



CITY OF
ISSAQUAH
WASHINGTON

2014 Final Budget



Cover Photo of Issaquah Hatchery Salmon Mural by
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ISSAQUAH
WASHINGTON

2014 Final Budget



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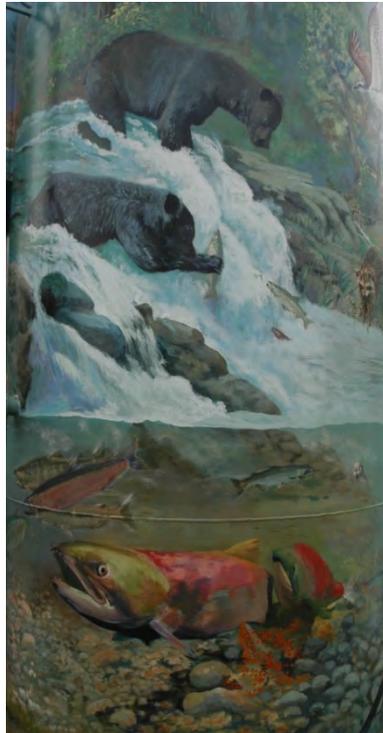
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2014 Budget



Hatchery Mural

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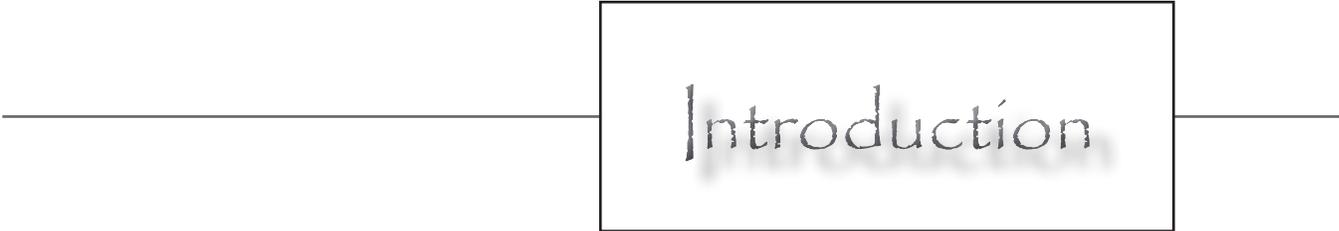
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Introduction

An introduction to the City of Issaquah and its budget

Reader's Guide to the Budget

The City of Issaquah (the City) adopts a balanced budget each year; annual City expenditures must not exceed annual City revenues. Cities draw revenue from a wide variety of sources, divide their expenditures into separate funds, and allocate their program expenditures in ways that serve the special needs of a municipal government. To be prudent, each year a City may decide to place some of its resources into reserves to cover future emergencies or unanticipated opportunities.

Budgets for cities are complex, with much of this complexity allowing for proper accounting and tracking techniques as required by State law and governmental accounting practices.

This guide is designed to make the City's budget more understandable and usable for the reader. The guide lists each major section of this document in the order that it appears and provides a brief description of what will be found in that section. Please refer to the Table of Contents for specific section locations and content details.

Organization of this Document

SECTION 1: INTRODUCTION

The section introduces the City of Issaquah to its reader.

SECTION 2: OVERALL BUDGET SUMMARY

The section presents the Mayor's budget message which articulates City initiatives and issues for the annual budget. Following the budget message are the Summary of Revenue and Expenditures for all City funds.

Also included in the section is staffing level information, a comprehensive description of the priorities and goals set forth by Council including a prior year status update, the City's

budget procedure and calendar, as well as the City's Fiscal Policies.

SECTION 3: GENERAL FUND SUMMARY

The section presents budget information organized by department and division preceded by a detailed summary of overall General Fund expenditures and revenues.

SECTION 4: GENERAL FUND DEPARTMENTS

In this budget section each department presents mission statement, work plan for the year, and expenditure budget. The last subsection, labeled Other General Governmental Services, provides detail information for miscellaneous services that benefit all City departments.

SECTION 5: SPECIAL REVENUE FUNDS

The section presents budget information for Special Revenue funds, which are funds established to account for specific resources that are legally restricted to expenditures for specified purposes.

SECTION 6: DEBT SERVICE FUNDS

The section presents an overview of Issaquah's debt program, including a schedule of the City's overall outstanding debt and financial data related to each of the City's governmental debt service-related funds.

SECTION 7: CAPITAL FUNDS

The section presents a listing of detailed revenues and expenditures of the City's Governmental Capital Projects Funds. Projects include improvements to City facilities, streets and transportation infrastructure, parks and open space and other non-utility (enterprise) construction projects.

SECTION 8: ENTERPRISE FUNDS

The section presents the City's water, sewer and stormwater utilities' functions - including the operating, debt service and capital improvement funds for each utility. A list of the capital projects related to each utility is included along with a detailed project description. Public Works Operations and Public Works Engineering Departments are presented in this section.

SECTION 9: INTERNAL SERVICE FUNDS

The section presents the City's funds which are used to account for the financing of services performed by one division or department for the benefit of other City divisions.

SECTION 10: SUPPLEMENTAL SCHEDULES

The section presents other general and demographic information about the City. Such information includes historical trends in property tax collection, salary schedules for all job classifications, utility rates for the budget year, and a Glossary of Terms.

View of Issaquah "Alps"



Community Profile

Issaquah History

The Issaquah area was first called **Squak**, a Native American name that referred to the calls and squawks of the many water birds which frequented the boggy land, swamps, and creeks of the valley. Several years later, the citizens changed the town's name to Gilman, after Daniel Gilman, who was responsible for bringing the railroad to the area.

Gilman was incorporated in April 1892. In 1899 the City's name became Issaquah.

Issaquah is one of only four cities in King County incorporated before 1900. Mining and lumber were Issaquah's first economic bases. Boeing's first wooden seaplane took off from Lake Sammamish, at the northern edge of Issaquah.



Issaquah Today

The City of Issaquah is a vibrant, growing community nestled in the foothills of the Cascade Mountains. Located along I-90, just 16 miles east of Seattle on the south end of Lake Sammamish, Issaquah offers cultural and educational opportunities typically available in larger urban areas.

Named one of the "Best Towns" nationwide by Outside Magazine (October 2011), Issaquah is a great destination for residents and visitors alike.

Cougar, Tiger and Squak mountains form the natural wonders at the base of the Cascades - what many refer to as the "**Issaquah Alps**" - providing



boundless opportunities to enjoy outdoor sports and activities. The many trails in the Issaquah foothills have earned Issaquah the title of “*Trailhead City.*”

Issaquah features a Saturday farmers market, live theatre performances and a seasonal ArtWalk, plus every October, more than 150,000 people visit Issaquah for the annual Salmon Days festival. Operating trolleys, the salmon hatchery and Cougar Mountain Zoological Park are just a few more of the attractions that



make Issaquah a must see for visitors.

Issaquah Leadership

Issaquah is a full-service City with an exceptional

workforce of approximately 250 employees, a stable political environment, and a mission on



behalf of its citizens to make “*Issaquah - a special place where people care.*”

Issaquah operates under the Mayor-Council form of government. The seven-member City Council establishes citywide policy and provides leadership for the community. The elected Mayor is responsible for the day-to-day administration of City business, implementation of Council policies, and establishment of operating policies and processes, utilizing an Executive Team consisting of a City Administrator, Deputy City Administrator and eight Department Directors.

Issaquah at a Glance...

Population ^a	32,130
34th Largest Washington City	
Land Area	10.85 Square Miles
Miles of Paved Streets (2010)	90
Elevation	130 feet
Annual Precipitation ^b	57 inches
Warmest Month on Average ^b	July
Coollest Month on Average ^b	December
# of Water Utility Customers	6,798
# of Sewer Utility Customers	6,231
# of Stormwater Utility Customers.....	7,979
School Enrollment (2013-2014) ^c	18,832

Total Jobs (2012) ^d	20,761
# of Active Business Licenses (2013)	4,894
Largest Employers	Costco, Microsoft, City of Issaquah, King Co. Library System

Demographics (2010 Census):

19 and under	25%
20 - 64.....	62%
65 and over	13%
Median Household Income.....	\$66,147
Median House Value	\$468,300
Average Household Size	2.34

^a Washington State Office of Financial Management
^b The Weather Channel, weather.com

^c Washington State Office of the Superintendent of Public Instruction, Pre-Kindergarten - 12th Grade
^d Puget Sound Regional Council

Elected Officials



Fred Butler, Mayor



**Mary Lou Pauly,
Position #1**



**Nina Milligan
Position #2**



**Eileen Barber,
Position #3**



**Joshua Schaer,
Position #4**



**Stacy Goodman,
Deputy President
Position #5**



**Paul Winterstein,
Council President
Position #6**



**Tola Marts,
Position #7**

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Executive Staff

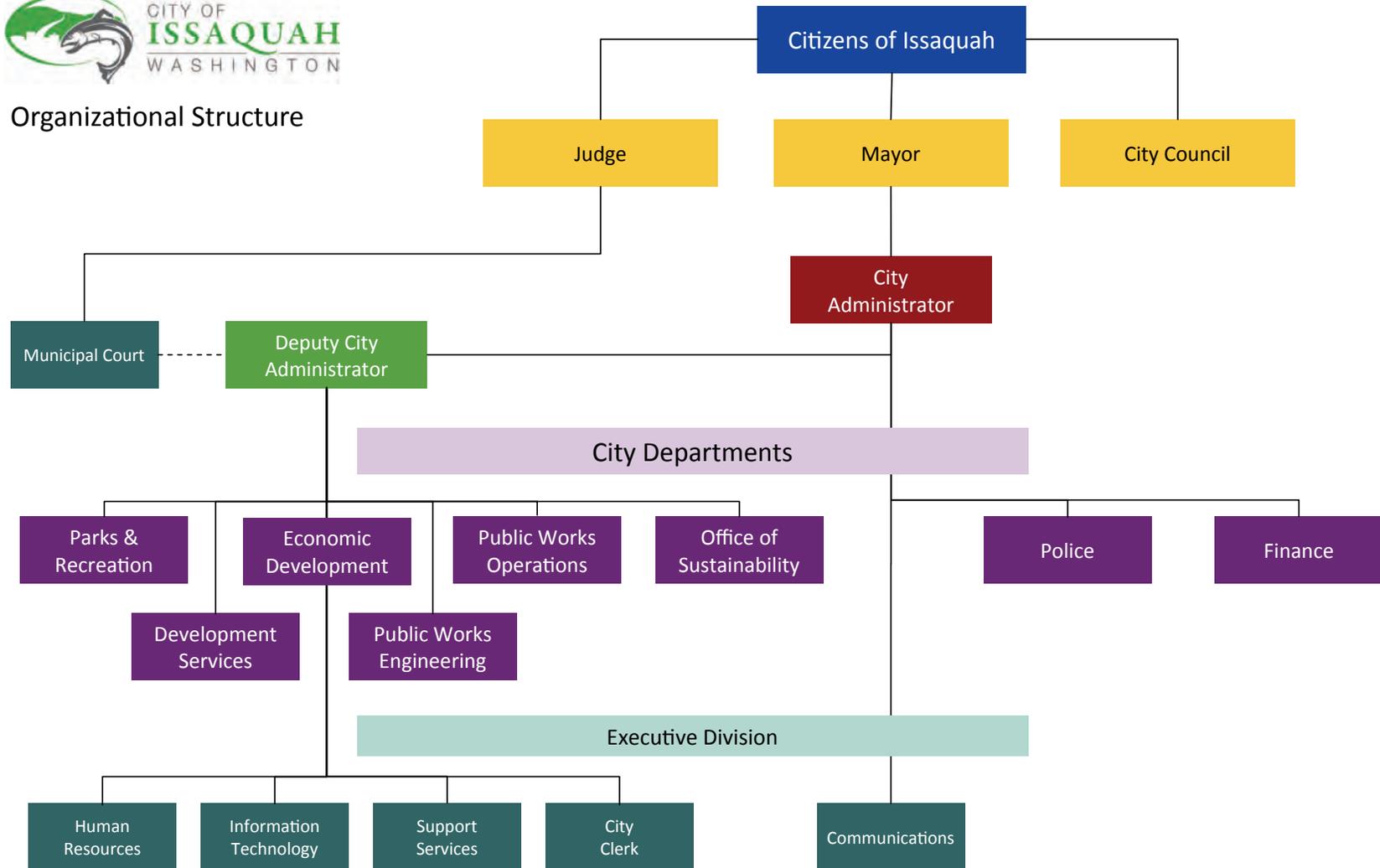
City Administrator	Robert Harrison
Deputy City Administrator	<i>Vacant</i>
Chief of Police	Scott Behrbaum
Development Services Director	Charlie Bush
Economic Development Director	Keith Niven
Finance Director	Diane Marcotte
Office of Sustainability Director	David Fujimoto
Parks & Recreation Director	Anne McGill
Public Works Engineering Director	Sheldon Lynne
Public Works Operations Director	Bret Heath

Judicial Staff

Municipal Court Administrator	Lynne Campeau
Municipal Court Judge	Norman Stewart



Organizational Structure



City of Issaquah Committees, Boards & Commissions

The City of Issaquah encourages citizens to volunteer on a city board or commission. Expired terms and vacancies are advertised in the Issaquah Press and on the City's website every January. Terms begin on May 1st of each year.

Current board and commission members serving in positions with terms expiring must submit an application to request reappointment. Appointments are made by the Mayor and confirmed by City Council. Occasionally, the City has position openings for boards, commissions, or ad hoc committees during the year. Openings are advertised in the Issaquah Press and on the City's website.

~ Committees ~

- ☞ Committee of the Whole Council (COW)
- ☞ Council Services & Safety Committee (SSC)
- ☞ Council Land and Shore Committee (LSC)
- ☞ Council Infrastructure Committee (CIC)

~ Boards ~

- ☞ Cemetery Board
- ☞ River and Streams Board
- ☞ Library Board
- ☞ Youth Advisory Board
- ☞ Park Board
- ☞ Lodging Tax Advisory Committee

~ Commissions ~

- ☞ Arts Commission
- ☞ Hearing Examiner
- ☞ Cable TV Commission
- ☞ Human Services Commission
- ☞ Civil Service Commission
- ☞ Planning Policy Commission
- ☞ Development Commission
- ☞ Sister Cities Commission
- ☞ Economic Vitality Commission
- ☞ Urban Village Development Commission

City Services Directory

The City has facilities located throughout Issaquah. We have included a list of the various operations and where they are located for convenience of the reader.

**CITY HALL/POLICE FACILITY, 130 E. SUNSET WAY,
ISSAQUAH, WA 98027**

Executive Department 425-837-3020
City Administrator
Mayor

City Clerk/General Services 425-837-3000
City Council
General Information
Passport

Finance Department 425-837-3050
Business & Occupation Taxes
Utility Licensing & Taxes
Utility Billing 425-837-3070

Police 425-837-3200
Jail 425-837-3268
Records 425-837-3780

**COMMUNITY CENTER, 301 NORTH RAINIER BLVD.,
ISSAQUAH, WA 98027**

Parks & Recreation Department 425-837-3301
Administration
Recreation

**JULIUS BOEHM POOL, 50 SE CLARK ST.,
ISSAQUAH, WA 98027**

Parks & Recreation - Aquatics 837-3350



**CITY HALL SOUTH, 135 E. SUNSET WAY,
ISSAQUAH, WA 98027**

- Municipal Court 425-837-3170**
 Probation Office
- City Council Chambers 425-837-3000**



**CITY HALL NORTHWEST, 1775 12TH AVE. NW,
ISSAQUAH, WA 98027**

- Human Resources 837-3040**
- Deputy City Administrator 837-3020**
- Development Services 837-3100**
 Permit Center
- Economic Development 837-3450**
- Public Works Engineering 837-3400**



CITY SHOP, 670 1ST AVE. NE, ISSAQUAH, WA 98027

- Public Works Operations 837-3470**
 - Water Utility Maintenance & Operations
 - Sewer Utility Maintenance & Operations
 - Stormwater Utility Maintenance & Operations
 - Streets Maintenance
 - Fleet Operations



**FIRE STATION/EASTSIDE FIRE & RESCUE,
190 E SUNSET WAY, ISSAQUAH, WA 98027**

- Fire Administration 425-313-3200**





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Overall Budget Summary

Summary of expenditures and revenues for all funds as well as Council goals,
budget process, financial policies and transmittal letter



March 31, 2014

Dear City Councilmember and Citizens of Issaquah,

I am pleased to present the final adopted 2014 budget as the City of Issaquah's Mayor. This budget reflects our vision and priorities of our community, and continues to build upon our successes. It reflects the challenging economic times by focusing on essential services and demonstrates our commitment to effectively allocate our revenues and expenditures to provide the best possible customer service to the community.

The budget is critical to both the short and long-term success of all City operations. It establishes a framework for the financial expenditures, staffing and allocation of other resources.

This document continues to build on the City's organizational mission, financial plan and strategic priorities. Just as we did in the past years, we continue to seek ways to improve services at a lower cost through efficiency measures, partnerships and service evaluation.

The budget includes the City's General Fund, which supports basic government services, such as police, planning, economic

development, parks and recreation, support services and municipal court. It also includes more than 30 additional funds for special revenues, debt service, capital projects, enterprise, internal service and trust funds.

The City's total appropriation budget is \$138,124,649, with the General Fund representing \$43,830,281 of the total — nearly 32 percent of the total budget. The 2014 General Fund budgeted expenditures are less than one percent greater than the 2013 budget. The small increase is a result of reducing costs while effectively dealing with the normal cost of doing business.

2014 General Fund Budget less than 1% greater than the 2013 Budget.

While projects, initiatives and budget numbers have changed over the years, one thing hasn't: Our commitment to sustainability. From the day-to-day expenses, to larger onetime initiatives, this budget forms the building blocks to creating a sustainable community with a strong economic base, a continued respect for the

environment and a coveted quality of life for our citizens.

Over the past few years the City has taken steps to identify the three elements of sustainability – our people, planet and economic prosperity. This budget supports these important elements.

Economic Development

The City of Issaquah is working hard to strengthen Issaquah’s future by enhancing our community’s reputation as a place where people want to live, conduct business and have fun.

We have been celebrating new businesses opening in Issaquah. Grand Ridge Plaza, the new retail core in the Issaquah Highlands, is bustling with activity.

Meanwhile, our new, fully-funded Economic

Development Department is diligently working to strengthen Issaquah’s economy and create more local jobs.

We’re supporting the City Council’s goals of developing a tourism business plan in partnership with the Greater Issaquah Chamber of Commerce, as well as creating a professional marketing packet in collaboration with the Economic Vitality Commission.



© New Era Photography

Our Economic Development team is working closely with Costco on a development agreement that will mutually benefit both parties. We also recently completed a development agreement that will enable Swedish Medical Center to expand its medical offices and, as a result, its health care services to our community.

And, right next door, we will be working on another agreement that holds exciting opportunities for our community, including more housing, retail and, possibly, a campus that will bring living-wage jobs to our City.

On the valley floor, our team is focused on

implementing the first steps of the Central Issaquah Plan, which will guide the long-term evolution of our commercial core into a more sustainable urban area that will meet our community’s

needs for environmental protection, jobs, housing and transportation.

In addition, \$50,000 has been included to update Traffic Concurrency.

Environment

Our commitment to the environment is paramount to Issaquah.

Crews recently completed one of the largest – and most significant – habitat restoration projects in our region, which removed an aging dam that blocked salmon from reaching the majority of Issaquah Creek’s watershed.

It is also my pleasure to share that in November 2013, Issaquah voters approved a \$10 million park bond measure that will provide additional funding to protect open space and wildlife habitat, improve neighborhood parks and make repairs to Julius Boehm Pool.

The budget contains an additional \$350,000 to help fund several other habitat restoration projects throughout the City, such as removing invasive plants, reintroducing native vegetation and mending flood-damaged areas.

Quality of Life

Issaquah has not been immune to these challenging economic times, which is

The City has approved \$288,000 in funding for Human Services

increasingly clear among the nonprofit agencies that fulfill our community’s human service needs. It is important that the City partner with these agencies to cost-effectively deliver services. From the long lines at the Issaquah Food and Clothing Bank, to the attendance at our regional

winter shelters, the need is clear.

For 2014, the City of Issaquah has increased its funding from \$8.50 to \$9 per capita for its human service agencies, which includes everything from Issaquah Food and Clothing Bank to senior services. In total, that’s \$288,000. Our community members rely on this funding for essential services from childcare resources to crisis phone lines.

We strive to be a healthy community where every person is considered essential, and where meeting basic human needs is considered a shared responsibility. This extra funding will help us reach that vision.

Additionally, funding has been provided for a Human and Social Sustainability Manager beginning in July 2014. The City was able to fund this position by reclassifying an existing position in the Mayor’s Office.

We are also focused on developing a human service campus, which will become a one-stop shop for people in our community to receive support from a variety of human services agencies.

The budget also includes \$50,000 in funding for the ARCH (A Regional Coalition for Housing) trust fund to help preserve and increase the supply of housing for low- and moderate-income households in the region. Issaquah has greatly benefitted from the trust fund in the past, and will continue to do so in the future.

As we continue to grow, it is essential that we offer a variety of housing options in Issaquah to ensure everyone can live, work and play in one community.

Efficiencies

One of the City Council Goals for 2014 is to become a 5 Star City. Toward that goal, we will continue to evaluate the way we do business.

Our employees continue training on how we can provide the best customer service possible in the most efficient manner. Employees continue to be trained on High Performance Organization philosophy and LEAN training that results in more value for customers with fewer resources.

Investment in new technologies can help enhance our productivity, performance and internal communications. We plan to upgrade our financial accounting system over the next two years to an Enterprise Resource Planning (ERP) system that is estimated to cost \$600,000. This will boost our productivity and enhance communications between departments because we will have more integrated applications.

Like other employers, the City of Issaquah is confronting increases in employee costs. In 2013, in an effort to reduce future increases, the City Council approved the innovative program of self-funding medical plans for our employees.

We will be increasing our emphasis this year on employee wellness as well as increasing our education programs on healthcare. Our goal is to slow the growing costs of healthcare, while still offering more options for our employees.

Budget Snapshot

General Fund

- ☞ The budget includes the legally authorized increase in property taxes of 1 percent. This is a little over 1 cent increase per \$1,000 of assessed valuation.
- ☞ One of our commitments is to increase the number of authorized police officers by two. We added one in 2013 and this budget provides for one additional police officer.

Estimated ending fund balance for all funds is \$41,718,847. The Mitigation Fund will see the largest increase in fund balance of \$8,053,365. Overall, the General Fund continues to be balanced for 2014 with adequate reserves. The General Fund will end 2014 with an estimated fund balance of \$7,976,366.

Meanwhile, the 2014 budget maintains



existing utility rates.

A large portion of capital expenditures are prior commitments, including debt payments of \$2.3 million for councilmanic bonds, which were used to construct a variety of public facilities.

Major capital projects plan for the year include:

- ☞ Flashing Yellow Light (\$75,000)
- ☞ Rainier Boulevard Improvements (\$1,362,110)
- ☞ Complete Streets Program (\$620,000)
- ☞ Annual Street Overlay Program (\$390,000)
- ☞ Annual Sewer Main Rehab Program (\$350,000)
- ☞ Confluence Park Stream Habitat Improvements (\$1,327,500)
- ☞ Mt. Park Pump Station Upgrade (\$1,265,000)
- ☞ Upgrade Reservoir Overflow Discharges (\$100,000)

City Council Deliberations

Each year the City Council holds a series of workshops to consider the Mayor's proposed budget. For the 2014 proposed budget, the City Council held four workshops that were, for the first time, televised to the general public. Televising the workshops was one of the 2013 City Council goals. At the conclusion of the workshops, the City Council supported continuing to

televising the workshops and had a number of adjustments to the proposed budget. They included:

General Fund

- ✓ Increased revenue by 537,000 from sales tax and fees related to site work and land use.
- ✓ Increase fund to the Historical Society for a feasibility study by \$25,000.
- ✓ Decreased operating costs by \$315,025.

Street Fund

- ✓ Reduced appropriations by \$25,225.

LID Guaranty Fund

- ✓ Eliminate a \$400,000 transfer to the General Fund.

Capital Improvement Fund

- ✓ Decrease revenue and expenditures for two studies of \$104,000, improvement to Tibbetts Creek Manor and funding for the Issaquah Highlands storage facility.

Mitigation Fund

- ✓ Decrease funding for fire related improvements of \$750,000 and \$55,000 for a campus feasibility study.

Shop Construction Fund

- ✓ Decreases funding by \$160,000 for the Issaquah Highlands storage facility.

Storm Operating Fund

- ✓ Provided funding for additional program of \$25,000.

Outlook for 2014 and Beyond

The outlook shows a regional economy that should continue to experience growth throughout the year but at a relatively slow rate. However, short-term interest rates are also expected to remain at historically low levels.

It is anticipated the retail sales and construction will reflect the increase in growth and sales tax has been budgeted to increase 5 percent.

Beyond next year we will continue to monitor the impacts of the Affordable Health Care Act, as well as increases in contribution rates to the State retirement system.

Conclusion

Our city is in a strong position, thanks to strong leadership and careful planning. As our new mayor, I'm committed to setting the stage for another several decades of success.

In 2014, we will focus on always providing exceptional customer service, strengthening our wonderful community partnerships, maintaining our focus on sustainability and planning for what's next. This final 2014 budget maintains our momentum and ensures that the City provides essential services that continuously improve the quality of life in Issaquah.

Our vision of a sustainable Issaquah – complete with a thriving natural environment, strong economic base and excellent quality of life for our citizens – is something we will continuously strive for, year after year, decade after decade.

Respectfully submitted,



Fred Butler, Mayor

Budget Ordinance

ORDINANCE NO. 2698

AN ORDINANCE OF THE CITY OF ISSAQUAH, WASHINGTON, ADOPTING THE FINAL BUDGET OF THE CITY FOR THE FISCAL YEAR COMMENCING JANUARY 1, 2014.

WHEREAS, on or before the first business day in the third month prior to the beginning of the fiscal year of 2014 the Finance Director submitted to the Mayor the estimates of revenues and expenditures for the next fiscal year as required by law; and

WHEREAS, the Mayor reviewed the estimates and made such revisions and/or additions as deemed advisable and prior to sixty days before January 1, 2014, filed the said revised preliminary budget with the City Clerk together with her budget message to meet the reasonable demands of taxpayers therefore and published and posted notice of filing and the availability of said preliminary Budget together with the date of a public hearing for the purpose of fixing a final budget, all as required by law; and

WHEREAS, the City Council held a series of three workshops in October 2013 and one in November 2013, to review the proposed budget; and

WHEREAS, the City Council determined that funding of \$400,000 from the LID Guaranty Fund to the should be eliminated and instead revenues associated with development services should be increased by \$400,000 in the General Fund; and

WHEREAS, the City Council determined that funding from sales tax of \$137,000 should be appropriated in the General Fund instead of the Capital Improvement Fund; and

WHEREAS, the City Council determined that funding of \$289,800 for planned expenditures and \$25,225 transferred to the Street Fund should be eliminated from the General Fund; and

WHEREAS, the City Council provided funding in the General Fund for the Issaquah Historical Society of \$25,000 for a feasibility study; and

WHEREAS, the City Council has reduced funding for various programs and increased estimated revenues in the General Fund in order to maintain a strong ending fund balance which is estimated to increase by \$427,025; and

WHEREAS, the City Council reduced the appropriations in the Street Fund of \$25,225; and

WHEREAS, the Lodging Tax Advisory Committee recommended increasing funding from \$90,000 to \$104,000 for awards; and

WHEREAS, the City Council reduced proposed revenues of \$55,000 from the Mitigation Fund and \$137,000 from sales tax in the Capital Improvement Fund as well as appropriations of \$252,000 resulting in an estimated increase in ending fund balance of \$60,000; and

WHEREAS, the City Council reduced the funding in the Mitigation Fund for the campus feasibility study of \$55,000 and fire related improvements of \$750,000; and

WHEREAS, the City Council reduced funding in the Shop Construction Fund for the Highland storage facility of \$160,000; and

WHEREAS, the City Council increased funding in the Storm Operations Fund of \$25,000 for street sweeping related in the fall and winter conditions; and

WHEREAS, the City Council scheduled hearings on the preliminary budget for the purpose of providing information regarding estimates and programs; and

WHEREAS, the City Council did meet on November 18, 2013, which was on or before the first Monday of the month preceding the beginning of the ensuing fiscal year, for the purpose of fixing a final budget at which hearing all taxpayers were heard who appeared for or against any part of said budget; and

WHEREAS, following the conclusion of said hearing the City Council made such adoptions and changes as it deemed necessary and proper; NOW, THEREFORE,

**THE CITY COUNCIL OF THE CITY OF ISSAQUAH, WASHINGTON, DO
ORDAIN AS FOLLOWS:**

Section 1. The final budget with the City Council adjustments; including the 2014 salary ranges, for the fiscal year 2014, and which by this reference is hereby incorporated herein as if set forth in full, is hereby adopted in full.

Section 2. Attached hereto and identified as Exhibit A, in summary form, are the totals of estimated resources and appropriations for each separate fund and the aggregate totals for all such funds combined.

Section 3. A complete copy of the final budget for 2014, as adopted, together with a copy of this adopting ordinance shall be transmitted by the Finance Director to the Division of Municipal corporations of the Office of the State Auditor and to the Association of Washington Cities.

Section 4. The effective date of the 2014 Budget shall be January 1, 2014.

Section 5. This Ordinance or a summary thereof consisting of the title shall be published in the official newspaper of the City, and shall take effect and be in full force five (5) days after publication.

Passed by the City Council of the City of Issaquah the 18th day of November, 2013.

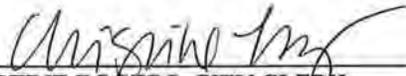
Approved by the Mayor of the City of Issaquah the 18th day of November, 2013.

APPROVED:



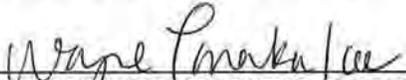
AVA FRISINGER, MAYOR

ATTEST/AUTHENTICATED:



CHRISTINE EGGERS, CITY CLERK

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:



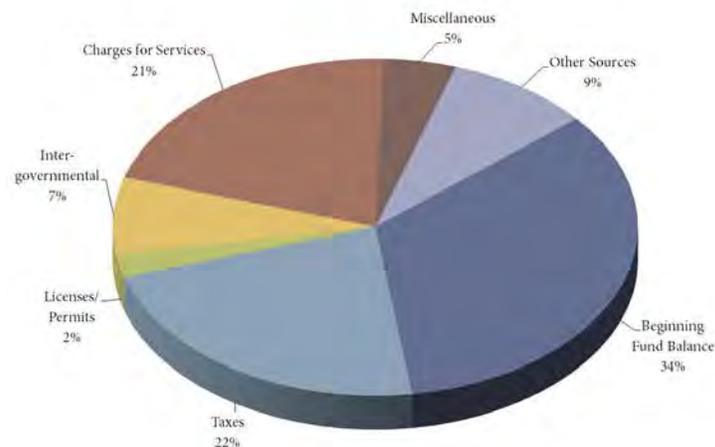
CITY ATTORNEY, WAYNE D. TANAKA

PUBLISHED: 11/27/2013
EFFECTIVE DATE: 12/2/2013
ORDINANCE NO. 2698 / AB 6702

Summary of Expenditures and Revenues by Fund

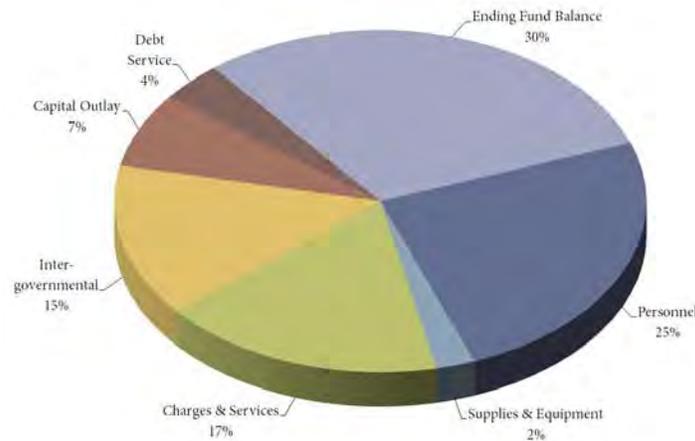
	<i>Fund Name</i>	<i>Beginning Fund</i>			<i>Ending Fund</i>
		<i>Balance</i>	<i>Revenues</i>	<i>Expenditures</i>	<i>Balance</i>
	General	\$ 7,972,281	\$ 35,858,000	\$ 35,853,915	\$ 7,976,366
Special Revenue Funds	Street	1,016,708	3,141,775	3,694,705	463,778
	Cemetery	431,115	74,800	78,100	427,815
	Municipal Art	160,000	169,000	184,551	144,449
	Community Sustainability	106,000	878,200	941,150	43,050
	Communications	450,000	480,200	510,320	419,880
	Lodging Tax	91,533	100,000	104,000	87,533
Debt Service	Voted G.O. Debt	770,000	1,488,000	1,465,880	792,120
	Non-Voted G.O. Debt	14,048	2,300,000	2,298,800	15,248
	LID Debt Service	27,599	207,711	191,700	43,610
	LID Guaranty	676,282	1,500	-	677,782
	Arbitrage Rebate	62,613	-	-	62,613
Capital Projects	Capital Improvement	858,969	4,296,140	4,537,180	617,929
	Mitigation	11,575,090	330,000	829,140	11,075,950
	City Shop Construction	750,596	40,000	95,000	695,596
	Newport Way Improvement	145,814	-	-	145,814
	Street Improvement	1,605,760	11,503,755	12,450,505	659,010
	ITS Traffic Signal System	343,284	-	75,000	268,284
	Fire Station #72 Construction	104,474	-	-	104,474
	Park Improvement/Acquisition	285,034	83,000	-	368,034
Enterprise Funds	Water	1,911,163	6,108,500	6,751,726	1,267,937
	Water Revenue Bond	834,412	551,000	638,850	746,562
	Water Capital Projects	4,524,988	1,305,000	2,587,660	3,242,328
	Sewer	1,265,727	7,634,000	7,535,990	1,363,737
	Sewer Capital Projects	837,290	543,200	656,050	724,440
	Stormwater	1,267,527	4,470,500	3,852,250	1,885,777
	Stormwater Capital Projects	1,117,012	2,202,740	3,050,040	269,712
Internal Service Funds	Unemployment Insurance	83,083	65,000	70,000	78,083
	Insurance	870,070	703,405	776,860	796,615
	Medical - Self Insurance	183,150	4,038,550	3,972,430	249,270
	Equipment Replacement	6,395,230	2,784,946	3,203,500	5,976,676
	Ruth Kees Award	28,855	20	500	28,375
Total Budget		\$ 46,765,707	\$91,358,942	\$96,405,802	\$41,718,847

2014 Revenue by Source - All City Funds



<i>Fund Name</i>	<i>Beginning Fund Balance</i>	<i>Taxes</i>	<i>Licenses/ Permits</i>	<i>Inter-govern'tl</i>	<i>Charges for Services</i>	<i>Miscellaneous</i>	<i>Other Sources</i>	<i>Total</i>
General	\$ 7,972,281	\$ 23,695,900	\$ 2,608,900	\$ 960,200	\$ 6,671,800	\$ 1,624,200	\$ 297,000	\$ 43,830,281
Street	1,016,708	561,000	35,000	690,000	59,000	2,000	1,794,775	4,158,483
Cemetery	431,115	-	-	-	74,800	-	-	505,915
Municipal Art	160,000	160,000	-	8,000	-	1,000	-	329,000
Community Sustainability	106,000	-	-	148,200	384,000	15,000	331,000	984,200
Communications	450,000	-	480,000	-	-	200	-	930,200
Lodging Tax	91,533	100,000	-	-	-	-	-	191,533
Voted G.O. Debt	770,000	1,448,000	-	40,000	-	-	-	2,258,000
Non-Voted G.O. Debt	14,048	-	-	-	-	-	2,300,000	2,314,048
LID Debt Service	27,599	-	-	-	-	207,711	-	235,310
LID Guaranty	676,282	-	-	-	-	1,500	-	677,782
Arbitrage Rebate	62,613	-	-	-	-	-	-	62,613
Capital Improvement	858,969	3,813,000	-	213,000	-	120,140	150,000	5,155,109
Mitigation	11,575,090	-	-	-	325,000	5,000	-	11,905,090
City Shop Construction	750,596	-	-	-	-	-	40,000	790,596
Newport Way Improvement	145,814	-	-	-	-	-	-	145,814
Street Improvement	1,605,760	1,200,000	-	6,427,350	-	-	3,876,405	13,109,515
ITS Traffic Signal System	343,284	-	-	-	-	-	-	343,284
Fire Station #72 Construction	104,474	-	-	-	-	-	-	104,474
Park Improvement/Acquisiti	285,034	-	-	83,000	-	-	-	368,034
Water	1,911,163	-	1,500	-	6,031,000	76,000	-	8,019,663
Water Revenue Bond	834,412	-	-	-	-	1,000	550,000	1,385,412
Water Capital Projects	4,524,988	-	-	-	-	5,000	1,300,000	5,829,988
Sewer	1,265,727	-	-	-	7,631,000	3,000	-	8,899,727
Sewer Capital Projects	837,290	-	-	-	-	93,200	450,000	1,380,490
Stormwater	1,267,527	-	-	-	4,465,000	5,500	-	5,738,027
Stormwater Capital Projects	1,117,012	-	-	1,542,740	-	-	660,000	3,319,752
Unemployment Insurance	83,083	-	-	-	-	-	65,000	148,083
Insurance	870,070	-	-	-	702,605	800	-	1,573,475
Medical - Self Insurance	183,150	-	-	-	-	3,944,050	94,500	4,221,700
Equipment Replacement	6,395,230	-	-	-	2,334,446	38,000	412,500	9,180,176
Ruth Kees Award	28,855	-	-	-	-	20	-	28,875
Total Revenue - All Funds	\$ 46,765,707	\$ 30,977,900	\$ 3,125,400	\$ 10,112,490	\$ 28,678,651	\$ 6,143,321	\$ 12,321,180	\$ 138,124,649

2014 Expenditures by Type - All City Funds



<i>Fund Name</i>	<i>Personnel</i>	<i>Supplies & Equipment</i>	<i>Charges & Services</i>	<i>Inter-govern'tl</i>	<i>Capital Outlay</i>	<i>Debt Service</i>	<i>Ending Fund Balance</i>	<i>Total</i>
General	\$ 21,675,000	\$ 1,014,510	\$ 5,665,660	\$ 7,498,745	\$ -	\$ -	\$ 7,976,366	\$ 43,830,281
Street	2,190,965	219,200	1,008,540	276,000	-	-	463,778	4,158,483
Cemetery	18,400	2,000	31,700	26,000	-	-	427,815	505,915
Municipal Art	32,450	200	136,901	-	15,000	-	144,449	329,000
Community Sustainability	690,950	9,700	186,500	54,000	-	-	43,050	984,200
Communications	165,160	7,500	35,660	272,000	30,000	-	419,880	930,200
Lodging Tax	-	4,000	100,000	-	-	-	87,533	191,533
Voted G.O. Debt	-	-	-	-	-	1,465,880	792,120	2,258,000
Non-Voted G.O. Debt	-	-	-	-	-	2,298,800	15,248	2,314,048
LID Debt Service	-	-	-	-	-	191,700	43,610	235,310
LID Guaranty	-	-	-	-	-	-	677,782	677,782
Arbitrage Rebate	-	-	-	-	-	-	62,613	62,613
Capital Improvement	48,650	10,000	1,749,000	2,300,000	429,530	-	617,929	5,155,109
Mitigation	-	-	-	729,640	99,500	-	11,075,950	11,905,090
City Shop Construction	-	-	-	-	95,000	-	695,596	790,596
Newport Way Improvement	-	-	-	-	-	-	145,814	145,814
Street Improvement	204,950	-	9,653,295	350,000	2,021,310	220,950	659,010	13,109,515
ITS Traffic Signal System	-	-	-	-	75,000	-	268,284	343,284
Fire Station #72 Construction	-	-	-	-	-	-	104,474	104,474
Park Improvement/Acquisition	-	-	-	-	-	-	368,034	368,034
Water	1,902,540	1,323,775	1,827,211	1,698,200	-	-	1,267,937	8,019,663
Water Revenue Bond	-	-	-	-	-	638,850	746,562	1,385,412
Water Capital Projects	109,680	-	1,480	12,000	2,464,500	-	3,242,328	5,829,988
Sewer	693,770	50,680	725,940	6,065,600	-	-	1,363,737	8,899,727
Sewer Capital Projects	54,630	-	137,420	-	464,000	-	724,440	1,380,490
Stormwater	1,674,260	106,500	1,218,290	523,200	-	330,000	1,885,777	5,738,027
Stormwater Capital Projects	125,490	-	351,580	-	2,508,070	64,900	269,712	3,319,752
Unemployment Insurance	70,000	-	-	-	-	-	78,083	148,083
Insurance	72,250	-	704,610	-	-	-	796,615	1,573,475
Medical - Self Insurance	3,972,430	-	-	-	-	-	249,270	4,221,700
Equipment Replacement	573,830	518,750	115,920	372,000	1,623,000	-	5,976,676	9,180,176
Ruth Kees Award	-	-	500	-	-	-	28,375	28,875
Total Expenditures - All Funds	\$ 34,275,405	\$ 3,266,815	\$ 23,650,207	\$ 20,177,385	\$ 9,824,910	\$ 5,211,080	\$ 41,718,847	\$ 138,124,649

Staffing Levels



2014 Total Authorized Positions = 259.275

<i>2009 - 2014 Staffing Levels</i>	2009	2010	2011	2012	2013	2014
Executive Department						
Executive Office						
Mayor	1.00	1.00	1.00	1.00	1.00	1.00
City Administrator	1.00	1.00	1.00	1.00	1.00	1.00
Deputy City Administrator	1.00	1.00	1.00	1.00	1.00	1.00
Special Projects & Policy Director	-	-	-	1.00	1.00	-
Economic Development Manager	1.00	1.00	1.00	-	-	-
Communications Manager	1.00	1.00	1.00	1.00	-	-
Executive Assistant	1.00	-	-	1.00	1.00	1.00
Total Executive Office	6.00	5.00	5.00	6.00	5.00	4.00
City Clerk's Office						
City Clerk	1.00	1.00	1.00	1.00	1.00	1.00
Deputy City Clerk	1.00	1.00	1.00	1.00	1.00	-
Administrative Assistant IV	2.50	0.50	0.50	1.00	1.00	1.00
Total City Clerk's Office	4.50	2.50	2.50	3.00	3.00	2.00
Communications Office						
Communications Manager	-	-	-	-	1.00	1.00
Communications Coordinator	-	-	-	-	1.00	1.00
TV/Media Production Specialist	-	-	-	-	1.00	1.00
Development Officer	-	-	-	-	0.75	0.75
Cable TV Non-Regular	-	-	-	-	0.25	0.25
Total Communications Office	-	-	-	-	4.00	4.00
Executive Department FTE Total	10.50	7.50	7.50	9.00	12.00	10.00
Development Services						
Director of Development Services	-	-	-	1.00	1.00	1.00
Deputy Development Services Director	-	-	-	1.00	1.00	1.00
Planning Division						
Director of Planning	1.00	1.00	1.00	-	-	-
Planning Division Manager	2.00	2.00	2.00	-	-	-
Land Development Manager	-	-	-	1.00	1.00	1.00
Project Manager	-	-	-	1.00	1.00	1.00
Policy Planning Manager	-	-	-	1.00	1.00	1.00
Senior Planner	8.00	6.25	6.25	2.625	2.625	3.625
Associate Planner	1.00	0.75	0.75	3.00	3.00	3.00
Administrative Assistant	2.00	1.00	1.00	-	-	-
Total Planning Division	14.00	11.00	11.00	10.625	10.625	11.625

<i>2009 - 2014 Staffing Levels</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>
Permits/Inspection Division						
Building Director	1.00	1.00	1.00	-	-	-
Building Official	-	-	-	1.00	1.00	1.00
Senior Engineer	1.00	1.00	1.00	2.00	2.00	2.00
Plans Examiner	3.00	2.00	2.00	1.00	1.00	1.00
Code Compliance Officer	1.00	1.00	1.00	1.00	1.00	1.00
Supervising Building Inspector	-	-	-	1.00	1.00	1.00
City Inspector	4.00	3.00	3.00	3.00	3.00	5.00
Permit Supervisor	1.00	1.00	1.00	-	-	-
Permit & Licensing Database Administrator	-	-	-	1.00	1.00	1.00
Permit Technician	3.00	3.00	3.00	3.00	3.00	3.00
Administrative Assistant	2.00	-	-	-	-	-
Total Permits/Inspection Division	16.00	12.00	12.00	13.00	13.00	15.00
Development Services Department FTE Total	30.00	23.00	23.00	25.625	25.625	28.625
Economic Development						
Economic Development Director	-	-	-	1.00	1.00	1.00
Economic Development Manager	-	-	-	2.00	2.00	2.00
Economic Development Specialist	-	-	-	1.00	1.00	1.00
Economic Development Total	-	-	-	4.00	4.00	4.00
Finance						
Finance Director	1.00	1.00	1.00	1.00	1.00	1.00
Deputy Finance Director	1.00	1.00	1.00	1.00	1.00	1.00
Financial Services Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Senior Accountant	-	-	-	1.00	1.00	1.00
Financial Analyst	1.00	1.00	1.00	-	-	-
Risk Management Officer	1.00	1.00	1.00	1.00	1.00	1.00
Senior Tax Auditor	0.75	0.75	0.75	0.75	0.75	0.75
Tax/Cash Coordinator	0.50	0.50	0.50	0.50	0.50	0.50
Payroll Specialist	1.00	1.00	1.00	-	-	-
Financial Data Specialist	1.00	1.00	1.00	1.00	1.00	1.00
Fiscal Specialist	2.50	1.00	1.00	2.00	2.00	2.00
Utility Services Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Total Finance	11.75	10.25	10.25	10.25	10.25	10.25
Human Resources						
Human Resources Director	1.00	1.00	1.00	1.00	1.00	1.00
Human Resources Manager	-	-	-	1.00	1.00	1.00
Human Resources Sr. Analyst	2.00	1.00	1.00	-	-	-
Human Resources Coordinator	0.75	0.75	0.75	0.75	1.00	1.00
Total Human Resources	3.75	2.75	2.75	2.75	3.00	3.00

<i>2009 - 2014 Staffing Levels</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>
Information Technology						
Information Systems Manager	1.00	1.00	1.00	1.00	1.00	1.00
IT Systems/Network Analyst	-	-	-	-	1.00	1.00
Senior Systems Analyst	1.00	1.00	1.00	1.00	-	-
G.I.S. Analyst	1.00	1.00	1.00	-	-	-
Network Administrator	1.00	1.00	1.00	1.00	-	-
Database Administrator	1.00	1.00	1.00	1.00	1.00	1.00
TV/Media Production Specialist	1.00	1.00	1.00	1.00	-	-
PC Technician	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	0.50	0.50	0.50	0.50	0.50	0.50
Cable TV - Non-Regular	0.25	0.25	0.25	0.25	-	-
Information Technology Total	7.75	7.75	7.75	6.75	4.50	4.50
Municipal Court						
Court Administrator	1.00	1.00	1.00	1.00	1.00	1.00
Probation Officer	-	-	-	1.00	1.00	1.00
Municipal Court Clerk	3.00	3.00	3.00	3.00	3.00	3.00
Municipal Judge	0.50	0.50	0.50	0.50	0.50	0.50
Non-Regular Assistants	0.40	0.40	0.50	0.50	0.50	0.50
Non-Regular Security	-	-	-	-	0.50	0.50
Total Municipal Court	4.90	4.90	5.00	6.00	6.50	6.50
Office of Sustainability						
Office of Sustainability Director	-	-	-	1.00	1.00	1.00
Human Services Manager	-	-	-	-	-	1.00
Sustainability Program Manager	-	-	-	1.00	1.00	1.00
Sustainability Coordinator II	-	-	-	1.00	1.00	1.00
Sustainability Coordinator	-	-	-	1.00	1.00	1.00
Office of Sustainability Total	-	-	-	4.00	4.00	5.00
Parks & Recreation						
Administration & Planning						
Parks Director	1.00	1.00	1.00	1.00	1.00	1.00
Deputy Parks Director	-	-	-	-	-	1.00
Trails Coordinator/Parks Planner	1.00	1.00	1.00	1.00	1.00	1.00
Landscape Architect	1.00	-	-	-	-	-
Total Administration & Planning	3.00	2.00	2.00	2.00	2.00	3.00
Recreation Services						
Recreation Division Manager	0.50	0.50	0.50	0.50	0.50	-
Recreation Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Events & Facilities Supervisor	0.25	0.25	0.25	0.25	0.25	0.25

<i>2009 - 2014 Staffing Levels</i>	2009	2010	2011	2012	2013	2014
Recreation Coordinator	2.00	2.00	2.00	2.00	2.00	2.00
Recreation Specialist	1.50	1.50	1.50	1.50	1.50	2.00
Recreation Leader	2.00	2.00	2.00	2.00	2.00	2.00
Office Manager	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant II	2.50	2.50	2.50	2.50	2.50	2.50
Administrative Assistant III	1.625	1.625	1.625	1.625	1.625	1.125
Recreation Aides - Non-Reg	5.625	5.625	5.625	5.625	5.625	5.625
Total Recreation Services	18.00	18.00	18.00	18.00	18.00	17.50
Aquatics/Pool						
Recreation Division Manager	0.50	0.50	0.50	0.50	0.50	-
Recreation Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Aquatics Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Aquatic Maintenance Specialist	0.50	0.50	0.50	0.50	0.50	0.50
Recreation Specialist	1.00	1.00	1.00	1.00	1.00	1.00
Recreation Leader	2.00	2.00	2.00	2.00	2.00	2.00
Instructor/Guard	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.50	1.00	1.00	1.00	1.00	1.00
Lifeguard/Pool Instructor - Non-Reg	3.50	3.50	3.50	3.50	3.50	3.50
Total Aquatics/Pool	12.00	11.50	11.50	11.50	11.50	11.00
Facility Services						
Parks & Recreation Manager	0.50	-	-	-	-	-
Parks Division Manager	1.00	0.50	0.50	0.50	0.50	0.50
Supervising Maint Worker	1.00	1.00	1.00	1.00	1.00	1.00
Remodel Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Maint Worker/Custodian	9.00	9.00	8.50	8.50	8.50	8.50
Administrative Assistant	1.00	1.00	1.00	1.00	1.00	1.00
Specialty Workers - Non-Reg	0.50	0.50	0.50	0.50	0.50	0.50
Total Facility Services	14.00	13.00	12.50	12.50	12.50	12.50
Park Facilities Maintenance						
Parks & Recreation Manager	0.50	-	-	-	-	-
Parks Division Manager	-	0.50	0.50	0.50	0.50	0.50
Horticulturist	1.00	1.00	1.00	1.00	1.00	1.00
Gardener	1.00	1.00	1.00	1.00	1.00	1.00
Open Space Steward	1.00	1.00	1.00	1.00	1.00	1.00
Park Maintenance Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Park Maintenance Worker	7.00	6.00	6.00	6.00	6.00	6.00
Administrative Assistant	0.875	0.875	0.875	0.875	0.875	0.875
Parks Maintenance Aide -Non-Reg	2.625	2.625	2.625	2.625	2.625	2.625
Cemetery - Non-Reg	0.250	0.250	0.250	0.250	0.250	0.250
Total Park Facilities Maintenance	15.250	14.250	14.250	14.250	14.250	14.250

<i>2009 - 2014 Staffing Levels</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>
Pickering Barn						
Administrative Assistant III	-	-	-	-	0.50	0.50
Events & Facilities Coordinator	0.50	0.50	0.50	0.50	0.50	0.50
Recreation Specialist	0.50	-	-	-	-	-
Pickering Barn Events Assistant - Non-Reg	0.50	0.75	0.75	0.75	0.75	0.75
Total Pickering Barn	1.50	1.25	1.25	1.25	1.75	1.75
Tibbetts Creek Manor						
Administrative Assistant III	1.00	1.00	1.00	1.00	0.50	0.50
Events & Facilities Coordinator	0.25	0.25	0.25	0.25	0.25	0.25
Events Assistant - Non-Reg	0.40	0.40	0.40	0.40	0.40	0.40
Total Tibbetts Creek Manor	1.65	1.65	1.65	1.65	1.15	1.15
Parks & Recreation Department FTE Total	65.40	61.65	61.15	61.15	61.15	61.150
Police						
Chief	1.00	1.00	1.00	1.00	1.00	1.00
Deputy Police Chief	1.00	1.00	1.00	1.00	1.00	1.00
Commander	2.00	2.00	2.00	2.00	2.00	2.00
Sergeant	5.00	5.00	5.00	5.00	5.00	5.00
Corporal	-	-	5.00	5.00	5.00	5.00
Officer	23.00	23.00	18.00	18.00	19.00	20.00
School Resource Officer	1.00	1.00	1.00	1.00	1.00	1.00
E911/Records System Specialist	1.00	1.00	1.00	1.00	1.00	1.00
Jail Manager	1.00	1.00	1.00	1.00	1.00	1.00
Corrections Officer	10.00	10.00	10.00	10.00	10.00	10.00
Transport Officer	1.00	1.00	1.00	1.00	1.00	1.00
Executive Assistant	-	-	-	-	-	1.00
Office Supervisor/Admin Asst	2.00	2.00	2.00	2.00	2.00	0.50
Communications Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Communications Specialist	9.00	9.00	9.00	9.00	9.00	9.00
Records Supervisor	-	-	-	-	-	1.00
Records Specialist	4.00	3.00	3.00	3.00	3.50	3.00
Police Department FTE Total	62.00	61.00	61.00	61.00	62.50	63.50
Public Works Engineering						
Director	1.00	1.00	1.00	1.00	1.00	1.00
Deputy Director	1.00	1.00	1.00	-	-	-
Engineering Manager	3.00	3.00	3.00	3.00	3.00	3.00
Engineer/Engineer Tech	9.00	8.00	8.00	3.00	3.00	3.00
Source Control Specialist	-	-	-	1.00	1.00	1.00
Project Coordinator	2.00	1.00	1.00	1.00	1.00	1.00

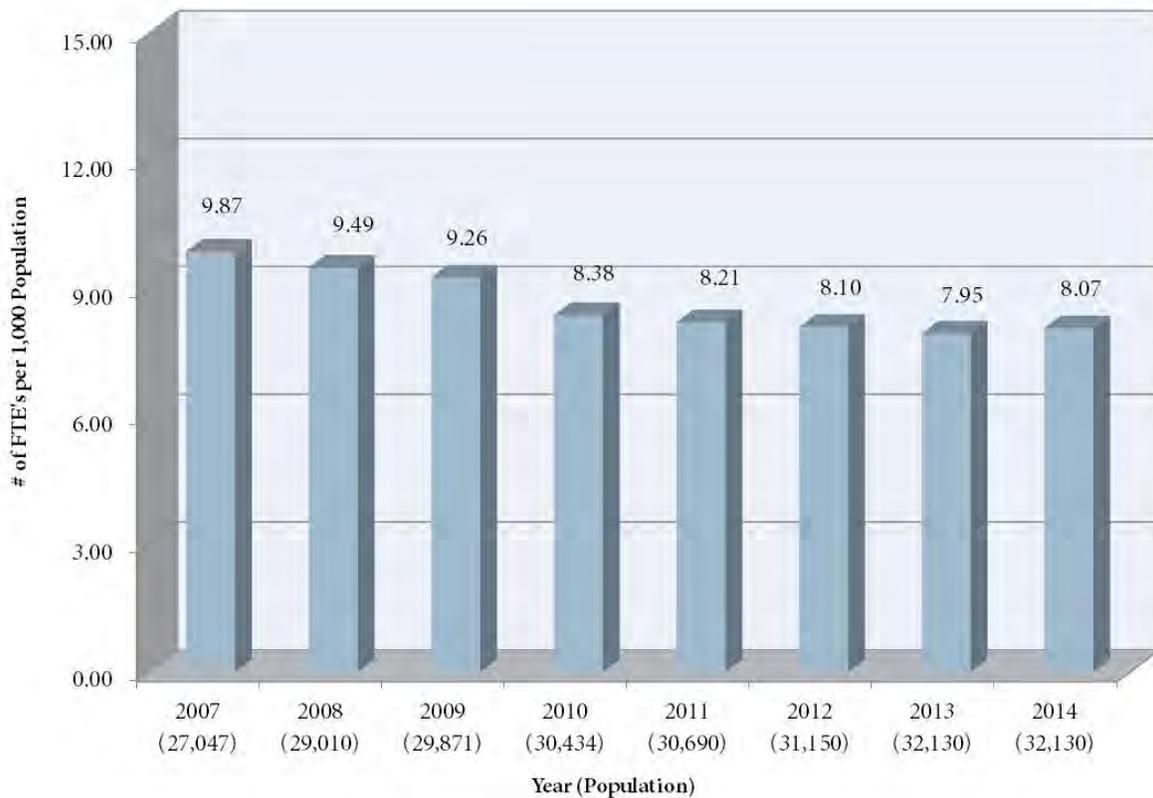
2009 - 2014 Staffing Levels	2009	2010	2011	2012	2013	2014
Senior Inspector	1.00	1.00	1.00	1.00	1.00	1.00
Construction Inspector	2.00	2.00	2.00	-	-	-
Cost Accountant	1.00	1.00	1.00	-	-	-
G.I.S. Analyst	-	-	-	1.00	1.00	1.00
Administrative Assistant	2.50	2.50	2.50	-	-	-
Project Acct Technician	1.00	1.00	1.00	1.00	1.00	1.00
Project Acct Assistant	1.00	1.00	1.00	-	-	-
Resource Conservation Manager	1.00	1.00	1.00	-	-	-
Capital Project Coordinator (RCO)	1.00	1.00	1.00	-	-	-
Resource Conservation Coordinator	3.00	2.00	2.00	-	-	-
Major Development Review Team (MDRT)	5.00	4.00	3.00	-	-	-
MDRT	0.50	-	-	-	-	-
Public Works Engineering FTE Total	35.00	30.50	29.50	12.00	12.00	12.00
Public Works Operations						
Public Works Operations Director	1.00	1.00	1.00	1.00	1.00	1.00
Public Works Operations Manager	3.00	3.00	3.00	3.00	3.00	3.00
Lead Maintenance Workers	4.00	4.00	4.00	4.00	4.00	4.00
Signal Technician	2.00	2.00	2.00	2.00	2.00	2.00
Specialty Technicians	4.00	4.00	4.00	4.00	4.00	4.00
Maintenance Worker	22.00	22.00	22.00	23.50	23.50	23.50
Shop Aide	1.00	1.00	1.00	1.00	1.00	1.00
Office Supervisor/Admin Asst	3.00	3.00	2.00	2.00	2.00	2.00
Fleet Manager	1.00	1.00	1.00	1.00	1.00	1.00
Mechanic	3.00	3.00	3.00	3.00	3.00	3.00
Emergency Mgmt Coordinator	0.50	0.50	0.50	0.625	0.625	0.625
Maintenance Worker - Non-Reg	1.12	1.12	0.625	0.625	0.625	0.625
Public Works Operations FTE Total	45.62	45.62	44.13	45.75	45.75	45.75
Shared Services						
Shared Services Manager	-	-	-	1.00	1.00	1.00
Administrative Assistant II	-	-	-	1.00	1.00	2.00
Administrative Assistant III	-	-	-	2.00	2.00	2.00
Shared Services FTE Total	-	-	-	4.00	4.00	5.00
Total Authorized Positions	276.670	254.920	252.025	252.275	255.275	259.275

Please Note: Of the total 2014 authorized positions of 259.275, 244.25 are full time or part time regular employees. The remaining 15.025 full time equivalent positions are non-regular (temporary) positions.

