

Town Hall Meeting Room
3715 Bridgeport Way West

- 6:30 pm 1. CALL SPECIAL MEETING TO ORDER
- 2. ROLL CALL AND PLEDGE OF ALLEGIANCE
- 3. APPROVAL OF AGENDA
- 4. PRESENTATIONS
 - Certificate of Appreciation – Pemberton Creek Condominiums
 - University Place Aquatic Club Proclamation - Bruce Seiber

6:45 pm 5. PUBLIC COMMENTS - (At this time, citizens will be given an opportunity to address the Council on any items listed under the Consent Agenda and on any subject not scheduled for a Public Hearing or Council consideration. Comments or testimony related to a scheduled Public Hearing or Council consideration should be held until the Mayor calls for citizen comments during that time. State law prohibits the use of this forum to promote or oppose any candidate for public office, or ballot measure. Public comments are limited to three minutes. Please provide your name and address for the record.)

6:50 pm 6. COUNCIL COMMENTS/REPORTS

6:55 pm 7. CITY MANAGER’S REPORT

7:00 pm 8A- CONSENT AGENDA
8D. Motion: Approve or Amend the Consent Agenda as Proposed

The Consent Agenda consists of items considered routine or have been previously studied and discussed by Council and for which staff recommendation has been prepared. A Councilmember may request that an item be removed from the Consent Agenda so that the Council may consider the item separately. Items on the Consent Agenda are voted upon as one block and approved with one vote.

- A. Receive and File: Payroll and Claims.
- B. Receive and File: Certificate of Appreciation to Bill and Joyce Edwards.
- C. Receive and File: 2013 Fourth Quarter Financial Report.
- D. Receive and File: 2014 First Quarter Financial Report.

COUNCIL CONSIDERATION – (The following item(s) will require Council action.)

- 7:05 pm 9. PUBLIC HEARING: BUDGET CARRYFORWARD
 - Staff Report
 - Public Comment
 - Council Consideration
- 7:20 pm 10. KIDDER MATHEWS BROKERAGE AGREEMENT
 - Staff Report
 - Public Comment
 - Council Consideration
- 7:40 pm 11. MAYOR’S REPORT

RECESS TO STUDY SESSION - (At this time, Council will have the opportunity to study and discuss business issues with staff prior to its consideration. Citizen comment is not taken at this time; however, citizens will have the opportunity to comment on the following item(s) at future Council meetings.)

- 7:45 pm 12. 2015-2016 COUNCIL GOALS
- 9:00 pm 13. ADJOURNMENT

*PRELIMINARY CITY COUNCIL AGENDA

July 7, 2014

Regular Council Meeting

July 21, 2014

Regular Council Meeting

August 4, 2014

Regular Council Meeting

August 18, 2014

Regular Council Meeting

Preliminary City Council Agenda subject to change without notice*

Complete Agendas will be available 24 hours prior to scheduled meeting.

To obtain Council Agendas, please visit www.cityofup.com.

American Disability Act (ADA) Accommodations Provided Upon Advance Request

Call the City Clerk at 253-566-5656

CERTIFICATE OF APPRECIATION

THE CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE WOULD LIKE TO
EXPRESS ITS APPRECIATION TO

PEMBERTON CREEK CONDOMINIUMS

FOR ITS DONATION TO THE CITY'S BEAUTIFICATION PROGRAM.
YOUR CONTRIBUTION MADE IT POSSIBLE TO PLACE FLOWER BASKETS AT THE
CIRQUE AND ALAMEDA ROUNDABOUT AND MADE OUR COMMUNITY A MORE
BEAUTIFUL AND INVITING PLACE TO LIVE.

DENISE MCCLUSKEY, MAYOR

DATED: 06/23/2014



CITY OF UNIVERSITY PLACE PROCLAMATION

WHEREAS, the University Place Aquatic Club (UPAC) was founded in 1983 by Jim Baurichter and Mark Olson; and

WHEREAS, the University Place Aquatic Club is a non-profit swim club that fosters an interest in, and facilitates the growth of, swimming in our community through professional leadership; and

WHEREAS, the University Place Aquatic Club promotes life-long health and enjoyment through swimming in a relaxed, fun, and motivating environment; and

WHEREAS, the University Place Aquatic Club provides instruction that focuses on improving swimming technique and helps develop recreational swimmers into competitive athletes; and

WHEREAS, the University Place Aquatic Club is part of USA Swimming and Pacific Northwest Swimming organizations that are the national governing body for the sport; and

WHEREAS, the University Place Aquatic Club has six swimmers on Pacific Northwest Swimming's top 25 list for 2014. This is a major accomplishment, considering that Pacific Northwest Swimming is one of the top districts in the nation with nearly 6,500 swimmers on 52 teams; and

WHEREAS, the University Place Aquatic Club hosts two annual events at the Curtis Aquatic Center, a state-of-the-art aquatic facility in University Place, drawing several thousand people into our beautiful City from across the State. These events not only contribute to the City's economic prosperity, but also promote University Place as a tourist destination.

NOW, THEREFORE, the City Council of the City of University Place wishes to congratulate the University Place Aquatic Club on its recent swim meet triumph, achieving almost 90% personal best times; and commend its members and volunteers for their dedication, outstanding efforts, and significant economic contribution to the City.

***PROCLAIMED BY THE CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE
ON JUNE 23, 2014.***

Denise McCluskey, Mayor

ATTEST:

Emy Genetia, CMC, City Clerk

APPROVAL OF CONSENT AGENDA

City of University Place
Voucher Approval Document

#8A

Control No.: 5 Agenda of: 06/23/14	PREPAY
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Claim of: Payroll for Pay Period Ending 05/31/14

Check #	Date	Amount	Name	Check #	Date	Amount	Name	
317988	06/05/14	501.54	MOSCHETTI-SUHAY, I	317993	06/05/14	281.12	WALKER, NATHANAEL E	
317989	06/05/14	55.41	GIST, TERRANCE B	317994	06/05/14	159.70	WILKINS, GERELL G	
317990	06/05/14	190.54	LEINGANG, KELLEN L	317995	06/05/14	227.60	WOODFOLK, NATHANIEL	
317991	06/05/14	406.08	MARR III, HARRISON	317996	06/05/14	811.50	VALENCIA, OVIDIUS	
317992	06/05/14	320.65	PARKER III, EARL					
						06/05/13	103,276.03	DIRECT DEPOSIT
						EMPLOYEE NET	106,230.17	

317997	06/05/14	16,614.50	- 106006, VANTAGEPOINT TRANSF
317998	06/05/14	3,599.00	- 106006 LOAN, VANTAGEPOINT
317999	06/05/14	4,960.11	- 304197, VANTAGEPOINT TRANSF
318000	06/05/14	300.00	- 705544, VANTAGEPOINT TRANSF
318001	06/05/14	3,819.88	- 800263, VANTAGEPOINT TRANSF
318002	06/05/14	513.63	- 304197 LOAN, VANTAGEPOINT TR
318003	06/05/14	1,885.00	HOWE TRUSTEE, DAVID M.
318004	06/05/14	315.00	IUOE LOCAL 612
318005	06/05/14	5,005.15	IUOE LOCALS 302/612 TRUST FUND
318006	06/05/14	250.00	NATIONWIDE RETIREMENT SOLUTION
318007	06/05/14	8.75	PACIFIC SOURCE ADMINISTRATORS
318008	06/05/14	971.67	PACIFIC SOURCE ADMINISTRATORS
318009	06/05/14	2,020.56	UNUM LIFE INSURANCE COMPANY
318010	06/05/14	690.83	UNUM LIFE INSURANCE COMPANY

WIRE	06/05/14	60,424.63	AWC EMPLOYEE BENEFIT TRUST
WIRE	06/05/14	21,388.48	BANK OF AMERICA
WIRE	06/05/14	21,963.04	WA STATE DEPT OF RETIREMENT SY
WIRE	06/05/14	25.00	WA STATE SUPPORT REGISTRY
WIRE	06/05/14	126.39	AFLAC INSURANCE
WIRE	06/05/14	845.30	WA ST DEPT OF RETIREMENT SYS

BENEFIT/DEDUCTION AMOUNT 145,726.92
TOTAL AMOUNT 251,957.09

Preparer Certification:

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein and that the claim is a just, due and unpaid obligation against the above-named governmental unit, and that I am authorized to authenticate and certify to said claim.

Signed: (Signature on file.)
Steve Sugg, City Manager

Date (06/13/14)

FINAL CHECK LISTING
CITY OF UNIVERSITY PLACE

Check Date: 06/13/14

Check Range: 50519 - 50619

Claims Approval

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just, due and unpaid obligation against the City of University Place, and that I am authorized to authenticate and certify to said claim.

I also certify that the following list of checks were issued to replace previously issued checks that have not been presented to the bank for payment. The check was returned due to an incorrect mailing address. The original check was voided and a replacement check issued.

Vendor Name

Replacement Check #

Original Check #

Auditing Officer: (Signature on file.)

Date: (06/13/14)

Bank : bofa BANK OF AMERICA

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
50519	6/13/2014	025185	A WORKSAFE SERVICE, INC	192188	5/30/2014	PRE-EMPLOYMENT DRUG TEST	104.00	104.00
		Voucher: 36955						
50520	6/13/2014	001000	ABC LEGAL MESSENGERS INC	MMFWA00061500	5/28/2014	LEGAL DELIVERY SERVICE	50.00	50.00
		Voucher: 36956						
50521	6/13/2014	025179	ACCESS INFORMATION MANAGE	0644965	5/31/2014	MAY14/OFFSITE RECORDS STO	638.52	638.52
		Voucher: 36957						
50522	6/13/2014	002570	ADVANCE SPORTS & RECREATIC	12855	6/4/2014	REPLACEMENT FLAGS/US & WA	648.75	648.75
		Voucher: 36958						
50523	6/13/2014	002661	AIR SYSTEMS ENGINEERING INC	000197627	6/3/2014	HVAC REPAIRS/CITY HALL	348.44	
		Voucher: 36959		000197620	6/3/2014	HVAC REPAIRS/PW SHOP	189.76	538.20
50524	6/13/2014	025666	APPAREL BY BEE	10065	6/5/2014	UP YOUTH COUNCIL T-SHIRTS	229.74	229.74
		Voucher: 36960						
50525	6/13/2014	023411	AUTOZONE, INC.	1164078162	5/20/2014	1/2" SUPER STRENGTH MOLDIN	11.80	
		Voucher: 36961		1164071813	5/13/2014	SQUEEGEE/SIGN TRUCK	5.19	16.99
50526	6/13/2014	002333	BANK OF AMERICA	548001400009	5/22/2014	MASTERCARD/05-22-14	9,204.24	9,204.24
		Voucher: 36962						
50527	6/13/2014	024610	BSN SPORTS INC.	95992101	4/2/2014	BASEBALL EQUIPMENT~	2,221.02	
		Voucher: 36963		96020841	4/14/2014	BASEBALL EQUIPMENT~	593.03	
				96106009	5/22/2014	BASEBALL EQUIPMENT~	-376.66	2,437.39
50528	6/13/2014	001187	BUNCE RENTAL, INC.	105920-1	5/30/2014	RENT/TOE KICK SAW/KOBAYASH	35.04	35.04
		Voucher: 36964						
50529	6/13/2014	025428	CAPITAL ONE COMMERCIAL/COS	7003-7301-0003-1	5/26/2014	7003-7301-0003-1024/COSTCO	725.21	725.21
		Voucher: 36965						
50530	6/13/2014	003155	CDW.GOVERNMENT, INC.	MD67253	5/29/2014	KINGSTON 8GB 1600MHZ REG E	1,072.78	
		Voucher: 36966		MF02221	5/30/2014	BARRACUDA EMAIL SEC 1 YEAR	642.45	
				MC59109	5/27/2014	RAM/KINGSTON 8GB 1600 MHZ F	321.83	
				MD67174	5/29/2014	RAM/KINGSTON 8GB 1600 MHZ F	321.83	
				LW11262	5/15/2014	COMPUTER MONITOR AND CABI	194.50	
				MG01396	6/2/2014	RETURN/KINGSTON 8GB 1333MI	-1,480.94	1,072.45
50531	6/13/2014	001152	CENTURYLINK	206-Z20-0051	5/20/2014	PHONES/CITY WIDE	2,005.03	
		Voucher: 36967		253-584-0775	6/1/2014	PHONE/ KOBAYASHI	45.85	
				253-565-0497	5/25/2014	PHONE/CURRAN HOUSE	45.73	2,096.61
50532	6/13/2014	001152	CENTURYLINK	1302544101	5/23/2014	PHONES/LONG DISTANCE & INT	1,540.75	1,540.75
		Voucher: 36968						

Bank : bofa BANK OF AMERICA (Continued)

<u>Check #</u>	<u>Date</u>	<u>Vendor</u>	<u>Invoice</u>	<u>Inv Date</u>	<u>Description</u>	<u>Amount Paid</u>	<u>Check Total</u>
50533	6/13/2014	024662 CHISOLM, STEPHANIE	13UTAX	4/28/2014	2013 UTILITY TAX REFUND	56.00	56.00
	Voucher:	36969					

Bank : bofa BANK OF AMERICA

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
50535	6/13/2014	001024 CITY TREASURER	100165190	5/23/2014	POWER/3761 BP WAY W	36.96	
	Voucher:	36970	100156353	6/4/2014	POWER/ BRIDGEPORT WAY W	32.72	
			100312900	6/4/2014	POWER/ 3715 BRIDGEPORT WA\	24.28	
			100737837	6/2/2014	POWER/5702 BP WAY W	22.78	
			100077109	6/2/2014	POWER/6400 BP WAY W	21.85	
			100445063	6/4/2014	POWER/ 3715 BRIDGEPORT WA\	20.43	
			100093125	5/27/2014	POWER/ 8513 33RD ST W #A	19.28	
			100439837	6/4/2014	POWER/ 3501 72ND AVE CT W	16.27	
			100312960	6/4/2014	POWER/3715 BRIDGEPORT WAY	12.21	
			100079046	6/4/2014	POWER/ 3715 BRIDGEPORT WA\	10.24	
			100802489	6/4/2014	POWER/ 3904 BRIDGEPORT WA\	9.85	
			100079031	6/4/2014	POWER/ 3715 BRIDGEPORT WA\	9.72	
			100312905	6/4/2014	POWER/ 3715 BRIDGEPORT WA\	9.64	
			100312959	6/4/2014	POWER/ 3715 BRIDGEPORT WA\	9.64	
			100669141	6/5/2014	SERVICE ESTABLISHMENT FEE/	6.10	
			100086172	6/4/2014	POWER/ 7901 CIRQUE DR W	3.57	
			100086165	6/4/2014	POWER/ 7813 44TH ST W	3.57	
			100086155	6/4/2014	POWER/ 7801 40TH ST W	3.57	
			100068203	5/30/2014	POWER/3715 BP WAY W	1,625.60	
			100110228	6/4/2014	POWER/ 3715 BRIDGEPORT WA\	1,088.07	
			100137272	6/3/2014	POWER & WATER/ 7210 19TH ST	540.15	
			100657111	6/4/2014	WATER/ 3626 DEXLER DR W	421.87	
			100565439	5/23/2014	WATER/3761 BP WAY W	390.28	
			100052902	6/4/2014	WATER & POWER/ 3715 BRIDGE\	382.16	
			100122800	6/4/2014	POWER/ 4398 BRIDGEPORT WA\	309.16	
			100612293	6/2/2014	POWER/5103 BP WAY W	237.12	
			100087691	6/4/2014	POWER/ 3697 BRIDGEPORT WA\	191.05	
			100751205	6/4/2014	WATER/3555 MARKET PLACE WE	178.41	
			100142834	6/4/2014	WATER/ 3715 BRIDGEPORT WAY	178.41	
			100577102	6/4/2014	POWER/ 7450 MARKET SQUARE	177.34	
			100617905	6/4/2014	POWER/ 3525 BRIDGEPORT WA\	155.82	
			100101775	6/6/2014	POWER/ 5250 GRANDVIEW DR V	133.12	
			100820972	5/20/2014	POWER/2700 SUNSET DR W	112.93	
			100312961	6/4/2014	POWER/3715 BRIDGEPORT WAY	94.00	
			100125070	6/2/2014	POWER/5370 BP WAY W	69.78	

Bank : bofa BANK OF AMERICA

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
			100722752	6/1/2014	WATER/ 4009 CURRAN LN W	60.22	
			100138171	6/4/2014	POWER/ 3998 BRIDGEPORT WA	58.02	
			100495884	6/4/2014	POWER/ 3625 DREXLER DR W	56.59	
			100125349	6/1/2014	POWER/4009 CURRAN LN W/FIN	53.42	
			100077098	6/2/2014	POWER/5399 BP WAY W	51.81	
			100105615	6/4/2014	POWER/ 3503 BRIDGEPORT WA	45.93	
			100714386	6/4/2014	POWER/ 3609 MARKET PLACE W	45.52	
			100456986	5/30/2014	POWER/5918 HANNAH PIERCE F	37.99	6,967.45
50536	6/13/2014	001140 CITY TREASURER	50003739	5/28/2014	DESIGN ENGINEERING/56TH-CIF	18,613.63	18,613.63
		Voucher: 36971					
50537	6/13/2014	001140 CITY TREASURER	90565932	6/3/2014	MAY14/HYDRANT STANDBY & CC	240.37	240.37
		Voucher: 36972					
50538	6/13/2014	001575 CITY TREASURER	052814	5/28/2014	INSTALL 1.5" SERVICE W/1.5" TL	20,494.00	20,494.00
		Voucher: 36973					
50539	6/13/2014	001575 CITY TREASURER	060414	6/3/2014	PERMIT #40000222817/KOBAYAS	1,060.00	1,060.00
		Voucher: 36974					
50540	6/13/2014	002171 CITY TREASURER	0421862	5/21/2014	REPAIRS & MAINTENANCE/FLEE	7,914.77	7,914.77
		Voucher: 36975					
50541	6/13/2014	002339 CLYDE WEST INC	00292460	5/31/2014	G.B SPRING	91.68	91.68
		Voucher: 36976					
50542	6/13/2014	023782 COMPLETE OFFICE SOLUTIONS,	1085938-0	5/22/2014	TONER CARTRIDGE	274.56	
		Voucher: 36977	1081866-0	5/12/2014	TONER CARTRIDGE	111.04	
			1085244-0	5/20/2014	FLASHLIGHTS & CD BINDER/IT C	91.14	
			1083544-0	5/15/2014	COPY PAPER	36.65	
			1086812-0	5/23/2014	DURACELL 9 VOLT BATTERIES	32.83	
			1083602-0	5/15/2014	SD MEMORY STICK READER	13.13	
			C1085244-0	5/23/2014	RETURNED/FLASHLISTS	-26.22	533.13
50543	6/13/2014	002600 COMPUCOM SYSTEMS INC	62291695	5/29/2014	ADOBE ACROBAT XI STANDARD	6,518.47	6,518.47
		Voucher: 36978					
50544	6/13/2014	024347 COPIERS NORTHWEST, INC.	INV1040952	5/23/2014	FEB22- MAY21/OVERAGE CHARC	242.18	
		Voucher: 36979	INV1040951	5/23/2014	MAY22-JUN21/LEASE PAYMENT/I	105.46	347.64
50545	6/13/2014	025670 COWARD, ANGIE	13UTAX	6/9/2014	2013 UTILITY TAX REFUND	56.00	56.00
		Voucher: 36980					

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
50546	6/13/2014	003143	DEPARTMENT OF COMMERCE	PWTF-71232	5/29/2014	PW-97-791-033/PWTFL	104,946.26
	Voucher:	36981		PWTF-76491	5/29/2014	PW-00-691-060/PWTFL	55,076.85
				PWTF-100554	5/29/2014	PW-05-691-PRE-145/PWTFL	49,777.46
				PWTF-76431	5/29/2014	PW-00-691-058/PWTFL	39,948.96
				PWTF-76461	5/29/2014	PW-00-691-059/PWTFL	38,294.74
							288,044.27
50547	6/13/2014	003090	DLB EARTHWORK, CORP	7	6/5/2014	BECKONRIDE SAFE ROUTES TO	798.00
	Voucher:	36982					798.00
50548	6/13/2014	001737	DON SMALL & SONS OIL DIST	CC56139	5/25/2014	BULK FUEL/PW SHOP	3,427.62
	Voucher:	36983					3,427.62
50549	6/13/2014	024101	DTI SOCCER	7294	5/16/2014	UNIFORMS AND EQUIPMENT~	325.97
	Voucher:	36984		7304	5/21/2014	UNIFORMS AND EQUIPMENT~	292.65
				7326	5/22/2014	UNIFORMS AND EQUIPMENT~	166.04
				7325	5/22/2014	UNIFORMS AND EQUIPMENT~	121.55
				7285	5/16/2014	UNIFORMS AND EQUIPMENT~	102.38
				7293	5/16/2014	UNIFORMS AND EQUIPMENT~	78.35
				7319	5/22/2014	UNIFORMS AND EQUIPMENT~	72.27
				7318	5/22/2014	UNIFORMS AND EQUIPMENT~	58.64
				7286	5/16/2014	UNIFORMS AND EQUIPMENT~	15.33
				7323	5/22/2014	UNIFORMS AND EQUIPMENT	15.22
				7317	5/22/2014	UNIFORMS AND EQUIPMENT~	14.73
				7324	5/22/2014	UNIFORMS AND EQUIPMENT~	9.80
				7358	6/2/2014	UNIFORMS AND EQUIPMENT~	6.52
				7316	5/22/2016	UNIFORMS AND EQUIPMENT~	6.13
							1,285.58
50550	6/13/2014	025200	ENGSTROM, MICHAEL	13UTAX	5/27/2014	2013 UTILITY TAX REFUND	56.00
	Voucher:	36985					56.00
50551	6/13/2014	002482	ESA ADOLFSON ASSOCIATES INC	106422	1/22/2014	CONSULTANT/SHORELINE MAST	2,537.50
	Voucher:	36986					2,537.50
50552	6/13/2014	001727	FENCE SPECIALIST INC	0022423	6/4/2014	10' RAILS	135.70
	Voucher:	36987					135.70
50553	6/13/2014	024941	FENNELL, KAREN	REIMB	6/4/2014	REIMB/HARDWARE CLOTH & CO	89.16
	Voucher:	36988					89.16
50554	6/13/2014	025660	FERGUSON WATERWORKS	0421862	5/21/2014	10 CLAY X 8 CI PVC COUP	221.10
	Voucher:	36989					221.10
50555	6/13/2014	002941	GENESYS CONFERENCING	I-1206435	5/14/2014	CONFIDENTIAL TELECONFEREN	30.25
	Voucher:	36990					30.25

