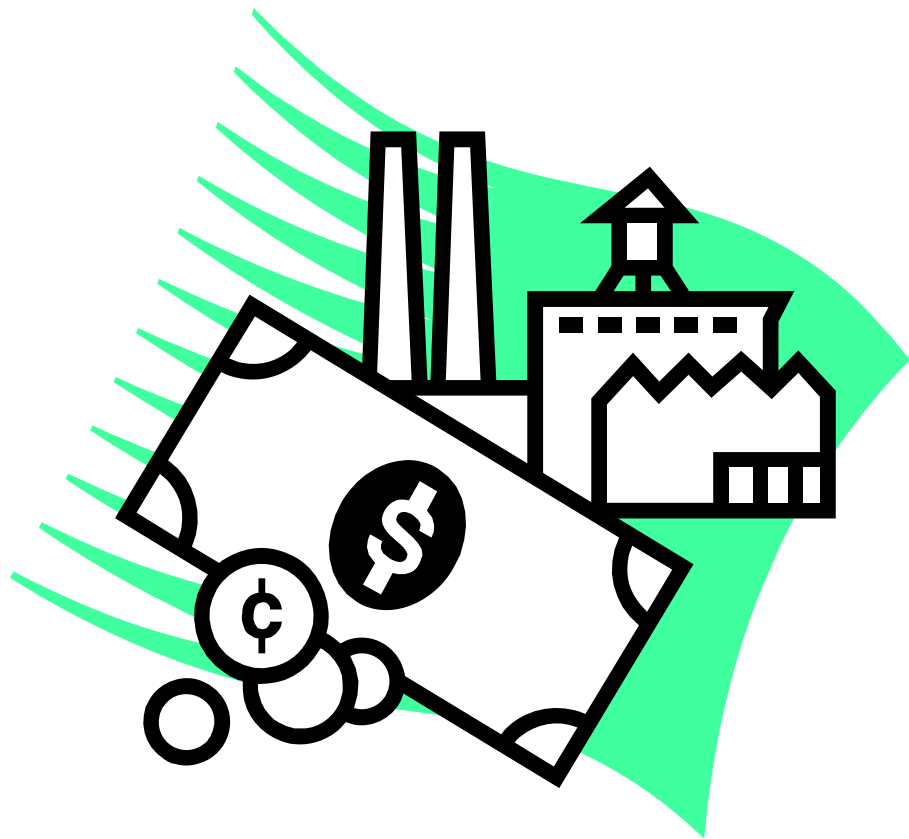


CITY OF BINGEN



2009 BUDGET

AS ADOPTED 12/16/2008

Mayor's Message for the 2009 Budget

To: Citizens of Bingen and Bingen City Council Members

From: Mayor Brian Prigel

The proposed budget for 2009 was created under the direction and guidance of the Mayor, Clerk Treasurer and the Budget Committee. Budget Committee members are Betty Barnes and Laura Mann.

The city proposes to adopt a 1% increase in property taxes. The city adopted an ordinance in 2006 that provides for an automatic 5% increase in water and sewer rates. However, the city proposes to move the allowed increase in sewer rates to water rates. This will increase revenue in the water fund and allow the city to meet its operating and maintenance costs.

The 2009 budget maintains current levels of revenues for all departments. In 2007, the state legislature made changes in how sales tax will be collected and allocated starting in July 2008. At this time, the affect of this legislation on the city is not known although we anticipate some increase in sales tax revenue.

The 2009 budget continues to provide for the purchase of equipment in both the Fire Department. It is exciting to see new volunteer firefighters joining the department. The purchase of the equipment will provide a safer and more efficient working environment.

The city plans to construct a skate park and covered sport court in 2009.

In addition, the city will seek funding for a \$1.5 million main sewer line replacement/upgrade. This sewer line runs from McDonald's to Maple Street. Construction is expected to take place in 2010.

Rebuilding the city's water fund continues to be a high priority. The city expended the majority of its water reserves in rehabilitating two of its water wells. The city is working on a Water System Plan that will assist the city in determining how to best meet the city's water needs over the next 20 years. The city is considering the possibility of obtaining additional water rights and drilling a new well.

The city must become proactive through the planning process in addressing its current and long-range needs while still maintaining fiscal responsibility. I am proud of the accomplishments the city has made over the last few years and look forward to seeing the accomplishments of 2009.

Current Expense, Street and Community Development Funds

Revenue Sources – Current Expense

Property Taxes

Property taxes are collected based on 100 percent of assessed valuation as determined by the Klickitat County Assessor’s Office.

The Klickitat County Assessor provides assessed valuations to the County Treasurer who uses them for the basis of the property tax computation. Subject properties are revalued no less than every four years. Bingen was reassessed in 2008 for 2009 levy purposes.

Assessed Valuation		Rate per 1000	Property Tax
2003	\$49,641,745	\$3.1000	\$153,889
2004	\$49,631,352	\$3.1000	\$153,857
2005	\$58,042,429	\$2.7211	\$157,943
2006	\$61,383,095	\$2.5987	\$159,522
2007	\$64,308,098	\$2.5054	\$161,117
2008	\$69,129,072	\$2.5797	\$178,332

Currently, the maximum increase in annual property tax levies is limited to 1% or Implicit Price Deflator (whichever is less). Annexations and new construction are then added.

The limit on increases to property taxes does not affect property values and has no impact on the annual valuation of property that is done by the County Assessor. The state statute does not cap the value of your property nor does it cap individual property tax bills. Special levies are not affected by the limit such as the School District’s maintenance and operation bonds.

The total taxes shown on an individual property tax bill do not come to the City of Bingen. Taxes are assessed by a variety of districts, the school, the county and the state as shown in the following table.

Adopted – as of 12/16/2008

	2005	2006	2007	2008
City	\$2.7211	\$2.5987	\$2.5054	\$2.5797
County	\$1.3686	\$1.4122	\$1.3705	\$1.3442
Cemetery	\$0.0064	\$0.0062	\$0.0061	\$0.0123
Hospital	\$0.8064	\$0.7645	\$0.7463	\$0.8209
Library	\$0.4600	\$0.4220	\$0.3575	\$0.3306
Port	\$0.2059	\$0.1892	\$0.6384	\$0.6814
State	\$2.9964	\$2.6842	\$2.8876	\$2.2602
School	\$2.7026	\$2.6119	\$2.6507	\$2.7733
Total	\$11.2674	\$10.6889	\$11.1625	\$10.8026

State statutes do not allow a city to levy more than \$3.10 per \$1,000 of assessed valuation without voter approval.

