RIDGEFIELD CITY COUNCIL
MEETING AGENDA

Thursday, September 17, 2026
RACC - Columbia Assembly Room
510 Pioneer Street, Ridgefield, WA 98642

I. STUDY SESSION - 4:00 P.M.

1. **2027 Budget: Personnel, Initiatives and Capital Projects - Kirk Johnson, Finance Director**

II. ADJOURN

CITY OF RIDGEFIELD
REQUEST FOR COUNCIL ACTION

MEETING DATE: September 17, 2026

AGENDA ITEM NAME: 2027 Budget: Personnel, Initiatives and Capital Projects

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GOVERNING LEGISLATION

RCW 35A.33 Budgets in Code Cities, City of Ridgefield Financial Policy #07: Budget

PREVIOUS COUNCIL ACTION TAKEN:

The council adopts an annual operating and capital budget. The 2026 annual budget was adopted on December 4, 2025, by Ordinance No. 1469. Council held a study session on the 2027 operating budget on September 3, 2026.

SUMMARY/BACKGROUND:

Introduction and discussion of personnel requests, initiatives, and capital projects for the 2027 budget.

BUDGET/FINANCIAL IMPACTS:

Refer to the attached presentation.

RECOMMENDED ACTION OR MOTION:

Presentation and Discussion/Direction

STAFF CONTACT: Kirk Johnson, Finance Director

ATTACHMENTS:

1. 2027 Personnel Initiatives and Capital Budget

2027 Proposed Budget Personnel, Initiatives and Capital Projects

September 17, 2026
4:00 PM – 6:00 PM

2027 Proposed Budget
Agenda

- Budget Calendar
- Available Fund Balance
- 2027 Personnel, Initiatives and Capital Project Requests
- Next Steps

2027 Budget Calendar

2027 Budget Calendar

		July				Aug				Sept					Oct				Nov				Dec				
Week of	**May/June**	**6**	**13**	**20**	**27**	**3**	**10**	**17**	**24**	**31**	**7**	**14**	**21**	**28**	**5**	**12**	**19**	**26**	**2**	**9**	**16**	**23**	**30**	**7**	**14**	**21**	**28**
City Council Goals/Retreat	5/3/2026-5/4/2026																										
Management Initiatives/Goals Retreat	6/16/2026																										
Review Financial Sustainability Model (6 Year)																											
Review Budget and Financial Policies				23rd																							
Review Economic Conditions/Budget to Actual							13th																				
Determine Baseline Assumptions																											
Develop Proposed Budget																											
Levels of Service																											
Baseline/Beginning Budget																											
New Programs or Initiatives																											
Update Indirect Cost Plan																											
Update Equipment Replacement Fund																											
Preliminary Budget																	22nd										
Operating								20th																			
Capital												17th															
Update Financial Forecast																15th											
Adopt Final Budget																											
Conduct Hearing on Revenue Sources																			5th								
Draft Final Budget																											
Adopt Property Tax Levy																			5th		19th						
Update Utility Rate Model																			5th		19th						
Final Budget and Conduct Hearings																					19th		3rd				
Individual Department Budget Meetings																											
Executive Management Meetings (10am)							11th			1st				29th													
Budget Advisory Committee Meetings								18th			8th				6th												
City Council Work Sessions										3rd		17th				15th											

July 23 council meeting - Budget and Financial Policies - If needed
August 13 council meeting - Presentation economic forecast and budget to actual 2nd quarter 2026
September 3 work session - Present baseline operating budget
September 17 work session - Present personnel, initiatives and capital budget requests
October 15 work session - Review final revenue projections and changes to the 2027 proposed budget if needed
October 22 council meeting - Final revenue projections and 2027 proposed budget

2027 Initiative and Capital Fund Impact

Fund Impact - Initiatives and Capital Projects												
Fund	**Total Beginning Fund Balance Including Reserves**	**2026 Available Fund Balance**	**2026 Carry Forward Projects**	**Carry Forward Fund Impact**	**2027 Available Fund Balance**	**2027 New Revenue**	**2027 Grant/Loan Funding**	**2027 Ongoing Projects**	**2027 One-Time Projects**	**New Initiative Fund Impact**	**12/2027 Total Fund Balance Including Reserves**	**12/2027 Available Fund Balance**
Operating Funds												
General Fund	$ 5,464,520	$ 1,150,270	$ 927,800	$ (927,800)	$ 222,470	$ 420,000	$ 2,364,000	$ 425,000	$ 2,890,198	$ (531,198)	$ 4,005,523	$ (308,728)
Street Fund	$ 31,112	$ 31,112	$ -	$ -	$ 31,112	$ -	$ -	$ -	$ -	$ -	$ 31,112	$ 31,112
Building & Permitting	$ (569,659)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (569,659)	$ -
Water Operating Fund	$ 3,853,932	$ 1,699,891	$ 111,500	$ (111,500)	$ 1,588,391	$ -	$ -	$ -	$ 8,704	$ (8,704)	$ 3,733,728	$ 1,579,687
Storm Water Operating Fund	$ 835,021	$ -	$ -	$ -	$ -	$ -	$ -	$ 145,000	$ 50,704	$ (195,704)	$ 639,317	$ -
Capital Project Funds												
Real Estate Excise Tax (REET)	$ 978,761	$ 978,761	$ -	$ -	$ 978,761	$ -	$ -	$ -	$ -	$ -	$ 978,761	$ 978,761
Park Impact Fee (PIF)	$ 159,350	$ 159,350	$ -	$ -	$ 159,350	$ -	$ -	$ -	$ -	$ -	$ 159,350	$ 159,350
Transportation Impact Fee (TIF)	$ 2,004,951	$ 2,004,951	$ -	$ -	$ 2,004,951	$ -	$ -	$ -	$ 2,350,000	$ (2,350,000)	$ (345,049)	$ (345,049)
Water System Development Charges (WSDC)	$ 10,296,905	$ 10,296,905	$ 1,655,000	$ (1,655,000)	$ 8,641,905	$ -	$ -	$ -	$ 3,473,000	$ (3,473,000)	$ 5,168,905	$ 5,168,905
Capital Projects (Grant/Loan/New Revenue)	$ -	$ -	$ 47,794,870	$ -	$ -	$ -	$ -	$ -	$ 5,925,795	$ -	$ -	$ -
Special Revenue Funds												
Drug Fund	$ 11,167	$ 11,167	$ -	$ -	$ 11,167				$ -	$ -	$ 11,167	$ 11,167
Affordable Housing	$ 86,428	$ 86,428	$ -	$ -	$ 86,428				$ -	$ -	$ 86,428	$ 86,428
Transportation Benefit District	$ 2,783,652	$ 2,783,652	$ 1,311,020	$ (1,311,020)	$ 1,472,632				$ 556,510	$ (556,510)	$ 916,122	$ 916,122
Capital Funds												
Equipment Replacement Funds	$ 814,162	$ 814,162	$ -	$ -	$ 814,162				$ 95,700	$ (95,700)		$ 718,462
Total Fund Impact		$ 20,016,649	$ 51,800,190	$ (4,005,320)	$ 16,011,329	$ 420,000	$ 2,364,000	$ 570,000	$ 15,350,610	$ (7,210,815)		$ 8,965,106
Total Funding Sources		$ 20,016,649	$ 51,800,190	$ (4,005,320)					$ 15,350,610	$ (7,210,815)		

City Council Goals

Goal #1: <u>Plan and Manage the Growth of the City</u>

The City should prepare for, plan and manage the expected growth and its impacts – so that Ridgefield is recognized for its livability, natural environment and innovative local economy.

Goal #2: <u>Revitalize Downtown as a Destination Location</u>

Create a vibrant downtown destination location that provides quality merchandise, service, and activities within an ambience that is unique to Ridgefield and not readily available elsewhere including a walkable downtown, small town character and regularly scheduled social events.