Regular Position Changes Adopted in 2014

<i>Position</i>	<i>Department</i>	<i>FTE</i>
City Inspector	Development Services	2.0
Senior Planner	Development Services	1.0
Police Officer	Police	1.0
<i>Total Proposed FTE Changes</i>		4.0

Ratio of FTE's to per 1000 Population



2014 Council Goals

On May 4, 2013 the City Council and City Administration held a workshop to establish the goals for the 2014 budget. As part of the workshop there was an update of the 2013 City Council Goals. The many of the 2013 Council goals will be carried forward to 2014

since they are either multi-year goals or require additional time to complete based upon external forces. This budget provides for \$90,000 in additional funding to implement the 2014 Council goals discussed below.

1. *Develop and adopt in 2014 a plan for longer-term financial planning for both operations and capital that would be implemented starting in 2015.*

Description: Develop both a financial and a capital plan that identifies long range opportunities and challenges that assists in planning for long term fiscal stability.

Objective: Develop long range financial estimates for capital projects and a 5 year financial plan for the General Fund.

Work Plan: Primarily led by the Finance Department, this team will involve staff from a variety of departments that will examine both revenue and expenditure projections, and incorporate future operational and capital needs to produce a long term investment financing strategy.

2. *Measure City Services and Report to our Residents.*

Description: Develop a mechanism for tracking and reporting the performance to interested parties.

Objective: Determine overall performance metrics and receive input

from the City Council and the community.

Work Plan: Primarily led by the Executive Department, this team will begin to develop a number of performance metrics that can begin to measure overall effectiveness. We will also explore the development of an Annual Report to the Community that can be distributed electronically. The 2014 final budget allocated \$5,000 towards this goal.

3. *Through a Public Private Partnership (City of Issaquah / Chamber of Commerce) develop and/or implement a 2014 Tourism Business Plan.*

Description: Develop a plan that includes mission analysis, organizations, staffing and location, marketing and services, revenue and operational expenses.

Objective: Increase the marketing of Issaquah as a tourism destination through a variety of sources.

Work Plan: The Economic Development Department is working with the Chamber to develop a Tourism Marketing Plan. During 2013, the

Chamber issued a Request for Proposals to develop and complete a Tourism Plan. The proposed 2014 budget had \$55,000 for this project. \$5,000 will be funded from the General Fund and the remainder was not funded in the 2014 final budget.

4. *Attract retain and grow a diverse and stable economic base that supports city revenues, needed goods and services and jobs through collaboration with the EVC and develop a professional marketing packet for Issaquah in 2014.*

Description: Develop professional marketing material (printed, video etc.).

Objective: A marketing plan is a tool for increasing business attraction; including attracting tourism, business relocation, cultural and art events, and outdoor recreation activity.

Work Plan: The Economic Development Department is the primary Department working on business marketing. The Communications Division will work closely with the Economic Development Department and Economic Vitality Commission (EVC) to develop print and electronic marketing efforts.

5. *Generate a plan in 2014 for developing Neighborhood Parks into a usable recreational facilities beginning with Hillside Park.*

Description: Provide access to parks within a reasonable distance from residents.

Objective: Obtain community input to identify needs and concerns. Develop a draft plan and present to City Council and community by the end of 2014.

Work Plan: The Parks and Recreation Department is the lead on developing the Neighborhood Parks Plan. Beginning in July 2014 a Park Planner position is authorized in the budget that will assist the Department in achieving this objective.

6. *Create a “green infrastructure” plan for Issaquah.*

Description: A holistic, comprehensive and strategic approach that identifies all green-space visions in one place along with implementation plans.

Work Plan: This is multi-department effort primarily led by the Office of Sustainability. There will be connections with the Bike/Pedestrian plan along with efforts by PWE and the Parks and Recreation Department in the development and connection of parks throughout the community.

7. *Healthy Community Strategy.*

Description: Promote the health, fitness and overall wellness of Issaquah residents and guests.

Objective: Create an environment that supports and encourages a healthy lifestyle which include access to and eating healthy food, promoting exercise, having access to physical areas for exercising and walking and working with partners in the community.

Work Plan: Funding for the Human and Social Sustainability Manager is included in the 2014 final budget beginning in July 2014. The position will have a significant role to enhance the existing programs and develop a plan. \$30,000 was approved in the 2014 to be shared with the Neighborhood Engagement Plan (see Council Goal #8).

8. *Neighborhood Engagement Plan.*

Description: Foster connectivity within neighborhoods for greater involvement and engagement.

Objective: Using a variety of tools including engaging associations on issues of common interest and neighborhoods.

Work Plan: This effort will be jointly led by the Communications Division and the Office of Sustainability. Efforts will be focused on engagement and community connections in a variety of areas, including but not limited to interpersonal, digital, and print connections. \$30,000 was approved in the 2014 final budget to be shared with the Healthy Community Strategy Program (see Council Goal #7).

9. *Encourage a greater citizen voice in discussions on City issues and future direction.*

Description: Encourage a greater citizen voice in topics that impact Issaquah's future.

Objective: Evaluate options for outreach

to engage the community throughout the process on issues and topics impacting the community.

Work Plan: The City is focused on enhancing opportunities for citizen interaction and engagement. Thus far it has been primarily focused on social media. We anticipate working through potential additional options and presenting a report to Council mid-year 2014.

10. *Conduct a feasibility study of the Issaquah City Campus.*

Description: Consolidate City offices to a central location. This is a long term project that will identify needs, location, etc.

Objective: Centralizing the majority of City offices to a central location would improve efficiencies and operations between departments and for citizens and customers.

Work Plan: The initial step of the project was to have a consultant conduct a location feasibility study. The proposed 2014 budget had \$55,000 for this project but was not funded in the 2014 final budget.

11. *Continue Efforts to Identify Feasibility of I-90 Overcrossing.*

Description: Determine possible site/configuration options for a future I-90 overcrossing. This is important to the implementation of the Central Area project.

Objective: Complete a report on suitable locations/configuration and possible costs by seeking WSDOT funding to prepare the report.

Work Plan: The City is continuing to work to include funding for an IJR

(Interchange Justification Report) in the possible State Transportation Package.

Depending on the final concurrency adjustments, the City may be able to begin some additional staff review of the overcrossing in 2014.

2013 Council Priorities

During the June 2, 2012, Annual Retreat and Goal Setting Meeting, the Issaquah City Council identified the below goals for 2013. The City Council and Administration held a City Council workshop to update the City Council on the progress of the goals. Many

of the goals adopted by the City Council are multi-years goals that require other agencies or partners to assist in implementation. The departments responsible for the specific goal are noted in parentheses.

Top Five Priority Items (Budget)

1. Perform Klahanie Annexation Study, with Council action by 2013. (Executive Department)

- a) Allocate funds in 2012
- b) Determine direction
- c) Council action by 2013

Status – On-going. The cost-benefit study was completed in June 2013. The City held several meetings with the community as well as updated the City Council on the results of the study. The City approved a resolution Of Intent to Annex on July, 15, 2013. An election was held on February 11, 2014 for the Klahanie PAA. The results of the election were 1,504 votes (49.47%) in favor of annexing to the City of Issaquah and 1,536 votes (50.53%) against. It is anticipated that this goal will be completed in mid-spring 2014.

2. Relocate and/or enhance the skateboard park based on Issaquah School District plans and community input. (Parks & Recreation Department)

Status – On-going. The City Council approved \$350,000 in the 2014 budget for a new skateboard park, which includes demolition of the current skateboard park. The City hosted several public input meetings to determine a preferred site location and will make its recommendation to the Mayor and Council in early summer 2014.

3. Manage the City's legislative agenda and lobbyist. (Executive Department)

Status – Completed. The City adopted a legislative agenda for 2013 and hired a lobbyist to represent the City during the Washington State legislative session.

Some of the key results were:

- ☞ The 2013-2015 Capital Budget included \$5 million in funding for the North Issaquah Improvements project.
- ☞ A little under \$3 million was in the final Capital Budget for the ADA-accessible upgrade of the “Lake Salm” boathouse, concession area and lockers.
- ☞ The final operating budget protected the Streamline Sales Tax Mitigation funding as well as the Annexation Sales Tax Credit Program.

4. Focus on an Innovative Partnership Zone (IPZ), and perform a Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis. (Economic Development)

Status – On-going. IPZ designation occurs on a two-year cycle in odd-numbered years. Applications for designation for 2013 were due in June. The City needs to develop a marketing program and tourism business plan in

conjunction with the IPZ application. The City will apply during the next cycle in 2015.

The next steps for the SWOT analysis will be to reconcile the SWOT with other policy documents (Economic Vitality section of the Comp Plan, 1996 Economic Vitality Task Force Recommendations, etc.). Following that component, an Economic Vitality Strategic Plan will be developed by the Economic Vitality Commission (EVC) in 2014.

The EVC has been working thru an Economic Visioning process as an initial phase of the Strategic Planning Process. The process included developing goals and strategies which will rely on the SWOT, data provided by Economic Development Department, and a business sector analysis.

5. Hold Council budget meetings in chambers and televise. (Council)

Status – On-going. The 2013 City Council Budget Workshops were held in the Council Chambers beginning with the first meeting on October 14, 2013.

Second Tier Items (Budget)

1. Develop plan to improve traffic intersections at Front St. and Gilman Blvd. (high priority) and Front St. and Sunset Way (low priority). (Public Works Engineering)

Status – On-going. The City is trying to incorporate an Interchange Justification

Report (IJR) in the State of Washington Transportation Budget. It was not authorized during the 2014 Legislative Session. This is the first requirement needed to explore modifications to the Interchange itself.

2. Develop Strategy for Route 200 and/or Route 928 funding to maintain, modify or expand route(s). (Public Works Engineering)

Status – On-going. The City is discussing with partners and Metro to explore continuing/new funding and maintenance routes.

3. Develop a Citywide bike and pedestrian plan. (Office of Sustainability)

Status – On-going. The project was launched with internal stakeholders in February, followed by stakeholder workshops in April, and engineering and design workshops in May. Outreach to the public occurred at several events such as the Farmer’s Market, Bike Rodeo, Bike to Work Day and two public events in September. Obstacles, destinations, corridors, routes and key ideas have been identified and mapped. Policy issues and programmatic options were identified. Bicycle racks for the

downtown Central Business District (CBD) were designed and fabricated through work with the City’s Arts program and Downtown Issaquah Association (DIA).

4. Become a five-star city. (Executive Department)

Status – On-going. The City is implementing the High Performance Organization (HPO) model in the organization. The City implemented a new social media platform that increases community engagement. The City continues to implement best practices in management and service delivery.

5. Fireworks in July 2013.

Status – Completed. City sponsored fireworks were abandoned as part of the 2013 authorized budget. The City could allow a special private fireworks show under the Special Event permit provisions if based on certain conditions in future years.

Top Five Priority Items (Non-Budget)

1. Work with State of Washington and Lake Sammamish State Park to improve and help create an urban state park; encourage public/private partnerships. (Economic Development Department)

Status – On-going. The City was successful in working with the State Parks to secure funding in the State’s Capital Budget for beach restoration, partial funding for the boardwalk and replacement of the bathhouse. The City

and State Parks requested concept proposals for Lake Sammamish. As part of the review, State Parks indicated that an environmental review is required for any recommendations to the State Park Commission. The review is not currently funded. A financial analysis of the proposals will be done to determine the next steps. Additionally, the State has requested the City to annex Lake Sammamish State Park into the City.

2. *Attain a Regional Center Designation in 2013. (Development Services Department)*

Status – On-going. The City Council authorized the City Administration to submit an application for Regional Center Designation in April 2013. The Urban Center amendment is currently pending as part of the King County countywide-planning policies. The application will also be submitted to Puget Sound Regional Council in early 2014. The City would anticipate approval by the end of 2014.

3. *Perform a public lands inventory. (Executive and Economic Development Departments)*

Status – Complete. The inventory is complete and there are no parcels recommended for disposal or reuse at this time.

4. *Define a plan to enhance Rainier Trail. (Parks & Recreation Department)*

Status – On-going. There has been enhanced police emphasis in this area, the skateboard park is slated to be demolished and relocated, and the Issaquah Community Network has an ongoing effort to “Take Back the Trail” through regular walking through the area.

5. *Provide financial information in agenda bills. (Finance Department)*

Status – On-going. Current agenda bills include financial information. An effort to make these areas more uniform is underway and will be dependent upon the City’s upgrading its financial system.

Budget Procedure

The City of Issaquah must adopt a balanced budget each year. Annual City expenditures must not exceed annual City revenues. Cities draw their revenues from a wide variety of sources, divide their expenditures into separate funds and allocate their program expenditures in ways that serve the special needs of municipal services. Budgeting is an essential element of financial planning, control and evaluation process of government.

The planning process involves determining the types and levels of services to be provided and allocating available resources

among various departments, programs, or functions. Also, to be prudent a City may decide to place some of its resources each year into reserves to cover future emergencies or unanticipated opportunities. Financial control and evaluation procedures typically focus upon assuring that fixed expenditure limitations (appropriations) are not exceeded and on comparing estimated and actual revenues and expenditures.

The budget authorizes and provides control of financial operations during the fiscal year. Upon adoption, the expenditure estimates, as modified by the Council, are enacted into

law through the passage of an appropriations ordinance. The appropriations constitute maximum expenditure authorizations during the fiscal year and cannot legally be exceeded unless subsequently amended by the Council through an ordinance, which is usually done mid-year and year-end. Expenditures are

monitored through the accounting system to assure budgetary compliance.

Appropriations for general and special revenue funds lapse at year-end. The City of Issaquah’s budget procedures are in compliance with the Revised Code of Washington, Chapter 35A.33. The City follows the procedure outlined below to establish its annual budget.

Budget Calendar

Budget Process Steps	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Budget Schedule Established										
Finance Director Meets with Mayor to Review 2-year (current & budget yrs) Financial Estimates/Direction										
Executive Staff Discusses Budget Process										
Council Goal Setting Retreat										
Finance Director Meets with Mayor to Summarize Specific Budget Direction										
Mayor Issues Specific Budget Direction										
Finance Director, Deputy City Administrator & Mayor Meet with Chamber & Interested Others										
Budget Status Discussed with Executive Staff										
Complete Budget Compilation & Analysis										
Detailed Budget & Work Program Preparation by Departments Due										
Department Heads Meet Individually w/Mayor to Finalize Administration’s Budget										
Mayor Meets with Finance Director to Finalize Administration’s Budget										
Budget Reviewed with Executive Staff										
Establish Council/Community Budget Workshop Schedule										
Presentation of Administration’s Budget to Council										
Council/Community Workshops on Budget										
Executive Staff Briefings										
Public Hearing: Property Tax										
Public Hearing: Overall Budget										
Council-Approved Budget Adopted										

Comprehensive Financial and Budget Policies

The City of Issaquah is accountable to its citizens for the use of public dollars. The following City of Issaquah comprehensive financial and budget policies adopted by the City Council establish the framework for Issaquah's overall fiscal planning and management to ensure that it fulfills its fiduciary responsibility. The policies set forth guidelines against which current budgetary performance can be measured and proposals for future programs can be evaluated.

Issaquah's publicly adopted financial and budget policies show the credit rating industry and prospective investors (bond

buyers) the City's commitment to sound financial management and fiscal integrity. The financial and budget policies also improve the City's fiscal stability by helping City officials plan fiscal strategy with a consistent approach.

Written financial policies provide a set of guidelines that aid in ensuring that the City manages its financial resources in a manner consistent with Council direction and strong management practices. The policies included in this document reflect the City's intent to manage its financial resources in the highest standards of prudence and professionalism.

General Financial Philosophy

The fundamental purpose for the existence of City government is to provide essential public services. The essential nature of these services for the safety and quality of life to City residents, business operators and their employees, and City visitors requires the City to manage its resources so that there is never any interruption or deterioration of these services.

To that end, it is the goal of the City to maintain a strong financial condition sufficient to:

- Withstand the ups and downs of the local and regional economies;
- Efficiently respond to changing community service requirements;
- Effectively maintain and improve the City's infrastructure; and

- Prudently plan, coordinate, review and implement responsible community development and growth and provide a high level of police, fire and other services to assure public health and safety.

I. BUDGET AND CONTINGENCY POLICY

The City's Annual Budget provides for two separate and important purposes. First, and most importantly, it provides for public control of City spending through the required adoption by their elected representatives. This process creates appropriations for each City fund which provides the legal limit of expenditures in that fund. Secondly, the line item level, detailed budget provides

an annual business plan for City administrators.

City administration shall annually prepare a balanced budget showing all planned expenditures and identifying all resources sufficient to fund the planned expenditures. The Annual Budget must be adopted by ordinance by the City Council on or before December 31 of each year in conformance with the laws of Washington State. These laws provide an opportunity for direct public comment on the Proposed Budget at a Revenue Hearing and a Budget Hearing prior to adoption.

The Annual Budget shall comply with the following general policies:

1. Adopted at the Fund Level

The budget is adopted at the Fund level, meaning that appropriations are created for each fund in total and individual line items can be adjusted by the City Administrator so long as the total fund appropriation is not exceeded.

2. Ongoing expenditures funded by ongoing revenues

Ongoing expenditures will be funded to the maximum extent possible through ongoing revenues and the City should minimize any reliance on non-recurring revenues for funding ongoing operational costs. Debt, other than short-term interfund loans intended merely to bridge cash flow needs, should be avoided to fund operational

expenditures. Non-recurring revenues will be used primarily to fund one-time costs or to enhance cash balances for future needs.

3. Contingency funding

The Annual Budget should provide reasonable contingency funding for unforeseen emergencies either by maintaining sufficient Fund Balances in each fund or through the creation and funding of specific Contingency Funds.

4. Utility operations

City-operated utilities will show positive net operating results. Utilities will also be responsible for all cost of operations including indirect costs.

5. Five-year forecast

City staff will maintain a rolling five-year forecast of revenues and expenditures which provides a mid-range indication of the City's financial trends and provides context for the preparation of the Annual Budget. The five-year forecast should assume continuation of current service levels, including known changes that will occur during the forecast period.

6. Use of Fund Balance to balance budget

Any utilization of Fund Balance or other reserves to fund a portion of the Annual Budget will be clearly identified and will be consistent with the Reserve and Fund Policies.

7. Restricted revenues

Restricted revenues shall only be used for purposes consistent with whatever restrictions were placed upon their use by laws, regulations or Council direction.

8. Accrued Employee Benefits

The budget, as well as the long range financial plan, should provide for adequate funding of the City's retirement liabilities.

9. Nonprofit Organizations

Future funding decisions regarding nonprofit organizations will be based on guidelines, policies and priorities as proposed by the Mayor and approved by the City Council and funding available based on Council Goals and General Fund spending priorities.

10. Budget monitoring

City administration will evaluate trends from a budget-to-actual perspective and from a historical year-to-year perspective to identify areas where resource allocation can be improved. The intent is to improve the accuracy of revenue and expenditure forecasts to improve the predictability of future financial activity.

11. Council planning

The City Council will meet annually to adopt Council goals and priorities. City administration will incorporate the Council's goals and priorities in the annual budget.

II. CASH MANAGEMENT AND INVESTMENT POLICY

Careful financial control of the City's daily operations is an important part of the City's overall fiscal management practices. State laws require all City monies to be maintained in the custody of the Director of Finance and define the list of permissible investments for City monies. It is the policy of the City to comply with those requirements and to manage its investments prudently. Specifically,

- All cash received by the City will be deposited with the Finance Director within 24 hours as required by State law and,
- The City shall maintain a cash management program, which includes collection of accounts receivable and disbursement of funds, and prudent investment of its available cash and,
- Investments will be prudently managed to maximize the return consistent with the primary objective of preserving capital and shall comply with all State laws regarding permissible forms of investment. The Director of Finance will ensure investments are appropriately diversified.

III. RESERVE AND FUND POLICIES

The purpose of the Reserve and Fund Policies is to establish general parameters for the cash balances in the various funds to ensure sufficient

resources to handle most large, unexpected expenditures without the need for debt, to mitigate revenue shortfalls stemming from a downturn in the local economy and to maintain favorable credit ratings.

General Fund Reserve Policy - The General Fund will have a minimum reserve 8% of budgeted expenses to maintain operations. Recommended “best practices” is to maintain a maximum of 15% reserve which will be the “target” reserve but no use of ending fund balance below 8% will be authorized without a vote of the majority plus one (“super majority”) of the City Council.

Utility Fund Reserve Policies - The Water and Sewer Utilities will maintain a minimum of two months cash reserves each to provide for seasonal variability of revenues. The Storm Water Utility has a more consistent source of revenues and will maintain a minimum of 8% of budgeted expenses.

Fleet Management Reserve Policies - Equipment Rental Replacement Reserve will be maintained based upon lifecycle replacement plans to ensure adequate fund balances required for systematic replacement of fleet vehicles, equipment and operational contingencies. Departments will be charged for fleet operating costs per vehicle class and replacement cost spread over the useful life of the vehicles.

IV. REVENUE POLICY

Service demands require that an adequate revenue stream be maintained. To this end, the City will strive to create a diversified and stable revenue structure using the following as general guidelines:

- The City will pursue its fair share of state and federal shared revenues; and
- The City will to the extent possible oppose state and federal legislation that will mandate costs to the City without providing the revenue source to offset those mandated costs; and
- The City will pursue collection of all revenues due it and ensure compliance with revenue-related regulations; and
- The City will consider user fees when the character of the service and its users seems appropriate and, if user fees are charged, the user fee will be structured to recover the full cost of the service including all direct costs, capital costs, department overhead and City-wide overhead. Full cost recovery may be forgone if the fees prevent an individual from obtaining an essential service or results in the City being economically disadvantaged, or as otherwise set by the City Council; and
- The City will seek opportunities to generate additional revenues and gain further economies of scale in its

operations by providing services to other local jurisdictions in exchange for the full cost of the services provided.

V. DEBT MANAGEMENT POLICIES

The policy of the City is to manage its long-term debt in a manner designed to utilize its credit to optimize City services while balancing overall debt levels and annual debt service obligations. The City recognizes that prudent use of its credit can facilitate construction of essential capital improvements and serve as a method for sharing the costs of those improvements between current and future beneficiaries.

1. Debt Not to be Used for Operating Expenses.

When considered necessary, long-term debt may be used to provide for capital acquisitions and construction. Long-term debt will not be used to fund operating expenses except in extraordinary circumstances as authorized by the City Council. This policy recognizes that direct costs such as project engineers are integral to the capital project and are reasonably chargeable to bond proceeds.

2. Term of Debt

Long-term debt will be structured in a manner so that the life of the debt does not exceed the expected useful life of the asset being funded by the debt.

3. Method of Sale of Bonds and Notes

The City will obtain the most competitive pricing on debt issues and broker commissions in order to ensure a favorable value to the City's customers.

4. Refunding Bonds

As a general rule, existing bonds will not be refunded through the issuance of refunding bonds unless the refunding plan will achieve a net present value savings of at least 5%. As an exception to this general rule, bonds may be refunded to obtain more favorable covenants when it is clearly in the City's interest to do so.

5. Legal Limitation of Indebtedness

The City will utilize general obligation (GO or "voted") and limited tax general obligation (LTGO or "non-voted") debt authority prudently as these forms of debt are subject to Constitutional limits and serve as the City's major source of credit. The Finance Department will annually calculate the City's Constitutional Limit of Indebtedness and the City's outstanding indebtedness will never exceed those Constitutional limits. Additionally, the Finance Department will annually monitor the direct (City) and overlapping (other jurisdictions also taxing City taxpayers) tax supported debt borne by City property owners so that the City Council can see the full affect on taxpayers of any proposed bond issues.

6. Reserve of Debt Authority

At a minimum, the City will retain at least 10% of its legal limit for Non-Voted General Purpose Indebtedness (LTGO debt authority) as a reserve for emergencies. This reserve serves to protect the City from any declines in City assessed valuation which might cause the City to unintentionally exceed its Constitutional limits on indebtedness.

7. Preservation of Credit Rating

The City will carefully consider the future fiscal impacts of incurring additional long-term debt and will recognize the implicit, additional costs of any future debt that might adversely impact the City's credit rating.

8. Use of Revenue Debt Whenever Possible

The City recognizes that its ability to pledge its taxing authority as security for debt (GO and LTGO debt) is a limited resource which should be preserved whenever possible. Therefore, whenever the improvement being financed with debt is expected to produce off-setting revenues (e.g. utility improvements or parking structures) that can be used to secure all or part of the debt in lieu of a pledge of the City's taxing authority, that revenue should be used to secure the debt to the maximum practical extent. Such "revenue bonds" do not impact the City's legal limitation of

indebtedness so their use, whenever practical, serves to preserve the City's legal debt capacity for other potential needs.

9. Conduit Debt

The City can permit itself to be used as a conduit for debt secured by others where such an arrangement is required or permitted by laws or regulations and where the City is not, in any way, contingently liable for the repayment of the debt. The chief example of conduit debt is Local Improvement District (LID) debt where the City sells bonds on behalf of property owners benefitted by the LID. LID bonds are repaid solely through special property tax assessments on benefitted properties or if necessary the LID Guaranty Fund.

VI. UTILITY FUND RATE PROJECTION POLICIES

1. Utility rate studies shall be conducted at least every five years to update assumptions and ensure the long-term solvency and viability of the City's utilities.
2. Utility rate review will be reviewed at least biennially and necessary adjustments made to reflect inflation, construction needs, and to avoid major increases.
3. Rates should be adequate to ensure reliable, competitively priced services for our customers. Net revenues in excess of both legal requirements and

minimum working cash balances should be used to minimize future rate increases by funding approved capital projects, retiring high cost debt, and augmenting reserves established to reduce ratepayer risk.

VII. ACCOUNTING AND FINANCIAL REPORTING POLICIES

The City of Issaquah will maintain its accounting records in accordance with state and federal laws and regulations. Budgetary reporting will be in accordance with Washington State budget laws and regulations. The City will annually report its financial condition and results of operations in accordance with state regulations and generally accepted accounting principles (GAAP) by the last day of May of each year.

Additionally, the Finance Department will prepare such management reports and other internal reports as determined by the Mayor and City Administrator. The Finance Department will also prepare regular budget to actual status reports to keep the City Council informed throughout the budget period.

VIII. AUDIT POLICY

The City's Comprehensive Annual Financial Report (CAFR) will be audited annually by the Washington State Auditor's Office on a schedule determined by that office as is required by State law. The results of such audits will be communicated promptly to the Mayor, City Administrator and to the

City Council. Such audit reports shall also be kept on file with the City Clerk and will be available for public inspection in accordance with the State of Washington's Open Public Records Act.

Additionally, the City may, from time-to-time, retain other auditors or consultants to perform such operational reviews and/or performance audits as are judged to be in the City's interests.

IX. INSURANCE POLICY

The City will periodically review its insurance options for each risk or hazard and medical options to determine whether it is most cost effective to purchase commercial insurance, to fund a self-insurance program or to participate in a "pooled" self insurance program with other jurisdictions. Such a determination should consider the long-term financial obligations of such a decision as well as the regular fluctuations in commercial insurance markets. Where the City decides to self-insure a risk, the policy of the City will be to fully fund the expected costs of those risks through actuarial or other professional estimates of those costs.

X. CAPITAL BUDGET AND PLANNING POLICIES

Long range planning should be done for the replacement or construction of capital facilities and major equipment. Project cost estimates for the Capital Budget should be based upon a thorough analysis of the project and be as

comprehensive as possible, including but not limited to, preliminary and environmental work, property acquisition, design, project administration, testing, construction, applicable taxes, and contingency. All cost estimates should include an escalation estimate for future years, from the year of estimation, using an appropriate rationale for the project.

The Capital Budget shall include only those multi-year projects which can reasonably be accomplished in the budget period. The detailed sheet for each budgeted capital project will include a project schedule. A capital project will not be budgeted unless there is a reasonable expectation that revenues will be available to pay for it.

Consideration should be given, where feasible, to financing capital projects through user charges and/or special assessments charges to those who are benefitted the most by the project.

1. Comprehensive resource plan

Capital proposals should include a comprehensive resource plan. This plan should include the amount and type of resources required, and the funding and financing strategies to be employed. The specific fund should be identified and the financing schedule should be outlined. The plan should include total project costs as well as the specific resources needed to complete each project phase.

2. Impact on overall Capital and Operating Budgets.

All proposals for expenditure of capital funds should be formulated and presented to Council within the framework of a general capital budget. Other than in emergency situations or external funding opportunities any commitment of any capital funds, including reserve funds, will be considered only as part of a general review of all capital budget requirements.

Project proposals should indicate the project's impact on the operating budget, including but not limited to, long-term maintenance costs necessary to support the improvement. If a proposed project will cause a direct, negative impact to other City facilities, the costs of mitigating those impacts should be considered as part of the project's comprehensive costs.

3. Contingencies

At the time of contract award, each project will include reasonable provisions for contingencies. The amount of set aside for contingencies will correspond with industry standards and should not exceed 10% or \$5,000 whichever is greater of the contract amount unless a higher percentage is approved by the City Council. Project contingency funds should only be used to pay for unforeseen needs within the original project scope. Project contingencies will not be expended to cover change

orders resulting from increases in project scope unless specifically authorized by the City Council.

4. Capital Facilities Plan (CFP)

The City shall annually update the Capital Facilities Plan (CFP) and provide it to the City Council so that sufficient time is available for Council study sessions and for public inspection and comment prior to its adoption. The City will comply with all requirements for public notices, public hearings and opportunities for public comment.

All projects included in the CIP shall be consistent with the City's Comprehensive Plan and with its goals for services, facilities and transportation. The service level goals from the Comprehensive Plan should be identified in the Capital Improvement Plan.

The City Council should consider several factors as it ranks projects for inclusion in the CFP including:

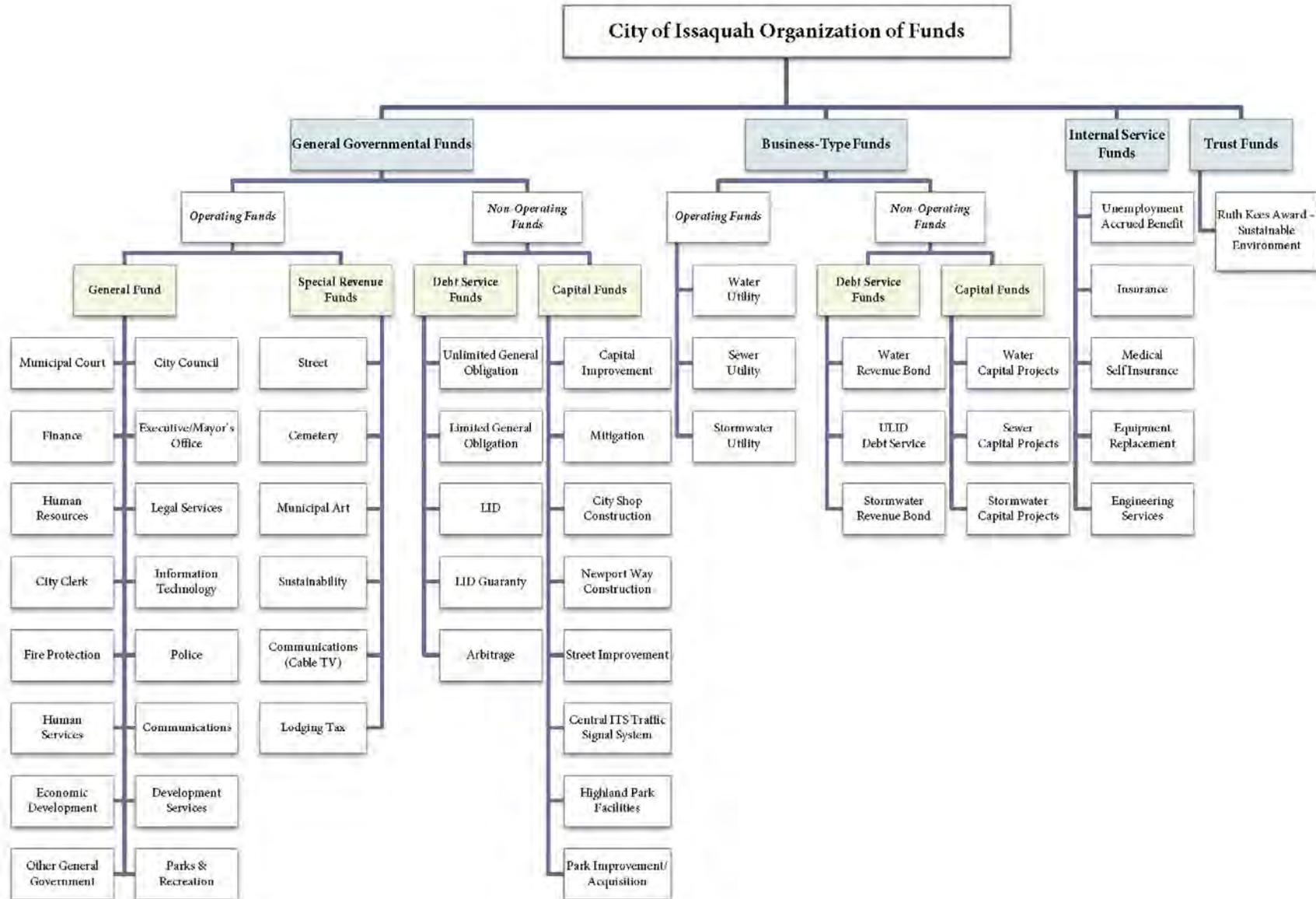
- a. Does the project have a positive impact on the operating budget (e.g. reducing expenditures or increasing revenues)?
- b. Is the project programmed in the five-year operating budget forecast, when applicable?
- c. Can the project be completed or significantly advanced during the Six-Year City Facilities Plan?
- d. Can the project be accomplished during the timeframe that is estimated?
- e. Does the project implement previously adopted Council plans or strategies?

XI. OVERHEAD POLICY

The City will develop process improvement and efficiency strategies so that administrative costs necessary to support City operations and to ensure adequate internal controls and legal compliance are minimized, therefore allowing the maximum possible resources for direct public services.

XII. INTERGOVERNMENTAL REVENUE POLICY

The City will actively seek opportunities to enhance public services through intergovernmental cooperation, shared revenues and grants. For planning purposes, all grants will be treated in the same manner as other temporary and uncertain revenues and will not be used to fund ongoing, basic service needs. Appropriate staff including the sponsoring department, the City Attorney (when necessary) and Finance will review grant agreements to ensure compliance with grant requirements. The City will budget grant-funded expenditures only after receipt of the grant award or letter of commitment, and then, only for the amount of the grant award. City overhead and/or indirect costs will be included in grant funding requests, where permitted.





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General Fund Summary

Summary of revenues and expenditures for the General Fund

General Fund Overview

Governmental accounting systems are organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities. The funds are segregated for the purpose of carrying on specific activities or attaining certain objectives.

The General Fund, sometimes referred to as the Current Expense Fund, is used to account for all financial resources and transactions except for those that must be accounted for in Special Funds. This fund offers the most discretion in shifting or emphasizing priorities. The General Fund generates the majority of its revenue from taxes and state and local shared revenue.

This revenue is used to provide general government services, including police and fire protection, planning and community development, cultural, recreational, financial, and administrative services, and City management.

On the following pages, you will find General Fund revenue comparisons for 2012 and 2013, as well as detailed information on anticipated 2014 revenues. These 2014 estimates are based on laws and ordinances currently in effect.

A summary of General Fund expenditures by type is followed by a more detailed presentation of proposed expenditures by department, providing comparable expenditure figures for 2012 and 2013 as well as the 2014 budget.



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General Fund Revenue

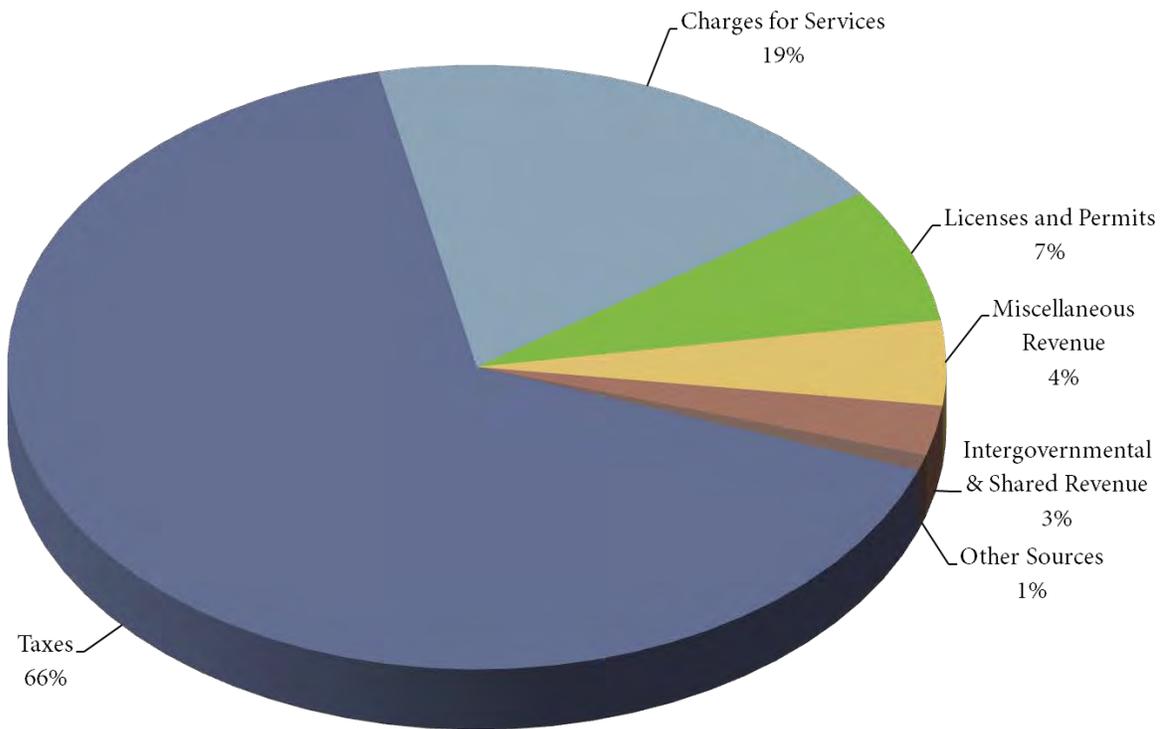
Revenue Comparison

	2012 Actual	2013 Budget	2013 Actual	2014 Budget
Beginning Fund Balance	\$ 8,775,521	\$ 8,150,000	\$ 8,270,001	\$ 7,972,281
Revenue Source:				
Taxes	\$ 21,114,381	\$ 22,328,954	\$ 22,401,123	\$ 23,695,900
Licenses and Permits	2,188,224	2,302,238	2,438,077	2,608,900
Intergovernmental & Shared Revenue	1,101,234	880,000	932,236	960,200
Charges for Services	4,806,357	6,701,300	6,534,812	6,671,800
Fines & Forfeitures	777,534	777,500	635,405	546,500
Miscellaneous Revenue	1,184,122	1,028,522	1,053,513	1,077,700
Other Sources	7,705	-	5,230	-
Revenue Subtotal	\$ 31,179,557	\$ 34,018,514	\$ 34,000,397	\$ 35,561,000
Transfers In From:				
TDR - Parkpointe Funds	\$ 128,500	\$ -	\$ -	\$ -
Cemetery Fund	25,000	25,000	25,000	25,000
Municipal Art Fund	14,000	14,000	-	-
Communications Fund	259,200	268,800	268,800	272,000
LID Guaranty Fund	-	750,000	-	-
Transfers-In Subtotal	\$ 426,700	\$ 1,057,800	\$ 293,800	\$ 297,000
General Fund Total	\$ 40,381,778	\$ 43,226,314	\$ 42,564,198	\$ 43,830,281

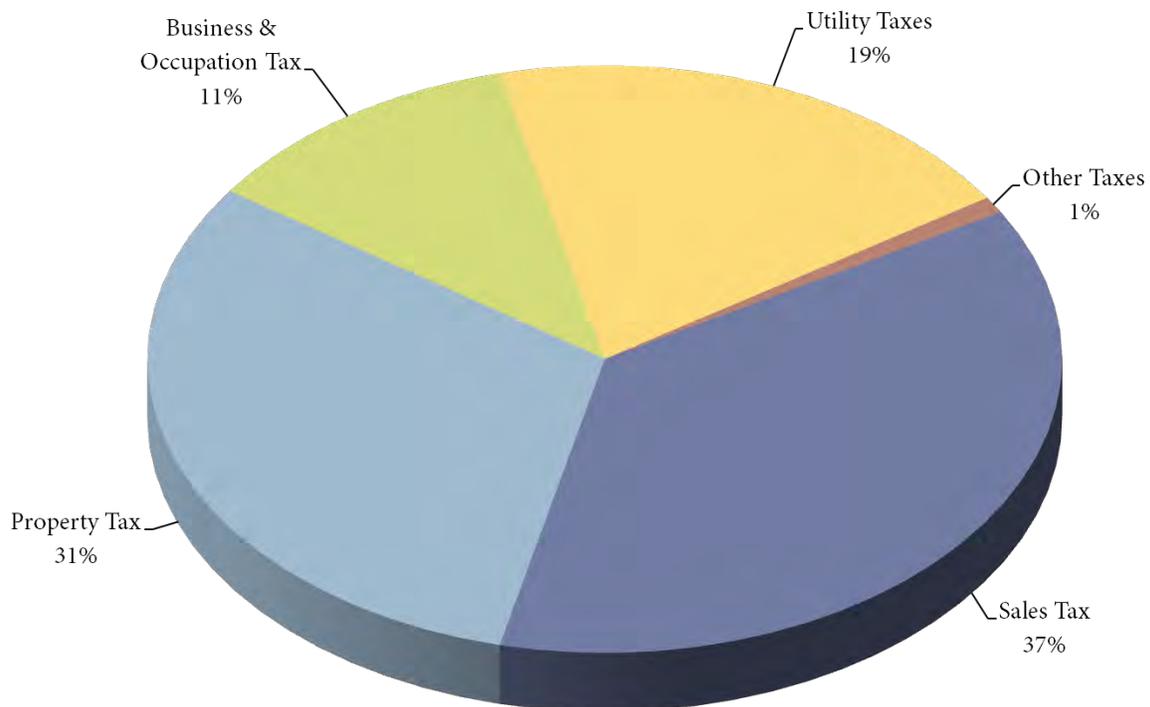
Detailed General Fund Revenue

	2012 Actual	2013 Budget	2013 Actual	2014 Budget
<i>Beginning Fund Balance</i>	\$ 8,775,521	\$ 8,150,000	\$ 8,270,001	\$ 7,972,281
Property Tax	6,865,806	7,129,954	7,050,374	7,344,600
Sales Tax	7,264,225	8,039,000	8,180,874	8,773,000
Business & Occupation Tax	2,281,628	2,450,000	2,526,199	2,750,000
Utility Taxes	4,493,787	4,520,000	4,445,759	4,613,000
Other Taxes	208,937	190,000	197,917	215,300
<i>Total Taxes</i>	<i>21,114,381</i>	<i>22,328,954</i>	<i>22,401,123</i>	<i>23,695,900</i>
Building Permits	\$ 1,797,869	\$ 1,965,238	\$ 2,112,169	\$ 2,200,000
Business Licenses	262,420	275,000	260,801	265,000
Other Licenses/Permits	127,935	62,000	65,107	143,900
<i>Total Licenses & Permits</i>	<i>2,188,224</i>	<i>2,302,238</i>	<i>2,438,077</i>	<i>2,608,900</i>
Federal Grants	\$ 24,553	\$ 15,000	\$ 12,845	\$ -
State & Local Grants	30,000	35,000	14,242	35,000
Sales Tax Mitigation	588,852	500,000	563,238	560,000
Criminal Justice (State)	38,657	40,000	41,036	42,800
Liquor	419,171	290,000	300,874	322,400
<i>Total Intergovernmental/Shared</i>	<i>1,101,234</i>	<i>880,000</i>	<i>932,236</i>	<i>960,200</i>
Jail Services/Fees	\$ 1,498,083	\$ 1,595,000	\$ 1,499,729	\$ 1,367,000
Other Public Safety Charges	195,645	193,500	226,272	200,000
Municipal Court Fees	326,842	545,000	315,249	365,000
Recreation/Pool Fees	2,006,425	2,245,000	2,164,188	2,105,000
Engineering/Inspection Fees	8,820	1,150,500	900,639	1,530,500
Plan Check Fees	164,271	415,000	811,657	384,000
Dispatch Services	374,212	334,000	384,145	480,000
Other Fees & Charges	232,059	223,300	232,934	240,300
<i>Total Charges for Services</i>	<i>4,806,357</i>	<i>6,701,300</i>	<i>6,534,812</i>	<i>6,671,800</i>
Fines & Forfeitures	\$ 777,534	\$ 777,500	\$ 635,405	\$ 546,500
Investment Interest	264,951	256,100	162,797	168,100
Rents & Leases	893,863	701,600	842,406	851,600
Other Miscellaneous Revenue	25,307	70,822	48,309	58,000
<i>Total Miscellaneous Revenue</i>	<i>1,961,656</i>	<i>1,806,022</i>	<i>1,688,918</i>	<i>1,624,200</i>
Operating Transfers-In	\$ 426,700	\$ 1,057,800	\$ 293,800	\$ 297,000
Misc. Other Sources	7,705	-	5,230	-
<i>Total from Other Sources</i>	<i>434,405</i>	<i>1,057,800</i>	<i>299,030</i>	<i>297,000</i>
Total Revenue from all Sources	\$ 31,606,257	\$ 35,076,314	\$ 34,294,197	\$ 35,858,000
Total General Fund Revenue	\$ 40,381,778	\$ 43,226,314	\$ 42,564,198	\$ 43,830,281

2014 General Fund - Source of Funds



Distribution of General Fund Taxes Received



Summary of Locally Levied Taxes -- \$23,695.900 (66%)

Issaquah has a diverse mix of revenues that grow and retract based on various drivers. Through a diverse revenue base and conservative financial management,

Issaquah has been able to weather through the most recent recession. This summary includes specific information on each of the major taxes levied to support City services.

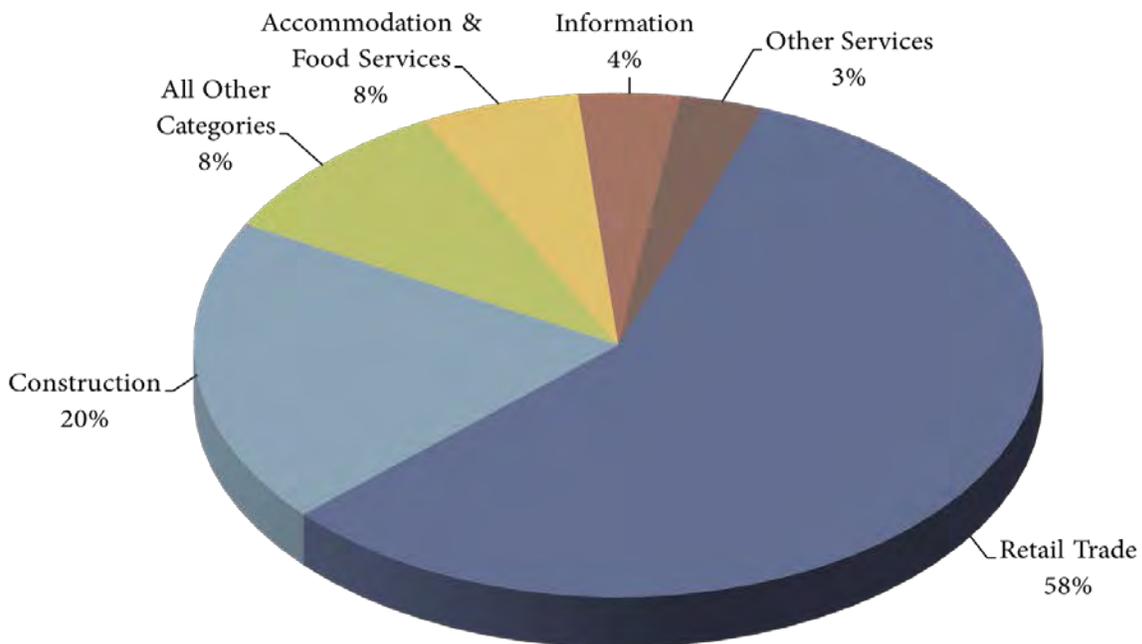
Sales Tax - \$8,773,000 (37%)

Sales tax is the primary source of funding for general City services as well as a dedicated funding source for the Street fund. The State collects and distributes sales tax on the sale of most consumer goods (except most food products) and some services. The State provides the City with a portion of this revenue on a monthly basis. The total sales tax rate is 9.5% in most areas of Issaquah and Issaquah receives 0.85% of this rate. Washington State collects an additional 0.3% sales tax on vehicle sales and leases to fund transportation improvements.

The distribution of the sales tax is displayed in the table to the right.

Jurisdiction	Rate %
State of Washington	6.50
King County/METRO	1.00
King County Criminal Justice Levy	0.10
King County	0.15
City of Issaquah	0.85
Regional Transit Authority (RTA)	<u>0.90</u>
Total General Sales Tax Rate	9.50
Additional Auto Sales/Lease Rate	<u>0.30</u>
Total Auto/Sales Lease Rate	<u>9.80</u>

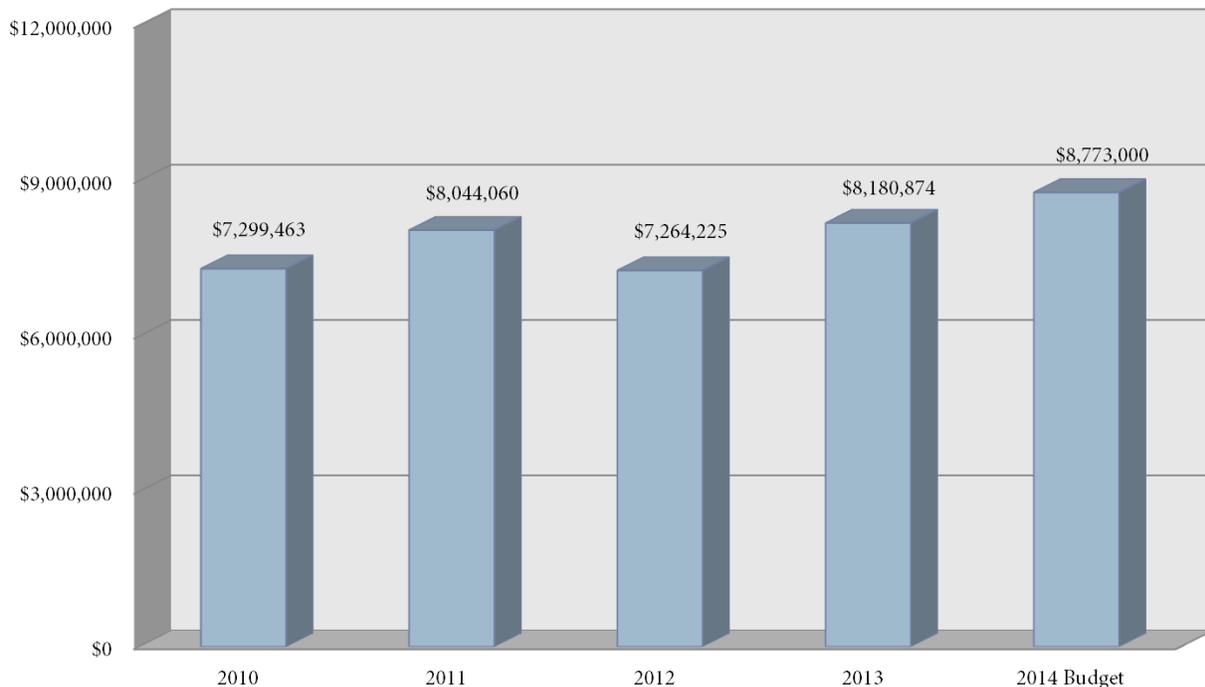
Sales Tax Distribution by Category



The 2014 estimate for the City’s sales tax revenue reflects a 5% increase. This increase corresponds to the increase in development

activity in the City of Issaquah, as well as, the opening of Phase I Grand Ridge Retail Center.

Five-Year Comparison of Sales Tax Received

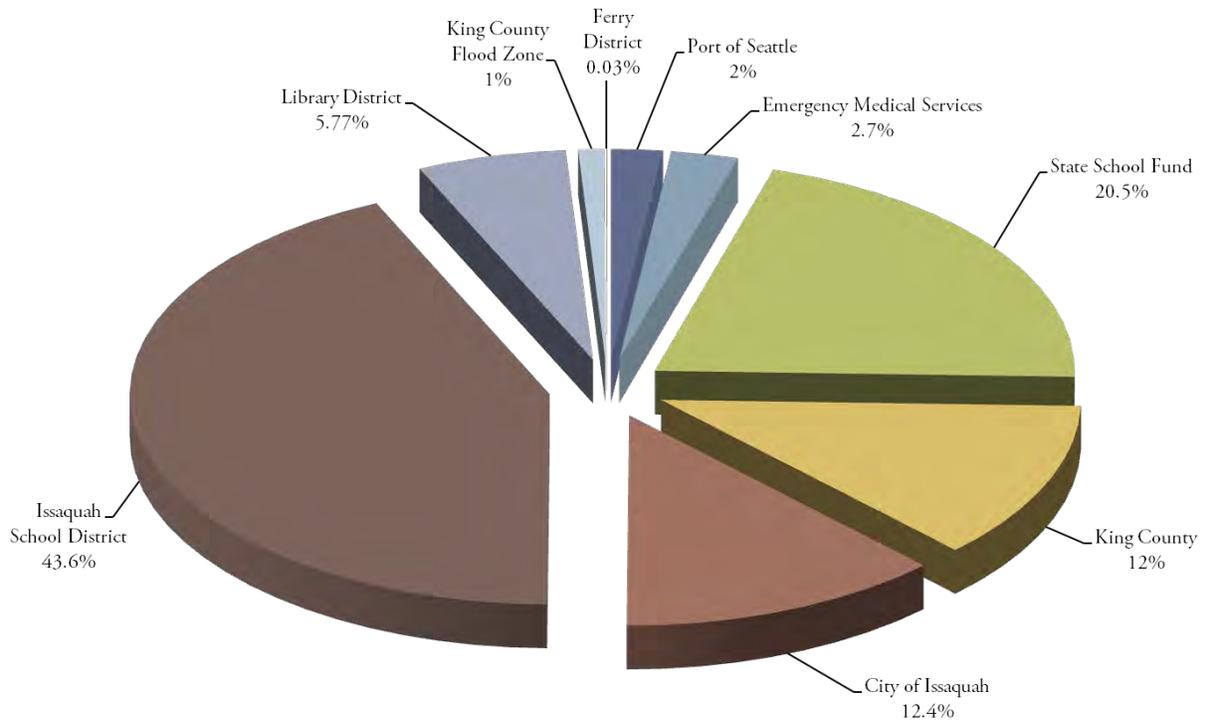


Property Tax - \$7,344,600 (31%)

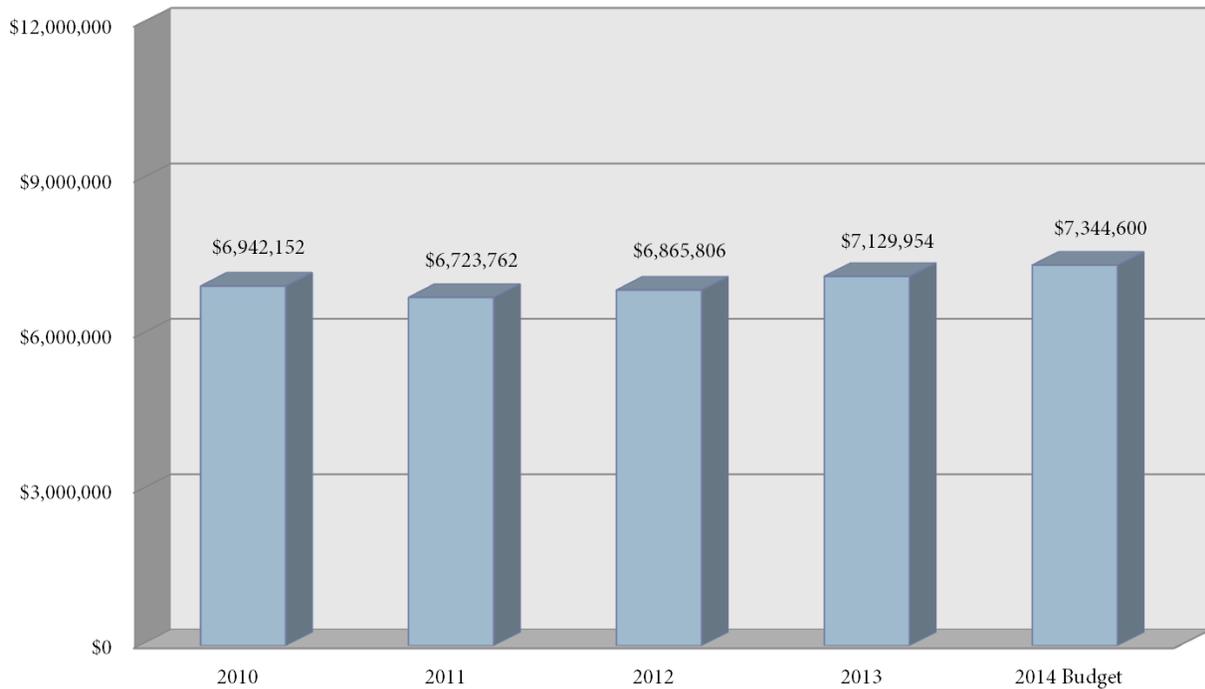
Property tax is the second largest source of revenue in the General Fund and primarily funds services in the General Fund. Taxes are due in two equal installments on April 30th and October 31st. Collections are remitted the month following collection to the appropriate taxing district by the County Treasurer.

