

CITY OF KENNEWICK

BIENNIAL BUDGET

2023/2024



KENNEWICK, WA

City of Kennewick, Washington

2023 / 2024 Biennial Budget



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John Trumbo, Council Member

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City of Kennewick
Office of the City Manager

**BUDGET TRANSMITTAL
LETTER**

Date: November 1, 2022
To: Bill McKay, Honorable Mayor and Members of the City Council
From: Marie E. Mosley, City Manager
Subject: 2023/2024 Biennial Budget Executive Summary

The 2023/2024 biennium begins with some good news in that the pandemic restrictions and closures that our community dealt with over the last two years now appear to be behind us. However, as we emerge from the pandemic, we are now faced with other challenges, including economic uncertainty caused by inflationary pressures, rising interest rates, potential recession and many competing priorities for our limited resources. Coupled with the behavioral health challenges we face as a community, the implementation of police reform legislation enacted by the State Legislature in 2021 has created significant challenges for our public safety personnel. We also continue to experience a shortage of workforce and other affordable housing options in our community. These challenges, coupled with the impact of significant minimum wage increases in Washington State since the approval of Initiative 1433 and workforce shortages, have required us to look for creative, flexible solutions and reimagine how we continue to provide exceptional service to our community.

The years of strategic planning and the leadership of our Council and community over the past several bienniums will help us weather these uncertainties and challenges and has set us up for success in this upcoming biennium and into the future. Our Budgeting by Priorities model provides a framework to align the City's resources and focus on the highest priority needs and expectations in the community.

Although there are challenges facing our community, state and nation, it still remains a privilege to present the proposed 2023/2024 Biennial Budget for your consideration. One way to look at these unprecedented times is that the uncertainty brings challenges, and with challenges come opportunities. Throughout 2022, we have worked hard to recover from the pandemic and set the organization up for success into the future. We remain very optimistic about our future and believe that this proposed biennial budget will set us up for success into the future as we fully recover from the pandemic and remain a strong, vibrant community and organization.

We began the biennial budget planning process with a retreat in March where City Council reaffirmed the City's budgeting by priorities model and the five priority areas of Community Safety, Economic Development, Infrastructure and Growth, Quality of Life and Responsible Government.

For the most part, the 2023/2024 biennial budget maintains our existing programs and services, although there will be areas where we are recommending that programs be realigned in order to provide you with a sustainable budget for the biennium as well as into the future. Maintaining our priority services is only possible because of the ongoing strategic planning efforts that have occurred over the past bienniums.

The proposed 2023/2024 budget was developed using our Budgeting by Priorities model where all services have been prioritized based on Council's overall goals and the five major opportunity centers established by Council. These opportunity centers provide a unique vision as we continue to work on recruitment, retention and expansion of businesses in our community:

- Southridge
- Vista Field Redevelopment – improve and connect the Entertainment District to Vista Field
- Bridge to Bridge Area & Downtown – transform and connect the waterfront to the downtown
- South Kennewick Industrial Area
- Columbia Park

Our budgeting by priorities model provides a framework to make the difficult decisions necessary in these uncertain times, with inflationary pressures, rising interest rates, supply chain impacts, and other economic uncertainties. The five priority areas that form the basis of the biennial budget consist of:

- Community Safety
- Economic Development
- Infrastructure & Growth
- Quality of Life
- Responsible Government

The following identify the broad goals in each of the priority areas and the recommended implementation strategies for the 2023/2024 biennium to achieve Council's goals. These implementation strategies provide you with an overview of the changes included in the proposed 2023/2024 biennial budget, which achieves a sustainable operating and capital budget.

Community Safety – “I want to be safe where I live, work and play”

Objective: Continue to Ensure the Safety of our Community by Maintaining Current Service Levels & Partnerships.

- Council objectives are achieved through the following broad programs in Community Safety:
 - Police Services
 - Emergency Medical Services
 - Safe Drinking Water
 - Fire Services
 - Code Enforcement
 - Building Safety

The following are Council’s goals for the 2023/2024 biennium and the implementation strategies included in the proposed biennial budget:

- ***Goal #1 – Continued Focus on Combatting Criminal Gang Activity*** – Benton County voters approved a 3/10% public safety sales tax that became effective on 1/1/2015. The City of Kennewick has outlined a program to combat gang activity, which supports our previous citizen budget survey results where the majority of respondents said they were willing to pay more to combat gang activity. This budget continues the implementation and focus of achieving the commitments made to our community when they approved the public safety sales tax.

During the 2021/2022 biennium, we have remained focused on providing a safe community as we have experienced behavioral health and homelessness in our community. That, coupled with police reform legislation implemented by the State Legislature has reduced the authority allowed by our police officers which has resulted in additional strain on other areas of the organization, particularly the Fire Department. We have and will continue to work with the City’s lobbyist and our legislators to bring back some of the previous authority to our public safety personnel.

During this next biennium, we will continue utilizing the Flock safety camera system that provides an automated means to read license plates to assist in solving crimes. The City, along with other agencies in our community, received grant funding to purchase ten cameras that are strategically deployed across the City. In addition, we are continuing to review the support needed for our police department personnel. The biennial budget includes ongoing funding for an Evidence Technician position to help with the increasing demands on public safety personnel.

We will also continue to work with Benton County and the other partner jurisdictions to implement regional programs that are critical for the safety of our community, including support for the recovery center that Benton County is building and other programs to help support our officers and firefighters. These support programs include crisis responders, co-responders and other community-based outreach programs that will be implemented in partnership with Benton County Health and Human Services.

The City of Kennewick is also the lead agency on the implementation of a new police records management system and is supporting the dispatch center in the implementation of a Computer Aided Dispatch (CAD) upgrade. Both of these projects will assist our public safety personnel to be more efficient. We will also continue to evaluate and work on deployment of an online crime reporting system that will integrate with our police records management system.

- **Goal #2 – Enhance School Safety** – During the 2018-2019 school year, we worked with Kennewick School District (KSD) to implement a pilot program to place a School Resource Officer (SRO) in two of the five middle schools (Highlands and Park). This pilot program resulted in immediate success and further discussion with KSD about expanding the program to place a SRO in each of the middle schools to provide a safer environment for our youth to learn.

Since that time, school closures and other challenges associated with the pandemic paused the implementation of an SRO in each of the middle schools. However, the City remains committed to the partnership with KSD that will provide a SRO in each of the middle schools and anticipate that we will be able to implement this program in the upcoming biennium, as well as working together to find ways to increase school security in our Elementary Schools.

When we are able to move forward with this partnership, we recommend reallocating the D.A.R.E. Officer position and hiring an additional two officers to supplement the existing two middle school SRO positions (2.5 paid for by the School District and 1.5 paid for by the City, in addition to the D.A.R.E. position that will be reallocated). While we would no longer have a dedicated D.A.R.E. position, the program would continue by having each of the middle school SRO positions teach the D.A.R.E curriculum within the grade schools that feed into their assigned middle school. This will provide the five officers necessary to have a SRO in each of our middle schools, while still maintaining this important program.

- **Goal #3 – Strategic Planning for the Fire Department** – In order to properly prepare and provide for a strategic staffing and deployment model for the Fire Department, the foundation must be formed. That foundation started with a strategic plan that was completed during the 2021/2022 biennium and incorporated input from our regional partners and our community.

During the 2023/2024 biennium, the Fire Department will continue to implement the goals and priorities identified in the strategic plan to include the five overarching goals outlined below:

- **Core Services** – Strengthen our core emergency response, support functions, and proactive community risk reduction efforts
- **Staff Well Being** – Cultivate a healthy, safe and productive work environment
- **Effective Administration** – Enhance our mission through effective administration, technology, and data based decision making

- **Funding** – Sustain and improve our services by planning for funding opportunities and challenges
- **Community Engagement** – Lay the groundwork to enhance our community engagement efforts

One of the primary goals for the upcoming biennium will be to complete the work, along with our regional partners, on the standard of coverage study that will help to determine deployment strategies, resource needs and allocation to achieve the goals identified in the Fire Department Strategic Plan.

Following the standard of coverage planning effort, funding is included in the 2023/2024 biennial budget to update the ambulance utility cost of service study. This update will reflect funding received through the Ground Emergency Medical Transportation (GEMT) program that was implemented following the last cost of service study, as well as operational changes that have incurred since that time associated with the opening of Fire Station #5. This update will provide the basis for recommendations in the upcoming biennium on allocations of Fire & EMS personnel as well as ongoing General Fund operating contributions towards ambulance service.

- **Goal #4 – Provide Safe Drinking Water for our Existing and Growing Population** – In preparation for providing a sustainable operating and capital budget for the biennium and into the future, a Water/Sewer Utility rate study update was conducted during the 2021/2022 biennium. The results of this update were consistent with what has been shared with the Council over the last couple of bienniums for the most part, showing we would need rate increases at a similar level each year for the next four years in both our Water and Sewer rates. However, due to the decision to move forward with the more economical Florida Green Model for upcoming Wastewater Treatment Plant upgrades and the receipt of a low-interest State Revolving Loan rather than issuing revenue bonds to pay for these improvements, recommended sewer rate increases were lower than previously anticipated.

During the October 11th Council workshop, the results of the Water/Sewer rate study update were shared with the Council, and Council will consider the rate recommendations from the study at the November 1st Council meeting. This rate adjustment will provide the resources to sustain operations for the upcoming biennium, maintain our existing infrastructure, replace the highest priorities in terms of our aging infrastructure, and address expansion of our infrastructure to accommodate our growing community.

Additionally, the proposed rate increases will support the necessary and priority (and in some cases, multi-year) capital projects for the utility to be financed, which provides the appropriate balance between existing and future customers paying for infrastructure that benefits both classes of customers to ensure intergenerational equity.

Economic Development – “I want a diverse and vibrant economy in Kennewick”

Objective: Support Existing Businesses and the Creation of Sustainable Family Wage Jobs.

- Council objectives are achieved through the following broad programs in Economic Development:
 - Tourism
 - Economic Vitality
 - Economic Growth

The following are Council’s goals for the 2023/2024 biennium and the implementation strategies included in the proposed biennial budget:

- **Goal # 1 – Support and Promote the City’s Industrial Development Area** – The City was successful in bringing approximately 223 acres of land South of I-82 into our urban growth area and then subsequently annexing that land into the City limits. The Council adopted a comprehensive plan amendment in 2022 that identifies the land use for this area as light industrial. This industrial expansion will help to support the residential and commercial land use in Kennewick and provide for family wage jobs in the community.

During this biennium, the City will work with TRIDEC, Department of Commerce and other developer partners to bring in new industrial businesses and jobs to this area. The City will also continue to plan for and implement the extension of utilities and infrastructure into this area to facilitate future development.

- **Goal # 2 – Implement the Vision and Policies Established for the City’s Opportunity Centers** – In addition to the new Industrial Development Area (now our Southern boundary), the City has established four other opportunity centers with unique visions for the community. We will continue to work on these partnerships and look for creative funding opportunities, such as grants, financing, and the utilization of rural county capital funds (in partnership with Benton County). The proposed 2023/2024 biennial budget continues to focus on realizing the vision in these opportunity centers:
 - *Bridge to Bridge/Downtown* – In partnership with the Port of Kennewick, the Historical Downtown Kennewick Partnership (HDKP) and Benton County, we are implementing the vision to connect our waterfront to the Downtown area by continuing the investment in redeveloping the riverfront and connecting it to the Downtown area. The first two phases of the project are complete, with the Port providing the buildings for four wineries and a food truck plaza, while the City installed the associated infrastructure, utilizing Rural County Capital Funds that were allocated to the City by Benton County.

The City also received a \$500,000 Complete Streets Grant to achieve a more pedestrian friendly connection on Washington Street. Both the Port of Kennewick and the HDKP were important partners for the City to make this project a success and the improvements were completed in the current biennium. Two new tenants have opened wine tasting rooms and one of the food trucks will be building a brick and mortar storefront in this area. We will

continue to seek other partnership opportunities that will bring tourism to the waterfront and downtown areas.

- *Vista Entertainment District* – During the current biennium the City, Kennewick Public Facilities District, and A-1 Pearl Development Group continued working on a public-private partnership to bring the much needed expansion to the Three Rivers Convention Center, as well as a performing arts center, new headquarter hotel, added retail component and condominiums. Working together, the City and Kennewick Public Facilities District will build the Convention Center expansion, and A-1 Pearl will build the adjacent hotel. Upon successful completion of this first phase, A-1 Pearl will begin phase 2, which includes additional retail space, office space, and condominiums to support the entertainment district as well as the Vista Field Development vision established by the Port of Kennewick with the assistance of the community and stakeholders.

The grand opening of Vista Field occurred in the current biennium, where the Port of Kennewick has established over 20 parcels for private development that will implement the community vision for this area. Vista Field is a unique mixed use development, taking 103 acres that used to be a small airfield and creating a unique live, work, and recreate area in the center of our community.

- *Columbia Park* – In conjunction with the neighboring jurisdictions and stakeholders in the community, the City will continue to work with our Federal legislators and the US Army Corps of Engineers (USACE) to allow conveyance of the shoreline that is currently owned by the USACE and leased to the local jurisdictions to maintain. Through conveyance, the City will be able to implement some complementary commercial activity that will support the recreation efforts (that is the mission of the USACE) and provide vibrancy to a very under-utilized regional park.
- *Southridge* – Significant residential development has occurred in the Southridge area and we will be working with the property owners and developers on potential opportunities for mixed use and commercial development in this area that will utilize the infrastructure and planning that has already occurred within this area to support the existing and future residential development. The City, in partnership with the Washington State Department of Transportation (WSDOT), completed the construction of Hwy 395/Ridgeline Underpass, increasing greater access to the Southridge area for existing and future residential and commercial development. This new interchange will open in November, 2022.
- ***Goal #3 – Seek Grant Opportunities and Support Legislative Efforts for Creative Economic Development Incentives*** – The City supported new legislation providing a similar type of tax-increment financing mechanism that the City used in our Southridge area, which was the Local Revitalization Financing (LRF) program. This legislation would allow the City to provide bonding to construct the infrastructure needed for development, and utilize new tax increments generated as a result of

development to pay the debt service on the bonds. We will continue to work with our legislators, AWC and lobbyist to support this type of creative financing as well as other creative economic development incentives that will help the economy to recover from the pandemic and continue to grow and be vibrant. We also continue to seek grant opportunities at the State and Federal level that will help to achieve the goals and priorities needed in our community as we recover from the pandemic.

In partnership with the Kennewick Housing Authority (KHA), grant funding was secured to develop an affordable housing project in the area where the City owns land that used to house our City maintenance shops. A portion of the land will be vacated of city facilities and sold to KHA to begin the 52 unit housing project in 2023. There is a possibility of a second phase to this project when the City is able to fully vacate our shops from the remaining adjacent property.

Economic recovery and monitoring inflationary pressures post pandemic will remain a top priority for the City, as well as a focus on bringing tourism, tournaments and events to our region. As the economy reopened after the pandemic, the City filled the Economic Development Director vacant position in 2022 to implement the strategic goals and priorities for the City and to update the economic development strategic plan, which positions the City well to meet the goals in this priority area during the upcoming biennium.

Infrastructure & Growth – “I want a well-maintained city whose infrastructure keeps pace with growth”

Objective: Maintain existing infrastructure and build new infrastructure to support economic development & expansion.

- Council objectives are met through the following broad programs in Infrastructure & Growth:
 - Safe Streets
 - Infrastructure Planning
 - Environmental Services

The following are Council’s goals for the 2023/2024 biennium and the implementation strategies included in the proposed biennial budget:

- ***Goal #1 – Strategic Funding & Implementation of the Sustainable Capital Plan*** – The Blue Ribbon Committee was formed and provided a recommendation to the City council regarding priorities and funding for a 25-year strategic general governmental capital improvement program (CIP). Since that time, staff continues to update the 25-year capital plan. In an effort to continue implementation of the Blue Ribbon Committee’s recommendations, the following is included in this biennial budget:
 - *Pavement Preservation* – Our citizens and Council have identified pavement preservation as a priority and a need for sustainable capital funding into the future. The proposed 2023/2024 biennial budget continues the baseline commitment of \$2M annually for pavement preservation. Based on the results of the pavement preservation condition evaluation and City Council’s priority to maintain our streets, we have funded an additional \$2M in the CIP pavement

preservation allocation annually in the upcoming biennium, bringing that total biennial amount to \$8M.

- *Ongoing Funding Strategy* – Our general governmental CIP has adequate funding to provide for the priority capital projects in this biennium as well as into the future. The six-year capital program continues to maintain our existing budget policy to transfer \$1M in general governmental funding to the capital project fund annually, in addition to dedicated tax resources, transportation and park impact fees, and state and federal grants. Given our success in receiving grant funding and managing our capital projects effectively, the City has accumulated additional fund balance (reserves) that will be set aside to provide one-time funding for some of the major capital facility needs, such as expansion to the convention center and a new city hall.
- *Other Projects Included in the CIP* – the following are a list of other priority projects that are included to receive funding during the biennium:
 - *Completion of the 2021/2022 Funded Projects:*
 - Regional Animal Shelter – The cities of Pasco, Kennewick and Richland have been working together to find the most effective way to replace an end of life animal shelter facility located in Pasco. It is anticipated that the shelter design will be completed in 2022 and then construction will be completed in 2023. In alignment with this recommendation, we have included \$2M in the biennial budget for our share of the facility.
 - American Rescue Plan Act (ARPA) Funded Projects
 - Fire Station #1 and Administrative Offices
 - Steptoe/Gage Intersection Improvements
 - *Police Fleet Replacement* – ongoing funding from the capital improvement program to include replacement of mobile data terminals
 - *Fire Fleet Replacement* – Ongoing funding from the CIP & Ambulance Utility to include replacement of 14 mobile data computers and 4 additional units for existing Fire Department apparatus
 - *Parks & Street Fleet Replacement* – Ongoing partial funding for the highest priority replacements from the CIP. In addition to the high priority parks and street replacement, there is funding for a new front end loader and dump truck
 - *Fire Stations* – The City completed financing and has started construction on the replacement of Station #1. The planning efforts for a new station in our Southridge area (Station #6) will continue during the upcoming biennium in alignment with the strategic plan and in conjunction with the standard of coverage study being recommended for the Fire Department.
 - *Parks & Recreation Planning Efforts and Improvements* – The following projects are included in the biennial budget to assist in our parks, facilities and recreation planning and evaluation for the overall parks system:

- Update the Parks & Recreation Comprehensive Plan. Based on the results of the study and community feedback, a recommendation will be provided on the appropriate next steps for further master planning (such as a community center feasibility study, paths & trails master plan utilizing the Kennewick Irrigation District (KID) canals, or a civic center master plan)
- Splash Pad Improvements at the civic center pool area
- Community Dog Park – Phase 1
- Southridge Sports & Events Complex Sport Court & Lighting Improvements
- Playground Surface, Hard Surface & Court Replacement Projects
- Southridge Turf Replacement next to the splash pad and pavilion
- *Replacement of City Hall* – Currently the City has aging facilities that are in need of major repair. The proposed six-year capital improvement program anticipates selling bonds within the next five years to finance the replacement of City Hall, and covering the debt service on those bonds by reallocating existing capital dollars. We will also evaluate the Frost Facility and City Shops to determine the best overall approach to these aging facilities, while also creating a work environment that meets our objectives of providing exceptional customer service and working across departmental lines.
- *Fire Training Tower Conversion* – In conjunction with Benton County Fire District #1, we will convert the joint Fire Training Center to class B training props from the existing class A, which will provide for a safer and more effective training center.
- *Other Facility Planning Efforts* – A priority is to provide safe facilities for our employees as well as the community. In addition to the items specifically identified above, the following will be completed in the biennium:
 - Improvements to the Frost Facility in the warehouse area
 - Physical security upgrades at City facilities to provide for safe and effective operations
- *Other Public Work Projects* – The following are major projects within the six-year capital improvement program that will be completed in the 2023/2024 biennium or within the six-year horizon:
 - Salt Shed Cover at the west end of the City (10th & Steptoe), allowing for additional salt storage capacity and more effective operations during snow and ice events (2022-2023)
 - Bob Olson Parkway & Sherman Traffic Signal (2023-2024)
 - CCB Intersections at Quinault & Deschutes (2023-2024)
 - CCB Widening (2026-2027)
 - 10th Avenue – Clearwater to Bob Olson Parkway (2025-2026)
 - W. 45th Avenue Widening – Ely/Olympia (2027-2028)
 - 1st Avenue Road Diet (2025-2026)

- Implement a dedicated camera system for KPD to be placed at critical intersections throughout the City

- **Goal #2 – Continue Infrastructure Planning and Development of Creative Solutions to Achieve Council’s Strategic Goals in our Opportunity Centers** – The proposed 2023/2024 biennial budget anticipates continued work with our legislators, public and private partners to implement the vision of our opportunity centers. Some examples of those would be:
 - *Legislative Economic Development Opportunities and Incentives*
 - *Rural County Capital Funds* – In partnership with Benton County & the Port of Kennewick
 - *Grant & Loan Opportunities*
 - *Public/Private Partnership Opportunities*
 - *Infrastructure and Utility Planning* – During this biennium staff will continue to evaluate the extension of utilities into the newly established industrial area and begin the implementation in preparation for development to occur, creating job growth to support the existing and expanding residential, commercial and mixed use development.

- **Goal #3 – Implement Creative Solutions to Maintain the City’s Existing Infrastructure & Provide for Growth in the Most Efficient Manner Possible**
 - *Parks Capital Projects, Operations and Maintenance* – The Parks Department is hiring a Capital Projects Manager in 2022 to replace the existing Contracts Specialist position, in recognition of the number of capital projects and system needs. A new Program Coordinator position and a new Maintenance and Construction Craftworker position are also funded through an offsetting reduction in part-time/overtime wages for the 2023/2024 biennium. During the biennium, we will continue to evaluate the needs of the Parks, Recreation & Facilities Department to determine the appropriate service level to support the overall growth and demand for our parks, events and recreation programs.
 - *Water Sewer Rate Review* – As outlined earlier in this message, the City recently completed a rate study update for its Water and Sewer Utility and provided the results of that study to City Council during a workshop on October 11th. City Council will consider approval of this rate recommendation at its November 1st Council Meeting. As also previously discussed, this rate adjustment would provide the resources to maintain our existing infrastructure, replace the highest priorities in terms of our aging infrastructure, and address expansion of our infrastructure to accommodate our growing community. Even after these rate adjustments are implemented, City of Kennewick ratepayers will continue to have some of the lowest water and sewer rates in our local area as well as in comparison to similar sized jurisdictions across the entire state. The following are programs that would be supported by the proposed rate modifications:
 - *Continued Implementation of the Automated Metering Infrastructure (AMI)* – Completion of the AMI project will provide the ability to reallocate our existing meter reader positions to other priority needs in the City

- *WaterSmart Customer Portal* – Implement a customer portal where customers will be able to access daily usage data and receive leak alerts from the new AMI smart meters
- *SCADA Master Plan* – Review current communication and controls equipment, along with software to create a road map for technology and security enhancements and replacements
- *Wastewater Treatment Plant (WWTP) Improvements* – Design and construct the WWTP phase II biosolids plant and the most effective operations and maintenance of our infrastructure, which will require three additional WWTP Operators beginning in July of 2024
- *Zone 3 Water Transmission Main* – Design, bid and construct during this biennium
- *Water Treatment Plant* – Capacity Improvement Project
- *Fleet Replacement* – Water/Sewer utility has eight vehicles that have been prioritized for replacement and replacement reserves continue to be set aside for future replacement of the water/sewer utility fleet
- *Stormwater Rate Review* – Similar to our Water/Sewer rate study and implementation plan, we continue to implement the recommendations from our most recent Stormwater rate study. With this dedicated funding source, we recommend continuing our current operations and providing the following from the most recent study to maintain a sustainable operating and capital stormwater utility:
 - *Replacement of a dump truck*
 - *Priority Infrastructure capital needs*

Quality of Life – “I want to enjoy access to a variety of amenities and opportunities in a safe environment”

Objective: Maintain Parks, Provide for Diverse Entertainment Options, Offer Recreation Programs for a Well Planned Community.

- Council objectives are met through the following broad programs in Quality of Life:
 - Recreation & Entertainment Opportunities
 - Parks & Facilities
 - Livable Community
 - Community Planning

The following are Council’s goals for the 2023/2024 biennium and the implementation strategies included in the proposed biennial budget:

- ***Goal #1 – Support and Promote Conveyance of Columbia Park*** – In conjunction with the US Army Corps of Engineers (USACE), TRIDEC, our neighboring jurisdictions, and in partnership with our Federal legislators, we are working on conveyance of the portion of the shoreline that is no longer needed by the USACE. Columbia Park is included in that proposal and we are actively supporting this effort so that we can better utilize this regional park located along the waterfront in Kennewick. As part of this effort, the City has entered into a Memorandum of Understanding (MOU) with the Confederated Tribes of the Umatilla Indian Reservation (CTUIR) to work together on mutually beneficial projects.

- *Columbia Park Golf Course* – We continue to work with CourseCo to operate and maintain the Columbia Park Golf Course. Similarly, a lease agreement is in place for Foodies to take over the Golf Course restaurant after being notified by the Bite at the Landing that they would need to end their lease agreement. We will continue to work with Foodies to provide an option for indoor/outdoor dining in Kennewick, along the riverfront. We will also work closely with them to provide events and other opportunities at the Golf Course Club House in Columbia Park.
- *Tree Maintenance* – Included in the biennial budget are some one-time funds to maintain the aging trees in Columbia Park, along with other highly utilized parks in our community.
- **Goal #2 – Leverage Community Partnerships and Align our Service Delivery to Implement Council Goals and Priorities** – The following priority programs are recommended for implementation in the 2023/2024 biennium:
 - *Wildland/Urban Interface Mitigation Plan* – Zintel Canyon is a nature trail in our community that is very under-utilized and has several issues that require mitigation efforts so that it can be utilized as the walking path and nature trail that it was intended. The City has established a cross functional team consisting of Police, Fire, Parks, Public Works, City Attorney, Public Relations and our partner the Kennewick Irrigation District (KID). Priority needs are being identified as well as a long-term plan that will be funded in the upcoming and future bienniums. We will continue to work with the homeowners and stakeholders that abut and utilize this nature trail. In addition, we will continue to work with residents and businesses located adjacent to our southern border to provide education and suggestions to help mitigate fire hazards.
 - *Homelessness & Housing* – We will continue to work with our community partners to identify and implement creative solutions to affordable housing and homelessness concerns. Some of our partner agencies include the Kennewick Housing Authority, Benton County, and our existing social service agencies. The 2023/2024 biennial budget includes \$100,000 in funding for our cross functional homeless encampment mitigation team to proactively address encampments, homelessness and mitigation measures (including clean-up costs). We will continue to work on our partnerships to implement and address community safety needs and concerns including:
 - The Recovery Center being funded by Benton County
 - Implementation of the 1/10% sales tax measure in Benton & Franklin Counties for mental health
 - Mobile Crisis Response Teams
 - Crisis Responders and/or Co-Responders
 - Evaluate potential code changes and comprehensive planning efforts to help encourage and facilitate development of workforce housing
 - Partnership with our Community Development Block Grant (CDBG) program to provide rental assistance
 - Partnership with Benton County Human Services to address homelessness and housing needs

- *Recreation Programming & Special Events* – We are committed to align staffing resources to be able to focus on the priority programs for our community that are identified in the Parks & Recreation Comprehensive Plan to include:
 - *Special Events* – Work to streamline the event application process and add a Recreation Coordinator position to assist in processing and implementing special events in our community
 - *Youth Sports* – Continue to implement youth sports programming that is a priority for our community

- ***Goal # 3 – Prepare for Future Growth through Implementation of our Strategic Comprehensive Plan***
 - *Park & Greenway Maintenance* – In alignment with maintaining our existing level of service in our parks and throughout our greenways, we are continuing to work on creative solutions for ongoing, sustainable maintenance of our Parks & Greenways. Some of the strategies we are recommending to implement are:
 - *Tree Replacement* – Ongoing funding for the priority tree replacement and maintenance program in Columbia Park and throughout the park system.
 - *Parks & Recreation Comprehensive Plan* – As described earlier in this message, funding is included in the proposed budget for a consultant to assist and facilitate an update to the Parks & Recreation Comprehensive plan that would include a review of the priority needs in our community. Based on the results of the comprehensive planning efforts, funding is available for the priority master plan or feasibility study that is identified, examples include:
 - *Community Center Feasibility Study*
 - *Path & Trails Master Plan using the KID canals*
 - *Civic Center Master Plan*

This planning effort will need to consider other regional projects that will be undertaken during the upcoming biennium, including the Pasco PFD Aquatics Facility and the implementation of the Benton County Fairground master planning efforts. It would be our goal to provide enhancements that will complement the other projects in our community.
 - *Lawrence Scott Park Pickleball Courts* – This project began in 2022 and will be completed in the upcoming biennium and will include a 15 court pickleball complex, a sun shade structure, resurfacing and restriping the parking lot to add 115 spaces, and a new restroom. The project was funded using American Rescue Plan Act (ARPA) funds, park impact fees, corporate sponsorship and the local pickleball club fundraising.
 - *Comprehensive Planning Efforts* – Implementation of the Comprehensive Plan
 - Begin preparation for the periodic update that will be due in June of 2026
 - Codify and streamline design standards without losing integrity of and flexibility within the standards
 - Work on the housing updates to the code and comprehensive plan

Responsible Government – “I want a City government that is responsive, responsible and fiscally accountable”

Objective: Provide Exceptional Public Service, Stewardship, Transparency and a Sustainable Future.

- Council objectives are met through the following broad programs in Responsible Government:
 - Risk Management
 - Community Outreach & Engagement
 - Internal Infrastructure
 - Regional Collaboration
 - Sound Financial Management
 - Excellence in Service

The following are Council’s goals for the 2023/2024 biennium and the implementation strategies included in the proposed biennial budget:

- **Goal #1 – Utilize Innovation, Creativity and Flexibility in Program Delivery:**
 - *Cross Functional Teams & Staff Development* – during the past biennium, we have experienced a number of retirements and we will continue prepare for retirements in the next several years. Our focus is to continue to support cross functional teams and staff development that will provide effective, sustainable operations and creative solutions to make us the absolute best organization.
 - *Cross Functional Teams* – examples include:
 - Development Review – Continue to work across departmental lines and align staffing resources that will provide flexibility and creativity in working with our development community
 - Inspection Program – Collaboration with all inspection areas of responsibility and institute a virtual inspection program
 - Zintel Canyon Mitigation and other Opportunities
 - Homeless Encampment Mitigation Team
 - Code Enforcement Team – Improve coordination of the process to assist in our focus on substandard and unfit buildings and pursue receivership where appropriate on nuisance properties with deceased owners. This biennial budget includes a position that will support both code enforcement and building inspections, which will also assist in our succession planning efforts for the building inspection division.
- **Goal # 2 – Maintain and Enhance Internal Infrastructure**
 - *Implement the IT Strategic Plan* – The IT strategic plan needs to be updated and this biennial budget provides funding to update the plan. Also included in the proposed budget is funding to continue the implementation of our current strategic plan with the following programs recommended for funding:
 - *ERP/Eden System Replacement* – Continue implementation
 - *BIPIN System Replacement* – Complete implementation; including staffing resources

- *Council & Planning Commission Meeting Broadcasts* – Including the software services to support as well as IT staff overtime
 - *Network Equipment Replacement*
 - *Software Upgrade (SQL Server)*
 - *Core Switch Replacement*
 - *Backup and Recovery Device Expansion*
 - *Workstation Replacement*
- ***Goal #3 – Enhance and Leverage Strong Community Partnerships for Most Efficient and Effective Service Delivery***
 - *Succession Planning* – We continue to work with existing staff to identify successor interest and provide support to develop that staff for future leadership roles and opportunities within the organization as many of our long-term staff will be retiring and we seek to develop and retain the next generation of our workforce. Funding is included to have approximately 6 months overlap for several key positions that have provided notification of an upcoming retirement to provide cross training opportunities.
 - *Realignment of Existing Personnel* – We continue to evaluate where we can provide efficiencies in service delivery through alignment of staff across departmental lines. An example of this will be the implementation of the Automated Metering Infrastructure (AMI) system that is part of the water and sewer utility’s capital program. We will continue to evaluate how the existing meter readers can be incorporated into other areas in our organization where we have identified needs. We will also focus on implementation of priority capital and recreation programs as we continue to evaluate and realign staffing resources.
 - *Work with Partner Agencies* – We will continue to work with our public partner agencies (KID, Port, Neighboring Jurisdictions, Benton County, PUD, etc.) as well as private businesses and developers, to provide the best service to our citizens and this community.
 - *Effective Service Delivery through Public Outreach* – We will continue to outreach to the public and provide effective means for our community to work with the City. We will implement some additional software solutions that will enhance our services
 - *Citizen Connect* – Provide a means for citizens to virtually see where development is taking place as well as sign up for alerts and updates
 - *Decision Engine* – Assists customers to easily and effectively access our online services and help them quickly find information or get to the area they need by answering a few questions
 - *ClearGov* – Contract to provide a digital budget book platform and also provides for internal debt, leasing and compliance tracking
 - *Public Records* – Continue to work on efficient and effective archiving and retrieval of public records in compliance with State Statute. Evaluate an Agenda Management system and continue to expand the

- content management system City-wide for more effective records management
- *Language Line* – Work to offer meaningful access to customer facing services throughout the organization in accordance with Title VI
- *Paperless System* – Fully implement the paperless system for the Criminal Division that provides effectiveness and proper retention and coordination for records and case management
- *Budgeting by Priorities Model Evaluation* – Throughout the biennium we will be monitoring our revenue projections and providing updates. During the mid-biennium review, priority programs will be evaluated for potential consideration and the lower priority programs will be reduced or eliminated as deemed appropriate. Included in the biennial budget is funding for a Council retreat in the first part of 2024 as we begin the process to prepare the 2025/2026 biennial budget. This provides an opportunity to Council to evaluate the budgeting by priorities model and identify goals and priorities for the upcoming biennium.

At the conclusion of the 2023/2024 biennium, the voter-approved Public Safety Sales Tax (PSST) will sunset and we will be asking the community to support the positions and programs that are currently funded in Kennewick and Benton County with this revenue source. The City of Kennewick’s portion of PSST support 15 officers, 1 Assistant City Attorney, 2.5 Police Support and Public Records Unit positions, an Evidence Technician, 6 Cadet Officers, and many other public safety programs that allow us to be most effective and proactive in the community. Vacant positions will be closely monitored as we are dealing with the post-pandemic economy and inflationary pressures.

- ***Goal #4 – Recruit, Retain, Promote and Support our City Employees***
 - *Officer Health & Resiliency/Staff Wellbeing* – During 2022 we implemented a pilot program to provide behavior health and crisis support to our public safety personnel. In addition, both police and fire are working on processes and procedures for a peer support program that will be evaluated during the upcoming biennium.
 - *Hire, Promote and Retain the best and the brightest* – As we continue to face challenges attracting and hiring talented, qualified staff for critical positions, we are implementing some new programs that will assist with recruitment:
 - *Careers in Government* – Provides a more effective means to recruit and retain positions with the most qualified candidates
 - *NeoGov Onboarding* – Improves our overall onboarding experience
 - *Spark Hire* – Provides efficiency in reviewing candidates for positions
 - *Background Investigations* – Provides additional funding to be able to complete background investigations more effectively as we are working to fill many vacant public safety positions
 - *Creative & Flexible Opportunities* – Continue to identify and implement creative and flexible work hours, remote work and other opportunities to help recruit and retain staff to support and implement Council’s strategic goals.

- **Contract Negotiations and Non-Contract Compensation** – Continue to review pay and benefits of our comparators, work with Council to set bargaining parameters and continue to implement our pay for performance program for non-contract employees
- **Other Employee Programs** – Continue to evaluate other new programs during the biennium for potential implementation, including employee engagement events, leadership development, and employee engagement survey. These will be evaluated during the biennium and implemented dependent upon staffing resources and priorities

The implementation of your Council goals for each of the priority areas are realized in this proposed biennial budget that also provides for sustainable operating and capital budget strategies into the future. The implementation of these recommendations will become my and the organization's performance goals for the 2023/2024 biennium.

Although we have presented a balanced and sustainable budget, we recognize there are vulnerabilities that exist in this budget and are prepared to address them during the upcoming biennium as we continue to utilize a Budgeting by Priorities strategic approach to decision making. In addition, there are strategic funding opportunities that would provide a more sustainable operating and capital budget into the future and achieve Council's long-term goals and priorities that are also aligned with the priorities that we heard from our citizens. Some of the vulnerabilities and opportunities that we will be monitoring and discussing with Council in the upcoming biennium are:

- **Post Pandemic Recovery and Inflationary Pressure** – The economy is still recovering from the pandemic and we continue to be prepared to support development and new businesses in our community. The inflationary pressures we are currently experiencing create uncertainty for developers and investors with inflation currently at near 40-year highs. With interest rates also rising in an effort to combat inflation, and lingering supply chain issues, many experts feel a recession could occur in 2023. Other factors that could impact the economy are the war in Ukraine and potential for new COVID-19 variants. If the revenue projections utilized to prepare the 2023/2024 biennial budget do not materialize, we will be prepared to recommend additional actions that may be necessary in alignment with our budgeting by priorities model and our broad goal of providing a sustainable operating and capital budget not only for the biennium but also into the future.
- **Contracted Services** – The City of Kennewick has some very large contracted services, such as Jail, District Court, Probation Services, Dispatch Services, Emergency Management, Golf Course Management, Collective Bargaining Contracts, and others. In many cases, we have limited control over what our annual assessments will be for these contracts. We will continue to closely monitor these large expenditures and be prepared to modify the budget as needed if our current estimates do not materialize.
- **State Challenges and Potential Unfunded Mandates** – We will be working to preserve the City's existing state shared revenues, continuing to support revenue

flexibility and trying to ensure that additional unfunded mandates are not enacted or that additional fees and charges from the State are not passed on to local governments.

- **Strategies for Aging Infrastructure and Sustainable Capital Funding** – Identifying funding for critical transportation infrastructure, City facilities, and other capital projects continues to be both a challenge and an opportunity for the City. It is important for the City to maintain the proper balance when allocating its limited resources between capital programs and the operating needs of the City and to continue exploring opportunities for dedicated funding sources, like the Transportation Benefit District (TBD) or Metropolitan Park District (MPD) that are discussed below. We will continue to consider these dedicated funding options with Council during the upcoming biennium.
 - *Transportation Benefit District* – The State has allowed this revenue option to be specifically dedicated for transportation funding. Some of the considerations in reviewing a TBD in the future are discussed below:
 - *Pavement Preservation* – In alignment with past citizen survey results, road maintenance and repairs are a priority for our citizens. This funding source could be dedicated to our pavement preservation program, allowing the City to maintain our existing streets as we identify the priority projects through our pavement management system. This funding source may also provide an opportunity to enhance the City’s pavement preservation program within residential neighborhoods.
 - *State Legislature & Transportation Commission* – We continue to hear from the State Legislature and Transportation Commission that they expect local governments to implement their local funding options before requesting additional state funding. The State has also not been sympathetic to local governments losing state-shared revenues if they have not fully implemented the funding sources directly available to them. We may possibly continue to see pressure from the State to implement our local taxing authority in order to maintain our current state-shared revenues and continue to receive grant opportunities from the State in the future.
 - *Water Sewer & Stormwater Rate Reviews* – We will continue to evaluate and update our rate study for our water and sewer and stormwater utilities prior to the next biennium to determine how their operating and capital programs are actually performing compared to the rate review expectations. We have utility infrastructure priorities as well as operating needs as we prepare for a sustainable utility into the future. It is important that we balance the burden of infrastructure improvements to our existing and future ratepayers, which can be achieved by financing some of the larger, multi-year infrastructure improvements.
 - *Ambulance Utility* – The most recent cost of service study for the utility identified the full costs to provide Emergency Medical Services (EMS) in our community. We have appropriately allocated our Fire & EMS costs to the

Ambulance Utility (Emergency Medical Services) and the General Fund (Fire Suppression, Prevention and Training). There remains a significant General Fund contribution required to support the Ambulance Utility, leaving a future opportunity to align the cost to provide EMS services with future rate adjustments, resulting in a more sustainable utility and General Fund operation. Funding is included in this biennial budget to update the ambulance utility cost of service study and provide additional recommendations to the Council resulting from the study.

- *Metropolitan Park District* – The implementation of a voter-approved Metropolitan Park District (MPD) would provide a dedicated funding source for parks, trails, and recreation programs within our community. As we continue to review sustainable options that implement the goals and priorities of the Council and our citizens, we may want to consider the opportunities that a MPD can provide to the City of Kennewick and potentially to our region. The biennial budget includes funding for the Parks & Recreation Comprehensive Plan update which may provide recommendations for projects and services that are needed in our community. An MPD could be a funding source to consider for those park and recreation projects and programs.
- *Public Facility District* – The Kennewick and Regional Public Facilities District (PFD) is another opportunity to provide priority regional amenities for our community. As we continue to work with the Port of Kennewick to implement the vision of Vista Field and our developer partners to implement the vision of the entertainment district, we will continue to evaluate a combination of options. Those options may include a project utilizing the authority established by the PFD in combination with existing sources that implement the community vision for the Entertainment District and help spur private development opportunities.

In addition to providing a sustainable capital budget, the Council’s budgeting by priorities model, described below, will allow us to proactively address changes to priorities or budget assumptions that occur during the biennium.

- **Budgeting by Priorities** – During this biennial budget process over 300 services were identified and prioritized. This effort allows the City to respond quickly to any unanticipated reduction in revenues or increase in costs that occur during the biennium. The lower priority services will continue to be evaluated to determine if there is an alternative way to deliver these services, or a reduction in service level or elimination of these services is necessary as we continue to evaluate budget vulnerabilities during the upcoming biennium.

It is important to note that lower priority items are not services deemed needless, inefficient or unwanted by our community. The City takes great pride in delivering every service and citizens have certain expectations for each one. In recent years, City departments have significantly streamlined programs and increased efficiencies to meet priorities with fewer staff and increased population. Due to these recent efforts, further reductions or reallocations in any of these services will be challenging to

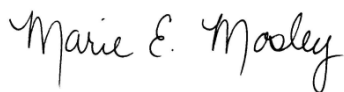
implement, will result in further vulnerabilities, and may also be difficult for our citizens to accept.

In summary, I believe this proposed biennial budget is fiscally responsible and provides our citizens with creative means to deliver priority services. We recognize there are vulnerabilities, and we are prepared to strategically address them in the upcoming biennium using our budgeting by priorities model to allocate resources based on the priorities of Council and our community for service delivery. During the upcoming biennium we will continue to review and consider strategies that will provide sustainability into the future. The implementation of Council's strategic goals through this biennial budget will set the City up for success and provide a sustainable operating & capital budget and path forward into the future.

I would like to acknowledge and thank our employees who work diligently every day to implement City-wide goals and objectives by providing exceptional customer service to our citizens and who critically evaluate the most innovative and effective manner to deliver those services. I would also like to thank the Department Head team for carefully reviewing their budget submittals and recognizing that there are limited resources to be allocated to City-wide priorities. They have approached this biennial budget as a team and from the perspective of identifying the services our citizens expect as a whole from the City, not from a departmental perspective. They continue to implement innovative solutions for effective service delivery. Finally, I would like to thank Dan Legard, Deputy City Manager for his leadership in preparing the biennial budget document. He and the Finance staff have done an exceptional job, with limited resources, much uncertainty, under a very tight timeframe, while also implementing a new financial software system.

I would be happy to answer any questions that you have regarding this biennial budget and strategies for continuing to optimize our limited resources into the future.

Respectfully,



Marie E. Mosley
City Manager

Budget Award

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award for Distinguished Budget Presentation to the City of Kennewick for its biennial budget for the biennium 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 an operating guide, as a financial plan and as a communication device.

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



Budget Ordinance

CITY OF KENNEWICK ORDINANCE NO. 5997

AN ORDINANCE ADOPTING THE BIENNIAL BUDGET FOR THE YEARS
2023/2024

THE CITY COUNCIL OF THE CITY OF KENNEWICK, WASHINGTON, DO ORDAIN AS
FOLLOWS:

Section 1. The biennial budget containing the total set forth for each fund for the years
2023/2024 is established as follows:

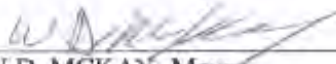
General Fund	\$ 121,188,416
Street Fund	<u>5,545,461</u>
Subtotal - Operating Budget	126,733,877
Urban Arterial Street Fund	3,170,000
Capital Improvement Fund	53,834,300
Water and Sewer Fund	105,475,231
Building Safety Fund	5,883,000
Medical Services Fund	35,204,879
Coliseum Fund	9,326,400
Stormwater Utility Fund	6,965,250
Columbia Park Golf Course Fund	956,000
Equipment Rental Fund	15,516,451
Risk Management Fund	6,244,944
Central Stores Fund	693,087
Debt Service Fund	7,498,598
LID Guaranty Fund	39,500
Arterial Street Fund	8,000,000
Cash Reserve Fund	3,200,000
BI-PIN Operations Fund	2,080,161
Community Development Fund	1,873,600
Asset Forfeiture Fund	241,000
Public Safety Fund	4,769,250
Lodging Tax Fund	5,584,500
Criminal Justice Sales Tax Fund	8,258,000
HIDTA Fiduciary Program Fund	4,000,000
Coronavirus Fiscal Recovery Fund	2,296,640
Firemen's Pension Fund	1,436,000
OPEB Trust Fund	<u>6,221,600</u>
GRAND TOTAL	<u>\$425,502,268</u>

Budget Ordinance

Section 2. This Ordinance shall be in full force and effect five (5) days from and after its passage, approval, and publication as required by law.

PASSED BY THE CITY COUNCIL OF THE CITY OF KENNEWICK, WASHINGTON this 15th day of November, 2022, and signed in authentication of its passage this 15th day of November, 2022.

Attest:



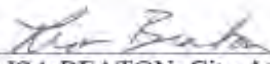
W.D. MCKAY, Mayor



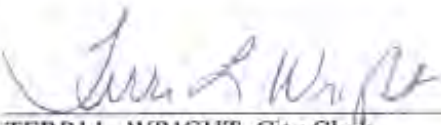
TERRI L. WRIGHT, City Clerk

ORDINANCE NO. 5997 filed and recorded in the office of the City Clerk of the City of Kennewick, Washington this 16th day of November, 2022.

Approved as to Form:



LISA BEATON, City Attorney



TERRI L. WRIGHT, City Clerk

DATE OF PUBLICATION 11-18-2022

Budget Calendar

Major Steps In Budget Preparation	Status & Update Schedule & Notes	City of Kennewick Schedule
1. Prepare updated projections for 2021/2022 and 2023/2024 for operating funds		11/9/21 – Workshop (Mid-biennium review)
2. Council Retreat		3/4/22 – 3/5/22
3. Spring Budget Adjustment		5/3/22
4. Prepare revised projections for 2021/2022 and 2023/2024 biennium for the Operating Funds		6/1/22 – 6/30/22
5. Biennial Budget Review (Council Workshops & Community Outreach)		May, 2022-November 2022
6. Internal Service Budget Managers meet with Departments to solicit feedback		6/30/22 - 8/5/22
7. Prepare Internal Service Fund Budgets:		6/30/22 - 8/5/22
a. Fleet Maintenance		
b. Risk Management		
c. Central Stores		
d. Meter Reading		
e. Information Systems		
f. Position Allocation		
8. Budget instructions delivered to Departments	By second Monday in September (9/13/22)	6/30/22
9. Departments review and update position allocation		7/15/22
10. Finance completes other internal items:		8/5/22
a. Estimates of '23/'24 beginning fund balance		
b. Projected debt service (Internal & External)		
c. Projected interfund transfers		
d. Projected contribution to PFD		
e. Interfund charges for service & OH		
f. Non-Departmental items		
g. Projections on large contract items		
h. Preliminary revenue projections		
i. Non-Capital, Non-Agency related Special Revenue Funds		
11. New program requests due from Depts.	By fourth Monday in September (9/26/22)	7/29/22
12. Budget requests due from Depts.	By fourth Monday in September (9/26/22)	8/5/22
13. Finance finalizes position budgeting		8/19/22

Budget Calendar


Major Steps In Budget Preparation	Status & Update Schedule & Notes	City of Kennewick Schedule
14. Draft preliminary budget due to CM for review	On or before the first business day of the third month prior to the beginning of the fiscal year (10/3/22)	9/9/22
15. City Manager reviews proposed budgets with Department Directors		9/6/22 – 9/28/22
16. City Manager provides City Council with updated estimates on 2023/2024 revenue sources		9/27/22
17. City Manager decisions on new programs		10/3/22
18. Toyota Center & Ice Arena and Columbia Park Golf Links draft budgets due to Finance		10/3/22
19. City manager prepares preliminary budget and budget message and files with City Clerk	At least 60 days before the ensuing year (11/02/22)	11/01/22
20. Copies of the proposed budget made available to the public	Not later than 6 weeks before January 1 st (11/18/22)	11/01/22
21. The legislative body, or a committee thereof, must schedule meetings on the budget or parts of the budget		Budget Workshops: 11/01/22 & 11/8/22
22. Setting property tax levies:	November 30 th for all Cities and Towns	
a. Review with Council at workshop		a. 11/08/22
b. Public hearing on revenue sources and property tax ordinance		b. 11/15/22
c. File certified levy with County		c. 11/18/22
23. Clerk publishes notice of filing of preliminary budget with City Clerk and publishes notice of public hearing on final budget once a week for two consecutive weeks		11/01/22 & 11/08/22
24. Adoption of Biennial Budget for 2023/2024:		
a. Public Hearing	On or before the first Monday of December, and may be no later than the 25 th day prior to the next fiscal year (12/07/22)	a. 11/15/22
b. Budget Ordinance	Following the public hearing and prior to the beginning of the ensuing fiscal year	b. 11/15/22

BUDGET SUMMARY



Bill McKay
Mayor

All Wards



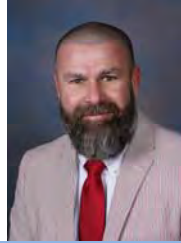
Gretl Crawford
Mayor Pro Tem

Ward 1



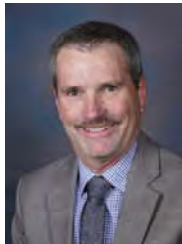
Loren Anderson

Ward 2



Brad Beauchamp

All Wards




Jim Millbauer

All Wards



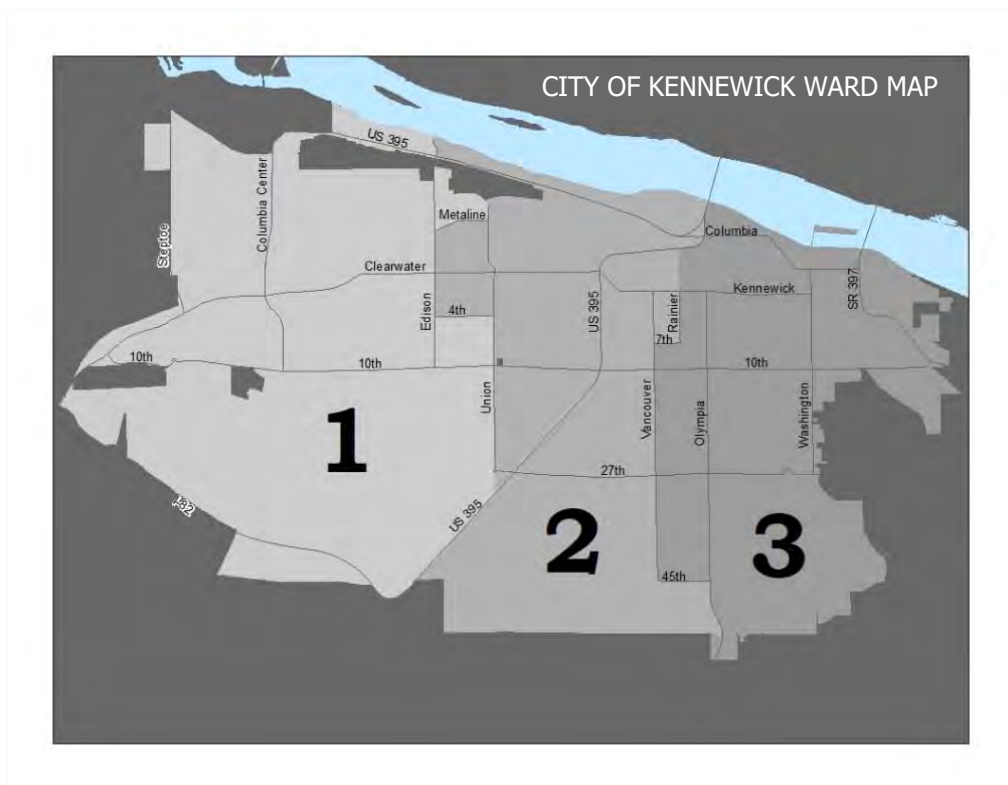
Charles Torelli

All Wards



John Trumbo

Ward 3



City Council’s Mission

Building on Kennewick’s history and heritage, our vision for Kennewick includes a strong and diverse local economy that takes advantage of our unique location and resources; a process of orderly growth, which supports and strengthens existing neighborhoods; and a governance structure based upon open communications and participation.

Bill McKay, Mayor
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Mr. McKay was first elected to the City Council in 2018 and elected as Mayor in 2022. He is a long time Kennewick resident and businessman. Mr. McKay’s background in farming, along with having been a loan officer and small business owner has given him a unique experience in working with cities as a developer, lender, and property owner.

Mr. McKay is currently serving on the Joint Coliseum Advisory Committee, LEOFF Disability Board, Firemen’s Pension Board, and Tri-Cities National Park Committee. He also serves as an alternate on the Benton County Mosquito Control District, Energy Communities Alliance, and Tri Cities Development Council Executive Board (TRIDEC).

Gretl Crawford, Mayor Pro Tem
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Ms. Crawford was elected to the City Council in 2022 and was promptly appointed Mayor Pro Tem. She is a long time resident and business owner in the City of Kennewick. She brings her design, construction and business experience to her role on council and feels it is her time to give back to this great community.

Ms. Crawford is presently serves on the Benton Franklin Housing Continuum, Benton Franklin Council of Governments, Historic Downtown Kennewick Board, Tri-Cities Development Council Executive Board (TRIDEC), and VISIT Tri-Cities. She also serves as an alternate on the Kennewick FOCUS Board and Tri Cities Regional Chamber of Commerce Board.

Loren Anderson, Council Member
.....

Mr. Anderson grew up in the Yakima Valley and moved to Kennewick in the summer of 2004 to start a dental practice. In addition to work and family, he has served in his local congregation and especially enjoys working with younger generations. He was inspired to run for City Council as a way to give back to his community.

Mr. Anderson is currently serving on the Kennewick FOCUS Board, Parks and Recreation Commission, and Tri Cities Regional Chamber of Commerce Board. He also serves as an alternate on the Good Roads and Transportation Association and VISIT Tri-Cities.

Brad Beauchamp, Council Member

Mr. Beauchamp was elected at large to the City Council in 2019. His priorities focus on government’s responsibility to provide essential infrastructure, water and sewer services, and security through police and fire.

Mr. Beauchamp presently serves on the Ben Franklin Transit Board, Benton County Mosquito Control District, LEOFF Disability Board, and the Lodging Tax Advisory Committee. He also serves as an alternate on the Block Grant Advisory Committee and Parks and Recreation Commission.

Jim Millbauer, Council Member

Mr. Millbauer was elected to the City Council in 2019. He has called Kennewick home since 1987 and has been a UA Local 598 pipefitter for 39 years. His focus is to create more opportunity for economic development, make public safety a priority, and work together on building a better community through projects that support responsible growth.

Mr. Millbauer is currently serving on the Block Grant Advisory Board, Energy Communities Alliance, Good Roads and Transportation Association, and the Tri Cities Regional Public Facilities District. He also serves as an alternate on the Benton Franklin Community Action Committee, Benton Franklin Housing Continuum of Care, Hanford Communities Governing Board, Lodging Tax Advisory Committee, and Benton County Solid Waste Advisory Committee (SWAC).

Charles Torelli, Council Member

Mr. Torelli was elected at large to the City Council in 2019. He has lived in Kennewick since 1985 and retired from Hanford in 2011 after a thirty-four year career. Chuck’s priorities are economic development and managed long-term planning.

Mr. Torelli currently serves on the Joint Coliseum Advisory Committee, Hanford Communities Governing Board, and Benton County Solid Waste Advisory Committee (SWAC). He also serves as an alternate on the Benton County Law and Justice Council.

John Trumbo, Council Member

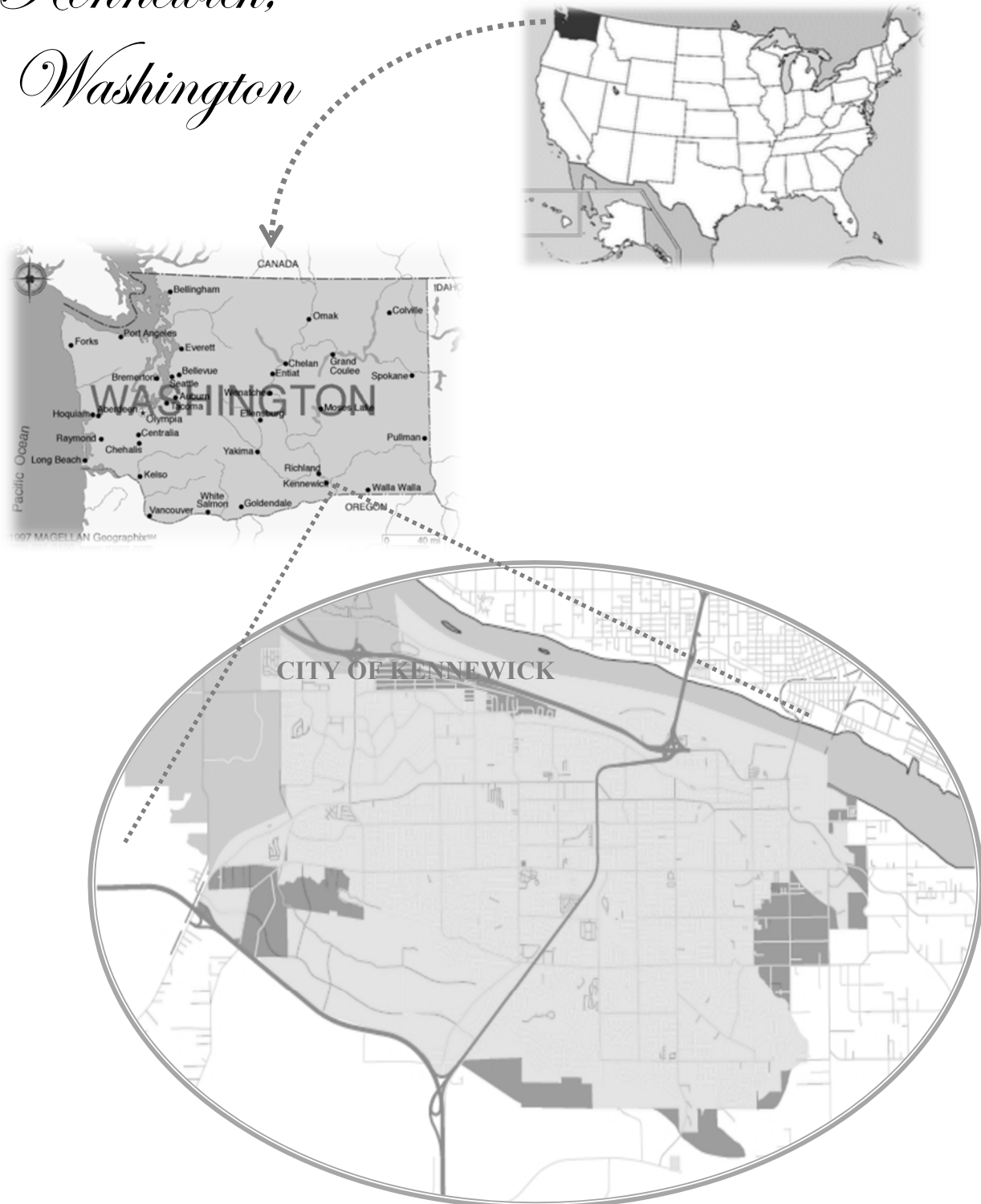
Councilman Trumbo was elected to the council effective January 2014. His priorities are to ensure open and accountable government, growing industrial development, revitalizing the riverfront and downtown Kennewick and addressing issues that affect the oldest and historic areas of the city.

Mr. Trumbo is currently serving on the Benton County Law and Justice Council, Benton Franklin Community Action Committee, Hanford Advisory Board, and the Kennewick FOCUS. He also serves as alternate on the Benton County Mosquito Control District Board and the Block Grant Advisory Committee.

**City Council
Priority Areas**

- *Community Safety*
- *Responsible Government*
- *Quality of Life*
- *Economic Development*
- *Infrastructure & Growth*

*Kennewick,
Washington*



HISTORY

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Kennewick is located in southeast Washington at the confluence of the Columbia, Snake and Yakima Rivers, in the heart of the Washington state wine growing region. With its sister cities of Richland and Pasco, the area is commonly known as the Tri-Cities. Kennewick is roughly 27 square miles in size and with a population of 85,320, it is the largest of the Tri-Cities. The Tri-Cities Metropolitan Statistical Area has an estimated population of 308,293.

Kennewick was first home to the Chemnapum Indians. The name 'Kennewick' means "Winter Haven", an appropriate title for an area where the tribe gathered in the mild climate to trade, fish, and pasture their horses. Kennewick was later founded by railroad workers in the 1880's, and was incorporated in 1904. The Northern Pacific Railroad built an irrigation canal in 1903, bringing much needed water to the arid land. With irrigation came agriculture and beginning in 1913, it was Concord grapes that put Kennewick's name on the map. At one time it was said that there were more acres of Concord grape vineyards in Kennewick than anywhere in the world. Kennewick remained a small agricultural community until World War II. During the war, the Hanford Nuclear Reservation was developed by the federal government just north of the Tri-Cities. This led to tremendous growth in the community and forever changed the course of the area. In the mid-1970's Energy Northwest (previously known as the Washington Public Power Supply System) built three nuclear electric generating plants at the Hanford site. Today Kennewick has a unique blend of agriculture, industry and atomic energy.

ORGANIZATION

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The City has a Council-Manager form of government. The City Manager is appointed by the City Council as the chief executive officer of the City and is responsible to the Council for the proper administration of all City business. The Council is comprised of seven Council members, one of whom is appointed by its members to serve as Mayor for two years. Though Chairman of the Council and the presiding member at weekly Council meetings, the Mayor has an equal vote with other Council members. Council members are elected by the citizens of Kennewick to serve a four-year term. Council members are part-time elected officials who exercise the legislative power of the City and determine matters of policy.

The City provides a full range of services normally associated with a municipality. These include police and fire protection, emergency medical services, street construction and maintenance, planning and zoning, parks and recreation, and general administrative services. In addition, the City operates a water and sewer utility and a separate stormwater utility.

The City prepares its biennial budget in accordance with Optional Municipal Code 35A.33 of the Revised Code of Washington. All governmental fund type budgets are prepared on the modified accrual basis of accounting in conformity with generally accepted accounting principles (GAAP). The budget for proprietary funds is prepared on an accrual basis, also in accordance with GAAP. The legal level of budgetary control where expenditures cannot exceed appropriations is at the individual fund level.

Revisions that alter the total expenditures of any fund must be approved by the City Council and adopted by Ordinance. All appropriations, except for capital projects, lapse at the end of the biennium. In December 2000, the Kennewick Public Facilities District was formed with a primary mission to

build and operate a regional convention center as allowed by Washington state statute. The Kennewick Public Facilities District is included in the City’s reporting entity as a discretely presented component unit because of the financial accountability relationship. The City appoints the Public Facilities District five-member board. The Convention Center is located in an area known as the Vista Entertainment District and resides next to the City’s coliseum and ice arena facilities, known as the Toyota Center and Arena. The ability to market both facilities in conjunction with one another provides a unique potential for expanded tourism and economic development opportunities.

LOCAL ECONOMY

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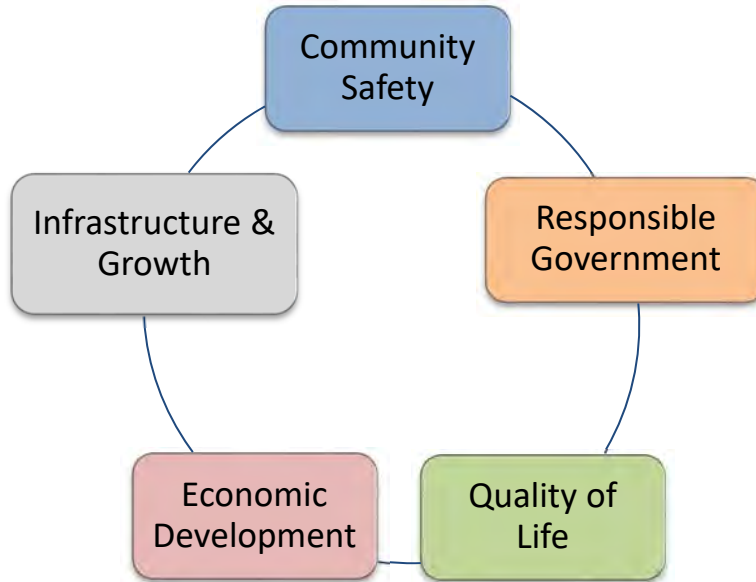
Despite ongoing challenges associated with the Coronavirus (COVID-19) pandemic, the local economy for the City of Kennewick and the Tri-Cities region as a whole has been relatively strong for the majority of the City’s 2021/2022 biennium. The federal American Rescue Plan Act (ARPA) approved in March of 2021 included a tremendous amount of federal stimulus funding and direct financial support for state and local governments, as well as their citizens, which seemingly allowed for a quicker economic recovery from initial impacts of the COVID-19 pandemic and also helped to insulate the economy from any significant downturns as new COVID-19 variants prompted further statewide health and safety restrictions.

Since April of 2021, the unemployment rate for the Kennewick-Pasco-Richland Metropolitan Statistical Area (MSA) has steadily declined and most recently was at 4.8% in August of 2022, which is slightly below the unemployment rate at this same time in 2019, prior to the pandemic. Total non-farm jobs also reached an all-time high in the region in August, at approximately 124,300.

The City of Kennewick has also continued to experience significant growth, despite a brief pause during the months of the COVID-19 pandemic. The City’s most recent preliminary assessed value for its 2023 property tax levy is just over \$9 billion, which represents a 14% increase when compared to the prior year and includes over \$195 million in new construction that was added to the property tax rolls over the past 12 months. Building permit activity in Kennewick also demonstrates strong growth. To date in 2022, the City has issued 470 commercial building permits with a total valuation of nearly \$142 million. Additionally, 884 residential permits have been issued with a valuation of almost \$87 million.

The relatively strong local economy in our region, coupled with federal economic stimulus, has translated into significant growth in many of the City of Kennewick’s major revenue sources over the last two years. However, as many ARPA programs began to wind down beginning in the final few months of 2021, new economic challenges surfaced, including supply chain disruptions, labor shortages, and high inflation. More recently, geopolitical instability associated with the war in Ukraine and rising interest rates aimed at reducing inflation have added to economic instability at the national level. Many economists are now predicting that a recession will occur in the United States within the next twelve months. However, due to the significant influence that the federally funded Hanford site has on the overall health of the economy in the Tri-Cities, the economic challenges experienced nationally, or even in other areas of the State of Washington during a national recession, often do not have the same affect locally. Because of this, the City anticipates a more modest economic slowdown for the upcoming biennium, and has developed its 2023/2024 budget based on this assumption.

DIVISION RELATIONSHIP TO PRIORITY AREAS



	Community Safety	Responsible Government	Quality of Life	Economic Development	Infrastructure & Growth	Page / Ref
CITY MANAGER	✓	✓	✓	✓	✓	75 - 78
CITY ATTORNEY	✓	✓	✓	✓		79 - 82
FINANCE DEPARTMENT						83 - 100
Finance		✓			✓	
Customer Service	✓	✓	✓			
Human Resources	✓	✓	✓			
Economic Development		✓	✓	✓	✓	
MANAGEMENT SERVICES DEPARTMENT						101 - 116
Purchasing/Fleet Maintenance		✓				
City Clerk		✓				
Information Systems	✓	✓				
CDBG/HOME			✓			
COMMUNITY PLANNING						117 - 126
Planning	✓	✓	✓	✓		
Building Safety	✓	✓	✓			
POLICE DEPARTMENT						127 - 142
Administration	✓	✓	✓	✓	✓	
Patrol	✓	✓	✓	✓	✓	
Criminal Investigation	✓	✓	✓	✓	✓	
Community Services	✓	✓	✓	✓	✓	
FIRE DEPARTMENT						143 - 154
Administration	✓	✓			✓	
Prevention	✓	✓	✓			
Operations	✓	✓	✓		✓	
PARKS & RECREATION						155 - 159
Parks, Facilities & Recreation		✓	✓	✓		
PUBLIC WORKS DEPARTMENT						160 - 173
Engineering	✓	✓	✓		✓	
Utility Services	✓	✓	✓		✓	
Streets, Traffic & Stormwater	✓	✓	✓		✓	

**DEPARTMENT/FUND
RELATIONSHIP**

Budget Summary

The following chart provides a summary of each functional department’s relationship to the budget by individual fund within the fund accounting type. The summary includes the designation of the major funds for the current biennial budget. A major fund is any fund whose revenues or expenditures, excluding other financing sources and uses, constitute more than 10% of the revenues or expenditures of the appropriated budget.

FUND	City Attorney	Finance	Management Services	Planning	Police	Fire	Parks/ Recreation	Public Works
GENERAL GOVERNMENT OPERATIONS								
General Fund - Major Fund	✓	✓	✓	✓	✓	✓	✓	✓
Street								✓
CAPITAL PROJECTS								
Urban Arterial Street								✓
Capital Improvement - Major Fund			✓			✓	✓	✓
ENTERPRISE & INTERNAL SERVICE								
Water & Sewer - Major Fund								✓
Building Safety				✓		✓		
Medical Services - Major Fund		✓				✓		
Coliseum Fund		✓						
Stormwater								✓
Columbia Park Golf Course							✓	
Equipment Rental			✓					
Risk Management	✓	✓						
Central Stores			✓					
DEBT SERVICE								
Debt Service		✓						
LID Guaranty		✓						
SPECIAL REVENUE								
Arterial Street								✓
Cash Reserve Fund		✓						
BI-PIN Operations			✓					
Community Development			✓					
Asset Forfeiture Fund					✓			
Public Safety					✓			
Lodging Tax Fund		✓						
Criminal Justice Sales Tax	✓				✓			
HIDTA Program		✓			✓			
Coronavirus Fiscal Recovery		✓	✓		✓	✓	✓	✓
FIDUCIARY/TRUST FUNDS								
Fire Pension Fund		✓						
OPEB Trust Fund		✓						

**DEPARTMENT / DIVISION
OPERATING BUDGET BY FUND TYPE**

Budget Summary

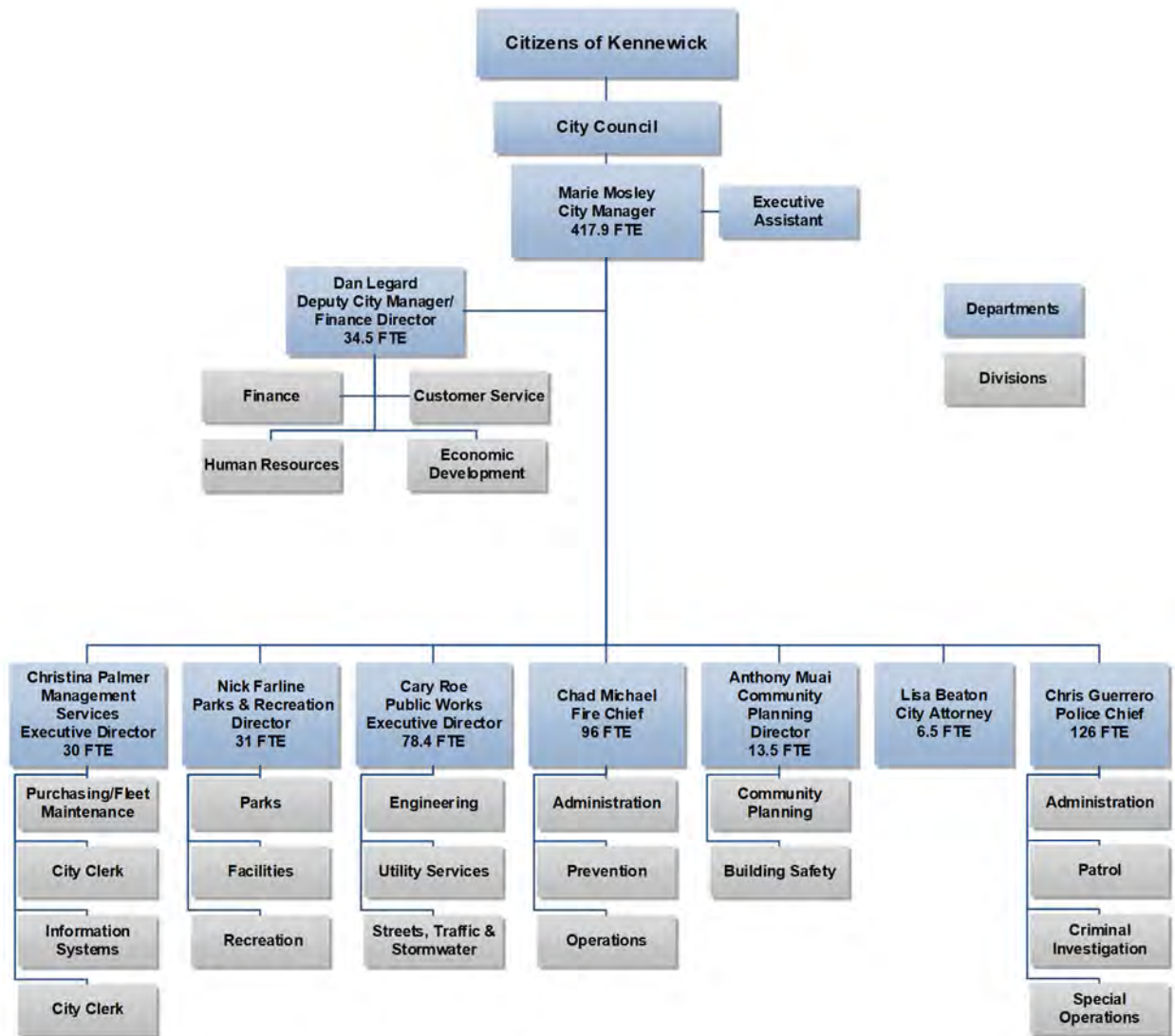
The following chart provides a summary of each division's operating budget, sorted by department. The summary includes the source(s) of funding by fund accounting type and the number of full-time permanent employees utilized by the department in providing their programs. Further details on the services provided by each department can be found beginning on the page number referenced on the right-hand column of this chart.

DEPARTMENT / DIVISION	FTE	GENERAL FUND	SPECIAL REVENUE FUNDS	ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS	TOTAL	PAGE # REF.
GENERAL GOVERNMENT							
City Council	7.00	\$ 553,441	\$ -	\$ -	\$ -	\$ 553,441	71
City Manager	2.00	880,771	-	-	-	880,771	75
Department Totals:	9.00	1,434,212	-	-	-	1,434,212	
CITY ATTORNEY	6.50	1,801,155	323,216	-	4,162,517	6,286,888	79
FINANCE DEPARTMENT							
Finance	10.70	2,980,176	-	205,692	-	3,185,868	85
Customer Service	16.60	2,976,456	-	669,739	-	3,646,195	89
Human Resources	4.60	1,687,700	-	-	183,744	1,871,444	93
Economic Development	2.60	809,465	-	-	-	809,465	97
Department Totals:	34.50	8,453,797	-	875,431	183,744	9,512,972	
MANAGEMENT SERVICES DEPARTMENT							
Purchasing / Fleet Maintenance	7.33	990,834	-	-	4,555,930	5,546,764	103
City Clerk	3.33	672,644	-	-	-	672,644	107
Information Systems	18.34	8,289,238	2,064,661	-	-	10,353,899	110
CDBG/HOME	1.00	-	823,800	-	-	823,800	114
Department Totals:	30.00	9,952,716	2,888,461	-	4,555,930	17,397,107	
COMMUNITY PLANNING							
Planning	4.67	1,403,055	-	-	-	1,403,055	119
Building Safety	8.83	-	-	3,882,856	-	3,882,856	123
Department Totals:	13.50	1,403,055	-	3,882,856	-	5,285,911	
POLICE DEPARTMENT							
Administration	5.00	10,146,056	194,720	-	-	10,340,776	129
Patrol	69.00	19,880,316	5,460,365	-	-	25,340,681	131
Criminal Investigation	29.00	11,622,646	259,048	-	-	11,881,694	135
Special Services	23.00	5,827,413	583,711	-	-	6,411,124	139
Department Totals:	126.00	47,476,431	6,497,844	-	-	53,974,275	
FIRE DEPARTMENT							
Administration	3.00	561,695	-	5,034,281	-	5,595,976	145
Support Services	7.50	1,530,200	-	386,432	-	1,916,632	147
Operations	85.50	7,112,937	-	26,606,910	-	33,719,847	151
Department Totals:	96.00	9,204,832	-	32,027,623	-	41,232,455	
PARKS & RECREATION	31.00	13,465,050	-	871,000	-	14,336,050	155
PUBLIC WORKS DEPARTMENT							
Engineering	14.60	4,687,505	-	-	-	4,687,505	162
Utility Services	44.95	-	-	37,002,210	-	37,002,210	166
Streets, Traffic & Stormwater	18.85	-	5,545,464	3,706,752	-	9,252,216	170
Department Totals:	78.40	4,687,505	5,545,464	40,708,962	-	50,941,931	
Total Program Budget:	424.90	\$ 97,878,753	\$ 15,254,985	\$ 78,365,872	\$ 8,902,191	\$ 200,401,801	

This schedule is designed to indicate departmental relationship to operating activity. Therefore, it excludes capital outlays, interfund transfers, debt service expenditures, fund balances and non-departmental activity.



City Organizational Chart



Where does your tax dollar go?



Total 2022 Property Tax - \$9.65

(Per \$1,000 of Assessed Valuation)

	2018	2019	2020	2021	2022
City of Kennewick:					
General Fund	\$2.1708	\$1.9894	\$1.8587	\$1.8169	\$1.7099
Voted G.O. Bonds	0.0000	0.0000	0.0000	0.0000	0.0000
Total City	2.1708	1.9894	1.8587	1.8169	1.7099
State	3.1670	2.7391	3.0680	2.6783	2.6301
County	1.2788	1.1708	1.0830	1.0590	1.0114
School District	5.0049	3.5092	3.6812	3.6953	3.6340
Library District	0.3671	0.3443	0.3283	0.3154	0.2943
Hospital	0.1336	0.1209	0.1130	0.1114	0.1047
Port	0.3333	0.3068	0.2825	0.2786	0.2621
Total	\$12.4555	\$10.1805	\$10.4148	\$9.9549	\$9.6465

TAXES

Taxes are the City’s most important source of funding and make up 72% of the City’s operating revenues. They include Sales & Use taxes (42.7%), Property tax (31.6%), Utility taxes (23.2%), Gambling taxes (1.6%), and Admissions and Leasehold excise taxes (0.9%).

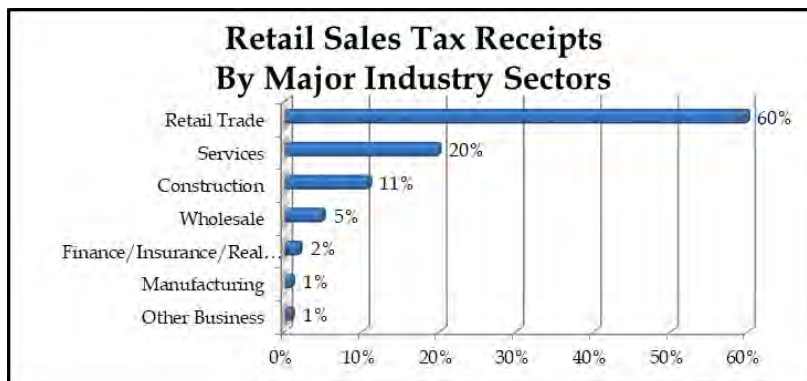
SALES & USE TAXES

Most retail sales within the City of Kennewick are subject to an 8.7% sales tax. The majority of this tax goes to the state (6.5%) with the remainder being distributed to the City of Kennewick (0.85%), Benton County (0.35%), Ben Franklin Transit Authority (0.60%), Public Safety (.30%) and Criminal Justice (0.10%).



The projected sales tax revenue for the 2023/2024 biennium are \$60.8 million overall (including regular, optional, public safety, and criminal justice sales tax revenues), making it the largest single tax revenue source for the City. Of this amount, \$39.1 million is used to support operating fund services, \$6.6 million in voter-approved sales tax is dedicated towards criminal justice programs, and the remainder (\$15.1 million) is allocated to the Capital Improvement Fund for capital improvements and debt service obligations. The 2023/2024 biennial projections for sales tax reflect an anticipated economic slowdown in the Tri-Cities region correlating with the national economic slowdown or recession many economists are predicting due to high inflation and rising interest rates that may stymie growth. Sales tax projections for the coming biennium also take into account that sales tax receipts for the City increased significantly in 2021 and 2022 due primarily to federal stimulus. Based on these factors, projected sales tax revenue for 2023 assumes a slight decline of 2.5% when compared to revised projections for 2022 sales tax results, while projected revenue for 2024 assumes a 2.5% growth rate when compared to projected results for 2023. Considering the City’s reliance on sales tax revenue, sales tax receipts will be monitored closely throughout the biennium.

The underlying sources of sales tax revenue were also considered as a factor in our projections. The bar graph shows the City’s sales tax receipts by major industry sectors. Retail Trade activity remains the largest industry sector for the City, bringing in roughly 60% of the total revenues received during 2021. Sales tax revenues from service related activities made up 20% of the total, while the construction sector, which can be volatile, made up 11% of total sales tax revenues in 2021.



PROPERTY TAXES

Property taxes are local taxes assessed on property owned, such as real estate, and are measured by the value of the property as determined either by the fair market value or the appraisal valuation completed by the County Assessor’s office. These taxes are billed by the County Treasurer, who then distributes them to the various state, school, county, city and district funds as levied. Prior to 1997, a taxing district could increase property tax collections by up to 6%, provided they did not exceed their state statutory limit, which is \$3.325 per \$1,000 of assessed valuation for the City of Kennewick. In November of 1997, Washington State voters approved Referendum 47, which added an additional limit factor. This legislation stated that cities with a population of 10,000 or more could only increase their levy by the rate of inflation or 6%, whichever was *less*. However, taxes on new construction, changes in value of state-assessed utility property, and newly annexed property were exempted from the limit factor and could be added to the tax levy. Inflation was defined as the increase in the national Implicit Price Deflator (IPD), which is published annually by the Bureau of Economic Analysis. In November of 2001, Washington voters again passed Initiative-747 further limiting the allowed increase in property tax levies to the IPD or 1%, whichever is *less*. I-747 was declared unconstitutional in the fall of 2007 by the State Supreme Court. However, the 1% cap established under I-747 was made into state law in an emergency legislative session later in the year. The increase in the IPD from July 2021 to July 2022 was 6.457%, which means the maximum allowable levy increase for 2023 is 1% of the 2022 levy (plus taxes on new construction, changes in value of state-assessed utility property, and any newly annexed property). An exception to these limitations is if the jurisdiction has “banked capacity”. Banked capacity is the difference between the maximum amount a taxing district could have levied under the law and the amount it actually levies. The City of Kennewick has roughly \$0.017 per \$1,000 of assessed valuation in banked capacity, or approximately \$143,000.



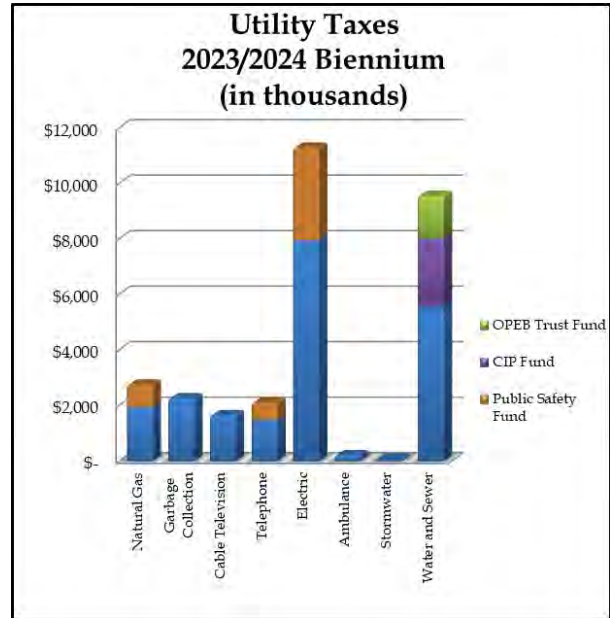
The total 2022 property tax levy for city residents is \$9.65 per \$1,000 in assessed valuation. Of this total, the City of Kennewick levy is \$1.71. What this means is that only 18 cents of every dollar city residents pay in property taxes comes back to the City as revenue. Most of the property taxes paid by residents go to support public schools (65%).

UTILITY TAXES

Utility taxes may be levied on the gross operating revenues earned by public and private utilities from operations within the city limits. The City of Kennewick currently receives utility taxes from natural gas, garbage collection, cable television, telephone, electric and its water/sewer, stormwater and ambulance utilities. Legislation passed in 1982 limits the tax rate that the City may impose on gas, electric, and telephone utilities to 6%, unless a vote of the people authorizes a higher rate. There are no restrictions on the tax rates for water, sewer, ambulance and stormwater utilities. The Cable Communications Policy Act of 1984 governs the rate on cable television and states that the

rate cannot be “unduly discriminatory against cable operators and subscribers”. This means that if a city has set all its tax rates at 7%, then the rate for cable television may not exceed 7% as well.

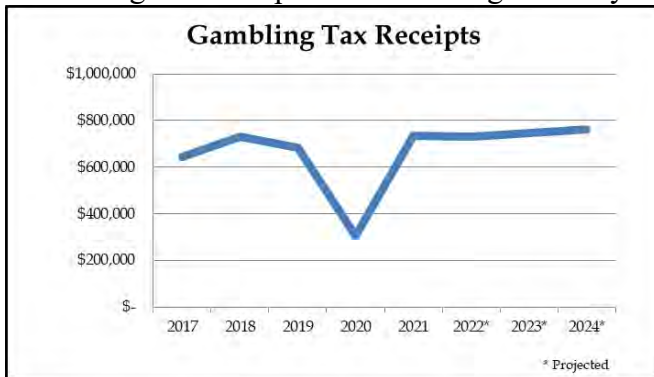
In the spring of 1995 voters approved an additional 2.5% utility tax on electric, natural gas and telephone services which is required to be used for public safety purposes. This 2.5% initially funded 32 positions (21 Police and 11 Fire personnel) and is accounted for separately within the Public Safety Fund. The City of Kennewick currently levies an 8.5% utility tax on electric, natural gas and telephone services. The total levy on cable and garbage is 7%. The total levy on the City’s Water and Sewer Fund is 15.5%, of which 2.5% is allocated to the City’s Other Post-Employment Benefits (OPEB) Trust Fund to pay the City’s medical costs for LEOFF 1 retirees and 4% is allocated to the City’s Capital Improvement Fund for debt service on bonds issued for the replacement of existing fire stations. Additionally, a 1% tax is levied on the City’s stormwater and ambulance utility service revenues.



GAMBLING EXCISE TAXES

Cities that choose to allow gambling activities within their borders may tax the gambling revenues from those activities. State law limits the rate for bingo and raffles to 5% of the gross revenue, less the amount paid for prizes. Amusement games can be taxed at 2% of gross revenues, less the amount paid for prizes, and card games can be taxed at 20% of the gross receipts. The maximum tax rate and the way in which tax is calculated for punchboards and pull-tabs differs depending on whether the operator is a non-profit or for profit organization. Cities are allowed to tax non-profit operators up to 10% on their net receipts. Commercial operators may be taxed at either 1) up to 10% of their *net* receipts, or 2) up to 5% of the *gross* receipts. State statute requires that cities that assess this tax “shall use the revenue primarily for the purpose of enforcement of the provisions in the gambling code”. The City currently levies at 10% for punchboards, pull-tabs, and card rooms; 5% for bingo; and 2% for amusement games. Card rooms remit their taxes on a monthly basis directly to the City while all other gambling establishments remit their taxes on a quarterly basis.

Gambling tax receipts decreased significantly in 2020 due to the COVID-19 pandemic and the Governor’s order requiring the closure of non-essential businesses for several months.



However, revenue from this source quickly recovered once these restrictions were lifted. The projection for 2022 gambling tax receipts is \$733,000, which exceeds pre-pandemic revenue amounts. The projected revenue for 2023 and 2024 assumes 2% growth in each year.

ADMISSIONS & LEASEHOLD TAXES

Admissions Taxes:

The City collects a 5% admissions tax on admission charges greater than \$0.10, with the exception of school events. The admissions tax on events at the Toyota Center & Arena are accounted for separately in the General Fund and are dedicated to offsetting the General Fund operating contribution to the facilities and, in the event that no operating contribution is needed, will be dedicated to repayment of the debt service. All other admission taxes are accounted for in the General Fund and are used to pay for general operating costs. Similar to gambling taxes, admissions taxes declined significantly in 2020 due to the COVID-19 pandemic and closure of most non-essential businesses during the year. However, admissions tax revenues have not recovered as quickly as gambling taxes since the beginning of the pandemic. The 2023/2024 projection for admission tax revenue assumes tax receipts will increase by 2% each year of the biennium, which would bring revenue from this source back to the total amount received prior to the pandemic by the end of 2023.

Leasehold Taxes:

Most leases of publicly-owned real and personal property in Washington State are subject to a leasehold excise tax in lieu of a property tax. The tax is applicable to lease income from tax-exempt properties leased for activities that are not tax-exempt. In 1976, the State established a 12% levy to be collected on either the contract rent (when the lease is established by competitive bidding), or in other instances, by the imputed economic rent as determined by the State Department of Revenue. In 1982, the legislature added a 7% surcharge making the total rate 12.84%.

Cities and counties are authorized to levy up to 6% of this 12.84%. The maximum rate the county can impose is 6% and the maximum that the city may impose is 4%. The county is further required to give a credit against the county tax rate for the full amount of any city tax imposed upon the same taxable event. These taxes are remitted to the Department of Revenue who then distributes them, less an administrative fee, to the local agencies on a bi-monthly basis. The City of Kennewick currently imposes a 4% tax rate on the rental value of leased publicly-owned properties. The 2023/2024 biennial projection for this tax revenue source is approximately \$135,000, making it the smallest tax revenue source for the City.

LICENSES & PERMITS

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BUSINESS LICENSES & PERMITS

Business taxes and licenses can be classified into three categories:

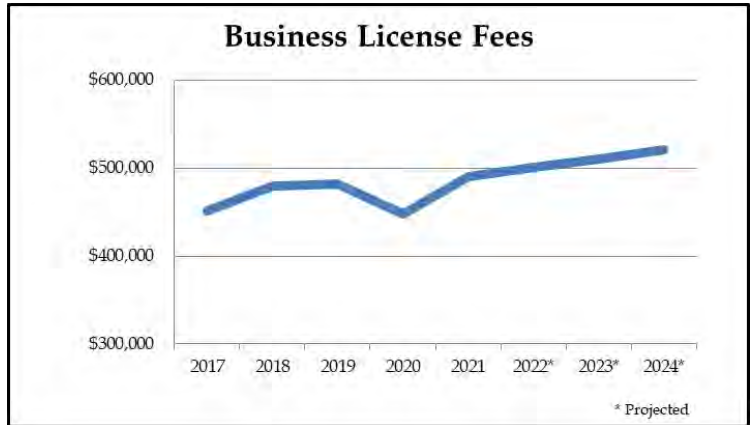
1. General Business and Occupation Taxes: Excise (percentage) taxes levied on different classes of businesses to raise revenue. These taxes are levied at a percentage rate on the gross receipts of the business less certain deductions.
2. Regulatory License Fees: These fees are collected to cover the cost of registering and ensuring compliance with city ordinances. These fees are set at a flat rate per license in an

OPERATING REVENUES

amount designed to recover the costs of registering the business, issuance and maintenance of the license, and enforcement.

- 3. Revenue-Generating Regulatory License Fees: These fees have various rates depending on the classification to which the business is categorized. These classifications are defined by the city and each business within a specific classification must be charged the same fee.

The City of Kennewick business license fees are considered Revenue-Generating Regulatory License Fees. Businesses pay a \$55 base fee plus \$5 per FTE to operate within the city. An FTE is calculated based on 1,920 hours per year. Due to the COVID-19 pandemic, business license revenue declined by 7% in 2020. However, business license activity and revenue quickly recovered to pre-pandemic levels in 2021 and thus far in 2022.



Business license revenue is projected to increase by 2% in both 2023 and 2024.

OTHER LICENSES & PERMITS

This category includes Construction Engineering Permits and Gun Permits. Construction Engineering Permits are projected to be \$1.4 million for the 2023/2024 biennium, based on the average amount collected annually between 2018 through 2022. Gun Permits are projected to be \$72,100 for the 2023/2024 biennium, which reflects a 2% increase each year of the biennium.

INTERGOVERNMENTAL REVENUES

STATE-SHARED REVENUES

State-shared revenues are revenues that are collected by the state and cities, as a group, receive a fixed percentage of the revenues. Allocations to individual jurisdictions are made on a per capita basis. These revenues are derived from two main sources: 1) Liquor receipts and 2) Motor Vehicle Fuel Excise Tax (Gasoline Taxes).

Liquor Board / Liquor Excise Tax

Since cities are responsible for the policing of liquor establishments located within their limits, but were precluded from taxing them because of the state liquor monopoly, state law has historically provided that a share of the state-collected profits and taxes be returned to cities to help defray policing costs. In November of 2011, the citizens of Washington approved Initiative 1183, which privatized the distribution and sale of liquor in the state beginning in July of 2012. Under the initiative, cities were guaranteed to receive at least the same share of liquor board profits they received in 2011, plus an additional \$10 million for public safety. The Initiative made no other change to the historical model for state-shared liquor excise tax distributions. To be eligible to receive liquor taxes and profits, state law requires a city to devote at least 2% of its distribution to

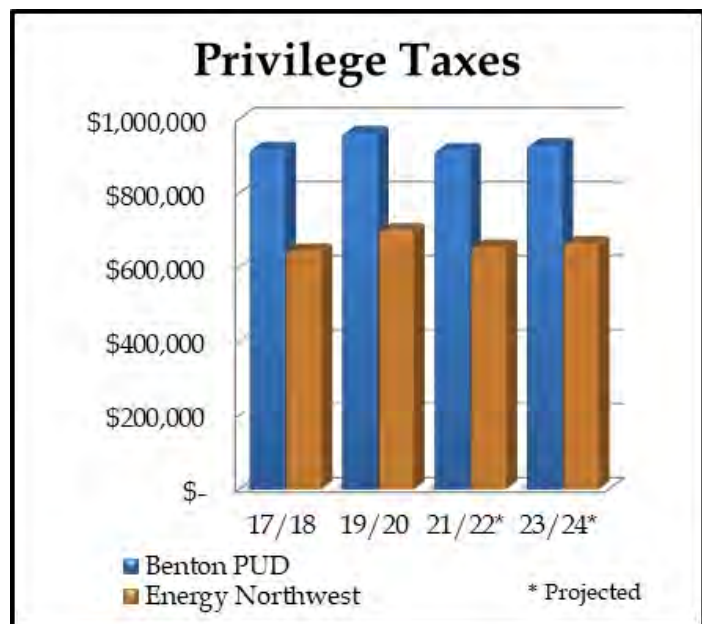
support an approved alcoholism or drug addiction program. From 2012 through 2015, the State Legislature enacted several temporary reductions to the amount of state-shared liquor revenues received by cities, primarily in an effort to balance their operating budget. The legislature also permanently reduced liquor excise tax distributions to cities by \$10 million each year and diverted those funds to the State’s General Fund, which effectively eliminated the additional \$10 million in liquor profits that cities were provided under Initiative 1183. At the conclusion of the State’s 2015 fiscal year, the temporary reductions that had been enacted for city distributions expired. The City’s projection for state-shared liquor revenues in the 2023/2024 biennium is \$2,462,300 and assumes no reduction to the current level of funding received.

Gasoline Tax

Because the federal and state governments have preempted the taxation of gasoline, the state has provided that the state-collected gasoline tax is to be shared with cities. After a total increase of 11.9 cents to the gas tax resulting from a statewide transportation package passed by the state in 2015, the state currently levies 49.4 cents per gallon on motor vehicle fuel, of which a small portion is actually shared with cities and are restricted for street construction or maintenance purposes. The 2023/2024 biennial estimate for gas tax is \$3,536,400 based on projected per capita estimates and current population of the City. The estimates reflect a reduction in statewide travel and fuel sales in 2022 due to extremely high fuel prices.

Privilege Taxes

The state levies a privilege tax on public utility districts (PUDs) that generate, distribute and sell electric energy. This tax is considered to be an excise tax in lieu of property tax and is imposed on facilities other than thermal electrical facilities, at a rate of 2.14% of gross revenues. After various deductions by the state, 37.6% is distributed to public schools and 62.4% is distributed to the counties in proportion to the sales generated in each county. The County is then required to distribute a portion of these funds to the City in a manner they deem most equitable, which must be at least 0.75% of the gross revenues generated from the sale of electricity within the city limits.



The City receives the minimum required distribution of 0.75% from Benton County, which is estimated to be approximately \$929,000 for the 2023/2024 biennium. The state also levies a privilege tax on thermal electric generating facilities at a rate of 1.5% of the wholesale value of energy produced for use or sale. This rate only applies to the facility located on the Hanford reservation, which is operated by Energy Northwest. Half of the proceeds from this tax are retained by the state for public schools and the other half is distributed among the local taxing districts within the “impacted area” based on their population relative to the total population within the “impacted area”. The impacted area is defined to mean the area within 35 miles of the southern entrance to the Hanford Reservation. Of the 50% distribution, counties receive 22%, cities receive 23%, fire districts receive 3% and certain library districts receive 2%. The 2023/2024 projection for this tax is \$665,000, which assumes a 1.5% annual growth rate.

Criminal Justice Taxes

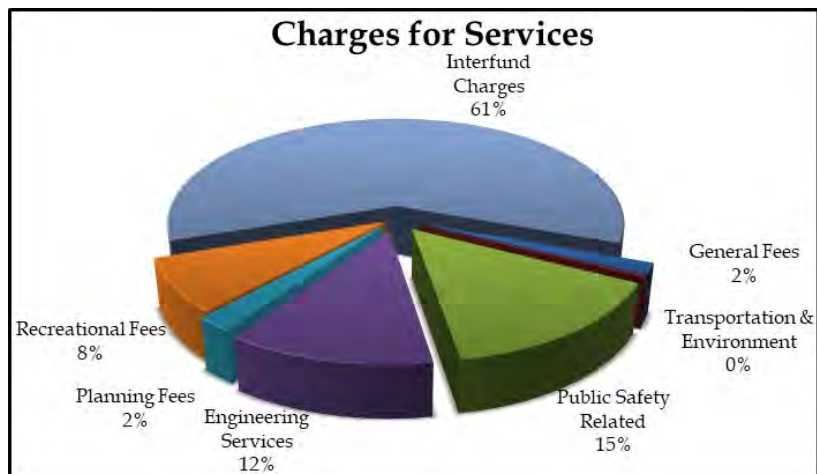
Cities may receive two allocations of criminal justice revenue under the terms of RCW 82.14.320 (“High Crime”) and RCW 82.14.330 (“Violent Crime-Population”). Each is funded by a transfer from the State General Fund and is distributed in January, April, July, and October. Beginning in fiscal year 2000, this transfer was \$4.6 million for each category and is required to be adjusted annually by a defined growth factor. “Violent Crime - Population” funding is distributed to cities as follows:

- 20% - Distributed to cities with a three-year average violent crime rate in excess of 150% of the statewide three-year average. Distributions are made on the basis of population; however, no city may receive more than \$1 per capita.
- 16% - Distributed to cities based on population, with each city receiving a minimum of \$1,000 per year.
- 10% - Allocated to cities that contract for law enforcement services.
- 54% - Distributed to cities on a per capita basis and must be used for 1) innovative law enforcement strategies; 2) programs to help at-risk children or child abuse victim response programs; and 3) programs designed to reduce the level of domestic violence or provide counseling for domestic violence victims.

The City of Kennewick does not qualify to receive the 10% allocation for law enforcement services since it does not contract for these services. The 2023/2024 biennial projection for the 20% “High Crime” allocation is \$526,000, while the projected 16% allocation is \$63,100 and the 54% allocation is \$221,000. Each item was estimated using projected per capita distributions based on the City’s current population.

CHARGES FOR SERVICES

The charges for service category includes charges and fees to cover the cost of providing services or programs as well as regulatory activities. These fees are based on the direct and indirect costs associated with the activity including administrative overhead and include general fees, animal control services, public safety related fees, engineering services, planning fees, recreation fees, and interfund overhead charges.



General fees and charges include court/warrant fees, reimbursements for city personnel from third party agencies, and legal services fees. Public safety related fees include alarm system charges, record check/police report fees, police outside employment charges, impounded vehicle charges, housing of prisoners, School Resource Officer contracts, and fire protection services. Total charges for services in the operating funds are projected at \$10.2 million for 2023/2024 biennium, which is roughly 8% of the total operating budget. This projection was calculated using a 2% growth factor for annual revenue amounts in most cases.

FINES AND FORFEITURES

This category includes fines for failure to provide proof of insurance, traffic infraction penalties, parking infraction fees, DUI penalties, nuisance abatement fees, misdemeanor penalties, public defense fees, court cost recovery, jury demand fees, drug disposal restitution, court interpreter fees, and JIS/trauma fees. Total fines and forfeitures in the operating funds are projected to be roughly \$965,900 for the 2023/2024 biennium, which represents less than 1% of the total General and Street Fund revenues. This projection was calculated assuming a 2% increase in fines and forfeiture revenue in both 2023 and 2024.