Goal #3: <u>Create and Maintain Economic Stability for the City</u>

Provide for a "complete community" where people can live, work, shop and play. Build a robust economy that provides a wealth of living wage employment opportunities for residents.

Goal #4: <u>Assure the City's Infrastructure is able to Meet Growing Community Needs</u>

Plan for, manage and maintain the City's infrastructure (access, streets, water/sewer, etc.), schools, transportation and City services to meet the population and business growth.

Goal #5: <u>Retain Culture and History of Ridgefield</u>

Build upon the City's friendly inviting small town atmosphere, existence and appearance of historic elements of the community, walkable main streets and animated storefronts by preserving and enhancing them in a way that recovers, uncovers and celebrates its history.

Goal #6: <u>Maximize the City's Natural Resources and Attractions</u>

Integrate the area's natural resources such as the Wildlife Refuge, archeological resources, waterfront area, the Lewis & Clark and Native American connections and the building environments. Maintain a healthy environment with abundant opportunities for outdoor recreation and public access to the waterfront; and promote Ridgefield as a place to visit for outdoor recreation and appreciation of the area's natural assets.

Goal #7: <u>Actively Engage and Communicate with the Ridgefield Community</u>

Create a community where the City works collaboratively with and listens to residents, organizations, and businesses to develop meaningful solutions to complex issues, realize sustainable visions for the City's future and increase the capacity of the community to do something better by ensuring an open and accountable government, providing timely information on issues that impact the community and offering continuous public engagement opportunities.

2026 Carry Forward Requests

Department	Project	One-Time or Ongoing	Funding Source	Total 2027 Requested Appropriation	Funded from Ongoing Revenues	2026 One-Time Carry Forward	New 2027 One-Time Expense	Grant/Loan Funding/ Developer Contributions/New Revenue	Fund Balance Impact	Total Project Expense	Estimated Completion Date	Description	Council Goals Met
2026 Carry Forward Projects													
Public Works	Eastside Elevated Reservoir - Construction	One-Time	DWSRF Loan, WSDC	8,300,000	-	8,300,000	-	8,300,000	-	18,000,000	2nd quarter 2029	Construction of a 1.5 million gallon elevated water reservoir on the east side of I-5	1, 3, 4
Public Works	Ridgefield Community & Recreation Center	One-Time	LTGO Bond, Private Financing	36,000,000	-	36,000,000	-	36,000,000	-	37,000,000	4th quarter 2028	Construction of a public private community and recreation center. Private financing covers approximately $22 million for the recreation center and the city invests $15 million for the community center.	1, 3, 4
Public Works	Kennedy Well Design and Construction	One-Time	Grant, WSDC	3,600,000	-	760,000	2,840,000	1,092,000	(2,508,000)	3,900,000	1st quarter 2028	Design and construction of a new well at Kennedy Farms (Sanderling).	1, 3, 4
Public Works	DT Stormwater Improvements	One-Time	PWB Loan	1,000,000	-	1,000,000	-	1,000,000	-	2,414,000	4th quarter 2027	Complete construction of the Riverview Drive phase of the DT Storm improvements. Complete Design of the Lake River Outfall phase of the project.	1, 2, 3, 4
Public Works	Riverview Dr Water Line Improvements	One-Time	Water Operations	111,500	-	111,500	-	-	(111,500)	111,500	4th quarter 2027	Complete water line improvements for Riverview Dr as a companion project to the Riverview Dr storm improvements.	1, 2, 3, 4
Public Works	Pioneer Widening Wetland Mitigation	One-Time	General Fund	30,000	-	30,000	-	-	(30,000)	50,500	4th quarter 2031	Complete mitigation monitoring work for Pioneer Widening project. Mitigation is scheduled to be completed in 2031.	1, 3, 4, 6
Public Works	Gee Creek North Trail	One-Time	Flap Grant, General Fund	514,000	-	514,000	-	436,900	(77,100)	414,000	4th quarter 2027	Final design for the Gee Creek trail north segment. Funded with a FLAP grant and 15% match.	1, 2, 4, 6
Public Works	Carty Rd Trail Enhanced Crossing	One-Time	RTC grant, General Fund	161,300	-	45,700	115,600	107,000	(54,300)	271,500	4th quarter 2027	Design and construction of a crossing at the intersection of Carty Rd and Hillhurst.	1, 4
Public Works	Park Laundry Monitoring	One-Time	Commerce Brownfield Loan, General Fund	90,000	-	90,000	-	90,000	-	90,000	4th quarter 2027	Ongoing monitoring for the cleanup at the Park Laundry site. Estimated monitoring is 5-7 years depending on data gathered.	1, 2, 3, 4, 6
Public Works	S 10th/11th Crossing	One-Time	RTC Grant	370,000	-	370,000	-	370,000	-	391,000	1st quarter 2028	Initial design for the overcrossing from east to west side of I-5 at 10th/11th. Funding from an RTC grant.	1, 3, 4

2026 Carry Forward Requests

Department	Project	One-Time or Ongoing	Funding Source	Total 2027 Requested Appropriation	Funded from Ongoing Revenues	2026 One-Time Carry Forward	New 2027 One-Time Expense	Grant/Loan Funding/ Developer Contributions/New Revenue	Fund Balance Impact	Total Project Expense	Estimated Completion Date	Description	Council Goals Met
2026 Carry Forward Projects													
Public Works	Pioneer Street Slide Repair	One-Time	State Capital Grant	1,262,500	-	1,262,500	-	1,262,500	-	3,000,000	3rd quarter 2028	Final design and phase 1 stabilization of the Pioneer St along the curves above Reiman Rd.	1, 3, 4
Public Works	PROS Plan	One-Time	General Fund	25,000	-	25,000	-	-	(25,000)	85,000	1st quarter 2027	Completion of the Parks Recreation and Open Space plan and adoption by council.	1, 3, 4, 5, 6
Public Works	I-5 Connector	One-Time	RTC Grant, General Fund	104,000	-	104,000	-	63,000	(41,000)	270,000	4th quarter 2027	Continued design of the I-5 connector from the exit at 219th to Hillhurst Rd.	1, 3, 4
Public Works	Downtown Street Lighting Project	One-Time	USDA Grant, General Fund	267,500	-	84,000	183,500	99,500	(168,000)	267,500	3rd quarter 2027	Installation of additional lighting in the downtown core. Funded by General Fund $168k and a $99,500 USDA grant. DesignQ4 2026 - Q2 2027.	1, 2, 3, 4
Public Works	Kennedy Water Rights	One-Time	WSDC	70,000	-	70,000	-	-	(70,000)	70,000	4th quarter 2027	Continued acquisition of water rights from the Kennedy Farm.	1, 3, 4, 6
Public Works	Hydrogeological Study - Water Rights	One-Time	WSDC	50,000	-	50,000	-	-	(50,000)	50,000	4th quarter 2027	Continued review and acquisition of new water rights in the city.	1, 3, 4, 6
CDD	Climate Planning Implementation	One-Time	Commerce Grant	50,000	-	50,000	-	50,000	-	50,000	4th quarter 2027	Continued work on climate planning related to the comp plan adoption.	1, 3, 4, 5, 6
CDD	Downtown Subarea Plan - RISE	One-Time	General Fund	25,000	-	25,000	-	-	(25,000)	50,000	1st quarter 2027	Completion of the downtown subarea plan.	1, 2, 3, 4
Public Safety	HB 2015 Criminal Justice Grant	One-Time	CJTC Grant Funding	425,000	-	425,000	-	425,000	-	1,100,000	2nd quarter 2027	Completion of grant program to hire and outfit two new officers, conduct department training and purchase approved equipment/software.	1, 3, 4
Public Safety	Ridgefield Police Recruitment Project	One-Time	Department of Justice Grant	125,000	-	125,000	-	125,000	-	175,000	4th quarter 2027	Grant funded project to create a recruitment program for new officers with videos and materials.	1,3, 4, 7
2026 Carry Forward Projects				***$ 52,580,800***	***$ -***	***$ 49,441,700***	***$ 3,139,100***	***$ 49,420,900***	***$ (3,159,900)***	***$ 67,760,000***			

