



City of Tumwater, Washington

2013-2014 Biennial Budget

For the period January 1, 2013 thru December 31, 2014



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Mayor's Message

Dear Tumwater Citizens:

I am pleased to present you with the adopted City of Tumwater budget for the 2013-2014 biennium. The budget represents one of the most significant statements of policy the City can make, using the allocation of scarce resources to set the direction and focus on priorities for Tumwater. This letter highlights the challenges associated with budgeting, the tools we have available to provide services, and the major programs or initiatives that will be a part of our future. The budget represents a significant amount of work on the part of the public, the City Council and staff. I'm appreciative of the collaborative, creative and committed approach everyone took in helping to formulate a successful budget for the next two years.



Mayor Pete Kmet

This economic slowdown has gone on for a long time and recovery is slow. Just as the entire nation has struggled with the past five years of recession, Tumwater has struggled to maintain our core services to retain our quality community while also working to reposition for a prosperous future. During this time, we have constantly explored and implemented strategies to work smarter. Sometimes those have been efficiencies in how we do our work, and in other cases, partnerships have been created to help ensure we can provide better services at a reasonable cost to the taxpayers.

We have reduced staffing in many departments through attrition and reassignment. We have increased fees to ensure they reflect the actual cost of doing business, extended the life of equipment and approached every expenditure judiciously. But that doesn't mean we cannot make new expenditures. We can no longer ignore the needs of our parks and facilities for maintenance, our roads for improvements, training for employees, and deferred replacement of equipment.

In this budget, we take advantage of the efficiencies and savings by our departments, and a modest increase in revenue from new construction and increased retail sales tax. These savings and revenues are being directed primarily toward maintenance of facilities, and replacing worn equipment so we can preserve our investments and sustain the city's capacity to provide services in the future.

The process of creating the biennial budget began in early 2012 with the development of the 5-year Financial Plan which was presented at the City Council's goal-setting retreat in April. At that retreat, the Council also reviewed the input they have received individually from discussions with citizens and businesses, from community surveys and events like Community Day. They reviewed the City's Strategic Priorities and made some minor changes to the accompanying goals. Those updated Priorities and goals were used by department directors in formulating a Mayor's Proposed Budget that was submitted to the City Council. They conducted a public hearing and adopted the budget on December 4, 2012.

Challenges Facing Tumwater

The primary challenge for Tumwater is the collision of rising costs, public expectations, and limitations on raising new revenue. This "new normal" results in revenues that do not grow at the rate expenses grow and the need for us to "do more with less." Due to the slow economic recovery, we are now looking at "doing less with less" unless we can find other ways to balance these competing pressures. This will continue to be an important challenge in the years ahead. The origins of these challenges are described below.

Property Tax Caps

The 2011 voter-approved levy lid lift allows the City to increase the overall property tax rate by the rate of inflation for 5 years. However, because of declining property values, the City has reached the \$3.10/\$1,000 limit on property taxes in state law. This means that the City will be unable to adjust property taxes for inflation until the overall assessed valuation increases. Although the levy lid lift commitments are funded through 2013, continued decline in valuation could impact levy lid lift commitments in the future. This will require close monitoring.

Overall Economy

There are signs of an up-tick in economic indicators at a national level which could be pointing to an economic recovery. Uncertainty about federal debt, economic conditions overseas, and the credit crunch continue point to a recovery that is slow. Just as the State of Washington was slower to enter the recession, history says we will be slower to leave the recession. Given the powerful role that State government plays in the Tumwater economy, recovery will be slower and will likely extend beyond this biennium. Economic slowness negatively impacts B & O tax, sales tax, property taxes, and permit revenue; which compose about 62% of the General Fund revenue stream.

Employee Costs

Employee costs (salary and healthcare) are about 71% of the City's operating costs. Collective bargaining agreements and the need to offer a competitive compensation package to attract quality employees increases personnel costs. Healthcare continues to increase an average of ten percent per year over the past 5 years. The Patient Protection and Affordable Care Act has the potential to significantly increase the cost of part-time and temporary employees, which will require some adjustment in our staffing practices.

Federal Funding and Shared Revenue

Cities have historically been relied on by the state and federal governments to provide direct services to constituents through grants for major transportation projects, trails, public safety programs, and human services. As the state and federal budgets have shrunk, so too have the opportunities for these grants. State shared revenues such as liquor and gas taxes have been nearly eliminated. State-wide services, like the law enforcement academy for new police officers, once available at little or no cost, now requires the city to pay for a share of training expenses. Major grants for significant capital projects like transportation, community facilities, and historic preservation have declined dramatically.

Deferred Maintenance

Throughout the City, we have deferred maintenance of many of our public buildings, streets and parks. Most City buildings are over 25 years old and need major upgrades. For example, heating and cooling systems are antiquated and operate inefficiently with technology from the mid-1980s. Streets need sealing and treatment of cracks to prevent them from opening and causing the need for even more expensive repairs. Trees and landscaping grow regardless of the recession and need proper care before their over-growth becomes impossible to correct.

The City has a limited number of revenue tools to match needs for services— we call this our **Financial Toolbox**. Each of the four tools in the City's Financial Toolbox is discussed below, including their application to the adopted budget.

1. Taxes, Fees and Charges

We are fortunate that Tumwater's citizens supported a levy lid lift to fund public safety improvements in staffing, equipment, and facilities. During the coming biennium the City will examine the viability of Transportation Benefit District to fund neglected street maintenance and preservation. There are also proposed 5% increases in the water and storm drainage utility rates in 2013 and 2014, and a 5% increase in the sewer rate in 2014. These increases are needed to pay for annual operations cost increases such as increases in the cost of labor, energy and materials. These increases are also needed for the maintenance and repair of our aging infrastructure, to reduce the risk for emergency repairs like fixing the Linderson Way water main break in 2011. While periodic adjustments like these are necessary, we will continue to review these fees to ensure they fairly reflect the costs of services and remain comparable with other jurisdictions.

2. Change to Service Levels

We are constantly reviewing the services we provide to see if they can be reduced and still meet the expectations of our customers. This year we had the rare opportunity to increase the public safety levels of service, through the hiring of additional police officers and fire fighters, which was funded with the levy lid lift proceeds. In contrast, over the last several years we have reduced expenditures, and thus the level of service on parks, street and facility maintenance, and eliminated recreation activities.

3. Increased customers

One way to increase revenues is to increase the tax base through economic development. In Tumwater, we have focused our economic development efforts on facilitating redevelopment of the Brewery Properties and by creating a revitalization plan for Capitol Boulevard. These efforts include partnerships with the Thurston Economic Development Council and Thurston Regional Planning Council and are intended to accomplish the goals of bringing greater private investment to Tumwater in ways that complement the long-range vision of the community.

4. Efficiency

Major efficiency measures have been in the works for years in Tumwater. In 2011, the City completed the 10-year effort to install radio-read meters, reducing the monthly reading time from 10 days to 1 day. We implemented an on-line employment application system that reduced paper costs, saved staff time, and made employment with the City more accessible. In the coming biennium, major efficiency measures include completion of on-line bill payment, an improved website, technology upgrades, and contracting for court services with Thurston County.

Highlights

The overall biennial budget as adopted by the City Council is \$123,303,302 in 19 different funds. The budget anticipates a combined beginning fund balance for all funds of \$26,423,215 and finishing with an ending fund balances of \$22,395,212. This drop in the fund balances is the result of several major capital projects and one-time expenditures in the areas of planning and maintenance. Regardless, the City will be funding the Emergency Fund that was created in 2012 with the goal of bringing that Fund to the desired

balance by 2017. There are hundreds of goals and projects for the City to pursue in the coming biennium. Listed below are a few highlights of the overall budget.

- **Renewed Maintenance** – Improvements to the City Hall facility, parks play equipment, Old Town Center, fire station T-2, and the Library will occur. The City will also be rehiring one staff position each for parks and street maintenance and converting a temporary facilities position to full-time in order to improve maintenance. We are also planning to increase the hours of our contract tree professional to help us catch up on street tree maintenance. Two small but visually-significant maintenance projects will be the repainting of the iconic totems and light standards on the Capitol Bridge, and the replanting of trees in Capital Boulevard that were damaged by the ice storm in January 2012.
- **Public Safety** – The levy lid lift will increase police staffing by an additional officer, after adding two officers in 2012. We will also proceed with the planned expansion of the police department at City Hall to improve service and safety. The fire inspection program the Council authorized last biennium is expected to improve fire safety in our community. We will continue to promote organizational and community preparedness for emergencies. And the Police Department will pursue accreditation, a school resource officer program, volunteer programs, and a citizens' academy.
- **Planning for the Future** – Our efforts to plan for new and vibrant futures for the brewery, the Brewery Neighborhood, and Capitol Boulevard continue into this biennium. We will also be examining the potential for a future annexation of an area southeast of the City that is already served by many City departments. The update of design guidelines for new development will also continue.
- **Engaging the Community** – Every strong community has active and engaged citizens. The City is committed to engage citizens in making positive change in the community. This budget includes a part-time volunteer coordinator who would work with all departments in leveraging community assets to make Tumwater better. This might save us money, but most importantly, a vibrant volunteer program will make a stronger community. We will also introduce a Neighborhood Matching Grant Program which will make small grants available to community groups and organizations to help fund civic improvements. In addition, we are proposing to increase the mailed newsletters to two per year.
- **Improved Transportation** – An improved transportation system is one of the City Council's Strategic Priorities. In addition to concluding the work on planning for Capitol Blvd., we will be doing resurfacing work on Henderson and Tumwater Boulevards, planning for resurfacing on Capitol Boulevard, and working on designs to improve the intersection of Capitol Blvd. and Trospen Road. Sidewalk and traffic calming will continue to be a priority. Design and permit acquisition for the Deschutes Valley Trail along the Golf Course will be on-going. Planning for the Brewery Neighborhood will take an in-depth look at the transportation system in this area to look for ways to provide better access to and within that part of the City.
- **Utility Improvements** – Mandates on the City to address water and environmental quality, along with the need for maintenance and repairs to prepare the City's utilities for growth will result in numerous utility funded projects. Some of these will be funded by low cost state loans and grants, should the legislature make funds available.

- o The Water Utility will continue to pursue and perfect water rights including cooperative development of the Brewery water rights along with Olympia and Lacey. A major water line project is planned for Linwood, Rural and Sapp Roads to alleviate water pressure issues in neighborhoods in this area and provide for more efficient delivery of water. There will also be an extension of a water line along 93rd, upgrades to the telemetry system, and improvements to the Palermo wellfield.
- o The Sanitary Sewer Utility will be updating the Sewer Plan in order to ensure we can meet future needs. There will also be a significant sewer rehabilitation project.
- o The Storm Drainage Utility has benefited from both grants and loans. The utility will be designing and beginning construction of treatment systems for three storm outfalls that discharge into the Deschutes River and one outfall that discharges to Percival Creek. Culvert upgrades are planned at 66th Avenue and Belmore Road if funding is available.

This is an ambitious budget and commits the community, staff and the City Council to significant efforts during the coming two years. Although times have been difficult, I believe we've made wise and careful decisions that should put Tumwater in a better position to take advantage of opportunities in the future. I'd like to thank the City Council for their support of this budget and look forward to working hard over the next two years to make good things happen.

As always, if you have any questions about this budget or City facilities or operations, feel free to contact my office at (360) 754-4120 or pkmet@ci.tumwater.wa.us.

Sincerely,

A handwritten signature in black ink that reads "Pete Kmet". The signature is written in a cursive, slightly slanted style.

Pete Kmet
Mayor

City Officials

MAYOR

Pete Kmet

4 yr. term expiring 12/31/13

COUNCILMEMBERS

Position 1

Nicole Hill

4 yr. term expiring on 12/31/15

Position 2

Tom Olivia

4 yr. term expiring on 12/31/15

Position 3

Joan Cathey

4 yr. term expiring on 12/31/15

Position 4

Betsy Murphy

4 yr. term expiring on 12/31/13

Position 5

Ed Hildreth

4 yr. term expiring on 12/31/13

Position 6

Judith Hoefling

4 yr. term expiring on 12/31/13

Position 7

Neil McClanahan, Mayor Pro Tem

4 yr. term expiring on 12/31/15

MANAGEMENT TEAM

City Administrator

John Doan

City Attorney

Karen Kirkpatrick

Community Development Director

Mike Matlock

Finance Director

Jim Hendrickson

Fire Chief

John Carpenter

Administrative Services Director

Eric Trimble

Parks & Recreation Director

Chuck Denney

Police Chief

John Stines

Public Works Director

Jay Eaton

OTHER OFFICIALS

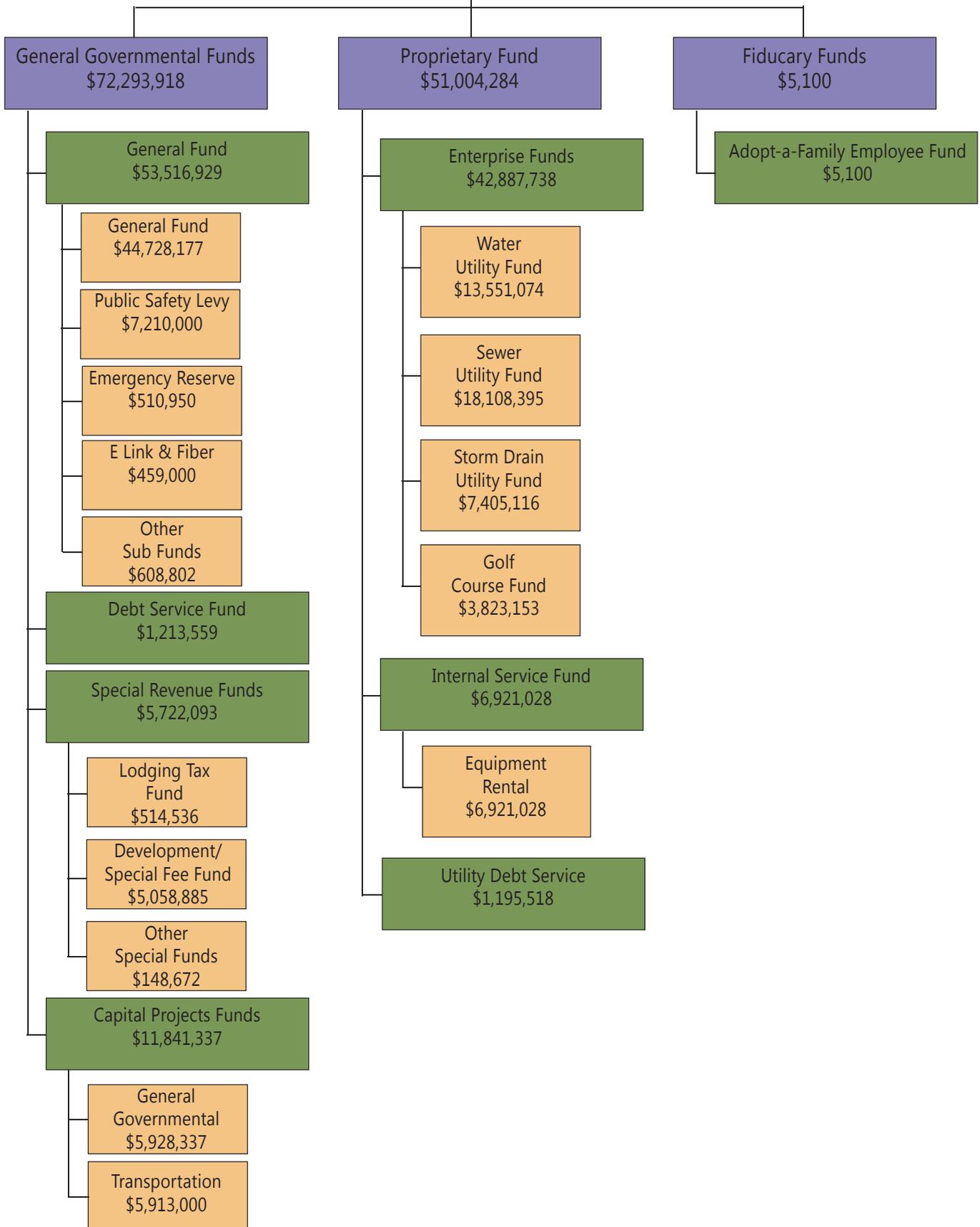
Municipal Judge

J.V. Lyman

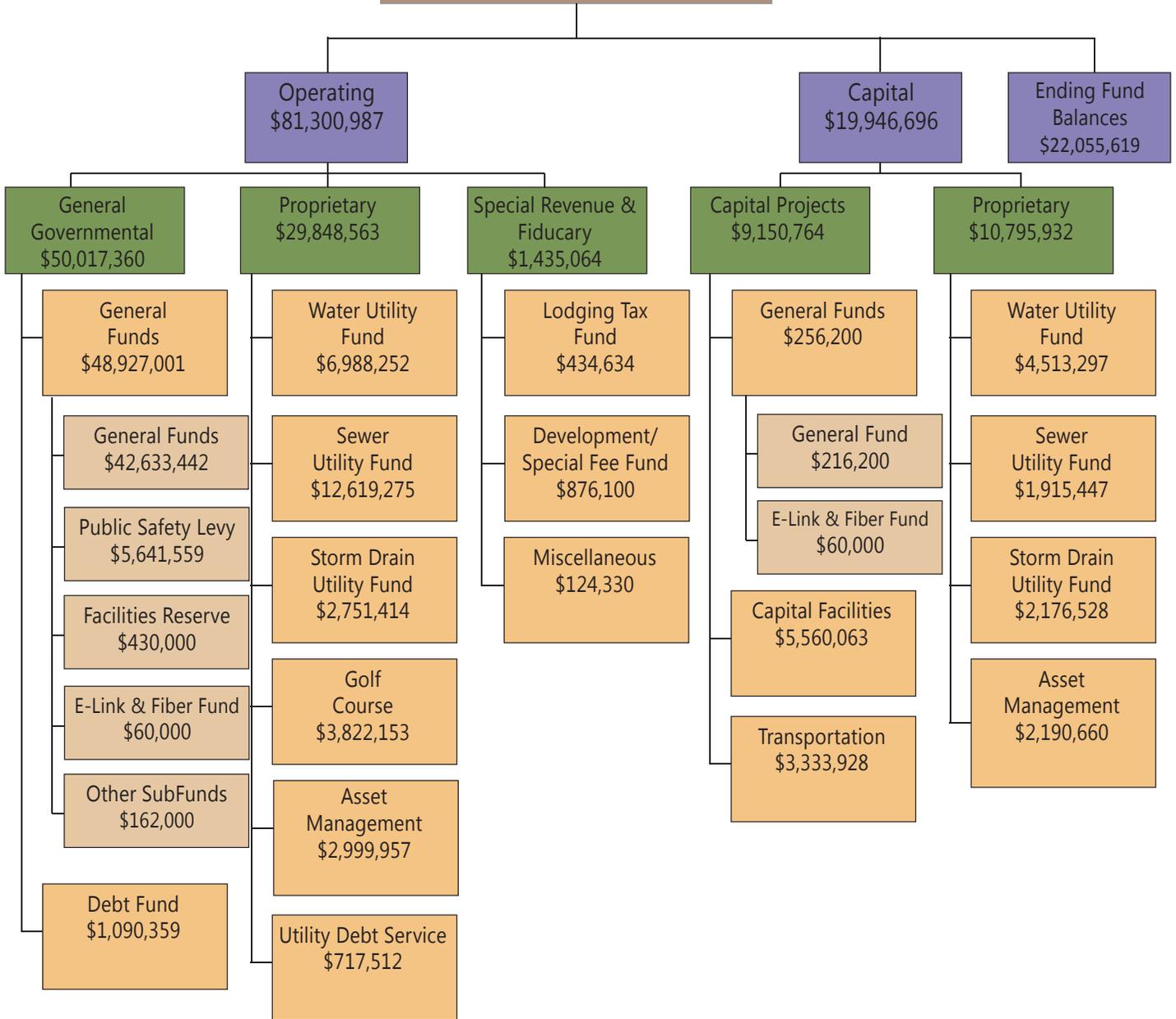
Hearing Examiner

Kimberly Allen

**2013-2014 Biennial Budget
\$123,303,302**



**2013-2014 Comprehensive Budget
\$123,303,302**



CITY OF TUMWATER

General Fund Budget Review

For the Biennium 2013-2014 With Comparison to Total of 2011-2012

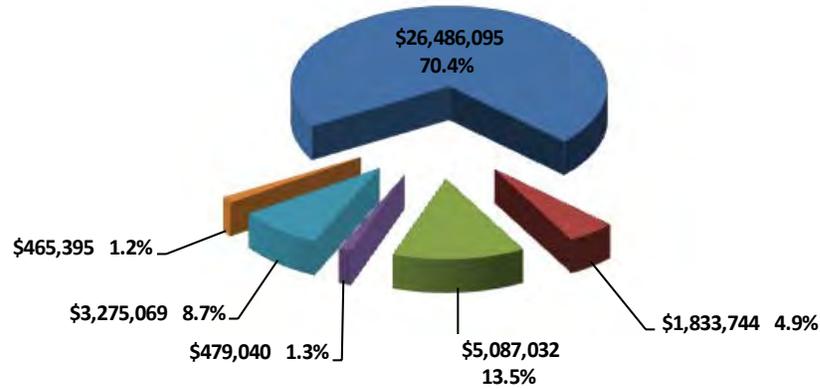
	2011-2012 Actual	2013-2014 Budget	\$ Change 2011-2012 Actual Totals to 2013-2014 Budget	% Change 2011-2012 Actual Totals to 2013-2014 Budget
BEGINNING FUND BALANCE	\$ 2,976,752	\$ 5,375,268	\$ 2,398,516	80.57%
REVENUES				
Property Tax	\$ 9,891,696	\$ 10,568,002	\$ 676,306	6.84%
Property Tax (Transfer In)	362,402	1,528,000	1,165,598	321.63%
Sales Tax	7,863,955	8,231,500	367,545	4.67%
Utility Tax	4,121,349	4,500,649	379,300	9.20%
Business & Occupation Tax	3,339,974	3,035,000	(304,974)	-9.13%
Other Taxes	671,326	680,700	9,374	1.40%
Interfund Charges & Transfers	2,659,951	2,226,014	(433,937)	-16.31%
Intergovernmental Contracts	3,966,701	4,546,573	579,873	14.62%
Development Permits Fees	1,856,200	1,260,250	(595,950)	-32.11%
Court Fines & Forfeits	479,040	482,220	3,180	0.66%
State Remittances	952,939	919,444	(33,495)	-3.51%
Miscellaneous	213,895	195,300	(18,595)	-8.69%
Business Licenses	735,775	769,175	33,400	4.54%
Grants	167,393	49,482	(117,911)	-70.44%
Parks & Recreation Fees	299,253	310,000	10,747	3.59%
Interest Income	44,528	50,600	6,072	13.64%
TOTAL REVENUES	\$ 37,626,376	\$ 39,352,909	\$ 1,726,533	4.59%
EXPENDITURES				
Salaries & Benefits	\$ 26,198,617	\$ 30,822,077	\$ 4,623,460	17.65%
Supplies	983,115	1,065,020	81,905	8.33%
Services & Contracts	4,324,577	5,246,346	921,769	21.31%
Intergovernmental	727,703	755,850	28,147	3.87%
Interfund Transfers	3,004,646	3,794,149	789,503	26.28%
Capital Outlay	68,075	216,200	148,125	217.59%
Special Projects	425	950,000	949,575	223429.41%
TOTAL EXPENDITURES	\$ 35,307,158	\$ 42,849,642	\$ 7,542,484	21.36%
REVENUES IN EXCESS OF EXPENDITURES	\$ 2,319,218	\$ (3,496,733)	\$ (5,815,951)	-250.77%

EXPENDITURES BY DEPARTMENT

Department	2011-2012 Actual	2013-2014 Budget	\$ Change 2011-2012 Actual Totals to 2013-2014 Budget	% Change 2011-2012 Actual Totals to 2013-2014 Budget
Legislative	\$ 146,900	\$ 155,338	\$ 8,438	5.74%
Executive	674,181	857,454	183,273	27.18%
Finance	2,567,384	2,842,200	274,816	10.70%
Municipal Court	610,684	813,878	203,194	33.27%
Administrative Services	545,411	688,418	143,007	26.22%
City Attorney	523,435	722,738	199,303	38.08%
Parks & Recreation	4,345,510	4,830,390	484,880	11.16%
Police	8,498,601	10,077,017	1,578,416	18.57%
Fire & Emergency Services	9,148,618	11,346,547	2,197,929	24.02%
Engineering	229,475	410,570	181,095	78.92%
Community Development	2,910,929	2,578,663	(332,266)	-11.41%
Street	2,858,304	3,513,503	655,199	22.92%
Non-Departmental	1,967,744	3,262,926	1,295,182	65.82%
Transfers Out	279,981	750,000	470,019	167.88%
TOTAL	\$ 35,307,158	\$ 42,849,642	\$ 7,542,484	21.36%

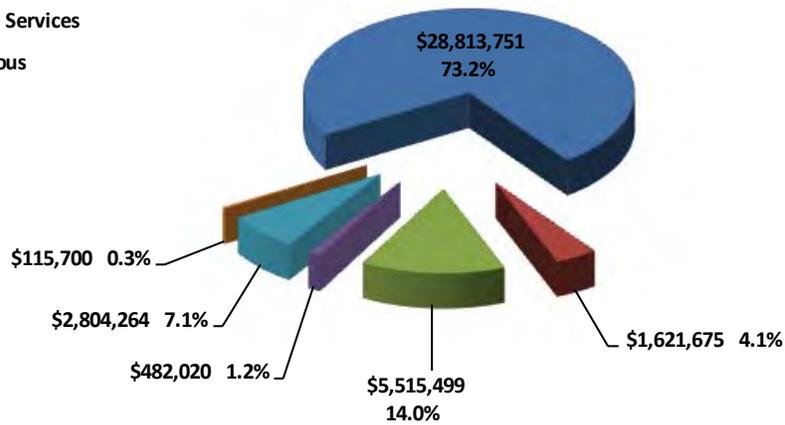
GENERAL FUND Revenue Analysis

Actual Revenue 2011-2012



- Taxes
- Licenses & Permits
- Intergovernmental
- Fines & Forfeits
- Charges for Services
- Miscellaneous

Budgeted Revenue 2013-2014

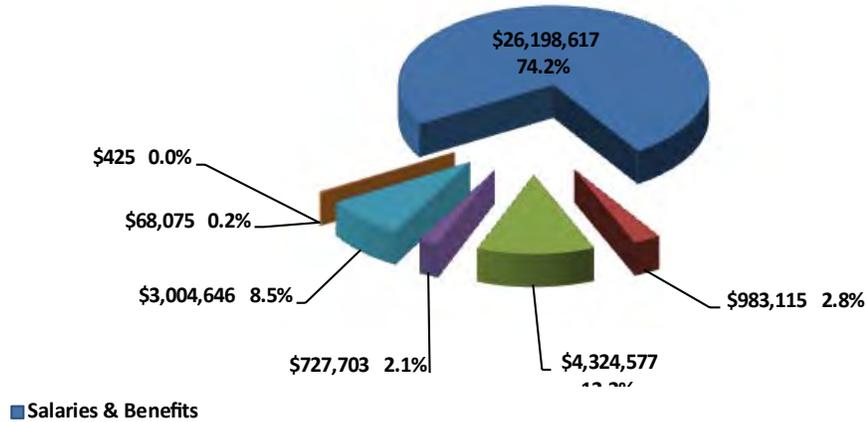


GENERAL FUND REVENUE COMPARISONS

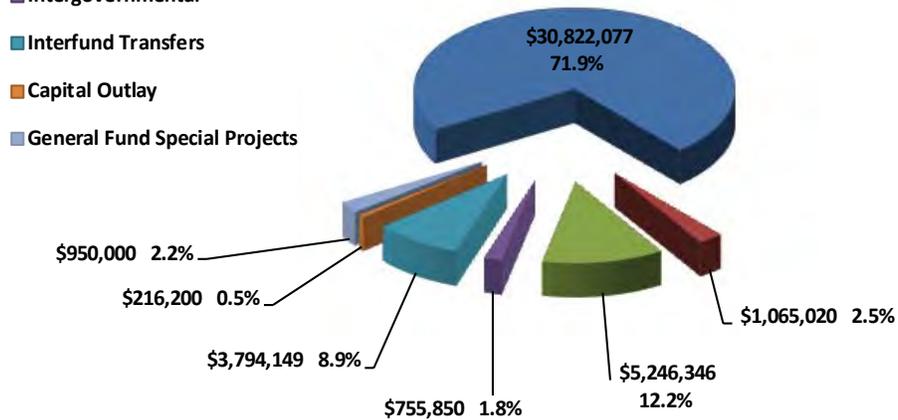
Revenues	Actual 2011-2012	Budget 2013-2014	\$ Change	% Change
Taxes	\$ 26,486,095	\$ 28,813,751	\$ 2,327,656	8.8%
Licenses & Permits	1,833,744	1,621,675	(212,069)	-11.6%
Intergovernmental	5,087,032	5,515,499	428,467	8.4%
Fines & Forfeits	479,040	482,020	2,980	0.6%
Charges for Services	3,275,069	2,804,264	(470,805)	-14.4%
Miscellaneous	465,395	115,700	(349,695)	-75.1%
TOTAL INFLOW	\$ 37,626,376	\$ 39,352,909	\$ 1,726,533	4.6%
Plus: Beginning Fund Balance	2,976,752	5,375,268	2,398,516	80.6%
TOTAL REVENUES BUDGET	\$ 40,603,128	\$ 44,728,177	\$ 4,125,049	10.2%

GENERAL FUND Expenditure Analysis

Actual Expenditures 2011-2012



Budgeted Expenditures 2013-2014



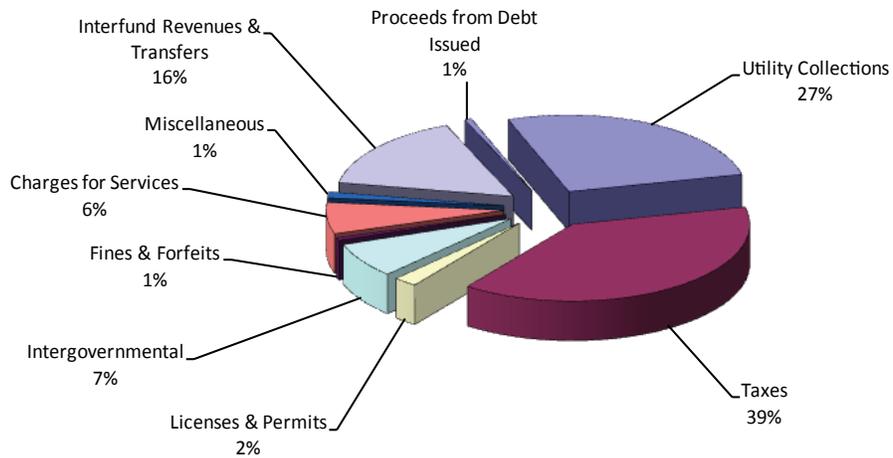
GENERAL FUND EXPENDITURE COMPARISONS

Expenditures	Actual 2011-2012	Budget 2013-2014	\$ Change	% Change
Salaries & Benefits	\$ 26,198,617	\$ 30,822,077	\$ 4,623,460	17.6%
Supplies	983,115	1,065,020	81,905	8.3%
Services & Contracts	4,324,577	5,246,346	921,769	21.3%
Intergovernmental	727,703	755,850	28,147	3.9%
Interfund Transfers	3,004,646	3,794,149	789,503	26.3%
Capital Outlay	68,075	216,200	148,125	217.6%
General Fund Special Projects	425	950,000	949,575	100.0%
TOTAL INFLOW	\$ 35,307,158	\$ 42,849,642	\$ 7,542,484	21.4%
Plus: Ending Fund Balance	2,236,618	1,878,535	(358,083)	-16.0%
TOTAL REVENUES BUDGET	\$ 37,543,776	\$ 44,728,177	\$ 7,184,401	19.1%

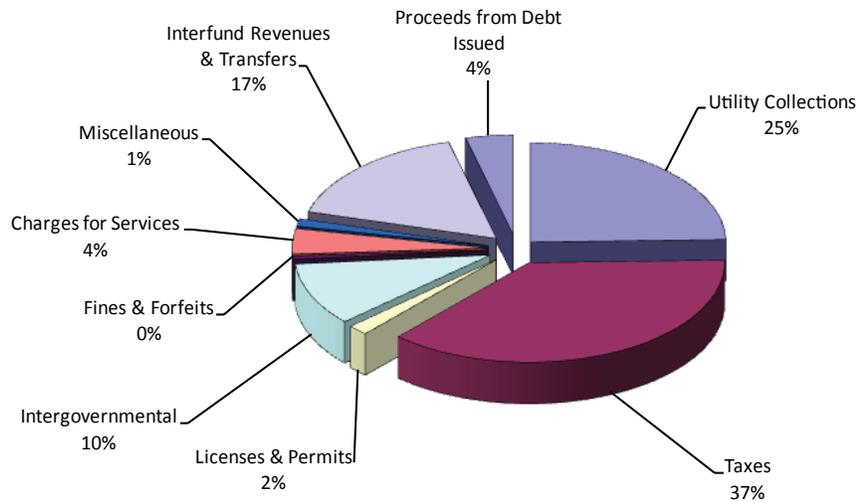
TOTAL OF ALL FUNDS

Revenue Analysis

All Funds Revenues - 2011-2012 Biennium Actual



All Funds Revenues - 2013-2014 Biennium Budget

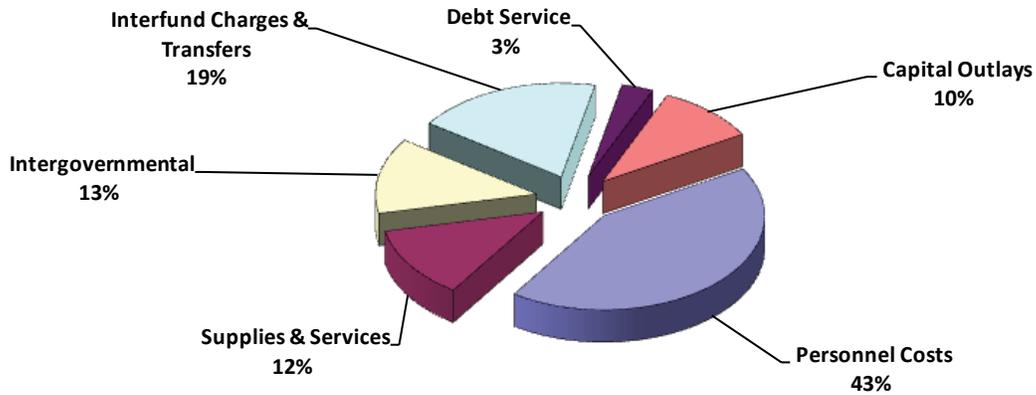


ALL FUNDS COMBINED REVENUE COMPARISONS

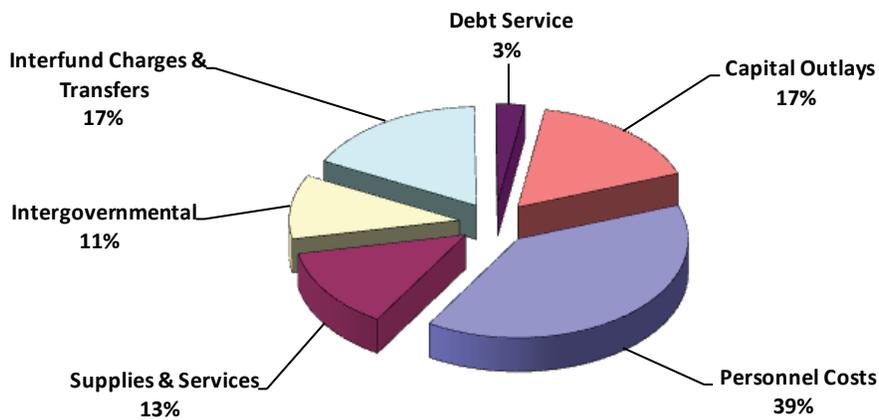
REVENUES	2011-2012 Actual	2013-2014 Budget	\$ Change	% Change
Taxes	\$ 33,131,163	\$ 35,914,511	\$ 2,783,348	8.4%
Licenses & Permits	1,833,744	1,621,675	(212,069)	-11.6%
Intergovernmental	6,285,861	9,896,062	3,610,201	57.4%
Fines & Forfeits	502,582	488,020	(14,562)	-2.9%
Charges for Services	5,612,999	3,962,650	(1,650,349)	-29.4%
Miscellaneous	1,064,324	1,166,994	102,670	9.6%
Interfund Revenues & Transfers	13,677,093	16,205,937	2,528,844	18.5%
Utility Collections	23,077,580	23,824,238	746,658	3.2%
Proceeds from Debt Issued	518,661	3,800,000	3,281,339	632.7%
TOTAL INFLOWS	85,704,007	96,880,087	11,176,080	13.0%
Plus: Beginning Fund Balance	21,087,008	26,423,215	5,336,207	25.3%
TOTAL	\$ 106,791,016	\$ 123,303,302	\$ 16,512,286	15.5%

TOTAL OF ALL FUNDS Expenditure Analysis

All Funds Expenditures- 2011-2012 Biennium Actual



All Funds Expenditures- 2013-2014 Biennial Budget



ALL FUNDS COMBINED EXPENDITURE COMPARISONS

EXPENDITURES	2011-2012 Actual	2013-2014 Budget	\$ Change	% Change
Personnel Costs	\$ 33,856,019	\$ 39,707,914	\$ 5,851,895	17.3%
Supplies & Services	9,797,968	13,450,346	3,652,378	37.3%
Intergovernmental	10,307,165	10,633,984	326,819	3.2%
Interfund Charges & Transfers	14,800,295	17,603,925	2,803,630	18.9%
Debt Service	2,527,972	2,751,654	223,682	8.8%
Capital Outlays	8,025,522	17,099,860	9,074,338	113.1%
Total Outflow	79,314,942	101,247,683	21,932,741	27.7%
Plus: Reserve & Ending Fund Balance	27,476,074	22,055,619	(5,420,455)	-19.7%
TOTAL	\$ 106,791,016	\$ 123,303,302	\$ 16,512,286	15.5%

CITY OF TUMWATER

Cash Flow Summary for 2013-2014 Biennium

FUNDS BY TYPE	Beginning Fund Balance	+ Revenues (a)	= Total Resources	- Expenditures (b)	= Ending Fund Balance	Current Revenues (a) Less Expenditures (b)
General Fund						
General Fund	\$ 5,375,268	\$ 39,352,909	\$ 44,728,177	\$ 42,849,642	\$ 1,878,535	\$ (3,496,733)
E-Link & Fiberoptics	300,000	159,000	459,000	100,000	359,000	59,000
Recreation Special Programs	20,000	52,000	72,000	72,000	-	(20,000)
Parks Board	-	40,000	40,000	40,000	-	-
Historical Commission	30,000	20,000	50,000	50,000	-	(30,000)
K-9	7,400	-	7,400	-	7,400	-
Public Safety Reserve	560,000	6,650,000	7,210,000	5,641,559	1,568,441	1,008,441
TOTAL GENERAL FUND AS BUDGETED	6,292,668	46,273,909	52,566,577	48,753,201	3,813,376	(2,479,292)
Facilities Reserve Fund	439,202	200	439,402	430,000	9,402	(429,800)
Emergency Reserve	160,000	350,950	510,950	-	510,950	350,950
Special Revenue Funds						
Domestic Violence Prevention Fund	\$ 8,650	\$ 2,600	\$ 11,250	\$ -	\$ 11,250	\$ 2,600
Drug & Other Seizure Fund	69,933	6,000	75,933	64,600	11,333	(58,600)
Lodging Tax Fund	113,736	400,800	514,536	434,634	79,902	(33,834)
Development Fees Fund	3,862,885	1,196,000	5,058,885	876,100	4,182,785	319,900
Barnes Lake Management District Fund	26,879	34,610	61,489	54,630	6,859	(20,020)
Debt Service Funds						
General Obligation Debt Service Fund	\$ 122,000	\$ 1,091,559	\$ 1,213,559	\$ 1,090,359	\$ 123,200	\$ 1,200
Capital Project Funds						
General Government CFP Fund	\$ 254,899	\$ 5,673,438	\$ 5,928,337	\$ 5,560,636	\$ 367,701	\$ 112,802
Transportation CFP Fund	1,654,896	4,258,104	5,913,000	3,333,928	2,579,072	924,176
Proprietary Funds						
Water Utility Fund	\$ 4,275,656	\$ 9,275,418	\$ 13,551,074	\$ 11,451,549	\$ 2,099,525	\$ (2,176,131)
Sewer Utility Fund	3,903,750	14,204,645	18,108,395	14,534,722	3,573,673	(330,077)
Storm Utility Fund	2,082,770	5,322,346	7,405,116	4,927,942	2,477,174	394,404
Revenue Bond Utility Debt Service Fund	-	717,512	717,512	717,512	-	-
Revenue Bond Utility Debt Reserve Fund	478,006	-	478,006	-	478,006	-
Golf Course Fund	1,000	3,822,153	3,823,153	3,822,153	1,000	-
Internal Service Funds						
Equipment Rental & Reserve Fund	\$ 2,671,185	\$ 4,249,843	\$ 6,921,028	\$ 5,190,617	\$ 1,730,411	\$ (940,774)
Trust & Agency Funds						
Employee Holiday Assistance Fund	\$ 5,100	\$ -	\$ 5,100	\$ 5,100	\$ -	\$ (5,100)
GRAND TOTAL	\$ 26,423,215	\$ 96,880,087	\$ 123,303,302	\$ 101,247,683	\$ 22,055,619	\$ (4,367,596)

CITY OF TUMWATER

UTILITIES FUNDS BUDGETED CASH FLOW

	2011-2012 Actual	2013-2014 Adopted Biennial Budget	\$ Change	% Change
BEGINNING CASH & INVESTMENTS	\$ 9,143,196	\$ 10,740,182	\$ 1,596,986	17.5%
Revenues				
Sales Revenue	\$ 20,599,281	\$ 23,664,475	\$ 3,065,194	14.9%
Other Operating Revenue	3,871,931	2,906,738	(965,193)	-24.9%
Interest Income	45,517	46,750	1,233	2.7%
TOTAL REVENUES FROM OPERATIONS	\$ 24,516,729	\$ 26,617,963	\$ 2,101,234	8.6%
Expenses				
Administration				
Personnel Costs	\$ 1,366,657	\$ 1,480,023	\$ 113,366	8.3%
Supplies	52,082	166,400	114,318	219.5%
Services & Charges	454,388	745,977	291,589	64.2%
Interfund Charges	1,698,267	1,645,381	(52,886)	-3.1%
Administration Expenses	\$ 3,571,393	\$ 4,037,781	\$ 466,388	13.1%
Operations				
Personnel Costs	\$ 3,243,190	\$ 3,755,365	\$ 512,175	15.8%
Supplies	511,803	620,900	109,097	21.3%
Services & Charges	10,732,752	11,007,587	274,835	2.6%
Interfund Charges	545,416	675,746	130,330	23.9%
Taxes	785,627	919,364	133,737	17.0%
Interest Expense	48,623	47,555	(1,068)	-2.2%
Operations Expenses	\$ 15,867,410	\$ 17,026,517	\$ 1,159,107	7.3%
TOTAL EXPENSES FROM OPERATIONS	\$ 19,438,804	\$ 21,064,298	\$ 1,625,494	8.4%
NET CHANGE FROM OPERATIONS	\$ 5,077,925	\$ 5,553,665	\$ 475,740	9.4%
Other Revenues & (Expenses)				
(Increase)/Decrease Interfund Loan Activity	\$ 179,106	\$ 525,118	\$ 346,012	193.2%
(Increase)/Decrease PWTf Loan Activity	\$ -	\$ 1,191,250	\$ 1,191,250	100.0%
Capital Outlays	(2,256,448)	(8,605,272)	(6,348,824)	281.4%
Debt Service	(1,829,262)	(776,565)	1,052,697	-57.5%
OTHER REVENUES & (EXPENSES)	\$ (3,906,604)	\$ (7,665,469)	\$ (3,758,865)	96.2%
ENDING CASH & INVESTMENTS	\$ 10,314,517	\$ 8,628,378	\$ (1,686,139)	-16.3%



Mission, Vision & Beliefs

Our Vision:

Tumwater of the future will be people-oriented and highly livable, with a strong economy, dynamic places, vibrant neighborhoods, a healthy natural environment, diverse and engaged residents, and living connection to its history.