MISCELLANEOUS REVENUES

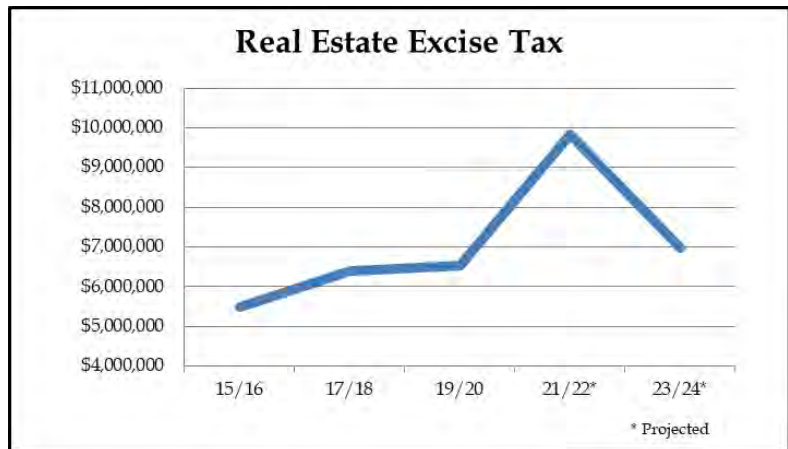
Miscellaneous revenues include interest earnings, rents/leases/concessions, donations, bad debt collections, and other miscellaneous revenues. The 2023/2024 biennial estimate for this category is \$1,208,800, which reflects current interest rates and revenue from park and facility rentals at 100% of pre-pandemic levels throughout the biennium.

OTHER FINANCING SOURCES

Other financing sources consist entirely of interfund operating transfers in. The 2023/2024 operating budget includes approximately \$4.8 million in operating transfers from the City’s Public Safety Fund to the General Fund of the 2½% voted utility tax on electric, natural gas and telephone that is dedicated to pay a portion of 32 public safety positions that are paid from the General Fund.

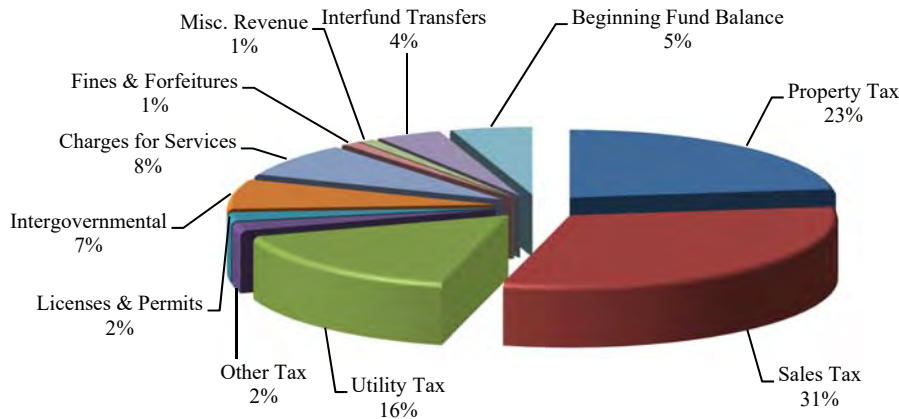
REAL ESTATE EXCISE TAX

Real estate excise taxes (REET) are not an operating revenue source for the City, as these taxes are legally restricted for capital purposes; however, a discussion is included here as this is a major revenue source for the City. REET is levied on all sales of real estate, measured by the full selling price, including the amount of any liens, mortgages, and other debts given to secure the purchase. The state levies this tax at the rate of 1.28% and the City levies an additional 0.5% for a total levy of 1.78%. With the exception of a minor amount allowed for maintenance costs, these funds are required to be used for capital projects that are listed in the Capital Facilities portion of the Comprehensive Plan. The City utilizes all of its REET for capital projects or debt service associated with the financing of eligible capital projects. Because this revenue source is dependent upon real estate activity, it can be very volatile. Despite the pandemic, the City experienced significant growth in REET during the 2021/2022 biennium. Based on this spike in revenue, and an anticipated downturn in the economy, a conservative estimate of \$7 million from this revenue source is budgeted, which reflects a 3% increase when compared to the 2019/2020 biennium.



SOURCES OF FUNDING – OPERATING FUNDS

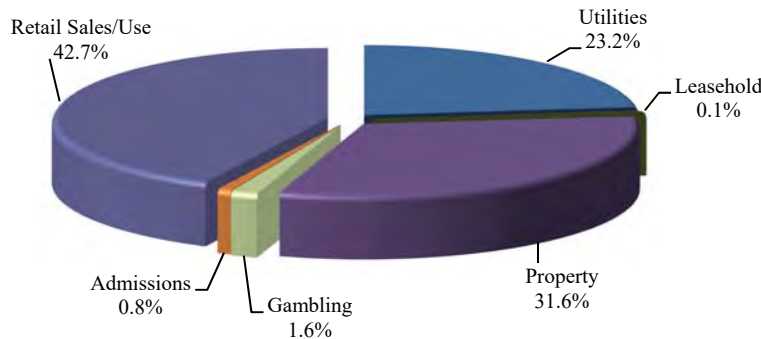
2023/2024 Adopted Budget



Sources of Funding Operating Funds	2019-2020	2021-2022	2023-2024	21/22 - 23/24	
	Actual	Adjusted Budget	Adopted Budget	\$ Change	% Change
Property Tax	\$26,311,230	\$27,279,108	\$28,969,702	\$1,690,594	6%
Sales Tax	32,681,573	38,244,700	39,089,200	844,500	2%
Utility Taxes	18,789,199	19,055,936	21,220,300	2,164,364	11%
Other Taxes	1,563,499	1,688,700	2,343,400	654,700	39%
Licenses & Permits	2,724,268	2,450,175	2,806,600	356,425	15%
Intergovernmental	13,956,025	10,545,086	9,103,100	(1,441,986)	-14%
Charges for Services	9,233,576	10,100,740	10,257,625	156,885	2%
Fines & Penalties	1,834,413	1,960,200	965,900	(994,300)	-51%
Miscellaneous Revenue	910,253	967,500	1,208,800	241,300	25%
Interfund Transfers	4,746,124	4,789,542	4,769,250	(20,292)	0%
Subtotal Revenues:	112,750,160	117,081,687	120,733,877	3,652,190	3%
Beginning Fund Balance	3,275,166	5,966,211	6,000,000	33,789	1%
Total Sources	\$116,025,326	\$123,047,898	\$126,733,877	\$3,685,979	3%

**ESTIMATED TAX REVENUES
OPERATING FUNDS**

2023/2024 Adopted Budget



Tax Revenue Operating Funds	2019-2020	2021-2022	2023-2024	21/22 - 23/24	
	Actual	Adjusted Budget	Adopted Budget	\$ Change	% Change
Property Tax	\$26,311,230	\$27,279,108	\$28,969,702	\$1,690,594	6%
Sales Tax	32,681,573	38,244,700	39,089,200	844,500	2%
Utility Taxes	18,789,198	19,055,936	21,220,300	2,164,364	11%
Gambling Tax	992,384	1,093,600	1,511,000	417,400	38%
Admissions Tax	436,904	466,000	697,900	231,900	50%
Leasehold Excise Tax	134,211	129,100	134,500	5,400	4%
Total Taxes	\$79,345,500	\$86,268,444	\$91,622,602	\$5,354,158	6%

**REVENUE SUMMARY
OPERATING FUNDS**

Budget Summary

SOURCE OF REVENUE	ACTUAL 2019/2020	ADJUSTED BUDGET 2021/2022	ADOPTED BUDGET 2023/2024	VARIANCE
TAXES				
General Property Taxes	\$26,311,230	\$27,279,108	\$28,969,702	6%
Retail Sales & Use Tax	20,159,596	24,246,000	24,316,500	0%
Optional Sales Tax	8,757,000	9,450,000	10,214,000	8%
Local Sales - Crim Justice	3,733,896	4,520,000	4,532,000	0%
Brokered Natural Gas Sales & Use Tax	31,081	28,700	26,700	-7%
Business & Occupation Taxes				
Natural Gas	1,163,582	1,163,300	1,949,700	68%
Garbage Collection	1,793,333	1,863,200	2,271,000	22%
Cable Television	1,473,047	1,428,000	1,660,800	16%
Telephone	2,415,576	1,962,500	1,493,800	-24%
Benton County PUD	7,660,676	7,680,400	7,976,000	4%
Water and Sewer	4,049,781	4,731,036	5,598,000	18%
Ambulance Utility	184,638	176,400	218,000	24%
Stormwater Utility	48,566	51,100	53,000	4%
Gambling Tax	992,384	1,093,600	1,511,000	38%
Other Taxes				
Leasehold Tax	134,211	129,100	134,500	4%
Admissions Tax - Coliseum	315,138	306,000	362,900	19%
Admissions Tax - General	121,766	160,000	335,000	109%
LICENSES AND PERMITS				
Business Licenses & Permits	1,056,897	1,199,175	1,339,500	12%
Non-Business Licenses & Permits				
Construction Engineering	1,590,123	1,184,000	1,378,000	16%
Gun Permits	53,655	50,400	72,100	43%
Other Non-Business Licenses & Permits	23,593	16,600	17,000	2%
INTERGOVERNMENTAL REVENUE				
Federal Grants	1,272,953	1,446,497	120,000	-92%
Indirect Federal Grants	4,397,622	398,000	-	-100%
State Grants	37,067	132,789	-	-
State Shared Revenue				
Motor Vehicle Fuel Tax	3,250,529	3,251,000	3,536,400	9%
PUD Privilege Tax	962,246	917,300	929,000	1%
Energy Northwest Privilege Tax	699,930	710,400	665,000	-6%
City Assistance	223,172	519,400	180,000	-65%
Criminal Justice - High Crime	121,752	-	526,000	-
Criminal Justice - Violent Crimes/Population	50,747	56,900	63,100	11%
Criminal Justice - Special Programs	182,083	203,100	221,000	9%
DUI/Other Criminal Justice Assistance	23,566	25,300	28,000	11%
Liquor Excise Tax	974,892	973,700	1,168,000	20%
Liquor Board Profits	1,338,836	1,332,200	1,294,300	-3%
Multimodal Transportation	227,368	225,000	-	-
Metro Reimbursement	180,262	340,600	372,300	9%
Historical Society	13,000	12,900	-	-
CHARGES FOR SERVICES				
General Government				
Engineering Services	1,442,071	1,563,000	1,241,900	-21%
Interfund Support	4,945,339	5,557,415	6,232,025	12%
Park and Facility Engineering Services	33,563	2,000	-	-100%
Computer Usage Charges	202,000	-	-	-
Other General Government Charges	253,452	263,500	216,700	-18%
Public Safety				
Alarm Violation Charges	108,260	115,300	28,500	-75%
Record Checks/Police Reports	15,548	11,900	12,300	3%
Police Outside Employment	77,970	58,600	61,000	4%

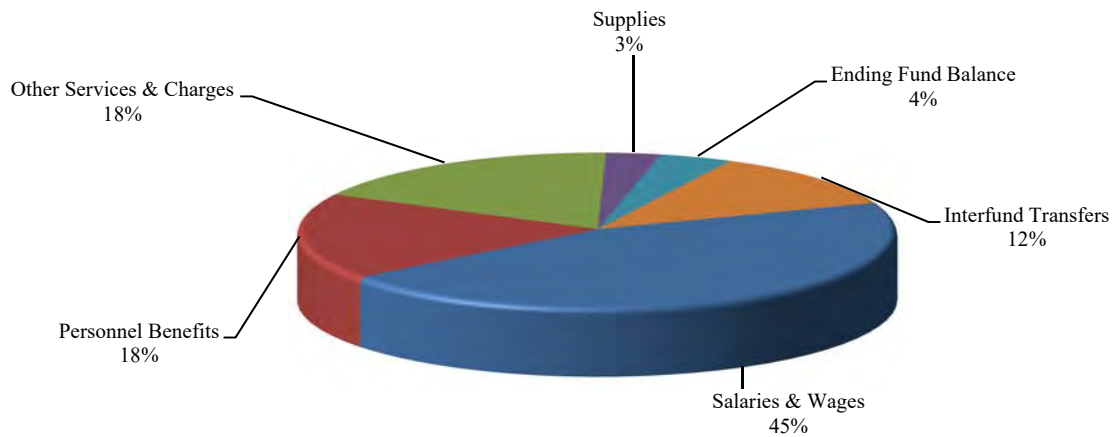
**REVENUE SUMMARY
OPERATING FUNDS (continued)**

Budget Summary

SOURCE OF REVENUE	ACTUAL 2019/2020	ADJUSTED BUDGET 2021/2022	ADOPTED BUDGET 2023/2024	VARIANCE
Public Safety (continued)				
Violent Task Force Services	40,168	53,100	55,100	4%
SRO Contract	672,530	1,098,000	1,187,000	8%
DUI Emergency Fees	40,030	36,600	43,200	18%
Housing/Monitoring of Prisoners	85,028	93,500	98,800	6%
Fire Protection Services	114,150	49,125	-	-
Tri-Tech Contract	281,313	310,000	-	-100%
Other Public Safety Charges	91,422	15,800	800	-95%
Road Maintenance Services	8,866	7,300	7,700	5%
Animal Boarding/Impound Fees	20,190	18,000	20,000	11%
Planning Fees and Charges	206,724	220,000	232,000	5%
Culture & Recreation Activities				
Swimming Pool Admission Fees	25,519	42,100	61,800	47%
Swimming Lesson Fees	39,956	-	128,900	-
Swim Pool Locker Rental Fees	134	-	-	-
Field Usage Fees	11,538	24,900	-	-100%
Field Lighting Fees	8,982	16,600	-	-100%
Tournament Field Usage Fees	35,830	64,900	59,000	-9%
Special Rec. Program User Fees	427,973	399,000	564,600	42%
Senior Program Fees	45,020	80,100	6,300	-92%
FINES AND PENALTIES				
Proof of Motor Vehicle Insurance	20,072	26,600	5,700	-79%
Traffic Infraction Penalties	1,165,285	1,273,500	520,400	-59%
Non-Parking Infraction Penalties	11,610	13,800	5,500	-60%
Disabled Parking Infractions	18,574	25,500	9,100	-64%
DUI Penalties	95,481	88,000	69,900	-21%
DUI Cost Recovery Restitution	-	100	-	-100%
Criminal Traffic Penalties	167,946	166,300	141,600	-15%
Non-Traffic Misdemeanor Penalties	197,475	204,900	144,400	-30%
Nuisance Abatement Fees	45,373	46,600	-	-100%
Domestic Violence Penalty Assessments	9,958	10,200	6,700	-34%
Investigative Fund Assessments	97	-	-	-
Jury Demand Fee	157	200	-	-100%
Public Defense Cost	98,819	100,800	62,200	-38%
Court Cost Recoupment	61	400	400	0%
Drug Disposal Recovery Restitution	3,505	3,300	-	-100%
MISCELLANEOUS REVENUE				
Interest on Investments	196,896	100,000	476,000	376%
Interest on Sales Tax	74,421	31,000	31,900	3%
District Court Interest	78,621	74,100	38,600	-48%
Rentals, Leases and Concessions	408,150	629,000	626,600	0%
Contributions and Donations	61,294	64,000	24,600	-62%
District Court Bad Debt Collections	1,037	900	1,000	11%
Miscellaneous Revenue	81,611	68,500	10,100	-85%
Sale of Salvage	8,223	-	-	-
OTHER FINANCING SOURCES				
Operating Transfers (In)				
Transfer from Public Safety	4,746,124	4,789,542	4,769,250	0%
TOTAL OPERATING FUND REVENUE	112,750,160	117,081,687	120,733,877	3%
BEGINNING FUND BALANCE	3,275,166	5,966,211	6,000,000	1%
TOTAL OPERATING FUNDS	\$116,025,326	\$123,047,898	\$126,733,877	3%

USES OF FUNDING – OPERATING FUNDS

2023/2024 Adopted Budget

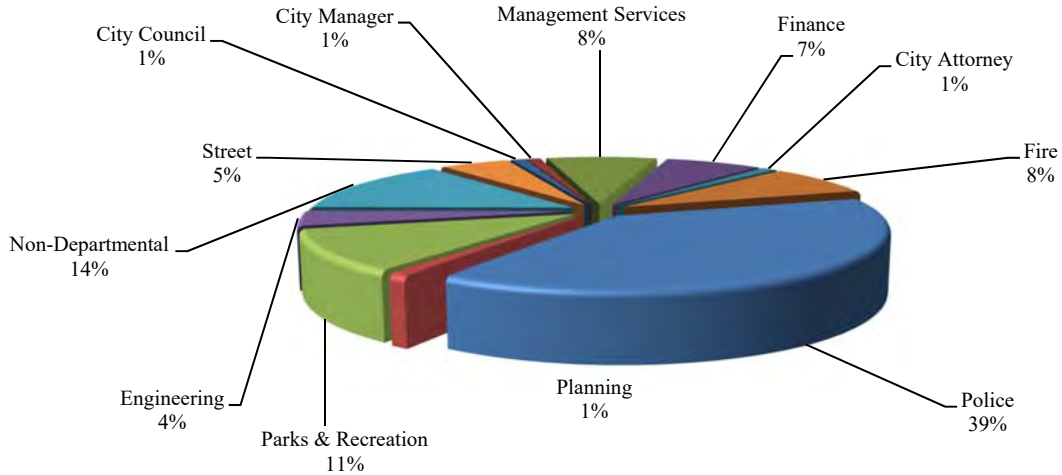


Uses of Funding Operating Funds	2019-2020	2021-2022	2023-2024	21/22 - 23/24	
	Actual	Adjusted Budget	Adopted Budget	\$ Change	% Change
Salaries & Wages	\$50,561,951	\$52,744,911	\$56,693,252	\$3,948,341	7%
Personnel Benefits	18,370,774	20,614,097	22,566,190	1,952,093	9%
Supplies	3,060,014	3,330,852	3,378,128	47,276	1%
Other Services & Charges	22,926,848	25,095,529	23,396,815	(1,698,714)	-7%
Interfund Transfers	14,893,579	14,434,950	15,206,000	771,050	5%
Capital Outlay	245,949	393,184	-	(393,184)	-100%
Subtotal Appropriations:	110,059,115	116,613,523	121,240,385	4,626,862	4%
Ending Fund Balance	5,966,211	6,434,375	5,493,492	(940,883)	-15%
Total Uses:	\$116,025,326	\$123,047,898	\$126,733,877	\$3,685,979	3%

**EXPENDITURE SUMMARY
OPERATING FUNDS**

Budget Summary

2023/2024 Adopted Budget



	2019/2020	2021/2022	2023/2024	21/22 - 23/24	
	Actual	Adjusted Budget	Adopted Budget	\$ Change	% Change
Operating Funds					
General Fund					
City Council	\$549,723	\$525,394	\$553,441	\$28,047	5%
City Manager	819,914	861,666	880,771	19,105	2%
Finance	6,933,625	7,628,009	8,453,797	825,788	11%
Management Services	7,292,753	8,877,141	9,952,716	1,075,575	12%
City Attorney	1,754,389	1,706,558	1,801,155	94,597	6%
Community Planning	1,575,614	1,374,602	1,403,055	28,453	2%
Police	42,678,370	47,266,983	47,476,431	209,448	0%
Fire	7,990,563	8,892,706	9,204,832	312,126	4%
Engineering	4,173,621	4,354,849	4,687,505	332,656	8%
Parks and Recreation	10,959,496	12,900,544	13,465,050	564,506	4%
Non-Departmental	20,080,313	16,660,842	17,816,171	1,155,329	7%
Total General Fund	104,808,381	111,049,294	115,694,924	4,645,630	4%
Street Fund	5,250,734	5,564,229	5,545,461	(18,768)	0%
Ending Fund Balance	5,966,211	6,434,375	5,493,492	(940,883)	-15%
Total Operating Funds	\$116,025,326	\$123,047,898	\$126,733,877	\$3,685,979	3%

**COMPARATIVE BUDGET SUMMARY
ALL FUNDS**

Budget Summary

FUND	ACTUAL 2019/2020	ADJUSTED BUDGET 2021/2022	ADOPTED** BUDGET 2023/2024	VARIANCE
GENERAL GOVERNMENT OPERATIONS				
General Fund	\$110,774,592	\$117,483,669	\$121,188,416	3%
Street	5,250,734	5,564,229	5,545,461	0%
Subtotal	116,025,326	123,047,898	126,733,877	3%
CAPITAL PROJECTS				
Urban Arterial Street	10,974,416	11,848,548	3,170,000	-73%
Capital Improvement	60,814,437	65,539,216	53,834,300	-18%
Subtotal	71,788,853	77,387,764	57,004,300	-26%
ENTERPRISE & INTERNAL SERVICE				
Water & Sewer	76,131,837	97,544,786	105,475,231	8%
Building Safety	6,609,267	5,812,808	5,883,000	1%
Medical Services	31,662,032	34,995,119	35,204,879	1%
Coliseum Fund	11,154,582	9,996,947	9,326,400	-7%
Stormwater	6,942,743	7,021,449	6,965,250	-1%
Columbia Park Golf Course	1,241,546	1,040,152	956,000	-8%
Equipment Rental	12,403,162	16,375,685	15,516,451	-5%
Risk Management	5,090,663	6,248,044	6,244,944	0%
Central Stores	717,558	772,636	693,087	-10%
Subtotal	151,953,390	179,807,626	186,265,242	4%
DEBT SERVICE				
Debt Service	16,820,145	8,620,699	7,498,598	-13%
LID Guaranty	37,874	38,874	39,500	2%
Subtotal	16,858,019	8,659,573	7,538,098	-13%
SPECIAL REVENUE				
Arterial Street	3,943,785	6,065,000	8,000,000	32%
Cash Reserve Fund	2,971,529	3,214,029	3,200,000	0%
BI-PIN Operations	1,124,201	1,779,774	2,080,161	17%
Community Development	1,873,788	3,239,443	1,873,600	-42%
Asset Forfeiture Fund	190,587	117,742	241,000	105%
Public Safety	4,746,124	4,789,542	4,769,250	0%
Lodging Tax Fund	3,264,780	4,235,793	5,584,500	32%
Criminal Justice Sales Tax	6,355,985	7,687,094	8,258,000	7%
HIDTA Program	-	4,500,000	4,000,000	-11%
Coronavirus Fiscal Recovery	-	3,914,000	2,296,640	-41%
Subtotal	24,470,779	39,542,417	40,303,151	2%
FIDUCIARY TRUST FUNDS				
Fire Pension Fund	1,258,706	1,315,151	1,436,000	9%
OPEB Trust Fund	5,305,794	5,639,538	6,221,600	10%
Subtotal	6,564,500	6,954,689	7,657,600	10%
TOTAL	\$387,660,867	\$435,399,967	\$425,502,268	-2%

**Adopted budget as proposed, with no changes.

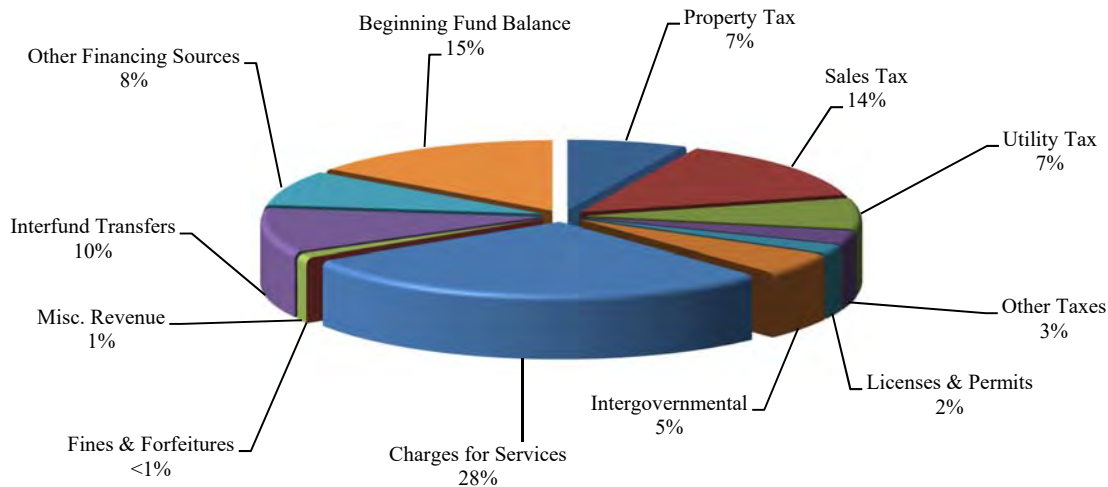
**BUDGET SUMMARY
ALL FUNDS 2023-2024**

Budget Summary

FUND	BEGINNING			ENDING		%
	FUND BALANCE	REVENUES	EXPENSES	FUND BALANCE	\$ CHANGE	
GENERAL GOVERNMENT OPERATIONS						
General Fund	\$6,000,000	\$115,188,416	\$115,694,924	\$5,493,492	(\$506,508)	-8%
Street	-	5,545,461	5,545,461	-	-	-
Subtotal	6,000,000	120,733,877	121,240,385	5,493,492	(506,508)	-8%
CAPITAL PROJECTS						
Urban Arterial Street	-	3,170,000	3,170,000	-	-	-
Capital Improvement	22,745,000	31,089,300	28,609,563	25,224,737	2,479,737	11%
Subtotal	22,745,000	34,259,300	31,779,563	25,224,737	2,479,737	11%
ENTERPRISE & INTERNAL SERVICE						
Water & Sewer	8,763,331	96,711,900	91,993,894	13,481,337	4,718,006	54%
Building Safety	1,860,000	4,023,000	4,297,288	1,585,712	(274,288)	-15%
Medical Services	2,777,729	32,427,150	31,900,534	3,304,345	526,616	19%
Coliseum Fund	-	9,326,400	9,326,400	-	-	-
Stormwater	1,530,250	5,435,000	6,609,152	356,098	(1,174,152)	-77%
Columbia Park Golf Course Fund	-	956,000	956,000	-	-	-
Equipment Rental	5,835,000	9,681,451	9,193,581	6,322,870	487,870	8%
Risk Management	357,114	5,887,830	5,704,760	540,184	183,070	51%
Central Stores	157,022	536,065	534,545	158,542	1,520	1%
Subtotal	21,280,446	164,984,796	160,516,154	25,749,088	4,468,642	21%
DEBT SERVICE						
Debt Service	-	7,498,598	7,498,598	-	-	-
LID Guaranty	38,500	1,000	-	39,500	1,000	3%
Subtotal	38,500	7,499,598	7,498,598	39,500	1,000	3%
SPECIAL REVENUE						
Arterial Street	-	8,000,000	8,000,000	-	-	-
Cash Reserve Fund	3,200,000	-	-	3,200,000	-	-
BI-PIN Fund	-	2,080,161	2,080,161	-	-	-
Community Development	49,800	1,823,800	1,823,800	49,800	-	-
Asset Forfeiture Fund	220,000	21,000	25,000	216,000	(4,000)	-2%
Public Safety Fund	-	4,769,250	4,769,250	-	-	-
Lodging Tax Fund	703,000	4,881,500	3,924,000	1,660,500	957,500	136%
Criminal Justice Sales Tax	1,600,000	6,658,000	6,949,560	1,308,440	(291,560)	-18%
HIDTA Program	-	4,000,000	4,000,000	-	-	-
Coronavirus Fiscal Recovery	2,296,640	-	177,670	2,118,970	(177,670)	-8%
Subtotal	8,069,440	32,233,711	31,749,441	8,553,710	484,270	6%
FIDUCIARY TRUST FUNDS						
Fire Pension Fund	1,004,000	432,000	304,200	1,131,800	127,800	13%
OPEB Trust Fund	4,466,000	1,755,600	1,155,230	5,066,370	600,370	13%
Subtotal	5,470,000	2,187,600	1,459,430	6,198,170	728,170	13%
TOTAL	\$63,603,386	\$361,898,882	\$354,243,571	\$71,258,697	\$7,655,311	12%

SOURCES OF FUNDING – ALL FUNDS

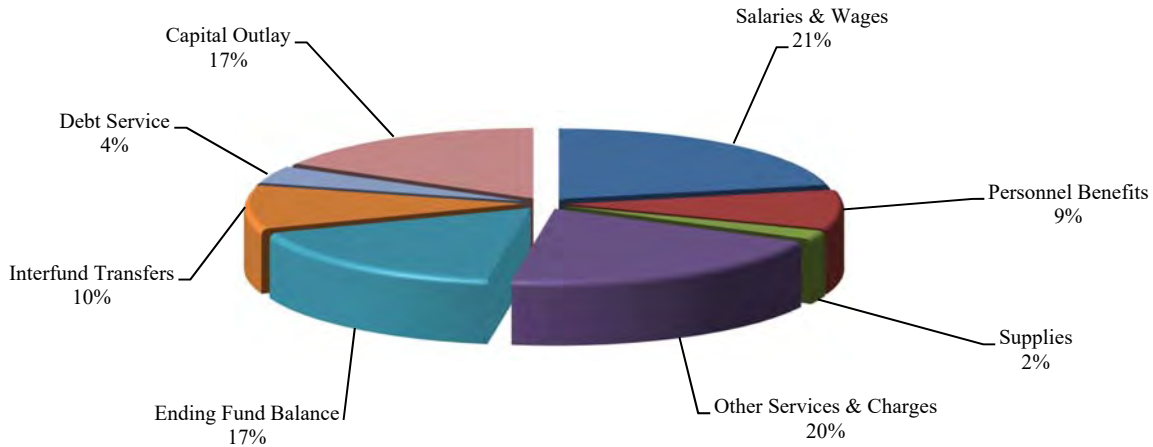
2023/2024 Adopted Budget



Sources of Funding All Funds	2019/2020	2021/2022	2023/2024	21/22 - 23/24	
	Actual	Adjusted Budget	Adopted Budget	\$ Change	% Change
Property Tax	\$27,082,753	\$28,119,108	\$30,136,702	\$2,017,594	7%
Sales Tax	50,772,628	60,752,659	60,820,825	68,166	0%
Utility Taxes	26,366,349	27,240,402	29,942,525	2,702,123	10%
Other Taxes	10,142,113	10,206,699	12,159,400	1,952,701	19%
Licenses & Permits	6,680,754	5,350,175	6,679,600	1,329,425	25%
Intergovernmental	30,744,120	46,482,068	21,392,950	(25,089,118)	-54%
Charges for Services	92,365,707	104,704,768	121,288,076	16,583,308	16%
Fines & Penalties	1,834,412	1,960,200	965,900	(994,300)	-51%
Miscellaneous Revenue	4,185,257	2,613,800	3,026,400	412,600	16%
Interfund Transfers	48,045,373	40,841,437	42,786,504	1,945,067	5%
Other Financing Sources	36,589,941	27,268,604	32,700,000	5,431,396	20%
Subtotal Revenues:	334,809,407	355,539,920	361,898,882	6,358,962	2%
Beginning Fund Balance	52,851,460	79,860,047	63,603,386	(16,256,661)	-20%
Total Sources	\$387,660,867	\$435,399,967	\$425,502,268	(\$9,897,699)	-2%

USES OF FUNDING – ALL FUNDS

2023/2024 Adopted Budget



Uses of Funding All Funds	2019/2020	2021/2022	2023/2024	21/22 - 23/24	
	Actual	Adjusted Budget	Adopted Budget	\$ Change	% Change
Salaries & Wages	\$81,930,970	87,660,792	94,548,973	\$6,888,181	8%
Personnel Benefits	30,951,632	34,408,701	37,879,778	3,471,077	10%
Supplies	6,504,461	7,351,101	7,727,367	376,266	5%
Other Services & Charges	61,712,266	81,630,328	83,680,951	2,050,623	3%
Interfund Transfers	48,045,373	40,841,437	42,786,504	1,945,067	5%
Debt Service	24,544,193	17,286,632	14,953,088	(2,333,544)	-13%
Capital Outlay	54,111,925	91,574,087	72,666,910	(18,907,177)	-21%
Subtotal Appropriations:	307,800,820	360,753,078	354,243,571	(6,509,507)	-2%
Ending Fund Balance	79,860,047	74,646,889	71,258,697	(3,388,192)	-5%
Total Uses:	\$387,660,867	\$435,399,967	\$425,502,268	(\$9,897,699)	-2%

**SUMMARIZED REVENUES
ALL FUNDS 2023-2024**

Budget Summary

FUND	TAXES	LICENSES & PERMITS	INTERGOVT REVENUE	CHARGES FOR SERVICES	FINES & PENALTIES
GENERAL GOVERNMENT OPERATIONS					
General Fund	\$89,929,941	\$2,497,900	\$5,566,700	\$10,249,925	\$965,900
Street	1,692,661	308,700	3,536,400	7,700	-
Subtotal	91,622,602	2,806,600	9,103,100	10,257,625	965,900
CAPITAL PROJECTS					
Urban Arterial Street	-	-	1,766,050	-	-
Capital Improvement	25,555,000	-	379,000	1,120,000	-
Subtotal	25,555,000	-	2,145,050	1,120,000	-
ENTERPRISE & INTERNAL SERVICE					
Water & Sewer	-	-	-	63,799,800	-
Building Safety	-	3,873,000	-	-	-
Medical Services	-	-	4,075,000	18,151,650	-
Coliseum Fund	-	-	-	7,586,400	-
Stormwater Utility	-	-	-	5,420,000	-
Columbia Park Golf Course	-	-	-	651,000	-
Equipment Rental	-	-	-	6,372,545	-
Risk Management	-	-	-	3,285,830	-
Central Stores	-	-	-	536,065	-
Subtotal	-	3,873,000	4,075,000	105,803,290	-
DEBT SERVICE					
Debt Service	-	-	-	-	-
LID Guaranty	-	-	-	-	-
Subtotal	-	-	-	-	-
SPECIAL REVENUE					
Arterial Street	-	-	-	-	-
Cash Reserve	-	-	-	-	-
BI-PIN Operations	-	-	-	2,080,161	-
Community Development	-	-	1,823,800	-	-
Asset Forfeiture	-	-	-	-	-
Public Safety	4,769,250	-	-	-	-
Lodging Tax	2,836,000	-	-	2,027,000	-
Criminal Justice Sales Tax	6,618,000	-	-	-	-
HIDTA Program	-	-	4,000,000	-	-
Coronavirus Fiscal Recovery	-	-	-	-	-
Subtotal	14,223,250	-	5,823,800	4,107,161	-
FIDUCIARY TRUST FUNDS					
Fire Pension Fund	134,000	-	246,000	-	-
OPEB Trust Fund	1,524,600	-	-	-	-
Subtotal	1,658,600	-	246,000	-	-
TOTAL	\$133,059,452	\$6,679,600	\$21,392,950	\$121,288,076	\$965,900

**SUMMARIZED REVENUES
ALL FUNDS 2023-2024 (continued)**

Budget Summary

FUND	MISC REVENUE/ PROCEEDS	INTERFUND TRANSFERS	OTHER FINANCING SOURCES	BEGINNING FUND BALANCE	TOTAL
GENERAL GOVERNMENT OPERATIONS					
General Fund	\$1,208,800	\$4,769,250	\$ -	\$6,000,000	\$121,188,416
Street	-	-	-	-	5,545,461
Subtotal	1,208,800	4,769,250	-	6,000,000	126,733,877
CAPITAL PROJECTS					
Urban Arterial Street	-	1,403,950	-	-	3,170,000
Capital Improvement	805,000	3,230,300	-	22,745,000	53,834,300
Subtotal	805,000	4,634,250	-	22,745,000	57,004,300
ENTERPRISE & INTERNAL SERVICE					
Water & Sewer	212,100	-	32,700,000	8,763,331	105,475,231
Building Safety	150,000	-	-	1,860,000	5,883,000
Medical Services	50,000	10,150,500	-	2,777,729	35,204,879
Coliseum Fund	-	1,740,000	-	-	9,326,400
Stormwater Utility	15,000	-	-	1,530,250	6,965,250
Columbia Park Golf Course	20,000	285,000	-	-	956,000
Equipment Rental	50,000	3,258,906	-	5,835,000	15,516,451
Risk Management	152,000	2,450,000	-	357,114	6,244,944
Central Stores	-	-	-	157,022	693,087
Subtotal	649,100	17,884,406	32,700,000	21,280,446	186,265,242
DEBT SERVICE					
Debt Service	-	7,498,598	-	-	7,498,598
LID Guaranty	1,000	-	-	38,500	39,500
Subtotal	1,000	7,498,598	-	38,500	7,538,098
SPECIAL REVENUE					
Arterial Street	-	8,000,000	-	-	8,000,000
Cash Reserve	-	-	-	3,200,000	3,200,000
BI-PIN Operations	-	-	-	-	2,080,161
Community Development	-	-	-	49,800	1,873,600
Asset Forfeiture	21,000	-	-	220,000	241,000
Public Safety	-	-	-	-	4,769,250
Lodging Tax	18,500	-	-	703,000	5,584,500
Criminal Justice Sales Tax	40,000	-	-	1,600,000	8,258,000
HIDTA Program	-	-	-	-	4,000,000
Coronavirus Fiscal Recovery	-	-	-	2,296,640	2,296,640
Subtotal	79,500	8,000,000	-	8,069,440	40,303,151
FIDUCIARY TRUST FUNDS					
Fire Pension Fund	52,000	-	-	1,004,000	1,436,000
OPEB Trust Fund	231,000	-	-	4,466,000	6,221,600
Subtotal	283,000	-	-	5,470,000	7,657,600
TOTAL	\$3,026,400	\$42,786,504	\$32,700,000	\$63,603,386	\$425,502,268

**BUDGETED EXPENDITURES
ALL FUNDS 2023-2024**

Budget Summary

FUND	SALARIES & WAGES	PERSONNEL BENEFITS	SUPPLIES	OTHER SVCS & CHARGES	INTERFUND TRANSFERS
GENERAL GOVERNMENT OPERATIONS					
GENERAL FUND					
City Council	\$236,184	\$276,157	\$7,000	\$34,100	\$ -
City Manager	652,824	193,731	9,444	24,772	-
Finance	4,970,261	1,956,877	131,084	1,395,575	-
Management Services	4,908,635	2,025,438	54,520	2,964,123	-
City Attorney	1,200,173	434,032	30,350	136,600	-
Community Planning	915,544	343,969	24,892	118,650	-
Police	28,520,150	10,426,191	529,154	8,000,936	-
Fire	5,758,413	1,773,266	532,584	1,140,569	10,120,000
Engineering	3,078,877	1,398,159	79,059	131,410	-
Parks and Recreation	6,524,213	2,695,671	990,544	3,254,622	-
Non-Departmental	154,000	36,100	12,500	4,935,155	5,086,000
Allowance for Under-Expenditure	(2,527,584)	-	-	-	-
TOTAL GENERAL FUND	54,391,690	21,559,591	2,401,131	22,136,512	15,206,000
STREET FUND					
Subtotal	2,301,562	1,006,599	976,997	1,260,303	-
Subtotal	56,693,252	22,566,190	3,378,128	23,396,815	15,206,000
CAPITAL PROJECTS					
Urban Arterial Street	-	-	-	-	-
Capital Improvement	-	-	-	2,619,100	20,212,954
Subtotal	-	-	-	2,619,100	20,212,954
ENTERPRISE & INTERNAL SERVICE					
Water & Sewer	8,002,480	3,658,621	969,031	25,041,817	117,750
Building Safety	2,512,517	1,013,169	42,335	701,267	28,000
Medical Services	19,875,883	6,121,357	537,679	5,311,965	53,650
Coliseum Fund	-	-	-	8,626,400	-
Stormwater Utility	1,212,538	595,651	55,487	1,843,076	15,400
Columbia Park Golf Course	-	-	-	871,000	-
Equipment Rental	687,245	353,434	2,273,296	707,410	-
Risk Management	195,930	98,587	2,021	5,408,222	-
Central Stores	-	-	388,225	146,320	-
Subtotal	32,486,593	11,840,819	4,268,074	48,657,477	214,800
DEBT SERVICE					
Debt Service	-	-	-	-	-
LID Guaranty	-	-	-	-	-
Subtotal	-	-	-	-	-
SPECIAL REVENUE					
Arterial Street	-	-	-	-	-
Cash Reserve	-	-	-	-	-
BI-PIN Operations	661,810	275,906	4,685	1,122,260	15,500
Community Development	156,038	92,412	800	574,550	1,000,000
Asset Forfeiture	-	-	10,000	15,000	-
Public Safety	-	-	-	-	4,769,250
Lodging Tax	-	-	-	2,584,000	1,340,000
Criminal Justice Sales Tax	4,551,280	1,695,551	65,500	483,729	28,000
HIDTA Program	-	-	-	4,000,000	-
Coronavirus Fiscal Recovery	-	-	-	177,670	-
Subtotal	5,369,128	2,063,869	80,985	8,957,209	7,152,750
FIDUCIARY TRUST FUNDS					
Fire Pension Fund	-	284,400	50	19,750	-
OPEB Trust Fund	-	1,124,500	130	30,600	-
Subtotal	-	1,408,900	180	50,350	-
TOTAL	\$94,548,973	\$37,879,778	\$7,727,367	\$83,680,951	\$42,786,504

**BUDGETED EXPENDITURES
ALL FUNDS 2023-2024 (continued)**

Budget Summary

FUND	DEBT SERVICE	CAPITAL OUTLAY	ENDING FUND BALANCE	TOTAL
GENERAL GOVERNMENT OPERATIONS				
GENERAL FUND				
City Council	\$ -	\$ -	\$ -	\$553,441
City Manager	-	-	-	880,771
Finance	-	-	-	8,453,797
Management Services	-	-	-	9,952,716
City Attorney	-	-	-	1,801,155
Community Planning	-	-	-	1,403,055
Police	-	-	-	47,476,431
Fire	-	-	-	19,324,832
Engineering	-	-	-	4,687,505
Parks and Recreation	-	-	-	13,465,050
Non-Departmental	-	-	5,493,492	15,717,247
Allowance for Under-Expenditure	-	-	-	(2,527,584)
TOTAL GENERAL FUND	-	-	5,493,492	121,188,416
STREET FUND				
Subtotal	-	-	5,493,492	126,733,877
CAPITAL PROJECTS				
Urban Arterial Street	-	3,170,000	-	3,170,000
Capital Improvement	560,399	5,217,110	25,224,737	53,834,300
Subtotal	560,399	8,387,110	25,224,737	57,004,300
ENTERPRISE & INTERNAL SERVICE				
Water & Sewer	6,648,395	47,555,800	13,481,337	105,475,231
Building Safety	-	-	1,585,712	5,883,000
Medical Services	-	-	3,304,345	35,204,879
Coliseum Fund	-	700,000	-	9,326,400
Stormwater Utility	-	2,887,000	356,098	6,965,250
Columbia Park Golf Course	-	85,000	-	956,000
Equipment Rental	245,696	4,926,500	6,322,870	15,516,451
Risk Management	-	-	540,184	6,244,944
Central Stores	-	-	158,542	693,087
Subtotal	6,894,091	56,154,300	25,749,088	186,265,242
DEBT SERVICE				
Debt Service	7,498,598	-	-	7,498,598
LID Guaranty	-	-	39,500	39,500
Subtotal	7,498,598	-	39,500	7,538,098
SPECIAL REVENUE				
Arterial Street	-	8,000,000	-	8,000,000
Cash Reserve	-	-	3,200,000	3,200,000
BI-PIN Operations	-	-	-	2,080,161
Community Development	-	-	49,800	1,873,600
Asset Forfeiture	-	-	216,000	241,000
Public Safety	-	-	-	4,769,250
Lodging Tax	-	-	1,660,500	5,584,500
Criminal Justice Sales Tax	-	125,500	1,308,440	8,258,000
HIDTA Program	-	-	-	4,000,000
Coronavirus Fiscal Recovery	-	-	2,118,970	2,296,640
Subtotal	-	8,125,500	8,553,710	40,303,151
FIDUCIARY TRUST FUNDS				
Fire Pension Fund	-	-	1,131,800	1,436,000
OPEB Trust Fund	-	-	5,066,370	6,221,600
Subtotal	-	-	6,198,170	7,657,600
TOTAL	\$14,953,088	\$72,666,910	\$71,258,697	\$425,502,268

MAJOR FUND SUMMARY

Budget Summary

	GENERAL FUND			CAPITAL IMPROVEMENT FUND		
	2019/2020	2021/2022	2023/2024	2019/2020	2021/2022	2023/2024
	Actual	Adjusted Budget	Adopted Budget	Actual	Adjusted Budget	Adopted Budget
REVENUES						
Taxes:						
Property	\$ 24,674,215	\$ 25,457,354	\$ 27,277,041	\$ 637,523	\$ 706,000	\$ 1,033,000
Sales	32,681,573	38,244,700	39,089,200	12,439,596	15,796,000	15,102,500
Utility	18,789,198	19,055,936	21,220,300	1,774,370	2,100,873	2,439,500
Local Real Estate Excise	-	-	-	6,675,515	6,123,000	6,980,000
Other	1,563,499	1,688,700	2,343,400	-	-	-
Licenses & Permits	2,598,140	2,191,000	2,497,900	-	-	-
Intergovernmental	10,478,129	7,069,086	5,566,700	309,930	2,265,792	379,000
Charges for Services	9,224,710	10,093,440	10,249,925	1,810,754	910,000	1,120,000
Fines & Penalties	1,834,412	1,960,200	965,900	-	-	-
Miscellaneous Revenue	909,425	967,500	1,208,800	1,319,048	296,000	805,000
Total Revenues	102,753,301	106,727,916	110,419,166	24,966,736	28,197,665	27,859,000
EXPENDITURES						
Salaries and Wages	48,244,960	50,341,617	54,391,690	-	-	-
Personnel Benefits	17,408,512	19,574,244	21,559,591	-	-	-
Supplies	2,113,928	2,389,830	2,401,131	-	-	-
Other Services & Charges	21,901,452	24,015,469	22,136,512	1,929,544	4,405,061	2,619,100
Debt Service	-	-	-	684,488	755,225	560,399
Capital Outlay	245,949	293,184	-	10,202,356	24,912,005	5,217,110
Total Expenditures	89,914,801	96,614,344	100,488,924	12,816,388	30,072,291	8,396,609
OTHER FINANCING SOURCES (USES)						
Transfers In	4,746,124	4,789,542	4,769,250	6,067,553	2,852,338	3,230,300
Transfers Out	(14,893,579)	(14,434,950)	(15,206,000)	(24,417,804)	(18,192,407)	(20,212,954)
Debt Proceeds & Capital Leases	-	-	-	7,777,479	10,715,500	-
Intergov't'l Loan Proceeds	-	-	-	4,270,541	212,469	-
Proceeds from Sale of Fixed Assets	-	-	-	-	-	-
Total Financing Sources (Uses)	(10,147,455)	(9,645,408)	(10,436,750)	(6,302,231)	(4,412,100)	(16,982,654)
Net Change in Fund Balance	2,691,045	468,164	(506,508)	5,848,117	(6,286,726)	2,479,737
Fund Balances - Beginning	3,275,166	5,966,211	6,000,000	17,713,127	23,561,244	22,745,000
Fund Balances - Ending	\$ 5,966,211	\$ 6,434,375	\$ 5,493,492	\$ 23,561,244	\$ 17,274,518	\$ 25,224,737

MAJOR FUND SUMMARY (continued)

Budget Summary

	WATER & SEWER FUND			MEDICAL SERVICES FUND		
	2019/2020	2021/2022	2023/2024	2019/2020	2021/2022	2023/2024
	Actual	Adjusted Budget	Adopted Budget	Actual	Adjusted Budget	Adopted Budget
REVENUES						
Taxes:						
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales	-	-	-	-	-	-
Utility	-	-	-	-	-	-
Local Real Estate Excise	-	-	-	-	-	-
Other	-	-	-	-	-	-
Licenses & Permits	-	-	-	-	-	-
Intergovernmental	256,578	3,960,000	-	6,630,760	2,420,448	4,075,000
Charges for Services	47,258,371	54,708,068	63,799,800	13,932,483	16,110,000	18,151,650
Fines & Penalties	-	-	-	-	-	-
Miscellaneous Revenue	645,943	66,500	212,100	87,876	-	50,000
Total Revenues	48,160,892	58,734,568	64,011,900	20,651,119	18,530,448	22,276,650
EXPENDITURES						
Salaries and Wages	6,728,233	7,192,842	8,002,480	16,555,496	18,411,232	19,875,883
Personnel Benefits	3,038,806	3,270,354	3,658,621	4,941,157	5,416,020	6,121,357
Supplies	803,415	927,105	969,031	407,436	373,864	537,679
Other Services & Charges	16,866,484	21,623,512	25,041,817	3,275,825	4,362,471	5,311,965
Debt Service	5,944,302	7,406,853	6,648,395	-	-	-
Capital Outlay	19,420,394	34,809,905	47,555,800	-	-	-
Total Expenditures	52,801,634	75,230,571	91,876,144	25,179,914	28,563,587	31,846,884
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	-	9,985,500	10,120,000	10,150,500
Transfers Out	(810,620)	(125,328)	(117,750)	(137,447)	-	(53,650)
Debt Proceeds & Capital Leases	14,258,895	8,000,000	3,700,000	-	-	-
Intergov't'l Loan Proceeds	201,382	8,290,635	29,000,000	-	-	-
Proceeds from Sale of Fixed Assets	-	-	-	-	-	-
Total Financing Sources (Uses)	13,649,657	16,165,307	32,582,250	9,848,053	10,120,000	10,096,850
Net Change in Fund Balance	9,008,915	(330,696)	4,718,006	5,319,258	86,861	526,616
Fund Balances - Beginning	13,510,668	22,519,583	8,763,331	1,025,413	6,344,671	2,777,729
Fund Balances - Ending	\$ 22,519,583	\$ 22,188,887	\$ 13,481,337	\$ 6,344,671	\$ 6,431,532	\$ 3,304,345

MAJOR FUND SUMMARY (continued)

Budget Summary

	NON-MAJOR FUNDS			TOTAL FUNDS		
	2019/2020	2021/2022	2023/2024	2019/2020	2021/2022	2023/2024
	Actual	Adjusted Budget	Adopted Budget	Actual	Adjusted Budget	Adopted Budget
REVENUES						
Taxes:						
Property	\$ 1,771,015	\$ 1,955,754	\$ 1,826,661	\$ 27,082,753	\$ 28,119,108	\$ 30,136,702
Sales	5,651,459	6,711,959	6,629,125	50,772,628	60,752,659	60,820,825
Utility	5,802,781	6,083,593	6,282,725	26,366,349	27,240,402	29,942,525
Local Real Estate Excise	-	-	-	6,675,515	6,123,000	6,980,000
Other	1,903,099	2,394,999	2,836,000	3,466,598	4,083,699	5,179,400
Licenses & Permits	4,082,614	3,159,175	4,181,700	6,680,754	5,350,175	6,679,600
Intergovernmental	13,068,723	30,766,742	11,372,250	30,744,120	46,482,068	21,392,950
Charges for Services	20,150,373	22,883,260	27,966,701	92,376,691	104,704,768	121,288,076
Fines & Penalties	-	-	-	1,834,412	1,960,200	965,900
Miscellaneous Revenue	1,211,981	1,283,800	750,500	4,174,273	2,613,800	3,026,400
Total Revenues	53,642,045	75,239,282	61,845,662	250,174,093	287,429,879	286,412,378
EXPENDITURES						
Salaries and Wages	10,402,281	11,715,101	12,278,920	81,930,970	87,660,792	94,548,973
Personnel Benefits	5,563,157	6,148,083	6,540,209	30,951,632	34,408,701	37,879,778
Supplies	3,179,682	3,660,302	3,819,526	6,504,461	7,351,101	7,727,367
Other Services & Charges	17,738,961	27,223,815	28,571,557	61,712,266	81,630,328	83,680,951
Debt Service	17,915,403	9,124,554	7,744,294	24,544,193	17,286,632	14,953,088
Capital Outlay	24,243,226	31,558,993	19,894,000	54,111,925	91,574,087	72,666,910
Total Expenditures	79,042,710	89,430,848	78,848,506	259,755,447	319,911,641	311,457,067
OTHER FINANCING SOURCES (USES)						
Transfers In	27,246,196	23,079,557	24,636,454	48,045,373	40,841,437	42,786,504
Transfers Out	(7,785,923)	(8,088,752)	(7,196,150)	(48,045,373)	(40,841,437)	(42,786,504)
Debt Proceeds & Capital Leases	9,964,805	-	-	32,001,179	18,715,500	3,700,000
Intergov't'l Loan Proceeds	-	-	-	4,471,923	8,503,104	29,000,000
Proceeds from Sale of Fixed Assets	116,839	50,000	-	116,839	50,000	-
Total Financing Sources (Uses)	29,541,917	15,040,805	17,440,304	36,589,941	27,268,604	32,700,000
Net Change in Fund Balance	4,141,252	849,239	437,460	27,008,587	(5,213,158)	7,655,311
Fund Balances - Beginning	17,327,086	21,468,338	23,317,326	52,851,460	79,860,047	63,603,386
Fund Balances - Ending	\$ 21,468,338	\$ 22,317,577	\$ 23,754,786	\$ 79,860,047	\$ 74,646,889	\$ 71,258,697

DEPARTMENT DETAIL

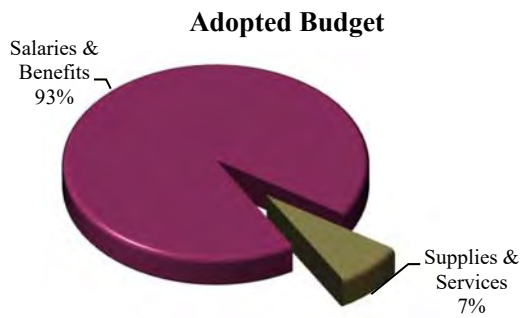
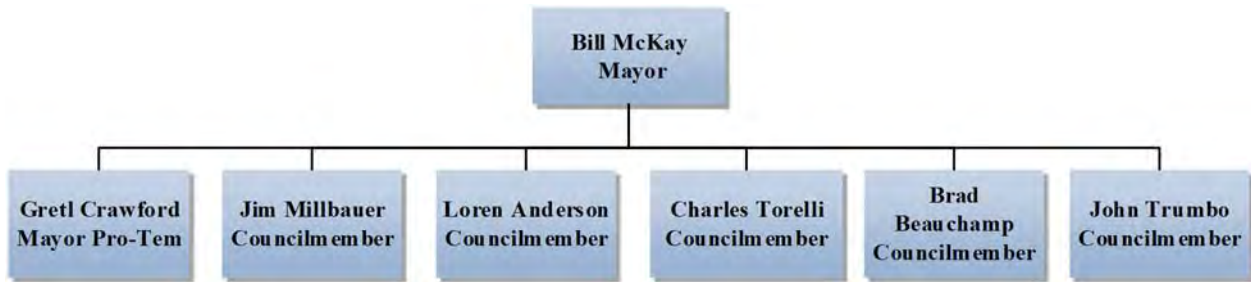
**DIRECTORY OF
CITY OFFICIALS**

ELECTED OFFICIALS

	<u>Length of Service</u>	<u>Term Expires</u>	<u>Ward</u>
MAYOR			
Bill McKay	5 Years	December 31, 2025	At Large
COUNCILMEMBERS			
Loren Anderson	1 Year	December 31, 2025	2
Brad Beauchamp	3 Years	December 31, 2023	At Large
Gretl Crawford	1 Year	December 31, 2025	1
Charles Torelli	4 Years	December 31, 2023	At Large
John Trumbo	9 Years	December 31, 2025	3
Jim Millbauer	3 Years	December 31, 2023	At Large

ADMINISTRATIVE OFFICIALS

	<u>Length in Position</u>	<u>Length of Employment</u>
CITY MANAGER		
Marie E. Mosley	13 Years	27 Years
CITY ATTORNEY		
Lisa Beaton	16 Years	22 Years
DEPUTY CITY MANAGER/FINANCE DIRECTOR		
Dan Legard	13 Years	20 Years
PARKS & RECREATION DIRECTOR		
Nick Farline	1 Year	1 Year
FIRE CHIEF		
Chad Michael	3 Years	3 Years
CHIEF OF POLICE		
Chris Guerrero	1 Year	26 Years
PUBLIC WORKS DIRECTOR		
Cary Roe	9 Years	9 Years
PLANNING DIRECTOR		
Anthony Muai	1 Year	16 Years
MANAGEMENT SERVICES DIRECTOR		
Christina Palmer	13 Years	20 Years



Resources by Type				
	2019-2020	2021-2022	2021-2022	2023-2024
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 549,723	\$ 525,394	\$ 525,394	\$ 553,441
Total Program Revenues:	\$ 549,723	\$ 525,394	\$ 525,394	\$ 553,441
Expenditures by Program				
	2019-2020	2021-2022	2021-2022	2023-2024
	Actual	Adopted	Adjusted	Adopted
Salaries & Benefits	\$ 459,689	\$ 499,494	\$ 499,494	\$ 512,341
Supplies & Services	90,034	25,900	25,900	41,100
Total Division Budget:	\$ 549,723	\$ 525,394	\$ 525,394	\$ 553,441

City Council

Mission

Building a Better Community



Council Purpose / Description

The City operates under a Council/Manager form of government with seven councilmembers elected to four year staggered terms. The Mayor serves a 2-year term and is appointed to that position through majority vote of the Council. The City Manager is hired by the Council to act as the Chief Executive Officer and serves at the Council's pleasure.

Kennewick has three Council wards, roughly dividing the city into thirds. One councilmember is elected in each ward, and four councilmembers are elected at large. Positions are non-partisan and councilmembers are elected to these respective positions by all of the voters during the general election.

The Council derives its power from the Revised Code of Washington and State Constitution. In State law, Kennewick is classified as a Code City. The Council authorizes public improvements and expenditures, provides for public safety, adopts regulations, levies taxes, controls finances and property of the City and performs related legislative tasks.

Highlights / Changes

Following the Coronavirus pandemic, our City Council had full attention on reopening the economy, continuing to provide a high level of service to its citizens and reaffirm our existing priority areas and goals. City Council participated in a Council Retreat in March of 2022 where we met with executive staff to strategize ways to achieve their goals and priorities in the upcoming biennium. Every Council Member sits on a handful of community executive boards, where they provide and receive updates from community partners as well as strategize with regional organizations on broader communal goals.

2023/2024 Goals & Objectives

City Council has identified the following broad goals & objectives for the biennium:

Community Safety – Continue to ensure the safety of our community by maintaining current service levels & partnerships:

- Continued focus on combatting criminal gang activity while navigating police reform
- Enhance school safety
- Strategic planning for the Fire Dept.
- Maintain the availability of safe drinking water for the City's existing and growing population

Responsible Government – Provide exceptional public service, stewardship, transparency and a sustainable future:

- Utilize creativity and flexibility in program delivery
- Maintain internal infrastructure
- Enhance and leverage community partnerships for effective service delivery
- Recruit, retain, promote and support our city employees

Quality of Life – Maintain parks, provide for diverse entertainment options and offer recreation programs for a well planned community:

- Support and promote conveyance of Columbia Park
- Leverage community partnerships and align our service delivery to implement Council goals and priorities
- Prepare for future growth through implementation of our strategic Comprehensive Plan

City Council Priority Areas

- **Community Safety** – I want to be safe where I live, work and play.
- **Responsible Government** – I want a City government that is responsive, responsible and fiscally accountable.
- **Quality of Life** – I want to enjoy access to a variety of amenities and opportunities in a safe environment.
- **Economic Development** – I want a diverse and vibrant economy in Kennewick.
- **Infrastructure & Growth** – I want a well-maintained City whose infrastructure keeps pace with growth.

Division Staffing				
	2021	2022	2023	2024
	Actual	Actual	Adopted	Adopted
MAYOR	1.00	1.00	1.00	1.00
MAYOR PRO-TEM	1.00	1.00	1.00	1.00
COUNCIL MEMBER	5.00	5.00	5.00	5.00
TOTAL DEPARTMENT FTE'S:	7.00	7.00	7.00	7.00



Fire Station #1 Groundbreaking

Economic Development – Support existing businesses and the creation of sustainable family wage jobs:

- Support and promote the City’s industrial development area
- Implement the vision and policies established for the City’s opportunity centers
- Support legislative efforts for creative economic development incentives

Infrastructure & Growth – Maintain existing infrastructure and build new infrastructure to support economic development and expansion:

- Strategic funding and implementation of a sustainable Capital Facilities Plan
- Continue infrastructure planning and development of creative legislative solutions to achieve Council’s goals
- Implement creative solutions to maintain the City’s existing infrastructure in the most efficient manner possible

Prior Biennium Accomplishments

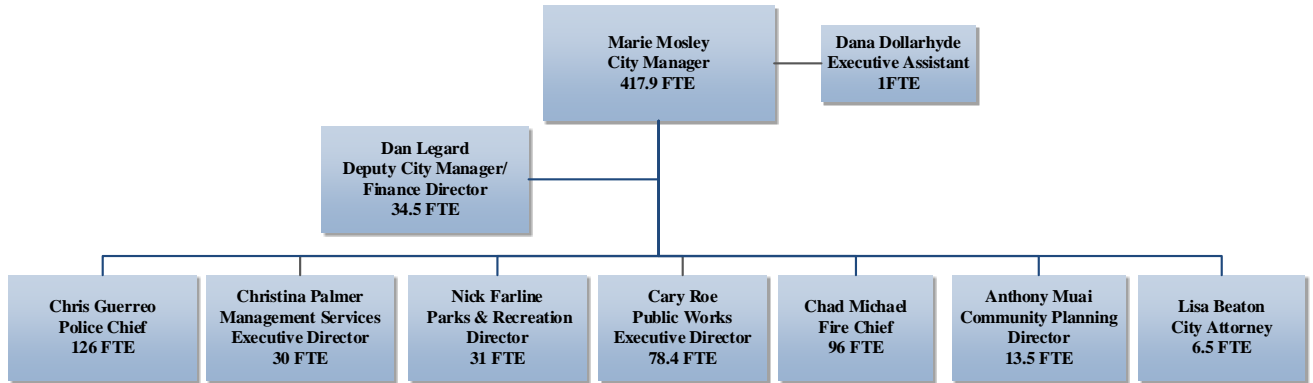
- Attended numerous ribbon cutting ceremonies in partnership with the Regional Chamber of Commerce that further develop our partnerships with City of Kennewick business and provide support in our economic development efforts and partnerships.
- Reaffirmed our Budgeting by Priorities model that provides a method to evaluate the top priority services for additional funding and lower priority services for reduction, elimination or alternative service delivery.
- Economic recovery through tournaments and tourism in partnership with Visit Tri-Cities, Toyota Center, Carousel of Dreams, Historic Downtown Kennewick Partnership, and others.
- Collaborated with legislators/lobbyists to respond to the Blake decision and address other police reform priorities as well as to identify and support incentives for economic recovery and to create growth and opportunities.

REVENUES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 549,723	\$ 525,394	\$ 525,394	\$ 553,441
Current Funding Sources	\$ 549,723	\$ 525,394	\$ 525,394	\$ 553,441
EXPENDITURES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 206,368	\$ 223,584	\$ 223,584	\$ 236,184
Benefits	253,321	275,910	275,910	276,157
Salaries & Benefits	459,689	499,494	499,494	512,341
Supplies	6,925	6,700	6,700	7,000
Travel & Training	6,440	14,000	14,000	10,000
Dues & Subscriptions	5,000	5,000	5,000	5,000
Other Services & Charges	71,669	200	200	19,100
Supplies & Services	90,034	25,900	25,900	41,100
Total Expenditures	\$ 549,723	\$ 525,394	\$ 525,394	\$ 553,441
Expenditures by Fund				
General Fund	\$ 549,723	\$ 525,394	\$ 525,394	\$ 553,441
Total Expenditures by Fund	\$ 549,723	\$ 525,394	\$ 525,394	\$ 553,441

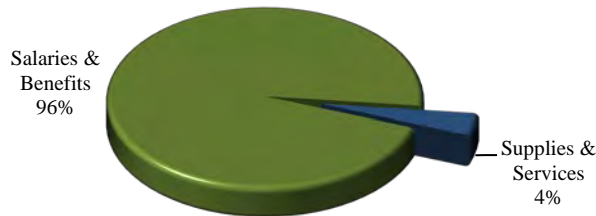
**DETAIL
BUDGET**



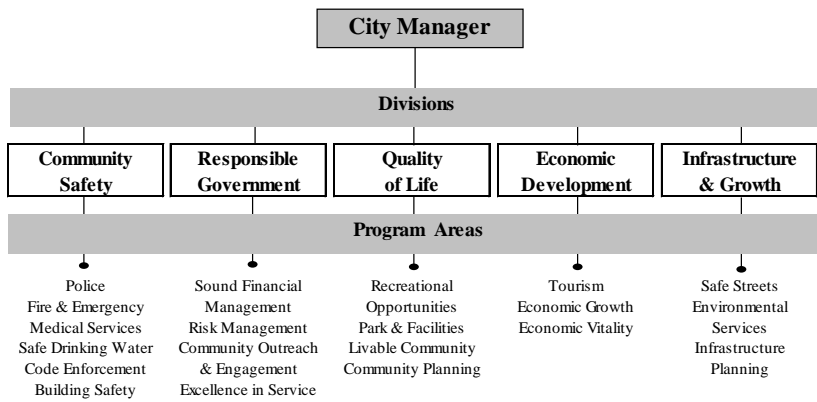
City Manager's Office



Adopted Budget



Resources by Type				
	2019-2020	2021-2022	2021-2022	2023-2024
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 819,914	\$ 861,666	\$ 861,666	\$ 880,771
Total Program Revenues:	\$ 819,914	\$ 861,666	\$ 861,666	\$ 880,771
Expenditures by Program				
	2019-2020	2021-2022	2021-2022	2023-2024
	Actual	Adopted	Adjusted	Adopted
Salaries & Wages	\$ 801,071	\$ 835,996	\$ 835,996	\$ 846,555
Supplies & Services	18,843	25,670	25,670	34,216
Total Division Budget:	\$ 819,914	\$ 861,666	\$ 861,666	\$ 880,771



Mission

This mission of the City Manager's Office is to develop and mobilize resources within the parameters of the adopted budget in order to achieve the community's service needs as set forth by the City Council's vision and direction.

Department Purpose / Description

The City Manager provides the organizational leadership necessary to successfully implement and deliver the Strategic Work Program developed by the City Council, which was designed to effectively respond to the needs of the City of Kennewick.

Department Broad Goals

- Continued focus on combatting criminal gang activity.
- Enhance school safety.
- Maintain availability of safe drinking water as we grow.
- Support & promote the City's newest industrial development area.
- Implement the vision & policies established for the City's opportunity centers.
- Support City Council legislative priorities, particularly police reform and housing and homelessness concerns.
- Implement our strategic capital facilities plan.
- Complete the Fire Department Standard of Cover in alignment with the strategic plan objectives.
- Continue infrastructure planning and develop creative solutions to achieve Council's strategic goals.
- Implement creative solutions to maintain existing infrastructure.
- Continued support for conveyance of Columbia Park.
- Leverage partnerships & align service delivery to implement Council goals and objectives.

Highlights / Changes

Aligned staffing resources to achieve Council's goals and objectives. Established strategic work plans for council meetings, boards and commissions based on Council goals & priorities.

2023/2024 Goals & Objectives

Council Priority: Community Safety

- **Combat Criminal Gang Activity** – Utilize public safety sales tax funding and community partners to implement critical public safety programs.
- **School Safety** – Partner with KSD to provide SRO's in all middle schools and review school security option in elementary schools.
- Implement Fire Department strategic plan.
- **Safe Drinking Water** – Implement utility rate recommendations to address deferred maintenance and capital needs.

Council Priority: Infrastructure & Growth

- **Sustainable Capital Facilities Plan** -
 - ✓ Pavement preservation
 - ✓ Vehicle/fleet program
 - ✓ Utility projects
 - ✓ City facilities and parks
- **Infrastructure Planning & Develop Creative Solutions for Opportunity Centers** -
 - ✓ Legislative economic development opportunities and incentives
 - ✓ Public/Private Partnerships
 - ✓ Explore funding alternatives
- **Implement Creative Solutions to Maintain Existing Infrastructure** –
 - ✓ Parks capital projects, operations and maintenance
 - ✓ Water, sewer and stormwater rate review implementation

Council Priority: Economic Development

- **Industrial Development Area** –
 - ✓ Complete utility extensions to position the area for industrial development
- **Implement Vision & Policies established for the City's Opportunity Centers:**
 - ✓ Bridge to Bridge/Downtown
 - ✓ Vista Entertainment District
 - ✓ Columbia Park
 - ✓ Southridge

Department Broad Goals Cont'd

- Prepare for continued future growth through implementation of the strategic comprehensive plan.
- Utilize innovation, creativity & flexibility in program delivery.
- Maintain and enhance our internal infrastructure.
- Enhance & leverage strong community partnerships.
- Recruit, retain, promote and support our City employees.
- Continue providing a high level of service to all Kennewick citizens.

Division Staffing				
	2021	2022	2023	2024
	Actual	Actual	Adopted	Adopted
CITY MANAGER	1.00	1.00	1.00	1.00
EXECUTIVE ASSISTANT	1.00	1.00	1.00	1.00
TOTAL DEPARTMENT FTE'S:	2.00	2.00	2.00	2.00

Leading the Way

Leading The Way

We will provide excellent public service and ensure the safety and wellbeing of our community and one another through the empowerment of each employee. *We value...*

**INTEGRITY...
INCLUSIVENESS...
STEWARDSHIP...
AND COMMUNICATION**

We are accountable to our community for innovative and collaborative efforts that anticipate needs, leverage resources and deliver solutions.

Integrity: We hold ourselves to the highest standard of professionalism and ethical conduct.

Inclusiveness: We embrace diversity and value different perspectives as we work together for the common good.

Stewardship: We ensure the public's resources are used responsibly to provide the greatest benefit.

Communication: We will listen and engage in an open, honest and timely exchange of information.

KENNEWICK WASHINGTON
Leading the Way



Council Priority: Economic Development (cont'd)

- *Seek grant opportunities and support creative economic development incentives*

Council Priority: Responsible Government

- *Utilize Creativity & Flexibility in Program Delivery –*
 - ✓ Cross functional teams & staff development
- *Maintain Internal Infrastructure –*
 - ✓ Implement IT Strategic Plan
- *Enhance & Leverage Community Partnerships for Effective Service Delivery*
 - ✓ Succession planning
 - ✓ Realignment of personnel
 - ✓ Budgeting by priorities model

Council Priority: Quality of Life

- *Continue pursuit of conveyance of Columbia Park*
- *Prepare for future growth through implementation of our Strategic Comprehensive Plan –*
 - ✓ Park & greenway maintenance
- *Leverage Partnerships and Align Service Delivery to implement Council Goals and priorities –*
 - ✓ Wildland/Urban interface
 - ✓ Recreation program delivery
 - ✓ Homelessness and housing

Prior Year Accomplishments

- Finalized the annexation and established land use for the 223 acres of industrial land south of I-82.
- American Rescue Plan Act (ARPA) funding allocated towards significant City-wide projects.
- Completed the interchange at Highway 395 and Ridgeline Drive.
- Brought forward a more cost-effective solution for needed upgrades to the City's Waste Water Treatment Plant.
- Worked with Port of Kennewick and A1 Pearl to implement the vision for Vista Field and Entertainment District.
- Well City Award for 11th year.
- Implemented a new body and dash camera program within KPD.
- Completed construction of a new Fire Station #3 and began construction of a new Fire Station #1/Admin facility.

City Manager's Office

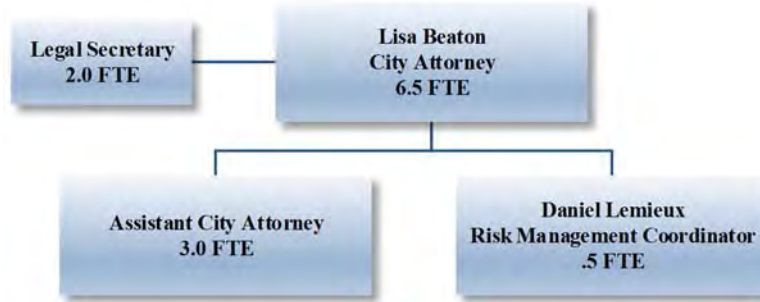
REVENUES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 819,914	\$ 861,666	\$ 861,666	\$ 880,771
Current Funding Sources	\$ 819,914	\$ 861,666	\$ 861,666	\$ 880,771
EXPENDITURES				
	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 617,982	\$ 645,574	\$ 645,574	\$ 651,324
Overtime	231	1,600	1,600	1,500
Benefits	182,859	188,822	188,822	193,731
Salaries & Benefits	801,072	835,996	835,996	846,555
Supplies	9,920	8,720	8,720	9,444
Travel & Training	2,071	10,000	10,000	14,000
Dues & Subscriptions	1,587	3,150	3,150	6,612
Other Services & Charges	5,265	3,800	3,800	4,160
Supplies & Services	18,843	25,670	25,670	34,216
Total Expenditures	\$ 819,914	\$ 861,666	\$ 861,666	\$ 880,771
Expenditures by Fund				
General Fund	\$ 819,914	\$ 861,666	\$ 861,666	\$ 880,771
Total Expenditures by Fund	\$ 819,914	\$ 861,666	\$ 861,666	\$ 880,771

**DETAIL
BUDGET**



US395 Interchange

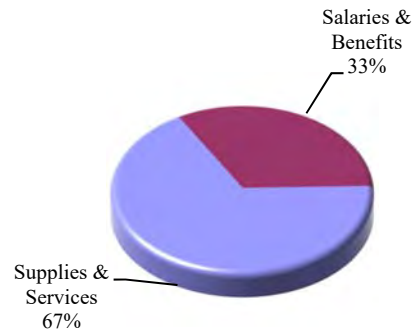
City Attorney's Office



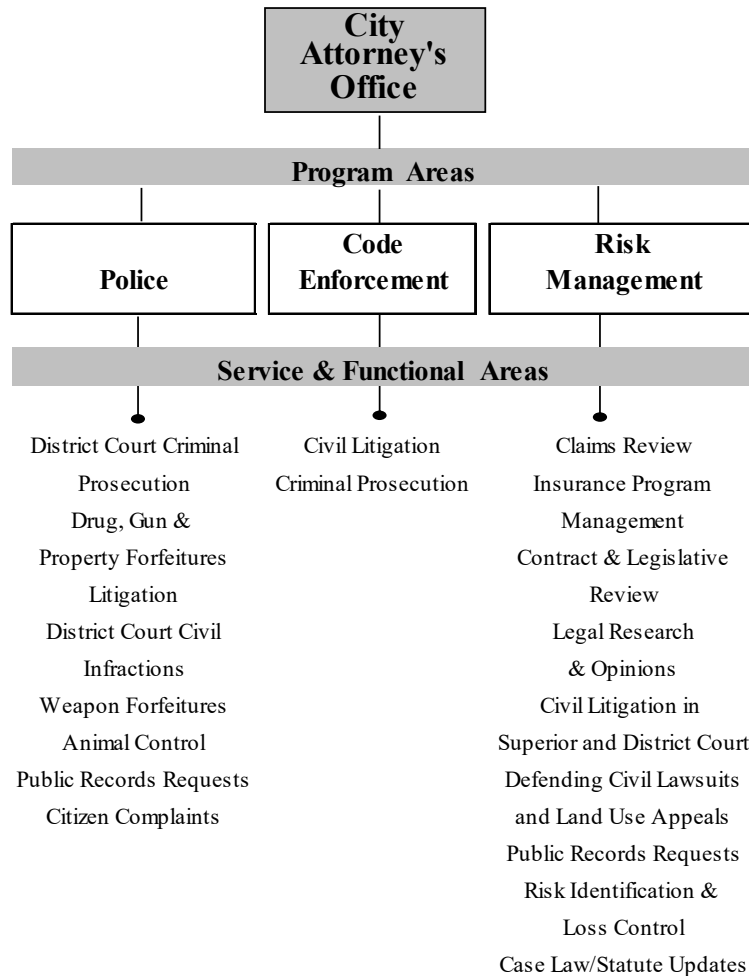
Mission

Our mission is to provide timely and reliable legal advice and zealously and competently represent the City's interest in all judicial and quasi-judicial matters while maintaining the highest level of professional ethics.

Adopted Budget



Departmental Staffing				
	2019-2020	2021-2022	2021-2022	2023-2024
	Actual	Adopted	Adjusted	Adopted
Full-Time Equivalent	7.00	7.00	7.00	6.50
% of City's FTE's	1.71%	1.70%	1.70%	1.56%
Departmental Expenditures by Type				
	2019-2020	2021-2022	2021-2022	2023-2024
	Actual	Adopted	Adjusted	Adopted
Salaries & Benefits	\$ 1,864,879	\$ 1,932,378	\$ 1,932,378	\$ 2,071,980
Supplies & Services	3,213,273	2,983,370	3,808,970	4,214,908
Interfund Transfers	162,700	-	567,500	-
Total Department Budget:	\$ 5,240,852	\$ 4,915,748	\$ 6,308,848	\$ 6,286,888
Funding Sources				
	2019-2020	2021-2022	2021-2022	2023-2024
	Actual	Adopted	Adjusted	Adopted
General Fund	\$ 1,754,389	\$ 1,700,958	\$ 1,706,558	\$ 1,801,155
Criminal Justice Fund	239,105	292,580	292,580	323,216
Risk Management Fund	3,247,358	2,922,210	4,309,710	4,162,517
Total Sources:	\$ 5,240,852	\$ 4,915,748	\$ 6,308,848	\$ 6,286,888



Department Purpose / Description

The City Attorney is the legal advisor to the City Manager, Administrative Staff, and City Council. Responsibilities include the preparation and review of all contracts, ordinances, and resolutions presented to City Council for consideration, counseling staff about legal matters within their respective departmental operations, and representing the City in litigation.

The Assistant City Attorneys primarily prosecute misdemeanor cases for the City of Kennewick. They advise police officers and city departments, review reports for charging decisions, conduct case settlement negotiations, prepare cases for trial and try cases in court. When necessary they fill in for the City Attorney.

Department Broad Goals

Continue reducing the cost of providing legal services while maintaining the highest quality of representation.

Highlights / Changes

In line with Council’s goal of community safety, we are continuing to handle a large criminal case load. The City Attorney’s Office continues to support Council’s goal of responsible government in the area of risk management through contract and ordinance review as well as conducting training for staff.

2023/2024 Goals & Objectives

Council Priority: Responsible Government

- Fully implement and go live with a paperless system for our Criminal Division.
- Work internally and cross-departmentally to offer meaningful access to our customer facing services, particularly our victim and witness services in dual languages in accordance to Title VI.

Council Priority: Economic Development

- Work with cross-functional teams to implement Light Industrial development on newly annexed property south of I-82.

Council Priority: Quality of Life

- Work with cross-functional teams to deal with homelessness and housing issues and facilitate transfer of property to KHA for future housing project on 10th Avenue shops property.
- Pursue Receivership where appropriate on nuisance properties with deceased owners.

Prior Biennium Accomplishments

- Successfully completed UGA expansion appeal; the annexed property is now officially within the City’s boundaries.
- Completed negotiations and adopted small cell franchise with US Cellular.
- Proposed several code amendments to Titles 9 and 10 of the KMC to ensure compliance with State law and avoid constitutional challenges to outdated code provisions.
- Adjusted internal processes for document creation, storage, and filing in response to Benton County District Court moving to a paperless and electronic filing system.
- Developed and implemented a Trial Triage process to effectively process a large backlog of trial cases caused by the Court pausing jury trials for over a year due to the pandemic.
- Improved proactive contact with victims prior to arraignment and sending letters before and after case resolution to facilitate timely communication.
- Trained KPD on police reform legislation passed in 2021 and 2022.

Performance Measures

Program / Service Outputs	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Number of criminal cases filed in BCDC	2,292	1,903	2,000	2,100	2,100
Number of trial settings annually	148	266	100	150	150
Number of criminal hearings attended	14,462	18,314	14,000	15,000	15,000
Number of cases reviewed for charges	1,536	846	1,100	1,300	1,300
Number of legal opinions provided	1,181	1,369	1,300	1,300	1,300
Number of claims received by WCIA	29	35	33	32	31
Number of third party damage billings	54	46	46	49	49

Program / Service Efficiency Measures	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Average time spent per criminal case	2 HRS	3 HRS	3 HRS	3 HRS	3HRS
Average time spent per case reviewed	30 MINS	45 MINS	45 MINS	45 MINS	45 MINS
Cost per written opinion provided	\$122.00	\$122.00	\$130.00	\$135.00	\$140.00
Annual total paid claims by WCIA	6	17	12	11	10
Reduction in number of claims submitted	-29%	20%	5%	3%	3%
Percentage of third party billings received	83%	78%	66%	75%	75%

Program / Service Quality	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Percentage of resolved cases resulting in pleas of guilty	61%	67%	68%	70%	70%
Percentage of cases set for trial that are tried	3%	34%	4%	5%	5%
Elapsed time from request to opinion	2 days	2 days	3 days	3 days	3 days
Complied with WCIA compact	Yes	Yes	Yes	Yes	Yes
Percentage resolved without litigation	93%	94%	94%	94%	94%

Department Staffing				
	2021	2022	2023	2024
	Actual	Actual	Adopted	Adopted
CITY ATTORNEY	1.00	1.00	1.00	1.00
ASSISTANT CITY ATTORNEY II	1.00	1.00	1.00	1.00
ASSISTANT CITY ATTORNEY I	2.00	2.00	2.00	2.00
LEGAL SECRETARY	2.00	2.00	2.00	2.00
DOCKET CLERK	0.50	0.50	0.00	0.00
RISK MANAGEMENT COORDINATOR	0.50	0.50	0.50	0.50
TOTAL DEPARTMENT FTE'S:	7.00	7.00	6.50	6.50

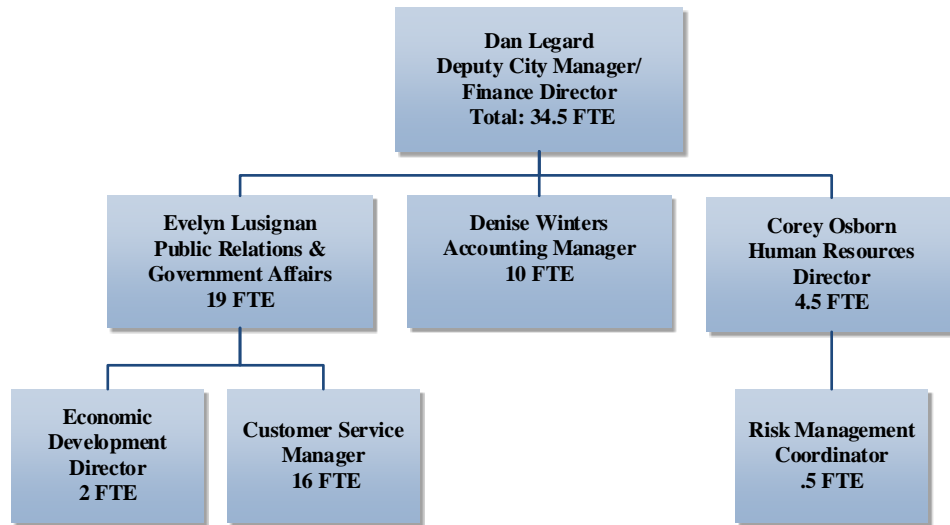


City Attorney's Office

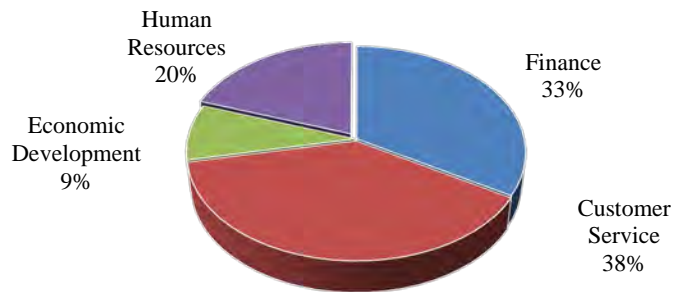
REVENUES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 1,874,672	\$ 1,700,958	\$ 1,701,225	\$ 1,837,641
Local Sales Tax - Criminal Justice	239,105	292,580	292,580	323,216
Risk Management Services	990,935	1,119,535	1,124,869	1,707,101
Charges for Services	1,230,040	1,412,115	1,417,449	2,030,317
Insurance Recoveries/Settlements	479,549	80,000	779,500	150,000
Interest/Miscellaneous	620	2,000	2,000	2,000
Miscellaneous Revenue	480,169	82,000	781,500	152,000
General Fund	1,775,000	1,650,000	2,200,000	2,450,000
Interfund Transfers	1,775,000	1,650,000	2,200,000	2,450,000
Total Revenues	\$ 5,359,881	\$ 4,845,074	\$ 6,100,174	\$ 6,469,958
Risk Management Fund	(119,029)	70,675	208,674	(183,070)
Decrease (Increase) to Fund Balance	(119,029)	70,675	208,674	(183,070)
Current Funding Sources	\$ 5,240,852	\$ 4,915,749	\$ 6,308,848	\$ 6,286,888
EXPENDITURES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 1,352,405	\$ 1,383,848	\$ 1,383,848	\$ 1,489,935
Overtime	3,538	-	-	-
Benefits	508,936	548,531	548,530	582,045
Salaries & Benefits	1,864,879	1,932,379	1,932,378	2,071,980
Supplies	44,993	30,490	27,490	33,361
Contractual Services	202,715	129,400	138,000	131,750
Payments to Claimants	160,561	150,000	150,000	150,000
Travel & Training	9,161	16,000	16,000	16,750
Insurance Premiums	2,233,209	2,503,440	2,628,440	3,709,912
Self-Insured Retention Payments	546,388	130,000	825,000	150,000
Other Services & Charges	16,246	24,040	24,040	23,135
Supplies & Services	3,213,273	2,983,370	3,808,970	4,214,908
Equipment Rental Fund	12,500	-	567,500	-
Columbia Park	150,200	-	-	-
Interfund Transfers	162,700	-	567,500	-
Total Expenditures	\$ 5,240,852	\$ 4,915,749	\$ 6,308,848	\$ 6,286,888
Expenditures by Fund				
General Fund	\$ 1,754,389	\$ 1,700,958	\$ 1,706,558	\$ 1,801,155
Criminal Justice Fund	239,105	292,580	292,580	323,216
Risk Management Fund	3,247,358	2,922,210	4,309,710	4,162,517
Total Expenditures by Fund	\$ 5,240,852	\$ 4,915,748	\$ 6,308,848	\$ 6,286,888

**DETAIL
BUDGET**





Adopted Budget



Division	2019-2020	2021-2022	2021-2022	2023-2024
Expenditures	Actual	Adopted	Adjusted	Adopted
Finance	\$ 2,766,405	\$ 2,719,051	\$ 2,809,563	\$ 3,185,868
Customer Service	3,106,389	3,403,307	3,545,307	3,646,195
Economic Development	750,301	657,910	664,910	821,015
Human Resources	1,321,960	1,294,876	1,598,199	1,859,894
Total:	\$ 7,945,055	\$ 8,075,144	\$ 8,617,979	\$ 9,512,972

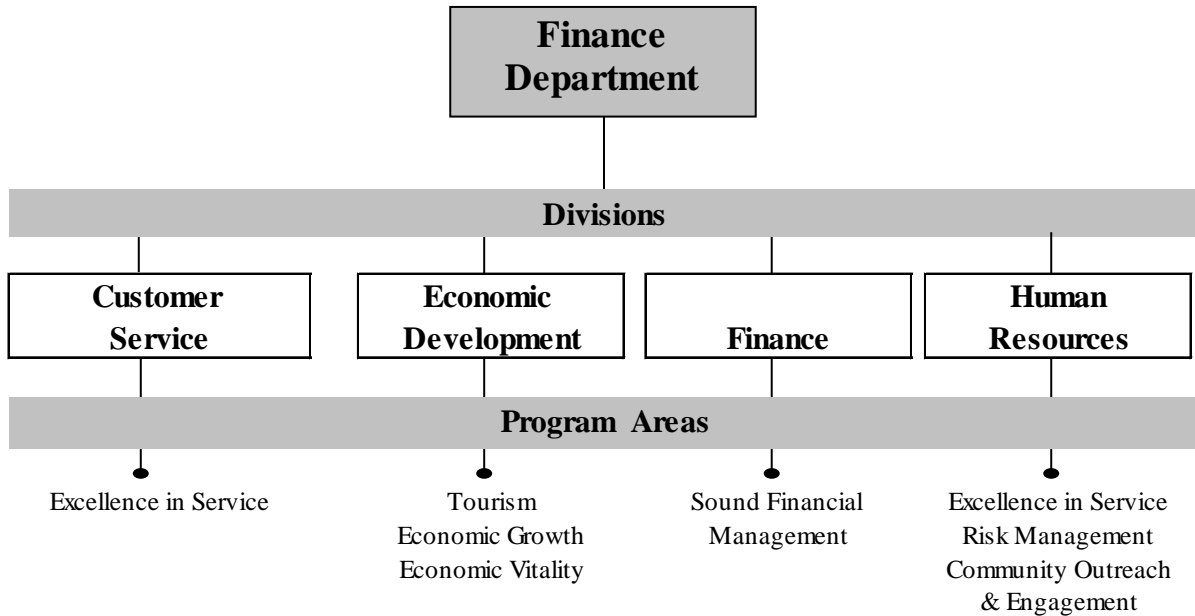
Funding Sources	2019-2020	2021-2022	2021-2022	2023-2024
	Actual	Adopted	Adjusted	Adopted
General Fund	\$ 6,933,196	\$ 7,085,173	\$ 7,628,008	\$ 8,453,797
Medical Services Fund	320,842	187,991	187,991	205,692
Water/Sewer Fund	544,045	638,715	638,715	669,739
Risk Management Fund	146,972	163,265	163,265	183,744
Total Sources:	\$ 7,945,055	\$ 8,075,144	\$ 8,617,979	\$ 9,512,972

Finance Department

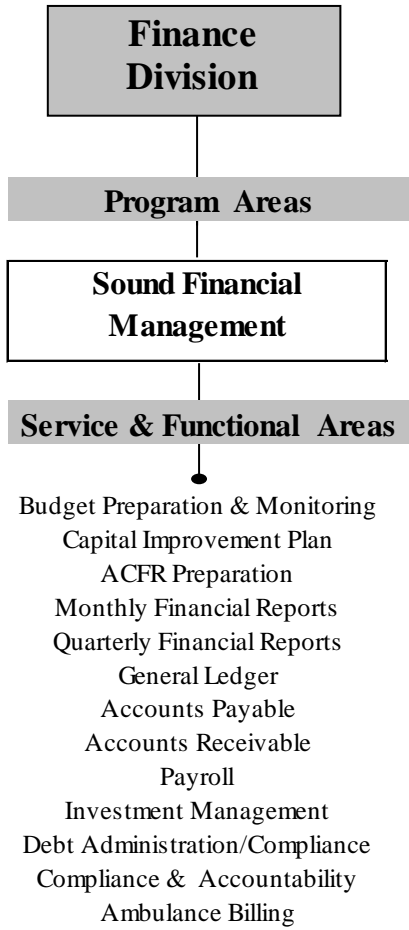
Mission

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Our mission is to enhance the efficiency and effectiveness of City operations by providing exceptional leadership in financial and customer service to City staff and the citizens of our community. Powered by excellent people, we are a quality driven, high performance team committed to attainment of our mission through our core service values.



Departmental Staffing				
	2019-2020	2021-2022	2021-2022	2023-2024
	Actual	Adopted	Adjusted	Adopted
Full-time Equivalent (FTE)	31	31.5	33	34.50
% of City's FTE's	7.58%	7.67%	8.00%	8.26%
Departmental Expenditures by Type				
	2019-2020	2021-2022	2021-2022	2023-2024
	Actual	Adopted	Adjusted	Adopted
Salaries & Benefits	\$ 6,718,823	\$ 6,769,769	\$ 7,009,091	\$ 7,949,827
Supplies & Services	1,226,232	1,305,375	1,608,888	1,563,145
Total Department Budget:	\$ 7,945,055	\$ 8,075,144	\$ 8,617,979	\$ 9,512,972



Division Purpose/Description

The Finance Division is responsible for the accounting, budgeting, reporting, treasury functions, and fiscal controls of the City of Kennewick, including the water/sewer utility and ambulance, building safety and stormwater utility programs. Other functions of the Finance Division include general ledger, payroll, accounts payable, debt administration, grant accounting and capital assets.

Division Broad Goals

- Strengthen communication with internal departments and the community.
- Strengthen relationships with our peers at other municipal agencies.
- Establish backup resources for all major operational areas.
- Provide meaningful financial reports in a timely manner.
- Maintain the highest standards in financial reporting.

Highlights / Changes

During the 2021/2022 biennium, the Finance Division continued to provide financial services to all City departments while striving to be more efficient and effective in delivery of those services. As outlined in the Prior Year Accomplishments section below, a number of critical initiatives were completed during the biennium that helped the City to meet City Council’s goals and objectives.

2023/2024 Goals and Objectives

- Implement Tyler/Munis Human Capital Management (Payroll and HR) module effective in January of 2024 to integrate with the Financials module that was implemented in 2021.
- Implement ACFR Statement Builder software to streamline year-end financial reporting and simplify audit process.
- Implement Governmental Accounting Standards Board (GASB) statement 87 *Leases* for the City’s 2022 annual comprehensive financial report (ACFR).
- Implement Governmental Accounting Standards Board (GASB) statement 96 *Subscription-Based IT Arrangements* for the City’s 2023 annual comprehensive financial report (ACFR).
- Complete succession planning for anticipated retirements in several key Finance positions that are expected to occur during the 2023/2024 biennium.
- Working in partnership with the Kennewick Fire Department, complete an update to the City’s ambulance utility cost of service study.
- Complete an update to the City’s citywide full-cost and federal cost allocation plans.

Prior Biennium Accomplishments

- Implemented the Financial and Cash Receipting modules for the City’s new Tyler/Munis Enterprise Resource Planning (ERP) system to replace the City’s previous Eden ERP system with a go-live date in June of 2021.
- Attained Government Finance Officer Association’s (GFOA) Certificate of Excellence in Financial Reporting for the 36th consecutive year for the City’s 2020 comprehensive annual financial report (ACFR).

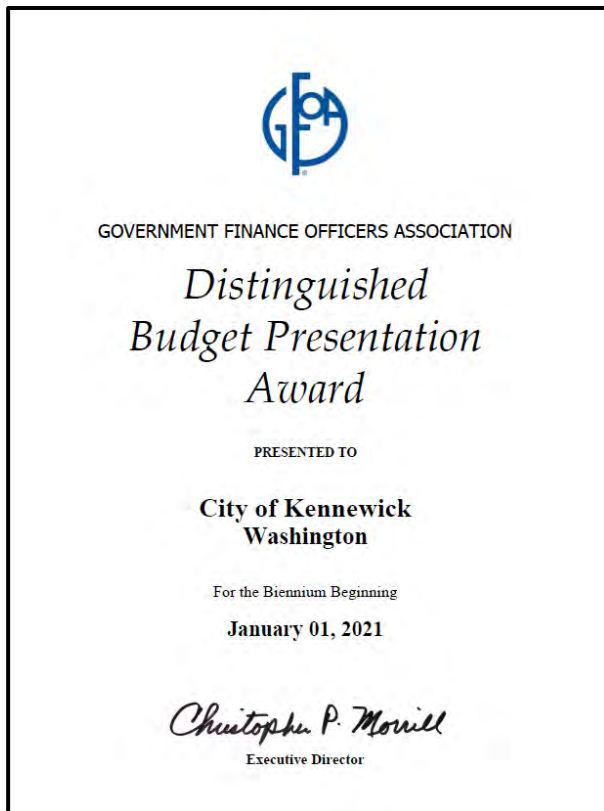
Division Staffing				
	2021	2022	2023	2024
	Actual	Actual	Adopted	Adopted
FINANCE DIRECTOR	0.70	0.70	0.70	0.70
ACCOUNTING MANAGER	1.00	1.00	1.00	1.00
TREASURY SUPERVISOR	1.00	1.00	1.00	1.00
ACCOUNTANT II	1.00	1.00	1.00	1.00
ACCOUNTANT	1.00	1.00	1.00	2.00
PAYROLL ACCOUNTANT	1.00	1.00	1.00	1.00
SENIOR ACCOUNTING SPECIALIST	2.00	2.00	2.00	2.00
ACCOUNTING SPECIALIST	1.00	1.00	1.00	1.00
OFFICE SPECIALIST	1.00	1.00	1.00	1.00
TOTAL DIVISION FTE'S:	9.70	9.70	9.70	10.70

Prior Biennium Accomplishments (Cont'd)

- Attained the GFOA Distinguished Budget Presentation Award for the 18th consecutive time for the City's 2021/2022 Budget Document.
- Attained the GFOA Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR) for the 14th consecutive year for the City's 2020 PAFR.
- Completed a \$10.17 million limited tax general obligation (LTGO) bond issue to finance the replacement of fire station #1 and the Kennewick Fire Department's administrative facilities and reaffirmed the City's AA general obligation bond rating through Standard & Poors Global Ratings.
- Completed the outsourcing of the City's third-party ambulance billing program, as well as management of the City's long-term investment portfolio.

City Council's Priority Area(s)

- Responsible Government
- Infrastructure & Growth



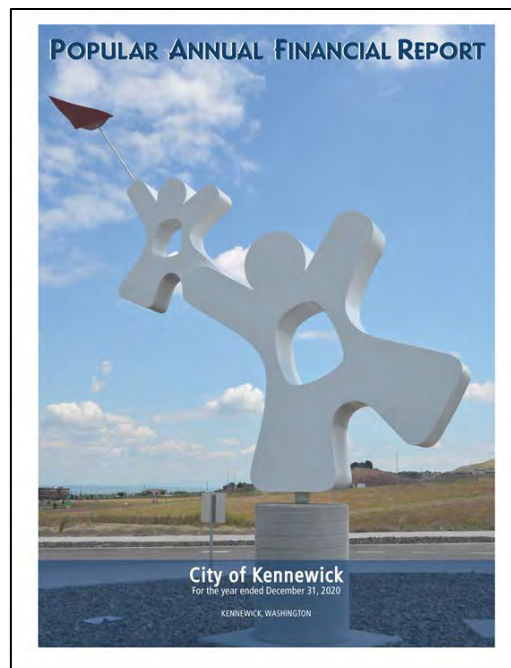
Performance Measures

Program / Service Outputs	2020 Actual	2021 Actual	2022 Estimated	2023 Projected	2024 Projected
Number of payroll disbursements processed	11,402	11,386	11,400	11,700	12,050
Number of AP invoices processed	14,602	12,343	13,638	15,000	16,500
Average Investment Portfolio	\$73,047,000	\$93,819,000	\$105,000,000	\$90,000,000	\$80,000,000
Number of accounting funds maintained	25	27	27	27	27
Total dollars appropriated (adjusted biennial)	\$411,270,302		\$422,000,000		\$443,100,000

Program / Service Efficiency Measures	2020 Actual	2021 Actual*	2022 Estimated*	2023 Projected	2024 Projected
Percentage of months where general ledger is closed by the 20th of the following month	100%	67%	83%	100%	100%
Percentage of payroll disbursements issued electronically	94.02%	95.14%	95.00%	95.00%	95.00%
Direct personnel cost per AP invoice	\$6.85	\$8.22	\$7.44	\$6.76	\$6.45

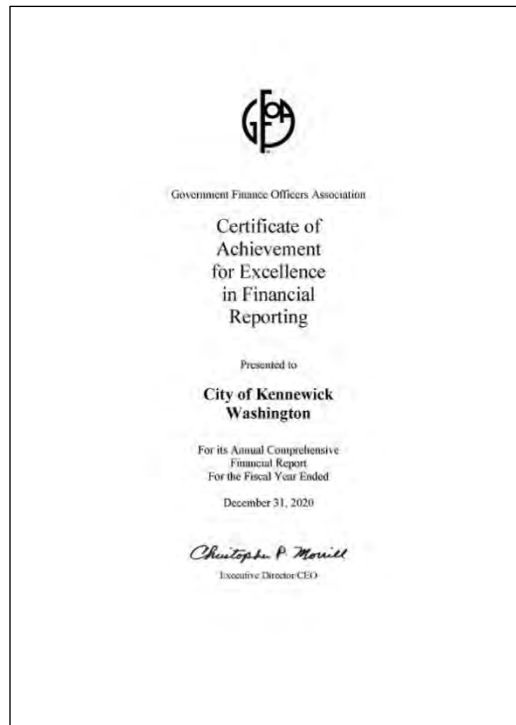
*The City implemented a new ERP system and financials module in June of 2021.

