

Financial Summary

Introduction

A budget is a plan that develops and allocates the City’s financial resources to meet community needs, both immediate and for the longer term. The development and allocation of these resources is accomplished on the basis of policies, goals and objectives that address the requirements and needs of the City of Longview. While the other sections of this document present the budget in detail, this section provides an economic overview of the City and the challenges it faces. As such, this section focuses on the City’s strategies to maintain its financial strength and the basis for the expectations for future revenues. Additional information about the City’s financial outlook is detailed in the *Budget Message*.

The **first half** of the *Financial Summary* examines Longview’s economy and includes the following topics:

- ◆ Longview’s Economic Outlook
- ◆ Mint Farm Industrial Park
- ◆ Other Economic Contributors
- ◆ Meeting Needs and Improving the Quality of Life in Longview

The **second half** of the *Financial Summary* is the *Budget Summary* portion. It begins with detailed information about the City’s budgetary accounting methods and systems as well as fund definitions. The remainder of this section includes details about and comparisons of various portions of the budget. It documents Revenues and Expenditures for 2017 and 2018, provides historical information about City departments over the past five years, and breaks down the budget by funds. This section also contains information about the City’s debt management. This portion of the *Financial Summary* includes:

- ◆ General Governmental Functions
- ◆ Financial and Budgetary Controls
- ◆ Compliance with State Budgeting, Accounting and Reporting System (BARS)
- ◆ Fund Accounting
 - *Governmental Fund Types*
 - *Proprietary Fund Types*
 - *Fiduciary Fund Types*
- ◆ 2017 and 2018 Revenues
- ◆ City Revenue Sources
- ◆ 2017 and 2018 Expenditures
- ◆ Budget Fund Comparisons
- ◆ Five-Year Comparisons by Department
- ◆ Debt Limitations and Management

Detailed information about revenues and expenditures for each of the City’s individual funds is captured in the Fund Summary on page 58, followed by the various accounting funds and the Capital Improvement Program.

Financial Summary

Longview's Economic Outlook

Local Economy

The City of Longview was developed as a planned community to support timber workers. The Depression slowed things down, but World War II brought an economic boom, including the construction of the Reynolds aluminum smelter.

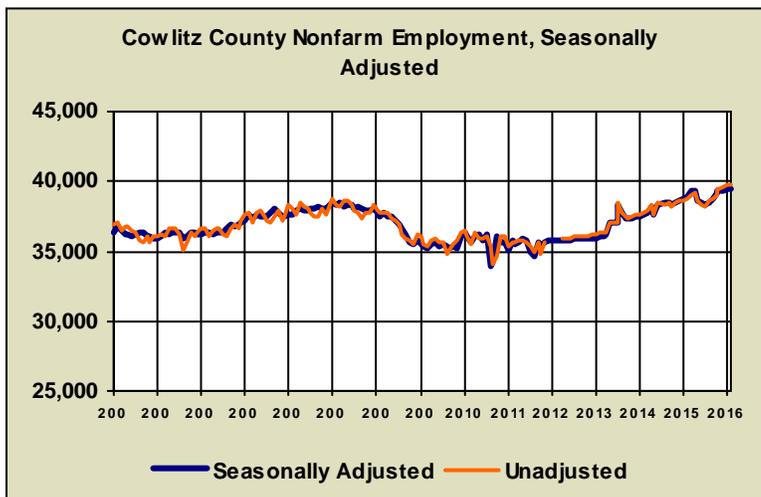
Much has changed in the intervening years. In the late 1970s, there were 6,400 timber jobs in the county, and a third of all jobs were in manufacturing. The county's per capita income was close to the state average and above the national average. Since then, timber and manufacturing employment has declined, and wages and income have not kept up with the rest of the nation. Over the years, however, the county has had some success with diversification.

Employment Trends

Regionally, the employment outlook appears to be on an upswing in Southwest Washington. The local labor market is showing signs of improvement. According to the U.S. Bureau of Labor Statistics estimates, Cowlitz County's non-farm employment rose by 300 jobs in August. Total employment was estimated at 39,000 jobs. Over-the-month, trade, transportation and utilities added 200 jobs, with smaller gains recorded in construction and state government. There was a small decline in manufacturing. Over the past year, nonfarm employment increased by 400 jobs (1.0 percent).

Listed below are the August 2015 - 2016 year-over-year adjustments in employment by occupational sector.

- ◆ **Construction** lost 100 jobs from the year-ago level.
- ◆ **Manufacturing** decreased by 200
- ◆ **Trade, transportation and utilities** expanded by 200 jobs.
- ◆ **Health care and social assistance** rose by 500 jobs.
- ◆ **State and local government** added 300 jobs throughout the year.
- ◆ **Leisure and hospitality** were up 300 jobs from a year-ago.

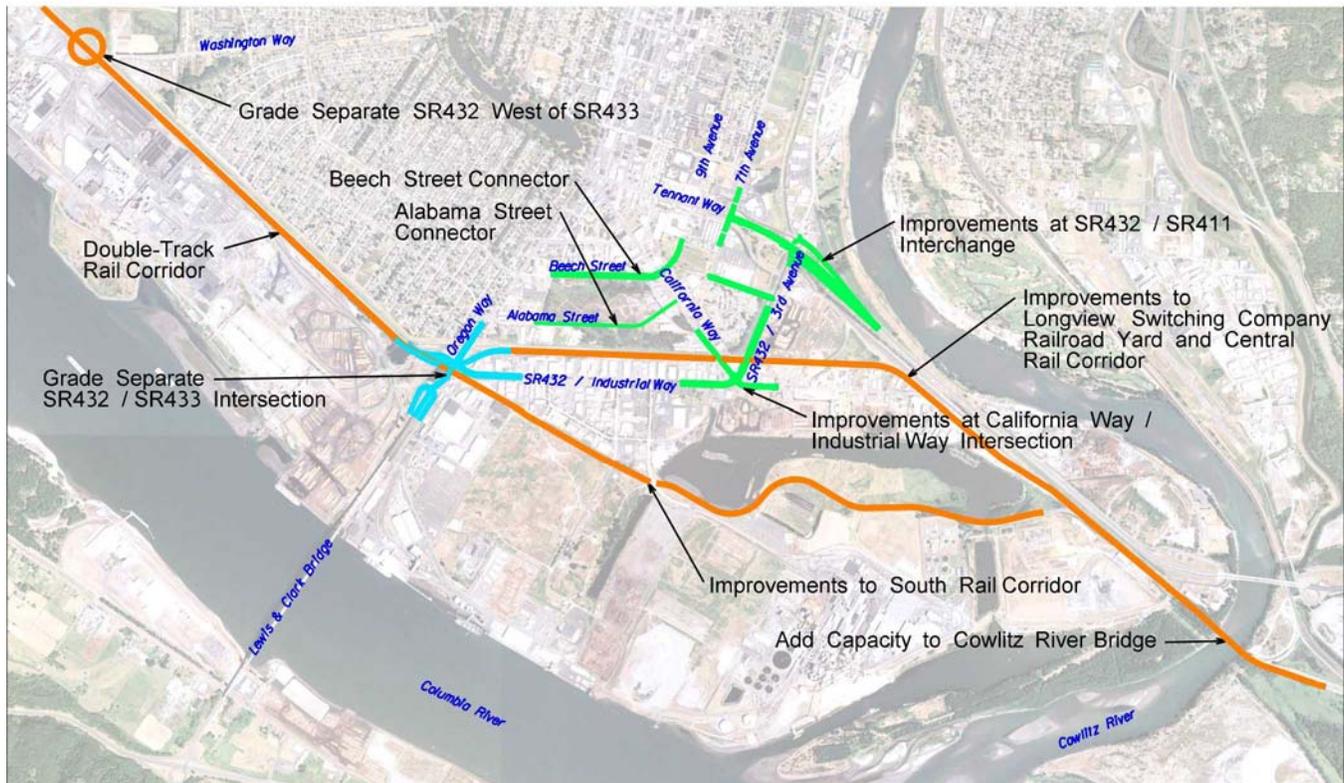


Source: Southwest Washington Labor Area Summary

The City continued its work on a variety of multifaceted projects and programs over the past year that we believe will yield great dividends to the City and surrounding communities as the economy continues to recover. Participation in county and statewide economic development organizations coupled with an ongoing partnership with Weyerhaeuser Real Estate Development Company (WREDCO) at the City's Mint Farm Industrial Park have allowed Longview to position itself as a prime location for manufacturing and warehouse/distribution companies.

Transportation & Trade Opportunities

The economy of most cities is reflective of the region in which they are located. Ideally situated along the I-5 corridor between Seattle and Portland, Longview provides business and industry an extensive network of transportation infrastructure. Longview is at the center of a comprehensive network of import/export shipping, warehouse/distribution facilities, and overland connections and efforts to support and improve these assets will pave the way to a brighter future.



For much of this region's history, economic growth and development has been driven by our strategic location and transportation infrastructure: waterways, railroads, and highways. Work dating back to the late 1980s, from initial discussions to deepen the Columbia River Shipping Channel and including two decades worth of public and private investment, has now positioned our area to take the next step to strengthen our economic future. The Channel Deepening project greatly increased the Port's capacity to move freight, but that freight has to get to and from the Port safely and efficiently. Our region's economic future will be determined, in part, by building on work dating back more than two decades, to improve key connections in our transportation infrastructure centered on the SR 432 Corridor. To do so, the local road and rail system that was constructed in the 1940s needs to become a modernized transportation system.

The recently completed SR432 Highway Improvements and Rail Realignment Project *Concept Development Report* has prioritized *Tiered* priority improvements that address issues of congestion, safety, mobility, and freight capacity that will impact the efficiency of our highway and rail system over the next 20 years. The grade separation of the SR 433/432 intersection has been identified as the highest priority improvement. The next project phase will begin preliminary design and environmental work for the grade separation project. Final design and construction will be completed as funding sources are secured.

Financial Summary

Among the benefits that are anticipated to result from this strategic infrastructure investment is a nearly 50 percent increase in employment opportunities by the year 2030. Vacant land along the corridor that could be converted to commercial, industrial, and residential use conservatively totals 1,078 acres. The strategic infrastructure investment envisioned by the SR 432 Project would create the necessary conditions to attract new businesses while helping existing businesses expand. The potential number of new jobs that could be generated by investments to improve the local transportation system and maximize the use of vacant lands is 3,390. Existing jobs in the SR 432 Corridor Study area, estimated at 7,110 in 2010, could grow to 10,500 by 2030 (Cowlitz-Wahkiakum Council of Governments, 2009) if we invest in our transportation infrastructure. Although improving the SR 432 rail and highway corridor alone will not solve all our economic challenges, this strategic investment will build the infrastructure improvements necessary to bring more business, industry, and jobs to our area while improving the SR 432 Corridor for all user modes.

In July 2016, the Washington state legislature approved a \$16.1 billion transportation revenue bill that included \$85 million for the State Route (SR) 432 and 433, Industrial Way/Oregon Way intersection. In addition to improving safety at this intersection, the Industrial Way/Oregon Way (IWOW) Intersection Project will significantly reduce congestion and enhance the economic potential of the region. Improvements at this intersection will create economic opportunities for new business development at the Mint Farm Industrial Park and aid existing companies in growing their business.

Regional Economic Development

The City of Longview also prides itself in being a proactive, business friendly partner and is actively supporting economic development, recruitment, and assisting existing businesses in Longview. The City partners with the Cowlitz Economic Development Council; local property owners; and developers of residential, commercial, and industrial property throughout Longview to attract economic opportunity for the city.

Together with Cowlitz County, Longview has advanced in the area of industrial site development which has attracted the attention of our governor, various state agencies, and economic development professionals throughout the region. Participation in county and statewide economic development organizations, coupled with an ongoing partnership with Weyerhaeuser Real Estate Development Company at the City's Mint Farm Industrial Park has resulted in Longview's continued position as a prime location for industrial/manufacturing, transportation/trade, and warehouse/distribution companies.

In addition to the City's Mint Farm Industrial Park, the County boasts the following industrial development opportunities:

- ◆ The Port of Longview developed its West and East Park industrial sites consisting of nearly 300 acres of rail served property. In 2010, the Port of Longview purchased an additional 280 acres west of Millennium (formerly Longview Aluminum) site for industrial development.
- ◆ The Port of Kalama's Kalama River Industrial Park is comprised of 75 fully serviced industrial acres in addition to its already developed 148 acres.
- ◆ A partnership with the federal government, the states of Oregon and Washington, and the ports along the Columbia River resulted in completion of a river channel deepening project that has expanded the capacity of shipping to accommodate large panamax ships that have made the region a significant competitor in Pacific Rim trade, for both the import and export markets.
- ◆ The Port of Woodland Industrial Park and surrounding sites offer nearly 180 acres of industrial land in close proximity to the Portland/Vancouver metro area.

All of these sites have attracted attention in recent years, as is demonstrated by ongoing economic development recruitment efforts and the location of business and industry.

Mint Farm Industrial Park



In 1996, the City initiated development of the Mint Farm Industrial Park on 125.6 acres of industrial land purchased from the Weyerhaeuser Real Estate Development Company (WREDCo). Phase I included the development of 88.2 acres for industrial sites fully serviced by road and utility infrastructure. Based on the City of Longview's success with Phase I, WREDCo began development of Phase II, the remaining 300+ acres of the Mint Farm.

Marketing efforts for the Mint Farm Industrial Park have been rewarded with the development of several industrial plant locations and site purchases. Toyocom Devices of America completed construction of its first U.S. manufacturing facility in 2001. Based in Japan, Toyocom manufactures synthetic quartz crystals utilized in the communications industry. Toyocom's investment in its 8.5-acre facility and equipment is in excess of \$20 million. Toyocom currently operates eight autoclaves for producing crystals at the Mint Farm Industrial Park. The crystals are shipped to Japan for assembly into final products for use in mobile communications equipment, personal computers, cameras, watches and CD/DVD equipment.

Flexible Foam Products, Inc., a subsidiary of Ohio Decorative Products, manufacturer of a broad range of polyurethane foam products for the flooring, bedding, furniture, automotive and packaging industries, has been in operation since 2004. The existing 168,000 square foot facility for their polyurethane foam manufacturing and distribution operations currently employs 85 workers.

Mint Farm Energy Center, LLC, completed construction and began operation of a \$200 million, 286-megawatt power plant in January 2008. The plant produces electrical power from a combined gas-fired steam turbine, and has a maximum output of 320,000 kilowatts per hour, enough energy to supply electricity to approximately 400,000 homes. The plant employs 16 full-time, industry-qualified personnel. In December 2008, the plant was sold to Puget Sound Energy to meet the long-term energy demands of the Puget Sound Energy customer base.

