
General Capital – Parks	Mayor's Meadow Trail & Covered Bridge Design	420,000
General Capital – Parks	Skate Park Alternatives Analysis	75,000
General Capital – Parks	Refuge Park Ph 1	225,000
General Capital – Parks	Boyse Park Property Purchase Annual Installment	250,000
Water Utility Capital	N 8 <sup>th</sup> Ave/Simons St Improvement (Water Lines)	215,000



## 2022 Adopted Budget

<b>Fund</b>	<b>Description</b>	<b>Expense</b>
Water Utility Capital	Royle Road Water Main	650,000
Water Utility Capital	Pioneer Street Widening Construction – Water Line	1,500,000
Water Utility Capital	Hydrant Replacement Project	37,500
Water Utility Capital	Downtown Water Main Improvements Design & Construction	930,000
Water Utility Capital	Kennedy Well Field Construction	720,000
Water Utility Capital	Water Tower Ladder Replacement	35,000
Storm Water Utility Capital	Ridgefield Regional Storm Water Facility	850,000
<b>Capital Project Expense</b>		<b>\$28,227,700</b>

### ***Special Revenue Funds***

The Drug Fund is funded by revenues received from drug seizure/forfeitures, fines and penalties related to drug and alcohol offenses, and proceeds from the soft drink machines located at the police department. The Drug Fund revenue is estimated to be \$760. In 2022 the City has no expense budgeted from this fund.

The Affordable Housing Fund was adopted by Council on July 9, 2020 and was effective September 1, 2020. The fund adoption was the result of House Bill 1406, allowing the City to adopt a sales and use tax for affordable housing and crediting it against the state portion of sales and use tax. The revenue estimate for 2022 is \$31,025 and there is no expense budgeted for 2022. Council will review options for use of the new funding source in 2022.

The Transportation Benefit District (TBD) Fund was adopted in December 2018 to account for the receipt of vehicle licensing fees. City Council adopted the vehicle license fee, as an additional funding source for the Pavement Preservation Program. The Department of Licensing began collecting the vehicle licensing fees in June 2019. City Council earmarked the revenue received from the vehicle licensing fees for the Pavement Preservation Program to increase the amount of maintenance the City can complete annually. Council adopted an increase in the vehicle licensing fee in July 2021. Council also adopted Resolution No. 596 asking the voters to approve a 0.2% sales tax for pavement preservation. In the event the sales tax option is



## 2022 Adopted Budget

approved by the voters Council has indicated they will repeal the vehicle licensing fee. The estimated revenue from vehicle licensing fees in 2022 is \$301,750. The estimated revenue from the sales tax if approved is \$357,000.

### ***Municipal Debt***

#### ***Debt Management Policies***

The City has a formal debt management policy adopted by Council ([see Appendix](#)). The policy guides all aspects of the City's debt issuance and post issuance compliance. The City added detailed post issuance compliance procedures ([Financial Procedure #10.1: Post Issuance Compliance \(Governmental Bonds\)](#) in October 2017.

#### ***Municipal Debt Capacity***

There are four types of General Obligation Debt that the City is currently authorized to use for financing purposes. They each have statutory limitations and require approval by either the City Council or City voters.

1. **General Purpose Councilmanic Debt:** The City Council may approve bond issues without voter approval up to 1.5% of the City's assessed valuation. Prior to the passage of new legislation in 1994, councilmanic debt was available for lease-purchase contracts only (RCW 35.43.200). This statutory authority can be used for any municipal purpose now, including using the entire 1.5% for bonds. Councilmanic debt must be approved by a majority of the City Council and must be repaid from existing revenue sources. In July of 2017, the City Council authorized the issuance of bonds to construct the Ridgefield Outdoor Recreation Complex. In October 2017 the City issued \$9,455,000 in bonds that will be repaid over 30 years. In May of 2018, the City Council authorized the issuance of bonds totaling \$6,705,000 to complete construction of the Ridgefield Outdoor Recreation Complex. The bonds will be repaid over 20 years. On May 14, 2020, the City Council authorized the issuance of bonds up to \$4,400,000 to purchase land and a commercial building for a new Public Works Operations Center in 2020 and complete needed tenant improvements and equipment purchases in 2021 and 2022. The final issuance up to the full amount of \$4,400,000 occurred in May 2021. The bonds will be repaid over 15 years. In 2022 the City Council can levy up to an estimated \$39,588,693, or 1.5%, of the City's estimated assessed value. Because the City currently has outstanding Councilmanic debt of \$19,438,000, the remaining Councilmanic Debt Capacity for 2022 is \$20,150,693.

2. **General Purpose Voted Debt:** As authorized by the Revised Code of Washington (RCW) 39.36.020(2), the public may vote to approve bond issues for general government in an amount not to exceed 2.5% of the value of all taxable property within the City. This requires a 60% vote of the City electorate and must have a voter turnout of at least 40% of the last State general election. The debt would be repaid from an increase to the City's existing property tax levy. An amount up to 2.5% of the City's assessed value can be levied or an estimated \$65,981,155 for



## 2022 Adopted Budget

2022. Because the City currently has outstanding Councilmanic debt of \$19,438,000 (as noted above), the remaining Voted Debt Capacity for 2022 is \$46,543,155.

**The total General Purpose Voted Debt and Councilmanic Debt cannot exceed 2.5% of the City's assessed value.**

Under RCW 39.36.030(4), the public may also vote to approve park facilities and utility bond issues, each of which is also limited to no more than 2.5% of the City's assessed valuation.

3. **Parks and Open Space Debt:** The City is authorized to issue debt and increase the property tax levy for acquiring or developing open space and park facilities. This requires a 60% vote of the City electorate and must have a voter turnout of at least 40% of the last State general election. Debt is repaid from the increased property tax levy. An amount up to 2.5% of the City's estimated assessed value, less outstanding debt, can be levied or \$65,981,155 for 2022.

4. **Utility Purpose Debt:** The City is authorized to issue debt and increase the property tax levy for utility purposes if a utility is owned and controlled by the City. This requires a 60% vote of the City electorate and must have a voter turnout of at least 40% of the last State general election. Debt is repaid from the increased property tax levy. An amount up to 2.5% of the City's estimated assessed value, less outstanding debt, can be levied or \$65,981,155 for 2022.

The City's estimated legal debt margin for the fiscal year 2022 is calculated below:

<b><i>Estimated Legal Debt Margin Calculation for Fiscal Year 2021</i></b>	
Assessed Value	\$ 2,639,246,206
Debt limit (7.5% of total assessed value)	197,943,465
Debt applicable to limit:	
General obligation bonds	19,438,000
Less: Amount set aside for repayment	
of general obligation debt	-
Notes	-
Total net debt applicable to limit	19,438,000
<b>Legal debt margin</b>	<b>\$ 178,505,465</b>

### ***Long Term Debt***

Total outstanding debt as of the end of 2021 was \$19.7 million with \$19.4 million of this debt associated with general government projects and \$277,616 million associated with storm water



## ***2022 Adopted Budget***

utility projects. The City has a debt reserve policy requiring the City to set aside the debt service payments for the following year in the amount of \$1,408,994 in General Government (Real Estate Excise Tax) and \$19,566 in the storm water utility funds.

The City has multiple types of long-term liabilities that were used to fund City Capital Projects. The City pays annual principal and interest payments for each of these outstanding liabilities.

The City replaced police radios in 2016 as a result of system wide changes to dispatch at Clark Regional Emergency Services Agency (CRESA). As a result of the overall change, radios were purchased for every agency on a contract with the vendor. The final payment was paid one year early in 2020.

The City issued councilmanic General Obligation bonds in 2017 and 2018 to fund the construction of the Ridgefield Outdoor Recreation Complex (RORC). Debt service for the bonds will be paid from Real Estate Excise Taxes. In 2018, the City began making interest payments on the General Obligation bonds issued for RORC. The City began making principal payments on the 2017 issuance in 2019 and made the first principal payment on the 2018 issuance in 2021.

The City issued councilmanic General Obligation bonds in 2020 for up to \$4,400,000 to purchase land and a commercial building and complete needed tenant improvements for a new Public Works Operations Center. The City issued \$3,935,000 in 2020 for the purchase and took the final \$465,000 draw in May 2021. The City will complete tenant improvements and the purchase of equipment early in 2022.

The Water Utility Department obtained Drinking Water State Revolving Fund loans to fund two projects at the I-5 junction. The projects constructed a new well and transmission system and a 1-million-gallon reservoir to support the growth within the city. Debt service for both loans will be paid from Water System Development Charges. The City paid the loans off in 2021, fifteen years earlier than scheduled.

The Storm Water Utility Department obtained a Public Works Trust Fund loan to fund design and pre-construction for multiple storm treatment projects in the downtown core. The City completed the project in September 2021. The has a remaining balance of \$277,616. The loan term is 18 years.

The City budgets annual debt service based on the amortization schedule. For additional information refer to schedule of debt service ([see Appendix](#)).



## 2022 Adopted Budget

Liabilities are listed below:

Debt	Description	Balance	2022 Debt Service
2017 LTGO Issuance	2017 Issuance of bonds for the Ridgefield Outdoor Recreation Complex	\$8,850,000	\$533,275
2018 LTGO Issuance	2018 Issuance of bonds for the Ridgefield Outdoor Recreation Complex	6,435,000	528,750
2020 LTGO Issuance	2020 Issuance of bonds for the purchase of land, commercial building, and tenant improvements for Public Works Operations Center (Estimate)	4,153,000	351,978
PWTF Loan	Public Works Trust Fund loan to complete preconstruction design for multiple downtown storm water projects	277,616	19,809
<b>Total Outstanding Debt</b>		<b>\$19,715,616</b>	<b>\$1,433,812</b>

### Investments

The city invests public funds in a manner which provides a market return, with maximum security of investment principal, while providing adequate liquidity to meet the daily cash flow requirements. The City invests public funds in accordance with all federal, state, and local statutes governing the investment of public funds and prudent money management. The City has a formal investment policy ([see Appendix](#)) adopted by Council.

### In Closing

The City of Ridgefield continues to review budget best practices and implement new strategies to remain fiscally responsible to our citizens. The City Management team, Budget Advisory Committee and City Council have spent significant time in reviewing the 2022 proposed budget. I am proud to propose the 2022 balanced operating and capital budgets for adoption.

Respectfully,

  
Kirk Johnson,  
Finance Director



## ***2022 Adopted Budget***

### ***Executive Summary by Fund***

The following table includes a summary of the beginning and projected ending fund balance after budgeted revenue and expense for 2022. General Fund balance is expected to decrease approximately 12% in 2022 due to the use of \$1.1 million in CLFRF grant funds received in 2021 that will be transferred to capital project funds for strategic infrastructure projects. An additional \$293,000 in reserves will be used in the General Fund for one-time only capital outlay. Water Utility Fund balance is expected to increase 18.1% due to a forecasted increase in new accounts of 23%. Storm Water Fund balance is expected to increase 3.8% by year-end 2022 due to an increase in new accounts. The Storm Water Utility Fund will use capital reserve balances for one-time capital outlay.

Drug Fund balance is expected to increase 14.5% by year-end 2022. The Affordable Housing fund will continue collecting receipts for this new funding source and see an increase of 76.1%. Council will discuss the potential use of these funds in 2022. The Transportation Benefit District fund balance is expected to decrease 24.7% as the City will budget the use of the funds to fund the pavement preservation program.

The Capital Service Funds, REET and WSDC will see fund balance increases due to anticipated development activity of 25%, 4.3%. The impact fee funds, TIF and PIF will see reductions in fund balance of 55.4% and 59.3% respectively to fund capital projects. These funds are restricted for specific purposes and the City will continue to leverage these funds for future capital projects included in the City's capital facility plans.



## 2022 Adopted Budget

### 2022 Executive Summary - All Funds

		Beginning Fund Balance	2022 Budgeted Revenue	2022 Budgeted Expense	Ending Fund Balance	Change In Fund Balance
<b>Operating Funds</b>						
001	General Fund	\$ 11,585,325	\$ 13,673,685	\$ 15,066,585	\$ 10,192,425	\$ (1,392,900)
101	Street Fund	97,107	956,895	946,890	107,112	\$ 10,005
406	Water Operating	2,531,435	2,854,555	2,396,016	2,989,974	\$ 458,540
408	Stormwater Operating	440,060	1,158,395	1,141,622	456,833	\$ 16,773
<i>Total Operating Funds</i>		<b>14,653,927</b>	<b>18,643,530</b>	<b>19,551,112</b>	<b>13,746,345</b>	<b>\$ (907,582)</b>
<b>Capital Service Funds</b>						
105	Real Estate Excise Tax	3,830,214	2,370,000	1,414,003	4,786,211	955,997
114	Park Impact Fee	3,497,111	1,856,785	3,793,200	1,560,696	(1,936,415)
115	Traffic Impact Fee	3,906,209	3,212,700	5,530,000	1,588,909	(2,317,300)
416	Water Utility SDC	8,473,231	2,917,000	2,551,865	8,838,366	365,135
<i>Total Capital Service Funds</i>		<b>19,706,765</b>	<b>10,356,485</b>	<b>13,289,068</b>	<b>16,774,182</b>	<b>(2,932,583)</b>
<b>Special Revenue Funds</b>						
111	Drug Fund	5,252	760	-	6,012	760
140	Affordable Housing	40,781	31,025	-	71,806	31,025
150	Transportation Benefit District	195,021	301,750	350,000	146,771	(48,250)
<i>Total Special Revenue Funds</i>		<b>241,054</b>	<b>333,535</b>	<b>350,000</b>	<b>224,589</b>	<b>(16,465)</b>
<b>Debt Service Fund</b>						
200	Debt Service	-	1,414,003	1,414,003	-	-
<i>Total Debt Service Fund</i>		<b>-</b>	<b>1,414,003</b>	<b>1,414,003</b>	<b>-</b>	<b>-</b>
<b>Capital Project/Equipment Replacement Construction Funds</b>						
300	General Capital Projects	1,110,346	23,562,654	23,065,200	1,607,800	497,454
410	Water Utility Capital Projects	16,536	4,087,500	4,087,500	16,536	-
412	Storm Utility Capital Projects	-	850,000	850,000	-	-
501	Equipment Replacement (ERF)	288,278	605,040	309,000	584,318	296,040
<i>Total Capital/ERF</i>		<b>1,415,160</b>	<b>29,105,194</b>	<b>28,311,700</b>	<b>2,208,654</b>	<b>793,494</b>
<i>Total Budget</i>		<b>\$ 36,016,906</b>	<b>\$ 59,852,747</b>	<b>\$ 62,915,883</b>	<b>\$ 32,953,770</b>	<b>\$ (3,063,136)</b>



## 2022 Adopted Budget

### 2022 Executive Summary - Operating Funds Comparison

Description	General Fund	Street Fund	Water Fund	Stormwater Fund	Total
<b>2022 Budget</b>					
<b>Revenue</b>					
Property Tax	1,940,000	-	-	-	1,940,000
Retail Sales	4,220,025	-	-	-	4,220,025
Utility Taxes	1,589,810	120,715	-	-	1,710,525
Other Taxes	12,025	-	-	-	12,025
License & Permits	1,950,710	20,000	-	-	1,970,710
Planning & Development	1,417,400	-	-	-	1,417,400
Fines & Forfeits	64,000	-	-	-	64,000
Charge for Goods & Svrc	644,030	-	2,843,555	1,155,395	4,642,980
Intergovernmental/Grant	1,643,785	238,485	-	-	1,882,270
Other Rev/Donations	191,900	525	11,000	3,000	206,425
Transfers In	-	577,170	-	-	577,170
<b>Total Revenue</b>	<b>13,673,685</b>	<b>956,895</b>	<b>2,854,555</b>	<b>1,158,395</b>	<b>18,643,530</b>
<b>Expense</b>					
Personnel	6,857,146	522,040	789,955	519,848	8,688,988
Operations	3,638,400	374,850	1,410,846	410,774	5,834,870
Capital Outlay	488,000	-	75,000	67,000	630,000
Capital Leases	304,870	-	1,800	-	306,670
Transfers Out	3,778,169	50,000	118,415	79,000	4,025,584
Debt Service	-	-	-	65,000	65,000
<b>Total Expenditures</b>	<b>15,066,585</b>	<b>946,890</b>	<b>2,396,016</b>	<b>1,141,622</b>	<b>19,551,112</b>
<b>Increases (Decreases) in Fund Balance</b>	<b>(1,392,900)</b>	<b>10,005</b>	<b>458,540</b>	<b>16,773</b>	<b>(907,582)</b>

<b>2021 Estimated Year-End</b>					
<b>Revenue</b>					
Property Tax	1,680,048	-	-	-	1,680,048
Retail Sales	4,265,260	-	-	-	4,265,260
Utility Taxes	1,405,610	113,042	-	-	1,518,652
Other Taxes	10,923	-	-	-	10,923
License & Permits	2,198,303	13,538	-	-	2,211,841
Planning & Development	1,337,910	-	-	-	1,337,910
Fines & Forfeits	68,472	-	-	-	68,472
Charge for Goods & Svrc	616,862	-	2,819,057	952,873	4,388,792
Intergovernmental/Grant	1,600,093	200,498	-	-	1,800,591
Other Rev/Donations	406,041	-	571	(2,786)	403,826
Transfers In	-	624,438	2,564,193	-	3,188,631
<b>Total Revenue</b>	<b>13,589,522</b>	<b>951,516</b>	<b>5,383,821</b>	<b>950,087</b>	<b>20,874,946</b>
<b>Expense</b>					
Personnel	5,231,405	507,213	734,407	346,693	6,819,718
Operations	2,681,154	327,774	1,362,824	398,756	4,770,508
Capital Outlay	246,309	-	-	50,584	296,893
Capital Leases	114,875	-	1,800	-	116,675
Transfers Out	993,062	33,175	173,553	191,529	1,391,319
Debt Service	-	-	2,564,193	32,237	2,596,430
<b>Total Expenditures</b>	<b>9,266,805</b>	<b>868,162</b>	<b>4,836,777</b>	<b>1,019,799</b>	<b>15,991,543</b>
<b>Increases (Decreases) in Fund Balance</b>	<b>4,322,717</b>	<b>83,354</b>	<b>547,044</b>	<b>(69,712)</b>	<b>4,883,403</b>



## 2022 Adopted Budget

### 2022 Executive Summary - Operating Funds Comparison

Description	General Fund	Street Fund	Water Fund	Stormwater Fund	Total
<b>2021 Amended Budget</b>					
<b>Revenue</b>					
Property Tax	1,665,000	-	-	-	1,665,000
Retail Sales	4,157,525	-	-	-	4,157,525
Utility Taxes	1,353,890	95,491	-	-	1,449,381
Other Taxes	7,500	-	-	-	7,500
License & Permits	2,159,860	20,000	-	-	2,179,860
Planning & Development	1,246,010	-	-	-	1,246,010
Fines & Forfeits	69,700	-	-	-	69,700
Charge for Goods & Srvc	586,328	-	2,798,635	947,920	4,332,883
Intergovernmental/Grant	1,670,704	220,610	-	-	1,891,314
Other Rev/Donations	462,800	1,025	10,000	3,000	476,825
Transfers In	-	624,438	2,596,158	-	3,220,596
<b>Total Revenue</b>	<b>13,379,317</b>	<b>961,564</b>	<b>5,404,793</b>	<b>950,920</b>	<b>20,696,594</b>
<b>Expense</b>					
Personnel	5,634,262	516,393	785,090	388,835	7,324,580
Operations	3,152,145	394,300	1,390,327	366,051	5,302,823
Capital Outlay	330,516	-	-	50,000	380,516
Capital Leases	134,183	-	1,800	-	135,983
Transfers Out	1,120,278	33,175	190,011	285,866	1,629,330
Debt Service	-	-	2,596,158	75,000	2,671,158
<b>Total Expenditures</b>	<b>10,371,384</b>	<b>943,868</b>	<b>4,963,386</b>	<b>1,165,752</b>	<b>17,444,390</b>
<b>Increases (Decreases) in Fund Balance</b>	<b>3,007,933</b>	<b>17,696</b>	<b>441,407</b>	<b>(214,832)</b>	<b>3,252,204</b>

<b>2020 Actual</b>					
<b>Revenue</b>					
Property Tax	1,472,230	-	-	-	1,472,230
Retail Sales	3,151,630	-	-	-	3,151,630
Utility Taxes	1,244,333	91,842	-	-	1,336,175
Other Taxes	2,116,847	-	-	-	2,116,847
License & Permits	1,299,777	21,297	-	-	1,321,074
Planning & Development	57,825	-	-	-	57,825
Fines & Forfeits	503,187	-	-	-	503,187
Charge for Goods & Srvc	601,388	-	2,285,249	849,327	3,735,964
Intergovernmental/Grant	307,619	189,754	22,056	15,731	535,160
Other Rev/Donations	-	3	4,995	4,022	9,020
Transfers In	-	401,850	198,530	-	600,380
<b>Total Revenue</b>	<b>10,754,836</b>	<b>704,746</b>	<b>2,510,830</b>	<b>869,080</b>	<b>14,839,492</b>
<b>Expense</b>					
Personnel	4,738,941	363,922	659,865	288,152	6,050,880
Operations	2,350,196	241,439	1,084,500	301,076	3,977,211
Capital Outlay	348,913	66,478	21,138	-	436,529
Capital Leases	121,909	-	-	-	121,909
Transfers Out	718,063	21,740	36,775	30,261	806,839
Debt Service	40,448	-	197,937	-	238,385
<b>Total Expenditures</b>	<b>8,318,470</b>	<b>693,579</b>	<b>2,000,215</b>	<b>619,489</b>	<b>11,631,753</b>
<b>Increases (Decreases) in Fund Balance</b>	<b>2,436,366</b>	<b>11,167</b>	<b>510,615</b>	<b>249,591</b>	<b>3,207,739</b>



## 2022 Adopted Budget

### 2022 Executive Summary - Operating Funds Comparison

Description	General Fund	Street Fund	Water Fund	Stormwater Fund	Total
<b>2019 Actual</b>					
<b>Revenue</b>					
Property Tax	1,288,393	-	-	-	1,288,393
Retail Sales	3,250,290	-	-	-	3,250,290
Utility Taxes	1,095,607	72,002	-	-	1,167,609
Other Taxes	5,127	-	-	-	5,127
License & Permits	1,302,769	18,528	-	-	1,321,297
Planning & Development	1,243,980	-	-	-	1,243,980
Fines & Forfeits	74,827	-	-	-	74,827
Charge for Goods & Srvc	564,533	-	1,939,937	676,722	3,181,192
Intergovernmental/Grant	314,624	177,662	-	-	492,286
Other Rev/Donations	238,898	1,694	12,652	(225)	253,019
Transfers In	-	328,125	200,310	-	528,435
<b>Total Revenue</b>	<b>9,379,048</b>	<b>598,011</b>	<b>2,152,899</b>	<b>676,497</b>	<b>12,806,455</b>
<b>Expense</b>					
Personnel	4,252,944	313,842	662,875	275,492	5,505,153
Operations	2,435,721	193,072	912,617	315,345	3,856,755
Capital Outlay	292,007	73,628	108	37,873	403,616
Capital Leases	121,909	-	-	-	121,909
Transfers Out	593,141	20,333	32,623	29,668	675,765
Debt Service	20,224	-	200,310	-	220,534
<b>Total Expenditures</b>	<b>7,715,946</b>	<b>600,875</b>	<b>1,808,533</b>	<b>658,378</b>	<b>10,783,732</b>
<b>Increases (Decreases) in Fund Balance</b>	<b>1,663,102</b>	<b>(2,864)</b>	<b>344,366</b>	<b>18,119</b>	<b>2,022,723</b>



## ***2022 Adopted Budget***

### ***Boards, Commissions and Committees***

The City of Ridgefield has several boards, commissions, and committees. The boards and commissions were created by City Ordinance and committees were set by Council approved policy to serve as advisory bodies to the City Council and staff.

To assure the health and safety of the general public during this COVID pandemic, and compliance with Governor Inslee's Proclamation 20-28.14, the City of Ridgefield will conduct public meetings in person with full online access through webinar. Public meetings include City Council meetings, Planning Commission and Parks Board.

#### ***Planning Commission***

The Planning Commission is comprised of seven volunteer citizens who advise the City Council on planning, development, and growth issues for the community. The commission reviews and makes recommendation to the City Council on updates to the City's Comprehensive Plan and Capital Facilities Plans, Development Code regulations, shoreline management regulations, environmental protection regulations, general development policy, and other matters as directed by the City Council. The Commission does not conduct quasi-judicial hearings on land use applications as the City uses a Hearings Examiner to review such proposals. Planning Commission meetings are held on the first Wednesday of each month. For more information refer to RMC 2.12 – Planning Commission.

#### ***Civil Service Commission***

The Civil Service Commission is comprised of three volunteer citizens who preside over the manner in which police officer candidate examinations are held as well as how appointments and promotions are made. The Commission is also responsible for hearing complaints, conducting investigations and hearings, and determining appeals regarding police officers and other matters connected with personnel administration of the Police Department. Commissioners must be citizens of the United States, must have been residents of the City of Ridgefield for at least three years, and must be eligible to vote in Clark County. Civil Service Commission meetings are held on the second Tuesday of each month. For more information refer to RMC 2.64 – Civil Service System.

#### ***Parks Board***

The Parks Board is comprised of seven volunteer citizens who advise the City Council on parks planning, parks acquisition, operations, and maintenance within the current and future city limits of Ridgefield. Eligible members include residents, property owners and business owners within the urban growth area of the City, as well as citizens residing within the boundaries of the Ridgefield School District. Parks Board meetings are held on the second Wednesday of each month. For more information refer to RMC 2.56 – Ridgefield Parks Board.



## ***2022 Adopted Budget***

### ***Salary Commission***

The Ridgefield Salary Commission was created on April 24, 2014, as a five-member independent body with the authority to set the salary of the members of the Council. An independent salary commission studies the relationship of the Ridgefield City Council members' duties and salaries to Council members in comparable City jurisdictions and fixes salaries based on that comparison as well as the City's budget and other market conditions. The Commission meets as often as necessary each year, with a first meeting no later than March 31 and actively solicits public comment for consideration when making a salary determination. The Commission files a salary schedule with the city clerk on or before May 31 which is published in the same manner as a city ordinance. The salary schedule is then incorporated into the city budget without further action of the city council. For more information refer to RMC 2.62 – Independent Salary Commission.

### ***Cemetery Board***

The Cemetery Advisory Board is comprised of three volunteer residents. The Board is established to provide advisory assistance and recommendations to the Public Works Director on cemetery operations and maintenance within the city limits of Ridgefield. Meetings of the board shall be held at least three times per calendar year. For more information refer to RMC 2.52.160 – 2.52.200 – Ridgefield City Cemetery (Advisory Board).

### ***Budget Advisory Committee***

The Budget Advisory Committee consists of two City Council members, City Executive Management, and one citizen member appointed by Council. The main role of the Budget Advisory Committee is to serve in an advisory capacity to assist in development of an annual budget that reflects the City's top priorities. The Budget Advisory Committee also provides open and transparent communication among the participants and the citizens of Ridgefield. For more information refer to Financial Policy #07: Budget [Budget Advisory Committee](#).



## ***2022 Adopted Budget***

### ***Labor Relations***

The City currently has 59 full-time positions and 2 part-time positions. The City will be adding 9 full-time positions for a total of 68 full-time and 2 part-time positions. There are two collective bargaining units within the City, Chauffer's, Teamsters and Helpers, Local 58 ("Teamsters") and the Ridgefield Police Officers Association ("RPOA"). Teamsters will represent 37 employees across all City Departments including Public Works positions and clerical staff. The RPOA represents the City's Police Officers and Police Sergeants which will consist of 12 positions. The City will also employ 21 non-represented staff including department directors, supervisors, and professional positions which are primarily in its engineering and community development departments.

The City negotiates with each union separately using an interest based bargaining process. The collective bargaining agreements with the Teamsters and the RPOA both had an expiration date of December 31, 2021. Due to uncertainties due to the Covid-19 pandemic and a mutual agreement that no contract changes were necessary, the City and Teamsters negotiated and agreed to extend the contract for one year with no operational changes and a cost-of-living salary increase effective January 1, 2022. The City will enter negotiations with RPOA with a goal of reaching agreement for a longer-term contract prior to expiration.

The City's priorities when entering negotiations with each union include using the collective bargaining process to accomplish the mission and goals of the City; sustaining open communication and effective working relationships; maintaining a fair total compensation package, making any changes necessary to maintain effective City services as well as remaining fiscally responsible; and complying with all federal and state labor laws in the process.

A significant event occurred in 2020 for the RPOA union. RPOA retained new legal counsel to assist with negotiations and any other bargaining issues. The previous legal counsel had represented RPOA for at least 12 years. In addition, the employee representative for Teamsters resigned from employment and a new representative was appointed. The City does not anticipate any changes in relationship with either union or bargaining strategy due to the changes.



## *2022 Adopted Budget*

## *IV. Department Summary*



## 2022 Adopted Budget

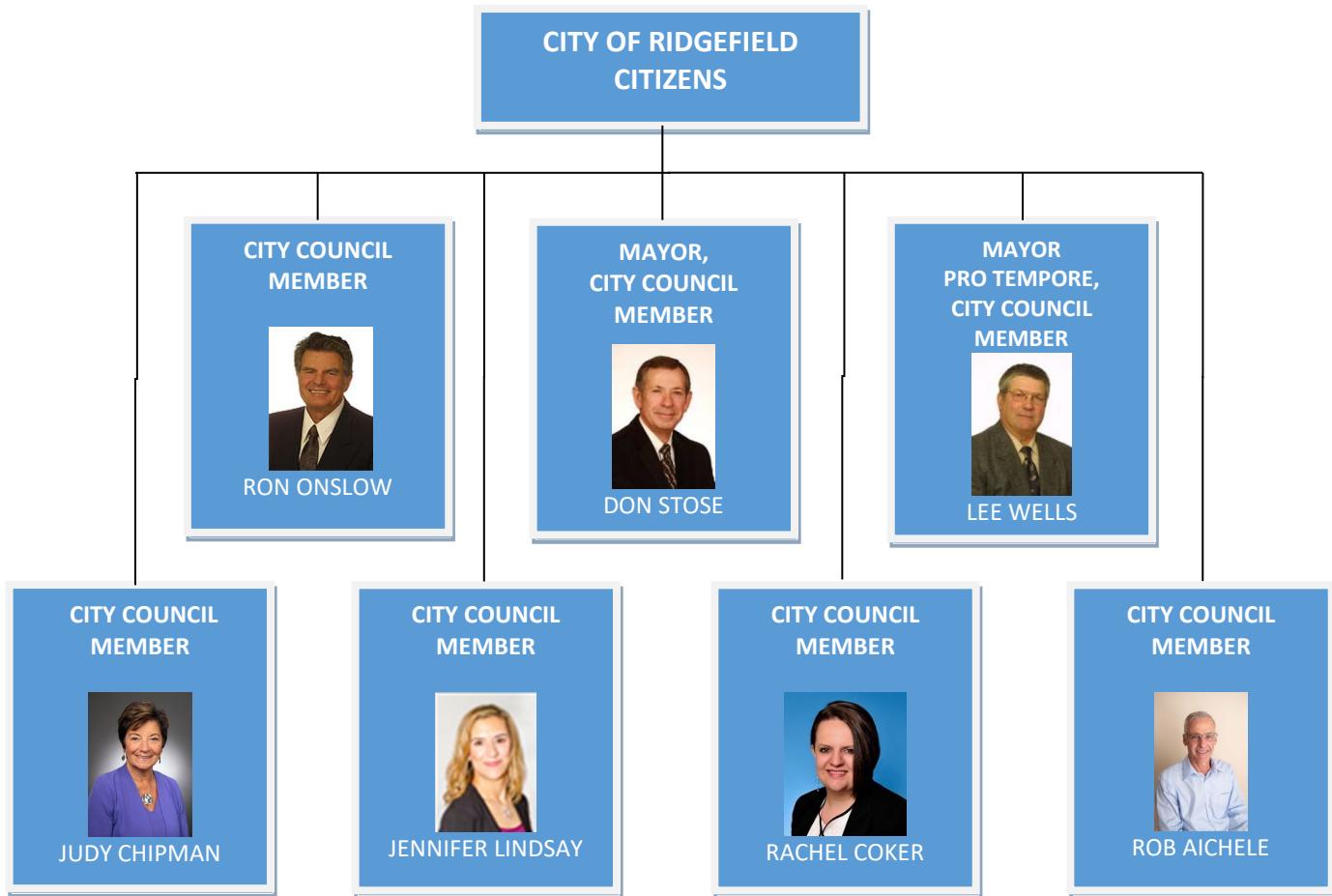
### Organizational Matrix – Department Assignments by Fund

Organizational Matrix - Department Assignment by Fund				
Department	General Fund	Street Fund	Water Fund	Stormwater Fund
<i>City Council</i>				
<i>Executive</i>	<i>Executive</i>			
<i>Finance</i>	<i>Finance and Accounting, Budget, Investments, Payroll, Grant Management, Procurement, Customer Service</i>		<i>Utility Administration</i>	<i>Utility Administration</i>
<i>Human Relations</i>	<i>Human Relations, Labor Relations</i>			
<i>Administration</i>	<i>City Administration, Legal, Risk Management, Information Technology, Community Outreach, Public Meetings, Public Records, Events</i>			
<i>Public Safety</i>	<i>Police Administration &amp; Services, Municipal Court, Civil Service, Animal Control</i>			
<i>Community Development</i>	<i>Community Development, Building Permits, Land Use, Code Enforcement</i>			
<i>Public Works</i>	<i>Administration, Facilities, Cemetery, Parks &amp; Recreation, Engineering Review</i>	<i>Street Operations and Maintenance</i>	<i>Water Distribution</i>	<i>Stormwater Drainage</i>



## 2022 Adopted Budget

### *Mayor and City Council*



#### **Overall Goal**

- Effectively represent the citizens of the City of Ridgefield.
- Provide leadership as the policy-making body for the City.

#### **Key Objectives**

- Adopt City policy through ordinances and resolutions.
- Adopt annual budgets that finance City services, reflect Council goals, objectives, and community vision.
- Serve as ambassadors of the City by maintaining effective communications with citizens.
- Advocate for the City and maintain relationships with other governmental agencies and legislative bodies whose programs and policies affect the City.



## 2022 Adopted Budget

### *Mayor and City Council*



Click on this photo to watch 2021 State of the City on YouTube





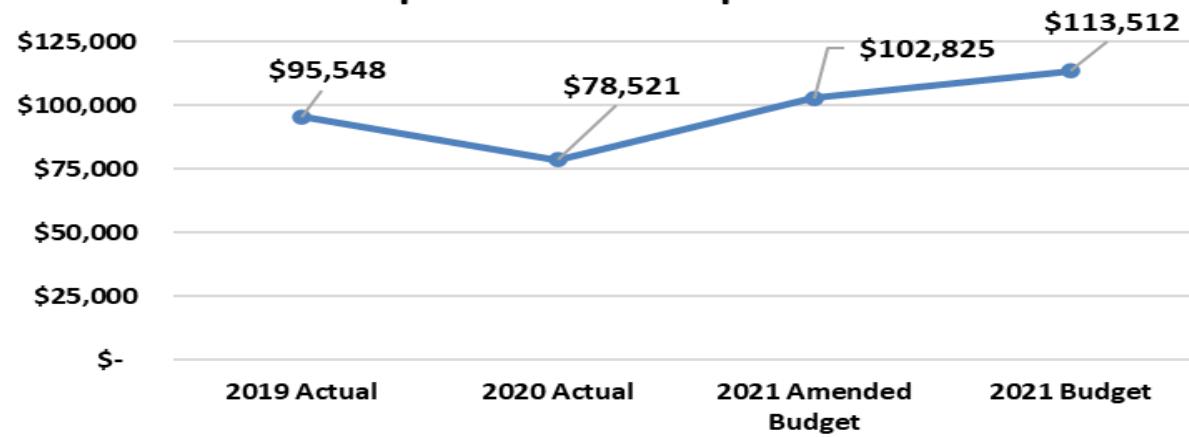
## 2022 Adopted Budget

*Mayor and City Council*

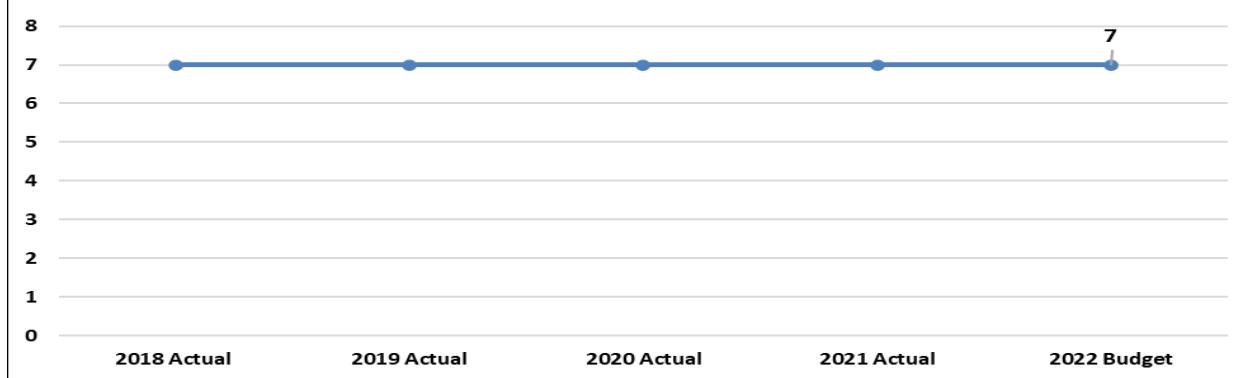
### *City Council Budget Summary:*

	<u>2019 Actual</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2022 Budget</u>
Personnel	\$52,625	\$55,197	\$55,225	\$62,912
Supplies	2,068	382	1,600	1,600
Service/Advocacy	14,056	5,564	24,500	24,500
Utilities	3,395	2,371	4,000	4,000
Maintenance	4,112	3,285	5,500	5,500
Intergovernmental	19,292	11,722	12,000	15,000
<b>Total Budget</b>	<b>\$95,548</b>	<b>\$78,521</b>	<b>\$102,825</b>	<b>\$113,512</b>

### Expenditures Comparison



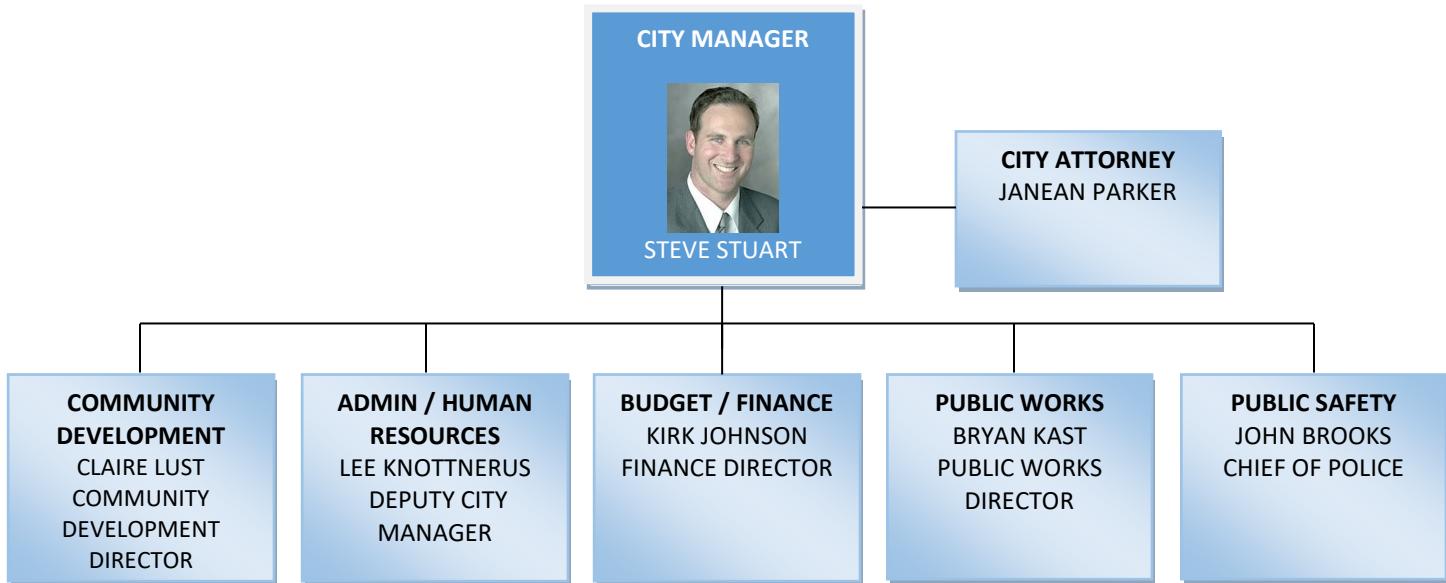
### City Council Positions





## 2022 Adopted Budget

### *Executive*



### **Department Overview**

The City Manager is appointed by the City Council as the chief administrator for the City of Ridgefield. The City Manager is responsible to the Mayor and Council for the proper administration of all City business.

### **Key Objectives**

- Report and make recommendations to the Mayor and Council about the needs of the City.
- Administer and enforce all City ordinances, resolutions, franchise agreements, leases, contracts, permits, and other City business.
- Organize City department and administrative structure.
- Prepare and administer the annual City budget.
- Encourage and support regional and intergovernmental cooperation.
- Promote cooperation among the Council, staff and citizens in developing City policies and building a sense of community.
- Provide council and staff with leadership and advice while implementing best practices to achieve adopted goals and deliver quality services to the community.
- Administer economic development programs for the City.



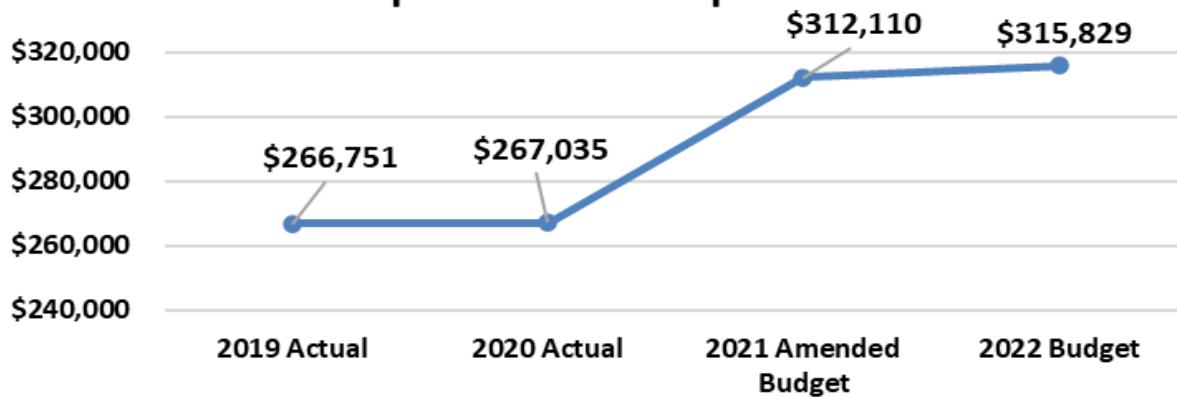
## 2022 Adopted Budget

### Executive

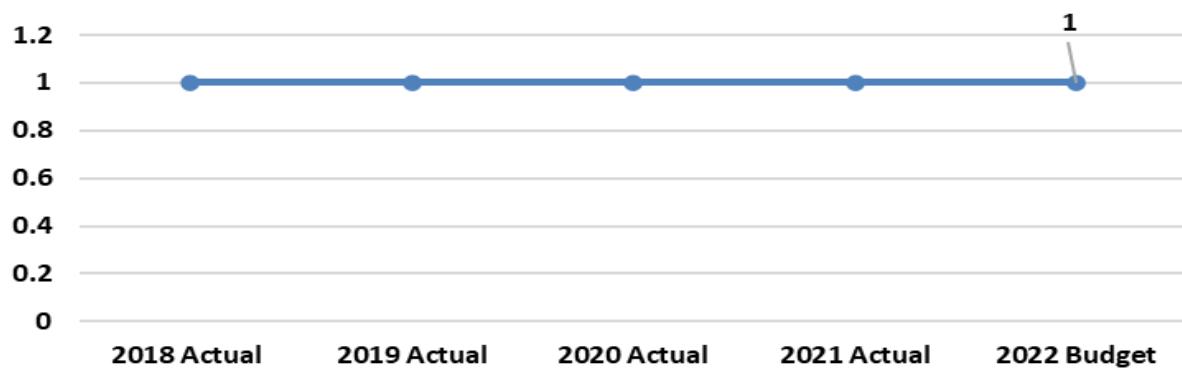
#### Executive Budget Summary:

	<u>2019 Actual</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2022 Budget</u>
Personnel	\$246,012	\$259,393	\$289,160	\$293,329
Supplies	482	761	950	750
Services/Prof Dev	19,533	4,950	19,500	19,500
Maintenance	315	1,295	2,000	1,500
Utilities	409	636	500	750
<b>Total Budget</b>	<b>\$266,751</b>	<b>\$267,035</b>	<b>\$312,110</b>	<b>\$315,829</b>

#### Expenditures Comparison



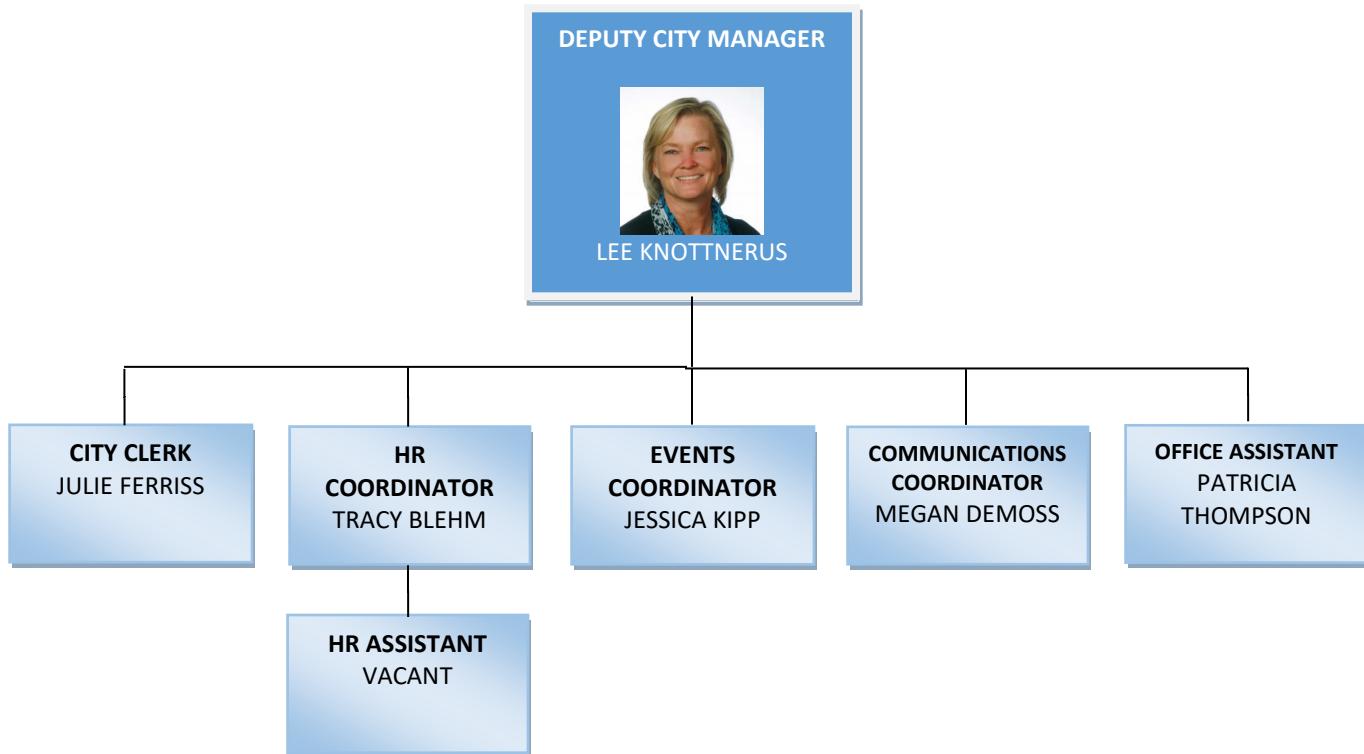
#### FTE Comparison





## 2022 Adopted Budget

### *Administration/Human Resources*



#### **Department Overview**

The Administration Department is responsible for professional and informational services to the City Council, City Manager and other City Departments as well as for community engagement and events. Personnel in the department oversee and manage City Clerk functions, public records, human resources, labor relations, payroll, information technology, community engagement, events, risk management and Title VI civil rights compliance.

#### **2021 Goals Status:**

1. Support and enhance downtown revitalization efforts in partnership with downtown merchants, Ridgefield Main Street and the Ridgefield Chamber, Ridgefield Arts Association, Farmer's Market, and other community organizations.
  - a. A staff member continues to serve on the RMS Board and Design committee. In partnership this year: continued beatification of an alley including creating a small park and creating an arch, assisted downtown merchants with façade improvements, distributed Main Street Moola, and created new artwork in the downtown area.



## **2022 Adopted Budget**

- b. When Covid restrictions were lifted, reconnected with Farmer's Market, community organizations and downtown merchants to restart in-person events.
- 2. Explore and offer additional recreational activities and continue to implement a comprehensive community outreach and events strategy.
  - a. Adapted events to Covid restrictions such as virtual games, performances, and classes; take home activity bags; and a drive thru holiday light show.
  - b. Enhanced a community challenge, 100 miles in 100 days by partnering with businesses to provide walking, kayaking and physical fitness opportunities offered by business for participants to obtain miles.
  - c. Created an orienteering map and temporary course at Abrams Park.
- 3. Expand public relations by facilitating communication, interaction, involvement and exchange between the City and the Ridgefield community, stakeholders, and visitors.
  - a. Implemented an online public engagement platform to provide information, obtain feedback and information from the community, and involve residents in decision making.
  - b. Conducted a community events survey to assist with event planning and a community experiences survey to obtain the perspectives of people from varying backgrounds on their feelings of belonging in Ridgefield.
  - c. Provided additional accessibility on the City's website and phone systems for people with disabilities or need alternative language assistance.
- 4. Create and expand administrative, human resource and labor relation programs through negotiation of collective bargaining agreements with the City's two unions, enhancing a culture of inclusiveness and employee engagement, building on risk management and safety programs, creating an electronic document management and retention system, and assuring internal efficiencies and procedures.
  - a. Created a comprehensive onboarding process for new employees, developed a working relationship with new union representatives, expanded the Wellness program to include financial wellness and mental health components, started a 12-month process for developing a Disaster Preparedness Plan, implemented enhanced and ongoing cybersecurity training, created an employee communication strategy, developed new policies to adapt to Covid requirements, created an ongoing telecommuting program, and continued to make communication a priority during the pandemic.



## 2022 Adopted Budget

5. Assist Ridgefield businesses and residents during the pandemic to assure a safe and healthy economic recovery.

### 2022 Goals:

1. Enhance public engagement through implementation of a mass communication system, interpretive signage, creation of a community video series, and implementation of an on-line portal for increased access to City documents.
2. Create efficiencies in Human Resources through implementation of an HRIS system and development of an on-line performance evaluation process.
3. Develop a more comprehensive career development program through an onboarding process for new employees and supervisors and expanded training opportunities with a focus on an inclusive and effective work culture.
4. Complete a Disaster Preparedness Plan for City employees and residents.
5. Continue to enhance and provide a variety of community events and recreational activities that are diverse in theme and activity to: revitalize the downtown area, provide events/activities of interest to different populations of the City, and provide a welcoming atmosphere for all residents and visitors.