2026 Carry Forward Requests

Department	Project	One-Time or Ongoing	Funding Source	Total 2027 Requested Appropriation	Funded from Ongoing Revenues	2026 One-Time Carry Forward	New 2027 One-Time Expense	Grant/Loan Funding/ Developer Contributions/New Revenue	Fund Balance Impact	Total Project Expense	Estimated Completion Date	Description	Council Goals Met
2026 Carry Forward Projects - Royle Road													
Public Works	Royle Rd Hillhurst to Hayfield	One-Time	TIB grant, Traffic Impact Fees	5,850,000	-	-	5,850,000	3,500,000	(2,350,000)	5,850,000	2nd quarter 2028	Construction of 1 of 3 final phases for the Royle Rd corridor improvements.	1, 3, 4
Public Works	Royle Rd Hillhurst to Hayfield	One-Time	WSDC	575,000	-	575,000	-	-	(575,000)	575,000	2nd quarter 2028	Construction of the water line for the Royle Rd corridor improvements.	1, 3, 4
Public Works	Royle Rd Culvert	One-Time	PWB Loan	40,000	-	40,000	-	40,000	-		4th quarter 2028	Design of the final phase of the Royle Rd corridor improvements. Construction estimated in 2028 pending grant funding.	1, 3, 4
Public Works	Royle Rd 19th to Waters Edge	One-Time	Congressional Directed Spending Grant	500,000	-	-	500,000	500,000	-	2,060,000	4th quarter 2029	Design of the final phase of the Royle Rd corridor improvements.	1, 3, 4
2026 Carry Forward Projects - Royle Road				***$ 6,965,000***	***$ -***	***$ 615,000***	***$ 6,350,000***	***$ 4,040,000***	***$ (2,925,000)***	***$ 8,485,000***			

Key Assumptions
2027 Estimated Reserve Balance

Fund	2027 Est. Policy Reserves	2026 Policy Reserves	% Change	2027 Estimated Ending Fund Balance
General Fund	$ 4,314,250	$ 4,154,667	3.8%	$ 5,464,520
Street Fund	Gen Fund	Gen Fund		$ 31,112
Building & Permitting Fund	$ 518,776	$ 540,270	-4.0%	$ (569,659)
Water Fund	$ 2,154,041	$ 2,013,194	7.0%	$ 3,853,932
Stormwater Fund	$ 1,236,964	$ 1,050,681	17.7%	$ 835,021
Total Policy Reserves	$ 8,224,031	$ 7,758,812	6.0%	$ 9,614,926

Key Assumptions
Operating Fund Summary and Available Fund Balance

Operating Fund Summary									
				Comparison	2027 YE Est.	2027 Est.	Excess Reserves		Comments
	Revenue	Expense	Net	2026 Expense	Fund Balance	Policy Reserves	Ongoing	One-Time	
General Fund	$ 16,198,270	$ 15,830,750	$ 367,520	9.6%	$ 5,464,520	$ 4,314,250	$ 367,520	$ 782,750	
Street Fund	$ 1,941,800	$ 1,916,800	$ 25,000	21.4%	$ 31,112	Gen Fund	Gen Fund	Gen Fund	
Building & Permitting Fund	$ 2,971,500	$ 3,362,490	$ (390,990)	-9.9%	$ (569,659)	$ 518,776	$ -	$ -	Currently using policy reserves
Water Fund	$ 4,774,400	$ 4,549,625	$ 224,775	23.7%	$ 3,853,932	$ 2,154,041	$ 224,775	$ 1,475,116	
Stormwater Fund	$ 2,279,200	$ 2,335,995	$ (56,795)	9.0%	$ 835,021	$ 1,236,964	$ -	$ -	Current expense qualifies to use Cap R&R reserves

Key Assumptions
Fund Summary and Available Fund Balance

Special Revenue & Debt Service

	Revenue	Expense	Net	Comparison 2025 Expense	2027 YE Est. Fund Balance	Comments
Drug Fund	$ 350	$ 250	$ 100	NA	$ 11,167	No expense planned
Tax Increment Area (TIA)	$ 354,000	$ 340,800	$ 13,200	11.4%	$ 122,301	Debt service
Affordable Housing	$ 24,000	$ 50,000	$ (26,000)	0.0%	$ 86,428	Rental assistance program
Transportation Benefit District (TBD)	$ 1,320,000	$ 391,700	$ 928,300	-7.0%	$ 2,783,652	Pavement preservation O&M and street ops transfer
Debt Service Fund	$ 3,936,375	$ 3,936,375	$ -	13.2%	$ -	General government debt service

Capital Service

	Revenue	Expense	Net	Comparison 2025 Expense	2027 YE Est. Fund Balance	Comments
Real Estate Excise Tax (REET)	$ 1,985,000	$ 2,764,575	$ (779,575)	-13.7%	$ 978,761	Debt service payment transfer
Park Impact Fees (PIF)	$ 226,485	$ 695,500	$ (469,015)	123.4%	$ 159,350	Debt service & capital commitment
Traffic Impact Fees (TIF)	$ 460,250	$ 2,000,000	$ (1,539,750)	185.7%	$ 4,951	Capital commitment for Royle Rd
Water System Dev Charges (WSDC)	$ 1,670,000	$ 693,400	$ 976,600	-66.7%	$ 10,296,905	Excise tax and debt service

2027 Personnel Requests

CITY OF RIDGEFIELD

PROCESS PRIOR TO MAKING REQUEST FOR ADDITIONAL STAFFING

Staff conducts the following analysis prior to requesting that a new FTE be included in the budget:

1. Determine whether it is necessary that the work be performed and whether the work is consistent with Council goals.
2. Maximize efficiencies in how work is performed and services are provided through use of the lean process, technology upgrades, re-assigning duties, work-flows or other modifications.
3. Assure that work is being performed at appropriate level.
4. Review the ability to maintain a high level of customer service; earn and maintain trust of Ridgefield citizens and stakeholders with/without a new position.
5. Assure that there are resources and time for professional management that encourages a supportive work culture of innovation, collaboration and open communication.
6. Review options for providing the service and/or completing the work, e.g., hire a consultant, use of technology, add an FTE for a short or long term.
7. Determine the cost of adding a new position including the budget impact and ongoing need for work/service provided by a full-time employee.

Staff takes into account the following external influences, that cannot be controlled by City actions:

- Population growth and increased demand for City services.

1. Changing demand for City services: community engagement, reliance on technology (internet services, mobile phones)
2. Securing sustainable revenue sources to maintain City services/unfunded mandates.
3. Increased workload: community demands and population growth will result in increased workload, staffing levels will not likely keep pace with the service demand.
4. Advances in technology.

