

## **Welcome to tonight's City Council meeting!**

The elected officials of the City of Bonners Ferry are appreciative of an involved constituency. Testimony from the public is encouraged concerning issues when addressed under the Public Hearing portion of the agenda. Any individual who wishes may address the council on any issue, whether on the agenda or not, during the Public Comments period. Normal business will preclude public participation during the business portion of the meeting with the discretion left to the Mayor and Council.

### **Vision Statement**

Bonnors Ferry, "The Friendliest City", strives to achieve balanced growth, builds on community strengths, respects natural resources, promotes excellence in Government, and values quality of life.

### **AGENDA CITY COUNCIL MEETING Bonners Ferry City Hall 7232 Main Street 267-3105 September 2, 2014 7:00 p.m.**

### **PLEDGE OF ALLEGIANCE**

### **PUBLIC HEARING**

Fiscal Year 2015 Budget Hearing

### **PUBLIC COMMENTS**

Each speaker will be allowed a maximum of five minutes, unless repeat testimony is requested by the Mayor/Council

### **GUESTS**

### **REPORTS**

Police/Fire/City Administrator/Economic Development Coordinator/Urban Renewal District

### **CONSENT AGENDA**

1. Call to Order/Roll Call
2. Approval of Bills and Payroll
3. Treasurer's Report
4. Approval of August 19, 2014 Council Meeting Minutes and August 12, 2014 Special Council Meeting Minutes

### **OLD BUSINESS**

### **NEW BUSINESS**

5. City – Discuss Fiscal Year 2015 Budget and Adopt Appropriation Ordinance No. 542 (attachment)
6. Golf – Consider Green Fee Waiver for Friends of Mirror Lake Golf Tournament
7. City – Authorize Mayor to Sign Gem Grant Application for Library Fab Lab Project
8. City – Authorize Mayor to Sign Lease Agreement with South Boundary Fire (attachment)
9. Sewer – Authorize Mayor to Sign Wastewater Planning Grant Agreement Amendment and Acknowledgement Form (attachment)
10. City – Authorize Mayor to Sign Fiscal Year 2014 Audit Engagement Letter (attachment)

11. City – Authorize Mayor to Sign Terrorism Insurance Rejection Coverage Paperwork (attachment)
12. Fire – Approve Eric Wasescha as Volunteer for Fire Department
13. EDC – Authorize Mayor to Sign Agreement with Idaho Department of Commerce for the EDC Professional Grant
14. Electric – Approve the Owners Dam Safety Program and Authorize the Mayor to Sign the Paperwork (attachment)
15. Electric – Authorize Mayor to Sign Contract with for Moyie Hydro Retaining Wall Work (attachment)
16. City – Authorize Expenditure for New Door for City Hall (attachment)
17. City – Discuss Cash Reserve Policy (attachment)
18. Water/Sewer – Discuss Cost of Service Study Decisions (attachment)

#### **EXECUTIVE SESSION PURSUANT TO IDAHO CODE 67-2345, SUBSECTION 1**

Consider hiring a public officer, employee, staff member or individual agent.

- (a) Consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent, or public school student.
- (b) Conduct deliberations concerning labor negotiations or to acquire an interest in real property which is not owned by a public agency.
- (c) Consider records that are exempt from disclosure as provided in chapter 3, title 9, Idaho Code.
- (d) Consider preliminary negotiations involving matters of trade or commerce in which the governing body is in competition with governing bodies in other states or nations.
- (e) Communicate with legal counsel for the public agency to discuss the legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated.
- (f) Engage in communications with a representative of the public agency's risk manager or insurance provider to discuss the adjustment of a pending claim or prevention of a claim imminently likely to be filed.

#### **ADJOURNMENT**

#### **NEXT MEETING DATE**

#### **INFORMATION**

19. Water – Meeting at Forest Service on September 17, 2014 at 8:00 a.m. to Discuss Myrtle Creek Debris Flow Survey
20. City – Mayoral Proclamation for Constitution Week (attachment)

# City of Bonners Ferry

A public hearing, pursuant to Idaho Code 50-1002, will be held for consideration of the proposed budget for the fiscal year October 1, 2014 to September 30, 2015. The hearing will be at City Hall, Bonners Ferry, Idaho at 7:00 p.m. on September 2, 2014. All interested persons are invited to appear and show cause, if any, why such budget should or should not be adopted. Copies of the proposed City budget in detail are available at City Hall during regular office hours (8:00 a.m. to 5:00 p.m., weekdays). City Hall is accessible to persons with disabilities. Anyone desiring accommodations for disabilities related to the budget documents or to the hearing, please contact City Hall, 287-3105 at least 48 hours prior to the public hearing. The proposed FY2015 budget is shown below as FY2015 proposed expenditures and revenues.

## Proposed Expenditures

	FY2013 Actual Expenditures	FY2014 Budgeted Expenditures	FY2015 Proposed Expenditures
General Fund:			
General Government	206,500	186,582	322,856
Police Department & Police Grants	449,693	492,757	508,663
Animal Control	8,065	8,100	8,100
Fire Department	172,000	182,790	189,137
Parks Department & Visitor Center	61,252	47,551	50,375
Swimming Pool	45,297	46,813	50,642
Golf Course	156,062	137,326	156,988
Street Department & Street Grants	397,521	453,616	489,638
South Hill Slough Grant	0	40,199	40,199
D.A.R.E./School Resource Officer	81,857	53,663	61,568
Economic Development Coordinator	61,229	62,291	65,145
Dike Maintenance	2,811	10,000	10,000
General Fund Capital	49,100	54,000	35,000
Inter-Department Contingency		351,083	285,403
Total General Fund	1,691,388	2,126,781	2,273,714
Capital Project Fund			484,000
Capital Project Fund			484,000
Total Capital Project Fund			484,000
L.I.D. Fund			6,650
L.I.D. #2002-1	762	14,285	6,650
Total L.I.D. Fund	762	14,285	6,650
Enterprise Funds:			
Electric Fund	3,829,051	9,159,107	9,611,025
Water Fund	971,402	1,165,700	1,334,300
Sewer Fund	460,366	968,650	948,682
Garbage Fund	131,049	132,500	146,980
Total Enterprise Funds	5,391,868	11,425,957	12,040,987
Grand Total All Funds - Expenditures	7,084,018	13,567,023	14,805,351

## Proposed Revenues

	FY2013 Actual Revenues	FY2014 Budgeted Revenues	FY2015 Proposed Revenues
Property Tax Levy	525,499	549,835	567,046
General Fund			
Other Revenue Sources	59,219	65,050	68,250
Franchises, Licenses	423,785	436,406	494,145
Inter-Governmental	285,964	283,000	285,000
General Fund Transfer	47,148	50,000	50,000
Fines and Forfeitures	151,067	147,887	147,587
Golf	56,121	53,607	35,000
Charges for Services	84,120	76,785	78,085
Interest	70,636	28,521	49,601
Other	42,150	42,000	42,000
D.A.R.E.		393,690	457,000
Fund Balance Carryover	1,745,710	2,126,781	2,273,714
Total General Fund			484,000
Capital Project Fund			484,000
Capital Project Fund			484,000
Total Capital Project Fund			484,000
L.I.D. Fund			6,650
L.I.D. Fund #2002-1	4,170	14,285	6,650
Total L.I.D. Fund	4,170	14,285	6,650
Enterprise Funds			
Electric Fund	4,451,833	9,159,107	9,611,025
Water Fund	1,278,115	1,165,700	1,334,300
Sewer Fund	518,775	968,650	948,682
Garbage Fund	132,671	132,500	146,980
Total Enterprise Funds	6,381,394	11,425,957	12,040,987
Grand Total All Funds - Revenues	8,131,274	13,567,023	14,805,351

The proposed expenditures and revenues for fiscal year 2014-15 have been tentatively approved by the City Council. Publication dates for the notice of the public hearing are August 21 and August 28, 2014 in the Bonners Ferry Herald.

## **Fiscal Year 2015 Budget**

The following items are included in the proposed budget for fiscal year 2015:

1. Blue Cross health insurance increase of five percent (actual came in at 5.2%).
2. Raises budgeted as approved by Council at the 7-1-14 council meeting.
3. Task Force contribution of \$15,000 from the city.
4. Capital items in the general fund budget are \$30,000 for Fire Station 2 remodel and capital of \$5,000 in golf.
5. No utility rate increases were included in the budget so if we raise rates we may have to consider an amendment.
6. New laborer position budgeted in the water/sewer department.
7. Additional wages in the electric department for a part-time person.

# 2014 Dollar Certification of Budget Request to Board of County Commissioners L-2

(the L-2 worksheet and applicable "Voter Approved Fund Tracker" and copy of published budget must be attached)

District or Taxing Unit's Name: City of Bonners Ferry

Fund	Total Approved Budget	Carry Forward Balance	Other Revenue/NOT shown in Column 5	Property Tax Replacement From Line 14 of L-2 Worksheet	Balance to be levied Col. 2 minus (Cols. 3+4+5)
1	2	3	4	5	6
General	2,273,714	457,000	1,249,668	16,589	550,457
Column Total	2,273,714	457,000	1,249,668	16,589	550,457

I certify that the amounts shown above accurately reflect the budget being certified in accordance with the provisions of I.C. §63-803.  
To the best of my knowledge, this district has established and adopted this budget in accordance with all provisions of Idaho Law.

Mayor

9/2/2014

Signature of District Representative

Title

Date

Kris Larson, Clerk/Treasurer, P. O. Box 149, Bonners Ferry, ID 83805

klarson@bonnersferry.id.gov

Please print above: Contact Name and Mailing Address

Email Address

Phone Number: 208-267-0351

Fax Number: 208-267-4375

\* = Do not include revenue allocated to urban renewal agencies.

Please attach a copy of your published budget showing your property tax information.



District Name: City of Bonners Ferry

Enter Year: 2014

Computation of 3% budget increase:

Enter the amount from the "Highest Non-Exempt P-Tax Budget + P-Tax Replacement" column from the "Maximum Budget and Foregone Amount Worksheet".

Multiply line 1 by 3%.

New Construction & Annexation budget increases:

Enter the 2014 value of district's new construction roll from each applicable county below:

County Name	Value	(1)	(2)
Boundary County	162,213		

Total of New Construction Roll Value for the District:

Enter the 2014 value of annexation from property assessed by the county.

Enter the 2014 value of annexation from Operating Property.

Enter the total 2013 approved non-exempt levy rate.

New Construction Roll budget increase (multiply line 3 by line 5).

Annexation budget increase (multiply line 4 by line 5).

Foregone Amount:

Enter the total available foregone amount here.

Maximum Allowable Non-exempt Property Tax Budget:

Add lines 1+2+6+7+8.

Property Tax Replacement:

Enter yearly amount of the agricultural equipment replacement money.

Enter yearly amount of the personal property replacement money.

Enter recovered Homeowner's Exemption property tax.

Enter recaptured Qualified Investment Exemption.

Enter the total of lines 10 through 13: (Must match col. 5 budget total of L-2).

Maximum Allowable Non-exempt Property Tax to be levied:

Subtract line 14 from line 9.

	(10)	447		
	(11)	16,142		
	(12)			
	(13)			
	(14)			16,589
	(15)			550,457
	(8)			
	(9)			567,046
	(3)	162,213		
	(4)			
	(5)	0.004411030		
	(6)			716
	(7)			-

The amount on line 15 must match the total of column 5 on the L-2 form.

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CITY OF BONNERS FERRY  
Revenue Budget Report -- MultiYear Actuals  
For the Year: 2014 - 2015

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Account

10-11	11-12	12-13	13-14	Current Budget 13-14	% Rec. Budget 13-14	Prelim. Budget 14-15	Budget Change 14-15	Final Budget 14-15	% Old Budget 14-15
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1000 GENERAL

310000 TAXES

311000 Total Levied Taxes	497,889	525,856	525,020	538,508	549,388	98%	565,883	-15,426	550,457	100%
311100 Ag Equipment Tax	447	447	447	447	447 100%		447		447	100%
311101 Personal Property Tax				7,961	0 ***			16,142	16,142	***
312000 P & I on Taxes	5,861	8,478	6,565	6,429	6,000 107%		6,000		6,000	100%

Group:

504,197	534,781	532,032	553,345	555,835	100%	572,330	716	573,046	103%
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320000 LICENSES AND PERMITS

322010 Alcohol Beverage Licenses	4,485	4,480	5,155	5,500	5,000 110%	5,500		5,500	110%
322020 Business Licenses	500	535	850	3,095	1,500 206%	3,000	500	3,500	233%
322025 Special Event Fees	420	720	1,255	1,185	500 237%	500	200	700	140%
322031 Airsta Franchise	32,424	28,282	25,347	28,800	30,000 96%	30,000		30,000	100%
322032 Cable Franchise	4,411	5,724	3,152	935	4,500 21%	4,500		4,500	100%
322035 Joint Pole Use Agreement	1,750	1,750	1,750	1,750	1,750 100%	1,750		1,750	100%
323010 Building Permits	8,546	30,258	19,731	14,277	20,000 71%	20,000		20,000	100%
323011 Building Inspections		368			0 0%			0	0%
323013 P&Z Fees	550	600		300	0 ***			0	0%
323030 Dog License & Pound Fees	1,620	1,600	1,980	2,360	1,800 131%	2,200	100	2,300	127%

Group:

54,706	74,317	59,220	58,202	65,050	89%	67,450	800	68,250	104%
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330000 INTERGOVERNMENTAL REVENUES

331008 Idaho Dept. of Commerce		12,300			0 0%		35,000	35,000	***
331013 Idaho Department of Lands			2,500		0 0%			0	0%
331020 Homeland Security Grant		1,822			0 0%			0	0%
331021 Law Enforcement Grants				1,819	0 ***			0	0%
331022 ITD Traffic Safety Grant	13,898	13,324	13,087		0 0%			0	0%
331025 Fire Department Grants	6,204		1,000		0 0%			0	0%
331026 Arbor Day Grant			300		0 0%			0	0%
331100 D.A.R.E.	21,836	38,312	42,150	30,075	42,000 72%	42,000		42,000	100%
331178 Task Force	8,730				33,500 0%	30,000		30,000	89%
331180 Economic Development	51,871	52,390	56,931	29,052	58,291 50%	61,145		104,000	104%
335100 State Liquor Fund Revenue	95,528	99,442	106,929	86,293	104,000 83%	104,000		104,000	100%
335200 Sales Tax Revenue/Revenue	140,324	146,893	159,757	138,736	155,615 89%	174,000		174,000	111%
335300 Highway Users Fee	85,635	84,440	83,282	64,433	85,000 76%	90,000		90,000	105%
336100 General Fund Transfer	277,047	274,831	285,964		283,000 0%	285,000		285,000	100%

Group:

701,073	723,754	751,900	350,408	761,406	46%	786,145	35,000	821,145	107%
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340000 Charges for Services

341100 Special Police Protection	27,306	27,306	27,306	13,653	27,305 50%			0	0%
341150 Police IETN	600	600	600		600 0%			0	0%
341200 Special Fire Protection	11,702	11,702	11,702	14,601	11,702 125%	21,000		21,000	179%
342020 Fire Protection	2,178		2,505		0 0%			0	0%
342100 Swim Lesson Fees	8,505	8,390	10,185	10,140	10,000 101%	10,000		10,000	100%
342110 Swimming Pool Fees			3,823	3,646	4,000 91%	4,000		4,000	100%

