

Mayor's Message for the 2016 Budget

To: Citizens of Bingen and Bingen City Council Members

From: Mayor Betty J. Barnes

The budget for 2016 was created under the direction and guidance of the Mayor, City Administrator – Jan Brending, and the Budget Committee. Budget committee members are Catherine Kiewit and Isolde Schroder.

The budget includes a 1% increase in property taxes and a 5% increase in water rates. Sewer rates will not see an increase in 2016.

The city employees 6 individuals which equates to 5.35 FTE (full-time equivalent) – one employee works 24 hours per week and another employee works 30 hours per week. City Hall remains closed on Mondays. Office hours are Tuesday through Friday, 8 a.m. to 5 p.m.

The City of Bingen contracts with several cities to provide services to its residents. In 2014, Bingen signed a new law enforcement agreement with the City of White Salmon that will cover 2015-2017. The city council felt that this contract will provide the best service available. Building official services have recently been provided through a contract with the City of Stevenson. In 2016, the city will begin contracting with Skamania County for building official services.

In addition the city signed an interlocal agreement for the purchase of water from the City of White Salmon. This interlocal agreement along with the acquisition of a non-additive water right allows Bingen to buy more water from White Salmon. We hope that this will help alleviate some of the problems associated with hydrogen sulfide in the water.

The city installed a new drinking fountain in the park and with the help of Arts in Education constructed a mosaic around the fountain. In addition, a new sign for Daubenspeck Park was installed with the focus on the skatepark. The city hopes to install donor signage in late 2015/early 2016 on the back of the new sign.

Bingen continues to provide free punch cards and swim lessons at the White Salmon Pool. The budget contains funds to continue this service in 2016.

The city adopted an update to its water system plan and an update to its critical areas ordinance in 2015. The wastewater system plan should be completed by the end of the year with the Shoreline Management Plan completed in 2016. All these planning activities are required by the State of Washington. We want to be proactive in addressing the city's current and long-range needs.

The city was recently audited for the years 2012-2014 and received a clean audit.

The residents and businesses in Bingen can look back over the past years and see many successes: new city/fire hall, downtown revitalization, playground equipment, new basketball court, skatepark, sidewalks on Humboldt Street, etc. We look forward to continuing these types of successes in the years to come. Success takes hard work from residents, business owners and the city's employees. I want to thank everyone for this hard work and their commitment to the City of Bingen.

General Fund, Street and Community Development Funds

Revenue Sources – General Fund

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.

Assessed Valuation		Rate per 1000	Property Tax
2010	\$109,663,902	\$1.6732	\$183,485
2011	\$104,135,223	\$1.7915	\$186,716
2012	\$94,073,843	\$2.0101	\$189,099
2013	\$92,093,586	\$2.0809	\$191,638
2014	\$90,411,022	\$2.1643	\$195,677
2015	\$93,539,175	\$2.1222	\$198,504

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.

	2012	2013	2014	2015
City	\$2.0101	\$2.0809	\$2.1643	\$2.1222
County	\$1.1419	\$1.1740	\$1.2411	\$1.2462
Cemetery	\$0.0081	\$0.0085	\$0.0089	\$0.0084
Hospital	\$0.6562	\$0.6759	\$0.3564	\$0.3456
EMS	\$0.0000	\$0.0000	\$0.3000	\$0.3000
Library	\$0.5000	\$0.5000	\$0.5000	\$0.4690
Port	\$0.5213	\$0.1710	\$0.1817	\$0.1765
State	\$2.2752	\$2.3409	\$2.2226	\$2.2663
School	\$2.7048	\$2.7147	\$2.8542	\$2.9029
Total	\$9.8176	\$9.6659	\$9.8292	\$9.3871

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 3 to consider a 1% increase in its property tax levy. The proposed total increase is \$1,985.

The City has historically split the property taxes between General Fund and the Street Fund.