### Admin/HR Performance Measures:

#### Engaged Workforce

**Goal:** Engaged and well-trained workforce, ability to attract and retain high performing employees, productive, safe work environment

Measure	2016	2017	2018	2019	2020
Job Vacancies Filled by Promotion	N/A	3	1	2	5
Employees Separated Employment:		Total: 3	Total: 5	Total: 6	Total: 3
		2 1 0 0	2 1 0 2	4 0 0 2	2 1 0 0
Percentage of employees who participate in Wellness activities	N/A	N/A	N/A	N/A	47%
Number of grievances, ULPs, complaints	1	0	0	2	0



## 2022 Adopted Budget

Measure	2016	2017	2018	2019	2020
Worker's Compensation Claims	N/A	N/A	N/A	3	3
Percentage of residents who perceive employees are well trained – survey	N/A	N/A	N/A	City: 70% WA: 52%	N/A





## 2022 Adopted Budget

### Administration/Human Resources

#### Administration, Human Resources, Legal, Information Technology and Events Budget

##### Summary:

	<u>2019 Actual</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2022 Budget</u>
<b><u>Administration</u></b>				
Personnel	\$390,270	\$428,801	\$511,930	\$559,351
Supplies	1,077	2,078	1,000	3,000
Services/Prof Dev	1,754	2,007	13,000	13,000
Maintenance	869	235	1,600	1,600
Utilities	408	376	500	1,000
<b>Total Admin Budget</b>	<b>\$394,378</b>	<b>\$433,497</b>	<b>\$528,030</b>	<b>\$577,951</b>
<b><u>Human Resources</u></b>				
Personnel	\$175,942	\$180,407	\$194,015	\$289,160
Services/Prof Dev	\$30,229	\$28,450	\$104,000	\$67,100
<b>Total HR Budget</b>	<b>\$206,171</b>	<b>\$208,857</b>	<b>\$298,015</b>	<b>\$356,260</b>
<b><u>Legal</u></b>				
Services	\$27,523	\$38,472	\$45,000	\$50,000
<b>Total Legal Budget</b>	<b>\$27,523</b>	<b>\$38,472</b>	<b>\$45,000</b>	<b>\$50,000</b>
<b><u>General Gov – Risk Management</u></b>				
Personnel	\$0	\$0	\$0	\$0
Supplies	19,430	84,459	33,000	46,250
Services/Prof Dev	207,342	297,022	390,000	236,500
Intergovernmental	2,074	2,551	3,000	3,500
Maintenance	293,196	309,924	327,200	364,000
Utilities	32,676	28,972	35,000	50,050
Capital Leases	56,433	56,438	49,400	27,955
Transfers	53,051	101,312	114,840	400,000
<b>Total Risk Man. Budget</b>	<b>\$664,202</b>	<b>\$880,678</b>	<b>\$952,440</b>	<b>\$1,128,255</b>
<b><u>Information Technology</u></b>				
Maintenance	\$138,472	\$172,287	\$217,300	\$401,700
Capital	10,100	21,051	0	0
<b>Total Info Tech Budget</b>	<b>\$148,572</b>	<b>\$193,338</b>	<b>\$217,300</b>	<b>\$401,700</b>



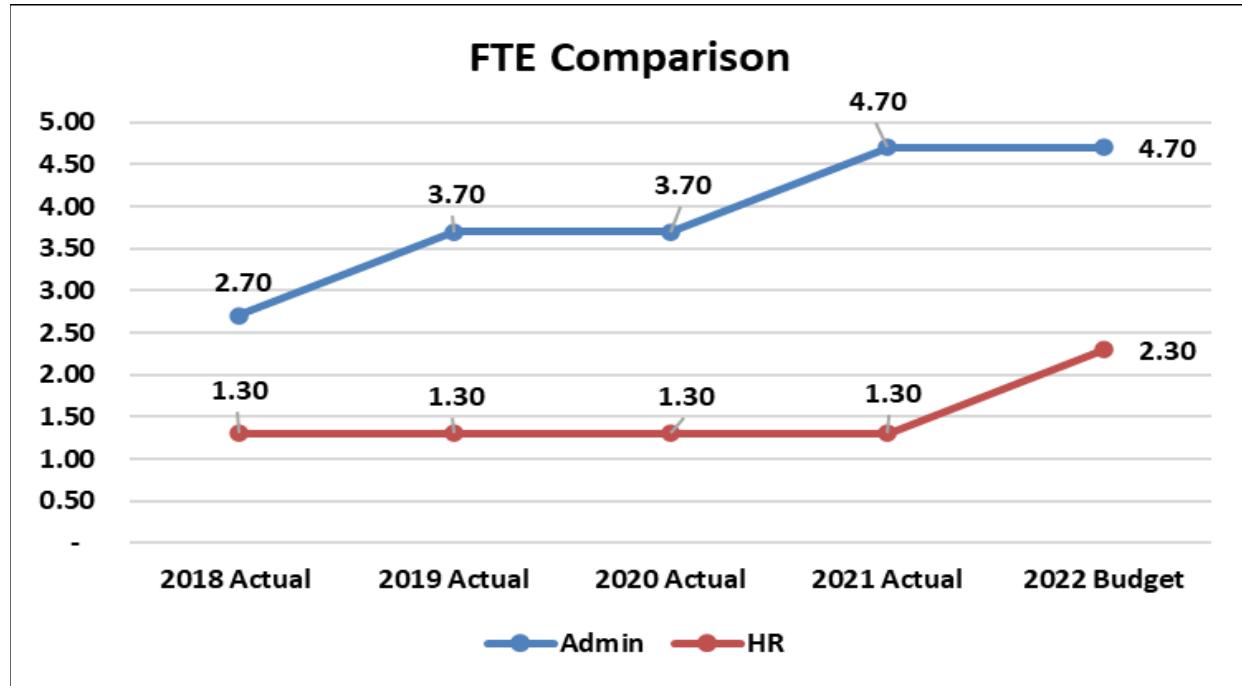
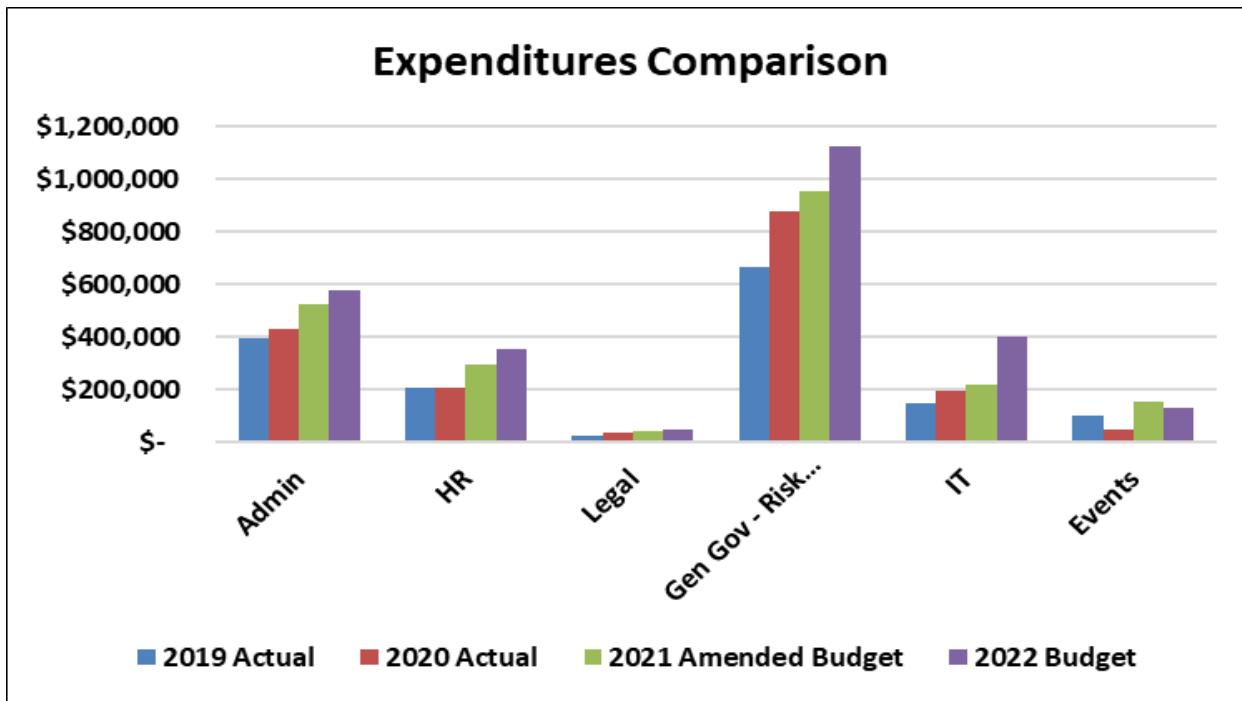
## 2022 Adopted Budget

	<u>2019 Actual</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2022 Budget</u>
<b><u>Events</u></b>				
Community Events	\$102,206	\$47,310	\$155,000	\$100,000
Events Capital Outlay	0	0	0	30,000
<b>Total Community Events</b>	<b>\$102,206</b>	<b>\$47,310</b>	<b>\$155,000</b>	<b>\$130,000</b>



## 2022 Adopted Budget

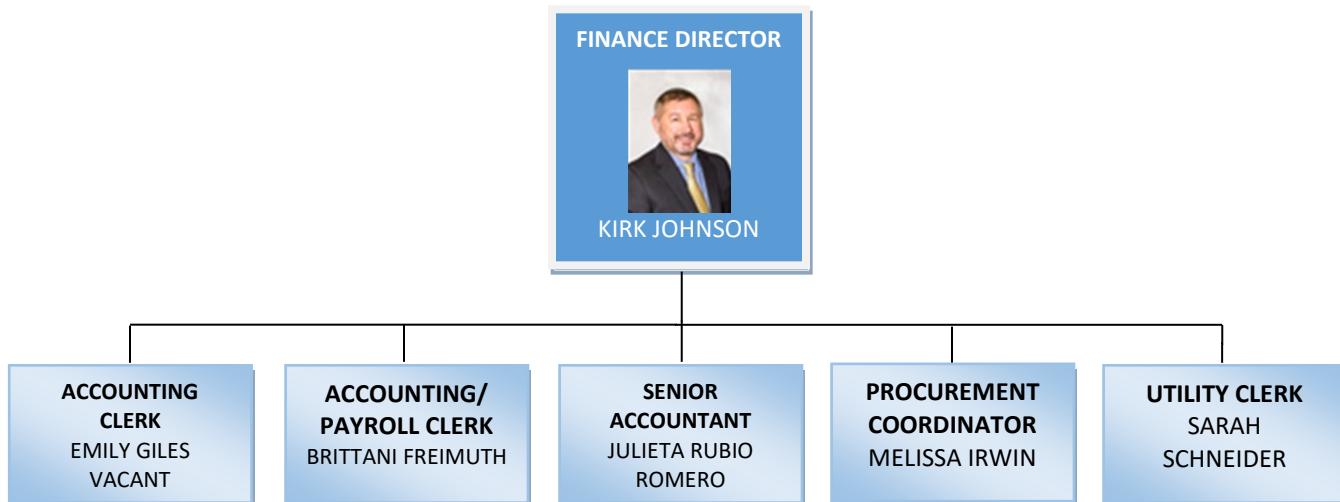
### Administration/Human Resources





## 2022 Adopted Budget

### Budget/Finance



#### Department Overview

The Finance Department is responsible for compliance with generally accepted accounting principles (GAAP) and applicable State and Federal regulations. The Finance Department role includes responsibility for the City's financial stability, preparation of the City's annual budget, financial reporting, investment activities, daily accounting processes, payroll processing, utility billing and account management, contracting and grant management and procurement. The Finance Department provides support to the City Manager and City departments to ensure fiscal sustainability for the City of Ridgefield.

#### Key Objectives

- Ensure City financial policies and procedures are implemented and carried out.
- Assist department management and staff to provide financial and budgetary support.
- Support and oversee the development of the annual budget.
- Contract and grant management support.
- Procurement services.
- Provide timely and accurate monthly, quarterly, and annual financial reports.
- Oversee fee schedules and ensure proper utilization and processing of charges.
- Process and pay vendors timely and accurately.
- Process payroll services for City staff accurately and timely.
- Create an efficient process for utility billing and receipting of payments.
- Perform phone and walk-in customer service and support.



## ***2022 Adopted Budget***

### ***Budget/Finance***

#### **2021 Goals Status:**

##### **Department Goals**

1. Implement electronic forms workflow to utility billing, contract management, and accounts payable to increase efficiencies and reduce paper output.
  - a. Completed electronic workflow processes for accounts payable review and retention, journal entry review and retention and cash receipting review and retention were completed in 1<sup>st</sup> and 2<sup>nd</sup> quarter 2021. Added electronic workflow forms for utility billing, contract management and purchase order requisition. Reduced the need for retention of paper copies and significantly reduced paper output for cost savings.
2. Complete fleet management study and propose options for city fleet needs and complete update of equipment replacement financial model.
  - a. Completed and implemented consultant recommendations during 3<sup>rd</sup> quarter 2021. Finalizing completion of policies and procedures by 4<sup>th</sup> 2021.

##### **Finance Related Goals**

1. Increase accounts payable electronic payments from 30% to 40% by June 30, 2021.
  - a. Electronic payments for accounts payable were increased to 55% by September 2021.
2. Ongoing review and update of finance related policies and procedures. Reviewed and updated procurement and investment policies. Currently updating cash receipting policy and drafting a new collections policy.
  - a. Finance related policies and procedures are updated on a continuous basis. Staff will do a full review of policies and procedures to capture electronic process and workflow changes in 2022.
3. Enhance grant management workflow process in document management system for records retention and efficiency.
  - a. Due to staffing changes this has been put on hold until 2022.

##### **Payroll Related Goals**

1. Complete training for payroll/accounting clerk.
  - a. Completed 9/2021.
2. Complete automation of the quarterly and Washington State retirement reporting in payroll system by December 31, 2021.
  - a. In process. Has been delayed due to Covid restrictions. Will be complete by end of 2<sup>nd</sup> quarter 2022.



## **2022 Adopted Budget**

3. Complete transition of payroll related payments to external organizations to ACH payment methods by December 31, 2021.
  - a. **10 of 16 payroll related external payments have been transitioned to electronic form. Staff are working on 4 of the additional 6 payments. 2 vendors currently do not offer the option for electronic payments.**

### **Utility Account Related Goals**

1. Complete testing and implement level payment plan option to utility customers by January 1, 2022.
  - a. **On track with testing to be available to utility account holders by January 1, 2022. Code to be revised and implement by 4<sup>th</sup> quarter 2021.**
2. Research and offer options for ongoing utility assistance program for customers in need.
  - a. **Offered ARPA funding per council direction for utility assistance. Working with Clark Public Utilities for ongoing federal assistance programs.**

### **Procurement Related Goals**

1. Enhance communication and workflow with internal customers to draft and release project solicitations for cost effective bidding and timely scheduling.
  - a. **Prepared multiple checklists for each procurement type. Launched a procurement page on the City's internal SharePoint to guide staff in procurement. Implemented a project request form to alert all stakeholders of a new project. Implemented a purchase order requisition form and workflow.**
2. Research new grant opportunities and facilitate coordination of deadlines.
  - a. **Due to staffing change this was delayed.**
3. Draft written procedural manual for all procurement functions.
  - a. **This was completed and is currently used for training for the new procurement coordinator position.**
4. Collaborate with engineering to create a special provisions template to reflect current best practices in construction contract administration.
  - a. **This was completed by 2<sup>nd</sup> quarter 2021.**

### **2022 Goals:**

#### **Department Goals**

1. Continue to implement electronic document storage to reduce paper output and physical records retention.
2. Work with Public Works staff to begin six-year capital budgeting project.
3. Create RFP for budget software and implement prior to start of 2023 budget process.



## 2022 Adopted Budget

### Finance Related Goals

1. Increase accounts payable electronic payments from 55% to 75% by 12/31/2022.
2. Complete collections Kaizen and implement process into billing cycle workflow.
3. Review and update all Finance procedures by 12/31/2022 to account for new paperless workflow processes.

### Payroll Related Goals

1. Payroll clerk to attend system training to assist with implementation of additional payroll efficiencies.
2. Complete automation of the quarterly and Washington State retirement reporting in payroll system by December 31, 2022.
3. Complete transition of payroll related payments to external organizations to ACH payment methods by December 31, 2022.
4. Create reminders for pay periods and deadlines for approval to ensure on time timesheet approvals.

### Utility Account Related Goals

1. Implement online application for conservation rate and low-income utility assistance.
2. Market availability of conservation rate and low-income assistance program.
3. Prepare resources for customer assistance and post online.
4. Transition cycle billing paperwork online to reduce paper output and create efficiency in records retention.

### Procurement Related Goals

1. Continue procurement coordinator training.
2. Full integration of Contract bids, admin and awards posted for all Service and Public Works projects at and/or above the \$40K threshold in the ProcureNow platform by 12/31/2022.
3. Convert/integrate all documents/folders for current and future Purchase Orders to the Laserfiche folder. Streamline the Laserfiche program to store all PO related documents for future reference to ensure ease and efficiency of documentation retention.

### Finance Department Performance Measures:

Measure	2016	2017	2018	2019	2020	Target
Electronic Utility Payments	13%	64%	72%	73%	77%	70%
Electronic Invoice Payment to Vendors	15%	24%	25%	22%	37%	40%



## 2022 Adopted Budget

### Budget/Finance



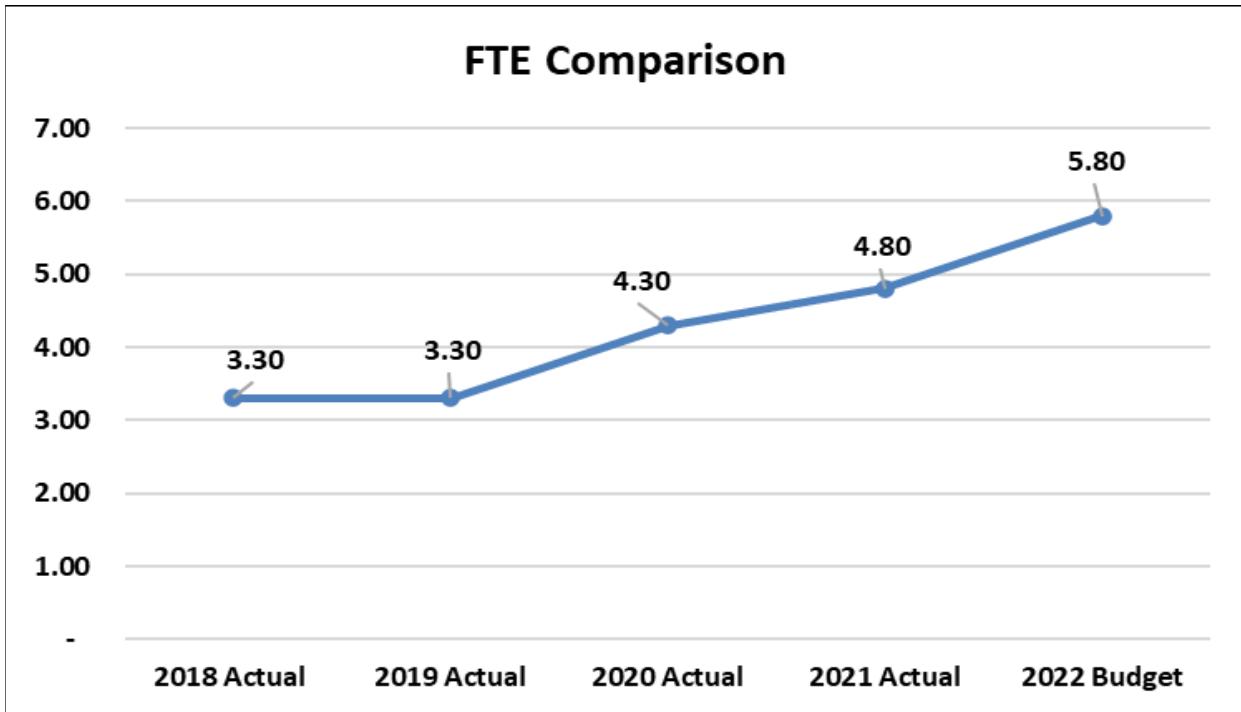
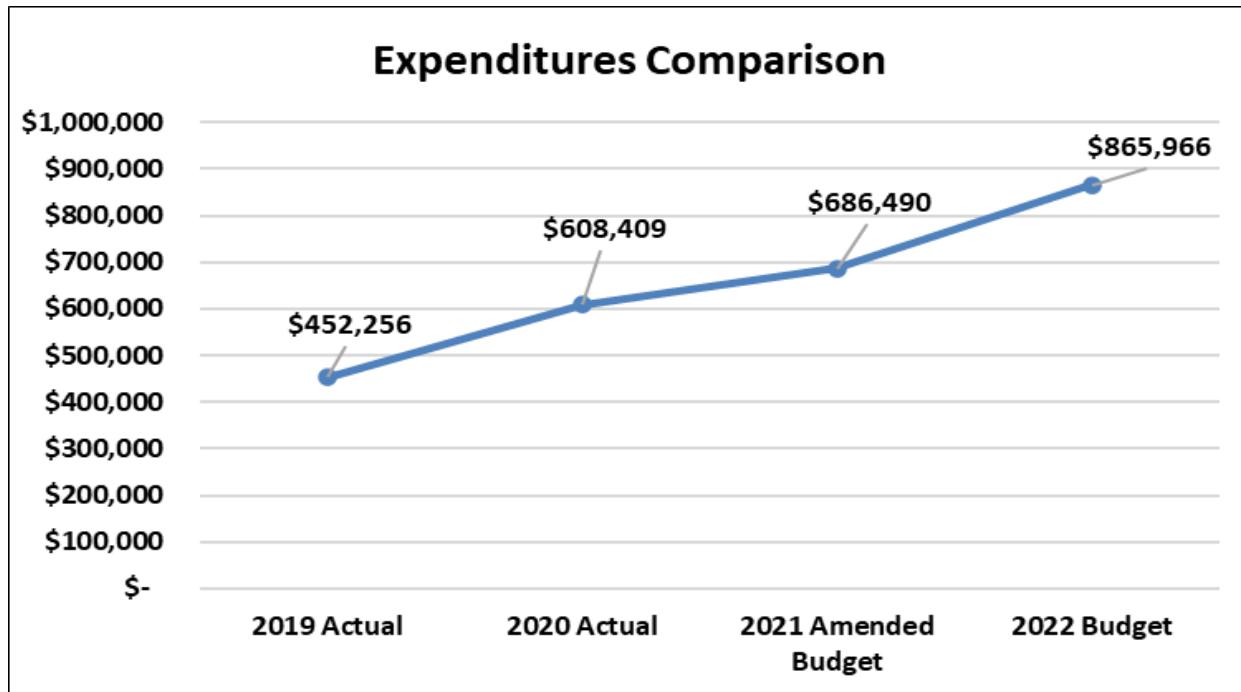
#### Finance Budget Summary

	<u>2019 Actual</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2022 Budget</u>
Personnel	\$374,034	\$523,031	\$573,790	\$665,266
Supplies	6,941	8,952	14,000	16,000
Services/Prof Dev	29,425	28,673	37,000	117,000
Intergovernmental	40,952	46,484	60,000	65,000
Maintenance	495	892	1,200	1,700
Utilities	409	377	500	1,000
<b>Total Budget</b>	<b>\$452,256</b>	<b>608,409</b>	<b>686,490</b>	<b>865,966</b>



## 2022 Adopted Budget

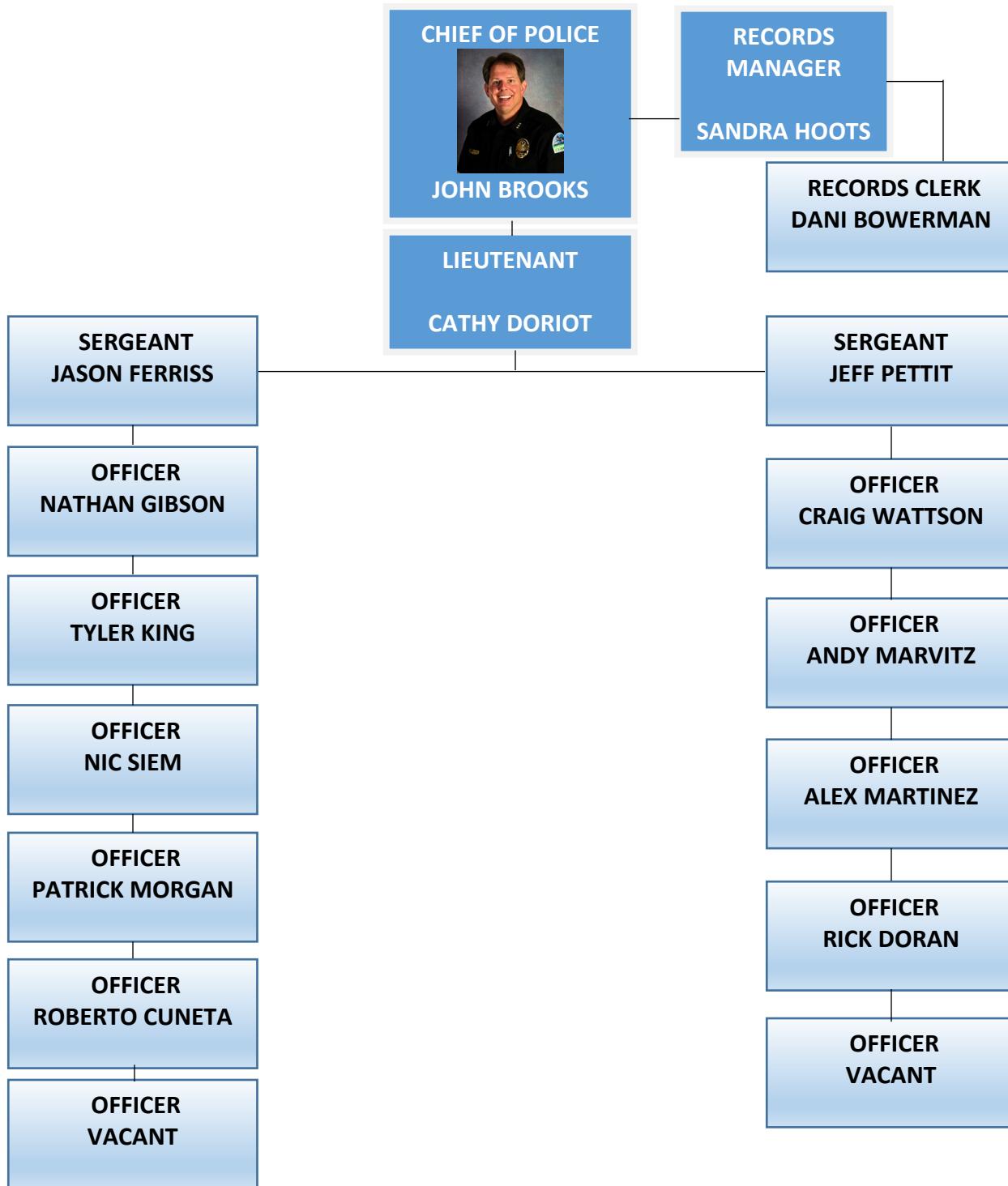
### Budget/Finance





## 2022 Adopted Budget

### Public Safety





## ***2022 Adopted Budget***

### ***Public Safety***

#### **Overall Goal**

Perform essential law enforcement services to the citizens of Ridgefield, the local businesses and their employees and patrons, and to others visiting or traveling through the City of Ridgefield. Also create partnerships that enhance public safety education to the community. Oversee the emergency management function for the City, maintaining and updating the emergency response procedures and providing ongoing training to staff and other involved stakeholders.

#### **2021 Goals Status:**

1. Hire and train two new police officers. **One officer hired and trained. Second officer in hiring process.**
2. Hire and train new police clerk. **Completed**
3. Complete steps to position the Ridgefield Police Department for state accreditation. **In process.**
4. Complete the transition and move to a new police facility. **Construction of new building has been delayed by developer. Move in has been delayed until Spring/Summer of 2022.**

#### **2022 Goals:**

1. Promote two Sergeants.
2. Promote one detective.
3. Hire and train two new officers.
4. Complete and implement staffing study.



## 2022 Adopted Budget

### Public Safety





## 2022 Adopted Budget

### Public Safety

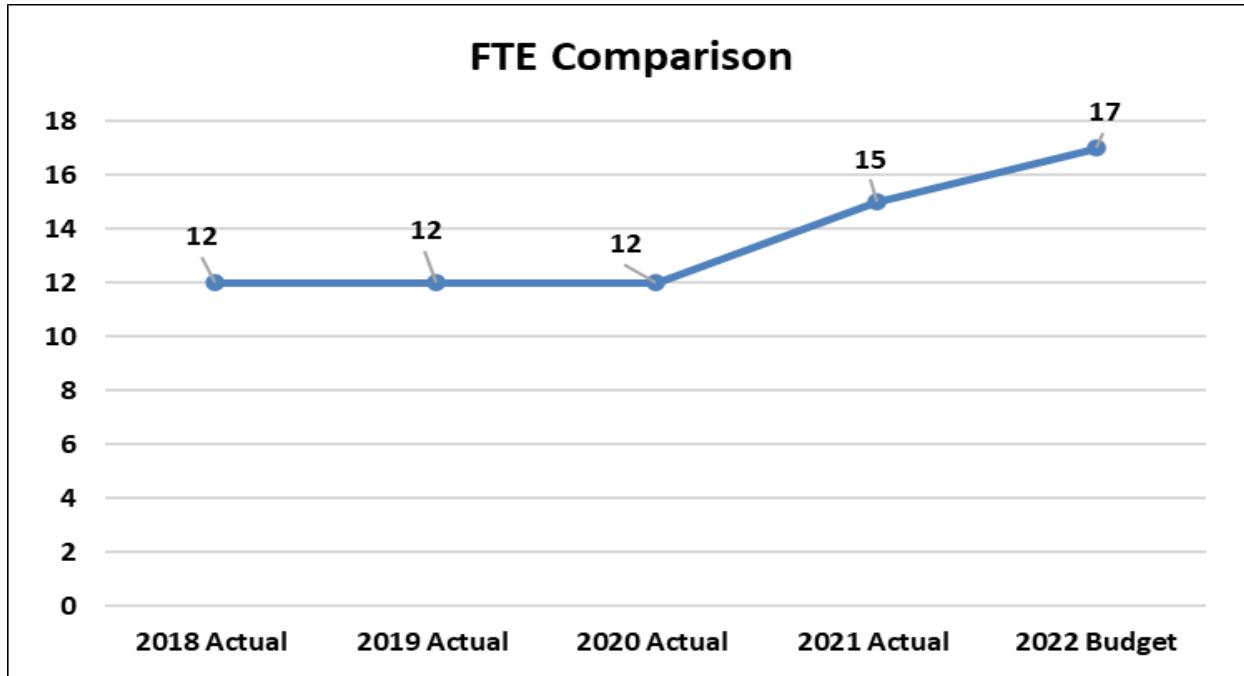
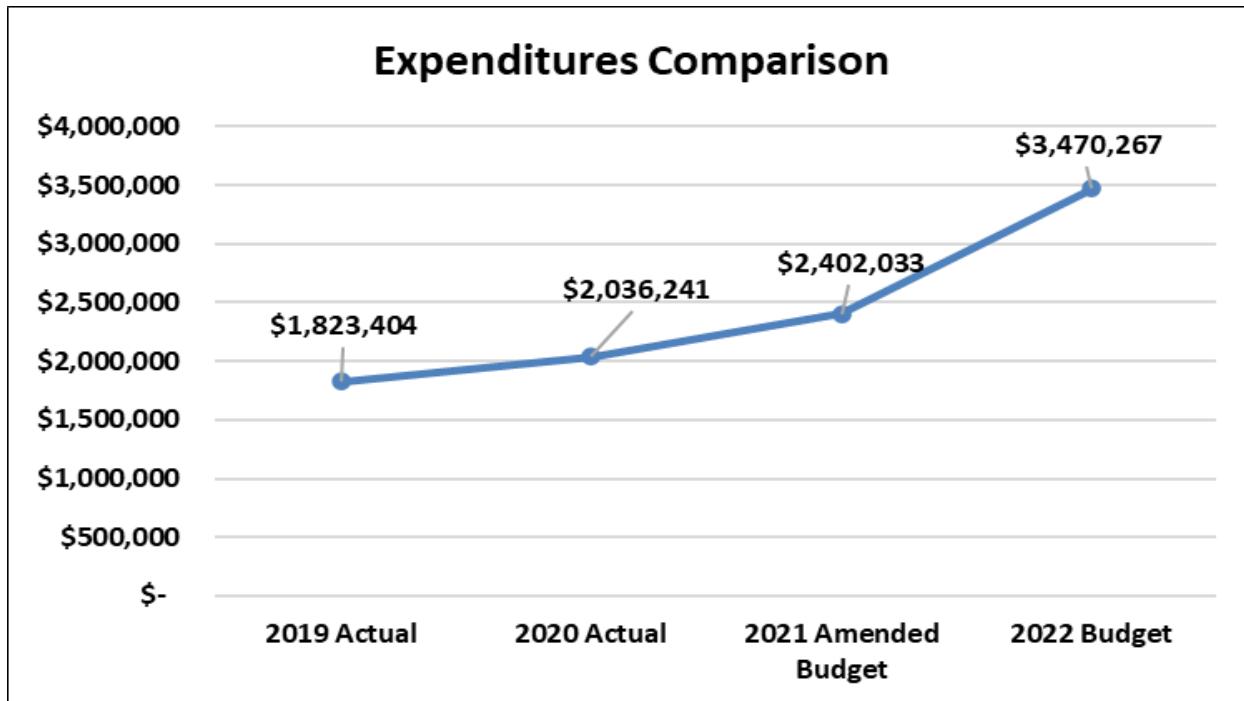
#### Public Safety and Civil Service Budget Summary

	<u>2019 Actual</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2022 Budget</u>
<b><u>Public Safety</u></b>				
Personnel	\$1,474,762	\$1,578,541	\$1,810,495	\$2,279,267
Supplies	62,339	66,470	116,900	149,900
Services/Prof Dev	58,576	28,600	37,500	95,000
Intergovernmental	116,227	124,182	151,380	178,500
Maintenance	67,662	108,158	98,250	187,100
Utilities	23,614	25,730	28,200	35,500
Capital Outlays	0	64,112	140,000	355,000
Capital Leases	0	0	19,308	190,000
Debt Service – CRESA	20,224	40,448	0	0
<b>Total Public Safety Budget</b>	<b>\$1,823,404</b>	<b>2,036,241</b>	<b>2,402,033</b>	<b>3,470,267</b>
<b><u>Civil Service</u></b>				
Supplies	\$0	\$0	\$100	\$100
Services	80	92	900	900
<b>Total Civil Service Budget</b>	<b>\$80</b>	<b>\$92</b>	<b>\$1,000</b>	<b>\$1,000</b>



## 2022 Adopted Budget

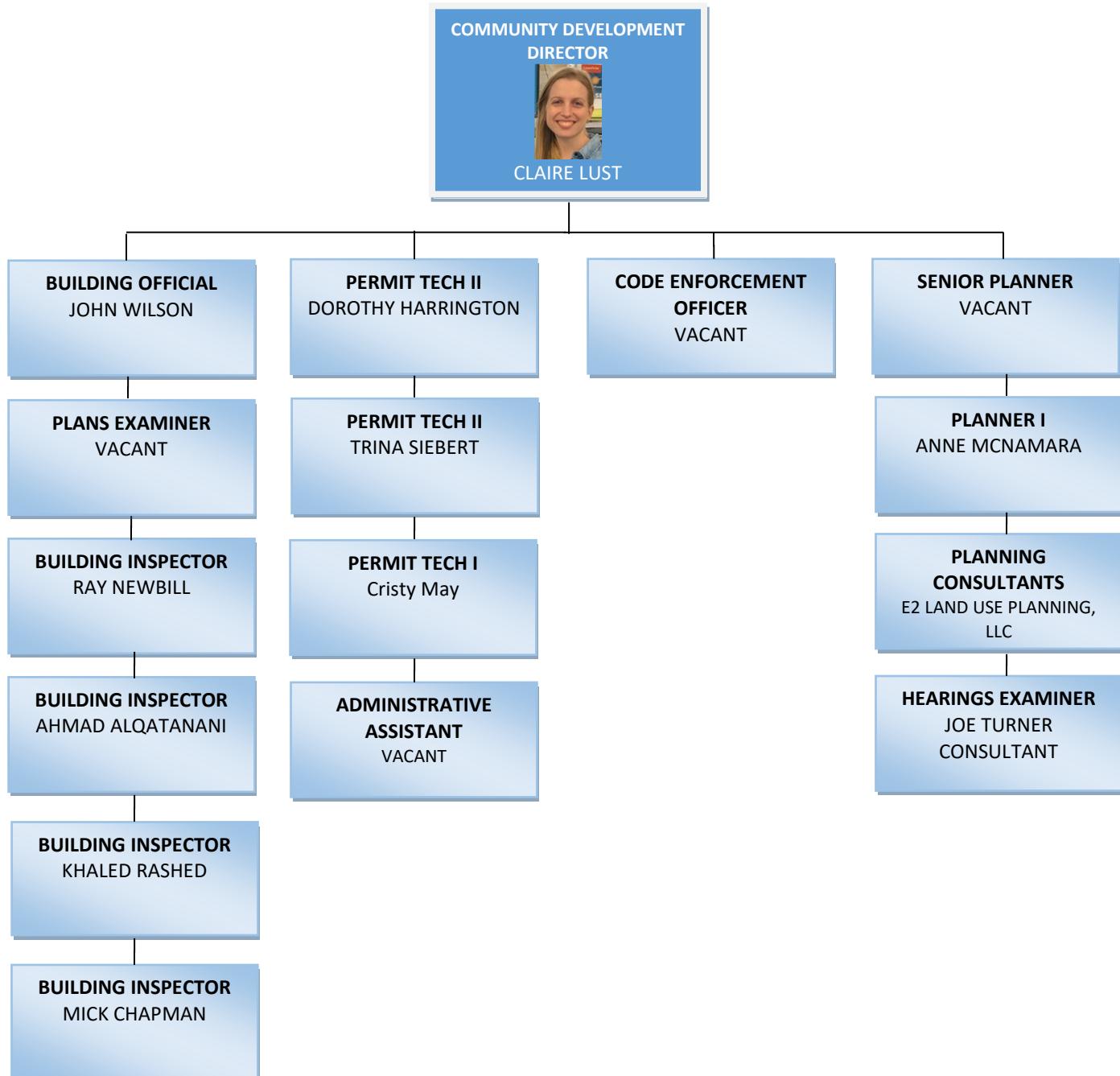
### Public Safety





## 2022 Adopted Budget

### Community Development





## ***2022 Adopted Budget***

### ***Community Development***

#### **Key Objectives**

- Implement the City of Ridgefield Comprehensive Plan to ensure compliance with the State's Growth Management Act.
- Ensure the City's Development Code is up-to-date and in alignment with the City of Ridgefield Comprehensive Plan.
- Provide efficient land use development and building permit processes to serve the Ridgefield community.
- Coordinate and collaborate with internal and external stakeholders and agencies.
- Ensure the building of an economically, environmentally, and socially sustainable community.

#### **2021 Goals Status:**

1. Implement SmartGov online permit submittal and review system. Staff continues to train on the administrative portion of the online permit portal. Online submittal is available for some permits and inspections. Full implementation is pending.
2. Streamline commercial project review processes. The City has contracted with a consulting firm to review large commercial and industrial projects through land use, engineering, and building, with a single point of contact to facilitate the review and guide communication between the project team and staff. One project has been completed under this model, and multiple new commercial projects are anticipated for submittal in 2022 giving the City ample opportunity to refine the model.
3. Complete legislative updates to the Shoreline Master Program and to housing components of the Ridgefield Development Code. Complete. Council approved the [Shoreline Master Program Update and Housing Code Updates in 2021](#).
4. Continue to manage growth in a sustainable way. Staff and planning consultants continue to review all development proposals carefully to ensure compliance with the Ridgefield Development Code, Ridgefield Urban Area Comprehensive plan, and other regulatory documents that guide sustainable growth in the City.

#### **2022 Goals:**

1. Complete implementation of SmartGov online permit submittal and review system.
2. Reduce residential building permit review times to an average of five weeks from submittal to approval.
3. Complete periodic updates to the Ridgefield Development Code to address housekeeping updates, minor policy changes, and major policy changes, including provisions for short term rentals.
4. Continue to manage growth in a sustainable way, to include in 2022 completing the Carty Road Subarea Plan and beginning the 2024 periodic comprehensive plan update.



## 2022 Adopted Budget

### Community Development



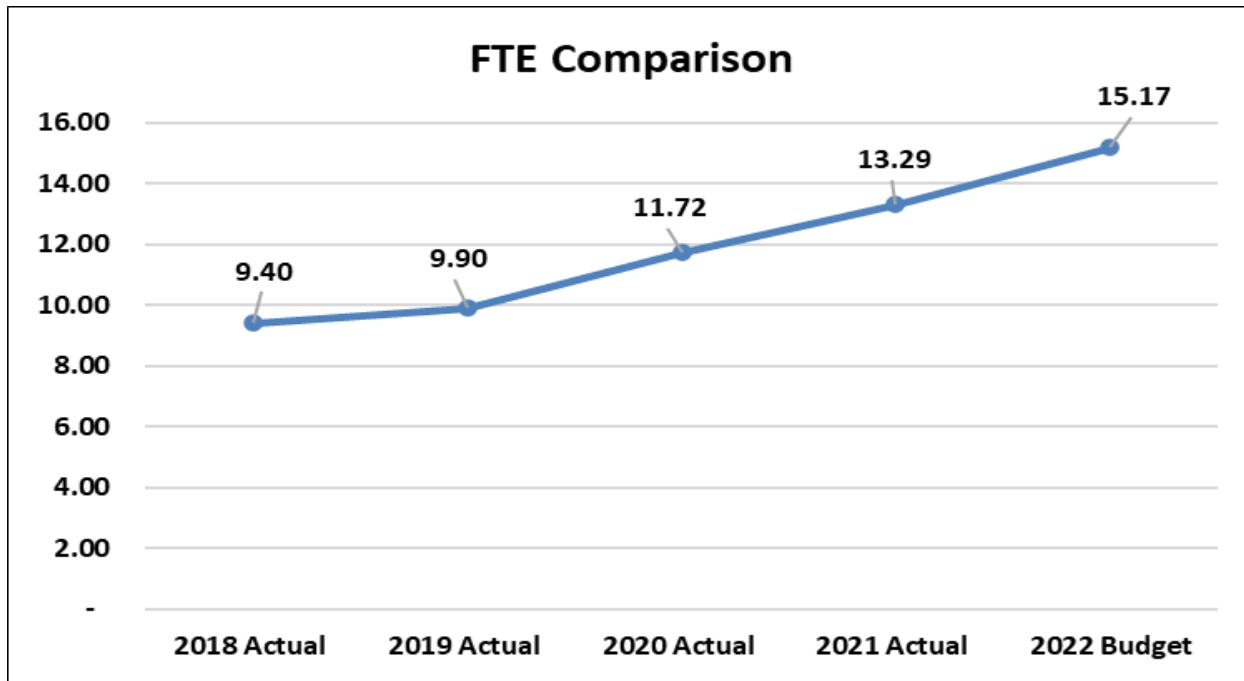
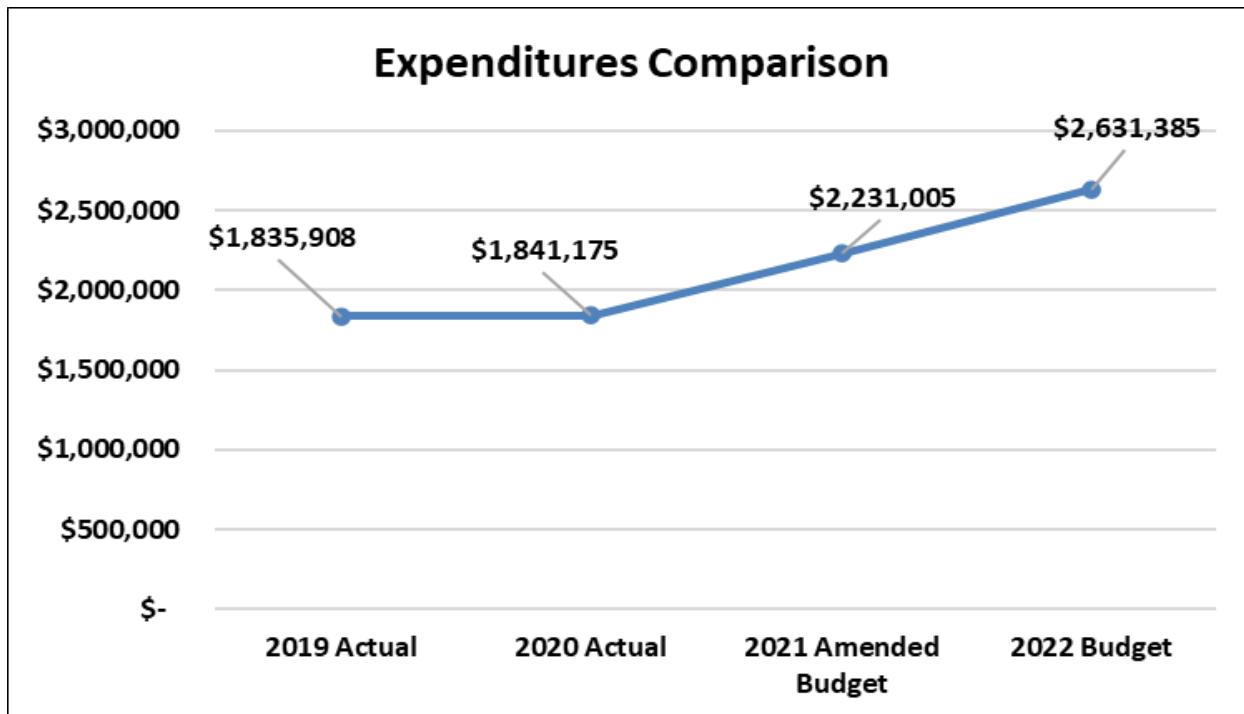
#### Community Development Budget Summary

	<u>2019 Actual</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2022 Budget</u>
Personnel	\$1,077,895	\$1,160,674	\$1,454,715	1,772,720
Supplies	23,842	17,634	31,450	36,500
Services/Prof Dev	452,244	347,564	536,500	532,500
Intergovernmental	3,834	4,084	4,715	5,300
Maintenance	81,886	76,003	101,650	133,950
Utilities	17,956	25,897	26,500	33,500
Capital Outlays	112,775	143,848	10,000	0
Capital Leases	65,476	65,471	65,475	86,915
Transfers	0	0	0	30,000
<b>Total Budget</b>	<b>\$1,835,908</b>	<b>\$1,841,175</b>	<b>\$2,231,005</b>	<b>\$2,631,385</b>



## 2022 Adopted Budget

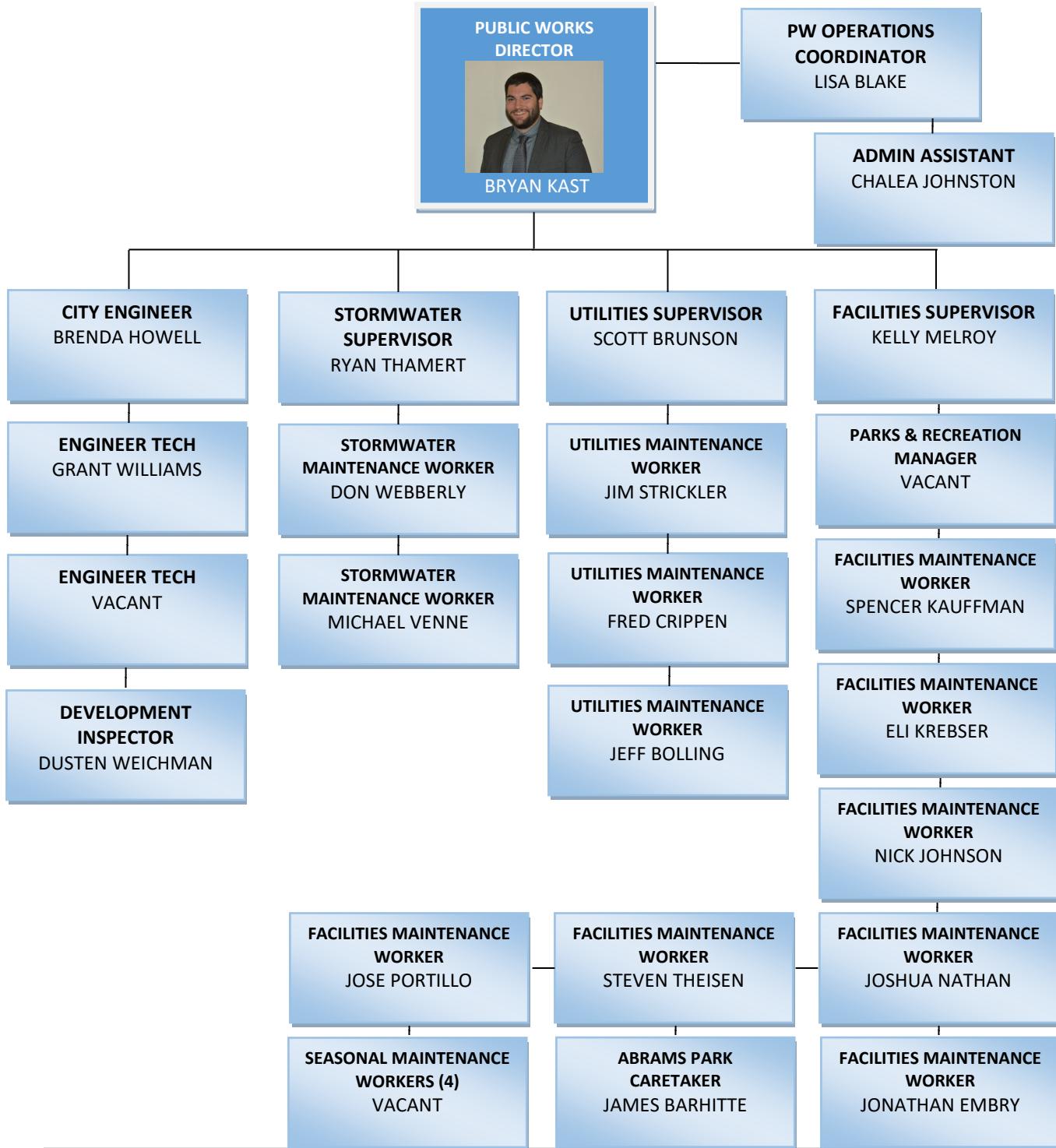
### Community Development





## 2022 Adopted Budget

### Public Works





## 2022 Adopted Budget

### Public Works

#### Key Objectives

- Effectively operate and maintain the City's infrastructure.
- Manage the City's capital improvement projects.
- Develop and implement standards and Capital Facilities plans for all areas of Public Works: transportation, parks and trails, facilities, drinking water, and storm water drainage.
- Review and inspect development projects in coordination with planning and building.
- Coordinate the City's activities with regional partners including Clark Regional Wastewater District, Clark Public Utilities, Regional Transportation Council and Clark County; and local partners including Ridgefield School District and the Port of Ridgefield.

#### 2021 Goals Status:

1. Expand water source capacity to meet growth by adding a new well and through expansion of interties in coordination with Clark Public Utilities. **An intertie agreement was completed with Clark PUD in 2021 providing for an additional 1000 GPM through the existing intertie, and an additional 1000 GPM through a future intertie on N Royle Road. Development of the new well was delayed due to permitting and is scheduled for 2022.**
2. Continue to develop and transfer staff knowledge develop GIS and Asset Management Database. **Asset management for stormwater and streets has been implemented, and fleets and water system are currently underway.**
3. Evaluate and plan for infrastructure resiliency. **A water system risk and resiliency plan were completed in 2021.**
4. Complete 2021 Capital design and construction projects in Streets, Trails, Parks and Water. **Multiple projects are currently in design and permitting and will go to construction in 2022. The City completed several park, road, and water projects in 2021. A Storm project was completed to prepare shovel ready projects for the downtown area.**

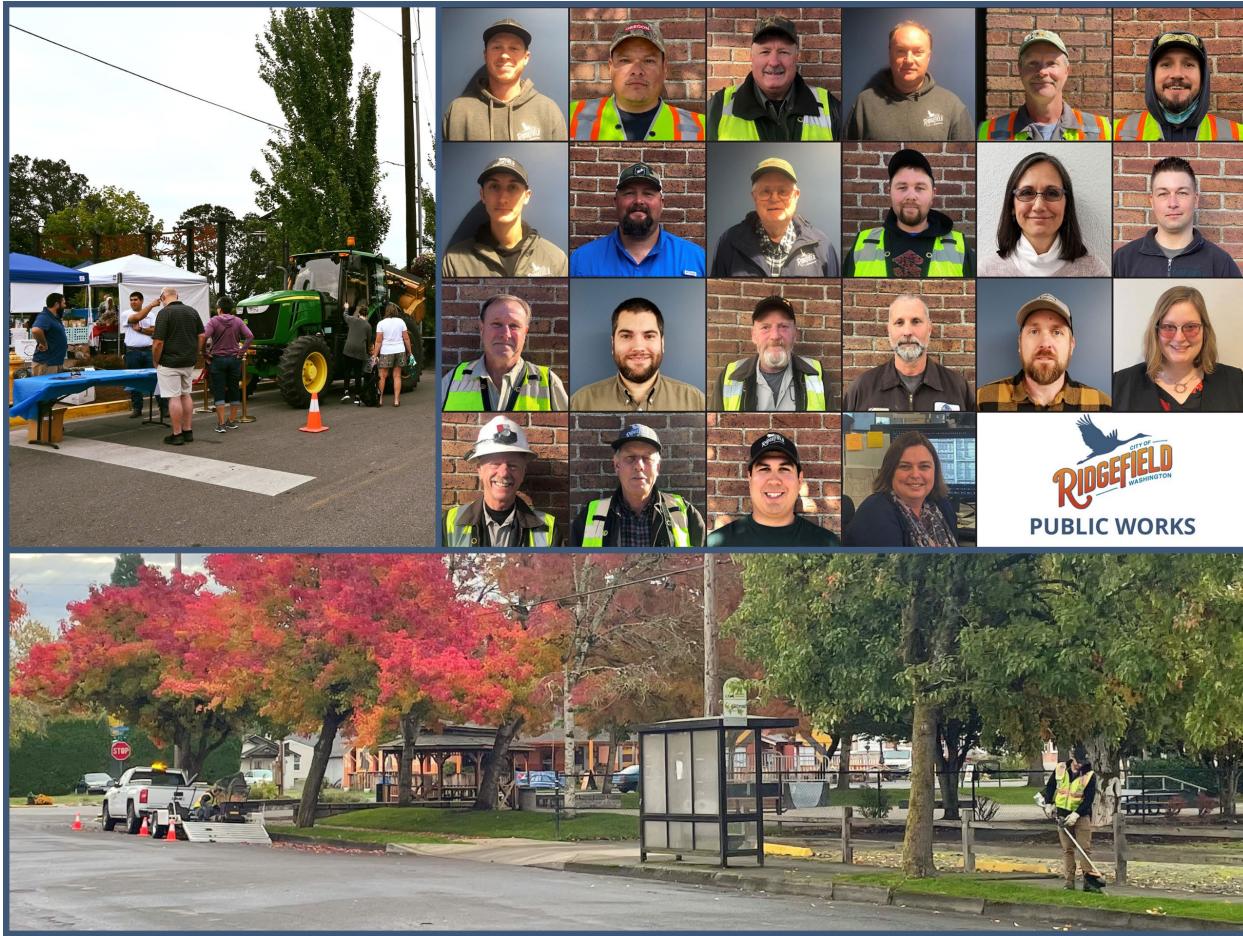
#### 2022 Goals:

1. Complete move to new Public Works Operations Facility.
2. Expand water source capacity to meet growth by adding a new well.
3. Complete design and begin construction pf Pioneer Street widening and other improvements to help stimulate development in the I-5 junction subarea.



