

Distinctive City, Thriving Future!

Mayor Shelby Rognstad

Council President:

Shannon Williamson

Council Members:

Joel Aispuro

Bill Aitken

John Darling

Thomas Eddy

Deb Ruehle

City of Sandpoint

Municipal Budget – Fiscal Year 2019

Revised 8/8/2018

October 1, 2018 – September 30, 2019



The City of Sandpoint is distinguished by its lakeside beauty, small-town feel, and welcoming people.

Core Values

Count on City Council, Mayor and Staff for high integrity, collaboration and effective stewardship.

Strategic Priorities

Five pillars support Sandpoint's future as a strong, resilient city that governs effectively, invests wisely, and grows responsibly.

1. Responsive Government

2. Resilient Economy

3. Sustainable Environment

4. Vibrant Culture

5. Livable Community

A Framework for the Future

The theme for this year's budget presentation to the City Council is "A Framework for the Future." The Sandpoint City Council, Mayor and Leadership Team has been working for the past two years to develop a City-wide framework and strategic priorities. This effort culminated in the adoption of a Strategic Plan for 2018 to 2020 by the current City Council on July 11, 2018. This plan guides the City's upcoming activities, programs and services as reflected in this budget.



July 18, 2018

Mayor Shelby Rognstad and Members of the Sandpoint City Council:

I am pleased to provide this Fiscal Year 2019 budget. This is the culmination of several months of work from City staff at every level of the organization and I truly appreciate the effort and dedication they have shown to making it possible. This year's budget was uniquely challenging, because as we developed this annual budget, we were also drafting five-year projected budgets and a new Strategic Plan for the City of Sandpoint. This Plan has guided our budget development this year and it will provide a roadmap for the future of Sandpoint

Sandpoint is a distinctive city with a thriving future. While the average population growth for our City has stayed relatively constant at 1%, recently the U.S. Census Bureau has identified Bonner County and the cities within it as the seventh fastest growing micropolitan area in the country. U.S. Census estimates show 2% growth in 2016 over the prior year and 5% growth in 2017 for Sandpoint. Current census estimates show the City population at 8,300 in 2017, which may be conservative as they use a higher vacancy rate in their computations than we are currently experiencing.

With growth comes an increased demand for services and some offset with an expanded property tax base. It also comes with some looming challenges. Sandpoint is identified as a resort city by the State of Idaho. With this special status comes some benefits which allow us to offset the cost of service demands caused by significant swings in non-resident population growth and tourism during our peak summer and winter months. Because of our resort city status, we are allowed to adopt, implement and collect resort city taxes and local "option" sales tax – subject to voter approval. Our ability to implement and collect this critical resort city revenue goes away when our population reaches 10,000. If our growth remains relatively constant, Sandpoint is poised to surpass 10,000 residents as early as 2020. In this year's budget narrative, we have dedicated a section to the resort city tax further discussing trends, projected revenues and budgeted expenses.

We have incorporated our newly adopted two-year strategic plan into this document and planned staffing and expenditures for many of the priorities in order to support the overall City strategic goals of Responsive Government, Resilient Economy, Sustainable Environment, Vibrant Culture and Livability Community. The priorities that will be addressed this year include:

- **Expand Citizen Engagement**
- **Embrace Performance Management**
- **Refresh Advisory Group Charters**
- **Optimize Stormwater Management**
- **Optimize Police Services**

- **Strengthen Financial Forecasting**
- **Consider Acquiring University of Idaho-Boyer Property**
- **Memorial Field & Sports Complex Upgrades**
- **Complete Assessment and/or Master Plans for:**
 - **Watershed Management**
 - **Downtown Revitalization/Farmin’s Landing**
 - **Public Art and Historic Preservation**
- **Complete Infrastructure Master Plans/Updates for:**
 - **Transportation**
 - **Sidewalks and Pathways**
 - **City Beach**
 - **ADA Compliance**

We have also appropriately accounted for required funding levels in the General Fund Emergency and Stabilization Reserves in accordance with the Financial Policy adopted under Resolution No. 17-44. This budget contemplates adding \$79,226 to our existing Emergency Reserves of \$872,349 to bring us to \$951,575, or 10% of the FY 2019 General Fund budget. We maintain the current funding level of the Stabilization Reserve at \$2,442,577, or 25.67% of the General Fund budget.

The City has an accrued balance of tax revenue authorized but not taken in previous years, referred to as the “foregone amount.” When a city chooses to levy less than the maximum amount allowed by law, the leftover amount is called foregone. This foregone accumulates from year to year and a city is allowed to add all or part of the foregone amount to a future levy. Historically, the City has levied the foregone amount when it is available and this year’s budget continues this practice. This year’s budget includes \$111,895 in foregone revenue. This is an increase from recent years due to significant year-over-year growth of Resort City Tax and conservative budgeting underestimating this revenue source. There is \$88,774 available in the Property Tax Relief Fund to offset the overall levy increase.

Personnel costs include a 2% COLA/market increase for most positions, based upon a benchmarking market analysis of positions at other municipal employers in our region. Market comparisons have been completed for every existing City position and a comprehensive classification and compensation study has been initiated by the City’s Human Resources Director. This study will be completed in Fall, 2018 and results presented to City Council. The majority of existing City positions are within compensation benchmarks with other cities within the region. There are some outliers, however, and these have been appropriately accounted for in this budget. Implementation of changes will remain pending until Council approval of recommendations at the conclusion of the study. Planned market increases of regional cities for Fiscal Year 2019 average 3% and we believe the 2% market increase proposed will keep us in line with appropriate benchmarks and allow us to retain and recruit an experienced, high performing workforce.

The City continues to monitor employee benefit rates and programs and look for opportunities to bring added value to employees while implementing cost containment strategies to ensure future affordability, especially in the volatile health insurance market. Budget development this year contemplated additional employee training and development opportunities throughout all City departments as well as enhanced safety programs. Some of the building and equipment upgrades are intended to make a safer working conditions for our employees in addition to providing an enhanced customer experience for our residents, businesses and visitors.

Conclusion

This is an exciting time to be in Sandpoint and I am pleased to say that the FY 2019 budget is in line with the strategic plan and priorities as adopted by the Sandpoint City Council. This budget and the associated initiatives will provide our citizens, businesses and others with programs and services in a responsible and efficient manner. It also reflects our continued efforts to improve transparency and citizen engagement.

I want to extend my appreciation and thanks to our leadership team members for their creativity and prudent administration and to all of our City employees who continue to provide excellent service and actively contribute to the development of a refined vision for how we better integrate our services, provide better outcomes for our citizens and make access to their City government and all of its programs and services easier and more accessible.

I look forward to the City Council budget workshop on August 1, 2018, and am pleased to respond to any questions or concerns you might have.

Sincerely,

Jennifer P. Stapleton

Jennifer Stapleton
City Administrator

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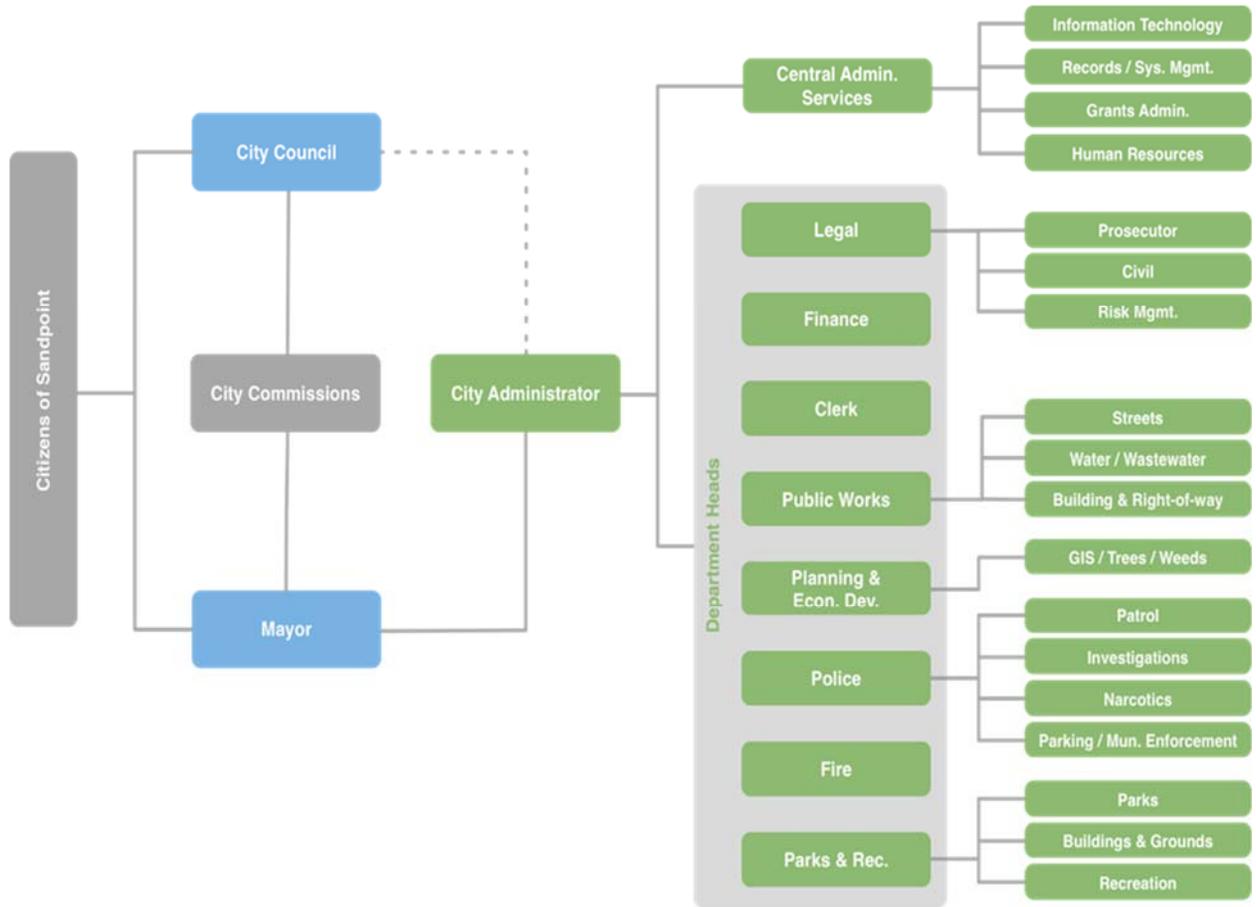
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INTRODUCTION: 2018-19 City Officials

Elected Official	Name	Term End
Mayor	Shelby Rognstad	12/31/2019
Council President	Shannon Williamson	12/31/2021
Council Member	Joel Aispuro	12/31/2021
Council Member	Bill Aitken	12/31/2019
Council Member	John Darling	12/31/2021
Council Member	Thomas Eddy	12/31/2019
Council Member	Deb Ruehle	12/31/2019

Appointed Official	Name
City Administrator	Jennifer Stapleton
City Attorney	Scot Campbell
City Clerk	Maree Peck
Finance Director/Treasurer	Sarah Lynds
Fire Chief	Ron Stocking
Parks and Recreation Director	Kim Woodruff
Planning & Economic Devt. Director	Aaron Qualls
Police Chief	Corey Coon
Public Works Director	Amanda Wilson

INTRODUCTION: 2018-19 Organizational Chart



INTRODUCTION: Budget Document and Guide

The Budget as a Financial Plan

This budget document is the annual financial plan for City operations for the period covering Fiscal Year 2019, October 1, 2018 – September 30, 2019. This plan describes sources of revenues and how funds will be spent during the year.

It includes two prior years of actuals and/or budget as appropriate for comparison, the current year budget and/or estimated current year actual and proposed budget year. The document describes the major revenue sources, explains the underlying assumptions for the revenue estimates, and discusses significant revenue trends. Projected changes in fund balances of appropriated governmental funds are included as well as a definition of fund balance maintained by the City. An explanation of the basis of budgeting for all funds, whether cash, modified accrual, or some other statutory basis, is included.

As a part of the budget review process, the City Council determines the tax rate for each fiscal year. Other fees and fines are also reviewed and adjusted, if necessary. The Council also makes appropriate salary adjustments.

The Budget as a Policy and Management Document

This budget and subsequent accounting reports allow City elected officials, managers and supervisors to isolate potential problems and ensure that City resources are used effectively and efficiently. The process of preparing the budget takes several months and provides the opportunity for our managers to evaluate their operations and to formulate goals and objectives for the upcoming year. Our budget system provides a means of monitoring process toward those goals throughout the year.

Our budget and ongoing accounting reports are also available for the public to review on an ongoing basis via the City's financial transparency portal on our website at www.sandpointidaho.gov.

The Budget as a Communication Device

The budget document provides summary and detailed line item information on the services, programs and initiatives the City will deliver to its citizens and others. The budget is an expression of the City Council's policy direction.

The Budget as an Accounting and Control Mechanism

The budget is the foundation for the proper accounting of City funds. It expresses in financial terms the goals and plans of the City Council. The types and amounts of authorized expenditures and the means for financing them are set forth in the budget. Once the budget is adopted and recorded in the accounting system, it serves as a control device to keep spending within authorized limits.

INTRODUCTION: Major Funds

Governmental funds – All government funds are accounted for using the current financial resources measurement focus and modified accrual basis of accounting.

The City reports the following major governmental funds:

General Fund – The “General Fund” is the City’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Local Option Tax – The “LOT Fund” accounts for the money that is collected through a 1% voter-approved sales tax that is restricted for the Memorial Field refurbishment and other parks improvement activities. This five-year tax runs from January 1, 2016 – December 31, 2020.

Enterprise Funds – All enterprise funds are accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. City of Sandpoint maintains four different types of proprietary funds all classified as Enterprise funds.

Enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with proprietary funds’ principal ongoing operations. The principal operating revenues of the enterprise are charges to customers for sales and services. The enterprise funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City manages the following major enterprise funds:

Water Fund – This Fund accounts for the provision of water services to the residences and businesses within the City of Sandpoint and area of city impact. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service.

Wastewater Fund – This Fund accounts for the provision of wastewater services to the residences and businesses within the City of Sandpoint. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service.

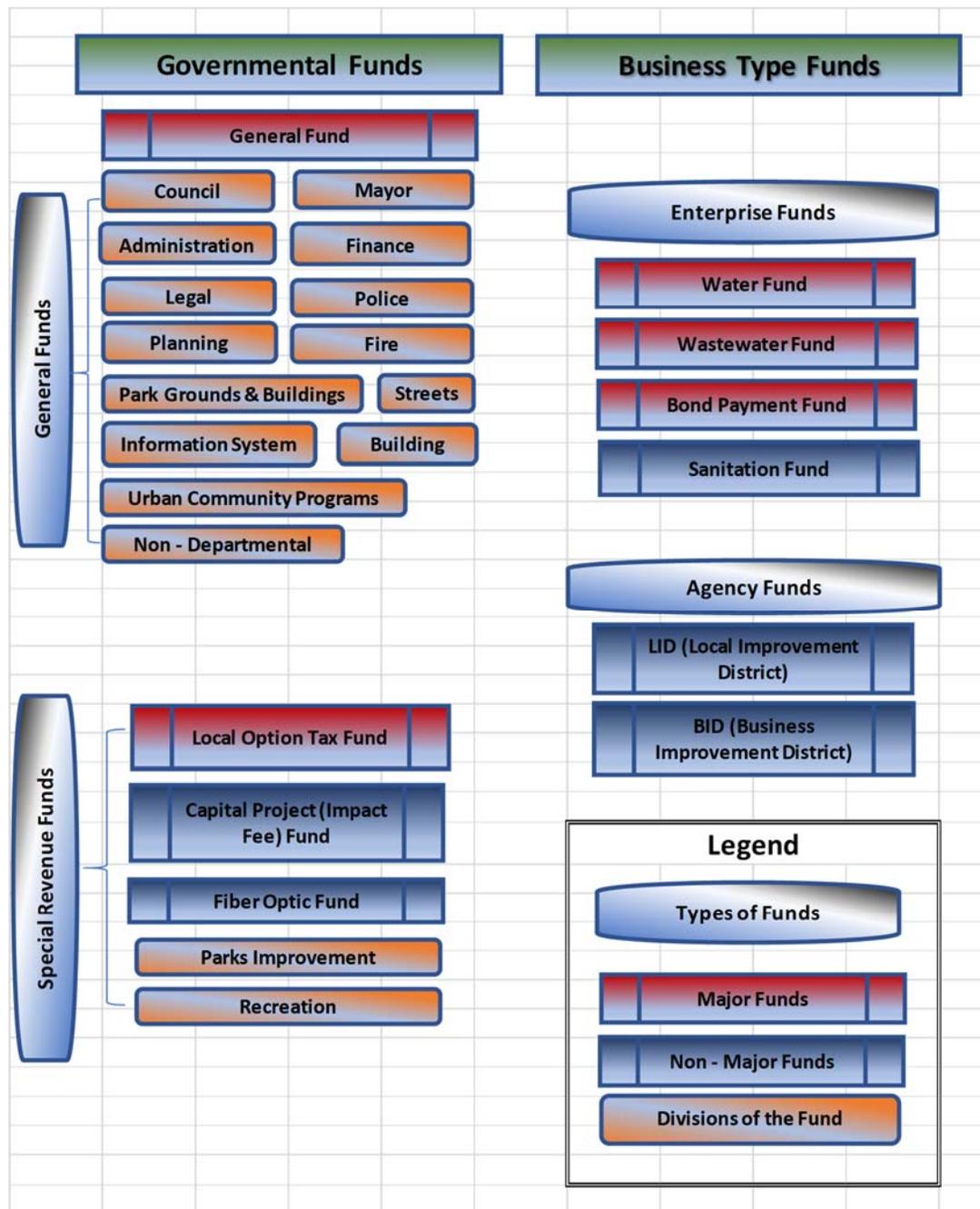
Bond Payment Fund – This Fund accounts for the payments of bond debt associated with the proprietary funds.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The resources of those funds are not available to support the City of Sandpoint’s own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The **Agency Fund** reports resources held by the City in a custodial capacity for individual, private organizations and other governments.

INTRODUCTION: Basis of Budgeting and Funds

The basis of budgeting will be the same as the basis of accounting; that is, budgets for the governmental funds which consist of the General Fund and Special Revenue funds, are prepared on the modified-accrual basis of accounting. Budgets for the business-type funds which consist of the Enterprise funds and Agency funds are prepared on a full-accrual basis. All funds are appropriated as they appear on the financial statements.



INTRODUCTION: Use of Funds by Department

Use of Funds by Department

City of Sandpoint FY19 BUDGET

Department	Governmental Funds		Proprietary Funds	Fiduciary Funds
	General Fund	Special Revenue	Enterprise	Agency Funds
City Council	X			
Mayor's Office	X			
City Clerk	X			
Administrative Services	X			
Finance Department	X			
Legal Department	X			
Information Services	X			
Risk Management	X			
Central Services	X			
Government Buildings	X			
Urban Community Programs	X			
Police Department	X			
Narcotics Unit	X			
Code Enforcement Division	X			
Fire Department	X			
Building Department	X			
GIS Department	X			
Street Department	X			
Street Light Department	X			
Planning Department	X			
Parks Grounds Maintenance	X			
Parks Memorial Field	X			
Parks Structures	X			
Parks Community Hall	X			
General Fund Capital Projects	X			
Fiber Optic		X		
Fiber Optic Capital		X		
Recreation Department		X		
Recreation Capital		X		
Local Option Tax		X		
Local Option Tax Capital		X		
Parks Concessions		X		
Parks Capital		X		
Capital Project (Impact Fee) Fund		X		
Public Works Administration			X	
Water Treatment			X	
Water Distribution			X	
Sewer Collection			X	
Sewer Treatment			X	
Sanitation			X	
Water Capital			X	
Sewer Capital			X	
Debt Water Bond			X	
Debt Sewer Bond			X	
BID - Business Improvement District				X
LID Guarantee				X
LID Funds Combined				X

CITY PRIORITIES AND POLICY: Strategic Priorities

Sixteen specific initiatives have been identified as Strategic Priorities for Fiscal Years 2019-2020 as presented below.

Initiatives	Responsive Government	Resilient Economy	Sustainable Environment	Vibrant Culture	Livable Community
Refine City Codes	√	√	√		√
Expand Citizen Engagement	√				√
Embrace Performance Management	√	√	√		
Refresh Advisory Group Charters	√				√
Optimize Storm Water Management	√	√	√		√
Optimize Police Services	√	√			√
Optimize Fire Protection	√	√			√
Strengthen Financial Forecasting	√	√			
Diversify Housing Mix	√	√			√
Consider Acquiring U of I Property	√		√	√	√
Memorial Field & Sports Complex Upgrades	√	√	√	√	√
Update the City's Comprehensive Plan	√	√	√		√
Complete Assessment and/or Master Plans for:					
• Watershed Management	√		√		√
• Downtown Revitalization/ Farmin's Landing	√	√		√	√
• Public Art and Historic Preservation	√	√		√	√
Complete Infrastructure Master Plans/Updates for:					
• Transportation and Wayfinding	√		√		√
• Sidewalks and Pathways	√	√	√	√	√
• Parking Assessment	√	√			√
• City Beach and All Parks	√	√		√	√
• ADA Compliance	√				√

A discussion of the specific actions and activities that will be implemented under each of these initiatives can be found below:

Refine City Codes

- Conduct a systematic, chapter-by-chapter, review for relevance, enforcement implications, and ways to improve outcomes at less cost including organizational structure and support for legal functions.

Expand Citizen Engagement

- Increase the frequency, channels, and variety of information is gathered from and shared with citizens. Routinely assess community issues / interests and citizen satisfaction with City services, and leverage technology to enable more people to provide input on specific topics of interest.

Embrace Performance Management and Continuous Improvement

- Memorialize Council expectations via ordinance. Establish standard methods for setting priorities, tracking accountabilities, measuring progress, and developing employees. Also, systematically review all internal processes and external service protocols for efficiency, effectiveness, and citizen satisfaction (e.g., one-stop shop, See-Click-Fix).

Refresh Commissions and Advisory Group Charters

- Set clear protocols for establishing, informing, supporting, and leveraging such groups and clarify the purpose, roles, mode of operations, standards for participation, and renewal cycle for each.

Optimize Storm Water Management

- Develop a storm water master plan and evaluate the transition and ongoing costs, risks, and benefits to the City and citizens of establishing a storm water utility to fund upgrades, expansion, and maintenance. Develop implementation plans that identify priorities, policy guidelines, projected costs, and alternative means of funding.

Optimize Fire Protection

- Evaluate the transition and ongoing costs, risks, and benefits to the City and citizens of establishing an independent, membership-based regional fire and emergency services agency via Joint Powers Authority.

Optimize Police Services

- Establish and refine centralized code and parking enforcement plus community engagement via the Community Resource Officers and recommend appropriate revisions to City Codes.

Strengthen Financial Forecasting

- Complete baseline of integrated 5-year operating plans and 20-year capital investment plans including analysis of revenue and expense projections to reflect anticipated growth and other considerations.

Diversify Housing Mix

- Update of the 2007 multi-jurisdictional housing assessment and work with employers, developers, property owners, housing organizations, community members and neighboring jurisdictions to devise and implement strategies to increase the availability of entry level and workforce housing stock.

Consider Acquiring U of I Property

- Assess ways to prudently acquire, use, and maintain portions of the U of I property for public purposes.

Memorial Field and Sports Complex Upgrades

- Complete renovation of Memorial Field to include field surface. Develop and implement plans (including costs, benefits, and timelines) to address water drainage issues and expand the usability of all sport fields.

Update the City's Comprehensive Plan

- Conduct a public process to critically review and update the City's Comprehensive Plan in accordance with best practices and the City's strategic plans.

Complete Watershed Management Master Plan

- Conduct a public process to critically review needs and define preferred solutions and resource requirements. Develop implementation plans that identify priorities, policy guidelines, projected costs, and alternative means of funding.

Develop a Master Plan for Downtown Revitalization

- Conduct a public process to critically review the needs, opportunities, costs, and benefits of improving Farmin's Landing and other projects. Develop implementation plans that identify priorities, policy guidelines, projected costs, and alternative means of funding.

Develop a Master Plan for Arts

- Conduct a citizen-lead process via the Arts Commission to critically review the needs, opportunities, costs, and benefits of improving arts-related projects and programs. Develop implementation plans that identify priorities, policy guidelines, budgetary needs, and alternative means of funding.

Develop Integrated Master Plans for Infrastructure

- Conduct a public process to critically review needs and define preferred actions and related resource requirements for City infrastructure including: streets, sidewalks and pathways; parking; water treatment and distribution; wayfinding; American with Disability Act compliance; and City Beach and other parks. Develop implementation plans that identify priorities, policy guidelines, projected costs, and alternative means of funding.

CITY PRIORITIES AND POLICY: Financial Policies

No: 17-44
Date: July 5, 2017

RESOLUTION OF THE CITY COUNCIL CITY OF SANDPOINT

TITLE: CITY OF SANDPOINT FINANCIAL STATEMENT POLICY

WHEREAS: The City Treasurer seeks to establish fund balance policies to mitigate current and future financial risk that can occur from contingencies such as unforeseen revenue fluctuations, unanticipated expenditures from emergency situations, cashflow liquidity for general operations and to provide overall financial stability;

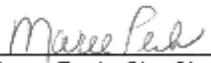
WHEREAS: The City Council recognizes the benefit of maintaining adequate reserves in order to be prepared with funding issues during difficult times; and

WHEREAS: The City Council wishes to adopt a policy, that among other factors, provides the importance of appropriate use of one-time resources to include the establishment and rebuilding of emergency reserve, operating reserve, early retirement of debt, capital expenditures and other non-recurring expenditures.

NOW, THEREFORE, BE IT RESOLVED THAT: The City of Sandpoint Financial Statement Policy is hereby adopted.


Shelby Rognstad
Mayor

ATTEST:


Maree Peck, City Clerk

City Council Members:

	YES	NO	ABSTAIN	ABSENT
1. Eddy Second	X			
2. Aitken Motion	X			
3. Williamson	X			
4. Camp	X			
5. Ruehle	X			
6. Snedden				X

City of Sandpoint, Idaho

Financial Policy Statements

Purpose

To establish fund balance policies, tailored to meet the needs of the City of Sandpoint, with sound financial management principles that will provide the City with a stable financial base at all times. It is essential that Sandpoint maintain adequate levels of fund balance to mitigate financial risk that can occur from contingencies such as; unforeseen revenue fluctuations, unanticipated expenditures from emergency situations, cash flow liquidity for general operations and to maintain good credit rate standing.

A. GOVERNMENTAL FUND BALANCE AND RESERVES

Definitions and Details

Fund balance is a measurement of available financial resources and is the difference between total assets and total liabilities in each fund.

GASB Statement 54 distinguishes fund balance classifications based on the relative strength of the constraints that control the purposes for which specified amounts can be spent. Beginning with the most restrictive constraints, fund balance amounts will be reported in the following categories:

- 1) **Non-spendable Fund Balance** – amounts that are not in a spendable form; such as, inventories, prepaid items, accounts receivables and other current assets that are consumed in the course of operations that cannot be converted to cash or are not expected to be available to pay current liabilities. This would include the principal amount of any permanent fund.
- 2) **Restricted Fund Balance** – are resources of a governmental fund that are subject to constraints imposed by external parties or law. These restrictions include such things as contracts, directed donations, debt covenants and voter approved actions (e.g. LOT tax). Constraints can also be imposed by outside legislation and federal and state agency (e.g. grants and intergovernmental revenues). These amounts can be spent only for the specified purpose stipulated by the external parties.
- 3) **Committed fund balance** – amounts that have been designated by City Council resolutions for ordinances. These funds may only be spent for the purpose intended by

the resolution or ordinance and can only be changed or lifted by the same action. (e.g., the resolution committing a specified dollar amount to be used for Memorial Field Enhancements in the Parks Fund).

- 4) **Assigned fund balance** – the net amounts *intended* to be used by the government for specific purposes. Assigned resources do not require formal actions by the City Council. Intent can be expressed by the City Council or a designee to whom the council delegates the authority. In governmental funds other than the general fund (special revenue funds), assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund (e.g., Recreation Fund).
- 5) **Unassigned fund balance** – are available for any legal purpose and represents expendable available financial resources that can be used to meet reserves, contingencies and cash flow requirements. Reserve targets are generally met from excess revenue over expenditures or one-time revenues.

UNASSIGNED FUND BALANCE GOALS

Governments that maintain adequate reserves are better positioned to deal with funding issues during difficult times. Therefore, in good economic times it is prudent for governments to use a portion of budget surpluses to help create, sustain or increase the size of a general fund reserve.