	Current	% Prelim.	Budget	Final	% Old
	Budget	Rec. Budget	Change	Budget	Budget
Actuals -----					

Investment and Royalty Earnings	975	562	343	493	50
Interest on Investments					
Interest on Electric	61,865	55,859	52,478		45,000
\$35,000 Mtn. West; \$268 Irid; \$3,405 District 1; \$5,866 Clarifier; \$1,725 Golf					
Howers					



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CITY OF BONNERS FERRY  
Revenue Budget Report -- MultiYear Actuals  
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Account	10-11	11-12	Actuals			Current Budget		% Rec. Budget		Prelim. Budget 14-15	Budget Change 14-15	Final Budget 14-15	% Old Budget 14-15
			12-13	13-14	13-14	13-14	13-14	14-15					
1000 GENERAL													
371201 Interest on Garbage	79	68		61		50	0%	50				50	100%
371300 Return on Investment	31,235	31,235		31,235		31,235	0%	31,235				31,235	100%
Group:	94,154	87,724		84,117	493	76,785	1%	78,085		0		78,085	101%
Fund:	1,644,859	1,682,985	1,745,680	1,217,802	1,733,091	70%	1,777,198		39,516	1,816,714	104%		
Grand Total:	1,644,859	1,682,985	1,745,680	1,217,802	1,733,091		1,777,198		39,516	1,816,714			

1816714  
+ 457000  
2273714  
Estimated  
Fund Balance  
Carry Forward

## General Fund

CITY OF BONNERS FERRY  
Expenditure Budget Report -- MultiYear Actuals  
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Object	Actuals				Current Budget 13-14	% Exp. 13-14	Prelim. Budget 14-15	Budget Changes 14-15	Final Budget 14-15	% Old Budget 14-15
	10-11	11-12	12-13	13-14						
100 Wages Only	520,299	544,084	552,827	494,522	594,902	83%	622,846	-12,936	609,910	103
101 Overtime Wages	27,983	30,884	24,634	22,525	29,400	77%	29,450	-3,000	26,450	90
102 Holiday Worked	7,384	1,921	7,881	7,154	8,420	85%	8,420	0	8,420	100
130 Compensated Leave	70,378	56,712	59,821	46,386	61,000	76%	61,000	-2,000	59,000	97
140 Employer Contributions	47,402	47,270	46,515	43,034	53,158	81%	55,218	-1,373	53,845	101
141 Unemployment Costs	820	418	1,176	3,792	1,000	379%	1,000	0	1,000	100
150 Retirement	60,541	58,349	61,838	53,933	72,164	75%	75,025	-2,031	72,994	101
160 Work Comp	18,207	22,461	28,573	33,213	29,425	113%	34,355	0	34,355	117
170 Health and Life Insurance	167,952	178,420	205,020	182,472	231,854	79%	260,802	0	260,802	112
200 Supplies & Other	204,126	232,859	174,973	158,150	190,100	83%	234,600	18,360	252,960	133
213 Weapons Ammunition			4,063	4,088	4,000	102%	4,000	-1,500	2,500	63
221 Agriculture & Horticultur	3,467	3,572	6,719	1,177	5,000	24%	5,000	0	5,000	100
226 Uniforms/Personal Protect	10,662	10,474	9,439	7,016	8,250	85%	10,750	-1,000	9,750	118
227 Breathing Apparatus	10,000	54			0	***%	0	0	0	0
231 Gas, Oil, Diesel Fuel, Gr	48,000	47,628	49,944	44,918	48,250	93%	50,750	-350	50,400	104
241 Flag Expense	997	140	1,503	208	1,000	21%	1,000	0	1,000	100
300 Purchased Services	189,121	204,818	198,728	135,063	131,850	102%	141,550	-8,500	133,050	101
330 Subscriptions & Dues	3,217	3,009	4,092	8,370	7,600	110%	7,200	0	7,200	95
340 Utility Services	84,197	91,684	92,882	85,152	94,180	90%	95,200	-150	95,050	101
350 Travel and Training Expen	5,503	13,076	10,872	10,163	13,350	76%	14,150	0	14,150	106
371 Pump Testing	450	525			0	***%	0	0	0	0
391 Dispatch Services	10,185	10,185	16,678	11,083	10,678	104%	11,470	0	11,470	107
399 Other Contracted Services	27,550	25,509	28,832	20,486	30,000	68%	30,000	0	30,000	100
500 General Insurance	17,555	18,847	16,926	17,336	18,800	92%	17,250	0	17,250	92
555 Bank Service Charges	6	1	25	3	24,526	100%	43,473	0	43,473	177
610 Principal	27,277	25,509	28,832	20,486	30,000	68%	30,000	0	30,000	100
620 Interest Expense	4,000	4,000	10,550	4,500	10,500	43%	10,500	0	10,500	100
700 Grants, Contributions & I	4,000	6,500	10,550	4,500	10,500	43%	10,500	0	10,500	100
730 Grants/Donations to Other	6,500									
820 Transfers to Other Funds										
900 Capital Outlay	193,480	35,292	49,099	175,987	54,000	326%	115,352	-80,352	35,000	65
999 Contingency and Other					351,083	0%	350,000	-64,597	285,403	81

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CITY OF BONNERS FERRY  
Revenue Budget Report -- Multiyear Actuals  
For the Year: 2014 - 2015

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For the Year: 2014 - 2015													
Account	Actuals				Current Budget		% Rec. Budget	Prelim. Budget		Budget Change	Final Budget		% Old Budget
	10-11	11-12	12-13	13-14	13-14	13-14		14-15	14-15		14-15	14-15	
3510 LID #2002-1													
340000 Charges for Services	7	8	3	8	0	***					0	0%	
343950 Interest Income	7	8	3	8	0	***				0	0	0%	
Group:	7	8	3	8	0	***				0	0	0%	
360000 Miscellaneous Revenue													
363000 Special Assessments	3,743	4,293	3,605	4,196	14,285	29%		6,300			6,300	44%	
363020 LID Assessments Interest	1,029	823	562	706	0	***		350			350	*****	
Group:	4,772	5,116	4,167	4,902	14,285	34%		6,650			6,650	46%	
Fund:	4,779	5,124	4,170	4,910	14,285	34%		6,650			6,650	46%	
Grand Total:	4,779	5,124	4,170	4,910	14,285			6,650		0	6,650		

LTD Fund

CITY OF BONNERS FERRY  
Expenditure Budget Report -- MultiYear Actuals  
For the Year: 2014 - 2015

Object	10-11	11-12	Actuals	12-13	13-14	Current	%	Prelim.	Budget	Final	%
						Budget	Exp. Budget	Budget	Changes	Budget	Old
						13-14	13-14	14-15	14-15	14-15	Budget
610 Principal											
620 Interest Expense	1,206	990	762	4,586	4,615	99%	522 100%	6,300	350	6,300	137
999 Contingency and Other					9,148	0%		0	0	0	67
Grand Total:	1,206	990	762	5,108	14,285			6,650	0	6,650	



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CITY OF BONNERS FERRY  
Revenue Budget Report -- MultiYear Actuals  
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4110 Capital Project Fund											
Account	Actuals				Current Budget	% Rec.	Prelim. Budget	Budget Change	Final Budget	% Old Budget	
	10-11	11-12	12-13	13-14							
-----											
330000 INTERGOVERNMENTAL REVENUES											
331051 LHTAC Grant	4,165				0	0%	375,551		375,551	0	0%
331055 ITD - Community Choices					0	0%				375,551	*****%
Augusta Street Grant											
Group:	4,165				0	0%	375,551	0	375,551	*****%	
-----											
360000 Miscellaneous Revenue											
365000 Contributions and					2,787	0 ***%				0	0%
Group:					2,787	0 ***%	0	0	0	0	0%
-----											
380000 Other Financing Sources											
383000 Interfund Operating					0	0%		108,449	108,449	108,449	*****%
Augusta Street grant match: \$80,352 paving and \$28,097 in-kind					0	0%	0	108,449	108,449	108,449	*****%
Group:											
Fund:	4,165				2,787	0 ***%	375,551	108,449	484,000	*****%	
Grand Total:	4,165				2,787	0	375,551	108,449	484,000		

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# Capital Project Fund

CITY OF BONNERS FERRY  
Expenditure Budget Report -- MultiYear Actuals  
For the Year: 2014 - 2015

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Object	10-11	11-12	Actuals	12-13	13-14	Current Budget 13-14	% Exp. Budget 13-14	Prelim. Budget 14-15	Budget Changes 14-15	Final Budget 14-15	% Old Budget 14-15
100 Wages Only	99					0	***%	0	0	0	0
140 Employer Contributions	7					0	***%	0	0	0	0
150 Retirement	10					0	***%	0	0	0	0
170 Health and Life Insurance	19					0	***%	0	0	0	0
900 Capital Outlay	4,165	2,787				0	***%	0	484,000	484,000	*****
Grand Total:	4,300	2,787				0		0	484,000	484,000	

08/29/14  
11:08:51

CITY OF BONNERS FERRY  
Revenue Budget Report -- Multiyear Actuals  
For the Year: 2014 - 2015

Page: 1 of 1  
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5110 ELECTRIC FUND

Account

10-11

11-12

12-13

13-14

Current  
Budget  
13-14

%  
Rec.  
13-14

Prelim.  
Budget  
14-15

Budget  
Change  
14-15

Final  
Budget  
14-15

% Old  
Budget  
14-15

320000 LICENSES AND PERMITS  
322035 Joint Pole Use Agreement

Group:

7,843

9,197

9,874

1,750

9,874

18%

9,874

0

9,874

100%

340000 Charges for Services

1,697,905

1,749,113

1,678,459

1,560,066

1,675,000

93%

1,700,000

101%

343010 Residential Sales

929,087

896,674

1,078,504

894,433

930,000

96%

955,000

102%

343046 Logging Income

523,533

523,943

527,320

458,233

520,000

88%

525,000

100%

343110 Large Commercial Sales

53,429

54,707

56,207

44,883

53,000

85%

55,000

103%

343210 Inter Departmental

1,941

2,051

6,289

1,816

2,000

91%

2,000

100%

343310 Self Consumed

925,107

883,127

921,887

825,400

950,000

87%

950,000

100%

343510 Industrial Sales

25,387

24,445

25,470

34,196

25,000

137%

25,000

100%

343610 Pumping and Drainage

29,027

29,243

29,454

24,422

7,000

164%

7,000

100%

343710 Street Lighting Sales

7,000

10,000

7,000

11,500

3,000

108%

3,000

100%

343800 Transformer Capacity

4,190

4,310

2,700

3,225

2,000

106%

2,500

125%

343810 Door Hanger Fees

18,489

12,619

15,317

11,062

0

0

0

0

343850 Merchandise Sales

-18,489

-12,619

-15,317

-11,062

0

0

0

0

343870 Change in Inventory

-16,315

-9,891

-2,537

29,450

53

0

0

0

343950 Interest Income

189

144

139

522

120

44%

0

0

343951 Interest Income - Hydro

2,919

349

736

195

12,184

0

0

0

343952 Interest Income - Sewer

240

349

195

15

0

0

0

0

343953 Interest Income - Water

3,739

3,614

4,313

2,210

5,000

44%

5,000

100%

343990 Miscellaneous Revenue

3,739

3,614

4,313

2,210

5,000

44%

5,000

100%

343991 NSF Check Charge Revenue

3,739

3,614

4,313

2,210

5,000

44%

5,000

100%

343999 Handling Fees

3,739

3,614

4,313

2,210

5,000

44%

5,000

100%

Group:

4,187,378

4,173,629

4,341,932

3,893,787

4,214,873

92%

4,258,500

0

4,258,500

101%

360000 Miscellaneous Revenue

100

45

69,254

27,363

0

0%

0

0

0

0%

361100 Misc Operating Revenue

373,134

45

69,254

27,363

0

0%

0

0

0

0%

361102 Lighting Conservation

13,398

3,420

4,222

948

0

0%

0

0

0

0%

361200 Junk or Salvage Sold

554

3,420

4,222

948

0

0%

0

0

0

0%

361300 Workman's Comp Refund

35,969

40,900

0

0

0

0%

0

0

0

0%

362020 Insurance Proceeds

423,155

3,465

114,376

28,356

0

0%

0

0

0

0%

Group:

4,618,376

4,186,291

4,466,182

3,923,893

4,224,747

93%

4,268,374

0

4,268,374

101%

Fund:

4,618,376

4,186,291

4,466,182

3,923,893

4,224,747

93%

4,268,374

0

4,268,374

101%

Grand Total:

4,618,376

4,186,291

4,466,182

3,923,893

4,224,747

93%

4,268,374

0

4,268,374

101%

5220000 Estm. Cash Carry Forward  
122651 Loan Payments  
9611025

08/29/14  
09:41:30

# Electric Fund

## CITY OF BONNERS FERRY Expenditure Budget Report -- MultiYear Actuals For the Year: 2014 - 2015

Page: 1 of 1  
Report ID: B2400

Object	Actuals				Current Budget		% Exp.		Prelim. Budget		Budget Changes		Final Budget		% Old Budget	
	10-11	11-12	12-13	13-14	13-14	13-14	13-14	14-15	14-15	14-15	14-15	14-15	14-15	14-15	14-15	14-15
100 Wages Only	468,180	451,691	505,865	456,726	569,184	80%	624,018	0	624,018	110						
101 Overtime Wages	40,015	46,516	50,125	55,410	68,000	81%	82,500	0	82,500	121						
102 Holiday Worked	504	275	623	1,245	2,500	50%	2,500	0	2,500	100						
130 Compensated Leave	66,743	61,400	82,958	66,848	76,000	88%	89,500	0	89,500	118						
140 Employer Contributions	42,183	42,124	47,267	42,811	50,164	85%	61,084	0	61,084	122						
141 Unemployment Costs	29	1	731	105	0	***%	0	0	0	0						
150 Retirement	58,735	58,602	66,616	65,026	74,232	88%	90,382	0	90,382	122						
160 Work Comp	8,586	10,345	12,561	15,450	15,000	103%	20,000	0	20,000	133						
170 Health and Life Insurance	96,215	101,641	115,113	108,939	147,500	74%	146,100	0	146,100	99						
200 Supplies & Other	816,572	2,071,361	1,935,493	1,997,675	2,529,000	79%	2,573,000	0	2,573,000	102						
231 Gas, Oil, Diesel Fuel, Gr	17,504	18,863	18,316	15,755	26,000	61%	26,000	0	26,000	100						
300 Purchased Services	1,579,906	166,877	99,047	325,839	237,000	137%	262,000	0	262,000	111						
301 General Fund Transfer	209,779	208,971	216,964		215,000	0%	220,000	0	220,000	102						
302 Interest on Municipal Inv	31,235	31,235	31,235	26,451	31,235	0%	31,235	0	31,235	100						
330 Subscriptions & Dues	21,031	23,144	22,995	25,260	25,100	105%	26,500	0	26,500	106						
340 Utility Services	22,126	27,168	25,838	25,260	33,500	75%	36,500	0	36,500	109						
350 Travel and Training Expen	7,149	8,339	16,193	4,854	23,500	21%	18,000	0	18,000	77						
370 Regulatory Compliance	14,970	16,919	28,167	4,755	40,000	12%	40,000	0	40,000	100						
391 Dispatch Services	7,574	8,070	11,082	11,082	11,070	100%	11,414	0	11,414	103						
399 Other Contracted Services	33,112	34,358	34,519	28,811	35,000	82%	35,000	0	35,000	100						
500 General Insurance	49,070	48,602	47,961	50,824	52,000	98%	52,000	0	52,000	100						
555 Bank Service Charges	542	1,020	526	394	2,000	20%	2,000	0	2,000	100						
620 Interest Expense	62,160	53,614	51,560	44,734	49,000	91%	46,000	0	46,000	94						
800 Depreciation	410,423	420,975	414,853	44,734	430,000	0%	430,000	0	430,000	100						
810 Losses (Bad Debt Exp-Ente	-482	-984	-4,714	6,060	5,000	121%	5,000	0	5,000	0						
815 Cash (over) or Short	-4	-125	170	19	0	***%	0	0	0	0						
820 Transfers to Other Funds					0	***%	0	0	0	0						
899 Estimated Depreciation Ex					0	***%	0	0	0	0						
999 Contingency and Other					0	***%	0	0	0	0						
Grand Total:	4,056,283	3,910,506	3,829,052	3,700,073	9,159,107		9,601,025	10,000	9,611,025	106						