A public hearing is required each year which focuses on the overall need for the property tax to pay for services and on the amount of the proposed increase for the upcoming year. The City of Bingen will hold a hearing on November 4 to consider a 1% increase in its property tax levy. The total increase is \$1,756.25.

The City has historically split the property taxes between Current Expense and the Street Funds.

Property Taxes Collected

Year	% Split Current	Property Taxes	% Split Street	Property Taxes
2003	94%	\$145,294	6%	\$9,274
2004	82%	\$125,331	18%	\$28,095
2005	69%	\$108,993	31%	\$48,968
2006	69%	\$109,848	31%	\$49,452
2007	69%	\$111,171	31%	\$49,946
2008	69%	\$123,049	31%	\$55,283

The City proposes to split property taxes 69% to Current Expense and 31% to Street for 2009.

Retail Sales and Use Tax

Retail sales and use tax consists of two portions. First, a local tax of one-half of one percent less fifteen percent paid to the county, and second, is an “optional” one-half of one percent that includes the fifteen percent county share. The sales tax was adopted in 1935 as an integral part of the Washington State Revenue Act. The additional “optional” one-half of one percent sales tax was authorized by the State Legislature in 1982.

The City of Bingen authorized the second “optional” one-half of one percent sales tax to become effective January 1, 2006. This “optional” sales tax is dedicated to the Community Development Fund. Klickitat County has not authorized the “optional” sales tax so the City will receive the full amount of the one-half of one percent until such time the County implements the additional sales tax.

Effective January 1, 2006 the sales tax rate in Bingen is 7.5%. Of this amount the state receives 6.5% while the city receives 1% less the county’s share.

Sales Tax Received by Bingen	
2002	\$52,796
2003	\$60,286
2004	\$78,242
2005	\$68,002
2006	\$180,188
2007	\$160,420

Sales tax fluctuations are largely due to construction (new and improvements) projects. The 2006 increase is due to the “optional” one-half percent increase adopted by the city in 2005.

Bingen has seen new businesses move into the city in 2004 and 2005. These have added to the sales base.

Business and Occupation (B&O) Tax

State law enables cities to levy a business and occupation tax up to 0.2% on business activity. The City of Bingen does not levy the business and occupation tax.

The B&O tax is not popular with the business community as whole in the state, as it makes no provision for profitability of the business. In addition, state law directs that the tax not be passed on directly to consumers. The tax is imposed in only 35 of the 288 cities in the state.

Utility Taxes

Utility taxes are levied on the gross operating revenues that public and private utilities earn from operations within the boundaries of a city. The rate of 6% is set by City Ordinance. The rate of 6% is the maximum allowed by law.

The city charges utility business and occupation taxes (6%) for four categories: gas, television, telephone and electric. Utility taxes can also be charged on water, sewer and garbage services. At the present time, the City does not charge utility taxes on these services. Taxes on water and sewer services would result in approximately \$22,886 in additional revenues.

The utility tax on electrical services is split between the current expense fund and the street fund with 86% of the revenue going to current expense and 14% going to the street fund.

The remaining utility taxes on telephone, gas, and television go to the current expense fund. Pending federal legislation may limit or prohibit the ability to collect utility taxes on telephone and cable services in the future.

State Shared Revenues

State shared revenues are made up of gasoline taxes and liquor receipts (profits and excise taxes). These taxes are collected by the State of Washington and shared with local governments based on populations.

PUD Privilege Tax

State distribution of excise taxes collected from public utility districts which operate facilities for generating, distributing or selling electrical energy. The distribution to local governments is based on gross-revenues from sales within each county and the locations of generating facilities.

Gas Taxes

Cities previously received gas taxes in two distribution amounts – one restricted and one unrestricted. Cities with a population of under 15,000 have been allowed to deposit both portions of the gas tax into the street fund and to spend the monies for any street purposes. Cities with a population of more than 15,000 were required to deposit the restricted portion into an arterial city street fund to be used for capital purposes only. Legislation adopted in 2005 now combines the two distributions into one

unrestricted distribution to be used for street purposes.

Liquor Receipts – Profits and Taxes

State law provides that a share of the state-collected profits and taxes be returned to cities and towns to help defray the costs of policing liquor establishments.

Profits consists of the difference between revenue from state liquor stores, taxes on wine and beer, license fees, permit fees, penalties and forfeitures and board expenditures. Except for monies from administrative fees and those attributable to Class H licenses, the profits are divided among the state, counties and cities and towns. Cities and towns also receive a portion of the state’s liquor excise tax receipts.

Criminal Justice Revenues

Previously, funds for criminal justice were distributed to cities through a grant program managed by the Department of Community Trade, and Economic Development (CTED). These funds are now being distributed directly to cities based on a per capita amount.

Per Capita Amounts of State Shared Revenues								
	2002	2003	2004	2005	2006	2007	2008	2009
Street Gas Tax (unrestricted)	\$14.38	\$14.19	\$14.03	NA	NA	NA	NA	NA
Arterial Street Gas Tax (restricted)	\$6.72	\$6.64	\$6.56	NA	NA	NA	NA	NA
Gas Tax (New unrestricted)*	NA	NA	NA	\$21.33	\$23.20	\$24.19	\$23.21	\$23.41
Profits of Liquor Board	\$5.46	\$6.26	\$7.24	\$7.07	\$6.46	\$7.33	\$7.03	\$7.35
Liquor Tax	\$3.51	\$3.57	\$3.87	\$4.09	\$4.28	\$4.55	\$4.89	\$5.04
Criminal Justice	\$0.21	\$0.21	\$0.21	\$0.22	\$0.22	\$0.24	\$0.23	\$0.23
Criminal Justice – former CTED Grant Programs	NA	NA	\$0.72	\$0.74	\$0.75	\$0.77	\$0.77	\$0.78
Total	\$30.28	\$30.87	\$32.63	\$33.45	\$34.91	\$37.08	\$36.13	\$36.81

*To get numbers for 2001-2004 comparable to those for the following years, add the two rows above.

Licenses and Permits

Business Licenses

The city uses a revenue-generating business amount of license system as provided for the City’s ordinances. Businesses are assessed an annual business license fee depending on the type of business.

Gambling Taxes

The City’s ordinances do not currently allow for the assessment of a gambling tax as provided for in Washington state statutes. The ordinance as it exists today should be modified to comply with state statutes or rescinded.

Building Permits

The City charges for building permits according to the schedule adopted in the Building Code.

