



*City of University Place, Washington*

# **2021-2022 Proposed Biennial Budget**

**2021-2022 Budget**



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University Place, WA 98466  
253.566.5656  
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# CITY OF UNIVERSITY PLACE, WASHINGTON



## *2021-2022 PROPOSED BIENNIAL BUDGET*

### **PREPARED BY: FINANCE DEPARTMENT**

ERIC FAISON, Executive Director/Finance and Administrative Services

LESLIE BLAISDELL, Finance Director/Risk Manager

STACY LEWIS, Finance Operations Manager

JENNIFER ROBINSON, Finance Analyst

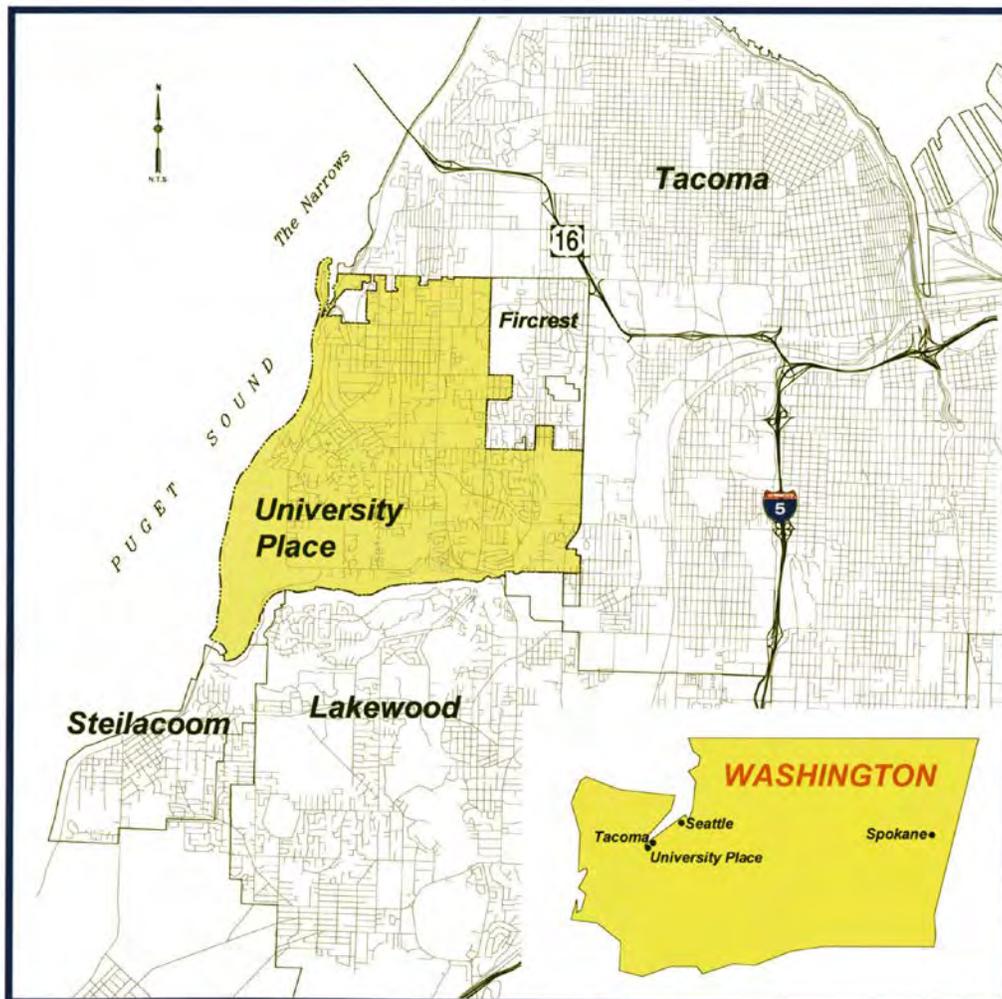
BRENDA MOERKE, Finance Specialist

LISA HANDS, Human Resource Analyst

## The City of University Place

Incorporated in 1995, University Place ranks 35th in population in the State of Washington with a population of approximately 33,310. University Place encompasses an area of 8.4 square miles and is a mostly suburban residential city located on the picturesque Puget Sound just south of Tacoma. In addition to its proximity to Tacoma, University Place offers easy accessibility to Seattle, Olympia, and the Puget Sound peninsulas. University Place is easily accessible by Interstate 5 or Highway 16.

The City has a Council/Manager form of government. The City Council consists of seven council members, each of whom is elected at-large. The Council elects the Mayor from its members. The City Manager serves as the chief executive officer and is responsible for daily administration of personnel, policies, and programs. The City Manager is appointed by, reports directly to, and serves at the pleasure of the Council.



**CITY OF UNIVERSITY PLACE ELECTED OFFICIALS**

**ELECTED OFFICIALS**



Caroline Belleci  
Mayor



Steve Worthington  
Mayor Pro-Tem



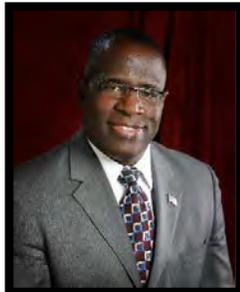
Javier Figueroa  
Councilmember



Ken Grassi  
Councilmember



Stan Flemming  
Councilmember



Kent Keel  
Councilmember



Howard Lee  
Councilmember  
Pro-Tem



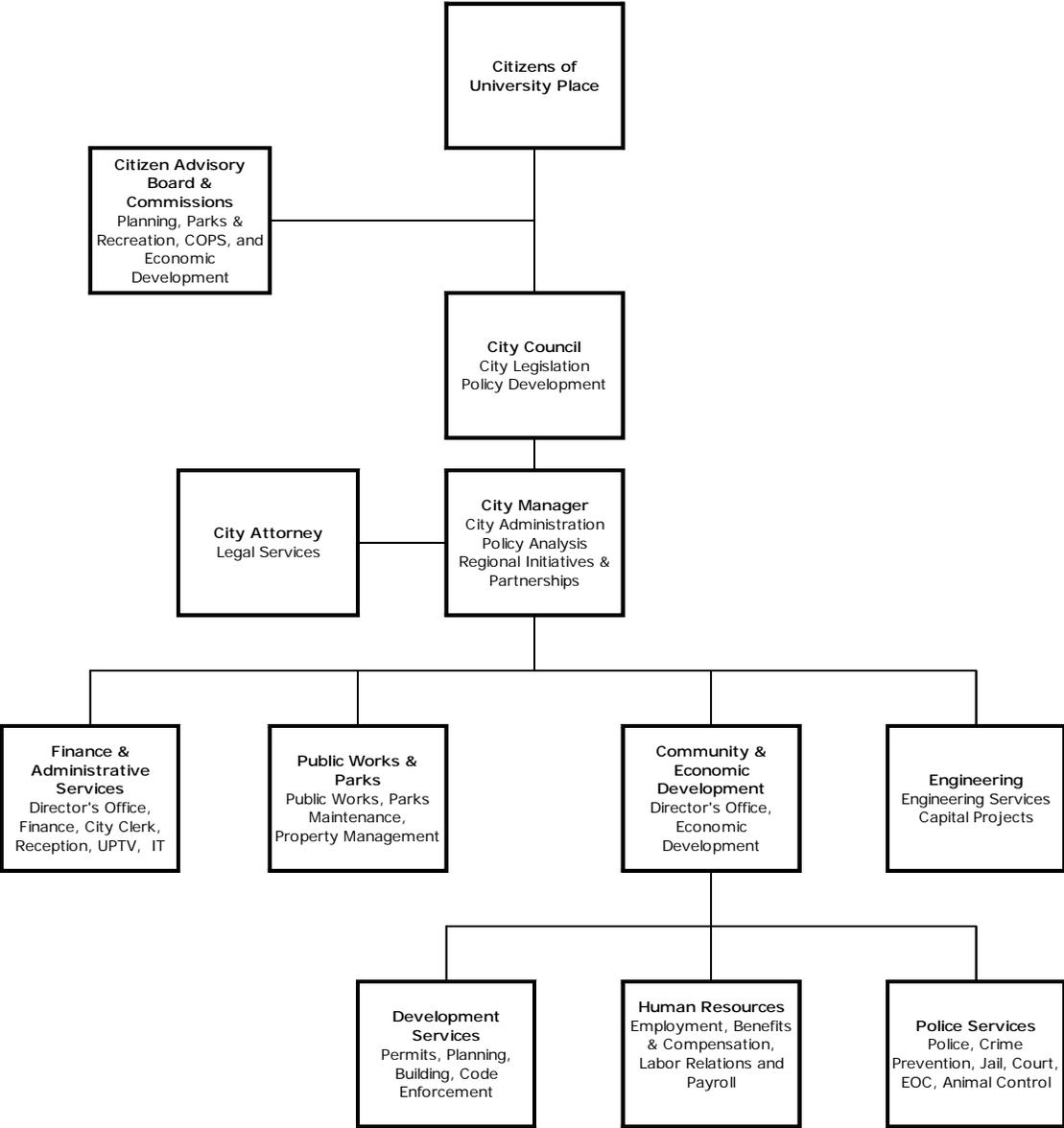
Denise McCluskey  
Councilmember

**CITY OF UNIVERSITY PLACE ADMINISTRATION**

City Manager  
Executive Director/Communications & Economic Development  
Executive Director/Finance and Administration  
City Attorney  
Finance Director/Risk Manager  
Parks/Public Works Director  
City Engineer  
Police Chief  
Development Services Director

Stephen P. Sugg  
Mariza Craig  
Eric Faison  
Matt Kaser  
Leslie Blaisdell  
Gary Cooper  
Jack Ecklund  
Greg Premo  
David Swindale

# ORGANIZATIONAL STRUCTURE



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## READER'S GUIDE TO THE BUDGET

This budget document is organized into seven sections to help the reader find information about the City and its 2021-2022 Biennial Budget: Budget Message, Budget Guide, Executive Summary, Operating Budget, Capital Budget, and Appendix.

Budget Message - The Budget Message section is written by the City Manager and includes:

- Budget Message
- Budget Overview

Budget Guide - The Budget Guide is intended to familiarize the reader with the City's budget policies and procedures, basis of accounting, and the presentation of the budget document.

This section includes:

- Budget Process
- Basis of Accounting and Budgeting
- Budget Guidelines

Executive Summary - The Executive Summary section provides an overview of the City's financial condition, comparative statistics, and includes:

- Summary of Sources and Uses
- Revenue Assumptions
- Ending Fund Balances
- Annual and Combined Sources and Uses Tables (by Fund Category)

Operating Budget - The Operating Budget focuses on accountability and responsibility assigned to each department within the City. This section is organized by function within a department and incorporates all operating funds. Each department is organized as follows by function:

- Mission and Responsibilities
- Highlights and Changes
- Goals/Major Objectives
- Multi-Year Expenditure Comparison
- Personnel

Capital Budget - The Capital Budget provides an overview of the City's Capital Improvement Plan and is organized as follows by major capital component:

- Public Works
- Municipal Facilities
- Parks

Budget by Fund - The Budget by Fund section illustrates the overall financial condition of each fund. This section is organized as follows:

- Purpose and Description
- Multi-year Sources & Uses

Appendix - The Appendix section includes:

- Miscellaneous Statistical Information
- Debt Service
- Historical Tax Rates
- 2021 & 2022 Salary Ranges
- Sales Tax
- Commissions
- Property Tax
- Glossary of Budget Terms & Acronym List



# CITY MANAGER'S BUDGET MESSAGE

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CURRAN APPLE ORCHARD

## **PHOTO INFORMATION: CURRAN APPLE ORCHARD**

Mary and Charles Curran purchased a 7.33-acre parcel of land in 1951 and transformed it into an apple orchard with 250 Gravenstein, Macintosh and Golden Delicious apple trees that quickly became a popular local landmark. In 1993, the University Place Community Council successfully obtained Conservation Futures funds from Pierce County to preserve the orchard forever as a park. Today the park plays host to the popular summer concert series as well as the fall cider squeeze. The park is maintained primarily by the Curran Orchard Resource Enthusiast, a group of volunteers, who prune trees, pick up litter, and help organize classes, tours and other activities at the park.

October 1, 2020

Citizens of University Place, Mayor Belleci and Members of the City Council:

It is my pleasure to present the 2021-2022 City of University Place, Washington Proposed Biennial Budget. As the City continues to grow and change, this budget supports that growth by building on the vision for Town Center, increasing communication with the community and maintaining our fiscal health.

The Covid-19 pandemic has created severe and immediate challenges to state and local governments across the country. With the near shut down of the economy, economically sensitive revenues have decreased. At the time of this writing, the full and complete picture of the financial impact of the Covid-19 pandemic is not fully clear. Because our budget is built on certain assumptions in an uncertain time, we will continue to maintain a conservative approach and monitor revenues and expenditures closely.

To address the fiscal impacts, the City took immediate steps to identify cuts in our operating budget to offset the projected revenue losses. On the other hand, the City has had unplanned expenditures related to COVID-19 precautions. These costs include increased sanitization of facilities and equipment, purchase of Personal Protective Equipment, and computer software and hardware needed for administrative staff to adjust to working in COVID-19 conditions, often virtually. We promptly closed our park facilities, cancelled events, restricted public access to City buildings and have taken steps to ensure social distancing.

While the City has begun to see some indications of the extent of the lost revenues, it is not possible to predict the length and depth of these revenue losses.

The 2021-2022 budget is a status quo budget and includes funding for a Surface Water Management (SWM) Comprehensive Plan update; security and safety updates at Cirque Park, the police station and the Public Works facility; restoration of the Salmon Sculpture and Kobayashi fireplace; two additional bikes for the Police Department; banners and hardware for the 27<sup>th</sup> Street Business District; a kiosk for the Permitting software; and funding for succession planning.

Through conservative budgeting and strategic investment, the City's long-range forecast projects that the City will continue to have enough resources to maintain existing service levels and to meet all its statutory and contractual obligations through the budgeted and forecasted period.

### **BUDGET**

As in previous years, the 2021-2022 Biennial Budget is essentially two budgets in one: an operating budget and a capital budget. For 2021, the total proposed City budget is \$39.6 million (\$27.3 million operating budgets, a \$9.8 million capital budget and \$2.5 million in Internal Service charges). For fiscal

year 2022, the total proposed City budget is \$28.7 million. The operating budget proposed for 2022 is \$25.3 million, the capital budget is \$1.0 million, and the Internal Service charges are \$2.4 million.

### **FINANCIAL GUIDELINES/ASSUMPTIONS**

The 2021-2022 Proposed Biennial Budget is balanced and fits the following conservative financial assumptions for City Budgets (Operating and Capital), Town Center and Debt Management.

#### **City Budget**

- Operations Budget at Core Service Levels
- CIP at Core Level using local dollars to leverage grants

#### **Debt Management**

- Debt payments according to debt schedule

### **VISION AND STRATEGIES**

Our VISION for University Place is unchanged as “a safe, attractive city that provides a supportive environment for all citizens to work, shop, play, get an education and raise families.”

### **HIGHLIGHTS AND CHANGES**

#### **Revenue Assumptions**

In preparing the budget, we continue to be conservative with revenue projections for the biennium. The “good news/bad news” about the City’s revenues is that other than fees, the revenues do not change much.

For 2021, we project that general sales tax revenue will be \$2.9 million due in large part to retail sales tax with a minimal increase in 2022. Property taxes are estimated to increase at the 1 percent limit level in both 2021 and 2022. Utility tax revenues are projected to decrease. The other budget related revenue assumptions are:

- Real Estate Excise Taxes (REET) are projected at 1.3 million in 2021 and 2022 which is a decrease from levels budgeted for 2020. (REET funds are programmed for Street/Park debt service and Street major CIP projects).
- Revenue from State liquor profits and liquor taxes are recognized in the General Fund and Police/Public Safety fund.

#### **Property Taxes**

Assessed values continue the increase which began in 2013 following the recession. Since property taxes in Washington are limited to a 1 percent increase, changes in assessed values (up or down) do not affect the City’s total property tax collection significantly, only the distribution of that tax among individual property owners.

The City’s tax limit is \$1.60 per thousand dollars of assessed value. Since incorporation, the City has reduced property tax rates from \$2.10 (the rate paid to the County prior to incorporation) to the rate of \$0.97 in 2020. The increase in taxes paid by the homeowner over since incorporation is significantly lower than would have been the case had the City not incorporated in 1995. These property tax savings have been retained by City taxpayers.

### Expenditure Assumptions

For the 2021-2022 Proposed Biennial Budget, a modest level of inflation has been assumed for most expenditures. However, medical/insurance rates are projected to increase by six percent (6%) in 2021 and are forecasted to increase another ten percent (10%) in 2022.

### Staffing Levels

The 2021-2022 Proposed Biennial Budget includes core levels of city staff of 51.73 Full Time Equivalents (FTE).

- City Manager's Office – 2.0 FTE
- City Attorney' Office - 2.0 FTE
- Finance and Administrative Services – 10.85 FTE
- Parks and Public Works – 14.0 FTE
- Engineering Services – 7.75 FTE
- Community and Economic Development – 13.50 FTE
- Police and Public Safety – 1.63 FTE, and by contract: 16 Officers and 1 Administrative Assistant

Through cross-training and teamwork we have been able to reassign and retain our experienced City staff, adjusting to tighter budgets and shifting workloads. University Place has one of the lowest staffing levels of cities its size.

### Capital Budget

As previously mentioned, the Capital Budget – other than grant funded projects – is at “core” level on a “pay-as-we-go” basis. Over the past two years, several State and Federal grants have been received for non-motorized improvements (sidewalks, streetlights and bike lanes) along arterials and school routes with City funds as the local match. The following grant funded projects will be built in the 2021-2022 biennium:

- 67<sup>th</sup> Ave. Improvements
- 35<sup>th</sup> Street (Bridgeport Way to 67<sup>th</sup>)
- Lakewood Drive Overlay
- Chambers Creek Rd/Chambers Lane Phase 1

Staff has applied for grant funding for the following parks projects and the 2021-2022 biennium includes them in order to appropriate matching funding should the grants be awarded:

- Cirque Park Improvements
- Curran Orchard Playground

### **CONCLUSION**

University Place is a great community with an excellent school system, ethnically diverse neighborhoods, and a state-of-the-art Library. In addition, the County's investment in the Chambers Bay Golf Course has proven that we can be a world class destination, as evidenced by the 2010 U.S. Amateur Tournament and the successful 2015 U.S. Open Golf Tournament, the premier event on the professional tour.

The City continues to adhere to the original vision for the Town Center project as a mixed-use development which will provide a growing tax base and support for increased community interaction through use of the public square and the atrium in the Civic Building.

In closing, the 2021-2022 Proposed Biennial Budget is a balanced and conservative budget that assumes a continuation of the “core” levels of service to the Community. As always, we will continue providing the best service we can, meeting all our contractual, legal and debt obligations, while exercising prudent cash management and maintaining our Strategic Reserve. I encourage your questions and suggestions on the community issues important to you and the services we provide. You can contact me at 253.460.2527 or email at [ssugg@cityofup.com](mailto:ssugg@cityofup.com).

Sincerely,

A handwritten signature in black ink that reads "Stephen P. Sugg". The signature is written in a cursive, flowing style.

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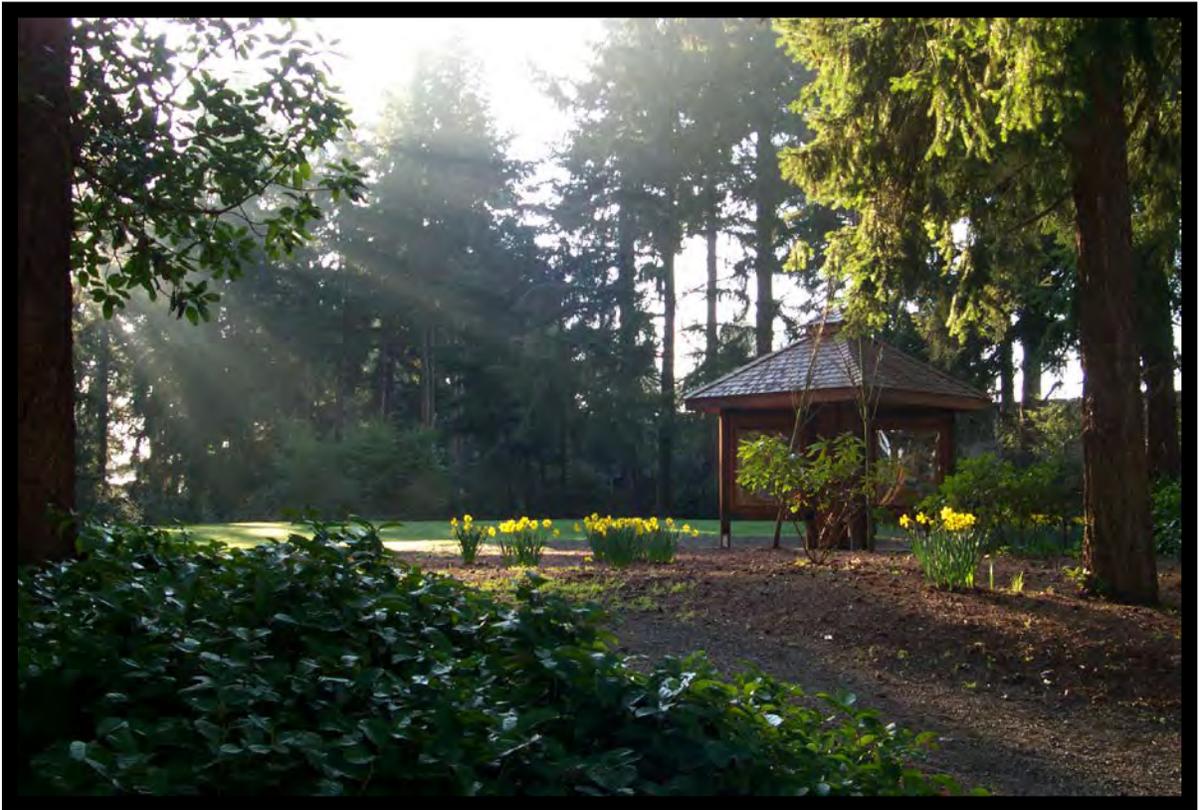
Stephen P. Sugg  
City Manager

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# BUDGET GUIDE

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**HOMESTEAD PARK**

## **PHOTO INFORMATION: HOMESTEAD PARK**

5.5-acre park adjacent to City Hall. This park includes natural wooded areas, walking trails, fern grotto and a rhododendron collection. The park is maintained primarily by the “Friends of Homestead Park”, a volunteer group which is developing an extensive rhododendron collection and public community garden adjacent to City Hall.

## BUDGET PROCESS

**Procedures for Adopting the Biennial Budget** - The City's budget process and the time limits under which the budget must be prepared are defined by the Revised Code of Washington (RCW) 35A.34. The procedures followed in establishing the biennial budget are described below:

Item	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
City Council establishes overall City priorities.												
City Manager gives direction on coming year's budget priorities.												
Finance Division provides budget instructions consistent with City Council and City Manager direction.												
Departments prepare preliminary expenditure estimates including requests for personnel, equipment, or new programs.												
Department line item budgets are submitted to Finance by mid-July.												
Finance Division prepares budget for presentation to City Manager.												
Finance Division updates preliminary revenue estimates.												
The City Manager and Finance Division staff meet with Department staff to review their budget proposals.												
The City Manager instructs the Finance Division to make specified adjustments to establish a balanced budget.												
A proposed budget is prepared, printed, and filed with the City Clerk and presented to the City Council (at least 60 days prior to the ensuing fiscal year).												
The City Council conducts preliminary public hearings.												
The City Clerk publishes a notice of the filing of the proposed budget and publishes notice of public hearing.												
The City Council holds a series of study sessions and hearings to review the proposed budget recommended by the City Manager.												
The City Council instructs the City Manager to make modifications to the budget.												
The City Council adopts an ordinance to establish the amount of property taxes to be levied in the ensuing year.												
The City Council adopts the final budget by ordinance by December 31.												
The final budget, as adopted, is published and distributed by February 28 of the new year.												

**Amending the Budget** - The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of a fund must be approved by the City Council.

When the City Council determines that it is in the best interest of the City to increase or decrease the appropriation for a fund, it may do so by ordinance approved by a simple majority.

## **BUDGET GUIDELINES**

### **I. Purpose**

#### **A. The purpose of these budget guidelines is:**

1. To inform the public as to the process involved in establishing the City's budget and maintaining the City's financial health;
2. To easily identify the processes that the City has established to maintain a financial base sufficient to sustain a consistent level of municipal services;
3. To increase the City's ability to withstand periodic local and regional economic fluctuations;
4. To outline the process by which the City is able to adjust to changes in the service requirements of the community, and;
5. To maintain a good credit rating in the financial community, which assures taxpayers that City government is well managed financially and in sound fiscal condition.

### **II. Operating Budget**

#### **A. General Guidelines**

1. It is the City's intent to maximize the level of public services provided by the City while minimizing expenditures.
2. Ongoing operating program costs should not exceed the amount of ongoing revenue.
3. Cash balances resulting from ongoing revenues in excess of ongoing expenditures either should be, 1) held and carryforward as an unallocated ending fund balance to offset unanticipated fluctuations in future revenue, or 2) allocated towards one-time or non-recurring expenditures.
4. Citizen involvement should be encouraged in the budget decision-making process through public hearings and study sessions. Involvement also should be facilitated through City boards, task forces and commissions who serve in advisory capacities to the City Council and/or City Manager.

#### **B. Revenues**

1. Revenue estimates should not assume a growth rate in excess of inflation. Real growth that occurs should be recognized through budgetary adjustments only after it takes place.

2. Investment income earned through the City's investment pool shall be allocated to the General Fund.
3. The City should establish and maintain Special Revenue Funds to account for proceeds from specific sources to finance designated activities that are required by statute, ordinance, resolution or executive order.
4. All fees for services should be reviewed by the City Manager at least every biennium, and adjusted by Council when necessary, to ensure that fees are equitable and cover the percentage of service costs deemed appropriate by the City.
5. Revenues of a limited or indefinite term should be clearly identified to ensure that no ongoing service/program is lost when such revenues are reduced or discontinued.
6. Grant applications to fund new service programs should be reviewed by the City with due consideration given to whether ongoing City revenues will be required to support these programs when outside funding is no longer available.

C. Expenditures

1. Before the City undertakes any endeavor that would create fixed ongoing expenditures, the cost implications of such endeavor should be evaluated for current and future years with the aid of the City's financial forecast.
2. Organizations that are not part of the City, but who receive funding from the City, should not have their appropriation carried forward from year. Their appropriation should be reviewed for reauthorization with each biennial budget, unless expressly authorized and directed by the City Council.

D. Contingent Accounts

1. As a part of the City biennial budget, the City Council should appropriate a Contingency Reserve to provide monies with which to meet any municipal expense, the necessity or extent of which could not have been foreseen easily at the time of adopting the budget, or from which to provide monies for emergencies as defined by law (RCW 35A.33.145). The goal for funding of the Contingency Reserve is to maintain a minimum available reserve of fifty thousand dollars (\$50,000). (Resolution 703, approved October 15, 2012)
2. The City shall establish a Strategic Reserve Fund, which shall neither be appropriated nor spent without Council authorization. The purpose of this Fund is to provide some fiscal means for the City to respond to potential adversities such as public emergencies, natural disasters, or similarly major, unanticipated events. (Ordinance 643, approved November 17, 2014.) The Strategic Reserve Fund should be replenished as soon as possible and within three subsequent

years from the time the Fund is used or falls below the target established by Council. Sources to replenish these reserves shall be from, a) undesignated fund balances, b) deferring non-life safety capital and c) operating revenues, in this order.

3. The City will maintain a list fixed asset that will identify depreciable assets and their anticipated replacement schedule. The City should establish a Replacement Reserves Fund for certain assets through depreciation charges paid into the Internal Service Funds.

E. Multi-year Forecast

1. The City will update at least annually expenditure and revenue forecasts for a period of not less than six years.
2. The City's financial forecast will be presented to elected officials in a form that will facilitate budget decisions and multi-year strategic planning.

F. Quarterly Report

1. The budget will be produced so that it can be directly compared to the actual results of the fiscal year and presented in a timely quarterly report.
2. All budget amendments - both revenues and expenditures - will be noted in the quarterly report.

**III. Capital Budget**

A. General Guidelines

1. The Capital Budget should include only those projects that can reasonably be accomplished in the time frame indicated.
2. All projects included in the Capital Improvement Plan should be consistent with the City's Comprehensive Plan. The Comprehensive Plan service level goals should be included within the Plan.
3. Capital projects should be financed to the greatest extent possible through user fees, grants and benefit districts when direct benefit to users results from construction of the project.
4. Funding for capital projects that have not been completed during the fiscal year may be carried forward to the next fiscal year, except as otherwise directed by the City Council.
5. Projects that involve intergovernmental cooperation in planning and funding should be established by an agreement that sets forth the basic responsibilities of the parties involved.

B. Capital Project Proposals

1. Capital project proposals should include cost estimates that are as complete, reliable, and attainable as possible.
2. All proposals for the expenditure of capital funds should be formulated and presented to Council within the framework of a general review of all capital budget requirements.
3. Capital project proposals should indicate the project's impact on the operating budget, including, but not limited to, long-term maintenance costs necessary to support the improvement.
4. Capital project proposals should include a projected schedule.
5. Prior to adoption, the City Council shall hold noticed public hearings on the Capital Improvement Plan, to provide opportunities for public review and comment on the proposed plan.

C. Project Evaluation

Council should review and establish criteria against which capital proposals should be measured. Included among the factors which should be considered for priority-ranking are the following:

1. Projects that have a positive impact on the operating budget (reduced expenditures, increased revenues);
2. Projects that are programmed in the Six-Year Capital Improvement Plan;
3. Projects that can be completed or significantly advanced during the Six-Year Capital Improvement Plan;
4. Projects that can be realistically accomplished during the year they are scheduled; and
5. Projects that implement previous Council-adopted reports and strategies.

## **DEBT MANAGEMENT GUIDELINES**

### **I. Purpose**

- A. The purpose of these debt management guidelines is:
  - 1. To help the City Council and staff integrate the issuance of debt with other long-term financial planning and management objectives;
  - 2. To help the City Council and staff evaluate the impact of each debt issue on the City's overall financial position; and
  - 3. To provide guidance to the City Council and staff so as to not exceed acceptable levels of indebtedness.

### **II. Long-term Borrowing**

- A. General obligation bonds. General obligation, or G.O. Bonds, are secured by the full faith and credit of the City. General obligation bonds issued by the City are secured by a pledge of the City's ad valorem taxing power. There are two basic types of general obligation bonds:
  - 1. Limited tax general obligation bonds, also called LTGO bonds or councilmanic bonds, may be issued by a vote of the City Council. General fund revenues are pledged to pay the debt service on councilmanic bonds because the voters have not approved a tax increase to pay for the principal and interest.
  - 2. Unlimited tax general obligation bonds, also called UTGO bonds or voted debt, must be approved by 60 percent of the voters, with a voter turnout that is at least 40 percent of those voting in the most recent general election. Voters are not only voting for the approval to issue bonds, but they are also voting for an excess levy which raises their property taxes to fund debt service payments.
- B. Certificates of Participation are used to acquire real or personal property with tax-exempt financing using a lease-purchase agreement. The City would make annual installment payments to a third-party investor over time, acquiring the property at the end of the lease period for a nominal payment.
- C. Revenue bonds are issued to finance facilities that have a definable user or revenue base, usually a City enterprise that is self-supporting. These debt instruments are secured by a specific source of funds, either from the operations of the project being financed or from a dedicated revenue stream, rather than the general taxing powers of the City. Generally, no election is required prior to the issuance or validation of revenue bonds.
- D. Special assessment bonds or local improvement districts (LIDs) are obligations payable from special assessment revenue. These bonds are issued to finance improvements that benefit a specific area. Because the benefit is largely enjoyed by a limited segment of

the community, a special assessment to pay debt service is levied only on properties or households benefiting from the project. Property owners may petition the City to form an LID, or the City Council may adopt a resolution of intent to form an LID. An LID initiated by Council Resolution may be blocked if the property owners who would be paying at least 60 percent of the costs protest. LIDs are commonly used for projects such street improvements, streetlights, sidewalks, and water and sewer systems.

- E. Utility local improvement districts (ULIDs) may be formed in a manner similar to LIDs for the purpose of providing water systems, sewer and storm drainage systems, and parking garages. The primary difference between the two kinds of districts is that revenue bonds must be issued for ULIDs, assessments must be deposited in a fund to pay off the revenue bonds, and the bonds are backed both by assessments and by utility revenue.

### **III. Short-term Borrowing**

- A. Notes, such as bond anticipation notes (BANs) or tax anticipation notes (TANs), is a written short-term promise of the City to repay a specified principal amount on a certain date, together with interest at a stated rate, or according to a formula for determining that rate, payable from a defined source of anticipated revenue such as bonds, anticipated taxes, or some other anticipated revenue source expected to be received at a future date.
- B. Lines of credit are another short-term borrowing option that provides an alternative to anticipation notes. A bank and the City agree on the maximum amount that will be available under the line of credit. The City provides a note to the bank that is backed by the full faith and credit of the City.

### **IV. Debt Management Policy**

The City Council adopted Resolution No. 100 on May 6, 1996, setting forth its debt management policy. The Resolution was amended by Resolution No. 702 on October 15, 2012. In general, the resolutions provide as follows.

- A. The maturity date for any debt will not exceed the reasonable expected useful life of the project so financed.
- B. Long term debt will not be used to finance ongoing current operations and maintenance.
- C. The City shall attempt to maintain a cash reserve of between five and fifteen percent (5-15%) of its operating budget, the approximate equivalent of one month's operating requirement.
- D. The City shall attempt to maintain a balanced relationship between issuing debt and using pay-as-you-go financing.

- E. In determining which type of debt to issue, the following factors should be considered:
1. A significantly larger portion of the citizens should benefit from projects financed by general obligation bonds.
  2. Whenever possible, the City shall identify alternative sources of funding and shall examine the availability of those sources in order to minimize the level of debt.
  3. The project should be integrated with the City's long-term financial plan and Capital Improvement Plan.
  4. The City shall encourage and maintain good relations with financial and bond rating agencies and will follow a policy of full and open disclosure on every financial report and bond prospectus. The City shall also establish affordability guidelines to preserve credit quality.

**V. General Guidelines**

- A. City Council approval is required prior to the issuance of debt. In addition, an analytical review should be conducted prior to the issuance of debt to determine if there are reasonable alternatives and to reduce the cost of borrowing.
- B. The City will use the services of a legally certified and credible bond counsel in the preparation of all bond representations.
- C. A Financial Advisor may be used to assist in the issuance of the City's debt. The Financial Advisor provides the City with objective advice and analysis on debt issuance. This includes, but is not limited to, monitoring market opportunities, structuring, and pricing debt, and preparing official statements of disclosure.
- D. An Underwriter(s) will be used for all debt issued in a negotiated or private placement sale method. The Underwriter is responsible for purchasing negotiated or private placement debt and reselling the debt to investors.
- E. A Fiscal Agent will be used to provide accurate and timely securities processing and timely payment to bondholders. In accordance with RCW 43.80, the City will use the Fiscal Agent that is appointed by the State.
- F. Short-term lines of credit, tax or Revenue Anticipation Notes should be used only when the City's ability to implement approved programs and projects is seriously hampered by temporary cash flow shortages. In general, these Notes will be avoided. No other form of debt will be used to finance ongoing operational costs.
- G. Whenever possible, the City should use special assessment, revenue, or other self-supporting bonds instead of general obligation debt.

- H. Long-term general obligation debt should be incurred when necessary to acquire land or fixed assets, based upon the ability of the City to pay. This debt should be limited to those capital improvements that cannot be financed from existing revenues and when there is an existing or near-term need for the project.
- I. Short-term borrowing only should be used to meet the immediate financing needs of a project for which long-term financing has been secured, but not yet received.