## 2022 Adopted Budget

### Public Works



#### Public Works Budget Summary

	<u>2019 Actual</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2022 Budget</u>
<b><u>Gen Gov - Facilities</u></b>				
Personnel	\$116,205	\$179,033	\$310,432	\$349,742
Supplies	3,522	3,489	3,500	6,750
Services/Prof Dev	2,674	937	3,500	4,000
Maintenance	144,837	35,997	42,500	47,500
Capital Outlay	141,088	89,945	155,516	55,000
Transfers	0	0	0	2,350,000
<b>Total Facilities</b>	<b>\$408,326</b>	<b>\$309,401</b>	<b>\$515,448</b>	<b>\$2,812,992</b>



## 2022 Adopted Budget

	<u>2019 Actual</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2022 Budget</u>
<b><u>Cemetery</u></b>				
Personnel	\$31,804	\$44,442	\$50,699	\$47,954
Supplies	1,639	1,101	3,000	3,850
Services/Prof Dev	164	63	1,300	1,300
Maintenance	1,282	1,512	6,850	7,600
Utilities	543	633	600	950
Capital Outlays	0	0	0	0
<b>Total Cemetery</b>	<b>\$35,432</b>	<b>\$47,751</b>	<b>\$62,449</b>	<b>\$61,654</b>
<b><u>Parks</u></b>				
Personnel	\$313,395	\$329,422	\$383,801	\$537,445
Supplies	51,150	38,506	41,750	54,200
Services/Prof Dev	46,455	13,269	18,000	17,000
Intergovernmental	0	0	0	0
Maintenance	104,870	96,357	137,500	179,500
Utilities	38,508	34,187	43,750	52,500
Capital Outlays	28,044	29,957	25,000	48,000
Transfers	17,384	0	40,000	60,000
<b>Total Parks</b>	<b>\$599,806</b>	<b>\$541,698</b>	<b>\$689,801</b>	<b>\$948,645</b>
<b><u>Streets</u></b>				
Personnel	\$313,842	\$363,922	\$516,393	\$522,040
Supplies	32,349	26,350	30,500	41,000
Services/Prof Dev	5,195	17,453	11,600	17,100
Intergovernmental	0	0	15,000	0
Maintenance	56,337	52,513	189,900	152,750
Utilities	99,191	145,123	147,300	164,000
Capital Outlays	73,628	66,478	0	0
Transfers	20,333	21,740	33,175	50,000
<b>Total Streets</b>	<b>\$600,875</b>	<b>\$693,579</b>	<b>\$943,868</b>	<b>\$946,890</b>
<b><u>Water</u></b>				
Personnel	\$662,875	\$659,865	\$785,090	\$789,955
Supplies	182,860	314,803	395,850	366,300



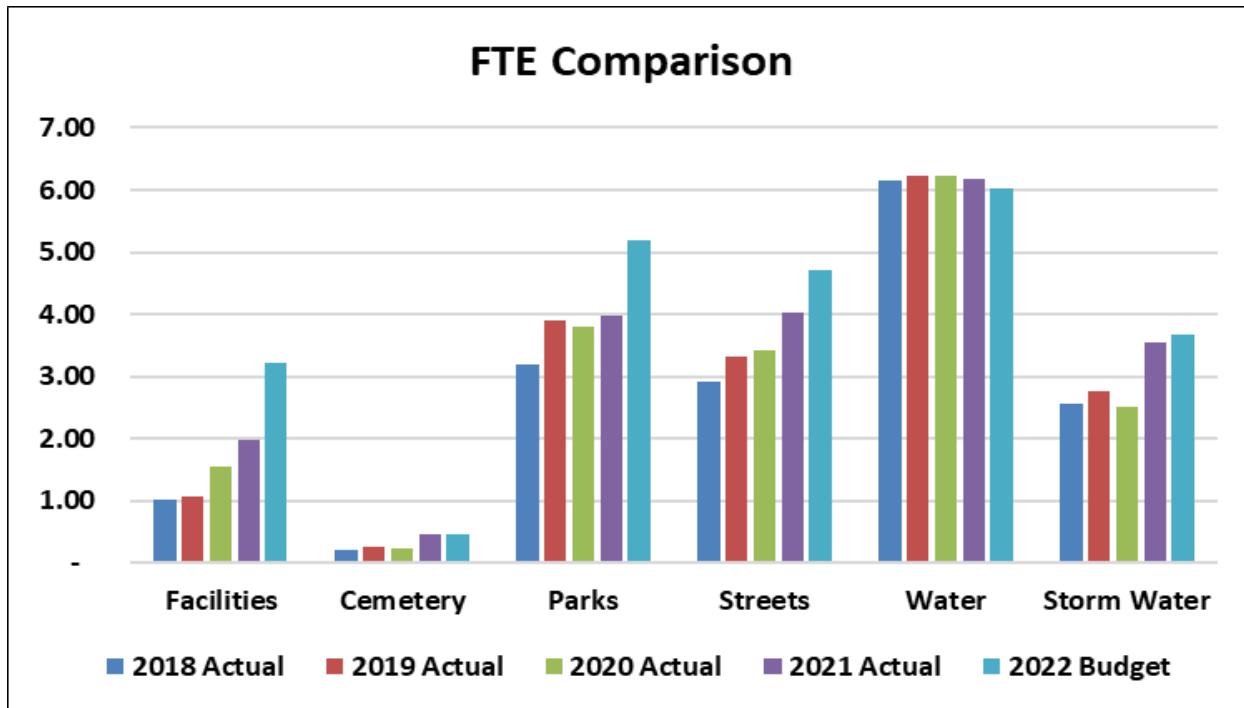
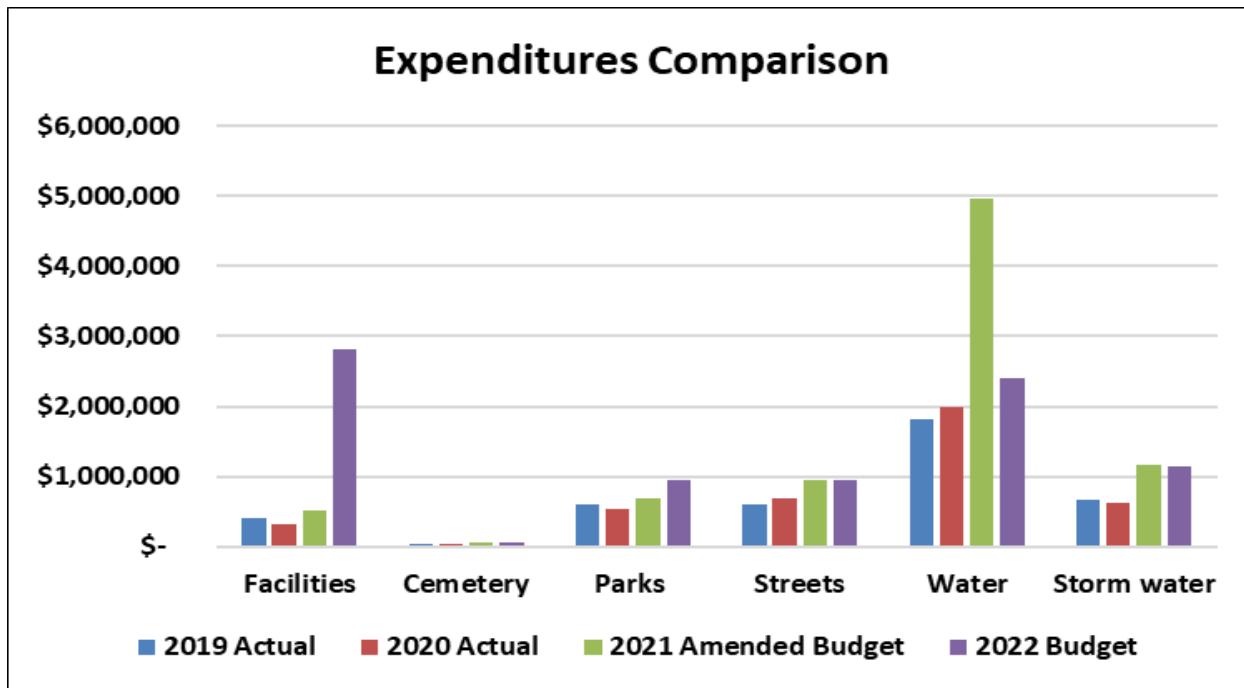
## 2022 Adopted Budget

	<u>2019 Actual</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2022 Budget</u>
Services/Prof Dev	93,654	75,947	158,000	113,500
Intergovernmental	459,872	438,880	499,277	559,046
Maintenance	64,310	94,090	83,750	105,100
Utilities	111,921	160,780	253,450	266,900
Capital Outlays	108	21,138	0	75,000
Capital Leases	0	0	1,800	1,800
Transfers	32,623	36,775	190,011	118,415
Debt Service	200,310	197,937	2,596,158	0
<b>Total Water</b>	<b>\$1,808,533</b>	<b>\$2,000,215</b>	<b>\$4,963,386</b>	<b>\$2,396,016</b>
<b><u>Storm water</u></b>				
Personnel	\$275,492	\$288,152	\$388,835	\$519,848
Supplies	33,764	35,562	33,800	57,850
Services/Prof Dev	31,345	38,826	50,000	44,800
Intergovernmental	209,129	174,572	211,851	215,874
Maintenance	32,776	43,183	61,050	81,750
Utilities	8,331	8,933	9,350	10,500
Capital Outlays	37,873	0	50,000	67,000
Debt Service	0	0	75,000	65,000
Transfers	29,668	30,261	285,866	79,000
<b>Total Stormwater</b>	<b>\$658,378</b>	<b>\$619,489</b>	<b>\$1,165,752</b>	<b>\$1,141,622</b>
<b>Total PW Budget</b>	<b>\$4,111,350</b>	<b>\$4,212,133</b>	<b>\$8,340,704</b>	<b>\$8,307,819</b>



## 2022 Adopted Budget

### Public Works





## *2022 Adopted Budget*

### *V. Budget by Fund*



## ***2022 Adopted Budget***

### ***Fund Descriptions***

#### ***General Operating Fund – Fund 001***

The purpose of the General Fund is to provide for traditional government programs, which include the city council, judicial, executive management, legal, finance, human resources, general administration, general/facilities, information technology, public safety, cemetery, community development and parks. Taxes are the major source of revenue within the General Fund. Licenses and permits offer a significant resource to support community development. Transfers from other funds through an Indirect Cost Allocation Plan provide funding for expenses that are budgeted in the General Fund that benefit all funds for the City. The General Fund also provides support to other funds for debt service, street maintenance, and capital improvements.

#### ***City Council – Dept. 11***

The City Council is the elected legislative governing body of the City of Ridgefield and operates under a council-manager form of government, which consists of seven members elected at large from the community with one member serving as the Mayor.

The council determines and maintains effective legislative programs for the City and enacts ordinances and resolutions. The council meets at two regularly scheduled meetings per month to consider programs and services for the residents, approve expenditures of funds, and set public policy for the community. They participate in workshops and study sessions to review and discuss policy issues and attend numerous city-related committee and other governmental board meetings.

#### ***Judicial – Dept. 12***

The City of Ridgefield contracts with the City of Battle Ground for court services. Judges of the courts provide jurisdiction over all court proceedings pertaining to offenses defined by ordinances of the City, as well as traffic violations and misdemeanor crimes cited by Public Safety Officers.

#### ***Executive – Dept. 13***

The Executive department consists of the City Manager, who is appointed by council. The City Manager is responsible for carrying out the policies and goals of the council and coordinating and directing the day-to-day activities of the City's operating departments; which includes the development and management of effective programs. City Manager duties also consist of the political and community leadership of the city.



## ***2022 Adopted Budget***

### ***Finance – Dept. 14***

The Finance Department maintains the City's financial records, preparation of monthly, quarterly, and annual financial reports, financial forecasting, development of the annual budget and budget oversight. Additional duties include grant and contract management, processing of accounts payable and accounts receivable billing, and utility billing. The Finance Department provides audit oversight and assures the City is in compliance with federal and state accounting and auditing standards, while ensuring other reporting requirements are adhered to in a timely fashion. Finance also provides effective management of the City's financial resources, including the handling of cash receipts and daily deposits, reconciliation of bank statements and managing the City's investment activities.

### ***Legal – Dept. 15***

The City of Ridgefield contracts for its City Attorney services. Services consist of general counsel and representing the City on various complex and specific legal matters. Services include administer civil lawsuits, prepare legal documents, and advise City officials on legal rights, obligations, practices, and other phases of applicable federal, state, and local law.

### ***Human Resources – Dept. 17***

Human Resources provide support for personnel and payroll management for the City of Ridgefield. Human Resources will ensure the City is compliant with all federal, state, and local labor laws. Additional duties include managing the hiring process for new employees, managing the wellness program, benefit and labor contract negotiation and management.

### ***Administration – Dept. 18***

Administration provides support to the city council, maintains official records and legal documents, oversees records management, and ensures requests for public records are processed timely. Additionally, Administration ensures risk management policies and procedures are in place and ensure communications such as brochures, press releases, and newsletters, are appropriately prepared. Administration provides coordination support for community events sponsored by the City, acts as a liaison with business associations, and provides administrative staff for council and commission meetings.

### ***General/Facilities – Dept. 19***

This cost center incorporates costs that benefit the City in whole. It includes the costs for office and operating supplies, postage, licensing and purchases, City Hall utilities, computer systems consulting fees, liability insurance, lobbying, janitorial, community events and other general costs. This also includes the cost for facilities.



## ***2022 Adopted Budget***

### ***Information Technology – Dept. 20***

Information Technology includes information services. Information service includes computer system administration, telecommunications, desktop support, and computer hardware and software purchase and maintenance.

### ***Public Safety – Dept. 21***

Public Safety is responsible for protecting life and property, preserving the peace, preventing crime, maintaining positive community relations, apprehending, and arresting criminal violators, recovering property, planning, and regulating traffic and encouraging and developing community involvement and interaction with the department.

Public Safety investigates crimes that occur within the City and follow through to a successful conclusion. They initiate criminal investigations and assist outside agencies and follow up when required.

### ***Civil Service – Dept. 22***

The Civil Service Commission consists of three (3) members - one (1) chairman and two (2) commissioners. A secretary/examiner provides support to the commission. The Commission is responsible for administering all tests and setting the necessary qualifications for potential police department candidates and adopting local rules consistent with Washington State Law concerning regulations of personnel administration.

### ***Cemetery – Dept. 36***

Performs maintenance activities and oversight for the Ridgefield Cemetery.

### ***Community Development – Dept. 58***

The Community Development Department provides short and long-term visioning and comprehensive planning for the future physical development of the city. Comprehensive planning includes the coordination of capital facility planning, participation in park planning and use policies, implementation of development regulations, development review, issues building permits, and legislative updates of development procedures and zoning compliance. Community Development is responsible for building and associated code compliance, land use and development application review and processing, and enforcement of the development code. The department conducts building inspection services to ensure building and construction activities conform to City plans and codes.

### ***Parks – Dept. 76***

Conducts support and maintenance of City-owned parks. Ensures citizens and visitors are provided with safe, clean, and attractive parks and open space areas where families can spend leisure time and participate in a variety of recreational activities. The City maintains three major parks, Abrams Park, Davis Park and Overlook Park. The City also maintains several



## ***2022 Adopted Budget***

neighborhood parks throughout the City. Public Works staff performs maintenance service activities for the parks.

### ***Utility Operating Funds***

The utility funds include water, and storm water operating revenues and expenditures and capital projects revenue sources and associated expenditures. The utility operating funds are enterprise funds and operate in a fashion comparable to a private business entity.

#### ***Water Utility Operating – Fund 406***

Incorporates the management and oversight of City owned water utilities and provides for the delivery of safe, high-quality water for all water users. The water utility provides support for the operation and maintenance of the water distribution system, storage reservoirs, wells, pumps, fire hydrants, emergency interties, telemetry, and related equipment. The majority of revenue is generated from user fees.

#### ***Storm Water Utility Operating – Fund 408***

The Storm Water Utility Fund provides for the maintenance and operation of the City's storm drainage facilities. Good maintenance of the drainage facilities reduces the impact from heavy rain or prolonged wet weather conditions. The majority of revenue is generated from user fees.

### ***Special Revenue Funds***

Special revenue funds are restricted in use and established to track identified revenues that can only be used for specific purposes that is determined by the fund.

#### ***Streets – Fund 101***

The Street Fund comprises both arterial and city roads and is designed to operate and maintain the built-in capacity, traffic control, and safety devices of the street network including sidewalks, street lighting, signage, surface water drainage facilities and roadside trees and vegetation. Public Works staff oversees and maintains the streets. The majority of funding is from General Fund subsidies and motor vehicle fuel taxes.

#### ***Drug – Fund 111***

The Drug Fund is used towards activities and equipment related to drug enforcement prevention and policing. The Drug Fund is funded by revenues received from drug seizure/forfeitures, fines and penalties related to drug and alcohol offenses, and proceeds from the soft drink machines located at the police department.

#### ***Affordable and Supplemental Housing – Fund 140***

The Affordable and Supplemental Housing fund records the collection and accounting for dedicated retail sales and use taxes. Retail sales and use taxes are collected as a credit against the state portion of taxes collected within the Ridgefield city limits. Funds are used to support acquiring, rehabilitating, or constructing affordable housing, operations, and maintenance costs



## ***2022 Adopted Budget***

of new units of affordable or supportive housing or for rental assistance to tenants at or below 60% of median income.

### ***Transportation Benefit District (TBD) – Fund 150***

The TBD fund records the collection and accounting of vehicle licensing fees, collected from residents who live in the Ridgefield city limits at the time they register or renew their vehicle registration. Funds are used to support the city's pavement preservation program to maintain and rebuild existing roads with the city.

### ***Capital Service Funds***

#### ***Real Estate Excise Tax (REET) – Fund 105***

The REET fund records the collection and accounting for the receipt of revenue from the sale of real property in the City. These funds can only be used for specific purposes, such as constructing or acquiring new City facilities, purchasing land, or paying the debt service to acquire these facilities.

#### ***Park Impact Fees (PIF) – Fund 114***

The PIF fund records the collection and accounting of park impact fees, collected from developers, who construct new housing developments. The funds are used to acquire land and construct new park facilities. The Park Impact Fee is a charge to be used exclusively to build or expand capacity that is required as a result of development.

#### ***Traffic Impact Fees (TIF) – Fund 115***

The TIF fund records the collection and accounting of transportation impact fees, collected from developers, when constructing new developments. Funds are used for the construction of city street infrastructure. The Traffic Impact Fee is a charge to be used exclusively to build or expand capacity that is required as a result of development.

#### ***Water System Development Charges (WSDC) – Fund 416***

The Water SDC fund records the collection and accounting of system development charges (SDC), collected from developers, at the time of development that connects to the City water system. Funds are used to develop and complete the facilities listed in the Water Master Plan. The SDC is used for building capital facilities that are needed as a result of development.

### ***Debt Service Funds***

#### ***Debt Service – Fund 200***

The Debt Service Fund is used to account for the principal and interest payments associated with the General Fund and general fund supported funds, such as Streets and Parks. This does not include debt service associated with enterprise funds.



## ***2022 Adopted Budget***

### ***Capital Project Funds***

#### ***General Capital Projects – Fund 300***

The General Capital Projects Fund is used for construction of governmental capital projects and includes streets and parks projects. Funding sources for these projects come from grants and transfers from the Traffic Impact Fee Fund (TIF), the Park Impact Fee Fund (PIF), Real Estate Excise Tax Fund (REET), and the General Fund.

Capital projects are prioritized and planned based on the approved capital facilities plans. The adopted budget establishes appropriations to fund the projects of highest priority to the City Council and its citizens for the upcoming fiscal year.

#### ***Utility Capital Projects – Fund 410 and Fund 412***

Utility Capital Projects Fund is used to account for capital construction projects associated with the water, and storm water utility funds. Public Works staff is used to manage and oversee the capital projects, and the design, engineering and construction activities are conducted under contractual agreements.

Capital projects are prioritized and planned based on the approved capital facilities plans. The adopted budget establishes appropriations to fund the projects of highest priority to the City Council and its citizens for the upcoming fiscal year.

Funding comes from multiple sources, including Drinking Water State Revolving Fund loans, bond proceeds, system development charges and utility operating funds.

#### ***Equipment Replacement Fund – Fund 501***

This fund was created in 2012 and will be used to account for transfers made from the operating funds and the expenditures made to purchase replacement vehicles and large equipment items. The amount to transfer and spend on purchases is based on a financial model. The financial model describes the asset, year of purchase, estimated life, associated fund and department that uses the asset, estimated date to replace and the estimated replacement cost.



## 2022 Adopted Budget

### Operating Funds Summary Reports

#### Fund 001 – General

Operating Funds Summary Report by Fund							
Description	2019		2020		Amended	2021 Est.	2022
	Actual	Actual	Actual	Budget	Year End	Baseline	Additions
<b>001 General Fund</b>							
<b>Revenue</b>							
Property Tax	1,288,393	1,472,230	1,665,000	1,680,048	1,940,000	-	1,940,000
Retail Sales & Other Tax	3,255,417	3,151,630	4,165,025	4,276,183	4,232,050	-	4,232,050
Utility Taxes	1,095,607	1,244,333	1,353,890	1,405,610	1,589,810	-	1,589,810
License & Permits	1,302,769	2,116,847	2,159,860	2,198,303	1,950,710	-	1,950,710
Planning & Development	1,243,980	1,299,777	1,246,010	1,337,910	1,417,400	-	1,417,400
Fines & Forfeits	74,827	57,825	69,700	68,472	64,000	-	64,000
Charge for Goods & Srvc	564,533	503,187	586,328	616,862	644,030	-	644,030
Intergovernmental/Grant	314,624	601,388	1,670,704	1,600,093	245,505	1,398,280	1,643,785
Other Rev/Donations	238,898	307,619	462,800	406,041	191,900	-	191,900
Other Financing Sources	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>9,379,048</b>	<b>10,754,836</b>	<b>13,379,317</b>	<b>13,589,522</b>	<b>12,275,405</b>	<b>1,398,280</b>	<b>13,673,685</b>
<b>Expense</b>							
City Council	95,548	78,521	102,825	78,835	113,512	-	113,512
Judicial	132,677	169,244	207,000	195,536	263,000	-	263,000
Executive	266,751	267,035	312,110	276,843	315,829	-	315,829
Legal	27,523	38,472	45,000	35,904	50,000	-	50,000
Finance	452,256	608,409	686,490	654,574	706,566	159,400	865,966
Human Resources	206,171	208,857	298,015	286,216	266,460	89,800	356,260
Administration	394,378	433,497	528,030	526,247	575,951	2,000	577,951
Gen Govt/Facilities	1,174,734	1,237,389	1,622,888	1,559,228	1,460,107	2,611,140	4,071,247
Information Tech	148,572	193,338	217,300	209,437	253,500	148,200	401,700
Public Safety	1,823,404	2,036,241	2,402,033	2,231,141	2,711,267	759,000	3,470,267
Civil Service	80	92	1,000	118	1,000	-	1,000
Cemetery	35,432	47,751	62,449	32,147	59,424	2,230	61,654
Transfers	522,706	616,751	965,438	878,222	564,239	373,930	938,169
Community Development	1,835,908	1,841,175	2,231,005	1,774,067	2,414,585	216,800	2,631,385
Parks	599,806	541,698	689,801	528,290	705,415	243,230	948,645
<b>Total Expense</b>	<b>7,715,946</b>	<b>8,318,470</b>	<b>10,371,384</b>	<b>9,266,805</b>	<b>10,460,855</b>	<b>4,605,730</b>	<b>15,066,585</b>
<b>Net Total</b>	<b>1,663,102</b>	<b>2,436,366</b>	<b>3,007,933</b>	<b>4,322,717</b>	<b>1,814,550</b>	<b>(3,207,450)</b>	<b>(1,392,900)</b>
<b>Fund Balance</b>							
Beginning Fund Balance	3,163,140	4,826,242	7,262,608	7,262,608	11,585,325	13,399,875	11,585,325
Ending Fund Balance	4,826,242	7,262,608	10,270,541	11,585,325	13,399,875	10,192,425	10,192,425
GF Policy Reserve Balance	2,014,914	2,331,040	2,462,776	2,462,776	2,889,315	2,889,315	2,889,315
Building Policy Reserve Bal	574,578	538,567	612,292	612,292	648,382	648,382	648,382
Restricted for Building	586,442	660,998	2,564,479	3,149,925	3,506,999	3,506,999	3,290,199
Fund Balance Available	1,650,308	3,732,003	4,630,994	5,360,332	6,355,179	3,147,729	3,364,529



## 2022 Adopted Budget

### Fund 101 – Streets

Operating Funds Summary Report by Fund												
Description	2019		2021		2021 Est. Year End	2022 Baseline	2022 Additions	2022 Budget				
	Actual	2020	Amended Budget									
<b>101 Street Fund</b>												
<b>Revenue</b>												
Utility Tax/Franchise Fee	72,002	91,842	95,491	113,042	120,715	-	120,715					
Permits	18,528	21,297	20,000	13,538	20,000	-	20,000					
Grants	-	15,711	-	-	-	-	-					
Intergovernmental	177,662	174,043	220,610	200,498	238,483	-	238,485					
Other Revenue	1,694	3	1,025	-	525	-	525					
Transfers In	328,125	401,850	624,438	624,438	564,239	12,930	577,170					
<b>Total Revenue</b>	<b>598,011</b>	<b>704,746</b>	<b>961,564</b>	<b>951,516</b>	<b>943,962</b>	<b>12,930</b>	<b>956,895</b>					
<b>Expense</b>												
Streets	600,875	693,579	943,868	868,162	933,960	12,930	946,890					
<b>Total Expense</b>	<b>600,875</b>	<b>693,579</b>	<b>943,868</b>	<b>868,162</b>	<b>933,960</b>	<b>12,930</b>	<b>946,890</b>					
<b>Net Total</b>	<b>(2,864)</b>	<b>11,167</b>	<b>17,696</b>	<b>83,354</b>	<b>10,002</b>	-	<b>10,005</b>					
<b>Fund Balance</b>												
Beg Fund Balance	5,450	2,586	13,753	13,753	97,107	107,107	97,107					
Ending Fund Balance	2,586	13,753	31,449	97,107	107,107	107,107	107,112					
Reserves Maintain in GF	-	-	-	-	-	-	-					
Fund Balance Available	2,586	13,753	31,449	97,107	107,107	107,107	107,112					

### Fund 406 – Water Utility

Operating Funds Summary Report by Fund												
Description	2019		2021		2021 Est. Year End	2022 Baseline	2022 Additions	2022 Budget				
	Actual	2020	Amended Budget									
<b>406 Water Utility Fund</b>												
<b>Revenue</b>												
Charge for Goods & Srvc	1,939,937	2,285,249	2,798,635	2,819,057	2,843,555	-	2,843,555					
Grants	-	22,056	-	-	-	-	-					
Other Revenue	12,652	4,995	10,000	571	11,000	-	11,000					
Transfers In	200,310	198,530	2,596,158	2,564,193	-	-	-					
<b>Total Revenue</b>	<b>2,152,899</b>	<b>2,510,830</b>	<b>5,404,793</b>	<b>5,383,821</b>	<b>2,854,555</b>	-	<b>2,854,555</b>					
<b>Expense</b>												
Water Utility	1,808,533	2,000,215	4,963,386	4,836,777	2,230,676	165,340	2,396,016					
<b>Total Expense</b>	<b>1,808,533</b>	<b>2,000,215</b>	<b>4,963,386</b>	<b>4,836,777</b>	<b>2,230,676</b>	<b>165,340</b>	<b>2,396,016</b>					
<b>Net Total</b>	<b>344,366</b>	<b>510,615</b>	<b>441,407</b>	<b>547,044</b>	<b>623,880</b>	<b>(165,340)</b>	<b>458,540</b>					
<b>Fund Balance</b>												
Beginning Fund Balance	1,129,410	1,473,776	1,984,391	1,984,391	2,531,435	3,155,314	2,531,435					
Ending Fund Balance	1,473,776	1,984,391	2,425,798	2,531,435	3,155,314	2,989,974	2,989,974					
Policy Reserve Balance	688,217	881,874	1,077,370	1,077,370	1,316,564	1,316,564	1,316,564					
Fund Balance Available	785,559	1,102,517	1,348,428	1,454,065	1,838,750	1,673,410	1,673,410					



## 2022 Adopted Budget

### Fund 408 – Storm Water Utility

Operating Funds Summary Report by Fund							
Description	2019		2020		Amended	2021 Est.	2022
	Actual	Actual	Actual	Budget	Year End	Baseline	2022 Additions
<b>408 Stormwater Utility Fund</b>							
<b>Revenue</b>							
Charge for Goods & Svrc	676,722	849,327	947,920	952,873	1,155,395	-	1,155,395
Grants	-	15,731	-	-	-	-	-
Other Revenue	(225)	4,022	3,000	(2,786)	3,000	-	3,000
<b>Total Revenue</b>	<b>676,497</b>	<b>869,080</b>	<b>950,920</b>	<b>950,087</b>	<b>1,158,395</b>	-	<b>1,158,395</b>
<b>Expense</b>							
Stormwater Utility	658,378	619,740	1,165,752	1,019,799	1,030,292	111,330	1,141,622
<b>Total Expense</b>	<b>658,378</b>	<b>619,740</b>	<b>1,165,752</b>	<b>1,019,799</b>	<b>1,030,292</b>	<b>111,330</b>	<b>1,141,622</b>
<b>Net Total</b>	<b>18,119</b>	<b>249,340</b>	<b>(214,832)</b>	<b>(69,712)</b>	<b>128,103</b>	<b>(111,330)</b>	<b>16,773</b>
<b>Fund Balance</b>							
Beginning Fund Balance	242,313	260,432	509,772	509,772	440,060	568,163	440,060
Ending Fund Balance	260,432	509,772	294,940	440,060	568,163	456,833	456,833
Policy Reserve Balance	275,728	398,183	497,449	497,449	612,693	612,693	612,693
Fund Balance Available	(15,296)	111,589	(202,509)	(57,389)	(44,530)	(155,860)	(155,860)

### Special Revenue Funds Summary Report

#### Fund 111 - Drug

Special Revenue Fund Summary Report by Fund							
Description	2019		2020		Amended	2021 Est.	2022
	Actual	Actual	Actual	Budget	Year End	Baseline	2022 Additions
<b>111 Drug Fund</b>							
<b>Revenue</b>							
Fines and Forfeits	947	416	1,000	37	750	-	750
Other Revenue	264	9	10	4	10	-	10
<b>Total Revenue</b>	<b>1,211</b>	<b>425</b>	<b>1,010</b>	<b>41</b>	<b>760</b>	-	<b>760</b>
<b>Expense</b>							
Small Tools & Equipment	5,617	-	-	-	-	-	-
Intergovernmental	21	-	-	-	-	-	-
<b>Total Expense</b>	<b>5,638</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Total</b>	<b>(4,427)</b>	<b>425</b>	<b>1,010</b>	<b>41</b>	<b>760</b>	-	<b>760</b>
<b>Fund Balance</b>							
Beginning Fund Balance	9,213	4,786	5,211	5,211	5,252	6,012	5,252
Ending Fund Balance	4,786	5,211	6,221	5,252	6,012	6,012	6,012
Fund Balance Available	4,786	5,211	6,221	5,252	6,012	6,012	6,012



## 2022 Adopted Budget

### Fund 140 – Affordable Housing

Special Revenue Fund Summary Report by Fund							
Description	2019	2020	Amended	2021 Est.	2022	2022	2022
	Actual	Actual	Budget	Year End	Baseline	Additions	Budget
<b>140 Affordable Housing</b>							
<b>Revenue</b>							
Retail Sales Tax	-	10,232	23,000	30,549	31,025	-	31,025
Other Revenue	-	-	35	-	-	-	-
<b>Total Revenue</b>	-	<b>10,232</b>	<b>23,035</b>	<b>30,549</b>	<b>31,025</b>	-	<b>31,025</b>
<b>Expense</b>							
Transfers-Out	-	-	-	-	-	-	-
<b>Total Expense</b>	-	-	-	-	-	-	-
<b>Net Total</b>	-	<b>10,232</b>	<b>23,035</b>	<b>30,549</b>	<b>31,025</b>	-	<b>31,025</b>
<b>Fund Balance</b>							
Beg Fund Balance	-	-	10,232	10,232	40,781	71,806	40,781
Ending Fund Balance	-	10,232	33,267	40,781	71,806	71,806	71,806
Fund Balance Available	-	10,232	33,267	40,781	71,806	71,806	71,806

### Fund 150 – Transportation Benefit District

Special Revenue Fund Summary Report by Fund							
Description	2019	2020	Amended	2021 Est.	2022	2022	2022
	Actual	Actual	Budget	Year End	Baseline	Additions	Budget
<b>150 Transportation Benefit District</b>							
<b>Revenue</b>							
Vehicle Licensing Fees	75,973	153,806	153,410	170,223	301,725	-	301,725
Other Revenue	4	8	25	7	25	-	25
<b>Total Revenue</b>	<b>75,977</b>	<b>153,814</b>	<b>153,435</b>	<b>170,230</b>	<b>301,750</b>	-	<b>301,750</b>
<b>Expense</b>							
Transfers-Out	30,000	-	175,000	175,000	350,000	-	350,000
<b>Total Expense</b>	<b>30,000</b>	-	<b>175,000</b>	<b>175,000</b>	<b>350,000</b>	-	<b>350,000</b>
<b>Net Total</b>	<b>45,977</b>	<b>153,814</b>	<b>(21,565)</b>	<b>(4,770)</b>	<b>(48,250)</b>	-	<b>(48,250)</b>
<b>Fund Balance</b>							
Beg Fund Balance	-	45,977	199,791	199,791	195,021	146,771	195,021
Ending Fund Balance	45,977	199,791	178,226	195,021	146,771	146,771	146,771
Fund Balance Available	45,977	199,791	178,226	195,021	146,771	146,771	146,771



## 2022 Adopted Budget

### Debt Service Funds Summary Report

#### Fund 200 – Debt Service

<b>Debt Service Fund Summary Report by Fund</b>							
<b>Description</b>	<b>2019 Actual</b>	<b>2020 Actual</b>	<b>Amended Budget</b>	<b>2021 Est. Year End</b>	<b>2022 Baseline</b>	<b>2022 Additions</b>	<b>2022 Budget</b>
<b>200 Debt Service Fund</b>							
<b>Revenue</b>							
Transfers-In	808,499	831,596	1,433,629	1,413,405	1,414,003	-	1,414,003
Other Revenue	-	-	-	-	-	-	-
Other Financing Sources	-	3,857,663	-	-	-	-	-
<b>Total Revenue</b>	<b>808,499</b>	<b>4,689,259</b>	<b>1,433,629</b>	<b>1,413,405</b>	<b>1,414,003</b>	-	<b>1,414,003</b>
<b>Expense</b>							
Debt Service	808,499	870,346	1,433,629	1,413,405	1,414,003	-	1,414,003
Transfers-Out	-	3,818,913	-	-	-	-	-
<b>Total Expense</b>	<b>808,499</b>	<b>4,689,259</b>	<b>1,433,629</b>	<b>1,413,405</b>	<b>1,414,003</b>	-	<b>1,414,003</b>
<b>Net Total</b>	-	-	-	-	-	-	-
<b>Fund Balance</b>							
Beg Fund Balance	-	-	-	-	-	-	-
Ending Fund Balance	-	-	-	-	-	-	-
Fund Balance Available	-	-	-	-	-	-	-



## 2022 Adopted Budget

### Capital Service Funds Summary Report

#### Fund 105 – Real Estate Excise Tax (REET)

Capital Service Fund Summary Report by Fund							
Description	2019 Actual	2020 Actual	Amended Budget	2021 Est. Year End	2022 Baseline	2022 Additions	2022 Budget
<b>105 Real Estate Excise Tax (REET) Fund</b>							
<b>Revenue</b>							
Real Estate Excise Taxes	1,569,351	1,778,422	1,500,000	3,087,465	2,350,000	-	2,350,000
Other Revenue	77,212	36,194	20,000	19,544	20,000	-	20,000
<b>Total Revenue</b>	<b>1,646,563</b>	<b>1,814,616</b>	<b>1,520,000</b>	<b>3,107,009</b>	<b>2,370,000</b>	-	<b>2,370,000</b>
<b>Expense</b>							
Utility	236,440	-	-	-	-	-	-
General	-	-	-	-	-	-	-
Streets	-	46,246	-	-	-	-	-
Parks	657,000	-	-	-	-	-	-
Debt Service (RORC)	788,275	791,148	1,413,405	1,413,405	1,414,003	-	1,414,003
<b>Total Expense</b>	<b>1,681,715</b>	<b>837,394</b>	<b>1,413,405</b>	<b>1,413,405</b>	<b>1,414,003</b>	-	<b>1,414,003</b>
<b>Net Total</b>	<b>(35,152)</b>	<b>977,222</b>	<b>106,595</b>	<b>1,693,604</b>	<b>955,997</b>	-	<b>955,997</b>
<b>Fund Balance</b>							
Beg Fund Balance	1,194,540	1,159,388	2,136,610	2,136,610	3,830,214	4,786,211	3,830,214
Ending Fund Balance	1,159,388	2,136,610	2,243,205	3,830,214	4,786,211	4,786,211	4,786,211
Debt Service Reserves	787,425	1,413,405	1,414,003	1,414,003	1,409,075	1,409,075	1,409,075
Fund Balance Available	371,963	723,205	829,202	2,416,211	3,377,136	3,377,136	3,377,136

#### Fund 114 – Park Impact Fee (PIF)

Capital Service Fund Summary Report by Fund							
Description	2019 Actual	2020 Actual	Amended Budget	2021 Est. Year End	2022 Baseline	2022 Additions	2022 Budget
<b>114 Park Impact Fee (PIF) Fund</b>							
<b>Revenue</b>							
Planning & Development	1,094,204	1,908,172	2,213,200	2,292,947	1,856,535	-	1,856,535
Grants	-	-	-	-	-	-	-
Other Revenue	39	83	250	50	250	-	250
<b>Total Revenue</b>	<b>1,094,243</b>	<b>1,908,255</b>	<b>2,213,450</b>	<b>2,292,997</b>	<b>1,856,785</b>	-	<b>1,856,785</b>
<b>Expense</b>							
Park Impact Fee	762,719	404,633	636,000	631,032	250,000	3,543,200	3,793,200
<b>Total Expense</b>	<b>762,719</b>	<b>404,633</b>	<b>636,000</b>	<b>631,032</b>	<b>250,000</b>	<b>3,543,200</b>	<b>3,793,200</b>
<b>Net Total</b>	<b>331,524</b>	<b>1,503,622</b>	<b>1,577,450</b>	<b>1,661,965</b>	<b>1,606,785</b>	<b>(3,543,200)</b>	<b>(1,936,415)</b>
<b>Fund Balance</b>							
Beg Fund Balance	-	331,524	1,835,146	1,835,146	3,497,111	5,103,896	3,497,111
Ending Fund Balance	331,524	1,835,146	3,412,596	3,497,111	5,103,896	1,560,696	1,560,696
Fund Balance Available	331,524	1,835,146	3,412,596	3,497,111	5,103,896	1,560,696	1,560,696



## 2022 Adopted Budget

### Fund 115 – Traffic Impact Fee (TIF)

Capital Service Fund Summary Report by Fund							
Description	2019	2020	Amended	2021 Est.	2022	2022	2022
	Actual	Actual	Budget	Year End	Baseline	Additions	Budget
<b>115 Traffic Impact Fee (TIF) Fund</b>							
<b>Revenue</b>							
Planning & Development	1,443,129	1,676,355	2,557,612	2,254,615	3,209,700	-	3,209,700
Other Revenue	42,330	23,155	1,500	3,131	3,000	-	3,000
<b>Total Revenue</b>	<b>1,485,459</b>	<b>1,699,510</b>	<b>2,559,112</b>	<b>2,257,746</b>	<b>3,212,700</b>	-	<b>3,212,700</b>
<b>Expense</b>							
Transp Impact Fee	73,515	107,991	4,794,000	1,355,000	-	5,530,000	5,530,000
<b>Total Expense</b>	<b>73,515</b>	<b>107,991</b>	<b>4,794,000</b>	<b>1,355,000</b>	-	<b>5,530,000</b>	<b>5,530,000</b>
<b>Net Total</b>	<b>1,411,944</b>	<b>1,591,519</b>	<b>(2,234,888)</b>	<b>902,746</b>	<b>3,212,700</b>	<b>(5,530,000)</b>	<b>(2,317,300)</b>
<b>Fund Balance</b>							
Beginning Fund Balance	-	1,411,944	3,003,463	3,003,463	3,906,209	7,118,909	3,906,209
Ending Fund Balance	1,411,944	3,003,463	768,575	3,906,209	7,118,909	1,588,909	1,588,909
Fund Balance Available	1,411,944	3,003,463	768,575	3,906,209	7,118,909	1,588,909	1,588,909

### Fund 416 – Water System Development Charges (WSDC)

Capital Service Fund Summary Report by Fund							
Description	2019	2020	Amended	2021 Est.	2022	2022	2022
	Actual	Actual	Budget	Year End	Baseline	Additions	Budget
<b>416 Water Utility SDC Fund</b>							
<b>Revenue</b>							
Contributed Capital	1,647,176	2,823,471	2,718,375	2,893,708	2,867,000	-	2,867,000
Other Revenue	161,189	65,508	40,000	15,573	50,000	-	50,000
<b>Total Revenue</b>	<b>1,808,365</b>	<b>2,888,979</b>	<b>2,758,375</b>	<b>2,909,281</b>	<b>2,917,000</b>	-	<b>2,917,000</b>
<b>Expense</b>							
Intergovernmental	23,994	45,731	623,905	640,698	36,865	-	36,865
Capital Outlay	-	-	-	-	-	-	-
Transfers Out	939,598	1,224,251	3,688,183	2,611,057	-	2,515,000	2,515,000
<b>Total Expense</b>	<b>963,592</b>	<b>1,269,982</b>	<b>4,312,088</b>	<b>3,251,755</b>	<b>36,865</b>	<b>2,515,000</b>	<b>2,551,865</b>
<b>Net Total</b>	<b>844,773</b>	<b>1,618,997</b>	<b>(1,553,713)</b>	<b>(342,474)</b>	<b>2,880,135</b>	<b>(2,515,000)</b>	<b>365,135</b>
<b>Fund Balance</b>							
Beg Fund Balance	6,351,935	7,196,708	8,815,705	8,815,705	8,473,231	11,353,366	8,473,231
Ending Fund Balance	7,196,708	8,815,705	7,261,992	8,473,231	11,353,366	8,838,366	8,838,366
Fund Balance Available	7,196,708	8,815,705	7,261,992	8,473,231	11,353,366	8,838,366	8,838,366



# 2022 Adopted Budget

## Capital Project Funds Summary Report

### Fund 300 – General Capital Projects

Capital Project/Equipment Replacement Funds Summary Report by Fund							
Description	2019 Actual	2020 Actual	Amended Budget	2021 Est. Year End	2022 Baseline	2022 Additions	2022 Budget
<b>300 General Capital Project Fund</b>							
<b>Revenue</b>							
Grants	362,700	414,294	1,315,000	686,649	-	6,492,000	6,492,000
Other Revenue	412,351	47,035	786,000	827,753	-	846,454	846,454
Transfers In	1,735,198	4,592,684	6,061,000	2,414,817	870,000	9,224,200	10,094,200
Other Financing	406,000	406,000	406,000	465,000	-	6,130,000	6,130,000
<b>Total Revenue</b>	<b>2,916,249</b>	<b>5,460,013</b>	<b>8,568,000</b>	<b>4,394,219</b>	<b>870,000</b>	<b>22,692,654</b>	<b>23,562,654</b>
<b>Expense</b>							
Facilities	-	3,852,790	406,000	215,000	-	250,000	250,000
Cemetery	28,997	-	-	-	-	-	-
Streets	548,096	754,434	7,136,000	2,667,772	620,000	18,167,000	18,787,000
Parks	1,537,102	406,316	1,026,000	794,490	250,000	3,778,200	4,028,200
Transfers Out	98,950	-	-	-	-	-	-
<b>Total Expense</b>	<b>2,213,145</b>	<b>5,013,540</b>	<b>8,568,000</b>	<b>3,677,262</b>	<b>870,000</b>	<b>22,195,200</b>	<b>23,065,200</b>
<b>Net Total</b>	<b>703,104</b>	<b>446,473</b>	-	<b>716,957</b>	-	<b>497,454</b>	<b>497,454</b>
<b>Fund Balance</b>							
Beginning Fund	(21,525)	275,579	393,389	393,389	1,110,346	1,110,346	1,110,346
Ending Fund Balance	275,579	393,389	393,389	1,110,346	1,110,346	1,607,800	1,607,800
Fund Balance Available	275,579	393,389	393,389	1,110,346	1,110,346	1,607,800	1,607,800

### Fund 410 – Water Utility Capital Projects

Capital Project/Equipment Replacement Funds Summary Report by Fund							
Description	2019 Actual	2020 Actual	Amended Budget	2021 Est. Year End	2022 Baseline	2022 Additions	2022 Budget
<b>410 Water Utility Capital Project Fund</b>							
<b>Revenue</b>							
Other Revenue	4	3	-	1	-	-	-
Transfers In	739,288	1,025,721	1,237,025	175,406	-	4,087,500	4,087,500
Other Financing	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>739,292</b>	<b>1,025,724</b>	<b>1,237,025</b>	<b>175,407</b>	-	<b>4,087,500</b>	<b>4,087,500</b>
<b>Expense</b>							
Water Capital	739,288	1,025,721	1,237,025	175,406	-	4,087,500	4,087,500
<b>Total Expense</b>	<b>739,288</b>	<b>1,025,721</b>	<b>1,237,025</b>	<b>175,406</b>	-	<b>4,087,500</b>	<b>4,087,500</b>
<b>Net Total</b>	<b>4</b>	<b>3</b>	-	<b>1</b>	-	-	-
<b>Fund Balance</b>							
Beginning Fund	16,528	16,532	16,535	16,535	16,536	16,536	16,536
Ending Fund Balance	16,532	16,535	16,535	16,536	16,536	16,536	16,536
Fund Balance Available	16,532	16,535	16,535	16,536	16,536	16,536	16,536



## 2022 Adopted Budget

### Fund 412 – Storm Water Utility Capital Projects

Capital Project/Equipment Replacement Funds Summary Report by Fund							
Description	2019 Actual	2020 Actual	Amended Budget	2021 Est. Year End	2022 Baseline	2022 Additions	2022 Budget
<b>412 Storm Utility Capital Project Fund</b>							
<b>Revenue</b>							
Other Revenue	-	-	-	-	-	-	-
Grants	150,000	-	-	-	-	-	-
Transfers In	236,440	-	260,000	165,663	-	850,000	850,000
Other Financing	-	126,943	166,000	182,408	-	-	-
<b>Total Revenue</b>	<b>386,440</b>	<b>126,943</b>	<b>426,000</b>	<b>348,071</b>	-	<b>850,000</b>	<b>850,000</b>
<b>Expense</b>							
Storm Capital	386,440	126,943	426,000	348,071	-	850,000	850,000
<b>Total Expense</b>	<b>386,440</b>	<b>126,943</b>	<b>426,000</b>	<b>348,071</b>	-	<b>850,000</b>	<b>850,000</b>
<b>Net Total</b>	-	-	-	-	-	-	-
<b>Fund Balance</b>							
Beginning Fund	-	-	-	-	-	-	-
Ending Fund Balance	-	-	-	-	-	-	-
Fund Balance Available	-	-	-	-	-	-	-

### Fund 501 – Equipment Replacement Fund (ERF)

Capital Project/Equipment Replacement Funds Summary Report by Fund							
Description	2019 Actual	2020 Actual	Amended Budget	2021 Est. Year End	2022 Baseline	2022 Additions	2022 Budget
<b>501 Equipment Replacement Fund</b>							
<b>Revenue</b>							
Other Revenue	20,982	34	100	7	125	-	125
Transfers In	135,675	190,088	218,892	218,892	634,915	-	604,915
<b>Total Revenue</b>	<b>156,657</b>	<b>190,122</b>	<b>218,992</b>	<b>218,899</b>	<b>635,040</b>	-	<b>605,040</b>
<b>Expense</b>							
General Government	8,166	3,767	10,000	-	-	-	-
Public Safety	-	62,366	-	-	-	74,000	74,000
Water	3,687	36,092	44,800	45,105	-	-	-
Cemetery	3,951	1,883	-	-	-	-	-
Stormwater	9,217	36,092	44,800	45,105	-	48,000	48,000
Streets	30,291	52,084	44,800	45,106	-	26,500	26,500
Community	1,843	-	-	-	-	-	-
Parks	29,253	28,603	15,000	15,035	-	160,500	160,500
<b>Total Expense</b>	<b>86,408</b>	<b>220,887</b>	<b>159,400</b>	<b>150,351</b>	-	<b>309,000</b>	<b>309,000</b>
<b>Net Total</b>	<b>70,249</b>	<b>(30,765)</b>	<b>59,592</b>	<b>68,548</b>	<b>635,040</b>	<b>(309,000)</b>	<b>296,040</b>
<b>Fund Balance</b>							
Beginning Fund	180,246	250,495	219,730	219,730	288,278	893,318	288,278
Ending Fund Balance	250,495	219,730	279,322	288,278	893,318	584,318	584,318
Fund Balance Available	250,495	219,730	279,322	288,278	893,318	584,318	584,318



## 2022 Adopted Budget

### Operating Fund Summary Reports by Cost Category

#### Fund 001 - General

Operating Funds							
Summary Report by Cost Category							
Description	2019		2020		Amended	2021 Est.	2022
	Actual		Actual		Budget	Year End	Baseline
<b>001 General Fund</b>							
<b>Revenue</b>							
Property Tax	1,288,393		1,472,230		1,665,000	1,680,048	1,940,000
Retail Sales & Other Tax	3,255,417		3,151,630		4,165,025	4,276,183	4,232,050
Utility Taxes	1,095,607		1,244,333		1,353,890	1,405,610	1,589,810
License & Permits	1,302,769		2,116,847		2,159,860	2,198,303	1,950,710
Planning & Development	1,243,980		1,299,777		1,246,010	1,337,910	1,417,400
Fines & Forfeits	74,827		57,825		69,700	68,472	64,000
Charge for Goods & Srvc	564,533		503,187		586,328	616,862	644,030
Intergovernmental/Grant	314,624		601,388		1,670,704	1,600,093	245,505
Other Revenue/Donations	238,898		307,619		462,800	406,041	191,900
Transfers In	-		-		-	-	-
<b>Total Revenue</b>	<b>9,379,048</b>		<b>10,754,836</b>		<b>13,379,317</b>	<b>13,589,522</b>	<b>12,275,405</b>
<b>Expense</b>							
<b>City Council</b>							
Personnel	52,625		55,197		55,225	53,497	62,912
Supplies	2,068		382		1,600	1,863	1,600
Service/Advocacy	14,056		5,564		24,500	5,418	24,500
Maintenance	4,112		2,371		5,500	92	5,500
Utilities	3,395		3,285		4,000	5,965	4,000
Intergovernmental	19,292		11,722		12,000	12,000	15,000
<b>Total City Council</b>	<b>95,548</b>		<b>78,521</b>		<b>102,825</b>	<b>78,835</b>	<b>113,512</b>
<b>Judicial</b>							
Services	24,524		25,175		20,000	28,778	35,000
Intergovernmental	108,153		144,069		187,000	166,758	228,000
<b>Total Judicial</b>	<b>132,677</b>		<b>169,244</b>		<b>207,000</b>	<b>195,536</b>	<b>263,000</b>
<b>Executive</b>							
Personnel	246,012		259,393		289,160	269,314	293,329
Supplies	482		761		950	133	750
Services/Prof Dev	19,533		4,950		19,500	6,313	19,500
Maintenance	315		1,295		2,000	473	1,500
Utilities	409		636		500	610	750
<b>Total Executive</b>	<b>266,751</b>		<b>267,035</b>		<b>312,110</b>	<b>276,843</b>	<b>315,829</b>
<b>Legal</b>							
Services	27,523		38,472		45,000	35,904	50,000
<b>Total Legal</b>	<b>27,523</b>		<b>38,472</b>		<b>45,000</b>	<b>35,904</b>	<b>50,000</b>