Dog Licenses

The City requires that all dogs within the city be licensed. The fee for dog licenses are as follows: \$2.50 for animals that are spayed or neutered, \$2.50 for animals that are owned by persons over the age of 65 years; \$10.00 for animals that are not spayed or neutered; and \$2.50 for licenses obtained for less than six months of the year.

Charges for Services

Revenue in this category is derived from “charges for a variety of services”. These fees should be set by City ordinance/resolution and/or state law.

Below is the information about what the city has historically charged for a variety of services.

Warrant Costs

These fees are set by the court and/or state and include charges for warrant preparation and deferred prosecution program fees.

Copies

Requests for miscellaneous copies are not charged. Usually an individual only wants a copy of one page of an ordinance, etc.

Sale of Junk

This is where revenue from the sale of surplus, etc. is usually recorded.

Planning/Development Fees

The city adopted a fee schedule by resolution which allows the city to charge fees for: short plats, subdivisions, boundary line adjustments, variance requests, zone amendments, sign permits, etc.

Sign Applications

The City adopted a fee schedule by resolution which allows the city to charge a fee for sign applications.

Charges for Services	
Petition to Annex	\$250.00
Appeal	\$50.00
Comprehensive Plan Amendment	\$250.00
Subdivision	\$250.00
Rezone Application	\$250.00
Boundary Line Adjustment	\$100.00
Short Plat	\$100.00
Conditional Use Permit	\$100.00
SEPA Checklist Review	\$50.00
Variance Request	\$150.00
Aggregate Use Permit	\$100.00
Sign Permit	\$25.00

Fines and Forfeitures

Fines, forfeitures and penalties that are assessed are subject to a 60% surcharge. The City’s share is 68% of the total fine and surcharge with the remaining 32% remitted to the state. 1.75% of the local portion is remitted to the county for crime victim and witness programs.

State law sets the amounts for fines, forfeitures and penalties. Some revenue comes from convicted defendants repaying certain costs including witness fees, court interpreter costs, public defenders cost, deferred prosecution costs, etc.

Miscellaneous Revenue

The main portion of miscellaneous revenue comes from investment interest and sales interest. The amount will vary depending on the dollars invested and sold.

Interfund Transfers

The operating funds (current expense, street, water, sewer and treatment plant) pay for administrative expenses that are incurred in the

current expense budget. These administrative expenses include legislative (mayor and council), financial and administration (clerk’s office – including the deputy clerk), general facilities and civil legal services. The costs of these expenses are prorated among the five departments based on those departments’ expenditures.

2009 Revenue – Current Expense Fund

Type of Revenue	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Actual as of 12/11 2008	Adopted Budget 2009
Taxes	\$330,585.48	\$306,351.73	\$333,586.01	\$296,349.57	\$313,816.00	\$303,084.87	\$316,064.00
Licenses & Permits	\$35,863.66	\$23,031.71	\$32,926.02	\$28,154.57	\$17,258.00	\$15,632.41	\$17,258.00
Intergovernmental Revenue	\$35,513.17	\$47,270.58	\$49,597.52	\$88,335.17	\$40,921.00	\$39,777.52	\$32,988.00
Charges for Services	\$4,693.94	\$3,581.33	\$5,751.20	\$4,724.84	\$4,536.00	\$4,543.90	\$4,636.00
Fines & Forfeitures	\$19,347.37	\$21,221.91	\$20,887.04	\$19,100.49	\$18,243.00	\$18,240.21	\$18,243.00
Miscellaneous	\$5,810.35	\$6,347.69	\$11,793.79	\$46,064.42	\$11,563.00	\$11,104.27	\$11,606.00
State Revenue	\$17,988.91	\$18,392.35	\$20,392.83	\$15,782.19	\$16,195.00	\$16,191.45	\$16,195.00
Transfers	\$90,080.00	\$86,445.00	\$122,054.02	\$111,901.00	\$134,583.00	\$134,400.00	\$129,219.00
Total	\$539,882.88	\$512,642.30	\$596,988.43	\$610,412.25	\$557,115.00	\$542,974.63	\$546,209.00
Beginning Cash	\$203,306.17	\$242,406.60	\$225,260.07	\$265,050.47	\$296,176.00	\$296,175.55	\$191,551.00
Total Revenue	\$743,189.05	\$755,048.90	\$822,248.50	\$875,462.72	\$853,291.00	\$839,150.18	\$737,760.00

Expenditures – Current Expense Fund

The Current Expense Fund provides funding for several departments including finance, fire, police, and parks.

Legislative

The legislative department provides funding for the city council members and the mayor. Each city council member is paid \$60 per month for their service and the mayor is paid \$300 per month. In addition, election costs are allocated to the legislative department.

Judicial

The judicial department covers the costs of using Klickitat County West District Court for the city's municipal court services. These costs include a portion of the West District Court judge's salary, court interpreters and court-appointed attorneys.

Financial and Administrative

The financial and administrative department covers the costs of the city clerk's office. Salaries and benefits for a full-time city clerk treasurer and a full-time deputy clerk/utility billing clerk are covered in this department. The city clerk/treasurer provides financial services for the city, records the minutes of city council meetings, and records the ordinances for the city. The deputy clerk/utility billing clerk assists the clerk/treasurer with financial services including accounts payable and utility billing for the water and sewer departments.

A major expense in the financial and administrative department is the cost for state auditing services. The city is normally audited on a biennial basis (auditing two years worth of financial statements at a time). If the city has expended more than \$500,000 in a year then it is required to have a single-year federal audit. In addition to financial audits, the state Auditor's Office also completes accountability audits. The city will be audited in 2008 for the years 2006 and 2007.

The clerk/treasurer's office is responsible for public notices which are published in The Enterprise and posted at the Bingen Post Office and at Bingen City Hall. In addition, the clerk/treasurer's office maintains the city's web page which provides city minutes, city council meeting agendas and public notices. The city has continued to update the city's web page and is working towards placing the city's municipal code on line.

Facilities

The facilities department includes costs to operate the city hall/fire hall building. The major expenditure under facilities is the city's insurance costs for protection of city facilities and risk and liability. A portion of these costs are reimbursed to the current expense fund from the street, water, sewer and treatment plant funds based on operating and maintenance expenditures.

Legal Services

The city retains an attorney to provide civil and criminal attorney services. Anthony Connors acts as the city's prosecutor in all criminal matters and advises the city council on civil matters including entering into contracts and agreements, adoption of ordinances, personnel issues, etc.

