Over the past few weeks, the City of Bonney Lake has:

- Reviewed the alcohol license application for the Buttered Biscuit that is opening a restaurant in Bonney Lake.
- Amended the fee schedule for leagues, groups, and individuals renting sports fields in City parks.
- Imposed an additional tax on City owned and operated utilities.
- Obtained a small grant from Pierce County for two (2) additional historical markers, one to be placed on Connell’s Prairie, and the other at Victor Falls Park.
- Updated the zoning map of the City.
- Adopted the biennial budget for 2015-2016.
- Clarified the meaning of Lewd Conduct in the City’s criminal code.
- Re-designated the Courier-Herald as the City’s official paper of record (for legal notices).
- Authorized a fleet maintenance agreement with Korum Ford.
- Renewed the Interlocal Agreement With Pierce County For Emergency Management Services.

Mayor Neil Johnson and several appointed City staff served as facilitators at the recent BLHS Youth Forum. Students participating the Forum describe what they like about Bonney Lake, what concerns they have about the community, and then brainstorm things they can do to make a positive difference in addressing community concerns. At the recent BLHS Forum, students praised Bonney Lake for being a safe, clean, friendly community with a lot of natural beauty, including the local lakes. A sample of the student concerns included a relative lack of youth activities, particularly winter indoor events, an interest in more upscale retail shops, and more parks and recreational opportunities.

In December 2014 the Bonney Lake City Council adopted the 2015-2016 Biennial Budget for the City. While the operating budget is again very tight, the City was able to retain current service levels. Key capital projects, many of which are grant or fee funded, include:

**Park Projects**
1. Master Site Plans for Allan Yorke Park (AYP), Mid-Town, and Victor Falls parks
2. Rehabilitate AYP Restrooms
3. AYP Field Rehabilitation
4. Concrete self-contained septic toilets for Cedarview and Victor Falls parks
5. Fennel Creek Trail – Phase II Design (WSDOT Design Grant)

**Water Projects**
1. Grainger Springs Building Upgrade
2. Emergency Generator Upgrade - Tacoma Point
3. Ponderosa Small Tank Recoating (internal and external)

**Sewer Projects**
1. Eastown - Southern Sewer Service ULA
2. SR410 Sewer Main Replacement (Pedestrian Bridge Project)
3. Sewer Comp Plan Update
4. Flume Trestle Rehabilitation

**Stormwater Projects**
1. Church Lake Road - Culvert to Fennel Creek
2. Regional Storm Pond at Locust & 82nd (land purchase)
3. Storm Comp Plan Update & Eastown Master Plan

**Street Projects**
1. SR410 and Veterans Memorial Dr Intersection
2. SR410 Pedestrian Improvements
3. 186th Corridor Improvements
Compared to many state and local governments, Bonney Lake is in relatively good financial health. The City has a “Rainy Day Fund” (Contingency Fund 126), which currently has a balance of approximately $1,145,500. This is in addition to any positive balances in the respective City funds. The future does not look rosy, however.

We anticipate Bonney Lake’s economy to continue to rebound but do not foresee a return to pre-Great Recession levels. While the general City sales tax collections remain consistent due to the increase in new businesses, sales tax growth has slowed significantly. In the General Fund, the “Big Five” revenue sources are, in order of dollar amount: Sales taxes, Property taxes, Building Permits, Utility taxes, and Fines and Forfeitures.

While general City sales tax collections from retail sales and food establishments remain flat, sales tax collections were helped this year in large part to the increase in construction sales tax from the Renwood development and other building projects. Given anticipated and known commercial retail projects in Midtown and Eastown, we anticipate modest growth in sales tax collections, assuming the Puget Sound region continues to experience a modest rebound in the economy.

By state law, property tax is currently capped at a 1% increase plus the value of any annexations and new construction. Years 2006 and 2007 say record ($1.7 million) revenues for licenses and building permit related revenue. When the recession hit, 2008 license and permit revenue dropped to $687,000, and in 2009 it further dropped to $376,000. 2014 was a much better year (35% over 2013) and then a slight (15% increase over 2014) in 2016. It requires 39% of all general fund revenues to operate the police department. In fact, all of the property taxes collected in the entire city only covers 38% of the police department budget. That is one reason it is critical to maintain and enhance the sales tax base of the City.

Bonney Lake is in relatively good financial health compared to many state and local governments, proving that even during tough economic times, a strong community can rise to the challenge. Mayor Johnson, the city council, and City staff are to be commended, and are conscientious in using scarce resources to provide essential services and improve the quality of community life we enjoy here in Bonney Lake.