Our Mission:

In active partnership with our citizens, we provide leadership and essential municipal services to cultivate a prosperous economy, a healthy natural environment, vibrant neighborhoods, and a supportive social fabric.

We Believe in:

People

We respect the diverse citizenry that makes up the social fabric of our community and strive to meet the needs of all citizens. We value and seek to strengthen our vibrant neighborhoods, which are cornerstones of civic life and community identity. As we pursue our goals and the long-term sustainability of the City organization, we value the contributions of our staff, support their continued personal and professional growth, and act to retain their expertise for the good of the community.

Excellence

We strive for excellence and integrity in providing City services. By providing quality services, being responsible and efficient stewards of public resources, and empowering employees to achieve excellence, we continue to build public trust and encourage civic involvement. We know that excellence does not have to come at the price of our sense of community or our small city character.

Opportunity

We seize opportunities to improve our community's social, environmental, and economic well-being. We endeavor to realize positive opportunities in adverse situations and periods of change.

Partnership

We work collaboratively with citizens, businesses, and community organizations. We also actively partner with other jurisdictions to address regional, state, and even broader issues.

Learning

We are a learning organization that tries to benefit from past experience, foresight, and innovation to seek new ways to enhance the community and improve City operations and services.

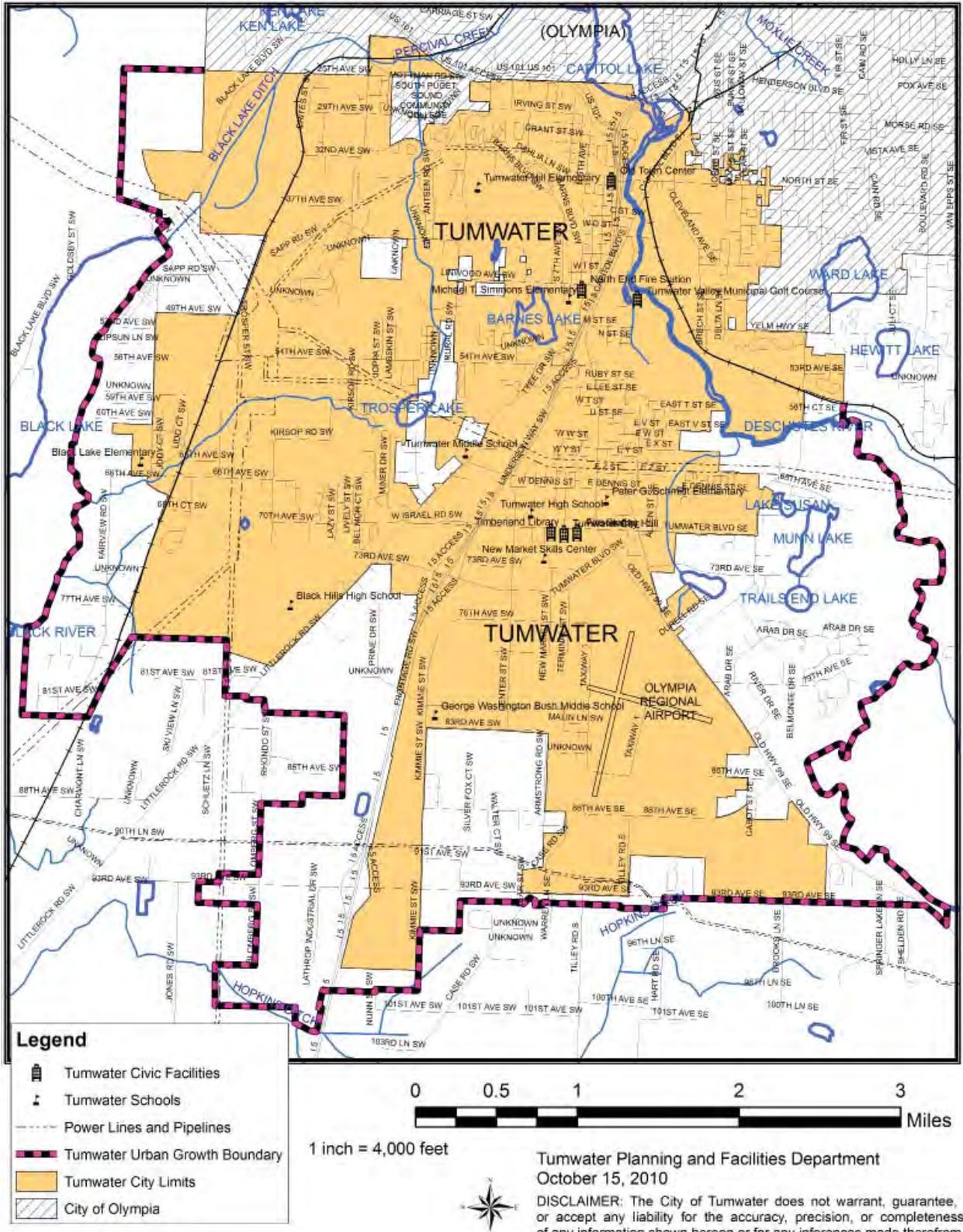
Environment

We act to preserve and enhance the natural environment and the social fabric of our community.

☞Adopted by Tumwater City Council, April 20, 2010☞

Tumwater City Limits

Tumwater and the Urban Growth Area



BACKGROUND

Tumwater, known as the end of the Oregon Trail or Cowlitz Trail, is the oldest permanent American settlement on Puget Sound. It is located at the mouth of the Deschutes River where it meets with Puget Sound at its most southerly point. The City of Tumwater is adjacent to and shares a portion of its boundaries with the State Capital (Olympia). The Coastal Salish Indian groups whose descendants are now members of the tribes now known as Nisqually, Squaxin Island, and Chehalis gathered shellfish and frequented the inlets and prairies of Puget Sound for centuries before Euro-American exploration and settlement. The rivers of the County were long-established sites for salmon harvesting, the prairies were popular hunting and plant harvesting sites, and the beaches were replete with shellfish, harvested by native peoples.

Michael T. Simmons, in 1845, led the first group of permanent American settlers to Tumwater Falls. He settled in the area that would become Tumwater while others in the party, including George Bush, a mulatto man, and his family, settled in the rich prairies to the south. The decision of this group to settle north of the Columbia River was made in part because Oregon Provisional Government laws banned the residency of mulattoes but did not actively enforce the restriction north of the river. The 31 members of the Simmons party laboriously cut a wagon trail that became the northern branch of the Oregon Trail. Others followed, with the establishment of Olympia in 1850 and settlement of the natural prairies and river bottom lands throughout the county in the 1850's.

When the City was founded in 1845, it was named New Market. By 1863 the city was known as "Tumwater", the Chinook translation for a waterfall.

Tumwater's motto, "Washington's First Community," was the starting point for further American settlements at Olympia, Seattle, Whidbey Island, and other points on Puget Sound. It was from Puget Sound that the movement to divide Oregon grew, resulting in the creation of Washington Territory in 1853.

On November 25, 1869, Tumwater was officially incorporated as a fourth class town. In 1964, the voters of Tumwater elected to change the classification to a third class city. In 1994, the Tumwater City Council opted to change the classification to a non-charter code city with a Mayor-Council form of government. The Mayor and seven Councilmembers are elected by the registered voters of the City to staggered four-year terms.

Tumwater is the third largest city in Thurston County with an estimated population of 17,900. Tumwater covers over 14.5 square miles. It ranks 56th among the 283 cities in the State of Washington. The City provides what are considered general governmental services authorized by state law, including public safety, highways and streets, parks and recreation, planning and zoning, permits and inspections, general administration and water, sewer and stormsewer services.

BUDGETING OVERVIEW

Budgeting is an essential element of the financial planning, control, and evaluation processes of government. The planning process involves determining the types and levels of services to be provided and allocating available resources among various departments, programs or functions. To develop the best planning document possible, the City is introducing its first biennial budget with this 2011-2012 Biennial Budget.

Financial control and evaluation procedures typically focus upon assuring that fixed expenditure limitations (appropriations) are not exceeded, and on comparing estimated and actual revenues and expenditures. Shortcomings in the second year can be minimized by planning on a longer horizon as we do with this biennial budget.

Upon adoption, the expenditure estimates, as modified by the Council are enacted into law through the passage of an appropriations ordinance. The appropriations constitute maximum expenditure authorizations during the biennium, and cannot legally be exceeded until subsequently amended by the Council. Expenditures are monitored through the accounting system to assure budgetary compliance.

The City of Tumwater's accounting and budgeting systems are organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities. The funds are segregated for the purpose of carrying on specific activities or attaining certain objectives. Funds are budgeted on a cash basis in accordance with the Revised Code of Washington (RCW) 36.33. The City uses a line-item budget approach and uses that level of detail as a backbone to the actual budget document. Legal budgetary control is established at the fund level. Expenditures for a fund may not exceed that fund's total appropriation amount. The City Council can authorize an increase in the total fund appropriation by way of adopting an amending budget ordinance. Any unexpended appropriation lapses at year-end.

The processes of budgeting will not only allocate fiscal resources to meet needs and provide services, but will set a direction for the future. The elements of good planning include identifying community needs, city resources, the capability to meet community needs, and a plan to match such resources to the needs. Concurrent with this process is the City's Capital Facilities Plan (CFP), an element of the Growth Management Act (GMA). This plan has significant requirements in the area of facilities planning and capital improvement financing. The City updates the CFP on the even year of the biennium.

The GMA exists to ensure that those public facilities and services necessary to support development shall be adequate to serve the development at the time it is available for occupancy and use, without decreasing current service levels below locally established minimum standards.

Since the Growth Management Act (GMA), the long-term planning of the operations portion of the budget has significantly changed. Those involved are forced to look at the implications and costs of additional facilities.

At this end of this document the overview of each category of the CFP is included. These overviews list the facilities and/or infrastructure projects to be built in what year and total cost. Each category lists the type of revenue source.

Additionally, in the water, sewer and stormwater categories, the bottom-portion of the sheet shows the total fund operations cost through the year 2016. Rate setting and connection or access fee increases are disclosed indicating the costs to maintain the capital programs and thereby increased operational costs. This allows the decision-makers and the ratepayers to realize the significance of each decision on implementation of the capital programs.

The City's budget is on a cash basis in accordance with the Revised Code of Washington (RCW) 36.33. The City uses a line-item budget approach and uses that level of detail as a backbone to the actual budget document. Legal budgetary control is established at the fund level. Expenditures for a fund may not exceed that fund's total appropriation amount. The City Council can authorize an increase in the total fund appropriation by way of adopting an amending budget ordinance. Any unexpended appropriation lapses at year-end.

BUDGET PROCESS

This budget document is developed in a manner to study and review the direction of the City of Tumwater. This document outlines the manner in which financial resources will be managed during the biennium. It additionally allows departments the opportunity to reassess goals and objectives and the means for accomplishing them.

The course the City is taking can be changed through the allocation of financial resources. The major groups who participate in the budget process are the City Administrator, Management Team, City committees and Commissions, city staff, and interested Tumwater citizens. Because a diverse audience reads the budget document, the budget must describe clearly and completely the nature and scope of policies, plans and programs for the biennium. It must communicate this information at different levels and for different purposes. One of the most important functions of the budget document is to describe future implications and relationships of policies, plans and programs to members of the public. The budget document is an opportunity for the public to acquire background information necessary to provide meaningful comment and feedback to members of the City Council and City staff.

The City of Tumwater's budget process is designed to provide the essential structure for the financial planning, control, and evaluation process of government, presenting a forecast of expected resources and the purposeful distribution of those resources. Once adopted, the budget is a formal expression of public policy on the City's objectives and prioritizes and on how resources will be provided to meet those objectives.

Policy/Strategy Phase

The Council's goals and directives set the tone for the development of the budget. Annually, the Mayor and Council meet at a retreat in early spring to identify priorities, issues, and capital project prioritization and the timing of these issues and impacts on the next biennium's budget. At that retreat the Mayor and Council identify key policy issues that will provide the direction and framework of the budget or, in the case of the second year, modifications to the existing two-year budget. It is within this general framework that the Management Team knows the direction for their submittals. Aside from the Council's and Mayor's own objectives, the members of the Management Team identify and discuss their own policy issues with the City Administrator.

The budget instructions sent out by the Finance Director include discussions of the City goals and objectives, budgeting guidelines for the operating and capital budgets, timelines, an overview of fiscal constraints, and resources available for allocation. The budget instructions distributed are designed to assist the Management Team in preparing all budget requests and forms.

Needs Assessment Phase

The Management Team has an opportunity to assess current conditions, programs and needs. Examination of current programs is strongly suggested. During this phase the Management Team is encouraged to thoroughly review all programs and services assessing their "value" and priority to the citizens of Tumwater. They then attempt to provide the "best fit" of resource allocations with services and workload estimates. From this process, they prepare preliminary budget submittals. The submittals from the management team are in two formats; the "base" budget and the "enhanced" budget. The base budget provides for the minimum acceptable level of ongoing services and includes inflationary increases and other contractual obligations. The enhanced budget is new programs, or expanded emphasis on ongoing programs. Both budget approaches may include policy direction from the legislative body.

Review/Development Phase

In September, the proposed budget is presented to the Mayor along with the forecasted revenue assumptions. Within the framework of the City's financial capacity, priorities, goals and objectives the Mayor and City Administrator review the budget submittals and the operating budgets begin to take shape. The Mayor and City Administrator make any revisions or additions to the proposed budget as deemed advisable in preparation of the Mayor's preliminary budget to the Budget Committee. Next, the Budget Committee reviews the Mayor's preliminary budget during the month of October. At the Budget Committee level, the Management Team's budget plan for the ensuing year is presented which includes program planning enhancements and project timing.

Adoption/Implementation Phase

After the final appropriations are made at the Committee level, the Mayor's budget is presented to the full Council during several work sessions in November. It is then scheduled for a public hearing and a second reading. The public hearing typically occurs in late November with a tentative proposal and adoption date in early December with a second reading to the Council.

This biennial budget was adopted at the regularly scheduled Council meeting of December 4, 2012. It can be changed (amended) at any time after it is adopted by the City Council passing another ordinance in an open public meeting. Normally, the budget is reviewed during the year to identify any adjustments. By law, the City Council must adopt a "Mid-biennial Review and Modification" during the last four months of the first year of the budget.

BUDGET POLICIES

In the City of Tumwater, policy begins with general direction provided by the City Council. The City budget process serves the function of creating a framework to implement the policies set forth by that body to administer the City organization and deliver the various services to the community.

Under the general guidance of the City Administrator, the rest of the Management Team has primary responsibility for formulating budget proposals in line with Mayor and Council priorities.

Budget policy begins with an understanding of the needs and issues important to the community that the government serves. General goals and priorities are identified in order to apply the available financial resources of the City for specific funding proposals. Previous budgets are considered in this process, thereby providing continuity with previous programming. Currently we have seven major policy categories, within those are subcategories that more clearly define the policy areas affected.

Financial Stability Policy

- The City will strive to maintain a General Fund reserved fund balance of greater than or equal to 8% or 30 days of working capital to provide a fiscal cushion that meets seasonal cash flow shortfalls, and assists in facing unpredictable economic downturns;
- Ongoing operations of the City shall be funded by ongoing revenues in all funds;

Revenue Policies

- The City will follow an aggressive effort of collection;
- Each year the City will recalculate the full costs of activities supported by user fees to identify the impact of inflation and other costs increases; thereby having user charges for services to be proportional to costs.
- The City's fees and tax rates will be proportionate to the existing market.
- The City will estimate its annual revenues by an objective and analytical process, wherever practical. The City will project revenues for the next year and will update this projection annually. Each existing and potential revenue source will be reexamined annually.
- The City will try to achieve a diversified and stable revenue system to shelter it from unforeseeable short-term fluctuations in any one revenue source.

Capital Budget Policy

- The City will finance the city's needed capital facilities in an economic, efficient and equitable manner as possible.
- The City will coordinate development of the capital facilities plan with the development of the operating budget. Future operating costs associated with new capital improvements will be projected and included in the operating budget forecasts.
- The burden for financing capital should be borne by the primary beneficiaries of the facility.
- The operating budget will provide adequate funding for maintenance and replacement of plant and asset management.

Debt Policy

- When applicable, the City shall review its outstanding debt annually for the purpose of determining if the financial marketplace will afford the City the opportunity to refund an issue and lessen its debt service costs. The City will not use long-term debt for current operations.
- The City will strive to improve its bond rating.
- The City will maintain adequate available debt capacity for specific priority projects.

- The City shall use inter-fund borrowing where such borrowing is effective.
- The City should seek to coordinate its debt management with overlapping jurisdictions, especially the Tumwater School District.
- In order to leverage the debt capacity of the City's utilities, the water, sewer, and stormwater utilities shall continue to be legally organized as a single Waterworks utility.

Investment Policy

- The City will maintain the three principals on investments: (in priority order) safety; liquidity; and yield.

Financial Reporting Policy

- The City will strive to improve reporting and enhance comprehension to the user and reader.
- The City will perform ongoing monitoring of financial trends and evaluation of financial conditions.
- The City will establish and maintain a high standard of accounting principles.
- The Finance Department will maintain a strong internal audit process for accountability and internal controls.

Operating Budget Policies

- The City Council will update the City-wide priorities or initiatives each year. The staff will use these priorities or initiatives for development of the upcoming biennial budget or to modify the budget if recommended.

BUDGET SUMMARY

While the budget planning and adoption process is discussed above, there are many issues that are important to discuss in order to understand the dynamics of this document. For financial and accounting purposes, municipal operations are divided into two broad categories: general governmental and proprietary.

Budgets are established for all funds. There are 14 budgeted funds in the City of Tumwater and they are classified within seven basic fund groups, as described below. Several funds have "sub-funds" that make up the total.

General governmental fund is the General Fund which provides basic City services such as city administration, legislative, legal, personnel services, risk management, financial services, judicial, public safety, street maintenance, planning, engineering, building, zoning, library, parks and recreation, facilities, and associated support functions. The resources to support these activities are primarily taxes and user fees. Other than the General Fund described above, there are six sub-funds maintained under the classification of "General Fund" that include general government activities with designated resources; Public Safety Reserve, E-Link & Fiber, Recreation Special Programs, Parks Board, Historical Commission, and K-9. In addition to the General Fund, two other separately budgeted funds are maintained as a Facilities Reserve and Emergency Reserve.

Special revenue funds account for the proceeds of specific revenue sources other than special assessments, expendable trusts or major capital projects. These revenues finance particular activities or functions as required by law or administrative regulations. The special revenue funds include the Development/Special Fee Fund, Drug & Other Seizures Fund, Lodging Tax Fund, Domestic Violence Advocacy and Prevention Fund, and Barnes Lake Management District Fund.

Debt service funds accumulate resources and account for the payment of principal and interest for the City's general obligation long-term debt and special assessment debt. The City pledges its full faith and credit for payment of these obligations.

Resources for redemption of Council approved (limited) issues are usually from the general property tax levy. Resources for payment of special assessment debt are from assessments levied against benefited properties.

Revenue bonds redemption is funded by sales of the goods or services. The two debt service funds are the Water/Sewer/Stormwater Revenue Bond Fund, and the General Obligation Debt Service Fund. Per the terms of the issuance of revenue bonds, a reserve fund (Revenue Bond Reserve Fund) exists to set funding aside to remit payment for the revenue bonds should a situation should occur where the utilities are unable to provide resources from services.

Capital Project Funds account for the acquisition or development of major capital facilities, except those projects financed by the enterprise funds. Sources of revenue for these funds can include general monies, federal/state grants, general property tax, interest earnings, and transfers from other funds. The Capital Improvement Fund consists of two sub-funds; General Governmental Capital Projects and Transportation Capital Projects.

Enterprise funds are established for government activities that are financed and operate in a manner similar to private business. The user fees primarily finances costs of providing services to the general public. The Waterworks Fund includes the sub-funds Water, Sewer, and Stormwater. A separate enterprise fund, the Tumwater Valley Municipal Golf Course Fund, exists to manage and report the activities of the golf course.

Internal service funds account for the financing of goods and services provided by one department or agency to other departments or agencies of the City. The City's internal service fund is the Asset Management Fund.

Fiduciary funds include Pension Trust, Expendable Trust, and Agency Funds which are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. The City has one agency fund, the Employees Adopt-a-Family Fund that is an employee-managed fund that exists to assist families needing assistance during the holidays.

REVENUE SECTION

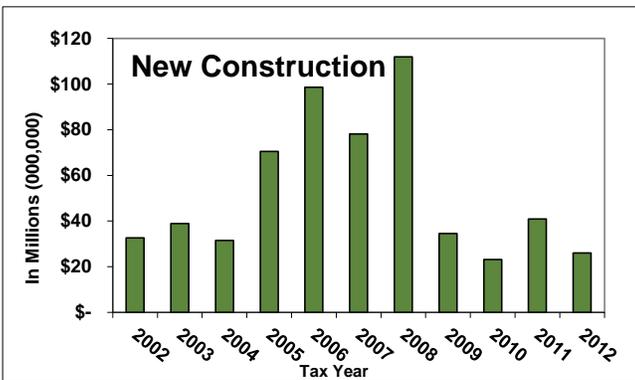
Property Tax

New Construction Assessed Value Added	
2002	\$32,642,626
2003	\$38,915,548
2004	\$31,517,662
2005	\$70,496,261
2006	\$98,635,925
2007	\$78,183,425
2008	\$111,942,656
2009	\$34,568,194
2010	\$23,150,350
2011	\$40,896,516
2012	\$26,055,350

Prior to the statewide property tax initiative 747, taxing districts could increase the regular levy portion of their budgets by six (6) percent. Initiative 747 now limits the increase to the property tax portion of the regular levies is one (1) percent. The initiative does not affect special levies that are approved by voters, such as the school district's maintenance and operation bonds and the City's Headquarters Fire Station Construction bonds.

In 2012, the City began receiving funding from a levy lid lift for public safety that increased property tax revenue by nearly 30%. The six-year permanent levy lid lift was prepared to provide the City with \$1,450,000 in the 2012 and increase by inflation for the following five year, and become permanent in the seventy year. To achieve this additional amount and take the steep decline in property values into account in the same year, the City's regular levy rate was set at \$2.945736 per \$1,000 of the assessed value of property for an estimate total tax of \$6,558,670.

For 2013, the assessed value of property continues to fall as the economy struggles to get back on its feet. Preliminary valuation of property by the Thurston County Assessor means that property tax will not increase by the amount of inflation per the terms of the levy lid lift. Taxes are levied at the statutory maximum of \$3.10 per \$1,000 of property value for an estimated revenue of \$6,588,851. The projection for the second year of the biennium is for little change, however the tendency is for a mild increase in values and moderate increase in taxes generated from new construction.



Tax Year	Assessed Valuation	Property Tax	Rate Per \$1,000
2008	\$2,051,638,822	\$3,864,479	\$1.884
2009	\$2,472,464,185	\$4,593,528	\$1.858
2010	\$2,484,891,522	\$4,718,388	\$1.899
2011	\$2,314,569,680	\$4,875,839	\$2.107
2012	\$2,226,496,660	\$6,558,672	\$2.946
2013	\$2,125,432,722	\$6,588,841	\$3.100

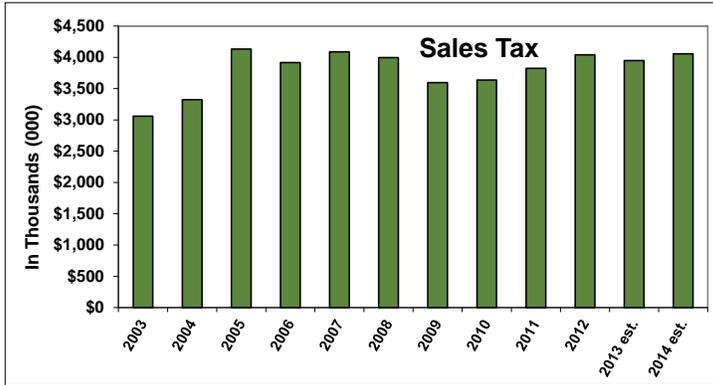
2013 Property Tax Comparisons	
City	Rate
Lacey	\$1.317
Olympia	\$2.557
Tumwater	\$3.100

Property Tax Rate by Taxing District					
Taxing District	2009	2010	2011	2012	2013
City of Tumwater - General	\$1.858	\$1.899	\$2.107	\$2.946	\$3.100
City of Tumwater - Voted	\$0.163	\$0.142	\$0.163	\$0.165	\$0.114
Thurston County	\$1.080	\$1.141	\$1.259	\$1.365	\$1.498
Medic One	\$0.289	\$0.305	\$0.337	\$0.361	\$0.401
Timberland Regional Library	\$0.329	\$0.339	\$0.357	\$0.383	\$0.415
Port of Olympia	\$0.150	\$0.158	\$0.172	\$0.184	\$0.204
PUD #1	\$0.008	\$0.008	\$0.009	\$0.010	\$0.011
Tumwater School District	\$4.016	\$4.517	\$4.851	\$5.446	\$5.942
Washington State	\$1.921	\$2.062	\$2.257	\$2.450	\$2.510
Total	\$9.814	\$10.569	\$11.511	\$13.310	\$14.194

Retail Sales & Use Tax

Retail Sales and Use Tax consists of two portions. First, a local tax of one-half of one percent less fifteen percent paid to the county, and second, is an "optional" one-half of one percent that also includes the fifteen-percent county share. This was authorized by the State Legislature in 1982 and further authorized by the city and provided for in Tumwater Municipal Code Chapter 3.24. The sales tax was adopted in 1935 as an integral part of the Washington State Revenue Act.

Tumwater Sales Tax Revenue collections in 2012 increased to \$4,040,495 from \$3,822,976 collected in 2011. Revenue had been declining from the peak in 2007 and reached the low point in 2010. The forecast for 2013 is that this revenue source will increase at a rate of 3% per year during the 2013-2014 biennium.



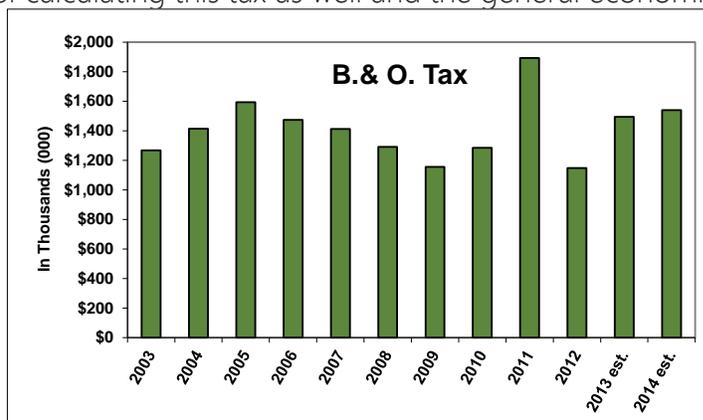
Sales Tax	
Year	Received
2003	\$3,058,779
2004	\$3,322,842
2005	\$4,131,755
2006	\$3,916,176
2007	\$4,089,525
2008	\$3,994,637
2009	\$3,594,977
2010	\$3,637,107
2011	\$3,822,976
2012	\$4,040,495
2013 est.	\$3,948,707
2014 est.	\$4,055,000

Sales Tax Rates	
State	\$0.065
Intercity Transit	\$0.008
Criminal Justice	\$0.001
County - Juvenile Detention	\$0.001
County - Mental Health	\$0.001
Tumwater	\$0.010
Emergency Communications (911)	\$0.001
Total	\$0.087

State Sales Tax Rate	
Year	Rate
1935	2.0%
1941	3.0%
1955	3.3%
1959	4.0%
1965	4.2%
1967	4.5%
1976	4.6%
1979	4.5%
1981	5.5%
1982	5.4%
1983	6.5%

Business & Occupation (B&O) Tax

Business and Occupation Tax was imposed in 1978 with the adoption of Tumwater Municipal Code Chapter 5.08. This tax applies to the gross revenues of most businesses with a rate of one-tenth of one percent, except those engaged in the business of rendering any type of service shall pay at the rate of two-tenths of one percent. This tax is due and payable in quarterly installments: January, April, July and October. As with sales tax, this revenue source has been on the decline since 2007 and is slowly increasing once again. The effects of legislation known as the "Model Ordinance" which necessitated a state mandated change to our municipal code changing the methods of calculating this tax as well and the general economic climate during this recession have changed this revenue trend to a greater degree than sales tax. In 2012 the City received \$1,446,306 and it is expected that it will increase during this biennium by a similar pace as sales tax.



B&O Tax	
Year	Received
2003	\$1,267,727
2004	\$1,414,552
2005	\$1,593,516
2006	\$1,473,325
2007	\$1,412,399
2008	\$1,291,216
2009	\$1,156,483
2010	\$1,284,689
2011	\$1,891,893
2012	\$1,446,306
2013 est.	\$1,495,000
2014 est.	\$1,540,000

State Shared Revenues

State shared revenues are made up of gasoline taxes, and liquor receipts (profits and excise taxes). These taxes are collected by the State of Washington and shared with local governments based on population. As population increases the level of revenue may not increase unless Tumwater outpaces the majority of other cities. Economic conditions and legislative action to reduce the cities' share are the conditions to watch.

Liquor Receipts Profits and Taxes

Since cities and towns are responsible for the policing of liquor establishments located within their limits, but are precluded from taxing them, the law provides that a share of the state-collected profits and taxes be returned to cities and towns to help defray the cost of policing liquor establishments.

In previous years, Liquor Board profits consisted of the difference between revenue from state liquor stores, taxes on wine and beer, license fees, penalties and forfeitures and board expenditures. Except for monies from administrative fees and those attributable to Class H licenses, the profits are divided among the state, counties and cities and towns. Cities and towns get a 40 percent share. An additional amount is distributed to border area cities and towns. Cities and towns also receive 28 percent of the liquor excise tax receipts. To be eligible to receive liquor taxes and profits, a city or town must devote at least 2 percent of its distribution to support an approved alcoholism or drug addiction program. The city conforms to these terms through our participation in the County's program. These numbers, of course, are an estimate based upon economic factors presented to the various state agencies.

Due to actions of the Washington State Legislature in 2011 to balance the state budget, distribution of liquor taxes was reduced in 2012 and will not be received for the first half of 2013 but will resume once again at a reduced rate in October 2013.

In 2011 the voters of the State of Washington passed Initiative 1183 that abolished the monopoly the state has had on the distribution and sale of liquor. Liquor profits are now re-defined to be the amount received by the state as licensing fees from distributors and retailers. Distribution to cities will continue, but the will not increase with population or inflation.

The effect of these changes during the 2013-2014 biennium is a loss of approximately \$50,000 or 11 percent of liquor related revenue. The future of this long-standing revenue stream to the cities of the state has been altered by the simultaneous combination of the state budget shortfall and privatization of the sale of liquor. The city has accounted for this when preparing this budget and expect to have a more predictable estimate gained from the next two years of experience.

Motor Vehicle Fuel Excise Tax / Gas Tax

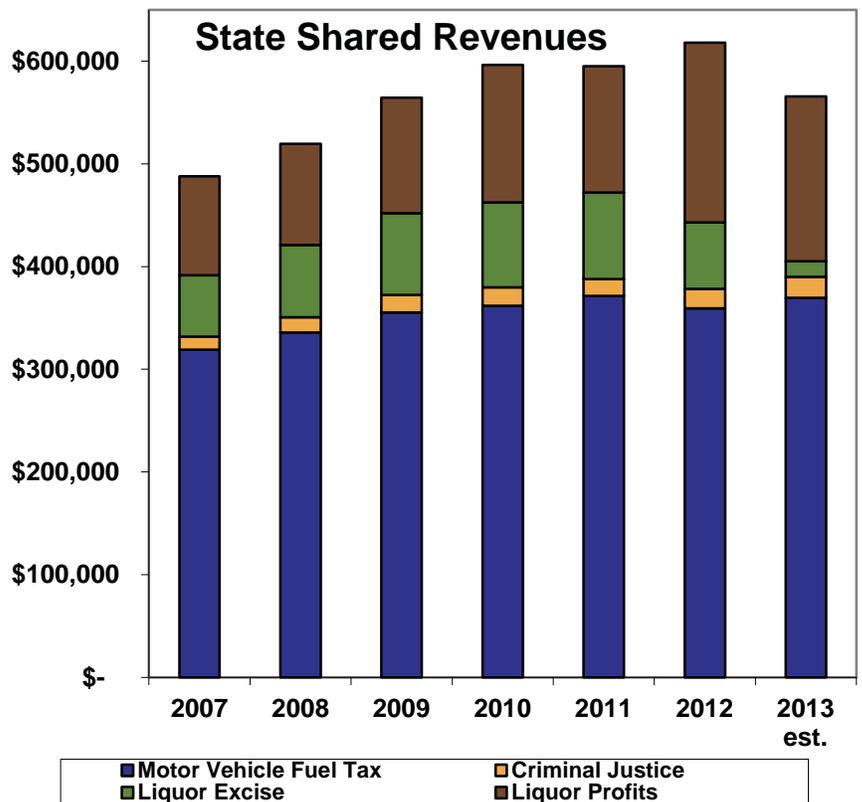
Because the federal and state governments have pre-empted the taxation of gasoline, the state has provided that the state collected gasoline tax, be shared with cities and towns. The tax rate for a gallon of gasoline or diesel is now at \$0.34 per gallon. This is part of the "Nickel Funding Package" enacted for transportation by the 2003 Washington State Legislature. Of this amount, after a number of deductions, cities and towns receive 6.92 percent to be deposited in a street fund to be used for street maintenance. Until 2005, cities have been receiving their gas tax in two separate distributions. One is called the "restricted" portion, which is approximately 32% of the total gas tax a city receives. The other portion is called the "unrestricted" portion. With the passage of SSB 5969, there are no longer two distributions, and in addition, the restriction is removed. Although, the dollars must be used for "road or highway purposes", there is no longer a need to separate

the monies. In the past, the City of Tumwater placed the "restricted" portion in the transportation capital program of the Capital Facilities Plan, and the unrestricted portion remained in General Fund to support the general street program. This is now a policy decision and the city will continue to place the funding in the same allocation format.