General Fund - The City shall seek to maintain unassigned fund balance of between 35-40% of all expenditures in the projected fiscal year budget. Expenditures shall include operating expenses and any budgeted fund transfers (excluding capital or any unusual expenditure items) of the general fund. If the unassigned fund balance after the conclusion of the annual audit exceeds 45% a review shall be conducted and appropriate actions shall be taken. If the unassigned balance is less than 30% a plan shall be developed to restore the reserves in an acceptable manner under the circumstances. Included in the unassigned fund balance are reserves for cash flow, operations and emergencies.

General Fund Emergency Reserve – 10% - 12% is for unexpected, large-scale events where substantial damage is incurred and immediate, remedial action must be taken to protect the health and safety of residents, (e.g. floods, road/culvert washouts, structural damage from snow, wind or fire).

General Fund Operating Reserve – 20% -28% is not a contingency fund. This reserve is established as a Stabilization Fund to provide “bridge funding” to deal with unexpected events such as: economic downturns where fluctuations in revenues may plunge far more than originally forecasted, unfunded mandates from the State and/or Federal Governments that impact ongoing programs and services, adverse litigation, unanticipated expenditures or opportunities. This reserve can address shortfalls to the city’s budget by providing time for restructuring its operations

in a deliberate manner to prepare or avoid financial impacts or to ensure continuance of critical City services and activities and to eliminate the need for short-term borrowing.

Special Revenue Funds – Special revenue funds (e.g. Parks Capital Improvement Fund, LOT Fund, and Recreation Fund) are created to account for the proceeds of specific revenue sources that are restricted for use either by law, contract or donor specifications. Fund balances are therefore either restricted, committed or assigned in the special revenue funds. Care should be taken to ensure the fund balance plus estimated revenues for the ensuing fiscal year must be sufficient to meet all outstanding contractual obligations and be sufficient to accommodate the ensuing fiscal year budget and a determined cash flow specific to the fund. Special Revenue Funds do not have Unassigned Fund Balances.

Any start-up expenditures for new programs, provided that such action is approved by the City Council and is considered in the context of multi-year projections of revenue and expenditures shall be used from existing assigned fund balance.

Policy

The City Administrator in consultation with the Treasurer/Director of Finance and discussions with the City Council and Mayor shall determine funds to be classified as assigned.

Except in extraordinary circumstances unassigned fund balance should not be used to fund any portion of the ongoing and routine year-to-year operating expenditures of the City. It should be used primarily to ensure adequate reserves, to respond to unforeseen emergencies, to provide cash flow and to provide overall financial stability.

When multiple categories of fund balance are available for expenditure (e.g., a project is being funded partly by a grant, funds set aside by the City Council, and unassigned fund balance), the District will start with the most restricted category and spend those funds first before moving down to the next category with available funds.

The City shall maintain Reserves for the Unassigned Fund Balance as described above. Whenever Operating Reserves are used or a budget increase results in a shortfall, the plan to replenish or enhance the fund will require a minimum of 5 percent of all (ongoing) discretionary revenue be devoted to the Operating Reserve until replenished. Whenever funds used in the Emergency Reserve results in a shortfall it must be replenished by the end of the ensuing fiscal year end.

B. USE OF ONE-TIME RESOURCES

Purpose

To establish a policy that recognizes the value and limitations of one-time resources and guide the budgetary use of these resources. The value of one-time resources allows the City to consider expenditures to enhance the city's base budget for items not normally considered or recognized as affordable with the city's on-going revenue requirements. Limitations of one-time resources are the lack of availability in future fiscal years to fund ongoing costs of most on-going city expenditures.

Definitions and Details

One-time resources are resources that the City cannot reasonable expect to receive on an ongoing basis. The source is most likely one-time if any of the following apply.

- a. Will not be available the next fiscal year
- b. Has a set ending date such as 12-18 months
- c. Results from a one-time spike in revenue
- d. Results from bond or debt proceeds
- e. Results from a budget surplus derived from temporary expenditure saving
- f. Sale of fixed assets

Policy

One-time resources are resources that the City cannot reasonably expect to receive on an ongoing basis. The source is most likely one-time such as proceeds from asset sales, debt refinancing, one-time grants, revenue spikes, budget surpluses and similar non-recurring revenue and shall not be used for current or new ongoing operating expenses. Appropriate uses of one-time resources include establishing and rebuilding the Emergency Reserve, Operating Reserve, and early retirement of debt, capital expenditures and other non-recurring expenditures. Emphasis shall be placed on one-time uses that achieve future operating cost reductions.

C. ENTERPRISE FUND BALANCES AND RESERVES

Enterprise Funds require working capital for routine and non-routine operating and capital expenses. A certain level of cash reserves for one fund will not be sufficient for another fund. For most governments, the main focus and attention is on liquidity. Annually as part of the determination of user charge billings and capital funding the City will assess and budget as necessary any adjustments to specific working capital levels, reserve balances and contingencies for any unforeseen circumstances.

Definitions and Details

Enterprise Fund operations operate in a manner similar to private business where the intent of the governing body is that costs (expenses, including depreciation) be financed or recovered primarily through user charges (e.g. water and sewer rates). Careful considerations should be used when assessing the water and/or sewer systems' ability to manage other risks when determining the impact of affordable "pay-as-you-go" financing, reserve financing and bond financing for major upgrades and/or new facilities. Balances are under the scrutiny of lending institutions for ability to bond and interest rates.

The categorizations used in defining Fund Balance for Enterprise Funds are Restricted Net Assets and Unrestricted Net Assets define balances of these funds.

- 1) **Restricted Net Assets** – are assets whose use is restricted for a particular purpose that are either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provision or enabling legislation. (E.g. grants, NUFF fees, debt reserves).
- 2) **Unrestricted Net Assets** – is the residual balance after adjusting for restricted assets, including depreciation. Designations are internal and may be changed by management.

Policy

The City shall maintain ample reserves in each enterprise fund (water and sewer) to cover the requirements defined above for Restricted Net Assets as defined above. Unrestricted Net Assets for each fund should include reserves for operational and capital needs. Operational reserves should be at least 25% of the operation budgets of each fund, each year. Capital Reserves should be maintained for each fund at a level not only takes into consideration the inflow and outflow of cash based on City Ordinances and Resolutions to meet the current and future needs of the capital improvement plan but also to mitigate potential risk. This should be reviewed and adjusted annually to minimize impact rate payers.

City of Sandpoint, Idaho

Fund Balance Construction Reserve Policy for the SURA Funded Downtown Street Project

Purpose

To establish a general fund reserve policy for Construction of the SURA Funded Downtown Street Project. The construction project is slated to be underway early next fiscal year and expected to continue through fiscal year 2021 with SURA funding to occur through fiscal year 2029. It is essential that Sandpoint maintain an adequate level of cash flow to complete the project as planned with SURA funding to occur over time.

D. CONSTRUCTION RESERVE

Definitions and Details

The Construction Reserve is established from the unassigned general fund balance. Its creation is intended to fund cash flow for the duration of the specified project and is not intended to be a permanent reserve. The project will require financial monitoring for escalation of construction costs over engineer estimates and any approved change orders that would trigger adjustments to the balance of the reserve and this policy.

Unassigned fund balances – are available for any legal purpose and represents expendable available financial resources that can be used to meet reserves, contingencies and cash flow requirements. Reserve targets are generally met from excess revenue over expenditures or one-time revenues.

CONSTRUCTION RESERVE GOALS

Creating this reserve to maintain an adequate cash flow balance for the SURA funded Downtown Project recognizes the long range commitment and investment of the City of Sandpoint to complete this project. Therefore, it is prudent for the City to fiscally plan for this commitment.

Capital Project Reserve Funding – is established and maintained at \$3,000,000 through fiscal year 2019 and then increased to \$4,000,000 thru fiscal year 2022. This reserve is created to cover the costs associated with the downtown street project with reimbursement from the Sandpoint Urban Renewal (SURA) to occur through fiscal year 2029. Construction expenditures, at this time,

are expected to occur through fiscal year 2021. Reimbursements from SURA (when construction is completed) should be used in the following manner; 1.) To replace or enhance funding in the Emergency and Operating Reserves, 2.) Provide funding for projects or equipment that have been postponed due to funding requirements of the downtown street projects, and 3.) To place in the unassigned fund balance for future one-time capital expenditures, projects or opportunities. Future on-going evaluation of the reserve and project are recommended and may require adjustments to complete the desired downtown street project.

Policy

The City shall maintain a Capital Project Reserve to provide cash flow for the SURA funded Downtown Street project in the Unassigned Fund Balance as described above. Whenever projected costs indicate that the Capital Project Reserve Fund may result in a shortfall, the Finance Director/Treasurer, in consultation with the City Administrator, should determine if the additional costs are within the scope of SURA funding. If so, adjustments shall be made to the reserve to meet the necessary cash flow requirement. If not, then the additional financing needs shall be addressed and financed within the City's normal budget process.

Reimbursements from SURA shall be placed first to the Capital Reserve to maintain cash flow until construction of the SURA funded downtown street project is complete and then to the to the general fund unassigned balance to be used in the following manner; 1.) To replace or enhance funding in the Emergency and Operating Reserves, 2.) To provide funding for projects or equipment that have been postponed due to the cash flow funding requirements, and 3.) To be used for future one-time capital projects, equipment and opportunities.

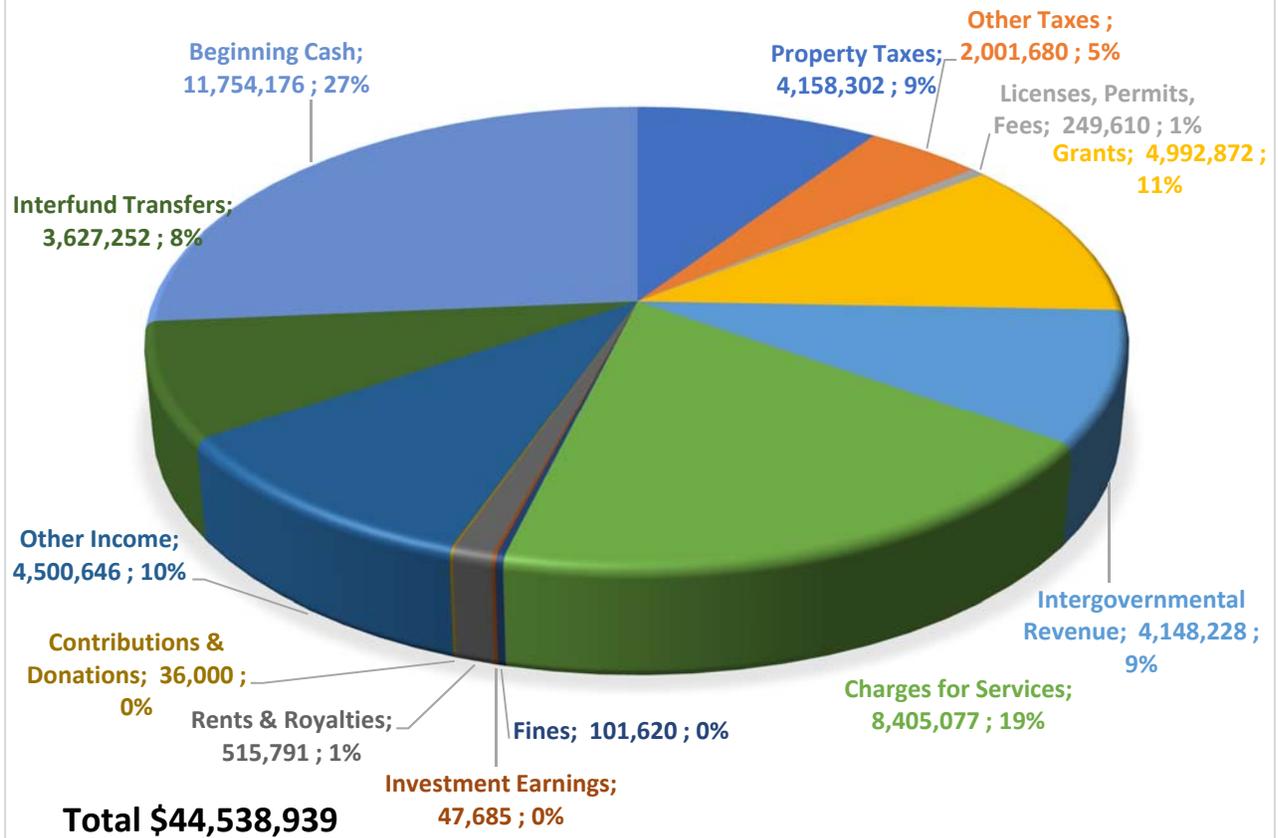
BUDGET OVERVIEW: Fiscal Year 2019 Budget Calendar

Date	Activity
January, 2017 – June, 2018	Strategic Priorities & Actions
January – June, 2018	Department Budget Development
June, 2018	Finalize Budget Reflecting Priorities
July 11, 2018	City Council Adoption of Strategic Plan
July 18, 2018	Budget & Fees Overview Set Hearing Dates
July 19, 2018	Final Budget Document
August 1, 2018	City Council Budget Workshop
August 15, 2018	Budget & Fee Public Hearings/Adoption

BUDGET OVERVIEW: Fiscal Year 2019 Revenue Summary

CITY OF SANDPOINT														
SUMMARY OF BUDGETED REVENUES BY SOURCE														
Fund	Current Property Taxes	Other Taxes	License & Permits	Grants	Inter-governmental	Charge for Services	Fines	Investment Earnings	Rents & Royalties	Contributions & Donations	Other	Interfund Transfers	Beginning Cash	Total Revenue
General Fund	3,971,179	736,956	249,610	3,227,872	4,008,228	295,801	101,620	25,185	232,981	10,000	4,000	1,700,652	2,782,110	17,346,194
Fiber Fund	-	25,000	-	-	100,000	45,994	-	-	4,130	-	39,276	-	-	214,400
Capital Improvement Fund	-	-	-	-	-	-	-	-	-	-	727,977	-	80,000	807,977
Recreation Fund	187,123	4,724	-	90,000	-	94,563	-	-	-	2,000	-	38,460	44,701	461,571
LOT Fund	-	1,235,000	-	-	-	-	-	-	-	-	2,100,000	-	-	3,335,000
Parks Capital Improvement Fund	-	-	-	-	40,000	72,736	-	-	238,680	24,000	-	-	159,830	535,246
LID Guarantee Fund	-	-	-	-	-	-	-	-	-	-	-	-	45,000	45,000
LID Funds (combined)	-	-	-	-	-	-	-	-	-	-	1,009,393	-	7,336	1,016,729
Business Imp Dist Fund	-	-	-	-	-	-	-	-	-	-	-	-	160,000	160,000
Garbage Fund	-	-	-	-	-	467,483	-	-	-	-	-	-	-	467,483
Water Fund	-	-	-	45,000	-	3,495,000	-	22,500	20,000	-	340,000	133,614	2,686,930	6,743,044
Sewer Fund	-	-	-	1,630,000	-	3,933,500	-	-	20,000	-	280,000	-	5,788,269	11,651,769
Debt Service Fund	-	-	-	-	-	-	-	-	-	-	-	1,754,526	-	1,754,526
Total	4,158,302	2,001,680	249,610	4,992,872	4,148,228	8,405,077	101,620	47,685	515,791	36,000	4,500,646	3,627,252	11,754,176	44,538,939

REVENUES BY SOURCE



FY2019		
Property Taxes	4,158,302	9.34%
Other Taxes	2,001,680	4.49%
Licenses, Permits, Fees	249,610	0.56%
Grants	4,992,872	11.21%
Intergovernmental Revenue	4,148,228	9.31%
Charges for Services	8,405,077	18.87%
Fines	101,620	0.23%
Investment Earnings	47,685	0.11%
Rents & Royalties	515,791	1.16%
Contributions & Donations	36,000	0.08%
Other Income	4,500,646	10.10%
Interfund Transfers	3,627,252	8.14%
Beginning Cash	11,754,176	26.39%
	44,538,939	100.00%

Projected revenues are \$5,402,222 greater than FY 2018. This increase is attributable to grants, Sandpoint Urban Renewal Agency (SURA) funding and wastewater projects as highlighted in the Expenditure Budget by Department later in this document.

Grants are budgeted \$2,684,072 higher than the previous year. Miscellaneous grants revenue has been increased from \$757,100 in FY 2018 to \$1,174,635 in FY 2019 (\$417,535). A large regional grant to benefit the fire departments/districts participating in the Joint Powers Agreement for Selkirk Fire was also budgeted. Since adding the full-time Grants Administrator position in FY 2017, grant revenues have increased substantially over prior years. To-date in FY 2018, the City has been awarded \$1,724,162 in grants.

An increase in funding from the SURA has also been budgeted to reflect funding for a sewer line main extension in the amount of \$1.6 million and fiber backbone extension in the amount of \$100,000 along Boyer Avenue.

The most significant contributor to the increase in projected revenues, however, is in the Wastewater Fund. In anticipation of facility upgrades or build-out of a new wastewater treatment facility necessitated by the City's most recent discharge permit, we have budgeted \$3,000,000 in beginning cash from the Wastewater Treatment Fund to support this project.

BUDGET OVERVIEW: Property Tax Summary

PROPERTY TAX COMPARATIVE SUMMARY	2018 ACTUAL	LEVY RATE PER \$1,000	2019 ADOPTED	LEVY RATE PER \$1,000
Base Property Taxes	3,781,236		3,963,615	
Allowable Growth Items:				
Plus Construction Roll Taxes (Est.)	42,121		49,857	
Plus Annexation	-		-	
Plus increase (3% Allowable)	119,549		121,664	
Ag Replacement	2,408		2,408	
Personal Property Tax Replacement	88,958		88,958	
Recovered Homeowner's Exemption	481		481	
Foregone Amount Available for Levy *	20,709		111,895	
Subtotal Property Taxes	\$ 4,055,462		\$ 4,338,878	
Total Property Tax replacement monies not to be levied	(91,847)		(91,802)	
Less Property Tax Relief Fund *			(88,774)	
Total City of Sandpoint Property Taxes to be levied	\$ 3,963,615	\$ 5.86	\$ 4,158,302	\$ 6.14
Property Tax Calculation for Residential Home (based upon a \$200,000 home)	2018 ACTUAL		ADOPTED	DOLLAR DIFFERENCE
Lot	\$ 50,000		\$ 50,000	
Home	150,000		150,000	
Total Assess Valuation	200,000		200,000	
Less Homeowners Exemption	(100,000)		(100,000)	
Taxable Valuation	\$ 100,000		\$ 100,000	
Calculated property tax bill	\$ 585.54		\$ 614.30	\$ 28.76

Resort City Tax Impact on Property Tax

City of Sandpoint Ordinance No. 1317 provides for a Property Tax Relief Fund in the collection of the Resort City Tax - Hotel/Motel Occupancy Tax of 7%. The voter approved ballot language provides that any excess revenues received beyond what was budgeted will be placed in a designated property tax relief fund. When this occurs, these dollars are then used in the ensuing fiscal year to reduce the amount scheduled to be levied for property taxes. This amount becomes available for levy the following fiscal year as foregone revenues.

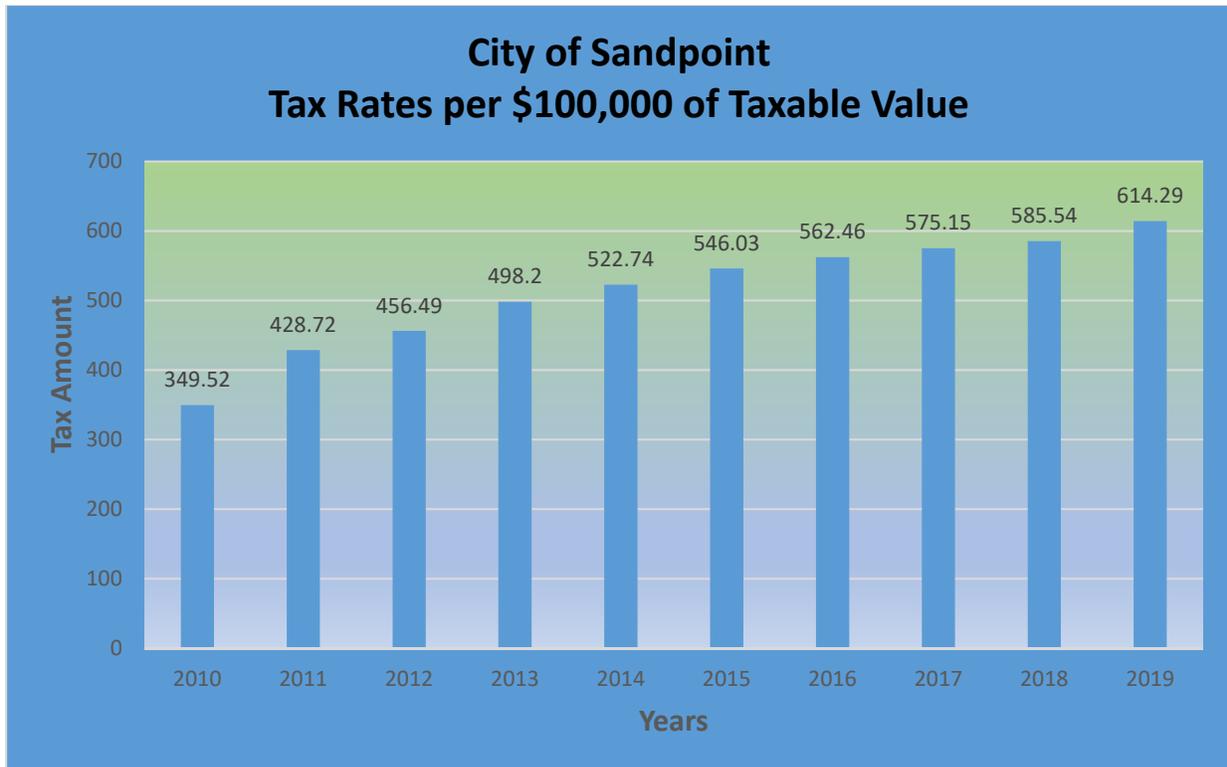
As shown in the table above, Resort City Tax revenues received in FY2016 exceeded the budgeted revenues by \$111,895. This resulted in a reduction to the 3% property tax increase (the statutory limit) in FY 2018 by this amount. These foregone revenues have become available for levy in FY 2019 and are included as identified in the above table.

Resort City Tax revenues received in FY2017 exceeded budgeted revenues by \$88,774 and have been used to reduce the 3% property tax increase in FY 2019.

The overall impact is an increase in property taxes in FY 2019 of \$144,785. The impact based on a \$200,000 home valuation is \$28.75 for the year.

Tax Rates and Allocation

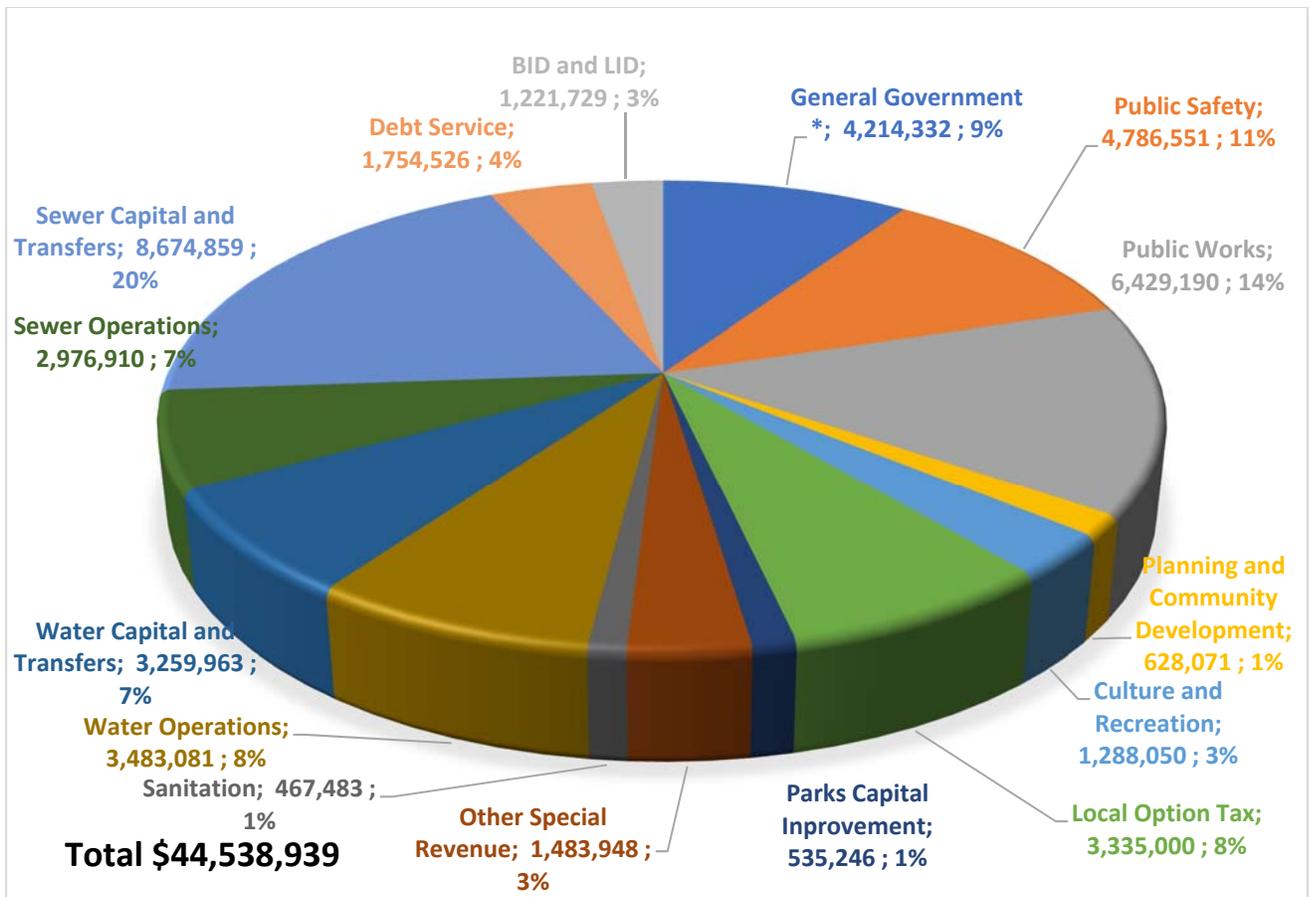
Below are the tax levy rates per \$100,000 of assessed valuation for the past ten years including the proposed levy rate for FY 2019.