Bank : bofa BANK OF AMERICA

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
50556	6/13/2014	001212 GRAY & OSBORNE INC	14464.06-1	4/29/2014	ENGINEERING SVCS/37TH ST W	10,184.74	
	Voucher:	36991	14464.01-1	4/29/2014	ENGINEERING SVCS/LEMONS B	1,127.93	
			14464.05-1	4/29/2014	ENGINEERING SVCS/66TH ST &	1,039.44	
			14464.04-1	4/29/2014	ENGINEERING SVS/33RD & TAHK	974.48	
			14464.02-1	4/29/2014	ENGINEERING SVCS/SOUNDVIE	963.27	
			14464.03-1	4/29/2014	ENGINEERING SVCS/OLYMPIA D	909.51	15,199.37
50557	6/13/2014	025664 GRIGORYEVA, LYUBOV P.	13UTAX	6/3/2014	2013 UTILITY TAX REFUND	56.00	56.00
	Voucher:	36992					
50558	6/13/2014	025661 HANSEN, LOWELL	13UTAX	5/27/2014	2013 UTILITY TAX REFUND	56.00	56.00
	Voucher:	36993					
50559	6/13/2014	001222 HOME DEPOT CREDIT SERVICES6035-3225-0105-0		5/28/2014	MISC REPAIR & MAINTENANCE S	117.93	117.93
	Voucher:	36994					
50560	6/13/2014	025432 INFOR PUBLIC SECTOR, INC.	P-2386-US06A	3/28/2014	HANSEN 8 - ASSET MANAGEMEN	15,471.11	15,471.11
	Voucher:	36995					
50561	6/13/2014	022503 INTL CODE COUNCIL, INC.	3004099	5/5/2014	5/14 -5/15 MEMBERSHIP/DEAN B	125.00	125.00
	Voucher:	36996					
50562	6/13/2014	022801 KATE MCDERMOTT	052114	5/21/2014	MAR-MAY14/TALKING UP NEWSL	570.00	
	Voucher:	36997	DIRECTORY	5/21/2014	2014 BUSINESS DIRECTORY CO	180.00	750.00
50563	6/13/2014	021616 KELLEY IMAGING SYSTEMS	15392729	6/2/2014	LEASE/SHARP MX-5111N COPIER	366.50	366.50
	Voucher:	36998					
50564	6/13/2014	023246 KELLY-SAGE, DEBRA	MILEAGE	5/29/2014	MILEAGE REIMB/SUPV TRAINING	33.60	33.60
	Voucher:	36999					
50565	6/13/2014	023289 KIDZ LOVE SOCCER	2014SP-F86	5/3/2014	SPR14/SOCCER INSTRUCTION	3,511.50	3,511.50
	Voucher:	37000					
50566	6/13/2014	022467 KUTULAS, CHARLOTTE	13UTAX	4/25/2014	2013 UTILITY TAX REFUND	56.00	56.00
	Voucher:	37001					
50567	6/13/2014	021887 LAFONTAINE, PATRICIA	13UTAX	5/26/2014	2013 UTILITY TAX REFUND	56.00	56.00
	Voucher:	37002					
50568	6/13/2014	001987 LAKEWOOD IRON WORKS	052314	5/23/2014	FABRICATE STEEL PRY BAR	164.10	164.10
	Voucher:	37003					
50569	6/13/2014	024933 LANDSCAPE BARK	L61804	5/22/2014	MEDIUM BARK/CITY MEDIANS	621.94	621.94
	Voucher:	37004					
50570	6/13/2014	002356 LANE & ASSOCIATES	1205	5/5/2014	ROW ACQUISITION & APPRAISAI	2,615.74	2,615.74
	Voucher:	37005					

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
50571	6/13/2014	024021 LEE, RICHARD	13UTAX	6/5/2014	2013 UTILITY TAX REFUND	65.00	65.00
		Voucher: 37007					
50572	6/13/2014	001243 LLOYD ENTERPRISES INC	179346	5/19/2014	ROCK/STORM DRAIN PROJECTS	520.49	520.49
		Voucher: 37008					
50573	6/13/2014	025671 MCCAFFREE, JAMES	58785	6/9/2014	REFUND/PERMIT FEE/#BLD14-01	125.00	125.00
		Voucher: 37009					
50574	6/13/2014	025622 MD DESIGNS	042314	4/23/2014	DESIGN SERVICES/KOBAYASHI I	1,200.00	1,200.00
		Voucher: 37010					
50575	6/13/2014	001352 MILES RESOURCES, LLC	237426	5/27/2014	HOT ASPHALT/SOUNDVIEW	103.93	103.93
		Voucher: 37011					
50576	6/13/2014	001378 MOUNTAIN MIST WATER	005512300	5/12/2014	#075361/BOTTLED WATER/CITY I	45.75	
		Voucher: 37012	005536419	5/27/2014	#075361/BOTTLED WATER/CITY I	33.50	
			005512299	5/12/2014	#075361/BOTTLED WATER/PW SI	26.50	
			005512322	5/12/2014	#065205/BOTTLED WATER/COUM	25.80	
			005536417	5/27/2014	#075361/BOTTLED WATER/PW SI	23.00	
			005517214	5/14/2014	#031650/BOTTLED WATER/SR CE	16.00	
			005536410	5/27/2014	#075361/BOTTLED WATER/REC I	12.50	
			005541236	5/29/2014	#031650/BOTTLED WATER/SR CE	12.50	
			005512301	5/12/2014	#068332/BOTTLED WATER/CM O	12.22	
			005536421	5/27/2014	#068332/BOTTLED WATER/CM O	11.50	
			005545134	5/29/2014	#066460/BOTTLED WATER/FITNE	6.56	225.83
50577	6/13/2014	001172 MULTICARE CENTERS	87253	6/2/2014	PRE-EMPLOYMENT PHYSICALS/	251.00	251.00
		Voucher: 37013					
50578	6/13/2014	025603 NARROWS MARINA, LLC	41438	6/1/2014	STORAGE/JUN14/DERELICT BOA	126.00	126.00
		Voucher: 37014					
50579	6/13/2014	001095 NEWS TRIBUNE	I00976482-040720	4/7/2014	LEGAL NOTICE/INV STMT OF INT	760.93	
		Voucher: 37015	I01004988-041920	4/19/2014	LEGAL NOTICES/COMP PLAN AM	203.08	
			I00999905-041620	4/16/2014	ORDINANCE PUBLICATION/ORD	161.49	
			I00989655-040920	4/9/2014	ORDINANCE PUBLICATION/ORD	156.13	
			I00989633-040920	4/9/2014	LEGAL NOTICE/MEETING 04-14	123.97	1,405.60
50580	6/13/2014	025665 OLIVER, CHERIE	13UTAX	6/5/2014	2013 UTILITY TAX REFUND	56.00	56.00
		Voucher: 37016					
50581	6/13/2014	024028 PACIFIC AUTO AIR LLC.	64212	5/27/2014	AIR CONDITIONER SERVICE/SHI	240.89	
		Voucher: 37017	64220	5/28/2014	AIR CONDITIONER SERVICE/SHI	156.03	396.92

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
50582	6/13/2014	025172	PACIFIC NORTHWEST CONSULTI060214	6/2/2014	FACILITATOR/COUNCIL RETREA	1,126.80	1,126.80
		Voucher: 37018					
50583	6/13/2014	025614	PAPE RENTS 211698600	5/29/2014	RENTAL/EXCAVATOR	1,139.95	1,139.95
		Voucher: 37019					
50584	6/13/2014	001109	PIERCE COUNTY BUDGET & FIN/AR159214	5/14/2014	MAY14/POLICE SERVICES	255,183.81	
		Voucher: 37020	AR159486	5/21/2014	SPECIAL OVERTIME/PAY CYCLE	18,703.27	
			AR159633	5/29/2014	2NDQTR14/RAINIER COMMUNIC	12,140.46	
			AR159567	5/23/2014	MAR14/JAIL SERVICES~	9,882.00	
			AR159653	5/30/2014	APR14/ANIMAL CONTROL & SHE	7,798.06	
			AR159495	5/30/2014	APR14/TRAFFIC SERVICES	3,579.15	
			AR159595	5/23/2014	APR14/JAIL SERVICES	3,450.00	
			AR159595	5/27/2014	1ST QTR 14/LIQUOR TAX & PROF	1,585.63	
			AR159670	5/30/2014	1STQTR14/GIS WIDE AREA NETV	433.80	312,756.18
50585	6/13/2014	022037	PIERCE COUNTY PARKS & REC FASTPITCH	5/30/2014	14 U FASTPITCH TEAM REGISTR	450.00	450.00
		Voucher: 37021					
50586	6/13/2014	001588	PIERCE COUNTY SEWER 00566276	6/1/2014	SEWER/ 3715 BRIDGEPORT WAY	134.49	
		Voucher: 37022	00664685	6/1/2014	SEWER/ 4951 GRANDVIEW DR W	101.41	
			00000591	6/1/2014	SEWER/ 2534 GRANDVIEW DR W	64.65	
			00604682	6/1/2014	SEWER/ 2917 MORRISON RD W	43.72	
			01576712	6/1/2014	SEWER/ 3609 MARKET PL W #A	31.57	
			01576739	6/1/2014	SEWER/ 3609 MARKET PLW #2	31.57	
			01571443	6/1/2014	SEWER/ 7520 CIRQUE DR W (RE	31.57	
			01576721	6/1/2014	SEWER/ 3609 MARKET PL W #B	31.57	
			01512692	6/1/2014	SEWER/ 3555 MARKET PLW	16.87	487.42
50587	6/13/2014	001291	PITNEY BOWES INC 574352	5/26/2014	POSTAGE METER METER INK	164.24	164.24
		Voucher: 37023					
50588	6/13/2014	001161	PUGET SOUND ENERGY CORP 200000971479	5/27/2014	GAS/4910 BRISTONWOOD DR W	92.22	
		Voucher: 37024	200017087624	5/30/2014	GAS/2534 GRANDVIEW DR W	82.97	
			300000010987	6/2/2014	GAS/ 3715 BRIDGEPORT WAY W	54.41	
			200014542258	5/29/2014	GAS/7450 MARKET SQ W	35.38	
			200010256200	5/27/2014	GAS/6420 CHAMBERS CK RD S	12.91	
			300000009641	6/2/2014	GAS/ 3715 BRIDGEPORT WAY W	155.07	432.96
50589	6/13/2014	025241	ROBERT HALF TECHNOLOGY, INI40433139	5/20/2014	WE 05-16-14/BRYAN HEAD/TEMP	1,420.00	
		Voucher: 37025	40484057	5/28/2014	WE 05-23-14/BRYAN HEAD/TEMP	1,420.00	2,840.00

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
50590	6/13/2014	025657	ROBERTSON, NICKI	REFUND	6/2/2014	REFUND/OVERPAID ANIMAL LIC	5.75	5.75
		Voucher: 37026						
50591	6/13/2014	023883	RODARTE CONSTRUCTION INC. 3		5/31/2014	CONSTRUCTION/BP WAY W 3B F	136,163.63	136,163.63
		Voucher: 37027						
50592	6/13/2014	025667	ROOT, JASON	13UTAX	6/3/2014	2013 UTILITY TAX REFUND	56.00	56.00
		Voucher: 37028						
50593	6/13/2014	025188	SAFELITE AUTO GLASS	00440-084967	5/24/2014	AUTO GLASS/FLEET	163.17	163.17
		Voucher: 37029						
50594	6/13/2014	022031	SEESZ, LINDA	WATOA/REC	6/4/2014	RECONCILIATION/WATOA CONF/	244.76	244.76
		Voucher: 37030						
50595	6/13/2014	023486	SHAVER, EVELYN	13UTAX	5/13/2014	2013 UTILITY TAX REFUND	56.00	56.00
		Voucher: 37031						
50596	6/13/2014	025662	SHELBY, CHARISSE	1523	6/2/2014	REFUND/DEPOSIT/SR CENTER F	150.00	150.00
		Voucher: 37032						
50597	6/13/2014	025501	SPRAGUE, BILL	13UTAX	6/2/2014	2013 UTILITY TAX REFUND	56.00	56.00
		Voucher: 37033						
50598	6/13/2014	024901	STERN-WILLIAMS CO., INC.	160557	5/29/2014	DRAIN REMOVAL TOOL	55.65	55.65
		Voucher: 37034						
50599	6/13/2014	002613	SUPERIOR LINEN SERVICE, INC.	98985	6/4/2014	OFFICE MAT RENTAL/PW SHOP	79.97	79.97
		Voucher: 37035						
50600	6/13/2014	025669	TACOMA PLUMBNG & HEATING	58994	6/10/2014	REFUND/OVERPAID/INTAKE FEE	6.20	6.20
		Voucher: 37036						
50601	6/13/2014	025311	TACOMA WINSUPPLY, INC.	011550-00	5/19/2014	MISC REPAIR PARTS/CIRQUE PA	490.56	490.56
		Voucher: 37037						
50602	6/13/2014	025032	TEAMSIDELINE.COM	TS-INV-2660	5/2/2014	UNLIMITED USE/PREMIUM TEAM	798.00	798.00
		Voucher: 37038						
50603	6/13/2014	002823	THOMPSON ELECTRICAL CONST	0514-06247CG	5/31/2014	INSTALL RECEPTACLE FOR WAT	233.73	
		Voucher: 37039		0514-6196CG	5/30/2014	LIGHT FIXTURE/ENGINEERING C	929.90	1,163.63
50604	6/13/2014	001326	TUCCI & SONS INC	47428	5/21/2014	CLASS B ASPHALT	69.65	69.65
		Voucher: 37040						
50605	6/13/2014	001035	TYLER TECHNOLOGIES, INC.	045-110894	5/23/2014	TRAINING/HR MODULE	2,432.02	2,432.02
		Voucher: 37041						
50606	6/13/2014	001331	UNIVERSITY PLACE REFUSE SV,	1795128	5/20/2014	WASTE DISPOSAL/KOBAYASHI L	4,207.39	4,207.39
		Voucher: 37042						

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Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
50607	6/13/2014	025336 US BANK	745000006	5/6/2014	CUSTOMER #745000006/APR14/I	22.00	22.00
		Voucher: 37043					
50608	6/13/2014	025336 US BANK	745000006	6/9/2014	CUSTOMER #745000006/MAY14/I	22.00	22.00
		Voucher: 37044					
50609	6/13/2014	025399 VASSEY NURSERY, LLC	2	6/1/2014	HANGING FLOWER BASKETS/CI	9,153.13	9,153.13
		Voucher: 37045					
50610	6/13/2014	025644 VENTI PRODUCTIONS LLC	1397	5/22/2014	ADMIN FEES/2014 TREE LIGHTIN	1,500.00	1,500.00
		Voucher: 37046					
50611	6/13/2014	001153 VERIZON WIRELESS,LLC.	9726211495	6/1/2014	CELLPHONE/ CITY WIDE	2,104.34	2,104.34
		Voucher: 37047					
50612	6/13/2014	001032 WA STATE	2014050093	6/3/2014	MAY14/ANALOG PHONE LINES/C	197.40	197.40
		Voucher: 37048					
50613	6/13/2014	001664 WA STATE DEPT OF REVENUE	005	5/27/2014	TAX ASSESSMENT/USE TAX/2010	24,841.00	24,841.00
		Voucher: 37049					
50614	6/13/2014	001389 WA STATE PATROL	114008470	6/2/2014	MAY14/EMPLOYEE BACKGROUN	140.00	140.00
		Voucher: 37050					
50615	6/13/2014	025071 WELLS FARGO BANK NA	3	5/31/2014	#1107710756/RODARTE CONST./I	7,166.51	7,166.51
		Voucher: 37051					
50616	6/13/2014	024399 WELLS FARGO FINANCIAL LEASING	5001186276	5/19/2014	JUN15-JUL14/RENT/LEXMARK PI	95.07	95.07
		Voucher: 37052					
50617	6/13/2014	022306 WHITWORTH PEST SOLUTIONS	1223893	5/27/2014	SPRAYING/CURRAN ORCHARD	1,011.40	
		Voucher: 37053	225960	5/21/2014	PEST CONTROL/SR CENTER	46.77	1,058.17
50618	6/13/2014	001781 WILLIAMS OIL FILTER SVC, INC.	118649	6/5/2014	MISC PARTS/VACTOR TUBE	226.50	
		Voucher: 37054	116023	5/19/2014	ALUM REDUCER COUPLER/VAC	190.82	
			118723	6/6/2014	T BOLT CLAMP & ADAPTOR/VAC	74.07	491.39
50619	6/13/2014	001357 ZUMAR INDUSTRIES INC	0169807	5/23/2014	24X24 FIELDS CLOSED SIGNS	118.91	118.91
		Voucher: 37055					
52914	5/29/2014	025658 LATITUDE 47 MIXED USE BLDG LLOT10		5/28/2014	PERPETUAL EASEMENT/LOT 10	1,700,000.00	1,700,000.00
		Voucher: 37006					
Sub total for BANK OF AMERICA:							2,635,038.62

101 checks in this report.

Grand Total All Checks: 2,635,038.62

CERTIFICATE OF APPRECIATION

THE CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE WOULD LIKE TO
EXPRESS ITS APPRECIATION TO

BILL AND JOYCE EDWARDS

FOR THEIR GENEROUS DONATION TO THE UNIVERSITY PLACE SENIOR CENTER.
YOUR CONTRIBUTION WILL MAKE A SIGNIFICANT IMPACT ON THE CITY'S ABILITY
TO ENRICH AND EXTEND THE QUALITY OF LIFE FOR SENIORS IN OUR
COMMUNITY THROUGH WELLNESS, SOCIAL AND EDUCATIONAL PROGRAMS.

DENISE MCCLUSKEY, MAYOR

DATED: 06/23/2014



FOURTH QUARTER FINANCIAL REPORT

DECEMBER 31, 2013

Introduction

The fourth quarter financial report is presented here. As has been the custom in the past, the report has been prepared on an accrual basis. There is a one month time lag between when monies are collected by other entities (State of Washington and Pierce County) and when they are received by the City. As a result, the City has to accrue those revenues back to the period they were deemed receivable. For comparison purposes, certain revenues have been accrued and charged to the fourth quarter 2013. These include taxes and other state shared revenues.

Revenues

General Fund – Overall, 2013 revenues, including those received from the Pierce County Library System for the Civic Building expansion space are 2.25% more than 2013 budget estimates. After taking into account the conversion of revenues to the Public Safety Fund and the one time Pierce County payment of \$2,250,000 in 2012 revenues are comparable to those for the same period in 2012.

As was indicated above, revenues received in January, 2013 were used for purposes of this report. The Sales Tax revenue (including Sales Tax-1% for Parks) is 5.76% more than budget estimates. Franchise fees were approximately 2% more than 2013 budget estimates at \$2,317,419. Business Licenses fees are, for the most part, collected during the first part of the year and, at \$76,404, are approximately 1.87% more than was budgeted. Admission Tax, at \$182,025, is 25.53% more than anticipated in 2013 and 14% less than collected in 2012.

The decrease in Gambling Tax is due, primarily, to the closure of one local business which was a result of a fire. Additionally, another is under new ownership and no longer provides gambling activities.

The Administrative Fee from SWM is 6.5% below budget estimates. This fee is based on budget expenditures and transfers are made from the affected departments based on actual expenditures. The decrease in operating expenditures resulted in a decrease in the Administrative Fee from SWM.

State of Washington City Assistance received in 2013 was \$93,177. This exceeds the budget estimates for 2013 by \$23,177.

Public Safety

The Public Safety Fund was established in 2012 to track all police/public safety revenues and expenditures. Related revenues and expenditures that were previously reported in the General Fund are now being reported in the Public Safety Fund. For comparison purposes, the spreadsheet on page 3 has included columns for revenues and expenditures that were, in previous years, reported in the General Fund.