## **BASIS OF ACCOUNTING AND BUDGETING**

### **Accounting**

Accounting records for the City are maintained in accordance with methods prescribed by the State Auditor under the authority of Washington State law, Chapter 43.09 R.C.W., and in compliance with generally accepted accounting principles as set forth by the Governmental Accounting Standards Board.

### ***Basis of Presentation***

The accounts of the City are organized on the basis of funds and accounts. Each fund is a separate accounting entity with a self-balancing set of accounts. The City's resources are allocated to and accounted for in individual funds according to the purpose for which they are spent and how they are controlled. There are three categories of funds: 1) governmental, 2) proprietary and 3) fiduciary. A purpose and description of each fund is provided on the fund pages in the Budget by Fund section of this budget document. A description of the three fund categories is provided below.

#### **1. Governmental Funds**

Governmental funds are used to account for activities typically associated with state and local government operations. All governmental fund types are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e. revenues and other financing sources) and uses (i.e. expenditures and other financial uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and statements for governmental funds. The four generic fund types in this category are described in the following paragraphs.

- **General Fund.** The General Fund is the general operating fund of the City and accounts for all activities not required to be accounted for in some other fund.
- **Special Revenue Funds.** Special Revenue Funds account for the proceeds of specific revenue sources - other than expendable trusts or revenues designated for major capital projects - that are legally restricted to expenditures for specific purposes.
- **Debt Service Funds.** Debt Service Funds account for the accumulation of resources for and the payment of general long-term debt, principal, interest, and related costs.
- **Capital Projects Funds.** Capital Projects Funds account for the acquisition or construction of major capital facilities except those financed by proprietary funds and trust funds.

#### **2. Proprietary Funds**

Proprietary Funds are used to account for activities similar to those found in the private sector where the intent of the governing body is to finance the full cost of providing services, including depreciation, primarily through user charges. All proprietary fund types are accounted for on a

flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities. As described below, there are two generic fund types in this category.

- Enterprise Funds. Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the City is to finance or recover, primarily through user charges, the costs of providing goods or services to the general public on a continuing basis.
- Internal Services Funds. Internal Services Funds account for business-like activities where related goods or services are primarily provided to other departments or funds of the City on a cost-reimbursed basis.

### 3. Fiduciary Funds

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, or other funds. These funds share characteristics with both the governmental and proprietary funds and therefore, as described below, use the measurements focus and basis of accounting most appropriate to their specific operations. This fund category includes expendable trust, nonexpendable trust, pension trust, and agency funds. The City presently has no fiduciary funds.

#### *Basis of Accounting*

Basis of accounting refers to the recognition of revenues and expenditures or expenses in the accounts and reporting them in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting.

1. Accrual Basis. The accrual basis of accounting recognizes revenues when they are earned, and expenses are recorded when incurred. All assets and liabilities are recorded in the fund.
2. Modified Accrual Basis. The modified accrual basis of accounting recognizes revenues and other financial resources when they become susceptible to accrual, i.e. when the related funds become both measurable and available to finance expenditures of the current period. “Measurable” means the amount of the transaction can be determined. To be considered “available”, revenue typically must be collected within sixty days after year-end. Expenditures are recorded when the fund liability is incurred, except for principal and interest on general long-term debt, and vacation and sick pay which are recorded when paid. Inventory items are reported as expenditures when consumed.

## ***Budgets and Budgetary Accounting***

### *Scope of Budget*

Annual appropriated budgets are adopted for the general, some special revenue, debt service, and proprietary funds on the modified accrual basis of accounting. Certain special revenue and capital project funds, however, are budgeted on a project-length basis. For governmental funds, there are no differences between the budgetary basis and generally accepted accounting principles (GAAP). Budgets for project/grant related special revenue funds and capital project funds are adopted at the level of the individual project and for fiscal periods that correspond to the lives of projects.

Legal budgetary control is established at the fund level, i.e., expenditures for a fund may not exceed the total appropriation amount. Any unexpended appropriation balances for annually budgeted funds lapse at the end of the year. Appropriations for other special purpose funds that are non-operating in nature are adopted on a “project-length” basis. Therefore, these appropriations are carried forward from year to year without reappropriation until authorized amounts are fully expended or the designated purpose of the fund has been accomplished. The individual funds within each fund type, which are included in the City’s annual operating budget, are listed below:

### *Funds Budgeted on an Annual Basis*

1. General Fund. The General Fund is used to account for all financial resources except those required to be accounted for in another fund. This includes the Parks Fund, Development Services Fund and Police/Public Safety Fund.
2. Special Revenue Funds. Special Revenue Funds are established to account for proceed of specific revenue sources that are legally restricted to expenditures for specified purpose.
  - Street Fund
  - Real Estate Excise Tax Fund
  - Traffic Impact Fee Fund
  - Local Revitalization Funding Fund
  - Strategic Reserve Fund
  - Donations Fund
3. Debt Service Fund. The Debt Service Fund is to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.
4. Enterprise Funds. Enterprise Funds accounts for operations that are normally financed and operated in a manner like a private business enterprise where the intent of the governing body is that the costs of providing goods and services to the general publicly on a continuing basis be financed or recovered primarily through user charges.
  - Surface Water Management Fund

5. Internal Service Funds. Internal Service Funds are established to account for the financing of goods and services provided by one department of the governmental unit on a cost reimbursement basis.

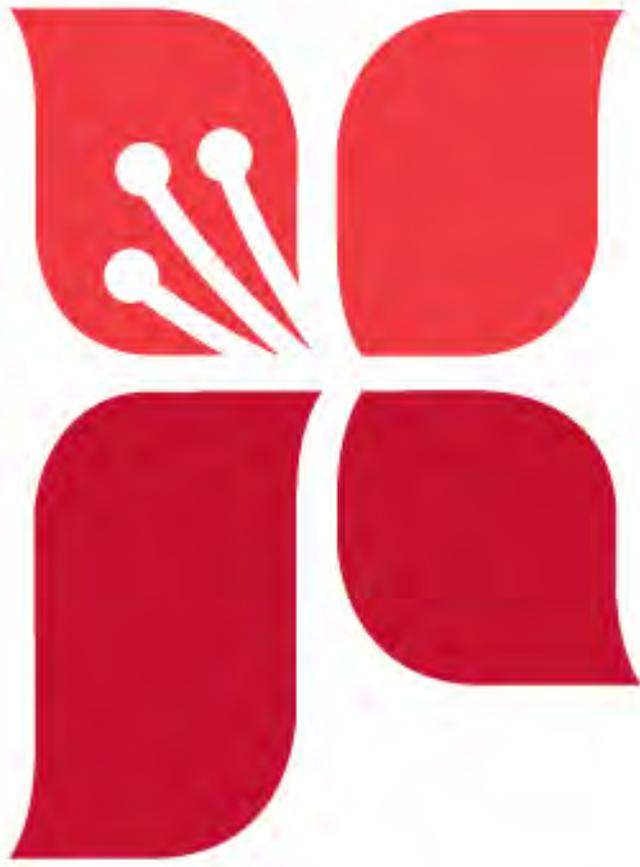
- Fleet and Equipment Fund
- Information Technology & Services Fund
- Property Management Fund
- Risk Management Fund

*Funds Budgeted on a Multi-Year Basis*

1. Special Revenue Fund. This fund is established to account for proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

2. Capital Project Funds. Capital Project Funds account for financial resources to be used for the acquisition or construction of major capital facilities.

- Parks CIP Fund
- Public Works CIP Fund
- Municipal Facilities CIP Fund



# *EXECUTIVE SUMMARY*

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**CIRQUE PARK**

## **PHOTO INFORMATION: CIRQUE PARK**

On May 6, 2006, University Place celebrated the grand opening of Cirque Park. The 27 acre park is a tribute to the combined talent, planning and efforts of U.P. Citizens, Youth Volunteers, Parks and Recreation Commission, Businesses, City Council, Consultants, Contractors and Staff. The park boasts a lighted baseball field, lighted softball field, lighted soccer/multi-use field, playground, restrooms, concession stand, beach volleyball court, lighted skate park, pedestrian trail that encircles the park, and parking for 200 users. We are excited to have this facility available and open for everyone in our community to enjoy.

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## SOURCES AND USES

Sources	2018 Actual	2019 Actual	2020			2021 Proposed	2022 Proposed
			Adopted	Revised	Estimate		
<b>BEGINNING FUND BALANCES</b>	22,229,495	25,400,447	15,896,345	28,298,111	28,298,109	20,199,441	17,200,162
<b>OPERATING REVENUES</b>							
Property Tax	4,295,133	4,401,025	4,501,372	4,513,086	4,513,089	4,580,633	4,649,190
Sales Tax	3,288,141	3,548,965	2,980,732	2,980,732	3,161,549	3,273,388	3,338,348
Criminal Justice Sales Tax	731,679	763,810	659,480	659,480	659,341	668,316	697,287
Admission Tax	143,591	179,867	152,000	152,000	155,000	159,486	161,081
Utility Tax	2,167,341	2,088,097	2,193,099	2,066,854	2,066,854	2,033,439	2,021,875
Leasehold Excise Tax	2,164	2,181	1,000	1,500	1,500	2,000	2,000
Gambling Tax	82,845	94,682	64,777	64,777	30,500	32,500	32,825
Real Estate Excise Tax	1,602,664	1,509,695	1,313,000	1,313,000	1,313,000	1,286,740	1,261,006
Business License Fee	94,847	93,522	96,910	90,000	90,000	87,000	87,870
Cable Franchise Fees	514,820	531,723	546,482	530,000	530,000	524,700	519,453
Refuse Franchise Fees	337,497	357,204	317,949	360,000	360,000	363,600	367,236
Water Franchise Fees (TPU)	626,555	669,393	627,147	663,920	663,920	653,289	659,822
Electric Franchise Fees (TPU)	1,182,034	1,204,797	1,128,688	1,270,060	1,270,060	1,218,964	1,231,153
Sewer Franchise Fee	437,469	456,608	428,442	457,000	470,000	477,050	484,206
Alarm Permit Fees	9,959	7,820	6,500	6,500	6,500	6,000	6,060
Animal Control	43,713	40,650	52,545	40,000	40,000	40,400	40,804
State-Shared Revenues (Fuel Taxes, VLF, Liquor)	1,190,592	1,191,280	1,213,556	1,231,660	1,133,580	1,194,225	1,206,166
City Assistance/State of WA	123,996	113,863	-	100,000	100,000	85,000	60,000
Fines & Forfeitures (False Alarm, Misc, Bus Lic.)	10,162	5,573	2,700	2,700	3,700	4,795	4,843
Building Fees	555,598	553,880	311,574	311,574	307,638	472,372	467,648
Fire Fees	76,885	54,578	45,969	45,969	46,245	59,236	58,644
Engineering & Planning Fees	183,437	151,804	143,251	143,251	187,750	174,330	172,587
Court Fees	86,877	63,086	74,263	74,263	74,263	75,000	75,750
SWM Fees	2,805,698	2,823,158	2,852,590	2,852,590	2,852,590	2,895,374	2,938,799
Administrative Fee from SWM Fund	472,647	521,801	559,630	588,008	535,607	586,774	594,730
Rents and Leases	95,743	107,447	106,305	100,397	101,048	162,532	180,906
Investment Interest	421,738	474,847	170,000	295,000	170,100	154,600	156,850
Tax Interest	15,463	18,208	5,353	10,000	10,000	10,000	10,100
Miscellaneous	20,945	21,067	29,750	29,750	23,062	32,750	32,750
<b>Total Operating Revenue</b>	<b>21,630,106</b>	<b>22,054,837</b>	<b>20,595,063</b>	<b>20,959,071</b>	<b>20,893,896</b>	<b>21,314,493</b>	<b>21,519,989</b>
<b>OTHER FINANCING SOURCES</b>							
TC Land Sales/Library Expansion Space	717,300	120,000	120,000	120,000	120,000	120,000	-
Capital Grants	5,511,510	3,504,163	964,000	4,746,576	4,746,576	5,283,288	-
Private Contributions - Capital Projects	193,813	-	464,334	-	-	85,000	-
Insurance Recoveries	50,940	37,281	-	20,000	20,000	20,000	20,000
Interfund Transfers	10,201,387	9,284,077	8,982,338	15,689,081	14,844,874	7,212,412	5,029,397
Interfund Charges	1,053,008	1,320,941	1,049,018	1,277,541	1,277,541	1,406,456	1,394,360
LRF Sales Tax	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Impact Fees	300,740	443,392	445,890	810,886	810,886	700,654	2,060,592
<b>Total Other Financing Sources</b>	<b>19,800,406</b>	<b>35,658,476</b>	<b>13,436,817</b>	<b>25,713,226</b>	<b>24,869,019</b>	<b>15,327,810</b>	<b>9,004,349</b>
<b>TOTAL REVENUES &amp; OTHER SOURCES</b>	<b>63,660,007</b>	<b>83,113,760</b>	<b>49,928,225</b>	<b>74,970,408</b>	<b>74,061,024</b>	<b>56,841,744</b>	<b>47,724,500</b>

USES	2018 Actual	2019 Actual	2020			2021 Proposed	2022 Proposed
			Adopted	Revised	Estimate		
<b>EXPENDITURES AND OTHER USES</b>							
<b>OPERATING EXPENDITURES</b>							
City Council	187,674	172,279	197,758	217,758	182,976	212,988	192,362
City Manager	505,240	513,090	558,119	593,067	488,166	590,039	588,141
Community Events	43,406	128,065	103,853	178,653	81,856	242,551	157,551
Community and Economic Development	2,118,681	2,328,292	2,526,072	2,625,139	2,485,493	2,596,809	2,684,439
Finance and Administrative Services	1,512,365	1,777,765	1,799,681	2,850,986	2,749,783	1,884,873	1,919,340
Parks, Public Works and Engineering	3,281,608	4,281,585	4,908,562	4,374,617	4,018,990	4,560,690	4,590,234
Police and Public Safety	4,870,159	5,120,310	5,585,142	5,422,483	5,279,873	5,630,369	5,699,844
Subtotal Department Operations	<b>12,519,133</b>	<b>14,321,385</b>	<b>15,679,187</b>	<b>16,262,703</b>	<b>15,287,137</b>	<b>15,718,319</b>	<b>15,831,911</b>
Debt Service	3,345,749	15,845,265	3,373,600	7,339,539	7,340,039	3,646,611	3,638,825
Contingency	-	-	-	279,706	-	50,000	50,000
<b>Total Operating Expenditures</b>	<b>15,864,882</b>	<b>30,166,650</b>	<b>19,052,787</b>	<b>23,881,948</b>	<b>22,627,176</b>	<b>19,414,930</b>	<b>19,520,736</b>
<b>OTHER FINANCING USES</b>							
Capital Improvements Projects - PW	5,084,258	3,814,367	2,434,617	15,364,972	14,934,970	7,284,433	349,673
Capital Improvements Projects - Parks	308,243	32,193	2,084,000	1,987,647	392,334	2,522,767	654,620
Capital Improvements Projects - Municipal LRF	3,756,323	3,655,201	-	66,379	31,176	-	-
Interfund Transfers	430,123	5,662,301	500,000	-	-	-	-
SWM - Admin Fee	10,049,062	8,934,675	8,363,645	13,220,781	12,376,574	7,344,775	5,170,353
Internal Services - Fleet	472,647	521,801	559,630	588,008	535,607	586,774	594,730
Capital Equipment - Fleet	116,674	118,758	134,800	134,800	134,800	138,170	141,624
Internal Services - IT	551,447	80,349	101,575	62,100	62,100	132,580	139,750
Capital Equipment - IT	572,803	654,370	774,389	855,389	855,389	842,814	840,986
Internal Services - Property Management	287,301	275,054	302,975	1,157,495	1,157,495	455,445	365,200
Internal Services - Risk	639,446	782,782	649,813	676,071	602,386	783,757	761,519
Donations	115,936	106,329	151,337	129,473	129,473	135,134	141,080
<b>Total Other Financing Uses</b>	<b>22,394,683</b>	<b>24,649,005</b>	<b>16,056,781</b>	<b>34,265,220</b>	<b>31,234,409</b>	<b>20,226,649</b>	<b>9,159,535</b>
<b>TOTAL EXPENDITURES &amp; OTHER USES</b>	<b>38,259,566</b>	<b>54,815,654</b>	<b>35,109,568</b>	<b>58,147,168</b>	<b>53,861,585</b>	<b>39,641,579</b>	<b>28,680,271</b>
<b>ENDING FUND BALANCES</b>							
Reserved for:							
Street Operations	851,910	1,242,271	992,118	1,061,903	1,182,604	982,282	739,757
Arterial Street	210,515	130,673	76,958	80,472	30,472	-	-
Capital Improvements Projects - REET	1,476,589	1,569,674	522,429	1,121,622	1,121,622	808,451	1,099,932
Parks and Recreation	71,505	101,188	50,000	53,821	-	-	-
Traffic Impact Fee	970,394	1,184,799	487,834	285,734	285,895	539,193	1,945,165
Transportation Benefit District	98,880	84,362	-	-	-	-	-
Development Services	207,594	4,587	-	-	-	-	-
LRF	1,762,440	-	-	-	-	-	-
Police and Public Safety	3,997,109	5,062,216	4,696,471	5,212,057	5,295,363	5,196,554	5,130,777
Surface Water Management	3,152,403	3,397,144	714,318	1,502,784	2,059,266	916,962	1,329,437
Strategic Reserve	1,000,000	1,145,012	1,000,000	1,235,491	1,235,491	1,361,544	1,487,597
Debt Service	4,042	3,813,058	4,043	235,575	235,075	234,878	237,561
Capital Improvements Projects - Parks	1,154,584	1,361,555	1,400,942	-	1,595,313	-	-
Capital Improvements Projects - PW	344,282	2,419,492	-	-	-	-	-
Capital Improvements Projects - Muni Facilities	3,107,889	185	-	-	-	-	-
Internal Service Funds - Fleet	248,729	218,565	750,857	218,565	218,565	218,565	218,565
Internal Service Funds - IT	104,703	93,201	129,592	93,201	93,201	93,201	93,201
Internal Service Funds -Property Management	17,318	12,849	(287,441)	11,183	12,849	12,849	12,849
Internal Service Funds - Risk	-	-	-	-	-	-	-
Donations	23,861	22,104	-	-	-	-	-
Unreserved/undesignated - General Fund	6,595,694	6,435,171	4,280,536	5,710,834	6,833,723	6,835,683	6,749,388
<b>ENDING FUND BALANCES</b>	<b>25,400,441</b>	<b>28,298,105</b>	<b>14,818,657</b>	<b>16,823,242</b>	<b>20,199,439</b>	<b>17,200,163</b>	<b>19,044,229</b>
<b>TOTAL EXPENDITURES, OTHER USES, AND FUND BALANCES</b>	<b>63,660,007</b>	<b>83,113,760</b>	<b>49,928,225</b>	<b>74,970,408</b>	<b>74,061,024</b>	<b>56,841,744</b>	<b>47,724,500</b>

## 2021 Sources by Fund and Category

FUNDS	Taxes	Licenses & Permits	Intergovt Revenue	Charges for Services	Fines & Penalties	Misc Revenue	OPERATING REVENUES	Financing Sources	Interfund Transfers	Fund Balance	TOTAL SOURCES
<b>OPERATING FUNDS</b>											
General	6,357,163	2,847,803	205,000	1,222,031	10,000	27,500	10,669,497	157,600	-	6,833,724	17,660,821
Street	752,140	477,050	-	-	-	22,000	1,251,190	-	130,332	1,182,604	2,564,126
Arterial Street	-	-	-	-	-	-	-	-	-	30,472	30,472
Real Estate Excise Tax (REET)	1,286,740	-	-	-	-	-	1,286,740	-	-	1,121,622	2,408,362
Traffic Impact Fees	-	-	-	253,298	-	-	253,298	-	-	285,895	539,193
Police/Public Safety	5,334,684	46,400	-	148,945	1,531	-	5,531,560	-	-	5,295,363	10,826,923
Strategic Reserve	-	-	-	-	-	-	-	-	126,053	1,235,491	1,361,544
Debt Service	-	-	-	-	-	-	-	-	3,640,872	235,075	3,875,947
<b>Subtotal Operations</b>	<b>13,730,727</b>	<b>3,371,253</b>	<b>205,000</b>	<b>1,624,274</b>	<b>11,531</b>	<b>49,500</b>	<b>18,992,285</b>	<b>157,600</b>	<b>3,897,257</b>	<b>16,220,247</b>	<b>39,267,389</b>
<b>ENTERPRISE FUNDS</b>											
Surface Water Management	-	-	-	2,895,374	-	-	2,895,374	-	-	2,059,266	4,954,640
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,895,374</b>	<b>-</b>	<b>-</b>	<b>2,895,374</b>	<b>-</b>	<b>-</b>	<b>2,059,266</b>	<b>4,954,640</b>
<b>INTERNAL SERVICE FUNDS</b>											
Fleet & Equipment	-	-	-	138,170	-	-	138,170	-	132,580	218,565	489,315
Information Technology & Svcs.	-	-	-	777,814	-	-	777,814	-	520,445	93,201	1,391,460
Property Management	-	-	-	517,870	-	-	517,870	-	265,887	12,849	796,606
Risk Management	-	-	-	135,134	-	-	135,134	-	-	-	135,134
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,568,988</b>	<b>-</b>	<b>-</b>	<b>1,568,988</b>	<b>-</b>	<b>918,912</b>	<b>324,615</b>	<b>2,812,515</b>
<b>CAPITAL PROJECT FUNDS</b>											
Parks	-	-	-	447,356	-	-	447,356	480,098	-	1,595,313	2,522,767
Public Works	-	-	85,000	-	-	-	85,000	4,803,190	2,396,243	-	7,284,433
Municipal Facilities	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>85,000</b>	<b>447,356</b>	<b>-</b>	<b>-</b>	<b>532,356</b>	<b>5,283,288</b>	<b>2,396,243</b>	<b>1,595,313</b>	<b>9,807,200</b>
<b>NONANNUALLY BUDGETED FUNDS</b>											
Donations & Gifts to UP	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>	<b>13,730,727</b>	<b>3,371,253</b>	<b>290,000</b>	<b>6,535,992</b>	<b>11,531</b>	<b>49,500</b>	<b>23,989,003</b>	<b>5,440,888</b>	<b>7,212,412</b>	<b>20,199,441</b>	<b>56,841,744</b>

## 2022 Sources by Fund and Category

FUNDS	Taxes	Licenses & Permits	Intergovt Revenue	Charges for Services	Fines & Penalties	Misc Revenue	TOTAL	Other	Beginning		TOTAL	
							OPERATING REVENUES	Financing Sources	Interfund Transfers	Fund Balance	SOURCES	
<b>OPERATING FUNDS</b>												
General	6,416,042	2,865,784	60,000	1,225,068	10,100	27,500	10,604,494	159,850	-	6,835,683	17,600,027	
Street	759,661	484,206	-	-	-	22,000	1,265,867	-	97,785	982,282	2,345,934	
Arterial Street	-	-	-	-	-	-	-	-	-	-	-	
Real Estate Excise Tax (REET)	1,261,006	-	-	-	-	-	1,261,006	-	-	808,451	2,069,457	
Traffic Impact Fees	-	-	-	1,405,972	-	-	1,405,972	-	-	539,193	1,945,165	
Police/Public Safety	5,433,069	46,864	-	152,588	1,546	-	5,634,067	-	-	5,196,554	10,830,621	
Strategic Reserve	-	-	-	-	-	-	-	-	126,053	1,361,544	1,487,597	
Debt Service	-	-	-	-	-	-	-	-	3,635,993	234,878	3,870,871	
<b>Subtotal Operations</b>	<b>13,869,778</b>	<b>3,396,854</b>	<b>60,000</b>	<b>2,783,628</b>	<b>11,646</b>	<b>49,500</b>	<b>20,171,406</b>	<b>159,850</b>	<b>3,859,831</b>	<b>15,958,585</b>	<b>40,149,672</b>	
<b>ENTERPRISE FUNDS</b>												
Surface Water Management	-	-	-	2,938,449	-	350	2,938,799	-	-	916,962	3,855,761	
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,938,449</b>	<b>-</b>	<b>350</b>	<b>2,938,799</b>	<b>-</b>	<b>-</b>	<b>916,962</b>	<b>3,855,761</b>	
<b>INTERNAL SERVICE FUNDS</b>												
Fleet & Equipment	-	-	-	141,624	-	-	141,624	-	139,750	218,565	499,939	
Information Technology & Svcs.	-	-	-	775,986	-	-	775,986	-	430,200	93,201	1,299,387	
Property Management	-	-	-	511,576	-	-	511,576	-	249,943	12,849	774,368	
Risk Management	-	-	-	141,080	-	-	141,080	-	-	-	141,080	
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,570,266</b>	<b>-</b>	<b>-</b>	<b>1,570,266</b>	<b>-</b>	<b>819,893</b>	<b>324,615</b>	<b>2,714,774</b>	
<b>CAPITAL PROJECT FUNDS</b>												
Parks	-	-	-	654,620	-	-	654,620	-	-	-	654,620	
Public Works	-	-	-	-	-	-	-	-	349,673	-	349,673	
Municipal Facilities	-	-	-	-	-	-	-	-	-	-	-	
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>654,620</b>	<b>-</b>	<b>-</b>	<b>654,620</b>	<b>-</b>	<b>349,673</b>	<b>-</b>	<b>1,004,293</b>	
<b>NONANNUALLY BUDGETED FUNDS</b>												
Donations & Gifts to UP	-	-	-	-	-	-	-	-	-	-	-	
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>TOTAL</b>	<b>13,869,778</b>	<b>3,396,854</b>	<b>60,000</b>	<b>7,946,963</b>	<b>11,646</b>	<b>49,850</b>	<b>25,335,091</b>	<b>159,850</b>	<b>5,029,397</b>	<b>17,200,162</b>	<b>47,724,500</b>	

2021-2022 Sources by Fund and Category

FUNDS	Taxes	Licenses	Intergovt	Charges for	Fines &	Misc	TOTAL	Other	Interfund	Beginning	TOTAL
		& Permits	Revenue	Services	Penalties	Revenue	OPERATING	Financing		Fund	
<b>OPERATING FUNDS</b>											
General	12,773,205	5,713,587	265,000	2,447,099	20,100	55,000	21,273,991	317,450	-	6,833,724	28,425,165
Street	1,511,801	961,256	-	-	-	44,000	2,517,057	-	228,117	1,182,604	3,927,778
Arterial Street	-	-	-	-	-	-	-	-	-	30,472	30,472
Real Estate Excise Tax (REET)	2,547,746	-	-	-	-	-	2,547,746	-	-	1,121,622	3,669,368
Traffic Impact Fees	-	-	-	1,659,270	-	-	1,659,270	-	-	285,895	1,945,165
Police/Public Safety	10,767,753	93,264	-	301,533	3,077	-	11,165,627	-	-	5,295,363	16,460,990
Strategic Reserve	-	-	-	-	-	-	-	-	252,106	1,235,491	1,487,597
Debt Service	-	-	-	-	-	-	-	-	7,276,865	235,075	7,511,940
<b>Subtotal Operations</b>	<b>27,600,505</b>	<b>6,768,107</b>	<b>265,000</b>	<b>4,407,902</b>	<b>23,177</b>	<b>99,000</b>	<b>39,163,691</b>	<b>317,450</b>	<b>7,757,088</b>	<b>16,220,247</b>	<b>63,458,476</b>
<b>ENTERPRISE FUNDS</b>											
Surface Water Management	-	-	-	5,833,823	-	350	5,834,173	-	-	2,059,266	7,893,439
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,833,823</b>	<b>-</b>	<b>350</b>	<b>5,834,173</b>	<b>-</b>	<b>-</b>	<b>2,059,266</b>	<b>7,893,439</b>
<b>INTERNAL SERVICE FUNDS</b>											
Fleet & Equipment	-	-	-	279,794	-	-	279,794	-	272,330	218,565	770,689
Information Technology & Svcs.	-	-	-	1,553,800	-	-	1,553,800	-	950,645	93,201	2,597,646
Property Management	-	-	-	1,029,446	-	-	1,029,446	-	515,830	12,849	1,558,125
Risk Management	-	-	-	276,214	-	-	276,214	-	-	-	276,214
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,139,254</b>	<b>-</b>	<b>-</b>	<b>3,139,254</b>	<b>-</b>	<b>1,738,805</b>	<b>324,615</b>	<b>5,202,674</b>
<b>CAPITAL PROJECT FUNDS</b>											
Parks	-	-	-	1,101,976	-	-	1,101,976	480,098	-	1,595,313	3,177,387
Public Works	-	-	85,000	-	-	-	85,000	4,803,190	2,745,916	-	7,634,106
Municipal Facilities	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>85,000</b>	<b>1,101,976</b>	<b>-</b>	<b>-</b>	<b>1,186,976</b>	<b>5,283,288</b>	<b>2,745,916</b>	<b>1,595,313</b>	<b>10,811,493</b>
<b>NONANNUALLY BUDGETED FUNDS</b>											
Donations & Gifts to UP	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>	<b>27,600,505</b>	<b>6,768,107</b>	<b>350,000</b>	<b>14,482,955</b>	<b>23,177</b>	<b>99,350</b>	<b>49,324,094</b>	<b>5,600,738</b>	<b>12,241,809</b>	<b>20,199,441</b>	<b>87,366,082</b>

## 2021 Uses by Fund and Category

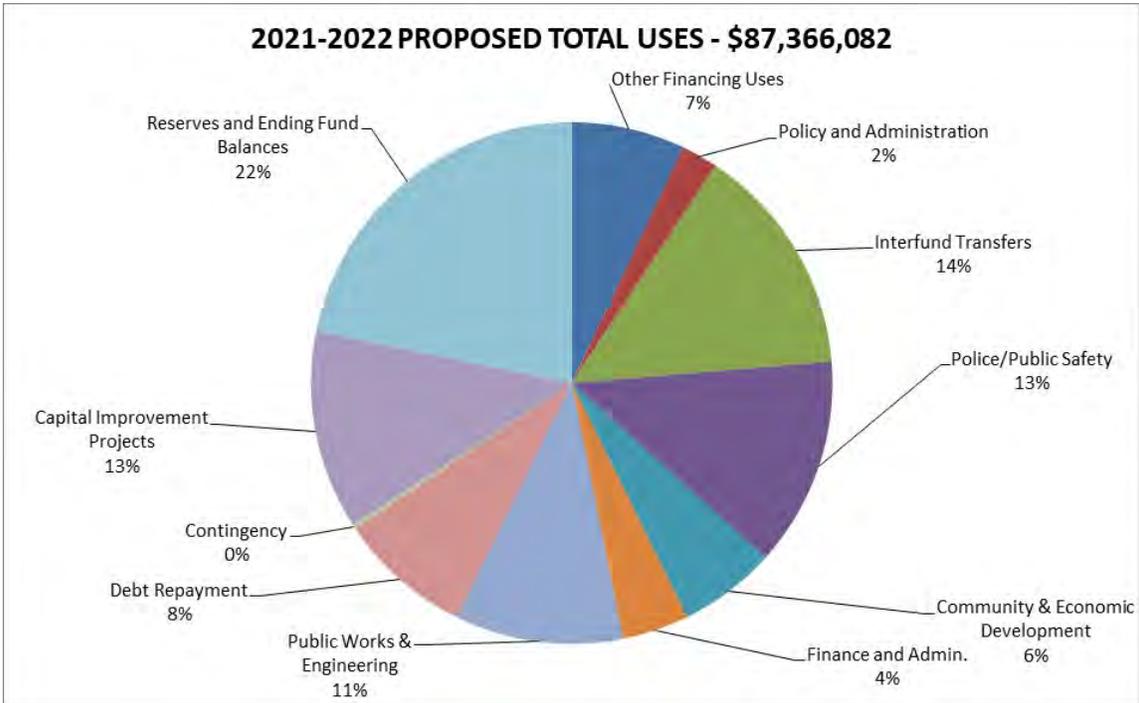
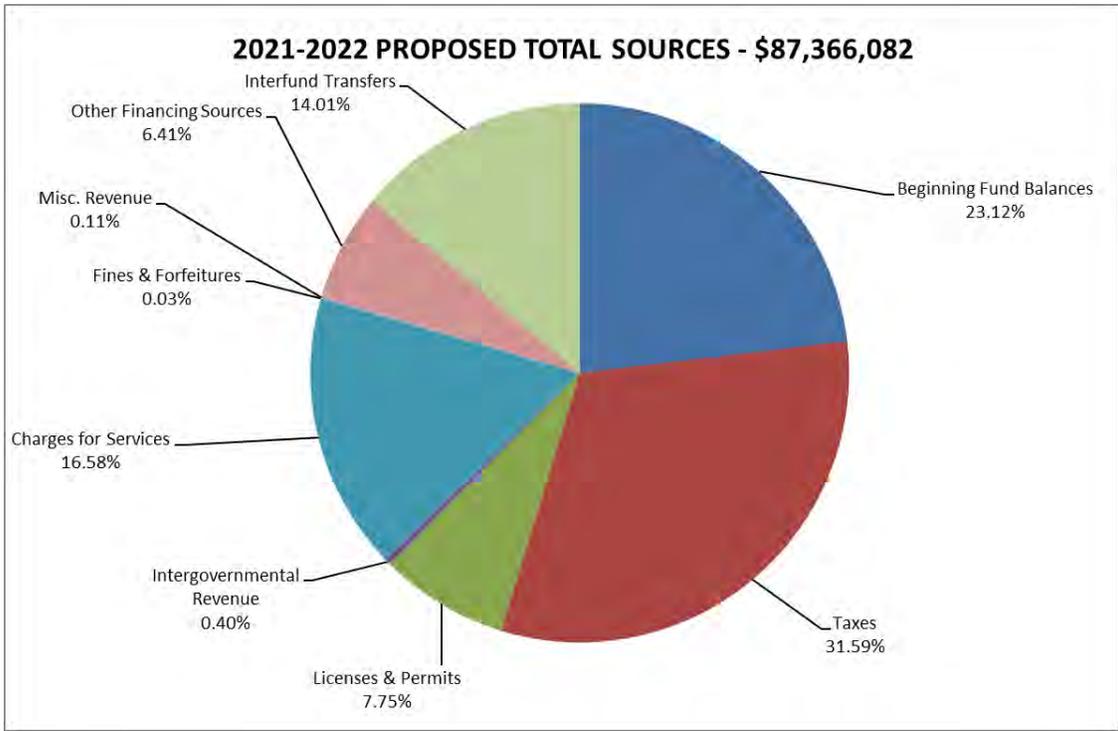
FUNDS	City	City	Community &	Finance &	Public	Public Works,	TOTAL	Other	Interfund	Total	Ending	TOTAL	
	Council	Manager	Economic Dev.	Admin Svcs	Safety	Parks &	OPERATING	Financing			Fund		USES
<b>OPERATING FUNDS</b>													
General	212,988	832,590	2,596,809	1,884,873	-	682,551	432,558	6,642,369	50,000	4,132,768	10,825,137	6,835,683	17,660,820
Street	-	-	-	-	-	1,581,844	-	1,581,844	-	-	1,581,844	982,282	2,564,126
Arterial Street	-	-	-	-	-	-	-	-	-	30,472	30,472	-	30,472
Real Estate Excise Tax (REET)	-	-	-	-	-	-	-	-	-	1,599,911	1,599,911	808,451	2,408,362
Traffic Impact Fees	-	-	-	-	-	-	-	-	-	-	-	539,193	539,193
Police/Public Safety	-	-	-	-	5,630,369	-	-	5,630,369	-	-	5,630,369	5,196,554	10,826,923
Strategic Reserve	-	-	-	-	-	-	-	-	-	-	-	1,361,544	1,361,544
Debt Service	-	-	-	3,641,069	-	-	-	3,641,069	-	-	3,641,069	234,878	3,875,947
<b>Subtotal Operations</b>	<b>212,988</b>	<b>832,590</b>	<b>2,596,809</b>	<b>5,525,942</b>	<b>5,630,369</b>	<b>2,264,395</b>	<b>432,558</b>	<b>17,495,651</b>	<b>50,000</b>	<b>5,763,151</b>	<b>23,308,802</b>	<b>15,958,586</b>	<b>39,267,388</b>
<b>ENTERPRISE FUNDS</b>													
Surface Water Management	-	-	-	5,542	-	1,061,978	801,759	1,869,279	586,774	1,581,624	4,037,677	916,962	4,954,639
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,542</b>	<b>-</b>	<b>1,061,978</b>	<b>801,759</b>	<b>1,869,279</b>	<b>586,774</b>	<b>1,581,624</b>	<b>4,037,677</b>	<b>916,962</b>	<b>4,954,639</b>
<b>INTERNAL SERVICE FUNDS</b>													
Fleet & Equipment	-	-	-	-	-	-	-	-	270,750	-	270,750	218,565	489,315
Information Technology & Svcs.	-	-	-	-	-	-	-	-	1,298,259	-	1,298,259	93,201	1,391,460
Property Management	-	-	-	-	-	-	-	-	783,757	-	783,757	12,849	796,606
Risk Management	-	-	-	-	-	-	-	-	135,134	-	135,134	-	135,134
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,487,900</b>	<b>-</b>	<b>2,487,900</b>	<b>324,615</b>	<b>2,812,515</b>
<b>CAPITAL PROJECT FUNDS</b>													
Parks	-	-	-	-	-	-	-	-	2,522,767	-	2,522,767	-	2,522,767
Public Works	-	-	-	-	-	-	-	-	7,284,433	-	7,284,433	-	7,284,433
Municipal Facilities	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,807,200</b>	<b>-</b>	<b>9,807,200</b>	<b>-</b>	<b>9,807,200</b>
<b>NONANNUALLY BUDGETED FUNDS</b>													
Donations & Gifts to UP	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>	<b>212,988</b>	<b>832,590</b>	<b>2,596,809</b>	<b>5,531,484</b>	<b>5,630,369</b>	<b>3,326,373</b>	<b>1,234,317</b>	<b>19,364,930</b>	<b>12,931,874</b>	<b>7,344,775</b>	<b>39,641,579</b>	<b>17,200,163</b>	<b>56,841,744</b>