2027 Personnel Requests

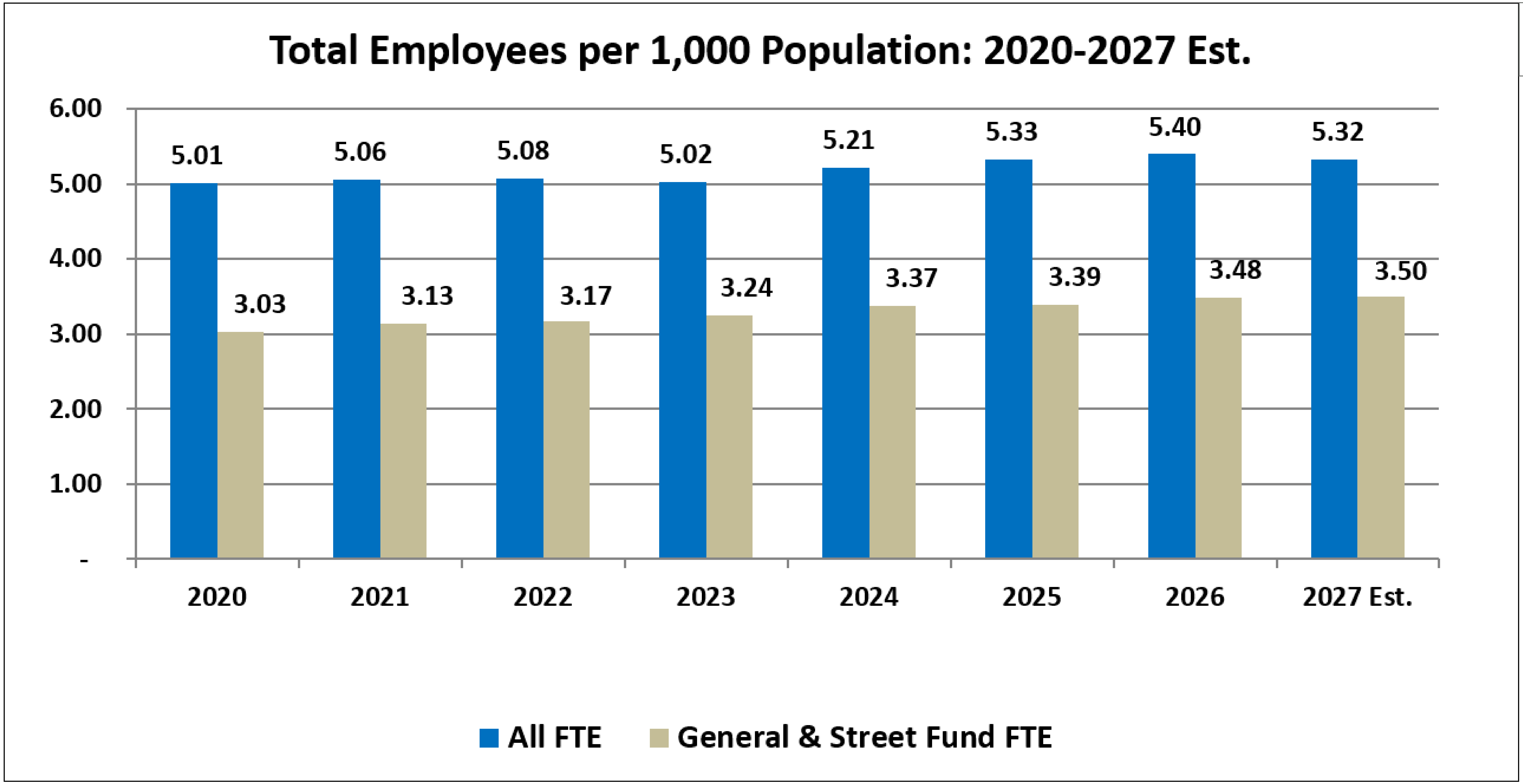
Personnel Schedule (Full-Time Equivalents)					
Job Title	2024 FTE Allocation	2025 FTE Allocation	2026 FTE Allocation	2027 Est. FTE Allocation	2027 FTE Percentage
Executive	1.00	1.00	1.00	1.00	1.08%
Total Finance	6.30	6.05	6.05	6.05	6.52%
Total Human Resources	2.40	2.40	2.40	2.70	2.91%
Total Administration	5.60	5.60	5.35	4.30	4.64%
Total Legal	-	-	1.00	1.00	1.08%
Total General Government/Facilities	1.55	1.70	3.10	3.70	3.99%
Total Public Safety	21.00	21.00	23.00	24.00	25.88%
Total Cemetery	0.35	0.70	0.45	0.45	0.49%
Total Long Range Planning & Code Enforcement	1.50	1.50	1.30	1.30	1.40%
Total Parks	6.65	8.25	7.75	8.40	9.06%
Total Streets/TBD	6.90	6.95	7.20	8.15	8.79%
Total Building and Permitting	15.70	15.65	15.50	15.30	16.50%
Total Water Utility	7.00	9.45	9.95	9.60	10.35%
Total Stormwater Utility	6.30	6.50	6.70	6.80	7.33%
Total Full Time Equivalents	82.25	86.75	90.75	92.75	100.00%
Full-Time Staff					
Full-Time Employees	81.00	85.00	89.00	89.00	95.96%
Part-Time Staff					
Part-Time Employees	1.25	1.75	1.75	3.75	4.04%

2026 Staffing Comparison to Peer Agencies

City	Population	Full-Time	Part-Time	Authorized FTE	FTE per 1,000 Population
Battleground	23,570	104	1	105	4.45
Washougal	18,490	85	0	87	4.71
Milton	8,965	45	1	54	6.02
Duvall	8,910	58	0	61.55	6.91
Vancouver (Per City Website)	207,000			1,283	6.32
Woodland	6,650	41	0	42	6.32
Yelm	12,470	78	0	78	6.26
Ridgefield	16,820	89	1.75	90.75	5.40
LaCenter	4,440				
Selah	8.680	71	42	71	8.18
Camas	28,490	235	14	257	9.02
City of Ridgefield Trend					
2025	16,290	85	1.75	86.75	5.33
2024	15,790	81	1.25	82.25	5.21
2023	15,180	75	1.25	76.25	5.02
2022	13,640	68	1.25	69.25	5.08
2021	11,910	59	1.25	60.25	5.06

Source: AWC

Key Assumptions
Current Staffing Levels: Per 1,000 Population



2026 90.75 FTE
2027 92.75 FTE

2027 Personnel Requests

Department	Project	One-Time or Ongoing	Funding Source	Total 2027 Requested Appropriation	Funded from Ongoing Revenues	2026 One-Time Carry Forward	New 2027 One-Time Expense	Grant/Loan Funding/ Developer Contributions/New Revenue	Fund Balance Impact	Total Project Expense	Estimated Completion Date	Description	Council Goals Met
Personnel Requests													
Public Works	Remove Sunset Designation for a Water Maintenance Worker	Ongoing	Water Fund	-	-	-	-	-	-	-	NA	Remove the sunset designation for a water maintenance worker position set to expire December 31, 2026. No additional funds requested. Funding is included in the baseline operating budget.	1, 3, 4
Public Works	Seasonal Stormwater Maintenance Worker	Ongoing	Stormwater Fund	35,000	35,000	-	-	-	(35,000)	35,000	2nd quarter 2027	Add another seasonal position to stormwater maintenance. Frees up time for existing staff for permit inspections.	1, 3, 4
Public Works	Seasonal Stormwater Maintenance Worker	Ongoing	Stormwater Fund	35,000	35,000	-	-	-	(35,000)	35,000	2nd quarter 2027	Add a seasonal position for stormwater maintenance as an alternative to original request for an FTE. Provides additional flexibility for seasonal work and frees up existing FTE for higher level permit related maintenance. Increases seasonal positions for storm maintenance to 6.	1, 3, 4
Public Works	Seasonal Parks Maintenance Worker	Ongoing	General Fund	35,000	35,000	-	-	-	(35,000)	35,000	2nd quarter 2027	Add an additional seasonal position to assist with maintenance of new parks. Adds flexibility to have staffing during the growing season. Increases seasonal park positions to 3.	1, 3, 4
Public Safety	School Resource Officer FTE	Ongoing	Grant, General Fund	360,000	180,000	-	180,000	360,000	-	360,000	3rd quarter 2027	Partnership with RSD to provide an SRO. Position is pending receipt of grant funding to pay for vehicle and equipment and funding agreement with RSD for the ongoing cost.	1, 3, 4
2027 Personnel Requests				*$ 465,000*	*$ 285,000*	*$ -*	*$ 180,000*	*$ 360,000*	*$ (105,000)*	*$ 465,000*			

An additional parks maintenance position at RORC is requested later in a bundle request for RORC operations.