Law Enforcement

The City of Bingen entered into a contract with the City of White Salmon in 2000 for police services. At that time a new departments was created – the Bingen-White Salmon Police Department. The police officers are employees of the City of White Salmon with Bingen paying a portion of the entire departments operating and maintenance budget. Bingen's proportional share of the budget is determined by dividing Bingen's total assessed value of real property by the total assessed value of real property for both cities. In November, 2003 both cities signed a new interlocal agreement that runs from January 2004 through December 2009. This interlocal agreement was amended in 2007 and 2008 to address several issues.

Fire Control

The City of Bingen maintains a volunteer fire department with David Spratt serving as Fire Chief. 2008 brought an increase in the number of volunteer firefighters serving the city.

In 2008, the city outfitted the volunteer firefighters with new turnouts. Additional turnouts are budgeted for purchase in 2009. It is the city's desire to improve the quality and standards of the volunteer fire department. To achieve these goals funding is needed for the purchase of fire equipment

Housing of Prisoners

The City of Bingen contracts with Klickitat County for the housing of prisoners that are arrested in Bingen by the Bingen-White Salmon Police Department.

Building Services

The City of Bingen contracts with Hood River County Building Department for its building services. Costs for providing building official services are partially covered by the fees charged for building permits, mechanical permits and plumbing permits.

Animal Control

Although Bingen does not have an animal shelter or dog pound, it has provided animal control services through the Bingen-White Salmon Police Department. In 2008, the city entered into a contract with the City of Goldendale for animal control services. Any dogs that are picked up are lodged and cared for at the facility in Goldendale. All dogs residing within the city limits of Bingen require a dog license. Dog licenses are available at city hall.

Parks

The City of Bingen maintains one park – Daubenspeck Park. Through a Klickitat County EDA grant the city recently made some

upgrades to the restrooms and irrigation system at the park. A portion of the salaries for two full-time employees is paid out of the parks department. In addition, the city assists with funding the White Salmon Pool which benefits all residents of Bingen. In 2008, the city undertook some park planning in conjunction with planning for a community center. This planning identified the need for a skatepark, a new covered and lighted sport court, paths, benches, picnic tables, and lighting for the park. The city has dedicated \$40,000 towards a skatepark with development to begin in 2009. In addition, the city is seeking funding from Klickitat County EDA to construct the sport court.

Youth Center

The City of Bingen contracts with Washington Gorge Action Programs for services provided by the Youth Center. The Youth Center provides periodic cleanup services in Bingen including picking up garbage at Daubenspeck Park and within Dry Creek. For these services, the City provides the Youth Center with \$3,000.

State Fees

Fines and forfeitures paid to West District Court related to Bingen cases are paid to the City of Bingen. A portion of these fees are then remitted to the State of Washington and to Klickitat County (crime victims' fees). Also included in state fees, is a fee paid for each building permit of \$4.50. These fees are passed through the city to the state.

Capital Transfers

Capital transfers are made from the current expense fund to a capital improvement fund such as building construction, equipment reserve, etc. The amounts and number of transfers differ each year based on city council decisions. The 2009 budget does not include any capital transfers.

2009 Expenditures – Current Expense Fund

Type of Expenditures	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Actual as of 12/11/2008	Adopted Budget 2009
Legislative	\$11,130.56	\$8,257.03	\$8,476.23	\$8,170.30	\$8,779.00	\$7,785.95	\$8,251.00
Judicial	\$19,025.60	\$22,808.88	\$23,498.78	\$27,536.01	\$29,325.00	\$25,829.81	\$29,325.00
Financial and Administrative	\$94,620.02	\$102,586.74	\$120,501.69	\$124,235.34	\$162,635.00	\$130,643.04	\$160,942.00
Facilities	\$52,345.36	\$53,321.64	\$55,336.77	\$61,465.86	\$64,046.00	\$62,442.48	\$63,091.00
Legal Services	\$26,575.71	\$20,950.50	\$28,991.25	\$25,235.81	\$26,500.00	\$19,932.72	\$28,000.00
Law Enforcement	\$176,733.59	\$193,982.99	\$168,131.54	\$172,200.46	\$170,612.00	\$159,795.20	\$215,073.00
Fire Control	\$15,039.43	\$13,679.82	\$19,180.24	\$22,265.90	\$54,093.00	\$43,364.53	\$23,572.00
Housing of Prisoners	\$7,735.50	\$13,369.50	\$13,369.50	\$16,400.38	\$11,000.00	\$8,282.00	\$15,000.00
Building Services	\$19,243.09	\$19,178.00	\$18,649.52	\$15,357.83	\$6,615.00	\$5,084.94	\$7,115.00
Animal Control	\$329.25	\$3,348.99	\$413.88	\$312.55	\$13,950.00	\$13,877.40	\$15,000.00
Emergency Services	\$0.00	\$0.00	\$420.85	\$420.85	\$421.00	\$420.85	\$438.00
Youth Center	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00
Parks	\$26,823.75	\$27,961.74	\$33,244.31	\$39,407.56	\$34,811.00	\$30,699.48	\$28,120.00
State Fees	\$15,179.59	\$34,315.75	\$20,392.83	\$15,782.19	\$16,195.00	\$15,294.84	\$16,195.00
Capital Expenditures	\$506.00	\$9,232.25	\$5,090.65	\$37,496.13	\$12,567.00	\$12,095.96	\$0.00
Transfers	\$32,495.00	\$3,795.00	\$38,500.00	\$10,000.00	\$47,191.00	\$47,191.00	\$0.00
Total	\$500,782.45	\$529,788.83	\$557,198.03	\$579,287.17	\$661,740.00	\$585,740.30	\$613,122.00
Ending Cash	\$242,406.60	\$225,260.07	\$265,050.47	\$296,175.55	\$191,551.00	\$253,409.88	\$124,638.00
Total Budget	\$743,189.05	\$755,048.90	\$822,248.50	\$875,462.72	\$853,291.00	\$839,150.18	\$737,760.00

Street Fund

Revenue sources for the street fund are identified in the narrative in the previous pages and shown in the following table.

Maintenance of the city’s streets is provided under the street fund and includes street lighting, striping for sidewalks and parking

spaces, street signage, minor maintenance for potholes, etc. Street lighting is the major portion of the “Services and Charges” category for street expenditures.

In 2007, the city worked on the design of improvements to South Maple Street. This

project, including sidewalks on the east side of the street, will be completed by the end of 2008. The city also strives to pave several blocks of streets each year depending on available revenue and grant funding. The city maintains a six-year street program identifying maintenance and improvement projects to be completed over a six-year period. Completion of these projects is dependent on revenue and grant funds.