## 2022 Uses by Fund and Category

FUNDS	City	City	Community &	Finance &	Public	Public Works,	TOTAL	Other	Interfund	Total	Ending	TOTAL	
	Council	Manager	Economic Dev.	Admin Svcs	Safety	Parks &	OPERATING	Financing			Fund		USES
<b>OPERATING FUNDS</b>													
General	192,362	745,692	2,684,439	1,919,340	-	684,325	494,763	6,720,921	50,000	4,079,718	10,850,639	6,749,388	17,600,027
Street	-	-	-	-	-	1,570,579	-	1,570,579	-	35,598	1,606,177	739,757	2,345,934
Arterial Street	-	-	-	-	-	-	-	-	-	-	-	-	-
Real Estate Excise Tax (REET)	-	-	-	-	-	-	-	-	-	969,525	969,525	1,099,932	2,069,457
Traffic Impact Fees	-	-	-	-	-	-	-	-	-	-	-	1,945,165	1,945,165
Police/Public Safety	-	-	-	-	5,699,844	-	-	5,699,844	-	-	5,699,844	5,130,777	10,830,621
Strategic Reserve	-	-	-	-	-	-	-	-	-	-	-	1,487,597	1,487,597
Debt Service	-	-	-	3,633,310	-	-	-	3,633,310	-	-	3,633,310	237,561	3,870,871
<b>Subtotal Operations</b>	<b>192,362</b>	<b>745,692</b>	<b>2,684,439</b>	<b>5,552,650</b>	<b>5,699,844</b>	<b>2,254,904</b>	<b>494,763</b>	<b>17,624,654</b>	<b>50,000</b>	<b>5,084,841</b>	<b>22,759,495</b>	<b>17,390,177</b>	<b>40,149,672</b>
<b>ENTERPRISE FUNDS</b>													
Surface Water Management	-	-	-	5,515	-	1,094,600	710,369	1,810,484	594,730	121,110	2,526,324	1,329,437	3,855,761
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,515</b>	<b>-</b>	<b>1,094,600</b>	<b>710,369</b>	<b>1,810,484</b>	<b>594,730</b>	<b>121,110</b>	<b>2,526,324</b>	<b>1,329,437</b>	<b>3,855,761</b>
<b>INTERNAL SERVICE FUNDS</b>													
Fleet & Equipment	-	-	-	-	-	-	-	-	281,374	-	281,374	218,565	499,939
Information Technology & Svcs.	-	-	-	-	-	-	-	-	1,206,186	-	1,206,186	93,201	1,299,387
Property Management	-	-	-	-	-	-	-	-	761,519	-	761,519	12,849	774,368
Risk Management	-	-	-	-	-	-	-	-	141,080	-	141,080	-	141,080
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,390,159</b>	<b>-</b>	<b>2,390,159</b>	<b>324,615</b>	<b>2,714,774</b>
<b>CAPITAL PROJECT FUNDS</b>													
Parks	-	-	-	-	-	-	-	-	654,620	-	654,620	-	654,620
Public Works	-	-	-	-	-	-	-	-	349,673	-	349,673	-	349,673
Municipal Facilities	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,004,293</b>	<b>-</b>	<b>1,004,293</b>	<b>-</b>	<b>1,004,293</b>
<b>NONANNUALLY</b>													
<b>BUDGETED FUNDS</b>													
Donations & Gifts to UP	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>	<b>192,362</b>	<b>745,692</b>	<b>2,684,439</b>	<b>5,558,165</b>	<b>5,699,844</b>	<b>3,349,504</b>	<b>1,205,132</b>	<b>19,435,138</b>	<b>4,039,182</b>	<b>5,205,951</b>	<b>28,680,271</b>	<b>19,044,229</b>	<b>47,724,500</b>

## 2021-2022 Uses by Fund and Category

FUNDS	City	City	Community &	Finance &	Public	Public Works,	TOTAL	Other	Interfund	Total	Ending	TOTAL	
	Council	Manager	Economic Dev.	Admin Svcs	Safety	Parks &	OPERATING	Financing			Fund		USES
<b>OPERATING FUNDS</b>													
General	405,350	1,578,282	5,281,248	3,804,213	-	1,366,876	927,321	13,363,290	100,000	8,212,486	21,675,776	6,749,388	28,425,164
Street	-	-	-	-	-	3,152,423	-	3,152,423	-	35,598	3,188,021	739,757	3,927,778
Arterial Street	-	-	-	-	-	-	-	-	-	30,472	30,472	-	30,472
Real Estate Excise Tax (REET)	-	-	-	-	-	-	-	-	-	2,569,436	2,569,436	1,099,932	3,669,368
Traffic Impact Fees	-	-	-	-	-	-	-	-	-	-	-	1,945,165	1,945,165
Police/Public Safety	-	-	-	-	11,330,213	-	-	11,330,213	-	-	11,330,213	5,130,777	16,460,990
Strategic Reserve	-	-	-	-	-	-	-	-	-	-	-	1,487,597	1,487,597
Debt Service	-	-	-	7,274,379	-	-	-	7,274,379	-	-	7,274,379	237,561	7,511,940
<b>Subtotal Operations</b>	<b>405,350</b>	<b>1,578,282</b>	<b>5,281,248</b>	<b>11,078,592</b>	<b>11,330,213</b>	<b>4,519,299</b>	<b>927,321</b>	<b>35,120,305</b>	<b>100,000</b>	<b>10,847,992</b>	<b>46,068,297</b>	<b>17,390,177</b>	<b>63,458,474</b>
<b>ENTERPRISE FUNDS</b>													
Surface Water Management	-	-	-	11,057	-	2,156,578	1,512,128	3,679,763	1,181,504	1,702,734	6,564,001	1,329,437	7,893,438
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,057</b>	<b>-</b>	<b>2,156,578</b>	<b>1,512,128</b>	<b>3,679,763</b>	<b>1,181,504</b>	<b>1,702,734</b>	<b>6,564,001</b>	<b>1,329,437</b>	<b>7,893,438</b>
<b>INTERNAL SERVICE FUNDS</b>													
Fleet & Equipment	-	-	-	-	-	-	-	-	552,124	-	552,124	218,565	770,689
Information Technology & Svcs.	-	-	-	-	-	-	-	-	2,504,445	-	2,504,445	93,201	2,597,646
Property Management	-	-	-	-	-	-	-	-	1,545,276	-	1,545,276	12,849	1,558,125
Risk Management	-	-	-	-	-	-	-	-	276,214	-	276,214	-	276,214
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,878,059</b>	<b>-</b>	<b>4,878,059</b>	<b>324,615</b>	<b>5,202,674</b>
<b>CAPITAL PROJECT FUNDS</b>													
Parks	-	-	-	-	-	-	-	-	3,177,387	-	3,177,387	-	3,177,387
Public Works	-	-	-	-	-	-	-	-	7,634,106	-	7,634,106	-	7,634,106
Municipal Facilities	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,811,493</b>	<b>-</b>	<b>10,811,493</b>	<b>-</b>	<b>10,811,493</b>
<b>NONANNUALLY BUDGETED FUNDS</b>													
Donations & Gifts to UP	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>	<b>405,350</b>	<b>1,578,282</b>	<b>5,281,248</b>	<b>11,089,649</b>	<b>11,330,213</b>	<b>6,675,877</b>	<b>2,439,449</b>	<b>38,800,068</b>	<b>16,971,056</b>	<b>12,550,726</b>	<b>68,321,850</b>	<b>19,044,229</b>	<b>87,366,082</b>



## ENDING FUND BALANCES

The following illustrate the City's ending fund balances between 2018 and 2022. The fund balances are segregated into three major components: unreserved/undesignated, reserved, and designated (such as Strategic Reserve).

Component	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
<i>CIP-Parks</i>	\$ 1,154,584	\$ 1,361,555	\$ 1,400,942	-	1,595,313	-	-
<i>CIP-PW</i>	344,282	2,419,492	-	-	-	-	-
<i>CIP-Municipal Facilities</i>	3,107,889	185	-	-	-	-	-
<i>CIP-REET</i>	1,476,589	1,569,674	522,429	1,121,622	1,121,622	808,451	1,099,932
<i>Street</i>	851,910	1,242,271	992,118	1,061,903	1,182,604	982,282	739,757
<i>Arterial Street</i>	210,515	130,673	76,958	80,472	30,472	-	-
<i>CIP-Traffic Impact Fees</i>	970,394	1,184,799	487,834	285,734	285,895	539,193	1,945,165
<i>Development Services</i>	207,594	4,587	-	-	-	-	-
<i>Transportation Benefit District</i>	98,880	84,362	-	-	-	-	-
<i>CIP - LRF</i>	1,762,440	-	-	-	-	-	-
<i>Debt Service</i>	4,042	3,813,058	4,043	235,575	235,075	234,878	237,561
<i>SWM</i>	3,152,403	3,397,144	714,318	1,502,784	2,059,266	916,962	1,329,437
<b>Subtotal Reserved</b>	<b>13,341,522</b>	<b>15,207,800</b>	<b>4,198,642</b>	<b>4,288,090</b>	<b>6,510,247</b>	<b>3,481,766</b>	<b>5,351,852</b>
<i>Strategic Reserve</i>	1,000,000	1,145,012	1,000,000	1,235,491	1,235,491	1,361,544	1,487,597
<i>Donations</i>	23,861	22,104	-	-	-	-	-
<i>Parks and Recreation</i>	71,505	101,188	50,000	53,821	-	-	-
<i>Police and Public Safety</i>	3,997,109	5,062,216	4,696,471	5,212,057	5,295,363	5,196,554	5,130,777
<i>Risk Management</i>	-	-	-	-	-	-	-
<i>Property Management</i>	17,318	12,849	(287,441)	11,183	12,849	12,849	12,849
<i>Fleet</i>	248,729	218,565	750,857	218,565	218,565	218,565	218,565
<i>IT</i>	104,703	93,201	129,592	93,201	93,201	93,201	93,201
<b>Subtotal Designated</b>	<b>5,463,225</b>	<b>6,655,135</b>	<b>6,339,479</b>	<b>6,824,318</b>	<b>6,855,469</b>	<b>6,882,713</b>	<b>6,942,989</b>
<b>Unreserved/Undesignated</b>	<b>6,595,694</b>	<b>6,435,171</b>	<b>4,280,536</b>	<b>5,710,834</b>	<b>6,833,723</b>	<b>6,835,683</b>	<b>6,749,388</b>
<b>Total Ending Fund Balances</b>	<b>\$ 25,400,441</b>	<b>\$ 28,298,106</b>	<b>\$ 14,818,657</b>	<b>\$ 16,823,242</b>	<b>\$ 20,199,439</b>	<b>\$ 17,200,163</b>	<b>\$ 19,044,229</b>

### UNAPPROPRIATED FUND BALANCES

The unreserved/undesignated fund balance is the balance of net financial resources that are available for appropriation. The 2021-2022 proposed budget estimates the unappropriated fund balance to total \$6,835,683 at the end of 2021 and \$6,749,388 at the end of 2022. While not legally restricted, staff is recommending that these reserves are to be retained for cash reserve purposes.

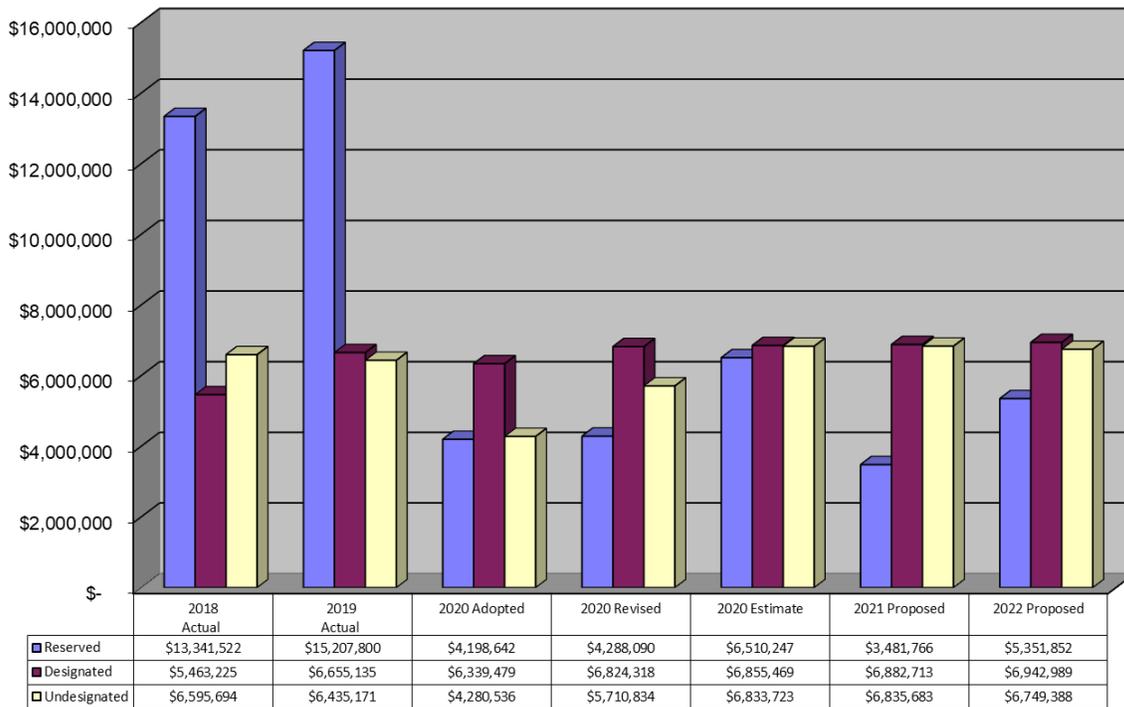
### RESERVED ENDING FUND BALANCES

The second component of ending fund balances are those funds reserved for a specific purpose. These funds are not available for appropriation because they are legally restricted. Reserved monies are estimated to total \$3,481,766 for 2021, and \$5,351,852 for 2022. These funds are reserved for use in support of the City's Capital Improvement Plan, Streets Maintenance, and Surface Water Management.

**DESIGNATED ENDING FUND BALANCES**

The third component of ending fund balances, totaling \$6,882,713 in 2021 and \$6,942,989 in 2022, are those monies that have been earmarked for the strategic reserve fund, replacement reserves, property and liability insurance, Internal Service funds, Donations fund, and Police/Public Safety. The purpose of the strategic reserve is to provide some fiscal means for the City to respond to potential adversities such as public emergencies, natural disasters, or similar major, unanticipated events. Replacement reserves and insurance reserves are collected through charges to the City’s general fund and permit the accumulation of cash reserves for future replacement of the City’s assets to smooth out further budgetary impacts, and to provide insurance coverage through the Washington Cities Insurance Authority.

**ENDING FUND BALANCES  
2018-2022**



## REVENUE ASSUMPTIONS

The following provides the assumptions made to compute the major City revenues for upcoming 2021-2022 biennium. The revenue estimates are both conservative and realistic.

### TAXES

Tax revenues in 2021 are expected to increase from the 2020 year-end estimates. The increase in property taxes is limited to 1%. Sales tax is projected to increase from 2020 year-end estimates but remain below our 2019 actuals. Utility tax revenues are projected to decrease slightly when compared with 2020 year-end estimates. Real estate excise tax collections (REET) are anticipated to be \$1,286,740 in 2021 with a slight decrease in 2022.

	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
	<b>Actual</b>	<b>Actual</b>	<b>Estimate</b>	<b>Proposed</b>	<b>Proposed</b>
Property Tax	\$ 4,295,133	\$ 4,401,025	\$ 4,513,089	\$ 4,580,633	\$ 4,649,190
Sales Tax	2,939,720	3,181,351	2,800,161	2,900,000	2,958,000
Sales Tax - 1% for Parks	348,421	367,614	336,000	348,000	354,960
Liquor Excise Tax	167,485	182,763	180,000	176,750	178,517
Liquor Profits Tax	270,204	267,540	260,000	265,335	267,988
Criminal Justice Taxes	731,679	763,810	659,341	668,316	697,287
Admissions Tax	143,591	179,867	155,000	159,486	161,081
Utility Taxes	2,167,341	2,088,097	2,066,854	2,033,439	2,021,875
Leasehold Excise Tax	2,164	2,181	1,500	2,000	2,000
Gambling Tax	82,845	94,682	30,500	32,500	32,825
Real Estate Excise Tax	1,602,664	1,509,695	1,313,000	1,286,740	1,261,006
Fuel Tax	752,903	740,977	693,580	752,140	759,661
Total	\$ 13,504,150	\$ 13,779,601	\$ 13,009,025	\$ 13,205,339	\$ 13,344,390

### Property Taxes

The City of University Place portion makes up approximately 9% of the total bill received by property owners. Since the City currently has no voter-approved outstanding bonds, there is no voter-approved levy to support the annual debt service on that debt. The City's levy is therefore Council-approved. The adopted revenue estimates include a 1% increase in property taxes for both 2021 and 2022. In August 2010, the City Council approved a resolution dedicating the property tax to public safety and defined public safety expenses to include expenses for police services, court services, jail, city attorney's office, crime prevention, animal control, code enforcement and emergency management.

<u>2020 Total Property Tax per \$1,000 Assessed Value</u>		
State of Washington	Regular Levy Rate	3.01
County	Regular Levy Rate	1.15
Port	Regular Levy Rate	0.18
Regional Transit	Regular Levy Rate	0.20
Police (City of UP)	Regular Levy Rate	0.97
Fire District/EMS	Regular Levy Rate	3.14
Library	Regular Levy Rate	0.47
UP School District	Excess (Voted) Levy	4.86
Total		13.99

## Sales Tax

Sales tax is one of the City's most economically sensitive revenue sources and one of the more volatile components of the General Fund budget. The 2021 sales tax budget is projected to increase to \$2,900,000 when compared with the 2020 yearend estimate of \$2,800,000. The 2022 budget is projected to be \$2,958,000. The following table compares actual retail sales tax collections by industry sector between 2016 and 2020. Retail trade continues to generate the largest component of sales activity followed by Construction.

**Sales Tax Collections by Category  
2016 to 2020**

Category	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual*
Retail Trade	\$ 960,435	\$ 1,045,050	\$ 1,194,615	\$ 1,325,731	
Services	48,243	55,448	63,742	59,780	
Construction	788,471	514,747	541,245	592,084	
Accommodation and Food Svce	258,812	269,039	290,576	307,395	
Information	170,637	169,489	173,613	163,396	
Arts, Entertain, Recreation	85,097	69,844	67,362	105,897	
Admin, Supp, Rmed Svces	70,518	78,153	155,387	173,443	
Transp/Warehousing/Utilities	2,129	1,690	5,156	4,178	
Wholesaling	89,315	96,421	117,900	116,142	
Manufacturing	25,584	58,021	45,348	45,224	
Other	115,853	121,668	141,991	177,845	
Finance/Insur/Real Estate	105,029	99,934	96,497	102,709	
Government	43,832	57,487	46,290	7,529	
<b>Total</b>	<b>\$ 2,763,955</b>	<b>\$ 2,636,991</b>	<b>\$ 2,939,722</b>	<b>\$ 3,181,353</b>	<b>\$ 3,181,353</b>

\* Data not available at the time of printing

The 2020/2021 sales tax estimates consider recent trends in sales tax collections. The increase is attributable to favorable economic conditions affecting retail trade. As you can see, construction activity is very cyclical and subject to large swings as the economic climate improves or recedes.

The local sales tax rate is 9.9%. However, 15% of this additional sales tax within cities and towns is allocated to their respective counties and 1% is allocated to the State. For a county to fully share in a city's optional tax, it must impose the optional tax in the unincorporated area at a rate equal to that in the city. The City of University Place levies the full rate allowed by the state (1%), with 15% of this amount allocated to Pierce County and 1% allocated to State Department of Revenue. Therefore, the City's effective sales tax rate is .84% of the total sales tax rate of 9.9%.

### Sales Tax Allocation

State of Washington	6.50%
Regional Transit Authority	1.40%
City of University Place	0.84%
Pierce Transit	0.30%
Public Transporations	0.30%
Pierce County	0.15%
Criminal Justice	0.10%
Pierce County Jail	0.10%
Parks	0.10%
Pierce County 911 Communications	0.10%
State Sales Tax Administration	0.01%
<b>Total</b>	<b>9.90%</b>

### Sales Tax-Parks

In September 2000, the voters of Pierce County approved a sales and use tax increase equal to one-tenth of one percent (0.1%) within Pierce County to provide funds to acquire, improve, rehabilitate, maintain, or develop regional and local parks. Fifty percent of the funds are allocated to the Point Defiance Zoo and Northwest Trek. The remaining fifty percent of the funds are allocated on a per capita basis for parks to Pierce County (with a required match), the Tacoma Metropolitan Park District, and each city and town in Pierce County (except Tacoma). The City of University Place expects to receive \$348,000 and \$354,960 in 2021 and 2022, respectively.

### Admissions Tax

Effective December 1, 1999, the City Council approved a 5% admissions tax on every person who pays an admission charge to any movie theater, golf course, entertainment, or special events activity. The 2021 estimate for admission taxes is \$159,486. The 2022 estimate is \$161,081.

### Utility Tax

During the 1996 budget process and effective March 1, 1997, the City Council approved a 2.5% utility tax levy on the following utilities: cable television, cellular telephones, natural gas, refuse services, and regular telephone services. During the 1999/2000 mid-biennium budget review and effective December 1, 1999, the City Council approved a rate increase to 6%.

The 2021 and 2022 estimates for utility tax remain relatively flat at \$2,033,439 and \$2,021,875, respectively. The schedule below summarizes utility tax revenue collections and estimates between 2018 and 2020.

	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Estimate</b>	<b>2021 Proposed</b>	<b>2022 Proposed</b>
Gas	\$ 357,762	\$ 363,552	\$ 367,236	\$ 362,850	\$ 366,479
Solid Waste Garbage	405,275	429,231	431,000	421,835	426,054
Cable	690,458	668,074	660,000	646,800	633,864
Telephone	157,037	148,842	145,000	142,100	139,258
Cellular	374,861	296,312	280,000	274,400	268,912
Storm Drainage	181,948	182,085	183,618	185,454	187,309
Total	<u>\$ 2,167,341</u>	<u>\$ 2,088,097</u>	<u>\$ 2,066,854</u>	<u>\$ 2,033,439</u>	<u>\$ 2,021,875</u>

Real Estate Excise Tax (REET)

The real estate excise tax of 1.28% is levied on all sales of real estate, measured by the full selling price, including the amount of any liens, mortgages, and other debts given to secure the purchase (RCW 82.46.010). In addition, cities and counties are also authorized to impose a second 0.25% tax. The City levies both the First ¼% and Second ¼% (Optional) REET. The following table illustrates the allocation of real estate excise taxes between the State, County, and City of University Place.

<b>Real Estate Excise Tax</b>	
Public Works Assistance	0.08%
Pierce County Administration	0.02%
City Assistance	0.02%
State of Washington General Fund	1.16%
<b>Total</b>	<b>1.28%</b>
City of University Place First 1/4% Real Estate Excise Tax Account	0.25%
City of University Place Second 1/4% Real Estate Excise Tax Account	0.25%
<b>Grand Total</b>	<b>1.78%</b>

The First ¼% Real Estate Excise Tax (REET) must be spent solely on capital projects that are listed in the capital facilities element of the City’s comprehensive plan. The City has adopted and relied upon its Parks, Recreation, and Open Space Comprehensive Plan element as the foundation for allocating these funds to debt service for qualified projects.

The Second ¼% Real Estate Excise Tax must also be spent solely on capital projects. Capital projects are defined as those public works projects of a local government for the planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems; and the planning, construction, reconstruction, repair, rehabilitation, or improvement of parks. The acquisition of land for parks is not a permitted use of these funds.

Given REET revenues are very cyclical and subject to certain fundamental economic changes that do not occur at the same point every year, the 2021 and 2021 estimates are conservatively projected to total \$1,286,740 and \$1,261,006 respectively.

State Shared Revenues

The state shares fuel and liquor tax revenues with cities and towns after deductions for various purposes have been made. State shared revenues are projected to increase in 2021 and 2022.

## Permits and Licenses

This category consists of franchise fees, business license fees, pet license fees, and revenue generated by the Development Services Division. Included in this category are building permits, mechanical permits, plumbing permits, right-of-way permits and fire fees.

	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Estimate</b>	<b>2021 Proposed</b>	<b>2022 Proposed</b>
Franchise Fees	\$ 3,098,374	\$ 3,219,724	\$ 3,293,980	\$ 3,237,603	\$ 3,261,870
Business License Fees	94,847	93,522	90,000	87,000	87,870
Pet License Fees	43,713	40,650	40,000	40,400	40,804
Alarm Permit Fees	9,959	7,820	6,500	6,000	6,060
Development Services Fees	815,920	760,262	541,633	705,938	698,879
Total	\$ 4,062,813	\$ 4,121,978	\$ 3,972,113	\$ 4,076,941	\$ 4,095,483

The 2021 revenue projections include \$3,237,603 for franchise fees. The 2022 estimate is projected to increase to \$3,261,870. Franchise fees include water and electric fees from Tacoma Public Utilities and sewer fees from Pierce County Sewer. Franchise fee projections also include franchise fees from Comcast Cable, Click! Cable Network for the right to use the City's right-of-way. These cable TV franchise fees are governed by federal law and are levied at a rate of 5% of gross revenues with 80% of the revenue remitted directly to the City and the remaining 20% remitted to the Rainier Cable Commission in support of Public, Education, and Government (PEG) cable programming.

The City also collects refuse franchise fees, primarily from University Place Refuse, Inc., which serves most of the City. However, the City also collects refuse franchise fees from Lakewood Refuse, which serves a small portion of the City. Refuse franchise fees are levied at a rate of 5.0% of gross revenues.

### Development Services Fees

The revenue projections include \$705,938 in 2021 and \$698,879 in 2022 for development services fees. These fees consist of building permit fees, plumbing permit fees, mechanical permit fees, right-of-way fees, plan check fees, and fire fees issued through the City's Development Services Division.

### Other Revenues

Surface Water Management Fees, which are restricted funds, are projected to be \$2,895,374 in 2021 and are projected to increase to \$2,938,799 in 2022.

The SWM Administrative Fee transfer to the general fund police fund covers general governmental services and is projected at \$586,774 in 2021 and \$594,730 in 2022. The overhead rate used is 16.5% and was determined using a study performed by Management Consultants to establish a rate that would meet federal OMB regulations.

Court Fees, received as part of our contract with Pierce County, are projected to be \$75,000 in 2021 and \$75,750 in 2022.

The City pools its available cash and invests the money in the State pool. Additionally, a small portion of undesignated cash is invested government bonds. All interest income is deposited into the General Fund.

Interfund transfers are contributions from one City fund to another in support of the activities of the receiving fund. The interfund transfers are needed because tax revenue received in one state mandated fund may be needed to pay for costs charged to another fund, as with the CIP capital construction.

## ECONOMIC CONDITIONS AND OUTLOOK FOR THE FUTURE

### Overview

The City is committed to continued overall low tax levels, higher services, capital improvements, and financial stability. This is the City of University Place's vision and our budget for 2021-2022. The objective of this outlook is to provide the best estimate of the effect of program and economic conditions on the biennial and subsequent year budgets. It is particularly valuable in showing the relationship and effect on major components of the City's financial system and in summarizing otherwise widely dispersed information on national, regional, and local economic trends.

### Economic Trends

#### National

Both the national economy and the Puget Sound region continued to flourish in 2019. The US Bureau of Economic Analysis reported that the Real Gross Domestic Product increased 2.1 percent in the fourth quarter of 2019. This is a decrease from 2.6 percent in 2018.

The Bureau of Labor Statistics reported that from December 2018 to December 2019, the Consumer Price Index for All Urban Consumers (CPI-U) rose 2.3 percent. This is up from 1.9 percent in 2018 and 2.1 percent in 2017.

Housing activity in Pierce County slowed in 2019. New listings declined 9.1 percent compared to 2018, with closed sales falling 5.6 percent. Active listing in the fourth quarter of 2019 were 52 percent lower than a year earlier, leaving the county's housing market with .7 months of inventory, compared to 1.7 months of inventory in the fourth quarter of 2018. Locally, the City issued 66 new single-family residential permits and 1 Duplex permit in 2019, compared to 41 issued in 2018.

During 2019 the National Unemployment Rate was 3.6 percent according to the Bureau of Labor Statistics. Pierce County unemployment has decreased from 5.3 percent in 2018 to 5.1 percent

#### City of University Place

University Place saw increase in permit activity in 2019. The city issued 1,047 permits 2019, compared to a 972 issued in 2018. Development activity in University Place is still showing mild strength with several large housing developments and the remodeling of existing homes.

The City's economic development strategy continues to focus on broadening and growing the City's tax base to ensure continued city services. Since the City implemented an aggressive economic development program five years ago, several successful initiatives were launched. The strategies have included the more visible and significant projects such as Town Center and the redevelopment of larger commercial areas, as well as business assistance and networking programs targeting small to moderate sized businesses, including the half of U.P. businesses that are home-based.

The total number of licensed businesses in the City increased to 1,497 in 2019 from 1,463 in 2018. Our top categories of businesses include medical, dental and optical; restaurants and cafes; and personal care salons and spas. University Place continues to have a strong services sector and education sector.

The top ten employers in University Place in 2019 were:

- |   |                                 |
|---|---------------------------------|
| 1. The University Place School District | 6. Charles Wright Academy       |
| 2. Franciscan Health System             | 7. Whole Foods                  |
| 3. West Pierce Fire & Rescue            | 8. University Place Care Center |
| 4. Fred Meyer                           | 9. Safeway Stores, Inc.         |
| 5. Pierce County Government             | 10. Kemper Sports               |

To address the revenue reductions resulting from the recession, the City substantially reduced staff and expenditures in 2009 and has maintained the reduced service levels through 2019 despite the economic recovery. To ensure that the City has resources sufficient to meet all financial and legal obligations the City maintains a five-year financial forecast, which it updates annually.

The City's financial forecast shows that the City will have sufficient revenues to meet all obligations through the 10-year forecasted period with the exception of the Street Fund which goes negative in 2025. In 2019 the voters approved Initiative 976 which eliminated the imposition of the city's Transportation Benefit Fee. Staff is monitoring it closely and has been working on a plan to address the revenue shortfall. Options include reducing service levels and reducing staffing levels.

At the time of publication of this document the full impact to City revenues due to Covid19 is unknown, but we can reasonably anticipate reduced Sales Tax, Fuel Tax, Admissions Tax, and Gambling Tax revenues. Staff has identified cuts to 2020 budgets to offset the revenue loss.

Chambers Bay Golf Course – This championship caliber 18-hole links style regional destination golf course opened in June 2007 to rave reviews. The course has hosted the 2010 U.S Amateur Open Golf Tournament and the 2015 U.S. Open. Both were highly successful. The golf course is part of the overall Chambers Creek Master Site Plan that includes walking and bike trails, botanical gardens, boat launch, off-leash dog park, ballfields, playgrounds and a pedestrian bridge over the railroad that opened two miles of beach along the Puget Sound to public access.

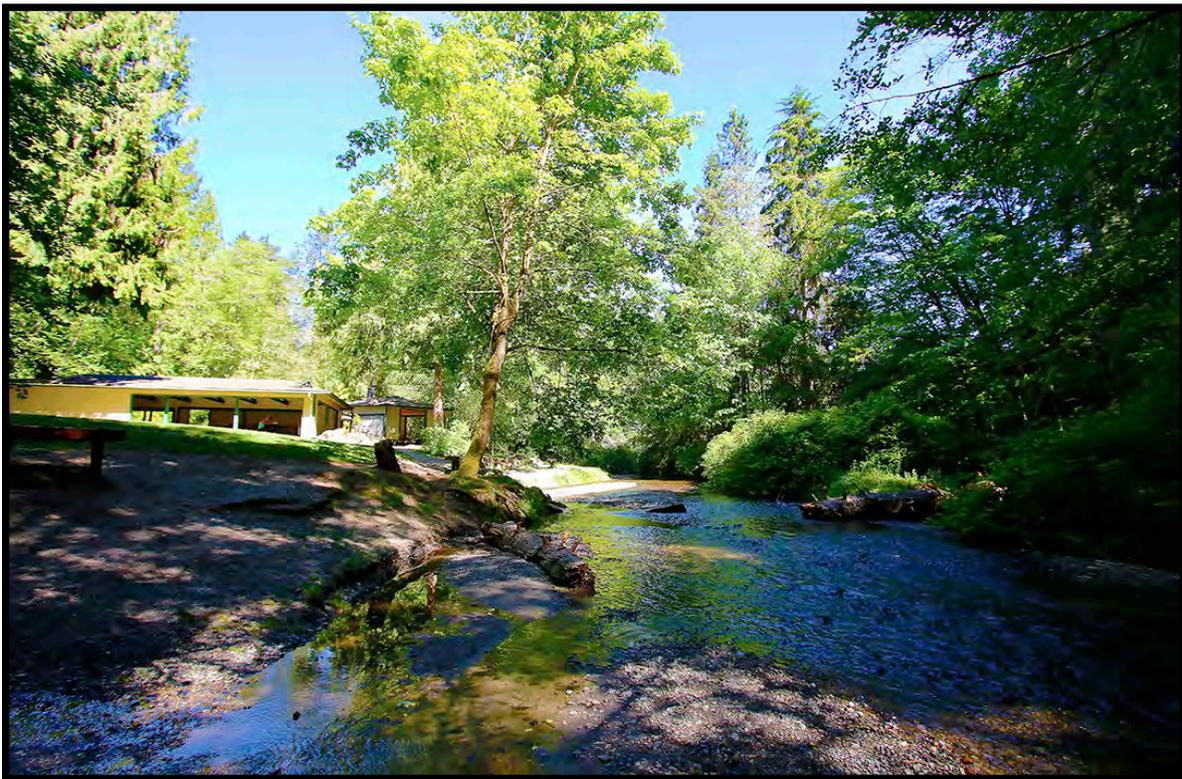
The combination of these great successes and the Council's commitment to responsible governance have already produced results. The City's finances are on stronger ground than they have been in a decade. We fully expect that this dramatic turnaround will continue in 2021 and beyond, and the City will continue to be a community of choice in Pierce County.