Criminal Justice Revenues

The Washington State Legislature approved the Criminal Justice Funding Act in a special session of the Legislature July 1990. The principal focus of the Act is to provide funding for county and city criminal justice systems. The State Legislature declared that local government criminal justice systems were in need of assistance. This is to provide sufficient funding for police protection, mitigation of congested court systems, and relief of over-crowded jails. In order to ensure public safety, it was necessary to provide fiscal assistance to help local governments to respond immediately to those criminal justice problems.

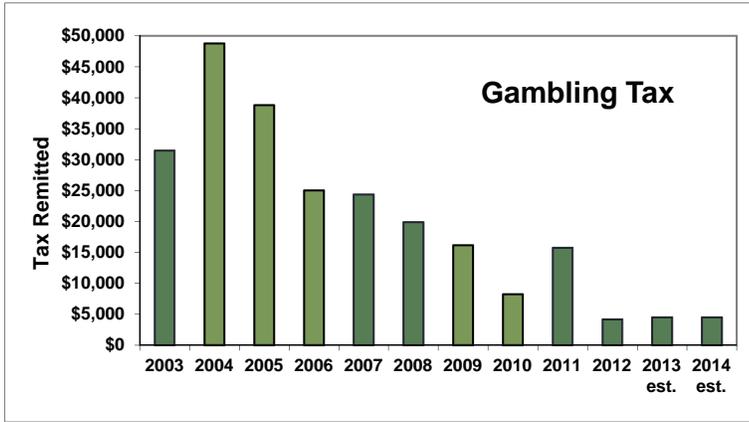
Under the Act, beginning in July of 1990, quarterly distributions of state general fund monies are based upon eligibility and distribution criteria that include population; crime rate, local sales tax levy rate and local sales tax yield. Further, under the Act, certain counties have the authority to collect an additional local optional sales tax, if approved by the voters. Thurston County voters approved the optional sales tax in November of 1990. With the passage of SSB 5780 in 2003, this revenue is now be distributed on a per capita basis, with each City receiving a minimum of \$1,000, no matter how small their population. There is a requirement that these funds be spent on some combination of innovative law enforcement, domestic violence prevention, and child abuse prevention programs, but no requirement of how much must be spent in each area. All the money can be spent in one area if the City wishes.



Per Capita Amounts of State Shared Revenues						
	2009	2010	2011	2012	2013 est.	2014 est.
Gas Tax (NEW unrestricted)	\$22.21	\$22.63	\$21.44	\$20.44	\$20.64	\$20.58
Profits of Liquor Board	\$6.67	\$8.23	\$7.34	\$9.98	\$8.97	\$8.88
Liquor Tax	\$4.90	\$4.78	\$4.98	\$3.63	\$0.84	\$3.24
Criminal Justice - Population-based	\$0.24	\$0.24	\$0.24	\$0.25	\$0.26	\$0.27
Criminal Justice - Special Programs	\$0.81	\$0.81	\$0.81	\$0.85	\$0.89	\$0.90
Total	\$34.83	\$36.69	\$34.81	\$35.15	\$31.60	\$33.87

Gambling Tax

The City receives gambling excise tax at the rate of 5 percent of gross receipts less prizes for bingo games, and raffles, 2 percent of gross receipts less prizes for amusement games, and 3 percent of gross receipts for punch-boards or pull-tabs. Authorizing legislation is RCW Chapter 9.46 and Tumwater Municipal Code (TMC) Chapter 3.04. The decline in the number of establishments offering pull-tabs as a form of amusement has caused this source of revenue to decline to less than half of its peak of \$48,777 in 2004 to a projected \$9,000 for the 2011-2012 biennium. The growth in the tribal casino industry has precipitated a decline in revenue from years past.

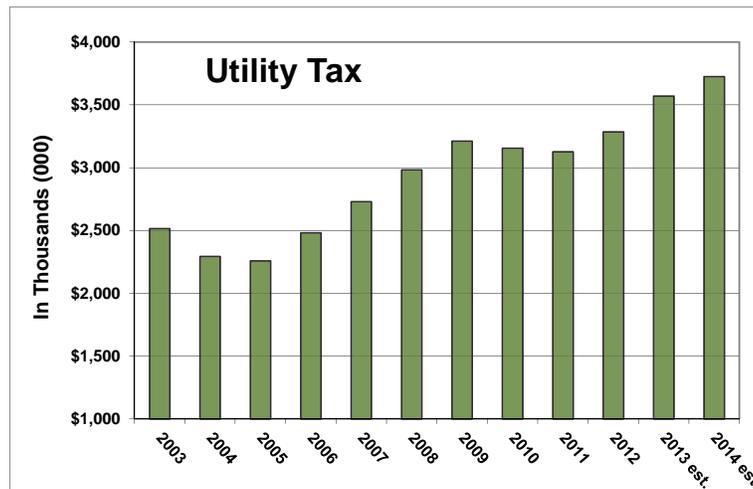


Gambling Tax	
Year	Received
2003	\$31,477
2004	\$48,777
2005	\$38,803
2006	\$25,027
2007	\$24,382
2008	\$19,890
2009	\$16,166
2010	\$8,269
2011	\$15,777
2012	\$4,167
2013 est.	\$4,500
2014 est.	\$4,500

Utility Tax

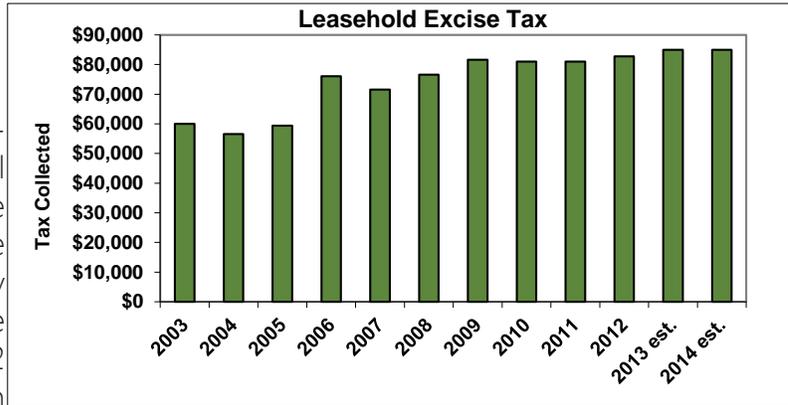
The City imposes a utility tax (TMC Chapter 3.28) on land line and cellular telephones, pagers, telegraph, electrical energy, natural gas, brokered natural gas, solid waste, water, sanitary sewerage, and storm drainage at the rate of 6%. The use of this revenue is guided by Council policy during the budget process as needed to support the general fund and the general government and transportation elements of the Capital Facilities Plan in the Capital Improvement Fund.

Utility Tax	
Year	Received
2003	\$2,514,749
2004	\$2,293,122
2005	\$2,257,838
2006	\$2,480,484
2007	\$2,727,792
2008	\$2,982,034
2009	\$3,210,481
2010	\$3,154,178
2011	\$3,126,513
2012	\$3,284,833
2013 est.	\$3,570,031
2014 est.	\$3,723,588



Leasehold Excise Tax

Most leases of publicly-owned real and personal property in the state are subject to a leasehold excise tax in lieu of a property tax. The State Legislature in 1976 established a 12 percent tax to be levied on the contract rent. In 1987, the State Legislature increased the rate to a total of 12.84 percent. Cities and counties may collectively levy up to 6 percent of the 12.84 percent. The maximum rate for cities is 4 percent and, if a city levies this amount, the county can levy only 2 percent on leaseholds in the incorporated areas. If a city chooses not to levy its maximum, the county captures the difference to the 6 percent.

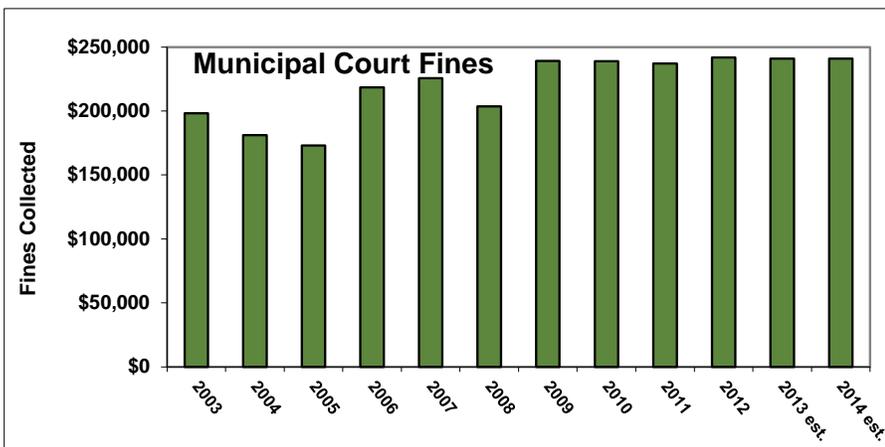


Leasehold Excise Tax	
Year	Received
2003	\$60,019
2004	\$56,563
2005	\$59,397
2006	\$76,079
2007	\$71,576
2008	\$76,602
2009	\$81,626
2010	\$81,037
2011	\$81,039
2012	\$82,789
2013 est.	\$85,000
2014 est.	\$85,000

The City of Tumwater imposes the leasehold excise tax (TMC Chapter 3.08) at the rate of 4 percent. Doing so does not affect the rate that leaseholders must pay; it simply determines who gets the money. This money is primarily derived from the State of Washington for leasing office space for State agencies and the Port of Olympia properties at the Olympia Regional Airport.

Municipal Court Fines

Although the State Supreme Court establishes the schedule of fines for traffic infractions in the Washington Model Traffic Ordinance RCW Chapter 46.90 cities and towns share in the revenue for infractions committed within their boundaries. After the Tumwater municipal court collects the fines, thirty-five percent is sent to the state. The remainder is deposited in the General Fund. The City also collects fines/penalties for the enforcement of all Tumwater code violations, and the Criminal Code Title 9 of the TMC.



Municipal Court Fines	
Year	Received
2003	\$198,165
2004	\$181,229
2005	\$173,011
2006	\$218,553
2007	\$225,720
2008	\$203,597
2009	\$239,150
2010	\$238,912
2011	\$237,186
2012	\$241,854
2013 est.	\$241,010
2014 est.	\$241,010

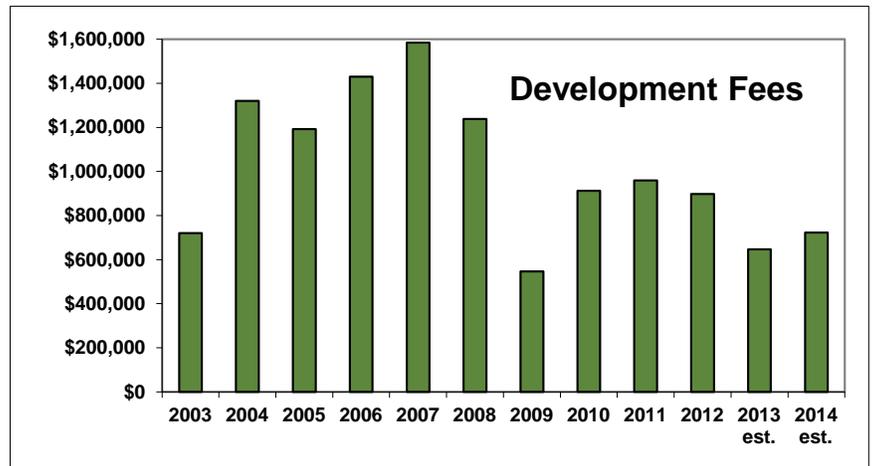
Licenses, Permits & Fees

The City collects fees and charges for services on a wide array of areas. Those are business license fees, cablevision franchise fees, building permit fees, plan check fees, utility plan check fees, street vacations, platting and zoning fees, intergovernmental and interdepartmental fees for services, recreational fees, park user fees, and sale of merchandise. In the Recreation category, the revenues are generated from various sources include the fees charged for the Tumwater Valley golf course. The chart depicts the types and amounts over the past few years.

Charges for services are collected and include in-house Financial and Records Management Services, Administrative, Legal, Personnel Services, and Facilities Services. These services are funded and accounted for within the General Fund. Each fund utilizes these services and is therefore charged its prorated share, based on the FTE's within that fund or activity.

DEVELOPMENT FEES (PERMIT FEES)	
Year	Received
2003	\$720,200
2004	\$1,320,460
2005	\$1,191,817
2006	\$1,430,418
2007	\$1,584,349
2008	\$1,237,844
2009	\$546,064
2010	\$912,601
2011	\$959,354
2012	\$897,507
2013 est.	\$647,000
2014 est.	\$723,250

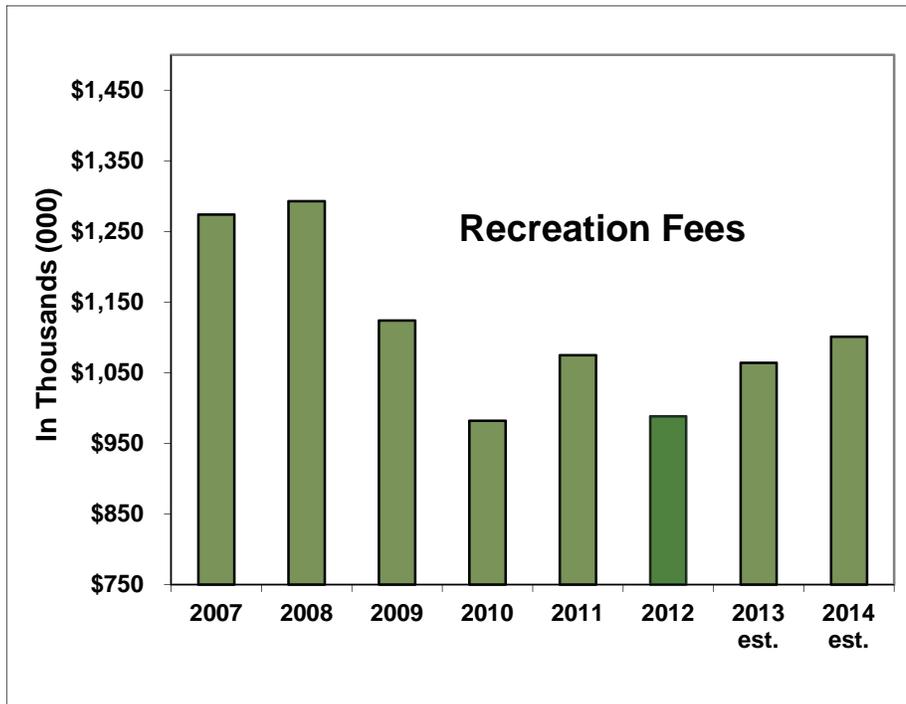
BUILDING PERMIT TOTALS		
Year	Number	Valuation
2003	679	\$41,746,911
2004	968	\$101,888,704
2005	995	\$94,497,854
2006	1,086	\$62,799,260
2007	1,395	\$60,036,079
2008	1,018	\$84,852,657
2009	749	\$20,639,627
2010	665	\$57,295,815
2011	1,023	\$50,353,741
2012	1,042	\$44,569,836



Intergovernmental Contracts

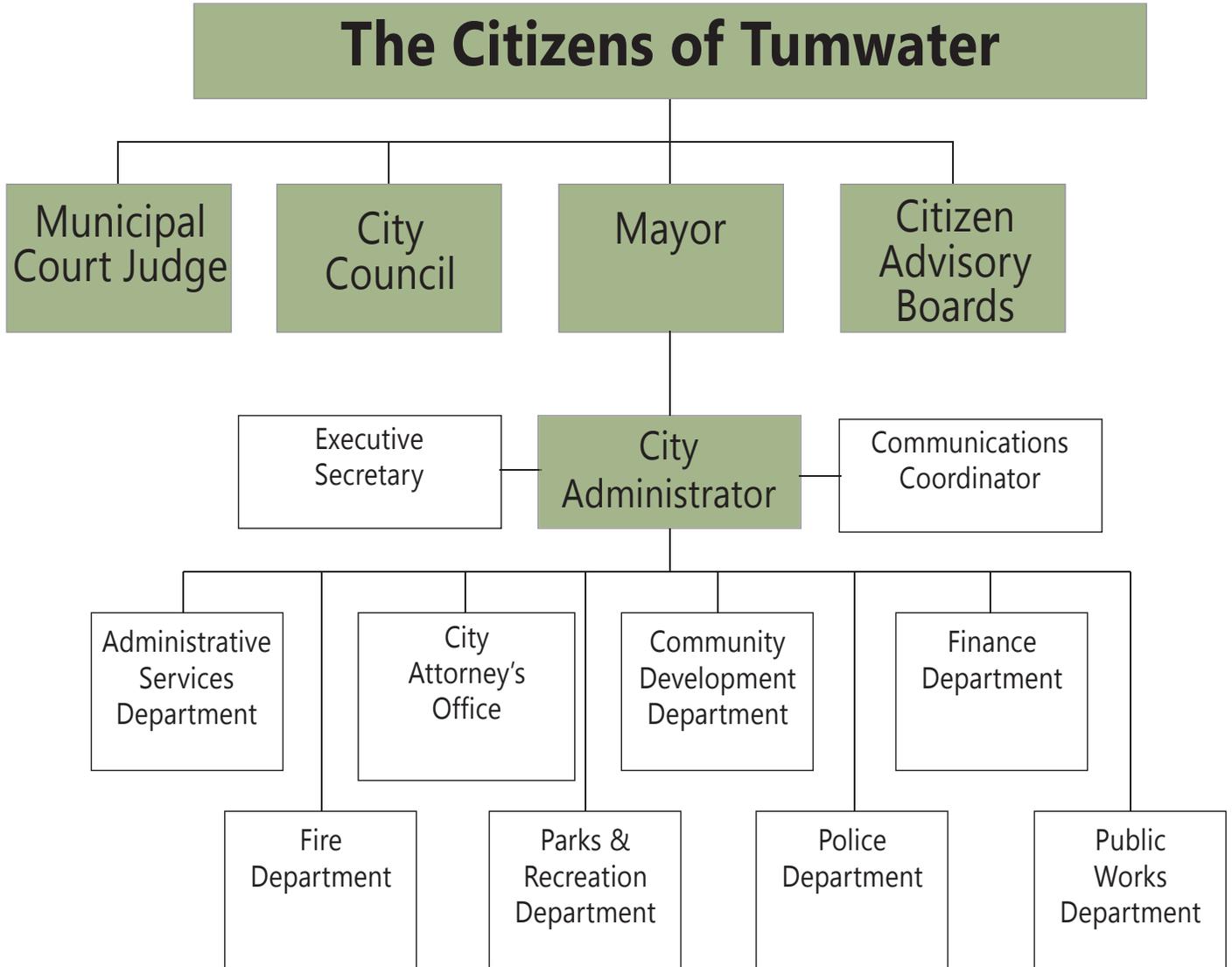
The City Fire Department provides fire and medic services through an inter-governmental contract with the Munn Lake Fire District 15. The District remits all property tax revenue received to support these services. The rate for 2013 is \$0.73785 and the current assessed valuation of the district is \$131,226,741 and will generate approximately \$96,800. The revenue for 2014 may increase by 1 percent per state law.

The City also participates in the Thurston County Medic One program and receives reimbursement of 80% of all personnel and personnel related costs of paramedics. The city also operates a satellite branch of Medic One south of the city and receives full reimbursement from Thurston County for staff and management costs. With the expansion of the Fire and Emergency Services department, the reimbursement from the county now represents more than 10 percent of general fund revenue and is estimated at \$4,25 million for the biennium.

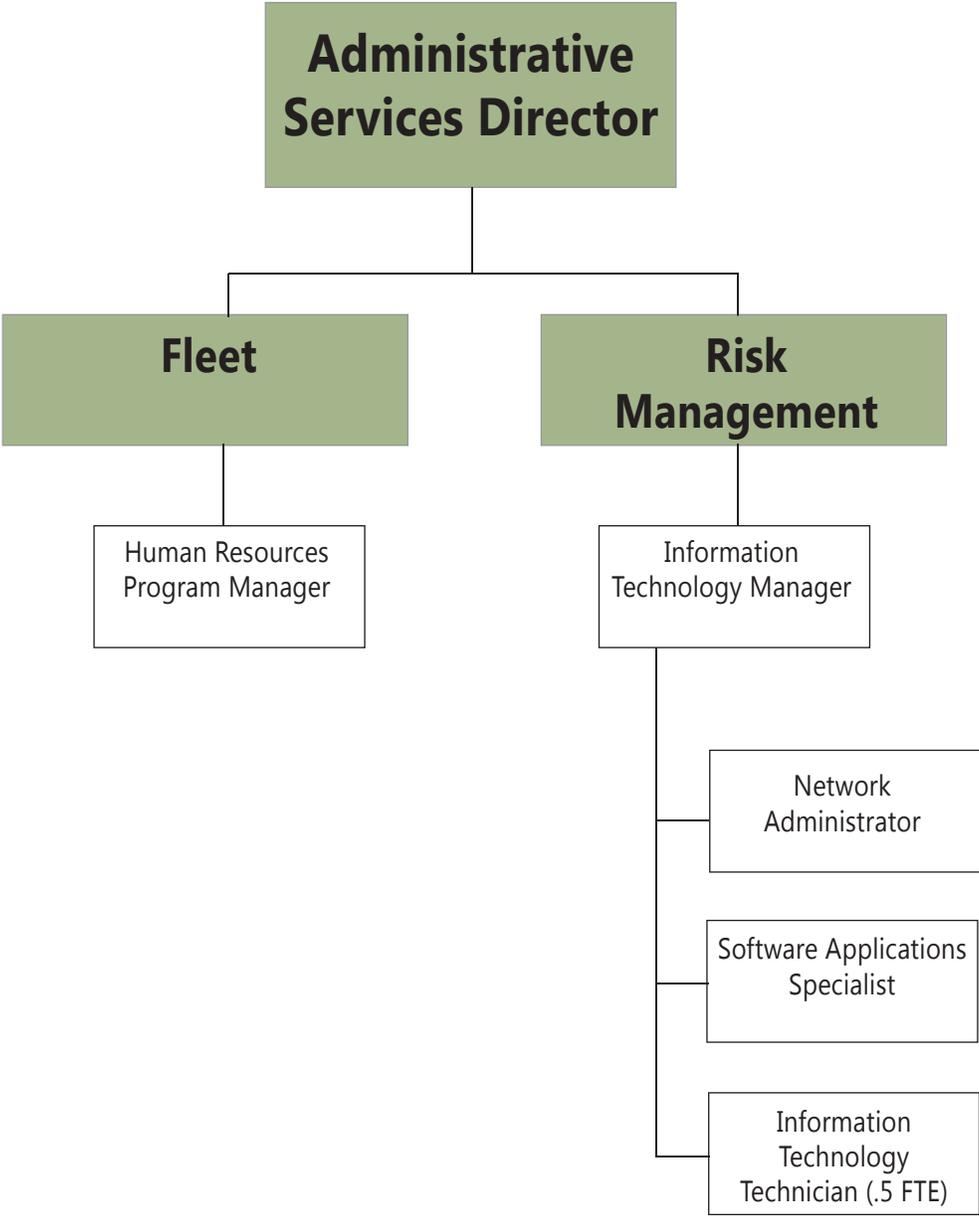


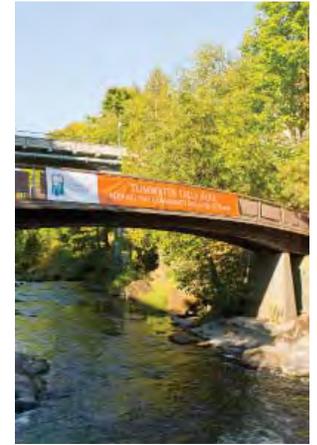
Recreational Fees								
Type	2007	2008	2009	2010	2011	2012	2013 est.	2014 est.
Ballfield User	\$11,455	\$27,050	\$21,753	\$18,023	\$7,170	\$13,940	\$15,000	\$15,000
Historical Park Shed	\$11,670	\$5,025	\$5,355	\$5,100	\$8,345	\$7,130	\$10,000	\$10,000
Recreational Classes	\$121,488	\$115,414	\$112,112	\$148,090	\$135,679	\$125,879	\$110,000	\$110,000
Golf Green Fees	\$684,128	\$673,241	\$619,030	\$506,346	\$507,241	\$476,244	\$520,000	\$540,000
Cart Rentals	\$119,259	\$115,941	\$114,606	\$95,834	\$85,129	\$84,466	\$99,000	\$101,000
Restaurant/Concession	\$43,166	\$35,846	\$6,652	\$0	\$113,567	\$47,966	\$55,000	\$55,000
Pro Shop Sales	\$208,402	\$231,450	\$161,911	\$143,268	\$149,540	\$166,163	\$180,000	\$190,000
Driving Range	\$74,508	\$89,142	\$82,755	\$65,633	\$68,448	\$66,476	\$75,000	\$80,000
Total	\$1,274,076	\$1,293,109	\$1,124,174	\$982,294	\$1,075,119	\$988,264	\$1,064,000	\$1,101,000

THE ORGANIZATION OF THE CITY OF TUMWATER



ADMINISTRATIVE SERVICES





ADMINISTRATIVE SERVICES

Department Summary

The Administrative Services Department was formed in January 2011, to consolidate the administration of human resources, information technology, risk management, and fleet management. Within these broad categories the department conducts activities such as recruitment and selection of employees, safety administration, employee benefit programs, labor negotiations, commute trip reduction, civil service administration, use of the right of way by telecommunication and cable companies, fleet management, computer network administration, computer work station replacement and repair, central telephone services, liability insurance requirements, and software support and development. The department includes six staff.

Goals

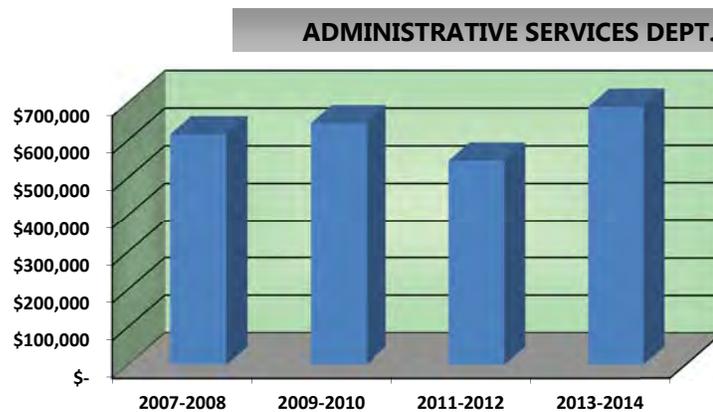
- Maintain and enhance productive relationships between the city and its employee labor unions.
- Review and enhance the city's safety program. Provide safety training in-house where appropriate.
- Provide analysis to Mayor and City Administrator on Management issues and improved service delivery.
- Manage the city's compliance with state commute reduction goals and regulations. Evaluate new programs to support reduced commute trips by city staff.
- Become fully trained in assigned emergency management roles for the Department and participate in emergency planning activities citywide.
- Assist with the development and completion of employee evaluations across all departments annually.
- Develop strategies and implement federal health insurance mandates.
- Establish Volunteer Coordinator Program with the addition of a part-time Volunteer Coordinator.

Accomplishments

- Transitioned to online job application services through NeoGov, which resulted in increased applicant pools for recruitments.
- Recruited for 100 positions in 2012, including 13 new regular-status employees as well as a slightly higher than normal demand for seasonal employees.
- The City and the Police Guild reached an agreement by mid-2012, after mediation sessions with the

Public Employees Relations Commission (PERC). Used an interest based bargaining (IBB) approach facilitated by PERC to negotiate a four-year contract with Tumwater Firefighter Local #2409.

- Managed Commute Trip Reduction Program which was honored as a CTR Star in November for achieving 2011 vehicle miles traveled and drive alone goals.
- During 2012, the Information Technology division completed several essential projects. Among these were planning for police department expansion, transition to a citywide Windows network, implemented a mobile management system, enhanced, upgraded, and supported the EDEN system, upgraded numerous major software packages, migrated email to the virtual server, set up over 60 new desktop computers, and implemented a VPN using Terminal Server.
- During 2012, the city vehicle fleet was managed to optimize cost savings. Ten vehicles were added during the year at a cost of \$345,000. Seven of the vehicles were police vehicles.

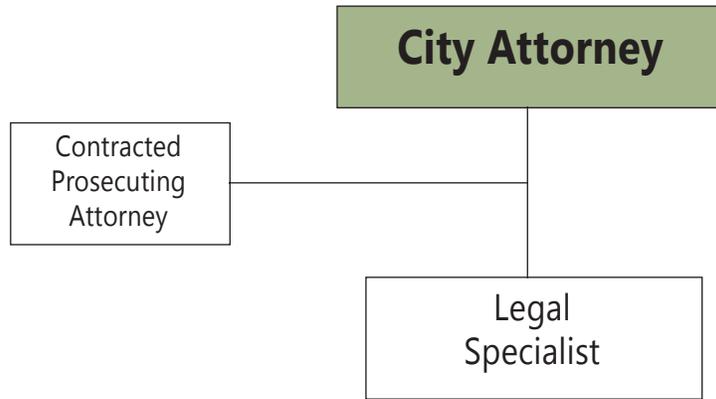


Expenditure Summary			
<i>Administrative Services</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Personnel Costs	\$454,254	\$470,747	\$574,682
Supplies	11,602	3,717	11,900
Other Services & Charges	158,653	41,889	72,894
Interfund Charges	20,263	29,058	28,942
Total Expenditures	\$644,772	\$545,411	\$688,418

LINE ITEM BUDGET - ADMINISTRATIVE SERVICES

Account Number	Account Title	Biennial Budget 2011-2012	Biennial Budget 2013-2014	% Change
001.06.516.200.11.00	Salaries & Wages	\$ 359,094	\$ 416,835	16.08%
001.06.516.200.21.00	Personnel Benefits	117,422	157,847	34.43%
001.06.516.200.31.00	Office	4,150	4,150	0.00%
001.06.516.200.33.00	Operating Supplies	3,750	3,750	0.00%
001.06.516.200.33.02	Operating - Safety	4,000	4,000	0.00%
001.06.516.200.41.01	Employee Assistance	8,500	8,500	0.00%
001.06.516.200.41.03	Professional Services	9,500	23,774	150.25%
001.06.516.200.43.00	Travel	3,600	9,850	173.61%
001.06.516.200.48.00	Safety Equipment Maintenance/Repair	2,400	-	-100.00%
001.06.516.200.49.01	Conference/School/Training	4,700	8,470	80.21%
001.06.516.200.49.03	Dues & Subscriptions	5,300	5,300	0.00%
001.06.516.200.49.07	Tests/Materials	7,500	7,500	0.00%
001.06.516.200.49.15	Tuition Reimbursement	9,500	9,500	0.00%
001.06.516.200.95.01	Asset Rental	29,058	28,942	-0.40%
	Administrative Services	\$ 568,474	\$ 688,418	21.10%

CITY ATTORNEY





CITY ATTORNEY'S OFFICE

Department Summary

The City Attorney's Office acts as legal advisor to the mayor, council, boards, commissions and staff. The office provides legal representation in litigation for both civil and criminal issues, including prosecution of all misdemeanor criminal and traffic violations of the Tumwater Municipal Code. The office provides preparation assistance and legal review of contracts and documents for legal sufficiency. The City Attorney monitors new legislation and court rulings of interest to cities and advises the mayor and staff as necessary. The department consists of two full-time staff, a contract with Thurston County for prosecution, and contracts with outside counsel for specialized litigation.

Goals

- Implement e-ticketing exclusively to add efficiency to processing.
- Work with other City departments to assess and implement the long-term options for Municipal Court services. This could involve an option of also contracting for prosecution support.
- Streamline appeals process. Work with Community Development to amend the existing hearing examiner appeal process to file directly with the Thurston County Superior Court, which eliminates unnecessary duplication and risks, still ensures consistency with SEPA and related planning laws, and reduces or eliminates the need for separate outside counsel.
- Develop a process for nuisance abatement.
- Monitor developments in the area of medical marijuana regulation.
- Assist Brewery Project Manager and staff with brewery property re-development issues as necessary.

Accomplishments

- In the Laurel Park Manufactured Home Park, et al v. City of Tumwater, the City Attorney assisted outside counsel in defending application of ordinances regarding zoning of manufactured home parks. The City has prevailed in the State courts, the Federal District Court and the U.S. 9th Circuit Court of Appeals.
- The City Attorney worked with staff from the Tumwater Police Department, Community Development, and Public Works Departments to create and implement a comprehensive building abatement process and code amendment.
- The City Attorney's Office assisted other departments to accomplish tasks related to strategic priorities through legal review and assistance with preparation of contracts, ordinances, and other documents necessary to achieve their goals.

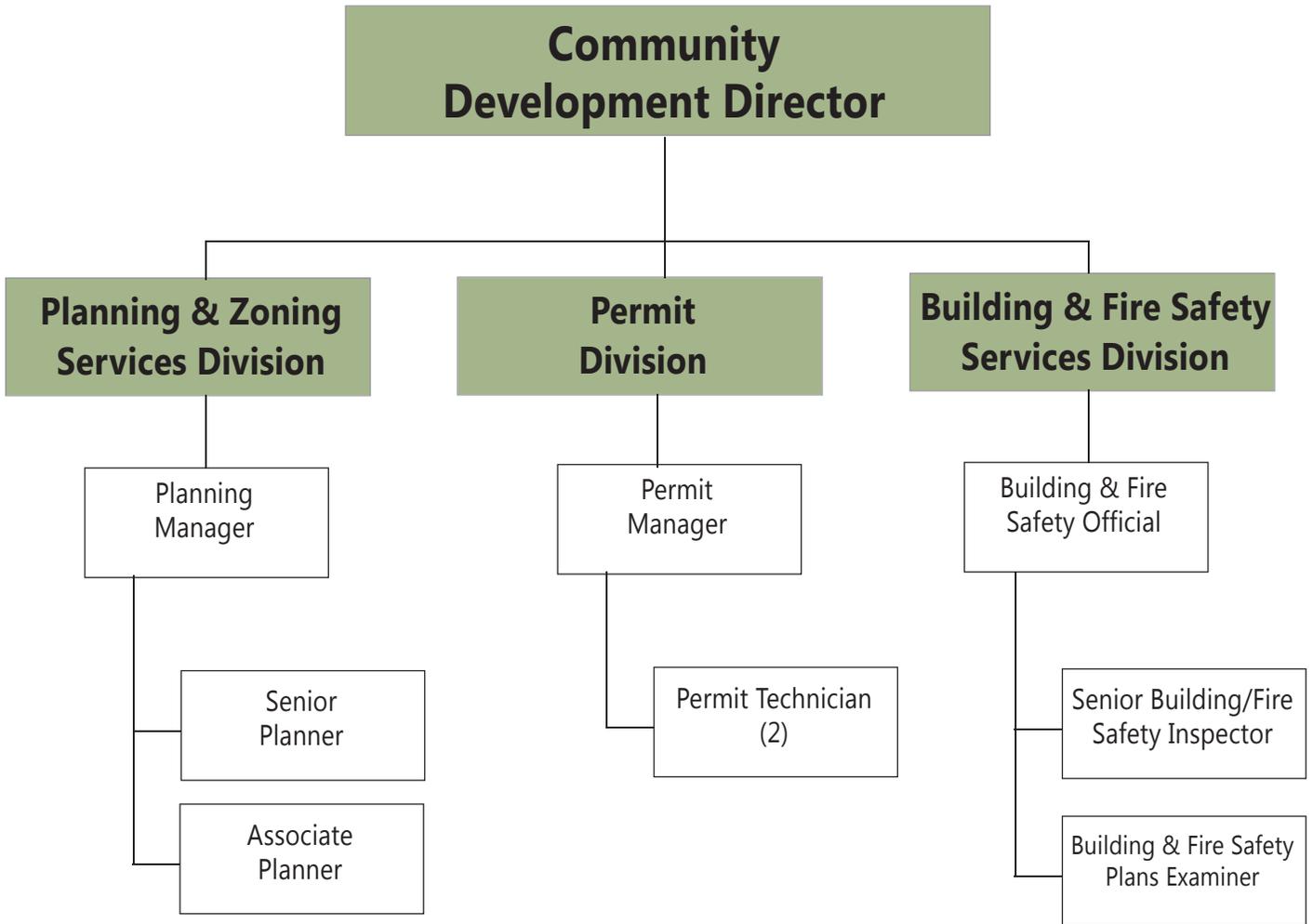


Expenditure Summary			
<i>City Attorney</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Personnel Costs	\$472,815	\$464,204	\$501,097
Supplies	2,230	2,725	2,600
Other Services & Charges	201,236	7,861	170,900
Interfund Charges	33,482	48,645	48,141
Total Expenditures	\$709,763	\$523,435	\$722,738

LINE ITEM BUDGET - CITY ATTORNEY

Account Number	Account Title	Biennial Budget 2011-2012	Biennial Budget 2013-2014	% Change
001.07.515.200.11.00	Salaries & Wages	\$ 352,369	\$ 367,967	4.43%
001.07.515.200.21.00	Personnel Benefits	116,660	133,130	14.12%
001.07.515.200.31.00	Office	2,000	2,000	0.00%
001.07.515.200.33.01	Operating Supplies	600	600	0.00%
001.07.515.200.41.02	Legal Services	55,000	60,000	9.09%
001.07.515.200.41.99	Legal Services In Excess Of Base Budget	105,000	100,000	-4.76%
001.07.515.200.43.00	Travel	2,400	3,000	25.00%
001.07.515.200.49.00	Miscellaneous	300	300	0.00%
001.07.515.200.49.01	Conference/School/Training	3,000	3,000	0.00%
001.07.515.200.49.02	Printing & Binding	600	600	0.00%
001.07.515.200.49.03	Dues/Subscriptions	3,300	4,000	21.21%
001.07.515.200.95.01	Asset Rental	48,645	48,141	-1.04%
	City Attorney	\$ 689,874	\$ 722,738	4.76%

COMMUNITY DEVELOPMENT





COMMUNITY DEVELOPMENT

Department Summary

The Community Development Department builds “community” in Tumwater through innovative long-range comprehensive planning and timely and responsive plan review, inspection, and code enforcement. Long range planning activities include researching, processing and staffing all comprehensive planning efforts, zoning and development code updates, annexations, and tracking and monitoring growth management legislation. Development review includes reviewing and processing development permit applications, environmental and critical area analysis, land division, and building, plumbing, mechanical, fire and life safety plan reviews and inspections, and code enforcement. The department was created in 2010, by combining the former Development Services Department with the long-range planning functions of the former Planning and Facilities Department. In 2012, there were eleven employees in the department.