Although property taxes represent a major source of funding for City services, the portion of each property owner’s total tax

bill allocated to the City is relatively small. In 2014, the total typical property tax rate for all governmental agencies in Issaquah is \$11.37 per \$1,000 of assessed valuation. Of that total, about 12.4 percent, or \$1.44 per \$1,000 assessed valuation, went to the City. Of the \$1.44 per \$1,000 assessed valuation, \$1.20 per \$1,000 assessed valuation went to pay for city services and \$0.24 per \$1,000 assessed valuation went to pay for voter-approved debt.



Five-Year Comparison of Property Tax Received



Additional information on property tax, including historical figures may be found in

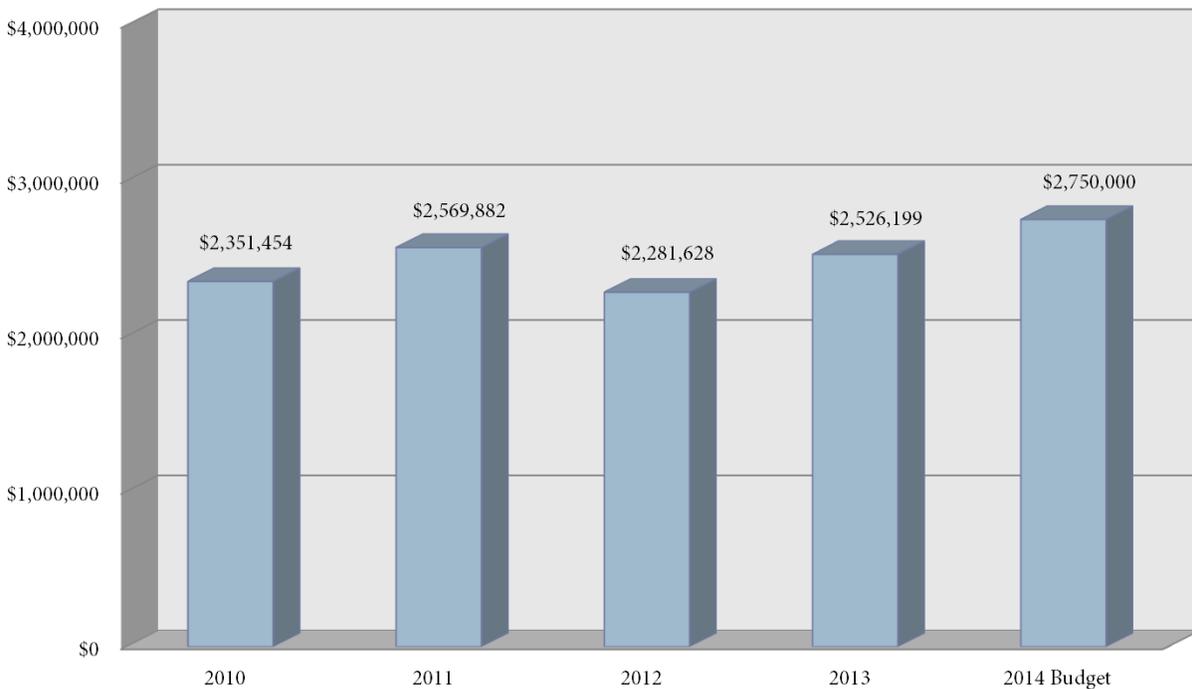
Section 10 – Supplemental Schedules of the budget.

Business & Occupation Tax (B&O) - \$2,750,000 (11%)

Business and occupation taxes are imposed and collected directly by the City upon all business activity within the City of Issaquah (IMC 5.04.050). Manufacturing, retailing and wholesaling activities are taxed at a rate of 8/100 of 1% (.0008). *Printing, Publishing, Extracting or Processing for Hire, Retail Services and Services and Other Business Activities (aka All Other Businesses)* categories are taxed at a rate of 1/10 of 1% (.001).

B&O Tax Categories	
Retailing	46%
All Other Businesses	27%
Manufacturing	13%
Wholesaling	11%
Retail Services	2%
Printing, Publishing, Extracting, Processing Hire	1%

Five-Year Comparison of B & O Tax Received



Utility Taxes - \$4,613,000 (19%)

The City imposes a on the gross income of various utility services provided within the boundaries of the City.

Private electric, natural gas, solid waste (garbage), and telephone are taxed at a rate of 6% on their gross income derived from

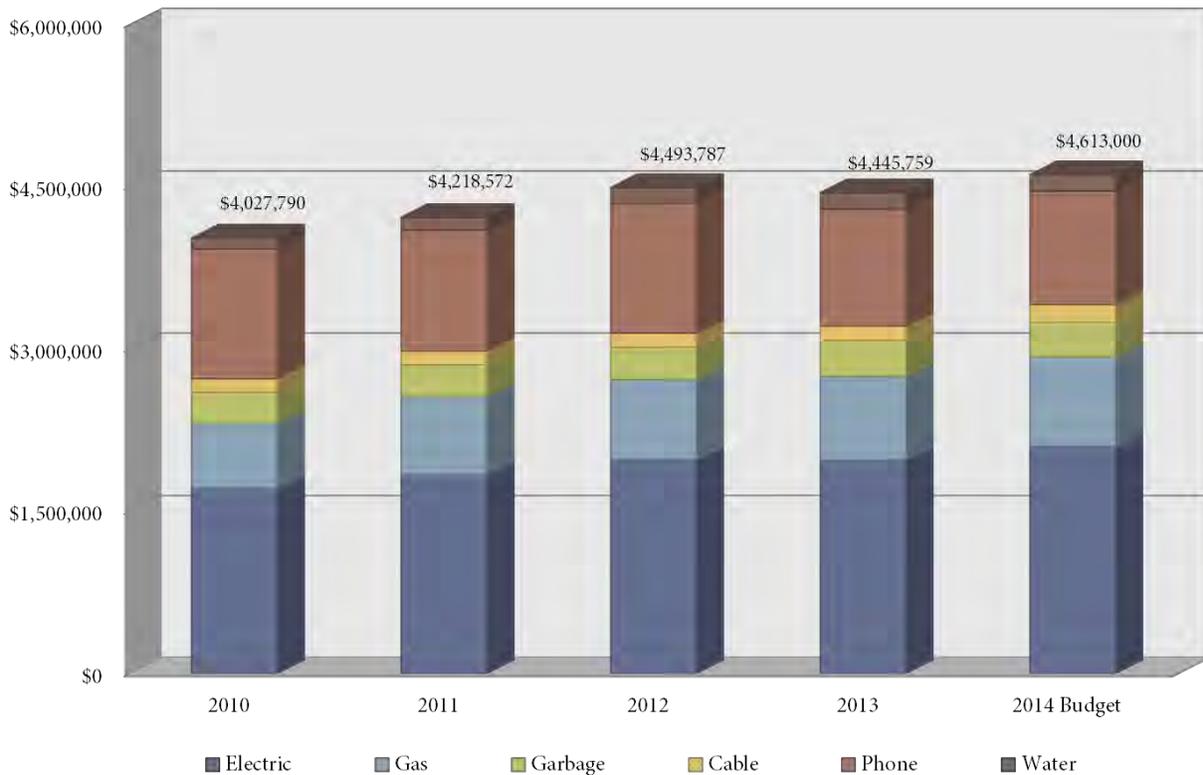
customers inside Issaquah city limits. Cable TV utilities are taxed at a rate of 1.0% plus a 5.0% franchise rate to both residential and commercial customers of these utilities. Legislation passed in 1982 limits the tax rate on electric, gas, steam, and telephone utilities to 6.0%. The Cable Communication

Policy Act of 1984 states that cable tax rates should not be higher than tax rates on other utilities.

A tax rate of 2.33% is imposed on the City-owned water utility, to reflect the impact of hydrant charges.

Five-Year Comparison of Utility Taxes Received

by Utility Type



Other Taxes - \$215,300 (1%)

Gambling Tax

The City collects an excise tax quarterly from receipts on bingo, raffles, punchboards, pull tabs and amusement games. A tax rate of 5.0% is imposed on bingo, raffles, punchboards, and pull tabs. A

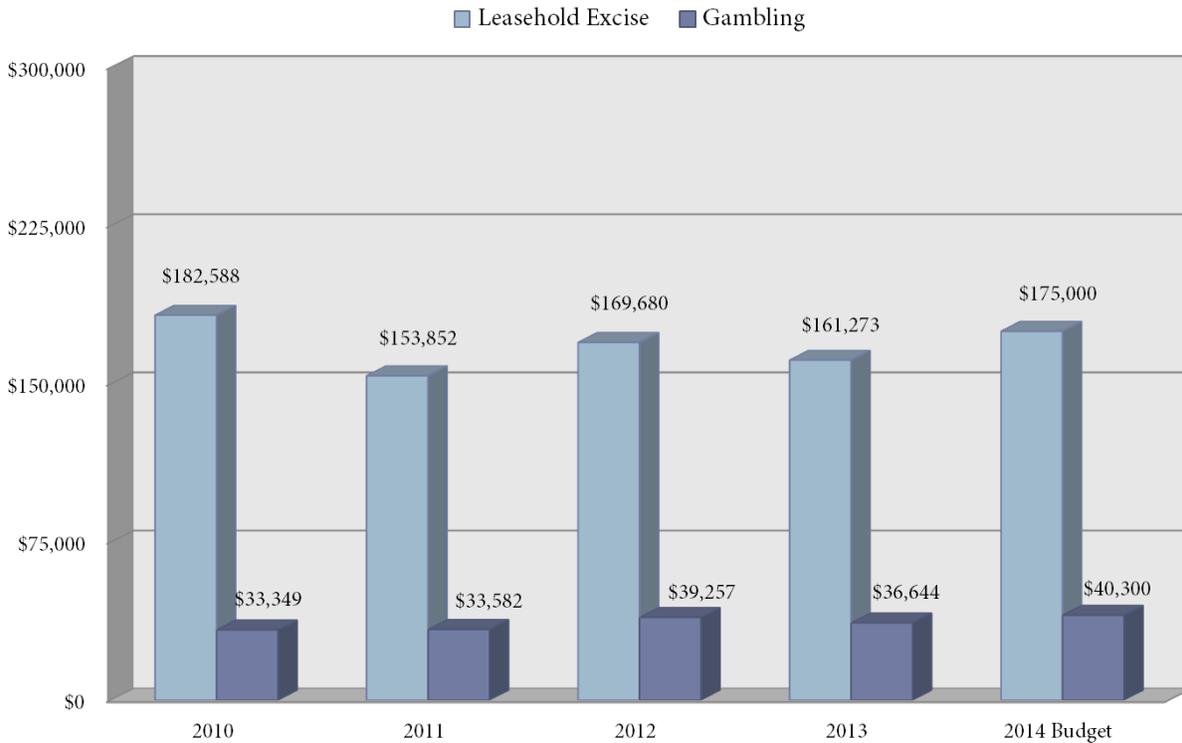
tax rate of 2.0% is imposed on amusement games.

Leasehold Excise Tax

Leasehold excise tax is levied and collected for the privilege of occupying or using

publicly owned real or personal property within the City of Issaquah.

Five-Year Comparison of Other Taxes Collected by Type



Summary of Licenses and Permits -- \$2,608,900 (7%)

License and permit fees are designed to cover the cost of administration, inspection, and continuing services for those occupations, trades, and activities regulated by the City. Most revenue in this category is collected by the Development Services Department and is as follows:

Building Permits

Fees are charged for building permits, plumbing permits, clear/grade permits, side-sewer permits, mechanical permits, and sign permits. Fees imposed for permits are subject to a base charge determined by the type of permit, plus additional fees determined by either the dollar value or size

(square foot or number of units) of the project.

Business Licenses and Other Licenses/Permits

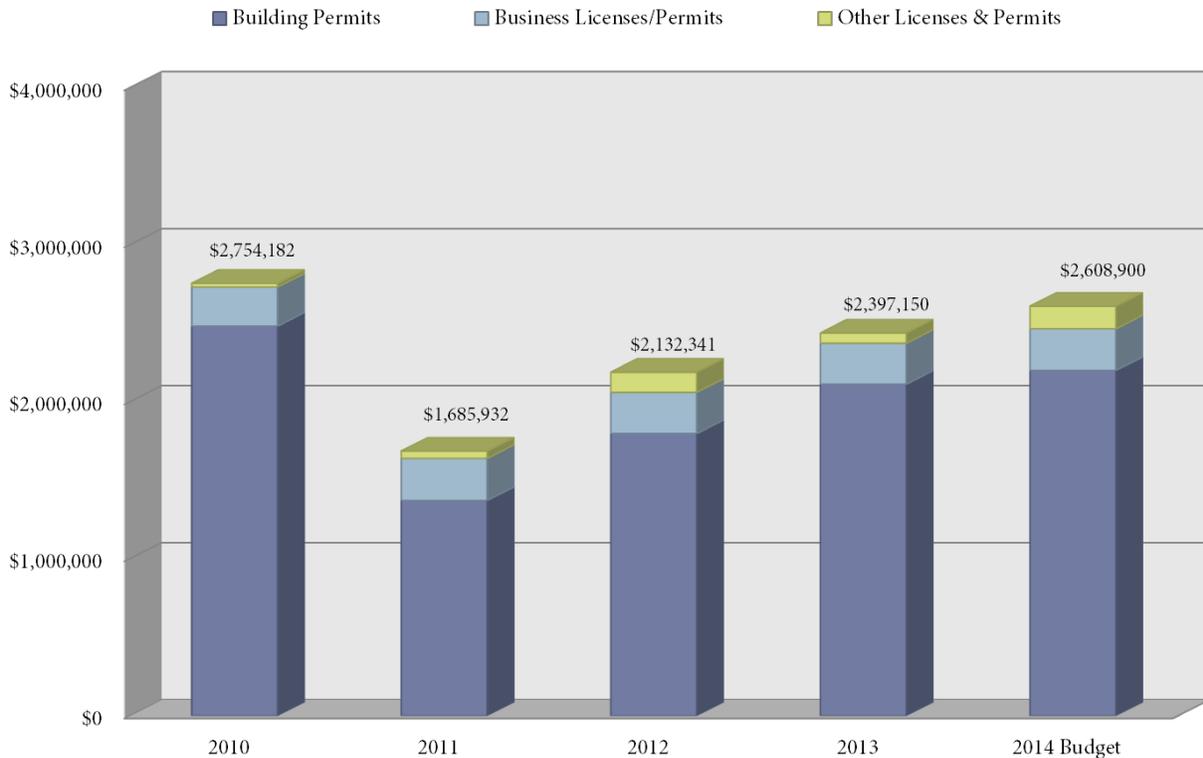
This category includes the issuance of business licenses and licenses for certain activities such as cabaret (live music/dancing), massage parlors, pawnbrokers or devices such as cigarette machines and amusement devices.

Business licenses are issued to all businesses conducting business in the City of Issaquah. The City has partnered with the State of Washington to provide one source for

business licenses and renewals. The initial license fee is \$60.00 per year plus a \$19.00 MLS handling fee. The fee for renewal of the license is \$50.00 per year plus a \$11.00 MLS handling fee.

Other licenses/permits include amusement permit fees, franchise fees, and animal licenses.

Five-Year Comparison of License & Permit Fees Collected by Type



Summary of Intergovernmental and Shared Revenues -- \$960,200 (3%)

Sales Tax Mitigation

On July 1, 2008, the state of Washington changed from origin-based to destination-based sales tax for delivered goods. This was Washington’s final step to conform with the national Streamlined Sales and Use Tax Agreement (SSUTA). This change shifted local sales tax revenues among local jurisdictions; some gained revenues while other saw a loss in revenues. To ease the

hardship on negatively impacted jurisdictions, the streamlined sales tax statute includes a provision to mitigate losses in revenue. The City of Issaquah receives sales tax mitigation money from the state of Washington. Due to severe budget challenges, the state of Washington reduced the streamlined sales tax mitigation by 3.4% for the state’s 2011-13 biennium.

Liquor Board Profits and Liquor Excise Tax

Initiative 1183 passed in November 2011, privatizing the distribution and retail sale of liquor, effective June 1, 2012. Profits from the state-owned liquor stores and liquor excise taxes have historically been shared with local governments to help defray the costs for policing liquor establishments located within city limits. The liquor board profits have been replaced with license fees charged to distributors and retailers, as a result of the initiative (although the State is still calling them profits).

Liquor taxes also continue to be collected on liquor sales. However, due to severe budget challenges, the State balanced its current budget by reducing liquor excise tax shared

with local governments. The allocation was reduced by 3.4% in 2011 and will not be received for the last quarter of 2012 and the first three quarters of 2013.

Once distributions are reinstated, the amount to be distributed to local governments will be reduced by \$10 million per year. However, due to the initiative requirements, local governments are to receive in liquor board profits no less than what was received in the four quarters prior to passage of the initiative. In addition, \$10 million is added to enhance public safety programs due to the increased number of retailers.

Charges for Services -- \$6,671,800 (19%)

The charges for services is a major source of revenue for the City which include user fees for recreational programs, aquatics services, jail/detention services, dispatch services,

planning and building activities and are derived from charges, fees, and costs for services rendered.

Miscellaneous Revenue -- \$1,624,200 (4%)

Miscellaneous revenue includes include traffic & parking fines, passport fees, municipal court administrative fees and sale

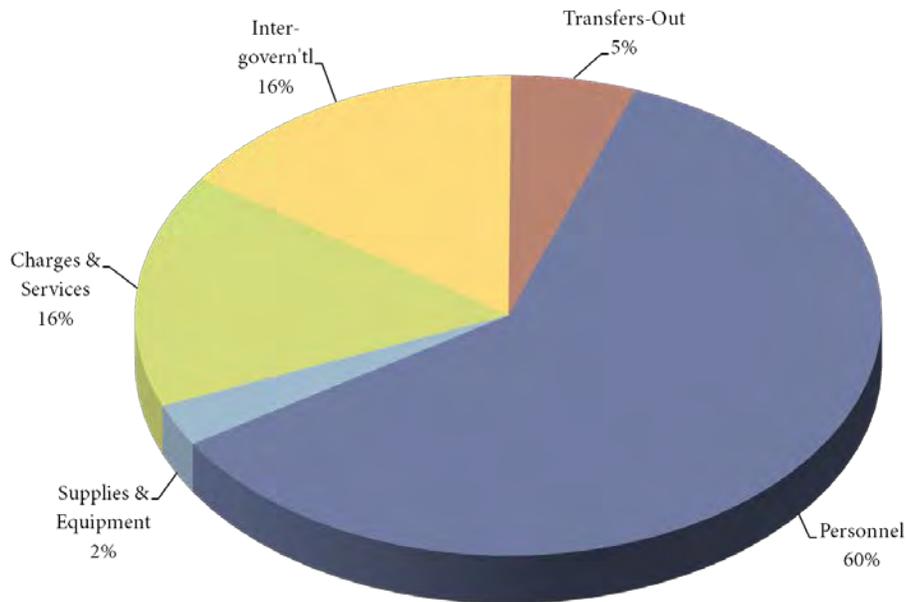
of goods to inmates, interest, facility rents and leases, and contributions and donations.

Other Sources -- \$297,000 (1%)

Other sources include operating transfers in to the General Fund from the Communications and Cemetery Funds.

General Fund Expenditures

2014 General Fund - Use of Funds



<i>Department Name</i>	<i>Personnel</i>	<i>Supplies & Equipment</i>	<i>Charges & Services</i>	<i>Inter-govern'tl</i>	<i>Transfers-Out</i>	<i>Total</i>
City Council	\$ 66,710	\$ 1,500	\$ 16,770	\$ -	\$ -	\$ 84,980
Municipal Court	699,890	23,000	138,920	-	-	861,810
Executive	745,380	7,000	46,630	-	-	799,010
Finance	847,940	15,810	110,410	-	-	974,160
Legal	-	-	425,230	-	-	425,230
Support Svcs & Systems	322,170	3,000	16,980	-	-	342,150
Human Resources	272,350	19,000	71,780	-	-	363,130
Information Technology	464,550	30,000	141,200	-	-	635,750
City Clerk	226,830	9,000	53,660	-	-	289,490
Police	8,144,980	286,000	894,200	55,000	-	9,380,180
Fire Control	-	-	-	5,243,400	-	5,243,400
Communications	241,190	4,500	28,970	-	-	274,660
Human Svcs	92,680	-	492,980	9,000	-	594,660
Development Svcs	3,536,570	19,200	817,420	66,300	-	4,439,490
Economic Development	433,960	177,020	75,790	-	-	686,770
Parks & Recreation	5,447,490	409,280	1,828,020	36,120	-	7,720,910
Other Gen'l Government Svcs	132,310	10,200	506,700	134,650	1,954,275	2,738,135
Total General Fund	\$ 21,675,000	\$ 1,014,510	\$ 5,665,660	\$ 5,544,470	\$ 1,954,275	\$ 35,853,915

Expenditure Comparison¹

<i>Department/Function Name</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
City Council	\$ 75,550	\$ 76,039	\$ 73,419	\$ 84,980
Municipal Court	683,840	809,010	793,446	861,810
Executive	988,423	1,051,542	1,020,937	799,010
Financial Services	914,988	980,907	1,051,033	974,160
Legal	509,628	465,000	568,163	425,230
Support Svcs & Systems ¹	-	-	-	342,150
Human Resources	453,053	520,306	354,547	363,130
Information Technology	949,042	766,536	651,291	635,750
City Clerk	305,460	356,656	347,316	289,490
Police	7,806,150	8,440,846	8,429,513	9,380,180
Fire Control	4,707,133	5,063,217	5,056,459	5,243,400
Communications	-	259,101	233,877	274,660
Human Services	443,842	472,270	478,634	594,660
Development Services	3,627,627	5,329,880	5,201,690	4,439,490
Economic Development	209,827	623,672	537,684	686,770
Park Planning & Administration	354,249	380,216	352,349	313,370
Facilities Rental	310,262	332,309	329,437	394,370
City Facility Services	1,770,383	1,836,894	1,808,455	1,752,520
Recreation Services	1,739,186	1,932,865	1,814,137	2,111,510
Aquatics	895,929	983,025	949,683	1,209,890
Park Facilities Maintenance	1,785,728	1,923,300	1,819,094	1,939,250
Other General Government Services	<u>3,581,477</u>	<u>3,162,735</u>	<u>2,633,280</u>	<u>2,738,135</u>
Subtotal	\$ 32,111,777	\$ 35,766,326	\$ 34,504,441	\$ 35,853,915
Ending Fund Balance	<u>8,270,001</u>	<u>7,459,988</u>	<u>8,059,757</u>	<u>7,976,366</u>
General Fund Total	<u>\$ 40,381,778</u>	<u>\$ 43,226,314</u>	<u>\$ 42,564,198</u>	<u>\$ 43,830,281</u>

¹ New department.

General Fund Expenditure Changes of Note

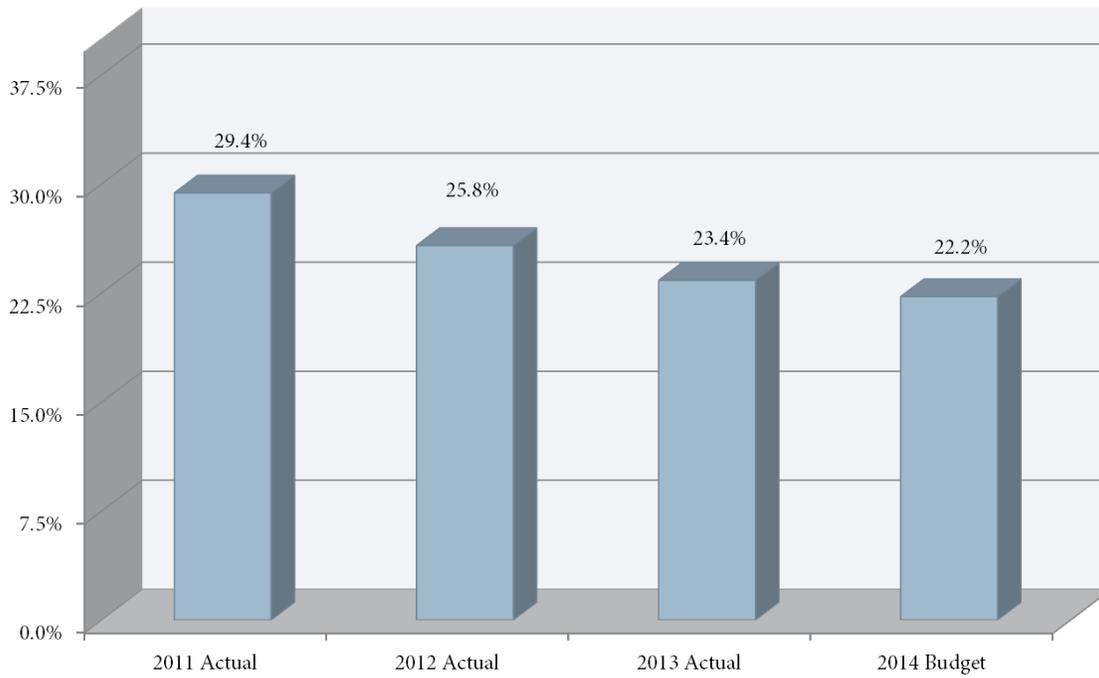
It is important to note some changes implemented in the General Fund's 2014 Budget:

- ☞ In previous years, insurance charges had been charged to 'Other General Governmental Services.' The 2014 budget identifies and allocates insurance charges to the specific program or service benefitting from the insurance.
- ☞ In previous years, public utility charges had been charged to 'City Facility Services.' The 2014 budget identifies and allocates public utility charges to the specific buildings or locations consuming the specific public utility.
- ☞ The 2014 budget provides a complete year of operations for the Economic Development and Development Services departments.
- ☞ The 2014 budget includes a separate department created for Support Services and Systems. This activity was part of the Executive department for the 2013 budget. In the 2014 budget, Support Services and Systems' activities are expanding to serve both city hall locations. In order to more effectively track and allocate costs a separate department was created.
- ☞ In previous years' the Human Resources Department budget included the amount budgeted for the health reimbursement benefit. In 2014, the health reimbursement benefit amounts have been reallocated to the appropriate departments.

Ending Fund Reserves in \$



Ending Fund Reserves as a % of Total Expenditures



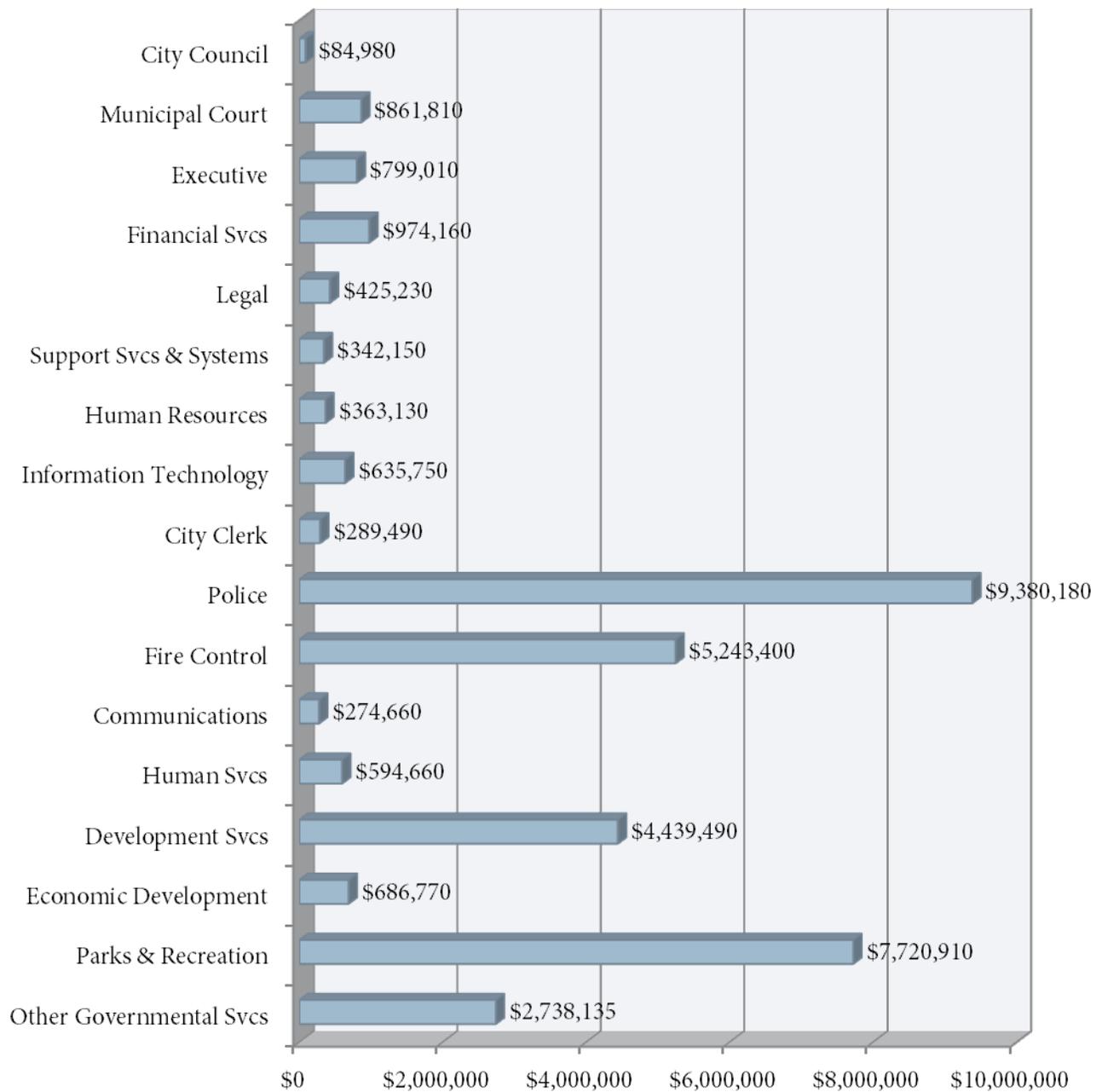


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General Fund Department Expenditure Detail

Expenditure detail for all General Fund departments

2014 General Fund Expenditure Detail by Department





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Legislative

Mission Statement

The legislative body provides effective City government representation for the citizens, determines policy, enacts ordinances and resolutions, approves contracts, and authorizes the payment of all obligations incurred by the City.

2014 Council Priorities

During the May 4, 2013 Annual Retreat & Goal Setting meeting, the Issaquah City Council identified the below goals for 2014:

1. Develop and adopt in 2014 a plan for longer-term financial planning for both operations and capital that would be implemented starting in 2015.
2. Measure city services and report to our residents.
3. Through a public private partnership (City of Issaquah / Chamber of Commerce) develop and/or implement a 2014 Tourism Business Plan.
4. Attract retain and grow a diverse and stable economic base that supports city revenues, needed goods and services and jobs through collaboration with the EVC and develop a professional marketing packet for Issaquah in 2014.
5. Generate a plan in 2014 for developing neighborhood parks into a usable recreational facilities beginning with Hillside Park.
6. Create a “green infrastructure” plan for Issaquah.
7. Healthy Community Strategy.
8. Neighborhood Engagement Plan.
9. Encourage a greater citizen voice in discussions on city issues and future direction.
10. Conduct a feasibility study of the Issaquah city campus.
11. Continue efforts to identify feasibility of I-90 overcrossing.

Expenditure Comparison

Category	2012 Actual	2013 Budget	2013 Estimate	2014 Budget
Personnel	\$ 66,858	\$ 66,689	\$ 66,714	\$ 66,710
Supplies & Equipment	1,320	1,500	1,000	1,500
Charges & Services	<u>7,372</u>	<u>7,850</u>	<u>6,375</u>	<u>16,770</u>
<i>Expenditure Total</i>	<u>\$ 75,550</u>	<u>\$ 76,039</u>	<u>\$ 74,089</u>	<u>\$ 84,980</u>

Salaries & Benefits

The salaries of the Council Members are budgeted in this category. Compensation for Council Members:

Councilors	\$700/Month
Deputy Council President	\$750/Month
Council President	\$800/Month

Municipal Court

Mission Statement:

The Municipal Court’s mission is to establish and maintain public trust and confidence. The Court serves the citizens of Issaquah by providing access to justice for all and ensuring that all individuals are afforded due process of law as recognized by the Constitutions of the United States and the State of Washington.

Summary of Departmental Activities & Responsibilities

As a court of limited jurisdiction, the Municipal Court is authorized by the laws of the State of Washington to preside over all criminal misdemeanors and gross misdemeanors, as well as traffic, non-traffic and parking infractions occurring within the

city limits of Issaquah, Snoqualmie and North Bend. All cases filed are processed in accordance with court procedure and the laws of the State of Washington, under the direction of the presiding judge.

2014 Work Plan Focus

- ✂ Provide a safer courthouse to the public and monitor probation offenders at a higher level.
- ✂ Explore alternative jail programs to reduce jail costs.

Prior Year Accomplishments

- 👍 Enhanced probation services.
- 👍 Developed and implemented a court user survey to develop performance measures and published result online.

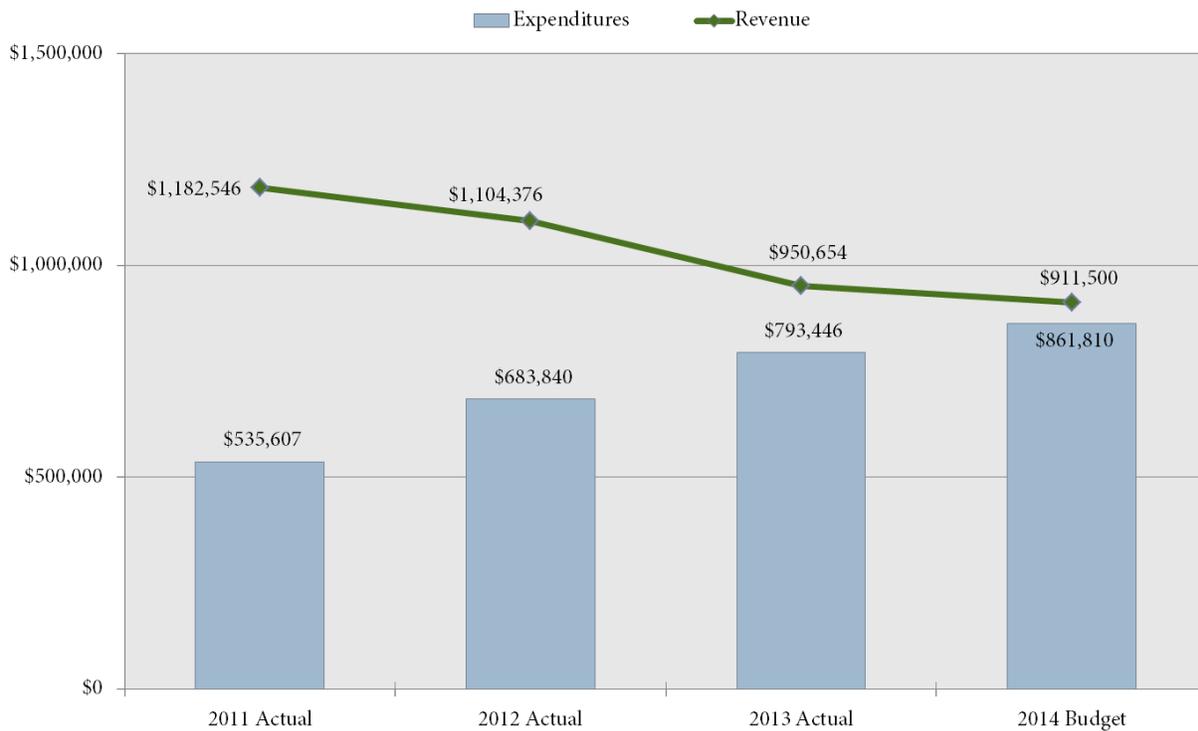
Staffing Levels

<i>Position Title</i>	<i># of FTE</i>	
	<i>2013</i>	<i>2014</i>
Court Administrator	1.00	1.00
Probation Officer	1.00	1.00
Municipal Court Clerk	3.00	3.00
Municipal Judge	0.50	0.50
Non-Regular Assistants	0.50	0.50
Non-Regular Security	0.50	0.50
Total FTE	6.50	6.50

Expenditure Comparison

Category	2012 Actual	2013 Budget	2013 Actual	2014 Budget
Personnel	\$ 537,716	\$ 658,610	\$ 652,607	\$ 699,890
Supplies & Equipment	21,194	23,000	16,667	23,000
Charges & Services	124,930	127,400	124,172	138,920
Expenditure Total	\$ 683,840	\$ 809,010	\$ 793,446	\$ 861,810

Municipal Court Annual Budget Comparison



Performance Measures

Statistic	2009	2010	2011	2012	2013
Criminal	1,254	1,222	1,328	1,167	1,063
Infractions ¹	6,756	7,080	5,847	4,754	3,231
Camera	4,917	3,723	5,580	5,015	4,114
Total Court Filings	12,927	12,025	12,755	10,936	8,408

¹ Infractions include traffic infractions, non-traffic infractions and parking tickets for Issaquah, Snoqualmie and North Bend as well as tickets filed by other law enforcement agencies.

Executive Department

Mission Statement

The Executive Department's mission is to ensure high quality, excellent public service by providing administrative direction and management of all departments in implementing City policies and procedures in an effective, efficient and timely manner. Pursue excellence in serving the public by supporting high-quality development; keeping the community, other jurisdictions and agencies well informed of the City's activities; and implementing projects and programs that meet the community's identified needs. Support effective recruitment, selection, development and retention of City employees; clarify and protect the rights and responsibilities of employees; and assure that policies, procedures and practices are implemented in a timely and equitable manner and comply with state and federal regulations.

Summary of Departmental Activities & Responsibilities

- | | |
|---|---|
| <ul style="list-style-type: none"> ☞ Enhance public service through strategic planning of employee development - as well as programs and activities - to maximize interdepartmental teamwork. ☞ Represent the City to the public and other government and regional entities. ☞ Manage and coordinate the development of special projects requiring multi-department participation. | <ul style="list-style-type: none"> ☞ Research and analyze legislation and issues of relevance to the City. ☞ Support the governance process and implement City goals. ☞ Support Issaquah's economic vitality. ☞ Administer human service grants, coordinate human services and support the Senior Center. |
|---|---|

2014 Work Plan

- | | |
|---|---|
| <ul style="list-style-type: none"> ✘ Coordinate the implementation of the 2014 City Council goals and assist the Council in the development of the 2015 Goal Setting. ✘ Manage the impact of the results of the Klahanie Annexation vote (either focus on service delivery to the newly | <p>incorporated area or assist in determining next steps if the area is not annexed.)</p> <ul style="list-style-type: none"> ✘ Provide support to the Council representatives in the potential transition year for Eastside Fire and Rescue. |
|---|---|

2014 Work Plan (cont.)

- ✘ Continue the implementation of the High Performance workplace model throughout the organization.
- ✘ Coordinate the multi-department effort to enhance human and social sustainability in the City.
- ✘ Coordinate the City’s participation in the PSAP (Public Safety Answering Point) Consolidation Review Effort.
- ✘ Coordinate the multi-departmental efforts on Traffic Concurrency and Economic Development.

Prior Year Accomplishments

- 👍 Worked with City Council to adopt a legislative agenda that resulted in the City receiving funding from the State capital budget.
- 👍 Completed the Klahanie Annexation Cost Benefit Study that resulted in the City Council approving the “Intent to Annex.”
- 👍 Coordinated the implementation of the 2013 City Council goals.
- 👍 Began developing the foundation for moving the organization towards a High Performing Organization.
- 👍 Provided leadership and guidance to staff in the development of the 2014 budget.
- 👍 Continued to improve communications across functions and operations - physical locations of offices is a barrier to effective communications and efficient operations.

Staffing Levels

Position Title	# of FTE	
	2013	2014
Mayor	1.00	1.00
City Administrator	1.00	1.00
Deputy City Administrator	1.00	1.00
Special Projects & Policy Director	1.00	-
Executive Assistant	1.00	1.00
Total FTE	5.00	4.00

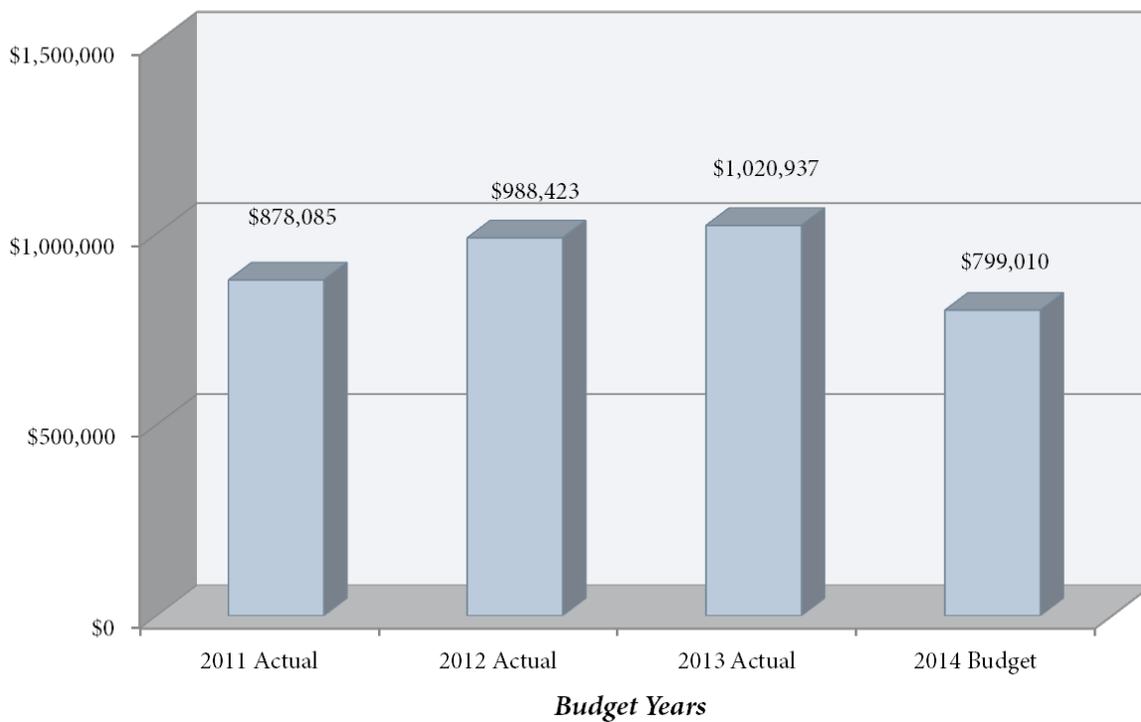


Valiant Effort

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Personnel	\$ 881,754	\$ 996,192	\$ 984,119	\$ 745,380
Supplies & Equipment	7,691	11,000	4,152	7,000
Charges & Services	<u>98,978</u>	<u>44,350</u>	<u>32,666</u>	<u>46,630</u>
<i>Expenditure Total</i>	<u>\$ 988,423</u>	<u>\$ 1,051,542</u>	<u>\$ 1,020,937</u>	<u>\$ 799,010</u>

Executive Department Annual Budget Comparison



Finance Department

Mission Statement

The Finance Department’s mission is to provide the City with financial information and financial planning, to maintain financial operations, and to provide continued improvement to existing financial systems and to maintain fiscal viability of the City as a whole.

Summary of Departmental Activities & Responsibilities

The Finance Department performs the following responsibilities in service to our customers and the citizens of Issaquah:

- ☰ Prepare and monitor budgetary and financial information systems. This includes:
 - ☞ Internal services;
 - ☞ User rate analysis;
 - ☞ Revenue forecasting;
 - ☞ Preparation of operating and capital budget;
 - ☞ Analyzing optimal fund balances and reserve requirements; and
 - ☞ Preparing various City, state and federal financial reports and analyses.
- ☰ Provide cash, debt management, and investment management services.
- ☰ Administer utility billing system for water, sewer, and stormwater.
- ☰ Provide risk management services including coordination of insurance claims and accident reports as well as contract administration and project management.



Staffing Levels

<i>Position Title</i>	<i># of FTE</i>	
	<i>2013</i>	<i>2014</i>
Finance Director	1.00	1.00
Deputy Finance Director	1.00	1.00
Financial Services Supervisor	1.00	1.00
Senior Accountant	1.00	1.00
Risk Management Officer	1.00	1.00
Senior Tax Auditor	0.75	0.75
Tax/Cash Coordinator	0.50	0.50
Financial Data Specialist	1.00	1.00
Fiscal Specialist	2.00	2.00
Utility Services Coordinator	1.00	1.00
Total FTE	10.25	10.25

2014 Work Plan Focus

- ✘ Complete the 2013 audit of the City's annual financial statements with a "clean" opinion.
- ✘ Continue to evaluate business processes to create efficiencies and streamline department operations.
- ✘ Continue to enhance transparency of financial information to public.
- ✘ Implement major components of the upgrade of ERP (Enterprise Resource Planning) system to MUNIS.
- ✘ Rewrite travel policies and procedures.
- ✘ Work with departments on "change management" training to assure successful implementation of MUNIS system.
- ✘ Evaluate options and opportunities to streamline and improve our cash receipting and banking systems.
- ✘ Continue to evolve the Capital Facilities Plan.
- ✘ Issue \$10 million in voter approved bonds and refinance several other issues.

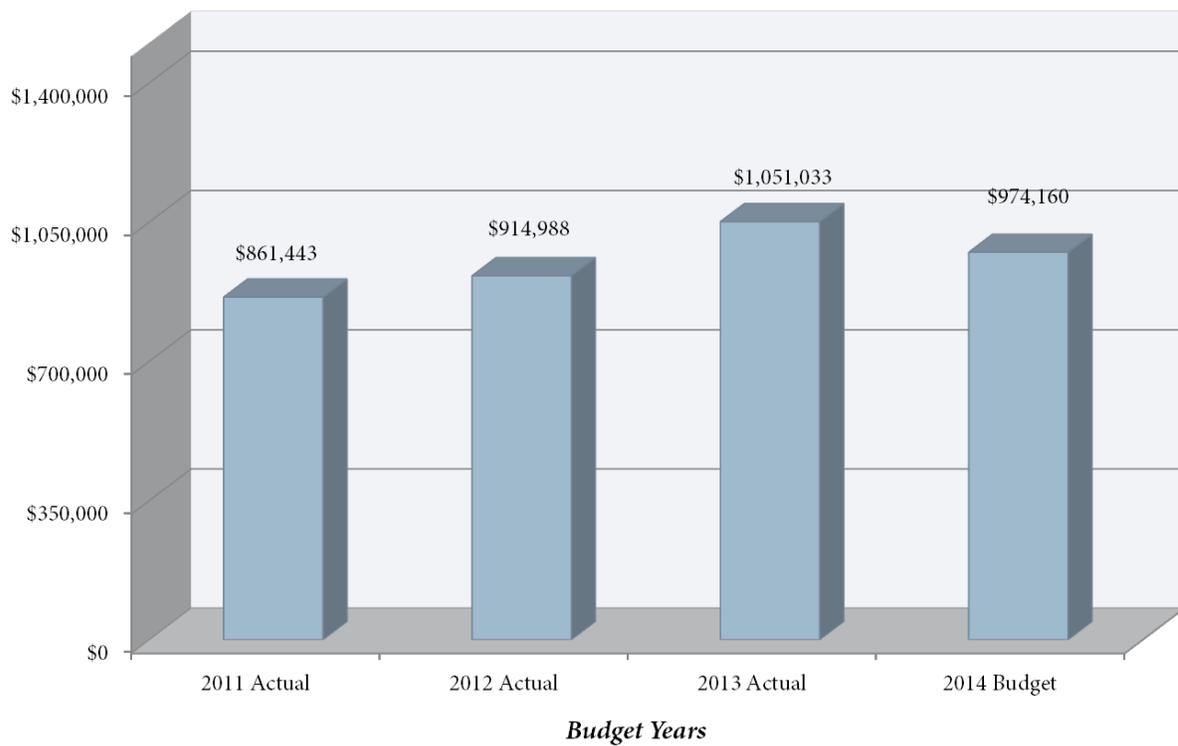
Prior Year Accomplishments

- 👍 Completed a cost benefit analysis on upgrading the financial system to the next generation of software.
- 👍 Evaluated the benefit of implementing Enterprise Resource Planning (ERP) software system to include document management, customer request, human resources, purchasing and work order system.
- 👍 Provided project leadership on the Klahanie Potential Annexation Area.
- 👍 Improved and updated the City's Financial Policies.
- 👍 Passed legislation to delete several old funds that are no longer relevant.
- 👍 Passed legislation to update the petty cash process, developed new administrative policies and established new financial limits.
- 👍 Administered Business & Occupation (B&O) Tax requirements for 4,894 actively licensed businesses.
- 👍 Continued to streamline daily operations by taking advantage of technology to replace traditional paper processes.
- 👍 Implemented the budget module of the current Eden system.
- 👍 Migrated the Capital Improvement Plan into a Capital Facilities Plan.
- 👍 Provided project management on the review of the City's Information Technology department and the development of a strategic plan.
- 👍 Developed and implemented accounting for Self-Insured Medical program and performed extensive monitoring of related programs.

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Personnel	\$ 800,750	\$ 879,407	\$ 959,278	\$ 847,940
Supplies & Equipment	16,904	14,000	11,033	15,810
Charges & Services	<u>97,334</u>	<u>87,500</u>	<u>80,722</u>	<u>110,410</u>
<i>Expenditure Total</i>	<u>\$ 914,988</u>	<u>\$ 980,907</u>	<u>\$ 1,051,033</u>	<u>\$ 974,160</u>

Finance Department Annual Budget Comparison



Performance Measures

<i>Statistic</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>
Number of Payroll Employees	482	465	460	481	525
Number of Payroll Checks Processed	1,808	1,625	1,219	1,114	1,666
Number of Payroll Direct Deposits	6,647	6,469	6,505	6,300	6,618
Total Salary and Benefits	\$26.4M	\$25.3M	\$26.8M	\$26.6M	\$27.9M
Number of Invoices Processed	13,485	13,307	13,538	15,547	14,858
Number of Accounts Payable Checks Processed	5,950	5,629	5,822	6,286	5,412
Total Utility Accounts	n/a	8,770	8,774	8,970	9,101
Total Utility Automatic Payment Customers	768	832	1,009	1,202	1,203
Investment Portfolio	\$43M	\$40.3M	\$20.9M	\$19.6M	\$33.6M
Contracts/Agreements Processed	523	475	400	553	495
Liability Claims against the City	24	15	30	25	18
Court - Bail Reimbursements	259	308	242	263	192

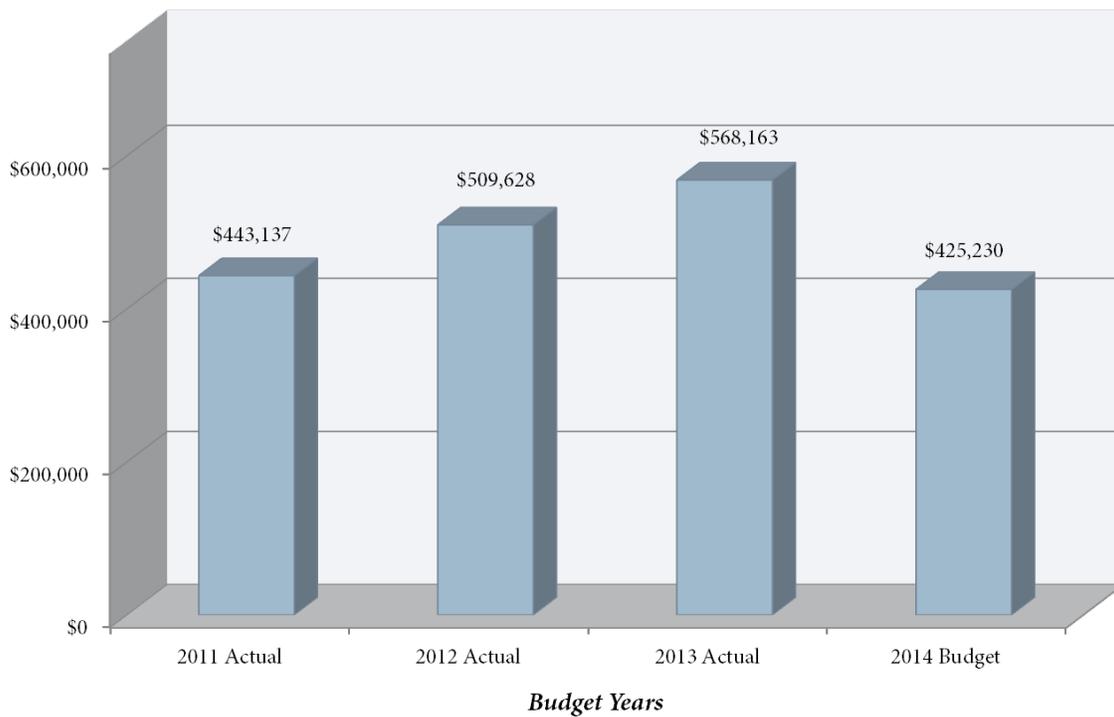
Legal Activities

This budget provides for the cost of all legal services for the City of Issaquah. It includes general municipal work and special projects, as charged by the law firm of Ogden, Murphy and Wallace.

Expenditure Comparison

Category	2012 Actual	2013 Budget	2013 Actual	2014 Budget
Supplies & Equipment	\$ -	\$ -	\$ 333	\$ -
<i>Legal Professional Services:</i>				
General Municipal	208,551	180,000	218,863	158,960
Special Projects	69,037	40,000	59,120	15,880
Prosecutor	147,500	155,000	147,250	158,410
Public Defender	84,540	90,000	142,597	91,980
Expenditure Total	\$ 509,628	\$ 465,000	\$ 568,163	\$ 425,230

Legal Annual Budget Comparison



Support Services and Systems

Mission Statement

The mission of Support Services and Systems is to be a dedicated, innovative, and self-directed team that delivers high-quality service to our customers. We skillfully balance communication, efficient and excellent service while preserving a high-performance workplace using lean standards.

Summary of Departmental Activities & Responsibilities

Our objective is to improve efficiencies while forming partnerships with our customers, delivering a variety of services and support. These partnerships increase communication and collaboration between city departments,

- ☞ Provides service and information to meet our customers' needs.
- ☞ Assists staff in a prompt response to Report a Concerns, tracking to completion.
- ☞ Represents the City on eGov Alliance Shared Procurement Portal Committee.

our elected officials and the general public. Support Services and Systems is a dedicated, pioneering team that executes administrative transactions for its community.

- ☞ Standardizes City processes to reach efficiencies.
- ☞ Maintains the City departments program and project files.
- ☞ Administers the State RCW for Records retention/retrieval.
- ☞ Promotes continuous improvement in city work, relationships, and ourselves.

2014 Work Plan Focus

- ✘ Design Web Procure to meet City needs, training City staff to use the system to full capability.
- ✘ Continue to standardize City processes, implementing operational efficiencies as identified.
- ✘ Expand the City Hall NW reception procedures to City Hall.
- ✘ Focus on consolidating and digitizing the various project/street/program files.
- ✘ Expand the Support Services & Systems to include additional services such as grant tracking, accounts payable and receivable.
- ✘ Provide official Passport Services.

Prior Year Accomplishments

- 👍 Assisted eGov Alliance with the development of the improved shared roster.
- 👍 Developed a global process for City Hall NW procedures.
- 👍 Provided an improved standard of reception services for City Hall NW.

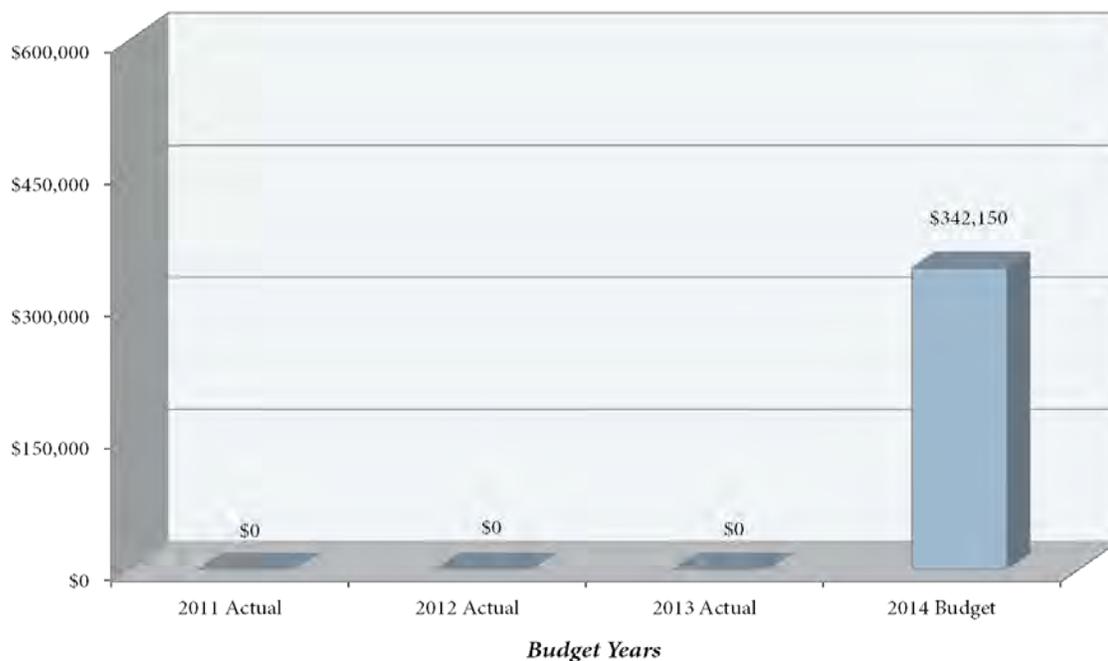
Staffing Levels

Position Title	# of FTE	
	2013	2014
Shared Services Mgr	1.00	1.00
Admin Assistant II	1.00	2.00
Admin Assistant III	2.00	2.00
Total FTE	4.00	5.00

Expenditure Comparisons¹

Category	2012 Actual	2013 Budget	2013 Actual	2014 Budget
Personnel	\$ -	\$ -	\$ -	\$ 322,170
Supplies & Equipment	-	-	-	3,000
Charges & Services	-	-	-	16,980
Expenditure Total	\$ -	\$ -	\$ -	\$ 342,150

Support Services and Systems Annual Budget Comparison



¹ The Support Services and Systems department was created in 2013 and received funding from multiple sources within and without the General Fund. 2014 is the first budget year with costs fully funded by the General Fund.

Human Resources

Mission Statement

The mission of the Human Resources Department is to support City employees in their efforts to provide excellent service to our taxpayers and customers by providing leadership and expertise in a variety of areas.