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# OPERATING EXPENDITURES BY DEPARTMENT

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**KOBAYASHI PROPERTY**

**PHOTO INFORMATION: KOBAYASHI PROPERTY**

The Kobayashi Property is a 5.5-acre, heavily wooded site at the confluence of Leach and Chambers Creeks. The City was able to purchase this property in 2001 with monies received from Pierce County Conservation Futures and the Inter Agency Committee for Outdoor Recreation (IAC).

## CITY COUNCIL

### Mission and Responsibilities

The seven-member City Council is responsible to all citizens for policy direction, City legislation, and governance of the community. The Council Members are elected at-large by position. The Council selects from its members a Mayor and a Mayor Pro-Tem as Council Officers to preside at Council meetings and to sign orders of the Council. The Council Members represent the overall community at various intergovernmental meetings and community events. The Mayor and Council appoint the City's advisory boards and commissions. The Council appoints a City Manager to carry out its policies, and to oversee day-to-day operations.

### Goals/Major Objectives

- A safer, more livable community
- Increased community economic vitality
- Better financial conditions
- Greater citizen trust and confidence

### Highlights and Changes

- Develop policy to support Goals
- Better infrastructure
- Improved public safety
- A full-service, self-sufficient community
- Improved business climate

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
<b>Expenditure by Object</b>							
Salaries & Wages	\$ 122,976	\$ 127,200	\$ 122,976	\$ 143,976	\$ 139,872	\$ 139,872	\$ 122,976
Benefits	25,745	24,236	28,370	28,370	25,268	30,016	26,286
Supplies	5,730	6,105	4,700	4,700	3,101	5,450	5,450
Services & Charges	33,222	14,739	41,712	40,712	14,735	37,650	37,650
<b>Total Operating Expenditures</b>	<b>\$ 187,673</b>	<b>\$ 172,280</b>	<b>\$ 197,758</b>	<b>\$ 217,758</b>	<b>\$ 182,976</b>	<b>\$ 212,988</b>	<b>\$ 192,362</b>
<b>Personnel</b>							
Mayor	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Mayor Pro-Tem	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Councilmembers	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Councilmember Pro-Tem	-	-	-	1.00	1.00	1.00	-

## CITY MANAGER

### Mission and Responsibilities

The City Manager is the City’s Chief Executive Officer responsible to the City Council for implementing Council policy, and for the overall management and administration of the City’s operations and capital programs. The City Manager’s Office is also responsible for Community and Intergovernmental relations. Community Events and Beautification are also part of the City Manager Department.

### Goals/Major Objectives

- Implement Council goals
- Monitor and manage City budget
- Enhance and support economic stability
- Successful community and government relations

### Highlights and Changes

- Lead staff according to the Council Goals as defined by the City Council
- Provide services and capital programs at budgeted service levels

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
<b>Expenditure by Object</b>							
Salaries & Wages	\$ 259,415	\$ 278,854	\$ 306,106	\$ 321,106	\$ 309,899	\$ 312,873	\$ 331,760
Benefits	104,201	110,304	122,686	122,686	112,276	118,995	125,988
Supplies	4,388	7,673	2,550	2,550	2,068	3,350	3,350
Services & Charges	78,573	42,119	45,180	67,680	3,293	71,530	44,530
Internal Service Charges	39,252	46,390	52,097	49,545	49,545	53,791	53,013
Total City Manager Department	485,829	485,340	528,619	563,567	477,081	560,539	558,641
Beautification	19,415	24,752	29,500	29,500	11,085	29,500	29,500
Community Events	43,406	128,065	102,802	178,653	81,856	242,551	157,551
<b>Total Operating Expenditures</b>	<b>\$ 548,650</b>	<b>\$ 638,157</b>	<b>\$ 660,921</b>	<b>\$ 771,720</b>	<b>\$ 570,022</b>	<b>\$ 832,590</b>	<b>\$ 745,692</b>
<b>Personnel</b>							
Full Time Equivalents	2.00	2.00	2.00	2.00	2.00	2.00	2.00

## City Attorney

### Mission and Responsibilities

The City Attorney provides legal advice to the Council, City staff, and other City officials. The City Attorney's office reviews City ordinances, resolutions and contracts, advises Council and staff at public meetings, and assists in the review of long-range planning and land use development proposals. This Office strives to ensure that City actions are legally defensible, comply with current law, and minimize exposure to adverse judgments. The Office also supports the City's risk management, emergency management, and economic development programs.

### Goals/Major Objectives

- Support City efforts for fair and consistent enforcement of land use and other codes, and provide timely and appropriate input to the City's long-range planning activity
- Draft and review contracts, franchises, interlocal agreements, City policies, and other documents
- Represent City interests in administrative hearings and litigation
- Support the City's risk management and emergency management programs
- Provide assistance and review to the City's public disclosure role
- Draft, review and interpret all City legislation

### Highlights and Changes:

Continued emphasis on improving public safety regulations, code enforcement and economic development.

	2018		2019			2020			2021		2022	
	Actual	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed	Proposed	Proposed		
<b>Expenditure by Object</b>												
Salaries & Wages	\$ 201,939	\$ 215,774	\$ 231,263	\$ 231,263	\$ 229,924	\$ 239,409	\$ 252,756					
Benefits	75,776	80,055	88,626	88,626	82,013	86,476	91,240					
Supplies	521	468	1,145	1,145	995	1,045	1,045					
Services & Charges	15,164	17,850	46,750	48,250	12,550	47,650	47,650					
Intergovernmental	426	-	1,500	-	-	-	-					
Internal Service Charges	39,252	49,390	50,097	47,545	47,545	53,791	53,013					
<b>Total Operating Expenditures</b>	<b>\$ 333,078</b>	<b>\$ 363,537</b>	<b>\$ 419,381</b>	<b>\$ 416,829</b>	<b>\$ 373,027</b>	<b>\$ 428,371</b>	<b>\$ 445,704</b>					
<b>Personnel</b>												
Full Time Equivalents	2.00	2.00	2.00	2.00	2.00	2.00	2.00					

## EXECUTIVE DIRECTOR – FINANCE AND ADMINISTRATIVE SERVICES

### Mission and Responsibilities

Finance & Administrative Services, which provides administrative services support to the community and City departments, consists of one department (Finance) and two divisions (City Clerk and Communications & Information Technology). The Finance & Administrative Services Director’s Office is responsible for coordinating the City’s administrative services, leading the City’s intergovernmental and community outreach efforts, and supporting the City Council’s and City Manager’s major strategic initiatives.

### Goals/Major Objectives

- Direct Finance & Administrative Service Department in support of major Council initiatives
- Assist the Council and City Manager in support of City’s community outreach goals
- Support the Council in City’s intergovernmental relations efforts

### Highlights and Changes

- Support Council’s economic development efforts in developing incentives based on various revenue models

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
<b>Expenditure by Object</b>							
Salaries & Wages	\$ 89,581	\$ 99,357	\$ 102,571	\$ 102,571	\$ 101,176	\$ 103,248	\$ 114,067
Benefits	26,842	28,980	29,636	29,636	29,253	29,945	32,689
Supplies	138	-	125	125	75	125	125
Services & Charges	898	2,161	1,550	1,550	1,500	1,500	1,500
Internal Service Charges	11,776	14,817	15,029	14,264	14,264	16,136	15,904
<b>Total Operating Expenditures</b>	<b>\$ 129,235</b>	<b>\$ 145,315</b>	<b>\$ 148,911</b>	<b>\$ 148,146</b>	<b>\$ 146,268</b>	<b>\$ 150,954</b>	<b>\$ 164,285</b>
<b>Personnel</b>							
Full Time Equivalents	0.60	0.60	0.60	0.60	0.60	0.60	0.60

## FINANCE AND BUDGET

### Mission and Responsibilities

Finance and Budget is responsible to the City Manager for accounting, budget, purchasing, risk management, fleet management, debt management, grants management and investment of public funds. The department prepares all the City's financial reports, including the Comprehensive Annual Financial Report, monthly cash flow worksheets and quarterly financial reports. These reports are used by the City Council, regulatory agencies, and the public to evaluate the overall financial status of the City. Finance also provides budget development support to staff in preparation of the biennial budget.

### Goals/Major Objectives

- Enhance Economic Stability by maintaining current service levels and capital on a pay-as-we-go basis
- Continue improving financial processes and systems to reduce errors and increase efficiency
- Provide financial analyses that help shape City policy and decision-making
- Increase City financial viability and enhance City's reserves
- Continue to update long-term financial forecast
- Review and update financial policies when needed

### Highlights and Changes

- Testing a forecasting software to more accurately project revenues and expenditures in our 10-year forecasting model

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
<b>Expenditure by Object</b>							
Salaries & Wages	\$ 321,714	\$ 344,769	\$ 369,872	\$ 369,872	\$ 368,150	\$ 389,422	\$ 413,256
Benefits	118,913	124,015	157,643	135,316	128,007	135,620	143,576
Supplies	1,750	3,945	6,550	6,550	3,550	6,700	6,700
Services & Charges	107,276	177,857	132,420	212,240	197,999	216,950	221,171
Intergovernmental	73,256	-	77,320	-	-	-	-
Internal Service Charges	70,956	87,664	89,871	85,406	85,406	96,335	95,973
<b>Total Operating Expenditures</b>	<b>\$ 693,865</b>	<b>\$ 738,250</b>	<b>\$ 833,676</b>	<b>\$ 809,384</b>	<b>\$ 783,112</b>	<b>\$ 845,027</b>	<b>\$ 880,676</b>
<b>Personnel</b>							
Full Time Equivalents	3.50	3.50	3.50	3.50	3.50	3.50	3.50

## CITY CLERK/RECEPTION

### Mission and Responsibilities

The City Clerk’s Office is responsible for the support of City Council meetings. Support includes the creation of agendas, packets, minutes, and noticing of all public meetings. The City’s Municipal Code and the Policies and Procedures Manual are maintained by this Office. The City Clerk’s Office is also responsible for City-wide records management, public records requests, business licensing and the reception desk.

### Goals/Major Objectives

- Council meetings are supported and accurately recorded
- Public records requests are processed in accordance with State laws
- City-wide records are maintained in compliance with all applicable laws
- Efficient and courteous customer service is provided to the public

### Highlights and Changes

- Improve service delivery and efficiency through technology
- Work with departments to reduce records retention costs

Expenditure by Object	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
Salaries & Wages	\$ 198,917	\$ 213,108	\$ 230,089	\$ 230,089	\$ 230,179	\$ 234,024	\$ 243,679
Benefits	71,168	75,471	82,348	82,348	84,794	90,842	95,104
Supplies	539	327	1,200	1,200	100	800	800
Services & Charges	17,328	21,481	23,580	23,680	11,473	24,900	23,900
Intergovernmental	-	-	100	-	-	-	-
Internal Service Charges	53,972	102,078	68,884	65,375	65,375	73,963	72,893
Election Services	54,957	73,505	64,200	64,200	73,500	101,175	64,200
<b>Total Operating Expenditures</b>	<b>\$ 396,881</b>	<b>\$ 485,970</b>	<b>\$ 470,401</b>	<b>\$ 466,892</b>	<b>\$ 465,421</b>	<b>\$ 525,704</b>	<b>\$ 500,576</b>
<b>Personnel</b>							
Full Time Equivalents	2.75	2.75	2.75	2.75	2.75	2.75	2.75

## COMMUNICATIONS/UPTV

### Mission and Responsibilities

The Communications Division is dedicated to serving the public’s needs of providing current information about what is happening in their community and where to go for city services via print, website, television, and digital technologies. This is accomplished by helping City staff achieve their communications objectives in a timely, responsive manner with a high degree of professionalism.

The primary responsibilities of the Communications Division include facilitation and management of the City’s “Headlines” electronic newsletter; facilitation and production of programming for University Place Television, a 24/7 government channel available citywide on Click! Channel 12 and Comcast Channel 21; development and maintenance of the University Place website at [www.CityofUP.com](http://www.CityofUP.com); facilitation of the City’s social media outlets; and advancement of the City’s image, identity, projects, and programs using available media platforms and digital technologies.

### Goals/Major Objectives

- Communicate timely and current information to citizens through City print and electronic publications, website, UPTV and social media
- Promote the City as a livable, desirable destination and align messages with City Council visions
- Enhance the City’s brand, image, and identity during the implementation of messaging for print and electronic publications, website, UPTV and social media
- Provide support for city events, activities, and projects, including event promotion and recording, and community outreach

### Highlights and Changes

- Continue coverage of Regular Council Meetings twice monthly
- Continue bi-weekly production of “Headlines” electronic newsletter
- Continue timely and appropriate City messaging through social media platforms and digital technologies
- Provide support for City staff, Commissions and City Council for virtual public meetings
- Provide support for the City’s website to ensure that CityofUP.com is reflective of the City’s image, identity, projects, and programs

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
<b>Expenditure by Object</b>							
Salaries & Wages	\$ 86,149	\$ 90,948	\$ 103,641	\$ 103,641	\$ 102,432	\$ 112,306	\$ 118,332
Benefits	34,344	36,318	40,062	40,062	37,024	38,927	41,129
Supplies	461	7,980	2,600	6,600	5,003	4,600	4,600
Services & Charges	106,343	94,730	151,140	154,340	88,602	159,460	162,235
Capital	42,374	153,568	21,000	168,985	168,985	21,000	21,000
Intergovernmental	3,036	-	3,200	-	-	-	-
Internal Service Charges	19,626	24,694	25,050	23,774	23,774	26,895	26,507
<b>Total Operating Expenditures</b>	<b>\$ 292,333</b>	<b>\$ 408,238</b>	<b>\$ 346,693</b>	<b>\$ 497,402</b>	<b>\$ 425,820</b>	<b>\$ 363,188</b>	<b>\$ 373,803</b>
<b>Personnel</b>							
Full Time Equivalents	1.00	1.00	1.00	1.00	1.00	1.00	1.00

## INFORMATION TECHNOLOGY (IT)

### Mission and Responsibilities

A successful IT staff will lead and support this City's organization in the appropriate application of existing and emerging technologies required to effectively and efficiently share and protect information, and to develop, operate and maintain a secure and stable IT infrastructure that will enhance and enable its staff, managers, and officials to provide the highest level of service to the citizens of the City of University Place.

### Goals/Major Objectives

- Maintain cost efficient, reliable, and secure network and computer services
- Expand cloud first initiatives
- Electronic Content Management (ECM) implementation
- ERP planning and implementation

### Highlights and Changes

- Cloud first initiative
- ERP update

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
<b>Expenditure by Object</b>							
Salaries & Wages	\$ 233,129	\$ 232,121	\$ 281,895	\$ 281,895	\$ 268,446	\$ 279,691	\$ 293,095
Benefits	34,081	96,603	109,152	109,152	109,623	115,559	121,539
Supplies	48,039	53,570	90,120	97,640	122,541	153,320	156,120
Services & Charges	428,557	487,076	556,197	723,197	693,721	649,689	635,432
Capital	-	53,370	40,000	546,000	546,000	100,000	-
<b>Total Operating Expenditures</b>	<b>\$ 743,806</b>	<b>\$ 922,740</b>	<b>\$ 1,077,364</b>	<b>\$ 1,757,884</b>	<b>\$ 1,740,331</b>	<b>\$ 1,298,259</b>	<b>\$ 1,206,186</b>
<b>Personnel</b>							
Full Time Equivalents	3.00	3.00	3.00	3.00	3.00	3.00	3.00

## PUBLIC WORKS MAINTENANCE & OPERATIONS

### Mission and Responsibilities

The mission of Public Works Operations is to protect and maintain the City's infrastructure and assets, including all public rights of way. This division ensures the safe and efficient functionality of our streets, sidewalks, storm drainage, and public facilities and equipment.

### Goals/Major Objectives

- Respond to all citizen concerns within 48 hours
- Repair and maintain all City infrastructures ensuring safe mobility and protecting City assets
- Repair and maintain City owned Facilities: Civic Building, City Hall, Parking Garage, Public Works Facility and Town Center properties

### Highlights and Changes

- Perform 300 tons of Street Asphalt Patching
- Perform 1,500 gallons of Asphalt Crack Sealing
- Maintain
  - 208 Lane Miles of Public Roadway
  - 2,800 Street Trees
  - 1,455 Street Lights
  - 1.22 million square feet of Landscaping
  - 4,500 Storm Drainage Structures
  - 45 Storm Drainage Ponds
  - 41 miles of Bike Lanes
  - 39 miles of Sidewalks
  - 18 Signalized Intersections
  - 11 Signalized Crosswalks
  - 6 Bridges

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
<b>Expenditure by Object</b>							
Salaries & Wages	\$ 747,433	\$ 789,876	\$ 863,793	\$ 863,793	\$ 851,515	\$ 923,417	\$ 963,002
Benefits	334,007	350,601	400,279	400,279	382,102	389,501	408,175
Supplies	141,518	154,144	185,500	216,932	144,732	200,660	200,660
Services & Charges	451,113	956,119	451,042	696,546	655,732	759,128	760,933
Intergovernmental	155,237	-	822,165	-	-	-	-
Capital	5,013	13,660	-	-	-	-	-
Internal Service Charges	254,369	309,267	350,215	335,520	335,220	335,442	332,409
<b>Total Operating Expenditures</b>	<b>\$ 2,088,690</b>	<b>\$ 2,573,667</b>	<b>\$ 3,072,994</b>	<b>\$ 2,513,070</b>	<b>\$ 2,369,301</b>	<b>\$ 2,608,148</b>	<b>\$ 2,665,179</b>
<b>Personnel</b>							
Full Time Equivalents - Maintenance & Operations	9.30	9.30	9.30	9.30	9.30	9.30	9.30

## PARKS MAINTENANCE

### Mission and Responsibilities

The mission of Parks Operations is to enrich and enhance the quality of life within the community by protecting and maintaining a comprehensive park system. Parks properties include: Adriana Hess Wetland Park, Brookside Park, Cirque Park, Colegate Park, Colegate Playground, Conservation Park, Creekside Park, Curran Apple Orchard Park, Homestead Park, Kobayashi Park, Leach/Peach Creek Corridor, Paradise Pond Park, Riconosciuto Open Space, Sunset Terrace Park, UPP Play Area and Woodside Pond. The facilities, parks and open spaces allow for a variety of leisure time opportunities to meet the diverse needs of the community.

### Goals/Major Objectives

- Respond to all of citizen concerns within 36 hours
- All parks are safe, clean, inviting, and useable
- Strengthen community image and sense of place

### Highlights and Changes

- Operate & Maintain 133.02 acres of parks and open space including three restroom facilities and three picnic shelters
- Maintain 750,670 square feet of turf and landscape

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
<b>Expenditure by Object</b>							
Salaries & Wages	\$ 197,692	\$ 210,221	\$ 224,713	\$ 224,713	\$ 224,255	\$ 235,366	\$ 250,522
Benefits	98,272	94,347	111,089	111,089	98,498	103,591	109,698
Supplies	26,359	36,178	43,900	56,074	42,474	54,400	46,400
Services & Charges	156,542	226,809	164,266	204,827	128,490	196,507	186,185
Intergovernmental	111,365	112,113	112,755	111,219	111,219	-	-
Internal Service Charges	68,621	85,255	87,247	83,419	83,419	92,687	91,520
<b>Total Operating Expenditures</b>	<b>\$ 658,851</b>	<b>\$ 764,923</b>	<b>\$ 743,970</b>	<b>\$ 791,341</b>	<b>\$ 688,355</b>	<b>\$ 682,551</b>	<b>\$ 684,325</b>
<b>Personnel</b>							
Full Time Equivalents	3.00	3.00	3.00	3.00	3.00	3.00	3.00

## PROPERTY MANAGEMENT

### Mission and Responsibilities

The Property Management Division is responsible for management of all City owned facilities including rental units. Operation, maintenance & repairs, tenant relations, janitorial services, and capital replacement planning. Ensuring City owned facilities provide a safe and comfortable environment for employees and citizens well into the future.

### Goals/Major Objectives

- Buildings maintained in a cost-efficient manner
- Capital replacement plan funding
- Strengthen community image and sense of place
- City Hall provides a sense of community pride

### Highlights and Changes

- Maintenance and Operation of Civic Building, City Hall, Parking Garage, Operations Facility, and other City facilities

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
<b>Expenditure by Object</b>							
Salaries & Wages	\$ 58,157	\$ 62,721	\$ 59,183	\$ 67,353	\$ 61,735	\$ 68,351	\$ 70,734
Benefits	13,868	24,727	28,624	28,624	16,119	25,044	26,235
Supplies	20,908	60,579	29,324	11,206	1,200	30,214	30,214
Services & Charges	542,784	629,425	532,682	568,888	524,532	660,148	634,336
<b>Total Operating Expenditures</b>	<b>\$ 635,717</b>	<b>\$ 777,452</b>	<b>\$ 649,813</b>	<b>\$ 676,071</b>	<b>\$ 603,586</b>	<b>\$ 783,757</b>	<b>\$ 761,519</b>
<b>Personnel</b>							
Full Time Equivalents	0.70	0.70	0.70	0.70	0.70	0.70	0.70

# ENGINEERING

## Mission and Responsibilities

Engineering Services is responsible for managing transportation and surface water management capital improvement projects; providing transportation planning and design; administering the development engineering permits and activities; and performing the City’s field engineering support. Engineering Services also collects and analyzes traffic data, responds to citizen concerns related to transportation and surface water management, applies for and administers grants for capital projects, and maintains the required bridge inspection program.

## Goals/Major Objectives

- Improve the City’s transportation system for all modes of travel
- Seek out grant opportunities for funding of transportation improvements
- Review and update the City’s Transportation Improvement Plan and Surface Water Management Plan

## Highlights and Changes

- Storm water management continues to be a point of emphasis, including NPDES II permit compliance
- Major grant funded projects: Cirque Drive/56<sup>th</sup> St Phase 3, 35<sup>th</sup> Street Improvements, 67<sup>th</sup> Ave Improvements, Lakewood Drive Overlay, and Chambers Creek Road

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
<b>Expenditure by Object</b>							
Salaries & Wages	\$ 428,794	\$ 514,473	\$ 531,524	\$ 456,524	\$ 509,426	\$ 548,446	\$ 586,017
Benefits	52,465	216,582	243,569	243,569	195,425	215,563	230,357
Supplies	2,812	7,065	22,550	82,550	8,950	27,800	87,800
Services & Charges	23,049	50,007	78,700	155,700	115,670	295,400	155,400
Intergovernmental	33,893	-	77,000	-	-	-	-
Internal Service Charges	113,829	133,555	138,255	131,863	131,863	147,108	145,558
<b>Total Operating Expenditures</b>	<b>\$ 654,842</b>	<b>\$ 921,682</b>	<b>\$ 1,091,598</b>	<b>\$ 1,070,206</b>	<b>\$ 961,334</b>	<b>\$ 1,234,317</b>	<b>\$ 1,205,132</b>
<b>Personnel</b>							
Full Time Equivalents	5.01	5.01	5.01	5.01	5.01	5.01	5.01

## DIRECTOR’S OFFICE – COMMUNITY & ECONOMIC DEVELOPMENT

### Mission and Responsibilities

Community and Economic Development consists of three departments (Economic Development, Police and Public Safety and Development Services) and one division (Human Resources). The Community & Economic Development Director’s Office is responsible for coordinating higher level management and support to Department Directors and Managers to ensure implementation of Council goals and City Manager initiatives and directives.

### Goals/Major Objectives

- Ensure completion of current Council goals and City Manager initiatives
- Provide coordination and interpretation of policies as they apply to Department work plans

### Highlights and Changes

- Implement Regional Growth Center Subarea Plan Action Plan including Form Based Code and Four Corners
- Assist in the coordination of Council Sub-Committees: 25-year Celebration and Vision 2045
- Assist in coordination of CARES Funding for businesses and residents

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
<b>Expenditure by Object</b>							
Salaries & Wages	\$ 77,510	\$ 81,891	\$ 84,298	\$ 84,298	\$ 83,850	\$ 85,384	\$ 94,362
Benefits	20,743	26,677	23,239	23,239	26,615	27,424	29,845
Supplies	95	17	375	375	300	275	275
Services & Charges	2,112	2,334	3,800	3,800	700	1,625	1,625
Internal Service Charges	9,813	12,346	12,524	11,886	11,886	13,448	13,253
<b>Total Operating Expenditures</b>	<b>\$ 110,273</b>	<b>\$ 123,265</b>	<b>\$ 124,236</b>	<b>\$ 123,598</b>	<b>\$ 123,351</b>	<b>\$ 128,156</b>	<b>\$ 139,360</b>
<b>Personnel</b>							
Full Time Equivalents	0.50	0.50	0.50	0.50	0.50	0.50	0.50

## ECONOMIC DEVELOPMENT

### Mission and Responsibilities

The Economic Development Office implements goals related to economic development and the Economic Development Strategic Action Plan. This Office is charged with expanding the City’s tax base and employment and increasing private investment through business growth and development. The Office provides business assistance to retain and expand local businesses, and redevelopment of targeted commercial hubs including Town Center. The Office also facilitates and participates in discussions with property owners and developers to encourage optimal land use within the Regional Growth Center Subareas. The Office works in partnership with other organizations to encourage business networking, marketing, and interaction. The Economic Development Office takes every opportunity to promote and market the community as a great place for business.

### Goals and Major Objectives

- Focus on business retention and expansion
- Increase jobs and employment opportunities for residents
- Expand retail base and shopping opportunities for UP residents
- Promote the full utilization of commercial properties within the City
- Implement the Comprehensive Plan to accommodate growth and ensure a high quality of life for UP residents
- Maintain and encourage business networking, interaction, and marketing

### Highlights and Changes

- Assist in implementing recommendations for sub-area districts including facilitation of property owner discussions
- Emphasis on business outreach focused on retention and expansion
- Emphasis on supporting the continued development of the Village at Chambers Bay and other Town Center properties

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
<b>Expenditure by Object</b>							
Salaries & Wages	\$ 115,164	\$ 121,899	\$ 127,040	\$ 127,040	\$ 125,519	\$ 128,197	\$ 135,703
Benefits	40,051	47,043	45,714	45,896	47,158	48,917	52,286
Supplies	2,031	1,610	1,145	1,145	668	925	925
Services & Charges	46,278	21,186	39,911	39,911	30,327	40,581	27,581
Internal Service Charges	19,626	24,694	25,050	23,774	23,774	26,895	26,507
<b>Total Operating Expenditures</b>	<b>\$ 223,150</b>	<b>\$ 216,432</b>	<b>\$ 238,860</b>	<b>\$ 237,766</b>	<b>\$ 227,446</b>	<b>\$ 245,515</b>	<b>\$ 243,002</b>
<b>Personnel</b>							
Full Time Equivalents	1.00	1.00	1.00	1.00	1.00	1.00	1.00

## HUMAN RESOURCES

### Mission and Responsibilities

The Human Resources Office strives to achieve competent and timely administration of the following areas: employee recruitment, compensation and benefits, employee training and development, labor relations, personnel policies review and updates, compliance with federal and state labor laws, job description reviews and updates, and analysis pertinent to human resources issues as well as provide analytical support on general management issues and for other departments as needed.

### Goals/Major Objectives

- Retain and develop quality employees using all available resources
- Compliance with federal and state employment requirements
- Provide accurate analysis and quality support on management and cross-departmental projects

### Highlights and Changes:

- Modernize training provisions that more closely align to current conversations around equity, bias, and social justice
- Implement any requirements pertaining to the COVID-19 pandemic for staff and public safety
- Review and implement any requirements related to newly modeled teleworking strategies
- Implement a fully developed succession plan

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
<b>Expenditure by Object</b>							
Salaries & Wages	\$ 192,995	\$ 185,708	\$ 205,292	\$ 205,292	\$ 214,698	\$ 223,053	\$ 234,679
Benefits	82,934	83,140	92,927	92,927	90,047	94,795	99,861
Supplies	4,299	5,586	5,000	5,000	2,700	4,600	4,600
Services & Charges	12,142	16,084	61,116	62,941	28,585	61,374	64,399
Unemployment Compensation	10,948	18,626	15,000	15,000	10,000	15,000	15,000
Intergovernmental	11	-	1,825	-	1,825	1,825	1,825
Internal Service Charges	39,252	49,390	50,097	47,545	47,545	53,791	53,013
City-wide Training	928	1,985	15,000	15,000	7,000	15,000	15,000
<b>Total Operating Expenditures</b>	<b>343,509</b>	<b>360,519</b>	<b>446,257</b>	<b>443,705</b>	<b>402,400</b>	<b>469,438</b>	<b>488,377</b>
<b>Personnel</b>							
Full Time Equivalents	2.00	2.00	2.00	2.00	2.00	2.00	2.00

## DEVELOPMENT SERVICES

### Mission and Responsibilities

The Development Services Department carries out two primary functions. First with citizen input and City Council direction, the department maintains the Comprehensive Plan. This plan directs how the City will manage population and economic growth over the next 20 years. Second, the department administers development regulations aimed at implementing the Comprehensive Plan while ensuring a safe, viable and high quality, natural and built environment. Department divisions include Administration, Planning, Building and Fire Code, Development Engineering, Code Enforcement, and Permits

### Goals/Major Objectives

- Implement the Comprehensive Plan
- Achieve optimal cost recovery for City services related to continued development
- Provide responsive assistance to the community through quality customer service
- Effectively administer development regulations to enhance the character of the community
- Expedite permitting through facilitative processes
- Provide effective and fair code enforcement.
- Support development of the Regional Growth Center

### Highlights and Changes

- Continue to manage growth and development
- Develop Regional Growth Center conceptual subarea district plans
- Develop a Housing Action Plan
- Participate in regional planning efforts
- Employ new on-line permit and content management systems.

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
<b>Expenditure by Object</b>							
Salaries & Wages	\$ 860,005	\$ 926,123	\$ 1,002,416	\$ 1,029,179	\$ 960,381	\$ 1,000,817	\$ 1,048,883
Benefits	319,981	361,259	361,518	361,518	349,593	373,857	392,774
Supplies	1,823	2,894	5,700	8,700	2,550	10,175	5,300
Services & Charges	62,478	103,012	84,820	167,920	151,638	85,670	85,670
Internal Service Charges	197,467	234,789	262,083	248,160	248,160	257,793	255,685
Tree Account	-	-	-	4,593	4,593	-	-
<b>Total Operating Expenditures</b>	<b>\$ 1,441,754</b>	<b>\$ 1,628,077</b>	<b>\$ 1,716,537</b>	<b>\$ 1,820,070</b>	<b>\$ 1,716,915</b>	<b>\$ 1,728,312</b>	<b>\$ 1,788,312</b>
<b>Personnel</b>							
Full Time Equivalents	8.50	10.25	10.25	10.50	10.50	10.50	10.50

## FIRE CODE OFFICIAL

### Mission and Responsibilities

The Mission of the Fire Code Official is to protect life and property by ensuring emergency access and fire prevention measures are in place where needed and through enforcement.

The Fire Code Official is responsible for administering the International Fire Code. More specifically the Fire Code Official reviews development and building plans for emergency access, hydrant location, fire suppression systems and fire alarms requirements. During and after construction the Fire Code Official conducts inspections to ensure emergency access and fire systems meet code and are maintained.

### Goals/Major Objectives

- Annual inspections of all A type (assembly) and E type (educational) occupancies
- Biannual inspections all B type (business) occupancies
- Inspect firework stands and special events
- Special Inspections of F type (factory) and H type (hazardous materials) occupancies

### Highlights and Changes

- Working with business owners to upgrade and/or maintain fire suppression systems.
- Educating the public on fire code requirements.
- Supporting the Building Official in the review and inspection of new construction
- Assisting the Code Enforcement Officer with complaints when fire hazards may exist
- Technical Review Committee

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
<b>Expenditure by Object</b>							
Salaries & Wages	\$ 48,619	\$ 51,375	\$ 54,914	\$ 54,914	\$ 54,315	\$ 55,323	\$ 56,863
Benefits	5,065	5,339	5,846	5,846	5348	5525	5655
Supplies	-	21	450	450	-	2125	250
Services & Charges	568	921	1,295	1,295	848	1595	1595
Internal Service Charges	22,259	25,460	13,835	14,611	14611	28206	27818
<b>Total Operating Expenditures</b>	<b>\$ 76,511</b>	<b>\$ 83,116</b>	<b>\$ 76,340</b>	<b>\$ 77,116</b>	<b>\$ 75,122</b>	<b>\$ 92,774</b>	<b>\$ 92,181</b>
<b>Personnel</b>							
Full Time Equivalents	0.50	0.50	0.50	0.50	0.50	0.50	0.50

## POLICE AND PUBLIC SAFETY

### Mission and Responsibilities

The mission of the Police and Public Safety Division is to ensure University Place is a safe, livable community with a higher quality of life. The division includes Police, Public Safety, Animal Control, Court, Jail and Emergency Operations. The Police Division will work in cooperation with the Pierce County Sheriff, the Public Safety Commission, South Sound 911 Communications, the University Place Municipal Court, West Pierce Fire, the University Place School District and ultimately for the Citizens of University Place.