08/29/14  
11:09:14

CITY OF BONNERS FERRY  
Revenue Budget Report -- MultiYear Actuals  
For the Year: 2014 - 2015

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5210 WATER

Account

10-11

11-12

Actuals

12-13

13-14

Current  
Budget  
13-14

%  
Rec. Budget  
13-14

Prelim.  
Budget  
14-15

Budget  
Change  
14-15

Final  
Budget  
14-15

% Old  
Budget  
14-15

330000 INTERGOVERNMENTAL REVENUES

331008 Idaho Dept. of Commerce  
331010 Idaho Community  
331015 Rural Development Grant

290,046  
290,046  
290,046

15,825  
355,001  
319,999

40,000  
359,999  
0

0  
0  
0

0%  
0%  
0%

340000 Charges for Services

343010 Residential Sales  
343027 Equipment Rental  
343110 Large Commercial Sales  
343120 Small Commercial  
343210 Inter Departmental  
343310 Self Consumed  
343420 Coin Operated Sales  
343430 Bulk Water Sales  
343510 Industrial Sales  
343610 Pumping and Drainage  
343810 Connect Charges  
343850 Merchandise Sales  
343860 Cost of Merchandise Sales  
343950 Interest Income  
343990 Miscellaneous Revenue  
343999 Handling Fees

566,331  
110,547  
187,232  
1,503  
-3  
426  
460  
3,454  
775  
5,900  
2,193  
-2,193  
1,976  
676  
503

553,844  
106,614  
187,022  
1,748  
-92  
294  
502  
3,472  
779  
13,630  
7,836  
-7,836  
1,934  
101  
1,884

578,716  
117,564  
194,690  
6,615  
874  
508  
3,593  
806  
9,840  
7,836  
-7,836  
1,934  
92  
55

469,151  
94,111  
149,876  
4,408  
387  
756  
3,033  
680  
9,840  
276  
-276  
2,590  
0  
55

582,000  
115,000  
195,000  
1,800  
500  
500  
3,600  
800  
5,000  
0  
0  
1,500  
0  
0

81%  
82%  
77%  
245%  
77%  
151%  
84%  
85%  
197%  
\*\*\*%  
\*\*\*%  
173%  
0%  
\*\*\*%

360000 Miscellaneous Revenue  
361200 Junk or Salvage Sold  
361300 Workman's Comp Refund

Group:

398

88

310

2,935

579

0

0

0

0

0

0

0%

Fund:

1,170,224

1,240,664

1,280,050

735,466

905,700

81%

909,300

0

909,300

100%

Grand Total:

1,170,224

1,240,664

1,280,050

735,466

905,700

81%

909,300

0

909,300

100%

909,300  
425,000  
1334,300  
Estimated Cash  
Carry Forward

# Water Fund

Water Fund															FOR THE YEAR: 2014 - 2015	
Object	Actuals				Current Budget		% Exp. Budget		Prelim. Budget		Budget Changes		Final Budget		% Old Budget	
	10-11	11-12	12-13	13-14	13-14	13-14	14-15	14-15	14-15	14-15	14-15	14-15	14-15	14-15		
100 Wages Only	131,630	132,474	141,249	144,963	181,500	80%	211,000	0	211,000	116						
101 Overtime Wages	14,903	12,932	11,669	15,224	25,000	61%	24,500	0	24,500	98						
102 Holiday Worked	348	15	386	77	1,200	6%	1,000	0	1,000	83						
130 Compensated Leave	17,584	19,457	30,588	25,927	25,500	102%	39,000	0	39,000	153						
140 Employer Contributions	12,172	12,179	13,521	13,694	17,842	77%	21,130	0	21,130	118						
141 Unemployment Costs	23	1			0	***%	0	0	0	0						
150 Retirement	16,868	16,815	19,015	20,000	26,400	76%	31,188	0	31,188	118						
160 Work Comp	4,879	5,195	7,058	7,552	10,000	76%	10,000	0	10,000	100						
170 Health and Life Insurance	29,492	30,745	36,520	37,137	54,700	68%	61,500	0	61,500	112						
200 Supplies & Other	57,306	74,115	94,182	84,822	85,800	99%	103,800	0	103,800	121						
226 Uniforms/Personal Protect		275			0	***%	0	0	0	0						
231 Gas, Oil, Diesel Fuel, Gr	5,618	5,542	5,245	4,401	6,000	73%	6,000	0	6,000	100						
300 Purchased Services	26,169	30,760	28,660	140,261	42,400	331%	41,500	0	41,500	98						
301 General Fund Transfer	43,828	43,395	45,660		46,000	0%	46,000	0	46,000	100						
330 Subscriptions & Dues	951	465	1,411	1,343	2,500	54%	2,500	0	2,500	100						
340 Utility Services	30,851	33,010	31,655	30,285	41,000	74%	40,100	0	40,100	98						
350 Travel and Training Expen	589	5,804	4,165	2,376	8,100	29%	8,000	0	8,000	99						
370 Regulatory Compliance	1,693	970	323		3,000	0%	3,000	0	3,000	100						
391 Dispatch Services		1,045	1,076	2,771	2,576	108%	2,854	0	2,854	111						
399 Other Contracted Services	16,749	17,197	17,253	14,385	20,000	72%	20,000	0	20,000	100						
500 General Insurance	9,959	10,564	10,939	11,485	12,000	96%	12,000	0	12,000	100						
555 Bank Service Charges	56	26	29	30	200	15%	200	0	200	100						
620 Interest Expense	150,876	140,822	134,154	18,419	130,000	14%	125,000	0	125,000	96						
800 Depreciation	307,829	323,446	336,516		330,000	0%	340,000	0	340,000	103						
810 Losses (Bad Debt Exp-Ente	667	737	126		1,000	830%	1,000	0	1,000	100						
899 Estimated Depreciation Ex				280,000	0	***%	0	0	0	0						
900 Capital Outlay				1,151	0	***%	0	0	0	0						
999 Contingency and Other					92,982	0%	183,028	0	183,028	197						
Grand Total:	881,040	917,986	971,400	864,607	1,165,700		1,334,300	0	1,334,300							

08/29/14  
11:09:37

CITY OF BONNERS FERRY  
Revenue Budget Report - MultiYear Actuals  
For the Year: 2014 - 2015

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5310 SEWER

Account

33000 INTERGOVERNMENTAL REVENUES  
331018 Dept. of Environmental  
331019 Energy Efficiency

Group:

	10-11	11-12	12-13	13-14	Current Budget 13-14	% Rec. 13-14	Prelim. Budget 14-15	Budget Change 14-15	Final Budget 14-15	% Old Budget 14-15
--	-------	-------	-------	-------	----------------------	--------------	----------------------	---------------------	--------------------	--------------------

	46,782	5,500	49,500		0	0%		0	0	0%
		7,025			0	0%			0	0%
	46,782	12,525	49,500		0	0%	0	0	0	0%

340000 Charges for Services

343010 Residential Sales  
343037 Flusher Truck Rental  
343110 Large Commercial Sales  
343120 Small Commercial  
343210 Inter Departmental  
343510 Industrial Sales  
343810 Connect Charges  
343850 Merchandise Sales  
343860 Cost of Merchandise Sales  
343950 Interest Income  
343999 Handling Fees

Group:

	246,186	241,403	251,642	211,613	248,000	85%	254,000		254,000	102%
	880	660	440	60,430	880	0%	72,000		72,000	0%
	67,338	65,715	69,716	117,441	67,500	90%	141,000		141,000	106%
	148,907	138,161	138,930	216	142,000	83%	250		250	99%
	251	253	256	433	250	86%	520		520	100%
	502	505	516	3,799	520	83%	1,000		1,000	100%
	4,743	2,615	160		1,000	380%				0%
	647		-160		0	0%			0	0%
	-647		2,495	2,462	2,000	123%	2,500		2,500	125%
	2,073	2,466	40		0	0%			0	0%
	84									
	470,964	451,778	469,325	396,394	462,150	86%	471,270	0	471,270	101%

360000 Miscellaneous Revenue

361200 Junk or Salvage Sold  
361300 Workman's Comp Refund  
362020 Insurance Proceeds  
365100 Donations

Group:

	26			195	0	0%			0	0%
	89			3,569	0	***%			0	0%
			422		0	0%			0	0%
	115		422	3,764	0	***%	0		0	0%

Fund:

	517,861	464,303	519,247	400,158	462,150	87%	471,270	0	471,270	101%
--	---------	---------	---------	---------	---------	-----	---------	---	---------	------

Grand Total:

	517,861	464,303	519,247	400,158	462,150		471,270	0		
--	---------	---------	---------	---------	---------	--	---------	---	--	--

948682

477412 Cash Carry Forward Estimate

Sewer Fund

Sewer Fund												For the Year: 2014 - 2015				
Object	Actuals				Current Budget		% Exp. Budget		Prelim. Budget		Budget Changes		Final Budget		% Old Budget	
	10-11	11-12	12-13	13-14	13-14	13-14	14-15	14-15	14-15	14-15	14-15	14-15	14-15	14-15	14-15	
100 Wages Only	51,979	60,983	64,314	65,563	93,500	70%	100,500	0	100,500	107			100,500	107		
101 Overtime Wages	9,150	8,866	5,683	7,205	13,000	55%	13,000	0	13,000	100			13,000	100		
102 Holiday Worked	224	42	539	0%	500	0%	0	0	0	0			0	0		
130 Compensated Leave	6,348	5,531	12,873	14,023	10,000	140%	19,500	0	19,500	195			19,500	195		
140 Employer Contributions	5,007	5,604	6,157	6,425	8,952	72%	10,177	0	10,177	114			10,177	114		
141 Unemployment Costs	23	1			0	***%	0	0	0	0			0	0		
150 Retirement	7,014	7,641	8,022	8,381	13,244	63%	15,057	0	15,057	114			15,057	114		
160 Work Comp	1,646	1,757	2,382	2,551	4,000	64%	4,000	0	4,000	100			4,000	100		
170 Health and Life Insurance	13,102	15,338	16,873	16,039	24,300	66%	23,600	0	23,600	97			23,600	97		
200 Supplies & Other	102,528	192,454	194,857	142,618	124,500	115%	124,500	0	124,500	100			124,500	100		
231 Gas, Oil, Diesel Fuel, Gr	5,707	6,231	4,798	4,736	8,000	59%	8,000	0	8,000	100			8,000	100		
300 Purchased Services	14,449	15,004	8,542	82,620	22,250	371%	22,750	0	22,750	102			22,750	102		
301 General Fund Transfer	23,440	22,466	23,340		24,000	0%	24,000	0	24,000	100			24,000	100		
330 Subscriptions & Dues	127	126	157	335	600	56%	300	0	300	50			300	50		
340 Utility Services	23,489	27,586	28,017	22,493	28,700	78%	29,700	0	29,700	103			29,700	103		
350 Travel and Training Expen	871	1,652	3,216	379	5,100	7%	5,100	0	5,100	100			5,100	100		
370 Regulatory Compliance	12,300		200		500	0%	500	0	500	100			500	100		
391 Dispatch Services		1,045	1,076	2,771	2,576	108%	2,854	0	2,854	111			2,854	111		
500 General Insurance	4,062	4,298	4,715	5,057	5,000	101%	5,500	0	5,500	110			5,500	110		
555 Bank Service Charges	39	33	35	28	100	28%	100	0	100	100			100	100		
620 Interest Expense	6,303	4,655	2,906		1,050	0%	0	0	0	0			0	0		
800 Depreciation	80,609	73,267	71,613		82,000	0%	82,000	0	82,000	100			82,000	100		
810 Losses (Bad Debt Exp-Ente	36	291	52	2,695	500	539%	500	0	500	100			500	100		
899 Estimated Depreciation Ex				60,000	0	***%	0	0	0	0			0	0		
999 Contingency and Other					496,278	0%	457,044	0	457,044	92			457,044	92		
Grand Total:	368,453	454,871	460,367	443,919	968,650		948,682	0	948,682				948,682			



08/29/14  
11:09:56

CITY OF BONNERS FERRY  
Revenue Budget Report -- MultiYear Actuals  
For the Year: 2014 - 2015

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5410 GARBAGE

Account	Actuals			Current Budget	% Rec.	Prelim. Budget	Budget Change	Final Budget	% Old Budget
	10-11	11-12	12-13	13-14	13-14	14-15	14-15	14-15	14-15
340000 Charges for Services								132,500	101%
343010 Residential Sales	94,212	118,620	132,671	110,375	131,000	132,500		0	0%
343950 Interest Income				63	0 ***%				
Group:	94,212	118,620	132,671	110,438	131,000	132,500	0	132,500	101%
Fund:	94,212	118,620	132,671	110,438	131,000	132,500	0	132,500	101%
Grand Total:	94,212	118,620	132,671	110,438	131,000	132,500	0	132,500	

146,980

Estm. Cash  
Carry forward

08/29/14  
09:42:22

CITY OF BONNERS FERRY  
Expenditure Budget Report -- MultiYear Actuals  
For the Year: 2014 - 2015

Page: 1 of 1  
Report ID: B2400

Garbage Fund

Object	Actuals				Current Budget		% Exp.		Prelim. Budget		Budget Changes		Final Budget		% Old Budget	
	10-11	11-12	12-13	13-14	13-14	13-14	13-14	14-15	14-15	14-15	14-15	14-15	14-15	14-15	14-15	14-15
200 Supplies & Other	125	626	94	108,342	0	***%	0	0	0	0	0	0	0	0	0	0
300 Purchased Services	92,081	118,313	130,927	1,083,421	129,700	84%	130,700	0	0	0	0	0	130,700	101	0	0
555 Bank Service Charges	1	1	1	1	0	***%	0	0	0	0	0	0	0	0	0	0
810 Losses (Bad Debt Exp-Ente	234	186	28	23	300	8%	300	0	0	0	0	0	300	100	0	0
999 Contingency and Other					2,500	0%	15,980	0	0	0	0	0	15,980	639	0	0
Grand Total:	92,441	119,126	131,050	108,366	132,500		146,980	0	0	0	0	0	146,980			