In October 2013, PNW Metal Recycling LLC purchased an existing facility in the Mint Farm Industrial Park. PNW Metal Recycling, LLC purchases and processes metal recyclables, as well as dismantles automobiles for reuse and resale of auto parts. The company employs ten full-time employees.



Financial Summary

Bell Lumber and Pole announced in July 2015, it will be breaking ground and opening a pole peeling yard in 2016. The Mint Farm location, part of a company expansion, is between existing facilities in Conway, Washington and Lebanon, Oregon. The manufacturer expects to hire between six and fifteen employees consisting of yard and administrative staff.

Other Economic Successes

Downtown and central business core development has shown significant activity since 2014. The City has several infrastructure initiatives underway including Phase 3 of the downtown streetscape project on Commerce Avenue estimated at \$1.1 million.



Recent investments in pedestrian and bicycle safety and mobility projects have provided improved access along the Washington Way and 15th Avenue corridors that are major transportation corridors into the business district. These improvements provide better connectivity from Lower Columbia Community College and other adjoining commercial/office districts to the Downtown Commerce district.

The arts have also become a major advance in the downtown. The Longview Outdoor Gallery now has a collection of 9 permanent and 6 exhibit sculptures throughout the

downtown. This gallery complements a variety of outdoor art that is displayed at City parks and buildings. The downtown also boasts the Columbia Theatre for the Performing Arts and Stageworks Northwest, 2 premier performing arts theatres that bring incredible musicals, drama's, and community theatre. Collectively, the arts are increasingly becoming a significant attraction to bringing visitors to downtown Longview.



Longview also stands to benefit from several commercial construction projects either recently completed or on the horizon for 2016. Commercial projects of note include:

- ◆ Canterbury Park Retirement Community's recent completion of a \$4.8 million 33-unit complex for senior living.
- ◆ The completion of a \$6.4 million renovation of the Myklebust Gym at Lower Columbia College.
- ◆ Stirling Honda's \$2.3 million construction and renovation for a new Honda dealership in 2016.
- ◆ Waite Specialty's \$1 million construction of a new machine shop.

Community leaders believe Cowlitz County is well positioned for continued economic success. Longview offers new and exciting opportunities with which few others can compare. Proximity to Portland, Oregon, and easy accessibility to a beautiful scenic environment give Longview a unique advantage. The Columbia River, gateway to the Pacific Ocean, abundant natural resources, and a productive labor force all attest to the reason Longview continues to be one of business and industry's top choices for location and expansion.

Lower Columbia College

Lower Columbia College (LCC) is a growing asset to Cowlitz County and the region's economic base. LCC was established in 1934 as Lower Columbia Junior College. In 1961 it was elevated to a community college. In 1967, it joined the state-supported community college system. Total enrollment in 2015/16 exceeded 6,350 students. and the top six areas of study include nursing, business management, welding, medical assisting, early childhood education, and criminal justice.



Meeting Community and Service Needs

During 2015 and 2016, the City of Longview planned and implemented several major Council initiatives designed to meet the need for services and improve the overall quality of life in the city.

Provide sustainable water quality & environmental infrastructure

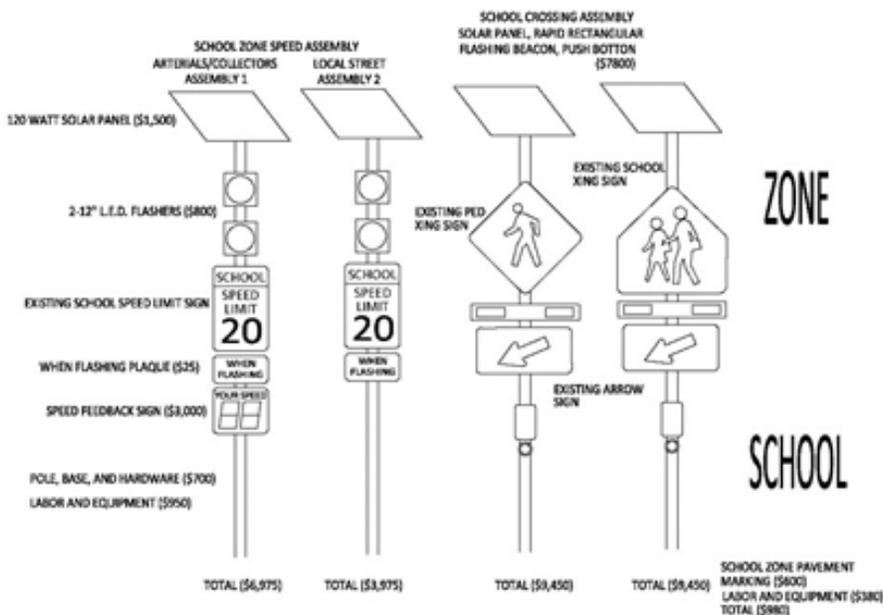
- ♦ **Mint Farm Regional Water Supply** - Due to the deteriorated condition of the Fishers Lane water treatment plant, fish screening that did not meet environmental regulations, a lack of capacity to meet future demand, and sediment buildup in the Cowlitz River continuing many years after the eruption of Mt. St. Helens, the City Council decided to build a new water treatment plant supplied by groundwater wells tapping into a deep aquifer at the Mint Farm Industrial Park. The new water supply began serving customers on January 31, 2013. After several months of operation, the change in water chemistry from the Cowlitz River to groundwater resulted in a significant increase in water quality complaints. Although the water was safe to drink, the City Council hired a firm to facilitate a Customer Advisory Committee and review options for improving the water supply. Based on the Committee recommendations, the City studied the feasibility of obtaining water from horizontal collector wells near the Cowlitz River in lieu of the Mint Farm groundwater. After drilling four test wells, the study concluded horizontal collector well water quality would not be any better than the Mint Farm groundwater and the City should continue using the Mint Farm water supply. The City will install dissolved oxygen injection, and is studying additional treatment processes to improve the quality of the treated Mint Farm water.
- ♦ **Water Main Replacements** – Due to water quality concerns generated by the Mint Farm water supply, the City installed 2,600 feet of new water main to improve distribution system flow and circulation, and replaced over 12,300 feet of deteriorated main. Work will continue to replace additional water mains during 2017 and 2018.
- ♦ **Lake Sacajawea Flushing project** - Since the early 1980s, water quality has been improved in Lake Sacajawea by flushing the lake during the summer with untreated Cowlitz River water from the Fishers Lane water treatment plant intake. The previous flushing method was no longer feasible on a long term basis after the Fishers Lane plant was decommissioned. After evaluating a number of alternatives, the City Council decided to modify the existing surface water intake to continue flushing the lake with Cowlitz River water. After a nearly four-year effort to obtain environmental permits, the City completed modifications to the intake to continue providing flushing water to Lake Sacajawea.

Financial Summary

- ◆ **Sewer Pump Stations Rehabilitation** – Many of the City’s sewer pump stations have reached the end of their useful life and must be replaced or upgraded to maintain reliability and safety. The City Council has authorized a multi-year program to rehabilitate all of the City’s sewer pump stations. During 2013 and 2014, the five most deteriorated pump stations were replaced at a project cost of \$8.4 million dollars, including a new forcemain to eliminate sewer overflows during heavy rainfall events. Design and construction to replace the next five sewer pump stations will begin in 2015 at an estimated cost of \$6.5 million.

Improve transportation systems

- ◆ **Signal and intersection improvements** – Pedestrian signal and curb bulb-out improvements were completed at various intersections along the 15th Avenue and Washington Way corridors to improve pedestrian safety and visibility along these busy streets.
- ◆ **New School Zone Signage** - The City began completing a project to upgrade school zone signage in all school zones in the Longview city limits to increase compliance with school zone speed limits and to improve safety at school crossings and within the school zones. Existing signs are replaced with flashing beacon signs, and school zones on major streets are receiving driver speed feedback signs at the start of the school zones. The final three schools will receive their school zone upgrades in early 2017.



- ◆ **RiverCities Transit** - The City of Longview operates the urban area’s public transit system in Longview and Kelso in accordance with a contract with the Cowlitz Transit Authority. Since 2008, when voters approved a sales tax increase for public transit, RiverCities Transit and the Cowlitz Transit Authority developed a Transit Enhancement Plan and began implementing the identified service improvements by hiring additional drivers, purchasing additional buses, and expanding fixed route and paratransit services in the community. Service expansion has included new and revised routes and stop locations, new schedules, and multiple cross city connector routes. Due to the



expanded service, RiverCities Transit has outgrown its facilities at the City Shop and the Downtown Transit Center. In September 2016, the City was awarded a \$2,784,000 federal transit grant to expand the Transit Center from 1,250 SF to 4,250SF to provide appropriate facilities for drivers and administrative staff, and to provide improved lobby, restroom, and shelter facilities for the public. A new bus drive aisle will more efficiently handle the larger buses currently operated by RCT and provide a safer vehicle circulation path that eliminates the need for pedestrians to cross a drive isle to catch a bus. The City was also awarded \$832,000 in federal funds to purchase two large fixed-route buses to replace two that are nearing the end of their useful life.

- ◆ **Street Maintenance** – A significant challenge facing the City is providing adequate maintenance of its roadway system. Although the City Council has increased funding for street maintenance materials, and a recent motor vehicle fuel tax increase included a small allocation to cities, at the current level of street maintenance funding, the overall condition of the City’s streets continues to drop. The City Council created a subcommittee to explore options for maintaining roadway condition and is considering forming a Transportation Benefit District to provide additional planning and funding resources dedicated to roadway maintenance and improvement.
- ◆ **Washington Way Bridge Replacement** -The deteriorating wooden Washington Way Bridge built in 1936 was replaced with a new concrete bridge. This project also uncovered and restored historic concrete street panels on the approaches to the bridge.
- ◆ **Columbia Heights Road Slide** – Columbia Heights Road experienced its second landslide in several years that blocked the roadway. The roadway was cleared, a temporary debris wall was installed, and the road reopened to traffic in several days. The City has received federal funding to construct a permanent retaining wall to prevent future road closures from landslides at this location, and the work will be completed in 2017.

Continue effective financial management

- ◆ **Sound financial management** – For the year ended December 31, 2014, the Government Finance Officers Association of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Longview. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of a state and local government financial report. The City of Longview has been the recipient of this prestigious award for the past twenty-one years.
- ◆ **Grants, contributions and donations** - Effective and responsible financial management of the City continues to be a top goal for the Longview City Council. Receiving \$6.1 million in federal awards and more than \$788,000 in state grant assistance helped the City to achieve this goal in 2015. City staff is very diligent in searching out and applying for federal and state funding opportunities wherever and whenever possible.
 - ◆ Longview Fire Department received a grant of approximately \$20,000 to purchase 10 sets of fire suppression clothing from Firehouse Subs.
 - ◆ The Friends of Longview Library and Longview Library Foundation gave approximately \$100,000 each year to support the library in purchasing materials and for library programs and events.
 - ◆ The Library received a grant of \$12,480 from the Washington State Library to purchase equipment, books, and related materials to teach technology classes for the public. The Friends of Longview Library and Longview Library Foundation gave approximately \$100,000 each year to support the library in purchasing materials and for library programs and events.



Financial Summary

- ◆ The City was awarded a \$2,784,000 federal transit grant to expand the Transit Center from 1,250 SF to 4,250SF to provide appropriate facilities for drivers and administrative staff, and to provide improved lobby, restroom, and shelter facilities for the public.
- ◆ City was also awarded \$832,000 in federal funds to purchase two large fixed-route buses to replace two that are nearing the end of their useful life.
- ◆ Parks and Recreation received over \$124,000 in contributions and donations so far this biennium. The City Neighborhood Park Grant was used for things such as the Community Gardens irrigation project, dog park improvements and Shay locomotive improvements (Community Gardens Photo)
- ◆ Longview Police Department has received over \$1,000,000 in grants, contributions, or donations such as the Bullet Proof Vest Grant, Homeland Security Grant, COPs Hiring Grant as well as the following:
 - ◆ JAG (SRO) - Justice Assistance Grant. LPD uses the Justice Assistance Grant funds towards a portion of the School Resource Officer program.
 - ◆ STOP grant – We aren't managing the STOP grant right now. In the past it was used for law enforcement training for all agencies in our county that focused on domestic violence, sexual assault and stalking.
 - ◆ WASPC (RSO) – LPD receives pass through monies from Washington Association of Sheriffs and Police Chiefs to be used for managing the registered sex offender verification program. A portion of a clerical position is funded with these monies as well as overtime funds for officer to go to home the home residence of sex offenders to verify they are living at the address where they have registered.
- ◆ **WellCity Award** – The City has received this award for the ninth consecutive year from the Association of Washington Cities Trust Benefit, resulting in a 2% reduction in insurance premiums. (WellCity)
- ◆ **Insurance Reductions** – As a result of an annual liability program audit conducted by the Washington Cities Insurance Authority (WCIA), the City has reduced its liability coverage premium by 7.4% in 2017. The City will be eligible for a similar cost avoidance for 2018.
- ◆ **Successful Bargaining Agreements** – Negotiations for all six bargaining units are currently underway. On-going labor/management meetings continue in an effort to maintain open lines of communication between union members and management. Compensation parameters have been established and approved for the 2017/18 biennium.



Strengthen economic conditions & create new opportunities

- ◆ **Improving the Vitality of Downtown** - Re-energizing and revitalizing Downtown Longview has been identified as an important step in helping our community to increase economic development opportunities. A community vision session in 2011 helped determine the best approach to obtaining greater economic vitality in downtown Longview. Improving the vitality of downtown Longview is a work in progress.
 - ◆ The City continues to implement the Downtown Action Plan that included many recommendations

to help increase the health and vitality of downtown Longview. Among the actions recommended, the City is currently working on the following:

- ◆ The second phase of a three-phase Downtown Streetscape Improvement Project was completed in 2016 with the third and final phase scheduled for construction in 2017.
- ◆ Tree lighting has been added to the landscape trees on the Commerce Avenue Corridor to enhance safety and visual appeal in the downtown in the evening hours. Tree lighting will be expanded to the third phase of the Downtown Streetscape Improvement Project once the project is complete.
- ◆ The City partnered with the Downtowners organization to install and maintain flower baskets on the new street light poles along Commerce Avenue in 2016. It is anticipated that this partnership will continue with fresh flower baskets placed on the street light poles in late spring 2017.
- ◆ The downtown continues to host annual events like the Bow-Tie Bash car show and new events like the Rustic Rubble Market to attract citizens and visitors to our downtown.
- ◆ Adoption of parking changes – A new parking scheme ordinance was approved and implemented. In 2011, Longview City Council modified several of the existing on- and off-street parking regulations in downtown Longview. These changes were based upon recommendations included in the City’s new downtown action agenda, which was developed with the input of many downtown businesses, employees, customers, residents, and others interested in the revitalization of downtown. The changes took effective January 1, 2012 and have been implemented on a two-year trial basis. Additional changes were made to parking regulations after the trial basis that included adding back permit parking in the three busiest city lots at the request of business owners.
- ◆ In 2012, the City completed a public design process for streetscape improvements in the Downtown Commerce District, with the initial phases focused on Commerce Avenue. Subsequently, the City received a number of federal, state, and county grants and has completed four blocks of the Commerce Avenue improvements. The fifth and final planned block of improvements will be constructed in 2017. These improvements provide pedestrian friendly street lighting, expanded sidewalk and gathering spaces, locations for public art, new street trees and landscaping, and pervious concrete crosswalks and biofiltration planters to manage storm water runoff.
- ◆ **Tennant Way Streetscape** - The City worked with local residents, businesses, and property owners, and the general public, to create a conceptual design of streetscape improvement ideas for the “gateway” into the City. The project was completed in 2015 and included ways to manage storm water runoff with low impact development (LID) techniques while enhancing the appearance of the streetscape. The project converted some curbside parking and median areas into attractive landscaping and biofiltration planters that capture and treat storm water.
- ◆ **Beech Street Drainage Improvement** – Design began for a project to replace a large aging and rotting wooden culvert beneath the Beech Street median between 21st and 28th Avenues. This project will be constructed in 2017 and 2018.