Property Taxes Collected

Year	% Split Current	Property Taxes	% Split Street	Property Taxes
2010	63.5%	\$116,513	36.5%	\$66,972
2011	45%	\$84,022	55%	\$102,694
2012	45%	\$85,095	55%	\$104,004
2013	45%	\$86,237	55%	\$105,401
2014	45%	\$88,055	55%	\$107,622
2015	45%	\$89,327	55%	\$109,177

The City proposes to split property taxes 55% to General Fund and 45% to Street for 2016.

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. The 2016 budget provides for placing all of the optional tax in the General 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	
2010	\$174,906
2011	\$164,135
2012	\$205,105
2013	\$225,997
2014	\$226,606

Sales tax fluctuations can be attributed to construction (new and improvements) projects or the opening or closing of retail businesses. In addition, effective July 1, 2007 sales tax has become destination based which means that sales tax is determined on the location to where goods are delivered. This has resulted in a slight increase in sales tax to Bingen.

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 a 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 40 of the 281 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 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. In 2012, the city began charging utility taxes on water, sewer and garbage services. The tax on water is 6%, sewer 10%, and garbage 6%. Water and sewer customers do not see an increase in their billing. Customers of Allied Waste or Bingen Garage Service see a “city tax” of 6% added to their billing.

The utility tax on electrical services will be split between the current expense fund and the street fund with 79% of the revenue going to General Fund and 21% going to the Street Fund.

The remaining utility taxes go to the General Fund.

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 receive gas taxes from the state. Cities with a population of under 15,000 are allowed to deposit the gas tax into the street fund and to spend the monies for any street purposes.

Liquor Receipts – Profits and Taxes

In the past, state law provided 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. With the privatization of liquor sales, cities will receive only a small amount of taxes on liquor sales.

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.

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								
	2009	2010	2011	2012	2013	2014	2015	2016
Gas Tax	\$21.72	\$21.49	\$20.82	\$20.38	\$20.46	\$20.58	\$20.57	\$20.29
2015 Gas Tax ESSB 5987	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.65	\$1.28
Profits of Liquor Board	\$6.87	\$7.93	\$6.93	\$9.96	\$8.89	\$8.88	\$8.76	\$8.61
Liquor Tax	\$4.88	\$4.91	\$4.86	\$3.68	\$0.66	\$1.87	\$2.76	\$4.43
Criminal Justice	\$0.24	\$0.25	\$0.25	\$0.25	\$0.26	\$0.28	\$0.27	\$0.28
Criminal Justice – former CTED Grant Programs	\$0.82	\$0.84	\$0.83	\$0.85	\$0.89	\$0.95	\$0.95	\$0.97
Total	\$34.53	\$35.42	\$33.69	\$35.12	\$31.16	\$32.56	\$33.96	\$35.86

Licenses and Permits

Business Licenses

The city uses a revenue-generating business license system as provided for in 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 beginning are as follows: \$10.00 for animals that are spayed or neutered and \$25.00 for animals that are not spayed or neutered.

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
Sewer Exceptions Process	\$100.00

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.

administrative expenses that are incurred in the current expense budget. These administrative expenses include financial and administration (clerk’s office – including the deputy clerk). The costs of these expenses are prorated among the five departments based on those departments’ expenditures.

Interfund Transfers

The operating funds (general fund, street, water, sewer and treatment plant) pay for