2027 Technology Requests

Department	Project	One-Time or Ongoing	Funding Source	Total 2027 Requested Appropriation	Funded from Ongoing Revenues	2026 One-Time Carry Forward	New 2027 One-Time Expense	Grant/Loan Funding/ Developer Contributions/New Revenue	Fund Balance Impact	Total Project Expense	Estimated Completion Date	Description	Council Goals Met
Technology Initiatives Above the Line													
Public Works	GIS	Ongoing	General Fund	40,000	40,000	-	-	-	(40,000)	40,000	2nd - 3rd quarter 2027	GIS professional service hours to assist with input of park, trail and street assets into GIS system.	1, 3, 4, 7
Admin/ Exec	AI Search Engine Software and Chatbot	Ongoing	General Fund	25,000	25,000	-	-	-	(25,000)	25,000	3rd - 3rd quarter 2027	Purchase new AI software with search capabilities and chat bot to create a more efficient search function for city documents.	1, 3, 4
Public Safety	Drone Purchase	One-Time	Grant	200,000	-	-	200,000	200,000	-	200,000	4th quarter 2027	Purchase of new drones for RPD program. Current drones approaching life expectancy and will not be supported. New purchase for US made drones. Grant contingent.	1,3,4
2027 Technology Initiatives				***$ 265,000***	***$ 65,000***	***$ -***	***$ 200,000***	***$ 200,000***	***$ (65,000)***	***$ 265,000***			
Technology Initiatives Below the Line													
Public Works	Placer AI Software Purchase	Ongoing	General Fund	25,000	25,000	-	-	-	(25,000)	25,000	2nd quarter 2027	Software to implement a performance measurement and service optimization program.	1, 3, 4, 6, 7
Admin	CAR Equipment Upgrade	One-Time	General Fund	42,000	-	-	42,000	-	(42,000)	42,000	4th quarter 2027	Technology upgrade for A/V system in the Columbia Assembly Room. Includes an upgrade to a two camera system.	1, 3,4,7
2027 Technology Initiatives Below the Line				***$ 67,000***	***$ 25,000***	***$ -***	***$ 42,000***	***$ -***	***$ (67,000)***	***$ 67,000***			

City staff periodically review all software and technology applications to review usage and continued need. Staff are currently in the process of reviewing software applications. Three software platforms have been discontinued going into next year for a total cost reduction of approximately $34,000 annually.

2027 Initiatives

City Operating, Facility, Fleet and Equipment Requests, Route Jurisdiction

Department	Project	One-Time or Ongoing	Funding Source	Total 2027 Requested Appropriation	Funded from Ongoing Revenues	2026 One-Time Carry Forward	New 2027 One-Time Expense	Grant/Loan Funding/ Developer Contributions/New Revenue	Fund Balance Impact	Total Project Expense	Estimated Completion Date	Description	Council Goals Met
Operating Initiatives													
Public Works	Clean Buildings Standard-Investment Grade Audit	One-Time	General Fund	25,500	-	-	25,500	-	(25,500)	25,500	4th quarter 2027	Second phase of a project to comply with the WA State Clean Building Standards. Develops a detailed engineering study to identify energy and maintenance savings at the Ops Center.	1, 3,4, 6
2027 Operating Initiatives				***$ 25,500***	***$ -***	***$ -***	***$ 25,500***	***$ -***	***$ (25,500)***	***$ 25,500***			
City Facility Initiatives													
Public Works	PW Ops Yard Wash Rack Retrofit Design	One-Time	General Fund, Water Fund, Storm Fund, Grant	232,100	-	-	232,100	197,285	(34,815)	268,000	4th quarter 2027	Design of a retrofit for the PW Ops wash rack. Replaces current failed system and meets both stormwater and clean building standards. Grant contingent.	1, 3, 4, 6
2027 City Facility Initiative Requests				***$ 232,100***	***$ -***	***$ -***	***$ 232,100***	***$ 197,285***	***$ (34,815)***	***$ 268,000***			
Fleet and Equipment Initiatives													
Public Works	Replace 2006 Ford F-350	One-Time	ERF	95,700	-	-	95,700	-	(95,700)	95,700	4th quarter 2027	Replacement of a 2006 Ford F-350 per model. Vehicle has begun to have increased maintenance costs and is at 100k miles.	1, 3, 4
2027 Vehicle and Equipment Initiatives				***$ 95,700***	***$ -***	***$ -***	***$ 95,700***	***$ -***	***$ (95,700)***	***$ 95,700***			
Street and Multi Modal Capital Projects													
Public Works	Lighting Replacement for Route Jurisdiction Transfer	One-Time	General Fund	90,000	-	-	90,000	-	(90,000)	90,000	2nd quarter 2027	The Route Jurisdiction transfer of Pioneer Street included a requirement to reroute street lights on the east and west side of the overpass to city systems and accounts. The project was previously postponed due to funding and discussions with WSDOT.	1, 3, 4
2027 Street and Multi Modal Capital Projects				***$ 90,000***	***$ -***	***$ -***	***$ 90,000***	***$ -***	***$ (90,000)***	***$ 90,000***			

2027 Capital Projects
Impact Fee Credits

Impact Fee and System Development Charge Balances 8/31/2026			
	PIF	TIF	WSDC
Current Balance	$ 5,588,800	$ 11,658,742	$ 214,878
Outstanding Issuance	$ 4,128,200	$ 4,886,061	$ 42,025
Total Credits	**$ 9,717,000**	**$ 16,544,803**	**$ 256,903**

Additional TIF, PIF and SDC to be determined

Expiration Date	PIF	TIF	WSDC
2029	$ -	$ 4,993	$ 89,633
2030	$ -	$ 1,759,909	$ 52,998
2031	$ 23,164	$ 672,689	$ 11,589
2032	$ -	$ -	$ -
2033	$ 569,597	$ 3,001	$ -
2034	$ -	$ 4,725,839	$ 18,633
2035	$ 492,875	$ 668,158	$ -
2036	$ 4,503,164	$ 3,824,153	$ 42,025
Total	**$ 5,588,800**	**$ 11,658,742**	**$ 214,878**

