

**CITY OF GOLD BAR, WASHINGTON
RESOLUTION NO. 17-08**

**A RESOLUTION OF THE CITY OF GOLD BAR, WASHINGTON, AMENDING THE
FINANCIAL PLAN**

WHEREAS, the Financial Plan for the City of Gold Bar does not contain benchmarks; and

WHEREAS, the State Auditor recommends the creation of benchmarks;

NOW THEREFORE, BE IT RESOLVED by the governing body of the City of Gold Bar that the City of Gold Bar Financial Plan be amended to add a new section as follows:

- I. Benchmarks**
- II. Severability**
- III. Effective Date**

I. Benchmarks

Benchmarks are a set of standards used as a point of reference for evaluating performance or a level of quality. Benchmarks may also be described as goals. The City of Gold Bar sets financial goals in the following sections.

Long Range

The City follows trends in national, state, and local relating to unemployment, retail sales, construction, home sales, building permits, business licenses, population forecasts, and inflation.

The City continues to see improvement in all of the trends listed above. There has been a substantial increase in the last two years relating to construction, building permits, and business licenses. It is anticipated that this trend will level out or decrease by 2020 as buildable lots within city limits decrease. However, the City sets a benchmark of a two percent (2%) increase in related property and utilities taxes by 2020, as those buildable lots turn into homes that sell.

Service Levels

The City anticipates an increase in service levels as the population grows slightly from the current construction. Because of this, the City sets a benchmark of potential increases in service charges of two percent (2%) by the year 2020.

Staffing

Long range trends may result in a need to reevaluate staffing levels, especially as there are no guarantees related to volunteer labor. The City sets a benchmark of a potential need to hire one part-time maintenance staff position by 2020. Current trends in levels of service do not require a benchmark of increases in office staff. The City sets a benchmark of a potential increase in payroll benefits for existing staff levels of five percent (5%) by the year 2020.

The City sets a benchmark of cost of living increases annually for employees as set by the Consumer Price Index. Over the past two years the City has increased staff pay beyond the annual cost of living

increase in an attempt to bring pay rates in alignment with cities of similar size. That trend is not expected to continue past 2017.

Interlocal Services

Long range trends may impact interlocal services such fire inspections, police services, animal control services, and other related interlocals. The City sets a benchmark of a potential increase in interlocal services of fifteen percent (15%) by the year 2020.

Beginning Balances

Beginning fund balances continue to improve and the City anticipates this trend to continue with the following cautions.

The City sets a benchmark of a conservative one percent (1%) increase in the beginning balance for the General Fund by 2020. The City anticipates an ongoing trend of continued legal fees which will significantly impact the General Fund's ability to forecast a higher increase.

The City sets a benchmark of a conservative one percent (1%) increase in the beginning balance for the Stormwater Fund by 2020. Historically this fund has not seen an increase in beginning balances because expenses have outpaced revenue. In 2017 the City anticipates raising Stormwater rates. The increase in rates may allow the Fund to improve.

The City sets a benchmark of a conservative one percent (1%) increase in the beginning balance for the Water Fund by 2020. The City's Water Comprehensive Plan outlined a trend in rate increases over a period of five years. However, the Council elected to not raise rates incrementally over five years. Unless rates are increased, the City does not project a stronger trend in increasing the beginning balance.

II. Severability

This Resolution is severable and if any portion of it shall be declared invalid or unconstitutional, the remaining portion shall remain valid and enforceable.

III. Effective Date

This Resolution shall take effect from, and after, its passage and approval.

Attest:



Lisa Stowe, Clerk/Treasurer

Attest:



Lee Hodo, Mayor