PROPERTY TAX ALLOCATION		
	2018 ADOPTED BUDGET	2019 PROPOSED BUDGET
General Fund Property Tax	3,785,253	3,971,179
Recreational Fund Property Tax	178,362	187,123
Total City of Sandpoint Property Taxes	3,963,615	4,158,302

BUDGET OVERVIEW: Fiscal Year 2019 Expense Summary

EXPENDITURE SUMMARY BUDGETED FOR YEAR 2019							
	Personnel Services	Contractual Services	Miscellaneous	Capital & Other	Debt Service	Transfers	Total
GENERAL GOVERNMENT							
COUNCIL	109,882	700	3,000				113,582
MAYOR	24,631	2,000	5,050				31,681
CLERK	124,600	700	14,240				139,540
FINANCE	349,104	77,767	53,460				480,331
LEGAL	366,346	18,210	19,016				403,572
PARKS	749,806	278,850	231,731	27,663			1,288,050
PUBLIC WORKS	759,866	191,700	266,462	5,211,162			6,429,190
PLANNING & ECONOMIC DEVELOPMENT	328,191	62,500	25,660	211,720			628,071
GENERAL ADMINISTRATION	419,891	212,572	324,034	2,050,669			3,007,166
TOTAL GENERAL GOVERNMENT	3,232,317	844,999	942,653	7,501,214	-	-	12,521,183
PUBLIC SAFETY							
POLICE	2,191,366	175,283	171,782	129,365			2,667,796
FIRE	1,143,570	107,934	49,800	817,451			2,118,755
TOTAL PUBLIC SAFETY	3,334,936	283,217	221,582	946,816	-	-	4,786,551
TRANSFERS							
		-	-	-		38,460	38,460
TOTAL GENERAL FUND	6,567,253	1,128,216	1,164,235	8,448,030	-	38,460	17,346,194
SPECIAL REVENUE FUNDS							
FIBER OPTIC FUND		64,000	15,300	5,100			84,400
FIBER OPTIC CAPITAL PROJECTS AND GRANTS				130,000			130,000
IMPACT FEE CAPITAL PROJECTS				807,977			807,977
LOCAL OPTION TAX FUND	14,977	150	5,700	1,114,173			1,135,000
LOCAL OPTION TAX CAPITAL FUND				2,200,000			2,200,000
RECREATION	261,221	44,310	54,045				359,576
RECREATION CAPITAL, GRANTS AND TRANSFERS				100,000		1,995	101,995
PARK CONCESSIONS	26,236	500	46,000				72,736
PARKS CAPITAL PROJECTS, GRANTS AND TRANSFERS				462,510			462,510
TOTAL SPECIAL REVENUE FUNDS	302,434	108,960	121,045	4,819,760	-	1,995	5,354,194
ENTERPRISE FUNDS							
PUBLIC WORKS ADMINISTRATION	324,255	66,784	13,850				404,889
WATER TREATMENT	395,906	98,080	1,136,438	795,000			2,425,424
WATER DISTRIBUTION	461,468	55,370	135,930				652,768
WATER CAPITAL PROJECTS, GRANTS AND TRANSFERS				1,477,500		1,782,463	3,259,963
SEWER COLLECTION	274,744	67,800	62,030				404,574
SEWAGE TREATMENT	432,625	165,800	1,150,500	823,411			2,572,336
SEWER CAPITAL PROJECTS, GRANTS AND TRANSFERS				6,956,000		1,718,859	8,674,859
SANITATION FUND		382,008				85,475	467,483
TOTAL ENTERPRISE FUNDS	1,888,998	835,842	2,498,748	10,051,911	-	3,586,797	18,862,296
DEBT SERVICE FUNDS							
WATER BONDS					973,378		973,378
SEWER BONDS					781,148		781,148
TOTAL DEBT SERVICE FUNDS	-	-	-	-	1,754,526	-	1,754,526
TRUST AND AGENCY FUNDS							
BUINESS IMPROVEMENT DISTRICT		160,000					160,000
LID GUARANTEE FUND					45,000		45,000
LID FUNDS (combined)					1,016,729		1,016,729
TOTAL TRUST AND AGENCY FUNDS	-	160,000	-	-	1,061,729	-	1,221,729
TOTAL EXPENDITURES	8,758,684	2,233,018	3,784,028	23,319,701	2,816,255	3,627,252	44,538,939



FY2019		
General Government *	4,214,332	9.46%
Public Safety	4,786,551	10.75%
Public Works	6,429,190	14.43%
Planning and Community Development	628,071	1.41%
Culture and Recreation	1,288,050	2.89%
Local Option Tax	3,335,000	7.49%
Parks Capital Improvement	535,246	1.20%
Other Special Revenue	1,483,948	3.33%
Sanitation	467,483	1.05%
Water Operations	3,483,081	7.82%
Water Capital and Transfers	3,259,963	7.32%
Sewer Operations	2,976,910	6.68%
Sewer Capital and Transfers	8,674,859	19.48%
Debt Service	1,754,526	3.94%
BID and LID	1,221,729	2.74%
	44,538,939	100%
* General Government includes Council, Mayor, Clerk, Finance, Legal, General Administration and Transfers		

BUDGET OVERVIEW: Full-Time Equivalent Employees

Full-Time Equivalent Employees							
Full-time Equivalent Employees as of September 30							
Function/Program	2015	2016	2017	2018	2018 Temp	2019	2019 Temp
General Government							
Administration	0	0	2	3		4	
Clerk	2	2	2	2		1	
Finance	5.3	4.8	5.25	5.5		5	
Legal	3.4	3.4	3.4	3.5	0.5	3.5	0.5
Parks	7.45	7.52	7.19	7.52	3.66	7.52	3.66
Public Works	8.61	8.61	8.61	8.61	0.58	9.36	0
Planning and Economic Development	4	4	4	4		4	
Police	22	22	22	24		24	
Fire	10.5	10	10	10		10	
Recreation	1.55	1.61	1.61	1.61		1.61	
Public Works Admin	1.49	1.49	1.49	1.49		2.74	
Water	10	10	11	10.34	0.42	11.34	0.42
Sewer	8.45	8.45	8.45	10.51		9.51	
Total Water and Sewer	19.94	19.94	20.94	22.34	0.42	23.59	0.42
Total	84.75	83.88	87	92.08	97.24	93.58	98.16

There is a net increase of 1.5 full-time equivalent employees from Fiscal Year 2018 to Fiscal Year 2019.

This budget proposes converting two temporary/seasonal positions in the Public Works Streets Department to a 1.0 FTE. This will provide a higher level of service in our Streets Department throughout the year, including snow removal and sweeping. The increase provides the necessary flexibility to schedule two snow removal crews rather than one, as has been done in previous years.

In Fiscal Year 2019, the City has added a 1.0 FTE City Engineer in the Public Works Department. In Fiscal Year 2018, the City had a 1.0 FTE Public Works Director/City Engineer. These duties have been divided into two positions to support increased strategic planning including the development of new Capital Improvement, Stormwater Management, Street, Sidewalks and Multi-modal Pathways, Watershed Management and Drinking Water and Wastewater Plans. From an operational standpoint, the City will also assume an increased level of construction management responsibility for its capital construction projects. In recent years, this work has been contracted out to consulting engineers. The City anticipates a higher level of cost recovery, overall reduction of costs for construction management and a higher level of citizen engagement and satisfaction by changing this model.

In Fiscal Year 2018, the City had a 1.0 FTE Finance Director/Treasurer and a 0.5 FTE Deputy Finance Director in training in anticipation of a retirement as part of our succession planning. In Fiscal Year 2019, the Deputy Finance Director position has been eliminated.

REVENUE BUDGET BY FUND

CITY OF SANDPOINT

Proposed Revenue Budget
Fiscal Year 2019

DATE
07/18/2018

	FY 2016 Actual	FY 2017 Actual	FY 2018 YTD	FY 2019 Proposed
GENERAL FUND REVENUE				
311 General Property Tax	3,672,989	3,807,034	2,546,324	4,046,135
314 Resort City Tax	307,691	363,774	155,105	475,000
318 Franchise Fees	147,822	160,326	109,456	160,000
319 Penalty and Int on Delinq Tax	27,602	24,283	15,717	27,000
319 RCT Penalty and Int on Delinq Tax	0	17	34	0
TOTAL TAXES	4,156,104	4,355,434	2,826,636	4,708,135
321 Beer License	9,250	8,025	8,970	8,000
321 Liquor License	6,750	6,244	6,188	6,000
321 Wine License	10,050	9,020	9,440	9,000
321 Catering Permits	3,120	2,180	2,440	2,000
321 Gas Permits	8,487	10,356	13,910	9,000
321 Business License	36,665	38,150	34,685	32,000
321 Taxi/Pawn Shop License	1,460	1,855	2,480	760
TOTAL BUSINESS LICENSE AND PERMITS	75,782	75,830	78,113	66,760
322 Encroachment Permits	8,700	9,100	7,000	9,000
322 Building Permits	112,836	184,606	119,675	150,000
322 Stormwater and Grading Permit	4,739	15,660	7,613	8,000
322 Burn Permits	4,710	660	670	450
322 Sign Permits	3,014	1,529	1,048	2,000
322 Other Permits	6,439	7,695	5,255	7,000
322 Parking Lot Permits	33,375	6,118	2,387	5,000
322 Dog licenses	1,340	1,135	1,545	1,400
TOTAL NON BUSINESS LICENSE & PERMITS	175,153	226,503	145,193	182,850

330 Intergovernmental/SURA	8,055	978,554	40,491	1,878,172
331 Grants	417,383	332,343	604,213	3,227,872
335 State Revenue Sharing	424,451	437,835	219,823	460,000
335 Highway User Fee	274,922	278,741	146,556	282,254
335 New Highway User Fee	86,810	87,700	43,587	88,502
335 State Liquor	247,955	265,914	113,606	275,000
335 State Sales Tax	213,794	235,799	186,548	245,000
338 Local Government Shared Revenue	392,291	407,827	295,276	404,300
338 SIHD Revenue Sharing	385,716	398,957	250,693	375,000

TOTAL INTERGOVERNMENTAL	2,451,377	3,423,670	1,900,793	7,236,100
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341 Zoning Fees	14,488	11,090	2,300	11,700
341 Plan Check Fees	82,259	100,651	61,230	80,000
341 Photocopies	3,949	4,299	3,762	4,000
341 Reimbursements & Refunds	(100,547)	449,892	9,837	10,000
341 Service Fees	1,420	1,360	890	1,200
341 Moorage List Fee	1,240	1,026	1,155	1,000
341 Invasive Species Fee	6,253	5,768	5,231	5,500
341 Miscellaneous	63,484	1,866	465	2,000

TOTAL GEN GOV & CHARGES FOR SERVICES	72,546	575,952	84,870	115,400
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342 Emergency Wildland Fires	10,825	0	0	0
342 Police Services	46,092	47,403	38,177	45,000
342 Fire Services - Joint	88,005	130,483	97,612	129,401
342 Fire Services - training etc.	(2,628)	90	30	0
342 Fire Plan Reviews	0	0	0	5,000
342 Weed Abatement	585	(245)	0	1,000

TOTAL PUBLIC SAFETY	142,879	177,731	135,819	180,401
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351 Fines from Bonner County	90,046	97,502	41,970	90,000
351 Parking Fines	18,064	24,912	9,178	11,540
351 Dog Citations	0	128	120	80

TOTAL FINES	108,110	122,542	51,268	101,620
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361 Interest Income	25,234	56,732	22,980	25,000
361 Interest Income Streets	1,565	938	2,598	185
361 Interest Inc in-lieu of Downtown Parking	121	260	400	0

TOTAL INVESTMENT EARNINGS	26,920	57,930	25,978	25,185
362 Community Hall Rental	5,290	4,658	3,750	4,500
362 Lake Street Rental	8,386	10,042	6,395	9,600
362 Other Rental	25,150	25,595	21,773	25,500
362 Baldy Mtn Lease	18,279	18,372	14,922	14,581
362 Airport Way Lease	95,966	187,189	160,250	177,300
362 Equipment Rental	1,693	4,157	3,454	1,500
362 Jeff Jones Town Square Rental	1,289	0	632	0
TOTAL RENT AND ROYALTIES	156,053	250,013	211,176	232,981
364 Donations & Contributions	0	750	0	0
364 Donations, Historic Commission	0	4,594	2,500	0
364 Donations, Public Art	0	0	0	10,000
TOTAL CONTRIBUTIONS & DONATIONS	0	5,344	2,500	10,000
390 In Lieu of Parking Fee Area B	0	0	30,050	0
390 Utility Reimbursement Rentals	5,390	2,129	2,818	2,000
390 Beginning Fund Balance	0	0	0	2,697,331
390 RCT Property Tax Relief Fund	0	0	0	84,779
391 Transfers in from other Funds	1,459,846	2,219,785	1,113,980	1,700,652
392 Fixed Asset Sales	30,000	1,779	0	2,000
TOTAL OTHER FINANCING SOURCES	1,495,236	2,223,693	1,146,848	4,486,762
TOTAL GENERAL FUND REVENUE	8,860,160	11,494,642	6,609,194	17,346,194

SPECIAL REVENUE FUNDS REVENUE

04 318 Fiber Fund - Franchise Fee	0	0	0	25,000
04 330 & 331 Fiber Fund - Grants/SURA	0	20,301	0	100,000
04 341 Fiber Fund - General Government	0	29,311	(4,698)	45,994
04 361 Fiber Fund - Interest Income	0	(352)	(132)	0
04 362 Fiber Fund - Rents & Royalties	0	40,200	4,994	4,130
04 390 Fiber Fund - Other Financing Sources	0	0	0	39,276
04 391 Fiber Fund - Transfers in	0	77,388	0	0
TOTAL FIBER FUND	0	166,848	164	214,400
05 361 Capital Projects - Interest Income	2,195	6,386	7,574	0
05 390 Capital Proj - Other Financing Sources	168,284	518,369	173,182	807,977

TOTAL CAPTIAL PROJECTS FUND	170,479	524,755	180,756	807,977
06 311 Rec Fund - General Property Tax	168,695	179,191	119,875	190,547
06 319 Rec Fund - Penalty & Int on Delinq Tax	1,301	1,144	741	1,300
06 330 Rec Fund - Intergovernmental	0	0	0	0
06 331 Rec Fund - Grants	4,000	0	975	90,000
06 341 Rec Fund - General Government	0	0	383	188
06 347 Rec Fund - Culture Recreation	102,010	94,535	79,291	94,375
06 361 Rec Fund - Investment Earnings	1,430	3,540	4,244	0
06 364 Rec Fund - Donations & Contributions	2,035	0	0	2,000
06 390 Rec Fund - Other Financing Sources	0	0	0	44,701
06 391 Rec Fund - Transfers in	33,408	52,296	26,698	38,460
TOTAL RECREATION FUND	312,879	330,706	232,207	461,571
07 314 LOT - Selective Sales & Use Tax	923,831	1,294,735	815,999	1,235,000
07 319 LOT - Penalty & Int on Delinq Tax	460	2,616	1,133	0
07 341 LOT - Reimbursements and Refunds	0	0	1,040	0
07 361 LOT - Investment Earnings	1,047	(84)	3,820	0
07 390 LOT - Other Financing Sources	3,704	0	0	2,100,000
TOTAL LOCAL OPTION TAX FUND	929,042	1,297,267	821,992	3,335,000
08 330 Parks Cap Imp - Intergovernmental	0	0	0	0
08 331 Parks Cap Imp - Grants	0	0	0	40,000
08 341 Parks Cap Imp - General Government	0	35,649	2,188	0
08 347 Parks Cap Imp - Culture Recreation	39,695	52,653	7,480	72,736
08 361 Parks Cap Imp - Investment Earnings	2,428	4,891	7,150	0
08 362 Parks Cap Imp - Rents and Royalties	252,379	243,019	223,775	238,680
08 364 Parks Cap Imp - Donations & Contr	3,751	0	0	24,000
08 390 Parks Cap Imp - Other Financing	13,471	8,731	5,601	159,830
TOTAL PARKS CAPITAL IMPROVEMENT FUND	311,724	344,943	246,194	535,246
TOTAL SPECIAL REVENUE FUNDS	1,724,124	2,664,519	1,481,313	5,354,194
25 344 Sanitation Fund - Sanitation	433,102	457,174	405,369	467,483
25 361 Sanitation Fund - Investment Earnings	629	1,666	2,511	0
25 390 Sanitation Fund - Other Financing	0	0	0	0
TOTAL SANITATION FUND	433,731	458,840	407,880	467,483

30 331 Water - Grants	0	0	0	45,000
30 341 Water - General Government	10,403	4,714	3,168	0
30 346 Water - Water Services	3,541,439	3,794,322	2,328,896	3,495,000
30 361 Water - Investment Earnings	37,191	94,876	84,696	22,500
30 362 Water - Rents and Royalties	25,068	20,428	13,996	20,000
30 390 Water - Other Financing Sources	2,339	114,052	0	2,776,930
30 391 Water - Transfers in from other funds	64,497	61,796	43,922	133,614
30 392 Water - Fixed Asset Sales	16,490	0	0	0
30 397 Water - Capital Contributions	286,900	459,701	198,053	250,000

TOTAL WATER FUND	3,984,327	4,549,889	2,672,731	6,743,044
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31 330 & 331 Sewer - SURA & Grants	0	32,514	30,761	1,630,000
31 341 Sewer - General Government	11,722	2,915	1,997	0
31 344 Sewer - Fees	3,762,801	3,871,252	2,658,779	3,933,500
31 361 Sewer - Investment Earnings	43,125	99,784	109,415	0
31 362 Sewer - Rents and Royalties	9,341	12,810	7,654	20,000
31 390 Sewer - Other Financing Sources	0	0	0	5,788,269
31 397 Sewer - Capital Contributions	255,070	399,641	281,554	280,000

TOTAL SEWER FUND	4,082,059	4,418,916	3,090,160	11,651,769
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TOTAL PROPRIETARY FUNDS REVENUE	8,500,117	9,427,645	6,170,771	18,862,296
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33 361 Debt Service - Investment Earnings	15,085	34,245	0	0
33 391 Debt Service - Transfers in	1,621,414	1,563,933	1,751,778	1,754,526

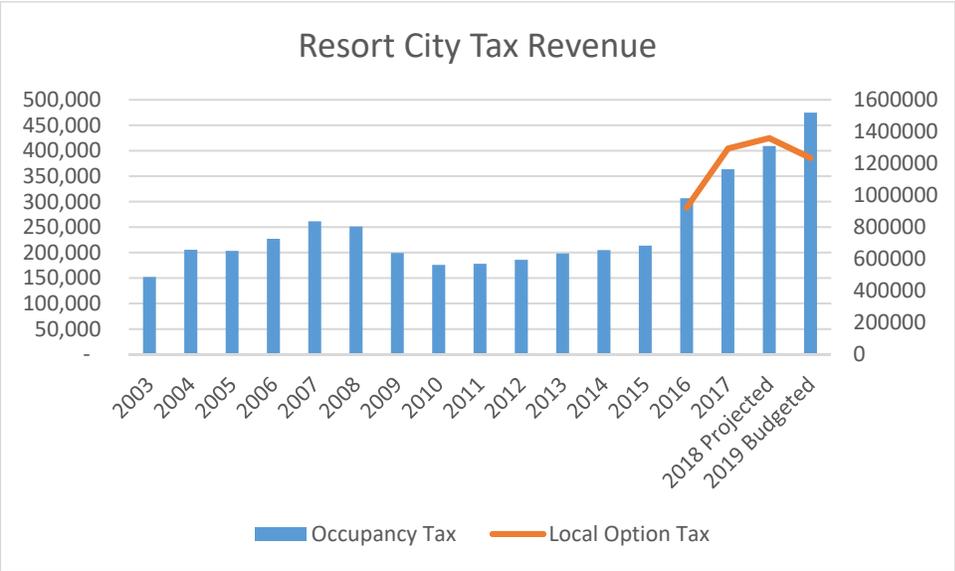
TOTAL DEBT SERVICE FUND REVENUE	1,636,499	1,598,178	1,751,778	1,754,526
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50 341 BID - General Government	6,368	1,647	(283)	0
50 355 BID - Special Assessments	128,882	87,967	0	0
50 390 BID - Other Financing	0	0	0	160,000
50 361 BID - Investment Earnings	0	0	35	0
61 361 LID Guarantee - Investment Earnings	145	326	355	0
61 390 LID Guarantee - Other Financing	0	0	0	45,000
341 LID Funds (Combined) - General Gov	(36)	0	0	0
355 LID Funds (Combined) - Sp Assessments	45,084	30,977	20,173	19,393
361 LID Funds (Combined) - Invest Earnings	1,061	2,013	2,128	0
390 LID Funds (Combined) - Other Financing	2,359	0	0	512,336
391 LID Funds (Combined) - Transfers in	0	160	0	0
393 LID Funds (Combined) - General LTD	0	0	0	485,000

TOTAL TRUST/AGENCY FUNDS BUDGET	183,863	123,090	22,408	1,221,729
TOTAL REVENUE BUDGET	20,904,763	25,308,074	16,035,464	44,538,939

RESORT CITY TAX REVENUES

Resort City Tax has become a significant and critical source of revenue for the City to offset the impact of tourism-related population swings and the associated demand on City services. These services are otherwise almost wholly supported by local property taxes. The 7% voter- approved Occupancy Tax levied on hotels, bed and breakfast establishments and short-term vacation rentals has increased substantially in the past few years as the economy has improved and tourism has increased. In 2019, revenues are projected to exceed \$475,000.



Year	Resort City Tax	
	Occupancy Tax	Local Option Tax
2003	152,162	
2004	205,538	
2005	203,344	
2006	227,315	
2007	261,653	
2008	251,213	
2009	199,232	
2010	175,850	
2011	178,135	
2012	186,080	
2013	198,520	
2014	205,047	
2015	213,736	
2016	306,850	923,831
2017	363,774	1,294,735
2018 Projected	409,259	1,360,000
2019 Budgeted	475,000	1,235,000
Total RCT collected YTD	3,483,554	3,034,565

In keeping with historic uses, 2019 Resort City Tax revenues (Occupancy Tax) will be used to support public safety and parks services, as well as the SPOT bus service. Department narratives in Police and Fire specifically discuss service impacts during peak tourism months.

RCT Fund Requests FY 2019

<u>DEPARTMENT</u>	<u>PROJECT AMOUNT</u>	<u>RCT AMOUNT</u>
<u>GENERAL FUND</u>		
Public Transportation		
Contract	75,000	75,000
Police bicycle patrol	2,500	2,500
Invasive Species	27,000	17,881
Parks Grounds	789,668	82,915
Police Services	2,371,643	178,207
Fire Services	1,348,755	59,402
Memorial Field	92,753	15,768
Interpretive Ctr Maintenance	5,000	5,000
Contingency		
	4,712,319	436,673
<u>Recreation Fund</u>		
1/2 Lifeguard	76,654	38,327
TOTAL	4,788,973	475,000
Preliminary Budget		475,000

- 10.5% of parks ground budget (City Beach, Travers, Centennial, etc)
- 17% of Memorial Field budget
- 7.51% of Police Service Budget
- 4.4% of Fire Service Budget
- 100% of Interpretive Ctr Maintenance
- 100% of Public Transportation Exp

Local Option Tax revenues have been budgeted at \$1,235,000 in FY 2019. Actual receipts and trending would suggest that revenues would be higher, however, it is anticipated that the Idaho State Legislature may eliminate the Grocery Tax in the 2019 Legislative Session which could take effect as early as July 1, 2019.

EXPENDITURE BUDGET BY DEPARTMENT

Grant funded	3,377,872
SURA funded	5,562,922
Water and Sewer Reserves	6,527,500

CITY OF SANDPOINT

*Proposed Expenditure Budget
Fiscal Year 2019*

*DATE
07/18/2018*

Departments and Projects	FY 2016 Actual	FY 2017 Actual	FY 2018 Budget	FY 2019 Proposed
<u>ELECTED OFFICES</u>				
1100 City Council				
100 Salaries and Wages	26,186	28,800	28,800	29,088
200 Employee Benefits	45,815	57,862	66,261	80,794
300 Purchased Prof & Tech	140		700	700
500 Other Purchased Service	120	259	800	2,700
600 Supplies	85	2,726	150	150
800 Miscellaneous	390	367	150	150
Total	72,736	90,014	96,861	113,582
1120 Mayor				
100 Salaries and Wages	13,800	14,400	14,400	14,544
200 Employee Benefits	8,080	9,405	9,838	10,087
300 Purchased Prof & Tech	2,260	12,138	8,700	2,000
500 Other Purchased Service	3,771	2,765	7,000	4,400
600 Supplies	2,722	724	2,200	500
800 Miscellaneous	244	197	150	150
Total	30,877	39,629	42,288	31,681
TOTAL ELECTED OFFICES	103,613	129,643	139,149	145,263

GENERAL ADMINISTRATIVE SERVICES

1140 Administrative Services

100	Salaries and Wages	76,062	119,056	213,047	310,404
200	Employee Benefits	18,002	31,885	75,432	108,987
300	Purchased Prof & Tech	755	11,407	14,000	28,125
400	Purchased Property Ser			100	100
500	Other Purchased Service	2,854	4,434	9,650	9,650
600	Supplies	6,678	6,555	12,050	22,392
800	Miscellaneous	114	251	50	50
Total		104,465	173,588	324,329	479,708

1260 Central Services Department

200	Employee Benefits	430	364	500	500
300	Purchased Prof & Tech	106,263	11,582	5,200	17,400
400	Purchased Property Ser	6,930	4,554	7,500	7,500
500	Other Purchased Service	52,592	4,448	500	500
600	Supplies	33,632	26,802	28,000	30,446
800	Miscellaneous	397	83	300	300
Total		200,244	47,833	42,000	56,646

1240 Information Services

300	Purchased Prof & Tech		104,883	145,605	143,447
400	Purchased Property Ser			2,000	
500	Other Purchased Service		53,359	45,840	46,540
600	Supplies		3,605	18,600	15,800
700	Property		38,746	15,000	31,000
800	Miscellaneous			300	300
Total			200,593	227,345	237,087

1250 Risk Management Department

300	Purchased Prof & Tech	35	2,048	16,000	16,000
500	Other Purchased Service	136,256	138,992	141,287	148,056
800	Miscellaneous		513	50,000	50,000
Total		136,291	141,553	207,287	214,056

3800 Fiber Optic Network

300	Purchased Prof & Tech		47,816	64,000	64,000
600	Supplies		4,065	15,000	15,000
700	Property			5,100	5,100
800	Miscellaneous		1,800	300	300
8601	Fiber Infrastructure project		79,495	30,000	30,000
8602	Fiber Network - Boyer				100,000
Total			133,176	114,400	214,400

Grant Projects

8056 Solar Roadway Grant	42,415	4,337		22,734
8070 Senior Grant	83,893			
8038 Miscellaneous Grant			757,100	1,174,635
9100 Energy Efficiency Project				75,000
Total Grants	126,308	4,337	757,100	1,272,369

Capital Projects

8006 Public Transportation Contract	70,000	70,000	80,000	75,000
8009 Public Art	1,409	7,306	10,000	10,000
8010 City Hall Upgrades	19,194		16,800	130,000
8011 Improvements to Airport Property	3,754	329,422	192,300	192,300
8072 Contingency			150,000	100,000
8014 City Parking Lot Dev Grant			259,000	215,000
8042 Feasibility Study U of I		140		
8043 VEBA	76,000	26,444		
8044 Website Project	1,230			
8049 Fiber Project - City Hall	40,423			
8051 Council Chamber Video Project	42,047			
8003 City Parking Lot Feasibility Study			25,000	25,000
8024 Economic Development Project			130,000	
8054 OpenGov Budget Module			13,000	
6100 BID		13,757	160,000	160,000
8900 Transfers Out	33,408	810,446	40,308	38,460
Total Capital Projects	287,465	1,257,515	1,076,408	945,760

TOTAL GENERAL ADMINISTRATIVE SERVICES	854,773	1,958,595	2,748,869	3,420,026
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LEGAL SERVICES

1210 Legal Department

100 Salaries and Wages	218,635	221,355	262,974	271,444
200 Employee Benefits	65,944	69,150	86,218	94,902
300 Purchased Prof & Tech	5,233	4,526	14,640	17,790
400 Purchased Property Services	51	297	400	420
500 Other Purchased Service	3,763	4,028	4,350	4,650
600 Supplies	11,736	12,172	14,010	14,066
800 Miscellaneous	453		300	300

TOTAL LEGAL SERVICES	305,815	311,528	382,892	403,572
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CITY CLERK

100 Salaries and Wages	121,491	125,438	122,729	93,037
200 Employee Benefits	39,234	43,295	50,930	31,563
300 Purchased Prof & Tech	2,450	10,483	25,125	600
400 Purchased Property Services			100	100
500 Other Purchased Service	2,895	4,334	2,950	3,950
600 Supplies	4,575	2,371	5,050	3,700
800 Miscellaneous			6,590	6,590
TOTAL CITY CLERK	170,645	185,921	213,474	139,540

FINANCE DEPARTMENT

100 Salaries and Wages	251,379	291,658	323,769	248,394
200 Employee Benefits	79,903	100,495	111,506	100,710
300 Purchased Prof & Tech	45,711	73,143	73,450	77,267
400 Purchased Property Services	85		500	500
500 Other Purchased Service	5,616	5,877	11,510	11,510
600 Supplies	36,370	34,877	39,900	38,950
800 Miscellaneous	2,393	2,997		3,000
Total	421,457	509,047	560,635	480,331

3200 Garbage Collection Department

300 Purchased Prof & Tech	310,121	317,872	330,849	354,008
400 Purchased Property Service	11,160	16,332	23,516	28,000
8900 Transfers Out	79,189	80,881	93,459	85,475
	400,470	415,085	447,824	467,483

5300 Local Option Sales Tax Administration

100 Salaries and Wages	15,098	22,021	22,439	9,614
200 Employee Benefits	6,801	12,543	12,248	5,363
400 Purchased Property Services			150	150
500 Other Purchased Services	1,093	1,374	2,200	2,200
600 Supplies	6,826	1,321	3,250	3,250
800 Miscellaneous		289	250	250
Total	29,818	37,548	40,537	20,827

6100 LID Guarantee Fund			45,000	45,000
6200 City-wide Proposed LID			990,000	990,000

LID 32 - North Boyer	6,856	6,857	6,857	6,857
LID 2007-01 - Oak Street	8,575	8,575	8,576	8,576
LID 2006-01 Boyer/Cedar Sidewalk	16,012	16,708	16,014	
LID 2002-02	11,296	11,295	11,296	11,296
8900 Transfer Out		160		
Total LID Funds	42,739	43,595	1,077,743	1,061,729
TOTAL FINANCE DEPARTMENT	894,484	1,005,275	2,126,739	2,030,370