Major construction of new streets or sidewalks and improvements of existing streets or sidewalks are covered under the "Street Construction and Maintenance Fund". A portion of the salary's of two public works employees are funded through the street fund.

2009 Revenue – Street Fund

Type of Revenue	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Actual as of 12/11/2008	Adopted Budget 2009
Taxes	\$45,733.72	\$66,609.88	\$65,080.04	\$64,184.20	\$70,825.00	\$71,540.46	\$71,836.00
Intergovernmental Revenue	\$45,971.90	\$45,769.14	\$18,168.10	\$16,476.72	\$35,300.00	\$23,691.13	\$15,199.00
Miscellaneous	\$13.94	\$330.00	\$0.00	\$0.00	\$1,177.00	\$1,008.93	\$1,133.00
Transfers	\$28,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00
Total	\$119,719.56	\$115,709.02	\$86,248.14	\$83,660.92	\$110,302.00	\$99,240.52	\$91,168.00
Beginning Cash	\$10,045.98	\$36,178.43	\$46,564.52	\$53,871.81	\$52,814.00	\$52,813.31	\$42,471.00
Total Revenue	\$129,765.54	\$151,887.45	\$132,812.66	\$137,532.73	\$163,116.00	\$152,053.83	\$133,639.00

2009 Expenditures – Street Fund

Type of Expenditures	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Actual as of 12/11/2008	Adopted Budget 2009
Personnel	\$38,468.71	\$30,210.89	\$32,029.17	\$32,206.43	\$29,598.00	\$26,221.44	\$38,558.00
Supplies	\$4,488.21	\$5,773.12	\$6,470.60	\$7,023.07	\$6,600.00	\$4,509.71	\$6,400.00
Services & Charges	\$24,439.24	\$19,902.25	\$18,631.21	\$19,384.20	\$21,141.00	\$18,010.67	\$23,674.00
Maintenance & Improvements	\$2,792.49	\$1,527.88	\$3,542.56	\$5,417.72	\$8,500.00	\$6,045.73	\$7,000.00
Capital Expenditures	\$5,183.46	\$31,271.79	\$974.31	\$0.00	\$5,680.00	\$5,223.41	\$0.00
Operating Transfers	\$18,215.00	\$16,637.00	\$17,293.00	\$20,688.00	\$49,126.00	\$49,542.00	\$24,963.00
Total	\$93,587.11	\$105,322.93	\$78,940.85	\$84,719.42	\$120,645.00	\$109,552.96	\$100,595.00
Ending Cash	\$36,178.54	\$46,564.52	\$53,871.81	\$52,813.31	\$42,471.00	\$42,500.87	\$33,044.00
Total Budget	\$129,765.65	\$151,887.45	\$132,812.66	\$137,532.73	\$163,116.00	\$152,053.83	\$133,639.00

Community Development Fund

The Community Development Fund provides funding for projects that are primarily identified in the city's Community Action Plan.

Expenditures from this fund have included training for council members and staff, new playground equipment for Daubenspeck Park,

land acquisition, improvements to the city's water system including a new reservoir, improvements to the city's wastewater treatment plant, assistance in constructing the new fire hall/city hall, and matching funds for the downtown revitalization project.

2009 Revenue – Community Development Fund

Type of Revenue	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Actual as of 12/11/2008	Adopted Budget 2009
Taxes	\$0.00	\$0.00	\$90,339.04	\$90,009.07	\$84,558.00	\$79,657.17	\$84,558.00
Intergovernmental Revenue	\$0.00	\$0.00	\$50,000.00	\$0.00	\$20,000.00	\$0.00	\$0.00
Charges for Services	\$0.00	\$0.00	\$0.00	\$4,312.90	\$0.00	\$0.00	\$0.00
Miscellaneous	\$126.16	\$0.00	\$222,119.16	\$8,050.10	\$6,318.00	\$3,430.73	\$1,810.00
Transfers	\$0.00	\$0.00	\$225,000.00	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$126.16	\$0.00	\$587,458.20	\$102,372.07	\$110,876.00	\$83,087.90	\$86,368.00
Beginning Cash	\$309,217.57	\$49,870.05	\$15,721.98	\$163,043.53	\$151,016.00	\$151,015.16	\$99,562.00
Total Revenue	\$309,343.73	\$49,870.05	\$603,180.18	\$265,415.60	\$261,892.00	\$234,103.06	\$185,930.00

2009 Expenditures – Community Development Fund

Type of Expenditures	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Actual as of 12/11/2008	Adopted Budget 2009
Planning & Tech. Assist.	\$211.25	\$10,921.13	\$4,569.87	\$8,440.00	\$25,910.00	\$23,037.00	\$0.00
Downtown Revitalization	\$259,262.16	\$23,226.94	\$5,853.48	\$42,391.75	\$43,767.00	\$43,766.35	\$0.00
Community Center/Fire Hall	\$0.00	\$0.00	\$185,394.86	\$39,631.28	\$25,000.00	\$20,830.89	\$0.00
Park Development	\$0.00	\$0.00	\$68.44	\$0.00	\$0.00	\$0.00	\$40,000.00
Other	\$0.00	\$0.00	\$244,250.00	\$23,937.41	\$67,653.00	\$65,353.00	\$0.00
Total	\$259,473.41	\$34,148.07	\$440,136.65	\$114,400.44	\$162,330.00	\$152,987.24	\$40,000.00
Ending Cash	\$49,870.32	\$15,721.98	\$163,043.53	\$151,015.16	\$99,562.00	\$81,115.82	\$145,930.00
Total Budget	\$309,343.73	\$49,870.05	\$603,180.18	\$265,415.60	\$261,892.00	\$234,103.06	\$185,930.00

Public Works –Water Fund

Water Rates and Charges

The City of Bingen charges a monthly base rate, plus an additional fee for any water consumption over the amount allowed within the base rate.

Water overage is currently charged at \$1.10 per 1,000 gallons of water. The overage rate will increase in 2009 to \$1.20 per 1,000 gallons for water. The base fee for residential users includes 6,000 gallons of water. The base fee for all other users provides 10,000 gallons of water.

A surcharge of 25% on the in-city rate is assessed to those users located in unincorporated areas of Klickitat County.

The City also charges a connection fee for new hookups to the City’s water system. Connection fees are based on meter size to be installed. A ¾” meter connection fee is \$750.00. There is no increase in connection fees planned.