City of University Place
Fourth Quarter 2013 Financial Report

Resources General Fund	2009	2010	2011	2012	2013		Change (Bud vs Act)	
					Budget	Actual	\$	%
Beginning Fund Balance	\$ 2,195,692	\$ 4,034,602	\$ 587,584	\$ 559,349	\$ 1,652,633	\$ 1,652,633	\$ -	0.00%
REVENUES								
Property Tax	3,742,760	3,727,676	3,780,850	Converted to Public Safety Managerial Fund				
Sales Tax	2,189,513	1,926,501	1,884,823	1,930,572	2,071,700	2,178,263	106,563	5.14%
Sales Tax - 1% for Parks	194,769	218,336	216,397	221,071	220,000	245,416	25,416	11.55%
Criminal Justice Sales Tax	383,480	397,501	393,193	Converted to Public Safety Managerial Fund				
Leasehold Excise Tax	973	1,235	1,141	3,435	3,500	4,224	724	20.69%
Admission Tax	223,592	233,865	210,211	212,754	145,000	182,025	37,025	25.53%
Utility Tax	2,516,302	2,432,540	2,483,391	2,510,009	2,436,000	2,410,110	(25,890)	-1.06%
Utility Tax Refund	(14,116)	(11,123)	(9,788)	(12,593)	(13,000)	(9,008)		
Gas	531,198	433,671	495,586	506,457	455,000	415,580		
Solid Waste	296,820	291,836	308,940	328,598	308,000	332,074		
Cable	505,883	556,096	580,652	600,951	600,000	600,205		
Phone	299,209	267,069	231,803	219,881	215,000	209,750		
Cellular	728,674	725,166	704,530	690,487	695,000	653,820		
SWM Fees	169,004	169,825	171,668	176,228	176,000	177,689		
Gambling Tax	95,617	101,437	73,706	75,292	75,000	48,985	(26,015)	-34.69%
Franchise Fees	2,080,609	2,119,126	2,098,161	2,210,089	2,272,090	2,317,419	45,329	2.00%
Cable Franchise Fees	415,402	428,259	446,304	461,891	452,000	485,618		
Refuse Franchise Fees	247,882	243,434	257,516	269,153	265,000	276,709		
Water Franchise Fees (TPU)	406,489	434,971	426,537	451,139	485,276	485,277		
Electric Franchise Fees (TPU)	1,010,836	1,012,462	967,804	1,027,905	1,069,814	1,069,815		
Business License Fees	58,135	57,634	83,256	77,814	75,000	76,404	1,404	1.87%
Alarm Permit Fees	4,700	3,962	3,181	Converted to Public Safety Managerial Fund				
Animal Control	82,574	80,406	73,743	Converted to Public Safety Managerial Fund				
Criminal Just - Low Population	78,815	79,785	78,054	Converted to Public Safety Managerial Fund				
Liquor Profits Tax	216,339	251,971	217,078	310,923	219,000	224,222	5,222	2.38%
Liquor Excise Tax	154,813	155,880	151,688	78,104	33,000	41,719	8,719	26.42%
State of WA/City Assistance	74,975	77,433	52,630	66,002	70,000	93,177	23,177	33.11%
Fines & Forfeitures	11,661	5,802	4,538	100	-	-	-	N/A
Sale of Documents & Records	959	484	466	-	-	182	182	
Law Enforcement Services	8,867	8,503	15,228	Converted to Public Safety Managerial Fund				
Building Fees	352,410	Converted to Development Services Managerial Fund						
Engineering Fees	75,042	131,500	130,000	130,000	130,000	130,000	-	0.00%
Planning Fees	46,487	Converted to Development Services Managerial Fund						
Recreation Fees	295,541	Converted to Recreation Managerial Fund						
Administrative Fee from SWM Fund	530,270	377,645	439,214	417,210	444,400	415,475	(28,925)	-6.51%
Rents and Leases	38,726	38,144	51,733	54,186	56,900	70,659	13,759	24.18%
Property Management	-	-	-	39,881	79,692	81,076	1,384	1.74%
Investment Interest	16,809	3,056	6,792	9,838	13,500	12,788	(712)	-5.28%
Non-CRT Fines, Forfeitures & Penalties	3,990	3,182	2,230	Converted to Public Safety Managerial Fund				
Grants	146,113	121,004	50,641	-	-	-	-	N/A
Solicitor Permit Fees	-	300	250	200	150	375	225	150.00%
Pierce County ILA-WWTP	-	-	-	2,250,000	-	-	-	N/A
Pierce County Library Expansion Space	-	-	-	120,000	120,000	120,000	-	0.00%
Miscellaneous	4,309	11,588	8,358	145,520	7,000	9,613	2,613	37.33%
Subtotal Operating Revenues	13,629,150	12,566,496	12,510,953	10,862,999	8,471,932	8,662,132	190,200	2.25%

City of University Place
Fourth Quarter 2013 Financial Report

Police/Public Safety	General Fund			2013		
	2009	2010	2011	2012	Budget	Actual
REVENUES						
Property Tax	3,742,760	3,727,676	3,780,850	3,856,992	3,889,569	3,924,801
Criminal Justice Sales Tax	383,480	397,501	393,193	401,968	364,000	440,297
Animal Control	82,574	80,406	73,743	69,719	66,000	64,060
Criminal Just - Low Population	78,815	79,785	78,054	80,142	76,500	85,174
Alarm Permit Fees/False Alarm	4,700	3,962	3,181	4,493	3,500	6,434
Grants	-	-	-	17,864	17,974	21,993
Law Enforcement Svces/DUI Response	8,867	8,503	15,228	15,759	16,000	24,012
Crime Free Multi-Housing	-	-	-	580	-	420
Non CRT Fines, Forfeitures & Pen	3,990	3,182	2,230	1,811	1,000	2,956
Judgements & Settlements	-	-	-	-	-	-
Liquor Profits Tax - Public Safety	-	-	-	28,560	28,825	56,864
SWM Administrative Fee - City Attorney	-	-	-	43,292	40,732	44,331
Miscellaneous	-	-	-	100	-	1
Total Revenues	4,305,186	4,301,015	4,346,479	4,521,280	4,504,100	4,671,343
EXPENDITURES	2009	2010	2011	2012	2013	2013
	Actual	Actual	Actual	Actual	Budget	Actual
Municipal Court	255,174	207,098	233,525	240,290	246,750	238,915
Emergency Preparedness	31,054	26,775	29,959	27,201	31,555	27,203
Civil Legal Services	284,734	255,033	360,322	283,229	354,577	264,108
Police	3,990,164	3,130,900	3,269,727	3,319,628	3,407,403	3,339,654
Public Safety	69,680	84,159	71,852	81,093	78,623	75,559
Animal Control	145,113	119,149	113,852	115,900	88,503	95,566
Code Enforcement	85,540	87,734	89,851	82,031	92,936	44,494
Jail	66,739	55,457	76,245	106,458	150,000	140,787
Transfers Out to Internal Service Funds					10,768	10,768
Total Expenditures	4,928,198	3,966,305	4,245,333	4,255,831	4,461,115	4,237,054
Revenue Less Expenditures	(623,012)	334,710	101,146	265,449	42,985	434,290

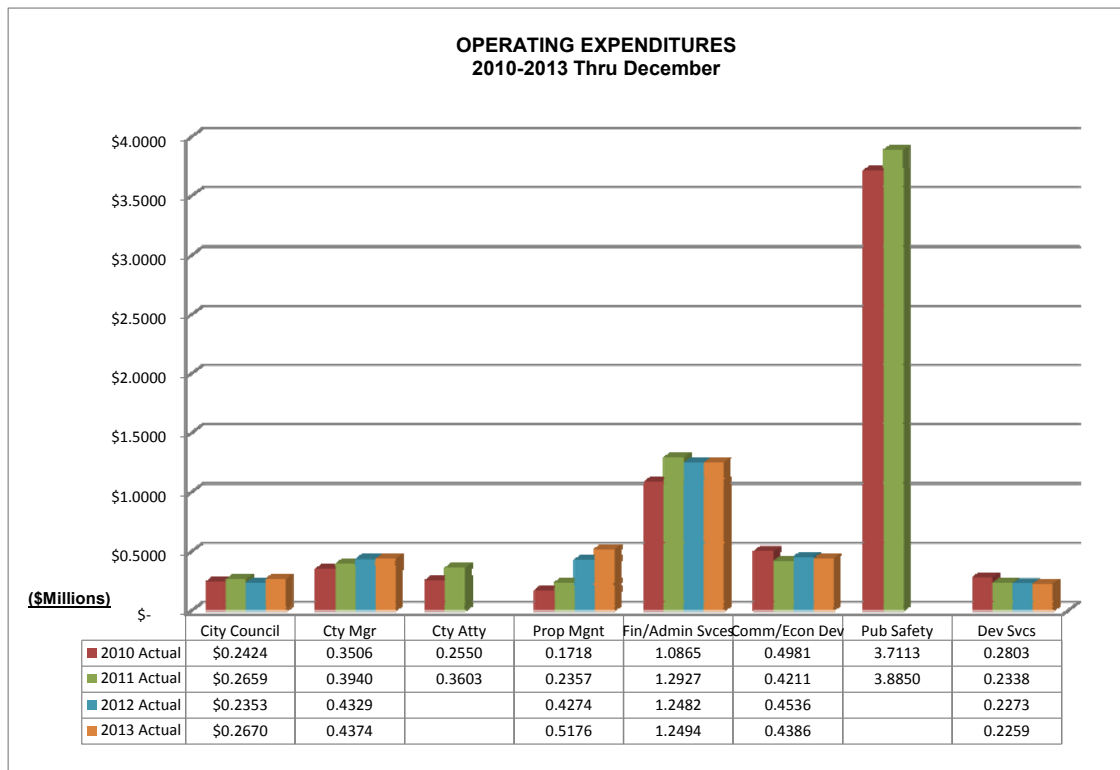
Operating Expenditures

General Fund operating expenditures are presented here by Department. Please note that in 2012, Public Safety and City Attorney expenditures were moved from the General Fund into the Newly created Police/Public Safety Fund.

Overall, fourth quarter operating expenditures were 14.2% below budget (excluding Reserves and Contingency). A significant portion of the savings relates to expenditures that will take place in 2014 rather than as budgeted in 2013. This delay in expenditures will be reflected in a forthcoming carryforwards budget amendment. For example, the “budget” to “actual” difference in Finance and Administrative Services is related to budgeted election services expenditures in the City Clerk’s Office budget (\$37,000) and equipment budgeted in the Communications budget (\$213,000) for UPTV which have not, as yet, been expended. The difference in Community and Economic Development relates, primarily, to unspent funds that were budgeted for travel and professional.

TABLE 2
OPERATING EXPENDITURES
Through December
2010 Through 2013

Expenditures by Dept	2010	2011	2012	2013	2013	2013	
	Actual	Actual	Actual	Budget	Actual	\$ Variance	% Variance
City Council	\$ 242,444	\$ 265,867	\$ 235,308	\$ 256,604	\$ 266,978	\$ 10,374	4.0%
City Manager's Office	350,555	393,960	432,881	452,334	437,403	(14,931)	-3.3%
City Attorney's Office	255,034	360,322	-	-	-	-	0.0%
Property Management	171,793	235,696	427,380	500,379	517,574	17,195	3.4%
Finance and Administrative Services	1,086,535	1,292,735	1,248,161	1,644,015	1,249,383	(394,632)	-24.0%
Community and Economic Development	498,132	421,131	453,553	550,986	438,604	(112,382)	-20.4%
Public Safety	3,711,272	3,885,010	-	-	-	-	0.0%
Development Services	280,265	233,781	227,275	249,062	225,936	(23,126)	-9.3%
	6,596,030	7,088,502	3,024,558	3,653,380	3,135,878	\$ (328,547)	-14.2%
Reserves/Transfer-Other	9,478,241	5,978,924	7,021,170	5,327,897	4,803,283	n/a	n/a
Total	\$ 16,074,271	\$ 13,067,426	\$ 10,045,728	\$ 8,981,277	\$ 7,939,161	n/a	n/a



Individual Revenues

The information presented below provides a detailed look at the major revenues for the City.

Sales Taxes

Overall sales tax revenue is up 13% compared to fourth quarter 2012. Retail sales tax revenues have increased approximately 3.7% as compared to the same period in 2012. However, the majority of this increase (\$201,000 out of \$251,000) reflects increased construction tax revenue, which may not be sustainable.

With respect to budget estimates, 2013 sales tax revenues, through fourth quarter, exceeded budget estimates by 5.3% or \$110,000. (The sales tax revenues shown below do not include the 1% for Parks.)

**Local Retail Sales Tax Revenue
By Month**

MONTH	2010	2011	2012	2013		Change (Bud vs Act)	
	Actual	Actual	Actual	Budget*	Actual	\$	%
January	\$ 220,202	\$ 204,801	\$ 194,463	\$ 223,506	\$ 210,477	(13,029)	-5.8%
February	137,421	138,964	130,779	146,906	161,923	15,017	10.2%
March	163,351	141,622	144,494	162,170	151,974	(10,196)	-6.3%
April	167,336	171,818	159,292	179,842	170,886	(8,956)	-5.0%
May	146,140	124,424	151,023	152,110	157,397	5,287	3.5%
June	146,521	153,507	160,165	166,039	183,798	17,759	10.7%
July	167,300	170,845	158,481	179,185	184,516	5,331	3.0%
August	164,576	154,592	168,046	175,789	186,688	10,899	6.2%
September	149,326	158,240	162,576	169,629	187,932	18,303	10.8%
October	168,513	165,964	181,777	186,267	195,837	9,570	5.1%
November	152,337	139,708	169,241	166,434	197,050	30,616	18.4%
December	143,478	160,338	150,236	163,824	193,377	29,553	18.0%
Total	\$ 1,926,501	\$ 1,884,823	\$ 1,930,572	\$ 2,071,700	\$ 2,181,855	\$ 110,155	5.3%
Taxable Sales	\$ 229,345,352	\$ 224,383,669	\$ 229,830,042	\$ 246,630,952	\$ 259,744,643	\$ 13,113,691	5.3%

* Represents monthly historical patterns for the 2013 Adopted Budget.

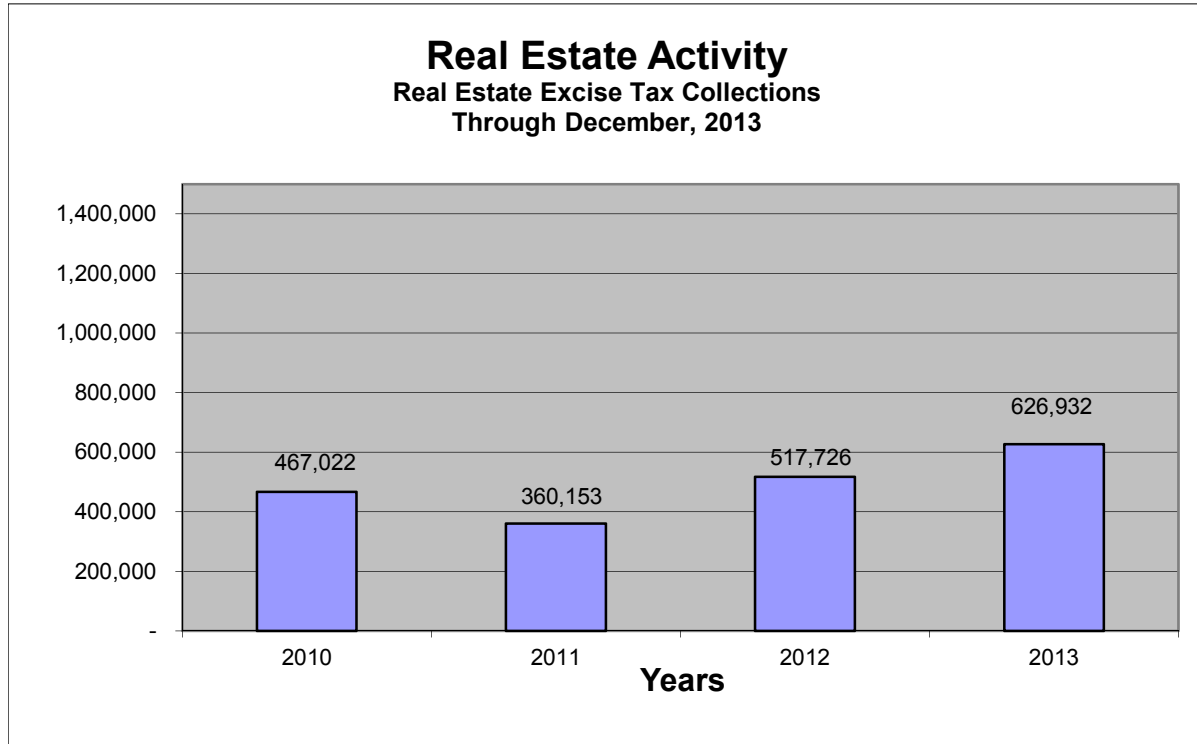
**Local Retail Sales Tax Revenue
By Category**

Category	2009	2010	2011	2012	2013	Change (2011-2012)	
	Actual	Actual	Actual	Actual	Actual	\$	%
Retail Trade	\$ 742,216	\$ 765,846	\$ 763,223	\$ 777,709	\$ 806,134	\$ 28,425	3.7%
Services	108,168	111,310	127,655	115,549	118,289	2,740	2.4%
Construction	543,758	328,776	289,103	319,888	521,074	201,186	62.9%
Accommodation and Food Svce	244,396	227,531	220,266	225,593	213,815	(11,778)	-5.2%
Information	132,515	152,135	136,419	138,657	140,723	2,066	1.5%
Arts, Entertain, Recreation	60,111	60,839	73,514	80,899	95,771	14,872	18.4%
Admin, Supp, Rmed Svces	40,303	41,491	49,201	55,548	47,893	(7,655)	-13.8%
Transp/Warehousing/Utilities	4,993	5,286	5,190	4,976	7,461	2,485	49.9%
Wholesaling	96,155	84,238	63,401	62,961	75,150	12,189	19.4%
Manufacturing	30,870	28,408	27,293	37,136	27,248	(9,888)	-26.6%
Other	5,905	17,003	34,889	7,254	8,889	1,635	22.5%
Finance/Insur/Real Estate	148,193	72,569	63,781	65,966	77,041	11,075	16.8%
Government	31,930	31,069	30,888	38,436	42,368	3,932	10.2%
Total	\$ 2,189,513	\$ 1,926,501	\$ 1,884,823	\$ 1,930,572	\$ 2,181,856	\$ 251,284	13.0%

Sales tax by category is provided by TaxTools

Real Estate Excise Tax

Real Estate Excise Tax, at \$626,932, exceeded budget estimates by \$54,932 or 9.6%. Revenues have also increased by 21% over 2012, which had increased 43.7% from 2011.



State-Shared Revenues

Fuel Tax is the largest revenue source of our State-Shared Revenues. This tax is tied to the number of gallons sold, not the price per gallon. As a result, gas price increases or decreases have no effect on revenue. The Fuel Tax is collected at the state level and is distributed to cities based on percent of population as compared with the State.

With the uncertainty of what the result of I-1183 would be, the Liquor Profits and Liquor Excise taxes were budgeted conservatively for 2013. The increase in actual revenues compared to budgeted estimates also reflect the City's portion of one time revenues the State received in 2013 related to the sale of state assets pursuant to I-1183.

STATE SHARED REVENUES

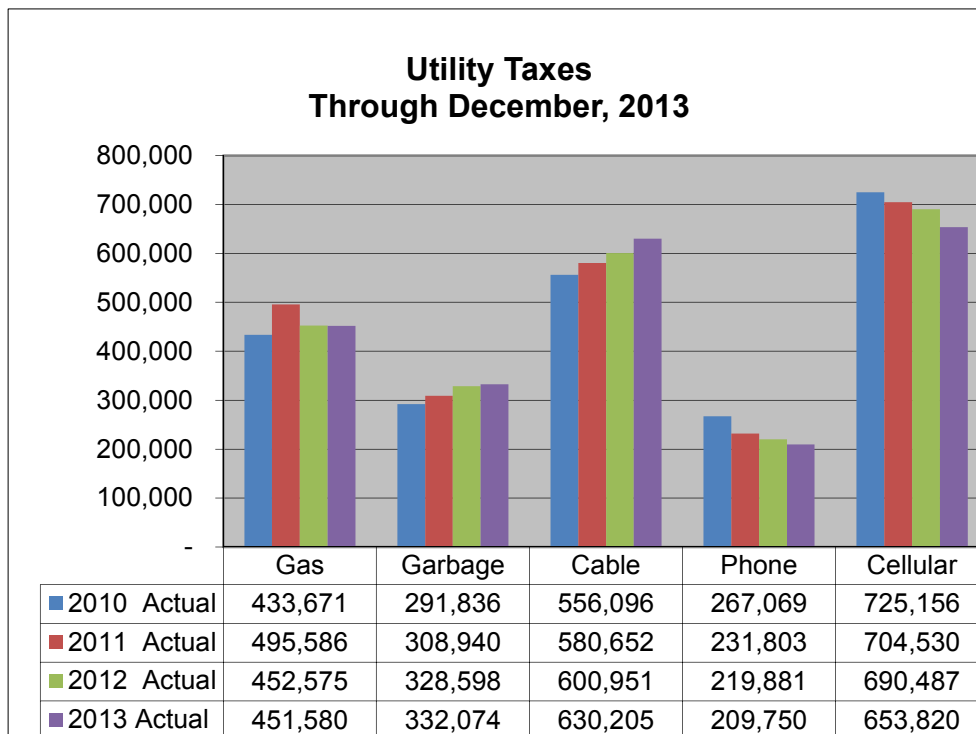
CATEGORY	2009	2010	2011	2012	2013		Change (Bud vs Act)	
					Budget	Actual	\$	%
Liquor Profits Tax	\$ 216,339	\$ 251,971	\$ 217,078	\$ 310,923	\$ 247,825	\$ 281,086	\$ 33,261	13.4%
Liquor Excise Tax	154,813	155,880	151,688	78,104	33,000	41,719	8,719	26.4%
Crim Just Low Pop	78,815	79,785	78,054	85,888	76,500	85,174	8,674	11.3%
Fuel Tax	683,591	681,520	647,605	641,519	643,248	647,406	4,158	0.6%
Subtotal State Shared Rev	1,133,558	1,169,156	1,094,425	1,116,433	1,000,573	1,055,385	54,812	5.5%
State of WA/City Assistance	74,975	77,433	52,630	66,002	70,000	93,177	23,177	33.1%
Local Crim Just	383,480	397,501	393,193	401,968	364,000	440,297	76,297	21.0%
Total	\$ 1,592,013	\$ 1,644,090	\$ 1,540,248	\$ 1,584,403	\$ 1,434,573	\$ 1,588,859	\$ 154,286	10.8%
% Change from prior year	26.5%	3.3%	-6.3%	2.9%	N/A	0.3%	N/A	N/A

Utility Taxes

Overall, utility tax revenue was very comparable with last year’s revenue and this year’s budget. Increases in some categories offset reductions in other categories. Natural gas taxes, at \$451,580, are comparable to fourth quarter last year. Cable television taxes are \$630,205 as compared with \$600,951 at the end of fourth quarter of 2012. We continue to see a trend of decreased revenue from cell phone and telephone services. Cell phone tax revenues were \$653,820. This is 5.3% less than revenues in the same period last year and 5.9% less than anticipated for fourth quarter 2013.