PARKS AND RECREATION

1270 Government Buildings & Grounds

100 Salaries and Wages	64,390	71,180	85,268	100,596
200 Employee Benefits	22,842	20,164	41,444	41,533
300 Purchased Prof & Tech	29		10,150	150
400 Purchased Property Services	81,188	84,823	84,950	85,950
600 Supplies	50,593	48,119	72,096	73,500
700 Property		1,500		
800 Miscellaneous	5,084	26,147	5,500	5,500
Total Government Bldgs. & Grounds	224,126	251,933	299,408	307,229

Capital Projects

8045 City Hall Improvement entryway	43,972	2,000		
8046 City Hall Parking Lot	14,810			
8028 Selkirk Loop Interpretive	10,523			
8026 Interpretive Center Boiler	9,999			
Total Capital Projects	79,302	2,000		

5100 Parks Grounds Maintenance Department

100 Salaries and Wages	333,705	369,430	400,074	412,897
200 Employee Benefits	119,193	131,315	152,944	154,908
300 Purchased Prof & Tech	8,259	6,475	15,100	15,100
400 Purchased Property Services	67,324	98,700	105,000	106,000
500 Other Purchased Service	3,115	2,457	12,600	12,600
600 Supplies	49,271	38,071	65,900	67,000
700 Property	43,237	23,544	17,750	17,663
800 Miscellaneous	750	39	3,500	3,500
Total	624,854	670,031	772,868	789,668

5110 Memorial Field Department

100 Salaries and Wages	26,793	25,483	30,261	31,272
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200 Employee Benefits	6,748	7,083	8,606	8,600
300 Purchased Prof & Tech	920	893	1,150	1,150
400 Purchased Property Services	23,498	22,158	22,300	23,100
600 Supplies	17,894	16,371	23,000	28,631
800 Miscellaneous	2,616			
Total	78,469	71,988	85,317	92,753

5120 Parks Structures Maintenance

300 Purchased Prof & Tech		997	1,000	1,000
400 Purchased Property Services	11,606	7,514	12,000	12,000
600 Supplies	36,116	28,506	32,500	32,500
700 Property	4,727	0	10,000	10,000
Total	52,449	37,017	55,500	55,500

5130 Community Hall Department

400 Purchased Property Services	26,982	22,440	36,400	34,400
600 Supplies	9,322	4,227	8,500	8,500
Total	36,304	26,667	44,900	42,900

5200 Recreation Department

100 Salaries and Wages	162,152	172,686	196,136	205,785
200 Employee Benefits	39,341	42,995	55,126	55,436
300 Purchased Prof & Tech	13,823	15,834	20,610	20,610
400 Purchased Property Services	14,391	12,398	23,673	23,700
500 Other Purchased Services	2,876	3,900	7,950	8,150
600 Supplies	22,984	21,279	29,408	30,395
800 Miscellaneous	7,672	8,771	15,450	15,500
8900 Transfers Out	2,447	2,855	2,086	1,995
Total	265,686	280,718	350,439	361,571

5180 Parks Concessions Department

100 Salaries and Wages	12,698	17,734	20,300	23,500
200 Employee Benefits	1,474	2,064	2,579	2,736
300 Purchased Prof & Technical Services			500	500
400 Purchased Property Services	40	49		
500 Other Purchased Services	1,503	1,649	2,500	2,500
600 Supplies	696	1,085	6,200	6,500
800 Miscellaneous	15,120	19,707	35,000	37,000
Total	31,531	42,288	67,079	72,736

Capital Projects, Grants and Transfers

8305	Idaho Parks & Rec Grant			60,000	60,000
8318	Misc. Memorial Field Grant			60,000	
8304	Tennis Courts			34,000	50,000
8303	Donated Projects	3,851		10,000	10,000
8000	Reserves			41,817	42,510
8306	Moorage Project - non grant	782,252			
8307	Playground Equipment	2,098			
8312	Great Northern Restroom			42,000	
8313	Memorial Field Refurbish	12,052	15,255		
8314	Steel Storage Structure		1,150		
8315	City Beach/Park Master Plan			80,000	100,000
8316	Moorage Acquisition	22,485			
8319	Travers Park Restroom - ADA			270,600	300,000
8321	Commercial Deck Mower		59,600		
8328	Shooting Range Noise Abatement			62,200	90,000
8329	Watershed Trails				10,000
8330	Vehicle Replacement				50,000
8801	War Memorial Field LOT	89,093	3,168,227	3,605,460	3,214,173
8802	Memorial Field Sound System			40,000	
8803	Memorial field improvements			215,000	100,000
8000	Impact Fee Reserve			250,000	200,000
8900	Transfers Out			13,500	
Total		911,831	3,244,232	4,784,577	4,226,683
TOTAL PARKS AND RECREATION		2,304,552	4,626,874	6,460,088	5,949,040

PLANNING AND ECONOMIC DEVELOPMENT

4100 **Planning Department**

100	Salaries and Wages	158,813	165,401	180,624	171,577
200	Employee Benefits	54,016	60,278	64,973	66,036
300	Purchased Prof & Tech	2,642	2,540	30,600	11,600
400	Purchased Property Service			600	600
500	Other Purchased Service	2,102	3,390	6,000	5,700
600	Supplies	3,802	4,499	7,200	5,800
800	Miscellaneous	9,356	746		
8017	High Five Grant		563	250,000	211,720
8029	Historic Commission		6,087		
Total		230,731	243,504	539,997	473,033

2450 **GIS Department**

100	Salaries and Wages	56,480	58,722	62,158	65,107
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200 Employee Benefits	18,371	20,334	24,775	25,471
300 Purchased Prof & Tech	5,542	7,670	7,200	11,300
500 Other Purchased Service	559	993	1,285	1,285
600 Supplies	803	734	5,150	2,000
700 Property			14,500	
Total	81,755	88,453	115,068	105,163
1280 Urban Forestry Department				
300 Purchased Prof & Tech	32,201	32,179	41,277	39,000
500 Other Purchased Service	552	552	275	275
600 Supplies	7,056	5,005	10,600	10,600
Total	39,809	37,736	52,152	49,875
TOTAL PLANNING & ECONOMIC DEVELOPMENT				
	352,295	369,693	707,217	628,071

POLICE SERVICES

2100 Police Department				
100 Salaries and Wages	1,086,123	1,132,492	1,294,309	1,414,389
200 Employee Benefits	378,282	426,597	529,841	557,264
300 Purchased Prof & Tech	167,088	181,796	122,785	123,553
400 Purchased Property Service	25,862	32,565	28,500	33,500
500 Other Purchased Service	23,093	17,921	25,274	26,628
600 Supplies	76,797	119,908	98,600	106,810
700 Property	48,067	225,844	30,000	12,000
800 Miscellaneous	25,567	14,546	7,500	7,500
Total	1,830,879	2,151,669	2,136,809	2,281,644
2110 Narcotics Task Force				
100 Salaries and Wages	62,797	66,306	66,352	73,307
200 Employee Benefits	23,658	22,427	24,826	26,299
400 Purchased Property Service	675	62	1,000	1,030
500 Other Purchased Service	2,579	2,336	2,400	2,472
600 Supplies	1,571	4,637	7,200	7,718
Total	91,280	95,768	101,778	110,826
2500 Municipal Enforcement/Community Relations Department				
100 Salaries and Wages			82,532	85,313
200 Employee Benefits			48,392	34,794
300 Purchased Prof & Tech			20,200	15,700
400 Purchased Property Service			1,500	1,500

500 Other Purchased Service			3,320	6,640
600 Supplies			11,000	14,015
Total			166,944	157,962

Capital Projects and Grants

8004 Police - Spillman Dashboard			34,000	
8052 Bullet Proof Vest Grant		8,294	9,000	4,783
8083 Mobile Data	4,003	13,858		
9201 Police Vehicles				90,000
8099 Baldy Repeater Enhancements	5,273	0	22,582	22,582
8000 Impact Fee Capital Reserve			50,000	50,000
Total	9,276	22,152	115,582	167,365

TOTAL POLICE	1,931,435	2,269,589	2,521,113	2,717,797
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FIRE SERVICES

100 Salaries and Wages	650,174	623,257	773,651	781,650
200 Employee Benefits	253,903	264,641	355,181	361,920
300 Purchased Prof & Tech	34,269	70,956	89,905	89,434
400 Purchased Property Services	15,305	29,983	14,500	18,500
500 Other Purchased Service	5,709	7,596	6,750	6,850
600 Supplies	37,386	43,148	43,180	42,800
700 Property	6,000	52,792	50,403	47,451
800 Miscellaneous	680	10,400	150	150
Total	1,003,426	1,102,773	1,333,720	1,348,755

Capital Projects & Grants

2201 Fire Apparatus			37,977	37,977
8032 Breathing Apparatus FD			185,000	770,000
8000 Impact Fees			7,023	
8050 Fire Mobile Repeater System	1,024			
8063 Fire Boat	20,100			
8900 Transfers Out		37,977		
Total	21,124	37,977	230,000	807,977

TOTAL FIRE SERVICES	1,024,550	1,140,750	1,563,720	2,156,732
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PUBLIC WORKS

2400 **Building Permit Department**

100 Salaries and Wages	70,322	72,404	77,821	80,205
200 Employee Benefits	24,422	26,122	29,509	30,678
300 Purchased Prof & Tech	2,551	490	2,000	2,000
400 Purchased Property Services	200	271	2,000	2,000
500 Other Purchased Service	649	524	900	908
600 Supplies	2,352	3,653	4,600	4,600
Total	100,496	103,464	116,830	120,391

3100 Street Department

100 Salaries and Wages	372,512	354,798	421,847	442,398
200 Employee Benefits	131,248	135,206	187,434	206,585
300 Purchased Prof & Tech	47,377	80,700	152,300	101,000
400 Purchased Property Services	93,379	100,758	280,700	81,700
500 Other Purchased Service	1,320	1,110	2,250	6,250
600 Supplies	80,427	91,475	140,604	138,204
700 Property	33,000	32,471	32,472	257,472
800 Miscellaneous	8,050	2,478		
Total	767,313	798,996	1,217,607	1,233,609

Capital Projects and Grants

3108 Schw roundabout grant match	44,973	185,568		
8005 Ella & Superior Prop Cleanup	5,154			
8008 Baldy Pedestrian Project		79,201	777,000	685,422
8012 Asphalt Overlay Program	163,853	174,290	250,000	
8013 & 3107 Boyer Pathway		371,540	100,000	100,000
8016 Sidewalk Projects-Pine	19,583			
8018 Alley Crossing/Sidewalk	31,689			
8019 Church Street Reversion		12,205		
8022 Local Hwy Improvement			60,000	
8025 Bridge Street Engineering		3,400		
8057 Tap SR2S Grant	106,000	18,103		
8058 Schweitzer Cutoff Bridge	162,934	726,124		
8059 Schweitzer Cutoff Round		690,223		67,000
8062 Oak Street Sep Bike Lane		5,180	400,000	50,000
8065 Downtown Streets Project			250,000	
8081 Schweitzer Cutoff Road	18,766	4,500		
8082 Downtown Revitalization - CDBG			500,000	478,650
8090 Downtown Revitalization - Phase 1 & 2		351,829	4,337,889	2,950,000
9301 Replacement RRFB				60,000
9302 Streets Plan				100,000
9303 ADA ramps				22,000
9304 Pedestrian and Bike Plan				50,000
9305 Miscellaneous Grants				390,618

8000 Impact Fee Reserve			167,000	370,000
Total	552,952	2,622,163	6,841,889	5,323,690
3150 Street Lights Department				
400 Purchased Property Service	2,196	5,432	5,000	5,000
600 Supplies	105,657	111,536	116,500	116,500
700 Property	12,670			
8900 Transfers Out	124,800			
Total	245,323	116,968	121,500	121,500
3400 Public Works Administration				
100 Salaries and Wages	82,714	97,875	102,522	228,724
200 Employee Benefits	35,080	36,754	43,433	95,531
300 Purchased Prof & Tech	25,546	19,505	39,038	63,924
400 Purchased Property Services	1,788	1,232	2,800	2,860
500 Other Purchased Service	2,611	2,818	3,400	5,200
600 Supplies	3,702	4,122	8,150	8,350
800 Miscellaneous	13,758	5	300	300
Total	165,199	162,311	199,643	404,889
3410 Water Treatment Department				
100 Salaries and Wages	174,900	175,022	264,025	279,433
200 Employee Benefits	59,301	64,345	105,559	116,473
300 Purchased Prof & Tech	18,463	39,643	51,380	52,880
400 Purchased Property Services	32,385	43,841	42,700	45,200
500 Other Purchased Service	4,852	3,732	4,000	4,800
600 Supplies	131,437	143,579	150,800	158,260
700 Property	568,753	572,848	610,000	795,000
800 Miscellaneous	1,000	1,000	734,326	973,378
Total	991,091	1,044,010	1,962,790	2,425,424
3420 Water Distribution Department				
100 Salaries and Wages	300,747	319,094	297,747	328,922
200 Employee Benefits	119,545	134,842	115,725	132,546
300 Purchased Prof & Tech	1,415	1,217	66,500	6,670
400 Purchased Property Services	49,866	26,981	47,800	48,700
500 Other Purchased Service	1,580	1,635	2,600	2,530
600 Supplies	91,756	101,745	97,700	103,400
700 Property	93,932	42,830		
800 Miscellaneous	47,524	25,553	30,000	30,000
Total	706,365	653,897	658,072	652,768

Capital Projects and Grants

8401	Syringa Reservoir	82,477	16,032	50,000	
8402	Watershed Land Purchase			250,000	250,000
8404	Fiber to City Hall	103,327			
8406	Watershed Bridges		109,564	50,000	
8407	Sandcreek Waterline Replacement		406,263	700,000	
8413	Watershed Management Plan			30,000	200,000
8412	Sandcreek Transmission Main				25,000
8416	Sandcreek Hydroelectric	93,614	14,445		
8418	Woodland reservoir coat			500,000	500,000
8420	Facility Plan				
8428	Water Master Plan			180,000	150,000
8429	Water Rate Study				65,000
8430	Building Improvements				57,500
8431	Eastgate Drive upsize from 6" to 12"				200,000
8432	Sandcreek Plant - Filter Media				30,000
3430	Payment - Water Revenue Bond	973,374	973,374	973,378	973,378
8900	Transfers Out	1,610,256	1,690,518	1,756,039	1,782,463
Total		2,863,048	3,210,196	4,489,417	4,233,341

3510 Sewer Collection Department

100	Salaries and Wages	115,788	106,877	266,136	196,890
200	Employee Benefits	47,234	42,864	111,478	77,854
300	Purchased Prof & Tech	1,776	465	66,500	1,500
400	Purchased Property Services	74,927	33,466	64,200	66,300
500	Other Purchased Service	7,807	7,606	7,400	8,150
600	Supplies	29,724	34,771	52,700	53,880
700	Property	34,450		127,000	
800	Miscellaneous	40	4,313		
Total		311,746	230,362	695,414	404,574

3520 Sewage Treatment Department

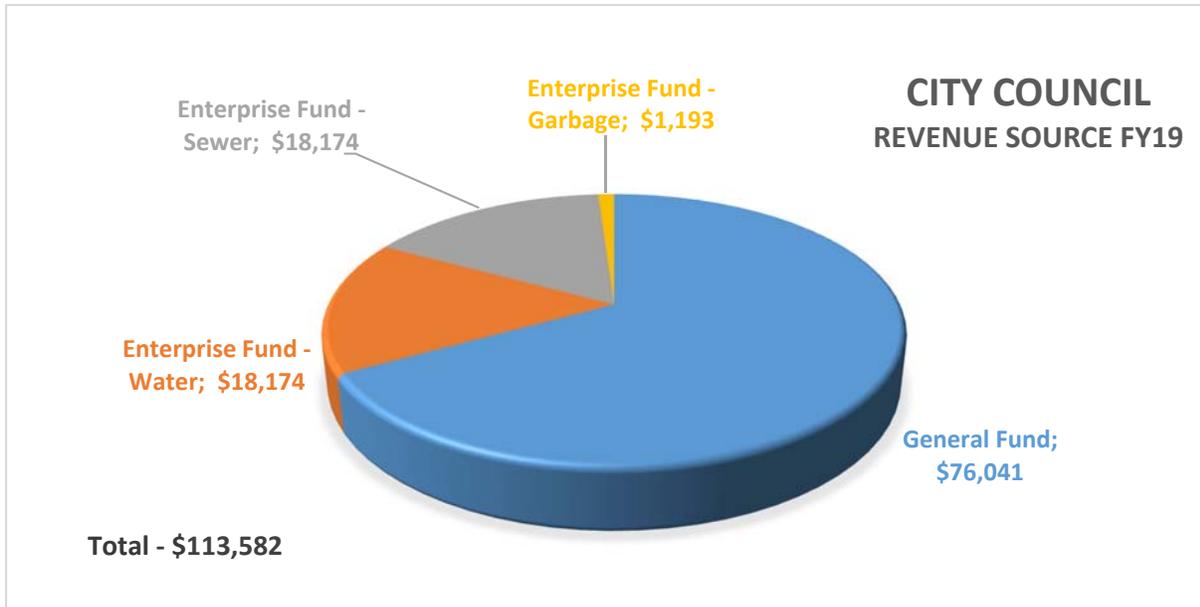
100	Salaries and Wages	210,332	232,657	287,840	301,258
200	Employee Benefits	79,583	93,123	125,156	131,367
300	Purchased Prof & Tech	31,728	15,863	33,200	43,100
400	Purchased Property Services	59,918	106,717	116,250	122,700
500	Other Purchased Service	5,169	4,947	5,000	10,500
600	Supplies	170,601	196,270	182,500	434,500
700	Property	710,493	713,675	787,477	823,411
800	Miscellaneous	539		752,744	705,500
Total		1,268,363	1,363,252	2,290,167	2,572,336

Capital Projects and Grants

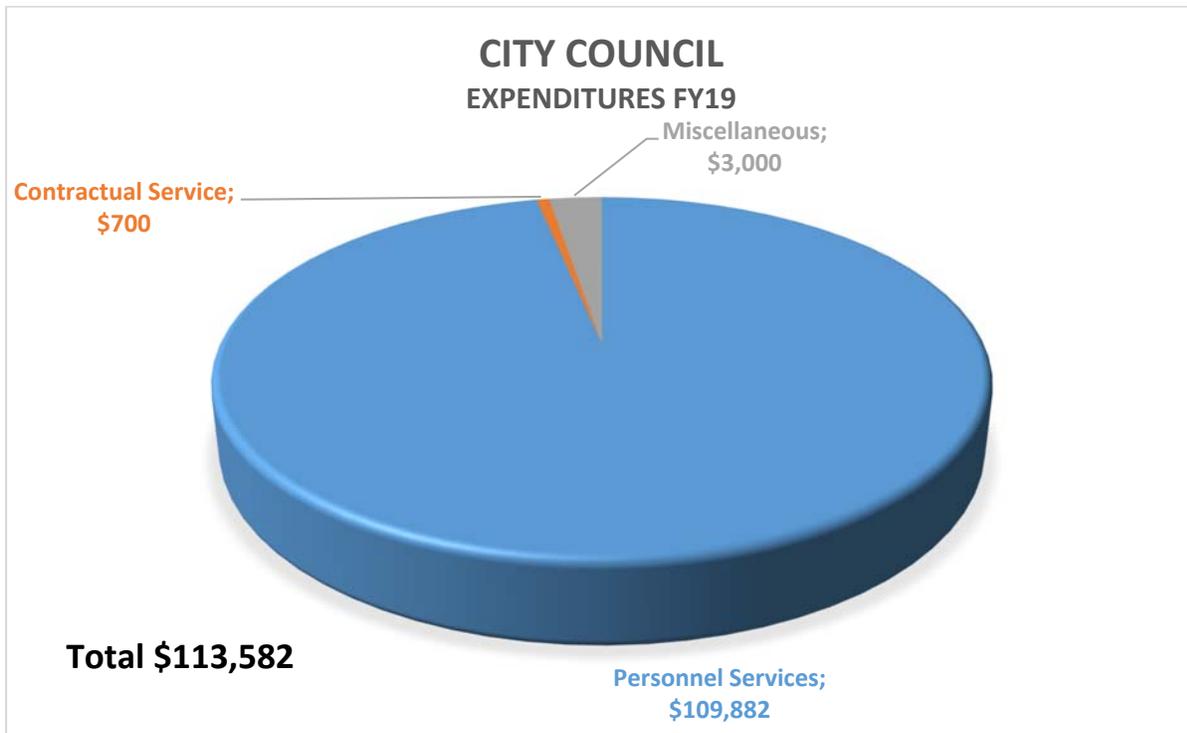
8501	WW Upgrades	10,995			
8502	I&I Project	235,755		250,000	400,000
8503	Downtown Sewer Main Replacement		372,569	640,000	
8504	Fiber to city hall	62,886			
8507	Boyer Lift Station	108,375			
8508	Land Purchase	275,313			
8514	Wastewater Treatment Facility		34,490	140,000	3,000,000
8524	Storm water Master Plan	4,675			200,000
8525	Farmin Landing Stormwater		10,965	150,000	150,000
8527	Downtown Sewer Main Phase 2			980,000	900,000
8528	Dump Station at WWTP			120,000	
8530	Sewer Rate Study				65,000
8531	Bank Lift Station Replacement - Superior				400,000
8532	Building Improvements				95,000
8533	Equipment				146,000
8534	Boyer Sewer Project				1,600,000
3530	Payment - Sewer Revenue Bond	647,872	837,578	778,399	781,148
8900	Transfers Out	1,329,064	1,352,521	1,621,728	1,718,859
Total		2,674,935	2,608,123	4,680,127	9,456,007
TOTAL PUBLIC WORKS		10,646,831	12,913,742	23,273,456	26,948,529
TOTAL CITY BUDGET		18,588,993	24,911,610	40,136,717	44,538,939

DEPARTMENT NARRATIVES: City Council

Council Revenue Sources:



Council Expenditures:



Discussion:

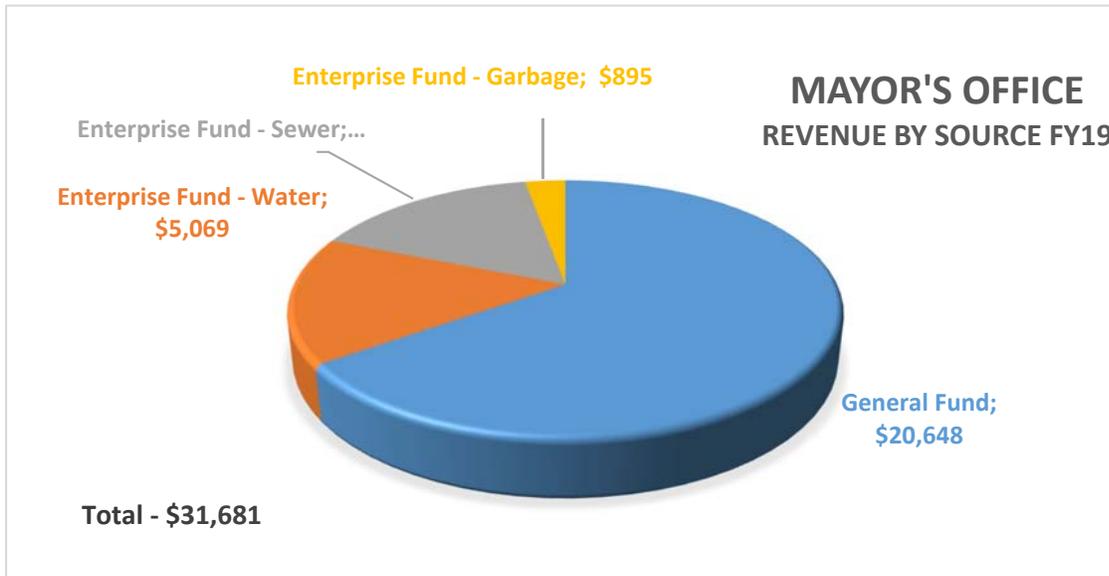
The Sandpoint City Council is comprised of six elected members with staggering terms to provide continuity. The next City election will be held November 5, 2019, with three City Council positions up for election for a four-year term. The Council's duties are primarily legislative working to promote the general welfare of the City.

Sandpoint Council members attend two Council meetings per month and each Council member participates on one or more commissions and committees. Full benefits are provided for Council members including medical, dental, PERSI and life insurance.

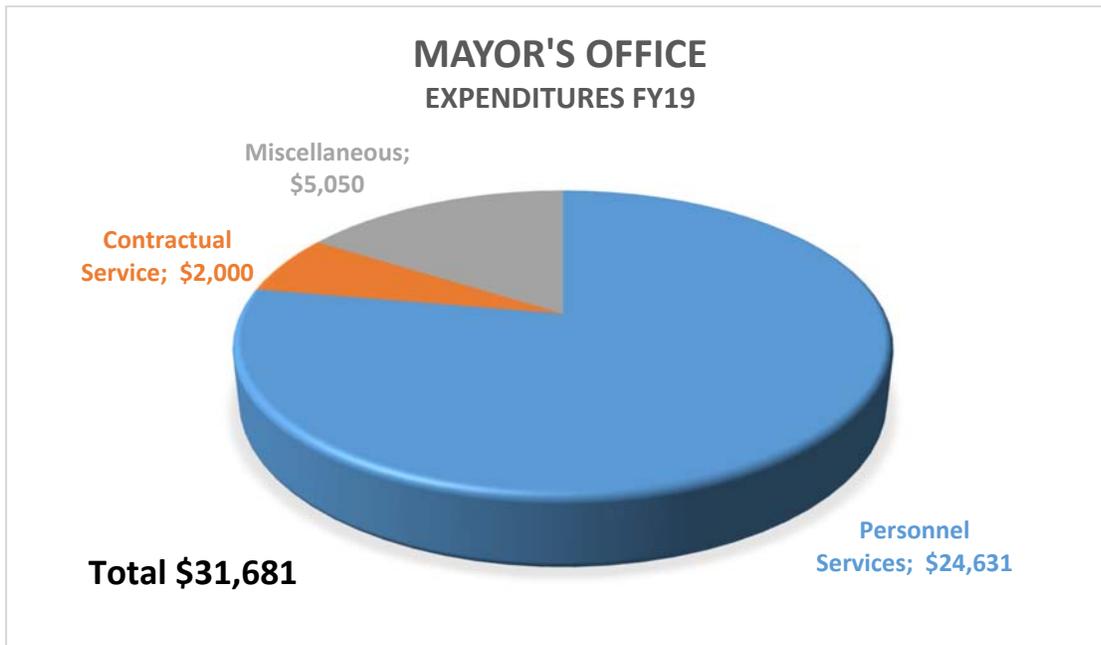
The registration and travel budgets under Other Purchased Services were increased for the City Council this year in response to a City priority of training and development. The current Council members have been active in participating in the Association of Idaho Cities (AIC) training offerings for elected officials. City Council President Shannon Williamson serves as an appointed elected official on the AIC Environment Committee and Water Users Group which both require travel to attend statewide meetings once or twice per year.