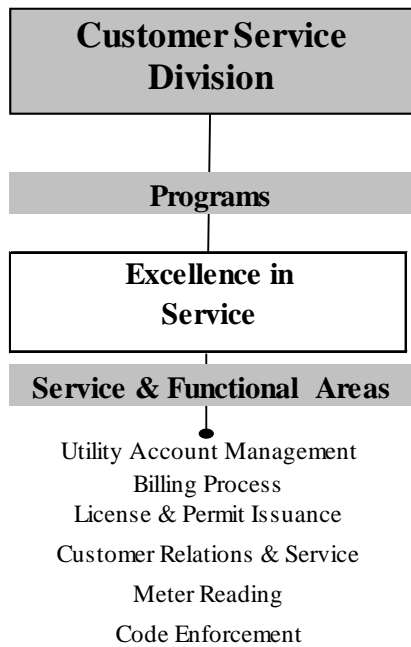
Program / Service Quality	2020 Actual	2021 Actual	2022 Estimated	2023 Projected	2024 Projected
Number of years/bienniums GFOA distinguished budget award received since 1991	-	18	-	19	-
Number of consecutive years GFOA award for excellence in financial reporting received	35	36	37	38	39
Number of audit findings	-	-	1	-	-



REVENUES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 2,766,405	\$ 2,719,051	\$ 2,809,563	\$ 3,185,868
Current Funding Sources	\$ 2,766,405	\$ 2,719,051	\$ 2,809,563	\$ 3,185,868
EXPENDITURES				
	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 1,892,724	\$ 1,856,906	\$ 1,900,475	\$ 2,145,864
Benefits	695,295	712,650	731,943	814,255
Salaries & Benefits	2,588,020	2,569,556	2,632,418	2,960,119
Supplies	24,261	14,550	23,550	37,934
Contractual Services	135,072	110,750	129,400	163,005
Postage	6,860	7,440	7,440	7,660
Travel & Training	6,532	11,100	11,100	11,550
Other Services & Charges	5,660	5,655	5,655	5,600
Supplies & Services	178,385	149,495	177,145	225,749
Total Expenditures	\$ 2,766,405	\$ 2,719,051	\$ 2,809,563	\$ 3,185,868
Expenditures by Fund				
General Fund	\$ 2,445,564	\$ 2,531,060	\$ 2,621,572	\$ 2,980,176
Medical Services Fund	320,842	187,991	187,991	205,692
Total Expenditures by Fund	\$ 2,766,405	\$ 2,719,051	\$ 2,809,563	\$ 3,185,868

DETAIL BUDGET





Division Purpose / Description

The Customer Service Division provides centralized cash receipting of all City revenues, billing for the water/sewer utility, business licensing, code enforcement, customer assistance, meter reading, and inter-departmental customer service coordination.

Division Broad Goals

- Strengthen City-wide Customer Service to our Citizens through continued cross training of One Stop Service staff and customer service focused processes.
- Enforce city codes relating to nuisance abatement, boarded up buildings, zoning code and substandard/unfit buildings.
- Promote creative and efficient ways to enhance permit issuance and customer service programs within the team and across other City teams.
- Streamline and coordinate the intake and processing of building permits, miscellaneous planning permits, consolidated intakes and support express permitting.
- Expand evaluation of service priorities and processes in order to focus resources on high priority work. Eliminate appropriate low priority items and duplications of effort.
- Continue to enhance public outreach and citizen engagement through effective social media messaging, media relations, and web-based communication tools.

Highlights / Changes

The 2021-2022 biennium had some unique challenges and accomplishments with the ERP project and the Tyler Technologies conversions to EnerGov and Tyler’s cash receipting. Conversion also eliminated the IWorqs Code Enforcement software with implementation of EnerGov’s code enforcement module.

Team was instrumental in reviewing processes, developing new procedures, learning new software, cross-training and evaluating conversion data.

Customer Service also worked in partnership with Public Works on the AMI or automated meter reading project. This involved significant coordination of data and account information as part of the transition to the automated reading technology.

2023/2024 Goals and Objectives

- Continued implementation of AMI and transition of utility accounts with automated meter reading capability.
- Implement WaterSmart software application that provides customers, with the newly installed smart meters, the ability to access and analyze water usage data.
- Evaluate potential for also utilizing WaterSmart platform for electronic bill presentment and on-line utility payments.
- Utility Billing software conversion in 2024. Will require significant preparation in advance of conversion.
- Continue to evaluate One-Stop delivery of services. Ensure advanced cross-functional training is completed.
- Evaluate credit card processing fees and potential recommendations to reduce service costs.
- Process review of Code Enforcement functions and identify best path forward to transition Code Enforcement to Community Planning.
- Coordinate proposed Kennewick Municipal Code changes from Code Enforcement process review, with City Attorney’s office and Community Planning.
- Continue with Cross-Functional team approach to addressing homeless nuisance issues.



2023/2024 Expenditures



Division Staffing				
	2021	2022	2023	2024
	Actual	Actual	Adopted	Adopted
FINANCE DIRECTOR	0.10	0.10	0.10	0.10
PR & GOVT AFFAIRS DIRECTOR	0.50	0.50	0.50	0.50
CUSTOMER SERVICE MANAGER	1.00	1.00	1.00	1.00
LEAD CUSTOMER CARE REP	1.00	1.00	1.00	1.00
CUSTOMER CARE REPRESENTATIVE	7.00	7.00	7.00	7.00
OFFICE SPECIALIST	1.00	1.00	1.00	1.00
METER READER	3.50	3.50	3.50	3.50
CODE ENFORCEMENT OFFICERS	2.00	2.00	2.50	2.50
TOTAL DIVISION FTE'S:	16.10	16.10	16.60	16.60

Prior Year Accomplishments

- Navigated providing services during the Covid-19 pandemic that included enhancing on-line documentation and applications to facilitate customers being able to continue doing business while offices were closed to the public.
- Assisted customers in transitioning to on-line services during Covid-19 closure.
- Successfully implemented conversions to Tyler Cashiering and Energov as part of ERP process.
- Eliminated IWorqs Code Enforcement software and implemented EnerGov's Code Enforcement Module.
- Hired and trained new one-stop staff to the excellence in service model and cross-functional team tasks.
- Implemented new process for transmitting bad debt accounts to collection agency electronically.
- Actively participated and collaborated with Public Works on the automated meter infrastructure (AMI) project.
- Code Enforcement was part of City cross-functional team to address homeless nuisance issues.

City Council's Priority Area(s)

- Responsible Government
- Community Safety
- Quality of Life

The City of Kennewick has on-line access to city services for permitting, utility billing payments, economic development, recreation programs, and employment opportunities
www.go2kennewick.com/

Performance Measures

Program / Service Outputs

	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Business licenses & permits issued	6,693	*6,700	6,700	6,800	6,900
Utility bills processed	153,344	154,523	156,486	158,051	159,631
Number of meter readings	153,282	154,824	156,800	158,368	159,952
Service orders processed	751	443	**300	300	300
Code enforcement complaints received	337	357	450	475	500
Code enforcement notice and orders issued	21	6	20	30	40
Substandard, unfit and vacant land issues	27	18	50	60	70

Program / Service Efficiency Measures

	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Number of accounts per FTE	6,522	6,579	6,750	6,818	6,886
Number of code enforcement complaints per FTE	169	179	200	210	220

Program / Service Quality

	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
License/permits issued on time & accurately	99%	99%	99%	99%	99%
Accounts billed within 5 days of route reading	98%	98%	99%	99%	99%
Water/sewer revenue collected	99.98%	99.98%	99.98%	99.98%	99.98%
Meters read on time	92%	93%	94%	99%	99%
Meters read accurately	99%	99%	99%	99%	99%
Service orders completed on time	99%	99%	99%	99%	99%

*6,700 Actual number for 2021 business licenses not available as State was not inactivating lapsed licenses during pandemic.

**Meter service orders for 2022 dropped due to AMI project and increase in meter exchanges.



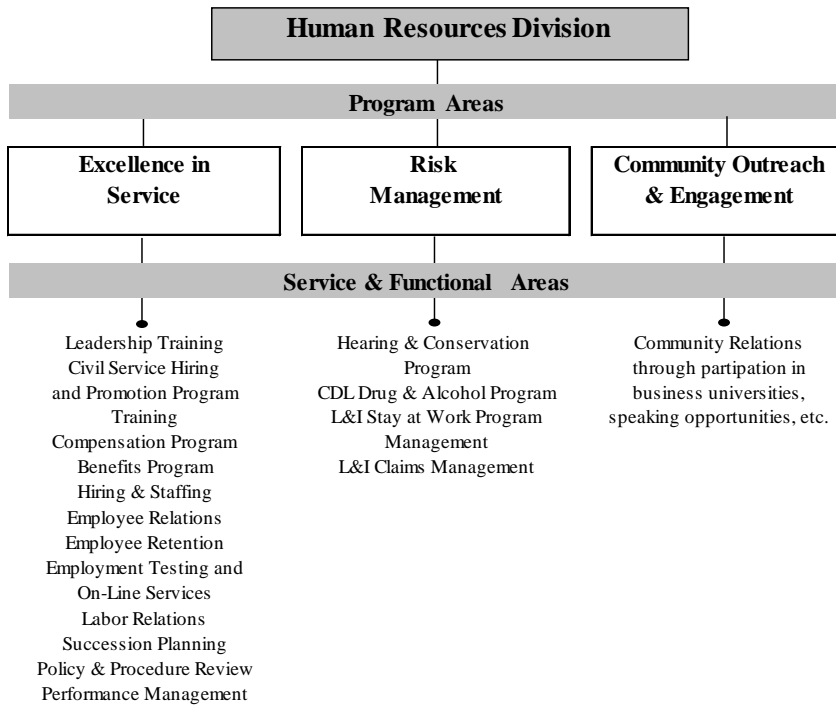
**CUSTOMER SERVICE
DIVISION**

Finance Department

REVENUES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 2,562,344	\$ 2,764,592	\$ 2,906,592	\$ 2,976,456
Water Sales	544,045	638,715	638,715	669,739
Charges for Services	544,045	638,715	638,715	669,739
Current Funding Sources	\$ 3,106,389	\$ 3,403,307	\$ 3,545,307	\$ 3,646,195
EXPENDITURES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 1,635,922	\$ 1,816,316	\$ 1,816,316	\$ 1,970,830
Overtime	7,926	6,720	6,720	6,120
Benefits	729,465	832,480	832,480	822,382
Salaries & Benefits	2,373,313	2,655,516	2,655,516	2,799,332
Supplies	16,826	19,660	19,660	28,298
Contractual Services	116,719	132,276	132,276	144,350
Postage	120,762	120,000	134,000	156,100
Travel & Training	7,987	8,500	8,500	8,700
Credit Card Fees	381,522	375,000	498,000	412,500
Fleet Maintenance Charges	5,280	3,360	8,360	5,520
Graffiti Abatement Program	74,359	76,600	76,600	76,000
Other Services & Charges	9,620	12,395	12,395	15,395
Supplies & Services	733,076	747,791	889,791	846,863
Total Expenditures	\$ 3,106,389	\$ 3,403,307	\$ 3,545,307	\$ 3,646,195
Expenditures by Fund				
General Fund	\$ 2,562,344	\$ 2,764,592	\$ 2,906,592	\$ 2,976,456
Water and Sewer Fund	544,045	638,715	638,715	669,739
Total Expenditures by Fund	\$ 3,106,389	\$ 3,403,307	\$ 3,545,307	\$ 3,646,195

**DETAIL
BUDGET**





Division Purpose / Description

The Human Resources Division provides a wide variety of centralized support to all departments throughout the City, including talent acquisition and management, classification and compensation review, employee and labor relations, succession planning and organization planning, training and development, legal compliance, and employees health and safety. In partnership with all City staff, we help to build a customer-driven workforce with diverse perspectives that help us find new and innovative ways to meet and exceed the needs of our community.

The Wellness Program supports employee wellness in the workplace by providing wellness education and resources to help meet the ongoing needs of our employees. The Safety Program works in close partnership with the Association of Washington Cities’ RETRO program to avoid accidents and injuries, and to support the mission “Every Employee, Home Safe, Every Night.” Both the Wellness and Safety Programs directly impact the City’s costs by minimizing the costs of health insurance and minimizing the cost of industrial insurance and lost time.

Highlights / Changes

Council’s priorities of community safety and responsible government are supported by a focus on recruitment, staff development, and increased efficiencies in services provided by Human Resources.

2023/2024 Goals & Objectives

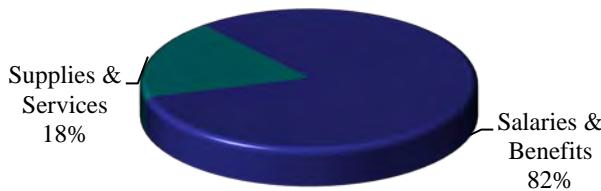
Council Priority: Responsible Government

- **Recruitment -**
 - ✓ Coordinate timely recruitment for all City job vacancies including all police officers and fire fighters in cooperation with the Civil Service Commission.
 - ✓ Support succession planning efforts for key positions and anticipated vacancies throughout the City.
- **Compensation & Benefits -**
 - ✓ Update the City’s personnel policy to reflect new legislation affecting sick leave and family medical leave, and administer the new leave programs.
 - ✓ Complete Class/Comp studies on a minimum of 5-8 positions annually to ensure mandated parity.
- **Training & Development -**
 - ✓ Offer opportunities for leadership and other professional development through Leadership 100 and the LEAD Program, and in partnership with WCIA.
- **Employee Relations -**
 - ✓ Negotiate and administer collective bargaining agreements with all five City labor unions.
- **Employee Safety -**
 - ✓ Continue to develop and promote a culture of workplace safety by maintaining and expanding upon the standards of AWC’s WorkSafe Employer program.
 - ✓ Continue to foster employee health and wellness by earning AWC’s WellCity Award.
 - ✓ Utilize L&I’s Stay at Work Program to mitigate accident and injury costs, and to keep employees on the job in appropriate light or modified duty assignments.

Division Broad Goals

- Continue outreach to increase Workforce Diversity statistics.
- Implementation of the HR Strategic Initiative which integrates performance evaluations, succession planning and leadership development.
- Integration of Well City programs with the Association of Washington Cities, our healthcare provider.
- Prudent management of loss time injuries.
- Review and implementation of Experience Rating reduction strategies.

2023/2024 Expenditures



A person who feels appreciated will always do more than what is expected.

Prior Biennium Accomplishments

- **Recruitment** –
 - ✓ Facilitated the sourcing, recruitment and onboarding of more than 80 new employees, including more than 40 employees directly supporting public safety in our community.
 - ✓ Leveraged technology and increased social media presence to enhance the candidate sourcing and recruitment during “The Great Resignation”.
- **Compensation & Benefits** -
 - ✓ Coordinated an employee benefits survey of local government agencies and comparator jurisdictions across the state to evaluate the City’s competitiveness, and recommended appropriate benefit changes.
 - ✓ Successfully implemented policies in support of Washington State Paid Family & Medical Leave and Long-Term Care.
- **Training & Development** -
 - ✓ Offered more than 50 opportunities for leadership and other professional development in partnership with WCIA and Summit Law Group.
- **Employee Relations** -
 - ✓ Successfully implemented successor collective bargaining agreements with two of the City’s labor unions.
- **Employee Safety** -
 - ✓ Obtained the WellCity Award and 2% health insurance discount from AWC by fostering employee health and wellness.
 - ✓ Obtained the WorkSafe Employer award from AWC by demonstrating a culture of workplace safety.

City Council Priority Area(s)

- Responsible Government
- Community Safety
- Quality of Life

Performance Measures

Program / Service Outputs					
	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Number of completed recruitments (non-uniformed)	27	70	62	70	70
Number of completed recruitments (uniformed)	16	19	24	18	16
Number of applications received (non-uniformed)	779	1,757	1,115	2,100	2,100
Number of applications received (uniformed)	513	406	380	700	700
Workplace safety training hours	782	1,087	1,200	1,300	1,300
Safety meetings	82	84	88	88	88
Safety inspections	30	46	46	46	46
Identified and corrected hazards	4	7	6	5	5
Near miss reports	2	2	4	4	4
Safety recognition nominations	98	98	10	12	12

Program / Service Efficiency Measures					
	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Percentage of minority applicants (non-uniformed)	35.7%	35.3%	36.1%	38.0%	38.0%
Percentage of minority applicants (uniformed)	24.9%	24.8%	26.9%	28.0%	28.0%
Number of time loss days	264	523	315	220	220
Number of days lost per claim	13.2	18.7	5.2	6.5	6.5
Number of L&I claims per 100 employees	5.1	6.9	14.4	5.0	5.0

Program / Service Quality					
	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Percentage of new employees successfully completing probation	84%	91%	94%	92%	92%
Number of L&I claims administered	20	28	60	24	24
Change in total annual claims	-35.5%	40.0%	114.3%	-60.0%	0.0%
Time loss injury claims	5	18	45	7	7
Change in total time loss claims	-29%	260%	150%	-84%	0%

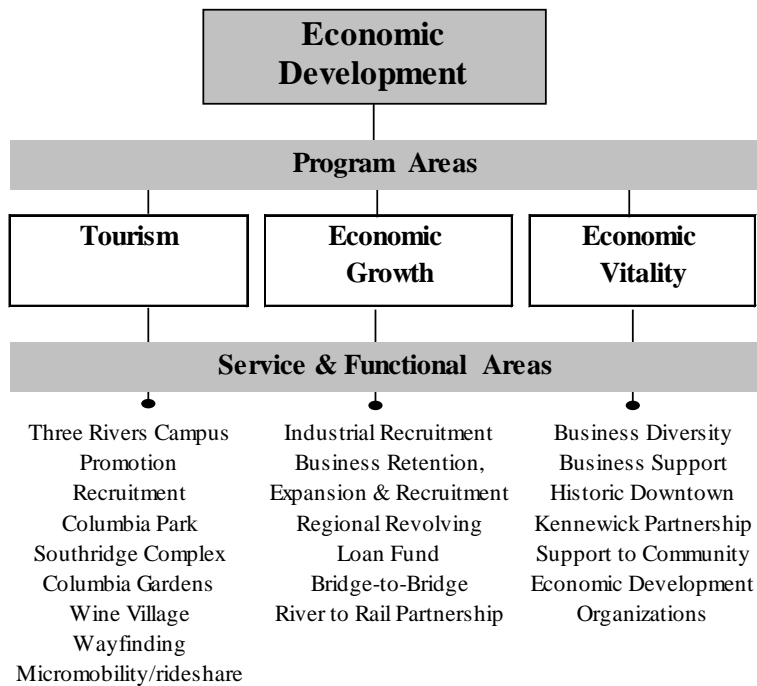
Division Staffing				
	2021	2022	2023	2024
	Actual	Actual	Adopted	Adopted
FINANCE DIRECTOR	0.10	0.10	0.10	0.10
HUMAN RESOURCES DIRECTOR	1.00	1.00	1.00	1.00
SENIOR HUMAN RESOURCES GENERALIST	1.00	0.00	0.00	0.00
HUMAN RESOURCES GENERALIST	1.00	3.00	3.00	3.00
RISK MANAGEMENT COORDINATOR	0.50	0.50	0.50	0.50
TOTAL DIVISION FTE'S:	3.60	4.60	4.60	4.60



REVENUES	2019/2020 Actual	2021/2022 Adopted	2021/2022 Adjusted	2023/2024 Adopted
General Governmental	\$ 1,321,960	\$ 1,294,876	\$ 1,598,199	\$ 1,859,894
Current Funding Sources	\$ 1,321,960	\$ 1,294,876	\$ 1,598,199	\$ 1,859,894
EXPENDITURES	2019/2020 Actual	2021/2022 Adopted	2021/2022 Adjusted	2023/2024 Adopted
Salaries	\$ 811,796	\$ 727,095	\$ 858,695	\$ 953,317
Part-Time Wages	-	-	-	125,000
Benefits	300,883	313,882	358,742	450,089
Salaries & Benefits	1,112,679	1,040,977	1,217,437	1,528,406
Supplies	48,950	47,260	83,523	57,293
Contractual Services	101,973	90,600	156,100	83,000
Travel & Training	14,605	19,500	19,500	26,250
Advertising	4,396	37,100	62,100	37,100
Other Services & Charges	39,357	59,439	59,539	127,845
Supplies & Services	209,281	253,899	380,762	331,488
Total Expenditures	\$ 1,321,960	\$ 1,294,876	\$ 1,598,199	\$ 1,859,894
Expenditures by Fund				
General Fund	\$ 1,174,987	\$ 1,131,611	\$ 1,434,934	\$ 1,676,150
Risk Management Fund	146,972	163,265	163,265	183,744
Total Expenditures by Fund	\$ 1,321,960	\$ 1,294,876	\$ 1,598,199	\$ 1,859,894

**DETAIL
BUDGET**





Division Purpose / Description

The Economic Development Division seeks to provide increased wealth and prosperity in Kennewick through enhanced integration of regional partnerships; business recruitment, expansion and retention activities; facilitation of development; and promoting a positive image of the city.

Division Broad Goals

- Work with Community Planning and Public Works to enhance public/private partnerships and business climate.
- Promote the Tri-Cities and Kennewick through the use of digital media and target industry outreach.
- Increase business retention and expansion through interaction with business leaders.
- Assist in efforts that enhance quality of life, create a sense of place, and attract young professionals.
- Advance business climate to improve site selector attraction.
- Continue to enhance interagency relationships, create strategic partnerships and develop City’s positive image for economic development.
- Support education and workforce development for target industry labor needs and foster entrepreneurship.
- Continue to implement the Economic Development Marketing Plan collaborating with partners.

Highlights / Changes

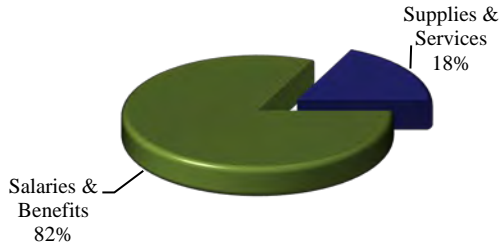
Economic Development seeks to support mixed use development and entrepreneurship, foster workforce development and partnerships, recruit target industries, and continue retention and expansion efforts.

2023/2024 Goals & Objectives

Council Priority: Economic Development

- **Tourism**
 - ✓ Continued support of regional wayfinding implementation.
 - ✓ Assist Parks and Recreation with tourism recruitment and promotion.
 - ✓ Promote public art and South Columbia Creative District.
 - ✓ Support park identifier and mitigation fee projects.
- **Economic Growth**
 - ✓ Target industry business recruitment, emphasizing industrial development.
 - ✓ Liaison to developers, builders, and small business owners.
 - ✓ Foster entrepreneurship.
 - ✓ Business retention and expansion outreach.
 - ✓ Promote available sites using a variety of site selection tools.
 - ✓ Support workforce development and housing initiatives.
 - ✓ Collaborate on Columbia Drive, Vista Field and opportunity centers.
 - ✓ Seek citywide grants to leverage project funding.
 - ✓ Maintain sustainability program.
- **Economic Vitality**
 - ✓ Implement updated strategic plan.
 - ✓ Publish business e-newsletter and new business welcome letters.
 - ✓ Enhance citywide website resources.
 - ✓ Champion social media efforts.
 - ✓ Pursue rivershore reconveyance.
 - ✓ Advance business diversity through research and recruitment of varied commercial industries.
 - ✓ Engage business leaders through community organization and activity participation.
 - ✓ Administer Arts Commission and assist with South Columbia Creative District administration.

2023/2024 Expenditures



Division Staffing				
	2021	2022	2023	2024
	Actual	Actual	Adopted	Adopted
FINANCE DIRECTOR	0.10	0.10	0.10	0.10
PUBLIC RELATIONS & GOVERNMENT AFFAIRS DIRECTOR	0.50	0.50	0.50	0.50
ECONOMIC DEVELOPMENT DIRECTOR	1.00	1.00	1.00	1.00
ECONOMIC DEVELOPMENT SPECIALIST	1.00	1.00	1.00	1.00
TOTAL DIVISION FTEs:	2.60	2.60	2.60	2.60



Vista Field, situated in the center of the Tri-Cities, is now open and accepting proposals for land purchase.

Prior Biennium Accomplishments

- Conducted commercial/employment lands inventory and updated economic profile assessment.
- Provided COVID grant assistance and outreach to eligible applicants.
- Participated in tourism and travel industry conference TBEX North America, hosted by Visit Tri-Cities.
- Produced promotional vignettes for business and workforce attraction.
- Administered citywide utility box wrap program.
- Assisted with Vista Field and Columbia Gardens redevelopment promotional events and activities.
- Worked with TRIDEC on rivershore reconveyance.
- Updated marketing collateral for retail recruitment.
- Completed grant-funded Washington St. wayfinding project.
- Expanded citywide usage of Keewaydin Community Center.
- Rebuilt the Kennewick Development Projects interactive map to showcase commercial and large residential projects.
- Rebuilt the interactive art map featuring over 40 public art installations located throughout the city.
- Secured festival grant from Washington Department of Commerce.
- Worked in partnership with the BFCOG on Brownfield coalition program.
- Worked in partnership with DPW to submit funding applications for Congressional Directed Spending opportunities.
- Participated on Micromobility cross-functional team.
- New businesses included Popeye's Chicken, Urban Grounds, Columbia River Warehouse (Public Market), Café Magnolia, Bougie Brunch, Crumbl Cookie, Jersey Mike's, SubZero Nitrogen Ice Cream, and others.

Council's Priority Area(s)

- Responsible Government
- Economic Development
- Infrastructure and Growth
- Quality of Life

Performance Measures

Program / Service Outputs

	2020 Actual	2021 Actual	2022 Estimated	2023 Projected	2024 Projected
Number of direct business interactions for business retention/expansion	5	27	65	100	120
Number of developer site visits facilitated	0	1	1	4	4
Number of ribbon cutting and community economic development events attended	0	7	30	75	80
Number of recruitment contacts provided information	10	12	35	200	220
Number of trade show/recruiting events attended	0	0	3	6	6
Number of new businesses/developers assisted through licensing/permitting processes.	15	40	85	100	110

Program / Service Efficiency Measures

	2020 Actual	2021 Actual	2022 Estimated	2023 Projected	2024 Projected
Percentage of marketing plan goals met	25%	40%	75%	100%	100%
Number of Businesses Per FTE	2,231	2,233	2,233	2,267	2,300

Program / Service Quality

	2020 Actual	2021 Actual	2022 Estimated	2023 Projected	2024 Projected
Number of hits to economic development website	***N/A	11,451	12,000	13,200	14,520
Sq ft. of retail/office/manufacturing added	184,584	134,604	385,000	404,250	424,500
Number of active business licenses at year end	6,693	*6,700	6,700	6,800	6,900
Number of new business licenses issued	1,349	1,453	**2,441	1,500	1,650

*6,700 Actual number for 2021 business licenses not available as State was not inactivating lapsed licenses.

**New business licenses issued in 2,441 may include lapsed licenses from Covid that reapplied as new business in 2022.

***Revised reporting tool for tracking economic development page hits on website. 2020 information not available.



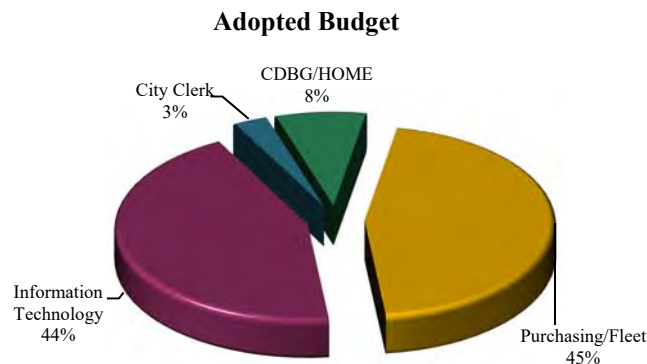
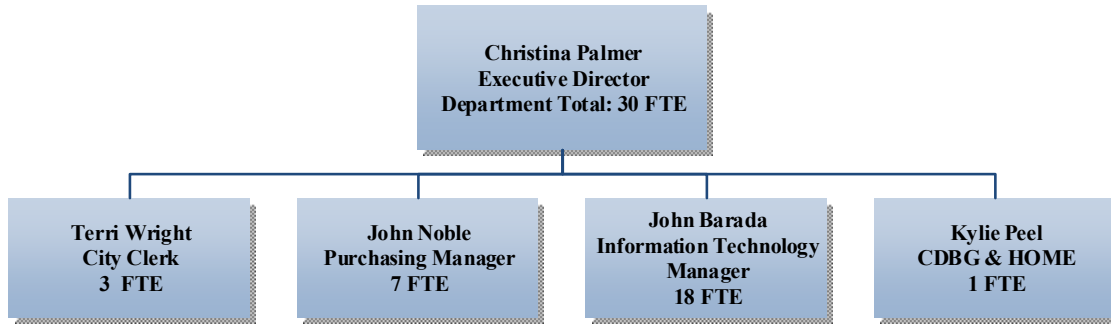
REVENUES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 750,301	\$ 657,910	\$ 664,910	\$ 821,015
Current Funding Sources	\$ 750,301	\$ 657,910	\$ 664,910	\$ 821,015
EXPENDITURES				
	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 485,105	\$ 355,900	\$ 355,900	\$ 478,604
Benefits	159,706	147,821	147,821	183,366
Salaries & Benefits	644,811	503,720	503,720	661,970
Supplies	14,956	8,240	8,240	8,570
Contractual Services	47,200	60,000	60,000	60,000
Travel & Training	20,039	26,500	26,500	26,500
Advertising	12,175	37,750	37,750	41,125
Other Services & Charges	11,120	21,700	28,700	22,850
Supplies & Services	105,491	154,190	161,190	159,045
Total Expenditures	\$ 750,301	\$ 657,910	\$ 664,910	\$ 821,015
Expenditures by Fund				
General Fund	\$ 750,301	\$ 657,910	\$ 664,910	\$ 821,015
Total Expenditures by Fund	\$ 750,301	\$ 657,910	\$ 664,910	\$ 821,015

**DETAIL
BUDGET**



Vista Field

Management Services Department

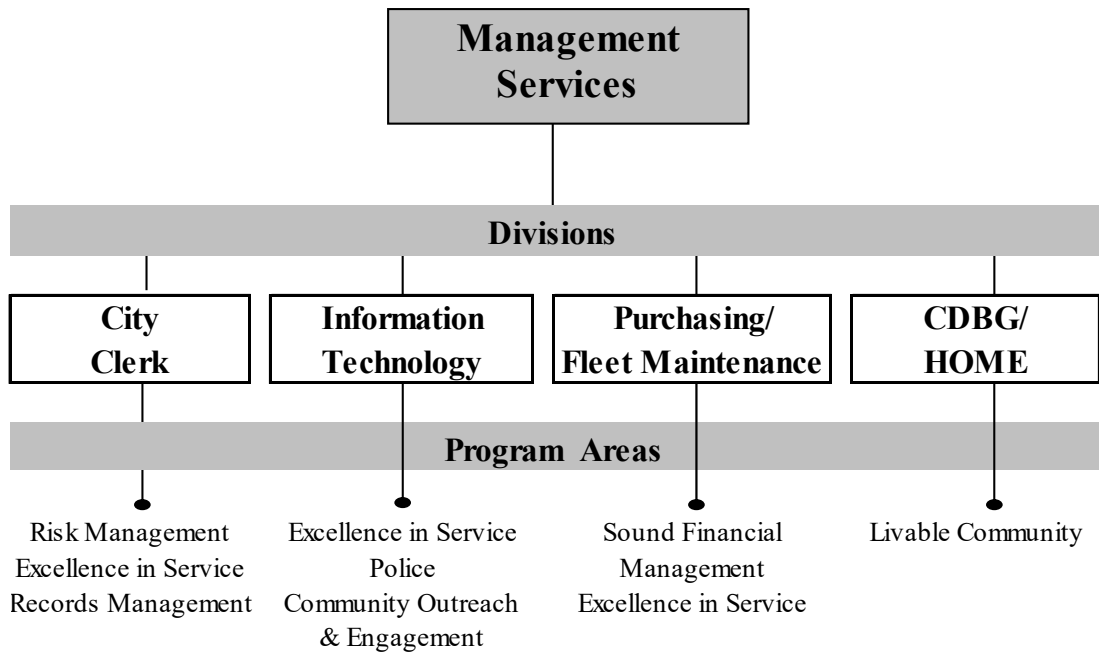


Division	2019/20	2021/22	2021/22	2023/24
Expenditures	Actual	Adopted	Adjusted	Adopted
Information Technology	\$ 6,958,420	\$ 8,740,252	\$ 9,102,122	\$ 10,369,399
Purchasing / Fleet	7,251,654	8,208,892	12,338,387	10,718,960
City Clerk	555,339	606,618	606,618	672,644
CDBG/HOME	1,824,371	1,650,000	3,188,025	1,823,800
Total:	<u>\$16,589,784</u>	<u>\$ 19,205,762</u>	<u>\$25,235,152</u>	<u>\$ 23,584,803</u>
Funding Sources	2019/20	2021/22	2021/22	2023/24
Funding Sources	Actual	Adopted	Adjusted	Adopted
General Fund	\$ 7,292,753	\$ 8,515,970	\$ 8,877,140	\$ 9,952,716
Community Development Fund	1,824,371	1,650,000	3,188,025	1,823,800
Equipment Rental Fund	5,846,787	6,726,068	10,774,263	9,193,581
Central Stores Fund	501,672	533,950	615,950	534,545
BiPIN Operations Fund	1,124,201	1,779,774	1,779,774	2,080,161
Total Sources:	<u>\$16,589,784</u>	<u>\$ 19,205,762</u>	<u>\$25,235,152</u>	<u>\$ 23,584,803</u>

Management Services Department

Mission

Our mission is to enhance the efficiency and effectiveness of City operations by providing exceptional leadership in purchasing, fleet, legislative and records management, and technological services to City staff and the citizens of our community. Powered by excellent people, we are a quality driven, high performance team committed to attainment of our mission through our core service values.



Departmental Staffing				
	2019-2020	2021-2022	2021-2022	2023-2024
	Actual	Adopted	Adjusted	Adopted
Full-time Equivalent (FTE)	28.00	30.00	30.00	30.00
% of City's FTE's	6.84%	7.30%	7.27%	7.18%
Departmental Expenditures by Type				
	2019-2020	2021-2022	2021-2022	2023-2024
	Actual	Adopted	Adjusted	Adopted
Salaries & Benefits	\$ 7,245,681	\$ 7,801,735	\$ 8,008,145	\$ 9,160,918
Supplies & Services	5,690,987	6,796,772	8,229,995	8,236,189
Interfund Transfers	866,941	760,000	1,560,902	1,015,500
Debt Service	513,238	514,755	514,755	245,696
Capital Outlay	2,272,937	3,332,500	6,921,355	4,926,500
Total Department Budget:	\$ 16,589,784	\$ 19,205,762	\$ 25,235,152	\$ 23,584,803



Division Purpose / Description

The Purchasing/Fleet Maintenance Division is responsible for the centralized procurement, fleet maintenance and warehousing/inventory functions of the City. The Division is also responsible for the administration of the Central Stores Fund, which includes copiers and central stores inventory, procurement cards, coordination with all departments on maintenance and contract agreements, bid processing, fleet replacement and surplus disposal.

Division Broad Goals

- To provide the best practices in procurement, fleet maintenance and warehousing to all city departments through collaborative partnership driven solutions.
- Provide customer and value driven service with fair and open processes.
- Make improvements by looking for opportunities, being innovative and resourceful.
- Organizational alignment & staff development to solidify the City’s ongoing financial position.

Highlights / Changes

In 2021/2022 we went live with Munis ERP financial software. This involved testing, process changes, data migration and validation. We began the implementation process in preparation for a new asset management (EAM) software for go live in Fall of 2022.

2023/2024 Goals & Objectives

- Develop reporting within the EAM asset management module for fleet maintenance, repairs and management.
- Succession planning and cross training for staff development.
- Follow safe practices to maintain a safety first workplace.

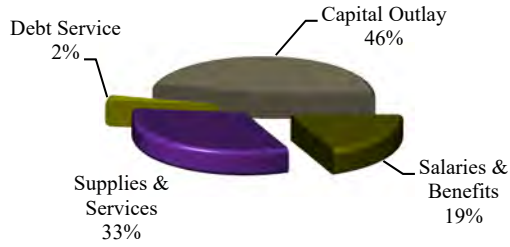
Prior Biennium Accomplishments

- Successful implementation of Purchasing, Vendor and Inventory modules for new ERP financial software. Process review, testing and data validation for go-live.
- Implementation and testing of new EAM module for fleet asset management.
- Supported unique procurement and fleet needs for Pandemic.
- Continued decrease in number of vehicle repairs needed through improved preventative maintenance and communication with operators.
- Adaptation to procurement supply chain delivery, availability and cost escalation issues.
- Continued review of inventory and elimination of slow and obsolete items. Turnover rate of items sold has doubled.

City Council’s Priority Area(s)

- Responsible Government

2023/2024 Expenditures



Division Staffing				
	2021	2022	2023	2024
	Actual	Actual	Adopted	Adopted
MANAGEMENT SERVICES DIRECTOR	0.33	0.33	0.33	0.33
PURCHASING MANAGER	1.00	1.00	1.00	1.00
BUYER II	2.00	2.00	2.00	2.00
MECHANIC CREW LEADER	1.00	1.00	1.00	1.00
MECHANIC	2.00	2.00	2.00	2.00
M&C CRAFTSWORKER	1.00	1.00	1.00	1.00
TOTAL DIVISION FTE'S:	7.33	7.33	7.33	7.33



Performance Measures

Program / Service Outputs

	2020 Actual	2021 Actual	2022 Estimated	2023 Projected	2024 Projected
Purchasing - number of requisitions processed	898	1,038	1,004	1,050	1,050
Purchasing - number of PO's issued	792	866	868	875	880
Inventory - number of items sold	33,825	27,562	28,975	30,000	30,000
Fleet - number of work orders completed	3,435	3,342	3,000	3,200	3,300

Program / Service Efficiency Measures

	2020 Actual	2021 Actual	2022 Estimated	2023 Projected	2024 Projected
Purchasing - cost per PO issued	\$88	\$83	\$85	\$88	\$90
Inventory - average value	\$353,282	\$335,749	\$416,000	\$440,000	\$460,000
Inventory - turnover rate	179%	150%	144%	160%	170%
Fleet - cost/work order	\$287	\$307	\$303	\$315	\$325

Program / Service Quality

	2020 Actual	2021 Actual	2022 Estimated	2023 Projected	2024 Projected
Non inventory PO's under \$5,000	209	171	165	185	180
Inventory number of items	907	820	820	830	840
Number of service requests received	1,209	1,234	1,248	1,260	1,275



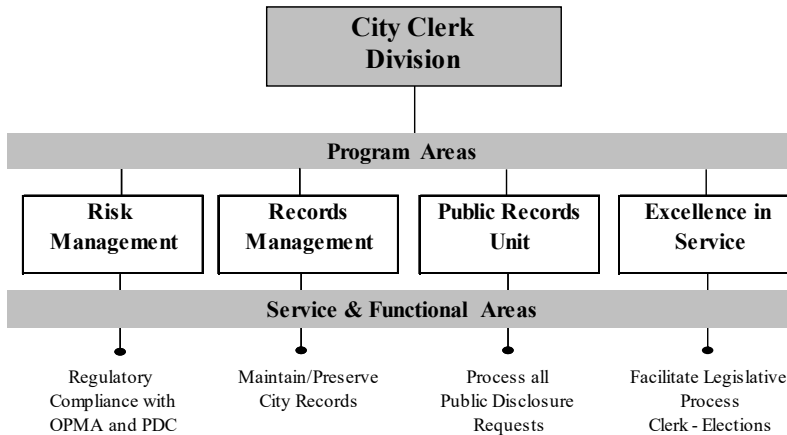
**PURCHASING AND
FLEET MAINTENANCE**

Management Services Department

REVENUES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 903,195	\$ 948,874	\$ 948,174	\$ 990,834
Charges for Fleet Maintenance	4,622,144	4,797,260	4,823,060	6,372,545
Copier & Inventory Sales	527,198	471,750	553,750	536,065
Charges for Services	5,149,342	5,269,010	5,376,810	6,908,610
Miscellaneous Revenue	230,776	178,000	178,000	50,000
General Fund	96,149	-	9,750	36,000
Capital Improvement Fund	2,024,073	1,758,000	2,094,000	3,194,906
Asset Forfeiture Fund	-	-	15,000	-
Criminal Justice Sales Tax Fund	-	-	-	28,000
Stormwater Fund	64,305	-	-	-
Risk Management	12,500	-	567,500	-
Interfund Transfers	2,197,027	1,758,000	2,686,250	3,258,906
Proceeds from Sale of Fixed Assets	116,839	50,000	50,000	-
Grants	-	-	2,085,000	-
Other Financing Sources	116,839	50,000	2,135,000	-
Total Revenues	\$ 8,597,179	\$ 8,203,884	\$ 11,324,234	\$ 11,208,350
Equipment Rental Fund	(1,315,710)	(54,192)	954,953	(487,870)
Central Stores Fund	(29,815)	59,200	59,200	(1,520)
Decrease (Increase) to Fund Balance	(1,345,525)	5,008	1,014,153	(489,390)
Current Funding Sources	\$ 7,251,654	\$ 8,208,892	\$ 12,338,387	\$ 10,718,960
EXPENDITURES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 1,171,788	\$ 1,247,240	\$ 1,247,240	\$ 1,346,239
Overtime	8,910	12,400	12,400	6,400
Part-Time Wages	1,392	-	-	1,735
Benefits	567,558	601,967	601,967	653,894
Salaries & Benefits	1,749,648	1,861,607	1,861,607	2,008,268
Supplies	2,045,825	1,882,850	2,354,850	2,666,316
Rentals/Leases	76,247	75,000	75,000	-
Travel & Training	959	9,150	9,150	10,500
Utility Charges	372,325	314,700	489,700	-
Repair & Maintenance	60,541	71,000	71,000	554,100
Admin/Financial Overhead	29,900	31,100	31,100	32,500
Fleet Maintenance Charges	88,298	77,980	77,280	88,060
Other Services & Charges	41,735	38,250	70,750	187,020
Supplies & Services	2,715,831	2,500,030	3,178,830	3,538,496
Debt Service	513,238	514,755	514,755	245,696
Machinery & Equipment	-	48,000	48,000	-
Software	5,900	-	-	-
Transportation Equipment	2,267,037	3,284,500	6,735,195	4,926,500
Capital Outlay	2,272,937	3,332,500	6,783,195	4,926,500
Total Expenditures	\$ 7,251,654	\$ 8,208,892	\$ 12,338,387	\$ 10,718,960
Expenditures by Fund				
General Fund	\$ 903,195	\$ 948,874	\$ 948,174	\$ 990,834
Equipment Rental Fund	5,846,787	6,726,068	10,774,263	9,193,581
Central Stores Fund	501,672	533,950	615,950	534,545
Total Expenditures by Fund	\$ 7,251,654	\$ 8,208,892	\$ 12,338,387	\$ 10,718,960

**DETAIL
BUDGET**





Division Purpose / Description

The purpose of the City Clerk’s division is to provide timely and accurate statutory and policy-related services to Council and staff so they can make informed decisions and efficiently conduct city business; and to manage, preserve and provide access to all official city records.

Division Broad Goals

- Provide online access to official records.
- Provide a welcoming environment to citizens and visitors to ensure maximum accessibility to city government.
- Facilitate movement towards paperless environment.
- Report and preserve the history of the City in a fair and impartial manner.
- Maximize efficiency through the utilization of existing resources and technology with innovation and creativity.



Highlights / Changes

- In 2021 City Council meetings were held virtually due to Covid-19 restrictions.
- In 2022 City Council meetings transitioned into a fully hybrid experience.
- The first major update to the City’s Public Records Fee Schedule was adopted and implemented.
- Police body worn cameras necessitated new systems to capture and produce recordings in compliance with state statutes.

2023/2024 Goals & Objectives

- Continue citywide expansion of OnBase Content Management system.
- Progress toward a paperless environment by digitizing records throughout all city departments.
- Continue best practices and compliance training program for staff on Public Records Act and records retention schedules.
- Facilitate a smooth transition of responsibilities after retirement of the current City Clerk.
- Research and implement an Agenda Management System.
- Reduce citywide redundant, obsolete and transitory records (ROT) by 4,000 files.

Prior Biennium Accomplishments

- City Clerk received the Master Municipal Clerks designation.
- Public Records Officer/Deputy City Clerk received the Certified Municipal Clerks designation.
- Public Records Specialist received the Certified Public Records Officers from the Washington Association of Public Records Officers (WAPRO).
- Implemented fully hybrid City Council Meetings.
- Researched and implemented a robust copy and redaction program in response to the police body worn camera recordings.

City Council’s Priority Area(s)

- Responsible Government

Performance Measures

Program / Service Outputs					
	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Number of agenda items processed	678	975	700	700	700
Number of documents indexed & stored	1,116	1,424	1,300	1,400	1,400
Number of public records requests received	2,112	2,358	2,450	2,500	2,550

Program / Service Efficiency Measures					
	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Number of hours processing public record requests *	4,606	5,093	7,000	7,500	8,000
Number of agenda items processed per FTE	678	975	700	700	700

Program / Service Quality					
	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Percentage of documents filed within 3 days of council action	100%	100%	100%	100%	100%
Annual cost of GovQA Software per request**	\$5.37	\$4.95	\$4.91	\$4.96	\$5.00
Average cost per public record request filled ***	\$254.75	\$127.91	\$137.17	\$150.00	\$175.00

*The numbers for 2020 and 2021 represent a low estimate of the actual time spent. Beginning in 2022, City staff is more diligently tracking the time spent working on public records requests. Previously, the City did not charge for staff time and this value was inconsistently tracked on an estimated basis only.

**This figure is calculated using the annual cost of the GovQA program divided by the total number of requests received in that year (estimated number of requests for future years). The Public Records Transmission Fee divides the annual cost of GovQA by the number of requests for which records were transmitted in the prior JLARC reporting period (a smaller number than the total requests received). The Transmission Fee will always be higher than the annual cost of GovQA per request.

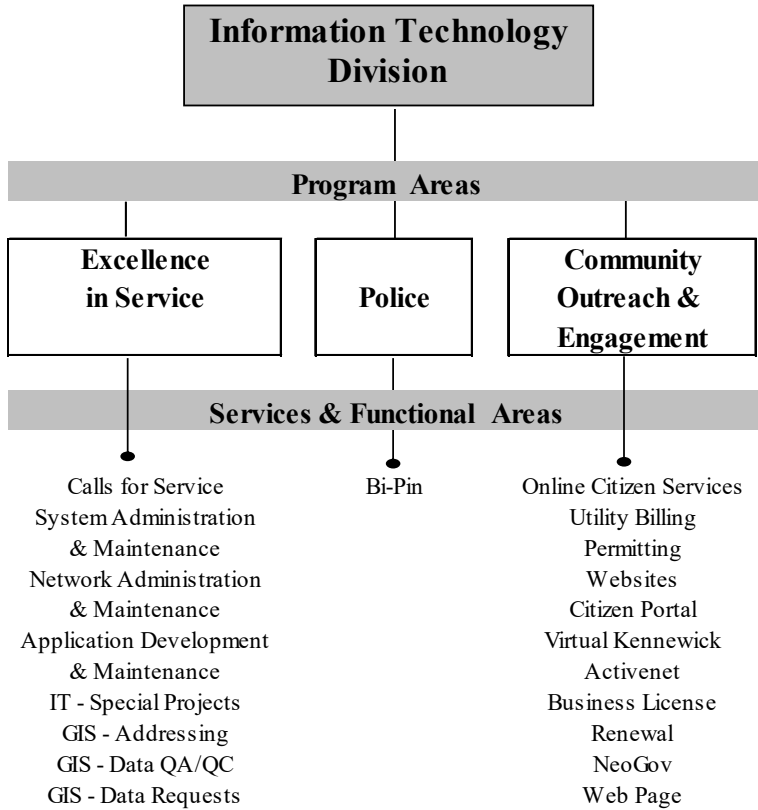
***Each year the City files a report with JLARC using the metrics required by that agency for the reporting period. The guidelines differ from year to year. The numbers in this report represent the figures reported to JLARC based on the guidelines for each reporting period. Actual costs in 2022 - 2024 will depend upon several factors which are difficult to predict.

Division Staffing				
	2021	2022	2023	2024
	Actual	Actual	Adopted	Adopted
MANAGEMENT SERVICES DIRECTOR	0.33	0.33	0.33	0.33
CITY CLERK	1.00	1.00	1.00	1.00
PUBLIC RECORDS OFFICER	2.00	2.00	2.00	2.00
TOTAL DIVISION FTE'S:	3.33	3.33	3.33	3.33

REVENUES	2019/2020 Actual	2021/2022 Adopted	2021/2022 Adjusted	2023/2024 Adopted
General Governmental	\$ 555,339	\$ 606,618	\$ 606,618	\$ 672,644
Current Funding Sources	\$ 555,339	\$ 606,618	\$ 606,618	\$ 672,644
EXPENDITURES	2019/2020 Actual	2021/2022 Adopted	2021/2022 Adjusted	2023/2024 Adopted
Salaries	\$ 381,463	\$ 402,263	\$ 402,263	\$ 448,251
Overtime	-	2,000	2,000	-
Benefits	152,866	157,195	157,195	172,093
Salaries & Benefits	534,329	561,458	561,458	620,344
Supplies	3,761	4,810	4,810	5,990
Recording Fees	3,921	5,200	5,200	10,000
Travel & Training	6,679	24,450	24,450	23,600
Advertising	4,975	5,200	5,200	5,600
Other Services & Charges	1,674	5,500	5,500	7,110
Supplies & Services	21,010	45,160	45,160	52,300
Total Expenditures	\$ 555,339	\$ 606,618	\$ 606,618	\$ 672,644
Expenditures by Fund				
General Fund	\$ 555,339	\$ 606,618	\$ 606,618	\$ 672,644
Total Expenditures by Fund	\$ 555,339	\$ 606,618	\$ 606,618	\$ 672,644

DETAIL
BUDGET





Division Purpose / Description

The Information Technology Division is dedicated to providing appropriate cost effective technologies that support the efficient delivery of quality municipal services while minimizing our infrastructural investment and ongoing support costs.

Division Broad Goals

- To provide an effective, secure, reliable computer environment to City staff.
- Invest in staff development to support the City’s current systems and identify emerging technologies to better provide City services.
- Provide reliable online access to citizens for key service areas.
- Maintenance of existing infrastructure through the implementation of the 5-year IT Strategic Plan.

Highlights / Changes

The City completed a Gap Analysis on the security posture of the City IT environment. The identified areas of improvement are either completed or in progress of completion. The IT Department plans to have this analysis annually to ensure the City’s network is as secure as possible.

2023/2024 Goals & Objectives

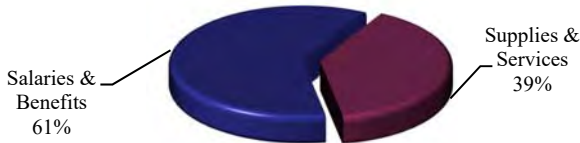
- Continue the implementation of the City’s enterprise-wide financial system.
- Implement the new Payroll and Utility Billing systems.
- Complete the implementation of the Records Management System (RMS) and Jail Management System (JMS) for BIPIN.
- Ongoing updates to the City’s network infrastructure equipment.
- Workstation and monitor replacements.
- Continue to enhance the physical security at City facilities.
- Assist facilities in upgrading the Frost campus gates with access controls.
- Assist KFD in the new construction of Fire Station 1.
- IT succession planning throughout the department.
- Exagrid backup expansion to keep up with the data growth the City is experiencing.
- Implement an out of region off site disaster recovery program to bolster the City’s security posture.
- Security evaluation Gap Analysis
- Expand the implementation of multifactor authentication.

Prior Biennium Accomplishments

In addition to its ongoing support of the City’s employees, the Information Technology Division has completed the following major projects:

- Go Live of the Records Management System (RMS) and Jail Management System (JMS) for BIPIN.

2023/2024 Expenditures



Division Staffing				
	2021	2022	2023	2024
	Actual	Actual	Adopted	Adopted
MANAGEMENT SERVICES DIRECTOR	0.34	0.34	0.34	0.34
IT MANAGER	1.00	1.00	1.00	1.00
ASSISTANT IT/PROJECT MANAGER	1.00	1.00	1.00	1.00
BIPIN IMPL. ADMINISTRATOR	0.00	1.00	1.00	1.00
SOFTWARE SUPPORT SUPERVISOR	1.00	1.00	1.00	1.00
CUSTOMER SERVICE SUPERVISOR	1.00	1.00	1.00	1.00
SYSTEMS ADMINISTRATOR	2.00	2.00	2.00	2.00
DATABASE ADMINISTRATOR II	1.00	1.00	1.00	1.00
IT APPLICATION DEVELOPER/INTG	1.00	1.00	1.00	1.00
SOFTWARE SUPPORT ANALYST II	2.00	2.00	2.00	2.00
GIS SOFTWARE SUPPORT ANALYST	1.00	1.00	1.00	1.00
NETWORK ADMINISTRATOR II	1.00	1.00	1.00	1.00
HELP DESK TECHNICIAN I	2.00	2.00	2.00	2.00
HELP DESK TECHNICIAN II	0.50	0.50	0.50	0.50
BIPIN ANALYST I/II	2.00	2.00	2.00	2.00
HELP DESK TECHNICIAN II - BIPIN	0.50	0.50	0.50	0.50
TOTAL DIVISION FTE'S:	17.34	18.34	18.34	18.34

Prior Biennium Accomplishments (Cont'd)

- Implementation of Artic Wolf Managed Detection and Response (MDR) service.
- Completed Financial and Permitting phases of the ERP system migration.
- Expansion of the City’s storage capabilities with the addition of 174 TB of storage in City Hall and at the secondary data center at Franklin PUD. This will enable the IT department to strategically place data to take advantage of hardware compression.
- Council Chambers and the City Manager’s conference room A/V technology was improved to allow for virtual presence Council meetings.
- Fire Station 3 was completed.
- Upgraded the Antivirus system to an End Point Detection and Response system (EDR) improving the City’s security posture.
- Access Control installed in Fire Station 2 and Fire Station 4.
- Access control installed on the water treatment gate improving security.
- Access Control installed on the purchasing gate.
- City wide Operating system upgrade to Windows 10.



City Council’s Priority Area(s)

- Community Safety
- Responsible Government



Performance Measures

Program / Service Outputs

	2020 Actual	2021 Actual	2022 Estimated	2023 Projected	2024 Projected
Average number of calls for service per month	365	276	330	350	380
Number of web services supported	33	36	42	17	17
Number of applications maintained	68	32	110	115	120
Number of servers maintained	142	140	133	136	140
Number of W/S maintained	677	740	790	800	810
Number of users accessing system	500	520	525	550	575

Program / Service Efficiency Measures

	2020 Actual	2021 Actual	2022 Estimated	2023 Projected	2024 Projected
Cost per server to maintain	\$13,669	\$14,633	\$15,789	\$15,809	\$15,714
Cost per W/S to maintain	\$2,867	\$2,768	\$2,658	\$2,688	\$2,716

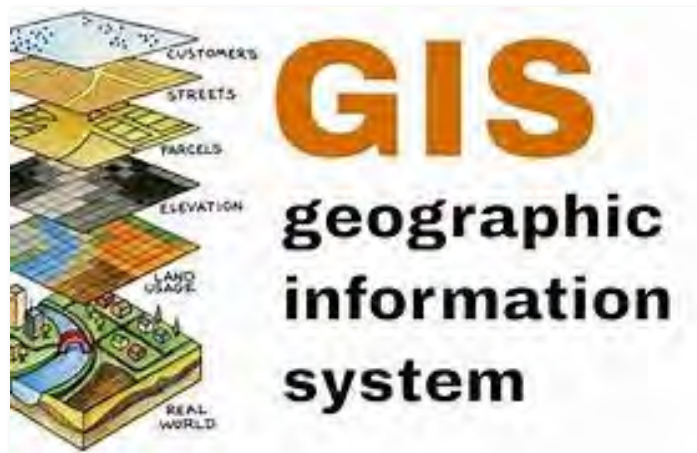
Program / Service Quality

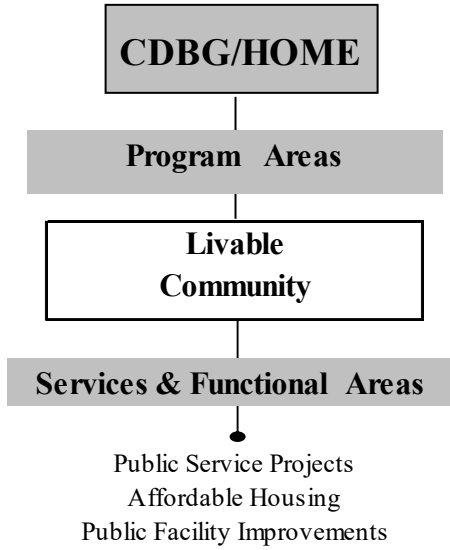
	2020 Actual	2021 Actual	2022 Estimated	2023 Projected	2024 Projected
% Up-time during business hours	99%	99%	99%	99%	99%
% unscheduled down-time	1%	1%	1%	1%	1%



REVENUES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 5,834,219	\$ 6,960,478	\$ 7,322,347	\$ 8,289,238
Computer Usage - BiPIN	1,124,201	1,779,774	1,779,774	2,080,161
Intergovernmental Revenue	1,124,201	1,779,774	1,779,774	2,080,161
Current Funding Sources	\$ 6,958,420	\$ 8,740,252	\$ 9,102,122	\$ 10,369,399
EXPENDITURES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 3,379,485	\$ 3,673,406	\$ 3,805,305	\$ 4,433,115
Overtime	12,054	6,000	26,000	21,950
Benefits	1,299,470	1,432,493	1,482,004	1,828,791
Salaries & Benefits	4,691,008	5,111,899	5,313,309	6,283,856
Supplies	40,102	42,900	42,900	48,420
Contractual Services	284,496	22,450	22,450	44,450
Communications Charges	358,762	696,981	696,981	678,910
Travel & Training	37,966	108,100	108,100	119,895
Repair & Maintenance	1,495,642	2,715,497	2,728,697	3,135,156
Fleet Maintenance Charges	3,000	3,360	2,460	1,920
Other Services & Charges	44,448	39,065	49,065	41,292
Supplies & Services	2,264,415	3,628,353	3,650,653	4,070,043
Capital Improvement Fund - Projects	2,996	-	-	15,500
Interfund Transfers	2,996	-	-	15,500
DP Equipment	-	-	18,160	-
Software	-	-	120,000	-
Capital Outlay	-	-	138,160	-
Total Expenditures	\$ 6,958,420	\$ 8,740,252	\$ 9,102,122	\$ 10,369,399
Expenditures by Fund				
General Fund	\$ 5,834,219	\$ 6,960,478	\$ 7,322,348	\$ 8,289,238
BiPIN Operations Fund	1,124,201	1,779,774	1,779,774	2,080,161
Total Expenditures by Fund	\$ 6,958,420	\$ 8,740,252	\$ 9,102,122	\$ 10,369,399

**DETAIL
BUDGET**





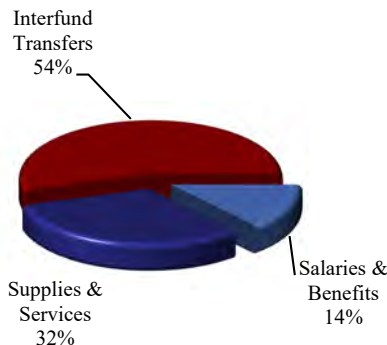
Division Purpose / Description

The CDBG/HOME division offers grants and loans for housing, human services, neighborhood improvements, economic development and public improvement activities.

Division Broad Goals

- Improve our community by providing decent housing, a suitable living environment and expanding economic opportunities principally for persons of low and moderate income.
- Continue to use CDBG assets to stimulate economic development in the Bridge-to-Bridge/River-to-Railroad area.
- Improve the local economy by promoting the addition of living wage jobs.

2023/2024 Expenditures



Highlights / Changes

Through a combination of Federal programs including Community Development Block Grant (CDBG) and HOME Investment Partnership Program, the City offers grants and loans for housing, human services, neighborhood improvements, economic development and public improvement activities.

Kennewick is a member of the Tri-Cities Consortium with Pasco and Richland, and as a Consortium, is eligible to receive federal HOME dollars from HUD on an annual basis.

2023/2024 Goals & Objectives

- Assist approximately 5 households per year with first time home buyer DPA financing.
- Provide tenant based rental assistance (TBRA) with HOME funds.
- Work with the Kennewick Housing Authority to address public housing needs.
- Assist Benton Franklin Human Services with the planning efforts to help reduce homelessness.
- Provide youth scholarships for low-income Kennewick residents to participate in City recreation programs.
- Provide scholarships to ARC of Tri-Cities for developmentally challenged young adults for therapeutic recreation.
- Improvements to infrastructure to remove architectural barriers.

Prior Biennium Accomplishments

- Provided 44 Microbusiness and Small Business grants with CARES Act funds.
- Provided 53 citizens with Emergency Tenant Based Rental Assistance using HOME funds.
- Provided CARES Act funds to Senior Life Resources to purchase PPE and fresh food boxes for 350 Kennewick Seniors.
- Awarded 86 youth scholarships to low-income residents to participate in recreation programs.
- Provided services to approximately 88 developmentally challenged adults for recreation activities.

City Council’s Priority Area(s)

- Quality of Life

Performance Measures

Program / Service Outputs

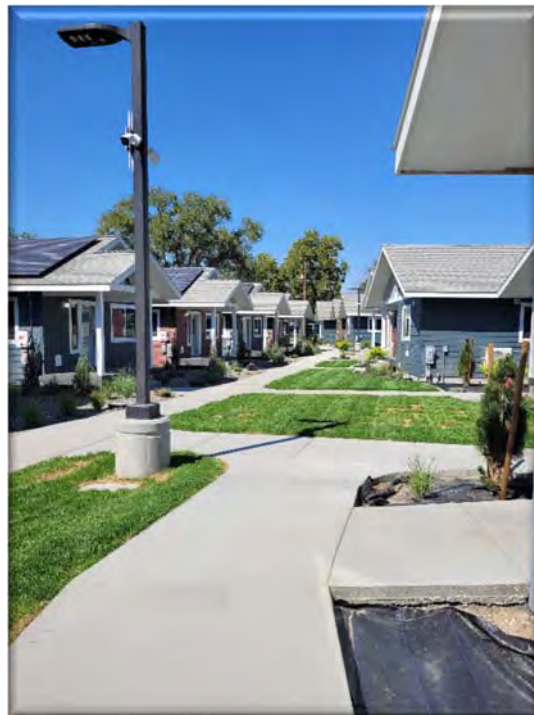
	2020 Actual	2021 Actual	2022 Estimated	2023 Projected	2024 Projected
Number of down payment assistance applications reviewed	4	1	6	8	8
Number of down payment assistance loans	0	0	4	5	5
Number of CDBG applications reviewed	8	6	7	7	7
Number of CDBG applications awarded	7	5	5	6	6
Number of recreation scholarships	14	72	210	400	450

Program / Service Efficiency Measures

	2020 Actual	2021 Actual	2022 Estimated	2023 Projected	2024 Projected
Dollars expended down payment assistance	\$0	\$0	\$40,000	\$50,000	\$50,000
Dollars expended CDBG program assistance	\$835,422	\$642,991	\$887,990	\$650,000	\$650,000
Dollars used for recreation scholarships	\$582	\$12,597	\$25,000	\$28,000	\$30,000
Dollars expended CDBG-CV- CARES Act- Entitlement	378,928	220,750	\$308,637	\$0	\$0
Dollars expended CDBG-CV- CARES Act- WA Commerce	\$0	\$0	\$164,112	\$0	\$0

Program / Service Quality

	2020 Actual	2021 Actual	2022 Estimated	2023 Projected	2024 Projected
Number of Washington State audit findings	0	0	1	0	0
Number of HUD labor & industry audit findings	0	0	0	0	0
Number of HUD Office CPD audit findings	0	0	0	0	0
Number of HUD environmental office audit findings	0	0	0	0	0



Kennewick Housing Authority received \$161,000 CDBG funds and \$800,000 Home funds from the City of Kennewick for a **Microhomes Project** that was completed in 2021. The project provides homes for homeless singles, families, vets and disabled citizens.

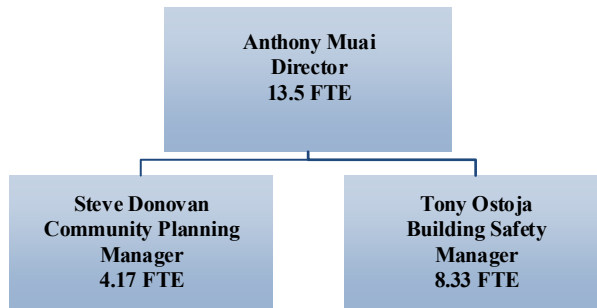
REVENUES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
CDBG Grant	\$ 1,776,135	\$ 1,300,000	\$ 2,442,313	\$ 1,473,800
Coronavirus Relief Grant	-	-	164,112	-
HOME Grant	43,286	350,000	581,600	350,000
Intergovernmental Revenue	1,819,421	1,650,000	3,188,025	1,823,800
Interest	1,622	2,000	2,000	-
Miscellaneous Revenue	1,622	2,000	2,000	-
Total Revenues	\$ 1,821,043	\$ 1,652,000	\$ 3,190,025	\$ 1,823,800
Community Development Fund	3,328	(2,000)	(2,000)	-
Decrease (Increase) to Fund Balance	3,328	(2,000)	(2,000)	-
Current Funding Sources	\$ 1,824,371	\$ 1,650,000	\$ 3,188,025	\$ 1,823,800
EXPENDITURES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 195,620	\$ 205,870	\$ 210,870	\$ 156,038
Benefits	75,075	60,901	60,901	92,412
Salaries & Benefits	270,695	266,771	271,771	248,450
Supplies	716	800	1,300	800
Contractual Services	16,445	-	10,000	12,100
Travel & Training	2,540	5,000	6,000	5,000
Advertising	5,720	4,200	4,200	4,500
CDBG Subrecipient Programs	279,959	262,379	366,325	177,650
CARES Programs	354,339	-	396,077	35,000
HOME Programs	25,816	350,000	570,600	339,000
Other Services & Charges	4,195	850	850	1,300
Supplies & Services	689,731	623,229	1,355,352	575,350
Capital Improvement Fund - Projects	863,945	760,000	1,560,902	1,000,000
Interfund Transfers	863,945	760,000	1,560,902	1,000,000
Total Expenditures	\$ 1,824,371	\$ 1,650,000	\$ 3,188,025	\$ 1,823,800
Expenditures by Fund				
Community Development Fund	\$ 1,824,371	\$ 1,650,000	\$ 3,188,025	\$ 1,823,800
Total Expenditures by Fund	\$ 1,824,371	\$ 1,650,000	\$ 3,188,025	\$ 1,823,800

DETAIL
BUDGET

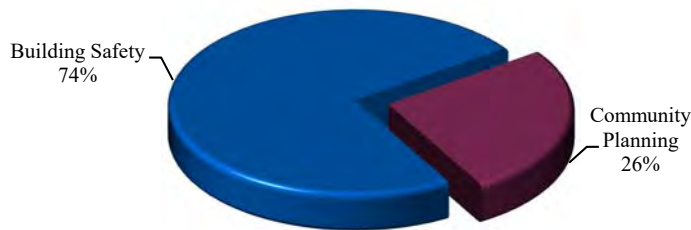


Division Staffing	2021	2022	2023	2024
	Actual	Actual	Adopted	Adopted
COMMUNITY BLOCK GRANT COORDINATOR	1.00	1.00	1.00	1.00
TOTAL DIVISION FTE'S:	1.00	1.00	1.00	1.00

Community Planning Department



Adopted Budget

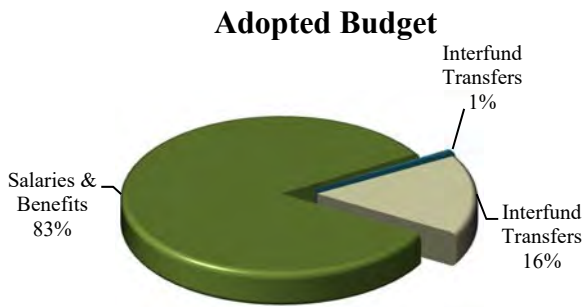
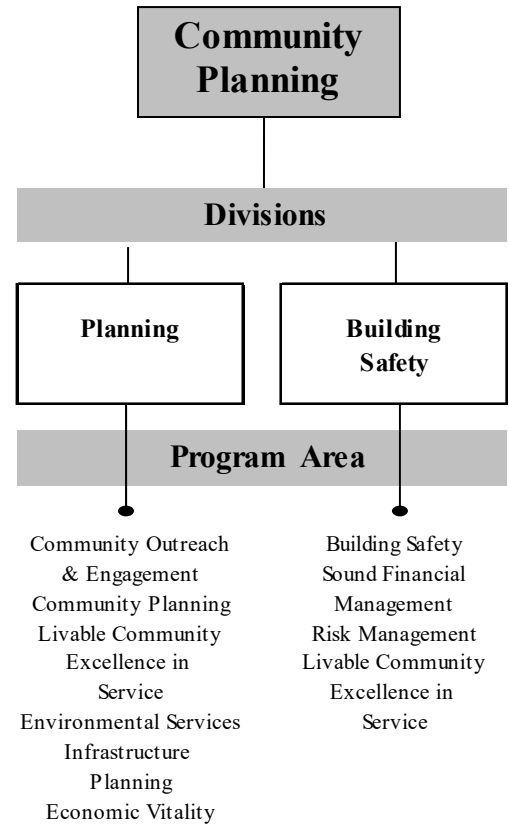


Division	2019-2020	2021-2022	2021-2022	2023-2024
Expenditures	Actual	Adopted	Adjusted	Adopted
Building Safety	\$ 3,417,088	\$ 3,577,414	\$ 3,623,314	\$ 3,910,856
Community Planning	1,575,614	1,361,702	1,374,602	1,403,055
Total:	\$ 4,992,702	\$ 4,939,116	\$ 4,997,916	\$ 5,313,911
Funding Sources	Actual	Adopted	Adjusted	Adopted
General Fund	\$ 1,575,614	\$ 1,361,702	\$ 1,374,602	\$ 1,403,055
Building Safety Fund	3,417,088	3,577,414	3,623,314	3,910,856
Total Sources:	\$ 4,992,702	\$ 4,939,116	\$ 4,997,916	\$ 5,313,911

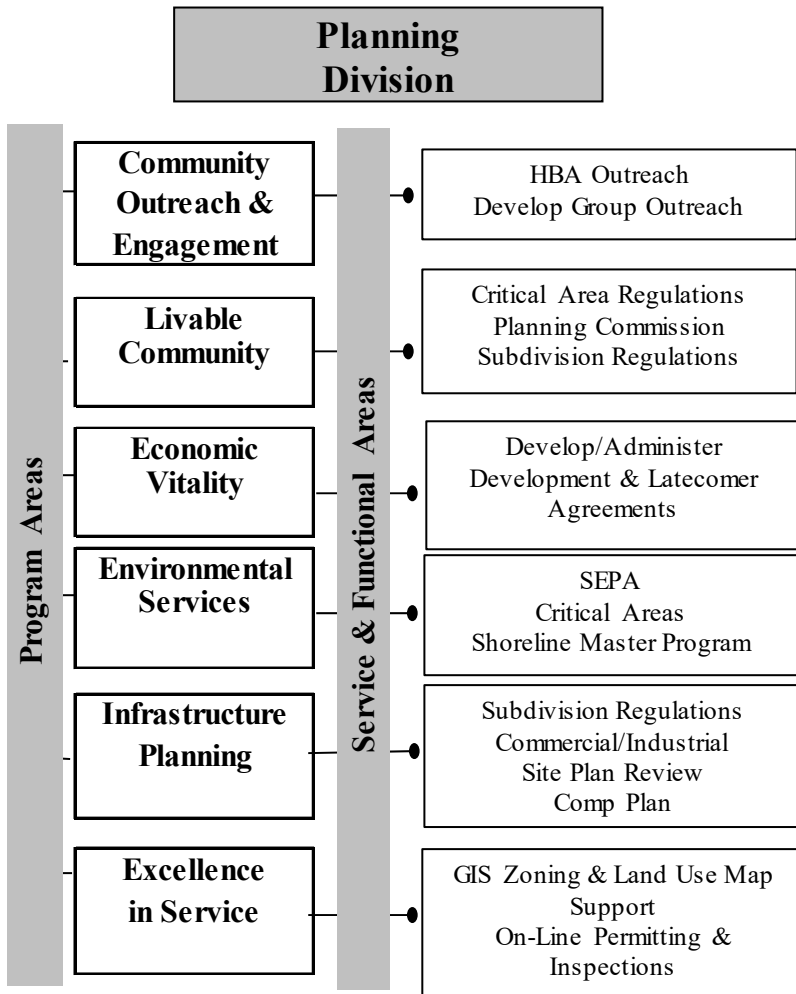
Community Planning Department

Mission

The mission of the Community Planning Department is to improve the economic foundation of the community and provide the path to realize our community vision.



Departmental Staffing				
	2019-2020	2021-2022	2021-2022	2023-2024
	Actual	Adopted	Adjusted	Adopted
Full-time Equivalent (FTE)	13.00	13.00	13.00	13.50
% of City's FTE's	3.18%	3.17%	3.15%	3.23%
Departmental Expenditures by Type				
	2019-2020	2021-2022	2021-2022	2023-2024
	Actual	Adopted	Adjusted	Adopted
Salaries & Benefits	\$ 3,858,330	\$ 4,164,546	\$ 4,164,546	\$ 4,398,767
Supplies & Services	823,424	774,570	833,370	887,144
Interfund Transfers	310,948	-	-	28,000
Total Department Budget:	\$ 4,992,702	\$ 4,939,116	\$ 4,997,916	\$ 5,313,911



Division Purpose / Description

The purpose of the Community Planning Program is to provide leadership and professional skills to define the community’s direction, coordinate diverse City functions, prepare the Comprehensive Plan and provide timely and predictable development review to ensure that Kennewick becomes a better community.

Highlights / Changes

Council’s priorities of responsible government, quality of life, economic development, and infrastructure and growth are supported by a focus on continued improvement in the development review process, increased efficiencies in the permitting process, developing outreach opportunities, maintaining and refining the Comprehensive Plan, encouraging citizen participation, and meeting Council’s goals for the urban growth expansion.

2023/2024 Goals & Objectives

Council Priority: Responsible Government

- **HBA and Developers Outreach**
 - ✓ Maintain communication with the development community to identify areas for improvement to increase efficiencies within the permitting and development process.
 - ✓ Review permit processes and coordinate review and document upload with other departments.

Council Priority: Quality of Life

- **Comprehensive Plan Amendment and Development Regulation Updates**
 - ✓ Complete work on annual Plan updates (due by the end of each year).
- **Hearing Examiner and Planning Commission**
 - ✓ The Hearing Examiner and Planning Commission creates a fair and equitable public hearing process helping reduce liability exposure.

Council Priority: Economic Development

- Evaluate current land designations to determine adequacy of existing land base for future development.
- Provide assistance with Economic Development strategic plan as it relates to planning for commercial and industrial lands.

Council Priority: Infrastructure & Growth

- Maintain a current Capital Facilities Element of the Comprehensive Plan in order to remain eligible for State and Federal funding.

Division Broad Goals

- To provide, maintain and promote a comprehensive plan that is functionally and philosophically related to the contributions of all City departments in reaching the community vision.
- To provide staff support to the Planning Commission and City Council for community visioning, strategy and land planning; community improvement through code development and related services.
- To provide comprehensive planning meeting state requirements for interrelatedness, content and timeliness – thereby maintaining City eligibility for sources of state shared revenue, grants and loans.
- To provide and manage sub-area and contract planning in the Kennewick urban area where such inclusive and appropriately scaled efforts are needed to yield guidance and perspective on land use, capital investment, urban design and economic return.
- To provide review and approval of land use permits for property and business owners, developers, and citizens in order to facilitate growth that enhances the City’s physical environment.

2023/2024 Expenditures



Prior Biennium Accomplishments

- Worked with Port of Kennewick on Columbia Gardens & Vista Field redevelopment.
- Various code amendments and Title 17 and 18 updates.
- Supported the development and implementation of temporary restaurant and retail outdoor expansion in response to COVID-19.
- Supported City’s request for urban area expansion south of I-82.
- Successful application to Benton County to realign the urban growth boundary.
- Successful annexation of industrial land in urban area expansion south of I-82.
- Continued community outreach efforts – Home Builders Assoc./Developers meetings.
- Supported Benton County Complete Count Committee for census 2020.
- 2019 Annual Comp Plan Updates (11)
- 2020 Annual Comp Plan Updates (8)
- Planning staff investing significant hours to ERP project.

City Council’s Priority Area(s)

- Community Safety
- Quality of Life
- Economic Development
- Responsible Government

Division Staffing				
	2021	2022	2023	2024
	Actual	Actual	Adopted	Adopted
PLANNING DIRECTOR	0.50	0.50	0.50	0.50
COMMUNITY PLANNING MANAGER	0.60	0.60	0.60	0.60
SENIOR PLANNER	0.60	0.60	0.80	0.80
PLANNER	0.50	0.50	0.50	0.50
ASSISTANT PLANNER	0.80	0.80	0.60	0.60
GIS TECHNICIAN	1.00	1.00	1.00	1.00
ADMINISTRATIVE ASSISTANT	0.67	0.67	0.67	0.67
TOTAL DIVISION FTE'S:	4.67	4.67	4.67	4.67

Benton County Administration Building



Performance Measures

Program / Service Outputs

	2020 Actual	2021 Actual	2022 Estimated	2023 Projected	2024 Projected
Zoning code revisions	2	4	3	5	5
Maintain the GMA compliant comprehensive plan	1	1	1	1	1
UGA expansion for industrial purposes	0	0	0	1	0
Number of land use permits reviewed	277	365	300	330	330

*Planning reviews approximately 300 single-family home plot plans per year that are not included in the above land use permit numbers.

Program / Service Efficiency Measures

	2020 Actual	2021 Actual	2022 Estimated	2023 Projected	2024 Projected
UGA expansion application	0	0	0	1	0
Comprehensive plan updated on schedule	1	1	1	1	1
Percentage of data gathering accomplished electronically	100%	100%	100%	100%	100%

* There are no subarea plans expected to be submitted for review

Program / Service Quality

	2020 Actual	2021 Actual	2022 Estimated	2023 Projected	2024 Projected
Comprehensive plan compliance	100%	100%	100%	100%	100%
Council acceptance of planning commission report	100%	100%	100%	100%	100%
Percentage of increase in permit processing time	6%	5%	5%	4%	4%



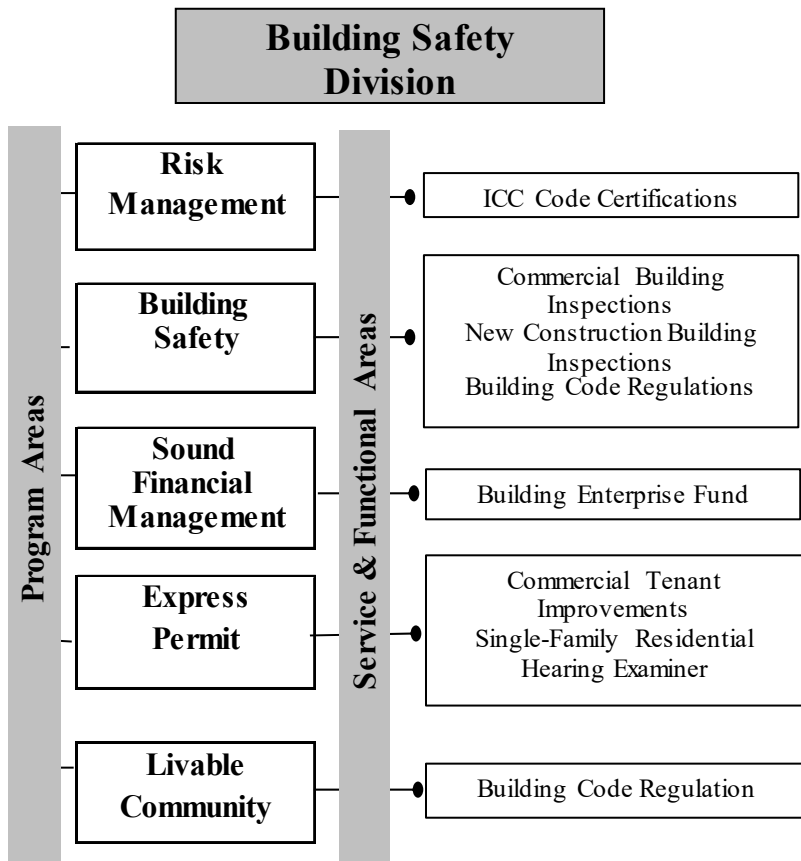
REVENUES	2019/2020 Actual	2021/2022 Adopted	2021/2022 Adjusted	2023/2024 Adopted
General Governmental	\$ 1,355,890	\$ 1,141,702	\$ 1,141,702	\$ 1,171,055
Historic Preservation Grant	13,000	-	12,900	-
Intergovernmental Revenues	13,000	-	12,900	-
Planning Fees and Charges	206,724	220,000	220,000	232,000
Charges for Services	206,724	220,000	220,000	232,000
Current Funding Sources	\$ 1,575,614	\$ 1,361,702	\$ 1,374,602	\$ 1,403,055
EXPENDITURES	2019/2020 Actual	2021/2022 Adopted	2021/2022 Adjusted	2023/2024 Adopted
Salaries	\$ 1,040,278	\$ 870,299	\$ 870,299	\$ 903,544
Overtime	126	2,000	2,000	12,000
Benefits	385,246	359,153	359,154	343,969
Salaries & Benefits	1,425,650	1,231,452	1,231,452	1,259,513
Supplies	17,753	19,980	19,980	24,892
Contractual Services	109,773	68,750	81,650	78,750
Travel & Training	5,045	12,500	12,500	15,400
Other Services & Charges	17,393	29,020	29,020	24,500
Supplies & Services	149,964	130,250	143,150	143,542
Total Expenditures	\$ 1,575,614	\$ 1,361,702	\$ 1,374,602	\$ 1,403,055
Expenditures by Fund				
General Fund	\$ 1,575,614	\$ 1,361,702	\$ 1,374,602	\$ 1,403,055
Total Expenditures by Fund	\$ 1,575,614	\$ 1,361,702	\$ 1,374,602	\$ 1,403,055

DETAIL
BUDGET



Vista Field Redevelopment Master Plan





Highlights / Changes

Council’s priorities of responsible government and community safety are supported by a focus on continued improvement in the development review process, increased efficiencies in the permitting process, developing outreach opportunities, plan review, building inspections and code enforcement to ensure an inventory of safe structures and environment in the city.

2023/2024 Goals & Objectives

Council Priority: Responsible Government

- Meet regularly with the Home Builders Association to continue communication on increasing efficiencies in the permitting process.
- Maintain existing ICC and obtain additional necessary certifications.

Council Priority: Community Safety

- Enforce city codes relating to nuisance abatement, boarded up buildings and zoning code compliance.

Prior Biennium Accomplishments

- In 2021, there were over 12,000 inspections performed. From January 1, 2022 through the end of July 2022 there have been 6,428 inspections performed by the division for a total of 18,583 inspections.
- There were 2,472 building permits issued in 2021. Through July of 2022 an additional 1,344 permits have been issued. These include 410 single-family dwellings and 93 new commercial buildings.
- For 2021/2022 biennium through the end of July 2022 a total of \$4,720,407 in fees were collected.
- Total permit valuation in 2021 and January 2022 through July 2022 is \$407,044,488.
- Staff committed upwards of 60 hours per week to the development of a new electronic permitting system. This process concluded in November of 2021 when the system went live.

Division Purpose / Description

The purpose of the Building Safety Division is to enhance and promote safety, security and quality of life for the citizens of Kennewick, through the administration of building codes.



Southridge High School expansion

Division Broad Goals

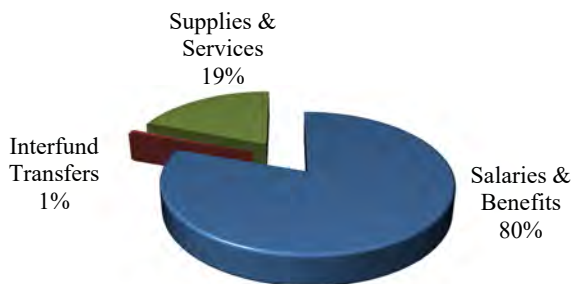
- Demonstrate positive problem solving abilities.
- Strive to improve the quality and efficiency of our services through the utilization of cross-functional teams partnering with the Customer Service Division.
- Encourage willing compliance by promoting public awareness of construction regulations and their purpose.
- Employ a helpful, creative approach in assisting members of the public and contractors in resolving their construction problems.
- Administer the building codes of the City of Kennewick in an unbiased and consistent manner.
- Provide quality customer service to all.
- Lead the City’s interdepartmental code enforcement task force.

Division Staffing				
	2021	2022	2023	2024
	Actual	Actual	Adopted	Adopted
PLANNING DIRECTOR	0.50	0.50	0.50	0.50
BUILDING OFFICIAL	1.00	1.00	1.00	1.00
EXPRESS PERMITTING MANAGER	1.00	1.00	1.00	1.00
COMMUNITY PLANNING MANAGER	0.40	0.40	0.40	0.40
SENIOR PLANNER	0.40	0.40	0.20	0.20
PLANNER	0.50	0.50	0.50	0.50
ASSISTANT PLANNER	0.20	0.20	0.40	0.40
PLANS EXAMINER	1.00	1.00	1.00	1.00
RES PLAN EXAMINER/INSPECTOR	1.00	1.00	1.00	1.00
BUILDING INSPECTOR	2.00	2.00	2.50	2.50
ADMINISTRATIVE ASSISTANT	0.33	0.33	0.33	0.33
TOTAL DIVISION FTE'S:	8.33	8.33	8.83	8.83

Prior Biennium Projects

- Trios Hospital Expansion – Adding 2 additional floors
- Kennewick High School
- Benton County Admin Building
- Highlands Middle School
- Kamiakin High School Additions
- KSD Portable Classrooms (District-wide)
- WA State DSHS Offices on Crosswind Blvd
- Kennewick Fire Station #3
- Badger Canyon Apts – Last Phases
- Louisiana Street Office Building
- Miramar Clinic
- Southridge High School additions
- 10th & CCB Mixed Use (Phase 1)
- Circle K rebuild at 10th Ave & Union St.
- Senior living facility on Hildebrand
- Entiat Ave. townhomes
- Commercial building at Columbia Center Mall
- Calvary Chapel addition
- Popeye’s Chicken
- Summer’s Hub Food Court
- Speck Hyundai
- Kennewick Fire Station #1
- Columbia Warehouse Public Market
- Ridgeline Elementary School
- Skagit Ave. Commercial Kitchen Food-Court
- Zintel Creek Estates
- Apple Valley Phase 5A & 6
- Chipotle Grill
- Brinkley Self-Storage
- Southcliffe Phase 5 & 6

2023/2024 Expenditures



City Council’s Priority Area(s)

- Community Safety
- Responsible Government
- Quality of Life

Performance Measures

Program / Service Outputs	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Number of permits issued	1,992	2,472	2,300	2,415	2,536
Number of inspections performed	14,016	12,155	11,300	13,732	14,418
Number of plans reviewed	1,107	1,264	1,176	1,394	1,463
Express permits - commercial tenant improvements	38	47	22	30	35
Express permits - single-family residential	180	158	182	200	220

Program / Service Efficiency Measures	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Cost per permit issued	\$ 210	\$ 195	\$ 202	\$ 212	\$ 223
Cost per inspection performed	\$ 32	\$ 36	\$ 44	\$ 38	\$ 40
Cost per plan reviewed	\$ 530	\$ 417	\$ 505	\$ 448	\$ 470

Program / Service Quality	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Percentage of permit applications completed & routed within 24 hours of time of submittal	90%	90%	91%	93%	93%
Percentage of inspections completed within 24 hours of request	98%	99%	99%	99%	99%
Percentage of plan reviews completed within 5-15 days	82%	82%	80%	85%	90%

Kennewick High School



**BUILDING
SAFETY**

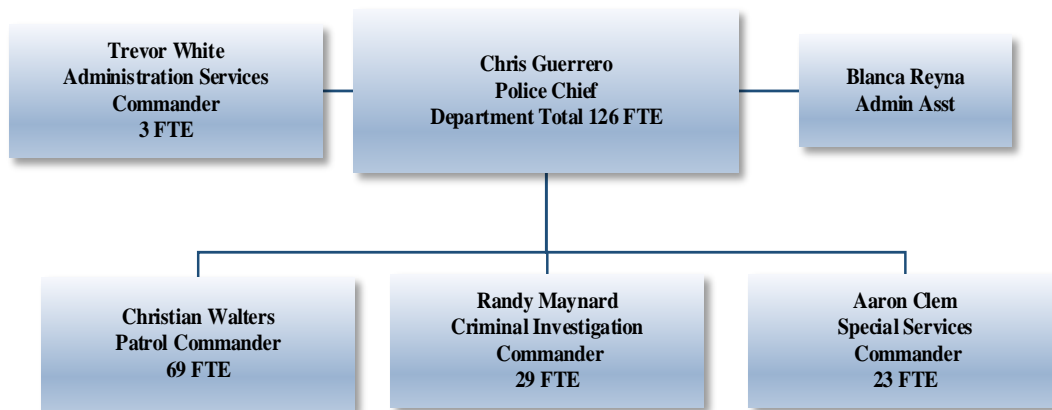
Community Planning Department

REVENUES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
Licenses & Permits	\$ 3,956,485	\$ 2,900,000	\$ 2,900,000	\$ 3,873,000
Miscellaneous Revenue	96,557	60,000	60,000	150,000
Total Revenues	\$ 4,053,042	\$ 2,960,000	\$ 2,960,000	\$ 4,023,000
Building Safety Fund	(635,954)	617,414	663,314	(112,144)
Decrease (Increase) to Fund Balance	(635,954)	617,414	663,314	(112,144)
Current Funding Sources	\$ 3,417,088	\$ 3,577,414	\$ 3,623,314	\$ 3,910,856
EXPENDITURES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 1,757,005	\$ 2,078,532	\$ 2,078,532	\$ 2,250,688
Overtime	1,085	2,500	2,500	2,500
Benefits	674,591	852,062	852,062	886,066
Salaries & Benefits	2,432,680	2,933,094	2,933,094	3,139,254
Supplies	23,648	27,920	34,120	42,335
Contractual Services	473,696	429,750	429,750	521,826
Travel & Training	18,911	31,100	31,100	33,500
Insurance Premiums	49,363	57,520	57,520	91,331
Fleet Maintenance Charges	21,996	21,680	21,680	27,440
Other Services & Charges	85,846	76,350	116,050	27,170
Supplies & Services	673,460	644,320	690,220	743,602
Capital Improvement Fund	310,948	-	-	28,000
Interfund Transfers	310,948	-	-	28,000
Total Expenditures	\$ 3,417,088	\$ 3,577,414	\$ 3,623,314	\$ 3,910,856
Expenditures by Fund				
Building Safety Fund	\$ 3,417,088	\$ 3,577,414	\$ 3,623,314	\$ 3,910,856
Total Expenditures by Fund	\$ 3,417,088	\$ 3,577,414	\$ 3,623,314	\$ 3,910,856

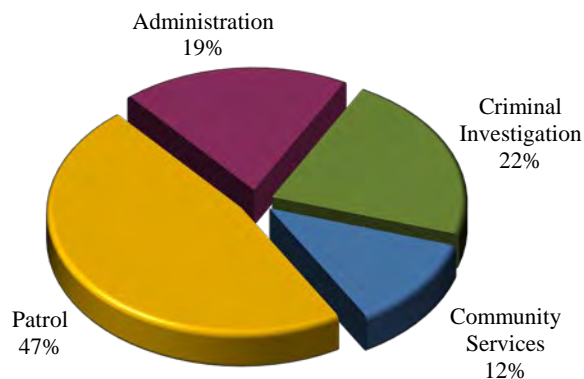
**DETAIL
BUDGET**



Police Department



Adopted Budget



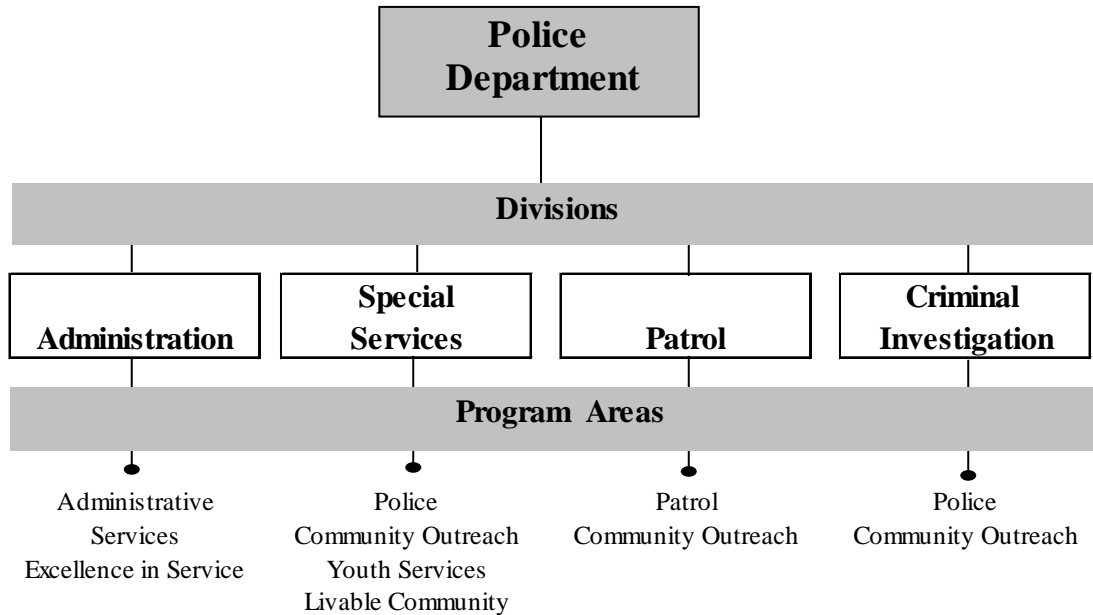
Division Expenditures	2019-2020 Actual	2021-2022 Adopted	2021-2022 Adjusted	2023-2024 Adopted
Administration	\$ 12,195,033	\$ 11,008,573	\$ 11,171,739	\$ 10,340,776
Patrol	20,896,650	23,825,948	25,470,890	25,494,181
Criminal Investigation	9,575,638	10,587,895	10,577,895	11,881,694
Special Services	5,237,178	5,858,810	5,935,710	6,411,124
Total:	\$ 47,904,499	\$ 51,281,226	\$ 53,156,234	\$ 54,127,775

Funding Sources	2019-2020 Actual	2021-2022 Adopted	2021-2022 Adjusted	2023-2024 Adopted
General Fund	\$ 42,678,368	\$ 45,406,976	\$ 47,266,984	\$ 47,629,931
Criminal Justice Sales Tax	5,139,786	5,849,250	5,849,250	6,472,844
Asset Forfeiture Fund	86,345	25,000	40,000	25,000
Total Sources:	\$ 47,904,499	\$ 51,281,226	\$ 53,156,234	\$ 54,127,775

Police Department

Mission

Our mission is to promote a safe community and enhance quality of life.



Departmental Staffing				
	2019-2020	2021-2022	2021-2022	2023-2024
	Actual	Adopted	Adjusted	Adopted
Full-time Equivalent (FTE)	125.00	125.00	126.00	126.00
% of City's FTE's	30.55%	30.44%	30.55%	30.15%
Departmental Expenditures by Type				
	2019-2020	2021-2022	2021-2022	2023-2024
	Actual	Adopted	Adjusted	Adopted
Salaries & Benefits	\$ 36,620,129	\$ 41,590,083	\$ 41,689,284	\$ 44,902,656
Supplies & Services	11,116,560	9,691,143	11,451,950	9,071,619
Interfund Transfers	-	-	15,000	28,000
Capital Outlay	167,810	-	-	125,500
Total Department Budget:	\$ 47,904,499	\$ 51,281,226	\$ 53,156,234	\$ 54,127,775

Program Purpose / Description

Administration is coordinated from the Administration Services Division and provides primary oversight and support to all divisions within the organization. Responsibilities include but aren't limited to budget, recruitment, hiring, promotions, training, internal affairs/quality assurance, policies, accreditation, the Animal Control Authority and the Police Cadet program.

The department's goal is to ensure Community Safety and Public Trust by "Leading the Way" while incorporating our citywide core values of Integrity, Inclusiveness, Stewardship, and Communication.

Program Broad Goals

- Community safety & public information
- Budget development and oversight
- Department personnel (hiring, training, promotions, and discipline)
- Collaboration and developing relationships
- Maintain internal and external customer satisfaction
- Liaison to Kennewick Police Foundation and Animal Control Authority
- Provide support to other City of Kennewick Departments

Division Staffing				
	2021	2022	2023	2024
	Actual	Actual	Adopted	Adopted
POLICE CHIEF	1.00	1.00	1.00	1.00
COMMANDER	1.00	1.00	1.00	1.00
LIEUTENANT	1.00	1.00	1.00	1.00
TRAINING SERGEANT	1.00	1.00	1.00	1.00
ADMINISTRATIVE ASSISTANT	1.00	1.00	1.00	1.00
TOTAL DIVISION FTE'S:	5.00	5.00	5.00	5.00

(4 Commissioned)



Highlights / Changes

The Kennewick Police Department works with our citizens to identify and abate conditions contributing to the occurrence of crime; by providing effective and efficient police responses; conducting thorough criminal investigations; providing crime prevention and community awareness programs; cooperating with other law enforcement agencies committed to common goals and providing strong internal support to our officers. We respond quickly to evolving crime trends and aggressively pursue grants and unique resources to combat criminal activity. The KPD supports performance based budgeting to ensure adequate funding for the current and future bienniums.

2023/24 Goals & Objectives

- Continue to collaborate and facilitate local, state and federal partnerships.
- Maintain effective and efficient recruitment, hiring and promotional practices.
- Evaluate and adapt our delivery of police services to the community we serve.
- Maintain oversight of our Kennewick Police Foundation.
- Review use of force applications, complaints, collisions, pursuits and report findings quarterly to ensure transparency and enhance community support.

Prior Biennium Accomplishments

- Ongoing success using the KPD Foundation's Community Care Program.
- The police cadet program has been very successful. Five cadets have successfully earned their way into becoming KPD Police Officers and are providing service to the community.

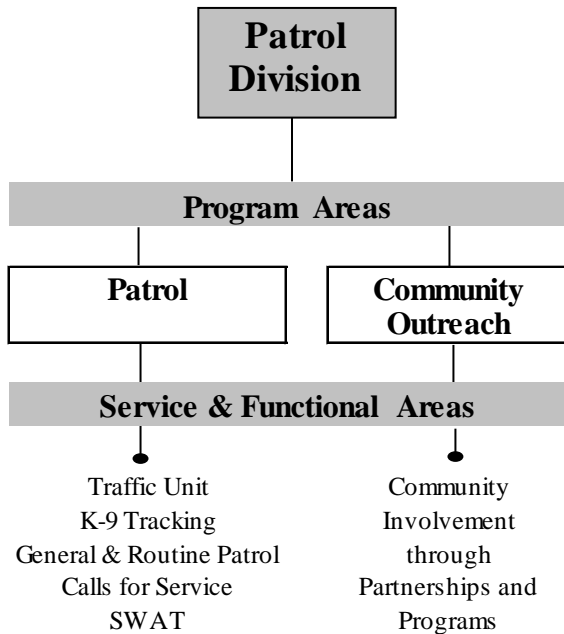
City Council Priority Area(s)

- Community Safety
- Economic Development
- Infrastructure and Growth
- Quality of Life
- Responsible Government

REVENUES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 11,205,043	\$ 10,873,573	\$ 10,872,173	\$ 10,195,776
Grants	903,645	110,000	242,566	120,000
Intergovernmental Revenue	903,645	110,000	242,566	120,000
Miscellaneous Revenue	111,357	13,500	30,500	13,500
Total Revenues	\$ 12,220,045	\$ 10,997,073	\$ 11,145,239	\$ 10,329,276
Asset Forfeiture Fund	(25,012)	11,500	26,500	11,500
Decrease (Increase) to Fund Balance	(25,012)	11,500	26,500	11,500
Current Funding Sources	\$ 12,195,033	\$ 11,008,573	\$ 11,171,739	\$ 10,340,776
EXPENDITURES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 2,136,594	\$ 2,254,684	\$ 2,134,683	\$ 2,267,153
Overtime	10,306	2,000	2,000	6,350
Part-Time Wages	-	-	120,000	120,000
Benefits	732,590	741,464	741,465	845,287
Salaries & Benefits	2,879,490	2,998,148	2,998,148	3,238,790
Supplies	195,953	138,395	155,395	152,815
Contractual Services	22,565	14,000	14,000	15,400
Columbia Dive & Rescue Services	13,000	13,000	13,000	13,000
CDPD Access Fee	-	48,950	48,950	158,400
Lexipol	-	48,346	48,346	49,181
Travel & Training	27,672	33,800	33,800	64,580
Repair & Maintenance	33,768	22,000	22,000	24,200
Fleet Maintenance Charges	16,320	13,680	12,280	19,680
HIDTA Contractual Services	903,365	-	-	-
Jail Services	5,464,519	5,055,300	5,055,300	3,600,000
BiPIN Services	354,791	306,604	306,604	337,265
SECOMM	1,573,395	1,600,000	1,600,000	1,919,400
Benton County - 800 Mhz/Kids Haven	389,264	403,100	403,100	460,010
Prisoner Medical Costs	242,871	231,000	231,000	231,000
Benton County Pass-through	14,322	-	132,566	-
Other Services & Charges	63,738	82,250	82,250	57,055
Supplies & Services	9,315,543	8,010,425	8,158,591	7,101,986
Interfund Transfers	-	-	15,000	-
Total Expenditures	\$ 12,195,033	\$ 11,008,573	\$ 11,171,739	\$ 10,340,776
Expenditures by Fund				
General Fund	\$ 12,047,447	\$ 10,818,373	\$ 10,966,539	\$ 10,146,056
Asset Forfeiture Fund	86,345	25,000	40,000	25,000
Criminal Justice Sales Tax Fund	61,241	165,200	165,200	169,720
Total Expenditures by Fund	\$ 12,195,033	\$ 11,008,573	\$ 11,171,739	\$ 10,340,776

**DETAIL
BUDGET**





Highlights / Changes

The Patrol Division is focused on providing the best public safety for the citizens of Kennewick. We strive to work as cross-functional teams with the other departments within our City Government to provide the best service possible. Examples include our Traffic Unit working with Public Works Department on the intersections with the highest number of collisions and evaluating ways to enhance the safety of those locations collectively. The Patrol Division works closely with our Parks and Recreations Department on the identification of prevention strategies within our parks to make those areas attractive for our citizens to spend their time. Another cooperative working relationship we experience is with the City Attorney’s office as they update our officers with the most current applicable case law and judicial rulings.