Goals

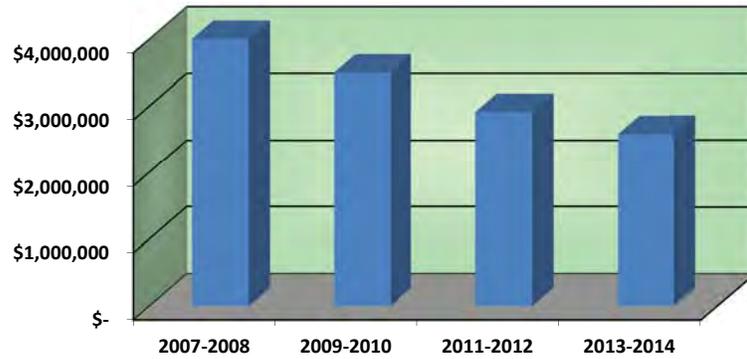
- Update to Comprehensive Street Tree Plan.
- Retain consultant to revise, update and expand the city design review process.
- Update nuisance code and improve definitions for distribution warehouse centers
- Complete Capitol Boulevard Corridor plan and implement actions.
- Initiate and complete a planning project for the Mottman Industrial area.
- Complete the Brewery District Planning Project and adopt a new subarea plan and development regulations to guide public and private investment.
- Implement recommendations of the Urban Corridors Task Force.
- Initiate process to scope the 2016 comprehensive plan update, culminating in a work program for the update.
- Initiate and complete comprehensive plan and zoning code amendments for the brewery properties to use classifications consistent with the direction in the Strategic and Economic Development plans.
- Monitor annexation opportunities and process annexations consistent with adopted annexation policies.
- Review and evaluate building and land use permit fees for any needed adjustments.

Accomplishments

- In conjunction with other City departments, staff worked closely with the owners of the historic brew-house in order to clean up the property and facilitate adaptive reuse of the buildings.
- Completed the draft Shoreline Management Program for Department of Ecology review.
- Completed draft plan for Capitol Boulevard corridor examining land uses, traffic, non-motorized traffic mobility, economic environment, street access, and street design in order to complete a detailed plan and action plan for functional and aesthetic improvements to this important street corridor. A significant public outreach effort was undertaken, including mailing 24,414 letters/flyers, 5,568 e-mail notifications, mailing 4,000 surveys, 260 business contacts/interviews, 16 public meetings/open houses/presentations (4 have been televised) and 3 newspaper articles.
- Brewery District Planning Project and adopt a new subarea plan and development regulations to guide public and private investment. A citizens subcommittee was assembled for a series of meetings in 2013. This work is funded through a federal Challenge Grant in the amount of \$175,000. Total project costs are \$300,000, including City matching funds.
- Developed abatement ordinance on an abandoned, derelict properties.
- Initiated a 29-acre annexation on Prine Road.
- Processed two site-specific comprehensive Plan/rezone requests.
- Amended city floodplain regulations to comply with FEMA requirements.
- Worked with the Tree Board to update TMC 16.08, Protection of Trees and Vegetation. These amendments will be considered by City Council in 2013.
- Developed and adopted a dangerous building abatement ordinance.



COMMUNITY DEVELOPMENT DEPT.



Expenditure Summary			
<i>Community Development - Total</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Planning	\$984,496	\$908,447	\$875,050
Facilities	2,513,231	2,002,482	1,703,613
Total Expenditures	\$3,497,727	\$2,910,929	\$2,578,663

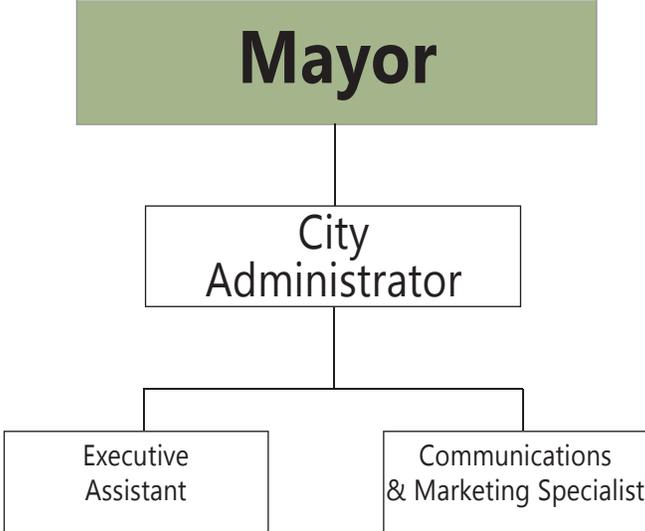
Expenditure Summary			
<i>Community Development - Permits</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Personnel Costs	\$2,244,486	\$1,738,770	\$1,432,490
Supplies	9,409	7,656	24,000
Other Services & Charges	74,947	34,376	70,600
Intergovernmental	12,000		
Interfund Charges	172,389	221,680	176,523
Total Expenditures	\$2,513,231	\$2,002,482	\$1,703,613

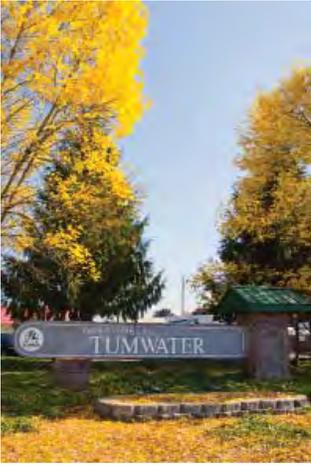
Expenditure Summary			
<i>Community Development - Planning</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Personnel Costs	\$837,865	\$818,685	\$747,939
Supplies	4,571	3,426	10,300
Other Services & Charges	9,646	35,099	80,450
Intergovernmental	96,786		
Interfund Charges	35,628	51,238	36,361
Total Expenditures	\$984,496	\$908,448	\$875,050

LINE ITEM BUDGET - COMMUNITY DEVELOPMENT

Account Number	Account Title	Biennial Budget 2011-2012	Biennial Budget 2013-2014	% Change
001.13.558.100.11.00	Salaries & Wages	\$ 624,774	\$ 541,818	-13.28%
001.13.558.100.21.00	Personnel Benefits	227,384	206,121	-9.35%
001.13.558.100.31.00	Office	4,800	4,800	0.00%
001.13.558.100.33.00	Operating Supplies	5,500	5,500	0.00%
001.13.558.100.41.00	Professional Services	1,800	55,000	2955.56%
001.13.558.100.43.00	Travel	4,750	5,750	21.05%
001.13.558.100.49.01	Conference/School/Training	5,700	4,700	-17.54%
001.13.558.100.49.02	Printing/Binding	12,000	9,000	-25.00%
001.13.558.100.49.03	Dues/Subscriptions	2,900	3,000	3.45%
001.13.558.100.49.04	Tree Board	2,000	2,000	0.00%
001.13.558.100.49.05	Climate Protection Program	30,000	1,000	-96.67%
001.13.558.100.95.01	Asset Rental	51,238	36,361	-29.04%
001.13.559.600.11.00	Salaries & Wages	1,293,892	1,005,726	-22.27%
001.13.559.600.11.01	Temporary Help	-	-	100.00%
001.13.559.600.12.00	Overtime	6,000	-	-100.00%
001.13.559.600.21.00	Personnel Benefits	504,178	426,764	-15.35%
001.13.559.600.31.00	Office	10,000	10,000	0.00%
001.13.559.600.33.00	Operating Supplies	7,000	9,000	28.57%
001.13.559.600.35.00	Small Tools & Minor Equipment	3,000	1,000	-66.67%
001.13.559.600.35.01	UB Code Books	4,000	4,000	0.00%
001.13.559.600.41.00	Professional Services	85,000	50,000	-41.18%
001.13.559.600.41.99	Professional-Imaging	4,000	4,000	0.00%
001.13.559.600.42.00	Communications	4,000	2,000	-50.00%
001.13.559.600.43.00	Travel	3,200	5,800	81.25%
001.13.559.600.49.01	Conference/School/Training	7,000	4,400	-37.14%
001.13.559.600.49.02	Printing/Binding	400	400	0.00%
001.13.559.600.49.03	Dues/Subscriptions	4,000	4,000	0.00%
001.13.559.600.95.01	Asset Rental	221,680	176,523	-20.37%
	Community Development	\$ 3,130,196	\$ 2,578,663	-17.62%

EXECUTIVE DEPARTMENT





EXECUTIVE DEPARTMENT

Department Summary

The Executive Department includes the Mayor, City Administrator, Executive Assistant, and the City-wide Communications and Marketing Specialist. It provides executive leadership to all departments, works with the City Council on goal-setting and public policy, supports other departments in their policy and public involvement work, produces public information such as the website and various newsletters and mailings, hosts educational opportunities like Community Day and Tumwater University, manages the City's Lodging Tax Advisory Committee (LTAC) process and the Human Services Review Council (HSRC) funding, supports the City Council scheduling and communications, and works closely with other jurisdictions and outside agencies.

Goals

1. Foster and maintain a mission-driven and beliefs-based organization in the pursuit of excellence.
 - Assist departments in preparation of business plans.
 - Develop and maintain a customer service program.
 - Integrate the Performance Measure Program into the goal-setting, management, and budget development processes.
2. Improve communication and engagement with the community, partners, and employees.
 - Utilize technology to expand communication at less cost.
 - Support the development of expanded community-engagement and volunteer programs.
 - Develop a Neighborhood Improvement Grant Program.
3. Pursue financial stability and responsibility.
 - Monitor the City's biennial budget and quarterly financial reporting.
 - Study, monitor, and execute measure in and across departments for efficiency, expand the tax base, review service delivery options, and consider innovative revenue sources.
 - Work with departments to review permit fees and user charges.
4. Advance safety for employees and the community.
 - Work with Fire Department to pursue funding for staffing improvements through efficiency, regionalization, and grants as appropriate.

- Work with Police Department to complete the new facility and successfully transition.
- Support Police Department efforts in exploring efficiency, volunteers, explorers, and accreditation.
- With the Finance Department, implement future changes in Municipal Court services.

5. Lead the development of and execution of organizational capacity for economic development activities which build on the Economic Development Plan, which advance the City's strategic goals, and seize opportunities.

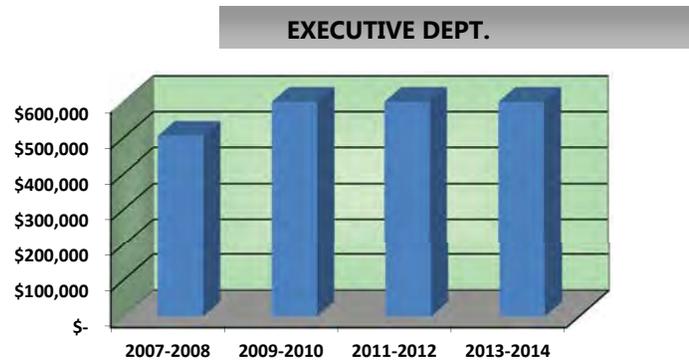
- Cultivate and nurture partnerships with the Port of Olympia, Tumwater School District and other organizations.
- Coordinate high-profile planning projects for Capital Boulevard, Brewery Neighborhood, and Town Center.
- Manage the Brewery Redevelopment Project and EDC Partnership.
- Work with the Communications Plan to promote Tumwater opportunities and our brand.
- Advocate for special events, promotions, community activities, and other opportunities to enhance the appearance and visibility of Tumwater.

Accomplishments

Developed and managed the contract with the Thurston Economic Development Council for the Brewery Project Manager. Through the contract, worked with property owners to resolve infrastructure issues, pursue a planning grant, welcome a new restaurant business, and resolve the covenant.

- Support the Community Development Department in the work to redesign Capitol Boulevard corridor.
- Work with developers and City staff to find viable and unique solutions to economic development opportunities and development proposals, resulting in the new WSECU proposal and the proposed hotel on Capitol Boulevard.
- Initiated a community survey, employee survey, and used the results in a pilot Performance Measurement Project.
- Conducted a City Council goal-setting retreat to drive the budget process, including presentation of the City's first 5-year financial projection, and lead the preparation of a biennial budget for 2013/14.
- The Administrator participated as the vice-chair of the Leadership Thurston County Board of Regents. This is the third year that the City has had two participants in the Leadership Program.
- Provide public information on the Levy Lid Life and the "Promises Made—Promises Kept" campaign.
- Reviewed the City's Municipal Court operation for alternative delivery models.
- Using an annual Communications Plan as a guide, initiated an internet e-newsletter, produced the third annual Community Day, initiated the first Tumwater University, and produced the first mailed Report to Taxpayers.
- Partnered with PSE to conduct business blitzes, making contact with almost 150 businesses in Tumwater to encourage energy conservation and improvement relationships with the City.
- Administered the regional HSRC grant awards for the Tumwater funding, administered the solicitation of proposals and grant awards for the local HSRC, and the solicitation of proposals and grant awards for LTAC tourism funding.

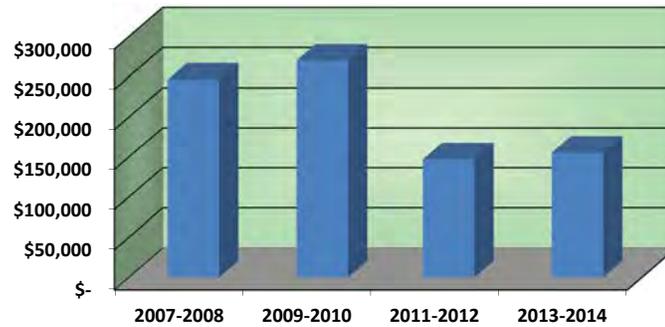
- Managed the work to revise the City's fireworks regulations and develop a proposal for public information.
- Participated in regional Health and Human Services Planning resulting in a new system for regional allocation of Community Development Block Grant (CDBG) and HSRC funds.
- Participated in a regional collaboration to influence the US Fish and Wildlife Service's decision on the Mazama Pocket Gopher's Endangered Species Act listing.



Expenditure Summary			
<i>Executive</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Personnel Costs	\$590,266	\$601,445	\$748,782
Supplies	3,096	8,360	9,900
Other Services & Charges	3,576	21,987	48,150
Interfund Charges	24,504	42,389	50,622
Total Expenditures	\$621,442	\$674,181	\$857,454



LEGISLATIVE DEPT.



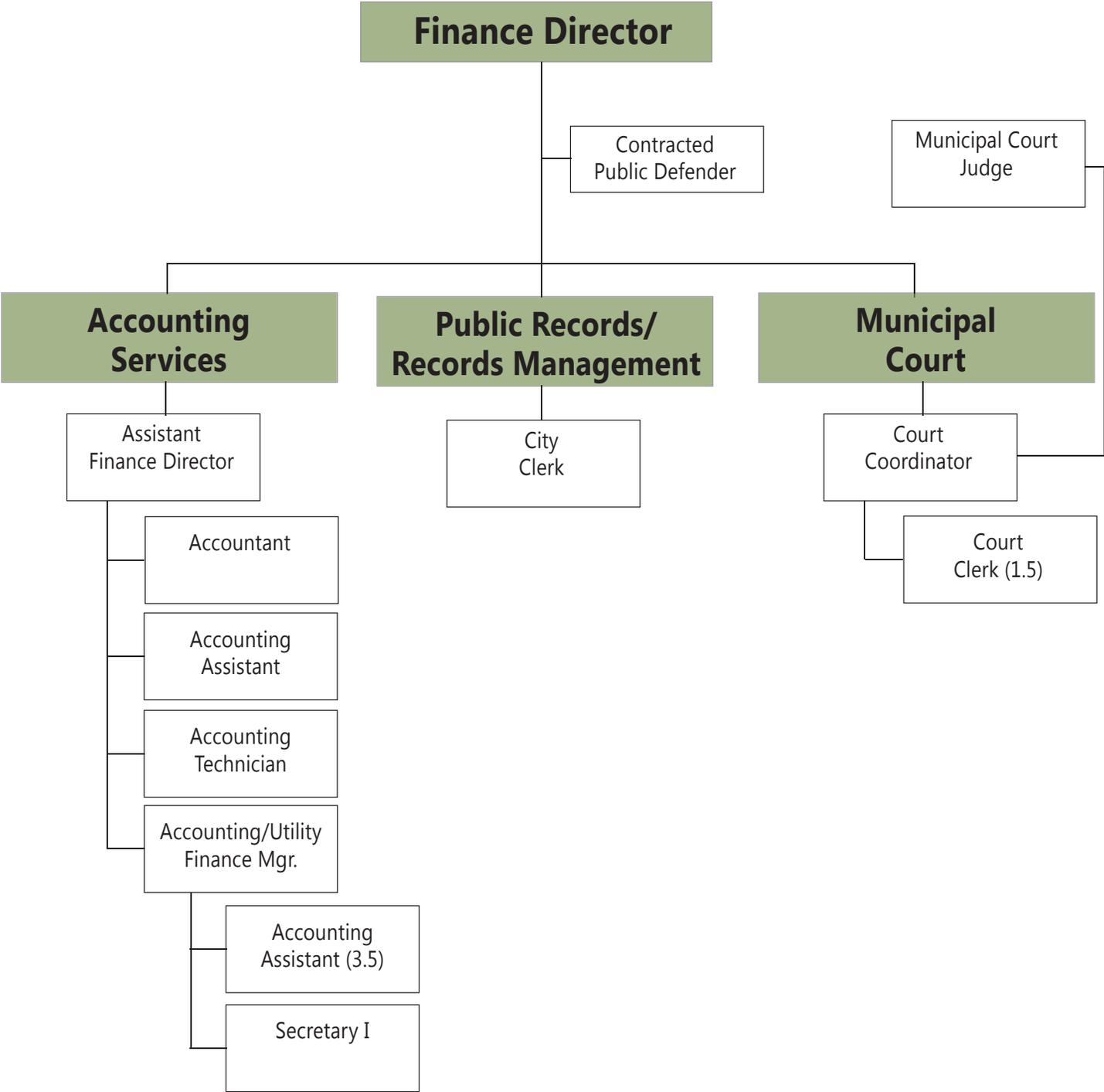
Expenditure Summary			
<i>Legislative</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Personnel Costs	\$111,738	\$116,525	\$120,750
Supplies	23,817	3,703	4,700
Other Services & Charges	21,648	4,177	11,900
Intergovernmental	19,644		
Human & Community Services	67,001		
Interfund Charges	26,079	22,495	17,988
Total Expenditures	\$269,927	\$146,900	\$155,338

Expenditure Summary			
<i>Human/Community Services</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Regional Human Services	\$50,000	\$46,867	\$50,000
Dispute Resolution	3,200	6,500	2,500
Garden Raised Bounty	4,100		2,500
Retired Senior Volunteer Program	4,000		
Economic Development Council	1,500	5,500	
Big Brothers / Big Sisters	4,200	6,000	2,500
Pizza Klatch			2,500
Local HSRC To Be Alloted (second year)			10,000
Total Expenditures	\$67,000	\$64,867	\$70,000

LINE ITEM BUDGET - EXECUTIVE

Account Number	Account Title	Biennial Budget 2011-2012	Biennial Budget 2013-2014	% Change
001.04.513.100.11.00	Salaries & Wages	\$ 474,777	\$ 551,971	16.26%
001.04.513.100.21.00	Personnel Benefits	152,714	196,811	28.88%
001.04.513.100.31.00	Office	4,100	3,400	-17.07%
001.04.513.100.33.00	Operating Supplies	5,000	6,500	30.00%
001.04.513.100.41.08	Professional Services	5,000	5,000	0.00%
001.04.513.100.43.00	Travel	6,150	9,050	47.15%
001.04.513.100.49.01	Conference/School/Training	9,700	9,700	0.00%
001.04.513.100.49.02	Printing & Binding	50,000	20,000	-60.00%
001.04.513.100.49.03	Dues/Subscriptions	3,400	4,400	29.41%
001.04.513.100.95.01	Asset Rental	42,389	50,622	19.42%
	Executive	\$ 753,230	\$ 857,454	13.84%

FINANCE DEPARTMENT





FINANCE DEPARTMENT

Department Summary

The Finance department provides a broad spectrum of services to the public and to all other departments, including general finance, city clerk, and municipal court services. Most public interface with this department is utility billing and payment collection for approximately 8,000 customers, managing business licensing and B & O taxes, and collecting payments on court citations. The Finance Department also serves as the centralized recipient of payments for building permits. The department provides budget and financial development and reporting for the public and all City departments. The Finance department serves as the repository for city records management and public disclosure requests through the office of the City Clerk. The City Clerk provides supervision and monitoring of meeting records for the City Council and all committee meetings. The operation of the Tumwater Municipal Court is under the daily supervision of the Finance Department. In 2012, 13 staff worked in the department, including 10.5 general finance and city clerk, and 2.5 municipal court staff.

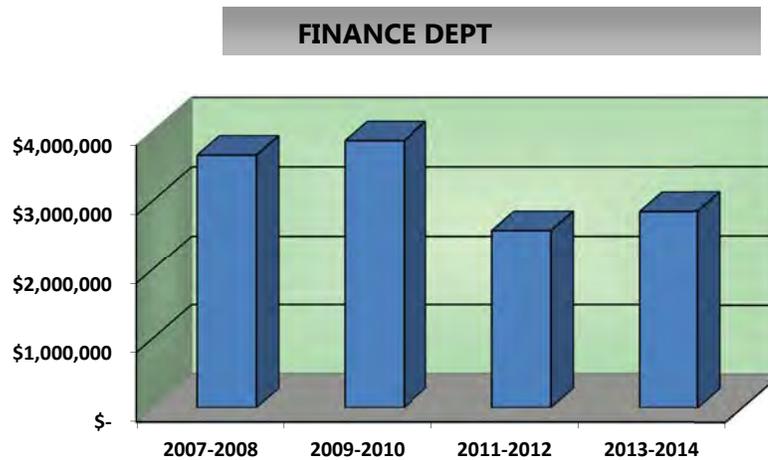
Goals

- Complete changes to Public Defense Standards to comply with State Supreme Court ruling.
- Continue to coordinate cross-training of the major financial functions to integrate with the emergency management plan; identify and provide training to emergency support staff.
- Complete and submit the City's Annual Financial Report to the Washington State Auditor's Office by the May 30th deadline.
- Review the City's budget and financial policies and recommend updates as necessary to assure conformance to regulations and guidelines set forth by federal and state law, and city laws and directives.
- Work with Administrator to develop an on-going 5-year financial forecast.
- Study the long-term options for provision of Municipal Court services.
- Design a reporting method that will be the most effective means of reporting timely and relevant budgeting and financial operations information to all departments, Administration, and Council. Improve Business Licensing and B&O Tax collection and tracking and efficient utilization of staffing related to this function.

- Implement a multi-phase project to provide on-line bill payment, customer access to bills, and eventually on-line billing.
- Partner with Public Works and Information Technology to upgrade meter reading functions.
- Develop systems that allow for data export/import to increase automated transaction sharing between software programs used for tracking and reporting by seeking solutions available with the existing cashiering programming to extract data or move to an alternative cashiering system that serves the purpose.

Accomplishments

- Finance and Court staff assignments were formally restructured, and positions were filled with a focus on customer service and efficiencies in utility billing processes.
- Finalized budget and financial reporting structure that will be used for monitoring and reporting the use of public safety levy taxes for the next 2½ decades.
- Completed financing for the new fire truck, golf carts, and golf maintenance equipment at interest rates from 1.197% to 1.85%.



Expenditure Summary			
<i>Finance</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Personnel Costs	\$2,344,528	\$1,821,686	\$2,090,736
Supplies	41,920	37,828	42,400
Other Services & Charges	1,182,281	541,730	544,895
Intergovernmental	148,322	132	3,200
Interfund Charges	144,725	166,008	160,969
Total Expenditures	\$3,861,776	\$2,567,384	\$2,842,200

- Restructured the indigent defense (court appointed attorney) policies and new attorney service contracts executed to comply with recent public defense standards set by the State Supreme Court on maximum caseload. Public Defense Standards were also adopted by resolution in 2012.
- The city's first 5-year financial forecast plan for the General Fund was introduced to the City Council. The projection through 2017, provides the Council with a planning tool for the next three biennial budgets cycles.
- In 2012, the City Clerk prepared agendas, notices and minutes for City Council meetings, including 22 regular meetings, 2 special meetings, 20 work sessions, and 35 committee meetings.



Expenditure Summary		
<i>Municipal Court</i>		
ITEM	2011-2012 Actual	2013-2014 Budget
Personnel Costs	\$295,563	\$386,569
Supplies	3,513	4,200
Other Services & Charges	266,596	374,876
Intergovernmental	8,166	10,000
Interfund Charges	36,847	38,233
Total Expenditures	\$610,685	\$813,878

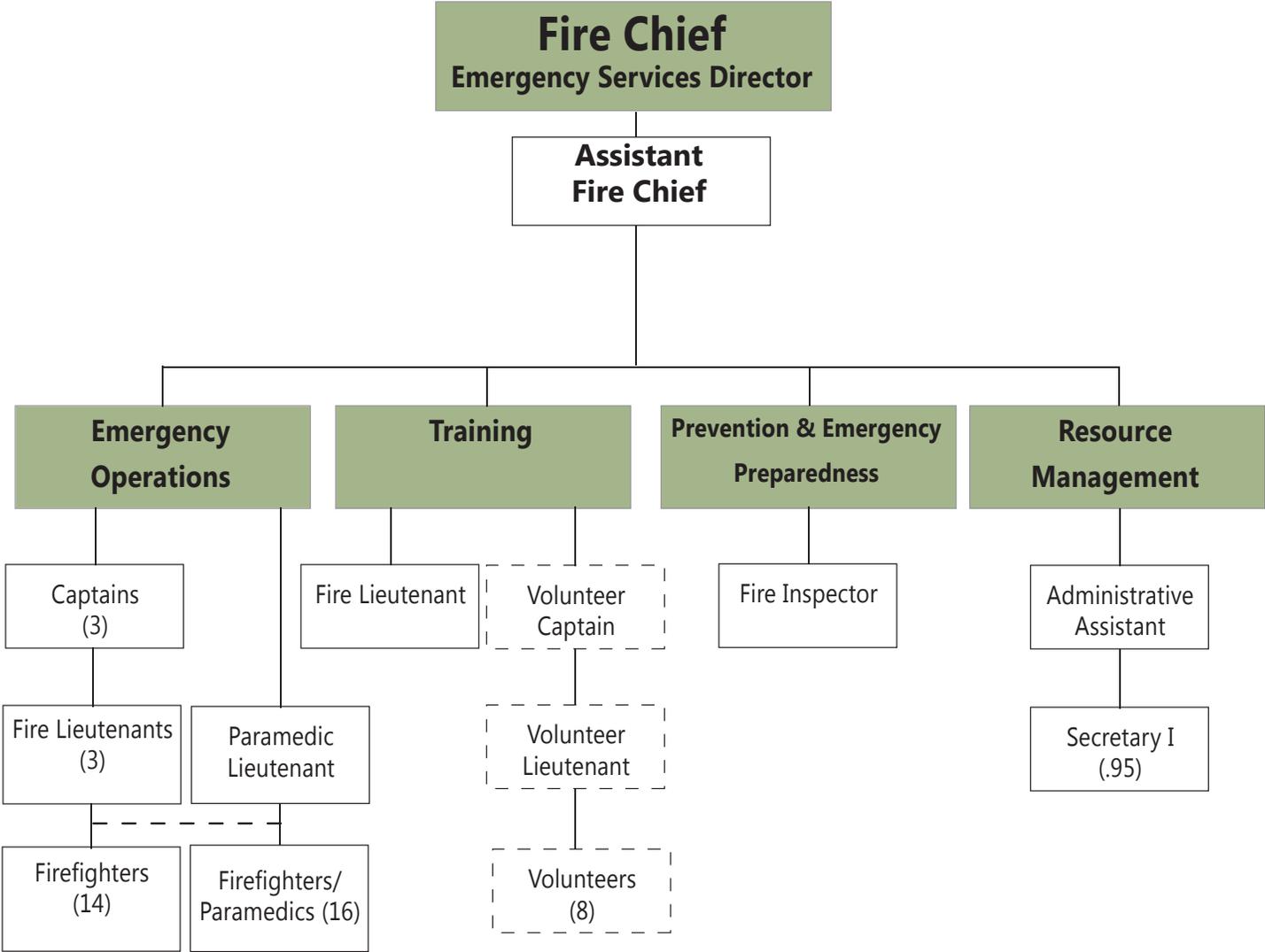
LINE ITEM BUDGET - FINANCE

Account Number	Account Title	Biennial Budget 2011-2012	Biennial Budget 2013-2014	% Change
001.05.514.230.11.00	Salaries & Wages	\$ 1,399,997	\$ 1,434,774	2.48%
001.05.514.230.12.00	Overtime	8,000	5,000	-37.50%
001.05.514.230.21.00	Personnel Benefits	612,727	650,962	6.24%
001.05.514.230.22.01	Uniforms/Safety Equipment	1,000	-	-100.00%
001.05.514.230.31.00	Office	24,000	18,000	-25.00%
001.05.514.230.31.01	Central Supplies	22,330	18,000	-19.39%
001.05.514.230.33.00	Operating Supplies	6,000	4,000	-33.33%
001.05.514.230.35.00	Small Tools & Equipment	2,000	2,400	20.00%
001.05.514.230.41.01	Minutes Recording	89,900	95,000	5.67%
001.05.514.230.41.04	Fiscal Agent	4,000	2,800	-30.00%
001.05.514.230.41.08	Professional Service	103,800	68,400	-34.10%
001.05.514.230.41.09	Courier Services	38,570	41,370	7.26%
001.05.514.230.42.00	Communications	2,000	625	-68.75%
001.05.514.230.42.02	Postage	128,500	138,500	7.78%
001.05.514.230.43.00	Travel	8,450	12,500	47.93%
001.05.514.230.44.00	Advertising	71,050	74,000	4.15%
001.05.514.230.48.00	Repairs & Maintenance	1,000	1,000	0.00%
001.05.514.230.49.01	Conference/School/Training	10,800	12,500	15.74%
001.05.514.230.49.02	Printing/Binding	55,100	72,000	30.67%
001.05.514.230.49.03	Dues/Subscriptions	2,000	7,200	260.00%
001.05.514.230.49.05	Banking Fees	14,210	19,000	33.71%
001.05.514.230.51.01	Wa.St.Empl.Security OASI Admin	200	200	0.00%
001.05.514.230.51.02	Wa.St.Dept.Of Revenue Bus.Lic.Fees	-	3,000	100.00%
001.05.514.230.51.02	State Excise Tax	200	-	100.00%
001.05.514.230.95.01	Asset Rental	166,008	160,969	-3.04%
	Finance	\$ 2,771,842	\$ 2,842,200	2.55%

LINE ITEM BUDGET - MUNICIPAL COURT

Account Number	Account Title	Biennial Budget 2011-2012	Biennial Budget 2013-2014	% Change
001.08.512.500.11.00	Salaries & Wages	\$ 234,829	\$ 253,695	8.03%
001.08.512.500.12.00	Overtime	3,000	3,000	0.00%
001.08.512.500.21.00	Personnel Benefits	103,462	129,874	25.53%
001.08.512.500.31.00	Office	1,000	1,000	0.00%
001.08.512.500.33.00	Operating Supplies	21,000	2,000	-90.48%
001.08.512.500.35.00	Small Tools & Equipment	-	1,200	100.00%
001.08.512.500.41.01	Prosecution Services	71,379	75,526	5.81%
001.08.512.500.41.02	Judge Contract	52,550	55,550	5.71%
001.08.512.500.41.03	Court Appointed Attorney	129,280	216,000	67.08%
001.08.512.500.41.05	Interpretation Services	4,400	5,000	13.64%
001.08.512.500.41.07	Judge Pro-Tem	2,000	3,000	50.00%
001.08.512.500.41.08	Professional Service	6,750	7,000	3.70%
001.08.512.500.43.00	Travel	800	2,200	175.00%
001.08.512.500.48.00	Repairs & Maintenance	500	500	0.00%
001.08.512.500.49.01	Conference/School/Training	3,200	4,600	43.75%
001.08.512.500.49.02	Printing/Binding	7,000	5,000	-28.57%
001.08.512.500.49.03	Dues/Subscriptions	-	500	100.00%
001.08.512.500.49.09	Jury Trial Fees	4,100	10,000	143.90%
001.08.512.500.95.01	Asset Rental	36,847	38,233	3.76%
	Municipal Court	\$ 682,097	\$ 813,878	19.32%

FIRE DEPARTMENT





FIRE DEPARTMENT

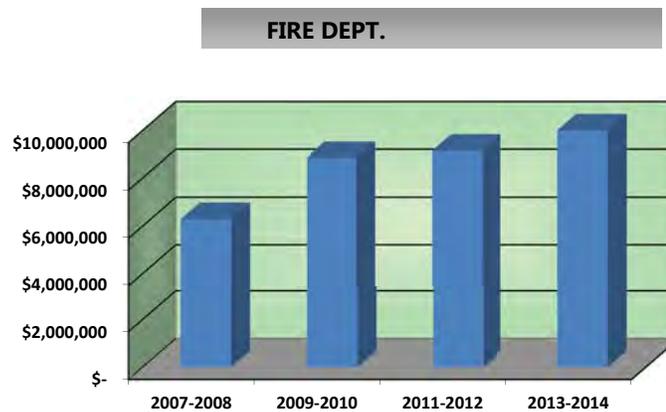
Department Summary

The Fire Department is responsible for protecting the citizens, their property, and the environment from natural and man-made emergencies in the City of Tumwater. This protection is delivered to the citizens by means of emergency response, public education, code enforcement, and disaster planning. The department also provides fire suppression services by way of contract to Thurston County Fire Protection District #15 (Munn Lake). The department is staffed by 40 professional members and eight volunteer members across five divisions (functions): emergency operations, training, fire prevention, emergency preparedness, and resource management. The department provides services to the public from two locations, the Headquarters (24 hrs/day) and the North End substation (as staffing permits). The City is a contract provider within the Thurston County Medic One system. As a system partner, Advanced Life Support (ALS) certified firefighter paramedics respond to medical emergencies in the city and county and are fully cross-trained as firefighters. Paramedic services are also provided to the Rochester area under contract with Thurston County Medic One.

Goals

- Provide a quality training program and expand training and common operating procedures with our regional partners. Utilize the new Olympia Training facility, thus reducing overtime and travel costs.
- Evaluate the North End Fire Station for any maintenance and livability issues that need attention.
- Review and expand the Fire Department's Operating Guidelines Manual to standardize operating between shifts, creating a safer environment for our firefighters and citizens. This will also reduce exposure to the City.
- Update the City's Comprehensive Emergency Management Plan and coordinate the revision of its emergency support functions and submit this to the State Emergency Management Division (EMD) for approval. Continue expansion of the WebEOC program and integrate with the County.
- Refurbish Engine 47 to ensure it meets current safety and mechanical standards in order to be serviceable for up to the next 18-years.
- Continue to explore ways of working smarter in our daily operations to reduce out of service time in order to increase availability time. This will ultimately result in better service to and shorter response times. (Partnering with Olympia Fire to use their new training facility instead of North Bend, is an example).

- Increase fire prevention efforts both on the engine company level and a formal inspection program. These programs will be directed at our commercial occupancies and will ultimately result in fewer and less damaging fires to the City's infrastructure, keeping our citizens employed and providing a steady source of revenue to the City.
- Manage biannual update of the Fire Master Plan, overseen by a committee of citizens, business people, and elected officials. The committee will review all aspects of the Fire Department including staffing levels, station location, response time goals, equipment, and impact fees. Incorporate changes to compliment the City Strategic Plan to continue into 2013-2014.
- Complete station alerting modernization and radio upgrades from 2012.
- Continue to explore regional fire service options, including improved service to District 15 (Munn Lake) and the City of Olympia.



Expenditure Summary			
<i>Fire</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Personnel Costs	\$7,573,523	\$8,571,891	\$10,651,371
Supplies	93,157	122,388	130,940
Other Services & Charges	163,081	190,954	285,022
Intergovernmental	713,543		
Interfund Charges	288,596	263,384	279,214
Capital Outlays	7,149		
Total Expenditures	\$8,839,049	\$9,148,617	\$11,346,547

Accomplishments

- In 2012, the engine company responded to 3,124 emergency calls and the medics responded to 762 emergency calls. The engine company's emergency calls were comprised of:
 - ◆ 89 fire related incidents
 - ◆ 2,342 EMS/ Rescue calls
 - ◆ 164 Hazardous condition calls
 - ◆ 142 Service calls
 - ◆ 198 good intent ("smoke seen") and
 - ◆ 189 false alarms
- Tumwater's Proposition 1, Public Safety Initiative was passed by voters in August 2011. In January 2012, three applicants were hired and began their ten-week training at Bates Technical College Fire Academy. The North End Fire Station opened on a part-time basis in May 2012, when the new firefighters returned from the academy. Three additional firefighters were hired in August 2012, and graduated from the academy in November 2012. Since that time, the North End Fire Station has been staffed approximately 50 percent of the time.
- The Public Safety Initiative also included a 25-year replacement schedule and maintenance program for fire engines. Using a collaborative design model, department staff worked with the vendor to design and outfit a new fire engine in 2012. The new engine arrived from the factory in Appleton, WI in December 2012. The engine is expected to be in full commission in early 2013.
- Provide public education and outreach with fire drills, mock drills, emergency preparedness training, specific technical fire/medical training and participate in neighborhood events to strengthen connection to the community. The fire department partners with other Thurston County fire protection agencies in Specialized Operations Rescue Team (SORT) to provide rescue services to the public and enhance professional skills of City staff.
- Monitored the fire/sprinkler/range hood inspections of commercial occupancies within the City. In 2012, the department issued 69 system deficiencies letters. These included 39 Sprinkler System deficiencies letters, 27 Fire Alarm System deficiencies letters, and 3 Range Hood System letters.