### Goals/Major Objectives

- Monitor and improve contracts with Pierce County for police, animal control and jail services
- Strengthen relations and improve information flow with the Fire District and other public safety agencies
- Make improvements in the City-County emergency communications system
- Review and maintain jail and court contracts
- Maintain public/private organizations to improve animal licensing and sheltering services

### Highlights and Changes

- Work to match Citizen’s police service expectations to the available resources
- Maintain School Resource Officer partnership with school district
- Continue outreach to businesses and citizens for increased awareness
- Continue enforcement to achieve our vision to make the Orchard Corridor and Mildred Business District safer
- Further develop a public safety plan for the future of Town Center
- Continue to develop our relationship with Kemper Sports and Pierce County Parks in support of Chambers Bay, the world-wide destination park grounds

Expenditure by Object	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Estimate	Proposed	Proposed
Salaries & Wages	\$ 58,962	\$ 62,721	\$ 70,206	\$ 70,206	\$ 70,042	\$ 72,088	\$ 65,684
Benefits	22,126	23,390	26,026	26,026	24,072	25,202	24,144
Supplies	1,663	7,886	4,350	4,350	3,950	12,350	4,350
Services & Charges	129,348	550,847	157,375	4,114,988	4,117,672	4,213,133	4,327,456
Intergovernmental	3,656,017	3,109,674	4,089,109	-	-	-	-
Internal Service Charges	12,266	15,434	15,656	14,858	14,858	11,890	11,919
Animal Control	126,842	133,060	130,875	130,875	129,000	136,864	140,970
Jail	80,033	139,287	132,613	162,613	82,000	136,591	140,689
Court	285,396	153,321	302,887	251,187	251,187	330,247	287,253
EOC	35,470	29,804	74,073	69,236	40,900	67,699	57,350
<b>Total Operating Expenditures</b>	<b>\$ 4,408,123</b>	<b>\$ 4,225,424</b>	<b>\$ 5,003,170</b>	<b>\$ 4,844,339</b>	<b>\$ 4,733,681</b>	<b>\$ 5,006,064</b>	<b>\$ 5,059,815</b>
<b>Personnel</b>							
Full Time Equivalents	0.63	0.63	0.63	0.63	0.63	0.63	0.63
<b>Contract Personnel</b>							
Police Chief	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Sergeant	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Investigator	-	1.00	1.00	1.00	1.00	1.00	1.00
Patrol Deputies	12.00	12.00	12.00	13.00	13.00	13.00	13.00
School Resource Officer	1.00	1.00	1.00	1.00	1.00	-	-
Administrative Aide	1.00	1.00	1.00	1.00	1.00	1.00	1.00

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# CAPITAL BUDGET

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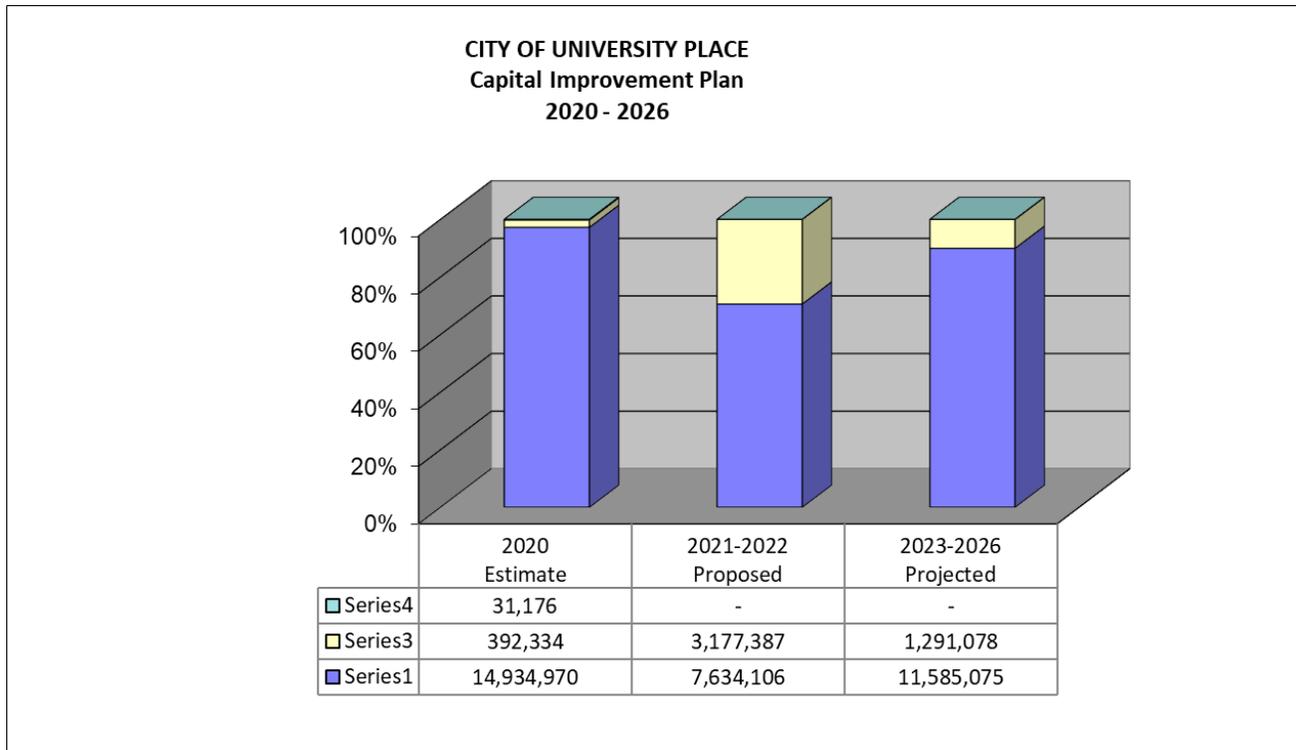
**CIVIC BUILDING AND MARKET SQUARE**

**PHOTO INFORMATION: CIVIC BUILDING AND MARKET SQUARE**

## Overview

The proposed 2021-2022 capital project budget displays all major capital improvement projects in which the City is involved. The capital budget will be devoted primarily to public works and parks improvements.

The CIP plan is a six-year plan – 2021 through 2026 – that includes not only capital needs, but also the associated maintenance and operation requirements. The capital plan identifies all needs for the planning period without specifying a financing plan.



## Revenues

Revenue sources currently used in capital financing consist of:

1. Pay-As-You-Go: Funds currently available include Arterial Street Fund motor vehicle fuel tax monies and carryforward (General Fund savings) from prior operations.
2. Grants and Loans: Lists all grants and loans accordingly and notes matching funds if applicable. These may include, but are not restricted to, FAUS (Federal Aid to Urban Systems) Grants, IAC (Interagency Committee for Outdoor Recreation) Grants, TEA-21 (Transportation Efficiency Act-21<sup>st</sup> Century) Grants, State Grants, TIB (Transportation Improvement Board) Grants, UAB (Urban Arterial Board) Grants, WSDOT (Washington State Department of Transportation) Grants, and Public Works Trust Fund Loans (PWTFLL).
3. Mitigation/Impact Fees: This revenue source includes impact and mitigation fees designated for transportation, park, and other improvements. This funding is to partially finance improvements that shall mitigate the cumulative impacts of growth and development within the City. These revenues may include contributions from private developers, Pierce County, and others made by private sector entities. It will be the department's responsibility to identify this revenue source.
4. User Fees: This revenue source is defined as a payment of a fee for direct receipt of a public service by the person benefiting from the service. These revenues include storm drainage fees and recreation fees. Currently, the City of University Place only collects user fees associated with these services.

## Expenditures

The City defines a CIP project to be any project, which possesses all the following characteristics:

1. Exceeds an estimated cost of \$25,000;
2. Involves new physical construction, reconstruction, replacement of existing system or acquisition of land or structures; and
3. Is financed by the City in whole or in part or involves no City funds but is the City's responsibility for implementing, such as a 100% grant-funded project.

Project cost is an estimate of the resources required to take a project from design through construction, generally consisting of:

- |                                      |                             |
|--------------------------------------|-----------------------------|
| 1. Administration/Agency             | 6. Construction Engineering |
| 2. Pre-design/Special Studies        | 7. Construction Contact     |
| 3. Design Services                   | 8. Construction Other       |
| 4. Environmental                     | 9. Debt Service             |
| 5. Right-of-Way/Property Acquisition | 10. Contingency             |

## **Maintenance and Operating (M & O) Expenditures**

Maintenance and operating costs are planned expenditures covered in the City's proposed budget and may include personnel, supply, and contract costs needed to maintain a completed project. It will be necessary to identify future maintenance and operation costs related to the implementation of completed projects. The purpose of collecting information on potential impacts to the operating fund is to provide a measure of increased services or decreased services directly related to the project. Reliable cost estimates allow the City to better approximate and prepare for the direct long-term expenses that a project may incur. It will be necessary to identify ongoing revenues to finance increased operating costs that may result from the completion of a capital project.

Maintenance and operation (M & O) costs are calculated for each component based upon the type of improvement. The following table illustrates the improvement type and associated M & O cost with each improvement. Maintenance and operation costs are projected to increase 2.0% annually and are included in the respective capital improvement plan as projects are completed.

Improvement	Cost
Neighborhood Parks	\$5,500/acre
Community Parks	\$5,500/acre
Regional Parks	\$5,500/acre
Linear Parks	\$3,000/acre
Open Space Parks	\$ 750/acre
Special Use Parks	\$7,500/acre
Traffic Signal Improvement	\$8,000/acre
Turn Lane Improvement	\$2,500/acre
Road Widening/Extension	\$10,000/mile
New Roads	\$10,000/mile

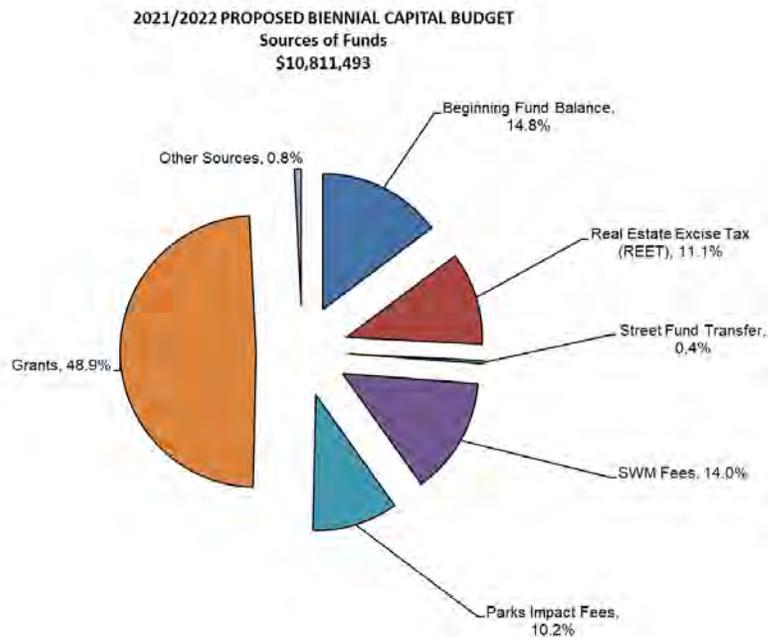
**Budget Policy Guidelines**

In addition to the guidelines provided above, the City has developed comprehensive budget policies and guidelines that specifically address the preparation of a capital budget. These policies can be found in the Budget Guide section of this document.

**2021-2022 PROPOSED CAPITAL BUDGET**

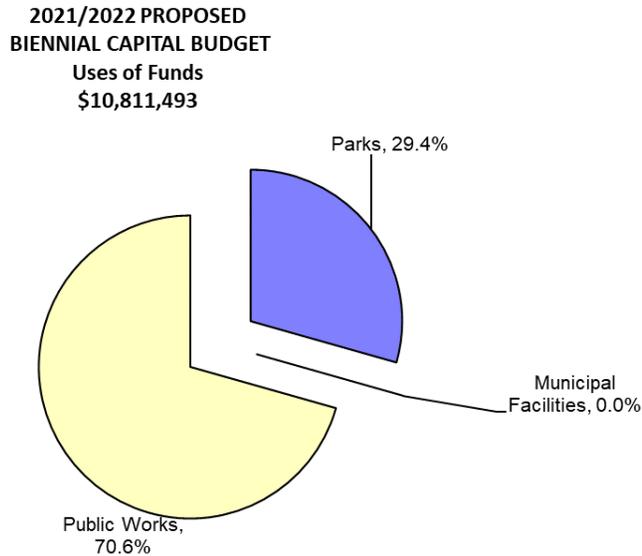
**Revenues and Other Financing**

The largest component of 2021-2022 CIP funding is grants, which accounts for \$5,283,288 or 48.9%. The next largest component of CIP financing is interfund transfers, which accounts for \$2,745,916 or 26.5% and consists of Real Estate Excise Tax (\$1,196,166), Surface Water Management Fees (\$1,509,750), and Street Fund Tax (\$20,000). Beginning Fund Balances total \$1,595,313 or 14.8% of total CIP sources. Impact Fees total \$1,101,976 or 10.2%. The remaining \$85,000 or 0.8% are contributions from private parties and other governments.



**Expenditures and Other Uses**

The 2021-2022 Proposed Capital Budget totals \$10,811,493 (including projected ending fund balances).



The following pages are a more detailed breakdown of each CIP program which includes the LTD and projected projects.

**Project:** This is the name of the project as shown in the CIP. It is generally the location of the improvements being proposed.

**Life-to-Date Expenditures:** This column presents the funds expended in previous years (1996-2019) on the projects and allows for a full accounting of the total costs for the project.

**2020 YE Estimate:** This column presents the estimated funds that will be spent on the different phases of the project in 2020 as adopted by the City Council as part of the 2019-2020 budget.

**2021 - 2022:** These columns present the estimated funds that will be spent on the different phases of the project in 2021 and 2022 budget adopted by the City Council.

**2023 – 2026:** These columns present the estimated funds that would be spent for the various phases of the project in the indicated year (2023 – 2026). The funds and year in which they appear are based on the best available information at this time. The amounts and schedule will be reviewed each year and revised according to project development during the previous year.

## **Parks CIP**

### **Mission and Responsibilities**

Parks CIP is responsible for creating a coordinated park system, which satisfies the community's parks, recreations, and open space needs. Fundamental responsibilities include planning, design, management, and development of park facilities and park projects. Parks CIP also applies for and monitors grants to leverage available park acquisition and capital development dollars. Parks CIP provides support to the Parks, Recreation and Open Space Plan (PROS Plan) through community input, citizen surveys, PRC meetings, and workshops to establish plan and needs for future demands.

### **Goals/Major Objectives**

- Review and update the Parks Capital Improvement Program and yearly work plan with PARC and City Council
- Complete currently funded projects
- Pursue grant opportunities to leverage CIP dollars

	L-T-D 1996 - 2019	2020 YE Estimate	2021_Proj	2022-Proj	2023-Proj	2024-Proj	2025-Proj	2026-Proj
<b>SOURCES &amp; USES</b>								
<b>Financing Sources</b>								
Beginning Fund Balance	\$ 92,924	\$ 1,361,555	\$ 1,595,313	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Pay-as-you-go</b>								
General Fund (Discretionary)	1,580,418	-	-	-	-	-	-	-
General Fd-Utility Tax (Balance of 2.5%)	463,688	-	-	-	-	-	-	-
1st 1/4% REET	433,871	55,500	-	-	-	-	-	-
2nd 1/4% REET	1,272,490	-	-	-	-	-	-	-
Parks Impact Fees - Cash on hand	2,686,177	570,592	447,356	654,620	317,968	321,148	324,359	327,603
Transfer In/Path & Trails Fund	71,767	-	-	-	-	-	-	-
Kobayashi Facility Lease Payments	24,241	-	-	-	-	-	-	-
Curran Facility Lease Payments	91,651	-	-	-	-	-	-	-
<b>Subtotal Pay-as-you-go</b>	<b>6,624,301</b>	<b>626,092</b>	<b>447,356</b>	<b>654,620</b>	<b>317,968</b>	<b>321,148</b>	<b>324,359</b>	<b>327,603</b>
<b>G.O. Bonds</b>								
Cirque/Bridgeport Park-G.O. Bonds	6,027,727	-	-	-	-	-	-	-
Homestead Park-GO Bonds	883,942	-	-	-	-	-	-	-
<b>Subtotal G.O. Bonds</b>	<b>6,911,669</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grants</b>								
Community/Senior Ctr-CDBG Grant	177,516	-	-	-	-	-	-	-
Cirque Park Baseball Fields-IAC Grant	146,220	-	-	-	-	-	-	-
Starbucks Grant	15,000	-	-	-	-	-	-	-
Kobayashi-IAC Grant	90,000	-	-	-	-	-	-	-
RCO Grant - TSD Property	75,000	-	-	-	-	-	-	-
Sunset Restroom - CDBG	93,501	-	-	-	-	-	-	-
Conservation Futures Grant - Curran Roof	40,000	-	-	-	-	-	-	-
RCO Grant - Synthetic Infield	200,000	-	-	-	-	-	-	-
Pierce County Conservation Dist/Leach Creek Trail	5,333	-	-	-	-	-	-	-
RCO Grant/Cirque Park	-	-	363,629	-	-	-	-	-
RCO Grant Curran Playground	-	-	116,469	-	-	-	-	-
RCO Grant/Chambers Creek Trail/Phase 2	-	-	-	-	-	-	-	-
<b>Subtotal Grants</b>	<b>842,570</b>	<b>-</b>	<b>480,098</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Miscellaneous Revenue	478,502	-	-	-	-	-	-	-
Chambers Creek Trail/Phase 2	-	-	-	-	-	-	-	-
Pierce County Contribution	-	-	-	-	-	-	-	-
Lakewood Contribution	-	-	-	-	-	-	-	-
Private Contributions (Chambers Creek Foundation)	-	-	-	-	-	-	-	-
Private Contribution (Lakewood Partners for Parks)	-	-	-	-	-	-	-	-
Adriana Hess Wetland Pk-Trust Donation	55,895	-	-	-	-	-	-	-
Pierce County - Reet Fund Contribution	100,000	-	-	-	-	-	-	-
Chips/Curran Roof - Donation	5,397	-	-	-	-	-	-	-
Interfund Transfer/Cirque Pk Donations	11,681	-	-	-	-	-	-	-
Koby Fire/Insurance Proceeds	161,957	-	-	-	-	-	-	-
Donation - Friends of Homestead	38,159	-	-	-	-	-	-	-
City of Lakewood/Trail	25,000	-	-	-	-	-	-	-
Pierce County/Trail	25,000	-	-	-	-	-	-	-
<b>Total Financing Sources</b>	<b>\$ 15,373,059</b>	<b>\$ 1,987,647</b>	<b>\$ 2,522,767</b>	<b>\$ 654,620</b>	<b>\$ 317,968</b>	<b>\$ 321,148</b>	<b>\$ 324,359</b>	<b>\$ 327,603</b>
<b>PARK PROJECTS</b>								
Parks CIP Personnel	1,274,468	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Park Property Acquisition	3,912,926	-	-	-	-	-	-	-
Homestead Park	1,239,415	-	-	-	-	-	-	-
Community/Senior Center	497,653	-	-	-	-	-	-	-
Adriana Hess Wetland Pk/Morr Pond	170,794	-	-	-	-	-	-	-
Cirque Park Improvements	4,461,801	-	727,257	-	-	-	-	-
Sunset Terrace Park	545,441	-	-	-	-	-	-	-
Curran Apple Orchard Park	296,629	-	232,939	-	-	-	-	-
Woodside Pond Nature Park	2,500	-	-	-	-	-	-	-
Colegate Park Improvements	69,876	111,000	-	-	-	-	-	-
Gateway Parks	3,989	-	-	-	-	-	-	-
Park Signage	26,913	-	-	-	-	-	-	-
UPSD Pool Analysis	8,782	-	-	-	-	-	-	-
Toddler Swings	9,891	-	-	-	-	-	-	-
Bridgeport Greenway (Drum Road)	35,734	-	-	-	-	-	-	-
Pocket Parks/Land Purchases/Grant Match	57,762	-	-	-	-	-	-	-
Grandview Parkway	12,000	-	-	-	-	-	-	-
Kobayashi Property	575,113	-	-	-	-	-	-	-
Capital Strategy	98,282	-	-	-	-	-	-	-
PROS Plan	14,200	-	-	-	-	-	-	-
Curran Facility	17,843	-	-	-	-	-	-	-
Curran Facility - Grant (Roof)	45,686	-	-	-	-	-	-	-
Creekside Park (master plan/improvements)	12,826	-	-	-	-	-	-	-
Paradise Pond Park	18,621	-	-	-	-	-	-	-
Chambers/Leach Creeks Trail - Giechrist	62,926	-	-	-	-	-	-	-
Chambers/Leach Creeks Trail - Munson	49,128	-	-	-	-	-	-	-
Chambers/Leach Creeks Trail - Planning	75,000	50,000	-	-	-	-	-	-
Chambers Creek Canyon Trail/Phase II	-	231,334	-	-	-	-	-	-
Riconizuto Park	14,087	-	-	-	-	-	-	-
Grant - Lighting Cirque Park	401,215	-	-	-	-	-	-	-
Contingency (Available/Year)	-	-	1,562,571	654,620	317,968	321,148	324,359	327,603
<b>TOTAL PARK PROJECTS</b>	<b>\$ 14,011,503</b>	<b>\$ 392,334</b>	<b>\$ 2,522,767</b>	<b>\$ 654,620</b>	<b>\$ 317,968</b>	<b>\$ 321,148</b>	<b>\$ 324,359</b>	<b>\$ 327,603</b>
<b>Balance</b>								
Reserved for Parks, Recreation & Open Space Projects	1,361,555	1,595,313	-	-	-	-	-	-
Unreserved	-	-	-	-	-	-	-	-
<b>Ending Fund Balance</b>	<b>\$ 1,361,555</b>	<b>\$ 1,595,313</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## **Public Works CIP**

### **Mission and Responsibilities**

Public Works CIP is responsible for planning, designing, and building the City's transportation and storm drainage infrastructure. Responsibilities include management of street, intersection, sidewalk development and redevelopment projects, management of surface water management system projects, and applying for and monitoring of grants to augment available capital development dollars.

### **Goals/Major Objectives**

- Annually review, revise, and propose to City Council the 6-year Transportation Improvement Program
- Annually review and implement a Capital Improvement Plan
- Complete currently funded projects
- Pursue grant opportunities to leverage CIP dollars

	2020 YE Estimate	2021 - Proj	2022 - Proj	2023-Proj	2024-Proj	2025-Proj	2026-Proj
Beginning Fund Balance	2,419,492	(0)	(0)	(0)	(0)	(0)	(0)
Miscellaneous	-	-	-	-	-	-	-
Arterial Street	153,288	-	-	-	-	-	-
SWM	-	-	-	-	-	-	-
REET	264,996	291,720	279,673	289,266	299,051	256,734	265,869
<b>CIP Personnel</b>	418,284	291,720	279,673	289,266	299,051	256,734	265,869
SWM - Drainage for CIP	-	50,000	50,000	50,000	50,000	50,000	50,000
<b>Drainage for CIP</b>	-	50,000	50,000	50,000	50,000	50,000	50,000
Arterial Street - Neighborhood CIP	68,012	-	-	-	-	-	-
Street Fund	-	20,000	20,000	20,000	20,000	20,000	20,000
<b>Neighborhood CIP</b>	68,012	20,000	20,000	20,000	20,000	20,000	20,000
SWM - Leach Creek Channel Habitat Restoration	59,615	-	-	-	-	-	-
<b>Leach Creek Channel Habitat Restoration</b>	59,615	-	-	-	-	-	-
LRF - Market Place Street/Pedestrian	32,735	-	-	-	-	-	-
<b>LRF - Market Place Street/Pedestrian</b>	32,735	-	-	-	-	-	-
LRF - Garage/Elevator Security	54,684	-	-	-	-	-	-
<b>LRF - Garage/Elevator Security</b>	54,684	-	-	-	-	-	-
LRF - Market Place Phase 5	10,000	-	-	-	-	-	-
<b>LRF - Market Place Phase 5</b>	10,000	-	-	-	-	-	-
Cirque/56th Corridor Improvements	-	-	-	-	-	-	-
SWM	-	-	-	-	-	-	-
REET	131,545	-	-	-	-	-	-
Tacoma	-	-	-	-	-	-	-
Tacoma - Phase 1	-	-	-	-	-	-	-
<b>Cirque/56th Corridor Improvements</b>	-	-	-	-	-	-	-
SWM	334,056	-	-	-	-	-	-
Unfunded	-	-	-	-	500,000	-	-
<b>SWM - Olympic Dr W (GV to 31)</b>	334,056	-	-	-	500,000	-	-
SWM	640,655	-	-	-	-	-	-
Unfunded	-	-	-	-	1,300,000	-	-
<b>SWM - Tahoma Place</b>	640,655	-	-	-	1,300,000	-	-
27th Street Phase 2 (Grandview - Bridgeport)	104,264	-	-	-	-	-	-
Reet	2,248	-	-	-	-	-	-
SWM	-	-	-	-	-	-	-
Private Contribution - Kaz	-	-	-	-	-	-	-
<b>27th Street Phase 2 (Grandview - Bridgeport)</b>	284,350	-	-	-	-	-	-

	2020 YE Estimate	2021 - Proj	2022 - Proj	2023-Proj	2024-Proj	2025-Proj	2026-Proj
Bridgeport Phase 4A	9,920	-	-	-	-	-	-
SWM	25,688	-	-	-	-	-	-
Private Contribution - McGuire	-	-	-	-	-	-	-
REET	44,302	-	-	-	-	-	-
<b>Bridgeport Way West Phase 4A - Chambers Lane to 67th</b>	<b>103,097</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
67th Ave Improvements (internally Phase 1)	258,339	623,000	-	-	-	-	-
Arterial Street	-	-	-	-	-	-	-
Reet	-	17,042	-	-	-	-	-
SWM	40,319	93,000	-	-	-	-	-
<b>67th Ave Improvements (internally Ph 1)</b>	<b>298,205</b>	<b>733,042</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
REET - Upgrade School Flasher Beacons	28,047	-	-	-	-	-	-
<b>Upgrade School Flasher Beacons</b>	<b>28,047</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
General Fund	-	-	-	-	-	544,155	-
<b>Town Center Infrastructure - Garage</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>544,155</b>	<b>-</b>
67th Ave Overlay	46,016	-	-	-	-	-	-
Arterial Street	-	-	-	-	-	-	-
Reet	-	-	-	-	-	-	-
SWM	-	-	-	-	-	-	-
<b>67th Ave Overlay</b>	<b>31,295</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
35th Street (Grandview to 67th)	439,253	-	-	-	-	-	-
REET	-	30,000	-	-	-	-	-
SWM	77,571	-	-	-	-	-	-
<b>35th St. (Grandview to 67th)</b>	<b>516,404</b>	<b>30,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
35th Street (Grandview to 67th)	-	1,955,000	-	-	-	-	-
REET	-	-	-	-	-	-	-
SWM	-	345,000	-	-	-	-	-
<b>35th St. Phase 1 (Bridgeport to 67th)</b>	<b>-</b>	<b>2,300,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
35th Street (Grandview to Bridgeport)	-	-	-	2,125,000	-	-	-
REET	-	-	-	-	-	-	-
SWM	-	-	-	375,000	-	-	-
<b>35th St. Phase 2 (Grandview to Bridgeport)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,500,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
Alameda Ave Extension	-	-	-	-	-	-	-
Reet	-	-	-	-	-	-	-
TIF	789,359	-	-	-	-	-	-
SWM	200,000	-	-	-	-	-	-
<b>Alameda Ave Extension</b>	<b>989,359</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

	2020 YE Estimate	2021 - Proj	2022 - Proj	2023-Proj	2024-Proj	2025-Proj	2026-Proj
Unfunded	-	-	-	1,500,000	-	-	-
<b>57th Ave W. (Unfunded)</b>	-	-	-	1,000,000	-	-	-
<b>67th/Cirque - Rock Wall Replacement (Unfunded)</b>	-	-	-	500,000	-	-	-
Bridgeport Overlay	64,584	-	-	-	-	-	-
Arterial Street	-	-	-	-	-	-	-
SWM	-	-	-	-	-	-	-
<b>Bridgeport Overlay</b>	-	-	-	-	-	-	-
Cirque 56th/Phase 3	1,785,000	-	-	-	-	-	-
SWM	473,000	-	-	-	-	-	-
REET	242,000	-	-	-	-	-	-
<b>Cirque 56th/Phase 3</b>	2,500,000	-	-	-	-	-	-
67th Ave Ph 2	765,000	-	-	2,350,000	-	-	-
Arterial St	-	-	-	-	-	-	-
REET	-	-	-	200,000	-	-	-
SWM	135,000	-	-	450,000	-	-	-
<b>67th Ave Ph 2</b>	900,000	-	-	3,000,000	-	-	-
Main Street Redev/2	950,000	-	-	-	-	-	-
LRF Bond Funding - Transfer from Debt Service	2,876,416	-	-	-	-	-	-
GF - WMV Demo & Homestead Master Plan	-	-	-	-	-	-	-
<b>Main Street Redev/2</b>	4,743,126	-	-	-	-	-	-
Chambers Creek Rd/Chambers Lane Phase 1	255,000	1,823,250	-	-	-	-	-
REET	44,966	-	-	-	-	-	-
SWM	-	321,750	-	-	-	-	-
<b>Chambers Creek Rd/Chambers Lane Phase 1</b>	299,966	2,145,000	-	-	-	-	-
Transfer From LRF	600,000	-	-	-	-	-	-
TIF	350,000	-	-	-	-	-	-
SWM	50,000	-	-	-	-	-	-
<b>Larsen Lane Phase 2</b>	993,618	-	-	-	-	-	-
Lakewood Drive Overlay	69,200	401,940	-	-	-	-	-
REET	10,800	62,731	-	-	-	-	-
SWM	-	-	-	-	-	-	-
<b>Lakewood Drive Overlay</b>	80,000	464,671	-	-	-	-	-
SWM	29,600	650,000	-	-	-	-	-
REET	-	500,000	-	-	-	-	-
Unfunded	-	-	-	-	-	-	-
<b>SWM - Brookside</b>	29,600	1,150,000	-	-	-	-	-
From tacoma Grant Funding	-	85,000	-	-	-	-	-
Reet	-	15,000	-	-	-	-	-
<b>Cultural Shift to Active Transportation (Partner w/Tacoma)</b>	-	100,000	-	-	-	-	-
<b>PW CIP Contingency</b>	1,519,862	-	-	-	-	-	-
<b>BFB</b>	2,419,492	(0)	(0)	(0)	(0)	(0)	(0)
<b>Total Revenue</b>	12,515,478	7,284,433	349,673	7,359,266	2,169,051	870,889	335,869
<b>Total Expense</b>	14,934,970	7,284,433	349,673	7,359,266	2,169,051	870,889	335,869
<b>EFB</b>	-	(0)	(0)	(0)	(0)	(0)	(0)

## Municipal Facilities CIP

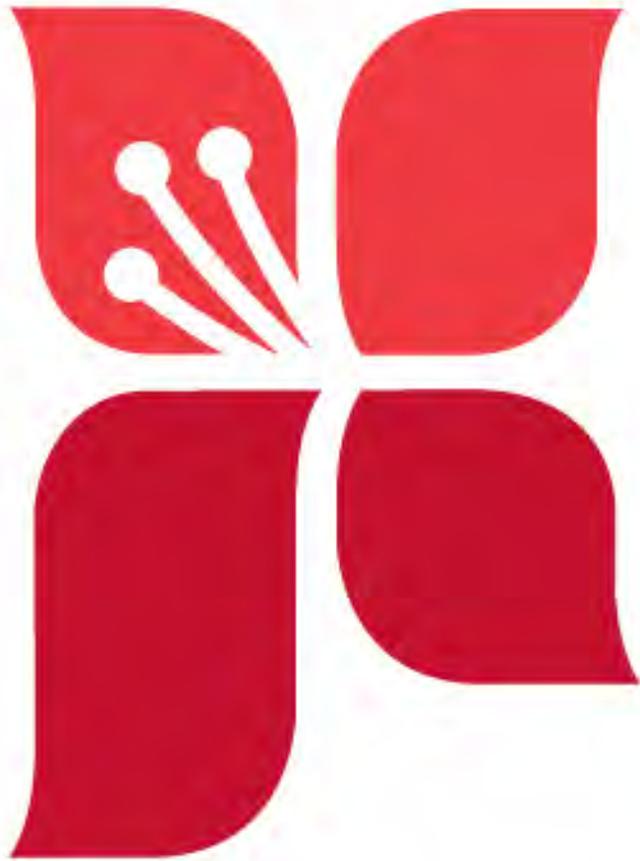
### Mission and Responsibilities

Municipal Facilities CIP is managed by the Property Management department. This budget unit provides the necessary infrastructure for the proper functioning of City Hall.

### Goals/Major Objectives

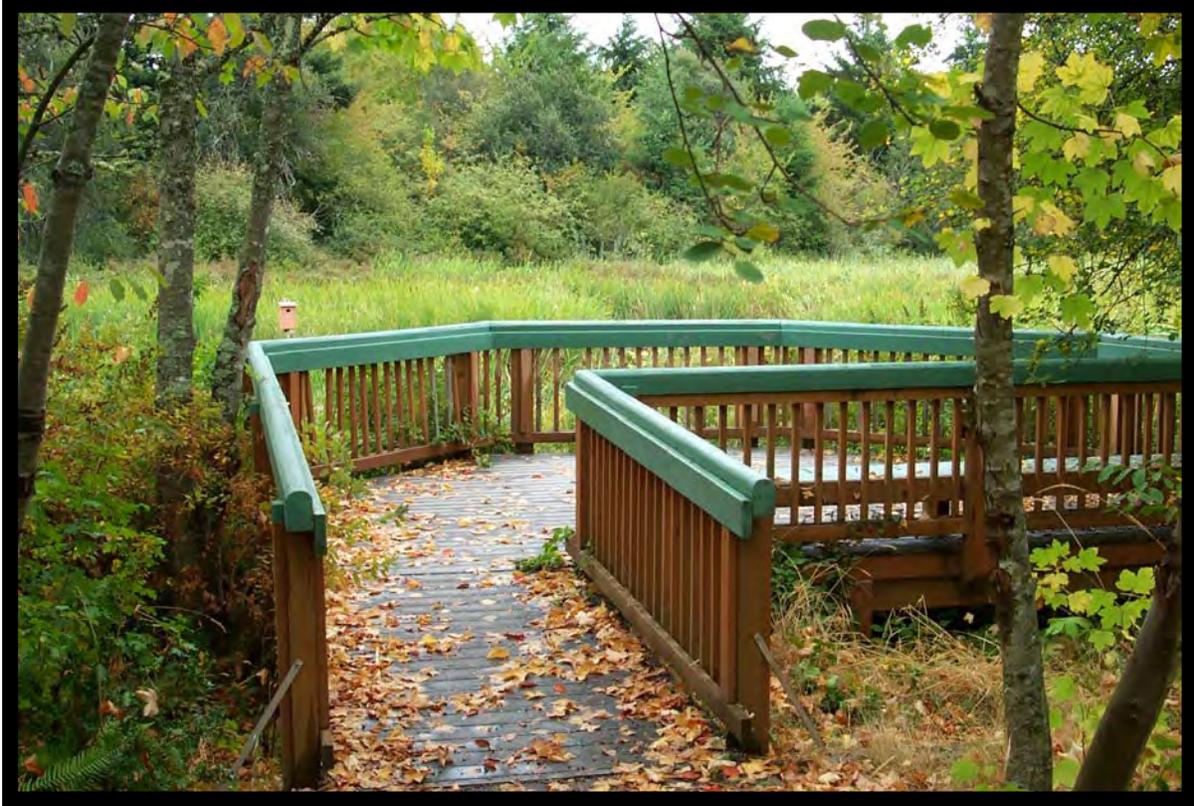
- Provide the necessary infrastructure at City Hall to foster a comfortable, productive work environment for citizens, City Council, and staff

SOURCES & USES	L-T-D 1996 - 2019	2020 Adopted	2020 Revised	2020 YE Estimate	2021 Projected	2022 Projected	2023 Projected	2024 Projected	2025 Projected	2026 Projected
<b>Financing Sources</b>										
Beginning Fund Balance	\$ -	\$ -	\$ 185	\$ 185	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
General Fund-City Hall Remodel	1,388,261	-	3,372	3,372	-	-	-	-	-	-
General Fund-Tenant Remodels	7,768,458	-	62,822	27,619	-	-	-	-	-	-
General Fund-Capital Equipment	84,849	-	-	-	-	-	-	-	-	-
Transfer from General Fund	29,129	-	-	-	-	-	-	-	-	-
Transfer from LRF	-	-	-	-	-	-	-	-	-	-
REET Transfer	170,941	-	-	-	-	-	-	-	-	-
<b>Subtotal Pay-as-you-go</b>	<b>9,441,638</b>	-	<b>66,194</b>	<b>30,991</b>	-	-	-	-	-	-
G.O. Bonds-Windmill Vill Purchase	1,279,144	-	-	-	-	-	-	-	-	-
G.O. Bonds-Windmill Vill Remodel	428,413	-	-	-	-	-	-	-	-	-
G.O. Bonds-Homestead Park	885,542	-	-	-	-	-	-	-	-	-
<b>Subtotal GO Bonds</b>	<b>2,593,099</b>	-	-	-	-	-	-	-	-	-
Interest Earnings	101,621	-	-	-	-	-	-	-	-	-
Miscellaneous-Weyerhaeuser	7,699	-	-	-	-	-	-	-	-	-
Miscellaneous-Property Sale	163,844	-	-	-	-	-	-	-	-	-
Miscellaneous-TPU	12,093	-	-	-	-	-	-	-	-	-
<b>Subtotal Other Sources</b>	<b>285,257</b>	-	-	-	-	-	-	-	-	-
<b>Total Financing Sources</b>	<b>\$ 12,319,994</b>	<b>\$ -</b>	<b>\$ 66,379</b>	<b>\$ 31,176</b>	<b>\$ -</b>	<b>\$ 0</b>				
<b>Financing Uses</b>										
Windmill Village Purchase	1,279,144	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Homestead Park Purchase	885,542	-	-	-	-	-	-	-	-	-
Trans to PW CIP	124,649	-	-	-	-	-	-	-	-	-
Windmill Village Remodel (96/97)	152,946	-	-	-	-	-	-	-	-	-
Windmill Village Remodel (98/99)	1,650,067	-	-	-	-	-	-	-	-	-
Tenant Imp	242,294	-	-	-	-	-	-	-	-	-
Common Area Improvements	287,288	-	-	-	-	-	-	-	-	-
Siding Replacement	18,257	-	-	-	-	-	-	-	-	-
Civic Building Tenant Improvements	4,802,958	-	3,557	3,557	-	-	-	-	-	-
Civic Building - Restroom	11,584	-	-	-	-	-	-	-	-	-
TI - Gallery Space	108,539	-	-	-	-	-	-	-	-	-
Police Station	2,630,193	-	-	-	-	-	-	-	-	-
Suite 201	0	-	62,822	27,619	-	-	-	-	-	-
Windmill Village Improvement	126,350	-	-	-	-	-	-	-	-	-
<b>Total Financing Uses</b>	<b>\$ 12,319,810</b>	<b>\$ -</b>	<b>\$ 66,379</b>	<b>\$ 31,176</b>	<b>\$ -</b>					
<b>Ending Fund Balance</b>										
Reserved	185	-	-	0	0	0	0	0	0	0
Unreserved	-	-	-	-	-	-	-	-	-	-
<b>Total Ending Fund Balance</b>	<b>\$ 185</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>



# BUDGET BY FUND

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**ADRIANA HESS WETLANDS PARK**

**PHOTO INFORMATION: ADRIANA HESS WETLANDS PARK**

This 2-acre wetland and wildlife habitat contains trails, benches, and a deck overlooking the pond. The Tahoma Audubon Society office is located at this site. The non-profit group partners with the City to manage the park.