We continue our partnership with the Kennewick School District to improve our response to critical incidents in our schools. Several times a year we conduct school drills where officers and school officials meet in person at our schools to train for a coordinated emergency response.

Over the last biennium, Officer Chris Whitney and K9 Ivan comprised our K9 team in 2021. Our KPD K9 team continues to make an impact in not only the City of Kennewick but throughout our region. This team has created mutually beneficial relationships with our local, state, and federal law enforcement partners focusing on holding those accountable for committing crimes.

Our Traffic Unit continues the ongoing partnerships with local agencies and the Washington Traffic Safety Commission. Together we provide regional training, education and enforcement efforts related to impaired driving, distracted driving, seatbelt enforcement and aggressive driving.

In April 2022, we partnered with the Recovery Navigator program to provide resources and services to members of our community who are suffering from substance use disorder and other life challenges.

Division Purpose / Description

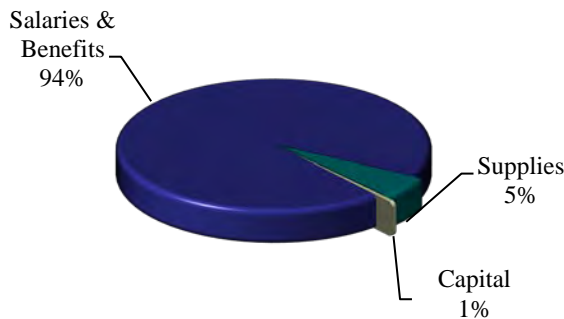
The Patrol Division is the largest division within the Kennewick Police Department. Patrol provides service to our citizens 24 hours a day seven days a week. The Patrol Division continues to utilize the six-shift structure with a mid-shift working from noon to midnight during the busiest times of the day. 46 officers are assigned to uniformed patrol, three assigned to the traffic unit and one assigned to the K-9 unit. KPD continues to strive towards reaching full staffing and provide professional police services to our community. Each patrol shift has identified officers who have specialized training in SWAT, criminal street gangs, public information and new patrol officer training (PTO).

Division Broad Goals

- Address community safety and quality of life issues currently facing our community.
- Maintain the highest level of integrity through professionalism, ethical decision making and individual conduct.
- Reduce criminal victimization while enhancing public safety through education, enforcement and crime prevention efforts.
- Engage our partners to address community safety and quality of life issues.
- Hold offenders accountable.
- Tell Kennewick Police Department’s story.



2023/2024 Expenditures



Division Staffing				
	2021	2022	2023	2024
	Actual	Actual	Adopted	Adopted
POLICE COMMANDER	1.00	1.00	1.00	1.00
POLICE SERGEANT	7.00	7.00	7.00	7.00
POLICE PATROL OFFICER	54.00	54.00	54.00	54.00
POLICE TRAFFIC OFFICER	5.00	5.00	5.00	5.00
POLICE K-9 OFFICER	2.00	2.00	2.00	2.00
TOTAL DIVISION FTE'S:	69.00	69.00	69.00	69.00

(All Commissioned)



2023/24 Goals & Objectives

- Continue to hire, develop and promote the best police officers possible.
- Continue our work with the Kennewick School District in coordinating school drills and tours for all elementary, middle and high schools. This program improves our ability to enhance patrol's abilities and knowledge when responding to school emergencies.
- Evaluate the deployment of patrol officers to best serve our community's needs.
- Look for continued opportunities for community engagement and community/private partnerships to battle homelessness, substance use disorder and mental health situations that affect our community.
- Strategic deployment of technology to address criminal activity and hold offenders accountable.

Prior Biennium Accomplishments

- Deployment of 29 less lethal pepper ball launchers; 20 were purchased through grant funding from the Department of Commerce.
- Deployment of Axon body worn cameras, in car video and Taser 7.
- Creation of a Drone program, the drone has been successfully used to document crime scenes and to search for a missing child.
- Successfully secured regional grant funding for the Flock automated license plate reader cameras.
- Continued to provide patrol division staff with training in de-escalation, including State mandated CIT Training, patrol tactics, legislative updates and technical skills to provide the best police service possible.

City Council Priority Area(s)

- Community Safety
- Economic Development
- Infrastructure and Growth
- Quality of Life
- Responsible Government

Performance Measures

Program / Service Outputs

	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Calls for service	98,653	95,776	105,000	110,000	115,000
Traffic related infractions issued	5,477	4,471	5,000	6,000	7,500
Traffic stops	3,427	3,509	4,000	5,500	6,500
Total arrests	2,794	2,594	3,500	5,000	6,000
Field contacts	4,035	2,642	3,500	4,000	4,500
Collisions	2,243	3,211	3,500	3,200	3,000
K-9 calls for service	171	108	120	140	180
SWAT calls for service	108	70	80	90	100
Training hours	8,202	16,181	17,000	18,000	19,000

Program / Service Efficiency Measures Per Officer (2021 = 51, 2022 = 51)

	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Calls for service	1,827	1,878	2,058	2,156	2,254
Traffic related infractions issued	101	88	98	117	147
Traffic stops	63	69	79	107	127
Total arrests	52	51	69	98	117
Field contacts	75	52	69	78	88
Collisions	42	63	69	62	58
K-9 calls for service (1)	86	108	120	140	180
SWAT calls for service (6)	18	12	13	15.00	17.00
Training hours	152	317	333	352	372

Program / Service Quality

	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Cases cleared	5,562	7,214	7,500	8,000	8500
Community contacts	473	590	650	700	750
Collision variance	-25.0%	30.00%	9.0%	-8.5%	-6.3%
Community presentations	10	11	15	25	35



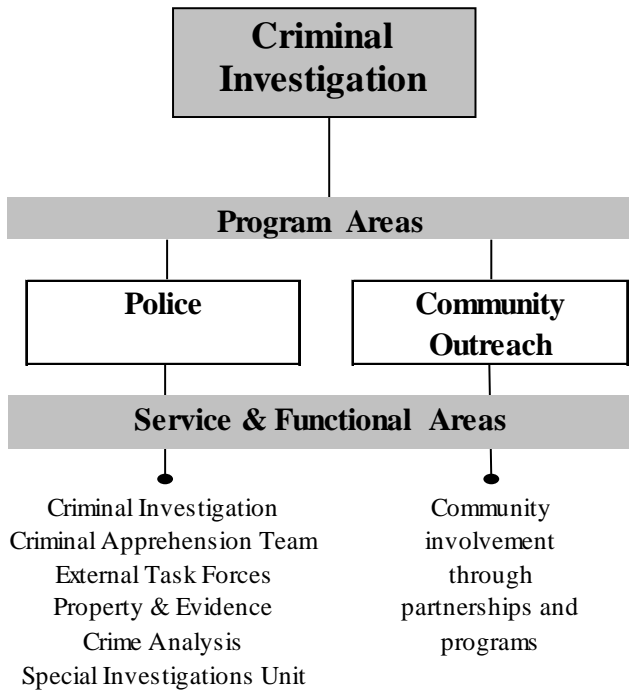
PATROL

Police Department

REVENUES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 9,737,500	\$ 16,335,972	\$ 18,912,272	\$ 19,323,376
Local Sales Tax - Criminal Justice	4,544,099	5,148,245	5,148,245	5,460,365
Taxes	4,544,099	5,148,245	5,148,245	5,460,365
Grants	4,576,537	-	83,641	-
Intergovernmental Revenue	4,576,537	-	83,641	-
Charges for Services	118,200	95,400	95,400	104,400
Fines & Forfeits	1,591,017	1,798,600	1,798,600	896,600
Miscellaneous Revenue	61,447	900	900	1,000
Total Revenues	\$ 20,628,800	\$ 23,379,117	\$ 26,039,059	\$ 25,785,741
Criminal Justice Sales Tax Fund	267,850	446,831	(568,169)	(291,560)
Decrease (Increase) to Fund Balance	267,850	446,831	(568,169)	(291,560)
Current Funding Sources	\$ 20,896,650	\$ 23,825,948	\$ 25,470,890	\$ 25,494,181
EXPENDITURES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 14,312,917	\$ 16,417,331	\$ 16,417,330	\$ 17,147,487
Overtime	336,205	429,000	447,000	471,900
Benefits	4,957,853	5,840,874	5,844,175	6,333,580
Salaries & Benefits	19,606,975	22,687,205	22,708,506	23,952,967
Supplies	256,542	185,165	263,806	252,125
Contractual Services	6,319	3,000	3,000	8,000
Communication	249,330	178,878	178,878	91,144
Travel & Training	33,373	49,600	49,600	54,560
Repair & Maintenance	9,619	23,000	23,000	25,000
Fleet Maintenance Charges	721,986	697,000	734,600	954,575
Other Services & Charges	2,006	2,100	1,509,500	2,310
Supplies & Services	1,279,175	1,138,743	2,762,384	1,387,714
Interfund Transfers	-	-	-	28,000
Capital Outlay	10,500	-	-	125,500
Total Expenditures	\$ 20,896,650	\$ 23,825,948	\$ 25,470,890	\$ 25,494,181
Expenditures by Fund				
General Fund	\$ 16,352,551	\$ 18,677,703	\$ 20,322,644	\$ 20,033,816
Criminal Justice Sales Tax Fund	4,544,099	5,148,245	5,148,245	5,460,365
Total Expenditures by Fund	\$ 20,896,650	\$ 23,825,948	\$ 25,470,890	\$ 25,494,181

**DETAIL
BUDGET**





Division Broad Goals

- Complete thorough and transparent investigations resulting in criminal convictions where lawful.
- Provide secondary support to the Kennewick Police Department Patrol Division.
- Maintain internal and external customer satisfaction.
- Maintain and develop mutually beneficial relationships with all organizations committed to public safety.
- Provide a professional, safe and friendly work environment for all our employees.

Division Purpose / Description

The Criminal Investigations Division conducts investigation of complex criminal acts involving prolonged efforts and specialized expertise. Patrol officers generally respond first and begin the investigative process, later assumed by detectives. Detectives are assigned to specialized areas of investigation and focused regional partnership task forces.

Highlights / Changes

The division’s primary focus is holding individuals accountable for committing crimes against our community. This is accomplished through in depth investigations and working with partners who have the same commitment to public safety.

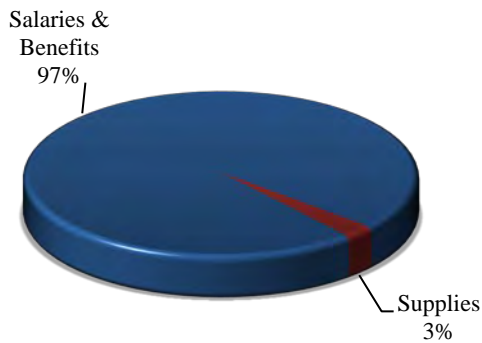
2023/2024 Goals & Objectives

- Increase staffing by one detective in the Persons Unit, and the Property Unit.
- Maintain criminal investigation case clearance rates above the national average (33%).
- Clear 50% of cases assigned to investigations within 60 days of assignment.
- Continue to meet or exceed NIBIN requirements for acquisitions entered into NIBIN database.
- In conjunction with the City Attorney’s Office, establish a protocol to confirm compliance with City of Kennewick business license requirements for businesses allegedly committing criminal acts of prostitution or human trafficking.
- Reduce Property and Evidence volume of misdemeanor cases more than five years old by 15%.
- Implement barcoding system in Property and Evidence.
- Transition all on-hand property and evidence to barcoding system identification.
- Proactively assure the mental health and well-being of CID employees, encouraging and promoting overall health and wellness for each employee.
- Unified monthly report from all divisions.
- All homicide investigations take priority until resolved regardless of manner of closure.
- All available resources will be utilized to review and attempt to solve unsolved homicides and missing persons cases.
- Ensure annual compliance with WASPC Accreditation Standards applicable to division.

Division Purpose/Description Cont'd

Complex criminal investigations frequently cross jurisdictional boundaries requiring the Kennewick Police Department to work effectively with other local, state and federal agencies committed to public safety and improving community well-being by communicating and sharing resources

2023/2024 Expenditures



Division Staffing				
	2021	2022	2023	2024
	Actual	Actual	Adopted	Adopted
POLICE COMMANDER	1.00	1.00	1.00	1.00
POLICE SERGEANT	5.00	5.00	5.00	5.00
POLICE OFFICER - DETECTIVE	13.00	13.00	13.00	13.00
POLICE OFFICER - C.A.T. TEAM	6.00	6.00	6.00	6.00
CRIME ANALYST	1.00	1.00	1.00	1.00
EVIDENCE TECHNICIAN	1.00	1.00	2.00	2.00
METRO ADMIN ASSISTANT	1.00	1.00	1.00	1.00
TOTAL DIVISION FTE'S:	28.00	28.00	29.00	29.00

(25 commissioned)



Prior Biennium Accomplishments

- Twelve reported homicides investigations, nine of which have been cleared.
- Criminal charges issued on three subjects responsible for homicide of Hunter Black occurring in October 2018.
- Arrest of Miguel Vargas who was responsible for nine (9) drive-by shooting incidents. Connection was made using the National Integrated Ballistic Information Network (NIBIN).

City Council Priority Area(s)

- Community Safety
- Economic Development
- Infrastructure and Growth
- Quality of Life
- Responsible Government

~Hero/Police Officer~
 “An ordinary person facing extraordinary circumstances and acting with courage, honor and self-sacrifice.”



Performance Measures

Program / Service Outputs					
	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Cases assigned	1,012	1,025	1,200	1,200	1,140
Cases cleared (arrest)	396	318	380	380	361
Cases cleared (other)	315	248	300	300	285
Search warrants	194	273	320	340	342
Training hours	1,160	1,160	500	580	703

Program / Service Efficiency Measures Per Detective					
	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Cases assigned	53	54	60	70	70
Cases cleared (arrest)	21	17	19	19	19
Cases cleared (other)	17	13	15	15	15
Search warrants	10	12	16	18	18
Training hours	58	58	25	37	37

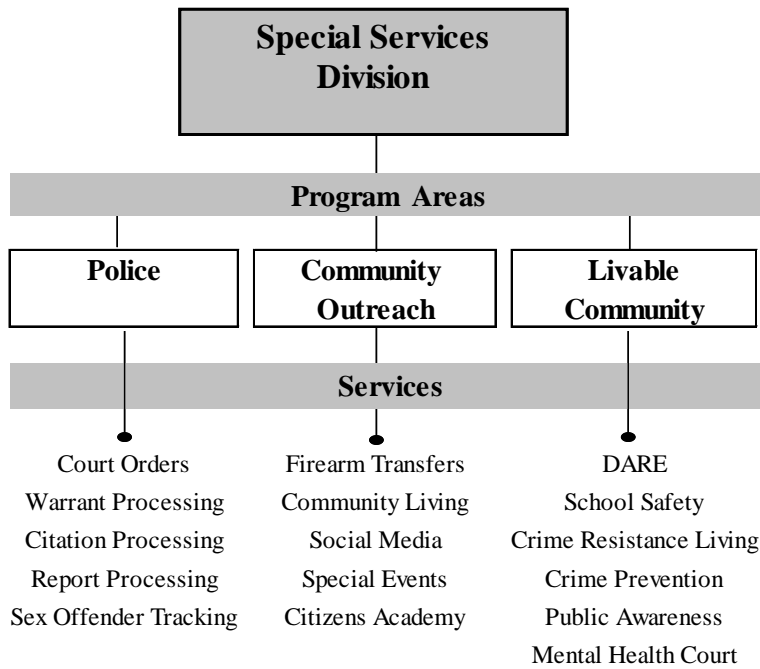
Program / Service Quality					
	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Percentage of cases cleared	82%	76%	75%	75%	75%
Percentage of cases cleared within 60 days	63%	68%	75%	75%	75%



REVENUES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 7,740,182	\$ 9,060,495	\$ 9,050,495	\$ 10,008,246
Local Sales Tax - Criminal Justice	38,852	35,700	35,700	259,048
Taxes	38,852	35,700	35,700	259,048
Grants	1,083,906	340,600	340,600	372,300
Intergovernmental Revenue	1,083,906	340,600	340,600	372,300
Charges for Services	712,698	1,151,100	1,151,100	1,242,100
Total Revenues	\$ 9,575,638	\$ 10,587,895	\$ 10,577,895	\$ 11,881,694
EXPENDITURES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 6,568,647	\$ 7,463,709	\$ 7,463,709	\$ 8,245,486
Overtime	274,941	245,325	245,325	245,325
Benefits	2,278,778	2,599,251	2,599,251	3,089,023
Salaries & Benefits	9,122,366	10,308,285	10,308,285	11,579,834
Supplies	72,800	69,750	69,750	71,200
Travel & Training	35,926	36,000	36,000	36,000
Special Investigatons	55,994	50,000	50,000	52,000
Fleet Maintenance Charges	127,825	116,160	106,160	135,360
Other Services & Charges	3,417	7,700	7,700	7,300
Supplies & Services	295,962	279,610	269,610	301,860
Capital Outlay	157,310	-	-	-
Total Expenditures	\$ 9,575,638	\$ 10,587,895	\$ 10,577,895	\$ 11,881,694
Expenditures by Fund				
General Fund	\$ 9,536,786	\$ 10,552,195	\$ 10,542,195	\$ 11,622,646
Criminal Justice Sales Tax Fund	38,852	35,700	35,700	259,048
Total Expenditures by Fund	\$ 9,575,638	\$ 10,587,895	\$ 10,577,895	\$ 11,881,694

**DETAIL
BUDGET**





Highlights / Changes

Commander Scott Child retired after 26 years of service with the Kennewick Police Department. Commander Aaron Clem was promoted from the rank of Lieutenant and is the current division commander. Sergeant Chris Littrell moved to the division from the Criminal Investigations Division and is now in charge of the Youth Services, Citizens, Helping in Police Services and our Community Relations. In addition, he acts as a department Public Information Officer, recruiter and helps facilitate our social media presence. Mickie Marty continues to lead our Record Divisions but will be retiring at the end of 2022. We welcomed two new employees to the records division and continue to work hard supporting the other divisions while also maintaining dedicated service to the public.

We continue to maintain a supportive partnership with the Kennewick School District. Through the work of five school resource officers and one DARE officer, our youth services unit works cooperatively with the Kennewick School District to enhance the safety and security of the students and staff. In addition, we work closely with the district on critical incident training for both their staff and ours. During the 2021-2022 school year we provided situational awareness training to the staff at every school and, with the help of the KPD Foundation, we added an SRO Pantry Program in five schools to help students in need and build relationship with the students.

2023/24 Goals & Objectives

- Enhance public outreach and community involvement through social media, public presentations and community partnerships with our school district, faith groups, and community and business organizations.
- Provide professional planning and security for all major events held within the City of Kennewick.
- Continue to enhance our partnership with the Kennewick School District to create a safe learning environment for all students.
- Maintain a high level of integrity and accountability for all police records.

Division Purpose/Description

Our Special Services Division values the opportunity to provide services to our community and enhancing public safety through community outreach and transparency. The division includes our department records unit, our youth services unit; consisting of five SROs and one DARE Officer, our community relations unit and our volunteers. Through the use of these units, social media, public presentations, special events, and crime prevention, the Special Services Division is continually looking for new, inventive ways, to build trust with the communities we serve.

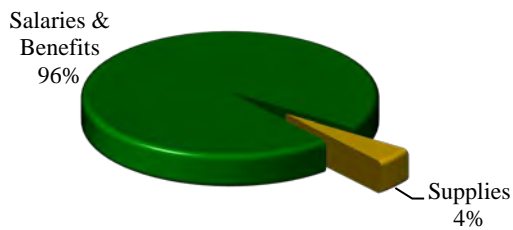
Division Broad Goals

- Enhance our collaborative partnership with the Kennewick School District, providing safe and secure schools and training, with the ultimate goal of providing a safe, productive learning environment for all students in the district.
- Ensuring the integrity of all police investigations, reports and evidence while ensuring we provide the judicial system with the necessary information necessary for public safety.
- Promote community involvement, collaborations and public trust through inclusiveness, stewardship and effective communication.
- Maintain a high degree of internal and external customer satisfaction.
- Stay current with statewide mandates and best practices by utilizing the most effective and efficient use of taxpayer resources.

Division Staffing				
	2021	2022	2023	2024
	Actual	Actual	Adopted	Adopted
POLICE COMMANDER	1.00	1.00	1.00	1.00
POLICE LIEUTENANT	1.00	0.00	0.00	0.00
POLICE OFFICER	10.00	10.00	10.00	10.00
POLICE SERGEANT	0.00	1.00	1.00	1.00
POLICE RECORDS SUPERVISOR	1.00	1.00	1.00	1.00
POLICE SUPPORT SPECIALIST	10.00	11.00	10.00	10.00
TOTAL DIVISION FTE'S:	23.00	24.00	23.00	23.00

(12 commissioned)

2023/2024 Expenditures



Prior Biennium Accomplishments

- Successfully passed the stringent Federal Bureau of Investigations ACCESS/ NCIC audit.
- Provided situational awareness and critical incident training to all staff in all Kennebec schools.
- Increased public awareness, transparency and engagement through multiple social media sources.
- Highly engaged in the implementation of a new records management system.

City Council Priority Area(s)

- Community Safety
- Economic Development
- Infrastructure and Growth
- Quality of Life
- Responsible Government



Performance Measures

Program / Service Outputs

	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Reports processed	11,199	11,453	12,500	14,000	14,000
Warrants processed	2,966	2,764	2,892	3,000	3,000
Citations processed	1,779	2,012	1,597	2,000	2,000
Public records requests	2,717	2,748	2,093	2,500	2,500
Property evidence collected	4,941	3,692	3,860	4,000	4,000
Weapons Transferred/Applications	6,085	4,889	4,730	5,000	5,000
Court orders processed	872	872	754	900	900

Program / Service Efficiency Measures Per PSS

	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Reports processed	1,120	1,145	1,250	1,400	1,400
Warrants processed	297	276	289	300	300
Citations processed	178	201	160	200	200
Public records requests	272	275	209	250	250
Court orders processed	87	87	75	90	90
Property evidence cleared	6,691	3,633	3,932	5,000	5,000

Program / Service Quality

	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
CRCL participating units	9,918	9,921	10,000	10,100	10,200
Therapeutic court referrals	128	157	160	170	180
CHIPS hours	3,245	3,465	3,500	4,000	4,000
Registered sex offenders monitored	250	254	270	275	280



SPECIAL SERVICES

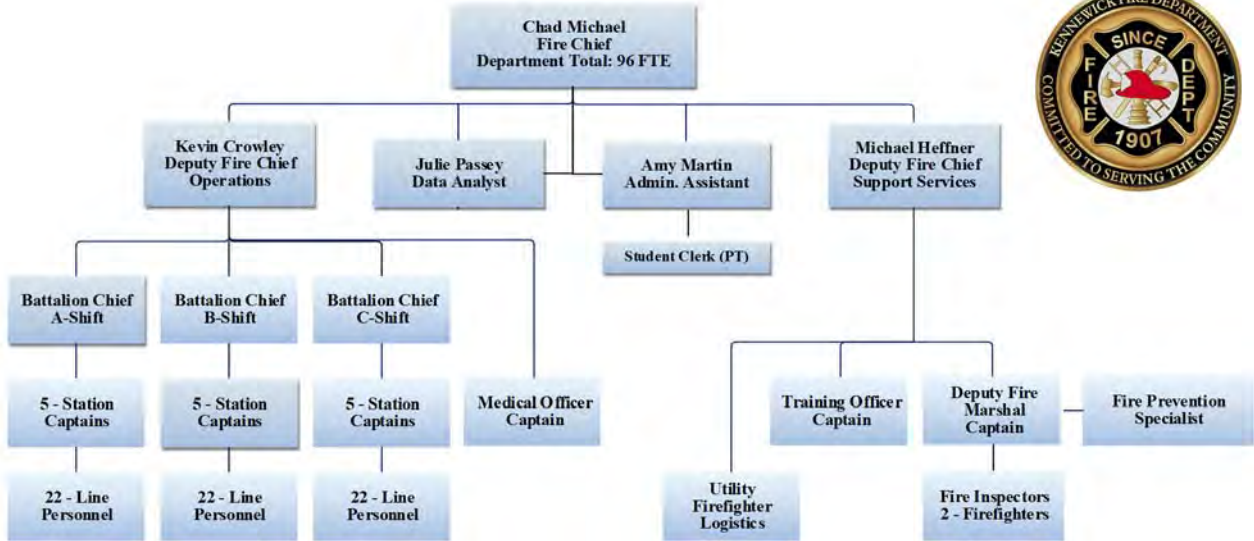
Police Department

REVENUES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 4,661,146	\$ 5,180,505	\$ 5,257,405	\$ 5,714,513
Local Sales Tax - Criminal Justice	495,594	500,105	500,105	583,711
Taxes	495,594	500,105	500,105	583,711
Licenses & Permits	24,950	50,400	50,400	72,100
Charges for Services	55,488	127,800	127,800	40,800
Current Funding Sources	\$ 5,237,178	\$ 5,858,810	\$ 5,935,710	\$ 6,411,124
EXPENDITURES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 3,497,974	\$ 3,905,786	\$ 3,954,786	\$ 4,291,977
Overtime	78,185	72,550	72,550	83,955
Benefits	1,435,139	1,618,109	1,647,009	1,755,133
Salaries & Benefits	5,011,298	5,596,445	5,674,345	6,131,065
Supplies	89,411	118,085	118,085	126,514
Contractual Services	67,606	63,000	63,000	66,150
Travel & Training	18,513	28,300	28,300	21,650
Repair & Maintenance	861	9,000	9,000	9,000
Fleet Maintenance Charges	8,640	8,880	7,880	6,240
Other Services & Charges	40,849	35,100	35,100	50,505
Supplies & Services	225,880	262,365	261,365	280,059
Total Expenditures	\$ 5,237,178	\$ 5,858,810	\$ 5,935,710	\$ 6,411,124
Expenditures by Fund				
General Fund	\$ 4,741,584	\$ 5,358,705	\$ 5,435,605	\$ 5,827,413
Criminal Justice Sales Tax Fund	495,594	500,105	500,105	583,711
Total Expenditures by Fund	\$ 5,237,178	\$ 5,858,810	\$ 5,935,710	\$ 6,411,124

**DETAIL
BUDGET**



Fire Department



Adopted Budget

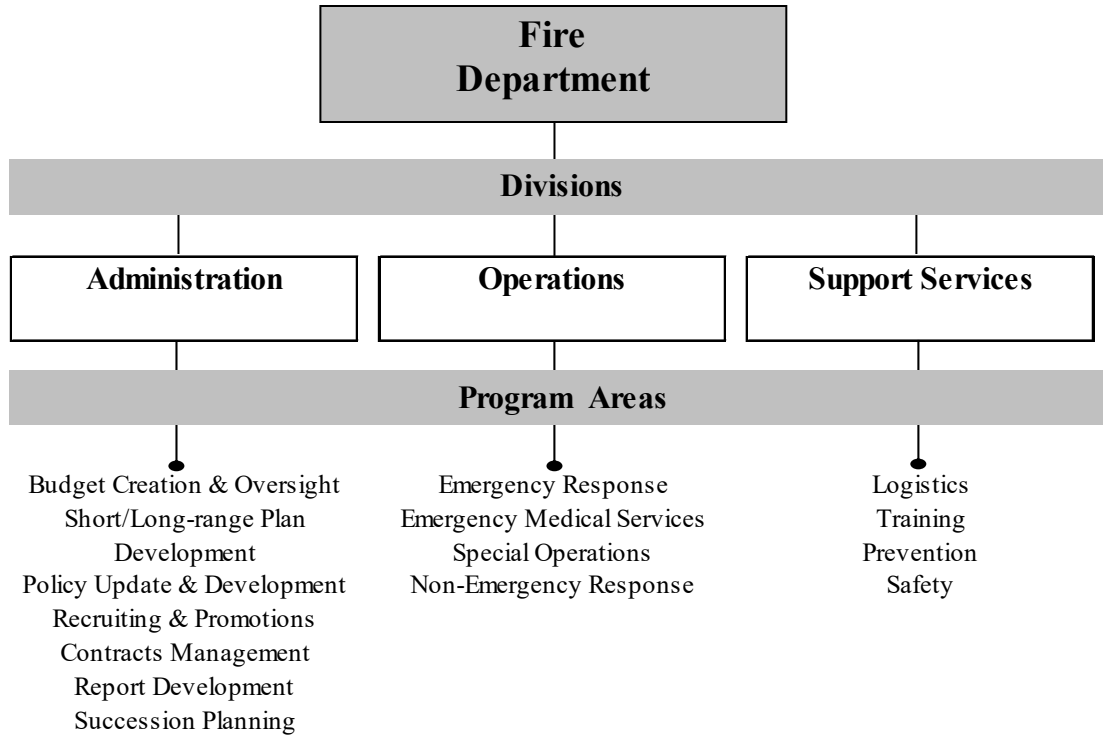


Departmental Staffing				
	2019-2020	2021-2022	2021-2022	2023-2024
	Actual	Adopted	Adjusted	Adopted
Full-time Equivalent (FTE)	97.00	97.00	96.00	96.00
% of City's FTE's	23.70%	23.62%	23.28%	22.97%
Departmental Expenditures by Type				
	2019-2020	2021-2022	2021-2022	2023-2024
	Actual	Adopted	Adjusted	Adopted
Salaries & Benefits	\$28,177,074	\$31,145,503	\$31,410,800	\$33,709,658
Supplies & Services	5,011,931	6,088,098	6,225,615	7,522,797
Interfund Transfers	137,447	-	-	53,650
Total Department Budget:	\$33,326,452	\$37,233,601	\$37,636,415	\$41,286,105

Fire Department

Mission

We partner with our community to proactively reduce risk and mitigate fire and life safety emergencies for those who live, work, and recreate in and around the City of Kennewick.



Division	2019-2020	2021-2022	2021-2022	2023-2024
Expenditures	Actual	Adopted	Adjusted	Adopted
Administration	\$ 3,536,495	\$ 4,629,268	\$ 4,642,268	\$ 5,595,976
Prevention	1,641,623	1,774,613	1,774,112	1,916,632
Operations	28,148,333	30,829,720	31,220,035	33,773,497
Total:	\$33,326,452	\$37,233,601	\$37,636,415	\$41,286,105
Funding Sources	2019-2020	2021-2022	2021-2022	2023-2024
	Actual	Adopted	Adjusted	Adopted
General Fund	\$ 7,990,564	\$ 8,529,891	\$ 8,892,705	\$ 9,204,832
Medical Services Fund	24,996,517	28,335,596	28,375,596	31,694,841
Building Safety Fund	339,371	368,114	368,114	386,432
Total Sources:	\$33,326,452	\$37,233,601	\$37,636,415	\$41,286,105

Program Purpose / Description

The purpose of the Administrative Division is to provide the overall direction, leadership, and vision for the department. This division is responsible for developing and overseeing the department’s budget; creating short and long-range plans; establishing and updating policies; capturing and analyzing key performance indicators; personnel recruitment, retention, and promotions; succession planning; development of the annual report; contract management; presenting information to City Council; responding to public inquiries, and managing the day-to-day administrative functions of the department.

Program Broad Goals

- ✓ Provide leadership that supports the department’s vision, mission, and strategic plan goals.
- ✓ Develop and oversee the department budget.
- ✓ Implement efficient and effective processes.
- ✓ Measure organizational performance and make appropriate adjustments based on data.
- ✓ Coordinate with internal and external stakeholders.
- ✓ Ensure compliance with directives, mandates and applicable laws and regulations.
- ✓ Recruit, promote, and recognize quality employees for exceptional performance.
- ✓ Provide corrective action and/or discipline as appropriate.

Division Staffing				
	2021	2022	2023	2024
	Actual	Actual	Adopted	Adopted
FIRE CHIEF	1.00	1.00	1.00	1.00
DEPUTY FIRE CHIEF	1.00	1.00	1.00	1.00
FIRE DATA ANALYST	1.00	1.00	1.00	1.00
TOTAL DIVISION FTE'S:	3.00	3.00	3.00	3.00



Highlights / Changes

The most significant changes within 2021/2022 focused on ensuring the right people were brought into the department to fill vacancies and the best candidates were selected for promotional opportunities. Over the past two years, the department has hired a new Deputy Chief and 16 firefighters to fill vacancies due to retirements, and promoted 4 firefighters to the rank of Captain, as well as 2 Captains to the rank of Battalion Chief to fill vacancies due to retirements.

2023/24 Goals & Objectives

Council Priorities: Community Safety, Infrastructure & Growth, and Responsible Government

- Continue to improve the efficiency and effectiveness of internal workflows through Lean and Six Sigma methodologies.
- Provide initial training, ongoing training and resources for staff in proper field use of technology, field data collection, data entry and report writing.
- Identify potential efficiencies based on departmental priorities and service level adopted by Council.
- Ensure accurate accounting of costs associated with all current contracts, agreements and ongoing operational expenses.
- Evaluate public education/information delivery models that would best fit within our community.
- Create systems to encourage and consider staff suggestions for improvement in services, resource efficiency, and internal culture and systems.
- Identify strategies to address operational and capital needs with existing revenue streams.

Prior Biennium Accomplishments

- ✓ Initiated a new scheduling and call back system.
- ✓ Trained all Division and Program Managers in Lean Six Sigma.
- ✓ Selected a new Deputy Chief of Support Services.
- ✓ Selected new Administrative Assistant.
- ✓ Started updating department policies.

City Council Priority Area(s)

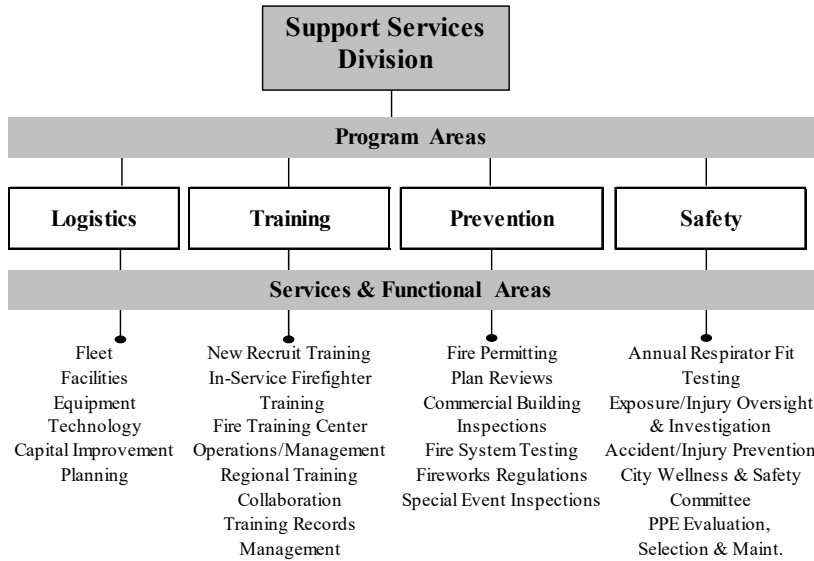
- Community Safety
- Infrastructure & Growth
- Responsible Government

REVENUES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 3,536,495	\$ 4,629,268	\$ 4,642,268	\$ 5,595,976
Total Revenues	\$ 3,536,495	\$ 4,629,268	\$ 4,642,268	\$ 5,595,976
EXPENDITURES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 967,412	\$ 1,125,547	\$ 1,125,547	\$ 1,174,156
Benefits	251,693	338,799	338,799	432,617
Salaries & Benefits	1,219,105	1,464,346	1,464,346	1,606,773
Supplies	109,116	104,982	117,982	186,109
Contractual Services	144,239	368,170	368,170	511,981
Ambulance Billing Overhead	783,077	1,283,610	1,283,610	1,561,353
Travel & Training	8,622	8,600	8,600	10,000
Repair & Maintenance	92,536	92,668	92,668	116,675
State Excise Tax	296,016	265,000	265,000	325,000
City Utility Tax	184,638	176,000	176,000	218,000
Bad Debt Expense	276,903	380,000	380,000	380,000
Benton County Emergency Services	76,758	83,000	83,000	88,600
Hazardound Materials Team	11,432	17,300	17,300	17,955
Insurance	324,939	370,270	370,270	544,705
Other Services & Charges	9,114	15,322	15,322	28,825
Supplies & Services	2,317,390	3,164,922	3,177,922	3,989,203
Total Expenditures	\$ 3,536,495	\$ 4,629,268	\$ 4,642,268	\$ 5,595,976
Expenditures by Fund				
General Fund	\$ 395,142	\$ 487,141	\$ 495,141	\$ 561,695
Medical Services Fund	3,141,353	4,142,127	4,147,127	5,034,281
Total Expenditures by Fund	\$ 3,536,495	\$ 4,629,268	\$ 4,642,268	\$ 5,595,976

**DETAIL
BUDGET**



The City is replacing Fire Station #1, originally constructed in 1977. The new building will be 23,183 sq. ft. and includes office space for the Fire Administration staff. Design on the new station began in 2021, and completion is anticipated in summer 2023.



Division Purpose / Description

The Support Services Division ensures personnel have the proper personal protective equipment (PPE), tools, apparatus, and facilities to effectively deliver emergency and non-emergency services within the community. This division works closely with a number of different City departments including, Facilities, Purchasing, Fleet, Risk-Management, Planning, and Building. Additionally, the Training, Fire Prevention, and Safety Programs also fall underneath the scope of Support Services. The Training Program is responsible for ensuring all firefighters meet mandated training requirements, remaining proficient in the skills required to be effective. The Prevention Program is responsible for a number of different areas including, but not limited to, plan reviews, commercial building inspections, fire investigations and public education. Finally, the Safety Program is focused on providing for the health and safety of all personnel.



Highlights / Changes

The past biennium saw a number of significant changes within the Support Services Division. In 2021, the department hired a new Division Chief to oversee Support Services. This need was created due to a retirement. This change not only created a fresh perspective, but also an opportunity to reimagine the Support Services Division.

In November of 2021, a five-year comprehensive training plan was completed. The training plan includes an overview of the Training Program and the current state of department training. Additionally, the plan includes short, medium, and long-term goals that will be used to ensure the Training Program resources are used effectively.

The Prevention Program focused solely on mission critical and time sensitive issues in the development community due to the loss of program staffing from retirements and separations. All value-added, non-critical prevention programs were placed on a temporary hold until the Division regains staff.

2023/2024 Goals & Objectives

Council Priorities: Community Safety, Infrastructure & Growth, and Responsible Government

- Work with internal stakeholders to develop a capital replacement plan for large and small capital.
- Identify and pursue grant opportunities for programs, projects, equipment, apparatus, and personnel needs, ensuring that a sustainable funding path exists for items that are mission critical.
- Continue to prioritize repairs and improvements identified in the comprehensive assessment of the Fire Training Center (FTC).
- Work with development stakeholders and the housing authority to address critical fire and life safety concerns without impeding growth, development, and needed housing.
- Develop and implement a program to address unintentional and unwanted residential and commercial fire alarms.
- Implement a fit-for-duty standard for incumbent staff.

Division Broad Goals

- ✓ Procure apparatus, equipment, and supplies.
- ✓ Ensure regulatory requirements are met.
- ✓ Design, direct, coordinate, deliver and document training.
- ✓ Ensure all State and Federal mandates are met.
- ✓ Provide for fire and life safety.
- ✓ Present public education and community proactive risk reduction programs.
- ✓ Cultivate a safe and healthy work environment.



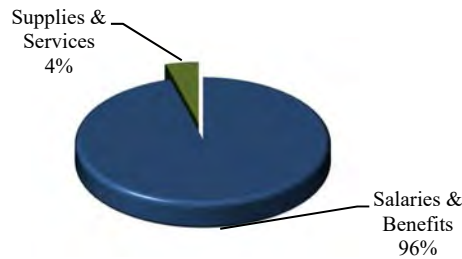
Prior Biennium Accomplishments

- ✓ Completed a five-year training plan.
- ✓ Conducted a comprehensive assessment of the FTC buildings and grounds.
- ✓ Completed and opened new Fire Station 3.
- ✓ Purchased land and completed design work for new Fire Station 1 with Administration offices.
- ✓ Refined the Wildland Urban Interface prevention program.
- ✓ Worked collaboratively with internal and external stakeholders to find “win/win” solutions to fire and life safety concerns existing within the development community.
- ✓ Initiated biennial respiratory protection program medical evaluations.

City Council Priority Area(s)

- Responsible Government
- Community Safety
- Quality of Life
- Infrastructure & Growth

2023/2024 Expenditures



Division Staffing				
	2021	2022	2023	2024
	Actual	Actual	Adopted	Adopted
DEPUTY FIRE CHIEF, FIRE PREVENTION/INSPECTION	1.00	1.00	1.00	1.00
FIRE TRAINING CAPTAIN	1.00	1.00	1.00	1.00
DEPUTY FIRE MARSHAL	1.00	1.00	1.00	1.00
TRI-TECH SKILLS CENTER FIRE INSTRUCTOR	1.00	0.00	0.00	0.00
FIRE PREVENTION SPECIALIST	1.00	1.00	1.00	1.00
FIRE INSPECTORS	3.00	3.00	3.00	3.00
MEDICAL/TRAINING ADMIN ASSISTANT	0.50	0.50	0.50	0.50
TOTAL DIVISION FTE'S:	8.50	7.50	7.50	7.50



Performance Measures

Program / Service Outputs	2020 Actual	2021 Actual	2022 Estimated	2023 Projected	2024 Projected
Number of fires investigated by a Fire Prevention Division	24	33	26	30	33
Number of fire code plan reviews assigned	341	533	750	938	1,173
Percentage of fire code plan review increase from previous year	-49%	56%	41%	25%	25%

Program / Service Efficiency Measures	2020 Actual	2021 Actual	2022 Estimated	2023 Projected	2024 Projected
Total number of structure fire responses	128	162	130	147	164
Number of incidents where cause could be determined	39	49	39	44	49
Number of fire code plan reviews completed	341	533	750	938	1,173
Number of business inspections completed	792	719	396	956	1,052
Number of commercial business re-inspections completed	294	147	224	298	328

Program / Service Quality	2020 Actual	2021 Actual	2022 Estimated	2023 Projected	2024 Projected
Percentage of incidents where cause could be determined from investigation	30%	30%	30%	30%	30%
Percent of fire code plan reviews completed	100%	100%	100%	100%	100%



SUPPORT SERVICES

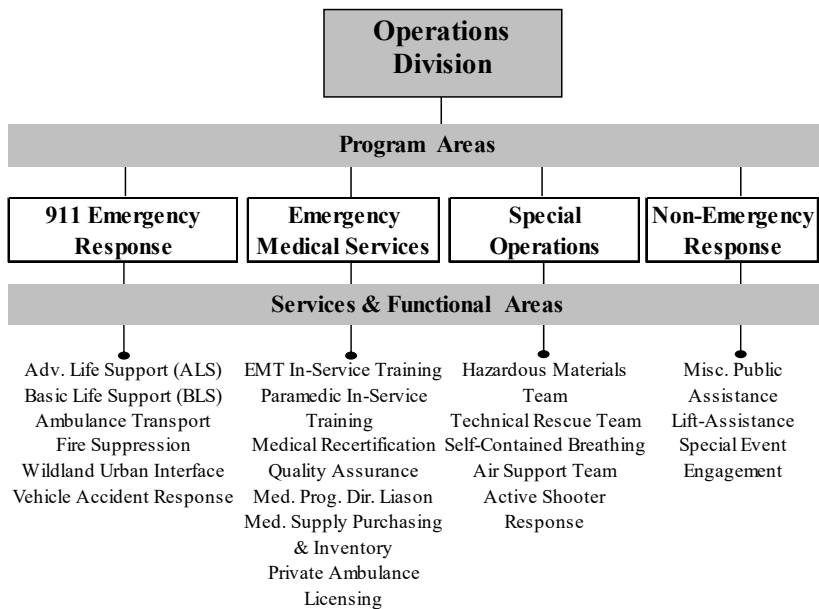
Fire Department

REVENUES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 1,302,252	\$ 1,406,499	\$ 1,405,998	\$ 1,530,200
Licenses & Permits	339,371	368,114	368,114	386,432
Total Revenue Sources	\$ 1,641,623	\$ 1,774,613	\$ 1,774,112	\$ 1,916,632
EXPENDITURES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 1,203,298	\$ 1,292,324	\$ 1,292,324	\$ 1,305,042
Overtime	5,665	6,439	6,439	7,500
Benefits	360,730	402,331	402,331	521,957
Salaries & Benefits	1,569,694	1,701,094	1,701,093	1,834,499
Supplies	18,494	17,540	23,040	32,250
Travel & Training	24,755	16,100	16,100	18,150
Fleet Maintenance Charges	17,040	19,920	13,920	13,200
Other Services & Charges	11,640	19,959	19,959	18,533
Supplies & Services	71,929	73,519	73,019	82,133
Total Expenditures	\$ 1,641,623	\$ 1,774,613	\$ 1,774,112	\$ 1,916,632
Expenditures by Fund				
General Fund	\$ 1,302,252	\$ 1,406,499	\$ 1,405,998	\$ 1,530,200
Building Safety Fund	339,371	368,114	368,114	386,432
Total Expenditures by Fund	\$ 1,641,623	\$ 1,774,613	\$ 1,774,112	\$ 1,916,632

**DETAIL
BUDGET**



Fire Station #3 opened in September 2021 and is located on Grandridge Blvd. This project included a new 12,570 sq. ft. fire and emergency medical service response building to replace the current station that was built in 1978. Station #3 hosted its Grand Opening for the public on June 16, 2022.



Division Purpose / Description

The department’s largest division, Operations, is responsible for delivering emergency medical services, fire suppression, mitigation of disasters, and response to specialized rescues. Additionally, the Emergency Medical Services, Special Operations, and Non-Emergency Response Programs all fall under the purview of this division. The Emergency Medical Services Program (EMS) is responsible for providing medical training, quality assurance, and purchasing the medical supplies necessary to deliver emergency medical care. Special Operations consists of the Hazardous Materials and Technical Rescue Teams. Non-Emergency Response consists of handling community requests for assistance that fall outside the scope of emergency response (i.e., assistance with broken water pipes).

Division Broad Goals

- ✓ Respond in a timely manner to time/life critical emergency incidents.
- ✓ Effectively mitigate emergencies.
- ✓ Maintain a state of readiness and preparedness.
- ✓ Ensure medical training mandates are met.
- ✓ Maintain medical certification requirements.
- ✓ Coordinate and train with regional special teams to ensure operational effectiveness.
- ✓ Provide non-emergency assistance, as appropriate.
- ✓ Develop and coordinate regional response protocols with public safety partners.
- ✓ Develop coalitions with community response partners.

Highlights / Changes

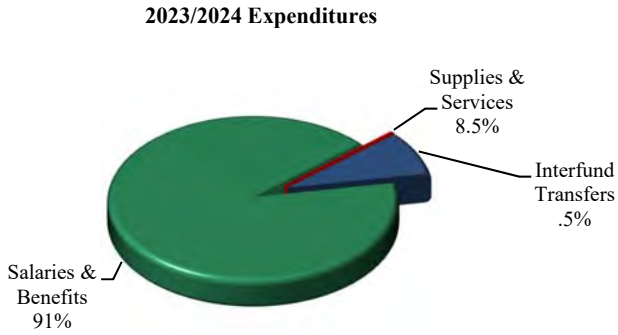
The Operations Division experienced significant growth in demand for emergency services over the past biennium. In 2021, there was a 16% growth in demand. Although it was hoped the increased demand would stabilize back to a more normal level in 2022, the increase in call volume continued. As a result, the department has made some reductions to the number of resources deployed to several incident types, and will be working with the other regional municipal fire departments on a Standard of Coverage.

In May of 2021, the department started preparing for an EMS Captain transition. In order to ensure continuity of operations, the department provided over a month of overlap between the incumbent and the new EMS Captain.

2023/2024 Goals & Objectives

Council Priorities: Community Safety, Infrastructure & Growth, and Responsible Government

- Conduct a Community Risk Assessment (CRA), Standard of Cover (SOC) study, and Emergency Medical Services (EMS) study to determine resource needs and triggers for potential staffing modifications.
- Review current deployment protocols to identify opportunities for resource efficiency.
- Define clear goals and scopes of service for special teams and departmental divisions.
- Adjust response time goals, resource deployment locations, and/or staffing levels based on CRA, SOC, and EMS study findings, as well as Council policy direction.
- Explore strategies and collaborate with partner agencies to address the growing impacts of mental health challenges and drug use on our community.
- Review current mutual and auto aid agreements to ensure they continue to mutually benefit all partners and best serve our customers.



Division Staffing

	2021	2022	2023	2024
	Actual	Actual	Adopted	Adopted
BATTALION CHIEF	3.00	3.00	3.00	3.00
FIRE CAPTAIN	7.00	7.00	7.00	7.00
EMS CAPTAIN	1.00	1.00	1.00	1.00
CAPTAIN PARAMEDIC	8.00	8.00	8.00	8.00
FIREFIGHTER EMT/PARAMEDIC*	66.00	66.00	66.00	66.00
MEDICAL/TRAINING ADMIN ASSISTANT	0.50	0.50	0.50	0.50
TOTAL DIVISION FTE'S:	85.50	85.50	85.50	85.50

**Up to 37 paramedic positions are authorized, including the EMS Captain position.*



Prior Biennium Accomplishments

- ✓ Implementation of Battalion Chief and Captain Task Books.
- ✓ Reduction in the number of unnecessary unit responses to fire alarm incidents.
- ✓ Initiation of a pilot study for a second dedicated Medic Unit.
- ✓ Selection of 14 Firefighters to replace retirement vacancies.
- ✓ Refinement of Special Operations training and task books updates.
- ✓ Revision of promotional processes.
- ✓ Collaboration on regional policies.

City Council Priority Area(s)

- Responsible Government
- Community Safety
- Quality of Life
- Infrastructure & Growth



Performance Measures

Program / Service Outputs

	2020 Actual	2021 Actual	2022 Estimated	2023 Projected	2024 Projected
Number of structure fire responses	128	162	130	147	164
Number of cardiac arrest calls	98	97	100	110	115
Number of EMS calls for service	7,357	8,620	10,085	11,800	13,806

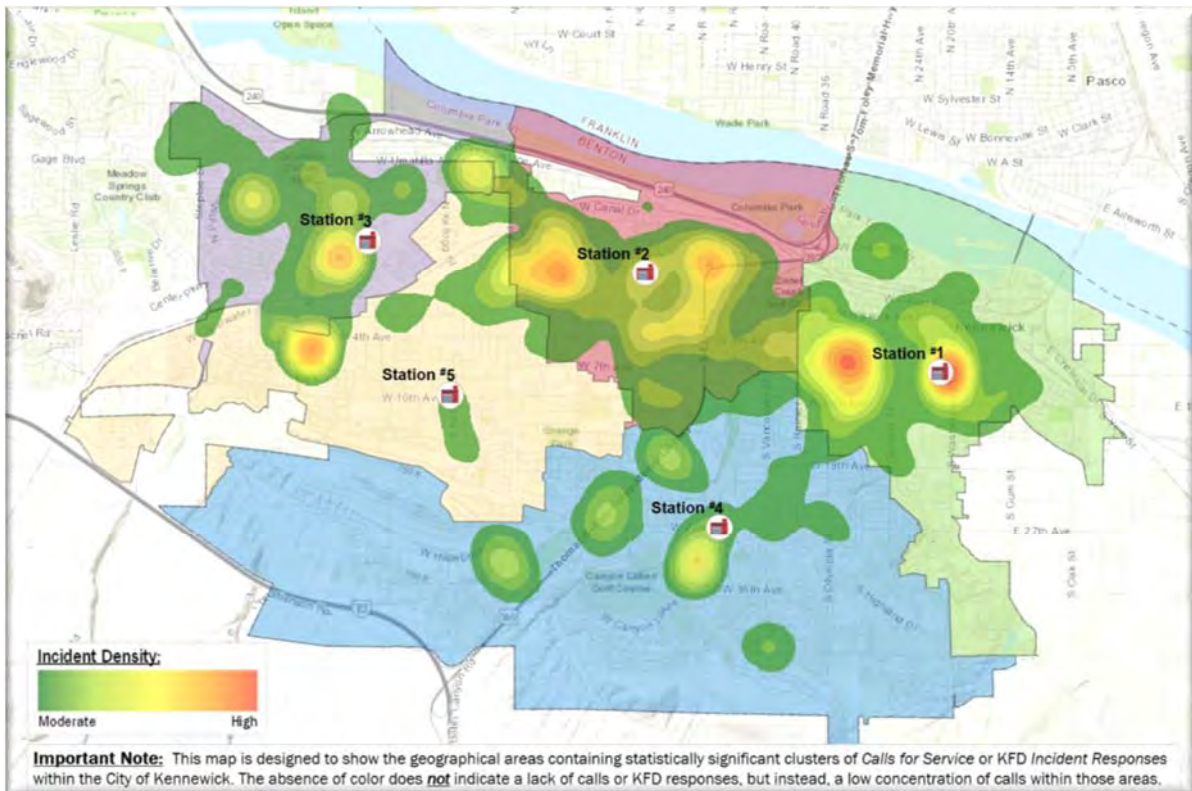
Program / Service Efficiency Measures

	2020 Actual	2021 Actual	2022 Estimated	2023 Projected	2024 Projected
Percent residential/commercial structure fires meeting the 1st arriving unit response time goal of 6:45 minutes or less.	66%	76%	56%	66%	66%
Percentage of cardiac arrest calls meeting the 1st arriving unit response time goal of 5:00 minutes or less.	56%	57%	58%	58%	58%
Percentage of EMS calls requiring transport to the emergency room.	66%	63%	66%	66%	66%

Program / Service Quality

	2020 Actual	2021 Actual	2022 Estimated	2023 Projected	2024 Projected
Percentage of working structure fires contained to room of origin.	52%	47%	47%	47%	47%
Percent of cardiac arrest's return of spontaneous circulation and survival per <u>Utstein Criteria</u> .*	40%	33%	40%	40%	40%
Net collection rate of billable calls.	96%	95%	95%	95%	95%

*Utstein Criteria is an extremely specific, national criteria for reporting cardiac arrest survival rates. Only a limited number of patients meeting precise criteria are included in this measurement. Additionally, according to the American Medical Association, the Covid pandemic has significantly affected 2020 & 2021 cardiac arrest survival rates. These impacts will likely be seen in 2022 as well.



OPERATIONS

Fire Department

REVENUES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 13,761,478	\$ 1,996,133	\$ 2,297,323	\$ 1,872,963
FEMA Grant	538,792	170,450	510,448	-
Medicaid Transformation Demo Project	10,774	-	-	-
GEMT Program, net of adjustments	3,573,460	1,910,000	1,910,000	4,075,000
Intergovernmental Revenue	4,123,026	2,080,450	2,420,448	4,075,000
Emergency Ambulance Service	3,722,010	7,380,000	7,380,000	8,480,000
Insurance Adjustments	(1,218,705)	(2,710,000)	(2,710,000)	(3,478,350)
Household Ambulance Charge	4,355,684	11,440,000	11,440,000	13,150,000
Fire Protection Services	38,571	-	49,125	-
Tri Tech Contract	141,612	310,000	310,000	-
Charges for Services	7,039,172	16,420,000	16,469,125	18,151,650
Miscellaneous Revenue	45,744	-	-	50,000
General Fund	4,440,000	10,120,000	10,120,000	10,150,500
Interfund Transfers	4,440,000	10,120,000	10,120,000	10,150,500
Total Revenue Sources	\$ 29,409,420	\$ 30,616,583	\$ 31,306,896	\$ 34,300,113
Medical Services Fund	(1,261,087)	213,137	(86,861)	(526,616)
Decrease (Increase) to Fund Balance	(1,261,087)	213,137	(86,861)	(526,616)
Current Funding Sources	\$ 28,148,333	\$ 30,829,720	\$ 31,220,035	\$ 33,773,497
EXPENDITURES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 18,187,540	\$ 20,146,971	\$ 20,146,971	\$ 21,518,097
Overtime	1,388,221	1,507,054	1,772,800	1,746,003
Benefits	5,812,514	6,326,038	6,325,590	7,004,286
Salaries & Benefits	25,388,275	27,980,063	28,245,361	30,268,386
Supplies	725,069	605,695	708,585	851,904
Contractual Services	16,358	28,557	28,557	28,637
Travel & Training	104,846	169,019	172,146	174,494
Repair & Maintenance	106,438	173,167	173,167	179,271
Fleet Maintenance Charges	1,352,572	1,530,800	1,528,700	1,840,840
B/C Fire District #1 - Training Facility	90,000	90,000	90,000	90,000
SECOMM	161,478	169,000	169,000	191,000
Other Services & Charges	65,850	83,419	104,519	95,315
Supplies & Services	2,622,611	2,849,657	2,974,674	3,451,461
Capital Improvement Fund	137,447	-	-	53,650
Interfund Transfers	137,447	-	-	53,650
Total Expenditures	\$ 28,148,333	\$ 30,829,720	\$ 31,220,035	\$ 33,773,497
Expenditures by Fund				
General Fund	\$ 6,293,169	\$ 6,636,251	\$ 6,991,566	\$ 7,112,937
Medical Services Fund	21,855,164	24,193,469	24,228,469	26,660,560
Total Expenditures by Fund	\$ 28,148,333	\$ 30,829,720	\$ 31,220,035	\$ 33,773,497

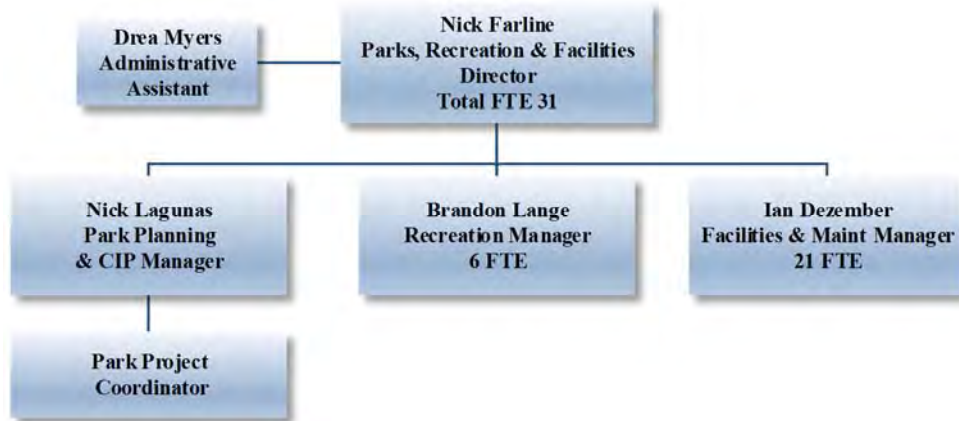
**DETAIL
BUDGET**



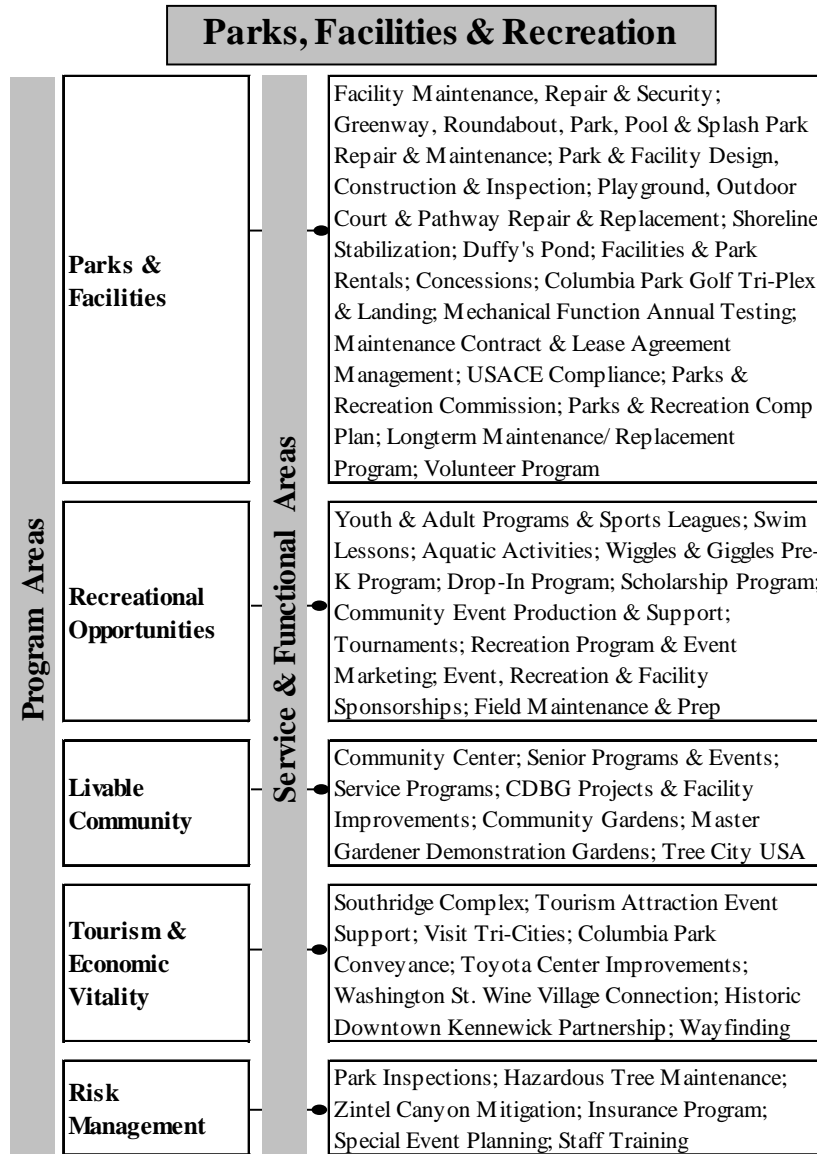
Parks & Recreation Department

Mission

Building a better community by providing an exceptional place to live, work and play, providing equitable access to parks, greenspace, and recreation programs.



Departmental Staffing				
	2019-2020	2021-2022	2021-2022	2023-2024
	Actual	Adopted	Adjusted	Adopted
Full-Time Equivalent	30.80	30.80	29.00	31.00
% of City's FTE's	7.53%	7.50%	7.03%	7.42%
Departmental Expenditures by Type				
	2019-2020	2021-2022	2021-2022	2023-2024
	Actual	Adopted	Adjusted	Adopted
Salaries & Benefits	\$ 7,656,684	\$ 8,663,620	\$ 8,663,620	\$ 9,219,884
Supplies & Services	3,908,095	4,133,435	4,969,400	5,116,166
Capital Outlay	633,611	170,000	305,024	85,000
Total Department Budget:	\$12,198,390	\$12,967,055	\$13,938,044	\$14,421,050
Funding Sources				
	2019-2020	2021-2022	2021-2022	2023-2024
	Actual	Adopted	Adjusted	Adopted
General Fund	\$10,959,496	\$12,044,555	\$12,900,544	\$13,465,050
Columbia Park Golf Course	1,238,894	922,500	1,037,500	956,000
Total Sources:	\$12,198,390	\$12,967,055	\$13,938,044	\$14,421,050



Highlights / Changes

Council's priority areas are supported by maintaining and improving parks, greenways and city facilities, and coordinating recreation programs and special events.

2023/2024 Goals and Objectives

Council Priority: Quality of Life

- *Park & Facility Upgrades:* Implement CIP Park Mitigation & Impact Fees projects.
- *Park & Rec Comp Plan:* Update Comprehensive Master Plan to assess park use, recreational level of service and maintenance costs to meet goals.
- *Recreation:* Refine programs to increase participation and meet community needs.

Council Priority: Economic Development

- *Events:* Support community sponsored events that generate economic benefits and tourism to the COK.
- *Columbia Park Conveyance:* Continue USACE conveyance initiative.

Council Priority: Responsible Government

- *Special Events:* Optimize process to reduce risk and align resources with opportunities.
- *Columbia Park Tri-Plex:* Refine operation model to increase facility and course use.
- *Facilities Programs:* Administer deferred maintenance, playground replacement, hard surface repair, park amenities, roof, overhead door and gate programs.
- *Grants:* Seek, apply and administer for park projects and recreation programs.

Council Priority: Community Safety

- *Hazardous Trees:* Park and greenway removal and maintenance program.
- *Zintel Canyon Mitigation:* Vegetation control to reduce fire hazard and crime.
- *Park Safety:* Identify measures to improve security for patrons and protect assets.

Division Purpose/Description

Guided by the Parks & Recreation Comprehensive Plan and Capital Improvement Program, department initiatives foster quality of life, wellness, equitable access to parks and recreation, tourism, and safe parks and activities. The Parks and Facilities Division maintains parks, greenways and municipal facilities, including police and fire stations, athletic complexes, community center, libraries, aquatics facilities, golf course, playgrounds and courts. The Recreation Division provides programs, community events and tournaments.

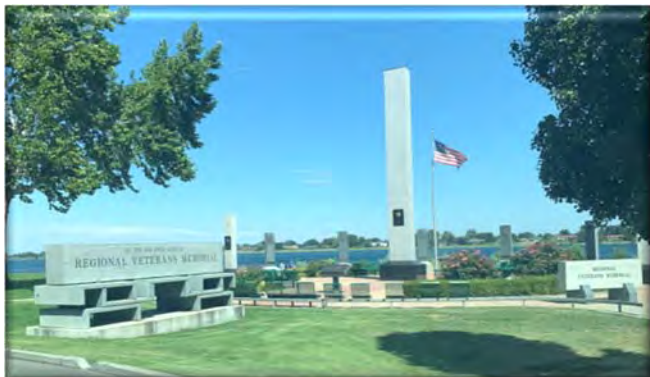
Division Broad Goals

- Align and integrate programs and services into a comprehensive community services model to improve efficiency of service, staff and resources.

Division Broad Goals (Cont'd)

- Protect the community’s investment in attractive and safe public spaces.
- Provide opportunities for public involvement and enjoyment of parks, recreation, lifelong learning, special events and leisure programs in a fiscally responsible manner.
- Leverage program revenues, sponsorships, grants, volunteer and partnership opportunities to improve parks, facilities, and recreation offerings.

Division Staffing				
	2021	2022	2023	2024
	Actual	Actual	Adopted	Adopted
PARKS, RECREATION & FACILITIES DIRECTOR	1.00	1.00	1.00	1.00
PARKS, FACILITIES & OPERATIONS MANAGER	1.00	1.00	1.00	1.00
RECREATION MANAGER	1.00	1.00	1.00	1.00
PARK PLANNING & CAPITAL PROJECTS MANAGER	0.00	0.00	1.00	1.00
COMMUNITY SERVICES SUPERVISOR	1.00	1.00	1.00	1.00
RECREATION AND EVENT SUPERVISOR	0.00	0.00	1.00	1.00
RECREATION COORDINATOR	1.00	1.00	1.00	1.00
EVENT & TOURNAMENT COORDINATOR	1.00	1.00	1.00	1.00
MARKETING & EVENTS COORDINATOR	1.00	1.00	1.00	1.00
PARKS PROJECT COORDINATOR	1.00	1.00	1.00	1.00
CONTRACT SPECIALIST	1.00	1.00	0.00	0.00
CREWLEADER	2.00	2.00	2.00	2.00
GENERAL CRAFTSWORKER	4.00	4.00	4.00	4.00
M&C CRAFTSWORKER	13.00	13.00	14.00	14.00
ADMINISTRATIVE ASSISTANT	1.00	1.00	1.00	1.00
TOTAL FULL-TIME STAFF:	29.00	29.00	31.00	31.00
SEASONAL PROGRAM SPECIALIST	15.68	15.68	15.68	15.68
TOTAL PART-TIME STAFF:	15.68	15.68	15.68	15.68
TOTAL DIVISION FTE'S:	44.68	44.68	46.68	46.68



Prior Biennium Accomplishments

Capital Improvement Projects

- Major Columbia Park tree maintenance program continued including removing large limbs and maintaining the health of over 100 trees in park.
- Phase I of the Keewaydin Community Center remodel project was completed. This project included painting and user friendly upgrades to the center.
- Columbia Park Hwy 240 sign installed including bright digital reader board.

Impact/Mitigation Fee & Grant Projects

- Keewaydin Park was upgraded with a new pathway and a new playground.
- Phase 1 Columbia River Shoreline Stabilization was completed.
- Lawrence Scott Park upgrades funded and construction began to the pickleball courts including new shelter house and bathroom.

Facilities and Park Management

- The playground repair and replacement program was continued and addressed three large playgrounds and minor repairs of four additional parks.
- Zintel Canyon fire, crime and hazard mitigation including brushing of overgrown areas and cross department strategy implementation.

Programs and Services

- Holiday Parade and Harvest Bazaar event management, the 4th of July River of Fire, and Columbia Cup were all successfully hosted.
- Parks and Recreation Comprehensive Plan implementation continued with positive project completion and budgeting ramifications.

Partnerships

- Lawrence Scott Park Project-Club 509 & Corporate sponsors were leveraged to reduce financial and project scope.
- Ongoing Columbia Park conveyance with multiple region and agency partners.

City Council Priority Area(s)

- Quality of Life
- Economic Development
- Responsible Government

Performance Measures

Program / Service Outputs

	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Number of programs offered	89	114	180	185	190
Number of program participants	5,350	4,627	19,000	22,000	25,000
Number of facility rentals hours	52	4,186	2,000	3,800	4,000
Number of picnic shelters/gazebos rental hours	12	67	300	1,500	1,700
Number of special events & tournaments	18	71	96	105	115
Number of special event & tournament attendees	20,000	98,890	125,480	135,000	150,000
Number of volunteer hours	23	71	3,400	1,100	1,200
Park acres maintained	677	677	679	679	679
Greenway acres maintained	49	49	49	53	54

Program / Service Efficiency Measures

	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Park maintenance cost per acre	\$3,829	\$4,211	\$4,315	\$4,445	\$4,578
Facilities maintenance cost per sq. ft.	\$1.27	\$1.36	\$1.40	\$1.62	\$1.88
Number of sites with central control systems (irrigation/lights/locks)	19	19	19	19	19
Park and recreation FTE's per 10,000 residents**	3.46	3.44	3.19	3.23	3.28

Program / Service Quality

	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Percentage of participants reporting that services made a positive difference or improvement in their lives or their family's lives	NA	NA	95%	95%	95%
Acres of parkland per 1,000 residents	8.1	8	7.9	7.7	7.6
Park/facility level of service programs funded and operated	4	4	4	7	7

*Many of our performance measures were reduced due to the COVID 19 pandemic.

**Based on 2% annual population growth.

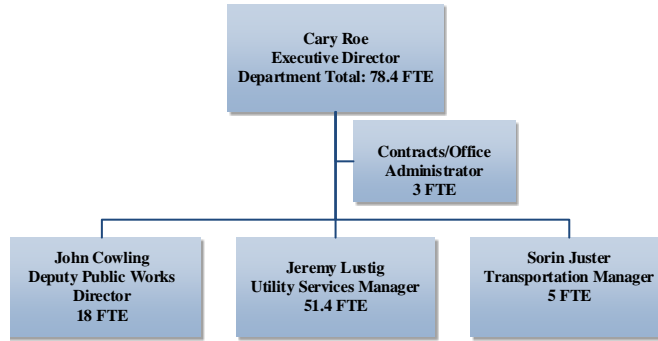


REVENUES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 10,467,065	\$ 11,565,455	\$ 12,421,444	\$ 12,894,150
Golf Course Operations	402,517	469,500	584,500	630,000
Recreation User Fees	427,973	399,000	399,000	564,600
Senior Program Fees	45,020	80,100	80,100	6,300
Charges for Services	875,510	948,600	1,063,600	1,200,900
General Fund	242,600	247,400	247,400	200,000
Risk Management Fund	150,200	-	-	-
Capital Improvement Fund	426,055	170,000	170,000	85,000
Interfund Transfers	818,855	417,400	417,400	285,000
Miscellaneous Revenue	36,960	35,600	35,600	41,000
Total Revenue Sources	\$ 12,198,390	\$ 12,967,055	\$ 13,938,044	\$ 14,421,050
EXPENDITURES				
	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 4,248,709	\$ 4,560,648	\$ 4,560,648	\$ 4,873,913
Overtime	86,258	144,000	144,000	164,300
Part-Time Wages	1,161,636	1,499,000	1,499,000	1,486,000
Benefits	2,160,082	2,459,972	2,459,972	2,695,671
Salaries & Benefits	7,656,684	8,663,620	8,663,620	9,219,884
Supplies	832,069	845,565	993,156	1,026,784
Contractual Services	905,550	964,210	1,277,256	1,302,111
Travel & Training	28,337	41,000	41,000	57,490
Advertising	37,458	30,500	30,500	35,500
Electricity Charges	564,879	604,000	604,000	640,000
Natural Gas	168,820	196,750	196,750	204,620
Golf Course Operations Cost	683,422	752,500	867,500	871,000
Equipment Pool Charges	398,480	388,560	394,560	539,010
Excise tax	1,963	6,825	6,825	6,825
Irrigation Assessments	81,940	85,705	85,705	94,250
Credit Card Fees	45,291	38,000	38,000	41,800
Other Services & Charges	159,887	179,820	434,148	296,776
Supplies & Services	3,908,095	4,133,435	4,969,400	5,116,166
Capital Outlay	633,611	170,000	305,024	85,000
Total Expenditures	\$ 12,198,390	\$ 12,967,055	\$ 13,938,044	\$ 14,421,050
Expenditures by Fund				
General Fund	\$ 10,959,496	\$ 12,044,555	\$ 12,900,544	\$ 13,465,050
Columbia Park Golf Course	1,238,894	922,500	1,037,500	956,000
Total Expenditures by Fund	\$ 12,198,390	\$ 12,967,055	\$ 13,938,044	\$ 14,421,050

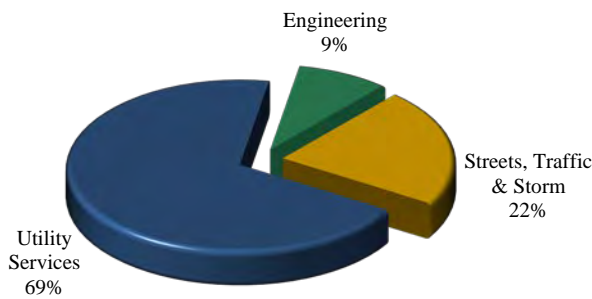
**DETAIL
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Public Works Department



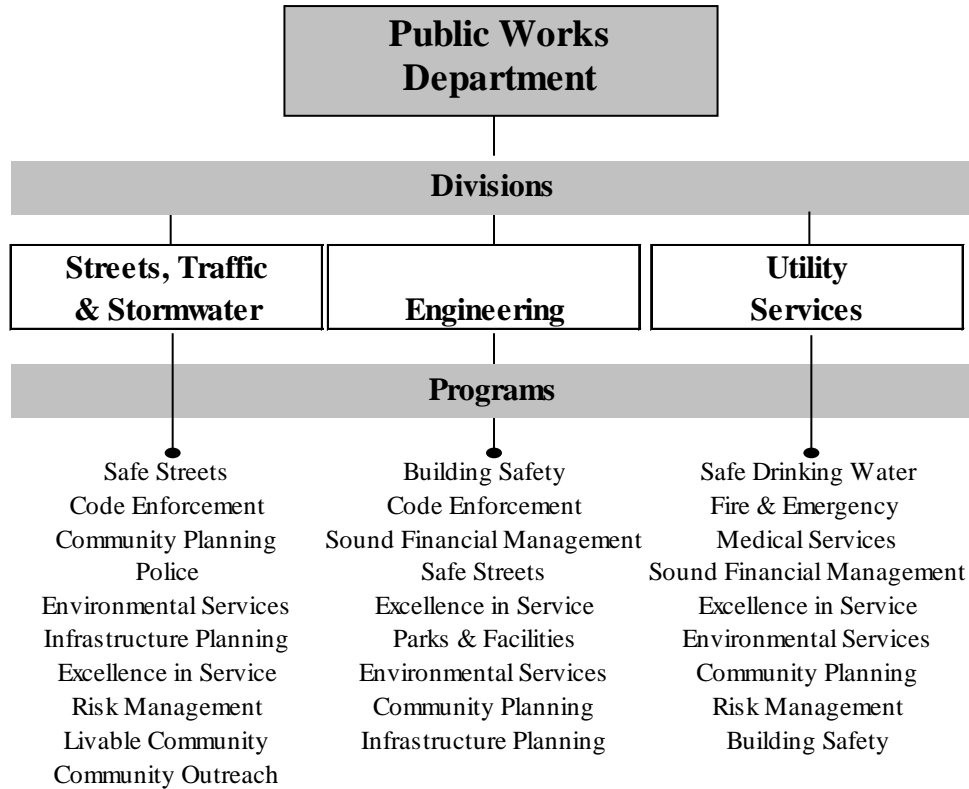
Adopted Budget



Division	2019-2020	2021-2022	2021-2022	2023-2024
Expenditures	Actual	Adopted	Adjusted	Adopted
Public Works-Engineering	\$ 4,173,621	\$ 4,344,549	\$ 4,334,849	\$ 4,687,505
Public Works-Utility Services	26,892,892	30,715,100	32,375,099	37,002,210
Public Works-Street, Traffic & Storm	9,969,268	10,908,160	13,054,670	11,871,316
Interfund Transfers	25,382,540	17,693,626	18,333,543	20,346,104
Debt Service	6,847,298	8,019,577	8,162,077	7,208,794
Capital Projects	46,371,330	39,347,117	80,555,458	66,829,910
Total:	\$ 119,636,949	\$ 111,028,129	\$ 156,815,696	\$ 147,945,839
Funding Sources	2019-2020	2021-2022	2021-2022	2023-2024
Funding Sources	Actual	Adopted	Adjusted	Adopted
General Fund	\$ 4,173,621	\$ 4,344,549	\$ 4,354,849	\$ 4,687,505
Street Fund	5,250,734	4,812,229	5,564,228	5,545,464
Arterial Street Fund	3,943,785	5,000,000	6,065,000	8,000,000
Urban Arterial Street Fund	10,916,913	8,680,500	11,848,548	3,170,000
Capital Improvement Fund	37,253,192	32,977,766	48,264,698	28,609,563
Stormwater Utility Fund	5,030,494	5,824,437	6,001,189	6,609,152
Water/Sewer Fund	53,068,210	49,388,648	74,717,184	91,324,155
Total Sources:	\$ 119,636,949	\$ 111,028,129	\$ 156,815,696	\$ 147,945,839

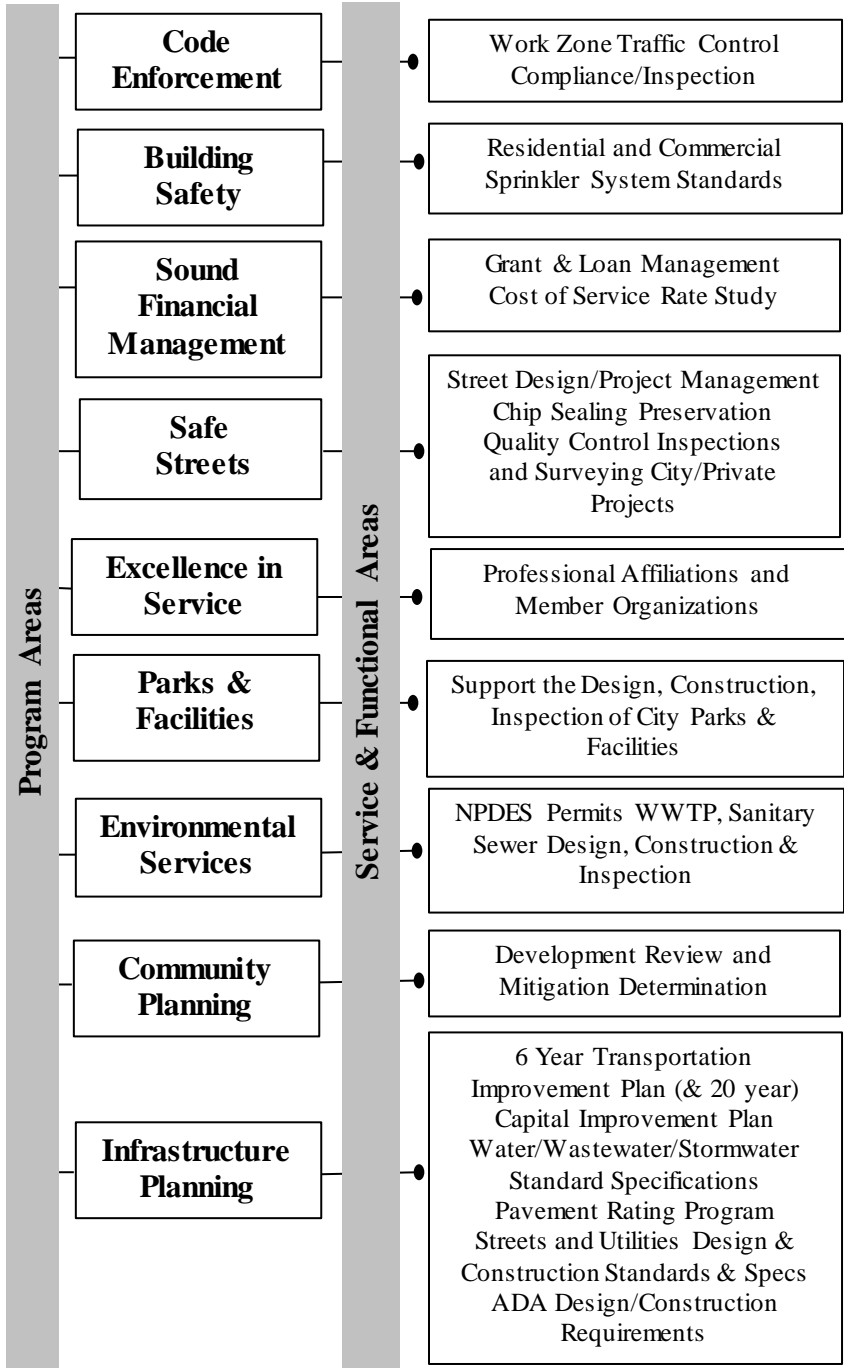
Mission

Enhance Kennewick’s quality of life through the construction, maintenance and operation of a safe, effective physical environment, to protect public health and safety and the natural environment, and to provide our neighborhoods, our businesses and our visitors with the efficient, quality services necessary to meet the demands of our growing and diverse community.



Departmental Staffing				
	2019-2020	2021-2022	2021-2022	2023-2024
	Actual	Adopted	Adjusted	Adopted
Full-time Equivalent (FTE)	75.40	75.40	75.40	78.40
% of City's FTE's	18.43%	18.36%	18.28%	18.76%
Departmental Expenditures by Type				
	2019-2020	2021-2022	2021-2022	2023-2024
	Actual	Adopted	Adjusted	Adopted
Salaries & Benefits	\$ 17,843,962	\$ 18,782,692	\$ 19,167,690	\$ 20,584,751
Supplies & Services	23,191,819	27,185,117	30,596,928	32,976,280
Interfund Transfers	25,382,540	17,693,626	18,333,543	20,346,104
Debt Service	6,847,298	8,019,577	8,162,077	7,208,794
Capital Outlay	46,371,330	39,347,117	80,555,458	66,829,910
Total Department Budget:	\$ 119,636,949	\$ 111,028,129	\$ 156,815,696	\$ 147,945,839

Engineering



Highlights / Changes

Priority projects completed the past biennium include US 395/Ridgeline Interchange Project, the Washington Street Corridor Improvements, W. 10th Ave. Widening, 7th Ave. Water Main (Zone 2), Edison to Union Pathway, Sharron-Rainier Waterline Project and numerous Pavement Preservation projects, including repaving Kennewick Avenue.

2023/24 Goals & Objectives

Council Priority: Economic Development – Safe Streets

- Steptoe/ Gage Intersection Improvements
- Quinault/ Columbia Center Blvd. Intersection Improvements
- Deschutes/ Columbia Center Blvd. Intersection Improvements
- Arrowhead/ Steptoe Intersection Improvements
- Bob Olson/ Sherman Intersection Improvements
- Pavement Preservation Program
- City-Wide Pedestrian Crossing Improvements Project

Council Priority: Infrastructure & Growth – Environmental Services

- Columbia Center Blvd. Widening – Design & ROW Phases
- Water and Sewer renewals and replacements
- Stormwater capital projects

Council Priority: Infrastructure & Growth – Infrastructure Planning

- Updates to 6-year Streets Capital Improvement Program
- Update Pavement Condition Rating Program to assess street condition

Cross Functional Team Goals

- Assist with wayfinding, landscape maintenance contracts
- Coordinate pavement preservation maintenance and herbicide contracts with other Departments

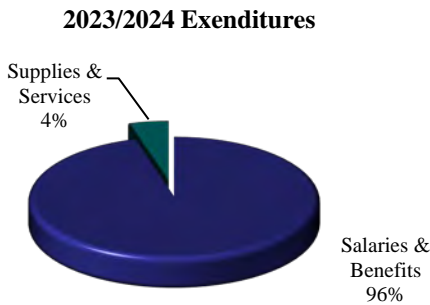
Division Purpose / Description

The purpose of the Design/Planning program is to provide civil engineering design, review and planning for the City of Kennewick to ensure that safety and efficiency of the infrastructure is obtained.

The purpose of the CIP Inspections/Survey program is to ensure compliance with contract documents and City Standard Specifications.

Division Broad Goals

To serve residents of Kennewick by providing quality civil design and public works construction.



Prior Biennium Accomplishments

- Completed US 395/Ridgeline Interchange Project
- Completed Water Pump Station Meter and Zone 1 PRV Replacement
- Completed 7th Ave. (Zone 2) Water Main Project
- Completed Edison-Union Pathway
- Completed Garfield-Blackberry Canyon Drainage Outlet
- Completed Biosolids Removal
- Completed Canal Drive Sewer
- Completed Auburn St. Access
- Completed Washington Street Complete Streets Corridor Imp.
- Completed Ohrt’s Add. Storm
- Completed City-Wide Arterial Pavement Preservation
- Completed CDBG sidewalk and path projects
- Completed Sharron-Rainier Waterline Project
- Completed City-Wide BST Program

Division Staffing				
	2021	2022	2023	2024
	Actual	Actual	Adopted	Adopted
PUBLIC WORKS DIRECTOR	0.10	0.10	0.10	0.10
DEPUTY PUBLIC WORKS DIRECTOR	0.20	0.20	0.20	0.20
ADMINISTRATIVE ASSISTANT	0.20	0.20	0.20	0.20
CONSTRUCTION SERVICES MANAGER	0.70	0.70	0.70	0.70
DESIGN SERVICES MANAGER	1.00	1.00	1.00	1.00
PW CONTRACT SPECIALIST	0.80	0.80	0.65	0.65
PROJECT ENGINEER	1.75	1.75	1.75	1.75
FIELD ENGINEER I	3.00	3.00	3.00	3.00
FIELD ENGINEER II	1.00	1.00	1.00	1.00
FIELD ENGINEER III	2.00	2.00	2.00	2.00
AS-BUILT TECHNICIAN	1.00	1.00	1.00	1.00
SENIOR DESIGN ENGINEER	1.00	1.00	1.00	1.00
ENGINEERING TECHNICIAN II	1.00	1.00	1.00	1.00
ENGINEERING TECHNICIAN III	1.00	1.00	1.00	1.00
TOTAL FULL-TIME STAFF:	14.75	14.75	14.60	14.60
TOTAL DIVISION FTE'S:	14.75	14.75	14.60	14.60

City Council’s Priority Area(s)

- Community Safety
- Responsible Government
- Quality of Life
- Infrastructure & Growth



45th Ave BST Project

Performance Measures

Program / Service Outputs	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Total plan sheets completed	62	66	70	80	85
Number of in-house projects designed & delivered	10	11	12	14	16
Number of change orders written	17	13	15	15	15
Total engineering revenue	\$1,517,892	\$1,085,501	\$1,545,751	\$1,267,400	\$1,300,000

Program / Service Efficiency Measures	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Percentage design cost per contract amount	3%	4%	5%	5%	5%
Percentage inspection cost per contract amount	5%	5%	5%	5%	5%
Total cost per change order written	\$19,003	\$15,898	\$15,000	\$14,000	\$13,000
Engineering revenue per personnel cost	95%	98%	98%	98%	98%

Program / Service Quality	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Percentage of projects completed per project budgeted	100%	91%	95%	98%	98%
Percentage of change order cost to final contract amount	1.7%	1.9%	1.7%	1.6%	1.5%



US395 interchange project that will provide full access to Ridgeline Drive is currently under construction.

ENGINEERING

Public Works Department

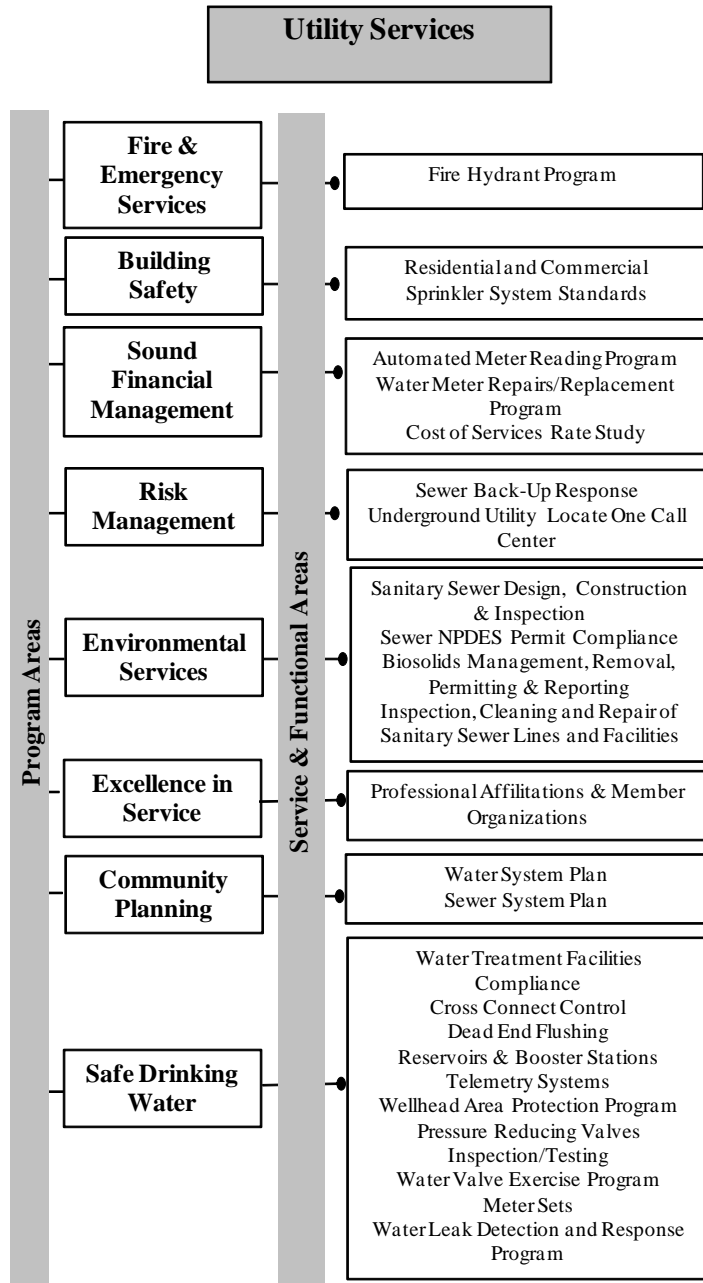
REVENUES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
General Governmental	\$ 1,141,117	\$ 1,597,549	\$ 1,607,849	\$ 2,067,305
Licenses & Permits	1,590,123	1,184,000	1,184,000	1,378,000
Engineering Services	1,442,381	1,563,000	1,563,000	1,242,200
Charges for Services	1,442,381	1,563,000	1,563,000	1,242,200
Current Funding Sources	\$ 4,173,621	\$ 4,344,549	\$ 4,354,849	\$ 4,687,505
EXPENDITURES				
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 2,684,625	\$ 2,759,298	\$ 2,759,298	\$ 2,971,479
Overtime	41,639	40,748	40,748	41,248
Part-Time Wages	29,816	60,136	60,136	66,150
Benefits	1,237,377	1,276,979	1,276,979	1,398,159
Salaries & Benefits	3,993,457	4,137,161	4,137,161	4,477,036
Supplies	82,987	85,083	76,083	79,059
Contractual Services	22,388	50,000	50,000	47,100
Travel & Training	16,506	21,310	21,310	21,310
Fleet Maintenance Charges	32,200	28,800	28,100	38,880
Other Services & Charges	26,083	22,195	22,195	24,120
Supplies & Services	180,164	207,388	197,688	210,469
Capital Outlay	-	-	20,000	-
Total Expenditures	\$ 4,173,621	\$ 4,344,549	\$ 4,354,849	\$ 4,687,505
Expenditures by Fund				
General Fund	\$ 4,173,621	\$ 4,344,549	\$ 4,354,849	\$ 4,687,505
Total Expenditures by Fund	\$ 4,173,621	\$ 4,344,549	\$ 4,354,849	\$ 4,687,505

**DETAIL
BUDGET**



Southridge Blvd. Overlay





Division Purpose / Description

The Public Works Utility Services Division is responsible for providing safe, adequate, dependable, and affordable drinking water by providing professional operation and maintenance of the City’s water filtration plant, wastewater treatment plant, sewer collection system and water distribution system. Staff work

Highlights / Changes

Utility Services strives to maintain ongoing effective and efficient operational programs and practices that assure continued reliable service at competitive rates. We have gained approval to utilize Progressive Design Build, an alternative delivery method, for the Wastewater Treatment Plant Phase II upgrade, lined thousands of feet of deteriorating large diameter sewer interceptor, permitted the Aquifer Storage and Recovery (ASR) well, Zone 2 West Transmission Main, planning for Water Treatment Plant upgrades and received an award from the DOE for the 15th Consecutive Year for excellence in operation at our WWTP.

The division continues to keep cost effectiveness, efficiencies and reliability a high priority and will continue to work towards sustainability through a Phase II upgrade to the WWTP, completion of the 18th & Kellogg Reservoir, installation of new transmission mains and replacement of deficient water and sewer mains. The last significant highlight is the installation of Automatic Meter Reading infrastructure to allow for remote automated meter reading while providing a more robust customer service portal.

2023/24 Goals & Objectives

- Design and construct the WWTP Phase II improvements.
- Design and construct the WWTP Non-Potable water system.
- Completion of the Advanced Metering Infrastructure (AMI) project.
- WTP Capacity Improvements.
- Design and construction of the Zone 3 water transmission main.
- Operational efficiencies within water & sewer divisions.
- Operate and maintain water and wastewater facilities and perform related repairs.
- Ensure compliance with wastewater pre-treatment and domestic water cross-connection regulations.

Division Purpose / Description (Cont'd)

efforts ensure compliance with state and federal regulations that are required for the utility to continue to provide water and wastewater services to our customers. The Division also provides services required to support capital improvements at key facilities such as the Ranney Collectors and the Wastewater Treatment Plant.

Division Broad Goals

To improve efficiency through the use of technology or improvement in maintenance and operations procedures in order to strive to maintain the lowest user fee rates while maintaining a top quality, safe, and reliable infrastructure.

Division Staffing				
	2021	2022	2023	2024
	Actual	Actual	Adopted	Adopted
PUBLIC WORKS DIRECTOR	0.65	0.65	0.65	0.65
DEPUTY PUBLIC WORKS DIRECTOR	0.30	0.30	0.30	0.30
UTILITY SERVICES MANAGER	1.00	1.00	1.00	1.00
CONSTRUCTION SERVICES MANAGER	0.30	0.30	0.30	0.30
UTILITY SERVICES CAPITAL PROJECT ENGINEER	1.00	1.00	1.00	1.00
PROJECT ENGINEER	0.25	0.25	0.25	0.25
FIELD ENGINEER II	1.00	1.00	1.00	1.00
OPERATIONS SUPERVISOR	1.00	1.00	1.00	1.00
ASSISTANT OPERATIONS SUPERVISOR	1.00	1.00	1.00	1.00
DEVELOPMENT SERVICES SUPERVISOR	0.50	0.50	0.40	0.40
ENGINEERING TECHNICIAN I	0.50	0.50	0.50	0.50
ENGINEERING TECHNICIAN II	0.20	0.20	0.50	0.50
PUBLIC WORKS CONTRACTS SPECIALIST	0.20	0.20	0.35	0.35
ADMINISTRATIVE ASSISTANT	1.30	1.30	1.30	1.30
SENIOR SIGNAL ELECTRICIAN	0.10	0.10	0.10	0.10
SIGNAL TECHNICIAN/ELECTRICIAN	0.10	0.10	0.10	0.10
CREWLEADER	3.00	3.00	3.00	3.00
CHIEF PLANT OPERATOR	1.00	1.00	1.00	1.00
PLANT OPERATOR	5.00	5.00	5.00	8.00
GENERAL CRAFTSWORKER	6.00	6.00	6.00	6.00
EQUIPMENT OPERATOR	2.80	2.80	2.80	2.80
SENIOR ACT SPECIALIST	1.00	1.00	1.00	1.00
ACT SPECIALIST	1.00	1.00	1.00	1.00
SENIOR PRE-TREATMENT SPECIALIST	0.90	0.90	0.90	0.90
PRE-TREATMENT SPECIALIST	1.00	1.00	1.00	1.00
M & C CRAFTSWORKER	10.50	10.50	10.50	10.50
TOTAL FULL-TIME STAFF:	41.60	41.60	41.95	44.95
SEASONAL WORKERS	1.50	1.50	1.50	1.50
TOTAL PART-TIME STAFF:	1.50	1.50	1.50	1.50
TOTAL DIVISION FTE'S:	43.10	43.10	43.45	46.45

Cross Functional Team Goals

- Coordinate AMI Installation.
- Meter Reading and Water Distribution Team (as AMI is constructed).
- Revenue bonds for priority capital needs.

Prior Biennium Accomplishments

- 18th & Kellogg Reservoir Replacement and Pump Station.
- Water Treatment Plant Upgrades and Capacity Improvements planning.
- Final Permitting of the Aquifer Storage and Recovery (ASR) well.
- Zone 2 West Transmission Main.
- Highlands and NW Sewer Interceptor relining.
- Wastewater Treatment Plant Phase II Pilot project and analysis.

City Council's Priority Area(s)

- Community Safety
- Responsible Government
- Quality of Life
- Infrastructure & Growth



Reservoir Pump Station

Performance Measures

Program / Service Outputs	2020 Actual	2021 Actual	2022 Estimated	2023 Projected	2024 Projected
Water Treatment Plant -water plant & well operations: million gallons produced	4,139	4,446	4,477	4,508	4,540
Wastewater Treatment Plant - plant operations: million gallons treated	2,077	2,154	2,169	2,184	2,200
Water distribution - pipeline maintenance/operations: total # of work orders completed	4,308	4,376	4,412	4,438	4,471
Wastewater collection - pipeline maintenance: total sewer mainlines maintained	1,855	1,877	1,892	1,905	1,937

Program / Service Efficiency Measures	2020 Actual	2021 Actual	2022 Estimated	2023 Projected	2024 Projected
Water Treatment Plant - water plant & well operations: cost per million gallons	\$933	\$937	\$942	\$944	\$951
Wastewater Treatment Plant - plant operations: cost per million gallons	\$1,872	\$1,881	\$1,889	\$1,892	\$1,897
Water distribution - M & O maintenance: cost per work order completed	\$422	\$428	\$433	\$437	\$442
Wastewater collection - pipeline maintenance: cost per sewer mainline maintained	\$773	\$775	\$779	\$782	\$788

Program / Service Quality	2020 Actual	2021 Actual	2022 Estimated	2023 Projected	2024 Projected
Water Treatment Plant -water plant & well operations: % gallons of non-compliant water per total gallons produced	0%	0%	0%	0%	0%
Wastewater Treatment Plant-plant operations: % of effluent testing within operating parameters per number of tests run annually	100%	100%	100%	100%	100%
Water distribution - pipeline maintenance/repair: % of customer calls for no water per total # of services	0.0003%	0.0003%	0.0003%	0.0003%	0.0003%
Wastewater collection - pipeline maintenance: % of system cleaned and maintained	22%	23%	24%	25%	25%

The 18th & Kellogg Reservoir project entails the reconstruction of a 10 million gallon reservoir which was built in 1959 and has become structurally deficient. The reservoir was filled in October 2021 and the contractor began focusing on booster pump station completion, reservoir backfill, landscaping, etc. Construction was completed in August of 2022 and within budget.