2016 Proposed Revenue – General Fund

Type of Revenue	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Budget 2015	Proposed Budget 2016
Taxes	\$377,396.52	\$473,769.30	\$519,090.18	\$523,838.88	\$501,784.00	\$490,549.00
Licenses & Permits	\$24,510.82	\$18,881.49	\$26,852.37	\$24,143.49	\$17,450.00	\$19,600.00
Intergovernmental Revenue	\$54,617.91	\$36,114.79	\$37,237.75	\$55,520.28	\$70,298.00	\$35,157.00
Charges for Services	\$2,240.49	\$2,197.97	\$2,489.71	\$2,010.23	\$2,996.00	\$1,800.00
Fines & Forfeitures	\$13,282.01	\$18,901.07	\$15,402.57	\$14,297.62	\$14,102.00	\$12,700.00
Miscellaneous	\$4,029.05	\$2,671.83	\$2,703.56	\$1,563.38	\$3,295.00	\$2,172.00
Transfers	\$136,272.44	\$135,309.51	\$137,138.93	\$154,242.22	\$192,776.00	\$129,865.00
Total	\$612,349.24	\$687,845.96	\$740,915.07	\$775,616.10	\$802,701.00	\$691,843.00
Beginning Cash	\$224,050.53	\$139,710.79	\$211,541.86	\$298,350.06	\$309,784.00	\$419,078.00
Total Revenue	\$836,399.74	\$827,556.76	\$952,456.93	\$1,073,966.16	\$1,112,485.00	\$1,110,921.00

Expenditures – General Fund

The General 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 administrator and a ¾-time deputy clerk/utility billing clerk are covered in this department. The city administrator 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 city administrator 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 has moved to a 3-year audit cycle. The city was audited in 2015 for the years 2012-2014 and received a clean audit. The next audit will be performed in 2018

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 department was created – the Bingen-White Salmon Police Department. The police officers are employees of the City of White Salmon with Bingen the City of White Salmon for law enforcement services. The two cities have a 2-year contract that ends December 31, 2016.

Fire Control

The City of Bingen maintains a volunteer fire department with Carl Spratt serving as Fire Chief. Two assistant fire chiefs were appointed in 2013 – Ryan Kreps, Operations and Clinton Bryan, Administration. The city currently has 18

volunteer firefighters and 3 junior volunteer firefighters.

The city continues to address the need for necessary equipment and training 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 Skamania County for the housing of prisoners that are arrested in Bingen by the Bingen-White Salmon Police Department.

Building Services

In late 2013, the City of Bingen began contracting with the City of Stevenson for its building official services. The city will begin contracting with Skamania County for building official services in 2016. Costs for providing building official services are partially covered by the fees charged for building permits, mechanical permits and plumbing permits.

Animal Control

In the pasts, the City of Bingen has contracted with the City of Goldendale for animal control services. The City of Goldendale will no longer be providing animal control services as of January 1. The City of Bingen is exploring options on how to handle animal control. 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. Daubenspeck Park currently contains a playground, basketball court, a

skatepark, public restrooms, and bandstand. Phase 2 of the skatepark was completed in 2014. A new drinking fountain and signage was installed in 2015.

In 2016, the City of Bingen provided pool punch cards and swim lessons to its citizens on a first come, first serve basis for free admission to the White Salmon pool. The City plans to continue a similar service in 2016.

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.

2016 Proposed Expenditures – General Fund

Type of Expenditures	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Budget 2015	Proposed Budget 2016
Legislative	\$8,475.78	\$10,239.35	\$9,302.60	\$10,379.00	\$11,578.00	\$10,954.00
Judicial	\$26,346.04	\$21,282.29	\$20,270.31	\$23,085.25	\$24,711.00	\$24,711.00
Financial and Administrative	\$151,864.45	\$163,323.50	\$151,422.53	\$173,549.43	\$187,413.00	\$160,682.00
Facilities	\$81,699.64	\$84,785.70	\$90,896.67	\$115,350.30	\$92,646.00	\$92,672.00
Legal Services	\$20,301.00	\$21,143.50	22,608.38	\$13,373.20	\$19,000	\$20,000.00
General Gov't.	\$1,035.00	\$873.00	\$0.00	\$0.00	\$0.00	\$0.00
Law Enforcement	\$279,275.52	\$222,470.33	\$191,321.09	\$198,566.70	\$189,338.00	\$272,700.00
Fire Control	\$31,005.27	\$15,447.55	\$22,508.34	\$25,137.38	\$39,146.00	\$50,101.00
Housing of Prisoners	\$11,925.50	\$6,716.00	\$8,290.39	\$22,486.23	\$15,000.00	\$15,000.00
Building Services	\$8,286.80	\$6,281.37	\$10,582.19	\$14,500.78	\$10,795.00	\$17,505.00
Animal Control	\$15,115.82	\$15,048.87	\$15,052.43	\$15,062.70	\$15,008.00	\$15,820.00
Emergency Services	\$420.85	\$420.85	\$420.85	\$420.85	\$421.00	\$421.00
Youth Center	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00
Community Services	\$0.00	\$0.00	\$300.00	\$1,300.00	\$375.00	\$400.00
Planning & Community Dev.	\$0.00	\$0.00	\$349.00	\$51,565.26	\$31,018.00	\$400.00
Parks	\$32,820.01	\$44,682.58	\$40,103.83	\$48,909.57	\$53,958.00	\$74,214.00
Capital Expenditures	\$24,867.30	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Transfers	\$250.00	\$300.00	\$68,406.00	\$46,768.00	\$0.00	\$0.00
Total	\$696,688.98	\$616,014.89	\$654,834.61	\$763,454.61	\$693,407.00	\$758,580.00
Ending Cash	\$139,710.79	\$211,541.86	\$297,622.32	\$310,511.55	\$419,078.00	\$352,341.00
Total Budget	\$836,399.77	\$827,556.75	\$952,456.93	\$1,073,966.16	\$1,112,485.00	\$1,110,921.00