The main portion of miscellaneous revenue comes from investment interest and sales interest. The amount will vary depending on the dollars invested and sold

Expenditures

The city’s water system involves two reservoirs, four wells and associated water lines that deliver to residences and businesses located within the city limits. In addition, the city provides water to the Port of Klickitat. A portion of the salary and benefits for two full-time employees is paid for out of the water fund.

The city has spent a considerable amount of time and money rehabilitating two wells to increase the amount of water production. Both wells are now on line. The city purchases water from White Salmon to supplement the city’s supply during the summer months and to supply water to those residences that are connected directly to the White Salmon supply line.

The city has undertaken developing a water plan to meet state requirements and to identify its future growth requirements and necessary capital facility improvements. This plan will be adopted by the city in late 2008. The plan has identified upcoming improvements to the water system including replacement of all meters with radio read meters, chlorination system replacement, addressing hydrogen sulfide issues, distribution system leakage issues, etc.

Monthly Base Water Rates

Type of User	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Actual 2008	2009 Adopted	% Change
Residential	\$17.50	\$21.00	\$22.00	\$23.00	\$24.00	\$27.00	11%
Commercial	\$31.00	\$37.00	\$39.00	\$41.00	\$43.00	\$47.00	9%
Light Industrial/Agricultural	\$93.00	\$112.00	\$117.00	\$123.00	\$129.00	\$142.00	9%
Heavy Industrial	\$310.00	\$372.00	\$390.00	\$410.00	\$430.00	\$473.00	9%

2009 Revenue – Water Fund

Type of Revenue	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Actual as of 12/11/2008	Adopted Budget 2009
Charges for Services	\$167,190.34	\$184,277.84	\$178,695.77	\$190,656.42	\$186,675.00	\$182,244.16	\$196,779.00
Intergovernmental Revenue	\$0.00	\$0.00	\$20,256.12	\$0.00	\$24,000.00	\$24,000.00	\$0.00
Miscellaneous	\$1,312.35	\$1,706.25	\$0.00	\$0.00	\$1,943.00	\$1,804.85	\$1,992.00
Interfund Revenue	\$0.00	\$0.00	\$0.00	\$0.00	\$51,783.00	\$51,736.78	\$0.00
Total	\$168,502.69	\$185,984.09	\$198,951.89	\$190,656.42	\$264,401.00	\$259,785.79	\$198,771.00
Beginning Cash	\$162,622.11	\$161,663.81	\$72,288.19	\$26,848.96	\$83,295.00	\$83,294.59	\$87,153.00
Total Revenue	\$331,124.80	\$347,647.90	\$271,240.08	\$217,505.38	\$347,696.00	\$343,080.38	\$285,924.00

2009 Expenditures – Water Fund

Type of Expenditures	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Actual as of 12/11/2008	Adopted Budget 2009
Personnel	\$37,274.79	\$31,114.45	\$31,539.17	\$32,425.69	\$49,902.00	\$44,128.53	\$54,727.00
Supplies & Equipment	\$6,997.79	\$4,869.54	\$13,383.70	\$18,388.04	\$13,050.00	\$10,698.43	\$21,500.00
Services & Charges	\$68,827.41	\$87,857.72	95,912.45	\$38,285.41	\$76,517.00	\$72,689.08	\$40,420.00
Maintenance	\$0.00	\$0.00	\$0.00	\$35.03	\$2,000.00	\$1,329.59	\$2,000.00
Debt Payments	\$5,928.00	\$5,928.00	\$5,928.00	\$5,928.00	\$57,665.00	\$57,664.78	\$10,022.00
Capital Expenditures	\$0.00	\$0.00	\$3,506.80	\$266.62	\$11,370.00	\$10,065.41	\$2,000.00
Operating Transfers	\$30,433.00	\$29,590.00	\$24,953.00	\$38,882.00	\$50,039.00	\$49,461.00	\$41,161.00
Capital Program Transfers	\$20,000.00	\$116,000.00	\$69,168.00	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$169,460.99	\$275,359.71	\$244,391.12	\$134,210.79	\$260,543.00	\$246,036.82	\$171,830.00
Ending Cash	\$161,663.81	\$72,288.19	\$26,848.96	\$83,294.59	\$87,153.00	\$97,043.56	\$114,094.00
Total Budget	\$331,124.80	\$347,647.90	\$271,240.08	\$217,505.38	\$347,696.00	\$343,080.38	\$285,924.00

Public Works – Sewer Fund

Sewer Rates and Charges

The City of Bingen charges a monthly rate based on “Equivalent Residential Unit” (ERU) which equals 8,500 gallons. Residential customers are charged one ERU per month and are not charged overage for sewer

Non-residential customers are currently charged \$14.00 per ½ ERU after the 1st ERU. The sewer overage rate will not in 2008.

A surcharge of 25% on the in-city rate is assessed to those users located in unincorporated areas of Klickitat County.

The City also charges a connection fee for new hookups to the City’s water system. Connection fees are based on meter size to be installed. A ¾” meter connection fee is \$2,000.00. There is no increase in connection fees planned.

The main portion of miscellaneous revenue comes from investment interest and sales interest. The amount will vary depending on the dollars invested and sold.

The city will to apply the proposed sewer rate increase for 2009 to the water rate to help increase the revenue for that fund.

Expenditures

The city’s sewer funds cover expenditures for maintaining the collection system for

wastewater. The collection system transfers wastewater (sewer) from residences and businesses to the wastewater treatment plant.

Part of the Salaries and benefits for two full-time employees is paid out of the sewer fund. The public works department assists in making new connections to the collection system in addition to repairing existing lines.

Part of the city’s collection system is aging and will need to be replaced in the future. Funding for capital improvements is set aside in the Sewer Construction and Maintenance Fund and the Water/Sewer Equipment Fund.

The city initiated the replacement and upgrade of a main sewer line running McDonald’s to east of South Maple Street. The first portion of the project, Maple Street to the east, was completed in 2007. The remainder project is estimated to cost \$1.5 million. Funding will be sought during 2009 with construction projected for 2010.

The city also transfers a portion of every sewer payment made to the Bingen Treatment Plant Fund. Both Bingen and White Salmon pay an equal amount per ERU into the Treatment Plant Fund. The amount per ERU for 2007 is \$10.00 and for 2008 will be \$10.25. The city is working with White Salmon to increase the ERU amount more than the \$0.25 allowed.