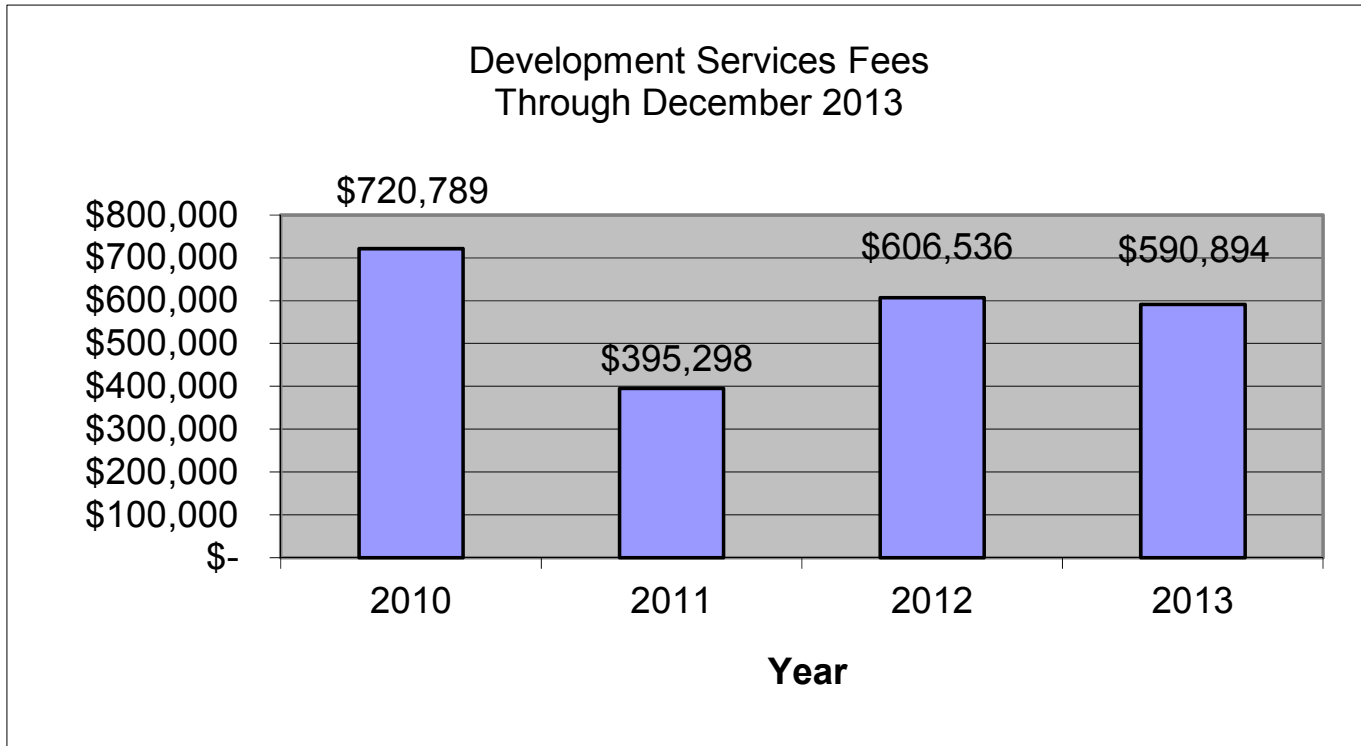
Utility Tax Revenues

Revenues Utilites	2010	2011	2012	2013		Change (Bud vs Act)	
	Actual	Actual	Actual	Budget	Actual	\$	%
Gas	433,671	495,586	452,575	455,000	451,580	(3,420)	-0.8%
Garbage	291,836	308,940	328,598	308,000	332,074	24,074	7.8%
Cable	556,096	580,652	600,951	600,000	630,205	30,205	5.0%
Phone	267,069	231,803	219,881	215,000	209,750	(5,250)	-2.4%
Cellular	725,156	704,530	690,487	695,000	653,820	(41,180)	-5.9%
Total Revenue	2,273,828	2,321,511	2,292,492	2,273,000	2,277,429	4,429	0.2%



Development Services Fees

Development services revenue for fourth quarter, 2013 reflects a decrease of 2.58 compared to the same period for 2012. The revenue shown below does not include the General Fund transfer for non fee supported services included in the Development Services expenditures which, through fourth quarter 2013, were \$1,002,570.



Recreation

Recreation revenues show a 23.94% increase compared to fourth quarter, 2012 (excluding City Share). This increase is primarily reflected in the Recreation Revenue category. Revenues were 39.23% more than 2013 budget estimates for fourth quarter. The variance between “actual” and “budget” revenues for the Donations budget reflects the decision to no longer include a budgeted amount for donations. Recreation expenditures were 6.53% higher than budget estimates for fourth quarter 2013 but were offset by the increase in revenues. Expenditures were 11.6% higher than in the same period in 2012.

PARKS AND RECREATION

	2010	2011	2012	2013		2013 Budget		
				Budget	Actual	\$ Variance	% Variance	
Program Revenues								
Recreation Revenue	\$ 286,782	\$ 267,351	\$ 278,522	\$ 266,900	\$ 351,305	\$ 84,405	31.62%	
Donations/Fund Raisers/Grants/Misc	95,927	74,971	40,557	16,250	38,131	21,881	134.65%	
Senior Center Revenue	5,258	3,720	3,970	5,000	8,310	3,310	66.20%	
Rental Revenue	37,742	22,596	18,979	16,300	26,150	9,850	60.43%	
Total Revenues and Donations	\$ 425,709	\$ 368,638	\$ 342,027	\$ 304,450	\$ 423,896	\$ 119,446	39.23%	
Recreation - City Share	120,000	231,756	257,736	324,007	245,623	(78,384)	-24.19%	
Total Recreation Revenues	\$ 545,709	\$ 600,394	\$ 599,763	\$ 628,457	\$ 669,520	\$ 41,063	6.53%	
Parks - City Share	\$ 361,673	\$ 397,403	382,954	415,250	380,768	(34,482)	-8.30%	
Total Revenues and Transfers	\$ 907,382	\$ 997,797	\$ 982,717	\$ 1,043,707	\$ 1,050,287	\$ 6,580	0.63%	
Program Expenditures								
<i>Program Management</i>	\$ 338,071	\$ 383,239	\$ 387,547	\$ 409,737	\$ 401,402	\$ (8,335)	-2.03%	
Senior Services	24,605	24,549	29,719	31,000	22,500	(8,500)	-27.42%	
Outdoors	-	1,210	-	2,500	2,067	(433)	-17.31%	
Technology	287	1,317	485	1,700	-	(1,700)	-100.00%	
Youth Sports	76,529	80,912	78,031	77,050	86,177	9,127	11.85%	
Adult Trips & Tours	2,898	9,792	18,715	10,800	26,653	15,853	146.79%	
Martial Arts	-	961	31	1,200	723	(478)	-39.79%	
Youth Programs	61,837	59,680	55,463	57,700	84,990	27,290	47.30%	
Cultural Arts	3,525	5,161	2,503	2,150	3,045	895	41.64%	
Fitness	17,045	11,291	10,684	9,620	21,676	12,056	125.32%	
Community/Senior Center	13,897	12,752	10,986	16,000	12,801	(3,199)	-19.99%	
Field/Park/Shelter Rentals	-	9,533	5,598	9,000	7,490	(1,510)	-16.78%	
Total Recreation Program Expenditures	538,694	600,397	599,763	628,457	669,525	41,068	6.53%	
Parks Maintenance	361,673	397,400	382,954	415,250	380,768	(34,482)	-8.30%	
Total Program Expenditures	\$ 900,367	\$ 997,797	\$ 982,716	\$ 1,043,707	\$ 1,050,293	\$ 6,586	0.63%	
Revenues Less Expenditures	\$ 7,015	\$ -	\$ 0	\$ -	\$ (5)	N/A	N/A	

Parks Capital Improvement Program

Table 8 reflects the active projects from 2008 to date. The Parks CIP Fund will not see any significant increase in monies over the next several years without additional funding sources.

PARKS CAPITAL IMPROVEMENT PROJECTS									
CURRENT PROJECTS									
	<i>Life-to-Date</i>	2008	2009	2010	2011	2012	2013	2013	Total
	<i>1996 - 2007</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Budget</i>	<i>Actual</i>	<i>Project Costs</i>
Park Property Acquisition	73,598	101,078	27,472	25,000	98,846	26,943	39,400	25,250	378,187
Homestead Park Improve/Patio	309,899	-	-	-	-	-	3,409	-	309,899
Senior/Community Center	-	3,853	-	-	-	1,060	-	331	5,244
Cirque/B-Port Park Improve	4,019,010	48,451	28,938	-	-	2,528	299,396	292,636	4,391,563
Sunset Terrace Park	126,061	-	-	-	-	-	49,000	-	126,061
Park Signage	1,559	22,205	-	1,574	-	1,575	-	-	26,914
Kobayashi Property	283,889	9,768	55,813	4,951	222	9,511	91,123	3,666	367,819
Curran Facility	-	979	-	3,010	43,391	1,331	3,000	1,882	50,593
Total	\$ 4,814,016	\$ 186,334	\$ 112,222	\$ 34,535	\$ 142,459	\$ 42,949	\$ 485,328	\$ 323,764	\$ 5,656,280

Current Public Works Capital Improvement Program

The chart below reflects the active projects from 2008 to date.

**PUBLIC WORKS CAPITAL IMPROVEMENT PROJECTS
CURRENT PROJECTS**

	<i>1996 - 2007</i>	<i>2008 Actual</i>	<i>2009 Actual</i>	<i>2010 Actual</i>	<i>2011 Actual</i>	<i>2012 Actual</i>	<i>2013 Budget</i>	<i>2013 Actual</i>	<i>Total Life-to-Date</i>
<i>CIP Personnel</i>	\$ 1,936,619	\$ 403,016	\$ 201,603	\$ 66,600	\$ 174,679	\$ 286,006	\$ 81,746	\$ 80,544	\$ 3,149,067
<i>70th Street Improvements</i>	-	-	200,044	108,939	-	-	-	-	308,983
<i>Bridgeport Way W. 3A</i>	-	-	1,162,796	503,348	35,843	-	-	-	1,701,987
<i>Bridgeport Way W. 3/4</i>	512,359	152,026	73,933	90,007	175,363	114,610	2,755,058	255,794	1,374,092
<i>Bridgeport Way W. 5</i>	-	-	-	-	-	75,336	707,223	60,208	135,544
<i>Leach Creek Buffer Acq.</i>	-	-	-	-	350	1,365	1,482	-	1,715
<i>Lot 9 Phase II</i>	-	-	59,571	811,453	5,375	-	-	-	876,399
<i>Lot 9 Phase III</i>	-	-	-	103,719	863,197	-	-	-	966,916
<i>40th St Safe Routes</i>	-	-	-	37,838	927,685	5,547	57,739	226	971,296
<i>Grandview Safe Routes</i>	-	-	-	32,004	657,490	5,269	64,823	4,878	699,641
<i>27th Street Safe Routes</i>	-	-	-	-	-	35,148	956,785	935,589	970,738
<i>Beckonridge Safe Routes</i>	-	-	-	-	-	32,381	838,599	782,159	814,539
<i>Mildred Street</i>	-	-	-	-	-	30,258	2,433,813	24,966	55,224
<i>19th Street Sidewalk</i>	-	-	-	-	-	2,969	149,606	122,825	125,794
<i>Federal Highway Grant</i>	450,406	181,029	1,738,121	727,891	16,006	-	28,999	28,999	3,142,452
<i>SWM-Misc Flooding</i>	7,496	33,860	-	-	-	-	188,000	-	41,356
<i>SWM Storm Drainage Comp Plan</i>	197,985	53,910	14,091	-	5,841	4,485	261,848	2,462	278,773
<i>Town Center Project</i>	19,992,792	13,520,819	10,734,357	9,105,396	936,019	266,596	-	-	54,555,979
<i>LRF Market Place/Street & Ped Imp</i>	-	-	-	-	1,727	45,574	77,015	47,850	95,152
<i>LRF Lot 10 Staircase</i>	-	-	-	-	-	9,720	155,280	-	9,720
<i>LRF Lot 10A Sprinkler</i>	-	-	-	-	-	73,516	-	-	73,516
<i>LRF Garage/Elevator Improvements</i>	-	-	-	-	-	147,475	12,093	337	147,812
<i>LRF Garage TIs</i>	-	-	-	-	-	34,453	10,717	-	34,453
<i>LRF Market Place Phase 5</i>	-	-	-	-	-	-	400,000	124,927	124,927
<i>LRF Lot 8 Garage TIs</i>	-	-	-	-	-	1,246,408	104,078	110,945	1,357,353
<i>LRF Flag Pole</i>	-	-	-	-	-	8,283	-	2,033	10,316
<i>LRF Lot 10 Parking</i>	-	-	-	-	-	-	1,700,000	2,904	2,904
<i>Briarview Demolition</i>	-	-	-	-	-	1,725	-	-	1,725
<i>University Hills Sewer</i>	-	-	-	-	18,244	440,441	522,237	558,233	1,016,918
<i>Bridgeport Low Impact</i>	-	-	-	-	-	-	1,037,082	103,483	103,483
<i>Cirque/56th Corridor</i>	-	-	-	-	-	-	276,350	-	-
<i>27th Street Overlay</i>	-	-	-	-	-	-	384,046	339,694	339,694
<i>40th Street Overlay</i>	-	-	-	-	-	-	288,822	272,926	272,926
<i>Crystal Creek Culvert Repair</i>	-	-	-	-	-	-	562,000	55,284	55,284
<i>SWM Leach Creek Channel Habitat</i>	-	-	-	-	-	-	240,000	-	-
Total	\$ 23,097,657	\$ 14,344,660	\$ 14,184,516	\$ 11,587,195	\$ 3,817,820	\$ 2,867,566	\$ 14,295,441	\$ 3,917,264	\$ 73,816,678

FUND BALANCES

The ending fund balances shown below have been adjusted to include accrued revenues for reporting purposes. These balances are subject to change pending various revenue accruals, interfund transfers and year end processes.

**FUND BALANCES
Fourth Quarter 2013**

FUND	Beginning Balance	Revenues	Expenditures	Ending Balance
General Fund	\$ 1,652,291	\$ 8,862,592	\$ 7,939,162	\$ 2,575,721
Street Fund	6,187	914,555	920,742	-
Arterial Street	15,983	205,229	208,075	13,137
REET	198,499	626,932	607,189	218,242
Parks and Recreation	-	1,050,293	1,050,293	-
TIF	705,965	137,070	-	843,035
Development Services	8,086	997,352	1,002,570	2,868
LRF	3,419,679	551,886	670,265	3,301,300
Police/Public Safety	249,729	4,671,343	4,237,053	684,019
Paths & Trails	3,207	3,236	3,208	3,235
SWM	3,882,076	2,902,663	2,381,413	4,403,326
Donations	63,407	48,515	44,417	67,505
Strategic Reserve	856,934	-	-	856,934
Debt Service	-	3,654,262	3,654,262	-
Parks CIP	446,118	408,754	323,763	531,109
PW CIP	246,185	4,301,297	3,917,264	630,218
Municipal Facilities	2,737	-	2,737	-
Fleet & Equipment	268,551	471,851	708,503	31,899
ITS	104,700	682,367	780,427	6,640
Risk Management	-	145,633	145,633	-
Totals	\$ 12,130,334	\$ 30,635,830	\$ 28,596,976	\$ 14,169,188

Summary – The City’s general government tax revenues were 2.25% more than 2013 budget estimates. Sales tax revenue for the year was up 12.8% compared to 2012 and 5.14% compared to Budget estimates for 2013. However, much of this increase reflects volatile construction sales tax revenue, including revenue from construction of Pierce County’s sewer expansion project. Expenditures (excluding reserves and transfers) are under budget by 14.2% or \$328,547. However, most of this savings reflects expenditures that were budgeted in 2013, but will instead take place in 2014.

Audit of 2012 Comprehensive Annual Financial Report

Washington State Auditor’s Report on Financial Statements Audit - An unqualified opinion was issued on the financial statements of the governmental activities, each major fund and the aggregate remaining fund information. The Auditor reported no findings in relation to the Financial Statements.

Report on the Federal Single Audit - An unqualified opinion on the City’s compliance with requirements applicable to its major federal program was issued. The Auditor found that the City qualified as a low-risk auditee under OMB Circular A-133.

The Accountability Audit Report indicated that, in the areas the State Auditor examined, the City’s internal controls were adequate to safeguard public assets. The City also complied with state laws and regulations and its own policies and procedures in the areas that were examined.

Budget Amendments

Significant changes in revenues and/or expenditures that were identified included, but were not limited to, Property Management expenses related to the Civic Building Operation, Information Technology projects and software purchases, an increase in REET revenues, Public Safety changes, Public Works storm drainage concerns, and a State increase in Business License renewal fees.

Budget Strategic Issues

The City’s last financial forecast indicates that existing services and legal and contractual obligations can be met with existing revenues through 2016. General revenue options considered to address the projected deficit after 2016 include property tax, utility tax, B&O/excise tax. Statutorily restricted options considered include the establishment of a Transportation Benefit District (“TBD”) and a Metropolitan Park District. City Council took action on the following options in 2013:

Property Tax Levy – Council approved a one percent (1%) increase in the regular property tax levy for 2014.

University Place TBD – Council approved the creation of a University Place TBD and implemented a \$20.00 vehicle license fee, which will generate approximately \$300,000 in revenue per year to support maintenance of the City’s streets.

The Council continued to evaluate other financing options in support of Public Safety and Parks and Recreation activities.

Public Works Capital Improvement Projects

Work on the Bridgeport Way and Mildred Street projects continue. The 40th Street, Grandview Drive, 27th Street and Beckonridge Safe Routes, 27th Street Overlay, 40th Street Overlay and 19th Street Sidewalk projects were completed in 2013. The design phase for the Bridgeport Low Impact project began in 2013 and construction is expected to begin in the summer of 2014. These projects are grant funded with the City match primarily consisting of the storm drainage elements funded by Storm Water Management revenues. Additionally, the City was awarded grant funding for the Cirque/56th Corridor project as well as the 44th Street, 56th Street and Cirque Drive Safe Routes projects.

FIRST QUARTER FINANCIAL REPORT

MARCH 31, 2014

Introduction

The first quarter financial report is presented here. As has been the custom in the past, the report has been prepared on an accrual basis. There is a one month time lag between when monies are collected by other entities (State of Washington and Pierce County) and when they are received by the City. As a result, the City has to accrue those revenues back to the period they were deemed receivable. For comparison purposes, certain revenues have been accrued and charged to the first quarter 2014. These include taxes and other state shared revenues.

Revenues

General Fund – Overall, first quarter 2014 revenues are 23.62% more than budget estimates and are 29.7% more than for the same period in 2013.

As indicated above, revenues received in April, 2014 were used for purposes of this report. Sales tax revenue (including Sales Tax-1% for Parks) was 21.4% more than budget estimates. Franchise fees were approximately 15.1% more than 2014 budget estimates at \$620,049. Business Licenses fees are, for the most part, collected during the first part of the year and, at \$28,648 were approximately 52.8% more than was budgeted for first quarter. Admission Tax, at \$104,095, includes \$90,245 generated by 2015 US Open ticket sales.

Public Safety

The Public Safety Fund was established in 2012 to track all police/public safety revenues and expenditures. Related revenues and expenditures that were previously reported in the General Fund are now being reported in the Public Safety Fund. For comparison purposes, the spreadsheet on page 4 has included columns for revenues and expenditures that were, in previous years, reported in the General Fund.