Street Fund

Revenue sources for the street fund are identified in the narrative in 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 crosswalks and parking spaces, street signage, minor maintenance for

potholes, etc. A portion of the salary’s of two public works employees are funded through the street fund.

Major construction of new streets or sidewalks and improvements of existing streets or sidewalks are covered under the “Street Construction and Maintenance Fund”.

2016 Proposed Revenue – Street Fund

Type of Revenue	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Budget 2015	Proposed Budget 2016
Taxes	\$117,815.66	\$117,326.10	\$122,399.97	\$138,899.23	\$135,479.00	\$119,190.00
Intergovernmental Revenue	\$20,422.73	\$14,711.79	\$15,403.34	\$14,954.95	\$14,275.00	\$15,854.00
Miscellaneous	\$6,161.12	\$14.70	\$2.51	\$247.67	\$22.00	\$25.00
Transfers	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00
Total	\$147,399.51	\$135,052.59	\$140,805.82	\$157,101.85	\$152,776.00	\$138,069.00
Beginning Cash	\$23,715.95	\$35,954.36	\$47,961.65	\$45,078.28	\$68,841.00	\$87,496.00
Total Revenue	\$171,115.46	\$171,006.95	\$188,767.47	\$202,180.13	\$221,617.00	\$225,565.00

2016 Proposed Expenditures – Street Fund

Type of Expenditures	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Budget 2015	Proposed Budget 2016
Personnel	\$56,489.89	\$54,632.30	\$58,138.06	\$62,253.44	\$72,099.00	\$60,953.00
Supplies	\$11,117.65	\$7,510.47	\$7,737.76	\$12,326.59	\$5,000.00	\$12,245.00
Services & Charges	\$27,837.01	\$32,361.04	\$36,968.94	\$28,470.07	\$30,502.00	\$30,307.00
Maintenance & Improvements	\$9,971.87	\$3,192.34	\$12,854.39	\$1,921.51	\$5,000.00	\$7,000.00
Operating Transfers	\$29,744.68	\$25,349.15	\$27,990.04	\$28,367.74	\$21,520.00	\$23,473.00
Total	\$135,161.10	\$123,045.30	\$143,689.19	\$133,339.35	\$134,121.00	\$133,978.00
Ending Cash	\$35,954.36	\$47,961.65	\$45,078.28	\$68,840.78	\$87,496.00	\$91,587.00
Total Budget	\$171,115.46	\$171,006.95	\$188,767.47	\$202,180.13	\$221,617.00	\$225,565.00

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.