Summary of Departmental Activities & Responsibilities

- | | |
|--|--|
| <ul style="list-style-type: none"> ☞ Employee and labor relations. ☞ Benefits administration. ☞ Recruitment and retention of quality employees. | <ul style="list-style-type: none"> ☞ Employee training and development. ☞ Employee safety. ☞ Performance coaching and counseling. |
|--|--|

2014 Work Plan Focus

- ✘ Lead the design and implementation of organizational development and training.
- ✘ Provide support of cultural change to a High Performance Organization (HPO) model.
- ✘ Act as lead spokesperson in collective bargaining with labor groups.
- ✘ Establish a Leadership Academy to assist in training staff to lead.
- ✘ Implement, train and support the employee on boarding program.
- ✘ Increase participation in the Wellness Program and focus on improving the top three identified health risks as identified by the Health Risk Assessment information.

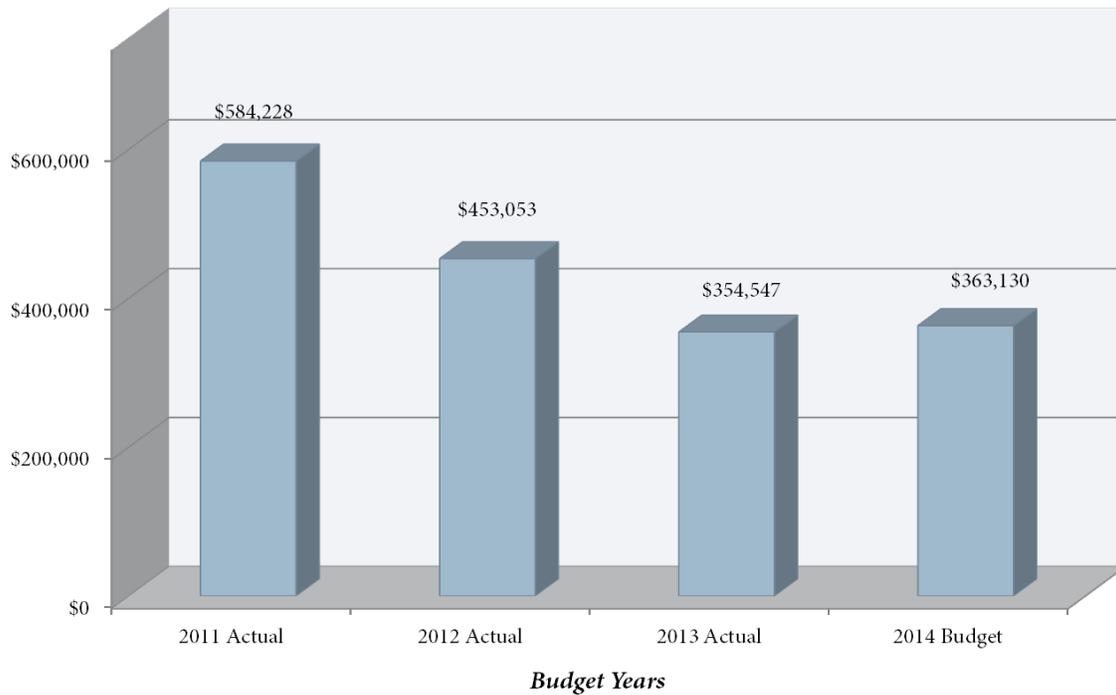
Prior Year Accomplishments

- ☑ Trained approximately half of City Employees in the High Performance Organization (HPO) model.
- ☑ Implemented new health care plan and wellness program.
- ☑ Provided communication style training for City staff through “colors’ training.
- ☑ Successfully negotiated Police labor contract.
- ☑ Designed an “On Boarding” program.
- ☑ Provided employees with timely assistance to meet both work and non-work needs through such resources as the Employee Assistance Program, our medical benefits program and performance related issues when requested.
- ☑ Established a Health Care Advisory Committee.

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Personnel	\$ 381,695	\$ 434,156	\$ 292,678	\$ 272,350
Supplies & Equipment	14,418	21,050	13,887	19,000
Charges & Services	56,940	65,100	47,982	71,780
Expenditure Total	\$ 453,053	\$ 520,306	\$ 354,547	\$ 363,130

Human Resources Department Annual Budget Comparison



Performance Measures

<i>Statistic</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>
Turnover Rate ¹	8.5%	2.8%	4.7%	12.5%	6.9%
Regular Hires	5	6	9	29	17
Terminations	28	7	13	31	16
Recruitments	4	7	13	47	26
Job Applicants	334	252	1,492	2,108	670
Training Hours	130	140	-	700	2,750
Positions Reviewed	-	1	-	18	1

Staffing Levels

<i>Position Title</i>	<i># of FTE</i>	
	<i>2013</i>	<i>2014</i>
HR Director ²	1.00	1.00
HR Manager	1.00	1.00
HR Coordinator	1.00	1.00
Total FTE	3.00	3.00

¹ Turnover rate includes Voluntary Separation and layoffs.

² Position to remain unfilled for 2014.

Information Technology

Mission Statement

The mission of the Information Technology Division is to support the City’s technology and communications needs through the use and integration of a variety of tools which provides accessibility to our elected officials, employees, residents, and guests.

Summary of Departmental Activities & Responsibilities

The Information Technology Division provides support, maintenance, and development of the City's primary business systems, such as its networked computer and

telecommunications systems; departmental help desk; and employee computer learning lab.

2014 Work Plan Focus

- ✘ Implement recommendations for the Information Technology Strategic Plan.
- ✘ Improve customer service response time.
- ✘ Improve network reliability.
- ✘ Continue to provide quality phone service.
- ✘ Increase technology mobility options.

Staffing Levels

<i>Position Title</i>	<i># of FTE</i>	
	<i>2013</i>	<i>2014</i>
Information Systems Manager	1.00	1.00
IT Systems/Network Analyst	1.00	1.00
Database Administrator	1.00	1.00
PC Technician ¹	1.00	1.00
Administrative Assistant ¹	0.50	0.50
Total FTE	4.50	4.50

Prior Year Accomplishments

- 👍 Maintained the current standard of under four-hour response time to assistance requests.
- 👍 Coordinated acquisition of software and hardware for the City as well as researched and analyzed options.
- 👍 Provided network design.

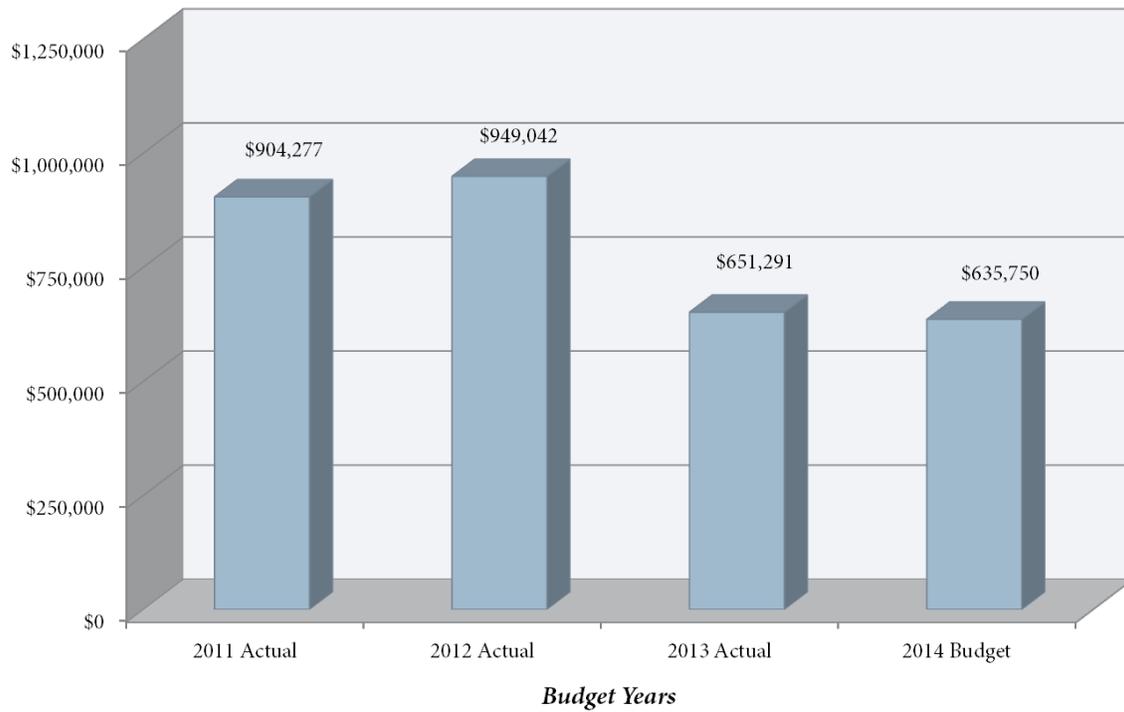
- 👍 Provided 24 hours a day, 7 days a week support to Police Dispatch Center.
- 👍 Provided data security.
- 👍 Administered data backup and recovery.
- 👍 Managed vendor interface/negotiations.
- 👍 Performed software upgrades/new installations.

¹ Position to remain unfilled for 2014.

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Personnel	\$ 745,879	\$ 606,991	\$ 517,926	\$ 464,550
Supplies & Equipment	25,977	31,500	31,569	30,000
Charges & Services	117,203	128,045	101,796	141,200
Intergovernmental Services	59,983	-	-	-
<i>Expenditure Total</i>	<u>\$ 949,042</u>	<u>\$ 766,536</u>	<u>\$ 651,291</u>	<u>\$ 635,750</u>

Information Technology Annual Budget Comparison



IT-Related Capital Items Included Elsewhere in Budget

<i>Replacement Items (Equipment Replacement Fund):</i>	<i>2014 Budget</i>
PC Workstations (60)	\$ 50,000
IT Servers	25,000
Network Data Switches (IT)	10,000
<i>Total IT-Related Capital Items</i>	<u>\$ 85,000</u>

City Clerk

Mission Statement

The mission of the City Clerk’s Office is to be responsive, accountable, and provide “first-class” services for the City Council, the Administration, Boards and Commissions, the general public, other City departments, outside organizations, and the business community in departmental operations and inter-departmental communications and efficiency procedures.

Summary of Departmental Activities & Responsibilities

- ☞ Provide City Council support for the governance process.
 - ☞ Attests and maintain custody of official documents.
- ☞ Maintain the City’s municipal code.
 - ☞ Serve as custodian of the municipal-corporation seal.
 - ☞ Serve as the public records officer.

2014 Work Plan Focus

- ✘ Continue to enhance information available to the community through the City’s website.
 - ✘ Continue development and implementation of a City intranet.
 - ✘ Complete implementation of a citywide automated agenda creation process.
 - ✘ Continue next phase of records imaging.
 - ✘ Determine departments’ needs for records management and develop appropriate training.
- ✘ Transition passport services and other office services to Support Services.

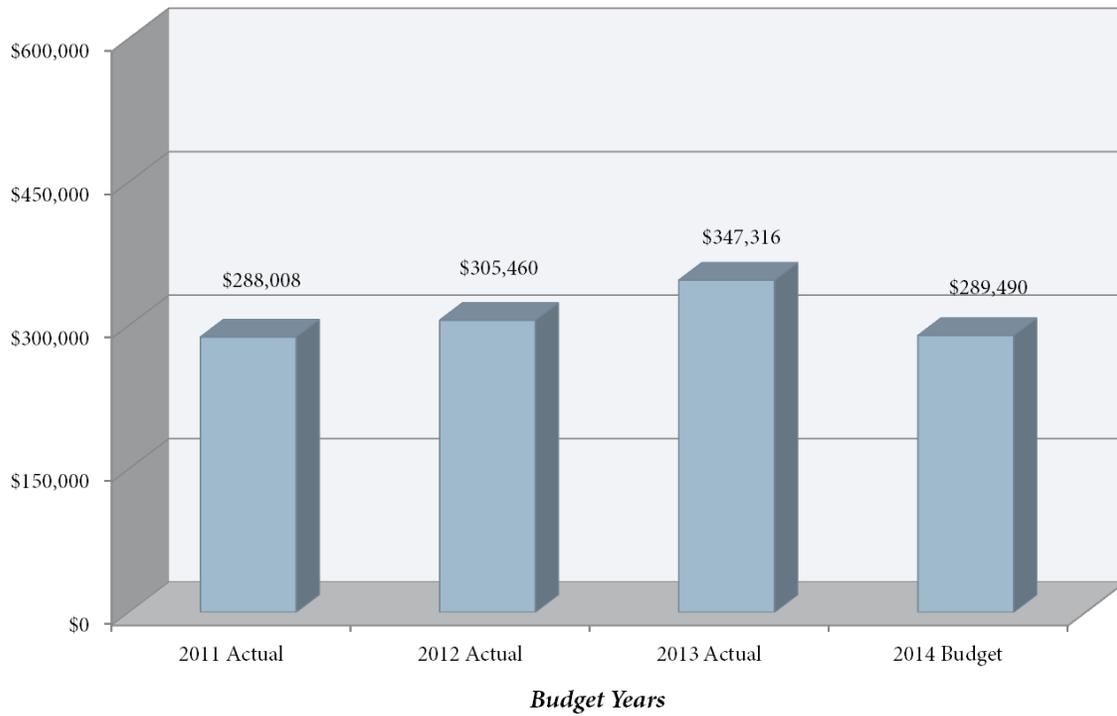
Staffing Levels

<i>Position Title</i>	<i># of FTE</i>	
	<i>2013</i>	<i>2014</i>
City Clerk	1.00	1.00
Deputy City Clerk	1.00	-
Admin Assistant IV	1.00	1.00
Total FTE	3.00	2.00

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Personnel	\$ 269,726	\$ 299,056	\$ 288,269	\$ 226,830
Supplies & Equipment	5,938	15,000	13,671	9,000
Charges & Services	29,796	42,600	45,375	53,660
Expenditure Total	\$ 305,460	\$ 356,656	\$ 347,316	\$ 289,490

Clerk's Office Annual Budget Comparison



Performance Measures

Statistic	2008	2009	2011	2012	2013
Passports Processed	1,354	1,201	1,008	1,146	1,268
Passports Photos Taken	704	641	600	642	661
Ordinances Processed/Published	32	28	35	24	40
Resolutions Processed	16	22	12	12	22
Agenda Bills Processed	135	145	145	120	142
Contracts Processed	523	447	552	551	495
Cemetery Deeds Issued	104	112	77	89	71
Animal Licenses Issued	98	147	135	99	156
Outgoing Mail Processed (Pieces)	61,337	52,913	49,145	50,921	51,602

Police Department

Mission Statement

The mission of the Police Department is to uphold the public trust by working with all citizens to protect lives and property while sustaining a high quality of life and encouraging individual responsibility.

Summary of Departmental Activities & Responsibilities

The department is comprised of three major divisions: Police Operations, Jail/Detentions, and Support Service (Communication Center/Records). The Communication Center and the Jail provide service to the Issaquah community as well as providing contract services to other jurisdictions. Police officers provide investigative services and cooperate with other law enforcement agencies in all policing areas.

The department is focused on community-oriented policing and works in partnership with the citizens of Issaquah to prevent and solve crime. The department has a well-established relationship with the Issaquah School District and in partnership, provides a School Resource Officer program to the elementary, middle and high schools.

2014 Work Plan Focus

- ✘ Increase community support and satisfaction through community involvement projects such as National Night Out, Citizen Academy, block watch/crime prevention outreach, and communication regarding police services.
- ✘ Continue partnership with Redmond Snoqualmie Police Departments to identify, implement and coordinate efficiencies and opportunities with RMS and CAD systems between our three cities.
- ✘ Continue participation in the King County PSAP Cooperative Study.
- ✘ Continue joint efforts in State Liquor Control board enforcement operations on under age access to alcohol, organized liquor retail theft, and new commercial marijuana laws.
- ✘ Capitalize on opportunities and efficiencies relating to Lean Process and High Performance Organization (HPO).
- ✘ Collaborate with City departments in critical incident preparation.
- ✘ Continue to pursue electronic imaging and data file storage.
- ✘ Obtain Washington Traffic Safety Commission Grants for roadway safety initiatives.

- ✘ Continue to work with Issaquah School District in upgrading public safety radio reception in new and remodeled buildings.
- ✘ Implement Mobile Fingerprint Device in cooperation with King County AFIS.
- ✘ Enhance Active Shooter Response efficiencies by coordinating training with Eastside Fire and Rescue.

- ✘ Implement police dispatch services for the City of North Bend.
- ✘ Enhance the Communication Center workspace with upgraded workstations and redesign.
- ✘ Continue technological upgrades in preparation of NextGen 911 systems.
- ✘ Implement necessary jail training and policies to meet PREA (Prison Rape Elimination Act) regulations.

Prior Year Accomplishments

- 👍 Obtained Washington State Traffic Safety Commission grants for increased enforcement on Distracted Driving, Speed Reduction, Seat Belt Use, and Target Zero DUI emphasis.
- 👍 Collaborated with State Liquor Control Board enforcement operations with focus on under-age drinking and over-service within drinking establishments.
- 👍 Completed agreement with Cities of Snoqualmie and North Bend for 911 and Police dispatch services.
- 👍 Enhanced relationship between Issaquah, Snoqualmie and Redmond Police Departments to explore efficiencies of shared RMS and Cad servers.
- 👍 Facilitated coordination of enhancements of the public safety radio service within schools through collaboration between Issaquah School District, Eastside Fire and Rescue and Eastside Public Safety Communications Agency (EPSCA).
- 👍 Implemented an electronic property management system within the Evidence/Property room and reduced

property room volume by approximately 80%.

- 👍 Implemented reorganization of Administrative Support personnel and Records Division to address efficiency and workload distribution opportunities.
- 👍 Participated with IRS in a Financial Crimes task force involving financial investigations in the community.



National Night Out

Prior Year Accomplishments (cont.)

- 👍 Partnered in the formation of King County Investigative Response Team for transparent investigation of deadly force incidents by law enforcement.
- 👍 Acquired and implemented ALPR (Automatic License Plate Reader) system in Patrol Division.
- 👍 Re-introduced the Citizen Academy for introduction and explanation of police services to community.
- 👍 Strengthened Domestic Violence (DV) laws through submission of DV ordinance related to committing domestic violence in the presence of a child.
- 👍 Continued participation in the King County PSAP (Public Safety Answering Point) Consolidation Study.
- 👍 Purchased and implemented Celebrite device – digital forensic extraction device for mobile device data.
- 👍 Purchased and implemented Spillman Records Management System modules for LiveScan fingerprinting interface, evidence management, evidence barcoding, electronic images in case reports, and AVL (automatic vehicle locator).
- 👍 Completed installation of Generator Transfer Switch and replacement of UPS (uninterrupted power source) backup for Communication center.



National Night Out

Staffing Levels

Position Title	# of FTE	
	2013	2014
Chief	1.00	1.00
Deputy Police Chief	1.00	1.00
Commander	2.00	2.00
Sergeant	5.00	5.00
Corporal	5.00	5.00
Officer	19.00	20.00
School Resource Officer	1.00	1.00
E911/Records System Specialist	1.00	1.00
Jail Manager	1.00	1.00
Corrections Officer	10.00	10.00
Transport Officer	1.00	1.00
Executive Assistant	-	1.00
Office Supervisor/Admin Asst	2.00	0.50
Communications Supervisor	1.00	1.00
Communications Specialist	9.00	9.00
Records Supervisor	-	1.00
Records Specialist	3.50	3.00
Total FTE	62.50	63.50

Expenditure Comparison

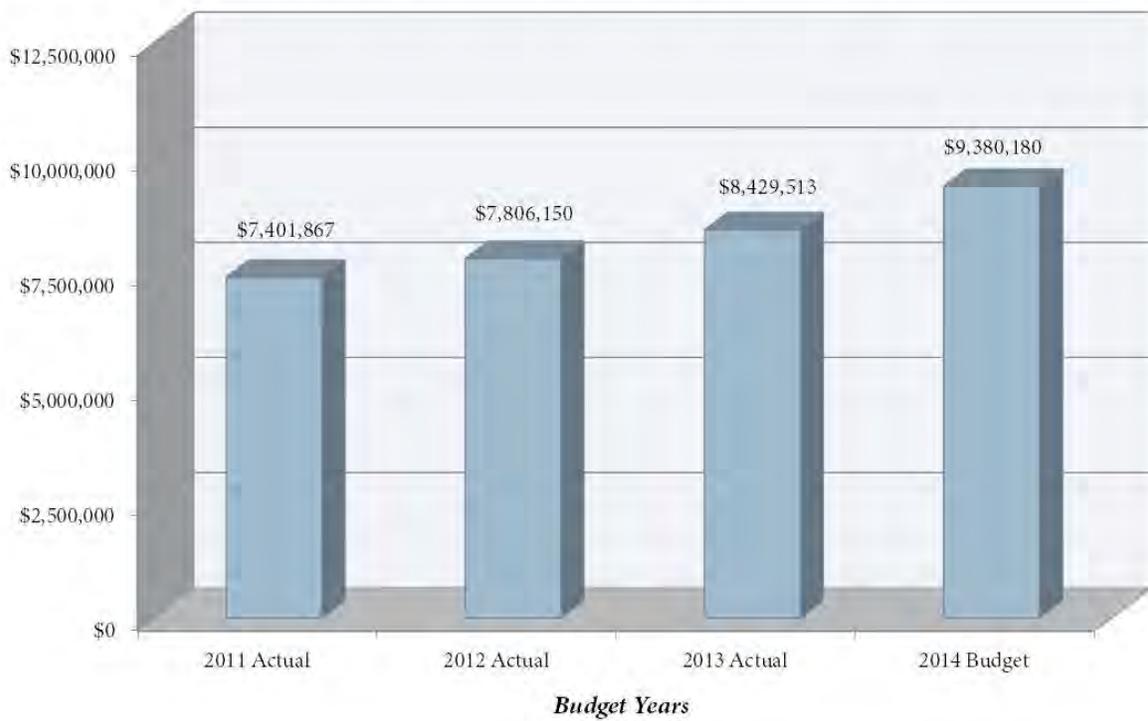
<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
<i>Operations & Investigations</i>				
Personnel	\$ 4,473,265	\$ 4,840,296	\$ 4,875,196	\$ 5,295,200
Supplies & Equipment	58,082	55,500	49,276	57,500
Charges & Services	244,973	256,600	261,090	454,630
Intergovernmental Services	<u>17,046</u>	<u>23,000</u>	<u>20,758</u>	<u>23,000</u>
<i>DivisionTotal</i>	<u>\$ 4,793,366</u>	<u>\$ 5,175,396</u>	<u>\$ 5,206,319</u>	<u>\$ 5,830,330</u>
<i>Detentions & Corrections:</i>				
Personnel	\$ 1,149,256	\$ 1,248,600	\$ 1,235,224	\$ 1,327,030
Supplies & Equipment	224,484	216,000	210,578	216,000
Charges & Services	275,201	279,350	235,963	272,880
Intergovernmental Services	<u>-</u>	<u>-</u>	<u>23,391</u>	<u>32,000</u>
<i>DivisionTotal</i>	<u>\$ 1,648,941</u>	<u>\$ 1,743,950</u>	<u>\$ 1,705,156</u>	<u>\$ 1,847,910</u>
<i>Dispatch Services:</i>				
Personnel	\$ 965,295	\$ 1,031,400	\$ 1,058,652	\$ 1,157,110
Supplies & Equipment	3,151	3,000	1,101	3,000
Charges & Services	<u>87,854</u>	<u>109,500</u>	<u>100,219</u>	<u>79,530</u>
<i>DivisionTotal</i>	<u>\$ 1,056,300</u>	<u>\$ 1,143,900</u>	<u>\$ 1,159,971</u>	<u>\$ 1,239,640</u>
<i>Records:</i>				
Personnel	\$ 237,921	\$ 286,900	\$ 272,623	\$ 365,640
Supplies & Equipment	8,552	9,500	11,227	9,500
Charges & Services	<u>61,071</u>	<u>81,200</u>	<u>74,216</u>	<u>87,160</u>
<i>DivisionTotal</i>	<u>\$ 307,544</u>	<u>\$ 377,600</u>	<u>\$ 358,066</u>	<u>\$ 462,300</u>
<i>Department Total</i>	<u>\$ 7,806,150</u>	<u>\$ 8,440,846</u>	<u>\$ 8,429,513</u>	<u>\$ 9,380,180</u>

Police Capital Items Included Elsewhere in Budget

Capital Improvement Fund (301):

	2014 Budget
Spillman Dashboards	\$ 26,530
Stancil Next Generation Equipment	23,000
Total Police Capital Projects	\$ 49,530

Police Department Annual Budget Comparisons



Performance Measures

<i>Statistics</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>
Calls for Service (CFS)	13,279	12,581	11,338	11,995	12,676 ¹
Officers Per 1000	1.2	1.18	1.03	1.02	1.01/.65 ²
# in Patrol	20	20	20	21	21 ³
# in Detective	4	3	3	3	3
# in Traffic	2	2	2	1.67	1
CFS Per Officer	784	629	768	666	704 ⁴
Emergency Response Time	3.5 mins				
Overall Response Time	16 mins	16 mins	16.5 mins	17 mins	17 mins
Traffic Citations	6,393	5,310	5,129	4,171	3,092
School Zone Speed Camera	4,917	3,723	5,580	5,015	4,114
Preventative ²	38%	31%	28%	27%	26%

¹ 70% of Calls for Service (CFS) occur between the hours of 11am and 11pm.

² Officer per 1,000 based on total sworn officers, or all 34 authorized positions, which include Administration, Patrol, Investigations, Traffic and School Resource Officer. Ratio is reduced to .63 per 1,000 when applying the number of officers in the Patrol Division only, or uniforms on the street. (Based on current population estimate 32,130)

³ The Patrol Division was short one FTE of staffing due to military deployment, resignation, retirements, injuries, and training of new officers. 2013 Patrol Division plan was 22 sworn officers.

⁴ 35% of our Calls for Service (CFS) are multi-officer responses. This increases the CFS per officer to over 950.

Fire Protection Services

Mission Statement

The mission of the Fire Department is to prevent fires from starting, prevent loss of life and property after a fire starts, confine a fire to the place where it started, and put out the fire. The department is charged with responding to victims of sudden illness or accident, and reducing trauma and suffering.

Summary of Departmental Activities & Responsibilities

The City contracts with Eastside Fire and Rescue to provide a complete range of services including prevention, public education, emergency medical care, fire

protection, and hazardous materials control. They also coordinate CPR and first aid classes on an as needed basis.

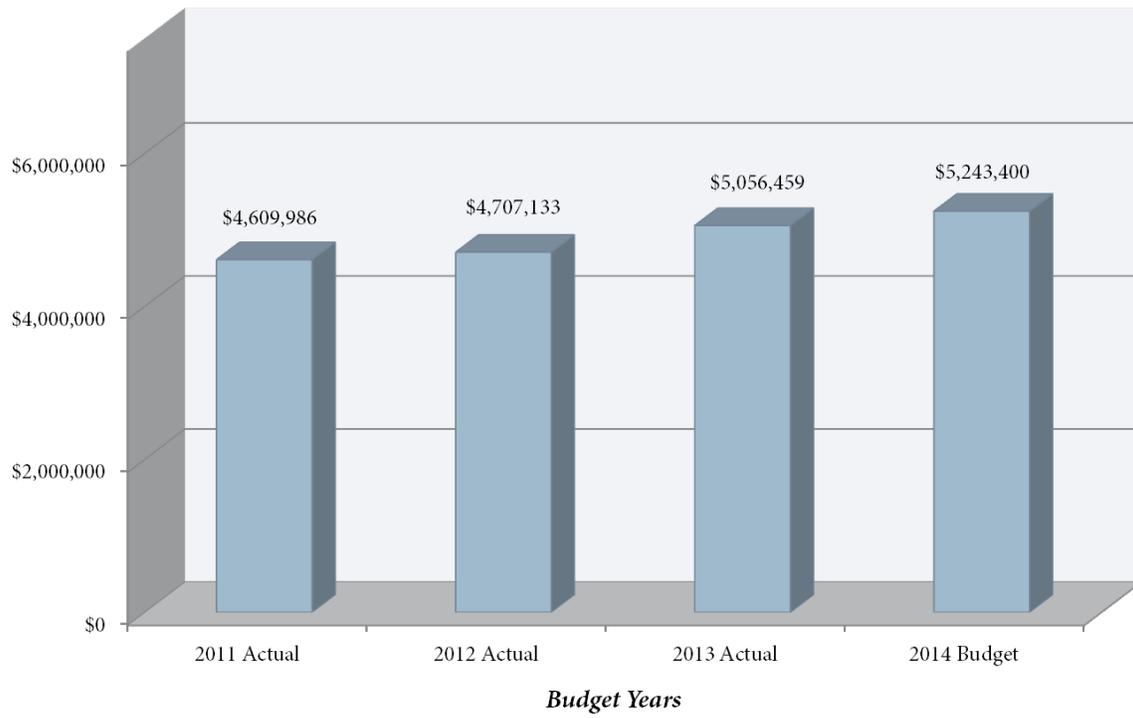
Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Intergovernmental Services	\$ 4,707,133	\$ 5,063,217	\$ 5,056,459	\$ 5,243,400
<i>Expenditure Total</i>	<u>\$ 4,707,133</u>	<u>\$ 5,063,217</u>	<u>\$ 5,056,459</u>	<u>\$ 5,243,400</u>

Fire Capital Items Included Elsewhere in Budget

	<i>2014 Budget</i>
<i>From Equipment Rental & Replacement Fund (515):</i>	
Equipment Replacement Reserves	\$ 372,000
<i>From Fire Mitigation Funds (310):</i>	
Stortz Steamer Port Fittings	25,000
Heavy-Duty Mobile Lift Equipment	<u>74,500</u>
<i>Total Fire Department Capital Projects</i>	<u>\$ 471,500</u>

Fire Department Annual Budget Comparison



Communications Office

Mission Statement

The Communications Office mission is to provide exceptional customer service quickly and effectively for all of our customers, including residents, businesses, visitors and public servants through a variety of dynamic communication tools.

Summary of Departmental Activities & Responsibilities

- ☰ Provide citizens, businesses, and the media with information about the community through various sources including six social media sites, the City’s website, and radio station 1700 AM.

☰ Serve as official Public Information Officers during emergencies.
- ☰ Facilitate internal communications via an intranet and e-newsletter.

☰ Represent the City in the eGov Alliance.

☰ Conduct citywide outreach through community events.

☰ Assist the Mayor’s Office on special projects.

2014 Work Plan Focus

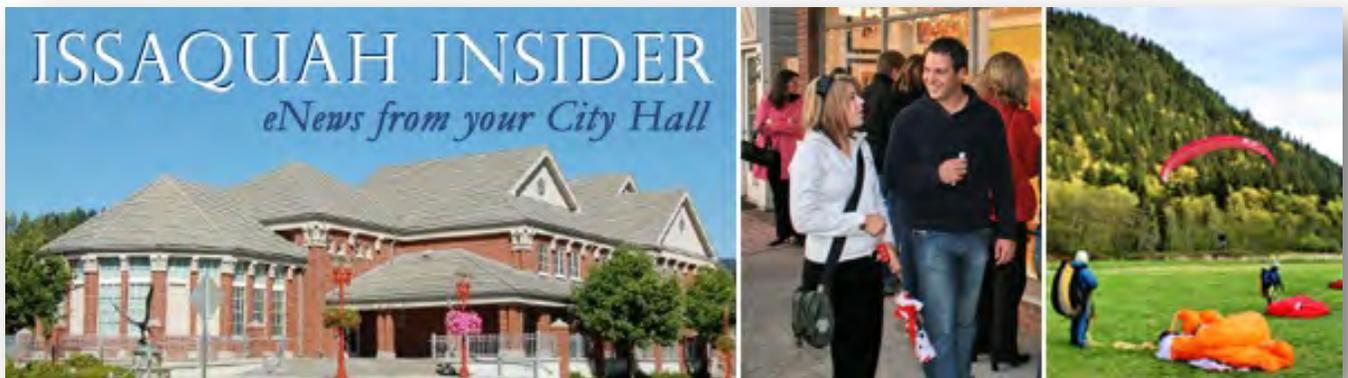
- ✘ Continue to communicate with City residents, businesses and the media through a variety of dynamic tools.
- ✘ Continue to enhance the website with more customer service features.
- ✘ Complete the City’s new intranet and internal e-newsletter.
- ✘ Collaborate with the Economic Development Department on marketing efforts.
- ✘ Test several new online tools and social media platforms to increase engagement.

Staffing Levels

<i>Position Title</i>	<i># of FTE</i>	
	2013	2014
Communications Manager	1.00	1.00
Communications Coordinator	1.00	1.00
TV/Media Production Specialist	1.00	1.00
Development Officer	0.75	0.75
Cable TV Non-Regular	0.25	0.25
Total FTE	4.00	4.00

Prior Year Accomplishments

- 👍 Launched eight new social media accounts – Facebook, Twitter, YouTube, Instagram, Google+, Pinterest, Foursquare and Vine to share information about our community, engage the public and answer customer service questions.
- 👍 Developed a more robust outreach strategy to provide information to the public and media organizations in a fast, effective manner.
- 👍 Assisted the eGov Alliance organization through a leadership transition.
- 👍 Launched a redesigned “Issaquah Insider” e-newsletter.
- 👍 Made enhancements to the new website, including a new traffic cameras page, a new homepage design, dynamic sports league pages, new surveys, a new facility module and a new mobile app for multiple devices.
- 👍 Expanded the City’s reach to the public by alerting citizens immediately as news happens through the website’s Notify Me system and social media.
- 👍 Started a redesign for City’s new intranet and internal e-newsletter.
- 👍 Boosted the City’s presence in the Highlands Connections newspaper.
- 👍 Conducted internal trainings for staff on a range of communications topics.

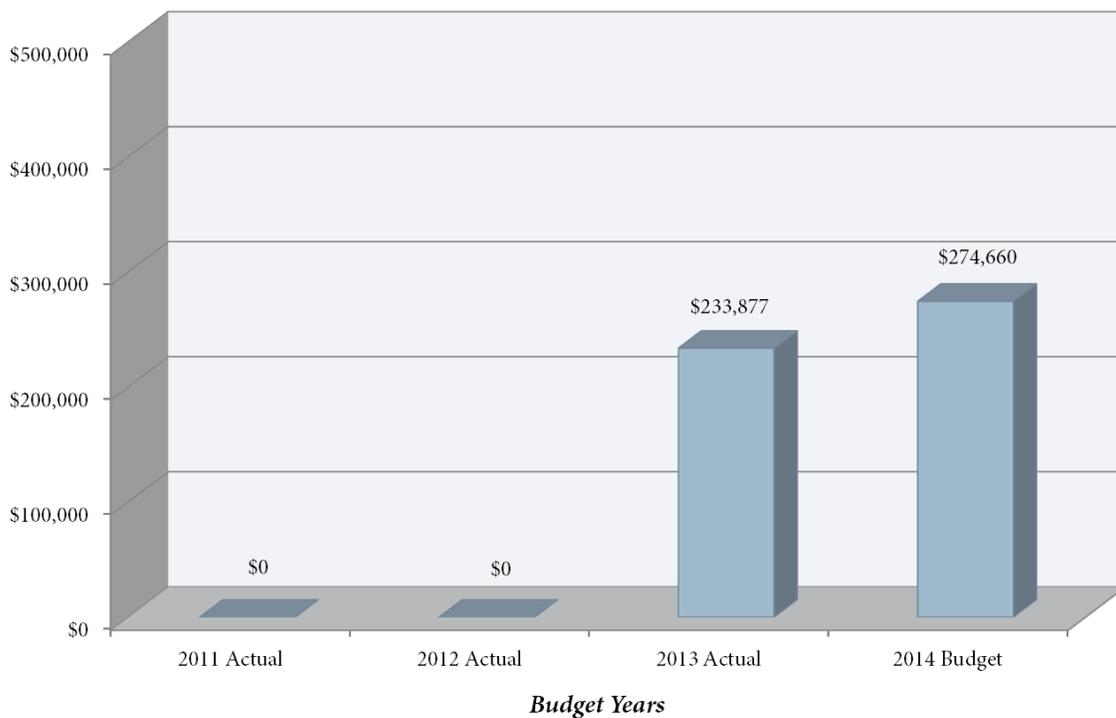


Past Insider issues available on our website issaquahwa.gov

Expenditure Comparison

<i>Category</i>	<i>2012 Actual¹</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Personnel	\$ -	\$ 227,501	\$ 214,534	\$ 241,190
Supplies & Equipment	-	4,500	4,898	4,500
Charges & Services	-	27,100	14,445	28,970
<i>Expenditure Total</i>	<u>\$ -</u>	<u>\$ 259,101</u>	<u>\$ 233,877</u>	<u>\$ 274,660</u>

Communications Office Annual Budget Comparison¹



¹ The Communications Office was created with the 2013 Budget Process. Expenditures were previously budgeted in Human Services and elsewhere in the Executive Department budget.

Human Services

Mission Statement

The mission of the Human Services Department is to provide needed and valued financial support to non-profits and other governmental entities that supports and facilitate programs that provide for the communities basic human needs including food, clothing, shelter, primary health care, and protection from abuse and neglect. The City's Human Services Commission is responsible for making recommendations of funding to the City Council.

2014 Work Plan

- | | |
|---|--|
| <ul style="list-style-type: none"> ✘ Continue evaluating a Community Health Assessment. ✘ Continue to provide accounting and fiscal agent services to Community | <ul style="list-style-type: none"> Network for the Drug Free grant program. ✘ Continue to improve the grant application process. |
|---|--|

Prior Year Accomplishment

- | | |
|--|---|
| <ul style="list-style-type: none"> 👍 Commissioners attended and contributed to Regional Joint Human Services meetings and Eastside Human Services Forum meetings. 👍 Evaluated Human Services Campus work to date and appointed a new liaison to the Human Services Campus workgroup. 👍 Welcomed new commissioners and student commissioners. 👍 Funding helped 42 agencies and 47 programs to accomplish their goals in assisting the areas basic human needs and protection from abuse and neglect. 👍 Joined 17 other King County cities and are now using a common on-line | <ul style="list-style-type: none"> application and reporting web-based system called Share1App. 👍 Created a new City of Issaquah Resource Guide and distributed to the regions organizations for their use. 👍 Developed a 200 page word document of region-wide agencies as a guide to determine agencies that provide assistance. The City, Eastside Fire and Rescue (EFR) and other region-wide organizations are now able to provide referrals in a coordinated manor. 👍 Researched the possibility of a Community Health Assessment with the University of Washington students. |
|--|---|

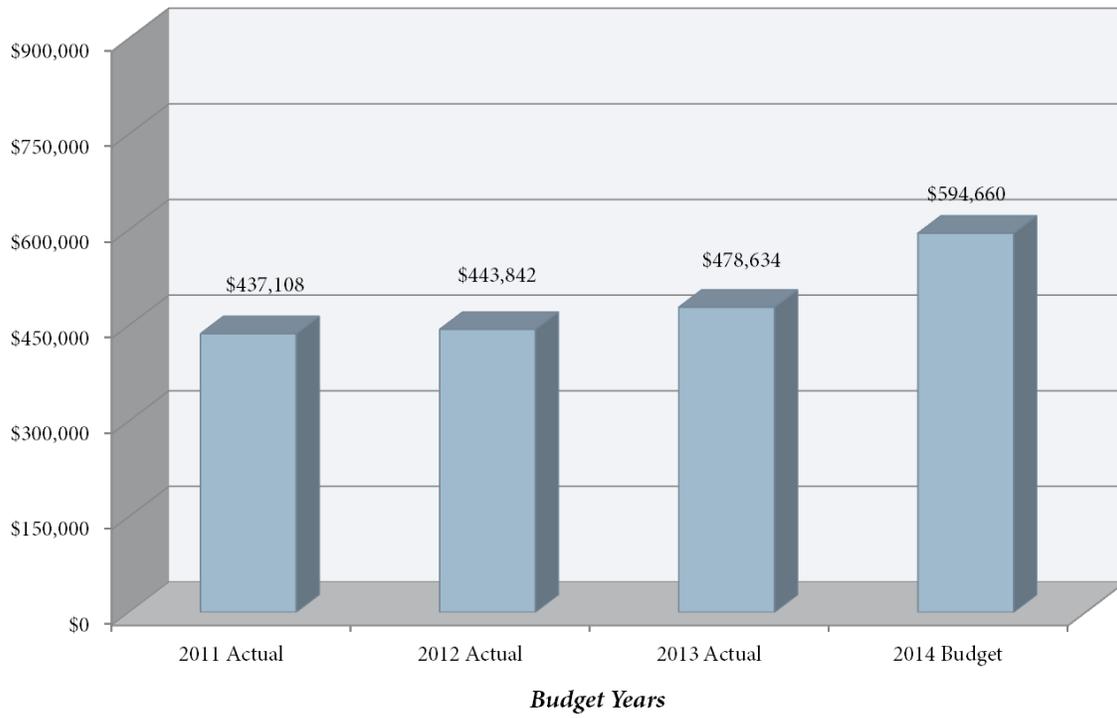
Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Personnel	\$ 21,814	\$ 24,000	\$ 25,071	\$ 92,680
Charges & Services	414,040	439,270	447,973	492,980
Intergovernmental	7,988	9,000	5,589	9,000
<i>Expenditure Total</i>	<u>\$ 443,842</u>	<u>\$ 472,270</u>	<u>\$ 478,634</u>	<u>\$ 594,660</u>

Agencies Receiving Funding

<i>Agency Supported</i>	<i>2014 Budget</i>	<i>Agency Supported</i>	<i>2014 Budget</i>
Senior Center Programs	\$ 98,720	Compassion House	6,500
Atwork	28,000	King County Sexual Assault Center	6,462
ARCH - Annual Dues	27,500	Emergency Help - YWCA	6,200
Friends Of Youth	25,400	Crisis Clinic - 24Hr Hotline	5,500
Historical Society Feasibility Study	25,000	Childcare Resources	5,279
Congregations For The Homeless	21,000	Athletics For Kids	5,000
Eastside Domestic Violence	19,080	Issaquah Church & Community Services	5,000
Imagine Housing	17,755	Issaquah Schools Foundation	5,000
Issaquah Food/Clothing Bank	15,000	St Vincent De Paul Society Issaquah	5,000
Eastside Friends Of Seniors	14,900	Children's Response Center	4,500
Undetermined	14,210	Kinderling Center	4,264
The Sophia Way	14,100	Hopelink - Emergency Financial Assistance	4,000
Child Services	13,000	Human Services Forum	3,800
Healthpoint Medical	12,000	Life Enrichment Options	3,500
Senior Services	11,960	Crisis Clinic - Teen Link	3,000
Eastside Baby Center	10,800	Nami Eastside - Youth & Family Counseling	2,700
Encompass	10,000	Eastside Legal Assistance	2,650
Alcoholism (King Co)	9,000	Pediatric Care Center	2,500
Catholic Community Svcs (Meal Program)	7,000	Hero House	2,200
Bridge Disability Ministries	6,500	<i>Total Service Agency Funding</i>	<u>\$ 400,925</u>

Human Services Annual Budget Comparison



Development Services Department

Mission Statement

The mission of the Development Services Department (DSD) is to oversee land development within the City of Issaquah. The department works to streamline the permit process for businesses, developers, and residents as well as preserve and enhance the quality of the natural and built environment, and thus the City’s quality of life.

Summary of Departmental Activities & Responsibilities

Development Services Department contains the following divisions:

- ☞ Permit services provides oversight and management of permit intake, review, and tracking.
- ☞ Policy and long range planning maintains regulatory and policy documents and implements special projects.
- ☞ Land development and construction services provide all land use and construction permits for planning, engineering, and building.

The department is also responsible for environmental protection including SEPA (State Environmental Policy Act), critical area and shoreline regulations, tree protection, affordable housing, signs, business licenses, special events permits, inspections, code enforcement, land use policy and code development, annexations, and support to various Council committees and commissions.

Staffing Levels

<i>Position Title</i>	<i># of FTE</i>	
	<i>2013</i>	<i>2014</i>
Director of Development Services	1.00	1.00
Deputy Development Services Director	1.00	1.00
<i>Bldg Permits & Plan Review</i>		
Building Official	1.00	1.00
Senior Engineer	2.00	2.00
Plans Examiner	1.00	1.00
Code Compliance Officer	1.00	1.00
Supervising Building Inspector	1.00	1.00
City Inspector	3.00	5.00
Permit & Licensing Database Administrator	1.00	1.00
Permit Technician	3.00	3.00
<i>Planning</i>		
Land Development Manager	1.00	1.00
Project Manager	1.00	1.00
Policy Planning Manager	1.00	1.00
Senior Planner	2.625	3.625
Associate Planner	3.00	3.00
<i>Total FTE</i>	23.625	26.625

2014 Work Plan Focus

- ✘ Continue to provide alignment, collaboration and coordination of development services including streamlining of processes.
- ✘ Adopt new Traffic Concurrency Model, Transportation and Parks Impact/Mitigation Fees.
- ✘ Continue Comprehensive Plan Update.
- ✘ Continue efforts for Urban Center Designation and initiate Regional Center Designation with Puget Sound Regional Council (PSRC).
- ✘ Continue coordination of Bike/Pedestrian plan.
- ✘ Continue implementation of ePlan.
- ✘ Adopt recreational marijuana regulations.
- ✘ Begin annexation process for Lake Sammamish State Park.
- ✘ Continue to work on development projects including:
 - ✓ 7th & Gilman multifamily;
 - ✓ Issaquah Middle School campus;
 - ✓ Polygon/Lakeside Development;
 - ✓ Swedish/Providence campus development;
 - ✓ Lake Sammamish State Park recreational development options;
 - ✓ Rowley Hotel;
 - ✓ Timber Ridge Phase II;
 - ✓ Mull Property development, Pickering Hills;
 - ✓ Issaquah 22 McBride plats; and
 - ✓ Grand Ridge Plaza build-out.

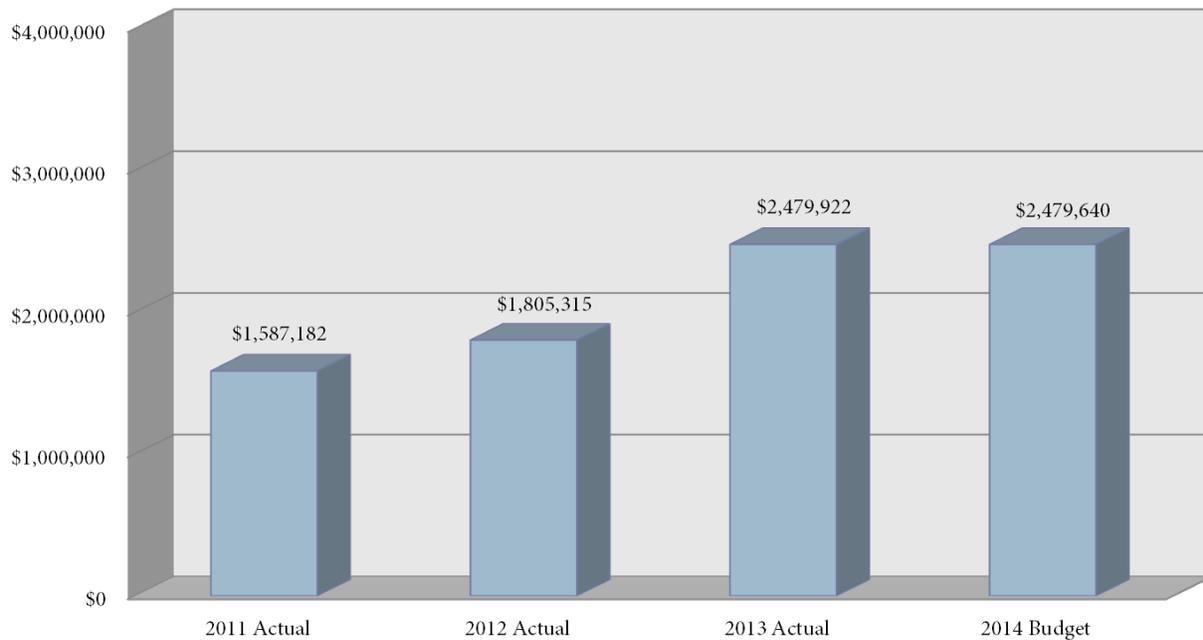
Prior Year Accomplishments

- 👍 Received Council approval for the Central Issaquah development standards.
- 👍 Began updating Transportation and Park Impact Fees as implementation measure of the Central Issaquah Plan.
- 👍 Began Bike/Pedestrian “Plan-engineering” effort with the Office of Sustainability, Public Works Engineering and Economic Development departments.
- 👍 Urban Center Designation approved by Growth Management Planning Council, forwarded recommendation to King County.
- 👍 Adopted Shoreline Master Program.
- 👍 Began strategizing new Traffic Concurrency program.
- 👍 Completed process for Klahanie Potential Annexation Area election.
- 👍 Implemented first phase of ePlan.
- 👍 Adopted 2012 International Building Codes.
- 👍 Adopted new land use and engineering fees.
- 👍 Completed Phase I Grand Ridge Retail Center.
- 👍 Continued department reorganization including two (2) LEAN programs for Site Development Permits and Construction Permits.
- 👍 Processed Development Agreements for Swedish and Costco together with Economic Development and Public Works Engineering.
- 👍 Annexed McCarry Woods and Issaquah Middle School parcel.

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
<i>Bldg Permits & Plan Review</i>				
Personnel	\$ 1,483,687	\$ 1,781,478	\$ 1,960,235	\$ 2,085,230
Supplies & Equipment	9,274	16,000	13,362	8,000
Charges & Services	312,354	309,100	439,843	320,110
Intergovernmental Services	-	45,000	66,483	66,300
Division Total	\$ 1,805,315	\$ 2,151,578	\$ 2,479,922	\$ 2,479,640
<i>Planning</i>				
Personnel	\$ 1,312,014	\$ 1,555,202	\$ 1,393,647	\$ 1,451,340
Supplies & Equipment	8,462	9,000	8,646	11,200
Charges & Services	501,836	1,614,100	1,319,474	497,310
Division Total	\$ 1,822,312	\$ 3,178,302	\$ 2,721,768	\$ 1,959,850
Department Total	\$ 3,627,627	\$ 5,329,880	\$ 5,201,690	\$ 4,439,490

Development Services Department Annual Budget Comparison

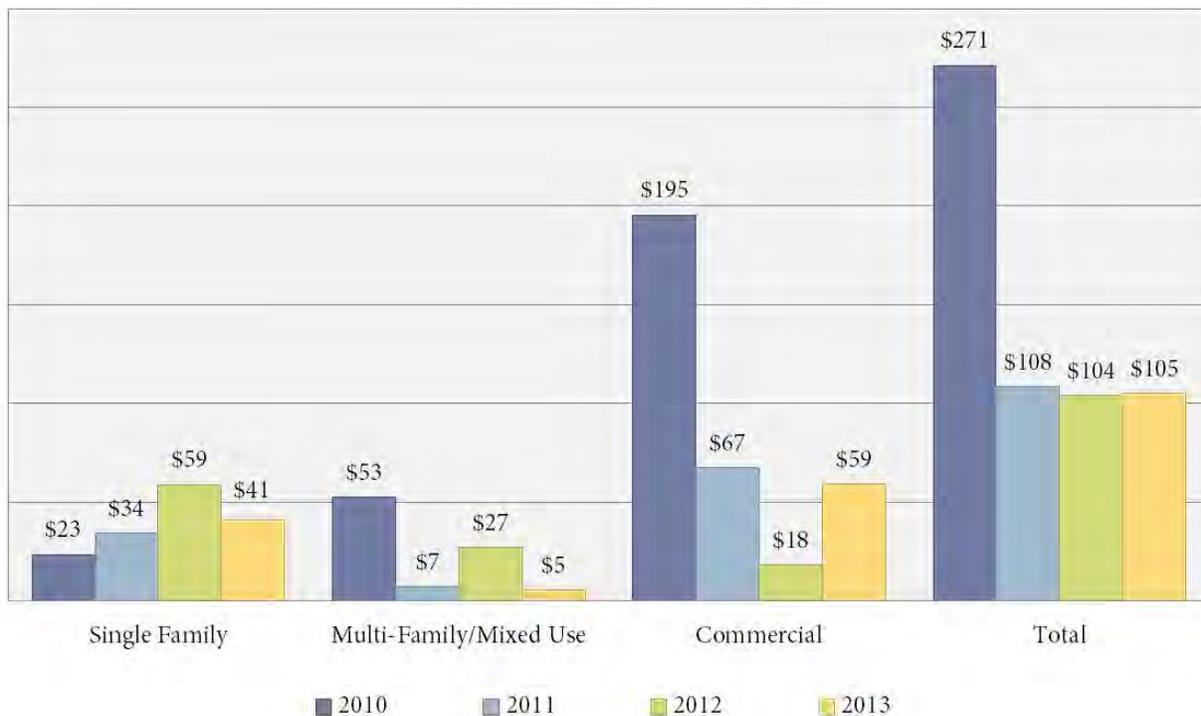


Performance Measures

Annual Building Permit Activity in Issaquah

Permit Type	2009	2010	2011	2012	2013
Single Family:					
New	59	83	125	215	138
Alterations	89	82	86	60	60
Multi-family:					
New	3	26	5	5	4
Alterations	31	78	33	29	6
Commercial:					
New	16	11	8	9	17
Alterations	89	114	119	103	150
Total Building Permits¹	287	394	376	421	375

Valuation of Building Permits
(in millions)



¹ Does not include Re-roof, Demo, ADU, Other or Public Facilities.

Economic Development Department

Mission Statement

The mission of the Economic Development Department (EDD) is to ensure the City of Issaquah has a sustainable, diverse and flourishing local economy. The EDD will work to retain existing businesses and grow new businesses by attracting established businesses from outside our community and creating opportunities for startups within our community. The EDD is committed to fostering a friendly business environment, which in turn encourages growth, opportunity, and innovation.

Summary of Departmental Activities & Responsibilities

The department has three primary functions: business attraction, business retention and expansion and business startups.

- ☞ Attracting businesses that complement our city's values.
- ☞ Helping Issaquah's existing businesses prosper.
- ☞ Fostering entrepreneurial activity.
- ☞ Increasing opportunities for local investments.
- ☞ Ensuring City regulations for businesses are sensible and work for the community.

To accomplish these tasks the department will focus on:

- ☞ Partnering with public, private and non-profit organizations.
- ☞ Encouraging opportunities for workforce development and skill training.
- ☞ Promoting the sustainable use of natural resources.
- ☞ Retaining the community's youth.



View of NW Issaquah from the Highlands

2014 Work Plan Focus

- ✘ Provide update to Economic Vitality chapter of the City's Comprehensive Plan.
- ✘ Continue to provide staff support to the Economic Vitality Commission and the Lodging Tax Advisory Committee.
- ✘ Continue with business retention and expansion (BRE) outreach.
- ✘ Liaise with the Chamber and Downtown Issaquah Association (DIA).
- ✘ Continue to compile and manage Economic Profile data on City's webpage.
- ✘ Council Goal IPZ/SWOT (Strengths, Weaknesses, Opportunities and Threats) – Develop/evolve key industry cluster concept.
- ✘ Develop departmental metrics for success.
- ✘ Assist Chamber with Tourism Organization start up.
- ✘ Work on Development Agreement for Lake Sammamish State Park.
- ✘ Continue to manage Development Agreement process for Costco.
- ✘ Continue to develop interim Issaquah marketing materials.
- ✘ Continue to manage Development Agreement process for Polygon.
- ✘ Continue to develop Economic Strategic Plan.
- ✘ Work with Puget Sound Energy on electric infrastructure improvements.

Prior Year Accomplishments

- 👍 Provided staffing resources to the Economic Vitality Commission and Lodging Tax Advisory Committee.
- 👍 Completed a SWOT Analysis of Issaquah's business potential.
- 👍 Partnered with State Parks Department on a Request for Concept Proposals for Lake Sammamish State Park.
- 👍 Partnered with the Chamber of Commerce to send out a Request for Qualifications for developing a Tourism business plan for the Chamber.
- 👍 Partnered with the Downtown Issaquah Association to evaluate parking demand and implement signing and striping revisions.
- 👍 Managed Development Agreement process for Swedish Health Services.
- 👍 Developed code revisions for the Transfer of Development Rights Code.
- 👍 Developed map of City-owned properties.
- 👍 Continued business retention and expansion interviews and follow-ups.
- 👍 Convened meeting with Issaquah's Arts and cultural community to discuss needs.
- 👍 Facilitated discussions on potential sign code revisions.
- 👍 Convened meeting of Issaquah's outdoor recreation enthusiasts to discuss needs.



Issaquah Art Walk © New Era Photography

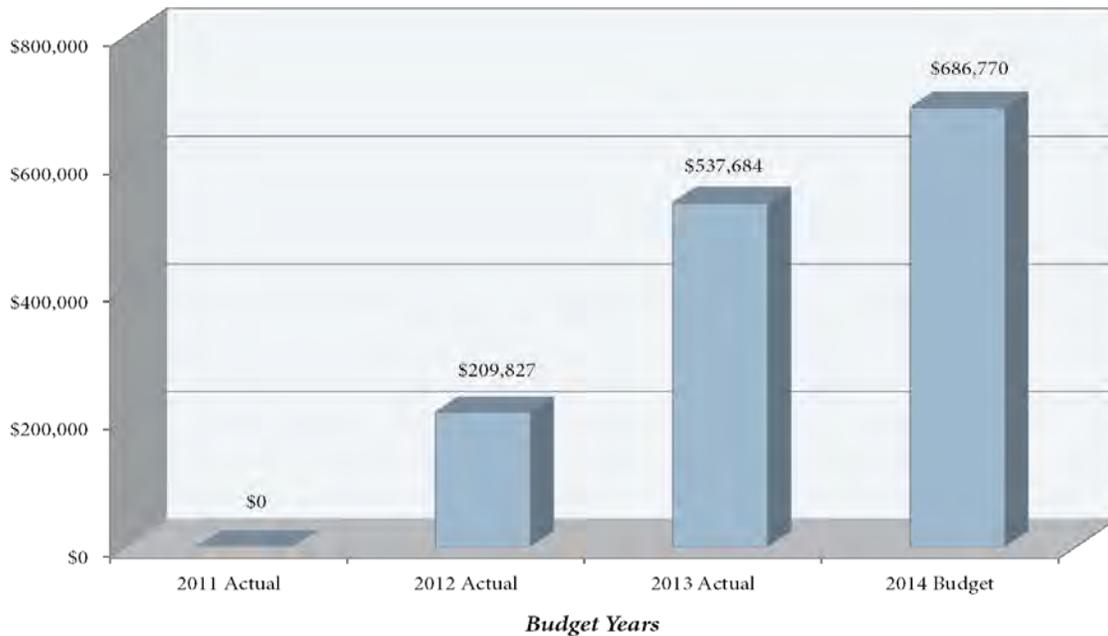
Staffing Levels

Position Title	# of FTE	
	2013	2014
Economic Development Director	1.00	1.00
Economic Development Manager	2.00	2.00
Economic Development Specialist	1.00	1.00
Total FTE	4.00	4.00

Expenditure Comparison

Category	2012 Actual	2013 Budget	2013 Actual	2014 Budget
Personnel	\$ 144,715	\$ 405,927	\$ 348,877	\$ 433,960
Supplies & Equipment	51,425	149,045	137,406	177,020
Charges & Services	13,687	68,700	51,402	75,790
Expenditure Total	\$ 209,827	\$ 623,672	\$ 537,684	\$ 686,770

Economic Development Annual Budget Comparison¹



¹ The Economic Development Department was created mid-year 2012 as a result of a reorganization involving multiple departments and functions.