	FY2015	Future
<b>General Government</b>		
		-
<b>Total General Government</b>		
<b>City Hall</b>		
Remodel	10,000	
<b>Total City Hall</b>	10,000	-
<b>Clerk's Office</b>		
Business License Software	6,345	
<b>Total Clerks' Office</b>	6,345	-
<b>Council Room</b>		
		-
<b>Total Council Room</b>		
<b>Police Department</b>		40,000
Patrol Vehicle		15,000
Covered Storage at City Yard (total cost \$150,000)	-	55,000
<b>Total Police Department</b>		
<b>Fire Department</b>		
Fire Station 2 Remodel including Garage Doors	30,000	
Apparatus (Annual Reserve)	10,000	
<b>Total Fire Department</b>	40,000	-
<b>Street Department</b>		
6 Wheel Dump Truck	10,000	
Loader Lease Payment	27,277	27,277
Truck Plow	3,000	
V Plow - pickup	8,000	
Miscellaneous Surplus Auction Reserve	8,000	
10 Wheel Dump Truck	13,000	7,000
Concrete Lift Pump Jack		
Used Chip Spreader	50,000	15,500
Asphalt Planer		
Used Force Fed Hi-Loader	15,000	30,000
Used Mechanical Sweeper		30,000
1000 Feet Sidewalk		10,000
Salt Storage Shed		70,000
City Yard Covered Storage (total cost \$150,000)		50,000
Patch Truck	119,000	
Swap Loader	22,000	
Sidewalk Tractor, Snow Blower, Broom, Deck	80,352	
Augusta Project	355,629	239,777
<b>Total Street Department</b>		
<b>Parks Department</b>		
Drop Spreader	500	
Sprinkler System for Northside Park	6,000	
<b>Total Parks Department</b>	6,500	-

Capital List FY2015

	FY2015	Future
Swimming Pool		500,000
New Swimming Pool	-	500,000
Total Swimming Pool		
Golf Course	20,331	60991
Mower Loan Payments		5,000
Cart Paths	5,000	
Tee Boxes		20,000
Driving Range	15,000	
Used Rough Mower		2,000
Wash Rack	40,331	87,991
Golf Course Total		
Mechanic	35,000	
Pickup	35,000	
Mechanic Total		
General Fund Capital Requests	493,805	892,768



	FY2015	Future
<b>Electric Fund</b>		
Underground Cable Replacement	75,000	
Single Phase Overhead Line Rebuild	25,000	
Three Phase Overhead Line Rebuild	25,000	
Unit 2 Rebuild	125,000	
Mapping System	30,000	
Pole Testing	10,000	15,000
PCB Transformer Inventory & Replacement	10,000	
Right of Way	20,000	
Backhoe		75,000
Excavator with Brush Head	100,000	
Poles	50,000	
Pickup	35,000	
Dam Concrete Repair	50,000	
Substation Rebuild	1,000,000	
<b>Electric Fund Capital Requests</b>	<b>1,555,000</b>	<b>90,000</b>
<b>Water Fund</b>		
Mapping System	10,000	
Distribution Improvements & Line Replacements	190,000	
Steel Tank Replacement		500,000
Northside Tank Lid Replacement	100,000	
Backhoe	40,000	
Rolling Stock	25,000	45,000
Scada System	15,000	
Property Purchase		50,000
Open Covered Storage Space		32,500
Drill Test Wells (USDA Funded)		20,000
<b>Water Fund Capital Requests</b>	<b>380,000</b>	<b>647,500</b>
<b>Sewer Fund</b>		
<b>Revenue Financed Items</b>		
Property Purchase (Easement)	10,000	5,000
Sewer Camera System Upgrade	25,000	
Backhoe	40,000	
Rolling Stock	25,000	
Scada System	20,000	25,000
Mapping System	10,000	
Open Covered Storage Space		32,500
Line Replacement	100,000	100,000
Lift Station Replacement	150,000	
Engineering	50,000	
<b>Subtotal Revenue Financed Items</b>	<b>430,000</b>	<b>162,500</b>
<b>Bond Financed Items</b>		
Fencing		80,000
Sewer Bridge, Headworks Room, Lagoon Improvements, Filtration		1,420,000
<b>Subtotal Bond Financed Items</b>		<b>1,500,000</b>
<b>Sewer Fund Capital Requests</b>	<b>430,000</b>	<b>1,662,500</b>

AN ORDINANCE ENTITLED THE ANNUAL APPROPRIATION ORDINANCE FOR THE FISCAL YEAR, BEGINNING OCTOBER 1, 2014, APPROPRIATING THE SUM OF \$14,805,351 TO DEFRAY THE EXPENSES AND LIABILITIES OF THE CITY OF BONNERS FERRY, FOR SAID FISCAL YEAR, AUTHORIZING A LEVY OF SUFFICIENT TAX UPON THE TAXABLE PROPERTY AND SPECIFYING THE OBJECTS AND PURPOSES FOR WHICH SUCH APPROPRIATIONS ARE MADE.

BE IT ORDAINED by the Mayor and City Council of the City of Bonners Ferry, Boundary County, Idaho

Section 1. That the sum of \$14,805,351 be and the same is hereby appropriated to defray the necessary expenses and liabilities of the City of Bonners Ferry, Boundary County, Idaho, for the fiscal year beginning October 1, 2014.

Section 2. That the objects and purposes for such appropriations are made as follows:

<u>Proposed General Government Fund Expenditures</u>		
General Government	\$322,856	
Police Department & Police Grants	508,663	
Animal Control	8,100	
Fire Department	189,137	
Parks Department & Visitor Center	50,375	
Swimming Pool	50,642	
Golf Course	156,988	
Street Department	489,638	
South Hill Slough Grant	40,199	
D.A.R.E./School Resource Officer	61,568	
Economic Development Coordinator Grant	65,145	
Dike Maintenance	10,000	
Capital	35,000	
Inter-Department Contingency	285,403	
Total General Fund Expenditures		\$2,273,714
<u>Proposed Enterprise, Capital Project Fund, and LID Expenditures</u>		
Electric Fund	9,611,025	
Water Fund	1,334,300	
Sewer Fund	948,682	
Garbage Fund	146,980	
Capital Project Fund	484,000	
L.I.D. #2002-1	6,650	
Total Enterprise, Capital Project, and L.I.D. Expenditures		12,531,637
Total Expense Budget Fiscal Year 2015		<u>\$ 14,805,351</u>

Section 3. That the general levy of \$550,457 on all taxable property within the City of Bonners Ferry be levied in an amount allowed by law for general purposes for said City, for the fiscal year beginning October 1, 2014.

Section 4. All ordinances and parts of ordinances in conflict with this ordinance are hereby repealed.

Section 5. This ordinance shall take effect and be in full force on October 1, 2014, after its passage, approval and publication in the Bonners Ferry Herald, a newspaper of general circulation in the City of Bonners Ferry, and the official newspaper thereof.

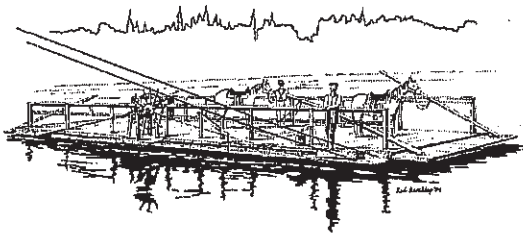
PASSED under suspension of the rules upon which a roll call vote was taken and duly enacted an ordinance of the City of Bonners Ferry at a convened meeting of the Bonners Ferry City Council held on September 2, 2014.

APPROVED by the Mayor the 2nd day of September, 2014.

David K. Anderson, Mayor

ATTEST:

Kris Larson, City Clerk



# MEMO

CITY OF BONNERS FERRY  
CITY ADMINISTRATOR

---

Date: 29 August 2014  
To: City Council  
From: Stephen Boorman, City Administrator  
Subject: South Boundary Fire Department Communication Lease.

As we have discussed in the past, South Boundary Fire Department has obtained a grant to install a county wide radio repeater system. They desire to install antennae on the City tower and building space.

There is value for the City to have a building structure with the ability to house radio equipment for South Boundary and other purposes.

At this time the specifications for the building have not been developed and we do not have an estimated cost for the structure.

The proposal is for the interim for South Boundary to house their equipment in a portable structure.

Attached is a draft lease agreement. We will likely have a draft with better definition of the details by Tuesday night.

SJB

## LEASE AGREEMENT

This Lease Agreement ("Lease") is made this \_\_\_\_\_ day of \_\_\_\_\_, 2014, by and between City of Bonners Ferry, Idaho, a Municipal Corporation of the State of Idaho with an address of 7232 Main Street, Bonners Ferry, Idaho ("Lessor") and South Boundary Fire, a \_\_\_\_\_ with an address of \_\_\_\_\_, Idaho ("Lessee,"), and shall take effect \_\_\_\_\_, 2014.

Lessor is the owner of land and improvements commonly known and numbered as \_\_\_\_\_, Bonners Ferry, Idaho, that is commonly referred to as the City Yard, together with all improvements thereon (the "Property").

Lessor desires to lease, on a non-exclusive basis, a portion of a building to be constructed at the City Yard and located approximately \_\_\_\_\_, this shall constitute the "Leased Premises."

Lessor desires to lease the Leased Premises to Lessee, and Lessee desires to lease the Leased Premises from Lessor for the term, at the rental and upon the covenants, conditions and provisions as set forth in the following paragraphs.

In consideration of the mutual promises herein, contained and other good and valuable consideration, it is agreed:

1. Building Construction. Lessor hereby agrees to construct, at its own expense, the building herein referred to as the "Leased Premises." The building shall be constructed by \_\_\_\_\_, 2014. Building shall be approximately \_\_\_\_\_ in size, insulated, and shall include heating and air conditioning systems. Building shall include at least two 120 volt circuits with 15 or 20 amps for use by the Lessee. Before completion of construction, Lessee shall have the right to provide temporary housing for its equipment subject to any reasonable requests or regulations by the Lessor on location or type of housing.
2. Term. Lessor hereby leases the Leased Premises to Lessee, and Lessee hereby leases the Leased Premises from Lessor for a period of twenty (20) years beginning \_\_\_\_\_, 2014 (hereinafter "Commencement Date") and ending **December 31, 2034.**
3. Lessor Right to Terminate. Lessor shall have the right to terminate this Lease with no further obligation and without cause hereunder on 60 days written notice to Lessee.
4. Rent Amount During Lease Term. Lessee shall pay to Lessor during Term rental of **one dollar (\$1.00)** per year, payable annually on or before September 30<sup>th</sup> of each year. All currency figures are lawful United States' money.
5. Non Exclusive Lease. This Lease provides Lessee with certain non-exclusive rights to the Leased Premises. Lessor does not guarantee to Lessee quiet enjoyment of the Leased Premises because both Lessor and other groups may have access to and will

Comment [AP1]: I need better details on this.

be making use of the Leased Premises. Lessee understands that there may be uses made of the Leased Premises that are incompatible with Lessee's uses and needs.

6. Use. Lessee shall be free to make non-exclusive use of approximately twelve square feet of space in the Leased Premises for the storage of communications equipment. The area to be utilized shall be specified by the Lessor and is subject to change at Lessor's discretion.
7. Leased Premises Supplied As Is. At the Commencement Date, Lessee shall accept the Lease Premises, including the building, improvements and any equipment on or in the Leased Premises, in their existing condition.
8. Lessor Electrical, Plumbing and HVAC Responsibilities. The Lessor shall, during the Initial Term and any Renewed Term of this Lease, at its sole expense, keep the heating, electrical, air conditioning systems of the Leased Premises, that was a part of the Leased Premises on the Commencement Date, in as good order and repair as it is at the Commencement Date, reasonable wear and tear and damage by accidental fire or other casualty excepted.
9. Sublease and Assignment. Lessee shall not sublease all or any part of the Leased Premises, or assign, transfer or otherwise dispose of its rights and obligations under this Lease, in whole or in part, without Lessor's express, written consent, which Lessor may grant or reasonably or unreasonably withhold in its sole and absolute discretion.
10. Alterations and Improvements. Lessee, at Lessee's sole expense, shall have the right following Lessor's consent to make reasonable remodeling of, additions to, improvements of and replacements of the interior, exterior, or structure of the Leased Premises from time to time as Lessee may deem desirable, including electrical or internet wiring of the Leased Premises, provided the same are made in a workmanlike manner and utilizing good quality materials, subject to Lessor's prior written approval, which may be unreasonably withheld by Lessor. If Lessor desires to make alterations or additions to the Leased Premises or the building, such work shall be at Lessor's sole expense and does not require the approval of the Lessee.
11. Taxes and Assessments. Lessor shall be responsible for all real estate taxes, if any, on the Leased Premises and the Property. Lessee shall be solely responsible for paying all personal property taxes, if any, with respect to Lessee's personal property at the Leased Premises.
12. Lessor's Insurance. Lessor shall keep the Leased Premises insured throughout the Lease against the following:
  - A. Loss or damage by fire and such other risks as may be included in the broadest form of extended coverage insurance from time to time available, in an amount sufficient to prevent the Lessor or the Lessees from becoming a co-insurer within the terms of the applicable policies and, in any event, in an amount not less than eighty percent (80%) of the then full insurable value.

13. Lessee's Insurance. Lessee shall keep the Leased Premises insured throughout the Term of this Lease against the following:

- A. Claims for personal injury or property damage under a comprehensive general liability insurance, with such limits as may be reasonably requested by the Lessor from time to time, but not less than \$300,000/\$1,000,000 in respect to bodily injury and \$100,000 for property damage. Lessee shall be solely responsible for insurance with respect to its activities in the Leased Premises with the premiums thereon fully paid on or before due date, issued by and binding upon an insurance company approved by Lessor.
- B. Against such other hazards and in such amounts as the holder of any mortgage to which this Lease is subordinate may require from time to time. Lessor shall be listed as an additional insured on all required insurance policies.
- C. If the Leased Premises is damaged by fire or other casualty resulting from any act of negligence of Lessee or any of Lessee's agents, employees or invitees, rent shall not be diminished or abated while such damages are under repair, and Lessee shall be responsible for the costs of repair not covered by insurance.
- D. Lessee shall also be responsible for insuring Lessee's personal property in the Leased Premises.

14. Utilities. Lessor shall supply and pay for all charges, if any, for electricity and internet for the Leased Premises.

15. Access to City Yard and Leased Premises. Access to City property or the Leased Premises by the Lessee shall be arranged by contacting the Lessor and requesting entry permission.

Comment [AP2]: So they won't have access or keys to the building at all?

16. Rules and Regulations. Lessee agrees to abide by such reasonable rules and regulations and requirements as may be verbally or in written form supplied by the Lessor's designee that may include City Administrator, Mayor, or other authorized authority, concerning Lessee's use and occupancy of the Leased Premises.

