



CITY OF BINGEN NEWSLETTER – OCTOBER 2011

Proposed 2012 Budget

The City will hold a series of public hearings in November regarding the 2012 proposed budget.

The proposed budget for 2012 was created under the direction and guidance of the Mayor, Clerk Treasurer and the Budget Committee. Budget Committee members are Laura Mann and Catherine Kiewit.

The budget includes a 1% increase in property taxes and a 5% increase in water and sewer rates.

In addition, the city is considering implementing a utility tax on its own water and sewer utilities and a utility tax on garbage. The utility tax on water and sewer will not increase a customer's utility billing. However, customers will see a city tax on garbage bills from either Allied Waste or Bingen Garbage Service. The proposed taxes are 6% on water, 10% on sewer, and 6% on garbage. These taxes will provide \$48,365 to the current expense budget. This budget pays for law enforcement services, fire services, park, and city hall.

The 2012 budget includes changes to personnel costs including continuing reductions in city hall staff hours and changes in medical insurance benefits. The changes in personnel costs save the city approximately \$25,704.

The city has also elected to no longer pay 32% of law enforcement costs as provided in an amended agreement adopted in 2010. The city will pay 25.5% of law enforcement costs for 2012. This saves the city \$58,420. This percentage based on the assessed property valuations reverts to the original 2008 law enforcement services contract.

The city completed Phase 1 of the skatepark in 2010. We continue to seek funding for Phase 2 of the skatepark anticipating construction in 2012. In 2011, the city purchased "pool bucks" from the City of White Salmon. The city will provide pool bucks

during the 2012 season to Bingen residents on a first come, first serve basis so they may have free entrance to the White Salmon Pool.

The city has begun setting aside capital improvement funds for future water and sewer improvements. It is important to build capital improvement funds so that the city does not have to borrow all the funds required to complete necessary improvements over the next 5 to 10 years.

The city has been and will need to continue to be proactive through its planning process in addressing the city's current and long-range needs while still maintaining fiscal responsibility.



Utility Rates

The proposed budget for 2012 includes revenue from utility rates. In 2009, the city adopted ordinances that provide for a 5% increase in water and sewer rates. The proposed rates are shown below along with historical rate information.

Utility rates pay for the operation and maintenance of the city's water and sewer system including the wastewater treatment plant. The rates also pay for debt payments and future capital improvements.

Monthly Base Sewer Rates

Type of User	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Actual 2011	2012 Proposed	% Change
Residential	\$36.00	\$38.00	\$38.00	\$38.00	\$40.00	\$42.00	5%
Commercial	\$36.00	\$38.00	\$38.00	\$38.00	\$40.00	\$42.00	5%
Light Industrial/Agricultural	\$36.00	\$38.00	\$38.00	\$38.00	\$40.00	\$42.00	5%
Heavy Industrial	\$36.00	\$38.00	\$38.00	\$38.00	\$40.00	\$42.00	5%

Overage charges for increase to \$15.75 per ½ ERU. Residential customers are not charged overage charges for sewer.

Water Rates

Type of Account	2010 Rate	2011 Rates	Proposed 2012 Rates
Residential (Single-Family) Base Rate	22.25	23.36	24.53
Usage (0-10,000 gallons) per thousand	1.25	1.31	1.38
Usage (10,001 – 20,000 gallons) per thousand	2.10	2.21	2.32
Usage (>20,000 gallons) per thousand	3.15	3.31	3.48
Base Rates for Commercial, Light Industrial, Industrial, Multi-Family			
3/4 inch meter	34.00	35.70	37.49
1 inch meter	54.00	56.70	59.54
1-1/2 inch meter	108.00	113.40	119.07
2 inch meter	162.00	170.10	178.61
3 inch meter	335.00	351.75	369.34
4 inch meter	469.00	492.45	517.07
6 inch meter	704.00	739.20	776.16
Usage per 1,000 gallons	1.90	2.00	2.10

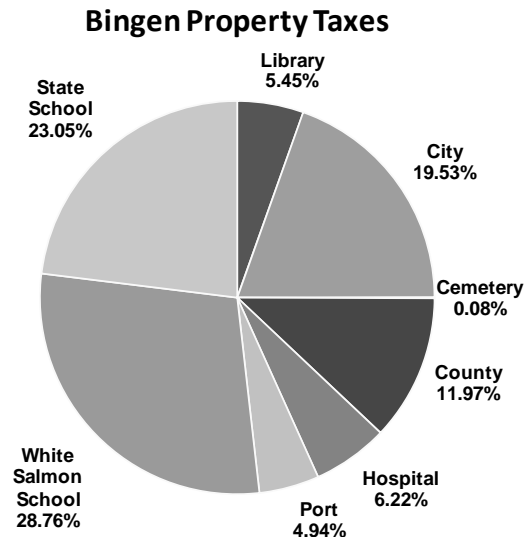
A residential household that uses 6,000 gallons of water would have paid a total of \$71.22 per month in 2011 for combined water and sewer and will pay \$74.81 per month in 2012.

The city's water usage rates are structured for conservation. We encourage water conservation in the summer months by asking customers to water early in the morning and in the evening. In addition, it is important to check for leaks in your water system such as running toilets or leaking irrigation. Preparing your water pipes for winter can help avoid costly damages associated with water pipes that freeze.