Enhance public safety and emergency response

Public safety - Public safety continued to be a priority among the Council’s strategic initiatives in 2015 and 2016. The Council stays committed to its ultimate goal of reducing crime to or below the crime rates for comparable cities in Washington state.

- ◆ **Drug Take-Back Events** – The Longview Police Department, along with other local law enforcement agencies, has conducted four different drug “take-back” events since 2011, giving the public another

Financial Summary

opportunity to prevent pill abuse and theft by ridding their homes of potentially dangerous expired, unused, and unwanted prescription drugs. The service is free and anonymous, no questions asked, and addresses a vital public safety and health issue. Several law enforcement agencies in Cowlitz County now offer permanent pill-disposal bins to keep unwanted prescription drugs out of the hands of drug abusers and the water supply.

- ◆ **Community Outreach and Partnership building** – Members of the department participate in shop with a cop each year, sit on many local community boards including the Anti-fraud coalition, Anti-Drug Coalition, Community House, Cowlitz Chaplaincy, Head Start, Emergency Support Shelter, United Way, Housing First Coalition, Crime Stoppers and others.
- ◆ **Cop Chats** – In 2016, Longview Police Department held two cop chat community meetings. Once focused on the topic of police and community relations and the second cop chat focused on gang activity in our community. The police department plans to continue holding community meetings in the future.
- ◆ **Coffee with a Cop** - Longview Police Department participated in a national program aimed at bringing police officers and community members together for informal conversations about topics of interest by the public. Longview Police Department partnered with 4 local coffee shops to hold their first event in the fall of 2016. Officers were located at all 4 locations for one hour and talked with community members who came to those locations.
- ◆ **Traffic Safety Emphasis** – Work with Cowlitz County and other law enforcement agencies to increase traffic patrols on selected dates targeting DUI, seat belt violations and texting and driving distractions. School resource officers participate and help coordinate the Every 15 Minutes program at both local high schools.
- ◆ **Photo Traffic Enforcement Pilot Program** – Because the City of Longview is committed to the safety of the community, it recognized that speeding in a school zone is a clear threat to public safety. The goal of Longview’s traffic safety photo enforcement program is to modify dangerous driver behavior and improve safety in school zones for our children. Speed cameras are currently in 6 of the school zones in the city limits of Longview. The council voted to not renew the contract with the city’s photo enforcement vendor. The program will end in December 2016.
- ◆ **Online reporting** -Citizens are encouraged to file online reports for minor incidents that have no suspects. Citizens may file online reports for hit-and-run accidents with no injuries, identity theft, lost property, theft, theft from a vehicle, vandalism, and vandalism of a vehicle. Besides freeing up officers to respond to and follow up on more serious crimes, the online reporting system is convenient for citizens because they can file such reports at any time of the day, and they don’t have to wait for an officer to arrive or call. In addition, citizens who use the online reporting system may print out their own reports. The web-based crime reporting service is available 24/7 through the City’s web site. In 2016, the police department expanded the use of online reporting to businesses for a merchant shoplifting reporting program. Security staff for several local retail businesses can complete shoplifting reports via this system which are then forwarded to officers for review. This saves time as officers do not have to respond to the store and complete the report.
- ◆ **Citizens Police Academy** - Longview Police Department partners with Kelso Police Departments and Cowlitz County Sheriff’s Office to host an annual Citizens Police Academy. The goal of the Academy is to provide useful information to citizens about law enforcement within our community. Instruction will be provided on Patrol, SWAT, Drugs, Use of Force, Street Crimes, K-9 and much more. The academy will offer tours of the Cowlitz County Jail, 911 dispatch center and students will be allowed to participate in a 3 hour police ride-a-long.



- ◆ **Longview Police engages with the community through social media outreach** - In 2015, Longview Police Department began using both Facebook and Twitter to communicate with the public. The department uses social media to interact with the community and share valuable information in a timely manner. The information shared has varied from crime prevention tips to photos of suspects where the community's help is needed for identification. The police department has also used social media to help locate the owners of lost property, locate missing children, share street closure information, distribute safety information to the public when suspects are on the loose.
- ◆ **Crime analysis tool available to the public**- Longview and area residents can find out more about police calls in their neighborhoods thanks to a public crime map developed by BAIR Analytics and offered by RAIDS Online. According to the website, "RAIDS Online connects law enforcement with the community to reduce crime and improve public safety. Crime mapping helps the public get a better idea of the crime activity in their area so they can make more informed decisions about how to stay safe."
- ◆ **Fire suppression highlights - Council adopted fire suppression standard of coverage**; the adopted response time standard of 6 minutes or less 90% of time to fires is met 62% of the time;
- ◆ **Fire & EMS enhancement highlights** - Council adopted EMS standard of coverage; response time of 6 minutes or less 90% of time to emergency medical incidents is met 81% of the time, Longview Fire Department now employees nine firefighter/paramedics, and engines staffed with paramedics are making a difference in patient outcome. The most remarkable highlight is recovery from Cardiac Arrest. In the case of Cardiac Arrest patients, when bystander CPR is initiated of a witnessed arrest, LFD/AMR is transporting 87% to the hospital with a return of spontaneous circulation and 57% of those patients are discharged from the hospital with little noticeable neurological deficits.



Address quality of place issues

- ◆ **Community events** - Longview residents continue to take pride in the community by supporting and participating in annual events such as Squirrel Fest (fourth year), and the Cardboard Boat Regatta (sixth year). Other annual events include Go 4th, the Christmas Parade and tree lighting, Unique Tin Car Cruise, the summer concert series at Lake Sacajawea, Longview Soccer Club's Kickoff Classic, numerous health and fitness walks and runs, and assorted sporting events like this year's Babe Ruth World Series and Cowlitz Black Bears baseball. Longview Parks and Recreation hosted Concerts at the Lake, Movies at the Lake, \$5 5k Run Series, Adult Softball Tournaments, Family Outdoor Adventure, Swim Dash Splash Triathlon, Passport to Healthy Families, Handcrafted Holiday Bazaar, Father Daughter Ball, Seahawk Poker Walk, Breakfast with Santa, Extreme Machine, Mud Day, Photo Show, and many other community wide events.
- ◆ **Facilities joint use agreement** - A renewed facilities joint use agreement and collaboration with the Longview School District continues to be a positive relationship that benefits students and community residents.
- ◆ **Neighborhood Park Grants** – This long-standing program administered by the Parks and Recreation Department continues to leverage volunteer hours and financial contributions from a variety of organization to upgrade existing facilities and install new ones throughout the City's parks system. An exciting example of that is a new disc golf course at Roy Morse Park.



Financial Summary

- ◆ **Concessions at Lake Sacajawea** - The city has approved on a trial basis to host a food and beverage concession as well as a non-motorized boat rental concession at Lake Sacajawea. Additionally, the city opened up the summer concert series to allow for an additional vendor during the summer concert series. Vendors have been successful and the program will continue with evaluation.
- ◆ **Middle School Golf Program** - Individuals from the Pro Shop, Maintenance Staff, and volunteers donated time and effort to provide a free program of instruction on introductory golf to middle school students. Over 100 students participated in the program and look forward to doing it again in years to come.
- ◆ **Golf Course Improvements** - A new 30 space cart storage facility was constructed and a celebratory grand opening was held. In addition to the cart storage facility, a new roof over the outdoor seating was installed, an HVAC system was put in, and the restrooms in the clubhouse were painted.
- ◆ **Tree City USA designation** – The National Arbor Day Foundation once again named Longview a Tree City USA. 2016 is Longview’s 33rd year as an official Tree City. The designation of Tree City USA gives Longview access to special Federal & State grant opportunities relating to the care, management, and replacement of trees in our beautiful urban forest. This year Parks and Recreation Partnered with local elementary schools to create a contest for Arbor Day. Columbia Valley Gardens was the winning school and a tree was planted in their school garden in honor of Arbor Day
- ◆ **Comprehensive Plan** - The 2016 -2022 Park and Recreation Comprehensive Plan was approved and adopted. The Comprehensive Plan gives Longview the ability to apply for State and Federal Grants and also lines out the priorities and goals for the department.
- ◆ **AWC Municipal Excellence Award** - The Parks and Recreation Department received an AWC Municipal Excellence Award for Empowering Citizens for the Neighborhood Park Grant Program and the Cloney Skate Park Revitalization Project. Volunteers from the community, local schools, and the skateboarding community joined together to install a geometric paint project overlaying the Cloney Skate Park. Since the installation, there has been a greater sense of community pride in the park and less vandalism and trash has occurred.
- ◆ **Grant to Support Local Out of School Time Programs** - Longview Parks and Recreation in partnership with the National Recreation and Park Association (NRPA), has received \$25,000 in grants to support its out-of-school time healthy food access and nutritional literacy programs. The gift is part of a \$2.3 million grant NRPA received from the Walmart Foundation to support out-of-school time programs in 80 park and recreation agencies. The purpose of the grant is to: increase access to healthy meals, provide nutrition education, and implement physical activity standards.
- ◆ **Community Partnerships** - Longview Parks and Recreation, Youth and Family Link, and the YMCA worked together on two events, Passports to Healthy Families and Swim Dash Splash Triathlon. Working together allowed for these programs to reach a broader audience, share in the resources, and collaborate moving forward in making our community healthier.
- ◆ **Fire Department Open House** - Each year the Longview Fire Department invites area pre-school, kindergarteners, and 1st graders, to tour the station during Fire Prevention Week. In 2015 we had over 600 children, teachers and parents visit. A few highlights included Smokey Bear, Sparky the Fire Dog, Life Flight, Cowlitz County Search and Rescue, Cowlitz County Head Start, Longview Police Department, Underwriter Laboratories, Longview Parks and Recreation and St Johns Trauma unit.



- ◆ **Longview Fire Marshal Emphasizes Fire Safety** - During 2015, with unseasonably warm and dry weather, the City of Longview strongly encouraged its citizens to be extra vigilant with the use of Fire Works. Due to the extra precautions taken by many of the public, the City suffered very few fireworks damages. In addition, Longview Fire assigned personnel to respond to assist in State Mobilization Wildfire events during the summer of 2015.
- ◆ **Community Risk Reduction** – In partnership with Vision 20/20, LFD personnel installed 366 Smoke Alarms in Highland area homes. During those installations, LFD personnel also worked with the tenants to identify other hazards and helped to make them aware of other risks that are in the areas of their homes. During the most recent biennium Longview Fire personnel participated at least monthly in Safe Kids events. LFD assisted with distribution of bicycle helmets, outfitting Life Jacket Loaner boards and installation of Car Seats.
- ◆ **It is the season for child window falls** - Longview Fire Department in conjunction with KLTV and other Public Education experts created a video for creating awareness of child fall hazards, especially children from windows in homes. Along with the awareness education, LFD recommends installation of fall prevention devices that are difficult for young children to operate but are easily opened by an older child or adult.
- ◆ **New Library programs** - The Longview Public Library began computer/technology classes for the community located both in the library and also out in the community at senior living facilities. These ranged from basic computer classes, to using the Internet, selecting the right computer/digital device, and how to use the library’s digital services. The classes have been taught by library staff and volunteers from the community. The library also began a weekly tech help time every Thursday afternoon from 1-3 pm to help members of the community better learn how to use their laptops, tablets, e-readers, and smartphones.
- ◆ **Library goes high-tech** - The Library now offers access to over 56,000 e-Books, e-Audiobooks, digital music and movies through the Washington Anytime Library and Hoopla which was added in 2016 to increase the public’s access to digital material. We also have access to the online databases Consumer Reports, the Auto Repair Center, Reference USA, and ProQuest.
- ◆ **Library events** - Youth Services had a big couple of years with an average of 1,200 Longview children participating in the county-wide Summer Reading program each year. Over 600 children and their families celebrated a successful summer of reading by attending Literacy Night with the Black Bears where every child who reached their reading goal received tickets (and a hot dog and drink) to a Cowlitz Black Bears game. Finally, we had 600 children and their families at our Little Monster Mash in 2016 (there were 400 in 2015) filling up the entire lower floor of the library
- ◆ **Reciprocal borrowing** - A pilot project with City of Kelso began in April of 2015 offering reciprocal borrowing privileges between the Longview and Kelso Public Libraries. Patrons, in good standing, from either library could go to the other library and get a library card from that library with full borrowing privileges. At the end of the pilot project, both library boards and City Councils agreed to continue the reciprocal borrowing for three more years until June of 2019.
- ◆ **Library cards for business owners** - The library offered library cards to all Longview business owners and property owners who weren’t already a resident of Longview or the Cowlitz County Partial-County Rural Library District in its effort to reach to small business owners with the resources and materials we have to help them succeed.