Monthly Base Sewer Rates

Type of User	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Actual 2008	2009 Adopted	% Change
Residential	\$27.00	\$33.00	\$34.00	\$36.00	\$38.00	\$38.00	0%
Commercial	\$27.00	\$33.00	\$34.00	\$36.00	\$38.00	\$38.00	0%
Light Industrial/Agricultural	\$27.00	\$33.00	\$34.00	\$36.00	\$38.00	\$38.00	0%
Heavy Industrial	\$27.00	\$33.00	\$34.00	\$36.00	\$38.00	\$38.00	0%

2009 Revenue – Sewer Fund

Type of Revenue	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Actual as of 12/11/2008	Adopted Budget 2009
Charges for Services	\$154,500.10	\$187,015.75	\$188,027.61	\$200,814.61	\$214,403.00	\$200,336.24	\$189,452.00
Miscellaneous	\$844.96	\$1,839.69	\$2,508.08	\$2,586.00	\$4,518.00	\$4,177.52	\$4,525.00
Total	\$155,345.06	\$188,945.44	\$190,535.69	\$203,400.61	\$218,921.00	\$204,513.76	\$193,977.00
Beginning Cash	\$112,235.97	\$118,403.08	\$142,352.70	\$154,211.21	\$167,631.00	\$167,630.84	\$225,871.00
Total Revenue	\$267,581.03	\$307,348.52	\$332,888.39	\$357,611.82	\$386,552.00	\$372,144.60	\$419,848.00

2009 Expenditures – Sewer Fund

Type of Expenditures	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Actual as of 12/11/2008	Adopted Budget 2009
Personnel	\$28,272.21	\$19,639.05	\$20,979.92	\$21,408.88	\$17,759.00	\$15,732.78	\$14,471.00
Supplies & Equipment	\$2,963.73	\$2,840.33	\$5,825.09	\$4,775.56	\$2,900.00	\$1,733.27	\$5,000.00
Services & Charges	\$8,442.43	\$11,043.60	\$12,185.56	\$4,467.03	\$9,541.00	\$7,404.88	\$10,533.00
Maintenance & Improvements	\$0.00	\$0.00	\$0.00	\$35.03	\$1,500.00	\$211.58	\$2,000.00
Debt Payments	\$20,585.00	\$19,480.00	\$14,175.00	\$18,400.00	\$22,600.00	\$22,600.00	\$21,450.00
Capital Improvements	\$0.00	\$0.00	\$0.00	\$0.00	\$9,870.00	\$9,444.10	\$0.00
Operating Transfers	\$88,929.99	\$91,992.84	\$95,786.61	\$95,894.48	\$94,648.00	\$91,068.33	\$99,208.00
Capital Program Transfers	\$0.00	\$20,000.00	\$29,725.00	\$45,000.00	\$0.00	\$0.00	\$0.00
Total	\$149,193.36	\$164,995.82	\$178,677.18	\$189,980.98	\$158,818.00	\$148,194.94	\$152,662.00
Ending Cash	\$118,387.67	\$142,352.70	\$154,211.21	\$167,630.84	\$227,734.00	\$223,949.66	\$267,186.00
Total Budget	\$267,581.03	\$307,348.52	\$332,888.30	\$357,611.82	\$386,552.00	\$372,144.60	\$419,848.00

Public Works - Bingen Wastewater Treatment Plant

Bingen and White Salmon pay an equal amount into the Bingen Treatment Plant revenue fund. The current rate per ERU (Equivalent Residential Unit) is \$10.00. Both cities have adopted an ordinance that provides for a \$0.25 increase in the ERU rate per year. These monies are not additional funds paid by sewer

customers but are deducted from the amount paid monthly.

Expenditures

The city employees a full-time plant operator and a part-time plant manager to maintain and operate the Bingen Wastewater Treatment Plant. The city sets aside approximately \$7,000 each year for capital improvements.

2009 Revenue – Bingen Wastewater Treatment Plant Fund

Type of Revenue	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Actual as of 12/11/2008	Adopted Budget 2009
Charges for Services	\$268,143.12	\$286,830.46	\$271,293.27	\$316,204.43	\$343,260.00	\$326,908.73	\$319,462.00
Miscellaneous	\$290.59	\$151.28	\$0.00	\$0.00	\$1,418.00	\$1,333.88	\$1,480.00
Total	\$268,433.71	\$286,981.74	\$271,293.27	\$316,204.43	\$344,678.00	\$328,242.61	\$320,942.00
Beginning Cash	\$90,112.61	\$66,787.69	\$66,353.05	\$60,279.84	\$54,881.00	\$54,880.77	\$50,878.00
Total Revenue	\$358,546.32	\$353,769.43	\$337,646.32	\$376,484.27	\$399,559.00	\$383,123.38	\$371,729.00

2009 Expenditures – Bingen Wastewater Treatment Plant Fund

Type of Expenditures	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Actual as of 12/11/2008	Adopted Budget 2009
Personnel	\$79,438.06	\$75,065.73	\$58,139.06	\$85,941.61	\$93,633.00	\$80,726.18	\$106,152.00
Supplies & Equipment	\$15,674.18	\$17,285.33	20,265.47	\$19,075.06	\$22,500.00	\$18,928.19	\$21,500.00
Services & Charges	\$39,545.69	\$34,425.36	\$34,552.48	\$49,841.73	\$35,188.00	\$30,461.28	\$32,560.00
Maintenance	\$0.00	\$1,573.39	\$1,792.77	\$1,456.26	\$6,000.00	\$4,820.39	\$5,000.00
Debt Payments	\$116,592.86	\$117,292.86	\$116,942.86	\$116,592.86	\$117,243.00	\$117,242.83	\$116,843.00
Capital Expenditures	\$1,734.84	\$3,006.61	\$527.61	\$961.98	\$13,786.00	\$7,690.95	\$1,850.00
Operating Transfers	\$31,773.00	\$33,341.00	\$35,194.00	\$40,734.00	\$53,422.00	\$52,681.00	\$54,531.00
Capital Program Transfers	\$7,000.00	\$7,000.00	\$7,000.00	\$7,000.00	\$7,000.00	\$7,000.00	\$0.00
Total	\$291,758.63	\$287,416.38	\$277,366.48	\$321,603.50	\$348,772.00	\$319,550.82	\$338,436.00
Ending Cash	\$66,787.69	\$66,353.05	\$60,279.84	\$54,880.77	\$50,787.00	\$63,572.56	\$33,293.00
Total Budget	\$358,546.32	\$353,769.43	\$337,646.32	\$376,484.27	\$399,559.00	\$383,123.38	\$371,729.00

Other Funds

The City of Bingen maintains a number of capital reserve funds and funds related to the city’s long-term debt. Revenue for these funds comes from the revenue generated by the Current Expense, Water, Sewer, and Bingen Wastewater Treatment Plant Funds. Funds are placed in the reserve funds through an operating transfer. Revenue for these funds will be determined as the expenditure budget is developed. In addition, any grants the city receives for construction projects or the purchase of equipment are placed in the appropriate capital reserve fund.