LINE ITEM BUDGET - FIRE

Account Number	Account Title	Biennial Budget 2011-2012	Biennial Budget 2013-2014	% Change
001.11.522.100.11.00	Salaries & Wages	\$ 5,963,172	\$ 7,209,085	20.89%
001.11.522.100.11.02	Volunteers	16,200	16,000	-1.23%
001.11.522.100.11.03	Out Of Rank Pay	24,000	24,000	0.00%
001.11.522.100.11.04	Sprint Duty Premium	75,000	2,000	-97.33%
001.11.522.100.12.00	Overtime	340,000	340,000	0.00%
001.11.522.100.12.03	Overtime - Holiday	301,538	364,533	20.89%
001.11.522.100.21.00	Personnel Benefits	1,962,532	2,642,403	34.64%
001.11.522.100.23.00	Uniforms	29,350	29,350	0.00%
001.11.522.100.23.03	Turnout Uniforms	24,000	24,000	0.00%
001.11.522.100.31.00	Office	6,000	6,000	0.00%
001.11.522.100.32.00	Gas/Oil/Fuel	45,440	45,440	0.00%
001.11.522.100.33.00	Operating Supplies	23,500	23,500	0.00%
001.11.522.100.33.01	Operating - Vehicle(s)	12,000	18,000	50.00%
001.11.522.100.33.02	Operating - Software	2,000	2,000	0.00%
001.11.522.100.33.04	Operating - Emergency	1,000	1,000	0.00%
001.11.522.100.33.05	Operating - Haz Mat	1,000	1,000	0.00%
001.11.522.100.33.98	Furnishings Replacement - 2013	-	10,000	100.00%
001.11.522.100.35.00	Small Tools & Minor Equipment	21,708	24,000	10.56%
001.11.522.100.35.99	Startup Costs	47,750	-	-100.00%
001.11.522.100.41.01	Physical Exams	19,500	11,500	-41.03%
001.11.522.100.41.02	Medical Services	4,000	4,000	0.00%
001.11.522.100.41.07	Volunteer Board	2,800	2,800	0.00%
001.11.522.100.41.08	Professional Services	-	13,350	100.00%
001.11.522.100.42.00	Communication	19,700	21,700	10.15%
001.11.522.100.43.00	Travel	16,500	11,530	-30.12%
001.11.522.100.46.00	Insurance (Non-I.S.Fund)	26,112	26,112	0.00%
001.11.522.100.48.00	Repair & Maintenance	81,300	81,300	0.00%
001.11.522.100.48.01	Software Maintenance	4,000	4,000	0.00%
001.11.522.100.49.01	Conference/School/Training	53,900	98,930	83.54%
001.11.522.100.49.02	Printing	800	800	0.00%
001.11.522.100.49.03	Dues/Subscriptions	4,800	4,800	0.00%
001.11.522.100.49.04	Laundry	4,200	4,200	0.00%
001.11.522.100.95.01	Asset Rental	263,384	279,214	6.01%
	Fire	\$ 9,397,186	\$ 11,346,547	20.74%



Non-DEPARTMENTAL

The Non-departmental Department is comprised of expenditures that are not related to a specific department but are costs that relate to the activity of the entire General Fund that are monitored by the Executive and Finance departments.

These expenditures include:

- Costs adopted by the City Council for obligations under agreements with other governmental agencies;
- Communication efforts to outreach city residents via mailed updates and other means;
- Support of the City website;
- Studies undertaken to advance the Strategic Plan adopted by City Council;
- Long-term benefits of retired employees;
- Other initiatives undertaken the City.

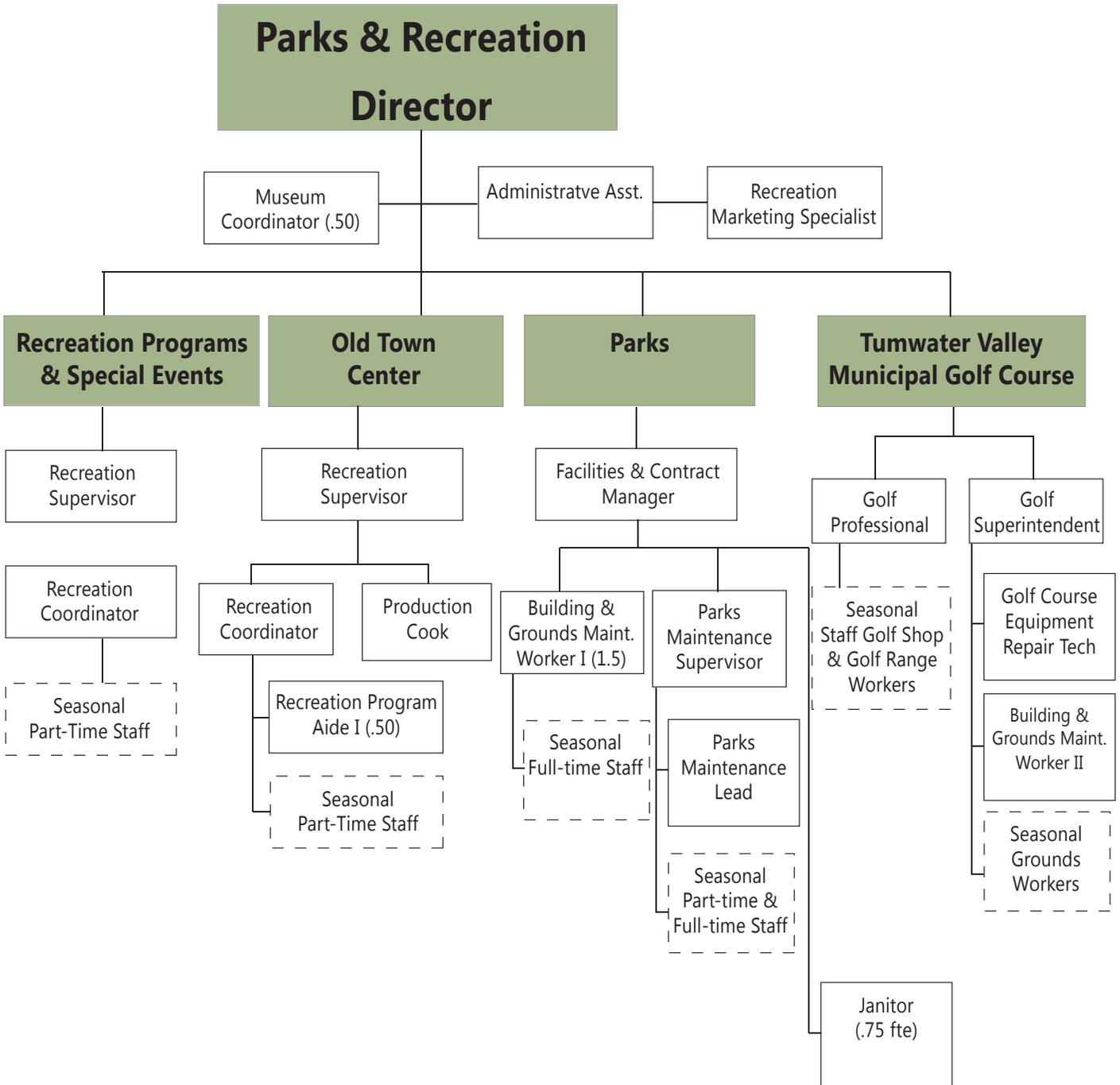
Expenditure Summary <i>Non-Departmental</i>		
ITEM	2011-2012 Actual	2013-2014 Budget
Personnel Costs	\$496,137	\$586,952
Supplies	\$21,418	\$17,000
Other Services & Charges	\$906,500	\$1,242,374
Intergovernmental	\$543,689	\$466,600
Reserves		\$950,000
Total Expenditures	\$1,967,744	\$3,262,926

Expenditure Summary <i>Non-Departmental Transfers</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Transfers to Other Funds	\$275,534	\$279,981	\$750,000
Total Expenditures	\$275,534	\$279,981	\$750,000

LINE ITEM BUDGET - NON-DEPARTMENTAL

Account Number	Account Title	Biennial Budget 2011-2012	Biennial Budget 2013-2014	% Change
001.03.508.100.00.02	Personnel Costs Reserve	\$ 37,508	\$ 150,000	299.91%
001.03.508.100.00.03	Cable "Peg" Technology Reserve	47,100	12,000	-74.52%
001.03.508.100.00.04	Court Implementation Reserve	30,000	30,000	0.00%
001.03.508.100.00.05	Permits Reserve	90,000	240,000	166.67%
001.03.508.100.00.07	Brewery Implementation Reserve	120,000	180,000	50.00%
001.03.508.100.00.08	Youth Program Reserve	22,880	16,000	-30.07%
001.03.508.100.00.09	Street Alternatives Resreave	50,000	50,000	0.00%
001.03.508.100.00.10	Community Improvement Program	51,000	35,000	-31.37%
001.03.508.100.00.11	Volunteer Program Reserve	-	62,000	100.00%
001.03.508.100.00.12	Neighborhood Matching Grant Reserve	-	20,000	100.00%
001.03.508.100.00.13	Annexation Study-S.E. Tumwater	-	125,000	100.00%
001.03.508.100.00.14	Legal Counsel Reserve -Endangered Species	-	30,000	100.00%
001.03.519.900.29.01	Long Term Care (LEOFF I) Police	233,200	269,020	15.36%
001.03.519.900.29.02	Long Term Care (LEOFF I) Fire	275,600	317,932	15.36%
001.03.519.900.33.00	Operating Supplies	4,000	4,000	0.00%
001.03.519.900.33.01	Operating-Employee Recognition	8,000	8,000	0.00%
001.03.519.900.33.02	Emergency Management Supplies	5,000	5,000	0.00%
001.03.519.900.41.02	Local Access Television	130,334	134,274	3.02%
001.03.519.900.41.03	Local Access Tctv Peg Distribution	19,000	19,430	2.26%
001.03.519.900.41.06	Hearings Examiner	10,000	20,000	100.00%
001.03.519.900.41.08	Professional Services	82,000	132,000	60.98%
001.03.519.900.41.09	Public Safety Survey	10,000	-	-100.00%
001.03.519.900.41.10	Mottman Business Plan	-	10,000	100.00%
001.03.519.900.41.11	Comprehensive Plan	-	15,000	100.00%
001.03.519.900.41.99	Levy Reimbursable Services	100,000	-	-100.00%
001.03.519.900.46.00	Insurance	616,345	647,137	5.00%
001.03.519.900.49.01	Conference/School/Training	50,000	40,000	-20.00%
001.03.519.900.49.02	Printing & Binding	22,500	64,000	184.44%
001.03.519.900.49.03	Dues & Subscriptions	26,582	29,333	10.35%
001.03.519.900.49.04	Recording Fees	10,000	10,000	0.00%
001.03.519.900.49.05	AWC Claims Management Retro Pool	-	94,000	100.00%
001.03.519.900.51.01	Thurston Regional Contract	70,000	74,300	6.14%
001.03.519.900.51.02	Historic Preservation Contract	29,414	-	-100.00%
001.03.519.900.51.03	Amtrak O&M	8,340	7,606	-8.80%
001.03.519.900.51.04	Air Pollution Control	15,370	15,932	3.66%
001.03.519.900.51.05	Regional Human Services	50,000	50,000	0.00%
001.03.519.900.51.XX	Local HSRC to be Distributed	-	10,000	100.00%
001.03.519.900.51.06	Dispute Resolution	6,500	2,500	-61.54%
001.03.519.900.51.07	Volunteer Center	2,000	-	-100.00%
001.03.519.900.51.08	Big Brothers / Big Sisters	6,000	2,500	-58.33%
001.03.519.900.51.09	Economic Development Council	65,500	-	-100.00%
001.03.519.900.51.10	Garden Raised Bounty	-	2,500	100.00%
001.03.519.900.51.11	Pizza Klatch	-	2,500	100.00%
001.03.519.900.51.21	Voter Cost Thurston County	76,800	-	-100.00%
001.03.519.900.51.22	Thurston County Alcohol Rehabilitation	8,160	7,916	-2.99%
001.03.519.900.51.23	State Auditor	63,000	63,945	1.50%
001.03.519.900.51.24	Animal Control	178,637	196,901	10.22%
001.03.519.900.51.25	Thurston Co. Econ. Development	12,000	30,000	150.00%
001.03.594.514.64.01	B.& O. Software Replacement	-	27,200	100.00%
	Non-Departmental	\$ 2,642,770	\$ 3,262,926	23.47%

PARKS & RECREATION DEPARTMENT





PARKS AND RECREATION DEPARTMENT

Department Summary

The Parks and Recreation department provides a wide range of parks, recreation, and maintenance services to the citizens of Tumwater. The department is made up of several divisions that include recreational services, facility reservations, classes, programs and special events, Tumwater Youth Program (teen programs), museums and historical programs, park development/operation/maintenance, City facility/building maintenance, and golf course operations. The department expanded as a result of a re-organization in 2011, which caused Facilities (buildings and parks grounds) to join the Department. The change also brought the City's museum, the Henderson House, into the department. Total staffing for the department was 17.5 in 2012.

Goals

- Increase communication and reporting of department operations to Council Committees and the Parks and Recreation Commission.
- Investigate potential trails and trail link projects for completion by sponsorship, donation, volunteers or joint projects.
- Use grant monies for the development of a historic school curriculum project.
- Implementation of the adopted Tumwater Parks, Recreation and Open Space Plan. Offer quality classes and recreation programs to support active, healthy community.
- Maintain and enhance City parks and facilities.
- Build partnerships in the community through volunteer, support City special events.
- Review staff operations, procedures and training to maximize effectiveness and efficiencies in completing job duties.
- Finalize and begin implementation of the Henderson House Museum plan.
- Finalize planning and begin construction of the Deschutes Valley Trail and reclaimed water storage facility in Tumwater Valley.
- Improve planning, tracking and maintenance practices for City parks and facilities in order to maximize staff time, prioritize needs and budget for expenditures.

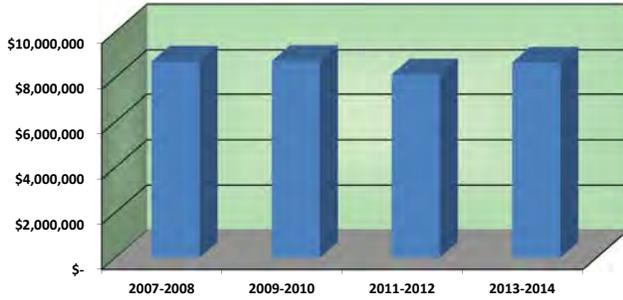
- Review fees and charges to determine if there opportunities to reasonably increase operations revenue.

Accomplishments

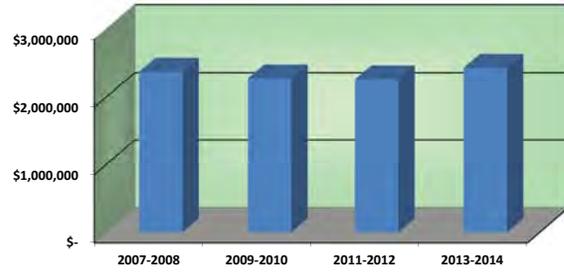
- Received 2012 WRPA Outstanding Teen Program Award – Old Town Center Youth & Teen.
- The Museum Coordinator continued in 2012 in a part-time (.5) capacity. In addition, five volunteers contributed 232 hours of work at the museum over a six-month period.
- Recorded history talks continued to be shown on Tumwater TV, channel 26 in two separate series – History Talk Reruns and Heritage Spoken Here.
- In 2012, the Tumwater Youth Program hosted 19 Friday Middle School Late Night Program Events, with 4,000 youth and teens attending, and 500 volunteers supporting the events. Over 1,700 volunteer hours were contributed to the program.
- Summer Food Service Program served approximately 45 children each day with a total of 1,200 lunches served throughout the summer. Lunch was provided at no cost to participants through age 18 from 12-12:30 p.m. daily at Peter G. Schmidt Elementary School.
- Approximately 16 organizations used the sports fields and trail system to support practices, games, tournaments, and meets for soccer, baseball, cross country, and Cyclocross in 2012. Sports fields were open March through October, weather permitting.
- In 2012, the department processed 149 reservations for the Historical Park picnic shelter which resulted in gross revenue of \$8,200. In addition, five event reservations were taken for Old Town Center for a total of \$975 in gross revenue.
- The City hosted community events throughout the year, including the Annual Easter Egg Dash, Independence Day Parade, Artesian Festival and Thunder Valley Fireworks Show on July 4, four outdoor movie events, Screen on the Green, the 3rd Annual Community Day, Pumpkin Painting event and the Christmas Tree Lighting event.



RECREATION, PARK FAC. & GOLF



PARKS & FACILITIES



Expenditure Summary			
<i>General Fund - Recreation</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Personnel Costs	\$1,501,782	\$1,506,115	\$1,708,954
Supplies	117,286	110,772	122,600
Other Services & Charges	315,611	286,316	339,000
Intergovernmental	407	667	650
Interfund Charges	148,947	178,405	182,694
Capital Outlays			42,000
Total Expenditures	\$2,084,033	\$2,082,275	\$2,395,898

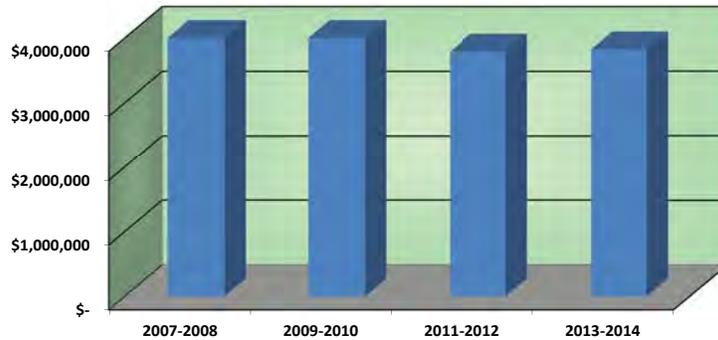
Expenditure Summary			
<i>Parks Facilities</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Personnel Costs	\$1,153,505	\$971,697	\$1,212,192
Supplies	154,263	217,692	180,830
Other Services & Charges	782,278	874,039	858,160
Intergovernmental	810	856	850
Interfund Charges	187,195	198,951	182,460
Total Expenditures	\$2,278,051	\$2,263,235	\$2,434,492

Expenditure Summary			
<i>Parks & Recreation - Recreation Programs & Municipal Golf</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Parks & Recreation	\$2,084,033	\$2,082,275	\$2,395,898
Parks Facilities	2,278,051	2,263,235	2,434,492
Municipal Golf Course	4,360,246	3,788,642	3,823,153
Total Expenditures	\$8,722,330	\$8,134,152	\$8,653,543

LINE ITEM BUDGET - PARKS & RECREATION

Account Number	Account Title	Biennial Budget 2011-2012	Biennial Budget 2013-2014	% Change
001.09.518.200.11.00	Salaries And Wages	\$ 599,095	\$ 699,920	16.83%
001.09.518.200.11.01	Temporary Help	148,480	92,480	-37.72%
001.09.518.200.12.00	Overtime	20,000	20,000	0.00%
001.09.518.200.21.00	Benefits	317,812	392,492	23.50%
001.09.518.200.22.01	Personnel Tests/Certification	1,300	1,300	0.00%
001.09.518.200.23.00	Uniforms	6,000	6,000	0.00%
001.09.518.200.31.00	Office	3,500	3,500	0.00%
001.09.518.200.32.00	Gas/Oil/Fuel	8,000	8,000	0.00%
001.09.518.200.33.00	Operating Supplies	76,830	76,830	0.00%
001.09.518.200.33.03	Operating - Parks	30,000	30,000	0.00%
001.09.518.200.33.04	Operating -Fertilizer/Herbicide	22,000	22,000	0.00%
001.09.518.200.33.99	Replacement Visitor Chairs - City Hall	-	15,000	100.00%
001.09.518.200.35.00	Small Tools/Minor Equipment	2,200	15,500	604.55%
001.09.518.200.41.01	Janitorial	120,000	100,000	-16.67%
001.09.518.200.41.99	DOE-DOC Block Grant Hvac/Lighting	109,760	-	-100.00%
001.09.518.200.42.01	Communications	15,000	15,000	0.00%
001.09.518.200.42.02	Alarm Monitoring	18,000	18,000	0.00%
001.09.518.200.43.00	Travel	2,000	2,000	0.00%
001.09.518.200.45.01	Operating Rentals And Leases	6,000	6,000	0.00%
001.09.518.200.47.00	Utilities	308,700	308,700	0.00%
001.09.518.200.47.01	Park Utilities	127,050	133,100	4.76%
001.09.518.200.47.04	Disposal Fees	6,000	6,000	0.00%
001.09.518.200.48.00	Repair & Maintenance	64,000	70,500	10.16%
001.09.518.200.48.02	Repairs & Maintenance-OTC	24,000	24,000	0.00%
001.09.518.200.48.03	J.Brown Park Tennis Courts - 2013	-	8,000	100.00%
001.09.518.200.48.04	Fire Station T-2 Painting	-	23,000	100.00%
001.09.518.200.48.05	Parks & Ground Maintenance	19,000	19,000	0.00%
001.09.518.200.49.01	Conference/School/Training	4,800	4,800	0.00%
001.09.518.200.49.03	Dues & Subscriptions	2,600	2,600	0.00%
001.09.518.200.53.01	Property Spec. Assess. County	820	850	3.66%
001.09.518.200.53.99	Ivy Abatement - State	900	-	-100.00%
001.09.518.200.95.01	Asset Rental	198,951	182,460	-8.29%
001.09.572.100.33.00	Operating Supplies	10,000	10,000	0.00%
001.09.572.100.41.01	Janitorial Services	24,000	44,000	83.33%
001.09.572.100.42.01	Alarm Monitoring	1,800	1,800	0.00%
001.09.572.100.47.00	Utilities	56,175	57,750	2.80%
001.09.572.100.48.00	Repair & Maintenance	13,920	13,910	-0.07%
001.09.574.200.11.00	Salaries & Wages	963,624	1,095,580	13.69%
001.09.574.200.11.01	Temporary Help/P&R Staff	78,038	79,186	1.47%
001.09.574.200.12.00	Overtime	11,400	11,400	0.00%
001.09.574.200.21.00	Personnel Benefits	451,295	522,788	15.84%
001.09.574.200.31.00	Office	9,600	9,600	0.00%
001.09.574.200.32.00	Gas/Oil/Fuel - Non-I.S.Fund	1,000	1,000	0.00%
001.09.574.200.33.00	Operating Supplies	106,000	106,000	0.00%
001.09.574.200.35.00	Small Tool/Minor Equipment	6,000	6,000	0.00%
001.09.574.200.41.00	Professional Services	158,800	158,800	0.00%
001.09.574.200.42.00	Communications	11,000	11,000	0.00%
001.09.574.200.43.00	Travel	3,600	6,100	69.44%
001.09.574.200.44.00	Advertising	45,000	45,000	0.00%
001.09.574.200.45.01	Rental/Leases - Other	10,600	10,600	0.00%
001.09.574.200.45.02	Rentals/Leases - School Grounds	50,000	50,000	0.00%
001.09.574.200.46.00	Insurance (Non-I.S.Fund)	1,100	1,100	0.00%
001.09.574.200.47.04	Sanitation Contract	14,000	14,000	0.00%
001.09.574.200.48.00	Repair & Maintenance	3,800	3,800	0.00%
001.09.574.200.48.01	Software Maintenance	8,800	8,800	0.00%
001.09.574.200.49.00	Miscellaneous	1,600	1,600	0.00%
001.09.574.200.49.01	Conference/School/Training	8,000	9,600	20.00%
001.09.574.200.49.02	Printing/Binding	9,000	9,000	0.00%
001.09.574.200.49.03	Dues/Subscriptions	5,600	5,600	0.00%
001.09.574.200.49.05	Banking Fees	-	4,000	100.00%
001.09.574.200.53.01	State Excise Tax	-	650	100.00%
001.09.574.200.95.01	Asset Rental	178,405	182,694	2.40%
001.09.594.200.64.01	Big Toys Play Equipment	-	15,000	100.00%
001.09.594.200.64.02	OTC Security Upgrde	-	27,000	100.00%
	Parks & Recreation	\$ 4,504,955	\$ 4,830,390	7.22%

MUNICIPAL GOLF



Expenditure Summary
Tumwater Valley Municipal Golf - Total

ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Operations - Clubhouse	\$1,380,859	\$1,212,637	\$1,144,629
Maintenance	1,031,875	1,015,663	1,010,347
Debt Service	1,002,451	1,559,342	1,667,177
Capital Equipment & Construction	943,061		
Capital Reserve \ Ending Fund Balance	1,000	1,000	1,000
Total Expenditures	\$4,359,246	\$3,788,642	\$3,823,153

Expenditure Summary
Tumwater Valley Municipal Golf - Operations

ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Personnel Costs	\$569,029	\$422,267	\$393,984
Supplies	35,321	113,569	49,000
Other Services & Charges	535,880	457,792	487,900
Intergovernmental	9,230	8,076	9,150
Interfund Charges	231,399	210,932	204,595
Total Expenditures	\$1,380,859	\$1,212,636	\$1,144,629

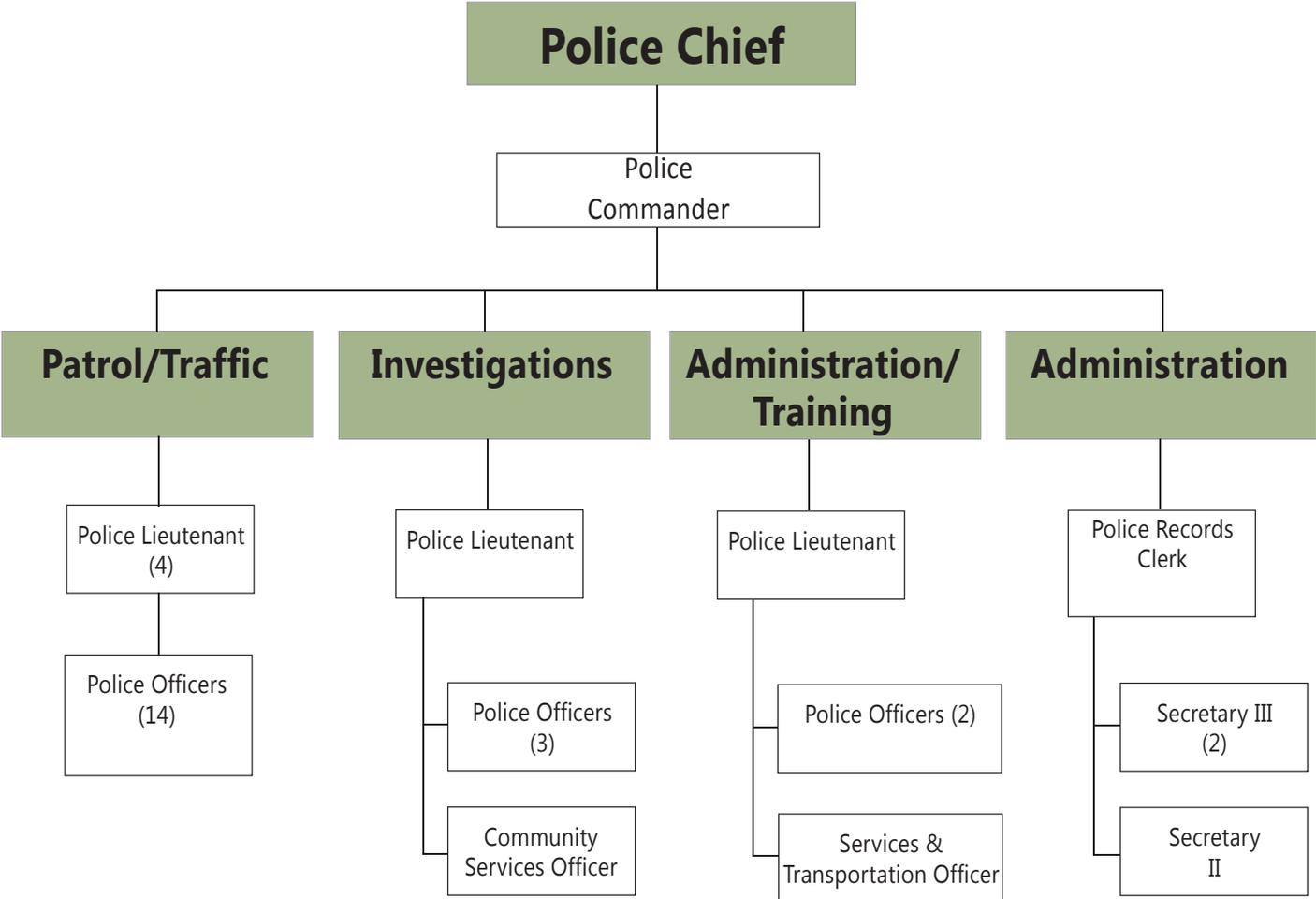
Expenditure Summary
Tumwater Valley Municipal Golf - Maintenance

ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Personnel Costs	\$671,908	\$633,532	\$686,447
Supplies	133,721	180,169	186,000
Other Services & Charges	226,246	201,962	137,900
Total Expenditures	\$1,031,875	\$1,015,663	\$1,010,347

LINE ITEM BUDGET - MUNICIPAL GOLF COURSE

Account Number	Account Title	Biennial Budget 2011-2012	Biennial Budget 2013-2014	% Change
480.01.508.200.00.00	Ending Fund Balance	\$ 1,000	\$ 1,000	0.00%
480.01.576.610.11.00	Salaries	129,959	135,795	4.49%
480.01.576.610.11.01	Temporary Help	159,520	159,520	0.00%
480.01.576.610.12.00	Overtime	-	-	100.00%
480.01.576.610.21.00	Benefits	93,819	97,669	4.10%
480.01.576.610.23.00	Uniforms	1,000	1,000	0.00%
480.01.576.610.31.00	Office Supplies	2,200	2,000	-9.09%
480.01.576.610.33.00	Operating Supplies	38,000	36,000	-5.26%
480.01.576.610.33.01	Cart Parts & Supplies	7,000	7,000	0.00%
480.01.576.610.35.00	Small Tools & Minor Equipment	4,000	4,000	0.00%
480.01.576.610.41.01	Catering Services	15,500	15,000	-3.23%
480.01.576.610.41.03	Professional Services	6,600	6,600	0.00%
480.01.576.610.42.01	Gps Uplink	40,000	-	-100.00%
480.01.576.610.42.02	Alarm Monitoring	5,000	3,000	-40.00%
480.01.576.610.42.03	Shipping And Postage	200	200	0.00%
480.01.576.610.43.00	Travel	2,000	2,000	0.00%
480.01.576.610.44.00	Advertising	85,000	80,000	-5.88%
480.01.576.610.45.00	Rentals & Leases	12,000	12,000	0.00%
480.01.576.610.46.00	Insurance	42,006	27,500	-34.53%
480.01.576.610.48.00	Repairs & Maintenance	7,000	7,000	0.00%
480.01.576.610.48.01	Software Maintenance	2,000	2,000	0.00%
480.01.576.610.49.01	Conference/School/Training	3,000	3,000	0.00%
480.01.576.610.49.02	Printing & Binding	3,000	3,000	0.00%
480.01.576.610.49.03	Dues & Subscriptions	1,600	1,600	0.00%
480.01.576.610.49.04	Laundry	18,000	12,000	-33.33%
480.01.576.610.49.05	Banking Fees	35,686	32,000	-10.33%
480.01.576.610.53.01	State Excise Tax	11,823	9,000	-23.88%
480.01.576.610.53.02	Property Spec. Assess. County	150	150	0.00%
480.01.576.610.91.01	Finance Records Management Services	96,304	96,304	0.00%
480.01.576.610.91.02	Admin/Legal/Personnel/Facilities Services	77,520	77,520	0.00%
480.01.576.610.95.01	Asset Rental	37,108	30,771	-17.08%
480.01.576.650.11.00	Salaries	307,215	326,615	6.31%
480.01.576.650.11.01	Temporary Help	145,000	150,000	3.45%
480.01.576.650.12.00	Overtime	4,000	4,000	0.00%
480.01.576.650.21.00	Benefits	182,321	203,832	11.80%
480.01.576.650.23.00	Uniforms	2,000	2,000	0.00%
480.01.576.650.32.00	Gas/Oil/Fuel	33,000	34,000	3.03%
480.01.576.650.33.00	Operating Supplies	100,000	100,000	0.00%
480.01.576.650.33.01	Operating -Fertilizer/Herbicide	56,000	50,000	-10.71%
480.01.576.650.35.00	Small Tool & Minor Equipment	4,000	2,000	-50.00%
480.01.576.650.41.01	Professional Services	14,900	14,800	-0.67%
480.01.576.650.42.00	Communications	20,000	16,000	-20.00%
480.01.576.650.43.00	Travel	1,200	1,200	0.00%
480.01.576.650.45.00	Operating Rentals & Leases	3,000	3,000	0.00%
480.01.576.650.47.00	Utilities	82,000	80,000	-2.44%
480.01.576.650.48.00	Repair & Maintenance	40,000	20,000	-50.00%
480.01.576.650.49.01	Conference/School/Training	1,400	1,400	0.00%
480.01.576.650.49.03	Dues & Subscriptions	1,500	1,500	0.00%
480.01.581.200.79.01	Interfund Loan Pymnt.- Sewer	883,857	830,000	-6.09%
480.01.589.000.34.01	Inventory Purchase - Proshop	310,000	280,000	-9.68%
480.01.589.000.34.02	Customer Equipment Repair Cost	1,000	1,000	0.00%
480.01.589.000.49.01	Pro-Tournament Liability	-	-	100.00%
480.01.591.760.71.01	Golf Carts - Principal	39,325	64,865	64.95%
480.01.591.760.71.02	Cap.Lease Mowing Equip.-Principal	93,388	94,560	1.25%
480.01.591.760.71.03	G.O.Bond - Principal	430,000	415,000	-3.49%
480.01.591.760.83.01	Golf Carts - Interest	6,106	14,345	134.93%
480.01.591.760.83.02	Cap.Lease Mowing Equip.-Interest	12,618	15,831	25.46%
480.01.591.760.83.03	G.O. Bond - Interest	210,696	223,576	6.11%
480.01.592.401.82.01	Interest-Interfund Loan-Sewer	13,500	9,000	-33.33%
	Golf Course Fund	\$ 3,936,021	\$ 3,823,153	-2.87%

POLICE DEPARTMENT





POLICE DEPARTMENT

Department Summary

The primary function of the Tumwater Police Department is to maintain a safe community for all residents. This is accomplished through proactive enforcement of federal, state and local laws; creating community partnerships; and maintaining a high standard of conduct for officers and staff. In 2012, the Police Department had 26 commissioned officers, and 5 non-commissioned administrative staff. The department is comprised of several divisions, Patrol, Investigations, Administration, Traffic, and Training. Additionally, there is one K-9 team assigned to Patrol and one detective to the Thurston County Narcotics Task Force. The department participates in other regional partnerships for critical incident response, regional investigations, SWAT, and dive/rescue specialty teams.

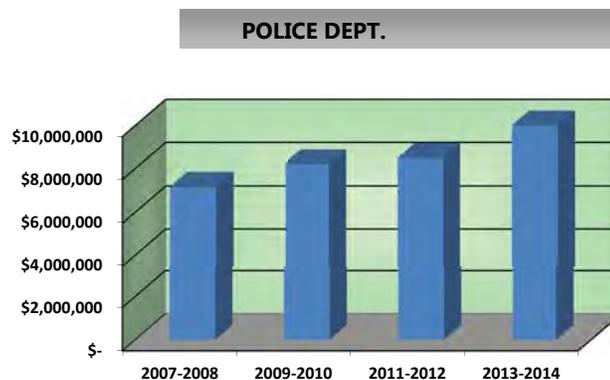
Goals

- Complete best practices implementation for Washington Association of Sheriffs & Police Chiefs (WASPC) Accreditation Program.
- Complete Police Department 5,000 sq ft expansion and 5,100 sq ft renovation project to update facility and provide increased safety for department staff and public.
- Expand community outreach efforts with service groups, public schools, homeowner associations, etc.
- Hire one additional police officer to fulfill Public Safety Levy Lid Lift promises.
- Complete ALL LEMAP recommendations within the first quarter of 2013.
- Implement School Resource Officer program in the Tumwater School District High Schools.
- Introduce a form of Intelligence Based Policing/COMPSAT as the Police Departments policing philosophy.
- Research, investigate and implement a Command Structure update to meet the Departments current and future needs.
- Plan for the operational challenges posed by the Addition/Remodel of the Police Facility
- Plan for the potential regionalization of Tumwater Court/District Court
- Explore the concept of a Citizens Academy and the addition of a Police Explorer Program
- Study for possible implementation, the concept of a Nuisance/Code Enforcement Officer

- Complete staffing increase resulting from Levy Lid Lift.
- Review fleet equipment selections for economy and sustainability.

Accomplishments

- While the new regional Records Management System was expected to be “online” in 2012, problems with the basic operating system delayed its implementation. Department members have worked tirelessly to achieve a “go-live” date in the first quarter of 2013.
- With the help of Washington State Department of Commerce grant, the Police Department purchased a mobile pole-mounted speed sign. This sign, which can also be operated in stealth mode, will provide valuable traffic data for the department and the City’s Traffic Team.
- In 2011, the Police Department requested a Loaned Executive Management Assistance Program (LEMAP) review through Washington Association of Sheriffs & Police Chiefs (WASPC). The LEMAP process consisted of a critical review of 20 major organizational functions outlined in the WASPC Accreditation Program. This study was conducted by peer law enforcement professionals and provided the department with expanded insight into industry best practices and standards. The final report was delivered early in 2012. The majority of recommendations were implemented in 2012, and the remainder are planned for the first quarter of 2013.



Expenditure Summary			
<i>Police</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Personnel Costs	\$6,633,506	\$6,829,580	\$8,052,361
Supplies	132,195	200,662	181,000
Other Services & Charges	228,765	232,211	264,550
Intergovernmental	373,551	264,572	304,500
Interfund Charges	806,722	960,696	1,201,606
Capital Outlays	19,761		73,000
Transfers		10,881	
Total Expenditures	\$8,194,500	\$8,487,721	\$10,077,017

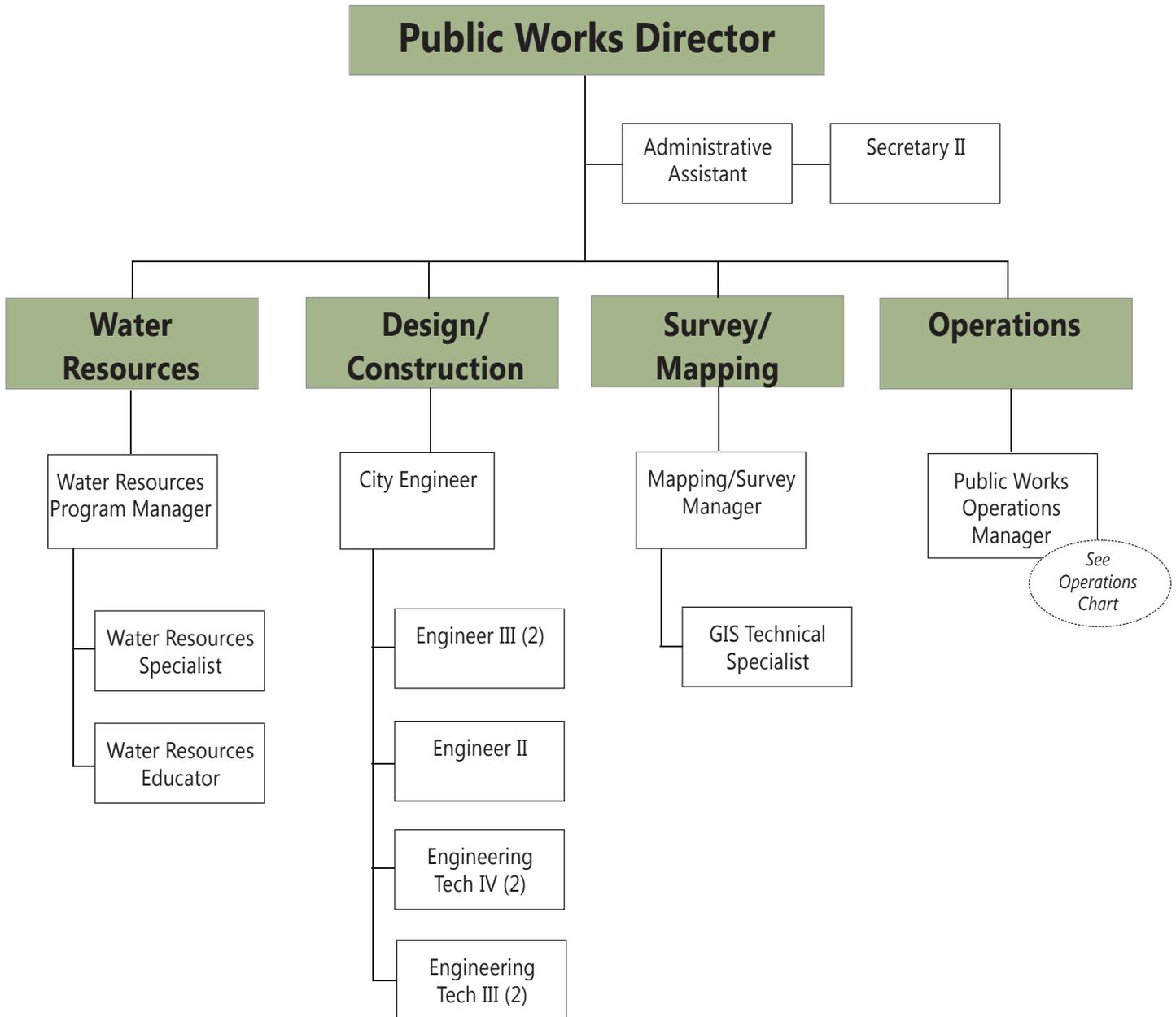
- With the passage of the Public Safety Initiative in 2011, the Department hired two officers in 2012. Both Officers are lateral transfers from other agencies and have already made a significant impact on policing in Tumwater. The new School Resource Officer, former detective Chuck Liska will be starting in the area High Schools in January of 2013.
- The 5,000 sq. ft Police Department expansion and remodel project made significant progress as well. The design, aided with input from staff, was selected and drawn up and the project went to bid in December of 2012.
- One of the Police Department's goals for 2012 was to dramatically increase police presence in the community. Police personnel attended far more Home Owner Association (HOA) meetings, school functions, and other community based functions.