Financial Summary

- ◆ **Longview Library's 90th Birthday** - The library celebrated its 90th Birthday with a month of programming and events that culminated in an Open House. As part of its celebration, the library began a pilot project eliminating most overdue fines except on high demand items and equipment.
- ◆ **New library card** -The Longview Library unveiled its new, and improved, library card featuring the library's new logo that also include a smaller version of the card that goes on your key ring for easy convenience.
- ◆ **Boards & Commissions online** - The executive department launched its new boards and commissions webpage. The new Boards and Commissions application allows citizens to learn detailed information about each board or commission, view current rosters, see current or upcoming vacancies, and even apply online. The end result was a significant time and cost saving for the City and greater public awareness of the boards and commissions appointment process.
- ◆ **GovQA**- The City launched GovQA, a web-based public records request software solution that allows requesters to find information or submit a public records request over the web. It has helped streamline *the City's* processes and has enhanced collaboration across departments.
- ◆ **Recurring credit card payments** – City of Longview customers now have the ability to pay their bill automatically each billing period by activating the recurring credit card feature found on the City's online service access page at www.mylongview.com or visiting the Finance department during business hours.
- ◆ **The Historic Shay Locomotive** – The restored Shay locomotive has been returned to the site next to the Longview Public Library in the Civic Center District. Hundreds of visitors have had the opportunity to see the inside of the Shay locomotive, ring the bell or sound the whistle thanks to volunteers who open the Shay for special events. The donation of custom staircases for use during special occasions has helped train enthusiasts get a closer look at this historical artifact. The City applied for a 2016 State Heritage Capital Grant to help complete the Shay pavilion. The project is ranked 13 out of 30 and stands to receive \$60,000 to complete the project, including sidewalks, benches, lighting and interpretive panels. Improvements to the squirrel statue are also planned by community groups.
- ◆ **Project Longview Community Assessment Team** - Recent accomplishments of the task force include successful advocacy of a façade improvement program for downtown buildings and renovating RA Long Park, and identifying locations and developing designs for large “Welcome to Longview” signs at three different gateways into the City. The first such sign was constructed and installed in 2014 as a result of a generous donation from the JH Kelly Corporation. Project Longview has turned its attention to a creation of a Master Wayfinding System Plan in coordination with the City of Kelso.



Preserve and enhance neighborhoods

- ◆ **Cleaner Neighborhoods** – Several projects and programs within the City are valuable resources for making our community a better place to live.
 - ◆ **City Beautiful** - The sixth annual City Beautiful Month this past September gave residents an opportunity to get rid of items around the house. Additionally, the City also used this as an opportunity to remind residents about keeping their respective alleys clean, if applicable, including such areas as cutting overgrown grass, weeds and other vegetation. In the six years this event has redeemed 6,001 free disposal coupons, while disposing of 1,620 tons of garbage at a cost of \$78,585.
 - ◆ **Efforts to reduce recycling contamination**– Educational efforts by the Solid Waste and Recycling Division resulted in the recycling contamination rate dropping from 45% in 2006 to 19.1% through August 2016. The recycling website and Facebook page that were developed in July 2011 continue

to be a valuable resource for residents to learn more about the benefits of recycling and ways to reduce contamination.

- ◆ **Highlands Neighborhood Association (HNA)** - With the formation of the HNA back in 2008, a revitalization plan was developed that focuses on crime prevention, housing, economic development, and public facilities and services. This program continues strong with the completion of projects such as the Highlands Neighborhood Trail and the Highlands Community Center/Library.
- ◆ **Zoning Code Update** – Staff continues to update the Longview City Zoning Code to facilitate highest and best use of properties, preserve neighborhoods, encourage economic growth and activity, and provide a quality sense of place.
- ◆ **Critical Areas Code Update** – The city is on schedule to complete update of the Critical Areas Code in June of 2017.
- ◆ **Historic Preservation** – Two houses have been added to the Longview Historic Register since a 4-part public engagement process was completed in spring of 2016 with residents of the Old West Side Neighborhood. The Monticello Hotel is under new ownership and will have a renovation to restore the hotel close to its original design. In return the project may take advantage of a special tax break for historic restoration projects.
- ◆ **RA Long Park Upgrades** – The City completed phase one of a project to improve RA Long Park by relocating the bust of RA Long from the park to the south plaza in front of the Longview Public Library, and demolishing the concrete central plaza. This was the first phase of the RA Long Park Master Plan approved by the Longview Historic Preservation Commission to replace damaged concrete in the plaza, park pathways, and perimeter sidewalks, and install a decorative water fountain in the central plaza. The next phase of the project to construct the fountain and install new concrete will begin in 2018.

Financial Summary

Budget Summary

General Governmental Functions

General Governmental Functions relate to the types of services that are customarily provided by local government in Washington State. These services are administered through the General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds, and Fiduciary Funds. These funds account for the major portion of the City's operating revenues and expenditures. The General Governmental Functions provide the greatest opportunity for discretionary decision-making by the City Council and thus become the primary focus of the City's budgetary decision-making.

Financial and Budgetary Controls

Financial and budgetary controls are derived from the City's accounting system that is based on a *fund* structure. Funds are independent fiscal and accounting entities containing a self-balancing set of accounts segregated for the purpose of carrying out basic functions in accordance with special regulations, restrictions or limitations. The funds may be further broken down internally into departmental or other purposes for better budgetary control and performance monitoring.

Longview uses the same system of accounts and funds for budgeting, financial control and reporting. These funds and their account groups are summarized into the standard fund types and account groups in accordance with the standards set forth by the *Governmental Accounting Standards Board*.

In addition to being the basis for the accounting system, the funds also provide the legal budgetary control level for all expenditures. The City Council approves appropriations for all budgeted funds. The department heads are responsible to the City Manager for monitoring individual budgets.

Compliance with State Budgeting, Accounting and Reporting System (BARS)

The City of Longview is required by the State of Washington to comply with the *Budgeting, Accounting and Reporting System (BARS)* prescribed by the Washington State Auditor as authorized under the Revised Code of Washington (RCW) 43.09.200 and 43.09.230. The RCW also provides for annual independent audits by representatives of the Office of the State Auditor and requires the submission of annual financial reports to their office for review.

The financial system used incorporates many financial and administrative controls that ensure the safeguarding of City assets and the reliability of financial reports. These controls are carefully designed to provide some reasonable assurance that all transactions are executed in accordance with management authorization and recorded in conformity with *Generally Accepted Accounting Principles (GAAP)*. These controls also provide for the accountability of and control over City assets and obligations. For these reasons, a high priority is placed on internal control systems.

The City of Longview maintains tight budgetary controls. The objective of these budgetary controls is to ensure compliance with the requirements included in the biennial appropriated budget approved by the City Council. Project-length financial plans and programs are approved by the Council for the projects and goals of the various capital improvement funds of the Capital Projects and Enterprise fund types. The level of budgetary control (the level at which expenditures cannot legally exceed appropriations) is established at the fund level and authorized by the City Council. Therefore, a budget increase or decrease must be authorized by the City Council. The City of Longview continues to meet its responsibility for sound financial management.

Fund Accounting

The accounts of the City of Longview are organized on the basis of funds, each of which is considered a separate accounting entity. Each fund is accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. The City of Longview's resources are allocated to and accounted for individual funds depending on what they are to be spent for and how they are controlled. The individual funds are summarized by fund type in the financial statements. The following are the fund types and account groups used by the City of Longview.

Governmental Fund Types

All governmental funds are accounted for on a "flow of current financial resources" measurement focus. This means that only current assets and current liabilities are generally included on balance sheets. Their reported fund balance is considered a measure of "available expendable resources." Governmental fund operating statements focus on measuring changes in financial position, rather than net income; they present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in spendable resources.

- ◆ General Fund - The General fund is the general operating fund of the City of Longview. It is used to account for all financial resources and transactions of the City, except those required to be accounted for in another fund.
- ◆ Special Revenue Funds - Special Revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes as required by law or administrative regulation.
- ◆ Debt Service Funds - Debt Service funds are used to account for the accumulation of resources for, and the payment of long-term debt principal, interest and related costs.
- ◆ Capital Projects Funds - Capital Projects funds are used to account for financial resources which are designated for the acquisition or construction of general governmental capital improvements.
- ◆ Permanent Funds - Permanent funds are used to report resources that are legally restricted where only earnings, and not principal, may be used to support government programs.

Proprietary Fund Types

Proprietary funds are accounted for on a "flow of economic resources" measurement focus. All activities where net income and capital maintenance are measured are reported in proprietary funds. This means that all assets and all liabilities (whether current or non-current) associated with their activity are reported on their balance sheet. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund operating statements report all increases (revenues) and decreases (expenses) in economic activities toward the determination of net income.

- ◆ Enterprise Funds - Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private enterprise where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy management control accountability or other purposes.
- ◆ Internal Service Funds - Internal Service funds are used to account for the financing of goods or services provided to other departments or funds of the City of Longview or to other governmental units on a cost-reimbursement basis.

Fiduciary Fund Types

Fiduciary funds account for assets held by the City of Longview on behalf of individuals, private organizations, other governments and other funds.

Financial Summary

Revenue Sources for the City of Longview

	2014 Actual	2015 Actual	2016 Budget	2017 Budget	2018 Budget
<u>Taxes</u>	\$25,748,453	\$26,325,005	\$26,774,350	\$27,463,000	\$28,012,750
	<p>Taxes are assessments levied to support a wide variety of governmental services. Major General Fund tax sources for the City of Longview include property taxes, retail sales and use taxes, business and occupation taxes, and utility taxes. Combined, these resources account for 78% of General Fund revenue. Tax revenue estimates for the upcoming biennium reflect a 2.6% increase in 2017 and a 2% increase in 2018. These estimates provide for modest growth in virtually all segments of tax revenue. Property tax revenue estimates assume a 1% increase in addition to annexation and new construction. Sales and B&O tax estimates provide for moderate increases reflecting ongoing modest improvement in the area economy. Anticipated growth in 2017-18 utility tax revenue estimates are due to anticipated utility rate hikes in both, private and public utilities. Estimates are based upon historical trends and a general awareness of occurrences in the local economy.</p>				
<u>Licenses & Permits</u>	\$804,455	\$777,951	\$794,850	\$886,000	\$908,000
	<p>Licenses are required for certain trades, occupations or activities for regulatory purposes. Permits are issued to aid in regulation of new business activity. Major license and permit revenue sources are business licenses and building-related permits. Building permit revenues have begun to show signs of improvement recently and are expected to grow by more than ten percent over the upcoming biennium. 2017-18 business license revenue estimates provide for modest increases.</p>				
<u>Intergovernmental</u>	\$1,856,576	\$1,814,718	\$1,484,150	\$1,848,450	\$1,902,000
	<p>Intergovernmental revenues consist of grants and remittances to the City from other governmental units. Federal grants, state-shared revenues and inter-local distributions are primary sources of intergovernmental revenue. The increase in 2017-18 intergovernmental revenue is largely due to increasing motor vehicle fuel tax distributions due to the Legislature's approval of a transportation package and an increase in the gas tax.</p>				
<u>Charges for Services</u>	\$3,288,333	\$3,632,684	\$3,900,680	\$3,656,710	\$3,755,790
	<p>Charges for Services represent revenues received for various programs/services provided to the community. Examples of fees collected include those for recreational programs, engineering and administrative overhead charges. The City of Longview also receives fees from area industries just outside of city limits for fire protection services. The decrease in 2017-18 charges for services is directly due to a reallocation of administrative overhead charges.</p>				

	<u>2014</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>	<u>2016</u> <u>Budget</u>	<u>2017</u> <u>Budget</u>	<u>2018</u> <u>Budget</u>
<u>Fines & Forfeits</u>	\$618,809	\$608,408	\$655,800	\$595,750	\$603,250
	<p>Fines and forfeits are terms used to describe a source of general revenue that is perhaps more properly described as penalties. Primary sources of revenue received from penalties include municipal court fines and library fines. Based on recent trends, the City of Longview is anticipating a decrease in its fines and forfeiture revenues.</p>				
<u>Miscellaneous</u>	\$244,411	\$312,674	\$192,340	\$367,890	\$376,540
	<p>Miscellaneous revenue is received from sources not provided for elsewhere within the BARS revenue account structure. Interest earned on investments, income from rentals and leases of City-owned property and private contributions are the primary sources of revenue in this category. The 2017-18 miscellaneous revenue estimates anticipate growth from all revenue streams accounted for within the Miscellaneous category. In addition, to increasing inflows of private contributions for a variety of the City's recreational programs combined with increased revenues from space and facility rents, the City expects to receive greater returns on its investments as interest rates begin to rise.</p>				
<u>Other Financing Sources</u>	\$576,051	\$113,692	\$188,660	\$135,000	\$140,000
	<p>Other Financing Sources represent general revenue received from proceeds derived from the sale of fixed assets and inter-fund transfers received from other funds. The Other Financing Sources amounts displayed for 2017-18 reflect transfers from the Public Safety Fund for its respective share of the costs associated with the traffic engineer's position.</p>				
<u>TOTAL REVENUES</u>	\$33,137,088	\$33,585,132	\$33,990,830	\$34,952,800	\$35,698,330
	<p>In total, General Fund revenue estimates reflect increases of 2.8% and 2.1% respectively, in the upcoming 2017-18 biennium. Throughout 2015 and 2016, Longview witnessed growth in its retail trade activity. While a small portion of the increase can be attributed to one-time construction projects, the remainder lends itself to an improving economy. The City's recent investment in infrastructure projects such as the Washington Way bridge, Tennant Way and the Downtown Streetscape projects combined with the private investments taking place in the downtown have created a real optimism for area citizens. This public-private investment bodes well for the City and sets the stage for continued economic growth as we look ahead into the future.</p>				