## 2022 Adopted Budget

Operating Funds Summary Report by Cost Category							
Description	2021						
	2019 Actual	2020 Actual	Amended Budget	2021 Est. Year End	2022 Baseline	2022 Additions	2022 Budget
<b>Finance</b>							
Personnel	374,034	523,031	573,790	574,163	582,866	82,400	665,266
Supplies	6,941	8,952	14,000	4,276	14,000	2,000	16,000
Services/Prof Dev	29,425	28,673	37,000	28,050	42,000	75,000	117,000
Intergovernmental	40,952	46,484	60,000	44,969	65,000	-	65,000
Maintenance	495	892	1,200	2,025	1,700	-	1,700
Utilities	409	377	500	1,091	1,000	-	1,000
<b>Total Finance</b>	<b>452,256</b>	<b>608,409</b>	<b>686,490</b>	<b>654,574</b>	<b>706,566</b>	<b>159,400</b>	<b>865,966</b>
<b>Human Resources</b>							
Personnel	175,942	180,407	194,015	192,681	204,760	84,400	289,160
Services/Prof Dev	30,229	28,450	104,000	93,535	61,700	5,400	67,100
<b>Total Human Resources</b>	<b>206,171</b>	<b>208,857</b>	<b>298,015</b>	<b>286,216</b>	<b>266,460</b>	<b>89,800</b>	<b>356,260</b>
<b>Administration</b>							
Personnel	390,270	428,801	511,930	521,075	559,351	-	559,351
Supplies	1,077	2,078	1,000	656	1,000	2,000	3,000
Services/Prof Dev	1,754	2,007	13,000	2,881	13,000	-	13,000
Maintenance	869	235	1,600	837	1,600	-	1,600
Utilities	408	376	500	798	1,000	-	1,000
<b>Total Administration</b>	<b>394,378</b>	<b>433,497</b>	<b>528,030</b>	<b>526,247</b>	<b>575,951</b>	<b>2,000</b>	<b>577,951</b>
<b>General Gov/Facilities</b>							
Personnel	116,205	179,033	310,432	303,599	240,852	108,890	349,742
Supplies	22,952	87,948	36,500	44,244	50,750	2,250	53,000
Services/Prof Dev	312,222	345,269	548,500	495,154	275,500	65,000	340,500
Intergovernmental	2,074	2,551	3,000	2,000	3,500	-	3,500
Maintenance	438,033	345,921	369,700	366,483	411,500	-	411,500
Utilities	32,676	28,972	35,000	42,939	50,050	-	50,050
Capital Outlays	141,088	89,945	155,516	140,569	-	85,000	85,000
Capital Leases	56,433	56,438	49,400	49,400	27,955	-	27,955
Transfers	53,051	101,312	114,840	114,840	400,000	2,350,000	2,750,000
<b>Total Gen Gov/Facilities</b>	<b>1,174,734</b>	<b>1,237,389</b>	<b>1,622,888</b>	<b>1,559,228</b>	<b>1,460,107</b>	<b>2,611,140</b>	<b>4,071,247</b>
<b>Information Technology</b>							
Maintenance	138,472	172,287	217,300	209,437	253,500	148,200	401,700
Capital Outlays	10,100	21,051	-	-	-	-	-
<b>Total Information Tech</b>	<b>148,572</b>	<b>193,338</b>	<b>217,300</b>	<b>209,437</b>	<b>253,500</b>	<b>148,200</b>	<b>401,700</b>
<b>Public Safety</b>							
Personnel	1,474,762	1,578,541	1,810,495	1,743,335	1,985,267	294,000	2,279,267
Supplies	62,339	66,470	116,900	108,393	99,900	50,000	149,900
Services/Prof Dev	58,576	28,600	37,500	28,693	55,000	40,000	95,000
Intergovernmental	116,227	124,182	151,380	140,187	178,500	-	178,500
Maintenance	67,662	108,158	98,250	119,977	167,100	20,000	187,100
Utilities	23,614	25,730	28,200	27,979	35,500	-	35,500
Capital Outlays	-	64,112	140,000	62,577	-	355,000	355,000
Capital Leases	-	-	19,308	-	190,000	-	190,000
Transf to Debt Service -	20,224	40,448	-	-	-	-	-
<b>Total Public Safety</b>	<b>1,823,404</b>	<b>2,036,241</b>	<b>2,402,033</b>	<b>2,231,141</b>	<b>2,711,267</b>	<b>759,000</b>	<b>3,470,267</b>

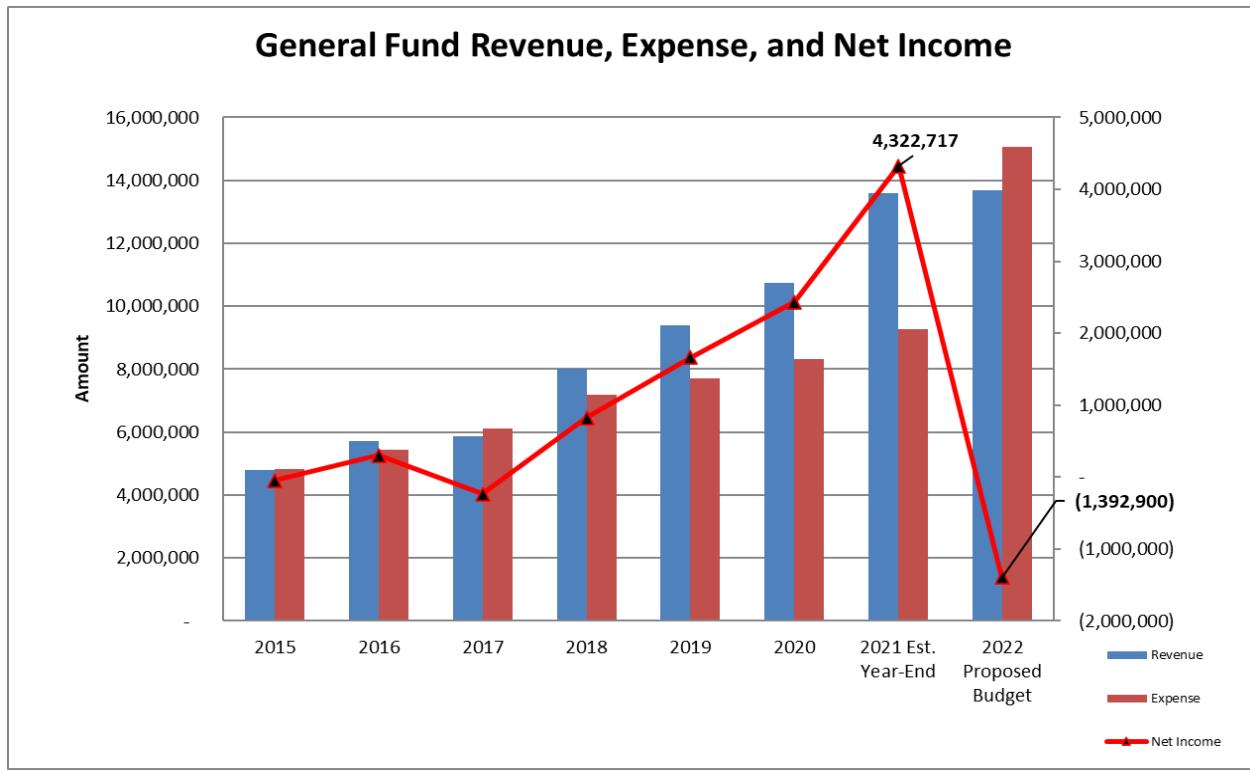
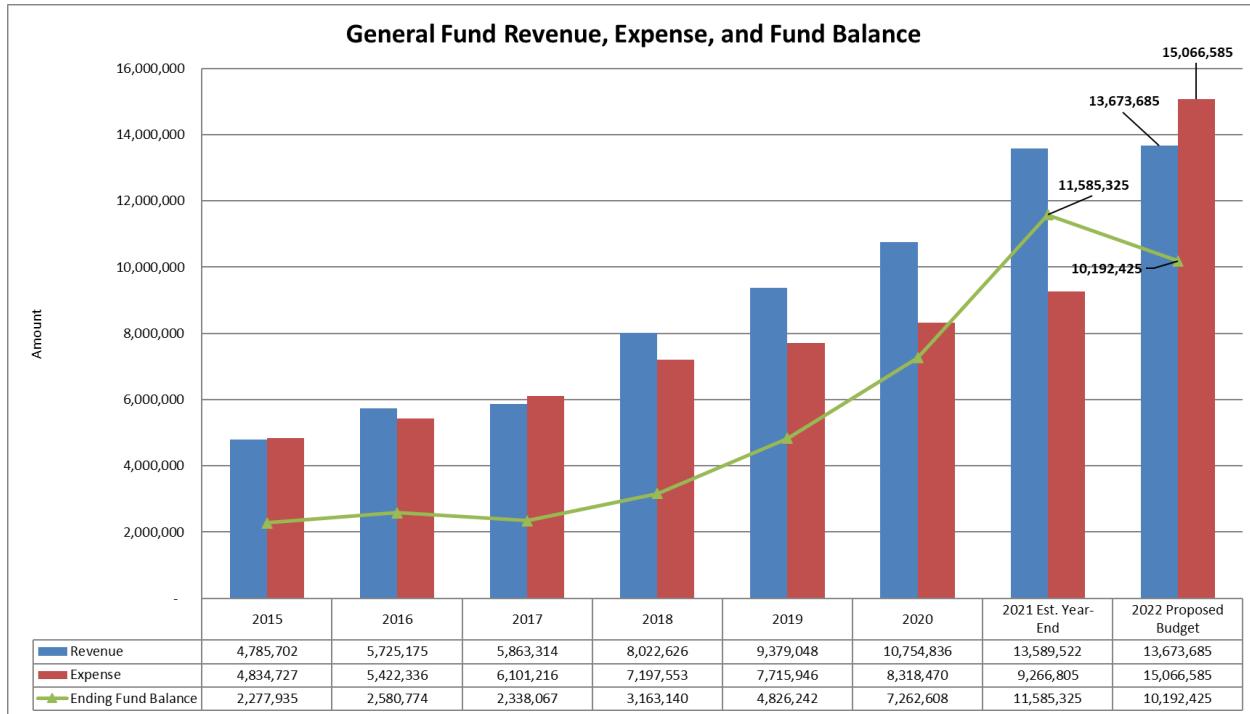


## 2022 Adopted Budget

Operating Funds Summary Report by Cost Category								
Description	2019		2020		Amended	2021 Est.	2022	
	Actual	Actual	Actual	Budget	Year End	Baseline	Additions	Budget
<b>Civil Service</b>								
Supplies	-	-	100		-	100	-	100
Services	80	92	900	118	900	-	-	900
<b>Total Civil Service</b>	<b>80</b>	<b>92</b>	<b>1,000</b>	<b>118</b>	<b>1,000</b>	<b>-</b>	<b>-</b>	<b>1,000</b>
<b>Cemetery</b>								
Personnel	31,804	44,442	50,699	24,085	45,724	2,230	-	47,954
Supplies	1,639	1,101	3,000	2,693	3,850	-	-	3,850
Services/ Prof Dev	164	63	1,300	87	1,300	-	-	1,300
Maintenance	1,282	1,512	6,850	4,370	7,600	-	-	7,600
Utilities	543	633	600	912	950	-	-	950
Capital Outlays	-	-	-	-	-	-	-	-
<b>Total Cemetery</b>	<b>35,432</b>	<b>47,751</b>	<b>62,449</b>	<b>32,147</b>	<b>59,424</b>	<b>2,230</b>	<b>61,654</b>	
<b>Street Transfers</b>								
Street Fund	522,706	616,751	965,438	878,222	564,239	373,930	-	938,169
<b>Total Street Transfers</b>	<b>522,706</b>	<b>616,751</b>	<b>965,438</b>	<b>878,222</b>	<b>564,239</b>	<b>373,930</b>	<b>938,169</b>	
<b>Community Development</b>								
Personnel	1,077,895	1,160,674	1,454,715	1,193,236	1,567,920	204,800	-	1,772,720
Supplies	23,842	17,634	31,450	21,625	31,500	5,000	-	36,500
Services/Prof Dev	452,244	347,564	536,500	318,702	532,500	-	-	532,500
Intergovernmental	3,834	4,084	4,715	4,714	5,300	-	-	5,300
Maintenance	81,886	76,003	101,650	104,878	126,950	7,000	-	133,950
Utilities	17,956	25,897	26,500	28,068	33,500	-	-	33,500
Capital Outlays	112,775	143,848	10,000	37,369	-	-	-	-
Capital Leases	65,476	65,471	65,475	65,475	86,915	-	-	86,915
Transfers	-	-	-	-	30,000	-	-	30,000
<b>Total Com Development</b>	<b>1,835,908</b>	<b>1,841,175</b>	<b>2,231,005</b>	<b>1,774,067</b>	<b>2,414,585</b>	<b>216,800</b>	<b>2,631,385</b>	
<b>Parks</b>								
Personnel	313,395	329,422	383,801	356,420	404,465	132,980	-	537,445
Supplies	51,150	38,506	41,750	57,252	51,950	2,250	-	54,200
Services/Prof Dev	46,455	13,269	18,000	4,209	17,000	-	-	17,000
Intergovernmental	-	-	-	-	-	-	-	-
Maintenance	104,870	96,357	137,500	54,864	179,500	-	-	179,500
Utilities	38,508	34,187	43,750	49,751	52,500	-	-	52,500
Capital Outlays	28,044	29,957	25,000	5,794	-	48,000	-	48,000
Transfers	17,384	-	40,000	-	-	60,000	-	60,000
<b>Total Parks</b>	<b>599,806</b>	<b>541,698</b>	<b>689,801</b>	<b>528,290</b>	<b>705,415</b>	<b>243,230</b>	<b>948,645</b>	
<b>Total Expense</b>	<b>7,715,946</b>	<b>8,318,470</b>	<b>10,371,384</b>	<b>9,266,805</b>	<b>10,460,855</b>	<b>4,605,730</b>	<b>15,066,585</b>	
<b>Net Total</b>	<b>1,663,102</b>	<b>2,436,366</b>	<b>3,007,933</b>	<b>4,322,717</b>	<b>1,814,550</b>	<b>(3,207,450)</b>	<b>(1,392,900)</b>	
<b>Fund Balance</b>								
Beginning Fund Balance	3,163,140	4,826,242	7,262,608	7,262,608	11,585,325	13,399,875	-	11,585,325
Ending Fund Balance	4,826,242	7,262,608	10,270,541	11,585,325	13,399,875	10,192,425	-	10,192,425
Gen Fund Reserve Bal	2,014,914	2,331,040	2,462,776	2,462,776	2,889,315	2,889,315	-	2,889,315
Building Reserve Bal	574,578	538,567	612,292	612,292	648,382	648,382	-	648,382
Restricted for Building	586,442	660,998	2,564,479	3,149,925	3,506,999	3,506,999	-	3,290,199
Fund Balance Available	1,650,308	3,732,003	4,630,994	5,360,332	6,355,179	3,147,729	-	3,364,529



## 2022 Adopted Budget

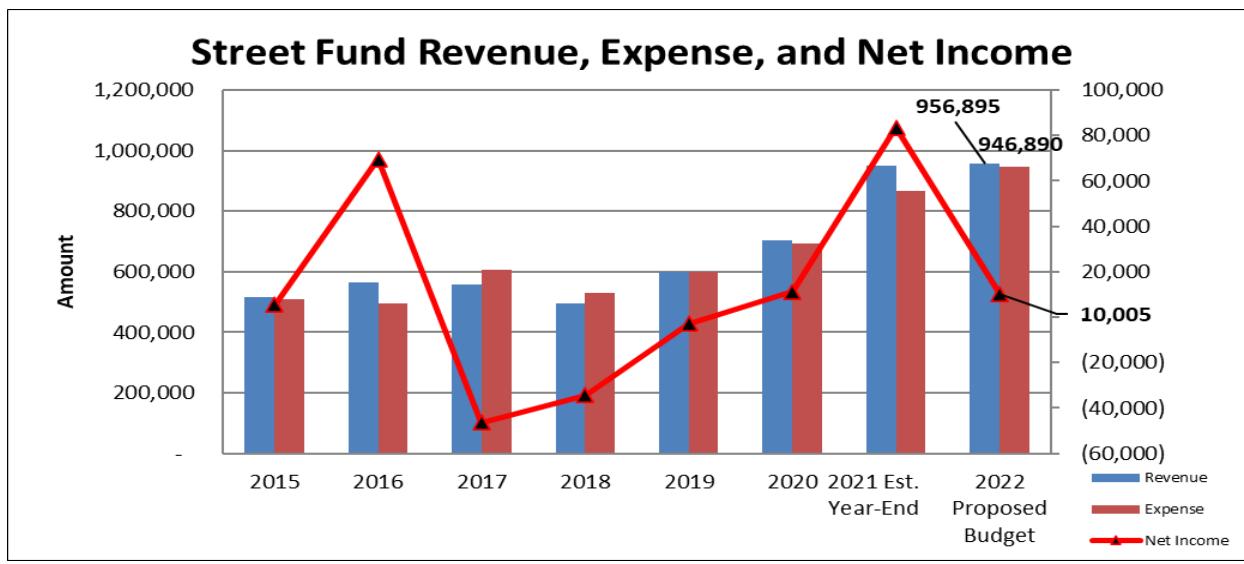




## 2022 Adopted Budget

### Fund 101 – Streets

Operating Funds Summary Report by Cost Category												
Description	2019		2021		2021 Est. Year End	2022 Baseline	2022 Additions	2022 Budget				
	Actual	2020	Amended Budget	Year End								
<b>101 Street Fund</b>												
<b>Revenue</b>												
Utility Tax/Franchise Fee	72,002	91,842	95,491	113,042	120,713	-	-	120,715				
Permits	18,528	21,297	20,000	13,538	20,000	-	-	20,000				
Grants	-	15,711	-	-	-	-	-	-				
Intergovernmental	177,662	174,043	220,610	200,498	238,483	-	-	238,485				
Other Revenue	1,694	3	1,025	-	525	-	-	525				
Transfers In	328,125	401,850	624,438	624,438	564,239	12,930	12,930	577,170				
<b>Total Revenue</b>	<b>598,011</b>	<b>704,746</b>	<b>961,564</b>	<b>951,516</b>	<b>943,960</b>	<b>12,930</b>	<b>12,930</b>	<b>956,895</b>				
<b>Expense</b>												
Personnel	313,842	363,922	516,393	507,213	509,610	12,430	-	522,040				
Supplies	32,349	26,350	30,500	35,451	40,750	250	250	41,000				
Services/Prof Dev	5,195	17,453	11,600	3,811	17,100	-	-	17,100				
Intergovernmental	-	-	15,000	-	-	-	-	-				
Maintenance	56,337	52,513	189,900	156,869	152,500	250	250	152,750				
Utilities	99,191	145,123	147,300	131,643	164,000	-	-	164,000				
Capital Outlays	73,628	66,478	-	-	-	-	-	-				
Transfers	20,333	21,740	33,175	33,175	50,000	-	-	50,000				
<b>Total Expense</b>	<b>600,875</b>	<b>693,579</b>	<b>943,868</b>	<b>868,162</b>	<b>933,960</b>	<b>12,930</b>	<b>12,930</b>	<b>946,890</b>				
<b>Net Total</b>	<b>(2,864)</b>	<b>11,167</b>	<b>17,696</b>	<b>83,354</b>	<b>10,000</b>	<b>-</b>	<b>-</b>	<b>10,005</b>				
<b>Fund Balance</b>												
Beginning Fund Balance	5,450	2,586	13,753	13,753	97,107	107,107	-	97,107				
Ending Fund Balance	2,586	13,753	31,449	97,107	107,107	107,107	-	107,112				
Reserves in GF	-	-	-	-	-	-	-	-				
Fund Balance Available	2,586	13,753	31,449	97,107	107,107	107,107	-	107,112				





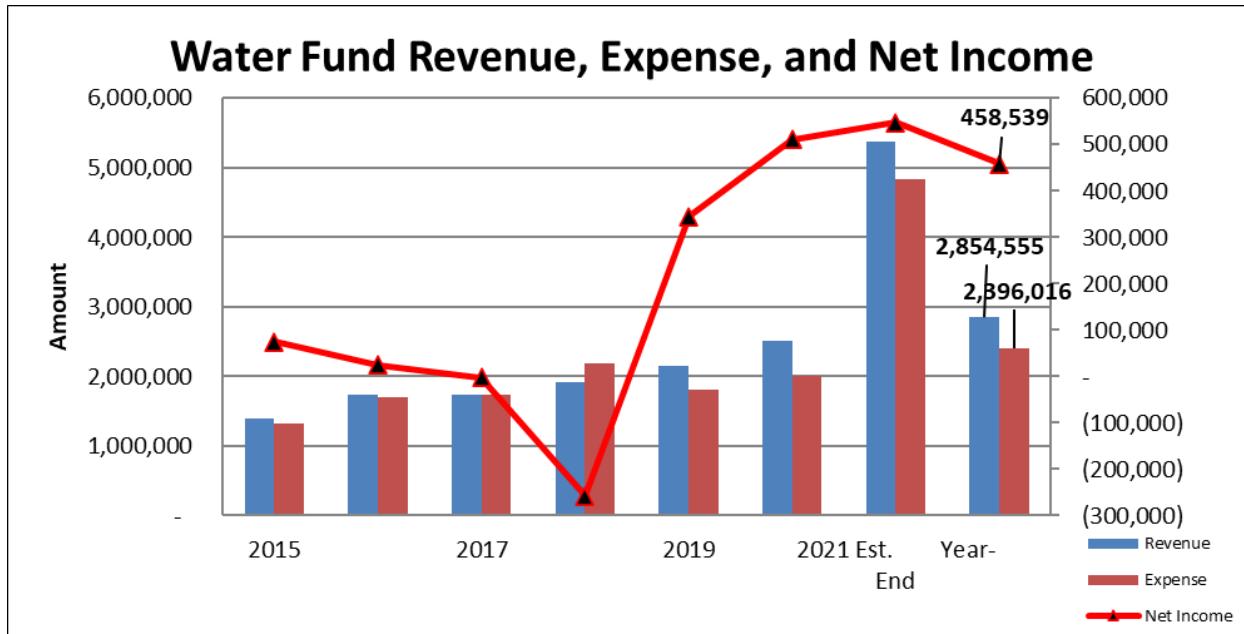
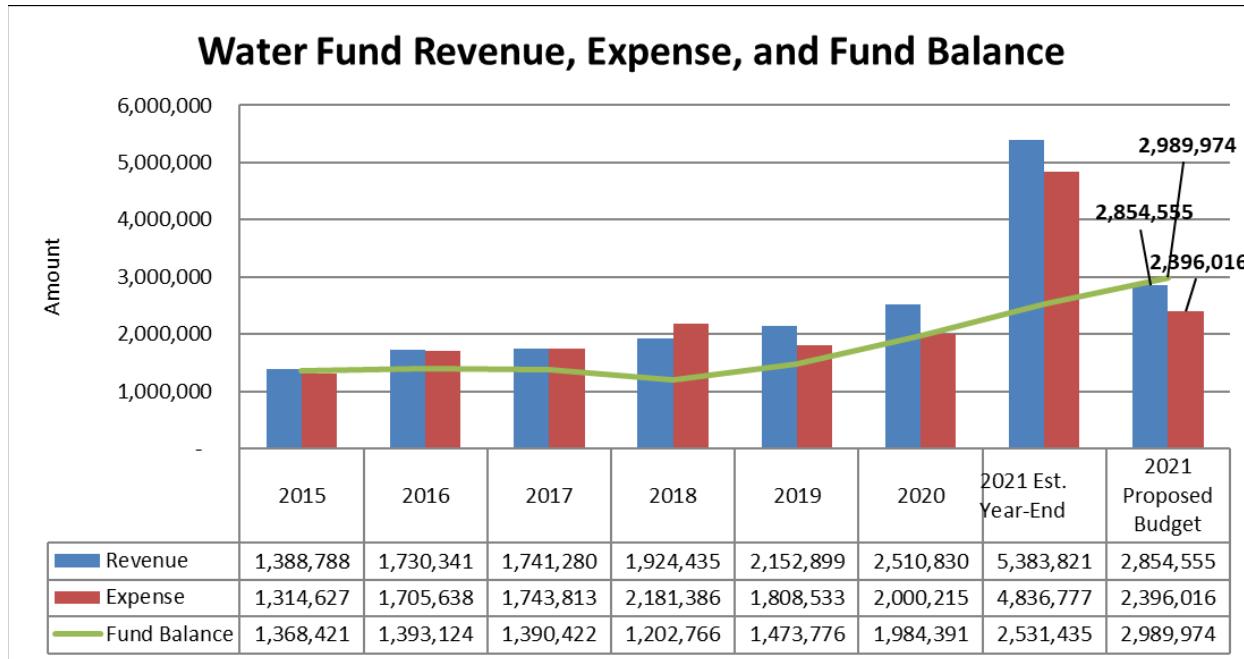
## 2022 Adopted Budget

### Fund 406 – Water Utility

Operating Funds Summary Report by Cost Category								
Description	2019		2021		2021 Est. Year End	2022 Baseline	2022 Additions	2022 Budget
	Actual	2020	Amended Budget	2021				
<b>406 Water Utility Fund</b>								
<b>Revenue</b>								
Charge for Goods and	1,939,937	2,285,249	2,798,635	2,819,057	2,843,555	-	2,843,555	
Grants	-	22,056	-	-	-	-	-	-
Other Revenue	12,652	4,995	10,000	571	11,000	-	11,000	
Transfers In	200,310	198,530	2,596,158	2,564,193	-	-	-	-
<b>Total Revenue</b>	<b>2,152,899</b>	<b>2,510,830</b>	<b>5,404,793</b>	<b>5,383,821</b>	<b>2,854,555</b>	-	<b>2,854,555</b>	
<b>Expense</b>								
Personnel	662,875	659,865	785,090	734,407	772,115	17,840	789,955	
Supplies	182,860	314,803	395,850	407,544	366,300	-	366,300	
Services/Prof Dev	93,654	75,947	158,000	144,066	113,500	-	113,500	
Intergovernmental	459,872	438,880	499,277	503,675	559,046	-	559,046	
Maintenance	64,310	94,090	83,750	64,219	105,100	-	105,100	
Utilities	111,921	160,780	253,450	243,320	266,900	-	266,900	
Capital Outlays	108	21,138	-	-	-	75,000	75,000	
Capital Leases	-	-	1,800	1,800	1,800	-	1,800	
Transfers	32,623	36,775	190,011	173,553	45,915	72,500	118,415	
Debt Service	200,310	197,937	2,596,158	2,564,193	-	-	-	
<b>Total Expense</b>	<b>1,808,533</b>	<b>2,000,215</b>	<b>4,963,386</b>	<b>4,836,777</b>	<b>2,230,676</b>	<b>165,340</b>	<b>2,396,016</b>	
<b>Net Total</b>	<b>344,366</b>	<b>510,615</b>	<b>441,407</b>	<b>547,044</b>	<b>623,880</b>	<b>(165,340)</b>	<b>458,540</b>	
<b>Fund Balance</b>								
Beginning Fund Balance	1,129,410	1,473,776	1,984,391	1,984,391	2,531,435	3,155,314	2,531,435	
Ending Fund Balance	1,473,776	1,984,391	2,425,798	2,531,435	3,155,314	2,989,974	2,989,974	
Reserves	688,217	881,874	1,077,370	1,077,370	1,316,564	1,316,564	1,316,564	
Fund Balance Available	785,559	1,102,517	1,348,428	1,454,065	1,838,750	1,673,410	1,673,410	



## 2022 Adopted Budget





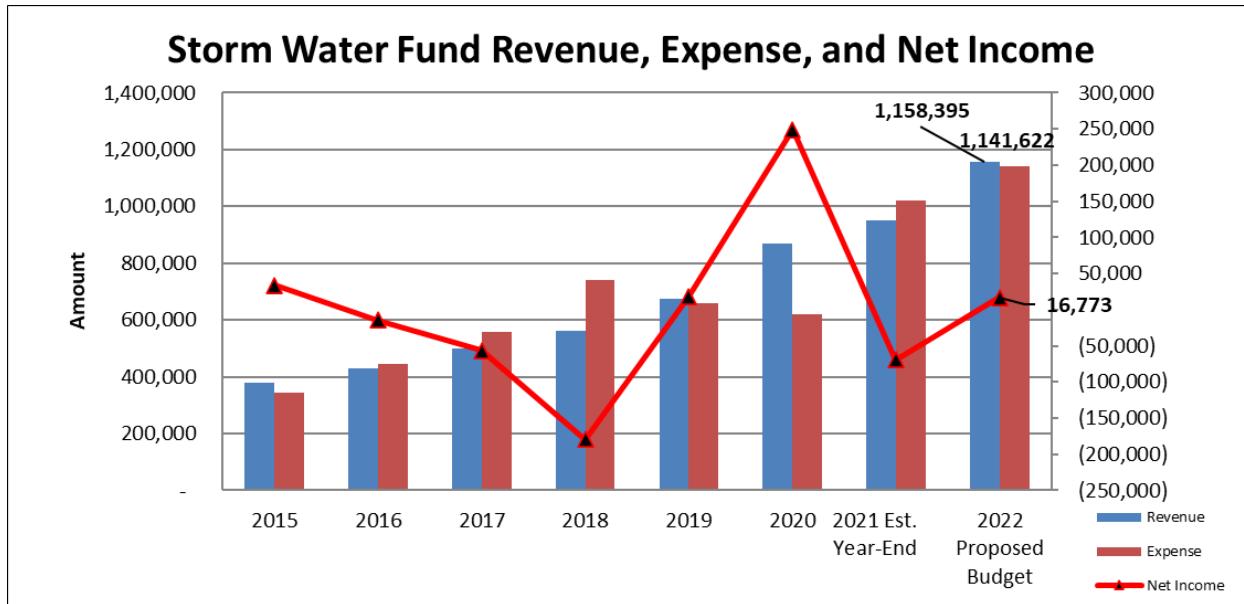
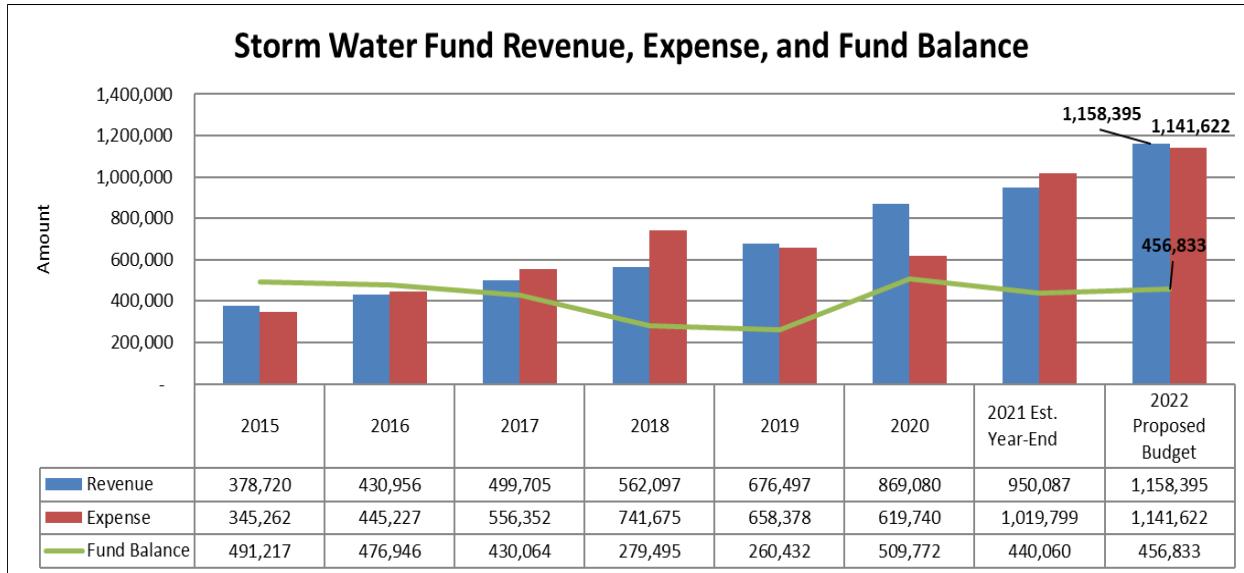
## 2022 Adopted Budget

### Fund 408 – Storm Water Utility

Operating Funds Summary Report by Cost Category								
Description	2019		2021		2021 Est. Year End	2022 Baseline	2022 Additions	2022 Budget
	Actual	2020	Amended Budget	Year End				
<b>408 Stormwater Utility Fund</b>								
<b>Revenue</b>								
Charge for Goods and	676,722	849,327	947,920	952,873	1,155,395	-	-	1,155,395
Grants	-	15,731	-	-	-	-	-	-
Other Revenue	(225)	4,022	3,000	(2,786)	3,000	-	-	3,000
<b>Total Revenue</b>	<b>676,497</b>	<b>869,080</b>	<b>950,920</b>	<b>950,087</b>	<b>1,158,395</b>	-	-	<b>1,158,395</b>
<b>Expense</b>								
Personnel	275,492	288,152	388,835	346,693	487,018	32,830	-	519,848
Supplies	33,764	35,562	33,800	47,107	47,100	10,750	-	57,850
Services/Prof Dev	31,345	38,826	50,000	59,345	44,800	-	-	44,800
Intergovernmental	209,129	174,572	211,851	208,647	215,874	-	-	215,874
Maintenance	32,776	43,183	61,050	74,317	81,000	750	-	81,750
Utilities	8,331	8,933	9,350	9,340	10,500	-	-	10,500
Capital Outlays	37,873	-	50,000	50,584	-	67,000	-	67,000
Debt Service	-	-	75,000	32,237	65,000	-	-	65,000
Transfers	29,668	30,261	285,866	191,529	79,000	-	-	79,000
<b>Total Expense</b>	<b>658,378</b>	<b>619,489</b>	<b>1,165,752</b>	<b>1,019,799</b>	<b>1,030,292</b>	<b>111,330</b>	<b>-</b>	<b>1,141,622</b>
<b>Net Total</b>	<b>18,119</b>	<b>249,591</b>	<b>(214,832)</b>	<b>(69,712)</b>	<b>128,103</b>	<b>(111,330)</b>	<b>-</b>	<b>16,773</b>
<b>Fund Balance</b>								
Beginning Fund Balance	242,313	260,432	509,772	509,772	440,060	568,163	-	440,060
Ending Fund Balance	260,432	509,772	294,940	440,060	568,163	456,833	-	456,833
Reserves	275,728	398,183	497,449	497,449	612,693	612,693	-	612,693
Fund Balance Available	(15,296)	111,589	(202,509)	(57,389)	(44,530)	(155,860)	-	(155,860)



## 2022 Adopted Budget





## 2022 Adopted Budget

### Initiatives/Capital Outlay/Capital Projects

2022 Operating Fund Initiatives					
Project	Funding Source	Total 2022 Appropriation	Ongoing Expense	2021 One-Time Carry Forward	2022 One-Time Initiative
<b>General Fund Impact</b>					
FTE – Police Officer	General Fund	234,000	114,000	\$0	120,000
FTE – Police Officer	General Fund	260,000	140,000	-	120,000
FTE – Parks & Recreation Manager	General Fund	114,400	109,400	-	5,000
FTE – Accounting / Utility Clerk	General Fund	87,400	82,400	-	5,000
FTE – HR Assistant	General Fund	89,400	84,400	-	5,000
FTE – Code Enforcement Officer (2 Year Sunset)	General Fund	132,000	92,000	-	40,000
FTE – Engineering Tech	General Fund	21,400	20,400	-	1,000
FTE – Engineering Tech	Permit Fees	42,800	40,800	-	2,000
0.5 FTE – Admin Assistant – Community Development	Permit Fees	49,000	44,000	-	5,000
0.5 FTE – Admin Assistant – Public Works	General Fund	22,300	22,300	-	-
FTE – Senior Planner (2-Year Sunset)	Permit Fees	125,000	120,000	-	5,000
Wellness and Employee Relations New Positions	General Fund	5,400	5,400	-	-
Staffing Study – Police Department	General Fund	40,000	-	-	40,000
Six – Year Capital Budget Consultant	General Fund	75,000	-	-	75,000



## 2022 Adopted Budget

2022 Operating Fund Initiatives					
Project	Funding Source	Total 2022 Appropriation	Ongoing Expense	2021 One-Time Carry Forward	2022 One-Time Initiative
<b>General Fund Impact</b>					
Community Survey	General Fund	15,000	-	-	15,000
Budget Software	General Fund	10,000	-	-	10,000
HRIS Software	General Fund	35,000	15,000	-	20,000
Mass Communication Platform	General Fund	4,200	2,200	-	2,000
Laserfiche Public Portal	General Fund	30,000	5,000	-	25,000
Video and Photo Library	General Fund	20,000	-	-	20,000
Ridgefield Soofa Signs	General Fund	11,500	2,000	-	9,500
GIS Updates	General Fund	25,000	-	-	25,000
Police Facility Tenant Improvements	General Fund, Capital Grant	225,000	-	190,280	34,720
10k Capacity Dump Trailer	General Fund	13,000	-	-	13,000
7 x 12 Flatbed Trailer	General Fund	5,000	-	-	5,000
Events Box Truck	General Fund	30,000	-	-	30,000
Crossover Utility Vehicle	General Fund	30,000	-	-	30,000



## 2022 Adopted Budget

2022 Operating Fund Initiatives					
Project	Funding Source	Total 2022 Appropriation	Ongoing Expense	2021 One-Time Carry Forward	2022 One-Time Initiative
<b>General Fund Impact</b>					
Vacuum Excavation Truck	General Fund	20,000	-	-	20,000
Watershed Community Engage & Plantings	General Fund	50,000	-	-	50,000
Abrams Park Upgrades & Bridge Maintenance - Transfer to Capital	General Fund	60,000	-	40,000	20,000
N 8 <sup>th</sup> Ave & Simons – Transfer to Capital	General Fund	41,000	-	41,000	-
Water & Storm Infrastructure – Transfer to Capital	CLFRF Grant Transfer from General Fund	2,350,000	-	-	2,350,000
Pioneer & I-5 Overpass Art – Transfer to Capital	Cowlitz Grant Transfer from General Fund	50,000	-	-	50,000
Pavement Preserve/Sidewalk – Transfer to Capital	General Fund	270,000	-	-	270,000
Street Fund Personnel – Transfer to Streets	General Fund	12,930	12,430	-	500
<b>General Fund Impact</b>		<b>\$4,605,730</b>	<b>\$911,730</b>	<b>\$271,280</b>	<b>\$3,422,720</b>

2022 Operating Fund Initiatives					
Project	Funding Source	Total 2022 Appropriation	Ongoing Expense	2021 One-Time Carry Forward	2022 One-Time Initiative
<b>Street Fund Impact</b>					
FTE – Engineering Tech	General Fund Transfer	\$10,700	\$10,200	\$0	\$500
0.5 FTE – Admin Assistant – Public Works	General Fund Transfer	2,230	2,230	-	-
<b>Street Fund Impact</b>		<b>\$12,930</b>	<b>\$12,430</b>	<b>\$0</b>	<b>\$500</b>



## 2022 Adopted Budget

2022 Operating Fund Initiatives					
Project	Funding Source	Total 2022 Appropriation	Ongoing Expense	2021 One-Time Carry Forward	2022 One-Time Initiative
<b>Water Operating Fund Impact</b>					
0.5 FTE – Admin Assistant – Public Works	Water Fund	\$17,840	\$17,840	\$0	\$0
Vacuum Excavation Truck	Water Fund	30,000	-	-	30,000
New Utilities Pickup	Water Fund	45,000	-	-	45,000
Water Utility Capital Projects Transfer to Capital	Water Fund	72,500	-	-	72,500
<b>Water Fund Impact</b>		<b>\$165,340</b>	<b>\$17,840</b>	<b>\$0</b>	<b>\$147,500</b>

2022 Operating Fund Initiatives					
Project	Funding Source	Total 2022 Appropriation	Ongoing Expense	2021 One-Time Carry Forward	2022 One-Time Initiative
<b>Storm Water Operating Fund Impact</b>					
FTE – Engineering Tech	Storm Water Fund	\$32,100	\$30,600	\$0	\$1,500
0.5 FTE – Admin Assistant – Public Works	Storm Water Fund	2,230	2,230	-	-
Confined Space Entry Equipment	Storm Water Fund	17,000	-	-	17,000
Small Tools & Equipment One-Time Budget Increase	Storm Water Fund	10,000	-	-	10,000
Vacuum Excavation Truck	Storm Water Fund	50,000	-	-	50,000
<b>Storm Water Fund Impact</b>		<b>\$111,330</b>	<b>\$32,830</b>	<b>\$0</b>	<b>\$78,500</b>



## 2022 Adopted Budget

2022 Capital Initiatives					
Project	Funding Source	Total 2022 Appropriation	Grant/Loan/ Bond/Funding	2021 One-Time Carry Forward	2022 One-Time Initiative
<b>General Capital Fund Impact</b>					
PW Operations Center Tenant Improvements	General Obligation Bonds	\$250,000	\$250,000	\$250,000	\$0
Sidewalk Replacement Program	General Fund	20,000	-	-	20,000
Pavement Preservation Program	General Fund, Transportation Benefit District	600,000	-	-	600,000
Royle Road Final Design & Right of Way Acquisition	Traffic Impact Fees	1,595,000	-	-	1,595,000
Royle Road Roundabout Construction	Traffic Impact Fees, Developer Share	2,600,000	-	2,600,000	-
S 35 <sup>th</sup> Ave Extension Alternatives Analysis	Developer Share	99,000	-	-	99,000
Pioneer Street East Extension Construction	Grant, Traffic Impact Fees	6,522,000	5,812,000	650,000	5,872,000
N 8 <sup>th</sup> Ave & Simons Improvements	Grant, Gen Fund	296,000	255,000	296,000	-
Hillhurst Multi Modal Trail	Traffic Impact Fees	275,000	-	275,000	-
I-5 and Pioneer Overpass Art	Grant	50,000	50,000	-	50,000
I-5 Safety Screen	Grant	250,000	250,000	-	250,000
Pioneer Street Widening Construction	Debt Funding	6,480,000	6,130,000	350,000	6,130,000
Overlook Park Splash Pad Construction	Park Impact Fees	500,000	-	-	500,000



## 2022 Adopted Budget

2022 Capital Initiatives					
Project	Funding Source	Total 2022 Appropriation	Grant/Loan/ Bond/Funding	2021 One-Time Carry Forward	2022 One-Time Initiative
<b>General Capital Fund Impact</b>					
Horns Corner Park Ph 1	Park Impact Fees	260,000	-	-	260,000
Boyse Park Purchase	Park Impact Fees	250,000	-	-	250,000
Boyse Park Planning & Design	Park Impact Fees	165,000	-	-	165,000
Gee Creek Trail: Heron Dr to Main Ave Match	Park Impact Fees	93,200	-	-	93,200
Smythe to Reiman Trail Construction	Park Impact Fees	775,000	-	-	775,000
Abrams Park Upgrades	General Fund	40,000	-	40,000	-
Abrams Park Bridge Maintenance	General Fund	20,000	-	-	20,000
Parks Land Purchase	Park Impact Fees	1,000,000	-	-	1,000,000
YMCA Site Plan & Design	Grant, Park Impact Fees	205,000	175,000	205,000	-
Mayors Meadow Trail & Covered Bridge Design	Park Impact Fees	420,000	-	120,000	300,000
Skate Park Alternatives Analysis	Park Impact Fees	75,000	-	-	75,000
Refuge Park Ph 1	Park Impact Fees	225,000	-	-	225,000
<b>General Capital Fund Impact</b>		<b>\$23,065,200</b>	<b>\$12,922,000</b>	<b>\$4,786,000</b>	<b>\$18,279,200</b>



## 2022 Adopted Budget

2022 Capital Initiatives					
Project	Funding Source	Total 2022 Appropriation	Grant/Loan Funding	2021 One-Time Carry Forward	2022 One-Time Initiative
<b>Water Utility Capital Fund Impact</b>					
Pioneer Widening Water Line	Grant	\$1,500,000	\$1,500,000	\$0	\$1,500,000
Kennedy Well Field Construction	WSDC	720,000	-	720,000	-
N 8 <sup>th</sup> Ave & Simons Improvements	WSDC	215,000	-	215,000	-
Royle Road Water Main	WSDC	650,000	-	-	650,000
Downtown Water Main Improvements	WSDC	930,000	-	-	930,000
Hydrant Replacement Project	Water Fund	37,500	-	-	37,500
Water Tower Ladder Replacement	Water Fund	35,000	-	-	35,000
<b>Water Utility Capital Fund</b>		<b>\$4,087,500</b>	<b>\$1,500,000</b>	<b>\$935,000</b>	<b>\$3,152,500</b>

2022 Capital Initiatives					
Project	Funding Source	Total 2022 Appropriation	Grant/Loan Funding	2021 One-Time Carry Forward	2022 One-Time Initiative
<b>Storm Water Utility Capital Fund Impact</b>					
Ridgefield Junction Regional Storm Facility	Grant	\$850,000	\$850,000	\$0	\$850,000
<b>Storm Water Utility Capital Fund</b>		<b>\$850,000</b>	<b>\$850,000</b>	<b>\$0</b>	<b>\$850,000</b>



## 2022 Adopted Budget

<b>2022 Capital Initiatives</b>					
Project	Funding Source	Total 2022 Appropriation	Grant/Loan Funding	2021 One-Time Carry Forward	2022 One-Time Initiative
<b>Equipment Replacement Fund Impact (ERF)</b>					
Replace 2003 Ford F150	ERF - Storm	\$48,000	\$0	\$0	\$48,000
Replace 1997 Ford Ranger	ERF – Parks	30,000	-	-	30,000
Replace 2001 Chevrolet K1500	ERF – Parks	43,500	-	-	43,500
Replace 1997 John Deere Riding Lawn Mower	ERF – Parks	17,000	-	-	17,000
Replace 2005 Chevrolet 3500	ERF – Parks & Streets	53,000	-	-	53,000
Replace 1998 Chevrolet K1500	ERF – Parks	43,500	-	-	43,500
Replace 2013 Ford Taurus	ERF – Public Safety	74,000	-	-	74,000
<b>ERF Impact</b>		<b>\$309,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$309,000</b>



## 2022 Adopted Budget

<b>2022 Initiative/Project Funding Summary</b>				
Fund	2022 Ongoing Initiatives	2021 Carry Forward Initiatives	2022 One-Time Initiatives	Total 2022 Initiative
General Fund	\$694,500	\$70,000	\$720,220	\$1,484,720
General Fund Transfer to Capital	-	81,000	290,000	371,000
General Fund – Building Permit Fees	204,800	-	12,000	216,800
Street Fund	12,430	-	500	12,930
Water Fund	17,840	-	147,500	165,340
Storm Fund	32,830	-	78,500	111,330
Real Estate Excise Tax (REET)	-	-	-	-
Park Impact Fee (PIF)	-	150,000	3,643,200	3,793,200
Traffic Impact Fee (TIF)	-	3,875,000	1,655,000	5,530,000
Transportation Benefit District (TBD)	-	-	350,000	350,000
Water System Development Charge	-	935,000	1,580,000	2,515,000
Equipment Replacement	-	-	309,000	309,000
Grant Funding	-	550,280	8,462,000	9,012,280
Debt Funding	-	250,000	6,130,000	6,380,000
Developer Share	-	-	99,000	99,000
<b>Total Initiative/Project Funding</b>	<b>\$962,400</b>	<b>\$5,911,280</b>	<b>\$23,476,920</b>	<b>\$30,350,600</b>



## *2022 Adopted Budget*

## *VI. Capital Improvement Program*



## ***2022 Adopted Budget***

### ***Capital Facility Plan Summaries***

The City has Capital Facility Plans for water, storm water drainage, transportation, and parks and trails. Each plan is completed by the Public Works Department in coordination with a third-party consultant who specializes in the specific plan they work on. All procurement for consultant contractors is completed through a request for proposal process. These plans are updated every six years. The City has approximately \$105.8 million net investment in capital assets. The City is GAAP basis and has a formal capitalization policy ([appendix](#)). The City uses straight line depreciation to depreciate assets over their estimated life expectancy per the capitalization policy.

The City does not have a formal Facilities Capital Facility Plan currently. There has been discussion at the Council and Management level about facility needs over the next 20 years. The Public Works Department commissioned an operations center feasibility study in 2014 to assess needs for a Public Works operations facility. Based on the needs identified in the feasibility study the City has purchased a 5-acre property with office and shop space, which Public Works will move into in 2022. In 2018 the Council has approved a lease for a new shared facility for the Community Development Department. In 2022 the City will move their police department to a new leased Public Safety building in the downtown core. These moves anticipate the continued growth in staffing to serve our community.

In 2022 - 2023 the Finance Department will work closely with the Public Works Department to complete a six-year capital budget to integrate with the capital facility plans and the financial sustainability model. Both departments identified this as a goal in their respective six-year business plan update completed in 2019. Completion of the six-year capital budget will allow City Council and staff to have a more comprehensive look forward on critical infrastructure needs and effects on the budget.

In 2021 Council approved new funding sources to fund street repair and maintenance projects included in the City's transportation capital facilities plan. These funding sources include a vehicle license tab fee of \$30, and a sales tax increase of 0.2% that will go to the voters in November of 2021. If the sales tax is enacted the Council intends to repeal the license tab fee.



## 2022 Adopted Budget

### Water Capital Facility Plan

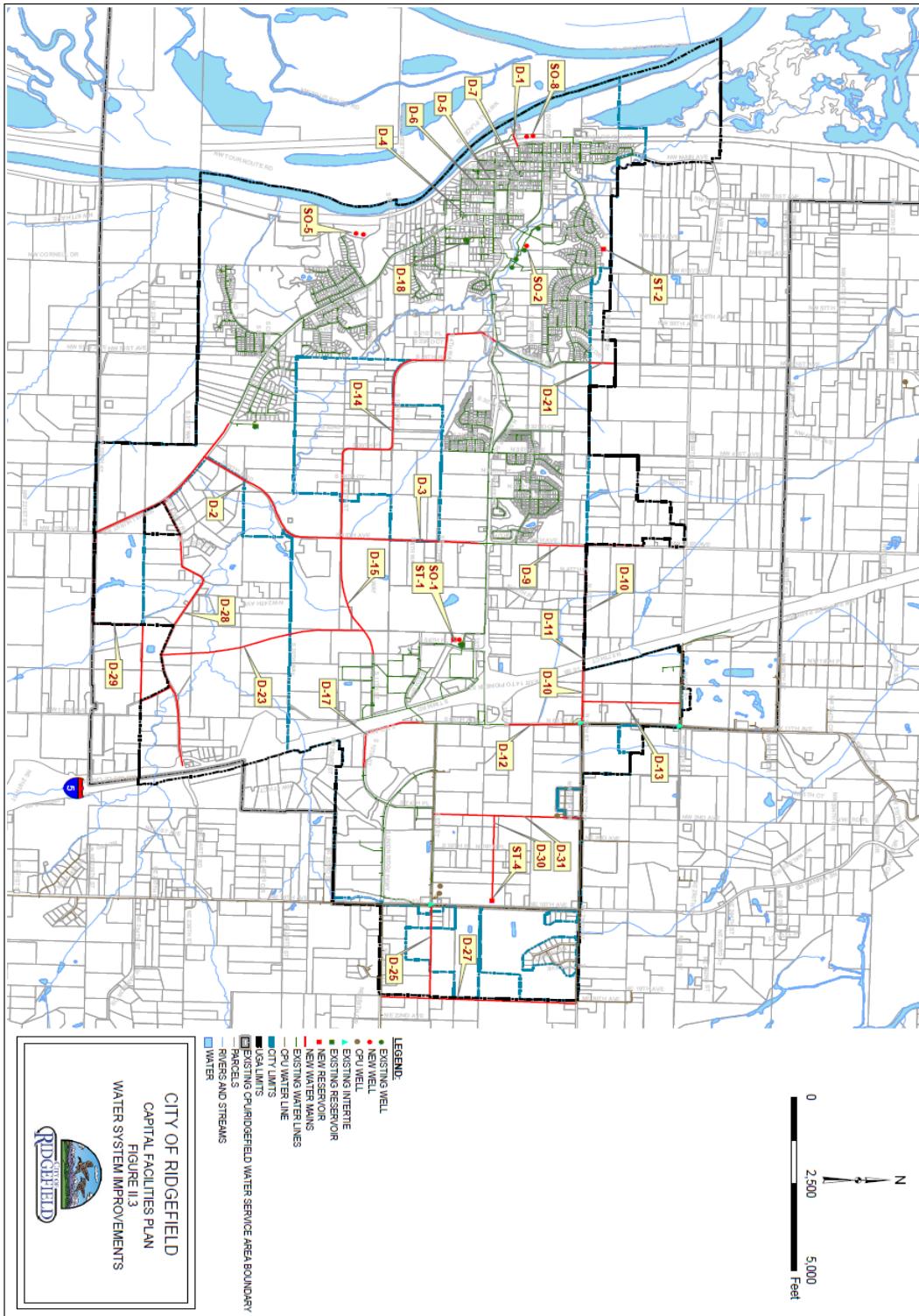
The City last updated the Water System Capital Facility Plan in 2015. The plan includes a summary and description of the existing wells, storage facilities, service area, and interties with Clark Public Utilities. A source capacity analysis and comparison of existing water rights to future water demand is included. The capital improvement program which outlines planned improvements to the system is included with cost estimates and rough timetables. Several projects, most notably the Junction Reservoir and Well Improvement Project, have been completed since the 2015 update. The City is currently updating the Water Capital Facility Plan with an anticipated adoption in the first quarter of 2022.