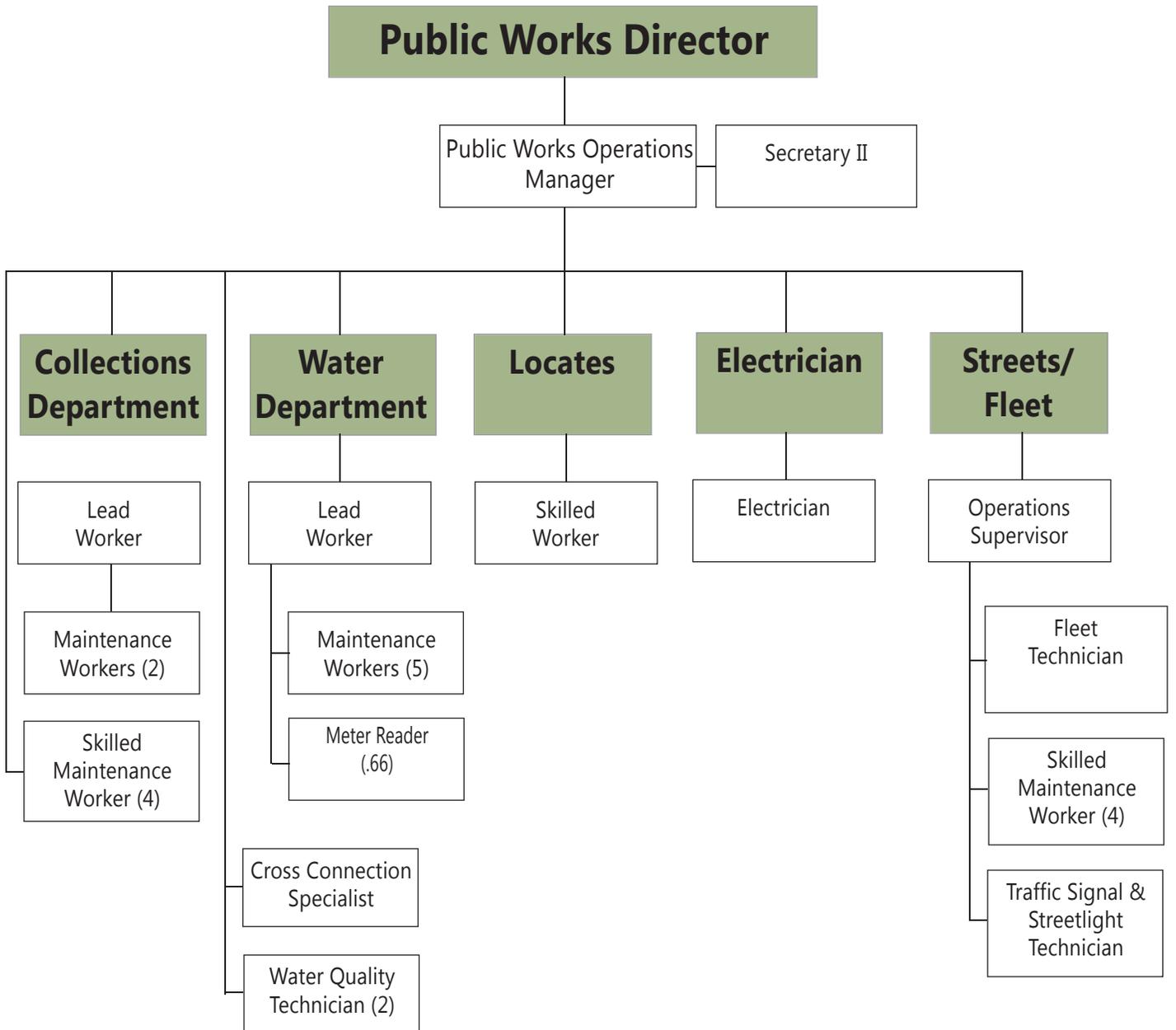
LINE ITEM BUDGET - POLICE DEPARTMENT

Account Number	Account Title	Biennial Budget 2011-2012	Biennial Budget 2013-2014	% Change
001.10.521.200.11.00	Salaries & Wages	4,525,706	5,268,836	16.42%
001.10.521.200.11.01	Temporary Help	-	-	100.00%
001.10.521.200.12.00	Overtime	210,000	236,500	12.62%
001.10.521.200.12.01	Overtime - Training	58,000	63,750	9.91%
001.10.521.200.12.02	Overtime - Court	12,000	14,000	16.67%
001.10.521.200.12.03	Overtime - Holiday	155,000	169,500	9.35%
001.10.521.200.21.00	Personnel Benefits	1,838,454	2,299,775	25.09%
001.10.521.200.23.97	Uniform Repl.- Traffic Safety	1,026	-	-100.00%
001.10.521.200.23.99	Start-Up Costs	26,400	-	-100.00%
001.10.521.200.32.00	Gas/Oil/Fuel	11,000	11,000	0.00%
001.10.521.200.33.00	Operating Supplies	121,500	136,000	11.93%
001.10.521.200.33.01	K-9 Operating Non-Inventory	4,000	4,000	0.00%
001.10.521.200.35.00	Small Tools & Minor Equipment	99,000	30,000	-69.70%
001.10.521.200.35.02	Criminal Justice Special Programs	24,000	-	-100.00%
001.10.521.200.35.97	Small Tool - Traffic Safety	1,584	-	-100.00%
001.10.521.200.41.01	Investigation Services	6,000	6,000	0.00%
001.10.521.200.41.02	Medical Services	6,000	3,500	-41.67%
001.10.521.200.41.03	Towing & Storage	6,000	4,000	-33.33%
001.10.521.200.41.04	Professional Services	16,000	16,000	0.00%
001.10.521.200.42.00	Communication	28,000	24,000	-14.29%
001.10.521.200.42.01	Communications - MCT	16,000	14,000	-12.50%
001.10.521.200.43.00	Travel	17,000	21,050	23.82%
001.10.521.200.45.01	Other - Rental/Leases	15,000	15,000	0.00%
001.10.521.200.46.00	Insurance (Non-ER&R)	682	1,000	46.63%
001.10.521.200.48.00	Repair & Maintenance	18,000	22,000	22.22%
001.10.521.200.48.01	Software Maintenance	83,065	89,000	7.15%
001.10.521.200.48.99	Speed Trailer Repair	1,500	-	-100.00%
001.10.521.200.49.00	Miscellaneous	2,000	2,000	0.00%
001.10.521.200.49.01	Conference/School/Training	20,000	21,100	5.50%
001.10.521.200.49.02	Printing/Binding	4,000	4,000	0.00%
001.10.521.200.49.03	Dues/Subscriptions	9,000	11,000	22.22%
001.10.521.200.49.10	Range Fees	8,175	10,900	33.33%
001.10.521.200.51.01	Jail Services	315,000	300,000	-4.76%
001.10.521.200.54.02	Tcomm MCT Services	-	4,500	100.00%
001.10.521.200.95.01	Asset Rental	960,696	1,201,606	25.08%
001.10.594.200.64.03	In-Car Media Storage On Network	-	30,000	100.00%
001.10.594.200.64.04	Electronic Ticket System (Motorcycles)	-	11,500	100.00%
001.10.594.200.64.05	P.I.T. Vehicle Upgrades	-	6,500	100.00%
001.10.594.200.64.06	Dual Authentication Software	-	25,000	100.00%
001.10.597.501.00.01	Transfer To Asset Management	10,000	-	-100.00%
	Police	\$ 8,629,788	\$ 10,077,017	16.91%

PUBLIC WORKS ENGINEERING



PUBLIC WORKS OPERATIONS





PUBLIC WORKS DEPARTMENT

Department Summary

The Public Works Department is responsible for providing transportation system design and maintenance, water, sanitary sewer, and storm drainage services to the City of Tumwater. The Public Works Department is comprised of two divisions, engineering and the operations and maintenance. The engineering division is responsible for overall management of the City's Capital Facilities Plan (CFP) projects and the administrative aspects of the utility and transportation systems. The operations and maintenance division is responsible for the operation, maintenance, and repair of the transportation and utility infrastructure, and maintenance and repair responsibilities for city vehicles and rolling stock included in the Fleet & Equipment Management Fund. The work efforts of the Public Works Department, together with the associated funding, are included in the City budget and contained within several funds. The funds involved include the General Fund, which provides funding for engineering and streets, and the individual enterprise or utility funds, which provide funding for water, sewer and storm drainage. Other public works functions include interdepartmental support for graphics, surveying, project management, pursuit of outside funding through grants, loans and public/private partnerships, and interagency cooperation and assistance.

ENGINEERING

The Engineering Division is responsible for the overall management and direction of the activities of the Public Works Department. Engineering provides administrative support and resources to other divisions within public works, other departments within the City, the City Council, and the community. Primary functions include strategic planning and business management, interdepartmental coordination and direction, administration of personnel policies, procedures and training, GIS/Mapping/Survey, development review coordination, and public information and customer service response programs.

Goals

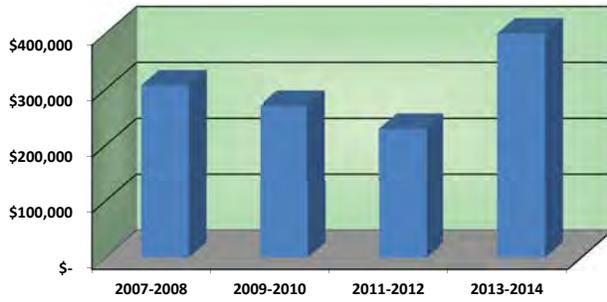
- Explore and implement staff realignments in the department relative to existing vacancies, prior transfer of staff from Community Development Department, and current departmental workloads.
- Reformat the Capital Facilities Plan to be a bi-annual plan to be completed in years opposite the budget process.
- Use the developing GIS to assess implementation of an asset management program across all public works infrastructure.

- Expand the application of ESRI software in conjunction with Community Development and other departments and continue to provide support to LUCITY (GBA) and to insure access to existing data.
- Seek out opportunities for property acquisition for future Public Works operations yard (including possible co-location with Facilities).
- In conjunction with Community Development, review current fees, fee structures, and funding allocations for development related activities.

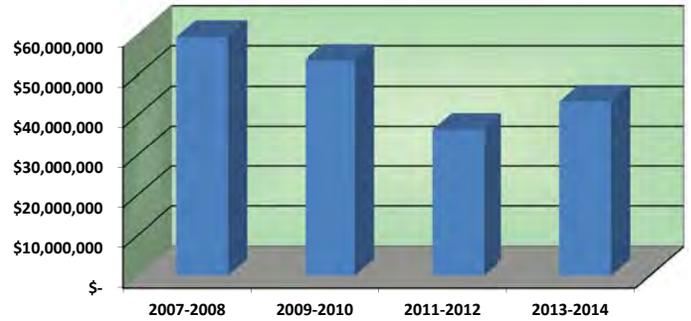
Accomplishments

- Provided engineering support relative to the transportation and utility systems and partners in considering redevelopment of the former Brewery properties, the Capitol Boulevard Corridor Planning Project and Brewery District planning efforts.
- Lead regional efforts to evaluate and document existing conditions of water infrastructure associated with the former Olympia Brewery and prepare recommendations for conversion of the resources to beneficial public use.
- Maintained compliance with federal and state drinking water regulations, demonstrated by zero coliform detections and no maximum contaminant level or regulatory threshold exceedances.
- Maintained compliance with state and federal stormwater regulations.
- Completed the installation of the traffic signal system at the Henderson Boulevard/Tumwater Boulevard intersection.
- Completed the installation of the traffic signal system at the Trosper Road SW/Lake Park Drive intersection, including extension of the water main and the resurfacing of Trosper Road.
- Secured state grant funding for sidewalk and bike lane improvements on Lee Street and Linderson Way.
- Initiated construction notifications to provide ample notice for public impacts from construction activities, traffic revisions, and project announcements.
- The E Street extension easement agreement with LOTT was developed and approved.

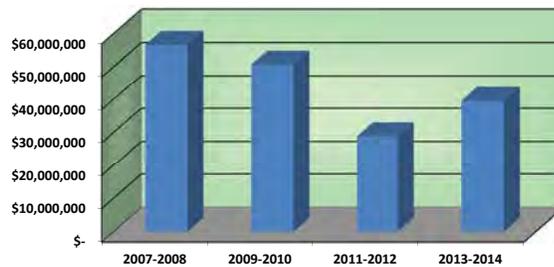
ENGINEERING DEPT.



TOTAL PUBLIC WORKS



TOTAL UTILITIES



Expenditure Summary			
<i>Public Works - By Division</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Engineering	\$270,475	\$229,475	\$410,570
Street	2,564,514	2,858,304	3,513,503
Water	14,937,169	12,614,936	13,934,634
Sewer	17,250,583	15,759,035	18,191,520
Stormwater	4,866,308	4,950,286	7,416,397
Total Expenditures	\$39,889,049	\$36,412,036	\$43,466,624

Expenditure Summary			
<i>Engineering \ Administration</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Personnel Costs	\$141,922	\$119,789	\$270,752
Supplies	4,182	2,650	18,900
Other Services & Charges	6,616	3,226	8,109
Interfund Charges	117,755	103,810	112,809
Total Expenditures	\$270,475	\$229,475	\$410,570

LINE ITEM BUDGET - PUBLIC WORKS ENGINEERING

Account Number	Account Title	Biennial Budget 2011-2012	Biennial Budget 2013-2014	% Change
001.12.532.100.11.00	Salaries & Wages	\$ 123,545	\$ 189,060	53.03%
001.12.532.100.12.00	Overtime	1,000	2,000	100.00%
001.12.532.100.21.00	Personnel Benefits	47,035	79,692	69.43%
001.12.532.100.31.00	Office	4,400	4,500	2.27%
001.12.532.100.33.00	Operating Supplies	2,200	13,400	509.09%
001.12.532.100.35.00	Small Tools And Minor Equip	1,000	1,000	0.00%
001.12.532.100.43.00	Travel	860	1,309	52.21%
001.12.532.100.48.00	Repair & Maintenance	600	600	0.00%
001.12.532.100.48.01	Software Maintenance	1,500	3,000	100.00%
001.12.532.100.49.00	Miscellaneous	200	300	50.00%
001.12.532.100.49.01	Conference/School/Training	1,000	1,300	30.00%
001.12.532.100.49.02	Printing/Binding	600	400	-33.33%
001.12.532.100.49.03	Dues/Subscriptions	400	600	50.00%
001.12.532.100.49.18	Licenses, Permits & Fees	600	600	0.00%
001.12.532.100.95.01	Asset Rental	103,810	112,809	8.67%
	Engineering	\$ 288,750	\$ 410,570	42.19%

STREET FUND

The Street Fund is responsible for the administration, planning, maintenance, operation and preservation of the City's transportation infrastructure including public roadways and bridges, signalization and illumination systems, sidewalks, bicycle facilities, roadside landscaping and rights-of-way. Routine, on-going activities include review, response and tracking of customer service requests, transportation planning, engineering and review for both City and private development projects, planning coordination with TRPC and other local jurisdictions, pavement maintenance, right-of-way landscaping, mowing and maintenance programs, street sweeping and snow and ice control. The Street Fund also dedicates funding to ensure adequate training and required certification needs of city staff continue to be met.

Goals

- To sustain the existing transportation infrastructure in the most cost effective manner and protect Tumwater roadways from excessive degradation, develop and recommend Pavement Management alternatives that include reliable and sustainable funding mechanisms. Due to limited staffing and financial resources, assess and prioritize operations and maintenance programs based on community goals, balanced with the need to provide for safety, mobility and meet regulatory requirements. Programs include:
 - Pavement Maintenance and Repair
 - Roadside Landscaping and Maintenance
 - Right-of-Way Maintenance
 - Roadside Mowing
 - Street Sweeping
 - Street Sign Inspection & Maintenance
 - Street Light Inspection & Maintenance
 - Traffic Signal Inspection & Maintenance
 - Snow & Ice Control
- Continue assessment, development and implementation of best management practices to reduce environmental impacts related to transportation.
- Improve community relationships and encourage citizen involvement and awareness, enhance communications and public involvement opportunities.
- In order to leverage limited resources to expand and maintain the transportation system, continue to seek out funding opportunities including grants, partnerships, and potential funding sources created by the legislature such as Transportation Benefit Districts.
- To meet statutory and City defined levels of service for transportation capacity, to provide predictability for both City and private development needs and to recognize multi-modal transportation choices, review and improve the existing concurrency management system.
- Work with the Community Development Department, TRPC, and the Tumwater School District on the Safe Routes to School Program and improvements around schools that would improve walkability, pedestrian safety, bicycle access, and connections to the surrounding neighborhoods. Funding for the improvements could come from City pedestrian funds, street projects initiated by the City or private parties, or grants.

- Explore options for extending trails as part of large subdivisions and major developments within the City. Utilize impact fee credits and other measures as feasible to acquire and improve these segments.
- Propose implementation of a Transportation Benefit District to utilize the license tab fee to establish and fund a pavement preservation and sidewalk infill and maintenance program.
- Review the current practice of hiring temporary seasonal workers in light of the pending National Health Care requirements.
- Incorporate sustainability concepts into design, construction, regulatory and maintenance practices.
- Paint the art deco totems and street lights on the Capitol Blvd. Bridge.

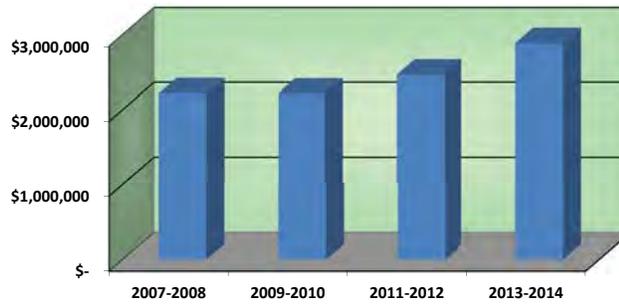
Accomplishments

- Continued updates and improvements to the City's parcel mapping.
- Provided support for the Police Department Expansion Project.
- Littlerock Road Improvements, Phase 2 received final acceptance by Council.
- Completed the design and permitting for improvements to the southbound Interstate 5 ramp terminal at Tumwater Boulevard.
- Operations personnel responded to 661 customer service requests for street related issues. Potholes are still a major issue with 118 work orders for pothole repairs in different locations. Staff dedicated 615 hours to pothole repair in 2012.
- Roadside Landscape Maintenance includes seasonal plantings, weeding, tree pruning, mowing, and irrigation maintenance and control for 12 sites covering 13 acres. 5,375 man-hours were dedicated to maintaining roadside landscaping in 2012. In addition to landscape maintenance, 374 hours were spent on mowing to clear and trim vegetation in the right-of-way, and 866 hours were dedicated to sweeping streets and bicycle lanes. The Tumwater Boulevard Landscaping Restoration project was completed by city staff and nearly 70 volunteers.
- All 3,717 street signs are inspected throughout the year for sight distance and condition. Operation's staff spent 406 hours completing 112 work orders related to sign maintenance and repair; 119 of those man-hours were spent tagging and collecting retro-reflective values for all 571 stop signs.
- Daily inspection and maintains of 25 traffic signals in the City and the urban growth area. Two signals are updated annually, replacing incandescent light bulbs with LED lights. At the end of 2012 there were five signals remaining to be upgraded.
- Completed paint striping on all of the City's streets through an interlocal agreement with Lewis County.
- All 1,158 City-owned and 407 Puget Sound Energy owned street lights are inspected monthly during low light hours and repaired as necessary or reported to PSE.

- Applied 20 tons of sand/salt and 14,500 gallons of liquid brine to roadways during seven separate events in 2012 both major and minor, resulting in 65.5 hours dedicated to snow and ice control. A major storm event also occurred beginning January 2012 which required 832 man hours dedicated to the initial response and 2,415 man hours for recovery and brush removal related to that single event. During the cleanup 30,000 cubic yards of brush was collected and removed from areas around the city including both city right-of-way and private property.
- Staff responded to 1,006 underground utility locate requests in 2012.



STREET DEPT.



Expenditure Summary			
<i>Street</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Administration	\$354,999	\$394,037	\$628,478
Operations	2,209,515	2,464,267	2,885,025
Total Expenditures	\$2,564,514	\$2,858,304	\$3,513,503

Expenditure Summary			
<i>Street - Administration</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Personnel Costs	\$293,159	\$276,603	\$470,815
Supplies	1,108	763	13,750
Other Services & Charges	3,117	13,245	46,591
Intergovernmental	32	43	50
Interfund Charges	57,583	43,744	23,272
Capital Outlay		56,225	74,000

Expenditure Summary			
<i>Street - Operations</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Personnel Costs	\$997,904	\$1,099,183	\$1,265,635
Supplies	179,524	236,810	290,000
Other Services & Charges	678,327	771,918	818,075
Intergovernmental		2,455	7,000
Interfund Charges	353,760	353,901	504,315
Capital Outlay			
Total Expenditures	\$2,209,515	\$2,464,267	\$2,885,025

LINE ITEM BUDGET - PUBLIC WORKS OPERATIONS - STREET

Account Number	Account Title	Biennial Budget 2011-2012	Biennial Budget 2013-2014	% Change
001.15.542.900.11.00	Salaries & Wages	\$ 551,851	\$ 729,384	32.17%
001.15.542.900.11.01	Temporary Help	70,420	73,700	4.66%
001.15.542.900.12.00	Overtime	20,000	20,000	0.00%
001.15.542.900.21.00	Personnel Benefits	305,501	437,081	43.07%
001.15.542.900.23.00	Clothing/Purchase	7,200	5,470	-24.03%
001.15.542.900.31.00	Office	1,500	1,500	0.00%
001.15.542.900.32.00	Gas/Oil/Fuel	8,000	10,300	28.75%
001.15.542.900.33.00	Operating Supplies	46,000	49,500	7.61%
001.15.542.900.33.01	Operating - Barricades/Cones	7,000	7,000	0.00%
001.15.542.900.33.02	Operating - Street Light	59,000	59,000	0.00%
001.15.542.900.33.03	Operating - Traffic Signals	31,000	31,000	0.00%
001.15.542.900.33.04	Operating-Roadside Plants	14,000	14,000	0.00%
001.15.542.900.33.05	Operating-Pavement Markings	55,400	63,000	13.72%
001.15.542.900.33.06	Operating-Signing	21,275	21,000	-1.29%
001.15.542.900.33.07	Operating-Snow & Ice Removal	19,500	27,000	38.46%
001.15.542.900.35.00	Small Tools/Minor Equipment	3,750	6,700	78.67%
001.15.542.900.41.00	Tree Hazard Evaluations	1,400	1,625	16.07%
001.15.542.900.41.11	One-Call (Locates)	1,800	1,800	0.00%
001.15.542.900.41.19	Spraying & Pruning	10,000	48,000	380.00%
001.15.542.900.41.20	Roadside Trees Arborist	-	30,000	100.00%
001.15.542.900.42.00	Communications	6,000	6,800	13.33%
001.15.542.900.43.00	Travel	4,300	5,000	16.28%
001.15.542.900.45.01	Other - Rentals/Leases	8,000	8,000	0.00%
001.15.542.900.46.00	Insurance (Property)	4,994	-	-100.00%
001.15.542.900.47.00	Utility Service Street Lights	415,650	430,000	3.45%
001.15.542.900.47.01	Utility Service Traffic Signals	79,650	90,500	13.62%
001.15.542.900.47.02	Utility Service Irrigation	60,100	43,050	-28.37%
001.15.542.900.47.04	Disposal Fees	18,000	18,000	0.00%
001.15.542.900.48.00	Repair & Maintenance	30,200	33,000	9.27%
001.15.542.900.48.03	Pavement Markings	70,000	71,750	2.50%
001.15.542.900.48.04	Sidewalk Repair	10,000	10,250	2.50%
001.15.542.900.48.05	Paths & Trails	1,000	1,000	0.00%
001.15.542.900.48.06	Bridge Maintenance	-	10,000	100.00%
001.15.542.900.49.00	Miscellaneous	1,700	1,700	0.00%
001.15.542.900.49.01	Conference/School/Training	5,340	6,400	19.85%
001.15.542.900.49.03	Dues & Subscriptions	600	600	0.00%
001.15.542.900.49.18	Licenses, Permits & Fees	600	600	0.00%
001.15.542.900.51.01	Intergovernmental Services	22,300	7,000	-68.61%
001.15.542.900.95.01	Asset Rental	353,901	504,315	42.50%
001.15.543.100.11.00	Salaries & Wages	167,014	326,428	95.45%
001.15.543.100.11.01	Temporary Help	3,800	3,800	0.00%
001.15.543.100.12.00	Overtime	1,500	1,500	0.00%
001.15.543.100.21.00	Personnel Benefits	64,643	139,087	115.16%
001.15.543.100.33.00	Operating Supplies	1,500	12,750	750.00%
001.15.543.100.35.00	Small Tools/Minor Equip.	1,000	1,000	0.00%
001.15.543.100.41.00	Professional Services	5,000	10,000	100.00%
001.15.543.100.41.01	Pavement Management System	40,000	20,000	-50.00%
001.15.543.100.41.04	Monumentation Program	3,000	3,000	0.00%
001.15.543.100.42.00	Communications	500	500	0.00%
001.15.543.100.43.00	Travel	1,510	2,366	56.69%
001.15.543.100.48.01	Software Maintenance	4,050	4,925	21.60%
001.15.543.100.49.00	Miscellaneous	200	200	0.00%
001.15.543.100.49.01	Conference/School/Training	2,100	4,400	109.52%
001.15.543.100.49.02	Printing/Binding	600	400	-33.33%
001.15.543.100.49.03	Dues & Subscriptions	400	400	0.00%
001.15.543.100.49.18	Licenses, Permits & Fees	500	400	-20.00%
001.15.543.100.53.01	Property Spec. Assess. County	50	50	0.00%
001.15.543.100.95.01	Asset Rental	43,744	23,272	-46.80%
001.15.594.300.64.01	Equipment-Multiple Items (See Schedule G)	79,835	36,000	-54.91%
001.15.594.300.64.90	Traffic Signal Replacement	-	35,000	100.00%
001.15.594.300.64.98	Snow Plow	-	3,000	100.00%
	Street	\$ 2,747,878	\$ 3,513,503	27.86%

SEWER FUND

The Sewer Fund is an enterprise fund that provides for all aspects of operating the City's sanitary sewer utility, including operation, maintenance, administration, and capital construction. Wastewater is collected by the City's sewer collection system where it is then conveyed to LOTT joint facilities and ultimately to the LOTT treatment plant located on Budd Inlet in downtown Olympia.

The Public Works Department provides preventive and routine maintenance and repair of the collection system within jurisdictional boundaries; timely performance of emergency repairs; system planning, development and expansion to meet the needs of existing and new customers; regulation of large-volume sewer customers discharging to the LOTT wastewater treatment facility; wastewater flow reduction programs; ongoing staff training and certifications; and response to customer issues.

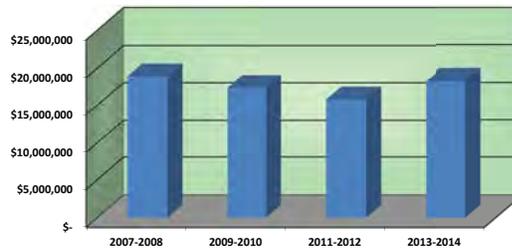
Goals

- Continue efforts to refine and sustain a utility known for quality service for our customers and contribute to the preservation of the Tumwater environment.
- Continue to refine and improve customer service, asset management and incident response to enhance the City wastewater utility's ability to provide safe, reliable and adequate service for our customers.
- Develop strategies to establish and maintain positive and productive relationships with utility customers and the greater citizenry of Tumwater.

Accomplishments

- Prepared utility bill insert prior to the holidays and conducted two food establishment inspections for Fats, Oils & Grease (FOG) Inspection & Outreach campaign. Continued coordinated efforts with local jurisdictions and LOTT to reduce the quantity of fats, oils and grease discharged to the collection system through distribution of educational materials and outreach to food service establishment owners.
- Continued participation in regional planning efforts for development and use of highly treated reclaimed water and for the conversion of legacy septic systems within high density, urban areas.
- The Vactor Crew cleaned approximately 101,558 feet of sanitary sewer main throughout the city in 2012, surpassing the annual goal of 100,000 feet.
- Cleaned and inspected all 26 sewer lift stations bi-monthly and applied enzyme treatments for grease and odor control to nine lift stations.
- Operations personnel responded to 64 sanitary sewer customer service requests in 2012.

SEWER FUND



Expenditure Summary			
<i>Sewer Fund</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Administration (less L.O.T.T. CDC's)	\$1,106,834	\$1,062,425	\$1,152,156
Operations (less L.O.T.T. Treatment)	1,427,311	1,271,156	2,056,265
L.O.T.T. Pass-thru	7,233,370	8,675,852	8,818,000
Interfund Loan Issued	1,425,366	563,483	468,078
Debt Service	315,638	164,260	124,776
Capital Equipment & Construction	1,456,133	374,795	1,915,447
Sewer Revenue Bond Reserve	83,125	83,125	83,125
Capital Reserve \ Ending Fund Balance	4,202,806	3,563,939	3,573,673
Total Expenditures	\$17,250,583	\$15,759,035	\$18,191,520

Expenditure Summary			
<i>Sewer Fund - Administration</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Personnel Costs	\$391,444	\$285,219	\$291,558
Supplies	4,183	2,468	22,400
Other Services & Charges	54,283	92,921	147,443
L.O.T.T. Development Capacity Pass-thru	1,181,650	1,568,864	1,159,000
Intergovernmental	230,353	265,430	293,753
Interfund Charges	426,571	416,387	397,002
Total Expenditures	\$2,288,484	\$2,631,289	\$2,311,156

Expenditure Summary			
<i>Sewer Fund - Operations</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Personnel Costs	\$772,335	\$876,927	\$987,887
Supplies	126,026	84,750	166,550
Other Services & Charges	383,706	137,449	682,700
L.O.T.T. Waste Treatment Pass-Thru	6,051,720	7,106,988	7,659,000
Interfund Charges	145,244	172,029	219,128
Total Expenditures	\$7,479,031	\$8,378,143	\$9,715,265

LINE ITEM BUDGET - PUBLIC WORKS OPERATIONS - SEWER

Account Number	Account Title	Biennial Budget 2011-2012	Biennial Budget 2013-2014	% Change
401.29.508.200.00.00	Ending Fund Balance	\$ 3,789,574	\$ 3,573,673	-5.70%
401.29.535.100.11.00	Salaries & Wages	156,130	197,974	26.80%
401.29.535.100.11.01	Temporary Help	10,000	10,000	0.00%
401.29.535.100.12.00	Overtime	1,000	1,000	0.00%
401.29.535.100.21.00	Personnel Benefits	62,197	82,584	32.78%
401.29.535.100.31.00	Office	3,600	4,500	25.00%
401.29.535.100.33.00	Operating Supplies	5,700	16,900	196.49%
401.29.535.100.35.00	Small Tools & Minor Equipment	1,000	1,000	0.00%
401.29.535.100.41.01	Business Waste Reduction	24,000	24,000	0.00%
401.29.535.100.41.04	Momumentation Program	3,000	3,000	0.00%
401.29.535.100.41.22	Professional Services\Small Projects	-	50,000	100.00%
401.29.535.100.42.00	Communication	1,600	1,600	0.00%
401.29.535.100.43.00	Travel	2,380	4,080	71.43%
401.29.535.100.46.00	Insurance	43,331	38,504	-11.14%
401.29.535.100.48.00	Repair & Maintenance	2,000	2,000	0.00%
401.29.535.100.48.01	Software Maintenance	9,900	13,600	37.37%
401.29.535.100.49.00	Miscellaneous	333	600	80.18%
401.29.535.100.49.01	Conference/School/Training	2,700	4,800	77.78%
401.29.535.100.49.02	Printing/Binding	1,500	600	-60.00%
401.29.535.100.49.03	Dues & Subscriptions	625	4,259	581.44%
401.29.535.100.49.18	Licenses, Permits & Fees	400	400	0.00%
401.29.535.100.49.25	LatecomersContractual	-	-	100.00%
401.29.535.100.51.02	In Lieu Tax	71,290	87,299	22.46%
401.29.535.100.52.03	State Excise Tax	171,398	202,109	17.92%
401.29.535.100.52.04	Olympia Utility Tax Remittance	6,181	4,245	-31.32%
401.29.535.100.53.01	Property Spec. Assess.-County	90	100	11.11%
401.29.535.100.58.03	Capacity Development Charge	1,103,000	1,159,000	5.08%
401.29.535.100.58.04	Tumwater O.& M. - to LOTT	6,876,200	7,659,000	11.38%
401.29.535.100.91.01	Finance Records Management Services	168,498	168,498	0.00%
401.29.535.100.91.02	Admin/Legal/Personnel/Facilities Services	188,010	188,010	0.00%
401.29.535.100.95.01	Asset Rental	59,879	40,494	-32.37%
401.29.535.500.11.00	Salaries & Wages	527,808	624,182	18.26%
401.29.535.500.11.01	Temporary Help	11,000	11,600	5.45%
401.29.535.500.12.00	Overtime	7,400	7,400	0.00%
401.29.535.500.21.00	Personnel Benefits	269,886	338,705	25.50%
401.29.535.500.23.00	Clothing	5,800	6,000	3.45%
401.29.535.500.31.00	Office Supplies	1,000	1,000	0.00%
401.29.535.500.32.00	Gas/Oil/Fuel	5,100	7,200	41.18%
401.29.535.500.33.00	Operating Supplies	66,400	74,000	11.45%
401.29.535.500.33.01	Operating - Telemetry	8,000	8,000	0.00%
401.29.535.500.33.03	Treatment	66,000	72,000	9.09%
401.29.535.500.35.00	Small Tools & Minor Equipment	4,500	4,350	-3.33%
401.29.535.500.41.01	System Inventory & TV Assessment	31,000	31,000	0.00%
401.29.535.500.41.11	One-Call	1,800	1,800	0.00%
401.29.535.500.42.00	Communication	5,000	5,800	16.00%
401.29.535.500.43.00	Travel	3,300	3,300	0.00%
401.29.535.500.45.01	Other - Rentals/Leases	4,400	4,400	0.00%
401.29.535.500.47.00	Utilities- Electrical	86,100	90,500	5.11%
401.29.535.500.47.00	Utilities-Water/Sewer/Storm	2,800	8,200	192.86%
401.29.535.500.47.04	Disposal Fees	6,000	6,000	0.00%
401.29.535.500.48.00	Repairs & Maintenance	36,000	36,000	0.00%
401.29.535.500.48.03	Lift Station Repairs	12,000	12,000	0.00%
401.29.535.500.49.00	Miscellaneous	1,000	1,000	0.00%
401.29.535.500.49.01	Conference/School/Training	2,000	2,300	15.00%
401.29.535.500.95.01	Asset Rental	172,029	219,128	27.38%
401.29.581.100.78.01	Interfund Loan Issued - Golf	295,000	468,078	58.67%
401.29.594.350.11.00	Salaries	145,559	271,949	86.83%
401.29.594.350.21.00	Benefits	58,747	114,498	94.90%
401.29.594.350.63.01	System Improvements	19,000	19,000	0.00%
401.29.594.350.63.05	Utility Adjustment	20,000	20,000	0.00%
401.29.594.350.64.98	Equipment Purchases Approved	11,190	-	-100.00%
401.29.594.350.65.01	Construction In Progress	95,783	1,490,000	1455.60%
401.29.597.001.00.01	Utility Tax Transfer	593,730	480,400	-19.09%
401.29.597.406.00.01	Trans to Fund 406 Bond Principal	147,840	117,383	-20.60%
401.29.597.406.00.02	Trans to Fund 406 Bond Interest	16,421	7,393	-54.98%
401.29.597.501.00.01	Transfer To ER&R	1,260	-	-100.00%
	Sewer Fund	\$ 15,506,369	\$ 18,108,395	16.78%

STORM DRAIN UTILITY FUND

The Storm Drainage Fund is an enterprise fund that provides for all aspects of operating the City's stormwater utility, including operations, maintenance, administration, and capital construction. The utility is responsible for managing drainage and resulting water flows to control flooding, erosion and property damage, and preventing (reducing the risk for) environmental damage associated with stormwater runoff.

Tumwater is a National Pollutant Discharge Elimination System (NPDES) Phase II permittee and is responsible for maintaining compliance with local, state and federal regulations. Through the City's NPDES program, the utility provides for educational outreach to the public, technical assistance for stormwater facility owners, public and private infrastructure mapping, illicit discharge detection and elimination, and ordinance enforcement. The utility also provides for routine training and certification of all appropriate City staff, including those from other departments, responsible for the oversight and management of stormwater runoff.

Goals

- Continue efforts to refine and sustain a utility known for quality service and commitment to the preservation of the Tumwater environment.
- Continue to refine and improve customer service, asset management and incident response to enhance the City's stormwater utility ability to ensure safe, reliable and adequate service for our customers.
- Continue to develop and maintain good relationships with the community and regional partners to facilitate effective stormwater management practices.