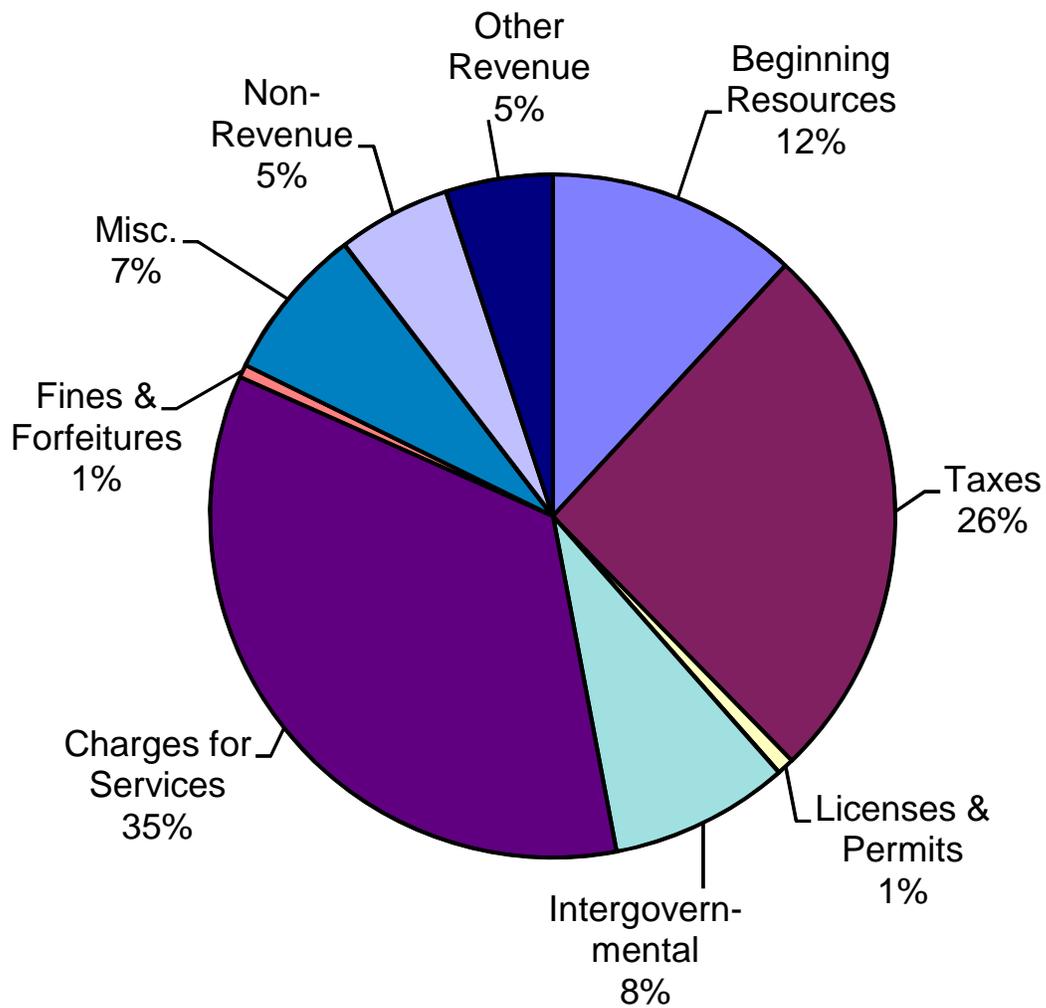
Financial Summary

Revenue Summary for 2017 By BARS Revenue Source

B.A.R.S. I.D. Revenue Type	308 Beg. Res.	310 Taxes	320 Lic. & Permits	330 Intergov.	340 Chg. For Ser.	350 Fines & Forf.	360 Misc.	380 Non-Rev.	390 Other Rev.	Total Revenue
GENERAL FUND:										
General Fund	\$1,658,860	\$27,463,000	\$886,000	\$1,848,450	\$3,656,710	\$595,750	\$367,890	\$0	\$135,000	\$36,611,660
SPECIAL REVENUE FUNDS:										
Arterial Street Fund	\$371,570	\$0	\$0	\$1,437,630	\$0	\$0	\$0	\$0	\$695,000	\$2,504,200
Downtown Parking Fund	\$28,570	\$0	\$0	\$0	\$0	\$21,200	\$19,550	\$0	\$0	\$69,320
Economic Development Fund	\$199,810	\$557,500	\$0	\$0	\$2,500	\$0	\$5,400	\$0	\$0	\$765,210
HOME Fund	\$0	\$0	\$0	\$352,500	\$24,000	\$0	\$0	\$0	\$0	\$376,500
CDBG Entitlement Fund	\$0	\$0	\$0	\$327,500	\$0	\$0	\$0	\$0	\$0	\$327,500
Criminal Justice Assistance Fund	\$569,250	\$0	\$0	\$309,660	\$0	\$0	\$24,300	\$0	\$0	\$903,210
Public Safety Fund	\$1,414,380	\$0	\$0	\$135,000	\$0	\$70,000	\$300	\$0	\$0	\$1,619,680
Tourism Special Revenue Fund	\$15,840	\$40,000	\$0	\$67,000	\$0	\$0	\$0	\$0	\$0	\$122,840
Parks & Rec. Memorial Trust Fund	\$94,500	\$0	\$0	\$0	\$0	\$0	\$1,000	\$0	\$0	\$95,500
Northwest Health Foundation	\$0	\$0	\$0	\$0	\$0	\$0	\$18,000	\$0	\$0	\$18,000
DEBT SERVICE FUNDS:										
2007 L.T.G.O. Bond Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$213,800	\$175,000	\$244,280	\$633,080
Special Assessment Bond Red. Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$45,000	\$0	\$0	\$45,000
Special Assessment Guaranty Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,000	\$15,000
CAPITAL PROJECTS FUNDS:										
Capital Projects Fund	\$109,720	\$285,000	\$0	\$4,000	\$0	\$0	\$11,000	\$0	\$10,000	\$419,720
L.I.D. Construction Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,350,000	\$3,350,000
Building Replacement Fund	\$263,750	\$0	\$0	\$0	\$0	\$0	\$1,250	\$0	\$0	\$265,000
PERMANENT FUNDS:										
Library Memorial Trust Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000	\$0	\$0	\$1,000
ENTERPRISE FUNDS:										
Water Operations Fund	\$0	\$0	\$0	\$0	\$5,413,660	\$0	\$6,250	\$0	\$0	\$5,419,910
Water Construction Fund	\$2,442,740	\$0	\$0	\$0	\$2,205,200	\$0	\$1,500	\$470,000	\$0	\$5,119,440
Sewer Operations Fund	\$87,140	\$0	\$0	\$0	\$11,531,120	\$0	\$10,200	\$90,860	\$0	\$11,719,320
Sewer Construction Fund	\$4,488,000	\$0	\$0	\$0	\$0	\$0	\$5,000	\$1,412,000	\$0	\$5,905,000
Filter Plant Operations Fund	\$0	\$0	\$0	\$0	\$1,187,300	\$0	\$0	\$0	\$0	\$1,187,300
Filter Plant Construction Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$83,450	\$486,550	\$570,000
Sanitary/ Recycling Fund	\$0	\$0	\$0	\$0	\$5,234,300	\$0	\$6,000	\$0	\$0	\$5,240,300
Storm Water Fund	\$635,400	\$0	\$0	\$0	\$4,101,640	\$0	\$10,000	\$3,636,820	\$48,200	\$8,432,060
Transit Operations Fund	\$0	\$0	\$0	\$4,800,490	\$3,972,310	\$0	\$25,590	\$0	\$0	\$8,798,390
Mint Valley Golf Fund	\$0	\$0	\$0	\$0	\$586,950	\$0	\$55,600	\$0	\$0	\$642,550
Mint Valley Racquet Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,100	\$12,100
INTERNAL SERVICE FUNDS:										
Insurance Reserve Fund	\$0	\$0	\$0	\$4,000	\$0	\$0	\$1,514,480	\$0	\$0	\$1,518,480
Office Equipment Reserve Fund	\$593,200	\$0	\$0	\$0	\$44,500	\$0	\$873,680	\$0	\$0	\$1,511,380
Equipment Rental Operations Fund	\$0	\$0	\$0	\$0	\$74,700	\$0	\$1,834,090	\$0	\$0	\$1,908,790
Equipment Rental Reserve Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$1,969,670	\$0	\$0	\$1,969,670
Facility Maintenance Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$642,000	\$0	\$0	\$642,000
Unemployment Compensation Fund	\$27,000	\$0	\$0	\$0	\$0	\$0	\$500	\$0	\$0	\$27,500
Employee Benefits Reserve Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$358,280	\$0	\$0	\$358,280
FIDUCIARY FUNDS:										
Firemen's Pension Fund	\$43,200	\$0	\$0	\$50,250	\$0	\$0	\$850	\$0	\$543,340	\$637,640
TOTALS	\$13,042,930	\$28,345,500	\$886,000	\$9,336,480	\$38,034,890	\$686,950	\$8,022,180	\$5,868,130	\$5,539,470	\$109,762,530

Revenue Summary for 2017

Pie Chart Breakdown



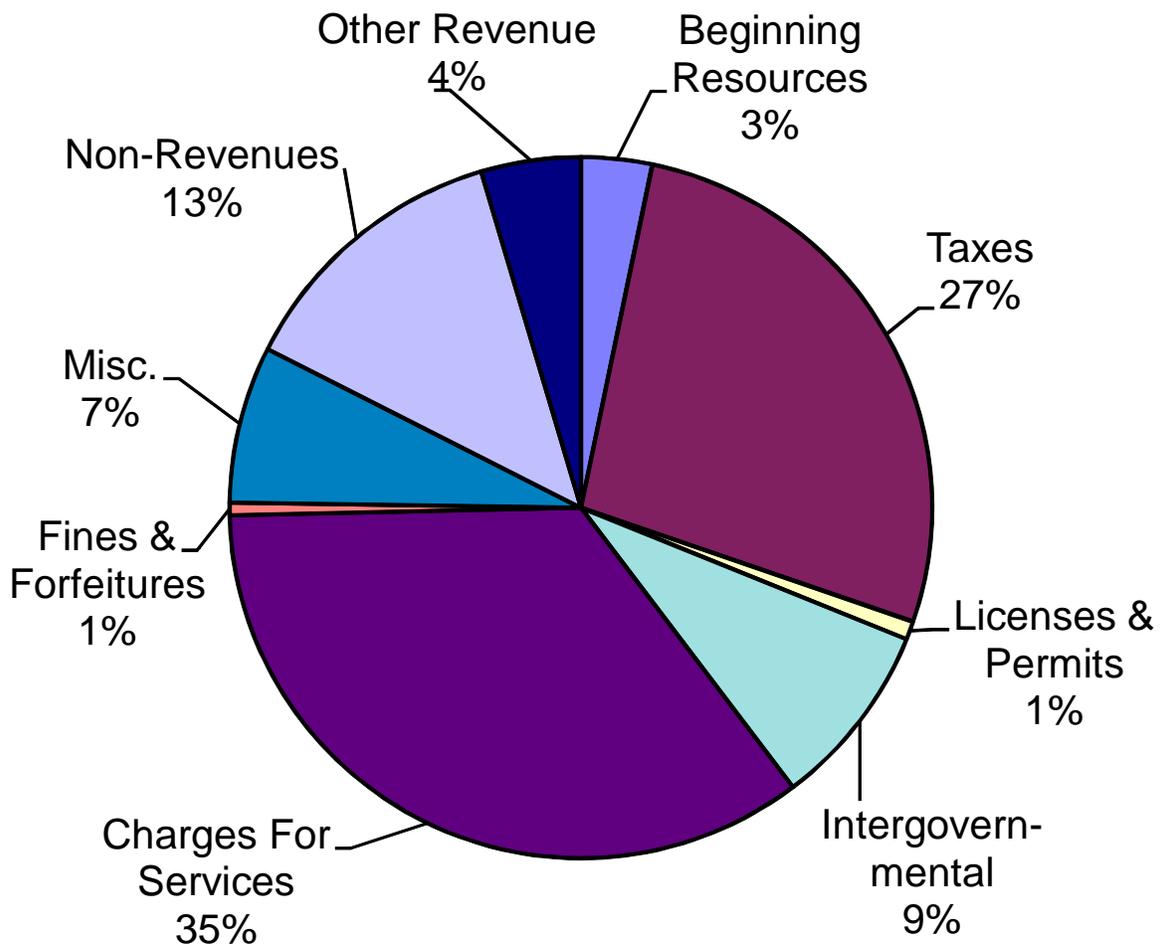
Financial Summary

Revenue Summary for 2018 By BARS Revenue Source

B.A.R.S. I.D. Revenue Type	308 Beg. Res.	310 Taxes	320 Lic. & Permits	330 Intergov.	340 Chg. For Ser.	350 Fines & Forf.	360 Misc.	380 Non-Rev.	390 Other Rev.	Total Revenue
GENERAL FUND:										
General Fund	\$2,073,760	\$28,012,750	\$908,000	\$1,902,000	\$3,755,790	\$603,250	\$376,540	\$0	\$140,000	\$37,772,090
SPECIAL REVENUE FUNDS:										
Arterial Street Fund	\$0	\$0	\$0	\$2,070,000	\$0	\$0	\$0	\$0	\$0	\$2,070,000
Downtown Parking Fund	\$32,040	\$0	\$0	\$0	\$0	\$21,200	\$19,550	\$0	\$0	\$72,790
Economic Development Fund	\$92,320	\$565,000	\$0	\$0	\$2,750	\$0	\$5,250	\$0	\$0	\$665,320
HOME Fund	\$0	\$0	\$0	\$387,500	\$26,000	\$0	\$0	\$0	\$0	\$413,500
CDBG Entitlement Fund	\$0	\$0	\$0	\$340,000	\$0	\$0	\$0	\$0	\$0	\$340,000
Criminal Justice Assistance Fund	\$51,480	\$0	\$0	\$313,840	\$0	\$0	\$24,300	\$0	\$0	\$389,620
Public Safety Fund	\$140,380	\$0	\$0	\$67,500	\$0	\$0	\$0	\$0	\$0	\$207,880
Tourism Special Revenue Fund	\$30,940	\$40,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$70,940
Parks & Rec. Memorial Trust Fund	\$85,900	\$0	\$0	\$0	\$0	\$0	\$1,000	\$0	\$0	\$86,900
Northwest Health Foundation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DEBT SERVICE FUNDS:										
2007 L.T.G.O. Bond Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$205,630	\$190,000	\$53,330	\$448,960
Special Assessment Bond Red. Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$42,500	\$0	\$0	\$42,500
Special Assessment Guaranty Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,000	\$15,000
CAPITAL PROJECTS FUNDS:										
Capital Projects Fund	\$277,770	\$309,950	\$0	\$255,840	\$0	\$0	\$86,000	\$0	\$10,000	\$939,560
L.I.D. Construction Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,350,000	\$3,350,000
Building Replacement Fund	\$16,000	\$0	\$0	\$0	\$0	\$0	\$1,500	\$0	\$0	\$17,500
PERMANENT FUNDS:										
Library Trust Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000	\$0	\$0	\$1,000
ENTERPRISE FUNDS:										
Water Operations Fund	\$0	\$0	\$0	\$0	\$5,534,660	\$0	\$6,250	\$0	\$0	\$5,540,910
Water Construction Fund	\$0	\$0	\$0	\$0	\$1,682,000	\$0	\$1,500	\$4,877,660	\$0	\$6,561,160
Sewer Operations Fund	\$0	\$0	\$0	\$0	\$11,966,740	\$0	\$10,200	\$90,860	\$0	\$12,067,800
Sewer Construction Fund	\$66,200	\$0	\$0	\$0	\$0	\$0	\$5,000	\$8,378,800	\$0	\$8,450,000
Filter Plant Operations Fund	\$0	\$0	\$0	\$0	\$1,212,590	\$0	\$0	\$0	\$0	\$1,212,590
Filter Plant Construction Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$124,440	\$725,560	\$850,000
Sanitary/ Recycling Fund	\$0	\$0	\$0	\$0	\$5,286,400	\$0	\$6,000	\$0	\$0	\$5,292,400
Storm Water Fund	\$359,260	\$0	\$0	\$0	\$4,319,860	\$0	\$10,000	\$200,000	\$48,200	\$4,937,320
Transit Operations Fund	\$0	\$0	\$0	\$3,781,500	\$2,954,540	\$0	\$25,590	\$0	\$0	\$6,761,630
Mint Valley Golf Fund	\$0	\$0	\$0	\$0	\$596,100	\$0	\$59,350	\$0	\$0	\$655,450
Mint Valley Racquet Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,450	\$12,450
INTERNAL SERVICE FUNDS:										
Insurance Reserve Fund	\$0	\$0	\$0	\$4,250	\$0	\$0	\$1,620,570	\$0	\$13,090	\$1,637,910
Office Equipment Reserve Fund	\$43,610	\$0	\$0	\$0	\$44,500	\$0	\$873,680	\$0	\$0	\$961,790
Equipment Rental Operations Fund	\$0	\$0	\$0	\$0	\$76,950	\$0	\$1,899,920	\$0	\$0	\$1,976,870
Equipment Rental Reserve Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$1,447,400	\$0	\$0	\$1,447,400
Facility Maintenance Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$663,750	\$0	\$0	\$663,750
Unemployment Compensation Fund	\$34,500	\$0	\$0	\$0	\$0	\$0	\$500	\$0	\$0	\$35,000
Employee Benefits Reserve Fund	\$128,360	\$0	\$0	\$0	\$0	\$0	\$371,640	\$0	\$0	\$500,000
FIDUCIARY FUNDS:										
Fremen's Pension Fund	\$71,660	\$0	\$0	\$50,250	\$0	\$0	\$850	\$0	\$542,910	\$665,670
TOTALS	\$3,504,180	\$28,927,700	\$908,000	\$9,172,680	\$37,458,880	\$624,450	\$7,765,470	\$13,861,760	\$4,910,540	\$107,133,660