2016 Proposed Revenue – Community Development Fund

Type of Revenue	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Budget 2015	Proposed Budget 2016
Miscellaneous	\$0.49	\$160.99	\$4.73	\$143.28	\$9.00	\$9.00
Transfers	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$0.49	\$160.99	\$4.73	\$143.28	\$9.00	\$9.00
Beginning Cash	\$11,068.36	\$10,134.90	\$8,136.27	\$8,141.00	\$8,178.00	\$187.00
Total Revenue	\$11,068.85	\$10,295.89	\$8,141.00	\$8,284.28	\$8,187.00	\$196.00

2016 Proposed Expenditures – Community Development Fund

Type of Expenditures	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Budget 2015	Proposed Budget 2016
Planning & Tech. Assist.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Downtown Revitalization	\$933.95	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Community Center/Fire Hall	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Park Development	\$0.00	\$1,987.80	\$0.00	\$0.00	\$8,000.0	\$0.00
Other	\$0.00	\$171.82	\$0.00	\$106.96	\$0.00	\$0.00
Total	\$933.95	\$2,159.62	\$0.00	\$106.96	\$8,000.00	\$0.00
Ending Cash	\$10,134.90	\$8,136.27	\$8,141.00	\$8,177.32	\$187.00	\$196.00
Total Budget	\$11,068.85	\$10,295.89	\$8,141.00	\$8,284.28	\$8,187.00	\$196.00

Public Works –Water Fund

Water Rates and Charges

The City of Bingen changed the rate structure for water in 2010. The new structure includes a base fee that is billed whether water is used or not and whether the water is on or not. Water is then be billed at a price per 1,000 gallons. The following table shows previous rates and the rates under the new rate structure.

The City 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.

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. 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. A portion of the salary and benefits for two full-time employees is paid for out of the water fund.

In 2013 the City was awarded a Drinking Water State Revolving Fund loan for the replacement of two leaking water lines. Construction for the water lines was completed in 2015.

Bingen was able to obtain a non-additive water right and sign a new interlocal agreement with City of White Salmon for the purchase of water. This allows Bingen to purchase more water and should help alleviate the hydrogen sulfide issue.

Monthly Base Water Rates

Type of User	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Actual 2015	Proposed 2016
Residential (Single-Family) Base Rate	\$23.36	\$24.53	\$25.76	\$27.05	\$28.40	\$29.42
Usage (0-10,000 gallons) per thousand gallons	\$1.31	\$1.38	\$1.45	\$1.52	\$1.60	\$1.68
Usage (10,001-20,000 gallons) per thousand gallons	\$2.21	\$2.32	\$2.44	\$2.56	\$2.69	\$2.82
Usage (>20,000 gallons) per thousand gallons	\$3.31	\$3.48	\$3.65	\$3.83	\$4.02	\$4.22
Base Rates for Commercial, Light Industrial, Industrial, Multi-Family						
¾ inch meter	\$35.70	\$37.49	\$39.36	\$41.33	\$43.39	\$45.56
1 inch meter	\$56.70	\$59.54	\$62.52	\$65.65	\$68.93	\$72.38
1-1/2 inch meter	\$113.40	\$119.07	\$125.02	\$131.27	\$137.83	\$144.72
2 inch meter	\$170.10	\$178.61	\$187.54	\$196.92	\$206.76	\$217.10
3 inch meter	\$351.75	\$369.34	\$387.81	\$407.20	\$427.56	\$448.94
4 inch meter	\$492.45	\$517.07	\$542.92	\$570.07	\$598.57	\$628.50
6 inch meter	\$739.20	\$776.16	\$814.97	\$855.72	\$898.50	\$943.43
Usage per 1,000 gallons	\$2.00	\$2.10	\$2.21	\$2.32	\$2.44	\$2.56

