

November 12, 2013

2014 Budget Message



It is with pleasure that I present you with the City of Algona's budget for the year 2014. This is no easy task in a time of declining revenues and unstable economic climate. I would like to thank the Department Directors and City staff for their active and direct participation in the development and preparation of this year's budget. Through these continual efforts Algona has consistently been able to provide quality public services to its citizens while maintaining the highest degree of fiscal responsibility.

The total City budget for 2014 is \$9,358,880; inclusive of projected beginning and ending cash balances. We have conservatively estimated revenues, and tried to anticipate the rise in cost of goods as well as services. Health benefits remain the same as 2013. Also highlighted in the 2014 budget are \$335,525 in capital projects and capital outlay purchases. It's been our continuing policy to fund repair, maintenance and capital improvements over multiple years to recognize fiscal responsibility.

The proposed budget for 2014, stated on a comparative basis with 2013 and actual expenditures for 2012 are as follows:

<i>Fund</i>	2012 Actual	2013 Budget	2014 Budget
Current Expense	2,429,846	2,463,743	2,278,925
Drug Fund	0	2,200	2,200
Street Fund	327,505	575,441	406,850
Arterial Street Fund	0	0	0
Grant Fund	19,308	0	170,000
Contingency Fund	0	0	0
Capital Improvement Fund	8,613	0	0
Park Impact Fund	20,000	0	0
Stormwater Mgmt. Fund	194,173	168,980	186,000
Water/Sewer Maint. Fund	1,494,560	1,475,377	1,453,000
Water Capital Improvement	482,840	0	0
Sewer Capital Improvement	9	0	0
Stormwater Capital Imp.	0	0	0
Unemployment Trust Fund	2,975	5,000	5,000
TOTAL	\$4,979,829	\$4,690,741	\$4,501,975

Estimated Revenues for 2014 compared to amount received in 2012 and budgeted estimates for 2013 are as follows:

<i>SOURCE</i>	2012 Actual	2013 Budget	2014 Budget
Beginning Cash/Reserves	8,777,520	6,822,500	6,991,500
Taxes	1,949,716	1,209,500	1,110,500
Licenses & Permits	159,242	99,800	96,800
Intergovernmental	166,789	47,400	62,400
Charges for Services	1,431,805	1,027,300	1,026,400
Fines & Forfeitures	80,323	49,150	47,225
Miscellaneous	82,693	24,890	24,055
TOTAL	\$12,648,088	\$9,280,540	\$9,358,880

Administration continues to concentrate on balancing community service needs with limited revenues as well as take the necessary measures to manage the budget as approved by Council. A conservative and logical approach is used when estimating expenditures to ensure wise use of taxpayer's dollars. The 2014 budget is fiscally prudent and addresses our citizens' needs.

It is important to note that the daily operation of our City depends on many key people, namely our dedicated employees but also that of our City Council and the members of various boards and committees.

Capital Improvements

This year's budget includes \$204,000 targeted for capital improvements. This portion of the budget represents expenditures for purchases of property and/or improvements to the cities facilities and infrastructure.

Street Paving - \$150,000: Paving repair and chip seal needs to be done on many of the City streets. This will come out of the Street Capital Improvement Fund (101).

City Hall Generator - \$54,000: These funds will be used to replace the old outdated generator with a new, dependable one which will meet the requirements for disaster preparedness. This will be paid for out of the General Fund (001).

Capital Outlay

The 2014 budget reflects \$131,525 set aside for capital outlay items. Capital outlay items include purchases of goods or materials to better perform day to day services.

The following items will be purchased from various funds for the year 2014:

Miscellaneous	Council Member iPads	\$7,000
	Online Utility Payment SW	\$30,000
Police Dept.	Stalker Radar Board	\$18,525

Public Works	Fire Hydrants	\$25,000
	Irrigation System Waffle&7th	\$16,000
	Reader Board	\$10,000
	Pole Barn	\$25,000
		<hr/>
TOTAL		\$131,525

The City of Algona employs sixteen full time staff members, and three part time employees within the Administration, Police, and Public Works Departments.