City of University Place
First Quarter 2014 Financial Report

Resources General Fund	2011	2012	2013	2014			Change (Bud vs Act)	
				Budget	1st Quarter	Actual	\$	%
Beginning Fund Balance	\$ 587,584	\$ 559,349	\$ 1,652,292	\$ 2,575,271	\$ 2,575,271	\$ 2,575,271	\$ -	0.00%
REVENUES								
Property Tax	186,157	Converted to Public Safety Managerial Fund		-	-	-		
Sales Tax	485,388	469,735	524,374	2,089,700	522,425	657,540	135,115	25.86%
Sales Tax - 1% for Parks	37,747	36,549	41,289	222,000	55,500	44,073	(11,427)	-20.59%
Criminal Justice Sales Tax	97,888	Converted to Public Safety Managerial Fund		-	-	-		
Leasehold Excise Tax	280	980	1,067	3,500	875	828	(47)	-5.42%
Admission Tax	14,102	18,518	22,045	495,000	123,750	104,095	(19,655)	-15.88%
Utility Tax	667,228	632,035	713,219	2,436,000	609,000	619,157	10,157	1.67%
Utility Tax Refund	-	-	-	(13,000)	(3,250)	-		
Gas	191,888	188,999	196,313	455,000	113,750	159,554		
Solid Waste	76,789	60,897	60,405	308,000	77,000	83,999		
Cable	144,413	144,939	155,392	600,000	150,000	160,093		
Phone	67,576	53,463	52,941	215,000	53,750	48,756		
Cellular	178,814	173,126	210,624	695,000	173,750	161,593		
SWM Fees	7,747	10,612	17,544	176,000	44,000	5,162		
Gambling Tax	19,982	13,086	16,782	75,000	18,750	4,616	(14,134)	-75.38%
Franchise Fees	523,977	555,589	576,581	2,155,000	538,750	620,049	37,831	15.09%
Cable Franchise Fees	111,359	113,956	120,840	452,000	113,000	137,754		
Refuse Franchise Fees	64,033	71,872	66,969	265,000	66,250	69,974		
Water Franchise Fees (TPU)	106,634	112,785	121,319	440,000	110,000	132,509		
Electric Franchise Fees (TPU)	241,951	256,976	267,454	998,000	249,500	279,812		
Business License Fees	42,552	27,533	25,834	75,000	18,750	28,648	9,898	52.79%
Alarm Permit Fees	727	Converted to Public Safety Managerial Fund		-	-	-		
Animal Control	22,094	Converted to Public Safety Managerial Fund		-	-	-		
Criminal Just - Low Population	19,453	Converted to Public Safety Managerial Fund		-	-	-		
Liquor Profits Tax	57,596	41,433	56,062	140,000	35,000	55,582	20,582	58.81%
Liquor Excise Tax	39,761	40,352	-	37,000	9,250	9,604	354	3.82%
State of WA/City Assistance	11,400	10,735	19,083	-	-	19,147	19,147	NA
Sale of Documents & Records	16	4	-	-	-	-	-	0.00%
Law Enforcement Services	3,268	Converted to Public Safety Managerial Fund		-	-	-		0.00%
Engineering Fees	32,500	32,500	32,500	130,000	32,500	32,500	-	0.00%
Administrative Fee from SWM Fund	97,529	112,083	84,556	427,675	106,919	129,430	22,511	21.05%
Rents and Leases	10,812	12,522	16,047	57,400	14,350	12,397	(1,953)	19.08%
Investment Interest	559	1,266	3,174	4,000	1,000	2,346	1,346	134.60%
Non-CRT Fines, Forfeitures & Penalties	299	Converted to Public Safety Managerial Fund		4,500	1,125	-		
Grants	1,320	209	-	-	-	-	-	N/A
Solicitor Permit Fees	50	100	50	150	38	125	88	233.33%
Pierce County Library Expansion Space	-	-	-	120,000	30,000	-	(30,000)	-100.00%
Land Sales	-	-	-	426,000	106,500	426,000	319,500	NA
Phasing Rights	-	-	-	50,000	12,500	-	(12,500)	NA
Miscellaneous	7,976	7,381	975	7,000	1,750	1,300	(450)	-25.74%
Subtotal Operating Revenues	2,380,658	2,012,611	2,133,638	8,954,925	2,238,731	2,767,437	528,706	23.62%

Operating Expenditures

General Fund operating expenditures are presented here by Department. Please note that in 2012, Public Safety and City Attorney expenditures were moved from the General Fund into the newly created Police/Public Safety Fund.

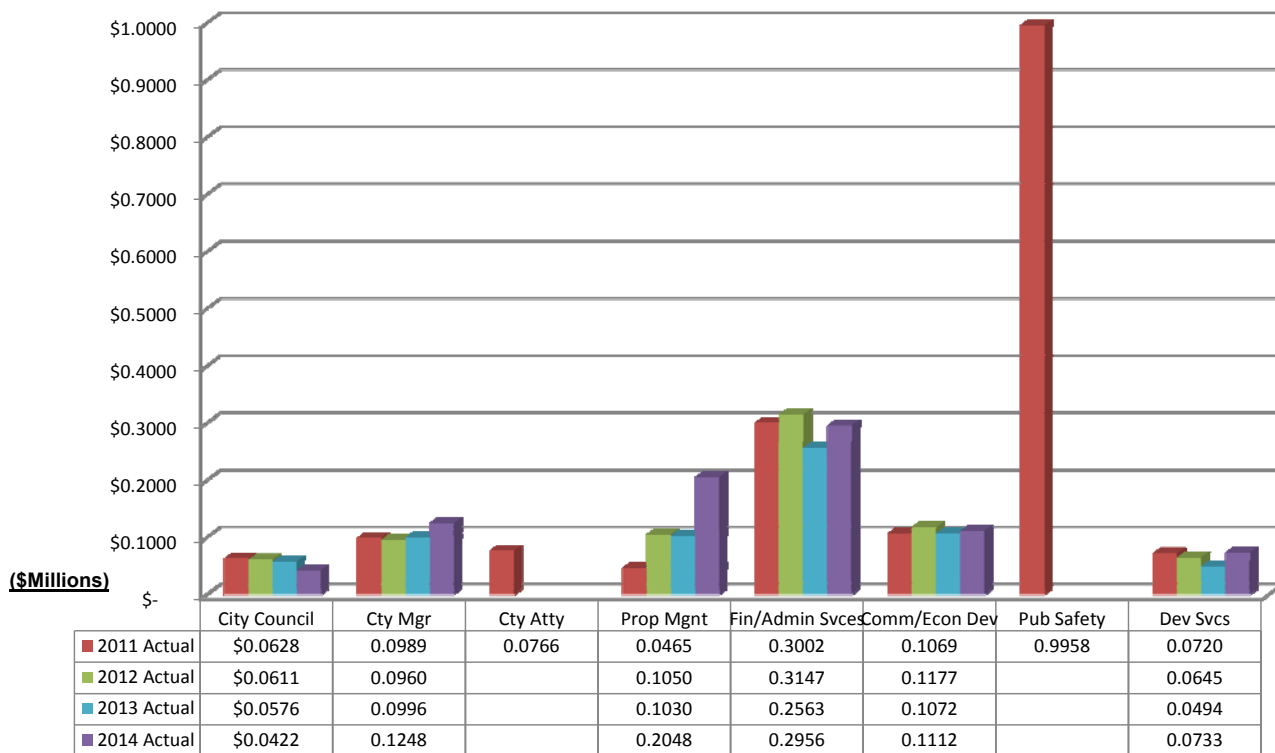
Overall, first quarter operating expenditures met budget estimates for first quarter (excluding Reserves and Contingency). The increase in Property Management expenditures is related to the Civic Building. The University Place Civic Building Condominium agreement included the establishment of a reserve fund for future maintenance repair and replacement. The transition to the "Condominium" included retaining a property manager who, in developing a budget, identified an increase in maintenance costs.

OPERATING EXPENDITURES

Through March
2010 Through 2014

Expenditures by Dept	2011		2012		2013		2014		2014	
	Actual	Actual	Actual	Budget	Actual	Budget	Actual	1st Quarter Budget	Actual	2014
City Council	\$ 62,774	\$ 61,099	\$ 57,572	\$ 215,834	\$ 53,959	\$ 42,215	\$ (11,744)	-21.8%		
City Manager's Office	98,863	95,950	99,629	385,890	96,473	124,800	28,328	29.4%		
City Attorney's Office	76,571	Converted to Public Safety		-	-	-	n/a			
Property Management	46,522	104,982	103,012	572,056	143,014	204,820	61,806	43.2%		
Finance and Administrative Services	300,157	314,724	256,262	1,409,012	352,253	295,591	(56,662)	-16.1%		
Community and Economic Development	106,912	117,708	107,223	589,559	147,390	111,186	(36,204)	-24.6%		
Public Safety	995,788	Converted to Public Safety		-	-	-	n/a			
Development Services	71,988	64,536	49,389	250,773	62,693	73,250	10,557	16.8%		
	1,759,575	758,999	673,087	3,423,124	855,781	851,862	\$ (3,919)	-0.5%		
Reserves/Transfer-Other	137,861	361,373	430,430	5,652,682	1,413,171	431,964	n/a	n/a		
Total	\$ 1,897,436	\$ 1,120,372	\$ 1,103,517	\$ 9,075,806	\$ 2,268,952	\$ 1,283,826	n/a	n/a		

**OPERATING EXPENDITURES
2010-2014 Thru March**



City of University Place
1st Quarter 2014 Financial Report

Police/Public Safety	General Fund			2014		
	2011	2012	2013	Budget	1st Qtr	Actual
REVENUES						
Property Tax	186,157	206,844	331,455	3,928,454	982,114	277,157
Criminal Justice Sales Tax	97,888	95,360	106,216	368,000	92,000	112,634
Animal Control	22,094	30,791	22,946	66,000	16,500	16,441
Criminal Just - Low Population	19,453	19,418	20,043	76,500	19,125	21,616
Alarm Permit Fees	727	727	1,216	3,500	875	618
Grants	-	-	(4,807)	-	-	-
Law Enforcement Svces/DUI Response	3,268	-	1,968	16,000	4,000	1,398
Crime Free Multi-Housing	-	-	-	-	-	-
Non CRT Fines, Forfeitures & Pen	299	230	316	1,000	250	374
Judgements & Settlements	1,400	1,493	1,413	-	-	-
SWM Admin Fee - City Attorney	16,092	18,494	10,107	40,000	10,000	15,215
Liquor Profits Tax - Public Safety	11,652	8,382	14,217	-	-	14,096
Miscellaneous	-	-	-	57,651	14,413	-
Total Revenues	359,030	381,739	505,091	4,557,105	1,139,276	459,549
EXPENDITURES						
	2011	2012	2013	2014		
	Actual	Actual	Actual	Budget	1st Qtr	Actual
Municipal Court	57,460	59,275	59,880	253,713	63,428	2,695
Emergency Preparedness	6,704	7,330	6,645	32,493	8,123	6,701
Civil Legal Services	76,571	75,353	61,255	359,736	89,934	79,162
Police	774,255	911,163	820,995	3,515,479	878,870	852,739
Public Safety	17,565	18,113	21,701	79,843	19,961	17,632
Animal Control	26,825	30,509	14,019	112,297	28,074	22,456
Code Enforcement	24,078	26,308	9,433	100,159	25,040	24,511
Jail	12,331	17,002	20,853	150,000	37,500	17,374
Total Expenditures	995,788	1,145,052	1,014,780	4,603,720	1,150,930	1,023,271
Revenue Less Expenditures	(636,758)	(763,314)	(509,690)	(46,615)	(11,654)	(563,723)

Individual Revenues

The information presented below provides a detailed look at the major revenues for the City.

Sales Taxes

Overall sales tax revenue is up 25.4% compared to first quarter 2013. This is due primarily to an increase in construction sales tax, which may not be sustainable. Retail sales tax revenues have increased approximately 2.4% as compared to the same period in 2013.

With respect to budget estimates, the 2014 sales tax revenues, through first quarter, exceed budget estimates by 25.86%, or 135,115. (The sales tax revenues shown below do not include the 1% for Parks.)

**Local Retail Sales Tax Revenue
By Month**

MONTH	2011	2012	2013	2014	2014
	Actual	Actual	Actual	Budget	Actual
January	\$ 204,801	\$ 194,463	\$ 210,477	\$ 215,306	\$ 255,039
February	138,964	130,779	161,923	152,426	193,118
March	141,622	144,494	151,974	154,694	209,383
Total	\$ 485,388	\$ 469,735	\$ 524,374	\$ 522,425	\$ 657,540
Taxable Sales	\$ 57,784,246	\$ 55,920,830	\$ 62,425,436	\$ 62,193,452	\$ 78,278,571

* Represents monthly historical patterns for the 2013 Adopted Budget.

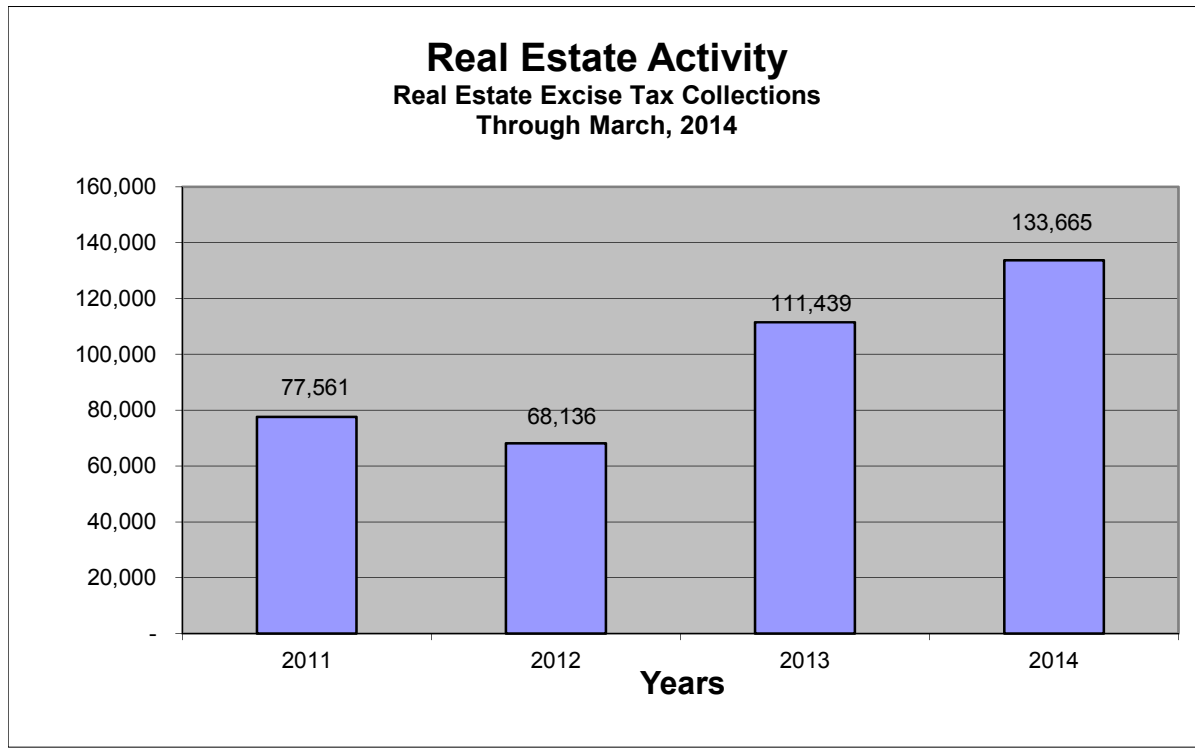
**Local Retail Sales Tax Revenue
By Category**

Category	2011	2012	2013	2014	Change (2012-2013)	
	Actual	Actual	Actual	Actual	\$	%
Retail Trade	\$ 211,872	\$ 213,588	\$ 225,137	230,634	5,497	2.4%
Services	26,982	26,407	33,235	23,631	(9,604)	-28.9%
Construction	78,278	65,080	84,736	209,372	124,636	147.1%
Accommodation and Food Svce	56,708	57,376	56,365	54,634	(1,731)	-3.1%
Information	34,114	34,001	34,680	38,569	3,889	11.2%
Arts, Entertain, Recreation	11,453	15,451	17,570	16,651	(919)	-5.2%
Admin, Supp, Rmed Svces	10,739	10,073	12,155	10,827	(1,328)	-10.9%
Transp/Warehousing/Utilities	1,004	1,261	890	3,653	2,763	310.4%
Wholesaling	22,830	13,380	18,091	20,240	2,149	11.9%
Manufacturing	6,701	7,542	7,244	8,707	1,463	20.2%
Other	2,959	1,548	2,846	15,653	12,807	450.0%
Finance/Insur/Real Estate	15,355	14,997	17,458	16,865	(593)	-3.4%
Government	6,393	9,032	13,967	8,105	(5,862)	-42.0%
Total	\$ 485,388	\$ 469,736	\$ 524,374	\$ 657,541	\$ 133,167	25.4%

Sales tax by category is provided by TaxTools

Real Estate Excise Tax

Real Estate Excise Tax, at \$133,665, was 4.5% below budget estimates. Revenues also have increased by 19.9% over 2013.



State-Shared Revenues

Fuel Tax is the largest revenue source of our State-Shared Revenues. This tax is tied to the number of gallons sold, not the price per gallon. As a result, gas price increases or decreases have no effect on revenue. The Fuel Tax is collected at the state level and is distributed to cities based on percent of population as compared with the State.

With the uncertainty of what the result of I-1183 would be, the Liquor Profits and Liquor Excise taxes were budgeted conservatively for 2014.

STATE SHARED REVENUES

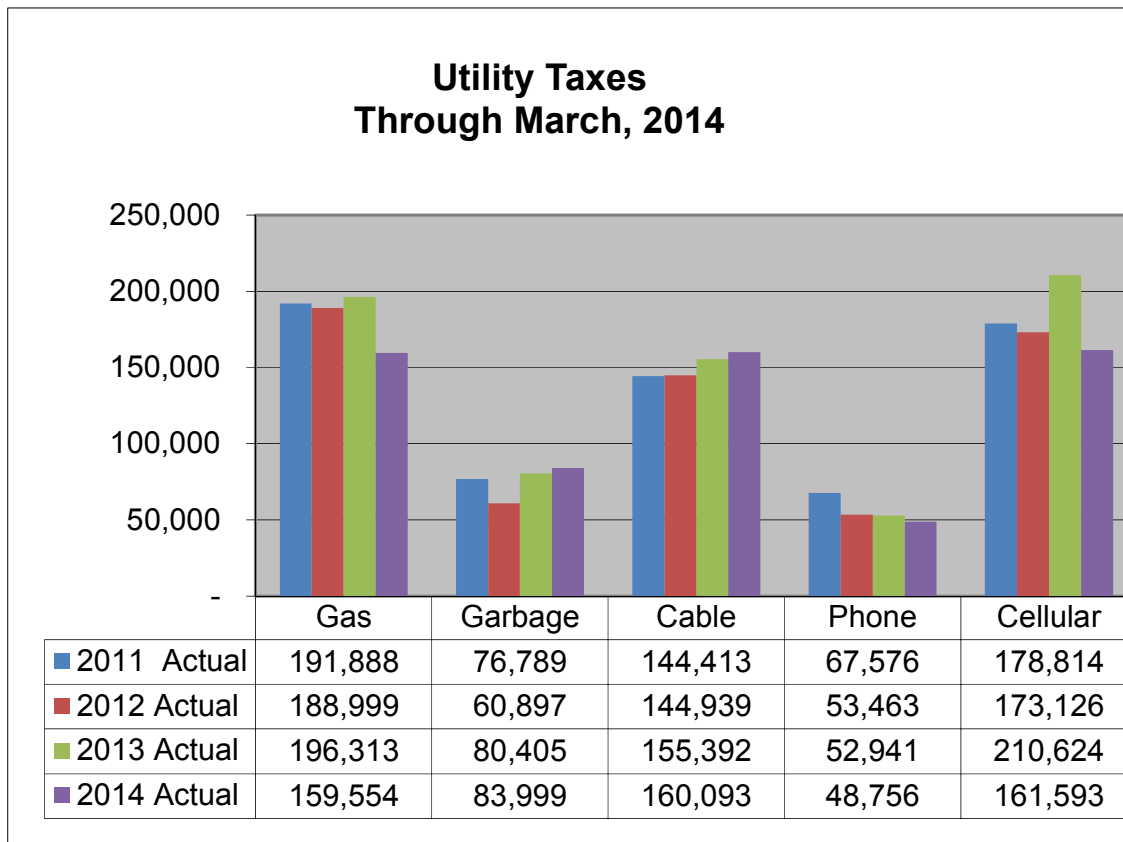
CATEGORY	2011	2012	2013	2014			Change (Bud vs Act)	
				Budget	1st Quarter	Actual	\$	%
Liquor Profits Tax	\$ 57,596	\$ 41,433	\$ 56,062	\$ 140,000	\$ 35,000	\$ 69,678	\$ 34,678	99.1%
Liquor Excise Tax	39,761	40,432	-	37,000	9,250	9,604	\$ 354	3.8%
Crim Just Low Pop	19,453	19,418	20,043	66,000	16,500	16,441	\$ (59)	-0.4%
Fuel Tax	153,894	151,908	147,494	652,972	163,243	148,081	\$ (15,162)	-9.3%
Subtotal State Shared Rev	270,704	253,191	223,599	895,972	223,993	243,804	19,811	8.8%
State of WA/City Assistance	11,400	10,735	19,083	-	-	19,147	19,147	0.0%
Local Crim Just	97,888	95,360	106,216	368,000	92,000	112,634	20,634	22.4%
Total	\$ 379,992	\$ 359,286	\$ 348,898	\$ 1,263,972	\$ 315,993	\$ 375,585	\$ 59,592	18.9%
% Change from prior year	-4.7%	-5.4%	-2.9%	N/A	N/A	7.6%	N/A	N/A

Utility Taxes

Natural gas taxes, at \$159,554, are 18.7% less than first quarter last year. Cable television taxes are \$160,093 as compared with \$155,392 at the end of first quarter of 2013. We continue to see a trend of decreased revenue from cell phone and telephone services. Cell phone tax revenues were \$161,593 for first quarter. This is 23.3% less than revenues received in the same period last year and 7.0% less than anticipated for first quarter 2014.