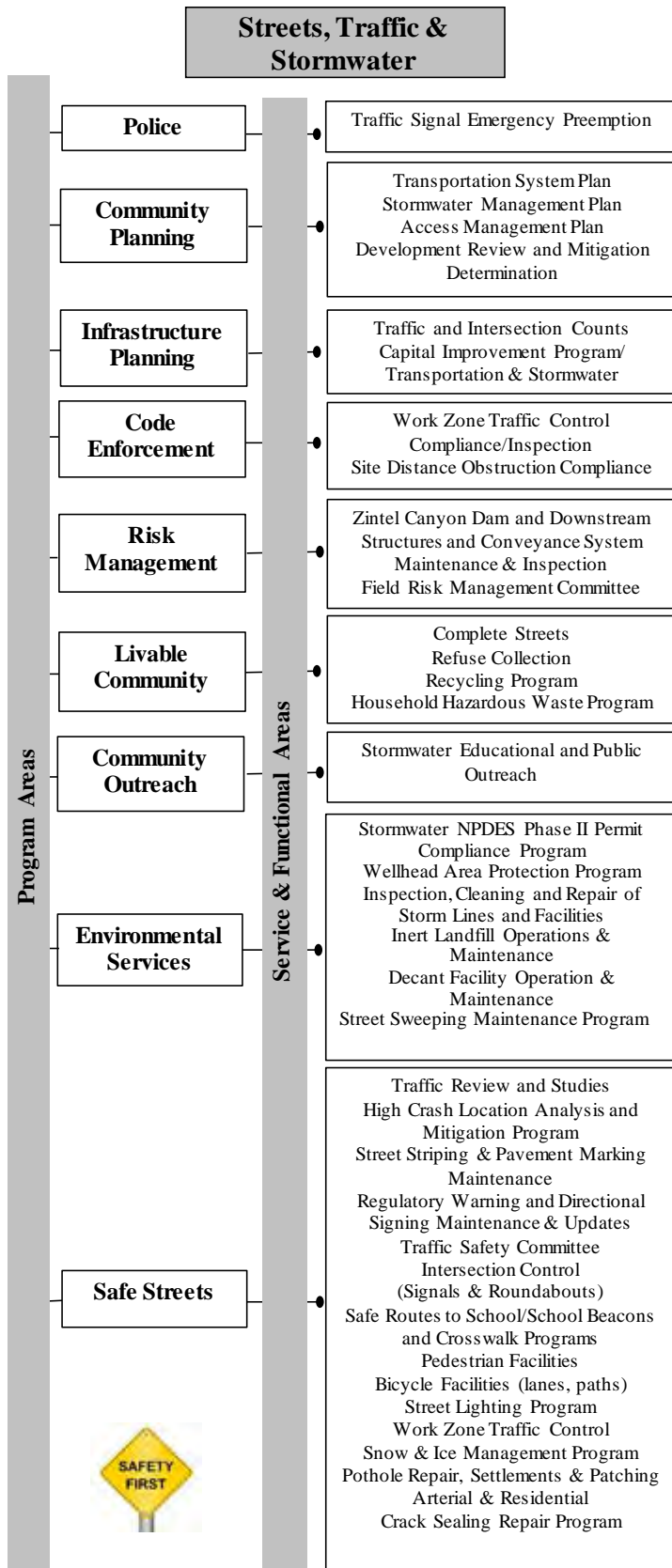
UTILITY SERVICES

Public Works Department

REVENUES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
Water Services	\$ 23,739,103	\$ 27,304,189	\$ 27,304,189	\$ 31,306,800
Sewer Services	21,371,042	25,230,774	25,230,774	30,234,400
Other Utility Fees and Charges	1,604,182	1,534,391	1,534,390	1,588,861
Charges for Services	46,714,327	54,069,354	54,069,353	63,130,061
Miscellaneous Revenue	645,943	66,500	66,500	212,100
Grants	145,023	-	6,307,000	-
Contributed Capital	256,578	-	-	-
Proceeds of Revenue L-T Debt	14,315,253	8,000,000	13,943,635	32,700,000
Other Financing Sources	14,716,854	8,000,000	20,250,635	32,700,000
Total Revenues	\$ 62,077,124	\$ 62,135,854	\$ 74,386,488	\$ 96,042,161
Water and Sewer Fund	(9,008,914)	(12,747,206)	330,696	(4,718,006)
Decrease (Increase) to Fund Balance	(9,008,914)	(12,747,206)	330,696	(4,718,006)
Current Funding Sources	\$ 53,068,210	\$ 49,388,648	\$ 74,717,184	\$ 91,324,155
EXPENDITURES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 6,149,591	\$ 6,506,392	\$ 6,506,392	\$ 7,231,086
Overtime	146,211	164,512	164,511	177,410
Part-Time Wages	71,074	87,800	87,800	118,500
Benefits	2,856,123	3,065,779	3,065,779	3,464,366
Salaries & Benefits	9,222,999	9,824,483	9,824,482	10,991,362
Supplies	803,413	927,105	927,105	969,031
Contractual Services	3,855,348	4,299,852	4,314,852	4,113,875
Travel & Training	30,519	61,400	61,400	63,100
Utility Charges	2,603,222	2,578,450	2,578,450	2,777,500
Biosolids Management	-	-	1,645,000	2,000,000
Repair & Maintenance	1,153,947	1,182,212	1,182,212	1,596,653
Work Performed by Other Depts	90,068	275,000	275,000	137,500
Fleet Maintenance Charges	1,047,314	1,093,960	1,093,960	1,435,540
State Excise Tax	1,638,376	1,814,470	1,814,470	2,103,500
Utility Tax	5,602,559	7,678,357	7,678,357	9,562,100
Permits & Fees	244,846	309,570	309,570	353,800
Other Services & Charges	600,282	670,241	670,241	898,249
Supplies & Services	17,669,894	20,890,617	22,550,617	26,010,848
Capital Improvement Fund	810,620	31,696	60,328	117,750
Arterial Street Fund	-	-	65,000	-
Interfund Transfers	810,620	31,696	125,328	117,750
Debt Service	5,944,303	7,406,852	7,406,852	6,648,395
Machinery & Equipment	39,867	-	225,000	-
Projects	19,380,527	11,235,000	34,584,905	47,555,800
Capital Outlay	19,420,394	11,235,000	34,809,905	47,555,800
Total Expenditures	\$ 53,068,210	\$ 49,388,648	\$ 74,717,184	\$ 91,324,155
Expenditures by Fund				
Water and Sewer Fund	\$ 53,068,210	\$ 49,388,648	\$ 74,717,184	\$ 91,324,155
Total Expenditures by Fund	\$ 53,068,210	\$ 49,388,648	\$ 74,717,184	\$ 91,324,155

**DETAIL
BUDGET**





Highlights / Changes

The Traffic, Streets and Storm Division meets Council priorities by enhancing community safety by constructing and maintaining our transportation infrastructure and monitoring the stormwater system for illicit discharges to protect water resources. Participating in community planning efforts ensures that our quality of life in Kennewick is maintained into the future.

2022/23 Goals and Objectives

Council Priority: Infrastructure & Growth – Infrastructure Planning

- Completed CPU replacement program for all COK 65 traffic signals.
- Traffic signal coordination along the CCB corridor.
- Completed 2020 Stormwater Comprehensive Plan update and revised Stormwater Management Program.

Council Priority: Infrastructure & Growth – Safe Streets

- Performed extensive crack seal, BST, patching and overlays to preserve pavement.
- Designed & constructed several stormwater repair/rehab projects.
- Maintained striping and marking program on city streets.
- Designed and constructed several RRFBs for crosswalk safety.
- Implemented signal preventative maintenance/refurbishment program.

Council Priority: Infrastructure & Growth – Environmental Services

- Operate Stormwater Management Program to comply with Eastern Washington NPDES Stormwater Permit
- Design and construct stormwater capital projects to address failing or new needed infrastructure.

Division Purpose / Description

The purpose of the Streets and Traffic programs are to provide the citizens and businesses of Kennewick a safe and efficient transportation network to use while conducting daily business. Providing a well planned and well maintained transportation system is an important and necessary part of meeting all five of the City Council’s Priority Areas. The Stormwater program is built around the goals of addressing drainage problems in the city and providing compliance with the National Pollution Discharge Elimination System (NPDES) Phase 2 permit. The program provides management of many facilities including the Zintel Dam, Duffy’s Pond, drywells, catch basins and others. The program also entails street sweeping to limit point source entry of pollutants into the stormwater system as well as a catch basin cleanout program.

Division Broad Goals

- Maintain all City traffic control devices including signals, roundabouts, school beacons, signing, and markings.
- Respond promptly to signs knocked down and spills in the roadway.
- Respond to citizen concerns, complaints and requests regarding traffic, streets and stormwater.

Division Staffing				
	2021	2022	2023	2024
	Actual	Actual	Adopted	Adopted
PUBLIC WORKS DIRECTOR	0.25	0.25	0.25	0.25
DEPUTY PUBLIC WORKS DIRECTOR	0.50	0.50	0.50	0.50
ADMINISTRATIVE ASSISTANT	0.50	0.50	0.50	0.50
TRANSPORTATION MANAGER	1.00	1.00	1.00	1.00
ASSISTANT TRAFFIC ENGINEER	1.00	1.00	1.00	1.00
DEVELOPMENT SERVICES SUPERVISOR	0.50	0.50	0.60	0.60
ENGINEERING TECHNICIAN I	0.50	0.50	0.50	0.50
ENGINEERING TECHNICIAN II	0.80	0.80	0.50	0.50
CREW LEADER	1.00	1.00	1.00	1.00
EQUIPMENT OPERATOR	7.20	7.20	7.20	7.20
M & C CRAFTSWORKER	3.00	3.00	3.00	3.00
TRAFFIC TECHNICIAN III	1.00	1.00	1.00	1.00
SENIOR SIGNAL ELECTRICIAN	0.90	0.90	0.90	0.90
SIGNAL TECHNICIAN/ELECTRICIAN	0.90	0.90	0.90	0.90
TOTAL FULL-TIME STAFF:	19.05	19.05	18.85	18.85
SEASONAL STAFFING	1.34	1.34	1.34	1.34
TOTAL PART-TIME STAFF:	1.34	1.34	1.34	1.34
TOTAL DIVISION FTE'S:	20.39	20.39	20.19	20.19

Cross Functional Team Goals

- Implement Wayfinding and other special signage.
- Community events support.
- Coordinate with KPD on school zones, videos, collisions and radar signs.

Prior Biennium Accomplishments

Council Priority: Infrastructure & Growth – Infrastructure Planning

- Completed update to City’s Transportation System Plan; revised Transportation Impact Fee program to include 4 zones/districts.
- Completed 2020 Stormwater Comprehensive Plan update and revised Stormwater Management Program.

Council Priority: Infrastructure & Growth – Safe Streets

- Performed extensive crack seal, BST, patching and overlays to preserve pavement.
- Designed & constructed several stormwater repair/rehab projects.
- Maintained striping and marking program on city streets.
- Designed and constructed several RRFBs for crosswalk safety.
- Implemented signal preventative maintenance/refurbishment program.

Council Priority: Infrastructure & Growth – Environmental Services


- Constructed new west side decant facility to increase efficiency of street sweeping operations.
- Designed & constructed new regional stormwater pond in Southridge area.
- Revamped stormwater design portions of standard specifications to improve methods and practices.

City Council’s Broad Goal(s)

- Infrastructure & Growth
- Community Safety
- Quality of Life
- Responsible Government

Performance Measures

Program / Service Outputs

	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Total number of traffic signals maintained 	64	64	64	65	66
Total number of roundabouts	22	22	23	23	24
Total number of traffic control signs upgraded to meet minimum reflectivity requirements (800/year needed for FHWA requirements)	725	733	740	800	800
Total number of sign knockdowns replaced	68	75	65	50	50
Total lane miles restriped	305	305	310	310	315
Total number of pavement markings renewed	25	25	25	25	25
Time spent on design and review of traffic control plans (signals, signs, and pavement markings)	200	200	210	210	220
Time spent by Traffic Engineer reviewing signal timing & detection	220	240	300	380	380
Hours spent responding to citizen traffic concerns	160	180	200	220	230
Hours spent for review and comment on SPA's and civil plan review	485	505	515	575	575
Streets maintenance & operation - total # work orders completed	583	578	600	610	620
Storm maintenance & operation - total # work orders completed	2,625	2,605	2,900	2,960	2,980

Program / Service Efficiency Measures

	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Streets - cost per work order	\$ 3,257	\$ 3,433	\$ 3,348	\$ 3,392	\$ 3,437
Storm - cost per work order	\$ 606	\$ 612	\$ 567	\$ 572	\$ 585
Cost per traffic signal maintained	\$ 7,300	\$ 7,700	\$ 8,000	\$ 8,500	\$ 9,000
Cost per upgraded traffic control sign	\$ 175	\$ 182	\$ 193	\$ 205	\$ 210
Cost per sign installation	\$ 244	\$ 253	\$ 257	\$ 265	\$ 275
Cost per lane line mile restriped	\$ 745	\$ 750	\$ 750	\$ 775	\$ 775
Cost per worn marking renewed each year	\$ 265	\$ 270	\$ 275	\$ 280	\$ 285
Cost per traffic control plan design (signals, signs, and pavement markings)	\$ 1,700	\$ 1,725	\$ 1,750	\$ 1,800	\$ 1,800
Cost per response to requests, complaints or concerns	\$ 165	\$ 170	\$ 170	\$ 175	\$ 175
Cost per SPA reviewed	\$ 375	\$ 375	\$ 375	\$ 350	\$ 350

Program / Service Quality

	2020	2021	2022	2023	2024
	Actual	Actual	Estimated	Projected	Projected
Streets - percent system maintained	46%	47%	48%	49%	50%
Storm - percent system maintained	28%	28%	29%	29%	30%
Street sweeping - percent system maintained	98%	98%	98%	100%	100%
Percentage of traffic signals provided routine maintenance each year (goal 100%)	100%	100%	100%	100%	100%
Percentage of city traffic control signs brought into compliance each year (15 year replacement cycle) - (goal 6.7%)	6.8%	7.7%	6.9%	7.0%	7.0%
Percentage of knockdowns replaced within 5 days	90%	90%	90%	90%	90%
Percentage of paint stripes that are restriped each year (goal 100%)	100%	100%	100%	100%	100%
Percentage of all worn plastic pavement markings are renewed each year (goal 33%)	10%	15%	15%	15%	20%
Percentage of traffic control designs completed on time to match City Engineer's schedule (goal 100%)	95%	95%	95%	100%	100%
Percentage of all citizen concerns, complaints of requests responded to within 14 days of receipt (goal 100%)	90%	90%	95%	95%	95%
Percentage of SPA's reviewed and commented on within 10-days of receipt (goal 100%)	90%	90%	95%	95%	95%

**STREETS, TRAFFIC &
STORMWATER**

Public Works Department

REVENUES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
Property	\$ 1,637,015	\$ 903,629	\$ 1,821,754	\$ 1,692,661
Taxes	1,637,015	903,629	1,821,754	1,692,661
Multimodal Transportation	227,369	-	225,000	-
Motor Vehicle Fuel Tax	3,250,529	3,766,000	3,251,000	3,536,400
Intergovernmental Revenue	3,477,898	3,766,000	3,476,000	3,536,400
Stormwater Utility Charges	4,856,580	5,105,300	5,105,300	5,420,000
Solid Waste Recycling Fees	126,128	135,300	259,175	308,700
Other Intergovernmental Revenue	8,866	7,300	7,300	7,700
Charges for Services	4,991,574	5,247,900	5,371,775	5,736,400
Miscellaneous Revenue	25,176	3,900	3,900	15,000
Grants	1,744,730	-	-	-
Other Financing Sources	1,744,730	-	-	-
Total Revenues	\$ 11,876,393	\$ 9,921,429	\$ 10,673,429	\$ 10,980,461
Stormwater Utility Fund	(1,595,164)	715,237	891,988	1,174,155
Decrease (Increase) to Fund Balance	(1,595,164)	715,237	891,988	1,174,155
Current Funding Sources	\$ 10,281,229	\$ 10,636,666	\$ 11,565,417	\$ 12,154,616
EXPENDITURES	2019/2020	2021/2022	2021/2022	2023/2024
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 2,957,288	\$ 3,130,688	\$ 3,403,689	\$ 3,299,110
Overtime	137,075	53,000	83,000	70,500
Part-Time Wages	146,434	159,678	129,678	144,493
Benefits	1,386,711	1,477,682	1,589,680	1,602,250
Salaries & Benefits	4,627,507	4,821,048	5,206,047	5,116,353
Supplies	997,947	852,662	987,662	1,032,484
Contractual Services	408,417	456,315	456,315	677,769
Travel & Training	15,182	28,350	28,350	30,435
Utility Charges	482,358	471,200	471,200	518,700
Repair & Maintenance	92,485	105,100	105,100	84,400
Stormwater Permits	73,032	81,550	81,550	95,775
Stormwater Comprehensive Plan	196,432	-	-	-
State Excise Tax	75,956	76,640	76,640	81,300
Utility Tax	48,566	51,050	51,050	53,000
Fleet Maintenance Charges	776,094	793,120	793,120	1,266,280
Other Services & Charges	245,750	260,575	392,575	295,720
Supplies & Services	3,412,217	3,176,562	3,443,562	4,135,863
Capital Improvement Fund	70,811	9,056	15,808	15,400
Equipment Rental Fund	64,305	-	-	-
Interfund Transfers	135,116	9,056	15,808	15,400
Debt Service	218,507	-	-	-
Capital	1,887,882	2,630,000	2,900,000	2,887,000
Total Expenditures	\$ 10,281,229	\$ 10,636,666	\$ 11,565,417	\$ 12,154,616
Expenditures by Fund				
Street Fund	\$ 5,250,734	\$ 4,812,229	\$ 5,564,228	\$ 5,545,464
Stormwater Fund	5,030,494	5,824,437	6,001,189	6,609,152
Total Expenditures by Fund	\$ 10,281,229	\$ 10,636,666	\$ 11,565,417	\$ 12,154,616

**DETAIL
BUDGET**



FUND DETAIL

Governmental accounting systems are established on a fund basis in 3 major categories. Those are Governmental funds, Proprietary funds, and Fiduciary funds. Governmental funds are further subdivided into 4 fund types: 1) General Fund, 2) Special Revenue funds, 3) Capital Project funds, and 4) Debt Service funds. Only one general fund may be created but more than one of each of the other types of governmental funds may be created based on the specific needs of the agency. This document includes 2023/24 biennial budgets for 16 individual governmental funds.

The modified accrual method is used when the measurement focus of the fund is the flow of current financial resources. The modified accrual method includes some aspects of accrual accounting and some aspects of cash-basis accounting. Under this method, revenues are recorded in the accounting period in which the funds are measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, revenues are considered available if they are collected before the last claims run for the prior year, which is on the second Friday of January. Expenditures are recognized in the period in which the liabilities are both measurable and incurred, as under accrual accounting. Since governmental funds focus on the near-term aspect of the city's financial resources that are available for spending, these funds utilize the modified accrual method.

GENERAL FUND

The general fund accounts for all financial resources except those required to be accounted for in another fund. It includes transactions for the general governmental services provided by the agency.

SPECIAL REVENUE FUNDS

Special revenue funds account for the proceeds of revenue sources that are legally restricted for specified purposes.

CAPITAL PROJECT FUNDS

Capital project funds account for the financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds and trust funds.

DEBT SERVICE FUNDS

Debt service funds account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Revenues for this purpose include ad valorem property taxes on voted bond issues, transfers, and assessments on local improvement districts.

GENERAL FUND

Fund Detail

REVENUES	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Beginning Fund Balance	\$ 3,275,166	\$ 2,775,000	\$ 5,966,211	\$ 6,000,000
Property	24,674,215	26,375,479	25,457,354	27,277,041
Sales & Use	23,924,573	23,969,700	28,794,700	28,875,200
Optional Sales	8,757,000	9,450,000	9,450,000	10,214,000
Utility	18,789,198	19,055,936	19,055,936	21,220,300
Gambling	992,384	1,093,600	1,093,600	1,511,000
Other Taxes	571,115	595,100	595,100	832,400
Taxes	77,708,485	80,539,815	84,446,690	89,929,941
Licenses & Permits	2,598,140	2,191,000	2,191,000	2,497,900
State Shared Revenues	1,662,176	1,627,700	1,627,700	1,594,000
State Entitlements	2,915,048	2,771,200	3,110,600	3,480,400
Other Intergovernmental Revenue	5,900,905	540,679	2,330,786	492,300
Intergovernmental Revenue	10,478,129	4,939,579	7,069,086	5,566,700
Engineering Services	1,442,071	1,563,000	1,563,000	1,241,900
General Government Services	5,434,354	5,820,915	5,822,915	6,539,325
Other Charges for Services	2,348,285	2,643,400	2,707,525	2,468,700
Charges for Services	9,224,710	10,027,315	10,093,440	10,249,925
Fines & Penalties	1,834,412	1,960,200	1,960,200	965,900
Miscellaneous Revenue	909,425	945,000	967,500	1,208,800
Public Safety Fund	4,746,124	4,514,542	4,789,542	4,769,250
Interfund Transfers	4,746,124	4,514,542	4,789,542	4,769,250
Total Revenue Sources	\$ 110,774,591	\$ 107,892,451	\$ 117,483,669	\$ 121,188,416

GENERAL FUND

Fund Detail

EXPENDITURES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 45,720,546	\$ 49,784,166	\$ 50,140,235	\$ 53,705,325
Overtime	1,225,933	1,170,195	1,473,941	1,381,064
Part-Time Wages	1,298,482	1,699,136	1,722,936	1,832,885
Benefits	17,408,512	19,403,189	19,574,244	21,559,591
Allowance for Underexpenditure	-	(2,800,000)	(2,995,495)	(2,527,584)
Salaries & Benefits	65,653,473	69,256,686	69,915,861	75,951,281
Supplies	2,113,928	2,026,945	2,389,830	2,401,131
Animal Control	530,486	618,850	618,850	621,000
BI-PIN	354,791	306,604	306,604	337,265
District Court	2,992,829	2,792,600	2,792,600	2,753,000
Jail Services	5,464,519	5,055,300	5,055,300	3,600,000
Janitorial Services	417,303	573,539	573,539	603,221
SECOMM	1,605,691	1,635,000	1,635,000	1,957,700
HIDTA	903,365	-	-	-
Other Contractual Services	3,187,723	2,922,230	3,536,600	3,619,530
Travel & Training	374,159	573,980	577,107	606,543
Taxes & Assessments	133,925	150,870	150,870	154,875
Rentals & Leases	1,550,540	1,451,365	2,979,565	2,030,020
Utility Charges	1,020,509	1,093,250	1,093,250	1,167,120
Repair & Maintenance	1,603,101	2,216,345	2,461,654	2,620,069
Other Services & Charges	1,762,512	1,911,930	2,234,530	2,066,169
Supplies & Services	24,015,381	23,328,808	26,405,299	24,537,643
Cash Reserve Fund	84,329	-	242,500	-
Capital Improvement Fund	2,000,000	-	1,215,300	2,000,000
Coliseum Fund	710,000	400,000	400,000	400,000
Medical Services Fund	9,985,500	10,120,000	10,120,000	10,120,000
Columbia Park Golf Course Fund	242,600	247,400	247,400	200,000
Equipment Rental Fund	96,149	-	9,750	36,000
Risk Management Fund	1,775,000	1,650,000	2,200,000	2,450,000
Interfund Transfers	14,893,578	12,417,400	14,434,950	15,206,000
Capital Outlay	245,949	-	293,184	-
Ending Fund Balance	5,966,211	2,889,557	6,434,375	5,493,492
Total Expenditures	\$ 110,774,591	\$ 107,892,451	\$ 117,483,669	\$ 121,188,416

PERSONNEL SUMMARY						
Division	Number of FTEs					
	2019	2020	2021	2022	2023	2024
City Manager	2.00	2.00	2.00	2.00	2.00	2.00
Finance*	15.50	21.17	21.69	23.19	23.69	24.69
Management Services	20.05	20.05	20.05	22.05	22.05	21.05
City Attorney	5.50	5.50	5.50	5.50	5.00	5.00
Community Planning	5.54	5.70	4.79	4.79	4.79	4.79
Police	109.00	109.00	109.00	110.00	109.00	109.00
Fire	21.50	21.50	21.50	21.50	20.50	20.50
Engineering	14.95	14.95	14.75	14.75	14.60	14.60
Employee & Community Relations*	38.80	-	-	-	-	-
Parks & Recreation*	-	30.80	30.80	29.00	31.00	31.00
Total General Fund	232.84	230.67	230.08	232.78	232.63	232.63

*In 2020, the City completed a reorganization resulting in the elimination of the Employee & Community Relations Department and the formation of a separate Parks and Recreation Department. At that same time, the City's Human Resources and Economic Development Divisions became part of the Finance Department.

SPECIAL REVENUE FUNDS

The **Street Fund** is responsible for the maintenance of all City streets, bridges, city-owned street lights, and traffic control devices. Major sources of revenue include state shared revenue and a set percentage of property tax receipts.

The **Arterial Street Fund** accounts for the continued development of the arterial street system within the City. Revenue sources include transfers, federal and state grants.

The **Cash Reserve Fund** was created to provide a source for City Council priorities, revenue stabilization, expenditure contingencies, emergencies, capital projects or general operations.

The **Bi-PIN Operations Fund** was established as a result of a service agreement with the Bi-County Police Information Network Agency. The agency pays the City to provide computer processing, financial, management and administrative services.

The **Community Development Fund** accounts for the proceeds of specific revenue sources, other than those for major capital projects, which are restricted legally to expenditures for specified purposes of community development.

The **Asset Forfeiture Fund** was established to record the value of cash and property seized during police investigations.

The **Public Safety Fund** was created to account for the proceeds of the voted 2 1/2% utility tax increase on electricity, telephone service, natural gas and steam. The tax proceeds and earned interest will be used to fund Police and Fire operations and capital costs.

The **Lodging Tax Fund** accounts for revenues from a 4% hotel/motel tax collected by the state for lodging within the City's boundaries. State law requires the funds be used for the acquisition, construction and operation of tourism facilities or for tourism promotion.

The **Criminal Justice Sales Tax Fund** accounts for revenues from a voted 0.3% sales tax increase devoted to law enforcement activities.

The **HIDTA Program Fund** accounts for the administrative oversight of the Northwest High Intensity Drug Trafficking Area program that is funded through a federal award.

The **Coronavirus Recovery Fund** accounts for the proceeds of Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) received from the federal government under the American Rescue Plan Act (ARPA) of 2021 in accordance with the requirements established by the United States Department of Treasury.

STREET FUND

Fund Detail

REVENUES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -
Property	1,637,015	903,629	1,821,754	1,692,661
Taxes	1,637,015	903,629	1,821,754	1,692,661
Licenses & Permits	126,128	135,300	259,175	308,700
Multimodal Transportation	227,368	-	225,000	-
Motor Vehicle Fuel Tax	3,250,529	3,766,000	3,251,000	3,536,400
Federal and State Grants	-	-	-	-
Intergovernmental Revenue	3,477,897	3,766,000	3,476,000	3,536,400
Charges for Services	8,866	7,300	7,300	7,700
Miscellaneous Revenue	828	-	-	-
Total Revenue Sources	\$ 5,250,734	\$ 4,812,229	\$ 5,564,229	\$ 5,545,461
EXPENDITURES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 2,044,228	\$ 1,939,616	\$ 2,212,616	\$ 2,108,569
Overtime	128,291	38,000	68,000	55,500
Part-Time Wages	142,805	152,678	122,678	137,493
Benefits	963,927	927,853	1,039,853	1,006,599
Salaries & Benefits	3,279,251	3,058,147	3,443,147	3,308,161
Supplies	946,087	806,022	941,022	976,997
Contractual Services	63,236	-	-	-
Travel & Training	10,876	20,850	20,850	22,935
Rentals & Leases	302,011	294,920	326,920	440,100
Utility Charges	580,090	566,000	566,000	622,600
Repair & Maintenance	24,170	28,850	28,850	29,675
Other Services & Charges	45,013	37,440	137,440	144,993
Supplies & Services	1,971,483	1,754,082	2,021,082	2,237,300
Salt Storage Shed - West	-	-	100,000	-
Capital Outlay	-	-	100,000	-
Ending Fund Balance	-	-	-	-
Total Expenditures	\$ 5,250,734	\$ 4,812,229	\$ 5,564,229	\$ 5,545,461

STREET FUND

Fund Detail

PERSONNEL SUMMARY						
	Number of FTEs					
	2019	2020	2021	2022	2023	2024
Public Works Director	0.20	0.20	0.20	0.20	0.20	0.20
Deputy Public Works Director	0.30	0.30	0.30	0.30	0.30	0.30
Transportation Manager	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Traffic Engineer	1.00	1.00	1.00	1.00	1.00	1.00
Utility Engineer	0.10	0.10	0.10	0.10	0.25	0.25
Development Services Supervisor	0.10	0.10	0.25	0.25	0.25	0.25
Engineering Technician III	1.00	1.00	1.00	1.00	1.00	1.00
Public Works Technician	0.15	0.15	0.25	0.25	0.25	0.25
Administrative Assistant	0.40	0.40	0.40	0.40	0.40	0.40
Senior Traffic Electrician	0.75	0.75	0.90	0.90	0.90	0.90
Crewleader	0.50	0.50	0.50	0.50	0.50	0.50
Traffic Electrician	0.75	0.75	0.90	0.90	0.90	0.90
Equipment Operator	1.50	1.50	1.60	1.60	1.60	1.60
Maintenance & Construction Craftsworker	3.00	3.00	3.00	3.00	3.00	3.00
Total Street Fund	10.75	10.75	11.40	11.40	11.55	11.55

ARTERIAL STREET FUND

Fund Detail

REVENUES					
	2019/20		2021/22		2023/24
	Actual	Adopted	Adjusted	Adopted	
Beginning Fund Balance	\$ 20	\$ -	\$ -	\$ -	-
Federal and State Grants	40,232	-	1,000,000	-	-
Intergovernmental Revenue	40,232	-	1,000,000	-	-
Miscellaneous Revenue	527	-	-	-	-
Capital Improvement Fund	3,903,005	5,000,000	5,000,000	8,000,000	-
Water/Sewer Fund	-	-	65,000	-	-
Interfund Transfers	3,903,005	5,000,000	5,065,000	8,000,000	-
Total Revenue Sources	\$ 3,943,784	\$ 5,000,000	\$ 6,065,000	\$ 8,000,000	-
EXPENDITURES					
	2019/20		2021/22		2023/24
	Actual	Adopted	Adjusted	Adopted	
Projects	\$ 3,943,784	\$ 5,000,000	\$ 6,065,000	\$ 8,000,000	-
Capital Outlay	3,943,784	5,000,000	6,065,000	8,000,000	-
Ending Fund Balance	-	-	-	-	-
Total Expenditures	\$ 3,943,784	\$ 5,000,000	\$ 6,065,000	\$ 8,000,000	-

CASH RESERVE FUND

Fund Detail

REVENUES				
	2019/20 Actual	2021/22 Adopted	2021/22 Adjusted	2023/24 Adopted
Beginning Fund Balance	\$ 2,887,200	\$ 2,933,400	\$ 2,971,529	\$ 3,200,000
General Fund	84,329	-	242,500	-
Interfund Transfers	84,329	-	242,500	-
Total Revenue Sources	\$ 2,971,529	\$ 2,933,400	\$ 3,214,029	\$ 3,200,000
EXPENDITURES				
	2019/20 Actual	2021/22 Adopted	2021/22 Adjusted	2023/24 Adopted
Ending Fund Balance	\$ 2,971,529	\$ 2,933,400	\$ 3,214,029	\$ 3,200,000
Total Expenditures	\$ 2,971,529	\$ 2,933,400	\$ 3,214,029	\$ 3,200,000

BI-PIN OPERATIONS FUND

Fund Detail

REVENUES					
	2019/20		2021/22		2023/24
	Actual		Adopted		Adopted
Beginning Fund Balance	\$	-	\$	-	\$ -
Computer Operations		1,124,201		1,779,774	2,080,161
Charges for Services		1,124,201		1,779,774	2,080,161
Total Revenue Sources	\$	1,124,201	\$	1,779,774	\$ 2,080,161
EXPENDITURES					
	2019/20		2021/22		2023/24
	Actual		Adopted		Adopted
Salaries	\$	580,634	\$	555,241	\$ 661,810
Benefits		198,677		195,529	275,906
Salaries & Benefits		779,311		750,770	937,716
Supplies		7,445		4,360	4,685
Contractual Services		700		1,450	1,450
Travel & Training		7,665		18,000	21,000
Rentals/Leases		12,000		-	-
Repair & Maintenance		299,233		691,353	842,970
Other Services & Charges		14,851		313,841	256,840
Supplies & Services		341,894		1,029,004	1,126,945
Capital Improvement Fund		2,996		-	15,500
Interfund Transfers		2,996		-	15,500
Ending Fund Balance		-		-	-
Total Expenditures	\$	1,124,201	\$	1,779,774	\$ 2,080,161

PERSONNEL SUMMARY						
	Number of FTEs					
	2019	2020	2021	2022	2023	2024
Programmer/Analyst II	1.00	1.00	1.00	1.00	1.00	1.00
Programmer/Analyst I	1.00	1.00	1.00	1.00	1.00	1.00
Implementation Administrator	0.00	0.00	0.00	0.00	0.00	1.00
Help Desk Technician II	0.50	0.50	0.50	0.50	0.50	0.50
Total Bi-Pin Operations Fund	2.50	2.50	2.50	2.50	2.50	3.50

COMMUNITY DEVELOPMENT FUND

Fund Detail

REVENUES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Beginning Fund Balance	\$ 52,746	\$ 55,115	\$ 49,418	\$ 49,800
CDBG Grant	1,663,486	1,300,000	2,307,440	1,473,800
CARES ACT Grant	-	-	164,112	
HOME Grant	43,286	350,000	581,600	350,000
Program Income	112,648	-	134,873	-
Intergovernmental Revenue	1,819,420	1,650,000	3,188,025	1,823,800
Miscellaneous Revenue	1,622	2,000	2,000	-
Total Revenue Sources	\$ 1,873,788	\$ 1,707,115	\$ 3,239,443	\$ 1,873,600
EXPENDITURES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 195,620	\$ 205,870	\$ 210,870	\$ 156,038
Benefits	75,075	60,901	60,901	92,412
Salaries & Benefits	270,695	266,771	271,771	248,450
Supplies	716	800	1,300	800
Contractual Services	26,165	4,200	14,200	16,600
Travel & Training	2,540	6,000	6,000	5,000
Subrecipient Programs	648,337	611,379	1,333,002	551,650
Other Services & Charges	194	850	850	1,300
Supplies & Services	677,952	623,229	1,355,352	575,350
Capital Improvement Fund - Projects	863,945	760,000	1,560,902	1,000,000
Interfund Transfers	863,945	760,000	1,560,902	1,000,000
Capital Outlay	11,778	-	-	-
Ending Fund Balance	49,418	57,115	51,418	49,800
Total Expenditures	\$ 1,873,788	\$ 1,707,115	\$ 3,239,443	\$ 1,873,600

PERSONNEL SUMMARY						
	Number of FTEs					
	2019	2020	2021	2022	2023	2024
Community Block Grant Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Total Community Development Fund	1.00	1.00	1.00	1.00	1.00	1.00

ASSET FORFEITURE FUND

Fund Detail

REVENUES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Beginning Fund Balance	\$ 79,230	\$ 110,000	\$ 104,242	\$ 220,000
Forfeited Property	107,978	10,000	10,000	10,000
Interest Earnings	3,379	3,500	3,500	11,000
Miscellaneous Revenue	111,357	13,500	13,500	21,000
Total Revenue Sources	\$ 190,587	\$ 123,500	\$ 117,742	\$ 241,000
EXPENDITURES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Supplies	\$ 74,862	\$ 10,000	\$ 10,000	\$ 10,000
Other Services & Charges	11,483	15,000	15,000	15,000
Supplies & Services	86,345	25,000	25,000	25,000
Equipment Rental	-	-	15,000	-
Interfund Transfers	-	-	15,000	-
Ending Fund Balance	104,242	98,500	77,742	216,000
Total Expenditures	\$ 190,587	\$ 123,500	\$ 117,742	\$ 241,000

PUBLIC SAFETY FUND

Fund Detail

REVENUES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Beginning Fund Balance	\$ 39,475	\$ -	\$ -	\$ -
Brokered Natural Gas Sales & Use Tax	12,950	11,959	16,959	11,125
Natural Gas Utility Tax	484,827	484,708	614,708	812,374
Telephone Utility Tax	1,016,918	817,709	817,709	622,417
Electricity Utility Tax	3,191,954	3,200,166	3,340,166	3,323,334
Taxes	4,706,649	4,514,542	4,789,542	4,769,250
Total Revenue Sources	\$ 4,746,124	\$ 4,514,542	\$ 4,789,542	\$ 4,769,250
EXPENDITURES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
General Fund	\$ 4,746,124	\$ 4,514,542	\$ 4,789,542	\$ 4,769,250
Interfund Transfers	4,746,124	4,514,542	4,789,542	4,769,250
Ending Fund Balance	-	-	-	-
Total Expenditures	\$ 4,746,124	\$ 4,514,542	\$ 4,789,542	\$ 4,769,250

LODGING TAX FUND

Fund Detail

REVENUES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Beginning Fund Balance	\$ 222,061	\$ -	\$ 20,493	\$ 703,000
Hotel/Motel	1,903,099	2,008,000	2,395,000	2,836,000
Taxes	1,903,099	2,008,000	2,395,000	2,836,000
Tourism Promotion Area	1,136,218	1,737,000	1,812,000	2,027,000
Charges for Services	1,136,218	1,737,000	1,812,000	2,027,000
Interest	3,402	8,300	8,300	18,500
Miscellaneous Revenue	3,402	8,300	8,300	18,500
Total Revenue Sources	\$ 3,264,780	\$ 3,753,300	\$ 4,235,793	\$ 5,584,500
EXPENDITURES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Southridge Field Improvements	\$ 10,175	\$ -	\$ 29,000	\$ -
Marketing	8,647	-	-	-
Tourism Promotion Area	1,136,218	1,737,000	1,812,000	2,027,000
T/C Visitor & Convention Bureau	544,152	523,000	523,000	557,000
Supplies & Services	1,699,192	2,260,000	2,364,000	2,584,000
Equipment Rental Fund	-	-	-	-
Coliseum Fund	1,545,095	1,290,000	1,140,000	1,340,000
Interfund Transfers	1,545,095	1,290,000	1,140,000	1,340,000
Ending Fund Balance	20,493	203,300	731,793	1,660,500
Total Expenditures	\$ 3,264,780	\$ 3,753,300	\$ 4,235,793	\$ 5,584,500

CRIMINAL JUSTICE SALES TAX FUND

Fund Detail

REVENUES				
	2019/20 Actual	2021/22 Adopted	2021/22 Adjusted	2023/24 Adopted
Beginning Fund Balance	\$ 687,850	\$ 760,000	\$ 977,094	\$ 1,600,000
Sales Tax - Criminal Justice	5,638,509	5,680,000	6,695,000	6,618,000
Taxes	5,638,509	5,680,000	6,695,000	6,618,000
Interest	29,626	15,000	15,000	40,000
Miscellaneous Revenue	29,626	15,000	15,000	40,000
Total Revenue Sources	\$ 6,355,985	\$ 6,455,000	\$ 7,687,094	\$ 8,258,000
EXPENDITURES				
	2019/20 Actual	2021/2022 Adopted	2021/22 Adjusted	2023/24 Adopted
Salaries	\$ 3,477,576	\$ 3,919,365	\$ 3,919,365	\$ 4,285,948
Overtime	72,683	132,120	132,120	145,332
Part-Time Wages	44,575	120,000	120,000	120,000
Benefits	1,356,897	1,496,828	1,496,828	1,695,551
Salaries & Benefits	4,951,731	5,668,313	5,668,313	6,246,831
Supplies	17,563	9,750	9,750	65,500
Contractual Services	20,404	25,850	25,850	21,500
Travel & Training	8,204	22,800	22,800	25,250
Rentals/Leases	249,195	257,560	257,560	264,335
Other Services & Charges	131,794	157,558	157,558	172,644
Supplies & Services	427,160	473,518	473,518	549,229
Equipment Rental Fund	-	-	-	28,000
Interfund Transfers	-	-	-	28,000
Capital Outlay	-	-	-	125,500
Ending Fund Balance	977,094	313,169	1,545,263	1,308,440
Total Expenditures	\$ 6,355,985	\$ 6,455,000	\$ 7,687,094	\$ 8,258,000

PERSONNEL SUMMARY						
	Number of FTEs					
	2019	2020	2021	2022	2023	2024
Police Officer	15.00	15.00	15.00	15.00	15.00	15.00
Police Support Specialist	1.00	1.00	1.00	1.00	1.00	1.00
Public Records Officer	1.50	1.50	1.50	1.50	1.50	1.50
Assistant City Attorney	1.00	1.00	1.00	1.00	1.00	1.00
Evidence Technician	-	-	-	-	1.00	1.00
Total Criminal Justice Sales Tax Fund	18.50	18.50	18.50	18.50	19.50	19.50

HIDTA PROGRAM FUND

Fund Detail

REVENUES					
	2019/20	2021/22	2021/22	2023/24	
	Actual	Adopted	Adjusted	Adopted	
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -	-
HIDTA Program - ONDCP	-	4,500,000	4,500,000	4,000,000	
Intergovernmental Revenue	-	4,500,000	4,500,000	4,000,000	
Total Revenue Sources	\$ -	\$ 4,500,000	\$ 4,500,000	\$ 4,000,000	
EXPENDITURES					
	2019/20	2021/22	2021/22	2023/24	
	Actual	Adopted	Adjusted	Adopted	
Contractual Services	\$ -	\$ 4,500,000	\$ 4,500,000	\$ 4,000,000	
Supplies & Services	-	4,500,000	4,500,000	4,000,000	
Ending Fund Balance	-	-	-	-	-
Total Expenditures	\$ -	\$ 4,500,000	\$ 4,500,000	\$ 4,000,000	

CORONAVIRUS FISCAL RECOVERY FUND

Fund Detail

REVENUES					
	2019/20	2021/22	2021/22	2023/24	
	Actual	Adopted	Adjusted	Adopted	
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -	2,296,640
CSLFRF - ARPA Funds	-	-	3,914,000	-	-
Intergovernmental Revenue	-	-	3,914,000	-	-
Total Revenue Sources	\$ -	\$ -	\$ 3,914,000	\$ -	2,296,640
EXPENDITURES					
	2019/20	2021/22	2021/22	2023/24	
	Actual	Adopted	Adjusted	Adopted	
Small Tools & Equipment	\$ -	\$ -	232,920	\$ -	-
Professional Services	-	-	338,500	177,670	-
Repairs & Maintenance	-	-	771,860	-	-
Supplies & Services	-	-	1,343,280	177,670	-
Other Improvements	-	-	-	-	-
Machinery & Equipment	-	-	434,250	-	-
Capital Outlay	-	-	434,250	-	-
Ending Fund Balance	-	-	2,136,470	2,118,970	-
Total Expenditures	\$ -	\$ -	\$ 3,914,000	\$ -	2,296,640

CAPITAL PROJECTS FUNDS

The **Capital Improvements Fund** accounts for the financial resources to be used for the acquisition or construction of major capital facilities and infrastructure (other than those financed by Proprietary Funds and Trust Funds).

The **Urban Arterial Street Fund** accounts for the continued development of the urban arterial street system within the City. The primary sources of revenue are federal and state grants.

CAPITAL IMPROVEMENT FUND

Fund Detail

REVENUES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Beginning Fund Balance	\$ 17,713,128	\$ 12,935,000	\$ 23,561,244	\$ 22,745,000
Property	637,523	706,000	706,000	1,033,000
Sales & Use	1,037,000	1,000,000	1,000,000	1,000,000
Optional Sales Tax	11,402,596	10,766,000	14,796,000	14,102,500
Water and Sewer Utility Tax	1,774,370	2,100,873	2,100,873	2,439,500
Local Real Estate Excise	6,675,515	6,123,000	6,123,000	6,980,000
Taxes	21,527,004	20,695,873	24,725,873	25,555,000
Federal and State Grants	156,749	-	2,243,082	363,000
State Entitlements	16,334	15,000	15,000	16,000
Contributions from Other Govt's	136,846	-	7,710	-
Intergovernmental Revenue	309,929	15,000	2,265,792	379,000
Transportation Impact Fee	1,507,989	790,000	790,000	1,000,000
Park Impact Fee	302,765	120,000	120,000	120,000
Charges for Services	1,810,754	910,000	910,000	1,120,000
Miscellaneous Revenue	1,319,048	296,000	296,000	805,000
General Fund	2,000,000	-	1,215,300	2,000,000
Community Development Fund	863,945	760,000	1,560,902	1,000,000
Water/Sewer Fund	810,620	31,696	60,328	117,750
Medical Services Fund	137,447	-	-	53,650
Building Safety Fund	310,948	-	-	28,000
Stormwater Fund	70,811	9,056	15,808	15,400
Other Interfund Transfers	1,892,782	-	-	15,500
Interfund Transfers	6,086,553	800,752	2,852,338	3,230,300
Proceeds from Long Term Debt	7,777,479	9,000,000	10,715,500	-
Long Term Intergovt'l Loan Proceeds	4,270,541	-	212,469	-
Other Financing Sources	12,048,020	9,000,000	10,927,969	-
Total Revenue Sources	\$ 60,814,436	\$ 44,652,625	\$ 65,539,216	\$ 53,834,300

CAPITAL IMPROVEMENT FUND

Fund Detail

EXPENDITURES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Intergovernmental Transfer for KPFD	\$ 1,452,323	\$ 1,450,000	\$ 1,450,000	\$ 1,450,000
Animal Control Facility	9,676	1,000,000	2,003,454	-
Other Contractual Services	70,683	20,000	20,000	-
Repairs & Maintenance	396,862	440,550	931,607	1,169,100
Supplies & Services	1,929,544	2,910,550	4,405,061	2,619,100
2020A Bond Fund	19,000	-	-	-
Arterial Street Fund	3,903,005	5,000,000	5,000,000	8,000,000
Capital Improvements Fund	1,870,786	-	-	-
Coliseum Fund	4,442,263	18,000	18,000	-
CP Golf Course Fund	426,055	170,000	170,000	85,000
Debt Service Fund	6,563,029	8,609,800	8,609,800	7,498,598
Equipment Rental Fund	2,024,073	1,758,000	2,094,000	3,194,906
Medical Services Fund	-	-	-	30,500
Urban Arterial Street Fund	5,188,593	2,097,074	2,300,607	1,403,950
Interfund Transfers	24,436,804	17,652,874	18,192,407	20,212,954
Debt Service	684,488	612,725	755,225	560,399
Transportation Projects	3,437,255	1,655,000	3,571,739	2,539,760
Land and Facilities	348,578	204,950	807,519	400,000
Fire Station Construction/Upgrades	2,445,435	9,000,000	16,017,375	-
Parks Projects	981,692	410,000	2,777,202	905,000
Other Improvements	45,530	-	-	-
ERP Replacement	2,210,586	340,073	1,275,846	-
Software & Equipment	733,280	191,594	462,324	1,372,350
Capital Outlay	10,202,356	11,801,617	24,912,005	5,217,110
Ending Fund Balance	23,561,244	11,674,859	17,274,518	25,224,737
Total Expenditures	\$ 60,814,436	\$ 44,652,625	\$ 65,539,216	\$ 53,834,300

URBAN ARTERIAL STREET FUND

Fund Detail

REVENUES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Beginning Fund Balance	\$ 227,685	\$ -	\$ 2,224	\$ -
Federal and State Grants	5,116,786	5,785,860	8,578,751	1,266,050
Contributions from Other Govt's	383,839	797,566	966,966	500,000
Intergovernmental Revenue	5,500,625	6,583,426	9,545,717	1,766,050
Miscellaneous Revenue	57,513	-	-	-
Capital Improvement Fund	5,188,593	2,097,074	2,300,607	1,403,950
Interfund Transfers	5,188,593	2,097,074	2,300,607	1,403,950
Total Revenue Sources	\$ 10,974,416	\$ 8,680,500	\$ 11,848,548	\$ 3,170,000
EXPENDITURES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Projects	\$ 10,972,192	\$ 8,680,500	\$ 11,848,548	\$ 3,170,000
Capital Outlay	10,972,192	8,680,500	11,848,548	3,170,000
Ending Fund Balance	2,224	-	-	-
Total Expenditures	\$ 10,974,416	\$ 8,680,500	\$ 11,848,548	\$ 3,170,000

DEBT SERVICE FUNDS

The **Debt Service Fund** accounts for the accumulation of resources for, and the payment of, general long-term obligation principal and interest. Revenues for this purpose include ad valorem property taxes on voted bond issues, transfers, and assessments on local improvement districts.

The **LID Guaranty Fund** accounts for the accumulation and expenditure of monies obtained from local improvement district (LID) assessments and the sale of property obtained from the foreclosure of improvement liens on property. The ultimate purpose of the fund is to make up any deficiency that may exist in any LID Debt Service Fund from the redemption of any debt still outstanding after all assessments have been collected.

DEBT SERVICE FUND

Fund Detail

REVENUES					
	2019/20	2021/22	2021/22	2023/24	
	Actual	Adopted	Adjusted	Adopted	
Beginning Fund Balance	\$ 84	\$ -	\$ 10,899	\$ -	
Intergovernmental Revenue	291,513	-	-	-	
Miscellaneous Revenue	715	-	-	-	
Capital Improvement Fund	6,563,029	8,609,800	8,609,800	7,498,598	
Interfund Transfers	6,563,029	8,609,800	8,609,800	7,498,598	
Refunding Bond Premium	434,702	-	-	-	
Refunding Bond Issued	9,530,102	-	-	-	
Other Financing Sources	9,964,804	-	-	-	
Total Revenue Sources	\$ 16,820,145	\$ 8,609,800	\$ 8,620,699	\$ 7,498,598	
EXPENDITURES					
	2019/20	2021/22	2021/22	2023/24	
	Actual	Adopted	Adjusted	Adopted	
Debt Service	\$ 16,809,246	\$ 8,609,800	\$ 8,609,800	\$ 7,498,598	
Ending Fund Balance	10,899	-	10,899	-	
Total Expenditures	\$ 16,820,145	\$ 8,609,800	\$ 8,620,699	\$ 7,498,598	

LID GUARANTY FUND

Fund Detail

REVENUES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Beginning Fund Balance	\$ 36,654	\$ 37,900	\$ 37,874	\$ 38,500
Miscellaneous Revenue	1,220	1,000	1,000	1,000
Total Revenue Sources	\$ 37,874	\$ 38,900	\$ 38,874	\$ 39,500
EXPENDITURES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Ending Fund Balance	\$ 37,874	\$ 38,900	\$ 38,874	\$ 39,500
Total Expenditures	\$ 37,874	\$ 38,900	\$ 38,874	\$ 39,500

PROPRIETARY FUNDS

Some activities of a government, such as operation of a municipal water system, are similar to those of commercial enterprises. The objective of the government unit is to recover its costs in these operations through a system of user charges. Proprietary funds are used to account for such operations. Because these activities have a measurement focus of income determination and capital maintenance, the accrual method of accounting is used in proprietary funds.

There are two types of proprietary funds: 1) Enterprise funds, and 2) Internal Service funds. The City of Kennewick uses 6 enterprise funds and 3 internal service funds.

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the City is that the costs and expenses (including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

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 City, or to other governmental units on a cost-reimbursement basis.

ENTERPRISE FUNDS

The **Water and Sewer Fund** operates the water distribution system, the sewer treatment plant, sewage pumping stations and collection systems. The intent of the City is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The **Medical Services Fund** provides ambulance services. Revenues for this fund include household charges, transport service fees, and Ground Emergency Medical Transportation (GEMT) reimbursements.

The **Building Safety Fund** accounts for the building inspection function. Building permit fees provide the major revenue source for this fund.

The **Coliseum Fund** accounts for activities of the Toyota Center and Arena operations.

The **Stormwater Utility Fund** accounts for storm drainage maintenance and construction activities. The primary source of revenue is customer utility charges.

The **Columbia Park Golf Course Fund** accounts for the operation of the 18-hole golf course and driving range located in Columbia Park.

WATER AND SEWER FUND

Fund Detail

REVENUES				
	2019/20	2021/22	2021/22	2023/23
	Actual	Adopted	Adjusted	Adopted
Beginning Working Capital	\$ 13,510,668	\$ 6,028,933	\$ 22,519,583	\$ 8,763,331
Intergovernmental Revenue	-	-	3,960,000	-
Water Sales	23,739,104	27,304,189	27,304,189	31,306,800
Sewer Sales	21,371,041	25,230,774	25,230,774	30,234,400
Other Utility Fees and Charges	2,148,226	2,173,105	2,173,105	2,258,600
Charges for Services	47,258,371	54,708,068	54,708,068	63,799,800
Miscellaneous Revenue	902,522	66,500	66,500	212,100
Proceeds from Long Term Debt	14,258,895	8,000,000	8,000,000	3,700,000
Long Term Intergovt'l Loan Proceeds	201,381	-	8,290,635	29,000,000
Other Financing Sources	14,460,276	8,000,000	16,290,635	32,700,000
Total Revenue Sources	\$ 76,131,837	\$ 68,803,501	\$ 97,544,786	\$ 105,475,231
EXPENDITURES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 6,503,192	\$ 6,939,413	\$ 6,939,413	\$ 7,705,450
Overtime	153,967	165,630	165,630	178,530
Part-Time Wages	71,075	87,800	87,800	118,500
Benefits	3,038,806	3,270,353	3,270,354	3,658,621
Salaries & Benefits	9,767,040	10,463,196	10,463,197	11,661,101
Supplies	803,415	927,105	927,105	969,031
Contractual Services	3,855,349	4,299,852	4,314,852	4,113,875
Travel & Training	30,520	61,400	61,400	63,100
Taxes & Assessments	7,255,164	9,510,152	9,510,152	11,682,925
Rentals & Leases	1,103,299	1,149,210	1,149,210	1,520,790
Utility Charges	2,603,223	2,578,450	2,578,450	2,777,500
Repair & Maintenance	1,153,947	1,182,212	2,827,212	3,304,653
Other Services & Charges	864,983	1,182,236	1,182,236	1,578,974
Supplies & Services	17,669,900	20,890,617	22,550,617	26,010,848
Arterial Street Fund	-	-	65,000	-
Capital Improvement Fund	810,620	31,696	60,328	117,750
Interfund Transfers	810,620	31,696	125,328	117,750
Debt Service	5,944,302	7,406,853	7,406,853	6,648,395
Machinery & Equipment	39,867	-	225,000	-
Projects	19,380,527	11,235,000	34,584,905	47,555,800
Capital Outlay	19,420,394	11,235,000	34,809,905	47,555,800
Ending Working Capital	22,519,583	18,776,139	22,188,887	13,481,337
Total Expenditures	\$ 76,131,837	\$ 68,803,501	\$ 97,544,786	\$ 105,475,231

WATER AND SEWER FUND

Fund Detail

PERSONNEL SUMMARY	Number of FTEs					
	2019	2020	2021	2022	2023	2024
Public Works Director	0.65	0.65	0.65	0.65	0.65	0.65
Deputy Public Works Director	0.5	0.5	0.3	0.3	0.3	0.3
Utility Services Manager	1	1	1	1	1	1
Construction Services Manager	0.1	0.1	0.3	0.3	0.3	0.3
Utility Services Project Engineer	1	1	1	1	1	1
Utility Operations Supervisor	1	1	1	1	1	1
Assistant Utility Operations Supervisor	1	1	1	1	1	1
Utility Engineer	0.2	0.2	0.2	0.2	0.5	0.5
Project Engineer	0.25	0.25	0.25	0.25	0.25	0.25
Field Engineer II	1	1	1	1	1	1
Development Services Supervisor	0.8	0.8	0.5	0.5	0.4	0.4
Public Works Technician	0.7	0.7	0.5	0.5	0.5	0.5
PW Contracts Specialist	0.2	0.2	0.2	0.2	0.35	0.35
Administrative Assistant	1.3	1.3	1.3	1.3	1.3	1.3
Senior Traffic Electrician	0.25	0.25	0.1	0.1	0.1	0.1
Crewleader	3	3	3	3	3	3
Traffic Electrician	0.25	0.25	0.1	0.1	0.1	0.1
Senior Automated Control & Telemetry (ACT) Specialist	1	1	1	1	1	1
Automated Control & Telemetry (ACT) Specialist	1	1	1	1	1	1
Plant Operator	6	6	6	6	6	9
Senior Pre-Treatment Specialist	1	0.9	0.9	0.9	0.9	0.9
Pre-Treatment Specialist	1	1	1	1	1	1
General Craftsworker	8	8	8	8	8	8
Equipment Operator	4	4	3.8	3.8	3.8	3.8
Maintenance & Construction (M&C) Craftsworker	11	11	11	11	11	11
Total Water and Sewer Fund	46.2	46.1	45.1	45.1	45.45	48.45

BUILDING SAFETY FUND

Fund Detail

REVENUES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Beginning Working Capital	\$ 2,556,224	\$ 2,600,000	\$ 2,852,808	\$ 1,860,000
Building Permits	3,956,485	2,900,000	2,900,000	3,873,000
Licenses & Permits	3,956,485	2,900,000	2,900,000	3,873,000
Miscellaneous Revenue	96,557	60,000	60,000	150,000
Total Revenue Sources	\$ 6,609,266	\$ 5,560,000	\$ 5,812,808	\$ 5,883,000
EXPENDITURES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 2,014,719	\$ 2,359,174	\$ 2,359,174	\$ 2,510,017
Overtime	1,162	2,500	2,500	2,500
Benefits	756,169	939,534	939,534	1,013,169
Salaries & Benefits	2,772,050	3,301,208	3,301,208	3,525,686
Supplies	23,648	27,920	34,120	42,335
Contractual Services	473,696	429,750	429,750	521,826
Travel & Training	18,911	31,100	31,100	33,500
Rentals & Leases	21,996	21,680	21,680	27,440
Insurance Premiums	49,363	57,520	57,520	91,331
Other Services & Charges	85,846	76,350	116,050	27,170
Supplies & Services	673,460	644,320	690,220	743,602
Capital Improvement Fund	310,948	-	-	28,000
Interfund Transfers	310,948	-	-	28,000
Ending Working Capital	2,852,808	1,614,472	1,821,380	1,585,712
Total Expenditures	\$ 6,609,266	\$ 5,560,000	\$ 5,812,808	\$ 5,883,000

BUILDING SAFETY FUND

Fund Detail

PERSONNEL SUMMARY	Number of FTEs					
	2019	2020	2021	2022	2023	2024
Planning Director	0.33	0.33	0.50	0.50	0.50	0.50
Building Official	1.00	1.00	1.00	1.00	1.00	1.00
Community Planning Manager	-	-	0.40	0.40	0.40	0.40
Express Permitting Manager	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	0.33	0.33	0.33	0.33	0.33	0.33
Captain Inspector	0.75	0.75	0.75	0.75	0.75	0.75
Fire Prevention Specialist	0.50	0.50	0.50	0.50	0.50	0.50
Building Inspector I	2.00	2.00	2.00	2.00	2.50	2.50
Residential Plans Examiner/Inspector	1.00	1.00	1.00	1.00	1.00	1.00
Plans Examiner	1.00	1.00	1.00	1.00	1.00	1.00
Senior Planner	0.10	0.10	0.40	0.40	0.40	0.40
Planner	0.50	0.50	0.50	0.50	0.50	0.50
Assistant Planner	0.20	0.20	0.20	0.20	0.20	0.20
GIS Technician	1.00	1.00	1.00	1.00	1.00	1.00
Customer Care Representative	1.50	1.92	1.94	1.94	1.94	1.94
Office Specialist	0.50	0.50	0.50	0.50	0.50	0.50
Total Building Safety Fund	11.71	12.13	13.02	13.02	13.52	13.52

MEDICAL SERVICES FUND

Fund Detail

REVENUES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Beginning Working Capital	\$ 1,025,413	\$ 2,286,500	\$ 6,344,671	\$ 2,777,729
Grants	1,381,678	170,450	510,448	-
Medicaid Transformation Demo Project	10,774	-	-	-
GEMT Payment Program	5,238,307	1,910,000	1,910,000	4,075,000
Intergovernmental Revenue	6,630,759	2,080,450	2,420,448	4,075,000
Emergency Ambulance Service	7,340,277	7,380,000	7,380,000	8,480,000
Insurance Adjustments	(2,763,222)	(2,710,000)	(2,710,000)	(3,478,350)
Household Ambulance Charge	9,355,428	11,440,000	11,440,000	13,150,000
Charges for Services	13,932,483	16,110,000	16,110,000	18,151,650
Miscellaneous Revenue	87,876	-	-	50,000
Capital Improvement Fund	-	-	-	30,500
General Fund*	9,985,500	10,120,000	10,120,000	10,120,000
Interfund Transfers	9,985,500	10,120,000	10,120,000	10,150,500
Total Revenue Sources	\$ 31,662,031	\$ 30,596,950	\$ 34,995,119	\$ 35,204,879
EXPENDITURES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 15,621,150	\$ 17,253,831	\$ 17,253,831	\$ 18,599,848
Overtime	934,346	1,157,401	1,157,401	1,276,035
Benefits	4,941,157	5,416,020	5,416,020	6,121,357
Salaries & Benefits*	21,496,653	23,827,252	23,827,252	25,997,240
Supplies	407,436	333,864	373,864	537,679
Contractual Services	923,731	1,618,962	1,618,962	2,036,300
SECOMM	129,182	134,000	134,000	152,700
Travel & Training	22,792	37,249	37,249	62,276
State Excise Tax	296,016	265,000	265,000	325,000
Utility Tax	184,638	176,000	176,000	218,000
Rentals & Leases	939,372	1,147,520	1,147,520	1,316,920
Repair & Maintenance	143,520	196,634	196,634	225,344
Bad Debt	276,903	380,000	380,000	380,000
Other Services & Charges	359,670	407,106	407,106	595,425
Supplies & Services	3,683,260	4,696,335	4,736,335	5,849,644
Capital Improvement Fund	137,447	-	-	53,650
Interfund Transfers	137,447	-	-	53,650
Ending Working Capital	6,344,671	2,073,363	6,431,532	3,304,345
Total Expenditures	\$ 31,662,031	\$ 30,596,950	\$ 34,995,119	\$ 35,204,879

*Beginning in 2019, all Fire Department personnel costs are allocated based on committed time for suppression, ambulance, or prevention activities utilizing data from a recent cost of service study completed for the department. As a result, a significant amount of personnel costs have been reallocated to the Medical Services Fund (ambulance utility) from the General Fund. In conjunction with this change, the General Fund's transfer to the Medical Services Fund has also increased significantly to offset this structural budgeting change.

MEDICAL SERVICES FUND

Fund Detail

PERSONNEL SUMMARY						
	Number of FTEs					
	2019*	2020	2021	2022	2023	2024
Fire Chief	0.80	0.80	0.80	0.80	0.80	0.80
Operations Chief	0.40	0.40	0.40	0.40	0.40	0.40
Deputy Fire Chief	0.80	0.80	0.80	0.80	0.80	0.80
Battalion Chief	0.60	0.60	0.60	0.60	0.60	0.60
EMS Captain	1.00	1.00	1.00	1.00	1.00	1.00
Training Captain	0.20	0.20	0.20	0.20	0.20	0.20
Fire Captain	5.95	5.95	5.95	5.95	5.95	5.95
Captain/Paramedic	6.80	6.80	6.80	6.80	6.80	6.80
Firefighter/Paramedic	22.95	22.95	22.95	22.95	22.95	22.95
Firefighter/EMT	33.15	33.15	33.15	33.15	33.15	33.15
Data Analyst	0.80	0.80	0.80	0.80	0.80	0.80
Administrative Assistant	0.80	0.80	0.80	0.80	0.80	0.80
Accounting Technician	0.25	0.25	0.25	0.25	0.25	0.25
Accounting Specialist	1.00	-	-	-	-	-
Office Specialist	1.00	1.00	1.00	1.00	1.00	1.00
Total Medical Services Fund	76.50	75.50	75.50	75.50	75.50	75.50

STORMWATER UTILITY FUND

Fund Detail

REVENUES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Beginning Working Capital	\$ 317,085	\$ 1,563,475	\$ 1,912,249	\$ 1,530,250
Stormwater Utility Charges	4,856,580	5,105,300	5,105,300	5,420,000
Charges for Services	4,856,580	5,105,300	5,105,300	5,420,000
Miscellaneous Revenue	24,348	3,900	3,900	15,000
Grants	1,744,730	-	-	-
Other Financing Sources	1,744,730	-	-	-
Total Revenue Sources	\$ 6,942,743	\$ 6,672,675	\$ 7,021,449	\$ 6,965,250
EXPENDITURES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 911,395	\$ 1,191,073	\$ 1,191,073	\$ 1,190,538
Overtime	8,784	15,000	15,000	15,000
Part-Time Wages	3,672	7,000	7,000	7,000
Benefits	424,405	549,829	549,829	595,651
Salaries & Benefits	1,348,256	1,762,902	1,762,902	1,808,189
Supplies	52,538	46,640	46,640	55,487
Contractual Services	345,180	456,315	456,315	557,769
Travel & Training	4,306	7,500	7,500	7,500
Taxes & Assessments	124,522	127,690	127,690	134,300
Rentals & Leases	514,223	533,700	533,700	853,680
Repair & Maintenance	67,637	76,250	76,250	62,500
Work Performed by Other Depts	4,627	35,000	35,000	10,000
Stormwater Permits/Compliance	73,032	81,550	81,550	90,000
Other Services & Charges	254,668	57,835	57,835	127,327
Supplies & Services	1,440,733	1,422,480	1,422,480	1,898,563
Capital Improvement Fund	70,811	9,056	15,807	15,400
Equipment Rental Fund	64,305	-	-	-
Interfund Transfers	135,116	9,056	15,807	15,400
Debt Service	218,507	-	-	-
Machinery & Equipment	5,214	-	-	-
Projects	1,882,668	2,630,000	2,800,000	2,887,000
Capital Outlay	1,887,882	2,630,000	2,800,000	2,887,000
Ending Working Capital	1,912,249	848,237	1,020,260	356,098
Total Expenditures	\$ 6,942,743	\$ 6,672,675	\$ 7,021,449	\$ 6,965,250

STORMWATER UTILITY FUND

Fund Detail

	PERSONNEL SUMMARY					
		Number of FTEs				
	2019	2020	2021	2022	2023	2024
Public Works Director	0.05	0.05	0.05	0.05	0.05	0.05
Deputy Public Works Director	-	-	0.20	0.20	0.20	0.20
Utility Engineer	0.70	0.70	-	-	-	-
Development Services Supervisor	0.10	0.10	0.25	0.25	0.35	0.35
Public Works Technician	0.15	0.15	-	-	-	-
Engineering Technician II	-	-	0.70	0.70	0.25	0.25
Engineering Technician I	-	-	0.25	0.25	0.25	0.25
Administrative Assistant	0.10	0.10	0.10	0.10	0.10	0.10
Crewleader	0.50	0.50	0.50	0.50	0.50	0.50
Equipment Operator	5.50	5.50	5.60	5.60	5.60	5.60
Total Stormwater Utility Fund	7.10	7.10	7.65	7.65	7.30	7.30

COLISEUM FUND

Fund Detail

REVENUES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Beginning Working Capital	\$ (778,976)	\$ -	\$ (81,053)	\$ -
Intergovernmental Revenue	-	-	2,840,000	-
Advertising/Sponsorship Revenue	712,425	596,000	596,000	650,000
Event Revenue	1,713,248	1,672,000	1,972,000	2,958,000
Food & Beverage Revenue	1,939,182	2,080,000	2,080,000	3,138,400
Ice Arena Revenue	553,433	528,000	828,000	840,000
Charges for Services	4,918,288	4,876,000	5,476,000	7,586,400
Miscellaneous Revenue	317,912	4,000	204,000	-
General Fund	710,000	400,000	400,000	400,000
Lodging Tax Fund	1,545,095	1,290,000	1,140,000	1,340,000
Capital Improvement Fund	4,442,263	18,000	18,000	-
Interfund Transfers	6,697,358	1,708,000	1,558,000	1,740,000
Total Revenue Sources	\$ 11,154,582	\$ 6,588,000	\$ 9,996,947	\$ 9,326,400
EXPENDITURES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Personnel	\$ 3,142,773	\$ 2,808,000	\$ 3,208,000	\$ 4,655,600
General and Administrative	68,942	60,000	95,000	143,200
Occupancy	1,145,639	1,136,000	1,466,000	1,485,600
Event Expenses	876,398	944,000	944,000	1,421,000
Services/Operations	958,411	956,000	956,000	829,600
Taxes & Assessments	62,692	-	35,000	91,400
Travel & Training	7,189	16,000	16,000	-
Supplies & Services	6,262,044	5,920,000	6,720,000	8,626,400
Debt Service	374,411	-	-	-
Buildings	1,428,805	-	-	-
Other Improvements	7,159	668,000	3,358,000	700,000
Machinery & Equipment	3,163,216	-	-	-
Capital Outlay	4,599,180	668,000	3,358,000	700,000
Ending Working Capital	(81,053)	-	(81,053)	-
Total Expenditures	\$ 11,154,582	\$ 6,588,000	\$ 9,996,947	\$ 9,326,400

COLUMBIA PARK GOLF COURSE FUND

Fund Detail

REVENUES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Beginning Working Capital	\$ (16,786)	\$ -	\$ 2,652	\$ -
Sales of Merchandise	17,990	25,000	25,000	23,000
Green Fees and Other Charges	381,801	436,500	551,500	604,000
Golf Lessons	2,726	8,000	8,000	3,000
Food and Beverage Sales	25,976	20,000	20,000	21,000
Charges for Services	428,493	489,500	604,500	651,000
Miscellaneous Revenue	10,984	15,600	15,600	20,000
General Fund	242,600	247,400	247,400	200,000
Capital Improvement Fund	426,055	170,000	170,000	85,000
Risk Management Fund	150,200	-	-	-
Interfund Transfers	818,855	417,400	417,400	285,000
Total Revenue Sources	\$ 1,241,546	\$ 922,500	\$ 1,040,152	\$ 956,000
EXPENDITURES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
General & Administrative	\$ 201,619	\$ 181,200	\$ 201,200	\$ 202,000
Maintenance	224,310	262,000	357,000	304,000
Operations Costs	214,667	278,000	278,000	338,000
Other Operating Expenses	42,826	31,300	31,300	27,000
Supplies & Services	683,422	752,500	867,500	871,000
Capital Outlay	555,472	170,000	170,000	85,000
Ending Working Capital	2,652	-	2,652	-
Total Expenditures	\$ 1,241,546	\$ 922,500	\$ 1,040,152	\$ 956,000

INTERNAL SERVICE FUNDS

The **Equipment Rental Fund** is responsible for the management, maintenance, and repair of all City-owned equipment. The major source of revenue is user charges to other departments within the City. The maintenance and operation rates are established with the intent that the operation will break even. The replacement rates are established to create a reserve for the necessary replacement of City equipment and vehicles.

The **Risk Management Fund** is responsible for self-insurance services to all City departments, including provision for losses on unemployment compensation claims, dental insurance claims, sewer back-up claims, and other non-contractual claims against the City. All expenses, including insurance premiums, are paid by the Risk Management Fund and rates are charged to departments based on use and/or coverage requirements.

The **Central Stores Fund** is responsible for the purchasing, warehousing, and disbursement of supplies for all departments within the City. The major source of revenue is user charges to other departments for supplies, irrigation parts, and use of city copier machines. Maintenance charges are established with the intent that the operation will break even. Replacement charges are assessed to create a reserve for the future replacement of City owned copier machines.

EQUIPMENT RENTAL FUND

Fund Detail

REVENUES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Beginning Working Capital	\$ 5,240,665	\$ 6,272,000	\$ 6,556,375	\$ 5,835,000
Intergovernmental Revenue	-	-	2,085,000	-
Maintenance & Replacement Charges	4,622,144	4,797,260	4,823,060	6,372,545
Charges for Services	4,622,144	4,797,260	4,823,060	6,372,545
Interest/Miscellaneous	226,487	175,000	175,000	50,000
Miscellaneous Revenue	226,487	175,000	175,000	50,000
General Fund	96,149	-	9,750	36,000
Asset Forfeiture Fund	-	-	15,000	-
Criminal Justice Sales Tax Fund	-	-	-	28,000
Capital Improvement Fund	2,024,073	1,758,000	2,094,000	3,194,906
Stormwater Fund	64,305	-	-	-
Risk Management Fund	12,500	-	567,500	-
Interfund Transfers	2,197,027	1,758,000	2,686,250	3,258,906
Proceeds from Sale of Capital Assets	116,839	50,000	50,000	-
Other Financing Sources	116,839	50,000	50,000	-
Total Revenue Sources	\$ 12,403,162	\$ 13,052,260	\$ 16,375,685	\$ 15,516,451
EXPENDITURES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 561,391	\$ 608,998	\$ 608,998	\$ 681,245
Overtime	8,764	12,000	12,000	6,000
Part-Time Wages	1,392	-	-	-
Benefits	289,475	314,516	314,516	353,434
Salaries & Benefits	861,022	935,514	935,514	1,040,679
Supplies	834,475	581,050	631,050	698,296
Gasoline	848,734	960,200	1,300,200	1,575,000
Contractual Services	36,961	38,600	38,600	40,500
Travel & Training	809	4,000	4,000	4,500
Rentals & Leases	80,498	71,500	71,500	80,860
Repair & Maintenance	372,525	314,700	489,700	487,100
Other Services & Charges	25,588	21,250	53,750	94,450
Supplies & Services	2,199,590	1,991,300	2,588,800	2,980,706
Debt Service	513,238	514,754	514,754	245,696
Machinery & Equipment	5,900	-	-	-
Transportation Equipment	2,267,037	3,284,500	6,735,195	4,926,500
Capital Outlay	2,272,937	3,284,500	6,735,195	4,926,500
Ending Working Capital	6,556,375	6,326,192	5,601,422	6,322,870
Total Expenditures	\$ 12,403,162	\$ 13,052,260	\$ 16,375,685	\$ 15,516,451

EQUIPMENT RENTAL FUND*Fund Detail*

PERSONNEL SUMMARY	Number of FTEs					
	2019	2020	2021	2022	2023	2024
Purchasing/Warehouse Manager	0.35	0.35	0.35	0.35	0.35	0.35
Buyer II	0.30	0.30	0.30	0.30	0.30	0.30
Crewleader	1.00	1.00	1.00	1.00	1.00	1.00
Mechanic	2.00	2.00	2.00	2.00	2.00	2.00
Warehouse Person	0.30	0.30	0.30	0.30	0.30	0.30
Total Equipment Rental Fund	3.95	3.95	3.95	3.95	3.95	3.95

RISK MANAGEMENT FUND

Fund Detail

REVENUES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Beginning Working Capital	\$ 629,940	\$ 405,700	\$ 748,969	\$ 357,114
Risk Management Services	1,137,906	1,282,800	1,282,800	1,927,330
Dental Premiums	1,061,583	1,234,775	1,234,775	1,358,500
Charges for Services	2,199,489	2,517,575	2,517,575	3,285,830
Insurance Recoveries/Settlements	479,549	80,000	779,500	150,000
Interest/Miscellaneous	6,685	2,000	2,000	2,000
Miscellaneous Revenue	486,234	82,000	781,500	152,000
General Fund	1,775,000	1,650,000	2,200,000	2,450,000
Interfund Transfers	1,775,000	1,650,000	2,200,000	2,450,000
Total Revenue Sources	\$ 5,090,663	\$ 4,655,275	\$ 6,248,044	\$ 6,244,944
EXPENDITURES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Salaries	\$ 180,755	\$ 178,466	\$ 178,466	\$ 195,930
Benefits	82,420	89,893	89,893	98,587
Salaries & Benefits	263,175	268,359	268,359	294,517
Supplies	3,850	1,800	1,800	2,021
Dental Insurance	947,363	1,234,775	1,234,775	1,358,500
Payment to Claimants	160,561	150,000	150,000	150,000
Insurance Premiums	2,233,209	2,503,440	2,628,440	3,709,912
Self-Insured Retention Payments	546,388	130,000	825,000	150,000
Travel & Training	1,573	4,000	4,000	5,500
Other Services & Charges	22,875	27,875	27,875	34,310
Supplies & Services	3,915,819	4,051,890	4,871,890	5,410,243
CP Golf Course Fund	150,200	-	-	-
Equipment Rental Fund	12,500	-	567,500	-
Interfund Transfers	162,700	-	567,500	-
Ending Working Capital	748,969	335,026	540,295	540,184
Total Expenditures	\$ 5,090,663	\$ 4,655,275	\$ 6,248,044	\$ 6,244,944

RISK MANAGEMENT FUND*Fund Detail*

PERSONNEL SUMMARY	Number of FTEs					
	2019	2020	2021	2022	2023	2024
Risk Management Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Total Risk Management Fund	1.00	1.00	1.00	1.00	1.00	1.00

CENTRAL STORES FUND

Fund Detail

REVENUES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Beginning Working Capital	\$ 186,071	\$ 195,000	\$ 215,886	\$ 157,022
Copier & Inventory Sales	527,198	471,750	553,750	536,065
Charges for Services	527,198	471,750	553,750	536,065
Interest/Miscellaneous	4,289	3,000	3,000	-
Miscellaneous Revenue	4,289	3,000	3,000	-
Total Revenue Sources	\$ 717,558	\$ 669,750	\$ 772,636	\$ 693,087
EXPENDITURES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Inventory & Supplies	\$ 359,576	\$ 335,950	\$ 417,950	\$ 388,225
Rental/Lease of Equipment	76,247	75,000	75,000	79,320
Repair & Maintenance	65,849	75,000	75,000	67,000
Supplies & Services	501,672	485,950	567,950	534,545
Machinery & Equipment	-	48,000	48,000	-
Capital Outlay	-	48,000	48,000	-
Ending Working Capital	215,886	135,800	156,686	158,542
Total Expenditures	\$ 717,558	\$ 669,750	\$ 772,636	\$ 693,087

FIDUCIARY FUNDS

Fiduciary Funds (Trust and Custodial funds) are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. These funds are used to account for resources that are legally held in a trust or agency capacity for others, which therefore cannot be used to support the City's own programs.

TRUST FUNDS

The **Firemen's Pension Fund** is used to account for the City's administration of a closed, small single-employer defined benefit plan. The City of Kennewick's obligations under the Firemen's Pension Fund are limited to the benefits provided to firefighters retired prior to March 1, 1970. As of September 30, 2022, there were 10 individuals covered by the Fund, all of which were drawing benefits. To meet these obligations, the City may contribute annually to the Fund the amount raised by levying all or part of a tax of up to \$0.45 per \$1,000 of true and fair market value, the maximum provided by law for maintaining the Fund. Contributions also include donations and income from state fire insurance premium collection.

The **OPEB Trust Fund** accounts for the post-employment benefits associated with medical coverage of firefighters and police officers who have retired under the LEOFF I plan. The expenditures are funded by a 2.5% utility tax on water and sewer service revenues.

FIREMEN'S PENSION FUND

Fund Detail

REVENUES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Beginning Fund Balance	\$ 898,071	\$ 926,000	\$ 925,151	\$ 1,004,000
Property	134,000	134,000	134,000	134,000
Taxes	134,000	134,000	134,000	134,000
Fire Insurance Premium	194,304	218,000	218,000	246,000
Intergovernmental Revenue	194,304	218,000	218,000	246,000
Miscellaneous Revenue	32,330	38,000	38,000	52,000
Total Revenue Sources	\$ 1,258,705	\$ 1,316,000	\$ 1,315,151	\$ 1,436,000
EXPENDITURES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Retirement	\$ 318,654	\$ 285,700	\$ 285,700	\$ 284,400
Salaries & Benefits	318,654	285,700	285,700	284,400
Supplies	-	50	50	50
Actuarial Study	14,900	12,500	12,500	15,500
Travel & Training	-	4,000	4,000	4,000
Other Services & Charges	-	250	250	250
Supplies & Services	14,900	16,800	16,800	19,800
Ending Fund Balance	925,151	1,013,500	1,012,651	1,131,800
Total Expenditures	\$ 1,258,705	\$ 1,316,000	\$ 1,315,151	\$ 1,436,000

OPEB TRUST FUND

Fund Detail

REVENUES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Beginning Fund Balance	\$ 4,061,786	\$ 4,133,000	\$ 4,161,528	\$ 4,466,000
Water/Sewer Utility Tax	1,109,083	1,311,010	1,311,010	1,524,600
Taxes	1,109,083	1,311,010	1,311,010	1,524,600
Interest/Miscellaneous	134,925	167,000	167,000	231,000
Miscellaneous Revenue	134,925	167,000	167,000	231,000
Total Revenue Sources	\$ 5,305,794	\$ 5,611,010	\$ 5,639,538	\$ 6,221,600
EXPENDITURES				
	2019/20	2021/22	2021/22	2023/24
	Actual	Adopted	Adjusted	Adopted
Medical Insurance	\$ 748,662	\$ 786,000	\$ 786,000	\$ 735,000
Other Medical Coverage	372,627	389,500	389,500	389,500
Salaries & Benefits	1,121,289	1,175,500	1,175,500	1,124,500
Supplies	14	140	140	130
Contractual/Consulting Services	16,900	14,500	14,500	22,000
Disability Board Secretary	1,295	8,000	8,000	4,000
Travel & Training	4,212	4,000	4,000	4,000
Other Services & Charges	556	600	600	600
Supplies & Services	22,977	27,240	27,240	30,730
Ending Fund Balance	4,161,528	4,408,270	4,436,798	5,066,370
Total Expenditures	\$ 5,305,794	\$ 5,611,010	\$ 5,639,538	\$ 6,221,600

CAPITAL IMPROVEMENT PROGRAM

In an effort to improve the effectiveness of the Capital Improvement planning process, the City consolidates its Capital Improvement Program (CIP) document into the Comprehensive Plan and biennial budget document. The CIP project summaries and fund detail reports are presented in a section of the budget document titled “Capital Improvement Program”. The detailed project worksheets and future project listings are also integrated into the Capital Facility Element of the Comprehensive Plan.

The CIP provides the means through which the City of Kennewick takes a planned and programmed approach to utilizing its financial resources in the most responsive and efficient manner to meet service and facility needs. The CIP correlates funding sources to needed improvements and identifies projects for dedicated revenues such as the optional 1/2% sales tax and 1/2% real estate excise tax. The process encourages long-range decision-making. It also helps to assure the continuity of Council goals and objectives and identifies the impacts in future years of decisions made currently. New projects are viewed not only in terms of how much they will cost, but consideration is also given to what impact the project will have on the City’s current and future operating costs.

The long range planning process associated with the Capital Improvement Program is the link between accommodating Kennewick’s financing capability, the provision of adequate capital facilities and the ability of these facilities to meet existing and future identified needs. The adoption of the Capital Improvement Program serves to align the priorities recognized in the Comprehensive Land Use Plan and Biennial Budget with appropriate funding mechanisms for provision of community facilities. The CIP process is guided by the following goals and policies, which have been adopted by City Council to provide for consistency between the Capital Improvement Program, the City’s Comprehensive Plan, and the biennial budget process:

- **GOAL 1:** *Provide capital facilities based on the countywide projected growth.*
 - *Policy 1 – Forecast future needs based on population growth and distribution of growth as indicated in the land use plan. Locate and extend facilities only within the Urban Growth Area (UGA) in a way that is consistent with the land use plan.*
- **GOAL 2:** *Maintain consistency between the Capital Facilities Plan, Land Use Element, and the Financing Plan.*
 - *Policy 1 – Prioritize capital needs that are consistent with overall planning goals.*
 - *Policy 2 – Reassess and update the Land Use Element periodically to ensure that capital facility needs, financing and service levels are consistent.*
 - *Policy 3 – Ensure that level of service standards are being met within a reasonable amount of time to address the impacts of development.*
- **GOAL 3:** *Provide adequate facilities and services to serve new and existing development at the desired service levels.*

- *Policy 1 – Ensure adequate public facilities are in place concurrent with development. Concurrent with development shall mean the existence of adequate facilities, strategies, or services when development occurs or the existence of a financial commitment to provide adequate facilities, strategies, or services within six years of when the development occurs.*
- *Policy 2 – Add parkland, open space, green belt, trails and recreational facilities as growth occurs, consistent with the City’s Parks and Recreation plan. Include consideration of neighborhood scale facilities to provide more local, convenient access to nearby residents.*
- *Policy 3 – Provide a diverse range of public recreation opportunities for all citizens of the City of Kennewick.*
- *Policy 4 – Coordinate planned capital investments across departments and with non-city-managed service providers.*
- *Policy 5 – Use level of service standards to evaluate adequacy of facilities.*
- **GOAL 4:** *Provide adequate resources for capital projects and make efficient use of fiscal and other resources.*
 - *Policy 1 – Use best management practices and best available technology in developing and managing all capital facilities and services.*
 - *Policy 2 - Practice potable water and wastewater conservation.*
 - *Policy 3 - Recover costs related to the extension of new services.*
 - *Policy 4 - Address stormwater management consistent with Ecology manuals for Eastern Washington. Promote low-impact development techniques appropriate to site conditions and land use goals.*
 - *Policy 5 - Encourage and support public/private partnerships to provide and/or finance public facilities or amenities, such as parks and open spaces.*
 - *Policy 6 - Encourage development in areas where new facilities can be provided in an efficient manner.*

In addition to the general policies identified above, the process of preparing the CIP is also guided by the following debt and budget related fiscal goals and policies:

- *When capital funding decisions are made, priorities shall be given to maintaining existing capital assets over the acquisition or construction of new facilities.*

- *Financing for the majority of capital assets, other than infrastructure, shall normally be made over the life of the asset, or 20 years, whichever comes first.*
- *Revenue bonds and LIDs shall be used to finance improvements when applicable.*
- *Councilmanic bonds and lease financing can be used to fund infrastructure where positive cost/benefit ratios exist or where there is no other source of funds.*
- *Voter approved general obligation bonds and special levies shall be used to finance major projects with high visibility such as fire stations, swimming pools, fire equipment, trails, waterfront projects, community parks and facilities, etc.*
- *Proceeds of the optional one-half of one percent sales tax and proceeds from both the first and second quarter of one percent real estate excise tax (as allowed by state statute) shall be used to fund City Council's priority Capital Improvement Program ("CIP") except for funds used to:*
 - *Replace Federal Revenue Sharing Funds in the amount of \$500,000;*
 - *Replace the lost 35% of motor vehicle tax that occurred in 1986 upon implementation of the one-half cent optional sales tax in an amount calculated based on past historical motor vehicle excise tax inflated by 10% per year beginning in 2002 when motor vehicle excise tax was eliminated and no additional historical information was available;*
 - *Provide repayment of debt service on the 2003 CIP projects in the amount of approximately \$670,000 per year beginning on January 1, 2009, until the bonds are paid-in-full;*
 - *Provide repayment of debt service on the police facility in the amount of approximately \$725,000 per year beginning on January 1, 2007, until the bonds are paid-in-full;*
 - *Support the City's economic development efforts in an amount equal to the optional sales tax received from economic development efforts up to a maximum of \$500,000 per year beginning on January 1, 2009;*
 - *Support the Public Facilities District for a portion of the debt service related to the construction of the Three Rivers Convention Center beginning in 2001 as per Ordinance No. 5001 in the amount of \$725,000 per year;*
 - *Provide for up to \$150,000 annually (indexed each biennium) to fund priority facility related improvements beginning January 1, 2011;*
 - *Provide for up to \$250,000 annually (indexed each biennium) to fund priority technology related improvements beginning January 1, 2011;*

- *Provide contributions to the Police, Fire and Public Works/Parks vehicle and apparatus replacement programs, respectively, beginning in 2011.*
- *Each year, City Council shall evaluate making a \$1 million transfer from the General Fund to the Capital Fund in order to implement Council priority programs.*
- *Pursuant to Council Resolution 18-23, effective January 1, 2019, 4% of the 6.5% utility tax on water and sewer services enacted by City Council in 2009 shall be dedicated towards debt service on the general obligation bonds issued to finance the replacement of Fire Station No. 1 and Fire Station No. 3, and to construct a new Fire Station No. 6 in the future.*

The selection and prioritization of capital improvement projects included in the CIP is ultimately based on City Council approval. The CIP is recommended to the full City Council as part of the biennial budget recommendation every two years based on a thorough review and prioritization of potential projects and the capital program as a whole. While reviewing potential projects, the following guiding principles are used to evaluate and prioritize items:

- ***Quality of Life*** – Does the project enhance the overall quality of life for Kennewick residents?
- ***Economic Development*** – Does the project contribute to the financial stability and sustainability of the community?
- ***Rate of Return*** – Is there the probability that the added value of the completion of the project will exceed the cost of the project both in terms of added quality of life and financial stability?
- ***Leveraging Ability*** – Can the City contribution be leveraged to increase our chances of gaining outside funding?
- ***Partnering*** – Is the project conducive to developing public and private partnerships that will provide financial assistance?
- ***Effectiveness*** – Is the project a wise use of public funds?
- ***Positioning*** – Does the project help to position the City for short and long-term opportunities?
- ***Preservation*** – Is the City able to keep the excellent infrastructure foundation that is currently in place at its current level?
- ***Timeliness*** – Does waiting on a project that won't be completed for several years have as much value as a project of lesser importance that can be completed quicker?

The CIP is continually updated and modified, not just at budget time and during Comprehensive Plan updates. It is intended to be a flexible, dynamic tool for the City. The capital budget encompasses all capital project funds, and each fund will continue to stand on its own merit. Projects recommended for the CIP will include source and application of funds and cash flow projections. The multi-year cash flows by fund are found in this Capital Improvement Program section of the Biennial Budget.

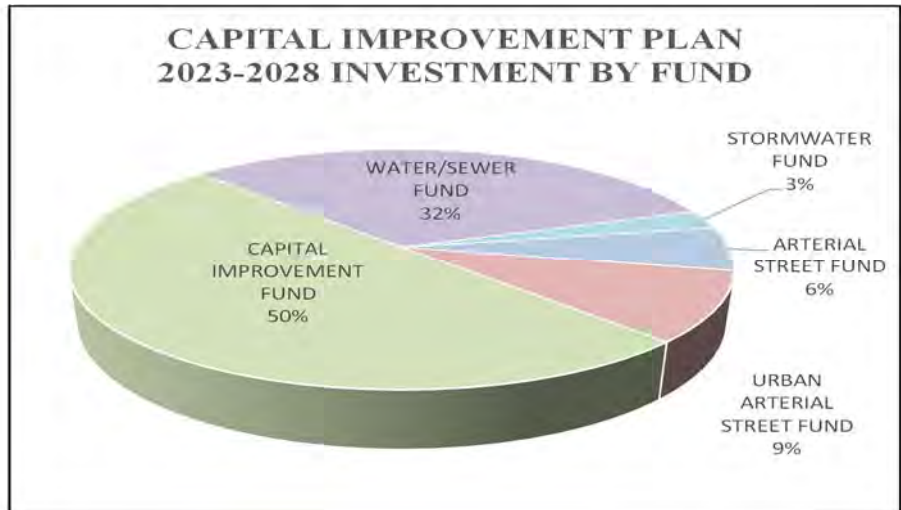
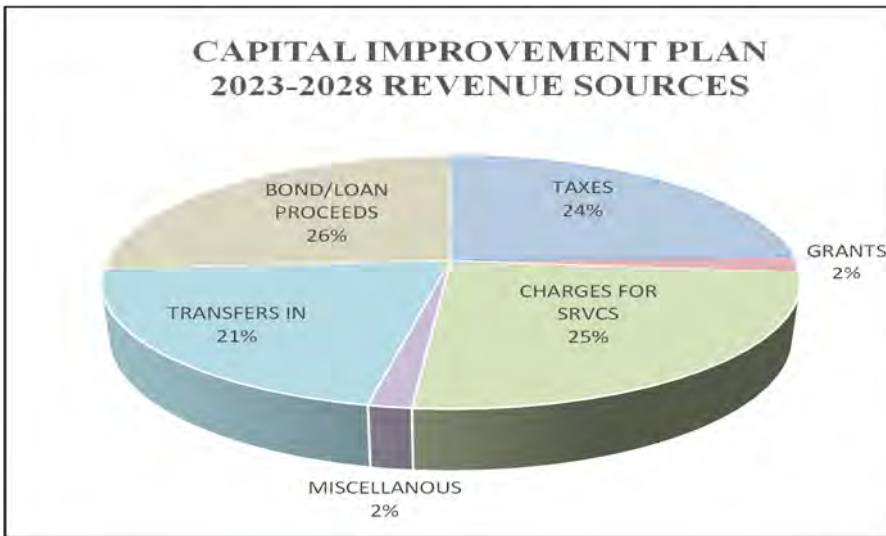
Growth Management Act Review - The Capital Improvement Program (CIP) of the biennial budget document has been reviewed by the Community Planning Department for consistency with the City of Kennewick's Comprehensive Plan. The CIP is formally updated every 2 years with the biennial budget in order to ensure financial resources are consistent with the Plan. The major project section of the Capital Improvement Program has been incorporated into the Comprehensive Plan as the Capital Facilities Element. All projects contained within the CIP are located within the adopted urban growth boundary. All projects in the CIP have an identified funding source within the six-year span of the document. All projects are in conformance with land uses depicted on the City's adopted land use plan map.