No.	Description	2016-2020	2021-2025	2026-2030	2031-2035
SO-1	Equip Junction Well	\$1,213,890			
SO-2	Replace Well No 7	\$271,000			
SO-3	Conduct Hydrogeologic Study	\$56,807			
SO-4	Obtain Additional Water Rights	\$1,420,182			
SO-5	Drill 2 New Wells (West of S. Hillhurst)	\$5,269,500			
SO-8	Drill 2 New Wells near Railroad			\$4,771,000	
ST-1	Junction Reservoir	\$1,938,000			
ST-2	New Heron Ridge/Bellwood reservoir		\$4,199,100		
ST-4	New 10 <sup>th</sup> Ave. Reservoir			\$4,478,000	
D-1	Mill Street - Railroad Avenue to West	\$98,771			
D-2	Royle Road - High School to Gee Creek		\$374,189		
D-3	45th Avenue - Gee Creek to Pioneer		\$222,163		
D-7	Mill Street - Main to 5th	\$188,942			
D-9	45th Avenue - Pioneer to N. 10th Street	\$229,238			
D-10	NW 279th - 45th Ave. to N. 65th Ave.			\$231,121	
D-11	NW 279th Street Boring			\$305,480	
D-12	N. 65 <sup>th</sup> Ave. - Pioneer St. to NW 279th	\$153,593			
D-13	Future Street, NW 279 <sup>th</sup> to NW 289 <sup>th</sup>	\$128,795			
D-14	Bertsinger Road - Pioneer to 45th Avenue			\$267,096	\$267,096
D-15	Future Street, S. 45 <sup>th</sup> Ave to 11 <sup>th</sup> St.		\$161,684		
D-17	East Side of I-5 - S. Dolan to S. 6th		\$118,031		
D-18	Cemetery Booster Station Upgrade	\$395,567			
D-21	NW 51st Ave - Heron Dr. to NW 281st St.		\$38,811		
D-23	Future Street to NW Carty Rd.		\$307,408		
D-25	S. 5th St. - NE 10th Ave. to NE 20th Ave.				\$178,566
D-27	Future Rd. - NE 259th to NE 279th				\$291,517
D-28	Carty Rd. - Hillhurst to I-5			\$561,880	
D-29	Hillhurst Rd. - NW 219th - Carty Rd. Lp.			\$607,243	
D-30	Future Street to New Reservoir			\$137,447	
D-31	Future Street - NW 279th to S. 5th St.			\$219,119	
D-32	High Priority Minor Distribution System Improvements	\$594,431.24			
D-33	Minor Distribution System Improvements				\$891,306
SU-1	Hydrant Replacement Program	\$85,211	\$85,211	\$85,211	\$85,211
SU-2	Water Meter Replacement Program	\$284,036	\$284,036	\$284,036	\$284,036
<b>Yearly Totals</b>		<b>\$12,327,962</b>	<b>\$5,790,632</b>	<b>\$11,947,633</b>	<b>\$1,997,732</b>

(1) This table is adapted from the 2013 Water System Plan, Tables 8-6 and 8-7, costs are converted to 2015 dollars in accordance with the ENR construction cost indices.



## 2022 Adopted Budget





## 2022 Adopted Budget

### ***Storm Water Capital Facility Plan***

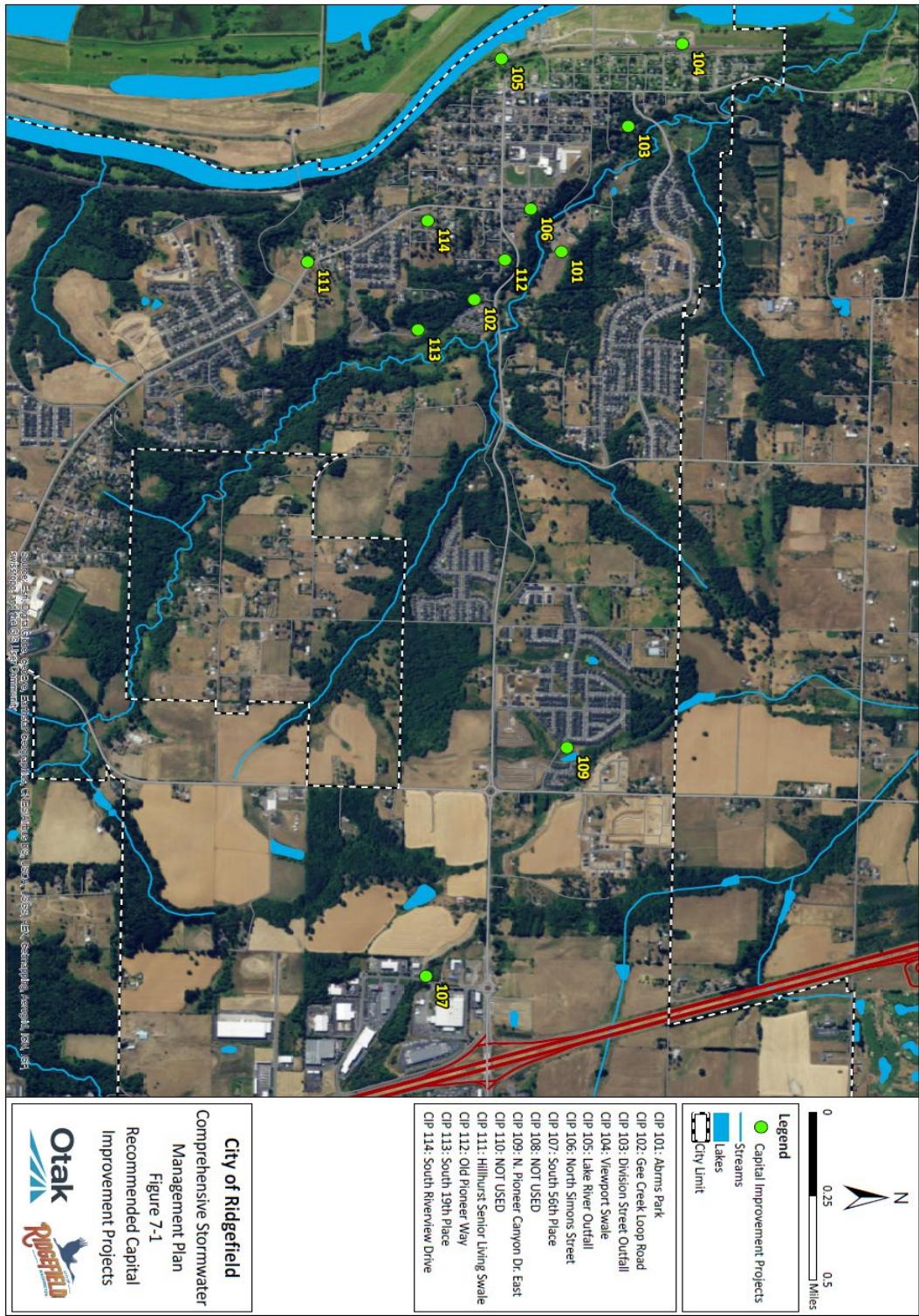
The City's current Storm Water Management Plan, which includes the Capital Facility Plan, was last updated in 2018. The purpose of this Plan is to characterize the drainage basins, identify existing and potential problems, develop alternative solutions for stormwater quantity and quality control, and recommend a stormwater management program and a plan for financing the recommended maintenance and improvement program.

#### **Capital Improvement Project Programming 2018 to 2027:**

Project ID	Project Name	Estimated Total Project Cost	Estimated Construction
1	Division Street Outfall	\$355,000	2018
2	Hillhurst Swale	\$197,100	2019
3	South 56 <sup>th</sup> Place	\$38,500	2020
4	Old Pioneer Way	\$230,500	2020
5	South Riverview Drive	\$238,340	2023
6	North Pioneer Canyon Drive, East Culvert	\$60,000	2021
7	Viewport Swale	\$166,500	2021
8	North Simmons St	\$165,000	2022
9	Gee Creek Loop	\$253,500	2024
10	Lake River Outfall	\$484,325	2025
11	Abrams Park	\$162,000	2027



## 2022 Adopted Budget





## 2022 Adopted Budget

### Transportation Capital Facility Plan

The Transportation Capital Faculties Plan (CFP) is a long-range plan that sets the vision for a community's transportation system for the next 20 years. The 2018 plan prepares Ridgefield for accommodating traffic within its Urban Growth Area (UGA) in the best manner possible through 2040. The Transportation CFP's big picture view allows it to guide the City in developing and maintaining acceptable transportation network performance more efficiently than a piecemeal or unorganized approach.

The Transportation CFP embodies the community's vision for an equitable and efficient transportation system. It outlines strategies and projects that are important for protecting and enhancing mobility in Ridgefield through the next 20 years. The Transportation CFP is a collection of current inventory, forecasts, past and current project ideas, decisions, and standards into a single document. The City, Clark County, private developers, and state or federal agencies all have a role in implementing elements of the Transportation CFP.

By setting priorities for available and anticipated funds in the 20-year planning period, the Transportation CFP provides a foundation for budgeting, grant writing, and requiring public improvements with private development. The plan also identifies and advocates for the projects and services that the City would like to implement but cannot reasonably expect to fund.

Project ID	Description	From	To	Estimated cost (2018 dollars)
1	Extend Pioneer Street (SR 501) to Port of Ridgefield as minor arterial (3 lanes)	Division Street	Main Street	\$14,660,000
2	Upgrade Main Avenue to minor arterial (3 lanes)	Depot Street	North UGB	\$450,000
3	Extend Division Street as collector (2 lanes)	Pioneer Street (SR 501)	N Abrams Park Road	\$4,650,000
4	Construct signal at Pioneer Street (SR 501) and Hillhurst Road (9th Avenue)	-	-	\$400,000
5	Widen Hillhurst Road to minor arterial (3 lanes)	Pioneer Street (SR 501)	Sevier Road	\$6,350,000



## 2022 Adopted Budget

Project ID	Description	From	To	Estimated cost (2018 dollars)
6	Replace Pioneer Street (SR 501) bridge over Gee Creek	-	-	\$3,130,000
7	Build bridge at Reiman and Pioneer Canyon Dr connection	Pioneer Canyon Dr	Reiman Road	\$2,000,000
8	Build Pioneer Canyon Dr as collector (2 lanes)	32nd Avenue	Reiman Road	\$3,480,000
9	Rebuild S 25th Place as collector (2 lanes)	S 10th Way	S 4th Way	\$1,020,000
10	Rebuild S 10th Way as collector (2 lanes)	S 35th Place	S 25th Place	\$3,610,000
11	Build new east-west collector (2 lanes)	Hillhurst Road	new rural minor collector roadway	\$4,300,000
12	Extend N 35th Avenue as collector (2 lanes)	N Pioneer Canyon Drive	N 14th Street	\$3,300,000
13	Build/Rebuild S 35th Ave as collector (3 lanes)	Pioneer Street (SR 501)	S 15th Street	\$7,420,000
14	Rebuild S 15th Street (2 lanes)	S Royle Road (45th Avenue)	S 35th Avenue	\$4,830,000
15	Upgrade Hillhurst Road to principal arterial (5 lanes)	Sevier Road	UGA/Williams Rd	\$10,000,000
16	Build N 14th Street as a collector (2 lanes)	N 35th Avenue	Royle Road (45th Avenue)	\$8,240,000
17	Build N 10th Street as collector (2 lanes)	Royle Road (45th Avenue)	35th Avenue	\$4,000,000
18	Widen Pioneer Street (SR 501) (4 lanes)	35th Avenue Roundabout	Royle Road (45th Avenue) Roundabout	\$4,140,000
19	Extend S 6th Way as collector (2 lanes)	Royle Road (45th Avenue)	35th Avenue	\$6,500,000



## 2022 Adopted Budget

Project ID	Description	From	To	Estimated cost (2018 dollars)
20	Widen S Royle Road to minor arterial (3 lanes)	Hillhurst Road	S 15th Street	\$3,500,000
21	Build a roundabout at Royle Road (45th Avenue) and S 15th Street	-	-	\$2,250,000
22	Widen Royle Road (45th Avenue) to minor arterial (3 lanes)	S 15th Street	Pioneer Street (SR 501)	\$4,200,000
23	Build roundabout at Royle Road (45th Avenue) and new collector south of Pioneer Street (SR 501)	-	-	\$2,250,000
24	Construct 2-lane roundabout at Pioneer Street (SR 501) at Royle Road (45th Avenue)	-	-	\$100,000
25	Widen Royle Road (45th Avenue) to minor arterial (3 lanes)	Pioneer Street (SR 501)	N 10th Street	\$3,300,000
26	Build a signal or roundabout at N 10th Street and Royle Road (45th Avenue)	-	-	\$2,250,000



## 2022 Adopted Budget

Project ID	Description	From	To	Estimated cost (2018 dollars)
27	Construct signal or roundabout at N 20th Street (NW 289th Street) and N Royle Road (45th Avenue)/NW 31st Avenue	-	-	\$1,030,000
28	Widen N 10th St to industrial/commercial collector (3 lanes)	Royle Road (45th Avenue)	west side of I-5	\$4,000,000
29	Build N 5th Street as industrial/commercial collector (3 lanes)	Royle Road (45th Avenue)	N 56th Place	\$3,700,000
30	Build N 51st Avenue as industrial/commercial collector (3 lanes)	Pioneer Street (SR 501)	N 5th Street	\$2,000,000
31	Build N 56th Avenue as industrial/commercial collector (3 lanes)	Pioneer Street (SR 501)	N 5th Street	\$1,590,000
32	Widen Pioneer Street (SR 501) (4 lanes)	Royle Road (45th Avenue) Roundabout	51st Avenue	\$2,570,000
33	Construct 2-lane roundabout at Pioneer Street (SR 501) at 51st Avenue	-	-	\$1,490,000
34	Widen Pioneer Street (SR 501) (4 lanes)	51st Avenue	56th Avenue	\$2,570,000
35	Build second northbound lane (right turn lane) at Pioneer Street (SR 501) and 56th Ave roundabout	-	-	\$800,000



## 2022 Adopted Budget

Project ID	Description	From	To	Estimated cost (2018 dollars)
36	Build new east-west collector roadway south of Pioneer Street (SR 501) (2 lanes)	Royle Road (45th Avenue)	56th Avenue	\$4,300,000
37	Build S 51st Avenue as minor arterial (3 lanes)	Pioneer Street (SR 501)	S 20th Way	\$5,150,000
38	Extend S 6th Way as industrial/commercial collector (3 lanes)	S 56th Place	Royle Road (45th Avenue)	\$5,250,000
39	Build S 15th St as a minor arterial (3 lanes)	S Royle Road (45th Avenue)	S 11th Street	\$4,570,000
40	Construct roundabout at S 11th Street and S 51st Avenue extension	-	-	\$1,030,000
41	Upgrade Carty Road to minor arterial (3 lanes)	Hillhurst Road	I-5	\$15,270,000
42	Extend NW 219th Street as rural major collector outside UGA (2 lanes)	I-5	NW 31st Avenue/Hillhurst Road	\$18,820,000
43	Build new north-south rural minor collector roadway outside UGA (2 lanes)	NW Carty Road	NW 219th Street	\$3,500,000
44	Upgrade Ecklund Road/NW 11th Ave to rural minor collector outside UGA (2 lanes)	NW Carty Road	NW 219th Street	\$4,000,000
45	Build S 51st Avenue as minor arterial (3 lanes)	S 20th Way	NW Carty Road	\$4,000,000



## 2022 Adopted Budget

Project ID	Description	From	To	Estimated cost (2018 dollars)
46	Construct SB auxiliary lane along I-5	Pioneer Street (SR 501)	219th Street	\$9,260,000
47	Construct NB auxiliary lane along I-5	219th Street	Pioneer Street (SR 501)	\$10,120,000
48	Widen Timm Road to industrial/commercial collector (3 lanes)	S 11th Street	S 20th Way	\$2,330,000
49	Widen S 20th Way to industrial/commercial collector (3 lanes)	Timm Road	S 51st Avenue	\$2,980,000
50	Build N 20th Street (NW 289th Street) overcrossing over I-5	-	-	\$12,180,000
51	Widen N 20th Street (NW 289th Street) to minor arterial (3 lanes)	I-5	N 65th Avenue (NW 11th Avenue)	\$2,860,000
52	Widen N 65th Avenue (NW 11th Avenue) to minor arterial (3 lanes)	Pioneer Street (SR 501)	N 20th Street (NW 289th Street)	\$3,130,000
53	Widen N 10th Street to collector (2 lanes)	east side of I-5	N 65th Avenue	\$1,460,000
54	Widen S 65th Avenue (NW 11th Avenue) to collector (2 lanes)	Pioneer Street (SR 501)	S 10th Street	\$2,350,000
55	Extend Pioneer Street (SR 501) to Union Ridge Parkway (4 lanes)	65th Avenue Roundabout	S 5th Street	\$9,000,000
56	Build a signal or roundabout at Union Ridge Parkway extension and 74th Place extension	-	-	\$2,500,000



## 2022 Adopted Budget

Project ID	Description	From	To	Estimated cost (2018 dollars)
57	Build a signal or roundabout at Union Ridge Parkway and S 5th Street	-	-	\$2,500,000
58	Build S 11th Street overcrossing over I-5 (3 lanes)	Timm Road	Dolan Road	\$17,150,000
59	Extend S 10th Street as minor arterial (3 lanes)	S 10th Street	I-5 overpass	\$2,290,000
60	Widen S 5th Street to collector (2 lanes)	Union Ridge Parkway	N 85th Avenue	\$3,080,000
61	Build new industrial/commercial collector (3 lanes)	Union Ridge Parkway	S 5th Street	\$7,820,000
62	Build new north-south collector roadway (2 lanes)	N 10th Street	new collector extending 74th Place	\$4,000,000
63	Build new east-west industrial/commercial collector (3 lanes)	N 65th Avenue	N 85th Avenue	\$7,820,000
64	Upgrade N 10th Street to collector (2 lanes)	N 65th Avenue	N 85th Avenue	\$4,930,000
65	Widen 85th Avenue to minor arterial (3 lanes)	S 5th Street	NE 279th Street	\$4,230,000
66	Upgrade N 10th Street to collector (2 lanes)	N 85th Avenue	105th Ave (NE 20th Avenue)	\$4,700,000
67	Build new east-west collector roadway (2 lanes)	N 85th Avenue	new local roadway	\$4,100,000
68	Widen S 85th Avenue to minor arterial (3 lanes)	NE 259th Street	S 5th Street	\$1,090,000

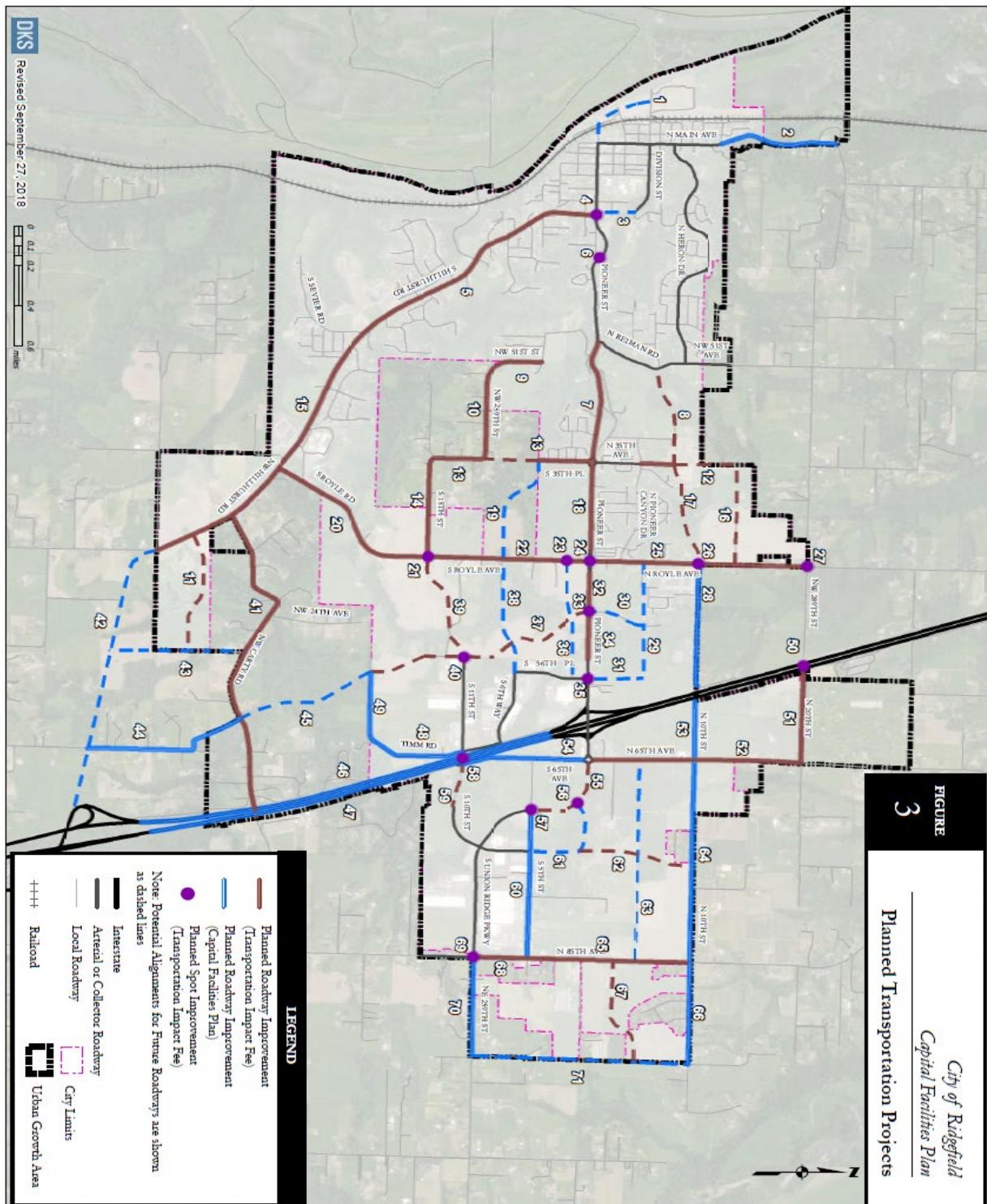


## 2022 Adopted Budget

Project ID	Description	From	To	Estimated cost (2018 dollars)
69	Build a signal or roundabout at Union Ridge Parkway and 85th Avenue	-	-	\$2,500,000
70	Upgrade NE 259th Street to collector (2 lanes)	N 85th Avenue	105th Avenue (NE 20th Ave)	\$4,700,000
71	Build 105th Ave (NE 20th Avenue) as collector (2 lanes)	N 10th Street	NE 259th Street	\$7,050,000
72	Widen Pioneer Street (SR 501) (3 lanes)	Reiman Road	35th Avenue Roundabout	\$6,550,000



## 2022 Adopted Budget





## ***2022 Adopted Budget***

### ***Parks and Trails Capital Facility Plan***

The City's Parks and Recreation Capital Facilities Plan was last updated in 2020. The plan summarizes the plans for the City's existing parks which include 29 sites and almost 230 acres of public parkland and open space. The City system also includes approximately 6 miles of trails. The plan estimates future demand and includes a 6-year Capital Facilities Plan (CFP) to help the City meet future demand. The CFP includes cost estimates and estimated funding sources.

This Comprehensive Parks and Recreation Plan is a six-year guide and strategic plan for managing and enhancing park and recreation services in Ridgefield. It establishes a path forward for providing high quality, community-driven parks, trails, open spaces, and recreational opportunities. The Plan provides a vision for the City's park and recreation system, proposes updates to City service standards for parks and trails and addresses departmental goals, objectives, and other management considerations toward the continuation of quality recreation opportunities to benefit the residents of Ridgefield.

This Plan was developed with the input and direction of Ridgefield residents. The Plan inventories and evaluates existing park and recreation areas, assesses the needs for acquisition, site development and operations and offers specific policies and recommendations to achieve the community's goals.



## 2022 Adopted Budget

### Ridgefield Parks 6-Year Capital Facilities Plan - Capacity Building Projects

ID#	Park Type	Park Site	Project Description	Activity	Priority	2020	2021	2022	2023	2024	2025	Sum
Special Facility	State Park		Acquisition for future state park location	A	2	\$550,000						\$450,000
Special Facility	Waterfront Park		Design & construct park w/ non-motorized boat launch	D	2	\$50,000	\$1,950,000					\$2,000,000
Community	C		Park Site Acquisition	A	1	\$500,000						\$500,000
Neighborhood	B		Park Site Acquisition	A	2	\$300,000						\$300,000
Neighborhood	G		Park Site Acquisition	A	3	\$300,000						\$300,000
Neighborhood	F		Park Site Acquisition	A	2	\$200,000						\$200,000
Trail	Gee Creek Trail		Abrams to Heron Drive	D	1	\$100,000						\$100,000
Trail	Gee Creek Trail		Heron Drive to Ridge- secure access	A	1	\$850,000						\$850,000
Trail	Gee Creek Trail		Abrams to RHS- secure access	A	2	\$350,000						\$350,000
Trail	Gee Creek Trail		Abrams to Osprey Point- design & construction	D	3	\$300,000						\$300,000
Trail	Flume Creek Trail		Trail extension to Flume Creek	D	1	\$100,000	\$400,000					\$500,000
Trail	Smythe Road Trail		Trail along Smythe Road	D	1	\$100,000	\$500,000					\$600,000
Community	abrams park		Implement master plan improvements	D	1	\$500,000						\$650,000
Community	C		Park Site Development	D	2	\$500,000	\$500,000					\$1,500,000
Community	Horn's corner		Park Site Development	D	1	\$2,000,000						\$2,000,000
Neighborhood	NP-6		Park development- phase 1	D	1	\$900,000						\$900,000
Neighborhood	B		Park Site Development	D	2	\$1,020,000						\$1,020,000
Neighborhood	F		Park Site Development	D	3	\$1,180,000						\$1,190,000
Pocket	Canyon Ridge #1 Park		Playground ramp	D	1	\$5,000						\$5,000
Pocket	Cedar Creek Park		Playground ramp	D	1	\$6,000						\$6,000
Pocket	Columbia Hills Park		Playground ramp	D	1	\$6,000						\$6,000
Pocket	Columbia Hills Open Space		Picnic table on ADA route	D	2	\$8,000						\$8,000
Pocket	Coyote Crest Park		Shade structure, playground ramp	D	1	\$18,000						\$18,000
Pocket	Crows Nest Park		Shade structure, playground ramp	D	1	\$18,000						\$18,000
Pocket	Eagle's View Park		New pathway/pavement and picnic platforms	D	2	\$25,000						\$35,000
Neighborhood	Davis Park		Paved pathway, playground ramp	D	2	\$25,000						\$25,000
Special Facility	Dog Park		ADA parking and accessible route pavement	D	1	\$9,000						\$9,000
Pocket	Goldfinch Park		Playground ramp	D	1	\$6,000						\$6,000
Pocket	Lark Park		Small shelter, accessible route, playground ramp	D	2	\$45,000						\$45,000
Pocket	March Park		Shade structure, playground ramp	D	2	\$15,000						\$15,000
Pocket	Osprey Pointe Park		Playground upgrade/enhancement, picnic table, bench, path	D	2	\$50,000						\$50,000
Pocket	Ridgefield Woods Park		Playground addition and shade spot	D	2	\$65,000						\$65,000
Neighborhood	Rose Homestead Park		Picnic shelter w/ paved path	D	2	\$60,000						\$60,000
						\$333,000	\$3,946,000	\$2,300,000	\$2,933,000	\$2,080,000	\$2,040,000	\$14,632,000

**NOTE:**

This CIP identifies planning level costs estimates and does not assume the value of volunteer or other non-City contributions. Detailed costing may be necessary for projects as noted.

This CIP is not an official budget and intended as a guiding document for City staff in the preparation of departmental budgets.

**Cost Priority:**

- 1 High Priority
- 2 Moderate
- 3 Long-term



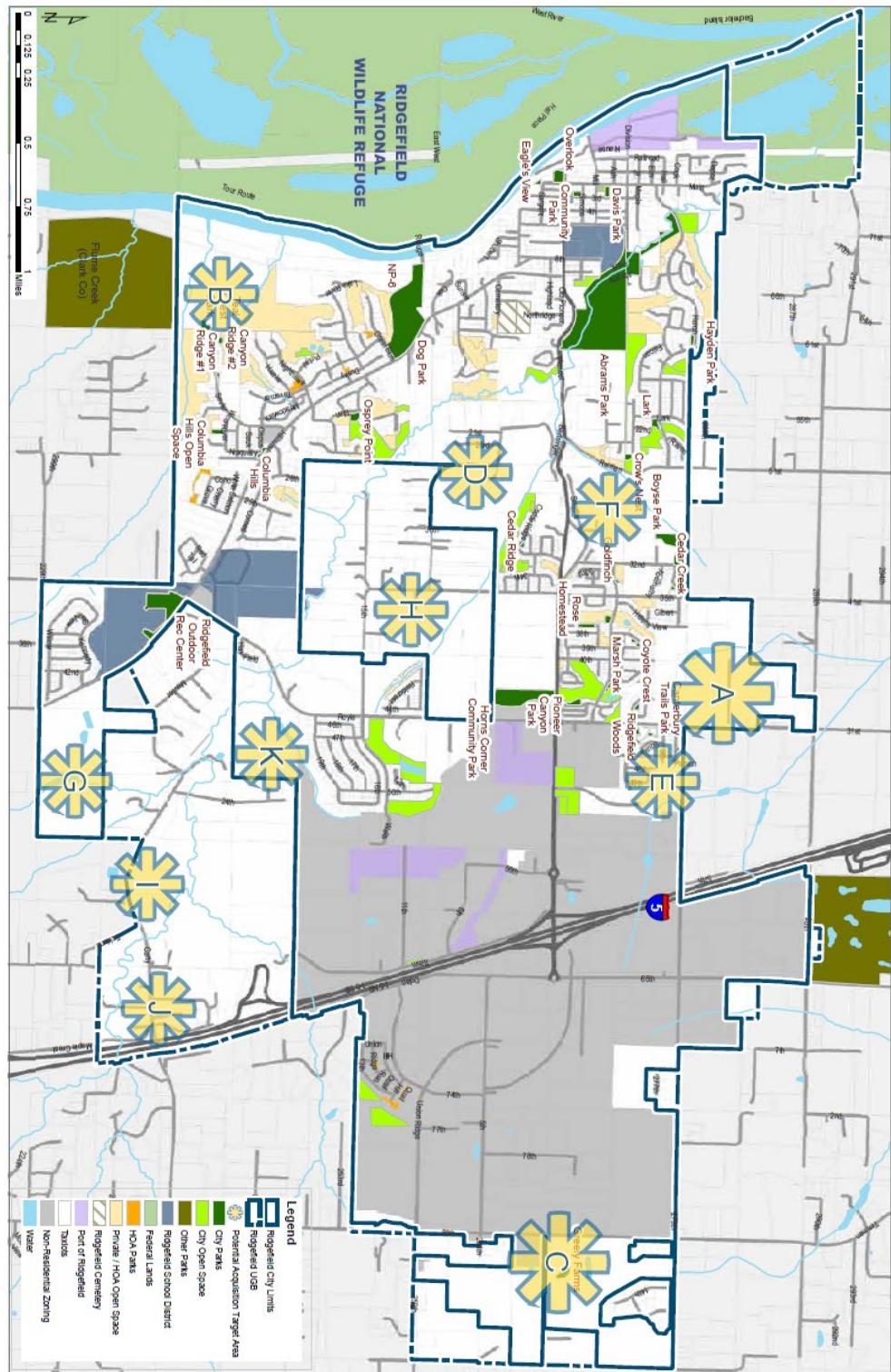
## 2022 Adopted Budget

### Ridgefield Parks 6-Year Capital Facilities Plan - Non-capacity Projects

ID#	Park Type	Park Site	Project Description	Activity	Priority	2020	2021	2022	2023	2024	2025	Sum
	Community	Abrams Park	Replace well house	R	1	\$10,000						\$10,000
	Community	Abrams Park	Renovate stage	R	1		\$35,000					\$35,000
	Community	Abrams Park	Paved pathway to tot playground	D	2			\$12,000				\$12,000
	Trail	Commerce Center Loop Trail	Design & construct trail loop	D	2				\$800,000			\$800,000
	Pocket	Canyon Ridge #1 Park	Slope replanting, table top refinish/replace	R	1	\$6,000						\$6,000
	Neighborhood	Cedar Creek Park	Shade tree plantings, park ID sign	D	1	\$7,000						\$7,000
	Pocket	Cedar Ridge/Horn Family Park	Shade tree plantings	D	2			\$4,000				\$4,000
	Special Facility	Community Park	Skate Park - replacement of mobile elements	R	1	\$60,000						\$60,000
	Pocket	Crows Nest Park	Shade tree plantings, park ID sign	D	2		\$9,000					\$9,000
	Special Facility	Dog Park	Repair slope erosion	R	1	\$4,000						\$4,000
	Pocket	Eagle's View Park	Replace split rail fence	R	1	\$7,000						\$7,000
	Pocket	Goldfinch Park	Shade tree plantings	D	2		\$4,000					\$4,000
	Pocket	Lark Park	Shade tree plantings	D	2		\$4,000					\$4,000
	Pocket	Marsh Park	Shade tree plantings, park ID sign	D	2		\$7,000					\$7,000
	Special Facility	Overlook Park	Add park ID sign	D	1	\$6,000						\$6,000
	Pocket	Ridgefield Woods Park	Shade tree & native plantings	D	2		\$6,000					\$6,000
	Neighborhood	Rose Homestead Park	Shade tree plantings	D	2		\$8,000					\$8,000
	Varies	ADA Compliance Upgrades	Handicapped signs, barrier removal, site furnishings, etc.	R	1	\$11,500	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$61,500
	Varies	Minor Repairs & renovations	Systemwide	R	1	\$12,000	\$11,000	\$10,000	\$10,000	\$10,000	\$10,000	\$63,000
						\$42,500	\$104,000	\$79,000	\$52,000	\$820,000	\$20,000	\$1,117,500

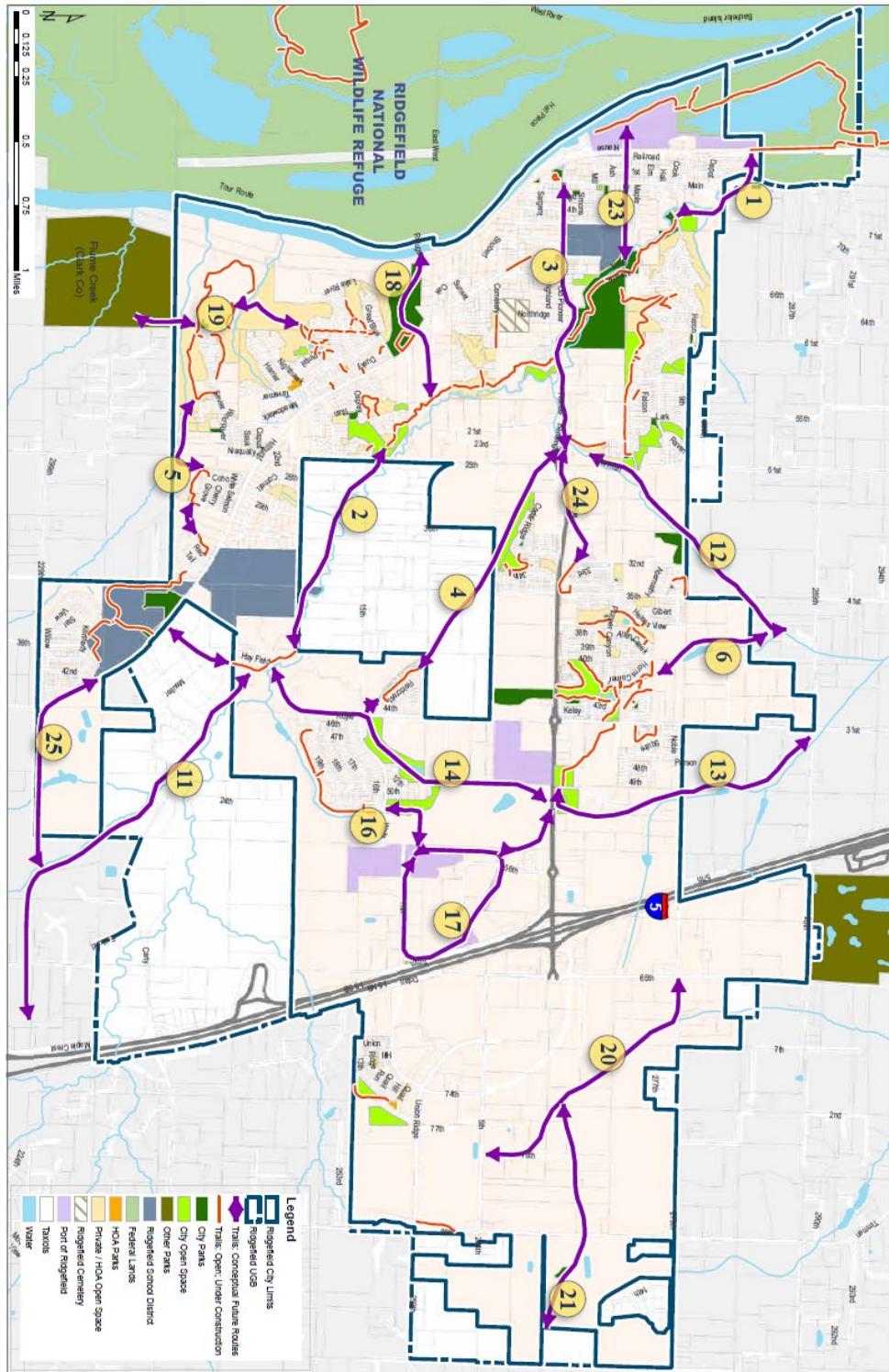


## 2022 Adopted Budget





# ***2022 Adopted Budget***





## 2022 Adopted Budget

### 2022 Capital Project List and Funding Source

<b>Capital Projects</b>					
<b>Project</b>	<b>Funding Source</b>	<b>2022 Expenditure</b>			
<b>General Fund</b>					
Public Safety Facility Tenant Improvements		\$ 225,000			
State Capital Grant		\$ 120,280			
General Fund Expense		\$ 104,720			
<b>Total Total Facilities Vehicle</b>	<b>\$ 225,000</b>	<b>\$ 225,000</b>			
<b>Total General Fund</b>	<b>\$ 225,000</b>	<b>\$ 225,000</b>			
<b>General Capital Fund</b>					
<b>Facilities</b>					
PW Operations Center Equipment and TI		\$ 250,000			
LTGO Bond Issuance		\$ 250,000			
<b>Total PW Op Center Equip &amp; TI</b>	<b>\$ 250,000</b>	<b>\$ 250,000</b>			
<b>General Capital Fund</b>					
<b>Streets</b>					
Sidewalk Replacement Program		\$ 20,000			
General Fund Transfer		\$ 20,000			
<b>Total Sidewalk Replacement Program</b>	<b>\$ 20,000</b>	<b>\$ 20,000</b>			
Pavement Preservation Program		\$ 600,000			
General Fund Transfer		\$ 250,000			
Ttansportation Benefit District Transfer		\$ 350,000			
<b>Total Pavement Preservation Program</b>	<b>\$ 600,000</b>	<b>\$ 600,000</b>			
Royle Road Roundabout Construction		\$ 2,600,000			
Traffic Impact Fee Transfer		\$ 2,600,000			
<b>Total Royle Road Final Design &amp; ROW</b>	<b>\$ 2,600,000</b>	<b>\$ 2,600,000</b>			
Royle Road Final Design & ROW		\$ 1,595,000			
Traffic Impact Fee Transfer		\$ 1,595,000			
<b>Total Royle Road Final Design &amp; ROW</b>	<b>\$ 1,595,000</b>	<b>\$ 1,595,000</b>			
S 35th Ave Extension Alternatives Analysis		\$ 99,000			
Developer Share		\$ 99,000			
<b>Total S 35th Ave Ext. Alternatives Analysis</b>	<b>\$ 99,000</b>	<b>\$ 99,000</b>			



## 2022 Adopted Budget

<b>Capital Projects</b>					
<b>Project</b>	<b>Funding Source</b>	<b>2022 Expenditure</b>			
<b>General Capital Fund</b>					
<b>Streets</b>					
Pioneer & 51st Roundabout Design			350,000		
Traffic Impact Fee Transfer			350,000		
<b>Total Pioneer &amp; 51st Roundabout Design</b>	<b>\$ 350,000</b>	<b>\$ 350,000</b>			
Pioneer Widening Construction			6,130,000		
Debt Funding			6,130,000		
<b>Total Pioneer Widening Construction</b>	<b>\$ 6,130,000</b>	<b>\$ 6,130,000</b>			
Pioneer St East Ext. Design & ROW Acquisition			650,000		
Traffic Impact Fee Transfer			650,000		
<b>Total Pioneer St East Ext. Design/ROW Acq</b>	<b>\$ 650,000</b>	<b>\$ 650,000</b>			
Pioneer Street East Extension Construction			5,872,000		
Federal Build Grant			5,812,000		
Traffic Impact Fee Transfer			60,000		
<b>Total Pioneer Street East Extension Construction</b>	<b>\$ 5,872,000</b>	<b>\$ 5,872,000</b>			
N 8th Ave & Simons			296,000		
CDBG Grant			255,000		
General Fund Transfer			41,000		
<b>Total N 8th Ave &amp; Simons</b>	<b>\$ 296,000</b>	<b>\$ 296,000</b>			
Hillhurst Multi-Modal Trail Construction			275,000		
Traffic Impact Fee Transfer			275,000		
<b>Total Hillhurst Multi-Modal Trail Construction</b>	<b>\$ 275,000</b>	<b>\$ 275,000</b>			
I-5 & Pioneer Street Overpass Art			50,000		
Cowlitz Grant			50,000		
<b>Total I-5 &amp; Pioneer Street Overpass Art</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>			
I-5 Safety Screen			250,000		
State Capital Grant			250,000		
<b>Total I-5 Safety Screen</b>	<b>\$ 250,000</b>	<b>\$ 250,000</b>			



## 2022 Adopted Budget

<b>Capital Projects</b>					
<b>Project</b>	<b>Funding Source</b>	<b>2022 Expenditure</b>			
<b>General Capital Fund</b>					
<b>Parks</b>					
YMCA Site Plan & Permitting		\$ 205,000			
State Capital Grant		175,000			
Park Impact Fee Transfer		30,000			
<b>Total YMCA Site Plan &amp; Permitting</b>	<b>\$ 205,000</b>	<b>\$ 205,000</b>			
Skate Park Alternatives Analysis		\$ 75,000			
Park Impact Fee Transfer		75,000			
<b>Total Skate Park Alternatives Analysis</b>	<b>\$ 75,000</b>	<b>\$ 75,000</b>			
Overlook Park Splash Pad Construction		\$ 500,000			
Park Impact Fee Transfer		500,000			
<b>Total Overlook Park Splash Pad Construction</b>	<b>\$ 500,000</b>	<b>\$ 500,000</b>			
Horns Corner Park Ph 1		\$ 260,000			
Park Impact Fee Transfer		260,000			
<b>Total Horns Corner Park Ph 1</b>	<b>\$ 260,000</b>	<b>\$ 260,000</b>			
Refuge Park Ph 1		\$ 225,000			
Park Impact Fee Transfer		225,000			
<b>Total Refuge Park Ph 1</b>	<b>\$ 225,000</b>	<b>\$ 225,000</b>			
Gee Creek Trail Heron to Main Grant Match		\$ 93,200			
Park Impact Fee Transfer		93,200			
<b>Total Gee Creek Trail Heron to Main Match</b>	<b>\$ 93,200</b>	<b>\$ 93,200</b>			
Abrams Park Upgrades		\$ 40,000			
General Fund Transfer		40,000			
<b>Total Abrams Park Upgrades</b>	<b>\$ 40,000</b>	<b>\$ 40,000</b>			
Abrams Park Bridge Maintenance		\$ 20,000			
General Fund Transfer		20,000			
<b>Total Abrams Park Bridge Maintenance</b>	<b>\$ 20,000</b>	<b>\$ 20,000</b>			
Smythe to Reiman Trail Construction		\$ 775,000			
Park Impact Fee Transfer		775,000			
<b>Total Smythe to Reiman Trail Construction</b>	<b>\$ 775,000</b>	<b>\$ 775,000</b>			
Parkland Purchase		\$ 1,000,000			
Park Impact Fee Transfer		1,000,000			
<b>Total Parkland Purchase</b>	<b>\$ 1,000,000</b>	<b>\$ 1,000,000</b>			
Boyse Property Purchase - Annual Installment		\$ 250,000			
Park Impact Fee Transfer		250,000			
<b>Total Boyse Property Purchase</b>	<b>\$ 250,000</b>	<b>\$ 250,000</b>			
Boyse Park Planning/Design		\$ 165,000			
Park Impact Fee Transfer		165,000			
<b>Total Boyse Park Planning/Design</b>	<b>\$ 165,000</b>	<b>\$ 165,000</b>			
Mayor Meadow to Reiman Rd Trail/Bridge Design		\$ 420,000			
Park Impact Fee Transfer		420,000			
<b>Total Mayor Meadow to Reiman Road Trail</b>	<b>\$ 420,000</b>	<b>\$ 420,000</b>			
<b>Total General Government Capital Projects</b>	<b>\$ 23,065,200</b>	<b>\$ 23,065,200</b>			



## 2022 Adopted Budget

Capital Projects					
Project	Funding Source	2022 Expenditure			
<b>General Capital Fund</b>					
<b>Water Utility Capital Fund</b>					
N 8th Ave & Simons		215,000			
Water System Development Charges Transfer		215,000			
<b>Total N 8th Ave &amp; Simons</b>	<b>\$</b>	<b>215,000</b>	<b>\$</b>		
Pioneer Widening Construction Water Line		1,500,000			
CLFRF Grant		1,500,000			
<b>Total Pioneer Widening Constr. Water Line</b>	<b>\$</b>	<b>1,500,000</b>	<b>\$</b>		
Royle Road Water Main		650,000			
Water System Development Charges Transfer		650,000			
<b>Total Royle Road Water Main</b>	<b>\$</b>	<b>650,000</b>	<b>\$</b>		
DT Water Main Design/Construction		930,000			
Water System Development Charges Transfer		930,000			
<b>Total DT Water Main Design/Construction</b>	<b>\$</b>	<b>930,000</b>	<b>\$</b>		
Kennedy Well Field		720,000			
Water System Development Charges Transfer		720,000			
<b>Total Kennedy Well Field</b>	<b>\$</b>	<b>720,000</b>	<b>\$</b>		
Hydrant Replacement Project		37,500			
Water Operations Transfer		37,500			
<b>Total Hydrant Replacement Project</b>	<b>\$</b>	<b>37,500</b>	<b>\$</b>		
Water Ladder Replacement		35,000			
Water Operations Transfer		35,000			
<b>Total 9th Court Water Line Improvements</b>	<b>\$</b>	<b>35,000</b>	<b>\$</b>		
<b>Total Water Utility Capital Projects</b>	<b>\$</b>	<b>4,087,500</b>	<b>\$</b>		
<b>Storm Water Utility Capital Fund</b>					
Ridgefield Junction Regional Storm Facility		850,000			
CLFRF Grant		850,000			
<b>Total Ridgefield Junction Regional Storm Facility</b>	<b>\$</b>	<b>850,000</b>	<b>\$</b>		
<b>Total Storm Water Utility Capital Projects</b>	<b>\$</b>	<b>850,000</b>	<b>\$</b>		
<b>Total 2022 Capital Projects</b>	<b>\$</b>	<b>28,227,700</b>	<b>\$</b>		



## 2022 Adopted Budget

### 2022 Capital Outlay List and Funding Source

<b>Capital Outlay</b>			
<b>Project</b>	<b>Funding Source</b>	<b>2022 Expenditure</b>	
<b>General Fund</b>			
Events Box Truck			30,000
General Fund Expense		30,000	
	<b>Total Events Box Truck</b>	<b>\$ 30,000</b>	<b>\$ 30,000</b>
Code Enforcement Vehicle			35,000
General Fund Expense		35,000	
	<b>Total Code Enforcement Vehicle</b>	<b>\$ 35,000</b>	<b>\$ 35,000</b>
Vacuum Excavation Truck			20,000
General Fund Expense		20,000	
	<b>Total Vacuum Excavation Truck</b>	<b>\$ 20,000</b>	<b>\$ 20,000</b>
Patrol Vehicles (2)			147,000
General Fund Expense		147,000	
	<b>Total Patrol Vehicles</b>	<b>\$ 147,000</b>	<b>\$ 147,000</b>
10k Capacity Dump Trailer			13,000
General Fund Expense		13,000	
	<b>Total Dump Trailer</b>	<b>\$ 13,000</b>	<b>\$ 13,000</b>
7 x 12 Flatbed Trailer			5,000
General Fund Expense		5,000	
	<b>Total Flatbed Trailer</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>
Crossover Utility Vehicle			30,000
General Fund Expense		30,000	
	<b>Total Trail Head Signage</b>	<b>\$ 30,000</b>	<b>\$ 30,000</b>
	<b>Total General Fund</b>	<b>\$ 280,000</b>	<b>\$ 280,000</b>
<b>Water Utility Fund</b>			
Utility Pickup Truck			45,000
Water Utility Fund		45,000	
	<b>Total Utility Pickup Truck</b>	<b>\$ 45,000</b>	<b>\$ 45,000</b>
Vacuum Excavation Truck			30,000
Water Utility Fund		30,000	
	<b>Total Vacuum Excavation Truck</b>	<b>\$ 30,000</b>	<b>\$ 30,000</b>
Rebuild Pressure Relief Valves (PRV)			-
Water Utility Fund		-	
	<b>Total Water Utility Fund</b>	<b>\$ 75,000</b>	<b>\$ 75,000</b>



## 2022 Adopted Budget

<b>Capital Outlay</b>			
<b>Project</b>	<b>Funding Source</b>	<b>2022 Expenditure</b>	
<b>Stormwater Utility Fund</b>			
Confined Space Entry Equipment			17,000
Storm Water Utility Fund		17,000	
<b>Total Confined Space Entry Equipment</b>	<b>\$</b>	<b>17,000</b>	<b>\$</b> <b>17,000</b>
Vacuum Excavation Truck			50,000
Storm Water Utility Fund		50,000	
<b>Total Vacuum Excavation Truck</b>	<b>\$</b>	<b>50,000</b>	<b>\$</b> <b>50,000</b>
<b>Total Stormwater Utility Fund</b>	<b>\$</b>	<b>67,000</b>	<b>\$</b> <b>67,000</b>
<b>Equipment Replacement Fund (ERF)</b>			
Replace 2003 Ford F-150			48,000
Equipment Replacement Fund - Storm		48,000	
<b>Total Replacement Expense</b>	<b>\$</b>	<b>48,000</b>	<b>\$</b> <b>48,000</b>
Replace 1997 Ford Ranger			30,000
Equipment Replacement Fund - Parks		30,000	
<b>Total Replacement Expense</b>	<b>\$</b>	<b>30,000</b>	<b>\$</b> <b>30,000</b>
Replace 2001 Chevrolet K1500			43,500
Equipment Replacement Fund - Parks		43,500	
<b>Total Replacement Expense</b>	<b>\$</b>	<b>43,500</b>	<b>\$</b> <b>43,500</b>
Replace 1997 John Deere Riding Lawn Mower			17,000
Equipment Replacement Fund - Parks		17,000	
<b>Total Replacement Expense</b>	<b>\$</b>	<b>17,000</b>	<b>\$</b> <b>17,000</b>
Replace 2005 Chevrolet 3500			53,000
Equipment Replacement Fund - Parks/Streets		53,000	
<b>Total Replacement Expense</b>	<b>\$</b>	<b>53,000</b>	<b>\$</b> <b>53,000</b>
Replace 1998 Chevrolet K1500			43,500
Equipment Replacement Fund - Parks		43,500	
<b>Total Replacement Expense</b>	<b>\$</b>	<b>43,500</b>	<b>\$</b> <b>43,500</b>
Replace 2013 Ford Taurus			74,000
Equipment Replacement Fund - Public Safety		74,000	
<b>Total Replacement Expense</b>	<b>\$</b>	<b>74,000</b>	<b>\$</b> <b>74,000</b>
<b>Total ERF Capital Outlay</b>	<b>\$</b>	<b>309,000</b>	<b>\$</b> <b>309,000</b>
<b>Total 2022 Capital Outlay</b>	<b>\$</b>	<b>731,000</b>	<b>\$</b> <b>731,000</b>



## ***2022 Adopted Budget***

## ***VII. Appendix***



## 2022 Adopted Budget

### ***Financial Policy #01: Financial Management***

---

Effective Date: July 25, 2019, Resolution No. 561

Replaces and Cancels: Replaces Financial Policy #01: Financial Management; July 26, 2018

References:

---

#### **PURPOSE**

To provide the necessary tools to ensure the City is capable of meeting its immediate and long-term financial and service level objectives. These policies serve as guidelines for both financial planning and internal financial management of the City.

The City of Ridgefield is accountable to its citizens for the use of public dollars. Resources must be used wisely to ensure adequate funding for the services, public facilities, and infrastructure necessary to meet the community's present and future needs.

#### **OBJECTIVES**

1. To guide City Council in management policy decisions that have significant fiscal impact.
2. To set forth operating principles that minimize the cost of government and financial risk.
3. To implement balanced and fair revenue policies that provide adequate funding for desired programs.
4. To maintain appropriate financial capacity for present and future needs.
5. To promote sound financial management by providing accurate and timely information on the City's financial condition.
6. To protect the City's credit rating and provide for adequate resources to meet the provisions of the City's obligations on all municipal debt.
7. To ensure the legal use of financial resources through an effective system of internal controls.



## 2022 Adopted Budget

---

### Table of Contents

I.	General Information .....	3
	Funds.....	3
	Fund Types.....	3
	General Government Funds .....	3
	Proprietary (Business Type) Funds .....	3
II.	Budget Management .....	4
	Budget Development.....	4
	Budget Adjustments and Amendments .....	4
	Budget Monitoring .....	5
	City Positions and Staffing Levels .....	5
III.	Revenues .....	5
IV.	Expenditures .....	6
V.	Capital Assets .....	6
VI.	Fund Balance .....	6
	Debt Service Reserve .....	7
	Operations and Maintenance Reserve .....	8
	Revenue Stabilization Reserve .....	8
	Separation Reserve .....	8
	Capital Reserve .....	9
	Capital Repair & Replacement Reserve (Enterprise Funds) .....	9
	Equipment Repair and Replacement Reserve .....	10
VII.	Purchasing .....	10
VIII.	Capital Improvements.....	11
IX.	Local Improvement Districts .....	11
X.	Latecomer Agreements .....	12
XI.	Debt Management.....	12
XII.	Investments .....	12
XIII.	Accounting, Auditing and Financial Reporting.....	13
XIV.	Measurement Focus, Basis of Accounting and Financial Statement Presentation .....	14



## 2022 Adopted Budget

### GENERAL INFORMATION

The City of Ridgefield uses the Washington State Auditor's Office prescribed Budgetary, Accounting and Reporting System (BARS) for local governments.