Capital Reserve Funds

Capital reserve funds are used for construction and purchases of equipment. The City’s purchase of a new fire truck in 2004 came out of the “Fire Equipment Reserve” fund. The funding and expenditures for the Highway 14 Project and Maple Street Project were covered in the “Street Construction and Maintenance” fund.

2009 Budget – Capital Reserve Funds

Capital Reserve Fund	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Budget 2008	Actual as of 12/11/2008	Adopted Budget 2009
Police Car Reserve	\$4,691.03	\$8,199.96	\$11,719.99	\$12,343.12	\$12,324.00	\$12,312.87	\$12,474.00
Fire Equipment Reserve	\$296,129.47	\$16,393.42	\$6,779.54	\$71,252.30	\$27,874.00	\$27,857.16	\$14,562.00
Street Equipment Reserve	\$51,163.00	\$50,470.33	\$51,586.27	\$52,538.96	\$37,433.00	\$37,400.82	\$38,083.00
Fire Reserve	\$531.23	\$582.30	\$721.60	\$625.20	\$713.00	\$712.13	\$563.00
Street Construction & Maintenance	\$1,708,983.76	\$121,846.62	\$486,837.01	\$185,425.56	\$1,178,573.00	\$1,102,698.95	\$0.00
Excise Tax	\$22,463.84	\$38,043.73	\$53,569.13	\$49,273.54	\$61,354.00	\$58,797.45	\$23,454.00
Building Construction	\$2,356.03	\$179.43	\$69,349.24	\$2,398.62	\$183.00	\$181.42	\$187.00
Park Construction & Maintenance	\$3,244.90	\$27,855.00	\$2,559.54	\$2,609.54	\$2,666.00	\$2,662.40	\$2,726.00
Water Construction & Maintenance	\$55,421.31	\$149,283.62	\$91,597.07	\$22,430.72	\$22,906.00	\$22,834.61	\$15,702.00
Sewer Construction & Maintenance	\$46,537.01	\$62,194.14	\$83,111.77	\$166,078.11	\$130,756.00	\$125,980.34	\$91,201.00
Treatment Plant Replacement	\$197,885.49	\$208,004.63	\$314,324.05	\$227,923.23	\$207,397.00	\$207,260.24	\$190,386.00
Water & Sewer Equipment	\$60,519.34	\$71,565.72	\$81,788.94	\$75,740.32	\$33,800.00	\$33,775.79	\$13,157.00
Sewer Reserve	\$156,544.71	\$163,115.77	\$274,474.89	\$187,004.32	\$140,605.00	\$140,200.81	\$144,199.00
Total	\$2,606,471.12	\$917,734.67	\$1,528,419.04	\$1,055,643.54	\$1,856,584.00	\$1,772,674.99	\$546,694.00

Long-Term Debt

Two basic types of municipal debt are short-term and long-term debt. Short-term debt is generally used by municipalities to even out cash flows. The City of Bingen has no current short-term debt. Two basic forms of long-term debt are general obligation and revenue bonds. The basic difference between these two types of bonds is that general obligation issues are backed by the full faith and credit, i.e., taxes, of a municipality, and for revenue bonds, the income of a specific utility or activity that is pledged for repayment. In addition to issuing debt, the City has several revenue loans – USDS Rural Development and Public Works Trust Fund. The Public Works Trust Fund loan is paid by both Bingen (25%) and White Salmon (75%).

In 2008, the city made the decision to retire the 1989 Water Line Debt. The used an interfund loan from the Sewer Construction & Maintenance fund to retire the loan saving the city approximately \$24,000.00.

1973/1995 Water and Sewer Bonds

Year	Principal	Interest	Debt Service
2008	\$23,000	\$9,450	\$32,450
2009	\$23,000	\$8,150	\$31,150
2010	\$23,000	\$6,850	\$29,850
2011	\$24,000	\$5,550	\$29,550
2012	\$24,000	\$4,200	\$28,200
2013	\$15,000	\$2,850	\$17,850
2014	\$20,000	\$1,800	\$21,800
2015	\$20,000	\$600	\$20,600
Total	\$172,000	\$39,450	\$211,450

Public Works Trust Fund Loan

Year	Principal	Interest	Debt Service
2008	\$107,142.86	\$0.00	\$107,142.86
2009	\$107,142.86	\$0.00	\$107,142.86
2010	\$107,142.86	\$0.00	\$107,142.86
2011	\$107,142.86	\$0.00	\$107,142.86
2012	\$107,142.86	\$0.00	\$107,142.86
2013	\$107,142.82	\$0.00	\$107,142.86
Total	\$642,857.12	\$0.00	\$642,857.12

Water Interfund Loan

Year	Principal	Interest	Debt Service
2009	\$8,947.36	\$1,073.68	\$10,021.04
2010	\$8,947.36	\$858.95	\$9,806.31
2011	\$8,947.36	\$644.21	\$9,591.57
2012	\$8,947.36	\$429.47	\$9,376.83
2013	\$8,947.34	\$214.74	\$9,162.08
Total	\$44,736.78	\$3,221.05	\$47,957.83

1989 Water Line Debt

Year	Principal	Interest	Debt Service
2008	\$58,219.01	\$4,547.69	\$62,766.70
Total	\$58,219.01	\$4,547.69	\$62,766.70

Combined Debt Service Schedule

Year	Principal	Interest	Debt Service
2008	\$188,361.87	\$13,997.69	\$202,359.56
2009	\$139,090.22	\$9,223.68	\$148,313.90
2010	\$139,090.22	\$7,708.95	\$146,799.17
2011	\$140,090.22	\$6,194.21	\$146,284.43
2012	\$140,090.22	\$4,629.47	\$144,719.69
2013	\$131,090.16	\$3,064.74	\$134,154.90
2014	\$20,000.00	\$1,800.00	\$21,800.00
2015	\$20,000.00	\$600.00	\$20,600.00
Total	\$917,812.91	\$47,218.74	\$965,031.65