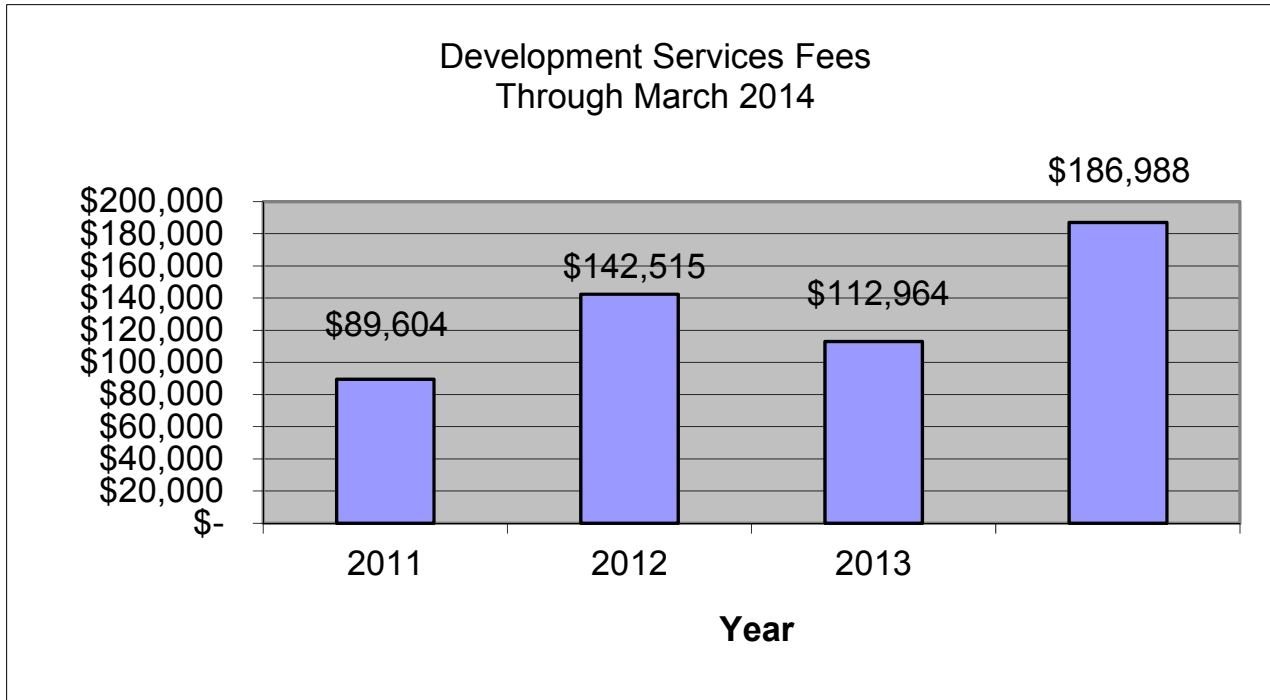
Utility Tax Revenues

Revenues Utilites	2011	2012	2013	2014	2014	2014	Change (Bud vs Act)	
	Actual	Actual	Actual	Budget	1st Quarter	Actual	\$	%
Gas	191,888	188,999	196,313	455,000	113,750	159,554	45,804	40.3%
Garbage	76,789	60,897	80,405	308,000	77,000	83,999	6,999	9.1%
Cable	144,413	144,939	155,392	600,000	150,000	160,093	10,093	6.7%
Phone	67,576	53,463	52,941	215,000	53,750	48,756	(4,994)	-9.3%
Cellular	178,814	173,126	210,624	695,000	173,750	161,593	(12,157)	-7.0%
Total Revenue	659,480	621,424	695,675	2,273,000	568,250	613,995	45,745	8.1%



Development Services Fees

Development services revenue for first quarter, 2014 reflects an increase of 65.5% in comparison to the same period for 2013. The revenue shown below does not include the General Fund transfer for non fee supported services. Expenditures for first quarter were \$260,231.



Recreation

Total Recreation revenues and donations show a 7.4% decrease compared to first quarter, 2013 (excluding City Share) due primarily to an increase in program revenues. Recreation revenues were 96.19% more than 2014 budget estimates for first quarter. Recreation expenditures were 4.23% below budget estimates for first quarter 2014 and were 16.2% more than for the same period in 2013.

**PARKS AND RECREATION
FIRST QUARTER, 2014**

	2010 Actual	2011 Actual	2012 Actual	2013	2014			2014	
				Actual	Budget	1st Quarter Budget	Actual	\$ Variance	% Variance
Program Revenues									
Recreation Revenue	\$ 104,715	\$ 85,320	\$ 110,218	\$ 125,743	\$ 268,400	\$ 67,100	\$ 131,640	\$ 64,540	96.19%
Donations/Fund Raisers/Grants/Misc	37,587	4,870	6,865	15,140	-	-	122	122	0.00%
Senior Center Revenue	5,293	993	2,650	2,075	3,500	875	1,178	303	34.63%
Rental Revenue	1,861	2,428	590	4,150	16,300	4,075	3,215	(860)	-21.10%
Total Revenues and Donations	\$ 149,455	\$ 93,610	\$ 120,323	\$ 147,108	\$ 288,200	\$ 72,050	\$ 136,155	\$ 64,105	88.97%
Recreation - City Share	135,017	60,000	63,304	150,000	333,233	83,308	80,000	(3,308)	-3.97%
Total Recreation Revenues	\$ 284,472	\$ 153,610	\$ 183,627	\$ 297,108	\$ 621,433	\$ 155,358	\$ 216,155	\$ 60,797	39.13%
Parks - City Share	\$ -	\$ 77,861	\$ 79,693	65,430	416,384	104,096	69,971	(34,125)	-32.78%
Total Revenues and Transfers	\$ 284,472	\$ 231,471	\$ 263,320	\$ 362,538	\$ 1,037,817	\$ 259,454	\$ 286,126	\$ 26,672	10.28%
Program Expenditures									
<i>Program Management</i>	\$ 81,010	\$ 103,142	\$ 106,806	\$ 87,146	\$ 433,903	\$ 108,476	\$ 113,297	\$ 4,821	4.44%
Senior Services	884	12,603	6,130	10,233	-	-	-	-	0.00%
Outdoors	-	-	-	-	2,500	625	269	(356)	-56.99%
Technology	-	245	240	-	1,700	425	-	(425)	-100.00%
Youth Sports	3,700	13,079	15,923	9,166	76,800	19,200	16,624	(2,576)	-13.42%
Adult Trips & Tours	-	343	995	3,905	10,800	2,700	3,307	607	22.48%
Martial Arts	-	-	-	-	1,200	300	-	(300)	-100.00%
Youth Programs	2,271	4,732	3,301	12,269	57,700	14,425	5,198	(9,227)	-63.96%
Cultural Arts	700	1,495	509	697	2,150	538	690	153	28.44%
Fitness	3,639	1,933	2,396	2,271	9,620	2,405	6,726	4,321	179.69%
Community/Senior Center	1,458	2,511	2,516	2,368	16,060	4,015	2,670	(1,345)	-33.50%
Field/Park/Shelter Rentals	-	-	-	-	9,000	2,250	-	(2,250)	-100.00%
Total Recreation Program Expenditures	93,662	140,084	138,817	128,055	621,433	155,358	148,782	(6,576)	-4.23%
Parks Maintenance	70,991	83,473	79,528	65,430	416,384	104,096	69,971	(34,125)	-32.78%
Total Program Expenditures	\$ 164,653	\$ 223,557	\$ 218,344	\$ 193,484	\$ 1,037,817	\$ 259,454	\$ 218,753	\$ (40,701)	-15.69%
Revenues Less Expenditures	\$ 119,819	\$ 7,914	\$ 44,975	\$ 169,053	\$ -	\$ -	\$ 67,373	N/A	N/A

Parks Capital Improvement Program

The table below reflects the active projects from 2010 to date. The Parks CIP Fund will not see any significant increase in monies over the next several years without additional funding sources.

**PARKS CAPITAL IMPROVEMENT PROJECTS
CURRENT PROJECTS**

	<i>Life-to-Date</i>	2010	2011	2012	2013	2013	2014	Total
	<i>1996 - 2009</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Budget</i>	<i>Actual</i>	<i>Project Costs</i>
Park Property Acquisition	202,148	25,000	98,846	26,943	25,250	-	-	378,187
Homestead Park Improvement	306,490	-	-	-	-	8,000	-	306,490
Senior/Community Center	3,853	-	-	1,060	-	-	-	4,913
Cirque/B-Port Park Improve	4,096,399	-	-	2,528	-	20,000	-	4,098,927
Sunset Terrace Park	126,061	-	-	-	-	-	-	126,061
Park Signage	23,764	1,574	-	1,575	-	-	-	26,914
Kobayashi Property	349,469	4,951	222	9,511	361	3,000	3,638	368,153
Curran Facility	979	3,010	43,391	1,331	175	3,000	2,882	51,769
Total	\$ 5,109,163	\$ 34,535	\$ 142,459	\$ 42,949	\$ 25,787	\$ 34,000	\$ 6,520	\$ 4,928,862

* 2014 Budget represents amounts budgeted for the full year.

Current Public Works Capital Improvement Program

Work on the Bridgeport Way and Mildred Street projects continue. The design phase for the Bridgeport Low Impact project began in 2013 and construction is expected to begin in the summer of 2014. These projects are grant funded with the City match primarily consisting of the storm drainage elements funded by Storm Water Management revenues. Additionally, the City was awarded grant funding for the Cirque/56th Corridor project as well as the 44th Street, 56th Street and Cirque Drive Safe Routes projects.

**PUBLIC WORKS CAPITAL IMPROVEMENT PROJECTS
CURRENT PROJECTS**

	<i>1996-2009</i>	<i>2010 Actual</i>	<i>2011 Actual</i>	<i>2012 Actual</i>	<i>2013 Actual</i>	<i>2014 Budget</i>	<i>2014 Actual</i>	<i>Total Life-to-Date</i>
<i>CIP Personnel</i>	\$ 2,541,238	\$ 66,600	\$ 174,679	\$ 286,006	\$ 70,825	\$ 239,011	\$ 78,458	\$ 3,217,807
<i>40th St W Pedestrian/Bicycle</i>	1,271,197	15,771	-	4,029	-	-	-	1,290,997
<i>Bridgeport Way W. 3A</i>	1,162,796	503,348	35,843	-	-	-	-	1,701,987
<i>Bridgeport Way W. 3/4</i>	738,318	90,007	175,363	114,610	165,175	-	-	1,283,473
<i>Bridgeport 3B</i>	-	-	-	-	2,827	-	-	2,827
<i>Bridgeport Way W. 5</i>	-	-	-	75,336	1,513	2,017,341	104,189	181,038
<i>Leach Creek Buffer Acq.</i>	-	-	350	1,365	-	-	-	1,715
<i>Lot 9 Phase II</i>	59,571	811,453	5,375	-	-	-	-	876,399
<i>Lot 9 Phase III</i>	-	103,719	863,197	-	-	-	-	966,916
<i>40th St Safe Routes</i>	-	37,838	927,685	5,547	226	-	6,058	977,354
<i>Grandview Safe Routes</i>	-	32,004	657,490	5,269	-	-	-	694,763
<i>27th Street Safe Routes</i>	-	-	-	35,148	608	-	-	35,756
<i>Beckonridge Safe Routes</i>	-	-	-	32,381	147,505	-	-	179,886
<i>Mildred Street</i>	-	-	-	30,258	313	-	107	30,678
<i>19th Street Sidewalk</i>	-	-	-	2,969	-	-	-	2,969
<i>Bridgeport Low Impact</i>	-	-	-	-	20,689	-	-	20,689
<i>Cirque/56th Corridor</i>	-	-	-	-	-	-	3,870	3,870
<i>Crystal Creek Culvert Repair</i>	-	-	-	-	-	-	2,155	2,155
<i>Neighborhood CIP</i>	1,657,142	-	-	-	-	85,118	-	1,657,142
<i>SWM-Misc Flooding</i>	41,356	-	-	-	-	160,000	-	41,356
<i>SWM Storm Drainage Comp Plan</i>	265,986	-	5,841	4,485	-	901,235	-	276,312
<i>Town Center Project</i>	44,247,968	9,105,396	954,263	707,037	268,912	-	-	55,283,575
<i>SWM - Arbordale Storm Drain</i>	-	-	-	-	-	31,000	-	-
<i>LRF Market Place/Street & Ped Imp</i>	-	-	1,727	45,574	-	-	-	47,301
<i>LRF Lot 10 Staircase</i>	-	-	-	9,720	-	-	-	9,720
<i>LRF Lot 10A Sprinkler</i>	-	-	-	73,516	-	-	-	73,516
<i>LRF Garage/Elevator Improvements</i>	-	-	-	147,475	337	-	-	147,812
<i>LRF Garage TIs</i>	-	-	-	34,453	-	-	-	34,453
<i>LRF Lot 8 Garage TIs</i>	-	-	-	1,246,408	50,895	-	-	1,297,303
<i>LRF Flag Pole</i>	-	-	-	8,283	2,033	-	-	10,316
<i>Briarview Demolition</i>	-	-	-	1,725	-	-	-	1,725
Total	\$ 51,985,571	\$ 10,766,136	\$ 3,801,813	\$ 2,871,595	\$ 731,857	\$ 3,433,705	\$ 194,838	\$ 70,351,810

* 2014 Budget represents amounts budgeted for the full year.


Summary – The City’s general government tax revenues exceeded 2014 budget estimates for first quarter by 23.62% due primarily to sales tax and the Lot 7 land sale. Sales tax revenue increased 25.4% compared to 2013 and exceeded budget estimates for 2013 by 25.86%. City staff continue to monitor operating expenditures which met budget estimates (excluding reserves and transfers).

The chart below reflects ending fund balances at March 31, 2014. Ending fund balances have been adjusted to include accrued revenues for reporting purposes. These balances are subject to change pending various revenue accruals, interfund transfers and year end processes.

**FUND BALANCES
First Quarter 2014**

FUND	Beginning Balance	Revenues	Expenditures	Ending Balance
General Fund	\$ 2,575,721	\$ 2,770,512	\$ 1,292,986	\$ 4,053,247
Street Fund	1	220,453	179,189	41,265
Arterial Street	13,137	32,690	33,532	12,295
REET	218,242	133,665	47,500	304,407
Parks and Recreation	1	286,126	218,753	67,374
Traffic Impact Fees	843,035	33,270	-	876,305
Transportation Benefit District	-	-	2,500	(2,500)
Development Services	2,868	236,988	260,231	(20,375)
LRF	3,301,300	121,173	-	3,422,473
Police/Public Safety	684,019	459,549	1,023,271	120,297
Paths & Trails	3,235	516	3,237	514
SWM	4,403,326	80,225	372,149	4,111,402
Donations	67,505	7,795	6,356	68,944
Strategic Reserve	856,937	-	-	856,937
Debt Service	-	-	1,811	(1,811)
Parks CIP	531,109	20,654	6,520	545,243
PW CIP	630,218	6,579	195,178	441,619
Municipal Facilities	-	-	-	-
Fleet & Equipment	610,547	15,384	12,957	612,974
ITS	177,941	200,683	200,683	177,941
Risk Management	10,044	110,606	111,606	9,044
Totals	\$ 14,929,186	\$ 4,736,867	\$ 3,968,458	\$ 15,697,595

Memo

DATE: June 23, 2014
TO: City Council
FROM: Leslie Blaisdell, Assistant Finance Director 
SUBJECT: Staff Report - 2013-2014 Biennial Budget Adjustment

Before you for consideration tonight is the council bill, Ordinance and related back-up documentation for the 2013-2014 Carryforward Budget Adjustment. The attached budget ordinance recognizes the carry forward of funding from 2013 and re-appropriation in 2014. These amendments were studied by council at the Finance Committee meeting on June 2, 2014.

The re-appropriation is comprised primarily of beginning fund balance and capital improvement projects (public works and parks) that were appropriated in 2013 and will be completed in 2014. Appropriations for capital improvement funds are continuing in nature and do not lapse at the end of the year. Adjustments also include revenue adjustments to several tax line items.

I'm happy to answer any questions you may have regarding these adjustments.

**Business of the City Council
City of University Place, WA**

Proposed Council Action:

Pass an Ordinance amending the 2013-2014 Biennial Budget for the 2013 Carryforward appropriations and adjustments.

Agenda No: 9

Dept. Origin: Finance Department

For Agenda of: June 23, 2014

Exhibits: Proposed Budget Amendment Ordinance with Attachments (Exhibit A-2 and Line Item Summary)

Concurred by Mayor: _____

Approved by City Manager: _____

Approved as to form by City Atty: _____

Approved by Finance Director: _____

Approved by Department Head: _____

Expenditure Required: \$53,407,044	Amount Budgeted: \$29,780,124	Appropriation Required: \$23,626,920
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SUMMARY / POLICY ISSUES

The attached budget ordinance recognizes the carry forward of funding from 2013 and re-appropriation in 2014. The re-appropriation is comprised primarily of beginning fund balance and capital improvement projects (public works, parks, and municipal facilities) that were appropriated in 2013, to be completed in 2014. Appropriations for capital improvement funds are continuing in nature and do not lapse at the end of the year. Adjustments also include revenue adjustments to several tax line items. The ordinance is now being forth to the City Council for approval.

ALTERNATIVES CONSIDERED

None

BOARD OR COMMITTEE RECOMMENDATION

At their June 2, 2014 meeting, the Finance Committee reviewed the adjustments and recommended bringing forth the proposed budget adjustments and carryforward in ordinance form for public hearing and City Council consideration.

RECOMMENDATION / MOTION

MOVE TO: Pass an Ordinance amending the 2013-2014 Biennial Budget for the 2013 Carryforward appropriations and adjustments.

ORDINANCE NO. XXX

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE,
WASHINGTON, RELATING TO BUDGETS AND FINANCE, REVISING THE 2013/2014
BUDGET AMENDING SECTION 1 OF ORDINANCE NO. 632.**

WHEREAS, certain revisions to the 2013/2014 biennial budget are necessary;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE,
WASHINGTON, DOES ORDAIN AS FOLLOWS:**

Section 1. 2013/2014 Amended Budget. Ordinance 632, Section 1, is amended to adopt the revised budget for the 2013-2014 biennium in the amounts and for the purposes as shown on the attached Exhibits A-1, A-2 and 2013/2014 Carryforward Adjustments Line Item Summaries.

Section 2. Severability. The provisions of this ordinance are declared separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this ordinance or the invalidity of the application thereof to any person or circumstance, shall not affect the validity of the remainder of the ordinance, or the validity of its application to other persons or circumstances.

Section 3. Ratification. Any act consistent with the authority and prior to the effective date of this ordinance is hereby ratified and affirmed.

Section 4. Published and Effective Date. A summary of this ordinance consisting of its title shall be published in the official Newspaper of the City. This ordinance shall take effect five days after publication.

PASSED BY THE CITY COUNCIL ON JUNE _____, 2014.

Denise McCluskey, Mayor

ATTEST:

Emelita Genetia, City Clerk

APPROVED AS TO FORM:

Steve Victor, City Attorney

Published:
Effective Date:

**EXHIBIT A-2
CITY OF UNIVERSITY PLACE
2014 Amended Budget**

FUND	REVENUES & OTHER SOURCES			EXPENDITURES & OTHER USES			ENDING BALANCE
	Adopted	Adjust	Revised	Adopted	Adjust	Revised	Balance
Operating							
General							
001 General	10,317,213	1,538,067	11,855,280	9,180,306	681,874	9,862,180	1,993,100
Special Revenue							
101 Street	1,068,858	35,791	1,104,649	1,068,858	35,791	1,104,649	-
102 Arterial Street	225,909	(4,772)	221,137	217,401	-	217,401	3,736
103 Real Estate Excise Tax	723,307	54,935	778,242	517,235	170,000	687,235	91,007
104 Parks and Recreation	1,037,817	7,373	1,045,190	1,037,817	7,373	1,045,190	-
105 Traffic Impact Fees	939,428	20,919	960,347	-	-	-	960,347
106 Transportation Benefit District	-	150,000	150,000	-	4,000	4,000	146,000
107 Development Services	1,126,738	104,245	1,230,983	1,101,848	104,245	1,206,093	24,890
108 LRF	400,000	3,301,300	3,701,300	400,000	3,301,300	3,701,300	-
109 Police/Public Safety	4,849,819	463,984	5,313,803	4,603,720	67,638	4,671,358	642,445
120 Path & Trails	6,344	188	6,532	3,773	-	3,773	2,759
140 Surface Water Mgmt	5,230,930	1,926,476	7,157,406	3,058,341	2,483,223	5,541,564	1,615,842
188 Strategic Reserve	856,934	-	856,934	-	-	-	856,934
Sub-total Special Revenue	16,466,084	6,060,439	22,526,523	12,008,993	6,173,570	18,182,563	4,343,960
Debt Service							
201 Debt Service	4,026,103	-	4,026,103	4,026,103	-	4,026,103	-
Sub-total Debt Service Funds	4,026,103	-	4,026,103	4,026,103	-	4,026,103	-
Total Operating	30,809,400	7,598,506	38,407,906	25,215,402	6,855,444	32,070,846	6,337,060
Capital Improvement							
301 Parks CIP	39,573	624,610	664,183	39,573	624,610	664,183	-
302 Public Works CIP	3,433,705	15,893,478	19,327,183	3,433,705	15,893,478	19,327,183	-
303 Municipal Facilities CIP	-	-	-	-	-	-	-
Sub-total CIP	3,473,278	16,518,088	19,991,366	3,473,278	16,518,088	19,991,366	-
Internal Service							
501 Fleet & Equipment	254,310	576,699	831,009	252,361	-	252,361	578,648
502 Information Technology & Services	666,120	356,448	1,022,568	665,383	185,883	851,266	171,302
505 Property Management	-	-	-	-	-	-	-
506 Risk Management	173,700	10,044	183,744	173,700	-	173,700	10,044
Sub-total Internal Service	1,094,130	943,191	2,037,321	1,091,444	185,883	1,277,327	759,994
Non-Annually Budgeted							
621 Endowment	-	-	-	-	-	-	-
150 Donations and Gifts to University Place	-	67,505	67,505	-	67,505	67,505	-
Sub-total Non-Annually Budgeted	-	67,505	67,505	-	67,505	67,505	-
Total Budget	35,376,808	25,127,290	60,504,098	29,780,124	23,626,920	53,407,044	7,097,054

Assets/Not Cash
Assets/Not Cash
Assets/Not Cash

Revenues & Other Sources - 2014

Description	Account Number	Amount
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Expenditures & Other Uses - 2014

Description	Account Number	Amount
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OPERATING FUNDS

General Fund (001)