#### Funds

Funds are used to account for and record designated information. A fund is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

#### Fund Types:

##### **General Government Funds:**

General Government funds are accounted for on a modified accrual basis of accounting. Following are the General Government funds used by the City.

*General Fund:* The General Fund is used to account for all of the financial resources of the government, except those required to be accounted for in another fund.

*Special Revenue Funds:* Special revenue funds are used to account for the proceeds of specific special revenue sources legally restricted or committed to expenditures for specific purposes.

*Debt Service Funds:* Debt Service funds are used to account for accumulation of resources for and payment of general government long-term debt principal and interest. It does not include the payment of principal and interest on debt associated with an enterprise fund.

*Capital Projects Funds:* Capital projects funds are used to account for financial resources used in the acquisition or construction of capital facilities or infrastructure not financed by proprietary or trust funds.

##### **Proprietary (Business Type) Funds:**

Proprietary funds are used to account for the proprietary or business-type activities for the City. Proprietary funds consist of enterprise funds and internal service funds. Enterprise funds are accounted for on a full accrual basis of accounting.

*Enterprise Funds:* Enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing the goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Enterprise funds are maintained on a full accrual basis of accounting.

*Internal Service Funds:* Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the



## 2022 Adopted Budget

governmental unit on a cost reimbursement basis. The City's Equipment Replacement Fund is established as an Internal Service Fund.

### I. BUDGET MANAGEMENT

#### **Budget Development**

Refer to **Financial Policy #07: Budget** for more detailed information.

Department directors have primary responsibility for formulating budget proposals in accordance with City Council and City Manager priority direction, and for implementing the budget once they are adopted.

The Finance Department is responsible for conducting the overall preparation and administration of the City's budget. This includes providing information on revenues and expenditures, updating costs and revenues, organizing data in an understandable fashion, and creating and providing tools for budget development.

The Finance Department assists department management in developing their budget proposals including identifying and analyzing budget issues, formulating solutions and alternatives, and implementing any necessary changes.

The budget is prepared and implemented on an annual basis in accordance with RCW 35A.33. The budget includes revenue and expenditure categories that correspond to the State's Budgeting, Accounting and Reporting System (BARS) categories.

The City develops budgets for the General and Enterprise operating funds, Special Revenue, and Equipment Replacement funds of the City. Budgets are also developed in the Debt Service fund to account for principal and interest payments and in the Capital Project fund to account for capital expenditures and associated capital funding sources.

#### **Budget Adjustments and Amendments**

The City Council adopts the budget at the fund level. Budget amendments are needed when total expenditures in a fund are expected to exceed the adopted budget for that fund. This may occur due to policies or programs approved by the City Council after the budget was adopted or due to unanticipated expenses. In addition, the City Council may choose to amend the budget in the event of a material change in the City's revenue sources during the year. Minor changes to anticipated revenues or expenditures do not require City Council to adopt a budget amendment. Budget amendments are authorized by City Council through an ordinance.

Budget adjustments within the City Council adopted budget for a fund proceed as follows:



## 2022 Adopted Budget

- The Finance Department receives a request for a budget adjustment from a department. Budget changes can also occur based on new information or documentation that the Finance Department receives directly.
- The Finance Department reviews the request. Adjustments that simply move budget amounts within a department and that do not represent a change in a policy or program are processed by the Finance Department. Budget adjustments that increase the budgeted amount for one department that are offset by decreases in another department are reviewed by the City Manager or other designated person. If approved, the Finance Department makes the requested adjustment as long as it does not change the total budget for the fund.
- Council approval is required if the requested adjustment changes the total budget for a fund. The Finance Department will verify whether there are sufficient resources for the adjustment and prepare a budget adjustment and ordinance for Council approval.

### Budget Monitoring

Budgets are developed and monitored at the line-item level but are managed at the fund level. A department director can overspend on one-line item within their department without the need for a budget adjustment as long as it is balanced out by an under expenditure on another line item. The total expenditures for a fund cannot exceed the total budget for the fund.

Department directors are responsible and accountable for their department budget.

Monthly reports that compare budget to actual will be created by the Finance Department and provided to the appropriate department director for review and response if large discrepancies are identified.

### City Positions and Staffing Levels

The budget approved by the City Council will fund a number of authorized full time equivalent City positions. The City's authorized positions will be included in the budget document and/or included in labor agreements approved by City Council. City Council will approve any new permanent City positions prior to the positions being filled. Temporary and seasonal positions do not require City Council approval as long as the expenditure to support them is provided for in the adopted budget.

### III. REVENUES

The City will strive to maintain a diversified and stable revenue system to shield the City from short-term fluctuations from any one revenue source.

The City will work to develop and maintain sustainable revenue sources to ensure its viability over the long term.



## 2022 Adopted Budget

Revenue estimates adopted by City Council should be made with consideration to the sensitivity of both local and regional economic activities.

The City will establish all user charges at a level associated with the cost of providing the service.

The City will set fees and user charges for each enterprise fund, such as Water, and Storm Water Drainage, at a level that, along with other anticipated revenue, fully supports the total direct and indirect cost of the activity provided.

Grant revenue sources will be acquired and used whenever possible.

### IV. EXPENDITURES

The City will only propose ongoing operating expenditures that can be supported by ongoing operating revenues.

The City will maintain a level of expenditures consistent with the level of services that will meet the goals and mission of the City as approved by the City Council.

Expenditures funded by one-time only sources, such as grants, must be identified and noted as such. Expenditures funded by these sources will not be included in subsequent budgets once the funding source no longer exists.

The City will maintain expenditure categories according to State statute and administrative regulation.

Expenditures associated with a grant revenue source will be identified and recorded against the corresponding grant.

### V. CAPITAL ASSETS

Refer to **Financial Policy #09: Capitalization of Assets** for more detailed information.

The City of Ridgefield will maintain a capital asset system that meets Generally Accepted Accounting Principles (GAAP) reporting requirements.

A capital asset system will be maintained to identify all City assets and their condition.

Capital assets are maintained for both the General Government and Enterprise funds.

Straight line depreciation will be calculated and charged appropriately against the asset.

### VI. FUND BALANCE

Fund balances are created and maintained to provide capacity to:

1. Offset significant downturns in the economy.
2. Provide sufficient cash flow to meet daily financial needs.



## 2022 Adopted Budget

3. Meet all statutory and City Council approved loan covenant requirements for required debt reserves to pay debt service.
4. Maintain the ability to meet scheduled equipment repair and replacement needs that sustain city services at an acceptable level to prevent physical deterioration of city assets.
5. Provide the capacity to pay large unanticipated expenses, such as the payment of vacation and sick leave balances for employees that retire or leave employment with the City.

Fund Balance represents the difference between the fund's assets and the fund's liabilities. A positive fund balance should be maintained to properly manage a fund.

Reserves are a portion of the fund balance that is restricted or categorized to use for a designated purpose. The following definitions (though the City may not use all of these categories at any one time) are published by the Governmental Accounting Standards Board – Pronouncement No. 54:

- Non-spendable: Amounts that cannot be spent due to form; for example, inventories, prepaid amounts, long-term and notes receivables, and other restricted items. Also includes amounts that must be maintained intact legally or contractually.
- Restricted: Amounts constrained for a specific purpose by external parties, or constitutional provision, such as a requirement for revenue bonds to set aside funds in a debt service reserve account.
- Committed: Amounts constrained or restricted for a specific purpose by a government using its highest level of decision-making authority. Action by the legislative authority is required to remove or change this amount.
- Assigned: Used for funds to classify any remaining positive amounts not identified as non-spendable, restricted, or committed. These amounts should not result in a deficit in unassigned fund balance.
- Unassigned (remaining fund balance that is not reserved): This is the excess or residual amount of resources that exceed the amount expended, less amounts identified as non-spendable, restricted, committed, or assigned. If the residual amount is negative, the assigned amount should be reduced accordingly.

The City has determined the need to create the following reserves and fund balances with the priority identified:

**Priority #1- Debt Service Reserve:**

**Purpose:** This reserve account will be established by any fund that budgets debt service, as an expense item in the fund. The purpose of this account is to create the financial ability to pay for principal and interest due on outstanding debt.



## 2022 Adopted Budget

**Amount:** The amount allocated will be determined by bond issuance and/or loan covenant requirements and adjusted annually. The amount will come from a portion of the annual operating revenue generated in the fund that pays debt service.

**Category:** Identified as a "Committed" fund balance.

**Priority #2 - Operations and Maintenance Reserve:**

**Purpose:** This reserve account will be established by any fund that budgets ongoing operations and maintenance. The purpose of this account is to create the financial ability to pay operating expenses from month to month given the routine and seasonal fluctuations in the City's revenue and expenses.

**Amount:** The General Fund and Street Fund operations and maintenance reserve will be set at 60 days of prior year actual operating expenses. The operations and maintenance reserve for Enterprise Funds (water and storm water) will be set at 90 days of prior year actual operating expenses. Reserve amounts will be updated annually during the budget process. The source of the operations and maintenance reserve will come from the amount of annual operating revenue that exceeds the annual operating expenses for a fund.

**Category:** Identified as "Unassigned" fund balance.

**Priority #3 - Revenue Stabilization Reserve:**

**Purpose:** This reserve account will be established in the General Fund. The purpose of this reserve account is to provide the financial ability to cover operating expenses during a longer-term revenue shortfall due to reduced ongoing revenue receipts or a downturn in the economy. This reserve will allow the City to sustain service levels while the City Council implements policies that respond to and mitigate the revenue shortfall.

**Amount:** The amount will be calculated annually at 10% of the prior year actual revenues less any one-time revenues such as grant allocations and inter-fund transfers.

**Category:** Identified as "Unassigned" fund balance.

**Priority #4 - Separation Reserve:**

**Purpose:** This reserve account will be established by any fund that budgets personnel expense. The purpose of this account is to provide the financial ability to cover retirement payout obligations for City staff. Accrued vacation hours are paid in full upon separation. Accrued sick leave is paid per union agreement or personnel policy upon separation. This reserve will allow the City to cover anticipated payouts without impacting ongoing operations and service levels.

**Amount:** The amount will be calculated at 30% of the anticipated payouts for the following ten years per financial model. The amount allocated to the reserves will be updated annually during the budget process.



## 2022 Adopted Budget

**Category:** Identified as “Unassigned” fund balance.

**Priority #5 – Capital Reserve:**

**Purpose:** This reserve account will be used by any fund that budgets capital and/or large maintenance projects as an expense item in the fund or uses a capital projects fund to budget and pay for these expenses. The purpose of this account is to create the financial ability to pay for unanticipated capital needs typically resulting from a natural disaster or other unanticipated event that damages City infrastructure. This fund may with specific appropriation by City Council be used for investment in revenue producing capital projects.

**Amount:** The amount allocated will be calculated at 1% of prior year net capital assets. The amount will come from a portion of the annual operating revenue generated in the fund that pays for these types of projects.

**Category:** Identified as “Assigned” fund balance unless a resolution or budget amendment is processed that identifies a specific amount to be used for a specific item or purpose, then this amount would be classified as “Committed” fund balance.

**Priority #6 - Capital Repair and Replacement Reserve (Enterprise Funds)**

**Purpose:** This reserve account will be used to set aside funds for future repair and replacement of utility infrastructure. The purpose of this account is to create the financial ability to pay for repair or replacement of existing utility infrastructure at the end of the asset’s useful life, or in the event of a failure of the asset. Use of these funds for specific repair and replacement projects must be appropriated by City Council through the budget process or by emergency declaration in the event of a significant failure of the asset.

**Amount:** The amount will be allocated on an annual basis as 5% of the previous year utility receipts from rates and will be deposited into a separate fund balance. The minimum target fund balance for this account is 2% of the historical cost for infrastructure, not to include machinery and equipment which is included in the Equipment Replacement Fund Reserve in the accompanying utility fund.

**Replenishment of Reserves** – The following criteria will be used to restore the Capital Repair and Replacement Reserve Fund based upon the minimum reserve guideline:

1. If the reserves are drawn down by 25-50% of reserve fund balance, then a budgetary plan shall be implemented to return the reserve level to between 75-100% of the minimum reserve balance over a 5-7-year period.
2. If the reserves are drawn down by 10-25% of reserve fund balance, then the budgetary plan to restore the minimum reserve balance shall be structured over a 3-5-year period.



## 2022 Adopted Budget

3. If the reserves are drawn down by 0-10% of reserve fund balance, then the budgetary plan to restore the minimum reserve balance shall be structured over a 1-3-year period.

**Category:** Identified as “Unrestricted” fund balance unless a resolution or budget amendment is processed that identifies a specific amount to be used for a specific item or purpose, then this amount would be classified as “Committed” fund balance.

**Priority #7 - Equipment Repair and Replacement Reserve:**

**Purpose:** This reserve account will be set-up as a separate fund to account for equipment replacement for existing City equipment and vehicles. The purpose of this fund is to create the financial flexibility to plan for replacement of these types of expenses, maintaining the City assets at an acceptable level to prevent physical deterioration.

**Amount:** The amount allocated will be determined by a financial model used to track the funds needed to replace existing vehicles and equipment at the end of their useful life. The amount allocated to the reserves will be updated annually during the budget process.

**Category:** Identified as “Assigned” fund balance unless a resolution or budget amendment is processed that identifies a specific amount to be used for a specific item or purpose, then this amount would be classified as “Committed” fund balance.

The City will make every effort to create and maintain the fund balances and reserves identified above and based on the priorities established. The City is aware that needs may change over time and fund balance reserve amounts may be redistributed within a fund to meet the needs that occur at a given time. If it is determined that funds need to be redistributed within a fund, the fund balance with the lowest priority will be redistributed first to allow the ability to meet the need of a higher priority fund balance. In all cases, council approval or budget enactment is required before changing or redistributing the amounts allocated to a reserve account.

### VII. PURCHASING

Refer to **Financial Policy #04: Procurement of Goods and Services** for more detailed information.

The City shall commit to the following guidelines:

- Comply with all federal, state, and local laws, adopted codes, ordinances, and stated policies in its procurement process.
- Buy competitively and wisely to obtain maximum value for the public resource dollars spent.
- Afford all bidders an equal opportunity to quote and compete on equal terms.



## 2022 Adopted Budget

- Initiate and promote good, continuous vendor relations, as well as reliable alternate sources of supply.
- Buy from suppliers who maintain adequate financial strength, high ethical standards, a record of adhering to specifications and who will maintain integrity in payment terms, delivery, and service.

### VIII. CAPITAL IMPROVEMENTS

The City will make capital improvements in accordance with an adopted capital improvement plan.

The capital investment program and the base operating budget will be reviewed at the same time. This will ensure that the City's capital and operating needs are balanced with each other.

The City will develop a multi-year plan for capital improvements including operations and maintenance costs and update it every two years or sooner if needed. Future capital expenditures necessitated by changes in population, changes in real estate development, or changes in the economic base will be calculated and included in the capital budget projections.

The City will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted to Council for approval. The City will use intergovernmental grants, loans, and other outside resources whenever possible.

### IX. LOCAL IMPROVEMENT DISTRICTS (LID):

LID's are formed to provide an alternative means of financing for property owners, within a defined geographical area, to make improvements benefiting their property.

Improvements financed by the Local Improvement District (LID) may include street and sidewalk construction, construction of water distribution and storm water collection facilities. Assessments are determined by the size and location of each property in relation to the improvement and the benefit to the property.

An LID may be initiated by City Council resolution or by petition of the majority of property owners along the frontage of the improvement, within the boundaries of the district. Refer to RCW 35.43 for authority.

The formation of a Local Improvement District is limited to specific instances and can apply as follows:

- When a group of property owners wish to accelerate development of a certain improvement; or
- When a group of property owners desire a higher standard of improvement than the City's project contemplates; or



## 2022 Adopted Budget

- When a group of property owners request City assistance in LID formation to fund internal neighborhood transportation facilities improvements.

LID projects may or may not have City funding involved. If City funding is proposed by the project sponsors (property owners), they shall request it from the City Council (through the City Clerk) in writing before the LID promotion activity begins.

### X. LATECOMER AGREEMENTS

Refer to Ridgefield Municipal Code chapter 3.90 for more detailed information.

As a source of financing capital improvements, the City may work with private developers to construct projects identified in the capital facilities plan.

The City shall collect a connection or impact fee from future developers that utilize the capital improvement and reimburse the developer that built the initial capital improvement.

Construction projects considered under this agreement:

- The project must be a project identified in the adopted capital facilities plan
- The project extension must serve anticipated future development.
- The project requires prior approval by the Community Development Director or Public Works Director.
- The latecomer agreement must be approved by City Council prior to construction.

Payment of any latecomer fee shall occur within 15 years of final acceptance of construction.

Documentation of the actual project costs and the agreement with current participants must be made prior to any reimbursements.

The reimbursements shall not exceed that amount which brings participant costs equal to zero.

### XI. DEBT MANAGEMENT

Refer to ***Financial Policy #10: Debt Management*** for more detailed information.

The Debt Policy for the City of Ridgefield sets forth guidelines for the issuance and management of all financings of the City. Adherence to the policy is essential to ensure that the City maintains a sound debt position and protects the credit quality of its obligations while providing flexibility and preserving financial stability.

### XII. INVESTMENTS

Refer to ***Financial Policy #08: Investments*** for more detailed information.



## ***2022 Adopted Budget***

The policy on investment applies to the investment of all City funds excluding pension funds or trust accounts. The primary objective of investment activities shall be: 1) Safety of principal that seeks to minimize potential losses; 2) Liquidity of cash to sufficiently meet all operating requirements; and 3) Return on investment that allows for the highest market rate of return throughout budgetary and economic cycles.

The City of Ridgefield authorized investment officers will perform their duties in a manner consistent with the standard of a "prudent person," as defined in RCW 43.250.040. A prudent person is defined as "exercising the judgment and care under the circumstances then prevailing which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not in regard to speculation but in regard to the permanent disposition of the funds

considering the probable income as well as the probable safety of the capital." The investment officer is the Finance Director.

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

The City may invest in any of the securities identified as eligible investments as defined by RCW's: 35A.40.050, 39.59, 43.250, and 43.84.080. These include: Certificates of Deposit, United States Securities, Bankers' Acceptances, Repurchase Agreements and Certificates, and Notes and Bonds of the State of Washington. The City may also create investment accounts with the Clark County Treasurer's Office per RCW 36.29.020, and the Local Government Investment Pool per RCW 43.250.040. Speculative investments are not allowed.

Investment transactions shall be conducted with approved broker/dealers selected by credit worthiness and other selection criteria. Broker/dealers must be registered to provide investment services in the State of Washington.

The policy shall be to assure no single institution or security is invested into, to such an extent that a delay of liquidation at maturity is likely to cause a current cash flow emergency.

### **XIII. ACCOUNTING, AUDITING AND FINANCIAL REPORTING**

The City will establish and maintain a high standard of accounting practices.

The accounting system will maintain records on a basis consistent with Generally Accepted Accounting Principles and the State of Washington Budgeting, Accounting, and Reporting Systems.

Regular monthly, quarterly, and annual financial reports will present a summary of financial activity by major types of funds. Monthly reports will also include a summary of the investment activities by type of investment.



## ***2022 Adopted Budget***

Where feasible, the reporting system will also provide monthly information on the total cost of specific services by type of expenditure and, if necessary, by fund.

The State Auditor's Office will audit City records annually or biannually, depending upon audit requirements, and will issue a financial opinion.

### **XIV. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION**

Basis of accounting refers to the point at which revenues and expenditures/expenses are recognized in the accounts and reported in the financial statements. Basis relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements report the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The City considers taxes as available if they are collected within 60 days after year end. Expenditures are accrued to the period the liability is incurred if the invoice is received within 60 days of the end of the current fiscal period for all amounts, when received between day 61 and day 75 invoices exceeding \$25,000 will be accrued, and no accrual will occur after day 75 in order to facilitate preparation of financial statements and the year-end close. Debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales tax, franchise fees, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and will be recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

As a general rule the effect of interfund activity is eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges



## ***2022 Adopted Budget***

between the government's water, and storm water function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water and Storm Water Funds are charges to customers for sales and services. Operating expenses for these funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.



# 2022 Adopted Budget

## ***Financial Policy #10: Debt Management***

Effective Date: August 25, 2016, Resolution No. 513

Replaces and Cancels:

References: RCW 35A.40, RCW 35.37, RCW 39.40, RCW 39.46, RCW 39.52, RCW 39.56, and RCW 43.80; Financial Policy #01: Financial Management

---

### **PURPOSE**

The Debt Policy for the City of Ridgefield sets forth guidelines for the issuance and management of all financings of the City. Adherence to the policy is essential to ensure that the City maintains a sound debt position and protects the credit quality of its obligations while providing flexibility and preserving financial stability.

### **USES OF DEBT**

The City of Ridgefield uses debt as a mechanism to equalize the costs of needed capital improvements for the benefit of both present and future citizens.

The City of Ridgefield uses debt as a mechanism to reduce the immediate costs of substantial public improvements.

The City of Ridgefield will not use long-term debt to support current operations.

Long-term borrowing will only be used for capital improvements that cannot be financed from current revenues.

Non-capital furnishings, supplies and personnel will not be financed from bond proceeds.

Interest, operating, and/or maintenance expenses will be capitalized only for enterprise activities and will be strictly limited to those expenses incurred prior to actual operation of the facilities.

### **AUTHORITY – DEBT LIMITS**

Legal Limits:

1. The general obligation debt of the City of Ridgefield will not exceed an aggregated total of 2.5% of the assessed valuation of the taxable property within the City. The City may issue additional debt for utilities, 2.5% and open space and park facilities, 2.5% not to exceed a total of 7.5% of the assessed valuation of the taxable property within the City. RCW 39.36.020
2. The following individual percentages shall not be exceeded in any specific debt category:
  - a. General debt – not to exceed an aggregated total of 2.5% of assessed valuation
    - i. Non-Voted up to 1.5% Limited Tax General Obligation (LTGO) Bonds
    - ii. Voted up to 2.5% Unlimited Tax General Obligation (UTGO) Bonds
  - b. Utility Debt – 2.5% of assessed valuation
  - c. Open Space and Park Facilities – 2.5% of assessed valuation



## 2022 Adopted Budget

### Public Policy Limits:

1. The City will establish and implement a comprehensive multi-year Capital Improvement Program (CIP).
2. Financial analysis of funding sources will be conducted for all proposed capital improvement projects.
3. Debt will be issued in accordance with the CIP as necessary.
4. Where borrowing is recommended, the source of funds to cover debt service requirements must be identified.
5. The City, as determined by the City Council, may consider using long term debt toward public improvements, which have an identified public benefit to the City, associated with economic development to the extent that new revenues from the project, in excess of those identified by the City Council for other City purposes, can be agreed upon to support the debt service.

### Financial Limits:

1. The City's policy is to plan and direct the use of debt so that debt service payments will be a predictable and manageable part of the operating budget.
2. The City will conduct a debt affordability analysis to evaluate the City's ability to support debt. The analysis will review available resources for the amount of debt the City can initiate each year and project the effects of that financing through six years of the CIP.

### **ALLOWABLE TYPES OF DEBT**

1. Short Term Obligations: Short-term borrowing will only be used to meet the immediate financing needs of a project for which long-term financing has been secured but not yet received. The City may issue interfund loans rather than outside debt instruments to meet short-term cash flow needs. Interfund loans will be permitted only if an analysis of the affected fund indicates excess funds are available and the use of the funds will not impact the fund's current operations. All interfund loans will be subject to Council approval, will bear interest based upon prevailing rates and have terms consistent with state guidelines for interfund loans.
2. Assessment/LID Bonds: Assessment bonds will be considered in place of general obligation bonds, where possible, to assure the greatest degree of public equity. Local Improvement District (LID) Bonds represent debt that is repaid by the property owners who benefited from the capital improvement through annual assessments paid to the



## 2022 Adopted Budget

City. LID's are formed by the City Council after a majority of property owners agree to the assessment.

3. Limited Tax General Obligation Bonds: General Obligation debt is backed by the full faith and credit of the City and is payable from General Fund revenues and taxes collected by the City. Limited Tax General Obligation (LTGO) Bonds can be issued with the approval of the City Council and will only be issued if:
  - a. A project requires funding not available from alternative sources.
  - b. Matching fund monies are available which may be lost if not applied for in a timely manner,
  - c. Emergency conditions exist.
4. Unlimited Tax General Obligation Bonds: Unlimited Tax General Obligation (UTGO) Bonds are payable from excess tax levies and are subject to voter approval by 60% of the voters.
5. Revenue Bonds: Revenue bonds are used to finance construction or improvements to facilities of enterprise systems operated by the City in accordance with the Capital Improvement Program and are generally payable from the enterprise. No taxing power or general fund pledge is provided as security. Unlike general obligation bonds, revenue bonds are not subject to the City's statutory debt limitation nor is voter approval required.
6. Leases: Lease purchase or financing contracts are payment obligations that represent principal and interest components which are general obligations of the City.
7. Other Loan Programs:
  - a. Public Works Trust Fund Loans are loans from the Public Works Board, authorized by state statute, RCW 43.155 to loan money to repair, replace, or create domestic water systems, sanitary sewer systems, storm sewer systems, roads, streets, solid waste and recycling facilities and bridges.
  - b. The Local Option Capital Asset Lending (LOCAL) Program is a financing contract with the Office of the State Treasurer under RCW 39.94. It is an expanded version of the state agency lease/purchase program that allows pooling funding needs into larger offerings of securities. This program allows local government agencies the ability to finance equipment needs through the State Treasurer's Office, subject to existing debt limitations and financial consideration.
  - c. Other state funded programs.
8. Alternative types of debt: No variable-rate debt or derivative products shall be utilized.



## 2022 Adopted Budget

### DEBT STRUCTURING PRACTICES

1. Maximum term, Payback Period and Average Maturity:
  - a. The issuance of bonds shall be financed for a period not to exceed a conservative estimate of the asset's useful life with the average life of the bonds less than or equal to the average life of the assets being financed.
  - b. General Obligation bonds will be issued with maturities of 30 years or less unless otherwise approved by Council.
  - c. The maturity of all assessment bonds shall not exceed statutory limitations. RCW 36.83.050.
2. Debt Service Structure:
  - a. Unless otherwise justified and deemed necessary, debt service should be structured on a level or declining repayment basis.
3. Criteria for issuance of advance refunding and current refunding bonds:
  - a. The City will use refunding bonds, where appropriate, when restructuring its current outstanding debt. A debt refunding is a refinance of debt typically done to take advantage of lower interest rates. Unless otherwise justified, such as a desire to remove or change a bond covenant, a debt refunding will not be pursued without a net present value savings after expenses of at least 3%.
4. Other Structuring Practices:
  - a. Bond amortization schedules will be structured to minimize interest expense with the constraints of revenue available for debt service. The bonds should include call features to maximize the City's ability to advance refund or retire the debt early. However, call features should be balanced with market conditions to ensure that the total cost of the financing is not adversely affected.

### DEBT ISSUANCE PRACTICES

1. Council Approval: City Council approval is required prior to the issuance of debt.
2. Analytical Review: An analytical review shall be conducted prior to the issuance of debt including, but not limited to, monitoring of market opportunities, and structuring and pricing of the debt.
3. Use of credit ratings, minimum bond ratings, determination of the number of ratings and selection of rating services: The City will continually strive to maintain its bond rating by improving financial policies, budget forecasts and the financial health of the City so its borrowing costs are minimized and its access to credit is preserved. The City will maintain good communication with bond rating agencies about its financial condition,



## 2022 Adopted Budget

coordinating meetings and presentations in conjunction with a new issuance as necessary.

4. Compliance with Statutes and Regulations: The Finance Director, City Attorney, Bond Counsel and Municipal Advisor shall coordinate their activities and review all debt issuance to ensure that all securities are issued in compliance with legal and regulatory requirements by the State of Washington and the Federal Government's laws, rules, and regulations.
5. Selection and use of professional service providers:
  - a. The City's Finance Department shall be responsible for the solicitation and selection of professional services that are required to administer the City's debt program.
  - b. Bond Counsel: All debt issued by the City will include a written opinion by bond counsel affirming that the City is authorized to issue the proposed debt. The opinion shall include confirmation that the City has met all City and state constitutional and statutory requirements necessary for issuance, a determination of the proposed debt's federal income tax status and any other components necessary for the proposed debt.
  - c. Municipal Advisor: A Municipal Advisor(s) may be used to assist in the issuance of the City's debt. The Municipal Advisor will provide the City with the objective advice and analysis on debt issuance. This includes, but is not limited to, monitoring of market opportunities, structuring, and pricing of debt, and preparing official statements of disclosure.
  - d. Underwriters: An Underwriter(s) will be used for all debt issued in a negotiated, competitive, or private placement sale method. The Underwriter is responsible for purchasing negotiated or private placement debt and reselling the debt to investors.
  - e. Fiscal Agent: A Fiscal Agent will be used to provide accurate and timely securities processing and timely payment to bondholders. In accordance with RCW 43.80, the City will use the Fiscal Agent that is appointed by the State.
6. Criteria for determining sales method and investment of proceeds:
  - a. The Finance Director shall determine the method of sale best suited for each issuance of debt.
  - b. The City will generally issue its debt through a competitive process. For any competitive sale of debt, the City will award the issue to the Underwriter offering to buy the bonds at a price and interest rates that provide the lowest True Interest Cost (TIC).
  - c. The City will provide for the sale of debt by negotiating the terms and conditions of sale when necessary to minimize the cost and risks of borrowing under the following conditions:



## 2022 Adopted Budget

- i. The bond issue is, or contains, a refinancing that is dependent on market/interest rate timing.
- ii. At the time of issuance, the interest rate environment or economic factors that affect the bond issue are volatile.
- iii. The nature of the debt is unique and requires particular skills from the Underwriter(s) involved.
- iv. The debt issued is bound by a compressed timeline due to extenuating circumstances such that time is of the essence and a competitive process cannot be accomplished.
7. Bond insurance: For each issue, the City will evaluate the costs and benefits of bond insurance or other credit enhancements. Any credit enhancement purchases by the City shall be competitively procured.

### DEBT MANAGEMENT PRACTICES

1. Investment of Bond Proceeds: The City shall comply with all applicable Federal, State, and contractual restrictions regarding the investment of bond proceeds, including the City of Ridgefield Investment Policy.
2. Continuing Disclosure: The City shall provide annual disclosure information to established national information repositories and maintain compliance with disclosure statements as required by state and national regulatory bodies. Disclosure shall take the form of the Comprehensive Annual Financial Report (CAFR) unless information is required by a particular bond issue that is not necessarily contained within the CAFR.
3. Arbitrage Rebate Monitoring and Filing: The City will, unless otherwise justified, use bond proceeds within the established time frame pursuant to the bond ordinance, contract, or other documents to avoid arbitrage. Arbitrage is the interest earned on the investment of the bond proceeds above the interest paid on the debt. If arbitrage occurs, the City will follow a policy of full compliance with all arbitrage rebate requirements of the federal tax code and Internal Revenue Service regulations and will perform (internally or by contract consultants) arbitrage rebate calculations for each issue subject to rebate. All necessary rebates will be filed and paid when due in order to preserve the tax-exempt status of the outstanding debt.
4. Federal and State Law Compliance Practices: Discussed in Debt Issuance Practices sections 3 and 4 and Debt Management Practices sections 1 and 3.
5. Market and Investor Relations Efforts: The City shall endeavor to maintain a positive relationship with the investment community. The City shall communicate through its



## ***2022 Adopted Budget***

published Budget, Capital Improvement Program and Comprehensive Annual Financial Statements the City's indebtedness as well as its future financial plans.

6. Periodic Review: The City's debt policy shall be adopted by City Council. The policy shall be reviewed every two years by the Finance Department and modifications shall be submitted to and approved by City Council.



## 2022 Adopted Budget

### ***Financial procedure #10.1: Post Issuance Compliance (Governmental Bonds)***

---

Effective Date: October 1, 2017

Replaces and Cancels:

References: Financial Policy #10: Debt Management; SEC Rule 15c2-12

---

**Purpose.** The City of Ridgefield, Washington's (the "City") Financial Policy #10: Debt Management, Effective Date: August 25, 2016 (the "Debt Policy") sets forth guidelines for the issuance and management of all financings of the City. The Debt Policy also sets forth the City's debt issuance practices, including practices ensuring compliance with applicable statutes and regulations. Under "Debt Issuance Practices—4. Compliance with Statutes and Regulations," the Finance Director, City Attorney, Bond Counsel and Municipal Advisor are directed to coordinate their activities and review all debt issuance to ensure that all securities are issued in compliance with legal and regulatory requirements by the State of Washington and the Federal Government's laws, rules and regulations.

These procedures are intended to improve the City's ability to comply with these State and Federal laws, rules, and regulations applicable to the City's tax-exempt bond issues. These procedures support compliance by outlining the steps the City will take to prevent violations in bond requirements from occurring, to timely identify potential violations, and to correct identified violations through appropriate remedial steps.

**Authority.** These procedures are pursuant to "Debt Issuance Practices—4. Compliance with Statutes and Regulations" of the Debt Policy. The City is authorized to issue bonds on a tax-exempt basis pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations (the "Regulations"). The City's bonds generally are exempt from registration under the Securities Act of 1933 and Securities Exchange Act of 1934 but are subject to antifraud requirements of these federal securities laws and regulations of the Securities and Exchange Commission (the "SEC"). The Finance Director, City Attorney, Bond Counsel and Municipal Advisor have reviewed these procedures.

**Schedule of Review.** These procedures are to be reviewed at least annually and upon each issuance of new bonds, including refunding bonds. In connection with this periodic review, the City will consider whether the procedures should be amended or supplemented:

- To address any particular requirements associated with the new bond issue, or
- To reflect general changes in legal requirements since the prior bond issue.

**Requirements at Bond Closing.** Numerous federal tax, federal securities and state law requirements must be met in connection with a bond issue. In some circumstances (e.g., revenue bonds) rate and other covenant requirements will also need to be satisfied. These requirements are addressed in the bond transcript completed at bond closing and confirmed in certain respects by the legal opinions included in the bond transcript.



## 2022 Adopted Budget

For each bond issuance, the Responsible Officer (defined below) will create a written schedule for due diligence reviews, with the appropriate officials set forth below, based upon the expectations set forth in the transcribed documents.

**Requirements after Bond Closing.** Other federal tax, federal securities law and state law requirements and contractual obligations require on-going monitoring after the issuance of the bonds.

- Primary Responsibility. The Finance Director (the “Responsible Officer”) will undertake post-issuance compliance relating to the City’s bonds. The Responsible Officer is familiar with the provisions of the Code and Regulations governing the tax-exempt status of the bonds and with the federal securities law requirements governing the bonds, including SEC Rule 15c2-12. The Responsible Officer may delegate tasks to other officers or staff of the City or to outside attorneys or other experts.
- Officials or employees responsible for review. The following officers and employees of the City are identified as the responsible persons for reviewing compliance with the City’s post-issuance obligations. Each responsible individual is to institute a calendaring system to track compliance with tasks in a timely manner.
  - Federal tax requirements, including arbitrage, use of proceeds, use of facilities and IRS filings:
    - ✓ Arbitrage, IRS Filings: Finance Director
    - ✓ Use of Proceeds: Finance Director
    - ✓ Use of Facilities: Director of Public Works
    - ✓ The Finance Director may determine to contract with a firm providing arbitrage and rebate services to complete arbitrage and rebate review.
  - Continuing disclosure requirements:
    - ✓ Annual Filing: Finance Director
    - ✓ Material Event Notices: Finance Director
    - ✓ Prior to filing each annual filing or material event notice, the Responsible Officer is to circulate the draft filing or notice to responsible department heads for subject matter covered.
  - The Responsible Officer is responsible for reviewing the other requirements under these procedures.



## 2022 Adopted Budget

- The responsible persons identified above may need to confer, from time to time, with the City's bond counsel and/or financial advisor, to confirm the applicability and scope of the requirements outlined in these procedures. For reference, the contact information for these advisors is provided below:

Stacey Lewis, as bond counsel	Alison Benge, as tax counsel
Pacifica Law Group LLP	Pacifica Law Group LLP
1191 Second Avenue, Suite 2000	1191 Second Avenue, Suite 2000
Seattle, WA 98101-3404	Seattle, WA 98101-3404
(206) 245-1714	(206) 602-1210
<a href="mailto:Stacey.lewis@pacificalawgroup.com">Stacey.lewis@pacificalawgroup.com</a>	<a href="mailto:alison.benge@pacificalawgroup.com">alison.benge@pacificalawgroup.com</a>
	Duncan Brown
	Senior Managing Consultant
	PFM Financial Advisors LLC
	1200 Fifth Avenue, Suite 1220
	Seattle, Washington 98101
	(206) 858-5367
	<a href="mailto:brownd@pfm.com">brownd@pfm.com</a>

- Training of the responsible official/employee. The City provides opportunities for training to the responsible individuals, specifically including the following training opportunities:
  - At or after bond closing, a conference call or meeting with bond counsel to review the requirements applicable to a new bond issue.
  - Participation in in-house training sessions, CPE seminars, or seminars/webinars conducted by professional organizations (e.g., WFOA, GFOA)
- Records to be Maintained. The following documents are maintained in connection with each bond issue. The goal is to retain adequate records to substantiate compliance with federal tax, securities law, state law and other contractual requirements applicable to the City's bonds. Generally, records should be maintained for the term of the bonds (plus the term of any refunding bonds) plus three years. Unless otherwise specified, the following records are to be maintained in the office of the Finance Director or City Clerk.



## 2022 Adopted Budget

- Complete bond transcript (provided by bond counsel) in CD or hard copy.
- Records of investment of bond proceeds in a format showing the date and amount of each investment, its interest rate and/or yield, the date any earnings are received, and the amount earned, and the date each investment matures and if sold prior to maturity, the sale date and sale price.
- Records of expenditure of bond proceeds in a format showing the amount, timing, and the type of expenditure.
- Records of invoices or requisitions, together with supporting documentation showing payee, payment amount and type of expenditure, particularly for projects involving multiple sources of funds.
- Records necessary to document the allocation of bond proceeds and other sources of funds to particular projects or portions of projects.
- Records documenting the final allocation of bond proceeds to projects, including any reallocations of bond proceeds, in a format showing the timing and substance of the reallocation, if applicable.
- Records demonstrating compliance with arbitrage and rebate requirements, including arbitrage calculations, documentation of spending exceptions to rebate, rebate reports and IRS filings and payments.
- Copies of contracts relating to the use of the bond-financed facility including leases, concession agreements, management agreements and other agreements that give usage rights or legal entitlements with respect to the facility to nongovernmental persons (e.g., advertising displays, cell tower leases, and naming rights agreements).
- Copies of contracts relating to ongoing compliance with respect to the bonds, such as rebate filings.
- Copies of any filings or correspondence with the IRS, the SEC or other regulatory body.
- **Investment of Bond Proceeds.** In general, bond proceeds and certain other funds can only be invested at a rate that exceeds the yield on the bonds under limited circumstances. Furthermore, amounts earned by investing above the bond yield must be rebated to the IRS, unless a spending exception is met. The arbitrage and rebate requirements for each bond issue are detailed in the federal tax certificate. The Responsible Officer will monitor the investment and expenditure of the funds and accounts listed below. The Responsible Officer will determine whether the bond issue meets the requirement for one of the



## 2022 Adopted Budget

expenditure exceptions to arbitrage rebate. The Responsible Officer will determine whether a rebate calculation is necessary and, if so, will perform the calculation or engage a rebate consultant. The Responsible Officer will arrange for the payment of any required rebate to the IRS together with the appropriate IRS form on the dates described below.

- Funds to Monitor.
  - ✓ Bond or debt service funds/accounts
  - ✓ Project or construction funds/accounts
  - ✓ Other accounts with bond proceeds or amounts pledged to pay bonds
- Arbitrage Reports; Rebate May Be Due.
  - ✓ During construction, monitor expenditures to confirm satisfaction of expected exceptions to rebate (such as six-month exception, 18-month exception, 24-month exception)
  - ✓ The first rebate payment is due five years after date of issue plus 60 days
  - ✓ Rebate is due every succeeding five years, if there are unspent gross proceeds of the bonds
  - ✓ Final rebate payment is due 60 days after early redemption or retirement of the bonds
- Limitations on Type of Investments. Bond proceeds must be invested as permitted under state law. In addition, the bond resolution or any bond insurance agreement may further limit the permitted investments. To monitor compliance with these investment restrictions, the City has adopted its Financial Policy #08: Investments dated August 27, 2015, which details these requirements.
- Use of Bond Proceeds During the Construction Period. Monitoring the expenditure of bond proceeds is necessary to assure that the required amount of bond proceeds are expended for capital expenditures and that not more than 10% of the bond proceeds are expended for projects that will be used for in a private trade or business (including by the federal government and nonprofit entities).
  - The Responsible Officer, in consultation with the Director of Public Works, is responsible for reviewing the transcript for the bonds, and in particular the authorizing documents and the federal tax certificate, as well as invoices and other expenditure records to monitor that the bond proceeds are spent on authorized project costs.



## 2022 Adopted Budget

- If, at the completion of the project, there are unspent bond proceeds the Responsible Officer, conferring with bond counsel, will direct application of the excess proceeds for permitted uses under federal tax law, state law, and bond authorization documents.
- If the project involves bond proceeds and other sources of funds and included both governmental and nongovernmental use of the financed facilities the Responsible Officer in consultation with the Director of Public Works will undertake a final reconciliation of bond proceeds expenditures and expenditures of other funds with project costs no later than 18 months after the later of the date of expenditure or the date that the project is placed in service (but in no event more than five years after the date of issue).
- Any change in the scope of the project financed with bond proceeds should be reviewed and documented.
- Refundings.
  - For advance refunding escrows, confirm that any scheduled purchases of State and Local Government Series or open market securities are made as scheduled.
  - On the redemption date, confirm that the refunded bonds have been redeemed and cancelled.
  - Promptly following the redemption date, confirm that all proceeds of the bonds and all proceeds of the refunded bonds have been spent. Verify that excess proceeds, if any, of the bonds do not exceed an amount permitted by the Regulations.
- Use of Bond-Financed Facilities. Monitoring (and limiting) any private use of the bond-financed facility is important to maintaining the federal tax treatment of governmental bonds. In general, no more than 10% of the bond-financed facility can be used in a private trade or business (including by the federal government and nonprofit entities). Private use can arise through any of the following arrangements, either directly or indirectly.
  - Types of Private Use
    - ✓ Selling all or a portion of the facility
    - ✓ Leasing all or a portion of the facility
    - ✓ Entering into a management contract for the facility (except for qualified management contracts under IRS Rev. Proc. 97-13)
    - ✓ Use of all or a portion of the facility for research purposes under a research contract (except for qualified research contracts under IRS Rev. Proc. 97-14)



## 2022 Adopted Budget

- ✓ Entering into contracts giving “special legal entitlement” to the facility (for example, selling advertising space or naming rights)
- Procedures for monitoring private use; procedures reasonably expected to timely identify noncompliance.
  - ✓ All leases and other contracts involving bond-financed property will be sent prior to execution to the Responsible Officer for review.
  - ✓ The Responsible Officer will confer with personnel responsible for bond financed projects at least annually to discuss any existing or planned use of bond-financed or refinanced facilities.
  - ✓ Private use for each bond-financed project will be calculated annually.
- Procedures ensuring that the City will take steps to timely correct noncompliance.
  - ✓ Consult with bond counsel regarding any private use or proposed change in use with respect to bond-financed property.
  - ✓ If noncompliance will be remediated under existing remedial action provisions or tax-exempt bond closing agreement programs contained in the Regulations or other published guidance from the IRS, determine the deadline for taking action and proceed with diligence to take the required remedial actions.
  - ✓ If remedial actions are unavailable, determine whether to make a submission to the Tax-Exempt Bonds Voluntary Closing Agreement Program (“VCAP”) under Internal Revenue Manual 7.2.3.
- Reissuance. A significant modification of the bond documents may result in bonds being deemed refunded or “reissued.” Such an event will require, among other things, the filing of new information returns with the federal government and the execution of a new arbitrage certificate. Bond counsel should be consulted in the event of modification of the bond documents.
- Continuing Disclosure. The City is required to make annual filings with the Municipal Securities Rulemaking Board (“MSRB”) as described in the continuing disclosure undertaking for each bond issue (which may include tax-exempt or taxable bonds), and to file notice of certain material events.
  - Submissions will be made in electronic form through the MSRB’s web-based system known as Electronic Municipal Market Access (“EMMA”), currently available at <http://www.emma.msrb.org>. Submissions will be made in word-searchable PDF.



## 2022 Adopted Budget

- Annual filings
  - ✓ Financial information and operating data about the issuer included in the Official Statement for the bonds
  - ✓ Change in fiscal year; other information described in the continuing disclosure undertaking
  - ✓ Audited financial statements
  - ✓ These reports must be filed no later than nine months (by September 30) after the end of the City's fiscal year (currently December 31)
- Material event notices.
  - ✓ The City is required to provide or cause to be provided to the MSRB, in a timely manner, notice of certain events with respect to the bonds. Amendments to SEC Rule 15c2-12 (the "Rule") in 2010 expanded the list of events requiring disclosure and added a compliance period of 10 business days for undertakings effective after December 1, 2010.
  - ✓ Generally, if any of the following events occur, the City shall provide, or cause to be provided, to the MSRB, in a timely manner not in excess of ten business days after the occurrence of the event, notice of the occurrence of the any of the following events with respect to the bonds:
    1. Principal and interest payment delinquencies
    2. Non-payment related defaults if material
    3. Unscheduled draws on debt service reserves reflecting financial difficulties
    4. Unscheduled draws on credit enhancements reflecting financial difficulties
    5. Substitution of credit or liquidity providers, or their failure to perform
    6. Adverse tax opinions, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the bonds, or other material events affecting the tax status of the bonds
    7. Modifications to the rights of bondholders if material



## 2022 Adopted Budget

8. Bond calls, if material, and tender offers
9. Defeasances
10. Release, substitution, or sale of property securing repayment of the Bonds if material
11. Rating changes (both upgrades and downgrades)
12. Bankruptcy, insolvency, receivership, or similar event of the City
13. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material

➤ Procedure for ensuring that notice of the above events is provided to the responsible individual(s) identified above: Responsible Officer

➤ Periodic check of information regarding bonds on EMMA. Prior to each new bond issue, the City will search EMMA for its continuing disclosure filings to confirm proper filings have been made.



# 2022 Adopted Budget

## *Financial Policy #08: Investment Policies*

---

Effective Date: March 11, 2021, Resolution No. 591

Replaces and Cancels: Resolution No. 494

References: RCW 35A.40.050, RCW 39.59, RCW 43.250, RCW 43.84.080, RCW 35.39.032, and RCW 35.39.034; Financial Policy #01: Financial Management Policies; RMC 3.32

---

### **PURPOSE**

This policy is intended to outline the requirements for prudent investment of the City's Funds and to provide guidelines for suitable investments. The ultimate goal is to enhance the economic status of the City while protecting its funds. The City's budgetary process is designed to monitor and forecast revenues and expenditures accurately, thus enabling the Investment Officer to invest funds to the fullest extent possible. The Investment Officer shall attempt to obtain a market yield, provided that all investments meet the criteria established for safety and liquidity.

### **POLICY**

It is the policy of the City of Ridgefield (City) to invest public funds in a manner which provides a market return, with maximum security of investment principal, while providing adequate liquidity to meet the daily cash flow requirements. The City invests public funds in accordance with all federal, state, and local statutes governing the investment of public funds and prudent money management.

### **AUTHORITY**

The City is authorized to invest in the types of securities as detailed in the following Chapters in the Revised Code of Washington (RCW): RCW 35A.40.050, RCW 39.59, RCW 43.250, and RCW 43.84.080.

RCW 35.39.032 and 35.39.034 provides legislative authority to determine the individual or group of individuals who have investment authority over public funds. Ridgefield Municipal Code (RMC) 3.32.010 as approved by Ordinance 370 and later revised by Ordinance 873 and Ordinance 1194 designates the Finance Director as the Investment Officer. In the event the Finance Director is unavailable to act as the Investment Officer, the City Manager or Deputy City Manager will assume the role of the Investment Officer. The Investment Officer is authorized to determine the amount of money available in each fund for investment purposes and to determine the investments most appropriate for the City.

No person may engage in an investment transaction except as provided under the terms of this policy. The Finance Director shall be responsible for all transactions undertaken and shall establish internal controls to regulate investment activities.

The City may engage the support services of outside professionals in regard to its financial program, so long as it can be demonstrated or anticipated that these services produce a net financial advantage or necessary financial protection of the City's resources. External service providers shall be subject to the Revised Code of Washington and the provisions of the investment policy.

### **SCOPE**

The investment policy applies to all financial assets for the City of Ridgefield. These funds are accounted for in the City's annual financial report and include:



## 2022 Adopted Budget

- General Funds
- Street Funds
- Special Revenue Funds
- Capital Project Funds
- Debt Service Funds
- Enterprise Funds
- Internal Service Funds
- Any new fund created by the Finance Director unless specifically exempted

The policy for the Washington State Public Employees Retirement System (PERS) and the Washington State Law Enforcement Officers and the Fire Fighters Retirement System (LEOFF) funds will be determined by the appropriate boards of Administration and are not covered by this policy.

Funds set aside to defease City debt in conjunction with an advance refunding agreement will be invested in accordance with appropriate bond documents and not necessarily in compliance with this policy. Should bond covenants be more restrictive than this policy, funds will be invested in full compliance with those restrictions.

Funds held by the County Treasurer during tax collection periods or on behalf of the City shall be governed by the County's investment policies, to the extent that they do not conflict with this policy and should be invested by the County Treasurer for the benefit of the City of Ridgefield as stipulated by the City in accordance with RCW 36.29.020.

All investments of the City of Ridgefield must be in compliance with Federal, State and Local statutes. Investment of any tax-exempt borrowing proceeds and of any debt service funds must comply with the 1986 Tax Reform Act if the Act applies to the debt issued.

### **PRUDENCE**

Investments shall be made with judgement and care, under circumstances then prevailing, that persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.



## 2022 Adopted Budget

The standard of prudence to be used by investment officials shall be the prudent person standard and shall be applied in the context of managing an overall portfolio. Investment Officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price fluctuations, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

### OBJECTIVES

The primary objectives, in order of priority, of the City of Ridgefield investment activities are as follows:

1. Legality: Funds of the City will be invested in accordance with the Revised Code of Washington (RCW), and the budgetary, accounting and reporting system (BARS) manual, and Financial Policy #08: Investment Policies.
2. Safety: Investments of the City will be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from other investments.
3. Liquidity: The City's investments will remain sufficiently liquid to enable the City to meet all operating requirements that might be reasonably anticipated.
4. Return on Investment: The City's investments will be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the City's investment risk constraints and cash flow characteristics.

Core investments are limited to relatively low-risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall generally be held until maturity with the following exceptions:

- A security with declining credit may be sold early to minimize loss of principal.
- A security swap that would improve the quality, yield, or target duration in the portfolio.
- Liquidity needs of the portfolio require that the security be sold.

### ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and Investment Officers shall



## 2022 Adopted Budget

disclose to the City Manager any material financial interests in financial institutions that conduct business with the City, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the City's portfolio. Employees and officers shall subordinate their personal investment transactions to those of the City, particularly with regard to the timing of purchases and sales.

### **AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS**

The Finance Director will maintain a list of financial institutions authorized to provide investment services for the City.

A list will also be maintained of approved security broker/dealers selected by credit worthiness who are authorized to provide investment services in the State of Washington. These may include primary dealers or regional dealers that qualify under **Securities & Exchange Commission Rule 15C3-1**. Employees of any firm or financial institutions offering securities or investments to the City are expected to be trained in the precautions appropriate to public-sector investments and are expected to familiarize themselves with the City's investment objectives, policies, and constraints. These firms and financial institutions are expected to make reasonable efforts to preclude imprudent transactions involving City Funds.

The City will only deposit public funds with financial institutions qualified as *Washington Public Depositaries* by the Public Deposit Protection Commission (PDPC) as posted on the Washington State Treasury website.

All broker/dealers and financial institutions that desire to do business with the City of Ridgefield must supply the Finance Director with the following: Annual audited financial statement, proof of *Financial Industry Regulatory Authority (FINRA) Certification*, and certification of having read the City's investment policy. The Finance Director will conduct an annual review of the financial condition of authorized brokers/dealers and the safekeeping institution and an audit of the submitted documents on file.

If an investment advisor is authorized to transact buys and sells on behalf of the City, the advisor's approved dealer list will be provided by the City. Buys and sells may be transacted with any dealers on the advisor's approved list.

### **AUTHORIZED INVESTMENTS**

The City of Ridgefield is empowered to invest in certain types of securities as detailed in RCW 35A.40.050, 39.59, 43.250 and RCW 43.84.080. Among the authorized investments are:



## 2022 Adopted Budget

- U.S. Treasury Obligations (Bills, Notes, Bonds)
- Government Sponsored Enterprises (GSEs) – Federal instrumentality Securities which include the Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation (FHLMC), the Federal Home Loan Banks (FHLB), and the Federal Farm Credit Bureau (FFCB). Additional obligations of the U.S. Government, its agencies, and instrumentalities, provided that the payment of the principal and interest is either guaranteed by the Federal Government, carries an outright government backing or carries an implicit guarantee.
- Nonnegotiable certificates of deposit and other collateralized evidence of deposits with qualified public depositories.
- Prime Bankers acceptances purchased on the secondary market with ratings of A1/P1.
- Mutual funds and money market funds are inappropriate investments except as authorized in chapter 39.59 RCW and are intended to provide a safe harbor from the Internal Revenue Service's (IRS) arbitrage rules and tax. The money market and mutual fund options in RCW 39.59.030 are allowable investments only for monies subject to the IRS's arbitrage rules. No other monies, unless specifically authorized elsewhere, may be invested in a money market or mutual fund.
- State of Washington Local Government Investment Pool.
- Clark County Investment Pool
- Bonds of the State of Washington and any local government in the State of Washington, which bonds have at the time of investment one of the three highest credit ratings of a nationally recognized rating agency.
- Any investments authorized by law for the Treasurer of the State of Washington or any local government of the State of Washington other than a metropolitan municipal corporation, but except as provided in RCW 39.58, such investments shall not include certificates of deposits of banks or bank branches not located in the State of Washington.