17. Damage and Destruction. If the Leased Premises or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects, the Lessor shall, at such time and upon the conditions hereinafter set forth, restore, repair, replace, rebuild or alter the same as nearly as possible to the condition such property was in immediately prior to such damage or destruction. Such restoration, repair, replacement, rebuilding or alteration shall be commenced as soon as practical after the receipt by the Lessor of the insurance money to be paid on account of such damage or destruction, and after such work has been commenced it shall be prosecuted with reasonable diligence. If Lessor has not commenced such restoration, replacement, rebuilding or alteration within thirty (30) days of the date of damage or destruction, Lessee shall have the option to terminate this Lease by serving notice upon Lessor of Lessee's desire to do so. The Lessee's obligation to pay the basic rent and all other charges and to perform all other terms and conditions of this Lease shall not be affected by any such damage to or destruction of the Leased



Premises, or any part thereof, or the machinery, fixtures and equipment used in the operation and maintenance thereof, except that Lessee's obligations shall cease upon Lessee's exercise of its option to terminate as set forth above.

18. Surrender of Leased Premises. At the expiration of Term, if applicable, Lessee shall surrender the Leased Premises in as good condition as it was at the Commencement Date, reasonable use and wear and tear and damage by the elements excepted.
19. Brokers. Neither Lessee nor Lessor are represented by any broker or other real estate agent or agency.
20. Binding Effect. The provisions of this Lease shall extend to and be binding upon Lessor and Lessee and their respective legal representatives, heirs, executor, administrators, trustees, successors and assigns. This Lease concerns an interest in real estate and Lessee may file this Lease or an affidavit of interest to make the same public record.
21. Final Agreement. Only a further writing that is duly executed by both parties may modify this Lease.
22. Invalid Provision. In the event any provision of this Lease is held to be void, invalid, illegal or unenforceable, then the remaining provisions hereof shall continue in full force and effect.
23. Lessor's Policies and Rules. Lessee agrees to be bound by and adhere to all Lessor's rules and policies as the same may now exist or be promulgated or modified hereafter from time to time.

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

**LESSOR, by and through its authorized representatives:**

City of Bonners Ferry

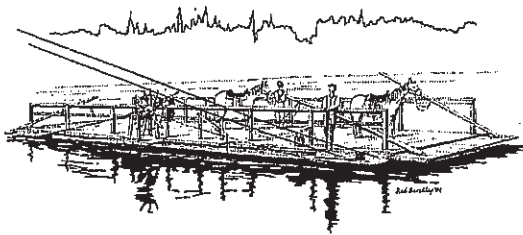
\_\_\_\_\_  
By: Dave Anderson, Mayor

\_\_\_\_\_  
Attest: Kris Larson, City Clerk

**LESSEE, by and through its authorized representatives:**

\_\_\_\_\_  
South Boundary Fire District

By: Tony Rohrwasser, Chief



# MEMO

CITY OF BONNERS FERRY  
CITY ADMINISTRATOR

---

Date: 29 August 2014  
To: City Council  
From: Stephen Boorman, City Administrator  
Subject: DEQ Wastewater Planning Grant.

Attached is a Grant Amendment for the Subject Grant to not do the environmental review. This will reduce the grant amount by \$10,250. It is our recommendation to not do this work at this time. The environmental reviews are for projects funded by DEQ loans and for projects done within five years of the review. Since we anticipate doing this work over ten years and are looking at other methods of funding the work we do not see this as a good investment at this time.

STB



STATE OF IDAHO  
DEPARTMENT OF  
ENVIRONMENTAL QUALITY

1410 North Hilton • Boise, Idaho 83706 • (208) 373-0502

C.L. "Butch" Otter, Governor  
Curt Fransen, Director

August 25, 2014

Certified Mail No: 7012 3050 0001 2126 6866

Honorable David Anderson, Mayor  
City of Bonners Ferry  
P.O. Box 149  
Bonners Ferry, Idaho 83805

Re: City of Bonners Ferry Wastewater Planning Grant #WWG-334-2010-4

Dear Mayor Anderson:

DEQ has been informed that the City of Bonners Ferry has chosen a no action alternative from the wastewater planning document prepared by Brett Converse of JUB Engineering. As a result of this decision, the City would like to opt out of completing the Environmental Information Document (EID). We are pleased to inform you that your request to opt out has been approved.

Your amendment to the original state grant offer is enclosed with the EID Acknowledgement Form which is required when opting out of preparing an EID. Please review these documents and if you find them satisfactory, sign and return the original documents through certified mail on or before 60 days from the date of this grant offer and send to:

Charlie Parkins  
Department of Environmental Quality  
1410 North Hilton  
Boise, Idaho 83706

If you have any questions regarding this grant, please contact Charlie Parkins at (208)373-0577.

Sincerely,

*Barry N. Burnell*

Barry N. Burnell  
Water Quality Division Administrator

5 yrs  
DEQ money

Honorable David Anderson, Mayor  
City of Bonners Ferry  
August 25, 2014  
Page 2

Enclosures

BNB:CP:dls

Increase Transmittal TRIM #2014ALN1406, Increase Amendment TRIM #2014ALN1405

c: MaryAnna Peavey, DEQ State Office  
Bill Hart, DEQ State Office  
Ester Ceja, DEQ State Office  
Katy Baker-Casile, DEQ Coeur d'Alene Regional Office  
Colin Naake, DEQ Coeur d'Alene Regional Office  
Brett Converse, (bconverse@jub.com)

**IDAHO DEPARTMENT OF ENVIRONMENTAL QUALITY WASTEWATER  
GRANT AGREEMENT AMENDMENT**

Amendment No. 2 to the Grant Offer and Grant Contract Agreement (Agreement), Project Number WWG-334-2010-4 between the Idaho Department of Environmental Quality (DEQ) and the City of Bonners Ferry signed by the DEQ on June 15, 2010.

TO BE ATTACHED AND MADE PART OF the above referenced Agreement.

THE DEQ AND THE CITY OF BONNERS FERRY AGREE TO AMEND THE AGREEMENT AS FOLLOWS:

1. Section II.C

Revised Project Description

Grant funds were used to develop a wastewater system facility plan to evaluate the existing conditions and identify alternative solutions.

2. Section II.D

Revised Project Costs

	Original Grant	Amendment 2	Revised Total
A. Estimated Total Project Cost			
B. Estimated Eligible Costs	\$130,500.00	\$(20,500.00)	\$110,000.00
a. Administrative			
b. Engineering & Consulting	\$110,000.00		
c. EID	\$20,500.00	\$(20,500.00)	
TOTAL	\$130,500.00	\$(20,500.00)	\$110,000.00
C. State Grant (50% of B above)	\$65,250.00	\$(10,250.00)	\$55,000.00

3. Effective Date of Amendment

This Amendment shall become effective upon acceptance by the City of Bonners Ferry. If the City finds the Amendment acceptable, it shall sign the document and return on or before 60 days from the date of this DEQ amended loan offer.



ALL OTHER CONDITIONS AND TERMS IN THE ORIGINAL AGREEMENT REMAIN THE SAME.

Idaho Department of Environmental Quality



Curt A. Fransen, Director

Dated this 22 day of August, 2014.

City of Bonners Ferry

\_\_\_\_\_  
Signature of Representative

\_\_\_\_\_  
Name and Title of Representative

\_\_\_\_\_  
Date



STATE OF IDAHO  
DEPARTMENT OF ENVIRONMENTAL QUALITY

**ACKNOWLEDGEMENT FORM**

Applicant hereby acknowledges that the City has chosen to opt out of the requirement to complete the Environmental Information Document originally required as part of the Idaho Department of Environmental Quality (DEQ) Wastewater Planning Grant #334-2010-4.

The approved grant amount will be reduced by \$10,250 which were the funds allocated for the preparation of the Environmental Information Document; and

The City acknowledges that future funds for preparing an Environmental Information Document may not be available for grant assistance at a later time; and

The City acknowledges that by not completing an Environmental Information Document, the City will not be able to qualify for DEQ State Revolving Loan funds for related design and construction costs.

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Name and Title of Representative

\_\_\_\_\_  
Date

# Anderson

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## BROS. CPA's, P.A.

1810 E Schneidmiller Ave. Ste. 310  
Post Falls, Idaho 83854  
208-777-1099 (phone) 208-773-5108 (fax)

### AUDIT ENGAGEMENT LETTER

August 26, 2014

City of Bonners Ferry  
City Council  
P.O. Box 149  
Bonners Ferry, ID 83805

Dear City Council,

We are pleased to confirm our understanding of the services we are to provide to the City of Bonners Ferry for the year ended September 30, 2014. We will audit the financial statements of the governmental activities, business activities, each major fund and the aggregate remaining fund information, which collectively comprise the basic financial statements of the City of Bonners Ferry as of and for the year ended September 30, 2014. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the City of Bonners Ferry's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City of Bonners Ferry's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis
2. Schedule of Revenues, Expenditures, and Changes in Fund Balances, Budget to Actual – General Fund

We will also provide the following non-attest services for our use during the audit of your financial statements:

1. We will prepare a draft of your financial statements and related notes. In accordance with *Government Auditing Standards*, you will be required to review and approve those financial statements prior to their issuance and have a responsibility to be in a position in fact and appearance to make an informed judgment on those financial statements. Further you are required to designate a qualified management-level individual to be responsible and accountable for overseeing our services.

### **Audit Objectives**

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of the City of Bonners Ferry and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of City of Bonners Ferry's financial statements. Our report will be addressed to the City Council of City of Bonners Ferry. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and compliance will include a statement that the report is intended solely for the information and use of management, the body or individuals charged with governance, others within the entity, and specific legislative or regulatory bodies and is not intended to be and should not be used by anyone other than these specified parties. If during our audit we become aware that the City of Bonners Ferry is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

### **Management Responsibilities**

Management is responsible for the financial statements and all accompanying information as well as all representations contained therein. As part of the audit, we will assist with preparation of your financial statements and related notes and will prepare a depreciation schedule based on the information you have provided to us. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management is reliable and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for ensuring that management is reliable and financial information is reliable and properly recorded. You are responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to person within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants for taking timely and appropriate steps to remedy any fraud, illegal acts, violations of contracts or grant agreements, or abuse that we may report.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

#### **Audit Procedures - General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.



Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorney(s) as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

#### **Audit Procedures - Internal Controls**

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

#### **Audit Procedures-Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City of Bonners Ferry's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

#### **Engagement Administration, Fees, and Other**

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service provider.

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected for testing by us.

We will provide copies of our reports to City of Bonners Ferry; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.



The audit documentation for this engagement is the property of Anderson Bros. CPA's, P.A. and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to Federal or State officials, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Anderson Bros. CPA's, P.A. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by Federal or State officials. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately January 12, 2015 and to issue our reports no later than February 27, 2015. Toni Hackwith is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$13,750. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

*Government Auditing Standards* require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2011 peer review report accompanies this letter.

We appreciate the opportunity to be of service to the City of Bonners Ferry and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign on the lines indicated and return to us in the enclosed envelope.

Sincerely



Anderson Bros. CPA's, P.A.

RESPONSE:

This letter correctly sets forth the understanding of the City of Bonners Ferry:

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## NOTICE - OFFER OF TERRORISM COVERAGE (Required by Federal law)

### NOTICE - DISCLOSURE OF ADDITIONAL PREMIUM

TO: ICRMP Member.

The Terrorism Risk Insurance Act, as extended on December 26, 2007 by the enactment of the Terrorism Risk Insurance Program Reauthorization Act of 2007 (TRIPRA), is a U.S. Treasury Department program under which the federal government would share, with regulated insurance carriers, the risk of loss from terrorist attacks. The Act applies when the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, certifies that an event meets the definition of a "certified act of terrorism". Certified acts of terrorism can also include foreign or domestic acts of terrorism, but they still must be certified as such by the Federal officers listed above.

In accordance with the Terrorism Risk Insurance Act, as extended on December 26, 2007, we are required to offer you coverage of all of the property we insure that your agency owns against any "certified act of terrorism". Your public agency must decide whether you desire the coverage (for an additional premium) or whether you choose to reject the offer of coverage and not pay the premium. The choice belongs to the governing board.

If you choose to accept this offer of terrorism coverage, your premium will include the additional premium for terrorism as stated in this disclosure. If you choose to reject this offer, you must do so by signing the enclosed statement and returning it to your agent, Darrell Kerby at (208) 267-8123 or mail directly to ICRMP at P.O. Box 15249, Boise, Idaho, 83715.

If you reject coverage under the Act, the ICRMP policy provided to your public entity will provide an alternative form of coverage of terrorism-related insurance. Rather than cover the entire value of every item of property every public entity member of ICRMP might insure, the alternative form of coverage will provide a fixed amount of coverage (50 million dollars) for the entire membership of ICRMP during any single policy year. If terrorism-caused covered losses do not exceed 50 million dollars during any single policy year, such losses will be paid in full, subject to policy terms and conditions. If total terrorism-caused losses exceed 50 million dollars in the current policy year, such losses will be paid on a *pro-rata* basis among members suffering covered terrorism-caused losses, in proportion to their covered losses expressed as a percentage of all covered losses. Coverage under this alternative process shall not require certification by the Federal officials pursuant to TRIPRA.

Named Insured: City of Bonners Ferry

#### DISCLOSURE OF PREMIUM

If you accept this offer, the premium for terrorism coverage is estimated to be an additional amount of \$33,074 over and above your proposed renewal Member contribution based on reported total insured values of \$33,073,759.

CONTINUED ON NEXT PAGE

*For Policy Year Effective October 1, 2014*

IF YOU WISH TO REJECT COVERAGE UNDER THE TERRORISM RISK INSURANCE ACT, AS EXTENDED ON DECEMBER 26, 2007, THE NAMED INSURED MUST APPROVE AND SIGN THE FOLLOWING STATEMENTS:

**TERRORISM RISK INSURANCE ACT REJECTION OF FULL COVERAGE**

We, as a Member of ICRMP, acknowledge that we have been notified as required under the Terrorism Risk Insurance Act, as extended on December 26, 2007, that as respects to the above referenced policy of insurance policy referenced above:

1. We have been offered coverage for acts of terrorism as defined in the Act;
2. We have been advised that if we accept coverage for acts of terrorism as defined in the Act, the United States Government will participate in the payment of terrorism losses insured under the Act, subject to the provisions of the Act;
3. We have been told that if we reject coverage under the Act by signing this notice, to the extent allowed by law, we will have only our respective share of the alternative coverage for any act of terrorism under the policy issued by ICRMP.
4. We have been notified of the annual premium for coverage for acts of terrorism as defined in the Act.
5. We hereby reject coverage for acts of terrorism as defined in the Act and understand my policy will contain an exclusion for acts of terrorism as defined by TRIPRA, but will otherwise provide limited coverage concerning acts of terrorism as addressed by the ICRMP policy issued annually to Members.