## OVERVIEW

The Budget by Fund section provides summary information for each of the City's budgeted funds. Each fund includes a description or information about its purpose, the fund's primary revenues and expenditures, and a table detailing the fund's sources (revenues and other sources) and uses (expenditures or expenses and other uses).

**FUND CATEGORIES:** From a budgetary perspective, a fund is "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 that are segregated for the purpose of carrying on specific activities or attaining certain objectives." The City of University Place divides its funds into the following categories:

### **Operating Funds**

**General Fund (001):** This fund is the general operating fund of the City and accounts for all activities not required to be accounted for in some other fund.

#### **General Fund - Managerial Funds:**

- ◆ Arterial Street Fund (102)
- ◆ Real Estate Excise Tax Fund (103)
- ◆ Parks Fund (104)
- ◆ Traffic Impact Fee Fund (105)
- ◆ Transportation Benefit District Fund (106)
- ◆ Development Services Fund (107)
- ◆ Police/Public Safety Fund (109)
- ◆ Strategic Reserve Fund (188)

**Special Revenue Funds:** Special revenue funds account for the specific revenue sources – other than expendable trusts or revenues designated for major capital projects – that are legally restricted to expenditures for specific purposes.

- ◆ Street Fund (101)
- ◆ Local Revitalization Funding (LRF) Fund (108)

**Debt Service Fund (201):** This fund accounts for the accumulation of resources for and the payment of general long-term debt, principal, interest, and related costs.

### **Capital Project Funds**

These funds account for the acquisition or construction of major capital facilities except those financed by proprietary funds and trust funds.

- ◆ Parks Capital Improvement Fund (301)
- ◆ Public Works Capital Improvement Fund (302)
- ◆ Municipal Facilities Capital Improvement Fund (303)

**Enterprise Fund:**

- ◆ Surface Water Management Fund (401)

**Internal Service Funds**

The following funds account for business-like activities where related goods or services are primarily provided to other departments or funds of the City on a cost-reimbursed basis

- ◆ Fleet and Equipment Fund (501)
- ◆ Information Technology & Services Fund (502)
- ◆ Property Management Fund (505)
- ◆ Risk Management Fund (506)

**Non-Annually Budgeted Funds**

This fund accounts for donations designated for specific purposes by the donor.

- ◆ Donations and Gifts to University Place Fund (150)

## 001: GENERAL FUND

**Purpose/Description:** The General Fund was established to provide the services typically offered by local governments and derives its funding primarily from local tax sources. Primary areas of service are City Council, City Manager, Finance and Administrative Services, Engineering, Property Management, Economic Development and Human Resources.

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Y/E Estimate	Proposed	Proposed
<b>EVENUES</b>							
Local Retail Sales & Use	2,938,370	3,180,710	2,652,260	2,652,260	2,800,000	2,900,000	2,958,000
Sales Tax - 1% for Parks	-	-	-	-	-	348,000	354,960
Sales Tax - LRF	-	115,139	-	500,000	500,000	500,000	500,000
Sales Tax - Affordable Housing	-	-	-	-	25,388	25,388	25,388
Leasehold Excise Tax	2,164	2,181	1,000	1,500	1,500	2,000	2,000
Admission Tax	143,591	179,867	152,000	152,000	155,000	159,486	161,081
Utility Tax	2,167,341	2,088,097	2,193,099	2,066,854	2,066,854	2,033,439	2,021,875
Franchise Fees	2,663,405	2,763,116	2,620,266	2,823,980	2,823,980	2,760,553	2,777,664
Business License Fees	94,847	93,522	96,910	90,000	90,000	87,000	87,870
Penalty/Interest Taxes	-	-	-	-	-	-	-
Solicitor Permit Fees	175	250	250	250	250	250	250
City Assistance	123,996	113,863	-	100,000	100,000	85,000	60,000
Liquor Excise Tax	167,485	182,763	170,382	180,000	180,000	176,750	178,517
Liquor Profits Tax	215,542	213,417	201,514	210,000	210,000	212,100	214,221
Fines & Forfeitures	60	-	-	-	-	-	-
Judgements and Settlements	4,310	1,136	-	-	-	-	-
Sale of Documents & Records	288	240	-	-	-	-	-
Administrative Fee from SWM Fund	417,690	461,818	490,432	519,231	474,058	516,093	521,189
Development Services Fees	-	-	-	-	-	730,938	723,879
Parks - Field Rentals	-	-	-	-	-	-	5,000
Rents and Leases	-	-	-	-	-	-	-
Investment Interest	421,738	474,847	170,000	295,000	170,100	154,600	156,850
Gain/(loss) on Investments	1,931	2,830	-	-	17,000	-	-
Interest - Taxes	15,463	19,749	5,353	10,000	10,000	10,000	10,100
Library Expansion Space	120,000	120,000	120,000	120,000	120,000	120,000	-
Land Sales	597,300	-	-	-	-	-	-
Grants	2,706	-	-	1,489,050	1,489,050	-	-
Donations	-	-	-	-	-	-	-
Prior Period Adjustment	300,669	-	-	-	-	-	-
Miscellaneous	2,549	11,951	2,500	2,500	5,500	5,500	5,500
<b>OTAL REVENUE</b>	<b>10,401,620</b>	<b>10,025,496</b>	<b>8,875,966</b>	<b>11,212,625</b>	<b>11,238,680</b>	<b>10,827,097</b>	<b>10,764,344</b>
<b>XPEN DITURES</b>							
<b>overnance &amp; Management</b>							
City Council	187,674	172,279	197,758	217,758	182,976	212,988	192,362
City Manager's Office	485,827	488,338	528,619	563,567	477,081	560,539	558,641
Community Events & Assistance	43,406	128,065	103,853	178,653	81,856	242,551	157,551
Beautification	19,414	24,752	29,500	29,500	11,085	29,500	29,500
Community & Economic Dev. Directors	110,271	123,265	124,236	123,598	123,351	128,156	139,360
Economic Development	223,149	216,432	239,042	237,766	227,446	245,515	243,002
Finance/Admin Svcs Director	129,233	145,314	148,911	148,146	146,268	150,954	164,285
Finance	693,922	738,248	833,676	809,384	783,112	845,027	880,676
Human Resources	343,506	360,515	446,257	443,705	392,400	469,438	488,377
Reception	65,535	72,552	77,976	77,019	77,685	80,584	83,620
City Clerk	331,342	413,416	392,425	389,873	387,736	445,120	416,956
Communications /UPTV	292,333	408,235	346,693	497,402	425,820	363,188	373,803
Parks Maintenance	-	-	-	-	-	682,551	684,325
Development Services	-	-	-	-	25,388	1,753,700	1,813,700
Engineering Services	319,462	371,885	431,912	414,348	377,594	432,558	494,763
Contingency	-	-	-	279,706	-	50,000	50,000
Succession Planning	-	-	-	-	-	200,000	200,000
Cares Act	-	-	-	1,239,050	1,239,050	-	-
Interfund Transfers	7,311,953	6,522,723	5,398,494	6,287,487	5,881,280	3,932,768	3,879,718
<b>OTAL EXPENDITURES</b>	<b>10,557,026</b>	<b>10,186,018</b>	<b>9,299,352</b>	<b>11,936,962</b>	<b>10,840,128</b>	<b>10,825,137</b>	<b>10,850,639</b>
<b>Fund Balance, January 1</b>	<b>6,751,097</b>	<b>6,595,691</b>	<b>4,703,923</b>	<b>6,435,171</b>	<b>6,435,171</b>	<b>6,833,722</b>	<b>6,835,683</b>
<b>Fund Balance, December 31</b>	<b>6,595,691</b>	<b>6,435,171</b>	<b>4,280,536</b>	<b>5,710,834</b>	<b>6,833,722</b>	<b>6,835,683</b>	<b>6,749,387</b>

## 101: STREET FUND

**Purpose/Description:** The Street Fund was established to account for the receipt and disbursement of state-levied unrestricted motor vehicle fuel taxes, which must be accounted for in a separate fund. The Street Fund provides public works services including planning, engineering, construction, and maintenance related to city streets, sidewalks, pedestrian and bicycle paths, lanes, and routes.

Primary sources of revenue for this fund include the motor vehicle fuel taxes, vehicle license fees, Transportation Benefit District fees, sewer franchise fees, and transfers in from the General Fund. Primary areas of service are transportation planning, traffic operations and maintenance, neighborhood traffic services, and street maintenance.

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Y/E Estimate	Proposed	Proposed
<b>REVENUES</b>							
Fuel Taxes	455,468	447,902	469,105	469,105	440,000	668,532	675,217
MultiModal Fuel Tax	45,887	45,435	45,745	45,745	45,745	44,635	45,081
MVA Transpo	40,152	39,756	40,109	40,109	40,109	38,973	39,363
Sewer Franchise Fee	475,574	456,608	428,442	457,000	470,000	477,050	484,206
TBD Fees	-	700,193	844,800	-	-	-	-
Judgments/Settlements	2,296	-	10,000	5,000	-	-	-
Miscellaneous	2,034	3,606	2,000	2,000	2,000	2,000	2,000
Insurance Recoveries	46,391	37,281	-	20,000	20,000	20,000	20,000
Transfer In - TBD	595,032	98,881	-	-	-	-	-
Transfer In - SWM	-	6,227	14,000	14,000	6,000	7,310	7,310
Transfer In - Arterial Street	-	-	-	-	-	30,472	-
Transfer In - General Fund	-	300,000	300,000	300,000	300,000	92,550	90,475
<b>TOTAL REVENUE</b>	<b>1,662,834</b>	<b>2,135,889</b>	<b>2,154,201</b>	<b>1,352,959</b>	<b>1,323,854</b>	<b>1,381,522</b>	<b>1,363,652</b>
<b>EXPENDITURES</b>							
Public Works Operations	1,133,171	1,090,018	1,268,126	1,310,464	1,123,450	1,195,827	1,220,236
Streetlight Maintenance	118,651	106,908	118,431	149,863	149,863	185,956	185,956
Traffic Control Devices	-	-	-	-	60,000	74,477	74,477
Pavement Maintenance	-	527,800	678,800	53,000	30,208	69,910	69,910
Snow/Ice Control	14,933	20,802	20,000	20,000	20,000	20,000	20,000
Transfer to PW CIP	-	-	-	-	-	20,000	20,000
Transfer to Debt Service	-	-	-	-	-	15,674	15,598
<b>TOTAL EXPENDITURES</b>	<b>1,266,755</b>	<b>1,745,528</b>	<b>2,085,357</b>	<b>1,533,327</b>	<b>1,383,521</b>	<b>1,581,844</b>	<b>1,606,177</b>
<b>Fund Balance, January 1</b>	<b>455,831</b>	<b>851,910</b>	<b>923,274</b>	<b>1,242,271</b>	<b>1,242,271</b>	<b>1,182,604</b>	<b>982,282</b>
<b>Fund Balance, December 31</b>	<b>851,910</b>	<b>1,242,271</b>	<b>992,118</b>	<b>1,061,903</b>	<b>1,182,604</b>	<b>982,282</b>	<b>739,757</b>

## 102: ARTERIAL STREET FUND

**Purpose/Description:** The Arterial Street Fund accounts for a portion of state-shared fuel tax revenues that the City has earmarked for arterial street improvement projects such as construction, street improvements, chip sealing, seal coating, and repair of arterial highways and city street. Approximately 32% of the City's fuel tax revenue is allocated in this fund (the balance is deposited in the Street Fund and Park and Trails Fund). Although the money cannot be used for operating expenditures, it may be used for the payment of any municipal indebtedness which may be incurred for the above noted expenditures related to arterial highways and city streets.

Prior to September of 2005 state law required cities with a population of 15,000 or more to restrict 31.86 percent of their gas tax funds for capital purposes. After the law changed the City of University elected to continue to deposit this portion of gas tax receipts in the arterial street fund for capital purposes.

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Y/E Estimate	Proposed	Proposed
<b>REVENUE</b>							
Fuel Taxes	229,082	207,884	217,726	217,726	167,726	-	-
Miscellaneous	-	-	-	-	-	-	-
<b>TOTAL REVENUE</b>	<b>229,082</b>	<b>207,884</b>	<b>217,726</b>	<b>217,726</b>	<b>167,726</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>							
Transfer to PW Capital Improvement	83,793	240,718	173,288	221,300	221,300	-	-
Transfer to Street Fund	-	-	-	-	-	30,472	-
Transfer to Debt Service	47,391	47,009	46,627	46,627	46,627	-	-
<b>TOTAL EXPENDITURES</b>	<b>131,184</b>	<b>287,727</b>	<b>219,915</b>	<b>267,927</b>	<b>267,927</b>	<b>30,472</b>	<b>-</b>
Fund Balance, January 1	112,618	210,516	79,147	130,673	130,673	30,472	-
Fund Balance, December 31	210,516	130,673	76,958	80,472	30,472	-	-

## 103: REAL ESTATE EXCISE TAX FUND

**Purpose/Description:** This fund accounts for the receipt and disbursement of the .25% real estate excise tax that is dedicated for capital purposes including public buildings and facilities, parks, and debt service associated with such capital-oriented projects. This fund also accounts for the receipt and expenditure of the additional .25% real estate excise tax authorized by the Growth Management Act. These revenues are restricted to financing capital projects that are specified in the capital facilities plan.

The real estate excise tax is levied on all sales of real estate, measured by the full selling price, including the amount of any liens, mortgages, and other debts given to secure the purchase. The state levies this tax at the rate of 1.28%.

University Place is required to spend the first quarter percent solely on capital projects that are listed in the capital facilities plan portion of the City’s comprehensive plan. University Place has allocated these funds to debt service for park land acquisition.

The definition of “capital projects” includes, but is not limited to, public works of a local government for the planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems, parks, recreational facilities, law enforcement facilities, fire protection facilities, trails, libraries, and administrative and judicial facilities.

For the second quarter percent of the real estate excise tax, “capital project” means: public works projects of a local government for the planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems; and the planning, construction, reconstruction, repair, rehabilitation, or improvement of parks. Use of these funds for the acquisition of land for parks is not permitted.

	2018 Actual	2019 Actual	2020			2021 Proposed	2022 Proposed
			Adopted	Revised	Y/E Estimate		
<b>REVENUE</b>							
1st 1/4% Reet Tax	854,707	754,848	656,500	656,500	656,500	643,370	630,503
2nd 1/4% Reet Tax	854,706	754,848	656,500	656,500	656,500	643,370	630,503
<b>TOTAL REVENUE</b>	<b>1,709,413</b>	<b>1,509,696</b>	<b>1,313,000</b>	<b>1,313,000</b>	<b>1,313,000</b>	<b>1,286,740</b>	<b>1,261,006</b>
<b>EXPENDITURES</b>							
Transfer to PW Capital Improvement	117,242	590,140	300,391	768,904	768,904	916,493	279,673
Transfer to Parks Capital Improvement	153,493	8,785	343,000	55,500	55,500	-	-
Transfer to Debt Service	804,626	817,685	832,465	936,650	936,650	683,418	689,852
<b>TOTAL EXPENDITURES</b>	<b>1,075,361</b>	<b>1,416,610</b>	<b>1,475,856</b>	<b>1,761,054</b>	<b>1,761,054</b>	<b>1,599,911</b>	<b>969,525</b>
Fund Balance, January 1	842,538	1,476,590	685,285	1,569,676	1,569,676	1,121,622	808,451
Fund Balance, December 31	1,476,590	1,569,676	522,429	1,121,622	1,121,622	808,451	1,099,932

## 104: PARKS FUND

**Purpose/Description:** This fund accounts for all receipts and disbursements related to the City’s parks activities. All services charges shall be deposited in this fund for the purpose of paying all or any part of the cost of maintaining the city parks programs.

Revenues supporting the activities of this fund include fees and charges for field rentals and the 1% Sales Tax dedicated to parks. Additional revenue may be contributed from general revenues of the City.

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Y/E Estimate	Proposed	Proposed
<b>REVENUE</b>							
Sales Tax - 1% for Parks	348,421	367,614	328,472	328,472	330,000	-	-
Field/Park/Shelter Rentals	10,855	9,233	10,000	10,000	895	-	-
Transfer In - GF	319,083	417,364	405,498	405,498	256,272	-	-
Sale of Surplus	3,240	-	-	-	-	-	-
Judgments & Settlements	1,052	-	-	-	-	-	-
Miscellaneous	650	389	-	-	-	-	-
	<b>683,301</b>	<b>794,600</b>	<b>743,970</b>	<b>743,970</b>	<b>587,167</b>	-	-
<b>EXPENDITURES</b>							
Parks Maintenance	547,486	652,804	631,215	680,122	577,136	-	-
Transfer to Debt	111,365	112,113	112,755	111,219	111,219	-	-
<b>TOTAL EXPENDITURES</b>	<b>658,851</b>	<b>764,917</b>	<b>743,970</b>	<b>791,341</b>	<b>688,355</b>	-	-
<b>Fund Balance, January 1</b>	<b>47,055</b>	<b>71,505</b>	<b>50,000</b>	<b>101,192</b>	<b>101,188</b>	-	-
<b>Fund Balance, December 31</b>	<b>71,505</b>	<b>101,188</b>	<b>50,000</b>	<b>53,821</b>	-	-	-

## 105: TRAFFIC IMPACT FEE FUND

**Purpose/Description:** The Traffic Impact Fees Fund was established to ensure that transportation facilities necessary to support development shall be adequate to serve the development at the time the development is available for occupancy and use, or shortly thereafter, without decreasing current service levels below established minimum standards for the City. All traffic impact fees and any investment income generated by such fees shall remain in that fund until spent, encumbered or refunded. Monies set aside in this reserve fund must be expended within ten years of receipt. This fund reserves these revenues until the City Council determines to expend all or any portion, at which time such monies are transferred back to a street construction/maintenance-oriented fund when specific projects have been defined.

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Y/E Estimate	Proposed	Proposed
<b>REVENUE</b>							
Traffic Impact Fees	147,805	213,015	240,294	240,294	240,294	253,298	1,405,972
Sales Tax - TIF Deferral	1,350	640	-	-	161	-	-
<b>TOTAL REVENUE</b>	<b>149,155</b>	<b>213,655</b>	<b>240,294</b>	<b>240,294</b>	<b>240,455</b>	<b>253,298</b>	<b>1,405,972</b>
<b>EXPENDITURES</b>							
Transfer to PW Capital Imp	80,070	(750)	800,000	1,139,359	1,139,359	-	-
<b>TOTAL EXPENDITURES</b>	<b>80,070</b>	<b>(750)</b>	<b>800,000</b>	<b>1,139,359</b>	<b>1,139,359</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, January 1</b>	<b>901,309</b>	<b>970,394</b>	<b>1,047,540</b>	<b>1,184,799</b>	<b>1,184,799</b>	<b>285,895</b>	<b>539,193</b>
<b>Fund Balance, December 31</b>	<b>970,394</b>	<b>1,184,799</b>	<b>487,834</b>	<b>285,734</b>	<b>285,895</b>	<b>539,193</b>	<b>1,945,165</b>

## 106: TRANSPORTATION BENEFIT DISTRICT FUND

**Purpose/Description:** On December 2, 2013, the University Place City Council created a Transportation Benefit District in the City of University Place, known as the University Place Transportation Benefit District ("UPTBD"). The City assumed the rights and powers of the UPTBD and beginning in 2019 all fees are being recognized in the Street fund.

The University Place Transportation Benefit District Board has authorized a vehicle license fee of \$35 to fund maintenance, preservation, and safety enhancements to University Place's existing transportation network.

In November 2019 voters approved I-976 which could eliminate our ability to collect TBD fees. It has been halted via an injunction. We will continue to receive the funding as the case works its way through the courts. There is a possibility that we will have to pay back the amounts collected. Revenues collected since December 2019 are being held in the TBD Fund and will remain unspent pending the courts final decision.

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Y/E Estimate	Proposed	Proposed
<b>REVENUE</b>							
TBD Fees	528,880	84,362	-	844,800	844,800	-	-
<b>TOTAL REVENUE</b>	<b>528,880</b>	<b>84,362</b>	-	<b>844,800</b>	<b>844,800</b>	-	-
<b>EXPENDITURES</b>							
Intergovernmental	-	-	-	929,162	929,162	-	-
Transfer Out - Street	595,032	98,880	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>595,032</b>	<b>98,880</b>	-	<b>929,162</b>	<b>929,162</b>	-	-
<b>Fund Balance, January 1</b>	<b>165,032</b>	<b>98,880</b>	-	<b>84,362</b>	<b>84,362</b>	-	-
<b>Fund Balance, December 31</b>	<b>98,880</b>	<b>84,362</b>	-	-	-	-	-

## 107: DEVELOPMENT SERVICES FUND

**Purpose/Description:** This fund is established to administer and account for all receipts and disbursements related to the City's development services and planning activities. All services charges shall be deposited in this fund for the purpose of paying all or any part of the cost of running the city development services activities.

Revenues supporting the activities of this fund include fees and charges for the various activities of the building, engineering, and planning divisions of the city as relate to community development. Additional revenue may be contributed from general revenues of the City.

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Y/E Estimate	Proposed	Proposed
<b>REVENUE</b>							
Building Permits	555,598	553,880	311,574	311,574	307,638	-	-
Planning	57,256	70,063	31,620	31,620	56,125	-	-
Engineering	126,181	81,742	111,631	111,631	131,625	-	-
Fire Fees	76,885	54,578	45,969	45,969	46,245	-	-
Grants	15,000	-	-	91,526	91,526	-	-
Flood Control Opportunity Fund	10,000	-	-	-	-	-	-
Miscellaneous	6,863	2,280	25,000	25,000	15,000	-	-
Transfer In - SWM Fund	1,708	963	12,000	5,000	5,000	-	-
Transfer In - General Fund	428,974	661,567	1,178,743	1,193,162	1,059,161	-	-
<b>TOTAL REVENUE</b>	<b>1,278,465</b>	<b>1,425,073</b>	<b>1,716,537</b>	<b>1,815,482</b>	<b>1,712,320</b>	-	-
<b>EXPENDITURES</b>							
Development Services	1,365,242	1,544,964	1,640,197	1,738,361	1,637,200	-	-
Fire Code Official	76,512	83,117	76,340	77,116	75,122	-	-
Tree Account - Restricted	-	-	-	4,593	4,586	-	-
<b>TOTAL EXPENDITURES</b>	<b>1,441,754</b>	<b>1,628,081</b>	<b>1,716,537</b>	<b>1,820,070</b>	<b>1,716,908</b>	-	-
<b>Fund Balance, January 1</b>	<b>370,885</b>	<b>207,596</b>	-	<b>4,588</b>	<b>4,588</b>	-	-
<b>Fund Balance, December 31</b>	<b>207,596</b>	<b>4,588</b>	-	-	-	-	-

## 108: LOCAL REVITALIZATION FUNDING (LRF) FUND

**Purpose/Description:** This fund is established to account for receipt and disbursement transactions associated with Local Revitalization Financing.

The Local Revitalization Financing (LRF) Program was created by Second Substitute Senate Bill 5045 (2SSB 5045), passed by the WA State Legislature in 2009. The LRF program authorizes cities and counties to create “revitalization areas” and allows certain increases in local sales and use tax revenues and local property tax revenues generated from within the revitalization area, additional funds from other local public sources, and a state contribution to be used for payment of bonds issued for financing local public improvements within the revitalization area. The state contribution is provided through a local sales and use tax that is credited against the state sales and use tax (sometimes referred to as the “LRF tax”). This tax does not increase the combined sales and use tax rates paid by consumers.

UP Town Center Authority Bonds were refinanced in 2019 and are now the issued to the City of University Place. Revenues are now being received in the General Fund.

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Y/E Estimate	Proposed	Proposed
<b>REVENUE</b>							
LRF Sales Tax Revenue	553,879	384,861	500,000	-	-	-	-
Bond Refinance Proceeds	-	3,515,000	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
<b>TOTAL REVENUE</b>	<b>553,879</b>	<b>3,899,861</b>	<b>500,000</b>	-	-	-	-
<b>EXPENDITURES</b>							
Transfer Out - TC CIP LRF Projects	33,160	3,011	-	-	-	-	-
Debt Service Reserve	-	234,277	103,512	-	-	-	-
Debt Issuance Costs	-	-	-	-	-	-	-
Debt Service Payment	396,963	5,425,013	396,488	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>430,123</b>	<b>5,662,301</b>	<b>500,000</b>	-	-	-	-
Fund Balance, January 1	1,638,684	1,762,440	-	-	-	-	-
Fund Balance, December 31	1,762,440	-	-	-	-	-	-

## 109: POLICE/PUBLIC SAFETY FUND

**Purpose/Description:** This Fund is established to account for receipt and disbursement transactions associated with police services, court services, jail services, city attorney's office, crime prevention, animal control, code enforcement, and emergency management.

Revenues supporting this fund include property taxes, revenues identified by state statutes collected in support of public safety, fines and forfeitures, pet license fees, grants and other revenue that may be authorized by the City Council.

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Y/E Estimate	Proposed	Proposed
<b>REVENUE</b>							
Property Tax - Current	4,256,434	4,360,808	4,471,372	4,483,086	4,483,086	4,550,332	4,618,587
Property Tax - Delinquent	38,699	40,217	30,000	30,000	30,000	30,300	30,603
Local Criminal Justice Tax	684,601	652,326	551,667	551,667	551,667	557,184	585,043
Gambling Tax - Punchboard/Pulltabs	74,044	87,701	57,126	57,126	28,000	30,000	30,300
Gambling Tax - Amusement	7,650	6,981	7,651	7,651	2,500	2,500	2,525
Alarm Permit Fees	9,959	7,820	6,500	6,500	6,500	6,000	6,060
Criminal Justice - Population	9,539	9,953	10,939	10,939	10,939	10,992	11,102
Criminal Justice - Contracted Svcs	58,841	61,302	56,106	56,106	56,106	56,667	57,234
Criminal Justice - Special Pop	34,441	35,764	36,132	36,132	36,132	38,973	39,363
DUI Cities	4,809	4,465	4,636	4,636	4,500	4,500	4,545
Liquor Profits	54,662	54,123	68,975	68,975	50,000	53,235	53,767
DUI Response Restitution	536	1,563	-	-	312	-	-
SRO Reimbursement/UPSD	62,628	86,000	66,437	67,766	67,766	-	-
SWM Admin Fee	54,957	59,983	69,198	68,777	61,549	70,681	73,541
Crime Free MultiHousing	275	625	-	-	-	-	-
False Alarm Charges	3,653	2,703	1,500	1,500	2,500	3,264	3,297
Court Fees	86,877	63,086	74,263	74,263	74,263	75,000	75,750
Pet License Fees	43,713	40,650	52,545	40,000	40,000	40,400	40,804
Pet License/Late Fees	1,449	1,330	1,200	1,200	1,200	1,531	1,546
Penalties and Interest	1,151	-	-	-	-	-	-
Fine/Forfeitures	5,000	-	-	-	-	-	-
Miscellaneous	357	389	-	-	-	-	-
Transfer In - General Fund	600,000	600,000	550,000	-	-	-	-
Grants	4,633	7,629	-	6,000	6,000	-	-
<b>TOTAL REVENUE</b>	<b>6,098,909</b>	<b>6,185,417</b>	<b>6,116,247</b>	<b>5,572,324</b>	<b>5,513,020</b>	<b>5,531,559</b>	<b>5,634,067</b>
<b>EXPENDITURES</b>							
City Attorney	333,078	363,534	419,381	416,829	373,027	428,371	445,704
Court	285,396	153,321	302,887	251,187	251,187	330,247	287,253
Emergency Operations	35,469	29,804	74,073	69,236	40,900	67,699	57,350
Police	3,765,547	4,036,913	4,226,559	4,072,767	4,104,527	4,201,208	4,299,581
Public Safety	114,834	126,656	136,163	135,365	126,067	133,455	136,600
Animal Control	126,842	133,060	130,875	130,875	129,000	136,864	140,970
Code Enforcement	128,960	137,735	162,591	161,315	150,869	163,971	168,251
Jail	80,033	139,287	132,613	162,613	82,000	136,591	140,689
Transfer to Property Management	-	-	-	22,296	22,296	31,963	23,446
<b>TOTAL EXPENDITURES</b>	<b>4,870,159</b>	<b>5,120,310</b>	<b>5,585,142</b>	<b>5,422,483</b>	<b>5,279,873</b>	<b>5,630,369</b>	<b>5,699,844</b>
<b>Fund Balance, January 1</b>	<b>2,768,359</b>	<b>3,997,109</b>	<b>4,165,366</b>	<b>5,062,216</b>	<b>5,062,216</b>	<b>5,295,363</b>	<b>5,196,554</b>
<b>Fund Balance, December 31</b>	<b>3,997,109</b>	<b>5,062,216</b>	<b>4,696,471</b>	<b>5,212,058</b>	<b>5,295,363</b>	<b>5,196,554</b>	<b>5,130,776</b>

## 188: STRATEGIC RESERVE FUND

**Purpose/Description:** The Strategic Reserve Fund was established to set aside financial resources for mitigating adverse situations caused by severe short-term revenue shortfalls, expenditures resulting from emergencies, or as otherwise designated by the City Council. This fund is a course of last resort and shall be used only when no other reasonable financial management alternative exists.

This fund is financed by transferring undesignated and unreserved fund balance in the General Fund during or at the end of each calendar year as deemed appropriate by the City Council.

	2018 Actual	2019 Actual	2020			2021 Proposed	2022 Proposed
			Adopted	Revised	Y/E Estimate		
<b>REVENUE</b>							
GF Contribution	-	145,012	-	90,479	90,479	126,053	126,053
<b>TOTAL REVENUE</b>	-	145,012	-	90,479	90,479	126,053	126,053
<b>EXPENDITURES</b>							
Council Approved Expenditures	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	-	-	-	-	-	-	-
<b>Fund Balance, January 1</b>	1,000,000	1,000,000	1,000,000	1,145,012	1,145,012	1,235,491	1,361,544
<b>Fund Balance, December 31</b>	1,000,000	1,145,012	1,000,000	1,145,012	1,235,491	1,361,544	1,487,597

## 201: DEBT SERVICE FUND

**Purpose/Description:** The Debt Service Fund accounts for the debt service on the City Council-approved general obligation (G.O.) debt. Costs charged to this fund include scheduled principal and interest payments, debt issue costs, fiscal agent fees, and other debt-related costs.

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Y/E Estimate	Proposed	Proposed
<b>REVENUE</b>							
Transfer In - Arterial Street Fund	47,391	47,009	46,627	46,627	46,627	-	-
Transfer In - REET Fund	804,625	817,684	832,465	936,650	936,650	683,418	689,852
Transfer In - Street Fund	-	-	-	-	-	15,674	15,598
Transfer In - Parks	111,365	112,113	112,755	111,219	111,219	-	-
Transfer In - LRF	-	234,278	-	-	-	-	-
Transfer In - General Fund	2,380,981	2,356,833	2,334,317	2,620,124	2,620,124	2,941,780	2,930,543
Bond Proceeds	-	15,660,000	-	-	-	-	-
Bond Premium	-	378,468	-	-	-	-	-
Miscellaneous	-	16	-	-	-	-	-
<b>TOTAL REVENUE</b>	<b>3,344,363</b>	<b>19,606,401</b>	<b>3,326,164</b>	<b>3,714,620</b>	<b>3,714,620</b>	<b>3,640,872</b>	<b>3,633,993</b>
<b>EXPENDITURES</b>							
Principal - Public Works Trust Fund	124,698	124,699	124,698	124,698	124,698	41,553	41,553
Interest - Public Works Trust Fund	4,156	3,117	2,079	2,079	2,079	1,039	832
Fiscal Agent Fees - LRF	2,250	2,250	2,250	-	500	500	-
Principal - 2009 LTGO/Taxable	675,000	705,000	740,000	740,000	740,000	775,000	1,100,000
Interest - 2009 LTGO/Taxable	476,526	436,566	394,830	394,830	394,830	347,322	297,567
Debt Register Costs - 2009/Taxable LTGO	300	300	425	300	300	300	300
Principal - 2012 LTGO	335,000	11,560,002	365,000	365,000	365,000	390,000	130,000
Interest - 2012 LTGO	598,033	1,695,406	579,682	26,685	26,685	15,926	4,125
Debt Register Costs - 2012 LTGO	600	600	850	600	600	600	300
Principal - 2016 LTGO	200,000	200,000	200,000	200,000	200,000	210,000	210,000
Interest - 2016 LTGO	927,500	921,500	915,500	915,500	915,500	907,500	901,200
Debt Register Costs - 2016 LTGO	300	300	850	300	300	300	300
Principal - 2019A	-	-	-	140,000	140,000	145,000	145,000
Interest - 2019A	-	-	-	108,481	108,481	105,500	101,150
Debt Register Costs - 2019A	-	29,633	-	300	300	300	300
Principal - 2019B	-	-	-	240,000	240,000	240,000	245,000
Interest - 2019B	-	-	-	459,195	459,195	459,929	455,383
Debt Register Costs - 2019B	-	118,013	-	300	300	300	300
Transfer to PW CIP	-	-	-	3,573,835	3,573,835	-	-
<b>TOTAL EXPENDITURES</b>	<b>3,344,363</b>	<b>15,797,386</b>	<b>3,326,164</b>	<b>7,292,103</b>	<b>7,292,603</b>	<b>3,641,069</b>	<b>3,633,310</b>
<b>Fund Balance, January 1</b>	<b>4,043</b>	<b>4,043</b>	<b>4,043</b>	<b>3,813,058</b>	<b>3,813,058</b>	<b>235,075</b>	<b>234,878</b>
<b>Fund Balance, December 31</b>	<b>4,043</b>	<b>3,813,058</b>	<b>4,043</b>	<b>235,575</b>	<b>235,075</b>	<b>234,878</b>	<b>237,561</b>

### 301: PARKS CAPITAL IMPROVEMENT FUND

**Purpose/Description:** The Parks Capital Improvement Fund accounts for receipts and disbursements related to acquisitions, design, construction, and any other related park capital project expenditures. Fund appropriations do not lapse at the end of any calendar year but remain in effect until such projects are complete.

The major sources of revenue for this fund are general obligation bond proceeds, grants from other agencies, local taxes, impact fees, and contributions from other funds. All Parks costs associated with acquisitions, improvements, issue of bonds, and other costs shall be paid by this fund.