Revenue Summary for 2018

Pie Chart Breakdown



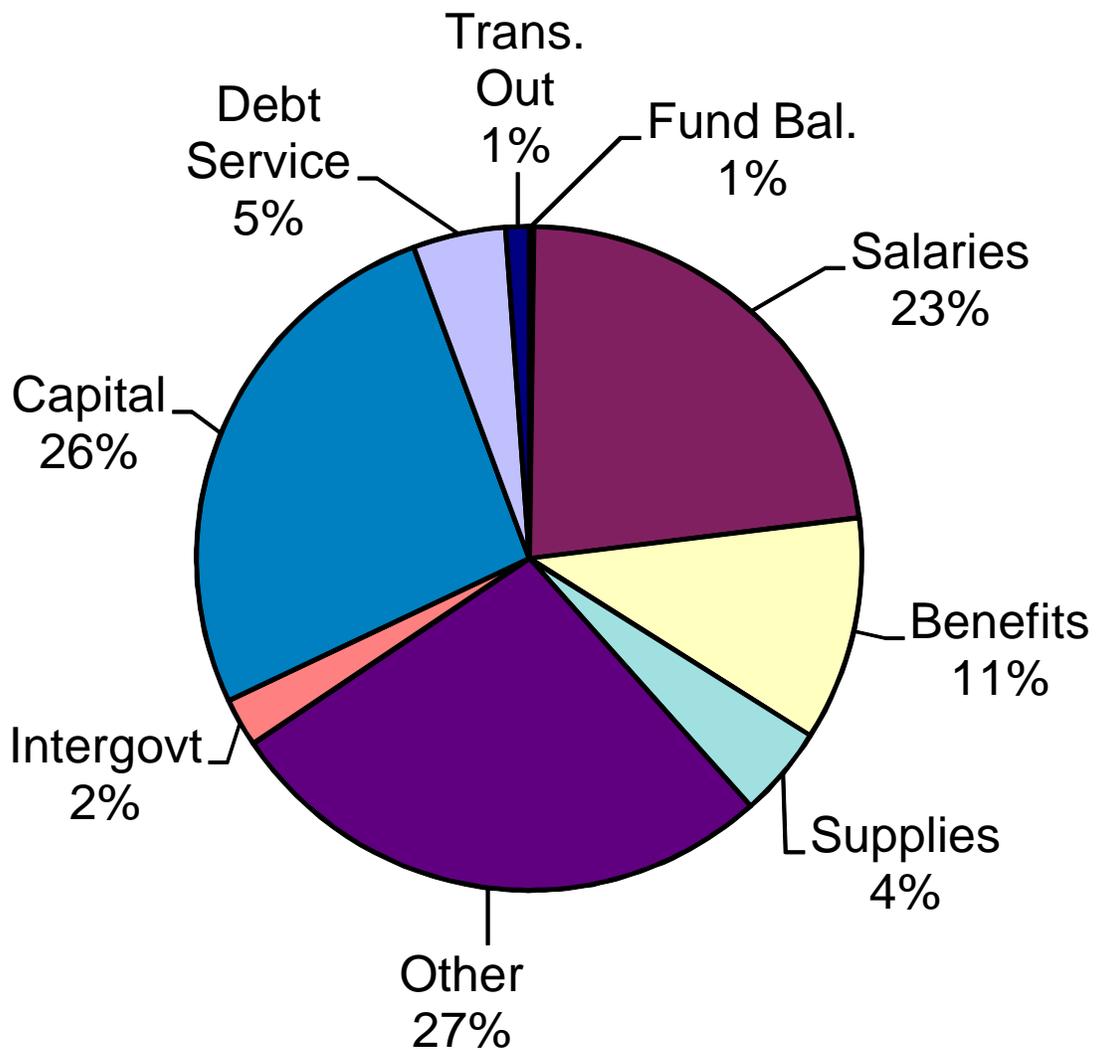
Financial Summary

Expenditure Summary for 2017 By BARS Expenditure Object

B.A.R.S. I.D. Type of Expenditure	508 Fund Bal.	510 Salaries	520 Benefits	530 Supplies	540 Other	550 Intergovt.	560 Capital	570 Debt Service	590 Trans. Out	Total Expenditure
GENERAL FUND:										
General Fund	\$0	\$17,917,180	\$7,288,090	\$1,117,600	\$6,403,590	\$2,607,270	\$76,620	\$603,180	\$598,130	\$36,611,660
SPECIAL REVENUE FUNDS:										
Arterial Street Fund	\$0	\$0	\$0	\$0	\$37,000	\$0	\$2,160,000	\$307,200	\$0	\$2,504,200
Downtown Parking Fund	\$0	\$37,400	\$15,260	\$1,050	\$15,610	\$0	\$0	\$0	\$0	\$69,320
Economic Development Fund	\$0	\$127,250	\$41,060	\$2,000	\$74,980	\$0	\$0	\$519,920	\$0	\$765,210
HOME Fund	\$0	\$0	\$0	\$0	\$376,500	\$0	\$0	\$0	\$0	\$376,500
CDBG Entitlement Fund	\$0	\$0	\$0	\$0	\$327,500	\$0	\$0	\$0	\$0	\$327,500
Criminal Justice Assistance Fund	\$0	\$199,260	\$73,970	\$25,010	\$78,470	\$0	\$526,500	\$0	\$0	\$903,210
Public Safety Fund	\$0	\$41,360	\$18,430	\$0	\$60,000	\$0	\$1,377,000	\$0	\$122,890	\$1,619,680
Tourism Special Revenue Fund	\$0	\$0	\$0	\$0	\$122,840	\$0	\$0	\$0	\$0	\$122,840
Parks & Rec. Memorial Trust Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$95,500	\$0	\$0	\$95,500
Northwest Health Foundation	\$0	\$0	\$0	\$0	\$18,000	\$0	\$0	\$0	\$0	\$18,000
DEBT SERVICE FUNDS:										
2007 G.O. Bond Fund	\$0	\$0	\$0	\$0	\$2,500	\$0	\$0	\$630,580	\$0	\$633,080
Special Assessment Bond Red. Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$35,000	\$10,000	\$45,000
Special Assessment Guaranty Fund	\$0	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$14,000	\$15,000
CAPITAL PROJECTS FUNDS:										
Capital Projects Fund	\$0	\$0	\$0	\$10,000	\$28,750	\$0	\$332,250	\$48,720	\$0	\$419,720
L.I.D. Construction Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$3,350,000	\$0	\$0	\$3,350,000
Building Replacement Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$265,000	\$0	\$0	\$265,000
PERMANENT FUNDS:										
Library Memorial Trust Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000	\$1,000
ENTERPRISE FUNDS:										
Water Operations Fund	\$0	\$1,261,720	\$609,400	\$1,390,000	\$2,008,790	\$0	\$150,000	\$0	\$0	\$5,419,910
Water Construction Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$3,430,000	\$1,689,440	\$0	\$5,119,440
Sewer Operations Fund	\$0	\$1,107,900	\$491,070	\$189,400	\$8,578,990	\$0	\$0	\$866,300	\$485,660	\$11,719,320
Sewer Construction Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$5,905,000	\$0	\$0	\$5,905,000
Filter Plant Operations Fund	\$0	\$282,290	\$135,120	\$177,900	\$591,990	\$0	\$0	\$0	\$0	\$1,187,300
Filter Plant Construction Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$570,000	\$0	\$0	\$570,000
Sanitary/ Recycling Fund	\$153,260	\$263,610	\$126,810	\$3,200	\$4,693,420	\$0	\$0	\$0	\$0	\$5,240,300
Storm Water Fund	\$0	\$1,355,120	\$682,360	\$178,950	\$1,529,550	\$0	\$4,435,890	\$250,190	\$0	\$8,432,060
Transit Operations Fund	\$0	\$1,459,490	\$818,580	\$34,600	\$2,616,720	\$0	\$3,869,000	\$0	\$0	\$8,798,390
Mint Valley Golf Fund	\$0	\$209,660	\$93,880	\$92,060	\$227,150	\$0	\$0	\$19,800	\$0	\$642,550
Mint Valley Racquet Fund	\$0	\$0	\$0	\$0	\$12,100	\$0	\$0	\$0	\$0	\$12,100
INTERNAL SERVICE FUNDS:										
Insurance Reserve Fund	\$0	\$160,560	\$377,990	\$6,100	\$973,830	\$0	\$0	\$0	\$0	\$1,518,480
Office Equipment Reserve Fund	\$0	\$0	\$0	\$633,450	\$337,000	\$0	\$540,930	\$0	\$0	\$1,511,380
Equipment Rental Operations Fund	\$0	\$375,860	\$212,620	\$954,020	\$366,290	\$0	\$0	\$0	\$0	\$1,908,790
Equipment Rental Reserve Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$1,969,670	\$0	\$0	\$1,969,670
Facility Maintenance Fund	\$0	\$243,690	\$113,890	\$54,160	\$230,260	\$0	\$0	\$0	\$0	\$642,000
Unemployment Compensation Fund	\$0	\$0	\$27,500	\$0	\$0	\$0	\$0	\$0	\$0	\$27,500
Employee Benefits Reserve Fund	\$0	\$0	\$300,000	\$0	\$58,280	\$0	\$0	\$0	\$0	\$358,280
FIDUCIARY FUNDS:										
Firemen's Pension Fund	\$0	\$25,100	\$552,490	\$50	\$60,000	\$0	\$0	\$0	\$0	\$637,640
TOTALS	\$153,260	\$25,067,450	\$11,978,520	\$4,869,550	\$29,831,110	\$2,607,270	\$29,053,360	\$4,970,330	\$1,231,680	\$109,762,530