I hope you find this document a useful and informational tool to help you understand and discover more about our community and the challenges we all face. I am confident the operating budget for 2014 reflects our mission to provide outstanding services while addressing transportation, recreational, public safety needs, and other central issues facing our community in these tough economic times.

It has been a pleasure serving as your Mayor these past 12 months, and I am proud of our accomplishments and appreciate the dedication and commitment of our hard working and well-trained City staff. I look forward to serving the citizens of Algona in 2014.

Respectfully submitted,
David E. Hill, Mayor

CITY OF ALGONA, WASHINGTON

ORDINANCE NO. 1082-13

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALGONA, WASHINGTON, ADOPTING THE BUDGET OF THE CITY OF ALGONA FOR THE FISCAL YEAR ENDING DECEMBER 31, 2014 WITH ESTIMATED REVENUES AND APPROPRIATIONS; PROVIDING FOR SEVERABILITY; AND, PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the Mayor of the City of Algona, Washington completed and placed on file with the City Clerk a proposed budget and estimate of the amount of the moneys required to meet the estimated expenses of the City of Algona for the fiscal year ending December 31, 2014, and

WHEREAS, the Council of the City of Algona conducted a public hearing on November 12th, 2013 at 7:00 PM for the purpose of receiving public input on preliminary 2014 revenue sources; and

WHEREAS, the Council of the City of Algona conducted a public hearing on November 26th, 2013 at 7:00 PM for the purpose of receiving public input on the 2014 proposed budget; and

WHEREAS, the proposed budget does not exceed the lawful limit of taxation allowed by law to be levied on the property within the City of Algona during the fiscal year ending December 31st, 2014.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ALGONA DO ORDAIN AS FOLLOWS:

Section 1. The regular property tax levy is hereby authorized to be collected in the 2014 tax year at the estimated amount of \$665,000 which includes the previous year's banked capacity.

Section 2. The budget for the City of Algona, Washington for the year 2014 is hereby adopted at the fund level in its final form and content as set forth in the document entitled City of Algona 2014 Final Budget, attached hereto as Exhibit "A".

Section 3. Estimated resources, including fund balances or working capital for each separate fund of the City of Algona, and aggregate totals (net transactions between funds) for all such funds combined for the year 2014 are set forth in summary form below, and are hereby appropriated for expenditure during the year 2014 as set forth below:

001	Current Expense	\$ 4,131,325
002	Drug	3,500
101	Street	428,150
103	Grant	170,000
105	Contingency	115,125
106	Capital Improvement	1,431,250
110	Park Impact Fee	8,025
401	Stormwater Management	670,300
402	Water/Sewer Maint & Oper	1,853,950
404	Water Capt'l Improvement	50,500
405	Sewer Capt'l Improvement	300,575
406	Stormwater Capt'l Improvement	180,150
621	Unemployment Trust	16,030

TOTAL 2014 BUDGET \$9,358,880

Section 4. 2014 Salary Schedule. The 2014 Salary Schedule for unrepresented employees, attached hereto as Exhibit B, is hereby adopted.

Section 5. The City Clerk is directed to transmit a certified copy of the budget hereby adopted to the division of Municipal Corporations in the Office of the State Auditor and to the Association of Washington Cities.

Section 6. Severability. Should any section, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this Ordinance be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of this Ordinance or its application to other persons or circumstances.

Section 7. Effective Date. This ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force on January 1, 2014.

PASSED BY THE CITY COUNCIL OF THE CITY OF ALGONA AT A REGULAR MEETING THEREOF THIS 10th day of December 2013.



David E. Hill, Mayor

ATTEST:



Diana Quinn, MMC
City Administrator/Clerk Treasurer

APPROVED AS TO FORM:



Kari Sand, City Attorney
KENYON DISBOND, PUC

2014 BUDGET TOTALS

City Of Algona
MCAG #: 0367

Time: 10:55:53 Date: 12/12/2013
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Fund	Revenues	Expenditures	Net
001 Current Expense	4,131,325.00	4,131,325.00	0.00
002 Drug Fund	3,500.00	3,500.00	0.00
101 Street Fund	428,150.00	428,150.00	0.00
102 Arterial Street Fund	0.00	0.00	0.00
103 Grant Fund	170,000.00	170,000.00	0.00
105 Contingency Fund	115,125.00	115,125.00	0.00
106 Capital Improvement Fund	1,431,250.00	1,431,250.00	0.00
110 Park Impact Fund	8,025.00	8,025.00	0.00
203 Lid 1-91 Guarantee Fund	0.00	0.00	0.00
204 Lid 1-91 Fund	0.00	0.00	0.00
401 Stormwater Mgmt Fund	670,300.00	670,300.00	0.00
402 Water/sewer Maintenance Fund	1,853,950.00	1,853,950.00	0.00
404 Water Capt'l Improve Fund	50,500.00	50,500.00	0.00
405 Sewer Capt'l Improve Fund	300,575.00	300,575.00	0.00
406 Stormwater Capt'l Improve Fund	180,150.00	180,150.00	0.00
603 Unapplied Cash	0.00	0.00	0.00
621 Unemployment Trust Fund	16,030.00	16,030.00	0.00
634 Youth Trust Fund	0.00	0.00	0.00
	<u>9,358,880.00</u>	<u>9,358,880.00</u>	<u>0.00</u>

Project	Total Cost	City Cost	Rev. Amt.	Rev. Source	Expenditure Source
Public Works Department					
Pole Barn	\$ 25,000.00	\$ 25,000.00			Water 402 594 34 62 01 \$6,250 Sewer 402 594 35 62 01 \$6,250 Storm 401 594 38 62 01 \$6,250 Streets 101 594 42 62 01 \$6,250
Fire Hydrants	\$ 25,000.00	\$ 25,000.00			Water 402 594 34 63 06
Street Paving	\$ 150,000.00	\$ 150,000.00			Street 101 595 30 63 00
Brush Hog Mower Deck	\$ 3,500.00	\$ 3,500.00			General 001 576 80 64 00
Concrete & Asphalt Saw Cutter	\$ 8,000.00	\$ 8,000.00			Streets 101 594 42 64 01
City Hall Generator	\$ 54,000.00	\$ 54,000.00			General 001 594 25 64 01
Shop Paving	\$ 10,000.00	\$ 10,000.00			Water 402 534 80 49 00 \$2,500 Sewer 402 535 80 49 01 \$2,500 Storm 401 531 38 49 00 \$2,500 Streets 101 542 30 49 00 \$2,500
Administration					
Online Payments	\$ 10,000.00	\$ 10,000.00			General 001 514 23 41 00
Council Member Pads	\$ 7,000.00	\$ 7,000.00			General 001 511 60 30 00
Electronic Check Signage	\$ 2,000.00	\$ 2,000.00			General 001 514 23 41 00
Paper Folder	\$ 3,000.00	\$ 3,000.00			General 001 518 90 49 00
Computer Towers (1)	\$ 1,500.00	\$ 1,500.00			General 001 518 90 49 00
Police Department					
Stalker Radar Message Board	\$ 18,525.00	\$ 18,525.00			General 001 594 21 64 07
Holding Cell Camera	\$ 7,500.00	\$ 7,500.00			General 001 594 21 64 08

Parks

Irrigation Systems Waffle & 7th	\$ 16,000.00	\$ 16,000.00	General 001 594 18 61 01
Reader Board	\$ 10,000.00	\$ 10,000.00	General 001 594 18 63 01
Electrical Upgrade Matchett Park	\$ 12,000.00	\$ 12,000.00	General 001 594 76 63 01
Asphalt Overlay Matchett Park	\$ 10,000.00	\$ 10,000.00	General 001 576 80 48 00

EXHIBIT B

The salary ranges and adjustments for non-represented employees shown below are hereby approved:

	Step A 2 years	Step B 2 years	Step C 2 years	Step D 2 years
Public Works Dir.	6,124	6,430	6,752	7,090
City Admin./Treasurer	7,379	7,748	8,135	8,542

	Step A 6 months	Step B 12 months	Step C 12 months	Step D 12 months	Step E 12 months
Deputy Clerk	3,984	4,183	4,392	4,612	4,843

Mayor	1,500.00 mo.
Council Members	250.00 mo.
PT Police Chief	5,147 mo.
Part Time/Temporary	12.00 – 20.00 Hr.