DEPARTMENT SUMMARIES: Mayor

Mayor Revenue Sources:



Mayor Expenditures:

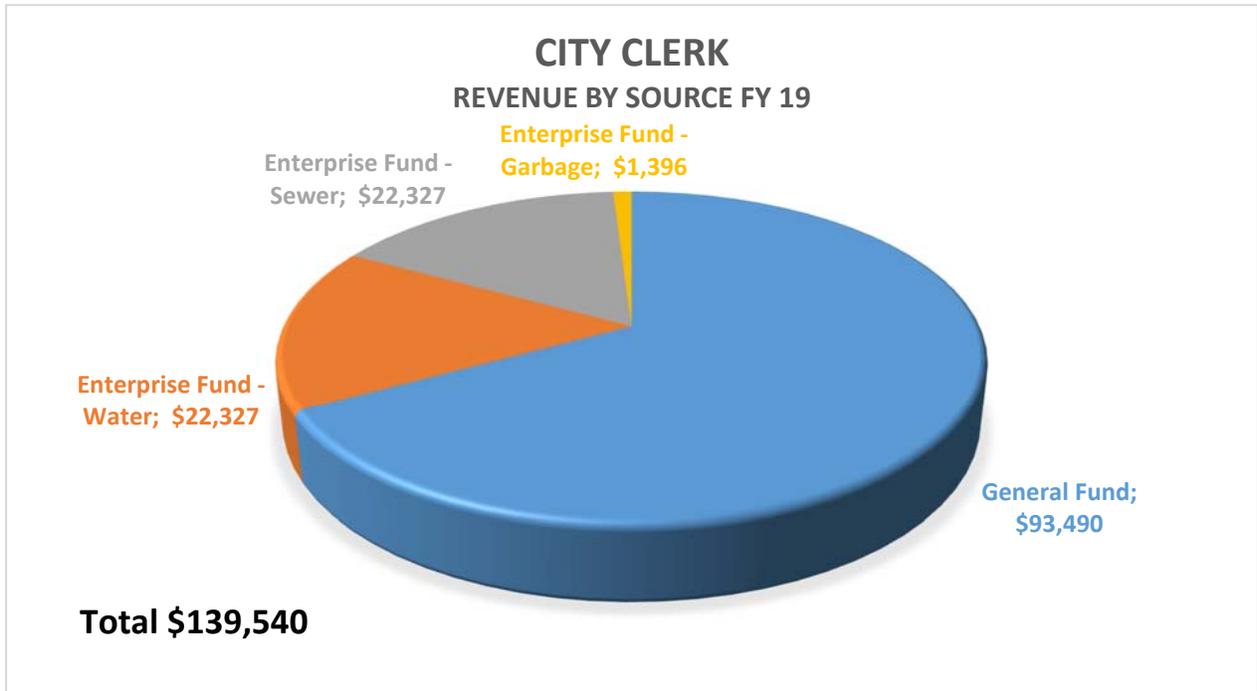


Discussion:

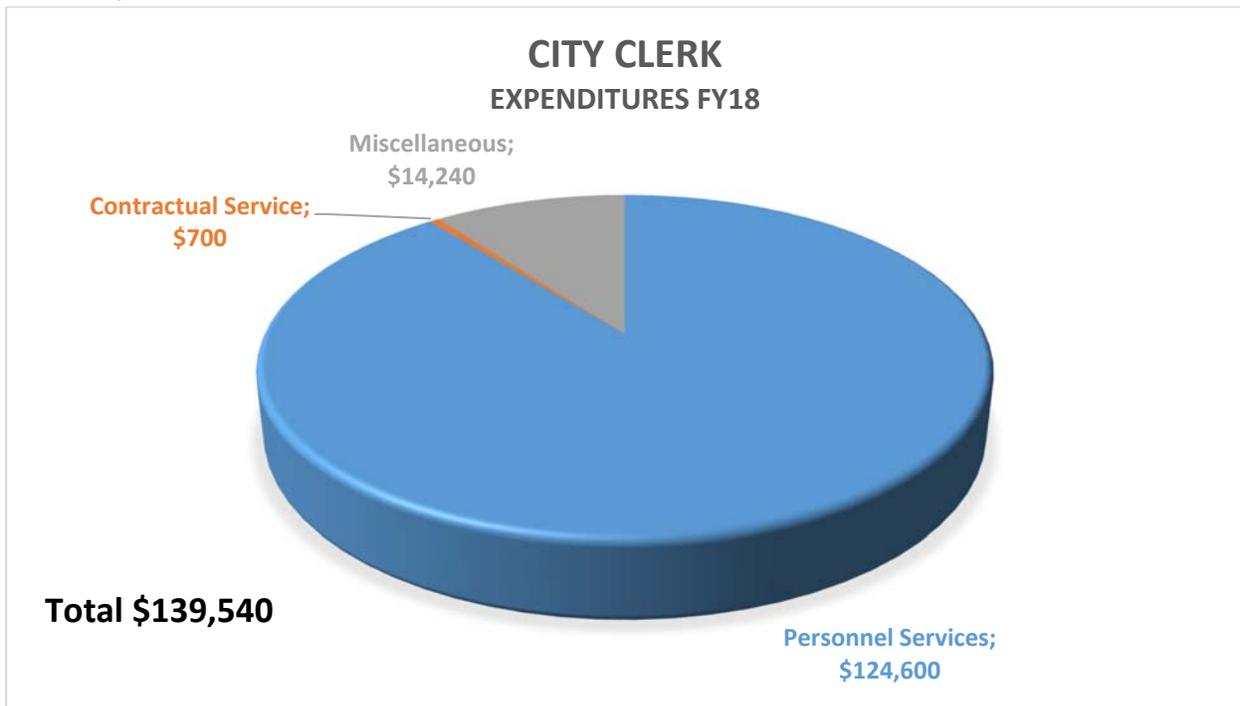
Mayor Shelby Rognstad was elected on November 4, 2015 and sworn into office on January 6, 2016 as the City of Sandpoint's 35th mayor. Mayor Rognstad served on the City Council since January of 2012 and was Council President from January 2014 until he took the oath of office as Mayor.

DEPARTMENT SUMMARIES: City Clerk

Clerk Revenue Sources:

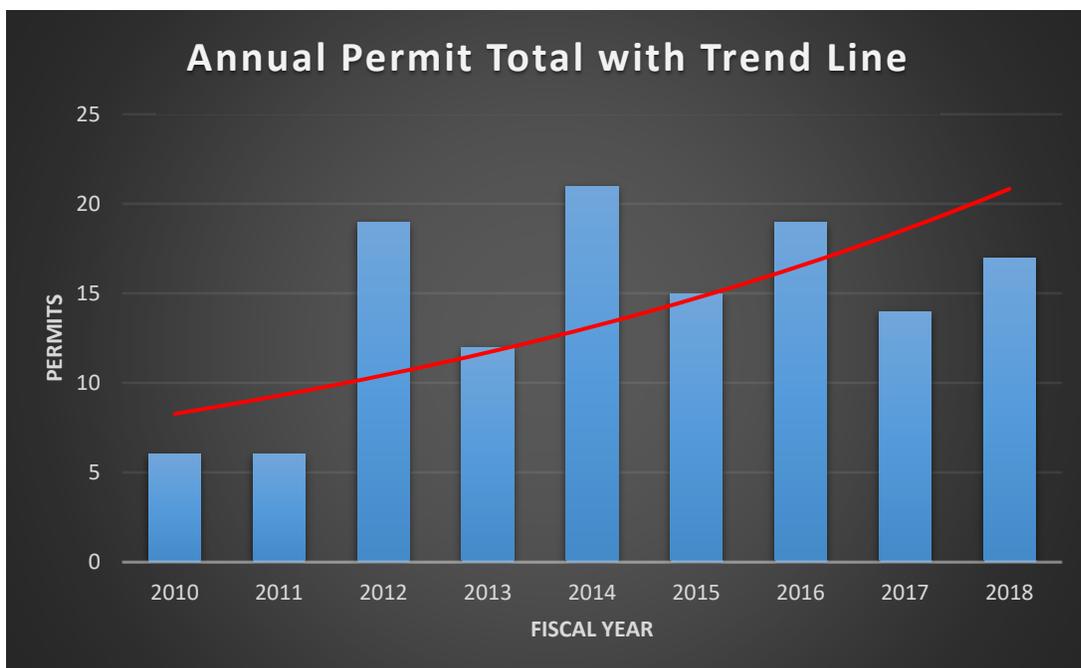
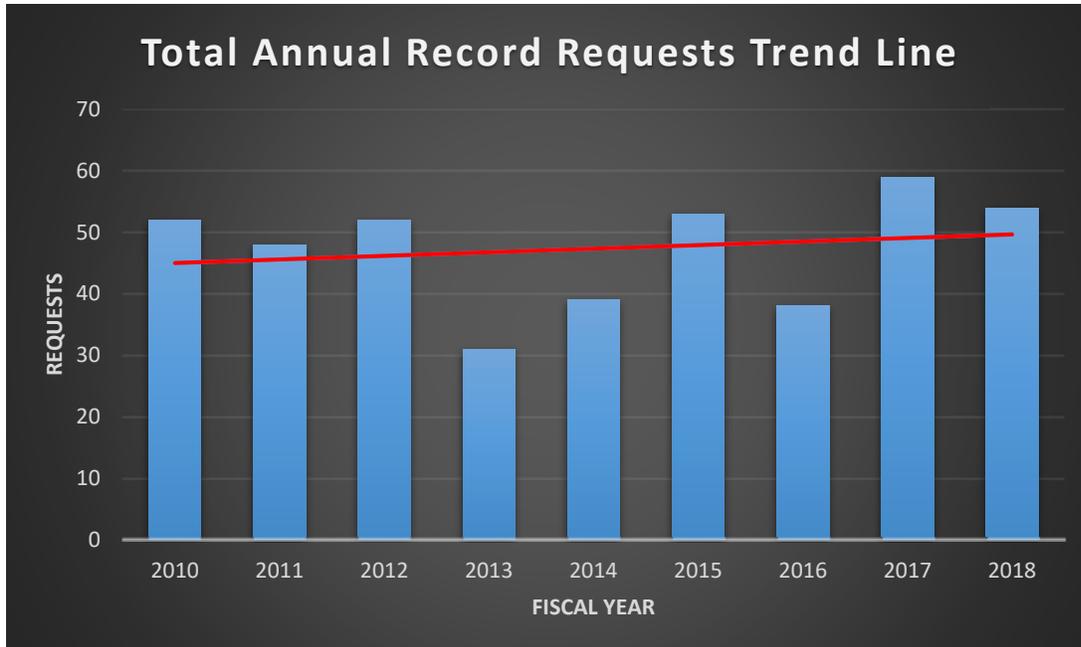


Clerk Expenditures:



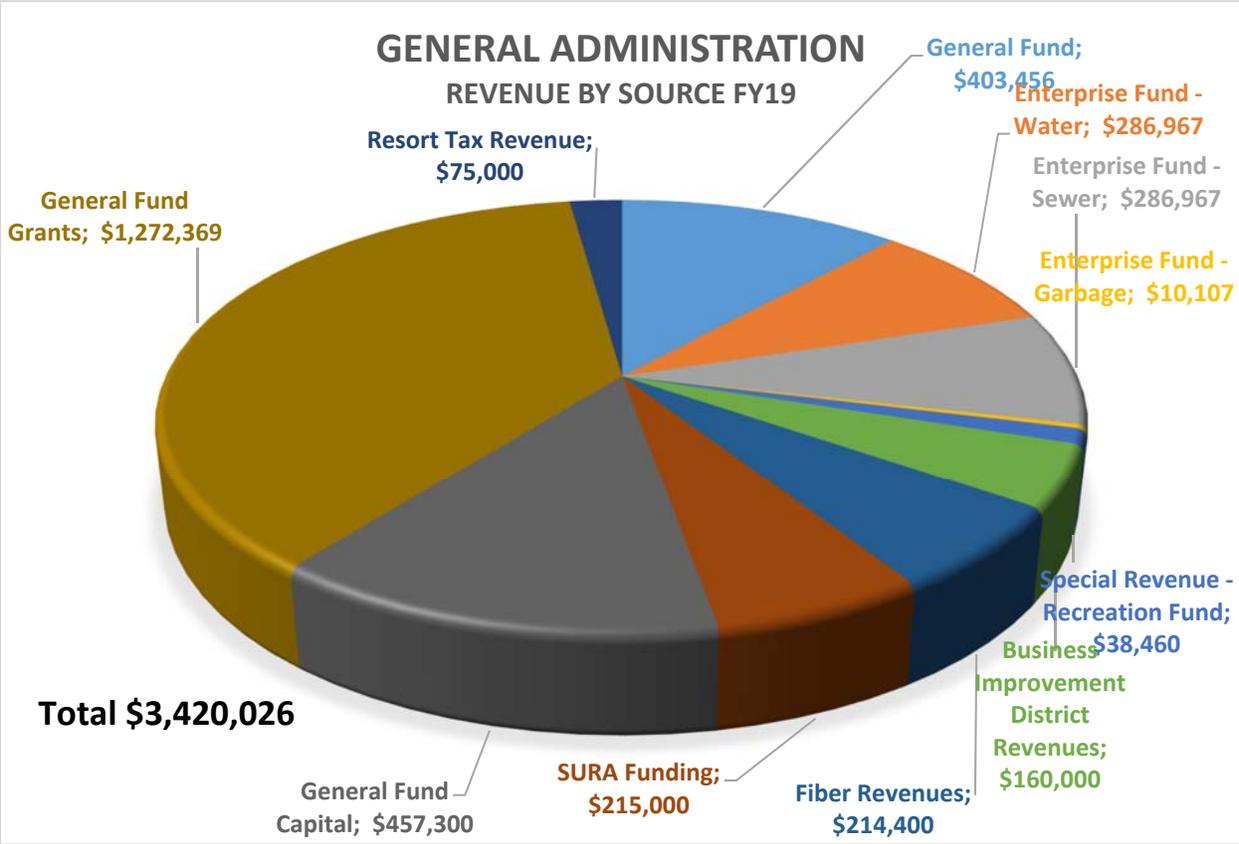
Discussion:

The City Clerk's Office is budgeted with a 1.0 FTE City Clerk. The Clerk is responsible for providing support to the City Council and Mayor and functions as the official record keeper for the City. In this capacity, the City Clerk processes all public records requests. In addition, the City Clerk serves as the events coordinator for the City to provide a single point of contact for the public and improve coordination between event holders and City departments. This supports the City goal of Responsive Government.

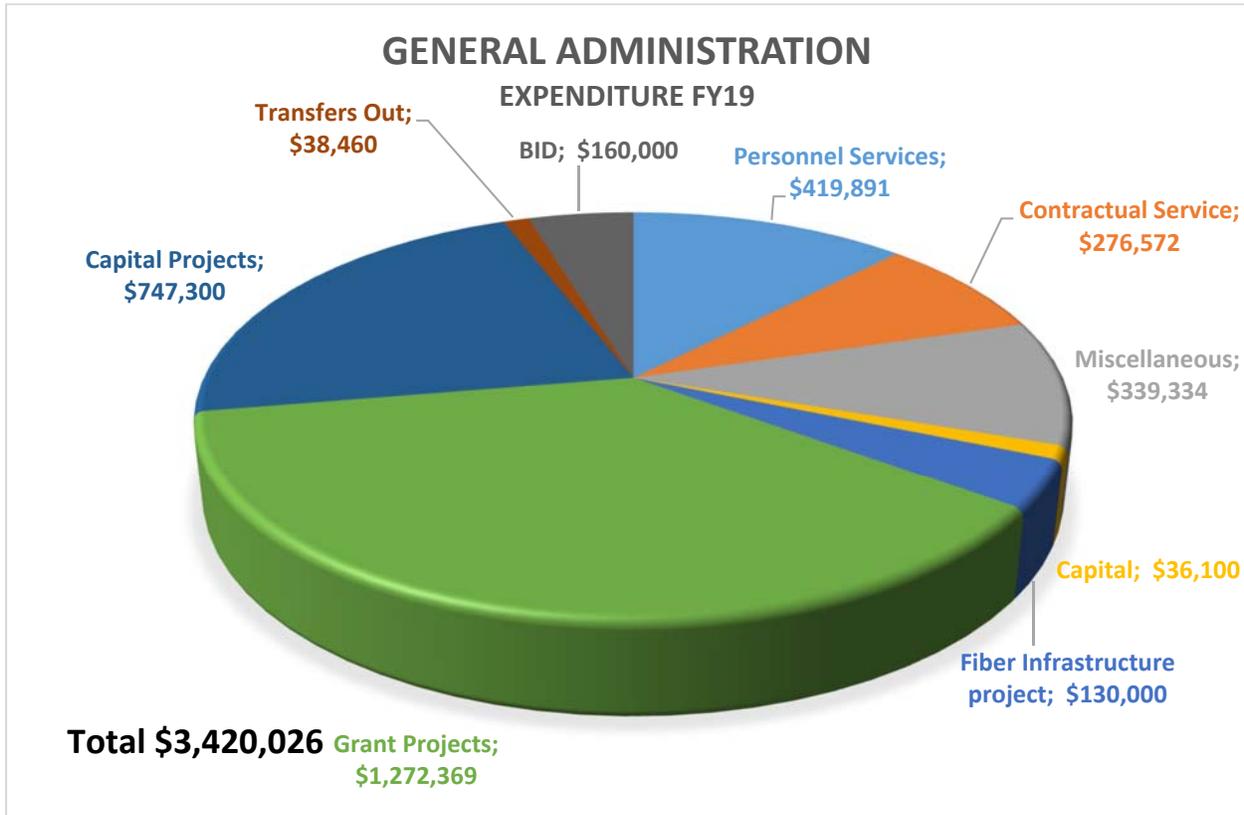


DEPARTMENT SUMMARIES: General Administration

General Administration Revenue Sources:



General Administration Expenditures:



Discussion:

The General Administration Department includes many functions and their associated expenses including the City Administrator, Grants & Projects Administration, Information Technology, Human Resources and Records and Systems Management. Services provided through this department support all other departments and functions throughout the City. Community outreach functions are led and managed through this department as is the City-owned fiber network backbone. There are 4.0 FTE's in this department in 2019, which is an increase of 1.0 FTE over 2018. This is due to the addition of the Human Resources Director/Risk Management position in 2018. There is a budgetary offset in the Clerk's Office as the Deputy Clerk position was eliminated. IT Services are provided via contract.

Outstanding Business Improvement District (BID) revenues have been assigned to this department and they are managed as restricted funds to support maintenance of the Downtown Flower Basket Program. These revenues represent cash on hand of approximately \$80,000 and outstanding amounts still owing from when the BID was in existence. The BID was dissolved by the City Council in September 6, 2017. A grant match program will be developed and presented to Council in 2019 using some of the BID funds.

In past years, potential grant revenues have been budgeted across the various City departments. With the creation of a centralized grants administration function in FY2017, projected grant revenues and expenditures in the amount of \$1,174,635 have been budgeted in the General Administration budget to ensure centralized coordination and prioritization in line with established priorities of the City Council

and Mayor. Budgeted expenses of \$214,400 are included to support the Fiber backbone maintenance, management and potential expansion opportunities.

Contingency in the amount of \$100,000 has been budgeted to support unanticipated expenses City-wide.

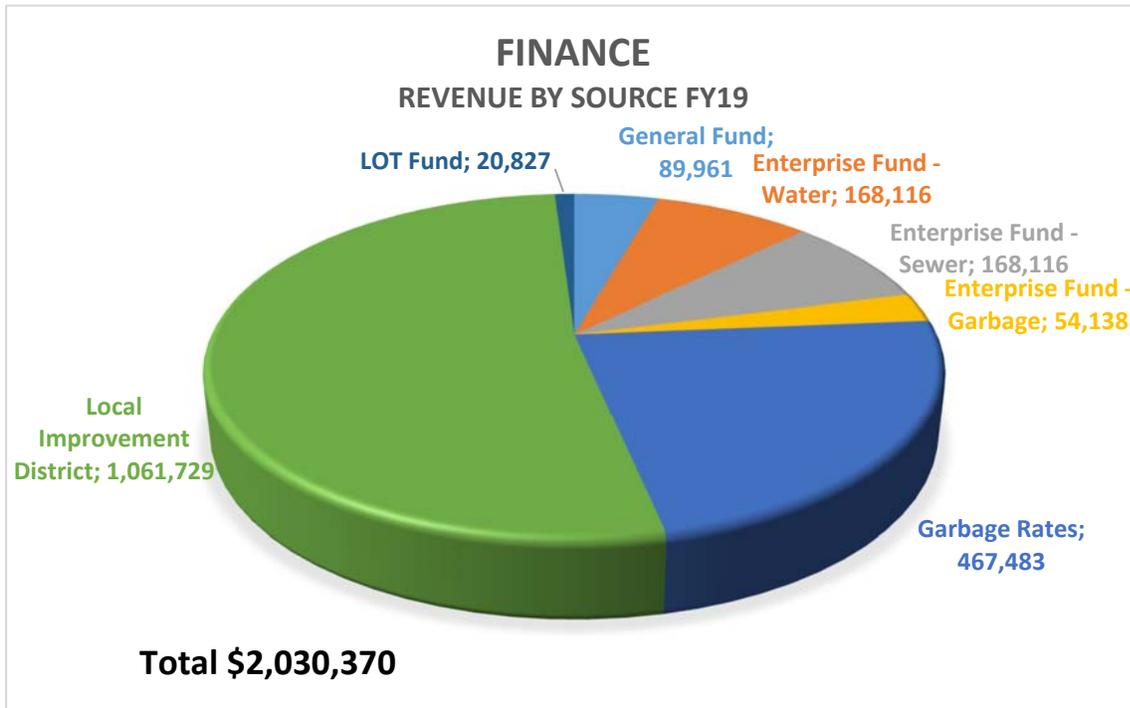
The City chooses to recognize its employees' dedication to outstanding customer service and the community they serve by budgeting for a holiday luncheon, administrative assistants' luncheon, service awards and retirement recognition events.

Capital/Other Projects:

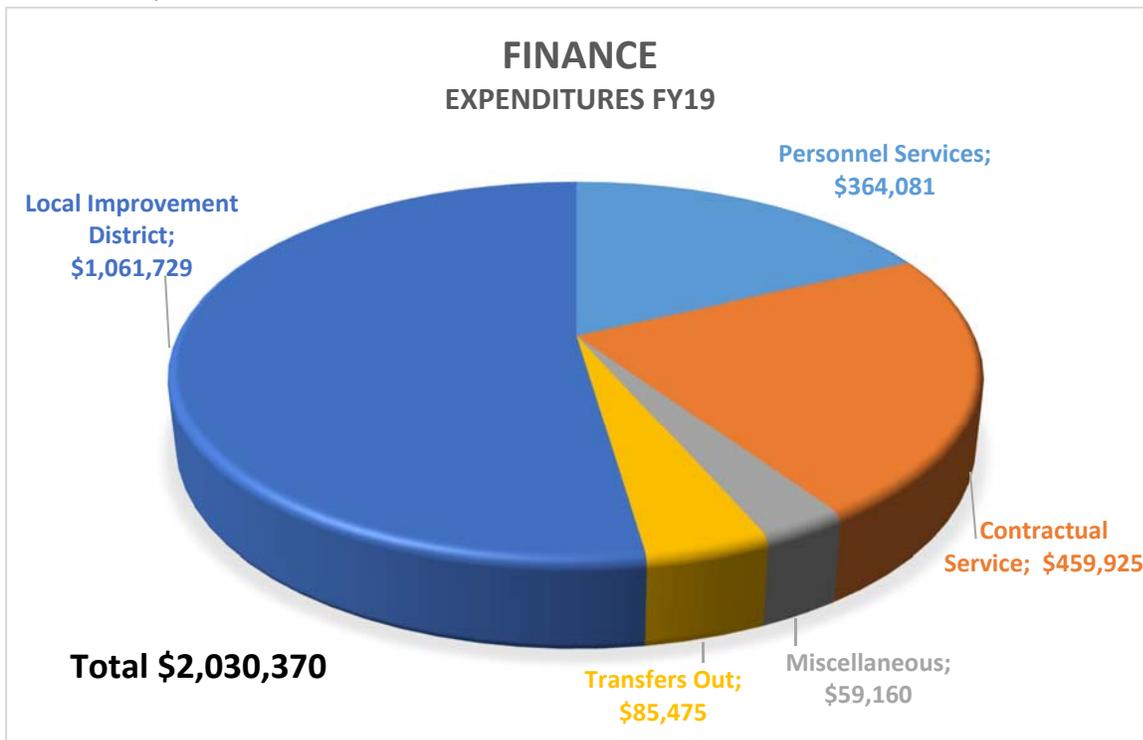
Project/Other	Budget	Funding Source
Fiber Network Infrastructure	\$30,000	Fiber Fund
Fiber Infrastructure – Boyer	\$100,000	Fiber Fund/SURA
Downtown Parking Study	\$25,000	General Fund
Downtown Parking Lot Project	\$215,000	SURA
City Hall Renovations/Public Service Improvements	\$130,000	General Fund
SPOT Public Transportation Contract	\$75,000	Resort City Tax
Public Art Donations	\$10,000	Donations
Energy Efficiency Project	\$75,000	Grants
Misc. Grants – Citywide	\$1,174,635	Grants
Airport Property Improvements	\$192,300	General Fund – Lease Payments

DEPARTMENT SUMMARIES: Finance

Finance Revenue Sources:



Finance Expenditures:



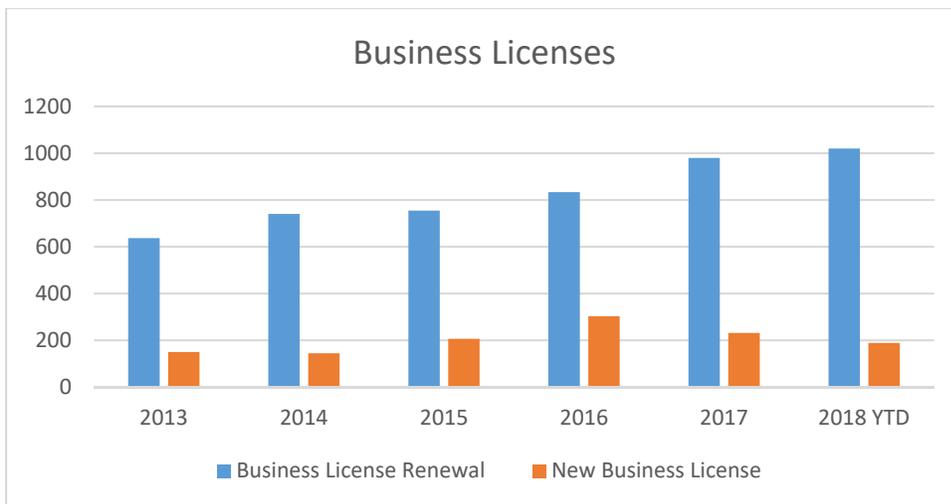
Discussion:

The Finance Department has 5.0 FTE’s who perform general accounting services for the City as well as utility billing.

Local Improvement District expenditures are budgeted in the Finance Department as it is the assigned department for processing and managing LID revenues and expenditures.

Solid waste/garbage service management is assigned to the Finance Department and therefore associated expenditures are budgeted here.

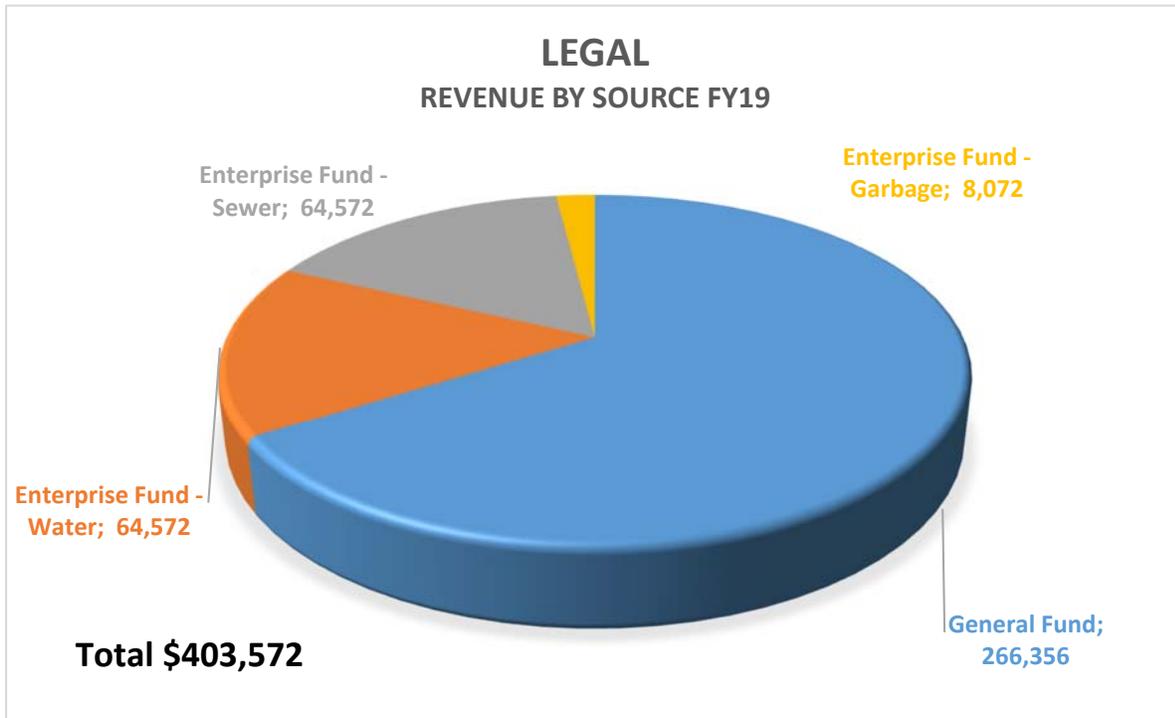
The Finance Department took over administration of the City’s Business Licenses in 2018. A summary of business license trends is included below.