CITYWIDE SUMMARY

2023-2028 CIP SUMMARY

Capital Improvement Program

	PROJECTION							TOTAL
	2023	2024	2025	2026	2027	2028		
BEGINNING FUND BALANCE	\$ 38,128,022	\$ 57,127,887	\$ 44,897,812	\$ 60,259,156	\$ 46,504,952	\$ 39,802,685	\$ 38,128,022	
REVENUES								
Arterial Street Fund	4,000,000	4,000,000	3,000,000	3,000,000	3,000,000	3,000,000	20,000,000	
Urban Arterial Street Fund	600,000	2,570,000	3,466,000	15,055,500	7,957,000	2,079,000	31,727,500	
Capital Improvement Fund	19,637,800	18,530,650	18,502,880	54,843,385	20,276,072	33,011,770	164,802,557	
Water and Sewer Fund	4,1723,691	10,317,749	19,132,395	12,437,498	14,278,575	15,840,301	113,730,209	
Stormwater Fund	1,363,561	1,462,847	1,518,992	1,517,581	1,603,289	1,677,310	9,143,580	
TOTAL REVENUES	67,325,052	36,881,246	45,620,267	86,853,964	47,114,936	55,608,381	339,403,846	
TOTAL	\$ 105,453,074	\$ 94,009,133	\$ 90,518,079	\$ 147,113,120	\$ 93,619,888	\$ 95,411,066	\$ 377,531,868	
EXPENDITURES								
Arterial Street Fund	\$ 4,000,000	\$ 4,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 20,000,000	
Urban Arterial Street Fund	600,000	2,570,000	3,466,000	15,055,500	7,957,000	2,079,000	31,727,500	
Capital Improvement Fund	18,846,887	16,723,671	14,443,213	63,327,968	23,623,853	31,510,667	168,476,259	
Water and Sewer Fund	24,319,300	23,354,250	8,371,710	18,015,700	17,611,350	15,779,800	107,452,110	
Stormwater Fund	559,000	2,463,400	978,000	1,209,000	1,625,000	1,671,500	8,505,900	
TOTAL EXPENDITURES	48,325,187	49,111,321	30,258,923	100,608,168	53,817,203	54,040,967	336,161,769	
ENDING FUND BALANCE	57,127,887	44,897,812	60,259,156	46,504,952	39,802,685	41,370,099	413,700,999	
TOTAL	\$ 105,453,074	\$ 94,009,133	\$ 90,518,079	\$ 147,113,120	\$ 93,619,888	\$ 95,411,066	\$ 377,531,868	



CITYWIDE SUMMARY

Capital Improvement Program

	ACTUAL		ESTIMATE		PROJECTION			
	2019/2020	2021/2022	2023	2024	2025	2026	2027	2028
BEGINNING FUND BALANCE								
Arterial Street	\$ 20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Urban Arterial Street	227,685	2,224	-	-	-	-	-	-
Capital Improvement Fund	17,713,127	23,561,243	23,152,836	23,943,749	25,750,728	29,810,395	21,325,812	17,978,031
Water and Sewer Fund	11,204,145	14,938,876	13,365,599	30,769,990	17,733,489	28,494,174	22,915,972	19,583,197
Stormwater Fund	317,085	1,398,090	1,609,587	2,414,148	1,413,595	1,954,587	2,263,168	2,241,457
Total Beginning Fund Balance	29,462,062	39,900,433	38,128,022	57,127,887	44,897,812	60,259,156	46,504,952	39,802,685
REVENUES								
TAXES								
Trails & Paths Gas Tax	16,334	16,000	8,000	8,000	8,000	8,000	8,000	8,000
Optional Sales Tax	11,402,596	14,838,000	7,001,000	7,101,500	7,382,500	7,673,500	7,974,000	8,283,700
LRF Sales Tax	1,000,000	1,000,000	500,000	500,000	500,000	500,000	500,000	500,000
LRF Tax Increment - Sales Tax	37,000	-	-	-	-	-	-	-
Real Estate Excise Tax	3,337,758	5,225,500	1,719,000	1,771,000	1,824,000	1,879,000	1,935,000	1,993,000
Real Estate Excise Tax (2nd 1/4%)	3,337,758	5,225,500	1,719,000	1,771,000	1,824,000	1,879,000	1,935,000	1,993,000
LRF Property Tax	524,212	774,000	470,000	517,000	564,000	611,000	660,000	738,000
LRF Tax Increment - Property Tax	113,311	67,000	23,000	23,000	23,000	23,000	23,000	23,000
Water and Sewer Utility Tax	1,774,370	2,158,873	1,180,400	1,259,100	1,343,200	1,432,800	1,528,500	1,621,500
Subtotal Taxes	21,543,339	29,304,873	12,620,400	12,950,600	13,468,700	14,006,300	14,563,500	15,160,200
INTERGOVERNMENTAL								
Rural County Funds	384,542	-	500,000	-	500,000	-	500,000	-
CSLFRF - ARPA Funds	-	6,060,000	-	-	-	-	-	-
State Proviso	1,622,987	-	-	-	-	-	-	-
HSIP State	-	875,607	363,000	-	-	-	-	-
FEMA Grant	56,623	80,319	-	-	-	-	-	-
NHFP Grant	1,025	-	-	-	-	-	-	-
NHS Grant	1,432,160	-	-	-	-	-	-	-
STP Federal	1,501,061	5,299,146	-	666,050	1,989,500	2,084,800	-	-
STP Local	4,989	-	-	-	-	-	-	-
Emergency Management State	9,437	13,386	-	-	-	-	-	-
TIB Grant	309,938	1,733,008	-	600,000	-	-	-	-
WSDOT Grant	2,602	-	-	-	40,000	826,800	-	-
WTSC Grant	120,815	30,842	-	-	-	-	-	-
Benton Franklin Council of Government TAP Grant	-	-	-	-	30,275	259,500	528,082	-
RCO Grant	-	135,000	-	-	-	-	-	-
Connecting Washington Grant	1,870,000	217,285	-	-	-	-	-	-
Kennewick School District	136,846	7,710	-	-	5,200	40,116	-	-
City of Richland	-	114,750	-	-	-	-	-	-
Port of Kennewick	-	794,400	-	-	-	90,760	216,200	-
Department of Commerce Grant	-	37,240	-	-	-	-	-	-
Department of Ecology Grant	126,860	20,000	-	-	-	-	-	-
Subtotal Intergovernmental	7,579,885	15,418,693	863,000	1,266,050	2,564,975	3,301,976	1,244,282	-
CHARGES FOR SERVICES								
Revenue from Water/Sewer Rates	8,711,187	12,256,798	8,543,616	9,593,334	11,146,440	11,747,762	13,538,337	15,028,782
Revenue from Stormwater Rates	1,553,528	3,006,753	1,347,465	1,438,792	1,506,380	1,500,475	1,574,631	1,651,484
Water Area Charges	152,754	125,540	74,664	75,801	76,955	78,126	79,316	80,523
Sewer Area Charges	384,950	403,525	284,248	288,575	292,968	297,428	301,956	306,553
Subtotal Charges for Services	10,802,419	15,792,616	10,249,993	11,396,502	13,022,743	13,623,791	15,494,240	17,067,342

CITYWIDE SUMMARY

Capital Improvement Program

	ACTUAL	ESTIMATE	PROJECTION					
	2019/2020	2021/2022	2023	2024	2025	2026	2027	2028
MISCELLANEOUS								
Interest/Miscellaneous	633,329	372,648	387,259	634,094	478,644	581,288	637,624	700,269
Rentals and Leases	28,597	46,000	23,000	23,000	23,000	23,000	23,000	23,000
Proceeds from Land Sale	-	218,000	-	-	-	-	-	-
Donations	217,991	180,000	202,000	57,000	42,000	42,000	42,000	-
Park Development Fees	29,243	7,732	-	-	-	-	-	-
Developer Contributions	777,300	228,288	-	-	-	-	-	-
Subtotal Miscellaneous	1,686,460	1,052,668	612,259	714,094	543,644	646,288	702,624	723,269
INTERFUND TRANSFERS								
Transfer from Capital Improvement Fund:								
Urban Arterial Fund	5,188,593	2,227,243	100,000	1,303,950	931,300	12,013,024	7,240,800	2,079,000
Arterial Street Fund	3,903,005	5,000,000	4,000,000	4,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Capital Improvement Fund - Facilities	1,410,935	2,860,527	1,676,900	882,200	521,305	547,985	575,290	606,370
Capital Improvement Fund - TIF	1,870,786	2,007,080	500,000	500,000	500,000	500,000	500,000	500,000
Capital Improvement Fund - LRF Tax	1,575,603	2,044,299	993,000	1,040,000	1,087,000	1,134,000	1,183,000	1,261,000
Capital Improvement Fund - PIF	-	188,112	225,000	-	-	-	-	-
Capital Improvement Fund - Park Reserve	-	62,540	-	-	-	-	-	-
Capital Improvement Fund - 2016 GO Bond	384,297	-	-	-	-	-	-	-
Capital Improvement Fund - 2020 GO Bond	-	2,080,000	-	-	-	-	-	-
Capital Improvement Fund - Capital	1,791,311	1,388,811	560,500	581,550	610,600	610,600	641,200	641,200
Transfer from General Fund:								
Capital Improvement Fund - Streets	2,000,000	1,174,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Transfer from Medical Services Fund:								
Capital Improvement Fund - Capital	137,447	-	24,000	29,650	-	-	-	-
Transfer from Building Safety Fund:								
Capital Improvement Fund - Capital	310,948	-	12,000	16,000	-	-	-	-
Transfer from Water/Sewer:								
Capital Improvement Fund - Facilities	-	35,896	-	-	-	-	-	-
Capital Improvement Fund - Capital	810,620	-	52,000	65,750	-	-	-	-
Transfer from Stormwater:								
Capital Improvement Fund - Facilities	-	10,256	-	-	-	-	-	-
Capital Improvement Fund - Capital	70,811	-	8,000	7,400	-	-	-	-
Transfer from Bi-Pin Operations Fund:								
Capital Improvement Fund - Facilities	2,996	-	8,000	7,500	-	-	-	-
Transfer from Community Development Fund:								
Capital Improvement Fund - Streets	863,945	1,388,902	500,000	500,000	350,000	350,000	350,000	350,000
Subtotal Interfund Transfers	20,321,297	20,467,666	9,659,400	9,934,000	8,000,205	19,155,609	14,490,290	9,437,570
OTHER FINANCING SOURCES								
Bond Proceeds	21,928,972	18,170,000	3,700,000	-	7,400,000	35,500,000	-	12,600,000
State Revolving Loan Fund Proceeds	145,023	2,347,000	29,000,000	-	-	-	-	-
Bond Premiums	107,402	545,500	-	-	-	-	-	-
Transportation Impact Fees	1,507,989	1,393,000	500,000	500,000	500,000	500,000	500,000	500,000
Park Impact Fees	273,522	215,000	120,000	120,000	120,000	120,000	120,000	120,000
Public Works Trust Fund Loan Proceeds	4,326,899	6,156,104	-	-	-	-	-	-
Subtotal Other Financing Sources	28,289,807	28,826,604	33,320,000	620,000	8,020,000	36,120,000	620,000	13,220,000
Total Revenues	90,223,207	110,863,120	67,325,052	36,881,246	45,620,267	86,853,964	47,114,936	55,608,381
TOTAL	\$119,685,269	\$150,763,553	\$105,453,074	\$94,009,133	\$90,518,079	\$147,113,120	\$93,619,888	\$95,411,066

CITYWIDE SUMMARY

Capital Improvement Program

	ACTUAL	ESTIMATE	PROJECTION					
	2019/2020	2021/2022	2023	2024	2025	2026	2027	2028
EXPENDITURES								
STREET CONSTRUCTION/RECONSTRUCTION								
Urban Arterial Street Fund:								
Street Projects	\$ 10,972,192	\$ 10,263,056	\$ 600,000	\$ 2,570,000	\$ 3,466,000	\$ 15,055,500	\$ 7,957,000	\$ 2,079,000
Capital Improvement Fund:								
Kellogg St Roadside Development	23,034	-	-	-	-	-	-	-
Subtotal Street Reconstruction	10,995,226	10,263,056	600,000	2,570,000	3,466,000	15,055,500	7,957,000	2,079,000
STREET OVERLAYS								
Arterial Street Fund:								
Pavement Preservation Program	3,943,785	6,000,000	4,000,000	4,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Capital Improvement Fund:								
Miscellaneous Street Projects	384,641	268,000	106,525	106,525	106,525	106,525	106,525	106,525
Crack Sealing	220,097	247,200	150,000	150,000	150,000	150,000	150,000	150,000
Subtotal Street Overlays	4,548,523	6,515,200	4,256,525	4,256,525	3,256,525	3,256,525	3,256,525	3,256,525
STORM DRAINAGE								
Stormwater Fund:								
Drywell Storm Systems (misc locations)	206,767	400,000	150,000	150,000	150,000	150,000	150,000	150,000
Decant Facility	945,760	-	-	-	-	-	-	-
UGA Stormwater Facility	511,787	-	-	-	-	-	-	-
47th Place	3,407	-	-	-	-	-	-	-
7th Ave Outfall	-	-	-	-	800,000	800,000	800,000	-
W 14th Outfall - Hartford to Garfield	189,560	-	-	-	-	-	-	-
Creekstone Trench Repair	-	50,000	-	-	-	-	-	-
Cherry Blossom Heights - 19th to Union	-	-	15,000	224,000	-	-	-	-
W 46th/47th Ave - Ledbetter to Ely	-	800,000	-	-	-	-	-	-
Ohrt's Addition Subdivision	-	685,000	40,000	565,000	-	-	-	-
Garfield - Blackberry Canyon to Black Hills	270	780,000	-	-	-	-	-	-
Zintel Canyon Dam - Training Walls	25,116	25,000	-	-	-	-	-	-
Park Hills Dr Storm Replacement	-	60,000	6,000	880,000	-	-	-	-
Vancouver St Storm Drain	-	-	10,000	103,000	-	-	-	-
14th Ave - Garfield to CID Canal	-	-	-	-	28,000	259,000	-	-
Southridge Settlement/Trench Restoration	-	-	200,000	-	-	-	-	-
Outfall to Canyon Lakes Golf Course	-	-	-	-	-	-	125,000	-
Outfall to Duffy's Pond (SR397Kenn Pond pipelining)	-	-	-	-	-	-	25,000	520,000
26th (Garfield to 27th Ave) storm sys/road surfacing	-	-	-	-	-	-	215,000	215,000
Kennewick Ave/Rainier Storm Pipe Access	-	-	-	-	-	-	279,000	279,000
Zintel Canyon - KID Outfall Erosion Prevention	-	-	-	-	-	-	15,000	-
Panoramic Heights Clubhouse - Access to Drywells	-	-	-	-	-	-	16,000	-
Ridgeline Dr (Sherman to W 36th Place)	-	-	33,000	440,000	-	-	-	-
Outfall to Duffy's Pond Phase 2	-	-	-	-	-	-	-	120,000
Outfall Disconnects to CID Canal	-	-	-	-	-	-	-	387,500
Hansen Park Regional Pond (Steptoe/4th Ave)	-	-	37,000	-	-	-	-	-
Frog Pond Rehabilitation	-	-	-	34,000	-	-	-	-
Data Processing Equipment	5,215	-	-	-	-	-	-	-
Stormwater Studies	-	-	60,000	60,000	-	-	-	-
Subtotal Storm Drainage	1,887,882	2,800,000	551,000	2,456,000	978,000	1,209,000	1,625,000	1,671,500

CITYWIDE SUMMARY

Capital Improvement Program

	ACTUAL	ESTIMATE	PROJECTION					
	2019/2020	2021/2022	2023	2024	2025	2026	2027	2028
STREET LIGHTS/SIGNALS								
Capital Improvement Fund:								
Flashing School Beacon	163,793	38,552	-	-	-	-	-	-
Traffic Sign Inventory	3,737	-	-	-	-	-	-	-
Traffic Volume Counts	1,507	-	-	-	-	-	-	-
W. 27th & Olson Signal	449,410	-	-	-	-	-	-	-
Pedestrian Improvements	444	155,746	-	100,000	-	-	-	-
Columbia Drive Ped Signal	32,929	-	-	-	-	-	-	-
St. Lts. Misc. Locations (Arterials)	93,820	141,931	78,100	78,100	78,100	78,100	78,100	78,100
Systematic Safety Street Lighting Improvements	-	-	363,000	-	-	-	-	-
Retrofit Roundabout Art	1,575	-	-	-	-	-	-	-
RRFB Pedestrian Safety Improvements	-	860,900	-	-	-	-	-	-
Misc Traffic Signals or Roundabouts	516,685	382,800	210,500	210,500	210,500	210,500	210,500	210,500
Subtotal Street Lights/Signals	1,263,900	1,579,929	651,600	388,600	288,600	288,600	288,600	288,600
SIDEWALKS								
Capital Improvement Fund:								
ADA Transition Program	569,716	-	-	500,000	350,000	350,000	350,000	350,000
Pedestrian Pathway Solar Lighting	-	197,000	-	-	-	-	-	-
W Canal Sidewalk Improvement	-	400,000	-	-	-	-	-	-
W 6th Ave Sidewalk Improvement	-	286,000	-	-	-	-	-	-
Sidewalk Program	147,449	262,000	140,000	140,000	140,000	140,000	140,000	140,000
Subtotal Sidewalks	717,165	1,145,000	140,000	640,000	490,000	490,000	490,000	490,000
WATER/SEWER SYSTEM IMPROVEMENTS								
Water/Sewer Fund:								
Water System Improvements	15,101,249	25,773,835	7,094,300	6,705,500	6,541,710	5,235,700	4,404,100	4,717,600
Sewer System Improvements	3,483,133	6,034,070	16,623,000	15,333,000	580,000	11,530,000	12,957,250	10,812,200
Combined Utility Improvements	601,268	725,000	550,000	1,250,000	1,250,000	1,250,000	250,000	250,000
Sewer Area Charge Projects	234,744	2,347,000	-	-	-	-	-	-
Subtotal W/S Improvements	19,420,394	34,879,905	24,267,300	23,288,500	8,371,710	18,015,700	17,611,350	15,779,800
LAND & FACILITIES								
Capital Improvement Fund:								
Facilities Maintenance Program	146,587	286,520	422,900	446,200	471,305	497,985	525,290	556,370
Tree Removal	303,165	427,335	-	-	-	-	-	-
City Hall	22,969	68,753	-	-	-	35,500,000	-	-
Dock Rehabilitation	-	165,000	-	-	-	-	-	-
Fire Station #1	81,368	12,693,000	-	-	-	-	-	-
Fire Station #2	19,830	16,357	-	-	-	-	-	-
Fire Station #3	2,255,625	3,553,833	-	-	-	-	-	-
Fire Station #4	50,618	-	-	-	-	-	-	-
Fire Station #5	35,194	-	-	-	-	-	-	-
Fire Station #6	2,800	-	-	-	-	-	-	12,600,000
Fire Station Fill Stations	-	14,000	-	-	-	-	-	-
E. Benton Museum HVAC	-	28,000	-	-	-	-	-	-
Police Station	99,370	-	-	-	-	-	-	-
Keewaydin Park Improvements	-	450,000	-	-	-	-	-	-
KSD Parking Lot	2,904	-	-	-	-	-	-	-
Library	45,660	51,000	-	-	-	-	-	-
Southridge Complex	258,209	-	180,000	-	-	-	-	-
Shoreline Stabilization	8,201	276,777	-	-	-	-	-	-
Frost Facility	34,171	144,270	-	-	-	-	-	-
Parks Restrooms	-	52,000	-	-	-	-	-	-
Dog Park	-	-	225,000	-	-	-	-	-
Lawrence Scott Park Pickleball Complex	-	1,330,700	-	-	-	-	-	-
Subtotal Land & Facilities	3,366,671	19,557,545	827,900	446,200	471,305	35,997,985	525,290	13,156,370

CITYWIDE SUMMARY

Capital Improvement Program

	ACTUAL	ESTIMATE	PROJECTION					
	2019/2020	2021/2022	2023	2024	2025	2026	2027	2028
OTHER IMPROVEMENTS								
Capital Improvement Fund:								
Animal Control Facility	9,676	2,428,454	-	-	-	-	-	-
Boys & Girls Club	45,530	-	-	-	-	-	-	-
Park Comprehensive Plan Update	-	-	100,000	200,000	-	-	-	-
Playground of Dreams	424,929	219,147	-	-	-	-	-	-
Civic Center Athletic Area	-	300,000	-	-	-	-	-	-
Underwood Park	65,934	-	-	-	-	-	-	-
Street Assessments/Studies	-	45,000	-	-	-	-	-	-
Monopoly Park	104,888	-	-	-	-	-	-	-
Keene Trail Extension/Island View Study	-	-	-	-	35,000	300,000	610,500	-
Wayfinding Program	403,490	109,610	-	-	-	-	-	-
Community Center	125,228	19,472	-	-	-	-	-	-
Swimming Pool & Splash Pad	66,469	156,000	500,000	-	-	-	-	-
Playground Repair/Replace	43,140	6,860	-	-	-	-	-	-
Park Amenities	7,330	32,670	-	-	-	-	-	-
Hard Surface Repair Program	17,181	107,842	200,000	200,000	-	-	-	-
JS Express	4,000	26,000	-	-	-	-	-	-
Park & Rec Annex Building	30,662	-	-	-	-	-	-	-
Vancouver Park Tennis Court	-	20,000	-	-	-	-	-	-
Data Processing Equipment	728,691	266,104	664,500	707,850	610,600	610,600	641,200	641,200
Software	14,180	154,920	-	-	-	-	-	-
Eden Replacement	2,210,586	1,275,846	-	-	-	-	-	-
Subtotal Other Improvements	4,301,914	5,167,925	1,464,500	1,107,850	645,600	910,600	1,251,700	641,200
PARK IMPROVEMENTS								
Capital Improvement Fund:								
Park Development/Construction:								
4W 10th/CCB & Park Site	511	-	-	-	-	-	-	-
4E Eastgate/Arboretum	766	-	-	-	-	-	-	-
1E Fruitland Park	766	-	3,141	-	-	-	-	-
1W Sunset Park	1,351	-	4,470	-	-	-	-	-
2E Zintel/Underwood/Vancouver	511	-	-	-	-	-	-	-
2W Lawrence Scott Park	4,800	62,541	-	-	-	-	-	-
3E Civic Area	255	-	10,078	-	-	-	-	-
3W John Day/Hawthorne	-	-	257	-	-	-	-	-
6E Cascade	23,174	155,971	-	-	-	-	-	-
6W Southridge	57,007	-	21,684	-	-	-	-	-
7W Five Corners	278,914	-	114,680	-	-	-	-	-
5E Horse Heaven Park	4,290	-	37,927	-	-	-	-	-
5W Grange	29,811	-	16,124	-	-	-	-	-
Park Impact Service Area West	-	-	225,000	-	-	-	-	-
Park Impact Service Area East	-	188,112	-	-	-	-	-	-
Subtotal Park Improvements	402,156	406,624	433,361	-	-	-	-	-
DEBT SERVICE								
Stormwater Fund:								
Stormwater Revolving Loans	218,507	-	-	-	-	-	-	-
Capital Improvement Fund:								
PWTF Loan - Comp Street Imp - Phase II	499,095	-	-	-	-	-	-	-
PWTF Loan - US395/Ridgeline	107,965	612,725	282,025	278,374	274,722	271,071	267,420	263,769
Debt Issue Costs	77,428	144,082	-	-	-	-	-	-
Subtotal Debt Service	902,995	756,807	282,025	278,374	274,722	271,071	267,420	263,769

CITYWIDE SUMMARY

Capital Improvement Program

	ACTUAL	ESTIMATE	PROJECTION					
	2019/2020	2021/2022	2023	2024	2025	2026	2027	2028
MISCELLANEOUS								
Stormwater Utility Fund:								
Transfer to Equipment Rental	64,305	-	-	-	-	-	-	-
Transfer to Capital Improvement Fund	70,811	10,256	8,000	7,400	-	-	-	-
Water/Sewer Fund:								
Transfer to Capital Improvement Fund	810,620	35,896	52,000	65,750	-	-	-	-
Capital Improvement Fund:								
Transfer to Arterial Fund	3,903,005	5,000,000	4,000,000	4,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Transfer to Urban Arterial Fund	5,188,593	2,227,243	100,000	1,303,950	931,300	12,013,024	7,240,800	2,079,000
Transfer to Equipment Rental	2,024,073	2,094,000	2,083,800	1,111,100	1,165,200	1,165,200	1,270,000	1,270,000
Transfer to Capital Improvement - Streets fm TIF	1,870,786	2,007,080	500,000	500,000	500,000	500,000	500,000	500,000
Transfer to Capital Improvement - Streets fm LRF	1,575,603	2,044,299	993,000	1,040,000	1,087,000	1,134,000	1,183,000	1,261,000
Transfer to Capital Improvement - Streets fm 2016	384,297	-	-	-	-	-	-	-
Transfer to Capital Improvement - Facilities	1,410,935	2,860,527	1,676,900	882,200	521,305	547,985	575,290	606,370
Transfer to Capital Purchases	1,791,311	1,388,811	560,500	581,550	610,600	610,600	641,200	641,200
Transfer to FS#1 Const - from 2020 Bonds	-	2,080,000	-	-	-	-	-	-
Transfer to Medical Services Fund	-	-	30,500	-	-	-	-	-
Transfer to Coliseum	4,442,263	18,000	-	-	-	-	-	-
Transfer to Golf Course	426,055	170,000	49,000	36,000	50,000	50,000	50,000	50,000
Transfer to Debt Service Fund	6,563,030	8,177,428	4,072,276	3,426,322	3,426,056	5,367,378	5,359,028	6,281,633
Transfer to Public Facilities District - Conv Ctr	542,890	440,000	254,000	230,000	205,000	179,000	152,000	123,000
Transfer to Conv Ctr - City of Pasco	909,433	1,010,000	471,000	495,000	520,000	546,000	573,000	602,000
Subtotal Miscellaneous	31,978,010	29,563,540	14,850,976	13,679,272	12,016,461	25,113,187	20,544,318	16,414,203
Total Expenditures	79,784,836	112,635,531	48,325,187	49,111,321	30,258,923	100,608,168	53,817,203	54,040,967
ENDING FUND BALANCE	39,900,433	38,128,022	57,127,887	44,897,812	60,259,156	46,504,952	39,802,685	41,370,099
TOTAL	\$119,685,269	\$150,763,553	\$105,453,074	\$94,009,133	\$90,518,079	\$147,113,120	\$93,619,888	\$95,411,066

MAJOR PROJECTS

Project Name: Pavement Preservation Program – Street Overlays

Project Description/Purpose:

This program preserves City street pavement by overlaying the existing roadways. The project includes milling of the existing surface to obtain an acceptable cross-slope and to remove deteriorated roadway surface, striping, and signage. Timely preservation of roadway surfaces helps prevent the need to completely reconstruct the roadway, which would be at a significantly higher cost. This also includes application of BST (chip seal and fog seal) on selected low volume roads.

Estimated Impact on Future Operating Costs:

O&M costs are already being expended.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ 4,000,000	\$ 4,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 20,000,000
<u>Project Revenues:</u>							
CIP Fund Transfer	\$ 4,000,000	\$ 4,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 20,000,000



Project Name: Traffic Signal @ Bob Olson & Sherman

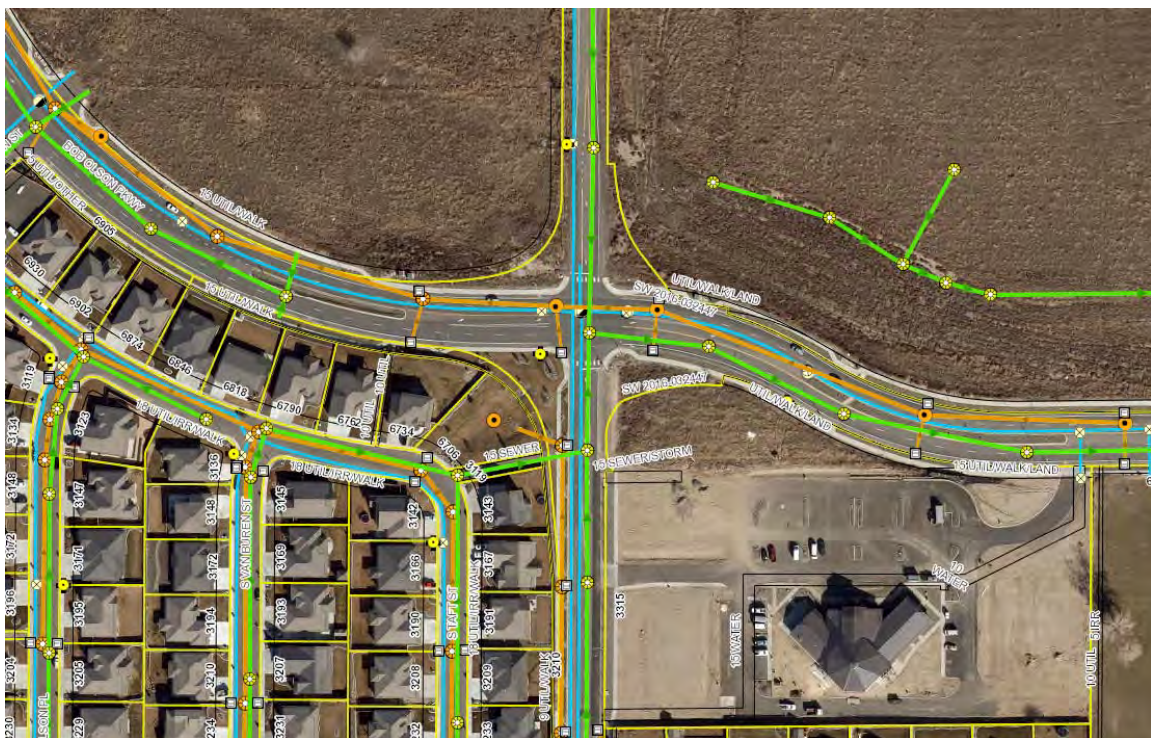
Project Description/Purpose:

This project will construct a signal at the intersection of Bob Olson Parkway and Sherman Street.

Estimated Impact on Future Operating Costs:

O&M costs are for power and other cost associated with the operation of a traffic signal.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ 100,000	\$ 900,000	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
Project Revenues:							
CIP Funds	\$ 100,000	\$ 900,000	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
On-Going M&O Costs:							
Maintenance Costs	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 6,000
Total On-Going Costs	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 6,000



Project Name: Columbia Center Blvd. Widening – Deschutes to Quinault

Project Description/Purpose:

This project will construct a new third north-bound and south-bound through-lane including new curb, gutter, sidewalks, storm drainage, illumination and sign modifications. Additional turn lanes will be constructed along with upgrades to traffic signals.

Estimated Impact on Future Operating Costs:

O&M costs are already being expended.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ -	\$ 770,000	\$ 2,300,000	\$ 6,440,000	\$ 6,000,000	\$ -	\$ 15,510,000
<u>Project Revenues:</u>							
STBG	\$ -	\$ 666,050	\$ 1,989,500	\$ -	\$ -	\$ -	\$ 2,655,550
CIP Funds	\$ -	\$ 103,950	\$ 310,500	\$ 6,440,000	\$ 6,000,000	\$ -	\$ 12,854,450
<u>On-Going M&O Costs:</u>							
Maintenance Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total On-Going Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Project Name: Vancouver St. Sidewalk (W. 37th Ave. to W. 45th Ave.)

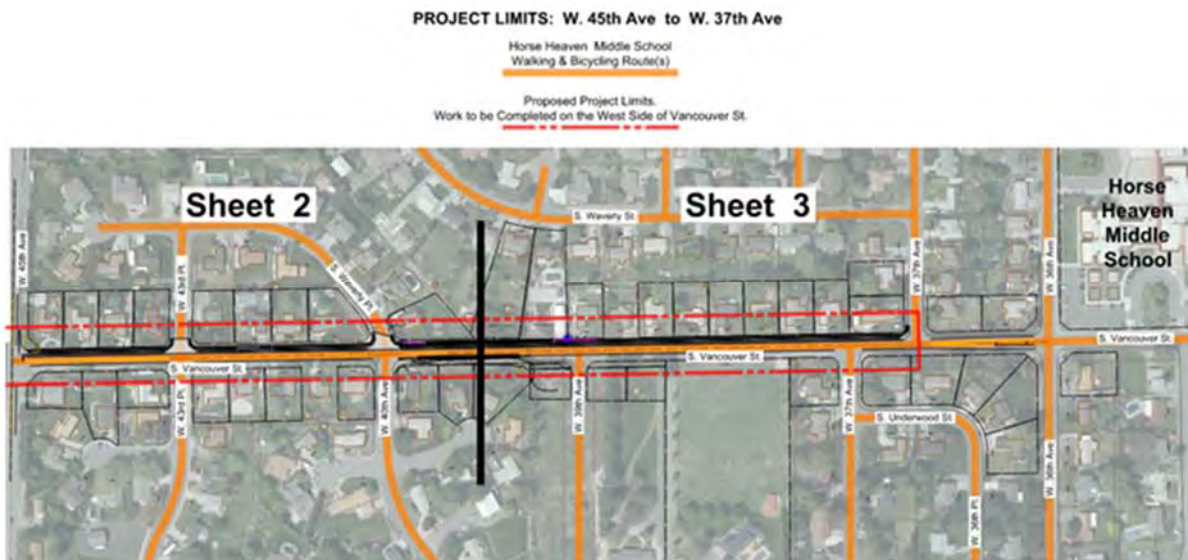
Project Description/Purpose:

Improvements include construction of 2,300 LF of 5’ wide sidewalk on the west side of Vancouver St. from W. 37th Ave. to W. 45th Ave. in order to provide a safe route to the Middle School. Project will also require app. 400 LF of retaining wall & fencing, along with minor roadway widening, storm and street lighting improvements. The Kennewick School District is a partner in this project.

Estimated Impact on Future Operating Costs:

O&M costs upon completion of construction are estimated at approximately \$500/year. These costs are for added maintenance associated with striping, herbicide and other misc. improvements.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ -	\$ -	\$ 50,000	\$ 1,033,500	\$ -	\$ -	\$ 1,083,500
Project Revenues:							
Grant (Not Secured)	\$ -	\$ -	\$ 40,000	\$ 826,800	\$ -	\$ -	\$ 866,800
KSD	\$ -	\$ -	\$ 5,200	\$ 40,116	\$ -	\$ -	\$ 45,316
CIP Funds	\$ -	\$ -	\$ 4,800	\$ 166,584	\$ -	\$ -	\$ 171,384
On-Going M&O Costs:							
Maintenance Costs	\$ -	\$ -	\$ 500	\$ 500	\$ 500	\$ 500	\$ 2,000
Total On-Going Costs	\$ -	\$ -	\$ 500	\$ 500	\$ 500	\$ 500	\$ 2,000



Project Name: Kellogg & Clearwater Ave. Intersection

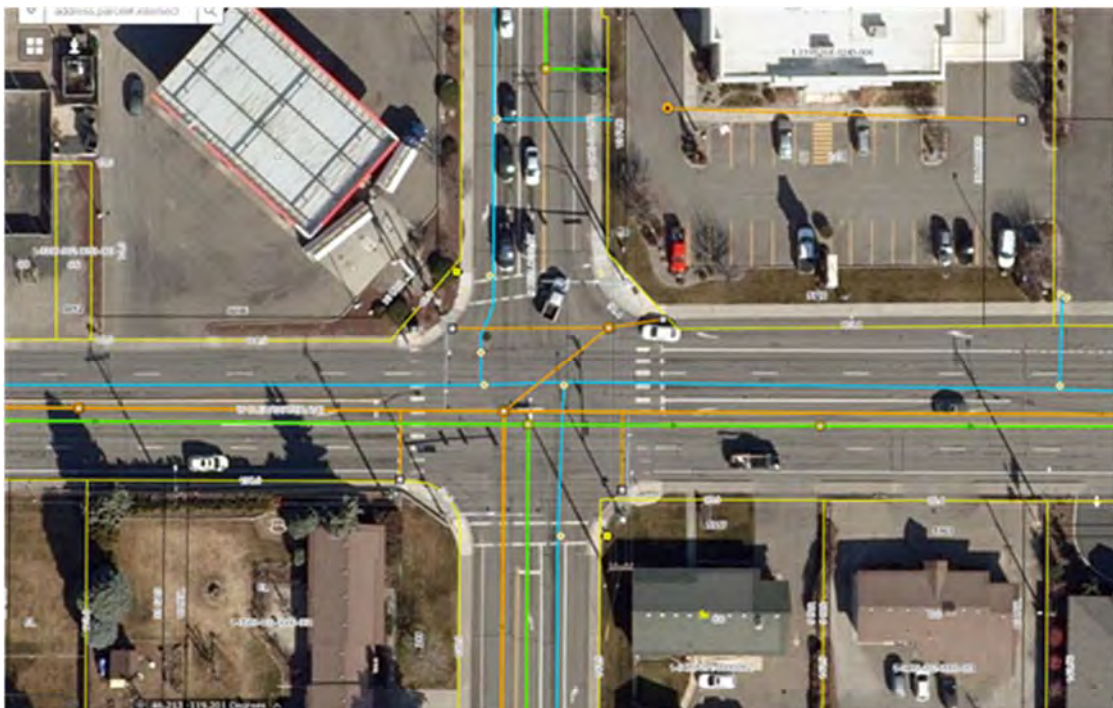
Project Description/Purpose:

Project will construct a second southbound left turn lane as well as provide modifications to the existing signal for improved traffic flow. This is for Design & ROW phases only. Construction funding will be pursued at a later date.

Estimated Impact on Future Operating Costs:

O&M costs are already being expended.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ -	\$ -	\$ 210,000	\$ 977,000	\$ -	\$ -	\$ 1,187,000
Project Revenues:							
POK-Vista Fees	\$ -	\$ -	\$ -	\$ 90,760	\$ -	\$ -	\$ 90,760
CIP Funds	\$ -	\$ -	\$ 210,000	\$ 886,240	\$ -	\$ -	\$ 1,096,240
On-Going M&O Costs:							
Maintenance Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total On-Going Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Project Name: 1st Ave. Road Diet (Washington to Fruitland)

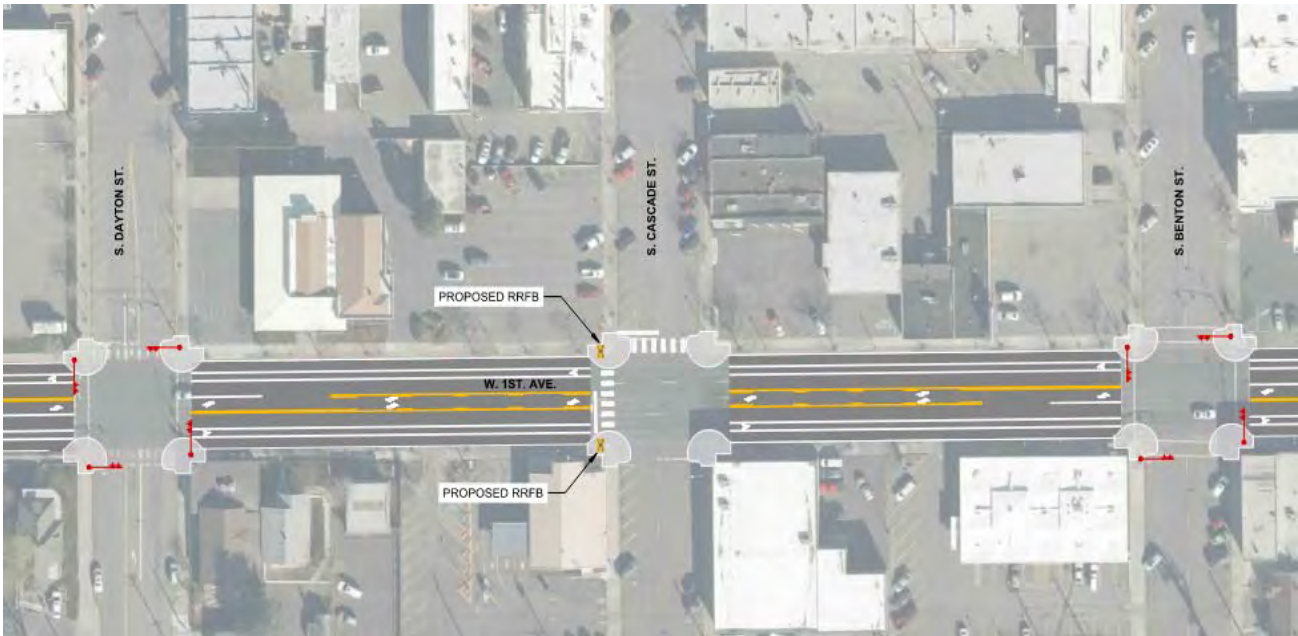
Project Description/Purpose:

Project will convert the current four lane section with curbside parking to a three lane section with upgraded signals, rapid flash beacon pedestrian crossings, pedestrian crossing bump outs, and dedicated bike lanes.

Estimated Impact on Future Operating Costs:

O&M costs are already being expended.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ -	\$ -	\$ 70,000	\$ 2,606,000	\$ -	\$ -	\$ 2,676,000
Project Revenues:							
STP Grant (unsecured)	\$ -	\$ -	\$ -	\$ 2,084,800	\$ -	\$ -	\$ 2,084,800
CIP Funds	\$ -	\$ -	\$ 70,000	\$ 521,200	\$ -	\$ -	\$ 591,200
On-Going M&O Costs:							
Maintenance Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total On-Going Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Project Name: Canal Drive/Edison Street Intersection Improvements

Project Description/Purpose:

This project will consist of constructing a second east-bound left turn lane (widen both east and west legs). Work will also consist of reconstructing accesses, sidewalk, frontage improvements and signal modifications.

Estimated Impact on Future Operating Costs:

O&M costs are already being expended.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ -	\$ -	\$ -	\$ 303,000	\$ 1,194,000	\$ -	\$ 1,497,000
Project Revenues:							
POK Vista Fee	\$ -	\$ -	\$ -	\$ -	\$ 216,200	\$ -	\$ 216,200
CIP Funds	\$ -	\$ -	\$ -	\$ 303,000	\$ 977,800	\$ -	\$ 1,280,800
On-Going M&O Costs:							
Maintenance Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total On-Going Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Project Name: 45th Ave. Widening – Ely St. to Olympia St.

Project Description/Purpose:

This project will reconstruct and upgrade road to current City standards and will include constructing new curb, gutter, sidewalks, storm drainage, illumination, and replace deficient water lines.

Estimated Impact on Future Operating Costs:

O&M costs upon completion of construction are estimated at approximately \$500/year. These costs are for added maintenance associated with striping, herbicide and other miscellaneous improvements.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ -	\$ -	\$ -	\$ -	\$ 263,000	\$ 2,079,000	\$ 2,342,000
<u>Project Revenues:</u>							
CIP Funds	\$ -	\$ -	\$ -	\$ -	\$ 263,000	\$ 2,079,000	\$ 2,342,000
<u>On-Going M&O Costs:</u>							
Maintenance Costs	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 3,000
Total On-Going Costs	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 3,000



Project Name: Keene Trail Extension/Island View Study

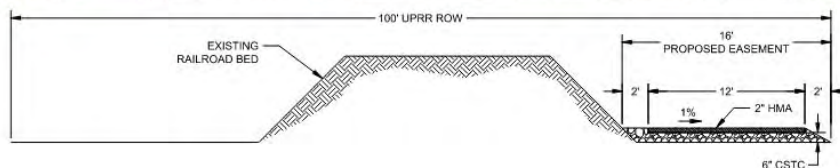
Project Description/Purpose:

This proposed project will close the gap between the existing Keene Trail in the cities of Richland and West Richland and the existing and proposed trails along N Center Parkway in Kennewick in addition to the proposed trail system identified in the Island View Study. It is a multi-use, non-motorized regional trail. The project is a key element of the recently completed Island View to Vista Field, Multi-Modal Transportation Study, a cooperation between the City of Richland and City of Kennewick. The project will also install a pedestrian HAWK (High Intensity Activated CrossWalk (HAWK) beacon signal to cross Steptoe Street.

Estimated Impact on Future Operating Costs:

O&M costs are for cost associated with the operation and maintenance of the trail.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ -	\$ -	\$ 35,000	\$ 300,000	\$ 610,500	\$ -	\$ 945,500
Project Revenues:							
BFCOG - TAP (Unsecured)	\$ -	\$ -	\$ 30,275	\$ 259,500	\$ 528,082	\$ -	\$ 817,857
CIP Funds	\$ -	\$ -	\$ 4,725	\$ 40,500	\$ 82,418	\$ -	\$ 127,643
On-Going M&O Costs:							
Maintenance Costs	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 600
Total On-Going Costs	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 600



Project Name: Deferred Maintenance Program

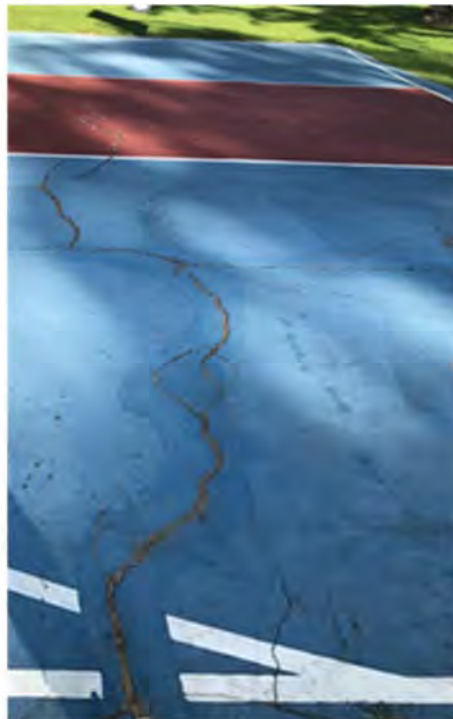
Project Description/Purpose:

While maintenance has been postponed in prior years to meet budget funding levels or realign with competing priorities, these critical repairs are necessary to avoid asset failure, comply with safety standards and continue operations. For the 2023/2024 biennium, focused re-occurring major maintenance programs include yearly HVAC maintenance at COK buildings, playground surfacing, hard surface maintenance (parking lots, path & access road, etc.), court rehabilitation (court sport area), roll up door program.

Estimated Impact on Future Operating Costs:

Investment in repairs now will extend the life of these assets, and help avoid the higher cost of emergency replacement.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ 371,900	\$ 390,100	\$ 409,605	\$ 430,085	\$ 451,590	\$ 474,170	\$ 2,527,450
<u>Project Revenues:</u>							
CIP Fund Transfer	\$ 371,900	\$ 390,100	\$ 409,605	\$ 430,085	\$ 451,590	\$ 474,170	\$ 2,527,450



Project Name: New Fire Station #6 and Storage Facility for Public Works and Parks

Project Description/Purpose:

Construct a new fire station in the Southridge area; this project is necessary due to growth in Kennewick causing increased demands on services. Provide for a storage facility for Public Works and Parks and Facilities to keep maintenance equipment located in areas they serve.

The new Fire Station will improve fire and EMS service to our citizens by reducing overall response time into south Kennewick. The station will be located to provide for excellent response time into other fire station districts when those units are out on other emergency calls.

Estimated Impact on Future Operating Costs:

Ongoing personnel cost for 3 Fire Captains, 3 paramedics and 6 firefighters. Ongoing M&O costs and replacement costs for a fire engine and a medic unit.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,600,000	\$ 12,600,000
<u>Project Revenues:</u>							
Bond Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,600,000	\$ 12,600,000
<u>On-Going Maintenance Costs:</u>							
Employee Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,500,000	\$ 2,500,000
Other Costs	-	-	-	-	-	125,000	125,000
Total On-Going Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,625,000	\$ 2,625,000



Project Name: City Hall Replacement

Project Description/Purpose:

Replace existing City Hall, located at 210 W. 6th Ave. with a new 44,000 sq. ft. facility. The current City Hall was built in 1964 and is nearing the end of its useful life without requiring significant improvements and repairs.

Estimated Impact on Future Operating Costs:

Without replacement, the City will likely be required to spend significant resources to maintain the existing building, including needed roof and HVAC replacements.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ -	\$ -	\$ -	\$ 35,500,000	\$ -	\$ -	\$ 35,500,000
Project Revenues:							
Bond Proceeds	\$ -	\$ -	\$ -	\$ 35,500,000	\$ -	\$ -	\$ 35,500,000



Project Name: Advanced Metering Infrastructure (AMI) Phase 2

Project Description/Purpose:

This project will replace existing meter reading technology with the installation of a network remote read system. As part of this upgrade residents will have enhanced and near real time consumption data available via an online viewing portal. A \$6 million Public Works Trust Fund loan was secured to finance the initial phase. Costs below are for Phase 2.

Estimated Impact on Future Operating Costs:

Implementation of an automated system will allow the City to reallocate personnel currently reading meters manually to other priorities. 2022 anticipated carryforward ~\$4.1M for Phase 2.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ 1,200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,200,000
<u>Project Revenues:</u>							
Rates Revenues	\$ 1,200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,200,000
<u>On-Going M&O Costs:</u>							
Maintenance Costs	(\$140,000)	(\$280,000)	(\$280,000)	(\$280,000)	(\$280,000)	(\$280,000)	(\$1,540,000)
Total On-Going Costs	(\$140,000)	(\$280,000)	(\$280,000)	(\$280,000)	(\$280,000)	(\$280,000)	(\$1,540,000)

Automatic Meter Reading (AMR)



Project Name: Fire Flow Deficiencies

Project Description/Purpose:

These water main improvements are required to resolve existing system fire flow deficiencies caused primarily by undersized water mains. Many areas also contain non-standard water main material.

Estimated Impact on Future Operating Costs:

The replacement of the problem water mains will reduce maintenance costs by reducing response hours.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 3,000,000
Project Revenues:							
Rates Revenues	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 3,000,000
On-Going M&O Costs:							
Maintenance Costs	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (6,000)
Total On-Going Costs	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (6,000)



Project Name: Water Treatment Plant Improvements & Capacity Upgrades

Project Description/Purpose:

This project will construct improvements identified as part of the condition assessment performed in early 2020 and increase treatment capacity to 19.5 MGD. Several improvements include: install new surge tank rated for build-out flow, replace existing/ leaking chemical storage tanks, upgrade several pumps & VFDs, replace failing coating in all membrane filter cells, replace membranes in all filter cells and increase membrane modules to maximum.

Estimated Impact on Future Operating Costs:

The project is not anticipated to have any impacts on maintenance costs. 2022 anticipated carryforward ~\$1.3 M to 2023.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ 645,000	\$ 3,100,000	\$ 4,200,000	\$ -	\$ -	\$ -	\$ 7,945,000
Project Revenues:							
Rates Revenues	\$ 645,000	\$ 3,100,000	\$ 4,200,000	\$ -	\$ -	\$ -	\$ 7,945,000
On-Going M&O Costs:							
Maintenance Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total On-Going Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Project Name: Zone 3 West Transmission Main

Project Description/Purpose:

This project will extend a 20-inch water transmission main from a dedicated pumping station at 18th & Kellogg Reservoir site to the Zone 3 Kansas Reservoir, located south of the Hansen Park development. The selected alignment is south on Irving St, west on 25th Ave thru Citadel Estates.

Estimated Impact on Future Operating Costs:

The project is expected to increase annual O&M costs slightly.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ 4,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,000,000
Project Revenues:							
Rates Revenues	\$ 4,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,000,000
On-Going M&O Costs:							
Maintenance Costs	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 5,000
Total On-Going Costs	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 5,000



Project Name: Zone 2 East Olympia Transmission Main

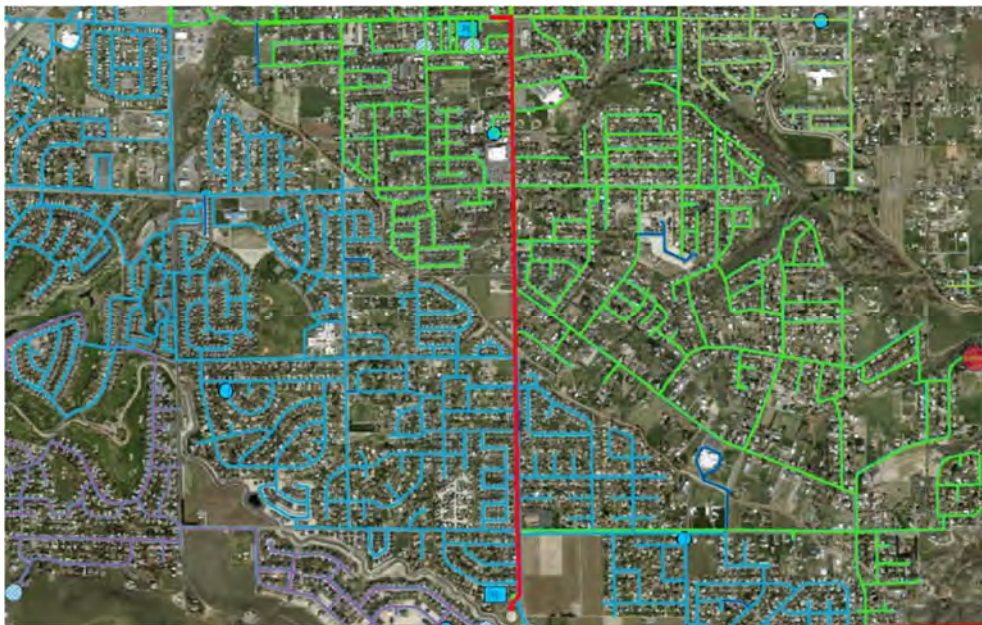
Project Description/Purpose:

This project will extend a 24-inch water transmission main south in Olympia from the discharge of the 19th & Olympia pump station to the 54th & Olympia reservoir site. This new transmission main will increase flow capacity and conveyance from the 19th & Olympia pump station and ensure existing and future demands in higher zones are met. (WSCA 1C)

Estimated Impact on Future Operating Costs:

The project is expected to increase annual O&M costs slightly.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ 184,800	\$ 2,640,000	\$ -	\$ -	\$ -	\$ -	\$ 2,824,800
Project Revenues:							
Rates Revenues	\$ 184,800	\$ 2,640,000	\$ -	\$ -	\$ -	\$ -	\$ 2,824,800
On-Going M&O Costs:							
Maintenance Costs	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 4,000
Total On-Going Costs	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 4,000



Project Name: Zone 1 RC5 Supply Transmission Main

Project Description/Purpose:

This project will extend 1,750 LF of 30-inch water transmission main from the discharge of the Ranney Collector 5 Well site south across SR-240 and SE across US-395 (via existing 60-inch casing) connecting to the Entiat to Canal 30-inch (2019). This new transmission main will replace an aging and undersized transmission main, providing a reliable source of supply into the future. (WSCA 1A)

Estimated Impact on Future Operating Costs:

The project is expected to increase annual O&M costs slightly.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ -	\$ 115,500	\$ 1,155,000	\$ -	\$ -	\$ -	\$ 1,270,500
Project Revenues:							
Rates Revenues	\$ -	\$ 115,500	\$ 1,155,000	\$ -	\$ -	\$ -	\$ 1,270,500
On-Going M&O Costs:							
Maintenance Costs	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 4,000
Total On-Going Costs	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 4,000



Project Name: Deficient Water Main Replacement per 2017 Comp Plan

Project Description/Purpose:

Water mains constructed of non-standard water main materials (e.g. asbestos cement (AC), galvanized, or steel) are nearing the end of their useful life and have a higher frequency of breaks or maintenance needs in the past 10 years.

Estimated Impact on Future Operating Costs:

The replacement of the problem water mains will reduce maintenance costs by reducing response hours.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 1,500,000
Project Revenues:							
Rates Revenues	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 1,500,000
On-Going M&O Costs:							
Maintenance Costs	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (6,000)
Total On-Going Costs	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (6,000)



Project Name: SCADA & PLC Upgrades - W/S

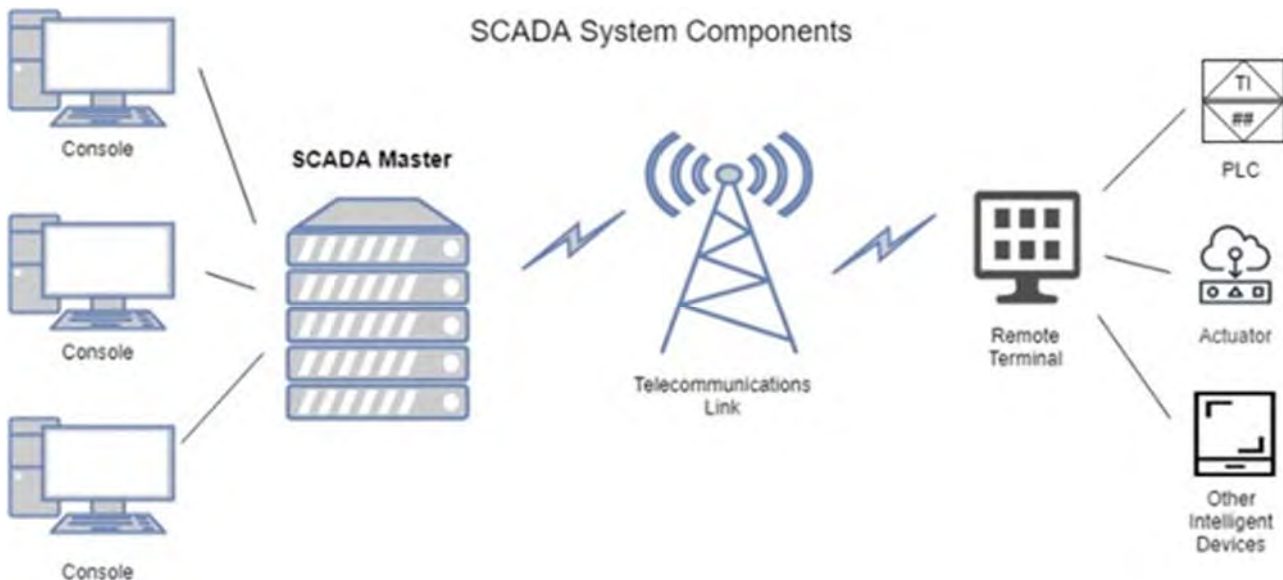
Project Description/Purpose:

Both water and wastewater facilities require SCADA (supervisory control and data acquisition) components, communication equipment and control hardware to operate the plants and remote facilities. A SCADA master plan will review current communication and controls equipment along with the software used and create a road map for keeping current with technology and security mitigation, as well as plan out replacement of critical equipment that is no longer supported or available leaving the City at risk as this equipment fails.

Estimated Impact on Future Operating Costs:

The project is not expected to have an annual O&M cost impact.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ 300,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -	\$ 3,300,000
<u>Project Revenues:</u>							
Rates Revenues	\$ 300,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -	\$ 3,300,000
<u>On-Going M&O Costs:</u>							
Maintenance Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total On-Going Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Project Name: Columbia Dr Interceptor Upsize

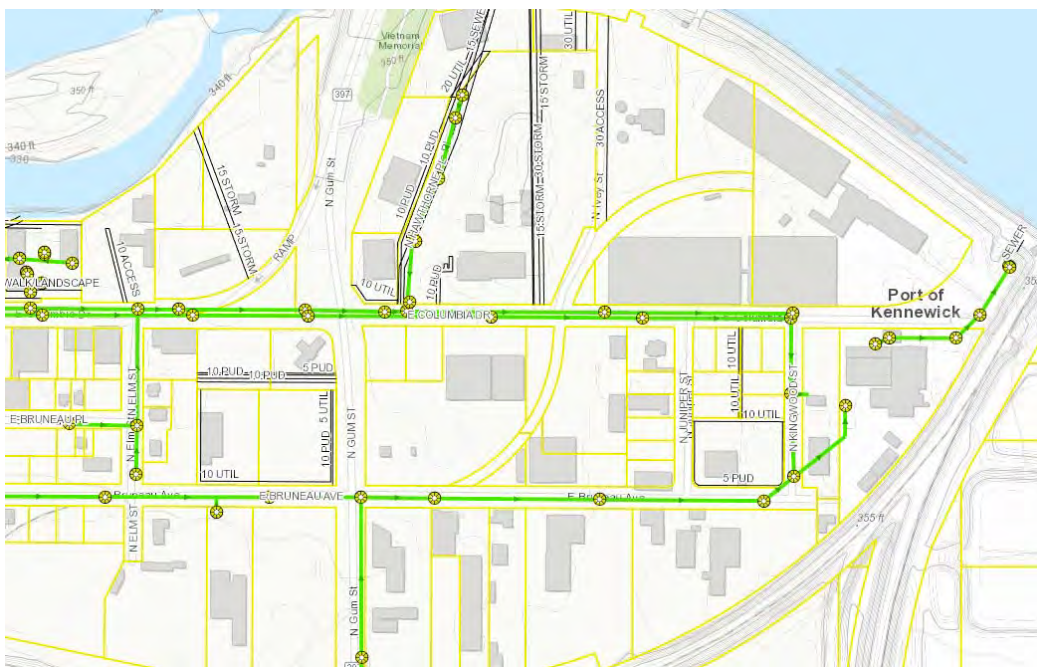
Project Description/Purpose:

This project will design and construct a replacement of a section of 18” sewer with a 30” sewer to provide additional interceptor conveyance capacity along Columbia Drive. 6.6.5 – Sewer Comp

Estimated Impact on Future Operating Costs:

The project is expected to increase annual O&M costs slightly. 2022 anticipated carryforward ~\$15k to 2023.

	2023	2024	2025	2026	2027	2028	2023-2028
Total Project Cost	\$ 35,000	\$ -	\$ -	\$ -	\$ 812,350	\$ 812,350	\$ 1,659,700
Project Revenues:							
Rates Revenues	\$ 35,000	\$ -	\$ -	\$ -	\$ 812,350	\$ 812,350	\$ 1,659,700
On-Going M&O Costs:							
Maintenance Costs	\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ 2,000
Total On-Going Costs	\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ 2,000



Project Name: 4th & 395 Interceptor Improvements

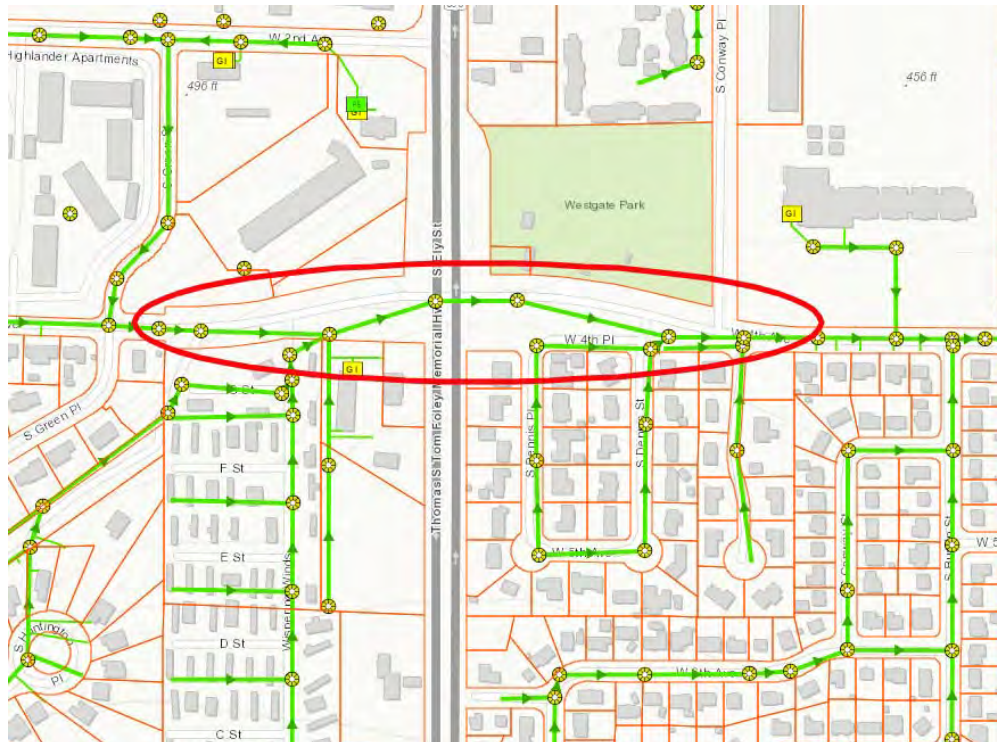
Project Description/Purpose:

This project is for the replacement of a section of sewer interceptor main along 4th Ave at US 395. The existing concrete sewer line is relatively flat, has offset joints, grease build up, and surcharging on the west side of US 395.

Estimated Impact on Future Operating Costs:

O&M costs after completion of this project are anticipated to be lower.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ 70,000	\$ 1,500,000		\$ -	\$ -	\$ -	\$ 1,570,000
Project Revenues:							
Rates Revenues	\$ 70,000	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ 1,570,000
On-Going M&O Costs:							
Maintenance Costs	\$ -	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (5,000)
Total On-Going Costs	\$ -	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (5,000)



Project Name: Bonnie & Belfair Lift Station Replacement

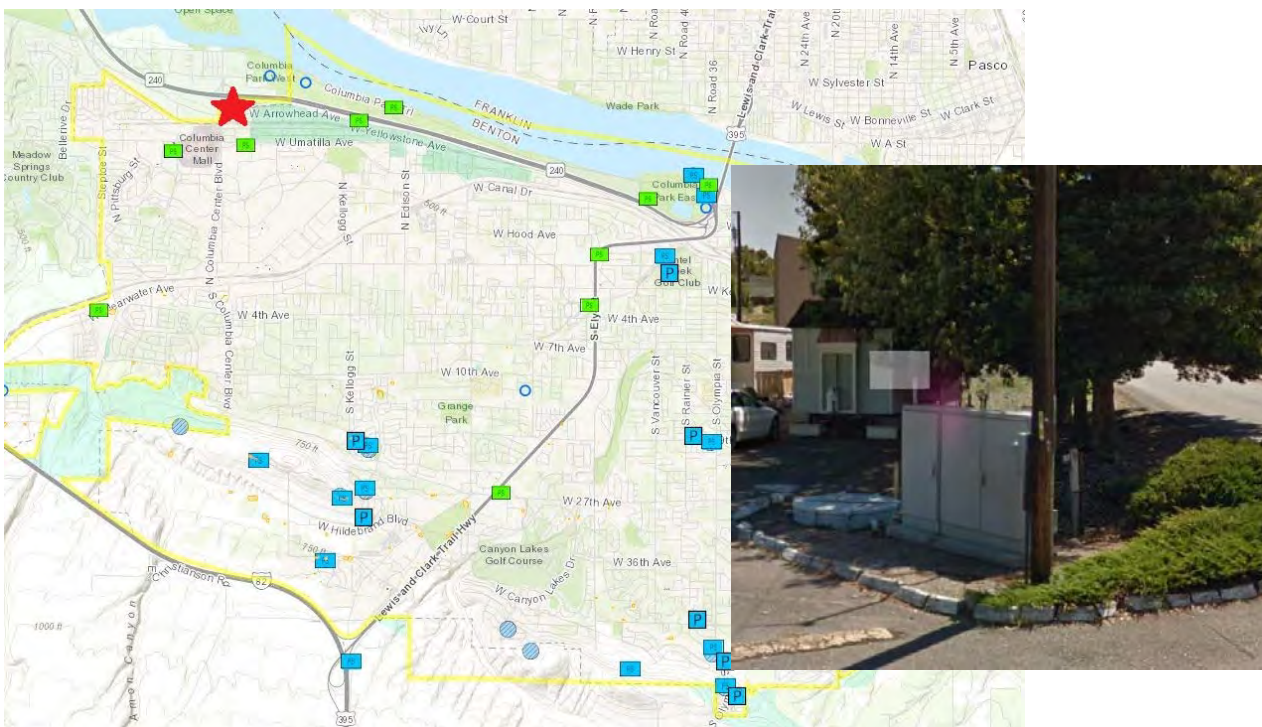
Project Description/Purpose:

This project is for the replacement of the existing Bonnie and Belfair sewer lift station. The existing lift station has been in service since 1971 and is in need of replacement.

Estimated Impact on Future Operating Costs:

O&M costs after completion of this project are anticipated to be the same as current. The 2022 anticipated carryforward ~\$200k to 2023.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ 240,000	\$ -		\$ -	\$ -	\$ -	\$ 240,000
Project Revenues:							
Rates Revenues	\$ 240,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 240,000
On-Going M&O Costs:							
Maintenance Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total On-Going Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Project Name: 32nd & Ione Lift Station Replacement

Project Description/Purpose:

This project is for the replacement of the existing 32nd and Ione sewer lift station. The existing lift station has been in service since 1977 and is in need of replacement.

Estimated Impact on Future Operating Costs:

O&M costs after completion of this project are anticipated to be the same as current.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ -	\$ 440,000		\$ -	\$ -	\$ -	\$ 440,000
Project Revenues:							
Rates Revenues	\$ -	\$ 440,000	\$ -	\$ -	\$ -	\$ -	\$ 440,000
On-Going M&O Costs:							
Maintenance Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total On-Going Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Project Name: Waste Water Treatment Plant Non-Potable Water

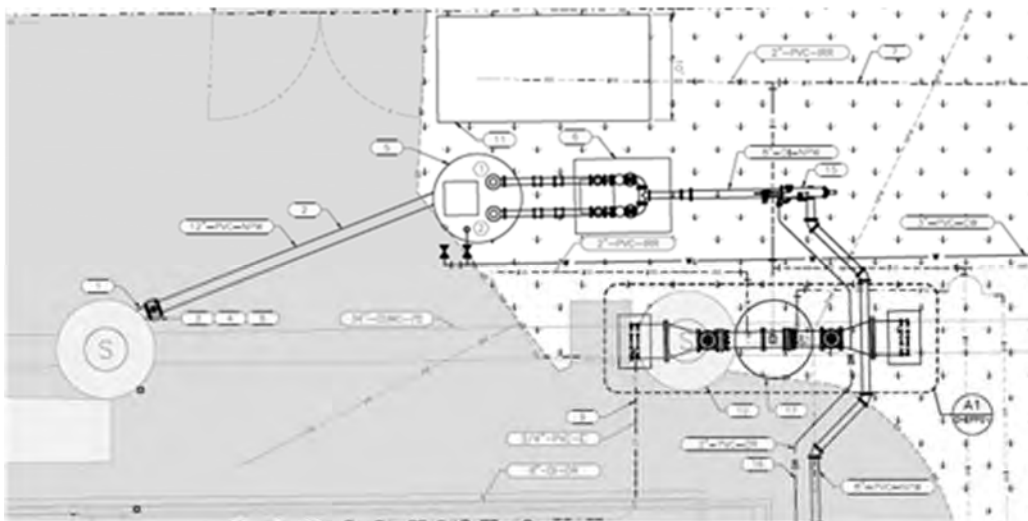
Project Description/Purpose:

This project consists of constructing a small pump station at the “tail end” of the WWTP’s processes to utilize reclaimed effluent water for onsite purposes. By converting the onsite utility water usage over from potable to reclaimed effluent it will save potable water, energy, and will free up existing potable water treatment capacity that can be utilized in the future for growth.

Estimated Impact on Future Operating Costs:

O&M costs after completion of this project are anticipated to increase slightly, however the anticipated savings from potable water will offset.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$1,500,000
Project Revenues:							
Rate Revenues	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$1,500,000
On-Going M&O Costs:							
Employee Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment	-	-	-	-	-	-	-
Total On-Going Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Project Name: Sewerline Renewals and Replacements

Project Description/Purpose:

This project provides ongoing replacement of sewer mains that are identified by the City’s wastewater capital improvement program committee. This committee compiles information to assemble a list of projects that are needed to address ongoing maintenance problems.

Estimated Impact on Future Operating Costs:

The replacement of the problem sewer mains will save ongoing maintenance cost.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 3,000,000
Project Revenues:							
Rates Revenues	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 3,000,000
On-Going M&O Costs:							
Maintenance Costs	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (6,000)
Total On-Going Costs	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (6,000)



Project Name: Sewer Manhole Access Improvements

Project Description/Purpose:

This project is intended to provide resources for improving access to sewer manholes that are currently unreachable for normal maintenance.

Estimated Impact on Future Operating Costs:

Providing additional access to sewer manholes will save ongoing maintenance costs.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 300,000
Project Revenues:							
Rates Revenues	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 300,000
On-Going M&O Costs:							
Maintenance Costs	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (6,000)
Total On-Going Costs	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (6,000)



Project Name: Wastewater Treatment Plant Upgrade Phase 2

Project Description/Purpose:

This project includes work upgrading the management and handling of biosolids to eliminate odor concerns during the treatment process as well as move away from a lagoon type treatment system.

Estimated Impact on Future Operating Costs:

Future O&M costs will be for plant preventative maintenance and cleaning when construction of Phase 2 is complete. 2022 anticipated carryforward ~\$2.187 M to 2023.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ 14,000,000	\$ 12,813,000	\$ -	\$ -	\$ -	\$ -	\$ 26,813,000
Project Revenues:							
SRF Loan	\$ 14,000,000	\$ 12,813,000	\$ -	\$ -	\$ -	\$ -	\$ 26,813,000
On-Going M&O Costs:							
Employee Costs	\$ -	\$ 173,160	\$ 393,000	\$ 393,000	\$ 393,000	\$ 393,000	\$ 1,745,160
Other Equipment	-	-	-	-	-	-	-
Total On-Going Costs	\$ -	\$ 173,160	\$ 393,000	\$ 393,000	\$ 393,000	\$ 393,000	\$ 1,745,160



Project Name: Wastewater Treatment Plant Upgrade Phase 3

Project Description/Purpose:

This project includes work adding grit removal and fine bubble aeration basins in the old lagoon #1.

Estimated Impact on Future Operating Costs:

Future O&M costs will be for plant preventative maintenance and cleaning when construction of Phase 3 is complete.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ -	\$ -	\$ -	\$ 10,950,000	\$ 10,950,000	\$ -	\$ 21,900,000
Project Revenues:							
Rate Revenues	\$ -	\$ -	\$ -	\$ 10,950,000	\$ 10,950,000	\$ -	\$ 21,900,000
On-Going M&O Costs:							
Employee Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment	-	-	-	-	-	-	-
Total On-Going Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Project Name: Zintel Canyon Interceptor

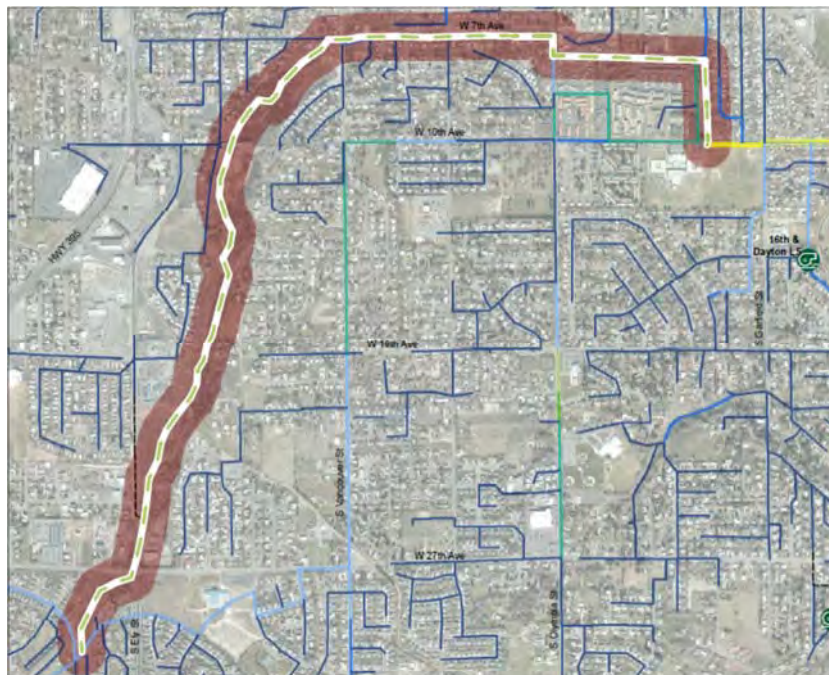
Project Description/Purpose:

This project will design and construct a new sewer interceptor to increase conveyance from new areas south of the dam near Hildebrand & Zintel Way.

Estimated Impact on Future Operating Costs:

The project is expected to increase annual O&M costs slightly.

	2023	2024	2025	2026	2027	2028	2023-2028
Total Project Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,754,950	\$ 2,754,950
<u>Project Revenues:</u>							
Rates Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,754,950	\$ 2,754,950
<u>On-Going M&O Costs:</u>							
Maintenance Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,000
Total On-Going Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,000



Project Name: Clearwater Ave Interceptor

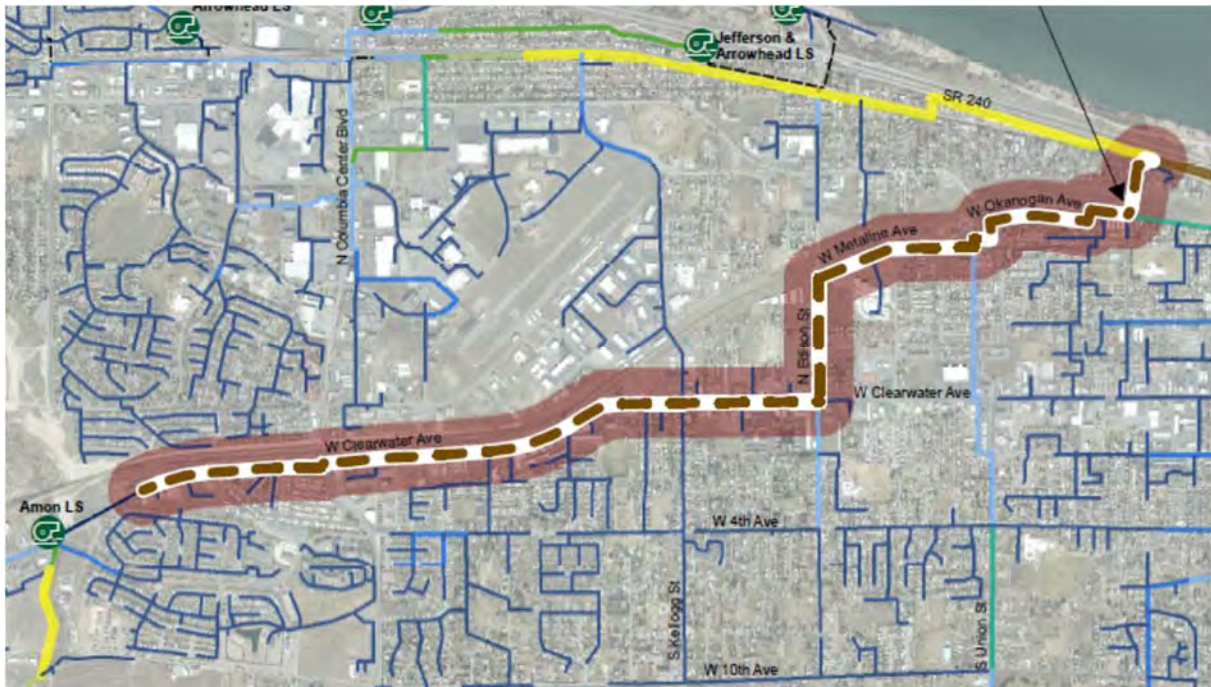
Project Description/Purpose:

This project will design and construct either a new parallel sewer main or replace an existing main to increase conveyance from the Amon Lift Station to the Neel/ Canal diversion structure.

Estimated Impact on Future Operating Costs:

The project is expected to increase annual O&M costs slightly.

	2023	2024	2025	2026	2027	2028	2023-2028
Total Project Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,050,000	\$ 6,050,000
Project Revenues:							
Rates Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,050,000	\$ 6,050,000
On-Going M&O Costs:							
Maintenance Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,000
Total On-Going Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,000



Project Name: Miscellaneous Drywell/Infiltration Locations

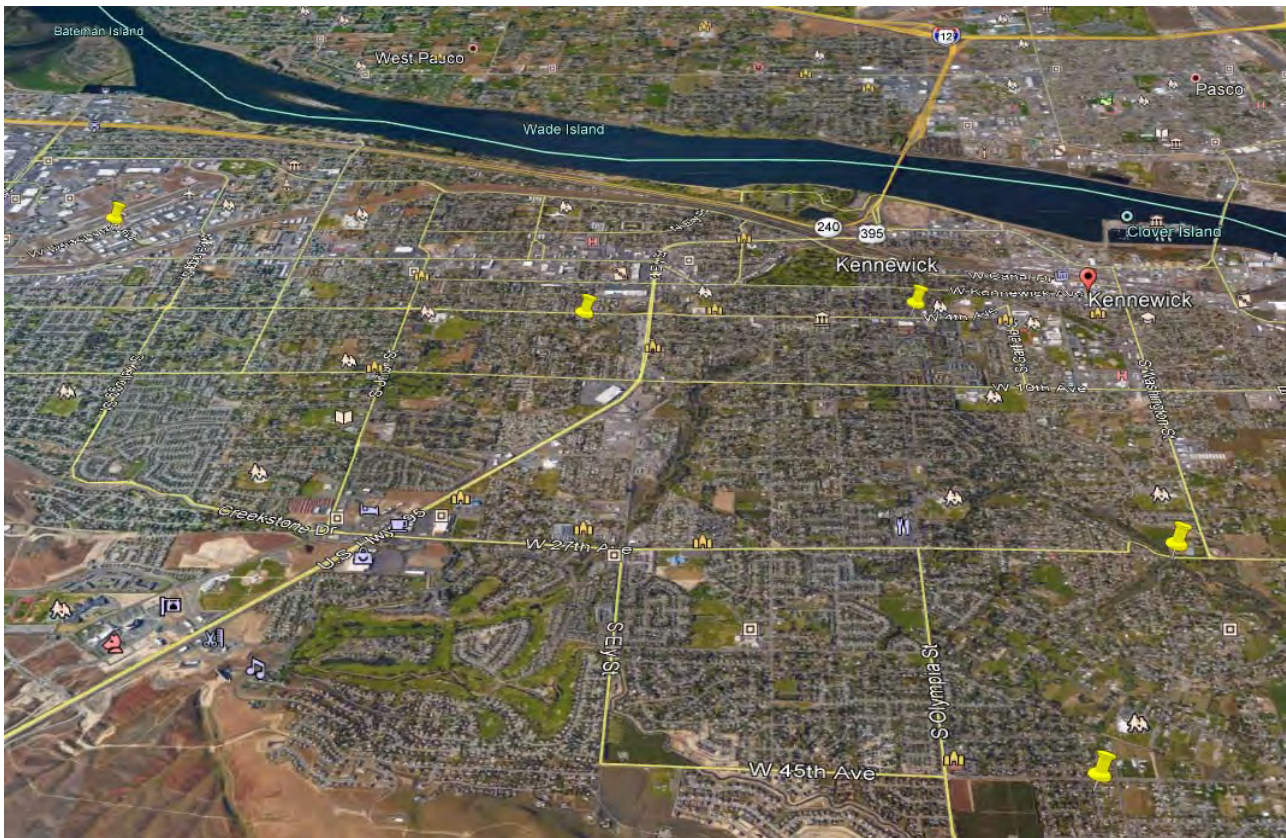
Project Description/Purpose:

This project will install drywells, infiltration trenches, culverts and other stormwater facilities to alleviate localized flooding during stormwater runoff events. Proposed individual projects are located throughout the City.

Estimated Impact on Future Operating Costs:

Correcting these localized problem areas will save labor and equipment during stormwater runoff events, allowing crews to work elsewhere.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$900,000
Project Revenues:							
Stormwater Fund	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$900,000



Project Name: Ohrt’s Addition Subdivision Ph 2– Install Storm Drain System

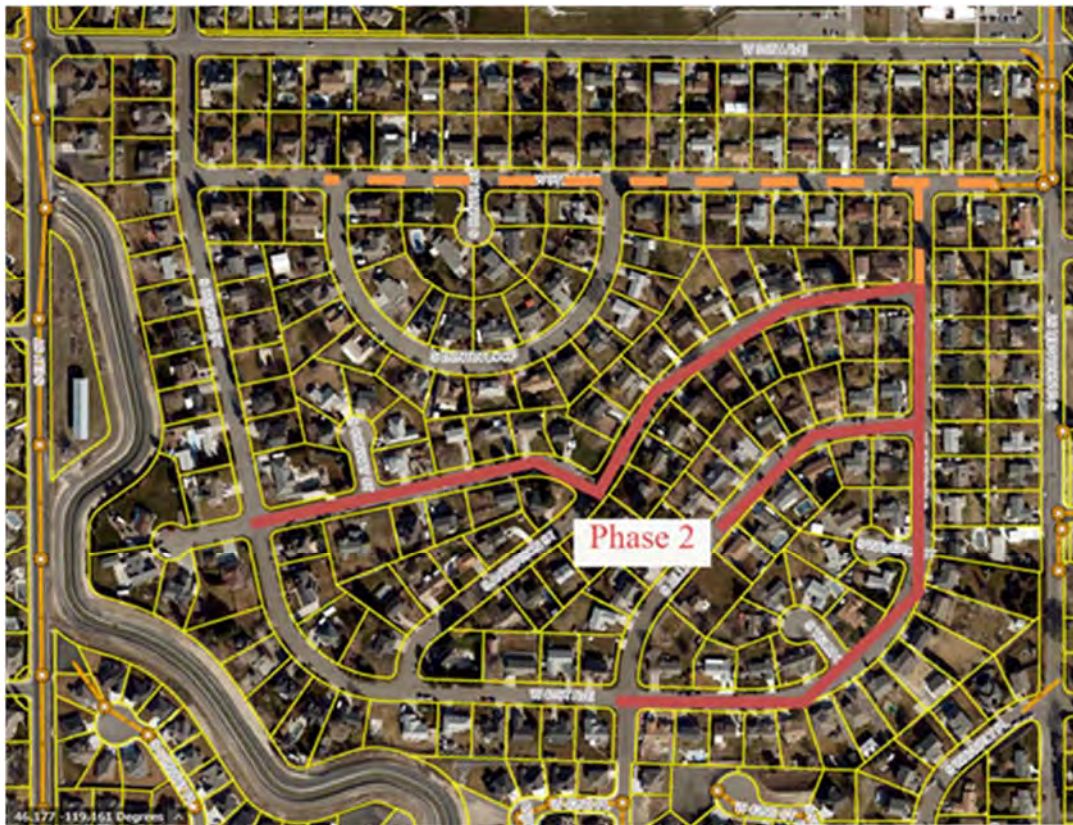
Project Description/Purpose:

This project will alleviate localized frequent flooding in the Ohrt’s Addition Subdivision by installing a storm drain system to connect individual failing drywells to the Vancouver Street storm drain system.

Estimated Impact on Future Operating Costs:

This will eliminate the need to monitor and collect surface stormwater during large stormwater events, saving staff and equipment time. It will also eliminate the potential flooding of nearby homes, and the damage to the streets from a wet subgrade.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$40,000	\$565,000	\$ -	\$ -	\$ -	\$ -	\$605,000
Project Revenues:							
Stormwater Fund	\$40,000	\$565,000	\$ -	\$ -	\$ -	\$ -	\$605,000



Project Name: Cherry Blossom Heights Additional Catch Basins

Project Description/Purpose:

This project will install additional catch basins within the Cherry Blossom Heights sub-division as the existing grates are plugging.

Estimated Impact on Future Operating Costs:

This will reduce stormwater maintenance costs to both of these streets, reduce flooding potential, and allow our limited stormwater crew to address higher priorities.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$15,000	\$ 224,000	\$ -	\$ -	\$ -	\$ -	\$239,000
Project Revenues:							
Stormwater Fund	\$15,000	\$ 224,000	\$ -	\$ -	\$ -	\$ -	\$239,000



Project Name: 7th Ave Outfall Study & Improvement Projects

Project Description/Purpose:

This project will conduct a study as recommended within the latest Stormwater Comp Plan and determine best projects to construct to alleviate stormwater issues along 7th Ave.

Estimated Impact on Future Operating Costs:

Correcting these localized problem areas will save labor and equipment during stormwater runoff events, allowing crews to work elsewhere.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ 60,000	\$60,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ -	\$2,520,000
Project Revenues:							
Stormwater Fund	\$ 60,000	\$60,000	\$800,000	\$800,000	\$800,000	\$ -	\$2,520,000



Project Name: Park Hills Drive Storm Drain Rehabilitation – Olympia to Garfield

Project Description/Purpose:

This project will replace/line the failing storm drain pipe in Park Hills Drive between Olympia and Garfield. The old CMP pipe is undersized and deteriorating. An additional \$60k will be carried forward from 2022 (not shown below).

Estimated Impact on Future Operating Costs:

This will replace a failing pipe to assure the structural integrity of Park Hills Drive, and safeguard homes along the lower portion of Park Hills Drive from flooding in the event of pipe failure.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$6,000	\$ 880,000	\$ -	\$ -	\$ -	\$ -	\$886,000
Project Revenues:							
Stormwater Fund	\$6,000	\$ 880,000	\$ -	\$ -	\$ -	\$ -	\$886,000



Project Name: S Vancouver St Storm Drain Extension

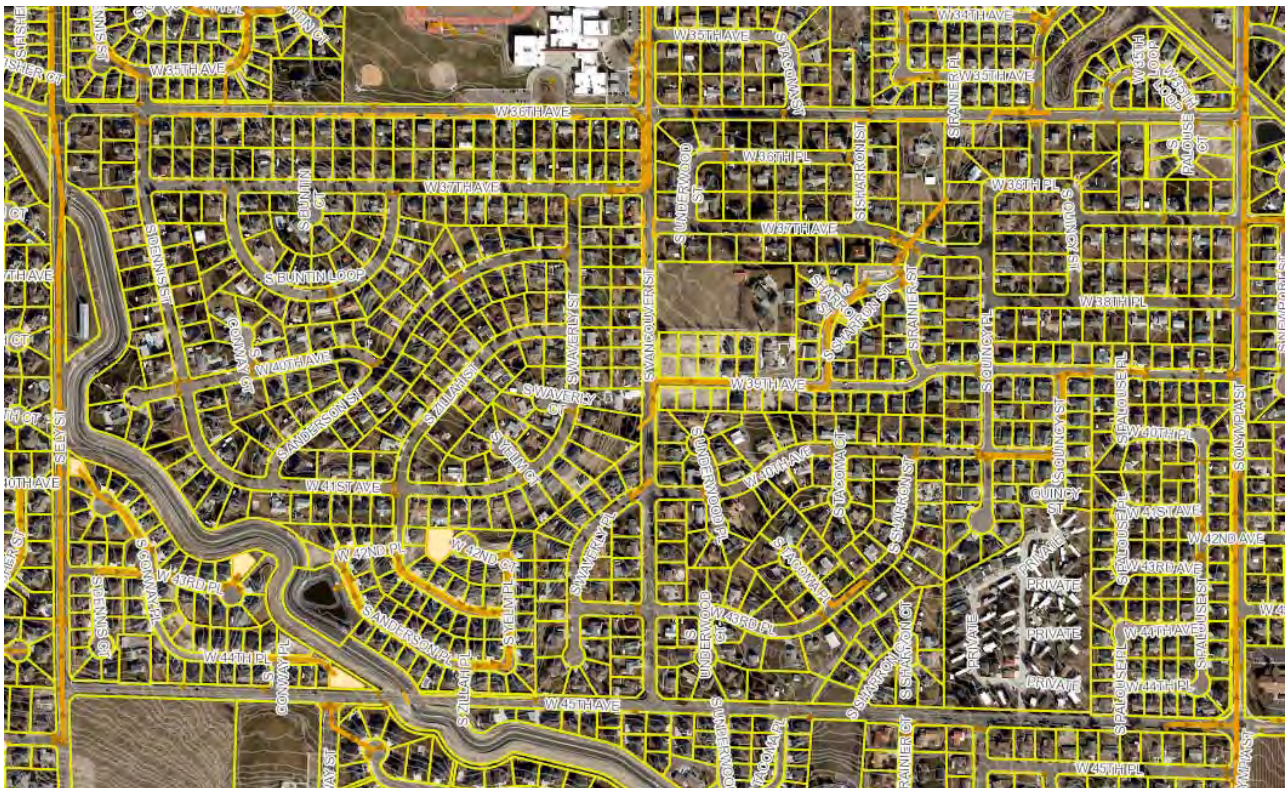
Project Description/Purpose:

This project will design and construct additional storm drain facilities near the south end of S Vancouver St.

Estimated Impact on Future Operating Costs:

This will eliminate the need to monitor and collect surface stormwater during large stormwater events, saving staff and equipment time.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$10,000	\$103,000	\$ -	\$ -	\$ -	\$ -	\$113,000
Project Revenues:							
Stormwater Fund	\$10,000	\$103,000	\$ -	\$ -	\$ -	\$ -	\$113,000



Project Name: Southridge Settlement/ Trench Restoration

Project Description/Purpose:

This project will correct ongoing roadway settlement that is occurring over existing utility lines as a result of substandard materials and poor compaction during original installation.

Estimated Impact on Future Operating Costs:

This will reduce stormwater maintenance costs to both of these streets, reduce flooding potential, and allow our limited stormwater crew to address higher priorities.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$200,000
Project Revenues:							
Stormwater Fund	\$200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$200,000



Project Name: Ridgeline Drive (Sherman to W 36th Place) – Regional Stormwater Solution

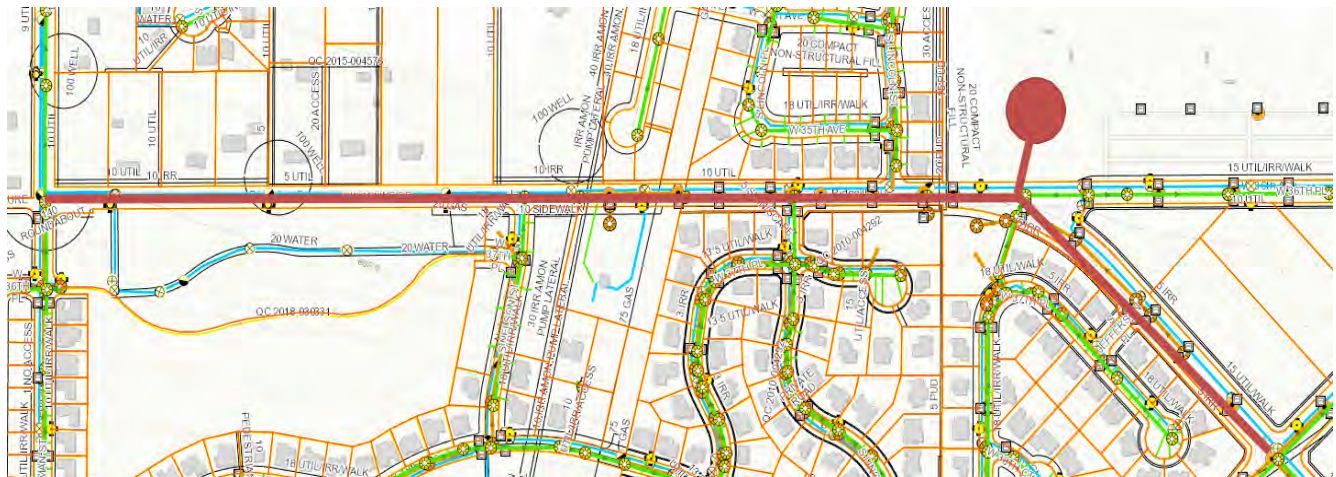
Project Description/Purpose:

This project will design and construct stormwater conveyance and pond infiltration improvement to address stormwater serving the Ridgeline Drive area between Sherman and W. 36th Place, to Southridge Blvd. It may involve a public/private partnership and KSD ball fields.

Estimated Impact on Future Operating Costs:

This will alleviate local flooding in this area and address future stormwater needs in this area.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$33,000	\$ 440,000	\$ -	\$ -	\$ -	\$ -	\$473,000
Project Revenues:							
Stormwater Fund	\$33,000	\$440,000	\$ -	\$ -	\$ -	\$ -	\$473,000



Project Name: 14th Ave (Garfield to CID Canal Stormwater Extension)

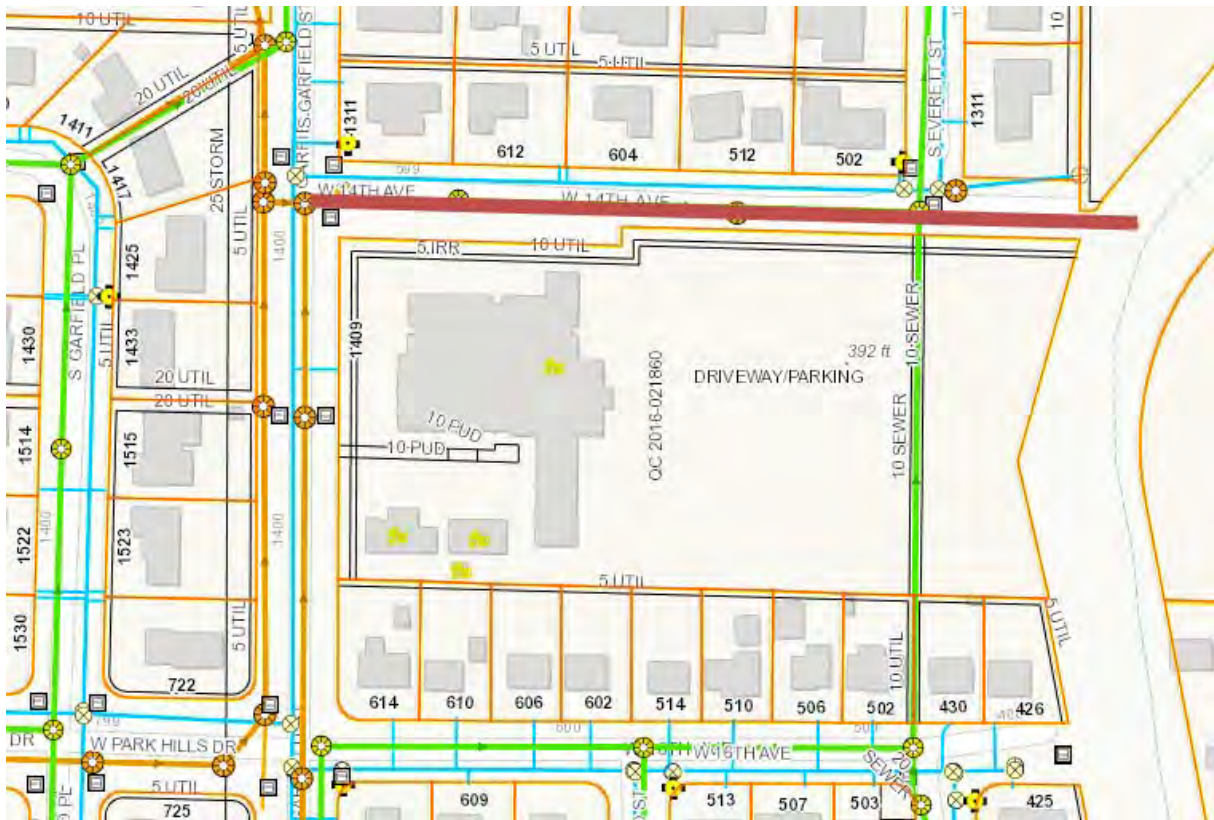
Project Description/Purpose:

This project will replace a failing storm drain pipe system in 14th Ave. and install infiltration treatment prior to outfall into the CID canal.

Estimated Impact on Future Operating Costs:

This will reduce stormwater maintenance costs, provide treatment of stormwater, and allow our limited stormwater crew to address higher priorities.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ -	\$ -	\$ 28,000	\$ 259,000	\$ -	\$ -	\$287,000
Project Revenues:							
Stormwater Fund	\$ -	\$ -	\$ 28,000	\$ 259,000	\$ -	\$ -	\$287,000



Project Name: Outfall to Duffy's Pond (SR 397/Kennewick Ave to Duffy's Pond)

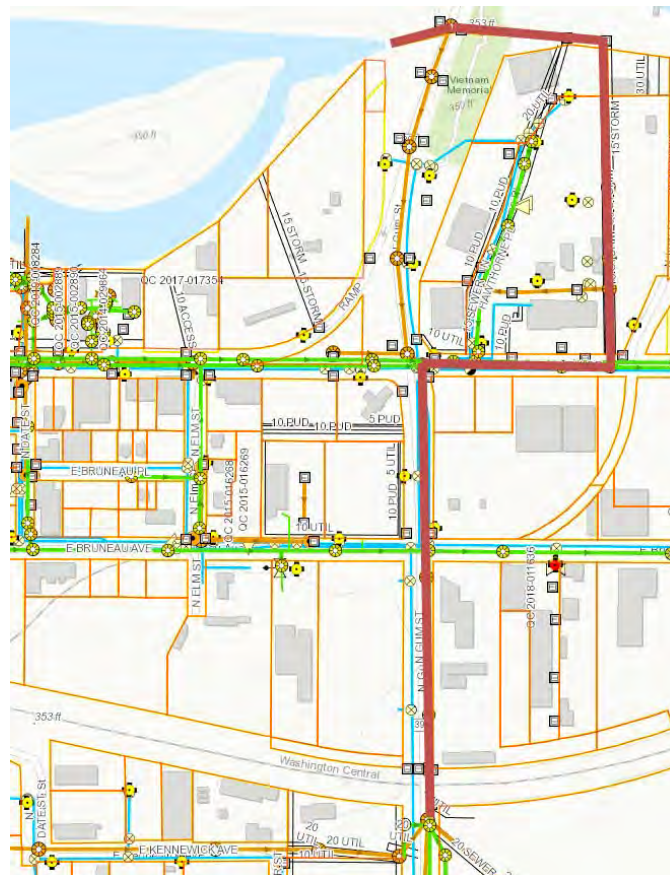
Project Description/Purpose:

This project will install a lining in an old CMP system.

Estimated Impact on Future Operating Costs:

This will reduce stormwater maintenance costs to this old and failing pipe, and allow our limited stormwater crew to address higher priorities.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ 520,000	\$545,000
Project Revenues:							
Stormwater Fund	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ 520,000	\$545,000



Project Name: Kennewick Ave/ Rainer – Storm Pipe Access Manholes

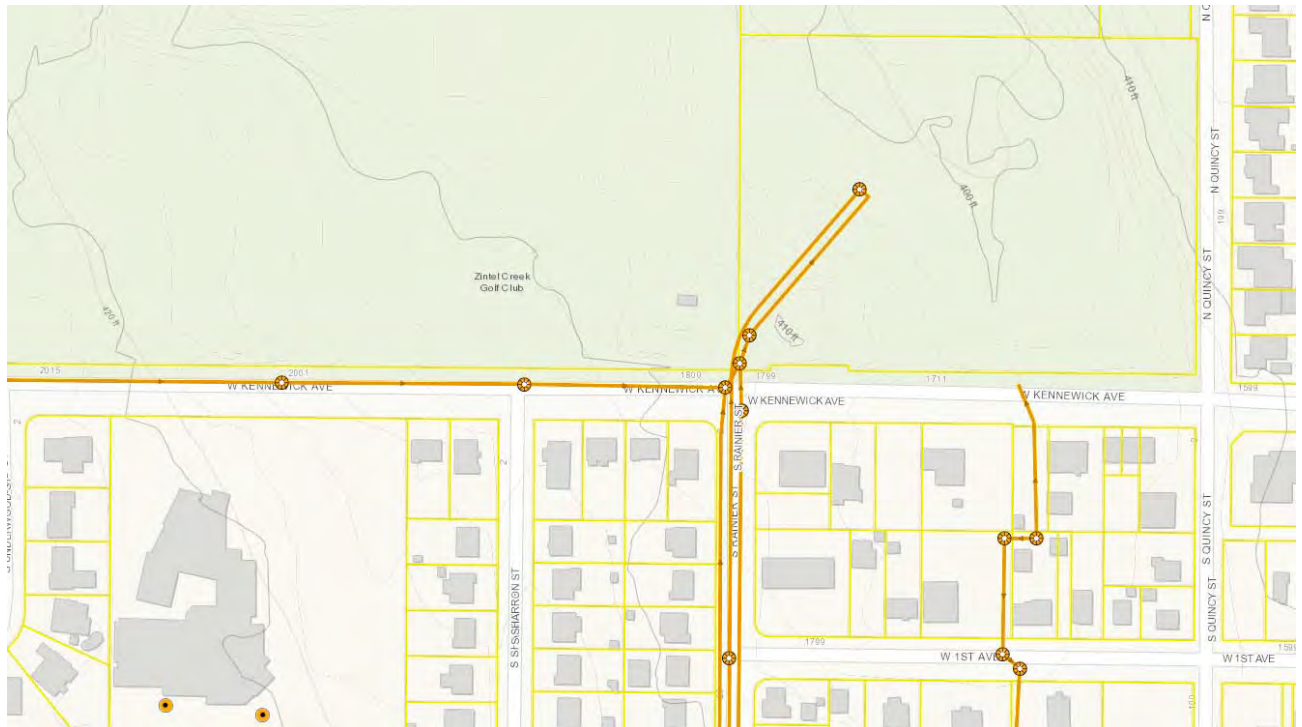
Project Description/Purpose:

This project will install storm pipe access manholes.

Estimated Impact on Future Operating Costs:

This will allow for improved inspections and maintenance of existing storm facilities.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ -	\$ -	\$ -	\$ -	\$ 279,000	\$ 279,000	\$558,000
Project Revenues:							
Stormwater Fund	\$ -	\$ -	\$ -	\$ -	\$ 279,000	\$ 279,000	\$558,000



Project Name: W 26th Place (Garfield to 27th Ave) – Install Drainage System

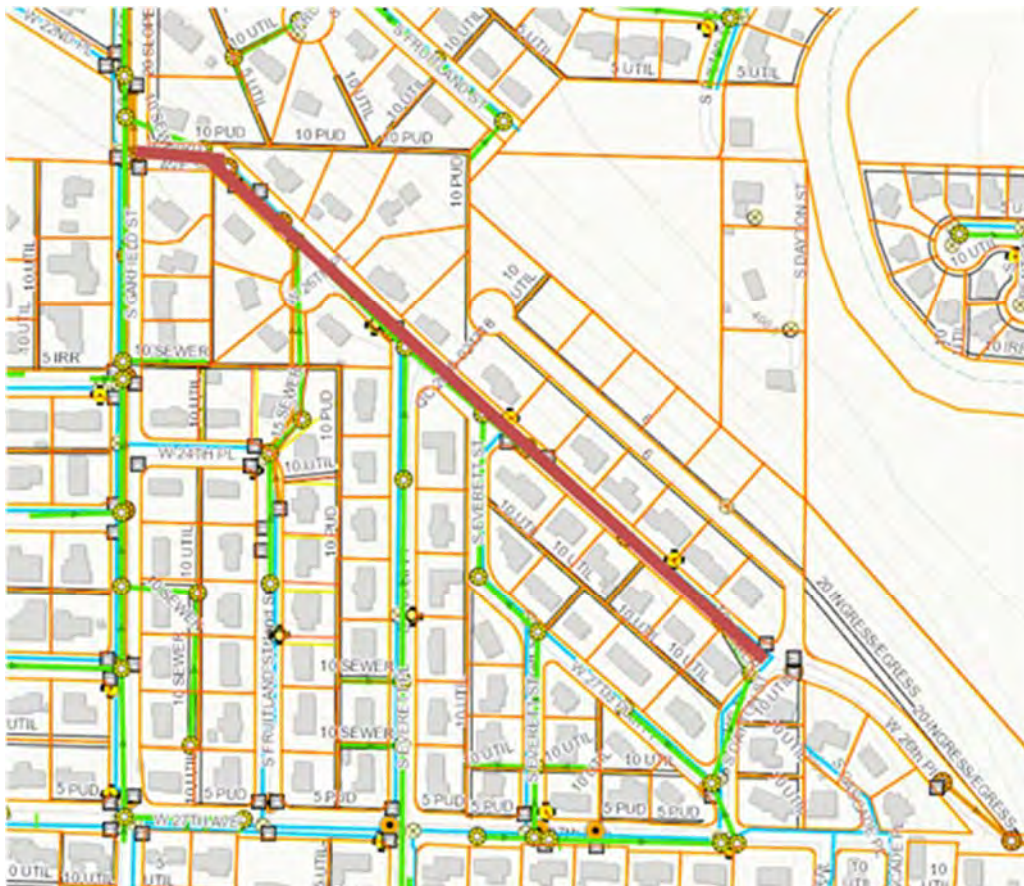
Project Description/Purpose:

This project will install a drainage system for local streets, including resurfacing the street once completed.

Estimated Impact on Future Operating Costs:

This will reduce stormwater maintenance costs to this area, and allow our limited stormwater crew to address higher priorities.

	2023	2024	2025	2026	2027	2028	Total 2023-2028
Total Project Cost	\$ -	\$ -	\$ -	\$ -	\$ 215,000	\$ 215,000	\$ 430,000
Project Revenues:							
Stormwater Fund	\$ -	\$ -	\$ -	\$ -	\$ 215,000	\$ 215,000	\$ 430,000



ARTERIAL STREET FUND

The **Arterial Street Fund** accounts for the continued development of the arterial street system within the City. Revenue sources include transfers, ARPA funds, federal and state grants.

FUND DETAIL
ARTERIAL STREET FUND

Capital Improvement Program

	ACTUAL		ESTIMATE		PROJECTION				
	2019/2020	2021/2022	2023	2024	2025	2026	2027	2028	
BEGINNING FUND BALANCE	\$ 20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
REVENUES									
INTERGOVERNMENTAL									
CSLFRF - ARPA Funds	-	1,000,000	-	-	-	-	-	-	
STPBG Competitive - Local	4,989	-	-	-	-	-	-	-	
FEMA Grant	30,208	-	-	-	-	-	-	-	
Emergency Management State Grant	5,035	-	-	-	-	-	-	-	
MISCELLANEOUS									
Interest	528	-	-	-	-	-	-	-	
Transfer from Capital Improvement	3,903,005	5,000,000	4,000,000	4,000,000	3,000,000	3,000,000	3,000,000	3,000,000	
TOTAL REVENUES	3,943,765	6,000,000	4,000,000	4,000,000	3,000,000	3,000,000	3,000,000	3,000,000	
TOTAL	\$ 3,943,785	\$ 6,000,000	\$ 4,000,000	\$ 4,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	
EXPENDITURES									
STREET OVERLAYS									
2018 City Wide Pavement Preservation	\$ 9,343	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2019 Local Pavement Preservation	2,178,725	-	-	-	-	-	-	-	
2020 Local Pavement Preservation	1,746,016	-	-	-	-	-	-	-	
2021 Local Pavement Preservation	9,701	2,000,000	-	-	-	-	-	-	
2022 Local Pavement Preservation	-	4,000,000	-	-	-	-	-	-	
City Wide Art. Pavement Preservation	-	-	4,000,000	4,000,000	3,000,000	3,000,000	3,000,000	3,000,000	
TOTAL EXPENDITURES	3,943,785	6,000,000	4,000,000	4,000,000	3,000,000	3,000,000	3,000,000	3,000,000	
ENDING FUND BALANCE	-	-	-	-	-	-	-	-	
TOTAL	\$ 3,943,785	\$ 6,000,000	\$ 4,000,000	\$ 4,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	

URBAN ARTERIAL STREET FUND

The **Urban Arterial Street Fund** accounts for the continued development of the urban arterial street system within the City. The primary source of revenue is continuing grants from the State Transportation Improvement Board. The City of Kennewick has been one of the most successful agencies statewide in receiving these funds.

STP Regional Competitive – These funds are available on a competitive basis through the local MPO. This funding is on-going. Current STP intersection projects are Deschutes/Columbia Center Blvd, Quinault/Columbia Center Blvd, and Steptoe/Gage Blvd, with the most recent award dedicated to the Columbia Center Blvd Widening project.

TIB – These grant funds are awarded to high priority transportation projects by the Washington State Transportation Improvement Board. Funding for this program comes from revenue generated by three cents of the statewide gas tax. This funding has been awarded for the construction of the intersection project at Deschutes/Columbia Center Blvd.