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Y/E Estimate	Proposed	Proposed
<b>REVENUE</b>							
Transfer In - REET	153,493	8,787	343,000	55,500	55,500	-	-
Park Impact Fees	152,935	230,377	205,596	570,592	570,592	447,356	654,620
Private Contributions	-	-	464,334	-	-	-	-
Grants	-	-	709,000	-	-	480,098	-
<b>TOTAL REVENUE</b>	<b>306,428</b>	<b>239,164</b>	<b>1,721,930</b>	<b>626,092</b>	<b>626,092</b>	<b>927,454</b>	<b>654,620</b>
<b>EXPENDITURES</b>							
Parks Capital Projects	308,243	32,193	2,084,000	1,987,647	392,334	2,522,767	654,620
<b>TOTAL EXPENDITURES</b>	<b>308,243</b>	<b>32,193</b>	<b>2,084,000</b>	<b>1,987,647</b>	<b>392,334</b>	<b>2,522,767</b>	<b>654,620</b>
<b>Fund Balance, January 1</b>	<b>1,156,399</b>	<b>1,154,584</b>	<b>1,763,012</b>	<b>1,361,555</b>	<b>1,361,555</b>	<b>1,595,313</b>	<b>-</b>
<b>Fund Balance, December 31</b>	<b>1,154,584</b>	<b>1,361,555</b>	<b>1,400,942</b>	<b>-</b>	<b>1,595,313</b>	<b>-</b>	<b>-</b>

## 302: PUBLIC WORKS CAPITAL IMPROVEMENT FUND

**Purpose/Description:** The Public Works Capital Improvement Fund accounts for receipts and disbursements related to acquisition, design, construction and any other related street, traffic, and surface water management capital project expenditures, including the Town Center Project. Fund appropriations do not lapse at the end of any calendar year but remain in effect until such projects are completed.

Revenues supporting this fund's activities include bond proceeds, grant proceeds, and interfund transfers.

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Y/E Estimate	Proposed	Proposed
<b>REVENUE</b>							
Grants	5,511,510	3,504,641	255,000	4,746,576	4,746,576	4,803,190	-
Private Contributions/Reimbursements	193,813	-	-	-	-	85,000	-
Transfer In - GF	300,000	950,000	-	-	-	-	-
Transfer In - TIF	80,070	(750)	800,000	1,139,359	1,139,359	-	-
Transfer In - Arterial Street	83,793	240,718	173,288	221,300	221,300	-	-
Transfer In - Street	-	-	-	-	-	20,000	20,000
Transfer In - REET	117,242	590,140	304,996	768,904	768,904	916,493	279,673
Transfer In - SWM	861,554	602,293	901,333	2,495,504	2,065,504	1,459,750	50,000
Transfer In - LRF	33,161	3,011	-	3,573,835	3,573,835	-	-
Unfunded	-	-	-	-	-	-	-
Miscellaneous	5,022	-	-	-	-	-	-
<b>TOTAL REVENUE</b>	<b>7,186,165</b>	<b>5,890,054</b>	<b>2,434,617</b>	<b>12,945,478</b>	<b>12,515,478</b>	<b>7,284,433</b>	<b>349,673</b>
<b>EXPENDITURES</b>							
PW CIP	5,084,258	3,814,367	2,434,617	15,364,972	14,934,970	7,284,433	349,673
<b>TOTAL EXPENDITURES</b>	<b>5,084,258</b>	<b>3,814,367</b>	<b>2,434,617</b>	<b>15,364,972</b>	<b>14,934,970</b>	<b>7,284,433</b>	<b>349,673</b>
<b>Fund Balance, January 1</b>	<b>(1,757,625)</b>	<b>344,284</b>	<b>-</b>	<b>2,419,492</b>	<b>2,419,492</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, December 31</b>	<b>344,284</b>	<b>2,419,971</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 303: MUNICIPAL FACILITIES CIP FUND

**Purpose/Description:** This capital project fund accounts for receipts and disbursements related to municipal facility capital improvements (i.e. Windmill Village, City Hall, etc.) Contributions from the General Fund are sources of revenue for this fund.

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Y/E Estimate	Proposed	Proposed
<b>REVENUE</b>							
Transfer IN - GF	2,668,384	547,496	-	66,194	30,991	-	-
<b>TOTAL REVENUE</b>	<b>2,668,384</b>	<b>547,496</b>	<b>-</b>	<b>66,194</b>	<b>30,991</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>							
Muni CIP Capital Expenditures	3,756,323	3,655,200	-	66,379	31,176	-	-
<b>TOTAL EXPENDITURES</b>	<b>3,756,323</b>	<b>3,655,200</b>	<b>-</b>	<b>66,379</b>	<b>31,176</b>	<b>-</b>	<b>-</b>
Fund Balance, January 1	4,195,828	3,107,889	-	185	185	-	-
Fund Balance, December 31	3,107,889	185	-	-	-	-	-

## 401: SURFACE WATER MANAGEMENT FUND

**Purpose/Description:** The Surface Water Management (SWM) Fund was established to administer and account for all receipts and disbursements related to the City's surface and storm water management system. All service charges are deposited into this fund for the purpose of 1) paying all or any part of the cost and expense of maintaining and operating surface and storm water management facilities; 2) paying all or any part of the cost and expense of planning, constructing, and improving any such facilities; or 3) paying or securing the payment of all or any portion of any general obligation or revenue bond issued for such purposes. The SWM Fund is organized into two supporting divisions: Engineering and Public Works Maintenance and Operations.

The major source of revenue is the Surface Water Management Fee which is collected by Pierce County with Property Taxes. The primary areas of service are the design, construction and inspection of public surface water capital improvement project and maintenance of the current system.

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Y/E Estimate	Proposed	Proposed
<b>REVENUE</b>							
SWM Fees	2,800,798	2,822,208	2,852,240	2,852,240	2,852,240	2,895,024	2,938,449
Grants	50,000	-	-	50,000	50,000	-	-
Miscellaneous	4,900	950	350	350	350	350	350
<b>TOTAL REVENUE</b>	<b>2,855,698</b>	<b>2,823,158</b>	<b>2,852,590</b>	<b>2,902,590</b>	<b>2,902,590</b>	<b>2,895,374</b>	<b>2,938,799</b>
<b>EXPENDITURES</b>							
Engineering Services	336,550	549,792	659,686	655,858	583,740	801,759	710,369
Public Works Maint and Operations	715,462	710,283	866,332	858,438	862,043	937,104	966,075
Street Cleaning	106,469	114,626	121,305	121,305	123,737	124,874	128,525
Admin. Fee to General Fund	417,690	461,818	490,432	519,231	474,058	516,093	521,189
Admin. Fee to Police Fund	54,957	59,983	69,198	68,777	61,549	70,681	73,541
Debt Service Payment	1,386	47,879	47,436	47,436	47,436	5,542	5,515
Prior Period Adjustment	(121,939)	24,554	-	-	-	-	-
Transfer Out - Street	-	6,227	14,000	14,000	6,000	7,310	7,310
Transfer Out - Fleet	-	-	43,380	11,400	11,400	114,564	63,800
Transfer Out - PW CIP	853,753	602,293	400,000	2,495,504	2,065,504	1,459,750	50,000
Transfer Out - Development Services	1,708	963	12,000	5,000	5,000	-	-
<b>TOTAL EXPENDITURES</b>	<b>2,366,036</b>	<b>2,578,418</b>	<b>2,723,769</b>	<b>4,796,949</b>	<b>4,240,467</b>	<b>4,037,677</b>	<b>2,526,324</b>
<b>Fund Balance, January 1</b>	<b>2,662,742</b>	<b>3,152,403</b>	<b>585,497</b>	<b>3,397,143</b>	<b>3,397,143</b>	<b>2,059,266</b>	<b>916,962</b>
<b>Fund Balance, December 31</b>	<b>3,152,403</b>	<b>3,397,143</b>	<b>714,318</b>	<b>1,502,784</b>	<b>2,059,266</b>	<b>916,962</b>	<b>1,329,437</b>

## 501: FLEET & EQUIPMENT FUND

**Purpose/Description:** The Fleet and Equipment Fund accounts for all costs associated with operating, maintaining, and replacing the City's non-proprietary owned vehicular and other motorized equipment. This fund owns and depreciates all such non-proprietary fund assets and accumulates reserves for the replacement of these assets. This fund is used to pay operating costs (including equipment and furniture) associated with its administration, and costs required to repair, replace, purchase, and operate included equipment.

Interfund charges are made to recover equipment maintenance and operating costs, equipment replacement and acquisition costs, and the cost of fund administration. Equipment replacement charges are segregated from all other cost recoveries.

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Y/E Estimate	Proposed	Proposed
<b>REVENUES</b>							
User Charges - M&O	116,674	118,758	134,800	134,800	134,800	138,170	141,624
Gain/Disposal of Assets	6,171	7,900	-	-	-	-	-
Compensation for Loss	4,549	-	-	-	-	-	-
Transfers In	38,654	42,285	101,575	62,100	62,100	132,580	139,750
<b>TOTAL REVENUE</b>	<b>166,048</b>	<b>168,943</b>	<b>236,375</b>	<b>196,900</b>	<b>196,900</b>	<b>270,750</b>	<b>281,374</b>
<b>EXPENDITURES</b>							
Fleet - Parks, Recreation & PW	97,429	111,710	121,000	121,000	121,000	124,025	127,126
Fleet - Engineering & Dev. Services	15,861	4,617	7,900	7,900	7,900	8,098	8,300
Fleet - City Pool Vehicle	2,265	1,234	2,200	2,200	2,200	2,255	2,311
Fleet - Code Enforcement	1,120	1,197	3,700	3,700	3,700	3,793	3,887
Prior Period Adjustment	464,523	-	-	-	-	-	-
Capital Outlays	86,924	80,349	101,575	62,100	62,100	132,580	139,750
<b>TOTAL EXPENDITURES</b>	<b>668,122</b>	<b>199,107</b>	<b>236,375</b>	<b>196,900</b>	<b>196,900</b>	<b>270,750</b>	<b>281,374</b>
<b>Fund Balance, January 1</b>	<b>750,802</b>	<b>248,729</b>	<b>750,857</b>	<b>218,565</b>	<b>218,565</b>	<b>218,565</b>	<b>218,565</b>
<b>Fund Balance, December 31</b>	<b>248,729</b>	<b>218,565</b>	<b>750,857</b>	<b>218,565</b>	<b>218,565</b>	<b>218,565</b>	<b>218,565</b>

## 502: INFORMATION TECHNOLOGY & SERVICES FUND

**Purpose/Description:** The Information Technology & Services (ITS) Fund accounts for all costs associated with data processing, telecommunications, geographical information services, postage operations, and copier and duplication services for the City. This fund owns and depreciates all such non-proprietary assets and accumulates reserves for the replacement of these assets. The ITS Fund is used to pay salaries and operating costs (including equipment and software) associated with its administration, and costs required to repair, replace, purchase, and operate included equipment.

Interfund charges are made to recover equipment maintenance and operating costs, equipment replacement and acquisition costs, and the cost of fund administration.

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Y/E Estimate	Proposed	Proposed
<b>REVENUES</b>							
User Charges - M&O	545,753	630,122	729,389	729,389	729,389	777,814	775,986
Transfers In - Capital/Consulting	289,463	287,799	347,975	1,283,495	1,283,495	520,445	430,200
<b>TOTAL REVENUE</b>	<b>835,216</b>	<b>917,921</b>	<b>1,077,364</b>	<b>2,012,884</b>	<b>2,012,884</b>	<b>1,298,259</b>	<b>1,206,186</b>
<b>EXPENDITURES</b>							
Duplication	36,996	37,207	52,510	52,510	52,510	47,850	49,500
GIS	37,857	37,632	44,050	44,050	44,050	42,050	44,050
Telecommunications	62,794	65,943	68,585	68,585	68,585	74,945	76,560
Information Services	394,553	483,017	544,644	544,644	544,644	598,369	591,276
Postage	13,462	11,139	19,600	19,600	19,600	14,600	14,600
IS Consulting	27,140	19,431	45,000	126,000	126,000	65,000	65,000
IS Capital	170,999	183,500	302,975	1,157,495	1,157,495	455,445	365,200
Depreciation Expense	116,302	91,554	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>860,103</b>	<b>929,424</b>	<b>1,077,364</b>	<b>2,012,884</b>	<b>2,012,884</b>	<b>1,298,259</b>	<b>1,206,186</b>
<b>Fund Balance, January 1</b>	<b>129,592</b>	<b>104,704</b>	<b>129,592</b>	<b>93,201</b>	<b>93,201</b>	<b>93,201</b>	<b>93,201</b>
<b>Fund Balance, December 31</b>	<b>104,704</b>	<b>93,201</b>	<b>129,592</b>	<b>93,201</b>	<b>93,201</b>	<b>93,201</b>	<b>93,201</b>

## 505: PROPERTY MANAGEMENT FUND

**Purpose/Description:** The Property Management Fund accounts for all costs associated with the maintenance and operation of City-owned buildings. Maintenance and operation costs are charged to other City funds and departments for such facilities and furnishings.

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Y/E Estimate	Proposed	Proposed
<b>REVENUES</b>							
User Charges	276,653	465,732	330,492	283,879	283,879	355,338	335,670
Cell Tower Leases	31,471	32,415	33,365	33,365	33,365	34,366	35,397
WMV Lease Payments	13	11	13	6	6	-	-
Sr. Center Lease Payments	275	275	275	275	275	275	275
CB Janitorial	800	400	1,200	1,200	1,200	1,200	1,200
CB Leases	37,613	53,231	50,952	45,551	55,307	116,691	129,034
CB/Utility Reimbursements	11,605	11,882	10,500	10,000	10,000	10,000	10,000
Facility Agreement	3,110	-	-	-	-	-	-
Transfer In	286,414	214,367	223,766	300,131	218,354	265,887	249,943
<b>TOTAL REVENUE</b>	<b>647,954</b>	<b>778,313</b>	<b>650,563</b>	<b>674,407</b>	<b>602,386</b>	<b>783,757</b>	<b>761,519</b>
<b>EXPENDITURES</b>							
Windmill Village	32,337	24,381	9,100	5,098	5,135	-	-
City Hall (Old)	140,956	150,480	2,000	-	-	-	-
Lot 8 Garage	3,522	11,942	23,300	10,900	4,421	24,900	23,300
Civic Building - City Only	134,524	184,607	205,015	182,078	149,801	199,303	207,184
Market Square	11,950	34,062	36,327	13,300	4,329	45,499	45,499
Police Station	-	19,810	-	22,296	22,162	31,963	23,446
Vacant Lots	1,735	45	1,750	1,750	-	50	50
Senior Center	23	-	2,000	1,767	267	1,800	1,800
PW Shop	22,863	38,414	46,950	45,375	25,674	80,626	54,677
Kobayashi	470	403	1,250	1,680	-	1,680	1,680
Hess	-	-	750	1,230	-	480	480
Atrium Events	1,059	533	1,000	-	-	1,000	1,000
Suite 201	-	1,933	-	-	-	-	-
Depreciation Expense	3,592	3,592	-	-	-	-	-
Civic Bldg/Condo	286,414	312,579	320,371	390,597	390,597	396,456	402,403
<b>TOTAL EXPENDITURES</b>	<b>639,445</b>	<b>782,781</b>	<b>649,813</b>	<b>676,071</b>	<b>602,386</b>	<b>783,757</b>	<b>761,519</b>
<b>Fund Balance, January 1</b>	<b>8,809</b>	<b>17,318</b>	<b>8,809</b>	<b>12,847</b>	<b>12,849</b>	<b>12,849</b>	<b>12,849</b>
<b>Fund Balance, December 31</b>	<b>17,318</b>	<b>12,849</b>	<b>9,559</b>	<b>11,183</b>	<b>12,849</b>	<b>12,849</b>	<b>12,849</b>

## 506: RISK MANAGEMENT FUND

**Purpose/Description:** The Risk Management Fund accounts for the financial administration of the City's comprehensive risk management program. This fund is used to purchase insurance coverage against risks covered by the City's insurance policies. This fund is used to pay all other insurance/risk management-oriented expenditures, including costs and expenses of defending the City, its officials, and its employees against claims covered by the program.

Monies are paid into this fund from various City operating funds as insurance premiums, just as the City would pay private insurance carriers' premiums for insurance coverage. Risk management functions include unemployment and workers' compensation, and property, casualty, general liability and similar coverage.

Currently, the City of University Place is a member of Washington Cities Insurance Authority (WCIA), which is a municipal corporation of public entities in Washington state that join together for the purpose of providing liability protection to its members. WCIA provides its members with broad coverage for general liability, automobile liability, property insurance, and boiler and machinery insurance. Members are also entitled to claims adjustment services, legal defense of claims, risk management consultation, personal liability consultation, on-site loss control services, land use litigation workshops, defensive driving training, and review of indemnification clauses and insurance requirements in contracts.

	2018	2019	2020			2021	2022
	Actual	Actual	Adopted	Revised	Y/E Estimate	Proposed	Proposed
<b>REVENUES</b>							
User Charges - Insurance	113,929	106,329	151,337	129,473	129,473	135,134	141,080
Transfer In - General Fund	-	-	-	-	-	-	-
<b>TOTAL REVENUE</b>	<b>113,929</b>	<b>106,329</b>	<b>151,337</b>	<b>129,473</b>	<b>129,473</b>	<b>135,134</b>	<b>141,080</b>
<b>EXPENDITURES</b>							
Insurance/Risk Management	113,929	106,329	151,337	129,473	129,473	135,134	141,080
Depreciation Expense	2,007	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>115,936</b>	<b>106,329</b>	<b>151,337</b>	<b>129,473</b>	<b>129,473</b>	<b>135,134</b>	<b>141,080</b>
Fund Balance, January 1	2,007	-	-	-	-	-	-
Fund Balance, December 31	-	-	-	-	-	-	-

## 150: DONATIONS AND GIFTS TO UNIVERSITY PLACE FUND

**Purpose/Description:** The Donations and Gifts to University Place Fund accounts for cash donations designated for specific purposes by the donor. This fund is project-based and records all transactions associated with donations. Accounts associated with this fund include General Government (i.e. Beautification and Arts, Special Events and Employee Wellness); *Parks* (i.e. *Curran Apple Orchard, Homestead Park, Cirque Park, and Colegate/Curtis Facilities*); and Police/Public Safety (i.e. Animal Control, Bike Patrol and Special Equipment). Any donations and gifts made on behalf of the projects are deposited into this fund to be used for that specific project.

	2018 Actual	2019 Actual	2020			2021 Proposed	2022 Proposed
			Adopted	Revised	Y/E Estimate		
<b>REVENUE</b>							
Donations	10,791	9,070	-	-	-	-	-
<b>TOTAL REVENUE</b>	<b>10,791</b>	<b>9,070</b>	-	-	-	-	-
<b>EXPENDITURES</b>							
Donation Accounts	10,420	10,825	-	22,105	22,105	-	-
<b>TOTAL EXPENDITURES</b>	<b>10,420</b>	<b>10,825</b>	-	<b>22,105</b>	<b>22,105</b>	-	-
<b>Fund Balance, January 1</b>	<b>23,489</b>	<b>23,860</b>	-	<b>22,105</b>	<b>22,105</b>	-	-
<b>Fund Balance, December 31</b>	<b>23,860</b>	<b>22,105</b>	-	-	-	-	-



# APPENDIX

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**UNIVERSITY PLACE**

## **PHOTO INFORMATION: UNIVERSITY PLACE**

Located on the picturesque Puget Sound, the City of University Place is home to over 32,610 active residents. Halfway between the state capitol of Olympia and the state's largest city, Seattle, the City boasts beautiful scenic views of the Olympic Mountains, Mount Rainier, and the Puget Sound, and is the ideal launching point to the Pacific Northwest.

University Place is also a destination in itself, with something to offer everyone, including parks, wetlands and preserves, miles of walking and bike paths, dozens of locally owned businesses, and a world class golf course, the critically acclaimed Chambers Bay, which hosted the world's finest golfers and golf fans for the U.S. Amateur in 2010 and the U.S. Open in 2015.

Since becoming a City in 1995, University Place, through the leadership of an active citizenry, has developed into an ideal place to live, work, and play. Whether you are a lifelong resident or a first-time visitor, there is something for you in University Place.

## MISCELLANEOUS STATISICAL INFORMATION

### Exhibit 1 - Supplemental Information

**DATE OF INCORPORATION:** August 31, 1995

**FORM OF GOVERNMENT:** Council-City Manager

**POPULATION:** 33,310

**CORPORATE INFORMATION:** The City of University Place is a non-charter Optional Code City and is governed under the provisions of the Optional Municipal Code of the Revised Code of Washington. Optional Code City status increases the City's operating authority by extending to it the powers of all four city classifications that exist in Washington law.

**ORGANIZATIONAL STRUCTURE:** University Place's City Council is comprised of seven Councilmembers. All members are elected at-large and the Mayor is chosen from within the Council. City administration includes a City Manager, Executive Director/Finance and Administrative Services, Executive Director/Community and Economic Development, and department heads for the City Attorney, Finance, Development Services, Engineering and Parks, and Public Works.

**LOCATION:** University Place is a mostly suburban residential city in Pierce County that is located on Puget Sound just south of the Tacoma Narrows Bridge. In addition to its proximity to Tacoma, University Place offers easy accessibility to Seattle, Olympia, and the Puget Sound peninsulas. University Place can be reached by the Jackson Avenue exit off Washington State Highway 16.

**NUMBER OF CITY EMPLOYEES:** The City employs 49.73 full-time equivalents. City Public Works employees are represented by the International Union of Operating Engineers Local #612. No other bargaining units represent City employees. University Place contracts for many services through public and private entities:

Police	Pierce County Sherriff
Jail	Pierce County
Court	Pierce County
Refuse	University Place Refuse and Lakewood Refuse

**PUBLIC SCHOOLS:** University Place is served primarily by University Place School District #83. A small percentage of students attend Tacoma School District #10 and Clover Park School District.

Number of Public Schools in City Limits:

Elementary (K-4 <sup>th</sup> )	4
Intermediate (5 <sup>th</sup> -7 <sup>th</sup> )	2
Junior High (8 <sup>th</sup> -9 <sup>th</sup> )	1
Senior High (10 <sup>th</sup> -12 <sup>th</sup> )	1

**PARKS:** Between the shores the of the Puget Sound and the shadow of Mount Rainier, University Place is Pierce County’s ultimate destination for recreation and relaxation.

Number of Developed Parks:	10
Number of Developed Acres	65.05
Number of Undeveloped Parks	4
Number of Undeveloped Acres	30.74
Number of Open Space:	7
Number of Open Space Acres:	37.23

**OPERATING INDICATORS:**

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<b>BUILDING PERMITS</b>					
Building Permits Issued	925	1,284	972	1047	***
<b>POLICE</b>					
Part 1 Crimes*	936	959	837	794	***
DUI Arrests	28	34	35	26	***
Other Traffic Arrests	143	162	113	112	***
<b>FIRE**</b>					
Emergency Medical Responses	11,260	11616	12,092	13,513	***
Fire Responses	384	410	1,089	1,667	***
Other	4,236	3881	3,139	1,470	***

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\* Part 1 Crimes includes Violent Crime (Aggravated Assault, Murder, Rape, Robbery) and Property Crime (Arson Motor Vehicle Theft, Burglary and Theft)

\*\* The City of University Place is served by West Pierce Fire and Rescue , which prior to 2011 was Pierce County Fire District #3. West Pierce cannot provide data for University Place only.

\*\*\* Data not available at time of printing.

## Exhibit 2 – Historical Tax Rates

	2016	2017	2018	2019	2020
<b>Property Tax Levy</b>					
Regular	4,144,269	4,200,791	4,297,743	4,393,689	4,483,080
Excess	-	-	-	-	-
<b>TOTAL</b>	<u>\$4,144,269</u>	<u>\$4,200,791</u>	<u>\$4,297,743</u>	<u>\$4,393,689</u>	<u>\$4,483,080</u>

### Property Tax Rate per \$1,000 AV:

(Levied by the City of University Place)

Regular	\$ 1.31	\$ 1.23	\$ 1.13	\$ 1.04	\$ 0.97
Excess	-	-	-	-	-
<b>Total</b>	<u>\$ 1.31</u>	<u>\$ 1.23</u>	<u>\$ 1.13</u>	<u>\$ 1.04</u>	<u>\$ 0.97</u>

### Total Property Tax Levy per \$1,000 AV:

(For a typical University Place Resident - TCA 752)

City of University Place	\$ 1.31	\$ 1.23	\$ 1.13	\$ 1.04	\$ 0.97
County	\$ 1.38	\$ 1.28	\$ 1.18	\$ 1.09	\$ 1.01
State	\$ 2.23	\$ 2.07	\$ 1.88	\$ 1.91	\$ 1.96
State School Levy 2	\$ -	\$ -	\$ 1.03	\$ 0.71	\$ 1.05
Fire District #3 EMS	\$ 0.50	\$ 0.50	\$ 0.48	\$ 0.44	\$ 0.50
Fire District #3 Expense	\$ 1.50	\$ 1.50	\$ 1.46	\$ 1.32	\$ 1.50
Fire District #3 M&O	\$ 1.33	\$ 1.23	\$ 1.10	\$ 0.97	\$ 1.14
UP School District - Bond	\$ 2.52	\$ 2.31	\$ 2.08	\$ 1.88	\$ 1.87
UP School District - Capital Projects	\$ 0.23	\$ 0.20	\$ 0.18	\$ 0.52	\$ 0.49
UP School District - M&O	\$ 4.14	\$ 3.82	\$ 3.53	\$ 1.50	\$ 2.50
Port of Tacoma	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18
Pierce County Rural Library	\$ 0.50	\$ 0.47	\$ 0.43	\$ 0.50	\$ 0.47
Central Pierce Regional Transit	\$ -	\$ 0.25	\$ 0.23	\$ 0.21	\$ 0.20
Conservation Futures	\$ 0.05	\$ 0.05	\$ 0.04	\$ 0.04	\$ 0.04
Flood Control Zone	\$ 0.10	\$ 0.09	\$ 0.08	\$ 0.08	\$ 0.10
	<u>\$ 15.98</u>	<u>\$ 15.18</u>	<u>\$ 15.03</u>	<u>\$ 12.38</u>	<u>\$ 13.99</u>

### Sales Tax Rates

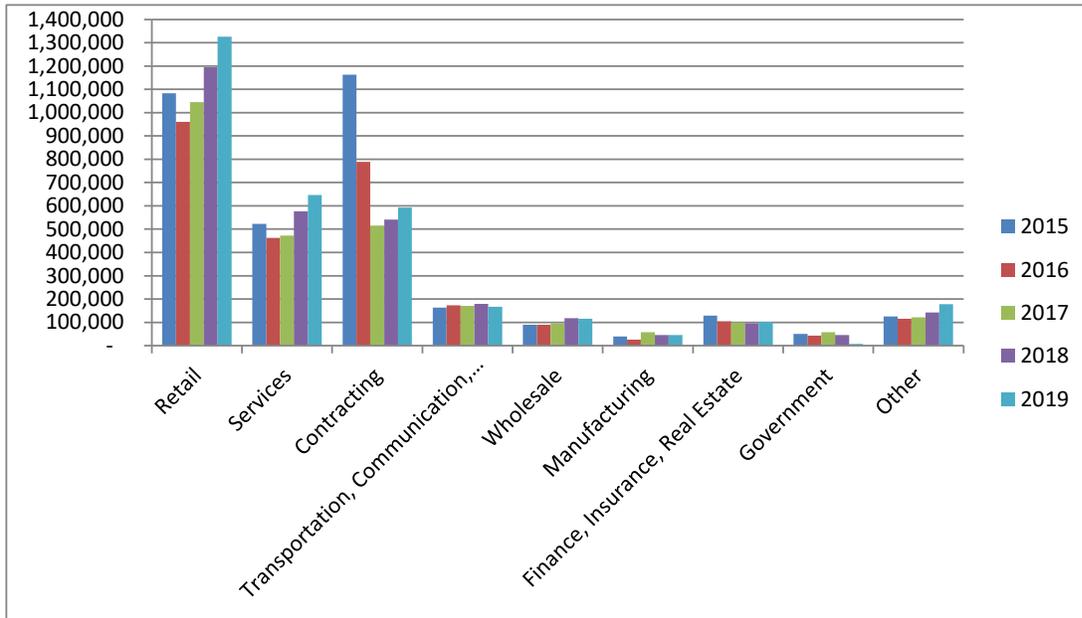
State of Washington	6.50%	6.50%	6.50%	6.50%	6.50%
Regional Transit Authority	0.90%	1.40%	1.40%	1.40%	1.40%
City of University Place	0.84%	0.84%	0.84%	0.84%	0.84%
Pierce Transit	0.30%	0.30%	0.30%	0.30%	0.30%
Public Transporations	0.30%	0.30%	0.30%	0.30%	0.30%
Pierce County	0.15%	0.15%	0.15%	0.15%	0.15%
Criminal Justice	0.10%	0.10%	0.10%	0.10%	0.10%
Pierce County Jail	0.10%	0.10%	0.10%	0.10%	0.10%
Parks	0.10%	0.10%	0.10%	0.10%	0.10%
Pierce County 911 Communications	0.10%	0.10%	0.10%	0.10%	0.10%
State Sales Tax Administration	<u>0.01%</u>	<u>0.01%</u>	<u>0.01%</u>	<u>0.01%</u>	<u>0.01%</u>
<b>Total Sales Tax Rate</b>	<u>9.40%</u>	<u>9.90%</u>	<u>9.90%</u>	<u>9.90%</u>	<u>9.90%</u>

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<b>Utility Tax Rates</b>					
Gas Utility Tax	6%	6%	6%	6%	6%
Telephone Utility Tax	6%	6%	6%	6%	6%
Cellular Utility Tax	6%	6%	6%	6%	6%
Cable Utility Tax	6%	6%	6%	6%	6%
Solid Waste Utility Tax	6%	6%	6%	6%	6%
Stormwater Utility Tax	6%	6%	6%	6%	6%
<b>Franchise Fees</b>					
Cable	5%	5%	5%	5%	5%
Refuse	5%	5%	5%	5%	5%
Electric	6%	6%	6%	6%	6%
Water	8%	8%	8%	8%	8%
Sewer	n/a	6%	6%	6%	6%
<b>Admissions Tax</b>					
Admissions Tax	5%	5%	5%	5%	5%
<b>Gambling Tax</b>					
Bingo/Raffles	5%	5%	5%	5%	5%
Amusement Games	2%	2%	2%	2%	2%
Punchboards/Pull tabs	5%	5%	5%	5%	5%
Card Playing	20%	20%	20%	20%	20%
<b>Transportation Benefit District Fee</b>	\$ 20.00	\$ 20.00	\$ 20.00	\$ 35.00	\$ 35.00
<b>Business License Fees</b>					
City Business License	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00
Home Occupation Business License	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00

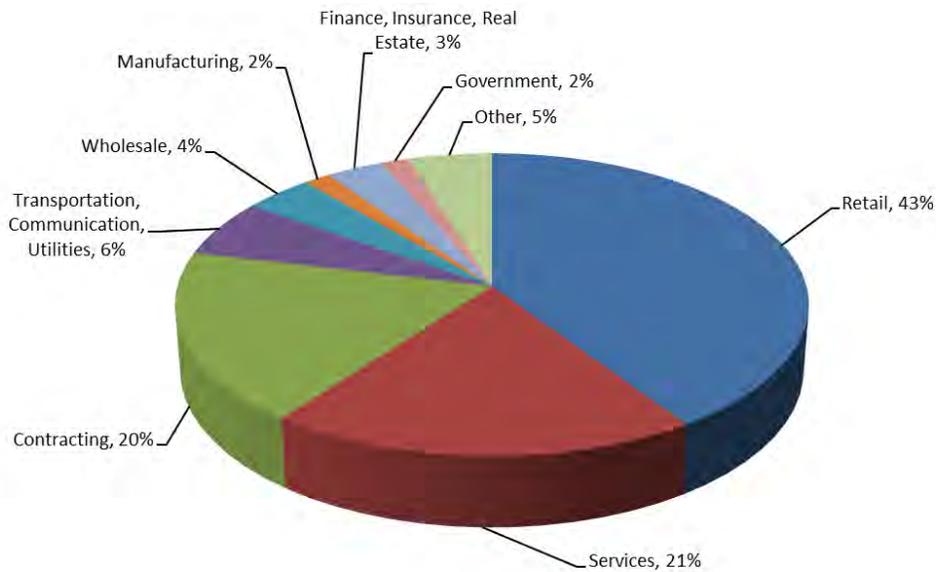
### Exhibit 3 - Sales Tax

The City receives much of its sales tax revenue from the Retail, Services and Contracting categories.

#### SALES TAX BY CATEGORY IN THE CITY OF UNIVERSITY PLACE



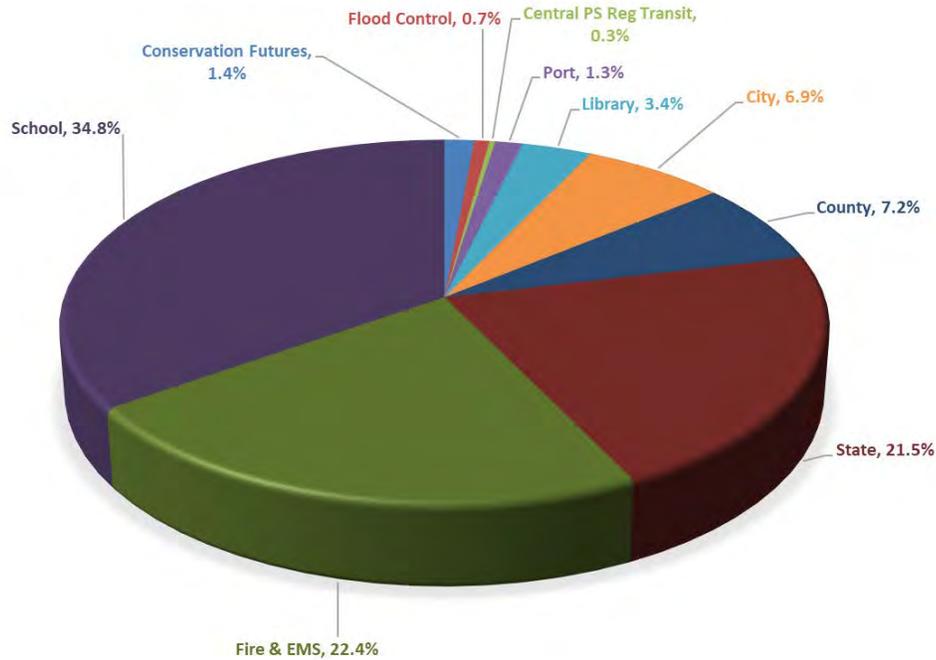
The pie chart below depicts the percent of sales tax revenues remitted by each category in the City in 2019.



## Exhibit 4 - Property Tax

The Total Levy Rate is comprised of the City's Levy, plus additional levy's which are earmarked for State, Schools, Emergency Medical Services (EMX), local libraries and hospital and other entities. The distribution of property tax revenues is detailed in the pie chart below. The total rate per \$1,000 of assessed valuation is \$13.99. A typical resident will pay \$5,771 in 2020 property taxes (see chart on page 131). The City of University Place will receive 9% of the total.

**Distribution of Property Tax Assessed in University Place (2020)**



Most of us think of property taxes as being a percentage of tax levied on the value of a piece of property like a house, building, or land. If I own a property worth \$100,000 and the annual tax rate is 1 percent, I pay \$1,000 per year. That is called a "rate-based" system.

But that's not how property taxes work in Washington. Instead of being directly related to property values, they are based off the city's annual budget. It is called a "budget-based" system and here's how it works:

Homes, businesses, and other pieces of real estate are not taxed at a set rate like the example above. Instead, a county assessor takes the local government's yearly budget and divides that amount by the value of all property within the taxing boundaries. The assessor then assigns a set tax per thousand dollars of value so that enough money is generated to cover the budget.

For example, say a city needs \$1,000,000 to operate. If all properties in the city are valued at \$100 million dollars, then the assessor would set a tax of \$10 per thousand dollars of property value. That means the owner of a property with an assessed value of \$300,000 would pay \$300 annually in property tax.