FY 2018 YTD		FY 2017	
Home Occupation	4	Home Occupation	43
Manufacturing	4	Manufacturing	1
Non Profit	9	Non Profit	7
Other	2	Other	1
Professional	19	Professional	15
Retail	42	Retail	80
Service	109	Service	79
		Wholesale	1
FY 2016			
Home Occupation	43		
Manufacturing	2		
Non Profit	19		
Other	2		
Professional	20		
Retail	127		
Service	86		
Wholesale	4		

DEPARTMENT SUMMARIES: Legal

Legal Revenue Sources:



Legal Expenditures:

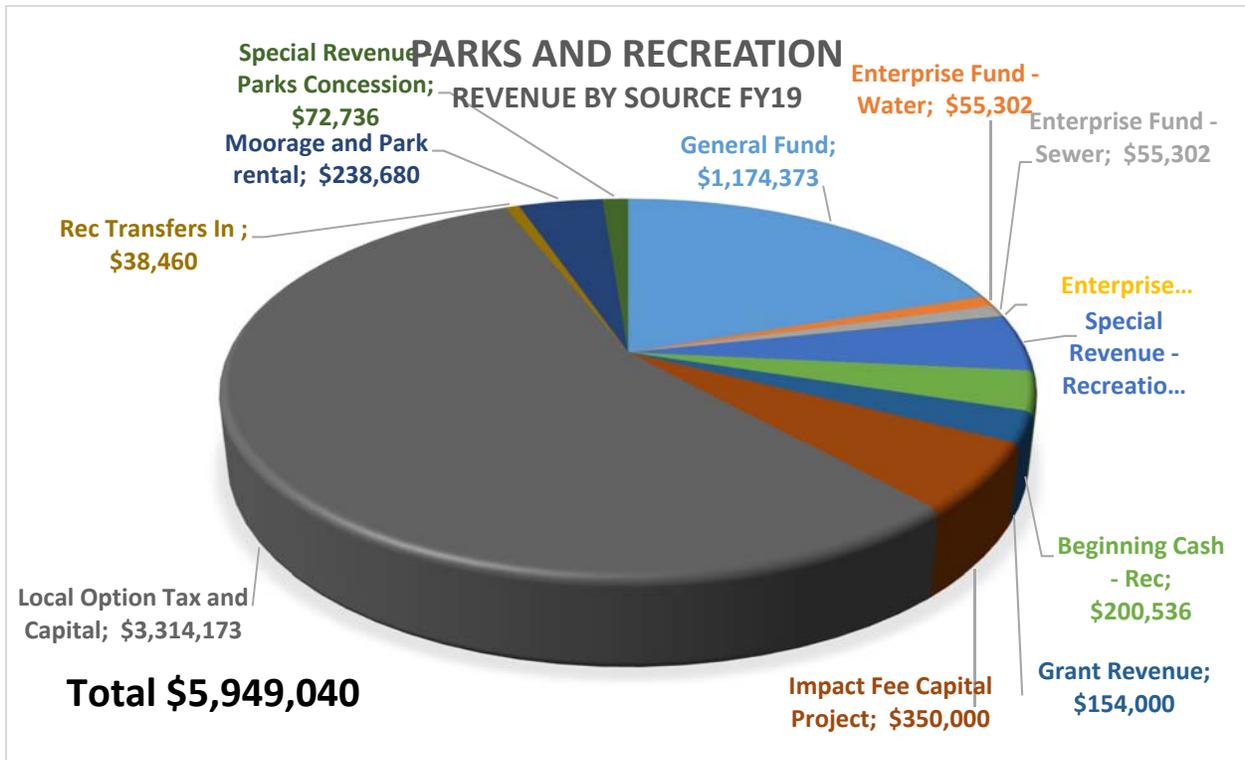


Discussion:

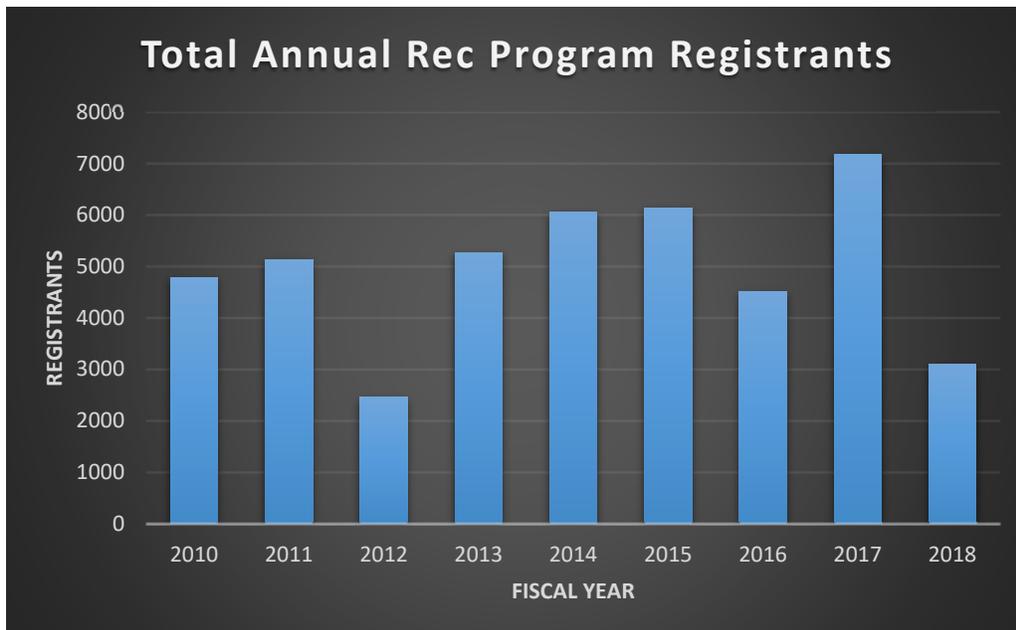
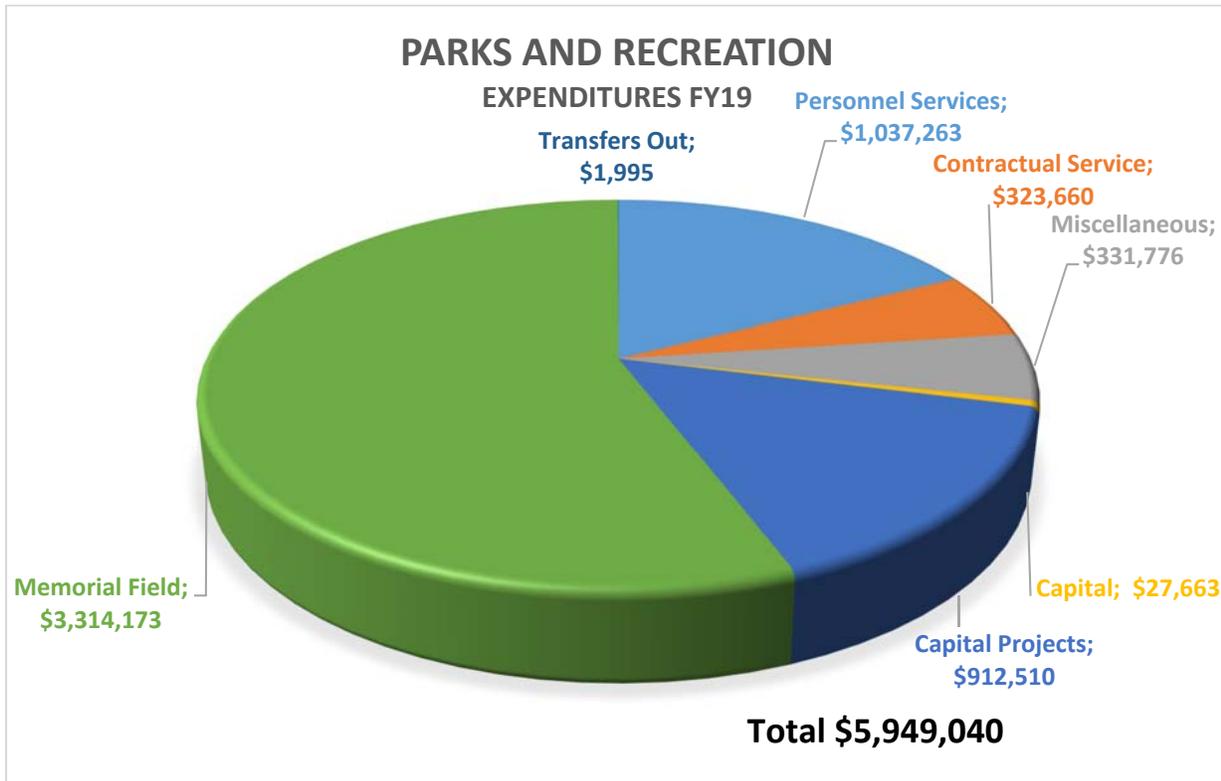
The Legal Department provides civil legal support to the City Council, Mayor and staff and prosecution services. It is staffed with 3.5 FTE's.

DEPARTMENT SUMMARIES: Parks & Recreation

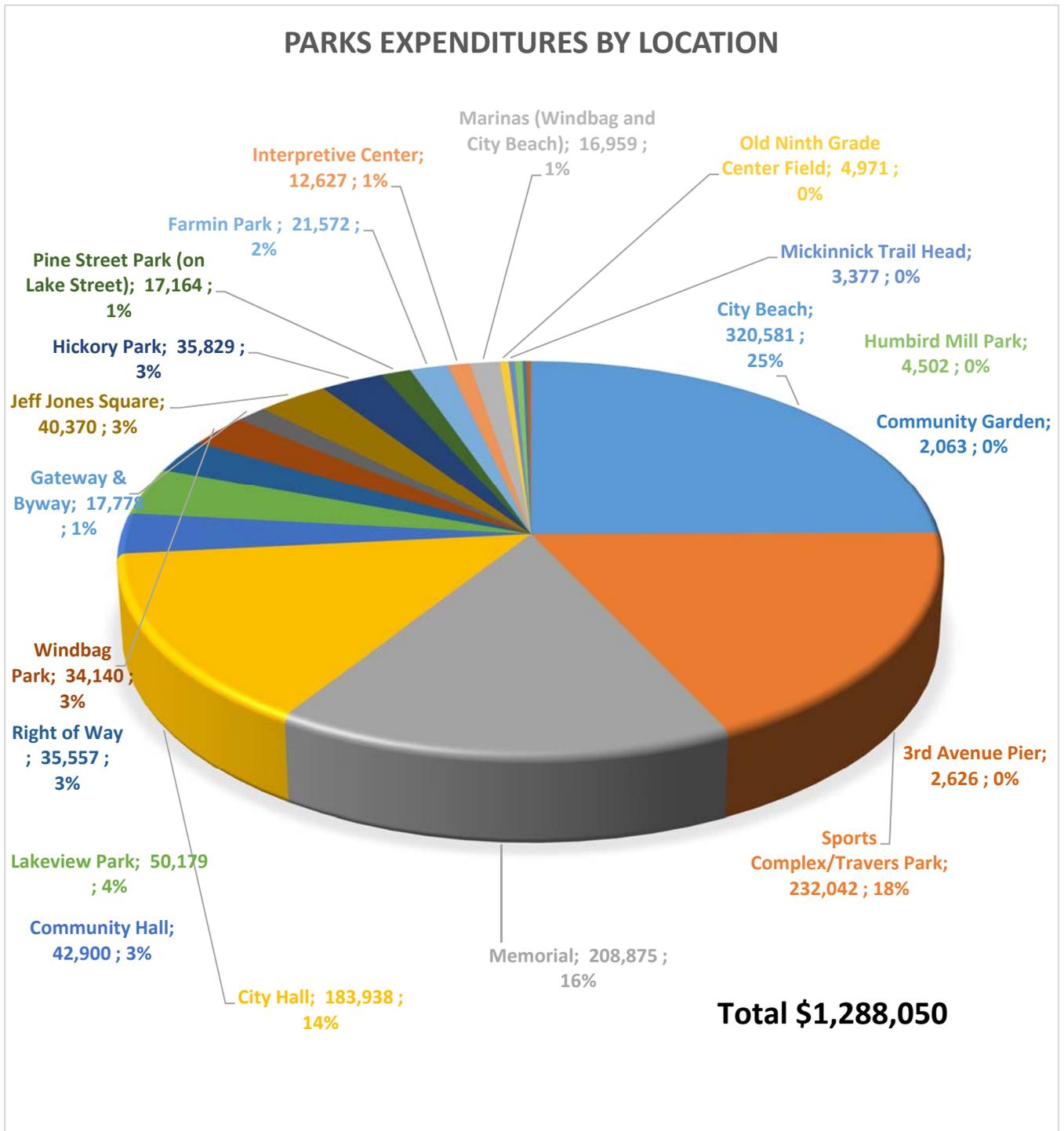
Parks & Recreation Revenue Sources:



Parks & Recreation Expenditures:



Parks Expenditures by Park:



City Park Budgeted Cost Per Acre Per Park Summary:

FY19			
City Parks	Budget	Acres	Cost Per Acre
City Beach/Windbag Park	354,722	22.10	16,051
Sports Complex/Travers Park/Centennial	232,042	25.06	9,259
Memorial	208,875	4.64	45,016
Lakeview Park	50,179	12.00	4,182
Hickory Park	35,829	2.29	15,646
Pine Street Park (on Lake Street)	17,164	1.93	8,893
Farmin Park	21,572	0.28	77,044
Mickinnick Trail Head	3,377	20.00	169
Humbird Mill Park	4,502	2.00	2,251
3rd Avenue Pier	2,626	0.26	10,101
Total Parks	930,887	90.56	10,279

Capital Projects/Other:

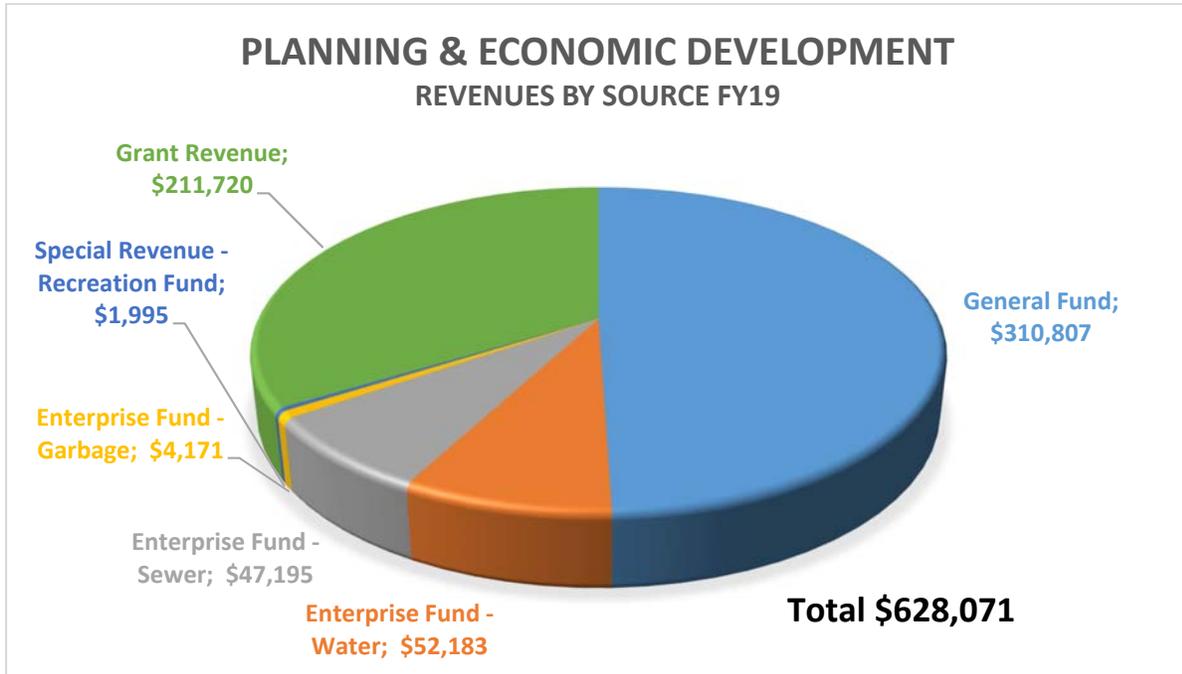
Parks		
FY19		
Project/Other	Budgeted Amount	Funding Source
Travers Park Restroom - New Structure ADA Compliant	\$300,000	Impact Fees 150k, Park Capital 150k
Tennis Courts	\$50,000	Park Capital
City Beach Master Plan	\$100,000	Park Capital
War Memorial Field Resurfacing	\$2,100,000	LOT Fund
War Memorial Stadium Improvements	\$100,000	LOT Fund
Shooting Range noise abatement	\$90,000	Rec Fund
Watershed Trail Management	\$10,000	Rec Fund
Vehicle Replacement	\$50,000	Parks Capital
Idaho Park and Rec grant project TBD	\$60,000	Parks Capital
Donated Projects	\$10,000	Parks Capital

Discussion:

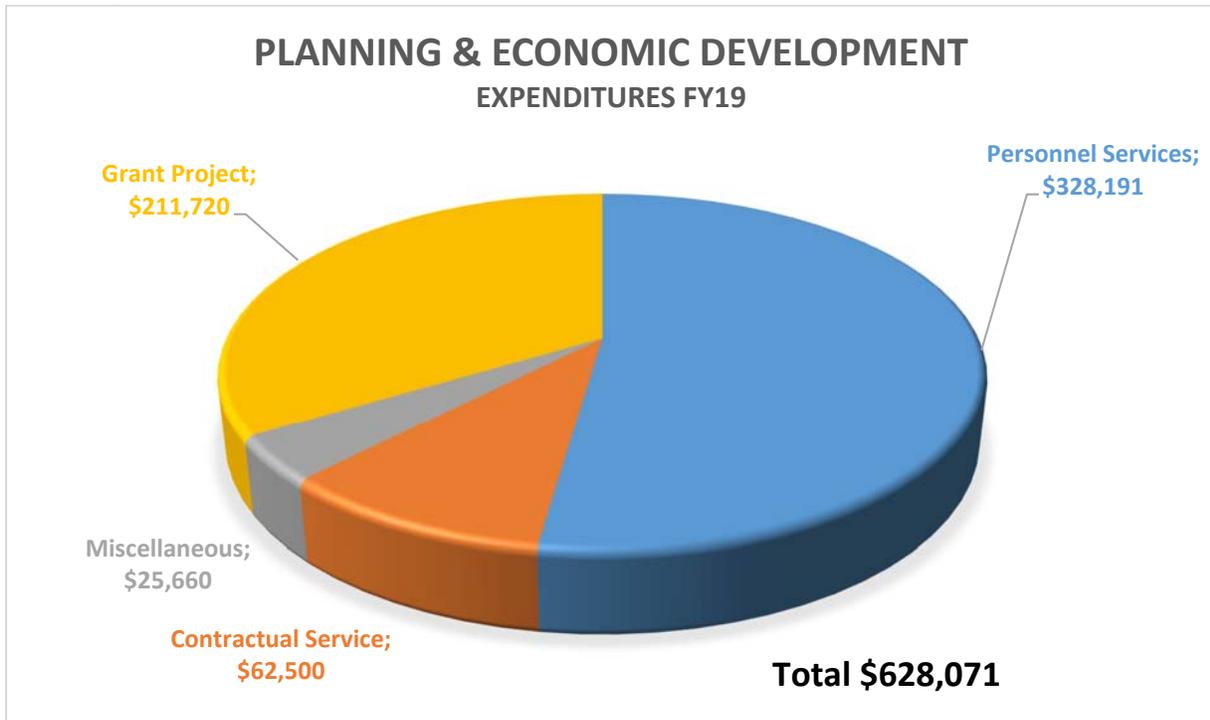
The City has an agreement with the Pend Oreille Pedalers for trail maintenance and use in our watershed property. This is the first year the City has budgeted funds to support the trail maintenance efforts. Existing and future recreational use in the watershed, including the potential for any additional trails, will be assessed and a more comprehensive approach to trail management will be developed as part of the Watershed Master Plan (Public Works budget) and City Beach and Parks Master Plan processes. While the Water Fund owns the property, it is intended that Parks and Recreation will assume primary responsibility for managing any current and future recreation.

DEPARTMENT SUMMARIES: Planning & Economic Development

Planning & Econ. Development Revenue Sources:



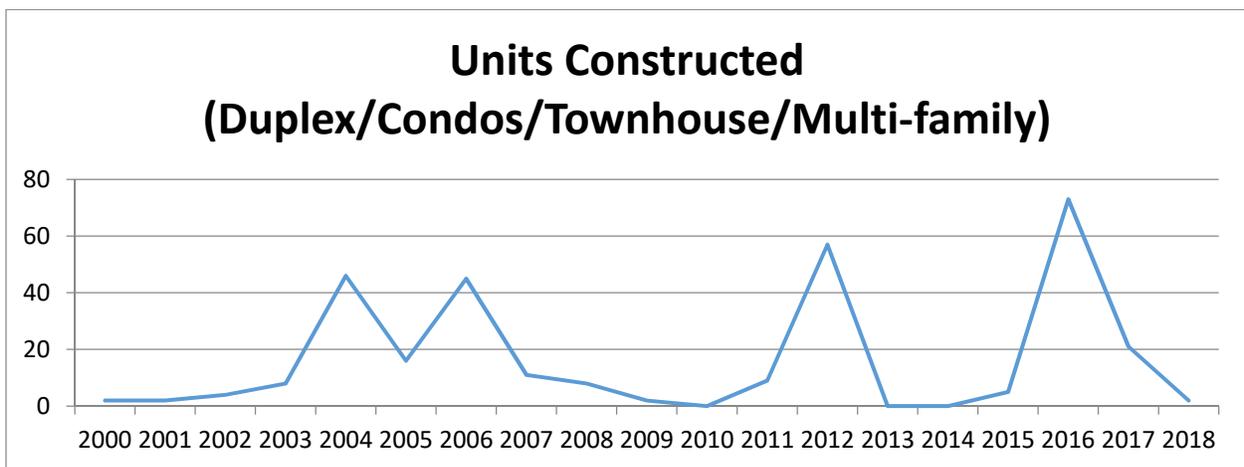
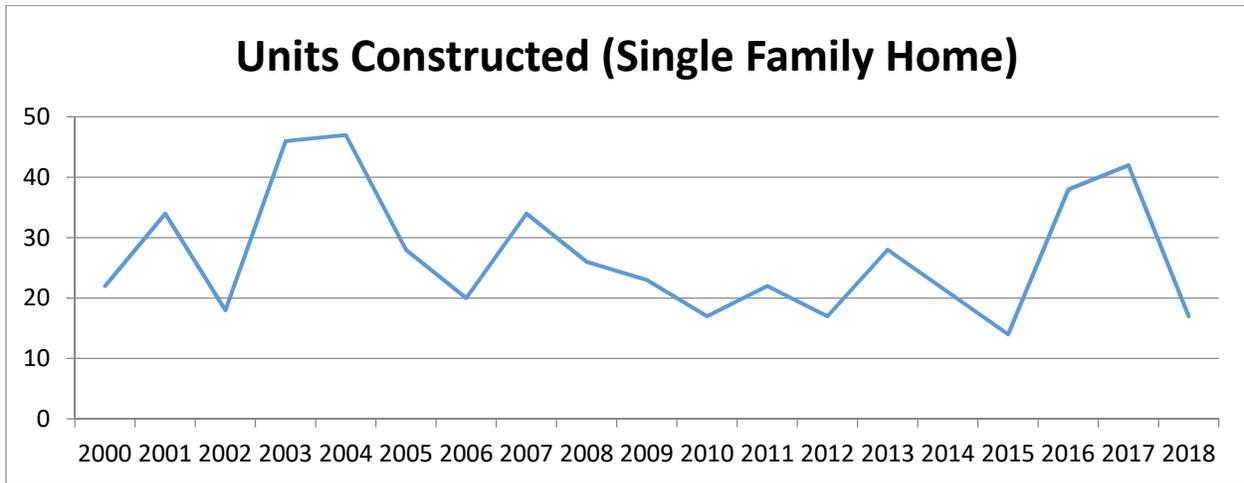
Planning & Econ. Development Expenses:

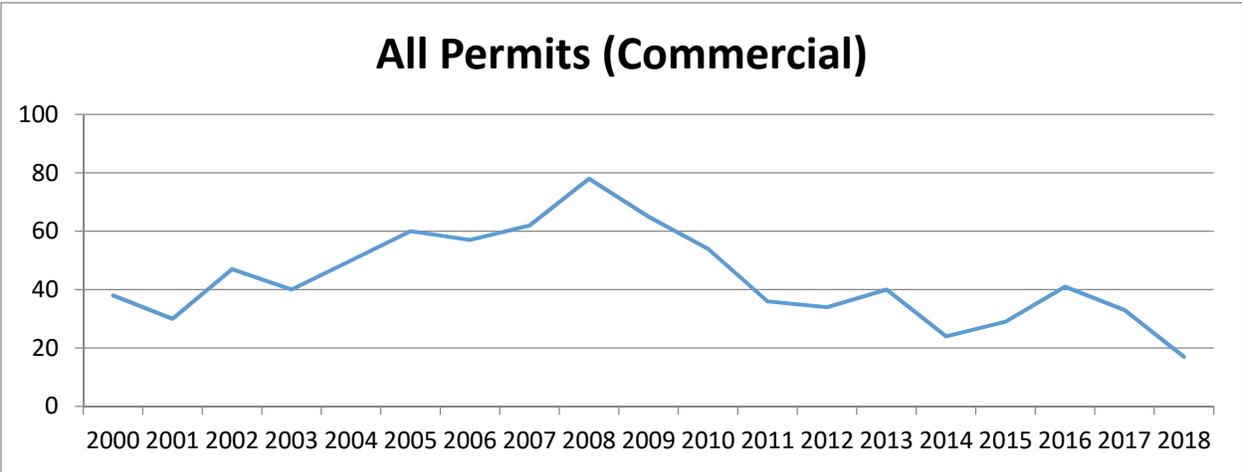
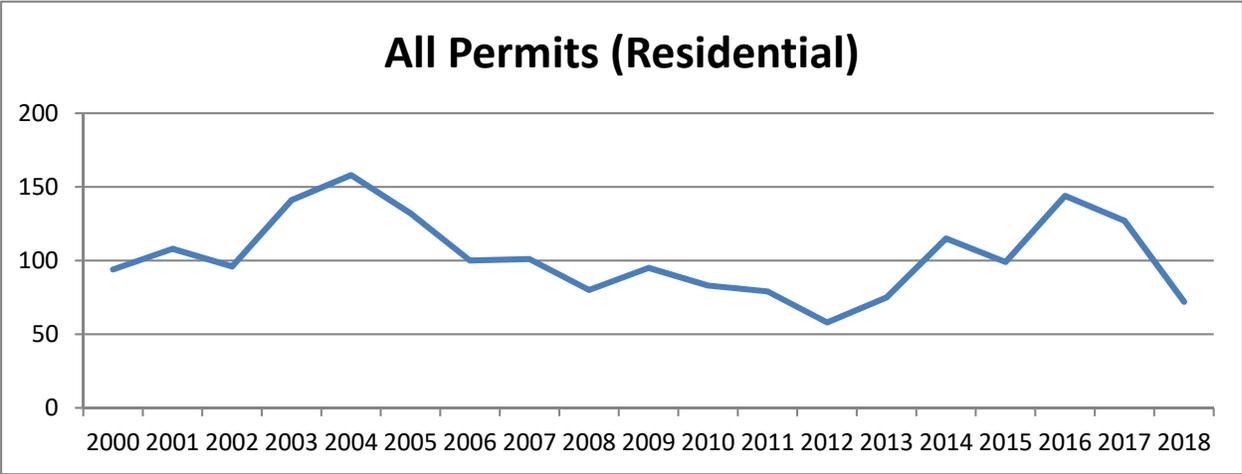
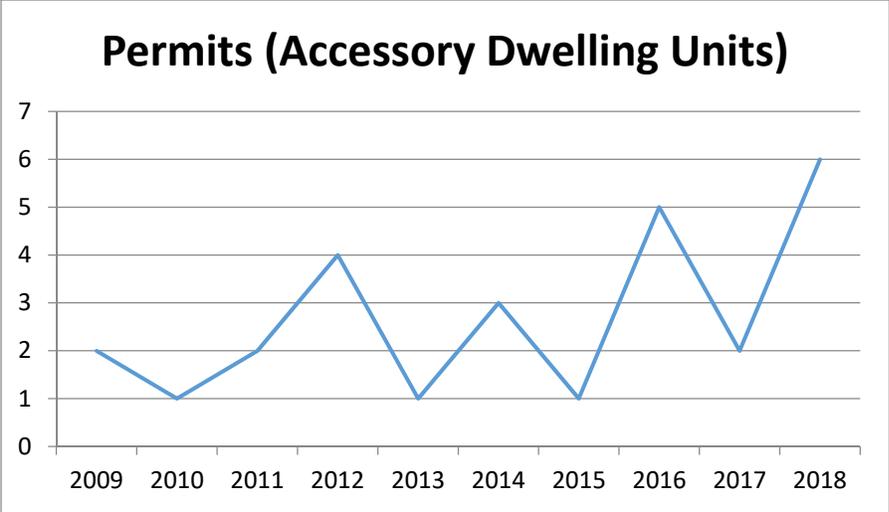


Discussion:

The Planning & Economic Development Department is staffed with 4 FTE's. Department expenses include operating support for the GIS, weeds abatement (terrestrial and aquatic) and urban forestry functions.