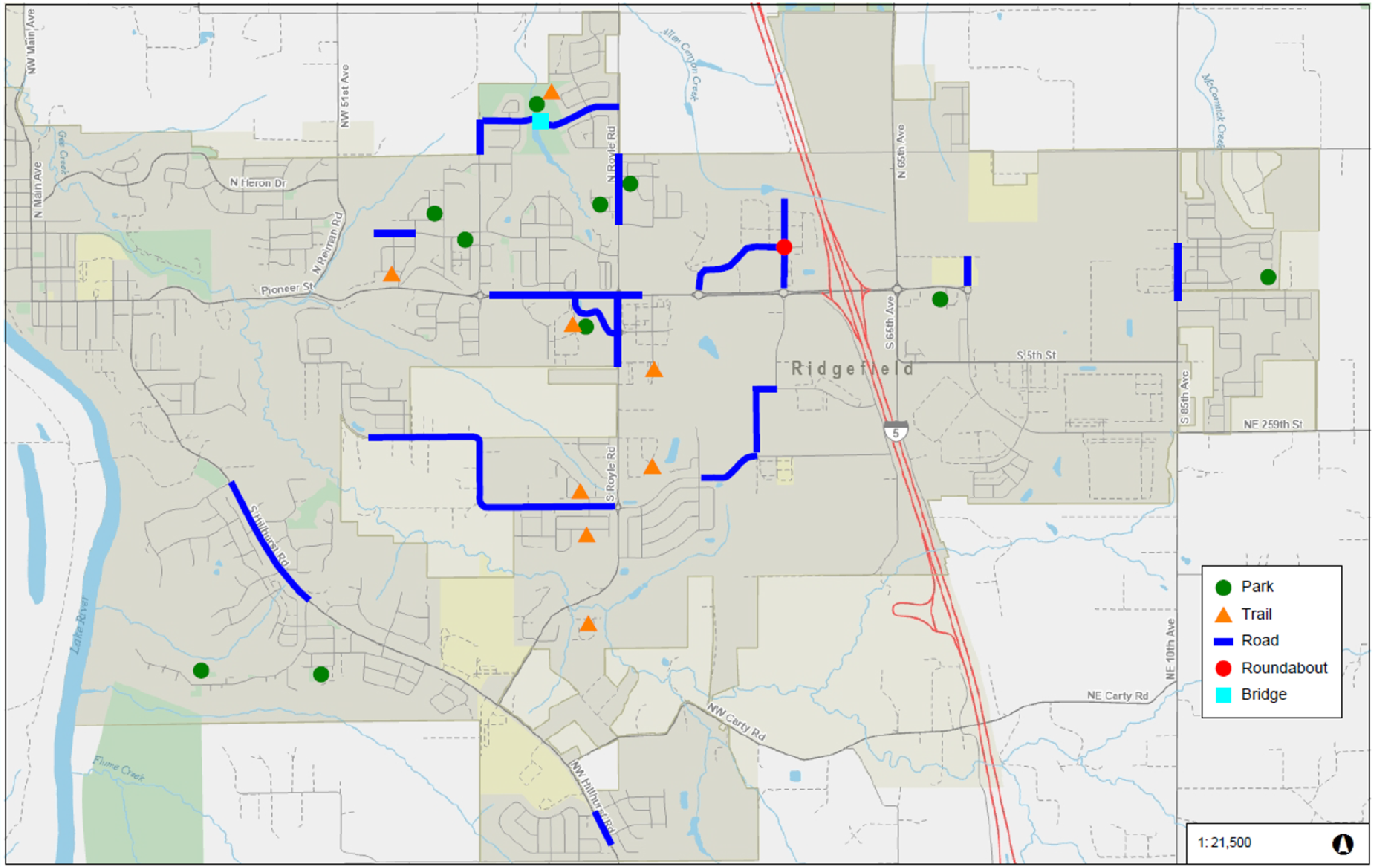
Infrastructure built using credits

- 5.8 miles of new roads
- 1 new roundabout
- 1 new bridge
- 3.1 miles of trail
- 75 acres of parkland
- 1,681 linear feet of 12” water line

Under construction

- 2.5 acre park in Sanderling subdivision
- New collector road and 12” water lines in Sanderling Park
- Pedestrian bridge and trails in Royle Ridge
- Trails in Legacy Trails III
- Additional park acreage for the Ridgefield Community and Recreation Center

2027 Capital Projects
Impact Fee Credit Example of Projects



Examples:
- Horns Corner Park
- Paradise Point Park and Road
- Greely Farms Park
- Pioneer Street
- Settler Drive
- Seven Wells Drive
- Royle Road
- S Hillhurst Road
- Ridgefield Crossing
- Teal Crest
- DiMelo Park
- Trail T-4 Cloverhill
- Trail T-11 Cloverhill
- Trail T-14 Legacy Trails
- Trail T-24 Kemper Grove
- Hillhurst Heights

2027 Capital Projects
TBD and Hall & Elm Capital Projects

Department	Project	One-Time or Ongoing	Funding Source	Total 2027 Requested Appropriation	Funded from Ongoing Revenues	2026 One-Time Carry Forward	New 2027 One-Time Expense	Grant/Loan Funding/ Developer Contributions/New Revenue	Fund Balance Impact	Total Project Expense	Estimated Completion Date	Description	Council Goals Met
Transportation Benefit District (TBD) Capital Projects													
Public Works	Pavement Preservation	Ongoing	TBD	627,000	-	627,000			(627,000)	627,000	4th quarter 2027	Ongoing pavement preservation program. The 2027 plan includes Sargent St and Union Ridge projects below. Total ongoing budget $1 million.	1, 3, 4
Public Works	Sargent Street to Main	One-Time	TBD	195,000	-	195,000	-	-	(195,000)	195,000	1st quarter 2027	Road and parking improvements on Sargent St and Main Ave.	1, 3, 4
Public Works	Union Ridge Parkway Rehab Design	One-Time	TBD	178,000	-	178,000	-	-	(178,000)	5,800,000	TBD?	Initial design expense for Union Ridge Parkway rehabilitation project including adding road the Freight Corridor for federal funding opportunity.	1, 3, 4
Public Works	Sidewalk Preservation	Ongoing	TBD	100,000	-	100,000	-	-	(100,000)	100,000	4th quarter 2027	Ongoing sidewalk replacement/preservation program.	1, 3, 4
Public Works	Downtown Sidewalk Replacement	One-Time	TBD	100,000	-	-	100,000	-	(100,000)	100,000	3rd quarter 2027	Complete downtown sidewalk repairs.	1, 3, 4
Public Works	Hall & Elm Road Improvements	One-Time	TBD	667,530	-	211,020	456,510	-	(667,530)	1,000,000	4th quarter 2027	Construction of improvements to Hall and Elm including storm, water and road improvements. Storm and water improvement budget included in carry forward section.	1,2, 3, 4
2027 TBD Capital Projects				***$ 1,867,530***	***$ -***	***$ 1,311,020***	***$ 556,510***	***$ -***	***$ (1,867,530)***	***$ 7,822,000***			
Hall & Elm Water and Storm Improvements													
Public Works	Hall & Elm Storm Improvements	One-Time	CDBG Grant	232,470	-	232,470	-	232,470	-	1,000,000	4th quarter 2027	Construction of improvements to Hall and Elm including storm, water and road improvements. Grant funding for storm project. Road improvements included in TBD section.	1,2, 3, 4
Public Works	Hall & Elm Improvements Water Line	One-Time	WSDC	200,000	-	200,000	-	-	(200,000)	200,000	4th quarter 2027	Construction of improvements to Hall and Elm including storm, water and road improvements.	1, 2, 3, 4
2027 Hall & Elm Water and Storm				***$ 432,470***	***$ -***	***$ 432,470***	***$ -***	***$ 232,470***	***$ (200,000)***	***$ 1,200,000***			