Beginning Fund Balance	001-000-308-10-000	1,225,733
Donation/Cirque Roundabout/Baskets	001-000-367-10-001	1,050
City Assistance	001-000-336-00-980	35,000
Electric Fee	001-000-321-91-003	90,036
Water Fee	001-000-321-91-004	121,248
Gambling Tax	001-000-316-80-000	(35,000)
CF - 27th/Grandview/Private Cont.	001-000-	100,000

Total General Fund Adjustment \$ 1,538,067

Add - City Council/PERS	001-010-511-60-210	12,000
Add - City Council/Food	001-010-511-60-318	2,500
CF - US Open Task Force	001-010-511-69-490	7,548
Add - City Manager/Admin Asst Salary	001-021-513-10-110	5,672
Add - City Manager/Admin Asst PERS	001-021-513-10-210	514
Add - City Manager/Admin Asst 401	001-021-513-10-211	346
Add - City Manager/Admin Asst Health	001-021-513-10-250	1,147
Add - City Manager/Admin Asst Dental	001-021-513-10-251	182
CF - Closing Costs/Lot 7 Sale	001-021-513-10-410	13,906
CF - Economic Dec/27th St Banners	001-024-558-70-410	4,500
CF - Finance/Consulting	001-032-514-23-410	4,600
Add - Finance/Bank Fees/Cost Increase	001-032-514-23-490	8,000
CF - HR/Training	001-033-518-11-435	6,556
CF - City Clerk/Election Costs	001-035-514-40-511	28,818
CF - UPTV/Website Conversion/Responsive Mode	001-037-513-11-410	4,000
CF - UPTV/Capital \$ - Restricted Funds	001-037-557-20-642	219,335
CF - Community Events	001-982-573-90-490	3,800
Add - Beautification - Cirque RAB Basket Hardware	001-987-573-90-313	1,050
Transfer to Fleet	001-990-597-81-000	(31,899)
Transfer to IT	001-990-597-90-000	179,244
Transfer to Dev. Service	001-990-597-85-000	174,265
Transfer to Street		35,791

Total General Fund Adjustment 681,874

Street Fund (101)

Beginning Fund Balance	101-000-308-10-000	-
Transfer From General Fund		35,791

Total Street Fund Adjustment 35,791

CF - Thompson Electric/Street lights	101-073-542-30-410	22,974
CF - Shakespeare Composite/Light Poles	101-073-542-30-481	12,817

Total Street Fund Adjustment 35,791

Arterial Street Fund (102)

Beginning Fund Balance	102-000-308-10-000	(4,772)
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Total Arterial Street Fund Adjustment \$ (4,772)

Total Arterial Street Fund Adjustment -

Real Estate Excise Tax Fund (103)

Beginning Fund Balance	103-000-308-10-000	54,935
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Total Real Estate Excise Tax Fund Adjustment \$ 54,935

Transfer to PW CIP	103-000-597-40-000	170,000
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Total Real Estate Excise Tax Fund Adjustment 170,000

Parks and Recreation Fund (104)					
Beginning Fund Balance	104-000-308-10-000	-			
CDBG/Sr. Center Grant	104-000-333-14-213	7,373	CF - CDBG/Sr Center Grant		7,373
Total Parks and Recreation Fund Adjustment		\$ 7,373	Total Parks and Recreation Fund Adjustment		7,373

Traffic Impact Fees (105)					
Beginning Fund Balance	105-000-308-10-000	20,919			-
Total TIF Fund Adjustment		\$ 20,919	Total TIF Fund Adjustment		-

Transportation Benefit District (106)					
Beginning Fund Balance	105-000-308-10-000	-	Insurance	106-000-518-60-460	2,500
TBD Fees		150,000	DOL Processing Fee	106-000-518-60-519	1,500
Total TBD Fund Adjustment		\$ 150,000	Total TBD Fund Adjustment		4,000

Planning and Development Services Fund (107)					
Beginning Fund Balance	107-000-308-10-000	(70,020)	Add - PC WWTP Project/Permit Review	107-053-559-50-519	57,839
Transfer from General Fund	107-000-397-10-001	174,265	CF - Tree Account - Restricted \$	107-053-558-51-313	2,868
			Add - Sr Planner/Inc to FT/Comp Plan updates	107-053-558-50-110	43,538
Total Planning and Dev. Services Fund Adjustment		\$ 104,245	Total Planning and Dev. Services Fund Adjustment		104,245

LRF (108)					
Beginning Fund Balance	105-000-308-10-000	3,301,300	Transfer to PW CIP	108-000-597-42-552	2,282,501
			Rev Bond Trustee Fee	108-000-592-48-850	200
			Debt Register Costs	108-000-592-48-850	1,800
			Debt Service Reserve		1,016,799
Total LRF Fund Adjustment		\$ 3,301,300	Total LRF Fund Adjustment		3,301,300

Police & Public Safety (109)					
Beginning Fund Balance	109-000-308-10-000	391,305	Add - City Atty/Paralegal Salary	109-041-515-30-110	13,648
Property Tax	109-000-311-10-000	52,095	Add - City Atty/Paralegal 401	109-041-515-30-211	840
JAG 2011	109-000-331-16-010	9,376	Add - City Atty/Paralegal PERS	109-041-515-30-210	1,247
JAG 2013	109-000-331-16-731	10,323	CF - JAG 2011	109-091-521-22-518	9,376
Dept Natural Resources/Derelict Boat	109-094-345-29-000	885	CF - JAG 2013	109-091-521-22-518	10,323
			CF - Special Overtime	109-091-521-22-518	27,074
			Add - Code Enforcement/Various	109-094-524-60-###	5,130
Total Police & Public Safety Fund Adjustment		\$ 463,984	Total Police & Public Safety Fund Adjustment		67,638

Path & Trails Reserve Fund (120)

Beginning Fund Balance	120-000-308-10-000	188			-
Total Path & Trails Reserve Fund Adjustment		\$ 188	Total Path & Trails Reserve Fund Adjustment		-

Surface Water Management Fund (140)

Beginning Fund Balance	140-000-308-10-000	1,926,476	CF - Transfer to PW CIP - Storm Drainage projects	140-089-597-42-000	2,481,595
			CF - Fox Glen Storm Drainage/Baseline	140-082-542-45-410	1,628
Total SWM Fund Adjustment		\$ 1,926,476	Total SWM Fund Adjustment		2,483,223
TOTAL OPERATING FUNDS		\$ 7,598,506	TOTAL OPERATING FUNDS		\$ 6,855,443

CAPITAL IMPROVEMENT PROJECT (CIP) FUNDS**Parks CIP Fund (301)**

Beginning Fund Balance	301-000-308-10-000	531,109	CF - Park Property Acquisition	301-101-594-76-610	14,150
Grant/CDBG/Sunset Terrace Restroom	301-106-333-14-210	93,501	CF - Homestead Park/Kiosk/Sign	301-102-594-76-630	3,409
			CF - Cirque Park/Trails, benches, tables	301-105-594-76-650	(12,000)
			CF - Cirque Park/Restroom	301-105-594-76-650	16,026
			Add - Cirque Park/Outfield Fencing	301-105-594-76-631	25,000
			CF - Sunset Terrace Restroom	301-106-594-76-650	142,501
			CF - Kobayashi/Building Permit	301-122-576-90-513	2,166
			CF - Kobayashi/Construction	301-122-576-90-530	88,123
			CF - Contingency	301-990-508-50-000	306,415
			Add - Sr. Center Roof	301-103-594-76-650	21,820
			Add - Creekside Park	301-129-594-76-490	8,500
			Add - Paradise Pond Park	301-130-594-76-490	8,500
Total Parks CIP Fund Adjustment		\$ 624,610	Total Parks CIP Fund Adjustment		624,610

Public Works CIP Fund (302)

Beginning Fund Balance	302-000-308-10-000	630,218	CF - CIP/Personnel & M&O	302-101	1,205
Transfer from Arterial Street		1	CF - Neighborhood CIP	302-178	(63,133)
Transfer from REET	302-000-397-10-005	170,000	CF - Saferoutes/40th	302-195	57,513
Transfer from SWM	302-	2,481,595	CF - Saferoutes/Grandview	302-196	2,191
Grant/27th St Overlay	302-253-333-20-200	38,364	CF - 27th Street Overlay	302-253	44,352
Grant/40th St Overlay	302-254-333-20-200	13,751	CF - 40th Street Overlay	302-254	15,896
Grant/BP 3/4	302-146-333-20-202	2,138,350	CF - Bridgeport 3/4	302-146	2,499,263
Grant/BP 5	302-152-333-20-200	559,337	CF - Bridgeport 5	302-152	647,015
Grant/BP Low Impact	302-251-334-03-100	689,458	CF - Bridgeport Low Impact	302-251	933,599
Grant/Cirque 56th Corridor	302-252-333-20-200	200,000	CF - Cirque 56th St Corridor	302-252	276,350
City of Tacoma/Cirque 56th Corridor	302-252-367-11-001	15,600			
Grant/Mildred	302-197-367-11-001	2,083,653	CF - Mildred Street	302-197	2,408,847
Fircrest & Private/Mildred	302-197-367-11-001	175,342			
Grant/Saferoutes 27th	302-198-333-20-205	58,490	CF - Saferoutes/27th	302-198	21,196
Grant/Saferoutes Beckonridge	302-199-333-20-205	52,637	CF - Saferoutes/Beckonridge	302-199	56,440
Grant/Saferoutes Elwood	302-266	811,131	CF - Saferoutes/Elwood	302-266	1,070,000
Grant/Saferoutes 44th	302-257	820,000	CF - Saferoutes/44th	302-257	910,000
Grant/Saferoutes 56th	302-258	464,000	CF - Saferoutes/56th	302-258	540,000
Grant/Saferoutes Cirque	302-259	1,040,000	CF - Saferoutes/Cirque	302-259	1,325,000
Grant/Dept of Commerce/UP Main St	302-268	945,750	CF - UP Main Street Redevelopment	302-268	945,750
Grant/CDBG Cirque	302-267	223,300	CF - Cirque CDBG	302-267	341,000
Transfer from LRF	302-201-397-10-018	29,165	CF - LRF/Market Place Street Pedestrian	302-201	29,165
Transfer from LRF	302-202-397-10-018	155,280	CF - LRF/Lot 10 Staircase	302-202	155,280
Transfer from LRF	302-204-397-10-018	11,756	CF - LRF/Garage Elevator Security	302-204	11,756
Transfer from LRF	302-205-397-10-018	10,717	CF - LRF/Garage TI Design	302-205	10,717
Transfer from LRF	302-206-397-10-018	275,073	CF - LRF/Market Place Ph. 5	302-206	275,073
Transfer from LRF	302-207-397-10-018	13,277	CF - LRF/Lot 8 Garage Improvements	302-207	13,277
Transfer from LRF	302-210-397-10-018	1,700,000	CF - LRF/Lot 10 Parking	302-210-594-95-611	1,700,000
Transfer from LRF	302-211-397-10-018	87,233	CF - LRF/Briarview Demolition	302-211	100,000
			CF - Storm Drainage/37th St Project/Eng & Design	302-260-542-40-410	36,400
			CF - Storm Drainage/37th St Project/Construction	302-260-542-40-630	250,000
			CF - Storm Drainage/56th & 95th Project/Eng & Design	302-261-542-40-410	19,740
			CF - Storm Drainage/56th & 95th Project/Construction	302-261-542-40-630	135,000
			CF - Storm Drainage/Lemons Beach Outfall/Eng & Design	302-262-542-40-410	42,600
			CF - Storm Drainage/Soundview Dr Wt/Eng & Design	302-263-542-40-410	67,050
			CF - Storm Drainage/Olympic Dr W/Eng & Design	302-264-542-40-410	48,770
			CF - Storm Drainage/Tahoma Place/Eng & Design	302-265-542-40-410	41,675
			CF - SWM/Arbordale 41st to Robin Rd	302-170	(31,000)
			CF - SWM/Leach Creek Stream Buffer	302-181	1,482
			CF - SWM/Leach Creek Stream Channel Habitat Restoration	302-188	240,000
			CF - SWM/Crystal Creek Culvert Replacement	302-255	506,716
			CF - PW CIP Contingency		207,293

Total Public Works CIP Fund Adjustment**15,893,478****Total Public Works CIP Fund Adjustment****15,893,478**

INTERNAL SERVICE FUNDS**Fleet & Equipment Replacement Fund (501)**

Beginning Fund Balance	501-000-308-10-000	29,950
Beginning Fund Balance/Assets	501-000-308-10-001	578,648
Transfer from General Fund	501-000-397-10-000	(31,899)

Total Fleet & Equip Replace Fund Adjustment **576,699**

Total Fleet & Equip Replace Fund Adjustment **-**

Information Technology & Services Fund (502)

Beginning Fund Balance	502-000-308-10-000	5,902	CF - IT Training	502-035-518-88-435	4,884
Beginning Fund Balance/Assets	502-000-308-10-001	171,302	CF - Citywide Training	502-035-518-88-438	3,305
Transfer from General Fund	502-000-397-10-000	179,244	CF - HR/Web Ext/Applicant Tracking/Permit Tracking	502-035-518-89-643	99,994
			CF - Phone System Replacement	502-035-518-90-642	50,000
			CF - Computer/Laptop replacements	502-035-518-90-680	27,700

Total ITS Fund Adjustment **356,448**

Total ITS Fund Adjustment **185,883**

Risk Management Fund (506)

Beginning Fund Balance	506-000-308-10-000	-
Beginning Fund Balance/Assets	506-000-308-10-001	10,044

Total Risk Mgmt Fund Adjustment **10,044**

Total Risk Mgmt Fund Adjustment **-**

TOTAL INTERNAL SERVICE FUNDS **943,191**

TOTAL INTERNAL SERVICE FUNDS **185,883**

NON-ANNUALLY BUDGETED FUNDS

Beginning Fund Balance	150-000-308-10-000	67,505
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Donations Fund (150)

CF - Plant UP	150-101-573-93-312	1,430
CF - Baskets on Bridgeport	150-101-573-95-312	22
CF - Employee Wellness	150-101-573-96-318	713
CF - Animal Control	150-101-573-99-312	5,200
CF - UP Youth Council	150-102-513-20-312	735
CF - Up Businessfest/Food 4 Thought	150-104-558-70-312	798
CF - Friends of Homestead Park	150-105-576-91-312	38,116
CF - Curran Apple Orchard	150-106-576-90-312	13,673
CF - Rec/Sr. Scholarship Fund	150-109-571-90-490	1,388
CF - Rec/Youth Scholarship	150-109-571-92-490	5,330
CF - Rec/Adult Scholarship	150-109-571-93-490	100

Total Donations Fund Adjustment **\$ 67,505**

Total Donations Fund Adjustment **67,505**

TOTAL NON-ANNUALLY BUDGETED FUNDS **\$ 67,505**

TOTAL NON-ANNUALLY BUDGETED FUNDS **67,505**

GRAND TOTAL **25,127,290**

GRAND TOTAL **23,626,920**

Subtotal Beginning Fund Balances	4,488,163
Other Revenue Adjustments	20,639,127
	<u>25,127,290</u>

**Business of the City Council
City of University Place, WA**

Proposed Council Action:

Adopt a resolution approving the Exclusive Brokerage Agreement with Jeff Kraft of Kidder, Mathews & Segner, Inc., for a term through December 2015.

Agenda No: 10

Dept. Origin: City Attorney

For Agenda of: June 23, 2014

Exhibits: Memorandum
Resolution
Exclusive Brokerage Agreement

Concurred by Mayor _____

Approved by City Manager _____

Approved as to Form by City Atty: _____

Approved by Finance Director _____

Approved by Dept. Head _____

Expenditure Required: \$ 0.00	Amount Budgeted: \$0.00	Appropriation Required: \$0.00
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SUMMARY / POLICY ISSUES

Jeff Kraft has been the City's selling agent since 2010, and his work has resulted in the current active development within the City-owned portions of Town Center. The City has determined it is in the best interests of the City and its residents to execute a Brokerage Agreement with a term through June 2015.

RECOMMENDATION / MOTION

MOVE TO: Adopt a resolution approving the Exclusive Brokerage Agreement with Jeff Kraft of Kidder, Mathews & Segner, Inc., for a term through December 2015.

Memo

DATE: June 19, 2014
TO: Mayor Denise McCluskey, City Council
FROM: Steve Victor, City Attorney
SUBJECT: Brokerage Agreement with Kidder Mathews

Mayor and Members of the City Council,

Before you for consideration is a new agreement for brokerage services with Jeff Kraft of Kidder Mathews. Mr. Kraft was under contract with the City from 2010 through the end of 2013, when the final extension of the agreement ended. During this time, Mr. Kraft was responsible for securing the SEB and Verus developments, including the Latitude 47 Building and Whole Foods currently under construction.

Of the total former and currently City-owned properties in Town Center, Lot 7 is sold and under construction as Whole Foods Market. Lot 8 is complete with the Clearview Building. Lot 10 is sold and under construction as the Latitude 47 Building, and Lots 1, 2, 3, 4, and 11 are under contract to Verus. This leaves Lot 12 (the former Briarview Apartments) and the Civic Building's North retail space (the South retail is Frog & Kiwi) and Library expansion space as the only City-owned available locations within Town Center. In addition to the City's remaining available Town Center properties, the Council has discussed the identification of surplus City property for ultimate sale as a potential future course of action. The proposed agreement is drafted to, in addition to Town Center representation, also allow for the possibility of utilizing Kidder Mathews to market any other City property that the Council may in the future choose to formally surplus for sale.

Because the City has had no brokerage representation in 2014, City staff, primarily the City Attorney's Office, has fulfilled the function by default, but without the time, contacts, or effectiveness of a professional broker. With growing market awareness that the U.P. Whole Foods is real, interest has ramped up to the point where a return to professional brokerage is desirable. After much thought, the recommendation is to stay with Kidder Mathews and Jeff Kraft through 2015. The reasoning behind the recommendation is that Jeff Kraft brings deep knowledge of the site, the properties and the current private development that is underway and enjoys the confidence of private developers and tenants who are now working, as well as the confidence of City staff. While there are many fine brokerage firms, to introduce a new one at this

stage would be less desirable than continuing with a known quantity who has been successful in securing substantial private investment in the project.

Because this course of action does not represent a change in direction, it has been listed on the Council's agenda for action without a prior study session. After the staff presentation and questions, the Council may vote to suspend the Council Rule which requires a prior study session and vote on the agreement as listed on the agenda. If the Council does not choose to suspend the rules, the agreement will return for consideration at the next Council meeting.

RESOLUTION NO.

A RESOLUTION OF THE CITY OF UNIVERSITY PLACE, WASHINGTON, APPROVING AN EXCLUSIVE BROKERAGE AGREEMENT WITH JEFF KRAFT OF KIDDER, MATHEWS & SEGNER, INC., FOR A TERM THROUGH DECEMBER 2015

WHEREAS, in spring of 2010 the City executed an Exclusive Sale Listing Agreement and an Exclusive Lease Listing Agreement with Jeff Kraft as broker to sell and lease the City property within the University Place Town Center Overlay Zone; and

WHEREAS, Jeff Kraft's work resulted in the current active development within the City-owned portions of Town Center; and

WHEREAS, the City's prior agreement with Kidder Mathews for Jeff Kraft's work expired on December 31, 2013; and

WHEREAS, Lot 12 of the Town Center Overlay Zone remains available for sale, and the North retail space and Library Expansion space in the University Place Civic Building remain available for lease; and

WHEREAS, in addition, the City has certain property which has been or may be declared surplus to the City's needs, and the proposed brokerage agreement would allow Kidder Mathews to market any City property formally designated by resolution of the City Council as surplus to the City's needs; and

WHEREAS, based on the capabilities of Kidder Mathews and the past performance of Jeff Kraft, staff recommend entering into an exclusive brokerage agreement with Jeff Kraft of Kidder Mathews through the end of 2015; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE, WASHINGTON, AS FOLLOWS:

Section 1. Incorporation of Recitals. The recitals are hereby incorporated herein as if set forth in full.

Section 2. Approval of Form of Documents. The City Council hereby approves execution of the Exclusive Brokerage Agreement in substantially the form of the document accompanying this Resolution.

Section 3. Completion of Transaction. The City Manager is authorized to take and execute any additional measures or documents that may be necessary to complete this transaction, which are consistent with the approved form of documents attached to this Resolution, and this Resolution.

Section 4. Effective Date. This Resolution shall be effective immediately upon adoption by the City Council.

ADOPTED BY THE CITY COUNCIL ON JUNE ____, 2014.

Denise McCluskey, Mayor

ATTEST:

Emelita Genetia, City Clerk

APPROVED AS TO FORM:

Steve Victor, City Attorney

Kidder Mathews & Segner, Inc.
1201 Pacific Avenue, Suite 1400
Tacoma, Washington 98402
T / 253.722.1405
F / 253.722.1409

EXCLUSIVE BROKERAGE AGREEMENT

In consideration of the services to be performed by the undersigned Broker, the undersigned Owner grants to Broker commencing with the date of this Agreement and expiring at midnight on December 31, 2015 the exclusive and irrevocable right to sell, or lease, as determined by Owner, certain real estate (the "property") situate in the City of University Place, Pierce County, Washington, more specifically described in Exhibit A attached hereto.

1. **DEFINITIONS.** The term "sell" (and similar phrases) as used in this Agreement shall mean and include sell, contract to sell, exchange, lease for over 5 years, and/or an option to purchase. The phrase "this Agreement" and "during the term hereof" include written extensions of this Agreement.