\_\_\_\_\_  
Chief Executive/Administrative Officer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print name

\_\_\_\_\_  
Print

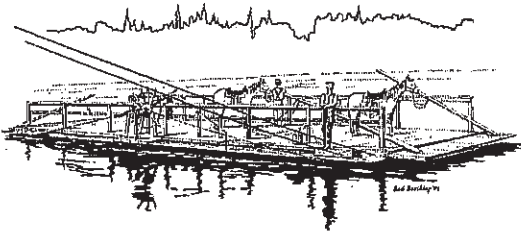
\_\_\_\_\_  
public office held

\_\_\_\_\_  
City of Bonners Ferry  
Public Entity Name

RETURN THIS FORM TO YOUR AGENT OR ICRMP. A COPY OF THIS DOCUMENT IS AS BINDING AS THE ORIGINAL.

ATTENTION AGENT: THIS FORM MUST BE SIGNED PERSONALLY BY AN AUTHORIZED OFFICER OF THE INSURED AND RETURNED TO ICRMP.

*For Policy Year Effective October 1, 2014*



# MEMO

CITY OF BONNERS FERRY  
CITY ADMINISTRATOR

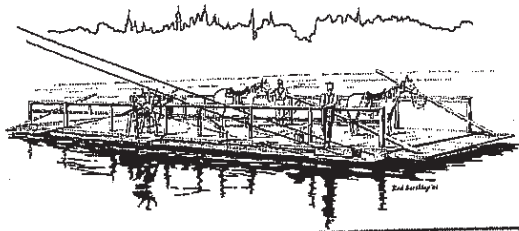
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Date: 29 August 2014  
To: City Council  
From: Stephen Boorman, City Administrator  
Subject: FERC – Owners Dam Safety Program.

In 2012 the FERC implemented a new requirement for Dam owners. This requirement was the Owners Dam Safety Program (ODSP). Unlike other requirements this program is focused on the governing boards and the top executive officers. The requirements for this program have changed over the past two years. Attached is our third submittal of an ODSP. This time the FERC did provide a check list of requirements.

As this program is focused on the governing board and needs to be signed by the Mayor it will require council approval.

STB



## CITY OF BONNERS FERRY

7232 Main Street  
P.O. Box 149  
Bonners Ferry, Idaho 83805  
Phone: 208-267-3105 Fax: 208-267-4375

19 August 2014

To: Mr. Douglas L. Johnson, PE  
Regional Engineer  
Division of Dam Safety and Inspections  
Portland Regional Office  
805 SW Broadway, Suite 550  
Portland, Oregon 97205

Subject: Owners Dam Safety Program - Moyie River Hydro Project No. 1991-ID

Dear Mr. Johnson

Attached is the revised Subject Program. Please advise if the changes are acceptable to the FERC.

Sincerely,

STB

David Anderson  
Mayor

Stephen Boorman  
City Administrator



# OWNER'S DAM SAFETY PROGRAM

## 1. INTRODUCTION

The purpose of the Owner's Dam Safety Program (ODSP) is to assess and define the scope of an appropriate ODSP for the size, type and complexity of the City of Bonners Ferry (CBF), Moyie Hydro Project (FERC No 1991-ID)

In particular, the ODSP acknowledges dam safety responsibilities, communication, clear designation of responsibilities, and allocation of resources to dam safety and learning organization. It is intended to assure that the City Council, employees, agents, contractors and consultants have a complete understanding of the need to fully comply with all necessary dam safety measures and requirements and what the program is intended to accomplish. Clearly state the policies and expectations of the management of the City regarding dam safety and regulatory compliance for Moyie Hydro.

This specific ODSP applies the Moyie Hydroelectric Project (FERC No. 1991-ID). The long term reliability, viability, and safety of the Subject Project are paramount to the City of Bonners Ferry. The Moyie Project has a direct financial impact to our electric customers, is part of our City's history, and operation of this project is part of our City's culture. Our view of the project is long term as the City has owned this project for well over 80 years and plans to request relicensing in 2029.

## 2. TERMS and DEFINITIONS

**City Administrator** – The City Administrator has the responsibility and authority to ensure the Owners Dam Safety Program is fully implemented and to ensure high standards are maintained for dam safety and regulatory compliance. The City Administrator is the single point of contact for non-emergency regulatory communications from the City to FERC and reports directly to the Mayor. The City Administrator shall designate a qualified alternate to act in his or her absence.

**City of Bonners Ferry** – For the purpose of this program the City of Bonners Ferry or City refers to the municipal corporation which is a sub-division of the state of Idaho. The City is governed by four council members and a mayor which are all directly elected by the citizens residing inside of the corporate limits of Bonners Ferry

**Dam Safety Inspection** – A scheduled dam safety inspection performed in accordance with a documented inspection plan or checklist. These inspections will be performed by engineering or operations personnel, or other qualified consultants.

**DSMR** – Dam Surveillance and Monitoring Report which is required annually by the FERC

**Emergency Action Plan (EAP)** – A written plan detailing responsibilities and procedures to facilitate, organize, communicate and prepare employees and emergency responders to notify and evacuate downstream residences during an emergency at the Moyie River Project to minimize danger to all people and destruction of property. It is prepared in accordance with the requirements of the Federal Regulatory Commission (FERC) 18 CFR Part 12 and reviewed and updated annually.

FERC Operational Inspection – An annual formal inspection conducted by a FERC inspector. As required, the FERC inspector will be supported by the Engineering & Operations staff.

FERC Part 12 Inspection – A formal inspection at five year intervals to be conducted by the approved FERC Independent Consultant in conjunction with the City Administrator.

FERC Independent Consultant – A third party consultant contracted to perform the FERC Part 12 Inspection.

Independent Consultant – A third-party consultant contracted to perform specific duties other than the FERC Part 12 Inspection.

Mayor – The Mayor is elected by the citizens of the City of Bonners Ferry and is the Chief Executive of the City is responsible for all aspects of the City operations and ensures that operations comply with City policy.

Modification(s) – Activities that change the physical features or design of the project from the state reflected in the plans or drawing or other documents filed with the FERC.

STI – Supporting Technical Information

### 3. DAM SAFETY POLICY, OBJECTIVES AND EXPECTATIONS

The safety, reliability, and viability of the Subject Project are foundational to our operation. Our objective is to provide the best return on investment for our ratepayers. To accomplish that objective it is essential that there is no compromise in the integrity of the dam structure, downstream development is protected, and our workers have a safe working environment. As the area around the dam is open to the public, special consideration is given to public safety for visitors of our site.

The City has also reinvested in this project on a continuous basis. Over the past decade the City has made approximately \$2.5 million worth of capital investments in this project, over and above the normal operating budgets of approximately \$350,000 per year.

### 4. RESPONSIBILITIES FOR DAM SAFETY

The City of Bonners Ferry has a strong Mayor and Council form of government.

- Mayor David Anderson is the Chief Executive Officer of the City and has responsibility for the performance of the City Staff.
- The legislative branch of the City is the Council which consist of Mr. Tom Mayo, Ms. Connie Wells, Mr. Rick Alonzo, and Mr. Ron Smith.
- Stephen Boorman, is the City Administrator who reports directly to the Mayor. Responsibilities for operations of the hydro electric facility, reporting (DSSMR, EAP, ODSP, Part 12, Recreation Survey, ...) are delegated to the City Administrator. The powerplant operators and electric line crew report to the City Administrator



- Powerplant Foreman and Operator conduct the day to day operations of the hydro facility and the power plant foreman who reports directly to the City Administrator. The power plant foreman and the one other operator conduct the daily inspections. Also integrally involved in the operation of the project are the four electric department lineman and the City Electrician.
- The City Administrator and/or Assistant Administrator also handle the contracts for specialized contractors, consultants and maintain the required DSMR and EAP. All contracts for maintenance and upgrades are approved by the Bonners Ferry City Council.
- Contractors and consultants are used for specialized areas of expertise or for jobs where the job scope exceeds the resources of the city staff. In the event of an emergency the City would use the consultants with which we have previously used and who are familiar with our project. They would include, but not be limited to the following:

Mr. Mike Woodward – Licensed civil engineer and land surveyor, and the retired City Administrator. Mike still lives in the community and has over 30 years of institutional knowledge of the project.

Mr. Glen Brewer, HDR Engineers – Glen completed two of our Part 12 Inspections including the PFMA.

Mr. Robin Charlwood, Charlwood and Associates – Robin completed our latest Part 12 Inspection and has the most recent familiarity with our project.

CH2M Hill – While we have not worked with any specific engineers at CH2M Hill recently, this is a firm with significant depth and the firm that did the relicense for this project in 1999-2000.

Corporate safety philosophy is enunciated in Section 3.

Senior staff is aware of the importance of dam safety for project operations.

## 5. DAM SAFETY TRAINING PROGRAM

Between the City Administrator, operators, line crew, and electrician we have over 70 years of actual hands on maintenance, operation, and construction experience.

Training for all personnel is achieved in a number of forums, first is with the annual EAP review. Further training is integrally combined with the daily interaction between City of Bonners Ferry Staff. All City employees involved with the Moyie Project are also involved at some level with the annual inspections and the Part 12 five year inspections which increases their knowledge of our project. Additional outside training is taken when productive opportunity is identified. Additional in-house safety meetings and training are held on a regular basis for all City outside personnel.

The staff involved with the power plant are shown on Appendix B, attached.

In addition the City has a close working relationship with the emergency management personnel in our community.

## 6. COMMUNICATIONS, COORDINATION, REPORTING & REPORTS

Communications between all the city employees involved in the hydro operations are frequent and informal. Communications between the City Administrator and the Mayor and Council are often transmitted during the Administrators Report and/or action items at the bi-monthly council meetings. Communications with FERC are accomplished with the numerous reports that we are required to submit and the annual and five year inspections.

Under normal circumstances all communications between the City and the FERC are done by the City Administrator. Under emergency circumstances all communications between the City and the FERC are per the Appendix C, EAP Flow Chart, attached.

The timing for communications between the City and the FERC is dependent upon the item. For "imminent failures" the notification time will be less than 12 hours and for "developing events" it will generally be by the close of the next business day. For all non-routine dam safety issues the controlling policy/document is the EAP.

## 7. RECORD KEEPING AND DATABASES

Germane drawing and records are kept both at the plant and in the City Administrators office. In addition all of the dam structural history and records are duplicated in the Part 12 reports and/or STI. The inspections are also documented in the annual DSMR. In addition the majority of the construction drawings have been scanned so the City also has electronic copies.

## 8. SUCCESSION PLANNING

The City has a long term history of employing qualified workers with a relatively low rate of turnover. Even as a small organization we do not have any hydro related operational functions where there are less than two employees familiar with that task. At this time we do not have any hydro related workers/managers that are within 10 years of retirement. Further we do have two Part 12 engineers who are familiar with our project and can provide significant assistance in continuity in the event of personnel changes.

## 9. CONTINUOUS IMPROVEMENT

This function is accomplished within the EAP and Part 12 exercises for the dam structure. Capital improvements to the facility are also reviewed during the annual budgeting process. Probably the best indicator of the health of a project is its capacity factor. The attention provided to its long term reliability is almost always a direct reflection of the attention provided to the safety functions. From 2001 to 2013 the Moyie Project averaged 63.7% capacity factor for a run of the river operation and experienced a 70.4% capacity factor in 2013.

## 10. AUDITS AND ASSESSMENTS

The City reviews the current staffing and organizational structure at least annually during the budgeting process. Whenever an unplanned event occurs the City conducts informal "after-

action” reviews to determine what improvements can be made to operations.

## 11. REFERENCES

N/A

## APPENDICES

- A. City Administrator Resume
- B. City of Bonners Ferry Organizational Chart
- C. EAP Flow Chart

## APPENDIX A

STEPHEN JOHN BOORMAN, PE

(208) 267-0357 (WORK) - (208) 610-3656 (CELL)

sboorman@bonnersferry.id.gov

## EDUCATION AND LICENSES

MONTANA AND IDAHO PROFESSIONAL ENGINEERING LICENSES, ORIGINAL LICENSE 1997.

MONTANA STATE UNIVERSITY, BOZEMAN, MT, MARCH 1989

B.S. IN ELECTRICAL AND ELECTRONIC ENGINEERING

FRENCHTOWN HIGH SCHOOL, FRENCHTOWN, MT, 1982

ENGINEERING CONTINUING EDUCATION, OVER 400 HOURS SINCE COLLEGE GRADUATION

## WORK EXPERIENCE

2001-PRESENT CITY ADMINISTRATOR AND ELECTRIC SUPERINTENDENT  
CITY OF BONNERS FERRY

1995-2001 STAKING ENGINEER  
MISSOULA ELECTRIC COOPERATIVE

1989-1995 SERVICE ENGINEER / ELECTRICAL ENGINEER  
THE BOEING COMPANY

1985-1989 YELLOWSTONE LINE LOGGING, INC, BOZEMAN MONTANA

## INDUSTRY ORGANIZATION POSITIONS

PUBLIC POWER COUNCIL (PPC) EXECUTIVE COMMITTEE 2005-CURRENT  
CHAIRMAN 2009-2010

IDAHO CONSUMER-OWNED UTILITY ASSOCIATION (ICUA) BOARD OF DIRECTORS

NORTHWEST REQUIREMENTS UTILITIES (NRU) BOARD OF DIRECTORS

## MANAGEMENT SKILLS

UTILITIES: CURRENTLY MANAGE A 2,500 METER ELECTRIC UTILITY WITH A 4.4MW  
HYDROELECTRIC PROJECT, A 1,400 METER WATER UTILITY, AND A 1,400 CUSTOMER  
SEWER UTILITY.

EMPLOYEE MANAGEMENT: HIRING, DEVELOPMENT, TRAINING, AND WAGE NEGOTIATIONS.  
CURRENTLY RESPONSIBLE FOR 19 FULL TIME AND 9 SEASONAL EMPLOYEES

CONTRACT NEGOTIATIONS: WORK AND NEGOTIATE WITH CONTRACTORS, CONSULTANTS,  
UTILITIES, AND GOVERNMENT ENTITIES.

SYSTEM CAPITAL IMPROVEMENT PLANNING: PREPARE PROJECTIONS FOR ELECTRICAL,  
WATER, SEWER, STREETS, PARKS, AND MISCELLANEOUS GENERAL GOVERNMENT  
FUNCTIONS, INCLUDING RATE STRUCTURE AND COST OF SERVICE STUDIES.

BUDGETING: RESPONSIBLE FOR MULTIPLE DEPARTMENTS HAVING COMBINED ANNUAL  
BUDGETS OF OVER 12 MILLION DOLLARS.

INSURANCE AND LIABILITY: RISK MANAGER FOR THE CITY OF BONNERS FERRY

CITY OF BONNERS FERRY'S CONSERVATION PROGRAM MANAGER

SAFETY AND COMPLIANCE PROGRAMS.

## MAJOR PROJECT EXPERIENCE

MOYIE HYDRO-ELECTRIC PLANT UPGRADE. \$1.5 MILLION UPGRADE TO EXISTING 4.4 MW HYDRO. THE PROJECT INVOLVED PUBLIC BOND ELECTION, BOND SALE FINANCING, MULTIPLE PROCUREMENT BIDS, AND ACTING AS THE PROJECT MANAGER FOR IN-HOUSE CONSTRUCTION.

OTHER HYDRO PROJECTS INCLUDE FERC 5 YEAR PART 12 INSPECTIONS, OVERHAUL OF THREE OF THE PLANTS FOUR UNITS, EMERGENCY ACTION PLAN, SECURITY ACTION PLAN.