2027 Capital Projects
Parks and Trails Capital Projects

Department	Project	One-Time or Ongoing	Funding Source	Total 2027 Requested Appropriation	Funded from Ongoing Revenues	2026 One-Time Carry Forward	New 2027 One-Time Expense	Grant/Loan Funding/ Developer Contributions/New Revenue	Fund Balance Impact	Total Project Expense	Estimated Completion Date	Description	Council Goals Met
Park and Trail Capital Projects													
Public Works	Abrams Park Renovation Project	One-Time	RCO Grant, General Fund	507,700	-	-	507,700	149,450	(358,250)	1,300,000	4th quarter 2028	Phase 1 of the Abrams Park Renovation project. Full project cost over two year project period is $1.3 million.	1, 2, 3, 4, 5, 6
Public Works	Park & Trail Signage Modernization - Ph 1 Community Parks	One-Time	General Fund	84,000	-	-	84,000	84,000	-	84,000	4th quarter 2027	Implementation of City parks and trail graphic standards and phase 1 installation of signs in Community Parks and Trails. Contingent on new revenue source.	1, 3, 4, 5, 6, 7
Public Works	Horns Corner Inclusive-Design Playground	One-Time	RCO Grant, Inkind Equipment Donation, General Fund	115,000	-	-	115,000	52,560	(62,440)	1,075,000	4th quarter 2028	Design and construction for the Horns Corner inclusive design playground. Contingent on an RCO grant for $500k. Includes $200k in in-kind grant funding from PlayCore toward the playground structure as a national demo site for inclusive playgrounds. Total project cost $1,075,000.	1, 3, 4, 6
Public Works	REC Pre-Opening Services	One-Time	General Fund, Donations	1,700,000	-	-	1,700,000	1,300,000	(400,000)	2,100,000	4th quarter 2027	Funding for pre-opening services and mobilization for selected operator. Includes planning and purchase of furniture, fixtures, and equipment (FF&E) for RCRC. FF&E expense budget is new revenue contingent.	1, 3, 4, 6, 7
2027 Park and Trail Capital Projects				***$ 2,406,700***	***$ -***	***$ -***	***$ 2,406,700***	***$ 1,586,010***	***$ (820,690)***	***$ 4,559,000***			

2027 Capital Projects
RORC Transition Requests

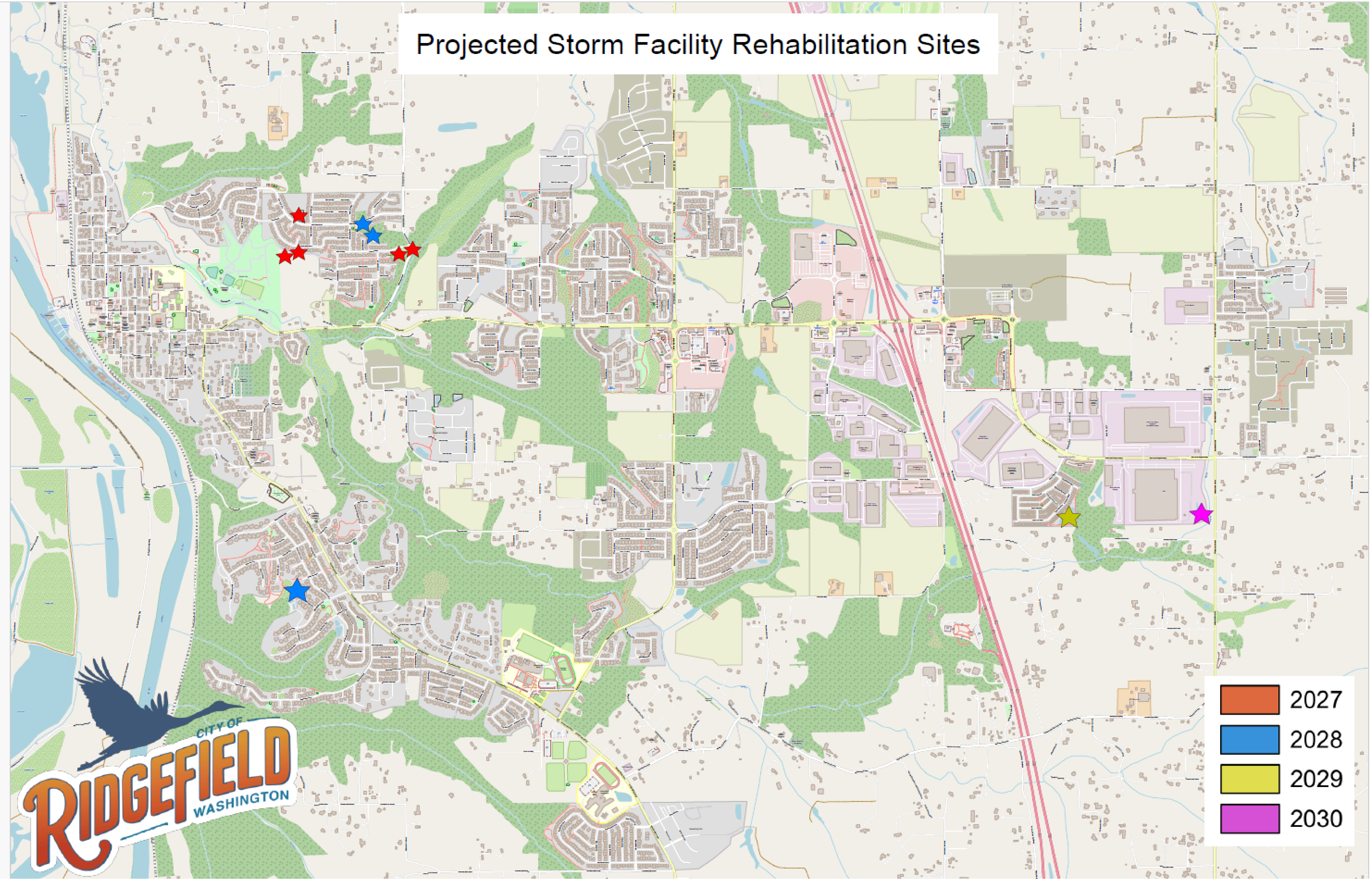
Department	Project	One-Time or Ongoing	Funding Source	Total 2027 Requested Appropriation	Funded from Ongoing Revenues	2026 One-Time Carry Forward	New 2027 One-Time Expense	Grant/Loan Funding/ Developer Contributions/New Revenue	Fund Balance Impact	Total Project Expense	Estimated Completion Date	Description	Council Goals Met
RORC Transition													
Public Works	RORC Operations Transition - Personnel	Ongoing	General Fund	160,000	105,000	-	55,000	160,000	-	160,000	1st quarter 2027	Funding for initial operations transition for RORC. Includes 1 parks maintenance worker FTE and vehicle/equipment.	1, 3, 4, 6
Public Works	RORC Operations Transition - O&M	Ongoing	General Fund	(75,000)	(75,000)	-	-	-	75,000	(75,000)	1st quarter 2027	Reduction in current ongoing operating fund expense for RORC shared costs with RSD. If RORC transitions to the city this would be replaced with the full ongoing maintenance expense below.	1, 3, 4, 6
Public Works	RORC Operations Transition - O&M	Ongoing	General Fund	140,000	115,000	-	25,000	80,000	(60,000)	140,000	1st quarter 2027	Funding for initial operations transition for RORC. Ongoing O&M expense based on past two years average expense at RORC. Revenue includes historical average rental income, priority user income and additional field rentals due to transition.	1, 3, 4, 6
2027 RORC Transition				***$ 225,000***	***$ 145,000***	***$ -***	***$ 80,000***	***$ 240,000***	***$ 15,000***	***$ 225,000***			

The Ridgefield School District has approached the city with a request to transition ownership and operations of RORC to the city. Revenue projections for priority user fees and field rentals would provide full cost recovery.