Property Tax Levy

The City is legally allowed to increase the total property tax levy the city receives by 1%. The property tax levy for 2011 was \$186,561.41. An increase of 1% means the city would receive \$188,427.02 in property taxes for 2011 – an increase of \$1,865.61.

The adjacent chart shows how property taxes for Bingen residents are allocated. Property taxes on a property valued at \$100,000 in 2011 would have been \$917.34. Bingen would have received \$179.15 of the total taxes.

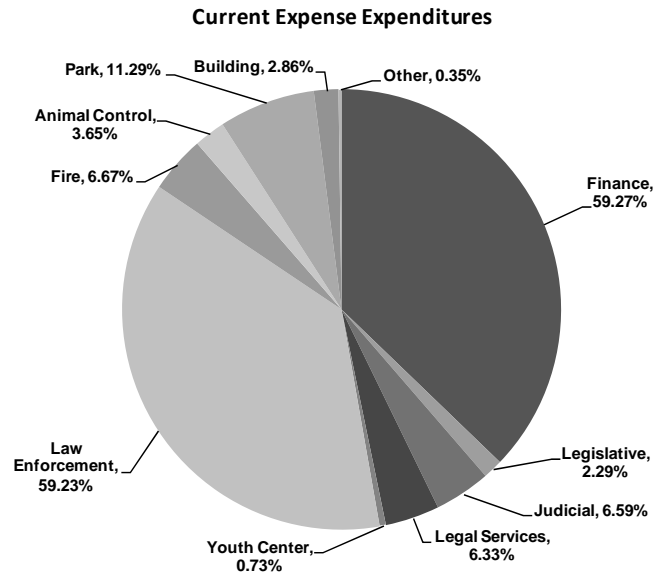
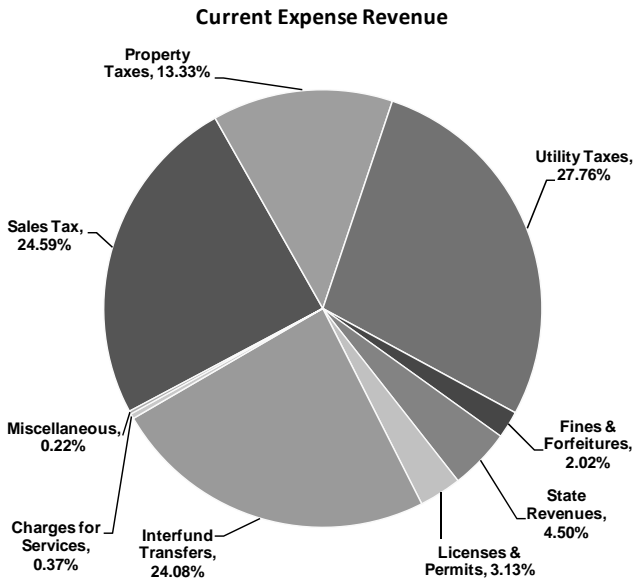


General (Current Expense) Fund

The city's general (current expense) fund is the fund that pays for costs associated with police and fire services, parks, financial services, animal control, legal and judicial services, planning, building services and legislative (city council and mayor).

The majority of the funding for the current expense comes from taxes which includes property taxes,

sales taxes and utility taxes. The city splits the property taxes it receives between the current expense fund and the street fund. Utility taxes are paid on telephone, cable, electric and natural gas. At the present time the city does not tax its own utilities. However, the city is proposing to tax water, sewer and garbage utilities in 2012.



Public Hearings

The City of Bingen wants to hear from its citizens regarding the proposed 2012 budget. A series of public hearings will be held. In addition, citizens can submit written comments to the City by mailing to P.O. Box 607, Bingen WA 98605, dropping off at City Hall – 112 N. Ash, or by e-mail bingen@gorge.net.

- November 1 Public Hearing on Proposed 2012 Revenue and Property Tax Levy
- November 15 Public Hearing on Proposed 2012 Budget

Upcoming Public Hearings - 2012 Budget

November 1 and November 15

The City will hold a public hearing on proposed 2012 revenue and property taxes at its **November 1st** city council meeting and a public hearing on the proposed 2012 budget at its **November 15th** city council meeting.

Copies of the budget are available from city hall or on line at <http://www.bingenwashington.org> or by calling 509-493-2122.

Public comment will be taken at the hearing. Written comment can also be submitted.

Este documento esta disponible en español en el Ayuntamiento.

Bingen Council Members and Staff

Betty J. Barnes, Mayor
Sandi Dickey, Council Member
Laura Mann, Council Member
Maria Perez, Council Member
Catherine Kiewit, Council Member
Clinton Bryan, Council Member

Jan Brending, City Administrator
Dena Riggleman, Deputy Clerk
David Spratt, Public Works Superintendent
Jay Hicks, Public Works Maintenance
Tom Hons, Treatment Plant Manager
James Buckland, Treatment Plant Operator
Dean Nygaard, Building Official

City of Bingen
P.O. Box 607, 112 N. Ash
Bingen, Washington 98605
Telephone: 509-493-2122
Fax: 509-493-1391
E-mail: bingen@gorge.net

City of Bingen
PO Box 607
Bingen WA 98605

First Class Mail
U.S. Postage
PAID
Bingen, WA
Permit No. 100