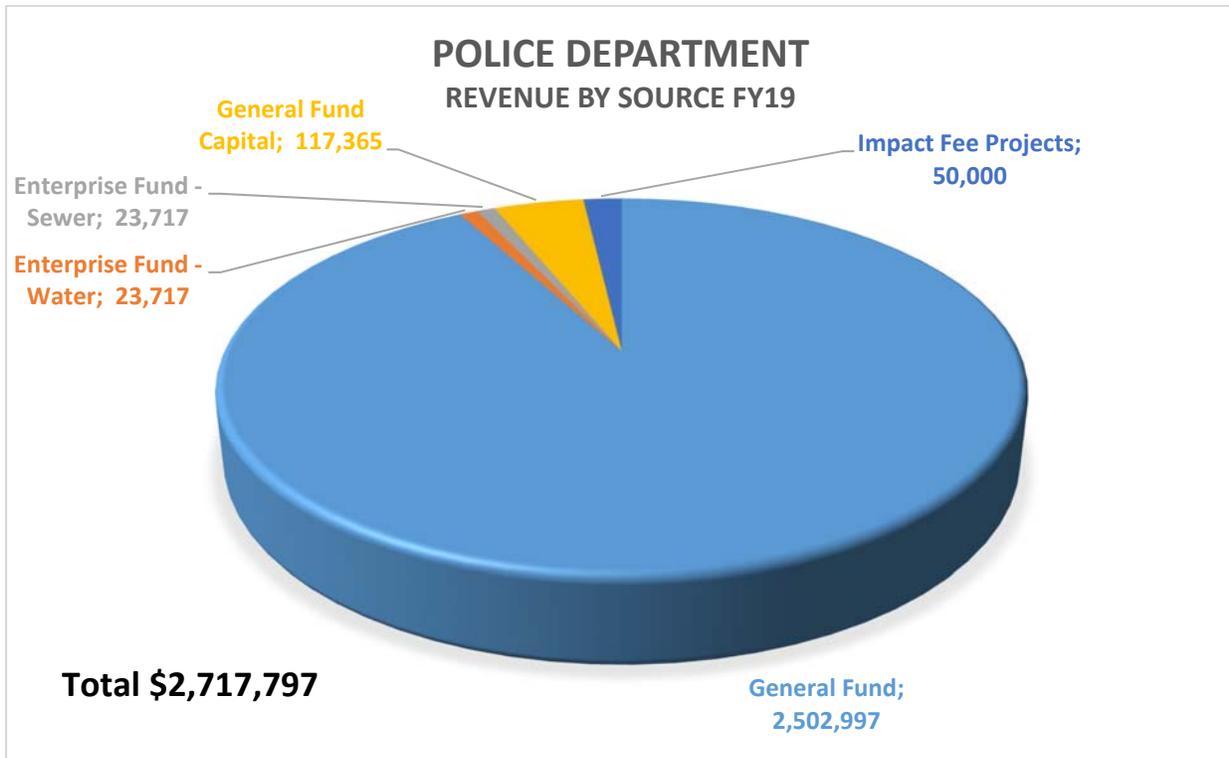
Planning oversees the strategic planning and program implementation of the High Five Grant Program awarded by the Idaho Blue Cross Foundation in the amount of \$250,000. It also manages enforcement compliance with City's vacation rental ordinance.



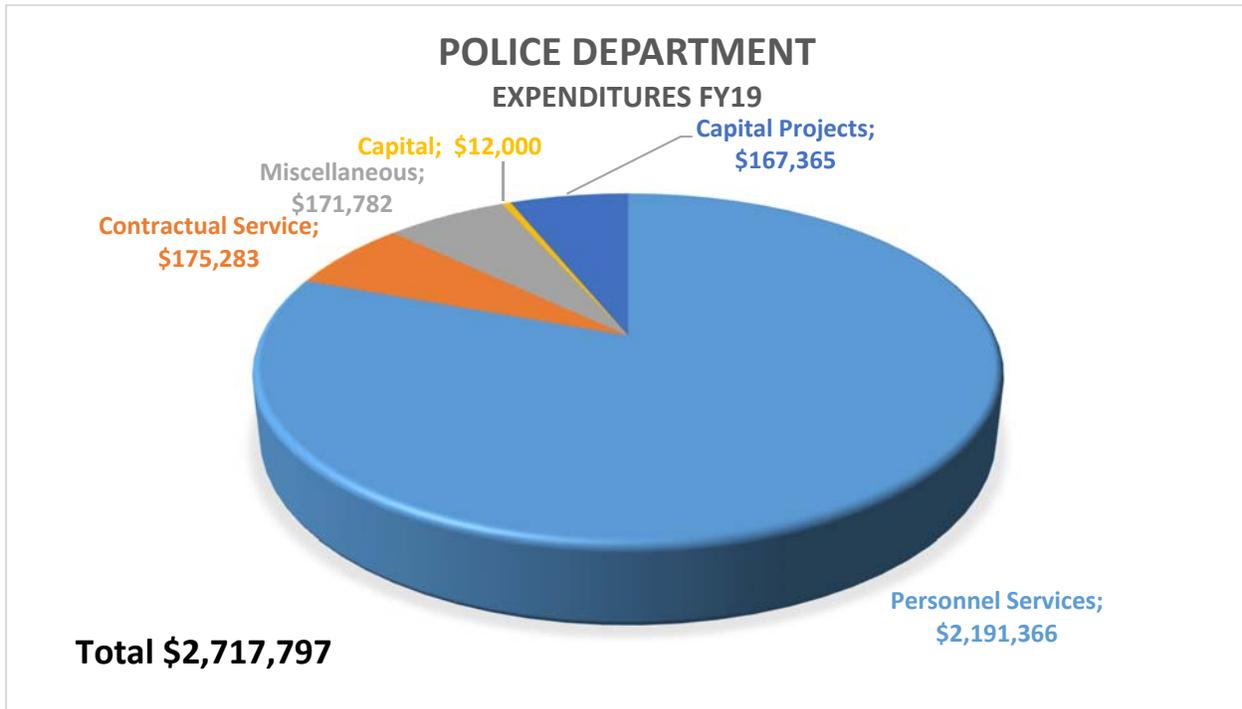


DEPARTMENT SUMMARIES: Police

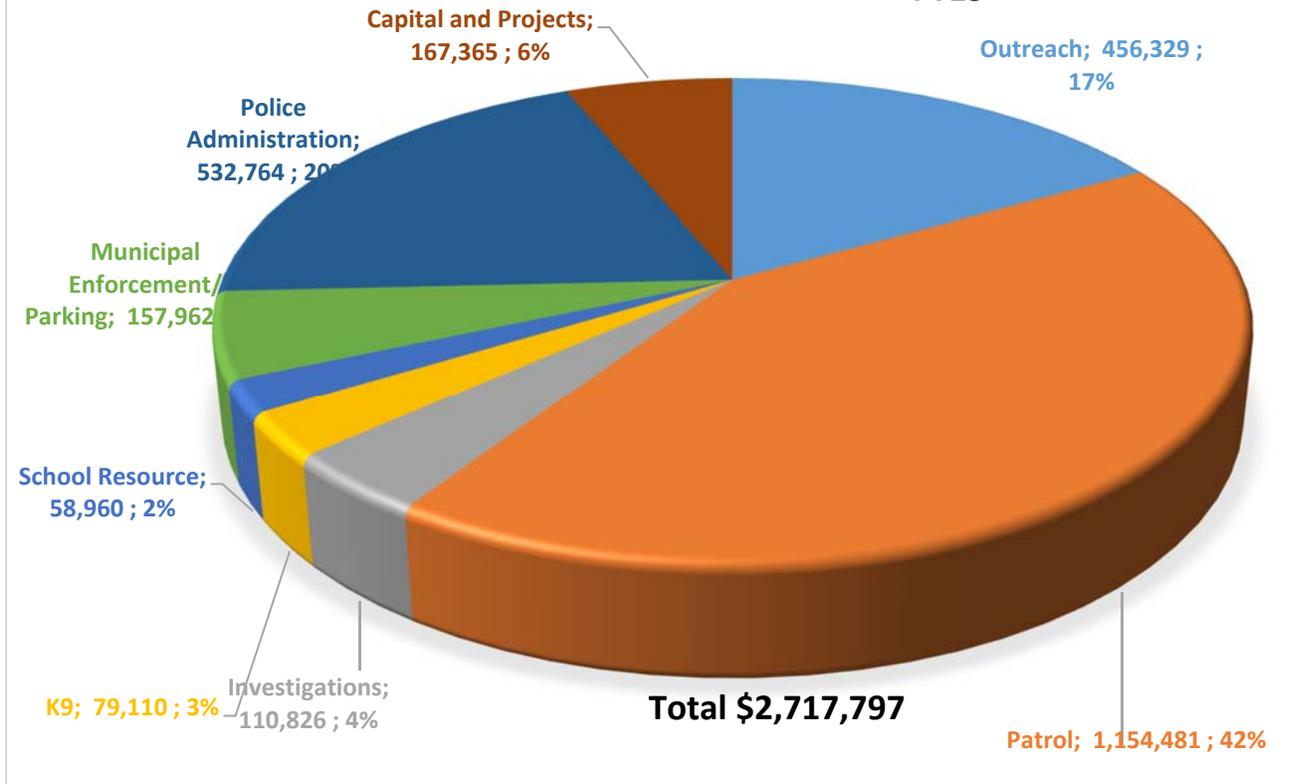
Police Revenue Sources:



Police Expenditures:



Police Program Expenditures FY19



FY19		
Programs	Budget	Percent
Outreach	456,329	16.8%
Patrol	1,154,481	42.5%
Investigations	110,826	4.1%
K9	79,110	2.9%
School Resource	58,960	2.2%
Municipal Enforcement/ Parking	157,962	5.8%
Police Administration	532,764	19.6%
Capital and Projects	167,365	6.2%
Total	2,717,797	100.0%

Benchmarks:

- Police has identified a benchmark goal of 20% for outreach – proactive community engagement/education such as bike rodeos, school visits, drug awareness and canine education programs, fair booths, women’s self-defense class, etc. Progress will be tracked and reported via Spillman and available to the Council and public via the new Spillman Dashboard purchased in FY 2018.

Capital/Other Projects:

Police		
FY19		
Projects/Other	Budgeted Amount	Revenue Source
Police Vehicles	\$90,000	General Fund
Mobile Data Equipment	\$50,000	Impact Fees
Bullet Proof Vests (Police)	\$4,783	General Fund
Baldy Repeater Enhancements project	\$22,582	General Fund

One new marked and two unmarked patrol units will be purchased and outfitted. The City will trade in one marked Crown Victoria with over 100,000 actual miles, one silver Escape with over 110,000 miles and one Ford Explorer with approximately 100,000 miles. These vehicles are at the end of their useful life as Police vehicles. In addition to the vehicle miles, Ford Motors estimates that one hour of idling time is equal to 25 miles of driving. Vehicles to be purchased include one marked Ford interceptor and two unmarked Ford Fusions

The mobile data project is a multi-year project that has been underway. The goal is to complete the transition from the Coban video systems to the WatchGuard video and body camera systems. This will provide for all officers to have a body camera system linked to their patrol vehicles that activate automatically when their emergency lights are turned on. It will also provide for all marked and unmarked (supervisors) vehicles to have the ability to monitor calls for service and record contacts.

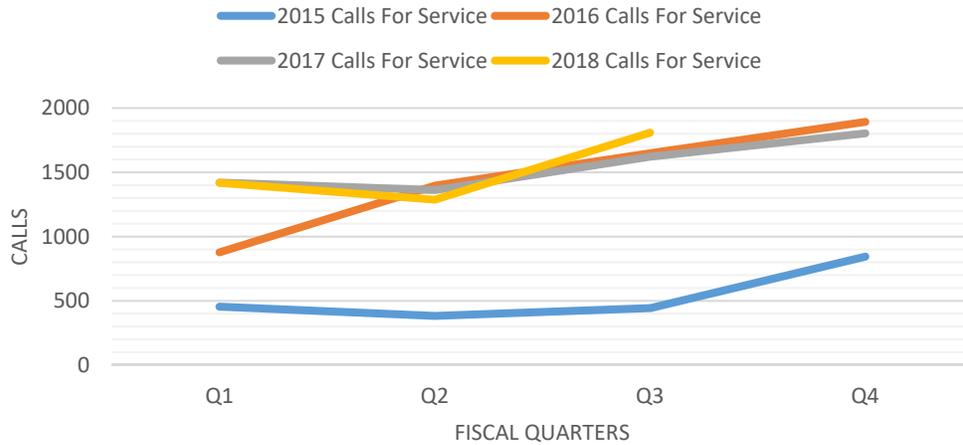
The funds budgeted for bulletproof vests are used as match funds for grants to replace vests for officers.

The Baldy Repeater Enhancements project supports maintenance of the roadway and buildings at the Baldy Repeater Site.

Discussion:

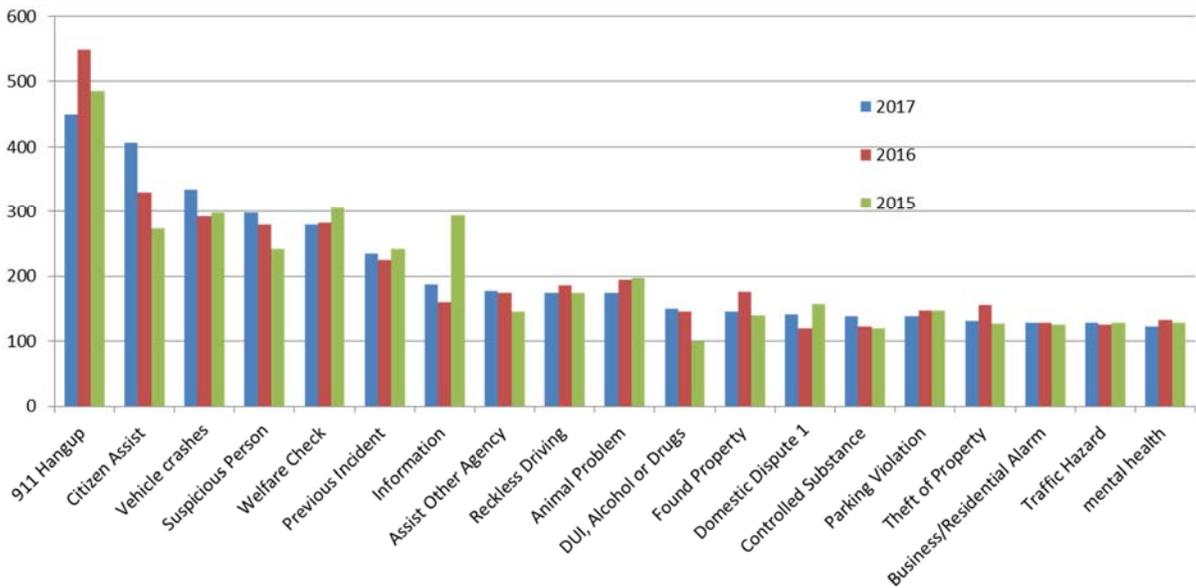
Total Police calls for service increase dramatically during the summer months (peak tourist season) and overall calls for service have been increasing annually since 2015 as shown below. This coincides with the larger-than-average population growth Sandpoint has experienced since 2015, as well as the increased tourism.

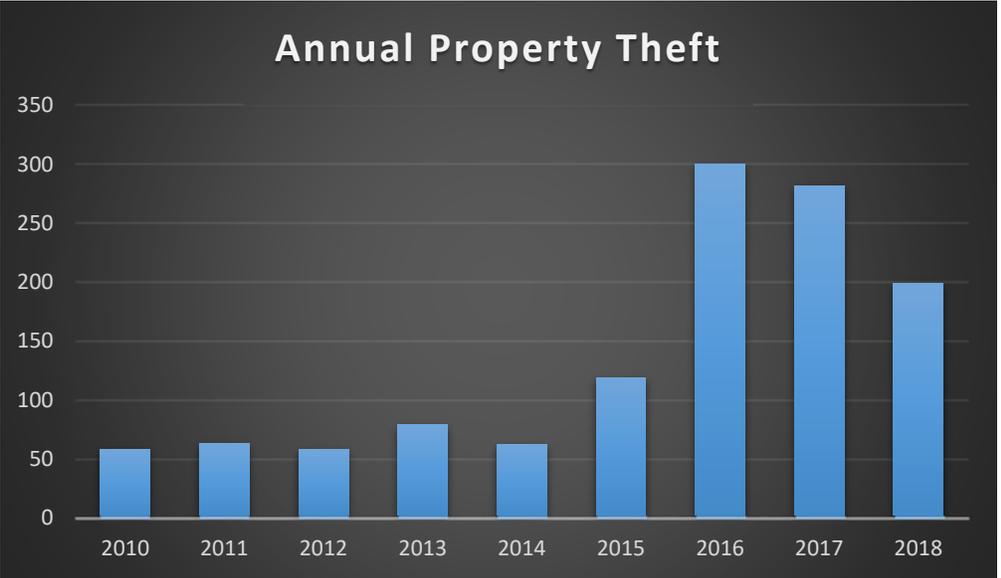
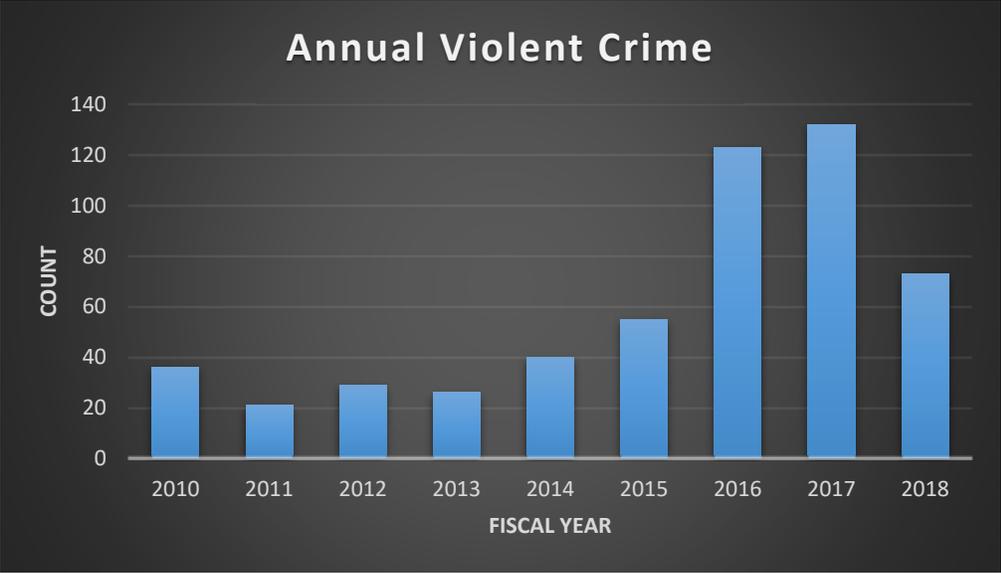
Total Calls for Service



Fiscal Year	Type	Q1	Q2	Q3	Q4
2015	Calls For Service	454	382	443	844
2016	Calls For Service	878	1396	1649	1893
2017	Calls For Service	1420	1362	1622	1804
2018	Calls For Service	1419	1288	1809	-

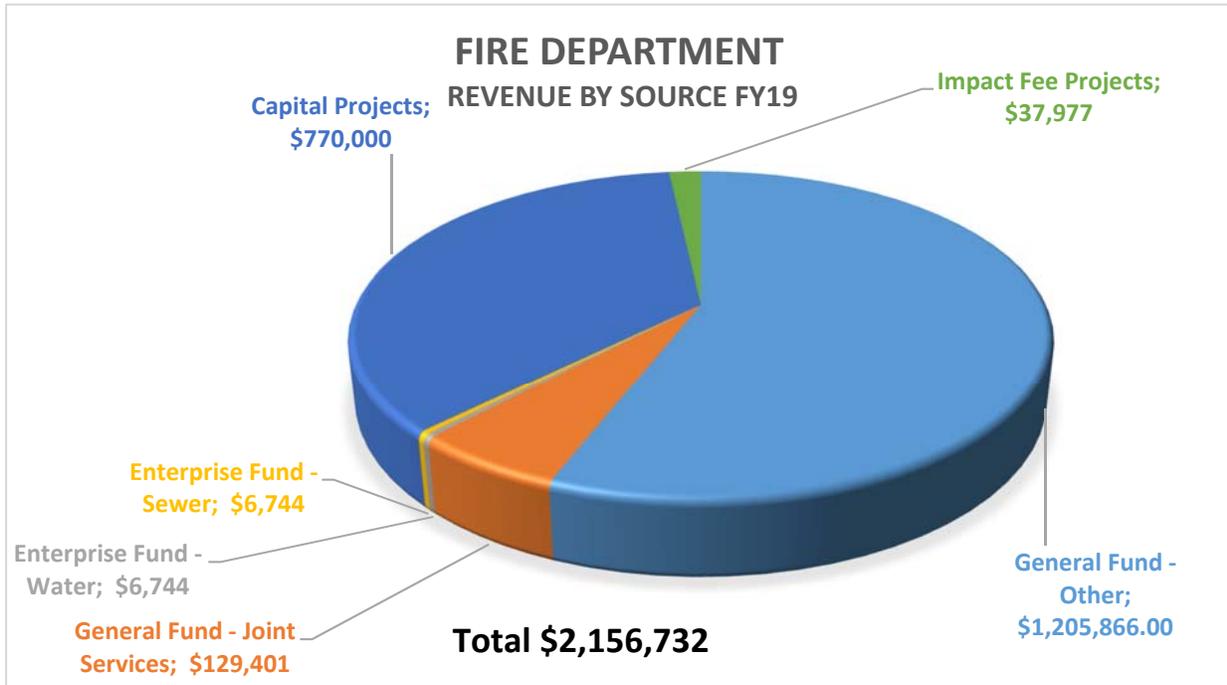
Police Call Types:



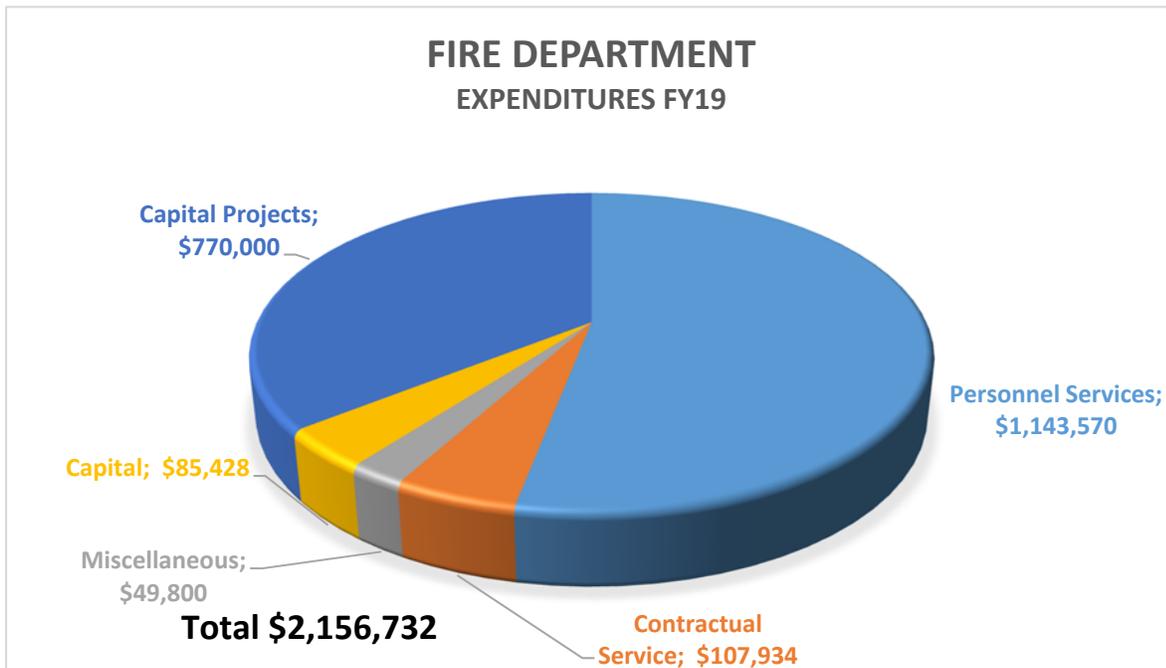


DEPARTMENT SUMMARIES: Fire

Fire Revenue Sources:

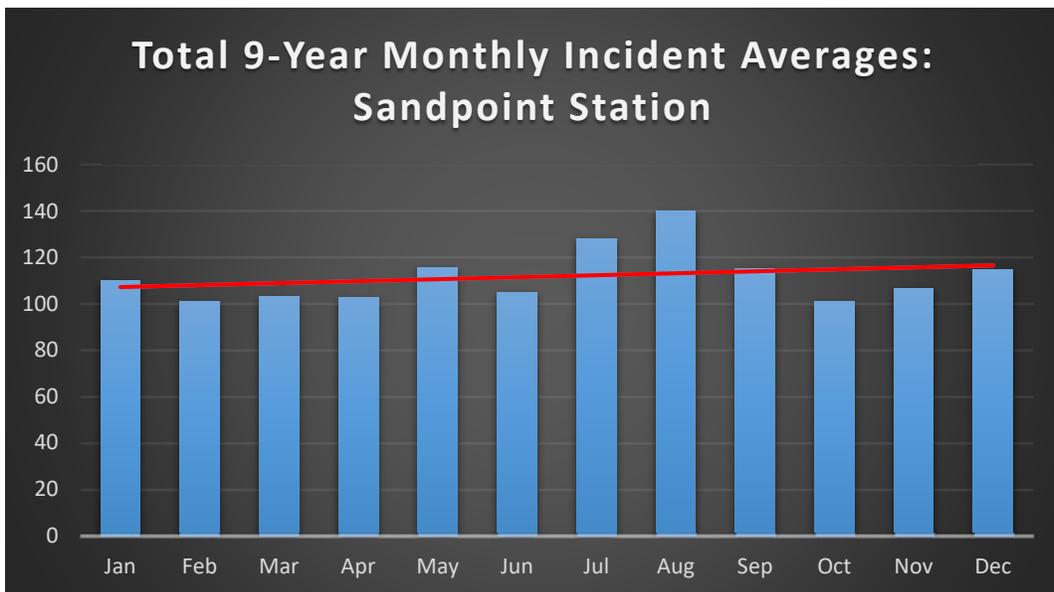
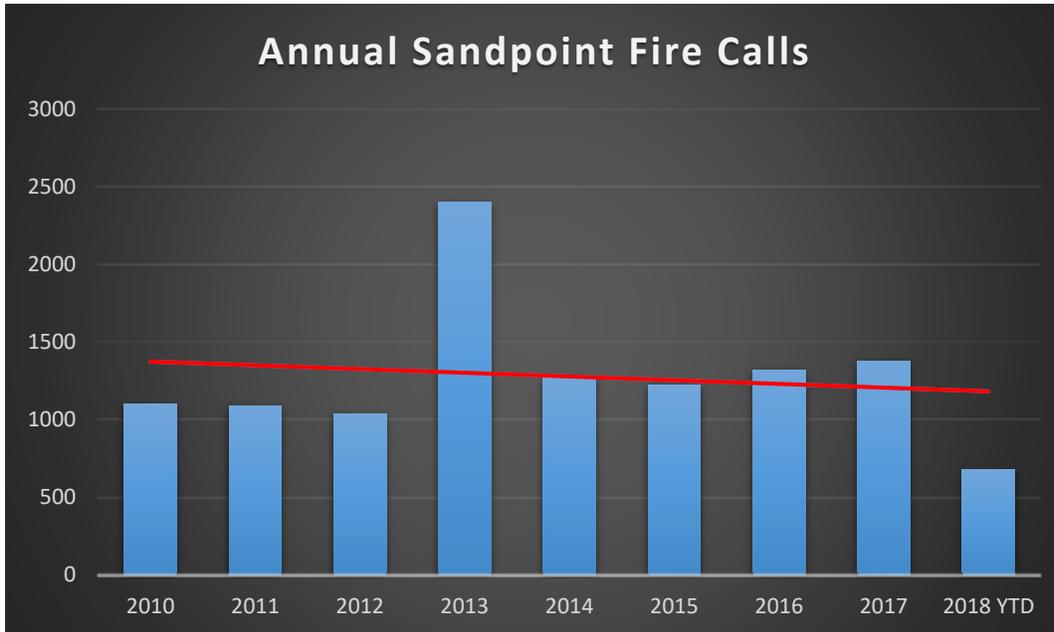


Fire Expenditures:



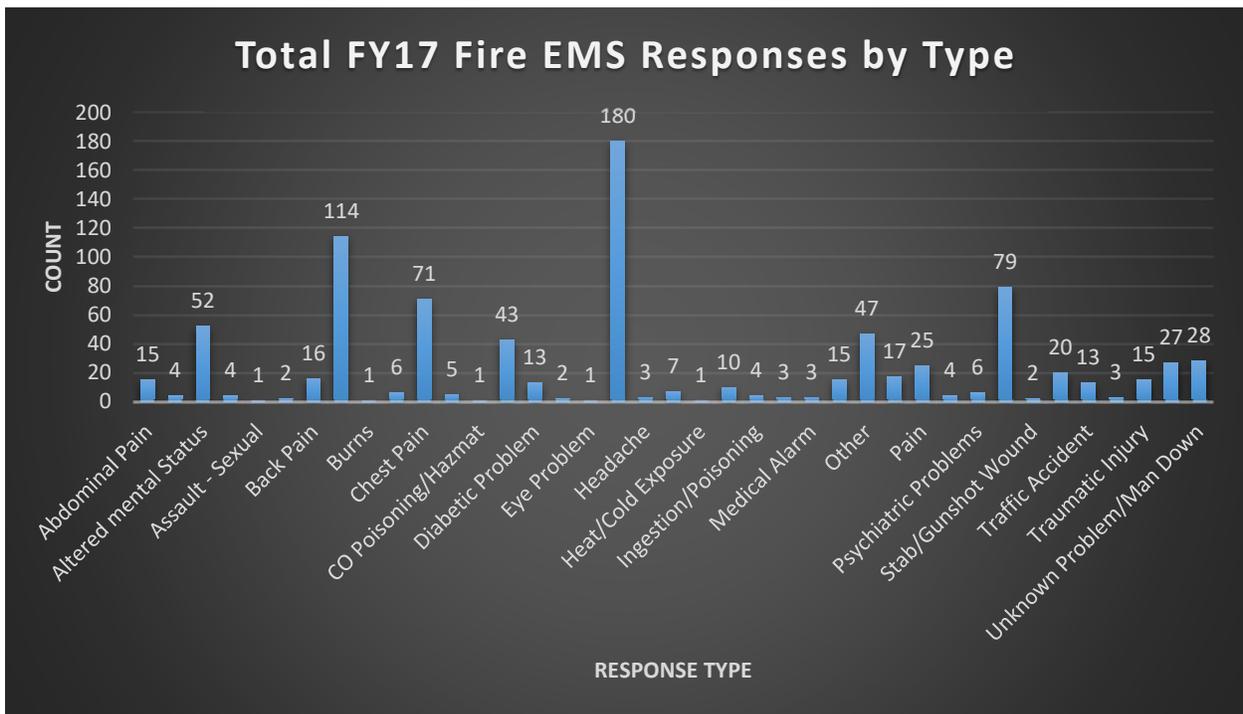
Discussion:

Sandpoint Fire continues to operate as one of the partners in the Selkirk Fire, Rescue & EMS Joint Powers Agreement with the Sagle Fire District and Westside Fire District. The citizens of Sandpoint receive enhanced response capacity from career fire professionals and experience operating cost savings under this model.