SECTIONALIZING STUDY AND RECLOSER UPGRADE. COMPLETED 2006

EMERGENCY WATER SYSTEM UPGRADE: APPROXIMATELY \$2 MILLION IN EMERGENCY WORK RESULTING FROM FOREST FIRE IN WATER SHED. APPROX. 75% GRANT FINANCED.

WATER SYSTEM MASTER PLAN: WORKED WITH CONSULTANTS ON LONG TERM WATER SYSTEM CAPITAL IMPROVEMENT PROGRAM, PUBLIC BOND ELECTION, FINANCING WITH IDAHO DEPARTMENT OF ENVIRONMENTAL QUALITY, USDA RURAL DEVELOPMENT, AND IDAHO DEPARTMENT OF COMMERCE.

WATER SYSTEM MASTER PLAN CONSTRUCTION IMPLEMENTATION: MANAGED 5 MILLION DOLLARS OF WATER SYSTEM IMPROVEMENTS OVER SEVEN CONSTRUCTION SEASONS.

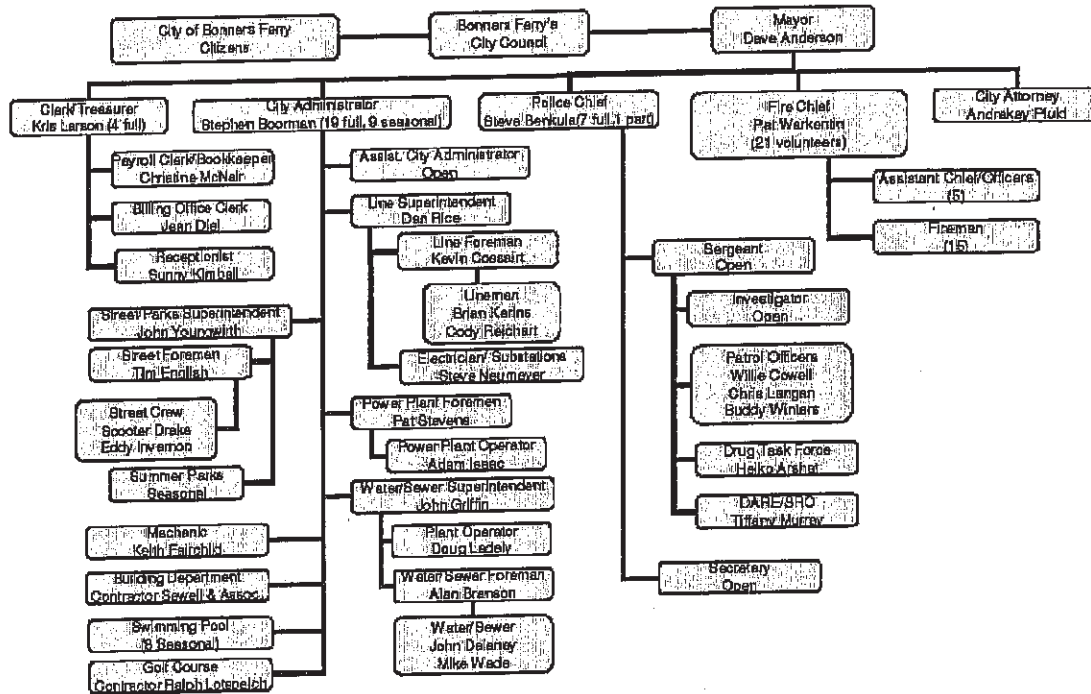
DOWNTOWN REVITALIZATION: RESPONSIBLE FOR CONSTRUCTION PHASE OF A \$1.3 MILLION PROJECT TO REPLACE STREETS, SIDEWALKS, AND LIGHTING IN DOWNTOWN BONNERS FERRY. -COMPLETED SUMMER 2004

OTHER DOWNTOWN IMPROVEMENTS AND CITY STREET IMPROVEMENTS: VISITORS CENTER, PEDESTRIAN UNDERPASS TUNNEL, PARKING LOTS, AND STREET REBUILDS; CUMULATIVE OF OVER \$1 MILLION DOLLARS WORTH OF IMPROVEMENTS.

A NUMBER OF SIGNIFICANT DISTRIBUTION, TRANSMISSION, AND SUBSTATION PROJECTS.

# Appendix B

## City of Bonners Ferry Organization Chart



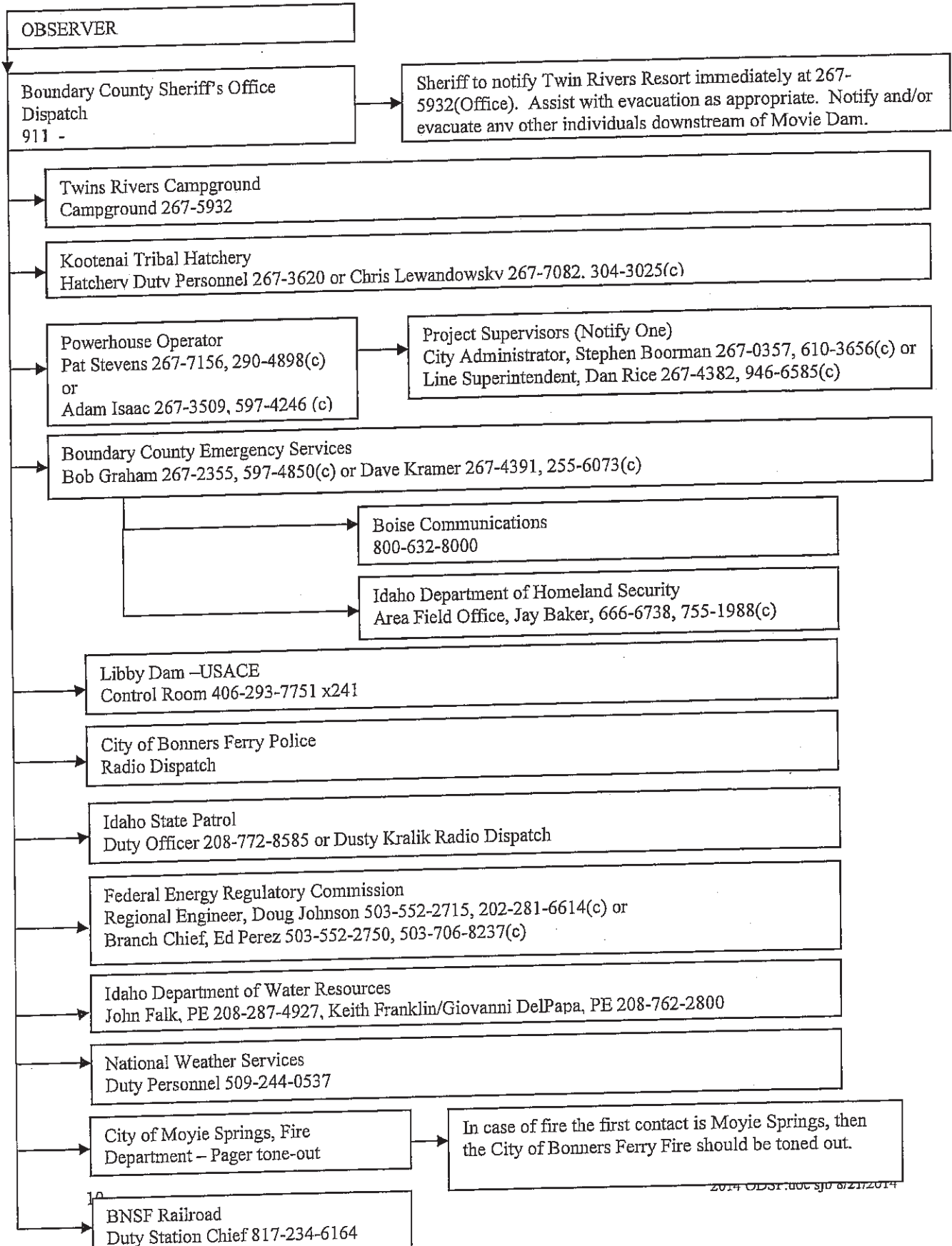
11/19/2013

Appendix C:

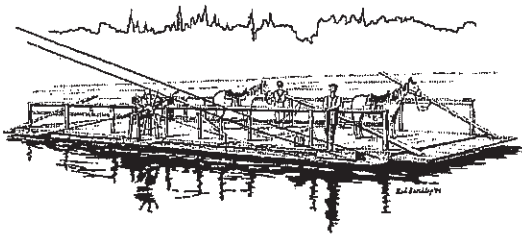
NOTIFICATION FLOWCHART

MOYIE HYDROELECTRIC PROJECT - FERC NO. 1991

\*Cases: Imminent Failure and Developing Hazards







# MEMO

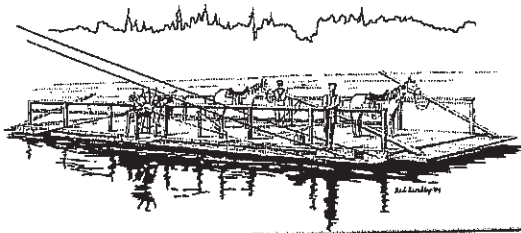
CITY OF BONNERS FERRY  
CITY ADMINISTRATOR

---

Date: 14 August 2014  
To: City Council  
From: Stephen Boorman, City Administrator  
Subject: Powerplant Retaining Wall Work.

We have requested proposals and quotes from several contractors for the Subject Work. The RFQ, attached, request that the quotes be submitted by 2:00 p.m. on 2 September. Therefore we anticipate having a recommendation for Council that evening.

STB



# CITY OF BONNERS FERRY

7232 Main Street  
P.O. Box 149  
Bonners Ferry, Idaho 83805  
Phone: 208-267-3105 Fax: 208-267-4375

## Quote – 2014 – Powerplant Upper Pool Retaining Wall Repair

ITEM	UNIT PRICE	PAY UNIT	Est. Units	TOTAL
Excavation		Lump Sum	1	
Mobilization Charge				
Loose rock removal		Man-hours	160	
Construction		Lump Sum	1	
Mobilization Charge				
Wall Construction		Cubic Yards	30	
	TOTAL (numbers)			
	TOTAL (words)			

Understanding that this lump sum price and per unit prices includes all permit fees, sales and consumer use taxes, etc. required by law or regulation in the place where the work is performed.

Signed \_\_\_\_\_

Name and Title \_\_\_\_\_

Date \_\_\_\_\_

Company Name and Address \_\_\_\_\_

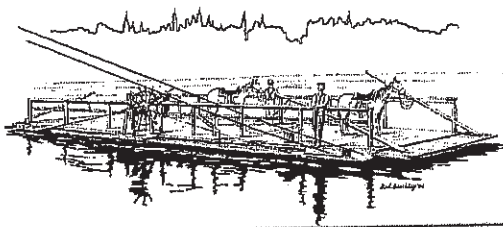
Phone Number \_\_\_\_\_

Idaho Contractors License Number \_\_\_\_\_

Public Works Contractors License Number \_\_\_\_\_

Required attachments:

- 1.
- 2.



## CITY OF BONNERS FERRY

7232 Main Street  
P.O. Box 149  
Bonners Ferry, Idaho 83805  
Phone: 208-267-3105 Fax: 208-267-4375

---

21 August 2014

Subject: 2014 – Powerplant Upper Pool Retaining Wall Repair

The City of Bonners Ferry is requesting quotations to repair water ingress to a retaining wall at the Moyie Power Plant. This quote is for mobilization, labor and materials. Attached performance and payment bonds will be required from the successful bidder. Further, this bid is written as a time and material bid. All work shall be in accordance with the 2010 Idaho Standards for Public Works Construction and meet the following specifications and conditions.

Responses to this request for quotes are per Idaho Code Title 67 Chapter 28 and Title 54 Chapter 19. If you desire to provide a quote for this project, your written quote shall be delivered to City Hall on the attached form by no later than 2:00 p.m. Tuesday, 2 September 2014. If you have any objections to these specifications, they need to be submitted in writing to City Hall by 2:00 p.m. Thursday, 28 August 2014.

This work will consist of two phases:

First will be the removal of loose rock next to the wall. This will be primarily manual labor as there is no access for equipment to this location. This work will be done below normal low water level. For bid comparison purposes the City is estimating 160 man-hours of manual labor. The second phase is highly dependent on what is found after the loose rock is removed from the existing wall. If at any time the city determines that the conditions are not conducive for repair from the front of the wall or if a repair different than a poured wall is beneficial, we reserve the right to terminate the project.

Second, will be the construction of a reinforcing retaining wall. It is estimated that this wall will be 30' long, 1.5-2' thick, average 15' high, and have #4 bar on 12" grid. For bid comparison purposes the City is estimating 30 yards of installed concrete. Actual wall dimensions will be determined after the excavation is complete. The city will also consider other options such as a fiber reinforced shotcrete.

The City will provide a skid steer at the powerplant buildings and a hopper for moving the concrete and materials from the "cart" to the wall. This work is time sensitive and the work will need to be completed by 1 October 2014.

The City will hold a pre-bid meeting at the powerplant on **Thursday, 28 August 2014**, at 8:00 a.m. to review the site and address any questions. Please let us know if you plan to attend the pre-bid meeting.

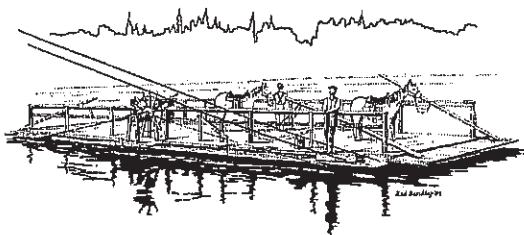
The City reserves the right to reject any and all quotes and accept the quote it deems most advantageous and to waive formalities.

If you have any questions feel free to call me at (208) 267-0357.

Sincerely,

STB

Stephen Boorman  
City Administrator



# MEMO

CITY OF BONNERS FERRY  
CITY ADMINISTRATOR

---

Date: 29 August 2014  
To: City Council  
From: Stephen Boorman, City Administrator  
Subject: City Hall Front Door.

This memo is to recommend that the City install a new front door for the Clerk's Office. The current door does not close consistently and is very energy inefficient. The quote for a new door is \$1,231 installed. We expect a return on investment in energy savings.

STB

267-4511

**BONNERS FERRY  
GLASS & DOOR CO.**

P.O. Box 217 • Bonners Ferry, ID 83805

(208) 267-3195 Fax (208) 267-5142

bonnersferryglass@frontier.com

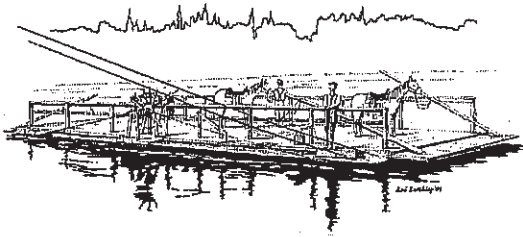
bfglassanddoor.com

8-25-14 Estimate for B.F. City Hall.

1- 41 7/8 x 84 Clear Anodized Storefront door  
Single acting, Clear insulated tempered glass.  
1/4" Outswing. offset pivots.