Parks and Recreation Department

Mission Statement

The mission of the Parks and Recreation Department is to strengthen community image and sense of place, support economic development, strengthen safety and security, promote health and wellness, foster human development, increase cultural unity, protect environmental resources, provide recreational experiences and facilitate community problem solving.

Summary of Departmental Activities & Responsibilities

The Parks and Recreation Department manages the day-to-day operations of a variety of activities and facilities. They are

comprised of six major divisions. Detailed divisional responsibilities follow the overall department financial summaries.

2014 Work Plan Focus (all Parks & Recreation Divisions)

All Parks and Recreation Department divisions share the work plan focus for adhering to the 2014 adopted budget. Individual function work plans follow the overall department financial summaries.

The Issaquah Parks and Recreation Department develops a work plan first based on adopted City goals. Parks and Recreation related Council Goals for 2014 include:

- ✘ Work collaboratively with Office of Sustainability to develop a Green Infrastructure document and/or review current City documents such as the Parks Comprehensive Plan, Trails Plan and other City documents/policies so that access to information can be simple, easy to find and found in one location.
- ✘ Host public input meetings to learn more about the public's interest in the possibility of renovating Hillside Park on Squak Mountain.
- ✘ Improve the day-to-day maintenance, nurturing, and smooth operations of the Issaquah parks, building grounds, landscapes, open space and trails system, the Issaquah Community Center, Issaquah Julius Boehm Pool, Pickering Farm, Tibbetts Creek Manor, the City facilities, the recreation program and the cemetery.
- ✘ Continue the maintenance of 91 park sites and city landscapes; including 168 acres of parks, 1,443 acres of natural open space, 17 miles of trails, 44 irrigation systems, nine baseball/softball fields, three soccer/lacrosse fields, two artificial turf fields, nine tot lot playgrounds and two picnic shelters.
- ✘ Continue to meet the conditions of the Tree City USA status.

Prior Year Accomplishments

In 2013, the Parks and Recreation Department focused on the following

- 👍 Worked collaboratively with other departments to study the feasibility of annexing Klahanie, providing data to determine maintenance needs of Klahanie Park.
- 👍 Worked with local parents who support skateboarding in Issaquah. Staff met with parents who are considering forming a 501c3.
- 👍 Worked with the City lobbyist to provide information regarding grants in support of Lake Sammamish State Park and local trails.
- 👍 Studied the feasibility of a fireworks display program.

prioritized goals, as well as the goals adopted by City Council:

- 👍 Partnered with the Office of Sustainability for the first phase of the Bike/Pedestrian Plan.
- 👍 Worked collaboratively with Economic Development and GIS to complete a Public Lands inventory of City-owned lands.
- 👍 Continued to work collaboratively with Issaquah Police and Issaquah School District to enhance Rainier Trail.
- 👍 Accomplished City Council goal of placing a Park Bond measure on the November 2013 ballot.

Department Expenditure Comparison Summary

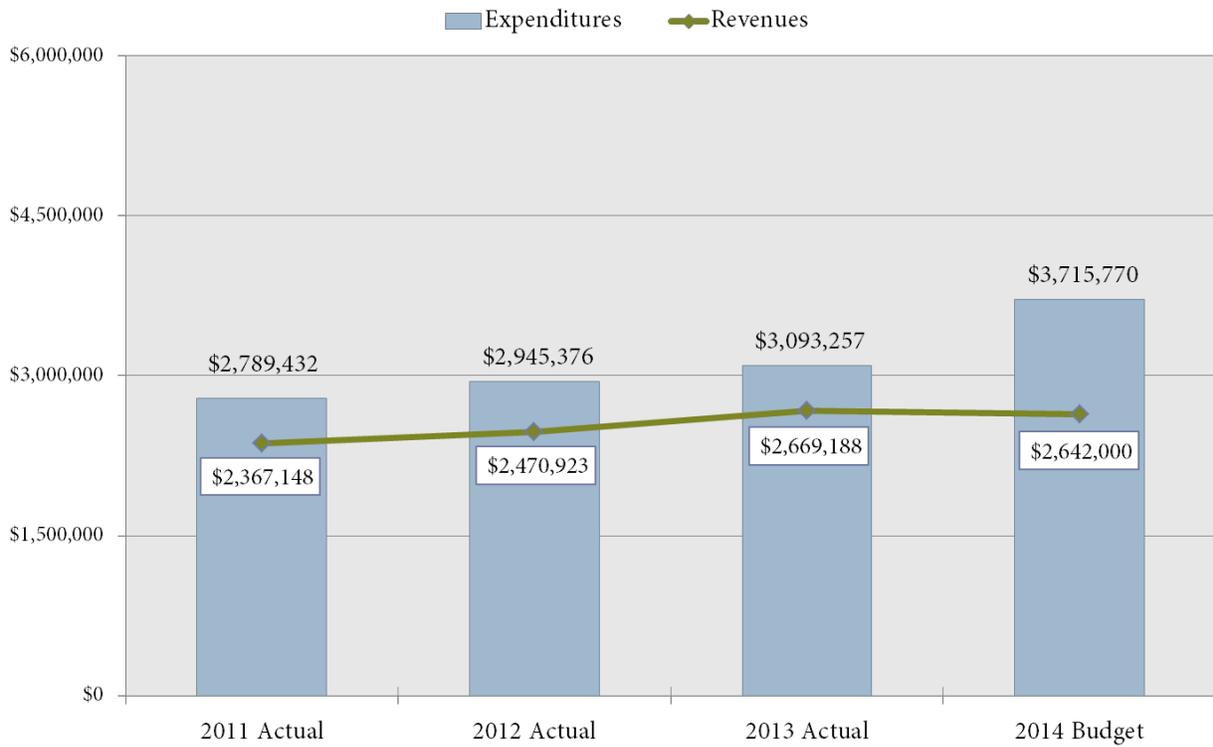
Category	2012 Actual	2013 Budget	2013 Actual	2014 Budget
Personnel	\$ 4,965,009	\$ 5,370,756	\$ 5,066,240	\$ 5,447,490
Supplies & Equipment	375,259	418,540	413,646	409,280
Charges & Services	1,484,242	1,564,913	1,560,509	1,828,020
Intergovernmental Services	31,227	34,400	32,761	36,120
Expenditure Total	\$ 6,855,737	\$ 7,388,609	\$ 7,073,155	\$ 7,720,910

Department Revenue Comparison Summary¹

2011 Actual	2012 Actual	2013 Actual	2014 Budget
\$ 2,367,148	\$ 2,470,923	\$ 2,669,188	\$ 2,642,000

¹ Includes revenue from recreation and pool fees as well as rental income from the Community Center, Tibbetts Creek Manor and Pickering Barn

Parks & Recreation Department Annual Budget Comparison



Capital Items Budgeted in the Capital Improvement Fund

<i>Capital Project</i>	<i>2014 Budget</i>
Skate Park	\$ 350,000
Total Parks Capital Projects	\$ 350,000



Detailed Division Work Plans, Accomplishments and Planned Expenditures

Parks, Planning & Administration

Parks, Planning & Administration oversees development, construction and renovation of City parks and landscapes. It also oversees

open space and trails acquisition and on-going stewardship of the City’s open space and trails.

Staffing Levels

<i>Position Title</i>	<i># of FTE</i>	
	<i>2013</i>	<i>2014</i>
Planning & Administration		
Parks Director	1.00	1.00
Deputy Parks Director	-	1.00
Trails Coordinator/Parks Planner	1.00	1.00
Total FTE	2.00	3.00

2014 Work Plan Focus

- ✘ Continue to work with Lake Sammamish State Park per the Inter-local Agreement.
- ✘ Continue to seek opportunities to acquire park and open space land.



Garden Trail at Confluence Park

Prior Year Accomplishments

- 👍 Completed Phase I of Confluence Area Park.
- 👍 Purchased Pritt property (two acres) along Issaquah Creek—a property identified in the “Green Necklace.”
- 👍 Submitted for King County Conservation Futures Grant for 2014 for future acquisition(s).
- 👍 Completed Park Pointe Public Use/Trail Plan.
- 👍 Worked with volunteers devoting thousands of hours enhancing open space, natural areas and trails.
- 👍 Completed the Squak Valley Park North gravel trail with boardwalks, bridges and creek viewing area.
- 👍 Completed improvements to the East Sunset Way Trailhead, which included: new kiosk with maps, curb stops, split rail fencing, signage and native plantings.

Expenditure Comparisons

Category	2012 Actual	2013 Budget	2013 Actual	2014 Budget
Personnel	\$ 335,611	\$ 354,266	\$ 343,165	\$ 282,760
Supplies & Equipment	578	1,250	179	1,250
Charges & Services	18,060	24,700	9,004	29,360
Expenditure Total	\$ 354,249	\$ 380,216	\$ 352,349	\$ 313,370

Facility Rentals

Facility Rentals manages the City facilities available for rental to the community for both private and public special events such as weddings, meetings, the Farmers Market

and Salmon Days. Facilities include Tibbetts Creek Manor, Pickering Farm, and the Issaquah Community Center.

2014 Work Plan Focus

- ✘ Continue to support the Issaquah Farmers Market.
- ✘ Conduct detailed research of competing businesses and their practices and implement any new ideas found that may improve service to our patrons or improve business practices.
- ✘ Continue to market to the Issaquah community and local non-profit groups to increase public awareness of the facilities, and increase revenues from user groups and rentals.
- ✘ Maintain and update facilities for rental appeal and explore options for additional/alternate use of the facilities.

Prior Year Accomplishments

- 👍 Collaborated with Costco to manage the parking lot expansion/construction next door to Pickering Barn.
- 👍 Continued to provide space for the Issaquah Farmer’s Market—one of the most popular markets in King County.
- 👍 Provided rental space and staff for approximately 276+ rental events at the Pickering Barn and 176 events at Tibbetts Creek Manor.
- 👍 Continued positive collaboration between the City and community organizations to maximize use of the City’s rental facilities.



Pickering Barn Facility



Issaquah Farmers' Market

Staffing Levels

Position Title	# of FTE	
	2013	2014
Facilities Rental		
Admin Assistant III	1.00	1.00
Events & Facilities Coordinator	0.75	0.75
Events Assistant - Non-Reg	1.15	1.15
Total FTE	2.90	2.90



Tibbetts Creek Manor – Wedding Prepped

Expenditure Comparison

Category	2012 Actual	2013 Budget	2013 Actual	2014 Budget
Personnel	\$ 251,198	\$ 271,069	\$ 266,230	\$ 288,180
Supplies & Equipment	24,094	23,425	19,025	24,130
Charges & Services	34,970	37,815	44,182	82,060
Expenditure Total	\$ 310,262	\$ 332,309	\$ 329,437	\$ 394,370

City Facility Services

City Facility Services maintains and repairs all City buildings as well as provides custodial services to those buildings.

Administers the leases of City-owned houses, office space and buildings.

2014 Work Plan

- ✘ Review building systems to improve energy efficiency.
- ✘ Continue to secure building contents with seismic restraint straps and anchors (ongoing as offices reconfigure).
- ✘ Continue the remodel to City Hall Northwest.
- ✘ Work to finalize ADA transitional study of all City buildings.

Staffing Levels

Position Title	# of FTE	
	2013	2014
Facility Services		
Parks Division Manager	0.50	0.50
Supervising Maint Worker	1.00	1.00
Remodel Coordinator	1.00	1.00
Maint Worker/ Custodian	8.50	8.50
Administrative Assistant	1.00	1.00
Specialty Workers - Non-Reg	0.50	0.50
Total FTE	12.50	12.50

Prior Year Accomplishments

- 👍 Removed house at north end of Squak Valley Park.
- 👍 Coordinated tenant improvements at both City Hall/Police Station and City Hall Northwest to accommodate department moves and rental spaces.
- 👍 Continued supporting Concerts on the Green by rebuilding the staging system and setting up the stage and canopy systems.
- 👍 Received and processed approximately 1,000+ work order requests.
- 👍 Removed old furnace and air conditioner in Tibbetts Creek Manor and installed new high efficiency equipment.

Expenditure Comparison

Category	2012 Actual	2013 Budget	2013 Estimate	2014 Budget
Personnel	\$ 1,004,554	\$ 1,076,771	\$ 1,050,993	\$ 1,164,760
Supplies & Equipment	97,411	98,400	83,370	90,400
Charges & Services	668,418	661,723	590,081	497,360
Expenditure Total	\$ 1,770,383	\$ 1,836,894	\$ 1,724,444	\$ 1,752,520

Recreation Services

Recreation Services provides summer day camps, preschool programs, special populations programs, youth sports, cultural

arts, teen programs, Concerts on the Green, Gold Pass for 62+, and adult recreation programs.

2014 Work Plan Focus

- ✂ Continue to offer diverse recreation programs for all ages and abilities.
- ✂ Collaborate with other organizations to provide quality recreation programs.
- ✂ Work collaboratively with other City departments to accomplish Council goals.
- ✂ Continue the relationship with the Issaquah School District (ISD) for shared ISD use of facilities.





Staffing Levels

Position Title	# of FTE	
	2013	2014
Recreation Services		
Recreation Division Manager	0.50	-
Recreation Supervisor	1.00	1.00
Events & Facilities Supervisor	0.25	0.25
Recreation Coordinator	2.00	2.00
Recreation Specialist	1.50	2.00
Recreation Leader	2.00	2.00
Office Manager	1.00	1.00
Admin Assistant II	2.50	2.50
Admin Assistant III	1.625	1.125
Recreation Aides - Non-Reg	5.625	5.625
Total FTE	18.00	17.50

Prior Year Accomplishments

- 👍 Continued to provide recreational opportunities within the City's parks, facilities and natural open space areas.
- 👍 Provided diverse recreation programs such as:
 - ✓ Summer Day Camps - 1,500 participants
 - ✓ Winter Youth Basketball - over 2,100 participants
 - ✓ Sports Classes and Camps - over 3,600 participants
 - ✓ Developmental Disability Programs - over 700 participants
 - ✓ Middle-School Dances - over 2,300 participants
 - ✓ Skyhawks Summer Sports Camps - over 1,500 participants

Prior Year Accomplishments (cont.)

- 👍 Maintained strong partnerships with Issaquah School District.
- 👍 Collaborated with the Issaquah Arts Commission and Kiwanis Club of Issaquah to co-sponsor Concerts on the Green.
- 👍 Initiated various HPO (High Performance Organization) System 3 and System 4 groups including customer service, work attire/uniforms and program enhancement teams.

Expenditure Comparisons

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Personnel	\$ 1,361,843	\$ 1,462,550	\$ 1,357,398	\$ 1,516,820
Supplies & Equipment	84,123	122,765	104,887	118,300
Charges & Services	261,992	313,150	319,092	440,270
Intergovernmental Services	<u>31,227</u>	<u>34,400</u>	<u>32,761</u>	<u>36,120</u>
<i>Expenditure Total</i>	<u>\$ 1,739,186</u>	<u>\$ 1,932,865</u>	<u>\$ 1,814,137</u>	<u>\$ 2,111,510</u>

Aquatics

Aquatic Services provides year-round swim lessons and water safety programs to all ages, abilities and skill levels to help prevent drowning.

2014 Work Plan Focus

- ✘ Provide swim lessons to all ages and skill levels to help prevent drowning.
- ✘ Provide water safety, CPR and First Aid programs to enhance community safety and well-being.
- ✘ Provide drop-in swim times to the public year round.
- ✘ Increase staff knowledge through on-the-job training and Red Cross classes.



Prior Year Accomplishments

- 👍 Provided year round comprehensive swim lessons to promote water safety in the community. Over 7,300 youth, teens and adults participated in the Issaquah Swim School program.
- 👍 Operated and maintained the pool in a safe and efficient manner.
- 👍 Provided CPR, First Aid, Lifeguard Training and Water Safety courses. Over 100 new lifeguards were certified and 50+ individuals were certified in CPR and First Aid classes.
- 👍 360+ elementary school children enjoyed the Julius Boehm Pool for their end-of-year celebration events.
- 👍 USS Issaquah Sockeyes, Issaquah High School, Liberty High School, and Skyline High School swim teams used the Julius Boehm Pool for training and swim meets. 500+ youth and teens compete on these swim teams.
- 👍 During the ISD school year, 240+ sixth graders and 120 third graders completed a water safety and

swimming course as part of their Issaquah School District PE program.

- 👍 Provided water exercise opportunities for teens, adults, and seniors. There were over 375 registered participants and 600+ drop-in participants to the program.

Staffing Levels

Position Title	# of FTE	
	2013	2014
Aquatics/Pool		
Recreation Division Manager	0.50	-
Recreation Supervisor	1.00	1.00
Aquatics Coordinator	1.00	1.00
Aquatic Maintenance Specialist	0.50	0.50
Recreation Specialist	1.00	1.00
Recreation Leader	2.00	2.00
Instructor/Guard	1.00	1.00
Administrative Assistant	1.00	1.00
Lifeguard/Pool Instructor - Non-Reg	3.50	3.50
Total FTE	11.50	11.00

Expenditure Comparison

Category	2012 Actual	2013 Budget	2013 Actual	2014 Budget
Personnel	\$ 840,237	\$ 924,100	\$ 873,530	\$ 954,540
Supplies & Equipment	30,863	32,700	32,167	35,200
Charges & Services	24,828	26,225	43,986	220,150
Expenditure Total	\$ 895,929	\$ 983,025	\$ 949,683	\$ 1,209,890

Park Facilities Maintenance Division

Park Facilities oversees maintenance of City parks, designated street landscapes, City building grounds, cemeteries, as well as coordinates the Tree City USA and Heritage

Tree programs; and provides support for Art-in-the-Park and City Events (Salmon Days, etc.).



Volunteers at High Point



Eagle Scout kiosk construction at Timberlake Park

2014 Work Plan Focus

- ✘ Maintain City parks, athletic fields, building grounds, landscapes, trails, cemeteries and streetscapes.
- ✘ Provide support for City recreational programs and community events.
- ✘ Provide support for landscaping, irrigation and tree retention for City capital projects and programs.
- ✘ Make minor improvements to parks and landscapes as budget and time allow.
- ✘ Manage hazard tree abatement and storm damage cleanup/repair.
- ✘ Perform landscape plan review and inspections for all City projects as well as plan review for private projects.
- ✘ Continue maintenance and restoration of City’s natural open space areas, including supervision and oversight of volunteer work parties and projects.

Staffing Levels

Position Title	# of FTE	
	2013	2014
Park Facilities Maintenance		
Parks Division Manager	0.50	0.50
Horticulturist	1.00	1.00
Gardener	1.00	1.00
Open Space Steward	1.00	1.00
Park Maintenance Supervisor	1.00	1.00
Park Maintenance Worker	6.00	6.00
Administrative Assistant	0.875	0.875
Parks Maintenance Aide - Non-Reg	2.625	2.625
Cemetery - Non-Reg	0.250	0.250
Total FTE	14.25	14.25

Prior Year Accomplishments

- 👍 Achieved Tree City USA status for 20th consecutive year.
- 👍 Partnered with the Washington State Department of Natural Resources (DNR) to participate in the pilot program to use Washington Conservation Corps (WCC) work crews for urban forest restoration and maintenance work, and to apply for a Tree City USA Tree Planting Grant.
- 👍 Completed landscape renovation and improvements at City Hall South, Tibbetts Creek Manor, Issaquah Food Bank, Harvey Manning Park at Talus, Grand View Park, Issaquah Fish

Hatchery, Gilman Boulevard, Issaquah Hillside Cemetery, Squak Valley Park, and East Sunset Way Trailhead.

- 👍 Resurfaced tennis courts at Tibbetts Valley Park and basketball courts at Veterans’ Memorial Park and Tibbetts Valley Park.
- 👍 Provided project support for the Confluence Park project and assumed maintenance of the landscape upon completion.
- 👍 Began planning for the replacement of 15 Civil War Veterans headstones in the Lower Hillside Cemetery. Work to be completed by Eagle Scouts.



Earth Day Pickering Trail Event



Constructing East Sunset Way Kiosk

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Personnel	\$ 1,171,566	\$ 1,282,000	\$ 1,180,260	\$ 1,240,430
Supplies & Equipment	138,190	140,000	150,346	140,000
Charges & Services	475,973	501,300	488,488	558,820
<i>Expenditure Total</i>	<u>\$ 1,785,728</u>	<u>\$ 1,923,300</u>	<u>\$ 1,819,094</u>	<u>\$ 1,939,250</u>

Performance Measures

Park Facilities	2009	2010	2011	2012	2013
Facilities	72	72	76	90 ¹	91 ¹
Irrigation Systems	53	53	53	43 ²	44 ²
Trail Miles	14	15	15	15	17
Park Acres Maintained	101	104	166	166 ³	168 ³
Open Space Acres	1,332	1,332	1,436	1,437	1,443
Baseball/Softball Fields	9	9	9	9	9
Tot Lot/Playground	8	8	8	9	10
Soccer Fields/Lacrosse	n/a	3	3	3	3
Artificial Turf Fields	n/a	2	2	2	2
Open Space Volunteer Hours	3,750	9,769.5	6,172.5	6,645	9,764



Bear Ridge Trail



Tree Frog at Round Lake



Talus Rocks

¹ Some Open Space sites were previously not counted as Facilities. The only new facility added in 2012 is the E Sunset Way Trailhead.

² Irrigation systems were previously counted by number of water meters. This has changed to number of irrigation controllers. No new systems were added in 2012, nor were any eliminated.

³ Some sites reclassified from Open Space to Parks.

Other General Governmental Services

This budget includes cost for general governmental services not provided for in

any other budget and not associated with a specific service provide by the City.

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Personnel	\$ 88,808	\$ 120,000	\$ 103,545	\$ 132,310
Supplies & Equipment	1,554	10,000	163	10,200
Charges & Services	934,839	920,735	921,016	506,700
Intergovernmental Services	170,422	130,000	122,057	134,650
Operating Transfers	2,382,000	1,982,000	1,486,500	1,954,275
Capital Outlays	3,854	-	-	-
<i>Expenditure Total</i>	<u>\$ 3,581,477</u>	<u>\$ 3,162,735</u>	<u>\$ 2,633,280</u>	<u>\$ 2,738,135</u>

Charges & Services

Charges and services include professional services such as labor negotiations, fire hydrant charges, bank charges and medical plan processing as well as membership dues and access fees.

Intergovernmental Services & Payments

Intergovernmental services and payments included are election costs and payments to King County Animal Control.

Operating Transfers

Operating transfers from the General Fund to the funds listed below, representing a principal revenue resource for those funds.

- ✓ Street Fund (\$1,794,775)
- ✓ Self Insurance Fund for payments for LEOFF I medical obligations (\$94,500)
- ✓ Unemployment Fund (\$65,000)

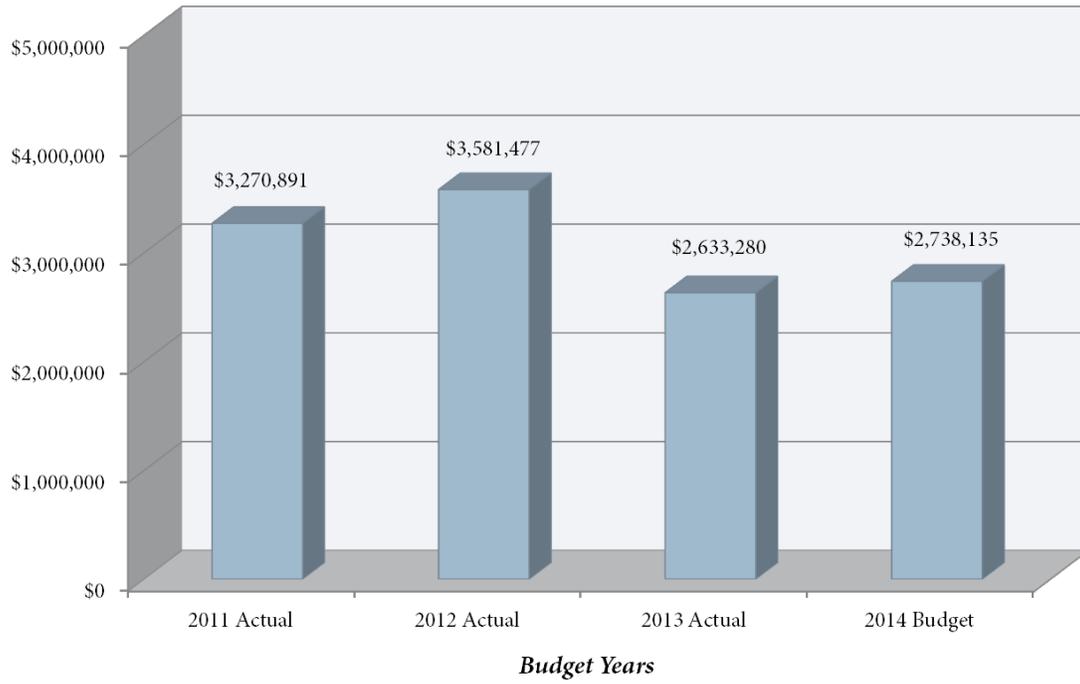
Miscellaneous Contributions and Service Fees Included Are:

Misc Contributions/Svc Fees	2012 Actual	2013 Budget	2013 Actual	2014 Budget
Legislative/Regulatory Consulting	\$ 20,786	\$ 50,000	\$ 50,251	\$ 50,000
Assoc. Wash Cities	20,762	22,800	21,073	23,300
Suburban Cities Dues	17,180	18,400	17,438	18,800
Bank Service Charges	30,196	30,000	21,283	30,000
Medical Plan Processing	11,272	12	12	-
Insurance ¹	440,004	440,004	440,004	-
Facility Improvements	39,909	-	-	-
Miscellaneous	16,677	17,000	15,138	28,450
At Work Contribution ²	20,000	-	-	-
Satellite/Radio Access-EOC	4,356	5,000	1,959	5,000
Clean Air Agency	19,397	20,819	15,614	22,000
F.I.S.H. Support	25,000	30,000	30,000	30,000
Mtn-Sound Greenway Trust	9,500	9,500	9,500	9,500
Leadership Eastside	5,500	5,500	15,500	15,000
Puget Sound Regional Council	-	15,900	27,444	15,900
Enterprise Seattle	10,000	10,000	10,000	10,000
Historical Society	79,800	79,800	79,800	80,000
4th Of July	8,000	9,500	9,500	9,500
Main Street Pod Program	31,500	31,500	31,500	31,500
Total Contributions/Fees	\$ 809,839	\$ 795,735	\$ 796,016	\$ 378,950

¹ Appropriations were reallocated to applicable departments as part of operating costs.

² Budget appropriation moved to the Human Services Department budget.

Other General Governmental Services Annual Budget Comparison





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Special Revenue Funds

Special Revenue Funds are established to account for specific resources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Special Revenue Funds Overview

Special Revenue Funds account for revenues that are dedicated for specific purposes through either state statute or City Council policy.

Information on anticipated 2014 revenues and estimated expenditures for each Special Revenue Fund is detailed on the pages that follow.

The following Special Revenue Funds are part of the non-operating budget:

- § Street Fund
- § Cemetery Fund
- § Municipal Art Fund
- § Sustainability Fund
- § Communications Fund
- § Lodging Tax Fund



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Street Fund

The mission of the Street Fund is to provide for the expeditious movement of motorized and non-motorized traffic through a high-quality street maintenance program and sound long range planning. As part of that effort, the department attempts to conserve and protect the aesthetic and ecological values emphasized by the community, and to support the City's land use planning effort.

These responsibilities are financed through a transfer of General Fund revenues, grading permits, inspection fees, and a share of state gasoline tax moneys, and are used to support the various street programs in roadway maintenance, traffic control, street lighting, roadside mowing and vegetation control, street cleaning, snow and ice control.

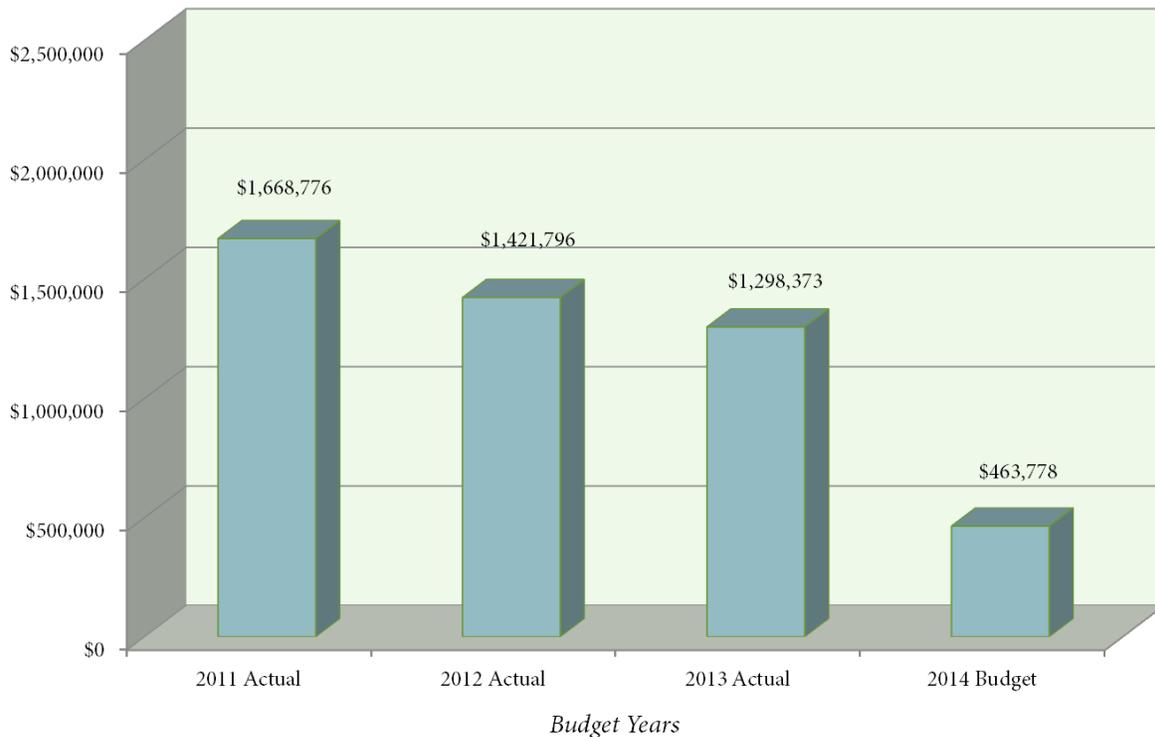
Revenue Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 1,668,777	\$ 1,440,751	\$ 1,421,796	\$ 1,016,708
<i>Revenue Sources</i>				
Taxes	472,867	514,286	481,003	561,000
Licenses & Permits	22,687	40,000	94,426	35,000
Intergovernmental Revenue	781,973	662,000	680,008	690,000
Charges for Services	77,581	50,000	67,025	59,000
Miscellaneous Revenue	20,250	10,000	8,094	2,000
Operating Transfers-in	<u>2,210,000</u>	<u>1,910,000</u>	<u>1,432,500</u>	<u>1,794,775</u>
<i>Revenue Total</i>	\$ 3,585,358	\$ 3,186,286	\$ 2,763,056	\$ 3,141,775
<i>Fund Total</i>	<u>\$ 5,254,135</u>	<u>\$ 4,627,037</u>	<u>\$ 4,184,852</u>	<u>\$ 4,158,483</u>

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Personnel	\$ 1,384,918	\$ 1,397,197	\$ 1,538,138	\$ 2,190,965
Supplies & Equipment	150,819	197,211	113,744	219,200
Charges & Services	2,050,606	1,927,647	886,936	1,008,540
Intergovernmental Services	-	-	86,665	-
Operating Transfers-Out	<u>245,996</u>	<u>275,996</u>	<u>260,996</u>	<u>276,000</u>
<i>Expenditure Total</i>	\$ 3,832,339	\$ 3,798,051	\$ 2,886,479	\$ 3,694,705
Ending Fund Balance	<u>1,421,796</u>	<u>828,986</u>	<u>1,298,373</u>	<u>463,778</u>
<i>Fund Total</i>	<u>\$ 5,254,135</u>	<u>\$ 4,627,037</u>	<u>\$ 4,184,852</u>	<u>\$ 4,158,483</u>

Street Fund Ending Fund Balance Comparison



Cemetery Fund

The administration of the City cemetery is vested in a Cemetery Board. The Board is responsible for the care, improvement, and use of the cemetery property. Maintenance of

the cemetery is under the direction of the Parks Department. The Cemetery Fund reimburses the General Fund for these services.

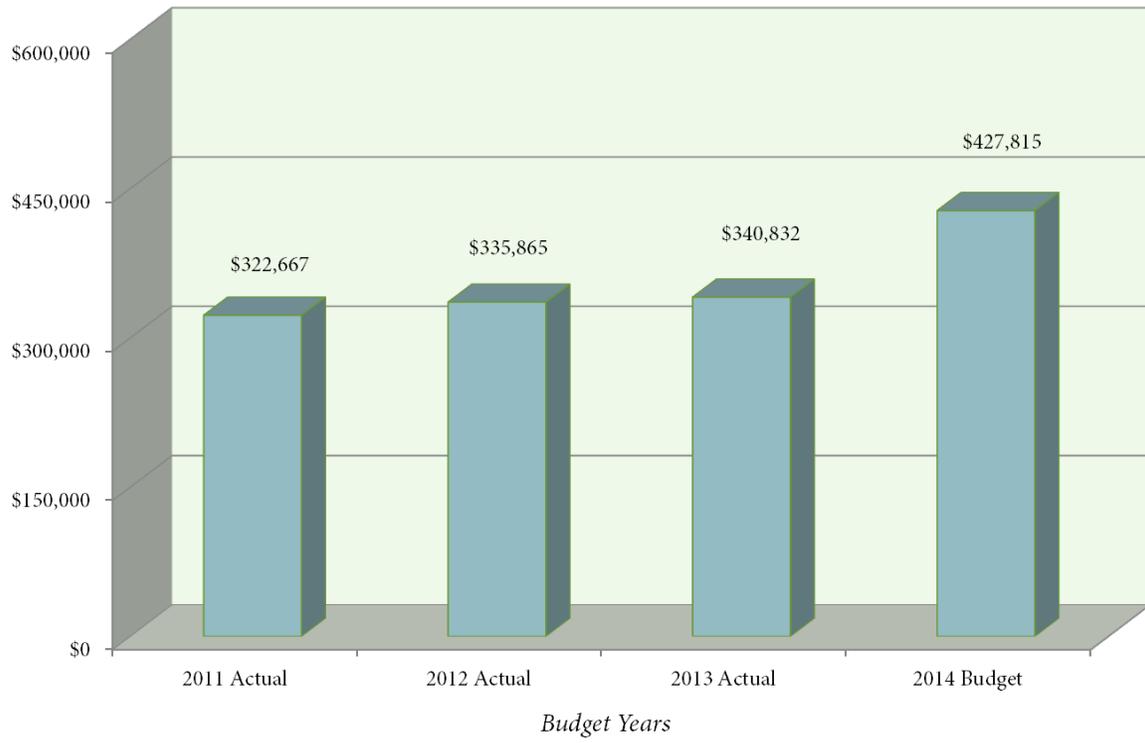
Revenue Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 322,667	\$ 340,257	\$ 335,865	\$ 431,115
Revenue Sources				
Charges for Services	93,275	70,000	80,600	74,800
Miscellaneous Revenue	1,250	2,000	1,400	-
Revenue Total	\$ 94,525	\$ 72,000	\$ 82,000	\$ 74,800
Fund Total	\$ 417,192	\$ 412,257	\$ 417,865	\$ 505,915

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Personnel	\$ 17,504	\$ 18,425	\$ 15,902	\$ 18,400
Supplies & Equipment	112	3,000	305	2,000
Charges & Services	38,711	35,500	35,827	31,700
Operating Transfers-Out	25,000	25,000	25,000	26,000
Expenditure Total	\$ 81,327	\$ 81,925	\$ 77,033	\$ 78,100
Ending Fund Balance	335,865	330,332	340,832	427,815
Fund Total	\$ 417,192	\$ 412,257	\$ 417,865	\$ 505,915

Cemetery Fund Ending Fund Balance Comparison



Municipal Art Fund

The Municipal Art Fund was established in 1988 to account for revenues that by ordinance are to be spent for artistic creations and programs that will provide local opportunities for the public to experience and enjoy visual and performing arts.

Revenues are generated by charging appropriate City construction projects one-half of one percent of their construction budget, and from a 5% Admissions Tax on movie theaters and special events.

2014 Work Plan

- ✘ Provide \$129,186 in funding to support local arts and culture programming in the community.
- ✘ Present a two-day international film festival at Issaquah High School Performing Arts Center, in collaboration with Seattle International Film Festival.
- ✘ Develop an art maintenance plan for the City owned public art collection.
- ✘ Present free, monthly community arts and culture programming.
- ✘ Install a new piece of public artwork for the community.

Prior Year Accomplishments:

- 👍 Awarded arts grants totaling \$109,600 to 23 organizations and schools, representing 26 projects. Funded projects ranged from downtown ArtWalks and local concerts to arts programs for local schools and at-risk youth.
- 👍 Presented monthly, free community arts programming such as film screenings and lectures as well as a Chalk Art Festival.



And Mithra Danced

- 👍 Launched a new online application – STQRY – for showcasing the City’s public art collection to tourists and residents.
- 👍 Collaborated with the cities of Bellevue, Redmond and Kirkland on a project to measure the economic impact of arts and culture on the Eastside.
- 👍 Held ten Arts Commission meetings.
- 👍 Collaborated with the Office of Sustainability and Seattle Tilth on a project to create artist designed, multi-lingual recipe cards for food bank clients. (Funded through a grant from 4Culture and the Wallace Foundation).
- 👍 Contracted an artist to create original designs for bicycle racks in the downtown core.

Organizations and Programs Awarded Grants

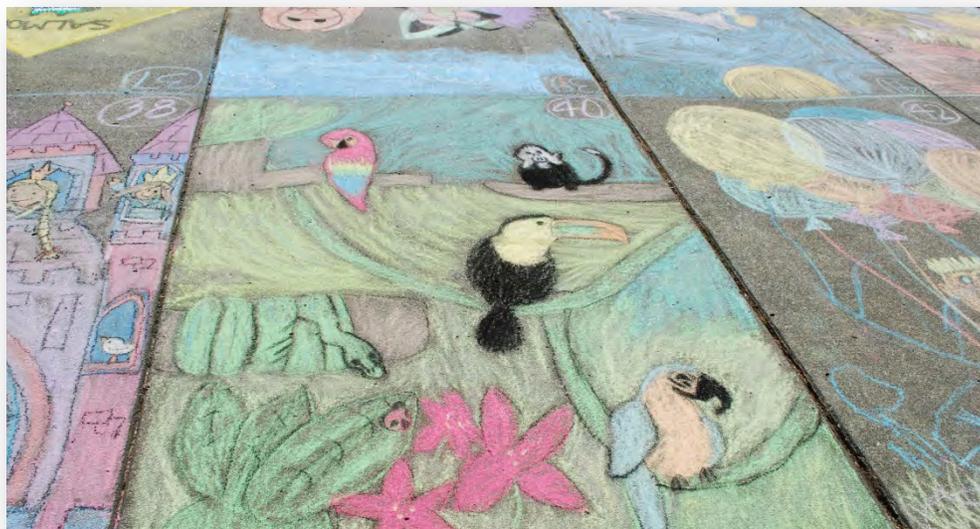
Village Theater		Seattle Shakespeare Company	
2014 Mainstage, Kidstage and Village Originals	\$53,313	Wooden O Free Shakespeare in the Park	\$3,238
City Art Programs		Sammamish Symphony Orchestra	
2014 Concerts on the Green	\$12,438	Community Ensemble Program	\$2,631
2014 Farmers Market Entertainment	\$3,938	Master Chorus Eastside	
Teen Art Class	\$838	All-American Independence Celebration	\$2,438
ArtEAST		Issaquah Philharmonic Orchestra	
Community Arts Programs	\$10,375	Community Orchestra	\$2,356
Art Docent Support (free training for ISD volunteers)	\$2,419	Issaquah Singers	
Issaquah Chamber Festivals Office		Free Concerts at Issaquah Senior Living Centers	\$2,088
Salmon Days Hatchery Stage	\$9,875	Vedic Cultural Center	
Downtown Issaquah Association		Surya 2014: Summer Solstice Festival	\$1,688
Cultural Events Program: Wine Walk and Art Walk	\$7,388	Highlands Council	
Cougar Mountain Zoo		2014 Highlands Day Festival	\$1,400
Nature Gallery at Zoo	\$4,538	Echo Glen Children's Center	
Arts in Issaquah Schools		Volunteer Art Docent Program	\$500
Freehold Theatre		Total Grants Awarded	\$129,186
Workshop of Shakespeare's Henry IV and Residency	\$3,725		

Revenue Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 147,420	\$ 162,683	\$ 151,171	\$ 160,000
Revenue Sources				
Taxes	130,999	140,000	168,657	160,000
Intergovernmental Revenue	16,000	8,000	8,000	8,000
Miscellaneous Revenue	2,337	2,000	2,400	1,000
Revenue Total	\$ 149,336	\$ 150,000	\$ 179,057	\$ 169,000
Fund Total	\$ 296,756	\$ 312,683	\$ 330,228	\$ 329,000

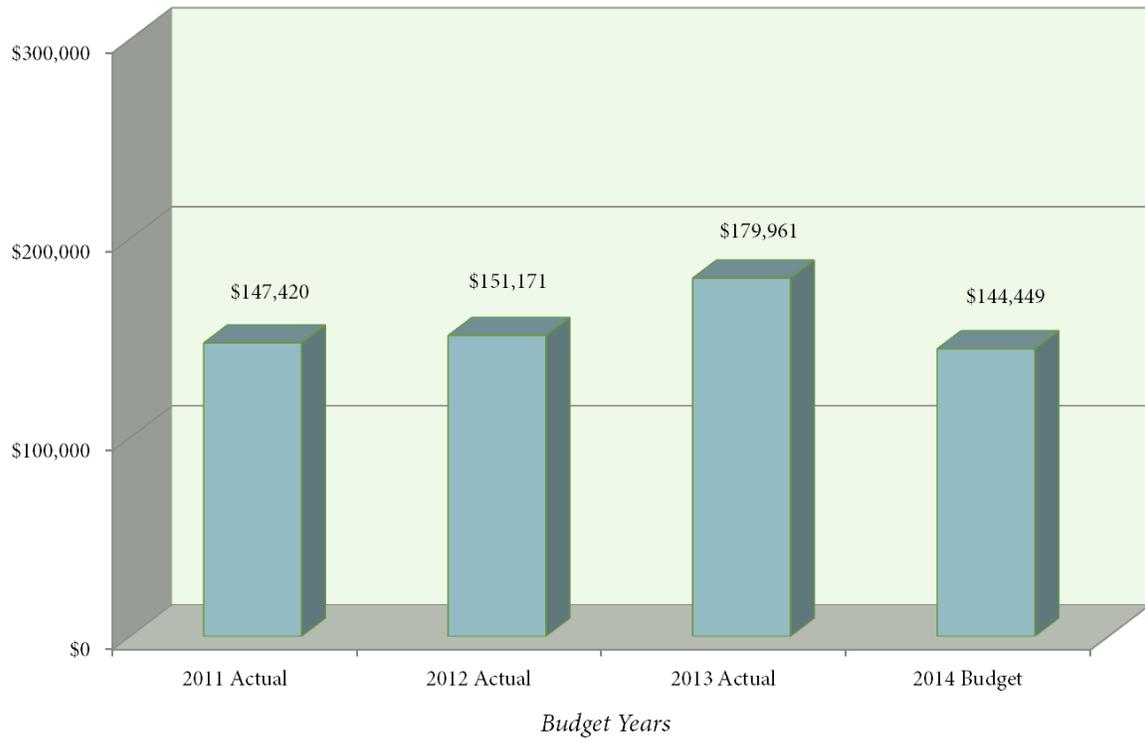
Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Personnel	\$ -	\$ 25,692	\$ 34,204	\$ 32,450
Supplies & Equipment	-	200	135	200
Charges & Services	143,585	120,100	112,096	136,901
Intergovernmental Services	2,000	-	-	-
Capital Outlay	-	10,000	3,833	15,000
Expenditure Total	\$ 145,585	\$ 155,992	\$ 150,267	\$ 184,551
Ending Fund Balance	151,171	156,691	179,961	144,449
Fund Total	\$ 296,756	\$ 312,683	\$ 330,228	\$ 329,000



Chalk drawing from 2009 Chalk Art Festival

Municipal Art Fund Ending Fund Balance Comparison



The Dig

Community Sustainability

The mission of Community Sustainability is to develop and implement projects, programs and policies within the City and in the community in order to advance sustainability in Issaquah and to achieve the community's interrelated environmental, economic and social sustainability goals.

2014 Work Plan Focus

- ✘ Implement Phase II of the retail carryout bag ordinance.
- ✘ Implement a partnership agreement with the Issaquah School District.
- ✘ Establish a City Resource Conservation Management team (RCM) to ensure wise and efficient use of resources (energy, water and waste) at all city facilities.
- ✘ Develop solutions to local transit and mobility needs.
- ✘ Implement recommendations from the Bike and Pedestrian Plan.
- ✘ Expand the Issaquah Urban Agriculture Hub at the Pickering Garden in partnership with Seattle Tilth.
- ✘ Expand implementation of water quality protection BMPs for salmon safe pesticide reduction in multifamily landscapes and automotive leak repair.
- ✘ Improve social and environmental literacy through a series of Community Sustainability Forums.
- ✘ Continue to improve participation in commercial and multi-family recycling; and compost diversion and contamination reduction.





Prior Year Accomplishments

- 👍 Updated the Land Use and Construction permitting processes using Lean process improvements.
- 👍 Implemented the Retail Carryout Bag Ordinance phase-one requirements, outreach, reusable bag distribution and promotion of local businesses.
- 👍 Developed a community-wide Bicycle and Pedestrian Master Plan (Council Goal). Installed bicycle racks in the historic downtown core.
- 👍 Updated the Sustainable City Report and Community Sustainability for 2012.
- 👍 Updated City sustainable building program and incentives.
- 👍 Provided technical assistance site visits to 148 businesses on composting and sustainable business practices.
- 👍 Taught 366 students at three schools and involved 23 classrooms at the Pickering Garden.
- 👍 Implemented waste prevention and diversion programs in the multi-family sector.
- 👍 Completed a one-year solid waste services review of CleanScapes contract.
- 👍 Expanded participation in urban agriculture and natural yard care programs from the Pickering Garden in partnership with Seattle Tilth.
- 👍 Trained 18 volunteers through the initial cohort of the Master Composter Eastside program.

Prior Year Accomplishments (cont.)

- 👍 Updated Water System Plan water use efficiency requirements and local water use efficiency goals.
- 👍 Opened and transitioned the zHome Stewardship Center in partnership with Built Green.
- 👍 Developed a sustainability partnership agreement with the Issaquah Schools.
- 👍 Adopted the Solid Waste Interlocal Agreement with King County.

Staffing Levels

Position Title	# of FTE	
	2013	2014
Office of Sustainability Director	1.00	1.00
Human Services Manager	-	1.00
Sustainability Program Manager	1.00	1.00
Sustainability Coordinator II	1.00	1.00
Sustainability Coordinator	1.00	1.00
Total FTE	4.00	5.00

Revenue Comparison

Category	2012 Actual	2013 Budget	2013 Actual	2014 Budget
Beginning Fund Balance	\$ 209,693	\$ 153,652	\$ 115,559	\$ 106,000
Revenue Sources				
Intergovernmental Revenue	155,463	104,800	115,692	148,200
Charges for Services	264,017	372,700	381,058	384,000
Miscellaneous Revenue	6,332	7,000	3,204	15,000
Operating Transfers-in	301,000	331,000	331,000	331,000
Revenue Total	\$ 726,812	\$ 815,500	\$ 830,954	\$ 878,200
Fund Total	\$ 936,505	\$ 969,152	\$ 946,513	\$ 984,200

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Personnel	\$ 576,968	\$ 666,431	\$ 607,074	\$ 690,950
Supplies & Equipment	14,091	19,750	26,265	9,700
Charges & Services	212,030	209,270	202,078	186,500
Intergovernmental	-	-	53,601	54,000
Capital Outlay	17,857	-	-	-
Expenditure Total	\$ 820,946	\$ 895,451	\$ 889,018	\$ 941,150
Ending Fund Balance	115,559	73,701	57,495	43,050
Fund Total	\$ 936,505	\$ 969,152	\$ 946,513	\$ 984,200

Community Sustainability Annual Budget Comparison



Communications Fund

This fund was up in 1997 to separately account for transactions associated with the City's government communications channel, Cable TV franchise related activities, and the Cable TV commission.

2014 Work Plan Focus

- ✘ Continue to increase focus on online video content using YouTube and social media.
- ✘ Increase the amount of local high school sports coverage.
- ✘ Finalize the new role of the Issaquah Cable TV Commission.
- ✘ Upgrade the system used to televise City Council and Commission meetings.
- ✘ Create networked digital media archive.

Prior Year Accomplishments

- 👍 Televised all appropriate Council and Commission meetings (60 to 90).
- 👍 Posted all ICTV Channel 21 productions online.

- 👍 Covered community events such as Salmon Days, and Fourth of July.
- 👍 Produced weekly video content for City's social media channels.
- 👍 Covered multiple Issaquah High School football games for use online and on ICTV.
- 👍 Produces specialized programming, such as Inside Issaquah magazine show.
- 👍 Produced internal videos for Human Resources' for City's "on-boarding efforts."
- 👍 Fulfilled Cable Commission requests concerning cable franchise issues and citizen complaints.
- 👍 Stayed current with any changes in local, regional, and federal regulations concerning Cable TV and telecommunications.

Revenue Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 559,966	\$ 433,294	\$ 450,464	\$ 450,000

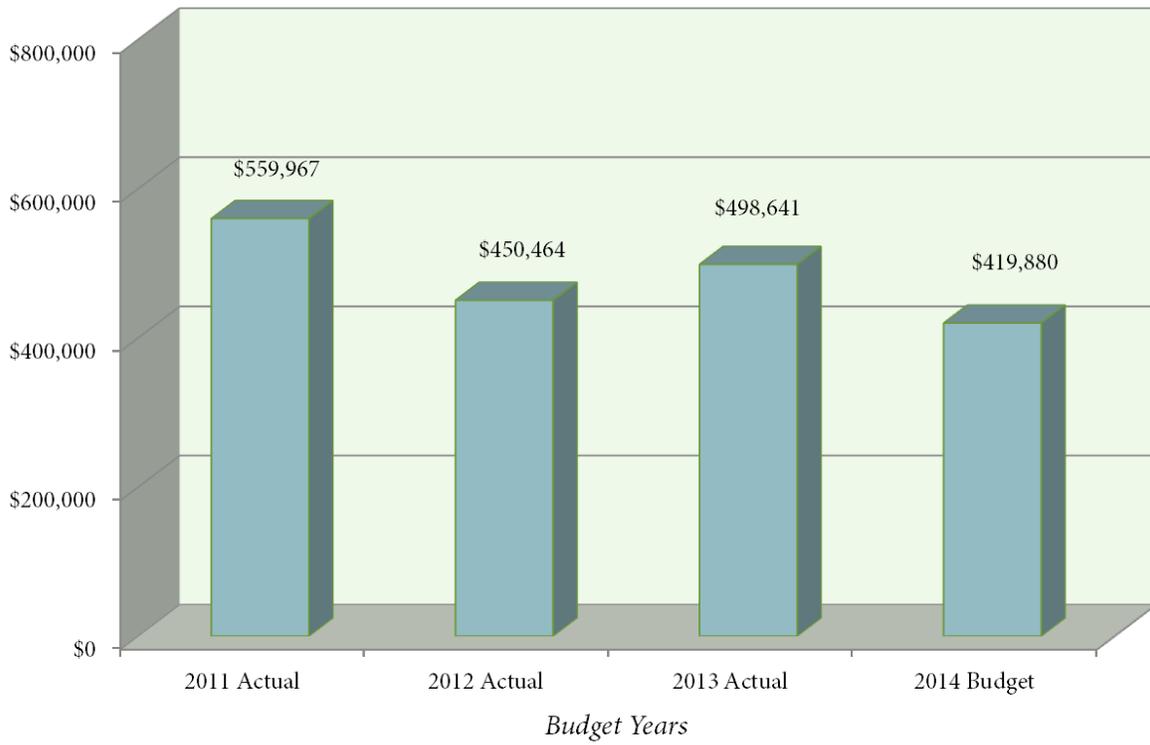
Revenue Sources

Licenses & Permits	460,024	448,000	499,100	480,000
Miscellaneous Revenue	<u>2,500</u>	<u>4,000</u>	<u>1,400</u>	<u>200</u>
<i>Revenue Total</i>	\$ 462,524	\$ 452,000	\$ 500,500	\$ 480,200
<i>Fund Total</i>	<u>\$ 1,022,490</u>	<u>\$ 885,294</u>	<u>\$ 950,964</u>	<u>\$ 930,200</u>

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Personnel	\$ 135,867	\$ 146,182	\$ 143,162	\$ 165,160
Supplies & Equipment	7,896	7,500	9,830	7,500
Charges & Services	11,456	38,000	10,531	35,660
Capital Outlay	32,607	20,000	20,000	30,000
Operating Transfers-Out	<u>384,200</u>	<u>268,800</u>	<u>268,800</u>	<u>272,000</u>
<i>Expenditure Total</i>	\$ 572,026	\$ 480,482	\$ 452,323	\$ 510,320
Ending Fund Balance	<u>450,464</u>	<u>404,812</u>	<u>498,641</u>	<u>419,880</u>
<i>Fund Total</i>	<u>\$ 1,022,490</u>	<u>\$ 885,294</u>	<u>\$ 950,964</u>	<u>\$ 930,200</u>

Communications Fund Ending Fund Balance Comparison



Lodging Tax Fund

This fund was created in 1998 to account for transactions associated with the City’s share of the hotel/motel tax. The City of Issaquah’s 1% tax is currently collected by motels and bed and breakfast inns. Per state law, proceeds received from this tax can only be used to pay all or any part of the cost of tourism promotion, acquisition of tourism-related facilities, or the operation of tourism related facilities.

2014 Work Plan

- ✂ Coordinate among city tourism organizations to pool advertising resources and use them more efficiently. Examples include a recent partnership with ArtEast and the Cougar Mountain Zoo as well as new advertising opportunities available at the Visitor’s Resource Center run by the Chamber

Funding Recipients

<i>Issaquah Chamber of Commerce</i>	
Visitors' Information Center	\$50,000
Business Plan	\$15,000
Salmon Days Promotion	\$141,000
<i>Downtown Issaquah Association</i>	
Fenders on Front Street	\$10,000
<i>F.I.S.H. (Friends of Issaquah Salmon Hatchery)</i>	
F.I.S.H. Docent Program	\$6,000

Prior Year Accomplishments

- 👍 Funded six community partners (\$92,000) who pledged to attract a total 97,350 tourists to Issaquah through various festivals, events, and tourism promotion campaigns.
- 👍 Leveraged \$92,000 of City tourism money with an approximate sum of \$643,000 from other funding sources. For every single lodging tax dollar spent, the City was able to leverage \$7 from other sources.
- 👍 Made progress on forming a tourism organization: partnered with Chamber of Commerce to issue RFQ to write a tourism organization business plan.



Revenue Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 37,380	\$ 48,180	\$ 59,583	\$ 91,533

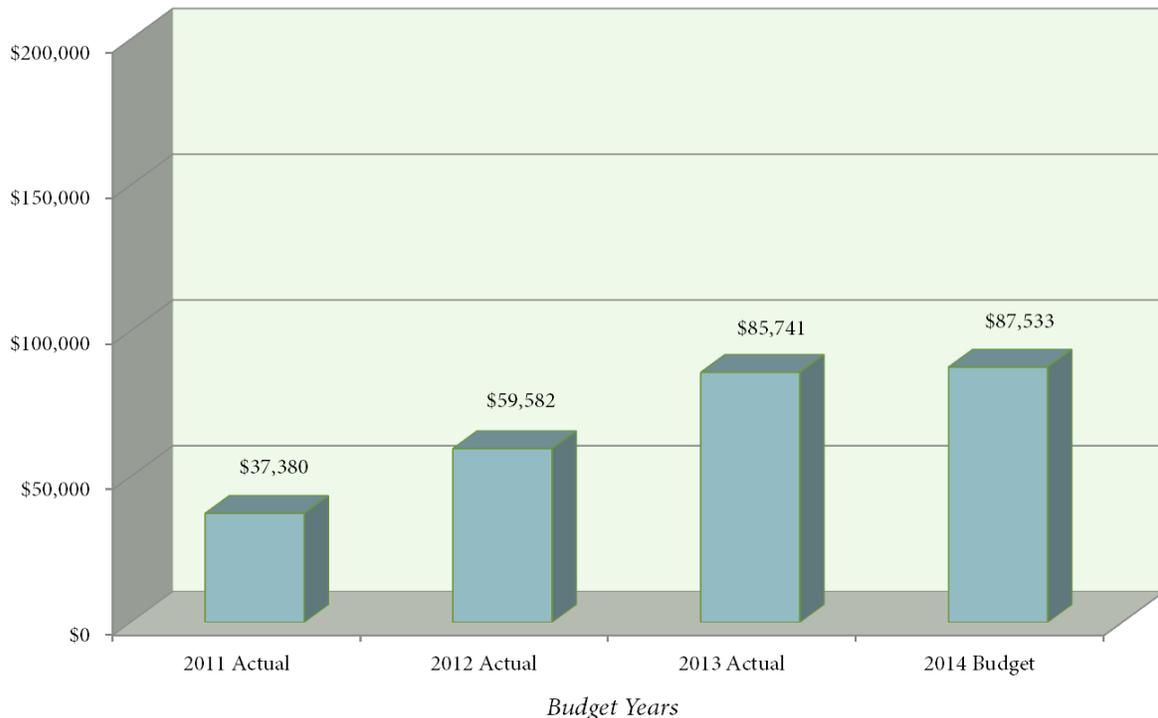
Revenue Sources

Taxes	108,202	97,000	114,732	100,000
<i>Revenue Total</i>	\$ 108,202	\$ 97,000	\$ 114,732	\$ 100,000
<i>Fund Total</i>	\$ 145,582	\$ 145,180	\$ 174,315	\$ 191,533

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Supplies & Equipment	-	-	-	4,000
Charges & Services	86,000	92,000	88,574	100,000
<i>Expenditure Total</i>	\$ 86,000	\$ 92,000	\$ 88,574	\$ 104,000
Ending Fund Balance	59,582	53,180	85,741	87,533
<i>Fund Total</i>	\$ 145,582	\$ 145,180	\$ 174,315	\$ 191,533

Lodging Tax Fund Ending Fund Balance Comparison





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Debt Service Funds

Debt Service Funds account for the payment of general obligation bond principal and interest from governmental resources and the payment of special assessment bond principal and interest from special assessment levies when the City is obligated in some manner for the payment.