### **COLLATERALIZATION**

Collateralization is required on repurchase agreements. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be (102%) of market value of principal and accrued interest. The City chooses to limit collateral to the following:

- Treasury Obligations (Bills, Notes, Bonds)



## 2022 Adopted Budget

- Government Sponsored Enterprises (GSEs) - Federal Instrumentality Securities which include the Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation (FHLMC), the Federal Home Loan Banks (FHLB), and the Federal Farm Credit Bureau (FFCB). Additional obligations of the U.S. Government, its agencies, and instrumentalities, provided that the payment of the principal and interest is either guaranteed by the Federal Government, carries an outright government backing or carries an implicit guarantee.

### SAFEKEEPING AND CUSTODY

To protect against potential fraud, embezzlement, or losses caused by collapse of individual securities dealers. Securities purchased by the City shall be held in a segregated account for the City's benefit at a third-party trustee as safekeeping agent. The approved investment advisor, investment dealer or bank in which the security is purchased shall issue a confirmation ticket to the City listing the specific instrument, issuer, coupon, maturity, CUSIP number, purchase or sale price, transaction date, and other pertinent information.

The investment advisor, investment dealer or bank which executes the transaction on the City's behalf shall deliver all securities on a delivery versus payment (DVP) method to the designated third-party trustee at the direction of the Investment Officer.

Investment officials shall be bonded to protect the City against loss due to possible embezzlement and malfeasance.

### DIVERSIFICATION

The City will diversify its investments by security type, institution, and maturity so that reliance on any one issuer or financial institution will not place an undue financial burden on the City. The City's policy is to assure that no single institution or security is invested to such an extent that a delay of liquidation at maturity is likely to cause a current cash flow emergency.

The following table provides maximum portfolio and issuer limit guidelines for the eligible securities which shall be complied with at the time of a security purchase unless an exception waiver is approved by the Finance Director in consultation with the City Manager. However, no sale of securities shall be required to meet revised limits due to a decrease in the total size of the portfolio.

Investment	Percent of Fund	Percent Per Issuer	Maturity
US Treasury Obligations	100%	100%	5 years
US Agency Obligations	100%	50%	5 years
Callable Agency Securities	75%	30%	5 years
WA State & Local Bonds	30%	10%	5 years
WA State LGIP	100%	100%	No maturity
Clark Cty Investment Pool	100%	100%	No maturity



## 2022 Adopted Budget

Investment	Percent of Fund	Percent Per Issuer	Maturity
Certificates of Deposit	20%	10%	5 years
Bankers Acceptances	10%	10%	180 days
Repurchase Agreement	10%	10%	90 days
A-1/P-1 Commercial Paper	5%	5%	180 days
Other Legal Investments	5%	5%	180 days

### **MAXIMUM MATURITIES**

To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, or estimated to cash flow needs, the City will not directly invest in securities maturing more than five (5) years from the date of settlement.

The maximum weighted average maturity (WAM) of the total portfolio shall not exceed three (3) years. This maximum is established to limit the portfolio to excessive market exposure.

Reserve or Capital Improvement Project monies may be invested in securities exceeding five (5) years if the maturities of such investments are made to coincide as nearly as practical with the expected use of the funds.

### **INTERNAL CONTROLS**

On an annual basis, the Finance Department, in conjunction with the Washington State Auditor's Office, will evaluate conformance with the investment policy and audit internal controls. The purpose of these examinations shall be to audit the accountability of the City's investment portfolio and to verify that Investment Officials have acted in accordance with the investment policy.

### **EXTERNAL CONTROLS**

The City may enter into contracts with third-party investment advisory firms when their services are deemed to be beneficial to the City. The advisor must comply with the investment policy and may have authority to transact investments on behalf of the City. The advisor may only act on a non-discretionary basis. Therefore, the advisor must present investment recommendations and receive approval to execute the recommendation from the Investment Officer prior to making purchases or sells on behalf of the City. The third-party advisor may be contracted to complete an external review of the investment policy to ensure best practices are followed.

### **PERFORMANCE STANDARDS**

The City's investment portfolio will be designed to obtain a market average rate of return during budgetary and economic cycles, taking into account the City's investment risk constraints and cash flow needs.

The liquidity weighted average yield of the total portfolio will be compared quarterly to the LGIP average yield.



## ***2022 Adopted Budget***

### **REPORTING**

The Finance Director shall submit a monthly report of investment holdings and a summary of investment conditions during the quarterly financial report to the City Council.

### **INVESTMENT POLICY ADOPTION AND REVISION CRITERIA**

The City's investment policy shall be adopted by resolution of the City Council. The policy shall be reviewed annually during the budget process. The Finance Director will recommend appropriate changes to Council for possible amendment.



## 2022 Adopted Budget

### GLOSSARY

**Accrued Interest:** Interest earned but not yet paid on a security since the latest of the security's issue date or last record date.

**Active Management Investment Strategy:** The use of investment strategies designed to increase portfolio values by exceeding market average rates of return. This can be achieved by using active portfolio management techniques such as swaps and spreads. Active management is characterized by the trading of securities prior to maturity.

**Agencies:** Some credit agencies (such as the Government National Mortgage Association) are owned and directed by the federal government and their debt obligations are backed by the full faith and credit of the U.S. government. Other federal agencies, referred to as government sponsored enterprises, are not guaranteed by the full faith and credit of the U.S. Government. These agencies presumably have de facto backing by the federal government and include the Federal Farm Credit Banks, the Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac).

**Amortized Cost:** The original cost of an investment with amortization of premium or accretion of discount over the life of the security. In addition, interest received from semi-annual coupon interest payments would be accrued ratably over six-month periods. This amortization smoothes coupon interest payments and recognizes, ratably until the investment matures, the difference between the purchase price and, at maturity, the par value of the security.

**Asked:** The price at which securities are offered for sale.

**Banker's Acceptances (BA):** A Bankers Acceptance (BA) is a credit instrument used to finance certain types of domestic and international commercial transactions. The bank on which the BA is drawn accepts the liability and responsibility of making payment upon maturity. This liability makes the acceptance very marketable and safe.

**Basis Point:** A measurement of changes in prices or yields for fixed income securities. One basis point equals 1/100 of 1 percent.

**Bid:** The price a seller is requesting. (When you are selling securities, you ask for a bid). See Offer.

**Bond:** A long-term debt security, (IOU) issued by a government or corporation. Generally, pays a stated rate of interest, and returns the face value at maturity.

**Bond Market Association (BMA) Master Repurchase Agreement:** A standard written contract covering all future transactions between the parties to repurchase-reverse repurchase



## 2022 Adopted Budget

agreements that establish each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

**Book Value:** The term book value denotes the original cost of an investment.

**Book Value Return:** Measures the yield at which securities in the portfolio were originally purchased adjusted for realized gains or losses.

**Broker:** A broker brings buyers and sellers together for a commission.

**Call Option:** The right to purchase a security at a predetermined price on or before a specified future date.

**Certificate of Deposit (CD):** A time deposit with a specific maturity evidenced by a certificate. Treasurers are only allowed to purchase non-negotiable CDs from financial institutions qualified by the Washington Public Deposit Protection Commission.

**Collateral:** Securities, evidence of deposit, or other property that a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

**Commercial Paper:** A short term promissory note issued by a bank holding company, for the purpose of financing current transactions. Issues are sold on a discount basis with maturities up to 270 days.

**Comprehensive Annual Financial Report (CAFR):** The official annual report for Clark County. It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

**Confirmation:** A document used to state and supplement in writing the terms of a transaction, which have previously been agreed to.

**Coupon:** (a) the annual rate of interest that an issuer of a bond promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

**Credit Risk:** The potential for loss due to a reduction of the issuer's financial strength. This is also known as Default Risk.



## 2022 Adopted Budget

### Credit Rating Definitions:

Long-term	Moody's	Standard & Poor's	Fitch
Highest quality	Aaa	AAA	AAA
High quality	Aa	AA	AA
Upper medium grade	A	A	A
Medium grade	Baa	BBB	BBB
Speculative elements	Ba	BB	BB
Lack investment characteristics	B	B	B
Issues in default	Caa	CCC	CCC
Speculative in a high degree	Ca	CC	CC
Lowest rated class of bonds	C	C	C
Debt in default		D	D

Short-term (less than 365 days)	Moody's	Standard & Poor's	Fitch
Superior ability for repayment	P-1	A-1	F-1
Strong ability for repayment	P-2	A-2	F-2
Acceptable ability for repayment	P-3	A-3	F-3
Adequate capacity for payment		B	F-S
Doubtful capacity for payment		C	D
Issue in default		D	

Moody ratings from Aa to C may be modified by 1, 2 or 3 to show relative standing within the major rating categories. For example: Aa3

S&P and Fitch ratings from AA to B may be modified by the (+) or (-) to show relative standing within the major rating categories. For example: AA+

**CUSIP Number (Committee on Uniform Securities Identification Procedures):** An identifying number assigned to a publicly traded security. A nine-digit code is permanently assigned to each issue and is generally printed on the face of the security if it is in physical form.

**Dealer:** A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

**Debenture:** A bond secured only by the general credit of the issuer.



## 2022 Adopted Budget

**Delivery Versus Payment:** There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

**Depository:** A bank or financial institution accepting cash deposits and investments.

**Derivative Security:** A financial instrument created from, or whose value depends upon, one or more underlying assets or indexes of asset values.

**Discount:** The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

**Discount Securities:** Non-interest-bearing money market instruments that are issued at a discount from par and redeemed at maturity for full face value, i.e., U.S. Treasury Bills.

**Distribution:** Allocation of Pool earnings to Participants' accounts.

**Diversification:** Dividing investment funds among a variety of securities offering independent returns. Interest income (coupon interest) plus realized gains and losses.

**Duration:** The number of years required to receive the present value of future payments, both of interest and principal, of a bond, often used as an indicator of a bond's price volatility resulting from changes in interest rates.

**External Investment Pool:** An arrangement that commingles (pools) the moneys of more than one legally separate entity and invests, on the participants' behalf, in an investment portfolio. An investment pool that is sponsored by an individual state or local government is an external investment pool if it includes participation by a legally separate entity that is not part of the same reporting entity as the sponsoring government.

**Face Value:** The par value of a security. Face value is not an indication of market value.

**Fair Value:** The price at which a financial instrument could be exchanged between willing parties, other than in a forced or liquidation sale.

**Federal Credit Agencies:** Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, i.e., S&L's, small business firms, students, farmers, farm cooperatives, and exporters.



## 2022 Adopted Budget

**Federal Deposit Insurance Corporation (FDIC):** A federal agency that insures bank deposits, currently up to \$100,000 per deposit.

**Federal Funds Rate:** The interest rate at which Fed funds are traded. This rate is currently pegged by the Federal Reserve and managed through open-market operations.

**Federal Home Loan Banks (FHLB):** The institutions that regulate and lend to savings and loan associations. The Federal Home Loan Banks play a role analogous to that played by the Federal Reserve Banks via-a-via member commercial banks.

**Federal National Mortgage Association (FNMA):** FNMA, was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

**Federal Home Loan Mortgage Corporation (FHLMC):** The FHLMC is a stockholder-owned corporation established by Congress in 1970 to provide a continuous flow of funds to mortgage lenders.

**Federal Open Market Committee (FOMC):** Consists of seven members of the Federal Reserve Board and 5 of the 12 Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

**Federal Reserve System:** The central bank of the United States created by Congress and consisting of a seven-member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

**Flexible non-negotiable CD:** A time deposit with a specific maturity evidenced by a certificate. Treasurers are only allowed to purchase non-negotiable CDs from financial institutions qualified by the Washington Public Deposit Protection Commission. Step-up option will renew with each successive term if the certificate is automatic renewable. You may exercise the step-up option one



## 2022 Adopted Budget

time during the term, after the first six days. Additional deposits can be made (these additions may not exceed the original issue value) in \$500.00 or larger increments after the first six days. Withdrawals may be made in any portion or total of amount of certificate at any time after the first six days. Withdrawals are limited to X times per month.

**Government National Mortgage Association (GNMA or Ginnie Mae):** Securities guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations and other institutions. Security holder is protected by full faith and credit of the US Government. Ginnie Mae securities are backed by FHA, VA or FMHM mortgages. The term pass through is often used to describe Ginnie Maes.

**Government Sponsored Enterprises (GSE's):** A group of financial services corporations created by the United States Congress. Their function is to reduce interest rates for specific borrowing sectors of the economy, farmers, and homeowners. The mortgage borrowing segment is by far the largest of the borrowing segments that the GSE's operate in.

**Interest:** Compensation paid or to be paid for the use of money. Interest is generally expressed as an annual percentage rate.

**Interest Rate:** The face coupon rate of a security.

**Interest Rate Risk:** The risk associated with fluctuations in market interest rates that cause a fixed-income security to increase or decrease in value.

**Issuer:** An entity, which issues and is obligated to pay amounts due on securities.

**Liquidity:** A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

**Liquidity Risk:** The risk that although an issuer may eventually make good on an obligation, cash may not be available for a period longer than an investor originally intended.

**Local Government Investment Pool (LGIP):** The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

**Market Risk:** The risk that affects the price of a security as a result of changes in market conditions.



## 2022 Adopted Budget

**Market Value:** The price at which a security is trading and could presumably be purchased or sold by willing parties.

**Master Repurchase Agreement:** A written contract covering all future transactions between the parties to repurchase-reverse repurchase agreements that establish each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer/lender to liquidate the underlying securities in the event of default by the seller/borrower.

**Maturity Date:** The date upon which the principal (and accrued interest) or stated value of an investment becomes due and payable.

**Money Market:** The market in which short-term debt instruments (bills, commercial paper, banker's acceptances, etc.) are issued and traded.

**Net Asset Value (N.A.V.) per share:** For purposes of the Clark County Pool, the N.A.V. per share is determined by valuing the portfolio at market value. The market value of the Portfolio's securities less associated liabilities (assets less liabilities) is then divided by the total number of shares outstanding. This method results in a fluctuating N.A.V. that may be equal to, greater than or less than \$1.00.

**Offer:** The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid.

**Open Market Operations:** Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

**Par:** The face amount of a security.

**Passive Investment Strategy:** If the governing body does not wish to allocate resources or encourage the staff to seek optimizing adjustments, a buy-and-hold investment strategy would be utilized. This method may not optimize total return and could involve a sacrifice of yield.

**Portfolio:** Collection of securities held by an investor.



## 2022 Adopted Budget

**Price:** The dollar amount to be paid for a security expressed as a percentage of its current face value.

**Primary Dealer:** A pre-approved bank, broker/dealer or other financial institution that is able to make business deals with the U.S. Federal Reserve, such as underwriting new government debt. These dealers must meet certain liquidity and quality requirements as well as provide a valuable flow of information to the Fed about the state of the worldwide markets.

**Principal:** The cost of an instrument on which interest is earned.

**Prudent Person Rule:** An investment standard. In some states, the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state—the so-called legal list. In other states the trustee may invest in a security if it is one that would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

**Public Deposit Protection Commission (PDPC):** The PDPC consists of the State Treasurer, as Chairman, the Governor, and the Lieutenant Governor. The Commission is empowered to request a qualified public depository to furnish information on its public deposits and the exact status of its net worth. The Commission is further empowered to take any action deemed advisable for the protection of public funds and to establish procedures for collection or settlement of claims arising from loss.

**Qualified Public Depositories:** A financial institution that does not claim exemption from payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability, and which has been approved by the Public Deposit Protection Commission to hold public funds.

**Rate of Return:** The yield obtainable on a security based on its purchase price or its current market price.

**Repurchase Agreement (RP or Repo):** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money that is used to increase bank reserves.



## 2022 Adopted Budget

**Relevant Municipal Corporations:** Political subdivisions, junior taxing districts that are required to, or are eligible to, use the County Treasurer's investment and debt management services.

**Safekeeping:** A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

**Secondary Market:** A market made for the purchase and sale of outstanding issues following the initial distribution.

**Securities & Exchange Commission:** Agency created by Congress to protect investors in securities transactions by administering securities legislation.

**SEC Rule 15c3-1:** An SEC rule that sets minimum net capital requirements for broker/dealers. Firms are expected to have liquid assets equal to or greater than a certain percentage of total liabilities. If the ratio falls below this minimum, the broker/dealer may face restrictions on soliciting new business or on keeping existing business. See **Uniform Net Capital Rule**.

**Secondary Market:** A market where certain securities may be bought and sold at prevailing market prices after their initial distribution, but before their stated maturity date.

**Settlement Date:** The date agreed upon by the parties to a transaction for the payment of funds and the delivery of securities.

**State and Local Government Series Securities:** These securities are offered by the U.S. Treasury through its Bureau of Public Debt to state and local government entities as an investment alternative to assist these issuers of tax-exempt securities in complying with yield restriction and arbitrage rebate provisions of the Internal Revenue Code.

**Total Return:** Measures the change in value of the overall portfolio over a given period (including market effects on price, income earned and adjustments for deposits/withdrawals). Total return enables portfolio managers to evaluate fluctuations in the value of principal rather than simply the income produced.

**Treasury Bills:** A discount security issued by the U.S. Treasury to finance national debt. Most bills are issued to mature in 4 weeks, three months, six months, or one year.

**Treasury Bonds:** An interest-bearing coupon security issued by the U.S. Treasury with initial maturities of more than ten years to finance the national debt.



## ***2022 Adopted Budget***

**Treasury Notes:** An interest-bearing coupon security issued by the U.S. Treasury with initial maturities between one and ten years, to finance the national debt.

**Uniform Net Capital Rule:** Securities & Exchange Commission requirement that member firms as well as nonmember broker/dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities. Liquid capital includes cash and assets easily converted into cash.

**Weighted Average Maturity (WAM):** The average time it takes for securities in a portfolio to mature, weighted in proportion to the dollar amount that is invested in the portfolio. Weighted average maturity measures the sensitivity of fixed-income portfolios to interest rate changes. Portfolios with longer WAM's are more sensitive to changes in interest rates because the longer a bond is held, the greater the opportunity for interest rates to move up or down and affect the performance of the bonds in the portfolio.

**Yield:** The earnings returned annually divided by the purchase price on an investment, expressed as an annual percentage.



# 2022 Adopted Budget

## *Financial Policy #09: Capitalization of Assets*

---

Effective Date: June 1, 2017

Replaces and Cancels: Financial Policy #9 Dated November 1, 2015

References: State of Washington, Office of the State Auditor BARS Manual for Cities, Counties and Special Purpose Districts (GAAP) entities, Chapter 3 Capital Assets System Requirements

---

### **PURPOSE**

This policy is established to provide guidelines to ensure adequate stewardship over City of Ridgefield resources through control and accountability of capital assets, and to collect and maintain complete and accurate capital asset information.

The City uses an accrual basis of accounting, Generally Accepted Accounting Principles (GAAP), and the Budgeting, Accounting, and Reporting Systems (BARS) prescribed by the State of Washington Office of State Auditor. The City Statement of Net Position reflects capital assets and depreciation. The City's Finance Department maintains a subsidiary Fixed Asset system and is required to track capital assets net value and reconcile them to the Statement of Net Position.

### **DEFINITIONS**

**Capital Assets:** Generally, the term capital assets mean real and personal property, used in operations, that the City intends to use or keep for more than one year. Capital assets include but are not limited to land and land rights, capitalizable costs associated with construction-in-progress, improvements and infrastructure, buildings, furnishings, fixtures and furniture, equipment, machinery, vehicles, tools, and intangible assets owned by the City. The term infrastructure means roads, bridges, sidewalks, streetlights, water lines, drainage systems, and the like. Infrastructure is capitalized at the activity level (governmental and business-type) in all funds that budget for capital expenditures.

**Purchased Assets:** Purchased assets are valued at historical costs including applicable taxes as well as all costs to acquire (shipping and handling), install, secure, and prepare an item for its intended use.

**Self-Constructed Assets:** All direct costs associated with design, construction and management of a self-constructed project will be capitalized. The City includes allocated direct City labor on all capital projects. Capitalization of interest cost (IDC) incurred in connection with the acquisition, construction, or improvement of capital assets are limited to capital assets reported in the enterprise funds.

**Donated Assets:** Donated assets are recorded at the acquisition value at the time of donation plus all appropriate ancillary costs. Acquisition Value can be determined from the donator's cost or the cost the City would have paid to purchase/construct the asset. For donated land, the assessed tax valuation or appraised value will be used if available. In the event those valuations are not available the tax valuation per square foot of similar property is applied to estimate the acquisition value.

**Software or Technology Assets:** The original purchase of a software program is considered a capital asset if it meets the \$5,000 threshold established. Improvements to an existing software or technology asset that meets the \$5,000 threshold and extends the life, capacity or utility of the asset are capitalized and depreciated over the remaining useful life of the related asset.

**Intangible Assets:** Intangible assets with an original cost (or acquisition value if received by donation) of \$20,000 and a useful life greater than one year should be capitalized.



## 2022 Adopted Budget

An intangible asset should be considered to have an indefinite useful life if there are no legal, contractual, regulatory, technological, or other factors that limit the useful life of the asset. Intangible assets having an indefinite benefit period would not experience amortization expense as long as the benefit of the asset has not been compromised.

Intangible assets with a limited useful life (e.g., by legal or contractual provisions) should be amortized over their estimated useful lives. Renewals or extensions may be considered in determining useful life of the intangible asset if the City can reasonably anticipate exercising the renewal option and any anticipated outlays to be incurred as part of achieving the renewal are nominal.

**Small & Attractive Assets:** Small and attractive assets are tracked when they are valued at \$500 but less than \$5,000 and are defined as assets with a high risk for theft. These assets are not normally consumed within one year. These assets may include items in one or more of the following categories:

- Portable and marketable, either alone or as a component unit.
- Can be utilized for personal gain.
- Are repeatedly reported as lost and/or stolen within the industry and society.

**Capital Assets Management System:** The set of policies and procedures used to control a government's capital assets. The system should satisfy accounting/reporting requirements and it should demonstrate accountability for the government's capital assets. The City uses a software system to track capital assets by location and ongoing maintenance for all infrastructure, buildings, and structures.

### ASSETS PRIOR TO GASB 34 IMPLEMENTATION

Infrastructure such as roads, curbs and gutters, and pipes that were not required to be capitalized at the time GASB 34 was implemented, will be capitalized at the time improvements are completed. The expenditure for the current capital improvement will be the amount that is capitalized. Example: Overlay of a road that is not currently capitalized and tracked in the City Capital Asset Tracking System and has had no maintenance or improvements completed after implementation of GASB 34 in 2005. The City Finance Department will consult with the Public Works Director to verify when the asset was previously constructed, and Finance staff will verify if the asset is included in the City's Capital Asset Tracking System. The Finance Department will capitalize all direct costs associated with design, construction, and management of the current project.

### REQUIREMENTS

The duty to make certain that public property is adequately protected and that its use is properly managed is one of the fundamental responsibilities of public officials. Public officials have broad responsibilities with respect to capital assets; these are custody, insurance, maintenance, and planning.



## 2022 Adopted Budget

### CUSTODY

The responsibility for custody means having adequate tracking for the following:

- What property and equipment does the City own?
- Where is the asset located?
- What condition is the asset in?
- Is the asset protected from loss and unauthorized use?

### INSURANCE

The City has a responsibility to provide adequate insurance for the capital assets it owns. A capital asset accounting system should provide adequate records to prove any losses. Location, inventory, and maintenance records will confirm that a lost or damaged asset has been in use recently, which will support the validity and timeliness of a theft or damage report.

### CAPITAL IMPROVEMENT

A capital improvement is a cost incurred in connection with an existing capital asset that either increases the service capacity of the asset (i.e., effectiveness or efficiency) or extends the estimated useful life of the asset. These costs should be treated as direct adjustments to the related asset account.

The City will capitalize assets that are replacements for a portion of a larger and/or component of an existing asset. Finance staff will remove the portion of the existing asset from the City's Capital Asset Tracking System that was replaced as a new capital asset at the time the new asset is capitalized.

Common examples of improvements include:

- Roads – Street widening, adding sidewalks, curbs, or gutters
- Buildings – Increasing square footage, improvements that extend the total estimated useful life
- Pump Stations – Add a second pump or replace existing pumps that significantly increases the capacity or useful life of the pump station
- Water or Storm Pipes – Replacement of a section of existing pipe

### MAINTENANCE AND REPAIR

The City has a responsibility to adequately maintain the assets. As a steward of public property, the City has the obligation not only to safeguard assets from loss but also to ensure they are not neglected or wasted. The City shall maintain adequate historical records to make informed decisions about the costs of certain levels of maintenance.

Expenditures that retain the value of an existing asset should be classified as maintenance expenditures. In most cases, the City repairs or replaces components of an individual asset in order to maintain the original useful life of the capital asset. Any outlay that does no more than return a capital asset to its original condition, regardless of amount, should be classified as maintenance and repairs.



## 2022 Adopted Budget

Common examples of maintenance include:

- Roads/Parking lots – Crack seal, slurry seal, striping, mill and fill
- Sidewalks – Section replacement due to tree root damage
- Buildings – Exterior sealing, painting, roof replacement, HVAC or furnace replacement, flooring
- Pump stations – Pump repairs
- Vehicles/Equipment – Transmission repair or replacement, other significant repairs
- Water/Storm lines – Patching section of leaking pipe, replacement of valves
- Wells – Screen cleaning

### PLANNING (CAPITAL BUDGETING AND UTILIZATION)

The City has a responsibility to plan for future asset needs for both short and long term.

#### CAPITALIZATION THRESHOLD

All capital assets with a cost meeting the capitalization threshold with a life expectancy of over one year shall be capitalized. Although *Small & Attractive Assets* (those costing \$500 but less than \$5,000) do not meet the City's capitalization threshold, they are considered assets for purposes of marketing and identification, record-keeping, and tracking.

The City will input mass quantity for new infrastructure assets if appropriate. The input of quantities such as, each, square feet, linear feet, etc. enable Finance staff to match repair and replacement of sections of new assets to easily remove the assets from the Capital Asset Tracking System at the time the asset is replaced. These quantity assets may individually be under the \$5,000 threshold, however taken as a whole for the full infrastructure system constructed or received as a donation, the value will meet or exceed the threshold.

ASSET CLASS	THRESHOLD (\$)
Land	0
Land Rights (Easements, Right of Ways)	20,000
Buildings, Building Improvements, and Building Furnishings	5,000
Fixtures and Furniture	5,000
Improvements Other Than Buildings	5,000
Infrastructure	5,000
Machinery and Equipment	5,000
Vehicles	5,000
Artwork	5,000
Construction-In-Progress	5,000
Intangible Assets	5,000

#### DEPRECIATION METHOD AND EXPECTED USEFUL LIFE OF ASSETS

All assets are depreciated using the straight-line method of depreciation. Useful life is based on engineering estimates, past experience of similar assets, and best practices. The estimated useful life of acquired or constructed assets are assigned in the following manner:



## 2022 Adopted Budget

Asset Category	Useful Life (Years)	Useful Life (Months)
Land	Not Depreciated	Not Depreciated
Buildings	50	600
Building Improvements & Furnishings	10-20	120-240
Streets	50	600
Lighting	50	600
Sidewalks, Curbs and Gutters	50	600
Trails	30-50	360-600
Structures	20-40	240-480
Utility Improvements		
Pipe	75	900
Pumps	20	240
Reservoir	75	900
Mechanical Equipment	20	240
Wells	75	900
Vehicles (Public Safety)	10	120
Vehicles (All other)	12	144
Public Works Equipment	5-20	60-240
Office Equipment/Furniture	5-10	60-120
Software	5-10	60-120
Hardware (Servers etc.)	5-10	60-120

### REVISION OF EXPECTED USEFUL LIFE

The City may need to revise the expected useful life of some of the capital assets. If this is the case, the depreciation should be recalculated based on the remaining useful life at the time of the revision, and the new rate should be applied in the present and future accounting periods. No change should be made to financial records of previous years.

### IMPAIRMENT

Impairment of a capital asset is a permanent decrease in the productive capacity of a capital asset. Indicators of impairment may include:

- Evidence of physical damage
- Changes in legal or environmental factors
- Technological changes or obsolescence
- Changes in manner or duration of use
- Construction stoppage (Unable to complete project)

The City will use the restoration cost, service unit of deflated depreciation replacement cost approach when measuring the impairment. The method used will depend upon the indicators giving rise to the impairment.



## 2022 Adopted Budget

### ASSET REPLACEMENT

The City utilizes an equipment replacement model for large equipment and vehicles. The City reviews and updates the model on an annual basis to determine replacement schedules for these assets. Replacement schedules will follow expected useful life for these assets. The Finance Department will update changes to replacement schedules with a matching revision to the Capital Asset Tracking System for remaining useful life as appropriate.

### NEW ASSETS

All assets fitting descriptions of a capital asset, or small and attractive asset shall be recorded on asset listings maintained by the Finance Director. Information included in the asset listing should be parcel number, legal description, make, model, serial number, and description of the asset as appropriate.

### TRANSFERRING ASSETS

**Interdepartmental Transfers:** Transfers of assets between departments or funds are allowed by mutual agreement of the departments. If the assets meet the definition of a capital asset or a small and attractive asset, the department transferring the assets must notify the Finance Department by completing an Asset Disposition Form. This form formalizes the transfer and responsibility for maintenance and accountability of the asset by the department receiving the transferred asset.

Asset transfers between governmental funds and proprietary funds will be transferred at current market value and recorded at current book value as determined by the Finance Director. Current market value should be based on open market sales of similar assets if reasonably available. Appraisals are not required for interfund transfers unless requested by the Finance Director.

**Intergovernmental Transfers:** Property transferred from another government entity to the City should be recorded in the appropriate account at the asset's acquisition value. The acquisition value is determined by similar properties recently sold in the competitive marketplace or assessed value as recorded by the City at the time of the donation. When land is transferred with a structure, the land portion of the donation should be recorded separately from the structure.

In the event of a transfer of an entire operation the assets will be recorded at the transferring agencies book value.

### DISPOSAL OF SURPLUS ITEMS

Before a capital or small and attractive asset is sold or otherwise disposed of, it must first be determined if the asset had originally been purchased with grant monies. If this is the case, the City must refer to the grant agreement and follow prescribed procedures for disposition.

When a department decides to surplus or trade-in assets, the Department Director or designee must notify the Finance Department by completing and signing an Asset Disposition Form. The Council must first declare a capital or small and attractive asset surplus before it can be sold or disposed of in any manner. If the asset is to be sold, it will then be sold in accordance with applicable state law. If the asset is no longer in working order and cannot reasonable be repaired



## ***2022 Adopted Budget***

for resale, staff will properly dispose of the asset. At the time the asset is disposed of, the Finance Department will be notified to remove the asset from the Capital Asset Tracking System.

### **LOST, STOLEN OR MISSING PROPERTY**

When suspected or known losses of capital assets or small and attractive items occur, the applicable Department Director and Finance Director shall be notified. The Finance Department will remove assets from the Capital Asset Tracking System. If it is determined the asset has been stolen, the appropriate authorities shall be notified per RCW 43.09.185.

### **PHYSICAL INVENTORY PLAN**

The Finance Director will coordinate with Department Director's to complete a physical inventory of both fixed and small & attractive assets every two years.

The physical inventory sheets will be kept until the State Audit for the corresponding years is complete. The sheets will note the following information:

- Assets have been physically located and verified.
- Missing assets will be noted and explained.
- Incorrect and/or incomplete information will be corrected.
- Any new items located but not on the list will be added, with proper serial numbers, location, etc.



## 2022 Adopted Budget

### 2021 Master Fee Schedule

### **Resolution No. 568 Effective January 1, 2021**

<b>A. City Personnel Costs</b>	
Building Official	\$90.00
Building Inspector	\$75.00
Public Safety	\$75.00
Public Works	\$50.00
Park Attendant	\$15.00
All Other City Personnel	Actual Cost + 10%
<b>B. Land Use Planning Permits</b>	
• <b>Payment.</b> All fees are due at the time an application is submitted.	
• <b>Simultaneous Development Permit Submittal.</b> Applicants may submit for Land Use, Public Works/Engineering and Building permits simultaneously. Public Works/Engineering and Building permits shall not be issued until final Land Use permits have been issued.	
• <b>Refunds.</b> The Community Development Director (Director) shall refund the full amount of any fee paid hereunder which was erroneously paid or collected. The Director may authorize refunding of not more than 80 percent of a fee paid when an application has been withdrawn or canceled before any work has been done under an application review or before any plan reviewing has been done. All refund requests must be submitted in writing by the original applicant, or include an authorization from the original applicant, within 180 days from the date of application.	
<b>Annexation:</b>	
Notice of Intent	\$250
Notice of Petition to Annex	\$2,000
<b>Appeal:</b>	
Review by recognized City Neighborhood Organization or HOA	\$250



## 2022 Adopted Budget

Appeal involving an individual single-family residence or duplex	\$350
All land use appeals to Hearings Examiner	\$2,000
<b>Archaeological Pre-Determination Review</b>	\$350
<b>Boundary Line Adjustment</b>	\$400
<b>Comprehensive Plan Amendment/Zone Change Request</b>	
Comprehensive Plan	\$3,000
Zone Change Request	\$3,750
<b>Conditional Use Permit:</b>	
New Use	\$3,750
Existing Use – Minor Alteration	\$450
Existing Use – Major Alteration	\$2,000
<b>Covenant Release: Full or Partial</b>	\$1,000
<b>Critical or Sensitive Area Review (Fee for Each Required Review)</b>	
Fish & Wildlife Habitat Conservation Areas	\$600
Frequently Flooded Areas	\$600
Geologic Hazard Areas	\$600
Wetlands	\$600
Critical Aquifer Recharge Areas	\$600
Minor Exception Request	\$600
Reasonable Use Exception Request	\$600
<b>Development Agreement</b>	\$1,000
<b>Development Agreement – Amendment</b>	\$750
<b>Director's Interpretation</b>	\$350
<b>Extensions of Land Use Approval:</b>	
Preliminary PUD or Preliminary Plat	\$350
All Others	\$150
<b>Final Plat:</b>	
Final Subdivision Plat	\$2,000
Final Short Plat	\$500
Final Binding Site Plan	\$500
<b>Map of Dedication:</b>	
Map of Dedication (not part of a Subdivision or PUD)	\$500
Amendment to a Map of Dedication Type I and Type II	\$500
Amendment to a Map of Dedication Type III	\$2,000
<b>Home Occupation</b>	\$150
<b>Legal Lot Determination:</b>	
Up to Two Lots	\$450



## 2022 Adopted Budget

Plus Fee-per-lot for Each Lot Over 2	\$50
<b>Legislative Text Amendment</b>	\$3,000
<b>Master Planned/Mixed Use Development</b>	\$3,000
(Plus Corresponding PUD or Subdivision Fee)	
<b>Nonconforming Situations:</b>	
Type I Alteration of Nonconforming Situation	\$150
Type II Alteration of Nonconforming Situation	\$450
Type III Alteration of Nonconforming Situation	\$3,250
Type II Determination or Discontinuance of Nonconforming Situation	\$150
Type II Reconstruction of a Nonconforming Situation	\$450
<b>Planned Residential Development (PUD):</b>	
10 – 25 Lots	\$4,000
26 – 50 Lots	\$5,500
51 Lots or More	\$5,500
Plus Fee-per-lot for Each Lot Over 50	\$25
<b>Modification of Preliminary PUD (plus applicable Map of Dedication fee)</b>	
Minor Modification	\$650
Major Modification	\$2,000
<b>Plat Alteration or Vacation</b>	\$2,000
<b>Plat Modification (plus applicable Map of Dedication fee)</b>	\$2,000
<b>Post-Decision Review:</b>	
Type I	\$150
Type II	\$2,500
Type III	\$3,250
<b>Pre-Application Conference:</b>	\$1,250
If Development Permit Application Submitted within 6 Months	\$500 Credit
Pre-Application Waiver	\$65
<b>SEPA Review:</b>	
SEPA Review	\$500
SEPA Review for One Single Family Residence	\$150
<b>Shoreline Permit:</b>	
Shoreline Statement of Exemption	\$150
Shoreline Substantial Development Permit	\$3,000
Shoreline Conditional Use Permit	\$3,000
Shoreline Variance	\$2,100



## 2022 Adopted Budget

<b>Sign Permit:</b>	
Sandwich Board or "A" Frame	\$50
Permanent (Plus Applicable Building and Land Use Permit Fees in Section "B and D")	
Master Sign Plan	\$250
<b>Site Plan Review:</b>	
Minor Site Plan	\$150
Basic Site Plan	\$2,500
Major Site Plan	\$3,500
Residential Plot Plan Review or Revision	\$58
<b>Preliminary Binding Site Plan</b>	\$4,000
<b>Short Plat (Preliminary)</b>	\$1,500
<b>Subdivision (Preliminary):</b>	
10 – 25 Lots	\$4,000
26 – 50 Lots	\$5,500
51 Lots or More	\$5,500
Plus Fee-per-lot for Each Lot Over 50	\$25
<b>Temporary Use Permit:</b>	
Type I	\$150
Type II	\$450
<b>Type I Review (All Others)</b>	\$150
<b>Type II Review (All Others)</b>	\$450
<b>Type III Review (All Others)</b>	\$3,250
<b>Variance/Administrative Adjustment</b>	
Administrative Adjustment	\$350
Variance	\$3,250
Variance Filed in Conjunction with Another Type III Application	\$1,050
<b>Zoning Confirmation Letter</b>	\$150
<b>C. Public Works Permits</b>	
• <b>Payment.</b> All fees are due at the time an application is submitted. Any additional charges shall be paid prior to receipt of a Final Decision, Final Plat Approval or Statement of Completion as applicable.	



## 2022 Adopted Budget

- **Simultaneous Development Permit Submittal.** Applicants may submit for Land Use, Public Works/Engineering and Building permits simultaneously. Public Works/Engineering and Building permits shall not be issued until final Land Use permits have been issued.
- **Refunds.** The Community Development Director (Director) shall refund the full amount of any fee paid hereunder which was erroneously paid or collected. The Director may authorize refunding of not more than 80 percent of a fee paid when an application has been withdrawn or canceled before any work has been done under an application review or before any plan reviewing has been done. All refund requests must be submitted in writing by the original applicant, or include an authorization from the original applicant, within 180 days from the date of application.

### Right of Way/Road Encroachment Permit:

Right of Way/Road Blocking Only	\$125
1-200 Linear Feet of Pavement Disturbed	\$300
Over 200 Linear Feet of Pavement Disturbed	\$300
Plus Fee Per Linear Foot over 200	\$0.75
Extension (90 Day)	\$75

### Grading Permit:

Under 50 Cubic Yards of Total Cut and Fill	No Fee
50-100 Cubic Yards of Total Cut and Fill	\$50
101-500 Cubic Yards of Total Cut and Fill	\$200
501-1,000 Cubic Yards of Total Cut and Fill	\$500
1,001-10,000 Cubic Yards of Total Cut and Fill	\$750
10,001-50,000 Cubic Yards of Total Cut and Fill	\$1,000
50,001-100,000 Cubic Yards of Total Cut and Fill	\$1,500
100,001-200,000 Cubic Yards of Total Cut and Fill	\$2,500
Over 200,000 Cubic Yards of Total Cut and Fill	\$5,000
Grading Permit Extension (12 Months)	50% of Original Fee

### Street Tree Removal (Permit Required):

Fee if Existing Tree is Replaced within Timeframe on Permit	\$0
Fee if Existing Tree is Not Replaced within Timeframe on Permit	\$50



## 2022 Adopted Budget

<b>Water Utility Fees:</b>	
Administrative Termination	\$50
Hydrant Meter Rental Deposit	\$500
Meter Accuracy Testing (One Free Test per 12 Month Period)	\$60
Utility Account Set Up	\$10
Service Call	\$15
Water Meter Installation Fee	
5/8-3/4 Inch Meter	\$425
1.0 Inch Meter	\$490
1.5 Inch Meter	\$775
2.0 Inch Meter	\$980
3.0 Inch Meter	Time & Materials
4.0 Inch Meter	Time & Materials
6.0 Inch Meter	Time & Materials
8.0 Inch Meter	Time & Materials
Water Service Installation	Time & Materials
Water Utility Availability Determination	\$25
<b>Engineering Review:</b>	
Engineering Site Plan	\$8,000
Engineering Site Plan with Off-site Infrastructure	\$12,000
Engineering Short Plat (2-9 Lots)	\$10,000
Engineering Subdivision/PUD (More than 9 Lots)	\$10,000
Plus Fee Per Lot	\$100
Fee for Each City Plan Review in Excess of 3	\$500
<b>D. Building Permits</b>	
• <b>Payment.</b> All plan review fees are due at the time an application is submitted. All building permit fees are due when the permit is picked up by the applicant. Any additional charges shall be paid prior to the issuance of a building permit.	
• <b>* Use of Outside Professional Consultants.</b> The City reserves the right to use the services of outside professional consultants. The applicant is responsible for any City costs in excess of the fee amount paid. All such costs shall be billed to	



## 2022 Adopted Budget

<p>the applicant and shall include a \$30 processing fee. Any additional charges shall be paid prior to issuance of a building permit.</p> <ul style="list-style-type: none"><li>• <b>Simultaneous Development Permit Submittal.</b> Applicants may submit for Land Use, Public Works/Engineering and Building permits simultaneously. Public Works/Engineering and Building permits shall not be issued until final Land Use permits have been issued.</li><li>• <b>Building Valuation.</b> Building Valuation shall be calculated by the Building Official based on the cost of the construction as stated by the applicant and/or by utilizing the square footage of the proposed construction and valuation data published by the International Code Council. Valuation data shall be updated annually on January 1 using the most recent release of the ICC Building Valuation Data. (ex. January 1, 2021, using ICC Building Valuation Data released August 2020).</li><li>• <b>Refunds.</b> The Community Development Director (Director) shall refund the full amount of any fee paid hereunder which was erroneously paid or collected. The Director may authorize refunding of not more than 80 percent of a fee paid when an application has been withdrawn or canceled before any work has been done under an application review or before any plan reviewing has been done. All refund requests must be submitted in writing by the original applicant, or include an authorization from the original applicant, within 180 days from the date of application.</li></ul>	
<p><b>Building Plan Review:</b></p> <hr/> <p>Minimum Plan Review Fee</p> <hr/> <p>Maximum Plan Review Fee</p> <hr/> <p>Outside Structural Plan Review: Exception Only (ex: Hospitals)</p> <hr/> <p>Fee for Each City Plan Review in Excess of 3 Changes or Additions to Plans that Required Additional Review – Fee per Hour</p> <hr/> <p>Re-Activation of 180-Day Plan Approval Fee</p> <hr/> <p><b>Building Permit:</b></p> <p><i>Valuation per International Code Council – Two Year Lag</i></p>	<p>65% of Building Permit Fee</p> <hr/> <p>\$25</p> <hr/> <p>\$32,500</p> <hr/> <p>* City Cost</p> <hr/> <p>\$500</p> <hr/> <p>\$75</p> <hr/> <p>\$250</p> <hr/>



## 2022 Adopted Budget

\$1-\$500 (Minimum)	\$25
\$501-\$2,000	\$50
\$2,001 - \$25,000 Base	\$50
Plus \$/\$1,000 Over \$2,000 (and Any Fraction Thereof)	\$14
\$25,001 - \$50,000 Base	\$372
Plus \$/\$1,000 Over \$25,000 (and Any Fraction Thereof)	\$10
\$50,001 - \$100,000 Base	\$622
Plus \$/\$1,000 Over \$50,000 (and Any Fraction Thereof)	\$7
\$100,001 - \$500,000 Base	\$1,022
Plus \$/\$1,000 Over \$100,000 (and Any Fraction Thereof)	\$5
\$500,001 - \$1,000,000 Base	\$3,400
Plus \$/\$1,000 Over \$500,000 (and Any Fraction Thereof)	\$4
Over \$1,000,000 Base	\$7,375
Plus \$/\$1,000 Over \$1,000,000 (and Any Fraction Thereof)	\$4
Maximum Building Permit Fee	\$50,000
<b>Foundation Permit/Early Start At-Risk Agreement:</b>	\$250
<b>Inspection Fees:</b>	
Base Inspection Cost per Hour	\$75
Inspections Outside of Normal Business Hours	4 Hour Minimum
Re-Inspection Fees (If Separate Inspection Fee is Applicable)	1 Hour Minimum
Adult Family Home	2 Hour Minimum
Special Occupancies	2 Hour Minimum
Special Inspections Requested by the Applicant	2 Hour Minimum
Other Inspections (If Separate Inspection Fee is Applicable)	1 Hour Minimum
<b>Mechanical Plan Review Fees:</b>	25% of Mechanical Permit Fee



## 2022 Adopted Budget

<b>Mechanical Permit Fees:</b>	
Permit Issuance	\$65.00
Supplemental Permit (Original Permit Not Expired)	\$15.00
<b>Furnaces</b>	
For the installation or relocation of each forced-air or gravity-type furnace or burner, including ducts and vents attached to such appliance, up to and including 100,000 Btu/h (29.3 kW)	\$18.00
For the installation or relocation of each forced-air or gravity-type furnace or burner, including ducts and vents attached to such appliance over 100,000 Btu/h (29.3 kW)	\$20.00
For the installation or relocation of each floor furnace, including vent	\$15.00
For the installation or relocation of each suspended heater, recessed wall heater or floor-mounted unit heater	\$15.00
<b>Heat Pumps/AC</b>	
Heat Pump/AC 0-3	\$12.00
Heat Pump/AC 3-15	\$20.00
Heat Pump/AC 15-30	\$25.00
Heat Pump/AC 30-50	\$35.00
Heat Pump/AC >50	\$60.00
<b>Wood/Pellet/Gas Stoves</b>	
Wood/Pellet/Gas Stove Insert	\$58.00
Wood/Pellet/Gas Stove Free Standing	\$58.00
<b>Gas Piping Systems</b>	
For each gas piping system of one to five outlets	\$7.00
For each additional outlet over five, each	\$2.00
<b>Appliance Vents</b>	
For the installation, relocation, or replacement of each appliance vent installed and not included in an appliance permit	\$8.00
<b>Repairs or Additions</b>	
For the repair of, alteration of, or addition to each heating appliance, refrigeration unit, cooling unit, absorption unit, or each heating, cooling, absorption, or evaporative cooling system, including installation of controls regulated by the Mechanical Code	\$14.00



## 2022 Adopted Budget

<b>Boilers, Compressors, and Absorption Systems</b>	
For the installation or relocation of each boiler or compressor to and including 3 horsepower (10.6 kW), or each absorption system to and including 100,000 Btu/h (29.3 kW)	\$15.00
For the installation or relocation of each boiler or compressor over 3 horsepower (10.6 kW) to and including 15 horsepower (52.7 kW), or each absorption system over 100,000 Btu/h (29.3 kW) to and including 500,000 Btu/h (146.6 kW)	\$30.00
For the installation or relocation of each boiler or compressor over 15 horsepower (52.7 kW) to and including 30 horsepower (105.5 kW), or each absorption system over 500,000 Btu/h (146.6 kW) to and including 1,000,000 Btu/h (293.1 kW)	\$40.00
For the installation or relocation of each boiler or compressor over 30 horsepower (105.5 kW) to and including 50 horsepower (176 kW), or each absorption system over 1,000,000 Btu/h (293.1 kW) to and including 1,750,000 Btu/h (512.9 kW)	\$55.00
For the installation or relocation of each boiler or compressor over 50 horsepower (176 kW), or each absorption system over 1,750,000 Btu/h (512.9 kW)	\$95.00
<b>Air Handlers</b>	
For each air-handling unit to and including 10,000 cubic feet per minute (cfm) (4719 L/s), including ducts attached thereto	\$15.00
Note: This fee does not apply to an air handling unit which is a portion of a factory-assembled appliance, cooling unit, evaporative cooler, or absorption unit for which a permit is required elsewhere in the Mechanical Code	
For each air-handling unit over 10,000 cfm (4719 L/s)	\$20.00
<b>Evaporative Coolers</b>	
For each evaporative cooler other than portable type	\$15.00
<b>Ducts</b>	
For each duct	\$9.00
<b>Ventilation and Exhaust</b>	
For each ventilation fan connected to a single duct	\$8.00



## 2022 Adopted Budget

For each ventilation system which is not a portion of any heating or air-conditioning system authorized by a permit	\$15.00
For the installation of each hood which is served by mechanical exhaust, including the ducts for such hood	\$15.00
<b><u>Incinerators</u></b>	
For the installation or relocation of each domestic-type incinerator	\$20.00
For the installation or relocation of each commercial or industrial-type incinerator	\$15.00
<b><u>Miscellaneous</u></b>	
For each appliance or piece of equipment regulated by the Mechanical Code but not classified in other appliance categories, or for which no other fee is listed in the table	\$15.00
<b><u>Plumbing Plan Review Fees:</u></b>	25% of Plumbing Permit Fee
<b><u>Plumbing Permit Fees:</u></b>	
Permit Issuance	\$65.00
Supplemental Permit (Original Permit Not Expired)	\$15.00
<b><u>Fixtures and Vents</u></b>	
For each plumbing fixture or trap or set of fixtures on one trap (including water, drainage piping and backflow prevention thereof)	\$10.00
For repair or alteration of drainage or vent piping, each fixture	\$7.00
<b><u>Industrial Waste and Rainwater Systems</u></b>	
For each industrial waste pretreatment interceptor, including its trap and vent, excepting kitchen-type grease interceptors functioning as fixture traps	\$20.00
Rainwater systems – per drain inside building	\$10.00
<b><u>Water Piping and Water Heaters</u></b>	
For installation, alteration, or repair of water piping or water-treatment equipment, or both, each	\$7.00
For each water heater including vent (for vents only, see Mechanical Permit Fee Table)	\$15.00
<b><u>Gas Piping Systems</u></b>	
For each gas piping system of one to five outlets	\$7.00



## 2022 Adopted Budget

For each additional outlet over five, each	\$2.00
<u>Lawn Sprinklers, Vacuum Breakers and Backflow Protection Devices</u>	
For each lawn sprinkler system on any one meter, including backflow protection devices thereof	\$15.00
For atmospheric-type vacuum breakers or backflow protection devices not included above:	
1 to 5 devices	\$15.00
Over 5 devices, each	\$3.00
For each backflow-protection device other than atmospheric-type vacuum breakers:	
2 inches (50.8 mm) and smaller	\$15.00
Over 2 inches (50.8 mm)	\$25.00
<u>Swimming Pools</u>	
For each swimming pool or spa (in addition to other permits/fees):	
Public Pool	\$95.00
Public Spa	\$65.00
Private Pool	\$65.00
Private Spa	\$35.00
Pools over 5,000 gallons	\$100.00
<u>Miscellaneous</u>	
For each appliance or piece of equipment regulated by the Plumbing Code but not listed in other appliance categories, or for which no other fee is listed	\$10.00
<b>Mobile Home Permit Fees:</b>	
Placement of a Temporary Mobile Home/Trailer	\$100.00
Manufactured Home Inspection	\$100.00
Temporary Storage of a Mobile Home	\$100.00
<b>Other Building Permit and Inspection Fees:</b>	
Accessibility Review	\$100.00
Change of Occupancy	\$100.00
Change of Use	\$100.00
Demolition Permit	\$100.00
Energy/Indoor Air Quality	\$100.00
Moving Permit	\$100.00
<b>Roof Permit:</b>	
Full Tear Off	\$95.00
Full Tear Off with Sheathing Replaced	\$100.00



## 2022 Adopted Budget

<b>Temporary Certificate of Occupancy</b>	
Temporary Revocable Commercial Certificate of Occupancy	
0-90 Days	\$250.00
91 Days and Over	\$500.00
Temporary Tents, Canopies, and Air Supported Structures	
• For public use, inclusive of all tents for a single event	
• Not applicable to tents less than 200 sq. ft., canopies less than 400 sq. ft., or tents used for non-commercial events	
	\$100.00
<b>Washington State Building Code Council (W.S.B.C.C.) Surcharge:</b>	
Commercial	\$25.00
First Living Unit	\$6.50
Each Additional Unit (In a Multi-Family Project)	\$2.00
Collected on each permit that is issued in accordance with the Ridgefield Building Code	
<b>Systems Development Charges and Impact Fees (See Notes):</b>	
<u>Traffic Impact Fees (1)(5)</u>	
Single Family (Per Dwelling Unit)	\$4,194.94
Multi Family (Per Dwelling Unit)	\$2,568.69
Commercial (Per Average Daily Trip)	\$438.35
<u>Park Impact Fees (2)(5)</u>	
Single Family (Per Dwelling Unit)	\$3,532.89
Multi Family (Per Dwelling Unit)	\$3,532.89
<u>School Impact Fees (3)(6)</u>	
Single Family (Per Dwelling Unit)	\$10,408.05
Multi Family (Per Dwelling Unit)	\$10,408.05
<u>Water System Development Charge (4)(7)</u>	
5/8"-3/4" Meter	\$4,440.26
1" Meter	\$11,100.65
1.5" Meter	\$22,201.29
2" Meter	\$35,522.07
3" Meter	\$66,603.88
4" Meter	\$111,006.47
6" Meter	\$222,012.95