Expenditure Summary for 2017

Pie Chart Breakdown



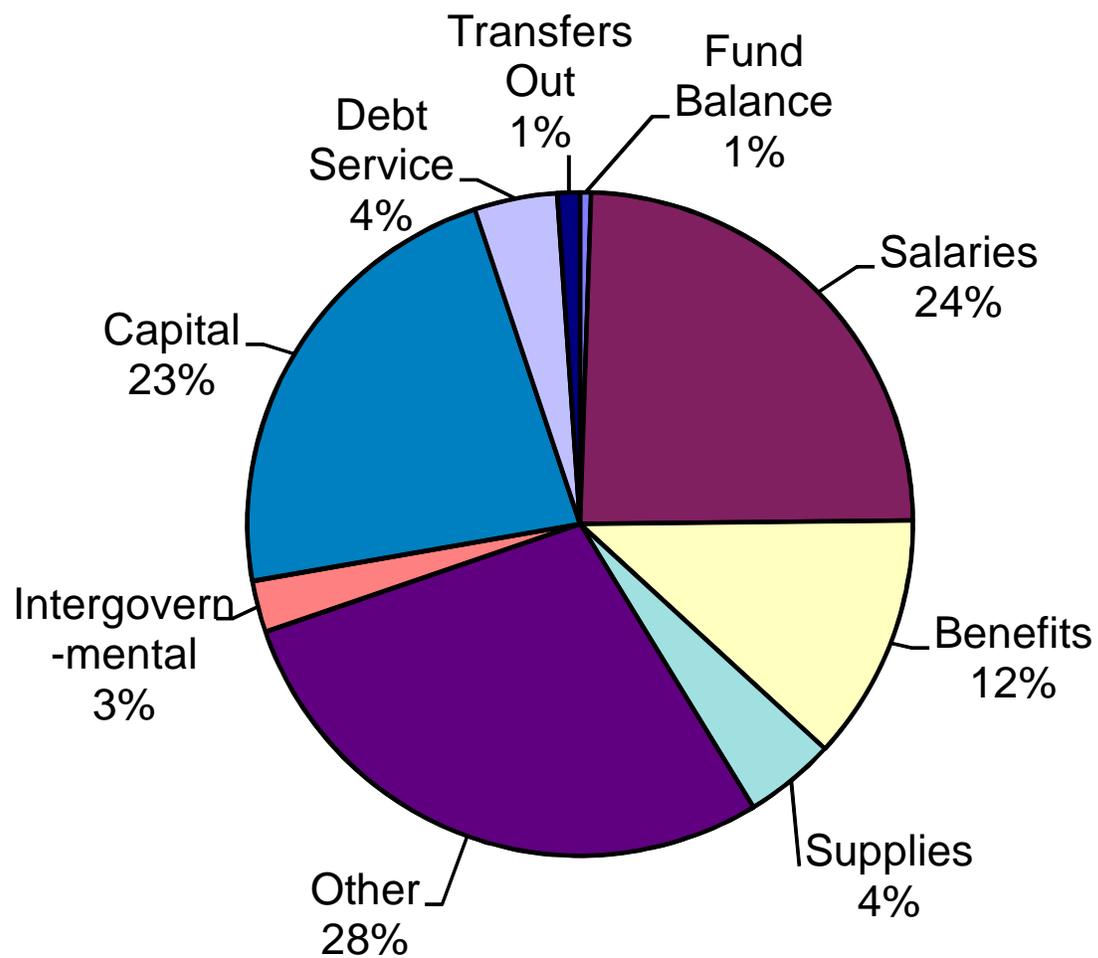
Financial Summary

Expenditure Summary for 2018 By BARS Expenditure Object

B.A.R.S. I.D. Type of Expenditure	508 Fund Bal.	510 Salaries	520 Benefits	530 Supplies	540 Other	550 Intergovt.	560 Capital	570 Debt Service	590 Trans. Out	Total Expenditure
GENERAL FUND:										
General Fund	\$0	\$18,626,710	\$7,770,200	\$1,121,000	\$6,470,580	\$2,706,960	\$76,620	\$454,110	\$545,910	\$37,772,090
SPECIAL REVENUE FUNDS:										
Arterial Street Fund	\$85,800	\$0	\$0	\$0	\$37,000	\$0	\$1,840,000	\$107,200	\$0	\$2,070,000
Downtown Parking Fund	\$0	\$39,560	\$16,550	\$1,050	\$15,630	\$0	\$0	\$0	\$0	\$72,790
Economic Development Fund	\$0	\$137,080	\$44,420	\$2,000	\$74,980	\$0	\$0	\$406,840	\$0	\$665,320
HOME Fund	\$0	\$0	\$0	\$0	\$413,500	\$0	\$0	\$0	\$0	\$413,500
CDBG Entitlement Fund	\$0	\$0	\$0	\$0	\$340,000	\$0	\$0	\$0	\$0	\$340,000
Criminal Justice Assistance Fund	\$0	\$204,410	\$78,500	\$24,810	\$81,900	\$0	\$0	\$0	\$0	\$389,620
Public Safety Fund	\$0	\$0	\$0	\$0	\$10,000	\$0	\$75,000	\$0	\$122,880	\$207,880
Tourism Special Revenue Fund	\$0	\$0	\$0	\$0	\$70,940	\$0	\$0	\$0	\$0	\$70,940
Parks & Rec. Memorial Trust Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$86,900	\$0	\$0	\$86,900
Northwest Health Foundation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DEBT SERVICE FUNDS:										
2007 G.O. Bond Fund	\$0	\$0	\$0	\$0	\$2,750	\$0	\$0	\$446,210	\$0	\$448,960
Special Assessment Bond Red. Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$32,500	\$10,000	\$42,500
Special Assessment Guaranty Fund	\$0	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$14,000	\$15,000
CAPITAL PROJECTS FUNDS:										
Capital Projects Fund	\$0	\$0	\$0	\$10,000	\$28,750	\$0	\$853,000	\$47,810	\$0	\$939,560
L.I.D. Construction Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$3,350,000	\$0	\$0	\$3,350,000
Building Replacement Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$17,500	\$0	\$0	\$17,500
PERMANENT FUNDS:										
Library Memorial Trust Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000	\$1,000
ENTERPRISE FUNDS:										
Water Operations Fund	\$0	\$1,317,130	\$652,200	\$1,390,000	\$2,031,580	\$0	\$150,000	\$0	\$0	\$5,540,910
Water Construction Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$4,880,000	\$1,681,160	\$0	\$6,561,160
Sewer Operations Fund	\$0	\$1,151,590	\$522,980	\$189,400	\$8,852,340	\$0	\$0	\$865,830	\$485,660	\$12,067,800
Sewer Construction Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$8,450,000	\$0	\$0	\$8,450,000
Filter Plant Operations Fund	\$0	\$295,420	\$145,250	\$177,900	\$594,020	\$0	\$0	\$0	\$0	\$1,212,590
Filter Plant Construction Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$850,000	\$0	\$0	\$850,000
Sanitary/ Recycling Fund	\$29,950	\$271,990	\$135,750	\$3,200	\$4,851,510	\$0	\$0	\$0	\$0	\$5,292,400
Storm Water Fund	\$0	\$1,409,900	\$734,870	\$178,950	\$1,566,570	\$0	\$797,260	\$249,770	\$0	\$4,937,320
Transit Operations Fund	\$0	\$1,510,530	\$867,790	\$34,600	\$2,688,710	\$0	\$1,660,000	\$0	\$0	\$6,761,630
Mint Valley Golf Fund	\$0	\$214,500	\$99,800	\$92,860	\$228,710	\$0	\$0	\$19,580	\$0	\$655,450
Mint Valley Racquet Fund	\$0	\$0	\$0	\$0	\$12,450	\$0	\$0	\$0	\$0	\$12,450
INTERNAL SERVICE FUNDS:										
Insurance Reserve Fund	\$0	\$166,020	\$436,780	\$6,250	\$1,028,860	\$0	\$0	\$0	\$0	\$1,637,910
Office Equipment Reserve Fund	\$0	\$0	\$0	\$495,480	\$301,500	\$0	\$164,810	\$0	\$0	\$961,790
Equipment Rental Operations Fund	\$0	\$395,420	\$229,000	\$977,500	\$374,950	\$0	\$0	\$0	\$0	\$1,976,870
Equipment Rental Reserve Fund	\$338,530	\$0	\$0	\$0	\$0	\$0	\$1,108,870	\$0	\$0	\$1,447,400
Facility Maintenance Fund	\$0	\$255,150	\$122,490	\$55,180	\$230,930	\$0	\$0	\$0	\$0	\$663,750
Unemployment Compensation Fund	\$0	\$0	\$35,000	\$0	\$0	\$0	\$0	\$0	\$0	\$35,000
Employee Benefits Reserve Fund	\$0	\$0	\$400,000	\$0	\$100,000	\$0	\$0	\$0	\$0	\$500,000
FIDUCIARY FUNDS:										
Firemen's Pension Fund	\$0	\$27,220	\$575,880	\$70	\$62,500	\$0	\$0	\$0	\$0	\$665,670
TOTALS	\$454,280	\$26,022,630	\$12,867,460	\$4,760,250	\$30,471,680	\$2,706,960	\$24,359,960	\$4,311,010	\$1,179,450	\$107,133,660

Expenditure Summary for 2018

Pie Chart Breakdown



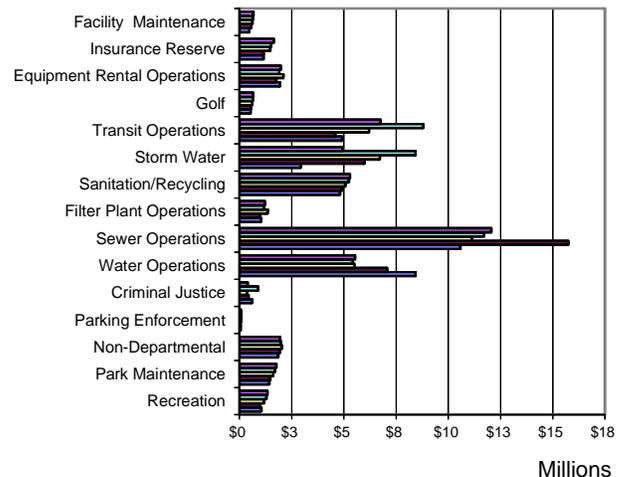
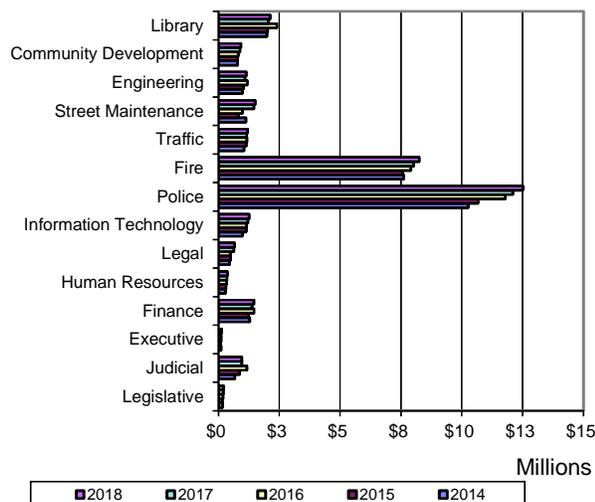
Financial Summary

Expenditure Comparisons by Fund

Fund	2015 Actual	2016 Budget	2017 Budget	2018 Budget
GENERAL FUND:				
General Fund	\$32,797,566	\$35,644,460	\$36,611,660	\$37,772,090
SPECIAL REVENUE FUNDS:				
Arterial Street Fund	\$6,313,376	\$1,024,230	\$2,504,200	\$2,070,000
Downtown Parking Fund	\$56,681	\$70,160	\$69,320	\$72,790
Economic Development Fund	\$738,432	\$772,530	\$765,210	\$665,320
HOME Fund	\$314,761	\$568,500	\$376,500	\$413,500
CDBG Entitlement Fund	\$365,430	\$397,500	\$327,500	\$340,000
Criminal Justice Assistance Fund	\$437,873	\$364,250	\$903,210	\$389,620
Public Safety Fund	\$1,170,625	\$846,310	\$1,619,680	\$207,880
Tourism Special Revenue Fund	\$35,750	\$117,140	\$122,840	\$70,940
Parks & Rec. Memorial Trust Fund	\$33,328	\$80,920	\$95,500	\$86,900
Northwest Health Foundation	\$22,052	\$50,000	\$18,000	\$0
DEBT SERVICE FUNDS:				
2007 L.T.G.O. Bond Fund	\$617,700	\$624,950	\$633,080	\$448,960
Spec. Assess. Bond Red. Fund	\$4,948	\$100,000	\$45,000	\$42,500
Spec. Assess. Guaranty Fund	\$400	\$15,000	\$15,000	\$15,000
CAPITAL PROJECTS FUNDS:				
Capital Projects Fund	\$271,139	\$449,000	\$419,720	\$939,560
L.I.D. Construction Fund	\$0	\$3,350,000	\$3,350,000	\$3,350,000
Building Replacement Fund	\$0	\$10,000	\$265,000	\$17,500
PERMANENT FUNDS:				
Library Trust Fund	\$706	\$1,300	\$1,000	\$1,000
ENTERPRISE FUNDS:				
Water Operations Fund	\$7,075,920	\$5,509,300	\$5,419,910	\$5,540,910
Water Construction Fund	\$4,741,853	\$5,183,110	\$5,119,440	\$6,561,160
Sewer Operations Fund	\$15,748,679	\$11,127,660	\$11,719,320	\$12,067,800
Sewer Construction Fund	\$1,612,262	\$5,351,000	\$5,905,000	\$8,450,000
Filter Plant Operations Fund	\$980,270	\$1,356,480	\$1,187,300	\$1,212,590
Filter Plant Construction Fund	\$518,416	\$840,000	\$570,000	\$850,000
Sanitary/Recycling Fund	\$4,905,316	\$5,073,270	\$5,240,300	\$5,292,400
Storm Water Fund	\$5,991,107	\$6,725,180	\$8,432,060	\$4,937,320
Transit Operations Fund	\$4,576,970	\$6,210,400	\$8,798,390	\$6,761,630
Mint Valley Golf Fund	\$553,796	\$617,500	\$642,550	\$655,450
Mint Valley Racquet Fund	\$1,848	\$9,550	\$12,100	\$12,450
INTERNAL SERVICE FUNDS:				
Insurance Reserve Fund	\$1,152,996	\$1,472,520	\$1,518,480	\$1,637,910
Office Equipment Reserve Fund	\$892,445	\$1,306,080	\$1,511,380	\$961,790
Equipment Rental Operations Fund	\$1,768,486	\$2,108,550	\$1,908,790	\$1,976,870
Equipment Rental Reserve Fund	\$1,407,722	\$1,542,830	\$1,969,670	\$1,447,400
Facility Maintenance Fund	\$573,687	\$622,790	\$642,000	\$663,750
Unemployment Compensation Fund	\$5,072	\$42,500	\$27,500	\$35,000
Employee Benefits Reserve Fund	\$35,335	\$430,000	\$358,280	\$500,000
FIDUCIARY FUNDS:				
Firemen's Pension Fund	\$538,109	\$835,100	\$637,640	\$665,670
TOTALS	\$96,261,056	\$100,850,070	\$109,762,530	\$107,133,660

Expenditure Comparisons by Department

Department	2014	2015	2016	2017	2018
	Actual	Actual	Budget	Budget	Budget
Legislative	\$168,615	\$164,501	\$187,040	\$202,260	\$205,030
Judicial	\$672,273	\$866,182	\$1,172,700	\$963,500	\$961,250
Executive	\$104,461	\$97,112	\$115,020	\$114,420	\$120,330
Finance	\$1,282,734	\$1,240,700	\$1,459,510	\$1,374,510	\$1,451,580
Human Resources	\$297,605	\$312,462	\$333,860	\$354,440	\$370,240
Legal	\$458,315	\$500,153	\$490,730	\$631,430	\$659,040
Information Technology	\$983,349	\$1,141,468	\$1,154,720	\$1,212,390	\$1,266,060
Police	\$10,260,487	\$10,671,337	\$11,793,490	\$12,102,430	\$12,513,500
Fire	\$7,612,505	\$7,573,342	\$7,912,640	\$8,035,210	\$8,258,450
Traffic	\$1,045,873	\$1,143,851	\$1,173,650	\$1,163,700	\$1,200,130
Street Maintenance	\$1,132,176	\$829,826	\$979,490	\$1,449,820	\$1,507,990
Engineering	\$984,197	\$1,030,234	\$1,186,720	\$1,093,930	\$1,142,370
Community Development	\$789,958	\$787,784	\$810,550	\$886,460	\$929,100
Library	\$1,993,662	\$2,022,220	\$2,403,460	\$2,042,590	\$2,123,780
Recreation	\$1,045,308	\$998,617	\$1,182,970	\$1,296,160	\$1,345,880
Park Maintenance	\$1,427,866	\$1,475,402	\$1,619,280	\$1,706,890	\$1,765,770
Non-Departmental	\$1,858,799	\$1,942,375	\$2,028,630	\$1,981,520	\$1,951,590
Parking Enforcement	\$56,546	\$56,681	\$70,160	\$69,320	\$72,790
Criminal Justice	\$599,428	\$437,873	\$364,250	\$903,210	\$389,620
Water Operations	\$8,433,023	\$7,075,920	\$5,509,300	\$5,419,910	\$5,540,910
Sewer Operations	\$10,574,099	\$15,748,679	\$11,127,660	\$11,719,320	\$12,067,800
Filter Plant Operations	\$1,040,797	\$980,270	\$1,356,480	\$1,187,300	\$1,212,590
Sanitation/Recycling	\$4,819,311	\$4,905,316	\$5,073,270	\$5,240,300	\$5,292,400
Storm Water	\$2,940,641	\$5,991,107	\$6,725,180	\$8,432,060	\$4,937,320
Transit Operations	\$4,907,071	\$4,576,970	\$6,210,400	\$8,798,390	\$6,761,630
Golf	\$537,360	\$553,796	\$617,500	\$642,550	\$655,450
Equipment Rental Operations	\$1,954,683	\$1,768,486	\$2,108,550	\$1,908,790	\$1,976,870
Insurance Reserve	\$1,152,031	\$1,152,996	\$1,472,520	\$1,518,480	\$1,637,910
Facility Maintenance	\$474,451	\$573,687	\$622,790	\$642,000	\$663,750



Financial Summary

Long-Term Debt

The City of Longview’s authority to incur long-term debt of any kind is controlled and limited by the RCW. According to law, our debt must be incurred in accordance with detailed budget procedures and paid for out of identifiable receipts and revenues. We use long-term debt to finance capital improvements.