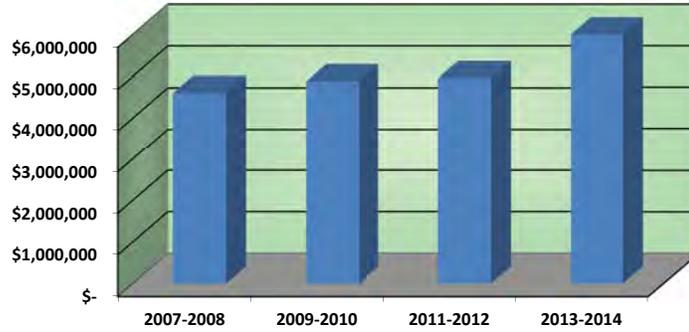
Accomplishments

- Secured grant funding for four major stormwater outfall improvement projects, totaling over \$1.3 million. Cleveland Avenue, E Street and Somerset Hill Drive Outfalls and Tumwater Valley Regional Storm Facilities (M Street Constructed Wetland).
- Acquired property for the Tumwater Valley Regional Stormwater facility, open space and the Deschutes Valley Trail including Tumwater Valley Drive.
- Coordinated a riparian-area habitat assessment review to determine restoration needs at City properties and develop recommendations for future projects.
- Completed five enforcement actions related to illicit discharges, 38 technical assistance visits related to private pond and stormwater management, inspected all public stormwater facilities (15) and reviewed 96 parcels to assess impervious surface delineations for utility billing.
- Staff prepared 12 articles related to stormwater best management practices and water quality, oversaw 61 volunteers at various events to restore and preserve riparian areas on City grounds, facilitated the maintenance of approximately 12.5 critical habitat acres and planted 42 trees. Staff also coordinated or participated in 10 workshops, educational events and festivals, directly reaching approximately 2,900 Tumwater residents.
- Maintained state and federal regulatory compliance. Initiated enforcement actions against properties discharging stormwater offsite, following corrective action through to completion.

- Continued improved community education, outreach and involvement and continued growth of regional coordination through the refinement of Stream Team programs to integrate stronger planning, effective stormwater quality messaging, and provided additional workshops for community members to learn varied methods to preserve water quality and reduce stormwater discharge.
- Identified and replaced 30 catch basin grates with bicycle friendly grates.
- Operations staff responded to 76 customer service requests relating to storm drainage issues.



STORMWATER FUND



Expenditure Summary			
<i>Stormwater Fund</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Administration	\$1,128,653	\$1,174,932	\$1,241,413
Operations	908,424	1,174,331	1,493,067
Debt Service	22,149	22,225	16,934
Capital Equipment & Construction	293,756	458,670	2,176,528
Stormwater Revenue Bond Reserve	11,281	11,281	11,281
Stormwater Capital Rsv. \ Ending F.B.	2,502,045	2,108,848	2,477,174
Total Expenditures	\$4,866,308	\$4,950,287	\$7,416,397

Expenditure Summary			
<i>Stormwater Fund - Administration</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Personnel Costs	\$571,009	\$542,677	\$537,605
Supplies	32,213	30,247	93,200
Other Services & Charges	64,226	128,311	163,679
Intergovernmental	83,015	103,832	89,665
Interfund Charges	378,190	369,865	357,264
Total Expenditures	\$1,128,653	\$1,174,932	\$1,241,413

Expenditure Summary			
<i>Stormwater Fund - Operations</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Personnel Costs	\$626,715	\$727,502	\$1,007,499
Supplies	29,040	30,115	30,400
Other Services & Charges	127,285	262,121	265,197
Interfund Charges	125,384	154,592	189,971
Total Expenditures	\$908,424	\$1,174,330	\$1,493,067

LINE ITEM BUDGET - PUBLIC WORKS OPERATIONS - STORM DRAIN

Account Number	Account Title	Biennial Budget 2011-2012	Biennial Budget 2013-2014	% Change
411.30.508.200.00.00	Ending Fund Balance	\$ 1,585,444	\$ 2,477,174	56.24%
411.30.538.300.11.00	Salaries & Wages	409,423	369,385	-9.78%
411.30.538.300.11.01	Temporary Help	2,400	2,400	0.00%
411.30.538.300.12.00	Overtime	1,000	1,000	0.00%
411.30.538.300.21.00	Personnel Benefits	169,252	164,820	-2.62%
411.30.538.300.31.00	Office	12,400	12,400	0.00%
411.30.538.300.33.00	Operating Supplies	25,600	36,800	43.75%
411.30.538.300.33.01	Operating - Stream Team	20,000	20,000	0.00%
411.30.538.300.33.02	Education Materials - Water Quality	23,000	23,000	0.00%
411.30.538.300.33.03	West Nile Virus Prevention	24,000	-	-100.00%
411.30.538.300.35.00	Small Tools/Minor Equipment	1,000	1,000	0.00%
411.30.538.300.41.00	Professional Services	50,000	50,850	1.70%
411.30.538.300.41.04	Momumentation Program	3,000	3,000	0.00%
411.30.538.300.42.00	Communication	800	800	0.00%
411.30.538.300.43.00	Travel	3,455	6,330	83.21%
411.30.538.300.44.00	Advertising	800	800	0.00%
411.30.538.300.46.00	Insurance	36,236	52,849	45.85%
411.30.538.300.48.00	Repair & Maintenance	400	400	0.00%
411.30.538.300.48.01	Software Maintenance	4,275	4,475	4.68%
411.30.538.300.49.00	Miscellaneous	400	400	0.00%
411.30.538.300.49.01	Conference/Schools/Training	5,400	9,000	66.67%
411.30.538.300.49.02	Printing/Binding	1,000	800	-20.00%
411.30.538.300.49.03	Dues & Subscriptions	1,375	1,575	14.55%
411.30.538.300.49.18	Licenses, Permits & Fees	8,100	32,400	300.00%
411.30.538.300.49.25	Latecomers Contractual	-	-	100.00%
411.30.538.300.52.01	State Excise Tax	35,719	39,665	11.05%
411.30.538.300.52.02	County Property Assessment	120	-	-100.00%
411.30.538.300.53.01	Surface Water Monitoring	50,000	40,000	-20.00%
411.30.538.300.53.03	South Sound Green	10,000	10,000	0.00%
411.30.538.300.91.01	Finance Records Management Services	132,746	132,746	0.00%
411.30.538.300.91.02	Admin/Legal/Personnel/Facilities Services	187,182	187,182	0.00%
411.30.538.300.95.01	Asset Rental	49,937	37,336	-25.23%
411.30.538.350.11.00	Salaries & Wages	554,570	638,364	15.11%
411.30.538.350.11.01	Temporary Help	11,000	11,600	5.45%
411.30.538.350.12.00	Overtime	3,200	8,000	150.00%
411.30.538.350.21.00	Personnel Benefits	282,862	343,735	21.52%
411.30.538.350.23.00	Clothing Purchase	5,600	5,800	3.57%
411.30.538.350.31.00	Office Supplies	1,000	1,000	0.00%
411.30.538.350.32.00	Gas/Oil/Fuel	200	200	0.00%
411.30.538.350.33.00	Operating Supplies	24,000	25,800	7.50%
411.30.538.350.35.00	Small Tools & Minor Equipment	1,500	3,400	126.67%
411.30.538.350.41.01	System Inventory & TVAssessment	4,000	4,000	0.00%
411.30.538.350.41.11	One-Call	1,800	1,800	0.00%
411.30.538.350.42.00	Communication	4,200	5,800	38.10%
411.30.538.350.43.00	Travel	3,200	3,200	0.00%
411.30.538.350.45.01	Other - Rentals/Leases	4,000	4,000	0.00%
411.30.538.350.47.00	Utilities	2,200	2,450	11.36%
411.30.538.350.47.04	Disposal Fees	74,000	80,000	8.11%
411.30.538.350.48.00	Repairs & Maintenance	25,200	27,200	7.94%
411.30.538.350.49.00	Miscellaneous	600	600	0.00%
411.30.538.350.49.01	Conference/School/Training	3,100	3,050	-1.61%
411.30.538.350.95.01	Asset Rental	154,592	189,971	22.89%
411.30.594.380.11.00	Salaries	148,710	68,716	-53.79%
411.30.594.380.21.00	Benefits	58,543	28,812	-50.78%
411.30.594.380.63.01	System Improvements	19,000	60,000	215.79%
411.30.594.380.63.02	Utility Adjustment	20,000	20,000	0.00%
411.30.594.380.63.99	Non-CFP Construction	105,000	50,000	-52.38%
411.30.594.380.64.98	Approved Equipment Purchases	12,450	-	-100.00%
411.30.594.380.65.01	Construction In Progress	907,873	1,949,000	114.68%
411.30.597.001.00.01	Utility Tax Transfer - Storm	154,551	133,097	-13.88%
411.30.597.406.00.01	Trans to Fund 406 Bond Principal	20,000	15,930	-20.35%
411.30.597.406.00.02	Trans to Fund 406 Bond Interest	2,222	1,004	-54.82%
	Storm Drain Fund	\$ 5,463,637	\$ 7,405,116	35.53%

WATER FUND

The Water Fund is an enterprise fund that provides for all aspects of operating the City's water utility, including operation, maintenance (facilities and grounds), administration, and capital construction. The fund is independent in that all revenues generated by the utility are used to cover expenses incurred by the utility, and conversely, all expenses incurred by the utility must be supported by utility revenues.

The water utility's primary function is to provide a safe, reliable drinking water supply in sufficient quantity to meet the peak demands of its customers. Water utility programs in support of this primary function include wellhead protection and water quality preservation (monitoring, treatment, main flushing and cross connection), water conservation, water rights acquisition and management, system expansion and improvements to meet the needs of current and new customers, and response to customer service requests. The water utility provides regular support to the Finance Department for meter reads, shut-offs and reconnections. The water utility also provides for routine and on-going training and certification needs of all utility employees to ensure a high quality of operations, maintenance and management required to effectively run a Class A water system.

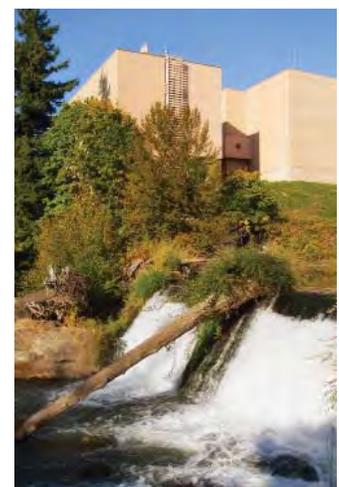
Goals

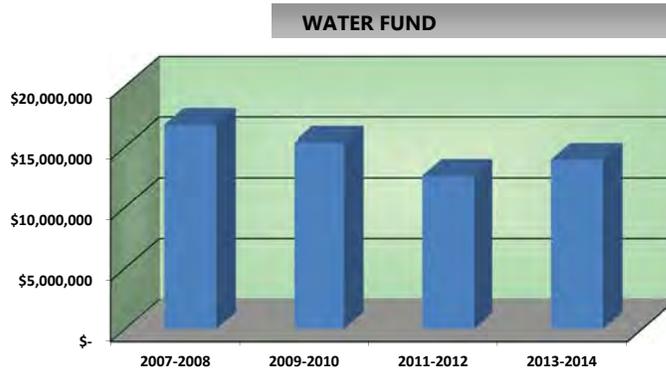
- Continue to improve integrated resource planning of the water utility to promote effective management of supply and water quality that meets or exceeds state and federal standards, so that Tumwater may sustain its commitment to quality.
- Continue programmatic planning and implementation of aquifer protection programs and mitigation efforts to reduce or eliminate the risk of environmental degradation.
- Continue to refine and improve customer service, asset management and incident response to enhance the City's water utility ability to ensure safe, reliable and adequate service for our customers.
- Continue to develop and maintain good relationships with the community and regional partners to engage in effective water resource management practices.
- Work with LOTT and Golf Course to utilize Class A Reclaimed water at the golf course.

Accomplishments

- **Brewery Facilities Phase 1 Assessment to review and test existing assets acquired through the regional Brewery water rights acquisition was completed.**
- The Bush Wellfield Clearwell Modification project which was designed and managed by staff was completed in 2012.
- Refined modeling of aquifer responses to potential mitigation strategies for the Southwest Wellfield Mitigation Study.
- Property purchase was finalized in September for Southeast Reservoir Property Acquisition.
- Well 2 of the Palermo Wellfield was decommissioned and Well 16 was completed. Staff is prepared a Request for Qualifications (RFQ) for Phase 4 (well development and integration, treatment and generator installation).

- Water Conservation Program: Staff processed 562 rebate/incentive requests, saving over 15,000 gallons per day. Total rebates costs were \$73,289, of which 95% was funded through LOTT's wastewater discharge reduction programs.
- Lead and copper testing was completed for Lathrop and Lakeland Manor water systems (independent systems owned by the City), with both systems in compliance for water quality.
- Initiated the Wellhead Protection Plan Update, to be completed in 2013. Annual regional groundwater quality testing completed for 2012.
- Collaborated with US EPA and Washington State Departments of Ecology and Department of Transportation to review and assess actions related to Palermo's Superfund status.
- Staff performed survey, project design for Sapp / Rural / Linwood Water System improvements.
- Maintained state and federal compliance to provide safe and reliable drinking water through routine water quality testing. Operations staff collected 1,184 water compliance and engineering samples for bacteriological analysis.
- Installed 190 water meters for new construction.
- Mailed 3,450 notices to customers for their required annual backflow assembly testing; processed 2,700 backflow preventer test reports; and conducted 265 site inspections for potential cross connection control identification.
- Delivered 5,999 shut-off notices and disconnected 846 water services for non-payment.
- Completed the Annual Leak Detection Program to survey 1/3 of the City's water system each year to locate and repair leaks as needed.
- Upgraded two village style hydrants and replaced 54 hydrants with powder coated upper barrels of the 1,383 fire hydrants.
- Operations personnel responded to 344 customer service requests related to the drinking water system.





Expenditure Summary			
<i>Water Fund</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Administration	\$2,206,360	\$2,157,540	\$2,563,576
Operations	3,535,902	3,274,131	3,692,266
Debt Service	930,114	932,002	682,410
Capital Equipment & Construction	4,016,389	1,409,524	4,513,297
Water Revenue Bond Reserve	383,560	383,560	383,560
Capital Reserve \ Ending Fund Balance	3,864,844	4,458,180	2,099,525
Total Expenditures	\$14,937,169	\$12,614,937	\$13,934,634

Expenditure Summary			
<i>Water Fund - Administration</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Personnel Costs	\$614,714	\$541,195	\$650,860
Supplies	13,524	19,367	50,800
Other Services & Charges	161,368	159,243	304,855
Intergovernmental	470,979	525,720	665,943
Interfund Charges	945,775	912,015	891,115
Total Expenditures	\$2,206,360	\$2,157,540	\$2,563,573

Expenditure Summary			
<i>Water Fund - Operations</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Personnel Costs	\$1,438,855	\$1,638,760	\$1,759,979
Supplies	781,346	396,937	423,950
Other Services & Charges	1,124,369	1,027,759	1,241,690
Interfund Charges	191,332	210,675	266,647
Total Expenditures	\$3,535,902	\$3,274,131	\$3,692,266

LINE ITEM BUDGET - PUBLIC WORKS OPERATIONS - WATER

Account Number	Account Title	Biennial Budget 2011-2012	Biennial Budget 2013-2014	% Change
400.28.508.200.00.00	Ending Fund Balance	\$ 1,421,409	\$ 2,099,525	47.71%
400.28.534.100.11.00	Salaries & Wages	411,989	448,179	8.78%
400.28.534.100.11.01	Temporary Help	4,000	4,000	0.00%
400.28.534.100.12.00	Overtime	1,000	1,000	0.00%
400.28.534.100.21.00	Personnel Benefits	167,898	197,681	17.74%
400.28.534.100.31.00	Office	4,000	4,500	12.50%
400.28.534.100.33.00	Operating Supplies	10,000	21,200	112.00%
400.28.534.100.33.01	Water Conserv Prog Supplies	20,000	20,000	0.00%
400.28.534.100.35.00	Small Tools & Minor Equip	1,000	5,100	410.00%
400.28.534.100.41.01	Wellhead Protection	52,000	52,000	0.00%
400.28.534.100.41.04	Monumentation Program	3,000	3,000	0.00%
400.28.534.100.41.05	Prof Svc-Confidence Report	15,000	25,000	66.67%
400.28.534.100.41.22	Prof Svcs/Small Projects	70,000	70,000	0.00%
400.28.534.100.41.29	Water Conservation Program	40,000	40,000	0.00%
400.28.534.100.42.00	Communication	1,000	1,000	0.00%
400.28.534.100.43.00	Travel	5,230	7,736	47.92%
400.28.534.100.44.00	Advertising	400	400	0.00%
400.28.534.100.46.00	Insurance	91,808	76,185	-17.02%
400.28.534.100.48.00	Repair & Maintenance	1,000	1,000	0.00%
400.28.534.100.48.01	Software Maintenance	9,900	9,700	-2.02%
400.28.534.100.49.00	Miscellaneous	400	400	0.00%
400.28.534.100.49.01	Conference/School/Training	7,000	9,400	34.29%
400.28.534.100.49.02	Printing/Binding	2,000	1,500	-25.00%
400.28.534.100.49.03	Dues & Subscriptions	3,325	7,134	114.56%
400.28.534.100.49.18	Licenses, Permits & Fees	400	400	0.00%
400.28.534.100.49.25	Latecomers Contractual	-	-	100.00%
400.28.534.100.51.02	In Lieu Tax	169,326	194,513	14.87%
400.28.534.100.52.03	State Excise Tax	333,860	383,513	14.87%
400.28.534.100.52.04	Olympia Utility Tax Remittance	8,000	7,600	-5.00%
400.28.534.100.53.01	Property Spec. Assess. County	250	320	28.00%
400.28.534.100.53.02	Groundwater Monitoring	70,000	80,000	14.29%
400.28.534.100.91.01	Finance Records Management Services	417,454	417,454	0.00%
400.28.534.100.91.02	Admin/Legal/Personnel/Facilities Services	418,540	418,540	0.00%
400.28.534.100.95.01	Asset Rental	76,021	55,121	-27.49%
400.28.534.500.11.00	Salaries & Wages	1,049,019	1,102,187	13.50%
400.28.534.500.11.01	Temporary Help	11,000	11,600	5.45%
400.28.534.500.12.00	Overtime	15,000	18,000	20.00%
400.28.534.500.21.00	Personnel Benefits	562,916	616,792	19.25%
400.28.534.500.23.00	Clothing	9,000	11,400	26.67%
400.28.534.500.31.00	Office Supplies	2,000	2,000	0.00%
400.28.534.500.32.00	Gas/Oil/Fuel	3,000	4,000	33.33%
400.28.534.500.33.00	Operating Supplies	80,000	86,000	7.50%
400.28.534.500.33.01	Operating - Water Treatment	20,000	16,000	-20.00%
400.28.534.500.33.02	Operating - Telemetry	4,400	4,400	0.00%
400.28.534.500.34.00	Inventory Cost Of Goods Sold	300,000	300,000	0.00%
400.28.534.500.34.01	Inventory Vendor Returns Pending	-	-	100.00%
400.28.534.500.35.00	Small Tools & Minor Equip	10,700	11,550	7.94%
400.28.534.500.41.01	Large Meter Testing	9,500	9,500	0.00%
400.28.534.500.41.02	Leak Detection	20,000	20,000	0.00%
400.28.534.500.41.03	Professional Services	-	-	100.00%
400.28.534.500.41.11	One-Call	1,800	1,800	0.00%
400.28.534.500.41.20	Lab - Testing Services	63,000	63,000	0.00%
400.28.534.500.41.52	Cross Connection Program	4,000	4,000	0.00%
400.28.534.500.42.00	Communication	9,000	11,600	28.89%
400.28.534.500.43.00	Travel	4,000	3,200	-20.00%
400.28.534.500.45.01	Other - Rentals/Leases	2,000	2,000	0.00%
400.28.534.500.47.00	Utilities	652,000	553,500	-15.11%
400.28.534.500.47.XX	Utilities - Water/Sewer/Storm	15,400	19,450	26.30%
400.28.534.500.47.04	Disposal Fees	1,500	1,500	0.00%
400.28.534.500.48.00	Repair & Maintenance	34,000	34,000	0.00%
400.28.534.500.48.01	Software Maintenance	3,000	3,000	0.00%
400.28.534.500.48.02	Reservoir Maintenance	22,000	22,000	0.00%
400.28.534.500.48.03	Well Repairs	40,000	40,000	0.00%
400.28.534.500.49.00	Miscellaneous	2,000	2,000	0.00%
400.28.534.500.49.01	Conference/School/Training	6,200	5,200	-16.13%
400.28.534.500.49.03	Dues & Subscriptions	6,000	6,060	1.00%
400.28.534.500.49.18	Permits & Fees	17,000	17,000	0.00%
400.28.534.500.95.01	Asset Rental	210,357	266,647	26.76%
400.28.591.340.72.02	Public Works Trust Fund - Principal	146,322	101,564	-30.59%
400.28.592.340.82.01	Public Works Trust Fund - Interest	7,716	5,042	-34.66%
400.28.594.340.11.00	Salaries	237,914	320,946	34.90%
400.28.594.340.12.00	Overtime	-	-	100.00%
400.28.594.340.21.00	Benefits	90,960	139,151	52.98%
400.28.594.340.63.01	Hydrant Replacement	11,400	14,000	22.81%
400.28.594.340.63.02	System Improvements	75,200	75,200	0.00%
400.28.594.340.63.05	Utility Adjustment	20,000	20,000	0.00%
400.28.594.340.63.06	Valve Installation	10,000	10,000	0.00%
400.28.594.340.63.99	Non-Cfp Construction	22,000	19,000	-13.64%
400.28.594.340.64.98	Equipment Purchases Approved	8,410	-	-100.00%
400.28.594.340.64.97	Vehicle Purchases Approved (2)	66,000	-	-100.00%
400.28.594.340.65.01	Construction In Progress	3,196,304	3,915,000	22.49%
400.28.597.001.00.01	Utility Tax Transfer	396,286	422,880	6.71%
400.28.597.406.00.01	Trans to Fund 406 Bond Principal	682,160	541,688	-20.59%
400.28.597.406.00.02	Trans to Fund 406 Bond Interest	75,770	34,116	-54.97%
400.28.597.501.56.01	Transfer To ER&R	11,340	-	-100.00%
	Water Fund	\$ 12,084,784	\$ 13,551,074	12.13%

BARNES LAKE MANAGEMENT DISTRICT

The Barnes Lake Management District (LMD) is organized to provide a funding mechanism for the community immediately surrounding Barnes Lake to conduct ongoing lake management activities. The LMD is funded through annual assessments charged to the residents and businesses adjacent to the lake to support vegetation management activities. The primary goal of the LMD is to reduce the quantity of noxious and non-native nuisance vegetation to help improve water quality and the aesthetic and recreational values of the lake. The Water Resources Section provides administrative support, project management and LMD Steering Committee oversight. The Finance Department provides support for billing, assessment collection and lien management.

Goals

- Continue routine vegetation treatment activities to complement the community’s goal for lake quality enhancements and improvements toward the aesthetic and recreational values of the lake community.
- Continue to refine operations, community outreach and involvement, and financial management to ensure a sustainable and effective program and maintain positive and productive relationships with the Barnes LMD community.

Accomplishments

- Completed routine vegetation treatments and channel expansions to reduce the quantities of noxious and non-native nuisance vegetation, assessed lake conditions and completed the annual treatment summary report.
- Conducted regular Steering Committee meetings and one public outreach event designed to inform all LMD participants of major accomplishments and ongoing activities.
- Prepared and implemented annual budget and work plans to achieve LMD goals.
- Revised Barnes LMD Charter and Ground Rules to meet LMD member expectations.

Expenditure Summary			
<i>Stormwater - Barnes Lake Management District *</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
Supplies	750	1,500	1,500
Other Services & Charges	30,322	60,644	60,644
Interfund Charges	1,400	2,800	2,800
Total Expenditures	\$32,472	\$64,944	\$64,944

CAPITAL FACILITIES PLAN

The General Government Capital Projects Fund provides the capital resources and prioritization of funds in support of the planning and development of public buildings, programs, equipment and facilities, including law enforcement, fire protection, golf course, parks, historic preservation, trails and open space as envisioned and supported by the various elements of the Comprehensive Plan (Land Use Plan, Parks Recreation and Open Space Plan, Fire Master Plan, Police Master Plan, Public Facilities Plan, etc.). Projects and programs within the fund have costs of \$25,000 or greater.

Goals

Subject to the review process and separate adoption, the General Fund CFP includes:

Prior Projects Continued in 2013-14

- Design standards for new development \$100,000
- Street Tree Plan \$10,000
- Brewery District Planning \$75,000
- Deschutes River Flood Reduction & Erosion Study \$65,000
- Deschutes Valley Trail \$347,700
- Police Expansion \$3,450,000
- Parks Board \$20,000/year
- Historical Commission \$10,000/year plus \$20,000 for Henderson House

New Projects

- City Hall site/master planning \$60,000
- Historical Park Repairs \$15,000
- Police Radio Repeater/Transmitter \$40,000
- Library Renovations (carpet, paint, roof, etc.) \$43,000
- Way Finding Signs \$10,000





LODGING TAX FUND

This fund was created by Ordinance No. 680 in September of 1974 and amended by Ordinance No. 1264. Additional amendments to the fund were done in 1998. All such taxes collected in this fund are for the purpose of acquiring by purchase, gift or grant, to lease as lessee, and to construct, install, add to, improve, replace, repair, maintain, operate and regulate the use of public stadium facilities, convention center facilities, performing arts center facilities and/or visual art center facilities. These assets may be located within or without a city, and may including but not be limited to buildings, structures, concession and service facilities, or terminal and parking facilities for private vehicles and public transportation vehicles and system, together with all lands, properties, property rights, equipment, utilities, accessories and appurtenances necessary for such purposes. Funds may be used to pay for any engineering, planning financial, legal and professional services incident to the development and operation of such public facilities, or to pay to secure the payment of all or any portion of general obligation bonds or revenue bonds issued for such purpose as specified.

The sole source of revenue is the Hotel/Motel Tax that is derived by taking 2 percent of the state's 6.5 percent sales tax and rebating it back to the community for local programs to promote tourism. This tax is a credit against the state sales tax. The City has traditionally used this source to provide for the maintenance and operation of the Henderson House Museum, Crosby House, and the Union Cemetery.

The state legislature authorized an additional taxing authority of up to two percent (2%). These funds may be used solely for paying for tourist promotion and acquisition and/or maintenance of tourism-related facilities. "Tourism promotion" is defined as: activities and expenditures designed to increase tourism, including but not limited to advertising, publicizing, or otherwise distributing information for the purpose of attracting and welcoming tourists; developing strategies to expand tourism; operating tourism promotion agencies; and funding marketing of special events and festivals designed to attract tourists. Additionally, "Tourism-related facility" means: real or tangible personal property with a usable life of three or more years or constructed with volunteer labor, and used to support tourism, performing arts, or to accommodate tourist activities.

This legislation also requires that cities with a population over 5,000 must form a lodging tax advisory committee that has the following composition:

- The committee must have at least five members, appointed by the city council;
- The committee membership must include at least two representatives of businesses that are required to collect the hotel-motel tax, two people who are involved in activities that are authorized to be funded by this tax, and one elected official who serves as the chair of the committee;
- Organizations representing hotels and motels and organizations involved in activities that can be funded by this tax may recommend people for membership;

- The number of committee members from organizations representing the hotels and motels and the number from organizations involved in activities that can be funded must be equal;
- The city council shall review the membership of the committee annually.

When the city enacts this legislation for the additional revenue source not only must they have the advisory committee as previously stated they must follow the following procedures:

- All funding requests for use of the tax proceeds must be submitted to the lodging tax advisory committee for review and comment;
- Submissions must occur at least 45 days before final action will be taken on the proposal;
- The committee's comments shall include an analysis of the extent to which the proposal will accommodate activities for tourists or increase tourism, and of the extent to which it will affect the long-run stability of the fund to which the hotel-motel taxes are credited;
- After this process is followed than the final recommendation of the committee is presented to the city council for approval.

Finally each jurisdiction that levies a hotel-motel tax must submit a report to the Washington State Department of Commerce. The report lists the tax rate for the city, a list of projects or activities funded, and the amount of revenue expended for each project or activity. This information is included in a report to the State Legislature along with all other cities imposing the tax.

The City tracks each tax source and utilization separately is required. The original tax proceeds fund what is now known as the Historical and Cultural Programs. Those programs include such things as the on-going operation of the Henderson House Museum, Crosby House, Log Cabin, and the Pioneer Cemetery on Litterock Road.

Expenditure Summary			
<i>Lodging Tax Funded</i>			
ITEM	2009-2010 Actual	2011-2012 Actual	2013-2014 Budget
<u>HISTORICAL & CULTURE PROGRAMS</u>			
Personnel Costs	\$186,534	\$96,588	\$94,791
Supplies	8,157	4,457	4,600
Other Services & Charges	45,030	49,420	46,135
Intergov't / Interfund		6	35,020
Interfund Charges	68,844	51,630	54,088
Capital Purchases	5,140		
<u>TOURISM PROGRAMS</u>			
Lodging Tax Advisory Board	240,859	195,232	200,000
<u>CONTINGENCY RESERVE/ENDING BAL</u>			
Ending Fund Balance	71,535	110,713	79,902
Total Expenditures	\$626,099	\$508,046	\$514,536

**LODGING TAX FUND
BUDGET ANALYSIS - 2013-2014**

HISTORICAL & CULTURAL PROGRAM	
2013 Beginning Fund Balance	\$ 83,670
Tax Proceeds 2013-2014	200,000
Interest	400
Contributions	200
Sale of Merchandise	200
Total Resources: \$ 284,470	
<u>Projects/Program Expenses:</u>	
Staffing, Henderson House Museum, Crosby House, Log Cabin, Cemetery.	\$ 234,634
Total Program Expenses \$ 234,634	
2014 Ending Fund Balance	\$ 49,836

TOURISM PROGRAMS	
2013 Beginning Fund Balance	\$ 30,066
Tax proceeds 2013-2014	200,000
Total Resources: \$ 230,066	
<u>Projects/Program Expenses:</u>	
<u>Tourism Promotion - 2013</u>	
City of Tumwater Beer Festival	\$ 4,320
Greater Olympia Dixieland Jazz Society	2,236
Olympic Flight Museum	20,584
Puget Sound Senior Games	9,150
Tumwater Area Chamber of Commerce	12,706
Tumwater Downtown Association	12,097
Tumwater Historical Association	2,846
Vistor & Convention Center	22,236
The Washington Center of the Performing Arts	5,896
Wolf Haven International	7,929
TOTAL 2011 FUNDING \$ 100,000	
2012 FUND TO BE DETERMINED \$ 100,000	
Total Program Expenses \$ 200,000	
2014 Ending Fund Balance	\$ 30,066

LINE ITEM BUDGET - LODGING TAX FUND

Account Number	Account Title	Biennial Budget 2011-2012	Biennial Budget 2013-2014	% Change
109.23.557.300.41.00	To be Distributed (second year)	-	100,000	100.00%
109.23.557.300.41.01	Wa Center For Performing Arts (Plug)	15,945	5,896	-63.02%
109.23.557.300.41.02	Tourism Services	25,260	12,706	-49.70%
109.23.557.300.41.03	Downtown Association	26,295	12,097	-54.00%
109.23.557.300.41.04	Visitor/Convention Bureau	42,505	22,236	-47.69%
109.23.557.300.41.05	Historical Association	5,225	2,846	-45.53%
109.23.557.300.41.06	Olympic Flight Museum	43,015	20,584	-52.15%
109.23.557.300.41.07	Senior Games	17,150	9,150	-46.65%
109.23.557.300.41.10	Wolf Haven	12,625	7,929	-37.20%
109.23.557.300.41.12	Farmer's Market	2,955	-	-100.00%
109.23.557.300.41.14	Olympia Tumwater Foundation	4,250	-	-100.00%
109.23.557.300.41.15	Greater Olympia Dixieland Jazz Society	4,335	2,236	-48.42%
109.23.557.300.41.16	Tumwater Beer Festival	-	4,320	100.00%
109.23.575.300.11.00	Salaries & Wages	62,423	64,651	3.57%
109.23.575.300.21.00	Personnel Benefits	26,178	30,140	15.13%
109.23.575.300.31.00	Henderson House Office Supplies	2,000	1,000	-50.00%
109.23.575.300.33.00	Henderson House Other Operating Expenses	9,600	1,600	-83.33%
109.23.575.300.33.01	Building & Grounds Supplies	2,000	2,000	0.00%
109.23.575.300.34.01	Items Purchased For Resale	2,500	-	-100.00%
109.23.575.300.35.00	Small Tools And Equipment	1,400	-	-100.00%
109.23.575.300.41.01	Janitorial Services	2,000	-	-100.00%
109.23.575.300.41.03	Professional Services	11,100	11,600	4.50%
109.23.575.300.42.00	Communications	2,400	2,400	0.00%
109.23.575.300.42.02	Henderson House Alarm System	2,000	1,700	-15.00%
109.23.575.300.42.03	Crosby House Alarm System	2,000	2,000	0.00%
109.23.575.300.43.00	Travel	1,079	-	-100.00%
109.23.575.300.46.00	Insurance	7,132	2,875	-59.69%
109.23.575.300.47.00	Henderson House Utilities	8,000	8,000	0.00%
109.23.575.300.47.01	Crosby House Utilities	2,400	2,400	0.00%
109.23.575.300.47.04	Cemetery Utilities	1,300	1,300	0.00%
109.23.575.300.48.00	Henderson House Repairs & Maintenance	6,000	6,000	0.00%
109.23.575.300.48.01	Union Cemetery Repairs	2,000	2,000	0.00%
109.23.575.300.48.02	Ground Maintenance	950	950	0.00%
109.23.575.300.48.03	Crosby House Repairs	2,000	2,000	0.00%
109.23.575.300.49.01	Conference/School/Training	980	760	-22.45%
109.23.575.300.49.02	Printing And Binding	1,400	1,400	0.00%
109.23.575.300.49.03	Dues And Subscriptions	750	750	0.00%
109.23.575.300.53.01	State Excise Tax	-	20	100.00%
109.23.575.300.91.01	Finance Records Management Services	14,076	14,076	0.00%
109.23.575.300.91.02	Admin/Legal/Personnel/Facilities Services	31,366	31,366	0.00%
109.23.575.300.95.01	Asset Rental	6,188	8,646	39.72%
109.23.597.303.00.01	Operating Transfer to Fund 303	-	35,000	100.00%
	Lodging Tax Fund	\$ 456,085	\$ 514,536	12.82%

DEBT SERVICE FUNDS

WATER/SEWER/ STORM DRAINAGE REVENUE BONDS

A revenue bond is a source of funds whose principal and interest are payable exclusively from the earnings of a proprietary fund. The City of Tumwater's utility proprietary funds are: Water, Sewer and Stormwater.

Revenue Bond Debt Service Schedule			
Year	Principal	Interest	Debt Service
2013	\$450,000	\$28,006	\$478,006
2014	\$225,000	\$14,506	\$239,506
2015	\$230,000	\$7,475	\$237,475
Total	\$905,000	\$49,988	\$954,988

General Obligation - Debt Service Schedule *Combined General Obligation Bonds*

Year	Principal	Interest	Debt Service
2013	\$405,000	\$155,263	\$560,263
2014	\$410,000	\$145,113	\$555,113
2015	\$415,000	\$133,788	\$548,788
2016	\$430,000	\$121,263	\$551,263
2017	\$450,000	\$107,688	\$557,688
2018	\$460,000	\$92,719	\$552,719
2019	\$245,000	\$75,125	\$320,125
2020	\$250,000	\$65,225	\$315,225
2021	\$265,000	\$54,925	\$319,925
2022	\$275,000	\$43,438	\$318,438
2023	\$290,000	\$30,725	\$320,725
2024	\$300,000	\$18,200	\$318,200
2025	\$305,000	\$6,100	\$311,100
Total	\$4,500,000	\$1,049,569	\$5,549,569

The City currently has a principal balance outstanding of \$905,000 that will be fully paid in 2015. The City maintains a high rating by Moody's Investor Service, a national bond rating agency, of "AA-" that correlates to hundreds of thousands of dollars of savings over the life of the bond issues. This high rating is a result of hard work and consistent support in and maintaining and improving our infrastructure by the Council, Administration, and Public Works Department of the City.

GENERAL OBLIGATION BONDS AND OTHER G.O. DEBT

A general obligation bond comes in two forms; voted, and non-voted. Currently, Washington State law limits the voted amount of indebtedness to two and one-half percent (2.5%) of the City's current assessed valuation (A.V.). The City is also authorized to issue general obligation bonds for an additional two and one-half percent (2.5%) of the assessed valuation for parks and open spaces. Both of these issues are voted and approved by a 60 percent majority vote of the registered voters.

VOTE GENERAL OBLIGATION DEBT TAX RATE			
Year	Assessed Valuation	Annual Debt	Per \$1,000
2001	\$914,268,189	\$816,148	\$0.893
2002	\$987,464,285	\$714,979	\$0.724
2003	\$1,067,733,242	\$821,116	\$0.769
2004	\$1,157,001,818	\$809,490	\$0.700
2005	\$1,263,251,017	\$712,281	\$0.564
2006	\$1,471,106,673	\$820,307	\$0.558
2007	\$1,766,398,056	\$100,000	\$0.057
2008	\$2,040,674,951	\$278,393	\$0.136
2009	\$2,458,361,565	\$401,873	\$0.163
2010	\$2,469,827,155	\$350,350	\$0.142
2011	\$2,469,827,155	\$375,000	\$0.163
2012	\$2,212,125,939	\$365,000	\$0.165

In the fall of 1998 the voters approved a bond issue to construct a new headquarters fire station and acquire two new fire engines. The principal balance outstanding is \$1,255,000 and will be retired in 2018. The issue is rated by Moody's

Investor Service as AA-a. Bonds of this type are unlimited tax general obligations (UTGO) of the City and are backed by the full faith and credit of the City. The City, as authorized by law and ordinances of the City Council, has pledged that, unless the principal and interest of the bonds of an issue are paid from other sources, it will make annual levies of taxes without limitation as to rate or amount upon all the property in the City subject to taxation in an amount sufficient to pay such principal and interest as they become due.

Combined Public Works Trust Fund Debt Service Schedule			
2013	56,833	2,805	59,637
2014	44,730	2,236	46,966
2015	44,730	1,789	46,519
2016	44,730	1,342	46,072
2017	44,730	895	45,624
2018	44,730	447	45,177
TOTAL	\$280,482	\$9,514	\$289,996

The City has issued non-voted general obligation debt for the Tumwater Valley Golf Course with a principal balance of \$3,245,000 that will be retired in 2025.

Public Works Trust Fund Loans				
Date of Issue	Principal Outstanding	Project	Maturity from Date of Issue	Interest Rate
5/20/1993	12,103	Water	20 Years	1%
7/30/1999	268,379	Water	20 Years	1%

Outstanding Junior Lien Debt

In addition to the bonds, the City has Public Works Trust Fund loans outstanding. These are low-interest or interest-free loans administered through the Department of Community Trade and Economic Development. The total outstanding principal is \$280,482 in the water fund. The Washington State Legislature made provisions for this program from the Public Works Assistance Account, which is a portion of the general fund of the state. Qualifying criteria require jurisdictions to impose a 1/4 of one percent real estate excise tax, have developed a long-term plan for financing public work needs, use all local revenue sources which are reasonably available for funding public works, and adopted a comprehensive plan.