## 2022 Adopted Budget

8" Meter Outside City Limits	\$355,220.71 1.5x In-City SDC
<b>Notes:</b>	
<ol style="list-style-type: none"><li>1. Traffic Impact Fees charged are based upon average daily trip (ADT) generation of the proposed use.</li><li>2. Park Impact Fees reflect a mix of acquisition and development. Trail cost estimates make allowance for required compliance with the Americans with Disabilities Act. Development costs can be significantly reduced by calculating deductions made for other exactions, e.g. dedication of a public easement through an open space corridor earmarked for trail or park development.</li><li>3. School Impact Fees are based on the improvement cost of needed school facilities identified in the most current Ridgefield School District Capital Facility Plan.</li><li>4. Water System Development Charges are based upon meter equivalent size (M.E.S.).</li><li>5. Per Ridgefield Municipal Code 18.070.080-18.070.090, the planning director shall calculate annual inflation adjustments in the Traffic Impact Fee rate and the Park Impact Fee rate. The annual inflation adjustment shall be effective January 1 and will be equal to the change in the West Region All Urban Consumer Price Index (CPI-U) for the first half of the previous year (Ex: January 1, 2021, impact fee increase to reflect the increase in the CPI-U index from the first half of 2019 to the first half of 2020).</li><li>6. Per Ridgefield Municipal Code 18.070.100, the planning director shall calculate annual inflation adjustments in the School Impact Fee rate. The annual inflation adjustment shall be effective January 1 and will be equal to the change in the Rider Levett Bucknall Construction Cost index (RLB) for the first half of the previous year (Ex: January 1, 2021, impact fee increase to reflect the increase in the RLB index from the 2<sup>nd</sup> quarter publication of the</li></ol>	



## 2022 Adopted Budget

	2020 RLB index).	
7.	Per Ridgefield Municipal Code 13.30.010 Water System Development Charges are set forth in the Master Fee Schedule. The Public Works Director shall calculate annual inflation adjustments in the Water System Development Charges. The annual inflation adjustment shall be effective January 1 and will be equal to the change in the West Region All Urban Consumer Price Index (CPI-U) for the first half of the previous year (Ex: January 1, 2021, system development charge increase to reflect the increase in the CPI-U index from the first half of 2019 to the first half of 2020).	
8.	System Development Charges and non-residential Impact Fees are due at the time of building permit issuance. Residential Impact Fees are due at the time of final occupancy. Per Ridgefield Municipal Code 13.30.020 meter size 3" and larger or single-family residential homes moving from well source to municipal water source may be eligible for payment plans.	
<b>E. Park Rental &amp; Special Events</b>		
• <b>Special Events.</b>	Request for City Services such as Police and Public Works labor are available by request. Refer to Special Event Fees for more information.	
<b>Abram's Park Rentals</b>		
<b>Bennett Hall:</b>		
First Hour		\$25.00
Each Additional Hour		\$15.00
Maximum Fee		\$100.00
Refundable Deposit		\$50.00
<b>Bennett Hall &amp; Kitchen:</b>		
First Hour		\$25.00
Each Additional Hour		\$15.00
Maximum Fee		\$100.00
Refundable Deposit		\$100.00
<b>Bennett Hall &amp; Plaza: (May or may not include kitchen)</b>		
First Hour		\$35.00
Each Additional Hour		\$25.00
Maximum Fee		\$160.00



## 2022 Adopted Budget

Refundable Deposit	\$100.00
<b>Bennett Hall, Plaza &amp; Open Space:</b> (May or may not include kitchen)	
First Hour	\$40.00
Each Additional Hour	\$30.00
Maximum Fee	\$190.00
Refundable Deposit	\$100.00
<b>Grass Fields, Baseball, Softball, and T-Ball Fields:</b>	
Per Hour	\$10.00
3 Month Session (Maximum of 2 times per week for two hours)	\$80.00
Refundable Deposit	\$100.00
<b>Overlook Park Rentals:</b>	
<b>Plaza &amp; Stage</b>	
Per Hour	\$40.00
Maximum Fee	\$240.00
Refundable Deposit	\$300.00
<b>Plaza, Stage &amp; Upper Grassy Area</b>	
Per Hour	\$45.00
Maximum Fee	\$270.00
Refundable Deposit	\$300.00
<b>Entire Park</b>	
Per Hour	\$50.00
Maximum Fee	\$300.00
Refundable Deposit	\$300.00
<b>All other City Parks are available to the public on a first come, first served basis. Reservations are not accepted.</b>	No Charge
<b>Special Events:</b>	
Special Event Permit Application	No Charge
City Personnel Costs	Section A
City Services (Cost + Admin Fee of \$30.00)	Actual Cost
<b>F. Other Fees and Permits</b>	
<b>Business License Fees:</b>	
Annual Resident Business License	\$50
Annual Non-Resident Business License	\$50
Annual Peddler and Solicitors License	\$50
Plus One-Time Background Check	\$40
<b>Copy/Record Duplication Fees:</b>	
Copy of audio tapes, video tapes, photos, maps, or other	Actual City



## 2022 Adopted Budget

	Cost
records needing reproduction	
Black & White 8.5x11.0 Inch	\$0.15 per page
Black & White 8.5x14.0 Inch	\$0.35 per page
Black & White 11.0x17.0 Inch	\$0.40 per page
Color 8.5x11.0 Inch	\$1.00 per page
Color 8.5x14.0 Inch	\$1.00 per page
Color 11.0x17.0 Inch	\$1.50 per page
Records scanned into electronic format	\$0.10 per page
Electronic files uploaded to email, cloud storage service, or other electronic delivery system	\$0.05 every four files
Transmission of electronic records	\$0.10 per gigabyte
Hiring information technology expertise – external	Actual City Cost w/10% deposit
Annual Budget (Bound Copy)	\$30.00
Comprehensive Annual Financial Report (Bound Copy)	\$30.00
City Comprehensive Plan (Bound Copy)	\$30.00
Park & Recreation Comprehensive Plan (Bound Copy)	\$30.00
City Engineering Standards (Bound Copy)	\$30.00
<b>Administrative Processing Fee:</b>	
Fee Added to Each Billing/Invoice for Reimbursable Costs	\$30.00
Fee Added to Each Remittance for Impact Fees or SDCs	
Fee Added to Each Remittance for Fire Code Fees	\$30.00
<b>Administrative Fees:</b>	
NSF Check	\$35.00
Cemetery Lot – Purchase	\$600.00
Cemetery Lot – Marking	\$25.00
Notary Fee	\$5.00
Latecomer Agreement Application	\$500.00
Latecomer Agreement Processing	\$125.00
Latecomer Agreement Appeal	\$250.00
Administrative Billing Late Fee (After 60 Days Past Due)	1% Per Month
<b>Police Department Fees:</b>	
Fingerprint Card	\$20.00
Release of Property to Finder Fee	*\$10.00
Neighborhood Electric Vehicle/Golf Cart Registration (One Time)	\$30.00



## 2022 Adopted Budget

<b>Concealed Weapon Permit</b>	
Concealed Weapon Permit Application (Good for 5 Years)	\$49.25
Concealed Weapon Permit Renewal	\$32.00
Late Renewal Penalty	\$42.00
Replacement Permit	\$10.00
<b>Dog Licenses</b>	
Spayed or Neutered – Annual Fee	\$20.00
Not Spayed or Neutered – Annual Fee	\$30.00
Lifetime Dog License (Altered or Unaltered)	\$50.00
Hobby Kennels (5-10 Dogs)	\$50.00
Commercial Kennels (11+ Dogs)	\$100.00
*Plus Actual Cost of Publication of Notice (RCW 63.21.030)	



## 2022 Adopted Budget

### Full-Time Equivalent (FTE) Summary by Department

<b>2022 Budget</b>				
<b>Personnel Schedule (Full-Time Equivalents)</b>				
<i>Job Title</i>	<i>2020 FTE Allocation</i>	<i>2021 FTE Allocation</i>	<i>2022 FTE Allocation</i>	<i>2022 FTE Percentage</i>
<i>Executive</i>	<b>1.00</b>	<b>1.00</b>	<b>1.000</b>	<b>1.44%</b>
<i>Total Finance</i>	<b>4.30</b>	<b>4.80</b>	<b>5.800</b>	<b>8.38%</b>
<i>Total Human Resources</i>	<b>1.30</b>	<b>1.30</b>	<b>2.300</b>	<b>3.32%</b>
<i>Total Administration</i>	<b>3.70</b>	<b>4.70</b>	<b>4.700</b>	<b>6.79%</b>
<i>Total General Government/Facilities</i>	<b>1.54</b>	<b>2.05</b>	<b>3.220</b>	<b>4.65%</b>
<i>Total Public Safety</i>	<b>12.00</b>	<b>15.00</b>	<b>17.000</b>	<b>24.55%</b>
<i>Total Cemetery</i>	<b>0.24</b>	<b>0.45</b>	<b>0.470</b>	<b>0.68%</b>
<i>Total Community Development</i>	<b>11.72</b>	<b>13.27</b>	<b>15.170</b>	<b>21.91%</b>
<i>Total Parks</i>	<b>3.80</b>	<b>3.95</b>	<b>5.200</b>	<b>7.51%</b>
<i>Total Streets</i>	<b>3.42</b>	<b>4.58</b>	<b>4.700</b>	<b>6.79%</b>
<i>Total Water Utility</i>	<b>6.22</b>	<b>5.82</b>	<b>6.020</b>	<b>8.69%</b>
<i>Total Stormwater Utility</i>	<b>2.51</b>	<b>3.35</b>	<b>3.670</b>	<b>5.30%</b>
<b>Total Full Time Equivalents</b>	<b>51.75</b>	<b>60.25</b>	<b>69.25</b>	<b>100.00%</b>
<b>Full-Time Staff</b>				
<i>Full-Time Employees</i>	<b>50.00</b>	<b>59.00</b>	<b>68.00</b>	<b>98.19%</b>
<b>Part-Time Staff</b>				
<i>Part-Time Employees</i>	<b>1.75</b>	<b>1.25</b>	<b>1.25</b>	<b>1.81%</b>



## 2022 Adopted Budget

### Budgeted Positions and FTE's by Department

<b>2021 Personnel Schedule (Full-Time Equivalents)</b>		
<b>Job Title</b>		<b>FTE Allocation</b>
<b>Executive</b>		
City Manager		1.00
	<b>Total Executive</b>	<b>1.00</b>
<b>Finance</b>		
Accounting Assistant/Payroll Clerk		1.00
Procurement Coordinator		1.00
Finance Director		1.00
Accounting Assistant/Office Clerk		0.75
Senior Accountant		1.00
Utility Clerk		0.05
Accounting Assistant		1.00
	<b>Total Finance</b>	<b>5.80</b>
<b>Human Resources</b>		
HR Analyst		0.90
Deputy City Manager		0.40
HR Assistant		1.00
	<b>Total Human Resources</b>	<b>2.30</b>
<b>Administration</b>		
City Clerk		1.00
HR Analyst		0.10
Community Relations Specialist		1.00
Deputy City Manager		0.60
Administrative Specialist		1.00
Temporary Position (1-Year)		1.00
	<b>Total Administration</b>	<b>4.70</b>



## 2022 Adopted Budget

<b>2021 Personnel Schedule (Full-Time Equivalents)</b>		
<b>Job Title</b>		<b>FTE Allocation</b>
<b>General Government/Facilities</b>		
Building Inspector		0.25
Facility Maintenance Worker		0.10
City Engineer		0.02
Facility Maintenance Worker		0.05
Administrative Specialist		0.15
Public Works Director		0.20
Facility Maintenance Worker		0.10
Facility Maintenance Worker		0.10
Public Works Supervisor, Facilities		0.15
Facility Maintenance Worker		0.15
Facility Maintenance Worker		0.10
Facility Maintenance Worker		0.15
Development Inspector		0.05
Community Development Director		0.25
Associate Planner		0.30
Engineering Tech		0.10
Code Enforcement Officer		1.00
<b>Total General Government/Facilities</b>		<b>3.22</b>
<b>Public Safety</b>		
Police Chief		1.00
Police Lieutenant		1.00
Police Sergeant		1.00
Police Sergeant		1.00
Police Clerk		1.00
Police Clerk		1.00
Police Officer		1.00
<b>Total Public Safety</b>		<b>17.00</b>



## 2022 Adopted Budget

<b>2021 Personnel Schedule (Full-Time Equivalents)</b>		
<i>Job Title</i>		<i>FTE Allocation</i>
<b>Cemetery</b>		
PW Administrative Assistant		0.05
Facility Maintenance Worker		0.05
Administrative Specialist		0.05
Public Works Director		0.02
Facility Maintenance Worker		0.05
Facility Maintenance Worker		0.05
Public Works Supervisor, Facilities		0.05
Facility Maintenance Worker		0.05
Facility Maintenance Worker		0.05
Facility Maintenance Worker		0.05
	<b>Total Cemetery</b>	<b>0.47</b>
<b>Community Development</b>		
Building Inspector/Code Enforcement		0.75
Building Inspector		1.00
Permit Technician		1.00
City Engineer		0.74
Public Works Director		0.25
Community Development Director		0.75
Plans Examiner		1.00
Permit Tech I		1.00
Associate Planner		0.70
Building Inspector		1.00
Building Inspector		1.00
Permit Tech 1		1.00
Utility Maintenance Worker		0.05
Stormwater Maintenance Supervisor		0.08
Stormwater Maintenance Worker		0.10
Development Inspector		0.85
Engineering Tech		0.50
Building Official		1.00
Senior Planner		1.00
Engineering Tech		0.40
CDD Administrative Assistant		1.00
	<b>Total Community Development</b>	<b>15.17</b>



## 2022 Adopted Budget

2021 Personnel Schedule (Full-Time Equivalents)		
Job Title		FTE Allocation
<b>Parks</b>		
Park Caretaker		0.50
PW Administrative Assistant		0.10
Facility Maintenance Worker		0.50
City Engineer		0.05
Facility Maintenance Worker		0.80
Administrative Specialist		0.30
Public Works Director		0.10
Facility Maintenance Worker		0.25
Facility Maintenance Worker		0.15
Public Works Supervisor, Facilities		0.30
Facility Maintenance Worker		0.30
Facility Maintenance Worker		0.45
Facility Maintenance Worker		0.20
Development Inspector		0.05
Engineering Tech		0.05
Parks & Recreation Manager		1.00
Engineering Tech		0.10
<b>Total Parks</b>		<b>5.20</b>
<b>Streets</b>		
Facility Maintenance Worker		0.35
City Engineer		0.15
Facility Maintenance Worker		0.15
Administrative Specialist		0.05
Public Works Director		0.15
Facility Maintenance Worker		0.60
Facility Maintenance Worker		0.70
Public Works Supervisor, Facilities		0.50
Facility Maintenance Worker		0.50
Facility Maintenance Worker		0.40
Facility Maintenance Worker		0.60
Development Inspector		0.05
Engineering Tech		0.40
Engineering Tech		0.10
<b>Total Streets</b>		<b>4.70</b>



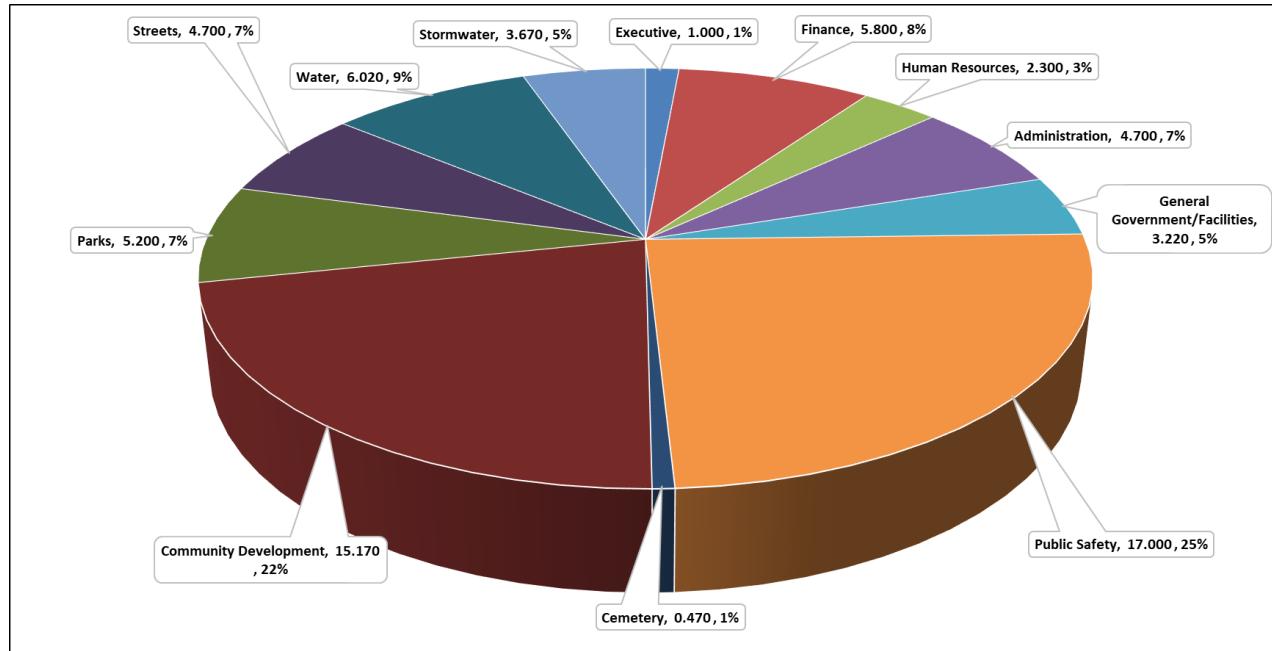
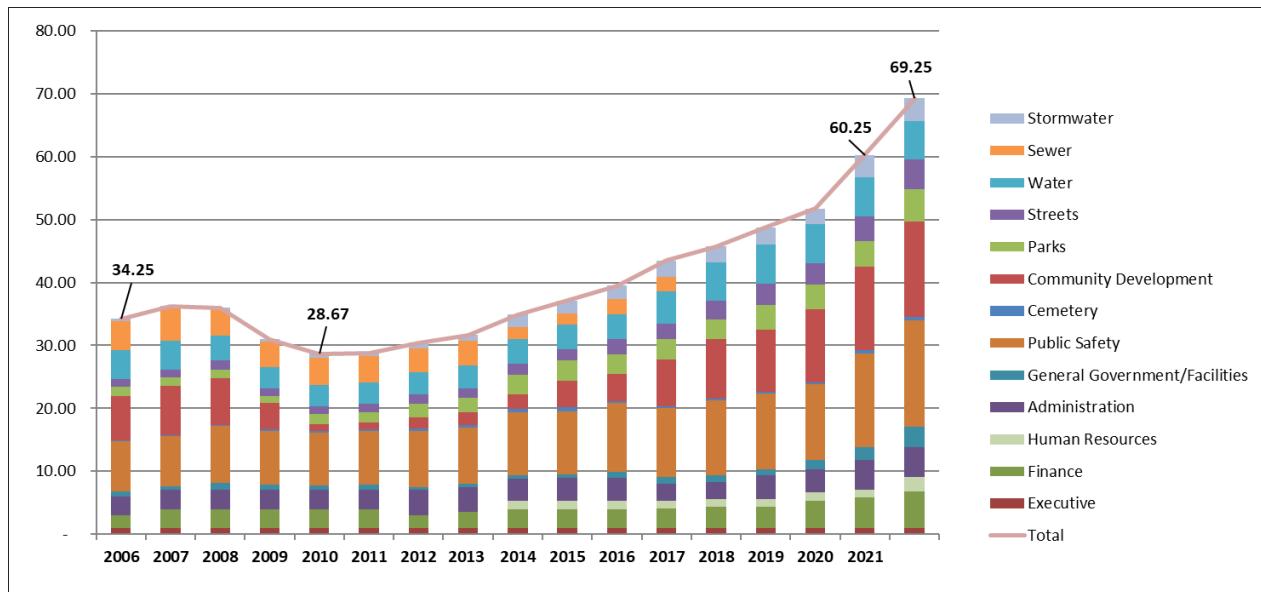
## 2022 Adopted Budget

<b>2021 Personnel Schedule (Full-Time Equivalents)</b>		
<b>Job Title</b>		<b>FTE Allocation</b>
<b>Water Utility</b>		
PW Administrative Assistant		0.85
Utility Maintenance Worker		0.90
Public Works Supervisor, Utilities		1.00
Utility Maintenance Worker		1.00
City Engineer		0.02
Administrative Specialist		0.40
Public Works Director		0.15
Utility Clerk		0.75
Utility Maintenance Worker		0.95
<b>Total Water Utility</b>		<b>6.02</b>
<b>Stormwater Utility</b>		
Utility Maintenance Worker		0.10
City Engineer		0.02
Administrative Specialist		0.05
Public Works Director		0.13
Utility Clerk		0.20
Public Works Supervisor, Stormwater		0.92
Stormwater Maintenance Worker		1.00
Stormwater Maintenance Worker		0.90
Engineering Tech		0.05
Engineering Tech		0.30
<b>Total Stormwater Utility</b>		<b>3.67</b>
<b>Total Full Time Equivalents</b>		<b>69.25</b>
<b>Full-Time Staff</b>		
Full-Time Employees		68.00
<b>Part-Time Staff</b>		
Part-Time Employees		1.25



## 2022 Adopted Budget

### Total Full Time Equivalent Employees by Function





## 2022 Adopted Budget

### 2022 Interfund Transfers

<b>Fund</b>	<b>Description</b>	<b>Transfer From</b>	<b>Transfer To</b>
<b>001 General Fund</b>			
From Water Operating	Indirect Cost Allocation	423,046	-
From Stormwater Operating	Indirect Cost Allocation	195,874	-
To Equipment Replacement	Equipment Replacement Fund	-	400,000
To Storm Water Utility Capital	CLFRF Grant Proceeds for Regional Storm Water Facility	-	850,000
To Water Utility Capital	CLFRF Grant Proceeds for Pioneer Widening Water Line	-	1,500,000
To Street Fund	Street Operating Fund	-	577,169
To General Capital - Streets	Sidewalk Restoration Program	-	20,000
To General Capital - Streets	Pavement Preservation Program	-	250,000
To General Capital - Streets	N 8th Ave/Simons St Improvement - Grant Match	-	41,000
To General Capital - Streets	I-5 and Pioneer Street Overpass Art - Cowlitz Grant		50,000
To Equipment Replacement	Equipment Replacement Fund - CDD		30,000
To General Capital - Parks	Abrams Park Bridge Maintenance	-	20,000
To General Capital - Parks	Abrams Park Upgrades	-	40,000
<b>Total General Fund Transfers</b>		<b>\$ 618,920</b>	<b>\$ 3,778,169</b>
<b>101 Street Fund</b>			
From General Fund	Operating Transfer from General Fund	577,169	-
To Equipment Replacement	Equipment Replacement Fund	-	50,000
<b>Total Street Transfers</b>		<b>\$ 577,169</b>	<b>\$ 50,000</b>



## 2022 Adopted Budget

<b>2022 Interfund Transfers</b>			
<b>Fund</b>	<b>Description</b>	<b>Transfer From</b>	<b>Transfer To</b>
<b>406 Water Utility</b>			
To General Fund	Indirect Cost Allocation	-	423,046
To Equipment Replacement	Equipment Replacement Fund	-	45,915
To Water Utility Capital	Water Tower Ladder Replacement	-	35,000
To Water Utility Capital	Hydrant Replacement Project	-	37,500
<b>Total Water Utility Transfers</b>		<b>\$ -</b>	<b>\$ 541,461</b>
<b>408 Stormwater Utility</b>			
To General Fund	Indirect Cost Allocation	-	195,874
To Equipment Replacement Fund	Equipment Replacement Fund	-	79,000
<b>Total Stormwater Utility Transfers</b>		<b>\$ -</b>	<b>\$ 274,874</b>
<b>105 Real Estate Excise Tax (REET)</b>			
To Debt Service	General Obligation Bonds Debt Service	-	1,414,003
<b>Total REET Transfers</b>		<b>\$ -</b>	<b>\$ 1,414,003</b>



## 2022 Adopted Budget

2022 Interfund Transfers			
Fund	Description	Transfer From	Transfer To
<b>114 Park Impact Fee (PIF)</b>			
To General Capital - Parks	Overlook Park Splash Pad Construction	-	500,000
To General Capital - Parks	Horns Corner Park Ph 1	-	260,000
To General Capital - Parks	Gee Creek Trail: Heron Dr to Main Ave (Flap Grant Match)	-	93,200
To General Capital - Parks	Boyse Park Planning & Design	-	165,000
To General Capital - Parks	Smythe to Reiman Trail Construction	-	775,000
To General Capital - Parks	Park Land Purchase	-	1,000,000
To General Capital - Parks	YMCA Site Plan & Design	-	30,000
To General Capital - Parks	Mayor Meadow to Reiman Rd Trail & Covered Bridge Design	-	420,000
To General Capital - Parks	Skate Park Alternatives Analysis	-	75,000
To General Capital - Parks	Refuge Park Ph 1	-	225,000
To General Capital - Parks	Boyse Property Purchase - 2022 Installment Payment	-	250,000
<b>Total PIF Transfers</b>		<b>\$ -</b>	<b>\$ 3,793,200</b>



## 2022 Adopted Budget

2022 Interfund Transfers			
Fund	Description	Transfer From	Transfer To
<b>115 Traffic Impact Fee (TIF)</b>			
To General Capital - Streets	Hillhurst Multi-Modal Trail Construction	-	275,000
To General Capital - Streets	Pioneer & 51st Roundabout Design	-	350,000
To General Capital - Streets	Royle Road Final Design & ROW Acquisition	-	1,595,000
To General Capital - Streets	Royle Road Roundabout Construction	-	2,600,000
To General Capital - Streets	Pioneer East Extension Design & ROW Acquisition	-	650,000
To General Capital - Streets	Pioneer East Extension Construction	-	60,000
<b>Total TIF Transfers</b>		\$ -	<b>\$ 5,530,000</b>
<b>150 Transportation Benefit District (TBD)</b>			
To General Capital - Streets	Pavement Preservation Program	-	350,000
<b>Total TBD Transfers</b>		\$ -	<b>\$ 350,000</b>
<b>416 Water Utility System Development Charge (WSDC)</b>			
To Water Utility Capital	N 8th Ave/Simons St Improvement - Grant Match	-	215,000
To Water Utility Capital	Royle Road Water Main	-	650,000
To Water Utility Capital	Kennedy Well Field Construction	-	720,000
To Water Utility Capital	DT Water Main Improvements Design & Construction	-	930,000
<b>Total WSDC Transfers</b>		\$ -	<b>\$ 2,515,000</b>



## 2022 Adopted Budget

<b>2022 Interfund Transfers</b>			
<b>Fund</b>	<b>Description</b>	<b>Transfer From</b>	<b>Transfer To</b>
<b>200 Debt Service</b>			
From REET Fund - Parks	General Obligation Bonds Debt Service	1,414,003	-
	<b>Total Debt Service Transfers</b>	<b>\$ 1,414,003</b>	<b>\$ -</b>
<b>300 General Capital</b>			
From General Fund - Street Projects	Pavement Preservation Program	250,000	-
From General Fund - Street Projects	Sidewalk Restoration Program	20,000	-
From General Fund - Street Projects	I-5 and Pioneer Street Overpass Art - Cowlitz Grant	50,000	-
From General Fund - Street Projects	N 8th Ave/Simons St Improvement - Grant Match	41,000	-
From General Fund - Park Projects	Abrams Park Bridge Maintenance	20,000	-
From General Fund - Park Projects	Abrams Park Upgrades	40,000	-
From Park Impact Fee Fund	Overlook Park Splash Pad Construction	500,000	-
From Park Impact Fee Fund	Horns Corner Park Ph 1	260,000	-
From Park Impact Fee Fund	Gee Creek Trail: Heron Dr to Main Ave (Flap Grant Match)	93,200	-
From Park Impact Fee Fund	Boyse Park Planning & Design	165,000	-
From Park Impact Fee Fund	Smythe to Reiman Trail Construction	775,000	-
From Park Impact Fee Fund	Park Land Purchase	1,000,000	-
From Park Impact Fee Fund	YMCA Site Plan & Design	30,000	-



## 2022 Adopted Budget

<b>2022 Interfund Transfers</b>			
<b>Fund</b>	<b>Description</b>	<b>Transfer From</b>	<b>Transfer To</b>
<b>300 General Capital</b>			
From Park Impact Fee Fund	Mayor Meadow to Reiman Rd Trail & Covered Bridge Design	420,000	
From Park Impact Fee Fund	Skate Park Alternatives Analysis	75,000	
From Park Impact Fee Fund	Refuge Park Ph 1	225,000	
From Park Impact Fee Fund	Boyse Property Purchase - 2022 Installment Payment	250,000	
From Traffic Impact Fee Fund	Hillhurst Multi-Modal Trail Construction	275,000	-
From Traffic Impact Fee Fund	Pioneer & 51st Roundabout Design	350,000	
From Traffic Impact Fee Fund	Royle Road Final Design & ROW Acquisition	1,595,000	
From Traffic Impact Fee Fund	Royle Road Roundabout Construction	2,600,000	
From Traffic Impact Fee Fund	Pioneer East Extension Design & ROW Acquisition	650,000	-
From Traffic Impact Fee Fund	Pioneer East Extension Construction	60,000	-
From Transportation Benefit District	Pavement Preservation Program	350,000	
<b>Total General Capital Transfers</b>		<b>\$ 10,094,200</b>	<b>\$ -</b>



## 2022 Adopted Budget

<b>2022 Interfund Transfers</b>			
<b>Fund</b>	<b>Description</b>	<b>Transfer From</b>	<b>Transfer To</b>
<b>410 Water Utility Capital</b>			
From General Fund	CLFRF Grant Proceeds for Pioneer Widening Water Line	1,500,000	-
From Water Operating Fund	Water Tower Ladder Replacement	35,000	
From Water Operating Fund	Hydrant Replacement Project	37,500	
From Water System Development Charges Fund	N 8th Ave/Simons St Improvement - Grant Match	215,000	
From Water System Development Charges Fund	Royle Road Water Main	650,000	-
From Water System Development Charges Fund	Kennedy Well Field Construction	720,000	-
From Water System Development Charges Fund	DT Water Main Improvements Design & Construction	930,000	-
<b>Total Water Utility Capital Transfers</b>		<b>\$ 4,087,500</b>	<b>\$ -</b>
<b>412 Storm Water Utility Capital</b>			
From General Fund	CLFRF Grant Proceeds for Regional Storm Water Facility	850,000	-
<b>Total Storm Water Utility Capital Transfers</b>		<b>\$ 850,000</b>	<b>\$ -</b>
<b>501 Equipment Replacement Fund (ERF)</b>			
From General Fund	ERF Transfer	400,000	-
From General Fund - CDD	ERF Transfer	30,000	
From Water Utility	ERF Transfer	45,915	-
From Stormwater Utility	ERF Transfer	79,000	-
From Street Fund	ERF Transfer	50,000	-
<b>Total ERF Transfers</b>		<b>\$ 604,915</b>	<b>\$ -</b>
<b>Total 2020 Interfund Transfers</b>		<b>\$ 18,246,707</b>	<b>\$ 18,246,707</b>



## 2022 Adopted Budget

### 2022 Schedule of Debt Service

<b>Schedule of Debt Service</b>		
<b>Debt Type</b>	<b>Description</b>	<b>Budget Amount</b>
<b>200 General Government Debt Service</b>		
Parks	RORC General Obligation Bonds - 2017	533,275
Parks	RORC General Obligation Bonds - 2018	528,750
Facilities	PW Op Center General Obligation Bonds - 2020	351,978
<b>General Government Debt Service</b>		<b>\$ 1,414,003</b>
<b>408 Stormwater Utility Debt Service</b>		
Stormwater Utility	PWTF Loan Downtown Stormwater Enhancements Design	18,820
<b>Stormwater Utility Debt Service</b>		<b>\$ 18,820</b>
<b>Total 2022 Debt Service</b>		<b>\$ 1,432,823</b>



## 2022 Adopted Budget

### 2017 General Obligation Bonds – Ridgefield Outdoor Recreation Center Amortization Schedule:

Year	Due Date	Principal			Total Debt	
		Amount	Balance	Interest Rate	Interest Pmt	Service
2018	12/1/2018		\$ 9,455,000		\$ 388,757.78	\$ 388,757.78
2019	12/1/2019	195,000	9,260,000	3.00%	\$ 336,425.00	\$ 531,425.00
2020	12/1/2020	200,000	9,060,000	3.00%	\$ 330,575.00	\$ 530,575.00
2021	12/1/2021	210,000	8,850,000	3.00%	\$ 324,575.00	\$ 534,575.00
2022	12/1/2022	215,000	8,635,000	3.00%	\$ 318,275.00	\$ 533,275.00
2023	12/1/2023	220,000	8,415,000	3.00%	\$ 311,825.00	\$ 531,825.00
2024	12/1/2024	230,000	8,185,000	3.00%	\$ 305,225.00	\$ 535,225.00
2025	12/1/2025	235,000	7,950,000	4.00%	\$ 298,325.00	\$ 533,325.00
2026	12/1/2026	245,000	7,705,000	4.00%	\$ 288,925.00	\$ 533,925.00
2027	12/1/2027	255,000	7,450,000	4.00%	\$ 279,125.00	\$ 534,125.00
2028	12/1/2028	265,000	7,185,000	3.00%	\$ 268,925.00	\$ 533,925.00
2029	12/1/2029	270,000	6,915,000	3.00%	\$ 260,975.00	\$ 530,975.00
2030	12/1/2030	280,000	6,635,000	3.00%	\$ 252,875.00	\$ 532,875.00
2031	12/1/2031	290,000	6,345,000	3.00%	\$ 244,475.00	\$ 534,475.00
2032	12/1/2032	295,000	6,050,000	3.00%	\$ 235,775.00	\$ 530,775.00
2033	12/1/2033	305,000	5,745,000	3.00%	\$ 226,925.00	\$ 531,925.00
2034	12/1/2034	315,000	5,430,000	4.00%	\$ 217,775.00	\$ 532,775.00
2035	12/1/2035	330,000	5,100,000	4.00%	\$ 205,175.00	\$ 535,175.00
2036	12/1/2036	340,000	4,760,000	4.00%	\$ 191,975.00	\$ 531,975.00
2037	12/1/2037	355,000	4,405,000	4.00%	\$ 178,375.00	\$ 533,375.00
2038	12/1/2038	370,000	4,035,000	4.00%	\$ 164,175.00	\$ 534,175.00
2039	12/1/2039	385,000	3,650,000	4.00%	\$ 149,375.00	\$ 534,375.00
2040	12/1/2040	400,000	3,250,000	4.00%	\$ 133,975.00	\$ 533,975.00
2041	12/1/2041	415,000	2,835,000	4.00%	\$ 117,975.00	\$ 532,975.00
2042	12/1/2042	430,000	2,405,000	4.00%	\$ 101,375.00	\$ 531,375.00
2043	12/1/2043	450,000	1,955,000	3.50%	\$ 84,175.00	\$ 534,175.00
2044	12/1/2044	465,000	1,490,000	3.50%	\$ 68,425.00	\$ 533,425.00
2045	12/1/2045	480,000	1,010,000	3.50%	\$ 52,150.00	\$ 532,150.00
2046	12/1/2046	495,000	515,000	3.50%	\$ 35,350.00	\$ 530,350.00
2047	12/1/2047	515,000	-	3.50%	\$ 18,025.00	\$ 533,025.00
		<b>\$ 9,455,000</b>			<b>\$ 6,390,282.78</b>	<b>\$15,845,282.78</b>



## 2022 Adopted Budget

### 2018 General Obligation Bonds – Ridgefield Outdoor Recreation Center Amortization Schedule:

Year	Due Date	Principal			Total Debt Service	
		Amount	Balance	Interest Rate	Interest Pmt	
2018	12/1/2018		\$ 6,705,000		\$ 125,571.11	\$ 125,571.11
2019	12/1/2019	-	6,705,000		\$ 256,850.00	\$ 256,850.00
2020	12/1/2020	-	6,705,000		\$ 256,850.00	\$ 256,850.00
2021	12/1/2021	270,000	6,435,000	3.00%	\$ 256,850.00	\$ 526,850.00
2022	12/1/2022	280,000	6,155,000	3.00%	\$ 248,750.00	\$ 528,750.00
2023	12/1/2023	285,000	5,870,000	3.00%	\$ 240,350.00	\$ 525,350.00
2024	12/1/2024	295,000	5,575,000	4.00%	\$ 231,800.00	\$ 526,800.00
2025	12/1/2025	305,000	5,270,000	4.00%	\$ 220,000.00	\$ 525,000.00
2026	12/1/2026	320,000	4,950,000	4.00%	\$ 207,800.00	\$ 527,800.00
2027	12/1/2027	330,000	4,620,000	4.00%	\$ 195,000.00	\$ 525,000.00
2028	12/1/2028	345,000	4,275,000	4.00%	\$ 181,800.00	\$ 526,800.00
2029	12/1/2029	360,000	3,915,000	**%	\$ 168,000.00	\$ 528,000.00
2030	12/1/2030	370,000	3,545,000	4.00%	\$ 156,600.00	\$ 526,600.00
2031	12/1/2031	385,000	3,160,000	4.00%	\$ 141,800.00	\$ 526,800.00
2032	12/1/2032	400,000	2,760,000	4.00%	\$ 126,400.00	\$ 526,400.00
2033	12/1/2033	415,000	2,345,000	4.00%	\$ 110,400.00	\$ 525,400.00
2034	12/1/2034	435,000	1,910,000	4.00%	\$ 93,800.00	\$ 528,800.00
2035	12/1/2035	450,000	1,460,000	4.00%	\$ 76,400.00	\$ 526,400.00
2036	12/1/2036	470,000	990,000	4.00%	\$ 58,400.00	\$ 528,400.00
2037	12/1/2037	485,000	505,000	4.00%	\$ 39,600.00	\$ 524,600.00
2038	12/1/2038	505,000	-	4.00%	\$ 20,200.00	\$ 525,200.00
<b>\$ 6,705,000</b>					<b>\$3,413,221.11</b>	<b>\$10,118,221.11</b>



## 2022 Adopted Budget

### 2020 General Obligation Bonds – Public Works Operations Center

**Amortization Schedule: City made the final draw on the bond amount May 2021 for a total bond of \$4,400,000:**

Year	Due Date	Principal			Total Debt		
		Amount	Balance	Interest Rate	Interest Pmt	Service	
2020	12/1/2020		\$ 3,935,000	2.42%	\$ 3,722.76	\$ 3,722.76	
2021	5/30/2021	(465,000)	\$ 4,400,000	2.42%	\$ -	\$ -	
2021	6/1/2021	124,000	4,276,000	2.42%	\$ 47,613.50	\$ 171,613.50	
2021	12/1/2021	123,000	4,153,000	2.42%	\$ 51,739.60	\$ 174,739.60	
2022	6/1/2022	126,000	4,027,000	2.42%	\$ 50,251.30	\$ 176,251.30	
2022	12/1/2022	127,000	3,900,000	2.42%	\$ 48,726.70	\$ 175,726.70	
2023	6/1/2023	129,000	3,771,000	2.42%	\$ 47,190.00	\$ 176,190.00	
2023	12/1/2023	130,000	3,641,000	2.42%	\$ 45,629.10	\$ 175,629.10	
2024	6/1/2024	131,000	3,510,000	2.42%	\$ 44,056.10	\$ 175,056.10	
2024	12/1/2024	134,000	3,376,000	2.42%	\$ 42,471.00	\$ 176,471.00	
2025	6/1/2025	135,000	3,241,000	2.42%	\$ 40,849.60	\$ 175,849.60	
2025	12/1/2025	136,000	3,105,000	2.42%	\$ 39,216.10	\$ 175,216.10	
2026	6/1/2026	139,000	2,966,000	2.42%	\$ 37,570.50	\$ 176,570.50	
2026	12/1/2026	139,000	2,827,000	2.42%	\$ 35,888.60	\$ 174,888.60	
2027	6/1/2027	142,000	2,685,000	2.42%	\$ 34,206.70	\$ 176,206.70	
2027	12/1/2027	143,000	2,542,000	2.42%	\$ 32,488.50	\$ 175,488.50	
2028	6/1/2028	145,000	2,397,000	2.42%	\$ 30,758.20	\$ 175,758.20	
2028	12/1/2028	146,000	2,251,000	2.42%	\$ 29,003.70	\$ 175,003.70	
2029	6/1/2029	148,000	2,103,000	2.42%	\$ 27,237.10	\$ 175,237.10	
2029	12/1/2029	150,000	1,953,000	2.42%	\$ 25,446.30	\$ 175,446.30	
2030	6/1/2030	154,000	1,799,000	2.42%	\$ 23,631.30	\$ 177,631.30	
2030	12/1/2030	153,000	1,646,000	2.42%	\$ 21,767.90	\$ 174,767.90	
2031	6/1/2031	157,000	1,489,000	2.42%	\$ 19,916.60	\$ 176,916.60	
2031	12/1/2031	157,000	1,332,000	2.42%	\$ 18,016.90	\$ 175,016.90	
2032	6/1/2032	160,000	1,172,000	2.42%	\$ 16,117.20	\$ 176,117.20	
2032	12/1/2032	161,000	1,011,000	2.42%	\$ 14,181.20	\$ 175,181.20	
2033	6/1/2033	164,000	847,000	2.42%	\$ 12,233.10	\$ 176,233.10	
2033	12/1/2033	165,000	682,000	2.42%	\$ 10,248.70	\$ 175,248.70	
2034	6/1/2034	168,000	514,000	2.42%	\$ 8,252.20	\$ 176,252.20	
2034	12/1/2034	169,000	345,000	2.42%	\$ 6,219.40	\$ 175,219.40	
2035	6/1/2035	172,000	173,000	2.42%	\$ 4,174.50	\$ 176,174.50	
2035	12/1/2035	173,000	-	2.42%	\$ 2,093.30	\$ 175,093.30	
		\$ 4,400,000			\$ 870,917.66	\$ 5,270,917.66	



## 2022 Adopted Budget

### 2019 Public Works Trust Fund Loan – Downtown Stormwater Enhancements

#### Amortization Schedule:

Year	Due Date	Principal Amount	Accrued Interest	Interest	Payment Due	Loan Balance
2020	6/1/2020	-	-	-	-	126,943.19
2021	6/1/2021	31,735.80	501.01	501.01	32,236.81	95,207.39
2021	9/30/2021	(182,408.36)	-	-	-	277,615.75
2022	6/1/2022	15,423.10	3,397.21	3,397.21	18,820.31	262,192.65
2023	6/1/2023	15,423.10	4,142.65	4,142.65	19,565.75	246,769.55
2024	6/1/2024	15,423.10	3,898.95	3,898.95	19,322.05	231,346.45
2025	6/1/2025	15,423.11	3,655.27	3,655.27	19,078.38	215,923.34
2026	6/1/2026	15,423.11	3,411.58	3,411.58	18,834.69	200,500.23
2027	6/1/2027	15,423.10	3,167.90	3,167.90	18,591.00	185,077.13
2028	6/1/2028	15,423.08	2,924.21	2,924.21	18,347.29	169,654.05
2029	6/1/2029	15,423.11	2,680.54	2,680.54	18,103.65	154,230.94
2030	6/1/2030	15,423.09	2,436.85	2,436.85	17,859.94	138,807.85
2031	6/1/2031	15,423.10	2,193.17	2,193.17	17,616.27	123,384.75
2032	6/1/2032	15,423.08	1,949.48	1,949.48	17,372.56	107,961.67
2033	6/1/2033	15,423.11	1,705.80	1,705.80	17,128.91	92,538.56
2034	6/1/2034	15,423.08	1,462.11	1,462.11	16,885.19	77,115.48
2035	6/1/2035	15,423.11	1,218.42	1,218.42	16,641.53	61,692.37
2036	6/1/2036	15,423.08	974.73	974.73	16,397.81	46,269.29
2037	6/1/2037	15,423.11	731.06	731.06	16,154.17	30,846.18
2038	6/1/2038	15,423.08	487.37	487.37	15,910.45	15,423.10
2039	6/1/2039	15,423.10	243.69	243.69	15,666.79	0.00
		<b>\$ 309,351.55</b>	<b>\$ 41,182.00</b>	<b>\$ 41,182.00</b>	<b>\$ 350,533.55</b>	



# ***2022 Adopted Budget***

## ***Ordinance No. 1355 – 2022 Proposed Budget***

### **AN ORDINANCE ADOPTING THE 2022 BUDGET FOR THE CITY OF RIDGEFIELD, WASHINGTON ADOPTING THE 2022 BUDGET; AND PROVIDING FOR THE EFFECTIVE DATE THEREOF**

WHEREAS, the tax estimates and budget for the City of Ridgefield for the 2022 fiscal year have been prepared and filed as provided by the laws of the State of Washington; and

WHEREAS, the budget was printed for distribution and notice was published setting the time and place for hearings on the budget; and

WHEREAS, the 2022 proposed budget was submitted to the City Council and City Clerk on November 1, 2021, and budget workshop sessions were held on August 26, 2021, and September 23, 2021; and

WHEREAS, public hearings on the 2022 proposed budget were held on November 4, 2021, November 18, 2021, and December 2, 2021.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF RIDGEFIELD, WASHINGTON, DO ORDAIN AS FOLLOWS:

**Section 1:** Public Interest. The Ridgefield City Council finds it to be in the public interest to adopt the 2022 budget of anticipated revenues and expenditures.

**Section 2:** 2022 Budget Adoption. The annual budget for the City of Ridgefield, Washington for the year ending December 31, 2022, is hereby adopted in the amounts and for the purposes shown in Exhibits "A - F", attached hereto and incorporated herein by reference. The budget for each Department and Fund in Exhibits "A - F" is hereby adopted at the fund level and set as the appropriation limit for expenditures for the fiscal year 2022. The attached Exhibit "A" summarizes the totals of estimated revenue and expenditure appropriations for each separate fund and the aggregate total for all funds combined.

**Section 3:** The Finance Director is directed to transmit a copy of the budget hereby adopted to the State Auditor's Office, Division of Municipal Research, and to the Association of Washington Cities.

**Section 4:** Severability. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of the ordinance or the application of the provision to other persons or circumstances is not affected.

**Section 5:** Regulatory Conflicts. All other Ordinances and parts of other Ordinances inconsistent or conflicting with any part of this Ordinance are hereby repealed to the extent of the inconsistency or conflict.

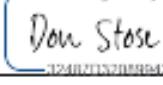


## 2022 Adopted Budget

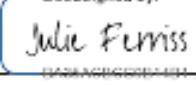
**Section 6:** Corrections. The City Clerk and the codifiers of this ordinance are authorized to make necessary clerical corrections to this ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

**Section 7:** Effective date. This ordinance shall take effect and be in full force five (5) days after the publication of the attached summary and Exhibits "A - F", which is hereby approved.

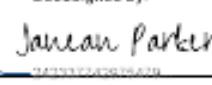
PASSED BY THE CITY COUNCIL OF THE CITY OF RIDGEFIELD, WASHINGTON THIS 2<sup>ND</sup> DAY OF DECEMBER, 2021.

DocuSigned by:  
By:   
Don Stose  
1241111111111111  
Don Stose, Mayor

Attest:

DocuSigned by:  
  
Julie Ferriss  
1241111111111111  
Julie Ferriss  
City Clerk

Approved as to Form:

DocuSigned by:  
  
Janean Parker  
1241111111111111  
Janean Parker, City Attorney

First Reading:	November 18, 2021
Second Reading/Passed:	December 2, 2021
Date of Publication:	December 8, 2021
Effective Date:	December 13, 2021



## 2022 Adopted Budget

### *Glossary of Budget Terms*

**Accrual** – Accrual accounting matches the revenues and expenses to the period the income is earned, and the expense is incurred regardless of when cash is received or disbursed.

**Adopted Budget** – Appropriations adopted by the governing body which forms the fiscal plan for the budget period.

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

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

**Arbitrage** – The purchase or sale of asset in order to profit from a difference in the asset's price between markets. It is a trade that profits by exploiting the price differences of identical or similar financial instruments in different markets or in different forms.

**ARPA** – American Rescue Plan Act of 2021. Coronavirus stimulus package approved by Congress in March 2021. The Act created the Coronavirus State and Local Fiscal Recovery Funds.

**Assessed Value** – The value of real and personal taxable property as a basis for levying Ad Valorem (property) taxes.

**Assets** – Resources acquired or purchased by the City with a monetary value.

**Audit** – Conducted by the Washington State Auditor's Office. The primary objective of an audit is to determine if the City's financial statements are presented fairly, in all material respects the respective financial position of the government.

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

**BARS** - Budgeting, Accounting, and Reporting System (BARS) prescribed by the Washington State Auditor and designed to promote uniformity among cities and counties in Washington.

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

**Budget** – Written report showing the City's fiscal plans for the budget period. It includes a balanced statement of actual revenues and expenditures during the last two periods, estimated revenues and expenditures during the current period, and estimated revenues and expenditures, as budgeted, for the upcoming period.



## 2022 Adopted Budget

**Capital Outlay/Capital Expenditures** – Funds expended for the acquisition or maintenance of fixed assets such as land, infrastructure, equipment, vehicles, or buildings.

**CLFRF** – Coronavirus Local Fiscal Recovery Funds. Created by the American Rescue Plan Act of 2021. CLFRF is the portion of the stimulus package awarded to local governments.

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

**CRESA** – Clark Regional Emergency Services. Offers emergency service management and 911 services.

**CRWWD** – Clark Regional Wastewater District. Offers sewer collection services to North Clark County including the City of Ridgefield.

**DCWA** – Discovery Clean Water Alliance. A multi-jurisdictional entity comprised of Ridgefield, Battle Ground, Clark County, and Clark Regional Wastewater District to treat wastewater in North Clark County.

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

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

**Depreciation** – An accounting method of allocating the cost of a tangible or physical asset over its useful life or life expectancy. Depreciation represents how much of an asset's value has been used up.

**DWSRF** - Drinking Water State Revolving Fund Loans. Issued in 2014 for construction of the S 56<sup>th</sup> well transmission system and one-million-gallon reservoir project.

**EDU** – Equivalent Development Unit. Measurement standard used for storm water rate charges. One EDU is equal to 3,500 square feet for Ridgefield calculations.

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

**Expenditures** – The outlay of funds paid or to be paid to obtain an asset, good or service.

**FTE** – Full time equivalent – the combination of one or more employees whose work hours equal that of a full-time position, 2080 hours, or 40 hours a week, 52 weeks a year.

**Fiscal Year** – A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of operations. (January 1 through December 31 for the City)



## 2022 Adopted Budget

**Fixed Assets** – Assets (land, infrastructure, equipment, vehicles, or buildings) that generally have a value of \$5,000 or more and a useful life of more than 1 year.

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

**FTE – Full-Time Equivalents** – Refers to the calculation of one full time employee. A full-time employee is an employee who is scheduled to work 40 hours per week or 1.0 FTE. Employees scheduled to work 20 hours per week would be 0.5 FTE.

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

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

**GAAP** – Generally Accepted Accounting Principles is a collection of commonly-followed accounting rules and standards for financial reporting. GAAP is adopted by the U.S. Securities and Exchange Commission, The Financial Accounting Standards Board, and The Governmental Accounting Standards Board.

**GASB** – The Governmental Accounting Standards Board is the organization whose mission is to improve and create financial reporting standards for state and local governments.

**General Fund** – Accounts for all financial transactions relating to governmental activities that are not required to be accounted for in another fund, such as special revenue funds, debt service fund, and capital projects fund.

**GO Bonds** – General Obligation Bonds which are backed by the full faith, credit, and taxing power of the issuing municipality.

**Governmental Funds** – Funds that are typically used to account for most of a government's activities, including those that are tax supported.

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

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

**Impact Fee** – A fee charged on new development to finance required infrastructure to support growth related projects such as roads, parks, schools, and fire facilities. The City collects and



## 2022 Adopted Budget

retains transportation and park impact fees. The City collects school impact fees and remits the balance to Ridgefield School District.

**Infrastructure** – The portion of a City's assets located at or below ground level, including the water, street, and storm systems. Clark Regional Wastewater District owns and manages the sewer infrastructure.

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

**Investment Revenue** – Revenue received as interest and dividends from the investment of idle funds not immediately required to meet cash flow obligations.

**LEOFF I and II** – Law Enforcement Officers and Fire Fighters Retirement System plan.

**LTGO** – Limited Tax General Obligation Bonds. Issued in 2017 and 2018 for the Ridgefield Outdoor Recreation Complex (RORC). Issued in 2020 for purchase of the Public Works Operations Center.

**PERS** – Public Employees Retirement System.

**PIF** – Park Impact Fees. Fees charged to new residential development. Revenues are restricted for expenditure on new park land and facilities to support the impact created by development.

**Proposed Budget** – Financial plan prepared by the City's Finance Department and Budget Advisory Committee and submitted to the public and Council for review.

**PWTF** – Public Works Trust Fund Loan. Issued in 2020 and 2021 for completion of the Downtown Storm Water Enhancement Design project.

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

**REET** – Real Estate Excise Tax. A tax charged on the sale of real estate. The City collects 0.50% on each sale. Revenue from this tax is restricted for capital projects per state statute.

**Reserves** – A portion of a fund set aside by policy for a specific purpose, i.e., operating reserves, debt service, revenue stabilization and capital repair and replacement. Reserve amounts are generally not available for use unless designated by policy or Council action.

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

**RORC** – Ridgefield Outdoor Recreation Complex.

**SIF** – School Impact Fees. Fees charged to new residential development. Revenues are restricted for expenditure on new school facilities to support the impact created by development.



## ***2022 Adopted Budget***

**Special Revenue Fund** – An account established to collect proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

**System Development Charges (SDC)** – A fee charged on new development to finance growth related water infrastructure projects.

**Tax Levy Rate** – A rate applied to all taxable property to set property tax levy amounts. It is derived by dividing the total tax levy by the taxable net property valuation.

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

**TIF** – Transportation Impact Fees. Fees charged to new residential and commercial development. Revenues are restricted for expenditure on new transportation infrastructure to support the growth created by development.

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

**WSDC** – Water System Development Charges. Fees charged to new residential and commercial development connecting to the water system. Revenues are restricted for expenditure on new water system infrastructure to support growth created by development.