2027 Capital Projects
Utility Funds

Department	Project	One-Time or Ongoing	Funding Source	Total 2027 Requested Appropriation	Funded from Ongoing Revenues	2026 One-Time Carry Forward	New 2027 One-Time Expense	Grant/Loan Funding/ Developer Contributions/New Revenue	Fund Balance Impact	Total Project Expense	Estimated Completion Date	Description	Council Goals Met
Water Capital Projects													
Public Works	Refuge Park Test Well	One-Time	WSDC	1,725,000	-	-	1,725,000	-	(1,725,000)	1,725,000	4th quarter 2028	Design and construction of a test water well at the Refuge Park site.	1, 3, 4
2027 Water Capital Projects				***$ 1,725,000***	***$ -***	***$ -***	***$ 1,725,000***	***$ -***	***$ (1,725,000)***	***$ 1,725,000***			
Storm Water Capital Projects													
Public Works	S. 13th Circle Stormwater Design	One-Time	Ecology Grant, Stormwater Fund	270,000	-	-	270,000	228,000	(42,000)	270,000	4th quarter 2027	Design for repairs at an existing stormwater facility that has failed and is causing drainage issues. The city has been awarded a grant for the majority of the design work.	1, 3, 4, 6
Public Works	Annual Stormwater Facility Rehabilitation	Ongoing	Stormwater Fund	75,000	75,000	-	-	-	(75,000)	75,000	Ongoing	Ongoing plan to complete annual rehabilitation of existing stormwater facilities. Proactive approach to complete maintenance and avoid full reconstruction of facilities.	1, 3, 4, 6
2026 Storm Water Capital Projects				***$ 345,000***	***$ 75,000***	***$ -***	***$ 270,000***	***$ 228,000***	***$ (117,000)***	***$ 345,000***			
Total 2026 Initiatives and Capital Project Requests				***$ 67,720,800***	***$ 570,000***	***$ 51,800,190***	***$ 15,350,610***	***$ 56,504,665***	***$ (11,216,135)***	***$ 93,330,200***			

2027 Capital Projects
Stormwater Rehabilitation Projects



2027 Initiatives
Summary by Category

Summary of Personnel, Initiatives and Capital Projects for Consideration					
	Total 2027 Requested Appropriation	2027 Ongoing Requests	2026 Carry Forward	New 2027 One-Time Expense	Grant/Debt Funding
Carry Forward	*$ 52,580,800*	*$ -*	*$ 49,441,700*	*$ 3,139,100*	*$ 49,420,900*
Royle Rd Carry Forward	*$ 6,965,000*	*$ -*	*$ 615,000*	*$ 6,350,000*	*$ 4,040,000*
Personnel Initiatives	*465,000*	*285,000*	*-*	*180,000*	*360,000*
Technology Initiatives	*265,000*	*65,000*	*-*	*200,000*	*200,000*
Operating Initiatives	*25,500*	*-*	*-*	*25,500*	*-*
City Facility Initiatives	*232,100*	*-*	*-*	*232,100*	*197,285*
Vehicle and Equipment	*95,700*	*-*	*-*	*95,700*	*-*
Street and Multi Modal	*90,000*	*-*	*-*	*90,000*	*-*
TBD Projects	*1,867,530*		*1,311,020*	*556,510*	
Hall & Elm Carry Forward	*432,470*	*-*	*432,470*	*-*	*232,470*
Parks and Trails Projects	*2,406,700*	*-*	*-*	*2,406,700*	*1,586,010*
RORC Transition	*225,000*	*145,000*	*-*	*80,000*	*240,000*
Water Projects	*1,725,000*	*-*	*-*	*1,725,000*	*-*
Storm Water Projects	*345,000*	*75,000*	*-*	*270,000*	*228,000*
Requests	*$ 67,720,800*	*$ 570,000*	*$ 51,800,190*	*$ 15,350,610*	*$ 56,504,665*
	Total Ongoing	*$ 570,000*		*Total One-Time*	*$ 67,150,800*

2027 Proposed Budget
Submitted Initiatives – Fund Balance Impact

Fund Impact - Initiatives and Capital Projects												
Fund	**Total Beginning Fund Balance Including Reserves**	**2026 Available Fund Balance**	**2026 Carry Forward Projects**	**Carry Forward Fund Impact**	**2027 Available Fund Balance**	**2027 New Revenue**	**2027 Grant/Loan Funding**	**2027 Ongoing Projects**	**2027 One-Time Projects**	**New Initiative Fund Impact**	**12/2027 Total Fund Balance Including Reserves**	**12/2027 Available Fund Balance**
Operating Funds												
General Fund	$ 5,464,520	$ 1,150,270	$ 927,800	$ (927,800)	$ 222,470	$ 420,000	$ 2,364,000	$ 425,000	$ 2,890,198	$ (531,198)	$ 4,005,523	$ (308,728)
Street Fund	$ 31,112	$ 31,112	$ -	$ -	$ 31,112	$ -	$ -	$ -	$ -	$ -	$ 31,112	$ 31,112
Building & Permitting	$ (569,659)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (569,659)	$ -
Water Operating Fund	$ 3,853,932	$ 1,699,891	$ 111,500	$ (111,500)	$ 1,588,391	$ -	$ -	$ -	$ 8,704	$ (8,704)	$ 3,733,728	$ 1,579,687
Storm Water Operating Fund	$ 835,021	$ -	$ -	$ -	$ -	$ -	$ -	$ 145,000	$ 50,704	$ (195,704)	$ 639,317	$ -
Capital Project Funds												
Real Estate Excise Tax (REET)	$ 978,761	$ 978,761	$ -	$ -	$ 978,761	$ -	$ -	$ -	$ -	$ -	$ 978,761	$ 978,761
Park Impact Fee (PIF)	$ 159,350	$ 159,350	$ -	$ -	$ 159,350	$ -	$ -	$ -	$ -	$ -	$ 159,350	$ 159,350
Transportation Impact Fee (TIF)	$ 2,004,951	$ 2,004,951	$ -	$ -	$ 2,004,951	$ -	$ -	$ -	$ 2,350,000	$ (2,350,000)	$ (345,049)	$ (345,049)
Water System Development Charges (WSDC)	$ 10,296,905	$ 10,296,905	$ 1,655,000	$ (1,655,000)	$ 8,641,905	$ -	$ -	$ -	$ 3,473,000	$ (3,473,000)	$ 5,168,905	$ 5,168,905
Capital Projects (Grant/Loan/New Revenue)	$ -	$ -	$ 47,794,870	$ -	$ -	$ -	$ -	$ -	$ 5,925,795	$ -	$ -	$ -
Special Revenue Funds												
Drug Fund	$ 11,167	$ 11,167	$ -	$ -	$ 11,167				$ -	$ -	$ 11,167	$ 11,167
Affordable Housing	$ 86,428	$ 86,428	$ -	$ -	$ 86,428				$ -	$ -	$ 86,428	$ 86,428
Transportation Benefit District	$ 2,783,652	$ 2,783,652	$ 1,311,020	$ (1,311,020)	$ 1,472,632				$ 556,510	$ (556,510)	$ 916,122	$ 916,122
Capital Funds												
Equipment Replacement Funds	$ 814,162	$ 814,162	$ -	$ -	$ 814,162				$ 95,700	$ (95,700)		$ 718,462
Total Fund Impact		$ 20,016,649	$ 51,800,190	$ (4,005,320)	$ 16,011,329	$ 420,000	$ 2,364,000	$ 570,000	$ 15,350,610	$ (7,210,815)		$ 8,965,106
Total Funding Sources		$ 20,016,649	$ 51,800,190	$ (4,005,320)					$ 15,350,610	$ (7,210,815)		

2027 Proposed Operating and Capital Budget
Next Steps

- October
  - Budget Advisory Committee meeting 10/6 3:30 PM
  - Updated revenue forecast
  - Proposed budget and budget message
  - Council study session 10/17 4:00 PM
- November
  - Final draft of proposed budget available to public
  - Conduct public hearing on revenue sources 11/5 6:30 PM
  - Property tax levy and utility rates 1st reading 11/5 6:30 PM
  - Property tax levy and utility rates 2nd reading 11/19 6:30 PM
  - Conduct public hearing and 1st reading on budget 11/19 6:30 PM
- December
  - Conduct public hearing and 2nd reading on budget 12/3 6:30 PM
  - Adopt 2027 Operating and Capital Budget
  - Transmit 2027 adopted budget to MRSC and State Auditor


THANK YOU