Labor

1006. <sup>00</sup>
225. <sup>00</sup>
<hr/>
1231. <sup>00</sup>



# MEMO

CITY OF BONNERS FERRY  
CITY ADMINISTRATOR

---

Date: 14 August 2014  
To: City Council  
From: Stephen Boorman, City Administrator  
Subject: Cash Reserve Policy.

Attached is the draft cash reserve policy that has been previously reviewed by the Council.

As stated in previous memos: The actual amount of cash reserves is ultimately a policy decision by the Council. Please note the initial proposed reserve levels are higher than the existing levels in all of the departments except the electric department. Also, the actual reserves will never match the target number in the policy, the policy is to provide budget guidance. There other options for addressing unexpected events than actual cash reserves. Of particular note is the "line-of-credit" option. Due to the diversification of our enterprise funds we have this option available internally and have historically used this option.

STB



## A. GENERAL

It is the goal of the City of Bonners Ferry to maintain adequate levels of assets in reserve for the below purposes. These levels are reflective of the risk for general government and each enterprise fund. The amounts listed are for reference during the budgeting process and will vary year to year. For departments with below the recommended levels it is expected that it will take a number of years to reach the target levels.

Following are the categories used to determine a desired reserve level for each department. They are derived from the attached spread sheet and rounded to the nearest \$50,000.

1. Cash flow for payroll and other normal expenses. This is set at 25% of the annual operating budget, which is 90 days of cash flow.
2. Mechanical failures that may occur during the year. Amount set at the value of the most expensive single mechanical device.
3. Storms, flooding, and acts of God. This the replacement/repair cost of the infrastructure identified that could be damaged by storm or earthquake.
4. Bond Reserves. For enterprise departments that have a bond this amount is generally required by the lending agency or bond agreement. This amount varies over the life of the bond and is set at the highest required amount.
5. Rate Stabilization. This amount is designed to allow stable rates from year to year based on the variability of revenues. This is particularly relevant due to the City's hydroelectric projects variability in generation.
6. Capital Investment Fund. This amount is designed to capture one year of average revenue financed capital improvements.

Below are the budget target levels for each fund and depending on events in each fund they may or may not be met in any given year.

General Government	\$750,000
Electric Department	\$4,200,000
Water Department	\$1,400,000
Sewer Department	\$1,000,000
Garbage	\$30,000

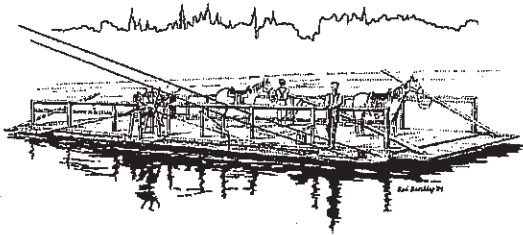
Note 1: One additional factor for General Government contingency is for above normal labor expenses for the fire department and street department during bad fire or snow years.

1. Cash flow for payroll and other normal expenses. Set at 25% of operating budget
2. Mechanical failures that may occur during the year. Set at largest single mechanical item.
3. Storms, flooding, fires, and acts of God.
4. Bond Reserves.
5. Rate Stabilization
6. Capital Investment Fund

Category	Cash Flow	Mechanical	Acts of God	Bond	Rate Stab.	Capital	Total	Feb-14
General Government	\$ 431,425	\$ 125,000	\$ 100,000	\$ -	\$ -	\$ 100,000	\$ 756,425	\$ 382,004.00
Electric Distribution	\$ 624,246	\$ 400,000	\$ 750,000	\$ -	\$ 250,000	\$ 100,000	\$ 4,224,246	\$ 5,525,530.00
Power Plant	\$ -	\$ 750,000	\$ 750,000	\$ 250,000	\$ 250,000	\$ 100,000	\$ 1,398,180	\$ 505,322.00
Water	\$ 268,180	\$ 500,000	\$ 250,000	\$ 180,000	\$ 100,000	\$ 100,000	\$ 1,043,093	\$ 521,374.00
Sewer	\$ 118,093	\$ 125,000	\$ 500,000	\$ -	\$ 50,000	\$ 250,000	\$ 33,125	\$ 16,647.00
Garbage	\$ 33,125	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

[illegible]

\*Annual Operating Budget is 2014 annual budget less contingency, south hill slough, and power purchases.



# MEMO

CITY OF BONNERS FERRY  
CITY ADMINISTRATOR

---

Date: 29 August 2014  
To: City Council  
From: Stephen Boorman, City Administrator  
Subject: Water-Sewer Cost of Service Decisions.

Attached is a memo from EES identifying the Council decisions that are need for EES to do the rate proposal part of this work.

The two decisions for water are on Page 2 and the four decisions for sewer are on Page 3.

STB

August 22, 2014

TO: Stephen Boorman  
FROM: Gary Saleba  
SUBJECT: COSA Decisions

---

Preliminary cost of service results for the water and sewer utilities were presented to City Council on August 12. The COSA results were presented using the Base Case revenue requirement for each utility. However, EES looked at two additional revenue requirement scenarios for the water utility (varying the funding of reserves) and four scenarios for the sewer utility (varying the capital program and reserves).

In order to finalize the Cost of Service study and develop rates, several decisions will need to be made by the City Council. This memo provides a decision framework to aid in the decision making by providing summary results for each option.

### ***Updated Analysis***

Based on a review of the analysis, one change has been made to better reflect the City's operation:

- Transmission and distribution mains located inside the City limits have been allocated to customers located both inside and outside of the City. Previously, plant located inside city limits was allocated only to inside City customers. Costs associated with plant outside the City limits continue to be allocated only to outside customers.

All results presented in this memo incorporate this updated assumption.

---

570 Kirkland Way, Suite 100  
Kirkland, Washington 98033

Telephone: 425 889-2700

Facsimile: 425 889-2725

A registered professional engineering corporation with offices in  
Kirkland, WA and Portland, OR

### ***Water Utility***

In order for EES to continue, the following decisions need to be made for the water utility by the City Council and staff.

1. Target level of reserves?
2. Develop Inside/Outside City rates?

The impact of each of these decisions on rates is discussed below.

#### **Level of Reserves**

Two scenarios were presented to vary the target level of reserves over the five (5) year study period. The current Water Utility reserve balance is approximately \$500,000. In order to meet the reserve fund target of \$1.4 million, the utility will need to collect an additional \$900,000 through rates.

In the Base Case, it is assumed that the utility maintains the current reserve fund balance. Scenarios 1 and 2 take 10 and 20 years, respectively to reach the \$1.4 million target. Over the study period, the Scenario 1 reserve fund balance will reach \$950,000 and the Scenario 2 reserve fund balance will reach \$725,000. The resulting impact to rates is shown in the table below.

<b>Annual Rate Impacts FY 2014 through FY 2018</b>	
	<b>5 Year Average Annual Rate Increase</b>
Base Case	3.6%
Scenario 1: Reserve Target \$950,000	5.9%
Scenario 2: Reserve Target \$725,000	4.8%

#### **Inside/Outside City Rates**

The table below contains the cost of service results for the Base Case scenario requiring an overall rate increase of 3.6 percent in FY 2014. The results for the Residential class suggest an Inside/Outside rate may be warranted. This conclusion is not supported by the other classes; however, the non-Residential classes outside the City are small.

Rate Impact for FY 2014			
	Combined Class	Inside Customers	Outside Customers
Residential	-5.6%	-8.6%	15.0%
Small Commercial	5.7%	7.0%	-8.1%
Commercial	52.3%	54.9%	-1.3%
Industrial	-86.6%	-86.6%	-
Interdepartmental	118.3%	147.8%	-16.6%
<b>Total</b>	<b>3.6%</b>	<b>2.8%</b>	<b>9.8%</b>

In addition, the City does not track expenses related to service inside versus outside the City. Inside/outside rates can be justified for a water utility based on the following higher principles:

- Differences in customer density
- A customers' distance from the operation center affects O&M expenses
- The City customers is liable for GO bonds whereas an outside customer is not

As an example of inside/outside rates, the City of Spokane's Residential rates are illustrated below:

City of Spokane Single Family Residential Rates			
	In Units*	Inside City	Outside City
Service Charge		\$14.50	\$21.76
Usage Charge			
First 4,500 gallons	1-6 units	\$0.28/unit	\$0.42/unit
Next 3,000 gallons	7-10 units	\$0.59/unit	\$0.88/unit
Next 26,100 gallons	11-45 units	\$0.79/unit	\$1.18/unit
Over 33,600 gallons	Over 45 units	\$1.01/unit	\$1.52/unit

\* 1 unit = approximately 748 gallons

### ***Sewer Utility***

In order for EES to finalize the study, the following decisions need to be made by the City Council and staff.

1. Target level of reserves?
2. Capital Improvement Plan (CIP) budget?
3. Percent of CIP financed versus funded by retail rates?
4. Develop Inside/Outside rates?

August 22, 2014

Page 4

Level of Reserves

One scenario was presented to vary the target level of reserves over the five (5) year study period. The current Sewer Utility reserve balance is approximately \$500,000. In order to meet the reserve fund target of \$1.0 million, the utility will need to collect an additional \$500,000 through rates.

In the Base Case, the utility maintains the current reserve fund balance of \$500,000. Scenario 1 takes 10 years to reach the \$1.0 million target. Over the study period, the Scenario 1 reserve fund balance will reach \$750,000. The resulting impact to rates is shown in the table below.

Annual Rate Impacts FY 2014 through FY 2018	
	Average Annual Rate Increase
Base Case	0.1%
Scenario 1: Reserve Target \$750,000	3.3%

Capital Improvement Plan Budget (CIP)

One scenario was presented to show the impact of the budgeted capital improvement plan. The budget contains \$6.75 million in capital improvements, including a \$3 million water treatment facility and \$3.75 million for collection and lift stations.

In the Base Case, the utility funds capital at a level equal to depreciation, or \$82,000 annually. Scenario 3 funds the \$6.75 million CIP program with a \$3.0 million bond (5 percent over 30 years) and the remaining \$3.75 million is funded in rates over a 10 year period (\$375,157 per year). The resulting impact to rates is shown in the table below.

Annual Rate Impacts FY 2014 through FY 2018	
	Average Annual Rate Increase
Base Case	0.1%
Scenario 3: CIP = \$3.0 million bond plus \$3.75 million in rates over 10 yrs	19.3%

Financing of CIP

Additional scenarios were developed to show the impact of financing on rates. The first scenario finances the full CIP budget of \$6.75 million with a revenue bond. The



August 22, 2014

Page 5

second scenario uses a \$3.0 million bond and the remaining \$3.75 million is funded in rates over the next 10 years at \$375,157 per year. Both scenarios include additional reserve funding at \$50,000 per year to build the reserve fund to \$750,000 over the five year study period. The resulting impact to rates is shown in the table below.

Annual Rate Impacts FY 2014 through FY 2018	
	Average Annual Rate Increase
Scenario 2: Reserve Target \$750,000, CIP = \$6.75 million bond	17.0%
Scenario 4: Reserve Target \$750,000, CIP = \$3.0 million bond plus \$3.75 million in rates over 10 yrs	21.3%

#### Inside/Outside City Rates

The table below contains the cost of service results for the Base Case scenario requiring an overall rate increase of 0.1 percent in FY 2014. The results do not suggest inside/outside rates are warranted. However, the City has limited information on the variations in usage characteristics of inside versus outside customers.

Rate Impact for FY 2014			
	Combined Class	Inside Customers	Outside Customers
Residential	-15.9%	-16.4%	-11.5%
Small Commercial	6.9%	6.9%	6.9%
Commercial	42.4%	42.4%	42.4%
Industrial	-1.1%	-1.1%	
Interdepartmental	-1.1%	-1.1%	
<b>Total</b>	<b>0.1%</b>	<b>0.2%</b>	<b>-1.3%</b>

In addition, the City does not track expenses related to service inside versus outside the City. Inside/outside rates can be justified for a sewer utility based on the following higher principles:

- Differences in customer density
- A customers' distance from the operation center affects O&M expenses
- The City customers is liable for GO bonds whereas an outside customer is not

As an example of inside/outside rates, the City of Spokane's Residential rates are

illustrated below:

City of Spokane Single Family Residential Rates		
	Inside City	Outside City
Service Charge	\$27.27/mo	\$54.55/mo

### *Summary of Decisions*

Based on the results above the City Council needs to consider the following:

#### *Water Utility*

- Level of Reserves
  - Policy sets target reserve fund at \$1.4 million
  - Currently reserve fund contains \$0.5 million
  - Does the City want to build reserves and if so, how quickly?
- Inside/Outside City Rates
  - Do the results support a change to Inside/Outside City rates for all classes or just Residential?
  - Does the City want to pursue this change in rate design?

#### *Sewer Utility*

- Level of Reserves
  - Policy sets target reserve fund at \$1.0 million
  - Currently reserve fund contains \$0.5 million
  - Does the City want to build reserves and if so, how quickly?
- Capital Improvement Budget
  - Minimum CIP funding of depreciation = \$82,000 annually
  - Budget includes \$3.0 million in near term treatment facility improvements
  - Budget includes \$3.75 million in additional projects to be completed over the next 10 years
  - What level of CIP does the City want to fund?
- Financing of CIP
  - If the City decides to budget for the \$6.75 million CIP, how much to debt versus rate finance?

August 22, 2014

Page 7

■ Inside/Outside City Rates

- Do the results support a change to Inside/Outside City rates?
- Does the City want to pursue this change in rate design?

***Next Steps***

Once the City decides on the preferred revenue requirement scenario, EES will finalize the cost of service study results. The results of the cost of service study will facilitate the rate design process. If the City wants to pursue Inside/Outside City rates, EES will present these options.

## MAYORAL PROCLAMATION FOR CONSTITUTION WEEK

**WHEREAS:** September 17, 2014, marks the two hundred twenty-seventh anniversary of the drafting of the Constitution of the United States of America by the Constitutional Convention; and

**WHEREAS:** It is fitting and proper to accord official recognition to this magnificent document and its memorable anniversary; and to the patriotic celebrations which will commemorate the occasion; and

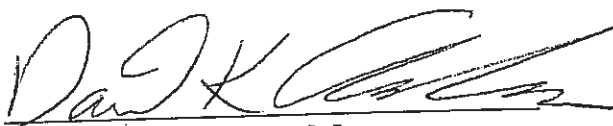
**WHEREAS:** Public Law 915 guarantees the issuing of a proclamation each year by the President of the United States of America designating September 17 through 23 as Constitution Week,

**NOW, THEREFORE, I,** David Anderson by virtue of the authority vested in me as Mayor of the City of Bonners Ferry do hereby proclaim the week of September 17 through 23 as


### CONSTITUTION WEEK

**AND** ask our citizens to reaffirm the ideals the Framers of the Constitution had in 1787 by vigilantly protecting the freedoms guaranteed to us through this guardian of our liberties, remembering that lost rights may never be regained.

**IN WITNESS WHEREOF,** I have hereunto set my hand and caused the Seal of the City of Bonners Ferry to be affixed this 2nd day of September, 2014.

  
David K. Anderson, Mayor

Attest:

  
Kris Larson, City Clerk