2016 Proposed Revenue – Water Fund

Type of Revenue	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Budget 2015	Proposed Budget 2016
Charges for Services	\$286,553.33	\$295,469.31	\$365,219.87	\$335,290.43	\$318,880.00	\$331,402.00
Intergovernmental Revenue	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Miscellaneous	\$771.23	\$2,266.30	\$2,711.88	\$209.31	\$136.00	\$155.00
Interfund Revenue	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$287,324.56	\$297,735.61	\$367,931.75	\$335,499.74	\$319,016.00	\$331,557.00
Beginning Cash	\$63,700.18	\$116,344.57	\$171,673.98	\$221,042.17	\$188,004.00	\$119,936.00
Total Revenue	\$351,024.74	\$414,080.18	\$539,605.73	\$556,541.91	\$507,020.00	\$451,493.00

2016 Proposed Expenditures – Water Fund

Type of Expenditures	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Budget 2015	Proposed Budget 2016
Personnel	\$53,891.90	\$45,324.79	\$49,248.29	\$41,399.02	\$35,818.00	\$45,086.00
Supplies & Equipment	\$72,175.64	\$73,134.53	\$85,570.97	\$112,051.34	\$109,161.00	\$113,743.00
Services & Charges	\$45,768.07	\$44,371.77	\$47,831.04	\$44,510.93	\$45,942.00	\$41,633.00
Maintenance	\$2,158.25	\$3,761.35	\$2,784.76	\$2,717.97	\$3,000.00	\$3,000.00
Debt Payments	\$9,591.57	\$9,376.83	\$9,161.12	\$33,598.00	\$0.00	\$42,273.00
Utility Taxes	\$0.00	\$16,841.47	\$20,871.52	\$19,691.88	\$18,800.00	\$19,557.00
Operating Transfers	\$51,094.74	\$49,595.46	\$51,909.86	\$61,553.54	\$112,146.00	\$49,373.00
Capital Program Transfers	\$0.00	\$0.00	\$51,186.00	\$53,016.00	\$62,217.00	\$16,892.00
Total	\$234,680.17	\$242,406.20	\$318,563.56	\$368,538.68	\$387,084.00	\$331,557.00
Ending Cash	\$116,344.57	\$171,673.98	\$221,042.17	\$188,003.23	\$119,936.00	\$119,936.00
Total Budget	\$351,024.74	\$414,080.18	\$539,605.73	\$556,541.91	\$507,020.00	\$451,493.00

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 \$18.00 per ½ ERU after the 1st ERU. The sewer overage rate will not increase in 2016.

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.

Sewer rates will not increase in 2016.

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 and Sewer Equipment Funds.

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 proposed amount per ERU for 2016 is \$13.75.

The City of Bingen and the City of White Salmon continues to develop a joint wastewater system plan which will be completed in 2015. This plan will provide information for planning and budgeting purposes for the next 20 years.

Monthly Base Sewer Rates

Type of User	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Actual 2015	Proposed 2016	% Change
Residential	\$40.00	\$42.00	\$44.00	\$44.00	\$46.00	\$46.00	0%
Commercial	\$40.00	\$42.00	\$44.00	\$44.00	\$46.00	\$46.00	0%
Light Industrial/Agricultural	\$40.00	\$42.00	\$44.00	\$44.00	\$46.00	\$46.00	0%
Heavy Industrial	\$40.00	\$42.00	\$44.00	\$44.00	\$46.00	\$46.00	0%

2016 Proposed Revenue – Sewer Fund

Type of Revenue	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Budget 2015	Proposed Budget 2016
Charges for Services	\$217,946.83	\$246,651.11	\$269,070.02	\$255,153.27	\$261,520.00	\$262,721.00
Miscellaneous	\$1,394.88	\$1,313.08	\$1,084.82	\$1,142.95	\$1,177.00	\$1,127.00
Total	\$219,341.71	\$247,964.19	\$270,154.84	\$256,296.22	\$262,697.00	\$263,848.00
Beginning Cash	\$169,061.51	\$168,252.80	\$187,678.28	\$208,797.59	\$197,473.00	\$195,308.00
Total Revenue	\$388,403.22	\$416,216.99	\$457,833.12	\$465,093.81	\$460,170.00	\$459,156.00