FUND DETAIL
URBAN ARTERIAL STREET FUND

Capital Improvement Program

	ACTUAL	ESTIMATE	PROJECTON					
	2019/2020	2021/2022	2023	2024	2025	2026	2027	2028
BEGINNING FUND BALANCE	\$ 227,685	\$ 2,224	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES								
INTERGOVERNMENTAL								
Rural County Capital Funds	384,542	-	500,000	-	500,000	-	500,000	-
WSDOT - Wash St-6th Ave Bike/Ped Program	2,602	-	-	-	-	-	-	-
WSDOT - Wash St - Vancouver St Sidewalks/Ped Prog (unsecured)	-	-	-	-	40,000	826,800	-	-
STP Federal Grant - Metaline	74,832	-	-	-	-	-	-	-
STP Federal Grant - 10th Ave Widening	1,275,875	-	-	-	-	-	-	-
STP Federal Grant - Deschutes/CCB Intersection	32,844	224,926	-	-	-	-	-	-
STP Federal Grant - Quinalt/CCB Intersection	41,825	1,926,915	-	-	-	-	-	-
STP Federal Grant - Steptoe/Gage Blvd Intersection	75,685	3,147,305	-	-	-	-	-	-
STP Federal Grant - CCB Widening - Deschutes to Quinalt	-	-	-	666,050	1,989,500	-	-	-
STP Federal Grant - 1st Ave Road Diet (unsecured)	-	-	-	-	-	2,084,800	-	-
NHFP Grant - US395/Ridgeline Intersection	1,025	-	-	-	-	-	-	-
NHS Grant - Kennewick Pavement Preservation	1,432,160	-	-	-	-	-	-	-
Connecting Washington Grant - US395/Ridgeline Intersection	1,870,000	217,285	-	-	-	-	-	-
TIB Grant - 36th Ave Sidewalks	262,946	-	-	-	-	-	-	-
TIB Grant - Washington Street (1st Ave to Columbia Dr)	46,992	453,008	-	-	-	-	-	-
TIB Grant - Kennewick Ave (Union to Morain)	-	-	-	600,000	-	-	-	-
TIB Grant - Deschutes/CCB Intersection	-	1,280,000	-	-	-	-	-	-
MISCELLANEOUS								
Developer Contributions - US395/Ridgeline Intersection	47,002	-	-	-	-	-	-	-
City of Richland - Steptoe/Gage Blvd Intersection	-	114,750	-	-	-	-	-	-
Kennewick School District - Vancouver St Sidewalks	-	-	-	-	5,200	40,116	-	-
Port of Kennewick	-	669,400	-	-	-	90,760	216,200	-
Interest/Miscellaneous	9,808	-	-	-	-	-	-	-
Transfer from CIP Fund:								
- Columbia Gardens Ph II/Willows	200,000	-	-	-	-	-	-	-
- Clearwater/Leslie	(3,040)	-	-	-	-	-	-	-
- US395 Ridgeline Intersection	4,306,305	212,469	-	-	-	-	-	-
- Kennewick Ave Pavement Pres	237,938	-	-	-	-	-	-	-
- Juniper and Hawthorne	3,803	-	-	-	-	-	-	-
- 6th Ave Bike/Ped Improvements	(13,861)	-	-	-	-	-	-	-
- Kellogg & Clearwater Ave Intersection	-	-	-	-	210,000	886,240	-	-
- Col Center Blvd Widening-Deschutes/Quinalt	-	-	-	103,950	310,500	6,440,000	6,000,000	-
- 10th Avenue Widening	429,417	-	-	-	-	-	-	-
- 10th Avenue Reconst (W. 10th Ct to Bob Olson Parkway)	-	-	-	-	336,000	3,696,000	-	-
- 1st Ave Road Diet (Washington to Fruitland)	-	-	-	-	70,000	521,200	-	-
- 45th Ave Widening (Ely St to Olympia St)	-	-	-	-	-	-	263,000	2,079,000
- Metaline	(67,327)	-	-	-	-	-	-	-
- W. 36th Ave Sidewalk Vancouver	71,783	-	-	-	-	-	-	-
- Kennewick Ave (Union to Morain)	-	700,000	-	-	-	-	-	-
- Deschutes/CCB Intersection	5,236	187,594	-	-	-	-	-	-
- Quinalt/CCB Intersection	6,527	304,735	-	-	-	-	-	-
- Steptoe/Gage Intersection	11,812	380,445	-	-	-	-	-	-
- Traffic Signal - Arrowhead and Steptoe	-	442,000	-	300,000	-	-	-	-
- Traffic Signal - Bob Olson & Sherman	-	-	100,000	900,000	-	-	-	-
- Vancouver St Sidewalk-W 37th to W 45th Ave	-	-	-	-	4,800	166,584	-	-
- Canal Dr and Edison Intersection	-	-	-	-	-	303,000	977,800	-
TOTAL REVENUES	10,746,731	10,260,832	600,000	2,570,000	3,466,000	15,055,500	7,957,000	2,079,000
TOTAL	\$ 10,974,416	\$ 10,263,056	\$ 600,000	\$ 2,570,000	\$ 3,466,000	\$ 15,055,500	\$ 7,957,000	\$ 2,079,000

FUND DETAIL
URBAN ARTERIAL STREET FUND

Capital Improvement Program

	ACTUAL	ESTIMATE	PROJECTON					
	2019/2020	2021/2022	2023	2024	2025	2026	2027	2028
EXPENDITURES								
STREET RECONSTRUCTION								
1st Ave Road Diet (Washington to Fruitland)	\$ -	\$ -	\$ -	\$ -	\$ 70,000	\$ 2,606,000	\$ -	\$ -
10th Avenue Widening	1,699,395	669	-	-	-	-	-	-
10th Avenue Reconstruction - W. 10th Ct to Bob Olson Parkway	-	-	-	-	336,000	3,696,000	-	-
45th Ave Widening - Ely/Olympia	-	-	-	-	-	-	263,000	2,079,000
Kennewick Ave Pavement Preservation	1,670,098	-	-	-	-	-	-	-
Kennewick Ave (Union to Morain)	-	700,000	-	600,000	-	-	-	-
Kellogg & Clearwater Ave Intersection	-	-	-	-	210,000	977,000	-	-
Canal Dr and Edison Intersection	-	-	-	-	-	303,000	1,194,000	-
Columbia Center Blvd Widening - Deschutes/Quinault	-	-	-	770,000	2,300,000	6,440,000	6,000,000	-
Columbia Gardens Phase II	584,542	-	-	-	-	-	-	-
Vista Field Transportation Improvement Projects	-	-	500,000	-	500,000	-	500,000	-
Deschutes/CCB Intersection	38,081	1,861,920	-	-	-	-	-	-
Metaine Widening	231,099	-	-	-	-	-	-	-
Quinault/CCB Intersection	48,352	2,231,650	-	-	-	-	-	-
Septoe Street/Gage Blvd Intersection	87,497	3,642,500	-	-	-	-	-	-
US395/Ridgeline Intersection	6,214,529	429,754	-	-	-	-	-	-
Vancouver St Sidewalk (W 37th to W 45th Ave)	-	-	-	-	50,000	1,033,500	-	-
Washington 6th Ave - Bike Ped Program	2,626	-	-	-	-	-	-	-
W 36th Ave Sidewalk - S. Vancouver to Sharon St.	340,694	-	-	-	-	-	-	-
Washington St (1st Ave to Columbia Dr)	55,279	954,563	-	-	-	-	-	-
TRAFFIC CONTROL								
Bob Olson & Sherman Traffic Signal	-	-	100,000	900,000	-	-	-	-
Septoe/Arrowhead Traffic Signal	-	442,000	-	300,000	-	-	-	-
TOTAL EXPENDITURES	10,972,192	10,263,056	600,000	2,570,000	3,466,000	15,055,500	7,957,000	2,079,000
ENDING FUND BALANCE	2,224	-	-	-	-	-	-	-
TOTAL	\$ 10,974,416	\$ 10,263,056	\$ 600,000	\$ 2,570,000	\$ 3,466,000	\$ 15,055,500	\$ 7,957,000	\$ 2,079,000

CAPITAL IMPROVEMENT FUND

The **Capital Improvement Fund** is used to account for the expenditures incurred for the acquisition or construction of major capital assets that are not identified with other capital funds. Sources of revenue include that portion of optional local taxes designated for capital improvements, state grants, Public Works Trust Fund (PWTF) loans, and allocations from other funds. Activity in the fund is accounted for in various departments including streets, City facilities, and PWTF loan projects.

Optional sales tax is locally levied and distributed by the state to each city on the basis of collections within the jurisdiction. State law authorizes up to 1/2 of 1%. If both the county and city are levying the local sales tax, the city must allocate 15% of the amount it receives to the county. Kennewick's optional sales tax became effective July 1, 1986. By Resolution No. 95-43, the City Council designated the use of the proceeds of the optional sales tax to fund a street improvement program. A minimum of \$7,000,000 per year of optional sales tax is projected for the next five years.

The **1/4% real estate tax** is locally levied on each sale of real property within the city. The tax is collected by the county and distributed to the city monthly. All proceeds must be used for capital purposes. Kennewick imposed this tax effective July 1, 1986. A second **1/4% real estate tax** was approved effective January 1, 1999. At that time the second 1/4% was specifically designated for use in the development of Columbia Park. Council took action on October 16, 2001 that re-designated \$725,000 for other capital purposes effective January 1, 2001.

Recreational Trails and Paths receives revenue from one-half of one percent of the **motor vehicle fuel tax**, according to provisions of RCW 46.68. In accordance with RCW 47.30.030 the funds are to be expended for the planning, accommodation, establishment, and maintenance of facilities for pedestrian, equestrian, or bicycle traffic.

The Washington State **Public Works Trust Fund** program was established in 1985 to offer low interest loans to eligible local governments for public works projects. The program is designed to encourage local effort in managing local needs. The City currently has one loan for street projects and four water/sewer projects. The annual debt service for the street loans is approximately \$280,000.

General Obligation Bonds are the traditional form of government debt financing for major construction projects. Repayment of the bonds is guaranteed by the full faith, credit and taxing power of the City and are subject to the government's debt limit. The CIP Fund is the source for repayment of seven bond issues and has two capital projects planned to be financed with future bond issues.

Capital Improvement Program

Park Impact & Reserves are a condition of approval of any short plat or new development in the City for residential purposes, which requires land be dedicated for park purposes. **Park fees** in lieu of land dedication are collected when property is subdivided or improved for residential purposes and has inadequate acreage to meet the park needs in the neighborhood or the land is already available. These “fees in lieu” of are used for the acquisition or development of park and recreation facilities within the designated park service area for which the fees were imposed. The fee requirement is based on a formula using the number of proposed residential units; the population per household as indicated on the comprehensive plan; and the current assessed value of the property to be subdivided or improved.

Transportation Impact Fees are a condition of approval of development projects which require the issuance of a building permit or approval for a change in use. This includes the development of residential, commercial, retail, office, industrial land, and the expansion of existing uses which creates a demand for additional street system improvements. Impact fees are collected prior to the issuance of any certificate of occupancy.

**FUND DETAIL
CAPITAL IMPROVEMENT FUND
STREETS**

Capital Improvement Program

	ACTUAL	ESTIMATE	PROJECTION					
	2019/2020	2021/2022	2023	2024	2025	2026	2027	2028
BEGINNING FUND BALANCE	\$ 14,941,113	\$ 16,205,040	\$ 22,596,455	\$ 23,700,729	\$ 25,387,708	\$ 29,327,375	\$ 20,722,792	\$ 17,255,011
REVENUES								
TAXES								
Optional Sales Tax	11,402,596	14,838,000	7,001,000	7,101,500	7,382,500	7,673,500	7,974,000	8,283,700
Local Real Estate Excise Tax	3,337,758	5,225,500	1,719,000	1,771,000	1,824,000	1,879,000	1,935,000	1,993,000
Local Real Estate Excise Tax (2nd 1/4)	3,337,758	5,225,500	1,719,000	1,771,000	1,824,000	1,879,000	1,935,000	1,993,000
Water and Sewer Utility Tax	1,774,370	2,158,873	1,180,400	1,259,100	1,343,200	1,432,800	1,528,500	1,621,500
Trails & Paths Gas Tax	16,334	16,000	8,000	8,000	8,000	8,000	8,000	8,000
INTERGOVERNMENTAL								
HSIP Grant	-	875,607	363,000	-	-	-	-	-
WTSC Grant	120,815	30,842	-	-	-	-	-	-
Benton Franklin COG TAP Grant (unsecured)	-	-	-	-	30,275	259,500	528,082	-
Kennewick School District	136,846	7,710	-	-	-	-	-	-
WA State Dept of Commerce	-	37,240	-	-	-	-	-	-
WA State Dept of Ecology	35,934	20,000	-	-	-	-	-	-
MISCELLANEOUS								
Developer Contributions & Land Sales	473,720	237,315	-	-	-	-	-	-
Interest/Miscellaneous	481,442	286,500	250,000	250,000	250,000	250,000	250,000	250,000
Donations	217,991	180,000	202,000	57,000	42,000	42,000	42,000	-
Rentals and Leases	9,068	46,000	23,000	23,000	23,000	23,000	23,000	23,000
Transfer from General Fund	2,000,000	1,174,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Transfer from Community Development	863,945	1,388,902	500,000	500,000	350,000	350,000	350,000	350,000
Transfer from CIP LRF Tax	1,575,603	2,044,299	993,000	1,040,000	1,087,000	1,134,000	1,183,000	1,261,000
Transfer from CIP TIF	1,870,786	2,007,080	500,000	500,000	500,000	500,000	500,000	500,000
Transfer from CIP PIF	-	188,112	225,000	-	-	-	-	-
Transfer from CIP Park Reserve	-	62,540	-	-	-	-	-	-
Transfer from CIP 2016 GO Bond	384,297	-	-	-	-	-	-	-
TOTAL REVENUES	28,039,263	36,050,020	15,683,400	15,280,600	15,663,975	16,430,800	17,256,582	17,283,200
TOTAL	\$ 42,980,376	\$ 52,255,060	\$ 38,279,855	\$ 38,981,329	\$ 41,051,683	\$ 45,758,175	\$ 37,979,374	\$ 34,538,211
EXPENDITURES								
STREET RECONSTRUCTION								
Kellogg St	\$ 23,034	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal Street Reconstruction	23,034	-	-	-	-	-	-	-
SIDEWALKS								
Sidewalk Replacement	147,449	262,000	140,000	140,000	140,000	140,000	140,000	140,000
Solar Lighting Union/Edison Pedestrian Pathway	-	197,000	-	-	-	-	-	-
W Canal Dr Sidewalk Improvement	-	400,000	-	-	-	-	-	-
W 6th Ave Sidewalk Improvement	-	286,000	-	-	-	-	-	-
ADA Transition Program	569,716	-	-	500,000	350,000	350,000	350,000	350,000
Subtotal Sidewalks	717,165	1,145,000	140,000	640,000	490,000	490,000	490,000	490,000
STREET OVERLAYS/GRAVEL STREETS								
Miscellaneous Street Projects	384,641	268,000	106,525	106,525	106,525	106,525	106,525	106,525
Crack Sealing/Preleveling Program	220,097	247,200	150,000	150,000	150,000	150,000	150,000	150,000
Subtotal Street Overlays	604,738	515,200	256,525	256,525	256,525	256,525	256,525	256,525
TRAFFIC CONTROL DEVICES								
Traffic Sign Inventory	3,737	-	-	-	-	-	-	-
Traffic Volume Counts	1,507	-	-	-	-	-	-	-
Subtotal Traffic Control Devices	5,244	-	-	-	-	-	-	-
STREET LIGHTS/SIGNALS								
St. Lts. Misc. Locations (Arterials)	93,820	141,931	78,100	78,100	78,100	78,100	78,100	78,100
Systematic Safety Street Lighting Improvements	-	-	363,000	-	-	-	-	-
Pedestrian Improvements	444	155,746	-	100,000	-	-	-	-
RRFB Pedestrian Safety Improvements	-	860,900	-	-	-	-	-	-
Flashing School Beacon Upgrade	163,793	38,552	-	-	-	-	-	-
W. 27th & Olson Signal	449,410	-	-	-	-	-	-	-
Retrofit Roundabout Art	1,575	-	-	-	-	-	-	-
Columbia Dr Pedestrian Signal	32,929	-	-	-	-	-	-	-
Misc Traffic Signals or Roundabouts	516,685	382,800	210,500	210,500	210,500	210,500	210,500	210,500
Subtotal Lights/Signals	1,258,656	1,579,929	651,600	388,600	288,600	288,600	288,600	288,600

**FUND DETAIL
CAPITAL IMPROVEMENT FUND
STREETS**

Capital Improvement Program

	ACTUAL	ESTIMATE	PROJECTION					
	2019/2020	2021/2022	2023	2024	2025	2026	2027	2028
OTHER IMPROVEMENTS								
Animal Control Facility	9,676	2,428,454	-	-	-	-	-	-
Boys & Girls Club	45,530	-	-	-	-	-	-	-
Street Assessments/Studies	-	45,000	-	-	-	-	-	-
Keene Trail Extension/Island View Study	-	-	-	-	35,000	300,000	610,500	-
Wayfinding Program	403,490	109,610	-	-	-	-	-	-
Subtotal Other Improvements	458,696	2,583,064	-	-	35,000	300,000	610,500	-
PARK IMPROVEMENTS								
Playground of Dreams	424,929	219,147	-	-	-	-	-	-
Underwood Park	65,934	-	-	-	-	-	-	-
Monopoly Park	104,888	-	-	-	-	-	-	-
Subtotal Park Improvements	595,751	219,147	-	-	-	-	-	-
MISCELLANEOUS								
Transfer to Arterial Fund	3,903,005	5,000,000	4,000,000	4,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Transfer to Urban Arterial Fund:								
- 6th Ave Bike Ped	(13,861)	-	-	-	-	-	-	-
- Clearwater/Leslie	(3,040)	-	-	-	-	-	-	-
- Columbia Gardens Ph II	200,000	-	-	-	-	-	-	-
- Deschutes/CCB Intersection	5,236	187,594	-	-	-	-	-	-
- Columbia Center Blvd Widening	-	-	-	103,950	310,500	6,440,000	6,000,000	-
- 10th Avenue Reconst (W. 10th Ct/Bob Olson)	-	-	-	-	336,000	3,696,000	-	-
- 1st Ave Road Diet (Washington to Fruitland)	-	-	-	-	70,000	521,200	-	-
- 45th Ave Widening (Ely St to Olympia St)	-	-	-	-	-	-	263,000	2,079,000
- Juniper and Hawthorne	3,803	-	-	-	-	-	-	-
- Kellogg & Clearwater Ave Intersection	-	-	-	-	210,000	886,240	-	-
- Kenn Ave (Union to Morain)	-	700,000	-	-	-	-	-	-
- Kenn Ave Pavement Preservation	237,938	-	-	-	-	-	-	-
- Metaline	(67,327)	-	-	-	-	-	-	-
- Quinault/CCB Intersection	6,527	304,735	-	-	-	-	-	-
- Steptoe/Gage Intersection	11,812	380,445	-	-	-	-	-	-
- Traffic Signal - Arrowhead and Steptoe	-	442,000	-	300,000	-	-	-	-
- Traffic Signal - Bob Olson & Sherman	-	-	100,000	900,000	-	-	-	-
- Canal Dr and Edison Intersection	-	-	-	-	-	303,000	977,800	-
- US395/Ridgeline	35,764	-	-	-	-	-	-	-
- Vancouver St Sidewalk (W 37th to W 45th)	-	-	-	-	4,800	166,584	-	-
- W 10th Widening	429,417	-	-	-	-	-	-	-
- W 36th Ave Sidewalk Vancouver	71,783	-	-	-	-	-	-	-
Transfer to Equipment Rental	2,024,073	2,094,000	2,083,800	1,111,100	1,165,200	1,165,200	1,270,000	1,270,000
Transfer to Medical Services Fund	-	-	30,500	-	-	-	-	-
Transfer to CIP - Facilities	1,410,935	2,860,527	1,676,900	882,200	521,305	547,985	575,290	606,370
Transfer to Capital Purchases	1,791,311	1,388,811	560,500	581,550	610,600	610,600	641,200	641,200
Transfer to Debt Service Fund 2010B	886,898	-	-	-	-	-	-	-
Transfer to Debt Service Fund 2011	1,296,100	1,292,150	643,175	-	-	-	-	-
Transfer to Debt Service Fund 2015A	742,749	744,795	369,648	369,919	144,553	-	-	-
Transfer to Debt Service Fund 2015B	1,636,350	1,633,000	814,575	815,975	1,041,775	510,225	508,825	507,125
Transfer to Debt Service Fund 2016	937,880	937,180	469,015	465,615	467,065	470,265	467,865	465,065
Transfer to Debt Service Fund 2020A	330,805	1,063,575	533,213	533,763	534,013	533,963	533,613	532,963
Transfer to Debt Service Fund 2020B	732,248	1,604,723	806,125	804,525	802,125	803,925	799,725	800,025
Transfer to Debt Service Fund 2022	-	902,005	436,525	436,525	436,525	436,525	436,525	436,525
Transfer to Debt Service Fund 2026	-	-	-	-	-	2,612,475	2,612,475	2,612,475
Transfer to Debt Service Fund 2028	-	-	-	-	-	-	-	927,455
Transfer to Conv Ctr - City of Pasco	909,433	1,010,000	471,000	495,000	520,000	546,000	573,000	602,000
Transfer to Public Facilities District - Conv Ctr	542,890	440,000	254,000	230,000	205,000	179,000	152,000	123,000
Transfer to Coliseum	4,442,263	18,000	-	-	-	-	-	-
Subtotal Miscellaneous	22,504,992	23,003,540	13,248,976	12,030,122	10,379,461	23,429,187	18,811,318	14,603,203
DEBT SERVICE								
PWTF Loan - Comp Street Imp - Phase II	499,095	-	-	-	-	-	-	-
PWTF Loan - US395 Ridgeline	107,965	612,725	282,025	278,374	274,722	271,071	267,420	263,769
Subtotal Debt Service	607,060	612,725	282,025	278,374	274,722	271,071	267,420	263,769
TOTAL EXPENDITURES	26,775,336	29,658,605	14,579,126	13,593,621	11,724,308	25,035,383	20,724,363	15,902,097
ENDING FUND BALANCE	16,205,040	22,596,455	23,700,729	25,387,708	29,327,375	20,722,792	17,255,011	18,636,114
TOTAL	\$ 42,980,376	\$ 52,255,060	\$ 38,279,855	\$ 38,981,329	\$ 41,051,683	\$ 45,758,175	\$ 37,979,374	\$ 34,538,211

**FUND DETAIL
CAPITAL IMPROVEMENT FUND
LAND & FACILITIES**

Capital Improvement Program

	ACTUAL	ESTIMATE	PROJECTION					
	2019/2020	2021/2022	2023	2024	2025	2026	2027	2028
BEGINNING FUND BALANCE	\$ 408,524	\$ 7,877	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES								
INTERGOVERNMENTAL								
CSLFRF - ARPA Grant	-	1,100,000	-	-	-	-	-	-
RCO Grant	-	135,000	-	-	-	-	-	-
MISCELLANEOUS								
Rentals & Leases	19,529	-	-	-	-	-	-	-
Transfer from Water/Sewer	-	35,896	-	-	-	-	-	-
Transfer from Stormwater	-	10,256	-	-	-	-	-	-
Transfer from CIP Street	1,410,935	2,860,527	1,676,900	882,200	521,305	547,985	575,290	606,370
TOTAL REVENUES	1,430,464	4,141,679	1,676,900	882,200	521,305	547,985	575,290	606,370
TOTAL	\$ 1,838,988	\$ 4,149,556	\$ 1,676,900	\$ 882,200	\$ 521,305	\$ 547,985	\$ 575,290	\$ 606,370
EXPENDITURES								
City Hall	\$ 22,969	\$ 68,753	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Environmental Assessments	35,934	20,000	-	-	-	-	-	-
Park Comprehensive Plan update	-	-	100,000	200,000	-	-	-	-
Civic Center Complex Restrooms	-	300,000	-	-	-	-	-	-
Deferred Maintenance Program	-	132,495	371,900	390,100	409,605	430,085	450,590	474,170
Dock Rehabilitation	-	165,000	-	-	-	-	-	-
Dog Park	-	-	225,000	-	-	-	-	-
Fire Station Fill Stations	-	14,000	-	-	-	-	-	-
Fire Station #1	81,367	-	-	-	-	-	-	-
Fire Station #2	19,830	16,357	-	-	-	-	-	-
Fire Station #4	50,618	-	-	-	-	-	-	-
Fire Station #5	35,194	-	-	-	-	-	-	-
Fire Station #6	2,800	-	-	-	-	-	-	-
Library Improvements	45,660	51,000	-	-	-	-	-	-
Lawrence Scott Prk Pickleball Complex	-	1,330,700	-	-	-	-	-	-
Hard Surface Repair/Court Replacement	17,181	107,842	200,000	200,000	-	-	-	-
Community Center	125,228	19,472	-	-	-	-	-	-
Swimming Pool & Splash Pad	66,469	156,000	500,000	-	-	-	-	-
Park Amenities	7,330	32,670	-	-	-	-	-	-
JS Express	4,000	26,000	-	-	-	-	-	-
Park & Rec Annex Building	30,662	-	-	-	-	-	-	-
Park Restroom Motion Detectors	-	52,000	-	-	-	-	-	-
Southridge Complex	258,209	-	180,000	-	-	-	-	-
Vancouver Park Tennis Court	-	20,000	-	-	-	-	-	-
Playground Repair/Replacement	43,140	6,860	-	-	-	-	-	-
Automatic Gate Program	-	39,025	-	-	-	-	-	-
Frost Facility	34,171	144,270	-	-	-	-	-	-
KSD Parking Lot	2,904	-	-	-	-	-	-	-
E. Benton Museum HVAC	-	28,000	-	-	-	-	-	-
Police Station	99,370	-	-	-	-	-	-	-
Keewaydin Park Upgrade	-	450,000	-	-	-	-	-	-
Vista District Common Area O&M	85,496	95,000	51,000	56,100	61,700	67,900	74,700	82,200
Title and Appraisal Fees	25,158	-	-	-	-	-	-	-
Tree Removal	303,165	427,335	-	-	-	-	-	-
Shoreline Stabilization	8,201	276,777	-	-	-	-	-	-
Transfer to Columbia Park Golf Course	426,055	170,000	49,000	36,000	50,000	50,000	50,000	50,000
TOTAL EXPENDITURES	1,831,111	4,149,556	1,676,900	882,200	521,305	547,985	575,290	606,370
ENDING FUND BALANCE	7,877	-	-	-	-	-	-	-
TOTAL	\$ 1,838,988	\$ 4,149,556	\$ 1,676,900	\$ 882,200	\$ 521,305	\$ 547,985	\$ 575,290	\$ 606,370

**FUND DETAIL
CAPITAL IMPROVEMENT FUND
CAPITAL PURCHASES**

Capital Improvement Program

	ACTUAL		ESTIMATE		PROJECTION				
	2019/2020	2021/2022	2023	2024	2025	2026	2027	2028	
BEGINNING FUND BALANCE	\$ 137,383	\$ 308,059	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
REVENUES									
MISCELLANEOUS									
Transfer from Capital Imp. - Streets	1,791,311	1,388,811	560,500	581,550	610,600	610,600	641,200	641,200	
Transfer from Water/Sewer Fund	810,620	-	52,000	65,750	-	-	-	-	
Transfer from Medical Services Fund	137,447	-	24,000	29,650	-	-	-	-	
Transfer from Building Safety Fund	310,948	-	12,000	16,000	-	-	-	-	
Transfer from Stormwater Utility Fund	70,811	-	8,000	7,400	-	-	-	-	
Transfer from BiPin Fund	2,996	-	8,000	7,500	-	-	-	-	
TOTAL REVENUES	3,124,133	1,388,811	664,500	707,850	610,600	610,600	641,200	641,200	
TOTAL	\$ 3,261,516	\$ 1,696,870	\$ 664,500	\$ 707,850	\$ 610,600	\$ 610,600	\$ 641,200	\$ 641,200	
EXPENDITURES									
CAPITAL PURCHASES									
Data Processing Equipment	\$ 728,691	\$ 266,104	\$ 664,500	\$ 707,850	\$ 610,600	\$ 610,600	\$ 641,200	\$ 641,200	
Software Needs Analysis	9,590	-	-	-	-	-	-	-	
Software	4,590	154,920	-	-	-	-	-	-	
Eden Replacement	2,210,586	1,275,846	-	-	-	-	-	-	
TOTAL EXPENDITURES	2,953,457	1,696,870	664,500	707,850	610,600	610,600	641,200	641,200	
ENDING FUND BALANCE	308,059	-	-	-	-	-	-	-	
TOTAL	\$ 3,261,516	\$ 1,696,870	\$ 664,500	\$ 707,850	\$ 610,600	\$ 610,600	\$ 641,200	\$ 641,200	

**FUND DETAIL
CAPITAL IMPROVEMENT FUND
PARK RESERVES**

Capital Improvement Program

	ACTUAL 2019/2020	ESTIMATE 2021/2022	PROJECTION 2023
BEGINNING FUND BALANCE	\$ 769,102	\$ 416,341	\$ 208,361
REVENUES			
Park Development Fees	29,243	7,732	-
Interest Earnings	20,152	2,800	-
TOTAL REVENUES	49,395	10,532	-
TOTAL	\$ 818,497	\$ 426,873	\$ 208,361
EXPENDITURES			
PARK IMPROVEMENTS			
1W Sunset Park	\$ 1,351	\$ -	\$ 4,470
1E Fruitland	766	-	3,141
2E Zintel/Underwood/Vancouver	511	-	-
4E Eastgate/Arboretum	766	-	-
2W Lawrence Scott Park	4,800	62,541	-
3E Civic Area	255	-	10,078
3W John Day/Hawthorne	-	-	257
4W 10th/CCB & Park Site	511	-	-
5W Grange	29,811	-	16,124
5E Horse Heaven Park	4,290	-	37,927
6E Cascade	23,174	155,971	-
6W Southridge	57,007	-	21,684
7W Five Corners	278,914	-	112,879
Miscellaneous Park Projects	-	-	1,801
TOTAL EXPENDITURES	402,156	218,512	208,361
ENDING FUND BALANCE	416,341	208,361	-
TOTAL	\$ 818,497	\$ 426,873	\$ 208,361
ENDING FUND BALANCE			
Reserve - 1E - Fruitland	\$ 3,141	\$ 3,141	\$ -
Reserve - 3E Civic Area	10,078	10,078	-
Reserve - 5E HH/CL/Insp Estates	37,927	37,927	-
Reserve - 6E Cascade	118,757	-	-
Reserve - 1W Sunset/CCE	4,470	4,470	-
Reserve - 2W Lawrence Scott	6,241	-	-
Reserve - 3W John Day/Hawthorne	257	257	-
Reserve - 5W Grange	16,124	16,124	-
Reserve - 6W Southridge	13,952	21,684	-
Reserve - 7W Five Corners	112,879	112,879	-
Unreserved	92,515	1,801	-
TOTAL FUND BALANCE	\$ 416,341	\$ 208,361	\$ -

**FUND DETAIL
CAPITAL IMPROVEMENT FUND
PARK IMPACT FEE**

Capital Improvement Program

	ACTUAL		ESTIMATE		PROJECTION				
	2019/2020	2021/2022	2023	2024	2025	2026	2027	2028	
BEGINNING FUND BALANCE	\$ 43,065	\$ 321,132	\$ 348,020	\$ 243,020	\$ 363,020	\$ 483,020	\$ 603,020	\$ 723,020	
REVENUES									
Park Impact Fees	273,522	215,000	120,000	120,000	120,000	120,000	120,000	120,000	
Interest Earnings	4,545	-	-	-	-	-	-	-	
TOTAL REVENUES	278,067	215,000	120,000	120,000	120,000	120,000	120,000	120,000	
TOTAL	\$ 321,132	\$ 536,132	\$ 468,020	\$ 363,020	\$ 483,020	\$ 603,020	\$ 723,020	\$ 843,020	
EXPENDITURES									
PARK IMPROVEMENTS									
Park Impact Service Area 1 - West	\$ -	\$ 188,112	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Park Impact Service Area 2 - East	-	-	225,000	-	-	-	-	-	
TOTAL EXPENDITURES	-	188,112	225,000	-	-	-	-	-	
ENDING FUND BALANCE	321,132	348,020	243,020	363,020	483,020	603,020	723,020	843,020	
TOTAL	\$ 321,132	\$ 536,132	\$ 468,020	\$ 363,020	\$ 483,020	\$ 603,020	\$ 723,020	\$ 843,020	

**FUND DETAIL
CAPITAL IMPROVEMENT FUND
G.O. BOND 2016**

Capital Improvement Program

	ACTUAL 2019/2020
BEGINNING FUND BALANCE	\$ 376,517
REVENUES	
Interest Earnings	<u>7,780</u>
TOTAL REVENUES	<u>7,780</u>
TOTAL	<u>\$ 384,297</u>
EXPENDITURES	
Transfer to Capital Improvements - Streets	<u>384,297</u>
TOTAL EXPENDITURES	<u>384,297</u>
ENDING FUND BALANCE	<u>-</u>
TOTAL	<u><u>\$ 384,297</u></u>

**FUND DETAIL
CAPITAL IMPROVEMENT FUND
G.O. BOND 2020**

Capital Improvement Program

	ACTUAL 2019/2020	ESTIMATE 2021/2022
BEGINNING FUND BALANCE	\$ -	\$ 5,485,415
REVENUES		
Bond Proceeds	7,670,077	-
Bond Premium	107,402	-
Port of Kennewick Contribution	-	125,000
Interest/Misc	40,989	25,000
TOTAL REVENUES	<u>7,818,468</u>	<u>150,000</u>
TOTAL	<u>\$ 7,818,468</u>	<u>\$ 5,635,415</u>
EXPENDITURES		
Fire Station #3 Replacement	\$ 2,255,625	\$ 3,553,833
Debt Service Costs	77,428	1,582
Transfer to Fire Station #1 Replacement	-	2,080,000
TOTAL EXPENDITURES	<u>2,333,053</u>	<u>5,635,415</u>
ENDING FUND BALANCE	<u>5,485,415</u>	<u>-</u>
TOTAL	<u>\$ 5,485,415</u>	<u>\$ -</u>

**FUND DETAIL
CAPITAL IMPROVEMENT FUND
G.O. BOND 2022**

Capital Improvement Program

	ESTIMATE 2021/2022
BEGINNING FUND BALANCE	\$ -
REVENUES	
Bond Proceeds	10,170,000
Bond Premium	545,500
Interest/Misc	40,000
Transfer from 2020 GO Bonds	<u>2,080,000</u>
TOTAL REVENUES	<u>12,835,500</u>
TOTAL	<u><u>\$ 12,835,500</u></u>
EXPENDITURES	
Fire Station #1 Replacement/Fire Admin	\$ 12,430,762
Land Purchase	262,238
Debt Service Costs	<u>142,500</u>
TOTAL EXPENDITURES	<u>12,835,500</u>
ENDING FUND BALANCE	<u>-</u>
TOTAL	<u><u>\$ -</u></u>

**FUND DETAIL
CAPITAL IMPROVEMENT FUND
NEW G.O. BONDS**

Capital Improvement Program

	ESTIMATE		PROJECTION				
	2021/2022	2023	2024	2025	2026	2027	2028
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER FINANCING SOURCES:							
Bond Proceeds	-	-	-	-	35,500,000	-	12,600,000
TOTAL REVENUES	-	-	-	-	35,500,000	-	12,600,000
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ 35,500,000	\$ -	\$ 12,600,000
EXPENDITURES							
New Fire Station #6/Storage Facility	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,600,000
New City Hall	-	-	-	-	35,500,000	-	-
TOTAL EXPENDITURES	-	-	-	-	35,500,000	-	12,600,000
ENDING FUND BALANCE	-	-	-	-	-	-	-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ 35,500,000	\$ -	\$ 12,600,000

**FUND DETAIL
 CAPITAL IMPROVEMENT FUND
 PWTF US395/RIDGELINE**

Capital Improvement Program

	ACTUAL 2019/2020	ESTIMATE 2021/2022
BEGINNING FUND BALANCE	\$ -	\$ -
REVENUES		
OTHER FINANCING SOURCES:		
PWTF Loan	4,270,541	212,469
TOTAL REVENUES	<u>4,270,541</u>	<u>212,469</u>
TOTAL	<u>\$ 4,270,541</u>	<u>\$ 212,469</u>
EXPENDITURES		
Transfer to Urban Arterial Street Fund - US395/Ridgeline	\$ 4,270,541	\$ 212,469
TOTAL EXPENDITURES	<u>4,270,541</u>	<u>212,469</u>
ENDING FUND BALANCE	<u>-</u>	<u>-</u>
TOTAL	<u>\$ -</u>	<u>\$ -</u>

**FUND DETAIL
CAPITAL IMPROVEMENT FUND
LRF TAX**

Capital Improvement Program

	ACTUAL	ESTIMATE	PROJECTION					
	2019/2020	2021/2022	2023	2024	2025	2026	2027	2028
BEGINNING FUND BALANCE	\$ 95,665	\$ 203,299	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES								
OTHER FINANCING SOURCES:								
LRF Property Tax	524,212	774,000	470,000	517,000	564,000	611,000	660,000	738,000
LRF Tax Increment - Property Tax	113,311	67,000	23,000	23,000	23,000	23,000	23,000	23,000
LRF Sales Tax	1,000,000	1,000,000	500,000	500,000	500,000	500,000	500,000	500,000
LRF Tax Increment - Sales Tax	37,000	-	-	-	-	-	-	-
Interest Income	8,714	-	-	-	-	-	-	-
TOTAL REVENUES	1,683,237	1,841,000	993,000	1,040,000	1,087,000	1,134,000	1,183,000	1,261,000
TOTAL	\$1,778,902	\$2,044,299	\$ 993,000	\$1,040,000	\$1,087,000	\$1,134,000	\$1,183,000	\$1,261,000
EXPENDITURES								
Transfer to Capital Improvement Streets	\$1,575,603	\$2,044,299	\$ 993,000	\$1,040,000	\$1,087,000	\$1,134,000	\$1,183,000	\$1,261,000
TOTAL EXPENDITURES	1,575,603	2,044,299	993,000	1,040,000	1,087,000	1,134,000	1,183,000	1,261,000
ENDING FUND BALANCE	203,299	-	-	-	-	-	-	-
TOTAL	\$1,778,902	\$2,044,299	\$ 993,000	\$1,040,000	\$1,087,000	\$1,134,000	\$1,183,000	\$1,261,000

**FUND DETAIL
CAPITAL IMPROVEMENT FUND
TRANSPORTATION IMPACT FEE**

Capital Improvement Program

	ACTUAL	ESTIMATE	PROJECTION					
	2019/2020	2021/2022	2023	2024	2025	2026	2027	2028
BEGINNING FUND BALANCE	\$ 941,758	\$ 614,080	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES								
OTHER FINANCING SOURCES:								
Transportation Impact Fee	1,507,989	1,393,000	500,000	500,000	500,000	500,000	500,000	500,000
Interest Earnings	35,119	-	-	-	-	-	-	-
TOTAL REVENUES	1,543,108	1,393,000	500,000	500,000	500,000	500,000	500,000	500,000
TOTAL	\$ 2,484,866	\$ 2,007,080	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
EXPENDITURES								
Transfer to Capital Improvement Streets	\$ 1,870,786	\$ 2,007,080	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
TOTAL EXPENDITURES	1,870,786	2,007,080	500,000	500,000	500,000	500,000	500,000	500,000
ENDING FUND BALANCE	614,080	-	-	-	-	-	-	-
TOTAL	\$ 2,484,866	\$ 2,007,080	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000

WATER AND SEWER FUND

The **Water and Sewer Fund** accounts for all revenue derived from and expenses incurred in the operation and maintenance of the City's Water and Sewer Utility. All activities necessary to provide the production, treatment, storage and distribution of water and for the collection, treatment and disposal of sewage are accounted for in this fund.

The water and sewer rate study is a multi-year financial plan that projects revenue requirements for operating expenses, debt service, capital expenditure and fiscal policy achievement. The City conducted a comprehensive update to its water and sewer rate study in 2016 to evaluate the sufficiency of the current rates on a stand-alone basis and developed a long-term rate implementation strategy, which consisted of annual increases of 3.15% to water rates and 5.4% annual increases to sewer rates each year over a 10 year planning horizon. In addition to these scheduled increases, both water and sewer rates would continue to be updated each year based on the annual change in the consumer price index (CPI).

Since its completion in 2016, the water and sewer rate study and rate plan has been updated every two years in conjunction with the preparation of the City's biennial budget. Most recently, the study was updated in 2022, and the results supported the continuation of the utility's existing long-term rate strategy. Based on the recommendations derived from the 2022 update to the rate study, in early November Kennewick City Council authorized increases of 5.15% to water rates and 5% for sewer rates in both 2023 and 2024. These increases are reflected in the adopted Water and Sewer Utility budget for the 2023/2024 biennium.

In 2020, the Water and Sewer Fund issued \$12,470,000 in Revenue Bonds to replace an existing water reservoir that is failing. The Fund also has four Public Works Trust Fund Loans and one that is currently underway is a \$6,000,000 automated meter reading system project. The Water and Sewer Fund also has two Water Pollution Control Revolving Fund Loans both for the Waste Water Treatment Plant upgrade currently underway. Other sources of revenue will be necessary to fund water and sewer capital improvements during the next five years, including a budgeted Revenue Bond in 2023.

Sewer Cumulative Reserve – In 1952 the Corps of Engineers built a Lift Station for the City. The agreement with the Corps of Engineers provided that we would use the money plus accumulated interest to maintain the Lift Station.

Sewer Area Charge – Customers must pay a set fee to buy into the existing sewer system. The fee was adjusted through the 1994 rate study to reflect remaining capacity of the sewer system and Urban Growth Area limits set through GMA. This money is set aside for future plant expansion.

**FUND DETAIL
WATER AND SEWER FUND
WATER/SEWER SYSTEM IMPROVEMENTS**

Capital Improvement Program

	ACTUAL	ESTIMATE	PROJECTION					
	2019/2020	2021/2022	2023	2024	2025	2026	2027	2028
BEGINNING FUND BALANCE *	\$ 11,204,145	\$ 14,938,876	\$ 13,365,599	\$ 30,769,990	\$ 17,733,489	\$ 28,494,174	\$ 22,915,972	\$ 19,583,197
REVENUES								
Revenue from Rates for Capital	8,711,187	12,256,798	8,543,616	9,593,334	11,146,440	11,747,762	13,538,337	15,028,782
CSLFRF - ARPA Funds	-	3,960,000	-	-	-	-	-	-
PWTF Loan Proceeds	56,358	5,943,635	-	-	-	-	-	-
State Revolving Fund Loan	145,023	2,347,000	29,000,000	-	-	-	-	-
Emergency Management State Grant	-	13,386	-	-	-	-	-	-
FEMA Grant	-	80,319	-	-	-	-	-	-
Revenue Bonds	14,258,895	8,000,000	3,700,000	-	7,400,000	-	-	-
Developer Contributions	256,578	208,973	-	-	-	-	-	-
Water Area Charge	152,754	125,540	74,664	75,801	76,955	78,126	79,316	80,523
Sewer Area Charge	384,950	403,525	284,248	288,575	292,968	297,428	301,956	306,553
Interest Earnings	-	3,348	121,163	360,039	216,032	314,182	358,966	424,443
TOTAL REVENUES	23,965,745	33,342,524	41,723,691	10,317,749	19,132,395	12,437,498	14,278,575	15,840,301
TOTAL	\$ 35,169,890	\$ 48,281,400	\$ 55,089,290	\$ 41,087,739	\$ 36,865,884	\$ 40,931,672	\$ 37,194,547	\$ 35,423,498

* Beginning Fund Balance is calculated revenue for capital, revenue needed for maintenance and operations has been removed.

EXPENDITURES

WATER SYSTEM IMPROVEMENTS

Water System Improvements	\$ 142,426	\$ 200,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
ASR	69,140	10,940	-	-	-	-	-	-
Automated Meter Reading	54,473	9,903,635	1,200,000	-	-	-	-	-
W. Metaline	8,307	-	-	-	-	-	-	-
Re-Roof Water Treatment Plant	16,393	-	-	-	-	-	-	-
Vista Field Improvements Phase 1	464,795	-	-	-	-	-	-	-
10th Avenue Widening	85,975	-	-	-	-	-	-	-
18th & Kellogg Reservoir Improvements	8,219,141	9,256,425	-	-	-	-	-	-
Zone 2 Transmission Main West 7th Ave	3,682,560	-	-	-	-	-	-	-
Fire Flow Deficiencies	44,377	640,000	500,000	500,000	500,000	500,000	500,000	500,000
Deficient Water Main Replacements	9,611	641,700	250,000	250,000	250,000	250,000	250,000	250,000
Hildebrand & Ridgeline Dr. Looping - WM5	345,101	-	-	-	-	-	-	-
Entiat to Canal Water Mains	1,849,359	-	-	-	-	-	-	-
UGA Utility Expansion	-	1,980,000	198,000	-	-	-	-	-
Zone 1 PRV Replacement - Elliot Lake	7,727	150,000	-	-	-	-	-	-
47th & Olympia Improvements	-	100,000	-	-	-	-	-	-
19th & Olympia Improvements	-	410,000	-	-	-	-	-	-
Irving Reservoir Improvements	-	165,000	16,500	-	-	-	-	-
Pump Station Meter Replacement	-	300,000	-	-	-	-	-	-
Ridgeline Dr. @ Hwy. 395 Crossing - WM4	-	363,000	-	-	-	-	-	-
WTP Improvements for Capacity	-	1,575,000	645,000	3,100,000	4,200,000	-	-	-
Zone 3 Transmission Main	101,864	78,135	4,000,000	-	-	-	-	-
Zone 1 RC 5 T Transmission Main	-	-	-	115,500	1,155,000	-	-	-
Zone 2 East Olympia Transmission Main	-	-	184,800	2,640,000	-	-	-	-
Zone 1 T Transmission Main Phase 1	-	-	-	-	138,600	1,980,000	-	-
Zone 1 Golf Course Pump Sta Trans Main	-	-	-	-	33,110	473,000	-	-
Pump Station Surge Mitigation Phase 1	-	-	-	-	165,000	1,650,000	-	-
Zone 1 Transmission Main Phase 2	-	-	-	-	-	200,200	2,860,000	-
Pump Station Capacity Upgrades Phase 1	-	-	-	-	-	82,500	440,000	-
Zone 1 Transmission Main Phase 3	-	-	-	-	-	-	123,200	1,760,000
Zone 1 T Transmission Main Phase 4	-	-	-	-	-	-	130,900	1,870,000
Zone 4 East Transmission Main	-	-	-	-	-	-	-	69,300
Zone 3 West Pump Station Upgrade	-	-	-	-	-	-	-	99,000
Zone 3 West Transmission Main	-	-	-	-	-	-	-	69,300
Subtotal Water System Improvements	15,101,249	25,773,835	7,094,300	6,705,500	6,541,710	5,235,700	4,404,100	4,717,600

SEWER SYSTEM IMPROVEMENTS

Sewer System Improvements	-	60,000	30,000	30,000	30,000	30,000	30,000	30,000
Columbia Gardens	118	-	-	-	-	-	-	-
Highlands & NW Interceptor	-	1,214,100	-	-	-	-	-	-
W. Metaline	44,092	-	-	-	-	-	-	-
10th Avenue Widening	119,421	-	-	-	-	-	-	-
Lift Station Improvements	47,646	-	-	-	-	-	-	-
Sewerline Renewals and Replacements	682,927	1,142,970	500,000	500,000	500,000	500,000	500,000	500,000
UPRR 24" Trunk Line Replacement	2,382,930	-	-	-	-	-	-	-
Access Improvements	144,182	15,000	50,000	50,000	50,000	50,000	50,000	50,000
Zintel Lift Station	-	150,000	-	-	-	-	-	-

FUND DETAIL
WATER AND SEWER FUND
WATER/SEWER SYSTEM IMPROVEMENTS

Capital Improvement Program

	ACTUAL	ESTIMATE	PROJECTION					
	2019/2020	2021/2022	2023	2024	2025	2026	2027	2028
SEWER SYSTEM IMPROVEMENTS (continued)								
Jefferson/Arrowhead Lift Station	61,817	-	-	-	-	-	-	-
4th & 395 Interceptor Improvements	-	-	70,000	1,500,000	-	-	-	-
23rd & Gum Lift Station	-	685,000	-	-	-	-	-	-
UGA Utility Expansion	-	1,980,000	198,000	-	-	-	-	-
Ridgeline Dr./Hwy 395 Dryline	-	412,000	-	-	-	-	-	-
WWTP Reclaim Water	-	160,000	-	-	-	-	-	-
WWTP Non-Potable Water	-	-	1,500,000	-	-	-	-	-
WWTP Upgrade Phase 2	-	-	14,000,000	12,813,000	-	-	-	-
WWTP Upgrade Phase 3	-	-	-	-	-	10,950,000	10,950,000	-
32nd & Ione Lift Station	-	-	-	440,000	-	-	-	-
Columbia Dr. Interceptor	-	15,000	35,000	-	-	-	812,350	812,350
Amon Lift Station Upgrades	-	-	-	-	-	-	614,900	614,900
Bonnie & Belfair Lift Station	-	200,000	240,000	-	-	-	-	-
Clearwater Ave Interceptor	-	-	-	-	-	-	-	6,050,000
Zintel Canyon Interceptor	-	-	-	-	-	-	-	2,754,950
Subtotal Sewer System Improvements	3,483,133	6,034,070	16,623,000	15,333,000	580,000	11,530,000	12,957,250	10,812,200
SEWER AREA CHARGE								
Wastewater Treatment Plant Upgrade Ph 1	234,744	2,347,000	-	-	-	-	-	-
Subtotal Sewer Area Charge	234,744	2,347,000	-	-	-	-	-	-
COMBINED UTILITY IMPROVEMENTS								
Field Machinery & Equipment	39,867	225,000	-	-	-	-	-	-
SCADA & PLC Upgrades	-	-	300,000	1,000,000	1,000,000	1,000,000	-	-
Support Development Projects	561,401	500,000	250,000	250,000	250,000	250,000	250,000	250,000
Transfer to Capital Improvement Fund	810,620	35,896	52,000	65,750	-	-	-	-
Subtotal Combined Improvements	1,411,888	760,896	602,000	1,315,750	1,250,000	1,250,000	250,000	250,000
TOTAL EXPENDITURES	20,231,014	34,915,801	24,319,300	23,354,250	8,371,710	18,015,700	17,611,350	15,779,800
ENDING FUND BALANCE	14,938,876	13,365,599	30,769,990	17,733,489	28,494,174	22,915,972	19,583,197	19,643,698
TOTAL	\$ 35,169,890	\$ 48,281,400	\$ 55,089,290	\$ 41,087,739	\$ 36,865,884	\$ 40,931,672	\$ 37,194,547	\$ 35,423,498

STORMWATER FUND

The **Stormwater Fund** accounts for all revenue derived from and expenses incurred in the operation of storm drainage maintenance and capital improvements of the Stormwater Utility. Sources of revenue include customer utility charges from residential, multi-family, commercial and other non-residential customers.

**FUND DETAIL
STORMWATER FUND**

Capital Improvement Program

	ACTUAL	ESTIMATE	PROJECTION					
	2019/2020	2021/2022	2023	2024	2025	2026	2027	2028
BEGINNING FUND BALANCE*	\$ 317,085	\$ 1,398,090	\$ 1,609,587	\$ 2,414,148	\$ 1,413,595	\$ 1,954,587	\$ 2,263,168	\$ 2,241,457
REVENUES								
Revenue from Rates for Capital	1,553,528	3,006,753	1,347,465	1,438,792	1,506,380	1,500,475	1,574,631	1,651,484
FEMA Grant	26,415	-	-	-	-	-	-	-
Emergency Management Grant	4,402	-	-	-	-	-	-	-
State Proviso	1,622,987	-	-	-	-	-	-	-
DOE Grant	90,926	-	-	-	-	-	-	-
Interest/Miscellaneous	24,252	15,000	16,096	24,055	12,612	17,106	28,658	25,826
TOTAL REVENUES	3,322,510	3,021,753	1,363,561	1,462,847	1,518,992	1,517,581	1,603,289	1,677,310
TOTAL	\$ 3,639,595	\$ 4,419,843	\$ 2,973,148	\$ 3,876,995	\$ 2,932,587	\$ 3,472,168	\$ 3,866,457	\$ 3,918,767
* Beginning Fund Balance is calculated revenue for capital, revenue needed for maintenance and operations has been removed.								
EXPENDITURES								
Drywell - Misc Locations	\$ 206,767	\$ 400,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
Decant Facility	945,760	-	-	-	-	-	-	-
UGA Stormwater Facility	511,787	-	-	-	-	-	-	-
47th Place	3,407	-	-	-	-	-	-	-
W 14th Outfall - Hartford to Garfield	189,560	-	-	-	-	-	-	-
Garfield - Blackberry Canyon to Black Hills	270	780,000	-	-	-	-	-	-
Zintel Canyon Dam - Training Walls	25,116	25,000	-	-	-	-	-	-
Ohr't's Addition Subdivision	-	685,000	40,000	565,000	-	-	-	-
Cherry Blossom Heights - 19th to Union	-	-	15,000	224,000	-	-	-	-
Hansen Park Regional Pond (Steptoe/4th)	-	-	37,000	-	-	-	-	-
Frog Pond Rehabilitation	-	-	-	34,000	-	-	-	-
7th Ave Outfall	-	-	60,000	60,000	800,000	800,000	800,000	-
Kennewick Ave/Rainier Storm Pipe Acces	-	-	-	-	-	-	279,000	279,000
W. 26th Place (Garfield to 27th Ave)	-	-	-	-	-	-	215,000	215,000
Outfall to Canyon Lakes Golf Course	-	-	-	-	-	-	125,000	-
Zintel Canyon - KID Outfall Erosion Prevention	-	-	-	-	-	-	15,000	-
Panoramic Heights Clubhouse - Access to Drywells	-	-	-	-	-	-	16,000	-
Vancouver St Storm Drain	-	-	10,000	103,000	-	-	-	-
Creekstone Trench Repair	-	50,000	-	-	-	-	-	-
W 46th/47th Ave - Ledbetter to Ely	-	800,000	-	-	-	-	-	-
Park Hills Dr Storm Drain Rehabilitation	-	60,000	6,000	880,000	-	-	-	-
14th Ave - Garfield to CID Canal	-	-	-	-	28,000	259,000	-	-
Outfall to Duffy's Pond (SR397/Kenn Ave to Pond)	-	-	-	-	-	-	25,000	520,000
Southridge Settlement/Trench Restoration	-	-	200,000	-	-	-	-	-
Ridgeline Dr (Sherman to W 36th Place)	-	-	33,000	440,000	-	-	-	-
Outfall to Duffy's Pond Phase 2	-	-	-	-	-	-	-	120,000
Outfall Disconnects to CID Canal	-	-	-	-	-	-	-	387,500
Debt Service	218,507	-	-	-	-	-	-	-
Data Processing Equipment	5,215	-	-	-	-	-	-	-
Transfer to Equipment Rental	64,305	-	-	-	-	-	-	-
Transfer to Capital Improvement Fund	70,811	10,256	8,000	7,400	-	-	-	-
TOTAL EXPENDITURES	2,241,505	2,810,256	559,000	2,463,400	978,000	1,209,000	1,625,000	1,671,500
ENDING FUND BALANCE	1,398,090	1,609,587	2,414,148	1,413,595	1,954,587	2,263,168	2,241,457	2,247,267
TOTAL	\$ 3,639,595	\$ 4,419,843	\$ 2,973,148	\$ 3,876,995	\$ 2,932,587	\$ 3,472,168	\$ 3,866,457	\$ 3,918,767

SALARY SCHEDULES

PERSONNEL SUMMARY

Salary Schedules

**CITY OF KENNEWICK
PERSONNEL SUMMARY**

	2019	2020	2021	2022	2023	2024
CITY MANAGER	2.00	2.00	2.00	2.00	2.00	2.00
FINANCE ⁽¹⁾	15.50	21.17	21.69	23.19	23.69	24.69
MANAGEMENT SERVICES	20.05	20.05	20.05	22.05	22.05	21.05
CITY ATTORNEY	5.50	5.50	5.50	5.50	5.00	5.00
PLANNING	5.54	5.70	4.79	4.79	4.79	4.79
POLICE	109.00	109.00	109.00	110.00	109.00	109.00
FIRE	21.50	21.50	21.50	20.50	20.50	20.50
PUBLIC WORKS - ENGINEERING	14.95	14.95	14.75	14.75	14.60	14.60
EMPLOYEE & COMMUNITY RELATIONS ⁽¹⁾	38.80	-	-	-	-	-
PARKS AND RECREATION ⁽¹⁾	-	30.80	30.80	29.00	31.00	31.00
TOTAL GENERAL FUND	232.84	230.67	230.08	231.78	232.63	232.63
STREET	10.75	10.75	11.40	11.40	11.55	11.55
TOTAL GENERAL GOVERNMENT	243.59	241.42	241.48	243.18	244.18	244.18
COMMUNITY DEVELOPMENT	1.00	1.00	1.00	1.00	1.00	1.00
CRIMINAL JUSTICE SALES TAX	18.50	18.50	18.50	18.50	19.50	19.50
WATER/SEWER ⁽²⁾	46.20	46.10	45.10	45.10	45.45	48.45
EQUIPMENT RENTAL	3.95	3.95	3.95	3.95	3.95	3.95
RISK MANAGEMENT	1.00	1.00	1.00	1.00	1.00	1.00
BUILDING SAFETY	11.71	12.13	13.02	13.02	13.52	13.52
MEDICAL SERVICES	76.50	75.50	75.50	75.50	75.50	75.50
STORMWATER UTILITY	7.10	7.10	7.65	7.65	7.30	7.30
BI-PIN OPERATIONS	2.50	2.50	2.50	2.50	2.50	3.50
TOTAL EMPLOYEES	412.05	409.20	409.70	411.40	413.90	417.90
					Estimate	Estimate
POPULATION	83,670	83,921	84,620	85,320	86,600	87,900
POPULATION PER EMPLOYEE	203	205	207	207	209	210

(1) In 2020, the City underwent a reorganization resulting in the elimination of the Employee and Community Relations Department. The Human Resources and Economic Development Divisions were moved under the Finance Department at that time. Also at that time, Parks & Recreation was established as a separate department.

(2) Construction of the Wastewater Treatment Biosolids Management project is anticipated to be completed in 2024 and three additional operator positions will be necessary to maintain and operate the additional treatment processes.

**SALARY SCHEDULE
NON-CONTRACT EMPLOYEES
2023**

RANGE	POSITION TITLE	Range per Month		
		MIN	MID	MAX
P	City Manager	<i>*Per Contract Terms*</i>		
O	Deputy City Manager	11,980	14,376	16,772
N	City Attorney; Community Planning Director; Finance Director; Fire Chief; Management Services Director; Parks, Facilities, & Recreation Director; Police Chief; Public Works Director	11,410	13,692	15,974
M	Deputy Fire Chief; Deputy Public Works Director; Police Commander	9,735	11,682	13,629
L	HR Director; IT Manager; Police Lieutenant; Public Relations & Government Affairs Director	9,087	10,905	12,722
K	Assistant City Attorney II; Construction Services Manager; Design Services Manager; Economic Development Director; Purchasing, Fleet, & Warehouse Manager; Transportation Manager; Utility Services Manager	8,359	10,031	11,703
J	Accounting Manager; Assistant IT Manager/Project Manager; Building Official; Community Planning Manager	7,884	9,461	11,038
I	Accounting Supervisor; Assistant Traffic Engineer; BI-PIN Implementation Administrator; IT Customer Service Supervisor; IT Software Support Supervisor; Public Works Operations Supervisor; Utility Services Capital Project Engineer	7,446	8,936	10,425
H	Accountant II; Assistant City Attorney I; IT Database Administrator II; IT Network Administrator II; IT Software Support Analyst II; IT Systems Administrator II; Park Planning & Capital Projects Manager; Parks & Facilities Manager; Project Engineer	7,056	8,467	9,878

**SALARY SCHEDULE
NON-CONTRACT EMPLOYEES
2023**

RANGE	POSITION TITLE	Range per Month		
		MIN	MID	MAX
G	Assistant Public Works Operations Supervisor; City Clerk; Customer Service Manager; Development Review Supervisor; Express Permitting Program Manager; Recreation Manager; Senior Planner; Stormwater/Solid Waste Program Engineer	6,593	7,911	9,230
F	Community Development Block Grant Coordinator; Field Engineer III; IT Database Administrator I; IT Network Administrator I; IT Software Support Analyst I; IT Systems Administrator I; Planner; Plans Examiner; Police Records & Business Office Supervisor; Recreation & Event Supervisor; Safety & Risk Management Coordinator; Senior Design Engineer	6,129	7,355	8,581
E	Accountant I; Crime Analyst; Economic Development Specialist; Engineering Technician III; Field Engineer II; Fire Analyst; GIS Technician II; HR Generalist; IT Service Desk Technician II; Plans Examiner/Building Inspector; Pre-Treatment Coordinator; Public Records Officer; Public Works Office Administrator	5,840	7,008	8,176
D	As-Built Technician; Assistant Planner; Building Inspector; Code Enforcement Officer; Engineering Technician II; Field Engineer I; GIS Technician I; IT Service Desk Technician I; Parks & Facilities Contract Specialist; Payroll Accountant/Benefits Specialist; Public Records Specialist; Recreation Coordinator	5,424	6,509	7,594
C	Engineering Technician I; Executive Assistant; Fire Prevention Specialist; Lead Customer Care Representative; Legal Secretary; Procurement & Contract Specialist; Senior Accounting Specialist	4,929	5,915	6,901
B	Accounting Specialist; Administrative Assistant; Customer Care Representative; Police Technician	4,419	5,303	6,187
A	Office Specialist	3,641	4,369	5,097

**SALARY SCHEDULE
PART TIME EMPLOYEES
January 2023**

POSITION TITLE	Min	Mid	Max
Guest Service Representative	\$17.50	\$19.50	\$21.50
Program Specialist III <i>Program Instructor III, Pool Manager, Program Supervisor III</i>	\$16.25	\$18.88	\$21.50
Program Specialist II <i>Program Instructor II, Asst Pool Manager, Program Supervisor II</i>	\$15.74	\$17.31	\$18.88
Program Specialist I <i>Program Instructor I, Program Leader I, WSI, Maintenance (rec), Recreation Assistant (Southridge), Cashier, Program Aide, Sports Official, Gym/Building Supervisor I</i>	\$15.74		
Lifeguard	\$16.50	\$17.00	\$17.50
Intern**	\$15.74	\$18.00	\$21.00

POSITION TITLE	Step A	Step B	Step C	Step D
Maintenance Worker <i>Step A is for new hires, Step B for returning employee with one past season, Step C is for a returning employee with two past seasons, and Step D is for a returning employee with three or more past seasons.</i>	\$16.75	\$17.00	\$17.25	\$17.50
Senior Maintenance Worker <i>Step A is for new hires, Step B for returning employee with one past season, Step C is for a returning employee with two past seasons, and Step D is for a returning employee with three or more past seasons.</i>	\$17.75	\$18.00	\$18.25	\$18.50

* Fulltime high school or college students who work part-time for up to 20 hours of work per week may be paid at the Washington Student Minimum Wage rate

**Interns providing semi-independent, professional level support may be paid up to \$21/hour

ADMINISTRATIVE POLICY: All movement within these ranges is based upon skill level and satisfactory performance of job duties. Unless otherwise justified because of experience and skill, all part time employees will start at the beginning step. When warranted, with budget approval, part time employees may be upgraded. Increases require the prior approval of the Department Director and the City Manager or designee.

OPERATING ENGINEERS*Salary Schedules*

City of Kennewick
OPERATING ENGINEERS SALARY SCHEDULE
January 1, 2023

	A	B	C	D	E	F
Seasonal Maintenance	15.74					
M&C Craftworker - Grounds	25.81	26.85	27.92	29.04	30.20	30.80
M&C Craftworker - Construction	26.20	27.25	28.34	29.47	30.65	31.26
General Craftworker II	30.50	31.42	32.36	33.33	34.33	
General Craftworker III	31.28	32.23	33.20	34.18	35.21	
General Craftworker IV	32.07	33.03	34.03	35.05	36.10	
Mechanic I	31.54	32.18	32.82	33.48	34.14	34.83
Mechanic II	33.08	33.75	34.41	35.11	35.81	36.52
Mechanic III	34.62	35.31	36.02	36.73	37.47	38.22
Crewleader	35.64	36.36	37.09	37.82	38.58	39.35
Plant Operator Level II	32.95	33.61	34.28	34.96	35.66	36.38
Plant Operator Level III	34.06	34.75	35.43	36.15	36.87	37.61
Plant Operator Level IV	35.17	35.88	36.60	37.33	38.07	38.83
Lead Plant Operator	37.21	37.95	38.71	39.49	40.28	41.08
Signal Technician	38.10	38.85	39.63	40.42	41.24	42.06
Signal Electrician / ACT Specialist	39.76	40.56	41.37	42.19	43.04	43.90
Sr. Signal Electrician / Sr. ACT Specialist	42.14	42.98	43.85	44.72	45.61	46.53

**SALARY SCHEDULE
FIRE CONTRACT
January 1, 2022**

	Step 1	Step 2	Step 3	Step 4	
Firefighter	\$ 6,165	\$ 6,814	\$ 7,463	\$ 8,112	
Firefighter/Paramedic	7,138	7,787	8,436	9,085	
Fire Inspector	8,923				
	<u>Hire</u>	<u>1 Year</u>	<u>2 Year</u>		
Captain	8,680	9,085	9,491		
Administrative Captain	9,816	10,059	10,302		
Captain/Paramedic	9,653	10,058	10,464		
Battalion Chief	10,221	10,464	10,708		
Battalion Chief/Training Officer	10,600	10,852	11,105		
CLASSIFICATION PROGRAM	8 YRS	13 YRS	18 YRS	23 YRS	28 YRS
45 College Credits (27 in core fire science)	1.0%	2.0%	2.5%	3.0%	3.5%
90 College Credits (27 in core fire science)	2.0%	3.0%	4.0%	5.0%	6.0%
135 College Credits (36 in core fire science)	3.0%	4.0%	5.0%	6.0%	7.0%
180 College Credits (45 in core fire science)	4.0%	5.0%	6.0%	7.0%	8.0%

Note:

Firefighters (28) who qualify for Hazmat Specialist Pay and/or Technical Rescue, SCBA pay or Fire Investigator shall receive an additional 2.1% of top step Firefighter, added to their salary, if they have two or more of the above qualification 4.2% of top step Firefighter added.

Firefighters upgraded to the Captain position will receive an additional \$4.50 per hour.

Captains upgraded to the Battalion Chief position will receive an additional \$4.50 per hour.

Effective 1/1/2020 the City will pay 5% towards Deferred Compensation with ICMA

Relocation Pay 14.00

The 2022 salary schedule is presented as the contract is currently in negotiations.

**SALARY SCHEDULE
POLICE CONTRACTS**

POLICE OFFICERS (KPOBA)

January 1, 2023

	Hire	18 Mos	30 Mos	42 Mo	First Class *	Senior *	Master *
Police Officer	\$ 7,379	\$ 7,746	\$ 8,209	\$ 8,662	\$ 8,879	\$ 9,182	\$ 9,528
Specialty Pay at 3% **	7,600	7,978	8,455	8,922	9,145	9,457	9,814
Specialty Pay at 4%***	7,674	8,056	8,537	9,008	9,234	9,549	9,909
Bilingual Pay at 3%	7,600	7,978	8,455	8,922	9,145	9,457	9,814
Spec. and Bilingual Pay 6%	7,822	8,211	8,702	9,182	9,412	9,733	10,100
Spec. and Bilingual Pay 7%	7,896	8,288	8,784	9,268	9,501	9,825	10,195

* Must have met special requirements. Increases: First Class 2.5%, Senior 6% and Master 10%

** Traffic, SWAT, Training Officer, Crime Resistant Community Living Officer, & Youth Services (DARE, SRO & Tri-Tech)

***K-9, Detective, CAT, & Federal Task Forces (DEA, FBI, Metro, Federal Marshal, ICAC)

Effective 1/1/2017 the City pays 3% of monthly salary for employees who meet the bilingual language requirements.

The City pays 5.0% of salary toward deferred compensation, no employee participation is required.

POLICE MANAGEMENT ASSOCIATION (KPMA)

January 1, 2023

	Hire	5%	7%	
Corporal	(PO rate less specialties plus top step)/	\$ 10,290	\$ 10,805	\$ 11,010
Sergeant	Then add education and bilingual as it p	11,268	11,831	12,057
Sergeant with Bilingual Pay		11,606	12,169	12,395

Eff. 1/1/2018 City pays 5% of salary toward deferred compensation.

Eff. 1/1/2016 the City pays 3% for those with qualified bilingual skills

The following education incentives apply:

	<u>Additional Pay</u>
90 Quarter Credits	5%
BA/BS Degree	7%

POLICE SUPPORT SPECIALIST (PSS GUILD)

January 1, 2022

	Step						
	A	B	C	D	E	F	LEAD
Police Support Specialist	3,722	4,096	4,471	4,849	5,249	5,514	6,231

At the discretion of the Division Commander, a lead may be appointed; appointed Lead position pay is 13% above the top step.

Swing and graveyard shifts shall receive an additional \$0.75 and \$1.00 per hour, respectively, for all hours worked.

The City will contribute 5% of salary toward deferred compensation and employee participation is not required.

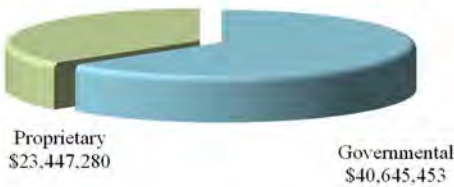
The 2022 salary is presented as the contract is currently in negotiations.

DEBT ADMINISTRATION

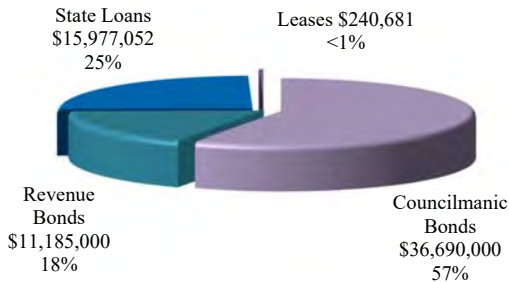
Kennewick is typical of most cities in the types of debt incurred. We have issued general obligation bonds, both voted and non-voted, revenue bonds, and special assessment bonds. In recent years, the City has taken advantage of several low-interest loans through the state for major street and water/sewer utility capital projects. The City has a contingent loan agreement supporting the Kennewick Public Facility District’s (KPF) tax obligation bonds which is reflected in the debt capacity computation, but not included in the current outstanding debt schedules.

OUTSTANDING DEBT

Debt by Fund Type



Debt by Type



OUTSTANDING DEBT		Balance
		12/31/2022
General Obligation Debt		
Councilmanic Bonds		
2011 GO Bonds - Capital Projects	\$	620,000
2015A GO Bonds - Capital Projects		840,000
2015B GO Refunding - Capital Projects		1,920,000
2015B GO - Capital Projects		4,085,000
2016 GO - Capital Projects		4,995,000
2020A GO - Capital Projects		6,890,000
2020B GO Refunding - Capital Projects		7,890,000
2022A GO Refunding - Capital Projects		9,450,000
	Bonds	36,690,000
State Loans		3,714,772
Capital Lease		240,681
	Other Debt	3,955,453
Total General Obligation Debt		\$ 40,645,453
Proprietary Debt		
Revenue Bonds		
2019 Revenue Bond - Capital Projects	\$	11,185,000
	Bonds	11,185,000
State Loans		12,262,280
	Other Debt	12,262,280
Total Proprietary Debt		\$ 23,447,280

GENERAL OBLIGATION DEBT

As of December 31, 2022, the City's available debt capacity for general purposes is projected to be \$126,437,764 of which \$80,822,311 is for non-voted indebtedness. The City has used 64% of its non-voted debt capacity and currently has three refunding bond issues, five active non-voted bond issues, one general obligation loan and one lease and a contingent agreement to support a bond issue with a partial refunding for a total outstanding balance of \$45,615,453 at the end of the 2022. The current bond rating from Standard and Poor’s is AA.

BOND DEBT SCHEDULE

General Obligation - Councilmanic Bonds

2011 Refunding GO Bonds - Capital Projects

Original Issue:	\$5,330,000	Dated:	December 1, 2011	Interest Dates:	Jun 1 & Dec 1
Principal Balance:	\$620,000	Maturity Date:	December 1, 2023	Interest Rates:	3.0% - 4.0%

2015A Taxable GO Bonds - Capital Projects

Original Issue:	\$3,255,000	Dated:	December 1, 2015	Interest Dates:	Jun 1 & Dec 1
Principal Balance:	\$840,000	Maturity Date:	December 1, 2025	Interest Rates:	.53% - 3.02%

2015B Tax Exempt GO Bonds - Capital Projects

Original Issue:	\$4,085,000	Dated:	December 1, 2015	Interest Dates:	Jun 1 & Dec 1
Principal Balance:	\$4,085,000	Maturity Date:	December 1, 2034	Interest Rates:	3.0% - 4.0%

2015B Refunding GO Bonds - Capital Projects

Original Issue:	\$5,915,000	Dated:	December 1, 2015	Interest Dates:	Jun 1 & Dec 1
Principal Balance:	\$1,920,000	Maturity Date:	December 1, 2034	Interest Rates:	2.0% - 3.0%

2016 GO Bonds - Capital Projects

Original Issue:	\$6,505,000	Dated:	December 1, 2017	Interest Dates:	Jun 1 & Dec 1
Principal Balance:	\$4,995,000	Maturity Date:	December 1, 2036	Interest Rates:	3.0% - 4.0%

2020A GO Bonds - Capital Projects

Original Issue:	\$7,670,000	Dated:	December 1, 2020	Interest Dates:	Jun 1 & Dec 1
Principal Balance:	\$6,890,000	Maturity Date:	December 1, 2039	Interest Rates:	3.0% - 3.25%

2020B Refunding GO Bonds - Capital Projects

Original Issue:	\$9,530,000	Dated:	December 1, 2020	Interest Dates:	Jun 1 & Dec 1
Principal Balance:	\$7,890,000	Maturity Date:	December 1, 2034	Interest Rates:	3.0% - 4.0%

2022A GO Bonds - Capital Projects

Original Issue:	\$9,450,000	Dated:	December 1, 2022	Interest Dates:	Jun 1 & Dec 1
Principal Balance:	\$9,450,000	Maturity Date:	December 1, 2042	Interest Rates:	3.0% - 4.0%

Proprietary - Revenue Bonds

2019 Revenue Bonds - Capital Projects

Original Issue:	\$12,470,000	Dated:	December 18, 2019	Interest Dates:	Jun 1 & Dec 1
Principal Balance:	\$11,185,000	Maturity Date:	December 1, 2039	Interest Rates:	4%

Direct Debt

GO Bonds - Councilmanic	\$ 36,690,000
Capital Lease	240,681
Public Works Trust Fund Loans	3,714,772
Total Direct Debt	\$ 40,645,453

As the following schedule indicates, the City's voted general obligation debt is a very small percentage of the City's total debt capacity.

	<u>Outstanding</u>	<u>Legal Debt Capacity Utilized</u>	<u>Ratio of Debt to Assessed Valuation</u>	<u>Debt per Capita</u>
Net Direct Debt	\$40,645,453	6.4%	0.5%	\$480

CAPITAL LEASES

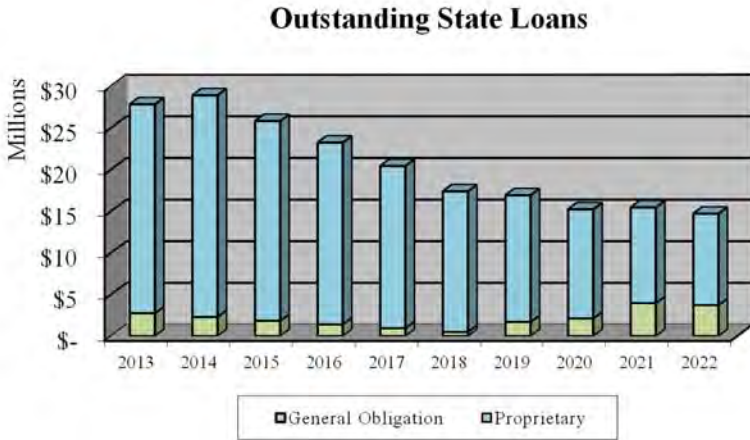
The City has one lease through the state’s LOCAL lease program. The \$1,062,976 lease is to assist with the purchase of 22 police vehicles and 22 mobile data terminals. The lease has a 5 year term and a 2.05229% interest rate.

PUBLIC WORKS TRUST FUND LOANS

The City has five active Public Works Trust Fund (PWTF) loans. The PWTF is a revolving loan account managed by the State to provide below market rate financing for health and safety related public works improvement projects through a competitive application process. The loans have financed major street reconstruction and utility projects with interest rates ranging from .5% to 1.66%. There are four loans payable from the Water and Sewer Utility including one in progress and one general obligation loan that is also in progress for a current outstanding Public Works Trust Fund Loans of \$12,611,654.

STATE REVOLVING FUND LOANS

The City received a State Revolving Fund Loan for \$2,235,275 at a rate of 2% for Phase I of the Kennewick Waste Water Treatment Plant Sustainability Improvements Phase I. This phase is complete and repayment has begun. The City was also able to obtain a State Revolving Fund Loan for \$29,100,000 at a rate of 1.1% for the Kennewick Wastewater Treatment Plant Phase II, of which \$6,125,000 is forgivable. This project is currently underway and a final debt service schedule will not be available until the project is complete.



The City received one \$4,040,000, one \$4,080,000 and one \$2,669,733 Drinking Water State Revolving Fund Loans at 1.5% for the construction of a new reservoir, for the addition of membrane filtration facilities at the Columbia River Water Treatment Plant and for Ranney improvements. These loans will be repaid by the Water and Sewer Utility. The balance as of December 31, 2022 for all City outstanding State Revolving Fund Loans is \$3,356,060.

COMMUNITY ECONOMIC REVITALIZATION BOARD LOAN

The City received a \$500,000 grant and a \$125,000 loan from the Community Economic Revitalization Board (CERB) to aid in financing the cost of a sewer line relocation and upgrade, waterline relocation, a pre-treatment device on the wastewater effluent and road improvements in the downtown area. The interest rate is 4.7% and the term of the loan is 20 years, with the final payment due in 2023. The loan will be repaid by the Water and Sewer Utility, the current outstanding balance is \$9,338.

LIMITATION OF INDEBTEDNESS

December 31, 2022

		General Capacity			
		(Limited)	(Unlimited)	Open Space and Parks	Utility Purposes
		Councilmanic	Excess Levy		
2022 Tax Collection Year Assessed Value	\$8,429,184,256				
Statutory Debt Limit:					
1.5% of Assessed Value		\$126,437,764			
2.5% of Assessed Value			\$210,729,606	\$210,729,606	\$210,729,606
Less: Limited Tax Debt Outstanding (1)		(40,645,453)	(40,645,453)		
Less: Limited Contingent Debt Outstanding (2)		(4,970,000)	(4,970,000)		
Total Available Debt Capacity		\$80,822,311	\$165,114,153	\$210,729,606	\$210,729,606

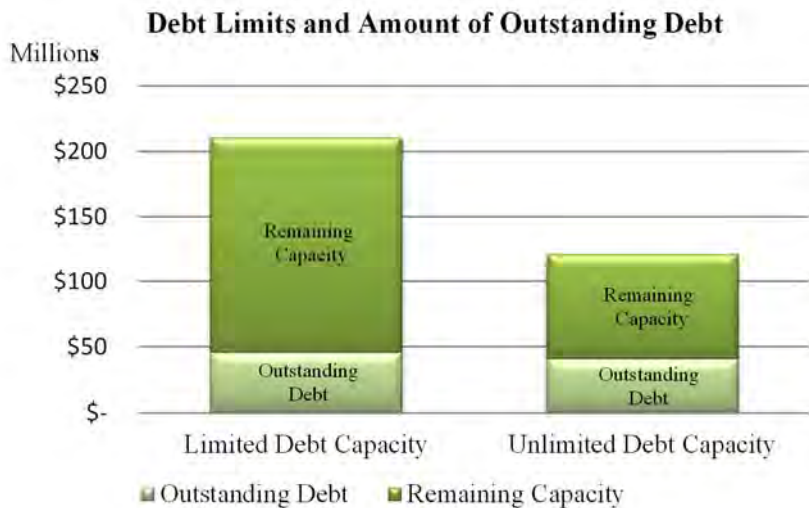
(1) The December 31, 2022 outstanding councilmanic debt consists of:

2011 Refunding G.O. Bond Issue	\$ 620,000
2015A Taxable G.O. Bond Issue	840,000
2015B Refunding G.O. Bond Issue	1,920,000
2015B G.O. Bond Issue	4,085,000
2016 G.O. Bond Issue	4,995,000
2020A G.O. Bond Issue	6,890,000
2020B G.O. Bond Issue	7,890,000
2022A Refunding G.O. Bond Issue	9,450,000
Capital Leases	240,681
PWTF Loans	3,714,772
	\$ 40,645,453

(2) Contingent debt:

2003 KPFD Bond Issue	5,000
2011 KPFD Refunding Bond Issue	1,345,000
2014 KPFD Bond Issue	3,620,000
	\$ 4,970,000

Washington State law limits the amount of general obligation debt cities may incur. Without an authorizing vote of the citizens, a city may not incur general obligation debt exceeding 1.5 percent of the assessed value of the taxable property. With a vote of its citizens, cities may incur general obligation debt up to 2.5 percent of its assessed taxable value.



TOTAL DEBT SERVICE REQUIREMENTS TO MATURITY

Year	BONDS		STATE LOANS		LEASES		
	Principal	Interest	Principal	Interest	Principal	Interest	
General Obligation							
2023	\$ 2,720,000	\$ 1,350,001	\$ 232,173	\$ 61,665	\$ 240,681	\$ 6,017	
2024	2,165,000	1,259,372	232,173	57,811	-	-	
2025	2,235,000	1,189,106	232,173	53,957	-	-	
2026	1,640,000	1,113,278	232,173	50,103	-	-	
2027	1,690,000	1,054,928	232,173	46,249	-	-	
2028	1,745,000	994,778	232,173	42,395	-	-	
2029	1,810,000	939,128	232,173	38,541	-	-	
2030	1,860,000	881,378	232,173	34,687	-	-	
2031	1,925,000	821,015	232,173	30,833	-	-	
2032	1,980,000	758,515	232,173	26,979	-	-	
2033	2,050,000	689,690	232,173	23,124	-	-	
2034	2,125,000	618,378	232,173	19,270	-	-	
2035	1,385,000	549,888	232,173	15,416	-	-	
2036	1,440,000	497,900	232,173	11,562	-	-	
2037	1,490,000	443,788	232,173	7,708	-	-	
2038	1,550,000	387,788	232,174	3,854	-	-	
2039	1,605,000	329,538	-	-	-	-	
2040	1,675,000	263,750	-	-	-	-	
2041	1,755,000	180,000	-	-	-	-	
2042	1,845,000	92,250	-	-	-	-	
General Obligation	\$ 36,690,000	\$ 14,414,463	\$ 3,714,772	\$ 524,154	\$ 240,681	\$ 6,017	
Proprietary							
2023	470,000	447,400	1,949,492	142,112	-	-	
2024	490,000	428,600	1,715,453	123,474	-	-	
2025	510,000	409,000	1,504,827	107,503	-	-	
2026	530,000	388,600	818,047	94,680	-	-	
2027	555,000	367,400	820,134	86,836	-	-	
2028	575,000	345,200	822,264	78,950	-	-	
2029	600,000	322,200	534,158	71,020	-	-	
2030	620,000	298,200	536,374	64,499	-	-	
2031	645,000	273,400	538,635	57,932	-	-	
2032	670,000	247,600	540,941	51,320	-	-	
2033	700,000	220,800	307,183	44,662	-	-	
2034	725,000	192,800	309,584	39,136	-	-	
2035	755,000	163,800	312,033	33,562	-	-	
2036	785,000	133,600	314,531	27,939	-	-	
2037	820,000	102,200	317,080	22,265	-	-	
2038	850,000	69,400	319,680	16,540	-	-	
2039	885,000	35,400	322,333	10,762	-	-	
2040	-	-	136,783	4,931	-	-	
2041	-	-	139,544	2,170	-	-	
2042	-	-	3,205	32	-	-	
Proprietary	\$ 11,185,000	\$ 4,445,600	\$ 12,262,280	\$ 1,080,324	\$ -	\$ -	
TOTAL	\$ 47,875,000	\$ 18,860,063	\$ 15,977,051	\$ 1,604,478	\$ 240,681	\$ 6,017	

**FUTURE DEBT SERVICE
GENERAL OBLIGATION DEBT**

YEAR	PRINCIPAL	INTEREST	TOTAL
Future Debt Service Payments for Councilmanic Bond Issues:			
2023	\$ 2,720,000	\$ 1,350,001	\$ 4,070,001
2024	2,165,000	1,259,372	3,424,372
2025	2,235,000	1,189,106	3,424,106
2026	1,640,000	1,113,278	2,753,278
2027	1,690,000	1,054,928	2,744,928
2028	1,745,000	994,778	2,739,778
2029	1,810,000	939,128	2,749,128
2030	1,860,000	881,378	2,741,378
2031	1,925,000	821,015	2,746,015
2032	1,980,000	758,515	2,738,515
2033	2,050,000	689,690	2,739,690
2034	2,125,000	618,378	2,743,378
2035	1,385,000	549,888	1,934,888
2036	1,440,000	497,900	1,937,900
2037	1,490,000	443,788	1,933,788
2038	1,550,000	387,788	1,937,788
2039	1,605,000	329,538	1,934,538
2040	1,675,000	263,750	1,938,750
2041	1,755,000	180,000	1,935,000
2042	1,845,000	92,250	1,937,250
	\$ 36,690,000	\$ 14,414,463	\$ 51,104,463
Future Debt Service Payments for Lease:			
2023	\$ 240,681	\$ 6,017	\$ 246,698
	\$ 240,681	\$ 6,017	\$ 246,698
Future Debt Service Payments for Public Works Trust Fund Loans:			
2023	\$ 232,173	\$ 61,665	\$ 293,838
2024	232,173	57,811	289,984
2025	232,173	53,957	286,130
2026	232,173	50,103	282,276
2027	232,173	46,249	278,422
2028	232,173	42,395	274,568
2029	232,173	38,541	270,714
2030	232,173	34,687	266,860
2031	232,173	30,833	263,006
2032	232,173	26,979	259,152
2033	232,173	23,124	255,298
2034	232,173	19,270	251,444
2035	232,173	15,416	247,590
2036	232,173	11,562	243,735
2037	232,173	7,708	239,881
2038	232,174	3,854	236,028
2039	0	0	0
	\$ 3,714,772	\$ 524,154	\$ 4,238,927
GENERAL OBLIGATION DEBT	\$ 40,645,453	\$ 14,944,634	\$ 55,590,088

**FUTURE DEBT SERVICE
PROPRIETARY DEBT**

YEAR	PRINCIPAL	INTEREST	TOTAL
Future Debt Service Payments for Revenue Bonds			
2023	\$ 470,000	\$ 447,400	\$ 917,400
2024	490,000	428,600	918,600
2025	510,000	409,000	919,000
2026	530,000	388,600	918,600
2027	555,000	367,400	922,400
2028	575,000	345,200	920,200
2029	600,000	322,200	922,200
2030	620,000	298,200	918,200
2031	645,000	273,400	918,400
2032	670,000	247,600	917,600
2033	700,000	220,800	920,800
2034	725,000	192,800	917,800
2035	755,000	163,800	918,800
2036	785,000	133,600	918,600
2037	820,000	102,200	922,200
2038	850,000	69,400	919,400
2039	885,000	35,400	920,400
	\$ 11,185,000	\$ 4,445,600	\$ 15,630,600

Future Debt Service Payments for Public Works Trust Fund Loans:

2023	\$ 1,245,895	\$ 81,609	\$ 1,327,504
2024	1,245,895	73,195	1,319,090
2025	1,245,895	64,782	1,310,677
2026	714,645	56,369	771,014
2027	714,645	50,612	765,257
2028	714,645	44,855	759,500
2029	424,367	39,098	463,465
2030	424,367	34,792	459,159
2031	424,367	30,487	454,854
2032	424,367	26,181	450,548
2033	188,256	21,875	210,131
2034	188,256	18,750	207,006
2035	188,256	15,625	203,881
2036	188,256	12,500	200,756
2037	188,256	9,375	197,631
2038	188,256	6,250	194,506
2039	188,256	3,125	191,381
	\$ 8,896,882	\$ 589,480	\$ 9,486,362

Future Debt Service Payments for Community Economic Revitalization Board Loan:

2023	\$ 9,338	\$ 439	\$ 9,777
	\$ 9,338	\$ 439	\$ 9,777

**FUTURE DEBT SERVICE
PROPRIETARY DEBT**

YEAR	PRINCIPAL	INTEREST	TOTAL
Future Debt Service Payments for Water/Sewer State Revolving Fund Loans:			
2023	\$ 694,259	\$ 60,064	\$ 754,323
2024	469,558	50,279	519,837
2025	258,932	42,721	301,652
2026	103,402	38,311	141,714
2027	105,489	36,224	141,714
2028	107,619	34,095	141,714
2029	109,791	31,923	141,714
2030	112,007	29,707	141,714
2031	114,268	27,446	141,714
2032	116,574	25,139	141,714
2033	118,927	22,786	141,714
2034	121,328	20,386	141,714
2035	123,777	17,937	141,714
2036	126,275	15,439	141,714
2037	128,824	12,890	141,714
2038	131,424	10,290	141,714
2039	134,077	7,637	141,714
2040	136,783	4,931	141,714
2041	139,544	2,170	141,713
2042	3,205	32	3,237
	\$ 3,356,061	\$ 490,405	\$ 3,846,466
PROPRIETARY DEBT	\$ 23,447,280	\$ 5,525,924	\$ 28,973,205

SUPPLEMENTAL INFORMATION

MAJOR TAX SOURCES

Supplemental Information

Tax Source (RCW Citation)	Tax Base	Tax Rate	Collection Procedure
Local Property Taxes (84.52 & others)	Assessed value of taxable real and personal property at 100% of true and fair value	2022 Rate per \$1,000 AV: General Levy <u>\$ 1.7099</u>	Paid by owners to county, 50% due April 30th, balance due Oct. 31st
Local Retail Sales and Use Tax (82.14)	Selling price of tangible personal property and selected services by consumers	Total rate (7/1/22) 8.70% Breakdown: State 6.50% Kennewick 0.85% County 0.35% Transit 0.60% Criminal Justice 0.10% Public Safety 0.30% <u>8.70%</u>	Paid by purchaser to retailers who report sales by local code areas
Utility Tax (82.16.020)	Gross operating revenue of public & privately owned public utilities	Ambulance & Stormwater Utility - 1.0% Water/Sewer - 15.5% - 2.5% dedicated to LEOFF I Medical - 4% dedicated to debt service on fire stations Refuse & Cable TV - 7.0% Telephone, Electricity & Natural Gas - 8.5%	Included as part of utility bill
Municipal Business Taxes & Licenses (35 & 35A)	Flat fee based on number of FTE employees	Basic fee of \$55 plus \$5/FTE	Paid by local firms annually for license
Gambling Taxes (9.46.110)	Gross receipts less prizes paid	Pull tabs - 10.0% Punchboards - 10.0% Card Rooms - 10.0% Bingo - 5.0% Amusement Games - 2.0%	Paid by sponsor
Real Estate Excise Tax (82.46)	Sales of real property	1.78% of selling price, of which 0.50% is distributed back to the City	Sellers pay to county when affidavit is recorded
Admission Taxes (35.21.280)	Admission charges to any place or to any place or event (except school events)	5% of admission charge	Included in ticket price
Leasehold Excise Tax (82.29A.090)	Rental value of leased publicly owned property	State tax rate of 12.84%, of which 6% is distributed back to cities and counties	Paid by lessors

**PRINCIPAL TAXPAYERS
AND EMPLOYERS**

Supplemental Information

December 31, 2021

	Assessed Valuation (1)	Percentage of Total Assessed Valuation
Columbia Mall Partnership	\$78,469,490	1.0%
Edward Rose Millennial Development LLC	65,574,400	0.8
Kennewick Holdings LLC	57,953,000	0.7
Kennewick Trios 2014 LLC	27,895,880	0.4
Breit SP MF Kennewick LLC	27,261,190	0.4
RCCH Trios Health LLC	26,915,920	0.3
La Serena-Hansen Park, LLC	25,940,350	0.3
Wolff Grandridge Apartments LLC	25,044,800	0.3
Seasons on 4th Avenue LLC	24,293,790	0.3
Cascade Natural Gas Corp.	22,059,269	0.3
Subtotal	381,408,089	4.9
Other Taxpayers	7,353,429,061	95.1
Total Assessed Value	<u>\$7,734,837,150</u>	<u>100.0%</u>

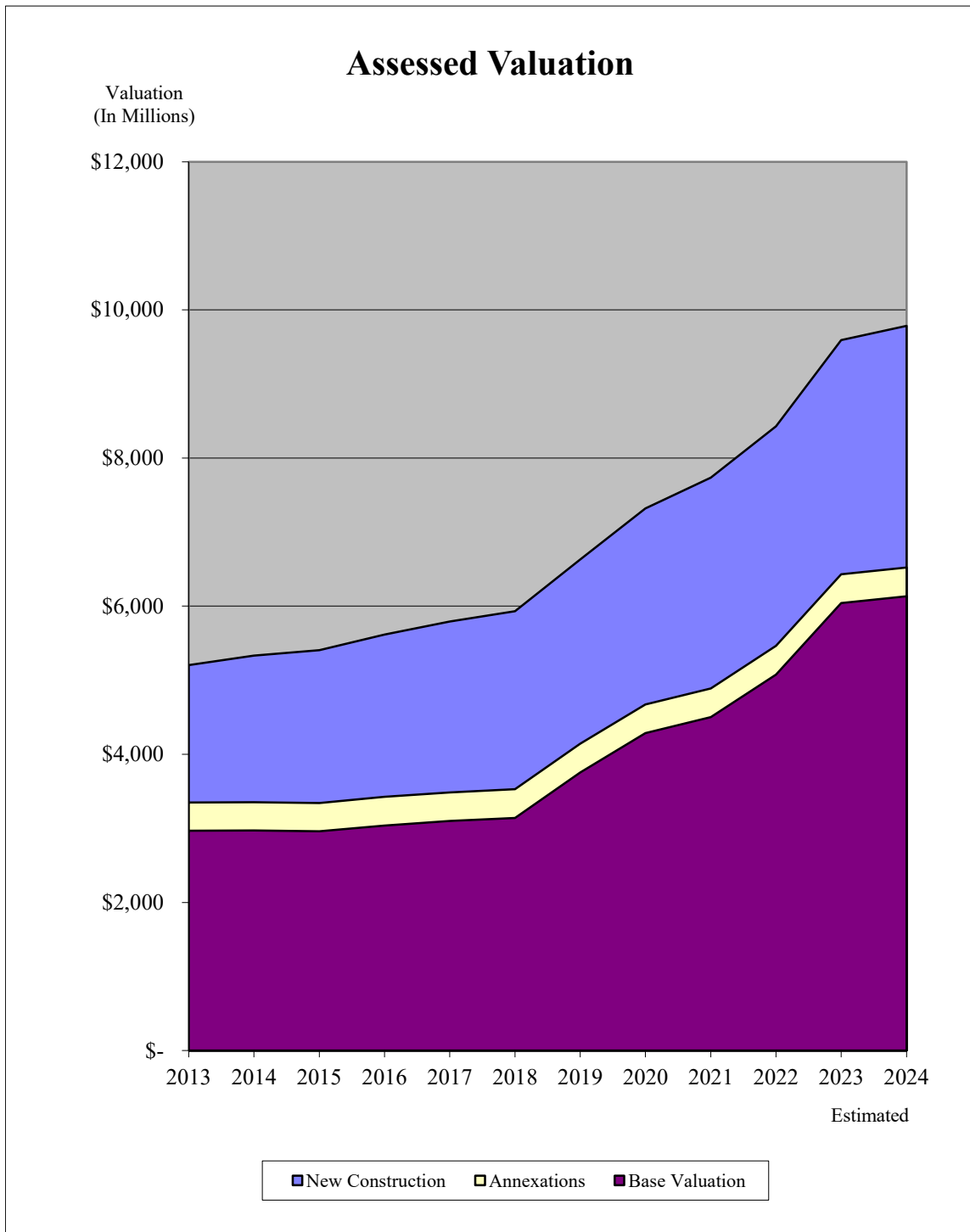
PRINCIPAL EMPLOYERS: (2)

NUMBER OF EMPLOYEES

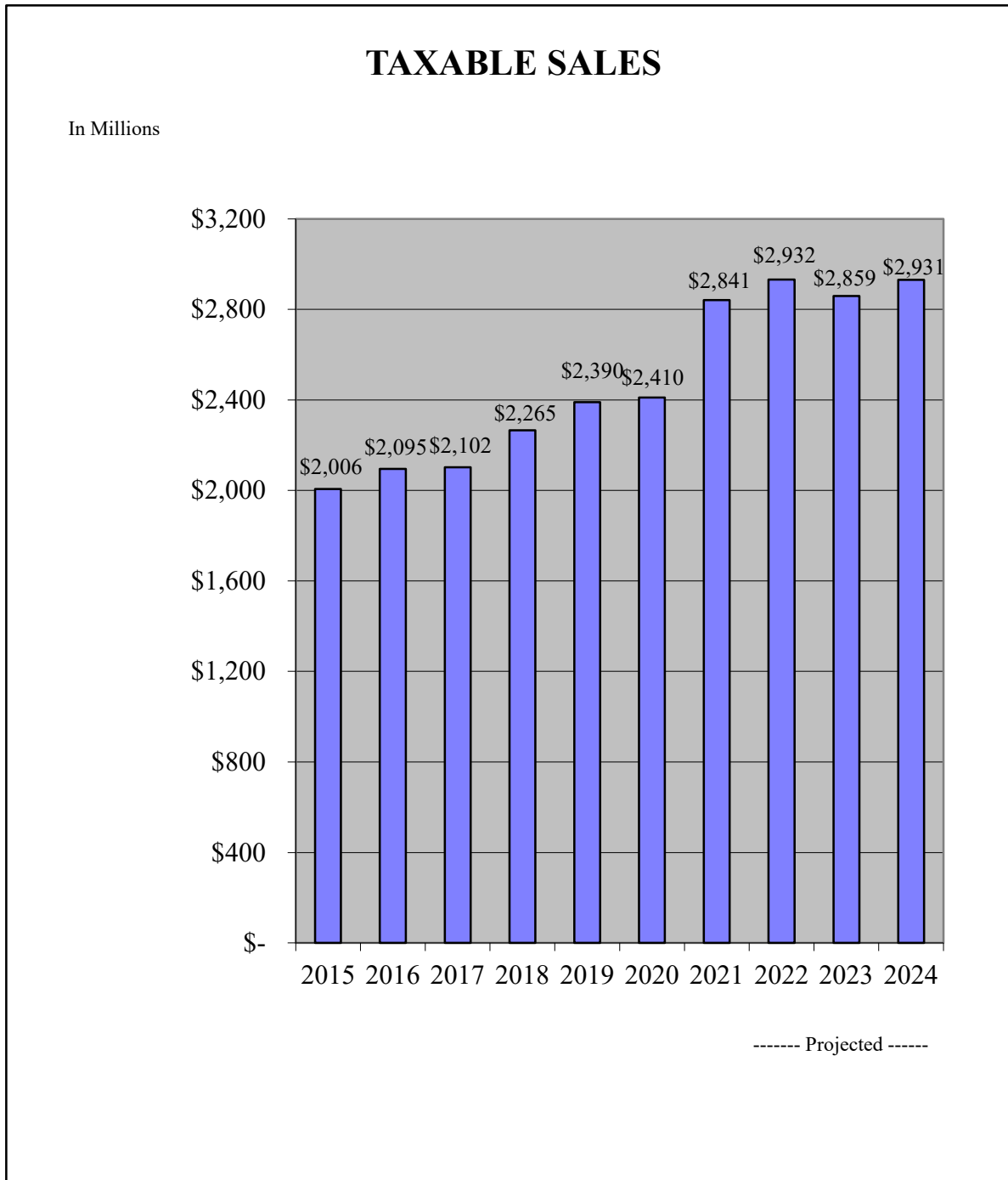
Battelle/Pacific Northwest National Laboratory	4,500
Kadlec Regional Medical Center	3,532
Lamb Weston/ConAgra	3,000
Bechtel National, Inc.	2,943
Kennewick School District	2,336
Washington River Protection Solutions	2,129
Pasco School District	2,015
Mission Support Alliance	1,902
CH2M Hill Hanford Group, Inc.	1,682
Richland School District	1,500

Sources:

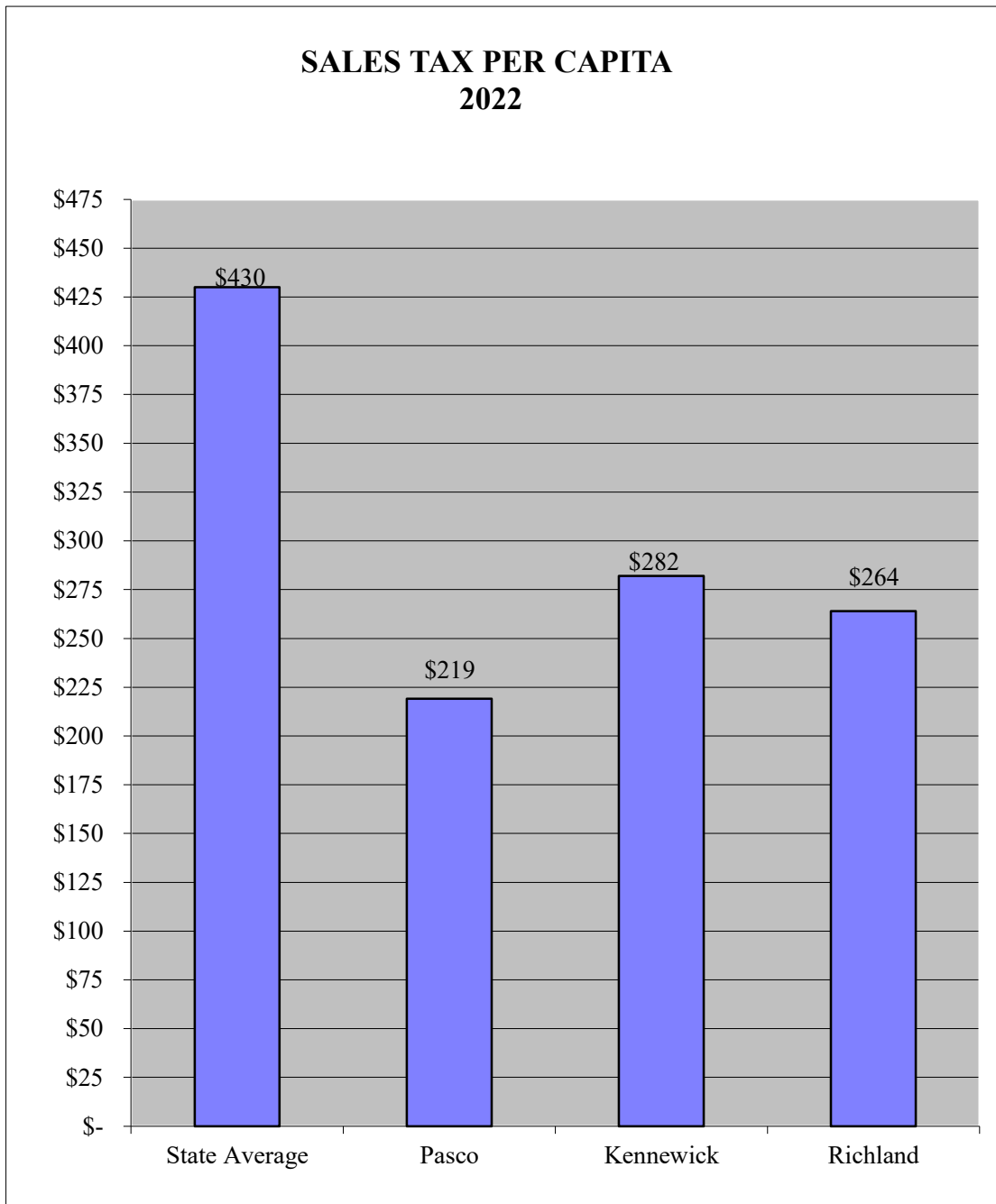
- (1) Benton County Assessor's Office
- (2) Tri-City Industrial Development Council (TRIDEC)



This graph illustrates the increase in the City’s assessed valuation attributable to annexations, new construction, and growth in the base valuation over the last ten years. New construction provides for most of the increase in overall valuations.