2. **AGENCY / DUAL AGENCY.** Owner authorizes Broker to appoint Jeff Kraft to act as Owner's Listing Agent(s). It is understood and agreed that this Agreement creates an agency relationship with Listing Agent(s) and Broker only, not with any other salesperson of Broker; provided, Owner authorizes Broker to appoint other salespersons affiliated with Broker as subagents to act on Owner's behalf as and when needed, at Broker's discretion. Any other broker or salesperson, other than Broker or Listing Agent(s), will not be representing Owner and may represent the buyer. Accordingly, for purposes of this Agreement, "Broker" means Listing Agent(s), including any subagents, and Listing Agent's Broker, Designated Broker or Branch Manager, unless expressly stated otherwise. Owner further authorizes Broker to enter into cooperative brokerage agreements. Owner agrees that if the property is sold to a buyer represented by one of Broker's salespersons other than Listing Agent(s), then Owner consents to Broker acting as a dual agent. Owner further agrees that if the property is sold to a buyer who Listing Agent also represents, then Owner consents to Listing Agent(s) and Broker acting as dual agents. Owner agrees that different salespersons affiliated with Broker may represent different sellers in competing transactions involving the same buyer and that this shall not be considered action by Broker that is adverse or detrimental to the interests of either seller, nor shall it be considered a conflict of interest on the part of Broker. Owner acknowledges receipt of the pamphlet entitled "The Law of Real Estate Agency." If Broker acts as a dual agent, then Broker shall be entitled to the entire commission payable under this Agreement plus any additional compensation Broker may have negotiated with the buyer.

3. **PROPERTY INFORMATION.** Owner acknowledges receipt of a copy of this Agreement, with the property information in this Agreement fully filled in. Owner warrants that the property information is correct. Owner understands that Broker and other members of the Multiple Listing Service will make representations to prospective buyers based solely on the property information in this Agreement, and agrees to indemnify and hold harmless Broker and other members of the Multiple Listing Service in the event the foregoing warranties are incorrect.

Owner confirms that following closing, the amount of the purchase price and any other terms of the sale of the property shall not be deemed confidential information and Owner authorizes disclosure of the same.

4. **TITLE AND CLOSING COSTS.** Owner warrants that Owner has the right to sell the property on the terms herein, and agrees to furnish and pay for a purchaser's policy of title insurance showing marketable title to the property. Owner agrees to pay real estate excise tax, deed revenue stamps and one-half of any escrow fees. Rents, insurance, taxes, interest and reserves on assumed encumbrances are to be prorated between Owner and buyer as of the date of closing.

(CONTINUED)

5. COMMISSION. Broker shall be entitled to a commission if: (a) Broker procures a buyer on the terms of this Agreement, or on other terms acceptable to Owner; (b) Owner sells the property directly or indirectly or through any person or entity other than Broker during the term of this Agreement; (c) Owner sells the property within six months after the expiration or sooner termination of this Agreement to a person or entity that submitted an offer to purchase the property during the term of this Agreement or that appears on any registration list provided by Broker pursuant to this Agreement, or to an "Affiliate" of such a person or entity that submitted an offer or that appears on the registration list; (d) the property is made unmarketable by Owner's voluntary act; or (e) Owner withdraws the property from sale, or otherwise prevents Broker from selling it. The commission shall be calculated as follows: 5% on the gross sales. In the event a portion of the gross sales price is dedicated in the sale agreement to any mandatory City fees, including but not limited to development impact fees or permit fees, the amount of those mandatory fees to be paid from the gross sales price shall not be included when calculating the Broker's commission percentage. Broker must submit any registration list to Owner within 15 days after the expiration or sooner termination of this Agreement and shall only include on the registration list persons or entities to whose attention the property was brought through the signs, advertising or other action of Broker, or who received information secured directly or indirectly from or through Broker during the term of this Agreement. The Owner shall provide the registration list to any other brokers who assist the Owner with this property. "Affiliate" means, with respect to any person or entity that submitted an offer during the term of this Agreement or that appears on the registration list, a person or entity which has more than a 10% ownership or voting interest in such an entity or any entity in which more than 10% of the ownership or voting interests are owned or controlled by such a person or entity. In the event a commission becomes due under (d) or (e) above, Broker shall propose a commission to Owner based on sales in the current market. If Owner and Broker cannot agree to a commission, the matter shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules.

6. BROKER/MULTIPLE LISTING. Broker shall cause this listing to be published by Commercial Brokers Association ("CBA") for distribution to all CBA members through CBA's listing systems. Broker shall cooperate with all other members of CBA in working toward the sale of the property. Owner understands and agrees that all property information contained in this Agreement or otherwise given to CBA becomes the property of CBA, is not confidential, and will be given to third parties, including prospective buyers, other cooperating members of CBA who do not represent the Owner and, in some instances, may represent the buyer and other parties granted access to CBA's listing systems. Owner agrees that Broker may record this Agreement. Regardless of whether a cooperating member is the Broker of the buyer, the Owner, neither or both, the member shall be entitled to receive the selling office's share of the commission as designated by the listing office. IT IS UNDERSTOOD THAT COMMERCIAL BROKERS ASSOCIATION IS NOT A PARTY TO THIS AGREEMENT, AND ITS SOLE FUNCTION IS TO FURNISH THE DESCRIPTIVE INFORMATION SET FORTH IN THIS LISTING TO ITS MEMBERS, WITHOUT VERIFICATION AND WITHOUT ASSUMING ANY RESPONSIBILITY FOR SUCH INFORMATION OR IN RESPECT TO THIS AGREEMENT.

(CONTINUED)

Dated this _____ day of June, 2014.

OWNER:

CITY OF UNIVERSITY PLACE

By: _____
Stephen P. Sugg, City Manager

3715 Bridgeport Way W.
University Place, WA 98466
Phone: 253.566.5656
Fax: 253-460-5426

In consideration of Owner's execution of this Agreement, the undersigned hereby agrees to act as Owner's agent to sell the property.

KIDDER MATHEWS & SEGNER, INC.

By: _____
Authorized Representative

(CONTINUED)

EXHIBIT A

CITY PROPERTY SUBJECT TO THIS AGREEMENT

1. WITHIN THE TOWN CENTER OVERLAY ZONE

A. All Lots still in City title described in the University Place Town Center Site Plan (Contemplated by the Owner for sale).

B. North retail space within the University Place Civic Building (Contemplated by the Owner for Lease).

C. Pierce County Library Expansion Space (Contemplated by the Owner for Lease, within the terms and time limits of Owner's agreement with the Pierce County Rural Library District).

2. OUTSIDE THE TOWN CENTER OVERLAY ZONE

All Owner's property formally designated as surplus to the City's needs by resolution of the City Council.

Pacific Northwest Consulting Services

Organizational Development

Strategic Planning
June 19, 2014

Market & Survey Research

TO: Denis McCluskey
Mayor
City of University Place

FROM: Dr. Lowell "Duke" Kuehn

RE: June 23 meeting

Attached are the notes from the planning sessions I conducted with the Council on April 21 and May 19. These summarize the Council's discussions in identifying the goals and objectives of greatest strategic importance to the city.

Also attached is a draft of the Council's 2015-2016 goals. At Monday's session I am going to ask the Council to review those goals and indicate if my characterization correctly reflects the Council's thinking. If these are the goals you choose to pursue over the coming year I am going to ask that you discuss how you would like to see these goals pursued as a first step in the development of action plans by Council staff.

As usual I look forward to working with you and the rest of the Council.

copy: Steve Sugg

**CITY OF UNIVERSITY PLACE
MINUTES
Regular Meeting of the City Council
Monday, April 21, 2014
City Hall, Windmill Village**

1. CALL REGULAR MEETING TO ORDER – MAYOR

Mayor McCluskey called the Regular Meeting to order at 6:30 p.m.

2. ROLL CALL AND PLEDGE OF ALLEGIANCE

Roll call was taken by the City Clerk as follows:

Councilmember Belleci	Present
Councilmember Grassi	Present
Councilmember Keel	Present
Councilmember Nye	Present
Councilmember Worthington	Present
Mayor Pro Tem Figueroa	Present
Mayor McCluskey	Present

Staff Present: City Manager Sugg, City Attorney Victor, Executive Director/ACM Craig, Public Works, Parks & Recreation Director Cooper, and City Clerk Genetia.

Councilmember Belleci led the pledge of allegiance.

3. APPROVAL OF AGENDA

MOTION: By Councilmember Belleci, seconded by Mayor Pro Tem Figueroa, to approve the agenda.

The motion carried.

4. PRESENTATIONS

Arbor Day and Parks Appreciation Day Proclamations – Mayor McCluskey presented proclamations to Public Works, Parks & Recreation Director Cooper recognizing April 26, 2014 as Parks Appreciation Day and Arbor Day in University Place. Director Cooper presented the City a dogwood tree, donated by the Public Works and Recreation staff, to be planted at one of the City parks.

Tree City U.S.A. Award – Public Works, Parks & Recreation Director Cooper presented Mayor McCluskey the 14th consecutive Tree City USA award.

5. PUBLIC COMMENT – *Clare Bungay, Parks and Recreation Commissioner.*

6. COUNCIL COMMENTS/REPORTS

Councilmember Keel informed the City Council that he has submitted an application for the AWC Board member position. He also attended a homeowners' association meeting to provide information on the 2015 U.S. Open.

Councilmember Worthington stated that he decided not to submit an application for the AWC Board at this time.

Councilmember Grassi commended Public Safety Detective Shook for his professionalism in handling an incident involving theft. He validated the City's decision to increase the University Place Police department budget in order to add a detective.

Councilmember Belleci reported that Pierce County Regional Council members Mark Hamilton and Steve Vermillion were appointed to the Puget Sound Regional Council's Growth Management Board.

7. CITY MANAGER'S REPORT

City Manager Sugg reported that as a result of recent amendments to the Washington Administrative Code (WAC), the Office of the State Treasurer has created a prospectus to be distributed to participants of the Local Government Investment Pool; and that all participants must also complete a new Transaction Authorization Form and approve an updated resolution. Accordingly, City staff will forward a resolution for Council consideration in compliance with these changes.

8A. CONSENT AGENDA

MOTION: By Councilmember Belleci, seconded by Councilmember Grassi, to approve the Consent Agenda as follows:

- A. Receive and File: Payroll for the period ending 03/31/14, signed and dated 04/14/14, check nos. 317920 through 317939, and wires in the total amount of Two Hundred Fifty-Three Thousand Three Hundred Seventy-Three and 92/100 Dollars (\$253,373.92); Claims dated 04/15/14, signed 04/14/14, check nos. 50108 through 50186, in the total amount of Four Hundred Fifty-Three Thousand Three Hundred Forty-Seven and 15/100 Dollars (\$453,347.15).

The motion carried.

COUNCIL CONSIDERATION

8. FOR AND AGAINST VOTERS' PAMPHLET STATEMENTS WRITERS

Staff Report – City Attorney Victor presented a resolution that completes the process of the City Council's adopted Resolution No. 749, placing a measure for the sole purpose of funding police in University Place on the ballot for the November 2014 general election. State law provides that the legislative authority of that jurisdiction seek committees of up to three persons to prepare arguments advocating voters' approval and rejection of the measure. Accordingly, the City published a notice seeking members for the "For" and "Against" committee for this purpose. The City received two responses, both seeking appointment to write a statement advocating for approval of the public safety funding measure.

Public Comment – None

Council Consideration – **MOTION:** By Councilmember Grassi, seconded by Mayor Pro Tem Figueroa, to adopt a resolution appointing persons to serve on the committees to draft the Voters' Pamphlet statements for and against the police funding measure.

The motion carried. (RESOLUTION NO. 757)

9. MAYOR'S REPORT

Mayor McCluskey reported on the following events: Veterans Memorial Plaza's fundraising; Grassi's ribbon cutting; Parks and Recreation Commission's presentation; AUSA meeting; and JBLM Commander's briefing.

At 7:07 p.m., **MOTION:** By Councilmember Grassi, seconded by Councilmember Belleci, to adjourn the business meeting of the City Council and recess to study session.

The motion carried.

The Council took a five-minute break and reconvened to study session at 7:20 p.m.

RECESS TO STUDY SESSION

10. 2015-2016 COUNCIL GOALS

The study session was facilitated by Dr. Lowell Kuehn who introduced the objective of this discussion. He reviewed the 2012-2014 Council Goals and asked each Councilmember to identify which accomplishment they are most proud of. The refinancing of the 2012 bonds was identified as most significant by most Councilmembers, followed by the progress made towards the redevelopment of the 27th Street Business District. Council's improved communication and collaboration efforts were also noted. Defining a goal as a "condition that will be better in the future," Councilmembers were asked to visualize their own legacy and what they would like the community to remember about them as a member of the City Council. Councilmembers shared their responses.

Dr. Kuehn then began the discussion on goal setting for 2015-2016 using the goal/vision model. The following is a summary of goals and priorities for 2015-2016:

1. A safer, more livable community
 - Undergrounding of utility poles, especially those along 27th Street
 - Work towards successful passage of Proposition 1
 - Add more sidewalks
2. Increase the community's economic viability
 - Redevelopment of the Narrows Plaza, Grandview Plaza and McGuire property
 - Re-evaluate zoning and consider a business park to make room for home-based business expansions
 - Diversify with zoning
 - Provide more access to water and views as strategy for improving desirability and attraction
3. Create a full-service, self-sufficient community
 - Sustain and improve current levels of service (UPTV, senior shuttle, city supported events, COLA)
4. Continue to embrace greater citizen trust and confidence
 - Improve communications with citizens especially in soliciting citizen input
5. Increase City's financial viability
 - Reduce debt by using one-time or extraordinary sources of revenues
 - Build City reserves through unspecified sources of revenues and dedicate for debt reduction

The remaining 2012-2014 goals are to be added to the above list with an "in progress" status.

(At 8:55 p.m., a motion was made and was carried to extend the meeting to 10:00 p.m.)

11. ADJOURNMENT

The meeting adjourned at 10:00 p.m. No other action was taken.

Submitted by,

Emy Genetia
City Clerk

**CITY OF UNIVERSITY PLACE
MINUTES
Regular Meeting of the City Council
Monday, May 19, 2014
City Hall, Windmill Village**

1. CALL REGULAR MEETING TO ORDER – MAYOR

Mayor McCluskey called the Regular Meeting to order at 6:31 p.m.

2. ROLL CALL AND PLEDGE OF ALLEGIANCE

Roll call was taken by the City Clerk as follows:

Councilmember Belleci	Present
Councilmember Grassi	Present
Councilmember Keel	Excused
Councilmember Nye	Present
Councilmember Worthington	Present
Mayor Pro Tem Figueroa	Present
Mayor McCluskey	Present

Staff Present: City Manager Sugg, City Attorney Victor, Executive Director/ACM Craig, Planning and Development Services Director Swindale, Paralegal Grover, Deputy Clerk Nicholas, Executive Director/ACM Faison, Principal Planner Briske, IT/Communications Manager Seesz, Police Chief Blair, and City Clerk Genetia.

MOTION: By Councilmember Grassi, seconded by Councilmember Belleci, to excuse the absence of Councilmember Keel.

The motion carried.

Mayor Pro Tem Figueroa led the pledge of allegiance.

3. APPROVAL OF MINUTES

MOTION: By Councilmember Belleci, seconded by Councilmember Grassi, to approve the minutes of October 12, 2013, January 17, 2014, April 7, 2014, April 14, 2014, April 21, 2014 and May 5, 2014 as submitted.

The motion carried.

4. APPROVAL OF AGENDA

MOTION: By Councilmember Belleci, seconded by Councilmember Grassi, to approve the agenda.

The motion carried.

5. PRESENTATIONS

Washington State House Representatives Green and Muri, together with Senator O'Ban of the 28th Legislative District, provided an update on the 2013 legislative session which included the issues of budget shortfall, education and transportation funding and other budget reforms. A Q&A session followed.

6. PUBLIC COMMENT – None.

7. COUNCIL COMMENTS/REPORTS

Councilmember Worthington reported on his attendance at the Solid Waste Advisory Committee.

Councilmember Belleci reported on her attendance at the Pierce County Regional Council meeting where amendments to the Pierce County Comprehensive Plan as it relates to the Urban Growth Area expansion options were discussed.

Councilmember Grassi expressed his gratitude to the citizens that donated money for the placement of flower baskets at the Cirque and Alameda roundabout.

8. CITY MANAGER'S REPORT

City Manager Sugg presented a status report on the City's year-to-date accomplishments. Among them are: Council's adoption of a resolution to place a 3.5% utility tax levy on the November ballot for citizen vote to address the impending public safety deficit; a \$2.5 million grant funded construction project underway for sidewalk and bike lanes on Bridgeport Way between Chambers Lane and 54th Street West; improvements to the north side of 27th Street West from Grandview Drive West to Bridgeport Way West including approximately 2,371 feet of storm drainage improvements, curbs, gutters, sidewalks, bike lanes, street lights, landscaping, and asphalt overlay; Chambers Creek Canyon Trail Interlocal with Pierce County and the City of Lakewood for the connection of trails and future trail and amenity development; and Town Center development progress.

9A-9B. CONSENT AGENDA

MOTION: By Councilmember Belleci, seconded by Councilmember Grassi, to approve the Consent Agenda as follows:

- A.** Receive and File: Payroll for the period ending 05-05-14, signed and dated 04/28/14, check nos. 317940 through 317950, and wires in the total amount of One Hundred Seventy-Seven Thousand Five Hundred Fifty-Two and 34/100 Dollars (\$177,552.34); Claims dated 04/30/14, signed 04/29/14, check nos. 50187 through 50307, check no. 50188 replacement of check no. 50033, check no. 50212 voided, in the total amount of Five Hundred Forty-Five Thousand Eight Hundred Sixty-Six and 94/100 Dollars (\$545,866.94).
- B.** Approve the final plat of Creek Vista, a 9-lot single family subdivision containing eight (8) proposed new homes and one (1) existing home located at the 9000 block of Chambers Creek Road West.

The motion carried.

COUNCIL CONSIDERATION

10. ZAYO FRANCHISE AGREEMENT

Staff Report - City Attorney Victor presented an ordinance that will grant Zayo Group, LLC a twenty-year franchise with the City. Zayo Group, LLC has applied for a franchise to install and maintain telephone infrastructure in certain portions of the City's right-of-way. He addressed the issue of utility undergrounding as it relates to this franchise.

Under State law, the City is precluded from charging a franchise fee. However, Zayo Group, LLC will be subject to permit fees and other administrative costs. He also noted that telephone communications are subject to utility tax. Zayo Group is a global provider of bandwidth infrastructure services.

Public Comment – None

Council Consideration – **MOTION:** By Mayor Pro Tem Figueroa, seconded by Councilmember Grassi, to pass an ordinance granting a twenty-year franchise to Zayo Group, LLC, to provide a telecommunications system within the City of University Place.

The motion carried. (ORDINANCE NO. 638)

11. MAYOR'S REPORT

Mayor McCluskey reported on the success of the recent National Day of Prayer event. She invited volunteers to the Volunteer Appreciation dinner. Mayor McCluskey also announced the upcoming Duck Daze parade, introduced SunFest, the new name for the City's annual festival event, and provided a 16th CAB update.

At 7:42 p.m., **MOTION:** By Councilmember Belleci, seconded by Councilmember Grassi, to adjourn the business meeting of the City Council and recess to study session.

The motion carried.

The Council took a five-minute break and reconvened to study session at 7:54 p.m.

RECESS TO STUDY SESSION

12. 2015-2016 COUNCIL GOALS

Dr. Kuehn reviewed and discussed the list of goals and outcomes identified by Council at its last meeting. Several Councilmembers proposed changes to the list and there was general discussion about some of the proposed changes. Dr. Kuehn suggested that Council create an additional goal of establishing benchmarks/performance measurements. However, he cautioned about time and resources being spent more on measuring than doing the work. He also cautioned against over quantifying. He stated that the new goals should be within the context of the previous 2013-2014 Council goals. Dr. Kuehn noted that there is a natural tendency to pit priorities against one another. He proceeded to identify categories of "high priority" issues:

- Mission critical
- Vision opportunity
- Easy
- Portal – achieving this goal makes it easier to achieve another goal.

From the list of new goals, he asked each Councilmember to identify three items that are their personal highest priority. After discussion, the following were ranked as Council's highest priorities:

- Implement voter mandate from Proposition No. 1;
- Identify sustainable funding source for street maintenance; and
- Continue to develop sub-area plan for Narrows Plaza.

13. ADJOURNMENT

The meeting adjourned at 9:15 p.m. No other action was taken.

Submitted by,

Emy Genetia
City Clerk

2015-2016 COUNCIL GOALS

1. A safer, more livable community
 - a. Improved parks and recreation
 - i. Continue to develop sustainable funding plan for parks and recreation
 - ii. Continue park improvements following adopted park capital improvement plan prioritization
 - iii. Continue work on Chambers Creek Trail
 - b. Better infrastructure
 - i. Add more sidewalks
 - ii. Identify sustainable funding source for street maintenance
 - c. More beautiful city
 - i. Explore feasibility of undergrounding utility poles
 - ii. Develop a gateway signage plan
 - d. Increase public safety
 - i. Respond to voter decision on Proposition 1 ballot measure
 - e. A full-service, self-sufficient community
 - i. Explore sustainable financing options for City events
 - ii. Develop long-range plan identifying community gaps in services, resources
2. Increased community economic vitality
 - a. Improved business climate
 - i. Continue to encourage redevelopment of downtown
 - ii. Continue revitalization strategy of 27th Street Business corridor including Grandview Plaza
 - iii. Develop sub-area plan for Narrows Plaza
 - iv. Review of city-wide zoning for economic development opportunities (e.g., waterfront and business park zoning)
 - v. Review EDC branding recommendations for possible next steps
3. Better financial conditions
 - a. Increased City financial viability
 - i. Enhance City's reserves
 - ii. Review policies for debt reduction
4. Greater citizen trust and confidence
 - a. Improved public understanding of Council initiatives
 - i. Adopt a Communications Strategy
 - ii. Develop opportunities for citizen feedback