2016 Proposed Expenditures – Sewer Fund

Type of Expenditures	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Budget 2015	Proposed Budget 2016
Personnel	\$8,185.12	\$7,444.04	\$8,913.51	\$13,173.78	\$11,003.00	\$8,226.00
Supplies & Equipment	\$2,781.43	\$3,854.42	\$3,927.51	\$5,612.76	\$4,000.00	\$7,945.00
Services & Charges	\$7,094.27	\$9,380.48	\$8,871.74	\$7,638.20	\$9,838.00	\$8,623.00
Maintenance & Improvements	\$1,224.10	\$2,029.21	\$2,521.60	\$2,349.78	\$2,000.00	\$2,000.00
Utility Taxes	\$0.00	\$23,527.72	\$25,307.02	\$25,465.34	\$26,152.00	\$26,272.00
Debt Payments	\$19,650.00	\$18,750.00	\$17,850.00	\$21,975.00	\$20,775.00	\$0.00
Operating Transfers	\$104,524.50	\$114,817.84	\$119,443.15	\$100,835.28	\$90,201.00	\$93,996.00
Capital Program Transfers	\$76,691.00	\$48,735.00	\$62,201.00	\$90,571.00	\$100,893.00	\$116,786.00
Total	\$220,150.42	\$228,538.71	\$249,035.53	\$267,621.14	\$264,862.00	\$263,848.00
Ending Cash	\$168,252.80	\$187,678.28	\$208,797.59	\$197,472.67	\$195,308.00	\$195,308.00
Total Budget	\$388,403.22	\$416,216.99	\$457,833.12	\$464,093.81	\$460,170.00	\$459,156.00

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 \$13.50. The proposed rate for 2016 is proposed to be \$13.75. These monies are not additional funds paid by sewer customers but are allocated to this fund 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 of Bingen and the City of White Salmon are working on a joint wastewater plan which will assist in planning and budgeting for the wastewater treatment plant for the 20 years.

2016 Proposed Revenue – Bingen Wastewater Treatment Plant Fund

Type of Revenue	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Budget 2015	Proposed Budget 2016
Charges for Services	\$390,101.27	\$394,075.73	\$401,356.75	\$305,999.33	\$301,651.00	\$312,461.00
Miscellaneous	\$0.00	\$0.00	\$372.73	\$404.15	\$161.00	\$161.00
Total	\$390,101.27	\$394,075.73	\$401,729.48	\$306,403.48	\$301,812.00	\$312,622.00
Beginning Cash	\$95,448.68	\$126,983.94	\$159,978.92	\$201,288.51	\$186,433.00	\$200,536.00
Total Revenue	\$485,549.95	\$521,059.67	\$561,708.40	\$507,691.99	\$488,245.00	\$512,697.00

2016 Proposed Expenditures – Bingen Wastewater Treatment Plant Fund

Type of Expenditures	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Budget 2015	Proposed Budget 2016
Personnel	\$117,649.61	\$116,939.32	\$120,159.83	\$125,587.41	\$131,058.00	\$136,709.00
Supplies & Equipment	\$22,392.53	23,800.61	\$17,364.73	\$21,128.49	\$22,800.00	\$26,930.00
Services & Charges	\$42,719.86	\$49,925.84	\$55,755.83	\$41,835.54	\$50,419.00	\$48,073.00
Maintenance	\$1,498.15	\$3,454.02	\$2,047.70	\$2,143.85	\$9,600.00	\$12,550.00
Debt Payments	\$117,042.86	\$116,592.85	\$107,142.86	\$0.00	\$0.00	\$0.00
Capital Expenditures	\$5,271.48	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Operating Transfers	\$51,991.52	\$50,368.11	\$47,253.94	\$51,663.05	\$49,036.00	\$47,747.00
Capital Program Transfers	\$0.00	\$0.00	\$10,695.00	\$73,095.00	\$24,796.00	\$40,093.00
Total	\$358,566.01	\$361,080.75	\$360,419.89	\$321,259.01	\$287,709.00	\$312,102.00
Ending Cash	\$126,983.94	\$159,978.92	\$201,288.51	\$186,432.98	\$200,536.00	\$200,536.00
Total Budget	\$485,549.95	\$521,059.67	\$561,708.40	\$507,691.99	\$488,245.00	\$513,158.00

Other Funds

The City of Bingen maintains capital reserve funds and funds related to the city’s long-term debt. Revenue for these funds comes from the Current Expense, Water, Sewer, and Bingen Wastewater Treatment Plant Funds. 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 funding for water and wastewater planning in addition to the replacement of the two water lines comes from these funds.