As prescribed by the RCW, our tax general obligation debt, subject to a 60 percent vote of qualified voters in the city, is limited to 2.5 percent of our assessed valuation for general purposes, 2.5 percent for utilities and 2.5 percent for open space and park facilities. Within our 2.5 percent of assessed valuation for general purposes, we may, without a vote of the people, incur tax general obligation debt in an amount that cannot exceed 1.5 percent of our assessed valuation. Within the 2.5 percent of assessed valuation for general purposes, we may also, without a vote of the people, enter into leases, if the total principal of the lease payments along with any other non-voted tax general obligation debt does not exceed 1.5 percent of our assessed valuation. The combination of voted tax and non-voted tax general obligation debt for general purposes, including leases, cannot exceed 2.5 percent of our assessed valuation. The same combination of tax general obligation debt for all purposes cannot exceed 7.5 percent of our assessed valuation.

General Obligation Bonds are a direct obligation of the City for which its full faith and credit are pledged. The debt service on general obligation bonds issued to fund improvements that directly benefit a specific program or fund are paid from that fund. The debt service on general obligation bond proceeds used to fund general improvements are paid from our Debt Service Funds. Debt Service for voter approved issues is funded by special property tax levies. Debt Service for City Council authorized or councilmatic issues are funded from regular property taxes.

Revenues bonds are created by ordinance, adopted by the City Council, and financed from Enterprise Fund revenues pledged as security for the repayment of the revenue bonds.

Special Assessment bonds are created by ordinance, adopted by the City Council, and financed by assessments on property owners. A separate guaranty fund is available to cover outstanding delinquencies at the end of the assessment period. The City’s obligation does not extend beyond the Guaranty Fund assets.

Debt Limitations

The City’s 2015 debt limit based on its current Property Valuation (2015 assessment for 2016 collection) is: \$2,634,873,739

INDEBTEDNESS FOR GENERAL PURPOSES

NON-VOTED DEBT LIMITS

Limit without vote (1.5% of assessed value)	\$39,523,106
General obligation bonds outstanding	
Total general obligation debt	<u>\$15,687,500</u>
Net outstanding non-voted debt	<u>15,687,500</u>
REMAINING NON-VOTED DEBT CAPACITY	<u><u>\$23,835,606</u></u>

VOTED DEBT LIMITS

Limit with vote (2.5% of assessed value)	\$65,871,843
Less: Net outstanding non-voted debt	15,687,500
Voted general obligation bonds outstanding	<u>\$0</u>
Net outstanding voted debt	<u>0</u>
REMAINING VOTED DEBT CAPACITY	<u><u>\$50,184,343</u></u>

INDEBTEDNESS FOR UTILITY PURPOSES

Limit with vote (2.5% of assessed value)	\$65,871,843
Less: Total net general purpose debt	<u>15,687,500</u>
REMAINING VOTED UTILITY DEBT CAPACITY	<u><u>\$50,184,343</u></u>

INDEBTEDNESS FOR PARKS AND OPEN SPACES

Limit with vote (2.5% of assessed value)	\$65,871,843
Less: Total net general and utility purpose debt	<u>15,687,500</u>
REMAINING VOTED PARKS AND OPEN SPACES DEBT CAPACITY	<u><u>\$50,184,343</u></u>

Schedule of Long-Term Debt for the period ending December 31, 2015

This schedule of long-term debt provides a listing of the City of Longview’s outstanding general obligation debt and the annual requirements, including interest to amortize this debt.

GENERAL OBLIGATION DEBT

Year ending December, 31	Bonds		Other	
	Principal	Interest	Principal	Interest
2016	\$705,000	\$616,919	\$166,147	\$15,967
2017	\$745,000	\$591,604	\$168,868	\$11,103
2018	\$570,000	\$569,495	\$64,601	\$6,084
2019	\$590,000	\$550,895	\$50,748	\$3,045
2020	\$850,000	\$529,082	\$0	\$0
2021-25	\$4,705,000	\$2,101,014	\$0	\$0
2026-30	\$4,345,000	\$1,087,395	\$0	\$0
2031-35	<u>\$2,790,000</u>	<u>\$280,096</u>	<u>\$0</u>	<u>\$0</u>
	\$15,300,000	\$6,326,500	\$450,364	\$36,199

Financial Summary

General Obligation Bonds & Other General Obligation Debt

On December 31, 2015, the City had \$15,300,000 in non-voted LTGO bond liabilities for bonds issued for funding the acquisition and renovation of the Police Department; a 100 foot aerial ladder truck for the Fire Department; development of the Mint Farm Industrial Park; Library renovation; Golf Course cart paths; capital improvements at the Columbia Theatre and energy conservation improvements in City facilities. General obligation bonds outstanding as of December 31, 2015, are as follows:

\$8,095,000 - 2007 Limited Tax General Obligation Bonds

2007 Public Facilities District/Columbia Theatre serial bonds due in installments of \$105,000 to \$510,000 through June 1, 2032 with interest at 4.00% to 5.00%. \$6,115,000

\$7,455,000 - 2010 Limited Tax General Obligation Bonds

2010 Mint Farm Industrial Park serial bonds due in installments of \$115,000 to \$435,000 through December 1, 2035 with interest at 3.10% to 5.30%. \$6,060,000

\$3,560,000 - 2013 Limited Tax General Obligation Bonds

2013 City Facility Energy Conservation serial bonds due in installments of \$215,000 to \$280,000 through December 1, 2028 with interest at 0.7% to 4.08%. \$3,125,000

***Total General Obligation Bonds Outstanding* \$15,300,000**

Other General Obligation Debt

The City has low-interest long-term loans from the Washington State Department of Community & Economic Development for street and utility improvements. As of December 31, 2015, the amount outstanding on these obligations was \$450,364. Outstanding Other General Obligation Debt as of December 31, 2015, was as follows:

\$1,500,000 - Public Works Trust Fund Loan

Proceeds were utilized to finance in part the construction of roadways, utilities and other site improvements for the Mint Farm Industrial Park. Annual interest payments of 2% per annum on the outstanding principal balance with final payment due July 1, 2017. Payment for this Public Works Trust Fund Loan is provided by the Economic Development Fund. \$214,285

\$500,000 – Community Economic Revitalization Board Loan

Proceeds were used to finance in part the construction of roadways, utilities and other site improvements for the Mint Farm Industrial Park. Annual interest payments of 6% per annum on the outstanding principal balance with final payment due July 1, 2019. Payment for this loan is provided by the Economic Development Fund. \$186,396

\$160,000 – Community Economic Revitalization Board Loan.

Proceeds were used to finance in part the construction of roadways, utilities and other site improvements for the Mint Farm Industrial Park. Annual interest payments of 1% per annum on the outstanding principal balance with final payment due January 1, 2018. Payment for this loan is provided by the Economic Development Fund. \$49,683

Total Other General Obligation Debt Outstanding \$450,364

Revenue Debt

This schedule provides a listing of the City of Longview’s revenue debt and the annual requirements, including interest to amortize this debt.

REVENUE DEBT

Year ending December, 31	Bonds		Other	
	Principal	Interest	Principal	Interest
2016	\$360,000	\$371,650	\$2,084,639	\$5,512
2017	\$375,000	\$360,850	\$2,097,867	\$165,379
2018	\$385,000	\$349,600	\$2,111,471	\$156,636
2019	\$395,000	\$338,050	\$2,125,461	\$146,063
2020	\$405,000	\$326,200	\$2,139,847	\$135,490
2021-25	\$2,295,000	\$1,373,400	\$10,929,728	\$518,866
2026-30	\$2,795,000	\$876,400	\$9,889,388	\$243,103
2031-34	\$2,660,000	\$271,400	\$2,438,114	\$33,347
	\$9,670,000	\$4,267,550	\$33,816,515	\$1,404,396

Revenue Bonds & Other Enterprise Debt

The City of Longview is authorized under the laws of the State of Washington to issue revenue bonds. Revenue bonds are used for the purpose of financing various enterprise activities and are secured by the revenues collected from ratepayers. As of December 31, 2015 the City of Longview had outstanding Revenue bonds in the amount of \$9,670,000. These bonds are payable through 2034.

\$10,000,000 - 2014 Revenue Bonds

Revenue bonds are due in annual installments of \$315,000 to \$730,000 through December 2034 with interest at 3.00% to 5.00%..... \$9,670,000

Total Revenue Bonds Outstanding \$9,670,000

Other Enterprise Debt

Payment for outstanding other enterprise debt which consists low interest Public Works Trust Fund Loans is provided by the Water/Sewer Fund. As of December 31, 2015 the amount outstanding for other enterprise debt was \$33,816,515 as follows:

\$750,000 - 2005 Public Works Trust Fund Loan. Proceeds were utilized to fund replacement of specific components at the Cowlitz County Regional Sewage Treatment Facility. Annual installments beginning July 1, 2005, through July 1, 2025, interest at ½% per annum. \$408,572

Financial Summary

\$1,000,000 - 2009 Public Works Trust Fund Loan. Proceeds to fund replacement of specific components at the Cowlitz County Regional Sewage Treatment Facility. Annual interest payments of ½ % per annum on outstanding principal balance with final payment due July 1, 2028.	\$693,714
\$1,000,000 - 2010 Public Works Trust Fund Loan. Proceeds were utilized to fund the new Regional Water Treatment Plant. Annual interest of ½ % through 2028.	\$693,714
\$3,052,350 - 2010 Public Works Trust Fund Loan. Proceeds were utilized to fund the new Regional Water Treatment Plant. Annual interest of ½ % through 2028.	\$2,403,252
\$5,450,000 - 2011 Public Works Trust Fund Loan. Proceeds were utilized to fund the new Regional Water Treatment Plant. Annual interest of ½ % through 2028.	\$4,412,930
\$11,100,000 - 2011 Department of Ecology Loan to help in the City’s sewer diversion Project to the regional sewage treatment plant. Annual interest of 2.8% through 2031.	\$9,643,278
\$12,000,000 - 2012 Public Works Trust Fund Loan for the Mint Farm Regional Water Supply Project. Annual interest of 1% through 2034.	\$7,140,000
\$10,000,000 - 2012 Public Works Trust Fund Loan for the Mint Farm Regional Water Supply Project. Annual interest of 0.5% through 2032.	<u>\$8,421,055</u>
Total Other Enterprise Debt	<u>\$33,816,515</u>

Special Assessment Bonds

Debt service requirements for special assessment bonds will be met by the collection of assessments receivable that have been levied against property owners. The assessments are liens against the property and subject to foreclosure. Payment for outstanding special assessment bond principal and interest is provided by Debt Service Funds. Total outstanding special assessment bonds as of December 31, 2015, totaled \$2,000.

\$49,300 – 2004 Local Improvement District No. 344 term bonds due September, 2016, interest at 3.75%	<u>\$2,000</u>
Total Local Improvement District Bonds Outstanding	<u>\$2,000</u>

The annual requirements for outstanding special assessment debt, including interest, is as follows:

SPECIAL ASSESSMENT DEBT

Year ending December, 31	Bonds	
	Principal	Interest
2016	<u>\$2,000</u>	<u>\$75</u>
	<u>\$2,000</u>	<u>\$75</u>

Financial Summary

Fund Budget Structure

Details of the fund structures for the budget start on page 39. In the sections that follow the financial summary, individual funds are accounted for beginning with the General Fund. All fund sections are indicated by gray tabs, and each City department is represented by a green tab.

Revenues

Total All Funds							
Total Revenues By Source	Actual 2015	Budget 2016	Budget 2017	Percent Variance	Budget 2018	Percent Variance	2017-2018 Budget
Taxes	\$27,296,261	\$27,466,350	\$28,345,500	3.2%	\$28,927,700	2.1%	\$57,273,200
Licenses & Permits	\$777,951	\$794,850	\$886,000	11.5%	\$908,000	2.5%	\$1,794,000
Intergovernmental	\$9,316,422	\$5,903,280	\$9,336,480	58.2%	\$9,172,680	-1.8%	\$18,509,160
Charges for Services	\$38,185,541	\$36,571,420	\$38,034,890	4.0%	\$37,458,880	-1.5%	\$75,493,770
Fines & Forfeits	\$3,024,062	\$1,211,520	\$686,950	-43.3%	\$624,450	-9.1%	\$1,311,400
Miscellaneous	\$7,038,112	\$7,218,910	\$8,022,180	11.1%	\$7,765,470	-3.2%	\$15,787,650
Non-Revenues	\$4,389,922	\$11,836,150	\$5,868,130	-50.4%	\$13,861,760	136.2%	\$19,729,890
Other Financing Sources	\$9,012,592	\$5,316,310	\$5,539,470	4.2%	\$4,910,540	-11.4%	\$10,450,010
Beg Resources Req to Balance	\$0	\$4,497,060	\$13,042,930	190.0%	\$3,504,180	-73.1%	\$16,547,110
TOTAL REVENUES	\$99,040,863	\$100,815,850	\$109,762,530	8.9%	\$107,133,660	-2.4%	\$216,896,190

Expenditures

Total All Funds							
Total Expenditures By Object	Actual 2015	Budget 2016	Budget 2017	Percent Variance	Budget 2018	Percent Variance	2017-2018 Budget
Cont to End Fund Balance	\$0	\$577,460	\$153,260	-73.5%	\$454,280	196.4%	\$607,540
Salaries & Wages	\$22,415,461	\$24,517,420	\$25,067,450	2.2%	\$26,022,630	3.8%	\$51,090,080
Personnel Benefits	\$9,596,410	\$11,007,280	\$11,978,520	8.8%	\$12,867,460	7.4%	\$24,845,980
Supplies	\$4,412,180	\$4,954,800	\$4,869,550	-1.7%	\$4,760,250	-2.2%	\$9,629,800
Other Services & Charges	\$27,577,764	\$30,184,470	\$29,831,110	-1.2%	\$30,471,660	2.1%	\$60,284,770
Intergovernmental	\$2,103,382	\$2,656,850	\$2,607,270	-1.9%	\$2,706,960	3.8%	\$5,332,230
Capital Outlay	\$14,967,321	\$20,644,140	\$29,053,360	40.7%	\$24,359,960	-16.2%	\$53,413,320
Debt Service	\$4,652,989	\$4,564,690	\$4,970,330	8.9%	\$4,311,010	-13.3%	\$9,281,340
Interfund Transfers	\$10,535,552	\$1,742,960	\$1,231,680	-29.3%	\$1,179,450	-4.2%	\$2,411,130
TOTAL EXPENDITURES	\$96,261,058	\$100,850,070	\$109,762,530	8.8%	\$107,133,660	-2.4%	\$216,896,190