Debt Service Funds Overview

Debt service funds are used to account for principal and interest payments used for the retirement of long-term debt. Debt is used by the City as a means of financing capital improvements. By extending the repayment of debt over the anticipated useful life of the improvement, the cost of an improvement can be more equitably spread among the citizens who benefit from the improvement.

Bonds are sold and the proceeds (cash) are used to pay for the construction of capital improvements. The bonds are repaid over a period of time from taxes, fees, or other revenue sources dedicated for that purpose.

There are three types of debt generally issued by the City for general government purposes:

- ☞ Unlimited Tax General Obligation (UTGO) Bonds represent debt that was approved by voters for a specific purpose. In this case, citizens have agreed to levy property taxes to repay the debt generally over a twenty-year period.
- ☞ Limited Tax General Obligation (LTGO) Bonds (also called Councilmanic Bonds) can be issued

with approval of the City Council. The debt is repaid from general revenues of the City.

- ☞ Local Improvement District (LID) Bonds represent debt that is repaid by the property owners who benefited from the capital improvement through annual assessments paid to the City. LIDs are formed by the City Council after a majority of property owners agree to the assessment.

When the City issues debt, a thorough review of the City's financial condition is completed by bond rating agencies. Based on their findings, the bonds are given a rating. The City's bond rating is a reflection of its creditworthiness and affects the cost to the City of issuing debt. There are two rating agencies--Standard and Poor's (S&P) and Moody's Investor Service--that rate Issaquah's bonds.

Bonds carried a Moody's A 1 rating until November of 2006 when the City changed to Standard and Poor's and received a AA rating on both unlimited and limited general obligation Bonds. The City's most recent rating received from Standard and Poor's is AA+. The AA+ rating was reaffirmed in 2013.

Once bonds are rated, the City enters the bond market to secure the necessary funding. The proceeds (cash) received from selling the bonds are placed in a capital projects fund to account for the cost of constructing the capital improvement. Separate funds have been created to track the principal and interest payments for limited and unlimited bonds. Each year a sufficient amount of revenue is budgeted and placed in each fund to pay the annual principal and interest due.

Debt Capacity

Washington State law imposes limitations on the total amount of debt that a city can have outstanding to 7.5 percent of total assessed property valuation plus the net of current assets and liabilities. This comprises the City's "Debt Capacity" at any one time. The City Council has authority to issue bonds without voter approval (Councilmanic) for a combined total of up to 1.5 percent of the City's assessed valuation.

Legal Debt Margin as of December 31, 2013

	General Capacity		Special Purpose Capacity		Total Capacity
	Councilmanic (Non-Voted)	Excess Levy (Voted-in)	Parks & Open Space (Voted-in)	Utility Purposes (Voted-in)	
Assessed Value:	\$6,249,508,316				
2.50% of Assessed Value	\$ -	\$ 156,237,708	\$ 156,237,708	\$ 156,237,708	\$ 468,713,124
1.50% of Assessed Value	<u>93,742,625</u>	<u>(93,742,625)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Statutory Debt Limit	\$93,742,625	\$ 62,495,083	\$156,237,708	\$156,237,708	\$ 468,713,124
Less Debt Outstanding G.O. Bonds	(15,360,000)	(6,530,000)	(4,830,000)	-	(26,720,000)
Add amount available in Debt Service Fund ¹	<u>12,546</u>	<u>462,897</u>	<u>308,598</u>	<u>-</u>	<u>784,041</u>
Debt Capacity	<u>\$78,395,170</u>	<u>\$ 56,427,981</u>	<u>\$151,716,306</u>	<u>\$156,237,708</u>	<u>\$ 442,777,165</u>

Ratio of Net General Obligation Bonded Debt to Assessed Value and Net Debt Per Capita

<i>Fiscal Year</i>	<i>Population</i>	<i>Assessed Value</i> ^{1,2}	<i>Net Bonded Debt</i> ³	<i>Bonded Debt to Assessed Value</i>	<i>Debt Per Capita</i>
2013	32,130	\$ 6,249,508,316	\$ 25,935,959	0.42	\$ 807
2012	31,150	5,755,559,143	28,306,424	0.49	909
2011	30,690	5,825,625,221	28,275,096	0.49	921
2010	30,434	5,950,256,766	30,768,680	0.52	1,011
2009	29,871	6,055,526,752	33,154,698	0.55	1,110
2008	29,010	6,847,811,237	35,930,199	0.52	1,239
2007	27,047	5,855,908,029	30,707,945	0.52	1,135
2006	21,864	4,416,915,927	33,153,293	0.75	1,516
2005	19,127	3,734,157,054	35,282,412	0.94	1,845
2004	17,385	3,336,875,663	30,878,264	0.93	1,776
2003	16,853	3,027,362,027	31,232,734	1.03	1,853
2002	14,189	2,531,753,104	29,589,022	1.17	2,085
2001	13,478	2,362,934,287	31,419,730	1.33	2,331
2000	11,212	2,001,756,127	33,213,791	1.66	2,962
1999	10,130	1,407,065,148	22,869,009	1.63	2,258
1998	9,866	1,254,126,426	21,429,258	1.71	2,172
1997	9,610	1,129,728,694	14,382,857	1.27	1,497
1996	9,255	992,726,833	15,435,270	1.55	1,668
1995	9,035	919,745,374	14,940,658	1.62	1,654
1994	8,379	868,228,274	15,994,080	1.84	1,909

¹ Assessed value provided by King County, Washington, which is the City's tax collection and distribution agency. This is the assessed value used to determine the following year's taxes.

² Preliminary assessed value. Assessed value may change to reflect final King County Assessor's numbers at adoption of final budget.

³ Gross bonded debt less amount available in debt service funds.

General Obligation Bond Summary

The general obligation issues with bonds payable as of December 31, 2013, are listed below. Issues voted in by the residents of Issaquah are being paid through an excess property tax levy.

Information on anticipated 2014 revenue and expenditures for each of the City's debt service funds is detailed on the following pages.

Name	Date of Issue	Issued Amount	Average Coupon Interest	Date of Final Maturity	12/31/2013 Outstanding Bond Balance
<i>Voted-In Debt:</i>¹					
2001 Senior Center	12/1/2001	\$ 1,500,000	4.42	12/1/2021	\$ 765,000
2005 ITS/Police Refunding	12/1/2005	\$ 4,745,000	4.34	12/1/2025	1,930,000
2006 Parks Bond	12/1/2006	\$ 6,250,000	3.91	12/1/2026	4,830,000
2009A Fire Station #72	12/1/2009	\$ 1,840,000	3.64	12/1/2019	1,175,000
2009T BABs Fire Station #72	12/1/2009	\$ 2,660,000	5.74	12/1/2029	<u>2,660,000</u>
<i>Total Voter-Approved Debt</i>					<u>\$ 11,360,000</u>
<i>Non-Voted Debt (Councilmanic):</i>					
2004 Highland Park Facilities	12/1/2004	\$ 3,820,000	4.14	12/1/2024	\$ 2,460,000
2006 Police/Barn Refunding	12/1/2006	\$ 3,485,000	4.05	1/1/2021	2,210,000
2007 Police Station Refunding	1/1/2007	\$ 5,100,000	3.98	1/1/2019	3,265,000
2009 Bolliger Property	2/17/2009	\$ 2,780,000	3.80	12/1/2028	2,265,000
2009B Fire Station, Property	12/1/2009	\$ 6,355,000	3.80	12/1/2021	<u>5,160,000</u>
<i>Total Non-Voted Debt</i>					<u>\$ 15,360,000</u>
<i>Total Debt</i>					<u><u>\$ 26,720,000</u></u>

¹ On November 3, 2013, Issaquah voters approved Proposition 1 that provides for \$10 million in debt to be issued for parks and recreation purposes. The debt is anticipated to be sold in late spring 2014.

Debt Service Fund **(Voter-Approved)**

Issues voted in by the residents of Issaquah are paid through an excess property tax levy.

Revenue Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 688,317	\$ 722,555	\$ 734,241	\$ 770,000
Revenue Sources				
Taxes	1,453,469	1,448,000	1,443,304	1,448,000
Intergovernmental Revenue ¹	53,193	53,193	48,964	40,000
Miscellaneous Revenue	3,125	2,500	3,500	-
Revenue Total	\$ 1,509,787	\$ 1,503,693	\$ 1,495,768	\$ 1,488,000
Fund Total	\$ 2,198,104	\$ 2,226,248	\$ 2,230,009	\$ 2,258,000

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Debt Service - Principal	\$ 885,000	\$ 920,000	\$ 920,000	\$ 965,000
Debt Service - Interest	578,863	540,563	540,563	500,880
Expenditure Total	\$ 1,463,863	\$ 1,460,563	\$ 1,460,563	\$ 1,465,880
Ending Fund Balance	734,241	765,685	769,446	792,120
Fund Total	\$ 2,198,104	\$ 2,226,248	\$ 2,230,009	\$ 2,258,000

¹ Interest refunded to the City on the Fire Station Build America Bonds. Refund equals 35% of the interest paid on these taxable bonds. In 2013, as a result of the sequestration process required by the Balanced Budget and Emergency Deficit Control Act of 1985, the credit payment amount was reduced by 8.7%.

Limited Debt Service Fund
(Councilmanic Non-Voted)

Non-voted debt must be paid for out of the general revenues of the City. The City pays

for non-voted debt via an operating transfer from the Capital Improvement Fund.

Revenue Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 23,004	\$ 15,663	\$ 15,663	\$ 14,048
Revenue Sources				
Operating Transfers-In	2,271,744	2,290,008	2,290,008	2,300,000
Revenue Total	\$ 2,271,744	\$ 2,290,008	\$ 2,290,008	\$ 2,300,000
Fund Total	\$ 2,294,748	\$ 2,305,671	\$ 2,305,671	\$ 2,314,048

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Debt Service - Principal	\$ 1,570,000	\$ 1,640,000	\$ 1,640,000	\$ 1,690,000
Debt Service - Interest	709,085	653,623	653,127	608,800
Expenditure Total	\$ 2,279,085	\$ 2,293,623	\$ 2,293,127	\$ 2,298,800
Ending Fund Balance	15,663	12,048	12,544	15,248
Fund Total	\$ 2,294,748	\$ 2,305,671	\$ 2,305,671	\$ 2,314,048

Local Improvement District (LID)
(Special Assessments)

Special assessment bonds are issued to finance construction of local improvement district (LID) and utility local improvement district (ULID) projects and are repaid through assessments collected from property owners benefiting from related improvements.

The City is required under state law to establish a guaranty fund to provide a means

of paying LID bond debt service obligations in the event there are insufficient resources in the LID control fund.

Information on anticipated 2014 revenue and expenditures for the City’s LID debt service fund and LID Guaranty fund is detailed on the pages following the active LID list.

Active L.I.D. Bonds

Name	Issue Date	Issue Amount	Average Coupon Interest	Date of Final Maturity	12/31/2013 Outstanding Bond Balance
L.I.D. #23 – Mall Street Sidewalk Improvements	12/31/2009	\$977,390	5.50%	2024	\$ 715,000
L.I.D. #24 – Traffic Roundabout at E. Lake Sammamish Parkway and SE 43 rd Way	12/15/2011	\$2,345,000	4.00%	2028	\$2,032,333

LID Debt Service Fund

Revenue Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 8,833	\$ 3,660	\$ 33,511	\$ 27,599
Revenue Sources				
Miscellaneous Revenue (Special Assessments)	217,040	231,852	214,864	207,711
Operating Transfers-In	-	195,648	-	-
Revenue Total	\$ 217,040	\$ 427,500	\$ 214,864	\$ 207,711
Fund Total	\$ 225,873	\$ 431,160	\$ 248,375	\$ 235,310

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Debt Service - Principal	\$ 65,139	\$ 300,000	\$ 83,343	\$ 65,000
Debt Service - Interest	127,223	125,550	128,937	126,700
Expenditure Total	\$ 192,362	\$ 425,550	\$ 212,280	\$ 191,700
Ending Fund Balance	33,511	5,610	36,095	43,610
Fund Total	\$ 225,873	\$ 431,160	\$ 248,375	\$ 235,310

LID Guaranty Fund

This fund was created and is maintained to guarantee the redemption of LID bonds should any assessments default. The fund should maintain a minimum balance of 5% of outstanding LID bonds. Sources of revenue

include interest, surplus remaining in any LID fund after all obligations have been met, and taxes levied in order to maintain the necessary reserve balance.

Revenue Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 959,242	\$ 987,873	\$ 975,232	\$ 676,282

Revenue Sources

Miscellaneous Revenue	6,250	5,000	1,400	1,500
Operating Transfers-In	9,740	-	-	-
<i>Revenue Total</i>	\$ 15,990	\$ 5,000	\$ 1,400	\$ 1,500
<i>Fund Total</i>	\$ 975,232	\$ 992,873	\$ 976,632	\$ 677,782

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Operating Transfers-Out	\$ -	\$ 750,000	\$ -	\$ -
<i>Expenditure Total</i>	\$ -	\$ 750,000	\$ -	\$ -
Ending Fund Balance	975,232	242,873	976,632	677,782
<i>Fund Total</i>	\$ 975,232	\$ 992,873	\$ 976,632	\$ 677,782

Arbitrage Rebate Fund

This fund was established to build up reserves to rebate the United States Treasury Department for interest earned in excess of

the maximum yield rate set for each bond issue.

Revenue Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 62,162	\$ 62,613	\$ 62,613	\$ 62,613

Revenue Sources

Miscellaneous Revenue	451	-	-	-
Revenue Total	\$ 451	\$ -	\$ -	\$ -
Fund Total	\$ 62,613	\$ 62,613	\$ 62,613	\$ 62,613

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Ending Fund Balance	62,613	62,613	62,613	62,613
Fund Total	\$ 62,613	\$ 62,613	\$ 62,613	\$ 62,613



Capital Project Funds

Capital Project Funds account for financial resources to be used for the acquisition or construction of capital facilities other than those financed by enterprise or internal service funds.

Capital Project Funds Overview

Capital Project Funds account for the receipt and disbursement of resources designated for capital facilities construction, improvements, or equipment, other than those financed by Enterprise Funds (water, sewer, and stormwater). Each fund is discussed individually on the following pages.

The City of Issaquah currently has the following active Capital Project Funds:

- § Capital Improvement Fund
- § Mitigation Fund
- § City Shop Construction Fund
- § Newport Way Construction Fund
- § Street Improvement Fund
- § Centralized ITS Traffic Signal System Fund
- § Transit Center Fire Station #72 Construction Fund
- § Highlands Park Facilities Fund
- § Park Improvement/Acquisition Fund



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Capital Improvement Fund

The Capital Improvement Fund was created to account for major City Capital Improvement Projects not budgeted under specific funds. Primary revenue sources are the one-quarter percent excise tax on real estate sales and the portion of sales tax (23.31%) dedicated to capital improvements

by Council policy. Excise tax proceeds are to be used solely for financing capital projects specified in a Capital Improvement Plan and such funds are intended to be in addition to other funds that may be reasonably available for such capital projects.

Revenue Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 1,688,156	\$ 513,763	\$ 1,048,466	\$ 858,969
Revenue Sources				
Taxes	3,276,236	3,371,430	3,968,877	3,813,000
Intergovernmental Revenue	373,266	1,143,615	1,152,236	213,000
Charges for Service	40	-	-	-
Miscellaneous Revenue	133,976	1,134,468	126,399	120,140
Other Revenue Sources	432,692	300,000	300,000	150,000
Revenue Total	\$ 4,216,210	\$ 5,949,513	\$ 5,547,512	\$ 4,296,140
Fund Total	\$ 5,904,366	\$ 6,463,276	\$ 6,595,978	\$ 5,155,109

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Personnel	\$ -	\$ 51,380	\$ 34,204	\$ 48,650
Supplies & Equipment	4,531	35,000	50,222	10,000
Charges & Services	2,033,279	2,037,000	1,942,164	1,749,000
Capital Outlay	124,299	1,378,272	1,086,788	429,530
Debt Service	263,546	32,200	1,855	-
Operating Transfers-Out	2,430,244	2,372,508	2,372,508	2,300,000
Expenditure Total	\$ 4,855,899	\$ 5,906,360	\$ 5,487,741	\$ 4,537,180
Ending Fund Balance	1,048,466	556,916	1,108,236	617,929
Fund Total	\$ 5,904,365	\$ 6,463,276	\$ 6,595,977	\$ 5,155,109

Capital Outlay Items

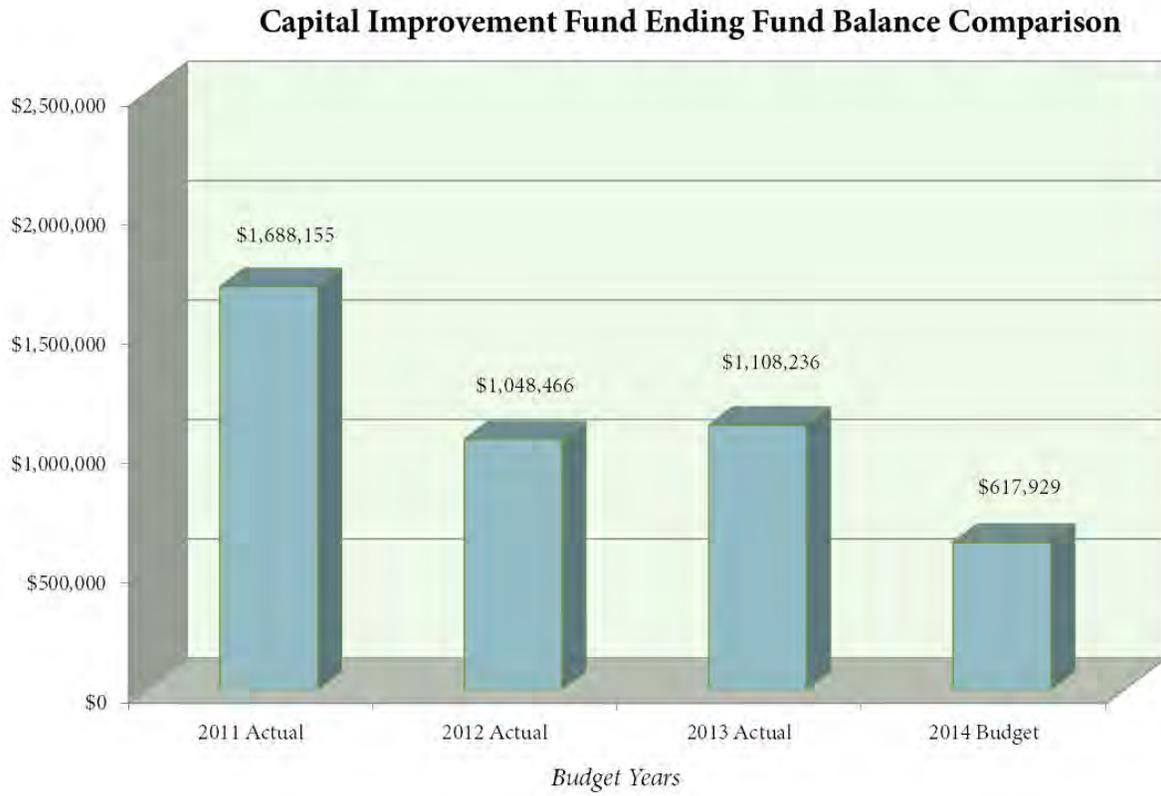
<i>Capital Improvement Fund Capital Outlay Items</i>	<i>2014 Budget</i>
Skate Park	\$ 350,000
Tenant/Office Improvements - CHNW	30,000
Spillman Dashboards	26,530
Stancil Next Generation Equipment	23,000
<i>Total Capital Outlay Items</i>	<u>\$ 429,530</u>

Other Services & Charges

<i>Other Services & Charges</i>	<i>2014 Budget</i>
Vehicle/Equipment Replacement Reserves	\$ 700,000
Street Overlay/Maintenance Program	390,000
Shop Rental Charges	264,000
Annexation Analysis	120,000
Financial System Upgrade	110,000
Studies & Plans - Council Goals	90,000
ARCH Low Income Housing Contribution	50,000
Village Theater Capital Contribution	25,000
<i>Total Capital Outlay Items</i>	<u>\$ 1,749,000</u>

Operating Transfers-Out

<i>Operating Transfers-Out to:</i>	<i>2014 Budget</i>
Debt Service Fund	\$ 2,300,000
<i>Total Operating Transfers-Out</i>	<u>\$ 2,300,000</u>



Mitigation Fund

The Mitigation Fund accounts for revenues received from outside sources (e.g., developers) for the express purpose of

expending on a specific capital item/project, in the Police, Fire, Parks and General Services area.

Revenue Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 2,812,813	\$ 2,751,193	\$ 2,867,740	\$ 11,575,090
Revenue Sources				
Charges for Services	426,384	-	9,007,891 ¹	325,000
Miscellaneous Revenue	57,135	20,000	42,526	5,000
Other Revenue Sources	17,425	-	-	-
Revenue Total	\$ 500,944	\$ 20,000	\$ 9,050,417	\$ 330,000
Fund Total	\$ 3,313,757	\$ 2,771,193	\$ 11,918,157	\$ 11,905,090

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Charges & Services	\$ 25,000	\$ -	\$ -	\$ -
Capital Outlay	225,009	393,608	62,653	99,500
Operating Transfers-Out	196,008	150,000	150,000	729,640
Expenditure Total	\$ 446,017	\$ 543,608	\$ 212,653	\$ 829,140
Ending Fund Balance	2,867,740	2,227,585	11,705,504	11,075,950
Fund Total	\$ 3,313,757	\$ 2,771,193	\$ 11,918,157	\$ 11,905,090

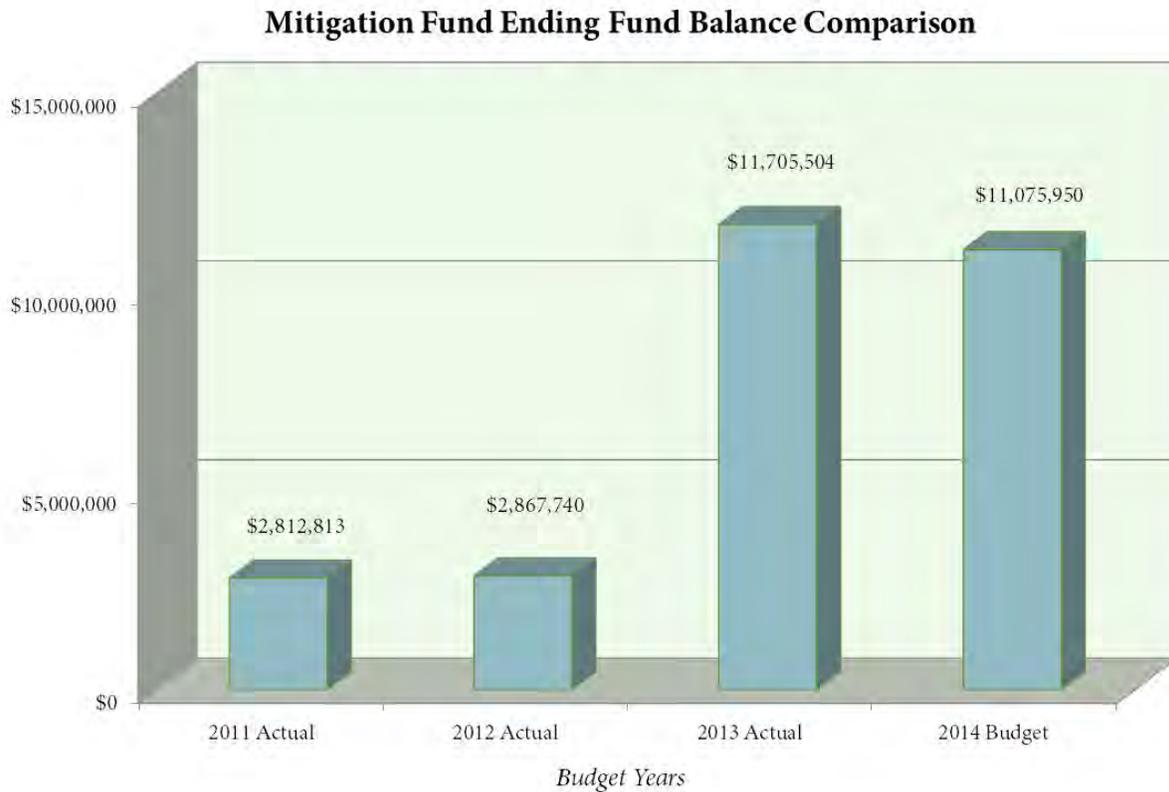
¹ During 2013 mitigation fees and impact fees were received as required by a developers' agreement.

Expenditure Detail

<i>Mitigation Fund Expenditure Detail</i>		<i>2014 Budget</i>
Fire		
Heavy Duty Mobile Lift Equipment	\$ 74,500	
Stortz Fittings on Fire Hydrants	25,000	
Total Mitigation Fund Expenditures		\$ 99,500

Operating Transfers-Out

<i>Operating Transfers-Out to:</i>	<i>2014 Budget</i>
Street Improvement Fund	\$ 579,640
Capital Improvement Fund	150,000
Total Operating Transfers-Out	\$ 729,640



Shop Construction Fund

This fund accounts for the construction and improvements of the City Shop, and for

satellite shop sites in the Issaquah Highlands and Talus Development areas.

Revenue Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 575,857	\$ 490,857	\$ 546,196	\$ 750,596
Revenue Sources				
Miscellaneous Revenue	-	-	700	-
Operating Transfers-In	-	275,000	275,000	40,000
Revenue Total	\$ -	\$ 275,000	\$ 275,700	\$ 40,000
Fund Total	\$ 575,857	\$ 765,857	\$ 821,896	\$ 790,596

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Charges & Services	\$ 24,934	\$ -	\$ -	\$ -
Capital Outlay	4,727	225,000	117,217	95,000
Expenditure Total	\$ 29,661	\$ 225,000	\$ 117,217	\$ 95,000
Ending Fund Balance	546,196	540,857	704,679	695,596
Fund Total	\$ 575,857	\$ 765,857	\$ 821,896	\$ 790,596

Capital Outlay Items

<i>Capital Outlay Items</i>	<i>2014 Budget</i>
Shop Improvements	\$ 70,000
Shop Equipment	25,000
Total Capital Outlay Items	\$ 95,000



Newport Way Construction Fund

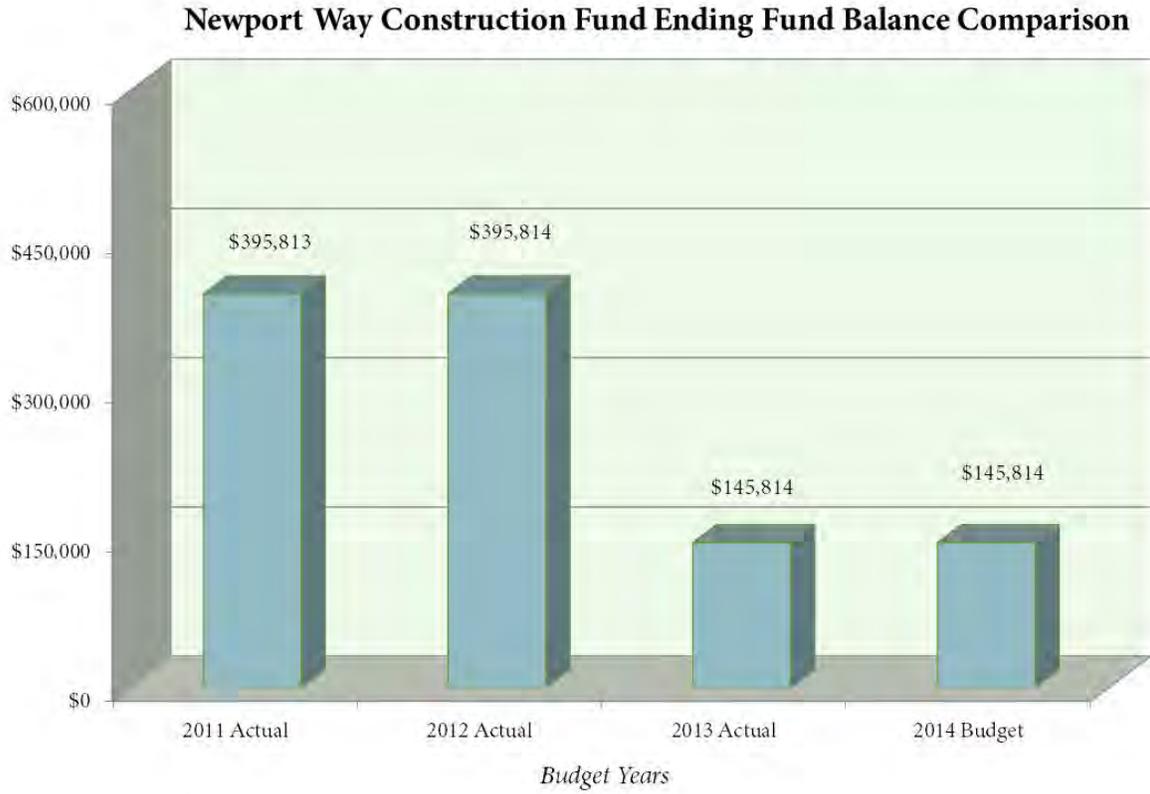
This fund was created in 2000 to account for Street Impact Fees and Bond Proceeds used for improving Newport Way.

Revenue Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 395,814	\$ 395,814	\$ 395,814	\$ 145,814
<i>Revenue Sources</i>				
Operating Transfers-In	-	-	-	-
<i>Revenue Total</i>	\$ -	\$ -	\$ -	\$ -
<i>Fund Total</i>	\$ 395,814	\$ 395,814	\$ 395,814	\$ 145,814

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Operating Transfers-Out	\$ -	\$ 250,000	\$ 250,000	\$ -
<i>Expenditure Total</i>	\$ -	\$ 250,000	\$ 250,000	\$ -
Ending Fund Balance	395,814	145,814	145,814	145,814
<i>Fund Total</i>	\$ 395,814	\$ 395,814	\$ 395,814	\$ 145,814



Street Improvement Fund

The Street Improvement Fund was established in 1991 to account for revenues received from the additional one-fourth percentage Real Estate Excise Tax, which was authorized by the 1990 Growth Management Act. Proceeds from this additional real estate tax are to be used solely

for financing capital projects specified in a capital facilities plan, and are intended to be in addition to other funds that may be reasonably available for such capital projects. By City Ordinance, these funds are restricted to Street Projects.

2014 Work Plan Focus

- ✘ Continue developing a funding package for the suite of projects known as the “North Issaquah Roadway Network Improvements” which includes:
 - ✓ Apply for grants; and
 - ✓ Identify and negotiate Development Agreements.
- ✘ Begin the East Lake Sammamish Parkway project, part of the North Issaquah Roadway Network Improvements which includes:
 - ✓ Complete design and NEPA (National Environmental Policy Act) process;
 - ✓ Apply for PSRC (Puget Sound Regional Council) grant funds; and
 - ✓ Beginning the process to purchase right-of-way for East Lake Sammamish Improvements and purchase environmental mitigation property.
- ✘ Complete the ADA (Americans with Disabilities Act) Transition Plan that identifies improvements as required by Federal Regulations.
- ✘ Design and construct sidewalks along NW Dogwood Street from Newport Way to Issaquah Creek as the part of the Complete Streets Program and in coordination with the water main replacement program
- ✘ Manage the Traffic Signal System.
- ✘ Support other departments and development through traffic signal operations analyses.
- ✘ In coordination with the Confluence Park Master Plan, construct the Rainier Boulevard North improvements from NW Juniper to the north side of the East Fork of Issaquah Creek.
- ✘ Participate on the City’s Transportation Mobility Team
- ✘ Support Eastside Transportation Partnership and PSRC through regional technical committees.

Prior Year Accomplishments

- 👍 North Issaquah Roadway Network Improvements that include:
 - i. Completed 30% design and initial value engineering for each project in the suite of improvements.
 - ii. Completed environmental documentation for SEPA (State Environmental Policy Act).
 - iii. Awarded nearly \$9.4 million in grant funds from federal and state agencies.
 - iv. Continued the design process for East Lake Sammamish Road Improvements.
- 👍 Completed design of Rainier Boulevard North (East Fork Issaquah Creek to NW Juniper).
- 👍 Completed field survey work for the ADA Transition Study.
- 👍 Completed 60% design for replacing the NW Dogwood Bridge and awarded \$2,254,400 in Federal grant funds for bridge design and replacement.

Revenue Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 2,551,910	\$ 2,657,710	\$ 2,300,711	\$ 1,605,760
Revenue Sources				
Taxes	911,901	800,000	1,563,933	1,200,000
Intergovernmental Revenue	236,754	347,175	408,656	6,427,350
Miscellaneous Revenue	113,250	80,000	7,000	-
Other Revenue Sources	<u>838,316</u>	<u>3,946,115</u>	<u>300,000</u>	<u>3,876,405</u>
Revenue Total	\$ 2,100,221	\$ 5,173,290	\$ 2,279,589	\$ 11,503,755
Fund Total	<u>\$ 4,652,131</u>	<u>\$ 7,831,000</u>	<u>\$ 4,580,300</u>	<u>\$ 13,109,515</u>

Grants/Contributions

<i>Street Improvement Fund Grants/Contributions Detail</i>	<i>2014 Total</i>
Washington Dept of Commerce Grant - North Issaquah Improvements	\$ 4,950,000
Federal Grant - North Issaquah Improvements	869,900
Ecology Grant - Rainier Boulevard North	527,450
Federal BRAC Funds - Dogwood Bridge Replacement	80,000
Total Street Improvement Grants and Contributions	\$ 6,427,350

Expenditure Comparison¹

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Personnel	\$ -	\$ -	\$ 596,624	\$ 204,950
Supplies & Equipment	11,164	10,000	281,157	-
Charges & Services	551,595	3,896,115	359,163	9,653,295
Intergovernmental ¹	350,000	350,000	350,000	350,000
Capital Outlay	1,314,911	2,181,200	1,168,095	2,021,310
Debt Service	123,750	120,938	120,938	220,950
Operating Transfers-Out	-	300,000	300,000	-
Expenditure Total	\$ 2,351,420	\$ 6,858,253	\$ 3,175,977	\$ 12,450,505
Ending Fund Balance	2,300,711	972,747	1,404,323	659,010
Fund Total	\$ 4,652,131	\$ 7,831,000	\$ 4,580,300	\$ 13,109,515

¹ North Spar Road related payment is the 12th annual payment to King Country for the City's share of the Highlands North Spar Road construction cost. As of 12/31/2013, \$3,150,000 remains outstanding. Per the Interlocal Agreement, no interest is charged.

*Street Improvement Capital Projects***2014 Street Improvement Fund Projects**

North Issaquah LID #25 Improvements	\$ 9,470,805
Rainier Boulevard North Improvements	1,362,110
Complete Streets Program	620,000
Dogwood Bridge Replacement	100,000
ADA Transition Study/Plan	80,000
Traffic Signal Loop Replacement	20,200
Traffic Calming Program	19,000
Total Street Improvement Capital Projects	\$ 11,672,115

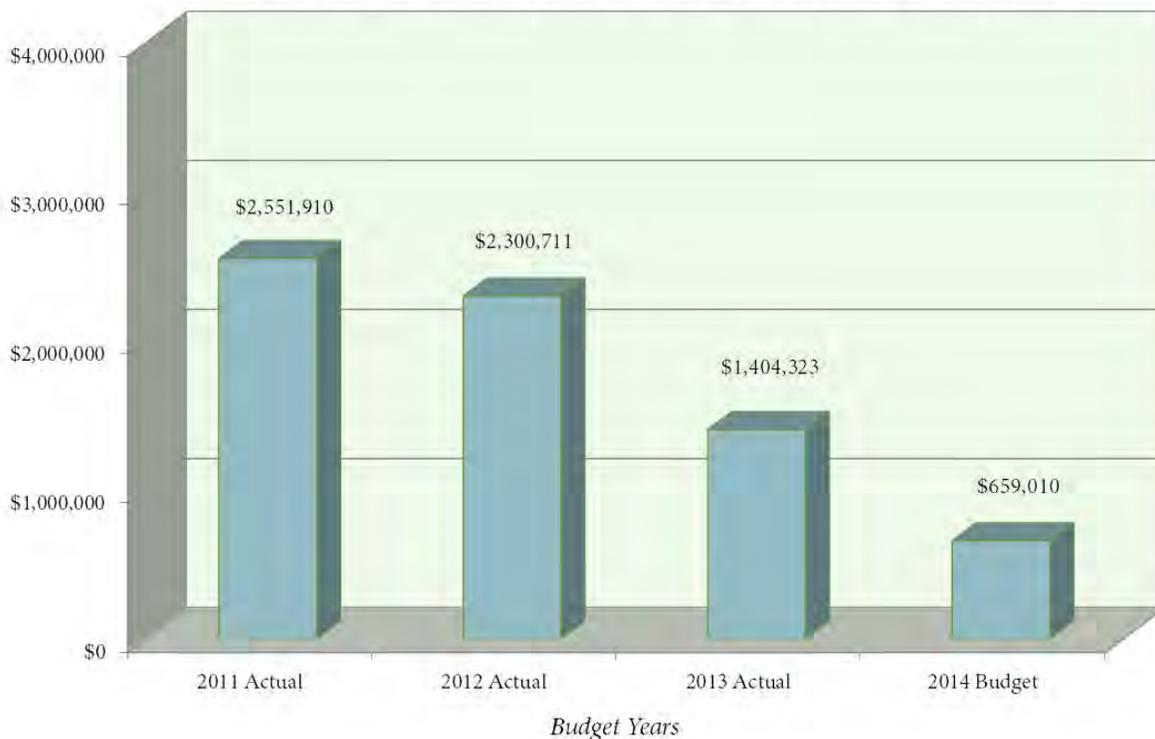
Capital Project Descriptions

PROJECT TITLE: North Issaquah LID #25 Improvements	\$ 9,470,805
LOCATION: North of I-90 between 17th Avenue NW and E Lake Sammamish Parkway	
Design and construct a new roadway and other roadway network improvements in the N Issaquah area bounded approximately by E Lake Sammamish Pkwy, SE 56th St/NW Sammamish Rd, 17th Ave NW and I-90. The projects included are: New roadway and bridge extending SE 62nd St into Pickering Shopping Center; widen SE 62nd from E Lake Sammamish Pkwy to 221st Ave SE; widen E Lake Sammamish Pkwy Southbound from S of SE 56th to N of Issaquah Fall City Rd; improve 221st Ave SE from SE 56th St to SE 62nd with a new roundabout at SE 62nd and 221st; widen 12th Ave NW approaching 17th; and, widen 17th approaching 12th. This component is for design and right-of-way acquisition and construction of E Lake Sammamish Pkwy improvements.	
PROJECT TITLE: Rainier Boulevard North Improvements	\$ 1,362,110
LOCATION: Rainier Boulevard between NW Juniper Street to Dogwood Street	
Reconstructs highly deteriorated roadway section and improves safety, mobility and parking, while also supporting improved access to Confluence Park. Minor widening along roadway will provide for on-street parking and includes installation of a sidewalk, a ten foot multi-purpose path, curb and gutter and landscaping along portions of the roadway. Striping to allow parallel parking along both sides of the roadway. Low impact development techniques are planned to be incorporated into the project.	
PROJECT TITLE: Complete Streets Program	\$ 620,000
LOCATION: Citywide	
To include installation of curb, gutter, and sidewalks, sidewalk repairs, crosswalks including markings and signage, and bike lanes. This project also includes upgrading deficient curb ramps to meet ADA standards at locations in need to serve the disabled where overlays of streets occur. This project consolidated three projects: 1) The Sidewalk Program; 2) Crosswalk AB5724; and the addition of enhanced bicycle lanes.	

Capital Project Descriptions (cont.)

PROJECT TITLE: Dogwood Bridge Replacements	\$ 100,000
LOCATION: NW Dogwood Street	
Design and reconstruct the existing bridge over Issaquah Creek. Complete 100% design, permitting and environmental documentation, Right of Way Acquisition and Certification.	
PROJECT TITLE: Traffic Signal Loop Replacements	\$ 20,200
LOCATION: Citywide	
Annual program.	
PROJECT TITLE: Traffic Calming Program	\$ 19,000
LOCATION: Citywide	
Implement the Neighborhood Traffic Calming program policies and criteria.	

Street Improvement Fund Ending Fund Balance Comparison



Centralized ITS Traffic Signal System Construction Fund

This fund accounts for the voted-in bond proceeds and expenditures associated with the Intelligent Traffic System (ITS). The project will be implemented in phases with a project scope that includes replacement of outdated signal controllers and improved synchronization of traffic signals, installation of interconnected conduit and fiber optics, video surveillance cameras at

critical intersections, related monitors/equipment, and a central ITS traffic signal computer system.

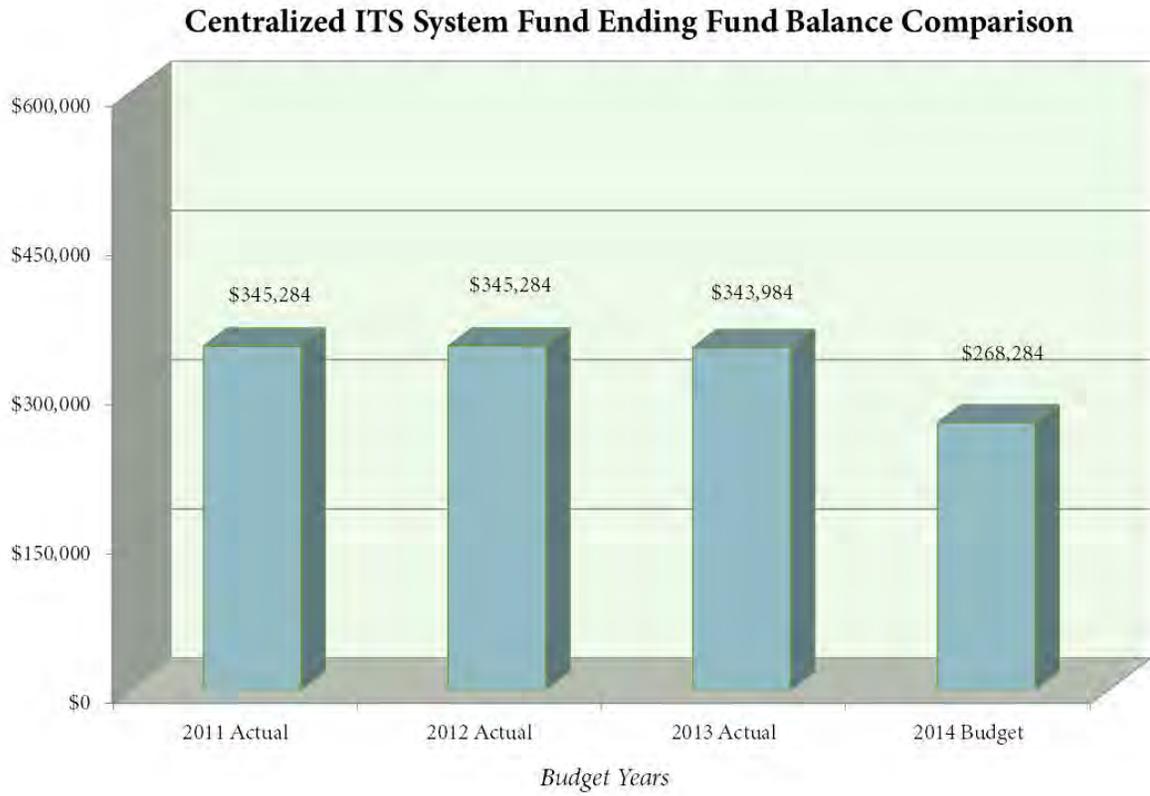
As part of the 2014 Council goal-setting workshop, one of the items discussed was the installation of flashing yellow left-turn signals at identified intersections. Administration is providing the first year of funding in the amount of \$75,000.

Revenue Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	345,284	345,284	345,284	343,284
Revenue Sources				
Miscellaneous Revenue	-	-	700	-
Revenue Total	\$ -	\$ -	\$ 700	\$ -
Fund Total	\$ 345,284	\$ 345,284	\$ 345,984	\$ 343,284

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Charges & Services	\$ -	\$ 2,000	\$ 2,000	\$ -
Capital Outlay	-	-	-	75,000
Expenditure Total	\$ -	\$ 2,000	\$ 2,000	\$ 75,000
Ending Fund Balance	345,284	343,284	343,984	268,284
Fund Total	\$ 345,284	\$ 345,284	\$ 345,984	\$ 343,284



Transit Center Fire Station #72 Construction Fund

This fund accounts for costs associated with the design and construction of Fire Station

#72, located in the METRO Park and Ride lot.

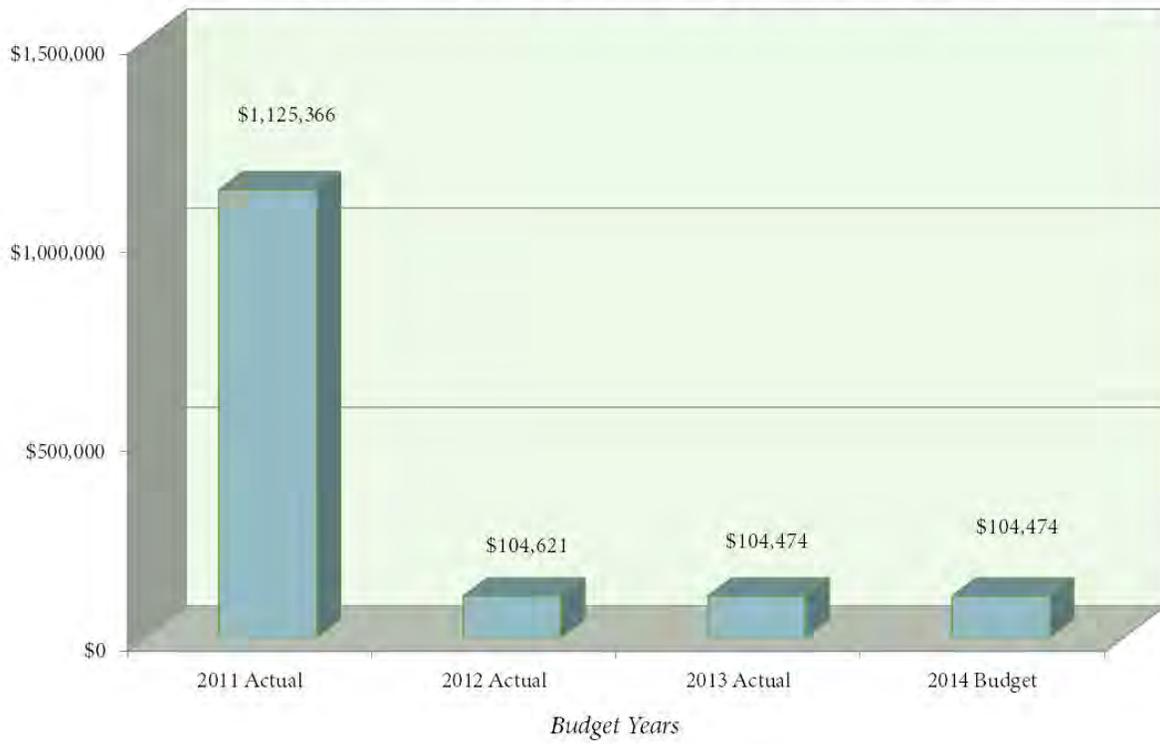
Revenue Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 1,125,366	\$ -	\$ 104,621	\$ 104,474
<i>Fund Total</i>	<u>\$ 1,125,366</u>	<u>\$ -</u>	<u>\$ 104,621</u>	<u>\$ 104,474</u>

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Supplies & Equipment	\$ 710	\$ 150	\$ 67	\$ -
Charges & Services	12,409	-	80	-
Capital Outlay	7,626	-	-	-
Operating Transfers-Out	1,000,000	-	-	-
<i>Expenditure Total</i>	<u>\$ 1,020,745</u>	<u>\$ 150</u>	<u>\$ 147</u>	<u>\$ -</u>
Ending Fund Balance	104,621	(150)	104,474	104,474
<i>Fund Total</i>	<u>\$ 1,125,366</u>	<u>\$ -</u>	<u>\$ 104,621</u>	<u>\$ 104,474</u>

Fire Station #72 Construction Fund Ending Fund Balance Comparison



Highlands Park Facilities Fund

This fund was opened in 2002 to account for bond proceeds issued to cover costs associated with constructing park facilities including tot lots, ball fields, tennis courts,

picnic areas, basketball courts, and soccer fields in the Issaquah Highlands. This project is now complete and the fund will be close during fiscal year 2014.

Revenue Comparison

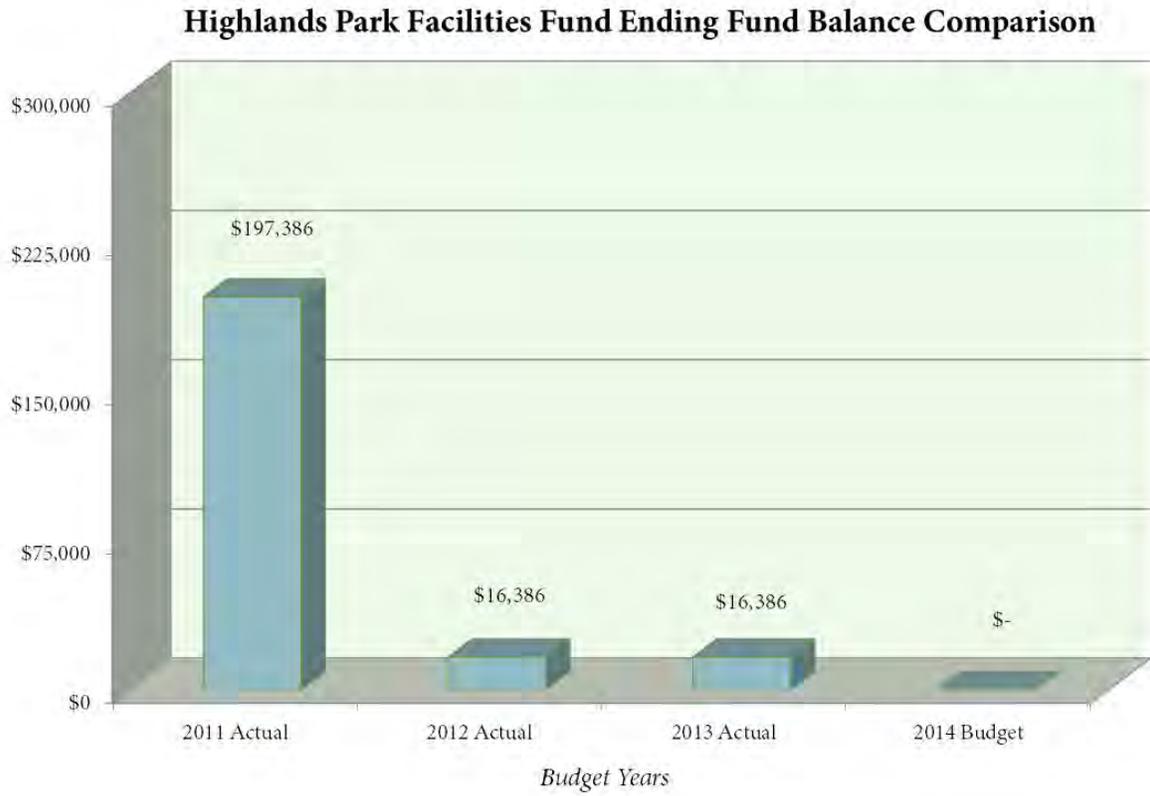
<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 197,386	\$ 15,891	\$ 16,386	\$ -

Revenue Sources

Miscellaneous Revenue	10,000	-	-	-
Revenue Total	\$ 10,000	\$ -	\$ -	\$ -
Fund Total	\$ 207,386	\$ 15,891	\$ 16,386	\$ -

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Capital Outlay	\$ 191,000	\$ 15,891	\$ -	\$ -
Expenditure Total	\$ 191,000	\$ 15,891	\$ -	\$ -
Ending Fund Balance	16,386	-	16,386	-
Fund Total	\$ 207,386	\$ 15,891	\$ 16,386	\$ -



Park Improvement/Acquisition Fund

This fund was established in 2006 to account for voter-approved bond proceeds issued to cover costs associated with neighborhood and community parks, as well as hiking, biking and walking trails. Other projects included capita projects to protect water quality in local creeks and streams and to

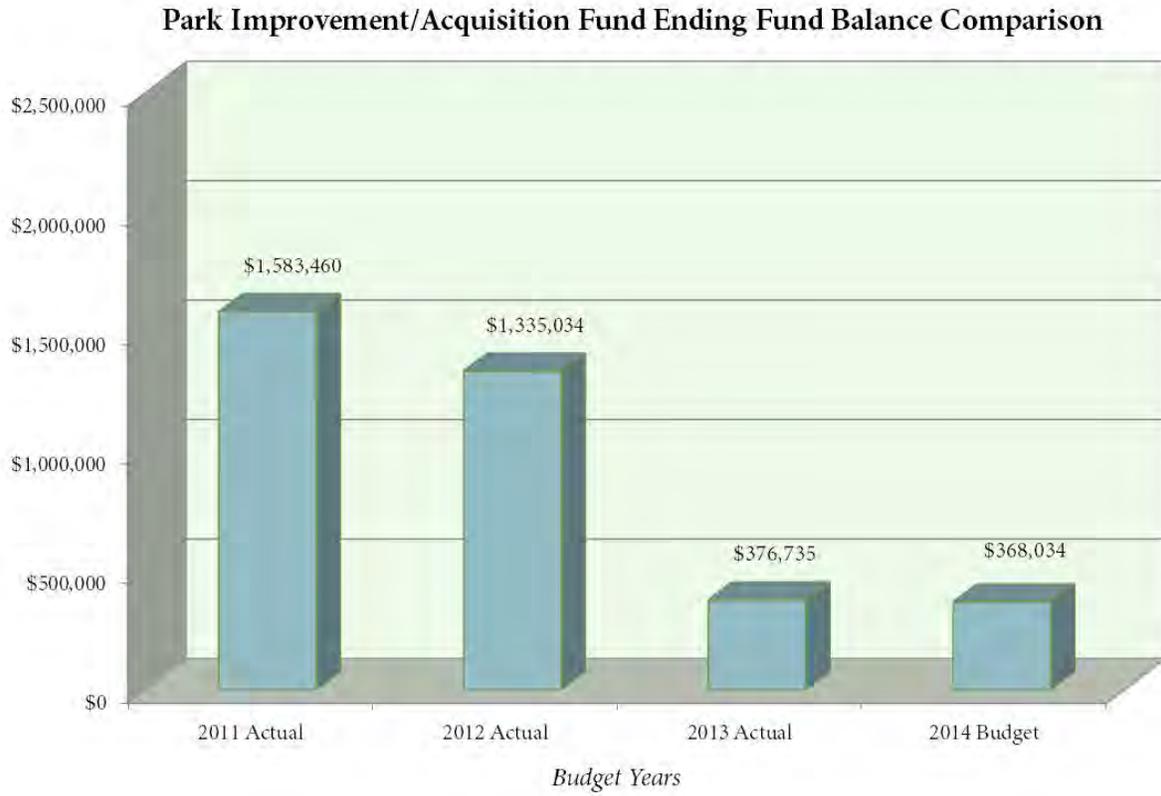
preserve and protect natural areas, open space and wildlife habitat. During 2013 the last remaining funds were spent on Phase I construction of Confluence Park. The remaining funding is from transfers-in from other funds.

Revenue Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 1,583,460	\$ 1,383,461	\$ 1,335,034	\$ 285,034
Revenue Sources				
Intergovernmental Revenue	-	-	-	83,000
Miscellaneous Revenue	12,500	10,000	7,000	-
Operating Transfers-In	150,000	100,000	100,000	-
Revenue Total	\$ 162,500	\$ 110,000	\$ 107,000	\$ 83,000
Fund Total	\$ 1,745,960	\$ 1,493,461	\$ 1,442,034	\$ 368,034

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Capital Outlay	\$ 410,926	\$ 1,493,461	\$ 1,065,299	\$ -
Expenditure Total	\$ 410,926	\$ 1,493,461	\$ 1,065,299	\$ -
Ending Fund Balance	1,335,034	-	376,735	368,034
Fund Total	\$ 1,745,960	\$ 1,493,461	\$ 1,442,034	\$ 368,034





Enterprise Funds

Enterprise Funds account for government activities that are financed and operated in a manner similar to private business. Costs of providing services to the community are primarily financed by user fees.

Enterprise Funds Overview

Enterprise Funds are established to account for operations that are normally financed and operated in a manner similar to private business enterprises, or where the intent of the governing body is that the costs (including depreciation) of providing goods or services to the general public be financed or recovered primarily through user charges. Capital Project funds for Enterprise functions are also included in this fund category, as are the Debt Redemption funds for enterprise functions.

The City of Issaquah operates a water utility, a sewer utility, and a stormwater utility as Enterprise functions. The primary departments responsible for

operating the City's utilities are the Public Works Operations Department and the Public Works Engineering Department. These departments also have responsibilities unrelated to the operation of the utilities. The departments and their respective responsibilities are described in the pages that follow. Prior year accomplishments as well as their 2014 work plans are also included.

In addition to the operating funds, a separate fund has been established for capital improvements for each utility. Also included in this section are debt service funds for the water utility and sewer utility LID.



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Public Works Operations

Mission Statement

The mission of Public Works Operations is to provide our customers and the citizens of Issaquah an adequate and reliable supply of high-quality drinking water; water and appurtenances for fire protection services; effective removal of sewage; a street system that is free of known hazards, is signed and marked correctly and effectively, has appurtenances that function as intended and is kept clean, neat and aesthetically pleasing; an effective stormwater management system which minimizes property damage and hazardous driving conditions, is aesthetically pleasing and environmentally sound; a vehicle fleet that is reliable and functions as intended; and an effective emergency response system.