2016 Proposed Budget – Capital Reserve Funds

Capital Reserve Fund	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Budget 2015	Proposed Budget 2016
Police Car Reserve	\$4,801.21	\$5,101.86	\$9,585.34	\$19,906.04	\$19,909.00	\$0.00
Fire Equipment Reserve	\$27,825.17	\$43,265.45	\$50,992.57	\$51,030.21	\$51,729.00	\$51,790.00
Street Equipment Reserve	\$34,412.95	\$34,450.27	\$34,494.55	\$34,532.98	\$34,579.00	\$34,625.00
Fire Reserve	\$539.25	\$500.18	\$500.66	\$500.95	\$502.00	\$328.00
Street Construction & Maintenance	\$41,500.40	\$41,500.40	\$41,560.17	\$46,734.64	\$51,840.00	\$36,408.00
Excise Tax	\$8,267.92	\$12,329.04	\$16,946.84	\$24,072.97	\$30,096.00	\$35,119.00
Building Construction	\$183.62	\$186.72	\$9,186.72	\$15,945.77	\$25,966.00	\$25,986.00
Park Construction & Maintenance	\$53,468.26	\$65,124.12	\$180,902.93	\$42,849.36	\$7,491.00	\$1,836.00
Water Construction & Maintenance	\$40,835.40	\$29,852.23	\$90,628.62	\$158,342.64	\$720,141.00	\$121,689.00
Sewer Construction & Maintenance	\$341,159.11	\$397,633.84	\$459,713.24	\$535,843.22	\$772,222.00	\$751,793.00
Treatment Plant Improvement	\$167,916.43	\$152,140.27	\$140,700.76	\$205,622.34	\$167,369.00	\$137,456.00
Water Equipment	\$215.18	\$586.94	\$586.94	\$586.94	\$587.00	\$587.00
Sewer Equipment	\$215.14	\$223.90	\$223.90	\$223.90	\$224.00	\$224.00
Treatment Plant Capital Expans.	\$147,645.50	\$166,811.46	\$191,148.60	\$192,873.05	\$193,098.00	\$103.322/--
General Equipment	\$0.00	\$0.00	\$15,476.00	\$22,226.85	\$7,729.00	\$7,735.00
Total	\$868,985.54	\$949,706.68	\$1,242,647.84	\$1,351,291.86	\$2,083,482.00	\$1,185,198.00

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 2013-2014, the city will began work on the construction design, engineering and permitting for the construction of two replacement water lines. The project was constructed in 2015. The city obtained a Drinking Water State Revolving Fund loan in the amount of \$559,944 (including loan fee) to fund this project. The city anticipates making the first payment on the loan in 2016.

1995 Sewer Bonds

Year	Principal	Interest	Debt Service
2015	\$20,000	\$600	\$20,600
Total	\$20,000	\$600	\$20,600

Drinking Water State Revolving Fund Loan

Year	Principal	Interest	Debt Service
2015	\$0	\$0	\$0
2016	\$27,997	\$14,276	\$42,273
2017-2035	\$531,947	\$53,194	\$585,141
Total	\$559,944	\$67,470	\$627,414

Combined Debt Service Schedule

Year	Principal	Interest	Debt Service
2015	\$20,000	\$600	\$20,600
2016	\$27,997	\$14,276	\$42,273
2017-2035	\$531,947	\$53,194	\$585,141
Total	\$579,944	\$68,070	\$648,014