This graph illustrates Kennewick’s commercial activity in recent years and projected activity for 2023-2024. The graph shows the fairly steady, moderate growth in taxable sales history until the 2020 COVID-19 pandemic occurred, and the resulting 17% increase from the federal stimulus and the end of the Stay at Home order. The 2023/2024 biennial projections for sales tax revenue reflect an anticipated -.02 percent change from the 2.48% decrease in 2023 and the 2.5% increase for 2024 as our community equalizes from recent inflation.



The historical increase in retail sales has created somewhat of a misconception by the public that Kennewick’s sales tax revenues are overly excessive compared to other cities. In reality, Kennewick’s sales tax revenue of \$282 per capita is still below the State average of \$430. Kennewick is also a retail hub for southeastern Washington and eastern Oregon, which means that a significant amount of sales tax collected by the City actually comes from non-residents.

SALES TAX REVENUE BY INDUSTRY

Supplemental Information

	FISCAL YEAR 2021			
	Number of Filers	Percentage of Total	Percentage of Taxable Sales	Percentage of Total
RETAIL TRADE				
General merchandise stores	404	4.79 %	\$ 403,943	24.07 %
Motor vehicle and parts dealers	426	5.05	370,002	22.05
Miscellaneous store retailers	2,487	29.48	189,945	11.32
Building material/garden equipment/supplies dealers	411	4.87	150,342	8.96
Clothing and clothing accessories stores	1,092	12.95	146,658	8.74
Electronics and appliance stores	604	7.16	93,201	5.55
Sporting goods, hobby, book, and music stores	859	10.18	91,835	5.47
Furniture and home furnishings stores	372	4.40	59,431	3.56
Food and beverage stores	239	2.83	51,945	3.10
Health and personal care stores	904	10.72	47,064	2.80
Nonstore retailers	608	7.21	40,706	2.43
Gasoline stations	29	0.34	33,209	1.98
Total Taxable Sales from Retail Trade	8,435	100.00 %	\$ 1,678,281	100.00 %

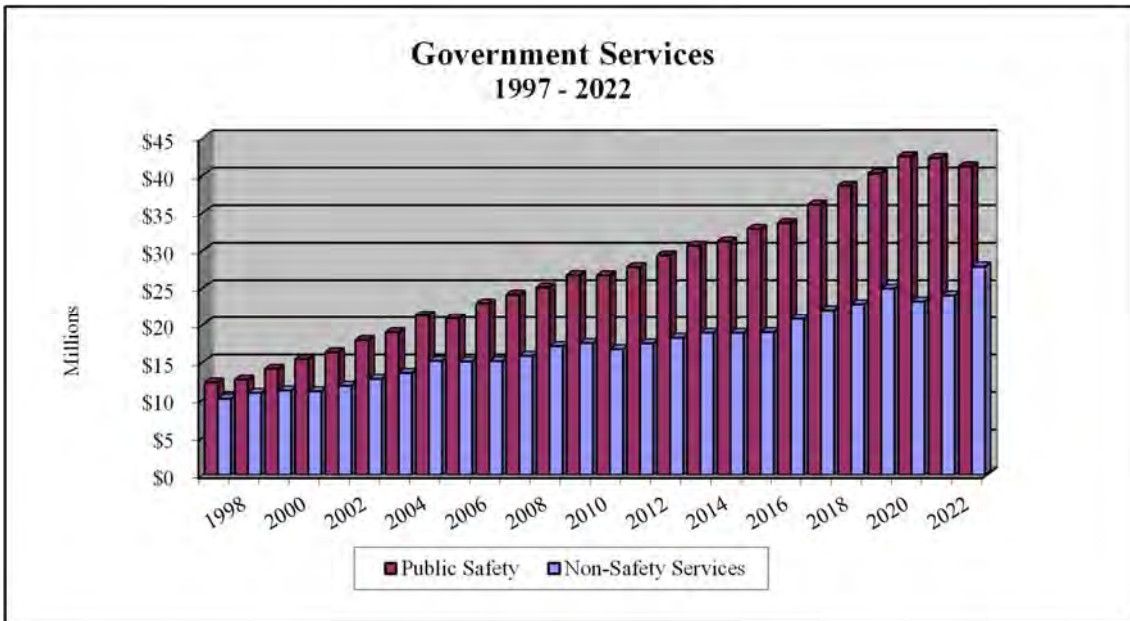
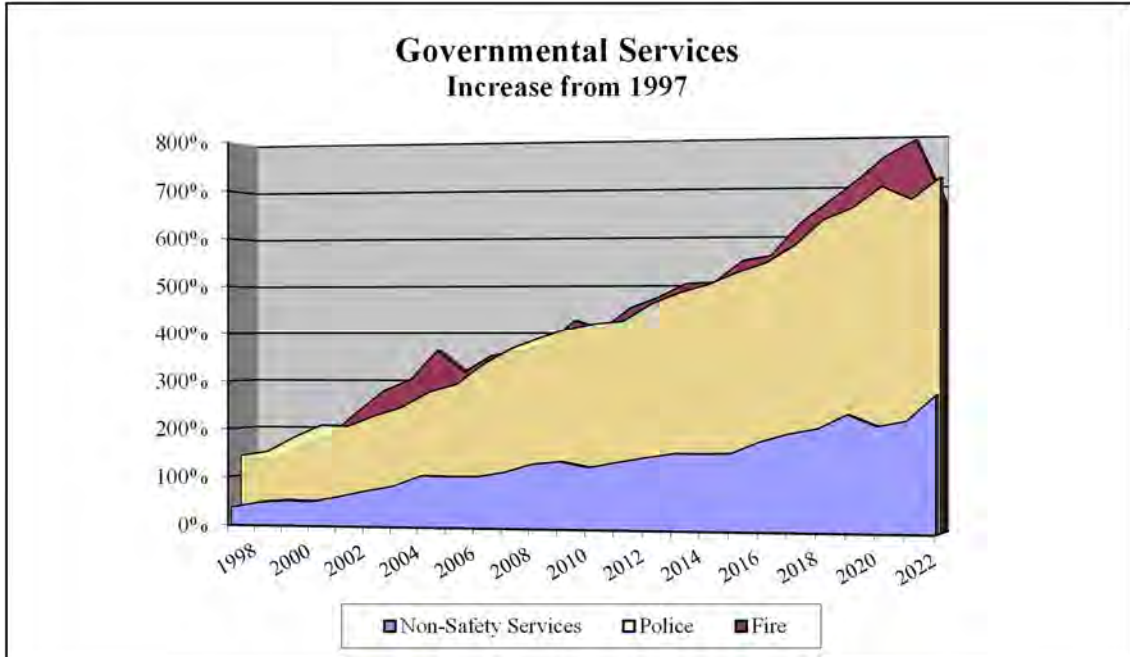
ALL TAXABLE ACTIVITIES

Retail trade (detail above)	8,435	43.36 %	\$ 1,678,281	59.69 %
Construction	1,885	9.69	305,451	10.86
Accommodation and food services	351	1.81	275,157	9.79
Wholesale trade	2,808	14.43	139,521	4.96
Administrative, support, waste mgmt & remediation	780	4.01	75,892	2.70
Information	983	5.05	74,074	2.63
Other services	619	3.18	68,899	2.45
Professional, scientific, and technical services	1,106	5.68	52,397	1.86
Finance and insurance	167	0.86	32,832	1.17
Manufacturing	1,328	6.83	31,491	1.12
Real estate and rental and leasing	339	1.74	28,105	1.00
Arts, entertainment, and recreation	138	0.71	15,825	0.56
Other activities	516	2.65	33,556	1.19
Total Taxable Sales	19,455	100.00 %	\$ 2,811,481	100.00 %

Sales Tax Revenue 2021



Retail sales account for 60% of all taxable sales activity. Additional detail is provided for the retail sales category.



These graphs illustrate the emphasis which has been placed on funding safety services since 1997. The first graph shows the percentage increase in spending and the second graph shows the actual level of expenditures.

In 1995, Kennewick voters approved a 2.5% increase in utility tax applied to telephone, electricity, and natural gas service that is committed to fund safety services. This has created a major source of revenue that is used exclusively for the addition of new Police and Fire personnel.

In 2014, voters approved a 0.3% sales tax that is dedicated towards public safety programs. The increased sales tax rate was effective 1/1/15 and proceeds of this 0.3% are split between Benton County and each of the cities within the county. Public safety expenditures funded from this sales tax began in 2015.

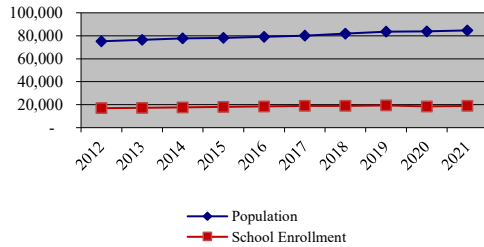
DEMOGRAPHIC STATISTICS

Supplemental Information

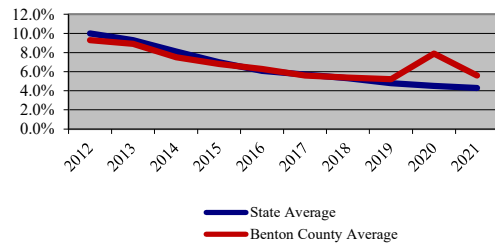
Year	Population (1)	Personal Income (thousands of dollars)	Per Capita Personal Income (3)	Median Age (2)	Median Household Income (2)	School Enrollment (4)	Unemployment Rate (5)
2012	75,160	3,117,036	41,472	35.94	62,739	16,874	9.3%
2013	76,410	3,104,615	40,631	36.17	63,710	17,259	8.9%
2014	77,700	3,239,935	41,698	36.48	63,157	17,648	7.5%
2015	78,290	3,487,506	44,546	36.78	62,071	18,005	6.8%
2016	79,120	3,578,044	45,223	37.29	62,282	18,472	6.3%
2017	80,280	3,698,981	46,076	37.51	63,502	18,843	5.6%
2018	81,850	3,902,772	47,682	37.62	67,912	18,892	5.4%
2019	83,670	4,129,449	49,354	37.71	71,479	19,429	5.2%
2020	83,921	4,343,499	51,757	37.88	75,233	18,563	7.9%
2021	84,620	N/A	N/A	37.50	79,043	18,805	5.6%

Source: (1) Office of Financial Management (www.ofm.wa.gov)
 (2) Office of Financial Management (Benton County)
 (3) Per Capita Personal Income - Bureau of Economic Analysis (Benton County). Revised statistics as of 06/01/2021.
 (4) Kennewick School District
 (5) Department of Labor, Bureau of Labor Statistics (Benton County Annual Average)

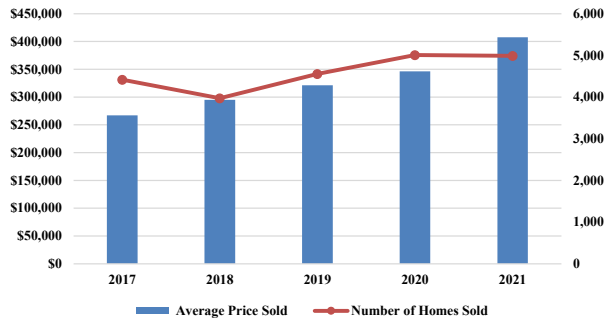
Population and School Enrollment



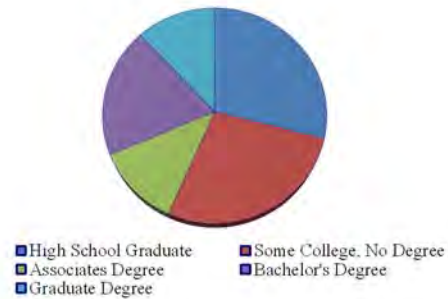
Percent Unemployment



Housing Statistics



Educational Attainment



MISCELLANEOUS STATISTICS

Supplemental Information

Date of Incorporation:	February 5, 1904
Form of Government:	Non-Charter Code City
Type of Government:	Council - Manager
Council Composed of:	Mayor, Mayor Pro-Tem, and Five Councilmembers
Terms of Office:	
Mayor	2 Year Term
Mayor Pro-Tem	2 Year Term
Council	4 Year Term
Manager	Appointed by Council

** Every two years the Council elects the Mayor and Mayor Pro-Tem for the City of Kennewick, Washington.*

2022 Assessed Valuation:	\$8,429,184,256
Population:	84,620
Area: (Square Miles)	29
Miles of Streets	351
Business Licenses Issued	6,700
Building Permits Issued	2,622

CURRENT FACILITIES

Fire Protection:		Police Protection:	
Number of Stations	5	Number of Stations	1
Number of Firefighters	93	Number of Police Officers	110
Water Services:		Sewer Services:	
Number of Connections	25,804	Number of Connections	20,998
Daily Consumption (Per Capita)	145 gallons	Daily Usage (Per Capita)	65 gallons
Miles of Distribution/ Transmission Lines	431	Miles of Sanitary Sewer Lines	311

PARKS	SIZE (Acres)	PARKS	SIZE (Acres)
Arboretum	5.00	John Day Park	2.30
Canyon Lakes	5.60	Keewaydin Park	8.90
Civic Center Area	22.50	Kenwood Park	1.50
Columbia Center Estates	2.00	Lawrence Scott Park	26.00
Columbia Park	387.00	Layton Park	3.00
Duffy's Pond/Levee Riverfront	70.00	Monopoly Park	1.60
Eastgate Park	14.40	Park Hills Park	0.50
Fruitland Park	2.50	Southridge Sports Complex	49.00
Grange Park	26.00	Sunset Park	7.60
Hansen Park	25.00	Underwood Park	3.10
Hatfield Park	3.50	Vancouver Park	3.00
Hawthorne Park	1.50	Westgate Park	5.00
Horse Heaven Hills Park	20.00	Yelm Park	3.00
Inspiration Estates Park	5.00	Zintel Canyon Park	1.00
Jay Perry	0.50		

CAPITAL EQUIPMENT

Supplemental Information

FUND	EQUIPMENT	2023/2024
CRIMINAL JUSTICE SALES TAX FUND		
L2594210.564006	Data Processing Equipment	
	Camera Recording system for 10 major intersections.	\$125,500
		<u>125,500</u>
CAPITAL IMPROVEMENT FUND		
M6594180.564009	Hardware	
	Physical Security upgrades	100,000
	SQL Server upgrade	17,500
	Network replacements, phase 2	140,000
	Core Switches	136,445
	Exagrid Expansion backup	57,000
	Work station replacements	921,405
	TOTAL CAPITAL IMPROVEMENT FUND	<u><u>1,372,350</u></u>
COLUMBIA PARK GOLF COURSE FUND		
K6594760.564003	Machinery & Equipment	
	Replace Toro Greenmaster 3100	18,000
	Replace Toro Reelmaster 3550	18,000
	TOTAL COLUMBIA PARK GOLF COURSE FUND	<u><u>36,000</u></u>
EQUIPMENT RENTAL FUND		
M7594180.564008	Transportation Equipment	
	<i>Funded from General Fund (\$36,000)</i>	
	Addition to fleet - Ford Ranger with toolbox	36,000
	<i>Funded from Criminal Justice Sales Tax Fund (\$28,000)</i>	
	Replace 5 MDTs	28,000
	<i>Funded from Capital Improvement Fund (\$2,474,400)</i>	
	Replace #7126 - 12 Chevy Impala - Police	58,500
	Replace #7127 - 12 Chevy Impala - Police	58,500
	Replace #7128 - 12 Chevy Impala - Police	58,500
	Replace #7130 - 13 Ford Taurus - Police	58,500
	Replace #7131 - 13 Ford Taurus - Police	58,500
	Replace #7133 - 13 Ford Taurus - Police	58,500
	Replace #7340 - 13 Ford Taurus - Police	58,500
	Replace #7789 - 17 Ford Explorer SUV - Police	60,800
	Replace Getac Computers - Police	182,700
	Replace #7350 - 13 Ford Taurus - Code Enforcement	1,000
	Replace #7363 - 13 Ford Taurus - Code Enforcement	1,000
	Replace #0403 - 99 Chevy Silverado 1500 pickup - Purchasing	78,000
	Replace #3108 - 11 Kawasaki Mule - Parks	14,000

CAPITAL EQUIPMENT

Supplemental Information

FUND	EQUIPMENT	2023/2024
EQUIPMENT RENTAL FUND (Continued)		
M7594180.564008	Transportation Equipment	
	Replace #3210 - 12 72" Toro lawn mower - Parks	20,000
	Replace #0095 - 94 John Deere Roadgrader - Streets	240,200
	Replace #0156 - 04 International 7600 dump truck - Streets	350,000
	Replace #3006 - 10 Chevy Silverado 1500 pickup - Parks	48,000
	Replace #0471 - 93 Trailer - Parks	6,000
	Replace #0503 - 95 Trailer - Parks	6,000
	Addition to fleet - front end loader - Streets	273,000
	Addition to fleet - dump truck - Streets	317,000
	Replace mobile data computers in Fire equipment	55,200
	Replace mobile data computers in Medical Services equipment	69,000
	Replace #0230 - 06 Pierce Type III Grass Truck/Pumper - Fire	165,000
	Replace #7353 - 13 Ford Taurus - Fire	11,000
	Replace #7355 - 13 Ford Taurus - Fire	11,000
	Replace #7362 - 13 Ford Taurus - Fire	11,000
	Addition to fleet - mid size SUV for Deputy Fire Chief	60,000
	Addition to fleet - mid size SUV for Fire Chief	60,000
	Upfit #2005 for Battalion Chief	25,000
	<i>Funded from Medical Services Reserves (\$1,543,600)</i>	
	Replace #2512 - 16 Ford/Braun Ambulance	373,500
	Replace #2715 - 17 Braun Chief XL Ford F450 4X4 Ambulance	373,500
	Replace #2716 - 17 Braun Chief XL Ford F450 4X4 Ambulance	373,500
	Replace Zoll Defibrillator unit	65,600
	Replace Zoll Defibrillator unit	65,600
	Replace Zoll Defibrillator unit	65,600
	Replace Zoll Defibrillator unit	65,600
	Replace Zoll Defibrillator unit	65,600
	Replace Zoll Defibrillator unit	65,600
	Replace Zoll Defibrillator unit	65,600
	Replace Power Pro XT cot	29,500
	<i>Funded from Water/Sewer Reserves (\$493,000)</i>	
	Replace #0040 - 05 Ford Ranger pickup	37,000
	Replace #0138 - 08 Ford Ranger pickup	37,000
	Replace #5105 - 11 Ford F250 pickup	60,000
	Replace #5108 - 11 Ford Diesel F350 pickup w/ service box	74,000
	Replace #5109 - 11 Ford F150 pickup w/ extended cab	74,000
	Replace #5006 - 10 Ford Ranger pickup	37,000
	Replace #5311 - 13 Ford F350	74,000
	Replace #4207 - 12 John Deere 27D excavator	100,000
	<i>Funded from Stormwater Reserves (\$351,500)</i>	
	Replace #0155 - 04 International 7600 Dump Truck	351,500
	TOTAL EQUIPMENT RENTAL FUND	4,926,500
	TOTAL CAPITAL EQUIPMENT	\$6,460,350

FINANCIAL/BUDGETARY POLICIES

◆ ***Keep the City in a fiscally sound position in both the short and long terms.***

- Ongoing operations of the City shall be funded from ongoing revenues.
- Budgets for all funds shall be flexible in nature, with expenditures expanding and contracting based on actual revenues authorized by periodic budget adjustments.
- Two-year budget projections for all operating and capital funds shall be prepared.
- Revenues and expenditures should be budgeted as accurately as possible based upon historic trends and current conditions.
- The City will maintain existing service levels and continue to evaluate how to most effectively deliver those services. The City should accept new requirements for service delivery only when adequate funding is made available.
- Service levels will be reviewed by Council periodically and modified as necessary.

◆ ***Maintain sufficient financial liquidity to meet normal operating and contingency obligations.***

- Maintain Fund Balances equal to 7.5% of operating expenditures to meet cash flow requirements in the general governmental operating funds (General Fund and Street Fund).
- Land sale proceeds, other unanticipated revenues and budget under-expenditures shall be reviewed at least annually with Council to determine the priority use for these funds, including pre-payment of debt service, increase in General and Street Fund reserves, unanticipated projects, budget vulnerabilities and other priority new programs. This funding source would first be used to replenish the Cash Reserve Fund and General Fund Operating Reserve if either was to fall below the target.
- Maintain a Cash Reserve Fund for revenue stabilization and contingencies equal to \$2,500,000 in 2010. Beginning in 2011, the City will increase the Cash Reserve Fund annually by CPI (not less than 2%). The funding source for increasing the Cash Reserve Fund annually shall be undesignated fund balances, capital project funding that is not allocated for Council priority programs, or other operating revenues, in this order.
- The purpose of the Cash Reserve Fund is to provide a fiscal means for the City to respond to potential adversities such as public emergencies, natural disasters or similarly major, unanticipated projects or circumstances, that were not foreseen when the biennial budget was prepared.

- The Cash Reserve Fund should be replenished as soon as possible and always within three years from the time the reserve is used or falls below the target. Sources to replenish these reserves shall be from undesignated Fund Balances, deferring non-life safety capital, and operating revenues, in this order.
- The City shall use proceeds of a 6.5% utility tax on water and sewer utility services implemented in 2009 (bringing the total utility tax to 15.5%) as follows:
 - 2.5% of the proceeds will be allocated to pay for the City's statutory requirement for Law Enforcement Officer and Fire Fighter (LEOFF) Plan I retiree medical costs, including long-term care. The City shall complete an actuarial study at least every two years to assess its future projected liability for these costs, which shall then be used to assess the ongoing funding required for this purpose.
 - 4% of the proceeds will be allocated to the City's Capital Improvement Fund in order to partially fund annual debt service on financing required to complete the replacement of the City's existing fire station #3 and fire station #1, and to construct a 6th fire station in the Southridge area.
- ◆ ***Protect the City from catastrophic losses.***
 - Maintain an insurance reserve for property, casualty, unemployment, sewer backup, medical and dental claims in an amount equal to consultant or actuarial requirements.
 - Purchase medical, property and liability insurance to cover major losses as deemed appropriate by the City's risk management program.
- ◆ ***Have service users pay their fair share of program costs.***
 - City utilities shall be 100% user supported.
 - Development fees and charges will be reviewed every two years during the biennial budget process and compared with the cost of providing each service to determine if an appropriate level of cost recovery is attained. In all cases, the level of cost recovery shall be calculated based on the full cost of providing service, which includes all direct and indirect costs associated with the service being provided, including city-wide indirect costs. The appropriate level of cost recovery shall be determined based on the following criteria:
 - Whether the service benefits the community in general or only the individual or group receiving the service;
 - Whether the service is provided only by the public sector, or also by the private sector;
 - Whether the amount of the fee or charge would pose a hardship on specific service users;
 - Whether the amount of the fee or charge would place the city at an economic disadvantage;

- Whether or not the amount of the fee or charge would cause an unrealistic demand on service;
 - Whether the amount of the fee or charge is reasonable and in line with the level of service being provided and requested.
-
- Annually, a CPI factor (no more than 4% and no less than 0%) will be applied to all development fees and charges. However, development fees and charges shall not be increased in any year until such time that the cumulative increase based on the CPI factors since the last fee or charge increase is at least \$5. In all cases, development fees and charges shall be rounded down to the nearest \$5 increment.
 - User fees shall contribute a minimum of 60% towards direct youth and senior recreation services and operations. Adult programs will contribute an average of 100% toward direct recreation services and operations.
 - Annually, a CPI factor (no more than 4% and no less than 2%) may be applied to facility rental, administrative and usage fees and a local market comparison will be conducted where fees may be adjusted accordingly.
 - A minimum of 20% Administrative Fee will apply to the direct labor costs for all recreation and senior center programs in order to help recover some of the indirect costs associated with the recreation programs.
 - The cost to maintain a developed acre in Columbia Park will be calculated annually and a CPI factor (no more than 4% and no less than 2%) will be added to determine the appropriate rental fee in Columbia Park.
 - All City fees, charges and rates shall be reviewed periodically to determine whether they meet targeted cost coverage. Adjustments shall be made in conjunction with the budget process.
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- ◆ ***Operate utilities in a responsive and fiscally sound manner.***
 - Utility rate studies shall be conducted at least every five years and updated every two years in conjunction with the biennial budget process to update assumptions and ensure the long term solvency and viability of City utilities.
 - Utility rates should be reviewed annually and adjusted if necessary to reflect inflation, construction goals, maintain bond covenants and avoid major periodic increases.
 - Rates for the water/sewer utility will be established with a target goal to provide an annual capital contribution equal to the recovery of annual depreciation.
 - Fund balances in enterprise funds shall be maintained at levels established through rate studies or at levels necessary to meet operating capital and contingency requirements.
 - An operating reserve with a minimum target balance between 60 and 90 days of operating and maintenance (O&M) expenses shall be maintained in the City's

water and sewer, medical services, building safety, and stormwater enterprise funds.

- The City’s water and sewer and stormwater enterprise funds shall maintain a capital reserve with a minimum target balance of one percent of plant-in-service.
 - Excess fund balances shall be used to offset rate increases where possible, with any remaining balances being used for approved capital purposes.
 - The City’s water and sewer and stormwater utilities shall target a minimum debt service coverage ratio of 2 and shall maintain a minimum ratio of 1.25 at all times.
 - Automatic Consumer Price Index (CPI) increases, up to a maximum of 4% per year, will be applied on an annual basis to Water & Sewer.
- ◆ ***Maintain existing infrastructure and capital assets.***
- When capital funding decisions are made, priorities shall be given to maintaining existing capital assets over the acquisition or construction of new facilities.
 - Fully fund equipment replacement for all Enterprise Funds over the vehicle’s estimated useful life.
 - Provide for a comprehensive equipment and apparatus replacement schedule for fire department by utilizing the medical service fund equipment reserves and ongoing biennial contribution amounts for both General Fund (\$300k plus inflation beginning in 2009) and Medical Services Fund (\$350k). The policy includes utilizing external financing for the purchase of a ladder truck when market conditions dictate that it is most economical to do so, with the remainder of the vehicle and apparatus replacements being cash transactions. Beginning in 2011, the biennial contribution previously made from the General Fund shall be made from the Capital Improvement Fund (\$315k).
 - Beginning in 2011, provide for a comprehensive equipment and vehicle replacement schedule for the police department by utilizing an ongoing biennial contribution amount for the Capital Improvement Fund (\$551k plus inflation beginning in 2011). The policy includes utilizing external financing through the State Local Option Capital Asset Lending (LOCAL) lease program or other external financing programs when market conditions dictate that it is most economical to do so.
 - Proceeds of the optional one-half of one percent sales tax and proceeds from the quarter of one percent real estate excise tax (as allowed by State Statute) shall be used to fund City Council’s priority Capital Improvement Program (“CIP”) except for funds used to:
 - Replace Federal Revenue Sharing Funds in the amount of \$500,000;
 - Replace the lost 35% of motor vehicle tax that occurred in 1986 upon implementation of the one-half percent optional sales tax in an amount calculated based on past historical motor vehicle excise tax inflated by 10% per year beginning in 2002 when motor vehicle excise tax was eliminated and no additional historical information was available;

- Provide repayment of debt service on the 2003 CIP projects in the amount of approximately \$670,000 per year beginning on January 1, 2009, until the bonds are paid-in-full;
 - Provide repayment of debt service on the police facility in the amount of approximately \$725,000 per year beginning on January 1, 2007, until the bonds are paid-in-full;
 - Support the City's economic development efforts in an amount equal to the optional sales tax received from economic development efforts up to a maximum of \$500,000 per year beginning on January 1, 2009;
 - Support the Public Facilities District for a portion of the debt service related to the construction of the Three Rivers Convention Center beginning in 2001 as per Ordinance No. 5001 in the amount of \$725,000 per year;
 - Provide for at least \$150,000 annually (plus inflation annually) to fund priority facility related improvements beginning January 1, 2011;
 - Provide for at least \$250,000 annually (plus inflation annually) to fund priority technology related improvements beginning January 1, 2011;
 - Provide contributions to the Police and Fire vehicle and apparatus replacement programs, respectively, beginning in 2011 (see items above).
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- Each year, City Council shall evaluate making a \$1 million transfer from the General Fund to the Capital Fund in order to implement Council priority programs.
 - The admissions tax shall be receipted into the General Fund and used as determined based on budgetary priorities, except for the amount collected from the Toyota Center for admissions, which is receipted into the General Fund to help offset the General Fund operating subsidy to the Toyota Center. In the event that no operating subsidy is needed, this amount will be dedicated to repayment of debt service at the facility.
 - Proceeds from the basic 2% hotel/motel tax and the additional 2% hotel/motel tax enacted in 1998 and accounted for in the City's Lodging Tax Fund shall be awarded and expended in accordance with state law and dedicated as follows:
 - To pay for the City's agreement with Visit Tri-Cities for tourism and event promotion.
 - To support the annual operating subsidy required for the Toyota Center & Arena.
 - To support capital projects or major facility improvements.
 - Subject to the availability of funding, to pay for other tourism promotion or operating costs of events and government owned tourism facilities that meet state requirements and have been recommended to City Council by the City's Lodging Tax Advisory Committee (LTAC).
 - The City shall review the annual operating results for the Toyota Center & Arena and compare the results to the budgeted operating subsidy for the year as approved by the Kennewick Public Facilities District (KPFDD). Subject to any legal restrictions attached to the revenue source(s) utilized by the City to fund its operating subsidy to the Toyota Center & Arena, any positive variance between the actual net operating loss and the operating subsidy level budgeted for the year shall be retained by the facilities and designated for the following purposes:

- To provide funding for unanticipated capital projects, improvements, maintenance or major repairs required at the facilities. These projects shall be subject to the review and approval of the Joint Coliseum Advisory Committee (JCAC), or the Committee’s designee, prior to the commencement of the projects.
- To supplement the operating subsidy provided to the Toyota Center & Arena in any year that the annual operating loss for the facilities exceeds the operating subsidy budgeted for the year. Any use of designated funds for this purpose shall also be subject to the review and approval of the JCAC.

◆ ***Establish accountability in budget monitoring.***

- The City Council shall set total appropriations at the fund level.
- Department heads are responsible for managing their budgets within the total appropriated budget.
- Any budget adjustment between funds shall be approved by the Council in budget amendments and by adopted ordinances.
- Budget adjustments within a fund shall be approved by the City Manager and reported to the City Council. Adjustments affecting program implementation or modification of total appropriation require Council approval.
- Department expenditures shall be made from appropriate Budgeting, Accounting and Reporting System (BARS) accounts, not an account where an excess of funds may exist.

◆ ***Provide financial reports in a timely and understandable manner.***

- Quarterly financial reports discussing major trends, the status of Kennewick's financial operations, and other related information shall be distributed to all managers, the Mayor, the City Council and made available to the interested public.
- An Annual Comprehensive Financial Report (ACFR), prepared in accordance with generally accepted accounting principles, shall be distributed to interested parties and to GFOA for certification.
- The City's budget document shall be prepared in a manner to best implement the budgetary policies of the Council.

DEBT POLICIES

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- Revenue bonds and LIDs shall be used to finance improvements when applicable.
- Financing for the majority of capital assets, other than infrastructure, shall normally be made over the life of the asset, or 20 years, whichever comes first.

- Councilmanic bonds and lease financing can be used to fund infrastructure where positive cost/benefit ratios exist or where there is no other source of funds.
- Voter approved general obligation bonds and special levies shall be used to finance major projects with high visibility such as fire stations, library, swimming pools, trails, waterfront projects, community parks, etc.

CASH MANAGEMENT POLICIES

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- The City’s cash management philosophy is to invest public funds in a manner that provides for the highest investment return with the maximum security while meeting daily cash flow demands. The City’s investment policy defines authorized investment instruments in accordance with State law. The City’s portfolio consists of certificates of deposit, U.S. agency issues and the State Treasurer’s Investment Pool.
- The primary objective of the City’s investment activities is safety of principal. To attain this objective, no more than half of the portfolio is invested in a single security type or with a single financial institution.
- To the extent possible, the City attempts to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City does not directly invest in securities maturing more than five years from the date of purchase.
- Reserve or CIP Funds may be invested in securities exceeding five years if the maturity of such investments are made to coincide as nearly as practicable with the expected use of the funds.

ECONOMIC DEVELOPMENT POLICIES

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- ◆ *Develop and implement an economic development strategy that supports and expands the City’s existing retail, wholesale, service, light industrial, distribution and the tourism sectors of the local economy.*
 - Support and find opportunities for the Bridge to Bridge Plan implementation.
 - Provide resources for businesses and entrepreneurs that will encourage their growth.
 - Identify opportunities that create a “sense of place” and develop unique assets to improve quality of life.
 - Develop a sustainability program.
 - Seek public-private partnership to help fulfill goals.

- ◆ ***Create jobs that pay livable wages and broaden the tax base.***
 - Support the tourism sector of the local economy and look for opportunities to increase tourism offerings.
 - Develop a strategy that works toward the continued expansion of industrial development.
 - Support a strategy that supports recruitment, expansion and retention of primary jobs of a non-industrial nature.
 - Support education and workforce development that prepares workers for jobs in target industries.
 - Encourage affordable infill single-family construction through flexibility in development techniques.
 - Recognize manufactured housing as an important component of the single-family market.
 - Authorize opportunities for group home housing within a variety of residential settings.
 - Identify strategies for promoting affordable housing.
 - Permit condominium, zero lot line and other non-traditional and innovative residential development opportunities throughout the urban area.
 - Encourage an assortment of multi-family residential developments to increase the residential rental supply.
- ◆ ***Promote neighborhoods which contain appropriate support facilities, and promote quality of life through aesthetic considerations.***
 - Continue to promote development of park and/or recreational facilities jointly with the school district.
 - Encourage the extension and use of irrigation services throughout all residential areas to support and maintain a healthy landscape environment.
 - Provide code enforcement services to support aesthetic and public or private property improvements.
- ◆ ***Promote a variety of residential densities throughout the urban area.***
 - Low-density residential areas are characterized by developments of up to four units per acre.

DETAIL POLICIES

Supplemental Information

- Medium-density residential areas are characterized by developments of 5-13 units per acre.
- High-density residential areas are characterized by developments of 14-27 units per acre.
- ◆ ***Encourage the preservation of the existing housing stock through a broad strategy of public and private investments.***
 - Maintain an inventory of residential properties which possess one or more qualities of local historic significance.
 - Bolster private efforts to preserve local historic properties.
 - Pursue the abatement of dilapidated residential structures.

URBAN DESIGN POLICIES

- ◆ ***Enhance the aesthetics of the urban area.***
 - Develop logical circulation patterns for vehicles and pedestrians.
 - Landscape public right-of-ways with special emphasis given to those areas which have heavy pedestrian and motor traffic.
 - Enhance public pedestrian areas with benches, lighting, and similar amenities.
 - Develop and implement a program of making traffic control boxes less noticeable.
 - Encourage all existing commercial and industrial uses along state highways and major and minor arterials to develop and implement landscaping and building façade programs consistent with city ordinances and policies.
 - Beautify cluttered and unkempt public areas.
 - Encourage better accessibility to water recreational areas.
 - Encourage the Historic Downtown Kennewick Partnership to improve the appearance of their buildings and premises.
 - Encourage better designed public buildings with a variety of landscaping.
 - Encourage and provide a means for local artists to display their works in public buildings.
 - Provide the opportunity for local artists to locate permanent artwork in public places.
 - Develop a program whereby persons talented in the performing arts have the opportunity to perform in public places with minimal or no cost to the audience.

REGIONAL RELATIONSHIP POLICIES
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◆ *Promote and develop a proactive relationship with area and state agencies, public entities and other government bodies.*

- Establish inter-local agreements between the City and Benton County that will provide joint standards for development within the urban growth area.
- The City will limit its extension of utilities to development that conforms to inter-local agreements developed in accordance with this policy.
- The City and outside utility providers will develop land use and utility plans that are consistent and are developed to accommodate future build-out scenarios within the urban growth area.
- The City and Benton-Franklin Fair Board will encourage a relationship that promotes multiple use, resource growth, and facility enhancement of the fairgrounds complex at E. 10th Avenue and Oak Street.
- The public entities within the “Civic Core” area at or near 6th Avenue and Dayton Street will be encouraged to make long-term capital commitments for maintaining the maximum number of civic uses at this location.
- The irrigation districts will be encouraged to retrofit open canals to underground and pressurized systems.
- The irrigation districts will be encouraged to allow right-of-ways for irrigation systems to be used as paths or trails.
- Kennewick School District #17 will be encouraged to assume a proactive role in coordinating its long-range plans with the comprehensive planning process of the City.
- Policies within the City’s Comprehensive Plan that affect other jurisdictions will be consistent and coordinated with such jurisdictions.
- Benton County Planning policies #11, #12, and #13 will be utilized to develop regional processes for citing essential public facilities and providing waste-related services and processes.
- The Chamber of Commerce, Port District, and the Tri-Cities Industrial Development Council (TRIDEC) will be encouraged to promote the long term interests of the community in the comprehensive planning processes.

ANNEXATION POLICIES
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- ◆ *Develop an annexation policy emphasizing public education, service levels and timing of infrastructure improvements.*
 - Establish pre-annexation zoning for all lands in Kennewick’s urban growth area. Lands in the urban growth area that have pre-annexation zoning designations will have such designations updated as necessary as part of the Comprehensive Plan review process.
 - Systematic review of the expected service demand of each annexation proposal will be accomplished. Demands for additional service or capital improvements resulting from annexation proposals should be accommodated within six years of the effective date of the annexation.
 - Develop fiscal analysis showing estimates of expected revenues/costs for each proposed annexation.
 - Annexations that decrease existing city-wide service levels for general governmental operations will be discouraged.
 - Annexations of county “islands” (areas surrounded on at least 80% of its boundaries by corporate limits) are considered “first priority” annexations and all necessary steps will be taken to ensure their incorporation.

Several assumptions were utilized during preparation of the biennial budget to project the revenues the City will receive and expenditures the City will incur during the 2023/2024 biennium. The following is a summary of the major assumptions utilized:

REVENUES

- ◆ In general, most non-tax revenues are expected to increase by 2% in 2023 relative to projected 2022 revenues and by 2% again in 2024 relative to projected 2023 revenues.
- ◆ The City's regular and optional sales tax is projected to decrease by 2.5% in 2023 relative to projected 2022 sales tax receipts and increase by 2.5% in 2024 when compared to projected 2023 results. Revised projections for regular and optional sales tax in 2022 reflect an overall increase of 3% for the year, when compared to 2021, primarily due to the fact that regular and optional sales tax increased by approximately 18% in 2021 due to federal economic stimulus programs stemming from the COVID-19 pandemic. It is also anticipated that there may be a significant economic slowdown or national recession in 2023 due to inflation, rising interest rates, and other national economic factors.
- ◆ Similar to the City's projections for its regular and optional sales tax, projections for the City's portion of the voter-approved public safety (criminal justice) sales tax implemented in 2015 include an assumption of a 2.5% reduction in 2023 relative to projected 2022 sales tax receipts and 2.5% growth in 2024 when compared to projected 2023 results.
- ◆ Property tax revenue was projected for the 2023/2024 biennium utilizing the following assumptions:
 - New construction value for the 2023 property tax levy is estimated to be \$195.2 million based on preliminary assessed values provided by the Benton County Assessor. Of the projected new construction amount for the 2023 levy, 40% (\$78 million) is expected to be new construction within the City's Southridge Local Revitalization Area (LRA), and therefore 75% of the property tax generated from this new construction is required to be used for debt service on bonds issued to finance infrastructure improvements within the LRA, or to fund new capital projects completed within the area.
 - New construction is estimated to be \$100 million for the 2024 property tax levy and it is assumed that 40% of the new construction will occur in the Southridge Local Revitalization Area (LRA).
 - The City will devote \$67,000 of its annual operating levy each year during the biennium to the Firemen's Pension Fund to meet pension obligations based on the recommendation of the most recent actuarial study performed for the fund.
- ◆ Electric utility tax revenue generated through gross sales of electricity from the Benton Public Utilities District (PUD) is projected to increase by 1.5% in 2023 when compared to 2022 and an additional 1.5% in 2024 when compared to 2023. Revised projections for electric utility tax in 2022 indicate an increase of 0.5%, when compared to 2021, which is attributable to growth in customer accounts and consumption. Benton PUD has not implemented a rate

increase since the fall of 2019 and there are currently no plans for a rate increase over the course of the City's 2023/2024 biennium.

- ◆ Telephone utility tax is projected to decline by 10% in 2023 compared to projected tax receipts for 2022 and then by an additional 10% in 2024. The City has experienced an average decline of 7.8% each year from this tax source over the last 12 years, due primarily to non-taxable data services becoming a larger component of cell phone bills and the elimination of most residential landlines. Revised projections for telephone utility tax revenue in 2022 indicate a reduction of approximately 14% when compared to 2021.
- ◆ The 2023/2024 biennial budget assumes that the portion of the City's current 15.5% water and sewer utility tax rate allocated to the General Fund will remain at 9%. Similarly, 4% of the remaining 6.5% water and sewer utility tax rate will continue to be allocated towards debt service on bonds issued to finance the replacement of the City's existing fire stations #3 and #1. The remaining 2.5% will remain dedicated towards meeting the City's medical and long-term care obligations associated with its Law Enforcement Officers and Fire Fighters (LEOFF) 1 retirees. Overall, water and sewer utility tax revenue projections reflect water and sewer rate increases in both 2023 and 2024 that will be considered by the Kennewick City Council in November of 2022. Water rates are recommended to increase by 5.15% in both years, while sewer rates would increase by 5% in 2023 and 2024.
- ◆ Natural gas utility tax is projected to increase by 21.5% in 2023 compared to projected tax receipts for 2022 and then by an additional 3.5% in 2024. Cascade Natural Gas announced an average rate increase for its customers of 22.8% effective November 1, 2022. An additional rate increase and/or increase in customers/consumption of 3.5% is forecasted for 2024.
- ◆ Projections for other utility tax revenue sources range from 2-4%, based on anticipated rate increases tied to the consumer price index and anticipated growth in customers for utilities of approximately 1.5% per year.
- ◆ The 2023/2024 biennial budget assumes revenue from both gambling and admissions taxes will increase by 2% per year, which would result in revenue from both sources exceeding pre-pandemic levels for the first time.
- ◆ State shared revenues were projected utilizing Municipal Research & Services Center of Washington (MRSC) and Washington Office of Financial Management (OFM) estimates, which are typically based on a per capita distribution. The following provides further detail regarding the assumptions utilized for two of the major items within this category of revenue:
 - Liquor excise tax revenue is estimated at approximately \$585,300 in 2023 and \$582,700 in 2024 assuming a per capita distribution of \$6.86 and \$6.83 in each of these years, respectively. These estimates assume that there will be no reductions by the State Legislature to liquor excise tax revenue distributions received by cities during the biennium.
 - Distributions of liquor board profits are estimated at approximately \$652,700 for 2023 and \$641,600 for 2024 assuming a distribution of \$7.65 and \$7.52 per capita, respectively. Similar to the assumptions utilized to project liquor excise tax distributions, projections

for distributions of liquor board profits are based on an assumption that the state will not reduce distributions during the course of the biennium.

- Motor vehicle fuel excise taxes (gas taxes) are estimated at \$1,773,800 in 2023 and \$1,762,600 in 2024 assuming a distribution of \$20.64 per capita in 2023 and \$20.51 in 2024 along with a population of 85,940 for Kennewick. As motor fuel excise taxes are assessed by the gallon, rather than on the price paid per gallon of fuel, these estimates reflect a general expectation that fuel consumption will remain relatively flat or decline slightly within the state during 2023 and 2024.
- ◆ The 2023/2024 biennial budget assumes that lodging taxes and tourism activity in general will continue to have moderate growth after fully recovering from the pandemic in 2022. Despite concerns about an economic downturn or national recession in 2023, lodging tax revenue is expected to increase by 2.5% in both years of the biennium. This moderate increase is projected based in part on the closure of 6 hotels in the Tri-Cities region that are in the process of being converted to apartments. As a result of these closures, supply of hotel rooms has greatly diminished, creating more demand and allowing for increases to room rental rates.
- ◆ The City's monthly ambulance availability and stormwater utility charges are projected to increase by the annual percentage change in the consumer price index in both 2023 and 2024, based on the current Kennewick Municipal Code (KMC).
- ◆ The City of Kennewick is a participating provider in the Washington State Health Care Authority's Ground Emergency Medical Transport (GEMT) program, which was implemented based on legislation passed during the 2015 legislative session that was implemented in 2018. The GEMT program is voluntary and providers must be a publicly owned or operated organization enrolled as a Medicaid provider that provides ground emergency transportation to Washington Apple Health Medicaid clients. Under the program, providers receive supplemental payments that cover the funding gap between their actual cost per ground emergency transport and the allowable amount received from Washington Apple Health (Medicaid) and any other sources of reimbursement. For the 2023/2024 biennium, the City estimates that it will receive approximately \$4.1 million in supplemental payments through the GEMT program based on historical trends for eligible ground emergency transports.
- ◆ Annual rate adjustments are assumed in both 2023 and 2024 for the City's water and sewer utility as the result of recommendations made to the Kennewick City Council for both years at a workshop in October of 2022 based on an update to the City's comprehensive rate model. Water rates are proposed to increase by 5.15% in both 2023 and 2024, while sewer rates are proposed to increase by 5% each year.
- ◆ Building permit revenue for the 2023/2024 biennium is projected to be to approximately \$3.9 million, which is very similar to projected revenue for the 2021/2022 biennium.
- ◆ Grant revenues were projected only for awarded operating grants within the General Fund and capital grants within the City's capital and enterprise funds.

EXPENDITURES

- ◆ The 2023/2024 biennial budget includes assumptions for increases to existing salaries and wages for employees based on contracts already in place for this period and anticipated contract terms for future contracts with union personnel. Currently, the City's labor contracts with its Police, Police Management, and Fire bargaining units expire at the conclusion of 2022, and terms for future agreements were projected in order to forecast personnel costs for these groups. Agreements with the City's Operating Engineer and Police Support Specialist bargaining units are both in place through 2024, and personnel costs are estimated based on those contract terms.

The 2023/2024 budget also provides for an increase to the non-contract salary schedule each year of the biennium based on the annual change in the consumer price index (CPI) and changes implemented by the City's comparator agencies. However, annual pay increases for non-contract personnel are not automatic. Instead, these increases are based on attainment of pay-for-performance goals, demonstration of core competencies and mastery of technical skill requirements (technical proficiency) for each employee.

- ◆ The City's employer retirement contribution rates were projected based on the most recent recommendations by the Office of the State Actuary. The rates included in the 2023/2024 biennial budget are as follows: PERS Plan contribution rates will remain at their rate of 10.39% through the entirety of the biennium. The City's portion of employer contribution rates for LEOFF II plan members is also expected to remain unchanged through the biennium at 5.3%.
- ◆ The City's premium rates for medical insurance are projected to increase by 4.5% in 2023 and 10% in 2024 based on information provided by the Association of Washington Cities (AWC) Employee Benefit Trust. It is assumed that all covered City employees will remain on either the AWC HealthFirst 250 or Kaiser Permanente HMO plan currently offered for the duration of the 2023/2024 biennium.
- ◆ The City's rates for workers' compensation premiums (L&I rates) are projected to increase significantly based on 2023 rate recommendations from the Washington State Department of Labor & Industries. Specific rate increases range from 7% for administrative and outside operations personnel to 10% for firefighters and 14% for police officers. The City's experience rating is also expected to increase for 2023 based on its recent claims experience.
- ◆ The City's cost for its self-insured dental plan are expected to increase by 3% in both 2023 and 2024 based on recent claims experience, while other major benefit costs are generally expected to increase from 3-5% per year during the 2023/2024 biennium.
- ◆ The City's costs for jail services for the 2023/2024 biennium were estimated based on the terms of the current jail service contract and reflect the net billable operating costs outlined in the preliminary 2023/2024 budget for the Benton County Jail and an allocation of those costs to the City of 9.21% (as assessed based on a 3-year average of bed days from 2019 to 2022 using a July – June annual timeframe).

- ◆ The City's costs for District Court services and the Office of Public Defense were estimated utilizing the proposed 2023/2024 budgets for these agencies and an assumption that the City's portion of each budget will be 16.89% and 38.64%, respectively, based on caseload statistics from the 2021-2022 districting plan year.
- ◆ Dispatch and emergency service costs for the 2023/2024 biennium were also projected based on the 2023 budget for each agency as approved by the Benton County Emergency Services (BCES) Executive Board, which reflected a 18% increase for Kennewick. Kennewick's assessment for these programs is projected to increase by 5% in 2024.
- ◆ The 2023/2024 budget continues to utilize the following assumptions regarding the allocation of Fire Department personnel, which were modified beginning in 2019 based on the most recent cost of service study completed for the City's ambulance utility:
 - Personnel costs for the Fire Chief, Deputy Fire Chief, Data Analyst, and Administrative Assistant will be allocated 80% to the Medical Services Fund (Ambulance Utility) and 20% to the General Fund based on historical calls for service data.
 - Personnel costs for the City's Deputy Fire Chief (Operations Chief) will be allocated 40% to the Medical Services Fund and 60% to the General Fund, which reflects a split of half of the 80% in personnel costs based on historical call data, with the remaining half being allocated entirely to the General Fund to reflect time spent overseeing fire prevention and training activities.
 - Personnel costs for the City's 3 Battalion Chiefs will be allocated 20% to the Medical Services Fund and 80% to the General Fund based on the time these positions commit to fire and ambulance calls.
 - Personnel costs for the City's Training Captain will be allocated 80% to the General Fund and 20% to the Medical Services Fund based on the percentage of time dedicated towards training activities for each function.
 - Personnel costs for the City's EMS Officer position will be allocated 100% to the Medical Services Fund.
 - Personnel costs for all 24-hour shift personnel including Fire Fighter EMT's, Fire Fighter Paramedics, Captain EMT's, and Captain Paramedics will be allocated 85% to the Medical Services Fund and 15% to the General Fund based on the amount of time committed to ambulance and fire suppression activities by these positions.
 - Personnel costs for the City's Fire Prevention Division will be allocated 100% to the General Fund, with the exception of the City's Deputy Fire Marshal and Fire Prevention Specialist positions, which shall have 75% and 50% of their personnel costs allocated to the Building Safety Fund, respectively.

As the result of implementing this labor distribution change beginning in 2019, personnel costs for 32.94 FTE's were reallocated to the Medical Services Fund from the General Fund to accurately reflect the true cost of providing the City's ambulance program. A corresponding transfer was budgeted from the General Fund to offset the reallocation of these personnel expenditures between funds. For 2023/2024, the transfer from the General Fund to the Medical Services Fund is projected to be \$10,120,000, which is unchanged from the prior biennium. The City plans to complete an update to the cost of service study for its ambulance utility during the course of the 2023/2024 biennium following a standard of cover study that will be completed by the Kennewick Fire Department.

- ◆ The City will provide an operating contribution of \$1,040,000 to the Toyota Center & Arena during the 2023/2024 biennium, which is unchanged from the 2021/2022 biennium due to challenges associated with projected increases to the minimum wage and the minimum salary required for employees that are exempt from overtime in the State of Washington. This contribution will consist of \$400,000 from the General Fund and \$640,000 from the Lodging Tax Fund using lodging tax revenues.
- ◆ The City will provide an operating contribution of \$200,000 to its Columbia Parks Golf Links golf course during the 2023/2024 biennium. This contribution will be provided from the General Fund. Additionally, a contribution of \$85,000 will be provided from the City's Capital Improvement Fund for capital equipment and facility projects.
- ◆ The 2023/2024 budget includes a transfer of \$2.45 million to the Risk Management Fund to pay for the General and Street Fund's portion of the City's liability and property insurance premiums, as well as estimated deductible payments and uninsured claims.
- ◆ The 2023/2024 budget includes a transfer of \$2,000,000 from the General Fund to the Capital Improvement Fund (\$1 million each year of the biennium) in accordance with the City's budget policy for City Council to evaluate such a transfer each year to fund Council priority capital programs.
- ◆ An allowance for under-expenditures of \$3 million has been budgeted within the General Fund for the 2023/2024 biennium. This item reflects expected savings in budgeted expenditures during the biennium, primarily through personnel savings generated from vacant positions. As has been the practice for several bienniums, all future position vacancies will be evaluated to determine citywide needs and how they most appropriately will be filled.
- ◆ The City will continue to utilize its portion of the voter-approved 0.3% public safety sales tax to fulfill its commitment to pay for fifteen Police Officer positions to combat criminal gang activity. In addition, this important funding source will continue to fund an Assistant City Attorney position, 1.5 full-time equivalent (FTE) Public Records Officers, and a Police Support Specialist. Beginning in 2023, proceeds from the public safety sales tax will also be utilized to fund a new 1.0 FTE Evidence Technician. Proceeds from this source will also continue to be used to support new technology implemented by the Kennewick Police Department, cold case resolution, and vehicle and equipment replacements for the fifteen Police Officer positions funded through this revenue source.

Several vulnerabilities exist that may have a significant impact on the City of Kennewick's 2023/2024 biennial budget. The following is a list of the most significant vulnerabilities identified during the budget process:

- ◆ The regional economy of the Tri-Cities (Kennewick-Pasco-Richland MSA) has been relatively healthy over the course of the past 18 months, and in most areas the region has experienced nearly a full recovery from the initial, devastating financial impacts of the COVID-19 pandemic. A strong local economy, coupled with federal economic stimulus during this period, has translated to significant growth in many of the City's major revenue sources. However, as federal stimulus provisions now begin to wind down, new economic challenges including

supply chain disruptions, labor shortages, geopolitical instability, and high inflation leading to rising interest rates all threaten to slow down the economic growth that has occurred since early 2021, and possibly even result in a national recession.

In light of the current economic uncertainties, the City of Kennewick's 2023/2024 biennial budget reflects a conservative approach in forecasting its major revenue sources, particularly for its general governmental funds. However, if the regional economy enters into a prolonged economic slowdown, it is likely that program and service reductions may have to be evaluated.

- ◆ During its upcoming 2023 legislative session, the Washington State Legislature will be adopting the state's 2023-2025 biennial budget. Although revenue forecasts for the state have mostly been positive over the last year, revenue growth has started to slow and it remains to be seen if the state will have a budget shortfall that will need to be addressed during the session. Cities remain on guard against possible reductions to state-shared revenues, elimination of low-interest loan and grant programs administered by the state that are critical to local government infrastructure projects, and other unfunded mandates that may be passed down from the state if legislators are required to address a budget deficit. The City will closely monitor legislation at the state level and will work with our local legislators, state lobbyist and the Association of Washington Cities (AWC) to minimize the impacts of any potentially harmful legislation on the City of Kennewick.
- ◆ The City's collective bargaining agreements with three of its public safety labor unions expire at the conclusion of 2022. Negotiations with these bargaining units are currently ongoing and assumptions have been included in the 2023/2024 biennial budget regarding the expected outcome of these negotiations. However, until the labor contract are finalized, there is an inherent uncertainty regarding the budgetary implications of these agreements.
- ◆ The voter-approved 0.3% public safety sales tax approved in Benton County and utilized by the City of Kennewick to pay for 15 Police Officers and 3.5 full-time equivalent (FTE) support positions along with other public safety programs is set to expire at the conclusion of 2024. Discussions are underway to place a measure on the ballot asking voters to renew this important funding for public safety programs throughout the County as early as 2023. Public safety sales tax is projected to generate approximately \$6.6 million for the City of Kennewick during the upcoming 2023/2024 biennium. If this voter-approved sales tax were to end at the conclusion of 2024, it would result in a significant budget deficit for the City of Kennewick that would result in a major reduction to city services.
- ◆ The City has numerous new program requests that would help provide a more effective work environment. The new program requests were all reviewed and prioritized during the 2023/2024 biennial budget process and only a small portion of the requests were able to be funded due to resource constraints. These new programs will continue to be evaluated and prioritized during the biennium if any funding opportunities arise.
- ◆ Identifying funding for critical capital transportation and other projects including pavement preservation continues to be both a challenge and an opportunity for the City. It is imperative for the City to maintain the proper balance when allocating its limited resources between capital programs and the operating needs of the City and to continue exploring opportunities for dedicated funding sources to provide for the City's priority capital projects.

- ◆ With the exception of some capital funding that has been dedicated for police and fire vehicle and apparatus replacement programs and some street and park equipment, the City is currently not collecting replacement funds for equipment dedicated to general governmental programs, including much of the City's Parks fleet and major equipment. Reserve funds for equipment replacement may not be adequate to cover future fleet and equipment needs in these funds and alternative methods of funding these needs will have to be explored.

- ◆ The most recent facilities plan for the City of Kennewick identified several major facility needs throughout the City, many of which the City does not have adequate funding to address. The six-year capital improvement plan for 2023-2028 includes the construction of a new fire station #6 along with a public works and parks facility in the Southridge area with proceeds of councilmanic bonds. Additionally, Kennewick City Hall is reaching the end of its useful life and will require either a major upgrade and improvements or a complete replacement within the next 5 years. The current six-year plan includes an assumption that a new City Hall will be constructed in 2026 and will be financed through the issuance of councilmanic bonds. However, the City still has many unfunded facility needs over the course of the next 10 years that must be addressed.

In addition to preparing a biennial budget that inherently requires the City to forecast its revenues and expenditures for the upcoming two-year period, the City also prepares a long-range forecast for its major funds that encompasses an additional two-years beyond. The primary purpose of this forecast is to assist in analyzing the long-term financial impacts of decisions that are being made for the upcoming biennium to help ensure that the City's budget will remain sustainable beyond the next two years. Additionally, this forecast also serves as a foundation to build upon as the City begins the planning process for its next biennial budget.

The City's major funds include its General and Street, Capital Improvement, Water and Sewer, and Medical Services funds. Due to the fact that a separate, long-range projection for the Capital Improvement Fund is provided as part of the capital improvement program section of this biennial budget document, forecast information for the Capital Improvement Fund is not included in this section.

To assist readers in interpreting the forecast information provided in this section, the following are the major assumptions utilized to prepare financial projections for the 2025/2026 period. In order to gain a more comprehensive understanding of these assumptions, readers may also wish to review the major revenue and expenditure assumptions utilized for the 2023/2024 biennium, which are provided on pages 344-349 of this document. It is also important to note that the City takes a very conservative approach when forecasting its future revenues and expenditures, which can inherently result in a projected imbalance between the two over a longer period of time. While preparing a long-range forecast provides the City with an opportunity to address any structural imbalance that exists between ongoing revenues and expenditures (expenses) within its major funds, it is also important to recognize that these forecasts are a dynamic planning tool that will be updated frequently before the City begins preparing its next biennial budget.

General/Street Fund Assumptions:

- ◆ Annual growth of 4% for sales tax revenue.
- ◆ Annual growth of 1% to the City's base property tax levy, along with \$100 million in added new construction value each year.
- ◆ Annual growth of 3.5% for most utility tax revenues, based on 1.5% customer growth and 2% average rate increases. Projected electric utility tax revenue reflects only 1.5% growth as the Benton PUD is not expected to increase rates during the 2025/2026 biennium, and telephone utility tax revenue is projected to decline by 10% annually, based on recent trends.
- ◆ Annual growth of 2% for other General and Street Fund revenues, on average.
- ◆ Personnel expenses reflect the following assumptions:
 - No change in current authorized full-time equivalent (FTE) positions allocated to the funds for the 2023/2024 biennium.
 - Projected salaries and wages are projected based on current contract terms, or anticipated contract terms for unsettled or expiring contracts. Salaries and wages for non-contract personnel are projected to increase in both 2025 and 2025 by the 10-year average of the annual change in the consumer price index (CPI).
 - Projected employer retirement contribution rates are based on the most recent recommendations provided by the Washington State Actuary.
 - Medical premiums are projected to increase by 5% annually.
 - Other personnel benefits are projected to increase by 3%-5% annually.

- ◆ Non-personnel costs, including intergovernmental contracts, are projected to increase by approximately 2% annually.
- ◆ No change to the budget policy revised in 2023 to maintain a minimum fund balance in the General Fund equal to 7.5% of annual General and Street Fund expenditures.

Water and Sewer Fund Assumptions:

- ◆ Water rate increases of 5.15% annually, inclusive of an automatic 2% adjustment based on the annual change in the CPI.
- ◆ Sewer rate increases of 5% annually, inclusive of an automatic 2% adjustment based on the annual change in CPI.
- ◆ Annual customer/consumption growth of 1.5%.
- ◆ Personnel expenses reflect the following assumptions:
 - It is anticipated that the utility will require three new full-time equivalent positions when its new wastewater facility comes on line, which is anticipated to be in July of 2024.
 - Salaries and wages are projected based on current contract terms, or anticipated contract terms for unsettled or expired contracts. Salaries and wages for non-contract personnel are projected to increase in both 2025 and 2026 by the 10-year average of the annual change in the CPI.
 - Projected employer retirement contribution rates are based on the most recent recommendations provided by the Washington State Actuary.
 - Medical premiums are projected to increase by 5% annually.
 - Other personnel benefits are projected to increase by 3%-5% annually.
- ◆ Non-personnel costs, including intergovernmental contracts, are generally projected to increase by 3% annually.
- ◆ Projected capital expenditures reflect the capital programs contained in the City's existing comprehensive water and wastewater plans.
- ◆ No changes to existing budget policies related to targeted reserve levels or debt service ratios. Targeted reserve levels are as follows:
 - A reserve equal to 90 days of operating expenses for water and 60 days of operating expenses for sewer.
 - A reserve equal to 1% plant in service for both water and sewer.

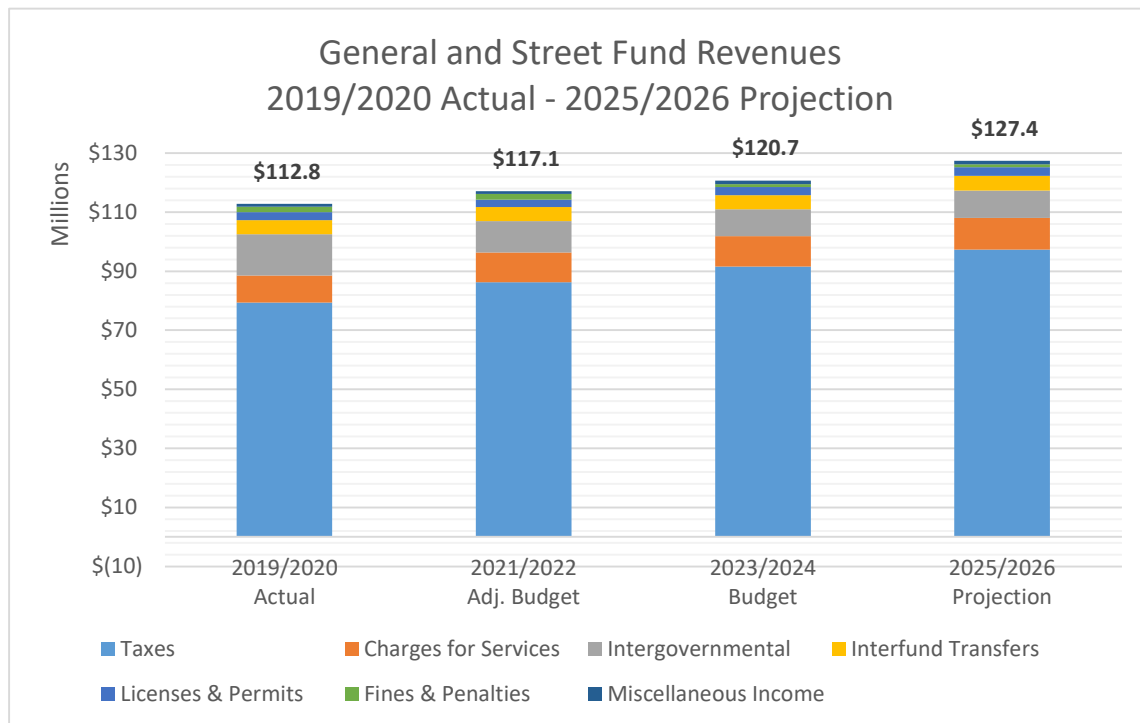
Medical Services Fund Assumptions:

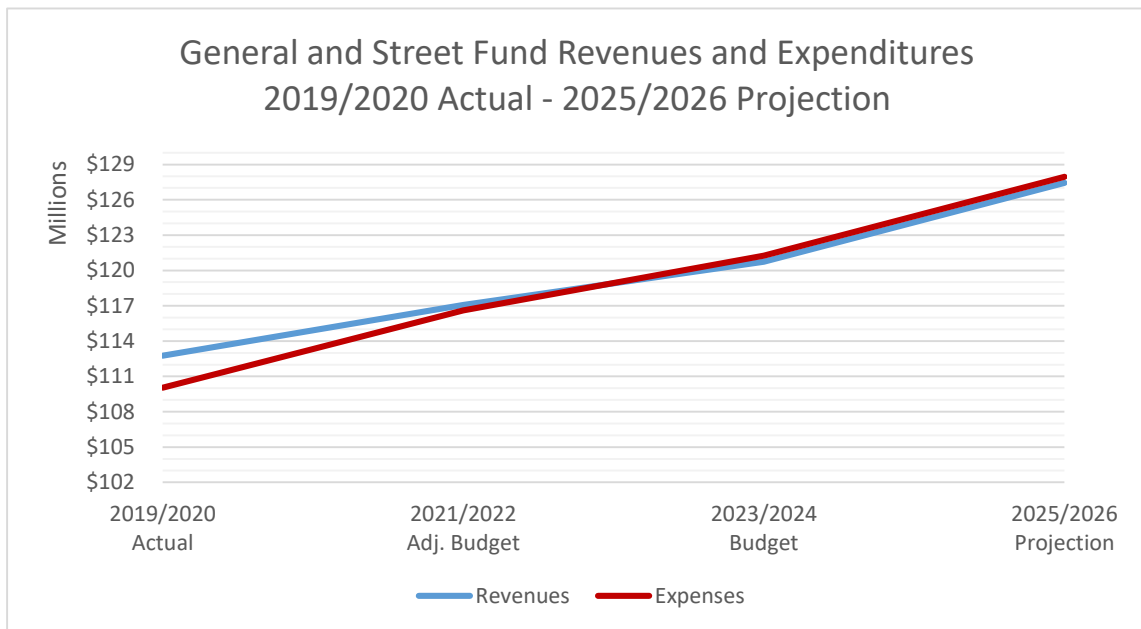
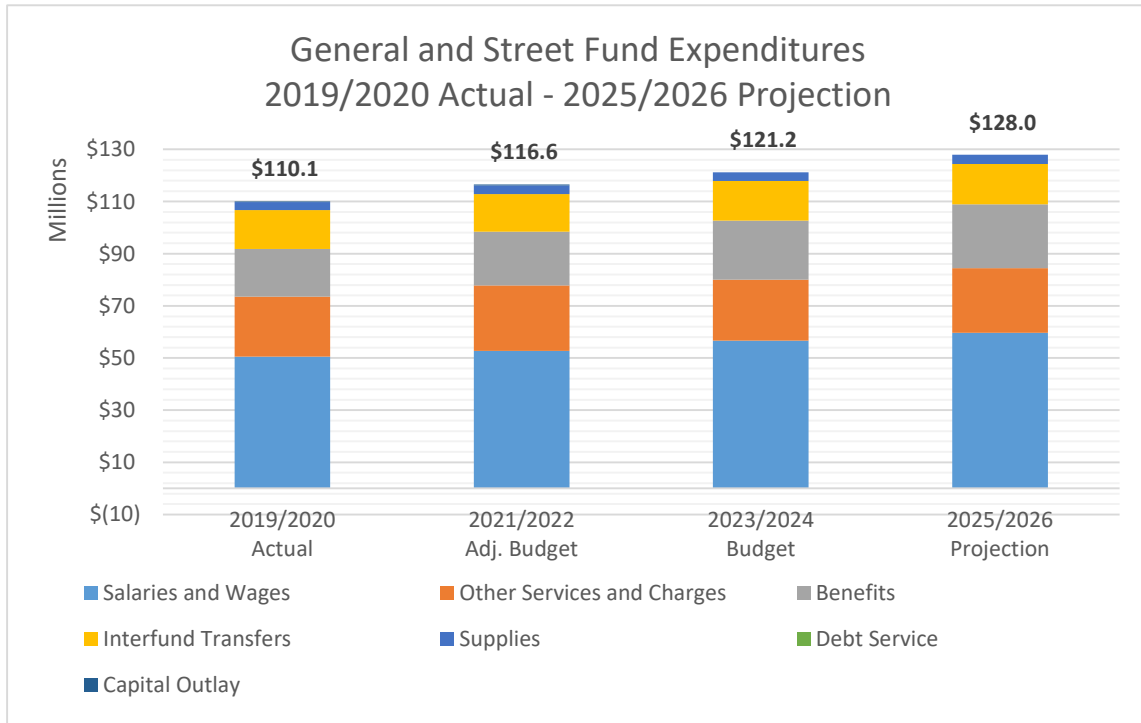
- ◆ Annual growth of 3.5% in monthly ambulance availability charge revenue, based on 1.5% customer growth and 2% average rate increases due to the automatic annual rate adjustment based on the annual change in CPI.
- ◆ No changes to the City's current ambulance transport rate structure.
- ◆ Annual growth of 1.5% to the number of billable ambulance transports, with no change to the overall composition of calls in terms of the type of call or patient insurance coverage.
- ◆ No change to the amount of the operating transfer made from the General Fund annually.
- ◆ Personnel expenses reflect the following assumptions:
 - No change in current authorized full-time equivalent (FTE) positions allocated to the fund.
 - Projected salaries and wages are based on current contract terms, or anticipated contract terms for unsettled or expiring contracts. Salaries and wages for non-contract

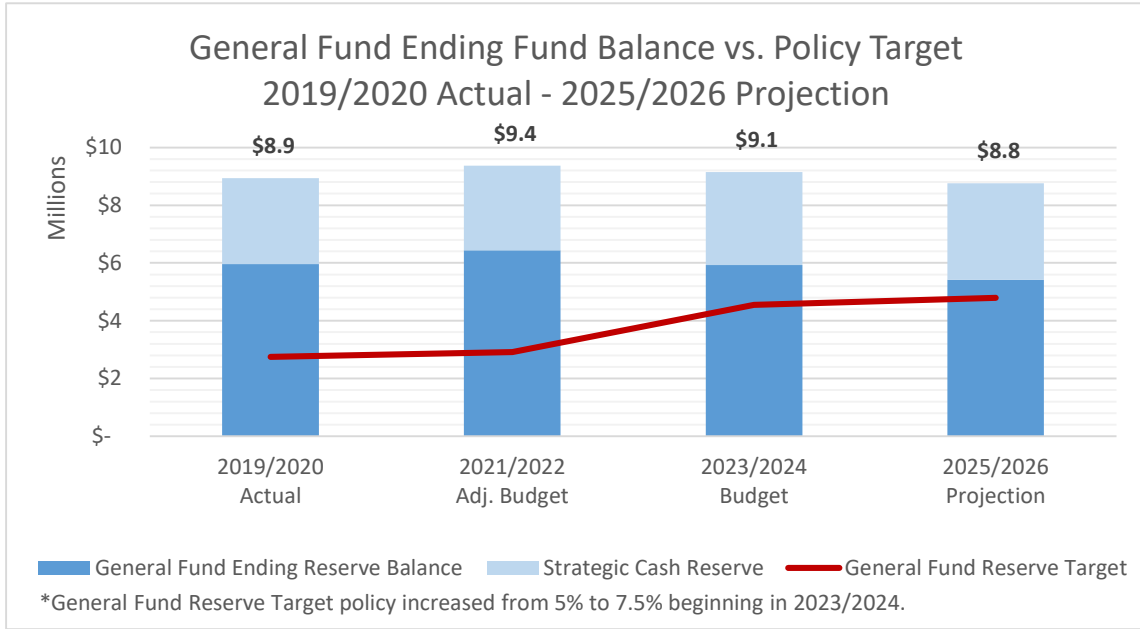
- personnel are projected to increase in both 2025 and 2026 by the 10-year average of the annual change in the CPI.
- Projected employer retirement contribution rates are based on the most recent recommendations provided by the Washington State Actuary.
- Medical premiums are projected to increase by 5% annually.
- Other personnel benefits are projected to increase by 3%-5% annually.
- ◆ Non-personnel costs, including intergovernmental contracts, are projected to increase by approximately 2.5% annually.
- ◆ No change to existing budget policy to maintain a minimum fund balance equal to 60 days of operating expenses.

The following charts provide an overview of the forecast results for the City’s General and Street Funds, Water and Sewer Fund, and Medical Services Fund, with comparative information for the three preceding bienniums. For each of these funds, four charts are provided including (1) forecasted revenue by category, (2) forecasted expenditures by category, (3) forecasted overall revenue and expenditure trends, and (4) projected ending reserve levels compared to policy targets. In each case, the information is presented on the City’s budgetary basis of accounting, which is modified accrual for the General and Street Funds, and working capital for both the Water and Sewer Fund and Medical Services Fund.

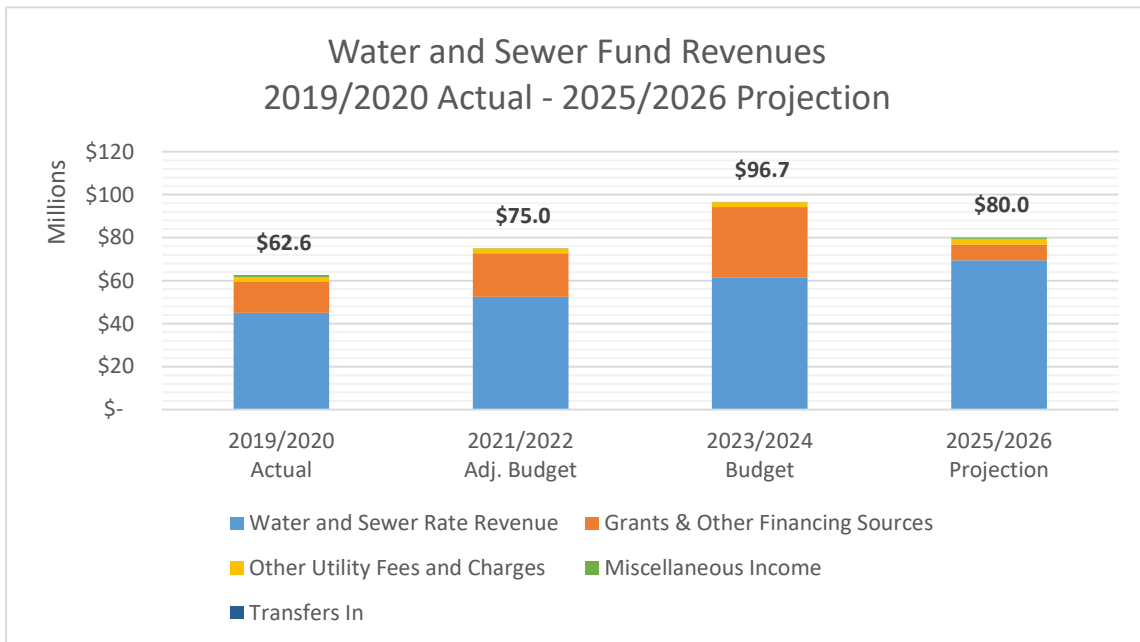
General and Street Funds

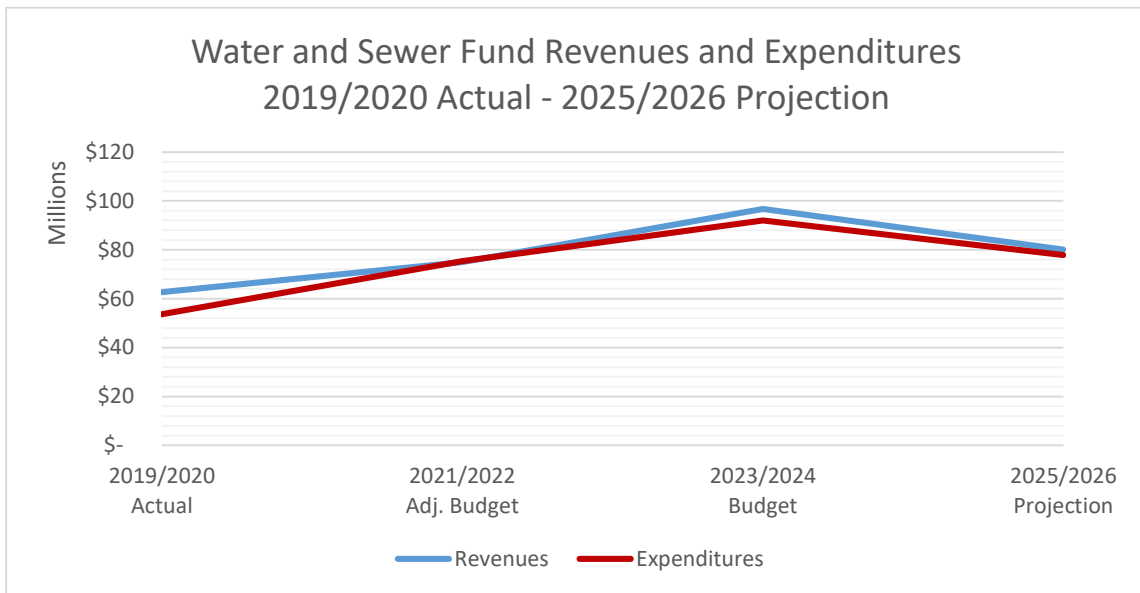
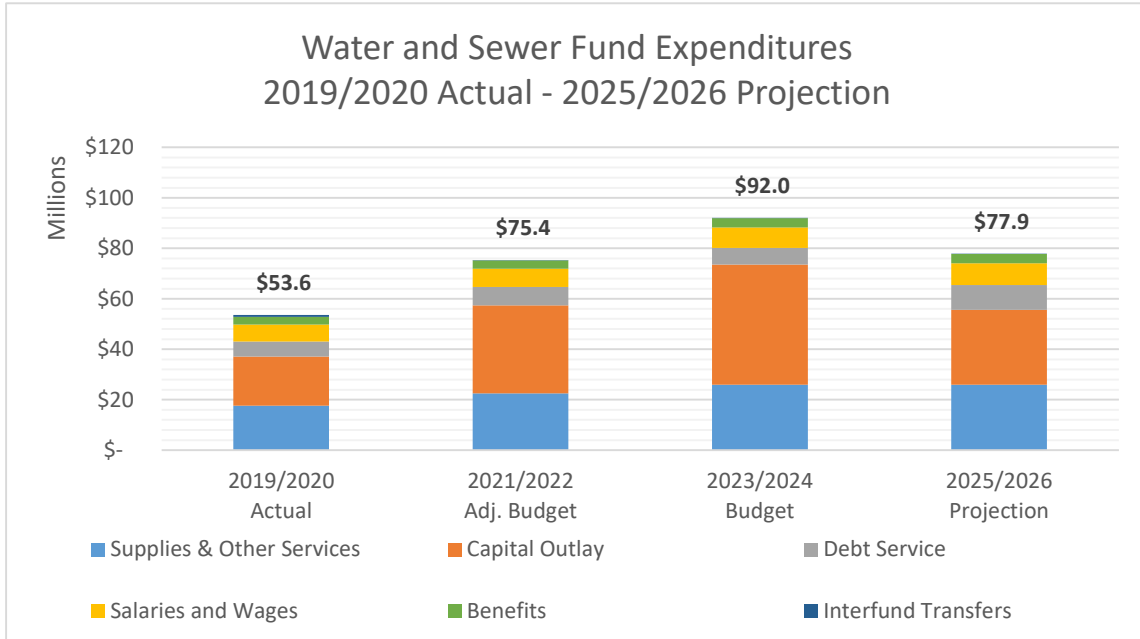


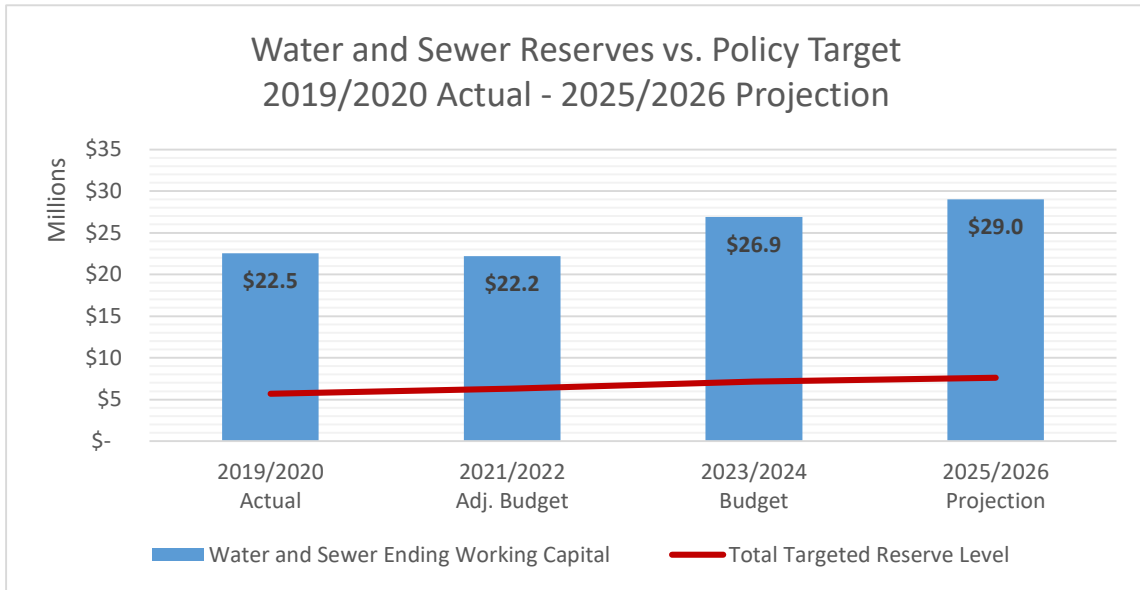




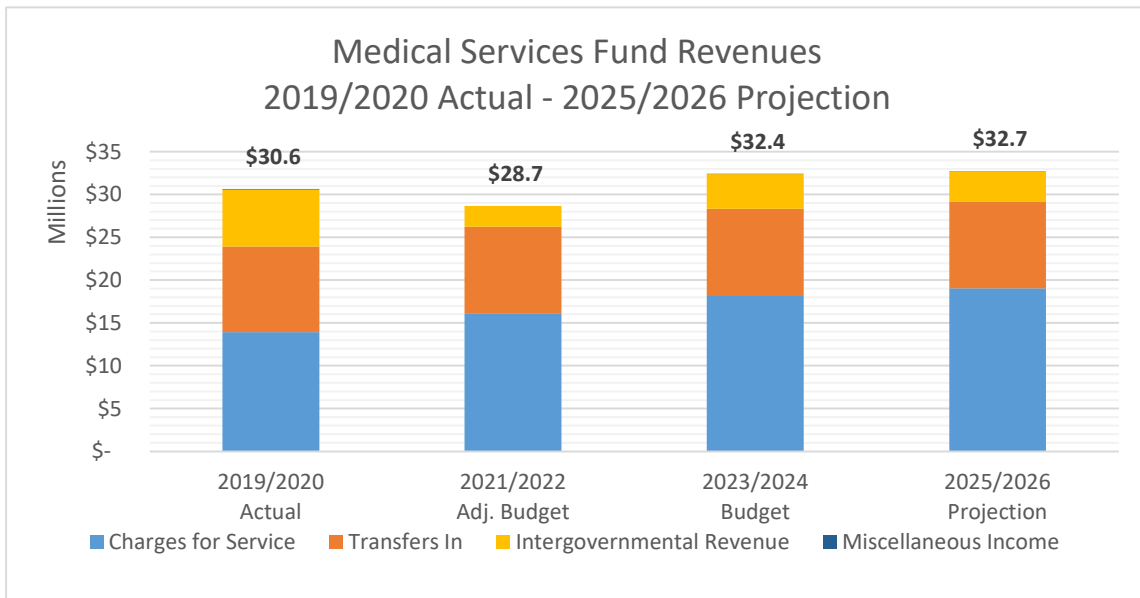
Water and Sewer Funds

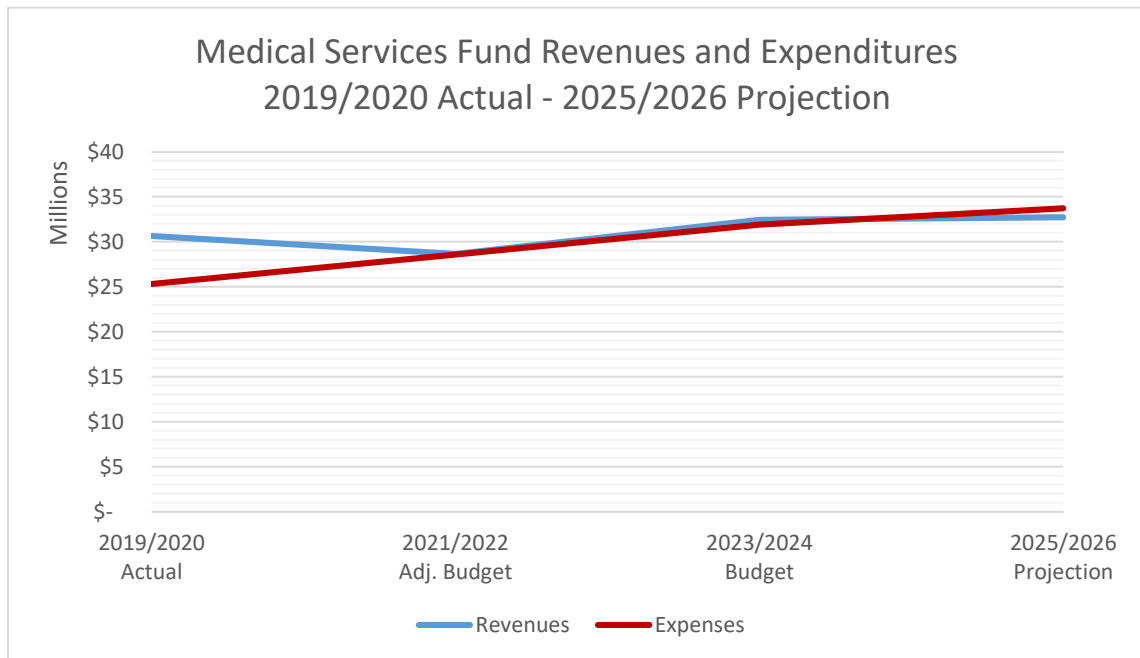
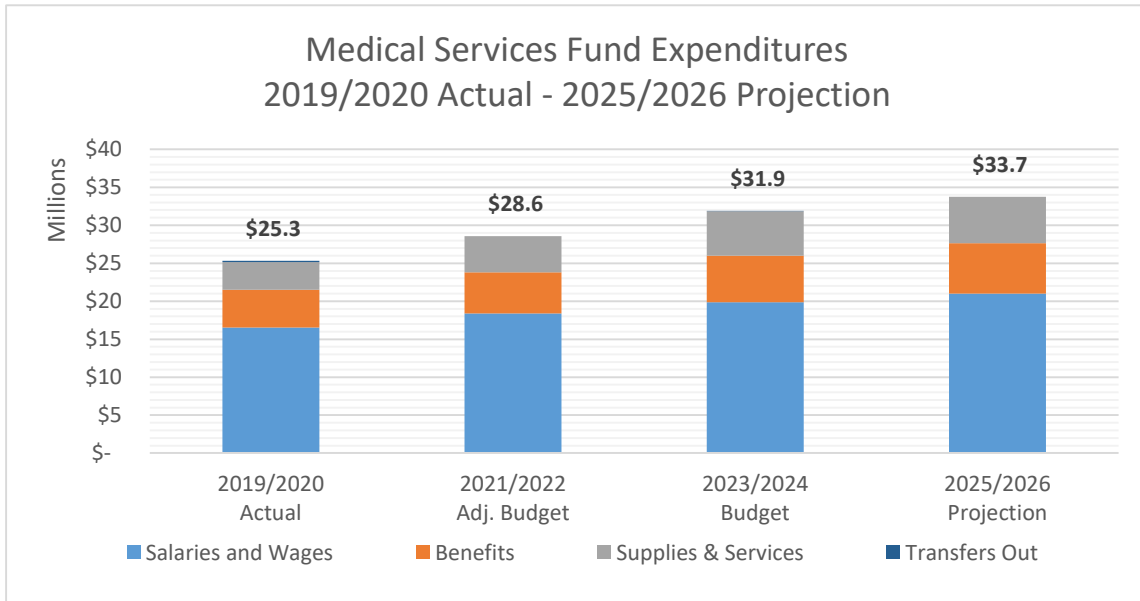


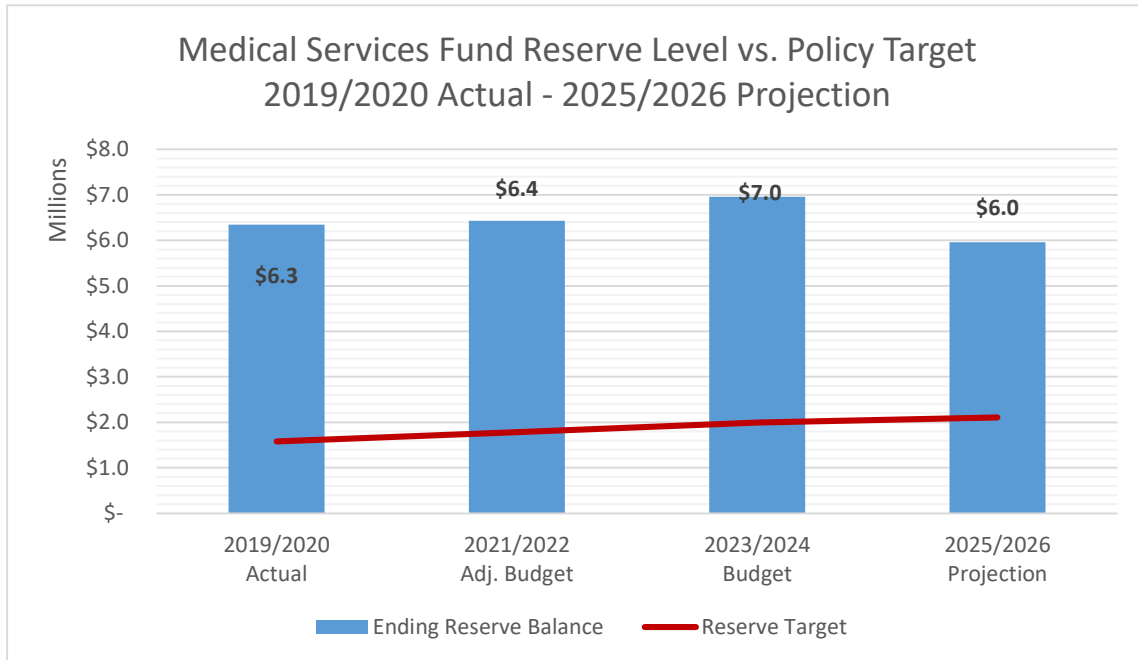




Medical Services Fund







Accounting System - The total structure of records and procedures designed to record, classify, and report information on the financial position and results of operations of a government or any of its funds, account groups or organizational components.

Ad Valorem Taxes - (Property Tax) A tax levied on the assessed value of real property.

Adopted Budget - A plan of financial operation, legally adopted by the City Council, providing an approved level of expenditures and a means of financing them for a given fiscal period.

Agency Fund - A fund used to report resources held by the reporting government in a purely custodial capacity for individuals, private organizations, other governments, and/or other funds.

Appropriation - A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and as to the time when it may be expended.

Appropriation Ordinance - An ordinance by means of which appropriations are given legal effect. It is the method by which the expenditure side of the annual operating budget is enacted into law by the legislative body.

Assessed Valuation - A valuation set upon real estate or other property by the County Assessor as a basis for levying property taxes.

Basis of Accounting - The timing of recognition for financial reporting purposes, when the effects of transactions or events should be recognized in financial statements.

Cash Basis - A basis of accounting that recognizes transactions or events when related cash amounts are received or disbursed.

Accrual Basis - Method of accounting that recognizes the financial effects of transactions, events, and interfund activity when they occur, regardless of the timing of related cash flows.

Modified Accrual Basis - A basis of accounting used in conjunction with the current financial resources measurement focus that modifies the accrual basis of accounting in two important ways: 1) revenues are not recognized until they are measurable and available and 2) expenditures are recognized in the period in which governments normally liquidate the related liability rather than when that liability is first incurred.

Beginning Fund Balance - A revenue account used to record resources available in one fiscal biennium because revenues were in excess of the budget and/or expenditures in the prior fiscal biennium.

Biennial Budget - The financial and operating plan for the City that establishes a two-year appropriation in accordance with Washington State law.

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(s), together with periodic interest at a specified rate.

Budget - A financial operating plan for a given period which displays the estimated expenditures to provide services or to accomplish a purpose during that period together with the estimated sources of revenue (income) to pay for those expenditures.

Budgetary Control - The control or management of a government or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

Budget Document - The instrument used by the budget-making authority to present a comprehensive financial program to the appropriating body. The budget document usually consists of two parts. The first part contains a message from the budget-making authority, together with a summary of the proposed expenditures and the means of financing them. The second consists of schedules supporting the summary. These schedules show in detail the information as to the past biennium's actual revenues, expenditures, and other data used in making the estimates. In addition to the budget document, an appropriation ordinance is necessary to formally approve the budget.

Capital Assets - Land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period. The City's capitalization threshold is \$5,000.

Capital Improvement Program (CIP) - A plan for capital outlay to be incurred each year over a fixed number of years to meet capital needs arising from the government's long-term needs. It sets forth each project or other contemplated expenditure in which the government is to have a part and specifies the full resources estimated to be available to finance the projected expenditures.

Capital Improvement Fund - A fund created to account for financial resources to be used for the acquisition or construction of capital facilities and other capital assets.

Capital Outlays - Expenditures that result in the acquisition of or addition to *capital assets*.

Consumer Price Index (CPI) - A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

Debt - An obligation resulting from the borrowing of money or from the purchase of goods and services. Typical debts of governments include bonds, notes, leases, contracts and accounts payable.

Debt Limit - The maximum amount of gross or net debt that is legally permitted.

Deficit - (1) The excess of the liabilities of a fund over its assets. (2) The excess of expenditures over revenues during an accounting period; or, in the case of proprietary funds, the excess of expense over income during an accounting period.

Depreciation - The portion of the cost of a fixed asset which is charged as an expense during a particular period. In accounting for depreciation, the cost of a fixed asset, less any salvage value, is prorated over the estimated service life of such an asset, and each period is charged with a portion of such cost. Through this process, the entire cost of the asset is ultimately charged off as an expense.

Distinguished Budget Presentation Awards Program - A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

Effectiveness - Refers to how well a program achieves its stated goals, objectives, and outcomes.

Efficiency - Refers to how well inputs are utilized to produce outputs.

Encumbrance - Obligations in the form of purchase orders, contracts, or other commitments. They cease to be encumbrances when paid, cancelled, or when the actual liability is established.

Ending Fund Balance - An expenditure account used to record resources available because revenues exceed the budget and/or expenditures in that biennium.

Enterprise Fund - A fund established to account for operations financed in a manner similar to a private business enterprise where the costs of providing goods and services to the public are financed through user charges.

Expenditures - Under the current financial resources measurement focus, decreases in net financial resources not properly classified as other financing uses.

Fiscal Biennium - In accordance with Washington State Law (RCW 35A.34), a fiscal biennium is the period from January 1 of each odd-numbered year through December 31 of the next succeeding even-numbered year (i.e., January 1, 2015 - December 31, 2016).

Fixed Assets - A fixed, physically attached, and permanent improvement or real property. Fixed assets are normally those that are capitalized.

Full-Time Equivalent (FTE) - A calculation used to convert part-time hours to equivalent full-time positions. Full-time employee salaries are based on 2,080 hours per year. The full-time equivalent of a part-time employee is calculated by dividing the number of hours budgeted by 2,080.

Fund - A fiscal and accounting entity with 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 Balance - For accounting purposes, the excess of a fund's assets over its liabilities. For budgeting purposes, the excess of a fund's resources over its expenditures.

GAAP - Generally Accepted Accounting Principles are standards used for accounting and reporting used for both private industry and governments.

GASB - Government Accounting Standards Board established in 1985 to regulate the rules and standards for all governmental units.

General Fund - The fund used to account for all financial resources except those required to be accounted for in another fund.

Goal - Refers to a statement of direction, purpose or intent based on the needs of the community. Operationally, a goal is a broad statement of what a program expects to achieve sometime in the future.

General Obligation (GO) Bonds - Bond issues whose repayment is guaranteed by the full faith, credit, and taxing power of the government and that are subject to the government's debt limit. GO bonds are the traditional form of government debt financing for major construction projects.

IFSAAC - International Fire Service Accreditation Congress.

Inputs - Resources allocated for the execution of activities and work processes so that stated goals, objectives, and outcomes can be achieved.

Intergovernmental Revenues - Levied by one government but shared on a predetermined basis with another government or class of governments.

Internal Service Fund - A fund type used to report activities that provide goods or services to other funds, departments, or agencies of the city on a cost reimbursement basis.

LEOFF I - Law Enforcement Officers and Fire Fighters retirement plan I.

LID - Local Improvement District or Special Assessments made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

Long Term Debt - Debt with a maturity of more than one year after the date of issuance.

Major Fund - Any fund whose revenues or expenditures, excluding other financing sources and uses, constitute more than 10% of the revenues or expenditures of the appropriated budget is considered a major fund.

Mission - Defines the primary purpose of the City and is intended to guide all organizational decisions, policies, and activities on a daily basis.

OPEB - Other Post-Employment Benefits.

Operating Budget - Plans of current expenditures and the proposed means of financing them. The operating budget is the primary means by which most of the financing of acquisition, spending, and service delivery activities of a government are controlled.

Operating Transfer - Amounts transferred from one fund to another to assist in funding the services for the recipient fund.

NFIRS - National Fire Incident Reporting System.

Park Reserve Fees – Mitigation fees received by the City as a condition of approval of any short plat or new development in the City that will be used for residential purposes. These fees shall be used for the acquisition or development of park and recreation facilities within the designated park service area for which the fees were imposed.

Performance Measure - Refers to a specific quantitative or qualitative assessment of results obtained through a program or activity.

Performance Measurement - Refers to the process for determining how a program is accomplishing its mission, goals, and objectives through the delivery of products, services or processes. Performance measurement also is defined as a systematic process of evaluating the outcomes of inputs and outputs for specific government programs and services that are delivered to customers with respect to effectiveness, efficiency, quality, and return on investment.

Program - Refers to a group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the government is responsible, such as administering recreation programming, maintaining the infrastructure, or providing public safety services.

Program Budget - A budget which allocates money to the functions or activities of a government rather than to specific items of cost or to specific departments.

Proprietary Funds - A fund classification used to account for the government's ongoing organizations and activities that are similar to those often found in the private sector. These funds are considered self-supporting in that the services rendered by them are financed through user charges or on a cost reimbursement basis. There are two types of proprietary funds: enterprise funds and internal service funds.

Refunding Bonds - Bonds issued to retire bonds already outstanding. The refunding bonds may be sold for cash and outstanding bonds redeemed in cash, or the refunding bonds may be exchanged with holders of outstanding bonds.

Reserve - (1) An account used to segregate a portion of fund balance to indicate that it is not available for expenditure; and (2) an account used to segregate a portion of fund equity as legally set aside for a specific future use.

Revenue - Cash receipts and receivables of a governmental unit derived from taxes and other sources.

Revenue Bonds - Bonds whose principal and interest are secured by and payable exclusively from earnings of an enterprise fund.

Special Revenue Fund - A fund used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Transfers - The authorized exchanges of cash or other resources between funds, divisions, departments, and/or capital projects.

Working Capital - Current assets less current liabilities. The measure of working capital indicates the relative liquidity of total proprietary fund capital, which constitutes a margin or buffer for meeting obligations.

WSDOT - Washington State Department of Transportation.