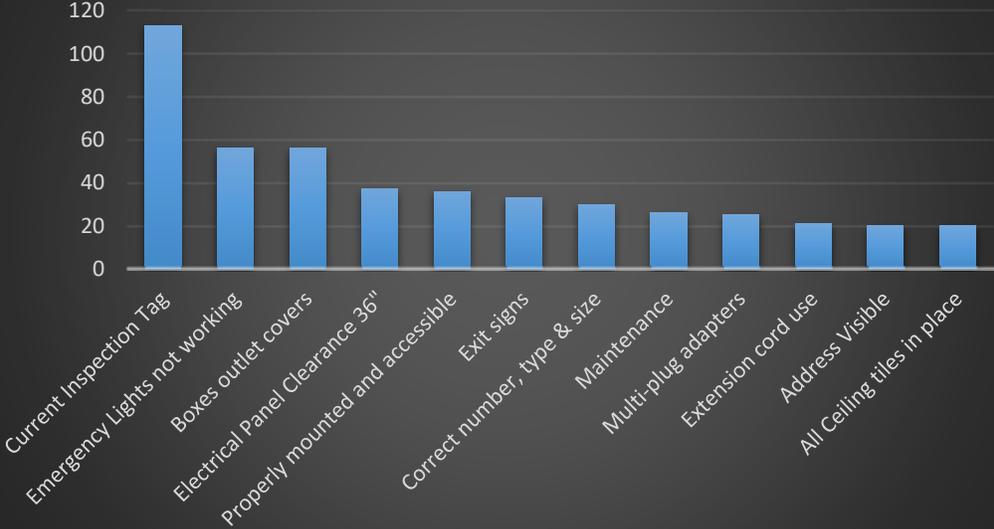
An increase in calls is typically seen during the summer months (peak tourist season).

5-Year Response By Type		
10/01/2013 - 06/05/2018		
Type	5-year total	Percent
Fire	299	4.2%
EMS	4,215	58.8%
Assist Other Government	219	3.1%
Motor Vehicle Accident	379	5.3%
Rescue	164	2.3%
Hazardous Condition/Substance	366	5.1%
False Call/Alarm	377	5.3%
Dispatch Cancelled in route	688	9.6%
Other	463	6.5%
Total:	7,170	100%



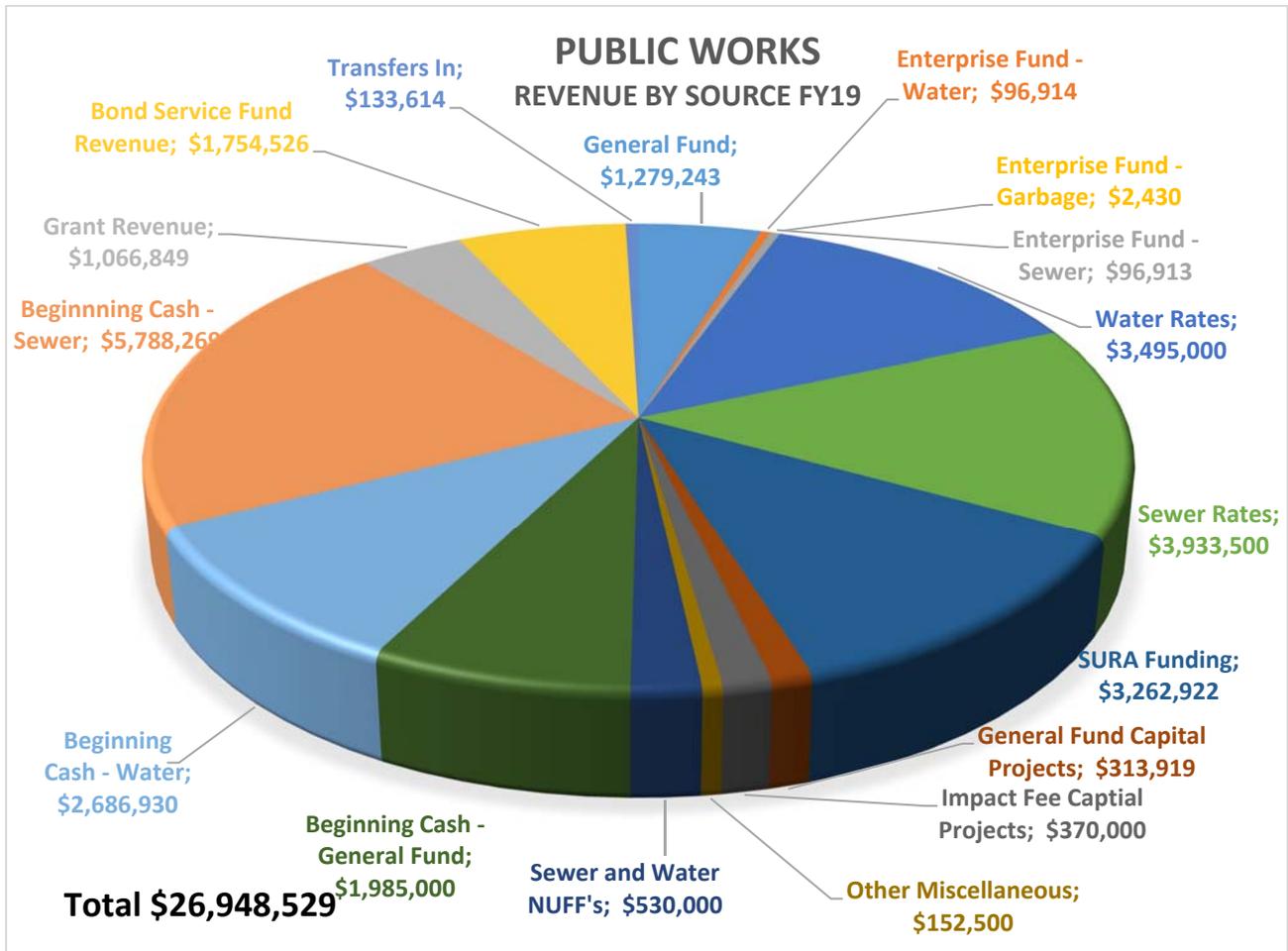
In 2018, the Fire Department initiated an annual fire inspection program with a goal to inspect 100% of the operating businesses within the City of Sandpoint. These inspections are performed to assess and mitigate potential fire- and life-safety hazards in buildings. To-date, 673 businesses have been inspected. A total of 478 businesses had violations (71%) and 66 businesses (10%) were operating without a valid business license. A summary of the violations found is provided below:

FY18 Fire Inspection Violations

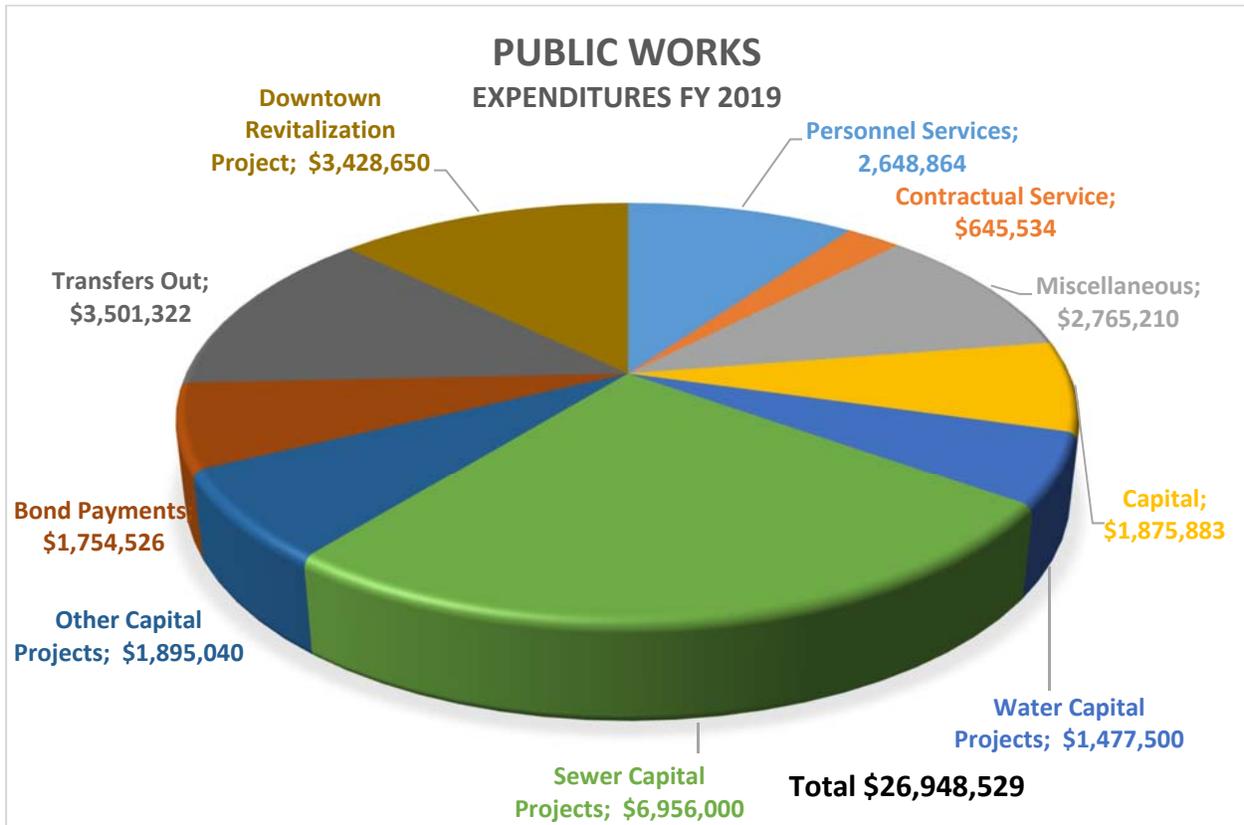


DEPARTMENT SUMMARIES: Public Works

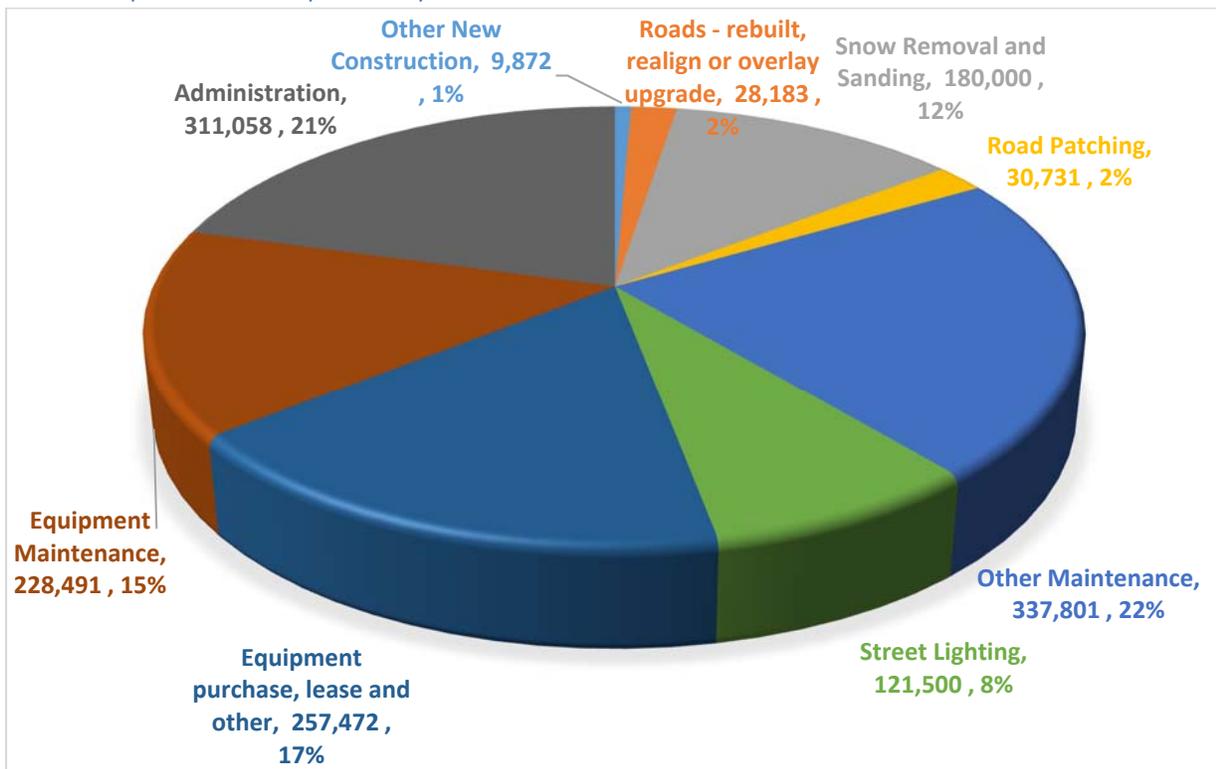
Public Works Revenue Sources:



Public Works Expenditures:



Street Expenditures by Activity:



FY 19 Streets Detail Budget by Function		
Other New Construction	9,872	0.7%
Roads - rebuilt, realign or overlay upgrade	28,183	1.9%
Snow Removal and Sanding	180,000	12.0%
Road Patching	30,731	2.0%
Other Maintenance	337,801	22.4%
Street Lighting	121,500	8.1%
Equipment purchase, lease and other	257,472	17.1%
Equipment Maintenance	228,491	15.2%
Administration	311,058	20.7%
Total Streets	1,505,109	100%

2019 Streets Capital/Other Projects:

Project	Budgeted Amount
Baldy Pedestrian Project	\$685,422
Oak Street Bike Path	\$50,000
North Sandpoint Pathway Interconnectivity (Boyer)	\$100,000
RRFB Project	\$60,000
Road Safety Audit	\$50,000
Pine Street Design	\$119,000
Downtown Lighting Project	\$478,650

The Baldy Pedestrian Project is construction of a multi-modal pathway and it is funded by Sandpoint Urban Renewal Agency (SURA). Preliminary design and right-of-way work has been performed in prior fiscal years. Completion of this project this fiscal year is dependent upon right-of-way acquisitions and availability of funding in the SURA Northern District. Two other projects are contemplated in the area – sewer main extension and fiber network backbone extension down Boyer which may affect availability of funding this year.

The Oak Street Bike Path is a 2018 project. The amount budgeted is only carryover in case expenses or invoices cross over into the 2019 fiscal year.

The North Sandpoint Pathway Interconnectivity (Boyer) project contemplates completion of the pathway along Boyer Avenue between Larch and the roundabout at Schweitzer Cutoff. This is a project the City has been working on for several years and it is grant dependent.

The RRF Project will replace existing RRFB's which are malfunctioning or have reached the end of their useful life.

The Road Safety Audit is a grant-funded project to audit safety concerns and develop recommendations for Division Street between Highway 2 and Pine. Special consideration will be given to the Pine/Division intersection.

The Pine Street Design is a grant-funded project to provide a safer multi-modal route connecting users between Division Street and the downtown core. The City has received confirmation of the grant award. This year's design effort is intended to support construction of the project in FY 2020.

The Downtown Light Project is part of the Downtown Revitalization Projects and is supported by a Community Development Block Grant awarded by the Idaho Department of Commerce. These are the pedestrian lights that will be installed as part of Phase I and Phase II of the downtown revitalization work.

The Oak Utility Project is a 2018 project. The amount budgeted is only carryover in case expenses or invoices cross over into the 2019 fiscal year.

The Streets Plan is an infrastructure master plan process to critically review needs and define preferred actions and related resource requirements that will serve as the backbone for an implementation plan with project priorities.

The Pedestrian and Bike Plan is an infrastructure master plan process to critically review needs and define preferred actions and related resource requirements that will serve as the backbone for an implementation plan with project priorities.

The Schweitzer Cut-Off Roundabout is a 2017 project. The amount budgeted is only carryover in case expenses or invoices cross over into the 2019 fiscal year.

The Child Pedestrian Safety – Ontario Sidewalks would connect existing sidewalks. This is a project the City has been working on for several years and it is grant dependent.

The ADA Project – Ramps is an on-going effort to replace ramps that do not comply with the American with Disabilities Act. This includes projects included in the FY2017-2022 Transition Plan.

The Downtown Revitalization is the design and construction of second phase of the project from Cedar Street at Second Avenue, down First Avenue to approximately Bridge Street.

The Loader is a 2018 project. The amount budgeted is only carryover in case expenses or invoices cross over into the 2019 fiscal year.

2019 Sewer Capital/Other Projects:

Sewer Fund		
FY19		
Projects/Other	Budget	Fund/Reserve Name
Wastewater Treatment Facility	\$3,000,000	Sewer Capital Improvement Reserve
Bank Lift Station Replacement - Superior	\$400,000	Sewer Capital Improvement Reserve
Building Improvements	\$95,000	Sewer Capital Improvement Reserve
Farmin Landing Stormwater	\$150,000	Sewer Capital Improvement Reserve
Stormwater Master Plan	\$200,000	Sewer Capital Improvement Reserve
	\$3,845,000	
Sewer I&I Project	\$400,000	Inflow and Infiltration Reserves
Downtown Sewer Main Phase 2	\$900,000	Inflow and Infiltration Reserves
	\$1,300,000	
Boyer Sewer Project	\$1,600,000	Sewer Operating Fund - SURA Revenue
Loader - if not purchased in 2018	\$44,000	Sewer Operating Fund

Backhoe & trailer (1/2)	\$66,000	Sewer Operating Fund
RAS pump upgrades	\$80,000	Sewer Operating Fund
	\$1,790,000	

The Sewer I&I Project is the final stage of the CIPP program and an updated assessment of the overall existing system to better identify all potential sources contributing to I&I.

The Wastewater Treatment Facility is the first phase of a longer-term effort to address the aging infrastructure, future permits, and water quality. A final facility plan is currently being drafted and will better detail the implementation plan and costs.

The Stormwater Master Plan is an infrastructure master plan. This plan will expand upon the data collected and recommendation developed in 2016 by critically reviewing needs, defining preferred actions and providing an implementation plan with project priorities, policy guidelines, and funding sources.

The Farmin’s Landing Stormwater Project is a project the City has been conceptually designing in 2018. The 2019 fiscal year includes preliminary design and permitting.

The Downtown Sewer Main Phase 2 is a 2018 project. The amount budgeted is only carryover in case expenses or invoices cross over into the 2019 fiscal year.

The Bank Lift Station Replacement – Superior is replacement of existing infrastructure that is at the end of its useful lifespan.

The Boyer Lift Sewer Project contemplates a sewer main extension down Boyer for future service demands. Completion of this project this fiscal year is dependent upon availability of funding in the SURA Northern District.

The Loader is a 2018 project. The amount budgeted is only carryover in case expenses or invoices cross over into the 2019 fiscal year. The costs are shared between the water fund, sewer fund, and general fund.

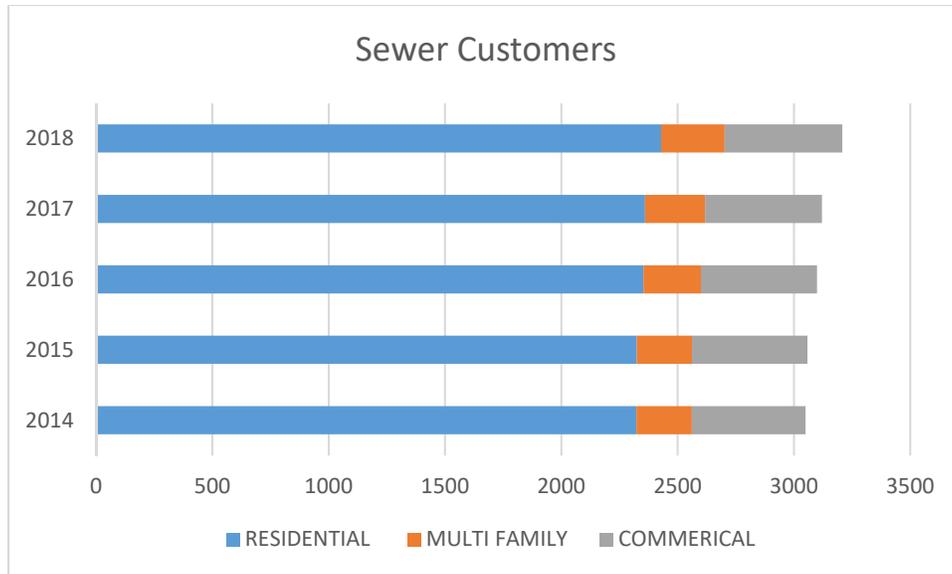
The Backhoe is the purchase of a new backhoe to support a variety of water and sewer maintenance activities. The costs are shared between the water fund and sewer fund.

The RAS pump upgrades is the replacement of existing infrastructure at the wastewater treatment plant that is at the end of its useful lifespan.

The Building Improvements is construction of a sidewalk along Airport Way and Industrial Drive, adjacent to the City Shop, and includes upgrades at the facility relating to safety, fire system, and security. The costs are shared between the water fund and sewer fund. An analysis will be performed to determine what portion General Fund will be responsible for.

Discussion:

The City of Sandpoint currently has 3,208 sewer customers. All sewer hook-ups are in Sandpoint City limits.



2019 Water Capital/Other Projects:

Water Fund		
FY19		
Project/Other	Budget	Fund/Reserve Name
Water Shed Land purchase	\$250,000	Watershed Protection Reserve
Watershed Management Plan	\$200,000	Watershed Protection Reserve
	\$450,000	
Woodland Reservoir Coat	\$500,000	Water Capital Improvement Reserve
Water Master Plan	\$150,000	Water Capital Improvement Reserve
Eastgate Drive upsize from 6" to 12'	\$200,000	Water Capital Improvement Reserve
Building Improvements	\$57,500	Water Capital Improvement Reserve
Sandcreek Transmission Main	\$25,000	Water Capital Improvement Reserve
	\$932,500	
Water Vehicle	\$30,000	Water Operating Fund
Fence Improvements	\$30,000	Water Operating Fund
Server	\$15,000	Water Operating Fund
Loader - if not purchased in 2018	\$44,000	Water Operating Fund
Backhoe & trailer (1/2)	\$66,000	Water Operating Fund
Sandcreek Plant - Filter Media	\$30,000	Water Operating Fund
	\$215,000	

The Watershed Land purchase contemplates a set aside for potential opportunities that may arise to purchase land within the City's watershed that would improve our ability to manage and protect the resource. The allocation is consistent with previous fiscal years and is intended to carryover each year.

The Watershed Management Plan is a public process to critically review needs and define preferred solutions and resource requirements that will steer implementation plans with action priorities. The plan will incorporate all components, including but not limited to timber and trail management, and usages.

The Woodland Reservoir Coating is the purchase and professional application of new coating, internally and externally, to maintain the useful lifespan of the water storage tank.

The Water Master Plan is partially grant-funded to develop an infrastructure master plan to critically review needs and define preferred actions and related resource requirements that will serve as the backbone for an implementation plan with project priorities. The current plan is over ten years old and completed prior to construction of the Lake Plant.

The Eastgate Drive upsize from 6" to 12" is replacement of an existing water main that was identified in the 2006 Water Master Plan as a priority project intended to improve fire flow capacity in the Ponderay commercial and industrial areas.

The Water Vehicle is the purchase of a truck to replace an aging fleet vehicle.

The Fence Improvements is the replacement of an existing fence along the perimeter of the Woodland Reservoir. The existing fence is too low and evidence of trespassing exists.

The Server is the replacement of aging technology equipment that directly supports the water treatment facilities.

The loader is an equipment purchase planned in 2018. The amount budgeted is only carryover in case expenses or invoices cross over into the 2019 fiscal year. The costs are shared between the Water Fund, Sewer Fund, and General Fund.

The purchase of a new backhoe will support a variety of water and sewer maintenance activities. The costs are shared between the Water Fund and Sewer Fund.

The RAS pump upgrades is the replacement of existing infrastructure at the wastewater treatment plant that is at the end of its useful lifespan.

The building Improvements include construction of a sidewalk along Airport Way and Industrial Drive as required by Sandpoint City Code, adjacent to the City Shop, and upgrades at the facility relating to safety, fire system, and security. The costs are shared between the Water Fund and Sewer Fund. An analysis will be performed to determine what portion General Fund will be responsible for.

The Sandcreek Plant Filter Media is the replacement of existing infrastructure at the Sandcreek Water Treatment Plant that is at the end of its useful lifespan.

Discussion:

Sandpoint provides water service within its jurisdictional boundaries, as well as to residents and businesses located within the cities of Ponderay and Kootenai. In total, there are 3,275 water accounts. In addition, the City sells water to Syringa, Northside and Edelweiss Water Districts.