For a home valued at \$412,514 (the average assessed value in 2019) University Place will receive \$0.97 per \$1,000 assessed value for a total of approximately \$398 in 2020 as illustrated below.

**Property Tax Example in University Place**

	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Notes</b>
Average Assessed Value	303,341	323,051	357,556	404,955	412,514	(1)
Levy Rate - City of UP	\$ 1.31	\$ 1.23	\$ 1.13	\$ 1.04	\$ 0.97	
City Tax	\$ 397.38	\$ 397.35	\$ 404.04	\$ 421.15	\$ 398.23	(2)
Total Taxes	\$4,847.28	\$4,903.91	\$5,374.07	\$5,013.34	\$5,771.07	
Total Levy Rate	\$ 15.98	\$ 15.18	\$ 15.03	\$ 12.38	\$ 13.99	(3)

Notes:

(1) Source: Pierce County Assessor-Treasurer - Revaluation Reports Area 15

(2) Based on Levy Rate per \$1,000 of Home Value.

(3) Based on University Place area classified as 752.

The property tax laws are often considered to be very complicated and difficult to comprehend; the bullets below provide highlights of the existing property tax laws in Washington State.

**Limits**

- The State Constitution limits total regular property taxes to 1% of assessed value or \$10 per \$1,000.
- The State Constitution permits “excess levies” to exceed the 1% limitation. (These are typically voted general obligation bonds, such as for school levies).
- Cities are limited to \$2.60 per \$1,000 of assessed value
- The maximum increase in annual property tax levies is limited to the Implicit Price Deflator (IPDO or 1% (whichever is less) over the highest amount levied since 1986.
  - Cities that have not previously used all their available property tax capacity can use it in future years. This is known as “banked capacity.”
  - New construction and newly annexed areas are subject to the previous year’s tax rate and not subject to the IPD or 1% limitations when first added to the tax rolls.
- The Council sets the next year’s tax levy by Ordinance.
  - A public hearing is required each year which focuses on the overall financial need for the property tax to pay for services and on the amount of proposed increase for the budget year.

**Methodology**

- The County Assessor provides assessed values to the County Treasurer as the basis for the tax computation. In Pierce County, the Assessor updates the taxable values each year.
- The County Treasurer assesses the tax each year.
- Assessed values are market driven. The amount that can be levied is set by Council and regulated by State law and the constitution. The levy rate is derived from these other two factors. The following illustrates this dynamic using real information from the City of University Place and various assumptions for the future.

## Exhibit 5 – Debt Service Summary

Under RCW 39.36.020(2), the public may vote to approve bond issues for general government in an amount not to exceed 2.5% of the value of all taxable property within the City. Within the 2.5% limit, the City Council may approve bond issues not to exceed 1.5% of the City's assessed valuation. Prior to the passage of new legislation in 1994, the statutory limit on councilmanic (non-voted) debt for general government purposes was 0.75% of assessed valuation. Another 0.75% of councilmanic debt was available only for lease-purchase contracts (RCW 35.43.200). Now, these two components have been combined and can be used for any municipal purpose, including using the entire 1.5% for bonds. The City's remaining debt capacity within the 2.5% limit is estimated to be \$70,203,892.

Under RCW 39.36.030(4), the public may also vote to approve park facilities and utility bond issues, each of which is also limited to 2.5% of the City's assessed valuation. A total of 7.5% of the City's assessed valuation may be issued in bonds. The remaining debt capacity within the 7.5% limit is estimated to be \$278,236,595. Unlimited tax general obligation debt requires an approving vote of the people and any election to validate such general obligation debt must have a voter turnout of at least 40% of those who voted in the last State general election and of those voting, 60% must be in the affirmative. The debt capacity for the City of University Place as of December 31, 2019 is as follows:

CITY OF UNIVERSITY PLACE COMPUTATION OF LIMITATION OF INDEBTEDNESS December 31, 2019					
<u>Description</u>	<u>GENERAL DEBT CAPACITY</u>		<u>Excess Levy Open Space and Park</u>	<u>Excess Levy Utility Purposes</u>	<u>Total Debt Capacity</u>
	<u>(Limited) Councilmanic</u>	<u>(Unlimited) Excess Levy</u>			
Statutory debt limit:					
(AV=\$4,233,099,577 (A))					
1.50% AV @ 100%	\$ 69,658,584	\$ (69,658,584)			
2.50% AV @ 100%		116,097,641	116,097,641	116,097,641	\$ 348,292,923
Add:					
Cash on hand for debt redemption (B)	-	-	-	-	-
Less:					
Debt outstanding	(45,235,257)	-	-	-	(45,235,257)
Compensated Absences, estimated	(658,492)	-	-	-	(658,492)
<b>REMAINING DEBT CAPACITY</b>	<b>\$ 23,764,835</b>	<b>\$ 46,439,057</b>	<b>\$ 116,097,641</b>	<b>\$ 116,097,641</b>	<b>\$ 302,399,174</b>
<b>TOTAL REMAINING "GENERAL" CAPACITY (C)</b>	<b><u>\$ 70,203,892</u></b>				
(A) This figure represents the City's total taxable assessed valuation (AV) for 2017 which was used to determine the 2020 property tax levy as certified.					
(B) Reflects estimated balance available in the Debt Service Fund as of December 31, 2019.					
(C) Combined total for Councilmanic, Financing Lease, and Excess Levy capacities.					

The following table illustrates a summary of all outstanding debt as of December 31, 2019:

Description	Date of Issue	Maturity Date	Amount Originally Issued	Beginning Outstanding Debt	Amount Issued	Amount to be Redeemed	Ending Outstanding Debt
<b>Governmental Activity</b>							
General Obligation Bonds							
2009 Series B	24-Aug-09	1-Dec-34	7,760,000	6,855,000	-	705,000	6,150,000
2012 Series A	20-Nov-12	1-Dec-37	6,250,000	5,326,620	-	4,881,620	445,000
2012 Series B (Taxable)	20-Nov-12	1-Dec-37	7,880,000	7,118,380	-	6,678,380	440,000
2016	29-Sep-16	1-Dec-34	19,675,000	18,745,000	-	200,000	18,545,000
2019 LTGO Series A (Tax-Exempt)	5-Dec-19	1-Dec-37	3,225,000	-	3,225,000	-	3,225,000
2019 LTGO Refunding Series B (Taxable)	5-Dec-19	1-Dec-37	15,950,000	-	15,950,000	-	15,950,000
Subtotal			87,735,000	38,045,000	19,175,000	12,465,000	44,755,000
Revenue Bond							
2011, Local Option Sales an	1-Jul-11	1-Oct-37	5,885,000	4,865,000	-	4,865,000	-
Subtotal			5,885,000	4,865,000	-	4,865,000	-
Other Debt							
Public Works Trust Fund Loans							
PWTF Loan #2/Sunset Dr.	1-Jul-01	1-Jul-20	345,508	36,368	-	18,183	18,185
PWTF/Loan #3/Bridgeport Phase2	1-Jul-01	1-Jul-20	665,280	71,344	-	35,671	35,673
PWTF Loan #5/Cirque Dr. Ph. 2	1-Jul-02	1-Jul-20	495,132	58,580	-	29,290	29,290
PWTF Loan #4/Bridgeport Road & Ped.	1-Jul-06	1-Jul-25	766,983	290,868	-	41,553	249,315
Subtotal			3,513,894	457,160	-	124,697	332,463
<b>Total Governmental Activity General Obligation Bonds &amp; Other Debt</b>			<b>\$ 97,133,894</b>	<b>\$ 43,367,160</b>	<b>\$ 19,175,000</b>	<b>\$ 17,454,697</b>	<b>\$ 45,087,463</b>
<b>Business-type Activity</b>							
Other Debt							
Public Works Trust Fund Loans							
PWTF Loan #2/Sunset Dr.	1-Jul-01	1-Jul-20	334,492	35,211	-	17,606	17,605
PWTF/Loan #3/Bridgeport Phase2	1-Jul-01	1-Jul-20	294,720	31,605	-	15,802	15,803
PWTF Loan #5/Cirque Dr. Ph. 2	1-Jul-02	1-Jul-20	136,012	16,091	-	8,045	8,046
PWTF Loan #4/Bridgeport Road & Ped.	1-Jul-06	1-Jul-25	99,762	37,851	-	5,407	32,444
Subtotal			1,505,995	120,758	-	46,861	73,897
<b>Total Business-type Activity Other Debt</b>			<b>\$ 1,505,995</b>	<b>\$ 120,758</b>	<b>\$ -</b>	<b>\$ 46,861</b>	<b>\$ 73,897</b>
			<b>\$ 43,487,918</b>				<b>\$ 45,161,360</b>

The following is a summary of debt service requirements to maturity as of December 31, 2019:

**GENERAL OBLIGATION BONDS**

Year	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2020	1,685,000	1,685,000	3,370,000	-	-	-
2021	1,760,000	1,836,177	3,596,177	-	-	-
2022	1,830,000	1,759,425	3,589,425	-	-	-
2023	1,925,000	1,666,089	3,591,089	-	-	-
2024	2,020,000	1,569,964	3,589,964	-	-	-
2025-2029	10,795,000	6,362,594	17,157,594	-	-	-
2030-2034	14,105,000	3,695,838	17,800,838	-	-	-
2035-2037	10,635,000	692,376	11,327,376	-	-	-
<b>Totals</b>	<b>\$ 44,755,000</b>	<b>\$ 19,267,463</b>	<b>\$ 64,022,463</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**PUBLIC WORKS TRUST FUND LOANS**

Year	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2020	124,697	2,078	126,775	46,861	577	47,438
2021	41,553	1,039	42,592	5,407	135	5,542
2022	41,553	831	42,384	5,407	108	5,515
2023	41,553	623	42,176	5,407	81	5,488
2024	41,553	416	41,968	5,407	54	5,461
2025	41,555	208	41,763	5,407	27	5,434
<b>Totals</b>	<b>\$ 332,463</b>	<b>\$ 5,194</b>	<b>\$ 337,658</b>	<b>\$ 73,897</b>	<b>\$ 982</b>	<b>\$ 74,879</b>

## Exhibit 6 – 2021-2022 Proposed Salary Ranges

Position Title	2021 Proposed Salary Range		2022 Proposed Salary Range	
	Entry	High	Entry	High
City Manager	\$16,340		\$17,503	
Executive Director/Assistant City Manager	\$11,406	\$15,010	\$11,748	\$15,460
City Attorney	\$11,406	\$15,010	\$11,748	\$15,460
Planning & Development Services Director	\$10,110	\$13,304	\$10,413	\$13,703
Director of Engineering and Capital Projects	\$10,110	\$13,304	\$10,413	\$13,703
Public Works, Parks & Facilities Director	\$10,110	\$13,304	\$10,413	\$13,703
Finance Director	\$10,110	\$13,304	\$10,413	\$13,703
Human Resources Manager/Management Analyst	\$9,232	\$12,149	\$9,509	\$12,513
Assistant Development Services Director	\$8,062	\$10,608	\$8,304	\$10,926
Deputy Director of Engineering and Capital Projects	\$8,062	\$10,608	\$8,304	\$10,926
Communications/I.T. Manager	\$8,062	\$10,608	\$8,304	\$10,926
Building Official/Sr. Building Inspector	\$7,711	\$10,148	\$7,942	\$10,452
Public Safety Administrator	\$6,941	\$9,133	\$7,149	\$9,407
Principal Planner	\$6,941	\$9,133	\$7,149	\$9,407
Finance and Operations Manager	\$6,941	\$9,133	\$7,149	\$9,407
Sr. Project Engineer	\$6,941	\$9,133	\$7,149	\$9,407
Network Manager	\$6,941	\$9,133	\$7,149	\$9,407
City Clerk	\$6,941	\$9,133	\$7,149	\$9,407
Community Events & Contracts Manager	\$6,941	\$9,133	\$7,149	\$9,407
Operations and Facilities Manager	\$6,643	\$8,741	\$6,842	\$9,003
Fire Code Official	\$6,643	\$8,741	\$6,842	\$9,003
Sr. Plans Examiner/Building Inspector	\$6,389	\$8,407	\$6,581	\$8,659
Construction Manager	\$6,389	\$8,407	\$6,581	\$8,659
Civil Designer	\$6,389	\$8,407	\$6,581	\$8,659
Project Engineer	\$6,389	\$8,407	\$6,581	\$8,659
NPDES Coordinator	\$5,929	\$7,802	\$6,106	\$8,036
Plans Examiner	\$5,929	\$7,802	\$6,106	\$8,036
Analyst (Finance, HR, etc.)	\$5,929	\$7,802	\$6,106	\$8,036
Parks Maintenance Supervisor	\$5,929	\$7,802	\$6,106	\$8,036
Building Inspector/Plans Examiner	\$5,508	\$7,247	\$5,674	\$7,465
Code Enforcement Officer	\$5,508	\$7,247	\$5,674	\$7,465
Associate Planner	\$5,508	\$7,247	\$5,674	\$7,465
Paralegal	\$5,300	\$6,973	\$5,459	\$7,182
Deputy City Clerk	\$5,300	\$6,973	\$5,459	\$7,182
Administrative Assistant	\$5,300	\$6,973	\$5,459	\$7,182
Project/Program Assistant	\$5,300	\$6,973	\$5,459	\$7,182
Project Coordinator	\$5,300	\$6,973	\$5,459	\$7,182
Communication Specialist	\$5,067	\$6,669	\$5,219	\$6,869
I.T. Specialist	\$5,067	\$6,669	\$5,219	\$6,869
Sr. Specialist (Finance, Office)	\$4,884	\$6,425	\$5,031	\$6,618
Assistant Planner	\$4,884	\$6,425	\$5,031	\$6,618
Specialist (Finance, Permit)	\$4,630	\$6,094	\$4,769	\$6,277
Technician II (Parks, Facility, Comm., I.T., etc.)	\$4,296	\$5,653	\$4,425	\$5,822
Technician I (Parks, Facility, Comm., I.T., etc.)	\$3,855	\$5,072	\$3,971	\$5,224
Office Assistant	\$3,525	\$4,639	\$3,631	\$4,778
Temp. Assistant (Clerical, Rec., etc.)	Min. Wage	\$15.00/hr	Min. Wage	\$15.00/hr
Crew Chief	Set by contract		Set by contract	
Maintenance Worker (Lead, I,II,III)	Set by contract		Set by contract	
Mayor	Set by separate ordinance		Set by separate ordinance	
Mayor Pro Tem	Set by separate ordinance		Set by separate ordinance	
City Council member	Set by separate ordinance		Set by separate ordinance	

## **Exhibit 7 - COMMISSIONS**

### **Planning Commission – 7 members**

Purpose: The purpose of the Planning Commission is to advise the City Council on the following topics: growth management; general land use and transportation planning; long-range capital improvement plans; and other matters as directed by the City Council. The Planning Commission shall also hold hearings on and develop a comprehensive plan for the City and make recommendations to the City Council on amendments to the comprehensive plan, the zoning code and map, and the development regulations of the City.

### **Parks Commission - 7 members, 2 position are currently unfilled**

Purpose: The Parks Commission studies and make recommendation to City Council on community-wide parks and Capital Improvement Plan, actively support the implementation of the adopted Parks and Open Space Plan, serve as a liaison to University Place’s Parks Friends Groups, advocate for parks and acts as the “eyes and ears” of the City in parks issues. As directed by City Council supports and promotes community outreach efforts, volunteerism, and special events.

### **Public Safety Commission – 7 voting members / 3 nonvoting members / 1 staff**

Purpose: The Public Safety Commission provides a community sounding board and focus group to originate ideas and assist the City Council on matters related to public safety issues in the City. The Public Safety Commission is exclusively advisory to the City Council.

### **Economic Development Commission – 7 members**

Purpose: The purpose of the commission is to advise the City Council regarding community-wide economic development issues and be an advocate for the implementation of the Economic Development Strategic Action Plan as adopted by the City Council, providing input on economic development issues, serving as a sounding board for various business community interests, and act as the “eyes and ears” for the City in the business community. In addition, the commission will, as necessary, participate in community outreach efforts to communicate economic development initiatives that impact the University Place community.

## GLOSSARY OF BUDGET TERMS

The following are definitions for common terms found in budget summary statements, as well as an explanation of financial terms found in this budget document.

**ACCRUAL BASIS.** This method of accounting is used in proprietary (enterprise and internal service) funds. Under it, transactions are recognized when they occur. Revenues are recognized when earned and expenses are recognized when incurred. “When” cash is received or distributed is not a determining factor.

**AD VALOREM.** A tax imposed on the value of property.

**ADOPTED BUDGET.** The financial plan adopted by the City Council which forms the basis for appropriations.

**ANNEXATION.** The incorporation of land into an existing city with a resulting change in the boundaries of that city.

**APPROPRIATION.** An authorization made by the City Council that permits officials to incur obligations against and to make expenditures of governmental resources.

**ARBITRAGE.** The investment of bond proceeds at a higher yield than the coupon rate being paid on the bonds.

**ASSESS.** To establish an official property value for taxation purposes.

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

**B.A.R.S.** The State of Washington prescribed Budgeting, Accounting, and Reporting System manual for which compliance is required for all governmental entities in the State of Washington.

**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 on the financial statements. It relates to the timing of the measurements made, regardless of the nature of the measurement, on either the cash or accrual method.

**BASIS OF BUDGETING.** The City’s governmental functions and accounting systems are organized and controlled on a fund basis. The accounts within the funds are maintained on a modified accrual basis for governmental, expendable trust, and agency funds. Revenues are recognized when measurable and available as current assets. Expenditures are generally recognized when the related services or goods are received, and the liability is incurred. Proprietary funds are accounted for on the full accrual basis of accounting.

**BASIS POINTS.** A basis point refers to the measure of the yield to maturity of an investment calculated to four decimal places. A basis point is 1/100<sup>th</sup> of 1 percent (.01 percent).

**BENCHMARK.** A quantifiable performance level used to assess the extent to which program objectives are being obtained.

**BENEFITS.** Employer contributions paid by the City as part of the conditions of employment. Examples include health/dental insurance, state public employee's retirement system, city retirement system, and employment security.

**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 for long-term debt to pay for specific capital expenditures.

**BUDGET.** A plan of financial operation embodying an estimate of expenditures for a given period 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.

**BUDGET AMENDMENT.** A change to a budget adopted in accordance with State law. A budget may be amended to increase expenditures/expenses at the fund level by ordinance without public notice or public hearing requirements, when unanticipated revenues occur, or emergencies exist (RCW 35A.33.080 and 35A.33.120). The City Manager is authorized to make budget amendments between organizations of the same fund, if there is no change in the total budget for that fund.

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

**BUDGET GUIDELINES.** The City's guidelines with respect to revenue, debt, budget, and organization management as these relate to the City's ongoing ability to provide services, programs, and capital investment.

**BUDGET MESSAGE.** A message prepared by the City Manager explaining the annual proposed budget, articulating the strategies and budget packages to achieve the City's goals, and identifying budget impacts and changes.

**BUDGET PROCESS.** The process of translating planning and programming decisions into specific financial plans.

**C.D.B.G.** Community Development Block Grant.

**CAPITAL.** Expenditures made to acquire, reconstruct, or construct major fixed or capital assets. A fixed asset is a tangible object of long-term character which will continue to be held or used, such as land, buildings, machinery, furniture, and other equipment. A capital asset must exceed \$1,000 in cost and have an expected useful life expectancy of 12 months. For purposes of this definition, a "fixed asset" includes a group of items purchased together that will be used "for a single purpose" and could not be used effectively by themselves.

**CAPITAL BUDGET.** A plan of proposed capital expenditures and the means of financing them. The capital budget is enacted as part of the Adopted Budget, which includes both operating and capital outlays.

**CAPITAL EXPENDITURES.** Expenditures that result in the acquisition or construction of fixed assets.

**CAPITAL FACILITIES PLAN.** A capital facilities plan includes an inventory of existing facilities, a forecast of future needs, proposed locations, capacities for new or expanded facilities, and a financing plan. The financing plan outlines the costs, revenues, and time schedules for each capital improvement project. In compliance with the Growth Management Act legislation within the State of Washington, the City is preparing such a plan.

**CAPITAL IMPROVEMENT PROGRAM.** A plan for capital expenditures to be incurred each year over a period of five or more 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 OUTLAY.** A budget category for items having a value of \$1,000 or more and having a useful economic lifetime of more than one year.

**CARRYOVERS.** Carryovers result from timing of project completion. The final expenditures need to be re-budgeted to provide an appropriation from one fiscal year to the next in order to accomplish the purpose for which the funds were originally budgeted. Carryovers generally involve projects rather than line item expenditures.

**CASH BASIS OF ACCOUNTING.** The method of accounting that records revenues only when they are received and expenditures only when cash is paid.

**CASH MANAGEMENT.** The process of managing monies for the City to ensure operating cash availability and safe investment of idle cash.

**CERTIFICATES OF PARTICIPATION.** A certificate of participation represents a divided share of a lease that is assigned or marketed to investors. These debt instruments typically represent general obligation debt but can also be issued by enterprises.

**COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR).** The official annual financial report of the City prepared in conformity with GAAP. The annual report is audited by The State Auditor's Office.

**CONSUMER PRICE INDEX (CPI).** A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living, i.e., economic inflation.

**CONTINGENCY.** A budgetary reserve set aside for emergencies or unforeseen expenditures for which no other budget exists.

**COUNCIL GOALS.** Statements of direction, purpose, or intent based on the needs of the community, generally to be completed within a specified time period.

**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 1.5% of the assessed valuation.

**CUSTOMER.** The recipient of a product or service provided by the City. Internal customers are usually City departments, employees, or officials who receive products or services provided by another City Department. External customers are usually citizens, neighborhoods, community organizations, businesses, or other public entities who receive products or services provided by a City Department.

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

**DEBT SERVICE FUND.** A fund to account for payment of principal and interest on general obligation and other City-issued debt.

**DEPARTMENT MISSION.** Objectives that address each of the department's major activities but are not broader than the department's scope of work. These objectives relate back to Council goals or its vision and strategies.

**DEPRECIATION.** (1) Expiration in the service of 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.

**DIVISION MISSION.** Objectives that address each of the division's major activities, but that are not broader than the division's scope of work. These objectives relate back to either the Department Mission, to Council goals, or Council's vision and strategies.

**ENCUMBRANCES.** Obligations in the form of purchase orders or contracts that are chargeable to an appropriation and for which a part of the appropriation is reserved. Obligations cease to be encumbrances when paid or when the appropriation expires at the end of the fiscal year.

**ENTERPRISE FUND.** A fund type used to account for operations that are financed or operated in a manner similar to private business enterprise where the intent of the governing body is that costs of providing goods and services be recovered primarily through user charges.

**EXPENDITURES/EXPENSES.** Where accounts are kept on the modified accrual basis (expenditures) or accrual basis (expenses) 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.

**FIDUCIARY FUNDS.** The City uses fiduciary funds to assist in accounting for assets held under trust or agency agreements. These funds include 1) Agency funds that account for resources where the City acts solely as an agent in collecting and dispensing monies, and 2) Expendable trust funds that account for resources where the City acts as a formal or informal trustee for restricted fund users. For agency funds, no fund balance is maintained, and no appropriations are necessary. These funds are accounted for on a modified accrual basis. The City's Deferred Compensation Fund is an agency fund that accounts for monies withheld from employees under deferred compensation plans and the fund's earnings and investments.

Trust funds may be expendable and use modified accrual accounting for a specific project or service, or they may be non-expendable and use an accrued basis of accounting to focus on the ongoing retention of earnings. The City's trust fund is expendable and accounts primarily for the City of University Place Retirement Plan and donations for a specific purpose.

**FISCAL YEAR.** A 12-month period to which the annual operating budget applies. At the end of the period, the City determines its financial position and the results of its operations. The Fiscal Year is January 1 through December 31 for local governments in Washington.

**FULL FAITH AND CREDIT.** A pledge of the general taxing power for the repayment of the debt obligation (typically used in reference to bonds).

**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. See the Budget by Fund section for specific fund category purposes and descriptions.

**FUND BALANCE.** The excess of an entity's assets over its liabilities. A negative fund balance is sometimes called a deficit. An undesignated fund balance reflects historical receipts less historical expenditures in non-proprietary funds. Since all designated and reserved resources have been removed or deducted in arriving at the year-end undesignated fund balance, this value is available for budgetary appropriation.

**FTE, Full-Time Equivalent.** The ratio of a position in comparison to the amount of time a regular, full-time employee normally works in a year. A full-time employee (1.00 FTE) is paid for 2,080 hours a year. Positions budgeted to work less than full-time are expressed as a percent of full-time. For example, a .5 FTE budgeted position will work 1,040 hours.

**GAAP, Generally Accepted Accounting Principles.** Uniform minimum standards and guidelines for financial accounting and reporting. They govern the form and content of the financial statements of the City.

**GASB, Governmental Accounting Standards Board.** The authoritative accounting and financial standard setting body for governmental entities.

**GENERAL FUND.** This fund accounts for the financial operations of the City, which are not accounted for in any other fund. Principal sources of revenue are property taxes, franchise fees, state shared revenues, licenses, permits, and charges for services. Primary expenditures in the General Fund are made for police and fire protection, building development and planning, parks, and City Council.

**GENERAL OBLIGATION.** Bonds for which the full faith and credit of the insuring government are pledged for bonds payment.

**GIS, Geographical Information System.** A mapping application currently being accessed through Pierce County, this application can be used for site plan review, counter support, citizen education and notification, environmental analysis, land use inventories, to produce presentation maps and maps for public distribution and as a tool to aid in decision making regarding CIP projects, creating a street maintenance program, and to inventory and maintain storm drainage systems and other public improvements.

**GOAL.** A long-range statement of broad direction, purpose, or intent based on the needs of the community.

**GRANT.** A cash award given for a specified purpose. The two major forms of Federal and State grants are block, and discretionary or categorical. Block grants are awarded primarily to general purpose governments, are distributed to them according to formulas established in the law and can be used for any locally determined activities that fall within the functional purpose of the grant as stated in the law. Discretionary or categorical grants can be used only for a specific purpose and usually are limited to narrowly defined projects or activities.

**GROWTH MANAGEMENT.** Legislation enacted in 1990 by the State Legislature requiring that all jurisdictions in the larger counties adopt new comprehensive plans by the end of 1993. This legislation was enacted due to enormous growth experienced in the State and a lack of uniform guidance for related development. This Act further specified that all plans conform to a broad set of guidelines of both the parent county and neighboring jurisdictions. Eight specific elements, including concurrency, are required to be included in every comprehensive plan. Concurrency requires that infrastructure be available at the same time as new development.

**IMPACT FEES.** Fees charged to developers to cover, in whole or in part, the anticipated cost of improvements borne by the City that will be necessary as a result of the development.

**INPUT.** A resource, monetary or non-monetary, that is used in delivering a program or service, such as hours of labor and numbers of bricks.

**INTERFUND SERVICES.** Payments for services rendered made by one City department or fund to another. Internal Service Fund billings are included in this category. However, these billings also include equity transfers to internal service funds in support of “first time” asset acquisitions. See Internal Service Charge.

**INTERFUND TRANSFERS.** Contributions from one City fund to another in support of activities of the receiving fund. Loans are not included.

**INTERGOVERNMENT.** Services purchased from other government agencies, normally including types of services that only government agencies provide.

**INTERNAL SERVICE CHARGE.** A charge from an Internal Service Fund to an operating fund to recover the cost of service or overhead.

**INTERNAL SERVICE FUNDS.** These funds are used to account for services provided by City Departments to other City Departments for which they pay an internal service charge.

**LABOR.** Internal and contracted personnel

**LEVEL OF SERVICE.** Used generally to define the existing services, programs, and facilities provided by the government for its citizens. Level of service in any given activity may be increased, decreased, or remain the same, depending on the needs, alternatives, and available resources.

**LEVY.** The total amount of taxes or special assessments imposed by the City.

**LID, Local Improvement District.** A local improvement district is composed of properties benefiting from a specific capital improvement project, such as a sewer line extension.

**LINE ITEM.** An expenditure description at the most detailed level. Objects of expenditure are broken down into specific items, such as printing.

**MAINTENANCE.** The act of keeping capital assets in a state of good repair. It includes preventative maintenance, normal periodic repairs, replacement of parts or structural components, and other activities needed to maintain the asset so that it continues to provide normal services and achieves its optimum life.

**MISSION.** A short description of the scope and purpose of a City Department. It specifies what the Department's business is.

**MODIFIED ACCRUAL BASIS** of accounting is used in governmental fund types (general, special revenue, debt service, and capital project funds). Under it, revenues and other financial resource increments are recognized when they become both measurable and available to finance expenditures of the current period. Expenditures are generally recognized when they are incurred (bring forth a liability).

**NET INTEREST COST.** This is the traditional method of calculating bids for new issues of municipal (NIC) securities. It is computed as either: (a) Dollar Cost: total scheduled coupon payments + bid discount (- bid premium), or (b) Interest Rate: total scheduled coupon payments + bid discount (- bid premium) divided by bond year dollars. Bond year dollars is the sum of the number of years each bond in an issue is scheduled to be outstanding multiplied by its par value.

**OBJECT OF EXPENDITURE.** See "Object."

**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). Examples are personnel services, supplies, and services and charges.

**OPERATING REVENUES.** Those revenues received within the present fiscal year.

**ORDINANCE.** The method by which the appropriation of the budget is enacted into law by the Council per authority of the State statutes.

**OUTPUT.** A quantifiable product made, or activity undertaken to achieve a desired result, such as miles of roads swept.

**PERS, The Public Employees Retirement System.** A State of Washington-defined benefit pension plan to which both employee and employer contribute.

**PERFORMANCE INDICATOR.** A quantifiable performance level used to assess the extent to which program objectives are being obtained.

**PLAN.** A list of actions that management expects to take. A plan is a basis for allocating the organization's resources to deal with opportunities and problems present in the environment.

**PROGRAM.** A group of related activities to accomplish a major service or core business function for which the City is responsible. A program is typically part of a division within a department.

**PROGRAM ACTIVITY.** A broad function or a group of similar or related services/activities, having a common purpose.

**PROJECTIONS.** Estimates of outlay, receipts, or other amounts that extend several years into the future. Projections generally are intended to indicate the budgetary implications of continuing or proposing programs and policy for an indefinite period.

**PROPOSED BUDGET.** The budget proposed by the City Manager to the City Council for review and approval.

**PROPRIETARY FUNDS.** Recipients of goods or services pay directly to these funds. Revenues are recorded at the time services are provided, and all expenses incurred in earning the revenues are recorded in the same period. As a result, there is a direct cause and effect relationship between revenue and expenses in these funds.

**RATINGS.** In the context of bonds, normally an evaluation of credit-worthiness performed by an independent rating service.

**REFUNDING.** The redemption of an obligation on or before its maturity in order to reduce the fixed interest charge, or to reduce the amount of fixed payment.

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

**RESIDUAL EQUITY TRANSFER.** Nonrecurring or nonroutine transfers of equity between funds.

**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 a proprietary (internal service or enterprise) fund. In this budget document, the balance derived excludes asset depreciation expenditures. When depreciation is charged to user organizations, as in internal service funds, the cash balance remaining (ending retained earnings) therefore represents the asset replacement reserve being accumulated.

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

**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.

**SALARIES AND WAGES.** Amounts paid for personnel services rendered by employees in accordance with rates, hours, terms, and conditions authorized by law or stated in employment contracts. This category also includes overtime, temporary help, and car allowances.

**SELF-INSURED.** The retention of a risk of loss arising out of the ownership of property or some other cause, instead of transferring that risk to an independent third party through the purchase of an

insurance policy. It is accompanied by the setting aside of assets to fund any related losses. The City currently is not self-insured.

**SERVICES AND CHARGES.** Services acquired from and fees/payments made to vendors. These include printing, professional services, travel and training, communications, public utility services, repair/maintenance, and insurance premiums.

**SPECIAL REVENUE FUNDS.** These funds account for revenue derived from specific tax or other earmarked revenue sources which are legally restricted to finance particular functions or activities.

**STATE SHARED REVENUE.** Revenues received from the State of Washington from sources like the liquor tax, and MVET.

**STRATEGY.** An approach to using resources within the constraints of the environment in order to achieve a set of goals. An organization formulates a strategy based on the environment, and states the goals, objectives, and how it is going to meet the objectives through tactics to guide its core business functions.

**SUPPLIES.** Items used to deliver services, such as office supplies, short-lived minor equipment with no material value, periodicals, and books and generic computer software.

**TAX.** Compulsory charge levied by a government to finance services performed for the common benefit.

**TAX LEVY.** Total amount of ad valorem tax certified by the City.

**TAX RATE.** The amount of tax stated in terms of units per \$1,000 of assessed value of taxable property. The tax rate is the result of dividing the tax levied by the assessed value of the taxing district.

**TIC, True Interest Cost.** The rate necessary to discount the amounts payable on the respective principal and interest maturity dates to the purchase price received for bonds. TIC computations consider the time value of money.

**UNAPPROPRIATED ENDING FUND BALANCE.** An amount set aside in the budget to be used as a cash carryover to the next year's budget to provide needed cash flow until other money is received. No expenditures can be made from the Unappropriated Ending Fund Balance during the fiscal year in which it is budgeted.

**UNDERWRITER.** An individual or organization that assumes a risk for a fee (premium or commission).

**USER FEES.** The payment of a fee for direct receipt of a public service by the person benefiting from the service.

**VISION.** An objective that lies outside the range of planning. It describes an organization's most desirable future state.

**WORKLOAD MEASURE.** A tracking indicator that shows the amount of work performed by the division.

## ACRONYM LIST

AASHTO	American Association of State Highway and Transportation Officials
ACLU	American Civil Liberties Union
ADA	Americans with Disability Act
A & E	Architecture and Engineering
AICP	American Institute of Certified Planners
AICPA	American Institute of Certified Public Accountants
A/P	Accounts Payable
APA	American Planning Association
APWA	American Public Works Association
A/R	Accounts Receivable
AV	Assessed Valuation
AWC	Association of Washington Cities
BARS	Budgeting, Accounting, and Reporting System (State of Washington)
CAFR	Comprehensive Annual Financial Report
CDBG	Community Development Block Grant
CIP	Capital Improvement Program
ICBO	International Conference of Building Officials
IRS	Internal Revenue Service
ISTEA	Intermodal Surface Transportation Efficiency Act
LID	Local Improvement District
LTGO	Limited Tax General Obligation
M&O	Maintenance and Operations
MAB	Modified Accrual Basis
MRSC	Municipal Research and Services Center (of Washington)
MVET	Motor Vehicle Excise Tax
NPDES	National Pollutant Discharge Elimination System
NRPA	National Recreation Park Association
OMB	Office of Management and Budget (Federal)
PO	Purchase Order
PRIMA	Public Risk/Insurance Management Association
PSFOA	Puget Sound Finance Officers Association
PSRC	Puget Sound Regional Council
PWTFL	Public Works Trust Fund Loan
RCW	Revised Code of Washington
RCFB	Recreations and Conservation Funding Board
REET	Real Estate Excise Tax
RFB	Request for Bid
RFP	Request for Proposal
RFQ	Request for Qualifications
ROW	Right-of-Way
RTA	Regional Transit Authority
SAO	State Auditor's Office
SEPA	State Environmental Policy Act
SRFB	Salmon Recovery Funding Board
SWM	Surface Water Management
TIB	Transportation Improvement Board

TIP	Transportation Improvement Plan
TPCHD	Tacoma Pierce County Health Department
UBC	Uniform Building Code
USDOT	United States Department of Transportation
WABO	Washington Association of Building Officials
WAC	Washington Administrative Code
WCMA	Washington City Managers Association
WFOA	Washington Finance Officers Association
WRPA	Washington Recreation and Parks Association
WSAMA	Washington State Association of Municipal Attorneys
WSDOE	Washington State Department of Ecology
WSDOT	Washington State Department of Transportation