Summary of Departmental Activities & Responsibilities

- | | |
|---|---|
| <ul style="list-style-type: none"> ☞ Provide an adequate, reliable supply of high-quality drinking water. ☞ Provide a street system free of known hazards. ☞ Keep streets clean, neat and aesthetically pleasing. ☞ Provide effective sewage removal. | <ul style="list-style-type: none"> ☞ Provide stormwater management that minimizes property damage and hazardous driving conditions, and that is environmentally sound. ☞ Provide a vehicle fleet that is reliable and functions as intended. ☞ Provide an effective emergency response system. |
|---|---|

2014 Work Plan Focus (not utility specific)

- | | |
|--|---|
| <ul style="list-style-type: none"> ✘ Maintain safe streets and meet MUTCD (Manual on Uniform Traffic Control Devices) guidance. ✘ Administer the Pavement Management program. ✘ Install flashing arrows in selected traffic signals. ✘ Maintain a reliable fleet and replace worn equipment. | <ul style="list-style-type: none"> ✘ Continue to improve emergency management operations. ✘ Meet National Incident Management System requirements. ✘ Continue CERT (Community Emergency Response Team) and MYN (Map Your Neighborhood) programs. |
|--|---|

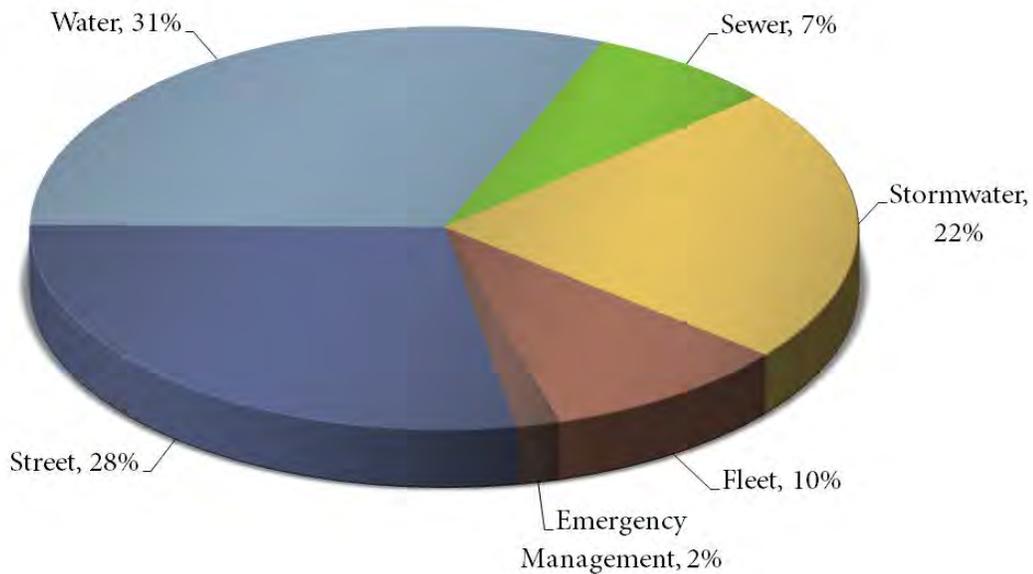
PWO Capital Projects and Equipment Budgeted in 2014

Street Improvement Fund Projects:		2014 Budget
Traffic Signal Loop Replacements	\$ 20,200	
Street Total		\$ 20,200
Water Capital Projects Fund:		
Upgrade Highwood Reservoir Communication	\$ 42,000	
Re-Roof Risdon Well	20,000	
Holly BPS & Summit Reservoir Analyzer	12,500	
Water Total		74,500
Sewer Capital Projects Fund:		
North Highlands Lift Station	\$ 14,000	
Sewer Total		14,000
Stormwater Capital Projects Fund:		
Retention Pond Perimeter Fencing	\$ 262,570	
Stormwater Total		262,570
Emergency Operations Projects:		
Shop Improvements (Shop Construction Fund)	\$ 70,000	
Shop Equipment (Shop Construction Fund)	25,000	
EOC Equipment (Capital Improvement Fund)	10,000	
Emergency Operations Total		105,000
Total PWO Capital Projects Elsewhere in Budget		\$ 476,270

Public Works Operations Staffing:

<i>PWO Positions</i>	<i>Street</i>	<i>Water</i>	<i>Sewer</i>	<i>Storm</i>	<i>Fleet</i>	<i>Emerg</i>	<i>Total</i>
Director	0.20	0.25	0.10	0.20	0.10	0.15	1.00
Operations Managers	1.00	1.00	0.50	0.50	-	-	3.00
Utility Maintenance Lead	1.26	1.42	0.30	1.02	-	-	4.00
Utility Maintenance Workers	7.40	8.34	1.74	6.02	-	-	23.50
Signal Technician	0.63	0.71	0.15	0.51	-	-	2.00
Utility Technician	0.63	0.71	0.15	0.51	-	-	2.00
Construction Technician	0.32	0.36	0.07	0.25	-	-	1.00
CADD/Mapping Technician	0.32	0.36	0.07	0.25	-	-	1.00
Administrative Supervisor	0.25	0.25	0.10	0.25	0.15	-	1.00
Administrative Assistant	0.25	0.25	0.10	0.25	0.15	-	1.00
Shop Aide	0.32	0.36	0.07	0.25	-	-	1.00
Fleet Manager	-	-	-	-	1.00	-	1.00
Mechanic	-	-	-	-	3.00	-	3.00
Emergency Mgt Coordinator	-	-	-	-	-	0.625	0.625
Part-time Help	0.20	0.22	0.05	0.15	-	-	0.625
Total PWO Positions	12.78	14.232	3.40	10.16	4.40	0.775	45.75

PWO Staff Allocation



Prior Year Accomplishments (not utility specific)

- 👍 Maintained street system
- 👍 Paved streets under the Pavement Management Program.
- 👍 Repaired sidewalks in South Cove/Greenwood Point area.
- 👍 Upgraded traffic signals.
- 👍 Improved emergency management capabilities.

Historical Labor Hours Allocation

Year	Street		Water		Sewer		Storm	
	Hours	%	Hours	%	Hours	%	Hours	%
2013	20,538	29.3%	23,805	34.0%	5,121	7.3%	20,636	29.4%
2012	20,592	28.2%	27,082	37.1%	4,784	6.5%	20,592	28.2%
2011	20,592	29.0%	25,002	35.2%	4,784	6.7%	20,592	29.0%
2010	20,592	29.0%	25,002	35.2%	4,784	6.7%	20,592	29.0%
2009	20,592	29.9%	22,922	33.3%	4,784	6.9%	20,592	29.9%
2008	20,592	28.6%	26,042	36.2%	4,784	6.6%	20,592	28.6%
2007	19,244	33.9%	18,144	31.9%	4,463	7.9%	14,972	26.3%
2006	16,316	32.9%	17,742	35.7%	4,282	8.6%	11,310	22.8%
2005	12,889	31.8%	16,195	40.0%	3,842	9.5%	7,588	18.7%
2004	12,975	34.4%	13,966	37.0%	3,117	8.3%	7,654	20.3%
2003	13,133	35.8%	12,614	34.4%	3,532	9.6%	7,429	20.2%
2002	11,808	33.4%	12,924	36.6%	3,405	9.6%	7,205	20.4%
2001	10,473	31.9%	12,949	39.4%	2,958	9.0%	6,481	19.7%
2000	11,737	34.4%	13,325	39.0%	3,517	10.3%	5,574	16.3%
1999	8,841	30.1%	13,041	44.3%	2,841	9.7%	4,696	16.0%
1998	9,071	31.4%	11,772	40.7%	2,825	9.8%	5,251	18.2%
1997	8,615	31.2%	11,562	41.9%	2,532	9.2%	4,870	17.7%
1996	8,359	32.4%	10,086	39.0%	2,585	10.0%	4,804	18.6%

Public Works Engineering Department

Mission Statement

Public Works Engineering is a creative and strategic team that can be trusted to provide the most modern standards of engineering, geographic information system (GIS), transportation and utility infrastructure, and environmental services for the Issaquah community to protect and enhance the quality of life and ensure its health, safety, and welfare while being excellent stewards of public resources.

Summary of Departmental Activities & Responsibilities

The Public Works Engineering Department (PWE) is responsible for managing the City's:

- | | |
|---|---|
| ☞ Geographic Information System. | ☞ Supporting economic vitality. |
| ☞ Water, Sanitary Sewer and Stormwater Utilities. | ☞ Assuring compliance with Title VI (non-discrimination) for projects with federal funding. |
| ☞ Street Improvement Fund. | ☞ Implementing water quality and habitat improvements in coordination with regional stakeholders through various restoration and regulatory programs. |
| ☞ Intelligent Transportation System. | |
| ☞ Street Improvement, Water, Sewer and Stormwater Utility Capital Projects. | |
| ☞ Assuring compliance with State and federally-imposed stormwater and floodplain regulations. | |

2014 Work Plan Focus (not utility specific)

- | | |
|---|--|
| ✘ Sustainability, economic vitality, and the urban-scape are of major consideration to PWE as it moves forward with design and construction of infrastructure by providing resource protection, versatile streets with multiple modes of mobility and the rehabilitation and/or replacement of Issaquah's utility infrastructure. | ✘ Pursue grants and other funding opportunities for projects and programs where appropriate. |
| | ✘ Continue to support DSD (Development Services Department) in permitting as needed, including but not limited to system analyses and review of technical documents submitted as part of applications. |

2014 Work Plan Focus (not utility specific) cont.

- ✘ Complete the Costco and Polygon Development Agreements.
- ✘ Upgrade GIS viewer software to improve user experience.
- ✘ Work with the Economic Development Department (EDD) to develop a GIS tool for their particular need(s).

Prior Year Accomplishments (not utility specific)

- 👍 Partnered with EDD and DSD to negotiate the Costco and Polygon Development Agreements.
- 👍 All department employees received 3-day High Performance Organization (HPO) training.
- 👍 Supported DSD in permit review and system analyses.
- 👍 Offered and presented a training series for our GIS web viewers.
- 👍 Closed out the 2012 Regional Imagery project.
- 👍 Provided staff support across all departments for large and small GIS-related needs, including, but not limited to, bike/pedestrian project, Klahanie PAA, Utility billing related data, Parks/Open Space, and Mayor's sustainability indicator updates.
- 👍 Continued to update and enhance GIS data and applications.
- 👍 Created a HPO Type 4 GIS Team.

Staffing Levels

<i>Position Title</i>	<i># of FTE</i>	
	<i>2013</i>	<i>2014</i>
Director	1.00	1.00
Engineering Manager	3.00	3.00
Engineer/Engineer Tech	3.00	3.00
Source Control Specialist	1.00	1.00
Project Coordinator	1.00	1.00
Senior Inspector	1.00	1.00
G.I.S. Anaylst	1.00	1.00
Project Acct Technician	1.00	1.00
Total FTE	1.00	1.00

Performance Measures

<u>Activity</u>	<u>2013 Performance Measures</u>
Grants	
Applied For:	10
Dollars Received:	\$12,259,450

Annual Capital Programs (Design & Construction)		
	Quantity	w/in Budget
Water Main Replacement	2,100 LF	Yes
Sewer Main Rehabilitation	10,000 LF	Yes
Storm Drain Rehabilitation	1,300 LF	Yes
Manhole Rehabilitation	50	Yes

Report A Concern	> 200	Previous 8-year average - 95/year
-------------------------	-----------------	--

Capital Design (Multi-Year Projects)	# of Projects	Description
Confluence Park Stream Restoration	1	100% Design
Rainier Boulevard North	1	90 % Design
NW Dogwood Bridge	2	60% Design
Holiday Inn Pump Station Replacement		
<i>North Issaquah Roadway Network:</i> Began final design work on E Lake Sammamish Pkwy late 2013 after grant acceptance for design	1	30% Design

Water Fund

The City of Issaquah's water utility provides its ratepayers with dependable, clean, and safe potable water; maintains proper water pressure, and insures positive fire protection through properly sized distribution and storage facilities.

These responsibilities are met through established programs for preventive maintenance, emergency repairs, meter installations and reading, and long range planning. Costs are met through fees paid by the customers connected to the water system.

2014 Work Plan

Engineering:

- ✘ Continue providing support to Cascade Water Alliance.
- ✘ Continue utility rehabilitation work to study, design and construct water system improvements to ensure long-term viability of the utility infrastructure.
- ✘ Construct the replacement of the Mountain Park Potable Water Pump Station.
- ✘ Design replacement for Mt Hood Pump Station and begin design of replacement for the Forest Rim Pump Station.
- ✘ Begin design of a new pump station and water main to provide a redundant supply line/source up to Issaquah Highlands and Swedish Hospital.
- ✘ Work with Public Works Operations to install the mixing spool and other modifications to the Risdon Wells.
- ✘ Negotiate terms to assume the South Cove/Greenwood Point area from

Bellevue and submit the application for assumption to the Boundary Review Board.

Operations:

- ✘ Deliver safe drinking water while meeting Safe Drinking Water Act (SDWA) requirements.
- ✘ Upgrade communications systems.
- ✘ Re-roof Risdon Wells.

Finance:

- ✘ In conjunction with the upgrade of the Enterprise Resource Planning (ERP) system evaluate the cost benefit of implementing on-line "utility self-service" for changes in account information.
- ✘ Evaluate the cost benefits of implementing a credit/debit card payment system.
- ✘ Evaluate the benefits and challenges to implementing e-bills.

Prior Year Accomplishments

Engineering:

- 👍 Completed the Water System Plan Update; King County UTRC (Utilities Technical Review Committee) approval required prior to State Department of Health approval.
- 👍 Continued to manage the study related to the assumption of the utility customers who reside inside City limits but currently receive utility services from the City of Bellevue.
- 👍 Negotiated an inter-local agreement between Bellevue and Issaquah for cooperative negotiations related to transitioning utility services for the South Cove/Greenwood Point to Issaquah.

Operations:

- 👍 Maintained water system
- 👍 Completed quick disconnect installations on fire hydrants.
- 👍 Upgraded electrical system at Wells 1 and 2.
- 👍 Upgraded telemetry systems.

Finance:

- 👍 Implemented “Check My Balance” a web application that allows utility customers to access the current balance for their utility accounts.
- 👍 Implemented US Bank lockbox system for utility bills payment processing.
- 👍 In coordination with the City’s GIS system, modified nearly 40% of utility account addresses to agree with the GIS system.

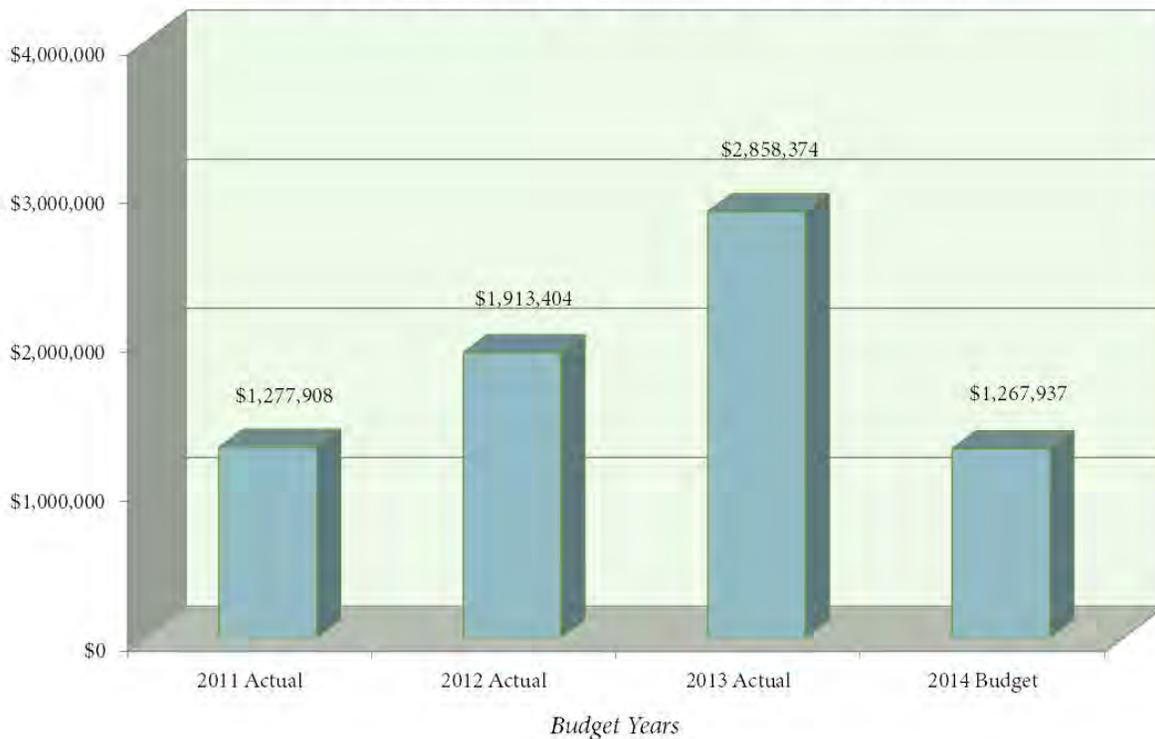
Revenue Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 1,277,958	\$ 1,454,082	\$ 1,913,404	\$ 1,911,163
Revenue Sources				
Licenses & Permits	1,150	1,000	1,960	1,500
Charges for Services	6,221,923	5,686,424	6,489,234	6,031,000
Miscellaneous Revenue	675,448	671,000	711,025	76,000
Revenue Total	\$ 6,898,521	\$ 6,358,424	\$ 7,202,220	\$ 6,108,500
Fund Total	\$ 8,176,479	\$ 7,812,506	\$ 9,115,624	\$ 8,019,663

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Personnel	\$ 1,525,998	\$ 1,739,779	\$ 1,795,800	\$ 1,902,540
Supplies & Equipment	1,109,710	1,242,261	1,099,128	1,323,775
Charges & Services	2,004,933	1,941,435	1,602,999	1,827,211
Intergovernmental Charges	256,615	235,700	206,003	116,000
Operating Transfers-Out	<u>1,365,820</u>	<u>1,553,320</u>	<u>1,553,320</u>	<u>1,582,200</u>
Expenditure Total	\$ 6,263,075	\$ 6,712,495	\$ 6,257,250	\$ 6,751,726
Ending Fund Balance	<u>1,913,404</u>	<u>1,100,011</u>	<u>2,858,374</u>	<u>1,267,937</u>
Fund Total	<u>\$ 8,176,479</u>	<u>\$ 7,812,506</u>	<u>\$ 9,115,624</u>	<u>\$ 8,019,663</u>

Water Fund Ending Fund Balance Comparison



Water Revenue Bond Fund

Revenue Comparison

Category	2012 Actual	2013 Budget	2013 Actual	2014 Budget
Beginning Fund Balance	\$ 1,058,885	\$ 1,058,887	\$ 1,058,887	\$ 834,412

Revenue Sources

Miscellaneous Income	-	1,500	-	1,000
Operating Transfers-In	902,052	600,000	600,000	550,000
Revenue Total	\$ 902,052	\$ 601,500	\$ 600,000	\$ 551,000
Fund Total	\$ 1,960,937	\$ 1,660,387	\$ 1,658,887	\$ 1,385,412

Expenditure Comparison

Category	2012 Actual	2013 Budget	2013 Actual	2014 Budget
Debt Service - Principal	\$ 705,000	\$ 730,000	\$ 730,000	\$ 480,000
Debt Service - Interest	197,050	178,050	178,349	158,850
Expenditure Total	\$ 902,050	\$ 908,050	\$ 908,349	\$ 638,850
Ending Fund Balance	1,058,887	752,337	750,538	746,562
Fund Total	\$ 1,960,937	\$ 1,660,387	\$ 1,658,887	\$ 1,385,412

Water Revenue Bond Summary

Name	Issue Date	Issue Amount	Average Coupon Interest	Date of Final Maturity	12/31/2013 Outstanding Bond Balance
2011 Water Revenue Bond	8/1/2011	\$5,350,000	3.18%	12/1/2021	\$ 4,330,000

Water Capital Projects Fund

This fund was created in 1981 to provide for capital improvements to the water system. In addition to the proceeds from the capital connection charge imposed on property owners newly connecting to the City's water

system, revenues are transferred from the Water Fund as provided by the budget ordinance. Disbursements from this fund must be for projects that are approved and authorized by the City Council.

Revenue Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 1,937,558	\$ 2,824,826	\$ 3,834,933	\$ 4,524,988
Revenue Sources				
Miscellaneous Revenue	-	2,500	9,013	5,000
Other Revenue Sources	<u>3,721,947</u>	<u>2,185,820</u>	<u>2,797,791</u>	<u>1,300,000</u>
Revenue Total	\$ 3,721,947	\$ 2,188,320	\$ 2,806,804	\$ 1,305,000
Fund Total	\$ <u>5,659,505</u>	\$ <u>5,013,146</u>	\$ <u>6,641,737</u>	\$ <u>5,829,988</u>

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Personnel	\$ -	\$ -	\$ -	\$ 109,680
Supplies & Equipment	693	-	33	-
Charges & Services	369,390	1,575,000	1,507,725	1,480
Intergovernmental	1,695	4,000	-	12,000
Capital Outlay	1,140,794	1,333,500	705,708	2,464,500
Debt Service	<u>312,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditure Total	\$ 1,824,572	\$ 2,912,500	\$ 2,213,466	\$ 2,587,660
Ending Fund Balance	<u>3,834,933</u>	<u>2,100,646</u>	<u>4,428,271</u>	<u>3,242,328</u>
Fund Total	\$ <u>5,659,505</u>	\$ <u>5,013,146</u>	\$ <u>6,641,737</u>	\$ <u>5,829,988</u>

Water Capital Projects List:

2014 Water Capital Fund Projects

Mt. Park Pump Station Upgrade	\$ 1,265,000
Annual Water Main Rehabilitation Program	600,000
South SPAR Booster Pump Station (BPS)	240,000
Replace Mt. Hood Pump Station	125,000
Upgrade Reservoir Overflow Discharges	100,000
Replace Forest Rim Pump Station	50,000
Upgrade Highwood Reservoir Communication	42,000
Re-Roof Risdon Well	20,000
Holly BPS & Summit Reservoir Analyzer	12,500
Telemetry Server	10,000
Total Water Capital Projects	\$ 2,464,500

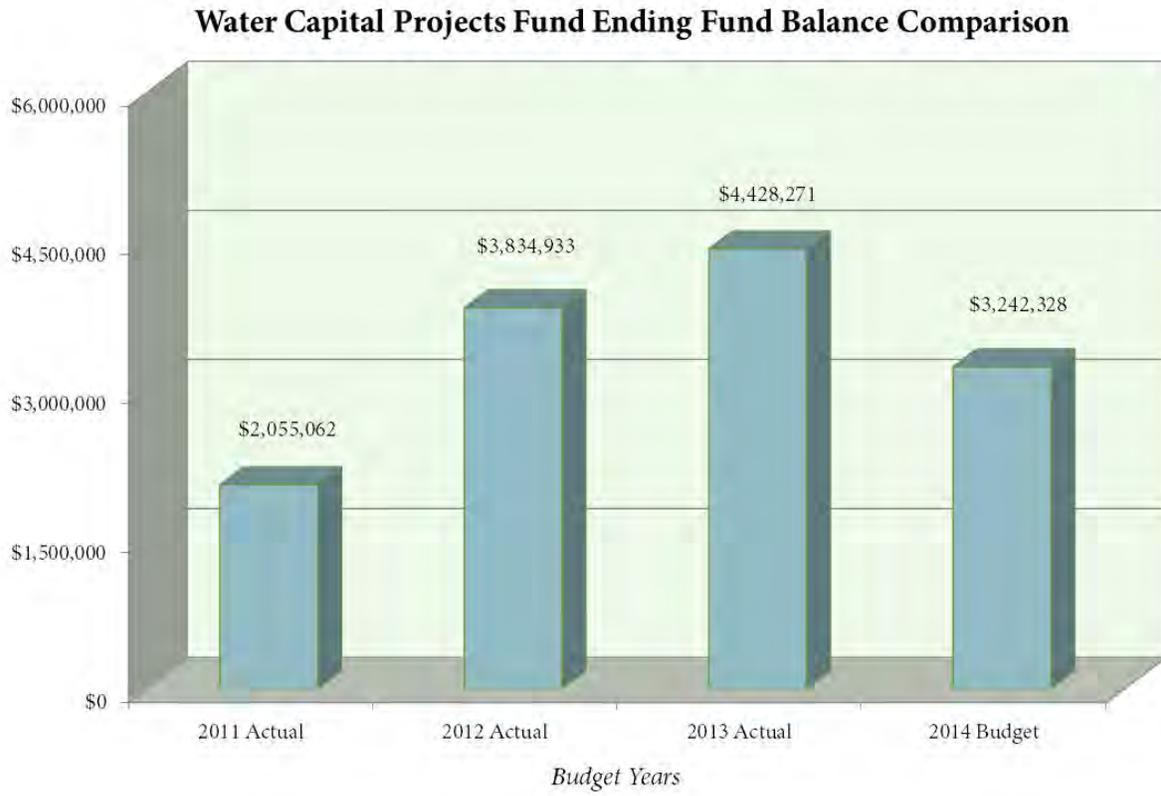
Capital Project Descriptions

PROJECT TITLE: Mountain Park Pump Station Upgrade	\$ 1,265,000
LOCATION: Squak Mountain, Located on W Sunset Way by Cemetery	
Stream restoration project on Issaquah Creek and E Fork Issaquah Creek at Confluence Park, as described in Confluence Parks Master Site Plan, including in-stream habitat logs, removal of streambank rock and fill, and riparian vegetation restoration.	
PROJECT TITLE: Water Main Replacement Program	\$ 600,000
LOCATION: Citywide	
This project replaces approximately 2000 lineal feet of water main each year as identified in the City's Water System Update. Loop dead-end water mains through the water distribution system where feasible and replace pressure reducing valves. The main replacements are coordinated with the City's Pavement Overlay Program, and with priorities in the Water System Update.	

Continued on next page...

Capital Project Descriptions (continued)

PROJECT TITLE: SPAR Booster Pump Station and Main	\$ 240,000
LOCATION: 600 Block Highlands Drive NE	
Construct a 3-1000 gpm booster pump station, 4,300 LF 12" main, and 1,500 LF 8" main to discharge into the 742 pressure zone. Construct a 2.5 million gallon reservoir. Pump station and future reservoir is on bench east of Highlands Dr NE, below Swedish Hospital. The water main extends from near the City's maintenance facility on 1st Ave NE to NE Discovery Dr. This component is for design with construction anticipated to occur in 2015.	
PROJECT TITLE: Replace Mount Hood Pump Station	\$ 125,000
LOCATION: Squak Mountain, West end of Mount Hood Drive	
Replace Mount Hood pump station with a new, modern, efficient pump station near the same location. Coordinate replacement with the 480 Zone reservoir replacement. This component is for design with construction anticipated to occur in 2015.	
PROJECT TITLE: Upgrade Reservoir Overflow Discharge System	\$ 100,000
LOCATION: Citywide	
Upgrade reservoir overflow and drainage system with de-chlorination and flow control features.	
PROJECT TITLE: Replace Forest Rim Pump Station	\$ 50,000
LOCATION: Squak Mountain, on Mountainside Drive 1000' Uphill from Idylwood Drive SW	
Evaluate alternatives for new, redundant, Forest Rim pump station versus only replacement of existing pump station near the same location.	
PROJECT TITLE: Upgrade Highwood Reservoir Communication	\$ 42,000
LOCATION: 960 Idylwood Drive SW	
Replace the existing tone-based telemetering equipment with remote telemetry unit (programmable logic controller-based).	
PROJECT TITLE: Re-Roof Risdon Well	\$ 20,000
LOCATION: 240 NE Gilman Boulevard	
RE-roof Risdon Well House with a metal and membrane roof.	
PROJECT TITLE: Holly BPS & Summit Reservoir Analyzer	\$ 12,500
LOCATION: Holly BPS #2 and Summit Reservoirs	
Replace the chlorine/pH analyzers at Holly BPS #2 and Summit reservoirs. Provide telemetry integration.	



Sewer Fund

The function of the Issaquah Sewer Utility is to collect the wastewater generated by its users, and deliver it to King County Metro's collection/treatment system. Protecting the quality of Issaquah's area surface and groundwater is a major responsibility.

These responsibilities are met through established programs for sewer line cleaning, manhole and line flushing, rodent control, emergency repairs, preventive maintenance and long range planning. Costs are met through fees paid by the customers connected to the sewer system.

2014 Work Plan

Engineering

- ✂ Complete the Sanitary Sewer System Plan Update and submit it to Washington State Department of Ecology (DOE) for review and approval.
- ✂ Continue providing support to METRO through participation in the METRO Wastewater Pollution Abatement Advisory Committee (MWPAAC).
- ✂ Continue utility rehabilitation work to study, design and construct sewer system improvements to ensure long-

term viability of the utility infrastructure.

- ✂ Complete additional design alternatives and 90% design for the sewer main to replace the Holiday Inn Sanitary Sewer Pump Station.
- ✂ Negotiate terms to assume the South Cove/Greenwood Point area from Bellevue and submit the application for assumption to the Boundary Review Board.

Operations:

- ✂ Maintain sewage collection system.

Prior Year Accomplishments

Engineering

- 👍 Evaluated alternate designs and design route(s) of the sewer to replace the Holiday Inn Pump Station.
- 👍 Continued to manage the study related to the assumption of the utility customers who reside inside City limits

but currently receive utility services from the City of Bellevue.

- 👍 Completed re-lining of sewer mains and rehabilitation of the sanitary sewer manholes.

Operations

- 👍 Maintained sewage collection system.

Revenue Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 1,581,297	\$ 1,686,380	\$ 1,574,306	\$ 1,265,727
Revenue Sources				
Licenses & Permits	-	500	130	-
Charges for Services	6,694,468	7,635,977	7,392,689	7,631,000
Miscellaneous Revenue	12,500	1,500	7,003	3,000
Other Revenue Sources	6,458	9,797	6,132	-
Revenue Total	\$ 6,713,426	\$ 7,647,774	\$ 7,405,955	\$ 7,634,000
Fund Total	\$ 8,294,723	\$ 9,334,154	\$ 8,980,261	\$ 8,899,727

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Personnel	\$ 448,106	\$ 376,563	\$ 583,116	\$ 693,770
Supplies & Equipment	24,431	32,615	29,383	50,680
Charges & Services	822,263	839,011	593,661	725,940
Intergovernmental Charges	4,787,617	5,679,982	5,202,524	5,610,000
Operating Transfers-Out	638,000	922,504	922,504	455,600
Expenditure Total	\$ 6,720,417	\$ 7,850,675	\$ 7,331,188	\$ 7,535,990
Ending Fund Balance	1,574,306	1,483,479	1,649,073	1,363,737
Fund Total	\$ 8,294,722	\$ 9,334,154	\$ 8,980,261	\$ 8,899,727

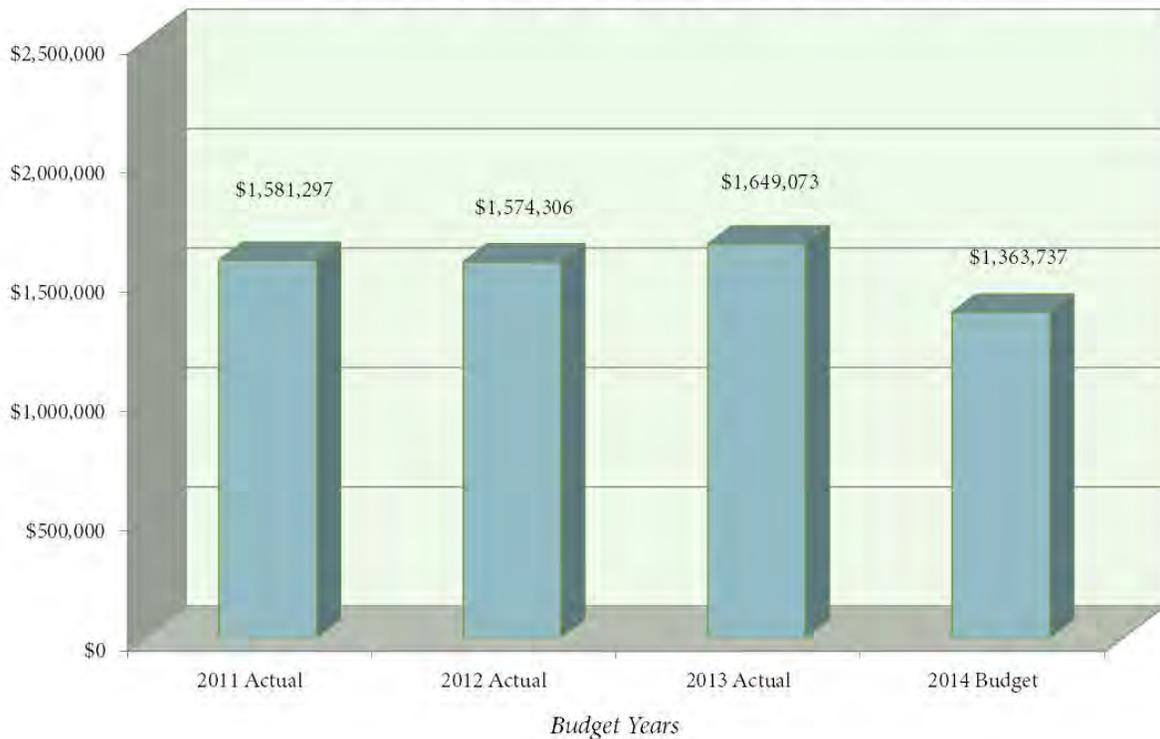
King County Sewer Charges

This is the amount charged by King County for sewer treatment services. The recent

histories of these monthly charges are as follows:

Year	Charge	Year	Charge	Year	Charge	Year	Charge
1980	\$3.90	1986	\$8.50	1994	\$15.90	2005-2006	\$25.60
1981	\$4.50	1987	\$9.70	1995	\$17.95	2007-2008	\$27.95
1982	\$4.95	1988	\$9.90	1996-1999	\$19.10	2009-2010	\$31.90
1983	\$5.58	1989	\$10.45	2000	\$19.50	2011-2012	\$36.10
1984	\$7.00	1991	\$13.20	2001	\$19.75	2013-2014	\$39.79
1985	\$7.80	1992-1993	\$13.62	2002-2004	\$23.40		

Sewer Fund Ending Fund Balance Comparison



Sewer Capital Projects Fund

This fund was created in 1982 to provide for capital improvements to the sewer system. In addition to the proceeds from the special connection charge imposed on property owners newly connecting to the City's sewer

system, revenues are transferred from the Sewer Fund as provided by the budget ordinance. Disbursements from the fund must be for projects that are approved and authorized by the City Council.

Revenue Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 2,596,583	\$ 561,787	\$ 2,901,837	\$ 837,290
Revenue Sources				
Miscellaneous Revenue	90,152	298,050	93,194	93,200
Other Revenue Sources	<u>663,520</u>	<u>850,004</u>	<u>858,904</u>	<u>450,000</u>
Revenue Total	\$ 753,672	\$ 1,148,054	\$ 952,098	\$ 543,200
Fund Total	<u>\$ 3,350,255</u>	<u>\$ 1,709,841</u>	<u>\$ 3,853,935</u>	<u>\$ 1,380,490</u>

Expenditure Comparison

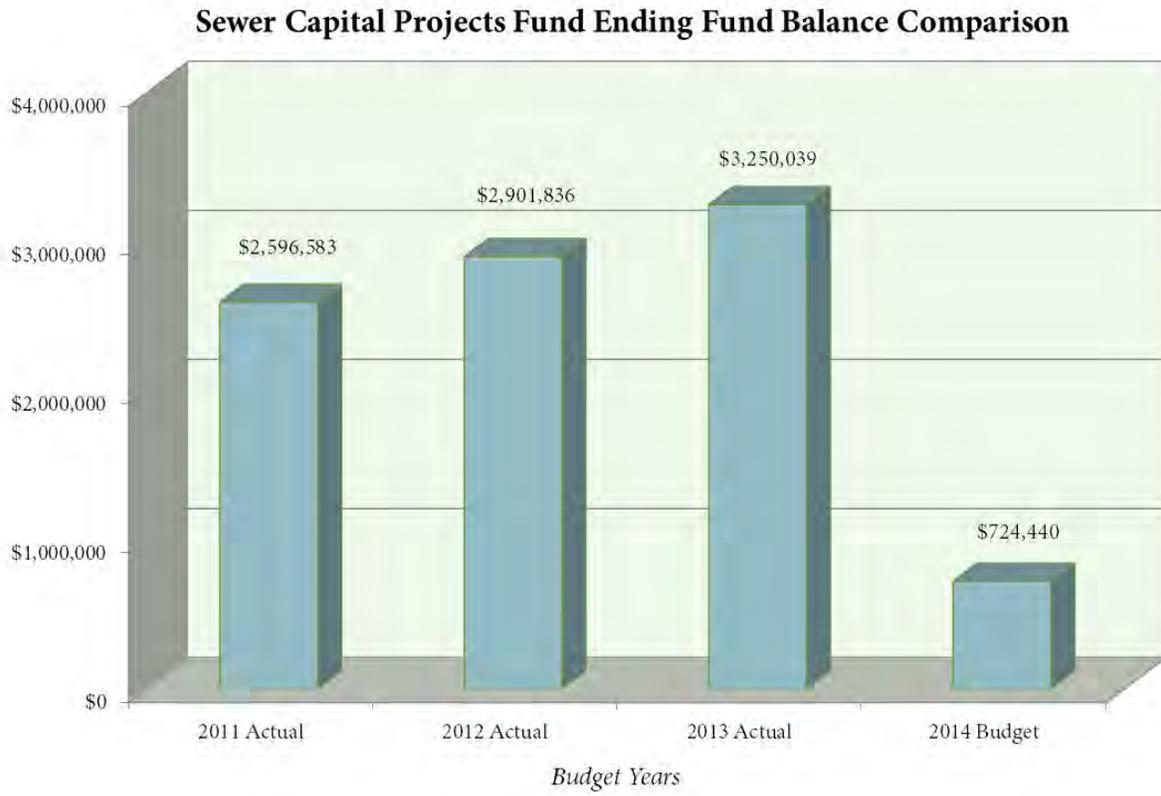
<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Personnel	\$ -	\$ -	\$ -	\$ 54,630
Supplies & Equipment	-	-	16	-
Charges & Services	87,699	225,000	227,869	137,420
Intergovernmental	-	550	-	-
Capital Outlay	<u>360,720</u>	<u>505,000</u>	<u>376,011</u>	<u>464,000</u>
Expenditure Total	\$ 448,419	\$ 730,550	\$ 603,896	\$ 656,050
Ending Fund Balance	<u>2,901,836</u>	<u>979,291</u>	<u>3,250,039</u>	<u>724,440</u>
Fund Total	<u>\$ 3,350,255</u>	<u>\$ 1,709,841</u>	<u>\$ 3,853,935</u>	<u>\$ 1,380,490</u>

Sewer Capital Projects List:**Sewer Capital Fund Projects**

Annual Sewer Main Rehabilitation Program	\$	350,000
Annual Manhole Rehabilitation Program		100,000
Holiday Inn Lift Station (<i>Professional Services</i>)		30,000
North Highlands Lift Station		14,000
Total Sewer Capital Projects		\$ 494,000

Capital Project Descriptions

PROJECT TITLE: Annual Sewer Main Rehabilitation Program	\$	350,000
LOCATION: Citywide		
This project involves the reconstruction, relining, and/or repair of approximately 5,000 to 10,000 lineal feet of sewer main and laterals annually.		
PROJECT TITLE: Annual Manhole Rehabilitation Program	\$	100,000
LOCATION: Citywide		
Identify, and repair, restore, and renew leaking manholes. This includes lining, raising, inflow restrictor, or replacement.		
PROJECT TITLE: Holiday Inn Lift Station	\$	30,000
LOCATION: 100 Feet East From Intersection of 12th Avenue NW and NW Sammamish Road		
Replace the current lift station located partially within 12th Ave NW roadway and sidewalk with a gravity line to the Pickering Lift Station. Alternative to a gravity line would be to replace the existing pump station with a new pump station. The 2014 component is for the design phase with construction estimated to occur in 2015.		
PROJECT TITLE: North Highlands Lift Station	\$	14,000
LOCATION: Public Works Operations		
Purchase an impeller for a N Highlands lift station pump.		



ULID Debt Service Fund**Revenue Comparison**

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual¹</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ -	\$ 1	\$ -	\$ -
Revenue Sources				
Miscellaneous Income	650	994	325	-
Special Assessments	5,807	8,802	5,807	-
Revenue Total	\$ 6,457	\$ 9,796	\$ 6,132	\$ -
Fund Total	\$ 6,457	\$ 9,797	\$ 6,132	\$ -

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Operating Transfers-Out	\$ 6,457	\$ 9,797	\$ 6,132	\$ -
Expenditure Total	\$ 6,457	\$ 9,797	\$ 6,132	\$ -
Ending Fund Balance	-	-	-	-
Fund Total	\$ 6,457	\$ 9,797	\$ 6,132	\$ -

¹ 2013 was the 10th and final payment on the ULID #22 special assessments charged to the NW Goode Place property owners.

Stormwater Fund

The stormwater fund directs resources toward the identification and resolution of the City's stormwater problems. Activities include maintenance, upkeep and repair of

existing facilities, flood control, basin planning, wetlands/stream corridor preservation and enhancement and urban runoff water quality.

2014 Work Plan

Engineering

- ✘ Continue utility rehabilitation work to study, design and construct stormwater system improvements to ensure long-term viability of the utility infrastructure.
- ✘ Work with Parks and Recreation Department and U.S. Army Corps of Engineers (USACE) for permitting of the stream restoration project.
- ✘ Design and construct stormwater capacity and operational improvements in Issaquah Highlands.
- ✘ Continue implementation of the Department of Ecology NPDES Phase 2 Municipal Storm water Permit including interdepartmental coordination and assistance with capital improvement projects and private development permitting.
- ✘ Protect local water resources by ensuring design and implementation of habitat restoration projects.

- ✘ Abandon the Lower Reid Infiltration Gallery (LRIG).
- ✘ Manage and enhance environmental and regulatory protection programs including pollution source control, critical aquifer recharge area, fats/oil and grease and aquatic resource monitoring.
- ✘ Manage the FEMA Community Rating System for floodplain management, including maintaining a Class 5 rating, and implementing flood hazard mitigation projects as assisted by King County Flood District and FEMA grants.

Operations:

- ✘ Maintain stormwater collection system and meet NPDES requirements.
- ✘ Install stormwater pond fencing at selected locations.

Prior Year Accomplishments

Engineering:

- 👍 Completed work on the rehabilitation of identified stormwater infrastructure.

- 👍 Obtained stormwater grants in the amount of \$900,000 for various projects and programs.

Prior Year Accomplishments (cont.)**Engineering (cont.)**

- 👍 Worked with Washington State Department of Fish and Wildlife (WDFW) to acquire property necessary for the removal of the Fish Hatchery Dam and permitting the project.
- 👍 Coordinated between the City, WDFW and property owners to replace the Fish Hatchery Dam.

Operations:

- 👍 Maintained stormwater system.
- 👍 Met NPDES requirements.
- 👍 Responded to illicit stormwater discharges.

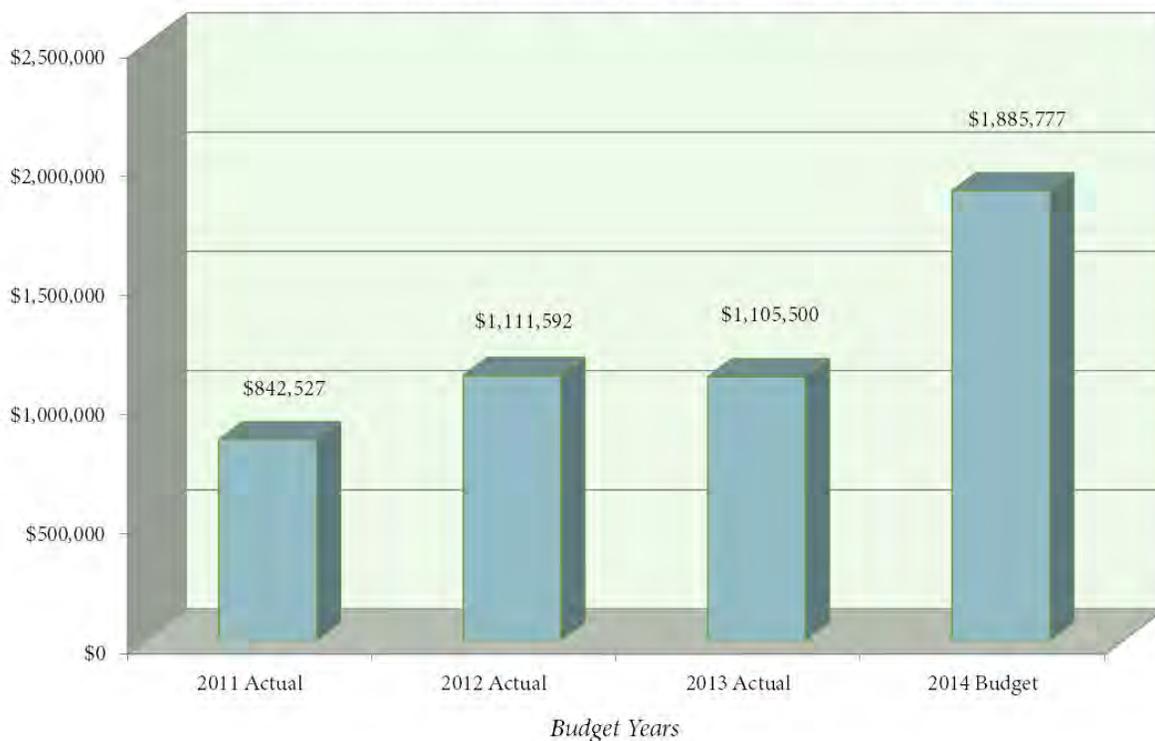
Revenue Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 842,527	\$ 1,143,398	\$ 1,111,592	\$ 1,267,527
Revenue Sources				
Licenses & Permits	1,600	1,000	150	-
Intergovernmental Revenue	57,740	-	53,078	-
Charges for Services	4,169,473	4,278,712	4,261,272	4,465,000
Miscellaneous Revenue	8,813	5,100	7,033	5,500
Other Revenue Sources	19,725	-	2,532	-
Revenue Total	\$ 4,257,351	\$ 4,284,812	\$ 4,324,066	\$ 4,470,500
Fund Total	\$ 5,099,878	\$ 5,428,210	\$ 5,435,658	\$ 5,738,027

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Personnel	\$ 1,015,629	\$ 1,343,749	\$ 1,867,527	\$ 1,674,260
Supplies & Equipment	65,667	72,387	67,942	106,500
Charges & Services	1,549,846	1,747,660	1,193,868	1,218,290
Intergovernmental Charges	78,640	82,000	19,825	-
Debt Service	337,500	330,000	330,000	330,000
Operating Transfers-Out	<u>941,004</u>	<u>850,996</u>	<u>850,996</u>	<u>523,200</u>
Expenditure Total	\$ 3,988,286	\$ 4,426,792	\$ 4,330,159	\$ 3,852,250
Ending Fund Balance	<u>1,111,592</u>	<u>1,001,418</u>	<u>1,105,500</u>	<u>1,885,777</u>
Fund Total	<u>\$ 5,099,878</u>	<u>\$ 5,428,210</u>	<u>\$ 5,435,658</u>	<u>\$ 5,738,027</u>

Stormwater Fund Ending Fund Balance Comparison



Stormwater Capital Projects Fund

This fund was created in 1988 to provide for capital purchases/improvements for the City stormwater system.

Proceeds to this fund are derived from a transfer from the Stormwater Fund and the \$0.04 per square foot of impervious surface charges against new development.

Revenue Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 1,876,141	\$ 1,485,091	\$ 1,679,425	\$ 1,117,012
<i>Revenue Sources</i>				
Intergovernmental Revenue	942,977	120,000	396,056	1,542,740
Miscellaneous Revenue	9,063	5,000	(3,385)	-
Other Revenue Sources	<u>800,004</u>	<u>632,496</u>	<u>742,140</u>	<u>660,000</u>
<i>Revenue Total</i>	\$ 1,752,044	\$ 757,496	\$ 1,134,811	\$ 2,202,740
<i>Fund Total</i>	<u>\$ 3,628,185</u>	<u>\$ 2,242,587</u>	<u>\$ 2,814,236</u>	<u>\$ 3,319,752</u>

Grants/Contributions

Stormwater Fund Grants/Contributions Detail

King County Conservation District - Confluence Park/Lewis Creek	\$ 689,240
Washington Salmon Recovery Board - Confluence Park	600,000
Capital Contributions - Developers	260,000
Washington Dept. of Ecology - Parks Maintenance Facility	217,500
FEMA Hazard Mitigation - Anti-Aircraft Culvert	<u>36,000</u>
<i>Total Stormwater Grants and Contributions</i>	<u>\$ 1,802,740</u>

Expenditure Comparison

Category	2012 Actual	2013 Budget	2013 Actual	2014 Budget
Personnel	\$ -	\$ -	\$ -	\$ 125,490
Supplies & Equipment	-	-	3,850	-
Charges & Services	1,066,506	228,500	253,091	351,580
Capital Outlay	504,673	1,560,500	1,453,540	2,508,070
Debt Service	<u>377,581</u>	<u>64,970</u>	<u>64,969</u>	<u>64,900</u>
Expenditure Total	\$ 1,948,760	\$ 1,853,970	\$ 1,775,450	\$ 3,050,040
Ending Fund Balance	<u>1,679,425</u>	<u>388,617</u>	<u>1,038,786</u>	<u>269,712</u>
Fund Total	<u>\$ 3,628,185</u>	<u>\$ 2,242,587</u>	<u>\$ 2,814,236</u>	<u>\$ 3,319,752</u>

Public Works Trust Fund Loan

Name	Issue Date	Issue Amount	Average Coupon Interest	Date of Final Maturity	12/31/2013 Outstanding Bond Balance
Public Works Trust Fund Loan (Newport Way Bridge)	1999	\$1,143,103	1.00%	7/1/2019	\$306,457

Stormwater Capital Projects List:**Stormwater Capital Fund Projects**

Confluence Park Stream Habitat Restoration	\$ 1,327,500
Stream Habitat Restoration (<i>professional services</i>)	350,000
Park Maintenance Facility NPDES	290,000
W4 Pond Perimeter Fencing	262,570
Issaquah Highlands Stormwater Capacity Improvements	260,000
Annual Drainage Rehabilitation and Improvement Program	250,000
E. Lake Sammamish Parkway Drainage Improvements	50,000
Anti-aircraft Creek Culvert Replacement	48,000
Sunrise Place Drainage Stabilization	<u>20,000</u>
Total Stormwater Capital Projects	<u>\$ 2,858,070</u>

Capital Project Descriptions

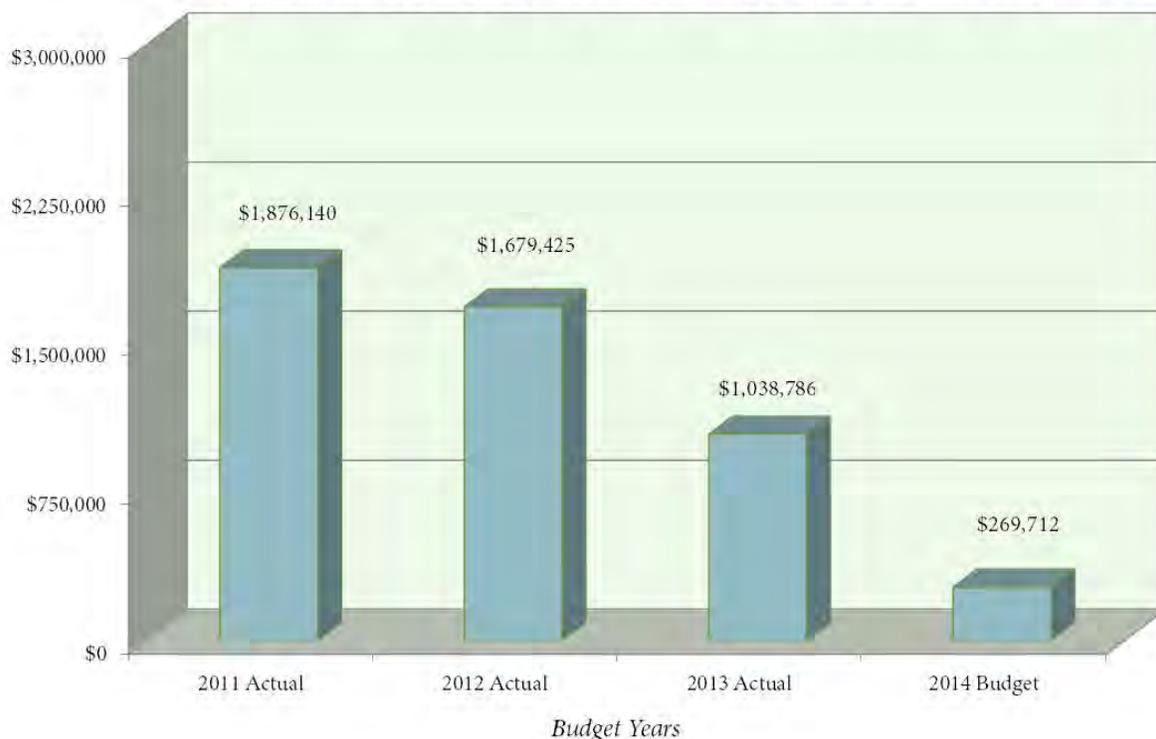
PROJECT TITLE: Restore Confluence Park Stream Habitat	\$ 1,327,500
LOCATION: Issaquah Creek at Confluence Park	
Stream restoration project on Issaquah Creek and E Fork Issaquah Creek at Confluence Park, as described in Confluence Parks Master Site Plan, including in-stream habitat logs, removal of streambank rock and fill, and riparian vegetation restoration.	
PROJECT TITLE: Stream Habitat Restoration Program	\$ 350,000
LOCATION: Citywide	
Small habitat restoration projects for area streams. This project provides local funding for grant matches that are offered annually by a number of state and local agencies, private foundations, and other sources. Projects typically include adding large woody debris in the stream, removing invasive plants and installing native vegetation along banks, removing stream bank riprap and removing of floodplain fill. Large restoration projects, such as Confluence Park Restoration, are identified as separate projects.	
PROJECT TITLE: Parks Maintenance Parks Facility	\$ 290,000
LOCATION: Parks Maintenance Facility (525 1st Ave NW)	
Stabilization of yard using asphalt and gravel, bin loading and dumpster pads, soil bin cover, wash pad improvements and other stabilization to reduce sediment loading to Issaquah Creek from site stormwater runoff. First year (2014) activities include the soil stabilization measures, followed by the bin canopy and wash pad improvements in 2015. DOE grant received in the fall of 2013 to complete funding of the project.	
PROJECT TITLE: W4 Ponds Perimeter Fencing	\$ 262,570
LOCATION: Highlands W4 Ponds	
Secure the perimeter of the retention ponds and provide maintenance access for the Highlands W4 Ponds with a four foot tall, 3,750-foot long decorative iron fence with four 16-foot double swing gates.	
PROJECT TITLE: Issaquah Highlands Stormwater Capacity Improvements	\$ 260,000
LOCATION: Issaquah Highlands	
Improve the performance and operation/maintenance of the Issaquah Highland stormwater system. This includes changing orifice sizes and flow splitters to optimize the use of available detention storage, modifying base flow discharges to wetlands, adding shutoff valves at various structures to facilitate pond maintenance, and other minor physical improvements.	
PROJECT TITLE: Annual Drainage Rehabilitation and Improvement Program	\$ 250,000
LOCATION: Citywide	
This project involves repair, replacement and improvement of storm drain pipes and culverts that are structurally deficient, may fail, and have associated high maintenance costs as well as having design deficiencies that could lead to local flood hazards. Project also involves construction of new small drainage projects to address drainage problems. Examples include replacement of rusted corrugated metal pipe culverts, repair of poorly built storm drains, addition of storm drains in areas where these facilities are needed, and drainage improvements to mitigate localized flooding problems.	

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Capital Project Descriptions (continued)

PROJECT TITLE: E Lake Sammamish Parkway Drainage Improvements	\$ 50,000
LOCATION: Corner of E Lake Sammamish Parkway and SE 56th Street	
Improve drainage along E Lake Sammamish Pkwy between SE 56th St and north of SE 51st St to eliminate standing water in the parkway during heavy rainfall events. This component is for design and permitting with construction occurring in 2015.	
PROJECT TITLE: Anti-aircraft Creek Culvert Replacement	\$ 48,000
LOCATION: Newport Way NW Near NW Oakcrest Drive	
Anti-Aircraft Creek is a small stream that originates on Cougar Mountain (near the old missile base), crosses under Newport Way and ends in Tibbetts Creek near the western end of NW Gilman Blvd. This stream carries a large amount of sediment during major rainfall events, filling the culvert under Newport Way and spilling water and debris over the roadway. This project proposes to install a larger box culvert under the road and construct a sediment retention facility to hold sediment and prevent flooding of the road. This component is for design with construction occurring in 2015.	
PROJECT TITLE: Stabilize Sunrise Place Drainage	\$ 20,000
LOCATION: SW Sunrise Place Near Kelkari	
Construction of a 210-ft long, 30-inch diameter stormwater pipeline down a steep slope, and tightlining of a drainage ditch through a private backyard. These improvements will abate the serious erosion problems that are occurring along this steep drainage conveyance. This component is for design and permitting with construction occurring in 2016.	

Stormwater Capital Projects Fund Ending Fund Balance Comparison





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Internal Service Funds

Internal Service Funds account for the financing, on a cost-reimbursement basis, of goods and services provided by one department of the City to another department.

Also included is the City's one expendable Trust Fund.

Internal Service Funds Overview

Internal Service Funds are used to account for the financing of services provided for other funds or departments

of the City. The City of Issaquah has five Internal Service funds which include:

- § Unemployment Insurance Accrued Benefit Fund
- § Insurance Fund
- § Medical Self Insurance Fund

- § Equipment Replacement Fund
- § Engineering Services Fund (*note-this fund has been eliminated for 2014 and all related transactions are reported in the individual funds that are benefitted*)

Trust Funds (Expendable) Overview

Expendable trust funds are used to account for trusts where both principal and earnings on principal may be spent for the trust's intended purpose.

The City has one Expendable Trust Fund:

- § Ruth Kees Sustainable Environment Award Fund



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Unemployment Accrued Benefit Fund

The City has chosen to self-insure for unemployment claims. Under this method, the City reimburses the Washington State Employment Security Department for

claims paid and chargeable to the City. This fund also can be used as a reserve to pay for accrued benefits earned and due employees leaving City employment.