Outstanding Capital Lease Debt

Capital Leases				
Date of Issue	Principal Outstanding	Project	Maturity from Date of Issue	Interest Rate
8/20/2012	249,973	Golf	5 Years	1.20%
8/20/2012	210,208	Golf	6 Years	1.35%
8/20/2012	497,949	Fire	9 Years	1.85%

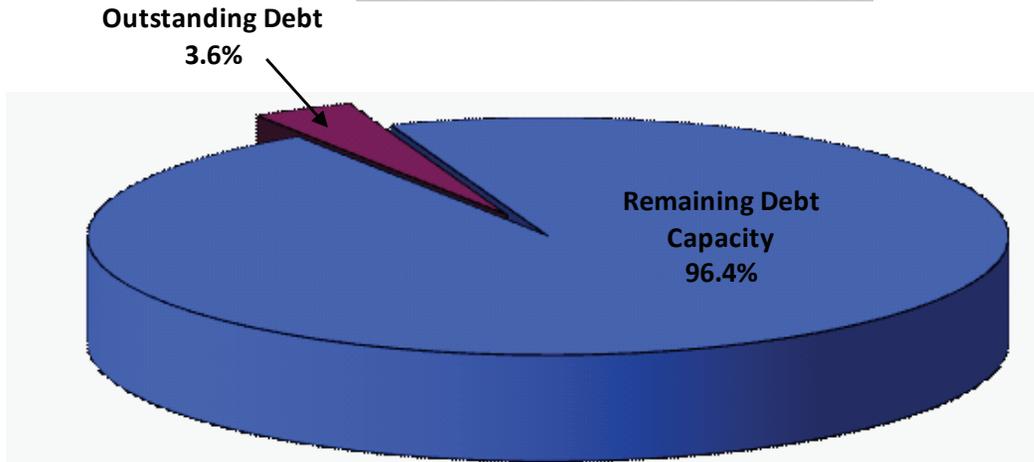
The City has entered into three lease/purchase agreements in 2012 for a fire pumper truck, golf carts, and golf course maintenance equipment. The terms of the agreements are displayed in the accompanying charts and are financed through the Local Option Capital Asset Lending (LOCAL) program with the Washington State Treasurer. The total outstanding is \$958,103 with the term at a maximum of nine years.

Combined Capital Leases			
Year	Principal	Interest	Debt Service
2013	\$125,520	\$36,986	\$162,507
2014	\$129,343	\$33,163	\$162,507
2015	\$133,963	\$28,544	\$162,507
2016	\$139,431	\$23,076	\$162,507
2017	\$145,493	\$17,014	\$162,507
2018	\$95,725	\$11,587	\$107,312
2019	\$59,768	\$7,939	\$67,707
2020	\$62,833	\$4,874	\$67,707
2021	\$66,055	\$1,651	\$67,707
Total	\$958,131	\$164,834	\$1,122,965

TOTAL DEBT CAPACITY CHART

COMPUTATION OF LEGAL DEBT MARGIN					
	GENERAL CAPACITY		SPECIAL PURPOSE CAPACITY		
	Councilmanic	Excess Levy	Parks & Open Space	Utility Purposes	Total Capacity
December 31, 2011 Assessed Valuation = \$2,125,432,722					
2.50% of Assessed Valuation		\$ 53,135,818	\$ 53,135,818	\$ 53,135,818	\$ 159,407,454
1.50% of Assessed Valuation	\$ 31,881,491	\$ (31,881,491)			
STATUTORY DEBT LIMIT	\$ 31,881,491	\$ 21,254,327	\$ 53,135,818	\$ 53,135,818	\$ 159,407,454
Less Debt Outstanding (Contracts/G.O. bonds)	\$ 4,203,130	\$ 1,255,000			\$ 5,458,130
Accrued Annual Leave	\$ 1,007,299				\$ 1,007,299
Add amount available in Debt Service Fund		\$ 122,100			\$ 122,100
REMAINING DEBT SERVICE CAPACITY	\$ 26,671,062	\$ 20,121,427	\$ 53,135,818	\$ 53,135,818	\$ 153,064,125

TOTAL DEBT CAPACITY



EMPLOYEE COMPENSATION

The City of Tumwater will provide quality services and programs for its citizens with a responsive staff of 168 full-time equivalent filled positions filled in 2013. Tumwater has a competitive, market-based salary and benefits package and our goal is to maintain this advantage. Salaries and benefits make up a major portion of the operating budgets.

Typically, the City currently funds positions at their full annual cost for budgetary purposes even if it is projected that vacancies might occur, although some positions are currently unfilled due to economic restrictions and are not included in the budget for 2013-2014 as they are not expected to be filled. It is the City Council's objective to provide sufficient funding for recruiting and maintaining highly qualified personnel.

BARGAINING UNITS:

- Teamster's Local Union - Public Works (25 members in 2012, contract expires December 31, 2013)
- Tumwater Police Officers Guild (24 members in 2012, contract expires December 31, 2013)
- Tumwater Firefighter's Local 2409 (36 members in 2012, contract expired December 31, 2012)

LABOR RELATIONS

Some City employees who are eligible under state law to be represented by a labor organization are employed under provisions on such matters as salaries, vacation, sick leave, medical and dental insurance, working conditions and grievance procedures.

The City strives to complete these agreements in a timely manner, consistent with all applicable state law and promote labor relations policies mutually beneficial to Administrative management and employees.

Substantially all City full-time and qualifying part-time employees participate in either the Public Employees Retirement System (PERS) or the Law Enforcement Officer's and Fire Fighter's Retirement System (LEOFF). PERS and LEOFF are statewide local government retirement systems administered by the Washington State Department of Retirement Systems.

Benefits	
Group	Maximum Allowed
Teamsters Local Union (Public Works)	\$19,135
Police Officer's Guild	\$26,606
Firefighter's Local 2409	\$23,585
Non-represented	\$16,086

2013 Classification and Pay Schedule

(Active Job Classes: Effective January 1, 2013)

CLASS CODE	JOB CLASS TITLE	Full-time Equivalents	Minimum	Maximum
ADMINISTRATIVE / FISCAL / CLERICAL / SPECIAL				
101	City Administrator	1	\$9,856	\$12,009
102	City Attorney	1	\$8,929	\$10,879
103	Administrative Services Director	1	\$8,088	\$9,856
104	Human Resources Program Manager	1	\$5,060	\$6,165
107	Secretary III	1	\$3,671	\$4,473
108	Secretary II	2	\$3,166	\$3,857
109	Secretary I	1.95	\$2,867	\$3,493
112	Administrative Assistant	3	\$4,153	\$5,060
113	Executive Assistant	1	\$4,153	\$5,060
115	Finance Director	1	\$8,498	\$10,355
116	Assistant Finance Director	1	\$6,165	\$7,512
117	City Clerk	1	\$4,938	\$6,014
118	Accountant	1	\$4,473	\$5,448
120	Accounting/Utility Finance Manager	1	\$5,060	\$6,165
121	Accounting Assistant	4.5	\$3,671	\$4,473
124	Accounting Technician	1	\$3,857	\$4,698
125	Production Cook	1	\$2,598	\$3,166
128	Court Coordinator	1	\$4,153	\$5,060
129	Court Clerk	1	\$3,493	\$4,257
130	Communications & Marketing Specialist	1	\$4,938	\$6,014
131	Museum Coordinator	1	\$4,364	\$5,316
132	Volunteer Coordinator		\$4,052	\$4,938
134	Community Services Officer	1	\$2,730	\$3,324
135	Police Records Clerk	1	\$3,166	\$3,857
136	Services and Transportation Officer	1	\$3,671	\$4,473
137	Legal Specialist	1	\$4,257	\$5,186
PUBLIC WORKS / PARKS AND RECREATION / COMMUNITY DEVELOPMENT				
201	Public Works Director	1	\$8,498	\$10,355
202	City Engineer	1	\$6,976	\$8,498
203	Public Works Operations Manager	1	\$5,724	\$6,976
204	Public Works Operations Supervisor	1	\$4,938	\$6,014
206	Water Resources Educator	1	\$4,052	\$4,938
207	Mapping/Survey Manager	1	\$5,316	\$6,476
208	Water Resources Program Manager	1	\$5,724	\$6,976
209	Engineer III	2	\$6,976	\$8,498

2013 Classification and Pay Schedule

(Active Job Classes: Effective January 1, 2013)

CLASS CODE	JOB CLASS TITLE	Full-time Equivalents	Minimum	Maximum
PUBLIC WORKS / PARKS AND RECREATION / COMMUNITY DEVELOPMENT				
211	Engineer II	1	\$5,448	\$6,639
214	Water Resources Specialist	1	\$4,698	\$5,724
215	Engineering Technician IV	2	\$4,698	\$5,724
217	Engineering Technician III	2	\$4,257	\$5,186
220	GIS Technical Specialist	1	\$4,698	\$5,724
227	Community Development Director	1	\$8,088	\$9,856
231	Associate Planner	1	\$4,698	\$5,724
234	Senior Planner	1	\$5,448	\$6,639
235	Planning Manager	1	\$5,724	\$6,976
236	Permit Technician	2	\$3,763	\$4,586
238	Permit/Planning Technician	1	\$3,763	\$4,586
240	Parks and Recreation Director	1	\$8,088	\$9,856
241	Recreation Supervisor	2	\$5,060	\$6,165
242	Recreation Coordinator	2	\$4,153	\$5,060
243	Recreation Marketing Specialist	1	\$4,153	\$5,060
245	Recreation Program Aide I	0.50	\$1,836	\$2,241
250	Golf Professional	1	\$4,586	\$5,583
252	Golf Course Superintendent	1	\$4,257	\$5,186
TRADES / MAINTENANCE / TECHNICAL				
317	Facilities and Contracts Manager	1	\$5,316	\$6,476
318	Building Maintenance Worker I	1.5	\$3,324	\$4,052
319	Building & Grounds Maint. Worker II	1	\$3,581	\$4,364
320	Parks Maintenance Supervisor	1	\$4,052	\$4,938
321	Equipment Repair Technician	1	\$3,581	\$4,364
323	Parks Maintenance Lead	1	\$3,671	\$4,473
324	Grounds Maintenance Worker	1	\$3,324	\$4,052
325	Janitor	0.75	\$3,166	\$3,857
340	Meter Reader (Hourly)	0.66	\$18.25	\$22.53
341	Maintenance Worker (Hourly)	8	\$19.96	\$24.67
342	Traffic Signal and Streetlight Technician (Hour-	1	\$21.88	\$26.96
343	Skilled Maintenance Worker (Hourly)	9	\$21.88	\$26.96
344	Electrician (Hourly)	1	\$21.88	\$26.96
345	Fleet Technician (Hourly)	1	\$21.88	\$26.96
346	Water Quality Technician (Hourly)	2	\$21.88	\$26.96
347	Lead Worker (Hourly)	2	\$23.44	\$28.81
348	Cross Connection Control Specialist	1	\$21.88	\$26.96

2013 Classification and Pay Schedule

(Active Job Classes: Effective January 1, 2013)

CLASS CODE	JOB CLASS TITLE	Full-time Equivalent	Minimum	Maximum
360	Information Technology Manager	1	\$6,476	\$7,892
362	Network Administrator	1	\$5,316	\$6,476
364	Information Technology Specialist	1	\$6,476	\$7,892
365	Software Applications Specialist	1	\$4,817	\$5,867
INSPECTION / PROTECTION / ENFORCEMENT				
401	Building and Fire Safety Official	1	\$6,639	\$8,088
403	Building & Fire Safety Plans Examiner	1	\$4,698	\$5,724
407	Senior Building/Fire Safety Inspector	1	\$4,817	\$5,867
409	Police Chief	1	\$8,498	\$10,355
410	Police Commander	1	\$7,329	\$8,929
413	Police Lieutenant	6	\$5,889	\$7,169
415	Police Officer	18	\$4,365	\$6,148
431	Fire Chief	1	\$8,498	\$10,355
433	Assistant Fire Chief	1	\$6,976	\$8,498
436	Fire Captain	3	\$7,557	\$8,040
437	Paramedic Lieutenant	1	\$7,457	\$7,457
439	Fire Lieutenant	4	\$6,929	\$7,392
440	Fire Inspector	1	\$7,392	\$7,392
441	Paramedic / Firefighter	16	\$5,866	\$7,133
442	Firefighter	13	\$5,335	\$6,484

171.86

GLOSSARY

ACCOUNTING SYSTEM

The total set of records and procedures, which are used to record, classify, and report information on the financial status and operations of an entity.

ACCOUNTS PAYABLE

A short-term liability account reflecting amounts owed to private persons or organizations for goods and services received by a government.

ACCOUNTS RECEIVABLE

An asset account reflecting amounts due from private persons or organizations for goods and services furnished by a government (but not including amounts due from other funds or other governments).

ACCRUAL BASIS OF ACCOUNTING

Under this accounting method, revenues and expenditures are recorded in the periods in which these transactions, events and circumstances occur, rather than only in the periods in which cash is received or paid. Enterprise and Internal Services Funds use the accrual basis of accounting.

ACCUMULATED DEPRECIATION

A contra-asset account used to report the accumulation of periodic credits to reflect the expiration of the estimated service life of fixed accounts.

AD VALOREM TAXES

A tax levied on the assessed value of real property known as property tax.

ADVANCE REFUNDING BONDS

Bonds that are issued to refinance an outstanding bond issue before the date at which the outstanding bonds become due.

AGENCY FUND

A fund used to account for assets held by a government as an agent for individuals, private organizations, other governments and/or other funds.

ALLOCATION

To set aside or designate funds for specific purposes. An allocation does not authorize the expenditure of funds.

AMORTIZATION

(1) The portion of the cost of a limited life or intangible asset charged as an expense during a particular period. (2) The reduction of debt by regular payments of principal and interest sufficient to retire the debt by maturity.

ANNUAL DEBT SERVICE

The amount required to be paid in a calendar year for (1) interest on all parity bonds then outstanding; (2) principal of all Parity Bonds then outstanding, but excluding any outstanding term bonds, and (3) payments into any Sinking Fund Account for the amortization of outstanding parity bonds divided by the number of calendar years to the last maturity or mandatory redemption date thereof.

ANNUAL FINANCIAL REPORT

(AFR) The official annual report of a government. It includes (a) the combined financial statements, overview and their related notes and (b) combined statements by fund type and individual fund financial statements prepared in conformity with GAAP and organized into a financial reporting pyramid. It also includes supporting schedules necessary to demonstrate compliance with finance-regulated legal and contractual provisions, required supplementary information, extensive introductory material and a detailed statistical section.

APPROPRIATION

An authorization made by the City Council, which permits officials to incur obligations against and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one-year period.

APPROPRIATIONS ORDINANCE

The official enactment by the City Council establishing the legal authority for City officials to obligate and expend resources.

ASSESSED VALUATION (AV)

The estimated value placed upon real and personal property by the Thurston County Assessor as the basis for levying property taxes.

ASSET MANAGEMENT

A fund and program that provides self-sufficient fleet and the technology equipment management for the city and is managed and administered by the Finance Department. Customer department's pay for the technology equipment or fleet used through charges billed monthly. These charges include a form of depreciation, which is accumulated as a sinking fund for future asset replacement, a factor for maintenance of the equipment, and overhead costs to operate the fund.

ASSETS

Property owned or held by a government, which has monetary value. Assets are long-lived tangible assets obtained or controlled as a result of past transactions, events or circumstances. Assets can include equipment, computers, furniture, buildings, and improvements other than buildings, land, plant and vehicles. All vehicles & technology equipment are contributed to the Asset Management Fund where depreciation is calculated. Once purchased, all items are maintained in the fund until disposed.

AUDIT

A systematic examination of resource utilization concluding in a written report. It is a test of management's internal accounting controls and is intended to:

- ascertain whether financial statements fairly present financial position and result of operations,
- test whether transactions have been legally performed,
- identify areas for possible improvements in accounting practices and procedures,
- ascertain whether transactions have been recorded accurately and consistently,
- and ascertain the stewardship of officials responsible for governmental resources.

AUDITOR'S REPORT

In the context of a financial audit, a statement by the auditor describing the scope of the audit and the auditing standards applied in the examination, and setting forth the auditor's opinion on the fairness of presentation of the financial information in conformity with generally accepted accounting practices or some other comprehensive basis system of accounting.

BALANCED BUDGET

A budget is balanced when the sum of estimated revenues and appropriated fund balance is equal to appropriations.

BALANCE SHEET

A statement presenting the financial position of an entity by disclosing the value of its assets, liabilities, and equities as of a specified date.

BARS

An acronym meaning the Budgeting, Accounting, and Reporting System manual which is prescribed by the State of Washington for all governmental entities in the state of Washington.

BASE BUDGET

Ongoing expenses for personnel, contractual services, and the replacement of supplies and equipment required to maintain service levels previously authorized by the City Council.

BASIC FINANCIAL STATEMENTS

Those financial statements, including notes thereto, necessary for the fair presentation of the financial position and results of operations of an entity in conformity with GAAP. The basic financial statements include a statement of net assets, an "all-inclusive" operating statement, a budget comparison statement (for the General Fund and other major funds for which annual appropriated budgets are adopted), and a statement of changes in financial position (for proprietary funds, pension trust funds and non-expendable trust funds).

BASIS OF ACCOUNTING

A term used to refer to when revenues, expenditures, expenses and transfers - and the related assets and liabilities - are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the nature of the measurement, on either the cash or accrual method.

BEGINNING FUND BALANCE

A revenue account used to record resources available from the previous fiscal year.

BOND

(Debt Instrument) A written promise to pay (debt) a specified sum of money (called principal or face value) at a specified future date (called the maturity date) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used as long-term debt to pay for specific capital expenditures.

BOND ANTICIPATION NOTES

(BANS) Short-term interest-bearing notes issued in anticipation of bonds to be issued at a later date. The notes are retired from proceeds of the bond issue from which they are related.

BOND REGISTRAR

The fiscal agency of the State of Washington in either Seattle, Washington, or New York, New York, for the purposes of registering and authenticating the bonds, maintaining the bonds, maintaining the bond register, effecting transfer of ownership of the bonds and paying interest on an principal of (and any premium pursuant to call on) the bonds.

BUDGET

A plan of financial operation embodying an estimate of proposed expenditures for a given period (typically a fiscal year) and the proposed means of financing them (revenue estimates). The term is also sometimes used to denote the officially approved expenditure ceilings under which the City and its departments operate. A biennial budget is a two-year budget. Budgeting in this manner may make the process more manageable and produces a plan that requires a meaningful projection further into the future. A mid-biennial review is required to amend as needed.

BUDGET CALENDAR

The schedule of key dates or milestones, which the City follows in the preparation and adoption of the budget.

BUDGET DOCUMENT:

The official written statement prepared by the Finance Department and supporting staff for the mayor, which represents the financial plan and programs proposed for the next fiscal year.

BUDGET MESSAGE

The general discussion or summary of the budget as presented in writing by the chief executive officer to the City Council and the public.

CAPITAL ASSETS

See ASSETS.

CAPITAL BUDGET

A plan of proposed capital expenditures and the means of financing them. The capital budget may be enacted as part of the complete annual budget including both operating and capital outlays. The capital budget is based on the Capital Facilities Plan (CFP).

CAPITAL FACILITIES PLAN (CFP)

A plan of proposed capital expenditures to be incurred each year over a period of six future years setting forth each capital project, identifying the expected beginning and ending date for each project, the amount to be expended in each year, and the method of financing those expenditures.

CAPITAL PROGRAM

A plan for capital expenditures to be incurred each year over a fixed period of years to meet capital needs arising from the long-term work program or otherwise. It sets forth each project or other contemplated expenditure in which the government is to have a part and specifies the full resources estimated to be available to finance the projected public facilities.

CAPITAL OUTLAY

Expenditures, which result in the acquisition of or additions to assets. Examples include land, buildings, machinery and equipment, and construction projects, all of which must meet the capitalization threshold of \$5,000 and have a life expectancy that exceeds two years.

CAPITAL PROJECTS

Projects, which purchase or construct capital assets. Typically, a capital project encompasses a purchase of land or construction of a building or facility, with a life expectancy of more than 10 years.

CASH BASIS

The method of accounting under which revenues are recorded when received in cash and expenditures are recorded when paid.

CASH FLOW BUDGET

A projection of the cash receipts and disbursements anticipated during a given time period.

CDBG

Community Development Block Grant - grant funds administered through Department of Commerce of the State of Washington.

CENTENNIAL CLEAN WATER PROGRAM (CCWP)

In 1986, legislation was passed which provides grants to public entities for financing water pollution control activities and facilities to protect surface and underground water from pollution. In addition, a state revolving loan program was established to provide loans or combinations of grants/loans to finance public facilities.

CERTIFICATE OF DEPOSIT

A negotiable or non-negotiable receipt for monies deposited in a bank or other financial institution for a specified period for a specified rate of interest.

COLA

Cost of Living Allowance. A wage increase based on an inflationary measure.

COMMUNITY PARK

Those parks so designated in the City of Tumwater Parks and Recreation Plan.

CONCURRENT OR CONCURRENCY

The improvements that are in place at the time the impacts of development occur, or that the necessary financial commitments are in place. Public facilities and services shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards.

CONTINGENCY

A budgetary reserve set-aside for emergencies or unforeseen expenditures not otherwise budgeted.

COST ACCOUNTING

An accounting method that assembles and records all costs incurred to carry out a particular activity or to deliver a particular service.

COUNCILMANIC BONDS

Councilmanic bonds refer to bonds issued with the approval of the Council, as opposed to voted bonds, which must be approved by vote of the public. Councilmanic bonds must not exceed 1.50 percent of the assessed valuation, and voted bonds 2.50 percent.

CPI

Consumer Price Index is a measure of the change in prices over time for a fixed market basket of goods and services as provided by the U.S. Department of Labor.

DEBT

An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of governments include bonds and notes.

DEBT LIMITS

The maximum amount of gross or net debt, which is legally permitted.

DEBT SERVICE

Payment of interest and repayment of principal to the holders of the City's debt instruments.

DEBT SERVICE FUND

A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

DEFICIT

(1) The excess of an entity's liabilities over its assets (See Fund Balances). (2) The excess of expenditures or expenses over revenues during a single accounting period.

DELINQUENT TAXES:

Taxes remaining unpaid on and after the date to which a penalty for nonpayment is attached. Even though the penalty may be subsequently waived and a portion of the taxes may be abated or canceled, the unpaid balances continue to be delinquent taxes until abated, canceled, paid or converted into tax liens.

DEMAND DEPOSIT

A deposit of money that is payable by the bank upon demand.

DEPRECIATION

(1) Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence. (2) That portion of the cost of a capital asset, which is charged as an expense during a particular period.

DEVELOPMENT ACTIVITY

Any construction or expansion of a building, structure, or use, any change in use of a building or structure, or any change in the use of land, that creates additional demand and need for public facilities.

DOUBLE BUDGETING

The result of having funds or departments within a government purchase services from one another rather than from outside vendors. When internal purchasing occurs, both funds must budget the expenditure (one to buy the service and the other to add the resources to its budget so they have something to sell). This type of transaction results in inflated budget values because the same expenditure dollar is budgeted twice: once in each fund's budget. The revenue side of both funds is similarly inflated.

DUE FROM OTHER FUNDS

An asset account used to indicate amounts owed to a particular fund by another fund for goods or services rendered. This account includes only short-term obligations on open account, not inter-fund loans.

DEPARTMENT

The basic organizational unit of City government responsible for carrying out specific functions assigned.

ENCUMBRANCES

Obligations in the form of purchase orders, contracts or salary commitments, which are chargeable to an appropriation and for which a part of the appropriation is reserved. They cease to be encumbrances when paid or when an actual liability is set up.

ENDING FUND BALANCE

The estimated amount of cash and investments that have not been appropriated, or the actual amount that has not been spent at the end of a budget, and or the amount held in reserve for future years.

ENTERPRISE FUND

Separate financial accounting used for government operations that are financed and operate in a manner similar to business enterprises, and for which preparation of an income statement is desirable.

EQUIPMENT RENTAL

See ASSET MANAGEMENT

EXPENDITURES

Where accounts are kept on the accrual or modified accrual basis of accounting, the cost of goods received or services rendered whether cash payments have been made or not. Where accounts are kept on a cash basis, expenditures are recognized only when the cash payments for the above purposes are made.

FEDERAL AID URBAN SYSTEM

(FAUS) Provides funds for the construction, reconstruction, and improvement of urban streets and roads. A local match of 16.6 percent is required.

FEE IN LIEU OF(FILO)

Charges are contributions made by developers toward future improvements of City facilities resulting from the additional demand on the City's facilities generated from the development.

FINES & FORFEITURES

This revenue category includes court, traffic and parking fines and forfeitures.

FISCAL YEAR

A twelve (12) month period designated as the operating year by an entity. For Tumwater, the fiscal year is the same as the calendar year (also called budget year).

FIXED ASSETS

See ASSETS

FLOAT

The amount of money represented by checks outstanding and in the process of collection.

FRANCHISE

A special privilege granted by the City that permits the long-term continuing use of public property. A franchise usually involves a monopoly and is regulated by the City. An example of a franchise is the cable television industry.

FULL FAITH AND CREDIT

A pledge of the general taxing power of a government to repay debt obligations (typically used in reference to bonds).

FULL-TIME EQUIVALENT EMPLOYEE (FTE)

A term that expresses the amount of time a position has been budgeted for in relations to the amount of time a regular, full-time employee normally works in a year. For budget and planning purposes, a year of full-time employment is defined as 2,080 hours. A position that has been budgeted to work half-time for a full year, or full-time for only six (6) months, is .50 FTE. Firefighters have a different level of hours worked, but are displayed using the same basic method.

FUND

An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives.

FUND BALANCE

The excess of an entity's assets over its liabilities. A negative fund balance is sometimes called a deficit.

GAAFR

"Governmental Accounting, Auditing and Financial Reporting." The "blue book" published by the Government Finance Officers Association to provide guidance for the application of accounting principles for governments.

GAAP

Generally Accepted Accounting Principles are standards used for accounting and reporting used for both private industry and governments.

GASB

Government Accounting Standards Board, established in 1985, to regulate the rules and standards for all governmental units.

GENERAL FIXED ASSETS

Capital assets that are not a part of any fund, but of the government unit as a whole. Most often these assets arise from the expenditure of the financial resources of governmental funds.

GENERAL FUND

The fund supported by taxes, fees and other revenues that may be used for any lawful purpose.

GENERAL OBLIGATION BONDS

Bonds for which the full faith and credit of the government are pledged for payment.

GRANT

A contribution of assets (usually cash) by one governmental unit or other organization to another. Typically, these contributions are made to local governments from the State and Federal governments. Grants are usually made for specified purposes.

GUARANTY FUND

A fund established by a bond issuer, which is pledged, as security for the payment of one or more bond issues. Normally used for local improvement districts (LID).

ISTEA

Inter-modal Surface Transportation Efficiency Act.

IMPACT FEES

A fee assessed on new development that creates additional demand and need for public facilities.

INFRASTRUCTURE

The underlying foundation, especially the basic installations and facilities, on which the continuance and growth of a jurisdiction depends, i.e., streets, roads, sewer, and water systems.

INTERFUND PAYMENTS

Expenditures made to other funds for services rendered. This category primarily includes the charges to operate the Asset Management Fund.

INTERGOVERNMENTAL COSTS:

Costs or expenses paid from one government to another government for services. These costs include but are not limited to such things as: jail services, animal control services, audit and voter costs.

INTERGOVERNMENTAL REVENUE

Are funds received (revenues) from the federal, state, or any other government source in the form of grants, shared revenues and payments in lieu of taxes.

INTERGOVERNMENTAL SERVICES

Intergovernmental purchases of those specialized services typically performed by local governments.

INTERLOCAL AGREEMENT

A contract between two government entities whereby one government assumes the lead responsibility of a project that overlaps both jurisdictions.

INTERNAL CONTROL

A plan of organization for purchasing, accounting, and other financial activities, which, among other things, provides that

- The duties of employees are subdivided so that no single employee handles financial action from beginning to end.
- Proper authorization from specific responsible officials is obtained before key steps in the processing of a transaction are completed. Records and procedures are arranged appropriately to facilitate effective control.

INTERNAL SERVICE FUND

Funds used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis. An example of an Internal Service Fund in the City is the Asset Management Fund.

INVESTMENT

Securities and real estate purchased and held for the production of income in the form of interest, dividends, rentals and base payments.

IPD

Implicit Price Deflator. A measure of inflation.

LAPSING APPROPRIATION

An appropriation made for a certain period of time, generally for the fiscal or budget year. At the end of the specified period, any unexpected or unencumbered balance lapses or ends, unless otherwise provided by law

LATECOMER FEES

Fees paid by developers or future service users for their share of past improvements financed by others.

LEASING

A financial technique whereby ownership of the project or equipment remains with the financing entity, and where title may or may not transfer to the City at the end of the lease.

LEOFF

Law Enforcement Officers and Firefighters Retirement System operated by the State of Washington and funded by employer and employee contributions.

LEVY

(1) To impose taxes, special assessments or service charges for the support of government activities. (2) The total amount of taxes, special assessments or service charges imposed by a government.

LEVY LID

A statutory restriction on the annual increase in the amount of property tax a given public jurisdiction can assess on regular or excess levies.

LIABILITY

Debt or other legal obligations arising out of transactions in the past that must be liquidated, renewed or refunded at some future date.

LID

Local Improvement District or Special Assessments made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

L.O.T.T.

A wastewater alliance that administers and manages the transmission, treatment and discharge of wastewater serving Lacey, Olympia, Tumwater and Thurston County.

LIMITED TAX GENERAL OBLIGATION BONDS (LTGO)

Are non-voted bonds that are secured by the full faith and credit of the City and subject to an annual tax levy.

MANAGEMENT TEAM

The City's administrative body consisting of the City Administrator and all Department Directors.

MATURITIES

The dates on which the principal or stated values of investments or debt obligations mature and may be reclaimed.

MITIGATION FEES

Contributions made by developers toward future improvements of city facilities resulting from the additional demand on the City's facilities generated from the development.

MODIFIED ACCRUAL BASIS

The basis of accounting under which expenditures, other than accrued interest on general long-term debt, are recorded at the time liabilities are incurred and revenues are recorded when received in cash except for material and/or available revenues, which should be accrued to reflect properly the taxes levied and revenue earned.

NET REVENUE

The revenue of the system less the cost of maintenance and operation of the system.

NOTES TO THE FINANCIAL STATEMENTS

The disclosures required for a fair presentation of the financial statements of government in conformity with GAAP and not included on the face of the financial statements themselves.

OBJECT

As used in expenditure classification, this term applies to the type of item purchased or the service obtained (as distinguished from the results obtained from expenditures).

OPERATING FUNDS

Resources derived from recurring revenue sources used to finance ongoing operating expenditures and pay-as-you-go capital projects.

OPERATING TRANSFER

Routine and/or recurring transfers between funds.

ORDINANCE

A formal legislative act by the City Council that has the full force and effect of law within the city limits.

OTHER SERVICES AND CHARGES

A basic classification for services, other than personnel services, which are needed by the City. This item includes professional services, communication, travel, advertising, training, dues and subscriptions, printing, equipment rental, insurance, public utility services, repairs and maintenance.

PARITY BOND

Any and all water and sewer revenue bonds of the City the payment of which, both principal and interest, constitutes a lien and charge upon the revenue of the system and upon assessments equal in rank with the lien and charge on such revenue of the system and assessments for payments required to pay and secure the payment of the bonds.

PERS

Public Employees Retirement System for most government employees other than Police and Fire. It is operated by the State of Washington with contributions received from the employer and employee

PERSONNEL COSTS

Costs that include all salaries, wages, and benefits for all part-time, full-time, seasonal and temporary employees. These costs can be terms and conditions required by law or employment contracts.

PRELIMINARY BUDGET

The recommended but unapproved budget for the ensuing fiscal year submitted by the Department for the Mayor to the City Council and the public.

PROCLAMATION

An official act by the Mayor or Executive Officer made through a public forum.

PROGRAM

A specific and distinguishable unit of work or service performed.

PROGRAM ENHANCEMENT

Programs, activities or personnel requested to improve or add to the current baseline services.

PROGRAM MEASURES

A unit of standard used for the quantitative comparison in the manner of functioning to capacity or quantity as determined.

PROGRAM REVENUE

These are revenues, which are produced as a result of an activity of a program and are subject to quantity of services provided to the public or governmental units (i.e. permits, charges for fire services, recreational activities), or revenues dedicated to a specific use (i.e. grants taxes or debt funds).

PROPERTY TAX LEVY – REGULAR

The amount of property tax allowable under law that the city may levy without approval by the voters.

PROPERTY TAX LEVY – EXCESS

The amount of property tax in excess of the "regular levy" and which the voters must vote upon.

PROPRIETARY FUND TYPES

Sometimes referred to as income determination or commercial-type funds, the classification used to account for a government's ongoing organizations and activities that are similar to those often found in the private sector. The GAAP used are generally those applicable to similar businesses in the private sector and the measurement focus is on determination of net income, financial position and changes in financial position.

PUBLIC FACILITIES

The capital owned or operated by the City or other governmental entities.

PUBLIC HEARING

A public hearing is a specifically designated time, place and opportunity for citizens, community groups, businesses, and other stakeholders to address the City Council on a particular issue. It allows interested parties to express their opinions and the City Council and/or staff to hear their concerns and advice.

PUBLIC WORKS TRUST FUND (PWTF)

Is a low-interest revolving loan fund that helps local governments finance critical public works needs. To be eligible for trust fund financing, the applicant must be a local government entity, with a long-term plan for financing public works needs. If the applicant is a city or county, it must be imposing the optional one-quarter percent real estate excise tax for capital purposes. Eligible projects include streets and roads, bridges, storm sewers, sanitary sewers, and water systems. Loans will only be made for the purpose of repair, replacement, reconstruction, or improvement of existing eligible public works systems to meet current standards and to

adequately serve the needs of the existing populations. New capital improvement projects are not eligible. The maximum loan amount has been one million with a minimum local match of ten percent. Interest rates vary from one to three percent, depending on the match.

RCW

Revised Code of Washington. Laws of the State of Washington enacted by the State Legislature.

REET

(Real Estate Excise Tax) A tax upon the sale of real property from one person or company to another.

RESERVE

An account used to indicate that a portion of fund equity is legally restricted for a specific purpose.

RESOLUTION

A special or temporary order of the legislative body (City Council) requiring less legal formality than an ordinance or statute and may include statements of decisions or opinions.

RESOURCES

Total dollars available for appropriations including estimated revenues, fund transfers, and beginning fund balances.

RETAINED EARNINGS

An equity account reflecting the accumulated earnings of the City.

REVENUE

Income received by the City in support of a program of services to the community. It includes such items as property taxes, fees, user charges, grants, fines and forfeits, interest income and miscellaneous revenue.

REVENUE BONDS

Bond issued pledging future revenues, usually water, sewer or drainage charges, to cover debt payments in addition to operating costs.

REVENUE ESTIMATE

A formal estimate of how much revenue will be earned from a specific revenue source for some future period; typically, a future fiscal year.

STP

Surface Transportation Program.

STPE

Surface Transportation Program - Enhancement.

STPH

Surface Transportation Program - Hazard Elimination.

STPUS

Surface Transportation Program -Urban Small.

SALARIES AND WAGES

See PERSONNEL COSTS

SERVICE MEASURES

Specific quantitative measures of work performed within an activity or program (e.g., total miles of street cleaned). Also, a specific quantitative measure of results obtained through a program or activity (e.g., reduced incidence of vandalism due to new street lighting program).

SINGLE AUDIT

An audit performed in accordance with the Single Audit Act of 1984 and office of Management and Budget (OMB) Circular A-128, Audits of State and Local Governments. The Single Audit Act allows or requires governments (depending on the amount of federal assistance received) to have one audit performed to meet the needs of all federal grantor agencies.

SINKING FUND ACCOUNT

An account created in the bond fund to amortize the principal of term bonds.

SPECIAL ASSESSMENT

A compulsory levy made against certain properties from earnings of enterprise funds. In addition to a pledge of revenues, such bonds sometimes contain a mortgage on the enterprise fund's property.

SPECIAL REVENUE FUND

A fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditure or specified purposes.

SUPPLEMENTAL APPROPRIATION

An appropriation approved by the Council after the initial budget appropriation.

SUPPLIES

A basic classification of expenditures for articles and commodities purchased for consumption or resale. Examples include office and operating supplies, fuel, power, water, gas, ammunitions, inventory or resale items, and small tools and equipment.

SURETY BOND

Any letter of credit, insurance policy, surety bond or other equivalent credit facility or any combination thereof issued to the City to satisfy all or part of the amount required to be maintained in the Reserve Account to make such payments of principal and interest as the same become due at maturity or on any mandatory redemption date.

TIA

Transportation Improvement Account.

TAX

Charge levied by a government to finance services performed for the common benefit.

TAX ANTICIPATION NOTES

(TANS) Notes issued in anticipation of taxes, which are retired usually from taxes collected (typically by school by school districts).

TAX LEVY ORDINANCE

An ordinance authorizing the levy of taxes.

TAX RATE LIMIT

The maximum legal rate at which a municipality may levy a tax. The limit may apply to taxes raised for a particular purpose or for general purposes.

TERM BONDS

Any parity bonds designated by the Council as "term bonds" pursuant to an ordinance which authorizes the issuance of parity bonds and provides for mandatory payments into a sinking fund account established for the term bonds so designated and provides for mandatory redemption of such term bonds from such sinking fund account.

TRANSPORTATION IMPROVEMENT ACCOUNT (TIA)

Provides funding for transportation projects through two programs: The urban programs. Urban projects must be attributable to congestion caused by economic growth. They must be consistent with state, regional and local selection processes. The TIB requires multi-agency planning and coordination and public/private cooperation to further the goal of achieving a balanced transportation system in Washington State.

TRANSPORTATION IMPROVEMENT BOARD: (TIB)

The purpose of the TIB is to administer funding for local governments for transportation projects. This is accomplished through the Transportation Improvement Account Program and the Urban Arterial Trust Account Program. Revenues are from the state fuel tax, local matching funds, and private sector contributions.

TRUST FUND

Funds used to account for assets held by a government in a trustee capacity for individuals, private organizations, and/or other funds.

UATA

Urban Arterial Trust Account.

UTILITY LOCAL IMPROVEMENT DISTRICTS (ULID)

Created only for improvement to sewer, water, and other utilities and differs from a LID in that all assessment revenues must be pledged for payment of debt service of bonds issued to finance the improvements.

WAC

Washington Administrative Code.

WCIA

Washington cities Insurance Authority is a group of cities across the state that provides pooled self-insurance services for liability, auto, property, and all other insurance coverage.

YIELD

The rate earned on an investment based on the price paid for the investment, the interest earned during the period held, and the selling price or redemption value of the investment.