Revenue Comparison

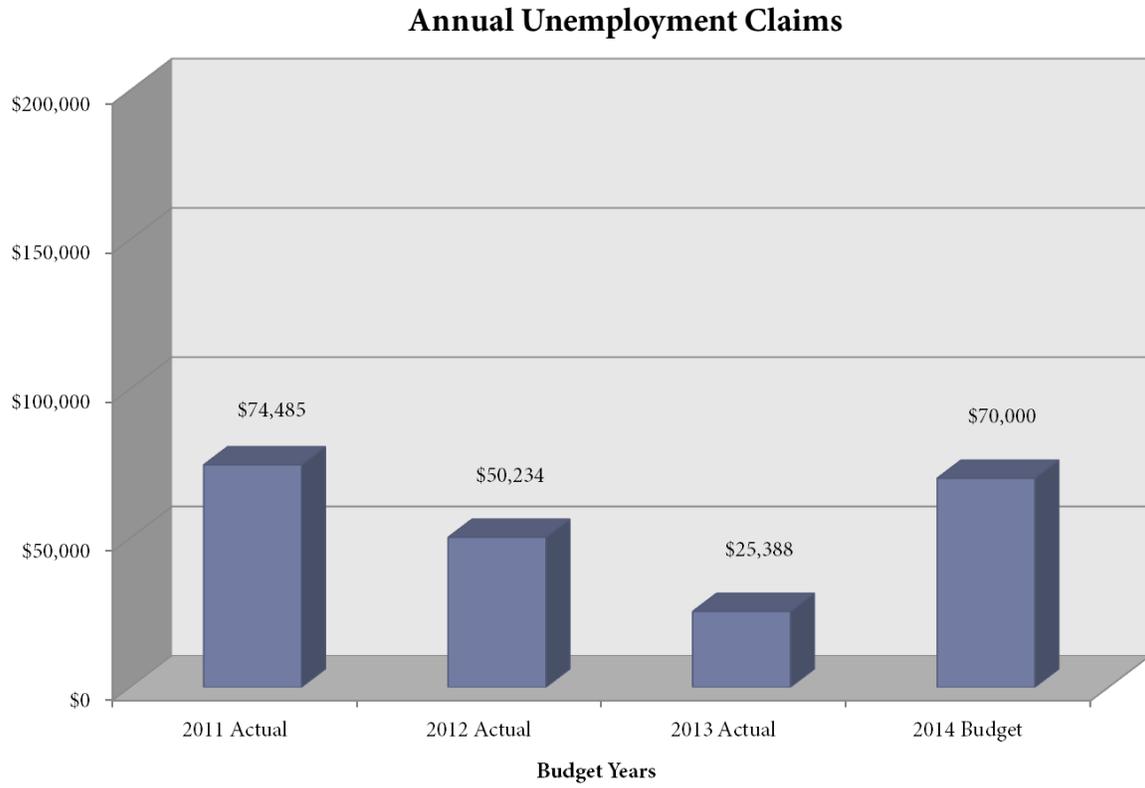
<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 38,696	\$ 42,696	\$ 60,333	\$ 83,083

Revenue Sources

Operating Transfers-In	72,000	72,000	54,000	65,000
<i>Revenue Total</i>	\$ 72,000	\$ 72,000	\$ 54,000	\$ 65,000
<i>Fund Total</i>	\$ 110,696	\$ 114,696	\$ 114,333	\$ 148,083

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Personnel Benefits	\$ 50,363	\$ 80,000	\$ 25,517	\$ 70,000
<i>Expenditure Total</i>	\$ 50,363	\$ 80,000	\$ 25,517	\$ 70,000
Ending Fund Balance	60,333	34,696	88,816	78,083
<i>Fund Total</i>	\$ 110,696	\$ 114,696	\$ 114,333	\$ 148,083



Insurance Fund

The purpose of this fund is to segregate out the insurance transactions of the City into a single fund. This fund will charge other funds for their appropriate share of insurance premiums for such things as

liability, automotive, property and uncovered claims. Over the years, it is hoped that this fund will be able to build up an adequate reserve to serve as a buffer against any unanticipated insurance claims.

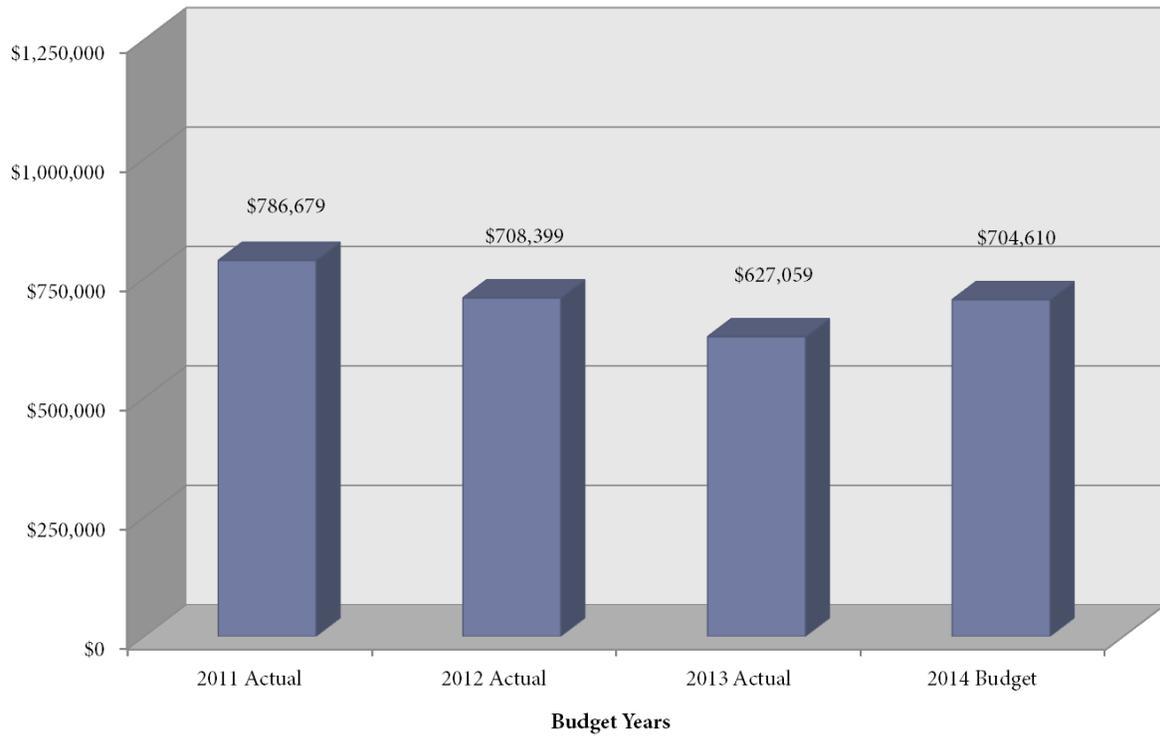
Revenue Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 479,709	\$ 634,000	\$ 633,950	\$ 870,070
Revenue Sources				
Charges for Services	861,724	861,724	861,724	702,605
Miscellaneous Revenue	916	1,050	1,616	800
Revenue Total	\$ 862,640	\$ 862,774	\$ 863,340	\$ 703,405
Fund Total	\$ 1,342,349	\$ 1,496,774	\$ 1,497,290	\$ 1,573,475

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Personnel	\$ -	\$ -	\$ -	\$ 72,250
Charges for Services	708,399	810,000	627,059	704,610
Expenditure Total	\$ 708,399	\$ 810,000	\$ 627,059	\$ 776,860
Ending Fund Balance	633,950	686,774	870,231	796,615
Fund Total	\$ 1,342,349	\$ 1,496,774	\$ 1,497,290	\$ 1,573,475

Annual Insurance Premiums



Medical Self Insurance Fund

The Medical Self Insurance Fund was established to provide medical health coverage for employees of the City. Medical premiums received by the fund are used to pay claims for employees participating in the City's self-insured health care program, purchase "stop-loss" coverage for individual

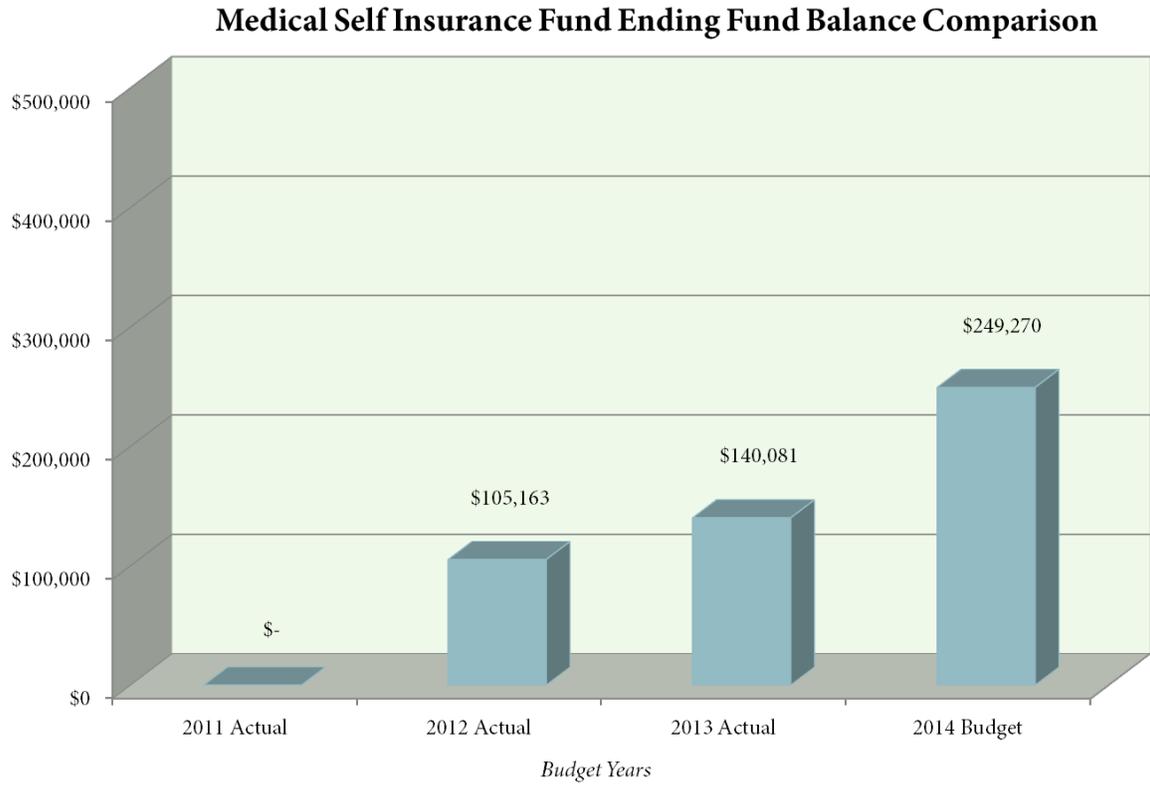
and aggregate claims in excess of self-insured limits, and maintain reserves for the payment of future claims. The fund also accounts for expenditures related to eligible LEOFF I retirees' reimbursements of claims. The City's Wellness program is also included in this fund.

Revenue Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ 183,150
Revenue Sources				
Miscellaneous Revenue	105,163	3,445,750	3,408,150	3,944,050
Other Revenue Sources	-	189,000	-	94,500
Revenue Total	\$ 105,163	\$ 3,634,750	\$ 3,408,150	\$ 4,038,550
Fund Total	\$ 105,163	\$ 3,634,750	\$ 3,408,150	\$ 4,221,700

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Personnel Benefits	\$ -	\$ 3,492,738	\$ 3,259,856	\$ 3,972,430
Charges & Services	-	-	8,213	-
Expenditure Total	\$ -	\$ 3,492,738	\$ 3,268,070	\$ 3,972,430
Ending Fund Balance	105,163	142,012	140,081	249,270
Fund Total	\$ 105,163	\$ 3,634,750	\$ 3,408,150	\$ 4,221,700



Equipment Rental and Replacement Fund

The Equipment Rental and Replacement Fund manages the on-going maintenance and repair of vehicles and equipment. The fund also provides for the replacement of vehicles, equipment including technology

necessary to serve the needs of the City. Reserves based upon asset life, are accumulated in the fund for the eventual replacement vehicles and equipment.

Department Responsibilities:

The Public Works Operations Department administers the Equipment Rental and Replacement Fund. Within the department, the Fleet Management Group is responsible for the efficient operations of the Fleet

Maintenance shop, selection and coordination of outside vendors, repair maintenance, fueling system, acquisition and resale of vehicles.

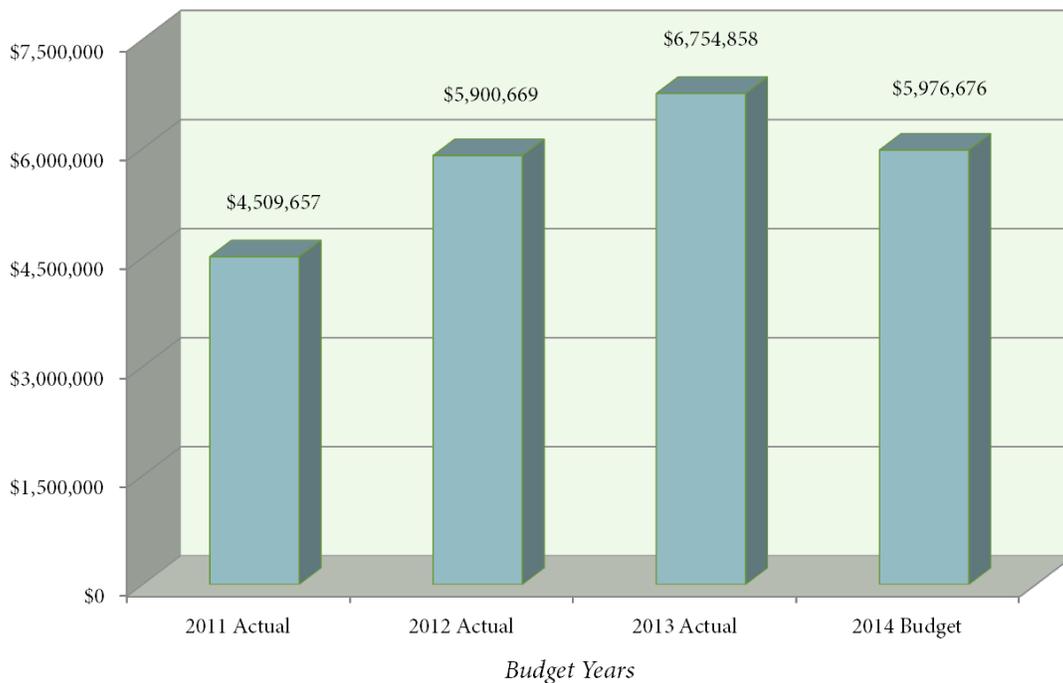
Revenue Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 4,509,660	\$ 5,826,280	\$ 5,900,670	\$ 6,395,230
<i>Revenue Sources</i>				
Intergovernmental Revenue	65	-	-	-
Charges for Services	2,244,376	2,344,376	2,344,376	2,334,446
Miscellaneous Revenue	120,659	53,438	59,063	38,000
Other Revenue Sources	<u>1,423,579</u>	<u>567,500</u>	<u>571,395</u>	<u>412,500</u>
<i>Revenue Total</i>	<i>\$ 3,788,679</i>	<i>\$ 2,965,314</i>	<i>\$ 2,974,833</i>	<i>\$ 2,784,946</i>
<i>Fund Total</i>	<i>\$ 8,298,339</i>	<i>\$ 8,791,594</i>	<i>\$ 8,875,503</i>	<i>\$ 9,180,176</i>

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Personnel	\$ 505,024	\$ 514,720	\$ 526,516	\$ 573,830
Supplies & Equipment	596,441	491,594	542,023	518,750
Charges & Services	106,990	115,491	77,894	115,920
Intergovernmental Charges ¹	306,619	350,510	350,510	372,000
Capital Outlay	882,597	1,004,000	623,703	1,623,000
Debt Service	-	1,000,000	-	-
Expenditure Total	\$ 2,397,670	\$ 3,476,315	\$ 2,120,645	\$ 3,203,500
Ending Fund Balance	5,900,669	5,315,279	6,754,858	5,976,676
Fund Total	\$ 8,298,339	\$ 8,791,594	\$ 8,875,503	\$ 9,180,176

Equipment Replacement Fund Ending Fund Balance Comparison



¹ Represents Fire Equipment replacement reserves.

*Capital Outlay – New and From Replacement Reserves**Equipment Rental and Replacement Fund*

<i>New Equipment</i>		
Aqueous Parts Washer	\$ 14,000	
<i>Total Capital Equipment - NEW</i>		\$ 14,000
<i>Replacement Reserves</i>		
Generator -100 KW (PWO)	\$ 225,000	
Patrol Cars (2)	100,000	
Generator-60 KW (PWO)	100,000	
1/2 ton Pick Up (2-DSD)	76,000	
1/2 ton Pick Up (2-PWO)	76,000	
1 ton Dump Truck	70,000	
1 ton Utility Truck (PWO)	60,000	
Police Motorcycle	30,000	
Paros Trailer (2) (Parks)	30,000	
Field Groomer (Parks)	25,000	
Riding Mower (Parks)	20,000	
<i>Technology Items</i>		
Financial System Upgrade	490,000	
Cable TV Equipment-Council Chambers	132,000	
Portable Field Electronics (PWO)	90,000	
PC Workstations	50,000	
IT Servers	25,000	
Network Data Switches (IT)	10,000	
<i>Total Capital Items from Replacement Reserves</i>		<u>1,609,000</u>
<i>Total Equipment Replacement Fund Capital Items</i>		<u>\$ 1,623,000</u>

Engineering Services Fund

The fund is eliminated as of January 1, 2014. All services related to transportation, utility design, development review, and

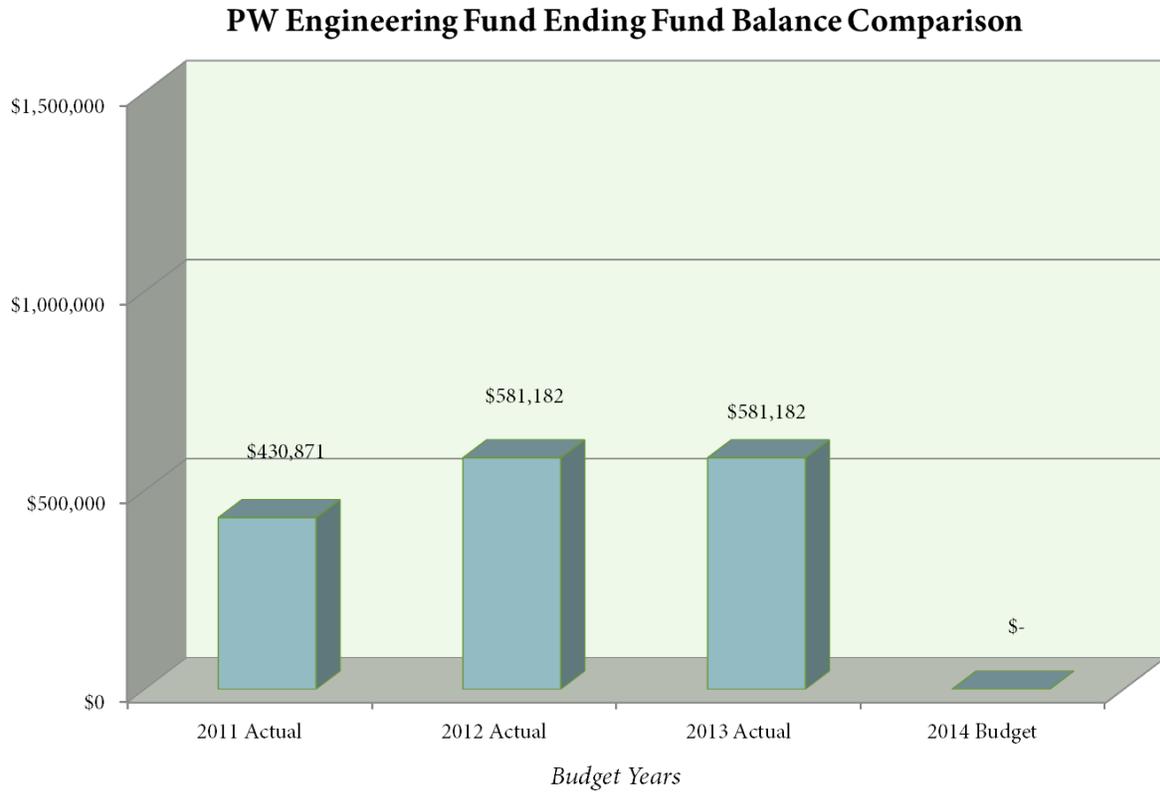
environmental/resource conservation services are now accounted for in the individual fund benefitted by the activity.

Revenue Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 430,872	\$ 37,742	\$ 581,182	\$ -
<i>Revenue Sources</i>				
Licenses & Permits	2,000	-	-	-
Intergovernmental Revenue	161,852	15,000	-	-
Charges for Services	4,238,155	2,506,392	-	-
Miscellaneous Revenue	3,750	3,000	-	-
Other Revenue Sources	19,000	-	-	-
<i>Revenue Total</i>	\$ 4,424,757	\$ 2,524,392	\$ -	\$ -
<i>Fund Total</i>	\$ 4,855,629	\$ 2,562,134	\$ 581,182	\$ -

Expenditure Comparison

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Personnel	\$ 2,597,105	\$ 1,852,537	\$ -	\$ -
Supplies & Equipment	34,477	20,081	-	-
Charges & Services	1,572,615	377,455	-	-
Intergovernmental	70,250	74,500	-	-
<i>Expenditure Total</i>	\$ 4,274,447	\$ 2,324,573	\$ -	\$ -
Ending Fund Balance	581,182	237,561	581,182	-
<i>Fund Total</i>	\$ 4,855,629	\$ 2,562,134	\$ 581,182	\$ -



Ruth Kees Award – Sustainable Environment Fund

The Ruth Kees Award – Sustainable Environment fund is an expendable trust fund established in 2009 from a \$30,000 trust donation from Ruth and Dan Kees. Expendable trust funds are used to account for trusts where both principal and earnings on principal may be spent for the trust's intended purpose.

The purpose of the Ruth Kees Award fund is to enable the City to continue to make an annual award in the aggregate sum of \$500 to an individual person or persons whose environmental activism on behalf of the community and areas affecting the Issaquah community deserve special recognition by the City. The award was established in 2003.

Ruth Kees Award Recipients

<p>2003 Ruth Kees</p> <p>2004 Joanna Buehler and Janet Wall</p> <p>2005 Chrys Bertolotto</p> <p>2006 David Kappler</p> <p>2007 Ken Konigsmark</p>	<p>2008 William Longwell</p> <p>2009 Harvey Manning</p> <p>2010 Ted Thomsen</p> <p>2011 Maureen McCarry</p> <p>2012 Margaret Macleod</p>
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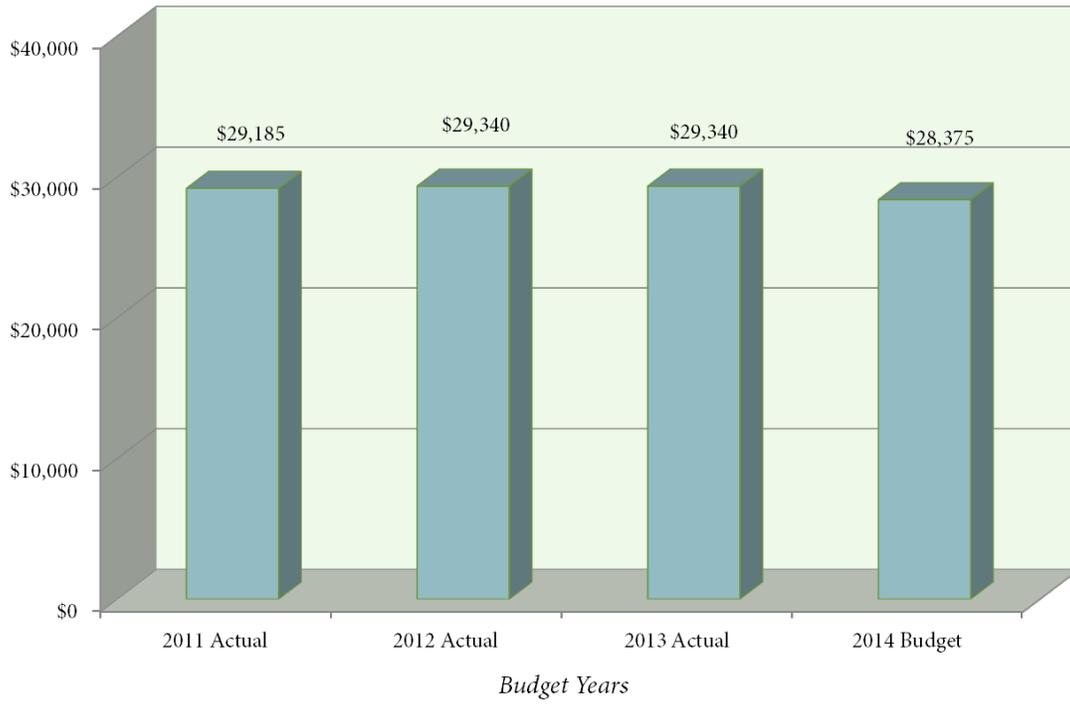
Revenue Comparisons

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Beginning Fund Balance	\$ 29,185	\$ 29,341	\$ 29,340	\$ 28,855
Revenue Sources				
Miscellaneous Income	655	682	-	20
Revenue Total	\$ 655	\$ 682	\$ -	\$ 20
Fund Total	\$ 29,840	\$ 30,023	\$ 29,340	\$ 28,875

Expenditure Comparisons

<i>Category</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>2014 Budget</i>
Charges & Services	\$ 500	\$ 500	\$ -	\$ 500
Expenditure Total	\$ 500	\$ 500	\$ -	\$ 500
Ending Fund Balance	29,340	29,523	29,340	28,375
Fund Total	\$ 29,840	\$ 30,023	\$ 29,340	\$ 28,875

**Ruth Kees Award - Sustainable Environment Fund
Ending Fund Balance Comparison**





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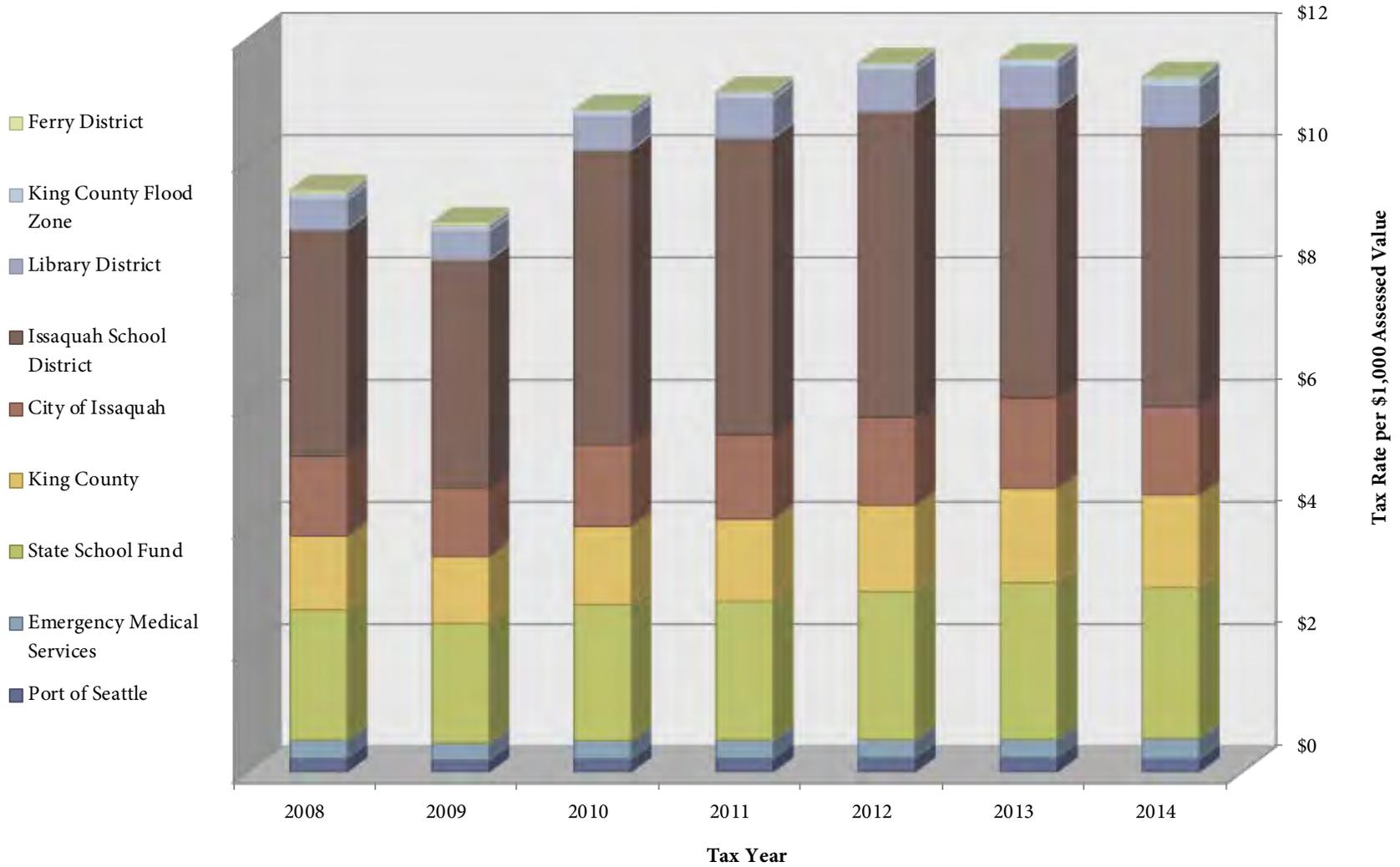
Supplemental Schedules

Supplemental Information includes other general and demographic information about Issaquah, historical trends and information about property taxes and debt, schedules for all bargaining groups, utility rates for the budget year, and a Glossary of Budget-Related Terms

Property Tax Levy Distribution

	2012	2013	2014
Population	31,150	32,130	n/a
Assessed Valuation	\$ 5,825,625,221	\$ 5,755,559,143	\$ 6,249,508,316
Regular Tax Levy			
General Fund	\$ 6,970,724	\$ 7,076,973	\$ 7,501,097
Rate/\$1000	1.19365	1.22963	1.20027
G.O. Excess Bond Levies			
1995 Police Station	\$ 387,000	\$ 387,000	\$ 387,000
2001 Senior Center	123,000	123,000	123,000
2005 ITS Bonds	133,000	133,000	133,000
2006 Park Bond	470,000	470,000	470,000
2009 Fire Station	335,000	335,000	372,000
Total	\$ 1,448,000	\$ 1,448,000	\$ 1,485,000
Rate/\$1,000	0.24943	0.25294	0.23865
Total Rate/\$1,000 of Assessed Value (Regular & Excess Levies)	1.44308	1.48257	1.43892

Property Tax Rate Comparison
(Rate per \$1,000 Assessed Value)



Property Tax History

Year	Tax Based Total Assessed Valuation ¹	% Inc. From Prior Year	New Construction	Annexed Property	Property Tax Statutory Limit (3.10/\$1,000)	Regular Property Tax Levied with 101% Lid ²	Regular Rate/\$1,000 Assessed Value	Excess Property Tax (Voted)	Voted Rate/\$1,000 Assessed	Total Rate/\$1,000 Assessed	Population
2014	\$ 6,249,508,316	8.6%	\$ 125,001,463	\$ -	\$ 19,373,476	\$ 7,501,097	1.200	\$ 1,485,000	0.239	1.439	n/a
2013	5,755,559,143	(1.2%)	105,881,185	-	17,842,233	7,076,973	1.230	1,448,000	0.253	1.483	32,130
2012	5,825,625,221	(2.1%)	173,500,360	254	18,059,438	6,970,724	1.194	1,448,000	0.249	1.443	31,150
2011	5,950,256,766	(0.0)	67,217,090	-	18,445,796	6,755,590	1.135	1,448,000	0.245	1.380	30,690
2010	6,055,526,752	(11.6)	72,542,397	551	19,244,464	6,673,445	1.089	1,568,000	0.257	1.346	30,434
2009	6,847,811,237	16.9	240,721,183	-	22,171,433	6,587,488	0.962	1,113,000	0.163	1.125	29,871
2008	5,855,908,029	32.6	260,113,271	715,044,947	18,738,905	6,226,500	1.060	1,389,000	0.246	1.306	29,010
2007	4,416,915,927	18.3	344,655,075	-	13,987,047	5,431,730	1.230	1,415,000	0.336	1.566	27,047
2006	3,734,157,054	11.9	298,793,972	-	11,725,253	4,665,900	1.250	943,190	0.313	1.563	21,864
2005	3,336,875,663	10.2	283,568,494	-	10,403,144	4,189,035	1.292	815,000	0.306	1.598	19,127
2004	3,027,362,027	19.6	220,502,608	233,766,450	9,408,771	3,786,877	1.272	886,000	0.366	1.638	17,385
2003	2,531,753,104	7.1	117,195,241	489,320	7,848,435	3,192,143	1.257	886,000	0.446	1.703	16,853
2002	2,362,934,287	18	246,774,701	-	7,325,096	2,994,880	1.267	891,000	0.481	1.748	14,189
2001	2,001,756,127	42.3	135,366,838	291,594,415	6,239,374	2,664,921	1.331	761,000	0.461	1.792	13,478
2000	1,407,065,148	12.2	74,342,491	-	4,361,902	2,078,361	1.477	761,000	0.544	2.021	11,212
1999	1,254,126,426	11.0	58,562,031	-	3,907,882	1,944,531	1.532	761,000	0.607	2.139	10,130
1998	1,129,728,694	13.8	38,630,482	30,407,600	3,502,924	1,753,227	1.550	810,000	0.722	2.272	9,910

¹ Current year valuations are prior period assessments of real and personal properties. For example, assessments done in 2013 will not affect property tax rates until 2014.

² Changed to 101% Lid in 2002.

Tax Revenue by Source

<i>Fiscal Year</i>	<i>Sales Tax</i>	<i>Property Taxes</i>	<i>Utility Taxes</i>	<i>Business & Occupation Taxes</i>	<i>Real Estate Excise Tax</i>	<i>Other Taxes</i> ¹	<i>Total Taxes</i>
2014 ²	\$11,947,000	\$ 8,792,600	\$4,613,000	\$2,750,000	\$2,400,000	\$ 475,300	\$ 30,977,900
2013	10,336,598	8,493,678	4,445,759	2,526,199	3,127,867	481,306	29,411,407
2012	10,101,426	8,319,275	4,493,787	2,281,628	1,823,802	448,138	27,468,055
2011	11,234,025	8,165,544	4,218,572	2,569,882	1,601,288	424,076	28,213,387
2010	10,206,971	8,492,018	4,027,790	2,351,454	1,534,256	441,234	28,512,064
2009	9,375,219	7,599,892	4,191,704	2,356,705	1,603,752	414,856	25,542,128
2008	11,221,027	7,572,875	3,918,936	2,338,520	2,624,707	457,535	28,133,600

Interfund Loans Outstanding as of December 31, 2013

<i>Amount of Loan</i>	<i>Purpose</i>	<i>From</i>	<i>To</i>	<i>Term</i>	<i>12/31/2013 Outstanding Balance</i>
\$ 1,500,000	Debt Called-in (Ordinance #2622)	Equipment Replacement Fund	Stormwater Fund	12/31/2016	\$ 900,000
\$ 450,000	SR-900 Regional Trail (Ordinance #2626)	Equipment Replacement Fund	Street Improvement Fund	12/31/2015	\$ 225,000

No new Interfund Loans are proposed for 2014.

¹ Includes Franchise, Contract, Gambling and Leasehold Excise Taxes

² Consists of the Motor Vehicle Fuel Tax, Liquor Excise Tax; distribution of which is based on population figures, and streamlined sales tax mitigation.

2014 Regular Position Salary Schedules

ASA Employees Salary Schedule

<i>Classification</i>	<i>Minimum</i>	<i>Maximum</i>
Administrative Support Assistant I	\$3,131	\$4,196
Administrative Support Assistant II	\$3,372	\$4,521
Administrative Support Assistant III	\$3,722	\$4,990
Administrative Support Assistant IV	\$4,215	\$5,645
Aquatics Maintenance Specialist	\$4,428	\$5,931
Building Inspector I	\$4,536	\$6,078
Building Inspector II	\$5,008	\$6,710
Business Tax & Cash Control Coordinator	\$4,766	\$6,386
Code Compliance Officer	\$4,887	\$6,546
Construction Inspector I	\$4,536	\$6,078
Construction Inspector II	\$5,008	\$6,710
Construction Inspector, Senior	\$5,392	\$7,227
Construction Project Coordinator	\$4,428	\$5,931
Custodian	\$3,131	\$4,196
Deputy City Clerk	\$4,650	\$6,232
Emergency Preparedness Coordinator	\$4,428	\$5,931
Engineering Technician, Senior	\$5,134	\$6,878
Economic Development Specialist	\$4,428	\$5,931
Facilities Maintenance Specialist I	\$3,912	\$5,242
Facilities Maintenance Specialist II	\$4,428	\$5,931
Facilities Remodel Coordinator	\$4,650	\$6,232
Financial Data Specialist	\$4,428	\$5,931
Fiscal Specialist I	\$3,817	\$5,113
Fiscal Specialist II	\$4,428	\$5,931
Gardener	\$4,010	\$5,371

ASA Employees Salary Schedule (cont.)

Classification	Minimum		Maximum
Lifeguard/Swim Instructor	\$2,701	-	\$3,620
Parks Irrigation Specialist	\$4,428	-	\$5,931
Parks Maintenance Lead	\$4,428	-	\$5,931
Parks Maintenance Worker I	\$3,631	-	\$4,867
PC Technician I	\$3,912	-	\$5,242
PC Technician II	\$4,650	-	\$6,232
Permit Technician I	\$3,817	-	\$5,113
Permit Technician II	\$4,215	-	\$5,645
Project Accounting Technician	\$4,215	-	\$5,645
Recreation Aide	\$2,701	-	\$3,620
Recreation Leader	\$3,289	-	\$4,409
Recreation Specialist	\$4,010	-	\$5,371

Exempt Employees Salary Schedule

Classification	Minimum	Maximum
Accountant	\$5,382	\$6,869
Administrative Office Supervisor	\$4,881	\$6,230
Aquatics Coordinator	\$4,881	\$6,230
Building Inspector, Supervising	\$5,934	\$7,574
Building Official	\$7,952	\$10,149
City Administrator	\$11,747	\$14,995
City Administrator, Deputy	\$11,191	\$14,281
City Arborist/Horticulturist	\$6,230	\$7,952
City Clerk	\$6,541	\$8,350
Communications Coordinator	\$5,382	\$6,869
Communications Manager	\$6,869	\$8,767
Cost Accountant	\$5,934	\$7,574
Database Administrator	\$6,230	\$7,952
Deputy Development Services Director	\$9,205	\$11,747
Deputy Finance Director	\$9,205	\$11,747
Deputy Parks & Recreation Director	\$7,952	\$10,149
Deputy Police Chief	\$9,205	\$11,747
Development Officer	\$5,934	\$7,574
Development Services Project Manager	\$7,574	\$9,666
Director, Development Services	\$10,656	\$13,599
Director, Economic Development	\$9,666	\$12,337
Director, Finance	\$10,656	\$13,599
Director, Office of Sustainability	\$9,666	\$12,337
Director, Parks and Recreation	\$10,149	\$12,952
Director, Police Chief	\$10,656	\$13,599
Director, Public Works Engineering	\$10,656	\$13,599
Director, Public Works Operations	\$10,149	\$12,952
Economic Development Manager	\$6,869	\$8,767
Engineer I	\$5,652	\$7,211
Engineer II	\$6,230	\$7,952
Engineer, Senior	\$7,326	\$9,666

Exempt Employees Salary Schedule (cont.)

Classification	Minimum	Maximum
Engineer, Traffic Signal Operations	\$7,574	\$9,666
Engineering Manager	\$7,952	\$10,149
Environmental Science Assistant	\$5,127	\$6,541
Environmental Science Associate	\$5,652	\$7,211
Events & Rental Facilities Coordinator	\$5,382	\$6,869
Executive Assistant	\$5,652	\$7,211
Facilities Maintenance Worker, Supervising	\$5,382	\$6,869
Facilities Services Manager	\$6,541	\$8,350
Financial Services Supervisor	\$6,230	\$7,952
Fleet Manager	\$6,869	\$8,767
GIS Coordinator	\$5,934	\$7,574
Human Resources Manager	\$7,952	\$10,149
Human Services & Sustainability Manager	\$6,541	\$8,350
Information Systems Manager	\$7,574	\$9,666
IT Systems/Network Analyst	\$6,541	\$8,350
Jail Manager	\$6,230	\$7,952
Land Development Manager	\$8,350	\$10,656
Media Production Specialist	\$5,652	\$7,211
Municipal Court Administrator	\$7,952	\$10,149
Municipal Court Judge	\$10,149	\$12,952
Open Space Steward	\$5,652	\$7,211
Parks Division Manager	\$7,211	\$9,205
Parks Maintenance Worker, Supervising	\$5,382	\$6,869
Permit & Licensing Database Administrator	\$5,382	\$6,869
Planner, Assistant	\$5,127	\$6,541
Planner, Associate	\$5,652	\$7,211
Planner, Parks	\$6,230	\$7,952
Planner, Senior	\$6,230	\$7,952
Planning Manager, Policy	\$7,574	\$9,666
Plans Examiner	\$5,652	\$7,211

Exempt Employees Salary Schedule (cont.)

<i>Classification</i>	<i>Minimum</i>		<i>Maximum</i>
Police Commander	\$8,350	-	\$10,656
Police Communications Supervisor	\$5,127		\$6,541
Police Info Tech Analyst/911 CAD/GIS Spl	\$6,230		\$7,952
Police Records Supervisor	\$5,382		\$6,869
Police Sergeant	\$7,211	-	\$9,205
Public Works Operations Manager	\$6,869	-	\$8,767
PW Assistant Operations Manager	\$5,934	-	\$7,574
Recreation Coordinator	\$5,382	-	\$6,869
Recreation Division Manager	\$7,211	-	\$9,205
Recreation Supervisor	\$6,541	-	\$8,350
Risk Management Officer	\$5,127	-	\$6,541
Senior Accountant	\$6,230	-	\$7,952
Senior Tax Auditor	\$5,652	-	\$7,211
Senior Sustainability Coordinator	\$6,230	-	\$7,952
Shared Services Manager	\$6,230	-	\$7,952
Sustainability Coordinator I	\$5,127	-	\$6,541
Sustainability Coordinator II	\$5,652	-	\$7,211
Sustainability Program Manager, Senior	\$7,211	-	\$9,205
Utilities Services Program Coordinator	\$5,127	-	\$6,541

Non-Represented Employees Salary Schedule

<i>Classification</i>	<i>Minimum</i>		<i>Maximum</i>
Human Resources Coordinator ¹	\$4,200	-	\$5,627
Municipal Court Clerk ²	\$3,711	-	\$4,975
Probation Officer ³	\$4,706	-	\$6,306

¹ Non-represented class² Confidential/Excluded from representation per state law

Police Support Employees Salary Schedule

<i>Classification</i>	<i>Minimum</i>		<i>Maximum</i>
Corrections Officer	\$4,238	-	\$5,410
Corrections Transport Officer	\$4,673	-	\$5,966
Communications Specialist ¹	\$22.55/hr	-	\$28.79/hr
Police Records Specialist	\$3,707	-	\$4,731

Police Officer Salary Schedule

<i>Classification</i>	<i>Minimum</i>		<i>Maximum</i>
Police Officer	\$5,506	-	\$7,056
Corporal	\$5,836	-	\$7,479

Public Works Operations Employees Salary Schedule

<i>Classification</i>	<i>Entry</i>	<i>Step A</i>	<i>Step B</i>	<i>Step C</i>	<i>Step D</i>	<i>Step E</i>	<i>Step F</i>
PW Shop Aide	\$2,715	\$2,857	\$3,005	\$3,162	\$3,327	\$3,499	\$3,678
PW Mechanic Aide	\$2,682	\$2,822	\$2,970	\$3,123	\$3,285	\$3,455	\$3,632
PW Maintenance Worker I	\$2,906	\$3,060	\$3,217	\$3,384	\$3,559	\$3,748	\$3,935
PW Maintenance Worker II	\$3,680	\$3,874	\$4,071	\$4,281	\$4,506	\$4,737	\$4,974
PW Mechanic	\$4,070	\$4,281	\$4,506	\$4,737	\$4,980	\$5,238	\$5,500
PW Maintenance Worker III	\$4,281	\$4,506	\$4,737	\$4,980	\$5,236	\$5,505	\$5,780
PW Signal Technician	\$4,504	\$4,730	\$4,967	\$5,203	\$5,462	\$5,734	\$6,024
PW Heavy Equipment Mechanic	\$4,506	\$4,737	\$4,980	\$5,236	\$5,505	\$5,787	\$6,076
PW Utilities Technician	\$4,603	\$4,833	\$5,074	\$5,329	\$5,595	\$5,875	\$6,169
PW Construction Technician	\$4,721	\$4,957	\$5,205	\$5,466	\$5,739	\$6,026	\$6,327
PW Mapping Technician	\$4,840	\$5,081	\$5,335	\$5,601	\$5,884	\$6,177	\$6,485
PW Sr. Signal Technician	\$4,967	\$5,203	\$5,462	\$5,734	\$6,024	\$6,324	\$6,638
PW Maintenance Worker, Senior Lead	\$5,039	\$5,293	\$5,556	\$5,835	\$6,127	\$6,432	\$6,755

¹ Communications Specialist is paid hourly based on a 2,184 hr work year.

2014 Utility Rates

The City of Issaquah bills every other month for drinking water, sewer and stormwater. Variable usage rates are billed on a per ccf basis, with 1 ccf being equivalent to 748 gallons.

Water Rates^{1 2 3}

Single Family Residential

Meter Size	Fixed Charge	Block One 0 - 4 ccf	Block Two 5 - 14 ccf	Block Three 15 - 30 ccf	Block Four 31 - 50 ccf	Block Five > 50 ccf
¾"	\$25.56	\$1.65	\$3.93	\$7.30	\$11.89	\$17.10
1"	\$55.52	\$1.65	\$3.93	\$7.30	\$11.89	\$17.10
1-½"	\$104.14	\$1.65	\$3.93	\$7.30	\$11.89	\$17.10
2"	\$165.52	\$1.65	\$3.93	\$7.30	\$11.89	\$17.10
3"	\$354.46	\$1.65	\$3.93	\$7.30	\$11.89	\$17.10
4"	\$537.13	\$1.65	\$3.93	\$7.30	\$11.89	\$17.10
6"	\$1,038.04	\$1.65	\$3.93	\$7.30	\$11.89	\$17.10

Duplex²

Meter Size	Fixed Charge	Block One 0 - 8 ccf	Block Two 9 - 14 ccf	Block Three 15 - 40 ccf	Block Four > 40 ccf
¾"	\$31.36	\$2.37	\$4.01	\$6.46	\$9.59
1"	\$70.03	\$2.37	\$4.01	\$6.46	\$9.59
1-½"	\$133.17	\$2.37	\$4.01	\$6.46	\$9.59
2"	\$211.97	\$2.37	\$4.01	\$6.46	\$9.59

Apartments / Trailer Courts³

Commercial / Public Authority³

Meter Size	Block One Threshold (in ccf)	Block Two Threshold (in ccf)	Apartments / Trailer Courts ³			Commercial / Public Authority ³		
			Fixed Charge	Block One per ccf	Block Two per ccf	Fixed Charge	Block One per ccf	Block Two per ccf
¾"	0-8	>8	\$33.37	\$3.00	\$4.84	\$33.37	\$3.33	\$5.14
1"	0-20	>20	\$75.05	\$3.00	\$4.84	\$75.05	\$3.33	\$5.14
1-½"	0-40	>40	\$143.20	\$3.00	\$4.84	\$143.20	\$3.33	\$5.14
2"	0-64	>64	\$228.02	\$3.00	\$4.84	\$228.02	\$3.33	\$5.14
3"	0-128	>128	\$479.46	\$3.00	\$4.84	\$479.46	\$3.33	\$5.14
4"	0-200	>200	\$732.45	\$3.00	\$4.84	\$732.45	\$3.33	\$5.14
6"	0-400	>400	\$1,428.67	\$3.00	\$4.84	\$1,428.67	\$3.33	\$5.14

¹ Water rates were adopted with Ordinance #2627 and became effective 12/01/2011.

² Duplex – Fixed Charges are per dwelling unit for this classification. Rate structure shown assumes tenant billing. If duplex has a single meter and is owner billed, then the duplex would be billed as a single family residence.

³ Apartments/Trailer Courts, Commercial/Public Authority – Usage thresholds are per meter for this classification.

Water Rates (cont.)^{1,2}

Meter Size	Block One Threshold (in ccf)	Block Two Threshold (in ccf)	Parks Irrigation ²			Private Irrigation ²		
			Fixed Charge	Block One per ccf	Block Two per ccf	Fixed Charge	Block One per ccf	Block Two per ccf
¾"	0-8	>8	\$17.16	\$3.33	\$6.11	\$17.16	\$4.84	\$9.73
1"	0-20	>20	\$34.52	\$3.33	\$6.11	\$34.52	\$4.84	\$9.73
1-½"	0-40	>40	\$62.14	\$3.33	\$6.11	\$62.14	\$4.84	\$9.73
2"	0-64	>64	\$98.32	\$3.33	\$6.11	\$98.32	\$4.84	\$9.73
3"	0-128	>128	\$220.07	\$3.33	\$6.11	\$220.07	\$4.84	\$9.73
4"	0-200	>200	\$327.15	\$3.33	\$6.11	\$327.15	\$4.84	\$9.73
6"	0-400	>400	\$618.07	\$3.33	\$6.11	\$618.07	\$4.84	\$9.73

Sewer Rates³

Customer Classification	Monthly (City Portion)	Monthly (METRO Portion)	Usage Cost per ccf	Minimum Monthly Charge
Single Family Residential	\$1.73	\$39.79	\$2.17	\$50.20
Multi-Family Residential/Duplexes	\$1.73		\$7.48 (\$5.31 for METRO)	\$47.36
Commercial/Trailers/ Public Authority	\$1.73		\$7.48 (\$5.31 for METRO)	\$47.36

Stormwater Rates⁴

Customer Classification	Rate
All Undeveloped Parcels	\$84.48 per parcel/year - \$14.08 bi-monthly
Residential Developed	\$168.96 per parcel/year - \$28.16 bi-monthly
Non-Residential Developed	\$168.96 per ESU/year; 1.0 ESU minimum

¹ Water rates were adopted with Ordinance #2627 and became effective 12/01/2011.

² Parks Irrigation and Private Irrigation usage thresholds are per meter for this classification.

³ The City portion of sewer rates was adopted with Ordinance #2379, becoming effective 11/01/2003. The METRO portion of sewer rates was increased with Ordinance #2653, becoming effective 12/01/2012.

⁴ Stormwater rates were adopted with Ordinance #2527 and became effective 06/01/2008.

Miscellaneous Data

Date of Incorporation	April 27, 1892
Form of Government	Mayor and Council (part-time) Non-Charter Code City Congressional District: 8 th Legislative District: 41 st and 5 th
Parks & Playgrounds	Berntsen Park - 2 Acres Black Nugget Park - 2.3 Acres Centennial Park - 0.5 Acres Central Park - 40 Acres Community Center Park - 4 Acres Confluence Park Cornick Park— 0.25 Acres Cougar Mountain ¹ Depot Park—3 Acres Emily Darst Park - 11.8 Acres Gibson Park - 1 Acre Gilman Boulevard Parkway—11 Acres Grand View Park - 4 Acres Harvey Manning Park @ Talus - 10 Acres Hillside Park - 20 Acres Lake Sammamish State Park - 435 Acres ² Lake Tradition - 463 Acres Meerwood Park - 1.69 Acres Mine Hill Park - 5 Acres Squak Mountain ¹ Squak Valley Park - 23.5 Acres Tibbetts Creek Manor - 5.5 Acres Tibbetts Valley Park - 30 Acres Tiger Mountain ¹ Timberlake Park - 24 Acres Veteran's Memorial Park - 4 Acres Walen Hill Park - 2 Acres
Park/Recreation Indoors	Julius Boehm Swimming Pool Community Center Pickering Barn

¹ Part of 20,000 acres of Open Space

² Located adjacent to City limits.

Tibbetts Creek Manor

Library	King County Library
Newspaper	Issaquah Press, Weekly Issaquah - Sammamish Reporter Weekly
Schools	2 Elementary Schools 1 Middle School 1 High School Mountain View Alternative School
Banks	American West Bank Bank of America Capital One Bank Chase First Mutual Bank Issaquah Community Bank Key Bank Opus Bank Sterling Savings Bank U.S. Bank Washington Federal Wells Fargo
Credit Union	Harborstone Credit Union Boeing Employees Credit Union

Glossary of Budget-Related Terms

BARS	The State of Washington Budgeting, Accounting and Reporting System required for all governmental entities in the State of Washington.
Benefits	City-paid benefits provided for employees such as Social Security, PERS retirement, Worker's Compensation, life insurance, medical and dental insurance.
Capital Facilities Plan (CFP)	The plan or schedule of project expenditures for public facilities and infrastructure (buildings, roads, etc.), with estimated project costs, sources of funding and timing of work over a six-year period. For financial planning and general management, the capital program is presented as a plan of work and proposed expenditures, and is the basis for annual appropriation requests and bond issues.
Capital Outlay	Fixed assets which have a value of \$5,000 or more and have a useful economic lifetime of more than three years or assets of any value, if the nature of the item under consideration is such that it must be controlled for custody purposes as a fixed asset.
Charges for Services	A revenue category that includes a charge for a specific service. These primarily include park recreation fees, law enforcement services, zoning fees, and other miscellaneous fees.
Councilmanic Bonds	Councilmanic bonds refer to bonds issued with the approval of the Council, as opposed to voted bonds, which must be approved by vote of the public. Councilmanic bonds must not exceed 1.5 percent of the assessed valuation of the city.
Debt Service	The annual payment of principal and interest on the City's bonded indebtedness. Bonds are issued to finance the construction of capital projects such as public buildings, parks, roads, storm sewers, and water system improvements.

Fines and Forfeitures	Revenue category that primarily includes court, police, traffic and parking fine forfeitures.
GAAFR	"Governmental Accounting, Auditing and Financial Reporting." The "blue book" published by the Municipal Finance Officers Association (now the Government Finance Officers Association) to provide detailed guidance for the application of accounting principles for governments.
GAAP	Generally Accepted Accounting Principles are standards used for accounting and reporting used for both private industry and governments.
GASB	Government Accounting Standards Board established in 1985 to regulate the rules and standards for all governmental units.
General Obligation Bonds	Bonds for which the full faith and credit of the ensuing government are pledged for payment.
Intergovernmental Revenue	Revenue from other governments primarily shared State revenue from auto excise tax, liquor profits and tax, and emergency medical services.
LEOFF	Law Enforcement Officers and Firefighters Retirement System provided in the State of Washington.
Licenses and Permits	Revenue category that includes building permits, business and amusement licenses and any other miscellaneous license or permit.
L.I.D.	Local Improvement District or Special Assessments made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.
Net Budget	The net budget eliminates double-counting in the budget, such as fund transfers. The net budget represents the true level of spending in the budget.
PERS	Public Employees Retirement System provided for employees other than Police and Fire by the State of Washington.

Preliminary Budget	The recommended and unproved City budget submitted to the City Council and public in October of each year.
Reserves (Fund)	The unencumbered year-end balance of revenue less expenditures in governmental funds.
Revenue	Income received by the City in support of our program of services to the community. It includes such items as property taxes, fees, user charges, grants, and fines. Interest income and miscellaneous revenue.
Salaries and Wages	A majority of City employees are paid a monthly salary based on an annual standard work year consisting of 2,080 hours. Some types of positions are paid hourly wages based on the prevailing wage scale.
Supplemental Appropriation	An appropriation approved by the Council after the initial budget appropriation. Council approves supplemental appropriations during the year and budget amendment ordinances are approved mid-year and year-end.
User Charges	The amount the government receives for the provision of services and commodities or the performance of specific services benefiting the person charged. User charges tend to be voluntary in nature, in contrast to mandatory property and income taxes. Citizens only pay user charges when a specific service is received.
Working Capital	The year-end balance of current assets less current liabilities in the Enterprise and Internal Service Funds. The unencumbered balance at year-end is available for appropriation in the next year's budget.

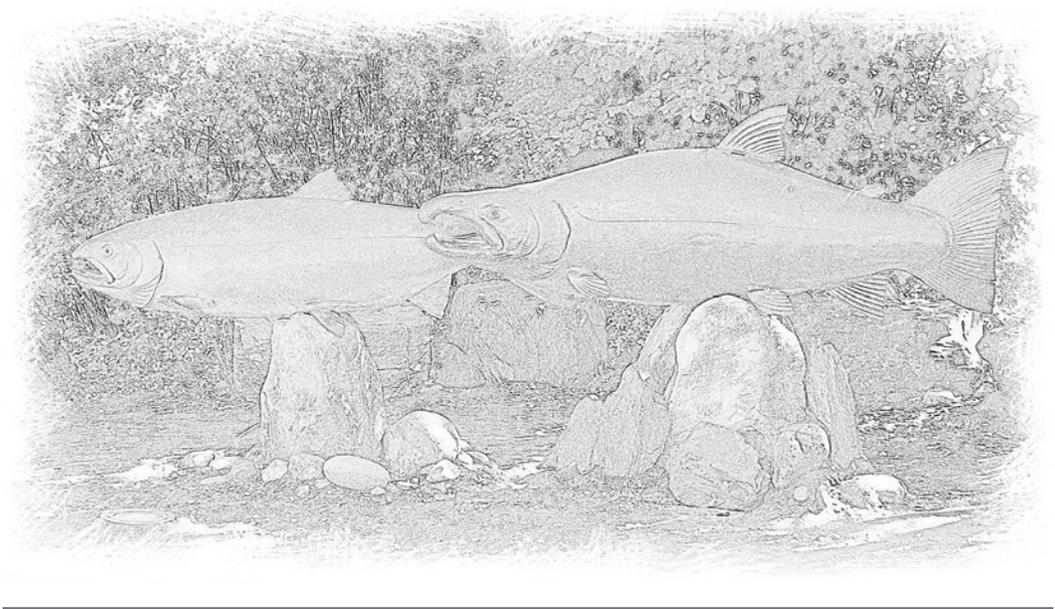


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